

MATTHEWS™



Corporate Credit | 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

INVESTMENT HIGHLIGHTS

Property Highlights

- **High-Yield Absolute NNN Investment** – Offered at a 10.00% 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.



Apple Valley Commons

TARGET **ROSS** DRESS FOR LESS

RETRO BOWL AV **OLD NAVY**

COLD STONE CREAMERY **Waba** grill

WING-STOP **Carl's Jr.** **verizon**

+ **Providence St. Mary Medical Center**
±213 Beds | ±1,750 Employees

Victor Valley High School
±2,258 Students

± 85,500 VPD

± 24,000 VPD

Victorville

Desert Knolls
±1,047 Lots

Subject Property

Apple Valley Golf Course

+ **Victor Valley Global Medical**
±101 Beds | ±500 Employees

WinCo FOODS

O'Reilly AUTO PARTS

± 29,700 VPD

COSTCO WHOLESALE

Spring Valley Lake
±800 Lots

Walmart Supercenter

Spring Valley Lake
±4,214 Lots

Victor Valley College
±24,366 Students

FINANCIAL SUMMARY

\$3,240,000

List Price

10.00%

Cap Rate

NNN

Lease Type

±1.42 AC

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

Property Details

Price \$3,240,000

Net Operating Income \$324,000

Cap Rate 10.00%

Guaranty Corporate

Tenant Dark Walgreens

Lease Type Absolute NNN

Landlord Responsibilities None

Lease Commencement 9/1/2004

Lease Expiration 8/31/2029

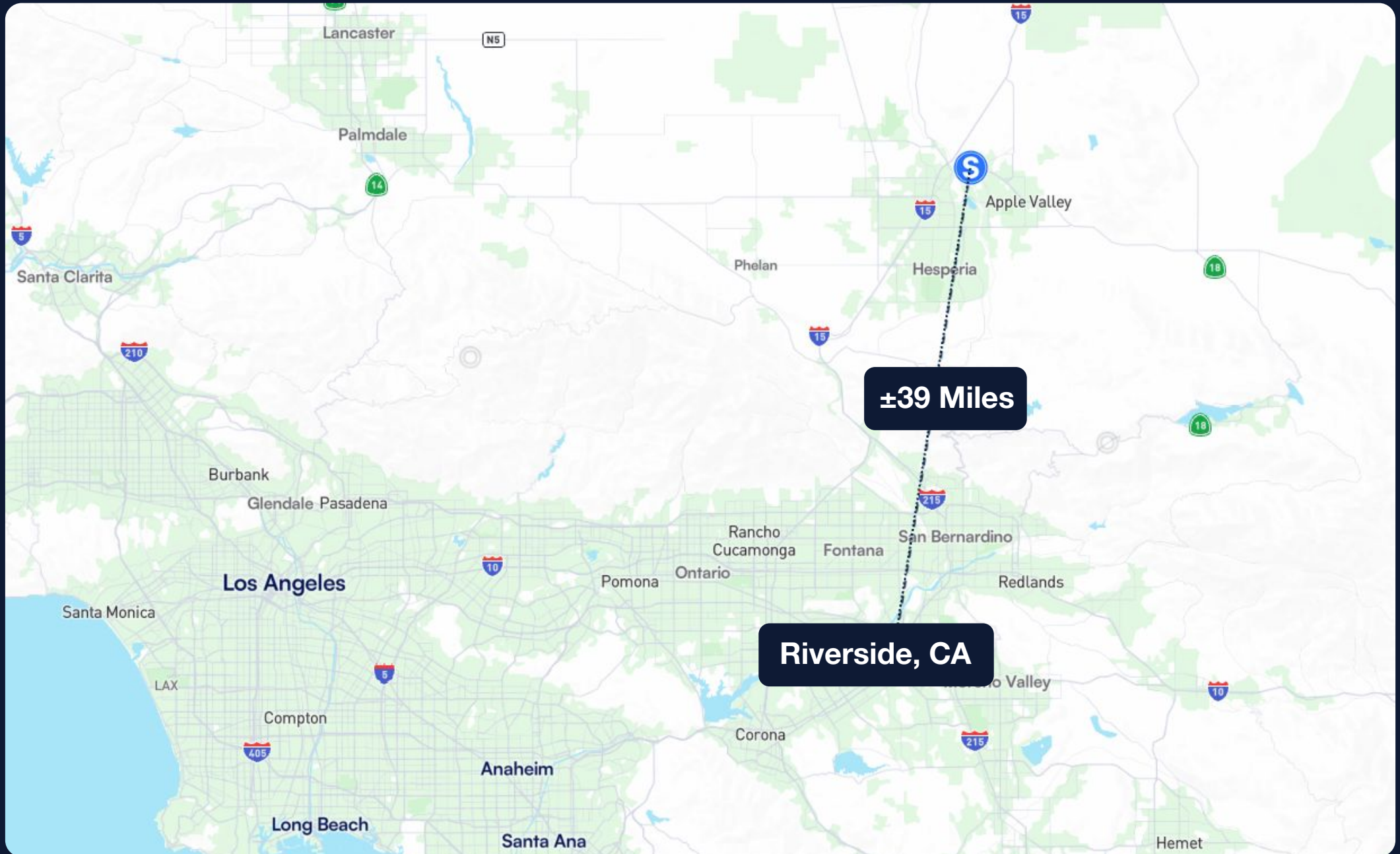
Term Remaining ±3.2 Years

Price \$3,240,000

Net Operating Income \$324,000

MARKET OVERVIEW

2025 Us Highway 18
Apple Valley, CA 92307



APPLE VALLEY, CA

75,325
Total Population

28,000
Employed 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	1-Mile	3-Mile	5-Mile
Five-Year Projection	3,426	50,498	143,224
Current Year Estimate	3,612	51,692	145,562
2020 Census	3,551	52,315	146,716
Households	1-Mile	3-Mile	5-Mile
Five-Year Projection	1,627	18,199	48,210
Current Year Estimate	1,624	18,014	47,456
2020 Census	1,677	18,211	47,786
Income	1-Mile	3-Mile	5-Mile
Average Household Income	\$104,717	\$107,867	\$91,365

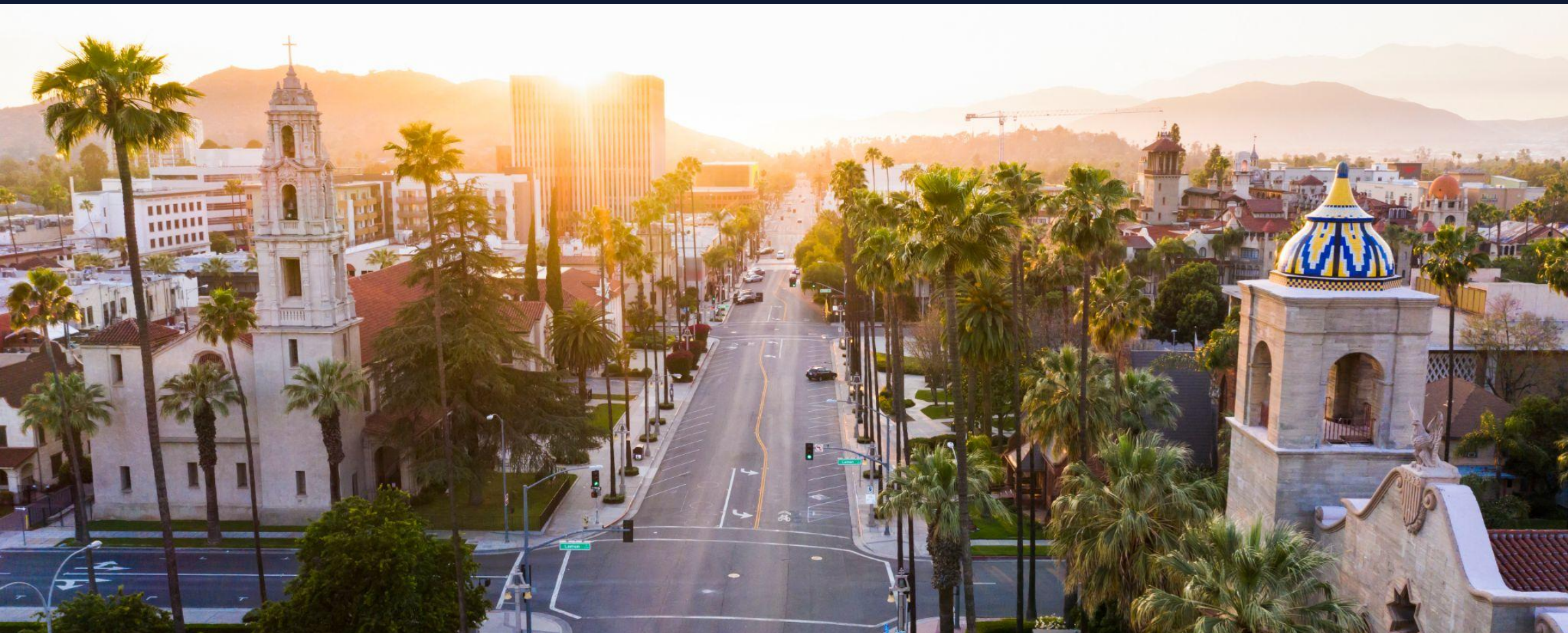
RIVERSIDE, CA - MSA

Market Overview

Riverside is a key economic engine in Southern California's Inland Empire, driven by a mix of education, government, healthcare, logistics, and professional services. The city's strategic location near major transportation corridors and ports has positioned it as a distribution and innovation hub, while also maintaining its identity as a regional center for higher education and public sector employment. With a growing population and a business-friendly atmosphere, Riverside continues to attract both major employers and small businesses seeking long-term stability and access to a diverse labor pool.

Economic Development

Riverside is committed to smart economic growth and strategic investment. Local leadership prioritizes initiatives that support infrastructure expansion, workforce training, and revitalization of commercial corridors. The city has actively partnered with developers and institutions to support innovation in sectors like clean technology, logistics, and healthcare. With ongoing development in the downtown core, continued expansion at UC Riverside, and supportive zoning for mixed-use growth, Riverside offers a dynamic environment for investment, job creation, and community-based growth.



MATTHEWS™

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This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 20250 Us Highway 18

20250 CA-18, Apple Valley, CA, 92307 ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™. has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews™. is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews™., the property, or the seller by such entity.

Owner and Matthews™. expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer – There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.