



BRAND NEW SINGLE-TENANT INVESTMENT
3100 PANAMA LANE | BAKERSFIELD, CA
FOR SALE: \$2,705,000



ACTUAL SITE



Investment Properties | National Net Lease Property Group

OFFERING MEMORANDUM

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THE NET LEASE PROPERTY GROUP - PHOENIX

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INVESTMENT OVERVIEW

INVESTMENT OPPORTUNITY

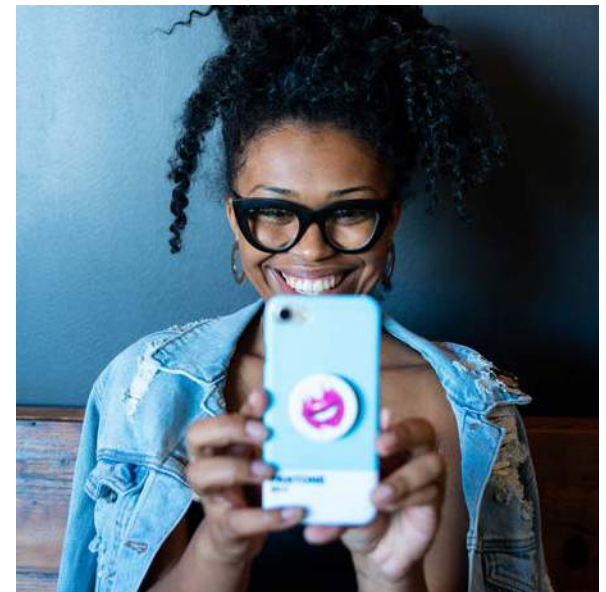
CBRE and the Net Lease Property Group in Phoenix have exclusively listed this brand-new single-tenant Verizon Wireless at 3100 Panama Lane in Bakersfield, California (The “Property”). The Property is well located on a hard corner just west of the heavily traveled U.S. Route 99.

The investment consists of a brand-new 10-year double-net (NN) lease with Verizon Wireless. The lease includes attractive 10% rental increases every five years in the initial term and throughout the two (2), five-year options. The Property is made up of ±2,408 rentable square feet on approximately 42,643 square feet of land.

Verizon Wireless is the largest wireless telecommunications provider in the United States and offers wireless products and services. Cellular Sales was founded in Knoxville, Tennessee in 1993 by University of Tennessee graduates, Dan and Meg Scism. The company currently employs approximately 5,200 team members in over 700 retail locations in 41 states.

The Property benefits from a hard corner location near a heavily traveled and highly populated area. The location boasts more than ±39,641 vehicles per day (Source: Kern Council of Governments, 2018) and is less than a half mile from U.S. Route 99, which sees over 108,000 vehicles per day at the Panama Lane Interchange (Source: California Department of Transportation). The average population in a five-mile radius is approximately 245,826, with a projected 260,080 average population in the next five years (Source: Esri).

Strategically located in one of the world’s largest economies, Bakersfield is a place where cutting-edge technological development is blended with a rich history of agriculture and oil production. Bakersfield is a regional hub that boasts a number of highly-recognized employers like Nestlé, State Farm Insurance, Aera Energy, Chevron, and Occidental Oil and Gas.





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INVESTMENT HIGHLIGHTS

- » Brand new single-tenant Verizon Wireless Investment opportunity, offering a new 10-year lease.
- » Attractive 10% rental increases every five years in the initial term and throughout the two (2), five-year options.
- » Brand new 2019 construction, Verizon opened on March 15, 2019.
- » Hard corner location, with more than $\pm 39,641$ vehicles per day on Panama Lane (Source: Kern Council of Governments, 2018) and is located less than a half mile from U.S. Route 99, which sees over 108,000 vehicles per day at the Panama Lane Interchange (Source: California Department of Transportation).
- » Verizon Wireless is the largest telecommunications provider in the United States.
- » Bakersfield is the 9th largest city by population in California, ranked between Oakland and Anaheim, and the 52nd largest city by population in the United States (Source: Visitbakersfield.com).
- » According to the Bureau of Labor Statistics, Bakersfield Metro is one of the top three major metros for job growth in California.
- » Major national tenants nearby include Walmart Supercenter, Albertsons, Rite Aid, Walgreens, Wells Fargo, AutoZone Auto Parts, O'Reilly Auto Parts, Chevron, In-N-Out Burger, McDonald's, Starbucks and more.

INVESTMENT OVERVIEW

PRICING SUMMARY

ADDRESS	3100 Panama Lane Bakersfield, CA 93313
PRICE	\$2,705,000
CAP RATE	5.25%
ANNUAL RENT	\$141,920
YEAR BUILT	March 15, 2019 Grand Opening
RENTABLE SF	±2,408
LAND SIZE	±42,253 SF (±.97 Acres)
PARCEL NUMBER	372-253-29
CBRE DEAL FLOW PROPERTY WEBSITE	www.CBRE- VerizonWirelessBakersfield.com
NLPG PHOENIX TEAM WEBSITE	www.cbre.us/nlpgphoenix

RETURN SCHEDULE

* Initial Term is Highlighted

YEARS	ANNUAL RENT	CAP RATE RETURN SCHEDULE
YEARS 1-5	\$141,920.00	5.25%
YEARS 6-10	\$156,112.00	5.77%
YEARS 11-15	\$171,723.20	6.35%
YEARS 16-20	\$188,895.52	6.98%

Note: The annual rent is subject to a slight adjustment, once the developer and tenant reconcile the final cost of the building construction.

LEASE SUMMARY

TENANT'S NAME	Verizon Wireless
COMPANY TYPE	Private
LEASE GUARANTOR	Cellular Sales of Knoxville, Inc.
LEASE GUARANTY	Franchisee (±700 unit operator)
LEASE TYPE	Double Net (NN)
ROOF AND STRUCTURE	Landlord Responsible
LEASE COMMENCEMENT	07/23/2018
RENT COMMENCEMENT	March 15, 2019
LEASE EXPIRATION	10 Years
INITIAL LEASE TERM	10 Years
LEASE TERM REMAINING	10 Years
RENT INCREASES	10% Every Five Years
OPTIONS TO RENEW	Two (2), Five (5) Year

Note: See lease abstract on next page for more details regarding the lease.

DEMOGRAPHICS

	3 MILE RADIUS	5 MILE RADIUS	10 MILE RADIUS
2018 POPULATION	136,969	245,826	553,637
2023 POPULATION	146,158	260,080	581,440
GROWTH 2018-2023	1.31%	1.13%	0.98%
2018 AVERAGE HOUSEHOLD INCOME	\$62,737	\$68,599	\$77,255
2018 EMPLOYEES	26,683	56,372	174,172
2018 MEDIAN AGE	29.1	30.1	30.8

(Source: Esri)



ACTUAL SITE

INVESTMENT OVERVIEW

LEASE ABSTRACT

Real Estate Taxes: Lessee shall pay, as additional rent, the Real Estate Taxes assessed against the Leased Premises. Lessee shall pay, as additional rent, an amount equal to the premiums incurred by Lessor to maintain the insurance coverages Lessor is required to carry pursuant to the terms of this Lease.

Insurance: Lessee agrees to procure and maintain during the Term, at its sole cost, the following insurance coverages, which may be provided pursuant to blanket policies: Commercial General Liability, Owned Property, Workers' Compensation and Employer's Liability

Utilities: All utilities serving the Leased Premises shall be separately metered, and Lessee shall pay directly to the utility service providers all costs for utilities consumed on the Leased Premises including without limitation electricity, water, gas, and sewer.

Repairs and Maintenance:

» **Lessee's Obligations:** Lessee shall, at Lessee's expense and throughout the Term, keep in clean, sanitary, and safe condition the Leased Premises, and except for the repairs Lessor is specifically obligated to make pursuant to the terms of this Lease, make all necessary repairs to the Building, including, but not limited to, the exterior and interior doors, windows, ceiling tiles, fixtures, carpets and floor coverings, interior and exterior wall surfaces and coverings, plumbing systems and fixtures from the point of entry into the Building, and the monitoring of any fire suppression system in the Building. In addition, Lessee shall, at Lessee's expense, and throughout the Term, be responsible for maintaining the Leased Premises, including, but not limited to, the landscaping, landscape irrigation system, grass mowing, site lighting, trash removal and cleaning of the sidewalks and parking lot, including trash, debris, ice, and snow.

» **Lessor's Obligations:** Lessor shall, at Lessor's expense and throughout the Term, keep in good repair, maintain, and replace, when and if necessary, all structural components of the Building including, but not limited to, the foundations, exterior walls, load bearing walls and columns, subfloors, floors (but not including carpet or tile or other floor covering), the roof, including roof membrane and any interior damage caused by roof leaks, stairways, under slab and exterior plumbing, site utilities servicing the premises, and window and door frames, and the inspections and repairs to any fire suppression system in the Building. Lessee will use reasonable efforts to report to Lessor any defective condition known to or discovered by Lessee that Lessor is required to repair. Lessor will commence any repair or replacement promptly after Lessor is aware of, by notice from Lessee or otherwise, the need for any such repair. Notwithstanding the foregoing, Lessee shall reimburse Lessor for repairs to, but not the replacement of, the roof membrane.

» **HVAC:** Lessee shall be responsible for maintaining and repairing the heating, ventilating, and air conditioning system servicing the Building including all duct work and related components (the "HV AC System"). In addition, Lessee shall, at its own expense, enter into a contract with a reputable contractor to provide regular (but not less than semiannually) service to the HV AC System. Lessee shall provide a copy of such contract to Lessor upon request. In the event that, in the reasonable opinion of a reputable contractor, the HV AC System or any component thereof costing in excess of \$2,500.00, needs to be replaced, Lessee shall notify Lessor who shall, within 10 days thereafter, either engage a contractor to perform the replacement; or alternatively, authorize Lessee to engage a contractor to perform the replacement in which case Lessor shall reimburse Lessee for all costs associated therewith within 10 days following receipt of an invoice from Lessee certifying that Lessee has paid the contractor.

» **Parking Lot and Sidewalks:** Lessee shall be responsible for maintaining and repairing the parking lot and sidewalks; provided, however, Lessor shall reimburse Lessee for reasonable repair costs in excess of \$2,500.00 incurred within any consecutive 12 month period, so long as Lessee has provided commercially reasonable routine maintenance throughout the Term of the Lease. If Lessee has failed to provide commercially reasonable routine maintenance, Lessor shall not be responsible for any costs in excess of \$2,500.00 attributable to such failure to maintain. If Lessee anticipates that repair costs will exceed \$2,500.00 in any consecutive 12 month period, Lessee shall provide Lessor with at least 30 days' notice of the types of repairs and the cost of repairs that Lessee anticipates undertaking that will cause the costs to exceed \$2,500.00. In any event, Lessee shall provide Lessor with at least 6 months prior written notice of its intent to seal coat or slurry the parking lot and shall request at least three bids for such work. Lessor shall be responsible for any replacement to the parking lot and/or sidewalks or any portion thereof.

» **Storm Water:** Lessee shall be responsible for maintaining all storm water facilities and improvements (the "Storm Water Facilities") located on the Leased Premises. In the event maintenance or repair to the Storm Water Facilities becomes necessary as a result of an act or negligent omission of an owner or occupant of an adjacent parcel, Lessor shall use all reasonable means necessary to assist Lessee in obtaining reimbursement for Lessee's out of pocket expenses. Lessor shall be responsible for the portion of the necessary Major Repairs to the Storm Water Facilities that exceed \$2,000 in a calendar year, so long as the need for such Major Repair is not caused by the act or negligent omission of Lessee, or Lessee's officers, directors, partners, members, managers, employees, agents, licensees and invitees. A "Major Repair" to the Storm Water Facilities shall be any repair or replacement that exceeds \$2,000.00 in costs.

PROPERTY OVERVIEW

CORPORATE TENANT OVERVIEW

Verizon Wireless is an American telecommunications company which offers wireless products and services. It is a wholly owned subsidiary of Verizon Communications. Verizon Wireless is the largest wireless telecommunications provider in the United States.

The company is headquartered in New York City, New York. It was founded on June 30, 2000 by Bell Atlantic Corp. and GTE Corp., in one of the largest mergers in U.S. business history. Today, Verizon is a global technology company delivering the promise of the digital world to millions of customers every day.

Stock Symbol	VZ (NYSE & NASDAQ)
CEO	Hans Vestberg
Tenant S&P Credit Rating	BBB+ Investement Grade Credit
2018 Revenue	\$131 billion
2018 Dividends Paid	\$9.8 billion
Number of employees	±144,500
Number of countries	±185
Fortune 500 rank	±16
Wireless retail connections	±118 million
Fios TV subscribers	±4.5 million
Fios internet subscribers	±6.1 million
Global network	800,000+ route miles
Retail Sites	±1,600
Data Centers	±200

Source: verizon.com



Verizon Wireless Selection of Services:

- » **5G:** 5G is the fifth generation of wireless technology, but users will know it as one of the fastest, most robust technologies the world has ever seen.
- » **Wireless Network:** Since 2000, they have invested more than \$126 billion to meet today's surging demand for wireless data and video, and to get their network ready for 5G wireless technology.
- » **Broadband and Fiber:** Fios by Verizon is a 100% fiber-optic network that allows you to enjoy the internet speed you crave, the TV channels you love and a home phone that's reliable.
- » **Media & Technology:** With brands like Yahoo, HuffPost and TechCrunch, Verizon's media group transforms how people stay informed and entertained, communicate and transact, while creating new ways for advertisers and partners to connect.

VERIZON.COM



PROPERTY OVERVIEW

FRANCHISEE OVERVIEW

Cellular Sales of Knoxville was founded in Knoxville, Tennessee in 1993 by University of Tennessee graduates, Dane and Meg Scism. The company employs approximately 5,200 team members in over 700 retail locations in 41 states.

Cellular Sales believes passionately that the right people are their most important asset. Based on this principle, they carefully select sales representatives through a rigorous process, which takes into account an applicant's background, experience, personality traits, learning style, and professionalism. It takes skill and perpetual training to guide a customer to a decision that the customer will be happy with, and to take the time to make certain the customer starts off on the right foot. Cellular Sales growth curve is a testament to the value they provide.

Cellular Sales' personalized retail model strategically positions them to serve thousands of small businesses across their operating regions. Through personalized account analysis and individual attention to each business, Cellular Sales provides "concierge-level" service that no one else in the industry is providing.

Their services include:

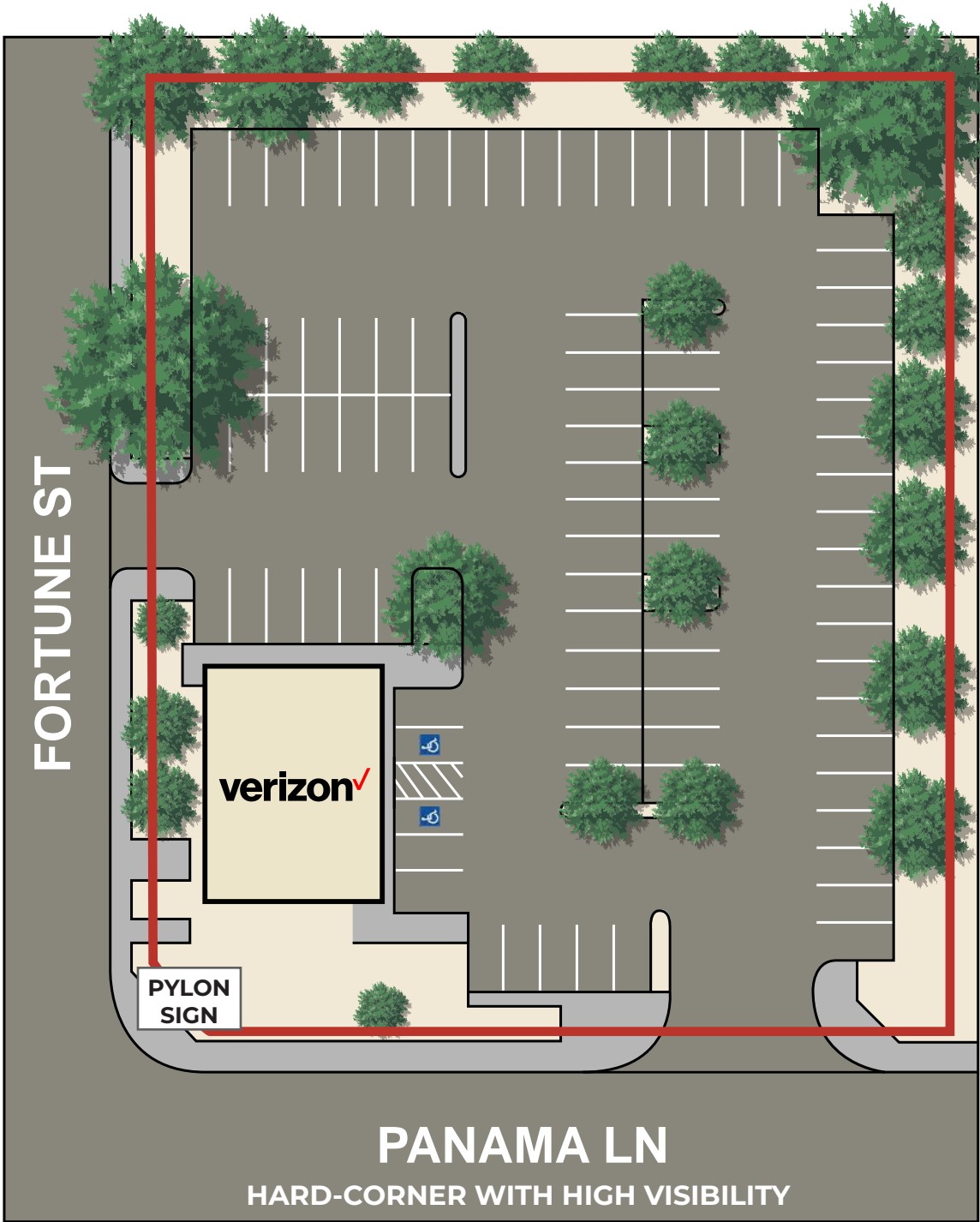
- » Consultation on device capabilities and business integration.
- » Device training.
- » Office visits to demonstrate equipment and take questions.
- » Ongoing rate plan analyses.

CELLULARSALESOFKNOXVILLE.COM



Source: cellularsalesofknoxville.com

SITE PLAN



NOT TO SCALE
ALL DIMENSIONS ARE APPROXIMATE

FRED L. THOMPSON JR. HIGH
±753 STUDENTS

99

DOWNTOWN
BAKERSFIELD

BAKERSFIELD
MUNICIPAL
AIRPORT

SOUTH HIGH
SCHOOL
±2,028 STUDENTS



IN-SHAPE[®]
HEALTH CLUBS



BAKERSFIELD
INDUSTRIAL PARK

- » Nestlé Grand Ice Cream
- » Lengthwise Brewing Company
- » Goodwill Distribution Center
- » KS Fabrication & Machine
- » Unites States Cold Storage
- » Men's Warehouse Distribution Center
- » L&W Supply
- » Darrels Mini & RV Storage
- » Fed Ex Freight

GREENFIELD
MIDDLE SCHOOL
±870 STUDENTS



BILL L. WILLIAMS
ELEMENTARY
±908 STUDENTS



PANAMA LANE ±39,641 VPD*



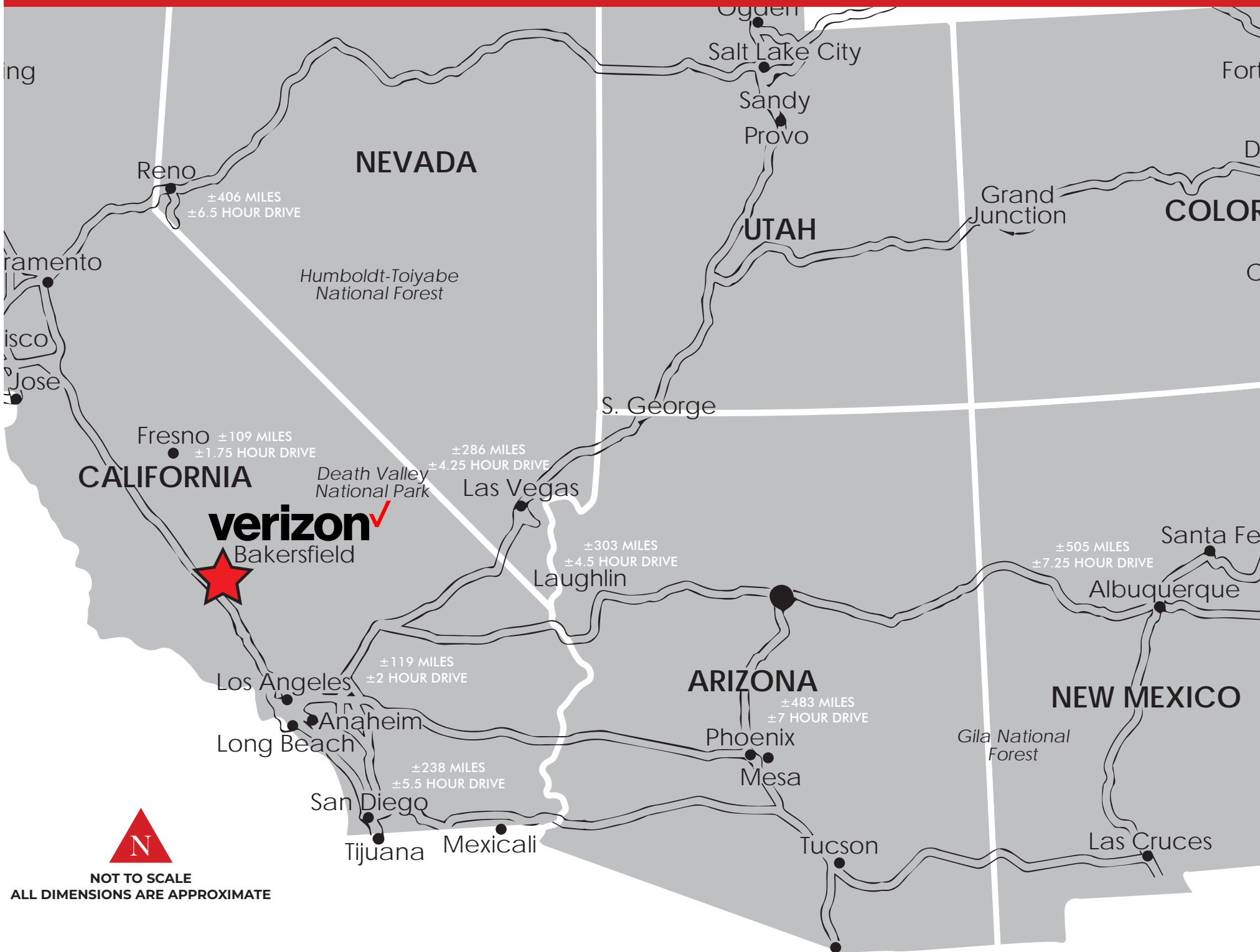
verizon



NOT TO SCALE

* SOURCE: KERNCOG.MS2SOFT.COM, 2018 & DOT.CA.GOV, 2016

REGIONAL MAP



MARKET OVERVIEW

BAKERSFIELD

Nestled in the southern central valley of California, Bakersfield makes for a perfect weekend trip or a week-long getaway. Bakersfield is the county seat of Kern County, California and covers about 151 square miles near the southern end of the San Joaquin Valley and the Central Valley region. Bakersfield's population is around 380,000, making it the 9th-most populous city in California and the 52nd-most populous city in the nation.

The city is a significant hub for both agriculture and oil production. Kern County is the most productive oil-producing county and the fourth-most productive agricultural county (by value) in the United States. Industries include natural gas and other energy extraction, aerospace, mining, petroleum refining, manufacturing, distribution, food processing, and corporate regional offices. The city is also the birthplace of the country music genre known as the Bakersfield sound.

AREA ATTRACTIONS

- » Buena Vista Museum of Natural History
- » Bakersfield Museum of Art
- » River Rafting and hiking
- » Four local, public golf courses
- » Three raceway parks and local sporting facilities
- » Antique District that includes the last operating Woolworth's lunch counter in the United States
- » Multiple State and National parks in the area including Kern National Wildlife Refuge and Fort Tejon State Park

Source: wikipedia, visitbakersfield.com and csub.edu

KERN COUNTY
POPULATION
±543,400

NUMBER OF
HOTEL ROOMS
±5,000

ACCOMMODATION
& FOOD SERVICE
SALES (2012)
\$713M

MERCHANT
WHOLESALE
SALES (2012)
\$3.69B

Source: bakersfieldcity.us

CALIFORNIA STATE UNIVERSITY BAKERSFIELD

Centrally located on a 375-acre site in the southern San Joaquin Valley, California State University, Bakersfield is a continuously growing comprehensive regional university that is committed to transforming the lives of its students and community through its established excellence in academia, diversity, service, and community engagement since its founding in 1965. The faculty across the WASC Senior College and University Commission (WSCUC) fully accredited University is world-class, with nearly 75% holding terminal degrees in their respective fields. An NCAA Division I school, CSUB has competed successfully in the Western Athletic Conference (WAC) since 2012. NCAA Division I competition is but one important aspect of a growing and vibrant student-life experience.



LOS ANGELES

The Los Angeles-Long Beach-Anaheim, CA MSA is comprised of two counties: Los Angeles County and Orange County. Los Angeles County is the most populous county in the U.S., and Orange County is the 6th most populous.

ECONOMY

The Los Angeles-Long Beach-Anaheim, CA MSA boasts one of the most dynamic economies in the world, with a fast-growing and immense high-tech industry, world-leading creative economy, tremendous strength in aerospace and advanced transportation, the nation's largest manufacturing base, the nation's largest international trade industry, and a rapidly increasing amount of venture capital investment in startups.

The Port of Los Angeles and Port of Long Beach together comprise the fifth-busiest port in the world, and they are the center of imports and exports for trade on the west Pacific Coast as well as being one of the most significant ports of the western hemisphere. The Port of Long Beach is the second-busiest container port in the United States. It adjoins the separate Port of Los Angeles. Acting as a major gateway for U.S.-Asian trade, the port occupies 3,200 acres of land with 25 miles of waterfront in the city of Long Beach, California.

Los Angeles is also considered the "Entertainment Capital of the World", as it is home to many traditional entertainment studios and music recording studios, but in recent years the growth of digital media, game design, and virtual reality are redefining the region's entertainment and digital media industry cluster. Some of the new, recognizable names in entertainment media include Amazon Studios, YouTube Studios, Hulu and Netflix, as well as the traditional, long-established media companies: Walt Disney, 20th Century Fox, Paramount Pictures, Dreamworks Animation, Sony, NBC Universal, Warner Bros Pictures, Lionsgate, A24 and more.

Source: CREXi.com



CONFIDENTIALITY AGREEMENT

AFFILIATED BUSINESS DISCLOSURE

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CONFIDENTIALITY AGREEMENT

Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property (“Owner”) or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

DISCLAIMER

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented “as is” without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained

herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property’s suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

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