

Pizza Hut



PHONE
438-6161

Pegasus Investments 

Available For Sale
Long Beach, California
Single-Tenant NNN Pizza Hut





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Executive Summary

Address

3498 East 7th Street
Long Beach, California 90804
7258-026-030

Price

\$1,060,000

Cap Rate

5.0%

Base Rent

\$53,068

Rental Increases

1.50% Annually

Lease Type

Absolute NNN – No landlord responsibility

Lease Term

9/22/2009 - 9/30/2024
(10 Years+ Remaining)

3, 5 Year Options and 1, 4 Year Option

Original Move-In: 1990

SF (Bldg/Lot)

1,220 / 6,067

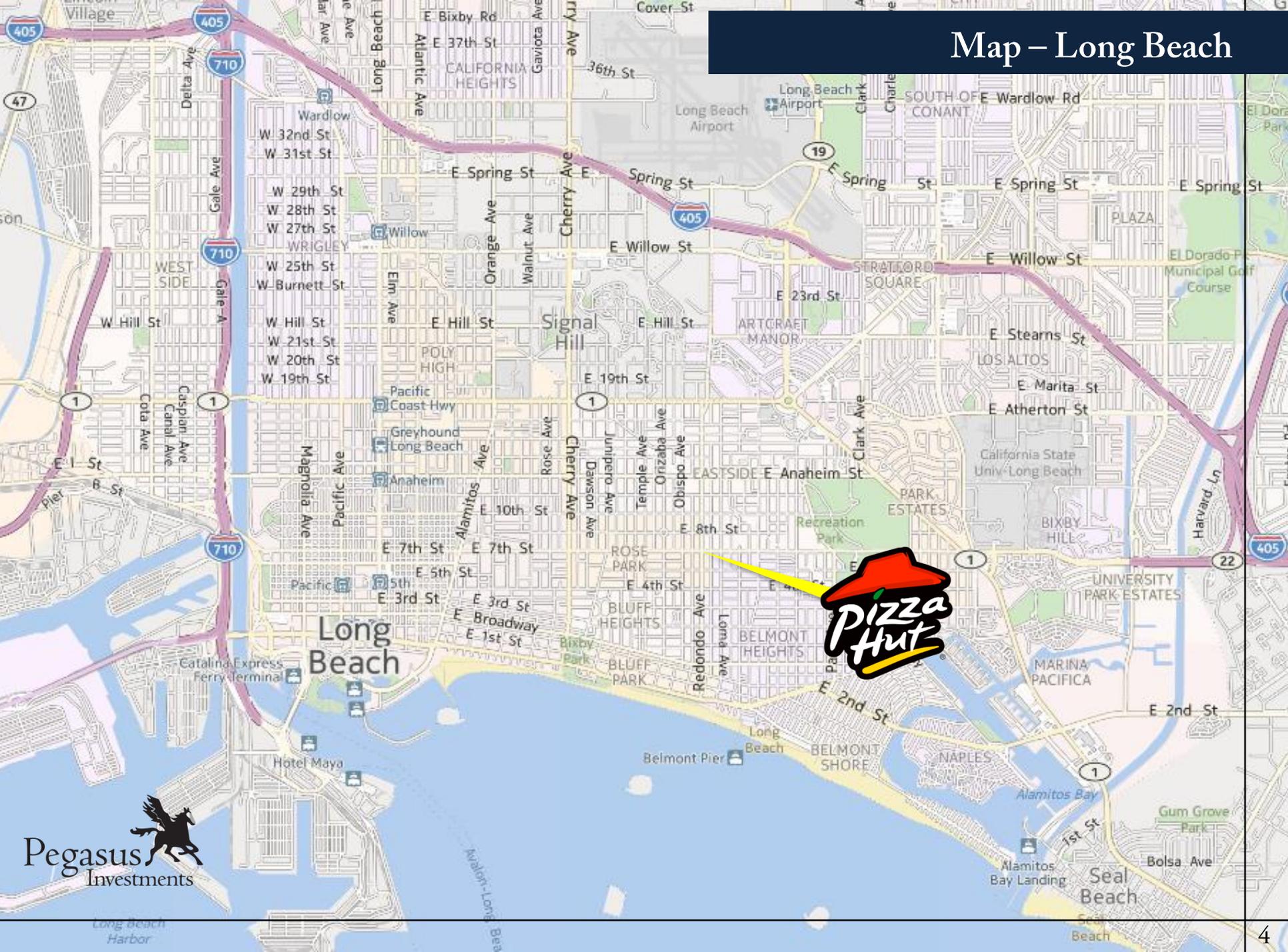
Tenant

Pizza Hut

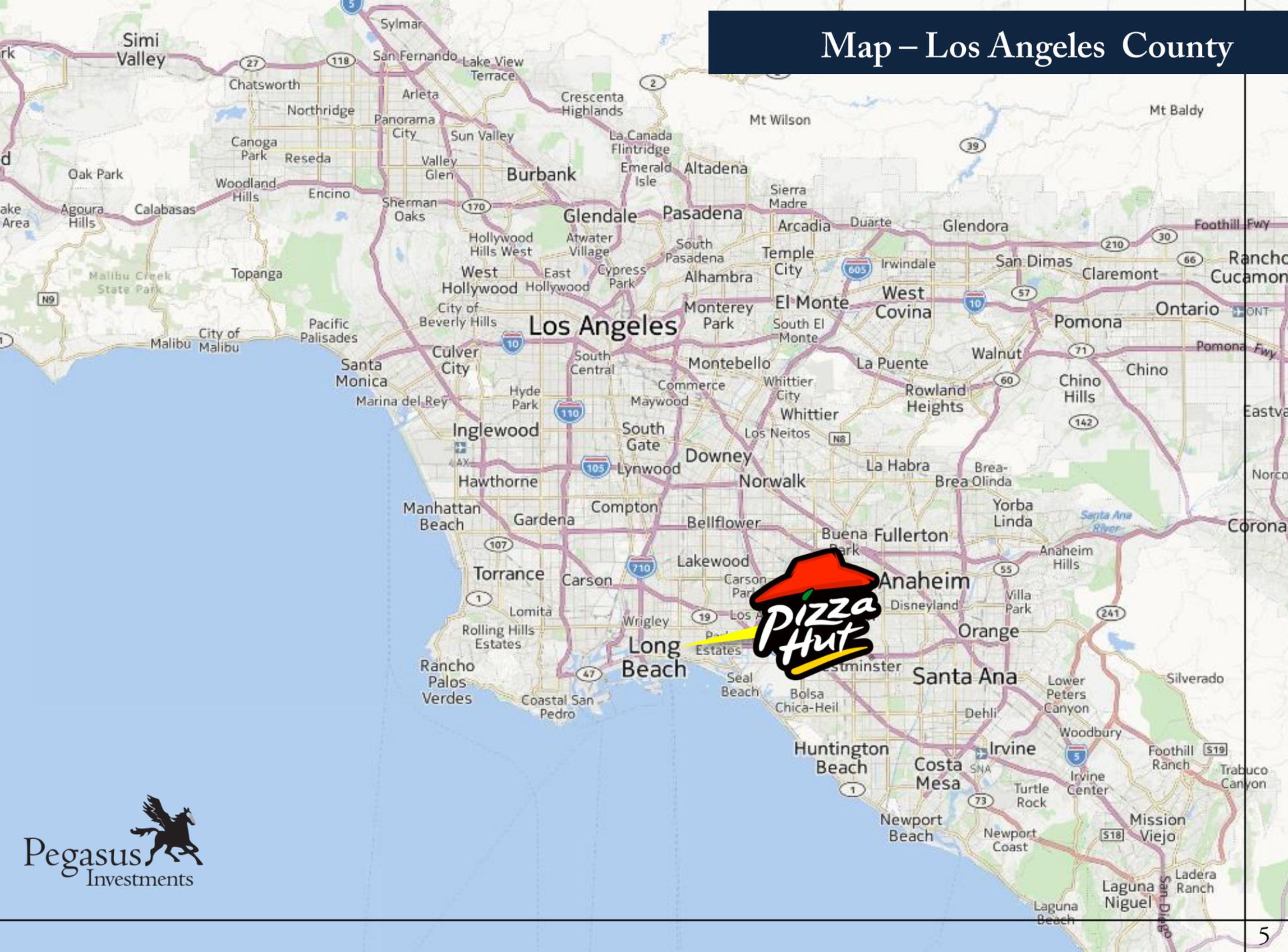
(224+ Unit Institutional Franchisee)



Map – Long Beach



Map – Los Angeles County















Food 4 Less



Redondo Avenue



7th Street



Modern Store Interior



Rental Increase Schedule

Current	\$53,068
October, 2014	\$53,864
2015	\$54,672
2016	\$55,492
2017	\$56,324
2018	\$57,169
2019	\$58,027
2020	\$58,897
2021	\$59,781
2022	\$60,677
2023	\$61,588
<i>(Option 1) 2024</i>	<i>\$62,511</i>
2025	\$63,449
2026	\$64,401
2027	\$65,367
2028	\$66,347
<i>(Option 2) 2029</i>	<i>\$67,343</i>

All Options Continue at 1.50% Annual Increases Per Year
 Tenant has Three, 5 Year Options and then One, 4 Year Option

The Brand



Pizza Hut is an American restaurant chain and international franchise that offers different styles of pizza along with side dishes including salad, pasta, buffalo wings, breadsticks, garlic bread and desserts. Corporately known as Pizza Hut, Inc., it is a subsidiary of Yum! Brands Inc. (NYSE:YUM), the world's largest restaurant company. There are more than 7,500 Pizza Hut restaurants in the United States, and more than 5,139 store locations in 94 other countries and territories around the world.

Parent Company



Founded in 1991, **Sterling Investment Partners** has been investing in and building middle market companies. Sterling acquires businesses that have strong, sustainable competitive advantages and significant opportunities for value creation. Sterling has in excess of \$1.5 billion of equity capital under management and has completed platform investments, strategic or add-on acquisitions, recapitalizations and liquidity events with an aggregate transaction value in excess of \$10.0 billion, representing more than 80 transactions.

About the Tenant

Southern California Pizza Company, LLC

Headquartered in Orange, CA, **Southern California Pizza Company (SCPC)** is the largest Pizza Hut franchisee in California and the third largest Pizza Hut franchisee in the United States. **SCPC operates 224 Pizza Hut quick service restaurants** in greater Los Angeles across five contiguous counties: central Los Angeles, Riverside, San Bernardino, Ventura, and North Orange County. In 2012 SCPC was acquired by Sterling Investment Partners.

2012	1-mi.	3-mi.	5-mi.
Total Population	59,134	259,366	429,477
Households	24,560	98,567	161,488
Household Income: Median	\$48,867	\$47,313	\$55,363
Household Income: Average	\$69,836	\$71,451	\$79,692
White alone	31,477	126,939	227,493
Hispanic	20,931	104,903	149,216
African American alone	6,699	31,147	46,209
Asian alone	6,424	31,138	55,860

About Long Beach

Long Beach is a city in Los Angeles County in Southern California, on the Pacific coast of the United States. The city is the 36th-largest city in the nation and the seventh-largest in California. As of 2013, its population was 496,600. In addition, Long Beach is the second largest city within Greater Los Angeles Area, after Los Angeles. The Port of Long Beach is the United States second busiest container port and one of the world's largest shipping ports.

Downtown Long Beach is located approximately 22 miles south of Downtown Los Angeles, though the two cities border each other for several miles on Long Beach's southwestern portion. Long Beach borders Orange County on its southeast edge.





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BUSINESS
OR PROFESSIONAL
ESTABLISHMENTS
EXCEPT AS
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SPECIFIED



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About Pegasus Investments.

Pegasus Investments is a boutique commercial real estate investment and advisory firm based in Los Angeles, CA. Specializing in retail shopping centers, single tenant net leased and multifamily properties throughout the United States, Pegasus has consistently delivered on its 24 year reputation of providing high quality, white glove service throughout all stages of the investment sales process. Pegasus provides its clients, which include high net worth private investors, family trusts, private & public REIT's, local and regional developers and syndicators with advisory services encompassing underwriting, market research, investment sales and asset management. Pegasus continues to set the bar for high quality, boutique investment sales brokerage and advisory by relying on its industry-leading talent which include experienced institutional and private sector investors. Please visit our website to learn more.