

Walgreens

17051 Bear Valley Rd
Hesperia, CA 92345

HESPERIA, CALIFORNIA

NNN SINGLE-TENANT INVESTMENT OPPORTUNITY



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OFFERING MEMORANDUM
WALGREENS - HESPERIA, CALIFORNIA

17051
BEAR VALLEY RD
HESPERIA, CA 92345



INVESTMENT OVERVIEW

01



Offering Price
\$4,900,000



Building SF
±15,120



CAP Rate
6.85%



Land Size
±1.12 Acres
±48,922 SF



NOI
\$336,000



Ownership Type
Fee Simple

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INVESTMENT HIGHLIGHTS

TROPHY SINGLE-TENANT NNN LEASE WITH WALGREENS

Walgreens Pharmacy has occupied the site for over 23 years and has just exercised a new 5-year option to extend

Walgreens is one of the world's most well-known drugstore chains with over 8,500 locations throughout the US

CURRENTLY WALGREEN'S ONLY 24-HOUR STORE IN THIS HIGH-DESERT REGION

CORNER LOCATION - Located at the corner of Bear Valley Road and Hesperia Road with tremendous visibility and access from both streets

Location is proximate to both residential and commercial uses

IDEAL 1031 EXCHANGE OPPORTUNITY

Net lease structure is ideal for a passive investor looking for stable cash flow with zero landlord maintenance obligations



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DEMOGRAPHICS

More than **7,785** people within a **1-mile** radius with an Average Household Income of **\$70,576**.

More than **68,606** people within a **3-mile** radius with an Average Household Income of **\$85,398**.

More than **188,456** people within a **5-mile** radius with an Average Household Income of **\$81,899**.

AREA OVERVIEW

03

HESPERIA is a city in San Bernardino County, California, United States. It is located 35 miles north of the city of San Bernardino in Victor Valley and surrounded by the Mojave Desert.



HISTORY

Hesperia was incorporated in 1988 but its modern history dates back to 1885 when the Atchison Topeka and Santa Fe Railroad tracks were completed.

Because of its relatively high elevation and the unique and moderate weather patterns of the region, Hesperia is part of what is locally called the High Desert. The name "Hesperia" means "western land".

QUALITY OF LIFE

Adorned by the San Bernardino and San Gabriel mountain ranges, Hesperia offers the best of the Southern California lifestyle at a price that families can afford. Clean air, over 350 days of sunshine, and deep blue skies entice businesses and residents to Hesperia.

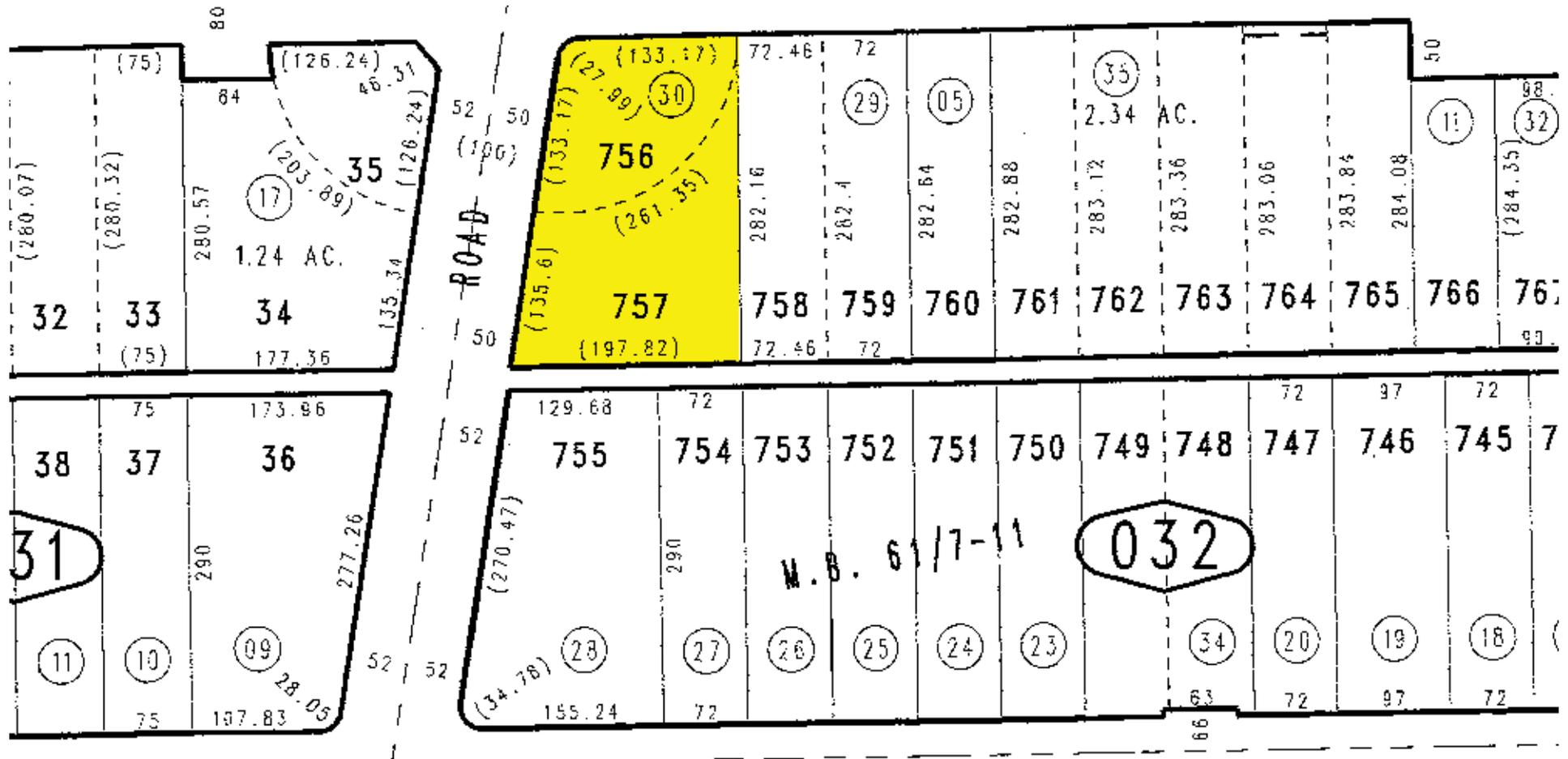
ECONOMY

The major employment sectors in Hesperia are construction, transportation and warehousing per Data USA in 2023.

POPULATION

As of the 2020 census, the city had a population of 99,818.

PLAT MAP



DEMOGRAPHICS

POPULATION	1 MILES	3 MILES	5 MILES
2024 Population	7,785	68,606	188,456
Median age	32.9	35.4	34.6

HOUSEHOLDS & INCOME	1 MILES	3 MILES	5 MILES
Total households	2,458	22,141	58,817
Total persons per HH	3.1	3	3.1
Average HH income	\$70,576	\$85,398	\$81,899
Average house value	\$278,823	\$343,332	\$341,339

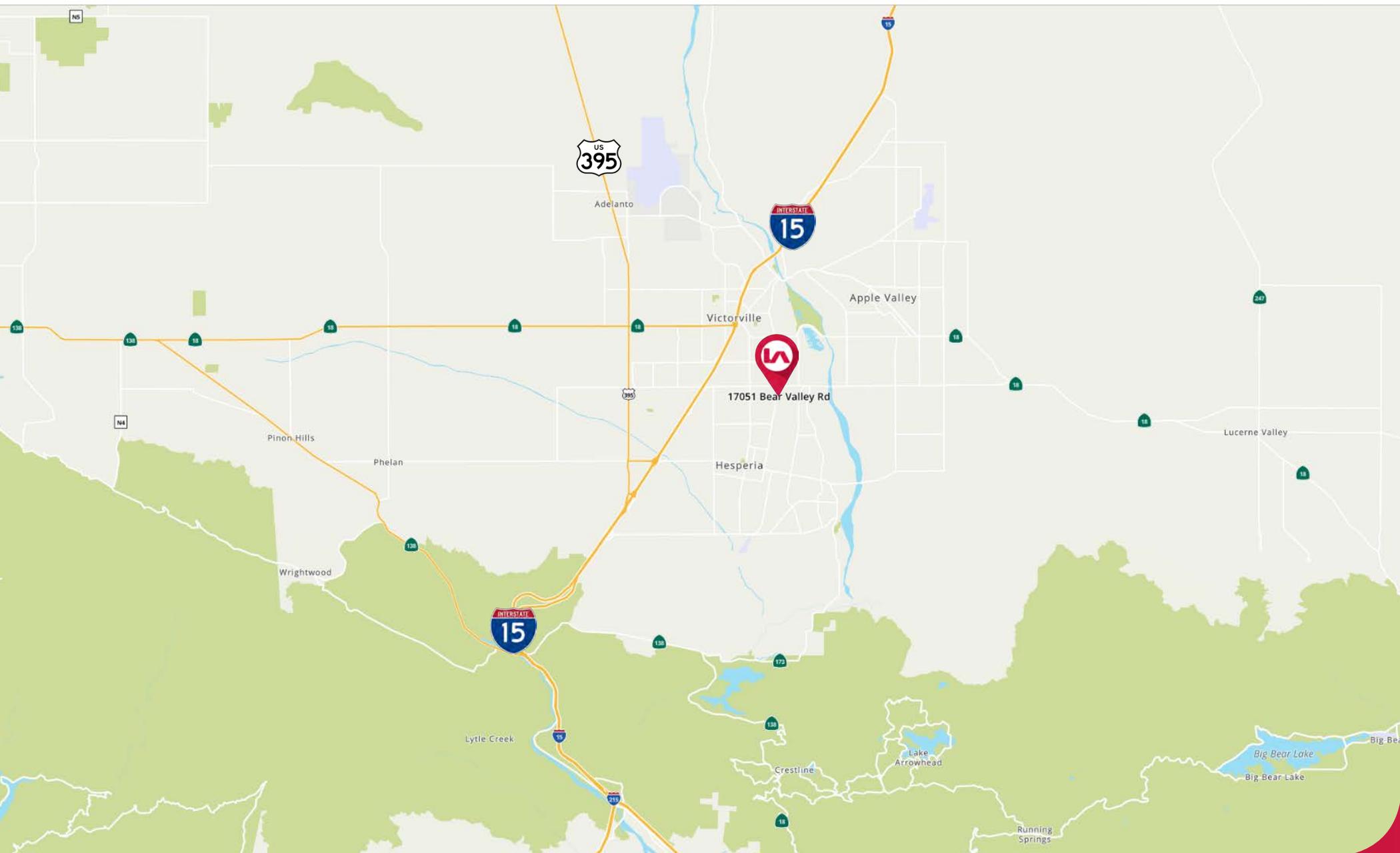
POPULATION BY RACE	1 MILES	3 MILES	5 MILES
White	2,212	24,447	64,853
Black	824	6,725	19,070
American Indian/Alaskan Native	87	923	2,617
Asian	355	2,763	6,523
Hawaiian & Pacific Islander	33	292	757
Two or More Races	4,274	33,456	94,636
Hispanic Origin	4,621	36,285	103,525

**Demographic data derived from Co-Star 2024*



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LEASE ABSTRACT

TENANT	Walgreen Co.
PROPERTY ADDRESS	17051 Bear Valley Rd., Hesperia, CA 92345
LEASE START DATE	July 15, 2002
LEASE EXPIRATION	October 31, 2032
TERM REMAINING	7.25 years
CURRENT BASE RENT	\$336,000
RENEWAL OPTIONS	<i>Ten (10) Option Periods:</i> Option 1: Five (5) year period ending October 31, 2037 Option 2: Five (5) year period ending October 31, 2042 Option 3: Five (5) year period ending October 31, 2047 Option 4: Five (5) year period ending October 31, 2052 Option 5: Five (5) year period ending October 31, 2057 Option 6: Five (5) year period ending October 31, 2062 Option 7: Five (5) year period ending October 31, 2067 Option 8: Five (5) year period ending October 31, 2072 Option 9: Five (5) year period ending October 31, 2077 Option 10: Five (5) year period ending October 31, 2082
RENT	<i>Rent Increases:</i> November 1, 2032 - October 31, 2042: \$369,600.00/YR November 1, 2042 - October 31, 2052: \$406,560.00/YR November 1, 2052 - October 31, 2062: \$447,216.00/YR November 1, 2062 - October 31, 2072: \$491,937.00/YR November 1, 2072 - October 31, 2082: \$541,131.00/YR
TAXES	Tenant shall pay all property taxes and assessments
REPAIRS & MAINTENANCE	Tenant shall maintain, at its sole cost and expense, the Premises and every part thereof in good order, condition, and repair, and in material compliance with all applicable laws
INSURANCE	Tenant pays
COMMON AREA MAINTENANCE	Tenant's expense

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TENANT PROFILE

Walgreens

Walgreen Co. operates as a drugstore chain in the United States. Its drugstores are engaged in the retail sale of prescription and non-prescription drugs and general merchandise, including household products, convenience and fresh foods, personal care, beauty care, photofinishing and candy.

The company offers pharmacy, health and wellness solutions, which include retail, specialty pharmacy, infusion and respiratory services, mail service, convenient care clinics and worksite clinics. Walgreen offers pharmacy services that provide customers nationwide access to a variety of medications, services and programs for managing complex and chronic health conditions. The company offers its customers infusion therapy services, including the administration of intravenous medications for cancer treatments, chronic pain, heart failure, and other infections and disorders. It provides these infusion services at home, at the workplace, in a physician's office or in a Walgreens alternate treatment site. The company provides clinical services, such as laboratory monitoring, medication profile review, nutritional assessments, patient and caregiver education. Its advanced pharmacy system offers pharmacists easy access to patient prescription records, which allows access to refills and emergency supplies at any of its pharmacies, eases prescription transfers, and enables any Walgreens pharmacist to provide ongoing treatment consultation. The company's websites allow consumers to purchase general merchandise, including beauty, personal care, home medical equipment, contact lens, vitamins and supplements and other health and wellness solutions. It also offers services through Take Care Health Systems, which manages its Take Care Clinics at select Walgreens drugstores throughout the country and Take Care Health Employer Solutions that manages primary care, health and wellness, occupational health, pharmacy and fitness centers at large employer campuses. The company was founded by Charles R. Walgreen, Sr. in 1901 and is headquartered in Deerfield, IL.

Source: Forbes <https://www.forbes.com/companies/walgreen/>

06



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