



PAD TO *Smart & Final*  
*extra!*

IRREPLACEABLE  
MAGNOLIA  
& ADAMS  
LOCATION

Long-Term Absolute NNN Ground Lease | Recent Lease Extension; 21+ Year Operating History  
Affluent Coastal Orange County Demos; \$141K AHHL



OFFERING MEMORANDUM  
HUNTINGTON BEACH, CALIFORNIA



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REAL ESTATE ADVISORS





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# OFFERING SUMMARY

## LOCATION

Jiffy Lube  
9032 Adams Avenue  
Huntington Beach, CA 92646



## OFFERING SUMMARY

Price:	\$2,910,000
Current Net Operating Income (NOI):	\$109,054
Current Capitalization Rate:	3.75%
2027 Net Operating Income (NOI):	\$119,959
2027 Capitalization Rate:	4.12%
Net Rentable Area:	2,470
Year Built:	1974; R: 2005
Lot Size (Acres):	See Note (1)

## LEASE TERMS (2)

Tenant:	M.C., LLC
Lease Commencement:	11/28/2000
Lease Expiration:	2/29/2032
Lease Type:	Absolute NNN Ground Lease
Roof & Structure:	Tenant Responsibility
Monthly Rent:	\$9,088
Annual Rent:	\$109,054
Rental Increases:	10% (March 2027)
Renewal Options:	Two 5-Year @ 10% Increases

(1) The parcel size is .34 acres but the property benefits from reciprocal easement parking adjacent but not on the subject parcel.

(2) All lease provisions to be independently verified by Buyer during the Due Diligence Period.



NOT A PART



# INVESTMENT HIGHLIGHTS

- **Single-Tenant Below Market Rent Jiffy Lube Ground Lease:**

- Absolute NNN ground lease; zero landlord responsibilities
- 10-years remaining on the lease with 10% increases every 5 years
- The tenant executed a brand new lease renewal 5 years early
- Jiffy Lube has been operating at the subject property for 21+ years
- Strong reported unit level sales (contact broker for more details)
- Jiffy Lube is the largest oil-change chain in the United States, with 2,000+ franchise locations serving more than 20 million customers annually
- The tenant, M.C., LLC, is an experienced Jiffy Lube franchisee, and operates 95 Jiffy Lube service center locations and won Jiffy lube's "Franchisee of the Year" award in 2015
- M.C., LLC owns and operates service centers in several markets including San Francisco, Boston, Providence, Portland and Los Angeles
- The property benefits from below-market rent of only \$109k with a large increase at each of the next two options, as well as a vast redevelopment potential; the Starbucks in the same center is paying approximatively double the rent for a similar parcel

- **Outparcel to Irreplaceable Magonolia & Adams Shopping Center:** Smart & Final Extra! and Petco anchored; other tenants in the center include 76 Gas, Carl's Jr., MemorialCare Medical Group, Starbucks, and Wingstop



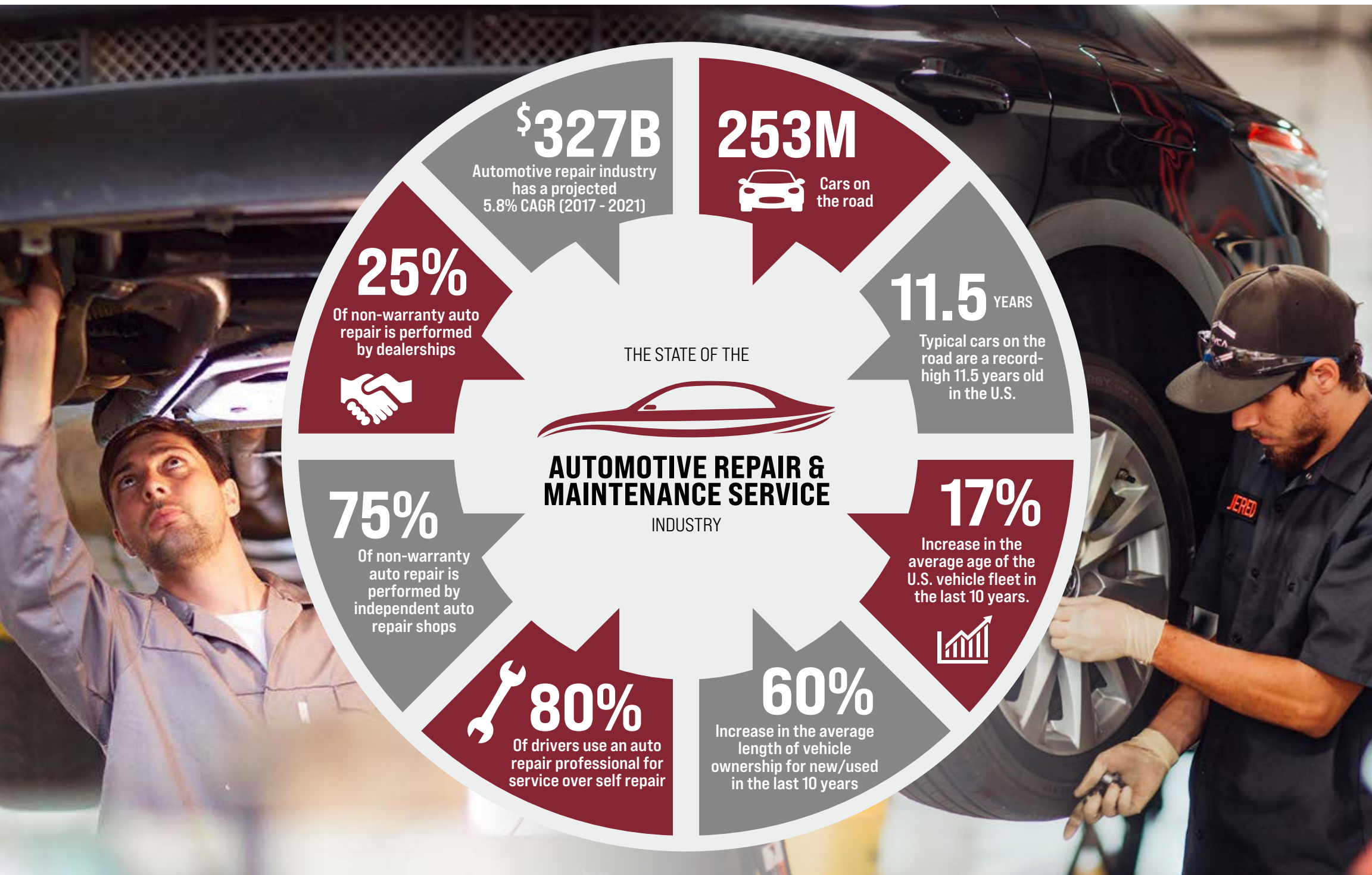


# INVESTMENT HIGHLIGHTS

- **Brand New Third Party Reports (Phase I and ALTA Survey) Ideal for Ease of Transaction**
- **Excellent Accessibility and Visibility at the Hard Corner, Signalized Intersection of Adams Avenue and Magnolia Street (40,240 Cars Per Day):** The property benefits from 5 points of ingress/egress and prominent monument signage along Adams Avenue
- **Dense, Affluent Southern California Demographics:** Approximately 407,000 people within a 5-mile radius and average household incomes in excess of \$141,000 within a 1-mile radius
- **Desirable Huntington Beach Location:**
  - Surf City USA; Thriving regional and tourist destination with over 13 million visitors per year
  - 40%+ job growth predicted over the next 10 years












# SITE PLAN / PARCEL MAP



**Jiffy Lube**  
9032 Adams Ave  
Huntington Beach, CA 92646

-  SUBJECT PROPERTY
-  NOT A PART
-  PROPERTY PARCEL
- APN: 151-191-20







## SURROUNDING TENANTS

BRAND NEW  
CONSTRUCTION



NEWLY  
RENOVATED



# AERIAL OVERVIEW





# AERIAL OVERVIEW





# AERIAL OVERVIEW





# AERIAL OVERVIEW



## DEMOGRAPHICS

### Population:

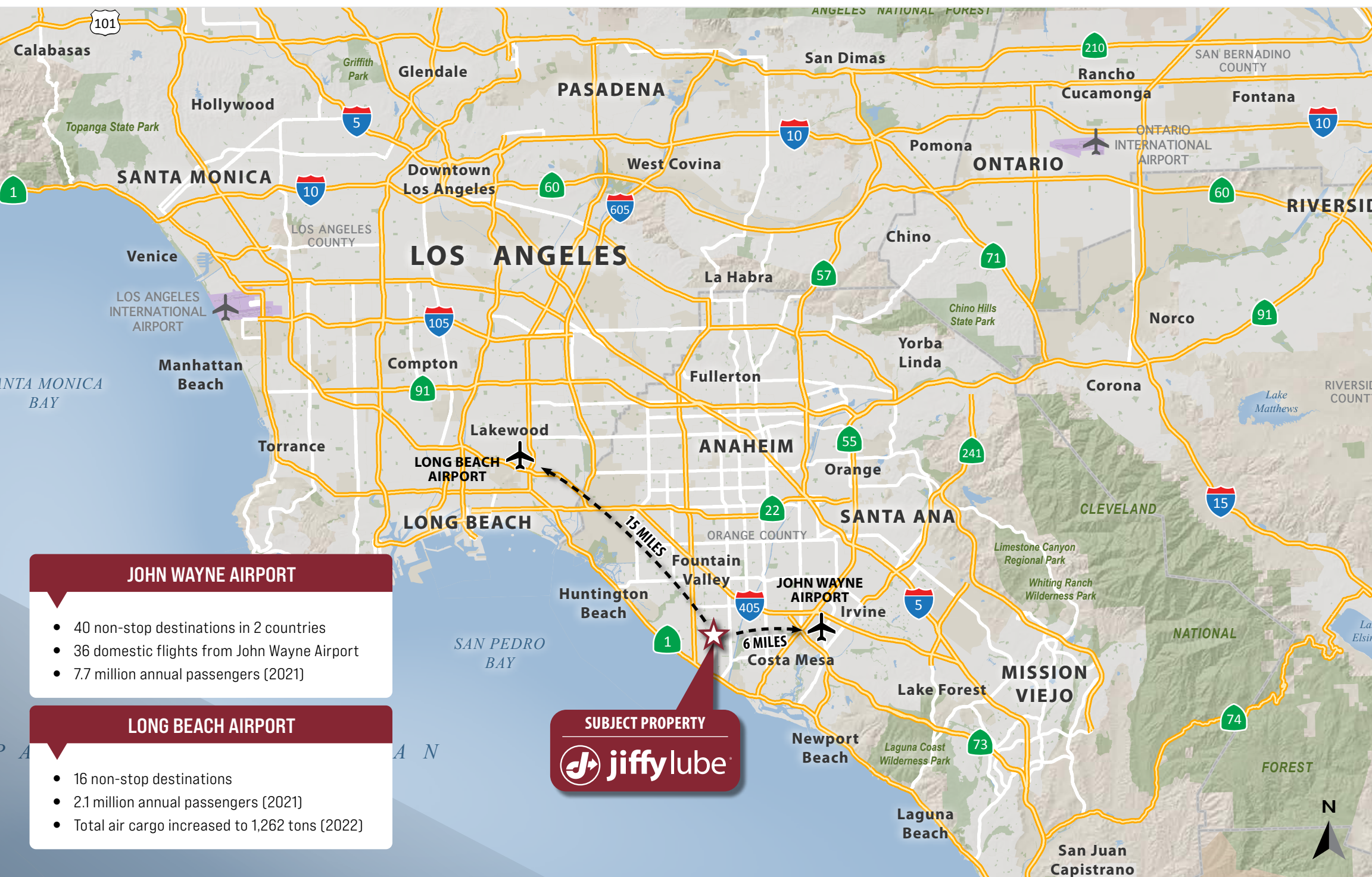
1-Mile Radius	25,142
3-Mile Radius	176,444
5-Mile Radius	407,473

### Household Income:

1-Mile Radius	\$141,696
3-Mile Radius	\$137,371
5-Mile Radius	\$132,766



# REGIONAL MAP





## TENANT PROFILE



Jiffy Lube is the #1 quick-lube chain in America and a leading provider of automotive preventive maintenance. Over 2,000 service centers across the United States and Canada provide oil changes, tire rotation, battery care, brake care, and other preventative maintenance to keep vehicles running smoothly.

Jiffy Lube has brought innovation to the fast oil change industry since opening its first service center in 1979. The company was the first to create a drive-thru service bay to make oil changes quicker for customers and also the first to introduce the window sticker system to remind customers of when to get their next oil change. Customers love the nationwide database that keeps each vehicle's service records on file to provide quick, consistent, and quality service every time, no matter which Jiffy Lube center is visited. Service technicians at Jiffy Lube have each successfully completed Jiffy Lube University, a comprehensive training program recognized for its robust curriculum.

Jiffy Lube has estimated sales of \$1.78 billion and serves over 20 million customers each year. The company has announced plans to open 250 new stores by the end of 2023. Jiffy Lube is an indirect subsidiary of Shell Oil Company and headquartered in Houston, Texas. The network of 2,000+ Jiffy Lube stores is 100% franchise-owned and operated.

M.C., LLC is a family-owned business that has been providing automotive services to California residents over the past 26 years, operating 95 Jiffy Lube service centers. They are committed to providing their customers with quality service and an outstanding experience.

<b>Company Type:</b>	Private
<b>Locations:</b>	2,000+
<b>Website:</b>	<a href="http://www.jiffylube.com">www.jiffylube.com</a>

**#1**  
**Franchise 500**  
**In Category**

Entrepreneur Magazine (2022)

**#72**  
**Franchise**  
**500**

Entrepreneur Magazine (2022)

**#72**  
**Top 200**  
**Franchises**

Franchise Times (2020)



## TENANT PROFILE



### Jiffy Lube International Recognizes M.C.,LLC as “Franchisee of the Year”

By Jennifer Friedman | May 12, 2015

HOUSTON – May 12, 2015 – Jiffy Lube International recently named M.C.,LLC “Franchisee of the Year” for the organization’s leadership and dedication to the Jiffy Lube brand. The esteemed “Franchisee of the Year” award is presented annually to the franchisee who best exemplifies the values and attributes that are core to the Jiffy Lube brand, including commitment to their customers through the development and growth of their employees, appearance of both the interior and exterior of their service centers, and demonstrated operational excellence.

“M.C.,LLC not only delivers an exceptional customer experience, they have also taken on leadership roles by dedicating resources toward piloting new programs, products and services on behalf of the Jiffy Lube system of more than 2,000 service centers,” said Steve Ledbetter, president of Jiffy Lube International.

[CLICK FOR ARTICLE](#)







### 3 SoCal Cities Ranked Among Top 10 ‘Happiest’ in U.S., New Study Says

By Michael Bartiromo | March 2, 2022

Happiness might only be a few ZIP codes away, especially if you live in California. A new report from WalletHub says it has determined the “happiest” cities in the country, based on factors including job security, depression rates and the frequency of divorce, among dozens of other criteria thought to affect the overall satisfaction of a U.S. resident.

The results also come at a curious time, when more Americans may still be struggling with excess stress, according an October 2021 study by the American Psychological Association cited by WalletHub.

“Pandemic stress is contributing to widespread mental exhaustion, negative health impacts and unhealthy behavior changes — a pattern that will become increasingly challenging to correct the longer it persists,” said APA’s CEO Arthur C. Evans Jr., Ph.D., at the time the study was published.

[CLICK FOR ARTICLE](#)



### OC Will Continue its Strong Economic Growth Through 2022

By Max Nessi | December 2, 2021

Orange County will build on its strong post-pandemic recovery throughout 2022 as pent-up spending demand ripples positively throughout the county, a new forecast shows.

The report, prepared for the Southern California Association of Governments (SCAG) by top economists, offers a promising, but cautious post-pandemic forecast for Southern California as a whole, noting that the strength, resilience and diversity of the regional economy helped avoid what could have been a far more serious downturn.

For Orange County, competitive advantages such as an educated workforce and diverse industry base have helped fuel its recovery faster than its neighboring counties, the report notes. Total employment has increased by 126,700, with the critically important tourism industry representing about half of that.

[CLICK FOR ARTICLE](#)



# AREA OVERVIEW

## Huntington Beach

- Seaside city in Orange County with 10 miles of beautiful coastline on the Pacific Ocean
- Just 35 miles southeast of downtown Los Angeles
- 201,941 total population; 4th most populous city in the County and 24th most populous city in the State
- Top 10 “Happiest Cities in America” - WalletHub (2022)
- #14 “Best-Run Cities in America” - WalletHub (2019)

### ECONOMY

- Leading industries by number of jobs are healthcare, retail trade, and manufacturing
- The largest employers are The Boeing Company, No Ordinary Moments, Hyatt Regency, Galleys US Inc., QS Wholesale, Safran Cabin Inc., and Cambro Manufacturing
- City has a stable property tax base, well-diversified sales tax base, and strong tourism/leisure industry
  - Tourism industry’s economic impact is roughly \$730 million on the region
- 166,811 individuals comprise the area’s labor force
  - \$133,182 average household income, nearly 50% more than the average U.S. household income

### DEVELOPMENTS

- **405 Freeway Project** - Extensive \$1.9 billion, 5-year project to widen the I-405 adding a regular lane and express lane in both directions between State Route 73 and I-605; expected completion in 2023
  - Most heavily traveled freeway in the nation, accommodating between 257,000 and 370,000 vehicles per day; experts predict a 35% increase in traffic by 2040
- **Magnolia Tank Farm** - \$500 million development to include a 215-room hotel, 211,000 square foot lodge, 19,000 square feet of retail and restaurant space, 250 residential homes, as well as parks, trails, and conservation areas; in planning
- **Huntington Gateway Business Park** - Construction of 3 industrial buildings on a 30-acre parcel intended for future corporate headquarters and light manufacturing uses; under construction



HUNTINGTON BEACH PIER



HILTON WATERFRONT BEACH RESORT



HUNTINGTON GATEWAY BUSINESS PARK RENDERING



**\$133,182 Average Household Income**



# AREA OVERVIEW

## Huntington Beach (cont.)

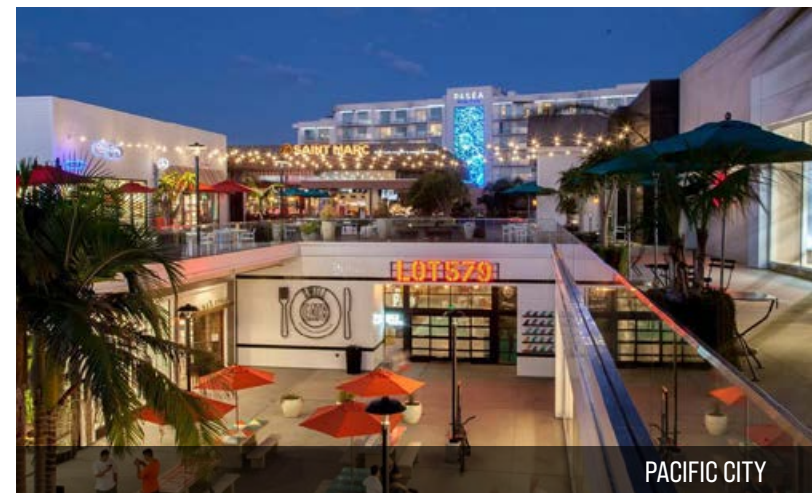
- #5 “Best Suburb for Young Professionals in Orange County” - Niche [2022]
- Voted “Best California Beach” - USA Today [2018]
- **Golden West College** - 2-year public college serving 11,500+ students on a 122-acre campus
  - New math and science building, language arts complex, and cosmetology building, as well as business, social sciences, and administrative office facilities, are under construction

### TOURISM

- 16 million visitors annually
- Known as Surf City U.S.A.; hosts 50+ surf contests annually including the famed U.S. Open of Surfing which draws 500,000+ people each summer
- Thriving downtown district includes an active art center, restaurants, shopping, International Surfing Museum, and the Huntington Beach Pier
- **Pacific City** - 191,100 square foot retail center overlooking the beach; anchored by an Equinox fitness center and Lot 579, a modern food hall with 10 unique restaurants and eateries

### TRANSPORTATION

- 3 highways run through the city: I-405 connects with all other major freeways in Southern California; Beach Boulevard (Highway 39) runs through the heart of the city; and national scenic byway Pacific Coast Highway/ Highway 1 connects the beach towns of California’s coastline
- Los Angeles International Airport, Long Beach Airport, and John Wayne Airport are easily accessed and serve a combined 100+ million passengers annually
- The ports of Long Beach and Los Angeles are located within 20 miles of the city and provide worldwide access to the global marketplace
- Union Pacific Railroad provides freight transportation in the industrial corridor of the city, with direct line shipment to the Midwest and Northwest



**Top 10 Happiest City in America by WalletHub**



# DEMOGRAPHICS

POPULATION	1-Mile	3-Mile	5-Mile
2025 Projection	25,452	180,595	417,199
2020 Census	25,142	176,444	407,473
2010 Census	24,735	169,404	390,588
2000 Census	25,213	168,060	388,802
Growth 2010-2020	1.65%	4.16%	4.32%
Growth 2020-2025	1.23%	2.35%	2.39%
HOUSEHOLDS			
2025 Projection	9,630	68,319	153,639
2020 Census	9,478	66,626	149,803
2010 Census	9,189	63,224	141,924
2000 Census	9,252	61,994	141,574
Growth 2010-2020	3.15%	5.38%	5.55%
Growth 2020-2025	1.60%	2.54%	2.56%
2020 POPULATION BY SINGLE-CLASSIFICATION RACE			
White Alone	18,769	122,629	256,301
Black or African American Alone	199	1,676	4,890
American Indian and Alaska Native Alone	123	935	2,119
Asian Alone	3,937	26,890	79,620
Native Hawaiian and Other Pacific Islander Alone	91	582	1,589
Some Other Race Alone	669	14,804	42,418
Two or More Races	1,333	8,555	19,686
2020 POPULATION BY ETHNICITY (HISPANIC OR LATINO)			
Hispanic or Latino	3,015	37,301	101,246
Not Hispanic or Latino	22,127	139,143	306,227
2020 AVERAGE HOUSEHOLD INCOME			
	\$141,696	\$137,371	\$132,766

## HUNTINGTON BEACH SNAPSHOT



**407,473**

POPULATION (5-Mile)



**179,655**

DAYTIME POPULATION (5-Mile)



**4.32%**

POPULATION GROWTH (5-Mile, 2010-2020)



**\$141,696**

AVERAGE HOUSEHOLD INCOME (1-Mile)



**\$740,915**

AVERAGE HOME VALUE (3-Mile)





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**\$9 BILLION**  
retail sales nationwide



**SHARED DATABASE**  
collaborative proprietary database



**GLOBEST. INFLUENCERS**  
in retail & net lease sales



**NATIONWIDE REACH**  
retail & investors across the U.S.



**\$2.6 BILLION IN RETAIL SOLD**  
over 500 transactions in last 36 mos.