

250 Tank Farm Rd

SAN LUIS OBISPO, CA

For **SALE** or **LEASE**

Six Highly Improved Parcels of C-S Zoned Land

"The Link" Development

Subject

Tank Farm Road — 18,876 VPD

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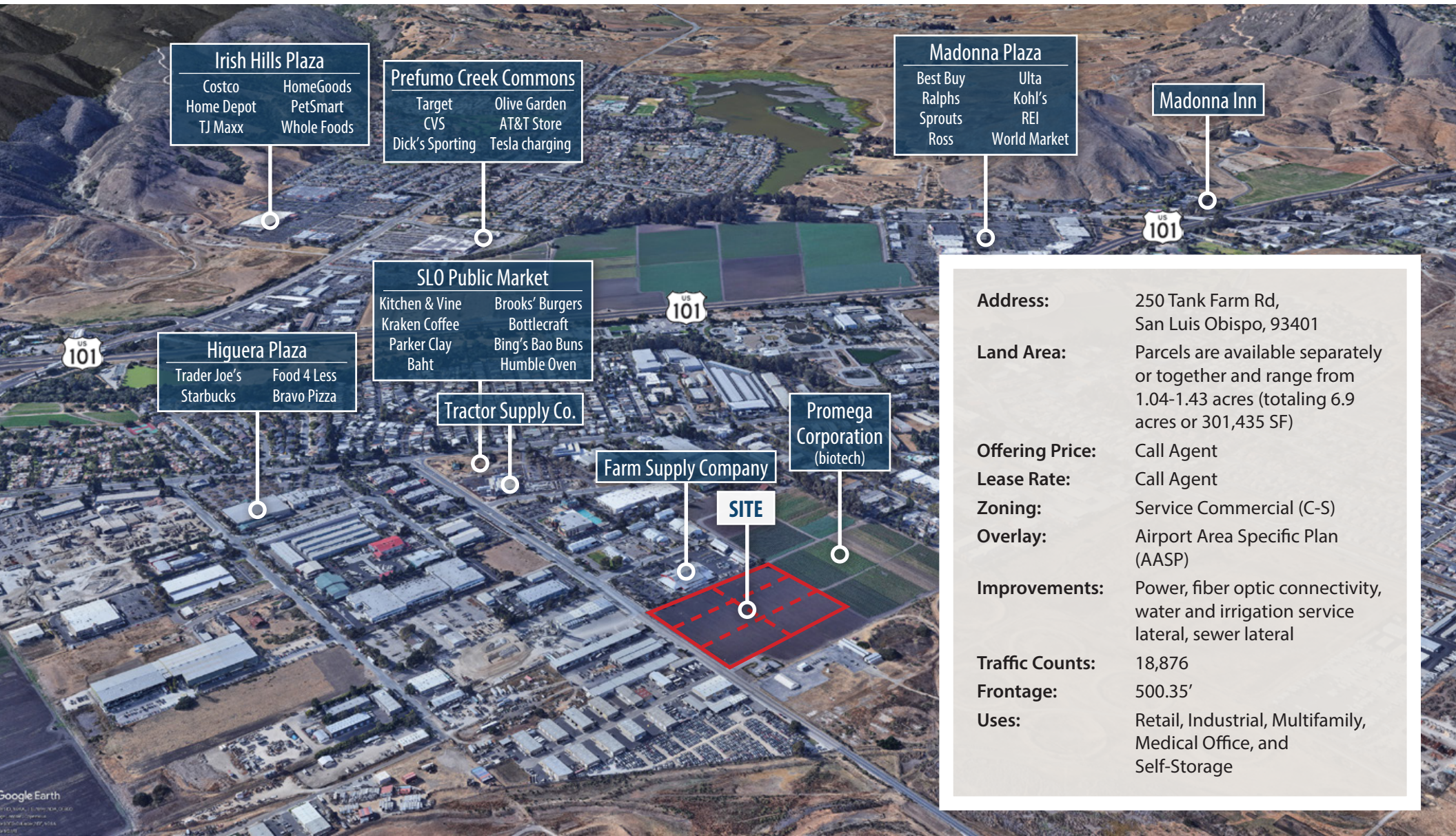
 **Hayes**
COMMERCIAL GROUP

The information contained herein has been obtained from the owner of the property or from other sources deemed reliable. We have no reason to doubt its accuracy, but we do not guarantee it.

9/13/23

PROPERTY SUMMARY

Hayes Commercial Group introduces an exclusive opportunity to acquire or lease six highly improved parcels (together or separately) spanning 1.04 to 6.9 acres, featuring flexible Service Commercial (CS) zoning in a dynamic region of San Luis Obispo, California. These parcels are strategically located within one of California's top 10 fastest-growing counties, and they benefit from Tank Farm Road—an essential east/west transportation corridor connecting Higuera St and Broad St thoroughfares. Moreover, Tank Farm Road's proximity to four expansive developments promises to enhance traffic flow to the area, amplifying the Property's versatile potential. Engineered soils on each parcel, along with redundant fiber optic connectivity, ample power, and connection to City services, establish an optimal environment for diverse applications, encompassing retail, industrial, multifamily, medical office, and self-storage. With the Property positioned at the epicenter of growth and offering the flexibility of purchase, ground lease, or build-to-suit arrangements, it stands out as an alluring opportunity for investors, developers, and businesses aiming to harness the upward trajectory of San Luis Obispo's growth.



Irish Hills Plaza
Costco
Home Depot
TJ Maxx
HomeGoods
PetSmart
Whole Foods

Prefumo Creek Commons
Target
CVS
Dick's Sporting
Olive Garden
AT&T Store
Tesla charging

Madonna Plaza
Best Buy
Ralphs
Sprouts
Ross
Ulta
Kohl's
REI
World Market

Madonna Inn

SLO Public Market
Kitchen & Vine
Kraken Coffee
Parker Clay
Baht
Brooks' Burgers
Bottlecraft
Bing's Bao Buns
Humble Oven

Higuera Plaza
Trader Joe's
Starbucks
Food 4 Less
Bravo Pizza

Tractor Supply Co.

Farm Supply Company

Promega Corporation (biotech)

SITE

Address: 250 Tank Farm Rd, San Luis Obispo, 93401

Land Area: Parcels are available separately or together and range from 1.04-1.43 acres (totaling 6.9 acres or 301,435 SF)

Offering Price: Call Agent

Lease Rate: Call Agent

Zoning: Service Commercial (C-S)

Overlay: Airport Area Specific Plan (AASP)

Improvements: Power, fiber optic connectivity, water and irrigation service lateral, sewer lateral

Traffic Counts: 18,876

Frontage: 500.35'

Uses: Retail, Industrial, Multifamily, Medical Office, and Self-Storage

INVESTMENT HIGHLIGHTS

Flexible Zoning

With flexible Service Commercial (CS) zoning, the property provides a versatile canvas for various usage options, including but not limited to retail, industrial, multifamily, medical office, and self-storage, which caters to a wide range of investor/developer/user preferences.

Infrastructure & Utility Advantage

The parcels offer a distinct infrastructure and utility advantage, boasting graded terrain enhanced with engineered soils. Notably, the property features a suite of utility improvements including redundant fiber optic connectivity, a Domestic Water Service Lateral, an Irrigation Service Lateral, a Sewer Lateral, and seamless access to ample power and various other San Luis Obispo City services. This comprehensive infrastructure foundation serves as a catalyst for streamlined development and operational efficiency, thereby minimizing initial expenses and fortifying the property's sustained long-term viability.

Proximity to New Developments & Market Growth

Benefiting from San Luis Obispo's rapid growth trajectory and adjacency to four expansive new developments along Tank Farm Road, a key east/west transportation corridor, the property's prime location is set to attract an increase in traffic and visibility, boosting its potential for growth and value appreciation.

Tenant Attraction

The property's exceptional location, combined with the anticipated influx of traffic from nearby developments, makes it an attractive destination for potential tenants and businesses seeking high visibility and accessibility.

Flexibility of Investment

Investors can choose from a range of investment strategies, including acquisition, leasing, or custom development through build-to-suit arrangements, tailored to their specific goals and risk tolerance.

Diverse Revenue Streams

The property's varied potential uses enable investors to diversify revenue streams, mitigating risk and capitalizing on multiple market segments, thereby strengthening the property's overall investment appeal.

Parcel 2
1.12 acres
48,814 SF

Parcel 4
1.04 acres
45,247 SF

Parcel 6
1.43 acres
62,156 SF

Parcel 1
1.12 acres
48,864 SF

Parcel 3
1.04 acres
45,364 SF

Parcel 5
1.15 acres
49,967 SF

PRIVATE RECIPROCAL VEHICULAR ACCESS,
RECIPROCAL PEDESTRIAN ACCESS &
DRAINAGE EASEMENTS AND FUE OVER ALL
OF PARCELS 1 THROUGH 6, INCLUSIVE.
EXCLUDING BUILDING LOCATIONS FOR THE
USE AND BENEFIT OF THE PRESENT AND FUTURE
PARCEL OWNERS OF PARCELS 1 THROUGH 6.

RESTRICTED EASEMENT AREA PER
DOC. NO. 2003119290

PUBLIC ROAD AND SLOPE EASEMENT
PER DOC. NO. 199-015642
FOR 1" P W/ TAG "LS 3671" PER R3

TANK FARM ROAD

SEWERLINE & DRAINAGE BASE
PER DOC. NO. 2008119290

VANGUARD WAY

SUELDO STREET

INNOVATION WAY

Address:	250 Tank Farm Rd, San Luis Obispo CA 93401
County:	San Luis Obispo
Land Size:	Parcels are available separately or together and range from 1.04-1.43 acres (totaling 6.9 acres or 301,435 SF)
Improvements:	Power, fiber optic connectivity, water and irrigation service lateral, sewer lateral
APN:	053-251-074 through -079; 053-251-083 through -084
Zoning:	Service Commercial (C-S)
General Plan:	Services & Manufacturing
Overlay:	Airport Area Specific Plan (AASP)
County Overlay:	Airport Land Use Plan (ALUP)
Dimensions:	Front 500.35' x left Side 574.06' x Back 560.47' x Right Side 516.14' (approximate)
Traffic Count:	18,876 CPD
Frontage:	500.35' along Tank Farm Road

C-S ZONING

The Commercial Service (C-S) zone is intended to provide for a wide range of service and manufacturing uses to meet local needs and some demands of the region, including services, limited retail, and other business service uses that may be less appropriate in the city's other commercial zones. The C-S zone is also intended to accommodate certain storage, transportation, wholesaling, and light manufacturing uses. The C-S zone is intended to be applied primarily to areas that have more public exposure on arterial streets than areas reserved for manufacturing uses.

Uses

Allowed

- Laboratory medical, analytical, research, testing
- Warehousing
- Wholesaling and Distribution
- Equipment rental
- Repair service - Equipment, large appliances, etc
- Fitness/health facility
- Auto and vehicle sales and rental
- Vehicle services - Repair and maintenance
- Building and landscape materials sales
- Farm supply and feed store
- Veterinary clinic-hospital, boarding, small animal
- Warehouse stores
- Ambulance, taxi, and/or limousine dispatch facility

Allowed by Administrative Use Permit

- Industrial research and development
- Manufacturing
- Storage yard

- Bar/tavern
- Club, lodge, private meeting hall
- Convenience store
- Restaurant
- Service station
- Food bank/package food distribution center
- Vehicle services – Carwash
- Veterinary clinic-hospital, boarding, large animal

Allowed by Planning Commission Use Permit

- Sports and active recreation facility
- Commercial recreation facility – Outdoor
- Airport Facilities/Expansion
- Refuse Hauling, Septic Tank, Portable Toilet Sewers
- Water and wastewater treatment plants and services

Allowed with General Plan Amendment or Specific Plan

- Multifamily

Overlay

The Airport Area Specific Plan Area (SP) envisions a mixture of open space, agriculture, business parks and industrial development. Plans for the Airport Area include reuse and regeneration of the natural and built environment; public, private, and environmental value enhancement; and smart and sustainable growth that benefit the community economically, aesthetically and environmentally.



TANK FARM DEVELOPMENTS

Prado Business Park: commercial

Development of seven two-story structures consisting of 159,663 square feet of industrial/office space.

SITE

Tank Farm Rd

600 Tank Farm Road

600 Tank Farm Road is a 280-unit multi-family residential development spread out over 25 buildings on $\pm$ 11.7 acres with a mix of residential over commercial, stacked flats, stacked flats with tuck under parking, and townhomes.

The Link (276 Tank Farm)

Development consisting of 725 multi-family attached units, 69,150 square feet of retail mixed use space to serve the needs of the growing Tank Farm Road neighborhood, 279,700 square feet of professional and medical office uses, 209,000 square feet of industrial and warehouse space, and 237,200 square feet of mixed service commercial uses.

650 Tank Farm Road

Approx 17,500 sf of commercial space and 249 residential units on the 12.75-acre site. Conceptual site plans for the site reflect the development of 15 three-story residential buildings and four three-story mixed-use buildings. Other project components include an indoor/outdoor clubhouse, a pool and outdoor recreational space, a landscape buffer zone/water collection basin located between the mixed-use and residential buildings, and access modifications, including widening of the existing crossing of Acacia Creek along the western portion of the project site, and construction of a new creek crossing over Orcutt Creek along the southeastern portion of the project site.

NWC Broad Street & Tank Farm Mixed Use

Subdivision and development of a property to provide for 111 assisted living suites and 28 memory care beds, and approximately 45,269 square feet of medical office.

RESIDENTIAL DEVELOPMENTS

Froom Ranch 130 units

Specific Plan that currently consists of: 130 multi-family housing units; 30,000 square feet of commercial space; a 70,000-square foot, 120-room hotel; Life Plan Community (398 units, 72 beds, restaurant and recreation facilities); 2.9-acre trailhead park; and open space.

San Luis Ranch: 580 homes

(<https://www.sanluisranch.com/community-map/>)

The Specific Plan and related actions would allow for the development of the San Luis Ranch area as identified in the City's General Plan as Special Focus Area SP-2. The intent is for the project to be consistent with the development parameters described in LUCE update. The current proposal envisions up to 580 residential units, 200,000 square feet of commercial development, 150,000 square feet of office development, a 200-room hotel, and portions of the site to remain for agriculture and open space.

Avila Ranch: 720 homes

(<https://avilaranchslo.com/>)

On May 4, 2015, the City received a formal application for the Avila Ranch Development Plan project. The project is a new, primarily residential development with up to 720 dwelling units on a 150-acre site north of Buckley Road, located within the Airport Area Specific Plan (AASP) boundaries. The project also includes 15,000 square feet of neighborhood-serving retail and office uses next to a neighborhood park, as well as the preservation of agricultural uses and open space.

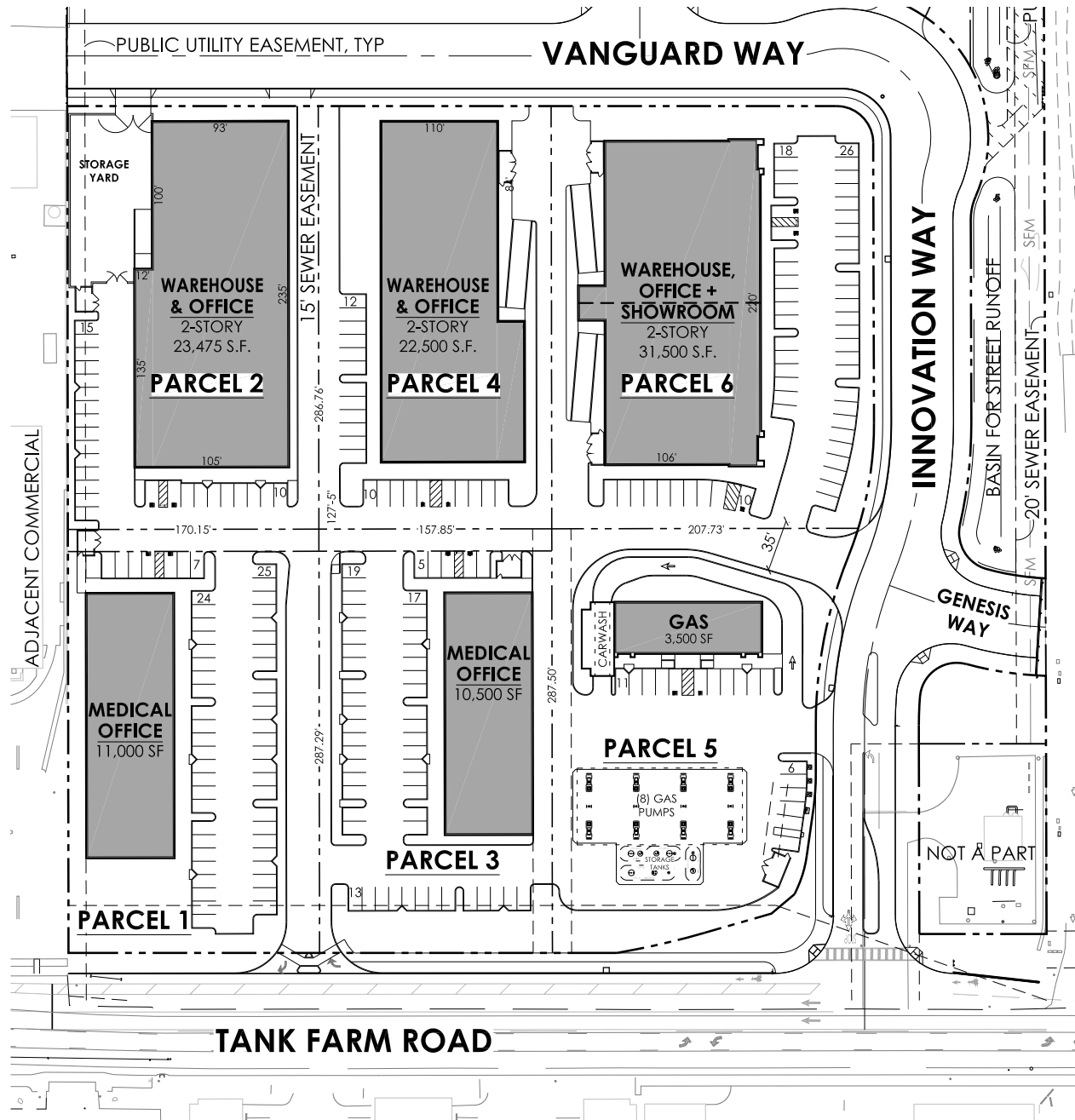
SITE

Tank Farm Rd

Margarita Area: 800 homes

Located in southern San Luis Obispo and is bounded by South Higuera Street, Broad Street, Tank Farm Road, and the ridge of the South Hills. Primarily envisioned for residential development with another 68 acres slated for business park and live work uses. The Margarita Area is ideally suited to accommodate San Luis Obispo's planned residential growth for the near future as the area provides convenient access for residents to employment, shopping and recreation. Community goals for this area include a up to 809 homes in a wide range of housing types with an emphasis on housing that is affordable to those working in San Luis Obispo.

DEVELOPMENT POTENTIAL



PARCEL 1 - MEDICAL OFFICE (1-STORY)

SITE AREA	1.12 AC
BUILDING AREA:	11,000 S.F.
PARKING REQUIRED	55 SPACES
PARKING PROVIDED	56 SPACES
PARKING:BLDG RATIO	5.1 SPACES:1,000 S.F.

PARCEL 2 - OFFICE & WAREHOUSE(2-STORY)

SITE AREA	1.12 AC
BUILDING AREA	23,475 S.F.
PARKING REQUIRED	24 SPACES
PARKING PROVIDED	25 SPACES
PARKING:BLDG RATIO	1.1 SPACES:1,000 S.F.

PARCEL 3 - MEDICAL OFFICE (1-STORY)

SITE AREA	1.04 AC
BUILDING AREA:	10,500 S.F.
PARKING REQUIRED	53 SPACES
PARKING PROVIDED	54 SPACES
PARKING:BLDG RATIO	5.1 SPACES:1,000 S.F.

PARCEL 4 - WAREHOUSE & OFFICE

SITE AREA	1.04 AC
BUILDING AREA	22,500 S.F.
PARKING REQUIRED	22 SPACES
PARKING PROVIDED	22 SPACES
PARKING:BLDG RATIO	1.0 SPACES:1,000 S.F.

PARCEL 5 - GAS STATION

SITE AREA	1.15 AC
BUILDING AREA	3,500 S.F.
PARKING REQUIRED	14 SPACES
PARKING PROVIDED	17 SPACES
PARKING:BLDG RATIO	4.9 SPACES:1,000 S.F.

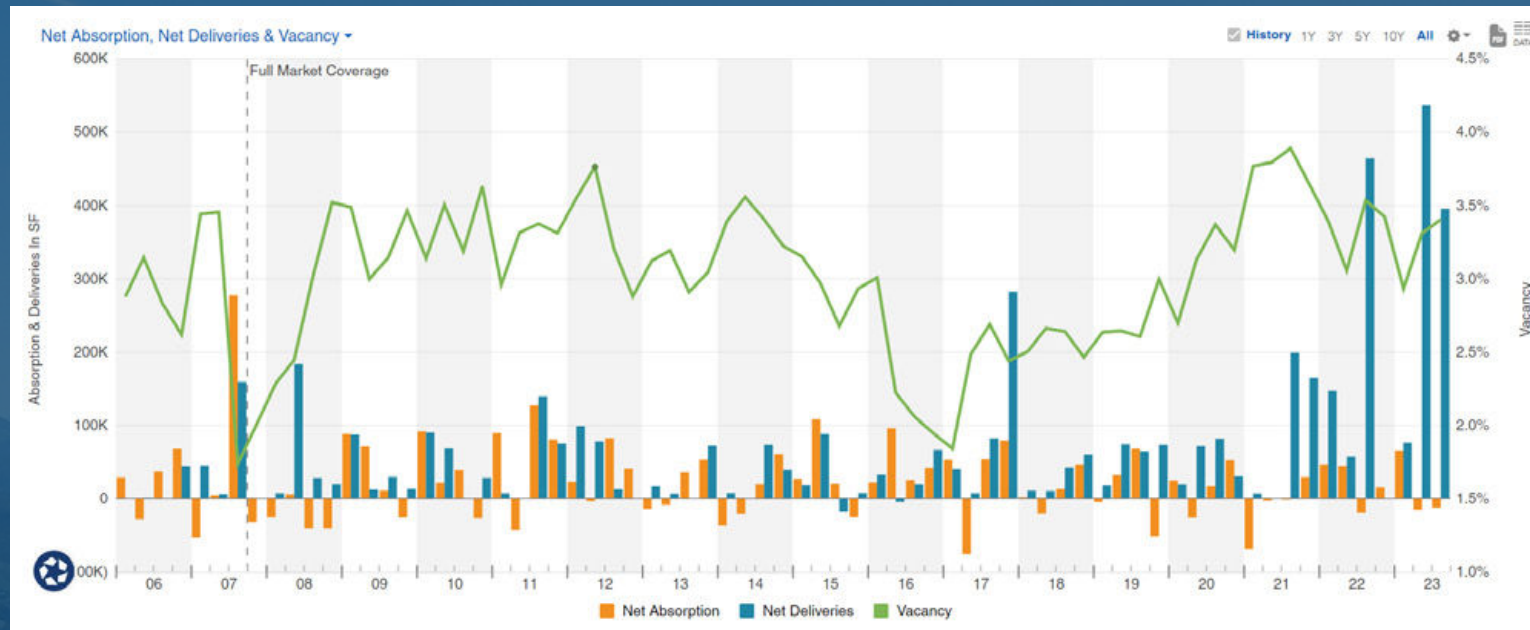
PARCEL 6 - TECH FLEX OFFICE (2 STORY)

SITE AREA	1.43 AC
BUILDING AREA	31,500 S.F.
PARKING REQUIRED	53 SPACES
PARKING PROVIDED	54 SPACES
PARKING:BLDG RATIO	1.7 SPACES:1,000 S.F.

PARCELS 1-6 - TOTALS

SITE AREA	6.90 AC
BUILDING AREA	102,475 S.F.
PARKING REQUIRED	221 SPACES
PARKING PROVIDED	228 SPACES
PARKING:BLDG RATIO	2.2 SPACES:1,000 S.F.

MARKET OVERVIEW



MARKET ANALYSIS

Retail

The South SLO retail submarket portrays a resilient landscape, marked by a low 1.1% vacancy rate that has notably declined by 1.7% within the past year. Boasting an absorption of 25,000 SF over this period and no new deliveries, the submarket's total availability, encompassing sublease spaces, remains at 2.5% of inventory. General Retail stands as the dominant subtype, encompassing 880,000 SF. Rent stands at \$27.00/SF, reflecting a 4.7% annual increase, with a cumulative growth of 13.2% over three years. While there are no ongoing constructions, two sales occurred within the past year, and 22 sales took place over the past three years. Notably, the market cap rate for South SLO slightly edged up to 6.3%, slightly surpassing the trailing three-year average of 6.2%.

Industrial

Within the South SLO industrial submarket, the vacancy rate holds at 2.8%, consistent with the previous year's levels. A marginal increase of 0.1% is observed, while the broader San Luis Obispo market experienced a 0.4% increase during the same period. Within this submarket, logistics space constitutes the largest subtype, with

2.7 million SF, followed by specialized space at 750,000 SF and flex space at 460,000 SF. Rents currently stand at approximately \$17.70/SF, marking a 3.9% annual rise and a cumulative increase of 18.2% over three years. With around 30,000 SF under construction, representing a minor 0.8% expansion, total inventory grew by 41,000 SF within the past three years. Sales activity includes 4 sales totaling \$7.4 million within the past year, and 16 sales valued at approximately \$32.1 million over the past three years. The market cap rate for South SLO stands at 6.1%, moderately above the trailing three-year average of 5.7%.

Multifamily

The South SLO Submarket multifamily submarket had an influx of new units led to a 2.0% vacancy shift, with approximately 140 units delivered in the past year and 73 units under construction. Demand indicates a net absorption of about 57 units over the past year, compared to a 10-year average of 64 units on an annualized basis. Despite challenges in workforce housing demand, new inventory absorption has sustained demand. Annualized rent growth stands at 3.5%, outperforming coastal markets in California. Sales activity, historically modest due to limited inventory, encountered complexity with rising interest rates.

COMPARABLES

	Property Address	Property City	Property Type	Sale Status	Sale Price	Land SF	Acres	Sale Date	Price Per SF Land	Zoning	Use
1	424 Higuera St	San Luis Obispo	Land	Sold	\$475,000	9,250	0.21	6/9/2023	\$51	Retail Commercial (C-R)	Vacant Lot
2	1109 Kendall Rd	San Luis Obispo	Land	Sold	\$3,400,000	175,547	4.03	4/13/2023	\$19	Service Commercial (C-S)	Equipment Rental and Storage
3	564 Higuera	San Luis Obispo	Land	Sold	\$2,525,000	22,216	0.51	8/29/2022	\$114	Retail Commercial (C-R)	Entitled land for 36 Unit Apartment
4	1381 Calle Joaquin	San Luis Obispo	Land	Sold	\$4,160,000	128,066	2.94	5/17/2022	\$34	Tourist Commercial (C-T)	Tesla Dealership
5	4640 Broad St	San Luis Obispo	Land	Sold	\$2,500,000	89,734	2.06	5/10/2022	\$28	Service Commercial (C-S)	Gas Station Or STNL
6	2730 McMillan Ave	San Luis Obispo	Land	Sold	\$1,000,000	50,094	1.15	4/22/2022	\$20	Manufacturing (M)	Contractors Yard
7	1404-1440 Chorro St	San Luis Obispo	Land	Sold	\$1,700,000	16,500	0.38	4/14/2022	\$103	High Density Residential (R-4)	Entitled land for 4 Unit Apartment
8	0 Froom Ranch Way	San Luis Obispo	Land	Sold	\$7,000,000	158,994	3.65	12/21/2021	\$54	Neighborhood Commercial (C-N)	Hotel Development
Averages					\$2,845,000	81,300	1.87		\$53		

COMPETITIVE OPPORTUNITIES

	Address	City	Sale Status	Property Type	Sale Price	Price Per AC Land	Price/Land (SF)	Land SF Gross
1	Earthwood Ln	San Luis Obispo	For Sale	Land	\$5,073,390	1,524,594	\$35	144,954

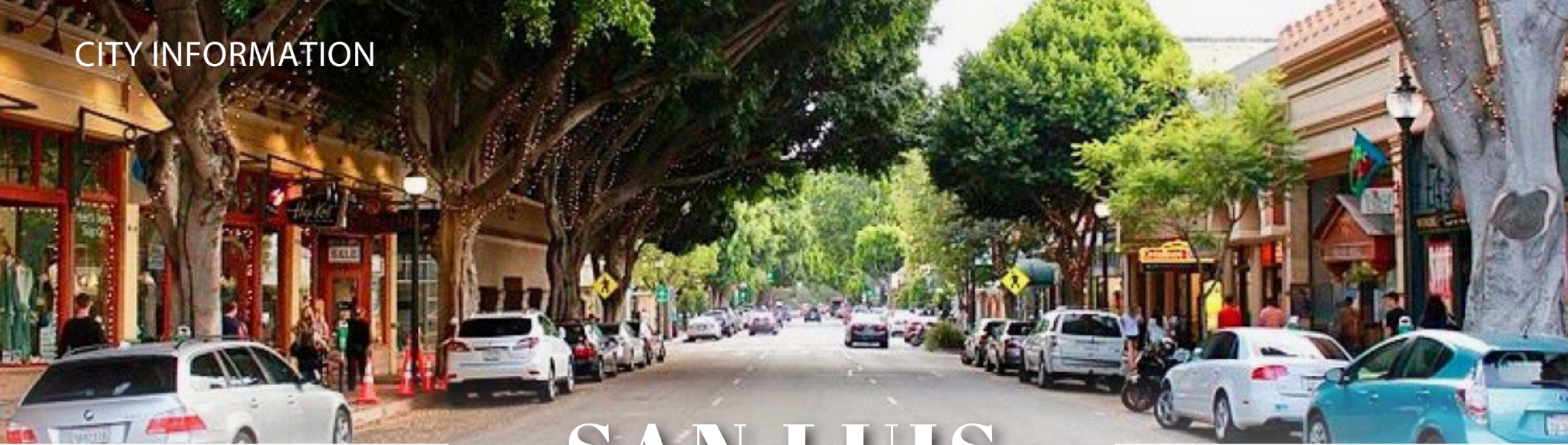


DEMOGRAPHICS

Source: U.S. Census Bureau, ESRI forecasts for 2022

	3 MILE	5 MILE	10 MILE
Population	38,090	62,191	106,465
Population 25+ with College Degree and Higher	54.8%	64.3%	64.9%
Average Household Income	\$131,355	\$124,631	\$128,406
Average Home Value	\$927,923	\$988,005	\$975,954
Owner Occupied Housing Units	61.7%	63.9%	56.6%





SAN LUIS OBISPO

San Luis Obispo is located on California's Central Coast, midway between Los Angeles and San Francisco. Downtown SLO is a humming, pedestrian friendly zone of shops, restaurants and galleries in turn-of-the-20th century buildings. Cost of living is lower than the Bay Area and Southern California, and the population is highly educated, with 60% of residents having a college degree or higher. Tech is a major industry in San Luis Obispo, attracted by the large student base at Cal Poly and coastal lifestyle. Major employers include Mindbody, Amazon, and Rosetta.

Tourism is another important industry and the third-largest contributor to the municipality. San Luis Obispo wine country starts five minutes south of downtown, putting two dozen premier wineries within easy reach. The SLO Coast AVA is one of the largest producers of wine in California, behind only Sonoma and Napa Counties.

Boasting 80 miles of Pacific coastline, San Luis Obispo County is a land of picturesque beaches, rolling vineyards, and small-town charm. Popular sites include Hearst Castle, Cambria, Morro Bay, Lake Nacimiento, and Oceano Dunes, just to name a few. SLO averages 315 days of sunshine, providing a year-round destination for adventure, rejuvenation, and quality time. From expansive dunes to turquoise waters and a thriving farm-to-table culinary scene, there are endless possibilities to discover—all within an hour's drive of the city.



NEARBY EDUCATION

CAL POLY: A TOP-TIER STEM UNIVERSITY

California Polytechnic State University, San Luis Obispo is a public university, organized into six colleges offering 65 bachelor's and 39 master's degrees, and more than 150 undergraduate majors and minors. Undergraduate enrollment is approximately 21,000 students. The programs emphasize hands-on learning and real-world experience in their curriculum. Owning 9,178 acres, Cal Poly has one of the largest college campuses in the US. According to U.S. News & World Report's 2022 "Best Regional Universities West Rankings," Cal Poly is ranked 2nd overall in the western United States out of 127 regional schools whose highest degree is a Master's, first in "Top Public Schools", first in "Best Colleges for Veterans", first in "Most Innovative Schools", third for "Best Undergraduate Teaching".



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