

OFFERING MEMORANDUM

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



EASTVALE, CA
(Los Angeles CSA)

POPULATION
(5-MILES)

188,000

HH INCOME
(5-MILES)

\$144,000

GROWTH
(5-MILES)

14.57%





Exclusively Listed By

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Investment Highlights

- » Bond NNN lease with zero landlord responsibilities. The tenant is fully responsible for operating expenses, maintenance, repairs, and replacements for the entire building and site, without limitation.
- » Eighteen (18) years remaining on the initial 25-year lease.
- » Rare MinuteClinic location (only +/- 11% of CVS have a MinuteClinic). MinuteClinics drive additional customers to the store to treat acute illnesses and wellness services, which hedges this location against ecommerce threats.
- » Hard corner location, on 1.70 AC of land, with excellent visibility, and four points of ingress and egress. This is a prototype 14,576 SF CVS store format with a drive-thru.
- » One of the fastest growing cities in California and ranked #17 Best Places to Live by Money Magazine in 2018.
- » Dense and affluent Southern California location, with 188,000 residents, \$144,000 average household income, and 81% job growth in the five-mile radius.
- » Investment grade credit tenant (S&P rated BBB+) and Fortune 500 company (ranked #7 in 2017)
- » In lieu of the rent holiday, buyer will receive three years rent in pre-paid bonds to be paid out during the last three years of the initial lease term



Financial Overview



Investment Summary

14220 Schleiseman Rd
Eastvale, CA 92880

» LIST PRICE	\$9,454,518
» NOI	\$401,817
» CAP RATE	4.25%
» GLA	± 14,576 SF
» LOT SIZE	± 1.74 AC
» YEAR BUILT	2010

Annualized Operating Data

	Annual Rent	Monthly Rent	Rent PSF
Current to - 1/31/2034	\$401,817.00	\$33,484.75	\$27.57
2/1/2034 - 1/31/2037	Security Bond Payout Period		
Option 1 and 2	\$361,635.36	\$30,136.28	\$24.81
Option 3 (years 1 & 2)	101% FMV	101% FMV	101% FMV
Option 3 (years 3 - 5)	100% FMV	100% FMV	100% FMV
Option 4-10	100% FMV	100% FMV	100% FMV

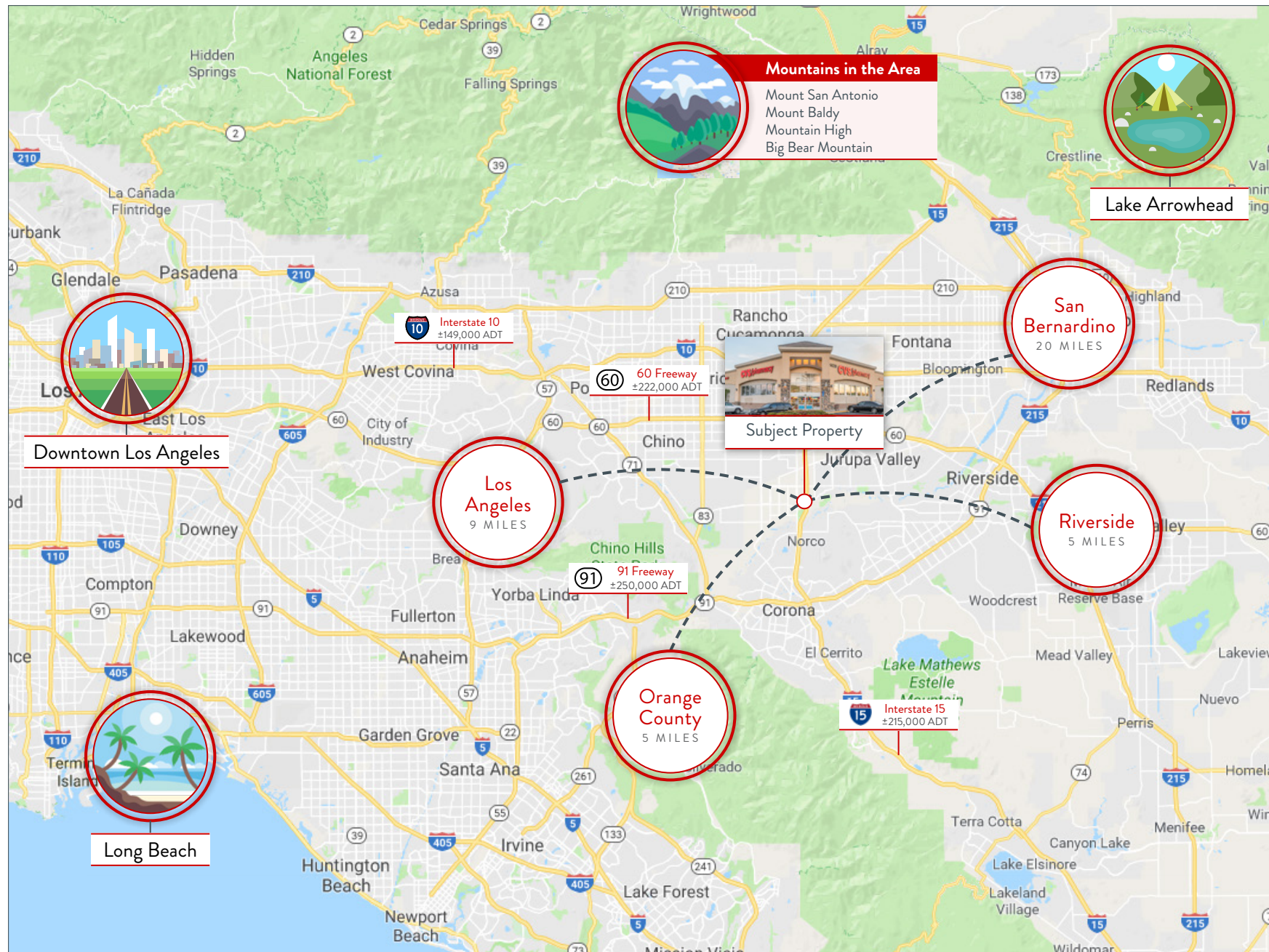
Lease Summary

Tenant	CVS
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Bond NNN
Roof and Structure	Tenant Responsible
Original Lease Term	25 Years
Lease Commencement Date	12/21/2011
Rent Commencement Date	12/22/2011
Lease Expiration Date	1/31/2037
Term Remaining	±18 Years
Options	Ten (10) five (5) year options





Local Maps:

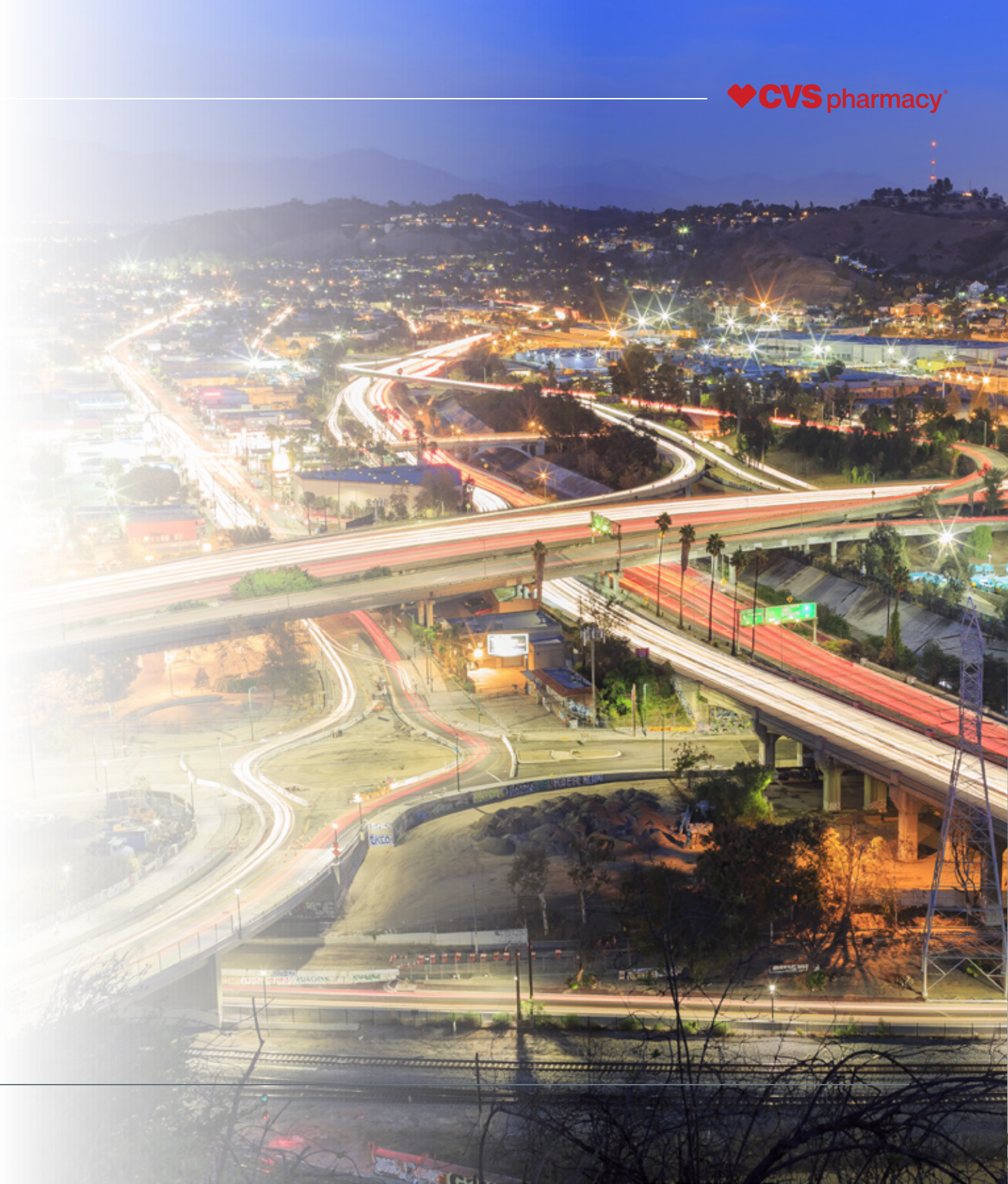


Eastvale, CA

- Sits in between Los Angeles and Orange Counties in the Riverside area of Southern California
- One of the newest cities in Western Riverside County, incorporated in 2010
- Conveniently located between Interstate 15, California State Routes 91, 60, and 71
- Rapidly modernizing and suburbanizing over the past few decades to accommodate massive influx of new residents seeking affordable housing
- Per the California Department of Finance, Eastvale is one of the fastest growing cities in the State of California

Amenities

- Top Notch Public Schools: part of the Corona-Norco Unified Schools District, the largest school district in Riverside County and the 9th-largest in the state
- 13 Beautiful Parks: 243+ acres as well as hiking and walking trails along the Santa Ana River for residents and visitors to enjoy
- The multi-million dollar Eastvale Community Center was opened in 2012 and now hosts hundreds of classes and events each year.



Economy

With median household income well above and the unemployment rate below state and national averages, Eastvale has a strong economy. The largest industries in the city are Healthcare, Manufacturing, and Retail. Income inequality in Eastvale is significantly better than the national average.

The job market in Eastvale has increased 3.4% in the past year, out-pacing the national average of 1.6% growth. Future job growth in the area is expected to be 42.3% over the next 10 years.

DEVELOPMENTS

In 2017, **Amazon announced that it will be opening a second fulfillment center in Eastvale.** The 1-million-square-foot facility will create between 600 and 900 local jobs. This center will focus on smaller-sized, customer items.

The Sendero project, a 42-acre residential development in Eastvale, will contain 312 single-family detached homes. The development will include a resort-style community pool and recreation center and access to a Regional Multipurpose Trail System.

Eastvale Accolades

#1

**Best Place
to Live in
California**

MONEY Magazine

#5

**Best Place
to Raise a
Family**

WalletHub

#24

**Safest City
in
California**

BackgroundChecks.org

Population Growth: 1-Mile

3,241%

2000 to 2010

51.36%

2010 to 2018

9.25%

2018 to 2023



Area Demographics

POPULATION	1 - MILE	3 - MILE	5 - MILE
2010 Census	13,100	62,280	163,789
2018 Estimate	19,828	80,019	187,658
2023 Projection	21,662	87,203	198,686
GROWTH	1 - MILE	3 - MILE	5 - MILE
2000-2010	3,241.84%	435.88%	66.81%
2010-2018	51.36%	28.48%	14.57%
2018-2023	9.25%	8.98%	5.88%
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2010 Census	3,268	15,605	43,117
2018 Estimate	4,867	19,337	48,470
2023 Projection	5,300	20,934	51,133
INCOME	1 - MILE	3 - MILE	5 - MILE
2018 Est. Average Household Income	\$144,012	\$133,450	\$125,435



QUICK FACTS

- » Largest U.S. pharmacy, based on total prescription revenue
- » 2.5 billion prescriptions filled or managed
- » More than 9,800 retail pharmacies
- » Approximately 1,100 walk-in medical clinics
- » #7 of Fortune 500 list

CVS IN THE NEWS

CVS HEALTH COMPLETES ACQUISITION OF AETNA

- » Combined company brings together capabilities of two leading organizations to establish innovative health care model
- » Care delivery will have a local focus that will make a complicated system simpler for all, helping people achieve better health at lower cost
- » Combination expected to generate significant value for shareholders through synergies and revenue-enhancing initiatives

WHAT'S NEXT FOR MINUTECLINIC

- » The trend toward the use of retail clinics is a response to a number of factors that are shaping the health care marketplace.
- » CVS is working to transform primary care by expanding their national footprint, offering new clinical services and collaborating with health systems. CVS plans to reach a goal of 1,500 clinics, and in time, half of all Americans will have a MinuteClinic within 10 miles of home.

CVS PLANS CHANGES TO STORE AFTER AETNA DEAL

- » CVS Health plans to reduce the amount of store space devoted to retail and shift more to health care
- » The company will begin using a greater portion of the floor space in its nearly 10,000 locations to provide medical services
- » The deal comes as CVS is aiming to diversify its business, navigate the changing health care industry and fend off Amazon

Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of CVS located at **14220 Schleiseman Rd, Eastvale, CA 92880** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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