

ABSOLUTE NNN DRIVE-THRU QSR

Single Tenant Investment Opportunity



UNDERGOING EXTENSIVE REMODEL | RECENT 15-YEAR EXTENSION | OVER 35 YEARS OF OPERATING HISTORY



1061 N. Davis Road

SALINAS CALIFORNIA

ACTUAL SITE



NATIONAL
NET LEASE
GROUP

EXCLUSIVELY MARKETING BY



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A background image showing a Carl's Jr. meal consisting of two burgers, a large cup of fries, and a drink with a large yellow star logo on the cup, all set against a blue background.

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Pricing Summary
Brand Profile

PROPERTY PHOTO





SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in an absolute NNN, drive-thru equipped, corporate guaranteed, Carl's Jr. investment property located in Salinas, California. The tenant, Carl's Jr. Restaurants, LLC, plans to remodel the store and recently extended their lease term by 15 years, with 3 (5-year) options to extend, demonstrating their long-term commitment to the site. The lease features 1.75% annual increases throughout the initial term and option periods, steadily growing NOI and hedging against inflation. The lease is absolute NNN with zero landlord responsibilities making it an ideal, management-free investment opportunity for a passive investor. Today, CKE Restaurants have more than 1,000 locations across the U.S. and serves 28 countries worldwide.

Carl's Jr. is located at the signalized, hard corner intersection of North Davis Road and Post Drive, which serves over 32,000 vehicles per day. The site benefits from nearby access to State Hwy 101, a major highway through Northern California, averaging 68,100 vehicles passing by daily. The subject property is adjacent to Laurel West Shopping Center, a 180,000 SF community center anchored by In Shape Health Club. Furthermore, the subject property is within walking distance of Westridge Shopping Center, a 540,000 SF power center that's home to Walmart, Costco, Dicks, Ross, Boot Barn, Office Max, Joann, and more. Other nearby national/credit tenants include Target, Home Depot, Lowes, Kohl's, Hobby Lobby, Big Lots, Best Buy, Safeway, and more. Strong tenant synergy increases consumer draw to the immediate subject trade area and promotes crossover store exposure to the site. Moreover, the asset is positioned less than 2 miles north of Hartnell College, which has a current enrollment of over 12,000 students, providing a direct consumer base from which to draw. In addition, the site is equipped with a drive-thru, providing ease and convenience for customers. On average, stores with drive-thrus experience higher sales than those without. The 5-mile subject trade area is supported by over 174,000 residents and 57,000 employees who earn an average household income of more than \$95,000.

PROPERTY PHOTOS



REMODEL RENDERING





FLOOR PLAN - AERIAL VIEW



DINING ENTRY



DINING SIDE ENTRY



DINING MAIN



ORDER COUNTER

OFFERING SUMMARY



OFFERING

Price	\$3,955,000
Net Operating Income	\$178,000
Cap Rate	4.50%
Guarantor	Carl's Jr. Funding LLC
Tenant	Carl's Jr. Restaurants, LLC
Lease Type	Absolute NNN
Landlord Responsibilities	None
Sales Reporting	Yes - Contact Agent for Details

PROPERTY SPECIFICATIONS

Rentable Area	4,014 SF
Land Area	0.81 Acres
Property Address	1061 N. Davis Road Salinas, California 93907
Year Built / Remodeled	1982 / 2023 (Est.)
Parcel Number	261-711-047-000
Ownership	Fee Simple (Land & Building Ownership)



Brand New 15-Year Lease Extension | Corporate Guaranteed | 1.75% Annual Increases | Well-Known & Established Tenant

- The lease is corporate guaranteed by Carl's Jr. Funding LLC
- The tenant plans to remodel the store and recently extended their lease term by 15 years, with 3 (5-year) options to extend, demonstrating their long-term commitment to the site
- The lease features 1.75% annual increases throughout the initial term and option periods, steadily growing NOI and hedging against inflation
- Today, CKE Restaurants have more than 1,000 locations across the U.S. and serves 28 countries worldwide

Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for a passive investor

Strong Demographics in 5-Mile Trade Area

- The 5-mile subject trade area is supported by over 174,000 residents and 57,000 employees
- \$95,354 average household income

Westridge Shopping Center (540,000 SF) | Dense Retail Corridor | Laurel West Shopping Center (180,000 SF) | Strong Tenant Synergy

- The subject property is adjacent to Laurel West Shopping Center, a 180,000 SF community center anchored by In Shape Health Club
- The subject property is within walking distance of Westridge Shopping Center, a 540,000 SF power center that's home to Walmart, Costco, Dicks, Ross, Boot Barn, Office Max, Joann, and more
- Other nearby national/credit tenants include Target, Home Depot, Lowes, Kohl's, Hobby Lobby, Big Lots, Best Buy, Safeway, and more
- Strong tenant synergy increases consumer draw to the immediate subject trade area and promotes crossover store exposure to the site

Signalized, Hard Corner Intersection | Drive-Thru Equipped | Hartnell College (12,000 Students) | State Hwy 101 (68,100 VPD)

- Carl's Jr. is located at the signalized, hard corner intersection of North Davis Road and Post Drive, which serves over 32,000 vehicles per day
- The site benefits from nearby access to State Hwy 101, a major highway through Northern California, averaging 68,100 vehicles passing by daily
- The asset is positioned less than 2 miles north of Hartnell College, which has a current enrollment of over 12,000 students, providing a direct consumer base from which to draw
- The site is equipped with a drive-thru, providing ease and convenience for customers

PROPERTY OVERVIEW



LOCATION



Salinas, California
Monterey County
Salinas MSA

ACCESS



Post Drive: 1 Access Point

TRAFFIC COUNTS



N. Davis Road: 29,346 .VPD
Post Drive: 3,400 VPD
U.S. Hwy 101: 68,100 VPD

IMPROVEMENTS



There is approximately 4,014 SF of existing building area

PARKING



There are approximately 58 parking spaces on the owned parcel.
The parking ratio is approximately 14.44 stalls per 1,000 SF of leasable area.

PARCEL



Parcel Number: 261-711-047-000
Acres: 0.81
Square Feet: 35,240

CONSTRUCTION



Year Built: 1982
Year Renovated: 2023 (Est.)

ZONING



CR: Commercial Retail





LAURELWOOD
ELEMENTARY SCHOOL
(446 STUDENTS)



29,346
VEHICLES PER DAY

HARTNELL COLLEGE
(12,000 STUDENTS)



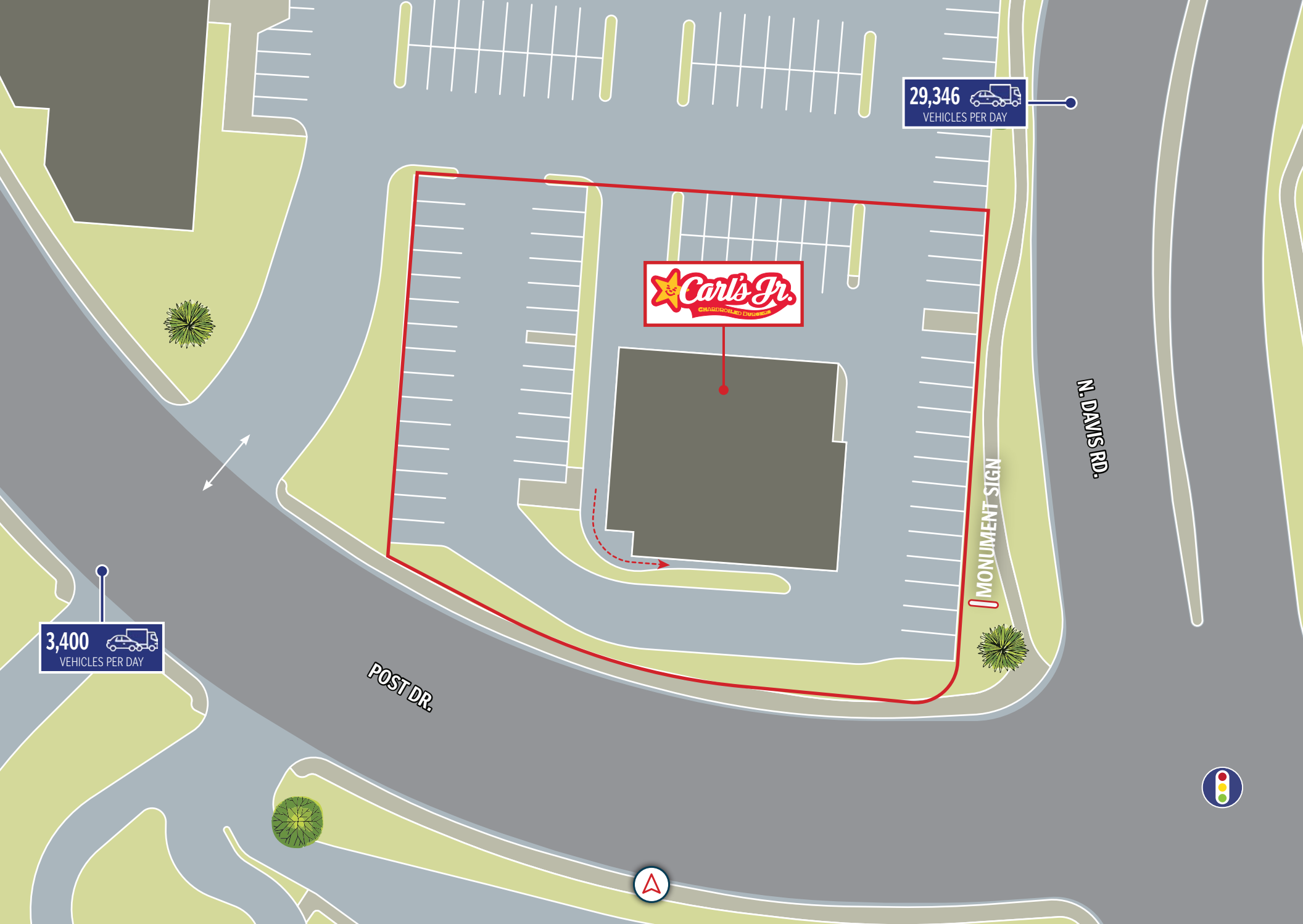
BORONDA MEADOWS
ELEMENTARY SCHOOL
(765 STUDENTS)



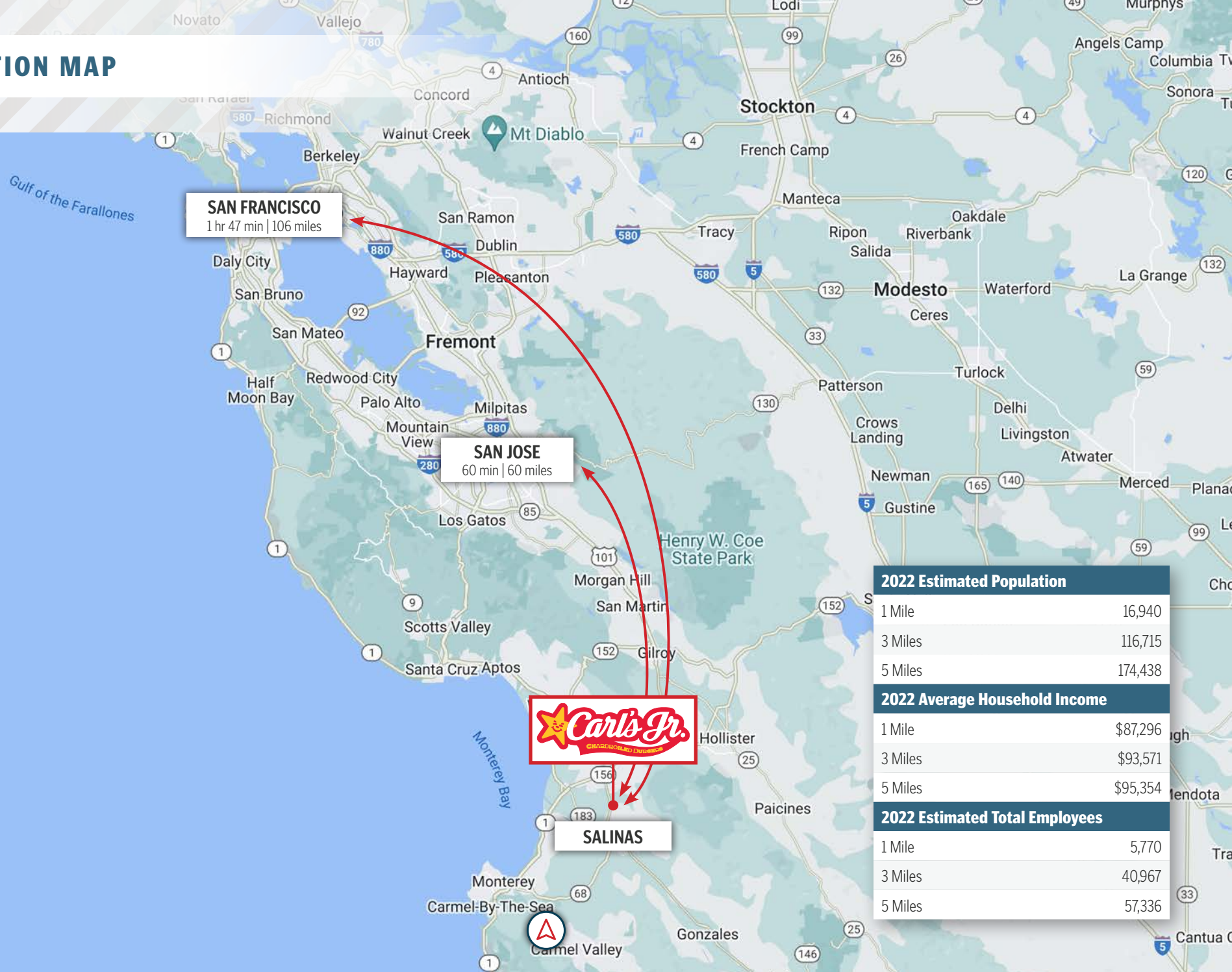
3,400
VEHICLES PER DAY







LOCATION MAP





SALINAS, CALIFORNIA

Founded in the 1820s, Salinas is the county seat of Monterey County. Salinas is located in central California about twenty minutes from the coast. It is an hour south of San Jose, an hour, and 45 minutes south of San Francisco, and 25 minutes northeast of Monterey. Salinas is in a very rich farming region that produces fruit and vegetables. It is known as the “Salad Bowl of America” because over 80% of the lettuce grown in the United States is grown in the Salinas area. Located in one of the world’s premier agricultural areas and just one hour from Silicon Valley, the City of Salinas is poised for long-term economic growth. The City of Salinas had a population of 164,582 as of July 1, 2022.



Salinas has an agriculturally based economy due to being located in one of California’s most fertile farming regions. The floral industry and grape vineyards are significant elements of the economy. The City of Salinas serves as the processing center for regional produce. More recently, the region is emerging as a world hub of agricultural technology, or agtech. Although agriculture is the foundation of the local economy, more than 100 manufacturing firms call Salinas home. Some of the largest employers in the area include Dole Fresh Vegetable, the County of Monterey, Household Credit Services, and Salinas Valley Memorial Hospital. The region is also home to numerous wineries.



The major sectors for employment in Salinas are government, agriculture, trade, manufacturing, healthcare, social assistance, and construction. Salinas is home to over 100 manufacturing companies. Also, about 18% of the jobs in the city are in sales and office occupations.

Salinas is a city of modest size that provides some nice arts and entertainment offerings. Salinas is also close to both Monterey and San Jose allowing residents to take advantage of cultural and entertainment offerings of those two cities. Some of the more notable offerings in Salinas include The California Rodeo Salinas, The National Steinbeck Center, The Salinas Sports Complex, and The Western Stage. Monterey county is also home to nearly 75 wineries including well-known names such as Blackstone, Chalone, Estancia and Hess.

AREA DEMOGRAPHICS



	1 Mile	3 Miles	5 Miles
Population			
2022 Estimated Population	16,940	116,715	174,438
2027 Projected Population	17,043	117,709	175,489
2010 Census Population	14,675	106,976	157,185
Projected Annual Growth 2022 to 2027	0.12%	0.17%	0.12%
Historical Annual Growth 2010 to 2020	1.46%	0.78%	0.98%
Households & Growth			
2022 Estimated Households	4,920	32,732	46,357
2027 Projected Households	4,932	32,914	46,567
2010 Census Households	4,476	31,043	42,282
Projected Annual Growth 2022 to 2027	0.05%	0.11%	0.09%
Historical Annual Growth 2010 to 2020	0.91%	0.46%	0.85%
Race & Ethnicity			
2022 Estimated White	54.09%	57.19%	55.07%
2022 Estimated Black or African American	2.04%	1.59%	1.40%
2022 Estimated Asian or Pacific Islander	6.97%	6.48%	6.13%
2022 Estimated American Indian or Native Alaskan	3.31%	3.37%	3.43%
2022 Estimated Other Races	41.33%	42.43%	45.05%
2022 Estimated Hispanic	74.94%	75.96%	78.51%
Income			
2022 Estimated Average Household Income	\$87,296	\$93,571	\$95,354
2022 Estimated Median Household Income	\$68,560	\$74,549	\$75,623
2022 Estimated Per Capita Income	\$25,479	\$26,347	\$25,322
Businesses & Employees			
2022 Estimated Total Businesses	587	3,922	5,001
2022 Estimated Total Employees	5,770	40,967	57,336



RENT ROLL



LEASE TERM						RENTAL RATES					
Tenant Name	Square Feet	Lease Start	Lease End	Begin	Increase	Monthly	PSF	Annually	PSF	Recovery Type	Options
Carl's Jr. Restaurants LLC	4,014	8/1/2023	7/31/2038	8/1/2023	-	\$14,833	\$3.70	\$178,000	\$44.34	Absolute NNN	3 (5-Year)
(Corporate Guaranteed)				8/1/2024	1.75%	\$15,093	\$3.76	\$181,115	\$45.12		1.75% Annual Increases
				8/1/2025	1.75%	\$15,357	\$3.83	\$184,285	\$45.91		
1.75% Annual Rental Increases Thereafter											

Note: Tenant has a 15-day Right of First Refusal (ROFR).

FINANCIAL INFORMATION

Price	\$3,955,000
Net Operating Income	\$178,000
Cap Rate	4.50%
Lease Type	Absolute NNN

PROPERTY SPECIFICATIONS

Year Built / Remodeled	1982 / 2023 (Est.)
Rentable Area	4,014 SF
Land Area	0.81 Acres
Address	1061 N. Davis Road Salinas, California 93907



FOR FINANCING OPTIONS AND LOAN QUOTES:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com

BRAND PROFILE



CARL'S JR.

carlsjr.com

Company Type: Subsidiary

Locations: 1,000+

Parent: CKE Restaurants

Founded in 1941, Carl's Jr. has been a West Coast favorite for almost 80 years, known for their iconic charbroiled burgers. Today, they have more than 1,000 locations across the U.S. and serves 28 countries worldwide. CKE, a privately held company based in Franklin, Tennessee, runs and operates Carl's Jr. and Hardee's, two beloved brands, known for premium and innovative menu items such as iconic Charbroiled Burgers, Made from Scratch Biscuits and Hand-Breaded Chicken Tenders. With both a US and international footprint, Carl's Jr. Restaurants LLC and Hardee's Restaurants LLC have over 3,800 franchised or company-operated restaurants in 44 states and 43 foreign countries and U.S. territories.





SRS

NATIONAL
NET LEASE
GROUP

THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM

of SRS Real Estate Partners

255+

RETAIL
PROFESSIONALS

25+

OFFICES

#1

LARGEST
REAL ESTATE
SERVICES FIRM
in North America
exclusively dedicated
to retail

2.3K+

RETAIL
TRANSACTIONS
company-wide
in 2022

760+

NET LEASE
TRANSACTIONS
SOLD
in 2022

\$2.9B+

NET LEASE
TRANSACTION
VALUE
in 2022

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