



SMART & FINAL EXTRA!

2644 Mount Vernon Avenue
Bakersfield, California 93306

- » **Corporate Guaranty:** Smart & Final Extra, Headquartered in Commerce, CA, Has 254 Stores and 7,921 Employees. In June of 2019 Smart & Final went Private in a \$1.12 Billion Dollar Buyout by Apollo Global Management, LLC.
- » **Triple-Net Lease with Limited Responsibilities:** 10% Increases Year 11 and Options with Four, 5 Year Options to Extend the Term. Landlord is Responsible for Roof and Structure, Roof Warranty Expires in 2037 (15 Years).
- » **Excellent Visibility & Ease of Access:** Smart & Final Extra is Well Situated on Mount Vernon Avenue Which Oversees 19,458 Vehicles Per Day and is Just Off of California 178 Which Oversees 58,000 Vehicles Per Day.



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Mt Vernon Avenue (19,458 VPD)

CALIFORNIA
178

58,000 VPD



1 Mile Population - 23,271

Foods Co

LOWE'S

FarmerBoys
BREAKFAST, BURGERS & MORE

DUTCH BROS

PIZZA
PAPA JOHN'S

College Heights Elementary School
884 Students

CALIFORNIA
178

58,000 VPD

Smart&Final



SMART & FINAL EXTRA!

| | |
|----------|--|
| Address: | 2644 Mount Vernon Ave Bakersfield, CA 93306 |
| Price: | \$11,464,158 |
| CAP: | 4.75% |
| NOI: | \$544,548 |

INVESTMENT SUMMARY

| | |
|---------------------------|-------------------------|
| Lease Type: | Triple-Net |
| Landlord Responsibility: | Roof & Structure |
| Roof Warranty: | Expires 2037 (15 Years) |
| Building Area: | 29,435 SF |
| Land Area: | 2.97 Acres |
| Year Built / Renovated: | 2017 |
| Vehicles Per Day: | 26,141 (Mt Vernon Ave) |
| 5 Mile Radius Population: | 226,330 |



HIGHLIGHTS

- » **Corporate Guaranty:** Smart & Final Extra, Headquartered in Commerce, CA, Has 254 Stores and 7,921 Employees. In June of 2019 Smart & Final went Private in a \$1.12 Billion Dollar Buyout by Apollo Global Management, LLC.
- » **Triple-Net Lease with Limited Responsibilities:** 10% Increases Year 11 and Options with Four, 5 Year Options to Extend the Term. Landlord is Responsible for Roof and Structure, Roof Warranty Expires in 2037 (15 Years).
- » **Excellent Visibility & Ease of Access:** Smart & Final Extra is Well Situated on Mount Vernon Avenue Which Oversees 19,458 Vehicles Per Day and is Just Off of California 178 Which Oversees 58,000 Vehicles Per Day.
- » **Essential Retailer:** Pandemic, E-Commerce, and Recession-Resistant; Smart & Final Remained Open During the Global Pandemic Caused by Covid-19.
- » **Excellent Demographics:** Within a 5 Mile Radius the Population is 226,330.
- » **Across Highway from School:** College Heights Elementary School has 884 Students.
- » **Nearby National Tenants:** Walmart, The Home Depot, Big Lots, Target, Lowes, Walgreens, Rite Aid, OfficeMax, Starbucks, Foods Co, Chipotle, Taco Bell, Del Taco, KFC, Flame Broiler, Panda Express, El Pollo Loco, Starbucks, Mister Car Wash, Sizzler, Farmer Boys, Papa Johns, Dutch Bros.



TENANT OVERVIEW

Smart & Final Stores, Inc. Operates as a food retailer in the United States. It operates in two segments, Smart & Final and Smart Foodservice. The company’s stores offer fresh perishables and everyday grocery items, such as produce, meat and deli, dairy and cheese, grocery, and beverage products, as well as paper and packaging, and restaurant equipment and janitorial supplies. It also provides various private label products under the First Street, Sun Harvest, Simply Value, La Romanella, Montecito, Iris, and Ambiance brands. The company sells its products to household and business customers; restaurants; caterers; and various other foodservice businesses, such as food trucks and coffee houses through vendors and suppliers. In June of 2019, Smart & Final went private in a \$1.12 Billion dollar buy out by Apollo Global Management LLC. Smart & Final Stores, Inc. was founded in 1871 and is headquartered in Commerce, California.

| | |
|---------------------------|-----------------------------|
| Company Name: | Headquarters: |
| Smart & Final Stores Inc. | Commerce, CA |
| Number of Stores: | Business Type: |
| 254 | Private |
| Year Founded: | Number of Employees: |
| 1871 | 7,921 |

TENANT SUMMARY

| | |
|----------------------------|---------------------------|
| Tenant Name: | Smart & Final Extra! |
| Guaranty: | Corporate |
| Type of Ownership: | Fee Simple |
| Lease Type: | Triple-Net |
| Landlord Responsibilities: | Roof & Structure |
| Rent Commencement: | Feb 16, 2017 |
| Lease Expiration: | Nov 30, 2032 |
| Term Remaining: | 10+ Years |
| Increases: | 10% Year 11 & Each Option |
| Options: | Four, 5 Year |
| Roof Warranty: | Expires 2037 (15 Years) |



ANNUALIZED OPERATING DATA

| Base Rent | Annually | Monthly |
|------------------------------------|---------------------|--------------------|
| Feb 16, 2017 - Feb 16, 2027 | \$544,547.52 | \$45,378.96 |
| Feb 17, 2027 - Feb 16, 2032 | \$599,002.27 | \$49,916.85 |
| Feb 17, 2032 - Feb 16, 2037 | \$658,902.50 | \$54,908.54 |
| Feb 17, 2037 - Feb 16, 2042 | \$724,792.75 | \$60,399.39 |
| Feb 17, 2042 - Feb 16, 2047 | \$797,272.02 | \$66,439.33 |
| Feb 17, 2047 - Feb 16, 2052 | \$876,999.23 | \$73,083.27 |

REGIONAL MAP



Subject Property

Bakersfield, CA

109 Miles

Fresno, CA

113 Miles

Los Angeles, CA

232 Miles

San Diego, CA

283 Miles

San Francisco, CA

285 Miles

Sacramento, CA

286 Miles

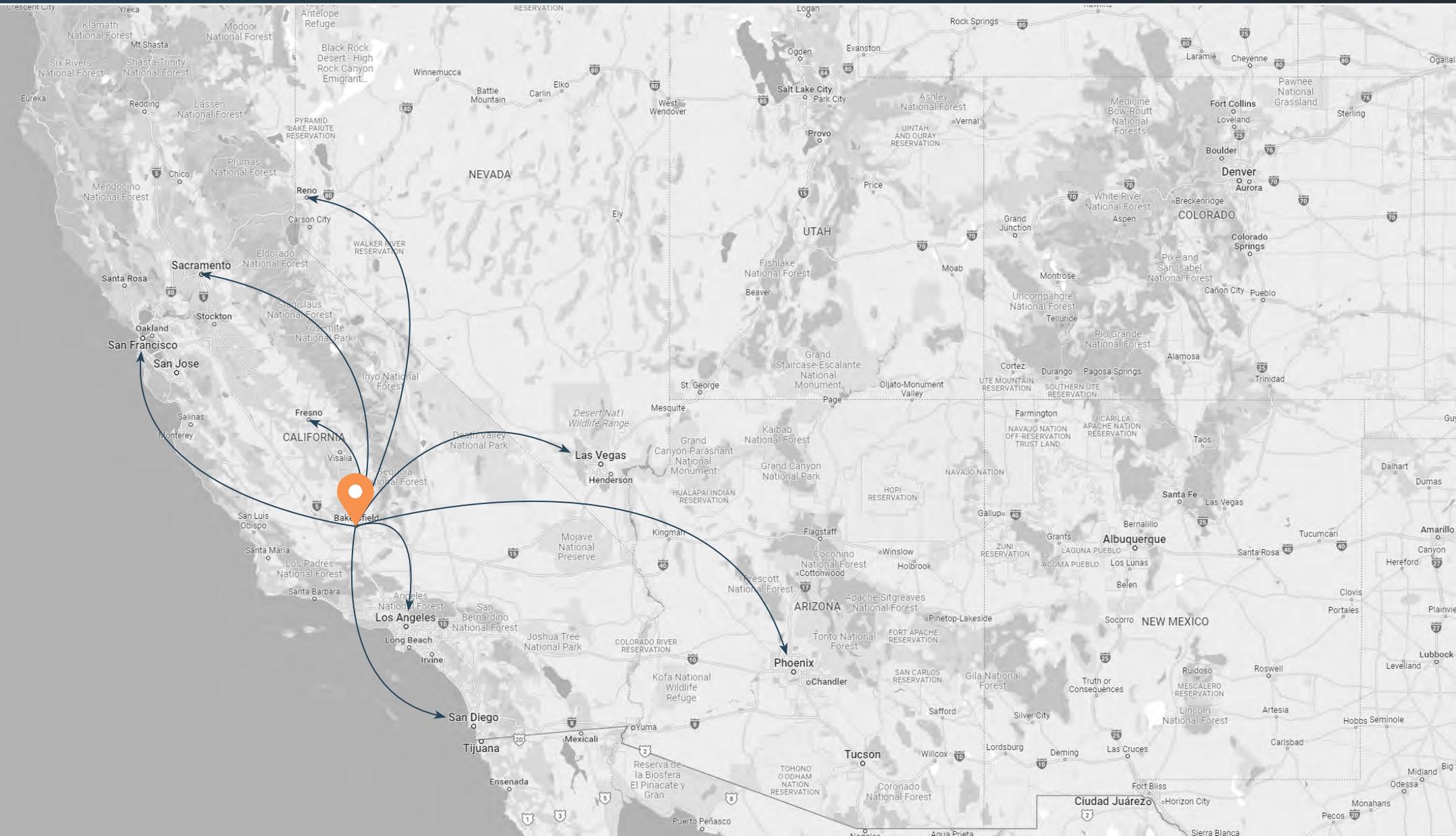
Las Vegas, NV

406 Miles

Reno, NV

284 Miles

Phoenix, AZ





BAKERSFIELD

The Bakersfield metro lies near the southern end of the San Joaquin Valley and encompasses all of Kern County. The Kern River flows through the region, which includes parts of three mountain ranges that limit development. The city of Bakersfield, which is the county seat, contains roughly 376,200 residents. Amazon recently completed a large distribution facility near Meadows Field, which may bring up to 3,000 new jobs to Kern County.

MAJOR EMPLOYERS

| |
|-------------------------------|
| Adventist Heath Bakersfield |
| Bolthouse Farms |
| California Correctional Inst |
| Chevron Corp |
| Dignity Health Mercy Downtown |
| Edwards Air Force Base |
| Ensign United States Drilling |
| Foster Care Human Svc |
| Grimmway Farms |
| Kern County |



Central California Location

An expanding transportation network provides convenient access to California ports and major cities and is growing the logistics and distribution sector.



Natural Resources

Kern County is one of the most oil-productive counties in the nation and the Elk Hills field is the state's top natural-gas producer.

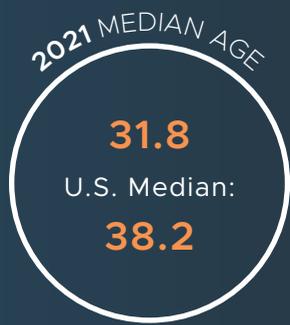


Low Cost of Living and Doing Business

Favorable home prices, relatively lower land costs than nearby markets and a pro-business environment attract employers and residents to the area.

ECONOMY

- » Agriculture still accounts for a major portion of the local economy with the presence of companies that include Giumarra Cos., Grimmway Farms and Bolthouse Farms.
- » Oil and natural-gas deposits attract companies such as Aera Energy, Chevron, Ensign Energy Services, California Resources Corp., and Pacific Gas and Electric to the metro.
- » The alternative-energy sector is growing; the largest wind farm and solar array in the state are located here.
- » The metro also has a strong aviation, space and military presence, including Edwards Air Force Base, Halliburton and the China Lake Naval Air Weapons Station.



DEMOGRAPHICS

| | 1 Mile | 3 Mile | 5 Mile |
|-------------------|----------|----------|----------|
| Population: | 23,271 | 123,538 | 226,330 |
| Households: | 7,124 | 37,174 | 72,043 |
| Household Income: | \$40,880 | \$40,370 | \$41,518 |

CONFIDENTIALITY AGREEMENT

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This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

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NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows: The information contained in this marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided. As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer. Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors. Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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COVID-19 NOTICE

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BRYCE DUNKS

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