

El Pollo Loco

1519 WEST CHAPMAN AVENUE
ORANGE, CALIFORNIA 92868

CORPORATE GUARANTY FROM NATIONAL CREDIT TENANT
El Pollo Loco (NASDAQ: LOCO) ✓

NEW 20 YEAR ABSOLUTE-NET LEASE
10% Fixed Rental Increases Every 5 Years ✓

ZERO LANDLORD RESPONSIBILITIES
Resulting in Passive Single Tenant Net Leased Opportunity ✓

ESTABLISHED QUICK SERVICE RESTAURANT
Tenant Has Operated at this Location for over 32 Years ✓

Marcus & Millichap
THE DELTONDO GROUP



Representative Photo Based on Subject Property's Remodel in Q1-2022



Exclusively Listed by:

Marcus & Millichap **THE DELTONDO GROUP**

Lead Broker:

PETER DELTONDO

Senior Managing Director

pdeltondo@mmreis.com

(949) 698-2609

License: CA 01797033

ANDRE THOMPSON

Associate

athompson2@mmreis.com

(949) 419-3217

License: CA 02086459

BRYCE DUNKS

Director of Operations

bdunks@mmreis.com

(949) 419-3225

MANUEL SLEEM

Associate

msleem@mmreis.com

(949) 419-3251

License: CA 02109537

MICHAEL WESTER

Senior Associate

mweste@mmreis.com

(949) 419-3213

License: CA 02006462

19800 MacArthur Boulevard, Suite 150
Irvine, California 92612

www.deltondoadvisorygroup.com



INVESTMENT HIGHLIGHTS

- ✔ **Corporate Absolute-Net Sale-Leaseback:** The Brand New 20-Year Lease will Commence at the Close of Escrow and will Include 10% Increases Every 5-Years
- ✔ **Corporate Guarantee:** El Pollo Loco Holdings, Inc. (NASDAQ: LOCO) which is a Publicly Traded Restaurant Company Based in Costa Mesa, California
- ✔ **Surrounded by National Tenants:** Located Near El Pollo Loco National Tenants Include: McDonald's, Chick-fil-A, Ralph's, Del Taco, Jimmy Johns & Wienerschnitzel to name a few

- ✔ **1 Block from Two Schools :** Portola Middle School (±664 Students) & Sycamore Elementary (±423 Students)
- ✔ **Long Term Tenancy:** El Pollo Loco has Operated at this Current Location for Over 30+ Years
- ✔ **Near Major Hospitals & Shopping Centers:** Within 1-Mile of El Pollo Loco: Providence Hospital, CHOC Hospital, MainPlace Mall (155 Stores), and The Outlets at Orange (115 Stores)



Actual Subject Property

INVESTMENT SUMMARY

ADDRESS: 1519 West Chapman Avenue
Orange, California 92868

PRICE: \$3,525,000

CAP: 3.50%

NOI: \$123,375

Seller is in a contract position on the Real Estate and is therefore not the current holder of title. Seller will obtain title on the property no later than the closing date of this subsequent transaction being marketed.

DEMOGRAPHICS

	1-MILE	3-MILE	5-MILE
POPULATION:	21,484	250,252	750,088
HOUSEHOLDS:	7,376	71,764	198,919
HH INCOME:	\$72,028	\$70,314	\$70,241



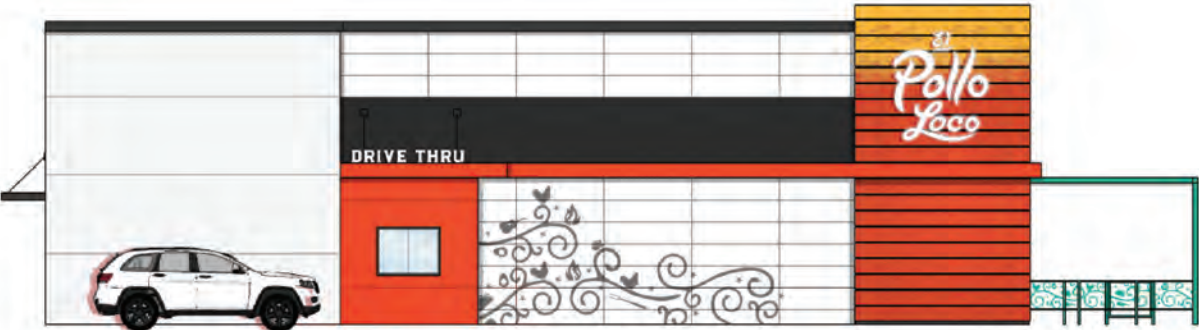
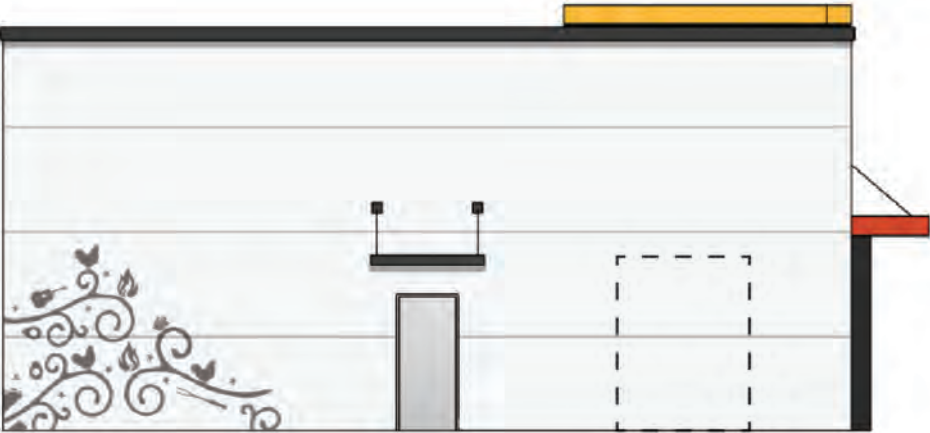
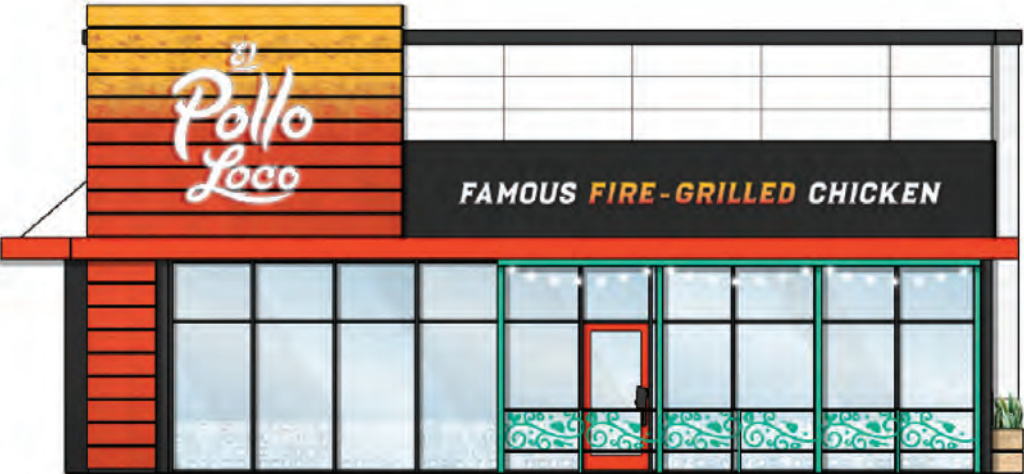
Actual Subject Property



PROPERTY DESCRIPTION

✓ PROPERTY ADDRESS: 1519 West Chapman Avenue Orange, California 92868	✓ LEASE TYPE: Absolute-Net
✓ BUILDING SIZE: 2,100 SF	✓ YEAR BUILT / REMODEL: 1990 / Q1-2022
✓ LOT SIZE: 20,038 SF	✓ ACCESS & FRONTAGE W. Chapman Ave. (±30,570 VPD)

REMODEL RENDERINGS



TENANT PROFILE

COMPANY NAME

El Pollo Loco Holdings Inc.

PUBLIC

NASDAQ: LOCO

REVENUE

2020: \$426M

NUMBER OF STORES

475

HEADQUARTERS

Costa Mesa, CA

YEAR FOUNDED

1975

**NUMBER OF
EMPLOYEES**

±5,000

WEBSITE

www.elpolloloco.com



El Pollo Loco (NASDAQ: LOCO) is the nation’s leading fire-grilled chicken restaurant chain renowned for its masterfully citrus-marinated, fire-grilled chicken and handcrafted entrees using fresh ingredients inspired by Mexican recipes. With 475 company-owned and franchised restaurants in the Southwestern United States, El Pollo Loco is expanding its presence in key markets through a combination of company and existing and new franchisee development.



TENANT SUMMARY

TENANT NAME:	El Pollo Loco
OPERATOR:	El Pollo Loco Holdings Inc.
GUARANTY:	Corporate
TYPE OF OWNERSHIP:	Fee Simple
LEASE TYPE:	Absolute-Net
LANDLORD RESPONSIBILITIES:	None
LEASE COMMENCEMENT:	Close of Escrow
LEASE EXPIRATION:	20-Years After Close of Escrow
TERM REMAINING:	20-Years
INCREASES:	10% Every 5-Years
OPTIONS:	Four, 5-Year

ANNUALIZED OPERATING DATA

Base Rent	ANNUALLY	MONTHLY
Close of Escrow - Year 5	\$123,375.00	\$10,281.25
Year 5 - Year 10	\$135,712.50	\$11,309.38
Year 10 - Year 15	\$149,283.75	\$12,440.31
Year 15 - Year 20	\$164,212.13	\$13,684.34
Options to Renew		
Year 20 - Year 25	\$180,633.34	\$15,052.78
Year 25 - Year 30	\$198,696.67	\$16,558.06
Year 30 - Year 35	\$218,566.34	\$18,213.86
Year 35 - Year 40	\$240,422.97	\$20,035.25

Actual Subject Property



Pacific Ocean

1

Costa Mesa

Huntington Beach

Fountain Valley

Downtown Santa Ana

2

Santa Ana College

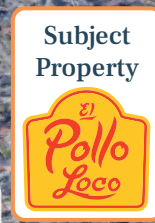
River View Golf Course

John Wayne Airport

MainPlace Mall



CHOC Children's



McDonald's



Marshalls

Providence St. Joseph Health

Providence St. Joseph Hospital Orange

W. Chapman Ave. (±30,570)

Main Street (±21,950 VPD)

SR-22

SR-22 (±265,000 VPD)

SR-57 (±305,000 VPD)

SR-57 (±247,500 VPD)

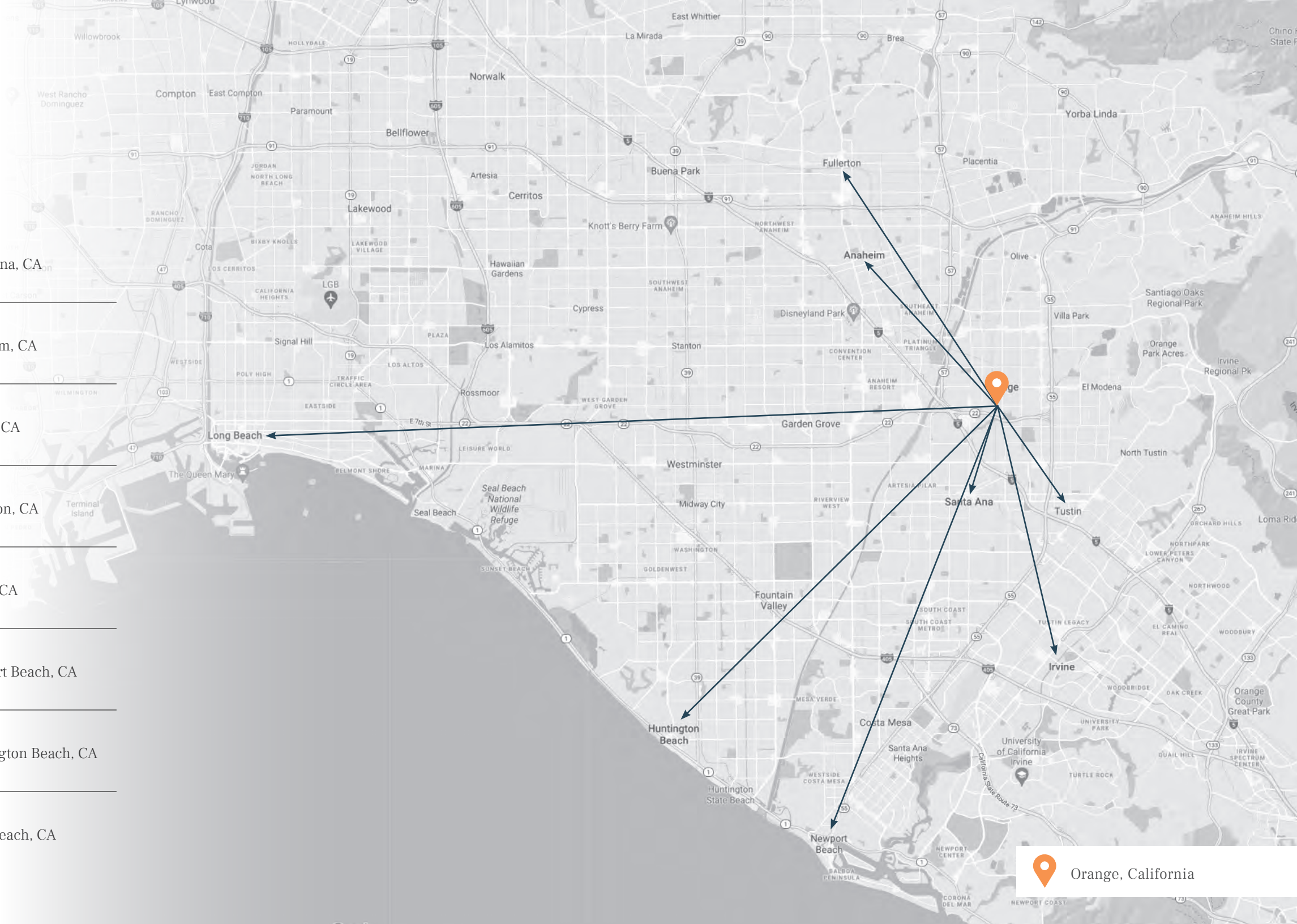
W. Chapman Ave. (±30,570)

Portola Middle School
(664 Students)
&
Sycamore Elementary
(423 Students)



DISTANCE FROM SUBJECT PROPERTY

3 - Miles	Santa Ana, CA
5 - Miles	Anaheim, CA
7 - Miles	Tustin, CA
9 - Miles	Fullerton, CA
12 - Miles	Irvine, CA
17 - Miles	Newport Beach, CA
16 - Miles	Huntington Beach, CA
20 - Miles	Long Beach, CA



Orange, California

ORANGE COUNTY, CALIFORNIA

One of the longest uninterrupted stretches of public beaches in the world along 42 miles of Pacific Ocean defines the western edge of Orange County, which is located in the heart of Southern California. The county’s land area covers 790 square miles, bordering the counties of Los Angeles, San Diego, Riverside and San Bernardino.

Outdoor activities, beaches and temperate climate attract visitors, residents and businesses, expanding the local population to more than 3.2 million people. Anaheim, home to Disneyland, is the largest city in the county with a population of 358,100 people. Santa Ana, Irvine and Huntington Beach each have a resident count of more than 200,000.

MAJOR AREA EMPLOYERS

University of California, Irvine
The Walt Disney Co.
St. Joseph Health Systems
Boeing Co.
Bank of America Corp.
Memorial Care Health System
California State University, Fullerton
Kaiser Permanente
Allergen Inc.
Hoag Memorial Hospital Presbyterian



DIVERSE EMPLOYMENT

Tourism, high-tech operations, healthcare, education and aerospace/ military contractors are major employers in the metro.



EXTENSIVE FOREIGN INVESTMENT

Numerous foreign investment firms and businesses have headquarters in the area to be near Southern California ports of entry.



PROXIMITY TO OTHER MARKETS

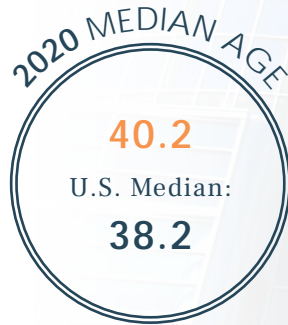
Orange County is 30 miles from Downtown Los Angeles and approximately 90 miles from Downtown San Diego. The Mexico border is 110 miles away.

ECONOMY

- ✓ The professional and business services sector is the metro's largest employment segment, accounting for roughly 20 percent of all jobs in the county.
- ✓ Research and development at a variety of institutions plays a vital role in growing a high-tech base that includes companies such as Allergan and Google.
- ✓ The metro's economy relies on travel and tourism. The number of visitors to the county has notably declined during the health crisis; however, increased tourism is likely during the second half of 2021 if widespread vaccination is achieved and Disneyland and Knott's Berry Farm reopen.

DEMOGRAPHICS

- ✓ The local population will expand by more than 117,600 residents over the next five years and during this time, roughly 45,600 households will be added.
- ✓ Amid high home prices, the homeownership rate of 57 percent trails the national rate of 64 percent.
- ✓ Roughly 39 percent of the population age 25 and older have attained a bachelor's degree, with 14 percent also holding a graduate or professional degree.





QUALITY OF LIFE

From fishing to yachting, water sports of every kind abound at the beaches, harbors and marinas along the Orange County coast. Many of its beaches are famous for surfing; the town of Huntington Beach is known worldwide as Surf City, USA. The weather is also perfect for golfing, hiking and biking. Orange County also has a world-class selection of entertainment, restaurants and shopping. The area boasts big attractions such as Disneyland Resort and Knott's Berry Farm. Orange County also hosts professional sports teams in baseball and hockey. Educational institutions of higher learning include two public universities: California State University, Fullerton, and the University of California, Irvine.

2020 Population by Age

6%	19%	7%	27%	27%	15%
0-4 Years	5-19 Years	20-24 Years	25-44 Years	45-64 Years	65+ Years

SPORTS



EDUCATION



ARTS & ENTERTAINMENT



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This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Marcus & Millichap THE DELTONDO GROUP

19800 MacArthur Boulevard, Suite 150
Irvine, California 92612

www.deltondoadvisorygroup.com

NET LEASED DISCLAIMER

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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 tenant's 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 interrupted 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. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

Lead Broker:

PETER DELTONDO

Managing Member
pdeltondo@mmreis.com
(949) 419-3267
License: CA 01797033

ANDRE THOMPSON

Associate
athompson2@mmreis.com
(949) 419-3217
License: CA 02086459

MANUEL SLEEM

Associate
msleem@mmreis.com
(949) 419-3251
License: CA 02109537

COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

BRYCE DUNKS

Director of Operations
bdunks@mmreis.com
(949) 419-3225

MICHAEL WESTER

Senior Associate
mwester@mmreis.com
(949) 419-3213
License: CA 02006462