



Not Subject Store



Not Subject Store

GROCERYOUTLET bargain market™

TRUCKEE CALIFORNIA



\$13,612,000 | 5.0% cap rate
15-Year Corporate-Guaranteed Net Lease





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Lake Tahoe

Truckee Tahoe Airport

89 TO LAKE TAHOE >

< TO RENO



TO SACRAMENTO >

**GROCERY
OUTLET**
bargain market

EXECUTIVE SUMMARY

THE OFFERING

CBRE is pleased to offer for sale the fee simple interest in a newly-built commercial/residential property in Truckee, California, a popular recreational destination with formidable economic and political barriers to entry. Truckee is approximately 100 miles northeast of Sacramento and about 35 miles west of Reno, Nevada.

The retail portion, containing 16,147 square feet, is leased to Grocery Outlet (NASDAQ: GO) on a firm 15-year Corporate-guaranteed net lease with four five-year options to extend. The residential portion consists of three affordable apartments totaling 1,874 sf which were included in the development as part of Truckee Township's Workforce Housing program. Such apartments are in high demand and typically have a waiting list. The apartments are master-leased to the Manager/Operator of the Grocery Outlet who pays all expenses, handles all management responsibilities, and remits a single rent check to Owner monthly. The term of the residential lease is five years with multiple options to extend. The Workforce Housing program allows rent to be adjusted every five years.



The asset, located in a market where prime commercial properties are seldom available, is offered at \$13,612,000 which represents a 5.0% capitalization rate on actual income.

The Grocery Outlet lease is modified net, with Owner responsible for roof, structural, plumbing lines and utility connections, per paragraph 13 of lease. The rent structure includes a 10% increase every five years. Since taxes and insurance are allocated between the grocery store and apartments, Owner pays these expenses but receives full reimbursement from the tenants.

The store opened to door-busting crowds on June 25, 2020.

(continued on next page)

EXECUTIVE SUMMARY

THE OFFERING *(continued)*

Truckee is a tight market where new development is strictly controlled. This offering represents a rare opportunity to acquire a newly-constructed commercial property anchored by an investment-grade tenant. Grocery Outlet is a highly successful niche grocer with strong financials and a business model unaffected by e-commerce competition. In addition, Truckee has a shortage of grocery stores and food prices are high, causing some residents to drive 35 miles to Reno. The value-priced Grocery Outlet will be a welcome addition to the community. The apartments add additional income and provide affordable housing for employees of Grocery Outlet or other local service workers. Commercial offerings are seldom available in this market, especially with long-term leases and investment-grade tenancy.

Grocery Outlet held its IPO in June 2019 and became a publicly-traded company for the first time in its 73-year history. Grocery Outlet Holding Corp. is a value-oriented grocery network specializing in discount, overstock, and closeout products purchased directly from name brand and private label manufacturers and not from other stores. They also feature fresh meat, dairy, baked goods and produce at each location. The rapidly-growing Emeryville, California-based company opened 10 new stores in 4Q2019 alone and presently operates 355 stores in California, Oregon, Washington, Idaho, Nevada, and Pennsylvania, with many more underway and in the planning stages. 2019 revenues increased 11.9% to \$2.56 billion dollars. In 1Q 2020 same-store sales increased a robust 17.4%, and by the end of the year 28-30 new stores are scheduled to open.



OFFERING SUMMARY

Property type	Retail grocery store plus three multifamily units
Address	11213 Donner Pass Road, Truckee, CA 96161
Net rentable area	18,021 square feet
Price	\$13,612,000
Cap Rate	5.0%
Projected net operating income	\$680,635
Year built	Open and operating since June 25, 2020.

EXECUTIVE SUMMARY

INVESTMENT HIGHLIGHTS

- The Truckee / Tahoe Basin is an international tourist destination popular for both winter skiing and its summertime lake-oriented attractions. During peak seasons the population triples.
- Subject Property features a 15-year corporate-guaranteed net lease to Grocery Outlet, a rapidly expanding grocery chain (NASDAQ: GO).
- Scheduled 10% rent increases every five years.
- Property includes three apartments built under Truckee's Workforce Housing Program. The five-year master lease with multiple options to extend is net to Owner with no management responsibilities.
- Strong demographics: 44% of Truckee households have incomes greater than \$100,000/year. Average HH income is \$127,000.
- The grocery sector is underserved and there is an acute shortage of apartments in Truckee.
- High-visibility "Main and Main" location on Donner Pass Rd. near Hwy 89 which runs south to Lake Tahoe. One block from I-80.
- Robust year-round tourism economy with Tahoe and Donner lake-based activities in the summer, and snow-based winter activities at resorts such as Squaw Valley, Heavenly, Northstar, Kirkwood, Tahoe-Donner, Alpine Meadows and many others.
- Only 30 minutes from Reno's gaming, concerts, dining and other entertainment offerings.
- There are significant regulatory barriers to entry that limit potential competition.



TENANT SUMMARY

Tenant	SF Leased	Firm Term	Lease Type	Annual Net Rent/ psf
Grocery Outlet Holdings Corp. (NASDAQ: GO)	16,147	15 years	Mod. Net ¹	\$648,080/ \$40.14
Three apartment units (5-year master lease)	1,874	5 years	NNN ²	\$32,555/ \$17.37

¹ LL is responsible for maintenance and replacement of roof, structural, plumbing lines and utility connections. Budgeted reserve = 3%.

² Owner pays property taxes and insurance. Reimbursements come 95% from GO and 5% from apartments.

EXECUTIVE SUMMARY

AREA OVERVIEW

Truckee, California is located in the Sierra Nevada Mountains in eastern Nevada County. The year-round population totals approximately 18,000. Roughly 50% of the population has bachelors, graduate or professional degrees and 44% of households report income in excess of \$100,000 per year. Truckee's scenic beauty is exceeded only by the wide range of recreational choices including world-class skiing in winter and water-oriented activities on Lake Tahoe or Donner Lake in summertime.

The many resorts and natural attractions make tourism the region's primary economic engine, annually drawing an estimated 80,000 visitors, many from overseas. Tourism is such a large portion of the economy that during the summer and winter the population balloons from 18,000 to as many as 47,000 people.

Truckee-Tahoe Airport accommodates visitors with private planes who fly in for a ski-weekend or a longer stay at one of the area's many hotels and resorts, such as Squaw Valley, Heavenly, and NorthStar. Interstate-80 runs through Truckee and Amtrak provides rail service from the San Francisco Bay Area and Reno.

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PROPERTY OVERVIEW

AREA OVERVIEW *(continued)*

Real estate development of all types is tightly controlled by Truckee Township. Apartments are in short supply, with a 2018 study showing the area needs 2,000 additional units to meet demand which comes largely from service personnel employed at the many hotels, restaurants and shops.

At present there are only three full-service grocery stores in Truckee. Raley's is east of central Truckee near the airport, Save Mart is on Highway 89 and Safeway is directly across the street from Subject Property in the Gateway at Donner Pass Shopping Center. These stores are typically crowded and prices are high due to lack of competition. Grocery Outlet bills itself as the "Extreme Value" retailer offering a combination of attractive prices on name brand merchandise along with fresh meat, deli and bakery items in a smaller, more economical footprint. The Grocery Outlet formula is a perfect match for Truckee and is expected to become one of the chain's top-performing stores.

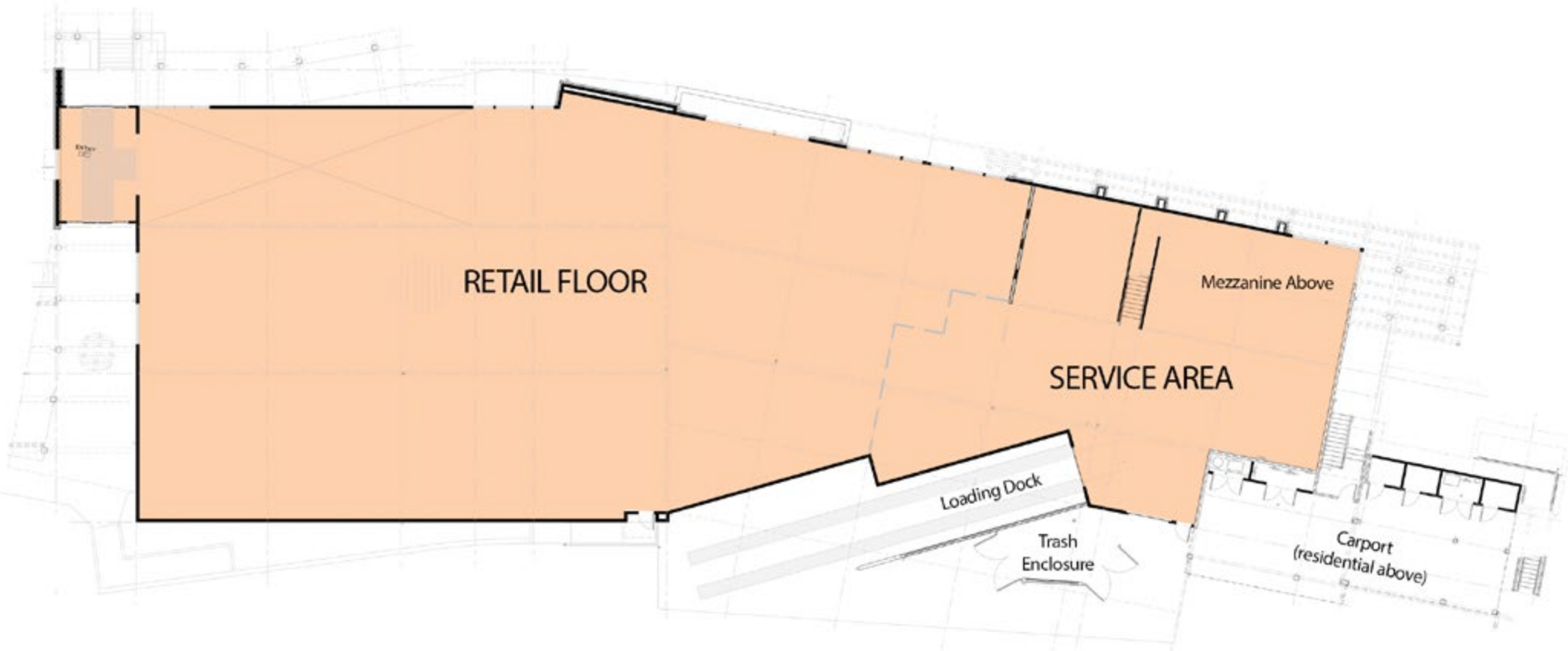
The Town of Truckee created a Workforce Housing Program that requires new commercial developments to provide affordable apartments to accommodate employees in the new jobs the development creates. The Grocery Outlet property includes three apartments at the rear on the second floor with rents controlled and targeted to benefit this segment of the work force. Rents are below market and there is typically a waiting list.

PROPERTY SUMMARY

Name	Grocery Outlet
Address	11213 Donner Pass Road, Truckee, CA 96161
County	Nevada County, California
Parcel #	018-621-011
Land area	±1.57 acres
Parking total	63; 57 onsite plus street parking for 6 vehicles.
Zoning	CG: general commercial
Year built	Opened June 25, 2020
Square footages by type	Commercial: 16,147 sf; Residential: 1,874 sf
Floors	Two
Loading	Covered loading dock
Architect	MWA Architects, Truckee, California
Civil Engineer	Siegfried Engineering, Sacramento, California
Foundation	Concrete spread footings
Construction type	V-B, wood frame with wood, metal and masonry exterior
Roof	TPO and metal with 20-year warranty
HVAC	Commercial: Split HVAC and refrigeration systems with rooftop condensers (all by tenant); Residential: gas furnace
Fire sprinklers / alarm	Yes / yes
Natural Hazards	A copy of the Natural Hazards Disclosure is available on request. The property is located in a mountainous area designated as having a high fire hazard.
Confidentiality Agreement and Due Diligence Access	A website containing documents and additional information about the property has been set up. Please contact us if you would like to receive a link to the Confidentiality Agreement and access to the due diligence site.

PROPERTY OVERVIEW

FLOOR PLAN - GROCERY OUTLET



NOT TO SCALE -- ALL DIMENSIONS ARE APPROXIMATE.

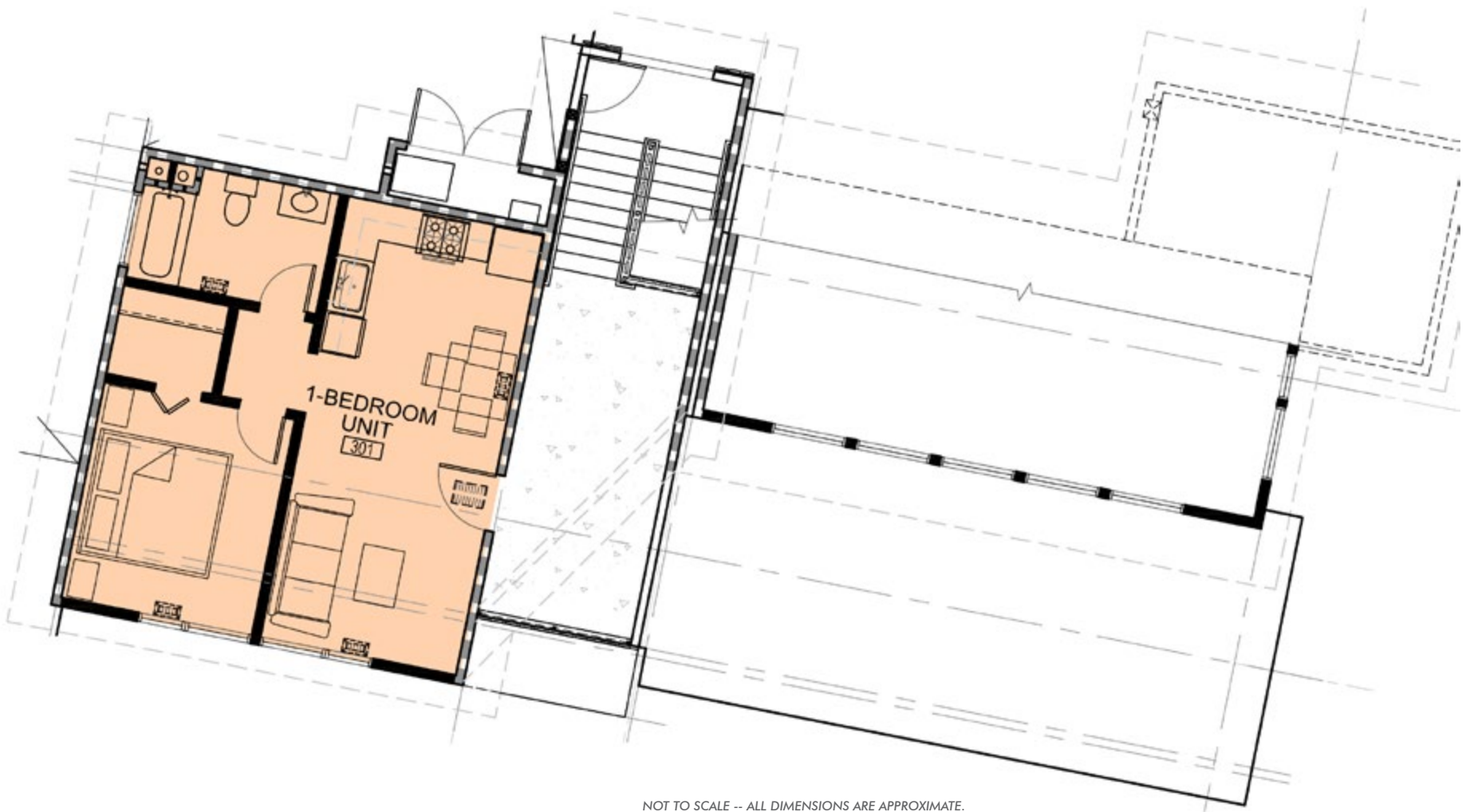
PROPERTY OVERVIEW

FLOOR PLAN - RESIDENTIAL - LOWER



PROPERTY OVERVIEW

FLOOR PLAN - RESIDENTIAL - UPPER



NOT TO SCALE -- ALL DIMENSIONS ARE APPROXIMATE.

The 15-year Corporate Grocery Outlet lease is modified net with 10% rent increases every five years. Landlord is responsible for roof and structural maintenance and replacements for which a 3% reserve has been budgeted. (Refer to the lease summary on page 15 of this offering memorandum and paragraph 13 of the lease for details.) The revenue stream is augmented by the inclusion of three apartment units built pursuant to Truckee's innovative Workforce Housing Program which seeks to create housing to accommodate workers filling jobs created by new commercial development. The apartments are master-leased to the owner/operator of the Grocery Outlet who is solely responsible for management of the units. Each month a rent check is remitted to the property owner who has no responsibilities for leasing or routine maintenance. The Program allows rents, which are tied to the county's median household income, to be reviewed and adjusted every five years.

FINANCIAL SUMMARY

At right is a summary showing the income stream from the Grocery Outlet, the Workforce Housing apartments, and the aggregated total. Grocery Outlet will pay all its expenses directly with the exception of property taxes and property insurance which will be paid initially by Owner and then reimbursed by the tenants. Grocery Outlet will reimburse 95% of the taxes and insurance and the apartment manager will remit the remaining 5%.

Operating expenses for the apartments are paid by Tenant, so the master lease is net to Owner and all expenses associated with the residential portion are the responsibility of Lessee who will remit net rent of \$2,607 plus reimbursement for taxes and insurance which brings the total to \$3,278 monthly. Refer to the Residential Lease/ Sublease Cash Flow and the Workforce Housing Proforma on page 14 for a summary of unit rents, expenses, and reimbursement amounts.

	Grocery Outlet	Apartments	Total Property
Price	-	-	\$13,612,000
Price per Square Foot	-	-	\$755.34
Net Rentable Area	16,147	1,874	18,021
Scheduled Gross Income	\$668,124	\$32,555	\$700,679
plus expense reimbursements (est.)	\$153,906	\$8,100	\$162,006
Adjusted Scheduled Gross Income	\$822,030	\$40,655	\$862,685
less reserves	(\$20,044)	n/a	(\$20,044)
Effective Gross Income	\$801,986	\$40,655	\$842,641
less Operating Expenses (est.)	(\$153,906)	(\$8,100)	(\$162,006)
Net Operating Income	\$648,080	\$32,555	\$680,635
Initial Capitalization Rate	-	-	5.0%

RENT ROLL

The rent roll summarizes the Grocery Outlet corporate lease with dates and amounts of all scheduled increases, including rents for all four option terms. Below that are the initial term rents for the three apartment units showing gross rent before expenses. The net rent is remitted to Owner as shown on the Financial Summary on page 12 and Residential Cash Flow on page 14. Apartment expenses are the sole responsibility of Lessee (the Grocery Outlet operator).

Tenant	Leasable Sq. Ft.	Lease Term		Current Base Rent			Lease Type	Escalations			Options	
		Start	End	Monthly	PSF	Annual		Mos.	New Mo. Rent	Per Sq. Ft.	Mos.	Option Rent
Grocery Outlet (1)	16,147	6/25/20	6/24/35	\$55,677	\$3.45	\$668,124	nnn	61-120	\$61,245	\$3.79		
								121-180	\$67,369	\$4.17		
											181-240	\$74,106
											241-300	\$81,517
									301-360	\$89,668		
									361-420	\$98,635		
Unit #	Apartments	Sq. Ft.		Monthly	PSF	Annual						
101	1bd/1ba	543	-	\$851	\$1.57	\$10,212	gross	Adjusted every 5 years		-	-	
102	1bd/1ba	543	-	\$1,362	\$2.51	\$16,344	gross	Adjusted every 5 years		-	-	
103	2bd/1ba	788	-	\$2,298	\$2.92	\$27,576	gross	Adjusted every 5 years		-	-	
	Apartment totals	1,874		\$4,511	\$2.41	\$54,132						
Total Property		18,021		\$60,188		\$722,256						

(1) Tenant is beneficiary of a 10-year warranty on the roof and one year warranty on the rest of Landlord's work as described in the lease. Extension terms renew automatically unless Tenant provides 180 days' written notice of intent to leave at the end of the current term. LL is responsible for roof and structural (para. 13 (a)) TT is responsible for all other repairs and maintenance (para. 13 (b), (c), and (d)). Property tax allocation to rental units is deemed to be 5% of the total tax bill which shall be LL's responsibility to pay pending reimbursement from tenants. Similarly, TT shall reimburse LL for 95% of its insurance costs. TT has a Right of First Offer ("ROFO, Sec. 47 of lease) and shall have 20 days after receipt of the Offer Notice to respond.

You are solely responsible for independently verifying the information in this Memorandum. **ANY RELIANCE ON IT IS SOLELY AT YOUR OWN RISK.**

EXPENSES AND REIMBURSEMENTS

The expenses and reimbursements in the Financial Summary are for estimated property taxes and property insurance. Owner pays these bills but is fully reimbursed by the tenants – 95% from Grocery Outlet and 5% from the residential Lessee.

Ad Valorem Property Taxes	\$155,000	approximately
Direct Levies	\$1,006	
Utilities-Gas & Electric	Tenants	
Sewer, Water, Trash	Tenants	
Insurance	\$6,000	
Repairs and Maintenance	Tenants	
Janitorial / Cleaning	Tenants	
HVAC	Tenants	
Security	Tenants	
Landscaping / Parking	Tenants	
TOTAL	\$162,006	

WORKFORCE HOUSING PROFORMA

	Floorplan	Unit SF	# Units	\$/Mo	\$/SF/Mo	\$/YR	\$/Unit/Yr	\$/SF/YR
Very low	1bd/1ba	543	1	\$851	1.57	10,215	10,215	18.81
Low	1bd/1ba	543	1	\$1,362	2.51	16,344	16,344	30.10
Moderate	2bd/1ba	788	1	\$2,298	2.92	27,576	27,576	34.99
		1,874	3	4,511	2.41	\$54,135	18,045	28.89

RESIDENTIAL LEASE / SUBLEASE CASH FLOW

Income		
Scheduled Rent before expenses	\$54,135	
Operating Expenses		
Utilities	(10,800)	
Common Area Maintenance (5% share)	(1,500)	
Property Taxes (5% share)	(\$6,480)	
Insurance (5% share)	(300)	
Maintenance reserves	(2,500)	
Total Operating Expenses & Reserves	(21,580)	
Net Operating Income-Residential	32,555	
Net to Owner		
Per month	\$2,713	
Plus tax reimbursement	\$540	
Insurance reimbursement	\$25	
Total payable to Owner/month	\$3,278	

Sublease	
Sublessor:	Parrish
Tenants:	Apartment Residents

Lease	
Lessor:	Property Owner
Tenant:	Parrish

LEASE SUMMARY



Tenant: Grocery Outlet Holding Corp. (NASDAQ: GO)

Leasing 16,147 sf

Grocery Outlet was founded by James Read in 1946 and through three generations the Read family grew and expanded the brand. There are presently 355 stores in California, Oregon, Washington, Nevada, Idaho, and Pennsylvania. After 73 successful years as a private family-held company, Grocery Outlet Holdings Corp. completed its IPO in June 2019 and is now publicly traded on the NASDAQ exchange.

The company has a unique, entrepreneurial business model. Each store is independently co-owned and operated, usually by a married couple and sometimes an entire family. All are vetted to assure they have successful backgrounds in the food sector and extensive management experience. They license the Grocery Outlet brand which ships inventory custom-selected by local management to align with their customers' preferences. For more information about Grocery Outlet's business model follow this link: <https://www.ownagroceryoutlet.com/>

2019 revenues increased 11.9% to \$2.56 billion dollars, and same-store sales increased 5.2%. First quarter 2020 results were even better with same-store sales up a whopping 17.4%. As of December 29, 2019, the company reported total stockholder equity of \$745 million dollars. An aggressive expansion program is underway, with an emphasis on building many new stores in the Mid-Atlantic states. The company opened 10 new stores in the 4th quarter of 2019 and plans to open 28-30 new stores in 2020.

Web Site: <https://groceryoutlet.com>

Leased Area: 16,147 square feet

Term: 15 years commencing June 25, 2020.

Firm-Term Rent Schedule:	Months 1-60	\$55,677.00
	Months 61-120	\$61,245.70
	Months 121-180	\$67,369.17

Options to extend: Four Option period rents:	Months 181-240	\$74,106.09
	Months 241-300	\$81,516.70
	Months 301-360	\$89,668.37
	Months 361-420	\$98,635.20

Type of Lease: Modified Net (see below)

Tenant Expenses: All operating expenses, repairs, maintenance, and utilities.

Landlord Expenses: Landlord is responsible to maintain and replace, as necessary, in good condition and repair, (a) the structural systems and roof including the foundation, structural portion of the floors, structural supports, and load bearing walls, (b) the roof, roof structures, roof covering, and (c) plumbing system, utility lines, including water, sewer, telephone, electrical, and gas connections. Refer to section 13 of the lease. A 3% annual reserve has been budgeted.

Landlord is responsible for payment of property taxes and insurance, which costs shall be fully reimbursed by tenants as set forth in the respective leases.

LEASE SUMMARY

RESIDENTIAL MASTER LEASE

Tenant:	Ryan and Shannon Parrish (operators of Grocery Outlet)
Premises	Three residential apartments at 11213 Donner Pass Road, Truckee, CA 96161, units 101, 102, and 103.
Leased Area:	Totaling 1,874 square feet
Term:	5 years commencing June 25, 2020.
Base Rent Schedule:	Months 1-60 \$2,713 plus reimbursements
Estimated initial monthly reimbursements	Property taxes: \$540.00 Insurance: \$25.00 Reimbursements subject to periodic reconciliation and adjustment.
Rent Controls	Workforce Housing Program rents are pegged to Nevada County's median annual income and designed to be affordable to persons with very low, low, and moderate incomes. Rents are adjusted by the Program every five years and not subject to revision by Landlords.
Options to extend:	Six options to extend, the first five for up to 60 months each, and the last for up to 59 months. Rent for each option period shall be calculated in the manner described in Exhibit "C" of the lease.
Type of Lease:	Net to Owner (see below)
Tenant Expenses: (GO Operator)	All operating expenses, repairs, maintenance, and utilities. In addition, Tenant shall reimburse Landlord for a pro rata share equal to 5% of total property expenses for insurance and property taxes.
Landlord Expenses:	Maintenance and replacements of roof, structural, plumbing lines and utility connections; see Section 10 of the residential lease for details. Landlord is responsible for payment of property taxes and insurance, which costs shall be fully reimbursed by tenants as set forth in the respective leases.

AREA OVERVIEW

Truckee, California sits at an elevation of 5,800 feet in the Sierra Nevada Mountains in eastern Nevada County. The year-round population totals approximately 18,000. 80% of the population has at least some post-secondary education; 50% have bachelors, graduate or professional degrees, and 44% of households report income in excess of \$100,000 per year. Truckee's motto is "Base Camp for a Big Life" and for good reason: Its scenic beauty is exceeded only by the wide range of recreational choices available in a destination community that offers world-class skiing in winter and water-oriented activities on Lake Tahoe or Donner Lake in summertime.

The many resorts and natural attractions make tourism the region's primary economic driver, annually drawing an estimated 80,000 visitors, many from overseas. Tourism is such a large portion of the economy that during the summer and winter the population balloons from 18,000 to as many as 47,000 people. According to Truckee's Economic Development Department, 48% of the City's retail sales are generated in summer and 39% in winter.

Nearby Truckee-Tahoe Airport, a general aviation airfield with no commercial flights, accommodates visitors with private planes who fly in for a ski-weekend or a longer stay at one of the area's many hotels and resorts. Squaw Valley, Heavenly, and NorthStar are internationally known, but there are many additional ski parks in the region such as Kirkwood, Boreal, or Alpine Meadows. Interstate-80 runs through Truckee and Amtrak provides rail service from the San Francisco Bay Area and Reno. Bus service is available to Lake Tahoe's west shore or Incline Village, Nevada.

To protect the environment and scenic natural beauty of the area real estate development is tightly controlled by not only the Town of Truckee, but also by the Tahoe Regional Planning Agency, a multi-jurisdictional body. Residential and commercial projects require multiple layers of approval and compliance with strict guidelines designed to protect the environment and ensure high-quality developments. Apartments are in short supply, with a 2018 study showing the area needs 2,000 additional units to meet demand which comes largely from service personnel employed at the many hotels, restaurants and shops.







At present there are only three full-service grocery stores in Truckee: Raley's is located well to the east of central Truckee near Truckee-Donner Airport; Save Mart is located on Highway 89 and Safeway is directly across the street from Grocery Outlet in the Gateway at Donner Pass Shopping Center. These stores are typically very crowded due to a severe shortage of grocery space in the North Tahoe region. Grocery Outlet bills itself as the "Extreme Value" retailer offering a combination of attractive prices on name brand merchandise along with fresh meat, deli and bakery items in a smaller, more economical footprint. Due to lack of competition groceries are very expensive in Truckee which means the value-oriented Grocery Outlet formula is a perfect match for the community. To save on groceries some residents of Truckee currently drive 35 miles to Reno to shop, and the Truckee store is expected to become one of the chain's top performers. Their nearby locations in South Lake Tahoe and Grass Valley rank as the Company's #1 and #4 top-producing stores, respectively.

The Town of Truckee's Workforce Housing Program requires new commercial developments to provide affordable apartments to accommodate employees in the new jobs the development creates. The Grocery Outlet property includes three apartments at the rear on the second floor with rents controlled and targeted to benefit this segment of the work force. Rents are below market and there is typically a waiting list for Workforce Housing units.



AREA OVERVIEW

DEMOGRAPHICS

DEMOGRAPHICS		TRUCKEE, CALIFORNIA		RENO, NEVADA MSA	
POPULATION 	2019 Population - Current Year Estimate	17,813		485,737	
	2024 Population - Five Year Projection	18,521		523,572	
	2010 Population - Census	16,180		425,417	
	2000 Population - Census	13,830		342,885	
	2010-2019 Annual Population Growth Rate	1.04%		1.44%	
	2019-2024 Annual Population Growth Rate	0.78%		1.51%	
HOUSEHOLDS 	2019 Households - Current Year Estimate	6,951		187,168	
	2024 Households - Five Year Projection	7,215		201,268	
	2010 Households - Census	6,343		165,187	
	2000 Households - Census	5,134		133,546	
	2010-2019 Annual Household Growth Rate	0.99%		1.36%	
	2019-2024 Annual Household Growth Rate	0.75%		1.46%	
	2019 Average Household Size	2.56		2.57	
HOUSEHOLD INCOME 	2019 Average Household Income	\$127,230		\$87,612	
	2024 Average Household Income	\$143,295		\$99,870	
	2019 Median Household Income	\$86,862		\$63,643	
	2024 Median Household Income	\$101,307		\$73,439	
	2019 Per Capita Income	\$49,740		\$33,803	
	2024 Per Capita Income	\$55,945		\$38,432	
HOUSING UNITS 	2019 Housing Units	13,653		208,922	
	2019 Vacant Housing Units	6,702	49.1%	21,754	10.4%
	2019 Occupied Housing Units	6,951	50.9%	187,168	89.6%
	2019 Owner Occupied Housing Units	5,381	39.4%	107,899	51.6%
	2019 Renter Occupied Housing Units	1,570	11.5%	79,269	37.9%
EDUCATION 	2019 Population 25 and Over	12,563		333,554	
	HS and Associates Degrees	5,450	43.4%	190,155	57.0%
	Bachelor's Degree or Higher	6,202	49.4%	106,463	31.9%
PLACE OF WORK 	2019 Businesses	1,353		17,100	
	2019 Employees	9,523		240,718	

SALE COMPARABLES



	11213 DONNER PASS RD.. TRUCKEE	37 OLD MAMMOTH RD. MAMMOTH LAKES, CA	3160 CHINO AVE. CHINO HILLS	288 VANN ST. WILLIAMS, CA
Date Sold	<i>Subject</i>	1/29/20	4/10/20	12/23/19
Purchaser	<i>TBD</i>	Tcherkoyan FT - Alamo, CA	Jing-Yu Lai - San Diego	Kline - Napa
Tenant(s)	<i>Grocery Outlet + 3 apartments</i>	Grocery Outlet	Buffalo Wild Wings	Grocery Outlet
Built/Renovated	<i>Jun-20</i>	2018	2007	2019
Occupancy	<i>100%</i>	100%	100%	100%
Price	<i>Unpriced</i>	\$7,811,000	\$5,500,000	\$6,450,000
NOI	<i>\$678,953</i>	\$410,078	\$268,950	\$341,850
Cap Rate Actual	<i>n/a</i>	5.25%	4.89%	5.30%
Property Size	<i>18,021</i>	19,125	5,522	18,000
Price/SF	<i>TBD</i>	\$408	\$996	\$358
Notes	<i>15-year lease with 10% increases every five years.</i>	11- year NNN lease	Just exercised 5-year option	15-year lease
ADJUSTMENTS TO VALUE				
Market Timing	-	0%	0%	0%
Location	-	5%	0%	10%
Age/Condition	-	0%	5%	0%
Occupancy/Term	-	5%	5%	0%
Total Adjust.	-	10%	10%	10%
Adjusted Value	\$13,612,000	\$8,592,100	\$6,050,000	\$7,095,000
Adjusted Value PSF	\$755.34	\$449	\$1,096	\$394
Adjusted cap rate *	5.0%	4.77%	4.45%	4.82%

* NOI/Adjusted Price

(continued on next page)

SALE COMPARABLES



	11213 DONNER PASS RD.. TRUCKEE	3490 MADISON ST. RIVERSIDE, CA	1581/1585 CENTRAL AVE. MCKINLEYVILLE, CA	1302 W. MISSION RD. SAN MARCOS
Date Sold	<i>Subject</i>	3/20/19	1/2/19	3/25/19
Purchaser	<i>TBD</i>	Robert Ha - Newport Beach	Damavandi - Beverly Hills	American Management - Orinda
Tenant(s)	<i>Grocery Outlet + 3 apartments</i>	Grocery Outlet	Grocery Outlet; AutoZone	CVS
Built/Renovated	<i>Jun-20</i>	2018	2018	2009
Occupancy	<i>100%</i>	100%	100%	100%
Price	<i>Unpriced</i>	\$5,350,000	\$9,596,000	\$11,739,000
NOI	<i>\$678,953</i>	\$281,410	\$500,911	\$586,950
Cap Rate Actual	<i>n/a</i>	5.26%	5.22%	5.00%
Property Size	<i>18,021</i>	17,889	27,067	13,225
Price/SF	<i>TBD</i>	\$299	\$355	\$888
Notes	<i>15-year lease with 10% increases every five years.</i>	New 15-year lease.	10-year lease with 10% increase every five years	Remaining term unreported
ADJUSTMENTS TO VALUE				
Market Timing	-	5%	5%	5%
Location	-	5%	5%	0%
Age/Condition	-	0%	0%	5%
Occupancy/Term	-	0%	10%	0%
Total Adjust.	-	10%	20%	10%
Adjusted Value	\$13,612,000	\$5,885,000	\$11,515,200	\$12,912,900
Adjusted Value PSF	\$755.34	\$329	\$425	\$976
Adjusted cap rate *	5.0%	4.78%	4.35%	4.55%

* NOI/Adjusted Price

AFFILIATED BUSINESS DISCLOSURE

CBRE, Inc. operates within a global family of companies with many subsidiaries and related entities (each an “Affiliate”) engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates, including CBRE Global Investors, Inc. or Trammell Crow Company, may have or represent clients who have competing interests in the same transaction. For example, Affiliates or their clients may have or express an interest in the property described in this Memorandum (the “Property”), and may be the successful bidder for the Property. Your receipt of this Memorandum constitutes your acknowledgement of that possibility and your agreement that neither CBRE, Inc. nor any Affiliate has an obligation to disclose to you such Affiliates’ interest or involvement in the sale or purchase of the Property. In all instances, however, CBRE, Inc. and its Affiliates will act in the best interest of their respective client(s), at arms’ length, not in concert, or in a manner detrimental to any third party. CBRE, Inc. and its Affiliates will conduct their respective businesses in a manner consistent with the law and all fiduciary duties owed to their respective client(s).

CONFIDENTIALITY AGREEMENT

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.

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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