OFFERING MEMORANDUM

McDonald's Ground Lease

1402 Tara Hills Drive | Pinole, CA (San Francisco Bay Area)

Fisher James Capital



www.fisherjamescapital.com

Fisher James Capital

01 Property Highlights

02 Overview & Pricing

03 Tenant Information

04 Site Plan

05 Aerials

08 About the Area

10 Demographics

PUTNAM DAILY
Managing Partner
(510) 289-1166
putnam@fisherjamescapital.com
CA RE License #01750064

LINDSEY SNIDER
Senior Partner
(831) 566-6270
lindsey@fisherjamescapital.com
CA RE License #01443387

VAHE NOKHOUDIAN
Partner
(626) 484-4034
vahe@fisherjamescapital.com
CA RE License #01963342

Fisher James Corp. ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto. Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

- Corporate Absolute NNN Ground Lease to McDonald's (NYSE: MCD)
  - → Approximately 11 Years of Primary Term Remaining
  - → Scheduled ~10% Rent Growth in 2027, 2032, and at Options
  - → Four 5-Year Renewal Options which Renew Automatically
  - → Zero Landlord Responsibility
- Leased to McDonald's Corporation, Not a Franchisee or McDonald's USA, LLC
  - → Investment Grade Tenant, Rated BBB+ by S&P and Baa1 by Moody's
  - → World's Largest Quick-Service Restaurant Brand, Serving 70M+ Customers Daily (45,000+ Locations Worldwide)
- Established Location – 50 Years of Continuous Operation at this Site (Since 1976)
- Irreplaceable Interstate 80 Interchange Location – 184,000 ADT at Appian Way
- Comprehensive 2020 Building Modernization, Showing Tenant's Commitment to the Site
  - → Total Architectural and Operational Transformation Designed by McDonald's Corporate
  - → Included Addition of Dual Drive-Thru & Mobile Pickup Stalls, Modern Facade & Signage, Overhauled Interior, and More
- Consistent, Daily Traffic Drivers Surrounding the Site
  - → Neighbored by Professional & Medical Office Buildings, Pinole Middle School, Shannon Elementary, and Tara Hills Elementary
  - → 1.5 Miles from Pinole Valley High School
- 17 Miles to Oakland & 27 Miles to San Francisco
- San Francisco Bay Area Total Population of 7.55 Million
  - → MSA GDP of $681.9 Billion
- Tenant Responsible for Property Tax Reassessment Upon Sale

Established 50-Year Operating History
with Recent Tenant Investment in Site

World's Most Iconic Fast Food Restaurant Brand
45,000+ Locations in More Than 100 Countries

546,476 Population
within 10 Miles

Average Household Income of $154,793
within 10 Miles

IMMEDIATE ACCESS TO INTERSTATE 80

Located at the Appian Way / Tara Hills Drive interchange, **the property benefits from exposure to ~184,000 vehicles per day along I-80**, a primary Bay Area commuter artery connecting the site to Oakland, San Francisco, and the broader East Bay.



$4,129,000

3.75% CAP RATE

View on Map ↗

ANNUAL RENT			
Year		**Annual Rent**	**Return**
Current–Oct. 19, 2027	(Current)	$141,300	N/A
Oct. 20, 2027–Oct. 19, 2032	**(Capitalized)***	**$154,836**	**3.75%**
Oct. 20, 2032–Oct. 19, 2037		$169,716	4.11%
Oct. 20, 2037–Oct. 19, 2042	(Option 1)	$186,684	4.52%
Oct. 20, 2042–Oct. 19, 2047	(Option 2)	$205,356	4.97%
Oct. 20, 2047–Oct. 19, 2052	(Option 3)	$225,888	5.47%
Oct. 20, 2052–Oct. 19, 2057	(Option 4)	$248,484	6.02%

+75.9%

Total contractual rent growth from today through the end of the fourth option period, with no landlord obligations at any point in that horizon

*Seller to credit Buyer the rent differential ($1,128/month) from close of escrow through October 19, 2027.



LOCATION	1402 Tara Hills Dr, Pinole, CA 94564
LOT SIZE	±1.30 acres or ±56,439 square feet
IMPROVEMENTS	±3,466 square foot restaurant for **McDonald's** with a double drive-thru component *Improvements built and owned by Tenant; the improvements are not for sale*
YEAR BUILT/RENOVATED	1976/2020
PARKING	±45 parking spaces
LESSEE	**McDonald's Corporation**
LEASE EXPIRATION DATE	October 19, 2037
CURRENT ANNUAL RENT	$141,300
RENT INCREASES	+9.6% October 20, 2027 +9.6% October 20, 2032 +10% at each option
OPTIONS	Four (4) five-year options, renewing automatically
TAXES	Tenant responsibility, including reassessment on sale
INSURANCE	Tenant responsibility
MAINTENANCE	Tenant maintains the entire premises; No Landlord obligation
RIGHT OF FIRST REFUSAL	Fifteen (15) days after receipt of notice of a bona fide offer
FINANCING	Delivered free and clear of permanent financing

McDonald's

The World's Largest & Most Iconic Fast Food Restaurant Brand with Over 45,000 Locations in Over 100 Countries

Growth Strategy Focused on Digital Advancements, Restaurant Development, and Drive-Thru

McDonald's (NYSE: MCD) is the world's largest quick-service restaurant brand, serving about 70 million customers daily in over 100 countries. Founded in 1940 by Richard and Maurice McDonald (later sold to Ray Kroc), the brand helped define the modern QSR model through innovation, consistency, affordability, and quality. As of December 31, 2025, the system included over 45,000 restaurants, about 95% franchised.

The company continues to set industry standards through technological advancements, menu innovation, and customer-focused strategies under its Accelerating the Arches plan. Growth remains broad-based across Asia, the Middle East, and Europe, while U.S. initiatives emphasize development, digital innovation, and drive-thru optimization.

For fiscal year 2025, McDonald's reported revenue of $26.9 billion and net income of $8.563 billion. Global systemwide sales totaled nearly $140 billion, with more than 210 million 90-day active loyalty users across 70 markets, nearly doubling the system-wide sales generated from loyalty members compared with 2023.

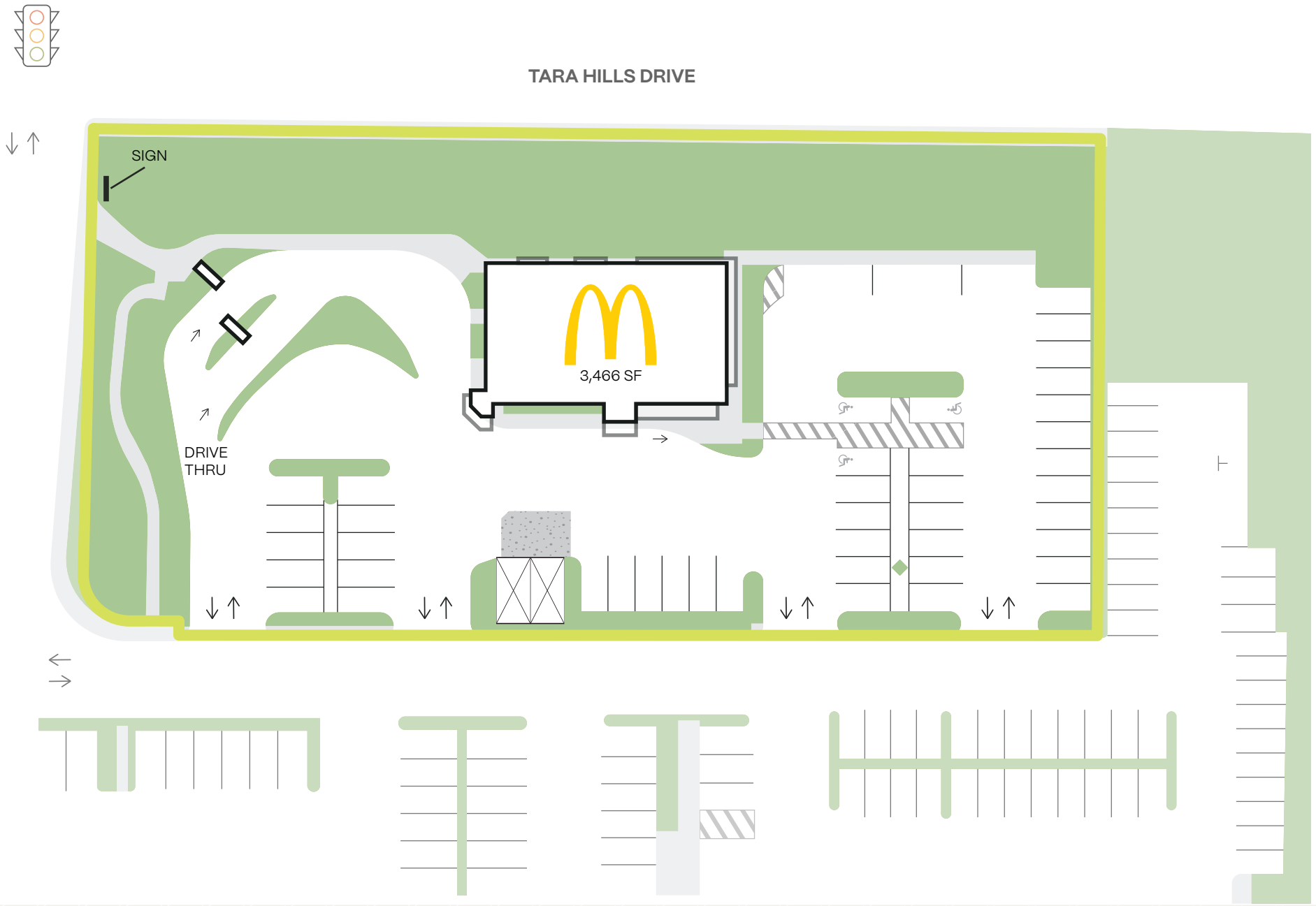
McDonald's is consistently recognized as a leading global brand, ranking #1 on QSR Magazine's 2026 QSR 50 by U.S. systemwide sales, #1 on Brand Finance's World's Most Valuable Restaurant Brand (2025), and #1 in the Food Services industry on Fortune's 2026 World's Most Admired Companies list.

For more information, visit www.mcdonalds.com.



DIRECT PARENT COMPANY LEASE

This property is leased directly to **McDonald's Corporation**, the parent company. The structure provides investors with direct exposure to the credit of McDonald's Corporation itself, not a franchisee or McDonald's USA, LLC.


TARA HILLS DRIVE
SIGN
3,466 SF
DRIVE
THRU


PINOLE VISTA SHOPPING CENTER
3.6M Annual Visits
Lucky
1M Annual Visits, Top 4% Nationwide
DOLLAR TREE
335,600 Annual Visits
BURGER KING
KFC
Wendy's
POPEYES
PAPA MURPHY'S
368,600 Annual Visits, Top 20% Nationwide
planet fitness
492,600 Annual Visits, Top 15% Nationwide
BIG 5
Carl's Jr.
281,600 Annual Visits, Top 4% Nationwide
MOUNTAIN MIKE'S
BEST BUY
CVS pharmacy
7 ELEVEN
BOBA BIRDS
INTERSTATE 80
(184,000 ADT)
Appian Way
Chevron
TARA HILLS DENTAL
Pinole Middle School
TACO BELL
Sizzler
CHASE
6
Tara Hills Dr
ALBANY - PINOLE
ORAL & MAXILLOFACIAL SURGERY


PINOLE VISTA SHOPPING CENTER
3.6M Annual Visits
Lucky
1M Annual Visits, Top 4% Nationwide
DOLLAR TREE
335,600 Annual Visits
BURGER KING
KFC
Wendy's
POPEYES
PAPA MURPHY'S
368,600 Annual Visits, Top 20% Nationwide
planet fitness
492,600 Annual Visits, Top 15% Nationwide
Carl's Jr.
281,600 Annual Visits, Top 4% Nationwide
MOUNTAIN MIKE'S PIZZA
BIG 5 SPORTING GOODS
PINOLE VISTA CROSSING
TARGET
1.8M Annual Visits, Top 17% Nationwide
foodmaxx
IN-N-OUT BURGER
874,700 Annual Visits
RACK
Round Table
Applebee's GRILL & BAR
SHOEPALACE
ULTA BEAUTY
Staples
DAVID'S BRIDAL
PETSMART
BevMo!
T.J.maxx
Burlington
HomeGoods
HILLTOP PLAZA
CINEMARK
ROSS DRESS FOR LESS
dd's DISCOUNTS
HIBBETT SPORTS
DOLLAR TREE
SUBWAY
CITY SPORTS CLUB
BEST BUY
Sizzler
Days Inn BY WYNDHAM
CHASE
Appian Way
INTERSTATE 80
(184,000 ADT)
CVS pharmacy
BOBA BIRDS
Tara Hills Dr
PINOLE VALLEY SHOPPING CENTER
1.3M Annual Visits
GROCERY OUTLET
216,500 Annual Visits
Michaels
441,000 Annual Visits, Top 4% Nationwide
CHUCK E. CHEESE
182,500 Annual Visits, Top 2% Nationwide
ACE
257,500 Annual Visits, Top 3% Nationwide
Benjamin Moore Paints
pet food express
AutoZone
O'Reilly AUTO PARTS
ANYTIME FITNESS
COLD STONE CREAMERY
ALBANY - PINOLE ORAL & MAXILLOFACIAL SURGERY
Pinole Middle School
Bay Area OSM
TARA HILLS DENTAL

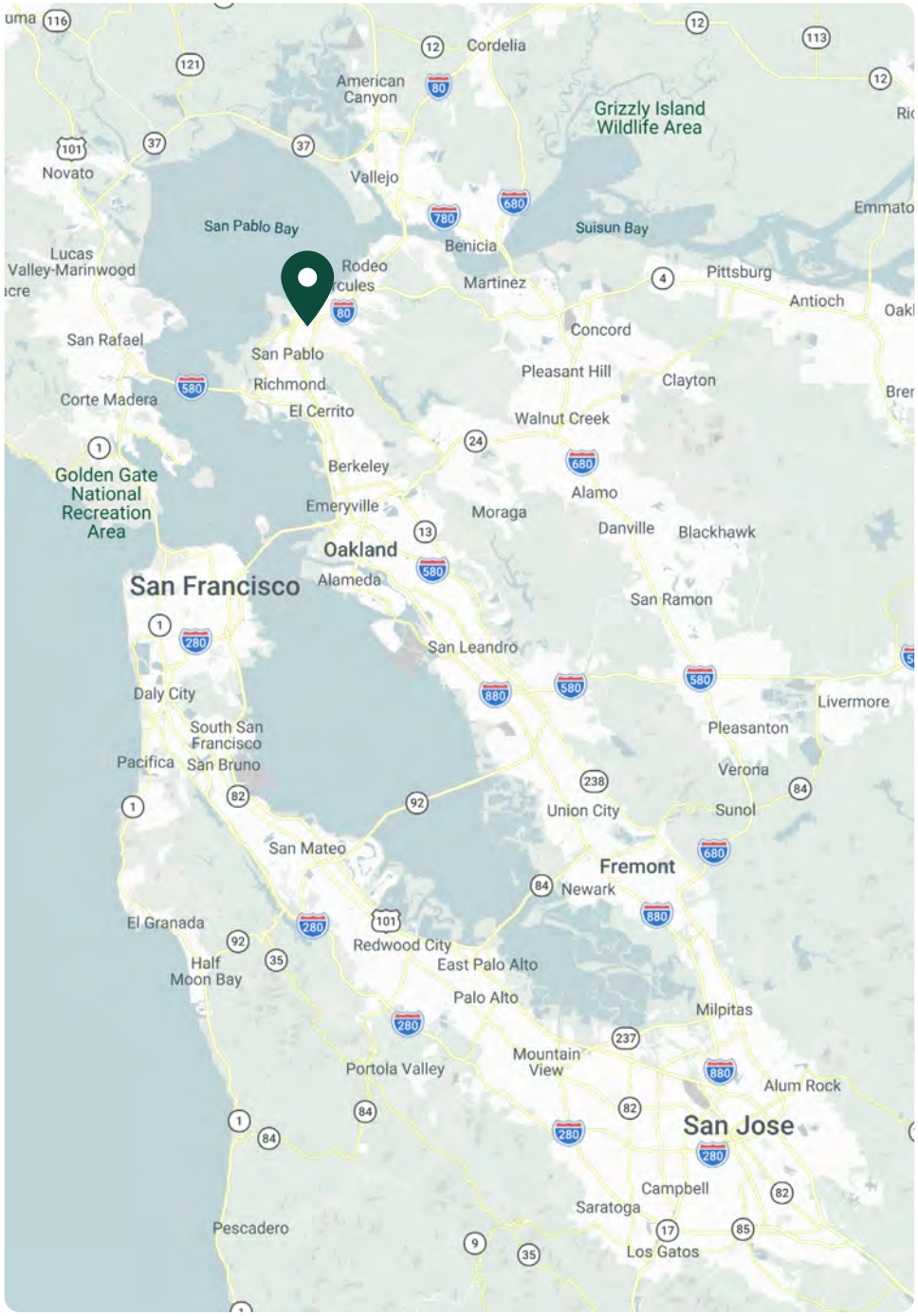

PINOLE VISTA CROSSING
TARGET
1.8M Annual Visits, Top 17% Nationwide
Staples
DAVID'S BRIDAL
PETSMART
BevMo!
foodmaxx
RACK
IN-N-OUT BURGER
874,700 Annual Visits
Round Table
Applebee's
TJ.maxx
SHOEPALACE
Burlington
HomeGoods
ULTA
PINOLE VALLEY SHOPPING CENTER
1.3M Annual Visits
GROCERY OUTLET
216,500 Annual Visits
ACE
257,500 Annual Visits, Top 3% Nationwide
pet food express
AutoZone
O'Reilly AUTO PARTS
ANYTIME FITNESS
Michaels
441,000 Annual Visits, Top 4% Nationwide
CHUCK E. CHEESE
182,500 Annual Visits, Top 2% Nationwide
Benjamin Moore
COLD STONE
SUBWAY
amazon
Distribution
ups
WILLIAMS SONOMA
Warehouse
WHOLE FOODS MARKET
Distribution
Walmart
CONTRA COSTA COLLEGE
Richmond Golf Club
Caliber: Beta Academy
Tara Hills Elementary School
Montalvin Elementary School
HILLTOP PLAZA
CINEMARK
ROSS DRESS FOR LESS
dd's DISCOUNTS
HIBBETT SPORTS
DOLLAR TREE
SUBWAY
CITY SPORTS CLUB
INTERSTATE 80
(184,000 ADT)
Tara Hills Dr
ALBANY - PINOLE
ORAL & MAXILLOFACIAL SURGERY
Pinole Middle School
Chevron

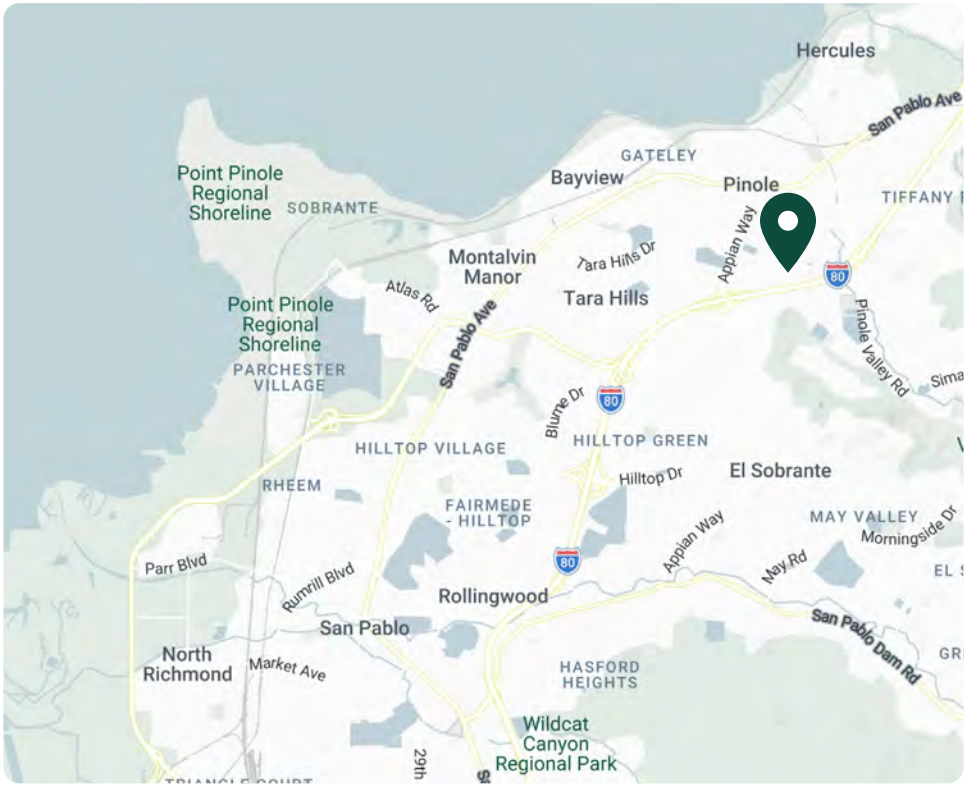
Contra Costa County is one of the primary suburban counties within the San Francisco Bay Area, positioned directly east of San Francisco and Oakland and connected to the broader Northern California economy through an extensive network of interstate highways, BART commuter rail, regional employment centers, and waterfront industrial corridors. The county includes a diverse mix of affluent residential communities, established commercial districts, healthcare and education hubs, logistics corridors, and major corporate and public sector employment drivers. Its strategic East Bay location provides access to San Francisco, Oakland, Berkeley, Walnut Creek, Silicon Valley, Sacramento, and the broader Northern California mega-region.

The county benefits from a large and diversified employment base spanning healthcare, education, financial services, professional services, logistics, energy, manufacturing, retail, and public sector employment. Major employers and economic drivers throughout Contra Costa County and the greater East Bay include Kaiser Permanente, John Muir Health, Chevron, Contra Costa County, Bio-Rad Laboratories, Wells Fargo, and numerous regional healthcare, education, and professional service organizations. The county's combination of strong household incomes, established residential density, and access to major regional job centers continues to support long-term consumer demand and commercial activity.

Contra Costa County is further strengthened by its proximity to the broader San Francisco Bay Area, one of the most economically influential regions in the world. The Bay Area is globally recognized as a center for technology, venture capital, biotechnology, finance, higher education, and innovation, supported by leading companies such as Apple, Google, Meta, Salesforce, Visa, Nvidia, Adobe, Tesla, Oracle, Genentech, and numerous other major corporate users. The region also benefits from world-class universities and research institutions including Stanford University, UC Berkeley, Santa Clara University, and other leading academic and workforce development centers.

With strong regional connectivity, affluent demographics, a highly educated workforce, and immediate access to one of the nation's most dynamic economic ecosystems, Contra Costa County remains one of the Bay Area's most established and desirable suburban markets. These fundamentals continue to support long-term stability, investment demand, and sustained retail, residential, and employment activity throughout the East Bay.





Nearby Top-Performing Retail	Visit Data (per Placer.ai)
Pinole Vista Shopping Center	3.6M Annual Visits
Lucky Supermarkets	1M Annual Visits, Top 4% Nationwide
Planet Fitness	492,600 Annual Visits, Top 15% Nationwide
Starbucks	368,600 Annual Visits, Top 20% Nationwide
Dollar Tree	335,600 Annual Visits
Carl's Jr.	281,600 Annual Visits, Top 4% Nationwide
Target	1.8M Annual Visits, Top 17% Nationwide
Pinole Valley Shopping Center	1.3M Annual Visits
Michaels	441,000 Annual Visits, Top 4% Nationwide
Ace Hardware	257,500 Annual Visits, Top 3% Nationwide
Grocery Outlet	216,500 Annual Visits
Chuck E. Cheese	182,500 Annual Visits, Top 2% Nationwide
In-N-Out	874,700 Annual Visits

Pinole is a well-established East Bay community located in western Contra Costa County along the shores of San Pablo Bay, approximately 17 miles north of Oakland and 27 miles northeast of San Francisco. Strategically positioned along Interstate 80, Pinole serves as a key retail and residential community within the western Contra Costa County trade area, drawing from surrounding communities including Hercules, El Sobrante, San Pablo, Richmond, Rodeo, and nearby residential neighborhoods. The city benefits from strong regional accessibility, an established consumer base, and proximity to major Bay Area employment centers.

The subject property is prominently located along Tara Hills Drive at the entrance to Pinole's dominant Appian Way retail node, immediately proximate to Interstate 80 and the Appian Way / Tara Hills Drive interchange. The site benefits from strong visibility, convenient access, and consistent traffic generated by local residents, nearby schools, regional commuters, and shoppers traveling throughout the surrounding trade area. Its position along a major commuter and neighborhood retail corridor supports recurring daily traffic and reinforces the area's role as a convenient retail and service destination.

The property is positioned within a dense concentration of established national retailers and high-performing shopping centers clustered within approximately one-half mile of the interchange. Directly across Interstate 80 is Pinole Vista Crossing, a 216,000-square-foot, 19-acre community center anchored by Target. In July 2024, Federal Realty Investment Trust acquired the center for $60.0 million, reflecting institutional investment conviction in the surrounding trade area. Additional nearby retail includes Pinole Valley Shopping Center, In-N-Out, Sprouts, Grocery Outlet, Dollar Tree, Michaels, and other complementary national tenants.

The property is further strengthened by its location directly adjacent to Pinole Middle School, creating recurring weekday traffic from students, families, faculty, and school-related activity. Additional nearby demand drivers include dense surrounding residential neighborhoods, community-serving uses, and ongoing infill development within the immediate trade area, including the entitled 223-unit multifamily project at the former Kmart site on Fitzgerald Drive and the approved 154-unit Appian Village townhome-style development. Combined with its established McDonald's tenancy, immediate freeway access, strong retail co-tenancy, and proximity to school and residential traffic drivers, the subject property is well-positioned within one of Pinole's most active commercial corridors.

546,476
2026 Total Population

$1,020,068
Average Home Value

$154,793
Average Household Income



1402 Tara Hills Drive, Pinole, CA, 94564

Population Summary	3 Miles	5 Miles	10 Miles
2026 Total Population	102,654	203,073	546,476
2031 Total Population	102,798	203,111	549,709
2026 Total Daytime Population	78,168	156,718	498,694
Household Summary			
2026 Average Household Income	$152,515	$142,950	$154,793
2026 Average Home Value	$841,307	$860,149	$1,020,068
2026 Total Households	35,412	67,186	198,293
2031 Total Households	35,693	67,632	200,600

Major Employers in Contra Costa County	# of Employees
Contra Costa County	~12,700
Kaiser Permanente	~10,000
John Muir Health	~6,000
Contra Costa Community College District	~4,150
Chevron Corporation	~3,800
Mt. Diablo Unified School District	~2,600
San Ramon Valley Unified School District	~2,575
West Contra Costa Unified School District	~2,510
Pacific Gas & Electric (PG&E)	~2,300
Bio-Rad Laboratories	~2,260

Fisher James Capital

PUTNAM DAILY
Managing Partner
(510) 289-1166
putnam@fisherjamescapital.com
CA RE License #01750064

LINDSEY SNIDER
Senior Partner
(831) 566-6270
lindsey@fisherjamescapital.com
CA RE License #01443387

VAHE NOKHOUDIAN
Partner
(626) 484-4034
vahe@fisherjamescapital.com
CA RE License #01963342

www.fisherjamescapital.com