



524 S CLOVIS AVE

Fresno, CA

Market Positioning and Pricing Analysis

Presented by:
Bruce Barnhard

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524 S CLOVIS AVE
Fresno, CA
ACT ID Y0890010

Marcus & Millichap

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Marcus & Millichap

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INVESTMENT OVERVIEW



PROPERTY OVERVIEW

Marcus and Millichap is pleased to have been chosen to Exclusively Represent for Sale this Freestanding Multi-Tenant Office Building with 18 separate offices located @ 524 S. Clovis Ave, Fresno, CA. The property has a Gross Leasable Area of 8,480 SF. There are 45 free surface parking spaces available on site.

The building was originally designed as a single user. For many years it has been utilized as a multi-tenant office. With the flexibility in tenant leases, this building could continue to be leased as a multi-tenant building or switch back to a single user predicated upon new demand from recent developments in the area.

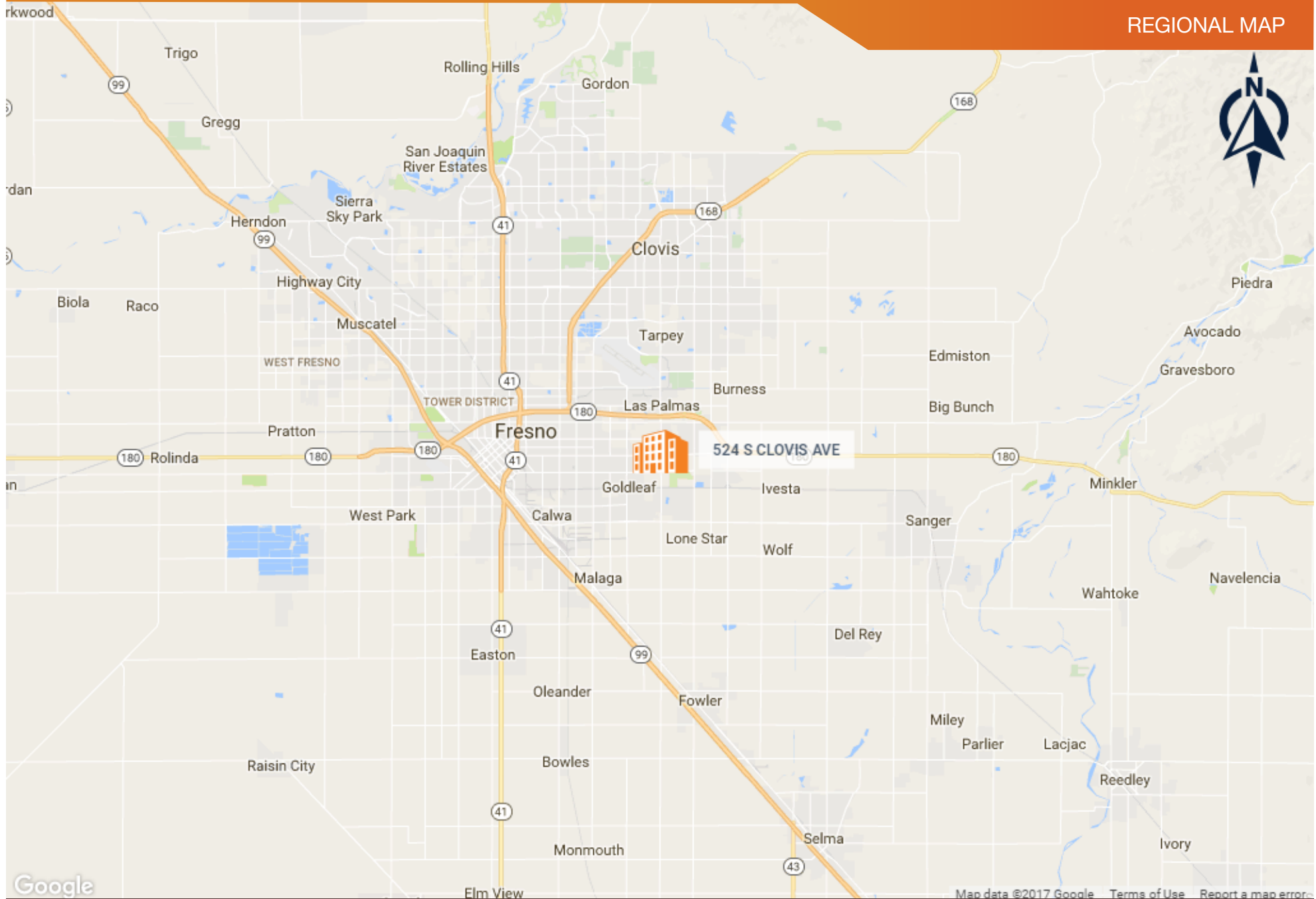
This property presents an excellent opportunity to own a very well-maintained office building near the new and exciting development projects known as the Fancher Creek Town Center & the Village at Fancher Creek. These neighborhood mixed-use developments with new homes, retail, offices, and service businesses are currently under various forms of construction. The retail center is hoping to capitalize on the heavy road usage on Kings Canyon Rd. and Hwy 180 which surround these properties. There is a very high Average Daily Traffic count.

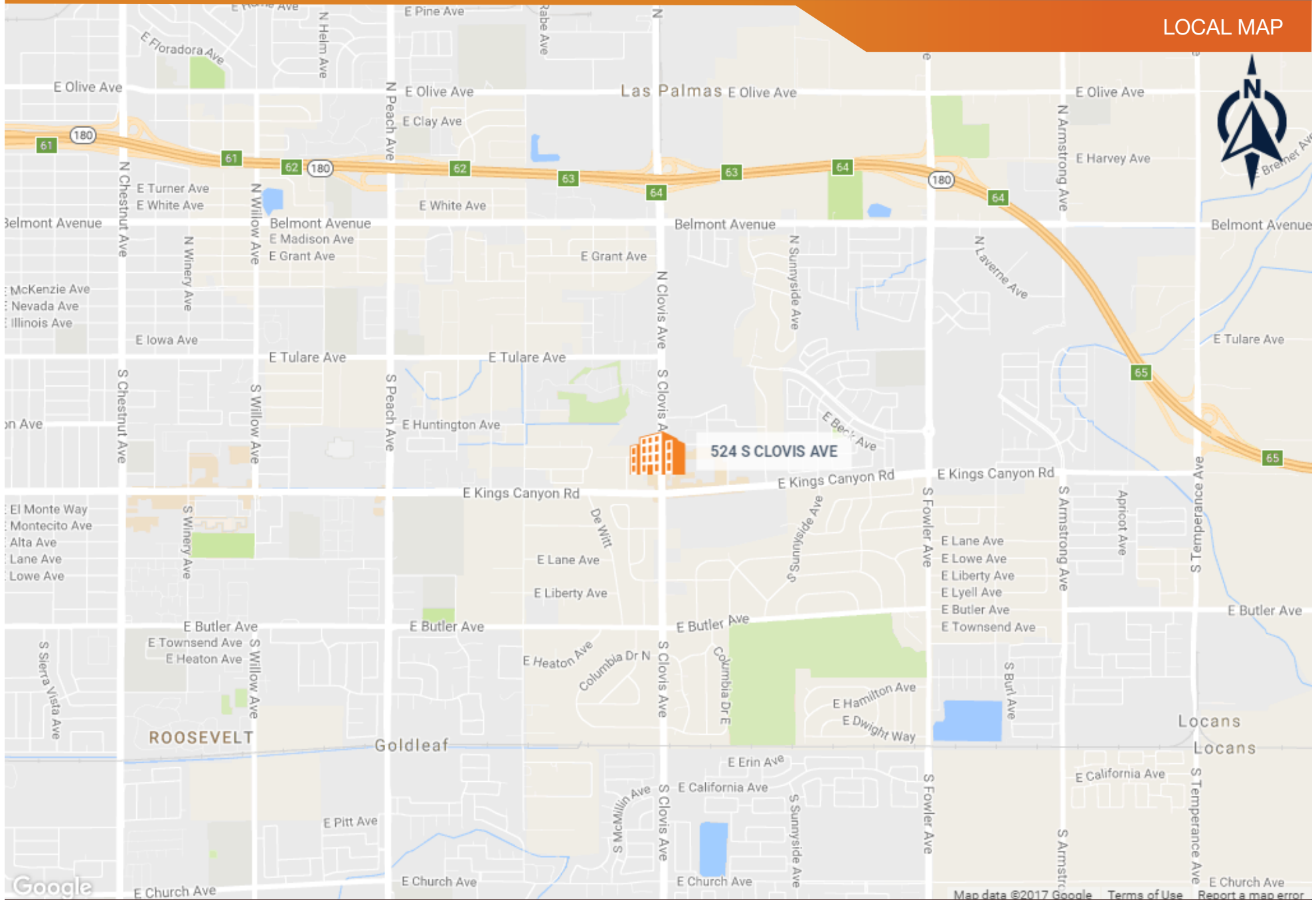
The growing population in this area, along with new retail amenities offer a very positive upside in this region of Fresno. This area will be in high demand, and could allow you the ability to re-position this asset for a very good ROI.

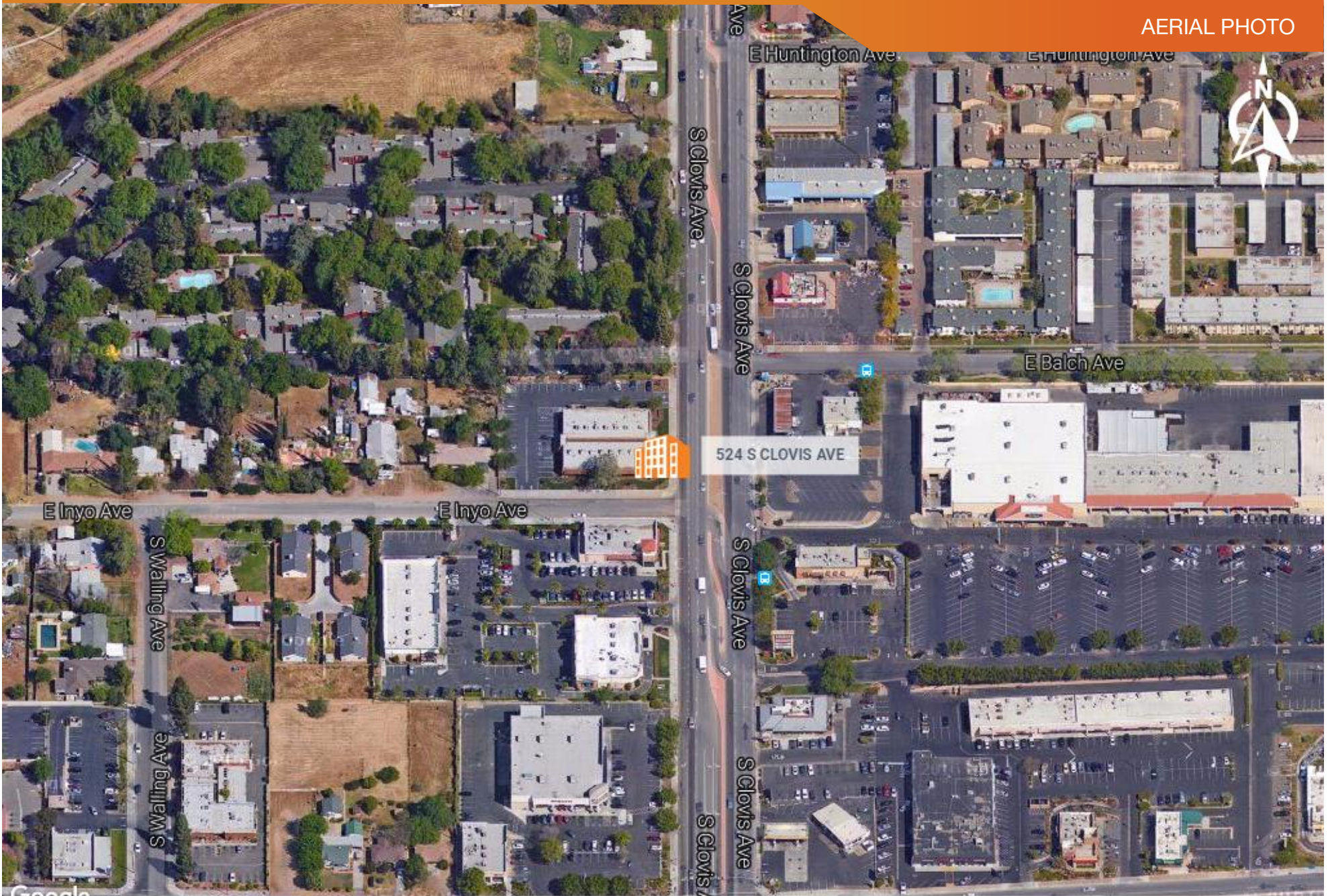


PROPERTY OVERVIEW

- Location, Location, Location! Restaurants, Hotels, Banking and Retail Centers Are In Close Proximity
- Solid Rents, but Market Studies Show There is an Upside
- This Could Be a Single Tenant User or Owner/Operator in the Future
- Easy Access To and From Freeway 180
- Professional Monument Signage Available
- Highly Visible Professional Complex With Abundant Parking







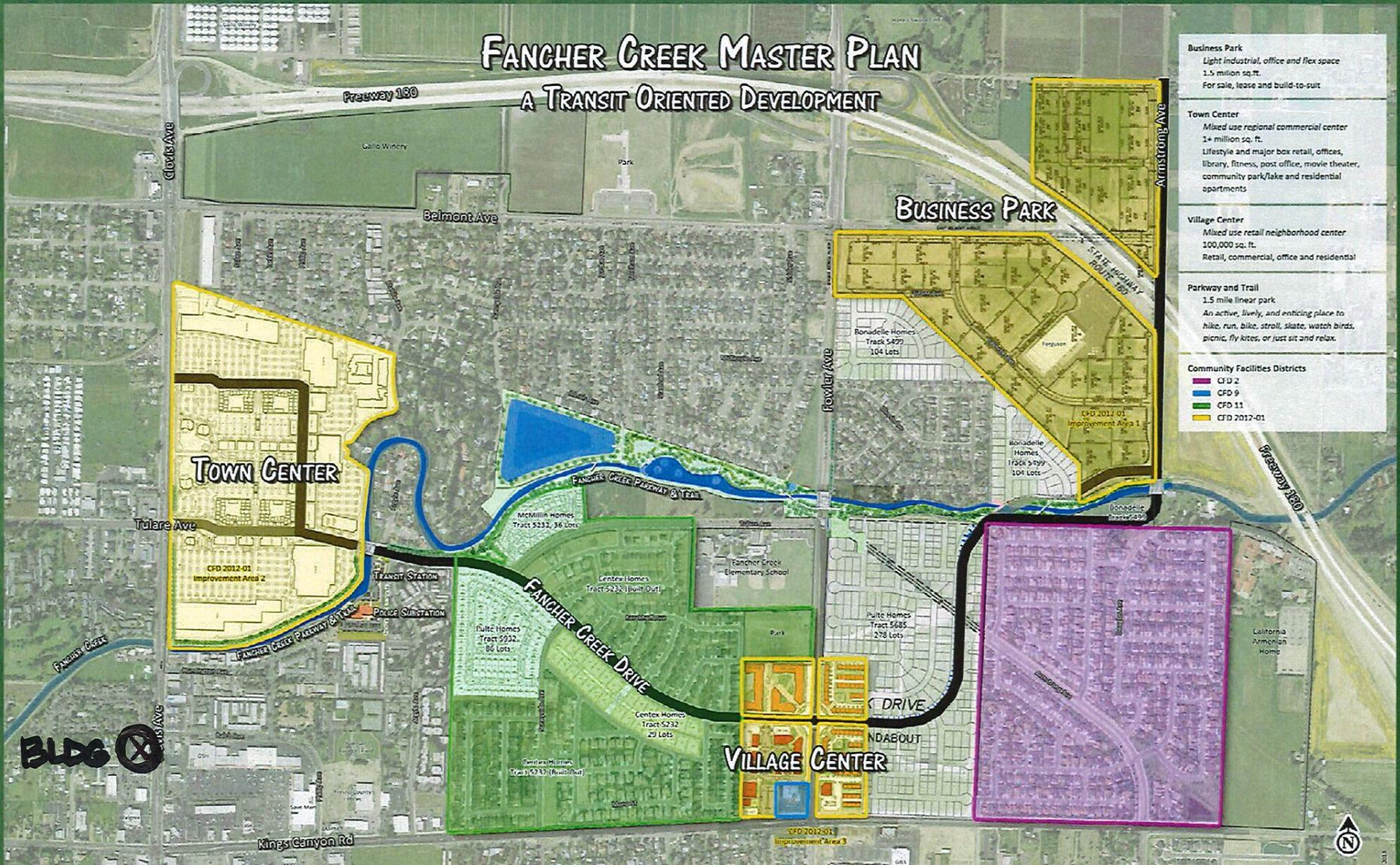
Google

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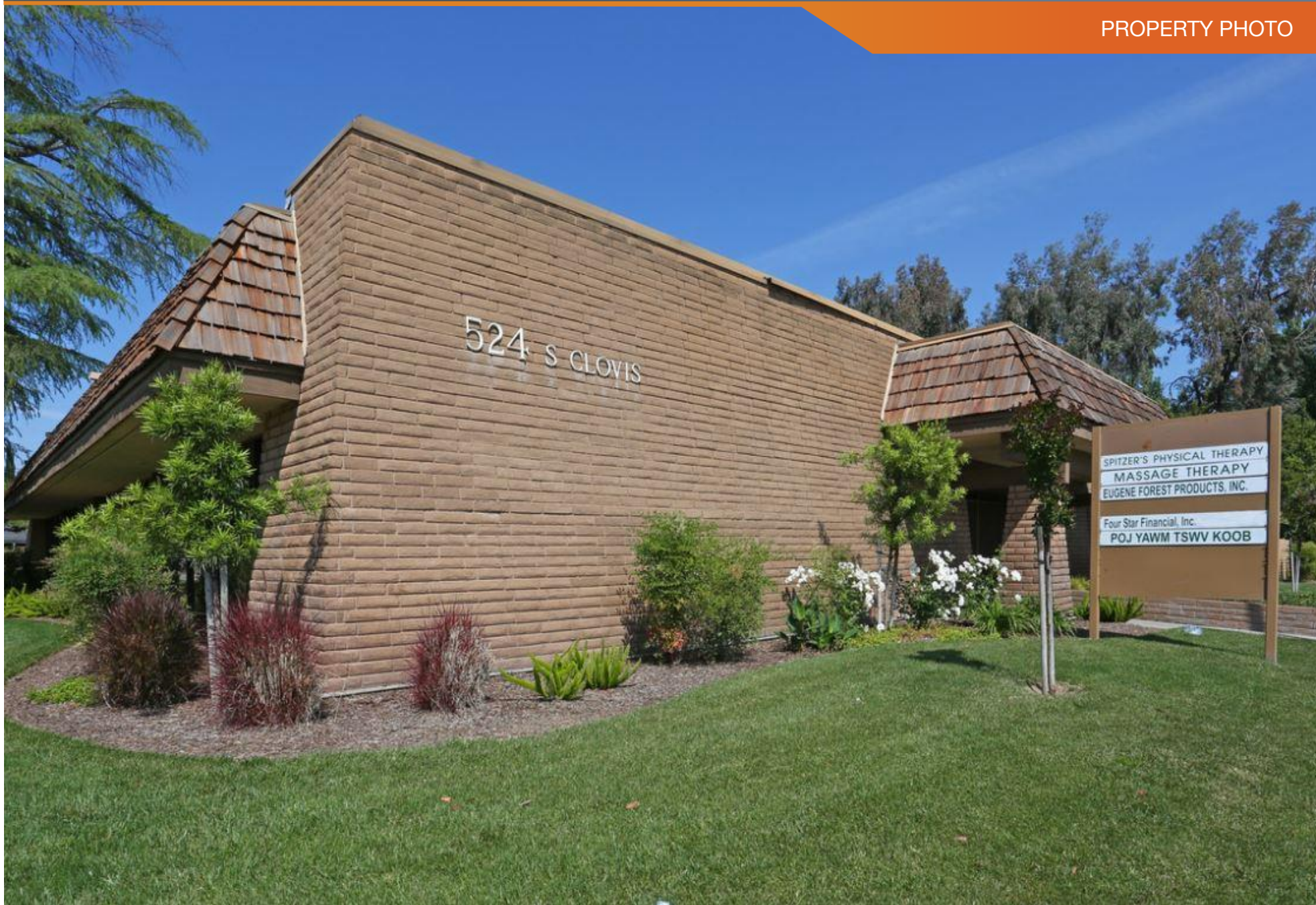
FANCHER CREEK MASTER PLAN

A TRANSIT ORIENTED DEVELOPMENT



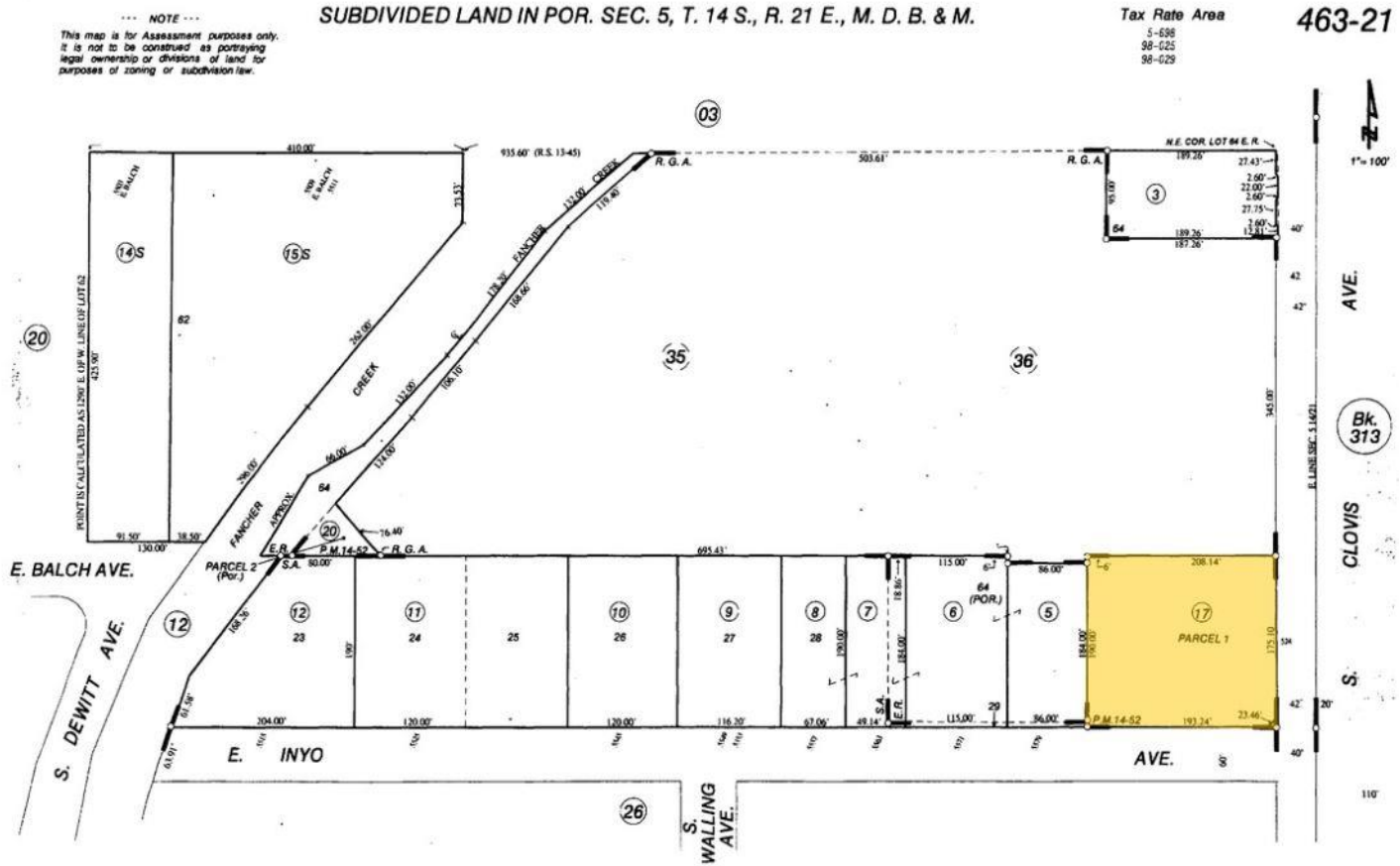
Business Park	Light industrial, office and flex space 1.5 million sq. ft. For sale, lease and build-to-suit
Town Center	Mixed use regional commercial center 1+ million sq. ft. Lifestyle and major box retail, offices, library, fitness, post office, movie theater, community park/lake and residential apartments
Village Center	Mixed use retail neighborhood center 100,000 sq. ft. Retail, commercial, office and residential
Parkway and Trail	1.5 mile linear park An active, lively, and enticing place to hike, run, bike, stroll, skate, watch birds, picnic, fly kites, or just sit and relax.
Community Facilities Districts	<ul style="list-style-type: none"> ■ CFD 2 ■ CFD 9 ■ CFD 11 ■ CFD 2012-01











Easterby Rancho - Plot Bk. 2, Pg. 6
Parcel Map No. 2311 - Bk. 14, Pg. 52
Riverside Gardens - Condo. Plan - (Amended) - Plat Bk. 42, Pgs. 2-7
Sunnyside Acres - Plat Bk. 11, Pg. 38

Assessor's Map Bk. 463 - Pg. 21
County of Fresno, Calif.

NOTE - Assessor's Block Numbers Shown in Ellipses.
Assessor's Parcel Numbers Shown in Circles.

02-16-2006

FINANCIAL ANALYSIS



TENANT SUMMARY

As of February, 2017

Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates Comm.	Lease Dates Exp.	Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Changes on	% Increase	Lease Type	Renewal Options and Option Year Rental Information
All Tenants	ALL	8,480	100.0%	M/M		\$15.00	\$10,600	\$127,200	Dec-1900	N/A	Gross	
Total		8,480				\$15.00	\$10,600	\$127,200				

OPERATING STATEMENT

Income	2016 Year End		Per SF	Current		Per SF	Pro Forma		Per SF	Notes
Scheduled Base Rental Income	127,200		15.00	127,200		15.00	152,640		18.00	
Expense Reimbursement Income										
Net Lease Reimbursement										
Total Reimbursement Income	\$0	0.0%	\$0.00	\$0	0.0%	\$0.00	\$0	0.0%	\$0.00	
Potential Gross Revenue	127,200		15.00	127,200		15.00	152,640		18.00	
General Vacancy			0.00	(6,360)	5.0%	(0.75)	(7,632)	5.0%	(0.90)	
Effective Gross Revenue	\$127,200		\$15.00	\$120,840		\$14.25	\$145,008		\$17.10	
Operating Expenses	2016 Year End		Per SF	Current		Per SF	Pro Forma		Per SF	
Cleaning- Janitorial Int/Ext	7,375		0.87	7,375		0.87	7,375		0.87	
Trash Removal	2,331		0.27	2,331		0.27	2,331		0.27	
Repairs & Maintenance	3,400		0.40	3,400		0.40	3,400		0.40	
Landscaping- Maint/Supplies	6,600		0.78	6,600		0.78	6,600		0.78	
Sewer	942		0.11	942		0.11	942		0.11	
Operating Expenses - Electric by Owner	18,993		2.24	18,993		2.24	18,993		2.24	
Operating Expenses - Water	1,329		0.16	1,329		0.16	1,329		0.16	
Operating Expenses - Pest Control	2,100		0.25	2,100		0.25	2,100		0.25	
Insurance	2,544		0.30	2,544		0.30	2,544		0.30	
Real Estate Taxes	6,570		0.77	15,600		1.84	15,600		1.84	
Management Fee	10,800	8.5%	1.27	4,834	4.0%	0.57	5,800	4.0%	0.68	
Total Expenses	\$62,984		\$7.43	\$66,048		\$7.79	\$67,014		\$7.90	
Expenses as % of EGR	49.5%			54.7%			46.2%			
Net Operating Income	\$64,216		\$7.57	\$54,792		\$6.46	\$77,994		\$9.20	

Notes and assumptions to the above analysis are on the following page.

NOTES**Notes to Operating Statement**

- [1] The Owner has most all the Tenants on Month to Month leases.
 - [2] These are all Gross Leases. The Owner pays all utilities and expenses.
 - [3] This was originally a single tenant building that is now utilized as (18) separate suites.
 - [4] The suites are not separately metered and the Owner has decided against RUBS and went with a Gross Lease method instead.
 - [5] There is a brand new Mixed Use Development started in the near vicinity.
 - [6] The Owner believes this will impact this buildings future use in a positive way. Therefore, the flexibility of month to month leases is used.
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PRICING DETAIL

Summary		
Price	\$1,300,000	
Down Payment	\$399,100	31%
Number of Suites	18	
Price Per SqFt	\$153.30	
Rentable Built Area (RBA)	8,480 SF	
Lot Size	0.91 Acres	
Year Built/Renovated	1975	
Occupancy	100.00%	

Returns	Current	Pro Forma
CAP Rate	4.21%	6.00%
Cash-on-Cash	-0.63%	5.19%
Debt Coverage Ratio	0.96	1.36

Financing	1st Loan
Loan Amount	\$910,000
Loan Type	New
Interest Rate	4.80%
Amortization	30 Years
Year Due	2037

Loan information is subject to change. Contact your Marcus and Millichap Capital Corporation representative.

Operating Data				
Income		Current	Pro Forma	
Scheduled Base Rental Income		\$127,200		\$152,640
Total Reimbursement Income	0.0%	\$0	0.0%	\$0
Other Income		\$0		\$0
Potential Gross Revenue		\$127,200		\$152,640
Effective Gross Revenue		\$120,840		\$145,008
Less: Operating Expenses	54.7%	(\$66,048)	46.2%	(\$67,014)
Net Operating Income		\$54,792		\$77,994
Tenant Improvements		\$0		\$0
Leasing Commissions		\$0		\$0
Capital Expenditures		\$0		\$0
Cash Flow		\$54,792		\$77,994
Debt Service		(\$57,293)		(\$57,293)
Net Cash Flow After Debt Service	-0.63%	(\$2,501)	5.19%	\$20,701
Principal Reduction		\$13,917		\$14,600
Total Return		2.86%	8.85%	\$35,300
Operating Expenses		Current	Pro Forma	
CAM		\$43,070	\$43,070	
Insurance		\$2,544	\$2,544	
Real Estate Taxes		\$15,600	\$15,600	
Management Fee		\$4,834	\$5,800	
Total Expenses		\$66,048	\$67,014	
Expenses/Suite		\$3,669	\$3,723	
Expenses/SF		\$7.79	\$7.90	

PROPOSAL PRICE

A trade price in the current investment environment of	Purchase Price	Current Cap Rate	Pro Forma Cap Rate	Initial Cash-on-Cash Return	Price Per SF
\$1,600,000 to \$1,000,000	\$1,600,000	3.42%	4.87%	-3.20%	\$188.68
	\$1,500,000	3.65%	5.20%	-2.46%	\$176.89
	\$1,400,000	3.91%	5.57%	-1.61%	\$165.09
	\$1,300,000	4.21%	6.00%	-0.63%	\$153.30
	\$1,200,000	4.57%	6.50%	0.52%	\$141.51
	\$1,100,000	4.98%	7.09%	1.87%	\$129.72
	\$1,000,000	5.48%	7.80%	3.49%	\$117.92

Market Loan	1st Loan
Interest Rate	4.80%
Amortization Period	30 Years
Months of Interest Only	0
Annual Loan Constant	6.30%
Loan Term	20 Years
Loan to Value	70%
Loan Amount	\$910,000
Down Payment	\$399,100

MARKET COMPARABLES

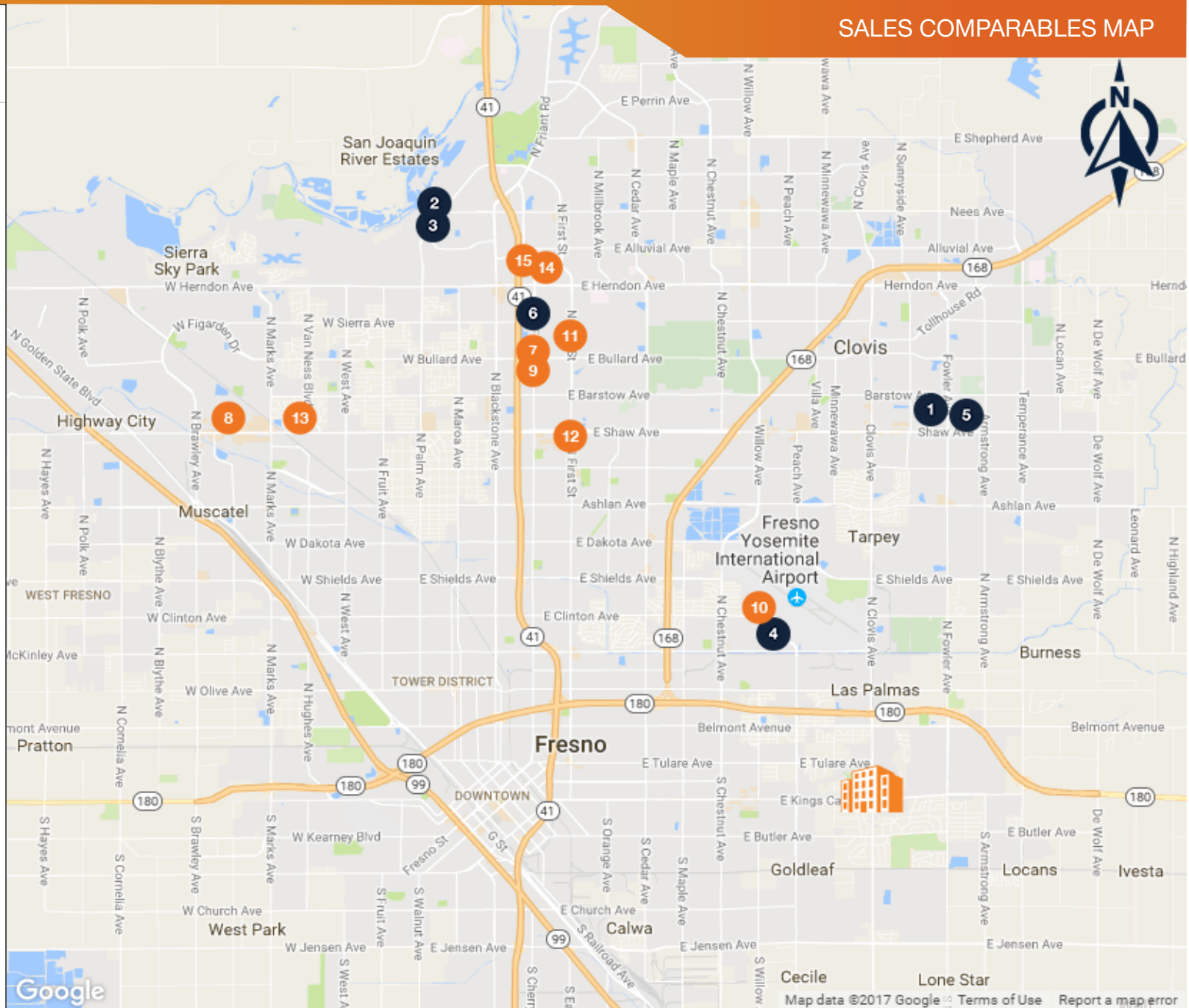




**524 S CLOVIS AVE
(SUBJECT)**

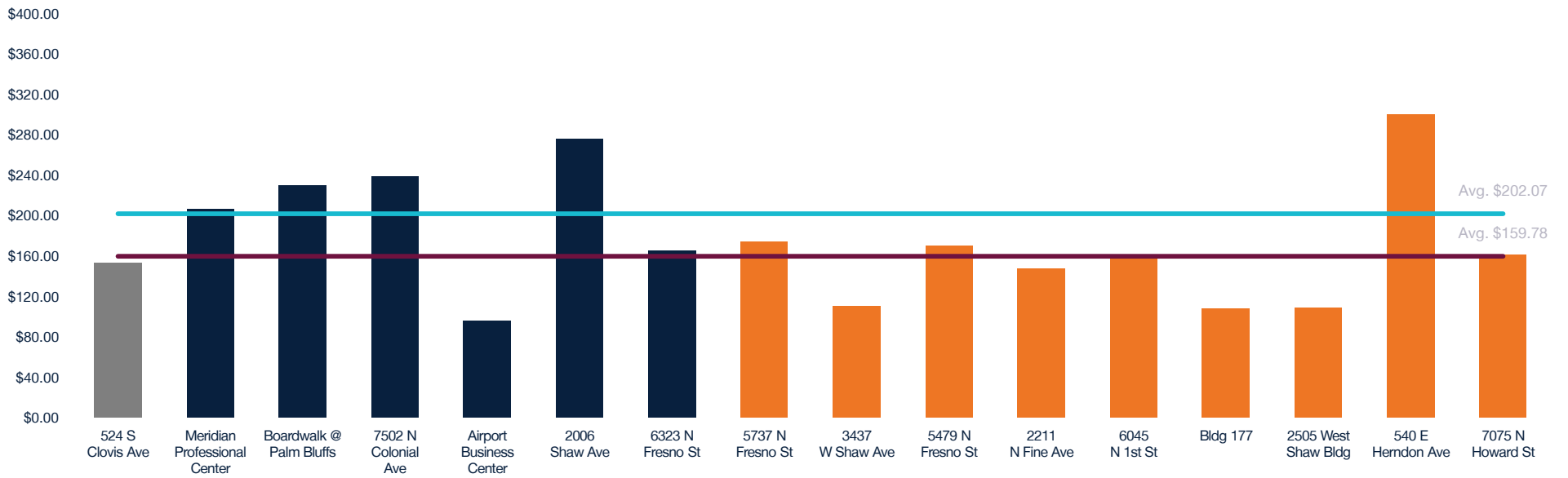
- 1 Meridian Professional Center
- 2 Boardwalk @ Palm Bluffs
- 3 7502 N Colonial Ave
- 4 Airport Business Center
- 5 2006 Shaw Ave
- 6 6323 N Fresno St
- 7 5737 N Fresno St
- 8 3437 W Shaw Ave
- 9 5479 N Fresno St
- 10 2211 N Fine Ave
- 11 6045 N 1st St
- 12 Bldg 177
- 13 2505 West Shaw Bldg
- 14 540 E Herndon Ave
- 15 7075 N Howard St

- SALES COMPARABLES
- ON MARKET COMPARABLES



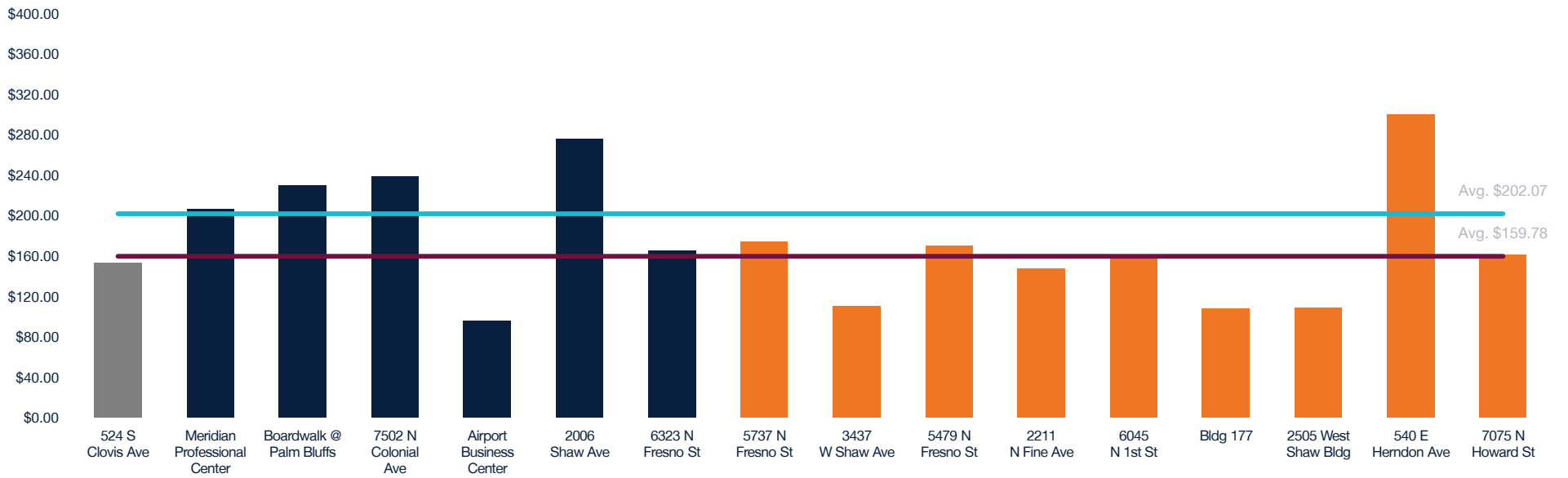


Average Price Per Square Foot





Average Price Per Gross Square Foot



SALES COMPARABLES

ON MARKET COMPARABLES

524 S CLOVIS AVE

524 S CLOVIS AVE, FRESNO, CA, 93727



Asking Price	\$1,300,000
Price/SF	\$153.30
CAP Rate	4.21%
Year Built	1975
Occupancy	100.00%
Parking Ratio	5.30/1000sf

MERIDIAN PROFESSIONAL CENTER

1625 SHAW AVE, CLOVIS, CA, 93611



Close of Escrow	2/10/2017
Days On Market	168
Sales Price	\$1,746,818
Rentable SF	8,448
Price/SF	\$206.77
Year Built	2006
Occupancy	100.00%

BOARDWALK @ PALM BLUFFS

7784 N PALM AVE, FRESNO, CA, 93711



Close of Escrow	10/12/2016
Days On Market	378
Sales Price	\$1,724,000
Rentable SF	7,496
Price/SF	\$229.99
Year Built	2016

SALES COMPARABLES

ON MARKET COMPARABLES

7502 N COLONIAL AVE

7502 N COLONIAL AVE, FRESNO, CA, 93711



Close of Escrow	7/15/2016
Sales Price	\$1,725,000
Rentable SF	7,210
Price/SF	\$239.25
CAP Rate	6.75%
Year Built	2005

AIRPORT BUSINESS CENTER

5085 E MCKINLEY AVE, FRESNO, CA, 93727



Close of Escrow	6/21/2016
Sales Price	\$1,160,000
Rentable SF	12,150
Price/SF	\$95.47
Year Built	1975

2006 SHAW AVE

2006 SHAW AVE, CLOVIS, CA, 93611



Close of Escrow	5/10/2016
Sales Price	\$1,700,000
Rentable SF	6,161
Price/SF	\$275.93
Year Built	2009

SALES COMPARABLES

ON MARKET COMPARABLES

6323 N FRESNO ST

6323 N FRESNO ST, FRESNO, CA, 93710



Close of Escrow	3/2/2016
Sales Price	\$825,000
Rentable SF	5,000
Price/SF	\$165.00
Year Built	1987

5737 N FRESNO ST

5737 N FRESNO ST, FRESNO, CA, 93710



On Market	
List Price	\$1,750,000
Rentable SF	10,066
Price/SF	\$173.85
Year Built	1989
Parking Ratio	4.55/1000 SF

NOTES

This is a Class A Building of 10,066sf. It is a Vacant /Owner - User.

3437 W SHAW AVE

3437 W SHAW AVE, FRESNO, CA, 93711



On Market	
List Price	\$620,000
Rentable SF	5,616
Price/SF	\$110.40
Year Built	1988
Parking Ratio	6/1000 SF

NOTES

This is a Class A building of 5,616sf. This is a Vacant / Owner - User.

SALES COMPARABLES

ON MARKET COMPARABLES

5479 N FRESNO ST

5479 N FRESNO ST, FRESNO, CA, 93710



On Market	
List Price	\$900,000
Rentable SF	5,298
Price/SF	\$169.88
Year Built	1980
Occupancy	100.00%
Parking Ratio	4/1000 SF

NOTES

This is a Class B building of 5,298sf. This is an Investment property fully leased.

2211 N FINE AVE

2211 N FINE AVE, FRESNO, CA, 93727



On Market	
List Price	\$1,495,000
Rentable SF	10,116
Price/SF	\$147.79
Year Built	1986
Parking Ratio	4/1000 SF

NOTES

This is a Class B building of 10,116sf.

6045 N 1ST ST

6045 N 1ST ST, FRESNO, CA, 93710



On Market	
List Price	\$795,000
Rentable SF	5,044
Price/SF	\$157.61
Year Built	1981

NOTES

This is a Class B Office Building of 5,044sf.

SALES COMPARABLES

ON MARKET COMPARABLES

BLDG 177

4747 N 1ST ST, FRESNO, CA, 93726



On Market	
List Price	\$795,000
Rentable SF	7,379
Price/SF	\$107.74
Year Built	1978

NOTES

This is a Class B building of 7,379sf. Current is a Vacant / Owner-User.

2505 WEST SHAW BLDG

2505 W SHAW AVE, FRESNO, CA, 93711



On Market	
List Price	\$1,100,000
Rentable SF	10,120
Price/SF	\$108.70
Year Built	1979
Parking Ratio	1.42/1000 SF

NOTES

This is a Class C Office Building of 10,120sf. This is an Investment purchase with multi-tenant.

540 E HERNDON AVE

540 E HERNDON AVE, FRESNO, CA, 93720



On Market	
List Price	\$2,595,000
Rentable SF	8,640
Price/SF	\$300.35
Year Built	2005

NOTES

This is a Class B Office building of 8,640sf. The Owners currently occupy a portion and would consider a lease back or sell out.

SALES COMPARABLES ON MARKET COMPARABLES

7075 N HOWARD ST

7075 N HOWARD ST, FRESNO, CA, 93720



On Market	
List Price	\$950,000
Rentable SF	5,876
Price/SF	\$161.67
Year Built	1990
Occupancy	81.00%

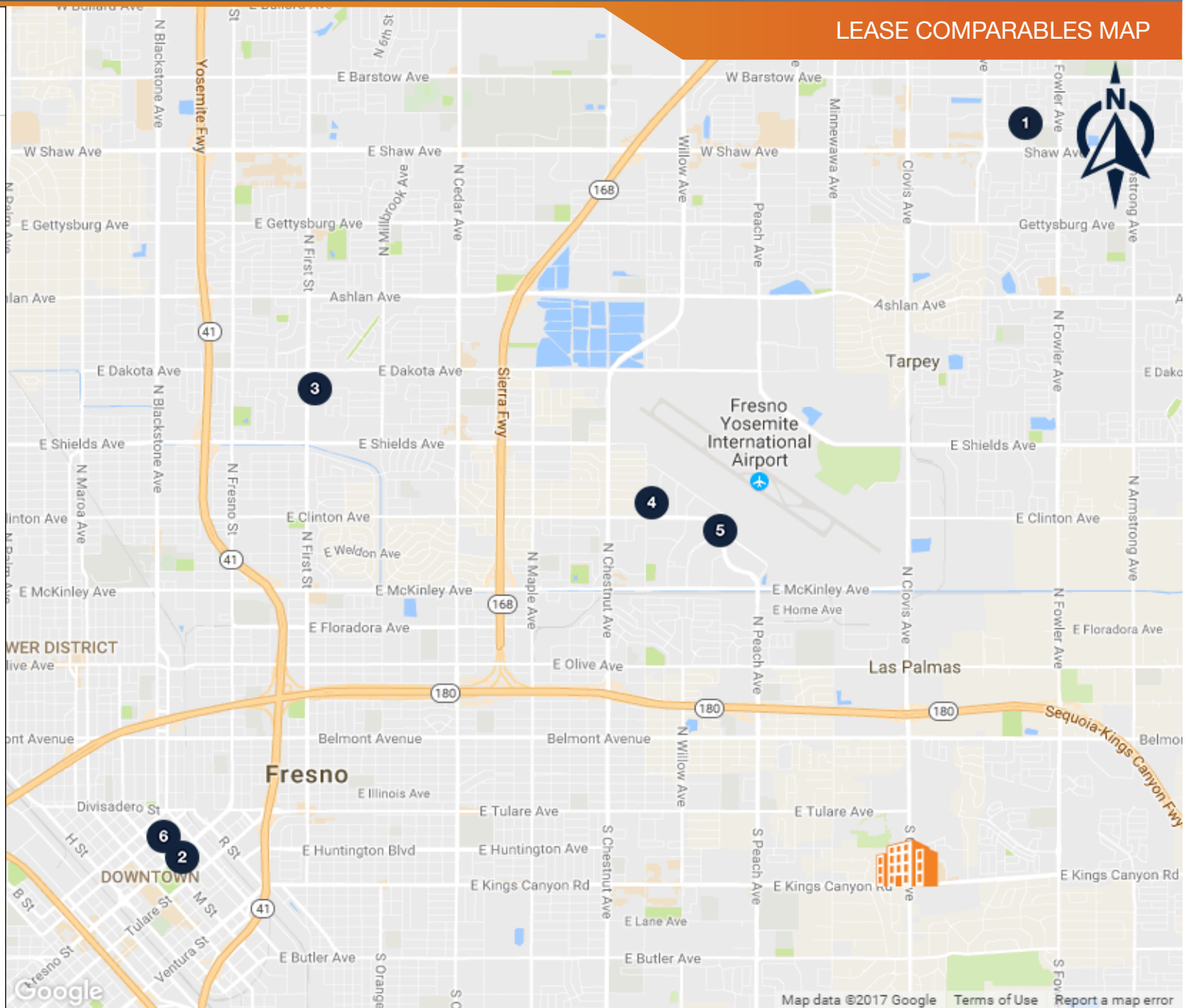
NOTES

This is a Class B Office building of 5,876sf.

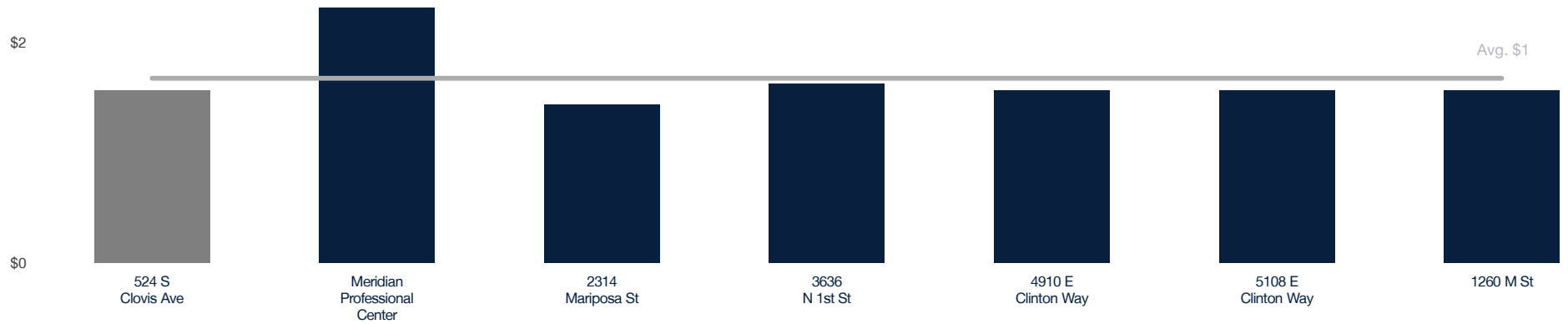


524 S CLOVIS AVE
(SUBJECT)

- 1 Meridian Professional Center
- 2 2314 Mariposa St
- 3 3636 N 1st St
- 4 4910 E Clinton Way
- 5 5108 E Clinton Way
- 6 1260 M St



AVERAGE RENT PER SQUARE FOOT



524 S CLOVIS AVE

524 S CLOVIS AVE, FRESNO, CA, 93727



Asking Rent/SF	\$1.25
Year Built	1975
Occupancy	100.00%
Lease Type	Gross
Lot Size	0.91 acre(s)
Parking Ratio	5.30/1000sf

MERIDIAN PROFESSIONAL CENTER

1625 SHAW AVE, CLOVIS, CA, 93611



Rentable SF	8,448
Available SF	5,078
Asking Rent/SF	\$1.85
Year Built	2006
Lease Type	NNN
Lot Size	.78

2314 MARIPOSA ST

2314 MARIPOSA ST, FRESNO, CA, 93721



Rentable SF	9,494
Available SF	6,871
Asking Rent/SF	\$1.15
Year Built	1948
Lease Type	NNN

3636 N 1ST ST

3636 N 1ST ST, FRESNO, CA, 93726



Rentable SF	2,934
Available SF	2,934
Asking Rent/SF	\$1.30
Year Built	1976
Lease Type	Modified Gross
Lot Size	2.40

4910 E CLINTON WAY

4910 E CLINTON WAY, FRESNO, CA, 93727



Rentable SF	12,448
Available SF	12,448
Asking Rent/SF	\$1.25
Year Built	1991

5108 E CLINTON WAY

5108 E CLINTON WAY, FRESNO, CA, 93727



Rentable SF	2,785
Available SF	2,785
Asking Rent/SF	\$1.25
Year Built	1980
Lot Size	1.29

1260 M ST

1260 M ST, FRESNO, CA, 93721



Rentable SF	10,540
Available SF	10,540
Asking Rent/SF	\$1.25
Year Built	1975

MARKET OVERVIEW



Created on May 2017

POPULATION	1 Miles	3 Miles	5 Miles
■ 2021 Projection			
Total Population	14,472	103,584	246,007
■ 2016 Estimate			
Total Population	14,030	97,225	236,011
■ 2010 Census			
Total Population	13,170	92,275	223,895
■ 2000 Census			
Total Population	11,316	75,934	198,250
■ Current Daytime Population			
2016 Estimate	11,800	81,597	243,053
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2021 Projection			
Total Households	4,688	29,302	70,845
■ 2016 Estimate			
Total Households	4,538	27,528	67,900
Average (Mean) Household Size	3.03	3.45	3.36
■ 2010 Census			
Total Households	4,207	25,990	63,907
■ 2000 Census			
Total Households	3,674	21,919	57,773
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2016 Estimate			
\$200,000 or More	2.13%	1.64%	1.56%
\$150,000 - \$199,999	2.24%	2.25%	2.02%
\$100,000 - \$149,000	7.94%	6.78%	7.03%
\$75,000 - \$99,999	9.53%	9.36%	8.92%
\$50,000 - \$74,999	17.29%	17.48%	16.79%
\$35,000 - \$49,999	14.93%	14.91%	15.35%
\$25,000 - \$34,999	13.15%	13.00%	12.87%
\$15,000 - \$24,999	14.70%	14.91%	15.56%
Under \$15,000	18.21%	17.45%	16.86%
Average Household Income	\$55,334	\$52,413	\$51,391
Median Household Income	\$38,541	\$37,122	\$36,420
Per Capita Income	\$18,221	\$15,034	\$15,087

POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2016 Estimate Total Population	14,030	97,225	236,011
Under 20	32.45%	35.86%	34.60%
20 to 34 Years	25.57%	24.55%	24.89%
35 to 39 Years	5.57%	6.06%	6.19%
40 to 49 Years	9.72%	10.41%	11.00%
50 to 64 Years	15.36%	13.45%	13.93%
Age 65+	11.32%	9.67%	9.38%
Median Age	29.73	28.08	28.78
■ Population 25+ by Education Level			
2016 Estimate Population Age 25+	8,261	53,696	133,356
Elementary (0-8)	6.22%	13.27%	13.11%
Some High School (9-11)	10.56%	13.52%	14.50%
High School Graduate (12)	26.64%	23.73%	24.03%
Some College (13-15)	25.42%	21.26%	20.79%
Associate Degree Only	8.80%	7.43%	7.30%
Bachelors Degree Only	11.90%	9.97%	9.27%
Graduate Degree	5.19%	3.43%	3.57%



Source: © 2016 Experian

Created on May 2017

POPULATION BY TRANSPORTATION TO WORK	1 Miles	3 Miles	5 Miles
■ 2016 Estimate Total Population			
Bicycle	0.02%	0.56%	0.81%
Bus or Trolley Bus	1.82%	1.99%	2.03%
Carpooled	10.79%	15.45%	14.48%
Drove Alone	77.29%	74.21%	74.55%
Ferryboat	0.00%	0.00%	0.00%
Motorcycle	0.09%	0.20%	0.28%
Other Means	1.42%	2.01%	2.26%
Railroad	0.00%	0.09%	0.04%
Streetcar or Trolley Car	1.11%	0.18%	0.07%
Subway or Elevated	0.00%	0.00%	0.00%
Taxicab	0.00%	0.00%	0.01%
Walked	1.63%	2.11%	2.04%
Worked at Home	5.84%	3.21%	3.43%
POPULATION BY TRAVEL TIME TO WORK	1 Miles	3 Miles	5 Miles
■ 2016 Estimate Total Population			
Under 15 Minutes	24.05%	24.34%	27.03%
15 - 29 Minutes	55.74%	53.58%	49.59%
30 - 59 Minutes	10.53%	12.44%	13.90%
60 - 89 Minutes	1.63%	2.24%	2.63%
90 or More Minutes	0.57%	1.47%	1.63%
Worked at Home	5.84%	3.21%	3.43%
Average Travel Time in Minutes	21	23	23



Source: © 2016 Experian



Population

In 2016, the population in your selected geography is 14,030. The population has changed by 23.98% since 2000. It is estimated that the population in your area will be 14,472.00 five years from now, which represents a change of 3.15% from the current year. The current population is 48.71% male and 51.29% female. The median age of the population in your area is 29.73, compare this to the US average which is 37.68. The population density in your area is 4,462.72 people per square mile.



Households

There are currently 4,538 households in your selected geography. The number of households has changed by 23.52% since 2000. It is estimated that the number of households in your area will be 4,688 five years from now, which represents a change of 3.31% from the current year. The average household size in your area is 3.03 persons.



Income

In 2016, the median household income for your selected geography is \$38,541, compare this to the US average which is currently \$54,505. The median household income for your area has changed by 9.43% since 2000. It is estimated that the median household income in your area will be \$44,550 five years from now, which represents a change of 15.59% from the current year.

The current year per capita income in your area is \$18,221, compare this to the US average, which is \$29,962. The current year average household income in your area is \$55,334, compare this to the US average which is \$78,425.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 43.65% White, 8.00% Black, 0.12% Native American and 19.13% Asian/Pacific Islander. Compare these to US averages which are: 70.77% White, 12.80% Black, 0.19% Native American and 5.36% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 46.58% of the current year population in your selected area. Compare this to the US average of 17.65%.



Housing

The median housing value in your area was \$184,823 in 2016, compare this to the US average of \$187,181. In 2000, there were 1,775 owner occupied housing units in your area and there were 1,899 renter occupied housing units in your area. The median rent at the time was \$445.



Employment

In 2016, there are 2,448 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 62.46% of employees are employed in white-collar occupations in this geography, and 37.32% are employed in blue-collar occupations. In 2016, unemployment in this area is 8.69%. In 2000, the average time traveled to work was 21.00 minutes.

THE MARCUS & MILLICHAP ADVANTAGE



MARCUS & MILLICHAP PREMIER INVESTMENT SERVICES

Marcus & Millichap is the premier commercial real estate investment services firm in the United States. Founded in 1971 on a unique model that matches each property with the largest pool of pre-qualified investors, we leverage four decades worth of experience and relationships to handle all of your commercial real estate needs. Our team of more than 1,700 professionals in the U.S. and Canada focuses exclusively on real estate investment sales, financing, research, and advisory services.



Founded in
1971 on a
unique
methodology



Largest pool of
pre-qualified
investors in
the industry



Moves capital
across our
network of
investment
professionals



More than 1,700
investment
professionals in
the U.S. and
Canada

WITH AN EXCLUSIVE FOCUS ON

real estate investment sales, financing, research, and advisory services

MORE THAN
1,700
INVESTMENT
PROFESSIONALS

WE HAVE ACCESS
TO THE INDUSTRY'S
LARGEST POOL OF
PRIVATE AND
INSTITUTIONAL
INVESTORS,
RESULTING IN THE
MOST EFFICIENT
PROCESS FOR
MATCHING BUYERS
AND SELLERS,
LOCALLY,
REGIONALLY, AND
NATIONALLY.

MAXIMIZING RESULTS WITH 82 OFFICES THROUGHOUT THE U.S. AND CANADA

With our collaborative culture, cutting-edge technology, and proven methodology, we efficiently match buyers and sellers both regionally and nationally to maximize your success.

MOVING CAPITAL, MAXIMIZING VALUE



WIDE RANGE OF CAPABILITIES, PROVEN EXECUTION PROCESS

Our proprietary platform and wide range of capabilities maximize our client results. As an industry leader in closed transactions with a history of repeat business, you can trust in our decades of process-driven success.

MARCUS & MILLICHAP CAPABILITIES

Investment Sales and Product
Specialization

Largest Collaborative Investment
Sales Force

Local Submarket Client Coverage

Industry Leading Technology Platform

Real-Time Access to Transaction Data

Access to Competitive Financing

Largest Pool of Exclusive Inventory



PERFECTED PROCESS-DRIVEN EXECUTION

Pricing, Marketing, and
Positioning Strategy to
Drive Competitive Bidding

Timeline-Driven Escrow
Management to Mitigate Risk

Transaction Execution for
1031 Exchange Candidates



8,995

TRANSACTIONS
CLOSED IN 2016



4.5

TRANSACTIONS
CLOSED EVERY
BUSINESS HOUR

47%

TRANSACTIONS
CLOSED WITH
OUT-OF-STATE
CAPITAL IN 2016

THE MARCUS & MILLICHAP ADVANTAGE

Marcus & Millichap tailors our investment strategies to meet the unique needs and goals of each client. To best serve our clients and to maximize value, we combine our collaborative culture with the world's most advanced technology to create the industry's most powerful proprietary marketing system.



Largest commercial real estate brokerage firm in the country, with specialization in all major property types and more than 1,700 professionals collaborating at every stage

Access to the industry's largest inventory of quality investment opportunities

Superior capital market expertise, precisely managed financing, and unparalleled access to the most competitive rates, terms, and capital sources through MMCC

Prominent capital market relationships with commercial banks, secured lenders, debt and equity funds, life insurance companies, private and public funds, etc.

Provides clients with the latest local and national market trends based on real-time data to create optimal positioning, pricing, and marketing strategies

Industry's most in-depth understanding of a variety of property types in numerous local and national markets, with over 1,000 research products produced annually

Comprehensive advisory and consulting services to give you buy-sell-hold decisions based on real-time market knowledge and research

Maximizes value for our clients in each transaction and shapes long-term portfolio strategies



MULTIFAMILY



SINGLE TENANT
NET-LEASE



FINANCING



RETAIL



OFFICE



HOSPITALITY



AFFORDABLE
HOUSING



LAND



INDUSTRIAL



SELF-STORAGE



HEALTHCARE



MANUFACTURED
HOUSING



SENIORS
HOUSING



STUDENT
HOUSING

SPECIALTY DIVISIONS

Because we cover a wide variety of property types, Marcus & Millichap gives you access to the industry's largest investment inventory. Through property specialization and information sharing, our investment professionals cultivate relationships across the U.S. and Canada. We leverage these relationships to provide our clients with the insight and opportunities to maximize their investments.

MARCUS & MILLICHAP NETWORK

When a client hires a local agent, the entire Marcus & Millichap team stands behind that agent. Each investment professional can leverage Marcus & Millichap's carefully cultivated network of local, regional, and national contacts in order to provide clients with access to our unsurpassed product inventory, large client base that is sourced both internally and externally, and excellent product capital sourcing. Through maximum controlled exposure, our local agents create a maximum result for each client.



INVESTMENT OPTIONS AND OPPORTUNITIES

The success of Marcus & Millichap is based on our collaborative culture of information sharing across our network of more than 1,700 investment professionals, which maximizes value for each of our clients.

Working with a unique platform that is antithetical to the concept of “pocket listings,” our investment professionals share all listings with the entire Marcus & Millichap team. Each professional specializes in a property type and has a database of local properties and owners, which is leveraged in every client assignment. Because each local agent specializes in a single product type in a specific geographic region, our clients are completely covered across the U.S. and Canada with every investment.

Our foundation of information sharing maximizes pricing for our clients and gives us the largest inventory of any firm in the industry.

**THE SIZE AND ACCESSIBILITY OF OUR
INVENTORY ENABLES YOU TO SELL YOUR
PROPERTY AND QUICKLY MOVE INTO
ANOTHER PROFITABLE INVESTMENT.**

1,700

COLLABORATIVE
AGENT DATABASES

\$16.9B

CURRENTLY
EXCLUSIVELY LISTED

INDUSTRY'S LARGEST SELECTION OF
QUALITY INVESTMENT INVENTORY

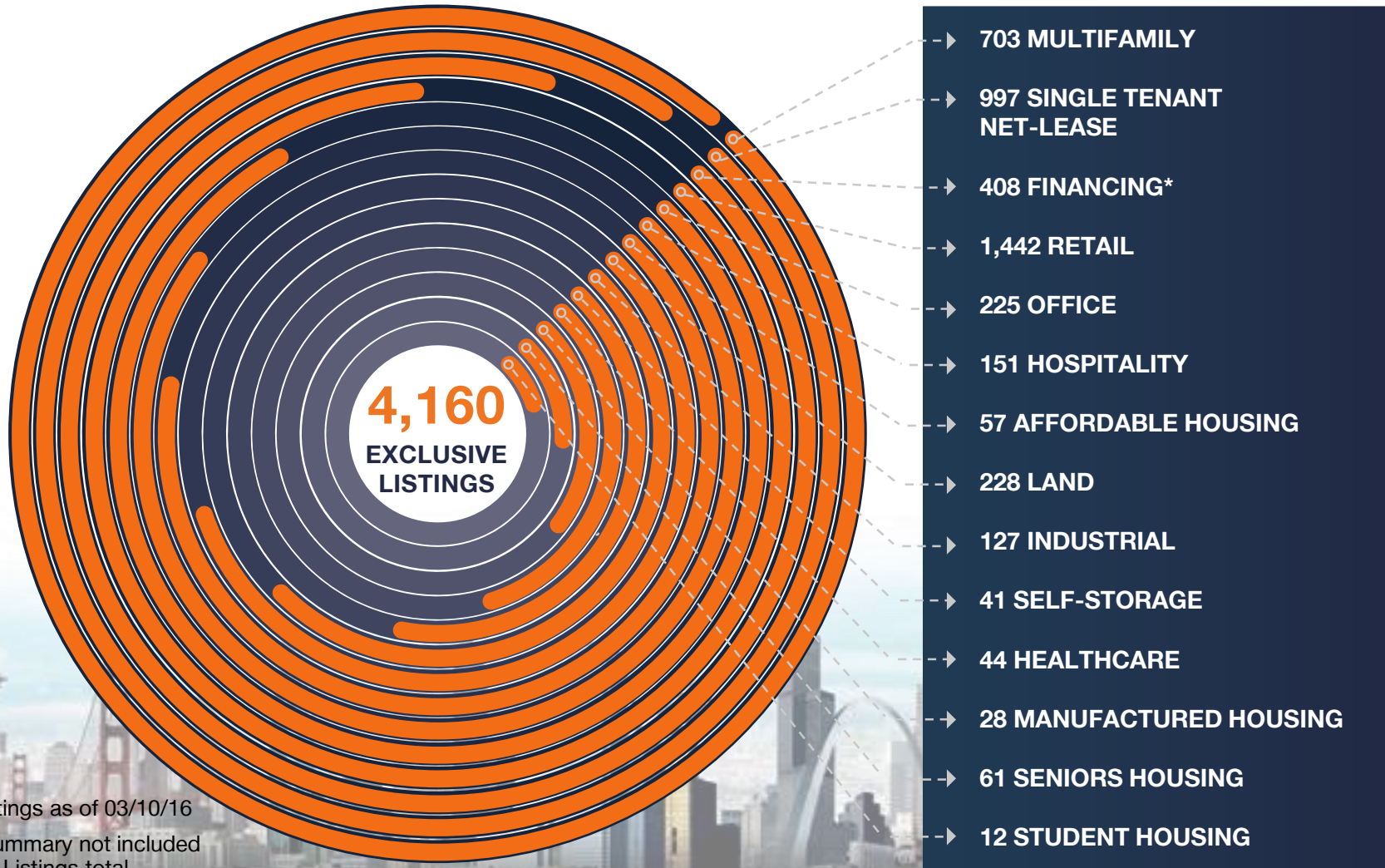
1031 EXCHANGES

32%

TRANSACTIONS CLOSED
WITH 1031 EXCHANGE BUYERS

I N 2 0 1 6

GAIN ACCESS TO THE NATION'S LARGEST EXCLUSIVE INVENTORY OF PROPERTIES FOR ALL PRODUCT TYPES



Exclusive Listings as of 03/10/16

* Financing summary not included in Exclusive Listings total

ADVISORY SERVICES ACROSS THE OWNERSHIP LIFECYCLE

Whether you're looking to buy, sell, refinance, or hold, Marcus & Millichap leverages real-time market research to assess local and national trends, with specialized focus on individual property types. Backed by the collaborative culture of industry experts, your local investment professional will walk you through each phase of your investment strategy.

MANAGE AND OPERATE

INVESTOR CONCERNS

- Is holding my asset the most profitable choice in this market?
- How can I best take advantage of the capital markets to maximize my returns?
- Based on my investment risk tolerance and objectives, what opportunities should I consider?
- How should I position my portfolio for potential changes in market conditions?

MARCUS & MILLICHAP'S SOLUTIONS

- Strategic "hold" analysis
- Refinance strategic analysis
- Quarterly investment return analysis
- Ongoing market and submarket research
- Ongoing product-specific research

DISPOSITION AND EXCHANGE

INVESTOR CONCERNS

- Is now the right time to sell?
- How can I leverage the capital markets to maximize my results?
- How do I optimize my position via a disposition?
- What alternatives and associated investment returns would I have in the event of a sale?

MARCUS & MILLICHAP'S SOLUTIONS

- Value and market positioning analysis
- Disposition buyer financing
- New acquisition financing
- 1031 exchange investment alternatives analysis

ACQUISITION

INVESTOR CONCERNS

- When is the right time to buy?
- What investment opportunities are available for my consideration?
- What are the risks in the current market?
- What are my financing options?
- How will an acquisition impact my portfolio's returns?

MARCUS & MILLICHAP'S SOLUTIONS

- Pre-acquisition analysis
- Financial investment analysis
- Market and submarket research
- Product-specific research

MARCUS & MILLICHAP CAPITAL CORPORATION CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources providing the most competitive rates and terms.

We leverage our prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues for the benefit of our clients.



Closed 1,651 debt and equity financings in 2016



National platform operating within the firm's brokerage offices



\$5.1 billion total national volume in 2016



Access to more capital sources than any other firm in the industry

WHY MMCC?

Optimum financing solutions to enhance value

Enhanced control through investor qualification support

Enhanced control through MMCC's ability to qualify investor finance contingencies

Enhanced control through quickly identifying potential debt/equity sources, processing, and closing buyer's finance alternatives

Enhanced control through MMCC's ability to monitor investor/due diligence and underwriting to ensure timely, predictable closings

MARKETING TEAM



Eldora Busick Rossi



BRUCE BARNHARD
 SENIOR ASSOCIATE
 ASSOCIATE MEMBER, NATIONAL MULTI HOUSING GROUP
 ASSOCIATE MEMBER, NATIONAL RETAIL GROUP



MARCUS & MILLICHAP SUPPORT
Jesica Ocheltree
 OPERATIONS MANAGER



MARCUS & MILLICHAP SUPPORT
Judy Maxey
 CERTIFIED AGENT SUPPORT SPECIALIST
 (FRONT DESK)



DEBT & STRUCTURED FINANCING
Gines Arnau
 DIRECTOR



MARCUS & MILLICHAP SUPPORT
Jennifer Ulberg
 BROKERAGE ADMINISTRATOR

More Than 1,600 Investment Professionals
 in Offices Throughout the U.S. and Canada



OFFERING MEMORANDUM • ELECTRONIC BROCHURES • MARKET RESEARCH • DEMOGRAPHICS

MARKETING – TEAM

More Than 1,600 Professionals
 Throughout the U.S. & Canada
 Electronic Marketing
 (MNet, E-mail, Posting, etc.)
 Direct Client Calling Effort

Advertising & Direct Mail
 Cooperating Brokerage Community
 Confidentiality Registration
 Offering Memorandum Distribution

ESCROW MANAGEMENT • WIRE TRANSFERS • THIRD-PARTY REPORTS • ESTOPPEL • PRODUCTION

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 License: CA 01866265

Awards

Sales Recognition Award - 2015

Bio

Bruce G. Barnhard – was recruited by Marcus & Millichap and joined the newly established Bakersfield Office in August of 2014. He was promoted to a full time Senior Investment Associate shortly thereafter.

A seasoned Real Estate Professional with unique skill sets specializing in all aspects of the Real Estate Industry including but not limited to; acquisition, development, construction and the sale of Big Box Retail, Multi-Tenant Retail, Hospitality, Self Storage, Office Buildings (all types), Industrial Buildings, Multi-Family Apartments, Restaurants, Theatres and Land plays.

His extensive experience & knowledge make him an exceptional value to Clients. He is a very creative, multi-dimensional thinker with a reputation for getting the deal DONE! Bruce has thorough knowledge of real estate finance and explains the complexities to his clients in a way that allows them to truly understand their best options. Giving full consideration and disclosure to investment income, replacement, remodel or building new. All financial models are considered and evaluated.

In addition to business transactions he has vast experience in acquisition, development, construction, property management and finance as a licensed General Contractor having worked for 25+ years throughout California into multiple States.

Bruce has been formally educated in the School of Architecture and Environmental Design with a Bachelor of Science Degree in Construction Management with a Real Estate & Development emphasis from California Polytechnic State University, San Luis Obispo, Ca.



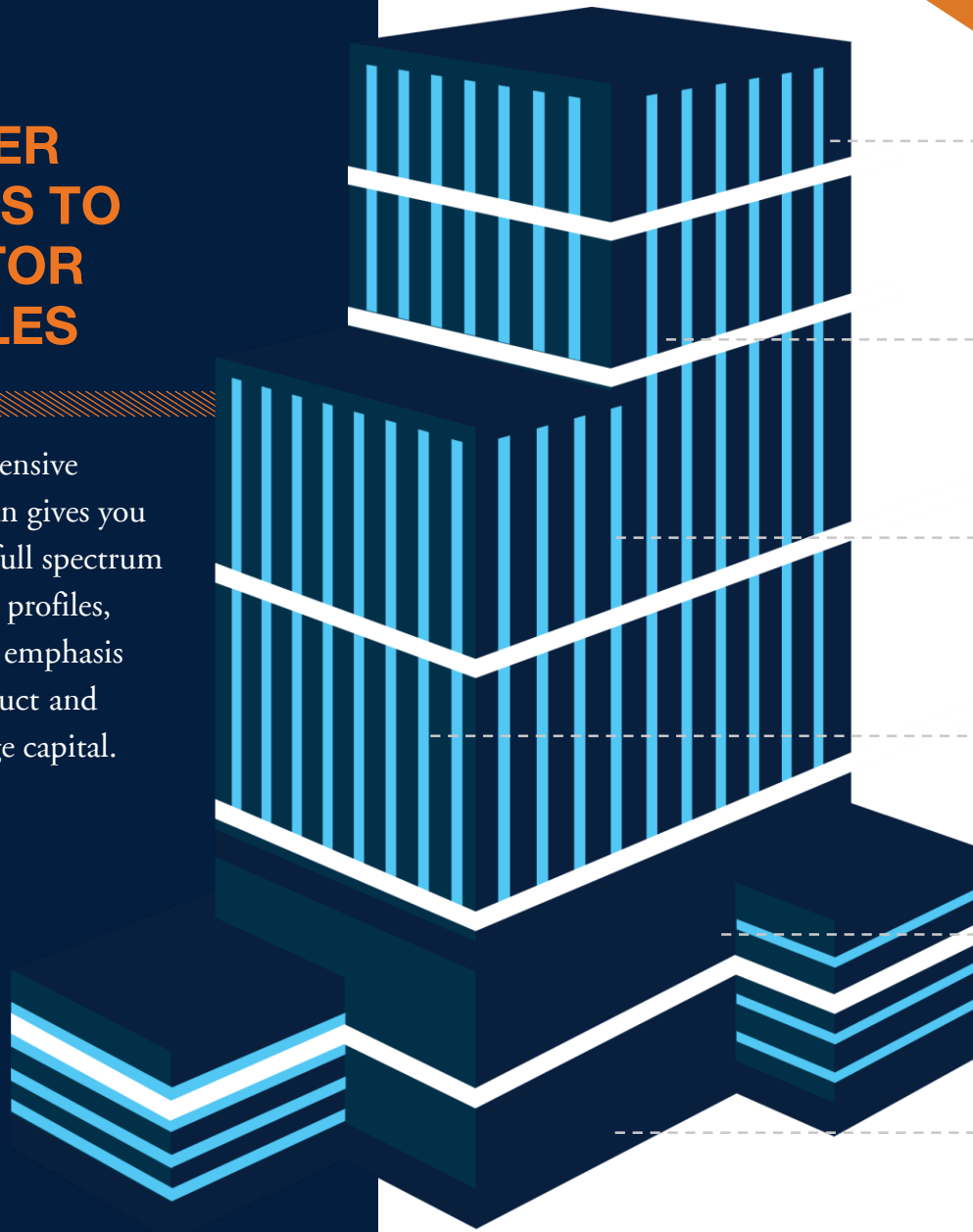
585
OFFICE
 — SALES —
TRANSACTIONS
 CLOSED IN 2016

MARKETING PLAN



PREMIER ACCESS TO INVESTOR PROFILES

Our comprehensive marketing plan gives you access to the full spectrum of investment profiles, with a special emphasis on cross-product and 1031 exchange capital.



Foreign and International Buyers

Foreign investors seeking domestic opportunities and technology enablers that direct foreign demand

1031 Exchange Capital

Investors seeking acquisition opportunities for capital gains tax deferral

Cross-Product Capital

Opportunistic investors seeking diversification in other real estate property types

1st Tier Investors

Pension funds, advisors, banks, REITs, and life insurance companies

2nd Tier Investors

Syndicators, developers, merchant builders, general partnerships, and professional investors

3rd Tier Investors

Private, individual investors who account for the majority of transactions in the marketplace

MAXIMUM EXPOSURE CREATES MAXIMUM VALUE

Our comprehensive marketing plan provides strategic exposure for your asset. Whether the optimal strategy requires maximum exposure within a single profile, broad exposure across all investor profiles, or a hybrid approach, our platform ensures maximum value across every client profile.



FOREIGN AND INTERNATIONAL BUYERS

As the leader in investment sales transactions annually, Foreign capital is drawn to our firm as the conduit to the nation's largest exclusively listed inventory. Foreign investors seek our advice, market reach and long-standing client relationships with the industry's largest pool of buyers and sellers.

1031 EXCHANGE CAPITAL

Access the Industry's largest pool of 1031 exchange buyers, as a result of closing more transactions annually than any other commercial real estate brokerage firm.

CROSS-PRODUCT CAPITAL

Our collaborative culture across product types, enabled through MNet, ensures access to the broadest pool of qualified investors.

1ST TIER INVESTORS

Marcus & Millichap maintains long-term relationships with these investors via our IPA divisions, national product specialty groups, and over 400 senior investment professionals.

2ND TIER INVESTORS

We access via our highly organized national product specialty groups and the regional and national marketing opportunities they present.

3RD TIER INVESTORS

Specializing exclusively in investment sales, our network of more than 1,700 investment professionals throughout the U.S. and Canada guarantees your property is exposed to the largest pool of qualified buyers.

COMPREHENSIVE INTERNAL AND EXTERNAL EXPOSURE

Our comprehensive marketing plan leverages all channels of communication to maximize property exposure, both internally and externally. We provide and produce offering memorandums, conduct internal and external email marketing, and initiate internal and external telephone contact.

Exposure to the market ultimately determines the final outcome of a sale, and we work to create the best exposure in the industry for your property.



OFFERING MEMORANDUM

30-DAY LEAD: Finalize financial analysis, property overview, and photographs.

DAY 4: Deliver a draft of the offering memorandum for client approval.

DAY 6: Begin active marketing, using the offering memorandum as the focal point. In particular, highlight the property's future value.

Once active, the offering memorandum is available to all Marcus & Millichap sales professionals to present to our large pool of pre-qualified buyers.



INTERNAL & EXTERNAL EMAIL MARKETING

30-DAY LEAD: Draft of email campaign presented for client approval.

DAY 6: First wave of internal and external email campaign sent with tracking capability for "opens." Commence follow-up via telephone to sell the opportunity, gauge interest, and overcome buyer objections.

DAY 20: Begin second wave of email campaign and telephone follow-ups.

Note: Email campaigns continue throughout the listing period.



INTERNAL & EXTERNAL PHONE CONTACT

30-DAY LEAD: Probable buyer list created from team's database, including probable exchange buyers from prior 30-day sales comps.

DAY 6: Direct outreach to Marcus & Millichap sales professionals via office presentations and telephone conferences.

DAY 8: Marketing team makes direct telephone contact with list of all probable buyers.

Note: Telephone campaigns continue throughout the listing period.

MARKETING TIMELINE



WHY MARCUS & MILLICHAP?

01 YOUR LOCAL AGENT

Specialists in product type and geographic location

Creates buyer competition to maximize price and increase probability of a successful closing

Access to information sharing throughout the largest network of investment professionals in U.S. and Canada as part of our collaborative culture

Proactively promotes your property to local, regional, and national Marcus & Millichap professionals

02 THE MARCUS & MILLICHAP PLATFORM

Largest database of qualified investors in the industry

Unparalleled access to potential buyers, including one of the largest databases of 1031 exchange buyers

More than 1,700 investment professionals working collaboratively to achieve client results

03 A HISTORY OF CLIENT RESULTS

Repeat clients

Decades worth of experience

Highly-focused specialization

Collaborative culture built on information sharing

Industry-leading technology platform

MARCUS &
MILLICHAP
IS A
LEADING
COMMERCIAL
REAL ESTATE
INVESTMENT
SERVICES
FIRM IN THE
U.S.
AND CANADA

PRESENTED BY

Bruce Barnhard

Senior Associate

Bakersfield Office

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Fax: (661) 377-1879

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