

FOR SALE

\$2,700,000

Single-Tenant Net-Leased Investment

Spring Valley, CA (San Diego)

- ♦ Long Operating History of 40+ Years
- ♦ Experienced Franchisee & Recent Complete Renovation by Tenant
- ♦ Absolute NNN Ground Lease
- ♦ Strong San Diego Submarket with High Barriers to Entry



OFFERING SUMMARY

KFC / Taco Bell
Spring Valley, CA (San Diego)

Property Overview

The subject offering is a single-tenant KFC / Taco Bell drive-thru investment. The property is ideally positioned in a densely populated submarket of San Diego County with a population of 82,491 in a 2-mile radius. The parcel has excellent visibility along the busy Paradise Valley Road and also benefits from reciprocal access with the adjacent 35,000 SF retail center. The contains no landlord responsibilities and favorable 10% rent bumps for each 5-year option period.

\$2,700,000
Price

\$108,900
NOI

4.03%
Cap Rate

±20,038 SF
Lot Size

Absolute NNN Lease Backed by Experienced Tenant

- The franchisee is Marble Restaurants Ltd., an experienced operator out of Edmonton, Canada with 31 KFC locations in the San Diego region and 19 Pizza Hut locations in the Edmonton region.
- The lease is absolute NNN with no landlord responsibilities and includes 10% rent increases for each of the two remaining 5-year options.

Seasoned Store Location with Long Operating History

- KFC / Taco Bell has a long operating history at the property having originally opened here over 40 years ago. Throughout this period, the site has continuously operated as a KFC / Taco Bell restaurant.
- After 35 years of operation, the parties signed a new 15-year lease in 2014 with 2 x 5-year options.



No warranty or representation is made to the accuracy of the foregoing information. Terms of sale and availability are subject to change or withdrawal without notice.

Complete Renovation by Tenant in 2014

- The building was completely renovated and redesigned in 2014 to upgrade to newer franchise standards.
- The dual-brand concept of KFC and Taco Bell has provided franchisees with an opportunity to optimize revenue through a wider variety of offerings.

Extremely High Barriers to Entry for QSR Competition

- With very limited land and redevelopment opportunities in the surrounding infill area, the barriers to entry are extremely high for any competing drive-thru QSR properties.
- The property is surrounded by single-family homes and apartments in the neighborhoods of Lomita, Bay Terrace, and Paradise Valley.
- Compared to other trade areas, there are limited restaurant and retail options for residents in these communities.

Prime San Diego County Location

- Property represents a rare QSR sale offering in San Diego County with limited STNL drive-thru transactions in the MSA.
- Located just off the 125 Freeway along Paradise Valley Road, a main east/west corridor running all the way from Interstate 5 in National City to the Rancho San Diego community in El Cajon.
- Strong demographics with a population of 82,491 in a 2-mile radius with an average household income of \$92,610.



OFFERING OVERVIEW

KFC / Taco Bell
Spring Valley, CA (San Diego)

Price	\$2,700,000
Cap Rate	4.03%
NOI	\$108,900 (July 2024 rent. Seller shall credit Buyer the difference at closing)
Land Size	±20,038 SF
Building Size	±2,200 SF
Parking	19 Spaces
APN	586-250-46-00
Traffic Counts	±19,424 cars per day on Paradise Valley Road
Address	8330 Paradise Valley Rd, Spring Valley, CA 91977



Tenant	Marble USA, Inc. (Franchisee)
Original Lease Date	1979
Current Term Remaining	6 Years
Expiration Date	June 30, 2029
Options	2 x 5 Years
Rent Increases	10% every 5-years
Lease Type	Absolute NNN Ground Lease
Roof & Structure	Tenant
Landlord Responsibilities	None
Early Termination Right	None

Initial Term			
Years	Monthly Rent	Annual Rent	% Increase
1-5	\$7,500.00	\$90,000	-
6-10	\$8,250.00	\$99,000	10%
11-15	\$9,075.00*	\$108,900*	10%

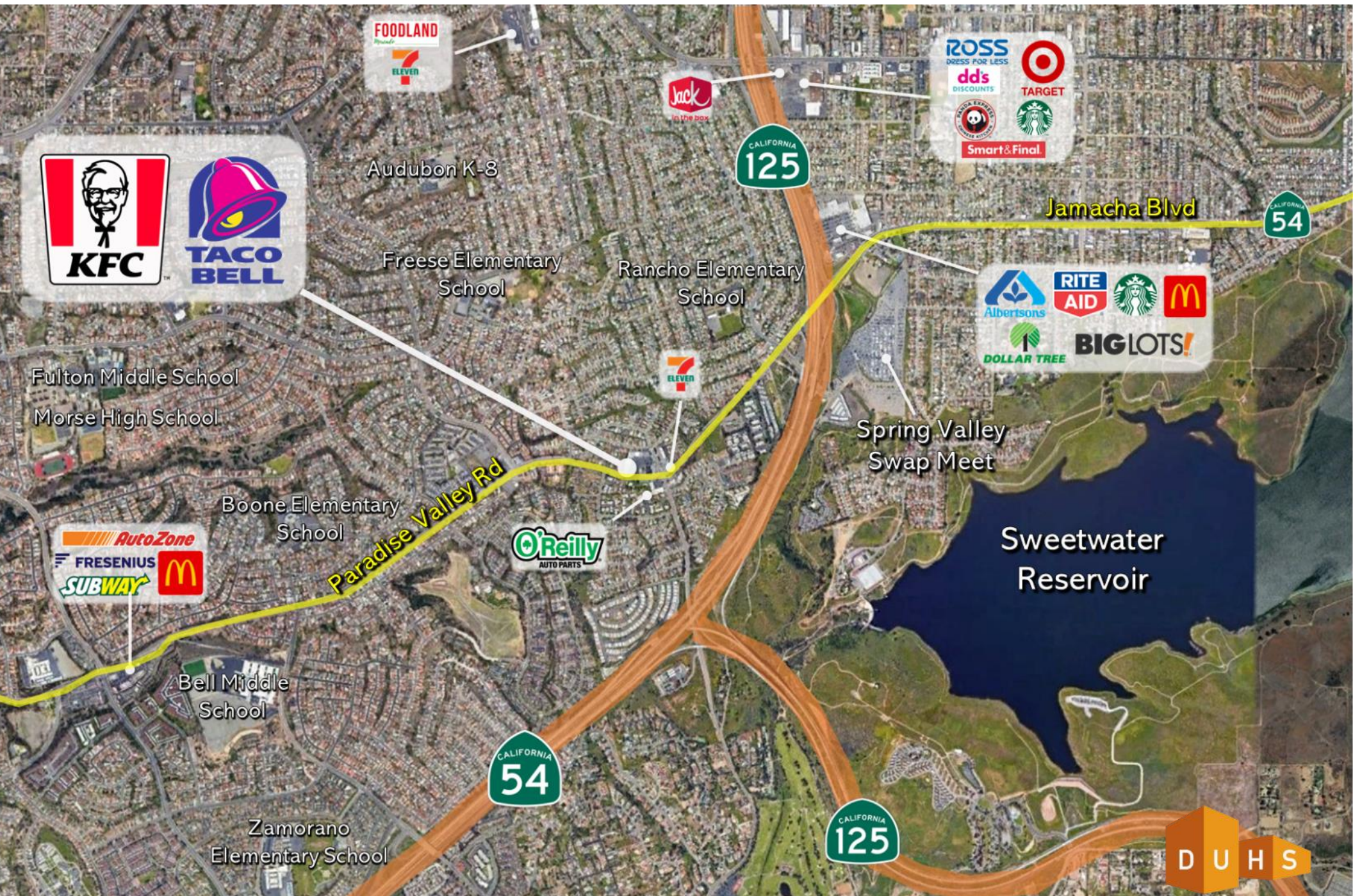
*July 2024 rent. Seller shall credit Buyer the difference at closing.

Extension Options			
16-20	\$9,982.00	\$119,784	10%
21-25	\$10,981.00	\$131,772	10%

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Spring Valley | County of San Diego

Spring Valley is a beautiful community of rolling hills and countryside well located only 8 miles east of downtown San Diego. With its central location and being conveniently served by 3 freeways (Highways 125, 94 & 54), residents of Spring Valley have a short drive to major points in San Diego County including:

- Downtown San Diego 20 minutes
- Mission Valley 15 minutes
- Chula Vista City Center 14 minutes
- El Cajon / East County City Center 13 minutes
- US/Mexico Border 20 minutes
- Mission Bay 24 minutes

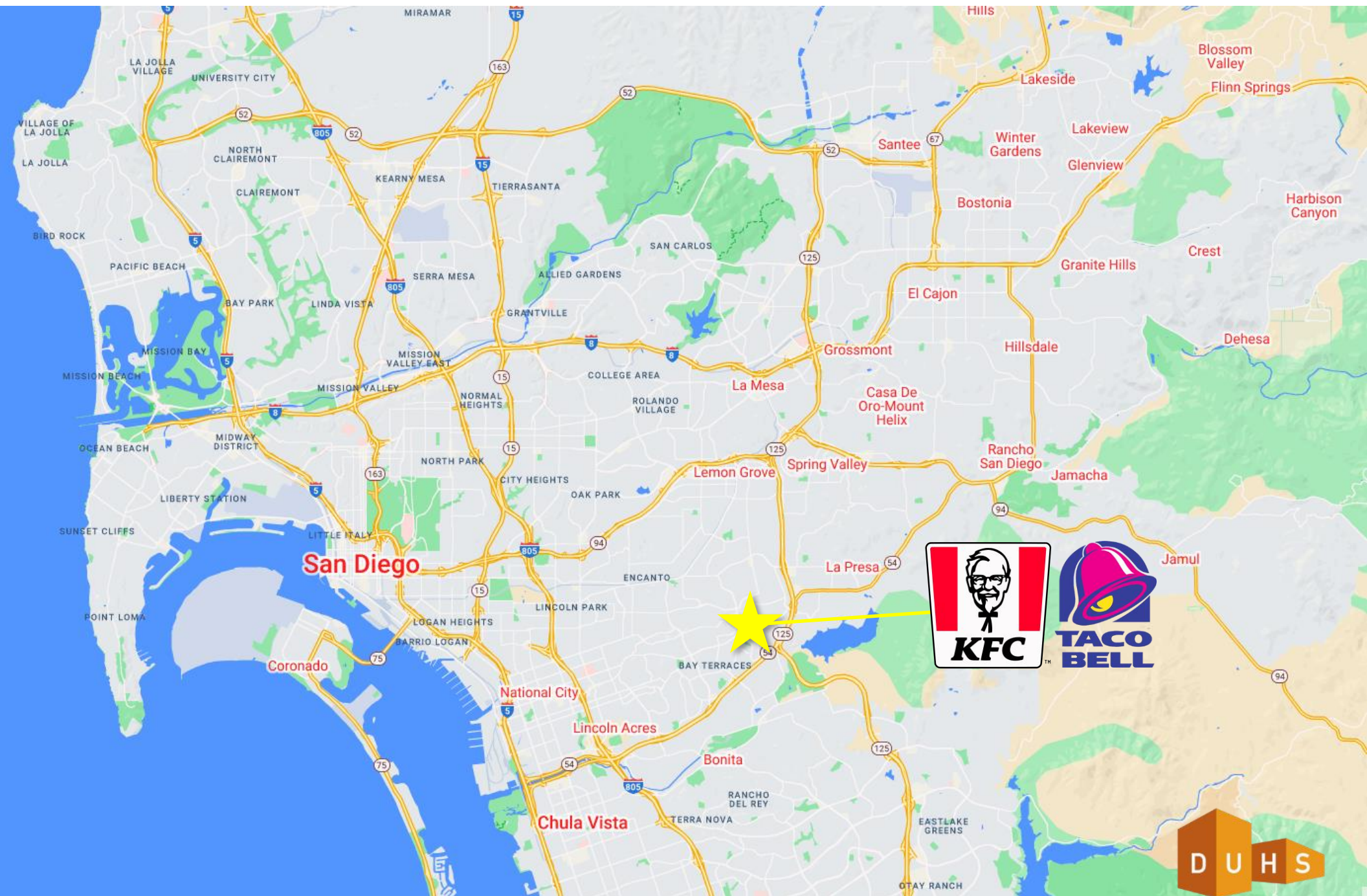
Spring Valley is San Diego County's largest unincorporated community, yet offers a "small town flavor" to each of its residents. Lifestyles range from apartment or town home residents to the urban professional, and on to those with larger properties for enjoying horses, livestock and rural community life.

As part of San Diego County, Spring Valley offers a close-by geography sharing a landscape of choices, from bayfront urban living to snow-dusted slopes in the rural backcountry in a mild climate influenced by ocean currents and abundant sunshine. Summer temperatures average 89 degrees and winter 61 degrees. It is 481 feet above sea level, virtually smog free, and a 20-minute commute to downtown San Diego via convenient freeways.



LOCATION MAP

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Population	1-Mile	2-Mile	3-Mile
2027 Projection	24,668	82,247	154,378
2022 Estimate	24,501	82,491	154,842
2010 Census	22,486	80,185	150,549
Growth 2022 - 2027	0.1%	-0.1%	-0.1%
Growth 2010 - 2022	0.7%	0.2%	0.2%
Daytime Population	2,483	26,756	54,133

Households

2027 Projection	6,803	23,289	44,504
2022 Estimate	6,755	23,370	44,652
2010 Census	6,202	22,820	43,568
Growth 2022 - 2027	0.1%	-0.1%	-0.1%
Growth 2010 - 2022	0.7%	0.3%	0.2%

Income / Housing

2022 Average Household Income	\$92,309	\$92,610	\$93,831
2022 Median Household Income	\$78,869	\$75,968	\$76,950
2022 Median Home Value	\$443,095	\$449,196	\$462,251
Owner Occupied Housing	4,551	14,795	29,235
Renter Occupied Housing	2,252	8,493	15,269

Population By Race

White	11,783	41,711	84,643
Black	4,094	13,272	22,807
Am. Indian & Alaskan	317	1,139	2,226
Asian	6,461	20,587	34,300
Hawaiian & Pacific Island	383	1,096	2,073

Population by Hispanic Origin

Non-Hispanic Origin	24,500	82,491	154,842
Hispanic Origin	10,819	36,074	68,269



154,842

Population (3-Mile)



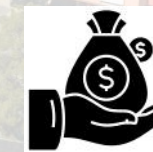
54,133

Daytime Population (3-Mile)



44,652

Households (3-Mile)



\$93,381

Avg Household Income (3-Mile)



\$462,251

Median Home Value (3-Mile)



COMMERCIAL
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CONTACT INFORMATION

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Spring Valley, CA (San Diego)



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