STRATEGIC BEVERAGE SERVICES

5573 W Woodbridge Road | Lodi, CA 95242

Brand New 15-Year Absolute NNN Lease | ±45.11 AC Site | Largest U.S. Dealcoholization Service Provider

MATTHEWS™

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PROPERTY OVERVIEW

5573 W Woodbridge Road | Lodi, CA 95242

INVESTMENT HIGHLIGHTS

Brand-New 15-Year Lease with Rental Escalations — Strategic Beverage Services recently executed a new 15-year lease, providing investors with long-term contractual income and annual rental increases of the lesser of 2.0% or CPI, with no downward rent adjustments.

Significant Cost Segregation & Accelerated Depreciation Potential — The property's specialized ±60,000 SF beverage-production facility, extensive site improvements and production-oriented infrastructure may provide investors with a meaningful opportunity to utilize a cost segregation study to reclassify qualifying building components and land improvements into shorter 5-, 7- and 15-year depreciation categories. Under current federal tax law, qualifying property acquired and placed in service after January 19, 2025 may be eligible for 100% first-year bonus depreciation, potentially creating a substantial upfront depreciation deduction and materially enhancing after-tax investment returns.

Absolute NNN Lease | Zero Landlord Responsibilities — The property is secured by an Absolute NNN lease, with the tenant responsible for all property-related expenses, providing ownership with a passive investment structure.

Attractive 8.50% Cap Rate — The property is offered at an 8.50% going-in cap rate, providing investors with a compelling initial return and strong in-place cash flow from day one.

Significant Existing Production Infrastructure — The property combines ±45.11 AC with ±60,000 SF of specialized beverage-production improvements and equipment, providing a substantial operating footprint capable of supporting large-scale production and processing activities.

Investment Exposure to the Rapidly Growing No- & Low-Alcohol Beverage Industry — The property serves as a specialized production and processing facility supporting the rapidly expanding no- and low-alcohol beverage category, positioning investors alongside a major shift in global consumer preferences toward moderation, wellness, and alcohol alternatives.

LOCATION HIGHLIGHTS

Expansive 45.11 AC Site — The property sits on approximately 45.11 acres, providing investors with a substantial underlying land component and significant acreage supporting the existing winery operations.

Located Within One of California's Largest Wine-Producing Regions — Lodi is surrounded by more than 90,000 acres of vineyards, with the city identifying premium wine production as an economic engine of the Lodi-Woodbridge region. Nearby industry users include Van Ruiten Family Winery, Jessie's Grove Winery, Lucas Winery, and Molles Vineyards.

Strategically Positioned Between Sacramento & the Bay Area — Lodi is approximately 32 miles south of Downtown Sacramento and 80 miles east of San Francisco, positioning the property within reach of two of Northern California's largest economic markets while maintaining its location within an established agricultural and manufacturing region.

Immediate Access to Interstate 5 — The property benefits from convenient access to I-5, one of California's primary north-south transportation corridors, providing connectivity to major population centers and distribution markets throughout California and the West Coast. The property is listed approximately 1.6 miles from the Turner Road/I-5 interchange.

BUSINESS HIGHLIGHTS

Largest U.S. Dealcoholizing Service Provider — Strategic Beverage Services' acquisition of BevZero's U.S. operations created what the company describes as the largest dealcoholizing service provider in the United States, expanding its processing capacity, technology, personnel, and geographic reach.

Serves 8 of the Top 10 U.S. Wine Companies — BevZero-US currently provides beverage processing and dealcoholization services to eight of the ten largest wine companies in the United States, demonstrating significant penetration among major industry operators.

30+ Years of Beverage Industry Experience — BevZero traces its dealcoholization expertise back to 1991, when its predecessor ConeTech pioneered the use of vacuum distillation for alcohol removal in wine, establishing more than three decades of specialized industry experience.

Comprehensive Beverage Processing Platform — The combined operation provides a broad range of services including dealcoholization, co-packing and production, alcohol adjustment, concentration, cross-flow filtration, SO_2 removal, and fermentation-related services, supporting a diversified beverage-industry customer base.

Strategic Acquisition Expands Operating Platform — On August 18, 2026, Strategic Beverage Services acquired BevZero's U.S. operations, significantly expanding the combined company's beverage processing capabilities, production capacity, technology, and geographic reach.


N
Railroad
W Woodbridge Rd


NE
Sacramento
±32 Miles
Perrin Farms
5th Generation Family-Owned Vineyard | Lodi, California
Perrin Farms
Specializes in Growing High-Quality Wine Grapes and Providing Custom Harvesting/Farming Services to Production Plants Throughout the Lodi Mokelumne River Ava.
Felkins Farm
Farms and estate vineyards in this immediate micro-zone supply fruit, contract farming, or regional agricultural support to major surrounding cellars and custom crush facilities, including the nearby Provenance Vineyards plant.
OAK FARM
VINEYARDS
Functions as a high-end venue for outdoor concerts, weekend dining, and weddings.
Vineyard Management
Operates as an agricultural services provider and estate farm hub, specializing in vineyard care, soil management, canopy maintenance, and custom harvesting.
Subject Property

Lodi
±7 Miles
Prudhel Vineyards
Associated with LAP Farming, LLC and grower Art Prudhel. It primarily serves as a private commercial vineyard and farm management site.
Turner Road Vintners East Cellars
Functions as a large-scale industrial cellar and distribution point, primarily handling popular, broad-market California wine labels (such as Vendange, Woodbridge, and Toasted Head) rather than acting as a traditional public tasting room.
SE
THOMAS ALLEN VINEYARDS & WINERY
Thomas Allen Vineyards & Winery
Utilizes fruit grown in Lodi's Mediterranean-like climate, Producing their own proprietary wine labels, including Thomas Allen Wines, Hook or Crook Cellars, Baywood Cellars, and the acquired Provenance Vineyards brand.
Jessie's Grove WINERY
Jessie's Grove Winery
Known for producing estate-grown Zinfandel, Carignane, Petite Sirah, Chardonnay, and ancient-vine red blends.
TRINCHERO Family Estates
Warehouse & Distribution Center
One of the Largest Family-Owned Wine Producers in the US, known for brands like Sutter Home, Menage A Trois, and Joel Gott
Subject Property

FINANCIAL OVERVIEW

5573 W Woodbridge Road | Lodi, CA 95242

FINANCIAL OVERVIEW

$10,588,235	8.50%	NNN	±45.11
List Price	Cap Rate	Lease Type	Lot Size (AC)

Tenant Summary

Tenant Trade Name	Strategic Beverage Services
Type of Ownership	Fee Simple
Lease Guarantor	Strategic Beverage Services, Inc.
Lease Type	Absolute NNN
Roof and Structure	Tenant Responsible
Rent Commencement Date	8/1/26
Lease Expiration Date	7/31/41
Initial Term	15 Years
Term Remaining on Lease	±14.9 Years
Increase	2% Annually
Options	Three, 5-Year Options

Annualized Operating Data

Date	Monthly Rent	Annual Rent	Increases	Cap Rate
08/01/2026 - 07/31/2027	$75,000.00	$900,000.00	-	8.50%
08/01/2027 - 07/31/2028	$76,500.00	$918,000.00	2.00%	8.67%
08/01/2028 - 07/31/2029	$78,030.00	$936,360.00	2.00%	8.84%
08/01/2029 - 07/31/2030	$79,590.60	$955,087.20	2.00%	9.02%
08/01/2030 - 07/31/2031	$81,182.41	$974,188.94	2.00%	9.20%
08/01/2031 - 07/31/2032	$82,806.06	$993,672.72	2.00%	9.38%
08/01/2032 - 07/31/2033	$84,462.18	$1,013,546.18	2.00%	9.57%
08/01/2033 - 07/31/2034	$86,151.43	$1,033,817.10	2.00%	9.76%
08/01/2034 - 07/31/2035	$87,874.45	$1,054,493.44	2.00%	9.96%
08/01/2035 - 07/31/2036	$89,631.94	$1,075,583.31	2.00%	10.16%
08/01/2036 - 07/31/2037	$91,424.58	$1,097,094.98	2.00%	10.36%
08/01/2037 - 07/31/2038	$93,253.07	$1,119,036.88	2.00%	10.57%
08/01/2038 - 07/31/2039	$95,118.13	$1,141,417.62	2.00%	10.78%
08/01/2039 - 07/31/2040	$97,020.50	$1,164,245.97	2.00%	11.00%
08/01/2040 - 07/31/2041	$98,960.91	$1,187,530.89	2.00%	11.22%
		Option 1		
08/01/2041 - 07/31/2042	$100,940.13	$1,211,281.50	2.00%	11.44%
08/01/2042 - 07/31/2043	$102,958.93	$1,235,507.13	2.00%	11.67%
08/01/2043 - 07/31/2044	$105,018.11	$1,260,217.28	2.00%	11.90%
08/01/2044 - 07/31/2045	$107,118.47	$1,285,421.62	2.00%	12.14%
08/01/2045 - 07/31/2046	$109,260.84	$1,311,130.06	2.00%	12.38%
		Option 2		
08/01/2046 - 07/31/2047	$111,446.05	$1,337,352.66	2.00%	12.63%
08/01/2047 - 07/31/2048	$113,674.98	$1,364,099.71	2.00%	12.88%
08/01/2048 - 07/31/2049	$115,948.48	$1,391,381.70	2.00%	13.14%
08/01/2049 - 07/31/2050	$118,267.44	$1,419,209.34	2.00%	13.40%
08/01/2050 - 07/31/2051	$120,632.79	$1,447,593.52	2.00%	13.67%
		Option 3		
08/01/2051 - 07/31/2052	$123,045.45	$1,476,545.40	2.00%	13.95%
08/01/2052 - 07/31/2053	$125,506.36	$1,506,076.30	2.00%	14.22%
08/01/2053 - 07/31/2054	$128,016.49	$1,536,197.83	2.00%	14.51%
08/01/2054 - 07/31/2055	$130,576.82	$1,566,921.79	2.00%	14.80%
08/01/2055 - 07/31/2056	$133,188.35	$1,598,260.22	2.00%	15.09%

**Rent was abated for first two months of lease term.*

COMPANY OVERVIEW

5573 W Woodbridge Road | Lodi, CA 95242

STRATEGIC BEVERAGE SERVICES

U.S. Dealcoholization Provider	Ownership
Largest	**Privately Held**
U.S. Wine Companies Served	Headquarters
8 of Top 10	**Santa Rosa, CA**
Industry Expertise	Specialty
30+ Years	**Low & No-Alc Beverages**

Tenant Overview

Strategic Beverage Services ("SBS") is a privately held beverage processing company positioned as a leading provider of specialized dealcoholization and production services to the U.S. beverage industry. In August 2026, SBS acquired BevZero's U.S. operations, creating what the company describes as the largest dealcoholization service provider in the United States and significantly expanding its processing capacity, technology, personnel, and geographic reach.

The combined platform benefits from more than 30 years of specialized beverage-processing expertise, tracing its dealcoholization capabilities to 1991, when BevZero predecessor ConeTech pioneered vacuum distillation for alcohol removal in wine. Today, the company provides a comprehensive range of services, including dealcoholization, co-packing and production, alcohol adjustment, concentration, filtration, and fermentation-related services.

Notably, BevZero-US provides services to 8 of the 10 largest U.S. wine companies, demonstrating strong penetration among major beverage producers and an established position within the industry. SBS is also well positioned to capitalize on growing demand for low- and no-alcohol beverages, while planned expansion into additional locations and integrated bottling, canning, and sparkling-wine capabilities provides further opportunities for growth.

STRATEGIC BEVERAGE SERVICES

Highlights Continued

Largest U.S. Dealcoholization Service Provider: The acquisition of BevZero's U.S. operations created what SBS describes as the largest dealcoholization service provider in the United States, materially increasing capacity, technology, expertise, and geographic reach.

Blue-Chip Industry Customer Base: BevZero-US currently provides services to 8 of the Top 10 U.S. wine companies, demonstrating strong penetration among some of the country's largest beverage producers.

30+ Years of Specialized Expertise: The acquired platform traces its dealcoholization capabilities to 1991, when predecessor ConeTech pioneered vacuum-distillation technology for alcohol removal in wine.

Broad, Specialized Processing Capabilities: Services include dealcoholization, co-packing and production, alcohol adjustment, concentration, cross-flow filtration, SO_2 removal, fermentation-related services, and additional technical beverage-processing solutions.

Exposure to Growing Consumer Trends: SBS is strategically positioned to serve beverage producers responding to increasing consumer interest in low-, no- and reduced-alcohol products, providing the specialized infrastructure and technical expertise required to develop and scale these offerings.

Demonstrated Product Quality: BevZero-US and its customers earned multiple medals at the 2026 International Non-Alcoholic Competition, including two Double Gold medals, while BevZero-US was recognized as Rosé Producer of the Year.

Planned Platform Expansion: BevZero-US has announced plans to open additional locations in 2027 combining bottling, canning, and sparkling-wine capabilities, further expanding the breadth and convenience of services available to customers.

19.2% YOY Growth

$1.01 Billion in U.S. Non-Alcoholic Beer, Wine & Spirits Sales in 2025

$5 Billion U.S. Market by 2028

IWSR forecasts the total U.S. no-alcohol market will approach $5 billion by 2028

MARKET OVERVIEW

5573 W Woodbridge Road | Lodi, CA 95242

LODI, CA

69,100+ Total Population
$88,530 Median HH Income
40.1 Median Age
23,176+ Total Households

Local Market Overview

Lodi sits at the center of one of California's most established wine-producing regions, combining agricultural scale with direct access to the Sacramento—Stockton economic corridor. The city's population has expanded from roughly 66,300 residents at the beginning of the decade to approximately 69,100, while median household income is approximately $88,530. Lodi's position about 32 miles south of Sacramento and 80 miles east of the San Francisco Bay Area provides access to major Northern California population centers while preserving the agricultural setting that defines the Lodi-Woodbridge wine region.

The surrounding wine economy is a particularly important demand driver for winery and vineyard real estate. More than 90,000 acres of vineyards surround the community, with local winegrape production representing a substantial component of California's premium grape supply. Lodi also supports more than 85 wineries, creating an established ecosystem of growers, producers, tasting destinations and agricultural service businesses. Downtown Lodi, regional wine tourism and convenient access to Interstate 5 and State Route 99 further reinforce the area's appeal for production, hospitality and agricultural operations.

Major Employers

Pacific Coast Producers	1,454+ Employees
Lodi Unified School District	1,318+ Employees
Cepheid	1,117+ Employees
Blue Shield of California	1,084+ Employees

SACRAMENTO | CALIFORNIA'S CAPITAL

Sacramento anchors a government-driven and diversified regional economy. Strategically positioned between the Bay Area and Lake Tahoe, Sacramento benefits from regional connectivity and migration inflows.

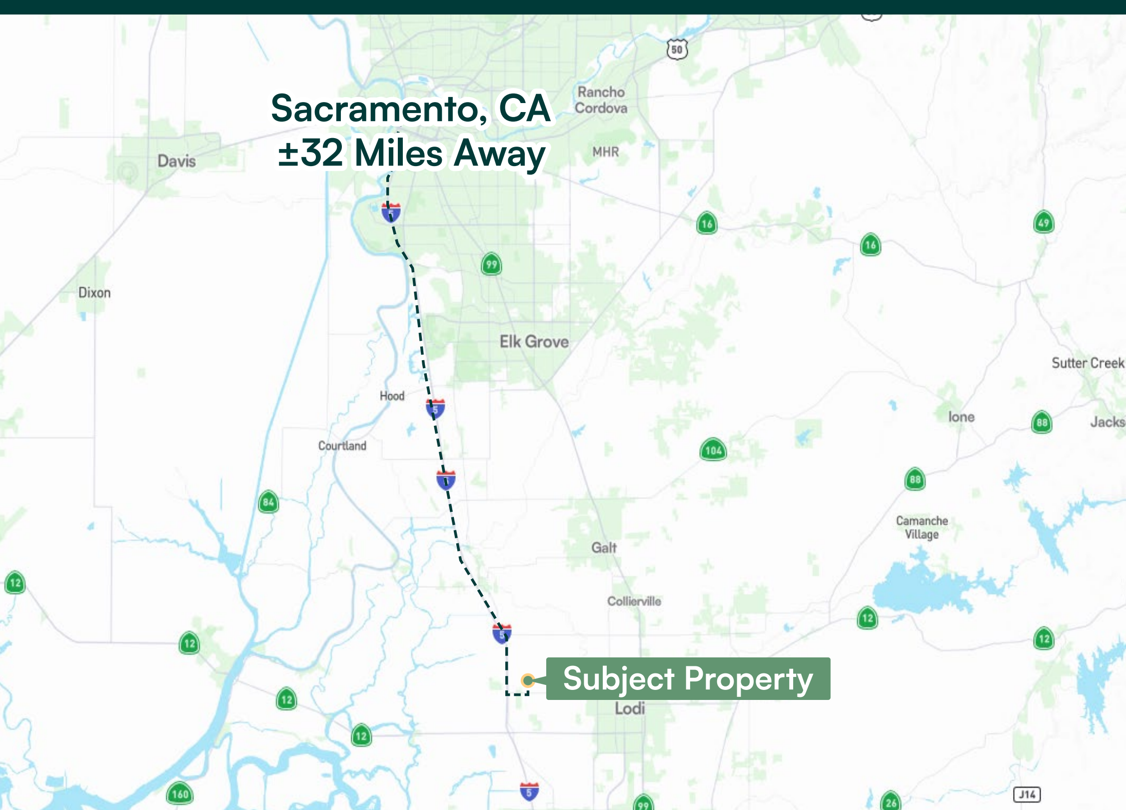
Sacramento's economy is anchored by its role as the state capital, with government employment forming a significant base of economic stability. The region also benefits from a strong healthcare network, expanding logistics infrastructure, and a growing technology presence fueled by cost migration from coastal markets. Proximity to Interstate 5, Highway 99, and Union Pacific rail lines enhances distribution capabilities, while Sacramento International Airport supports both passenger and cargo activity.

Total Population
±2.4 Million

Annual Visitors
±15 Million

Tourism Economic Impact
±$4.9 Billion

GDP
$160+ Billion



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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.

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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.

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