

TOAST KITCHEN & BAR - ABSOLUTE NNN

190 S STATE COLLEGE BLVD, BREA, CALIFORNIA

RETAIL PROPERTY



PRESENTED BY

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Adjacent to Top 3 Mall in Orange County
with 1.5B in Sales & 10.5M Annual Visitors
Major Redevelopment/Expansion in Progress


BREA MALL[®]
A SIMON MALL

 **Graystone**
Capital Advisors

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LOCATION INFORMATION



COMPLETE HIGHLIGHTS



BUILDING INFORMATION

NOI	\$314,486.57
Cap Rate	5.26%
Occupancy %	100.0%
Tenancy	Single
Free Standing	Yes
Building Size	10,614 SF
Lot Size	1.43 AC
Year Built/Renovated	1984/2019

PROPERTY HIGHLIGHTS

- Trophy Location Brea Mall Hard Corner with 46,000 VPD
- Immediately Off the 57 Freeway with Over 257,941 VPD
- Experienced 8-unit Operator – High Performing Location with Absolute Net Lease
- Large 1.43 AC Lot with 100 Dedicated Parking Spaces
- Adjacent to New Construction 138 Room Residence Inn by Marriott and 653 Unit Avalon Brea Place Apartments
- Immediate Proximity to New Simon Property Brea Mall Redevelopment Project |380 Unit Apartment Complex, Din Tai Fung, Lifetime Fitness, Dick's Sporting Goods and Many More!





PROPERTY DESCRIPTION

Graystone Capital Advisors is pleased to exclusively present 190 S College Blvd in Brea, CA. Located at the 46,000 VPD intersection of State College Blvd and Birch Street, the property sits catty-corner to the vibrant Brea Mall. The recently remodeled 10,614 SF Toast Kitchen and Bar features an Absolute NNN lease from an experienced 8-unit operator. The property boasts a large 1.43 AC lot with 100 dedicated parking spaces, access along both State College Blvd and Birch Street, and visibility from the 57 Freeway with 257,941 vehicles passing per day.

The property will further benefit from the planned expansion of The Brea Mall, with Simon Property planning a redevelopment of the 15.5-acre former Sears space. The project will deliver a vibrant mixed-use development consisting of five new commercial buildings for retail and restaurants, a five-story 380-unit market rate with some affordable housing apartments on top of a three-story parking structure, a two-story fitness center, and two outdoor gathering spaces - a plaza and a central green area. Popular tenants initially planned for the expansion include the world-renowned Din Tai Fung, Lifetime Fitness, Dick's Sporting Goods, Zara, and Philz Coffee. More new development immediately bordering the property includes a recently completed 138-room Residence Inn by Marriott and 653 luxury units at the Avalon Brea Place Apartments.

RETAILER MAP



Map data ©2023 Imagery ©2023, Airbus, County of San Bernardino, Maxar Technologies, U.S. Geological Survey USDA/FPAC/GEO



LOCATION DESCRIPTION

A high-income earning consumer base, thriving tourism industry, and expanding economy provide robust structural demand for Orange County's shopping centers, neighborhood restaurants, and renowned regional malls. Retail space availability is trending near a decade-plus low as of the fourth quarter of 2023, at just 4.3%. A common refrain is that the best retail space has been leased.

With inflation driving demand for discount retailers, category killers and discount grocery stores have driven recent big-box leasing. Experiential tenants, often fitness related, have also leased space recently. Absorption is limited due to a lack of available space and has run negative in recent quarters as tenants move in and out of spaces. In addition, investors are purposefully vacating tenants from older malls earmarked for redevelopment into alternative use.

Construction of retail space in the market is negligible, and investors have drawn plans to scrap obsolete vacant retail space at a collection of malls across the county, most commonly adding multifamily housing units into what will become mixed-used properties. Many of these closed retail spaces slated for redevelopment stand vacant but unavailable for lease. This phenomenon has resulted in the oddity of market availability subverting vacancy. Defunct retail space will be removed from inventory as redevelopment projects progress. Demolitions will likely outpace deliveries in the years ahead as the development pipeline remains highly restrained. Orange County is developing retail space at the slowest pace relative to the largest 40 retail markets nationwide.

Lease negotiating leverage resides with landlords due to the market's historically low space availability, strong demand for well-located assets, and high barriers to entry, although a dichotomy still exists between anchor and shop space. Rents have increased by 2.6% over the trailing year. Rents in central and coastal submarkets are up most substantially over the trailing year as rent growth further inland dissipated at a faster rate in 2023.

LOCATION DETAILS

Market	Orange County
Sub-Market	Brea/La Habra
Market Type	Large
Nearest Highway	CA-57
Nearest Airport	John Wayne Airport

DEMOGRAPHICS MAP & REPORT

POPULATION

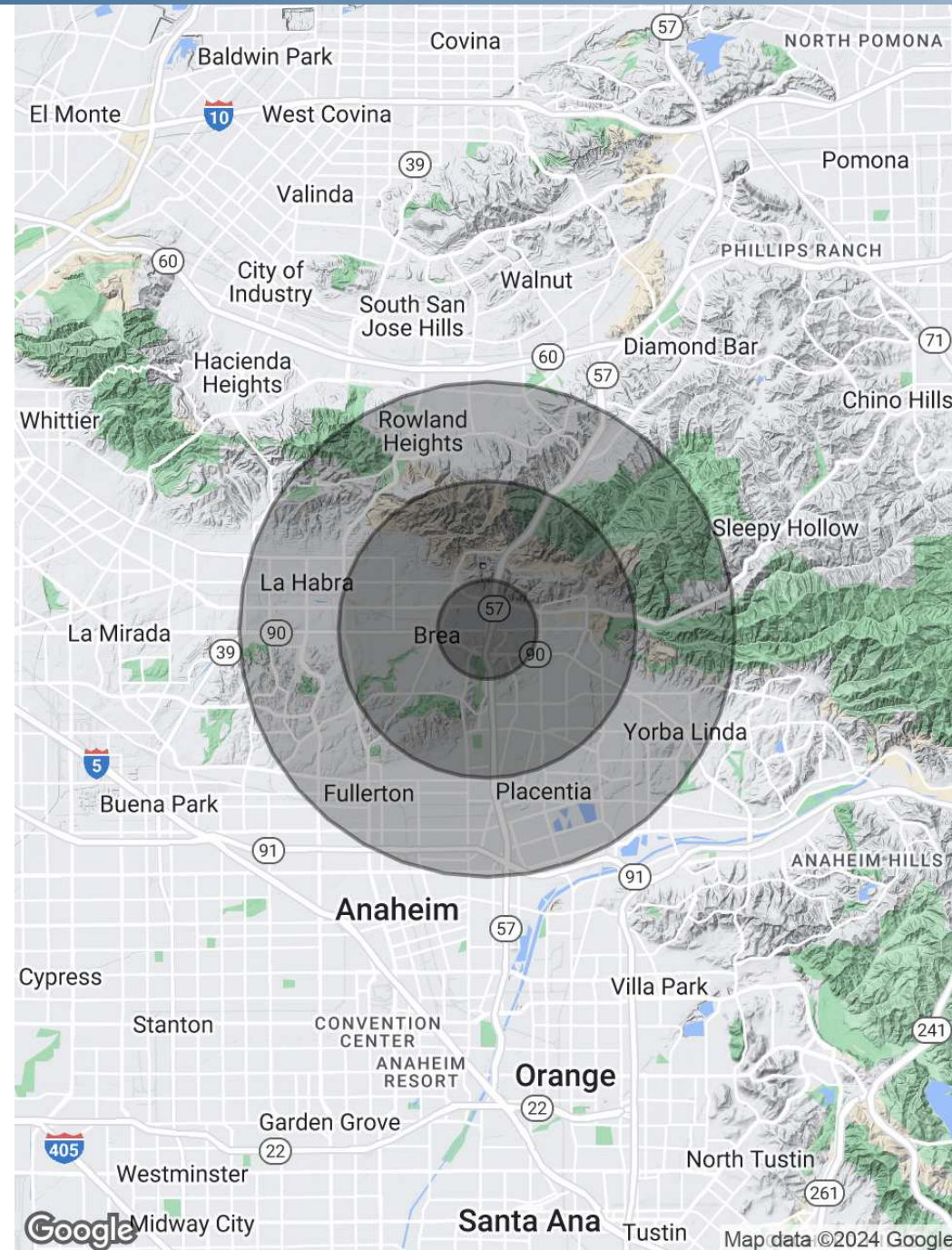
	1 MILE	3 MILES	5 MILES
Total Population	16,041	116,277	337,457
Average Age	39.6	39.1	38.9
Average Age (Male)	39.5	38.7	38.0
Average Age (Female)	40.8	39.9	39.6

HOUSEHOLDS & INCOME

	1 MILE	3 MILES	5 MILES
Total Households	6,177	41,496	112,496
# of Persons per HH	2.6	2.8	3.0
Average HH Income	\$111,995	\$117,472	\$112,147
Average House Value	\$640,134	\$622,654	\$619,544

RACE

	1 MILE	3 MILES	5 MILES
Total Population - White	10,069	74,967	186,184
Total Population - Black	371	2,163	6,623
Total Population - Asian	3,211	23,452	82,978
Total Population - Hawaiian	0	184	561
Total Population - American Indian	17	413	1,735
Total Population - Other	649	6,331	34,895





MALL EXPANSION OVERVIEW

The new Brea Mall is the epitome of SoCal style. A planned multimillion-dollar redevelopment will continue the center's transformation into North Orange County's ultimate mixed-use destination, featuring:

- A Resort-Style Fitness Concept
- Lifetime Fitness Sporting goods Concept
- Dick's Sporting Goods
- Luxury Residential Building
- 119K SF of Streetscape Retail and Restaurant Space
- New Outdoor Plaza Area

An elegant new seven-story multifamily residential enclave features 380 spacious apartments, with vibrant plaza views, coveted amenities, refined service, and dedicated on-site parking. The social hub of Brea Mall's new town center is a beautifully manicured outdoor plaza designed for community gatherings and events, including ample space for seasonal outdoor sales. 119K square feet of coveted streetscape space will be added as part of the Brea Mall expansion to accommodate exciting new experiential and restaurant concepts.

BREA MALL KEY FACTS

- \$1.5B+ in Total Annual Sales
- One of the Top Performing Nordstrom Stores in Southern California and the County
- The Only Super Regional Mall in 20 Miles



BREA MALL EXPANSION | SIMON PROPERTY



FINANCIAL ANALYSIS





TENANT HIGHLIGHTS

- Chilled-out eatery showcasing California-inspired brunch, New American plates & vegan eatery.
- Parent company Toast Restaurant Group consists of a vibrant collection of Southern California dinners renowned for their upscale brunch and dinner experiences.
- Concepts include Mimosas | Brunch & Dinner, Toast | Kitchen and Bar, The Benediction, and Julep | Cast Iron Kitchen.
- Toast Restaurants can be found throughout the Southern California coast including Brea, Whittier, Anaheim, Downey, Downey, and the City of Industry.



TENANT OVERVIEW

Company:	Toast Restaurant Group
Locations:	8
Lease Rate:	\$25,382.29/month
Headquarters:	Southern California
Website:	https://www.toastrestaurantgroup.com/

ADDITIONAL PHOTOS



Brea Marketplace

Target, Sprouts, Old Navy, Big 5, 24 Fitness, Rubio's, Stone Fire, Crumbl Cookies, Jersey Mike's, M

CITY OF BREa

EMBASSY SUITES by Hilton

15.5 AC Redevelopment

- Gym & Sporting Goods Concepts
- Luxury 380 Unit Residential Building
- 119K SF Streetscape Retail and Restaurant Spaces

ZARA, **DICK'S SPORTING GOODS**, **Philz Coffee**, **鼎泰豐**, **LIFETIME FITNESS**, **DIN 珍**, **TAI 泰**, **FUNG 豐**

BREA MALL A SIMON MALL

Macy's, JC Penney, Nordstrom, Forever 21, Sephora, The Cheesecake Factory, BJ's Restaurant & Brewhouse

State College Blvd - 22,000 VPD

Birch Street - 24,000 VPD

46,000 VPD

CALIFORNIA 57 257,941 VPD

FINANCIAL ANALYSIS

PROPERTY SUMMARY

Address:	190 S State College Blvd Brea, CA 92821
APN:	319-332-05
Year Built/Renov.:	1984/2019
Gross Leasable Area:	10,614 SF
Lot Size:	1.43 Acres
Zoning:	CG
Type of Ownership:	Fee Simple

PRICING

Sale Price:	\$5,980,000
Cap Rate:	5.26%
Price/SF:	\$563.41

NNN OVERVIEW

Property Sub-Type:	Restaurant
Tenant:	Toast Kitchen and Bar
Guarantor:	Corporate with Dual Personal Guarantee
Lease Type:	Absolute Net
Lease Commencement:	7/8/19
Lease Expiration:	7/7/29
Base Term Remaining (Years):	5.25
Options:	2x5-year
Rental Increases:	3.25% Annually (Base Term) Renewal Options Reset to Fair Market Value (not less that 2.00% over previous year's rent) with 2.00% annual increases.
Tenant Purchase Rights:	None

ANNUALIZED OPERATING DATA

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
9/1/24-8/31/25	\$314,486.57	\$26,207.21	\$2.47	5.26%
9/1/25-8/31/26	\$324,707.39	\$27,058.95	\$2.55	5.43%
9/1/26-8/31/27	\$335,260.38	\$27,938.36	\$2.63	5.61%
9/1/27-8/31/28	\$346,156.34	\$28,846.36	\$2.72	5.87%
9/1/28-8/31/29	\$357,406.42	\$29,783.87	\$2.81	5.98%
Average Over Base Term	\$335,603.42	\$27,966.95	\$2.64	5.61%
Option 1	FMV	FMV	FMV	
Option 2	FMV	FMV	FMV	

