Walgreens

4041 N Sierra Way, San Bernardino, CA

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JLL

AutoZone
T.J.maxx
Del Taco
Carl's Jr.
Jack in the box
La Michoacana
Stater Bros. markets
WaBa grill
7 ELEVEN
E 40TH ST (22,290 CPD)
Walgreens
N SIERRA WAY (11,789 CPD)
CARDENAS
T Mobile
SUBWAY
BANK OF AMERICA

INVESTMENT OVERVIEW

PRICE
$4,375,000

NOI (YEAR 1)
$345,187.50

PRICE/PSF
$289.35

TOTAL LAND AREA
1.51 AC

CAP RATE (IN-PLACE)
7.89%

TOTAL BUILDING AREA
±15,120 SF

OWNERSHIP TYPE
Net Lease

OCCUPANCY
100%

JLL is proud to present 4041 N Sierra Way, a fully occupied retail property totaling approximately 15,120 square feet, featuring Walgreens and situated in a prime location in the center of San Bernardino, California.

4041 N Sierra Way represents a premier investment opportunity in California's dynamic San Bernardino market. This established Walgreens is 15,120 square feet across 1.51 acres of strategically positioned land.

Walgreens's is a publicly traded, national credit tenant with more than 8,000 locations across the U.S. and Puerto Rico. The company has been at this site since 2001 and is on a 62-year lease. The lease is backed by a corporate guaranty.

SITE & IMPROVEMENTS

LOCATION	4041 N Sierra Way, San Bernardino, CA 92407
COUNTY	San Bernardino County
APN'S	0154-242-49
ZONING	CG
BUILDING AREA	± 15,120 SF
LAND AREA	±1.51 AC
INGRESS/EGRESS	Ingress and egress along N Sierra Way. (11,789 CPD) and 40th St (22,290 CPD)
PARKING	80 Free Surface Spaces

INVESTMENT HIGHLIGHTS

COMPELLING INVESTMENT FUNDAMENTALS

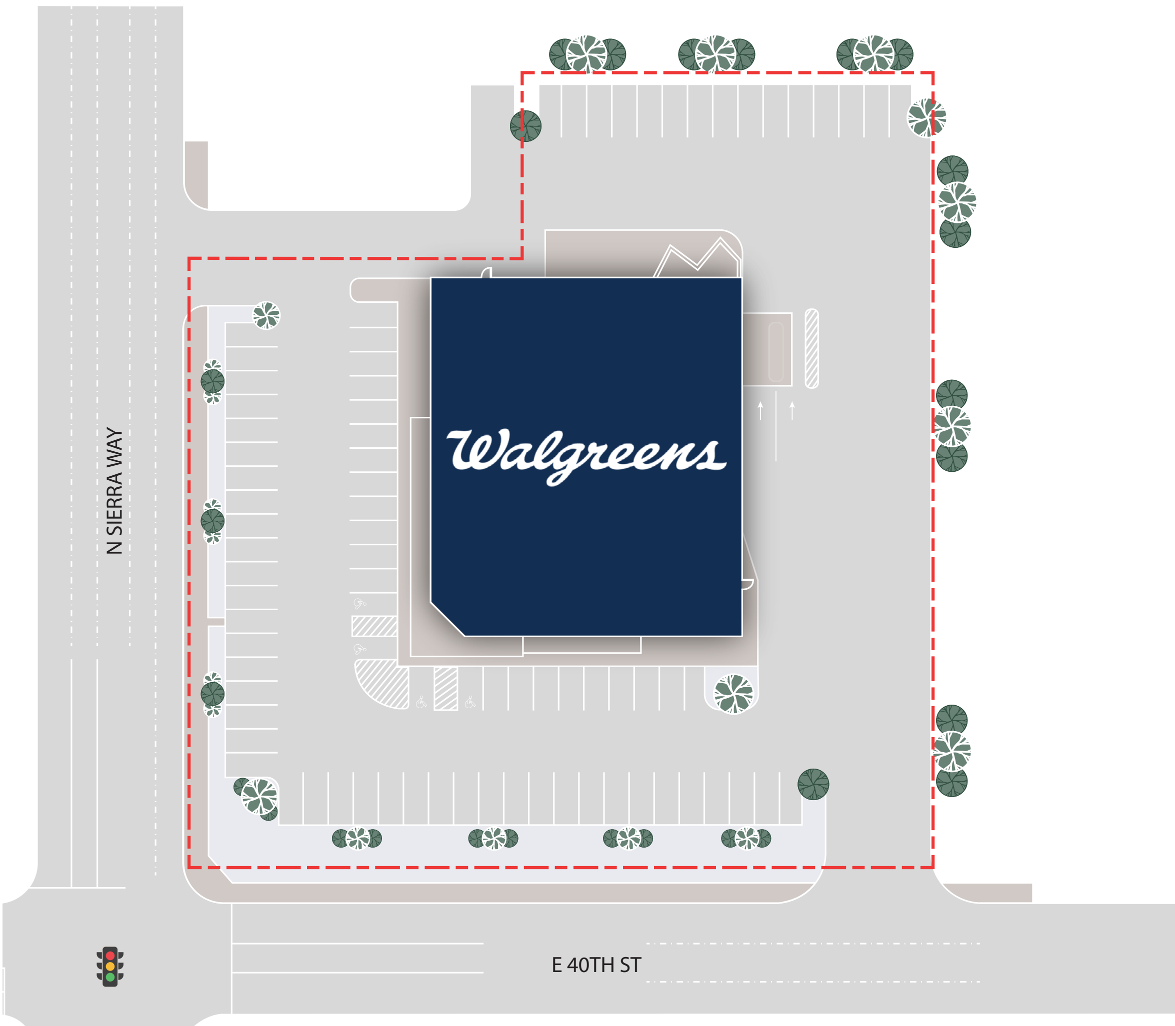
- **Investment-Grade National Tenant -** With a footprint of over 8,500 stores nationwide plus Puerto Rico, Walgreens ranks among the largest pharmacy operators in the country. Corporate backing comes from Walgreen Co., a wholly owned subsidiary of Walgreens Boots Alliance, Inc.
- **Long-Term Operating History -** Walgreens has continuously operated at this location since 2001, a 25-year track record that confirms the strength of the site and its trade area.
- **Durable NNN Lease Structure -** Roughly 7 years of firm term remain on an original lease commitment spanning 62 years, underscoring the depth of Walgreens' investment in this site. Landlord obligations stay light: the tenant covers common area expenses, taxes, insurance, and most repairs and maintenance, making this a low-touch hold for passive or out-of-area owners.
- **Built-In Rent Growth -** Cash flow bounces automatically when a 10% rent increase takes effect in January 2034, an embedded escalation that helps offset inflation over the remaining hold period.
- **Recent Capital Investment -** A newly replaced roof, installed in 2025 with a 20-year warranty, limits near-term capital exposure for the next owner.
- **High-Traffic, Hard Corner Site -** The property sits on a signalized corner at E 40th St and N Sierra Way, with combined traffic counts exceeding 34,000 vehicles per day. It anchors a daily-needs retail corridor alongside Stater Bros, Cardenas Markets, TJ Maxx, AutoZone, 7-Eleven, and Starbucks.
- **Infill Location With High Barriers to Entry -** The 1.51 acre corner parcel sits in a densely built, supply-constrained submarket of the Inland Empire with little available land for new competing development, supporting the asset's long-term positioning.
- **Flexible, Wholly Owned Real Estate -** The freestanding ±15,120 SF building sits on its own parcel, independent of any larger shopping center, CC&Rs, REAs, or co-tenancy restrictions, giving ownership full control and strong optionality if the property is ever repositioned.
- **Ideal 1031 Exchange Candidate -** Offered free and clear of debt, this corporate-guaranteed, single-tenant NNN asset is well suited for a 1031 exchange or as a low-maintenance addition to a net lease portfolio.

ROBUST SAN BERNARDINO DEMOGRAPHICS

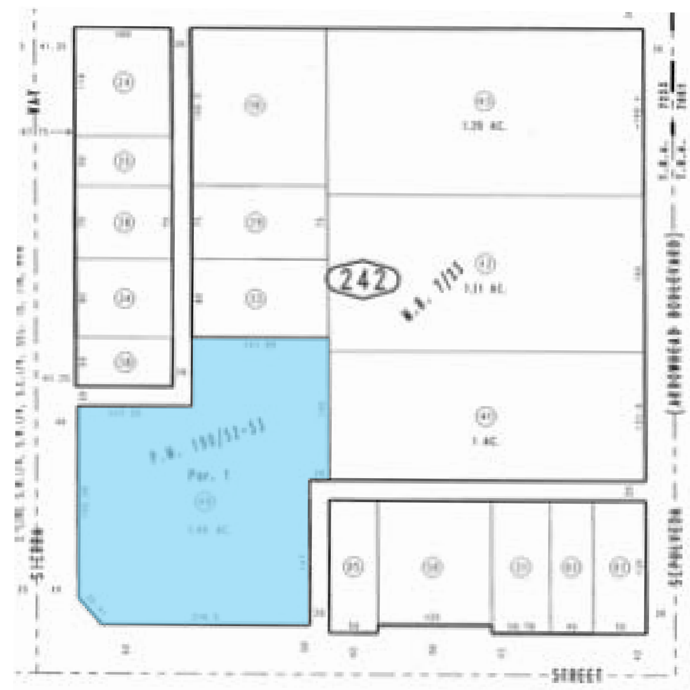
- 5-Mile Radius: 243,732 residents | $88.448+ average household income
- Visitor spending totaled $6.69 billion in 2024, a 63% nominal increase over the last 15 years

San Bernardino is a critical logistics hub at the nexus of Southern California's key transportation corridors. It leverages its rapidly growing workforce and significant ongoing investment to anchor the Inland Empire's robust economic expansion.

SITE PLAN



Ste	Tenant	SF
A1	WALGREENS	15,120



CITY & COUNTY OVERVIEW

San Bernardino stands as a logistics leader of the Inland Empire, blending Route 66 roots with modern distribution power to connect communities to Southern California's largest consumer markets.

CITY OF SAN BERNARDINO

Located in San Bernardino County, San Bernardino sits at the center of the Inland Empire, one of Southern California's most important commercial regions. The city is roughly 60 miles east of Los Angeles and about 55 miles from the Ports of Los Angeles and Long Beach, placing it within one of the largest metropolitan footprints in California. This gives it direct, efficient access to the broader Southern California market and making it a natural fit for logistics, distribution, and industrial investment.

San Bernardino is one of the fastest-growing subregions in the state and serves as both a governmental and economic anchor for the county. As of 2024, the population stands at approximately 223,700, and the local economy has shifted meaningfully toward logistics, transportation, and healthcare, sectors that now define much of the city's commercial identity.

At its core, San Bernardino is a logistics and transportation hub with infrastructure that few markets in the western United States can match. The city sits at the intersection of Interstate 10, Interstate 215, and State Route 210, and is home to BNSF Railway's San Bernardino Intermodal Facility, one of the largest and busiest rail yards in the west. San Bernardino International Airport (SBD) adds another layer of strength, having grown quickly into a major cargo hub for Amazon Air, UPS, and FedEx.

This infrastructure has attracted a strong base of major employers. Amazon is the Inland Empire's largest private employer, with an extensive presence in San Bernardino that includes fulfillment centers and its West Coast air freight hub. The County of San Bernardino, Dignity Health–St. Bernardine Medical Center, and nearby Loma Linda University Medical Center anchor government and healthcare, while CSUSB supports a skilled regional workforce and Stater Bros. Markets, headquartered in the city, rounds out its employer base. Together, these strengths position San Bernardino as a critical hub for commerce and industry in Southern California, and a compelling market for investment and development.

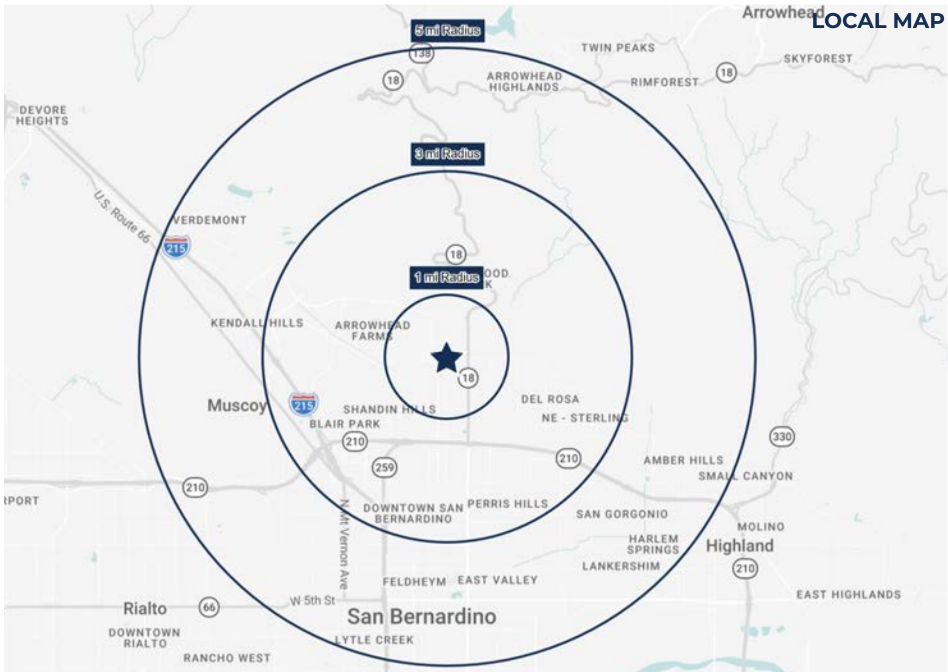
SAN BERNARDINO COUNTY

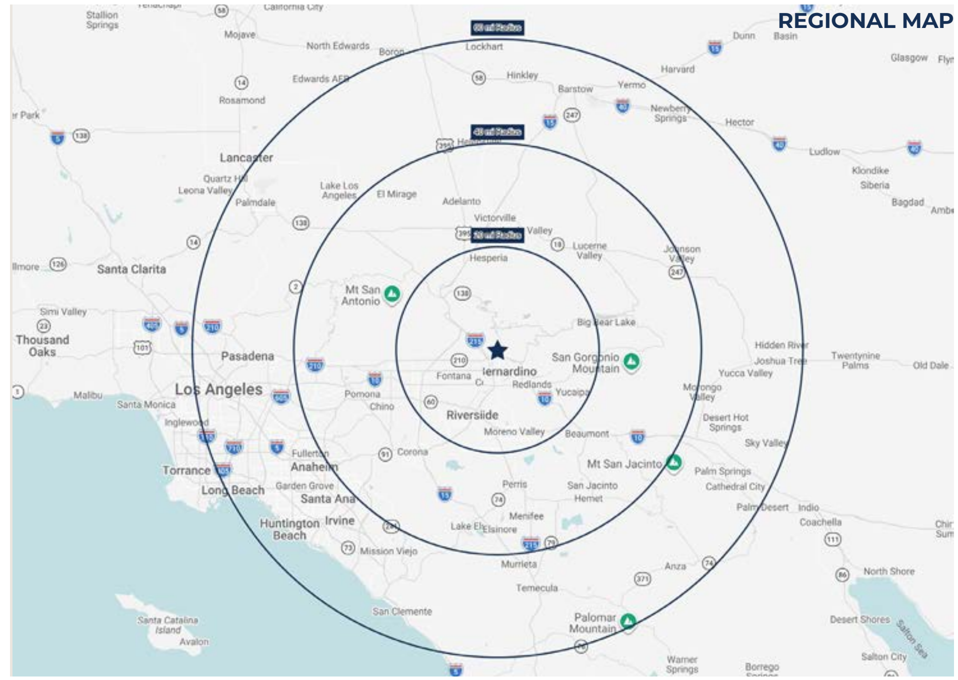
San Bernardino County, California, anchors the eastern half of the Inland Empire and stands as the largest county by land area in the contiguous United States, home to over 2.2 million residents within the greater Riverside-San Bernardino-Ontario metropolitan statistical area. Its proximity to Los Angeles and Orange counties, combined with extensive freeway, rail, and air infrastructure, has made it one of Southern California's fastest-growing and most economically diverse counties, drawing sustained population growth, business relocation, and residential demand.

The county's economic base spans logistics, healthcare, education, and manufacturing, giving it a diversified foundation that has proven resilient across economic cycles. Logistics employment has led all industry clusters in growth over the past decade, fueled by proximity to the Ports of Los Angeles and Long Beach and anchored by major distribution and fulfillment operations, including those of Amazon. Healthcare provides further stability through institutions such as Loma Linda University Medical Center, Kaiser Permanente, and Arrowhead Regional Medical Center, while median household income has climbed substantially over the past decade and unemployment has trended well below historical peaks. Education and workforce development reinforce these fundamentals, with California State University, San Bernardino, Loma Linda University, the University of Redlands, and a strong community college network supplying a steady talent pipeline for regional employers.

This combination of scale, connectivity, and industry diversification positions San Bernardino County as a resilient and expanding component of the broader Southern California economy. Sustained population growth, an expanding logistics and healthcare base, and improving household income trends together underscore the county's long-term economic stability and its continued appeal as a place to live, work, and invest.

AREA SNAPSHOT: SAN BERNARDINO, CA





SAN BERNARDINO, CA

	Population	Households	Avg Household Income
1-mile	17,206	5,520	$101,583
3-miles	112,416	33,984	$89,272
5-miles	243,732	70,784	$88.448

SAN BERNARDINO COUNTY

	Population	Households	Avg Household Income
20-miles	1,907,254	580,732	$119,672
40-miles	5,109,105	1,597,074	$130,161
60-miles	13,390,008	4,443,638	$133,873

TENANT OVERVIEW

Walgreens

Corporate Location	Deerfield, IL
Website	walgreens.com/
Number of Locations	8,500+

Walgreens has served American communities as a retail pharmacy operator since 1901, growing from a single Chicago storefront into one of the nation's most recognized drugstore chains. Headquartered in Deerfield, Illinois, the company currently operates approximately 8,500 stores across all 50 states, the District of Columbia, Puerto Rico, and Guam, serving nearly nine million customers and patients daily.

In August 2025, Walgreens transitioned to private ownership following its acquisition by Sycamore Partners, a New York-based private equity firm with a retail and consumer investment focus. The transaction, valued at roughly $10 billion in equity (up to $23.7 billion including debt and potential future considerations), ended the company's nearly century-long run as a publicly traded entity. As part of the transaction, Sycamore restructured the former Walgreens Boots Alliance into five standalone businesses: Walgreens, The Boots Group, Shields Health Solutions, CareCentrix, and VillageMD. Longtime WBA executive chairman Stefano Pessina and his family reinvested their full ownership stake alongside Sycamore, signaling continued confidence in the brand's next chapter. Mike Motz, previously CEO of Staples U.S. Retail and president of Shoppers Drug Mart, was named Walgreens' new chief executive to lead the company through its transition to private, standalone operation.

Now operating independently of its former UK counterpart, Boots, Walgreens remains one of the largest retail pharmacy platforms in the country, combining pharmacy, front-end retail, and health services under one roof.

LEASE ABSTRACT

TENANT	Walgreen Co.
DATE OF LEASE	August 10, 2000
RENT COMMENCEMENT	August 31, 2001
LEASE EXPIRATION	December 31, 2063
TERMINATION OPTION	Tenant has the right to terminate its lease every 5 years, with next option being December 31, 2033.
RENT/YR:	Current – 12/31/33: $345,000 1/1/34 – LXD: $379,500
PERCENTAGE RENT / SALES REPORTING:	Tenant shall pay 2.00% of merchandise, 0.50% of Food and 0.50% of RX, over a natural breakpoint, less real estate taxes paid. In no event shall the total of fixed rent plus additional percentage rent, if any, exceed twice the amount of fixed rent payable in such lease year.
PERMITTED USE	Tenant shall operate a store similar in nature to a majority of its other stores in the State of California.
RIGHT OF FIRST REFUSAL	Tenant has an ongoing right of first refusal to purchase the premises. Tenant must give notice within ten (10) days after receipt of Landlord's notice.
REAL ESTATE TAXES	Tenant shall pay all real estate taxes levied and assessed against the Leased Premises.
UTILITIES	Tenant shall pay when due all bills for water, sewer rents, sewer charges, heat, gas and electricity used in the Building or on the Leased Premises.
COMMON AREA COSTS:	Tenant at Tenant's sole cost and expense shall maintain, landscape, light, repair, clean, patch, reseal, restripe and one inch overlay the parking areas, curbs, light pole foundations, pylon sign foundations and other related facilities including but not limited to any detention ponds or storm water filtration ponds on the Leased Premises and for the exclusive use of the Leased Premises. Tenant's obligations hereunder shall not include (by way of illustration, but not limitation) (i) the replacement of parking areas, curbs, light pole foundations and pylon sign foundations, the replacement ofwhich shall be Landlord's obligation, however, Landlord's replacement obligation under this Article shall only arise when continued repair is no longer practicable, (ii) any item for which Landlord is reimbursed by insurance, warranty or otherwise compensated, (iii) any item required to be repaired, restored, replaced or performed by Landlord under Articles 5, 10 and 14 hereof, and/or (iv) any damages caused by the fault of Landlord. The foregoing items (i) through (iv) pertaining to the Leased Premises shall remain Landlord's responsibility to perform.
REPAIRS AND MAINTENANCE	Except as provided below, Tenant shall (i) repair and replace heating and cooling equipment serving the Building, (ii) make plate glass replacements unless required by fault of Landlord, (iii) make repairs to the interior of the Building, and (iv) perform routine, normal and customary cleaning of, and graffiti removal from, the exterior of the Building. Tenant shall maintain and make all required repairs to the pipes, ducts, wires and conduits located within the Leased Premises. Unless required by causes the fault of Tenant, its employees, subtenants, licensees or agents entering the Leased Premises, Landlord, at Landlord's sole cost and expense, shall maintain and make all repairs to the exterior (including, but not limited to painting, tuckpointing and cleaning, other than Tenant obligations set forth above) and structural portions of the Building, roof, and all utility lines, including but not limited to sewers, sewer connections, pipes, ducts, wires and conduits leading to and from the Leased Premises and/or the Building, except which may be Tenant's responsibility as provided above.
TENANT ASSIGNMENT AND SUBLETTING:	At any time and from time to time, without Landlord's consent, Tenant may sublet a portion of the Leased Premises to any person, firm or corporation, other than a corporation described in Section (a) hereof, for any lawful purpose. At any time and from time to time, without Landlord's consent, Tenant may assign this Lease or Tenant may sublet all of the Leased Premises to any person, firm or corporation for any lawful purpose not in violation of Section (b) of Article 1 hereof. Landlord shall have the right, within thirty (30) days of receipt of Tenant's notice, to terminate this Lease by delivery of notice to Tenant. Notwithstanding the above, Landlord shall not have the right to cancel this Lease in the event that proposed assignment or sublet is in connection with the simultaneous or near simultaneous assignment, sublease or transfer of at least 5 locations in the State of California to a single entity or to entities which are subsidiaries or affiliates or otherwise related, or if the assignment or sublet is in connection with Tenant's rights under Section (a) above. Notwithstanding any assignment of this Lease, Walgreen Co. shall not be released from liability.

FINANCIAL OVERVIEW

ANNUALIZED OPERATING DATA	JULY 2026
Scheduled Gross Income (SGI)	$345,187.50
Total Operating Income	**$345,187.50**
Total Operating Expenses	**All NNN Reimbursed by Tenants**
Net Operating Income	**$345,187.50**
Purchase Price	**$4,375,000**
Current Cap Rate	7.89%

RENT ROLL

TENANT	SF	% OF GLA	LEASE START	LEASE END	JULY 2026 RENT/MO	RENT/SF	LEASE TYPE	RENEWALS
Walgreens Co.	15,120	100.00%	11/01/2001	12/31/2063 Tenant has a 5-year termination right; next option December 31, 2033.	$28,750	$1.90	NNN	5-Five Year Options
TOTAL SQUARE FOOTAGE:	**15,120**							
TOTAL AVAILABLE:	**0**	**0%**	**Vacancy**		**$28,750 Total Monthly Rent**			
TOTAL OCCUPIED	**15,120**	**100%**	**Occupancy**		**$345,000 Total Annual Rent**			

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