

2680 N TRACY BLVD | TRACY, CA 95376

# TRACY PARK PLAZA

OFFERING MEMORANDUM











# Tracy Park Plaza

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EXCLUSIVELY OFFERED BY:

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## Investment Summary

Tracy Park Plaza	
<b>Address</b>	2680 N Tracy Blvd
<b>City, State</b>	Tracy, CA
<b>Offering Price</b>	\$1,200,000
<b>Price/SF</b>	\$129.62
<b>Year 1 Cap Rate</b>	6.25%
<b>Year 1 NOI</b>	\$75,024
<b>Occupancy</b>	87%
<b>Rentable Square Feet</b>	±9,558
<b>Land Area</b>	±30,500 SF
<b>Parking</b>	(stalls)
<b>Year Built</b>	1986
<b>No. of Buildings</b>	One

### Currentl Tenant Roster

Tenant Name	SF	Lease Exp
Physician Focus	1,800	6/30/2019
Zen Spa	1,563	3/13/2017
Physician Focus	1,800	6/30/2019
Sky Transport Solutions	600	4/30/2017
Vacant (Seller will guarantee up to one year)	633	
Vacant (Seller will guarantee up to one year)	612	
Common Area	2,500	
<b>TOTAL SQUARE FEET</b>	<b>9,558</b>	

### INVESTMENT HIGHLIGHTS

**87% OCCUPIED** - Prominent location on a highly visible corner with a high traffic count

**SMALLER FOOTPRINT SUITES** - Helps minimize tenant improvement costs when turnover occurs

**EXCELLENT VISIBILITY AND ACCESS** - Close proximity to the Interstate 205 on/off ramps, which connects to Interstate 580 and Interstate 5

**DIVERSE TENANT MIX** - Directly across the street from Dollar Tree, Big Lots, Ace Hardware, U-Haul and Kelly-Moore Paints & Goodwill anchored shopping center

**STRUCTURAL IMPROVEMENTS** - The building was painted in 2014, and the roof and HVAC are in good condition

### Major Employers in Tracy, CA

Company	Employees
Safeway Distribution Center	2,000
Tracy Unified School District	1,600
Defense Distribution Depot San Joaquin	1,375
Sutter Tracy Community Hospital	1,300
City of Tracy	568
Taylor Farms Pacific	451
Owens-Illinois of NA	409

### Demographics

	1-Mile	3-Miles	5-Miles
Population	14,839	64,198	94,227
Households	4,500	18,630	27,000
Avg. Income	\$71,404	\$88,159	\$93,683

### Traffic Counts

Location	Count
N Tracy Blvd	27,507 AADT
Grant Line Rd	19,844 AADT



## Rent Roll

Suite	Tenant	SF	Commence Date	Expiration Date	\$/MO	\$/SF/MO	Lease Type	Building Pro Rata %
1	Physician Focus	1,800	7/1/2016	6/30/2019	\$2,400.00	\$1.33	M Gross	18.83%
2	Zen Spa	1,563	6/1/2014	3/13/2017	2,312.00	\$1.48	M Gross	16.35%
3	Physician Focus	1,800	7/1/2016	6/30/2019	\$2,400.00	\$1.54	M Gross	18.83%
4	Sky Transport Solutions	600	5/1/2015	4/30/2017	\$695.00	\$1.16	M Gross	6.28%
5	Vacant (Seller Will Guarantee)	633			\$854.00	\$1.35	M Gross	6.62%
6	Vacant (Seller Will Guarantee)	612			\$826.00	\$1.35	M Gross	6.40%
Common Area		2,250						26.68%
<b>Leased SF</b>		<b>9,558</b>	<b>100%</b>		<b>\$9,487.00</b>			<b>100.0%</b>
<b>Available SF:</b>		<b>0</b>	<b>0.0%</b>					
<b>Total SF</b>		<b>9,558</b>	<b>100%</b>		<b>\$113,844.00</b>			







# Property Description

Tracy Park Plaza (the "Property") is an approximate 9,558 square foot one-story multi-tenant office building located on North Tracy Boulevard in Tracy, California. The Property, is situated on a 30,500 SF parcel and is of wood frame construction on a concrete foundation. The building has recently undergone significant renovation including new paint on both the exterior and interior of the building, as well as exterior landscaping. The building has been well maintained, and offers an investor a stabilized investment with long-term upside as rents continue to grow. The property is located across the street from several national credit tenants, and is in close proximity to major freeway access.

## Location

The site is situated along North Tracy Blvd and Grant Line Road

## Address

2680 N Tracy Blvd, Tracy, CA 95376

## Rentable Square Feet

±9,558

## Site Area

±30,500 SF

## Assessor's Parcel Number

214-470-06

## Type of Ownership

Fee Simple

## Year Built

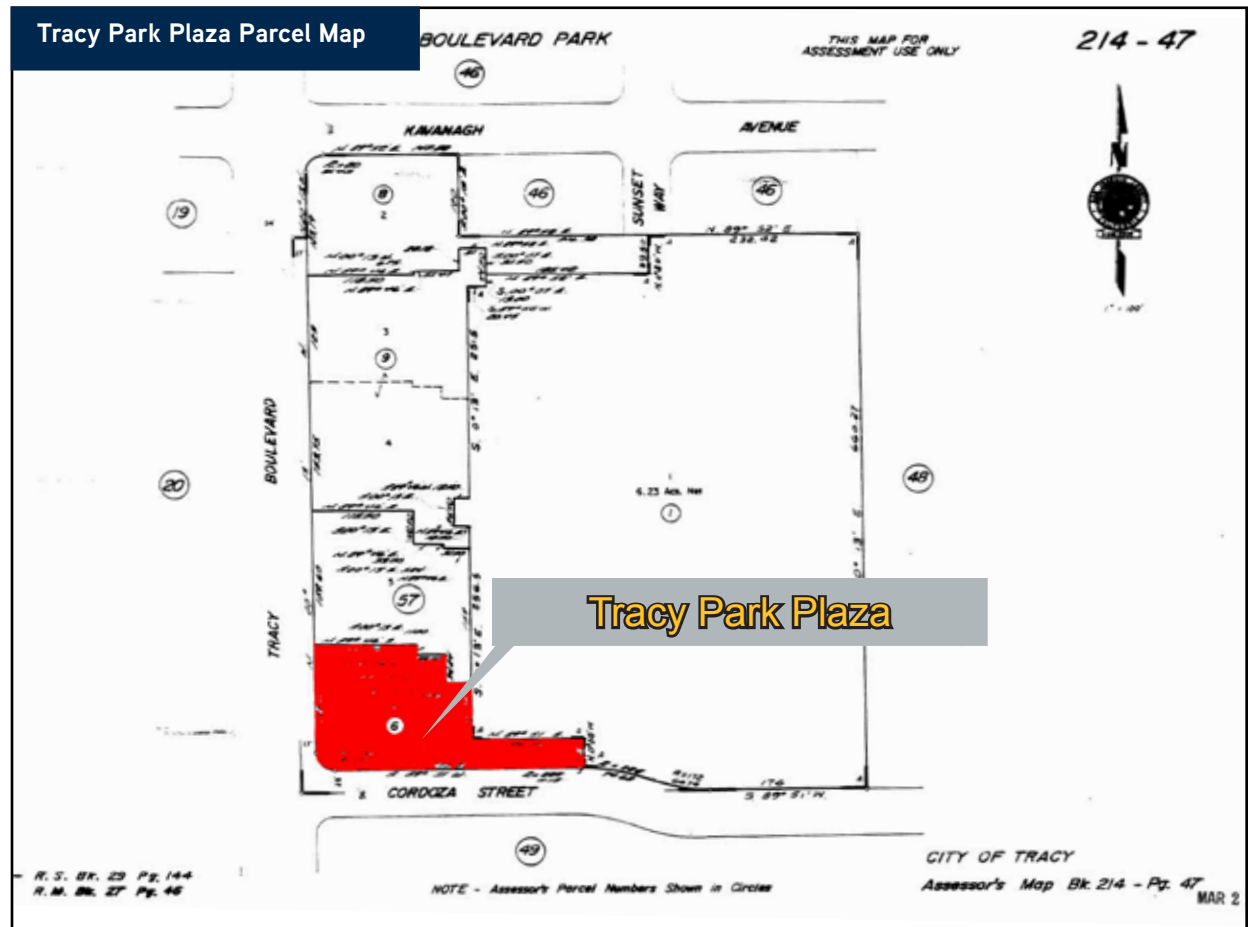
1986

## Parking

3.5 | 1,000 parking ratio

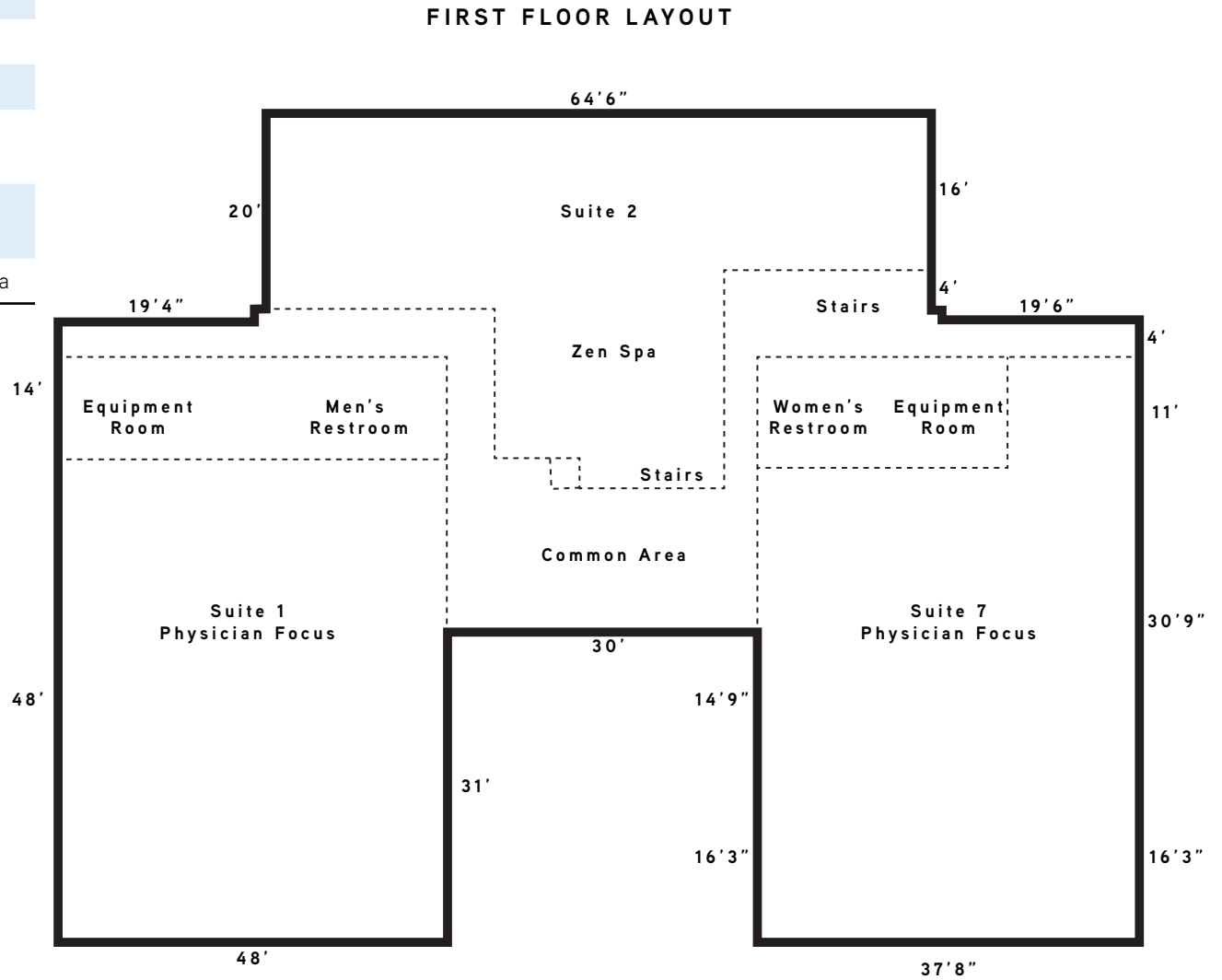
## No. of Buildings

One



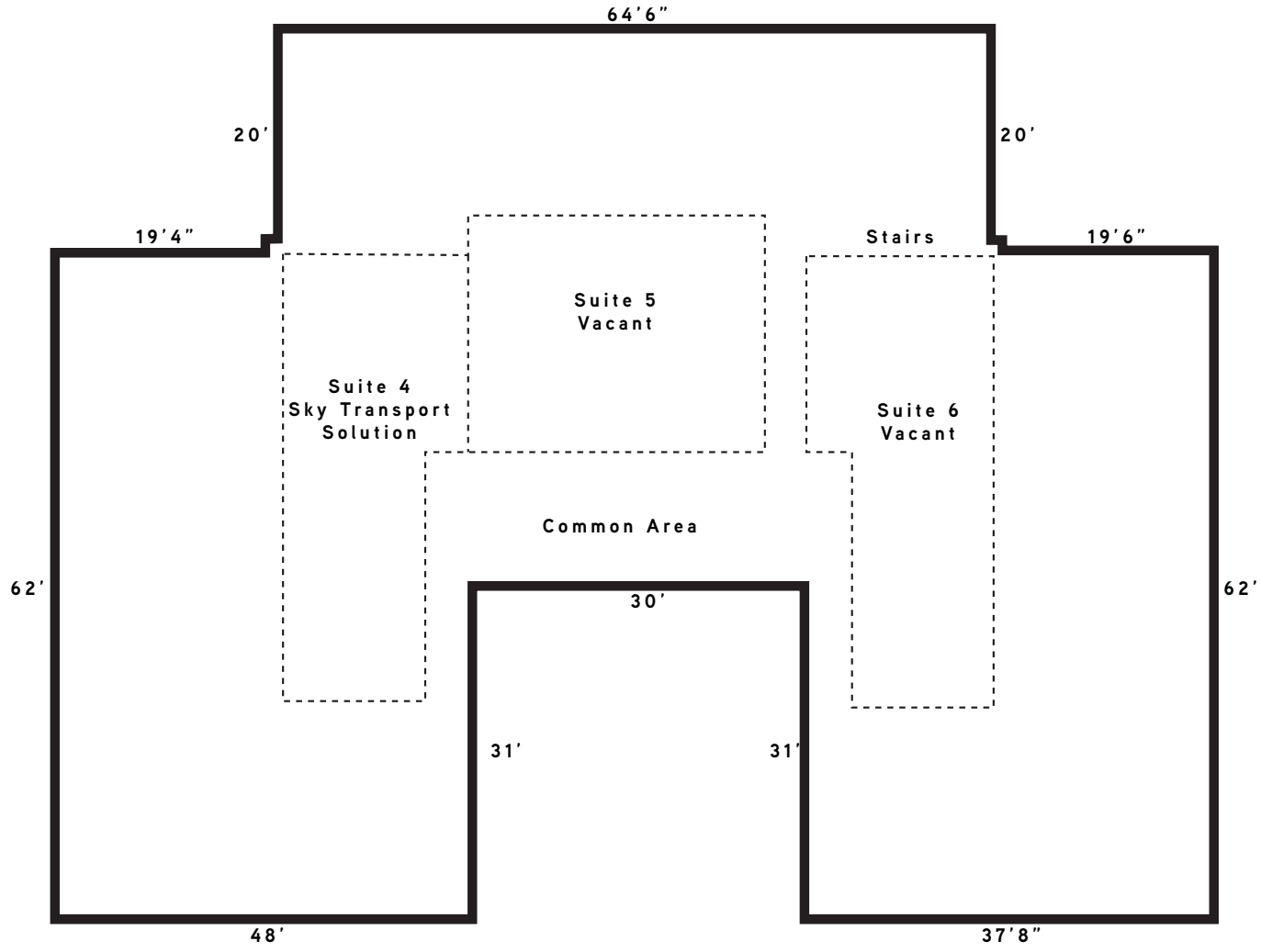
## Tenant Roster

Tenant Name	SF	Suite
Physician Focus	1,800	1
Zen Spa	1,563	2
Physician Focus	1,800	3
Sky Transport Solutions	600	4
Vacant (Seller will guarantee up to one year)	633	5
Vacant (Seller will guarantee up to one year)	612	6
	2,250	Common Area





SECOND FLOOR LAYOUT





## Location Overview





## The Central Valley

California's Central Valley is a large, flat valley that dominates the geographical center of California. It is 40 to 60 miles wide and stretches approximately 450 miles from north-northwest to south-southeast, inland from and parallel to the Pacific Ocean coast. It covers approximately 22,500 square miles, about 13.7% of California's total land area (slightly smaller than the state of West Virginia), and is home to some of California's most productive agricultural areas.

The Central Valley comprises multiple major watershed systems: the Sacramento Valley, which receives well over 20 inches of rain annually, in the north, and the drier San Joaquin Valley in the south, with the Tulare Basin and its semi-arid desert climate at the southernmost end. The Sacramento and San Joaquin river systems drain their respective valleys and meet to form the Sacramento-San Joaquin River Delta, a large expanse of interconnected canals, stream beds, sloughs, marshes and peat islands. The delta empties into the San Francisco Bay, and then ultimately flows into the Pacific. The waters of the Tulare Basin essentially never flow to the ocean, though they are connected by man-made canals to the San Joaquin and could drain there again naturally if they were ever to rise high enough.



The valley encompasses all or parts of 18 Northern California counties: Butte, Colusa, Glenn, El Dorado, Fresno, Kings, Madera, Merced, Placer, San Joaquin, Sacramento, Shasta, Stanislaus, Sutter, Tehama, Tulare, Yuba, Yolo, and the Southern California county of Kern.

## City of Tracy

Tracy is the second most populated city in San Joaquin County within the Central Valley, and sits near both fertile and (due to a region of hills west of Tracy) infertile agricultural lands. Some of this land (in the east and mostly north of Tracy because of the moist Delta river system) has come under increasing development pressure as the San Francisco Bay Area's vigorous population growth has spilled over into the Tracy area as well as other locations such as the new town of Mountain House (because of TRAQC's Measure A in 1990) near the Bay Area's edge.

In an effort to reduce its impact on the environment, the city launched the Emerald Tracy Project in September 2009. City spokesman Matt Robinson said that if it succeeds, Tracy will be the second city after Riverside to satisfy the state's goal for sustainable communities.



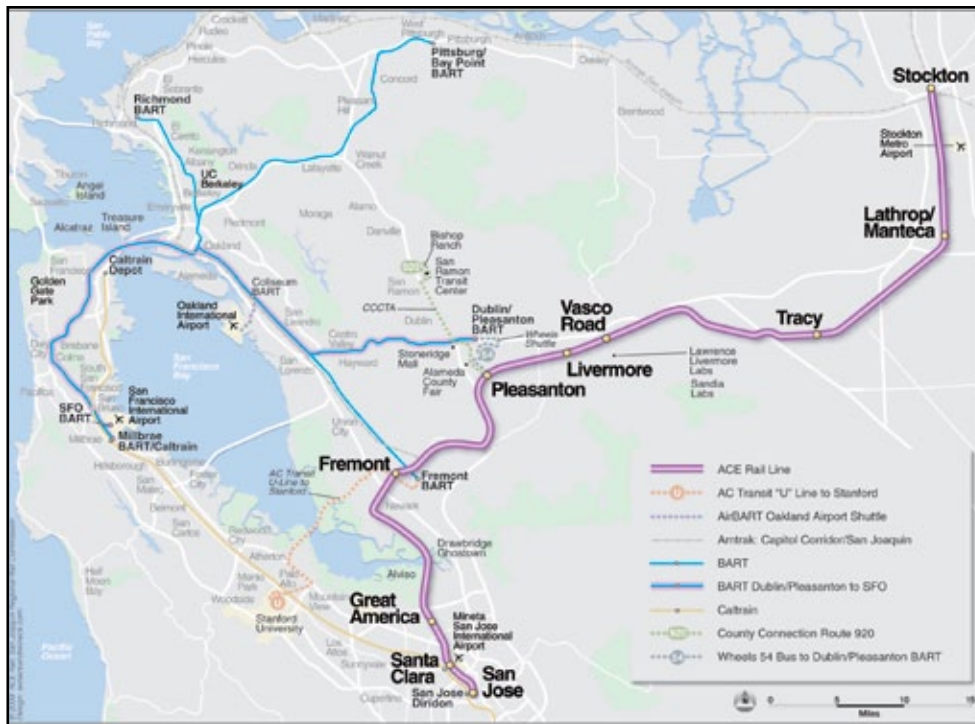


## Transportation

The Altamont Corridor Express (also known as ACE) is a commuter rail service in California connecting Stockton and San Jose.

ACE (Altamont Corridor Express) is located within close proximity (Just over 2 miles) from the subject property. ACE has over 4,400 commuters daily and makes several stops to Tracy, Manteca, Stockton, Pleasanton, Fremont, Santa Clara and San Jose.

Several major rail carriers provide local companies and residents with connections to a large railway network. Both the BNSF and UP intermodal facilities play a major role in this effort. The UP intermodal facility is located in Lathrop, between I-5 and CA-99 just south of Stockton. The new \$248 million expansion of its yard will increase capacity from 270,000 to 400,000 containers by the end of 2013 and to over 730,000 containers annually at full capacity.



## Points of Interest

### LEGACY FIELDS

Legacy Fields is a 166-acre sports park that will include gated field sites for baseball, softball, soccer, football and many other activities. It will be located on North Tracy Boulevard. It broke ground in May of 2013. The first phase of the park will include an approximate \$11.7 million investment on approximately 70 acres and will be home to many organizations such as the Tracy Futbol Club, Tracy Youth Soccer League, Tracy Babe Ruth Baseball League, Tracy Little League, and many more.

### AMAZON

Tracy is the new home to Amazon's third California fulfillment center. Occupying approximately 1 million square feet of space, Amazon is expecting to bring an estimated 1,000 new jobs to Tracy. The site will online. ware, and Safeway.

### CORDES RANCH

Cordes Ranch, which has been added to the city of Tracy's Sphere of Influence (SOI), is a 1,600 acre development. The proposed land use planning includes a mixed use of General Commercial Retail, Highway Commercial, General Industrial, Limited Industrial and open space. The project is one element of Tracy's General Plan and vision to create a balance of new retail and job creating commercial development.

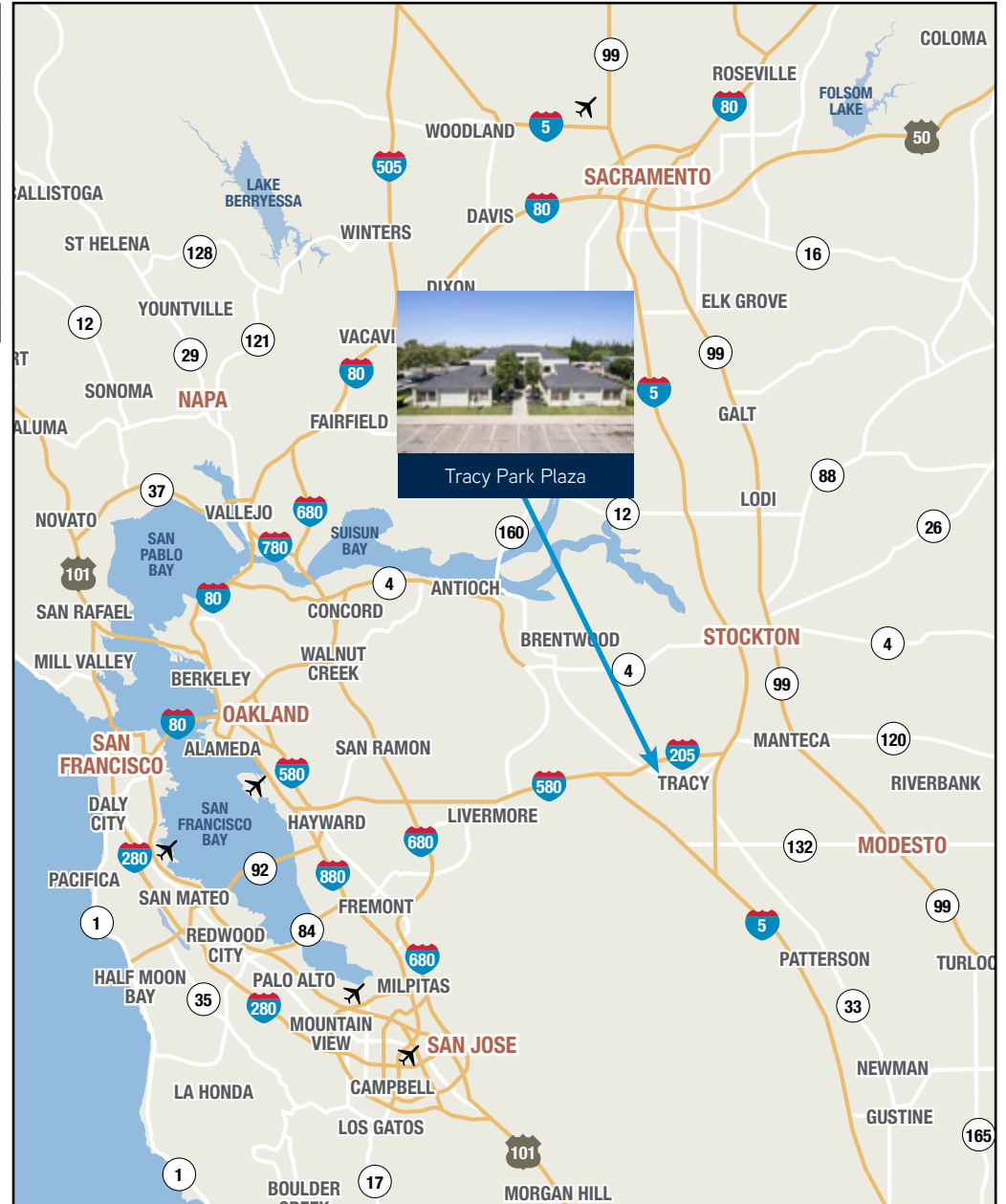


## Demographics

POPULATION		1 Mile	3 Mile	5 Mile
	<b>Total Daytime Population</b>	<b>16,697</b>	<b>64,662</b>	<b>87,907</b>
2000 Population	14,101	49,455	62,733	
2010 Population	14,429	61,617	89,806	
2015 Population	14,839	64,198	94,227	
2020 Population	15,012	67,120	100,251	
% Population Change 2000 to 2010	2.33%	24.59%	43.16%	
% Population Change 2000 to 2015	5.23%	29.81%	50.20%	
% Population Change 2015 to 2020	1.17%	4.55%	6.39%	

HOUSEHOLDS		1 Mile	3 Mile	5 Mile
	2000 Households	4,618	15,442	19,448
2010 Households	4,494	18,392	26,504	
2015 Households	4,500	18,630	27,000	
2020 Households	4,528	19,301	28,464	
% Household Change 2010 to 2020	.76%	4.94%	7.40%	

INCOME		1 Mile	3 Mile	5 Mile
	\$35,000 to \$39,999	6.8%	4.5%	4.1%
\$40,000 to \$44,999	4.5%	3.5%	3.1%	
\$45,000 to \$49,999	5.2%	5.2%	4.9%	
\$50,000 to \$59,999	10.5%	8.2%	7.7%	
\$60,000 to \$74,999	10.0%	10.7%	10.4%	
\$75,000 to \$99,999	14.8%	14.0%	14.5%	
\$100,000 to \$124,999	11.0%	12.8%	13.7%	
\$125,000 to \$149,999	5.4%	7.1%	7.8%	
\$150,000 to \$199,999	5.3%	9.3%	10.3%	
\$200,000 or more	1.5%	4.0%	4.8%	
<b>2015 Average Household Income</b>	<b>\$71,404</b>	<b>\$88,159</b>	<b>\$93,683</b>	
<b>2015 Median Household Income</b>	<b>\$58,022</b>	<b>\$71,153</b>	<b>\$76,908</b>	
<b>2015 Per Capita Income</b>	<b>\$21,864</b>	<b>\$25,702</b>	<b>\$26,959</b>	







# Tracy Park Plaza

NORTHGATE CENTER

**carter's**  
RESTAURANT  
EL TAPATIO  
Mexican Restaurant

NORTH  
ELEMENTARY

WEST  
VOLLEY  
BALL





WEST VALLEY MALL



JACOBSON ELEMENTARY

# Tracy Park Plaza



N. TRACY BOULEVARD



GRANT LINE ROAD



## Financial Overview

### Introduction

Tracy Park Plaza is being offered on an “as-is” basis. All investors should base their offer under the current conditions present at the Property.

Purchase Price		\$1,200,000	
		Current	Proforma
CAP Rate		6.25%	6.86%
Price/Building SF		\$129.62	\$129.62
Price/Land SF		\$39.35	\$39.35
Cash on Cash	After Debt Service	5.91%	7.44%



## Current Income & Expense

Tenant	SF	\$/MO	\$/SF/MO	Current	Proforma	Proforma/\$/ft
Physician Focus	1,800	\$2,400.00	\$1.33	\$28,800	\$31,320	\$1.45
Zen Spa	1,563	2,313.00	\$1.48	\$27,756	\$27,196	\$1.45
Physician Focus	1,800	\$2,400.00	\$1.33	\$28,800	\$31,320	\$1.45
Sky Transport Solutions	600	\$695.00	\$1.16	\$8,340	\$10,440	\$1.45
Vacant (Seller Will Guarantee)	633	\$854.00	\$1.35	\$10,248	\$11,006	\$1.45
Vacant (Seller Will Guarantee)	612	\$826.00	\$1.35	\$9,912	\$10,649	\$1.45
Common Area	2,250					
	<b>9,258</b>	<b>\$9,488</b>	<b>\$1.02</b>	<b>\$113,856</b>	<b>\$121,931</b>	
Property Tax (Del Valle Produce)	36%					
<b>Gross Potential Income</b>				<b>\$113,856</b>	<b>\$121,931</b>	
Vacancy	4%			(\$4,613)	(\$4,877)	
<b>Effective Gross Income</b>				<b>\$109,243</b>	<b>\$117,053</b>	
<b>OPERATING EXPENSES</b>						
New Property Taxes (1.1%)+ \$1,074 Assmts				\$14,200	\$14,200	
Landscape				\$2,400	\$2,400	
Janitorial				\$3,000	\$3,000	
Management Fee (4.5%)	4.50%			\$5,000	\$5,487	
Insurance				\$1,787	\$1,787	
Repairs & Maintenance				\$2,500	\$2,500	
Utilities/Water (Common Area)				\$2,400	\$2,400	
Garbage				\$2,032	\$2,032	
Supplies				\$900	\$900	
<b>Total Operating Expenses</b>			<b>\$3.70</b>	<b>\$34,219</b>	<b>\$34,706</b>	
NOI				\$75,024	\$82,347	
<b>Purchase Price: \$1,200,000</b>			<b>\$129</b>			





## CONFIDENTIALITY & DISCLAIMER

This Confidential Offering Memorandum (the “Memorandum”) has been prepared and presented to the recipient (the “Recipient”) by Colliers International (“Colliers”) as part of Colliers’ efforts to market for sale the real property located at 2680 N Tracy Blvd, Tracy, California (the “Property”). Colliers is the exclusive agent and broker for the owner(s) of the Property (the “Owner”). Colliers is providing this Memorandum and the material contained in it to the Recipient solely to assist the Recipient in determining whether the Recipient is interested in potentially purchasing all or part of the Property. Colliers also is providing this Memorandum and the material in it to the Recipient with the understanding that the Recipient will independently investigate those matters that it deems necessary and appropriate to evaluate the Property and that the Recipient will rely only on its own investigation, and not on Colliers, the Owner or this Memorandum, in determining whether to purchase the Property. The Recipient’s use of this Memorandum and the material in it is strictly governed by the terms and conditions of the Registration and Confidentiality Agreement that the Recipient previously executed and delivered to Colliers.

### PLEASE NOTE THE FOLLOWING:

Colliers, the Owner and their respective agents, employees, representatives, property managers, officers, directors, shareholders, members, managers, partners, joint venturers, corporate parents or controlling entities, subsidiaries, affiliates, assigns and predecessors and successors-in-interest make no representations or warranties about the accuracy, correctness or completeness of the information contained in this Memorandum. The Recipient is urged not to rely on the information contained in this Memorandum and to make an independent investigation of all matters relating to the Property.

This Memorandum includes statements and estimates provided by or to Colliers and/or the Owner regarding the Property. Those statements and estimates may or may not be accurate, correct or complete. Nothing contained in this Memorandum should be construed as a representation or warranty about the accuracy, correctness or completeness of such statements and estimates. Further, nothing contained in this Memorandum should be construed as representation or warranty about any aspect of the Property, including, without limitation, the Property’s (1) past, current or future performance, income, uses or occupancy, (2) past, current or prospective tenants, (3) physical condition, (4) compliance or non-compliance with any permit, license, law, regulation, rule, guideline or ordinance, or (5) appropriateness for any particular purpose, investment, use or occupancy. Again, the Recipient is urged not to rely on this Memorandum and the statements and estimates in it and to make an independent investigation regarding the Property and the statements and estimates contained herein.

This Memorandum may include statements regarding, references to, or summaries of, the nature, scope or content of contracts and/or other documents relating to the Property. Those statements, references or summaries may or may not be accurate, correct or complete. Additionally, Colliers may not have referenced or included summaries of each and every contract and/or other document that the Recipient might determine is relevant to its evaluation of the Property. Nothing contained in this Memorandum should be construed as a representation or warranty about the accuracy, correctness or completeness of such statements, representations or summaries. On request and as available, and subject to the Owner’s consent, Colliers will provide the Recipient with copies of all referenced contracts and other documents. Colliers assumes no obligation to supplement or modify the

information contained in this Memorandum to reflect events or conditions occurring on or after the date of its preparation of this Memorandum.

This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, an interest in the Property. Nothing contained in this Memorandum may be construed to constitute legal or tax advice to a Recipient concerning the Property.

More detailed information regarding the anticipated terms, conditions and timing of any offering by the Owner relating to the Property will be provided in due course by separate communication. Colliers and/or the Owner reserve the right to engage at any time in discussions or negotiations with one or more recipients of this Memorandum and/or other prospective purchasers of the Property without notice or other obligation to the Recipient.

The Owner reserves the right to change the terms of any offering relating to the Property or to terminate without notice that offering. The Owner also reserves the right to operate the Property in its sole and absolute discretion prior to the completion of any sale of the Property. Colliers reserves the right to require the return of this Memorandum and the material in it and any other material provided by Colliers to the Recipient at any time. Acceptance of this Memorandum by the Recipient constitutes acceptance of the terms and conditions outlined above.



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