



SANDS INVESTMENT GROUP
NET INVESTMENTS... NET RESULTS



Pizza Hut

2029 Pico Boulevard
Santa Monica, CA 90405

EXCLUSIVELY MARKETED BY:



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INVESTMENT SUMMARY

Sands Investment Group is Pleased to Exclusively Offer For Sale the Pizza Hut Located at 2029 Pico Boulevard in Santa Monica, CA. The Franchisee is Southern California Pizza Co., LLC, Which is the Largest Pizza Hut Franchisee in California & the 3rd Largest in the Pizza Hut System. They Operate 224 Pizza Hut Restaurants in the Greater Los Angeles Market. This Property Has a Recently Extended New 10 Year Lease Demonstrating the Tenant's Confidence in the Location. With Rare Annual 1.5% Increases and an Absolute Triple Net (NNN) Lease, This Deal Offers a Long-Term Secure Income Stream, Compounding Hedge Against Inflation With a Pandemic, Recession and an Internet Resistant Tenant.

OFFERING SUMMARY

| | |
|--------------|-------------|
| PRICE | \$1,290,880 |
| CAP | 3.75% |
| NOI | \$48,408 |
| PRICE PER SF | \$1,010.87 |

PROPERTY SUMMARY

| | |
|---------------|---|
| ADDRESS | 2029 Pico Boulevard Santa Monica, CA 90405 |
| COUNTY | Los Angeles |
| BUILDING AREA | 1,277 SF |
| LAND AREA | 0.11 AC |
| YEAR BUILT | 1970 |



HIGHLIGHTS

BEST OF CLASS INVESTMENT

- Long Term Lease - New 10 Year Lease Extension
- Absolute Triple Net (NNN) Lease With Zero Landlord Responsibilities
- Ideal 1031 Exchange Opportunity
- Rare Annual 1.5% Increases - Provides Strong Compounding Hedge Against Inflation
- Southern California Pizza Co., LLC is the Largest Pizza Hut Franchisee in California & the Third Largest in the Pizza Hut System, Operating 224 Pizza Hut Restaurants in the Greater Los Angeles Market
- The Tenant Recently Extended the Initial Term of the Lease Demonstrating Strong Confidence in This Location For the Long-Term Investment Outlook
- Tenant Has Resided at This Location Since 2009 Proving Its Long-Term Operating History

PANDEMIC, RECESSION & INTERNET RESISTANT TENANT

- Tenant Has Remained Open and is Paying Rent Throughout the COVID-19 Pandemic
- Takeout Only Concept Unaffected By Government Shutdown of Indoor Dining
- Early Lease Extension During Pandemic Demonstrates Strength of Concept and Operator

CORE INFILL SANTA MONICA LOCATION

- Generational Opportunity to Purchase Santa Monica Real Estate Under \$1.5 Million
- Located on the Intersection of Pico Boulevard & 21st Street Featuring Over 36,393 Vehicles Per Day
- Affluent Trade Area With an Average Household Income of Over \$131,111 Within a 5-Miles Radius
- Densely Populated Area With Over 532,652 People Within 5-Miles
- Located Across the Street From Santa Monica College With a Student Population of Over 30,000 and Adjacent to the Santa Monica Farmers Market Providing For a Built-In Customer Base
- Just 21 Blocks From the World-Famous Santa Monica Beach, Boardwalk and Pier
- Nearby Retailers Include: Burger King, Jiffy Lube, Rite Aid, Whole Foods Market, Baskin Robbins, Starbucks, McDonald's and More



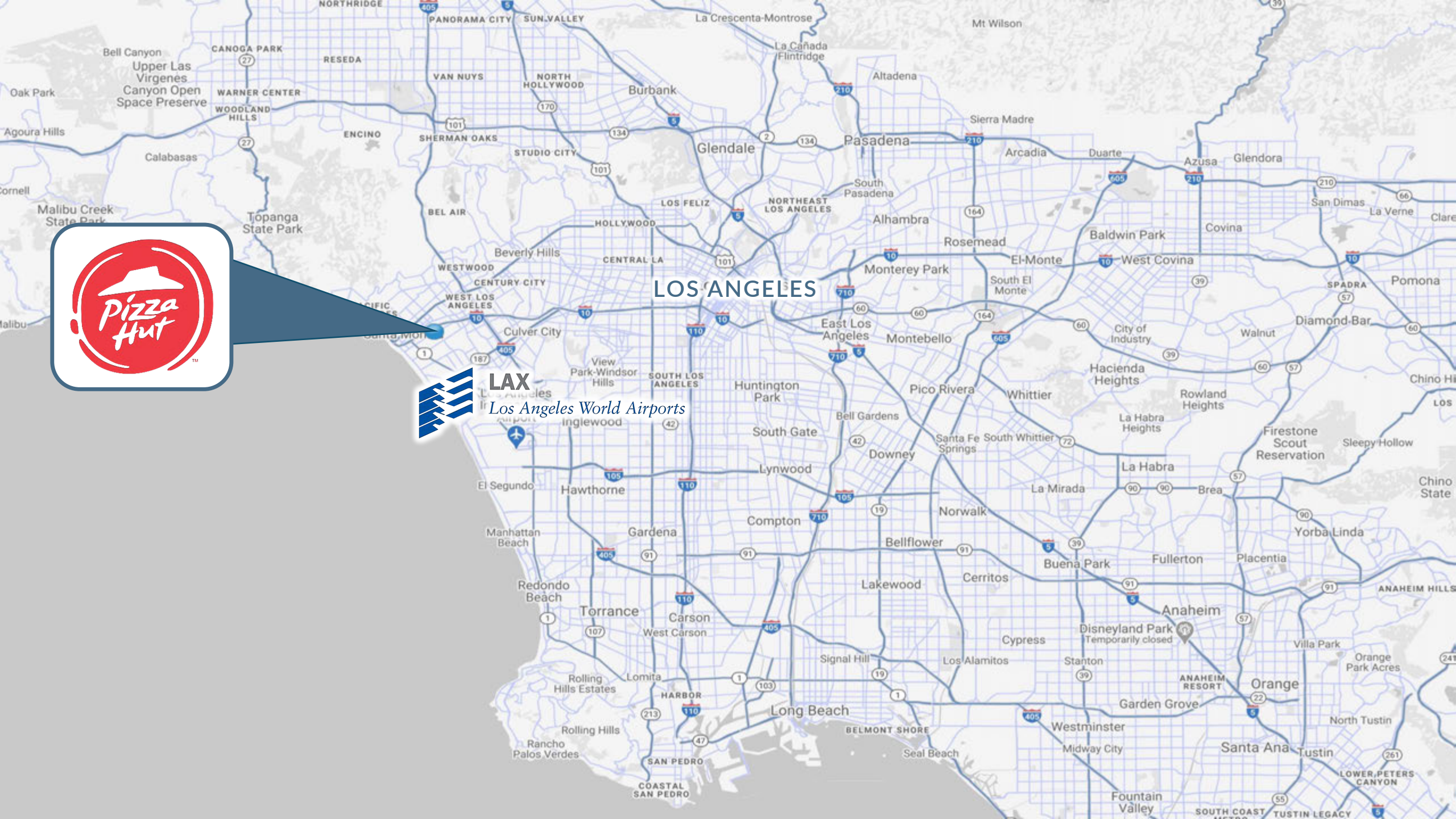
LEASE SUMMARY

| | |
|------------------------|--------------------------------------|
| TENANT | Pizza Hut |
| PREMISES | A Building of Approximately 1,277 SF |
| LEASE COMMENCEMENT | July 31, 2009 |
| LEASE EXPIRATION | February 28, 2031 |
| LEASE TERM | ~10 Years Remaining |
| RENEWAL OPTIONS | 3 x 5 Years |
| RENT INCREASES | 1.5% Annually |
| LEASE TYPE | Absolute Triple Net (NNN) |
| PERMITTED USE | Restaurant |
| PROPERTY TAXES | Tenant's Responsibility |
| INSURANCE | Tenant's Responsibility |
| COMMON AREA | Tenant's Responsibility |
| ROOF & STRUCTURE | Tenant's Responsibility |
| REPAIRS & MAINTENANCE | Tenant's Responsibility |
| HVAC | Tenant's Responsibility |
| UTILITIES | Tenant's Responsibility |
| RIGHT OF FIRST REFUSAL | Yes |

| SQUARE FOOTAGE | ANNUAL BASE RENT | RENT PER SF |
|-------------------|---------------------|----------------|
|-------------------|---------------------|----------------|

| | | |
|----------|----------|---------|
| 1,277 SF | \$48,408 | \$37.91 |
|----------|----------|---------|





LOS ANGELES



LAX
Los Angeles World Airports



VA Greater Los Angeles
Healthcare System

University High
School Charter



Pico Branch
Library



COMPUTER BUSINESS CENTER
Experts in Fixing Macs and PCs



SANTA
MONICA
COLLEGE



L MERIDIEN

Santa Monica
High School

bloomingdales
NORDSTROM

SUBWAY

GREY BLOCK PIZZA



Glass and Screens

Pico Boulevard



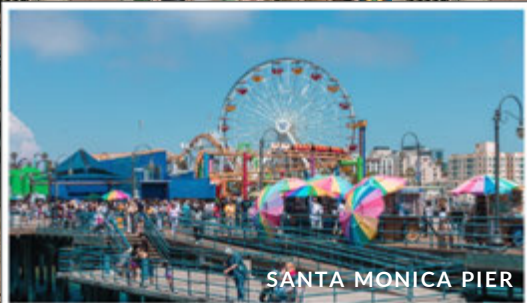
21st Street

SANTA MONICA | LOS ANGELES COUNTY | CA

The City of Santa Monica, bordered by the City of Los Angeles on three sides and by the Pacific Ocean on the west, encompasses an area slightly greater than eight square miles and serves a residential population of 92,357 making it the 19th largest of the 88 cities in Los Angeles County. Offering an environment of unparalleled natural beauty, the city is home to a mix of residential communities, commercial districts, and recreational venues. Santa Monica is only eight miles north of Los Angeles International Airport (LAX) and 13 miles from the heart of downtown Los Angeles, but feels worlds away from the hustle and bustle. There's no place on earth like Santa Monica, and with the beach, amazing culture, an award-winning school system, top-notch services, world-class farmers markets, and picture perfect weather, it's easy to see why the city is a great place to live, work, and play.

In the heart of Silicon Beach, Southern California's version of Silicon Valley, Santa Monica is home to the innovators, creators, and disruptors that shape our world. With a vibrant and diverse creative industries and tech sector, the city is home to a number of innovative companies spanning multiple industries, including information, professional, scientific and technical services, as well as arts, entertainment, and recreation. What makes Silicon Beach distinct is the confluence of the high-tech and entertainment industries, and the sector continues to grow. The health care and social assistance sector is also a major contributor to the city's economy and includes the city's largest employer, UCLA Medical Center, Santa Monica, as well as Berkeley East Convalescent Hospital and Providence St. John's Health Center. Hospitality and tourism is another major component of Santa Monica's economic engine and retail is also booming. Santa Monica - located at the heart of Silicon Beach-has more than 2,674 businesses involved in information, technology and tech-related services, arts, entertainment, and recreation, employing 28,903 people.

Santa Monica is more than an internationally recognized, award winning sustainability leader, rich with distinctive neighbourhoods, oceanfront views, gorgeous sunsets, thriving business community, and unparalleled shopping and dining. It is one of the best places in the world to play. The city has been named one of National Geographic's "Top Ten Beach Cities in the World": and for fun in the sun many start at the iconic Santa Monica State Beach. At 3.5 miles in length, there is plenty of room to sunbathe and play in the water or on land. Annenberg Community Beach House is another great stop with a children's play area, a historic pool, and the historic Marion Davies Guest House will take visitors to another time and place in California's history. The world-famous Santa Monica Pier is a must-see and draws tourists from around the world. The Mid-City/Bergamot Area is Santa Monica's furthest inland neighbourhood and is the area's arts and entertainment hub.



SANTA MONICA PIER

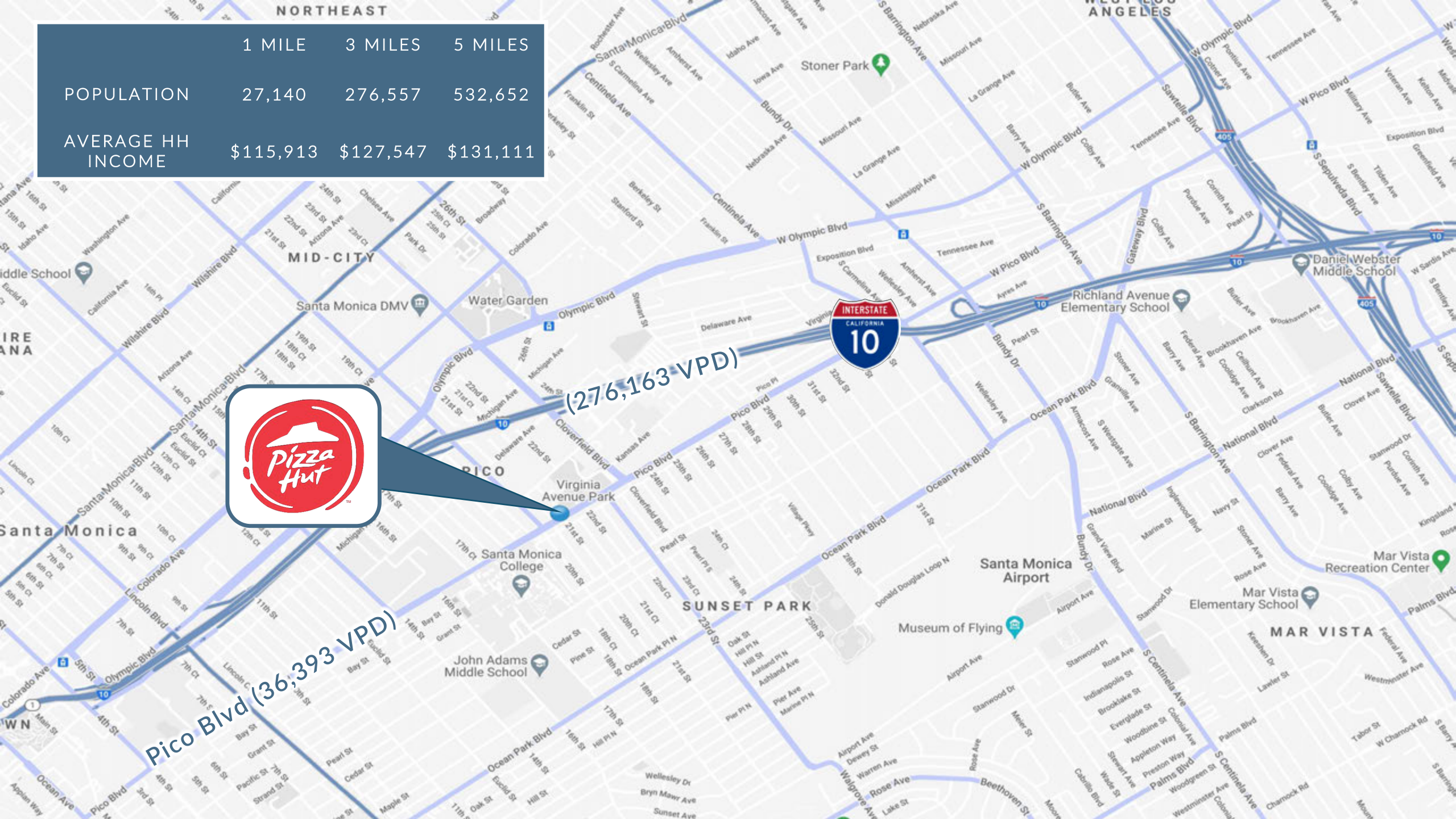


UCLA MEDICAL CENTER



SANTA MONICA, CA

| | 1 MILE | 3 MILES | 5 MILES |
|-------------------|-----------|-----------|-----------|
| POPULATION | 27,140 | 276,557 | 532,652 |
| AVERAGE HH INCOME | \$115,913 | \$127,547 | \$131,111 |



SOUTHERN CALIFORNIA PIZZA CO., LLC

FRANCHISEE PROFILE

Southern California Pizza, a Corona, California company organized by Sentinel and management, owns and operates 224 Pizza Hut restaurants in the greater Los Angeles market, and has rights to develop the Pizza Hut brand in this region.

In 2008, Sentinel acquired an initial block of 123 of restaurants in a corporate divestiture transaction from franchisor Pizza Hut, a subsidiary of Yum! Brands, Inc. This was Sentinel's third investment in the quick-service restaurant sector and its second in the Yum! Brands system. Sentinel's two prior quick-service restaurant investments—Border Foods, a Taco Bell franchisee (part of Yum! Brands), and Falcon Holdings, a Church's Chicken franchisee—were both successful. Sentinel made the acquisition through an investment in newly-formed Southern California Pizza Company.

In August 2009, Southern California Pizza acquired an additional 98 Pizza Huts in northern Los Angeles, making it the largest franchisee in California and the third largest in the Pizza Hut system, which operates more than 7,500 QSRs worldwide. Sentinel originated and sponsored the transaction, arranged the acquisition debt and provided equity financing from Sentinel Capital Partners III, L.P.

Sentinel Capital Partners also originated, sponsored and provided the private equity financing for the original formation of Southern California Pizza and structured and arranged debt financing for the acquisition.

In December 2012, after owning the business for more than four years and achieving substantially all of our investment objectives, Southern California Pizza was sold to another private equity firm. Under Sentinel's ownership, Southern California Pizza was transformed into a standalone business with its own management and corporate infrastructure from a regional group of stores tightly integrated into Pizza Hut's existing infrastructure. During this period, Southern California Pizza grew substantially and almost tripled its profitability. Southern California Pizza remains well positioned to continue growing under the leadership of its superb management team.

 [CLICK HERE TO LEARN MORE](#)

CONFIDENTIALITY AGREEMENT

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.





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