



**BREAKWATER
TOWN CENTER**

IMPERIAL BEACH, CA
4 FREESTANDING NNN PADS



RETAIL INSITE





INVESTMENT OVERVIEW

HFF has been exclusively retained by Ownership to offer qualified investors the exciting opportunity to acquire Breakwater Town Center (the “Property”), a 15,934 square-foot newly constructed shadow grocery-anchored center located in the coastal community of Imperial Beach, CA. As the only national grocery anchored center in the City of Imperial Beach, the offering is comprised of (4) Four freestanding pad buildings consisting of high volume retailers such as:



Great Clips®

PROPERTY SUMMARY

PRICE:	Best Offer
GLA:	15,934 SF
% LEASED:	100%
YEAR BUILT:	2017
ACRES:	1.89
YEAR 1 NOI:	\$614,557
ADDRESS:	781-881 Palm Ave Imperial Beach, CA 91932

BREAKWATER TOWN CENTER



DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2018 TOTAL POPULATION:	25,918	89,929	254,594
2023 POPULATION:	26,722	93,523	266,691
POP GROWTH 2018-2023:	3.10%	4.00%	4.75%
AVERAGE AGE:	35.72	36.12	36.62

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2018 TOTAL HOUSEHOLDS:	8,950	28,183	77,722
HH GROWTH 2018-2023:	3.34%	4.13%	5.11%
AVERAGE HOUSEHOLD INC:	\$65,541	\$63,669	\$65,734

HOUSING	1-MILE	3-MILE	5-MILE
MEDIAN HOME VALUE:	\$411,252	\$332,525	\$357,039
MEDIAN YEAR BUILT:	1970	1974	1972

INVESTMENT HIGHLIGHTS



BRAND NEW, HIGH-QUALITY CONSTRUCTION

Breakwater Town Center was completed in 2017 with the highest quality construction. Its beach-centric aesthetic matches its picturesque coastal setting. The center features an open-air, pedestrian-friendly layout with iconic architectural touches such as a lifeguard tower and murals of ocean scenes.



FOUR SEPARATE BUILDINGS WITH SUPERIOR NATIONAL TENANT ROSTER

The property consists of four separate buildings on three individual parcels all occupied by multiple national credit tenants. This provides investors long-term flexibility, and a potential parcelization sale strategy to take advantage of cap rate arbitrage.



INTERNET RESISTANT TENANTS

The tenant roster consists of food and service oriented tenants such as Starbucks, T-Mobile, Chipotle, Jersey Mike's Subs, Five Guys Burgers and Fries, Wingstop, Great Clips, Baskin Robbins, and other tenants that draw customers to the property on a daily basis.



GROCERY SHADOW ANCHOR WITH SUPERIOR CO-TENANT ROSTER

Breakwater Town Center is anchored by Grocery Outlet (NAP), which is the only national grocer in the the city, which further provides an increased daily needs draw to the property.



NAVAL BASE CURRENTLY UNDER CONSTRUCTION WITHIN ONE MILE OF THE PROPERTY

Naval Base Coronado Coastal Campus has begun a \$1 billion SEAL training center located within blocks of the Property. Over 3,300 personnel will be moved to the base by completion, adding significant daytime traffic for Breakwater Town Center.



SUPERIOR LOCATION WITH HIGH BARRIERS TO ENTRY

Supply-constrained, in-fill trade area with virtually no availability for future development creates high barriers to entry and secures Breakwater Town Center's long-term growth and success. Located along main retail corridor and highly trafficked Palm Avenue (over 42,000 cars per day), Breakwater Town Center is the one of the most convenient retail destination for residents and tourists west of 5 Freeway.

PACIFIC OCEAN



BREAKWATER
TOWN CENTER

DRIVE TIME ANALYSIS:

INTERSTATE 5 (California's Major North/South Arterial)	2 minutes
DOWNTOWN SAN DIEGO	15 minutes
SAN YSIDRO BORDER CROSSING	15 minutes
SAN DIEGO INT'L AIRPORT	20 minutes
MISSION BAY	23 minutes



Properties consisting of National Quick Serve Restaurants are one of the most sought after real estate investments. Breakwater Town Center encompasses 4 small pad buildings on 3 individual parcels that are all occupied by national tenants with long-term leases. The market for these properties is extremely liquid, which allows for an investor to individually sell off each pad and benefit from cap rate compression. We have listed a few examples of Starbucks & Chipotle single and multi-tenant comparables below:

Starbucks					
PROPERTY	PRICE	PSF	CAP	SALE DATE	GLA
STARBUCKS 1789 W Jefferson Blvd Los Angeles, CA	\$3,537,988	\$2,381	3.82%	Apr-18	1,486
STARBUCKS 2644 El Cajon Blvd San Diego, CA	\$3,650,000	\$2,000	4.11%	Mar-18	1,825

Chipotle					
PROPERTY	PRICE	PSF	CAP	SALE DATE	GLA
SAN GABRIEL VALLEY SHOPS 13916 Garvey Ave Baldwin Park, CA	\$8,300,000	\$1,225	4.30%	May-18	6,777
CHIPOTLE 629 Harbor Blvd Santa Ana, CA	\$3,700,000	\$1,584	3.51%	Aug-16	2,336



T-Mobile					
PROPERTY	PRICE	PSF	CAP	SALE DATE	GLA
LA MIRADA & IMPERIAL SHOPS 14946 Imperial Hwy La Mirada, CA	\$5,053,000	\$780	4.81%	Jul-18	6,482

SITE PLAN



TENANT ROSTER

STE	TENANT	SF	% NRA	EXP.
B104	STARBUCKS COFFEE	1,732	10.9%	Jun-27
B105	CHIPOTLE	2,003	12.6%	Aug-27
C101	JERSEY MIKES SUBS	1,258	7.9%	Apr-27
C102	POKE 123	1,173	7.4%	Jun-22
C103	GREAT CLIPS	1,075	6.7%	Jun-22
D101	FIVE GUYS	2,439	15.3%	Sep-27
D102	T-MOBILE	1,500	9.4%	Apr-22
R101	GUAHAN GRILL	2,300	14.4%	Jan-29
E102	WINGSTOP	1,454	9.1%	Apr-22
E103	BASKIN ROBBINS	1,000	6.3%	Apr-26
TOTAL OCCUPIED SF		15,934	100.0%	
TOTAL AVAILABLE SF		0	0.0%	
TOTAL OVERALL SF		15,934	100.0%	



ATLANTA
AUSTIN
BOSTON
CAROLINAS
CHICAGO
DALLAS
DENVER
HOUSTON
INDIANAPOLIS
LAS VEGAS
LOS ANGELES
MIAMI
NEW JERSEY
NEW YORK CITY
ORANGE COUNTY
ORLANDO
PHILADELPHIA
PHOENIX
PITTSBURGH
PORTLAND
SAN DIEGO
SAN FRANCISCO
SEATTLE
TAMPA
WASHINGTON D.C.
LONDON

INVESTMENT ADVISORY TEAM

GLEB LVOVICH

Managing Director

(949) 798-4115

glvovich@hfflp.com

CA Lic #01496699

DANIEL TYNER

Director

(949) 798-4125

dtyner@hfflp.com

CA Lic #01959818

TANNER TREMAINE

Analyst

(949) 798-4137

ttremaine@hfflp.com

CA Lic #02060611

CONOR QUINN

Analyst

(949) 527-4993

cquinn@hfflp.com

CA Lic #02073016

FINANCING ADVISOR

ALDON COLE

Senior Managing Director

(858) 812-2344

acole@hfflp.com

CA Lic #01457351

LOCAL MARKET EXPERTS

DON MOSER

Co-Founder, Retail Insite

(858) 523-2087

donmoser@retailinsite.net

CA Lic.#00821359

MATT MOSER

Partner, Retail Insite

(858) 523-2096

mmoser@retailinsite.net

CA Lic.#01772051

BREAKWATER
TOWN CENTER

HFF
hfflp.com



RETAIL INSITE

retailinsite.net

©2018 Holliday Fenoglio Fowler, L.P., HFF Real Estate Limited (collectively, "HFF"), HFF Securities L.P. and HFF Securities Limited (collectively, "HFFS") are owned by HFF, Inc. (NYSE: HF). HFF and its affiliates operate out of 26 offices and are a leading provider of commercial real estate and capital markets services to the global commercial real estate industry. HFF, together with its affiliates, offers clients a fully integrated capital markets platform including debt placement, investment advisory, equity placement, funds marketing, M&A and corporate advisory, loan sales and loan servicing. For more information please visit hfflp.com or follow HFF on Twitter @HFF.

HFF has been engaged by the owner of the property to market it for sale. Information concerning the property described herein has been obtained from sources other than HFF, and neither Owner nor HFF, nor their respective equity holders, officers, employees and agents makes any representations or warranties, express or implied, as to the accuracy or completeness of such information. Any and all reference to age, square footage, income, expenses and any other property specific information are approximate. Any opinions, assumptions, or estimates contained herein are projections only and used for illustrative purposes and may be based on assumptions or due diligence criteria different from that used by a purchaser, and HFF, its partners, officers, employees and agents disclaim any liability that may be based upon or related to the information contained herein. Prospective purchasers should conduct their own independent investigation and rely on those results. The information contained herein is subject to change.