



5961 LONE TREE WAY | BRENTWOOD, CA
OFFERING MEMORANDUM



EXCLUSIVELY OFFERED BY:

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**CUSHMAN &
WAKEFIELD**

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NET LEASE INVESTMENTS

NNN FITNESS



Smart & Final.
KOHL'S
Michael's Where Creativity Happens
IN-N-OUT BURGER

NEW HOUSING DEVELOPMENT:
PARK RIDGE (525 SINGLE FAMILY HOME)

TARGET **BARNES & NOBLE** **BED BATH & BEYOND** **Pier 1 imports**
Starbucks **dressbarn** **PANDA EXPRESS** **Minis Cafe** **MEN'S SHIRT HOUSE**

41,900 CARS PER DAY

Lowe's

74,600 CARS PER DAY

24 HOUR FITNESS

PROPOSED EBART TRANSIT STATION

CA STATE ROUTE 4

JEFFERY WAY

LONE TREE WAY



EXECUTIVE SUMMARY

TENANT:	24 Hour Fitness
LOCATION:	5961 Lone Tree Way Brentwood, CA 94513
APN:	019-020-077
BUILDING SIZE:	~38,300 square feet
LAND SIZE:	~3.03 acres
YEAR BUILT:	2021
RENT COMMENCEMENT:	May 17, 2021
PRIMARY TERM EXPIRATION:	May 31, 2036
REMAINING LEASE TERM:	15 years
OPTIONS:	Three (3) five (5) year options
INCREASES:	10% every 5 years
LEASE TYPE:	Absolute NNN



BRAND NEW
CONSTRUCTION
15 YR
NNN LEASE



BAY AREA MSA LOCATION
EXTREMELY RARE



HIGH TRAFFIC
LOCATION
74K+ ADT
FOR CA STATE ROUTE 4



EXCEPTIONAL
DEMOGRAPHICS

188K+

RESIDENTS 5 MILE RADIUS



FIXED RENTAL
INCREASES

10%

EVERY 5 YEARS



PRICE
\$15,860,870



CAP RATE
5.75%



NOI
\$912,000



PRIME BAY AREA FREEWAY ON/OFF RAMP LOCATION

BRAND NEW 2021 CONSTRUCTION IN THE NEW SHOPS AT LONE TREE PLAZA CENTER

NEW 15-YEAR ABSOLUTE NNN LEASE

CORPORATE GUARANTEE BY 24 HOUR FITNESS USA, LLC

10% RENT INCREASES EVERY 5 YEARS:

- Provides a hedge against inflation

LOCATED ON CALIFORNIA STATE ROUTE 4 (74,600 ADT) AND LONE TREE WAY (41,900 ADT)

EXCEPTIONAL DEMOGRAPHICS:

- Over 188,200 residents within 5 miles and average household income of \$136,804 within 1 mile

INVESTMENT HIGHLIGHTS



CHASE

Wendy's

BUFFALO WILD WINGS

TACO BELL

24 HOUR FITNESS

7-ELEVEN

74,600 CARS PER DAY

Actual Property



INVESTMENT HIGHLIGHTS

DOMINANT RETAIL CORRIDOR WITH NOTABLE TENANTS:

- Home Depot, Lowe's Home Improvement, Target, Best Buy, BevMo, Hobby Lobby, and Kohl's

NOTABLE POINTS OF INTEREST:

- 2 miles east of Deer Valley High School (~2,156 students)
- 2 miles southwest of Freedom High School (~2,643 students)
- 3 miles northeast of Kaiser Permanente Antioch Medical Center, a 150-bed acute care hospital offering a wide variety of primary and specialty services



Actual Property

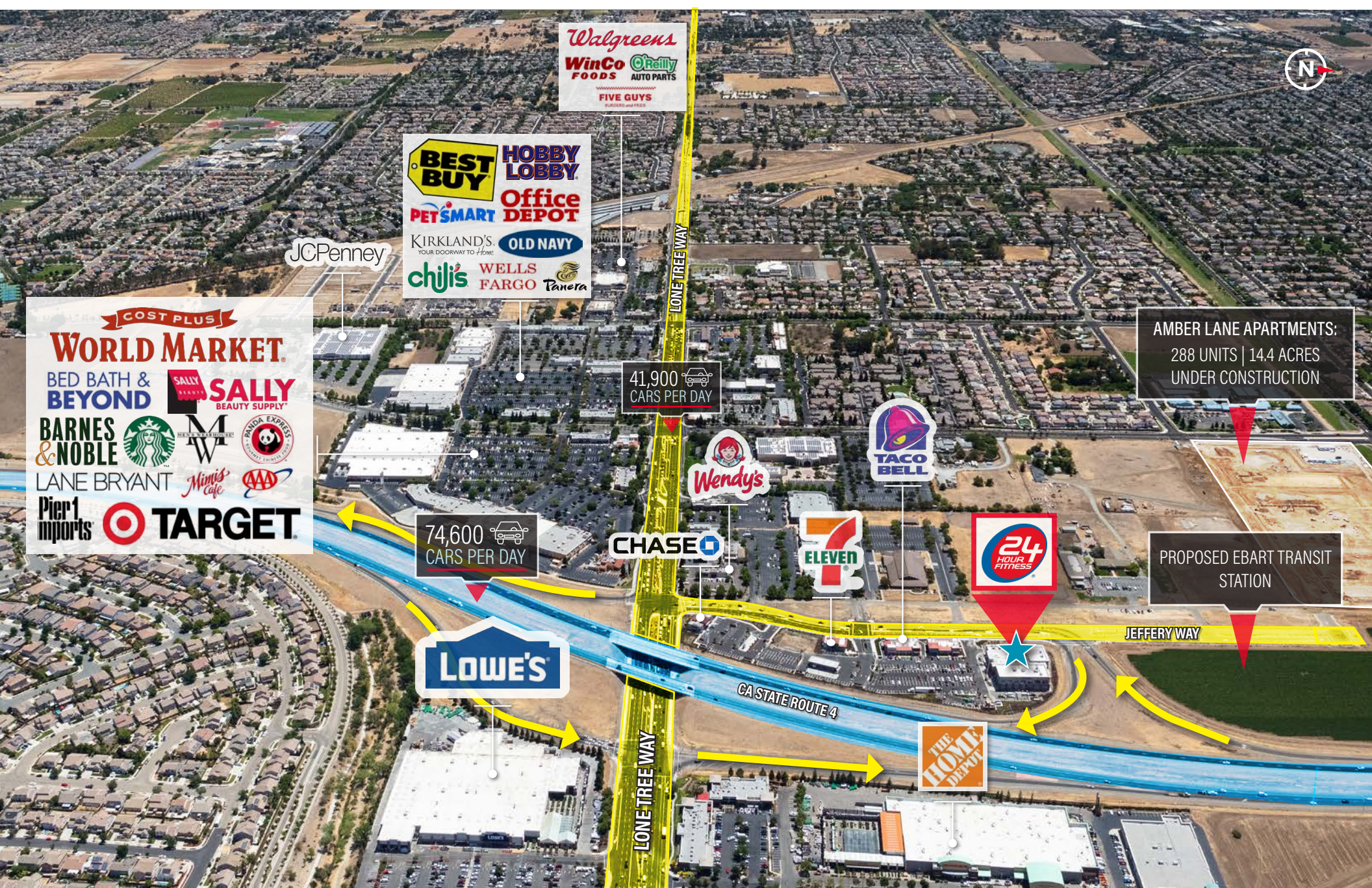
SURROUNDING RETAIL (NORTH VIEW)



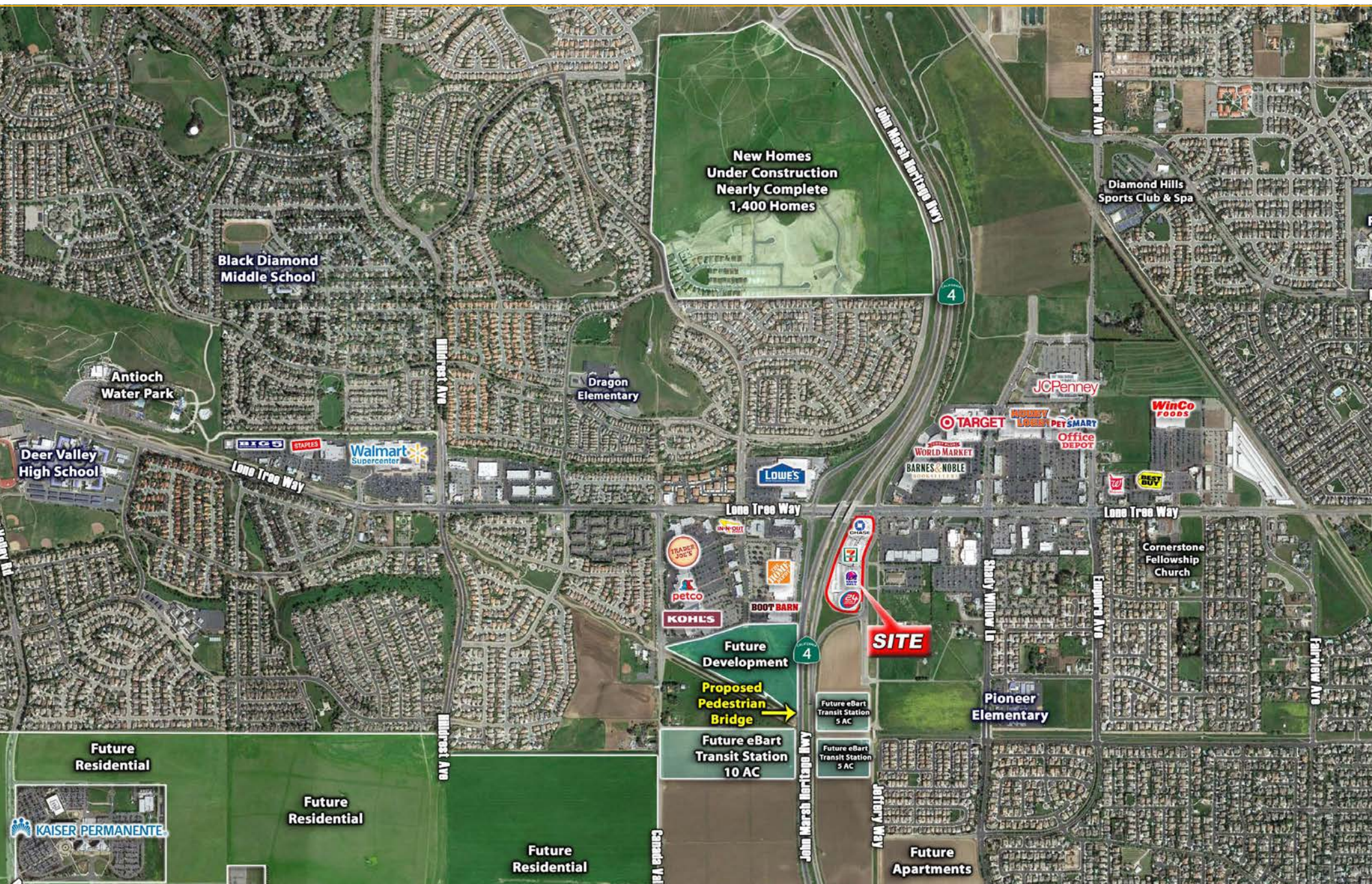
SURROUNDING RETAIL (WEST VIEW)



SURROUNDING RETAIL (EAST VIEW)



TRADE AREA OVERVIEW



SURROUNDING RETAILERS



SHOPS AT LONE TREE PLAZA

Prime 7.5 Acre infill development site located at the southeast corner of SR 4 & Lone Tree Way

CHASE



SURROUNDING RETAIL (CLOSE VIEW)





PROPERTY
PHOTOS





24 Hour Fitness USA, LLC

2018 REVENUE (\$ BIL)	\$1.51
# OF LOCATIONS (2018)	>420
# OF EMPLOYEES (2018)	22,000+

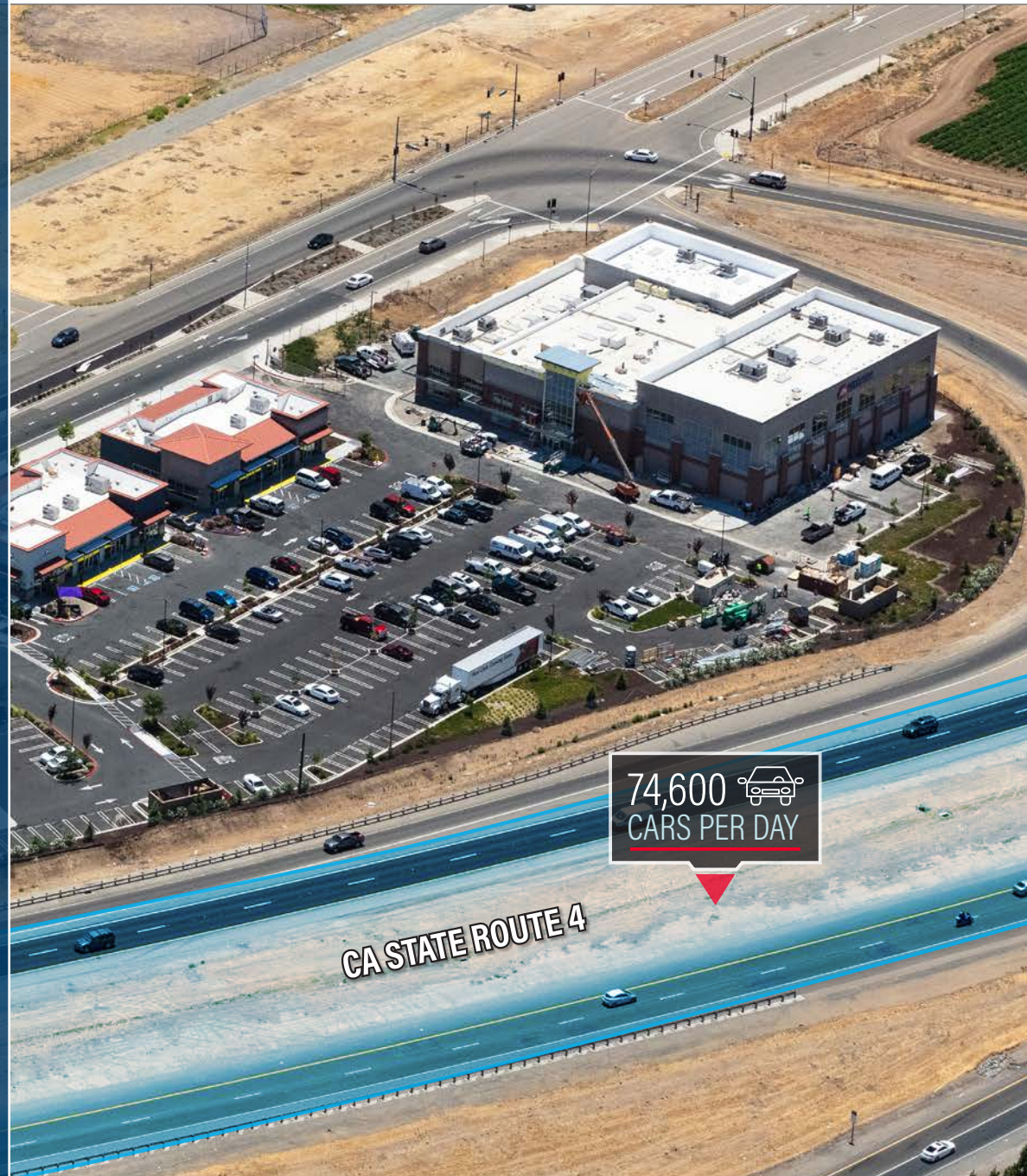
Headquartered in San Ramon, Calif., 24 Hour Fitness is a leading health club industry pioneer, serving nearly 4 million members in more than 420 clubs in 13 states across the U.S. For 35 years, the company has been dedicated to helping members change their lives and reach their individual fitness goals. With convenient club locations, personal training services, popular group exercise classes and a variety of strength, cardio and functional training equipment, 24 Hour Fitness offers fitness solutions for everyone.

According to Club Industry, 24 Hour Fitness ranks 3rd in its Top 100 Health Clubs of 2019 list with a 4.8% increase in revenue year-over-year.

<https://www.24hourfitness.com/>

<https://www.clubindustry.com/top-100/club-industry-s-top-100-health-clubs-2020>

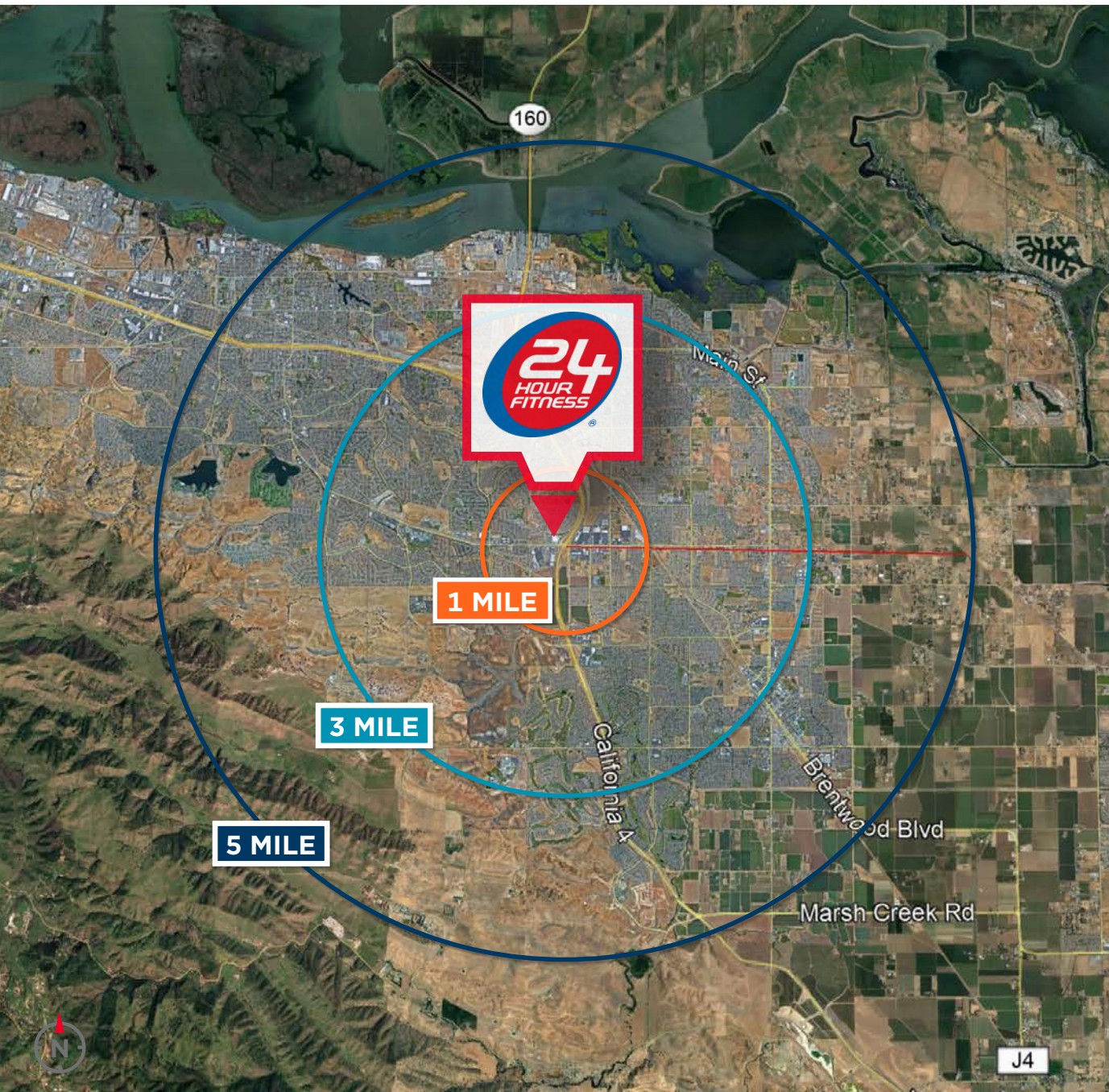
TENANT PROFILE



74,600 
CARS PER DAY

CA STATE ROUTE 4

DEMOGRAPHICS - 2019



DAYTIME POPULATION

110K+
3 MILE RADIUS



AVERAGE HH
INCOME

\$125K+
3 MILE RADIUS

DAYTIME POPULATION

1 MILE	3 MILE	5 MILE
10,330	110,660	188,209

AVERAGE HH INCOME

1 MILE	3 MILE	5 MILE
\$136,804	\$125,016	\$116,434

BRENTWOOD, CALIFORNIA

The city of Brentwood is a growing suburban community that has experienced rapid population growth since the early 1990's. Attractive neighborhoods, quality public schools, and affordable housing have contributed to the city's desirability as a place to live and raise a family. While no longer a strictly rural community, Brentwood has retained the historic character of its downtown, is bordered on the south and east by actively farmed prime agricultural land and has an abundance of open space and outdoor recreational activities. Although Brentwood is primarily a residential community, it has seen employment growth in the form of commercial development including retail shopping centers, light industrial buildings, medical facilities, and office complexes.

Located 55 miles east of San Francisco, the City of Brentwood is a charming and desirable community for residents and businesses alike. Incorporated in 1948, Brentwood is located in the far Eastern Contra Costa County region of the San Francisco Bay Area. The community has a long and storied history in agriculture and farming production. That tradition continues today even with the residential growth the City has experienced over the last several years. In the late spring and summer months, area farms are brimming with agri-tourists seeking out the latest stone fruits, corn and cherries. The population is 51,481 as of 2010, an increase of 121% from 23,302 at the 2000 census.

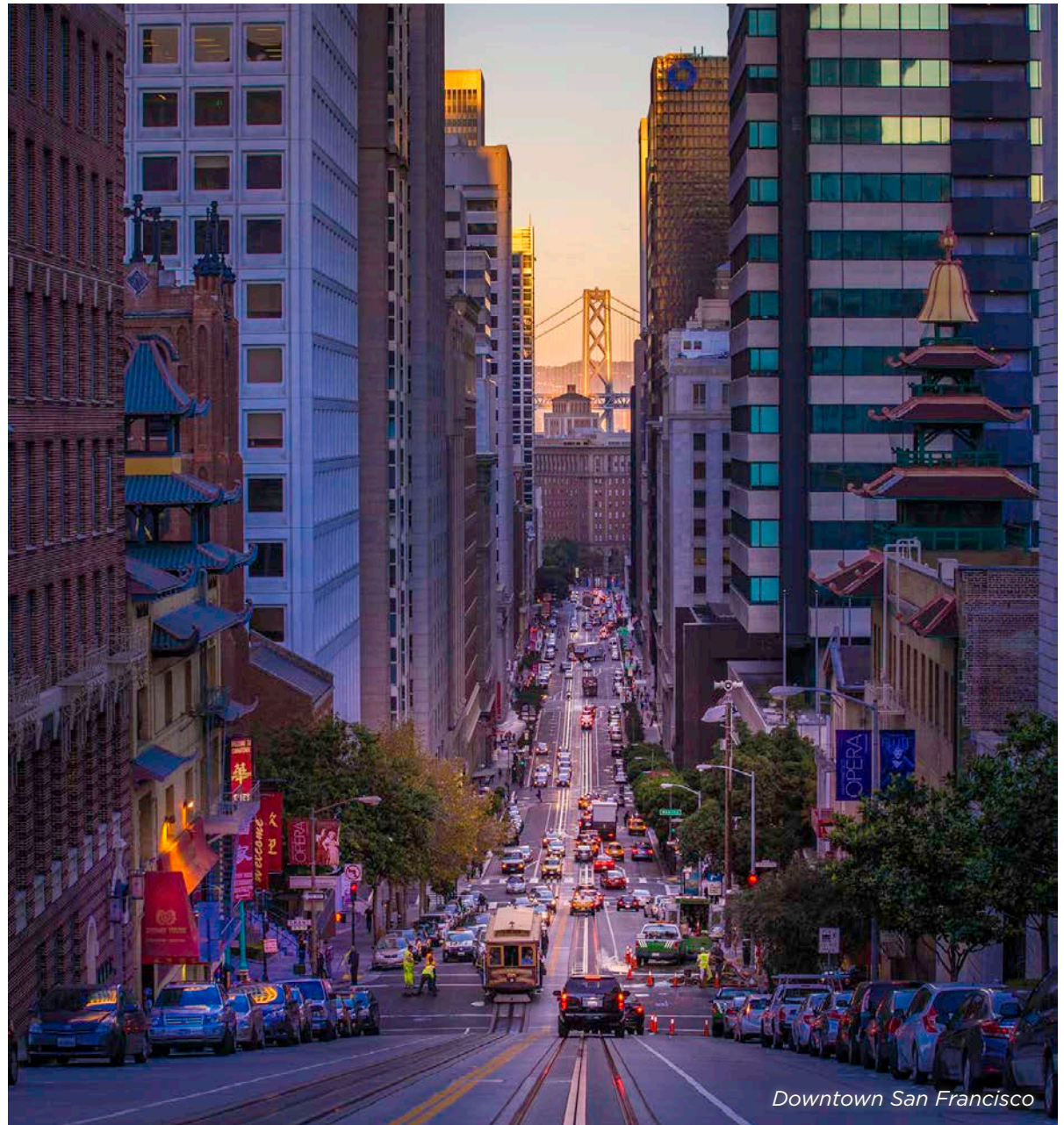
Brentwood began as a community in the late 19th century, and is still known throughout the Bay Area for its agricultural products, primarily its cherries, corn and peaches. Due to urban sprawl many of the old farms and orchards have been replaced by suburban developments since 1990. Brentwood is increasingly residential, with the rate of population growth in the triple digits during the 1990s and 69% from 2000 through 2010. An official estimate showed the population increased nearly 21% during the period 2010 to 2016.



BRENTWOOD, CALIFORNIA

Brentwood has a number of assets, such as affordably-priced housing, family friendly neighborhoods, quality public schools, a beautiful natural setting, an educated population and skilled workforce, and a business-friendly city government, that create an attractive place for businesses looking to locate and expand. Quality of life factors, including creeks and open space, access to the Delta, the community's agricultural heritage, the historic character of downtown, the quality of local public schools, a community college satellite campus, a low crime rate, a family friendly atmosphere, affordable housing, a small town feel with big city amenities, and a mild climate, make Brentwood an attractive place to live. These qualities help attract the type of workforce talent that companies are seeking.

<https://www.brentwoodca.gov/default.asp>
<https://www.brentwoodchamber.com/>
<https://www.betterinbrentwood.com/>
https://en.wikipedia.org/wiki/Brentwood,_California



DISCLAIMER

Cushman & Wakefield has been retained as exclusive advisor to the Seller for the sale of 24-Hour Fitness, Inc. parcel (the “Property”), approximately ~38,300± square feet on ~3.03± acres located at 5961 Lone Tree Way, Brentwood, CA 94513.

This Offering Memorandum has been prepared by Cushman & Wakefield for use by a limited number of parties and does not purport to provide a necessarily complete summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective investors may need or desire. All projections have been developed by Cushman & Wakefield, the Owner, and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Cushman & Wakefield, therefore, are subject to variation. No representation is made by Cushman & Wakefield or Owner as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied on as, a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, Owner and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, Cushman & Wakefield, Owner, and its employees disclaim any and all liability for representations and warranties, expressed and

implied, contained in, and omitted from, this Offering Memorandum or any other written or oral communication transmitted or made available to the recipient. This Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the package. Analysis and verification of the information contained in this package is solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors.

Owner and Cushman & Wakefield each expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers regarding the Property and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligation to any entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase of the Property has been fully executed, delivered, and approved by Owner and its legal counsel, and any conditions to Owner’s obligations thereunder have been satisfied or waived. Cushman & Wakefield is not authorized to make any representations or agreements on behalf of Owner.

This Offering Memorandum and the contents, except such information which is a matter

of public record or is provided in sources available to the public (such contents as so limited herein are called the “Contents”), are of a confidential nature. By accepting the package, you agree (i) to hold and treat it in the strictest confidence, (ii) not to photocopy or duplicate it, (iii) not to disclose the package or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Owner or Cushman & Wakefield, (iv) to not use the package or any of the contents in any fashion or manner detrimental to the interest of Owner or Cushman & Wakefield, and (v) to return it to Cushman & Wakefield immediately upon request of Cushman & Wakefield or Owner.

The information contained herein has been obtained from the owner of the property or from other sources we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it.

If you have no further interest in the Property, please return this Investment Offering Memorandum forthwith.

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San Diego, CA 92130

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NNN FITNESS