

JOHN DEERE | BELKORP AG FULL-SERVICE DEALERSHIP

MODESTO, CALIFORNIA

SALE-LEASEBACK

OFFERING MEMORANDUM



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 **CUSHMAN &
WAKEFIELD**
— NET LEASE GROUP —

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Investment Offering & Highlights

The Property

- A full-service John Deere equipment dealership featuring a 5.71 acre lot containing two metal frame industrial buildings totaling 33,080 square feet, ample on site customer parking and substantial outdoor secured yard areas for tractor and equipment sales and service, located on the northwest corner of Crows Landing Rd and W Whitmore Ave in Modesto, CA, leased to Belkorp AG, LLC for 10 years from close of escrow

Lease / Tenant

- Long term 10 year absolute net lease with no landlord responsibilities
- Excellent rent growth and inflation hedge with 2% annual increases
- Belkorp Ag is the exclusive John Deere agricultural equipment dealer and service provider for the North Coast and Central California
- A full-service dealership operation including service, parts, retail, sales and office components
- John Deere is the agricultural equipment market leader in California and has a market cap of approximately \$120 Billion

Real Estate / Area Strengths

- Large rectangular graded lot at almost 6 acres with significant redevelopment potential – covered land play
- Established location with long term operating history of 40+ years
- Strong real estate fundamentals with rent at market and large lot size
- Hard corner site on high traffic signalized intersection with strong daily traffic counts
- Multiple points of ingress/egress off W Whitmore Ave and Crows Landing Road
- Located in major industrial corridor surrounded by industry leading manufacturing, distribution and logistics tenants
- Strategic location for tenant's customer base amidst one of the most important and high-volume agricultural regions in the world in California's Central Valley
- Highway 99 is easily accessible via Whitmore Ave or Crows Landing Road
- Across the street from the E&J Gallo bottling plant – one of the largest wine producers in the world with an annual supply of 35 billion bottles

Asking Price: \$6,545,000 - 5.50% Cap Rate



Investment Overview

Location

2413 Crows Landing Road, Modesto, CA 95358

Lot Size

Approximately 5.71 acres – 248,728± square feet

Improvements

Constructed in 1980, two metal frame industrial buildings (one with partial masonry façade) comprising 33,080 square feet in total (30,080 sq. ft. of net rentable area), with approximately 16 foot clear height. There is substantial fenced-in, graded yard space for tractors and agricultural machinery sales, service and parts repair, staging, and asphalt customer parking area.

Zoning

P-D (Planned Development)

Lease

Leased to **BELKORP AG, LLC** for 10 years from close of escrow with three five-year renewal options. The initial annual rent of \$360,000 increases by 2% annually throughout the lease. The lease is absolute net with the tenant responsible for all taxes, insurance, maintenance and repair, including roof, structure and parking lot. The renewal option rents shall be Fair Market Value, not less than 95% or greater than 110% of the previous year’s rent, with 2% annual increases.

Rent Schedule (Primary Term)

Lease Year(s)	Monthly Rent	Annual Rent	Cap Rate
1	\$30,000	\$360,000	5.50%
2	\$30,600	\$367,200	5.61%
3	\$31,212	\$374,544	5.72%
4	\$31,836	\$382,035	5.84%
5	\$32,473	\$389,676	5.95%
6	\$33,122	\$397,469	6.07%
7	\$33,785	\$405,418	6.19%
8	\$34,461	\$413,527	6.32%
9	\$35,150	\$421,797	6.44%
10	\$35,853	\$430,233	6.57%

Asking Price: \$6,545,000 - 5.50% Cap Rate

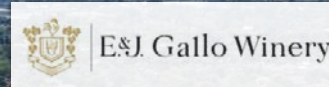
Current Rent Per Square Foot (Net Rentable Area of Building)

\$11.97 net per year - \$1.00 net per month





ENTEKRA



SC FUELS

FERGUSON

CROWS LANDING ROAD

W WHITMORE AVE

Site Location

The John Deere - Belcorp Ag property is located on the northwest corner of the high traffic signalized intersection of Crows Landing Rd and W Whitmore Ave in Modesto, CA. The surrounding area is a major commercial and industrial corridor, and across the street is a bottling plant for E&J Gallo – the largest wine producer in the world with over 36 billion bottles produced annually. National tenants located in the immediate area include FedEx Freight, The Home Depot, Ferguson, Bimbo Bakeries, Coca-Cola, Conagra, Slakey Brothers, Saddle Creek Logistics, Starbucks, Auto-Zone and ARCO AmPm, to name a few.

Aerial

DRYDEN PARK
GOLF COURSE

W HATCH RD

CROWS LANDING RD

99

THE HOME DEPOT
ROSS
sears

E HATCH RD

JOHN DEERE
BELKORP AG

31,278
CARS PER DAY

FAIRVIEW
PARK

ARCO
ampm

ExtraSpace
Storage

JACK
IN THE
BOX

FERGUSON

SC FUELS

SaddleCreek
LOGISTICS SERVICES

DOT

CONAGRA
FARAFLEX

ENTEKRA

MINERALS

MINERALS

PENSKE

BIG 5
SPORTING GOODS
verizon
DOLLAR TREE
COST LESS
FOOD COMPANY
99¢ only

ups

W WHITMORE AVE

E WHITMORE AVE

STARBUCKS
COFFEE
BURGER KING
AutoZone

DOLLAR
GENERAL

McDonald's

E&J Gallo Winery

CROWS LANDING
FLEA MARKET



Site Photos



Northwest View



W WHITMORE AVE

CROWS LANDING ROAD

Belkorp AG, LLC

Since 2011, **Belkorp Ag**, LLC, part of the Belkorp Group of Companies, has been the trusted dealer of John Deere agricultural equipment for customers from all over the North Coast and Central California and currently operates 7 locations. Prior to Belkorp Ag, each of these locations has been operating as a John Deere dealership for 40+ years, and John Deere has been selling agricultural equipment in California for over 100 years.

Whether its customers run a large scale farming operation, or are looking for a tractor to maintain their land or simply need to rent a piece of equipment, Belkorp Ag's employees will help get exactly what is needed to do the job right. Belkorp Ag is committed to lowering risks and improving profitability and they achieve this by focusing on the following areas:

UPTIME

- More than 70 highly trained technicians, all equipped with laptops, available to keep customers running
- On call 24/7 even on holidays when customers are in the field
- The largest parts inventory on hand in the area with their John Deere Parts Distribution Center located nearby in Lathrop, CA
- Daily parts drop offs throughout the entire trade area on a daily basis by Belkorp Ag's own fleet of dedicated Parts Vans
- 4 Dedicated Product Support Field Representatives dedicated to keeping its customers in the field

TECHNOLOGY

A dedicated staff of Highly Educated Technology/Agronomy Specialists committed to keeping customers on the leading edge of technology.

- Field Pro's stationed in the field to provide hands-on support for products Belkorp Ag sell
- Dedicated Call Center staff with full-time specialists actively monitoring customer questions and concerns

Product offerings include:

- Agronomic Business Support and Data Interpretation
- Machine Optimization
- Technology Support
- Cutting edge new products such as Wireless Data Transfer, and MyJohnDeere data storage capabilities from John Deere

For more information visit www.belkorpag.com.



Regional Map

Demographics				
2021 Summary	88	1 mile	3 miles	5 miles
Population		13,680	95,288	171,046
Households		3,008	25,010	51,343
Families		2,658	20,279	38,339
Average Household Size		4.36	3.75	3.28
Owner Occupied Housing Units		1,738	12,653	27,332
Renter Occupied Housing Units		1,270	12,358	24,011
Median Age		28.3	29.7	32.1
Median Household Income	4	\$51,457	\$44,276	\$50,939
Average Household Income		\$61,163	\$57,968	\$67,831






Modesto, California



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, Royal Robbins, 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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Site Plan



CROWS LANDING ROAD

W WHITMORE AVE

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