

Offering Memorandum

Class A Institutional Office/Warehouse Buildings & Large Yard Area

3801 Pegasus Drive & 3501 Unicorn Road ▪ Bakersfield, CA 93308



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Offering Memorandum

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Bakersfield, CA 93308**

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Offering Memorandum

Disclosures & Confidentiality

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308

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

**3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308**

ASU Commercial is pleased to offer to the market 3801 Pegasus Drive and 3501 Unicorn Road, a two-building flex/office/warehouse complex located in the Bakersfield Airport Business Park.

3801 Pegasus Drive is 47,709 square feet with a 5,250 square foot metal canopy (not included in overall square footage of Premises) for storage and approximately 2,400 square feet of covered parking situated on a 4.58 parcel of land. The building has three current tenants occupying approximately 18,704 square feet of space with 29,005 square feet vacant and either available for lease or available to accommodate an owner-user.

3501 Unicorn Road is a single tenant office/warehouse building totaling 9,730 square feet, inclusive of approximately 7,560 square feet of office/warehouse improvements and a partially enclosed and usable 2,170 square foot canopy area. The building is situated on a parcel of 3.25 acres and is occupied by a tenant with term through the end of 2027.

The properties are zoned M-2 PD H zoning in the County of Kern. This medium Industrial zoning allows for general manufacturing, processing, and assembly activities as well as commercial activities such as office, medical, retail, service, and warehousing uses. The Precise Development (PD) Combining District requires a county review of a precise development plan prior to construction or a change of use. The Airport Approach Height (H) Combining District is present because of the property's proximity to the airport.

The building at 3801 Pegasus Drive was originally a build-to-suit occupied by the Bureau of Land Management, but they vacated the building in 2022. There are three suites on the west side of the building, and all are currently occupied with tenants. 3801 Pegasus Drive Suite 200/Suite A has 4,820 square feet (4,867 SF per lease) of space occupied by US Claims Services, Inc., 3801 Pegasus Drive Suite B has 5,115 square feet (5,193 SF per lease) of space occupied by Road Machinery, LLC, and 3801 Pegasus Drive Suites C & D has 8,763 square feet (7,837 SF per lease) of space occupied by United Well Services California, Inc. The remaining 29,005 square feet of building area is vacant. The building at 3501 Unicorn Road has 9,730 square feet of space currently occupied by Road Machinery, LLC, and they have occupied the building since September 2008.



Offering Memorandum

Property Information

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308

Property Details

	3801 Pegasus Drive	3501 Unicorn Road	Combined
Total Size	47,709 SF	9,730 SF	57,439 SF
Office Space	34,860 SF	1,410 SF	36,270 SF
Warehouse Space	12,849 SF	6,150 SF	21,169 SF
Canopy Space	5,250 SF	2,170 SF	5,250 SF
Covered Parking Canopy	2,400 SF	-	2,400 SF
Ground Level Roll-Up Doors	(4) 14' x 16' (1) 6' x 10'	(4) 14' x 16' (2) 16' x 16' (2) 10' x 14'	(8) 14' x 16' (2) 16' x 16' (2) 10' x 14' (1) 6' x 10'
Clear Height	18' 6" - 19' 6"	18' 6" - 19' 6"	18' 6" - 19' 6"
Construction Date	1994	1994	1994
Assessor's Parcel Number	492-150-10	492-150-09	492-150-09 & 10
Parcel Size	4.58 Acres	3.25 Acres	7.83 Acres
Zoning	M-2 PD H	M-2 PD H	M-2 PD H
Yard Improvements	100% Asphalt Paved	±73% Asphalt Paved	±88.8% Asphalt Paved
Evaporative Coolers	4	4	8
Column Spacing	55' x 55'		
Space Heaters	4	4	8
Fire Sprinklers	.10 GPM/1,500 SF	.20 GPM/1,500 SF	
Electrical Capacity	480/277 Volt, 1,200 Amps	208/120 Volt, 400 Amps	1,600 Amps
Parking	268 Stalls	74 Stalls	342 Stalls

Highlights

- Prime Value-Add Investment or Owner/User Opportunity
- Bakersfield Airport Business Park
- Two-building portfolio approximately 49.5% leased
- 29,005 SF of office/flex vacancy available for lease or owner/user occupancy
- 7.83 total acres with corner location with multiple access points from both Pegasus Drive and Unicorn Road
- Ten (10) ground-level doors are automatic
- All warehouse areas are finished with interior paint and drywall
- Concrete Tilt-Up construction (CTU)
- M-2 PD H zoning within the County of Kern
- Highway 65 frontage and less than a mile from Highway 99 on/off ramps
- Located in the fastest growing industrial submarket in Kern County

Utility Providers

- **Electric** PG&E
- **Gas** Southern California Gas Company
- **Sewer** North of the River Sanitation
- **Water** Oildale Mutual Water Company

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Investment Summary

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308

Property Details

Asking Price

\$10,339,020 (\$180 PSF)

Rental Rate

\$1.40 PSF Industrial Gross

Available Area For Immediate Occupancy

29,005 SF

Street Address

3801 Pegasus Drive & 3501 Unicorn Road

Assessor's Parcel Number

492-150-09 & 10

Gross Area

57,439 SF

Site Area

7.83 Acres

Zoning

M-2 PD H, County of Kern

Year Built

1994

Construction

Concrete Tilt-Up (CTU)



Offering Memorandum

Rent Roll

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308

Rent Roll | In-Place

UNIT	TENANT	STATUS	SF (Per Lease)	SF (Per Architect)	Contracted Rent (Gross)	PSF (Per Architect SF)	Expiration	Increases
3801		Vacant	-	29,005	-	-	-	-
3801-Suite A	US Claims Services, Inc.	Current	4,867	4,820	\$3,500.00	\$0.73	12/31/2024	No Further Incr
3801-Suite B	Road Machinery, LLC	Current	5,193	5,115	\$3,020.00	\$0.59	01/31/2028	Annually on Feb 1
3801-Suite C	United Well Services California I, LLC	Current	7,837	8,769	\$7,650.75	\$0.87	02/28/2025	No Further Incr
3501	Road Machinery, LLC	Current	9,730	9,730	\$11,810.00	\$1.21	12/31/2027	Annually on Jan 1
			27,627	57,439	\$25,980.75			

Rent Roll | Pro-Forma

UNIT	TENANT	STATUS	SF (Per Lease)	SF (Per Architect)	Monthly Rent (Gross)	PSF (Per Architect SF)	Expiration	Increases
3801		Vacant	-	29,005	\$40,607.00	\$1.40	-	-
3801-Suite A	US Claims Services, Inc.	Current	4,867	4,820	\$3,500.00	\$0.73	12/31/2024	No Further Incr
3801-Suite B	Road Machinery, LLC	Current	5,193	5,115	\$3,020.00	\$0.59	01/31/2028	Annually on Feb 1
3801-Suite C	United Well Services California I, LLC	Current	7,837	8,769	\$7,650.75	\$0.87	02/28/2025	No Further Incr
3501	Road Machinery, LLC	Current	9,730	9,730	\$11,810.00	\$1.21	12/31/2027	Annually on Jan 1
			27,627	57,439	\$66,587.75			

Road Machinery, LLC at 3801 Pegasus Dr, Suite B has one, five year option to renew.

Road Machinery, LLC at 3501 Unicorn Road has two, three year options to renew.

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Tenant Information

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308



US Claims Services, Inc. does business as Payne Richards & Associates. In business for nineteen years Payne Richards & Associates are licensed private investigators whose sole task is to uncover lost property and track down its rightful owner through third-party trust accounts all over America. The company has been a tenant in occupant at 3801 Pegasus Drive since 2005.



Road Machinery & Supplies Co. is a distributor of construction and mining equipment with sales and support operations throughout the Upper Midwest. They are a multiline dealer, representing the best brands of construction equipment in the industry, and back up these preferred brands with their commitment to employee training and service excellence.



United Well Services is located in Bakersfield, California. This organization primarily operates in the servicing of water well business/industry within the Construction - Special Trade Contractors sector. This organization has been operating for approximately 12 years. United Well Services is estimated to generate \$2.1 million in annual revenues, and employs approximately 16 people at their single location.



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Site Plan

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308

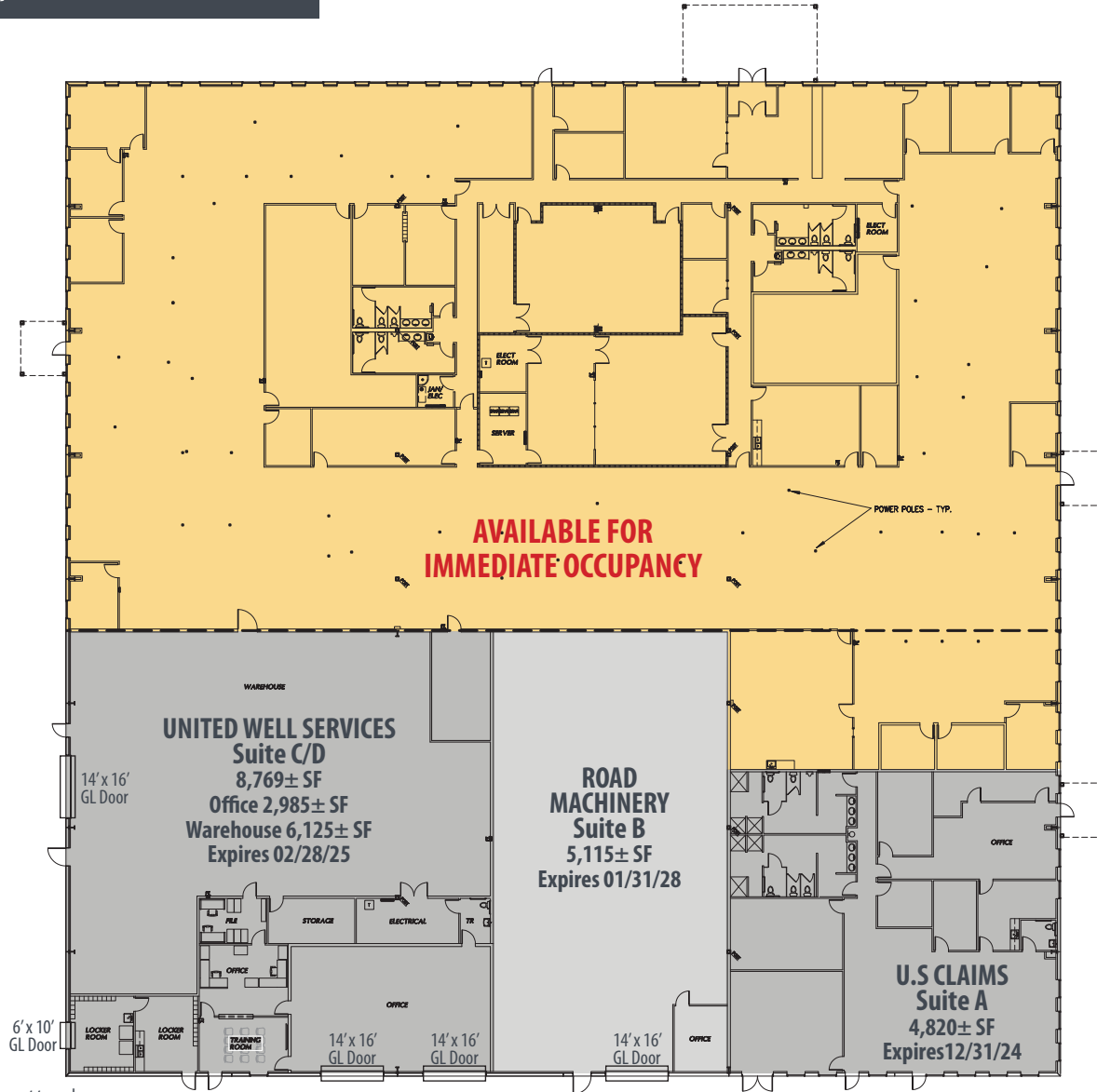


*Plans deemed to be accurate, but not guaranteed. Plan not to scale.

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3801 Pegasus Drive Floor Plan

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308



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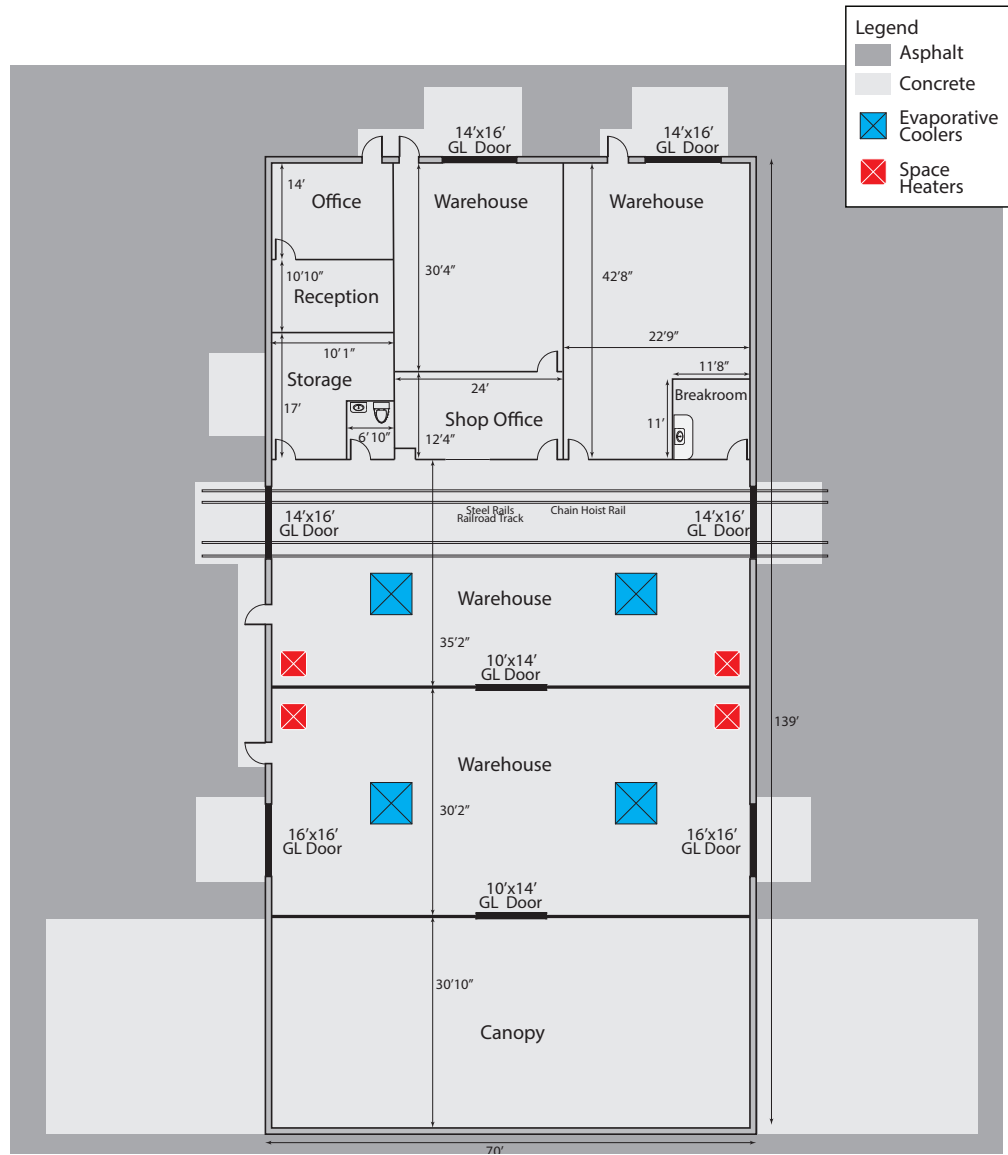


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3501 Unicorn Road Floor Plan

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*Plans deemed to be accurate, but not guaranteed. Plan not to scale.

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Assessor's Parcel Map

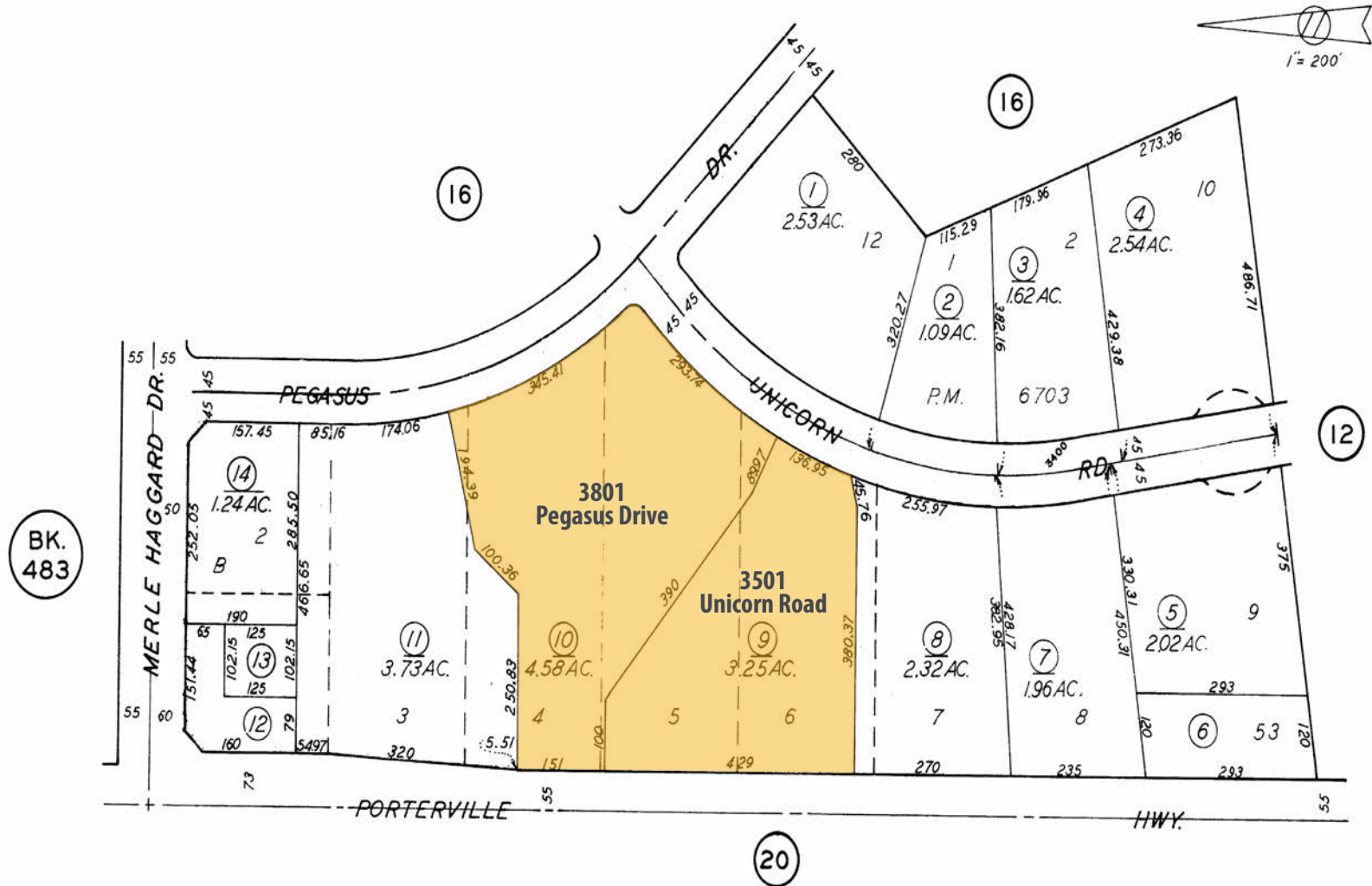
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492-15

PARCEL MAP NO. 6097

SCHOOL DIST. 57-37

492-15



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Zoning Map

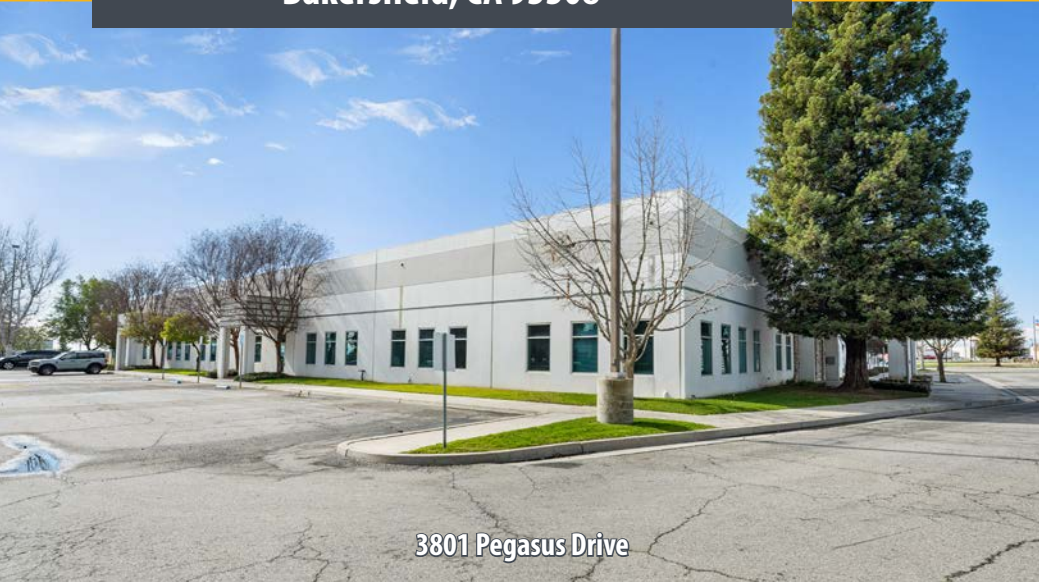
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Property Photos

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308



3801 Pegasus Drive



3801 Pegasus Drive



3801 Pegasus Drive

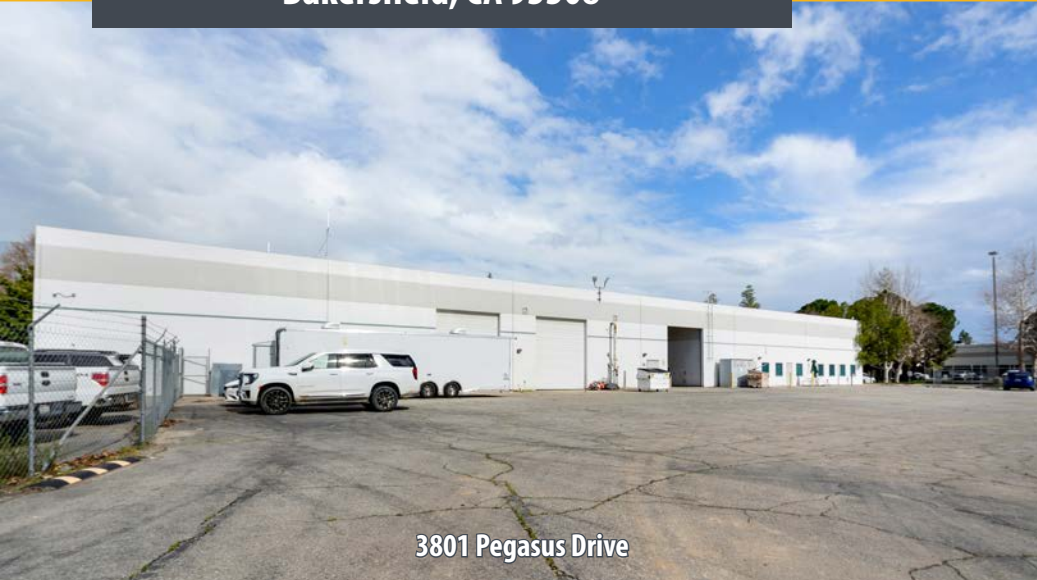


3801 Pegasus Drive

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Property Photos

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308



3801 Pegasus Drive



3501 Unicorn Road



3501 Unicorn Road



3501 Unicorn Road

Offering Memorandum

Bakersfield & Kern County Information

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308

Location

Bakersfield and Kern County is the geographic center of California's weighted population. Located at the southern end of the San Joaquin Valley, Bakersfield is within four hours driving distance from 90 percent of the California Population. Located approximately 100 miles north of Los Angeles and 251 miles south of San Francisco, Bakersfield is easily accessible, just 15 minutes east of Interstate 5 and positioned at the crossroads of State Highways 99 and 58.

Population & Demographic

The City of Bakersfield has seen a population increase of 57.64% between 2000 and 2019 and now stands at just over 389,000 residents within the city limits. Affordability of housing compared to other parts of California has caused the influx of residents and growth of population. Continued growth is expected with a projected 2030 population of 566,000 residents. The median age in Kern County 31.7, considerably younger when compared to California at 36.1 years of age and the nation at 37.7 year of age. Bakersfield is the ninth largest metropolitan area in California and the 52nd largest in the US.

Economy

Energy/Oil and Agriculture are the two industries that have historically driven the Bakersfield and Kern County economies. Kern County is the #5 oil producing county in the United States accounting for approximately 72% of total California production. Kern leads the nation in production of almonds and pistachios and other leading commodities include grapes, citrus, milk and carrots. Government and military employment are strong in the county with Edwards Air Force Base and China Lake Naval Weapons Center ranking as two of the top employers in Kern County. Logistics, transportation and warehousing are rapidly expanding industries in the area given Kern's central location and broad reach to as many as 14% of the US population within 300 miles.

Housing

The median home value of approximately \$272,000 (2020), making Kern County is the second most affordable housing market in California. Compared to the mediana home value in California at approximately \$712,000, affordability is a key to growth of the market. This has led to 61% of households owning their home. More than 50% of households are able to afford a median priced home compared with only 33% in California. The average household size of 3.16 persons.

Climate

Bakersfield covers approximately 110 square miles and is 492 feet above sea level. It is partially surrounded by three mountain ranges: The Temblor range to the west, the Tehachapi range to the south and the Sierra Nevada range to the east. The Kern River flows through the valley; the fastest falling river in the United States. Bakersfield is centrally located about 100 miles north of Los Angeles, 90 miles south of Fresno, and 90 miles east of the Pacific Ocean, which puts Bakersfield close to a variety of recreational and business resources. Generally, temperatures are mild year-round. Summers are warm and dry, winters are cool with mild rainfall, and snow about once every 30 years!



Offering Memorandum

Top 10 Reasons To Do Business In Kern County

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308



1 | Location, Location, Location!

KERN COUNTY IS GEOGRAPHICALLY THE CENTER OF CALIFORNIA'S POPULATION, making it accessible to nearly 40 million consumers.



Photo courtesy Bakersfield CVB

2 | #2 in the Nation for Agriculture Production

(2019 Kern County Crop Report)

The county leads the nation in pistachio and almond production, with grapes, citrus, and milk being some of the other top commodities.



3 | #3 in Job Creation

(Surge Cities 2020)

Bakersfield was ranked #3 in job creation for attracting more entrepreneurs and providing an opportunity for businesses to stand out.



4 | Fastest-growing City in California

(California Department of Finance, Demographic Research Unit)

Bakersfield's population grew by 1.7% in 2019, which was more than eight times greater than California's growth rate.



5 | Economic Resiliency

(Chmura Economics & Analytics, JobsEQ)

Bakersfield MSA ranked among top 15 metro areas in the U.S. for economic resiliency during the COVID-19 pandemic. Rankings were based on news reports for key industries, unemployment claims data, job postings, and other data.



Photo courtesy Michael McCloskey

6 | #5 Housing Market in the Nation

(RealtyHop)

Bakersfield is ranked the fifth most affordable housing market in the nation.



7 | #7 Oil-producing County in the U.S.

(Drilling Edge)

Kern County is the No. 7 oil-producing county in the nation, yielding 111 million barrels of oil annually. This amount represents 71% of California's total oil production and a daily production of 326,000 barrels of oil.



8 | #1 in the U.S. for Engineering Salaries

(Live Career)



Photo courtesy The Bakersfield Californian

9 | Kern County Jobs Pay More than the U.S. Average

(Bureau of Labor Statistics)

Employees in 29 different occupations earn more in the Bakersfield area compared to the national average.



10 | #3 in Nation for Human Capital Availability

(WalletHub)

The Bakersfield MSA ranked #3 in the U.S. for human capital availability, defined as the economic value of an employee's skill set. 💡

Source: Kern Economic Development Corporation - <https://kernedc.com/market-overview/>

Offering Memorandum

Kern County At A Glance

3801 Pegasus Dr & 3501 Unicorn Rd
Bakersfield, CA 93308

KERN COUNTY At A GLANCE

LARGEST ECONOMY IN THE SAN JOAQUIN VALLEY

#2 in Agricultural
Production
Nationwide



#3 in Economic
Diversity
Nationwide

#4 in STEM
Jobs
Nationwide

OVER 50 MAJOR DISTRIBUTION
CENTERS



THE ENERGY CAPITAL OF CALIFORNIA Largest Provider of Oil & Renewable Energy in the State

70%



60%



#1 Largest
Wind Farm
in the U.S.

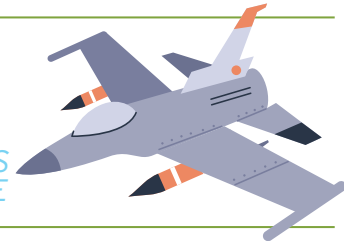


2ND Largest
Solar Farm
in the U.S.



#7 Oil-Producing
County in
the Nation

OVER 50 WORLD TECH
"FIRSTS"
NAVAL AIR WEAPONS
STATION CHINA LAKE



1ST COMMERCIAL SPACE
PORT IN U.S.
MOJAVE AIR &
SPACE PORT



1ST SPACE SHUTTLE
LANDING
EDWARDS AIR
FORCE BASE



KERN COUNTY, *California*. WHERE BUSINESS IS BOUNDLESS



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ASU Commercial Information

3801 Pegasus Dr & 3501 Unicorn Rd
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- ASU Commercial is a full services office brokerage team with more than 70 years of combined experience in the local Bakersfield market to assist you with your real estate needs. Our group provides representation and consultation services for both landlords and tenants. We also actively represent buyers and sellers of both commercial office investment properties and owner/user office facilities.
- Success can be measured by many things, however, we believe the best measurement is the duration of our relationships with our clients. Ultimately, our success can only come through their success.

ASU Commercial is dedicated to establishing long-lasting client relationships and maintaining a strong commitment to our growing community.

- For more information regarding our services, please contact the Office Services Group at 661.862.5454.
- The information contained herein may have been obtained from sources other than ASU Commercial. We have not verified such information and make no guarantees, warranties or representations about such information. It is your responsibility to independently confirm its accuracy and completeness prior to purchasing/leasing the property.



Matthew E., Starr,
SIOR, CCIM
Principal



Wesley M. McDonald
Principal



Phil A. Fontes
Senior Vice President