



Single-Tenant, Absolute NNN Investment Opportunity

1095 PULLMAN ST, ANAHEIM, CA



WALSETH NET LEASED INVESTMENTS TEAM

km Kidder
Mathews

THE HOME DEPOT

EXCLUSIVELY LISTED BY

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INVESTMENT SUMMARY

Kidder Mathews is pleased to offer the opportunity to acquire the fee simple interest (land and building ownership) in an absolute NNN, corporate guaranteed, freestanding, Home Depot Superstore investment property located in Anaheim, CA (Orange County MSA).

The tenant, Home Depot U.S.A., Inc., has approximately six years remaining on their lease with 10 (5-year options to extend. The lease features fixed rental increases averaging 6.30% at the beginning of options 1 through 5 and fair market values for options 6 through 10. The lease is corporate guaranteed by Home Depot U.S.A., Inc. (S&P: A) and is absolute NNN with zero landlord responsibilities. This superstore is Home Depot’s largest store on the West Coast and the second largest in the whole nation.

The Home Depot Superstore is strategically positioned along the highly traveled State Route 91 (117,000 VPD), which is just off Yorba Linda Blvd (52,000 BPD), a major thoroughfare connecting numerous suburbs of Orange County. The asset is ideally located in the heart of Savi Ranch’s retail corridor and positioned across SR

91 from the Anaheim Hills Festival Shopping Center (573,000 SF) anchored by Target, Edward Cinemas, and Hobby Lobby, increasing crossover traffic to the subject property. Other nearby national/ credit tenants include Costco, Sprouts Farmers Market, Best Buy, T.J. Maxx, Michaels, Bed Bath & Beyond, Dick’s Sporting Goods, Staples Pavilions, and more, further increasing consumer draw to the trade area and promoting crossover shopping. The site also benefits from its positioning in an extremely dense, growing residential area and is the only Home Depot within an 8-mile radius, providing a direct consumer base to draw from. The 5-mile trade area is supported by an extremely dense population of over 141,358 residents and more than 51,163 employees, boasting an affluent average household income of \$173,159.



This superstore is Home Depot’s largest store on the West Coast and the second largest in the whole nation.

PHOTO BY HERSON RODRIGUEZ



DEMOGRAPHICS			
	1 Mile	3 Mile	5 Mile
POPULATION	9,677	83,875	141,358
AVG HH INCOME	\$160,106	\$170,925	\$173,159
EMPLOYEES	9,660	25,483	51,163
BASED ON 2020 ESTIMATES			



The 178K+ SF Home Depot SuperStore in Anaheim is being offered at **\$60,677,000** with a cap rate of **4.00%**.

PROPERTY OVERVIEW

OFFERING

PRICE	\$60,677,000
NET OPERATING INCOME	\$2,427,096
CAP RATE	4.00%
GUARANTY	Corporate
TENANT	The Home Depot, Inc.
LEASE TYPE	Absolute NNN (Fee Simple)
LANDLORD RESPONSIBILITIES	None

PROPERTY SPECIFICATIONS

RENTABLE AREA	225,410 SF (178,660 SF Indoor plus 46,750 SF Enclosed Garden Center)
LAND AREA	18.01 AC
PROPERTY ADDRESS	1095 Pullman St Anaheim, CA 92807
YEAR BUILT	1995/2004
PARCEL NUMBER	352-221-01
OWNERSHIP	Fee Simple (Land & Building Ownership)

INVESTMENT HIGHLIGHTS

Corporate Guaranteed, Investment-Grade Tenant (S&P: A), Options to Extend

- Home Depot U.S.A. Inc. corporate guaranteed lease
- Tenant has 6 years remaining on their lease with 10 (5-year) options to extend
- Investment-grade tenant: S&P: A

Absolute NNN, Fee Simple Ownership, Zero Landlord Responsibilities, Second Largest Home Depot in the Country

- Tenant pays for CAM, taxes, insurance, and maintains all aspects of the premises
- No landlord responsibilities
- Idea, management-free investment for an out-of-state, passive investor
- This superstore is Home Depot's largest store on the West Coast and second largest in the nation

Adjacent to State Route 91 (117,000 VPD), High Traffic Area, Excellent Visibility, & Access

- The Home Depot Superstore is strategically positioned along the highly traveled State Route 91 with 117,000 vehicles passing daily
- SR 91 serves as a major east/west thoroughfare for Orange County and the Greater Los Angeles region
- Located just off Yorba Linda Blvd (52,000 VPD), a primary thoroughfare connecting numerous suburbs of Orange County

Across from Anaheim Hills Festival Shopping Center (573,000 SF), Dense Retail Corridor

- Ideally positioned across SR 91 from the Anaheim Hills Festival Shopping Center (573,000 SF) anchored by Target, Edward Cinemas, and Hobby Lobby
- Other nearby national/credit tenants include Costco, Sprouts Farmers Market, Best Buy, T.J. Maxx, Michaels, Bed Bath & Beyond, Dick's Sporting Goods, Staples, Pavilions, and more
- Excellent tenant synergy promotes crossover shopping to the subject site

Excellent Demographics in 5-Mile Trade Area, One of Orange County's Most Affluent Communities

- Over 141,358 residents and 51,163 employees support the trade area
- \$173,159 affluent average household income within a 5-mile radius

Rare Orange County Retail Opportunity, High Barriers to Entry

- Generational opportunity to own commercial real estate in Anaheim
- Savi Ranch has recently become a major retail hub and destination for Orange County
- Dense, infill trade area with major barriers for new development





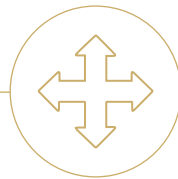


QUICK FACTS



Location

Located in
Orange County
Anaheim, CA



Access

Pullman Street
2 access points

East Crystal Boulevard
3 access points



Traffic Counts

Yorba Linda Boulevard
52,000 cars per day

Riverside Freeway/
State Highway 91
117,000 cars per day



Building Area

225,410 SF
(178,660 SF indoor plus
46,750 SF enclosed
Garden Center)



Parking

Approximately 923 parking
spaces on the owned parcel

Parking ratio is
approximately 5.16 stalls per
1,000 SF of RSF



Parcel

Parcel No. 352-221-01

18.01 AC



Year Built

1995
(Renovated 2004)

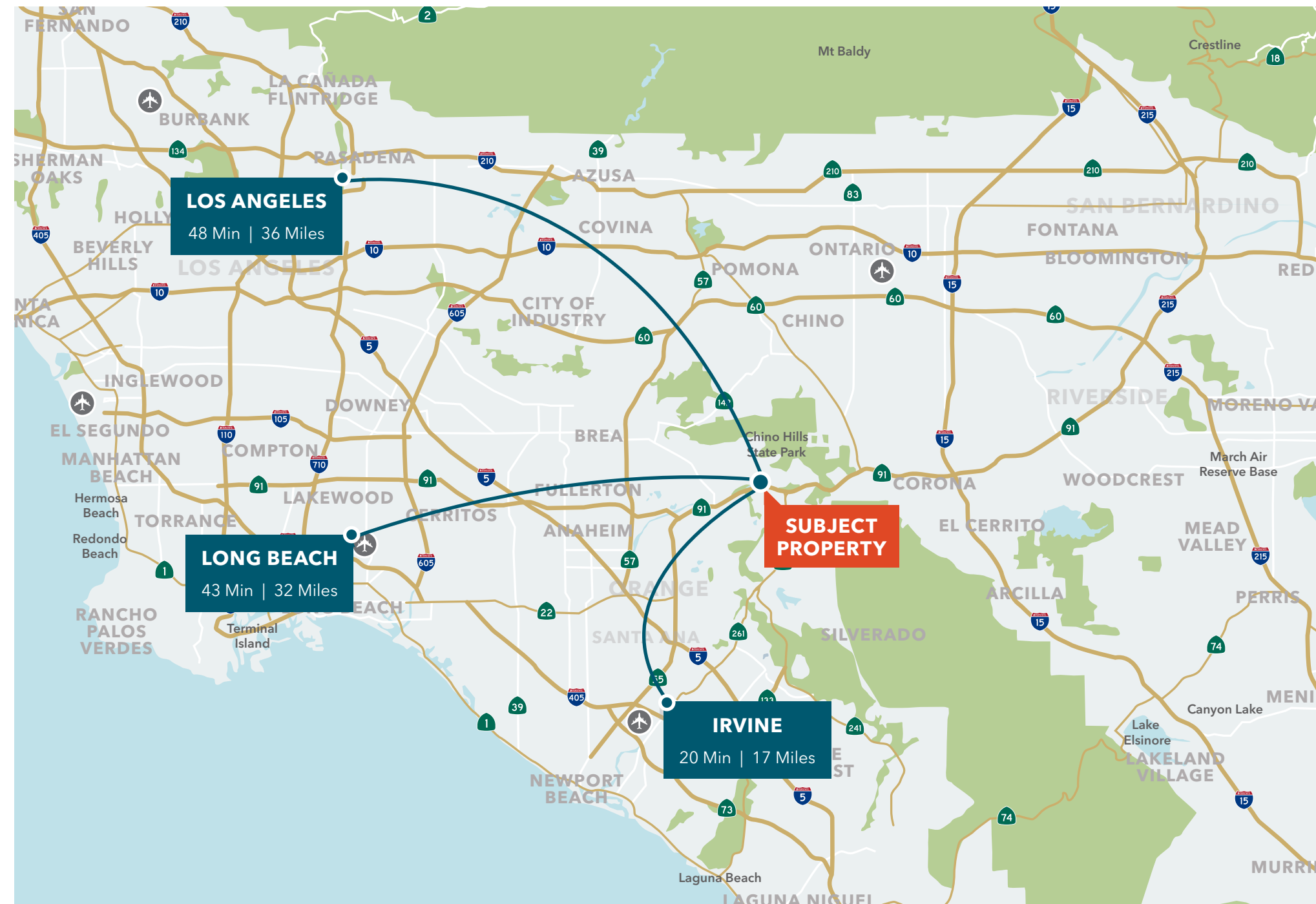
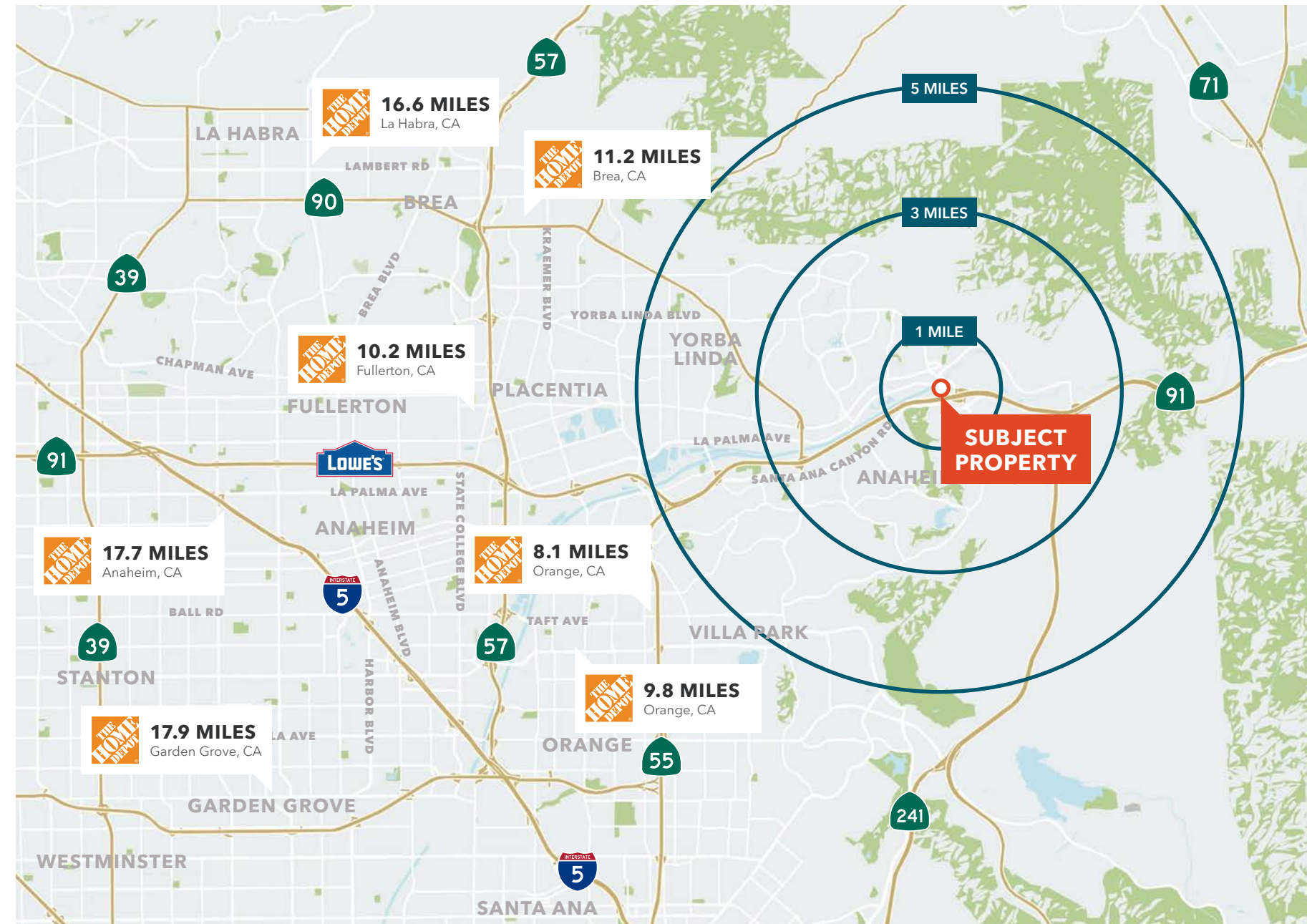


Zoning

GC General Commercial



NEIGHBORING HOME DEPOT DISTANCES



PROPERTY PHOTOS



REPRESENTATIVE PHOTO

ANAHEIM

Anaheim is a city located in the Los Angeles metropolitan area, also known as Orange County. It serves as the county's cultural and tourist attraction of Orange County, California, United States.

Anaheim City is located in northwestern Orange County, about 28 miles southeast of downtown Los Angeles and 90 miles north of San Diego. The city lies on a coastal plane, which is bordered by the Pacific Ocean to the west and the Santa Ana Mountains to the east. The city is the oldest and most populous city in Orange County. The city of Anaheim is the 10th largest city in California with a population of 359,477 as of July 1, 2018.

Centrally located within Southern California, Anaheim is the regional hub for economic activity in Orange County and fast becoming a world-class business center. The city is known worldwide as a center for entertainment, tourism, and convention activities. The translates into prestigious, high profile international address that balances business and residential growth.

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Anaheim's income is based on a tourism economy. In addition to the Walt Disney Company being the city's largest employer, Anaheim is home to the Disneyland Resort, the Anaheim Convention Center, and two major league professional sports



DISNEYLAND



ANGEL STADIUM

teams-the Los Angeles Angels of Anaheim American League Baseball team that utilizes the Angel Stadium of Anaheim, and the Anaheim Ducks National Hockey League team that utilizes the Honda Center.

Anaheim and Orange County are home to a wide spectrum of industries, with 8,000+ manufacturing plants in the county.

Anaheim and Orange County are home to a wide spectrum of industries - more than 8,000 manufacturing plants are located in the county, most notably defense and aerospace, biomedical, electronics, machinery, and computer product manufacturers. The city has over 20,000 active business licenses, of which 15,500 are businesses operating within the city's boundaries.

According to the city's Comprehensive Annual Financial Report, the top employers in the city are Disneyland Resort, Kaiser Permanente, Kaiser Permanente Anaheim Medical Center, Northgate Gonzalez Markets, Anaheim Regional Medical Center, AT&T, Hilton Anaheim, L-3 Communications, Time Warner Cable, and West Anaheim Medical Center.

Anaheim has three private universities: Anaheim University and Southern California Institute of Technology (SCIT), and Bristol University (BU) with its sport teams Bristol Bears. North Orange County Community College District Serves the community.

Cultural, historical, and leisure attractions include the Disneyland Resort, including Disneyland Park and Disney's California Adventure Park, Anaheim Museum, Featherly Regional Park, Ramon Peralta Adobe Historic Site, Yorba Linda Regional Park, and many others in the greater Los Angeles metropolitan area.

DEMOGRAPHICS

The subject property is ideally situated in Anaheim which benefits from very strong demographics.

PHOTO BY GAGE SKIDMORE



POPULATION			
	1 Mile	3 Miles	5 Miles
2020 ESTIMATE	9,677	83,875	141,358
2025 PROJECTION	9,740	84,374	142,361
2010 CENSUS	9,276	81,456	136,655
GROWTH 2020 - 2025	0.1%	0.1%	0.1%
GROWTH 2010 - 2020	0.4%	0.3%	0.3%
AVERAGE AGE	43.7	42.7	42.8
HOUSEHOLDS			
	1 Mile	3 Mile	5 Mile
2020 ESTIMATE	3,574	30,088	49,913
2025 PROJECTION	3,699	31,146	51,705
2010 CENSUS	3,335	28,385	46,956
GROWTH 2020 - 2025	0.7%	0.7%	0.7%
CHANGE 2000 - 2020	0.8%	0.5%	0.7%
2020 EMPLOYMENT & INCOME			
	1 Mile	3 Mile	5 Mile
AVG HH INCOME	\$160,106	\$170,925	\$173,159
MEDIAN HH INCOME	\$130,501	\$133,134	\$132,424
PER CAPITA INCOME	\$59,144	\$61,332	\$61,162
TOTAL BUSINESSES	1,040	3,586	6,924
TOTAL EMPLOYEES	9,660	25,483	51,163

ORANGE COUNTY

Orange County is located in the Los Angeles metropolitan area. The county is known for it's tourist attractions, beaches, and perfect climate.

Orange County is bordered on the southwest by the Pacific Ocean, on the north by Los Angeles County, on the northeast by San Bernardino County and Riverside County, and on the southeast by San Diego County. The county is renowned for its business climate and sunny beaches.

Residents enjoy a nearly perfect climate in which parks and beaches provide abundant opportunities for outdoor activities. Orange County is home of exciting professional sports (Anaheim Ducks and the Los Angeles of Anaheim), a wide range of tourist attractions, and quality venues for visual and performing arts. Orange County boasts a thriving business economy and a well-educated work force. Orange County has the third largest population in California totaling three million residents. Orange County also has the second highest population by density in California, behind only San Francisco, with 3.86 thousand people per square mile. The median household income is \$75,400 for the 34 incorporated cities in the county.

Orange County is known for tourism due to its vast amount of attractions and beaches. Within Orange County are attractions like Disneyland and Knott's Berry Farm, which ring more than 20 million guests each year. In addition, Orange County contains 40 miles of beautiful coastline from Seal Beach all the way down to San Clemente, another reason why more than 47 million tourists visit Orange County each year.



Residents enjoy perfect climate in which parks and beaches provide abundant opportunities for outdoor activities.

Since 2011, the state has dispensed \$52 million in economic development funding to 91 Orange County projects, spurring \$459 million in private investment. Sales tax revenue increased by \$9.5 million since 2014 and hotel taxes have risen 18 percent over the past three years/ Employment is at an all-time low at 5%. Since 2015, more than 30 companies have begun projects to build, expand, or relocate in Orange County, generating capital investment of \$1.25 billion and creating 1,500 jobs.

Additionally, Orange County companies received \$1.14 billion in venture capital investments in 2016 in a variety of industries including high-tech, medical devices, and energy. With its major international ports and airports, Orange County is ranted 10th among U.S. metro areas for total exports.

Orange County is home to several acclaimed universities, including University of California, Irvine; California State University, Fullerton; Chapman University; Pepperdine University; and more. Major employers include Walt Disney Co. (30,000 employees), University of California, Irvine (23,884 employees), St. Joseph Health (14,000 employees), and Kaiser Permanente (8,178 employees).

RENT ROLL

		LEASE TERM				RENTAL RATES					
Tenant Name	Building SF	Lease Start	Lease End	Begin	Increase	Monthly	Price/SF	Annually	Price/SF	Recovery Type	Options
The Home Depot, Inc. (Corporate Guaranty)	178,660	Mar 2003	Jun 2025	Current	-	\$202,258	\$1.13	\$2,427,096	\$13.58	Absolute NNN (Fee Simple)	10 (5-Year)
										OPTION 1	\$2,600,000/Year
										OPTION 2	\$2,773,824/Year
										OPTION 3	\$2,947,188/Year
										OPTION 4	\$3,120,552/Year
										OPTION 5	\$3,293,916/Year
										OPTION 6-10	Fair Market Value

\$60,677,000

LIST PRICE

\$2,427,096

NET OPERATING INCOME

4.00%

CAP RATE

FOR FINANCING
OPTIONS & LOAN QUOTES,
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BRAND PROFILE

THE HOME DEPOT

The Home Depot is the world's largest home improvement specialty retailer, with 2,290 retail stores in all 50 states, the District of Columbia, Puerto Rico, U.S. Virgin Islands, Guam, 10 Canadian provinces, and Mexico.

In the first quarter of 2020, The Home Depot had sales of \$28.26 billion and earnings of \$2.24 billion. The company employs more than 400,000 associates. The Home Depot's stock is traded on the New York Stock Exchange (NYSE: HD) and is included in the Dow Jones Industrial Average and Standard & Poor's 500 Index.

Home Depot's stock price has risen 73% between March 2020 and July 23, 2020 as a result of very strong Q2 earnings that saw revenue growth of 7.7% YOY to \$112.1 billion on a trailing 12-month basis.

STOCK PERFORMANCE PAST 5 YEARS | NYSE: HD



PUBLIC (NYSE: HD)

COMPANY TYPE

THE HOME DEPOT, INC.

PARENT COMPANY

\$112.1B

ANNUAL REVENUE - TRAILING 12 MO'S - Q2 2020

\$10.97B

NET INCOME - TRAILING 12 MO'S - Q2 2020

\$58.7B

ASSETS - TRAILING 12 MO'S - Q2 2020

+7.7%

REVENUE GROWTH YOY - Q2 2020

+80%

ONLINE SALES GROWTH

+2,290

NO. OF LOCATIONS

400,000+

NO. OF EMPLOYEES

→ [HOMEDEPOT.COM](https://www.homedepot.com)

REPRESENTATIVE PHOTO



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