

BRAND NEW CONSTRUCTION

Single Tenant Absolute NNN Investment Opportunity



With Drive-Thru



110 Coolwater Lnq | Barstow, California

INLAND EMPIRE

REPRESENTATIVE PHOTO



SRS

NATIONAL
NET LEASE
GROUP

EXCLUSIVELY MARKETING BY



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INVESTMENT SUMMARY



SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in an absolute NNN leased, KFC investment property located in Barstow, CA. The tenant, RBD California Restaurants Limited, recently signed a brand new, long-term, 15-year lease with 4 (5-year) options to extend, demonstrating their commitment to the site. The lease features attractive rental increases in year 6 (10%) and year 11 (21%) during the initial term, and 10% increases at the beginning of each option period, steadily growing NOI and hedging against inflation. The lease is absolute NNN with zero landlord responsibilities making it an ideal, management free investment opportunity for a passive investor.

The subject property is located near the signalized, hard corner intersection of Coolwater Ln and E Main St. (50,000 VPD), the main retail corridor of Barstow, CA. The site benefits from nearby access to both Interstate-15 (80,000 VPD), a major north-south highway that runs from San Diego to the Canadian Border, and Interstate-40 (22,000 VPD), a major east-west highway that stretches from Barstow to North Carolina. Due largely in part to the commuter traffic, Barstow is one of the top markets in the nation for QSR performance, with multiple restaurants located on E Main St scoring in the 99th percentile for the nation (Del Taco, Popeye's, and Starbucks) (data from Placer.ai). The KFC will be equipped with a drive-thru, providing ease of access and convenience for customers. Stores with drive-thrus see significantly higher sales than those without. The site is surrounded by multiple apartment complexes, including Villa Vista Apartments (136 units), Sunrise Vista Apartments (156 units), and Sunset Pointe Apartments (144 units), providing a direct consumer base from which to draw. The property is also only 1 mile away from the Barstow Community Hospital. The 5-mile trade area is supported by a population of over 28,000 residents and 7,900 employees, with an average household income of \$66,220.

OFFERING SUMMARY



OFFERING

Pricing	\$2,875,000
Net Operating Income	\$115,000
Cap Rate	4.00%
Guaranty	Franchisee
Tenant	RBD California Restaurants Limited
d/b/a	KFC
Lease Type	Absolute NNN
Landlord Responsibilities	None
Sales Reporting	No

PROPERTY SPECIFICATIONS

Rentable Area	2,160
Land Area	0.61 Acres
Property Address	110 Coolwater Lane Barstow, California 92311
Year Built	2021
Parcel Number	0181-621-07-0000
Ownership	Fee Simple (Land & Building Ownership)

INVESTMENT HIGHLIGHTS



Brand New 15-Year Lease | Options to Extend | Rental Increases | Elite QSR Performance

- The tenant recently signed a brand new 15-year lease, with 4 (5-year) options to extend, demonstrating their long-term commitment to the site
- The lease features attractive rental increases in year 6 (10%) and year 11 (21%) during the initial term, and 10% increases at the beginning of each option period, steadily growing NOI and hedging against inflation
- Barstow is one of the top markets for QSR performance, with multiple restaurants scoring in the 99th percentile in the nation (data from Placer.ai)

Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for a passive investor

Interstate-40, Interstate-15 | Dual-Lane Drive-Thru | Surrounding Residential Consumer Base

- The subject property is located nearby direct access points to Interstate-40 (22,000 VPD) and Interstate-15 (80,000 VPD), 2 major U.S. Highways that connect Barstow, CA to the rest of the United States
- The site is equipped with a drive-thru, allowing for ease of access and convenience for customers
- KFC is surrounded by numerous multifamily housing complexes, providing a direct residential consumer base from which to draw

Demographics In 5-mile Trade Area

- Over 28,000 residents and 7,900 employees support the trade area
- \$66,220 average household income

PROPERTY OVERVIEW



Location



Barstow, California
San Bernardino County

Parking



There are approximately 13 parking spaces on the owned parcel.
The parking ratio is approximately 6.19 stalls per 1,000 SF of leasable area.

Access



Coolwater Lane: 2 Access Point(s)

Parcel



Parcel Number: 0181-621-07-0000
Acres: 0.61
Square Feet: 26,700

Traffic Counts



National Trails Highway: 13,500 Vehicles Per Day
Interstate 15: 50,000 Vehicles Per Day

Construction



Year Built: 2021

Improvements

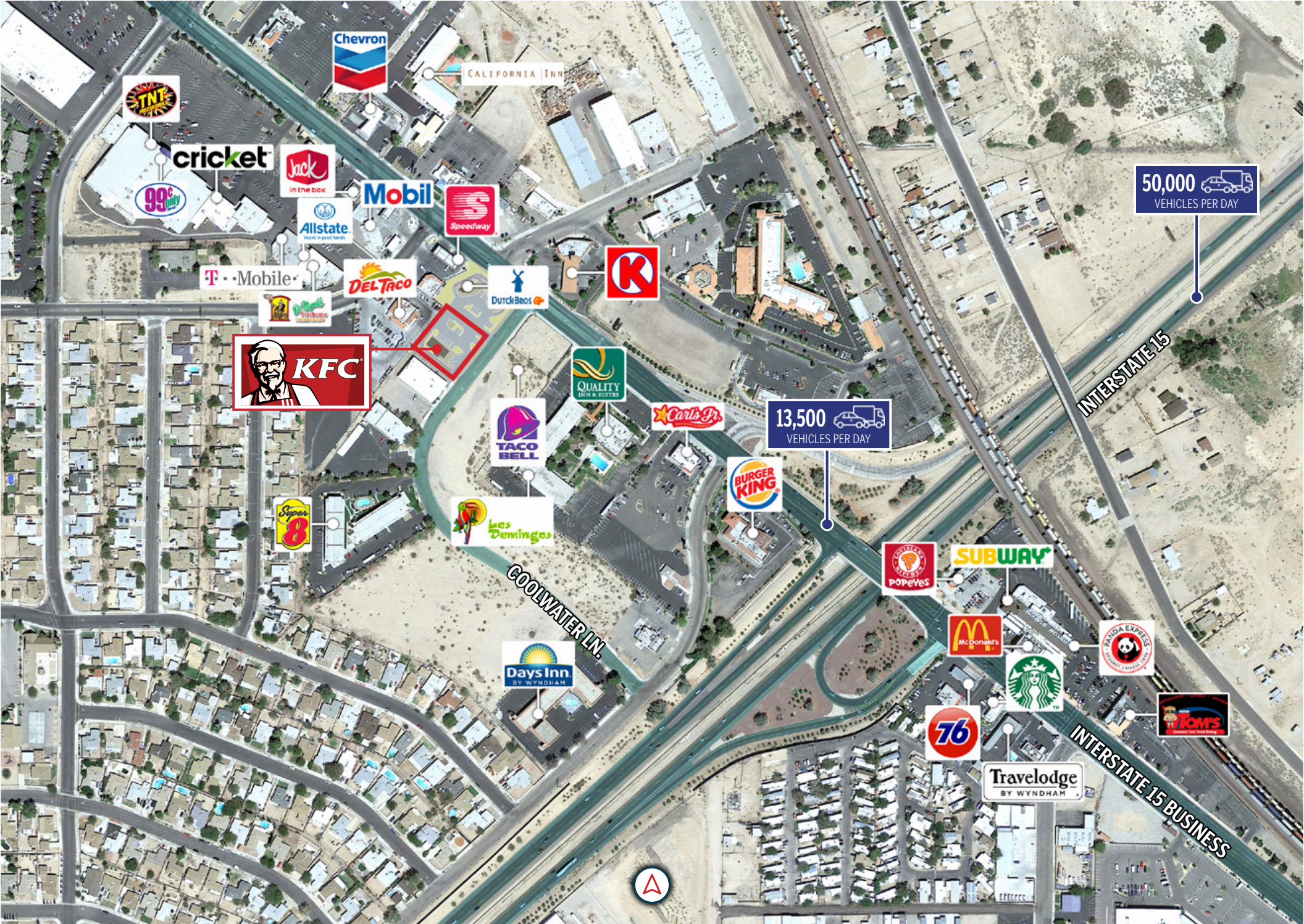


There is approximately 2,160 of existing building area

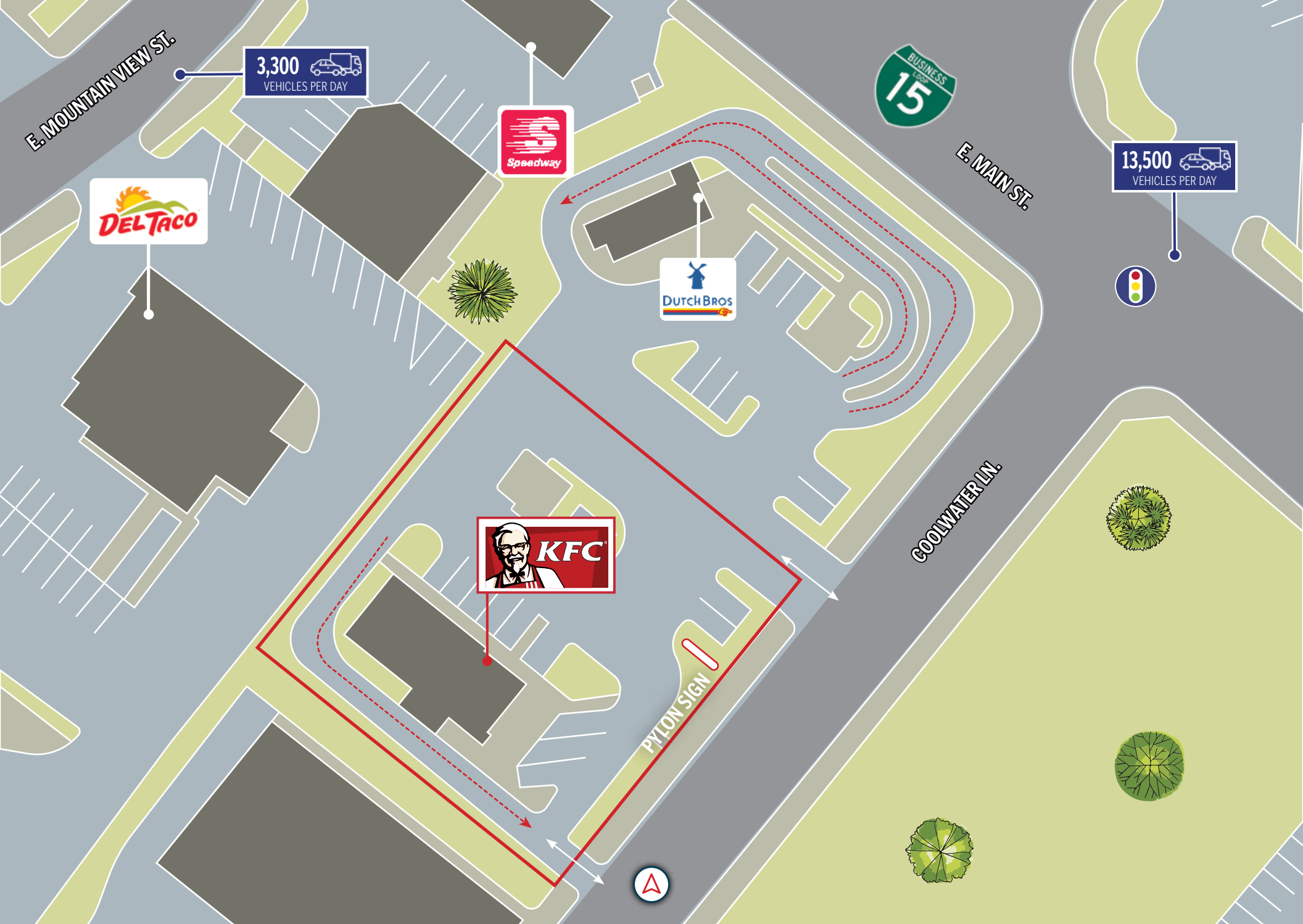
Zoning



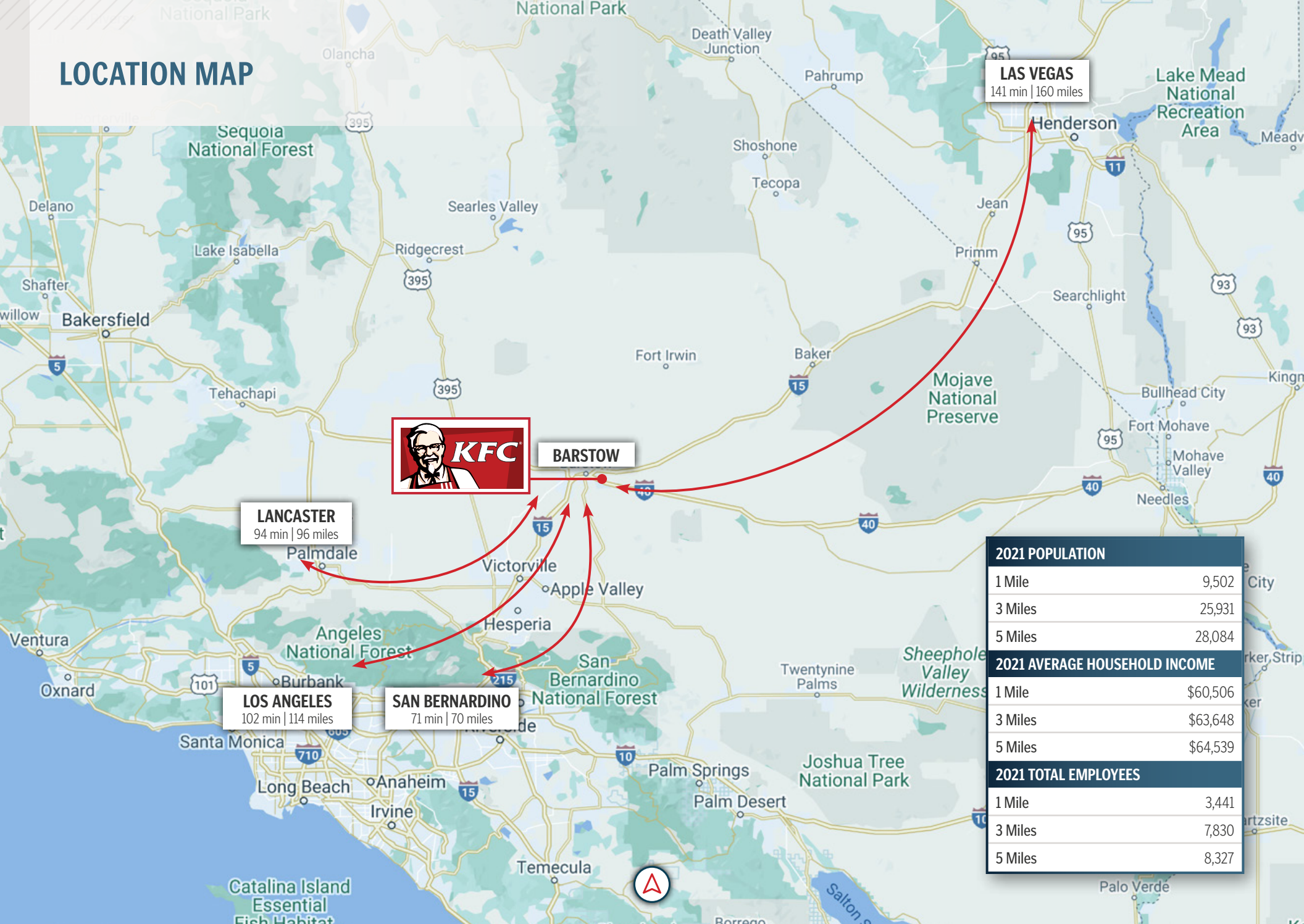
C-Commercial







LOCATION MAP



AREA OVERVIEW



BARSTOW, CALIFORNIA

The City of Barstow, incorporated in 1947, is located in the northern part of the County of San Bernardino. The City of Barstow currently occupies a land area of about 40 square miles. The City of Barstow had a population of 23,585 as of July 1, 2021.

Major industries located within the government's boundaries or in close proximity include major military installations including both military and civilian personnel; national defense contractors; transportation and rail firms; and numerous educational and financial institutions. Irrigated agriculture and the mining of agate, jasper, copper, and salt supplement the economy. At this time, City management remains optimistic the economy is continuing to improve as evidenced in the growth.

Public education is provided by Barstow Unified School District and has eight elementary schools, one intermediate school, one middle school, one junior high school, two high schools and one adult evening school. There are two private elementary schools within the community as well. Barstow Community College offers community college courses for those seeking to go onto a four-year degree program as well as those seeking further education in trade-specific fields.

Barstow has a number of museums: Mojave River Valley Museum, Route 66 Mother Road Museum, the Western America Rail Museum, and the Desert Discovery Center. The Old Woman meteorite, the largest meteorite found in California and the second largest in the United States, is housed in the Desert Discovery Center. Barstow has two main parks: the Barstow Skate Park, a 12,000 square-foot skate park, and the Robert A. Sessions Memorial Sports park, which includes six lighted ball fields, three soccer fields, volleyball courts, batting cages as well as basketball courts. The Robert A. Sessions Memorial Sports park also plays host to regional softball tournaments.

AREA DEMOGRAPHICS



	1 MILE	3 MILES	5 MILES
POPULATION			
2021 Estimated Population	9,502	25,931	28,084
2026 Projected Population	9,694	26,476	28,646
2010 Census Population	9,105	24,969	27,116
Projected Annual Growth 2021 to 2026	0.40%	0.42%	0.40%
Historical Annual Growth 2010 to 2021	0.35%	0.32%	0.29%
HOUSEHOLDS & GROWTH			
2021 Estimated Households	3,340	9,246	10,012
2026 Projected Households	3,409	9,440	10,213
2010 Census Households	3,191	8,849	9,609
Projected Annual Growth 2021 to 2026	0.41%	0.42%	0.40%
Historical Annual Growth 2010 to 2021	0.38%	0.37%	0.35%
RACE & ETHNICITY			
2021 Estimated White	52.50%	56.74%	58.19%
2021 Estimated Black or African American	15.54%	13.10%	12.46%
2021 Estimated Asian or Pacific Islander	2.74%	3.66%	3.62%
2021 Estimated American Indian or Native Alaskan	2.30%	2.08%	2.10%
2021 Estimated Other Races	23.67%	21.67%	21.50%
2021 Estimated Hispanic	52.41%	49.54%	49.44%
INCOME			
2021 Estimated Average Household Income	\$60,506	\$63,648	\$64,539
2021 Estimated Median Household Income	\$43,246	\$48,720	\$49,638
2021 Estimated Per Capita Income	\$21,879	\$22,748	\$23,031
BUSINESSES & EMPLOYEES			
2021 Estimated Total Businesses	334	756	798
2021 Estimated Total Employees	3,441	7,830	8,327



RENT ROLL



LEASE TERM						RENTAL RATES					
TENANT NAME	SQUARE FEET	LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
RBD California Restaurants Limited	2,160	Q4 2021	15 Years		-	\$9,583	\$4.44	\$115,000	\$53.24	Abs. NNN	4 (5-Year)
d/b/a KFC				Year 6	10.00%	\$10,542	\$4.88	\$126,500	\$58.57		10% Increase at Beg. of Each Option Period
Tenant has 20-Day Right of First Refusal				Year 11	21.00%	\$12,755	\$5.91	\$153,065	\$70.86		

FINANCIAL INFORMATION

Price	\$2,875,000
Net Operating Income	\$115,000
Cap Rate	4.00%
Lease Type	Absolute NNN

PROPERTY SPECIFICATIONS

Year Built	2021
Rentable Area	2,160
Land Area	0.61 Acres
Address	110 Coolwater Lane Barstow, California 92311



For financing options and loan quotes:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com

BRAND PROFILE



KFC

kfc.com

Company Type: Subsidiary

Locations: 24,000+

Parent: Yum! Brands

2020 Employees: 38,000

2020 Revenue: \$5.65 Billion

2020 Net Income: \$904.00 Million

2020 Assets: \$5.85 Billion

Credit Rating: S&P: BB

KFC, a subsidiary of Yum! Brands, Inc. (NYSE: YUM.), is a global chicken restaurant brand with a rich, decades-long history of success and innovation. It all started with one cook, Colonel Harland Sanders, who created a finger lickin' good recipe, a list of secret herbs and spices scratched out on the back of the door to his kitchen. Today KFC still follows Colonel Sanders' formula for success, with real cooks breading and freshly preparing delicious chicken by hand in more than 24,000 restaurants in over 145 countries and territories around the world including more than 600 locations right here in Canada. The company also franchises its restaurants. KFC Corporation was founded in 1952 and is based in Louisville, Kentucky.



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NET LEASE
GROUP

THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM OF SRS REAL ESTATE PARTNERS

275+

RETAIL
PROFESSIONALS

25+

OFFICES

#1

LARGEST REAL ESTATE
SERVICES FIRM
in North America
exclusively dedicated
to retail

1.7K+

RETAIL
TRANSACTIONS
company-wide
in 2020

500+

NET LEASE
PROPERTIES SOLD
in 2020

\$1.9B

NET LEASE
TRANSACTION VALUE
in 2020

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