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**STOCK VALUE CLIMBS WITH Q1 RESULTS
TESLA MANUFACTURING PLANT HAS RE-OPENED
THIS LOCATION IS OPEN FOR BUSINESS**



Tesla Motors Service Plus Location
West Palm Beach, FL | South Florida

This property is listed in conjunction with Florida-licensed real estate broker Robert Long.

www.preservewestcapital.com



PROPERTY HIGHLIGHTS	1	SITE PLAN	8
PROPERTY OVERVIEW	3	AERIALS	9
STRATEGIC LOCATION	4	ABOUT THE AREA	10
TENANT INFORMATION	5	DEMOGRAPHICS	13

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Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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PROPERTY HIGHLIGHTS

DOWNTOWN WEST PALM BEACH



Property Highlights

- 10-Year Net Lease to Tesla, Inc (NASDAQ:TSLA)
 - Rare 2.5% Annual Rent Increases
- Tesla Reported Net Income of \$16 Million in Q1 of 2020
 - Total Revenue of \$5.99 Billion
 - Market Capitalization of \$153.2 Billion as of April 30, 2020
- Consensus Building Tesla is the EV Leader and will Sustain its Growth and Production Levels
- Completely Redeveloped Commercial Property - Expanded and Rebuilt Construction
- Critical Strategic Location for Flagship Tesla Dealership in Southeast Florida
 - "Service Plus" Design is in Line with Tesla's Long Term Objectives
 - Positioned Between I-95 and the Florida Turnpike - Combined AADT of 310,666
- Florida Represents the Second Largest Share of New Tesla Sales in the U.S.
 - Third Largest Proportion of Model 3 Preorders
- Ideally Situated to Serve Miami-Fort Lauderdale-West Palm Beach MSA with Population Exceeding 6.7 Million
 - Includes Some of the Most Affluent Counties in the State
- Tesla has Expansion Rights at Site, Ensuring Long-Term Tenancy and Reducing Relocation Risk as Operations Expand
- Prominent "Auto Row" Location Neighboring Numerous Luxury Car Dealerships
 - Adjacent to Mercedes-Benz, Alfa Romeo, Ferrari, Porsche, BMW, and Audi Dealerships
 - Similarly Situated Locations are Among Tesla's Highest Performing
- Robust, Affluent Demographics In Surrounding Area
 - Trade Area Population of 2,250,559
 - Adjacent City of Palm Beach Ranked among the Wealthiest in the U.S.



Location

The property is located at 5544 Okeechobee Boulevard in West Palm Beach, Florida.

Lot Size

Approximately 3.62 acres, or approximately 157,687 square feet.

Improvements

Complete redevelopment was completed in June 2018 of an approximately 23,240 square foot retail building for **Tesla**.

Parking

There are 278 parking spaces available on site.

Financing

This property will be delivered free and clear of permanent financing.

Lease

Leased to **Tesla, Inc.** for 10 years from December 12, 2018 at an initial annual rent of \$714,630. There are three (3) five-year options to renew the lease. Rent is to increase by 2.50% annually throughout the term and option periods. The lease is net with tenant responsible for taxes, insurance, and maintenance, excluding roof and structural elements. In the event tenant's maintenance obligations would require tenant to incur a capital expense exceeding \$25,000, landlord will perform such work and tenant will reimburse for the cost of the item amortized over its useful life for the remainder of the term.

Blended Income Over Primary Term

\$819,893 (6.28% Return)

Right of First Refusal

Tenant shall have the right of first refusal to purchase the property on the same terms and conditions as any bona fide third party offer received by the landlord by providing written notice to the landlord within fifteen (15) business days of receiving written notice of such an offer.

PRICE

\$13,058,000

5.75% CAP Rate

6.28% Return (Blended Yield)

Net Annual Income

Years	Annual Rent	Return	Blended Income	Return
Year 1	\$714,630	n/a	\$819,893	6.28%
Year 2	\$732,496	n/a		
Year 3	\$750,808	5.75%		
Year 4	\$769,578	5.89%		
Year 5	\$788,818	6.04%		
Year 6	\$808,538	6.19%		
Year 7	\$828,752	6.35%		
Year 8	\$849,471	6.51%		
Year 9	\$870,707	6.67%		
Year 10	\$892,475	6.83%		
Year 11 (Option 1)	\$914,787	7.01%		
Year 12 (Option 1)	\$937,656	7.18%		
Year 13 (Option 1)	\$961,098	7.36%		
Year 14 (Option 1)	\$985,125	7.54%		
Year 15 (Option 1)	\$1,009,753	7.73%		
Year 16 (Option 2)	\$1,034,997	7.93%		
Year 17 (Option 2)	\$1,060,872	8.12%		
Year 18 (Option 2)	\$1,087,394	8.33%		
Year 19 (Option 2)	\$1,114,579	8.54%		
Year 20 (Option 2)	\$1,142,443	8.75%		
Year 21 (Option 3)	\$1,171,004	8.97%		
Year 22 (Option 3)	\$1,200,280	9.19%		
Year 23 (Option 3)	\$1,230,287	9.42%		
Year 24 (Option 3)	\$1,261,044	9.66%		
Year 25 (Option 3)	\$1,292,570	9.90%		



Redevelopment Capital Expenses

The property has completely redeveloped to rebuild and expand a 1980's structure and bring the site and building up to current code requirements. Three (3) metal structures, which housed the previous automotive shop space, and the rear wall of the former showroom building were demolished. A new concrete masonry block structure was then connected to the existing showroom building. Steel wind girts and beams were constructed within the remaining portions of the building and additional welds applied to the roof deck to reinforce the structure for current wind requirements. The mezzanine level was demolished, and the split-level first floor was partially removed and replaced with a new concrete slab to provide a single level floor throughout the entire building. Other enhancements to the property include:



Site Improvements

Provided fill, compaction and site grading to level the topography of the parcel for future site expansion and improvements

Milled, overlaid and restriped all existing asphalt parking areas

Enhanced existing landscaping with dozens of additional trees, shrubs and foundation plantings

Removed all site light poles and replaced with twenty (20) new direct burial concrete poles and LED site lighting throughout

Provided new drainage structures and new drainage inlets connected to the existing system for proper site drainage

Installed new sidewalks and curbs around building and repaired and added curbing to landscape islands

Removed and replaced perimeter wood picket fence with new precast wall

Installed electronic gate arms for separation of public parking and inventory

Installed conduit under parking lot for eighteen (18) future supercharger locations

Converted former gravel lot to a new asphalt parking area

Replaced all wood dumpster corral fences with new galvanized gates

Updated and modified entire irrigation system for efficient property management

Upgraded FPL transformer for new power requirements

Building Improvements

Installed new TPO roofing with a twenty (20) year warranty

Provided five (5) new Carrier HVAC units totaling fifty-eight (58) tons of AC

Installed nine (9) new hurricane impact vision roll-up doors

Installed new hurricane impact rated storefront throughout

Upgraded all utilities per Tenant's requirements including fire service

Upgraded building electrical with 480V, 3 phase, 4-wire, 2600 AMP service

Upgraded fire sprinkler and installed new Fire Alarm systems

Added new LED exterior wall and canopy lighting fixtures

Installed oversized impact rated sliding glass door at delivery area



Strong Intrinsic In Line with Long-Term Tesla Strategy

The property is an ideal site for Tesla exceeding the company's site selection criteria. The location benefits from strong intrinsic due to its strategic south Florida location and its prominence and visibility within a heavily-trafficked "auto row" adjacent to numerous luxury car dealerships. Tesla has found that locations in close proximity to other auto dealerships benefit from amplified visibility and increased customer traffic, driving demand in the markets in which they are located. In addition, Tesla has observed a strong correlation between the addition of new sales and "Service Plus" locations such as this property in a market and increased demand for Tesla vehicles.

The property's strategic location will allow it to serve a dense, affluent trade area, particularly as Tesla's Model 3 rollout reaches scale. The site provides 278 total parking spaces, including 164 for Tesla vehicle inventory and storage to serve the trade area reach of this location. Tesla has seen substantial success in similarly strategically situated locations in affluent suburbs of major cities with access to regional arterials and commute routes. Based on commonly accepted estimates, Florida represents the second largest number of new Tesla sales in the U.S. and third largest share of Model 3 preorders.



Tesla, Inc. (NASDAQ: TSLA), formerly **Tesla Motors, Inc.**, is an American automotive and energy storage company that designs, manufactures, and sells electric cars, electric vehicle powertrain components, and battery products.

Tesla first gained popularity with its first vehicle, the Tesla Roadster, which was the first fully electric sports car. Since then, the company's second vehicle release has been the Model S, a fully electric luxury sedan, and then followed by the Model X, a crossover SUV. The company's latest vehicle is the Model 3, an all-electric four-door compact luxury sedan. In addition, the company recently announced plans to begin limited-scale production of their new Tesla Semi design at the Gigafactory facility in 2019, and revealed plans for the Model Y, an all-electric compact SUV.

The company markets and sells cars directly to consumers through an international network of company-owned stores and galleries. Tesla stores and galleries are highly visible, premium outlets in major metropolitan markets, some of which combine retail sales and service, operating as "Service Plus" locations. The company now operates more than 434 store and service locations globally and operates a mobile service fleet of 756 units. The company has also established more than 1,917 supercharger stations, 17,007 supercharging connectors, and 21,000 destination charger locations worldwide. 99% of the U.S. population now lives within 150 miles of a supercharger, with plans to continue adding locations, enabling the company to expand markets for its vehicles nationwide.

The company has steadily increased production over the last five years and has seen exponential production growth in recent quarters, overcoming well-publicized Model 3 production challenges. In July 2018, Tesla achieved their production benchmark of 7,000 vehicles per week; this production level is expected to result in sustainable profitability for the company. In the first quarter of 2020, the company produced approximately 103,000 new vehicles and delivered approximately 88,500 new vehicles; overall, Tesla delivered 367,500 vehicles in 2019, representing a year-over-year increase of approximately 50%.

In April of 2018, China announced a plan to ease restrictions on foreign-owned businesses in China by the end of 2018, paving the way for Tesla to gain a foothold in the massive electric vehicles market in China. In 2016, China represented 40% of electric car sales worldwide. This change has also allowed Tesla to move forward with plans to open manufacturing facilities in China. In July of 2018, the company



announced plans to construct a new plant in Shanghai, which will enable the company to bypass the 40% import tariff on the vehicles and offset current cost disadvantages in the Chinese market. As of the fourth quarter of 2019, fewer than 12 months after breaking ground, the Shanghai gigafactory has produced nearly 1,000 new vehicles and has demonstrated production-rate capabilities exceeding 3,000 units per week. Even with tariffs in place, the Chinese market represented \$2 billion in sales for Tesla in 2017, 20% of the company's total.

Tesla's ongoing increases in Model 3 production and improved cash flow and operations throughout 2018 and early 2019 have prompted increased investor confidence in the company. In February 2019, investment bank Canaccord Genuity noted that as a result of the company's "strong operating cash flow generation of \$1.23B and cash on the balance sheet of \$3.7B, the liquidity concerns and convertible note repayment are no longer valid concerns," and highlighted progress made toward the goal of an affordable \$35,000 Model 3.

In the first quarter of 2020, Tesla reported revenue of \$5.99 billion, net income of \$16 million, and total stockholder equity of \$9.17 billion. As of April 30, 2020, Tesla has a market capitalization of \$153.2 billion.

For more information, please visit www.tesla.com.



About the Model 3

The Model 3 is a compact luxury sedan aiming to reduce the entry price for electric vehicles with a price point starting around \$35,000. The widely anticipated vehicle has experienced strong demand, with nearly half a million preorders, and deliveries to the general public began in July 2017. As of April 2019, the Model 3 has consistently been the best-selling premium car in the U.S., outselling the runner-up by nearly 60% in quarter one. As of the end of Q1 2019, the Model 3 was the best-selling car in the U.S. by revenue over the preceding four quarters.

The Model 3 received Automobile Magazine's 2018 Design of the Year Award and has achieved a 93% customer satisfaction score according to company assessments, among numerous other accolades.

Model 3 Production

Tesla has made significant progress ramping up Model 3 production in recent quarters. The company has continued to increase production rates, and achieved their goal of producing 5,000 Model 3 Vehicles per week in the second quarter of 2018. Modifications to the Model 3 production line in late April 2018 and changes intended to address supply bottlenecks increased the production rate dramatically in quarter two; by the end of quarter three, the company had achieved sustained production of 5,300+ Model 3 vehicles per week. In the first quarter of 2020, the company produced 87,282 new Model 3 vehicles.

The company has learned from its production challenges and has experienced substantial success ramping up new production lines and processes throughout 2019, with production expected to continue to grow into 2020. Less than 12 months after breaking ground at the Shanghai gigafactory, the facility has produced approximately 1,000 vehicles and demonstrated capacity to produce more than 3,000 units per week.

As the volume of Model 3 production and deliveries increase, the company's operating margins will continue to improve.



TESLA FILE PHOTO (MODEL 3)

Model 3 Deliveries

In the first quarter of 2020, the company delivered 76,266 Model 3 vehicles. On the whole, Tesla delivered 300,815 Model 3 vehicles in 2019.

In 2019, the company delivered 367,500 vehicles globally, representing an increase of 50% year-over-year.

Model 3 & Tesla Profitability

Tesla achieved profitability in the first quarter of 2020, reporting net income of \$16 million, operating income of \$283 million, and operating margin of 4.7%.

The company anticipates continued increases in Model 3 volumes due to continuing high production rates and entry into international markets.



TESLA FILE PHOTO (ROADSTER)

Model Y

In March 2019, Tesla announced plans for a new all-electric compact SUV with up to 300 miles of range priced at approximately \$48,000 – nearly \$20,000 less than comparable all-electric SUVs currently on the market. Given the performance, equipment, size, and increased range of the vehicle, the company anticipates the Model Y will become its most popular vehicle, with sales surpassing those of the Model S, Model X, and Model 3 combined.

Because of the production efficiencies developed during the Model 3 manufacturing process, the company believes it will be able to rapidly deploy production lines for the Model Y that will offer both cost savings and faster production timelines. The Model Y is reported ahead of schedule with production expected by summer 2020.

Tesla Semi & Cybertruck

Tesla unveiled plans to develop an all-electric heavy-duty truck with a range of 300 to 500 miles, the Tesla Semi, in late 2017, drawing approximately 2,000 pre-orders by the end of Q1 2017. Though the company's manufacturing efforts have largely been focused on Model 3 production and preparations for production of the Model Y, the company plans to begin large-scale manufacturing of the Tesla Semi in 2020.

In addition, the company has announced plans to develop an all-electric pickup truck-style vehicle, known as the "Cybertruck," with a steel "exoskeleton" and 7,500+ lb towing capacity. Production of the "Cybertruck" is expected to begin in 2021.

pick-up truck style vehicle, currently referred to as the "Cyberpunk Truck," which is expected to be unveiled in mid-to-late 2019.

New Tesla Roadster

Tesla has also announced plans to release a new generation of its original Roadster model in 2020, with 0-60 acceleration in 1.9 seconds, a top speed exceeding 250 miles per hour, and 620 miles of range. Additional alleged features including the "SpaceX package" of cold air thrusters installed on the vehicle, up to 3G of thrust, and possibly the ability to hover or fly. The company anticipates that production and delivery of the new Roadster model will begin in 2020, though likely not before Model Y production and deliveries commence.

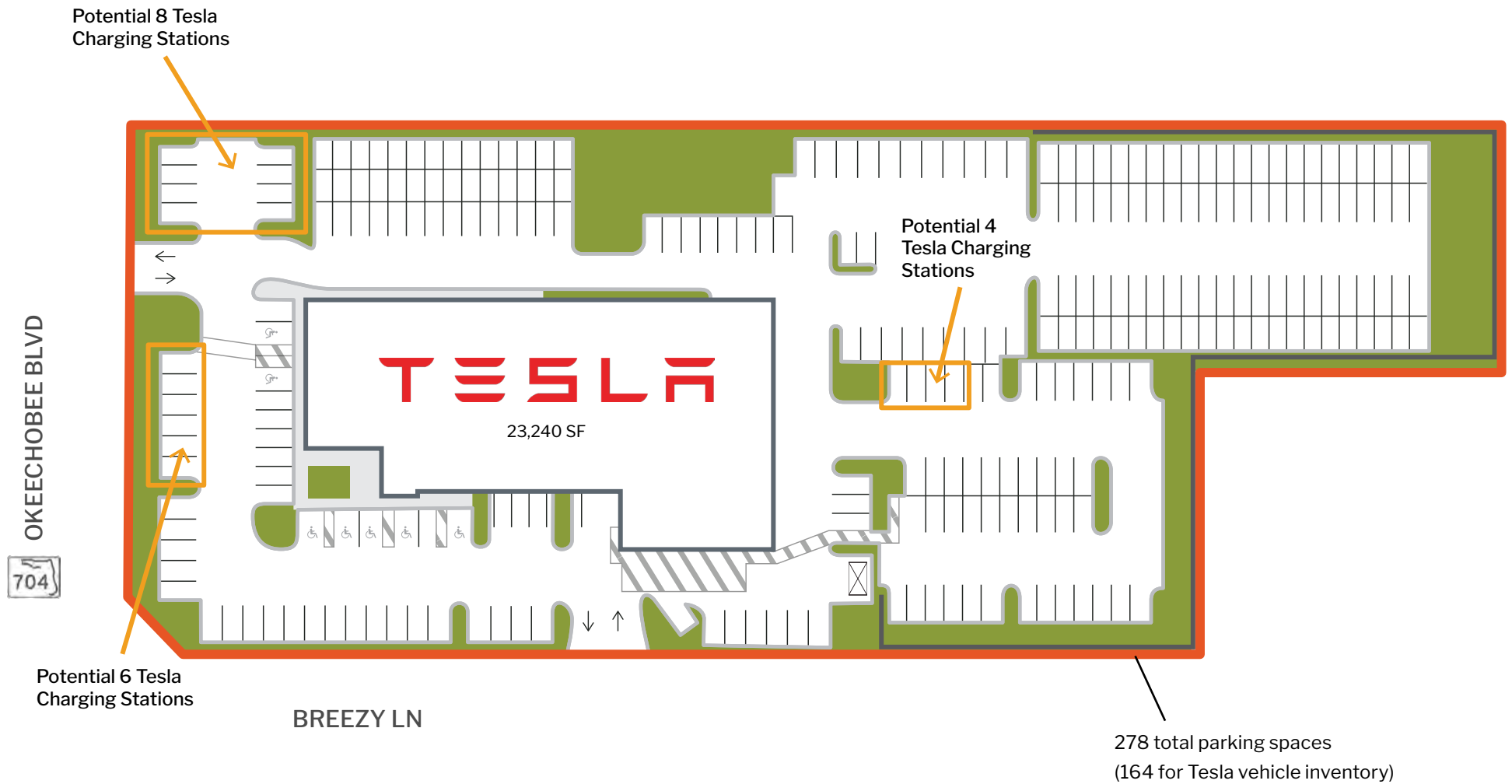


TESLA FILE PHOTO (MODEL Y)



TESLA FILE PHOTO (MODELS 3, S, Y & SEMI)

SITE PLAN



WEST VIEW AERIAL



LAKE POINT CENTER



CHRYSLER

Jeep

DODGE



704

Okeechobee Blvd (56-166 AADT)



TESLA



RIVERWALK

EMERALD DUNES CLUB

CENTURY VILLAGE

ABOUT THE AREA

SITE

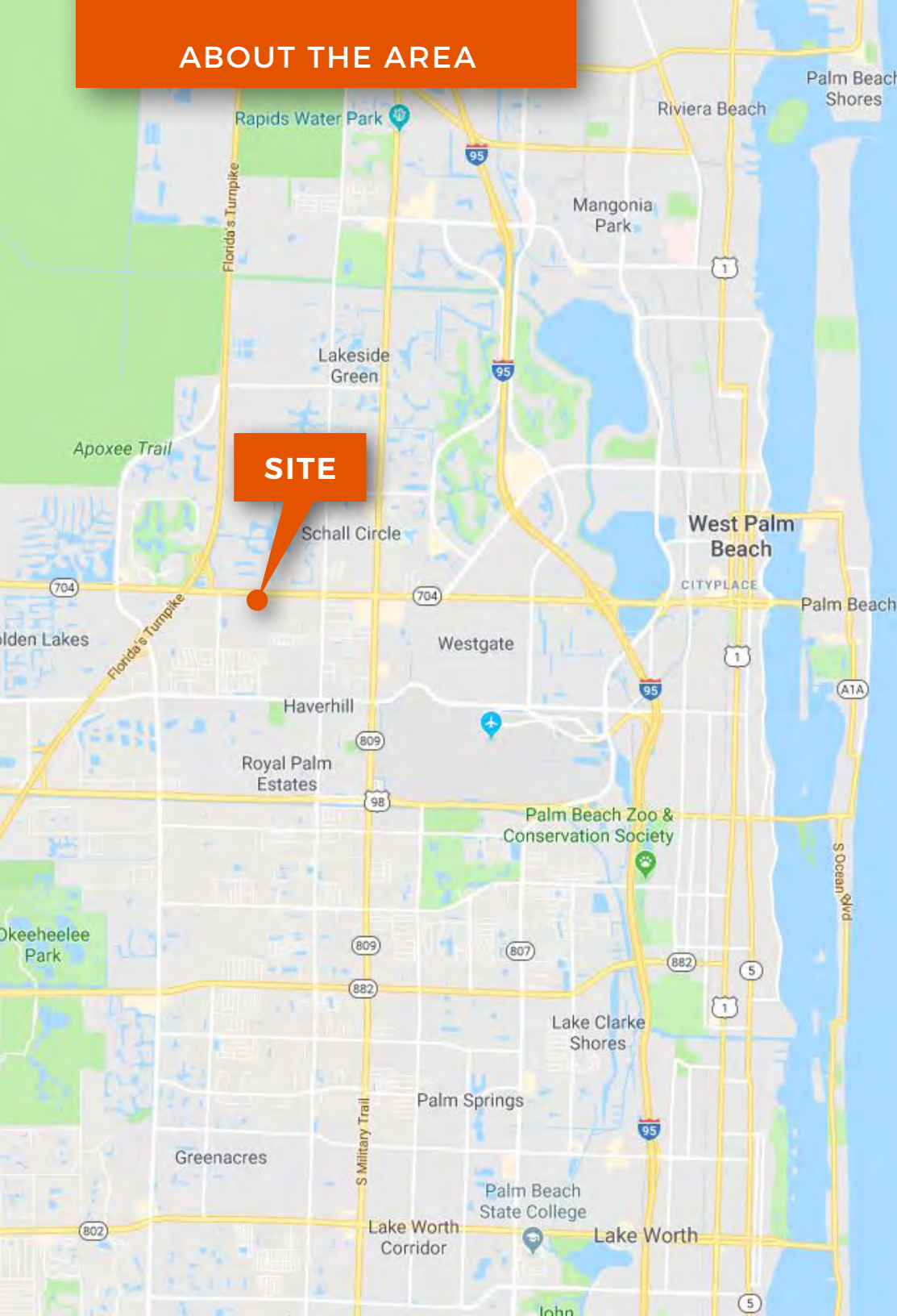
General Overview

West Palm Beach (population 108,161) is a city in and the county seat of Palm Beach County. The city is immediately adjacent to Palm Beach, which was ranked the 27th wealthiest city in the U.S. in 2018 by Fortune Magazine. West Palm Beach is a principal city in the Miami-Fort Lauderdale-West Palm Beach Metropolitan Statistical Area, which has a total population exceeding 6,723,000 and includes the three most populous counties in the state. The MSA is the most populous in the state of Florida and the second most populous in the southeastern United States overall.

West Palm Beach benefits from its central location in the greater Miami area, with access to many of the largest cities in the state of Florida. Florida's Turnpike and I-95 run the length of the greater Miami area, linking West Palm Beach to Fort Lauderdale and Miami. Both cities are major tourist hubs with substantial passenger and commercial traffic; Miami and Fort Lauderdale are home to the busiest and third busiest cruise ship ports in the U.S., respectively.

In addition to tourism, the region benefits from a robust local economy with a broad economic base in agribusiness, aviation and engineering, financial services, cleantech, distribution and logistics, healthcare, telecommunications, life sciences, import/export, manufacturing, and more; Palm Beach County is one of the most affluent in Florida. Companies headquartered in the county include Office Depot, The ADT Corporation, TBC Corporation, NextEra Energy, and more; other major companies with a significant presence in the county include United Technologies, General Dynamics, Lockheed Martin, Rocketdyne, Sikorsky Aircraft, and more. In addition, the Port of Palm Beach is the fourth-busiest container port in the state of Florida and handles a high volume of exports annually.

ABOUT THE AREA



Site Information

The subject property is ideally located with excellent access and visibility along Okeechobee Boulevard (56,166 AADT) near its junction with Florida's Turnpike (56,000 AADT) and approximately 3 miles from its junction with I-95 (198,500 AADT). Both Florida's Turnpike and I-95 provide access to the greater Miami metropolitan area. The site benefits from robust, affluent demographics with a population of 1,001,330 and average household incomes exceeding \$81,820 within a fifteen mile radius of the site. Population within the overall trade area for this Tesla Service + location exceeds 2,250,000.

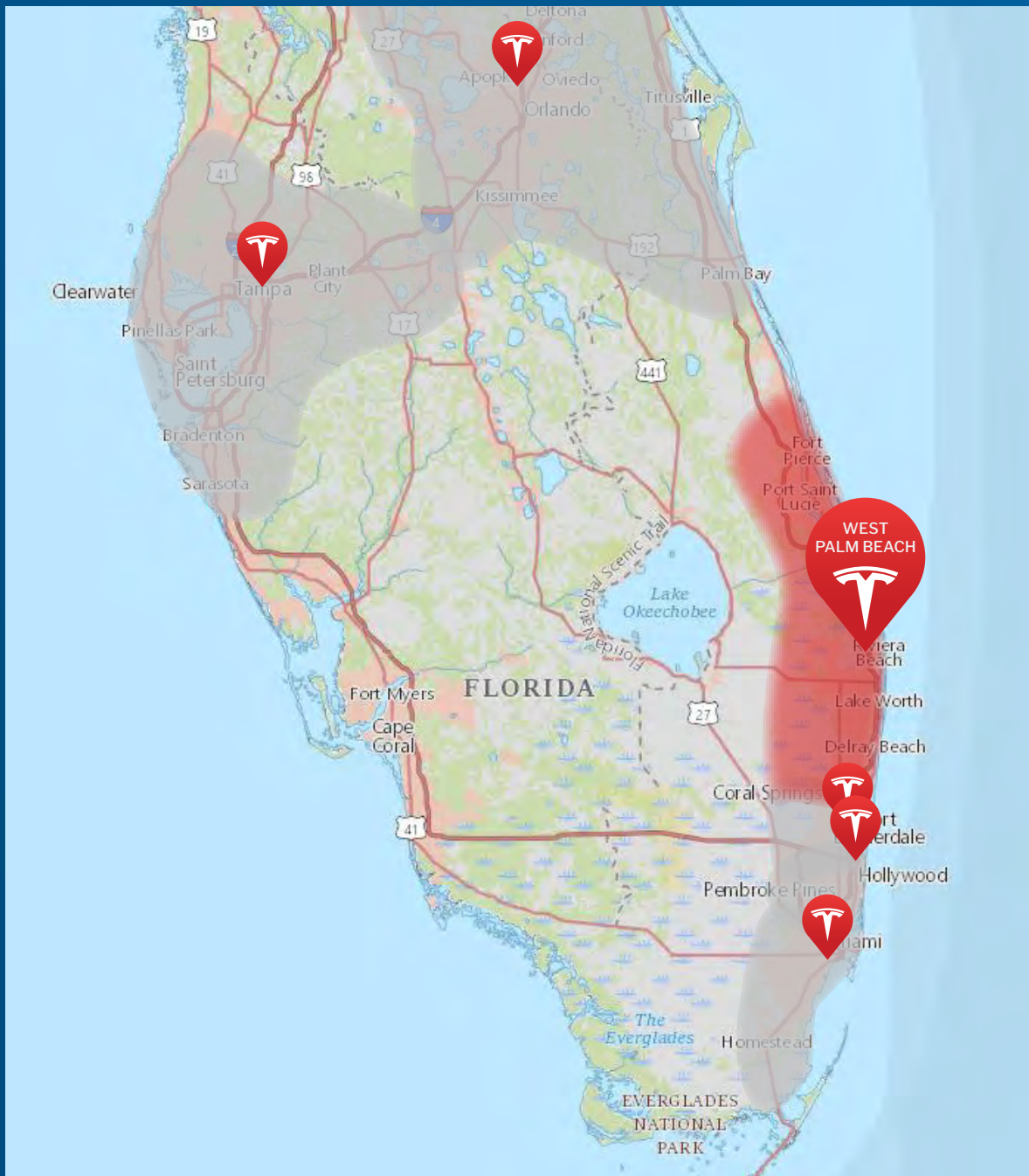
The property is ideally situated in a dense infill location with high barriers to entry adjacent to many of Florida's most affluent communities.

The property is situated in a built-out, infill location with minimal land available for additional development in the surrounding area; the region is bordered by agricultural land and wildlife preservation areas. Six of the ten highest-income communities in Florida are situated within the property's trade area, and average household income within the overall trade area exceeds \$85,000 annually.

The site benefits from access to major neighboring markets, including Boca Raton, Port St. Lucie, Ft. Lauderdale, and Miami. In addition, the property benefits from proximity to other major and luxury car dealerships within West Palm Beach's "auto row," including Arrigo Alfa Romeo Palm Beach, Lexus of Palm Beach, Mercedes-Benz of Palm Beach, Ferrari of Palm Beach, Braman BMW, Braman Mini, Porsche, Audi West Palm Beach, Land Rover Palm Beach, Marino Performance Motors, Infiniti of the Palm Beaches, Schumacher Buick GMC, Schumacher Subaru, and Schumacher Volvo. The property is ideally situated to serve many of the most affluent communities in Florida.

The site additionally neighbors numerous retail centers, including the Palm Beach Outlets, with major tenants including Target, Whole Foods, DSW, Ulta, TJ Maxx, and more; Pine Trail Shopping Center, with tenants including Petco, Marshall's, and LA Fitness, Lake Point Center, anchored by Wal-Mart Neighborhood Market; and Cross County Plaza, anchored by Winn-Dixie, Ross, and Big Lots. Other major retail tenants neighboring the site include Walmart Supercenter, Costco, CVS, Walgreens, Lowe's Home Improvement, Publix, The Home Depot, and more. The site is located approximately 4 miles from the Palm Beach International Airport, which serves nearly 6.5 million passengers annually, and neighbors numerous parks, golf courses, and country clubs, drawing additional traffic proximal to the site.

ABOUT THE AREA



Regions Served

This Tesla facility is strategically situated to serve a dense, affluent trade area stretching from Pompano Beach in the south to Vero Beach to the north. The trade area is home to approximately 2.25 million people with a projected 2018-2023 annual growth rate of 1.25%, and 26% of households in the region earn more than \$100,000 annually.

Florida is the second largest market for new Tesla sales in the U.S., and has established multiple new and planned delivery and service locations throughout major Florida markets to meet substantial demand.

An existing Tesla service location is located approximately 6 miles from the site; however, regional demand has outstripped the facility's delivery and service capacity, and does not meet Tesla's typical site requirements.

Moving forward, the subject property will be the primary showroom, service center, and delivery hub within the trade area, due to its prominent location within a regional auto row and long-term expansion potential at the site.

The region this property will serve includes some of the most affluent communities in the U.S.:

City	Average Household Income	Rank Statewide (2016)	Miles from Site
Jupiter Island	\$533,275	2	25
Manalapan	\$364,967	3	14
Orchid	\$329,328	6	82
Gulf Stream	\$325,022	7	19
Jupiter Inlet Colony	\$303,132	9	20
Golf Village	\$302,860	10	16
Palm Beach	\$267,031	11	6



5544 Okeechobee Blvd | West Palm Beach, FL 33417



2017 POPULATION - 15 MILE RADIUS

1,001,330

Population Summary	5 Miles	10 Miles	15 Miles
2010 Total Population	228,522	650,992	913,838
2017 Total Population	248,702	707,762	1,001,330
2022 Total Population	263,291	750,124	1,065,068
2017-2022 Annual Rate	1.15%	1.17%	1.24%
Average Household Income			
2017	\$60,091	\$76,035	\$81,821
2022	\$69,262	\$86,112	\$92,685
Median Home Value			
2017	\$149,863	\$215,640	\$236,949
2022	\$201,313	\$275,864	\$299,346

Major Employers

Palm Beach County School Board	21,656
Palm Beach County Government	5,507
Tenet Healthcare Corp	4,595
NextEra Energy/Florida Power & Light Company	4,005
HCA Palm Beach Hospitals	3,456
Veterans Health Administration	2,700
Florida Atlantic University	2,529
Boca Raton Regional Hospital	2,500
Jupiter Medical Center	2,195
Bethesda Memorial Hospital	2,150



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