

PIZZA HUT



For those with
HIGHER EXPECTATIONS



RARE BAY AREA ABSOLUTE NNN ASSET

598 PARKER ROAD, FAIRFIELD, CA 94533

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PURCHASE PRICE . . . \$850,000

CAP RATE 6.50%

RENTABLE SF 1,160 SF

LAND AREA **6,500 SF**

YEAR BUILT **1992**

**ADJACENT TO
TRAVIS AIR
FORCE BASE**

Investment Highlights

THE STORY

This is a unique opportunity to acquire a high-volume Pizza Hut with a 14-year history at this location and a proven track record. The tenant sales at this location are substantially above the national Pizza Hut average.

The tenant recently updated their format to include the WingStreet concept and exercised two 5-year options early, further demonstrating their commitment to this location.

The property sits on a freestanding parcel in front of a shopping center that is the closest retail and service provider to Travis Air Force Base. Travis is the busiest military air terminal in the US. In addition, the property is located across the street from the David Grant USAF Medical Center, the Air Force's largest medical facility on the West Coast.

This high-volume Pizza Hut is a freestanding building that is takeout and delivery only. The lease is absolute NNN and has approximately 11 years remaining.

TENANT HIGHLIGHTS:

- > PacPizza LLC is one of the largest **Pizza Hut franchisees** in the country and operates 81 stores in California, Oregon, and Nevada
- > In 2012, PacPizza LLC generated more than \$80 million in revenue
- > Strong stores sales, well above the company-wide store average

LEASE HIGHLIGHTS:

- > Absolute NNN with no landlord responsibilities
- > 11 years remaining
- > 10.8% rental increase in 2020
- > Option rent adjusted to fair market value, but shall be no less than the previous in-place rent
- > Tenant has a 15-day right of first refusal to purchase the property





TRAVIS AIR FORCE BASE

LARGEST MILITARY AIRPORT

Situated in the San Francisco Bay Area and known as the “Gateway to the Pacific”, Travis Air Force Base handles more cargo and passenger traffic through its airport than any other military air terminal in the United States. Today, Travis AFB includes approximately 7,260 active USAF military personnel, 4,250 Air Force Reserve personnel and 3,770 civilians

COMMUNITY AND ECONOMIC IMPACT

Travis AFB has a major impact on the community as a number of military families and retirees have chosen to make Fairfield their permanent home. Travis AFB is the largest employer in the city and Solano County as well, and the massive Travis workforce has a local economic impact of more than \$1 billion annually. The base also contributes a large number of highly skilled people to the local labor pool

DAVID GRANT USAF MEDICAL CENTER

The David Grant USAF Medical Center (DGMC) is the U.S. Air Force’s largest medical facility on the west coast. Serving military beneficiaries throughout eight western states, it is a milestone in the history of the Air Force Medical Service and one of the premier medical treatment facilities in the United States. A fully accredited hospital with a national quality approval gold seal by the joint commission, DGMC currently serves over 96,000 TRICARE beneficiaries in the immediate San Francisco-Sacramento vicinity

**LARGEST EMPLOYER
IN FAIRFIELD &
SOLANO COUNTY**

7,260 USAF personnel
4,250 Air Force Reserve
3,770 Civilians

Aerial

ADJACENT TO TRAVIS AIR FORCE BASE

The property sits on a freestanding parcel in front of a shopping center that is the closest retail and service provider to Travis Air Force Base.

TRAFFIC COUNTS

Over 29,000 average daily traffic on Air Base Parkway.



Aerial



Income & Expense

PRICE		\$850,000
Price Per Square Foot:		\$732.76
Capitalization Rate:		6.50%
Total Rentable Area (SF):		1,160
Lot Size (AC):		0.15
STABILIZED INCOME	Per Square Foot	
Scheduled Rent	\$47.59	\$55,200
Effective Gross Income	\$47.59	\$55,200
LESS	Per Square Foot	
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
Total Operating Expenses	NNN	\$0.00
EQUALS NET OPERATING INCOME		\$55,200

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY					
Tenant Name	Sq. Ft.	Term		Current Rent	Monthly Rent	Yearly Rent	Monthly Rent/FT	Yearly Rent/FT	
Pizza Hut	1,160	4/17/2000	3/31/2003		\$3,577	\$42,920	\$3.08	\$37.00	
		4/1/2003	3/31/2005		\$3,720	\$44,637	\$3.21	\$38.48	
		4/1/2005	3/31/2007		\$3,869	\$46,422	\$3.33	\$40.02	
		4/1/2007	3/31/2009		\$4,023	\$48,279	\$3.47	\$41.62	
		4/1/2009	3/31/2011		\$4,184	\$50,210	\$3.61	\$43.28	
		4/1/2011	3/31/2013		\$4,352	\$52,219	\$3.75	\$45.02	
		4/1/2013	3/30/2015		\$4,526	\$54,307	\$3.90	\$46.82	
		Option 1 (exercised)	3/31/2015	3/31/2020	\$55,200	\$4,600	\$55,200	\$3.97	\$47.59
			4/1/2020	3/31/2025		\$5,100	\$61,200	\$4.40	\$52.76
Option 2	4/1/2025	3/31/1930			Fair Market Value				
Totals:	1,160			\$55,200	\$4,600	\$55,200	\$3.97	\$47.59	

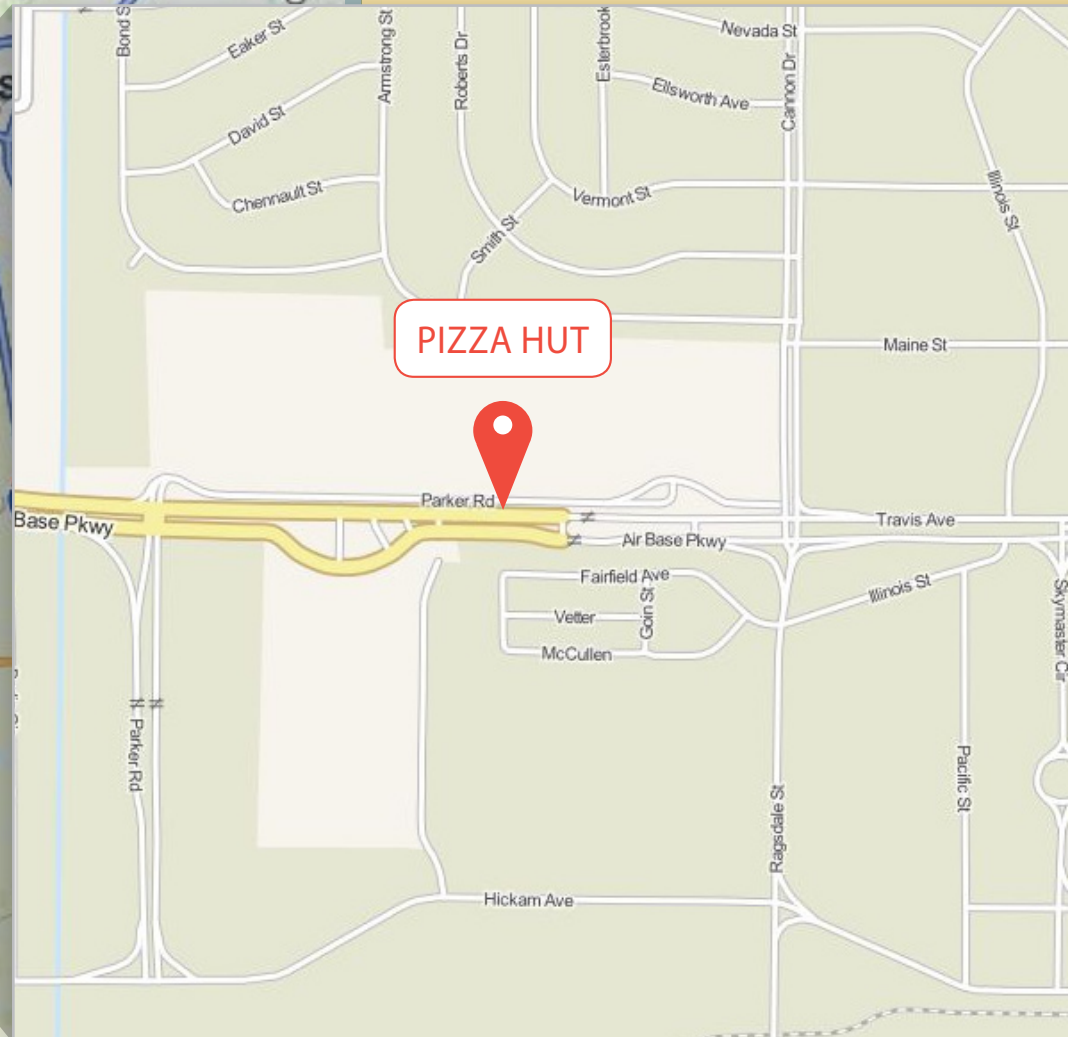
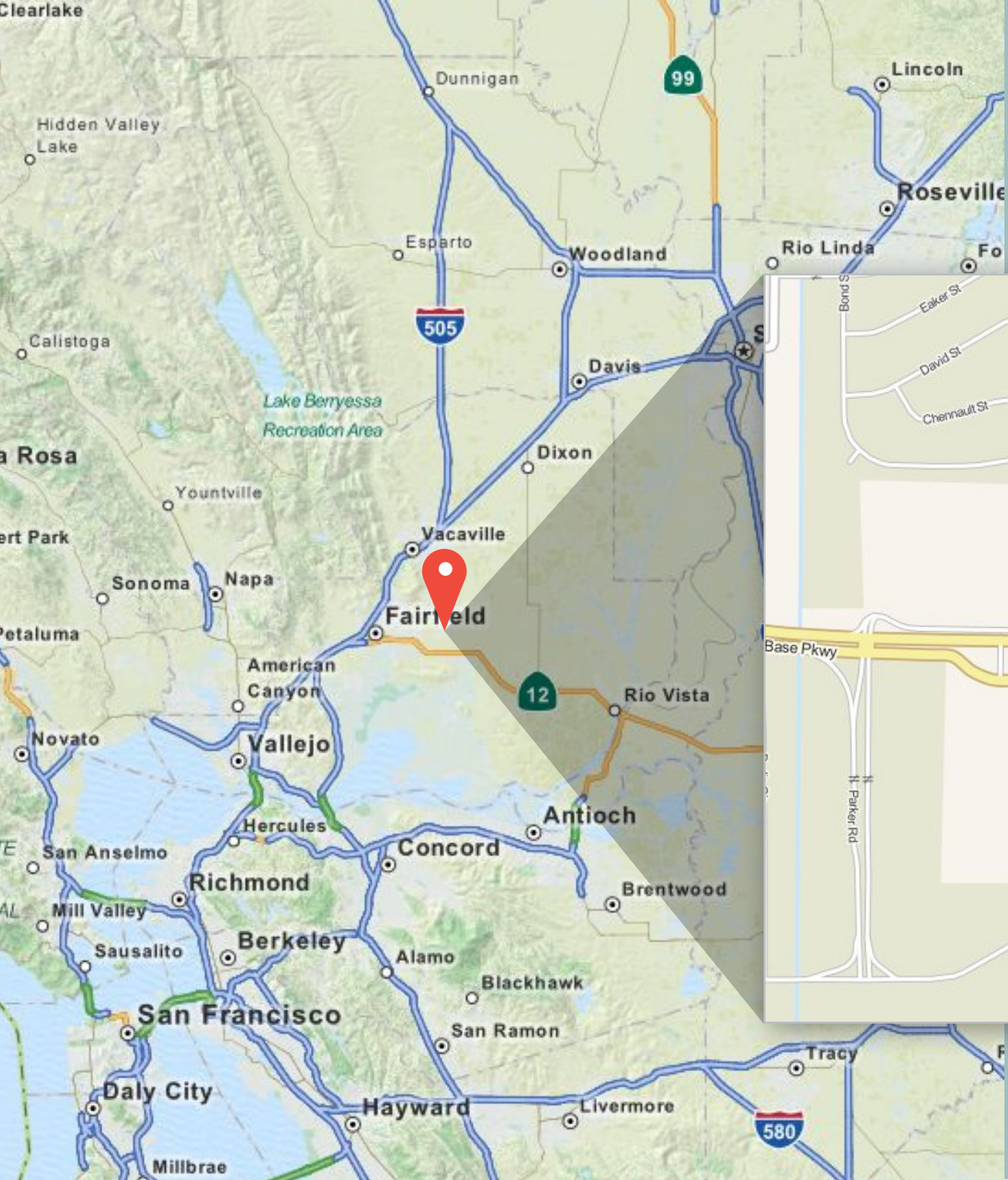
Seller to credit the difference in rent from COE to 3/31/2015

All historic rents based on 4% rent escalations every 2 years during primary term

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Regional Map



Fairfield, CA

With a population of over 105,000 residents, Fairfield is located just between the cities of San Francisco and Sacramento, approximately 36 miles from the city center of both cities. It is located in the Northeastern part of the Bay Area.

Anheuser-Busch operates a large regional Budweiser brewery, Clorox produces bleach products, and the Jelly Belly Candy Company confects its specialty jelly beans in Fairfield. Nearby theme parks include Six Flags Discovery Kingdom and Scandia Fun Center. Fairfield is just minutes away from nearby wine country: Napa, Sonoma, and Suisun valleys. Nearby outdoor activities include swimming, hiking, hunting, fishing, wildlife, birding, picnicking, boating and other lake activities, camping, bicycling and more.

Demographics

Population	1 Mile	3 Miles	5 Miles
2010 Population	3,802	24,995	125,288
2013 Population	3,883	25,536	127,515
2018 Population (Projection)	4,056	26,670	132,143
2013 Income			
2013 Average Household Income	\$72,250	\$84,701	\$80,616
2013 Median Household Income	\$57,146	\$75,082	\$64,528

Top Employers in Fairfield, CA

Employer	# of Employees (Approx)
Travis AFB	15,280
Tech Data	14,353
County of Solano	2,850
Fairfield-Suisun Unified School Dist	2,000



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