

BJ's Restaurants and Brewhouse



**RESTAURANT
BREWHOUSE**



OFFERING MEMORANDUM | PRICE REDUCTION - MOTIVATED SELLER

600 Brea Mall
Brea, CA 92821



BJ's Restaurants and Brewhouse

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01	Executive Summary
	Investment Summary
	Location Summary

OFFERING SUMMARY

ADDRESS	600 Brea Mall Brea CA 92821
COUNTY	Orange
MARKET	Orange County
SUBMARKET	Brea/ La Habra
BUILDING SF	10,000 SF
LAND ACRES	1.20
LAND SF	52,272 SF
YEAR BUILT	1983
YEAR RENOVATED	1994
APN	319-101-41
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

OFFERING PRICE	\$8,200,000
PRICE PSF	\$820.00
OCCUPANCY	100 %
NOI (CURRENT)	\$381,357
CAP RATE (CURRENT)	4.65 %

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
2020 Population	18,811	135,784	383,911
2020 Median HH Income	\$94,885	\$93,719	\$86,699
2020 Average HH Income	\$116,436	\$123,427	\$116,300

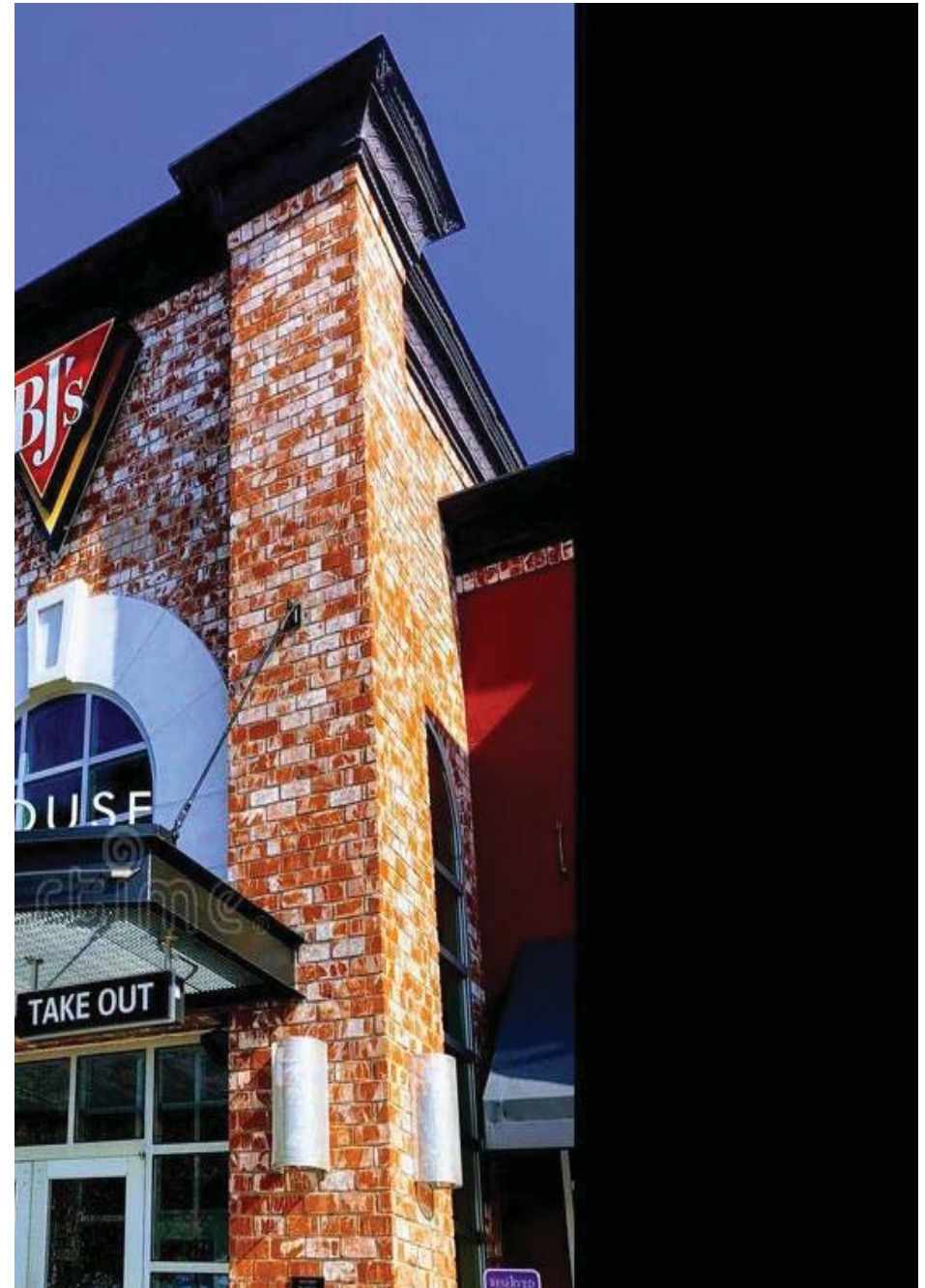
**Highlights**

- Corporate Executed Lease - BJ's Restaurant, Inc.
- Absolute NNN Lease / No landlord responsibilities
- Long-Term Historical Occupancy at this Proven Location
- Located in Top Orange County Retail Trade Area (Brea Mall Shopping Center) / Affluent Marketplace + Strong Demographics

Description

- Prime investment opportunity. This Triple-Net leased Restaurant property is located within Brea Mall, Brea, CA. Century 21 PEAK is pleased to offer the unique opportunity to acquire the fee simple interest in a single tenant, Absolute NNN, BJ's Restaurant & Brewhouse (NASDAQ: BJRI) which is strategically located at the Entrance to a Brea Mall Shopping Center on Imperial Hwy. adjacent to 57 Fwy. exit, in Brea, CA. The subject property is located as an out-parcel pad to a highly successful Brea Mall Shopping Center and within one of the highest income communities in Southern California, Brea (Orange County). The Tenant, BJ's Restaurants, Inc. ("BJ's"), is a national brand with brewhouse roots and a menu with over 140 offerings where craft matters. BJ's has been a pioneer in the craft brewing world since 1996, and takes pride in serving BJ's award-winning proprietary handcrafted beers, brewed at its brewing operations in five states and by independent third-party craft brewers. The BJ's experience offers high-quality ingredients, bold flavors, moderate prices, sincere service and a cool, contemporary atmosphere. Founded in 1978, BJ's owns and operates more than 200 restaurants in 28 states.

This Orange County NNN property is in a prime location and has over 10 years left on the lease.



Orange County

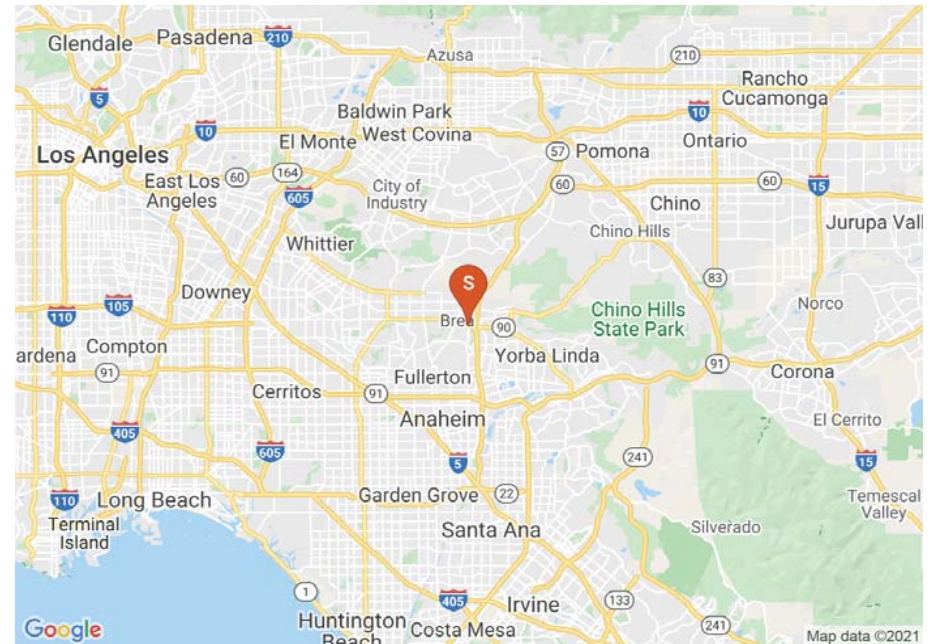
- Orange County, is the third largest of the 58 counties in the state of California. As of the 2010 census, the population of Orange County was 3,114,363. Its capital is Santa Ana, the second most populous city in the county. According to the U.S. Census Bureau, the county has a total area of 948 square miles.

The county has a population density of 3,871 people per square mile. Orange County is located in southern California. It is boarded to the north with Los Angeles County, northeast with San Bernardino County and Riverside County, and southeast with San Diego County. Orange County represents 8.12% of the total population of California. Of the 3,114,363 people in Orange County, 74.07% are White, 34.23% are Hispanic, 19.19% are Asian, and 3.2% are Two or More Races. The median resident age is 36 years, and 35 years in the whole state. The current growth rate of Orange County is 3.19%.

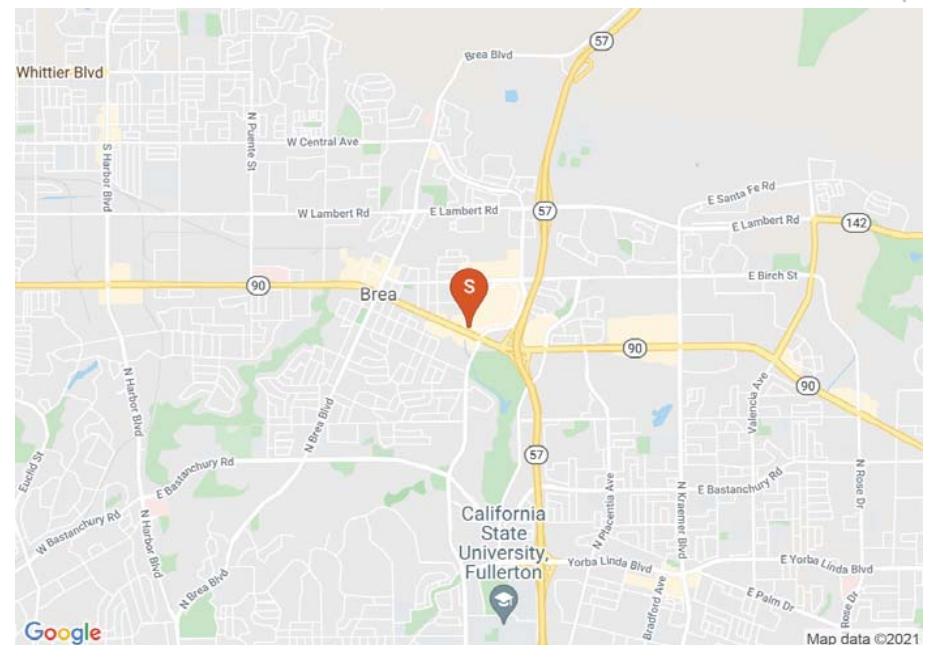
According to the U.S. census, the number of housing units in 2014 grew approximately 2% to 1,072,011 from 1,048,907 in 2010. As of the 2000 Census, of the 935,287 households, 37.0% had children under the age of 18 living with them, 55.9% married couples were living together, 10.7% had a female householder with no husband present, and 28.6% were non-families. 21.1% of all households were made up of individuals and 7.2% had someone living alone who was 65 years of age or older. The average household size was two people, compared to three for the whole state. The 2013 household median income was \$74,163, compared to \$60,190 in the whole state.

The Orange County unemployment rate averaged to 4.1% in April 2015. Orange County is the headquarters of many Fortune 500 companies including Ingram Micro (#69) and First American Corporation (#312) in Santa Ana, Broadcom (#343) in Irvine, Western Digital (#439) in Lake Forest and Pacific Life (#452) in Newport Beach. Irvine is the home of numerous start-up companies and also is the home of Fortune 1000 headquarters for Allergan, Edwards Lifesciences, Epicor, Standard Pacific and Sun Healthcare Group.

Regional Map



Locator Map





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Property Description

Property Features

Aerial Map

Parcel Map

Additional Maps

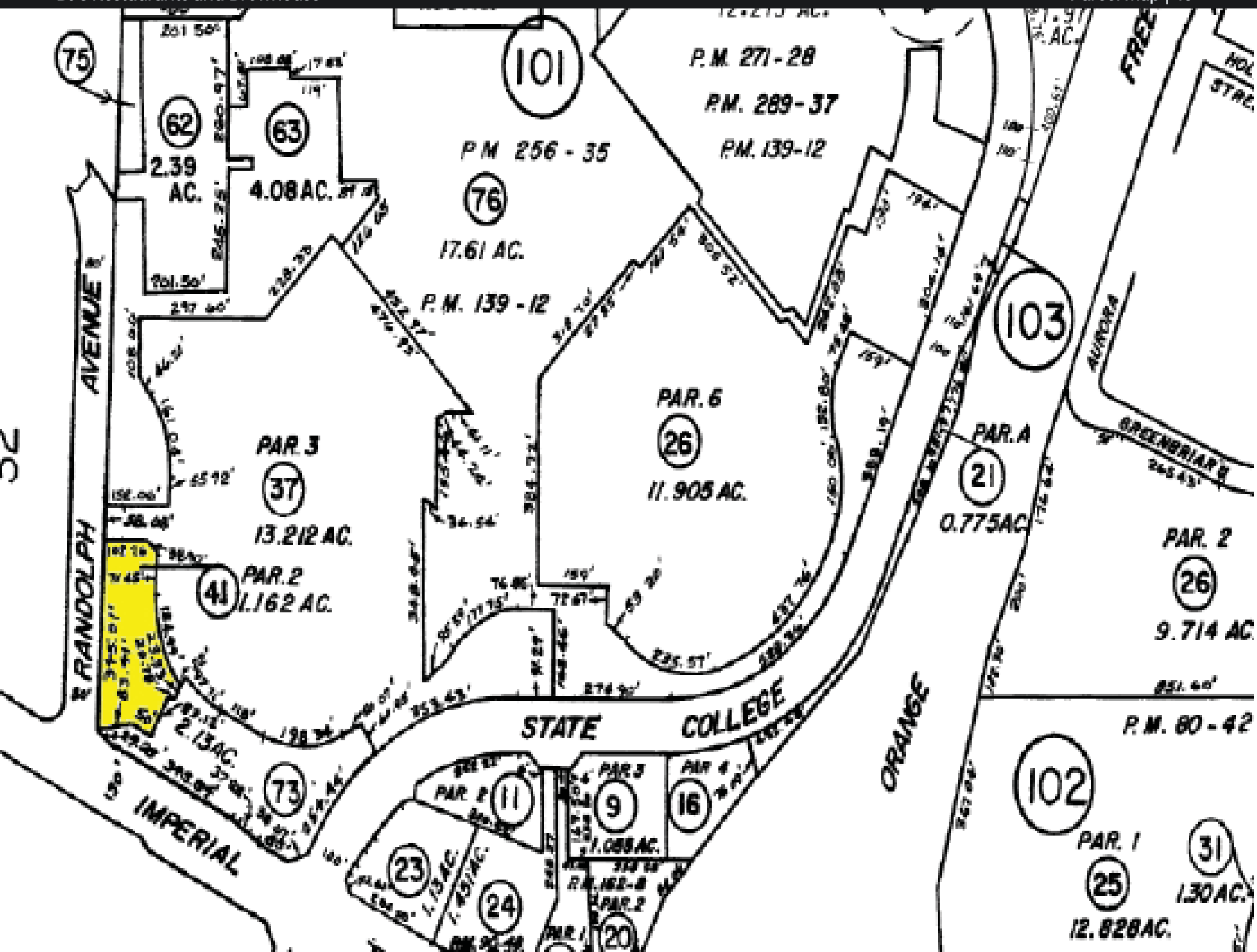
Pictures with Captions

PROPERTY FEATURES

BUILDING SF	10,000
LAND SF	52,272
LAND ACRES	1.20
YEAR BUILT	1983
YEAR RENOVATED	1994
# OF PARCELS	1
ZONING TYPE	CC
PARKING	79 Spaces
PARKING RATIO	7.9/1000
WALK SCORE	Very Walkable (75)
NUMBER OF BUILDINGS	1
LOT DIMENSION	345' x 102'
FRONTAGE	127' E Imperial Hwy 348' S. Randolph Ave.











03

Rent Roll

Rent Roll Details

Lease Expiration Summary

Tenant Profile

Suite	Tenant Name	Square Feet	% of GLA	Lease Term		Begin Date	Rental Rates				Options/Notes	
				Lease Start	Lease End		Monthly	PSF	Annual	PSF		Lease Type
	Bj's Restaurant and Brewhouse	10,000	100.00%	06/01/96	04/30/45	CURRENT	\$31,780	\$3.18	\$381,357	\$38.14	NNN	Three 5 yr Option to extend
						06/01/2025	\$34,163	\$3.42	\$409,959	\$41.04		
						06/01/2030	\$36,725	\$3.67	\$440,706	\$44.04		
						06/01/2035	\$39,480	\$3.95	\$473,759	\$47.40		
						06/01/2040	\$42,441	\$4.24	\$509,291	\$50.88		
Totals		10,000					\$31,780		\$381,357			





Company

Trade Name	BJ's Restaurants
Headquartered	Huntington Beach, California,
# of Locations	205
Website	bjsrestaurants.com

Description

BJ's Restaurants, Inc. is an American restaurant chain, headquartered in Huntington Beach, California. Some locations feature microbreweries that supply beer to other locations in the chain. The chain operates under the names BJ's Restaurant & Brewery, BJ's Restaurant & Brewhouse, BJ's Grill, and BJ's Pizza & Grill. BJ's menu features pizza, its own handcrafted beers, as well as a selection of appetizers, entrees, pastas, sandwiches, specialty salads and desserts.

BJ's was founded in 1978 and first opened in Santa Ana, California, as BJ's Chicago Pizzeria[3] by Mike Phillips and Bill Cunningham. Phillips and Cunningham sold their company to their accountants Paul Motenko and Jerry Hennessy in 1991.

By 1996, seven restaurants had opened between San Diego and Los Angeles. Originally known as Chicago Pizza, the company went public about 1996, raising \$9.4 million. The company then bought 26 Pietro's Pizza restaurants in March 1996 in a \$2.8 million deal in cash and assumed debt, but then sold off seven of the locations with plans to convert the remaining Pietro's to what was then BJ's Pizza. During the same year, the company opened a microbrewery at its Brea restaurant.

Between 2010 and 2011, the National Retail Federation named it as one of the 10 fastest growing restaurants in the U.S. based on year-over-year sales.

As of March 4, 2011, BJ's operates 103 restaurants located in 13 states (California, Texas, Arizona, Colorado, Oregon, Nevada, Florida, Ohio, Oklahoma, Kentucky, Indiana, Louisiana and Washington).

In October 2012, Greg Trojan became President and CEO.

In 2013, BJ's produced a combined total of 60,000 barrels annually at their 11 brewery restaurants to serve their chain of 136 restaurants in 15 states.[11] In 2010, the company's BJ's Hefelightzen was awarded a gold medal at the Great American Beer Festival.



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Financial Analysis

Income & Expense

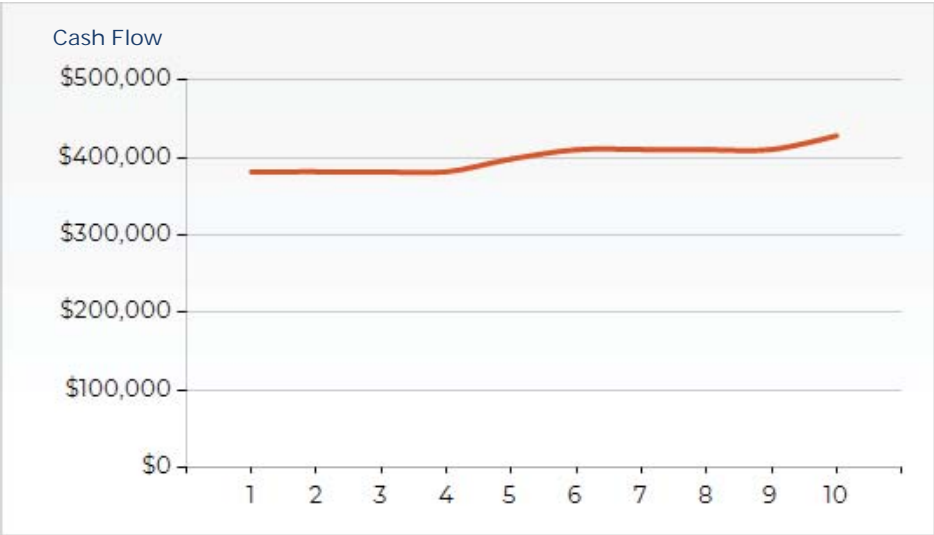
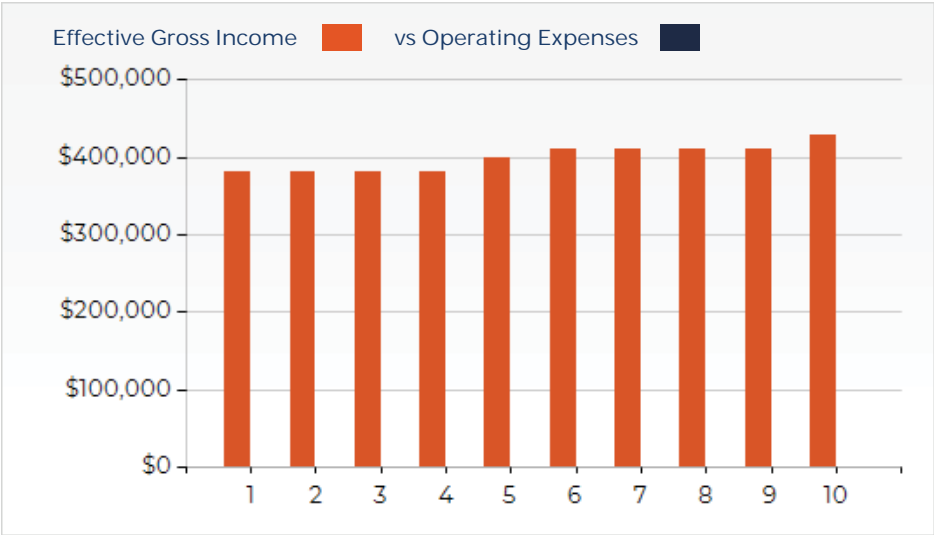
Multiyear Cash Flow Assumptions

Multiyear Cash Flow Projections

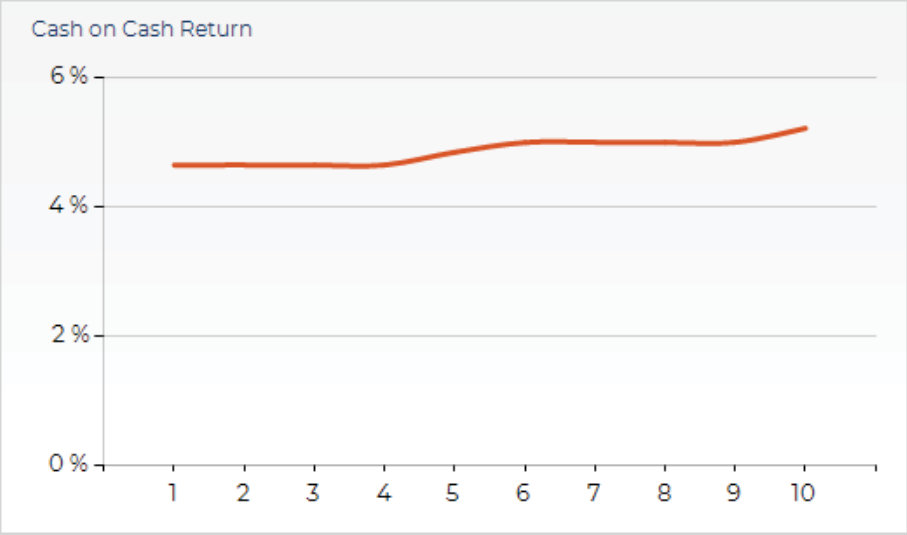
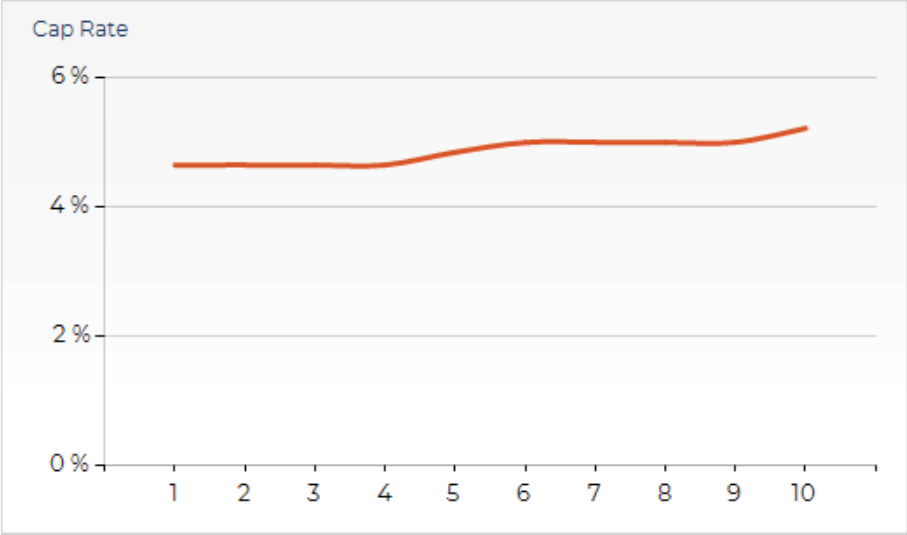
Disposition Sensitivity Analysis

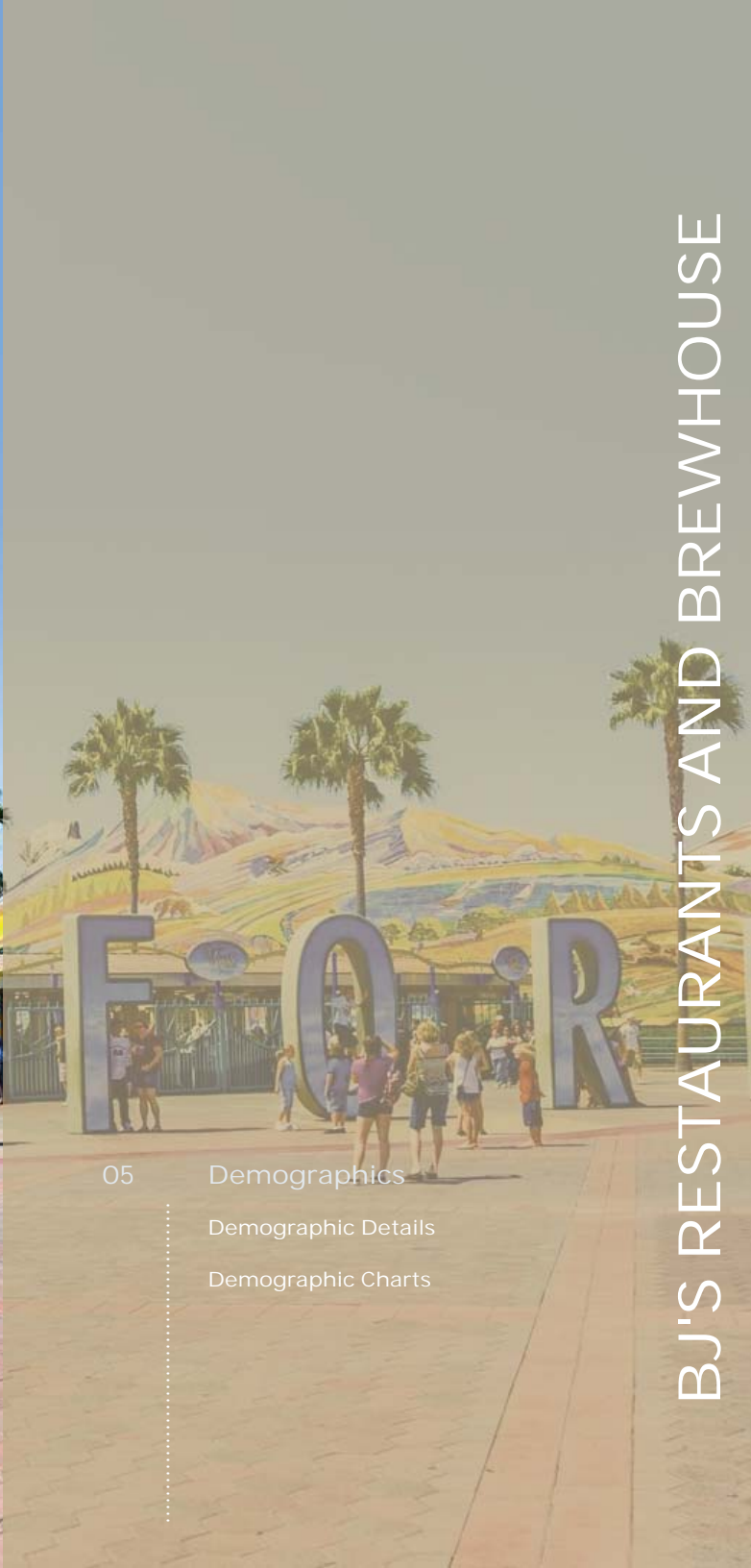
CASH FLOW

Calendar Year	CURRENT	YEAR 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Potential Revenue										
Gross Rental Income	\$381,357	\$381,357	\$381,357	\$381,357	\$409,958	\$409,958	\$409,958	\$409,958	\$409,958	\$427,893
Effective Gross Income	\$381,357	\$381,357	\$381,357	\$381,357	\$409,958	\$409,958	\$409,958	\$409,958	\$409,958	\$427,893
Operating Expenses										
Net Operating Income	\$381,357	\$381,357	\$381,357	\$381,357	\$409,958	\$409,958	\$409,958	\$409,958	\$409,958	\$427,893



Calendar Year	CURRENT	YEAR 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Financial Metrics										
Cash on Cash Return b/t	4.65 %	4.65 %	4.65 %	4.65 %	5.00 %	5.00 %	5.00 %	5.00 %	5.00 %	5.22 %
CAP Rate	4.65 %	4.65 %	4.65 %	4.65 %	5.00 %	5.00 %	5.00 %	5.00 %	5.00 %	5.22 %
Gross Multiplier (GRM)	21.50	21.50	21.50	21.50	20.00	20.00	20.00	20.00	20.00	19.16
Price / SF	\$820.00	\$820.00	\$820.00	\$820.00	\$820.00	\$820.00	\$820.00	\$820.00	\$820.00	\$820.00
Income / SF	\$38.13	\$38.13	\$38.13	\$38.13	\$40.99	\$40.99	\$40.99	\$40.99	\$40.99	\$42.78





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Demographics

Demographic Details

Demographic Charts

POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	16,964	118,153	338,286
2010 Population	18,382	125,324	358,856
2020 Population	18,811	135,784	383,911
2025 Population	20,495	140,474	395,747
2020 African American	337	2,862	7,663
2020 American Indian	95	698	2,324
2020 Asian	4,223	28,456	88,802
2020 Hispanic	5,484	40,374	155,986
2020 Other Race	2,011	16,269	68,958
2020 White	11,145	80,313	197,825
2020 Multiracial	947	6,913	17,614
2020-2025: Population: Growth Rate	8.65 %	3.40 %	3.05 %

2020 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	408	3,140	8,284
\$15,000-\$24,999	282	2,547	7,078
\$25,000-\$34,999	239	2,337	6,580
\$35,000-\$49,999	571	3,993	11,230
\$50,000-\$74,999	1,087	6,807	19,007
\$75,000-\$99,999	1,029	6,017	15,579
\$100,000-\$149,999	1,654	9,519	23,373
\$150,000-\$199,999	784	5,989	13,812
\$200,000 or greater	843	6,864	16,111
Median HH Income	\$94,885	\$93,719	\$86,699
Average HH Income	\$116,436	\$123,427	\$116,300

HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2000 Total Housing	6,617	44,141	112,297
2010 Total Households	6,874	44,774	115,500
2020 Total Households	6,898	47,213	121,053
2025 Total Households	7,376	48,448	124,151
2020 Average Household Size	2.72	2.82	3.13
2000 Owner Occupied Housing	3,688	26,197	65,893
2000 Renter Occupied Housing	2,763	16,949	43,681
2020 Owner Occupied Housing	3,816	28,072	70,327
2020 Renter Occupied Housing	3,082	19,141	50,726
2020 Vacant Housing	257	1,992	5,278
2020 Total Housing	7,155	49,205	126,331
2025 Owner Occupied Housing	3,870	28,819	72,357
2025 Renter Occupied Housing	3,506	19,629	51,795
2025 Vacant Housing	265	2,053	5,546
2025 Total Housing	7,641	50,501	129,697
2020-2025: Households: Growth Rate	6.75 %	2.60 %	2.55 %



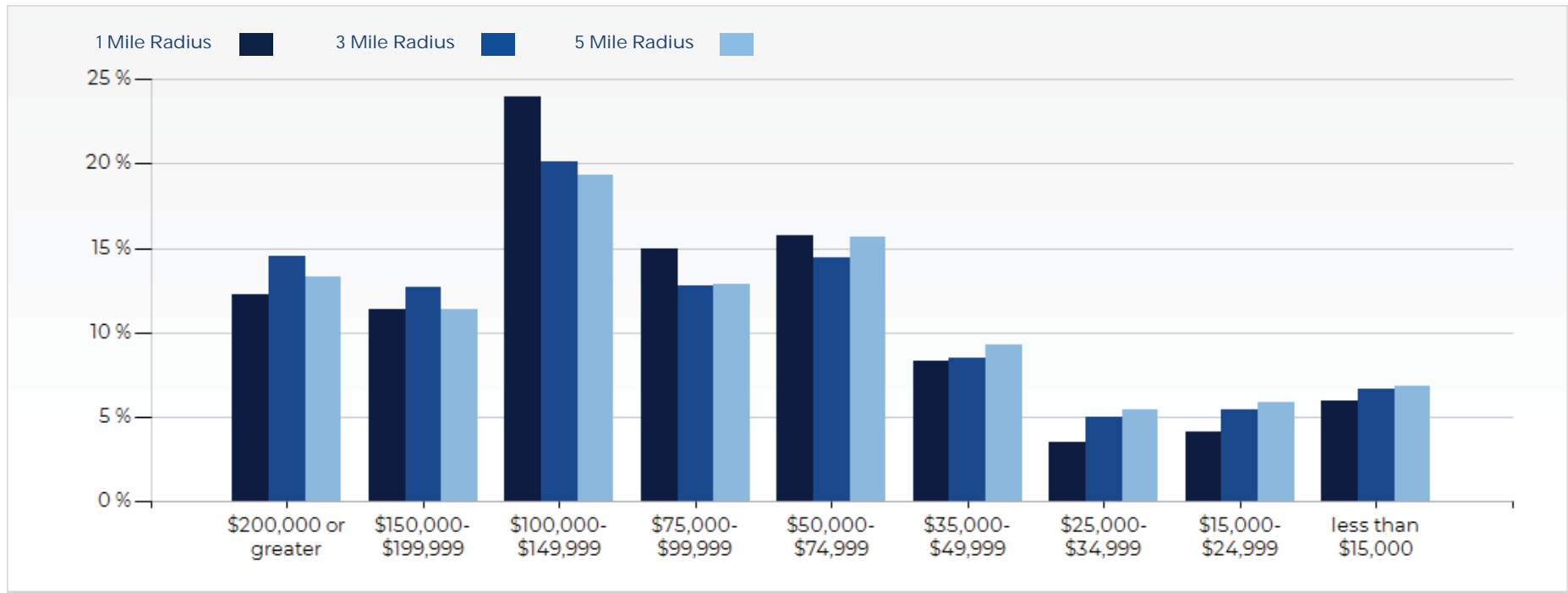
2020 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2020 Population Age 30-34	1,538	10,339	29,670
2020 Population Age 35-39	1,387	8,840	26,357
2020 Population Age 40-44	1,248	7,898	22,749
2020 Population Age 45-49	1,253	8,496	23,984
2020 Population Age 50-54	1,331	8,794	24,248
2020 Population Age 55-59	1,384	9,111	24,570
2020 Population Age 60-64	1,158	8,295	22,225
2020 Population Age 65-69	923	6,613	17,992
2020 Population Age 70-74	687	5,350	14,395
2020 Population Age 75-79	466	4,084	10,285
2020 Population Age 80-84	306	2,911	7,045
2020 Population Age 85+	311	3,595	7,971
2020 Population Age 18+	15,129	109,264	299,667
2020 Median Age	39	38	37

2020 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$88,749	\$80,417	\$80,217
Average Household Income 25-34	\$104,754	\$98,382	\$97,157
Median Household Income 35-44	\$106,002	\$111,004	\$102,945
Average Household Income 35-44	\$120,561	\$136,936	\$126,217
Median Household Income 45-54	\$117,428	\$127,407	\$115,180
Average Household Income 45-54	\$144,689	\$162,149	\$148,864
Median Household Income 55-64	\$106,010	\$117,097	\$105,180
Average Household Income 55-64	\$133,610	\$152,656	\$137,589
Median Household Income 65-74	\$78,589	\$81,583	\$74,476
Average Household Income 65-74	\$106,149	\$112,121	\$102,544
Average Household Income 75+	\$63,042	\$73,552	\$69,373

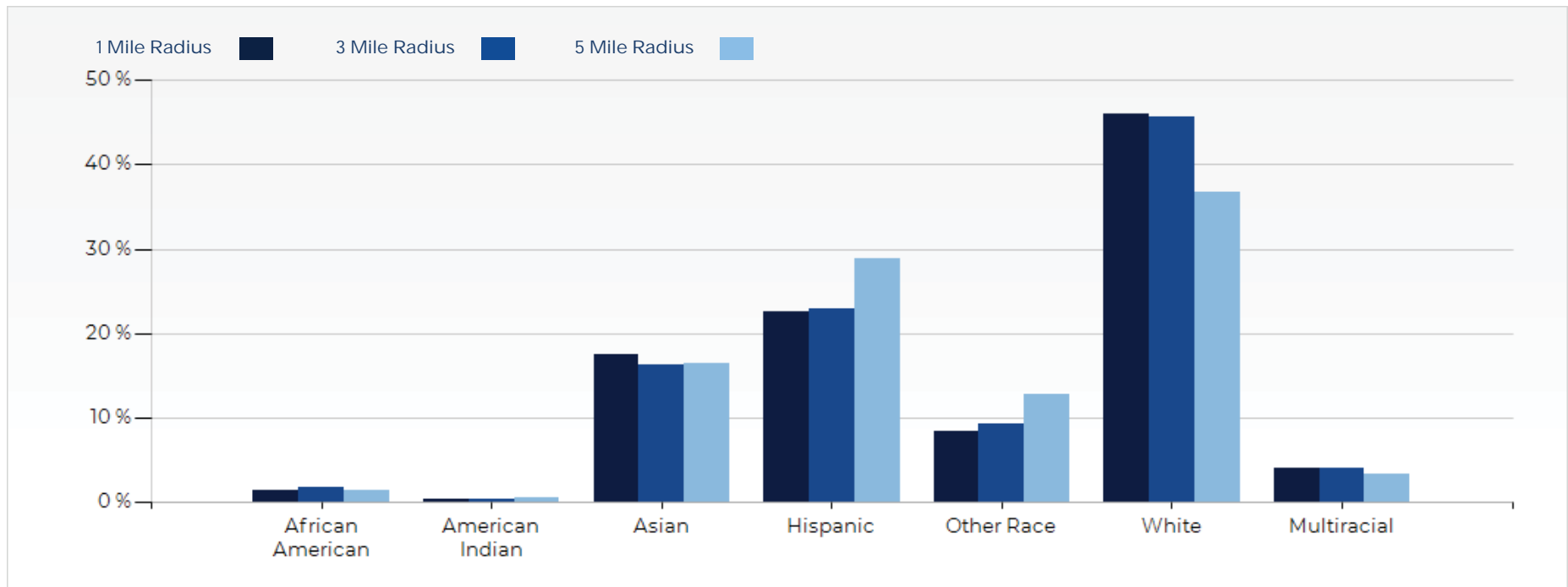
2025 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2025 Population Age 30-34	1,735	10,440	30,413
2025 Population Age 35-39	1,687	11,011	30,932
2025 Population Age 40-44	1,435	9,193	27,066
2025 Population Age 45-49	1,285	8,009	22,770
2025 Population Age 50-54	1,296	8,478	23,479
2025 Population Age 55-59	1,349	8,594	23,263
2025 Population Age 60-64	1,358	8,599	23,171
2025 Population Age 65-69	1,135	7,753	20,633
2025 Population Age 70-74	876	6,174	16,509
2025 Population Age 75-79	626	4,954	12,976
2025 Population Age 80-84	397	3,485	8,703
2025 Population Age 85+	350	3,898	8,802
2025 Population Age 18+	16,658	113,985	311,960
2025 Median Age	40	40	38

2025 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$99,724	\$87,071	\$87,014
Average Household Income 25-34	\$118,087	\$110,366	\$109,311
Median Household Income 35-44	\$113,967	\$123,362	\$113,846
Average Household Income 35-44	\$136,765	\$156,055	\$145,543
Median Household Income 45-54	\$127,888	\$137,415	\$125,307
Average Household Income 45-54	\$158,240	\$177,829	\$166,166
Median Household Income 55-64	\$118,096	\$127,609	\$114,126
Average Household Income 55-64	\$152,527	\$169,561	\$154,443
Median Household Income 65-74	\$88,902	\$91,027	\$81,882
Average Household Income 65-74	\$123,190	\$130,027	\$118,350
Average Household Income 75+	\$76,515	\$86,083	\$81,757

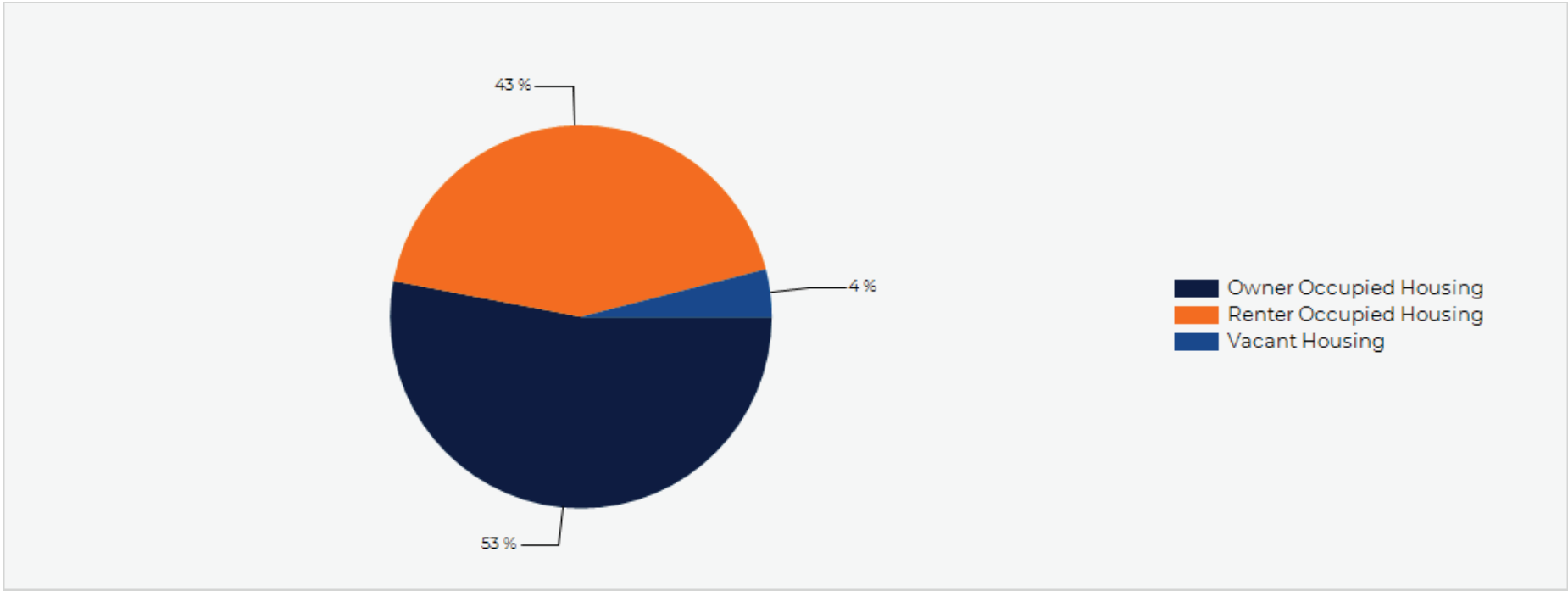
2020 Household Income



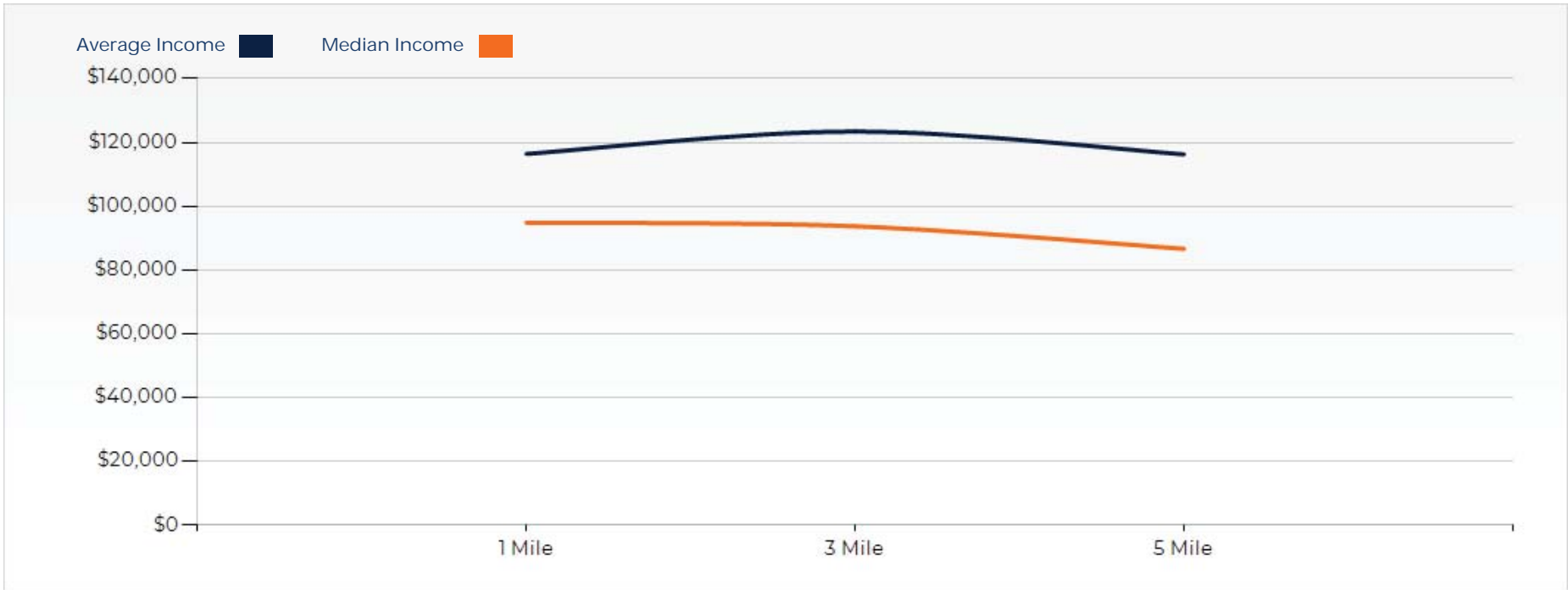
2020 Population by Race



2020 Household Occupancy - 1 Mile Radius



2020 Household Income Average and Median



BJ's Restaurants and Brewhouse

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