

TILLIE LEWIS BUSINESS PARK  
97% LEASED MULTI - TENANT INVESTMENT  
182,547± SF / FOR SALE  
301 9TH STREET | MODESTO | CA



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## PROPERTY OVERVIEW

The Tillie Lewis Business Park is a former major tomato processing and distribution facility that has been remodeled and repositioned as an eight tenant industrial and commercial center.

Features of the complex include multiple dock high and grade level loading doors, secure and fenced yards, fully fire sprinklered with the exception of freestanding concrete unit D, heavy municipal utility services and high ceilings.

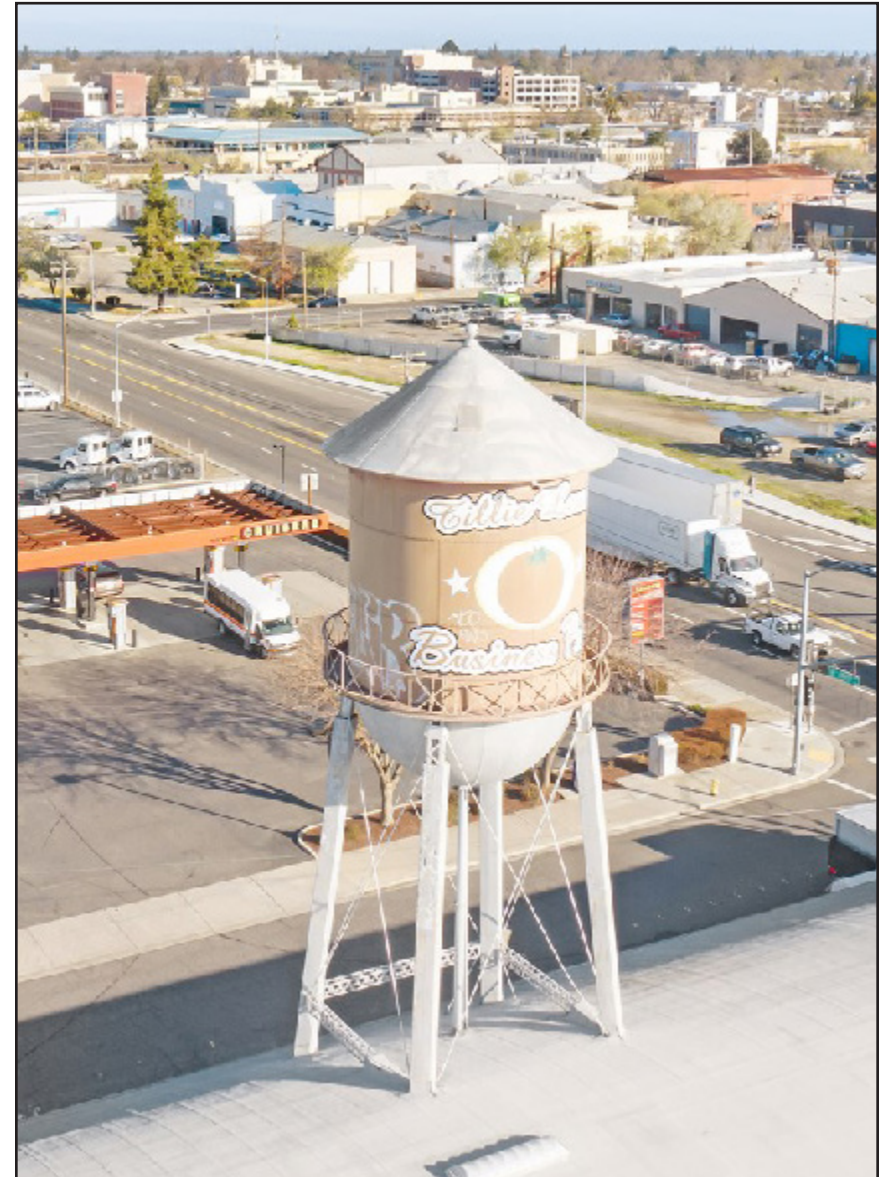
The Park is home to three regional HVAC / Solar parts suppliers who competitively benefit by their close proximity to one another, two of them have been tenants for approximately 20 years.

The Park is well located on a primary express way, 9th Street (25,000 VPD) and is one block from the region's main freeway, Highway 99 (122,000 VPD). Modesto is one of the fastest growing cities in the Central Valley is within a one-hour drive to the San Francisco Bay Area and has an area population of approximately 418,000 residences.



## INVESTMENT HIGHLIGHTS

- List price of \$15,000,000.00 yielding a 5.5% Cap Rate
- Extremely stable 100% leased complex with many long-term tenants. The largest tenant has occupied the Park for approximately 40 years.
- Many leases are well below market creating a great “value add” opportunity. Rents could rise significantly on a couple units with minimal tenant improvement investment such as new offices and restrooms. Staggered lease termination dates with only one tenant having a renewal option.
- The Park has appealed to and retained many excellent credit tenants due to its attractive features including, but not limited to, generous parking / staging areas, a variety of space configurations and proximity to Modesto’s growing downtown.
- The Modesto submarket industrial inventory is approximately 31,051,000 square feet with occupancy currently estimated to be 99.2%. Source Costar 4th Quarter 2022.



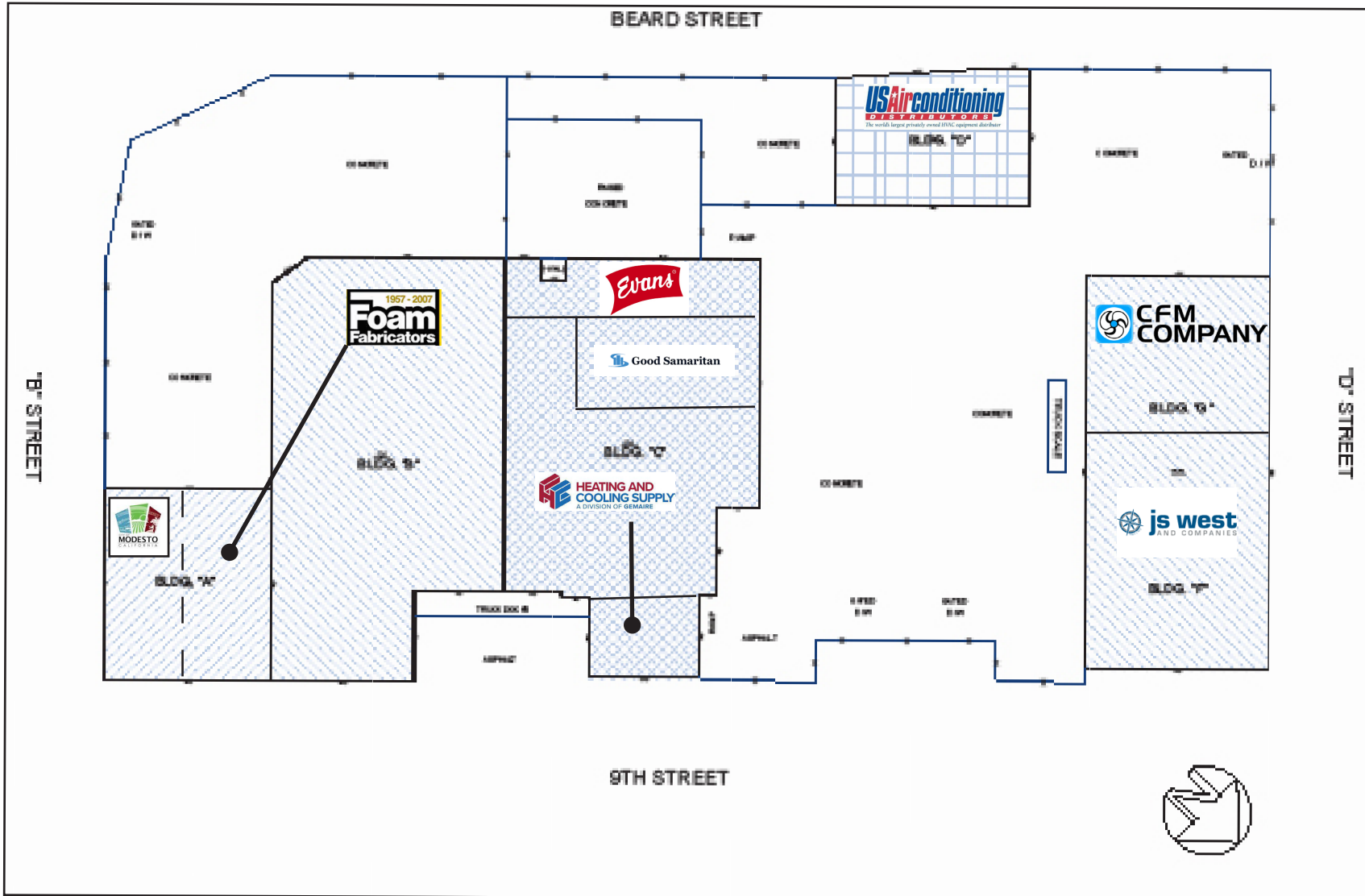
## PROPERTY SUMMARY

### Property Summary

- Address: 301 9th Street, Modesto, CA
- Property Type: Mixed use manufacturing, warehousing, sales and service.
- Zoning: M1 – Industrial - City of Modesto
- Parcel Number and Size: 103-006-001 8.9+- acres
- Utilities: Water and Sewer: City of Modesto
- Electricity: Modesto Irrigation District (M.I.D) Each unit separately metered with new subpanels.
- Year Renovated: Early 1980's and again in 2008.
- Project Size: Approximately 182,547± square feet contained in three separate buildings on 8.9± acres – to be verified by buyer.
- Number of current tenants: Eight (8)
- Current Occupancy: 100% - Last vacancy was in mid - 2019.
- Opportunity Zone: Yes, which can offer significant tax advantages to qualifying real estate investments in specific areas.



## PARK SITE PLAN



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## RENT ROLL

Unit	Tenant	Rentable Sq Ft	Lease Term		Current Base Rent			Lease Type	Est Expense Recovery	Date	Escalations Mo Rent	PSF	Reimbursement Pro Rata
			Start	End	Monthly	PSF	Annual						
A-1 & B	Foam Fabricators	62,072	May-84	Nov-24	\$31,566.	\$0.51	\$378,792	Mod-Net	\$4,638.	Nov-23	\$33,207	\$0.53	20.00%
A-2	Modesto Performing Arts	5,014	Aug-12	Jul-27	\$750.	\$0.15	\$9,000	Gross	None	Aug-23	\$772.50	\$0.15	0.00%
C-1	Evans Foods	15,360	Nov-16	Nov-23	\$7,538.	\$0.49	\$90,456	Gross	None	FMR Dec-23	\$9600.00	\$0.63	0.00%
C-2	Good Samaritan	11,468,	Aug-12	Mo-Mo	\$4,058.	\$0.35	\$48,696	Gross	None	Jun-23	\$5,160.00	\$0.45	0.00%
C-3	Heating & Cooling	26,000	Apr -04	Sep-27	\$16,250.	\$0.63	\$195,000	Mod-Net	\$2,860	Aug-23	\$16,900.00	\$0.65	11.0%
D	US Airconditioning	14,943	Jan-04	Jul -24	\$8,980.	\$0.60	\$107,760	Gross	\$1,032	Jul-23	\$9,249.40	\$0.62	4.4%
F	JS West	26,446	Jul-16	Jul -27	\$9,520	\$0.36	\$114,240	Gross	\$1,322	Aug-23	\$9,805.60	\$0.37	2.3%
G	CFM Equipment	16,173	May-22	May-27	\$8,086.	\$0.50	\$97,032	Mod-Net	\$1,132	Jun-23	\$8,328.58	\$0.51	4.8%
Leased Total		177,476			\$86,748.00		\$1,040,976.00		\$10,984		\$93,023.51		42.5%
Vacant		5,112											
Property Total		182,597			\$86,748.00		\$1,040,976.00		\$10,984		\$93,023.51		42.5%

### Footnotes:

- 1 The majority of the leases are modified gross with tenants responsible for CAM plus base year increases in taxes and insurance. However, since its acquisition in 2007, ownership has not been collecting base year increases, and the CAM reimbursement has essentially functioned as a flat charge.
- 2 Unit A and C-2 currently do not have restrooms or offices.
- 3 Vacant space is within Unit A between Foam Fabricators and Performing Arts.
- 4 Expiring or soon to expire tenants have expressed interest in renewing their leases
- 5 Only CFM Equipment has option to renew 1x5 year

## TILLIE LEWIS BUSINESS PARK - PROFORMA

OPERATING EXPENSES	
Property Tax:	\$170,000.00 (\$15.M at 1.1%)
Insurance:	\$54,000.00
Repairs and Maintenance:	\$25,000.00
Utilities:	\$2,000.00
Fire sprinklers:	\$3,585.00
Phone / fire alarm:	\$2,000.00
Maintenance Manager	\$8,000.00
Landscape Management:	\$12,000.00
Pest Control:	\$1,932.00
<b>Total</b>	<b>\$278,517.00</b>

	CURRENT	PROFORMA
Scheduled Monthly Rent	\$86,748.00	\$ 92,823.00 Note #1
Scheduled Annual Gross Income	\$1,040,976.00	\$1,113,876.00
Pluse Expnsense Reimbursement	\$ 116,760.00	\$ 208,000.00 Note #2
Adjusted Scheduled Gross Income	\$1,157,736.00	\$1,321,846.00
Less 5% Vacancy and Collection	\$ (57,886.80)	\$ (66,093.80)
Effective Gross Income	\$1,099,849.00	\$1,255,782.20
Less Operating Expenses	\$ (278,517.00)	\$ (278,517.00)
Net Operating Income	\$ 821,332.20	\$ 977,265.20
Capitilazon Rate	5.5%	6.5%
Per Square Foot	\$ 82.17	

Note:

- #1 Estimate from Rent Roll
- #2 Assumes 75% operating expense and Base Year adjustment recovery from tenants

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## TILLIE LEWIS BUSINESS PARK - TENANT PROFILES

HEATING AND COOLING SUPPLY  
[www.heatingandcooling.com](http://www.heatingandcooling.com)



Founded in 1960, Heating and Cooling Supply is now owned by the largest publicly traded HVAC distribution company “Watsco” (NYSE “WSO”) with 569 locations in 38 states and sales of approximately \$7.2 Billion. Heating and Cooling Supply has been in the Tillie Lewis Business Park since 2006 and were in their previous Modesto location for 25± years.

USAIRCONDITIONING DISTRIBUTORS  
[www.us-ac.com](http://www.us-ac.com)



USAirconditioning Distributors is the largest privately owned distributor with 50 branches located throughout California, Utah, Nevada, Idaho and Arizona. The business has over 700 employees and reports over \$500 million in annual sales. USAirconditioning’s business has grown tremendously since moving to the Tillie Lewis Business Park in 2004.

FOAM FABRICATORS  
[www.foamfabricatorsinc.com](http://www.foamfabricatorsinc.com)



Foam Fabricators began in 1957 and they are now a coast-to-coast network of 14 state-of-the-art molding and fabricating plants that provide a variety of industries with efficient packaging and components. Compass Diversified (NYSE: CODI) acquired Foam Fabricators in 2018 which now contributes to CODI’s \$2B in annual revenues. Foam Fabricators has had their manufacturing operation in the Tillie Lewis Business Park for 39+ years.

CFM COMPANY - HVAC  
[www.cfmcompany.com](http://www.cfmcompany.com)



Over the years, CFM Company has expanded its product offering and grown to be one of the premier manufacturer’s representatives for HVAC products in the marketplace it serves. The product offering covers both the mechanical and sheet metal trades in the HVAC business along with the fast-growing Solar industries.

JS WEST  
[www.jswest.com](http://www.jswest.com)



A family-run diversified, farming, animal feed milling, trucking and propane supply business operating in the Modesto area for over 100 years. In addition to its many other agriculture and other commercial real estate holdings, JS West owns and operates a new four acre fueling service center along with their attractive corporate headquarters adjacent to the Tillie Lewis Business Park.

EVANS FOODS  
[www.benestarbrands.com](http://www.benestarbrands.com)



Evans Foods is a provider of branded and private label pork rind snacks through its newly-formed food platform Benestar Brands. Highlander Partners, with investments totaling an estimated \$2B, dollars purchased Evans in 2019. The company has five manufacturing operations. The Tillie Lewis facility is for distribution of finished product and they have been in the Park since 2016.



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## MODESTO AREA INFORMATION

**Modesto** is the county seat and largest city in Stanislaus County. With a population of approximately 219,440, it is the 18th largest city in the state of California and forms part of the Modesto-Merced combined Statistical Area.

Modesto is located in the Central Valley, 90 miles north of Fresno, 40 miles north of Merced, 92 miles east of San Francisco, 68 miles south of Sacramento, 66 miles west of Yosemite National Park, and 24 miles south of Stockton. Modesto is surrounded by 961,838 acres of rich farmland, led by almonds, milk, chickens, and cattle. The county grossed nearly \$3.6 billion in agricultural production in 2019. The farm-to-table movement plays a central role in Modesto living.

### ECONOMY

Modesto has a large agricultural industry which is based on the fertile farmland surrounding the city. Modesto is home to the largest winery in the world, E & J Gallo Winery. The Gallo Glass Company, a company of Gallo Winery, is the largest wine bottle manufacturing company in the world. The company provides thousands of office and manufacturing jobs to Stanislaus County residents. Other major privately-owned companies based in Modesto include Foster Farms Dairy, Pacific Southwest Container, international award winner Fiscalini Cheese, Sciabica Olive Oil, Acme Construction, and Aderholt Specialty.

### TRANSPORTATION

#### Highways

Interstate 5 and California State Route 99 provide major highway access to Modesto. California State Route 132 links the city to Interstate 580, providing commuter access to highways into the Bay Area. California State Route 108 connects to Oakdale and east to the foothills.

#### Rail

Modesto is served by one of the busiest rail corridors in the country. The Amtrak San Joaquin makes eight daily stops on the route between Oakland and Bakersfield, and four stops daily on the route between Sacramento and Bakersfield.

#### Air

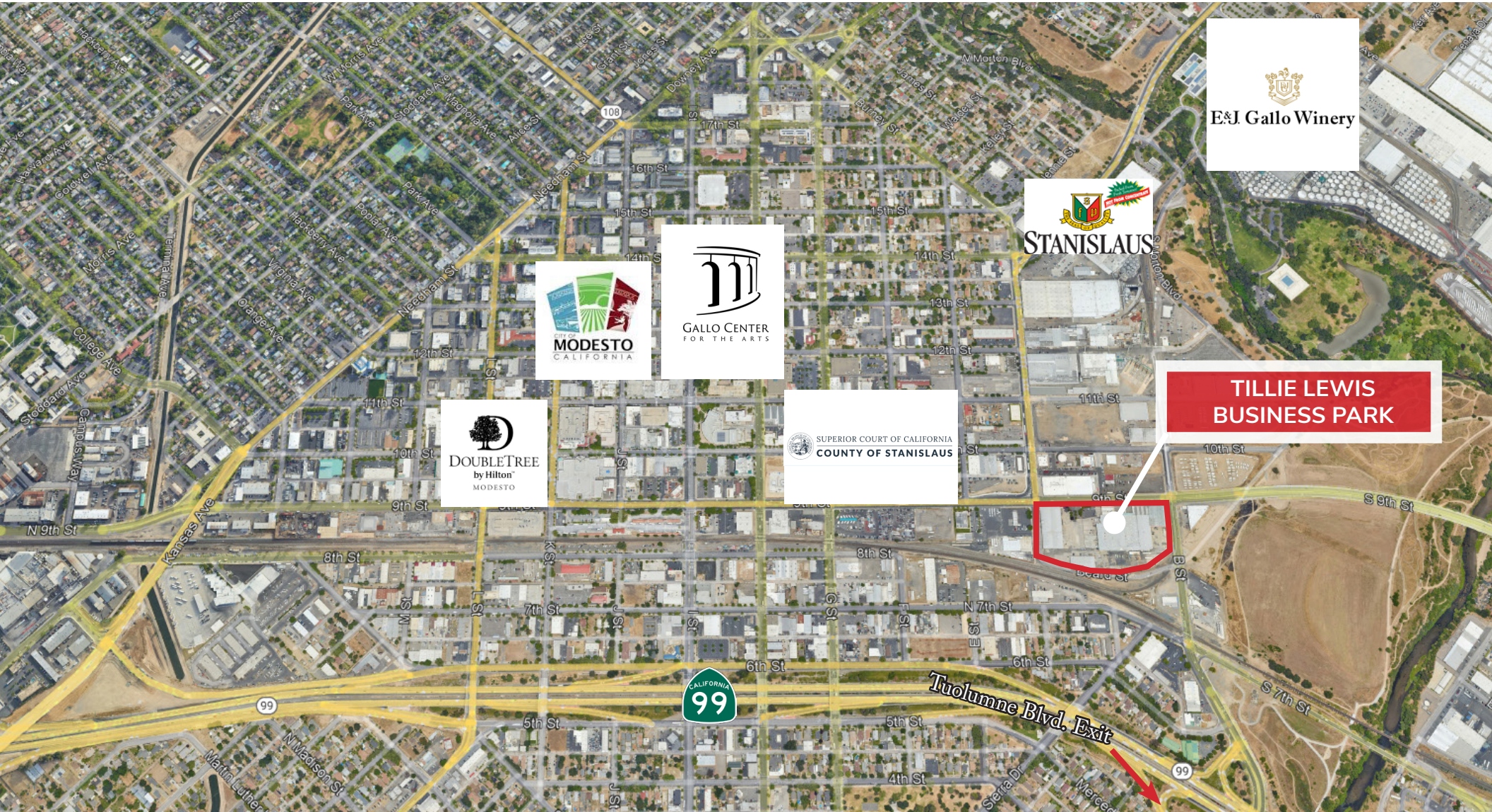
Modesto is served by the Modesto City-County Airport that lies east of California State Route 99 within the city limits. The airport is used for manufacturing and the shipping industries throughout California and the United States. The closest international airport is Oakland (OAK) approximately 73 miles west.



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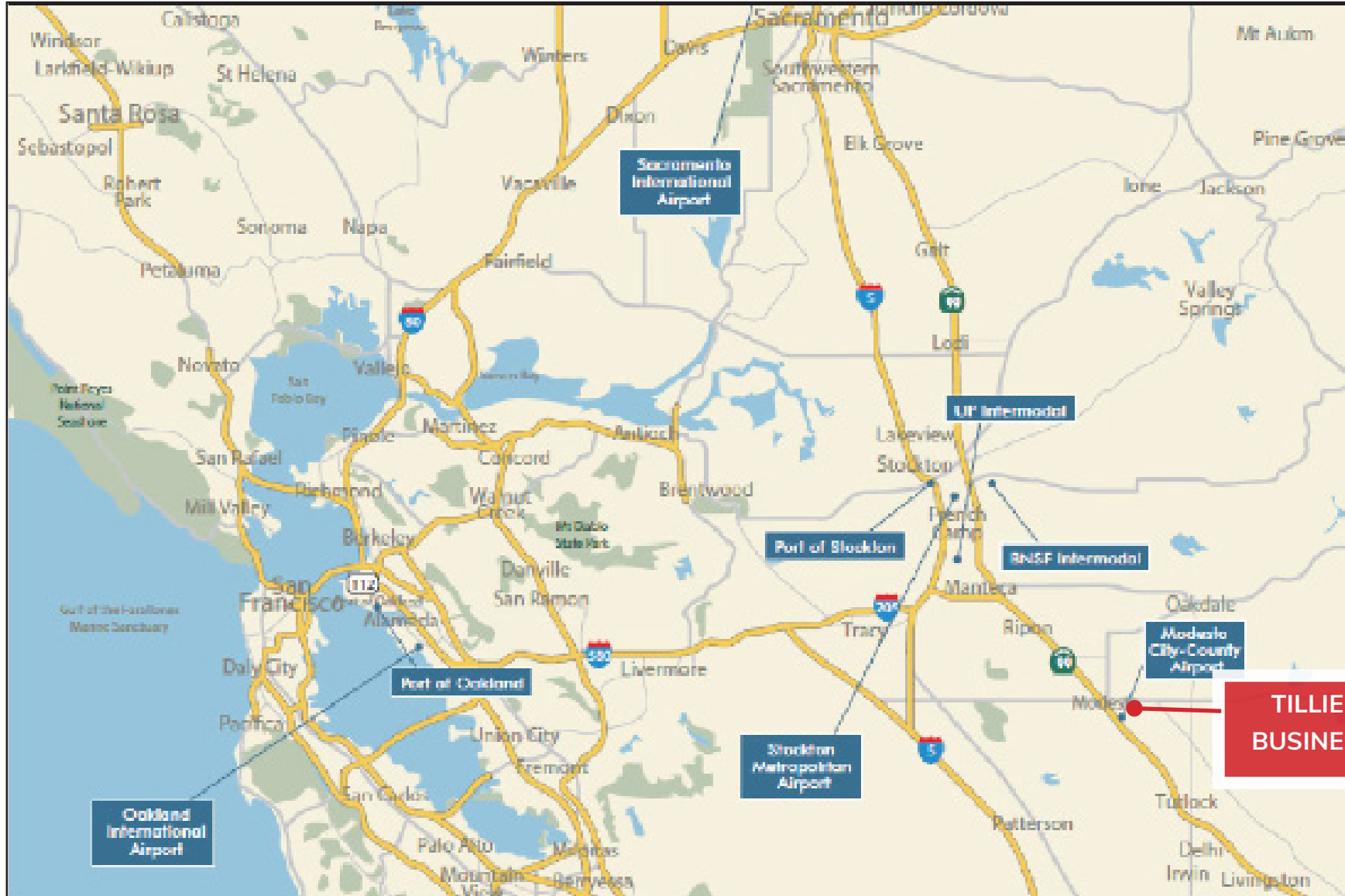
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## TILLIE LEWIS BUSINESS PARK - DOWNTOWN MODESTO



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## REGIONAL MAP



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## CONFIDENTIALITY AGREEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of TILLIE LEWIS BUSINESS PARK located at 301 9TH Street, Modesto, CA (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Lee and Associates Commercial Real Estate Services – Central Valley (“LEE”). The material and information in the Offering Memorandum are unverified. LEE has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic.

The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

LEE is not affiliated with, sponsored by, or endorsed by any lessee in the Offering Memorandum. The presence of any corporation’s logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by LEE. Owner and LEE expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered. If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum. A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or LEE or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property. This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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**LEE & ASSOCIATES IS THE LARGEST BROKER-OWNED COMMERCIAL REAL ESTATE FIRM IN NORTH AMERICA, AND ONE OF THE FASTEST GROWING!**

Since 1979, Lee & Associates has reimagined the way that commercial real estate companies should be structured. Each Lee & Associates office is owned and operated by its professionals. As shareholders of the company, this separates us from our competition and creates one common goal; to provide seamless, consistent execution and value-driven market-to-market services to our clients. To date this model has established over 70 offices across strategic commercial markets, comprised of over 1,500 professional resulting in over 32 billion in 2022 transaction volume.

Since 1994, Lee & Associates Central Valley Office has focused on providing clients primarily in Stanislaus and San Joaquin Counties with superior service and results. Our professionals are experienced in the sale and leasing of Industrial, Office, Retail, Commercial investment and Land. We utilize the latest marketing tools available to the industry.



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**SERVING CLIENTS THROUGHOUT THE CENTRAL VALLEY, INCLUDING:**



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