

# EXCLUSIVELY MARKETED BY:



DAN HOOGESTEGER
Lic. # 01376759
310.853.1419 | DIRECT
dan@SIGnnn.com



TYLER RILEY
Lic. # 02121412

424.265.5114 | DIRECT
triley@SIGnnn.com

11900 Olympic Blvd, Suite 490 Los Angeles, CA 90064 844.4.SIG.NNN www.SIGnnn.com

n Cooperation With Sands Investment Group, Inc Lic. #01768950



INVESTMENT OVERVIEW

Investment Summary Investment Highlights

LEASE ABSTRACT

Lease Summary Rent Roll PROPERTY OVERVIEW

Property Images Location, Aerial & Retail Maps AREA OVERVIEW

City Overview Demographics

TENANT OVERVIEW

Tenant Profile

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# INVESTMENT SUMMARY

Sands Investment Group is Pleased to Exclusively Offer For Sale the Brand-New Free-Standing Habit Burger Grill Drive-Thru Located at the Signalized Corner of Francisquito Avenue & Maine Avenue in the Heart of Baldwin Park, CA. The Habit Burger Grill Operates Over 300 Locations and Was Recently Acquired By Yum! Brands in March of 2020. Yum! Brands, Inc. is the World's Largest Restaurant Company, and Has Over 50,000 Locations in Over 145 Countries. This Property Has a New 10 Year Lease Term Featuring a 10% Increase in Year 6 and at Each Option Period Providing a Strong Hedge Against Inflation. Situated Directly Across the Street From a 220,000 SF Retail Center Anchored By Target, Food 4 Less, Party City, Bob's Furniture & More, This Truly is a Trophy Asset With a Destination Location. With an NNN Ground Lease Structure, This Investment Offers a Long-Term Secure Income Stream, With a Pandemic, Recession and an Internet Resistant Tenant.

### OFFERING SUMMARY

PRICE \$5,333,000

CAP 3.75%

NOI \$200,000

GUARANTOR The Habit Restaurants, LLC

### PROPERTY SUMMARY

ADDRESS 13621 Francisquito Avenue

Baldwin Park, CA 91706

COUNTY Los Angeles

BUILDING AREA 1.616 SF

LAND AREA 0.521 AC

YEAR BUILT 2021



# HIGHLIGHTS

### **BEST IN CLASS INVESTMENT**

- New 10 Year NNN Ground Lease Zero Landlord Responsibilities
- Strong Rental Increases 10% Every 5 Years Providing Hedge Against Inflation
- The Habit Burger Operates Over 300 Locations and Was Recently Acquired by Yum! Brands
- Drive-Thru Location With a Large 500+ Square Foot Patio
- Free Standing Building Free & Clear of CC&Rs & Restrictions Provides Flexibility to an Owner & Potential Upside in the Future

### PANDEMIC, RECESSION & INTERNET RESISTANT TENANT

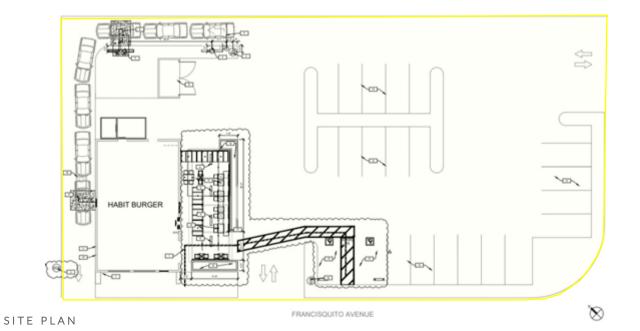
- New Lease Commenced & Store Opening During Pandemic Demonstrating Strength of Concept and Tenant
- Drive-Thru Window & Large Outdoor Patio Seating Area -Protects Business Against Future Potential Lockdowns
- Yum! Brands, Inc is the World's Largest Restaurant Company Operating Over 50,000 Locations in 145 Locations

- Year Over Year Sales Increased By More Than 30% in Q2 2021
   For The Habit Burger Grill
- App & Web Order Sales Increased Significantly For The Habit Burger in 2020 Proving Its Sustainability in a Pandemic

### CORE INFILL BALDWIN PARK LOCATION

- Located Directly Across the Street From a 220,000 SF Retail Center Anchored By Target, Food 4 Less, Party City, Bob's Furniture and More
- Urban Los Angeles Location Featuring Close Proximity to Both the 10 & 605 Freeways
- Extremely Dense Population Base Over 231,882 People Within a 3-Mile Radius
- High Income Demographics Average Household Income Over \$84,282 Within a 3-Mile Radius
- Strong Traffic Counts Over 52,260 Vehicles Per Day at the Intersection of Francisquito Avenue and Baldwin Park Blvd

# RENDERING IMAGES



## LEASE SUMMARY

TENANT The Habit Restaurants, LLC

PREMISES A Building of Approximately 1,616 SF

LAND AREA 0.521 Acres

ANNUAL BASE RENT \$200,000

LEASE COMMENCEMENT Est. November 10, 2021

LEASE EXPIRATION Est. November 30, 2031

LEASE TERM 10 Years

RENEWAL OPTIONS 3 x 5 Years

RENT INCREASES 10% Every 5 Years

LEASE TYPE Absolute Triple Net (NNN) Ground

USE Restaurant

PROPERTY TAXES Tenant's Responsibility

INSURANCE Tenant's Responsibility

COMMON AREA Tenant's Responsibility

ROOF & STRUCTURE Tenant's Responsibility

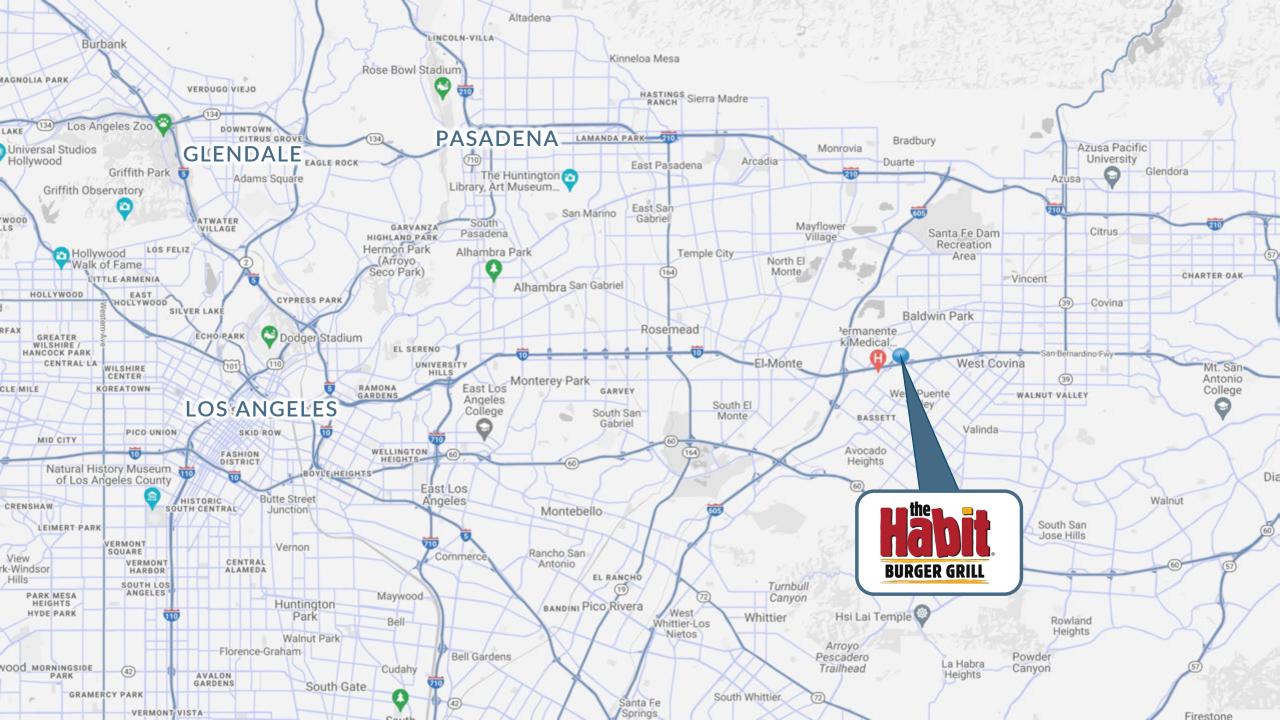
REPAIRS & MAINTENANCE Tenant's Responsibility

HVAC Tenant's Responsibility

UTILITIES Tenant's Responsibility

No

RIGHT OF FIRST REFUSAL







### BALDWIN PARK | LOS ANGELES COUNTY | CA

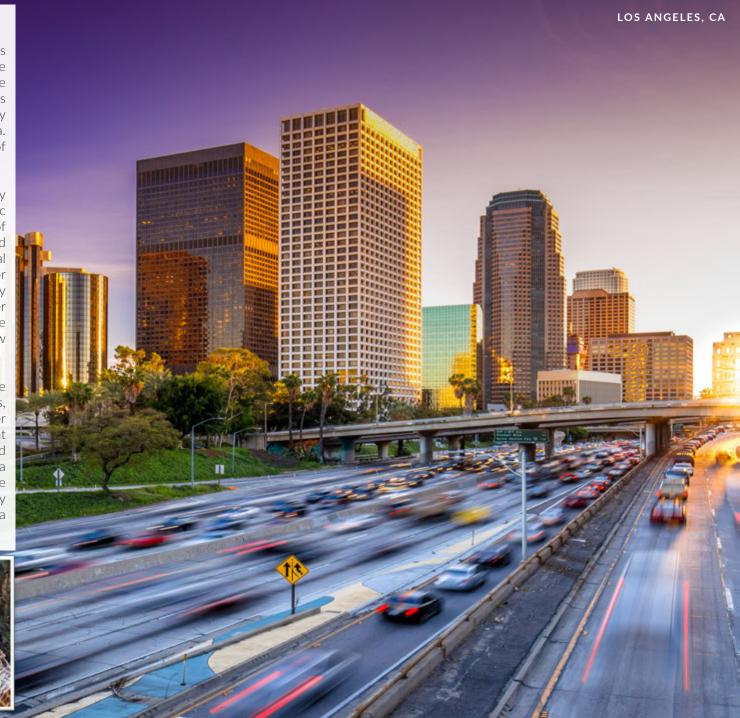
Baldwin Park is a city located in the central San Gabriel Valley region of Los Angeles County, California. The City is located 17 miles east of Los Angeles, in the center of the San Gabriel Valley, and shares common boundaries with the cities of El Monte to the west, West Covina to the east and south and Irwindale to the north. The City occupies 6.7 square miles. Freeways serving the city are Interstate-10 and Interstate-605. The city was incorporated in 1956, becoming the 47th incorporated city in the State of California. The current population of Baldwin Park, California is 74,609 based on our projections of the latest US Census estimates.

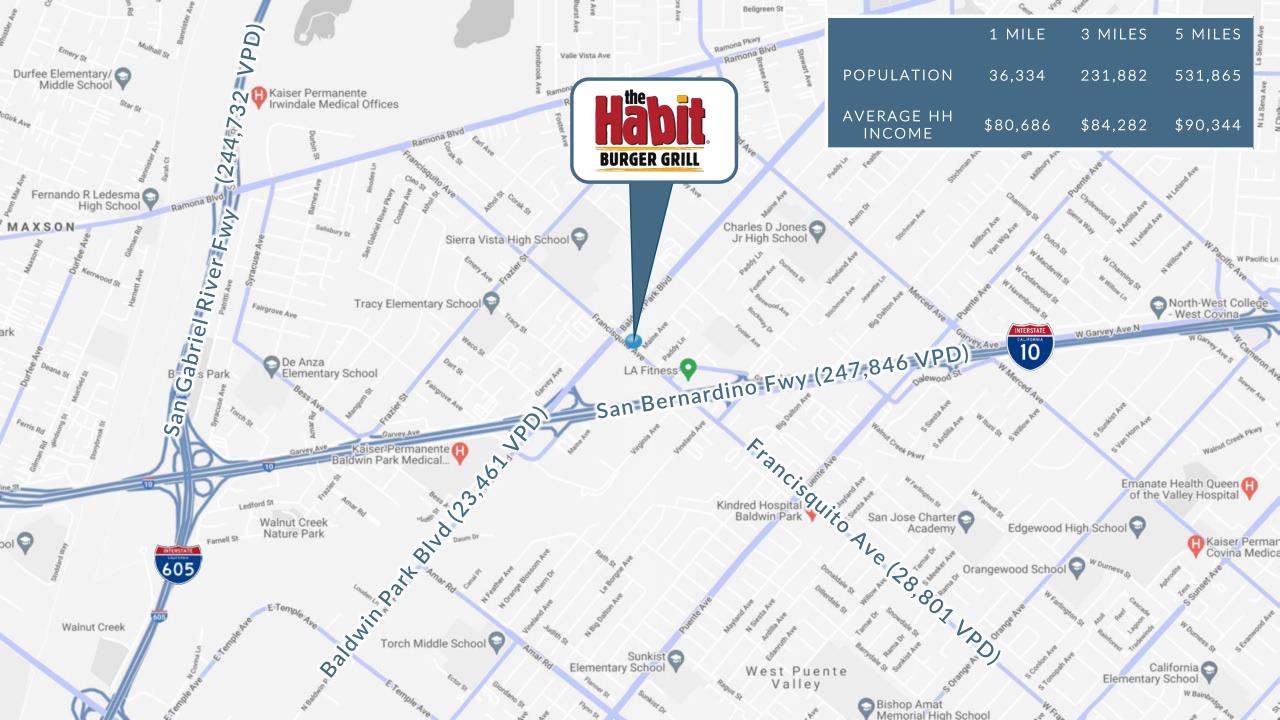
The City of Baldwin Park is in a period of progressive growth with a business friendly attitude toward attracting and retaining quality businesses that will solidify its economic base. The City also has multiple retailers and restaurants solidifying the economic base of the city and demonstrating a healthy balance of corporate, regional and locally-owned tenants. Key Industries include Transportation, Protective Services, Personal Care/Services, Office Support, Construction, Food Prep and Management. Major businesses include Home Depot, Wal-Mart, Nichols Lumber & Hardware, Harley Davidson, United Parcel Service, Inc., Target, In-N-Out Burgers, Marriott Hotel, Kaiser Permanente, a non-profit medical group, operates a hospital and medical center in the City. Baldwin Park's Northern Industrial Area supports industrial businesses, and Arrow Highway is a heavily travelled thoroughfare.

The Baldwin Park Historical Society Museum holds more than 1,000 representative artifacts for the period from 1850 to 1950, including area maps, agricultural artifacts, radios, clothing, and phonographs. Summertime in Baldwin Park brings free outdoor musical entertainment during the annual Summer Concert in the Park Series, held at Morgan Park. Baldwin Park's close proximity to Los Angeles and also to Anaheim (located 28 miles to the south) allows visitors quick access to several major Southern California attractions. Some of these are: Hollywood Bowl, Los Angeles Zoo, Aquarium of the Pacific, Paramount Film and TV Studio, Universal Studios, Catalina Island, Knott's Berry Farm, Disneyland, Warner Bros. Studios, Arboretum of Los Angeles County, California Science Center and Grauman's Chinese Theater.









# TENANT PROFILE

The Habit Burger Grill is an American fast casual restaurant chain that specializes in charbroiled hamburgers. The Habit is a burger-centric fast-casual restaurant that offers the unique flavors of chargrilling over an open flame in a variety of freshly made and flavorful award-winning burgers, sandwiches, salads and more. From our humble beginning in Santa Barbara, California, in 1969 to close to 300 The Habit Burger Grill restaurants in communities across the country and internationally today, we have always continued to operate under the same simple philosophy: always deliver high-quality food and great service at reasonable prices.

In March 2020, Yum! Brands, the parent company of Pizza Hut, Taco Bell, and KFC, acquired The Habit. Yum! Brands, Inc., based in Louisville, Kentucky, has over 51,000 restaurants in more than 150 countries and territories, operating the Company's brands – KFC, Pizza Hut and Taco Bell – global leaders of the chicken, pizza and Mexican-style food categories. Yum! Brands was included on the 2021 Bloomberg Gender-Equality Index. In 2020, Yum! Brands was named to the Dow Jones Sustainability Index North America and was ranked among the top 100 Best Corporate Citizens by 3BL Media.

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# 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.



