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NNN LEASED PROPERTY / NASDAQ TENANT



JACK IN THE BOX

CORPORATE LEASE

Yuma, Arizona

Tenant: The tenant is Jack in the Box Corporation (NASDAQ:JACK). Jack in the Box is an American fast-food restaurant chain founded in 1951 in San Diego, California, where it is still headquartered today. In fiscal 2011 the company reported total revenue of about \$2.2 billion. There are more than 2,247 restaurants in 18 states and through a wholly owned subsidiary, the company operates and franchises Qdoba Mexican Grill®, a leader in fast-casual dining, with more than 614 restaurants in 43 states and the District of Columbia. Jack in the Box built this location and opened for business in May 2009.

Location: This property is located at 3951 South Avenue 3E in Yuma, a city at the southwestern corner of Arizona. The site is positioned directly across the street from the main entrance to US Marine Corps Air Station-Yuma. MCAS Yuma is a joint civilian-military airport that shares facilities with Yuma International Airport and occupies 3,000 acres. According to the Marines' training website, the base supports 80% of the Corps' air-to-ground aviation training due to both the superb flying weather and the 2.8 million acres of bombing and aviation training ranges. The Dole Plant is just north of the site and employs over 700 people in three shifts. Across the driveway is a 24 hour Chevron gas station and Food Mart, which along with the subject are outlots to a shopping center. The surrounding area is comprised of single family residential development, fertile farmland and distribution centers for major corporations including Frito-Lay, Bose and Dole. The site is also about 2 miles from Interstate 8, 6 miles from the Colorado River and California border and 10 miles from the Mexico border. Please see Jack in the Box's pre-construction analysis on the last page of this brochure for additional information.

Price: \$2,113,700

5.75% Cap Rate

FOR ADDITIONAL INFORMATION, PLEASE CONTACT THE WATERMAN TEAM

Information is from sources considered reliable, but is not warranted nor guaranteed. Property subject to prior sale and changes. All information should be researched and verified during the contingency/escrow period.

211290



Yuma, Arizona

Rent: Current annual rent is \$112,535.04, paid monthly. The rent increases every 5 years according to CPI, capped at 8%. The Cap Rate is based on the future rent at June 2015 which is projected to be \$121,537.84. At the close of escrow seller will credit any differential between current and future rent.

Land and Building: Built in 2009, the building is approximately 2,408 square feet. The total land area is approximately 34,850 square feet (.8 acres).

Lease: There are over 17 years remaining on the base term of the lease. The 20 year lease commenced April 22, 2010 and will expire on April 21, 2030, followed by four 5-year renewal options at the same terms.

This is an **absolute triple net** lease – the tenant bears **all** expenses relating to the property. Tenant is responsible for all repairs, maintenance, and insurance and taxes, while the landlord has no expense or management required.



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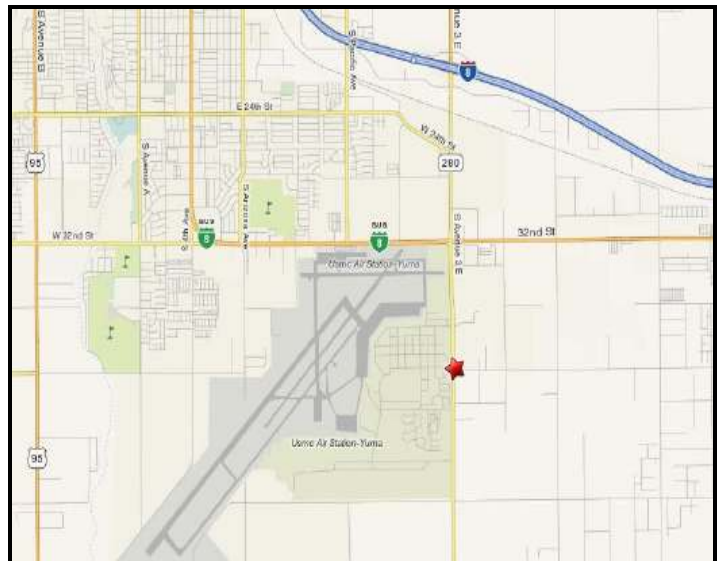
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MAPS/AERIAL



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JACK IN THE BOX – CORPORATE ANALYSIS OF SITE PRIOR TO CONSTRUCTION

This site is as a traditional freestanding Jack in the Box Restaurant located on a 34,850 square foot pad at the signalized main entrance of an existing retail strip shopping center. The site is located north of the northeast corner of Avenue 3 E & 40th Street across the street from the main entrance to the U.S. Marine Corps Air Station (MCAS) in Yuma, AZ. Yuma has a population of 87,423 and is located approximately 194 miles southwest of Phoenix on the Arizona/California border. The building is a 9A_RSM1 building of 2,408 square feet and opened May 2009. The site operates 24 hours.

This area of the city is characterized by residential, retail and industrial activity, focused primarily around the MCAS. The area has a considerable amount of industrial activity that includes good daytime employment. The Dole Plant, located approximately .2 miles north of the site employs 700 people on three 8-hour shifts. Bose Corporation has a plant located approximately .3 miles east of the site on 40th Street that employs 35 people. The Excel Group operates a mental health hospital adjacent the shopping center to the east. It employs 30 people and operates 24 hours a day, 7 days a week.

The MCAS main gate operates 24 hours a day 7 days a week. We observed traffic in the area and at the MCAS main gate during the day and up to 8 p.m., which was busy and constant. The base has 4,800 active duty personnel, 7,300 Active Duty family members and, at any given time, approximately 2,000 personnel in training.

There are also approximately 1,300 employees working on the base. The base is expanding at this time for a number of reasons including relocation of the fixed wing air unit of the Miramar Air Station in San Diego. Also, Yuma has the Barry Goldwater Bombing Range which is a unique asset for this air base. This training facility serves active duty trainees from around the world.

Demographics in the area are good. In addition to the Marine Air Base, there is 7,690 residential population within a 2 mile radius of the site. Because this market area is south of the central core of the City of Yuma activity, it is felt that the site trade area can logically be expanded to a two mile radius of the site. The demographics report shows a population growth factor within the next five years of 9.77% for a one mile radius of the site and 3.81% for a two mile radius of the site.

Visibility to the site is good. Traffic traveling north and south on Avenue 3 E commuters will have good visibility to the site. Traffic traveling west on 40th Street commuters will also have good visibility to the site through the shopping center.

The 2007 Yuma Metropolitan Planning Organization traffic counts on Avenue 3 E are 10,442 ADT average over the entire year. As an example, in February the counts increase to a high of 25,557 ADT due to the influx of "snow birds" visiting Yuma. In May, traffic begins to decrease again. Avenue 3 E is a major four lane north/south freeway arterial to the I-8 Freeway located two miles north of the site. Avenue 3 E traverses from our site north approximately four miles and two miles north of the I-8 Freeway where it terminates. There are no recorded traffic counts for 40th Street which is a two lane feeder arterial utilized by local residences and businesses.

Access to the site is good. North/south traffic will have full motion access to our site at the main signalized entrance to the shopping center which is across the street from the main entrance to the Marine Air Base. Avenue 3 E is the only access road to the Marine Air Base. There are two additional access points to the shopping center located on 40th Street. Both drives are full motion access drives. Traffic can also traverse through the shopping center to our pad location as there are existing cross access agreements between the shopping center and the pad where the site is located.

Located across the street from the Marine Corps Air Station with a Base population of 15,400 and expansion planned for the Base.

Good two mile population outside the Marine Air Base of 8,318 Retail and Industrial activity in the surrounding market area.

Good intersection traffic of 10,442 ADT average year round which increases to 25,557 ADT in the winter months.

Corner site signalized intersection with retail shops and a high volume Chevron gas station adjacent to the location.

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