

### **FOR SALE**

#### SINGLE TENANT NET-LEASED RESTAURANT PROPERTY



4300 EAST WATERLOO, STOCKTON, CA 95215

- RARE, SINGLE TENANT RESTAURANT PROPERTY
- TENANT HAS OCCUPIED BUILDING FOR 24 YEARS
- FANTASTIC IDENTITY & VISIBILITY ON HIGHWAY 88
- EXCELLENT LOCATION NEAR HIGHWAYS 99 AND 88
- NNN LEASE WITH NO LANDLORD RESPONSIBILITY
- MULTIPLE USES & FLEXIBLE COMMERCIAL ZONING

**OFFERED AT** 

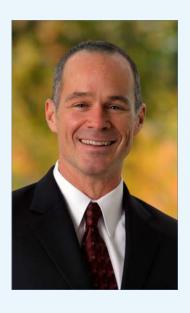
\$1,200,000

**7.05% CAP RATE** 

#### **SHAWN WILLIS**

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#### **INVESTMENT OFFERING**

PRICE \$1.200.000 LEASE EXPIRATION 12/31/2016 (3) 5-year options **INCREASES** 3% Fixed, Annual Increases **Including Option Periods** 

**CAP RATE 7.05% TENANT** Perko's Café **BUILDING**  $3,350 \pm SQ.$  FEET **LOT**  $40,075 \pm SQ.$  FEET

#### **TENANT OVERVIEW**

Perko's Farm Fresh is family restaurant that caters to local tastes. Trying to keep the competitive edge, they serve traditional meals as well as offering more innovative selections. They're known for using only the freshest produce and livestock from the Central Valley, and their doors are open seven days a week from 6:00 am to 9:00 pm.

In addition to Perko's Café, BRG (Brook Restaurant Group) also offers franchises for Huckleberry's and Cool Hand Luke's.







#### **HIGHLIGHTS**

Address 4300 E. Waterloo Road, Stockton, CA 95215-2334

**Building square feet**  $3.350 \pm$ 

> Lot size 40,075 s.f. (.92 Acres ±)

Year built 1980

> APN 101-180-33

Description Single story, single-tenant restaurant building

Parking 58+ on site spaces

Roof Flat with decorative mansard HVAC Multiple, roof mounted units



#### **LEASE SUMMARY**

**TENANT** Ernest Federico (franchisee of Perko's Café)

INITIAL OCCUPANCY 1991

**LEASE TERM** January 1, 2012 – December 31, 2016

**RENEWAL OPTIONS** Three (3) for a period of Five (5) Years Each

**LEASE TYPE** Absolute Triple-Net (NNN)

**RENT** \$7,426 monthly / \$89,112 annually

**RENT INCREASES** Fixed, 3% annual increases on anniversary date

(including all option periods)

**EXPENSES** Tenant is responsible for all expenses related to

the operation of the property including property taxes,

insurance, repairs, and maintenance.

TENANTS RIGHT TO PURCHASE None



### **INCOME & EXPENSE ANALYSIS**

RENTAL INCOME	APPROX. SQUARE FEET	CURRENT BASE RENTS	CURRENT RENT/SQ FT
Perko's Café TOTALS	3,350 3,350	\$7,426 \$7,426	\$2.22 \$2.22
INCOME			
MONTHLY RENT ANNUAL RENT VACANCY/BAD DEBT GROSS RENT NNN Recapture [1]	5.00%	\$7,426 \$89,116 (\$4,456) \$84,660 \$0	
TOTAL INCOME		\$84,660	
EXPENSES			
GROUNDS MAINTENANCE INSURANCE OFF-SITE MANAGEMENT PROPERTY TAXES LEVIES AND ASSESSMENTS REPAIRS & MAINTENANCE REPLACEMENTS PG&E WATER TRASH MISCELLANEOUS TOTAL EXPENSES  NET OPERATING INCOME DEBT SERVICE PRE-TAX CASH FLOW PRINCIPAL PAY-DOWN	Tenant	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$	0.00
TOTAL PRE-TAX RETURN		\$49,913	
CAP RATE		7.05%	
PRICE PER SQUARE FOOT	PRICE PER SQUARE FOOT		
CASH ON CASH TOTAL PRE-TAX RETURN	7.8% 11.9%		
PURCHASE PRICE	\$1,200,000		
DOWN PAYMENT	\$420,000	35%	
PROPOSED NEW FIRST [2] [1] NNN with no landlord responsibility		\$780,000	65%

[2] 1.3 Debt coverage ratio, 4.5% interest rate, 25 year amortization, 65% maximum LTV



### **RENT COMPARABLES & PHOTOS**

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	SUBJECT PROPERTY Perko's Café 4300 E Waterloo Road Stockton, California	\$7,426 3,350 square feet \$2.22/sf/month NNN					
THE REAL PROPERTY OF THE PARTY	Former Krispy Kreme 7860 West Lane Stockton	2,330 s.f. \$3.00/s.f. NNN (on market)					
Burden Brackley D	College Square 1243 W. March Lane Stockton	1,539 s.f. \$2.50/s.f. NNN (on market)					
STERN DENTAL CONTROL OF THE PARTY OF THE PAR	Eastland Plaza 678 N. Wilson Way Stockton	1,200 s.f. \$2.00/s.f. NNN (on market)					
	Arby's 745 W. Clover Road Tracy	2,111 s.f. \$2.39/s.f. NNN (completed lease)					
	<b>Taco Bell</b> 6425 W. Banner Lane Lodi	2,800 s.f. \$3.00/s.f. NNN (completed lease)					
	<b>Taco Bell</b> 16905 S. Harlan Road Lathrop	2,448 s.f. \$2.66/s.f. NNN (completed lease)					



#### **RENT COMPARABLES MAP**





### **SALES COMPARABLES**

ADDRESS	SALE PRICE	SQUARE FEET	PRICE/ SQ FOOT	CAP RATE	SOLD	BUILT	COMMENTS
6425 W Banner Ave Lodi	\$1,325,000	2,800	\$473.21	7.25%	12/31 2014	1995	20 year franchise tenant (Taco Bell) with 3 years remaining and multiple options near intersection of I-5 and Highway 12.
2052 W Orangeburg Ave Modesto	\$1,565,000	3,968	\$394.41	6.10%	10/1 2014	1967	Single tenant (Denny's), leased from March 23,1967 to February 28, 2017. 34,412 s.f. lot size.
16905 E. Harlan Rd Lathrop	\$1,350,000	2,448	\$551.47	5.49%	5/14 2014	1990	Single tenant (Taco Bell), close to Highway 99. Pylon sign and franchisee in place since 1990.
4327 E Waterloo Rd Stockton	\$720,000	2,618	\$275.02	N/A	9/17 2013	N/A	Single tenant (Taco Bell), close to Highway 99 and frontage along frontage along Highway 88. 26,136 s.f. lot size.
745 W Clover Rd Tracy	\$855,000	2,111	\$405.02	6.73%	5/10 2013	N/A	Single tenant (Arby's), located off I-205 in Tracy. 29,888 s.f. lot size. Long term, guaranteed lease in place.
AVERAGES	\$1,163,000	2,789	\$419.83	6.39%			
4300 E. Waterloo Rd Stockton	\$1,200,000	3,350	\$358.21	7.05%	New	1980	Single tenant Perko's Café with outstanding frontage along Highway 88. Excellent location near Highways 99 and 88. Same franchisee in place for 24 years. NNN lease with no landlord responsibility.
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#### **SALES COMPARABLES PHOTOS**











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Stockton

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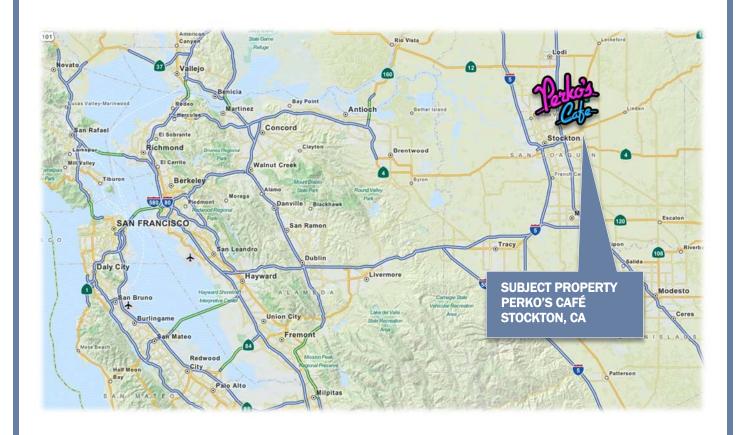
#### **SALES COMPARABLES**



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### **REGIONAL MAP**





### **LOCATION OVERVIEW**





#### **PARCEL MAP**

