



5304 OLD REDWOOD HWY

PETALUMA, CA

Offering Memorandum

Absolute NNN Investment
Burger King #7410



JEFF SCHWEEN

DRE 01098851

REALTOR®

M: 707.480.7653

Jeff@Schweens.com



KELSEY MCCAFFREY

DRE# 02282238

REALTOR®

M: 707.492.0551

Kelsey@Schweens.com



COMPASS

I. Investment Summary

II. Property Overview

III. Location Overview

Investment Summary

Investment Summary



- **Single-Tenant Triple Net (NNN)**
- **Offered at \$2,690,000**
- **Lease through 2048 (4) 5-year tenant option extensions)**
- **2,485 SF Freestanding Drive-Thru**
- **2025 Sales: \$1,950,000 (est.)**
- **21% Rent Increase in 2028**
- **10% Escalations Every Five Years**

FINANCIAL SNAPSHOT

CURRENT NOI (TEMPORARY)

\$121,588

TEMPORARY CAP

4.52%

NOI AS OF 6/11/2028 - 2033

\$147,122

NORMALIZED CAP 4.97%

5.47%

Investment Highlights

Long Duration Absolute Net Leased QSR w/ Embedded Growth

TERM

22+ YEAR LEASE - SERIES OF (4) 5-YEAR TENANT OPTIONS THRU 2048

Long Investment Duration Reduces Investment Risk

PERFORMANCE

2025 STORE SALES \$1.95M

RENT TO SALES (TEMPORARY) 6.2% (NORMALIZED) 6.9% (2028 RENTS) 7.37%

Excellent Coverage for QSR

NEW WATER MAIN RENT SUBSIDY

CURRENT NOI OF \$122,588 REFLECTS OWNER CONTRIBUTION FOR WATER MAIN UPGRADE CONCESSION

ORIGINAL CONTRACT RENT: \$133,747 AND ADJUSTS TO \$147,122 IN 2028

Built In Normalization Upside

2028 RENT RESET

21% INCREASE TO \$147,121

Forward Cap Expansion at Today's Pricing 5.47%

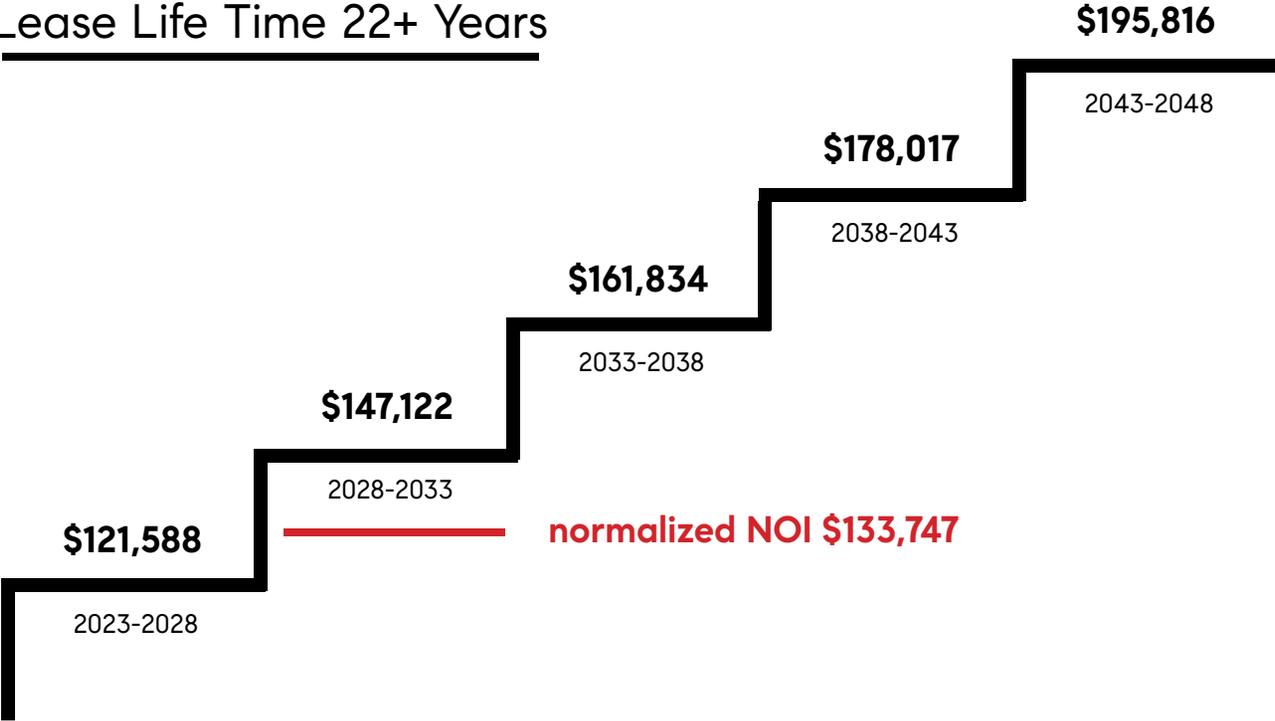
COMPARABLE

SUB 5% REGIONAL COMPARABLE

Nearby Burger King recently sold at 4.8% CAP on \$90,100 NNN

Rent & Escalation Schedule

Lease Life Time 22+ Years



Current CAP: 4.52%
Normalized CAP: 4.97%
2028 Forward CAP: 5.47%
2043 Forward CAP: 7.28%

Property Overview

Property Profile



ADDRESS

5304 Old Redwood HWY, Petaluma, CA

COUNTY

Sonoma

APN

137-011-058-000

ZONING

CITYPE

YEAR

Built 1992

Renovated 2019

GROSS BUILDING (SQFT)

2,485

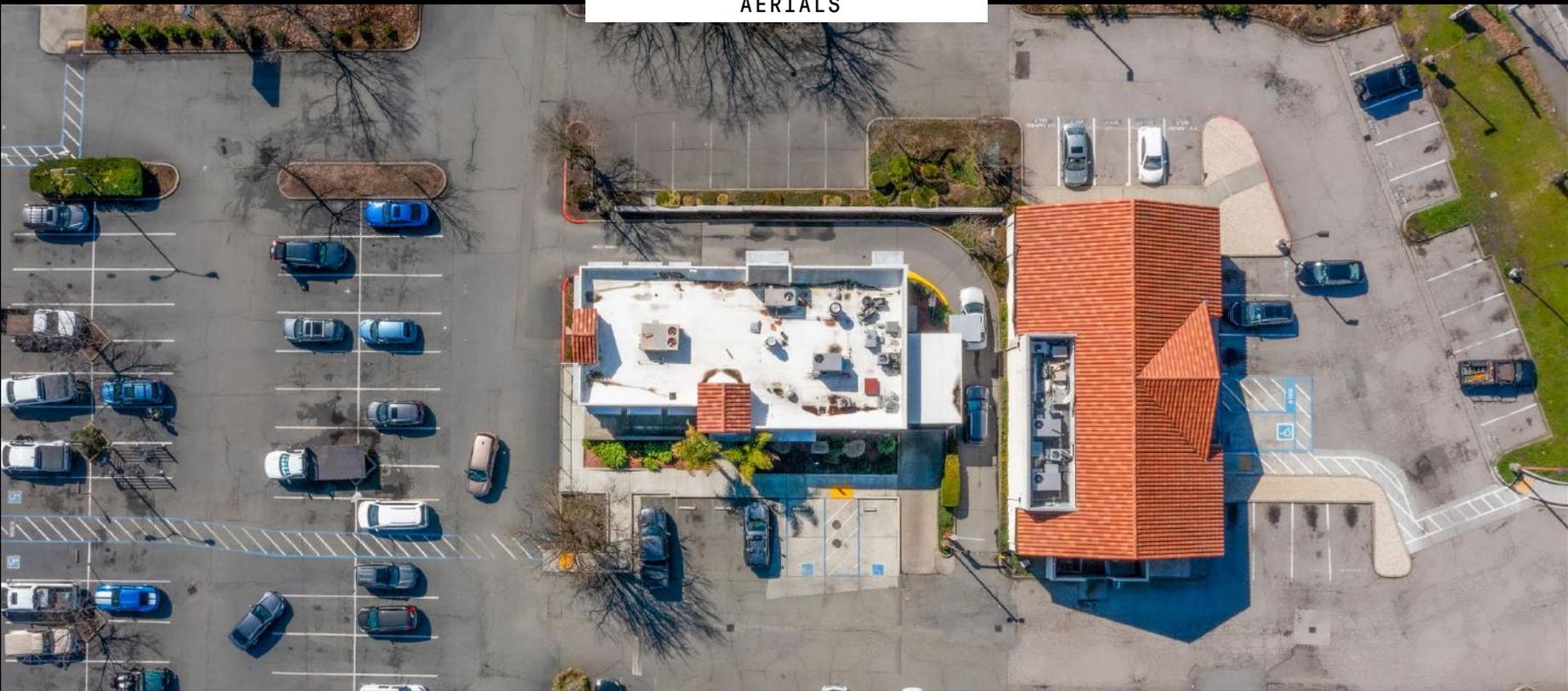
LAND AREA (SQFT)

16,500

AERIAL VIEW



AERIALS



EXTERIOR



INTERIOR



Location Overview

International Brand Leader



NATIONAL QSR LEADER

- Founded: 1954
- Global footprint
- QSR category positioning
- Brand recognition

Burger King is one of the world’s largest quick-service restaurant (QSR) brands, known for its flame-grilled burgers and drive-thru focused operating model. Founded in 1954, the brand has grown into a globally recognized restaurant chain serving millions of guests daily.

The company operates primarily under a franchise model, with the vast majority of locations owned and operated by independent franchisees.

This structure allows for strong operator alignment while maintaining national brand standards, marketing scale, and supply chain efficiency. Burger King is a subsidiary of Restaurant Brands International (RBI), one of the largest global quick-service restaurant holding companies.

- 19,000+ restaurants worldwide
- Locations in 100+ countries and U.S. territories
- One of the top global hamburger-focused QSR brands
- Strong drive-thru and off-premise sales platform

Burger King #7410 - 5304 Old Redwood Highway, Petaluma, CA

Demographics			
	1 mile	3 miles	15 Min. Drive
Population	1,597	30,713	126,319
Households	671	12,113	48,572
Median Age	49	46.20	42.40
Median HH Income	\$106,875	\$107,751	\$105,462
Daytime Employees	6,728	15,427	67,491

Traffic Counts				
Collection Street	Cross Street	Traffic Vol	Last Measur...	Distance
N McDowell Blvd	Redwood Way SE	17,589	2025	0.08 mi
N McDowell Blvd	Willow Brook Ct NW	4,722	2025	0.14 mi
Redwood Hwy N	Redwood Hwy S	26,028	2025	0.17 mi
Redwood Hwy	Redwood Hwy N SE	5,855	2025	0.21 mi
Redwood Highway North	Old Redwood Hwy N W	98,044	2025	0.26 mi
Redwood Hwy N	N McDowell Blvd N	16,146	2025	0.27 mi
101	Redwood Hwy N SE	108,354	2025	0.32 mi
Stony Point Rd	Rainsville Rd NW	14,615	2025	0.45 mi
Petaluma Blvd N	Stony Point Rd S	19,853	2025	0.46 mi
Ely Rd	Christensen Rd SE	4,372	2025	0.51 mi

Franchisee Profile

California QSR LEADER



- Founded: 1999
- West Coast Concentration
- Regional Credit Tenant
- 200+ Units under operation

Ghai Management owns, operates, and develops Quick Service and Fast Casual restaurants in California and Oregon. The company was founded in 1999 by Sunny Ghai, who started by purchasing one Burger King restaurant in San Jose, California. Sunny grew his portfolio mostly through new restaurant development and some minor acquisitions for the first decade or so.

In 2007, his son, Harsh Ghai, joined the business out of college. In 2012, Harsh and Sunny became Taco Bell franchisees through Yum! Brands' refranchising efforts. Since then, Ghai Management has grown its portfolio to over 150 restaurants (140+ Burger King, 36+ Taco Bell, 18+ Popeye's and 7 Blaze Pizza restaurants plus 10 gas stations.

Ghai Management was recognized as Burger King Global Franchisee of the Year award in both 2019 and 2023

Burger King #7410 - 5304 Old Redwood Highway, Petaluma, CA

Demographics	Demographics		
	1 mile	3 miles	15 Min. Drive
Population	1,597	30,713	126,319
Households	671	12,113	48,572
Median Age	49	46.20	42.40
Median HH Income	\$106,875	\$107,751	\$105,462
Daytime Employees	6,728	15,427	67,491

Traffic Counts				
Collection Street	Cross Street	Traffic Vol	Last Measur...	Distance
N McDowell Blvd	Redwood Way SE	17,589	2025	0.08 mi
N McDowell Blvd	Willow Brook Ct NW	4,722	2025	0.14 mi
Redwood Hwy N	Redwood Hwy S	26,028	2025	0.17 mi
Redwood Hwy	Redwood Hwy N SE	5,855	2025	0.21 mi
Redwood Highway North	Old Redwood Hwy N W	98,044	2025	0.26 mi
Redwood Hwy N	N McDowell Blvd N	16,146	2025	0.27 mi
101	Redwood Hwy N SE	108,354	2025	0.32 mi
Stony Point Rd	Rainsville Rd NW	14,615	2025	0.45 mi
Petaluma Blvd N	Stony Point Rd S	19,853	2025	0.46 mi
Ely Rd	Christensen Rd SE	4,372	2025	0.51 mi

- 140+ Burger King's (CA & ORE)
- 36+ Taco Bell's
- 18+ Popeye's Louisiana Kitchen's
- Widely recognized as a top QSR brand manager
- Strong drive-thru Bay Area Locale

Local Map



Petaluma Overview



AREA OVERVIEW

Petaluma is an affluent North Bay community located approximately 40 miles north of San Francisco in Sonoma County. The city benefits from a diverse local economy driven by agriculture, food production, tourism, professional services, and small-to-mid-sized corporate employers. Its proximity to the Bay Area supports a strong commuter base, while the regional wine industry and hospitality sector contribute to steady consumer spending. Petaluma features a historic downtown, established retail corridors, and high household incomes. Limited new development due to geographic and regulatory constraints creates long-term supply barriers for retail real estate. Strong Highway 101 visibility and consistent traffic patterns support durable performance for drive-thru and quick-service restaurant locations.

Area Highlights

- Located 40± miles north of San Francisco along Highway 101
- Positioned within affluent Sonoma County trade area
- Diverse local economy: agriculture, tourism, professional services
- Strong Bay Area commuter base
- High household income demographics
- Established retail corridor with national tenancy
- Limited new retail supply due to development constraints
- Dense surrounding residential neighborhoods
- Strong drive-thru and QSR performance history
- Barrier-to-entry Northern California market
- Consistent investor demand for long-term net lease assets



Demographics

Population Growth

Estimated Population ± 59,400 (2024)
Stable/Modest Growth typical of Mature Bay Area markets

Race & Ethnicity

Predominantly White: 60.9%
Hispanic Latino: 21.0%
Smaller Asian, African American and mixed race communities

Age

Median Age ± 45 Years
Strong Representation of Families, Professionals, and Retirees

Education & Workforce

High School Graduate: ± 92%
Bachelor's Degree: ± 43%
Labor Force Participation: ± 64%

Income & Households

Median Household Income: \$109,800 - \$115,000
Per Capita Income: \$60,900

Housing & Households

± 24,000 Households with average 2.4 persons per household.
Owner Occupancy strong with moderate rental mix



JEFF SCHWEEN

DRE 01098851

REALTOR®

M: 707.480.7653

jeff.schween@compass.com

KELSEY MCCAFFREY

DRE# 02282238

REALTOR®

M: 707.492.0551

kelsey.mccaffrey@compass.com



COMPASS

Compass is a real estate broker licensed by the State of California operating under multiple entities. License Numbers 01991628, 01527235, 01527365. All material is intended for informational purposes only and is compiled from sources deemed reliable but is subject to errors, omissions, changes in price, condition, sale, or withdrawal without notice. No statement is made as to the accuracy of any description or measurements (including square footage). This is not intended to solicit property already listed. No financial or legal advice provided. Equal Housing Opportunity. Photos may be virtually staged or digitally enhanced and may not reflect actual property conditions.

Compass is a real estate broker licensed by the State of California and abides by Equal Housing Opportunity laws. License Number 01527235. All material presented herein is intended for informational purposes only and is compiled from sources deemed reliable but has not been verified. Changes in price, condition, sale or withdrawal may be made without notice. No statement is made as to the accuracy of any description. All measurements and square footage are approximate. If your property is currently listed for sale this is not a solicitation.