

OFFERING MEMORANDUM

THE HABIT BURGER

2860 Lenwood Road,
Barstow, CA 92311

Marcus & Millichap
THE BITONTI GROUP



REPRESENTATIVE PHOTO

Marcus & Millichap
ORANGE COUNTY, CA
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PRESENTED BY:

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OFFERING SUMMARY

This investment offers an investor the opportunity to acquire a stable, passive ground lease in a highly desirable location with strong sales. The passive lease structure combined with the prime location makes this a compelling long-term investment.

THE HABIT BURGER – BARSTOW



2860 Lenwood Road, Barstow, CA 92311



\$2,975,000

LIST PRICE



5.90%

CAP RATE



3,952

SQUARE FEET



2017

YEAR BUILT

EXECUTIVE SUMMARY

THE HABIT – BARSTOW

01

SECTION

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Placer.ai data ranks this Habit Burger location among the top one-third of all Habit Burger stores in California and nationwide, reflecting exceptional relative performance and market draw.



LENWOOD ROAD



LENWOOD ROAD



INVESTMENT SUMMARY

2860 LENWOOD ROAD,
BARSTOW, CA 92311

\$2,975,000

PRICE

5.90%

CAP RATE

\$752.78

PRICE PER FOOT

3,952 SF

BUILDING GLA

\$175,450*

NOI

PROPERTY & LOCATION

This is an opportunity to acquire a Habit Burger ground lease located in Barstow, California. The property was newly constructed in 2017 to suit Habit Burger Grill consisting of a 3,952 square feet with drive through, 65 foot freeway sign, sitting on .81-acre parcel. The real estate benefits from its strong location at the I-15 Freeway (86,000 ADT) and Lenwood Road. This location is home to Outlets at Barstow a 330,000 Square foot outlet mall with 37 Retailers that include some of most recognized and sought after brands in the retail industry. Sixty million travelers pass through Barstow annually visiting the renowned Outlet and surrounding eateries and fuel stations.



INVESTMENT

Building GLA	3,952 SF
Year Built	2017
Parcel Size	.81 Acres
Price	\$2,975,000
Cap Rate	5.90%
Price Per Foot	\$752.78
NOI	\$175,450*
Rent PSF	\$44.40/SF

LEASE DETAILS

Rent Commencement	10/09/2017
11/1/2027 – 10/31/2032	\$175,450
First Option – 1/1/2032-10/31/2037	\$192,995
Second Option – 11/1/2037-10/31/2042	\$212,295
Third Option – 11/1/2042-10/31/2047	\$233,524
Lease Type	NNN

*NOI reflects a scheduled rent increase to \$175,450 effective 11/1/2027. Current rent is \$159,500; seller will credit buyer the difference (\$15,950 annually), prorated, for the period from 11/1/2027 until buyer begins receiving the increased rent.

INVESTMENT HIGHLIGHTS

This is an opportunity to acquire a Habit Burger ground lease located in Barstow, California. The property was newly constructed in 2017 to suit Habit Burger Grill consisting of a 3,952 square feet with drive through, 65 foot freeway sign, sitting on .81-acre parcel. The real estate benefits from its strong location at the I-15 Freeway (86,000 ADT) and Lenwood Road. This location is home to Outlets at Barstow a 330,000 Square foot outlet mall with 37 Retailers that include some of most recognized and sought after brands in the retail industry. Sixty million travelers pass through Barstow annually visiting the renowned Outlet and surrounding eateries and fuel stations.



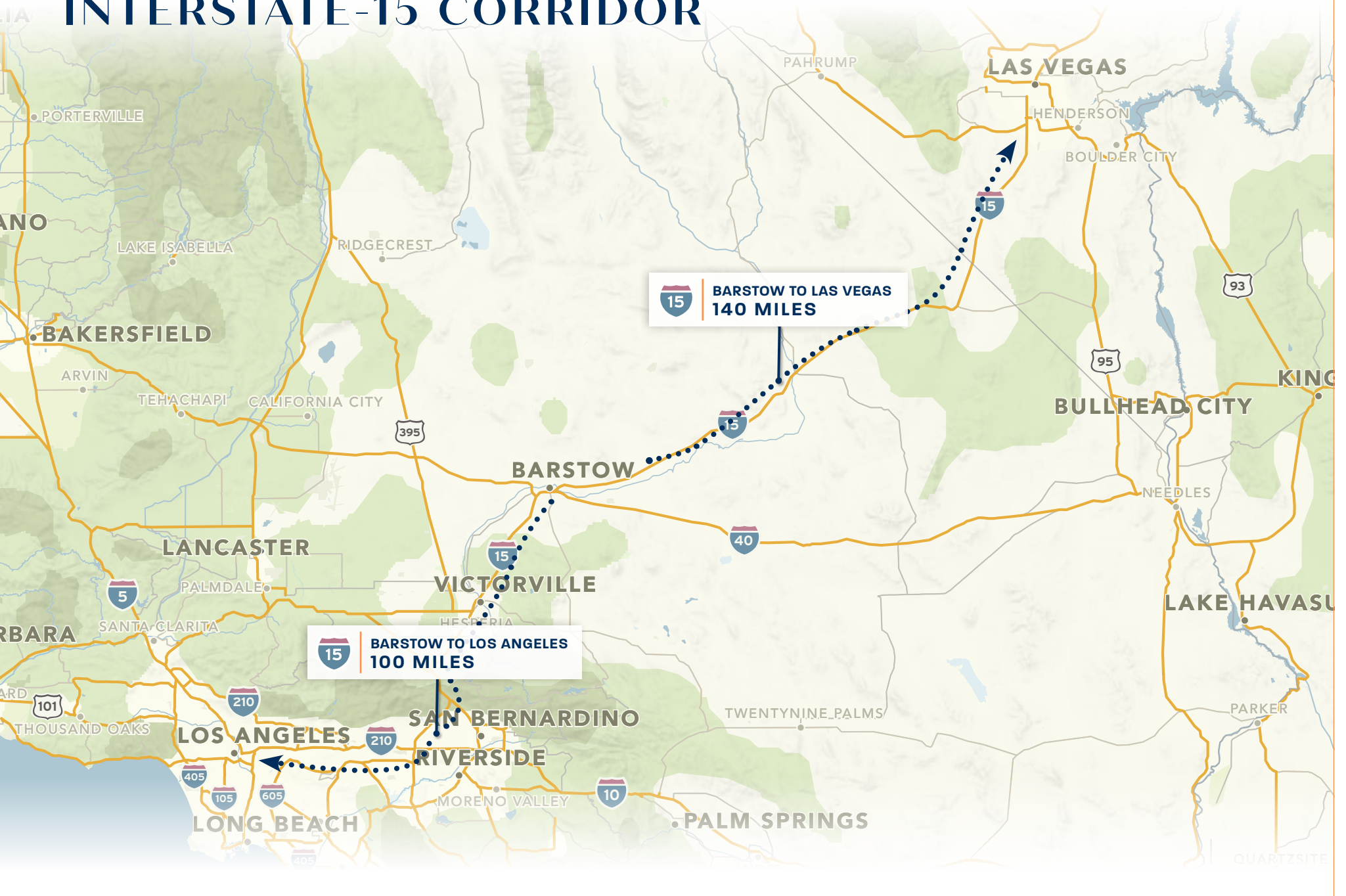
PROPERTY HIGHLIGHTS

- Absolute Net Ground Lease
- Zero Management Responsibilities
- 10% Rental Increases Every 5 years
- 65 Foot Freeway Signage
- Top 36% of sales of all California stores, per Placer.ai

LOCATION HIGHLIGHTS

- I-15 Freeway Location
- Major Throughfare to Las Vegas, Los Angeles and San Diego
- 86,000 Cars Per Day
- Adjacent to Outlets at Barstow
- 60 million Commuters Pass Through Barstow Annually
- High Barriers to Entry Market for additional Quick Service Restaurants

INTERSTATE-15 CORRIDOR



PARENT COMPANY

YUM! BRANDS – BY THE NUMBERS:

1,500

FRANCHISEES (APPROX.)

63,000+

OPERATING RESTAURANTS

155+

COUNTRIES & TERRITORIES

1,000,000+

EMPLOYEES & FRANCHISE
TEAM MEMBERS

NEW RESTAURANT OPENS EVERY:

2 HOURS

MILLIONS

CUSTOMERS SERVED DAILY

\$65.4B

TOTAL SYSTEM SALES

\$30B+

DIGITAL SALES

SOURCE: WWW.YUM.COM/WPS/PORTAL/YUMBRANDS/YUMBRANDS/COMPANY

Yum!

YUM! BRANDS

Born of the ambitions and grit of passionate entrepreneurs, our KFC, Taco Bell, Pizza Hut and The Habit Burger Grill brands have grown to include **61,000+ restaurants in 155+ countries and territories, operated primarily by their approximately 1,500 franchisees.** Their brands and franchisees open a new restaurant nearly every two hours, making Yum! Brands the world's largest restaurant company.

Yum! Was Founded In 1997, Yet Our Four Iconic Brands Are Decades Old With Rich Histories



The World's Largest Restaurant Company.

MARKET HIGHLIGHTS

THE HABIT – BARSTOW

02

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The original Habit Burger opened in Santa Barbara, California, in 1969.

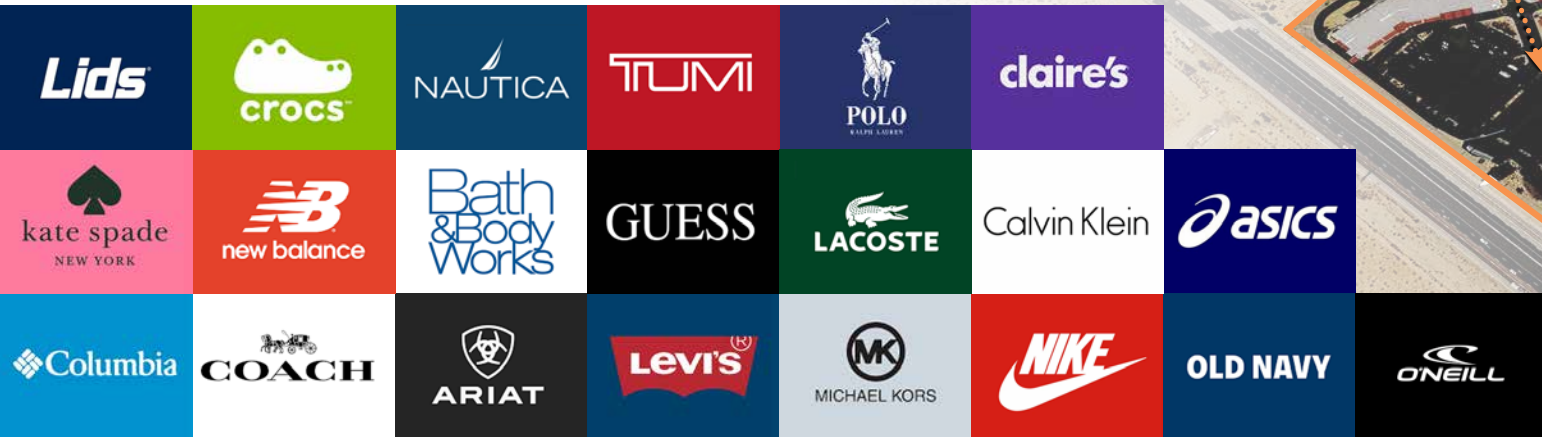


THE HABIT – BARSTOW

THE OUTLETS AT BARSTOW

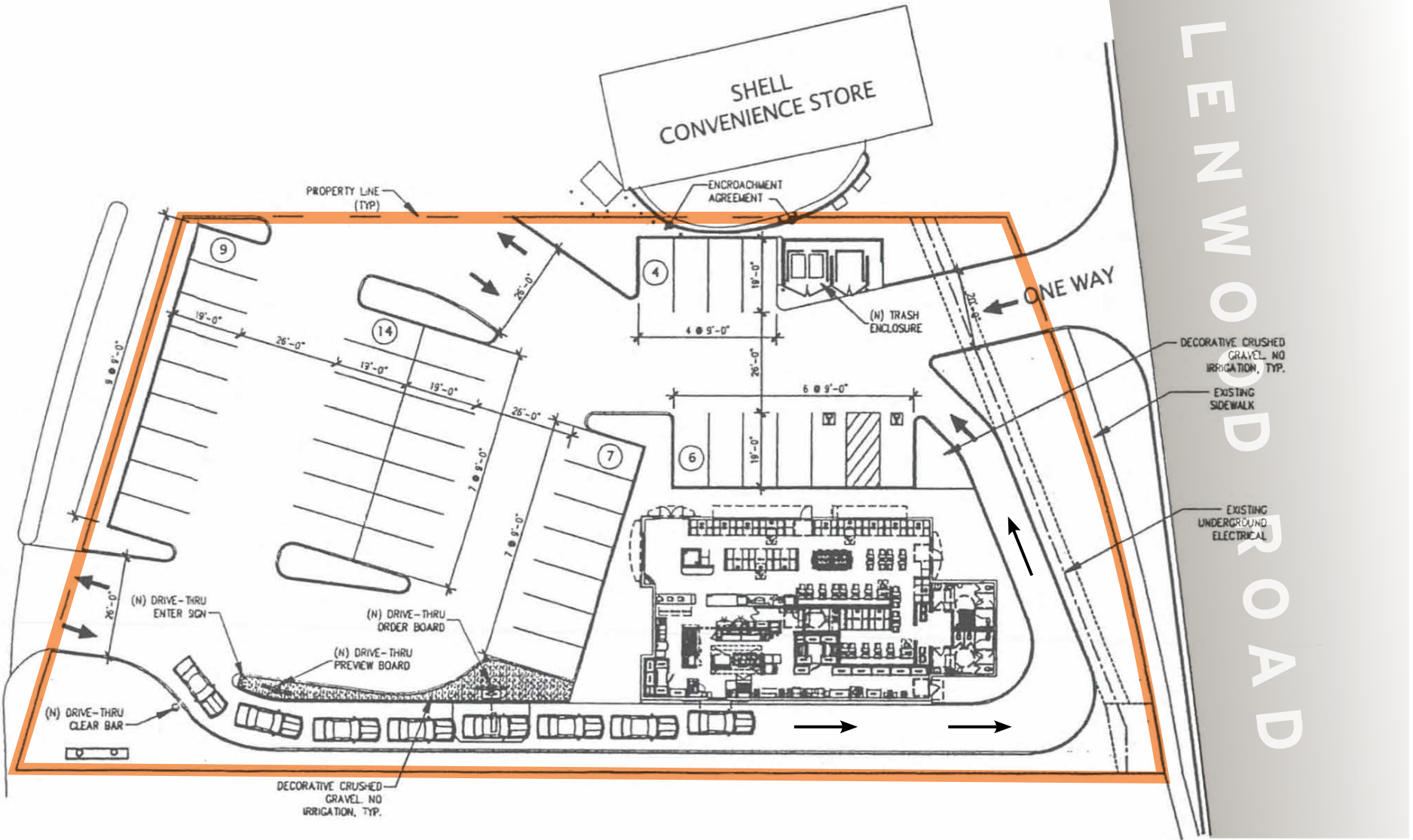


The Outlets at Barstow offers a wide selection of brand-name discount stores, dining options, and traveler-friendly amenities, with approximately 171,300 square feet of gross leasable area.



OUTLETS AT BARSTOW - BARSTOW, CA

SITE PLAN



THE HABIT – BARSTOW

HABIT BURGER – DRIVE THRU



DEMOGRAPHICS

POPULATION	3 MILES	5 MILES	10 MILES
2029 Projection			
Total Population	7,027	25,430	36,365
2024 Estimate			
Total Population	7,027	25,430	36,365
2020 Census			
Total Population	6,499	24,070	35,226
2010 Census			
Total Population	6,201	22,128	33,381
Daytime Population			
2024 Estimate	4,788	19,970	27,252

HOUSEHOLDS	3 MILES	5 MILES	10 MILES
2029 Projection			
Total Households	2,336	8,777	12,781
2024 Estimate			
Total Households	2,254	8,535	12,509
Average (Mean) Household Size	2.9	2.9	2.8
2020 Census			
Total Households	2,139	8,198	12,136
2010 Census			
Total Households	2,078	7,719	11,748
Occupied Units			
2029 Projection	2,508	9,507	13,993
2024 Estimate	2,419	9,247	13,701

HOUSEHOLDS BY INCOME	3 MILES	5 MILES	10 MILES
2024 Estimate			
\$150,000 or More	16.60%	10.40%	10.20%
\$100,000-\$149,999	19.60%	14.90%	14.90%
\$75,000-\$99,999	13.50%	12.30%	12.30%
\$50,000-\$74,999	15.90%	17.20%	17.30%
\$35,000-\$49,999	11.20%	11.80%	11.70%
Under \$35,000	23.10%	33.30%	33.60%
Average Household Income	\$90,868	\$75,132	\$75,754
Median Household Income	\$81,635	\$62,229	\$60,494
Per Capita Income	\$30,725	\$25,817	\$26,505

HOUSEHOLDS BY EXPENDITURE	3 MILES	5 MILES	10 MILES
Total Average Household Retail Expenditure	\$231,003	\$198,460	\$197,895
Consumer Expenditure Top 10 Categories			
Housing	\$30,948	\$26,865	\$26,822
Transportation	\$12,367	\$11,116	\$11,074
Food	\$11,222	\$9,852	\$9,784
Personal Insurance and Pensions	\$9,577	\$7,753	\$7,705
Entertainment	\$3,582	\$2,993	\$3,005
Cash Contributions	\$2,679	\$2,042	\$2,082
Apparel	\$2,206	\$1,911	\$1,883
Education	\$1,456	\$1,075	\$1,066
Personal Care Products and Services	\$952	\$866	\$863
Alcoholic Beverages	\$615	\$520	\$517

POPULATION PROFILE	3 MILES	5 MILES	10 MILES
Population By Age			
2024 Estimate Total Population	6,800	24,735	35,632
Under 20	30.40%	32.90%	32.20%
20 to 34 Years	19.40%	21.20%	21.30%
35 to 39 Years	6.00%	6.20%	6.20%
40 to 49 Years	10.80%	10.70%	10.60%
50 to 64 Years	18.90%	16.50%	16.50%
Age 65+	14.50%	12.40%	13.20%
Median Age	36	32	33

Population 25+ by Education Level	3 MILES	5 MILES	10 MILES
2024 Estimate Population Age 25+	4,347	14,997	21,766
Elementary (0-8)	4.70%	5.00%	5.20%
Some High School (9-11)	10.10%	10.10%	10.50%
High School Graduate (12)	30.90%	30.40%	30.20%
Some College (13-15)	26.20%	31.00%	29.90%
Associate Degree Only	12.90%	11.30%	11.70%
Bachelor's Degree Only	10.00%	8.60%	8.10%
Graduate Degree	5.10%	3.60%	4.30%

DEMOGRAPHICS



Population

In 2024, the population in your selected geography is 35,632. The population has changed by 6.74 percent since 2010. It is estimated that the population in your area will be 36,365 five years from now, which represents a change of 2.1 percent from the current year. The current population is 50.2 percent male and 49.8 percent female. The median age of the population in your area is 33.0, compared with the U.S. average, which is 39.0. The population density in your area is 113 people per square mile.



Households

There are currently 12,509 households in your selected geography. The number of households has changed by 6.48 percent since 2010. It is estimated that the number of households in your area will be 12,781 five years from now, which represents a change of 2.2 percent from the current year. The average household size in your area is 2.8 people.



Income

In 2024, the median household income for your selected geography is \$60,494, compared with the U.S. average, which is currently \$76,141. The median household income for your area has changed by 38.88 percent since 2010. It is estimated that the median household income in your area will be \$67,493 five years from now, which represents a change of 11.6 percent from the current year.

The current year per capita income in your area is \$26,505, compared with the U.S. average, which is \$40,471. The current year's average household income in your area is \$75,754, compared with the U.S. average, which is \$101,307.



Employment

In 2024, 12,635 people in your selected area were employed. The 2010 Census revealed that 48.7 percent of employees are in white-collar occupations in this geography, and 29.5 percent are in blue-collar occupations. In 2024, unemployment in this area was 6.0 percent. In 2010, the average time traveled to work was 27.00 minutes.



Housing

The median housing value in your area was \$206,735 in 2024, compared with the U.S. median of \$321,016. In 2010, there were 6,423.00 owner-occupied housing units and 5,325.00 renter-occupied housing units in your area.



Education

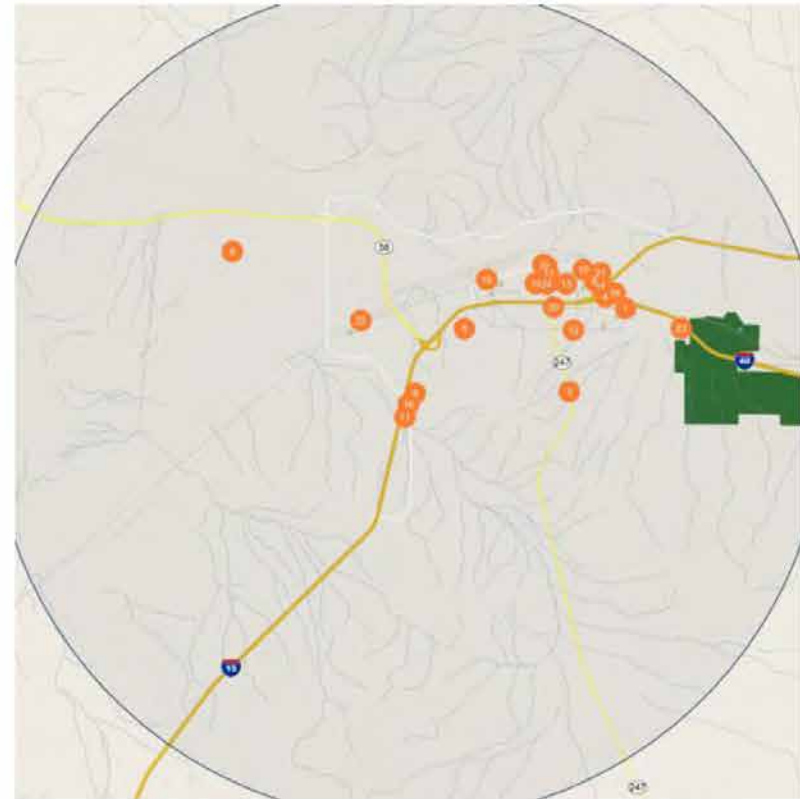
The selected area in 2024 had a lower level of educational attainment when compared with the U.S. averages. Only 12.3 percent of the selected area's residents had earned a graduate degree compared with the national average of 13.5 percent, and 11.7 percent completed a bachelor's degree, compared with the national average of 21.1 percent.

The number of area residents with an associate degree was higher than the nation's at 20.1 percent vs. 8.8 percent, respectively.

The area had fewer high-school graduates, 3.8 percent vs. 26.2 percent for the nation, but the percentage of residents who completed some college is higher than the average for the nation, at 40.0 percent in the selected area compared with the 19.7 percent in the U.S.

AREA EMPLOYERS

NEARBY EMPLOYERS	EMPLOYEES
1 Walmart Inc-Walmart	360
2 Frontier California Inc-Verizon	312
3 Barstow Community College Dst-BARSTOW COLLEGE	250
4 Mv Transportation Inc	203
5 Life Care Centers America Inc	194
6 Pacific Gas and Electric Co-PG&e	181
7 United States Dept of Navy	175
8 Deldesierto-Del Taco	149
9 Dans Flying Inc-Dennys	146
10 Catalina Restaurant Group Inc-Carrows	144
11 Ralph Lauren Retail Inc-Polo Ralph Lauren Factory Str	108
12 Housing Authority of The Count	106
13 Hospital of Barstow Inc-Barstow Community Hospital	99
14 Carl Karcher Enterprises Inc-Carls Jr 240	70
15 Paragon Hospitality Inv I LLC-Holiday Inn	66
16 Carl Karcher Enterprises Inc-Carls Jr	64
17 On The Rise Inc	63
18 Hentrel Greathouse Foundation	62
19 First Student Inc	61
20 Casa Jimenez Restaurant	61
21 Five Star Food Containers Inc	60
22 W A Thompson Distrg of Barstow-Thompson W A	55
23 United Parcel Service Inc-UPS	55
24 City of Barstow-Barstow Police Department	54
25 Deckers Retail LLC	53



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