MATTHEWS™

$1,036,800 in Rent Remaining | High Yield | Strategic Real Estate Value | High-Yield Retail Investment Backed by Walgreens

20250 US Highway 18

Apple Valley, CA 92307

Dark Retail Investment Opportunity

Offering Memorandum

Exclusively Listed By

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20250 US Highway
Apple Valley, CA 92307

±14,989 SF
GLA

±1.42 AC
Lot Size

±29,700 VPD
US Highway 18

Absolute NNN
Lease Type

$193.48
Price Per SF

Investment Highlights

Property Highlights

- **High-Yield Absolute NNN Investment** – Offered at a 11.17% cap rate with $324,000 NOI, providing strong in-place cash flow backed by a corporate Walgreens lease structure.
- **Zero Landlord Responsibilities** – Structured as an Absolute NNN lease, minimizing ownership obligations and creating a passive investment opportunity with no landlord expense responsibilities.
- **Corporate Walgreens Guaranty** – Lease guaranteed by Walgreens, one of the nation's most recognized pharmacy operators and a longstanding national retail tenant.
- **Strategic Exit / Repositioning Opportunity** – With approximately 3.2 years of lease term remaining, investors have the opportunity to capitalize on continued income while planning for future leasing, redevelopment, or owner-user repositioning.
- **Fee Simple Ownership** – Investors benefit from complete control through fee simple ownership, allowing maximum flexibility for future disposition or redevelopment strategies.
- **Large Freestanding Retail Building –** The property consists of approximately 14,989 SF situated on a sizable 1.42-acre parcel, providing strong functionality and future adaptability.

Investment Highlights

Location Highlights

- **Prime Signalized Corner Location** – Located along State Highway 18, a major commercial corridor through Apple Valley with strong daily traffic counts and regional connectivity throughout the High Desert.
- **Dense Retail Corridor** – Surrounded by national retailers, service providers, and residential growth, supporting long-term underlying real estate value and future tenant demand.
- **Flexible Commercial Zoning –** Zoned C-G (General Commercial), allowing for a broad range of future retail, medical, or service-oriented uses.
- **Strong Residual Real Estate Value –** The combination of hard corner positioning, substantial land area, established retail trade area, and prominent frontage supports long-term intrinsic land value beyond the existing tenancy.

N
15
Providence St. Mary Medical Center
±213 Beds | ±1,750 Employees
Apple Valley Commons
TARGET
ROSS DRESS FOR LESS
RETRO BOWL AV
OLD NAVY
COLD STONE CREAMERY
WaBa grill
PANDA EXPRESS
WING STOP
Carl's Jr.
verizon
Subject Property
18
Desert Knolls
±1,047 Lots
Apple Valley
Golf Course
±29,700 VPD
McDonald's
O'Reilly AUTO PARTS
TACO BELL
Albertsons
Spring Valley Lake
±800 Lots
Walmart Supercenter
Spring Valley Lake
±4,214 Lots
Victor Valley College
±24,366 Students

Financial Summary

$2,900,000	**11.17%**	**$1,036,800**	**±1.42 AC**
List Price	Cap Rate	Rent Remaining	Lot Size

Property Details

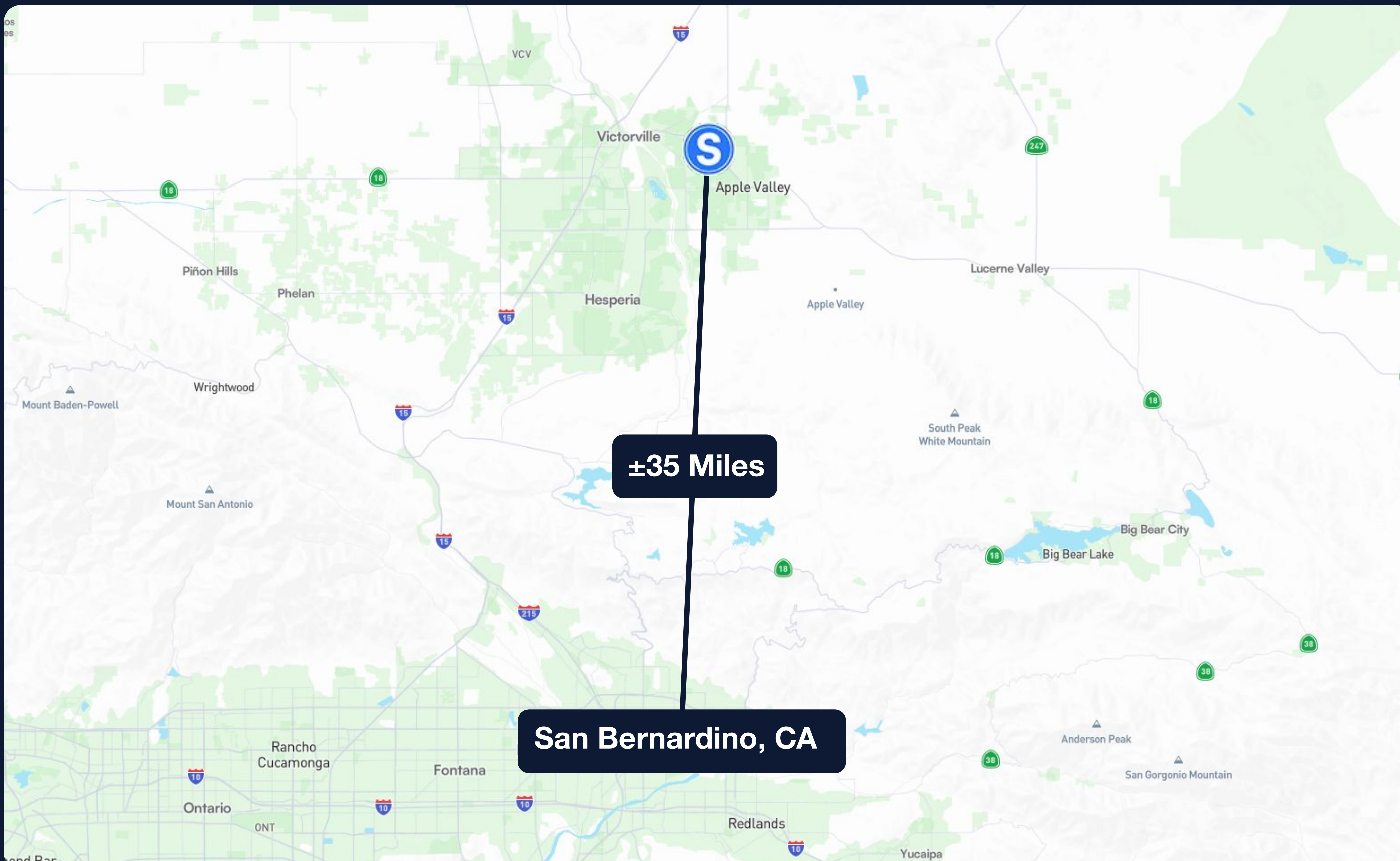
Address	20250 State Highway 18, Apple Valley, CA 92037
Rentable Area	±14,989 SF
Land Area	±1.42 AC
Year Built	26-Jun-05
APN	3112-171-20-0000
Ownership	Fee Simple
Zoning	C-G

Financial Overview

Price	$2,900,000
Net Operating Income	$324,000
Cap Rate	11.17%
Guaranty	Corporate
Tenant	Dark Walgreens
Lease Type	Absolute NNN
Landlord Responsibilities	None
Lease Commencement	9/1/2004
Lease Expiration	8/31/2029
Term Remaining	±3.2 Years
Price	$2,900,000
Net Operating Income	$324,000

MARKET OVERVIEW

20250 Us Highway 18
Apple Valley, CA 92307



Apple Valley, CA

75,325
Total Population

Local Market Overview

Apple Valley is a growing High Desert community located in San Bernardino County, strategically positioned along the Interstate 15 corridor between Southern California and Las Vegas. Serving as a key hub within the Victor Valley region, Apple Valley benefits from regional connectivity, steady population growth, and increasing demand for retail, medical, and service-oriented uses. The area offers a more affordable alternative to coastal Southern California markets, attracting both residents and businesses seeking value and expansion opportunities.

The local economy is supported by a mix of healthcare, logistics, and regional-serving retail, anchored by major employers such as St. Mary Medical Center and the broader High Desert medical corridor. Apple Valley has continued to see investment in commercial development, particularly along key thoroughfares like Bear Valley Road and Highway 18, where national retailers and quick-service restaurants have expanded to meet growing consumer demand.

With a trade area that extends beyond its immediate population into neighboring communities such as Victorville and Hesperia, Apple Valley captures a broad consumer base across the High Desert. Strong traffic patterns, limited competition in certain retail segments, and continued residential growth contribute to the area's long-term viability. As Southern California continues to expand inland, Apple Valley presents compelling opportunities for investors seeking yield, growth potential, and access to an underserved and evolving market.

Property Demographics

Population	5-Mile	10-Mile	15-Mile
Five-Year Projection	91,306	277,004	388,708
Current Year Estimate	92,054	277,056	385,579
2020 Census	94,046	278,697	381,838
Households	**5-Mile**	**10-Mile**	**15-Mile**
Five-Year Projection	31,172	87,455	118,661
Current Year Estimate	31,112	86,085	115,612
2020 Census	31,290	85,251	112,917
Income	**5-Mile**	**10-Mile**	**15-Mile**
Average Household Income	$103,981	$102,069	$105,512

San Bernardino, CA- MSA

Market Overview

The San Bernardino MSA is a major economic center within Southern California's Inland Empire, supported by a diverse mix of logistics, transportation, healthcare, education, manufacturing, retail, and public-sector employment. Its strategic position along major interstate and freight corridors provides direct connectivity throughout Southern California and to the Ports of Los Angeles and Long Beach, strengthening the region's role as a significant distribution and supply chain hub. A large population base, extensive workforce, and comparatively accessible real estate have continued to attract businesses and investment across industrial, commercial, and residential sectors.

Economic Development

Economic development throughout the San Bernardino MSA is supported by continued investment in transportation infrastructure, industrial development, healthcare, education, and commercial growth. The region has experienced substantial expansion in logistics and distribution as companies seek well-connected locations serving the broader Southern California market. At the same time, investment in healthcare facilities, higher education, housing, and mixed-use development is helping diversify the local economy and create additional employment opportunities. Ongoing redevelopment of established commercial corridors and investment in growing communities position the San Bernardino MSA for continued long-term economic and real estate growth.

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