



OFFERING MEMORANDUM

I ST PORTFOLIO

101 I ST, 107 I ST, 510 S WASHINGTON ST
MODESTO, CA 95351

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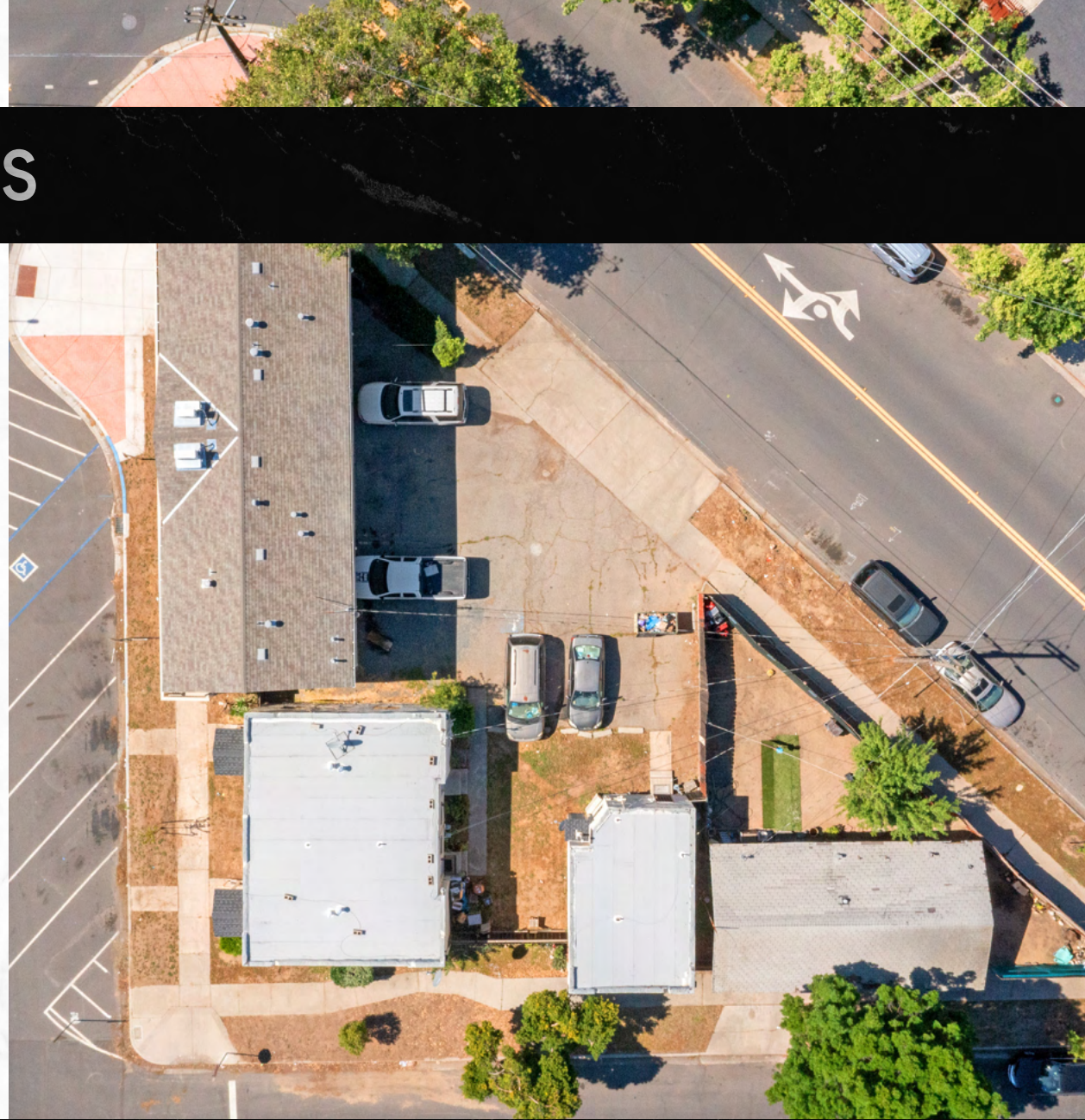
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SECTION 1

PROPERTY INFORMATION & PHOTOS





EXECUTIVE SUMMARY

101 I St, 107 I St, and 510 S Washington St present a unique opportunity to acquire a three-parcel multifamily portfolio totaling eight units in the established downtown Modesto neighborhood. The property consists of four separate residential buildings situated on individual parcels, offering investors the flexibility of separate financing, resale, or long-term hold strategies.

The portfolio features a mix of six one-bedroom/one-bath units and two two-bedroom/one-bath units, appealing to a broad tenant base seeking affordable housing in close proximity to employment, retail, and transit options in downtown Modesto.

Each building sits on its own legal parcel, with one parcel featuring a detached ADU, allowing for future disposition flexibility and potential value-add opportunities through operational improvements and market rent growth.

Property Type	Multifamily
Number of Parcels	3
# Units	8
Building Size	4,298 SF
Lot Size	8,207 SF

PRICE ANALYSIS

Offering Price	\$1,325,000
\$/Unit	\$165,625
\$/SF	\$308
CAP	7.26%
GRM	10.38

PROPERTY DETAILS

Property	# of Units	Building Size	Lot Size	APN
101 I St	4	2,622 SF	3,484 SF	104-027-003-000
107 I St	3	1,028 SF	3,049 SF	104-027-004-000
510 S Washington St	1	648 SF	1,674 SF	104-027-001-000
Totals	8	4,298 SF	8,207 SF	

The properties located at 101 I St, 107 I St, and 510 S Washington St present the opportunity to acquire a three-parcel multifamily portfolio totaling eight residential units in Downtown Modesto. The portfolio consists of four separate buildings situated on individual legal parcels, totaling approximately 4,298 square feet of building area on 8,207 square feet per public record.

101 I Street is a four-unit apartment building consisting of three one-bedroom, one-bath units and one two-bedroom, one-bath unit. 107 I Street is comprised of a duplex featuring two one-bedroom, one-bath units, along with a detached one-bedroom, one-bath ADU. 510 S Washington Street consists of a standalone two-bedroom, one-bath single-family residence.

The diverse unit configuration provides a practical mix of housing options designed to appeal to a broad tenant base seeking attainable rental housing near Downtown Modesto’s employment centers, retail corridors, dining, and transportation amenities.

A notable investment characteristic of the offering is the three-parcel configuration, which provides potential flexibility for separate financing, phased disposition strategies, or long-term portfolio hold scenarios. Additionally, the portfolio’s smaller-scale multifamily composition may appeal to private investors seeking assets that can be more manageable to operate, finance, and reposition over time.

HIGHLIGHTS

Eight-Unit Multifamily Portfolio

The offering consists of three residential buildings totaling eight units, including six (6) one-bedroom/one-bath units and two (2) two-bedroom/one-bath units, providing a diversified unit mix that appeals to a wide range of tenants.

Three Separate Parcels

The portfolio is situated on three individual legal parcels, providing future flexibility for separate financing, phased disposition, or long-term hold strategies.

Well-Located Near Downtown Modesto

The properties are located near Downtown Modesto, offering convenient access to employment centers, retail, dining, and major transportation corridors.

Strong Demand for Workforce Housing

The predominantly one-bedroom unit mix caters to strong rental demand from individuals and small households seeking affordable housing options.

Small Multifamily Investment Opportunity

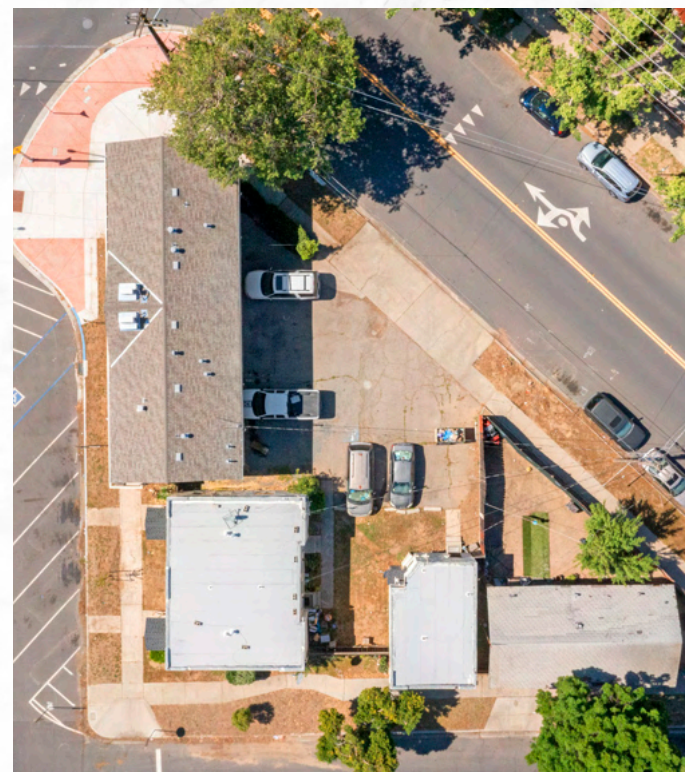
Assets in the 2–4 unit building range are highly sought after by private investors due to accessibility of financing and strong resale liquidity.

Operational Upside Potential

Opportunity exists to increase rents through unit improvements, turnover strategy, and professional management.

Flexible Investment Strategy

Investors may choose to hold as a stabilized income portfolio or sell parcels individually over time, potentially unlocking additional value.







SECTION 2

LOCATION INFORMATION





MODESTO, CA

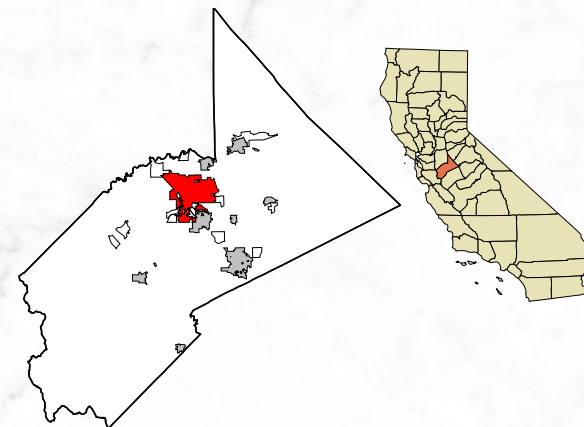
METRO OVERVIEW

Modesto is a city in California's Central Valley and serves as the county seat of Stanislaus County. Located about 90 miles east of San Francisco and roughly 70 miles south of Sacramento, Modesto functions as an important regional hub for agriculture, healthcare, and services for the surrounding valley communities. The city has a population of roughly 220,000 residents and was founded in 1870 during the expansion of the railroad through the San Joaquin Valley.

Historically, Modesto developed as a major agricultural center because of its fertile soil and extensive irrigation systems that support crops such as almonds, walnuts, grapes, and dairy products. Agriculture remains a defining part of the local economy, and the city is home to E. & J. Gallo Winery, the largest family-owned winery in the world. In addition to food production and processing, the local economy includes healthcare services, retail, logistics, and distribution, supported by the city's location along key Central Valley transportation corridors.

Culturally, Modesto blends suburban neighborhoods with agricultural surroundings and a revitalizing downtown district. A major landmark in the city is the Gallo Center for the Arts, which hosts concerts, theater performances, and community events throughout the year. Modesto is also known as the hometown of filmmaker George Lucas, whose experiences growing up in the city helped inspire the 1973 film American Graffiti. This connection is celebrated each year through Graffiti Summer, a festival that highlights classic car culture and local history.

Today, Modesto offers a suburban lifestyle with more affordable housing compared with many parts of coastal California. Its combination of agricultural roots, regional economic importance, and proximity to major California metropolitan areas makes it an influential city within the northern San Joaquin Valley.



MODESTO MARKET OVERVIEW

Modesto's apartment market has been undersupplied for years, struggling to develop enough housing units to meet both internal demand and the needs of people migrating from the Bay Area. Vacancy in the market trends far below the national average at 5.0% as of 2026 Q2.

While compressed, vacancy increased in 2025 after largely stabilizing from 2023 to 2024. Some newly delivered supply remains in lease-up. Market-wide apartment absorption in Modesto totaled 14 units for the past 12 months, underperforming the 10-year average of 42 units.

Following the recent addition of 1612 Sisk Rd, there are currently no significant developments under construction. Construction is limited by high financing and building costs. Additionally, Modesto has some of the lowest rents in the state, leaving little incentive for builders to bring new market-rate projects to market.

Modesto is primarily a low-cost market, making it a popular destination for Bay Area residents willing to trade a longer commute for a lower cost of living. Over the past year, rents have increased by 0.2% and have risen 4.9% over the past three years. Rent growth is forecasted to accelerate again in the years ahead, reflecting low vacancy rates and limited construction in the market.

Rental demand for the region's limited high-end properties has been substantial. While new construction will likely attract renters, the region's underlying economics do not justify further development. Vacancy in the market remains well below the national average at 5.0% as of Q2 2026.

DOWNTOWN/SOUTHEAST SUBMARKET

Downtown/Southeast is a small multifamily submarket in the Modesto market, with roughly 1,000 units of inventory. The submarket's stock represents a small slice of the overall Modesto market, which has 16,000 units of inventory. Since the submarket has such minimal multifamily inventory, new supply and transaction activity are uncommon in Downtown/Southeast, and this submarket has a negligible impact on overall Modesto market fundamentals. As of the second quarter of 2026, there are no units under construction in Downtown/Southeast. Longer term, the submarket's inventory has remained unchanged over the past 10 years.





SECTION 3

FINANCIAL ANALYSIS



FINANCIAL SUMMARY

Investment Overview	Current
Price	\$1,325,000
\$/Unit	\$165,625
\$/SF	\$308
CAP	7.26%
GRM	10.38

Operating Data	Current
Gross Scheduled Rent	\$131,616
Total Scheduled Income	\$131,616
Vacancy Factor	-\$3,948
Gross Income	\$127,667
Operating Expenses	\$31,492
Net Operating Income	\$96,176



FINANCIAL ANALYSIS

RENT ROLL

Property 1: 101 I ST

Unit	Beds	Baths	Unit Size (SF)	Current Rent	Current Rent/SF
A	1	1	524 SF	\$1,050	\$2.00
B	1	1	524 SF	\$1,050	\$2.00
C	1	1	724 SF	\$1,450	\$2.00
D (VACANT)	2	1	850 SF	\$1,700	\$2.00
Totals/Averages	5	4	2,622 SF	\$5,250	\$2.00

Property 2: 107 I ST

Unit	Beds	Baths	Unit Size (SF)	Current Rent	Current Rent/SF
107	1	1	336 SF	\$1,198	\$3.56
109	1	1	300 SF	\$1,069	\$3.56
905	1	1	392 SF	\$1,400	\$3.57
Totals/Averages	3	3	1,028 SF	\$3,667	\$3.56

Property 3: 510 S WASHINGTON ST

	Beds	Baths	Building Size (SF)	Current Rent	Current Rent/SF
Single Family Home	2	1	648 SF	\$1,732	\$2.67
Totals/Averages	2	1	648 SF	\$1,732	\$2.67

3-PART PORTFOLIO SUMMARY

	Units	Beds	Baths	Unit Size (SF)	Current Rent	Current Rent/SF
101 I St	4	5	4	2,622 SF	\$5,250	\$2.00
107 I St	3	3	3	1,028 SF	\$3,667	\$3.56
510 S Washington St	1	2	1	648 SF	\$1,732	\$2.67
Totals/Averages	8	10	8	4,298 SF	\$10,649	\$2.48

FINANCIAL ANALYSIS

INCOME & EXPENSES

Operating Data	Current
Gross Income	\$131,616
Vacancy ⁽¹⁾	-\$3,948
Effective Gross Income	\$127,667

Expenses	Current
Property Taxes ⁽²⁾	\$15,496
Insurance ⁽³⁾	\$5,000
Water/Sewer ⁽⁴⁾	\$5,268
Garbage ⁽⁵⁾	\$1,728
Repairs & Maintenance ⁽⁶⁾	\$4,000
Total Expenses	\$31,492
Net Operating Income	\$96,176

NOTES:

- (1) VACANCY ESTIMATED AT -3.00% OF GI
- (2) PROPERTY TAXES - AD VALOREM TAXES ARE ESTIMATED AT APPROXIMATELY 1.1695% OF THE PURCHASE PRICE.
- (3) INSURANCE - BASED ON CURRENT MARKET ESTIMATES
- (4) WATER/SEWER - ESTIMATED AT \$439/MONTH PER OWNERSHIP.
- (5) GARBAGE - ESTIMATED AT \$144/MONTH PER OWNERSHIP.
- (6) REPAIRS & MAINTENANCE - UNDERWRITTEN AT \$500/UNIT ANNUALLY WHICH IS ALIGNED WITH COMPARABLE MULTIFAMILY OPERATING ASSUMPTIONS.



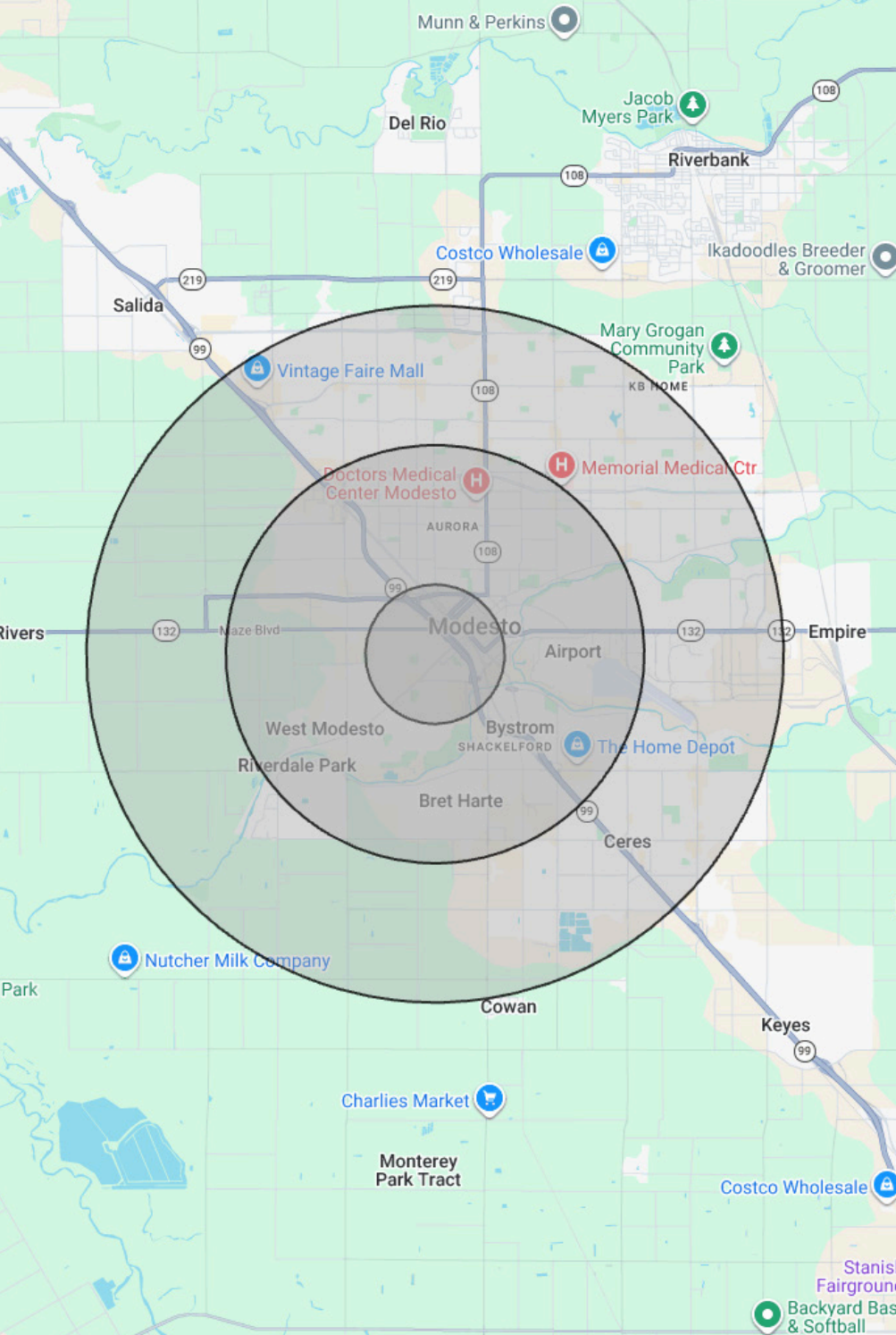


SECTION 4

MARKET OVERVIEW



LOCATION INFORMATION



DEMOGRAPHICS

Population	1 Mile	3 Miles	5 Miles
2025 Population	16,658	121,466	282,054
Median Age	33.4	35	35.9
Bachelor's Degree or Higher	7%	12%	15%
Households	1 Mile	3 Miles	5 Miles
Total Households	4,780	37,709	90,688
Average Household Size	3.3	3.1	3
Median Home Value	\$316,454	\$402,572	\$437,839
Owner Occupied Household	1,825	18,953	50,491
Renter Occupied Households	3,007	19,030	40,741
Income	1 Mile	3 Miles	5 Miles
Average Household Income	\$75,140	\$87,502	\$97,453
Median Household Income	\$57,001	\$70,061	\$79,247

LOCATION INFORMATION

DAYTIME EMPLOYMENT

	1 Mile			3 Miles			5 Miles		
	Employees	Businesses	Employees/ Business	Employees	Businesses	Employees/ Business	Employees	Businesses	Employees/ Business
Service-producing Industries	13,251	1,869	7	46,298	6,873	7	83,193	11,475	7
Trade, Transp & Utilities	1,459	210	7	8,419	969	9	16,888	1,690	10
Information	816	26	31	1,057	67	16	1,657	129	13
Financial Activities	1,279	278	5	3,805	676	6	6,761	1,304	5
Prof & Business Services	2,036	432	5	4,745	920	5	7,312	1,390	5
Education & Health Services	1,793	376	5	14,221	2,682	5	24,867	4,353	6
Leisure & Hospitality	1,546	130	12	5,886	476	12	11,586	890	13
Other Services	1,389	310	4	3,863	933	4	6,448	1,492	4
Public Administration	2,933	107	27	4,302	150	29	7,674	227	34
Goods-producing Industries	1,626	146	11	20,797	599	35	25,455	1,017	25
Natural Resources & Mining	40	11	4	1,116	30	37	1,300	65	20
Construction	585	86	7	2,737	355	8	4,467	620	7
Manufacturing	1,001	49	20	16,944	214	79	19,688	332	59
Total	14,877	2,015	7	67,095	7,472	9	108,648	12,492	9

MAJOR EMPLOYERS



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