

Marcus & Millichap



RICHIE'S REAL AMERICAN DINER

40651 Murrieta Hot Springs Road, Murrieta, CA 92562

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ABSOLUTE NNN INVESTMENT OPPORTUNITY

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenants projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interpreted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property, and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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INVESTMENT SUMMARY

40651 MURRIETA HOT SPRINGS ROAD, MURRIETA, CA 92562

\$3,795,000 | 6.63% CAP RATE



NOI

\$251,673



LOT SIZE

± 0.17 AC



LEASE TERM REMAINING

± 9 YRS 6MO



BUILDING SIZE

± 6,966 SF



YEAR

2005





PROPERTY HIGHLIGHTS

- Offered at a 6.63% CAP Rate with Next Increase on April 1, 2030 – CAP Rate of 7.29%
- Absolute NNN Lease with No Landlord Responsibilities & Fee Simple Offering (Building & Land)
- Very Low Rent to Sales Ratio with Historically Strong & Consistent Sales, Please Contact Listing Agents for Further Information
- ±9 Years and 6 Months Remaining on the Initial Term of the Lease
- ±20 Years of Site History with the Original Tenant, Built to Suit in Year 2005
- Excellent Street Exposure on Murrieta Hot Springs Rd with ±48,790 Vehicles per Day
- Desirable Demographics with an Average Household Income of \$123,394 and Population of 186,716 in a 5-Mile Radius
- Ideally Situated in Riverside County's most Desirable and Growing Areas over the Past Decade
- Situated 2 Blocks from the Interstate 215 and Interstate 15 Freeway On/Off-Ramps
- Estimated Year 1 Accelerated Depreciation of ±\$735,000 utilizing Cost Segregation, Please Contact Listing Agents for Detailed Information.

EXECUTIVE SUMMARY



Marcus & Millichap Commercial Real Estate Company is pleased to exclusively present an absolute NNN investment opportunity located at 40651 Murrieta Hot Springs Road in Murrieta, California.

This well-known regional tenant, Richie's Real American Diner, has occupied said building since being built-to-suit in year 2005. The lease in-place has no landlord responsibilities and there is approximately ±9 years and 6 months remaining on the original term with four-5-year options to renew. The tenant has historically strong and consistent sales, hence there is a very low rent to sales ratio (please contact listing team for further information on sales figures). Richie's Real American Diner is situated in the Murrieta Pointe Shopping Center, with other

tenants including Starbucks, Pacific Premier Bank, T-Mobile, and various other retail, medical/dental practices. Situated on a corner lot, the property has excellent street exposure on Murrieta Hot Springs Rd, with ±48,790 vehicles per day and is within two blocks of the I-215 and 1-15 on/off -ramps.

Richie's Real American Diner and the shopping center is located directly across from the highly anticipated Golden Triangle Lifestyle development which will consist of ±1.7 million square feet of hotel, office, retail and entertainment attractions. Anticipated construction is estimated to start in the next 2 to 3 years.

OFFERING HIGHLIGHTS

Address	40651 Murrieta Hot Springs Rd	Price	\$3,795,000
City, State, Zip	Murrieta, CA 92562	Price/SF	\$544.79
APN	910-250-039	Cap Rate	6.63%
Zoning	Community Commercial	Pro Forma Cap Rate (4/1/30)	7.29%
Remaining Initial Term	± 9 Years & 6 Months	Pro Forma Cap Rate (4/1/35)	8.25%
Building SF	± 6,966	Current NOI	\$251,673
Parcel Size	± 0.17 AC / ± 7,405 SF	Pro Forma NOI (4/1/30) 10% Increase	\$276,840
Year Built	2005	Pro Forma NOI (4/1/35) 13.1% Increase, 1st Option	\$313,062
Tenant First Right of Refusal	Yes	Lease Type	Absolute NNN
Lease Expiration	March 31, 2035	Ownership	Fee Simple (Building & Land)
Options Remaining	4 at 5 Years Each	Parking	± 4.65/1000 SF(385 Total-Center)



RENT ROLL

SUITE #	TENANT NAME	SF	ANNUAL RENT/ MONTHLY SF	MONTHLY BASE RENT	COMMENCE DATE	EXPIRATION DATE	RENEWAL OPTIONS	EXPENSES PAID BY TENANT
A	JWL Management dba: Richie's Real American Diner	6,966	\$36.13/ \$3.01	\$20,972	4/1/05	3/31/35	(4) 5 Year	Absolute NNN Lease

RENT SCHEDULE

DATE	RENT INCREASE	ANNUAL RENT/ MONTHLY SF	MONTHLY BASE RENT	NOI	EXPIRATION DATE	CAP RATE
	Current	\$36.13/\$3.01	\$20,972.74	\$251,673	3/31/30	6.63%
4/1/30	10% Increase	\$39.74/\$3.31	\$23,070.01	\$276,840	3/31/35	7.29%
4/1/35 (1 st Option)	13.1% Increase	\$44.94/\$3.75	\$26,088.50	\$313,062	3/31/40	8.25%
4/1/40 (2 nd Option)	10% Increase	\$49.44/\$4.12	\$28,697.37	\$344,368.44	3/31/45	9.07%
4/1/45 (3 rd Option)	10% Increase	\$54.38/\$4.53	\$31,567.11	\$378,805.32	3/31/50	9.98%
4/1/50 (4 th Option)	10% Increase	\$59.82/\$4.98	\$34,723.82	\$416,685.84	3/31/55	10.98%

TENANT OVERVIEW

Tenant	Richie's Real American Diner
Website	www.richiesdiner.com
Lease Entity	JWL Management Inc. (operates Murrieta & Temecula locations)
Number of Locations	4
Credit Rating	Not Rated - Private Family-Owned Company
Rent Commencement Date	April 1, 2005
Lease Expiration Date	March 31, 2035
Lease Remaining Term	± 9 Years and 6 Months
Renewal Options	4 (5-Year)
Annual Rent	\$251,673 (\$36.13 PSF)
Percentage Rent	None
Rent Increases	13.1% first option, 10% option 2,3,4
Lease Structure	Absolute NNN
Ownership	Fee Simple (Building & Land)
Landlord Responsibilities	None
Roof & Structure	Tenant
Utilities	Tenant
Property Taxes	Tenant
Insurance	Tenant
Repairs & Maintenance	Tenant
First Right of Refusal	Yes
Financial Reporting	Tenant to provide within 30 days following landlord notice

BRIEF HISTORY:

Richie's Real American Diner has been serving up classic American favorites since opening its first location in Temecula in 1991. Recently celebrating 34 years of delicious dining, Richie's has expanded to four locations across the Inland Empire:

FOUR LOCATIONS:

Murrieta
40651 Murrieta Hot Springs Road

Temecula
32150 Temecula Parkway

Rancho Cucamonga
8039 Monet Avenue

Victorville
14236 Valley Center Drive

Celebratin' 34 Years of Pleasin' People!



JACK & LINDA WILLIAMS | Founders

While 2025 brings Richie's a 34th Anniversary, our tradition of pleasin' people with good country cookin' has even earlier beginnings. It was over a half century ago when founders Jack and Linda Williams got hitched and began their lifetime dedication to the food industry. Along the way, they helped develop the concept for a well-known steakhouse chain and built 38 restaurants in two decades, becoming their largest and most successful franchisee.

Growing up among local ranches and farms of West Texas and New Mexico, Jack's standards were set high with the freshest, highest quality meats and produce. And the backyard BBQ was not just a grill, it was a school - where Jack perfected the wood-smoked flavors that are now a signature of the Richie's menu. Alabama-raised Linda was brimmin' with recipes for homestyle meals and desserts, and longed to serve 'em up with that famous Southern hospitality.

Together, they dreamed up the "Real American Diner" concept: old-fashioned country cookin', using only the best ingredients, served by a friendly, courteous staff devoted to "pleasin' people."

The dream became reality in 1991 with the first Richie's Diner established in Temecula, California. The restaurant became a community favorite and neighboring Murrieta soon demanded a Richie's of their own. Concerned that franchising would compromise the unique quality, personality and service which gave the Diner its special appeal, Richie's Diner remains a privately held, family-run business. The tradition continued with the 2007 opening of the Victoria Gardens (Rancho Cucamonga) location by their daughter and son-in-law Sally and Gary Myers, seasoned people pleasers themselves, with 40 years of experience as restaurateurs. More locations are in the works, but expansion will be carefully planned to assure that every guest will enjoy Richie's famous old-fashioned hospitality and the freshest, highest quality breakfasts, lunches, dinners and desserts!

Jack and Linda's philosophy is simple - "Pleasin' People."









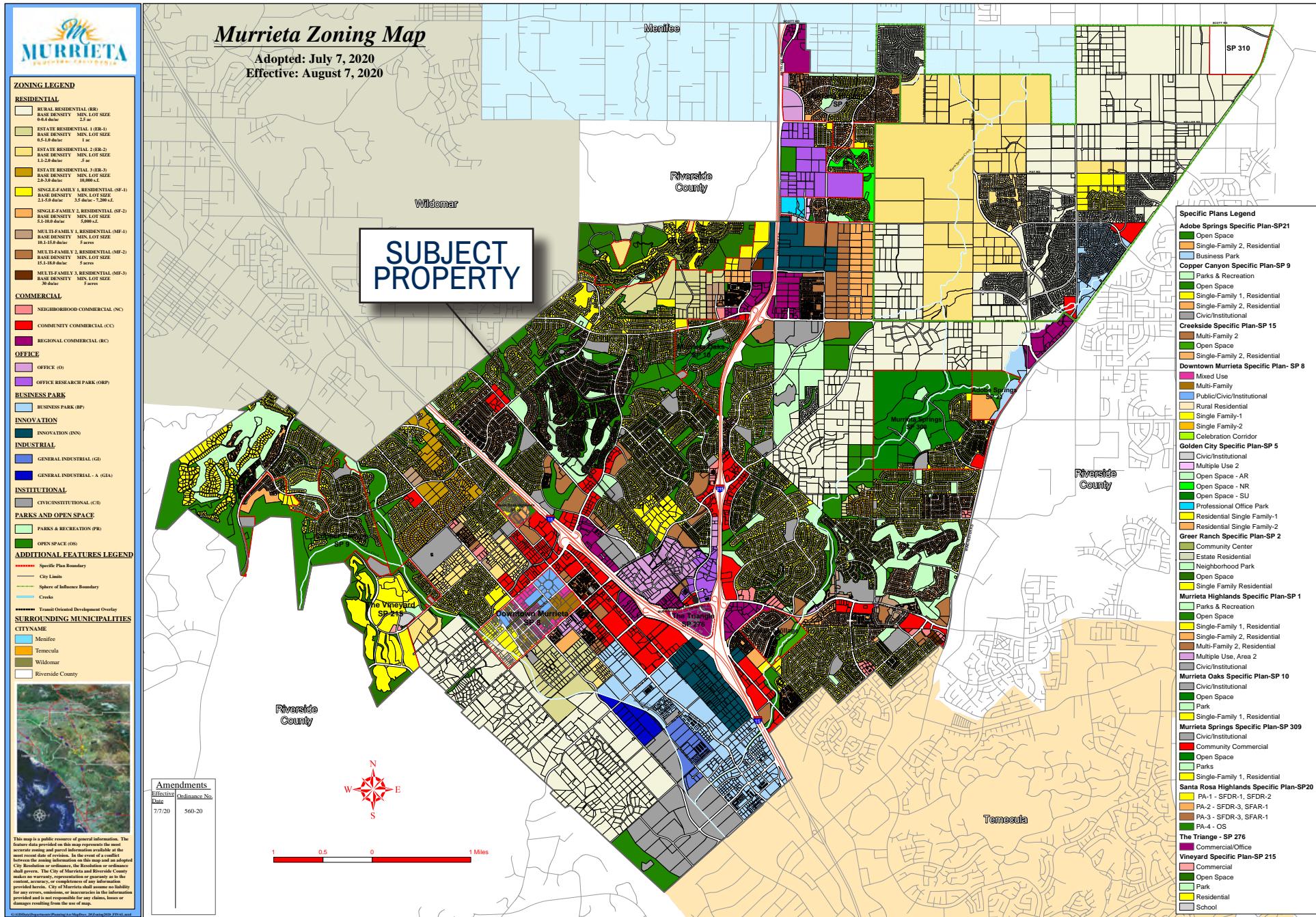




SURROUNDING TENANTS WITHIN
SHOPPING CENTER



ZONING MAP

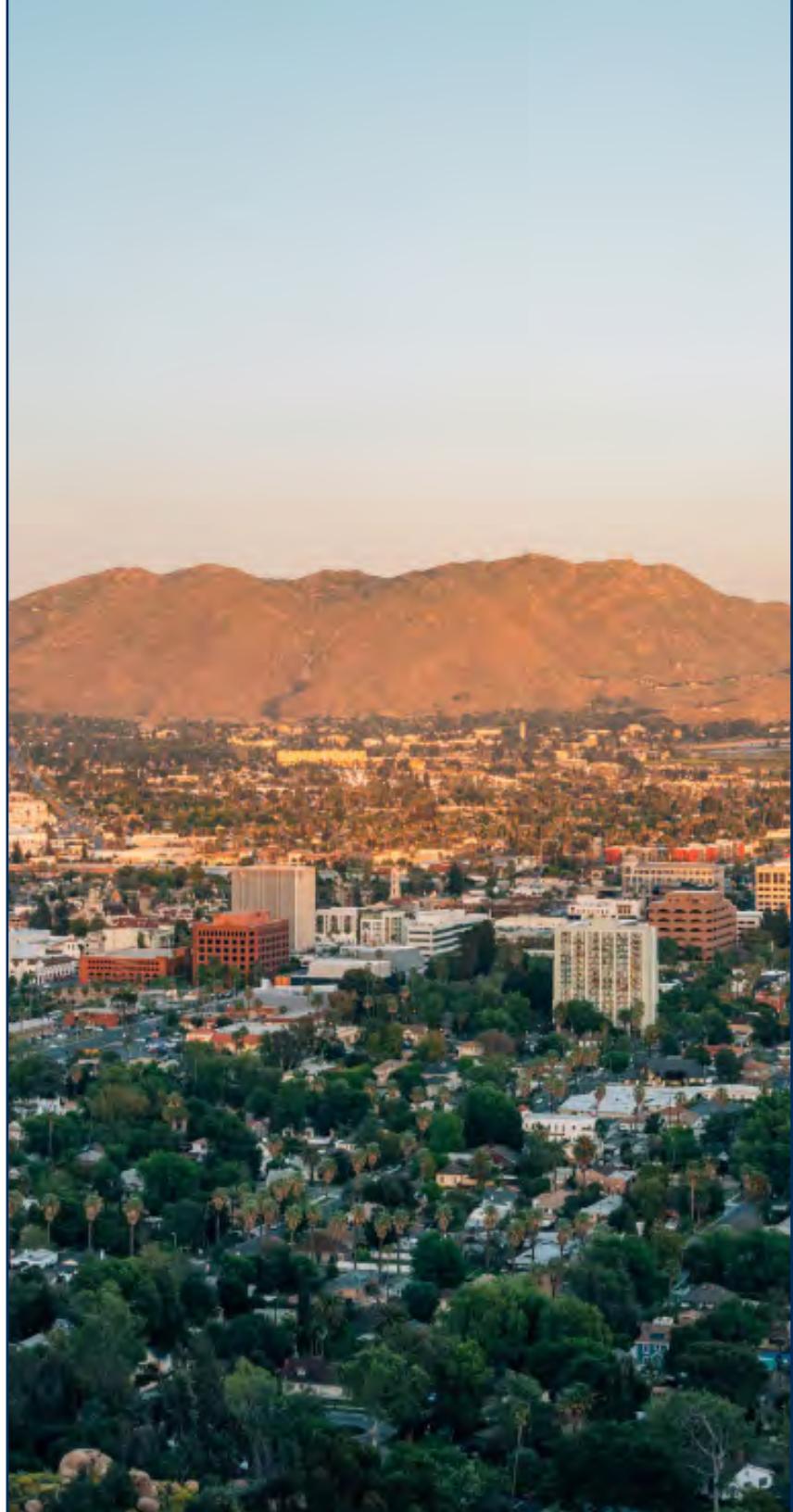


MURRIETA OVERVIEW

Murrieta is a city in southwestern Riverside County, California, United States. The population of Murrieta is 113,264 in 2019. Murrieta experienced a 133.7% population increase between 2000 and 2010, according to the most recent census, making Murrieta one of the fastest-growing cities in the state. This population boom in 2010 surpassed the population of the historically larger and more commercial city of Temecula to the south for the first time since the incorporation of either city. Murrieta lies in Southern California's Inland Empire region approximately 37 miles south of the City of Riverside and 80 miles southeast of Downtown Los Angeles. Murrieta spans 33.6 square miles and its motto, "Gem of the Valley", refers to its soil, harking back to its agricultural past.

Murrieta considers itself the center of Southern California due to its enviable location. The City acts as a largely residential community for those commuting to major cities nearby. Murrieta maintains a safe community with a low crime rate. The FBI deemed Murrieta the safest city in Riverside County in 2012. The Murrieta Valley Unified School District ranks in the top 10% of high schools in the U.S. and was named a California Exemplary District in 2018.

Murrieta is located in the center of the Los Angeles-San Diego mega-region which contains a population of about 24 million people.





POPULATION

In 2024, the population in your selected geography is 186,716. The population has changed by 13.82 percent since 2010. It is estimated that the population in your area will be 191,012 five years from now, which represents a change of 2.3 percent from the current year. The current population is 50.6 percent male and 49.4 percent female. The median age of the population in your area is 37.0, compared with the U.S. average, which is 39.0. The population density in your area is 2,377 people per square mile.



HOUSEHOLDS

There are currently 61,332 households in your selected geography. The number of households has changed by 17.51 percent since 2010. It is estimated that the number of households in your area will be 62,879 five years from now, which represents a change of 2.5 percent from the current year. The average household size in your area is 3.1 people.



INCOME

In 2024, the median household income for your selected geography is \$111,396, compared with the U.S. average, which is currently \$76,141. The median household income for your area has changed by 54.30 percent since 2010. It is estimated that the median household income in your area will be \$124,160 five years from now, which represents a change of 11.5 percent from the current year.

The current year per capita income in your area is \$41,210, compared with the U.S. average, which is \$40,471. The current year's average household income in your area is \$128,825, compared with the U.S. average, which is \$101,307.



EMPLOYMENT

In 2024, 85,914 people in your selected area were employed. The 2010 Census revealed that 62.6 percent of employees are in white-collar occupations in this geography, and 17.5 percent are in blue-collar occupations. In 2024, unemployment in this area was 5.0 percent. In 2010, the average time traveled to work was 38.00 minutes.



HOUSING

The median housing value in your area was \$607,535 in 2024, compared with the U.S. median of \$321,016. In 2010, there were 35,209.00 owner-occupied housing units and 16,985.00 renter-occupied housing units in your area.



EDUCATION

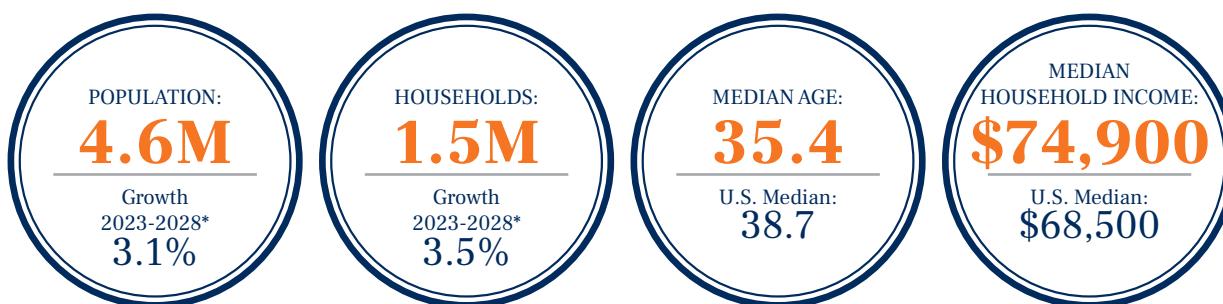
The selected area in 2024 had a lower level of educational attainment when compared with the U.S. averages. 31.4 percent of the selected area's residents had earned a graduate degree compared with the national average of only 13.5 percent, and 10.9 percent completed a bachelor's degree, compared with the national average of 21.1 percent.

The number of area residents with an associate degree was higher than the nation's at 19.3 percent vs. 8.8 percent, respectively.

The area had fewer high-school graduates, 2.0 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 29.9 percent in the selected area compared with the 19.7 percent in the U.S.

DEMOGRAPHICS

- The metro is expected to add more than 140,000 people through 2028, and during this time, roughly 53,000 households will be formed, generating demand for newly-built single-family homes and rentals.
- The homeownership rate of 62 percent exceeds other large metros in the state.
- The local median home price of roughly \$565,000 is by far the lowest among Southern California markets.



2023 POPULATION BY AGE



QUALITY OF LIFE

Regionally affordable housing continues to draw residents from other Southern California markets to the Inland Empire. The median home price in Riverside-San Bernardino is significantly lower than in Los Angeles, Orange and San Diego counties. The Inland Empire provides cultural opportunities, including the Riverside Metropolitan Museum and the Ontario Museum of History & Art. The Riverside County Philharmonic performs classical music concerts throughout the area. The region features an impressive offering of higher education institutions, including at least 10 community colleges, California State University, San Bernardino, the University of Redlands and the University of California, Riverside.

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

SPORTS

- Hockey | AHL | ONTARIO REIGN
- Baseball | MILB | INLAND EMPIRE 66ERS
- Basketball | NBA-G | ONTARIO CLIPPERS
- Baseball | MILB | LAKE ELSINORE STORM
- Soccer | MASL | EMPIRE STRYKERS
- Hockey | AHL | COACHELLA VALLEY FIREBIRDS

EDUCATION

- UNIVERSITY OF CALIFORNIA, RIVERSIDE
- CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
- UNIVERSITY OF REDLANDS
- RIVERSIDE CITY COLLEGE
- MT. SAN JACINTO COLLEGE

ARTS & ENTERTAINMENT

- MISSION INN HOTEL & SPA
- ONTARIO MUSEUM OF HISTORY AND ART
- COACHELLA VALLEY MUSIC AND ARTS FESTIVAL
- RIVERSIDE COUNTY PHILHARMONIC
- RIVERSIDE METROPOLITAN MUSEUM

POPULATION	1 Mile	3 Miles	5 Miles	HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2029 Projection				2024 Estimate			
Total Population	9,778	94,481	191,012	\$200,000 or More	12.8%	13.8%	15.2%
2024 Estimate				\$150,000-\$199,999	10.2%	12.5%	14.1%
Total Population	9,740	93,386	186,716	\$100,000-\$149,999	26.8%	23.5%	23.7%
2020 Census				\$75,000-\$99,999	17.4%	15.0%	14.2%
Total Population	9,663	92,685	183,196	\$50,000-\$74,999	16.6%	15.2%	14.4%
2010 Census				\$35,000-\$49,999	8.8%	7.4%	6.5%
Total Population	8,757	87,565	164,048	\$25,000-\$34,999	2.0%	4.5%	4.1%
Daytime Population				\$15,000-\$24,999	2.7%	3.5%	3.2%
2024 Estimate	10,422	101,307	190,711	Under \$15,000	2.6%	4.7%	4.6%
HOUSEHOLDS	1 Mile	3 Miles	5 Miles	Average Household Income	\$121,808	\$123,392	\$128,825
2029 Projection				Median Household Income	\$103,828	\$104,476	\$111,396
Total Households	3,089	31,965	62,879	Per Capita Income	\$38,732	\$40,521	\$41,210
2024 Estimate				POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Total Households	3,053	31,453	61,332	Population By Age			
Average (Mean) Household Size	3.1	3.0	3.1	2024 Estimate Total Population	9,740	93,386	186,716
2020 Census				Under 20	30.2%	27.6%	28.1%
Total Households	3,004	30,748	59,213	20 to 34 Years	23.9%	19.8%	19.9%
2010 Census				35 to 39 Years	8.6%	7.1%	7.3%
Total Households	2,587	28,557	52,194	40 to 49 Years	13.3%	13.2%	13.6%
				50 to 64 Years	15.9%	17.6%	17.6%
				Age 65+	8.1%	14.8%	13.4%
				Median Age	33.0	38.0	37.0
				Population 25+ by Education Level			
				2024 Estimate Population Age 25+	6,101	61,442	121,780
				Elementary (0-8)	5.4%	3.8%	3.5%
				Some High School (9-11)	3.6%	4.4%	4.2%
				High School Graduate (12)	20.6%	22.0%	21.1%
				Some College (13-15)	27.8%	29.0%	28.0%
				Associate Degree Only	10.6%	10.3%	10.9%
				Bachelor's Degree Only	22.9%	21.1%	21.4%
				Graduate Degree	9.1%	9.4%	10.8%
				Travel Time to Work			
				Average Travel Time to Work in Minutes	34.0	38.0	40.0



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