OFFERING MEMORANDUM

Walgreens

CBRE

CAPITAL MARKETS
RETAIL INVESTMENT PROPERTIES - WEST

4935 WARNER AVE
HUNTINGTON BEACH, CA

Investment Summary

OFFERING PRICE	PRICE PSF	OCCUPANCY	CAP RATE (YEAR 1 IN-PLACE) [1]	NOI (YEAR 1 IN-PLACE) [1]
$14,950,000	**$1,089**	**100%**	**5.91%**	**$883,283**

TOTAL BUILDING AREA	TOTAL LAND AREA
±13,790 SF	**±56,556 SF (±1.30 acres)**

WEBSITE

www.retailipwest.com/hbwalgreens

[1] In-Place Cap Rate and NOI are based on the 5.00% rent increase on May 2026. Seller to credit any gap in rent from close of escrow to May 2026.

* NOIs also include Reverse Built to Suit rent which is fixed at $35,019 per month through the entire term

Investment Highlights

COASTAL ORANGE COUNTY SINGLE TENANT NET LEASED (STNL) WALGREENS

- ***Trophy Orange County STNL Investment*** – Few STNL assets with national credit tenancy come to market in Orange County, making this NNN leased **Walgreens** a rare and compelling retail investment opportunity. This Walgreens benefits from its strategic location within **coastal Huntington Beach**, aka **Surf City USA**, drawing from both the affluent local population and the millions of tourists who visit annually
- ***National Credit Tenant*** – **Walgreens** is one of the largest pharmacy chains in the United States, serving millions of customers daily
  - » Walgreens has over **8,500 stores** throughout the **US** and **Puerto Rico**, offering a wide range of prescription drugs, over-the-counter medications, and healthcare services
- ***Long-Term NNN Lease*** – Walgreens is on a **60-year** lease which commenced in 2011 and has **10+ years** of firm remaining lease term
- ***Beneficial Rental Increases*** – The Walgreens lease provides for **5% rental increases on base rent every 5 years**, benefitting future cash flow and providing a hedge against inflation

Investment Highlights

STABLE CASH FLOW, LOW MANAGEMENT NNN INVESTMENT

- ***STNL "Coupon Clipper" Asset*** – Single-tenant, long-term **absolute NNN lease** asset provides for **essentially zero landlord obligations** or oversight
- ***NNN Expenses*** – Property expenses including common area expenses, repairs and maintenance, insurance and property taxes reside with the tenant, not the landlord, making Walgreens an excellent investment for out-of-town or passive investors
- ***Purpose-Built Construction*** – High-Quality, purpose-built property developed to Walgreens specifications in **2011**, increasing the probability of continued long-term occupancy

STRONG REAL ESTATE FUNDAMENTALS

- ***Long Term Historical Occupancy*** – *Walgreens* has operated at this location **since 2011 (nearly 15 years)**, proving the viability of this property, and its location within the trade area.
- ***Irreplaceable Corner Parcel, High Barriers to Entry*** – Approximate **56,556 SF** parcel at a **high-traffic, signalized intersection** in a supply constrained, densely populated, **coastal Orange County** location with virtually zero sites available for future development or redevelopment, creating high barriers to entry and ensuring the property's long-term success
- ***Optimal Property Configuration*** – Large corner parcel with an approximately **13,790 SF free-standing** building – this location, configuration, and size appeals to a wide pool of potential replacement tenants should Walgreens vacate in the future

EXCELLENT HUNTINGTON BEACH RETAIL LOCATION

- ***High-Traffic, Signalized Intersection Location*** – Located at a signalized intersection (**Warner Avenue @ 27,100+ CPD** and **Bolsa Chica Street @ 17,600+ CPD)** within a high-traffic retail corridor, *Walgreens* benefits from a synergistic and high-quality mix of tenants within close proximity including **Ralphs, Trader Joes, Albertsons, Petco, 24 Hour Fitness, Savers, Bank of America, Wells Fargo, Starbucks, Taco Bell,** and more, fortifying the **value-focused** and **daily needs** draw of the area while proving the viability of this retail location.

- ***Top Tourist Destination*** – Huntington Beach is a major tourist destination, drawing over **3 million visitors annually** who contribute over **$400 million into the local economy** each year

HIGHLY AFFLUENT AND DENSE ORANGE COUNTY DEMOGRAPHICS

- More than **23,100** people in a 1-mile radius with an Average Household Income exceeding **$158,200**

- More than **93,800** people in a 3-mile radius with an Average Household Income exceeding **$167,900**

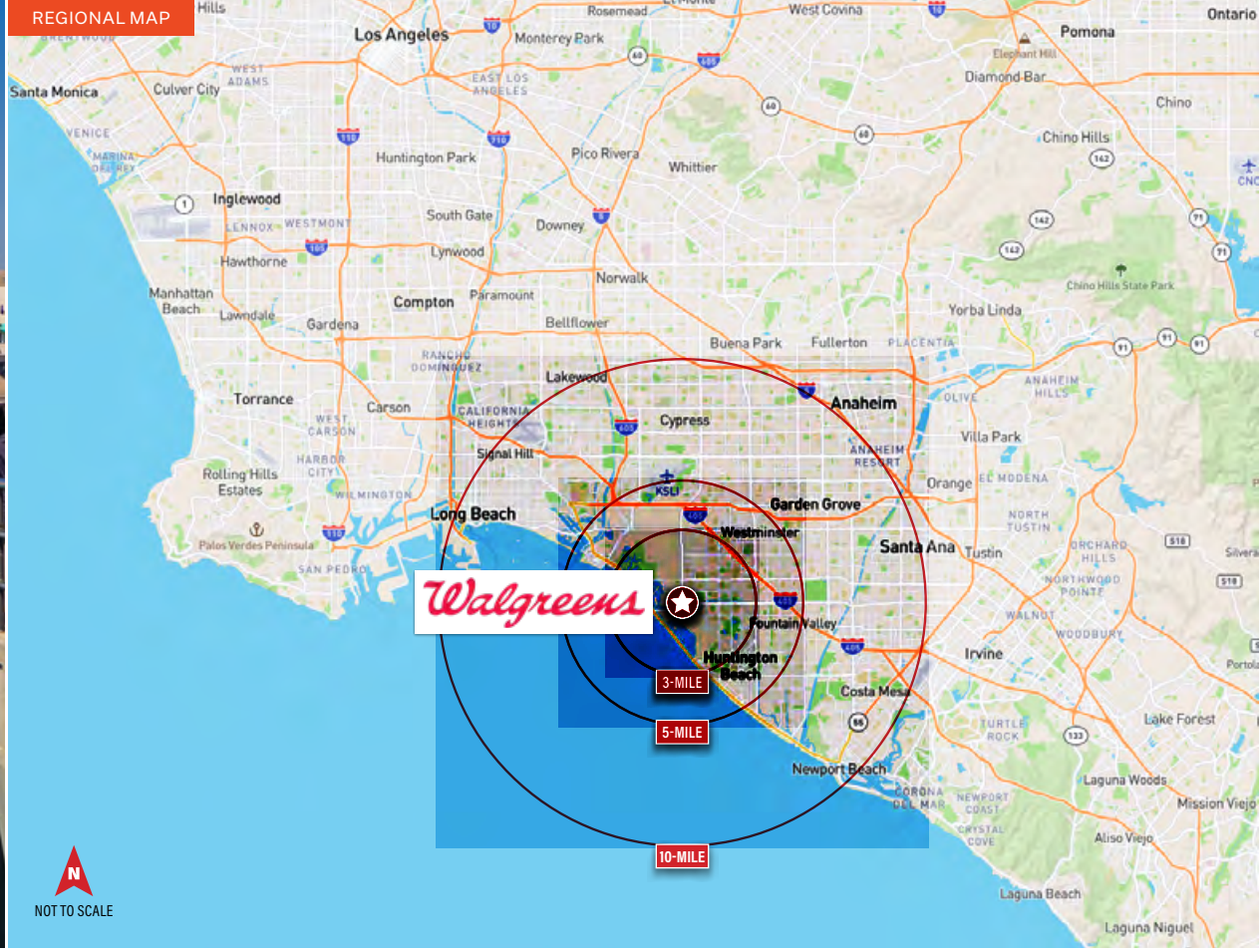
- More than **305,000** people in a 5-mile radius with an Average Household Income exceeding **$150,300**

LOW MANAGEMENT STNL - IDEAL 1031 EXCHANGE REPLACEMENT OR PORTFOLIO ADDITION

- ***Irreplaceable Coastal Location*** – With this coastal Huntington Beach location, proximity to affluence and density, tight submarket with limited availabilities, and virtually no sites available for redevelopment, this property exudes **irreplaceability**, benefitting its long-term success and viability

- ***Corporate Guaranteed Lease*** – The lease is guaranteed by **Walgreen Co.,** a wholly owned subsidiary of **Walgreens Boots Alliance, Inc**. providing tremendous security

- ***Excellent 1031 Exchange Upleg*** – Delivered debt-free and available for a **quick close** to accommodate 1031 Exchange Requirements



Area Snapshot: Huntington Beach

2024 DEMOGRAPHICS

Source: CBRE Research

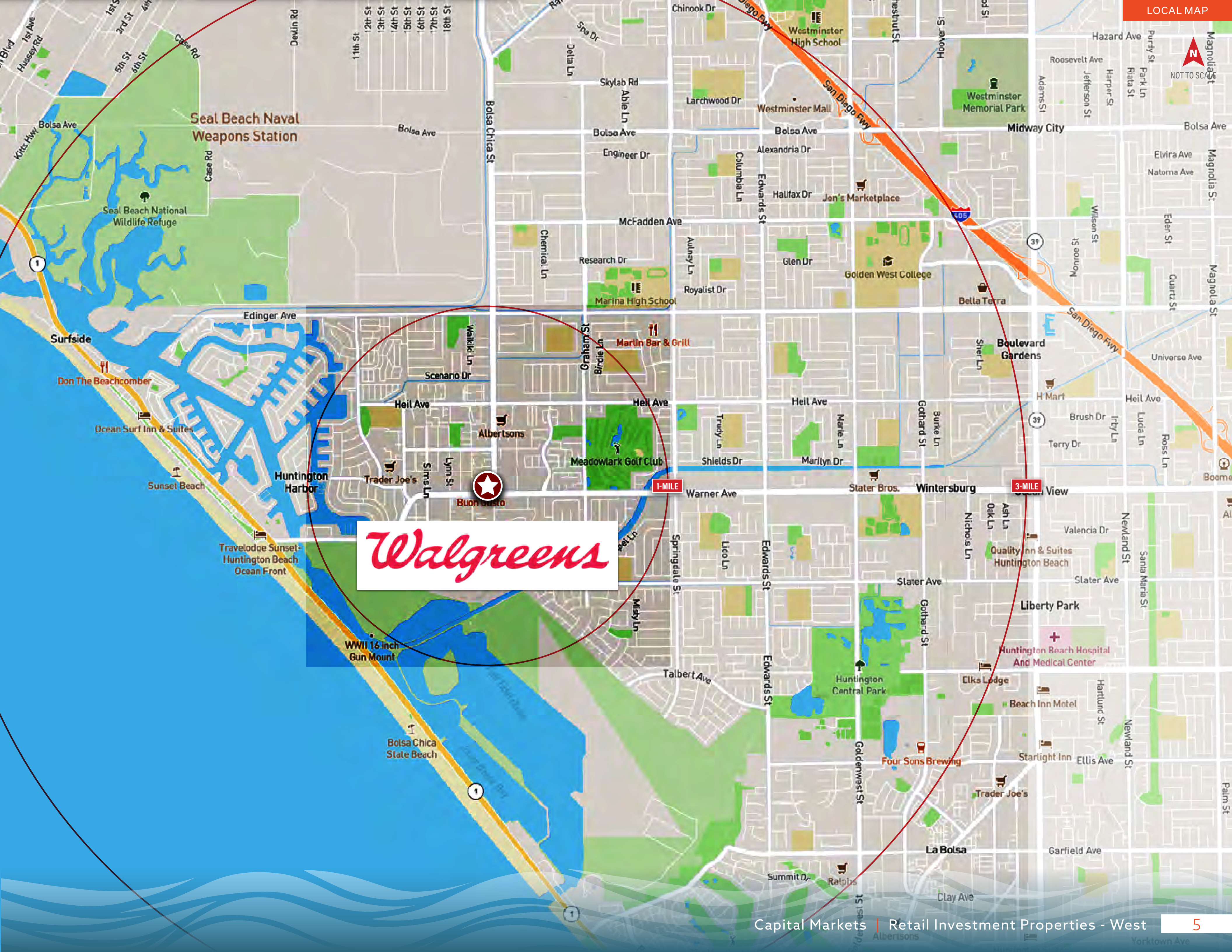
	1-MILE	3-MILE	5-MILE	HUNTINGTON BEACH	ORANGE COUNTY
POPULATION	23,131	93,819	305,076	194,978	3,171,875
EMPLOYEES	4,191	39,282	113,252	73,578	1,579,038
HOUSEHOLDS	10,084	36,927	115,438	78,804	1,090,541
AVG HH INCOME	$158,277	$167,979	$150,377	$163,375	$157,826
AVG DISP INCOME	$108,730	$113,842	$103,742	$111,379	$107,679

HOUSING MARKET

$1,338,379 ZILLOW HOME VALUES

+4.7% 1-YEAR CHANGE

www.zillow.com/huntington-beach-ca/home-values/


NOT TO SCALE
N
Walgreens
1-MILE
3-MILE
Seal Beach Naval
Weapons Station
Seal Beach National
Wildlife Refuge
Surfside
Don The Beachcomber
Ocean Surf Inn & Suites
Sunset Beach
Huntington
Harbor
Travelodge Sunset-
Huntington Beach
Ocean Front
WWII 16 inch
Gun Mount
Bolsa Chica
State Beach
Trader Joe's
Albertsons
Buon Gusto
Meadowlark Golf Club
Marlin Bar & Grill
Marina High School
Westminster
High School
Westminster Mall
Jon's Marketplace
Golden West College
Westminster
Memorial Park
Midway City
Bella Terra
Boulevard
Gardens
H Mart
Stater Bros.
Wintersburg
Quality Inn & Suites
Huntington Beach
Liberty Park
Huntington Beach Hospital
And Medical Center
Elks Lodge
Beach Inn Motel
Huntington
Central Park
Four Sons Brewing
Starlight Inn
Trader Joe's
La Bolsa
Ralphs
San Diego Fwy
Edinger Ave
Bolsa Ave
McFadden Ave
Heil Ave
Warner Ave
Slater Ave
Talbert Ave
Garfield Ave
Ellis Ave
Clay Ave
Hazard Ave
Roosevelt Ave
Elvira Ave
Natoma Ave
Universe Ave
Brush Dr
Terry Dr
Valencia Dr
Bolsa Chica St
Springdale St
Edwards St
Goldenwest St
Gothard St
Newland St
Magnolia St
Chinook Dr
Skylab Rd
Larchwood Dr
Engineer Dr
Alexandria Dr
Halifax Dr
Research Dr
Royalist Dr
Glen Dr
Scenario Dr
Shields Dr
Marilyn Dr
Summit Dr
Graham St
Chemical Ln
Columbia Ln
Sims Ln
Lyn St
Nichols Ln
Burke Ln
Hoover St
Delta Ln
Devlin Rd
Case Rd
Kitts Hwy
Hussey Rd

Property Overview

LOCATION

4935 Warner Ave
Huntington Beach, CA 92649

PARKING

The property provides ±60 parking stalls, which equates to a parking ratio of ±4.35 spaces per 1,000 SF.

BUILT

The property was built in 2011.

SITE

Walgreens is located at the NW corner of Warner Ave and Bolsa Chica St in Huntington Beach, CA.

TRAFFIC COUNTS

Warner Ave .....±27,100 CPD
Bolsa Chica St ..... ±17,600 CPD
Pacific Coast Hwy .....±43,500 CPD

ZONING

Per the City of Huntington Beach, the site is currently zoned as "CG – Commercial General."

LAND AREA

The offering consists of 1 parcel (APN: 178-263-27) totaling approximately ±1.30 acres or ±56,556 SF of land area.

PARCEL MAP

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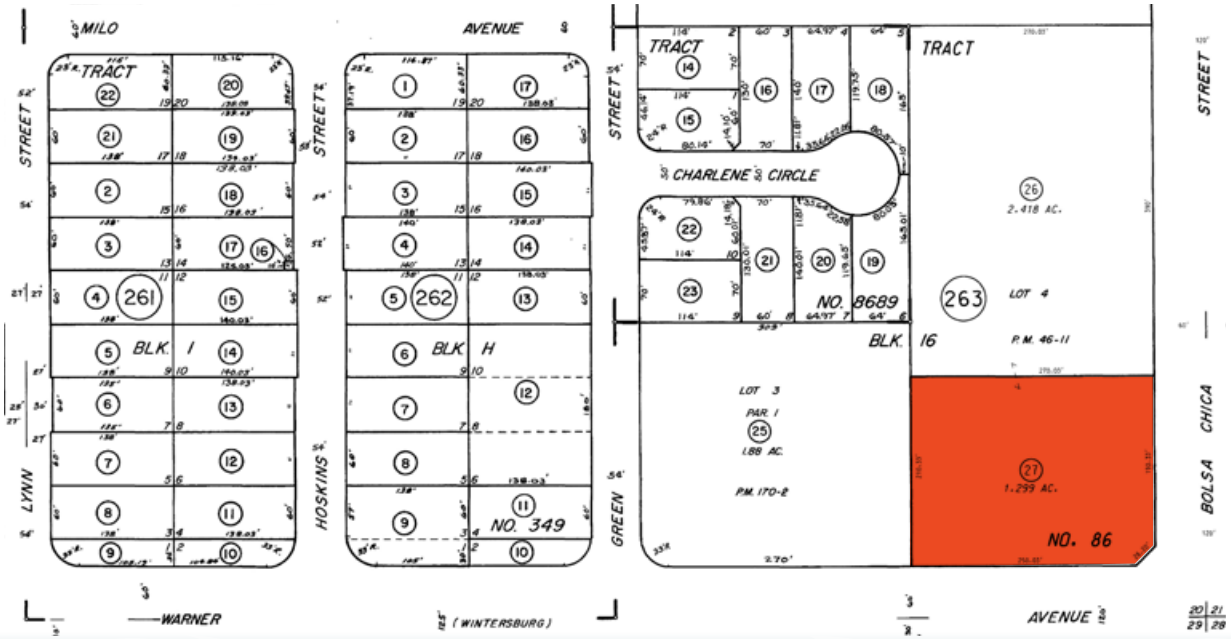

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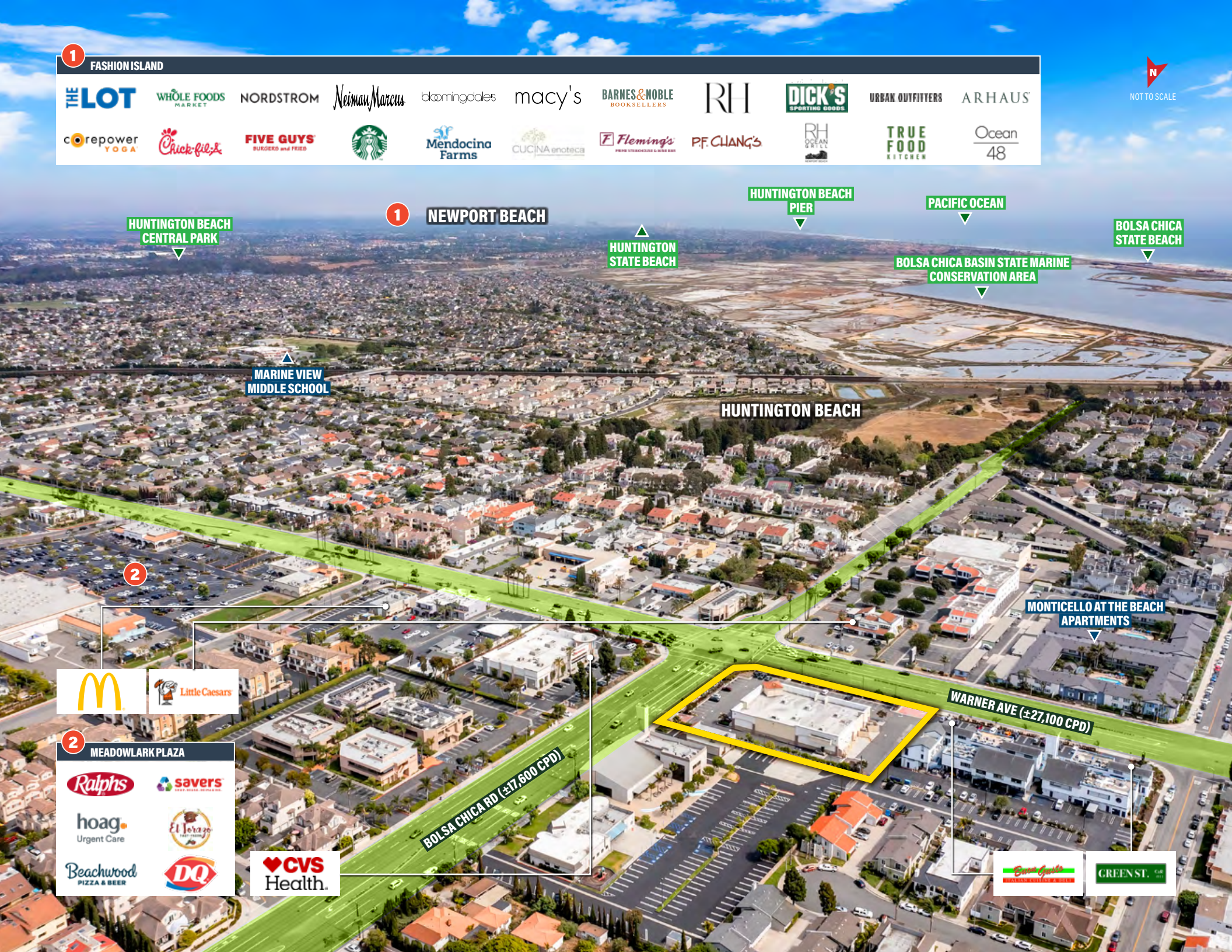
Tenant Profile

WALGREENS
www.walgreens.com

Founded in 1901, Walgreens is an American drugstore chain headquartered in Deerfield, Illinois. The company operates over 8,500 locations in all 50 states, the District of Columbia, Puerto Rico, and Guam. Walgreens is now a privately-owned retail pharmacy chain, following the acquisition of its former parent company, Walgreens Boots Alliance, by Sycamore Partners in August 2025. Along with its UK counterpart, The Boots Group, the businesses collectively operate as one of the largest pharmacy groups globally.


1
FASHION ISLAND
THE LOT
WHOLE FOODS MARKET
NORDSTROM
Neiman Marcus
bloomingdale's
macy's
BARNES & NOBLE BOOKSELLERS
RH
DICK'S SPORTING GOODS
URBAN OUTFITTERS
ARHAUS
corepower YOGA
Chick-fil-A
FIVE GUYS BURGERS and FRIES
Mendocino Farms
CUCINA enoteca
Fleming's
P.F. CHANG'S
RH OCEAN & GRILL
TRUE FOOD KITCHEN
Ocean 48
NOT TO SCALE
HUNTINGTON BEACH CENTRAL PARK
1
NEWPORT BEACH
HUNTINGTON STATE BEACH
HUNTINGTON BEACH PIER
PACIFIC OCEAN
BOLSA CHICA STATE BEACH
BOLSA CHICA BASIN STATE MARINE CONSERVATION AREA
MARINE VIEW MIDDLE SCHOOL
HUNTINGTON BEACH
2
MONTICELLO AT THE BEACH APARTMENTS
Little Caesars
WARNER AVE (±27,100 CPD)
BOLSA CHICA RD (±17,600 CPD)
2
MEADOWLARK PLAZA
Ralphs
savers
hoag Urgent Care
El Torazo
Beachwood PIZZA & BEER
DQ
CVS Health
GREEN ST.

Lease Abstract

TENANT: Walgreen Co.

DATE OF LEASE: March 10, 2009

RENT COMMENCEMENT: April 9, 2011

LEASE EXPIRATION: April 30, 2071

TERM: 60 Years

TERMINATION OPTION: Tenant shall have the right to terminate the lease as of the last day of the 300th month (4/30/2036) and every 5 years thereafter, given at least 9 month's prior written notice.

BASE RENT/YR:

Current – 4/30/26: $441,000
5/1/26 – 4/30/31: $463,050
5/1/31 – 4/30/36: 95% FMV, not less than prior rent
5/1/36 – 4/30/41: 105% of prior rent
5/1/41 – 4/30/46: 105% of prior rent
5/1/46 – 4/30/51: 105% of prior rent
5/1/51 – 4/30/56: 95% FMV, not less than prior
5/1/56 – 4/30/61: 105% of prior rent
5/1/61 – 4/30/66: 105% of prior rent
5/1/66 – 4/30/71: 105% of prior rent

REVERSE BUILD TO SUIT RENT/YR: Landlord exercised its RBTS option to purchase the improvements for $4,943,915 (the Development Reimbursement). Tenant is responsible for paying 8.50% of this amount for the remainder of the Term, annually. Therefore, the additional rent due is $420,232.78 per year.

Total Base Rent plus RBTS Rent is referred to as Adjusted Fixed Rent.

PERCENTAGE RENT/ SALES REPORTING: If a sum equal to 2.0% of Gross Sales, except food and prescription, plus 0.50% of Gross Sales from food and prescriptions, exceeds the total Adjusted Fixed Rent, Tenant shall pay such excess as additional percentage rent.

PERMITTED USE: Tenant shall have the right to use the Leased Premises for any lawful purpose, subject to exclusions in the lease.

REAL ESTATE TAXES: Tenant shall pay all property taxes directly.

UTILITIES: Tenant shall pay directly to the applicable third party provider, all costs related to utilities and services rendered to the Leased Premises.

REPAIRS AND MAINTENANCE: Tenant shall, at its sole cost and expense, keep the Leased Premises clean and in good order condition and repair and shall make replacements as determined by Tenant in its reasonable business judgment.

TENANT ASSIGNMENT AND SUBLETTING: Tenant can assign or sublet the Leased Premises, subject to Landlord approval. No transfer shall relieve Tenant of its obligations under this Lease.


1 BELLA TERRA
COSTCO WHOLESALE
CINEMARK
WHOLE FOODS MARKET
BARNES & NOBLE BOOKSELLERS
REI
WORLD MARKET
KOHL'S
FOGO DE CHÃO
BUFFALO WILD WINGS
The Cheesecake Factory BAKERY
ISLANDS fine burgers & drinks
KING'S FISH HOUSE
Snooze
california PIZZA KITCHEN
THE GOLF BAR
PINOT'S PALETTE
Flecha
KABUKI
2 MEADOWLARK PLAZA
Ralphs
savers
hoag. Urgent Care
El Torazo
Beachwood PIZZA & BEER
DQ
3 SHOPPING CENTER
RITE AID
petco
Vittorio's
BR baskin robbins
4 SHOPPING CENTER
24 FITNESS
DEL TACO
Wienerschnitzel
Cafe CUP
N
NOT TO SCALE
WESTMINSTER
ANAHEIM
ORANGE
SANTA ANA
SOUTHCOAST METRO
5
GOLDENWEST COLLEGE
OCEAN VIEW HIGH SCHOOL
MEADOWLARK GOLF CLUB
HUNTINGTON BEACH
WARNER AVE (±27,100 CPD)
BOLSA CHICA RD (±17,600 CPD)
Walgreens
Bacon Grille
GREEN ST.
CVS Health
Little Caesars
5 SOUTH COAST PLAZA
NORDSTROM
bloomingdale's
Saks Fifth Avenue
macy's
H&M
UNIQLO
Crate&Barrel
ANTHROPOLOGIE
west elm
ZARA
POTTERY BARN
DIN TAI FUNG
Cal's KITCHEN • TEQUILA
Seasons 52 FRESH GRILL
CJ CLAIM JUMPER
anqi BISTRO
PARADISE DYNASTY
THE CAPITAL GRILLE


Walgreens
PHARMACY
PARKING ONLY

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Your receipt of this Memorandum constitutes your acknowledgement 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.

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Exclusively Marketed By

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