



ABSOLUTE TRIPLE NET (NNN) GROUND LEASE INVESTMENT OPPORTUNITY
3.28% CAP RATE
PASADENA, CALIFORNIA

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OFFERING MEMORANDUM

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EXECUTIVE SUMMARY

INVESTMENT OVERVIEW

Sales Price: **\$3,000,000**

CAP Rate: **3.28%**

Net Cash Flow: **\$98,500**

Lease Term: **20 Year Initial Term**

Options: **Three, 5-Year Options**

SITE INFORMATION

Location: **774 N. Lake Ave., Pasadena, CA**

Parcel Number: **5732-002-047, 5732-002-060**

Parcel Size: **±11,044 SF**

Delivery: **2023**

LEASE STRUCTURE

Lease Type: **Absolute Triple Net (NNN) Ground Lease**

Guarantor: **Corporate (Chick Fil A)**

Landlord Responsibilities: **NONE**

Right of First Offer: **30 DAYS**

LEASE YEAR

ANNUAL RENT

CAP RATE

Years 1-5 **\$98,500** **3.28%**

Years 6-10 **\$108,350** **3.61%**

Years 11-15 **\$119,185** **3.97%**

Years 16-20 **\$131,103.50** **4.37%**

Years 21-25 **\$144,213.85** **4.80%**

Years 26-30 **\$158,635.24** **5.29%**

Years 31-35 **\$174,498.76** **5.81%**



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INVESTMENT SUMMARY

INVESTMENT HIGHLIGHTS

- Incredible Bite Sized Opportunity to Invest in a Portion of Pasadena's Second **Chick Fil A** Location - **Investment includes only the parking lot portion of the assemblage (includes 2 out of the 3 parcel assemblage)**
- 20 Year Absolute Triple-Net Ground Lease
- **ZERO** Landlord Responsibilities
- 10% Increases Every 5 Years Through the Lease Term Including Options



| DEMOGRAPHICS | 1 Mile | 3 Miles | 5 Miles |
|-----------------------|----------|-----------|-----------|
| 2021 Population | 41,520 | 181,570 | 414,504 |
| 2026 Proj. Population | 41,756 | 184,291 | 417,571 |
| 2021 Employed | 19,951 | 88,279 | 197,144 |
| 2021 Households | 15,760 | 71,441 | 154,775 |
| Avg HH Income | \$96,233 | \$130,864 | \$130,846 |
| Median Age | 35.8 | 39.4 | 40.7 |

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LOCATION HIGHLIGHTS

- Located on Iconic Lake Ave. with 35,773 Vehicles Per Day
- Lake Ave. is a direct exit off the 210 Freeway with traffics 350,000 Vehicles Per Day
- The City of Pasadena consists of many scientific, educational, and cultural institutions, including **Caltech, Pasadena City College, Fuller Theological Seminary, ArtCenter College of Design, the Pasadena Playhouse, the Ambassador Auditorium, the Norton Simon Museum, and the USC Pacific Asia Museum,** with the **Jet Propulsion Laboratory** in nearby La Cañada Flintridge
- Boasting an Average Household Income of \$130,846 within a 5-Mile Radius



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BUILDING RENDERINGS



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NORTHEAST VIEW



SOUTHEAST VIEW



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BUILDING RENDERINGS



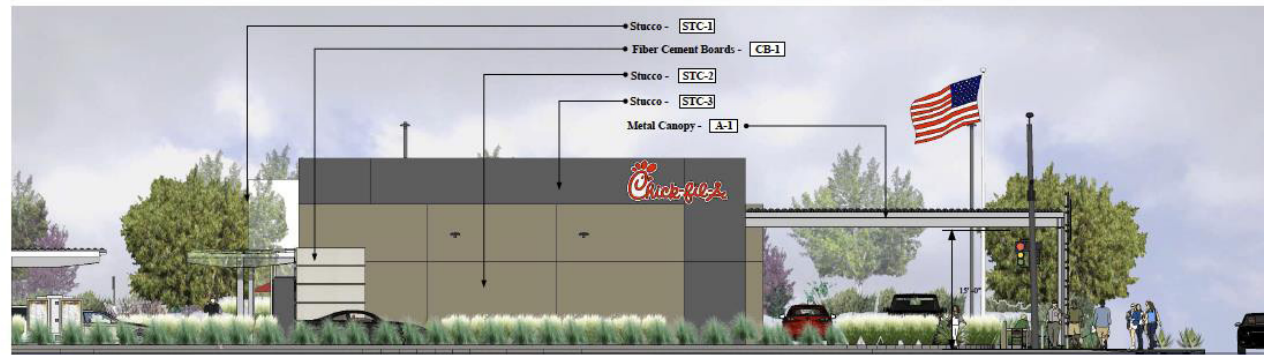
EAST ELEVATION



SOUTH ELEVATION



WEST ELEVATION

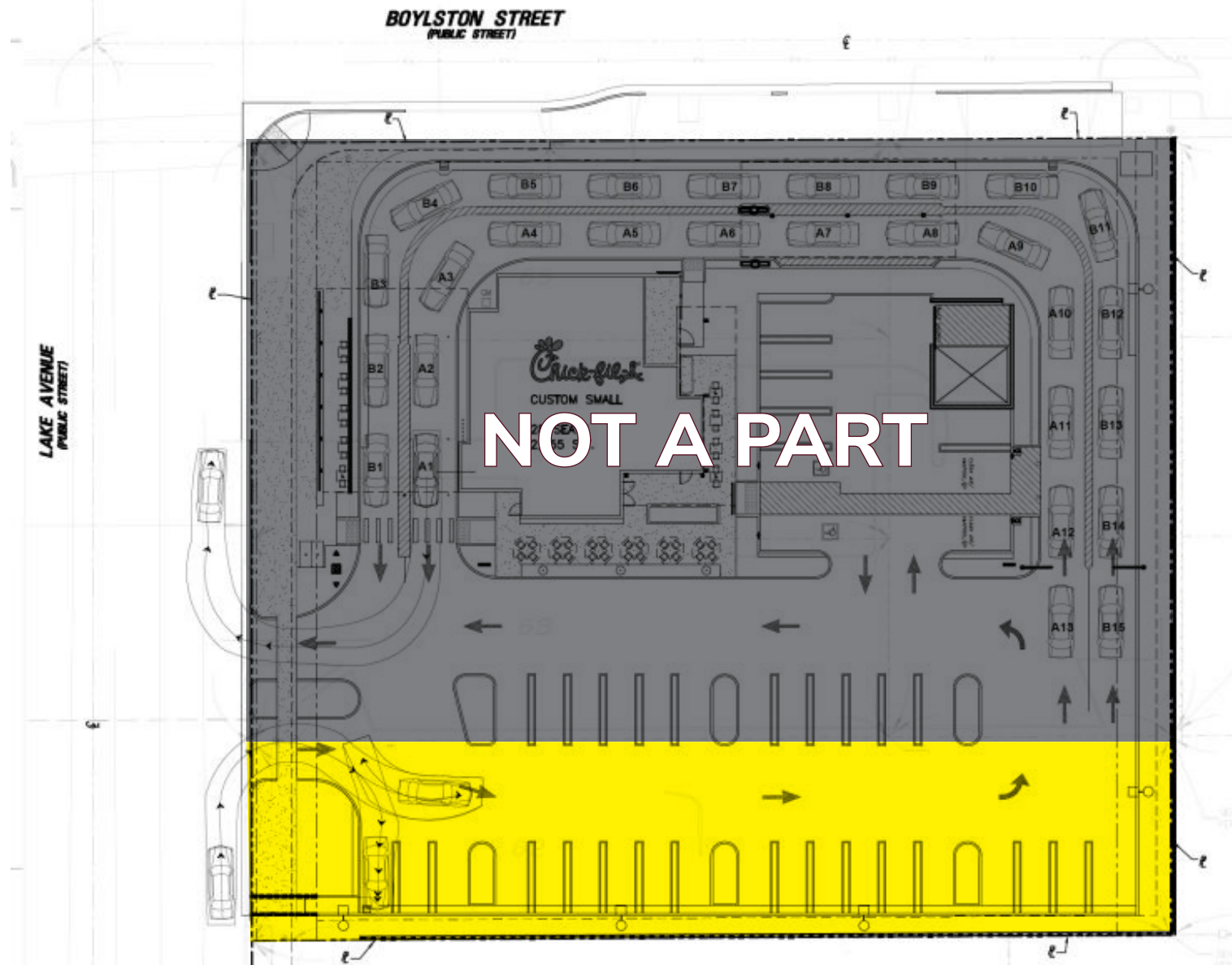


NORTH ELEVATION



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INTERSECTION AERIAL



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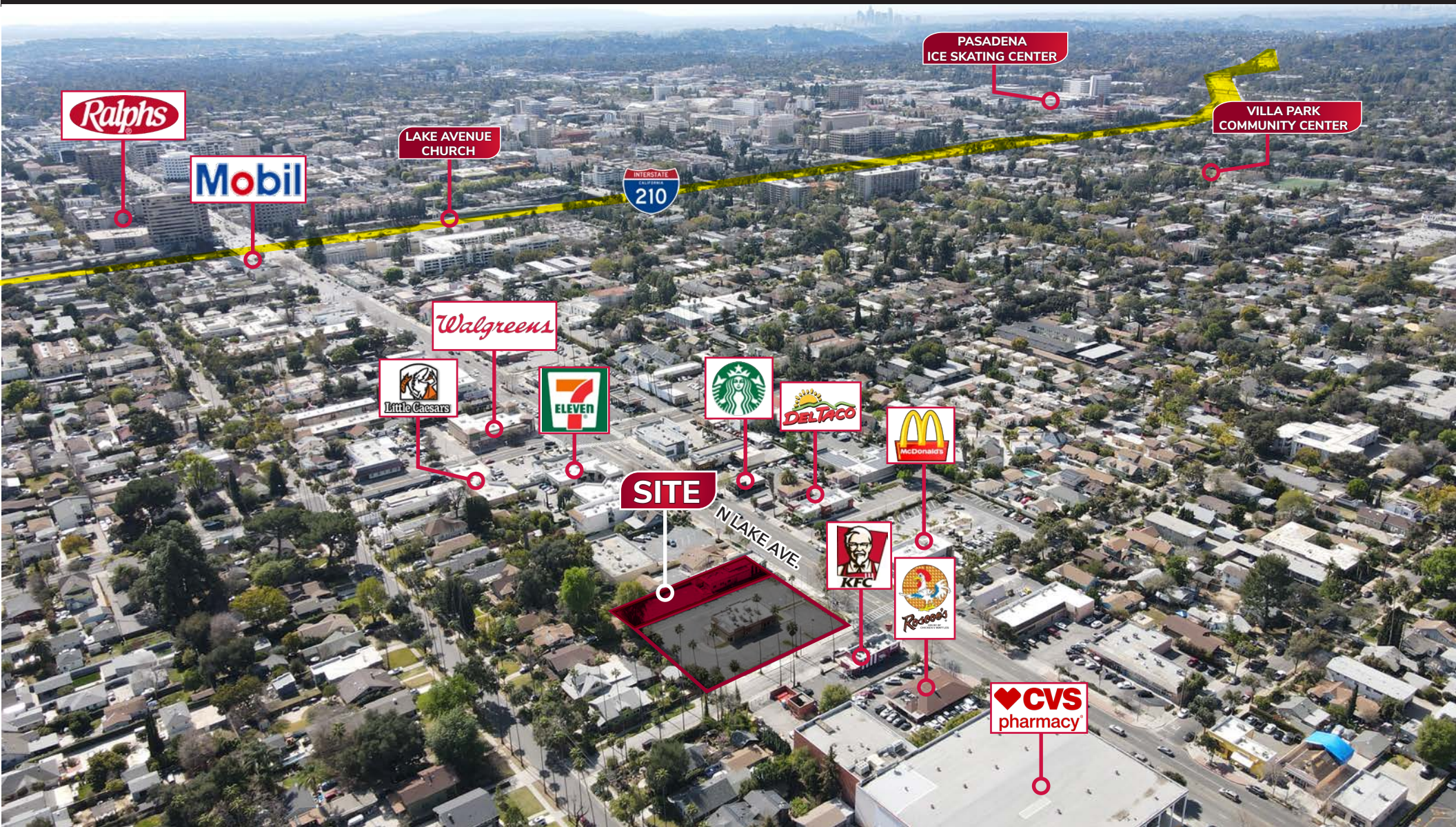
INTERSECTION AERIAL



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TENANT OVERVIEW



Chick-fil-A is one of the largest American fast food restaurant chains and the largest whose specialty is chicken sandwiches. Its headquarters are in College Park, Georgia. Chick-fil-A was originally founded as the Dwarf Grill in 1946, changing the name to 'Dwarf House' until rebranding as Chick-fil-A in 1967. The company operates more than 2,300 restaurants, primarily in the United States with locations in 47 states and plans for a location in Hawaii to be the 48th state. The restaurant serves breakfast before transitioning to its lunch and dinner menu. Chick-fil-A also offers customers catered selections from its menu for special events. Chick-fil-A's business strategy involves a focus on a simple menu and on good customer service. While other fast food chains often expand their menu offerings to attempt to attract new customers, Chick-fil-A's business model is to remain focused on chicken sandwiches. The name capital A is meant to indicate that their chicken is "grade A top quality". In addition, an emphasis on customer service has allowed Chick-fil-A to consistently lead the fast food industry in customer satisfaction. These factors are seen as the reason for Chick-fil-A's growth and expansion in the United States.

Chick-fil-A is the Largest Quick-Service Chicken Restaurant Chain in the United States Based on Domestic Annual Sales

Tenant / Guarantor on Lease

Chick-Fil-A, Inc.

Headquarters

Atlanta, GA+

Date Founded

1967

Number of Locations

2,300+

chick-fil-a.com

\$ \$10.5B

*Approximate Annual Revenue
in Billions*

#1

*Chick-Fil-A named the #1 Fast-
Food Restaurant in America*

50+

*Consecutive Years of
Sales Growth*

\$ \$4.6M

Average Sales Per Unit

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Pasadena is a regional hub for innovation and creativity attracting community-oriented residents who value a small town feel along with world-class, modern amenities within the greater Los Angeles metroplex.

The city is known for hosting the annual Rose Bowl football game and Tournament of Roses Parade garnering national media coverage. In addition, Pasadena is home to many scientific and cultural institutions, including NASA's JPL, Caltech, Pasadena City College, ArtCenter College of Design, the Pasadena Playhouse, the Ambassador Auditorium, the Norton Simon Museum, and the USC Pacific Asia Museum.

The city's excellent transit hub allows for people to move around easily. With no less than four freeways running through the city cars and deliveries have easy access. The public transit system known as the Goldline Metrolink boasts six stations in the city and provides quick connections to Downtown Los Angeles and the Inland Empire.

Old Pasadena showcases a rich patina of nearly 150 years of development, change, and the care of many stakeholders. Today, the historic streets and alleyways, rustic brick facades, and architectural accents of Pasadena's original business district create an authentic streetscape of open-air eateries, speciality boutiques, galleries, theaters, and much more -- a skillful blend of old and new that has reclaimed the heritage of Pasadena's early downtown charm.



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