

Starbucks-Anchored Shopping Strip

RARE AND EXCLUSIVE CHINO HILLS LOCATION
SHADOW-ANCHORED BY STRONG TRAFFIC GENERATORS

CHINO HILLS, CA

HOTEL
CHINO HILLS

US STORAGE
Centers

RCHIBAI'S
DRIVE-THRU

Denny's



Central Avenue
±14,000 Cars Per Day

Fairfield Ranch Road

Marcus & Millichap

NOTE: Property boundaries are approximate and must be independently verified.

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Investment Highlights

Rare Prime Southern California Multi-Tenant Investment



Anchored by Starbucks, the World's Largest Coffee Retailer (±33,000 Stores) – Starbucks Benefits from a Large Drive-Thru Lane that can Accommodate 15+ Cars Simultaneously



Signalized, Corner Location with Close Proximity to the Central Avenue Entrance/Exit of the 71 Freeway – Traffic Counts Exceed 90,000 Cars Per Day



High Quality, 2007 Construction with Excellent Curb Appeal – The Subject Property is Located in the Fairfield Ranch Business Center Which Also Includes Denny's (NAP), Archibald's (NAP) and Hotel Chino Hills (NAP), and a Recently Constructed US Storage Centers Property (NAP)

Prime Retail Location

- ▶ **Easy to Manage Five Tenant Shopping Center Located in the Coveted Chino Hills Market** – Chino Hills Benefits from Favorable Demographics and Provides Easy Access to a Number of Employment Hubs in Southern California
- ▶ **Current Rent is Well Below Market** When Compared to Other Drive-Thru Starbucks Locations
- ▶ Long-Term NNN Leases with Staggered Expirations Provides for Excellent Stability – **Nearly 50% of the GLA has Leases with 10+ Years Remaining (Over 70% with 6+ Years Remaining)**
- ▶ **Excellent Tenant Synergy** – Diverse Tenant Mix of Restaurant and Service Tenants Promotes **Strong and Recurring Patronage to the Subject Property**
- ▶ In Addition to Starbucks, the Subject Property Features **Strong Local & Regional Tenants** such as **Ensenada Surf & Turf Grill, Fairfield Ranch Dental, La Bella Nails & Spa, and Havana Smoke Shop**
- ▶ **Annual Increases for Most Tenants Provide for an Excellent Hedge Against Inflation**

Excellent Surrounding Area & Strong Real Estate Fundamentals

- ▶ **Additional Tenant Signage Located on the Rear Building Façade Provides Visibility from Traffic En Route to the 71 Freeway**
- ▶ Chino Hills Benefits from Close Proximity to Several Major Freeways and its Central Location to San Diego, Orange, and Riverside Counties Make Chino Hills an Ideal Location for Future Development & Expansion
- ▶ The Subject Property is Located Near the **East Chino Specific Plan, Under Which Millions of Square Feet of Residential and Commercial Properties Have Been Development in Recent Years** – Existing Distribution Centers Include Amazon, FedEx, and Coca Cola Refreshments with Additional Developments Currently Underway
- ▶ **Dense, Infill Area – Population Counts Exceed 202,786 Within Five Miles | Strong Household Income of \$124,930 Within Five Miles**



Market Overview

Aerial Photo

Chino Hills Spectrum | ±60 Stores



Chino Hills Marketplace | ±30 Stores



Chino Industrial District
±100 Industrial & Retail Businesses

Ramona Mini Storage



Ayala Park & Stadium

Chaffey College | ±23,000 Students

Central Avenue - ±14,000 Cars Per Day



Demographics - 5-Mile Radius

Population: ±202,786

Households: ±58,287

Avg. HH Income: \$124,930

**SUBJECT
PROPERTY**

Lake Los Serranos Club

Los Serranos County Club | 18 Hole Golf Course



Inland Empire
Utilities Agency



State Route 71
(±90,000 Cars Per Day)

Chino Hills
High School

Starbucks Corporation Overview

Starbucks Corporation is an American coffee company and coffeehouse chain. Starbucks was founded in Seattle, Washington in 1971.

Starbucks began as a roaster and retailer of whole bean and ground coffee, tea and spices with a single store in Seattle's Pike Place Market. **As of early 2021, the company operates over 33,000 locations worldwide.**

Starbucks locations serve hot and cold drinks, whole-bean coffee, microground instant coffee known as VIA, espresso, caffe latte, full- and loose-leaf teas including Teavana tea products, Evolution Fresh juices, Frappuccino beverages, La Boulange pastries, and snacks including items such as chips and crackers; some offerings are seasonal or specific to the locality of the store.

Many stores sell pre-packaged food items, hot and cold sandwiches, and drinkware including mugs and tumblers; select "Starbucks Evenings" locations offer beer, wine, and appetizers. **Starbucks-brand coffee, ice cream, and bottled cold coffee drinks are also sold at grocery stores.**

Tenant Profile

Website	www.starbucks.com
Company Type:	Public (NASDAQ: SBUX)
Market Cap:	\$101.61 Billion
Number of Locations	30,000+ Worldwide (As of 2019)
Credit Rating	A- by S&P
Revenue	\$24.72 Billion (2018)
Operating Income	\$5.62 Billion (2018)



Tenant Spotlight

Ensenada Surf & Turf Grill

With four strong locations across Southern California, Ensenada Surf & Turf Grill is bound to keep growing. The restaurant is known for serving their Baja California style dishes. Their menu ranges from fish tacos to Mexican Tortas. Other locations include El Segundo, Lawndale, Fullerton, and Hermosa Beach.



Square Feet	±2,855 SF
Tenancy	±2 Years
# of Locations	4 Locations
Website	www.ensenadasurfturf.com

Fairfield Ranch Dental

A dental practice devoted to restoring and enhancing the natural beauty of patient's smiles using conservative, state-of-the-art procedures that will result in beautiful, long lasting smiles!

Their core values include high standards, education & prevention, top-notch safety, expertise, and facilitating a positive experience.

Square Feet	±1,430 SF
Tenancy	±15 Years
# of Locations	1 Location
Website	www.fairfieldranchdental.com

Bella Nails & Spa

This establishment offers nail beautification services for women and men.

La Bella offers services for hands and feet, including manicures, pedicures, nail polish application, nail repair, and hand and foot treatments. They also offering hair removal services such as waxing.

Another popular service offered is lash extension service.

Square Feet	±1,309 SF
Tenancy	±7 Years
# of Locations	1 Location

Havana Smoke Shop

If you are looking for the best smoke shop in Chino Hills, CA, look no further than Havana Smoke Shop.

You will enjoy their luxurious vape shop with a beautifully organized display room for all of your hookah and tobacco accessories. Havana offers authentic smoking products and some of the best vape products available in the area.

Square Feet	±1,285 SF
Tenancy	±2 Years
# of Locations	1 Location
Website	www.smokeshopchinohills.com

Financial Analysis

Offering Summary

Property Name	Fairfield Ranch Shopping Strip
Property Address	15463 Fairfield Ranch Road Chino Hills, CA 91709
Assessor's Parcel Number	1028-641-13-0000
Current Occupancy	100%
Year Built	2007
Gross Leasable Area (GLA)	±8,651 Square Feet
Lot Size	±1.00 Acres (±43,560 Square Feet)

Pricing

Price	\$5,980,000
Cap Rate	5.00%
Price Per Square Foot	\$691.25

Annualized Operating Data **Current**

Gross Potential Rent	\$308,270
Expense Reimbursements	\$119,103
Gross Potential Income	\$427,373
Effective Gross Income	\$427,373
Less Expenses	(\$128,172)
Net Operating Income	\$299,201

Expenses **Current**

Property Taxes (1.150%)	\$68,770
Special Assessments	\$5,000
Insurance	\$4,415
CAM	\$37,656
Property Management (4% GPR)	\$12,331
Total Expenses	\$128,172
Expenses/SF	\$14.82



Financial Analysis

Rent Roll - As of March 1, 2023

#	Tenant Name	Square Feet	Percent of GLA	Expires	Tenancy	Monthly Rent	Rent Per SF	Increases	Lease Type	Options
1	Starbucks	1,772	20.48%	02/29/2028	15 Years	\$8,670	\$4.89	Every 5 Years	NNN*	Four, Five-Year @ Approx. 12.5% Increase Per Option
2	Ensenada Surf & Turf Grill	2,855	33.00%	08/31/2031	2 Years	\$7,245	\$2.54	3% Annual (After 2023)	NNN	Two, Five-Year @ 3% Annual
3	Fairfield Ranch Dental	1,430	16.53%	02/28/2028	15 Years	\$4,093	\$2.86	None	NNN	Two, Five-Year @ 4% (Then 3% Annual)**
4	La Bella Nails & Spa	1,309	15.13%	12/31/2025	7 Years	\$2,967	\$2.27	3% Annual	NNN	Two, Five-Year @ 3% Annual
5	Havana Smoke Shop	1,285	14.85%	07/31/2032	2 Years	\$2,715	\$2.11	3% Annual	NNN	Two, Five-Year @ 3% Annual
# of Tenants: 5	Total Available:	0 SF		Monthly:		\$25,689		Average:		
	Total Occupied:	8,651 SF		Annual:		\$308,270		\$2.97/SF		

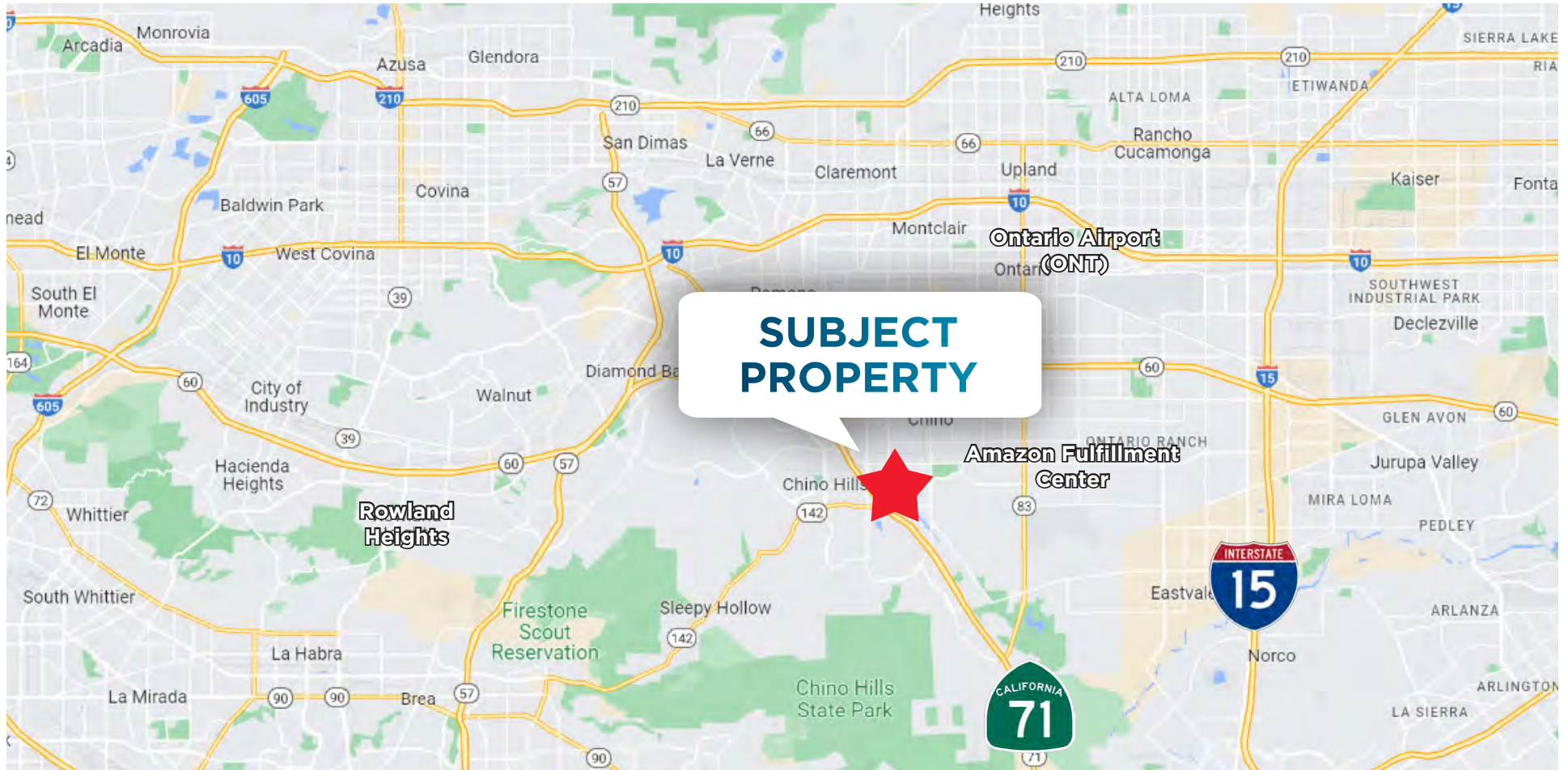
COMMENTS:

*Starbucks does not pay for tax increases as a result of a sale. Starbucks does reimburse for annual tax reassessments by the county (estimated at 2%). Reimbursements for property tax in 2023 from Starbucks are estimated at \$7,274.87.

**This analysis assumes that tenant exercises its first five-year option to renew at a 4% increase. Tenant will have one, five-year option remaining in the event the first option is exercised.

Market Overview

Regional Map



±90,000

CARS PER DAY ON SR-71



±12 MILES

TO ONTARIO INTERNATIONAL
AIRPORT (ONT)



±15 MILES

TO ANAHEIM, CA



±17 MILES

TO RIVERSIDE, CA

Market Overview

The City Of Chino Hills

The city of Chino Hills is bounded by the Los Angeles County cities of Pomona and Diamond Bar to the north and to the northwest, the San Bernardino County city of Chino to the east, unincorporated Riverside County near Corona to the southeast, and the Orange County cities of Brea and Yorba Linda to the west and southwest.



The eastern border of Chino Hills roughly follows the Chino Valley Freeway (SR 71), which offers access to the Pomona Freeway (SR 60) to the north and the Riverside Freeway (SR 91) to the south. Undeveloped hills form the western border, which also serves as the San Bernardino – Orange County line.

Chino Hills is well known for its high quality of life and beautiful rural atmosphere. The community has a population of 82,800 as of 2020 and boasts 3,000 acres of publicly-owned open space, 44 parks, and 48 miles of trails.

Chino Hills' strong demographics and its location at the convergence of Orange, Riverside, Los Angeles, and San Bernardino Counties make it attractive to commercial developers.

It ranked #38 on Money magazine's 2019 list of the "100 Best Places to Live." According to the CNN/Money website, the list includes "the top 100 terrific cities that offer what American families care about most - strong job opportunities, great schools, low crime, quality health care, plenty to do, and a true sense of community."

Top Attractions in Chino Hills

- ▶ The Shoppes at Chino Hills - The Inland Empire's premier destination for shopping and dining with more than 70 tenants. Located on Grand Avenue at Peyton Drive off the 71 Freeway, The Shoppes at Chino Hills features more than 375,000 square feet of retail and restaurants in an open-air main street-style pedestrian setting.
- ▶ Chino Hills State Park - A unique in that it provides refuge for both biodiversity and solitude to the visitors who enjoy their outdoor experiences.
- ▶ Los Serranos Golf Club - One of the finest public golf facilities in Southern California, featuring two 18 hole golf courses.

The Shoppes at Chino Hills



Chino Hills State Park



Los Serranos Golf & Country Club

Market Overview

Demographic Summary

Population	1-Mile	3-Miles	5-Miles
2026 Population	10,843	77,260	216,421
2021 Population	9,711	71,086	202,786
2010 Population	7,666	60,286	176,705
2000 Population	5,307	51,554	157,560

Households	1-Mile	3-Miles	5-Miles
2026 Households	3,063	21,754	62,433
2021 Households	2,734	19,933	58,287
2010 Households	2,119	16,452	49,808
2000 Households	1,398	12,814	42,870
2026 Owner Occupied Housing	72.8%	73.2%	69.5%
2026 Rent Occupied Housing	27.3%	26.8%	30.5%
2021 Owner Occupied Housing	73.1%	73.5%	69.9%
2021 Renter Occupied Housing	26.9%	26.5%	30.1%
2010 Owner Occupied Housing	78.8%	77.8%	74.3%
2010 Renter Occupied Housing	21.2%	22.2%	25.8%

Income	1-Mile	3-Miles	5-Miles
\$ 0 - \$ 14,999	3.4%	3.6%	4.3%
\$ 15,000 - \$24,999	5.7%	3.8%	4.5%
\$ 25,000 - \$34,999	3.6%	3.3%	4.3%
\$ 35,000 - \$49,999	10.7%	7.0%	7.9%
\$ 50,000 - \$74,999	14.5%	14.0%	15.9%
\$ 75,000 - \$99,999	15.6%	16.7%	16.4%
\$100,000 - \$124,999	14.5%	15.4%	14.0%
\$125,000 - \$149,999	8.6%	10.4%	9.7%
\$150,000 - \$200,000	12.2%	14.1%	12.3%
\$200,000 to \$249,999	3.1%	3.8%	3.9%
\$250,000 +	8.1%	8.0%	6.8%
2021 Median Household Income	\$94,244	\$102,573	\$94,606
2021 Average Household Income	\$129,279	\$135,881	\$124,930



\$124,930

2021 AVERAGE HOUSEHOLD INCOME



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