



## OFFERING MEMORANDUM

Representative Photo



1101 W Olive Ave  
Merced, CA 95348



# Table of Contents

## 2 Executive Summary

Investment Summary  
Investment Highlights  
Property Photos

## 5 Property Description

Local Aerial  
Property Description

## 7 Area Overview

Demographics

## 10 Financial Overview

Rent Roll  
Investment Summary

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# Executive Summary



W Olive Ave (±40,018 VPD)





## Investment Summary

<b>Asking Price:</b>	<b>\$3,000,000</b>
<b>Cap Rate:</b>	<b>5.00%</b>
<b>NOI:</b>	<b>\$150,000</b>
<b>Ownership Type:</b>	Ground Lease (Leased Fee)
<b>Year Built:</b>	Under Construction (2022)
<b>Total GLA:</b>	±5,201 Sq. Ft.
<b>Lot Size:</b>	±1.25 Acres
<b>Reimbursements:</b>	Absolute NNN
<b>Term Remaining:</b>	±10 Years



Representative Photo

## Investment Highlights



A trophy location for a brand new construction Single Tenant Chili's Grill & Bar with 10 years remaining on the lease



An absolute NNN corporate ground lease, with 10% rental increases every 5 years, providing an investor with a secure income stream and hedge against inflation



Located in the heart of town on the Northeast corner of a hard signalized intersection of W Olive Ave and R St which sees a combined 65,850 VPD



Within a major regional shopping destination, the Merced Mall, surrounded by national retailers including Target, Kohl's, JCPenney, Big Lots, Michaels, CVS Pharmacy, Starbucks, Chipotle, Panera Bread and more



Desirable demographics in the trade area with over 107,094 people and an income of \$76,122 in a 5-mile radius



Easy access from I-99 via the R Street on/off ramp which connects Modesto to Sacramento, and to Los Angeles via I-5







# Property Description





## Property Description

**Tenant Name:** Chili's Grill & Bar

**Address:** 1101 W Olive Ave  
Merced, CA 95348

**County:** Merced

**Building GLA:** ±5,201 Sq. Ft.

**Lot Size:** ±1.25 Acres

**Year Built:** Under Construction (2022)

**Ownership Type:** Ground Lease

**Major Cross Streets/Traffic Counts:**

**W Olive Ave** ±40,018 VPD

**R Street** ±25,832 VPD





# Area Overview





## City of Merced

Merced is a dynamic community of about 90,971 people, with friendly small town living in a mid-size city. The University of California Merced campus, opened in 2005, provides new educational and economic opportunity, adding to the already-established growth of the region. Merced's population is youthful and diverse.

Located in the heart of California's agricultural Central Valley, Merced is the region's hub for education, culture, and business. The community offers abundant shopping, pleasant neighborhoods and tree-lined streets. Bicycle paths along creeks link major City parks. Even with recent increases in prices, Merced's housing remains affordable compared to many other California locations. Merced's revitalized downtown is emerging as the entertainment center of the area. Annual events and festivals bring regional and even national recognition.

Merced's Valley location southeast of San Francisco provides easy access to the central California coast, Sierra Nevada mountains and national parks, and major cities. Merced has historically been the "Gateway to Yosemite", and residents also enjoy short drives to skiing, beaches, fishing, and other outdoor attractions.

UC Merced



Merced County Courthouse Museum

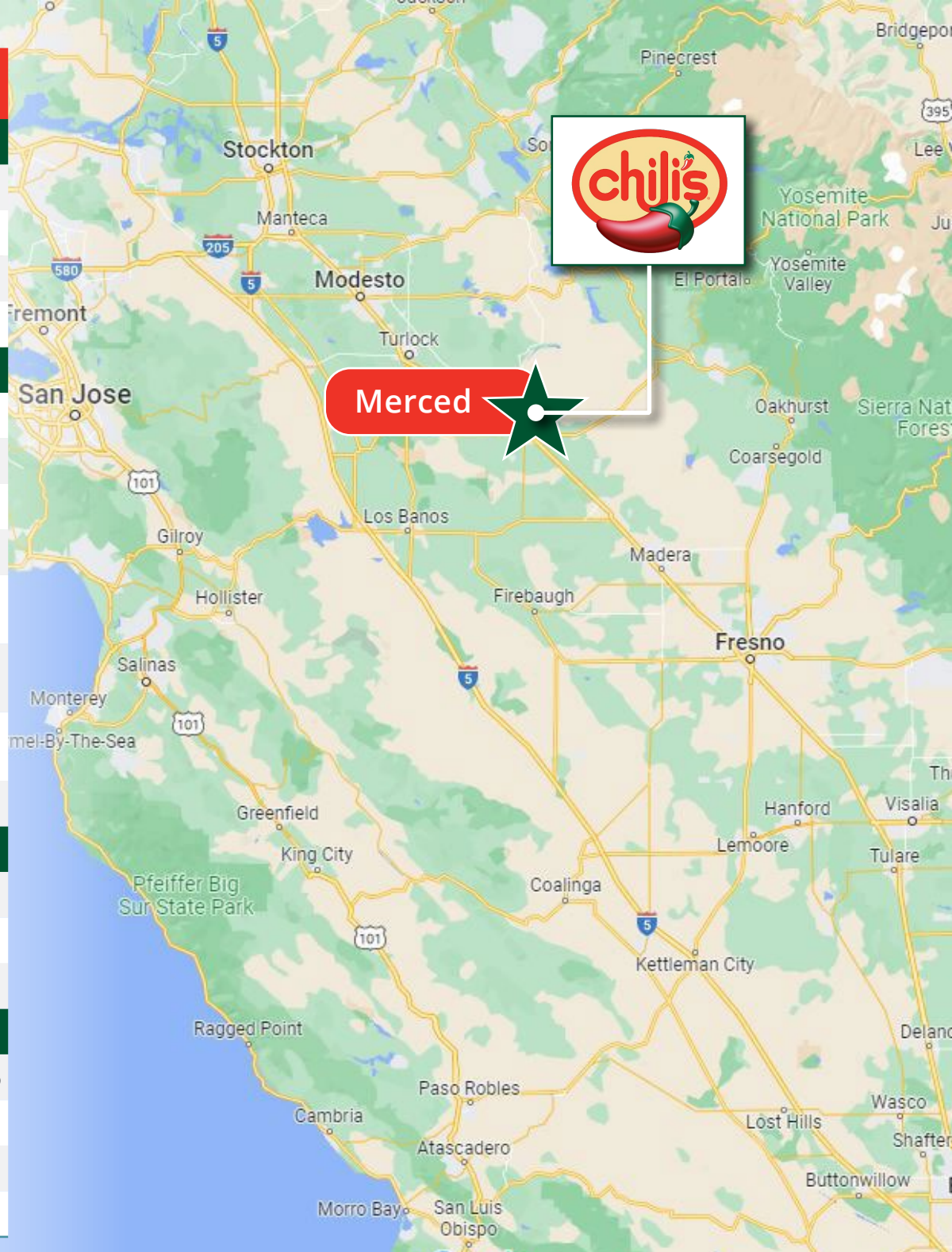


Merced National Wildlife Refuge





Demographics	1 Mile Radius	3 Mile Radius	5 Mile Radius
Population			
2021 Total Population	17,051	92,339	106,860
2021 Total Daytime Population	20,964	98,007	111,421
Workers	9,641	37,111	40,773
Residents	11,323	60,896	70,648
2021 Total Households	6,232	29,083	32,748
2026 Total Households	6,298	29,734	33,559
2010 Total Households	5,986	26,563	29,928
2000 Total Households	5,759	22,714	25,132
2021-2026 Total Projected Household Growth	1.1%	2.2%	2.5%
2010-2021 Total Estimated Household Growth	4.1%	9.5%	9.4%
2000-2010 Total Household Growth	3.9%	16.9%	19.1%
Average Household Income	\$56,276	\$74,285	\$76,083
White Collar	56.6%	51.7%	52.2%
Blue Collar	25%	29.4%	29.6%
Other	18.4%	18.8%	18.2%
Average Home Value	\$287,692	\$367,789	\$378,466
Owner Occupied Housing Units	28%	46%	48%
Renter Occupied Housing Units	72%	54%	52%
Vacant Housing Units	9%	7%	7%





# Financial Overview





# Rent Roll

Tenant	Lease Term	Square Feet	% of GLA	CONTRACT RENTAL RATE		RENT PER SF		Rent Increases	
				Year	Month	Year	Month		
Chili's Grill & Bar	10 Years	5,201	100%	\$150,000	\$12,500	\$28.84	\$2.40	Years 6-10	\$165,000
								1st Renewal Term	\$181,500
								2nd Renewal Term	\$199,650
								3rd Renewal Term	\$219,615
								4th Renewal Term	\$241,577

Note: The "Rent Commencement Date" of this Lease shall be the first to occur of (i) the date on which Tenant opens to the public the business operation to be conducted by Tenant on the Premises or (ii) the two hundred tenth (210th) day after the Required Construction Start Date.





## Investment Summary

### Property Information

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

**Cap Rate:** 5.00%

**NOI:** \$150,000

**Square Footage (GLA):** ±5,201 Sq. Ft.

**Lot Size:** ±1.25 Acres

**Reimbursements:** Absolute NNN

**Term Remaining:** ±10 Years



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