

Marcus & Millichap

**865-875 MITCHELL AVENUE**

**OROVILLE, CA 95965**  
**OFFERING MEMORANDUM**



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**Marcus & Millichap**

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↑ TO CHICO  
23 MILES

SUBJECT PROPERTY



TO LAKE  
OROVILLE →

70

CALIFORNIA  
162

CALIFORNIA  
162



Feather River Tribal Health  
An AAAHC Accredited Organization

ANYTIME  
FITNESS

GROCERY OUTLET  
bargain Market

FOOD MAX  
MAXIMUM DISCOUNT  
SUPERMARKETS

tri counties bank  
Service With Solutions™

ROUND TABLE  
PIZZA ROYALTY

↓ TO SACRAMENTO  
68 MILES



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Marcus & Millichap











# 01 EXECUTIVE SUMMARY





# INVESTMENT OVERVIEW

Marcus & Millichap has been retained on an exclusive basis to arrange the sale of 865-875 Mitchell Avenue in Oroville, CA ("The Property"). The Property is located 23 miles south of Chico and 70 miles north of Sacramento in the City of Oroville, California (County seat for Butte County). The property has benefited from strong historical occupancy from two investment grade tenants.

The offering is comprised of two (2) single-story buildings totaling approximately 21,353 square feet in addition to two (2) shop buildings of approximately 3,420 square feet. The property is fully leased to The United States Forest Service (USFS) and Butte County, who have occupied the project (uninterrupted) since approximately 1980 and 1985 respectively. The weighted average lease term (WALT) for the project is 14.9 years providing stable passive cash-flow. The buildings were constructed in various stages between 1973 and 1980 and have been meticulously maintained over the duration of the ownership. More recently, a rooftop solar array was installed, helping to offset electricity cost. The property boasts an above average parking ratio of 8.7 per 1,000 giving it a competitive advantage over similar properties. This additional parking allows the USFS to store the numerous trucks and equipment needed to serve the 1.1 million acres of the Plumas National Forest.

The offering presents a truly rare opportunity to own a well maintained, passive leased investment in the County seat of Butte County.





# INVESTMENT HIGHLIGHTS



**High Yield Passive Income Opportunity –  
8.37% Current Cap Rate**



**Mission Critical Facility – USFS  
Headquarters for Plumas Natl. Forest.**



**Stable Leased Investment - 14.9 Year  
Weighted Average Lease Term (WALT)**



**Strong Historical Occupancy – Both tenants  
have occupied the project for 30+ Years  
(Uninterrupted)**



**Owned Rooftop Solar Array - Helping Offset  
High PG&E Electricity Costs**



**Abundance of Gated/Secured Parking -  
Exceptional Parking ratio of 8.7 per 1,000**







# INVESTMENT SUMMARY



**LIST PRICE**

**\$4,990,000**



**BUILDING SIZE**

**21,353 SF (OFFICE)**

**3,420 SF (SHOP/STORAGE)**



**PRICE/SF**

**\$201 PSF**



**CAP RATE**

**8.37%**



**OCCUPANCY**

**100%**





# TENANT OVERVIEW

## UNITED STATES FOREST SERVICE

Tenant	U.S. General Services Administration
Agency	United States Forest Service
Rentable Square Feet	16,753 SF + 3,420 SF (Storage/Warehouse)
Occupancy Start	Approximately 1980
Lease Commencement	1/31/2022
Lease Expiration	1/31/2042
Original Lease Term	20 Years / 10 Firm
Lease Term Remaining	15 Years / 6 Firm
Termination Rights	Beginning in 2032
Credit Rating	Moody's Aa1 / Fitch AA+ / S&P AA+



## TENANT PROFILE

The United States Forest Service is a federal agency under the U.S. Department of Agriculture, responsible for managing public lands in national forests and grasslands—covering over 193 million acres across the country. With a mission to “sustain the health, diversity, and productivity of the Nation’s forests and grasslands to meet the needs of present and future generations”, the USFS plays a vital role in forest conservation, wildfire management, ecological research, and recreational land use.

### Plumas National Forest

Spanning over 1.14 million acres in the northern Sierra Nevada, the Plumas National Forest is a breathtaking expanse of rugged mountains, deep river canyons, alpine lakes, and rich forest ecosystems. Managed by the U.S. Forest Service since its establishment by President Theodore Roosevelt in 1905, the forest offers year-round recreational opportunities including hiking, fishing, camping, and winter sports. It is home to the headwaters of the Feather River, which provides vital water resources to millions of Californians.

The forest’s diverse terrain includes the Bucks Lake Wilderness, the scenic Lakes Basin Recreation Area, and the unique Butterfly Valley Botanical Area. With its blend of natural beauty, ecological significance, and accessibility via major highways, Plumas National Forest is a treasured destination for outdoor enthusiasts and a cornerstone of environmental stewardship in Northern California.



# TENANT OVERVIEW

## BUTTE COUNTY DEPARTMENT OF GENERAL SERVICES

Tenant	Butte County Department of General Services
Agency	Butte County Office of Education
Rentable Square Feet	4,600 SF
Occupancy Start	Approximately 1984
Lease Commencement	3/1/2017
Lease Expiration	2/28/2027
Original Lease Term	10 Years
Lease Term Remaining	2 Years
Option to Extend	One (1), 2-Year
Credit Rating	Moody's Aa3 / Fitch AA- / S&P AA-



## TENANT PROFILE

Butte County is a local government entity in Northern California, encompassing approximately 1,677 square miles and serving a population of over 200,000 residents. The County seat is located in Oroville, and the region includes other major communities such as Chico and Paradise. The County government provides a wide range of essential public services including public health, law enforcement, emergency services, social services, land use planning, and infrastructure management. The County is governed by a five-member Board of Supervisors and operates with a focus on public accountability, financial responsibility, and community well-being.



# INCOME AND EXPENSES

## INCOME

IN-PLACE

Scheduled Rent	\$586,430
<b>GROSS POTENTIAL RENT (GPR)</b>	<b>\$586,430</b>
Vacancy Collection Allowance [1]	(\$2,490)
<b>EFFECTIVE GROSS INCOME (EGI)</b>	<b>\$583,940</b>

## EXPENSES

Insurance	15,231
Management [2]	17,518
Water & Sewer	7,068
Garbage	6,044
Gas	5,495
Electric	1,200
Janitorial	33,276
Pest	2,160
Fire Alarm Monitoring	797
Repairs & Maint. [3]	16,015
Landscaping [4]	3,120
Property Taxes [5]	58,517
<b>TOTAL EXPENSES</b>	<b>\$166,440</b>
Expenses PSF	\$7.79
<b>NET OPERATING INCOME (NOI)</b>	<b>\$417,500</b>

## NOTES

[1] 5% Vacancy Factor applied to Butte County only

[2] Market Assumption of 3% of EGI

[3] Market assumption of \$0.75 PSF

[4] Uses monthly amount of \$260.00

[5] Reassessed at 1.02% of Suggested List Price plus direct assessments of \$4,229.80. Information obtained from Butte County Tax Assessor



## LEVERAGED YIELD ANALYSIS

Sales Price	\$4,990,000
Loan Amount	\$2,994,000
Down Payment	\$1,996,000
Net Operating Income (NOI)	\$417,500
Annual Debt Service	(\$242,588)
Annual Cashflow	\$174,912
Cash on Cash	8.76%
Debt Service Coverage Ratio (DSCR)	1.72

## TERMS

Type of Lender	Credit Union/ Regional Bank
Loan to Value (LTV)	60%
Interest Rate	6.5%
Ammortization	25 Years
Loan Maturity	7 Years
Prepayment Penalty	3-2-1



# RENT ROLL

## AS OF AUGUST 2025

SUITE	TENANT	RENTABLE SF	% OF PROPERTY	OCCUP. START	BEGIN	END	INCREASES	MONTHLY RENT	MONTHLY PSF	ANNUAL RENT	LEASE TYPE	OPTION(S)
875 Mitchell	USFS [1]	20,173	81.43%	Approx. 1980	1/31/22	1/31/42	IN-PLACE	\$44,720	\$2.22	\$536,639	Gross	None
865 Mitchell	Butte County [2]	4,600	18.57%	Approx. 1985	3/1/25	2/28/27	IN-PLACE	\$4,149	\$0.90	\$49,790	Mod. Gross	One, 2-Yr
							3/1/26	\$4,232	\$0.92	\$50,784		
						Option	3/1/27	\$4,315	\$0.94	\$51,778		
						Period	3/1/28	\$4,402	\$0.96	\$52,826		
TOTALS/AVERAGES		24,773 SF	100%					\$48,869	\$1.56	\$586,430		

[1] Tenant occupies 16,753 Rentable SF of office plus approximately 3,420 SF of shop space. As standard for GSA Leases, tenant can terminate lease with no less than 120 day written notice starting in Year 10 (2032)

[2] Starting 3/1/2027, Tenant can terminate lease with 90 day written notice. Tenant Pays Own Utilities









# PHOTOS



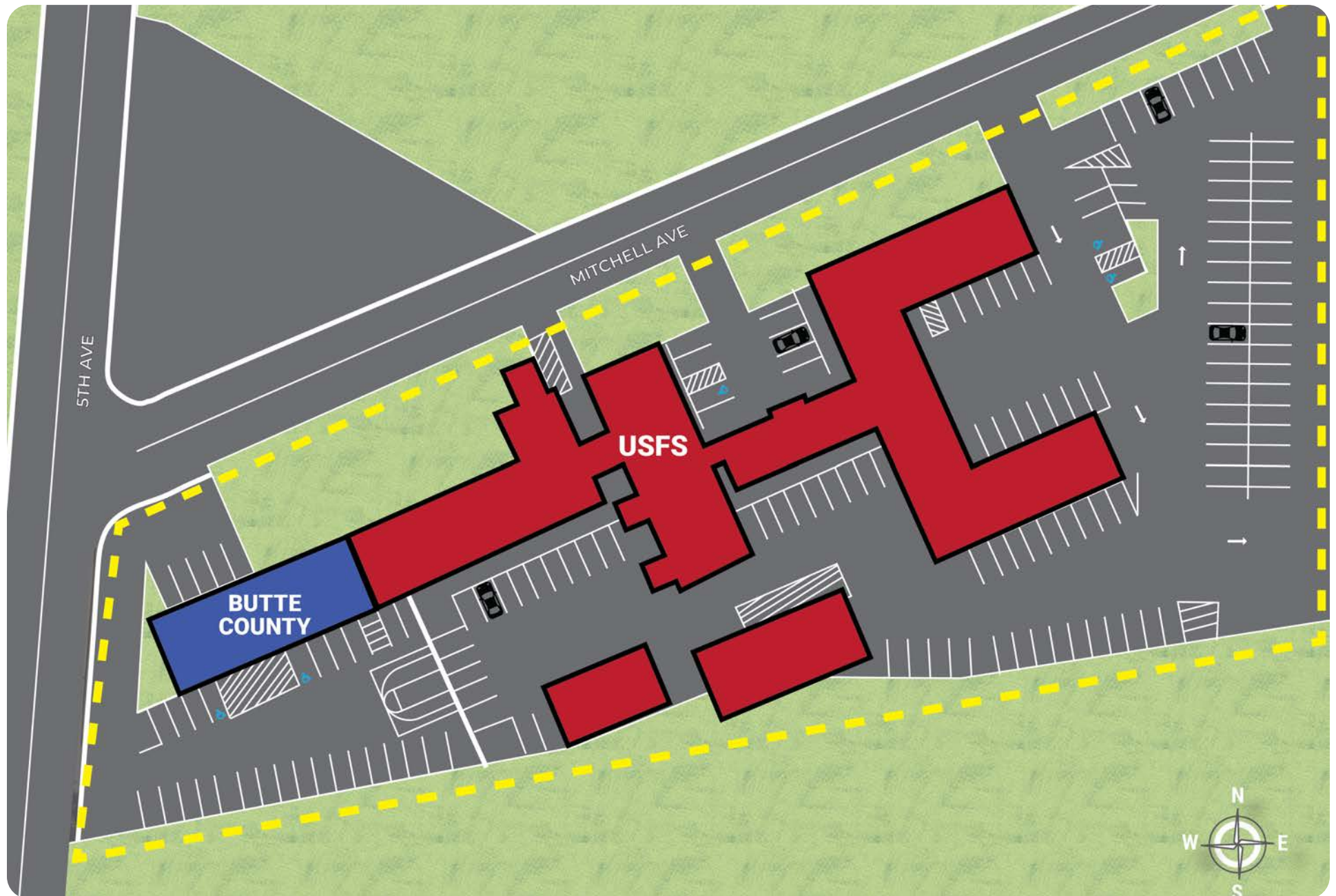




# 02 PROPERTY INFORMATION



# SITE PLAN





# PROPERTY DETAILS

## SITE DESCRIPTION

Property Address	873-875 Mitchell Avenue Oroville, California 95965
Assessor Parcel Number(s)	035-250-045-000 ; 035-250-066-000 ; 035-250-067-000 ; 035-250-081-000
County	Butte
Zoning	PQ (City of Oroville)
Years Built	1973-1980
Total Project Square Feet	±24,773 SF
Lot Size	±3.42 Acres (±148,975 SF)
Type of Ownership	Fee Simple
Topography	Flat
Landscaping	Minimal / Mature

## CONSTRUCTION

Number of Buildings / Stories	4x1
Construction Type	Wood Frame
Exterior Walls	Wood Siding / Windows
Roof	Comp. Shingle
Foundation	Concrete Slab
Restrooms	Two (2) Sets

## MECHANICAL

HVAC	Roof Mounted
Fire and Life Safety	Smoke Detectors

## PARKING

Type	Asphalt/Surface
Number of Spaces	191
Ratio	8.7 per 1,000 SF







## OROVILLE, CALIFORNIA

Nestled in the Sierra Nevada foothills of Northern California, Oroville serves as the county seat of Butte County and is known as the “City of Gold,” a nod to its rich Gold Rush heritage. With a population of approximately 20,000, Oroville offers a blend of small-town charm and strategic connectivity, making it an attractive location for investment and business.

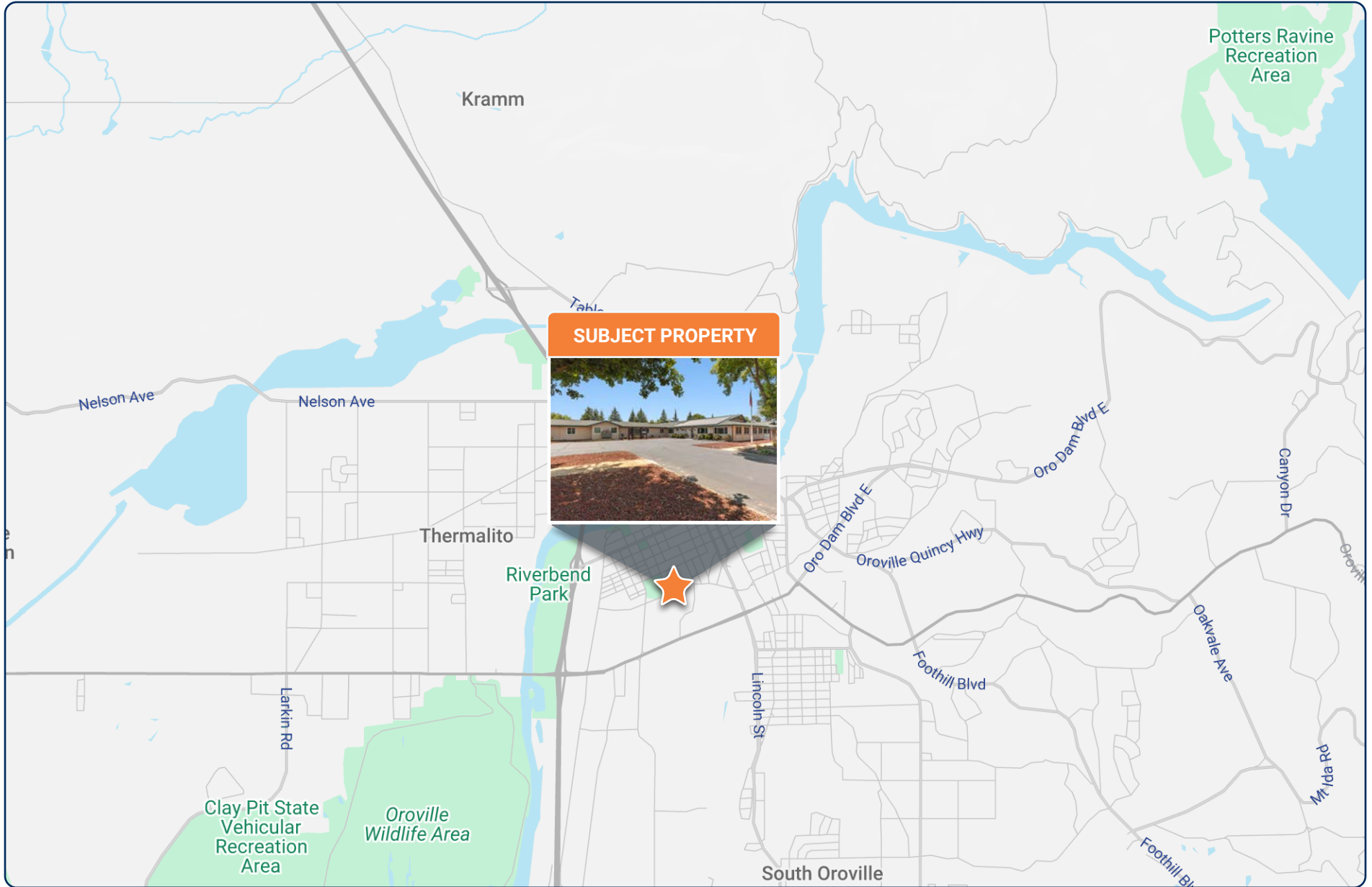
Positioned along State Route 70 and near State Route 99, Oroville provides direct access to Interstate 5 and is just 70 miles north of Sacramento. The city is a gateway to Lake Oroville and the Feather River recreation areas, drawing outdoor enthusiasts year-round. Its proximity to Chico and other regional hubs enhances its appeal for both residents and businesses.

Oroville’s economy is supported by government services, healthcare, education, and light industry. The city has also seen growth following the 2018 Camp Fire, as displaced residents from nearby communities relocated to the area. With a Mediterranean climate, scenic landscapes, and a strong sense of community, Oroville continues to evolve while preserving its historical roots.





# REGIONAL MAP











# 03 MARKET OVERVIEW



# SALE COMPARABLES



	<b>2575 Haley St. Bakersfield, CA</b>	<b>509 E Saint Charles St. San Andreas, CA</b>	<b>14520 Mono Way Sonora, CA</b>	<b>800 Truxtun Ave Bakersfield, CA</b>
Date Sold	August 30, 2024	April 30, 2025	February 5, 2025	December 19, 2024
Sale Type	Investment	Owner User	Owner User	Investment
Purchaser	NRB Properties LLC Bakersfield, CA	County of Calaveras	Tuolumne Me-Wuk Indian Health	WMC Bakersfield LLC Alexandria, VA
Built/Renovated	2005	2001	2006	1956 / 2022
Occupancy	100%	100%	100%	100%
Price	\$2,000,000	\$5,900,000	\$4,500,000	\$12,325,000
Cap Rate	8.20%	8.03%	7.95%	8.00%
Property Size	14,000 SF	31,228 SF	21,954 SF	53,393 SF
Price/SF	\$143	\$189	\$205	\$231
Tenant	Social Security Administration	County of Calaveras	Calveras County, Tuolumne Band of Me-Wuk Indians, Armed Forces et.al	Department of Homeland Security
Years Remaining	5 Years	1 Years	1.6 Years (average)	17 Years



# DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
<b>2029 Projection</b>			
Total Population	6,216	31,352	39,319
<b>2024 Estimate</b>			
Total Population	6,134	30,771	38,695
<b>2020 Census</b>			
Total Population	6,361	31,977	40,279
<b>2010 Census</b>			
Total Population	5,807	30,220	37,934
<b>Daytime Population</b>			
2024 Estimate	8,484	32,168	37,803
<b>HOUSEHOLDS</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
<b>2029 Projection</b>			
Total Households	2,553	11,804	15,086
<b>2024 Estimate</b>			
Total Households	2,516	11,540	14,786
Average (Mean) Household Size	2.4	2.6	2.6
<b>2020 Census</b>			
Total Households	2,467	11,185	14,383
<b>2010 Census</b>			
Total Households	2,317	10,542	13,596
<b>HOUSEHOLDS BY INCOME</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
<b>2024 Estimate</b>			
\$200,000 or More	1.6%	3.4%	4.2%
\$150,000-\$199,999	3.4%	6.1%	6.7%
\$100,000-\$149,999	5.8%	10.1%	11.5%
\$75,000-\$99,999	7.5%	10.2%	10.8%
\$50,000-\$74,999	18.2%	18.1%	17.1%
\$35,000-\$49,999	16.1%	14.7%	13.9%
\$25,000-\$34,999	16.0%	12.4%	12.4%
\$15,000-\$24,999	17.1%	11.9%	11.4%
Under \$15,000	14.4%	13.1%	12.0%
Average Household Income	\$52,654	\$67,245	\$71,793
Median Household Income	\$32,044	\$38,960	\$41,577
Per Capita Income	\$21,576	\$26,066	\$28,153

POPULATION PROFILE	1 Mile	3 Miles	5 Miles
<b>Population By Age</b>			
2024 Estimate Total Population	6,134	30,771	38,695
Under 20	27.8%	27.4%	26.4%
20 to 34 Years	25.5%	23.4%	22.1%
35 to 49 Years	16.3%	16.9%	16.8%
50 to 59 Years	10.6%	10.9%	11.1%
60 to 64 Years	5.4%	5.8%	6.0%
65 to 69 Years	4.8%	5.0%	5.4%
70 to 74 Years	4.2%	4.3%	4.8%
Age 75+	5.4%	6.4%	7.4%
Median Age	33.0	35.0	37.0
<b>Population by Gender</b>			
2024 Estimate Total Population	6,134	30,771	38,695
Male Population	51.4%	49.6%	49.8%
Female Population	48.6%	50.4%	50.2%
<b>Travel Time to Work</b>			
Average Travel Time to Work in Minutes	21.0	23.0	24.0



# DEMOGRAPHICS



## POPULATION

In 2024, the population in your selected geography is 38,695. The population has changed by 2.01 percent since 2010. It is estimated that the population in your area will be 39,319 five years from now, which represents a change of 1.6 percent from the current year. The current population is 49.8 percent male and 50.2 percent female. The median age of the population in your area is 37.0, compared with the U.S. average, which is 39.0. The population density in your area is 492 people per square mile..



## HOUSEHOLDS

There are currently 14,786 households in your selected geography. The number of households has changed by 8.75 percent since 2010. It is estimated that the number of households in your area will be 15,086 five years from now, which represents a change of 2.0 percent from the current year. The average household size in your area is 2.5 people.



## INCOME

In 2024, the median household income for your selected geography is \$52,809, compared with the U.S. average, which is currently \$76,141. The median household income for your area has changed by 36.74 percent since 2010. It is estimated that the median household income in your area will be \$60,450 five years from now, which represents a change of 14.5 percent from the current year.

The current year per capita income in your area is \$28,153, compared with the U.S. average, which is \$40,471. The current year's average household income in your area is \$71,793, compared with the U.S. average, which is \$101,307.



## EMPLOYMENT

In 2024, 13,656 people in your selected area were employed. The 2010 Census revealed that 45.9 percent of employees are in white-collar occupations in this geography, and 27.1 percent are in blue-collar occupations. In 2024, unemployment in this area was 7.0 percent. In 2010, the average time traveled to work was 21.00 minutes.



## HOUSING

The median housing value in your area was \$264,016 in 2024, compared with the U.S. median of \$321,016. In 2010, there were 7,911.00 owner-occupied housing units and 5,685.00 renter-occupied housing units in your area.



## EDUCATION

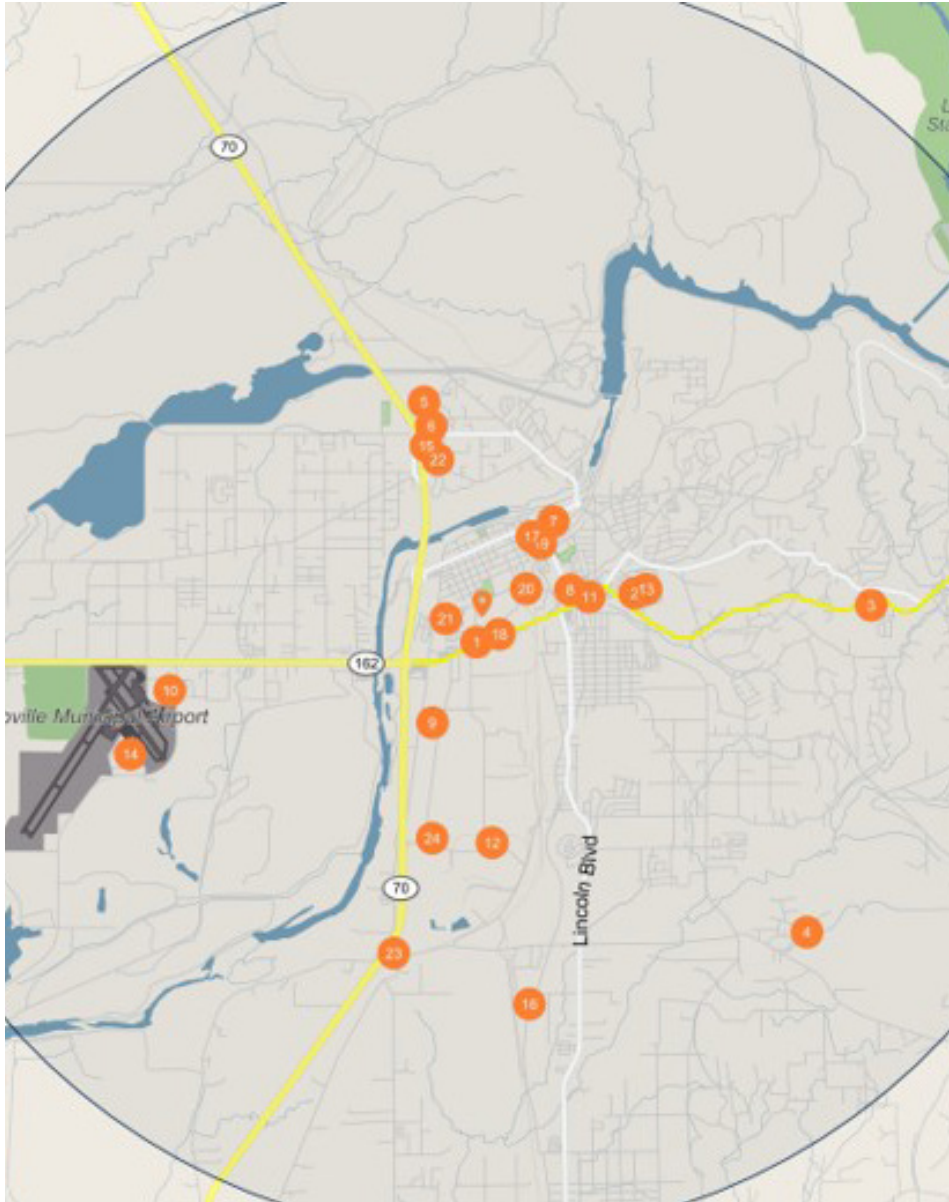
The selected area in 2024 had a lower level of educational attainment when compared with the U.S. averages. 14.2 percent of the selected area's residents had earned a graduate degree compared with the national average of only 13.5 percent, and 9.3 percent completed a bachelor's degree, compared with the national average of 21.1 percent.

The number of area residents with an associate degree was higher than the nation's at 18.6 percent vs. 8.8 percent, respectively.

The area had fewer high-school graduates, 3.3 percent vs. 26.2 percent for the nation, but the percentage of residents who completed some college is higher than the average for the nation, at 40.9 percent in the selected area compared with the 19.7 percent in the U.S.



# DEMOGRAPHICS



## MAJOR EMPLOYERS

## EMPLOYEES

	MAJOR EMPLOYERS	EMPLOYEES
1	Orohealth Corporation-Oroville Hospital	1,127
2	Oroville Hospital	732
3	Tyme Maidu Tribe-Berry Creek-Gold Country Casino	519
4	Mooretown Rancheria-Feather Falls Casino	340
5	County of Butte-Treasures Office	250
6	County of Butte-Public Works	216
7	Oroville Hospital-Attic	210
8	Oroville Hospital-Golden Vly Occpnational Therapy	210
9	Walmart Inc-Walmart	186
10	Grid Training Corporation	181
11	Dutch Bros LLC	173
12	Roplast Industries Inc	164
13	1000 Executive Parkway LLC	161
14	Graphic Packaging Intl LLC-Sierra Pacific Packaging	160
15	Home Depot USA Inc-Home Depot The	139
16	Setzer Forest Products Inc-Millwork Div	118
17	Butte County Office Education	99
18	Save Mart Supermarkets Disc-Foodmaxx	97
19	Pacific Gas and Electric Co-PG&e	97
20	Pacific Coast Producers	79
21	Feather Rver Recreation Pk Dst	76
22	County of Butte-Butte County Facilities Svcs	70
23	Rci General Engineering	70
24	Smb Industries Inc-Metal Works Supply	69
25	Prezero US Packaging LLC	68



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