



# SUPPLEMENTAL PROPERTY OVERVIEWS

January 2022





# DISCLOSURE



Modiv Inc. (the “Company,” “Modiv,” “we,” “our,” or “us”) has filed a registration statement (including a preliminary prospectus) on Form S-11 (File No. 333-261529) (the “registration statement”) with the Securities and Exchange Commission (the “SEC”) for the offering to which this presentation relates. The registration statement has not yet become effective. These securities may not be sold, nor may offers be accepted, prior to the time the registration statement becomes effective. Before you invest, you should read the preliminary prospectus in the registration statement for more complete information about the Company and this offering. You may get those documents for free by visiting the SEC website at <http://www.sec.gov>. Alternatively, B. Riley Securities, Inc. will arrange to send you the prospectus if you request it by calling (703) 312-9580 or by emailing [prospectuses@brileyfin.com](mailto:prospectuses@brileyfin.com).

Certain statements contained in this presentation and the accompanying oral presentation, other than historical facts, may be considered forward-looking statements within the meaning of the Securities Act of 1933, as amended (the “Securities Act”), Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995 (collectively, the “Acts”). These forward-looking statements are based on our beliefs, assumptions and expectations of the future performance of the Company and the Company’s shares, taking into account information currently available to us as of the date of this presentation. In some cases, you can identify forward-looking statements by terms such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “should” and “would” or the negative of these terms or other comparable terminology. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. One factor that could have a material adverse effect on our operations and future prospects is the adverse effect of the COVID-19 pandemic and its variants on the financial condition, results of operations, cash flows and performance of us and our tenants, the real estate market and the global economy and financial markets. The extent to which COVID-19 pandemic impacts us and our tenants will depend on future developments, including the outbreak of new strains of the virus and the direct and indirect economic effects of the pandemic and containment measures, among others. Such forward-looking statements are subject to various risks and uncertainties, including those described under the section entitled “Risk Factors” in the preliminary prospectus filed with the SEC. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this presentation and in the Company’s filings with the SEC. Additionally, we undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results.

Statements contained herein are made as of the date of this presentation unless stated otherwise, and neither this presentation, nor any sale of securities, shall under any circumstances create an implication that the information contained herein is correct as of any time after such date or that information will be updated or revised to reflect information that subsequently becomes available or changes occurring after the date hereof, except as required by law.

We use market data throughout this presentation that has generally been obtained from publicly available information and industry publications. These sources generally state that the information they provide has been obtained from sources believed to be reliable, but that the accuracy and completeness of the information are not guaranteed. The forecasts and projections are based on industry surveys and the preparers’ experience in the industry, and there is no assurance that any of the projected amounts will be achieved. We have not independently verified this information.

*This presentation may contain trade names, trademarks or service marks of other companies. The Company does not intend the use or display of other parties’ trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of, these other parties.*



# OWNED ASSETS

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Data as of September 30, 2021, unless otherwise noted.

# SUTTER HEALTH



<b>Rancho Cordova, CA</b> Location	<b>Office</b> Property Type	<b>A1</b> Moody & Fitch Credit Rating
<b>March 2017</b> Acquisition Date	<b>\$28.9M</b> 9/30/21 NAV	<b>106,592</b> Square Feet
<b>4.1 Years</b> Lease Term Remaining	<b>7.51%</b> Implied Cap Rate	<b>3.0%</b> Rent Escalations

## Property Highlights

- The property is a Class A, two-story LEED Silver Certified office building constructed in 2009. It has been exceptionally well maintained by the tenant.
- Strategic location centered in a new submarket in the greater Sacramento area created by the closure of Mather Air Force Base.

## Why We Like this Asset

- Surrounding area is amenity rich, with walkable restaurants and nearby Mather Sports Facility.
- Sacramento has benefited from the continuing outmigration of population and businesses from the high-cost Bay Area.

## Potential Opportunity

- Well-positioned to benefit over the long-term from continued growth in state government agency demand given its location in a high growth suburb of Sacramento, the state capital.



# COSTCO WHOLESALE



<b>Issaquah, WA</b> Location	<b>Office</b> Property Type	<b>A+</b> S&P Credit Rating
<b>December 2018</b> Acquisition Date	<b>\$30.3M</b> 9/30/21 NAV	<b>97,191</b> Square Feet
<b>3.9 Years</b> Lease Term Remaining	<b>7.50%</b> Implied Cap Rate	<b>3.0%</b> Annual Escalations

## Property Highlights

- Located immediately adjacent to Costco Wholesale headquarters, this renovated facility is an important element of the company’s global operation, housing several of Costco’s key business departments, including e-commerce.
- Costco occupied the building in 2018. The prior landlord spent an estimated \$5 million in interior renovation.

## Why We Like this Asset

- The I-90 corridor submarket continues to strengthen as Seattle/Bellevue pricing escalates.
- High land and construction costs plus restrictive zoning limit new development.

## Potential Opportunity

- Valued at, or near, its redevelopment land value before considering redevelopment opportunities to maximize value in that supply constrained market.



<b>DeKalb, IL</b> Location	<b>Industrial</b> Property Type	<b>A+</b> S&P Credit Rating
<b>March 2018</b> Acquisition Date	<b>\$30.0M</b> 9/30/21 NAV	<b>410,400</b> Square Feet
<b>12.8 Years*</b> Lease Term Remaining	<b>6.17%</b> Implied Cap Rate	<b>1.25%</b> Annual Escalations

\* Lease term reflects extension executed during Q4 2021.

## Property Highlights

- Originally developed in 2007 as a build-to-suit industrial property for 3M, this Class A distribution center features approximately 396,000 square feet of warehouse space and 14,000 square feet of office space.
- Located on the western edge of the greater Chicago MSA, this property is a critical component of 3M's three-building global distribution hub for export operations to North America, Latin America, Europe, Africa and the Middle East.

## Why We Like this Asset

- Fortune 100 company on a long-term lease, with this facility providing distribution to Walmart and Target.
- Property strategically located near Union Pacific's Global III intermodal terminal.

## Value Creation

- Property was acquired by Modiv at near-vacant values with a strategy to bring rents back to market.
- In October 2021, after a 20-month negotiation with 3M, Modiv extended the lease for an additional 12 years, raised rents 54% and increased bumps with minimal TIs.



# FUJIFILM DIMATIX



<b>Santa Clara, CA</b> Location	<b>Industrial</b> Property Type	<b>AA-</b> S&P Credit Rating
<b>September 2017</b> Acquisition Date	<b>\$36.6M</b> 9/30/21 NAV	<b>91,740</b> Square Feet
<b>4.5 Years</b> Lease Term Remaining	<b>5.90%</b> Implied Cap Rate	<b>3.0%</b> Annual Escalations

Modiv owns 72.7% of the asset via a TIC

## Property Highlights

- This property operates as the worldwide headquarters for Fujifilm Dimatix, Inc., one of the world's leading suppliers of drop-on-demand inkjet printheads for industrial applications.
- This build-to-suit property comprises three individual structures that have received over \$30 million in tenant-funded capital investments.

## Why We Like this Asset

- Located in Santa Clara, the heart of Silicon Valley, and adjacent to Nvidia's new \$500M HQ building.
- Mission-critical facility on a large land parcel (6.5 acres).

## Potential Opportunity

- Considerable pricing power upon renewal.
- Zoning currently allows for the potential development of up to a 282,000 SF building.



<b>Chandler, AZ</b> Location	<b>Industrial</b> Property Type	<b>Not Rated</b> Creditworthiness
<b>December 2017</b> Acquisition Date	<b>\$39.3M</b> 9/30/21 NAV	<b>162,714</b> Square Feet
<b>11.3 Years</b> Lease Term Remaining	<b>5.75%</b> Implied Cap Rate	<b>2.0%</b> Annual Escalations

## Property Highlights

- This property is the global headquarters for AvAir, a private supplier of aftermarket aircraft parts.
- Originally developed in 2015 as a build-to-suit, this Class A facility features approximately 120,000 square feet of warehouse space and 42,000 square feet of luxury office space. The entire facility is powered by 1,045 roof-mounted solar panels.

## Why We Like this Asset

- Prominent mission critical asset at the intersection of I-10 and Loop 202 in the Southeast Phoenix MSA.
- Phoenix is a high growth market with projected 10%+ YoY industrial rental increases.

## Potential Opportunity

- AvAir's estimated cap rate has seen strong compression given the strength of the Phoenix industrial market as well as fast growth and profitability of the tenant.



# TAYLOR FARMS



<b>Yuma, AZ</b> Location	<b>Industrial</b> Property Type	<b>Not Rated</b> Creditworthiness
<b>October 2019</b> Acquisition Date	<b>\$26.8M</b> 9/30/21 NAV	<b>216,727</b> Square Feet
<b>12.1 Years</b> Lease Term Remaining	<b>6.00%</b> Implied Cap Rate	<b>1.5%</b> Annual Escalations

## Property Highlights

- The Class A cold storage facility is leased to Earthbound Farm, a wholly owned subsidiary of Taylor Farms, a leading producer of fresh vegetables in the U.S.
- The property is located near I-8, providing one-day truck access to major cities such as Phoenix, Los Angeles, San Diego and Las Vegas. Yuma also has an international airport and access to the Union Pacific railroad making it a key crossroads for not only highway, but also air and rail transportation.

## Why We Like this Asset

- The property contains mission-critical food-grade infrastructure and operates in the first mile of the production cycle.

## Potential Opportunity

- Low site coverage providing additional build-to-suit opportunities with the tenant.



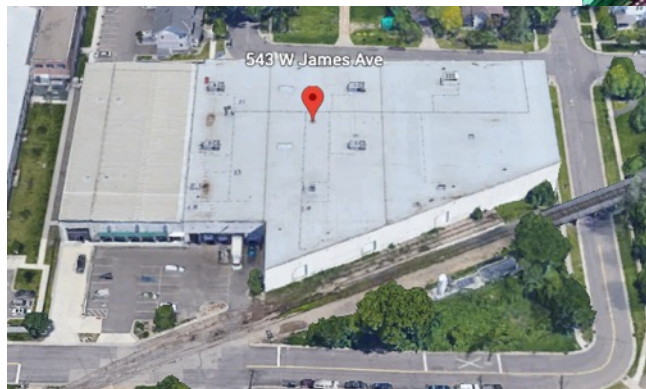
# PENDING ACQUISITIONS

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Transaction metrics as of January 1, 2022, unless otherwise noted.



# KALERA



<b>St. Paul, MN</b> Location	<b>Industrial</b> Property Type	<b>Not Rated</b> Creditworthiness
<b>February 2022</b> Anticipated Acquisition Date	<b>\$8.1M</b> Purchase Price	<b>78,857</b> Square Feet
<b>20.0 Years</b> Lease Term	<b>7.0%</b> Going In Cap Rate	<b>2.5%</b> Annual Escalations

*Transaction data as of 1/1/21.*

## Property Highlights

- Projecting to ramp up production quickly in the emerging vertical farming industry, Kalera looks to this location to bolster their national presence.
- The asset is positioned well within the Minneapolis-St Paul metro area, just minutes away from MSP International Airport.
- The company is completing over \$3M in capital improvements to the asset as it looks to establish this location as a primary growing facility.

## Market Highlights

- Per CoStar, St Paul's market rent growth increased over 7% during 2021, the strongest pace in the last decade.

## Why We Like this Acquisition

- This asset provides Modiv an off-market acquisition opportunity to invest in an emerging industry at a favorable rate with a reputable vertical farming company.

# KIA OF CARSON



<b>Carson, CA</b> Location	<b>Retail</b> Property Type	<b>Not Rated</b> Creditworthiness
<b>January 2022</b> Anticipated Acquisition Date	<b>\$69.3M</b> Purchase Price	<b>72,000</b> Square Feet
<b>25.0 Years</b> Lease Term	<b>5.7%</b> Going In Cap Rate	<b>2.0%</b> Annual Escalations

Transaction data as of 1/1/21.

## Property Highlights

- Kia of Carson is a well established and highly profitable dealership with a diversified revenue stream and a high-value location right off the 405 Freeway.
- The dealership's service department is the largest Kia service department in the nation with 40 service bays providing service seven days a week.

## Industry Highlights

- The automotive industry continues its record-breaking pace. Benefitting from a strong 2021, this asset is poised to continue its success as one of Kia's largest dealership by sales volume in the country (ranking #1 in 2019 and #2 in 2020).

## Why We Like this Acquisition

- Highly accretive OP unit transaction.
- Prominent frontage along the 405 Freeway.
- In addition to property rent, generating additional rental revenue through on-site billboard.





# PROPERTY TOUR

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Data as of September 30, 2021, unless otherwise noted.

# PROPERTY MARKET TOUR

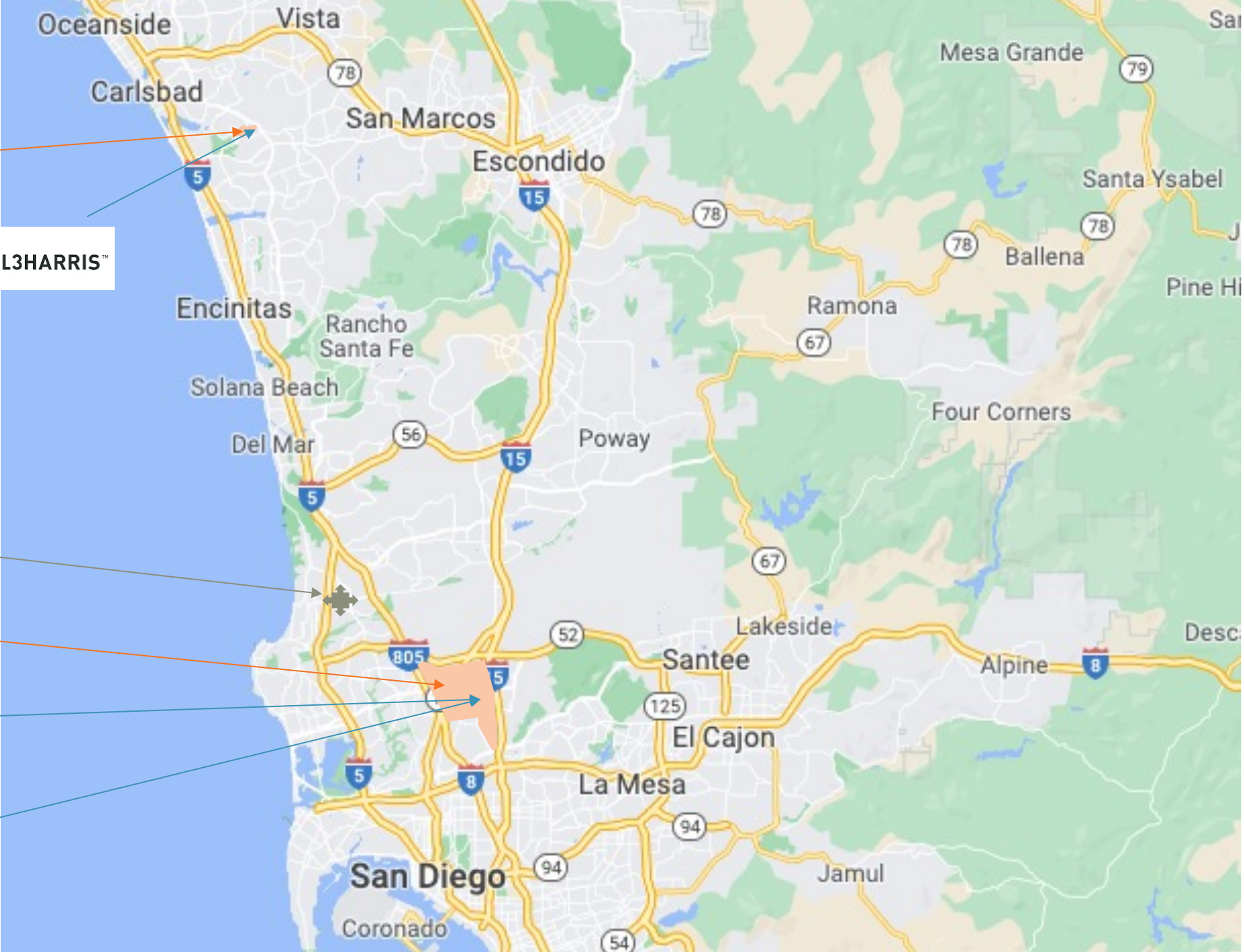
Carlsbad  
Research  
Center



Hyatt Regency  
La Jolla

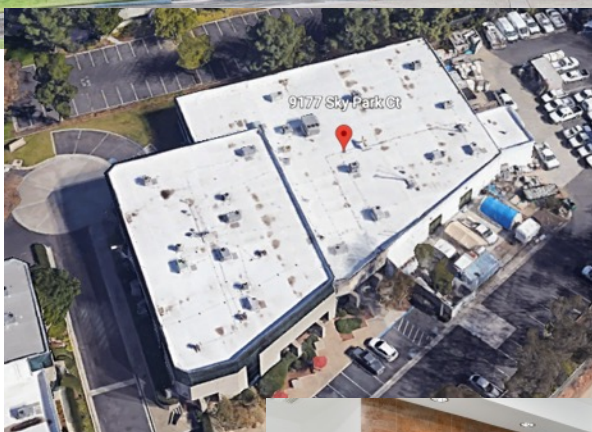
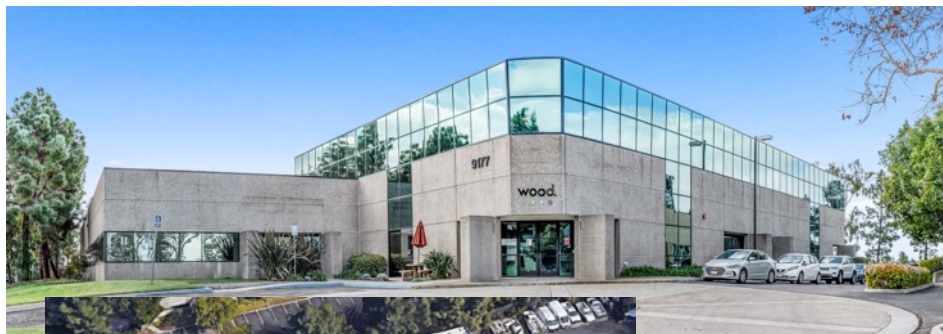
Kearny Mesa  
Sub-market

**Solar Turbines**  
*A Caterpillar Company*





# AMEC FOSTER WHEELER



<b>San Diego, CA</b> Location	<b>Industrial</b> Property Type	<b>Not Rated</b> Creditworthiness
<b>July 2016</b> Acquisition Date	<b>\$11.6M</b> 9/30/21 NAV	<b>37,449</b> Square Feet
<b>4.4 Years</b> Remaining Lease Term	<b>6.08%</b> Implied Cap Rate	<b>3.0%</b> Annual Escalations

## Property Highlights

- Facility provides project engineering and testing labs for industry and government agencies, as well as houses a critical and secure vehicle storage area vital to its business operations.
- Tenant has funded over \$3M in improvements.

## Market Highlights

- The property is in the Kearny Mesa submarket which is supported by four major arterial highways (the I-15, I-805, SR-52, and SR-163) providing convenient access, and is adjacent to Montgomery Field Airport.

## Why We Like this Asset

- Excellent location/submarket (flex vacancy at 2.2%) with no new construction.
- Tenant has been in this location for 22 years and renewed its lease in 2020.
- Tenant has invested significant resources in improvements.

# SOLAR TURBINES



<b>San Diego, CA</b> Location	<b>Office</b> Property Type	<b>A</b> S&P Credit Rating
<b>July 2016</b> Acquisition Date	<b>\$7.4M</b> 9/30/21 NAV	<b>26,036</b> Square Feet
<b>1.8 Years</b> Remaining Lease Term	<b>7.25%</b> Implied Cap Rate	<b>--</b> Annual Escalations

## Property Highlights

- Facility provides project engineering to its adjacent 46-acre gas turbine manufacturing site.
- Over \$1.2M in improvements completed by the tenant and prior landlord.

## Market Highlights

- The property is in the Kearny Mesa submarket which is supported by four major arterial highways (the I-15, I-805, SR-52, and SR-163) providing convenient access, and is adjacent to Montgomery Field Airport.
- Nearby 100,000-plus SF office property is being replaced by an industrial property (active lease negotiations with a leading e-commerce company) demonstrating the strength of the submarket.

## Why We Like this Asset

- Limited existing supply.
- Building size and configuration provides optionality. If converted to flex R&D, potential to see significant cap rate compression.



# L3 HARRIS



<b>Carlsbad, CA</b> Location	<b>Industrial</b> Property Type	<b>BBB</b> S&P Credit Rating
<b>December 2016</b> Acquisition Date	<b>\$13.7M</b> 9/30/21 NAV	<b>46,214</b> Square Feet
<b>7.6 Years*</b> Remaining Lease Term	<b>6.00%</b> Implied Cap Rate	<b>3.0%</b> Annual Escalations

\* Lease term reflects extension executed during Q4 2021.

## Property Highlights

- Headquarters for Photonics Division. The R&D/Office facility was renovated in 2016 and is comprised of 65% R&D/manufacturing and 35% office space.
- Approximately \$5M in tenant improvements have been invested in the property, including several special purpose rooms, such as dry electronics labs, a wet chemistry lab, an R&D engineering lab and a SCIF facility.

## Market Highlights

- Located in the Carlsbad Research Center, a 559-acre, master planned community, located geographically in the city's center, containing 131 lots of R&D, manufacturing, office and retail space.

## Why We Like this Asset

- Excellent location/submarket (R&D flex vacancy under 5%) with no new construction.
- Tenant has been in this location 22 years and just renewed (7-year lease).
- Tenant has invested significant resources in improvements.

# MODIVATED



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