OFFERING MEMORANDUM

3440 & 3450 PACHECO BLVD

MARTINEZ, CALIFORNIA

±29,400 SF SMALL-BAY MULTI-TENANT INDUSTRIAL

OFFERED AT $5,500,000

LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Presented By

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$5,500,000	±29,400	94%
OFFERING PRICE	BUILDING SF	LEASED · 13 UNITS

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THE OFFERING

Executive Summary

OFFERING PRICE **$5,500,000**	PRICE PER SF **$187**
BUILDING AREA **±29,400 SF**	LEASED · 6 LEASES **94%**
IN-PLACE RENT / YR **$327,192**	YEAR 1 CAP RATE **6.28%**

The Opportunity

3440 & 3450 Pacheco Blvd are two freestanding small-bay industrial buildings totaling ±29,400 SF on ±1.95 acres in Martinez, leased to six local operators — electrical contracting, supply and distribution, automotive repair, ornamental welding, restoration and storage — with one 1,800 SF bay vacant and available.

Every lease in the project is a short-form industrial gross lease with no rent escalation, no tax pass-through and no renewal option, and the entire rent roll reaches expiration within roughly sixteen months. Suite B-8, 1,800 SF, is vacant and available. Across the leased space, in-place rent averages $0.99/SF/month gross against a market of $1.73.

The buyer is not acquiring a stabilized income stream. They are acquiring a rent roll that resets, in full, on their watch — at a basis of $187/SF against $270/SF insured replacement cost.

> **Year 1 cap rate.** Calendar 2027 — the first year of ownership — with property taxes reassessed to the purchase price and five of the six leases rolling to market during the year, alongside the two bays that re-let. It absorbs the downtime and leasing cost of that first rollover wave, so it is the trough rather than the run rate; Year 2 reaches 8.91%. See the Five-Year Projection.

THE OFFERING

Investment Highlights

01 Small-bay multi-tenant — effectively no longer built

New construction in central Contra Costa chases large-format distribution. Nobody is building 1,500–2,400 SF bays with roll-up doors and yard access, and the existing stock is held for decades. Scarcity works both ways: investors compete for the few that trade, and tenants compete for space inside them.

02 Every lease rolls within sixteen months

Six leases, none with a contractual escalation, all reaching expiration between now and December 2027, plus one vacant bay. Across the leased space, in-place rent averages $0.99/SF/month gross against a market of $1.73 — a 75% spread a buyer captures on their own timeline rather than inheriting someone else's.

03 Auto-capable bays command a premium

Bays that accommodate automotive and equipment-service users require drive-in access, floor drainage, adequate power and a municipal use permit that much of the existing small-bay inventory cannot deliver. Three of the six tenancies are automotive or restoration users today.

04 Thirteen units, no single point of failure

Thirteen separately leasable units across the two buildings, let today to six local operators, several in occupancy since 2017–2019. No tenant improvement obligations or landlord build-out commitments are outstanding. One bay, B-8 at 1,800 SF, is vacant and being marketed now; it is 6% of the building, so no single space carries the income.

05 Priced below replacement cost

At $5,500,000, or $187/SF, the offering is 69% of the $7,952,933 insured replacement cost of the two buildings. That basis does not depend on any rent assumption.

SECTION

The Property

THE PROPERTY

Property Overview

ADDRESS
3440 & 3450 Pacheco Blvd, Martinez CA 94553

OCCUPANCY
94% leased · six leases · B-8 available

APN
377-190-009-3

WALT
±9.2 months

BUILDING AREA
±29,400 SF · two buildings

YARDS
±3,500 and ±3,000 SF

BUILDING A — 3440
±16,800 SF · five bays

CLEAR HEIGHT
15'–17'

BUILDING B — 3450
±12,600 SF · eight bays

CONSTRUCTION
Metal

SITE AREA
±1.95 acres · ±35% coverage

ZONING
L-I (Light Industrial)

UNITS
Thirteen · 1,500–2,400 SF · one at 8,080 SF

Thirteen suites, six leases, one bay vacant. The two buildings are demised into thirteen leasable suites — twelve of 1,500 to 2,400 SF, plus a single 8,080 SF office and warehouse suite in Building A. That structure lets a buyer re-demise as leases roll — splitting large blocks into smaller, higher-rate suites, or combining suites for a single user. Zoning designation and permitted uses are subject to verification with the City of Martinez.

Location & Access

FRONTAGE

Pacheco Boulevard

SUBMARKET

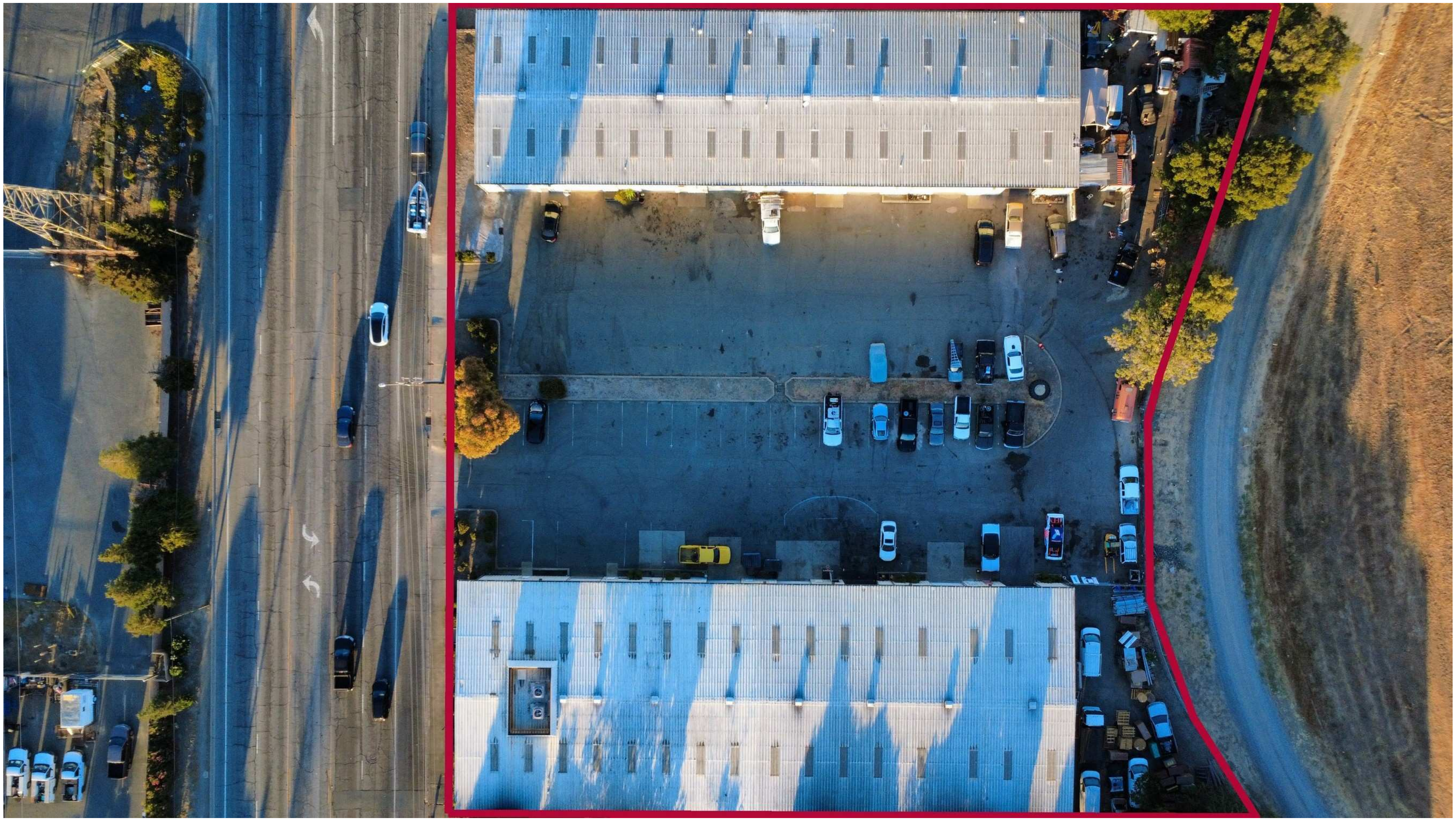
Martinez · Concord · Pacheco

ZONING

L-I (Light Industrial)

THE PROPERTY

The Parcel



±1.95 acres	±35%	377-190-009-3
Site area	Coverage	APN

Outline is approximate, drawn on an August 2026 overhead for illustration — not a survey, and not checked against a record map. The site continues past the top and bottom of the frame; area is owner-provided.

AS OF SEPTEMBER 3, 2026 · 94% LEASED · SIX LEASES · ALL RENTS GROSS

Rent Roll

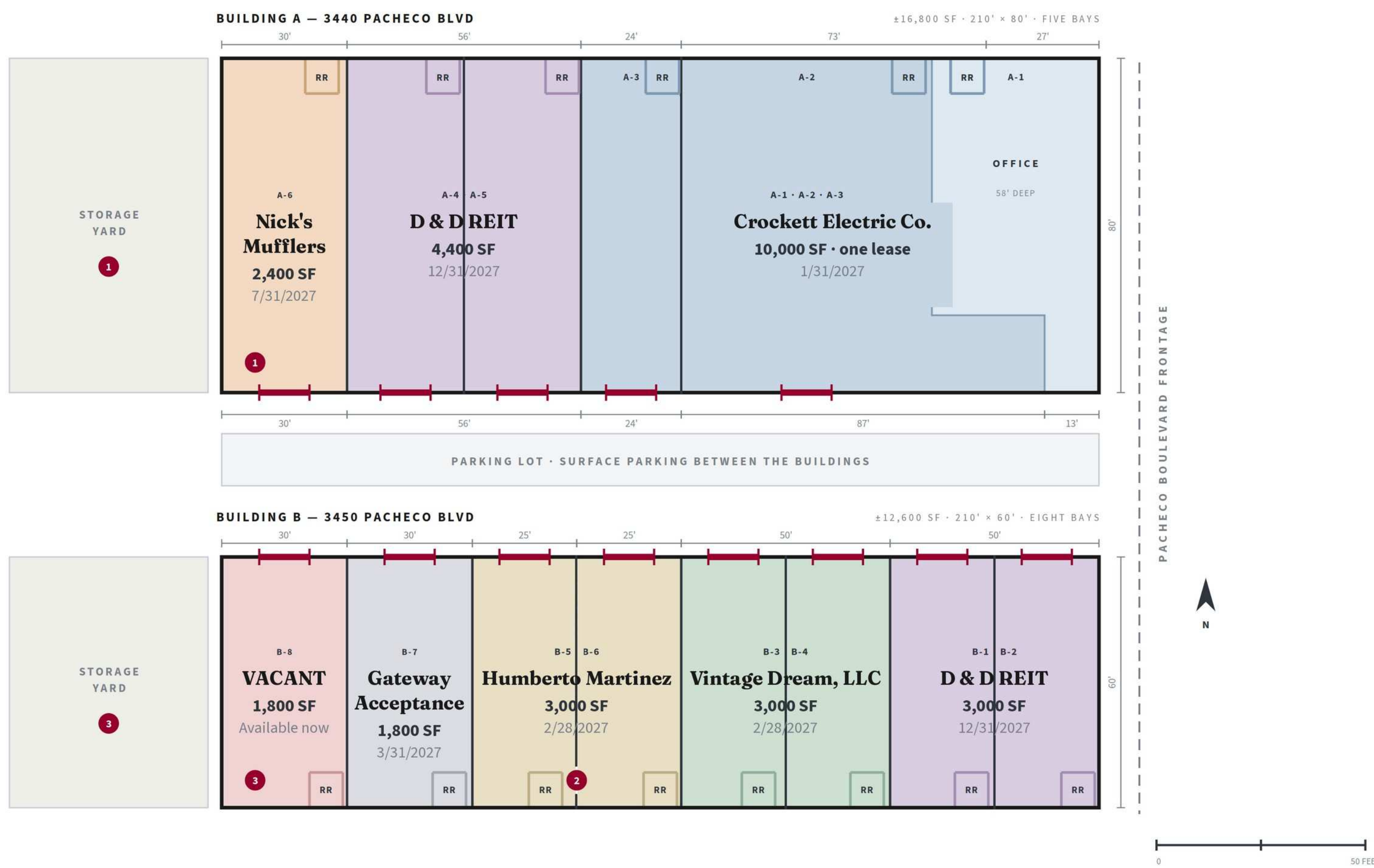
Suite	Tenant	Use	SF	Expiration	Rent	$/SF	Annual	Mkt $/SF	vs Mkt
A-1, A-2, A-3	Crockett Electric Co.	Electrical contractor	10,000	1/31/2027	$10,095	$1.01	$121,140	$1.50	-32.7%
A-4, A-5, B-1, B-2	D & D REIT	Automotive repair / storage	7,400	12/31/2027	$7,266	$0.98	$87,192	$1.77	-44.6%
A-6	Nick's Mufflers	Automotive repair	2,400	7/31/2027	$2,300	$0.96	$27,600	$1.85	-48.2%
B-3, B-4	Vintage Dream, LLC	Restoration	3,000	2/28/2027	$2,815	$0.94	$33,780	$1.95	-51.9%
B-5, B-6	Humberto Martinez	Welding	3,000	2/28/2027	$3,540	$1.18	$42,480	$1.95	-39.5%
B-7	Gateway Acceptance	Storage	1,800	3/31/2027	$1,250	$0.69	$15,000	$1.95	-64.4%
B-8	VACANT	Available	1,800	Vacant	—	—	—	$1.95	—
TOTAL	**6 leases · 1 vacant**		**29,400**		**$27,266**	**$0.99**	**$327,192**	**$1.74**	**-42.9%**

Suite B-8 (1,800 SF) went vacant 9/4/2026 and is available now; in-place $/SF and the spread to market are stated on the 27,600 SF leased. All six leases are short-form industrial gross — landlord pays taxes, insurance, management and structure — with no escalation, pass-through or renewal option. D & D REIT's single lease spans both buildings, so its market rate blends $1.65/SF in Building A with $1.95/SF in Building B. Market rents are the Broker's opinion, stated gross.

Bay Plan & Suite Configuration

SITE & BAY PLAN

3440 & 3450 PACHECO BLVD, MARTINEZ, CA 94553
±29,400 SF · ±1.95 ACRES · 13 SUITES · 6 LEASES · 94% LEASED



NOTES

1. The storage yard west of Building A is used by Crockett Electric today. It is not part of the Crockett lease and carries no rent. Suite A-6's market rent assumes that yard is recaptured.
2. Humberto Martinez holds exclusive use of the rear yard under its lease of Suites B-5 and B-6.
3. Suite B-8 adjoins the yard area west of Building B; its market rent includes the use of that yard.

SECTION

Financials

Underwriting Assumptions

Income

3% vacancy · 2% market growth

- Market rents are the Broker's opinion and are stated GROSS. No expense recovery is modelled anywhere.
- In place at $0.99/SF per month across the leased space against a market of $1.73 — 57% of market.
- General vacancy and credit loss at 3% of gross potential rent, taken on rent net of scheduled rollover downtime so the two are not double-counted.
- Market rents grow 2% a year from a 19 August 2026 base date.
- In-lease escalations of 3% on new and renewal leases. The six existing leases carry none.

Rollover

Year 1 = calendar 2027

- The projection starts 1 January 2027, an assumed close.
- Crockett Electric has committed to renewing A-1 and A-2 (8,080 SF) and returning A-3. That commitment is verbal, not signed.
- Renewal probability, suite by suite: Crockett 90%, D & D 80%, Nick's 85%, Vintage Dream 80%, Martinez 80%, Gateway 40%. Two suites are 0%: A-3, which is being handed back, and B-8, which is already vacant. Both are carried as certain vacancies — A-3 at three months of downtime, B-8 at two, since it is on the market now, roughly four months ahead of close.
- Downtime runs on the largest contiguous block, not the lease total: three months under 5,000 SF, six at 5,000 SF and over.
- New leases run two or three years, set suite by suite, staggering the second rollover wave across Years 3 to 5.

Costs

TI $5.00 new · $1.00 renewal

- Tenant improvements at $5.00/SF on new leases, $1.00/SF on renewals. No re-demising allowance is carried anywhere in Building B and none is needed — every bay is already separately walled.
- Leasing commissions at 6% of lease value on new leases, 2.5% on renewals.
- Property taxes reassessed to the purchase price — 1.1723% plus $3,449 of fixed special assessments.
- Management at 4% of effective gross income; repairs and maintenance at $0.35/SF. Operating expenses grow 3% a year, the ad valorem base at the 2% Proposition 13 cap.
- REMOVED by direction: replacement reserves, and professional / legal / accounting.

Every line above is a stated input to the model, not a market forecast. Projections are illustrative and depend on assumptions that may not occur.

IN PLACE TODAY · YEAR ONE · YEAR TWO

Financial Summary

	Current · In-Place	Year 1 · 2027	Year 2 · 2028
Gross Potential Rent	$327,192	$519,066	$644,333
Less: General Vacancy & Credit Loss (3%)	($9,816)	($14,351)	($19,088)
Less: Expected Rollover Downtime	—	($40,688)	($8,082)
Effective Gross Income	$317,376	$464,027	$617,163
Property Taxes	($67,926)	($67,926)	($69,215)
Insurance	($16,674)	($16,674)	($17,174)
Management (4% of EGI)	($12,695)	($18,561)	($24,687)
Repairs & Maintenance	($10,290)	($10,290)	($10,599)
Common Area Utilities	($776)	($776)	($799)
Landscape / Sweeping / Trash / Pest	($4,500)	($4,500)	($4,635)
Total Operating Expenses	($112,861)	($118,727)	($127,109)
NET OPERATING INCOME	**$204,515**	**$345,300**	**$490,054**
CAP RATE ON $5,500,000	**3.72%**	**6.28%**	**8.91%**

All three columns carry property taxes reassessed to the purchase price under Proposition 13. Years 1 and 2 tie to the Five-Year Projection that follows.

Reading the three columns

Current holds today's contract rents flat for a full year and lets nothing roll, so it carries no downtime and no rent on vacant B-8. It is the honest going-in yield on the rent roll as it stands — 3.72% — and it describes a year that cannot occur, because every lease expires within roughly sixteen months.

Year 1 is calendar 2027, the first year of ownership. Five of the six leases roll to market during it and both vacant bays re-let, so the column earns part of the mark-to-market and absorbs all of its cost — downtime, tenant improvements and commissions.

Year 2 is the first full year at market, with only D & D REIT still to roll. It is the closest figure here to a run rate. All three assume the gross lease structure is preserved; converting to NNN as leases roll would push taxes, insurance and management to the tenants.

Five-Year Projection

	Year 1 2027	Year 2 2028	Year 3 2029	Year 4 2030	Year 5 2031
Gross Potential Rent	$519,066	$644,333	$660,471	$671,845	$682,715
Less: Vacancy & Credit Loss	($14,351)	($19,088)	($19,219)	($19,466)	($19,605)
Less: Rollover Downtime	($40,688)	($8,082)	($19,821)	($22,963)	($29,199)
Effective Gross Income	$464,027	$617,163	$621,431	$629,416	$633,911
Total Operating Expenses	($118,727)	($127,109)	($129,591)	($132,278)	($134,883)
NET OPERATING INCOME	**$345,300**	**$490,054**	**$491,840**	**$497,138**	**$499,028**
Cap Rate on $5,500,000	6.28%	8.91%	8.94%	9.04%	9.07%
Tenant Improvements	($50,672)	($13,320)	($24,360)	($26,312)	($37,680)
Leasing Commissions	($45,013)	($15,988)	($17,783)	($29,632)	($35,469)
CASH FLOW AFTER CAPITAL	**$249,615**	**$460,746**	**$449,697**	**$441,194**	**$425,879**

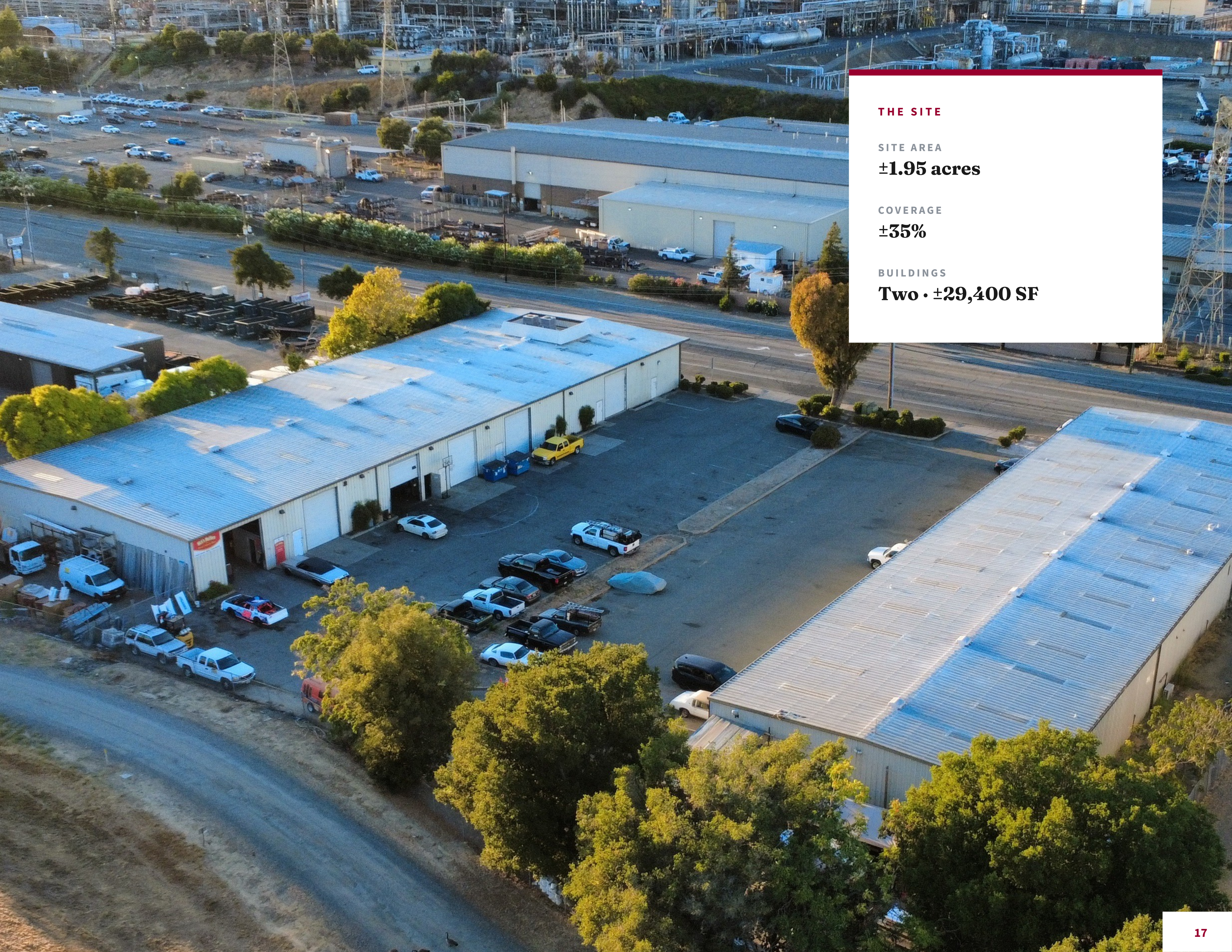
New and renewal leases are written at two- or three-year terms set suite by suite, with 3% annual escalations; market rent grown 2% annually. Downtime, improvements and commissions are probability-weighted lease by lease. Tenant improvements are carried at $5.00/SF on new leases and $1.00/SF on renewals; every bay in Building B is already separately walled, so no re-demising cost is carried and none is required. Vacancy and credit loss is taken on rent net of the scheduled rollover downtime, so the two are not double-counted. No replacement reserve is carried. Projections are illustrative and depend on assumptions that may not occur.

What drives the curve

Income steps twice. Five leases reset during Year 1 and two bays re-let, so Year 1 carries the bulk of the downtime, improvements and commissions while earning market rent for only part of the year. D & D REIT runs to 31 December 2027 and resets in Year 2.

Crockett Electric has committed to renewing Suites A-1 and A-2 — 8,080 SF, the largest block — and to handing back A-3. That commitment is verbal, not signed; it is underwritten at 90%, with A-3 carried as a certain vacancy re-let at $1.85/SF after three months. Suite B-8, vacant since 4 September 2026, is carried the same way at $1.95/SF after two months, since it is on the market ahead of close.

New leases run two or three years, set suite by suite, so the second rollover wave spreads across Years 3 to 5 rather than landing at once. A wave still reaches Year 5, which is why Year 5 is not a clean stabilized year.



THE SITE

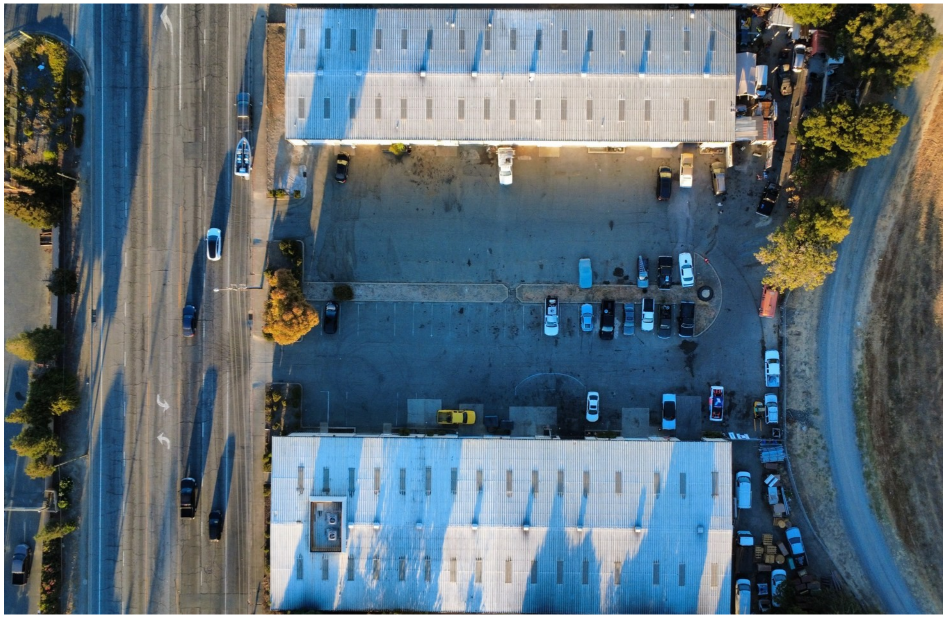
SITE AREA
±1.95 acres

COVERAGE
±35%

BUILDINGS
Two • ±29,400 SF

EXTERIOR & OPERATIONS · AUGUST 2026

Property Photos



Confidentiality & Disclaimer

Lee & Associates has been retained on an exclusive basis by the Owner of 3440 & 3450 Pacheco Blvd, Martinez, CA (APN 377-190-009-3). All inquiries should be directed to Lee & Associates.

The information herein was furnished by sources deemed reliable but has not been independently verified; neither Lee & Associates nor the Owner makes any representation or warranty as to its accuracy or completeness.

All square footages, acreage, rent and price figures, market rent opinions, operating expenses, property tax projections, lease terms, zoning designations and projections of future income are approximate, preliminary and subject to verification.

Market rents shown are the Broker's opinion and are not a representation that such rents are achievable; projections are illustrative and depend on assumptions that may not occur.

Prospective purchasers must conduct their own independent investigation and consult their own legal, tax, environmental, engineering and financial advisors.

The property is offered subject to change in price or terms, prior sale, or withdrawal without notice, and without regard to race, creed, sex, religion, or national origin.

Verification. Every figure in this memorandum — the rent roll, the operating statement and the five-year projection alike — is subject to a buyer's own review of the leases, the Seller's books and the physical condition of the property.

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LEE & ASSOCIATES — WALNUT CREEK

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