

# Offering Memorandum

**500-544**

**Butte Street**

Bakersfield, CA

**FOR SALE**

**Industrial Multi-Tenant  
Office-Warehouse  
Investment or Owner-  
User Opportunity**



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# Offering Memorandum

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Bakersfield, CA

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# Offering Memorandum

## Disclosures & Confidentiality

500-544 Butte Street  
Bakersfield, CA

The enclosed Offering Memorandum package has been prepared solely for informational purposes to assist a prospective purchaser in determining whether it wishes to proceed with an in-depth investigation of the property described herein. It is intended solely for your limited use and benefit in determining whether you desire to express any further interest in the purchase of herein the "Property".

Prospective purchasers are expected to review independently all documents related to the Property as to the accuracy and completeness of the information contained herein. All financial projections are provided for general reference purposes only. These projections have been based upon various assumptions relating to the general economy, competition and other factors beyond the reasonable control of ASU Commercial, and, therefore, are subject to material variation.

ASU Commercial, and its respective officers, employees or agent representatives do not make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Offering Memorandum package or any of its contents. In this Offering Memorandum package, certain documents, are described in summary form. These summaries do not purport to be complete, nor, necessarily, accurate descriptions of the full agreements involved, nor do they purport to constitute a legal analysis of the provisions of the documents. Interested parties are expected to review independently such documents.

By receipt of this Offering Memorandum package, you agree that its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose directly or indirectly this Offering Memorandum package or any of its contents to any other entity (except affiliates or prospective purchasers) without the prior written authorization of the owner and ASU Commercial. You also agree that you will not use this Offering Memorandum package or any of its contents in any manner detrimental to the interest of the Owner and ASU Commercial. Photocopying or other mass duplication of this Offering Memorandum package without the permission of ASU Commercial is prohibited.

The information contained in this Offering Memorandum package was obtained from third parties and/or directly from the owner, and it has not been independently verified by ASU Commercial or its agents. Prospective purchasers should have the experts of their choice inspect the Property and verify all information. Real estate brokers are not qualified to act as or select experts with respect to legal, tax, environment, building construction, soils-drainage, or other such matters. Additional information and an opportunity to inspect the property will be made available to any interested and qualified prospective purchasers.

If prior to or upon your review of this Offering Memorandum package you no longer have any further interest or you do not wish to pursue negotiations leading to this acquisition, please return this Offering Memorandum package in its original form to this submitting agent at:

**ASU Commercial • 11601 Bolthouse Drive Suite 110 • Bakersfield, California 93311**

The Property described in this Offering Memorandum package may be subject to prior sale, modification and/or withdrawal from the market by the owner at any time without prior notice. Owner and ASU Commercial each expressly reserves the right, at their sole discretion, to reject any and all expressions of interest or offers regarding the Property and or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligation to any entity reviewing this Offering Memorandum or making an offer to purchase the property unless and until a written agreement for the purchase of the Property owner's obligations thereunder have been satisfied or waived. The terms and conditions stated in this "Confidentiality and Disclaimer" page will relate to all of the sections contained in this Offering Memorandum package as if stated independently therein.

# Offering Memorandum

## Property Summary

**500-544 Butte Street  
Bakersfield, CA**

ASU Commercial is pleased to offer to the market 500 – 544 Butte Street, which is a two-building multi-tenant flex/office/warehouse complex located between Old Town and Downtown Bakersfield.

500 – 528 Butte Street is 7,680 square feet of space including 4,616 square feet of office improvements. This multi-tenant building is demised into eight (8) individual suites and is currently fully occupied with five (5) tenants. All Tenants have been in the building since the Seller acquired the property in 2018.

532 – 544 Butte Street is 6,840 square feet of space including 1,564 square feet of office improvements. This multi-tenant building is demised into four (4) individual suites and will be delivered vacant as this building was previously occupied by the Seller. The Buyer can choose to occupy this building for their own use or lease the individual suites. All evaporative coolers in this building have been replaced with new since the Seller acquired the property.

There are seven (7) other structures on the site which altogether total 15,895 square feet of building improvements, 6,040 square feet of canopy improvements and 2,275 square feet of covered carport improvements.

The property is zoned M-1 (Light Industrial) & M-2 (Medium Industrial) per City of Bakersfield and totals 2.94 acres in size. The yard is completely paved with asphalt and has rolling gate entrances with two (2) points of ingress/egress to property. To ensure security and safety the perimeter of the property has six-foot-tall chain link fence with privacy screening along with perimeter and interior yard lighting.

The property is adjacent to Kern County Human Services office along with the currently under construction new residential facility for Open Door Network.



# Offering Memorandum

## Property Information

500-544 Butte Street  
Bakersfield, CA

### Property Details

▪ Total Building Improvements	15,895 SF
▪ Office Space	6,180 SF
▪ Warehouse	8,747 SF
▪ Storage Space	468 SF
▪ Welding Shop	500 SF
▪ Canopy Space	6,040 SF (Not included in Total Building Improvements)
▪ Carport Space	2,275 SF (Not included in Total Building Improvements)
▪ Ground-Level Doors	Twelve (12) 10'x10' and One (1) 8'x8'
▪ Clear Height	10'-14'
▪ Construction	Metal, wood, and stucco facade

### Building Structure #1 (Multi-Tenant Office/Warehouse)

▪ Total Space	7,680 SF
▪ Office Space	4,616 SF
▪ Warehouse Space	3,064 SF
▪ Clear Height	11'-12'

### Building Structure #2 (Multi-Tenant Office/Warehouse)

▪ Total Space	6,840 SF
▪ Office Space	1,564 SF
▪ Storage	468 SF
▪ Warehouse Space	4,808 SF
▪ Clear Height	11'-12'

### Building Structure #3 (Carport)

▪ Total Space	900 SF
▪ Clear Height	10'

### Building Structure #4 (Carport)

▪ Total Space	675 SF
▪ Clear Height	10'

### Building Structure #5 (Canopy)

▪ Total Space	640 SF
▪ Clear Height	10'

### Building Structure #6 (Carport)

▪ Total Space	2,400 SF
▪ Clear Height	13'-14'

### Building Structure #7 (Shop/Warehouse)

▪ Total Space	1,375 SF
▪ Welding Shop	500 SF
▪ 220v outlets along interior perimeter walls of Welding Shop	
▪ Ground-Level Doors	One (1) 8'x10'
▪ Warehouse Space	875 SF
▪ Ground-Level Doors	Two (2) 10'x10'
▪ Clear Height	11'-12'

### Building Structure #8 (Canopy)

▪ Total Space	3,000 SF
▪ Clear Height	13'-14'

### Building Structure #9 (Carport)

▪ Total Space	700 SF
▪ Clear Height	10'

# Offering Memorandum

## Property Information

500-544 Butte Street  
Bakersfield, CA

### Building Structure #1 (Suites 500-528)

#### Suite 500

- Total Space 960 SF
- Office Space 576 SF
- Warehouse Space 384 SF
- Ground-Level Doors One (1) 10'x10'

#### Suite 504

- Total Space 960 SF
- Office Space 480 SF
- Warehouse Space 480 SF
- Ground-Level Doors One (1) 10'x10'

#### Suite 508

- Total Space 960 SF
- Office Space 352 SF
- Warehouse Space 608 SF
- Ground-Level Doors One (1) 10'x10'

#### Suite 512

- Total Space 624 SF
- Office Space 624 SF

#### Suite 516

- Total Space 1,296 SF
- Office Space 1,296 SF

#### Suite 520

- Total Space 960 SF
- Office Space 456 SF
- Warehouse Space 504 SF
- Ground-Level Doors One (1) 10'x10'
- Evaporative cooler in warehouse

#### Suite 524

- Total Space 960 SF
- Office Space 480 SF
- Warehouse Space 480 SF
- Ground-Level Doors One (1) 10'x10'
- Evaporative cooler in warehouse
- Space heater in warehouse

#### Suite 528

- Total Space 960 SF
- Office Space 352 SF
- Warehouse Space 608 SF
- Ground-Level Doors One (1) 10'x10'

# Offering Memorandum

## Property Information

500-544 Butte Street  
Bakersfield, CA

### Building Structure #2 (Suites 532-544)

#### Suite 532

- **Total Space** 1,200 SF
- **Office Space** 424 SF
- **Warehouse Space** 776 SF
- **Ground-Level Doors** One (1) 10'x10'
- Evaporative cooler in warehouse

#### Suite 536

- **Total Space** 1,880 SF
- **Office Space** 352 SF
- **Warehouse Space** 1,528 SF
- **Ground-Level Doors** One (1) 10'x10'
- Evaporative cooler in warehouse

#### Suite 540

- **Total Space** 1,880SF
- **Office Space** 448 SF
- **Warehouse Space** 1,252 SF
- **Storage Space** 180 SF
- **Ground-Level Doors** One (1) 10'x10'
- Evaporative cooler in warehouse
- Space heater in warehouse

#### Suite 544

- **Total Space** 1,880SF
- **Office Space** 340 SF
- **Warehouse Space** 1,252 SF
- **Storage Space** 288 SF
- **Ground-Level Doors** One (1) 10'x10'
- Evaporative cooler in warehouse
- Space heater in warehouse

### Highlights

- Parcel Size – 2.94 acres zoned M-1 (Light Industrial) & M-2 (Medium Industrial) per the City of Bakersfield
- Rolling gate entrances into the yard area with two (2) point of ingress/egress to property
- Yard Area is Fully Paved with Asphalt
- Six-foot-tall chain link fence with privacy screening surrounding property
- Perimeter Yard Lighting along Exterior Fence
- Curb, Gutter, and Sidewalk on all four (4) streets surrounding property
- Monument Signage displaying Tenant Names
- Assessors Parcel Number – 016-380-01

### Utility Providers



PG&E 100 Amps  
of 110/220 Volt,  
3 Phase, 4 Wire  
(Each suite has  
their own meter)



The  
Gas Company



City  
of  
Bakersfield



City  
of  
Bakersfield

### Sale Price

**\$2,150,000 or \$144.26 PSF**

# Offering Memorandum

## Property Aerial Photo

500-544 Butte Street  
Bakersfield, CA





# Offering Memorandum

## Income Approach (Existing Rental Income)

500-544 Butte Street  
Bakersfield, CA

<b>Type of Property</b>	MT Office/Warehouse Building	<b>Amort</b>	25	<b>Value</b>	\$2,150,000
<b>Building SF</b>	14,904	<b>Loan Rate</b>	6.50%	<b>Equity</b>	\$752,500
<b>Acres</b>	2.94	<b>Payment</b>	-9,436	<b>Loan</b>	\$1,397,500
		<b>LTV</b>	65%		
				<b>COST/MONTH</b>	<b>ANNUAL</b>
<b>EXISTING GROSS RENTAL INCOME</b>					
500 Butte Street & Lot D				\$1,100.00	\$13,200.00
504 Butte Street				\$590.00	\$7,080.00
508 Butte Street				\$590.00	\$7,080.00
512 Butte Street				\$600.00	\$7,200.00
516 Butte Street				\$600.00	\$7,200.00
520 Butte Street				\$700.00	\$8,400.00
524 Butte Street				\$1,600.00	\$19,200.00
528 Butte Street				\$600.00	\$7,200.00
532-544 Butte Street				\$8,000.00	\$96,000
<b>GROSS RENTAL INCOME</b>				\$14,380.00	\$172,560
CAOE Reimbursement \$0.0000				\$0.00	\$0
<b>EFFECTIVE RENTAL INCOME</b>				\$14,380.00	\$172,560
Less Vacancy 6%					\$10,354
<b>GROSS OPERATING INCOME</b>					\$162,206

# Offering Memorandum

## Income Approach (Existing Rental Income)

500-544 Butte Street  
Bakersfield, CA

	COST/SF	COST/MONTH	ANNUAL
<b>LESS OPERATING EXPENSES</b>			
Real Estate Taxes	\$0.1503	\$2,239.58	\$26,875
Property Insurance	\$0.0338	\$503.30	\$6,040
Landscaping/Gardening	\$0.0101	\$150.00	\$1,800
PG&E (Exterior Lighting)	\$0.0134	\$200.00	\$2,400
California Water	\$0.0235	\$350.00	\$4,200
City of Bakersfield (Trash)	\$0.0778	\$1,160.00	\$13,920
Property Mgmt (2%)	\$0.0193	\$287.60	\$3,451
Repairs and Maint HVAC	\$0.0193	\$287.60	\$3,451
<b>TOTAL OPERATING EXPENSES</b>	<b>\$0.3474</b>	<b>\$5,178.08</b>	<b>\$62,137</b>
<b>NOI</b>			<b>\$100,069</b>
<b>LESS ANNUAL DEBT SERVICE</b>			<b>\$113,232</b>
<b>CASH FLOW BEFORE TAXES</b>	<b>-1.7%</b>		<b>\$13,163</b>
<b>CAPITALIZED VALUE</b>	<b>4.65%</b>		<b>\$2,150,000</b>
<b>Overall Value Per Square Foot</b>			<b>\$144.26</b>

# Offering Memorandum

## Income Approach (Pro-Forma Rental Income)

500-544 Butte Street  
Bakersfield, CA

Type of Property	MT Office/Warehouse Building	Amort	25	Value	\$2,150,000
Building SF	14,904	Loan Rate	6.50%	Equity	\$752,500
Acres	2.94	Payment	-9,436	Loan	\$1,397,500
		LTV	65%		

		MONTHLY INCOME	ANNUAL INCOME
<b>PRO-FORMA GROSS RENTAL INCOME</b>			
500 Butte Street & Lot D		\$1,320.00	\$15,840.00
504 Butte Street		\$708.00	\$8,496.00
508 Butte Street		\$708.00	\$8,496.00
512 Butte Street		\$720.00	\$8,640.00
516 Butte Street		\$720.00	\$8,640.00
520 Butte Street		\$840.00	\$10,080.00
524 Butte Street		\$1,920.00	\$23,040.00
528 Butte Street		\$720.00	\$8,600.00
532-544 Butte Street		\$7,000.00	\$84,000
<b>GROSS RENTAL INCOME</b>		\$14,656.00	\$175,872
CAOE Reimbursement	\$0.1445	\$2,153.12	\$25,837
<b>EFFECTIVE RENTAL INCOME</b>		\$16,809.12	\$201,709
Less Vacancy	6%		\$12,103
<b>GROSS OPERATING INCOME</b>			<b>\$189,607</b>

# Offering Memorandum

## Income Approach (Pro-Forma Rental Income)

500-544 Butte Street  
Bakersfield, CA

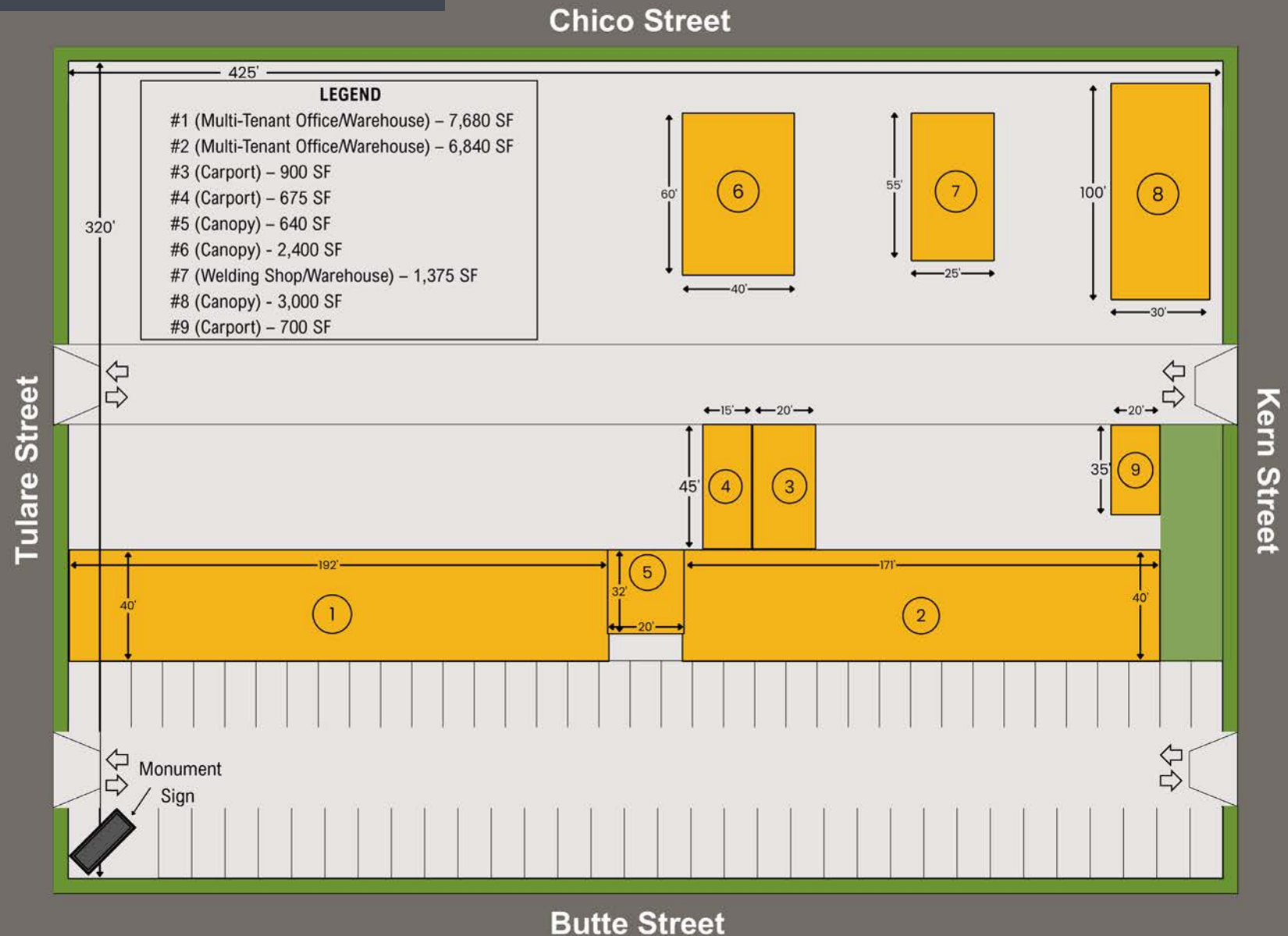
	COST/SF	COST/MONTH	ANNUAL
<b>LESS OPERATING EXPENSES</b>			
Real Estate Taxes	\$0.1503	\$2,239.58	\$26,875
Property Insurance	\$0.0395	\$588.32	\$7,060
Landscaping/Gardening	\$0.0101	\$150.00	\$1,800
PG&E (Exterior Lighting)	\$0.0134	\$200.00	\$2,400
California Water	\$0.0235	\$350.00	\$4,200
City of Bakersfield (Trash)	\$0.0778	\$1,160.00	\$13,920
Property Mgmt (2%)	\$0.0197	\$293.12	\$3,517
Repairs and Maint HVAC	\$0.0226	\$336.18	\$4,034
<b>TOTAL OPERATING EXPENSES</b>	<b>\$0.3568</b>	<b>\$5,317.20</b>	<b>\$63,806</b>
<b>NOI</b>			<b>\$125,800</b>
<b>LESS ANNUAL DEBT SERVICE</b>			<b>\$113,232</b>
<b>CASH FLOW BEFORE TAXES</b>	<b>1.7%</b>		<b>\$12,568</b>
<b>CAPITALIZED VALUE</b>	<b>5.85%</b>		<b>\$2,150,000</b>
<b>Overall Value Per Square Foot</b>			<b>\$144.26</b>



# Offering Memorandum

## Site Plan - 1

500-544 Butte Street  
Bakersfield, CA



# Offering Memorandum

## Site Plan - 2

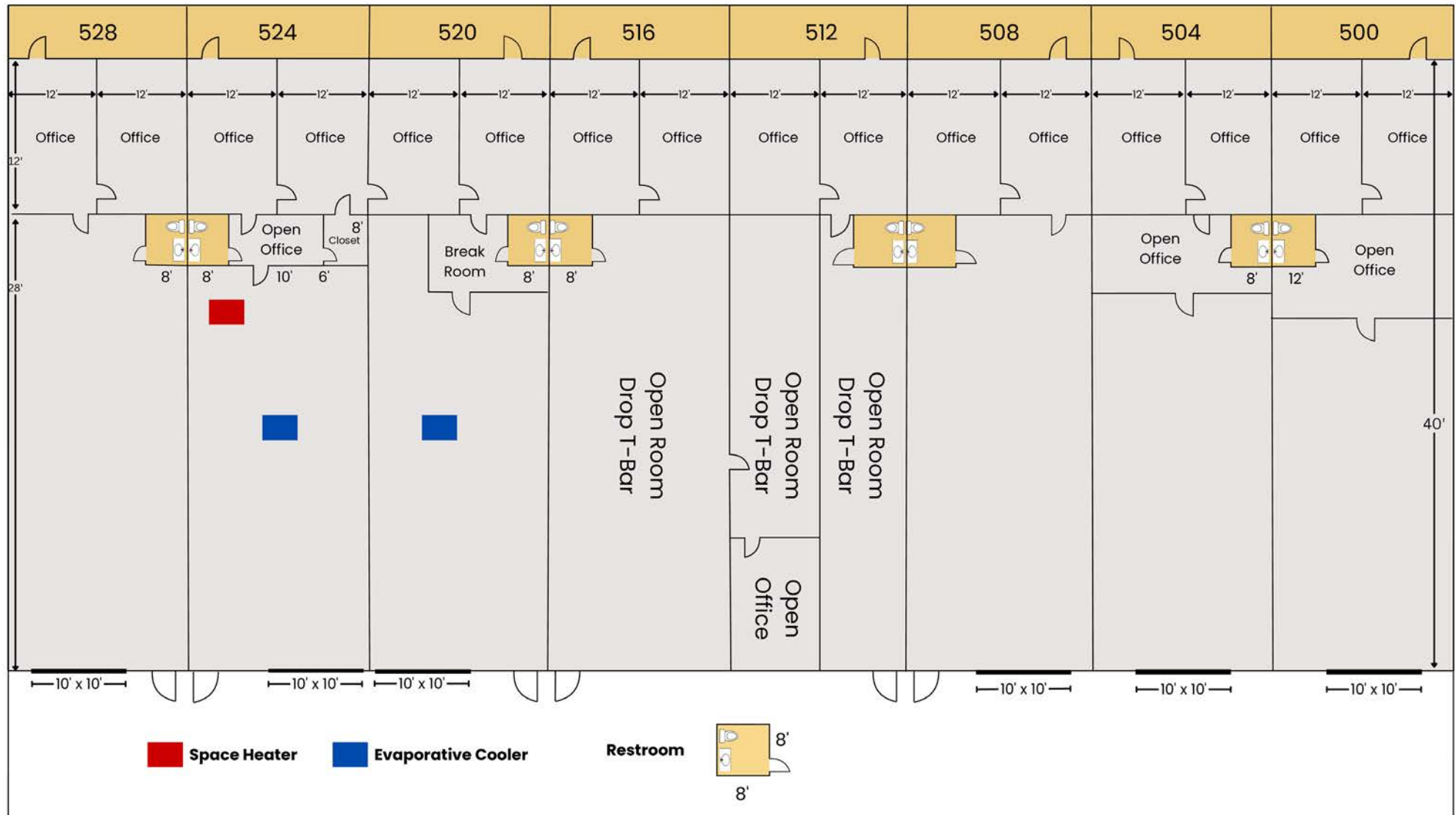
500-544 Butte Street  
Bakersfield, CA



# Offering Memorandum

## Floor Plan (Suites 500-528)

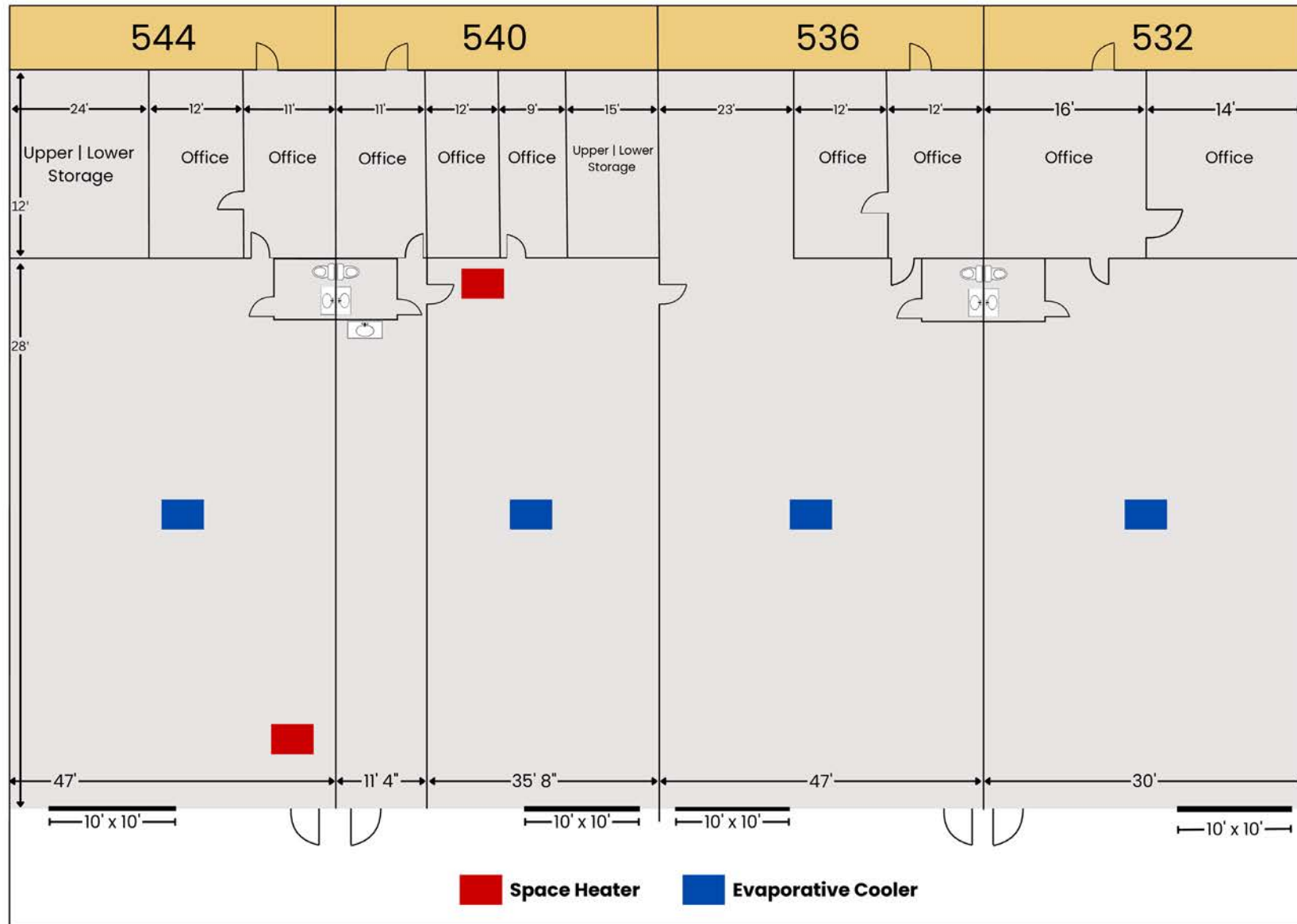
500-544 Butte Street  
Bakersfield, CA



# Offering Memorandum

## Floor Plan (Suites 532-544)

500-544 Butte Street  
Bakersfield, CA





# Offering Memorandum

## Property Photos

500-544 Butte Street  
Bakersfield, CA



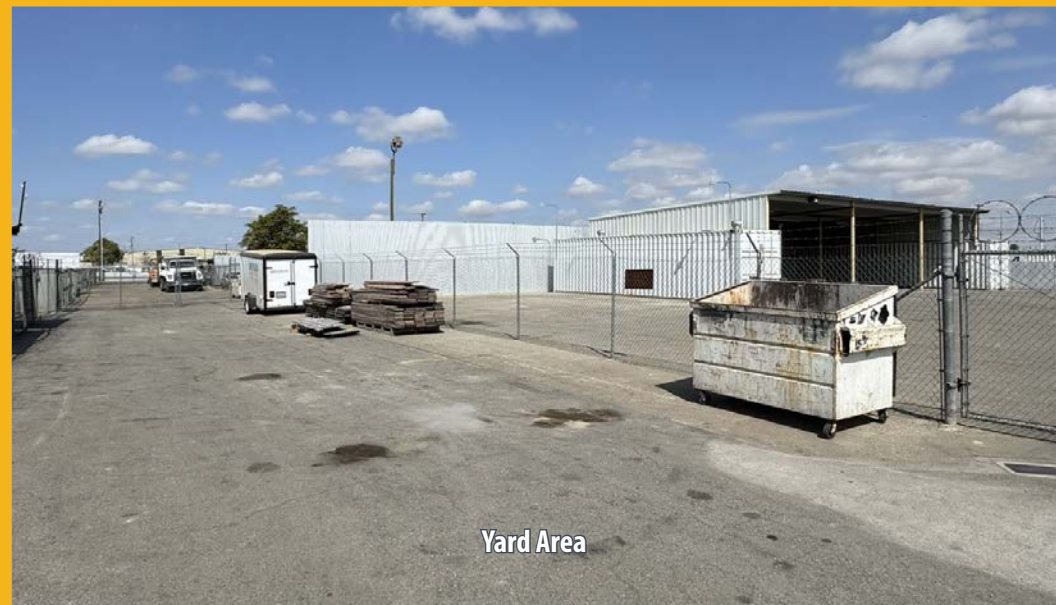
532-544 Butte Street Warehouse



Building Structure #6 (Canopy)



Building Structure #7 and #8 (Yard Area)



Yard Area



# Offering Memorandum

## Property Photos

500-544 Butte Street  
Bakersfield, CA



Suite 544 (Warehouse)



Welding Shop



Welding Shop Warehouse



Monument Sign

# Offering Memorandum

## Assessor's Parcel Map

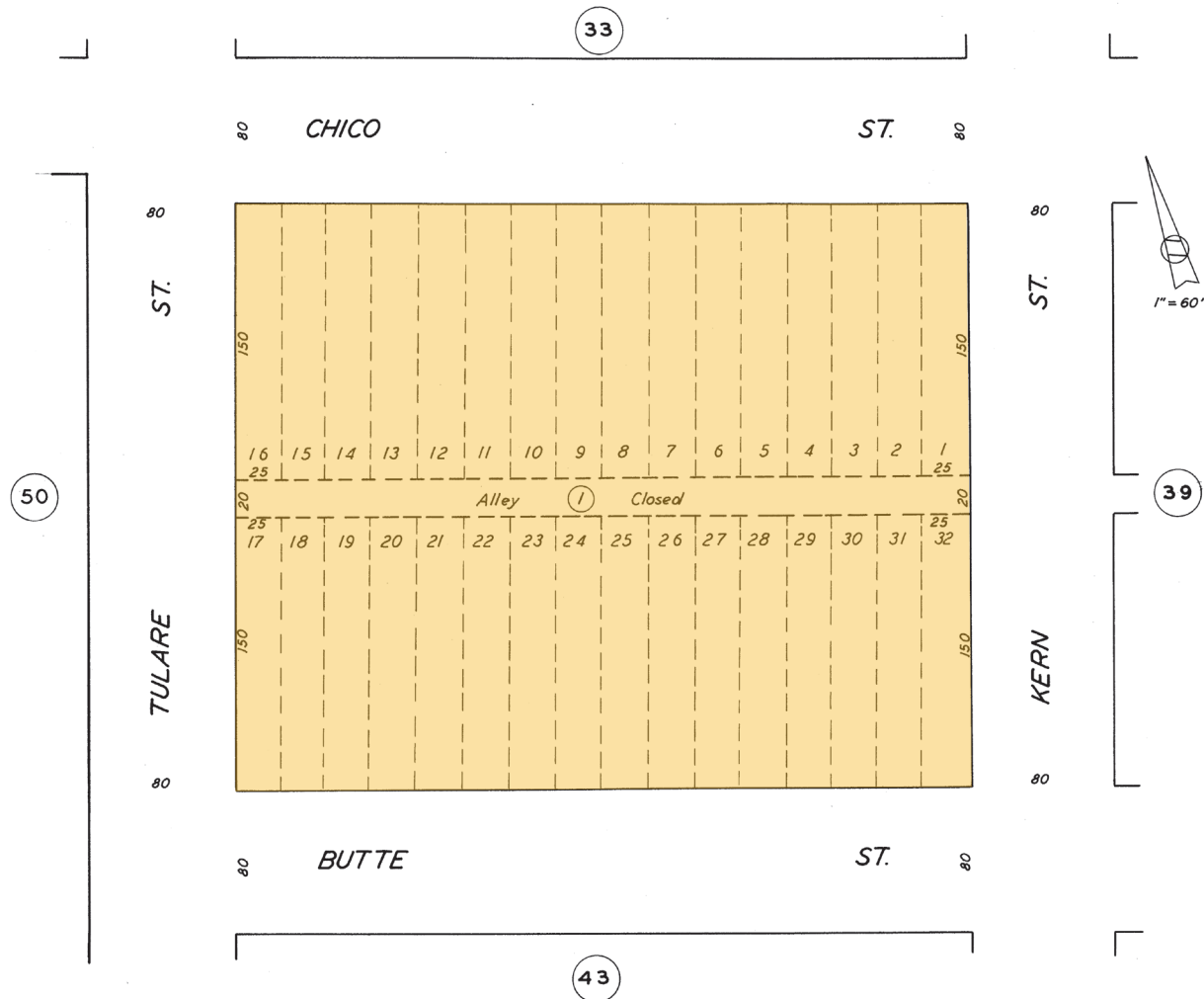
500-544 Butte Street  
Bakersfield, CA

16-38

KERN BLOCK 227

SCHOOL DIST. 1-3

16-38



Note: This map is for assessment purposes only. It is not to be construed as portraying legal ownership or divisions of land for purposes of zoning or subdivision law.

ASSESSORS MAP NO. 16-38  
COUNTY OF KERN



# Offering Memorandum

## Neighborhood Aerial

500-544 Butte Street  
Bakersfield, CA

