

OFFERING MEMORANDUM

Chick-fil-A Ground Lease

La Quinta, CA (Coachella Valley)



RENT COMMENCED — OPENING SOON





Disclaimer

Fisher James Corp. ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

TABLE OF CONTENTS

Property Highlights	1
Property Overview	2
Tenant Information	3
Site Plan	4
Aerials	5
About The Area	6
Demographics	8

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PROPERTY HIGHLIGHTS

- Brand New 15-Year Corporate Ground Lease to Chick-fil-A
 - No Landlord Maintenance Responsibilities
 - Scheduled 10% Rental Escalations Throughout Primary Term and at Options
- Brand New 2025 Construction featuring a Triple-Stacked Double Drive-Thru
- Chick-fil-A Generated 2023 Sales of \$21.58 Billion (14.7% YoY Increase)
 - Freestanding Locations Boast an Average Unit Volume (AUV) of \$9.3 Million
- Strong Ingress/Egress on CA-III Arterial within La Quinta's Primary Retail Corridor
 - Situated at Highly Trafficked Signalized Hard Corner (51,019 AADT) with Cross Access to New Quick Quack Car Wash
 - Approximately 4 Miles from Interstate 10 (105,000 AADT)
- Surrounding Area Home to Many Attractions including Numerous World-Class Golf and Country Clubs, Resorts and Spas, Casinos, Entertainment Venues, Museums, the 261,000 SF Palm Springs Convention Center, and More Attracting Tourists from Around the World
 - Large-scale Yearly Events include the PGA Tour's American Express Golf Tournament, Coachella, Stagecoach, La Quinta Arts Celebration, Ironman 70.3 Triathlon, Riverside County Fair, BNP Paribas Open Indian Wells Tennis Tournament, and More
- La Quinta is Part of the Riverside-San Bernardino-Ontario MSA, the "Inland Empire"
 - \$256.9 Billion GDP - 15th Among U.S. Metro Areas
 - 4.7 Million Population - 13th Most Populous Metro Area in the U.S.



**TRIPLE-STACKED
DOUBLE DRIVE-
THRU**



**CFA HAS HIGHEST
AVG UNIT VOLUME
AMONG QSR USERS**



**169,781 DAYTIME
POPULATION**
within 5 Miles



**13TH MOST
POPULOUS METRO
AREA IN U.S.**
<2 Hrs from Los Angeles



**\$117,050 AVERAGE
HOUSEHOLD INCOME**
within a 5-Mile Radius



**BRAND NEW 2025
CONSTRUCTION**



PROPERTY OVERVIEW

LOCATION

The property is located at [79520 CA-111 in La Quinta, California](#). 

LOT SIZE

Approximately 2.36 acres or 102,802 square feet.

IMPROVEMENTS

A 4,800 square foot building with a triple-stacked double drive-thru component for **Chick-fil-A**.

The improvements are under construction and will be owned by the Tenant; only the land is for sale.

GROUND LEASE

Leased to **Chick-fil-A, Inc.** for 15 years from a rent commencement date of June 16, 2025 at an initial annual rent of \$275,000. There are four (4) five-year options to renew the lease. Rent is to increase by 10% every five years through the primary term and at the start of each option period. The lease is net with tenant responsible for all taxes, insurance, maintenance, signage; including roof and structure.

FINANCING

The property will be delivered free and clear of permanent financing.

PRICE

\$6,111,000

4.50% CAP RATE

ANNUAL RENT

Year	Annual Rent	Return
Year 1 – 5	\$275,000	4.50%
Years 6 – 10	\$302,500	4.95%
Years 11 – 15	\$332,750	5.45%
Years 16 – 20 (Option 1)	\$366,025	5.99%
Years 21 – 25 (Option 2)	\$402,628	6.59%
Years 26 – 30 (Option 3)	\$442,890	7.25%
Years 31 – 34 (and 5 months) (Option 4)	\$487,179	7.97%

TENANT INFORMATION



Chick-fil-A, Inc., headquartered in College Park, GA, is one of the most successful and largest fast-food chains in America. The company has more than 3,059 restaurants, primarily in the United States, the majority of which are franchised. While credited with the invention of the boneless chicken sandwich, their special waffle potato fries are a top seller in all six regions. The company initially focused on locations in shopping mall food courts but shifted its focus in the mid-80s to freestanding franchises. Though primarily concentrated in the southern United States, the chain has expanded in recent years with franchise locations in 48 states, Washington D.C., Puerto Rico, and Canada; with plans of further expansion into Michigan, the U.K., and Singapore.

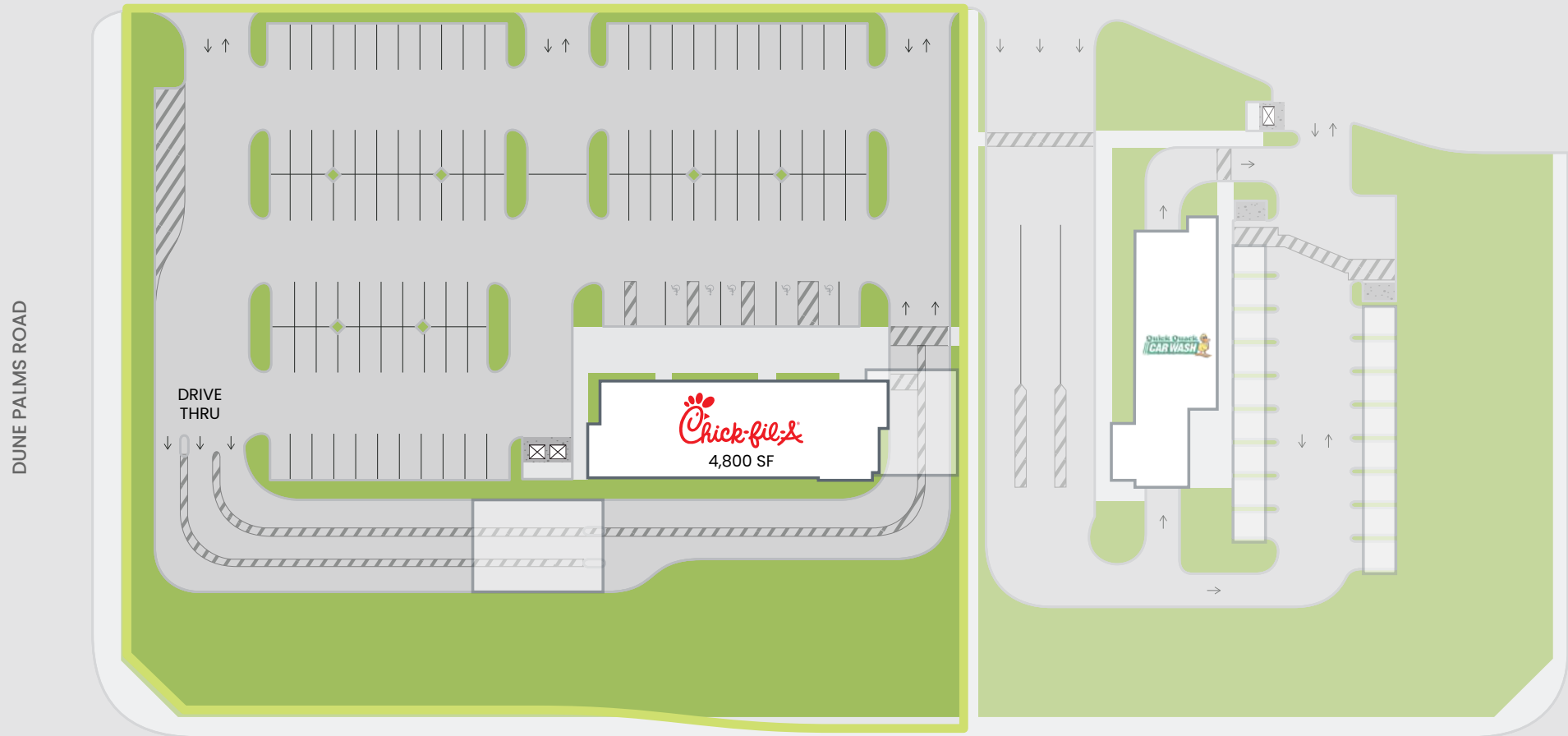
Chick-fil-A's average sales per restaurant consistently outpace and surpass competitors such as KFC, Popeyes, and McDonald's. Chick-fil-A uses a business model significantly different from other restaurant franchises, most notably retaining ownership of each restaurant, allowing for controlled growth. Chick-fil-A typically selects the location, builds the restaurant, and retains ownership of the store. Chick-fil-A gets a larger share of revenue from its franchises than other chains, but the formula works well for operators because the up-front cost of becoming a franchisee is lower compared to other competing chains.

For the 8th year in a row, Chick-fil-A ranked first in customer satisfaction as the most popular fast-food chain in the United States, according to the American Customer Satisfaction Index.

According to Restaurant Business, Chick-fil-A's sales in 2023 were estimated to be \$21.58 billion, up 14.7% over 2022. Standalone locations outside of malls generated a record \$9.3 million in average unit volume (AUV) in 2023.

SITE PLAN

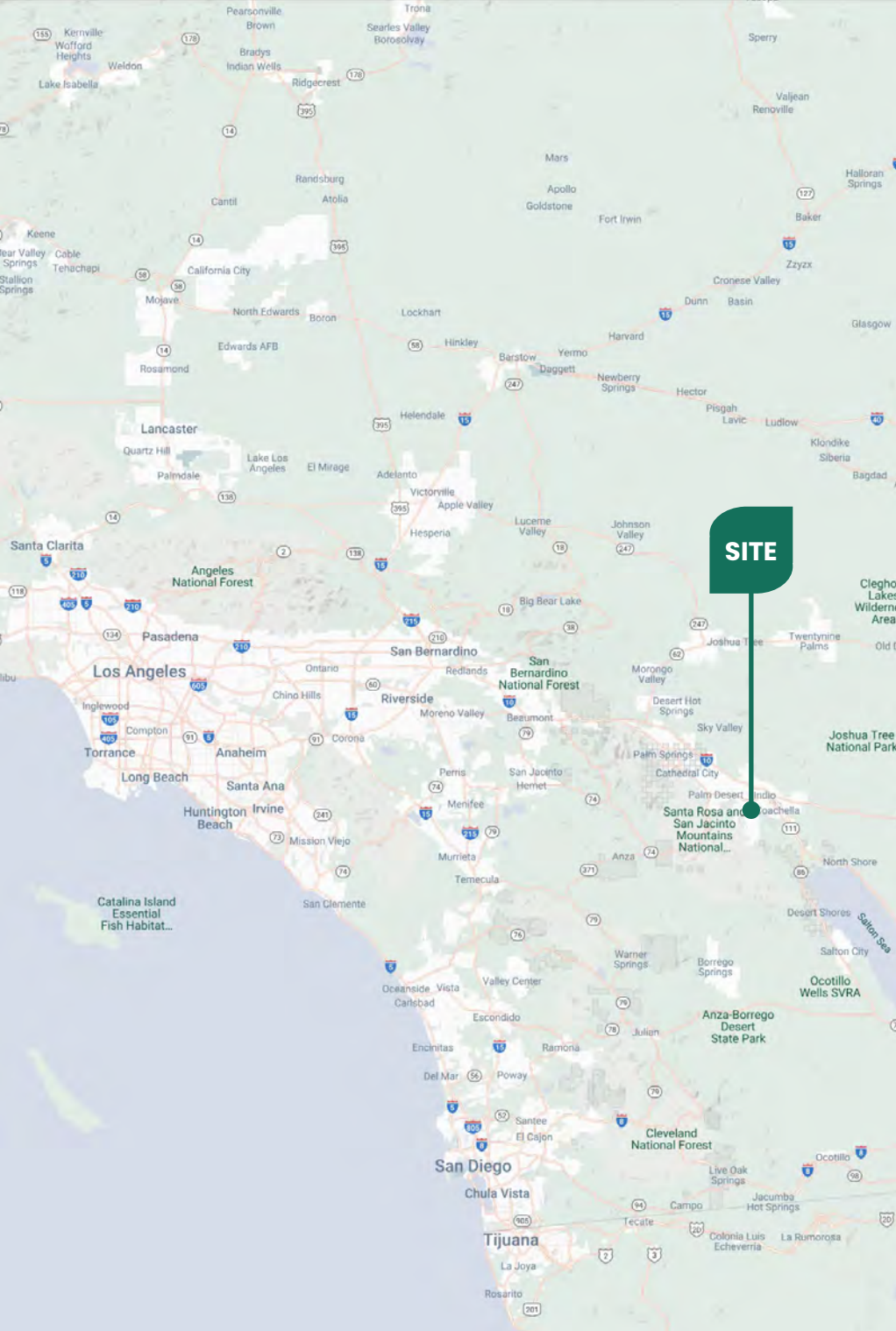
FUTURE RESIDENTIAL
DEVELOPMENT



42,150 AADT

NORTHWEST VIEW





LOCATION OVERVIEW

La Quinta, often called the “Gem of the Desert,” is a city in Riverside County, located in the growing Coachella Valley near Palm Springs. Often referred to as Greater Palm Springs, the Coachella Valley – which includes the nine cities of Cathedral City, Coachella, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, and Rancho Mirage – has an estimate year-round population of nearly 500,000 and attracts over 14 million visitors each year.

The Coachella Valley is known for its luxury, recreation, and beautiful desert landscapes at the foot of picturesque mountain ranges. This desert oasis has become a worldwide destination for tourists due to its many attractions including numerous world-class golf and country clubs, resorts and spas, casinos, entertainment venues, museums, vibrant art and architecture, nightlife, and much more. The 261,000 square foot state-of-the-art Palm Springs Convention Center hosts events of all sizes year-round in the heart of downtown Palm Springs. Large-scale yearly events in the area include the PGA Tour’s American Express Golf Tournament, Coachella and Stagecoach music festivals, La Quinta Arts Celebration, Ironman 70.3 Triathlon, Riverside County Fair, BNP Paribas Open Indian Wells Tennis Tournament, Palm Springs International Film Festival, National Date Festival, and many more.

The primary airport for air travel to the area is the Palm Springs International Airport, which serves over 3.2 million passengers annually. In addition, airports offering private and charter flights include Bermuda Dunes Airport and Jacqueline Cochran Regional Airport. Due to its close proximity to Los Angeles (less than 2 hour drive), Orange County (less than 2 hours), and San Diego, (less than 2.5 hours) and its reputation as a desirable desert oasis getaway destination, the Coachella Valley experiences a heavy influx of both visitors and part-time residents from these areas. The major corridor through the Coachella Valley is Interstate 10, which is the fourth-largest interstate highway in the country, stretching coast-to-coast. It connects the area directly to Los Angeles to the west and Joshua Tree National Park and Phoenix to the east.

With five campuses across the Coachella Valley and continuing expansion projects, the College of the Desert has served students across the area for over six decades. It offers high-quality degree, certificate, and transfer programs to serve the needs of the community and enhance the local economy. College of the Desert has an annual student population of approximately 15,000 and an employee head count of over 1,000. The area is also served by UC Riverside’s Palm Desert Campus and California State University San Bernardino’s Palm Desert Campus.

The property is within the Riverside–San Bernardino–Ontario MSA, commonly known as the Inland Empire. With a GDP of \$256.9 billion, the MSA ranked 15th among U.S. metropolitan areas. With a population of approximately 4.7 million, the Inland Empire is the 13th most populous metro area in the U.S.



Major Nearby Retail/Centers Visit Data (per Placer.ai)

Washington Park (Target, Century Theaters, Trader Joe's, Lowe's & more)	6 million annual visits (2nd most visited Power Center in Greater Palm Springs)
One Eleven La Quinta McDonald's Taco Bell	5.5 million annual visits 2nd in Greater Palm Springs Top location in MSA
Komar Desert Center (Costco & more)	5.4 million annual visits (2nd most visited Shopping Center in Greater Palm Springs)
The Centre at La Quinta Walmart Supercenter	4.7 million annual visits 2nd in Greater Palm Springs
Jefferson Plaza Home Depot	3.1 million annual visits Top location in Greater Palm Springs
The Pavilion at La Quinta	2.5 million annual visits

SITE INFORMATION

The subject property is prominently located in the Coachella Valley city of La Quinta with excellent access and visibility on the corner of Highway 111 and Dune Palms Road (combined 51,019 AADT), in close proximity to Interstate 10 (105,000 AADT). The site benefits from robust and dense demographics with a total daytime population of 169,781 and average household income of \$117,050 within a 5-mile radius.

The property is part of the Dune Palms Mixed-Use Development, comprised of 4.3 acres of commercial development for the subject property and a future Quick Quack Car Wash, and 5.1 acres of residential development for the 180-unit Dune Palms Multifamily Development.

The property benefits from a prominent retail location in close proximity to major centers and retailers along the Highway 111 corridor. La Quinta Valley Plaza, Jefferson Plaza anchored by Home Depot, Komar Desert Center anchored by Costco, The Center at La Quinta anchored by Walmart Supercenter, The Pavilion at La Quinta anchored by Sprouts and Best Buy, and Chevron are all adjacent to the site. Washington Park anchored by Target, Century Theatres, Trader Joe's, and Lowe's, and One Eleven La Quinta Center anchored by Hobby Lobby and Kohl's are located less than a mile from the site.

The site benefits from close proximity to the area's exceptional golf and country clubs. La Quinta Country Club, 3.5 miles from the site, is one of Coachella Valley's most historic and iconic clubs. PGA West, 5 miles from the site, is known as the "Western Home of Golf in America" and has hosted the PGA Tour's The American Express. The Quarry at La Quinta, 9 miles from the site, is consistently ranked among the best in California and the nation. In addition, Rancho La Quinta Country Club, Mountain View Country Club, Heritage Palms Golf Club, The Citrus Club at La Quinta Resort, Indian Palms Country Club & Resort, Indian Wells Country Club, Woodhaven Country Club, Palm Desert Country Club, The Plantation Golf Club, Tradition Golf Club, Toscana Country Club, Desert Horizons Golf and Country Club, and Eldorado Country Club are all located within 5 miles of the site.

In addition to the Dune Palms Multifamily Development, numerous current and future residential developments are in close proximity to the site. Within 1 mile from the site are Aventine Apartment Homes (200 units), SolTerra (133 units), and Hadley Villas (80 units). Jefferson Apartments, a new development with 42 units, is also within a 1 mile of the site. Laguna de la Paz, a gated community with approximately 400 homes, is located 2 miles from the site. La Quinta Village Apartments, 3 miles from the site, is currently under construction and will boast 252 units.

The site is in close proximity to numerous schools and other employers. Coachella Valley Beauty College is adjacent to the site. La Quinta High School (2,111 students), Desert Christian Private School, and First School of the Desert are within 1.5 miles of the site. La Quinta Middle School, Colonel Mitchell Paige Middle School, and Harry S. Truman Elementary are within 3 miles of the site. John F. Kennedy Memorial Hospital (145 beds) is located 2.5 miles from the site.

DEMOGRAPHICS



2024 DAYTIME POPULATION

168,781



AVG. HOME VALUE

\$655,762



AVG. HOUSEHOLD INCOME

\$117,050

79520 CA-111 | La Quinta, CA 92253

Population Summary	1 Mile	3 Miles	5 Miles
2020 Total Population	7,869	76,117	161,190
2024 Total Population	8,293	76,858	165,008
2029 Total Population	8,693	78,233	168,705
2024 Total Daytime Population	12,996	75,128	169,781
Average Household Income			
2024	\$106,619	\$113,517	\$117,050
2029	\$123,575	\$132,031	\$136,645
Average Home Value			
2024	\$616,698	\$655,762	\$648,727
2029	\$750,372	\$826,816	\$809,383

Major Employers in Riverside County

of
Employees

County of Riverside	25,366
Amazon	14,317
March Air Reserve Base	9,600
Nestle USA	8,874
University of California, Riverside	8,623
State of California	8,383
Wal-Mart	7,494
Moreno Valley Unified School District	6,020
Kaiser Permanente Riverside Medical Center	5,817
Corona-Norco Unified School District	5,478



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