GS FOODS GROUP

Marcus & Millichap
DUONG INVESTMENT GROUP

435 SOUTHGATE COURT, CHICO, CA 95928

OFFERING MEMORANDUM

GS FOODS GROUP

Exclusively Listed By

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INVESTMENT OVERVIEW

Investment Highlights

GS Foods Group: A Highly Reputable, B-Rated Industrial Tenant With Distribution Centers in 10 States

Brand New Lease: GS Foods Group Recently Signed a Six-Year Lease with 3% Annual Increases

Capital Improvements: Brand-New Roof to be Installed with a 20-Year Warranty

High Credit Tenant

- **Strong Corporate Guarantee:** Backed by a Tenant with **Over $1.5 Billion in Annual Revenue**
- **Market Leadership: GS Foods Encompasses a Family of the Nation's Largest School Nutrition Providers to Provide Meals for 8.7 Million Students Per Day.**
- **E-Commerce & Recession-Resilient:** GS Foods Business Model Is Well-Suited to Thrive in Various Economic Conditions

Strong Real Estate Fundamentals

- **Highly Desirable Site:** The Property Boasts a Large 3.8-Acre Lot, a Key Feature in Today's Market
- **Prime Location:** Strategically Positioned Off the State Route 99, Allowing for Easy Access for Delivery Trucks
- **Quality Construction:** Concrete Tilt-Up with 7 Loading Docks and 2 Drive-In Doors
- **Cold Storage Space:** Rare Opportunity to Acquire Cold Storage Warehouse with **16,800 SF of Freezer Space** and 2,100 SF of Refrigerated Space
- **Investor-Friendly:** This NNN Industrial Property Offers **Minimal Landlord Responsibilities**, Ideal for Investors Who Are Not Local to the Market

INVESTMENT OVERVIEW

Tenant Spotlight

GS Foods Group

GS Foods Group, Inc. is a prominent foodservice distributor headquartered in Ontario, California. With over 50 years of industry experience, the company specializes in providing comprehensive food distribution and product solutions to various sectors, including education, non-profit organizations, business and industry, and healthcare.

GS Foods is backed by two multi-billion dollar private equity groups (Highview Capital and A&M Capital Partners). Operating through its subsidiaries, GS Foods has a significant presence in the K-12 education sector, delivering approximately 8.7 million meals to students each day.

Website	www.gsfoodsgroup.com
Annual Revenue	$1.5 Billion+
Locations In	10+ States
Students Served	±8.7 Million Per Day

Company Growth

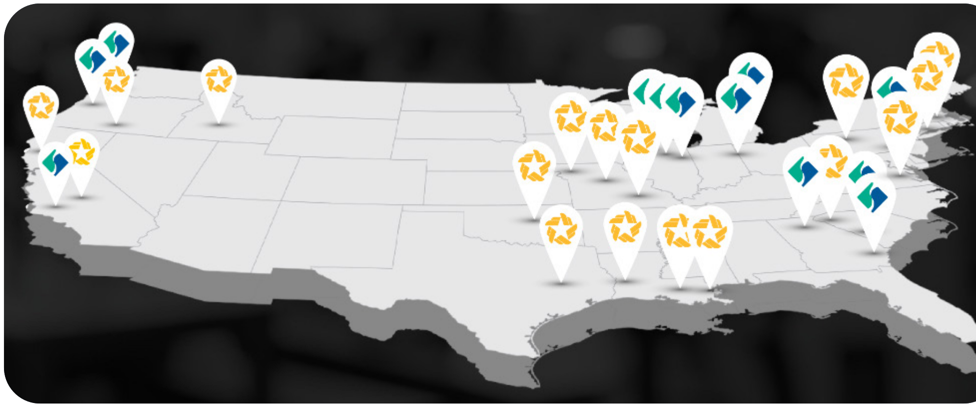
In recent years, GS Foods has pursued strategic acquisitions to expand its market reach and enhance service capabilities. Recent acquisitions include:

- Diamond Foods Acquisition (January 2024): GS Foods acquired Diamond Foods, a regional K-12 food distributor based in New Orleans, Louisiana. This move strengthened GS Foods' commitment to the K-12 market in the region.
- The Danielsen Company Acquisition (March 2025): The company further expanded its footprint in Northern California by acquiring The Danielsen Company, a trusted foodservice provider based in Chico, California. This acquisition enhanced GS Foods' operations and supply chain efficiency in the area.

Why Choose GS Foods?

GS Foods Group stands as a significant player in the foodservice distribution industry, demonstrating consistent growth through strategic acquisitions and a strong presence in specialized markets such as K-12 education.

For commercial real estate investors, GS Foods represents a tenant with a robust operational history and a commitment to expanding its market reach, factors that contribute to its stability and potential for long-term occupancy.



INVESTMENT OVERVIEW

Aerial Photo

NOTE: Property boundaries are estimated and must be independently verified by potential buyers.

FINANCIAL ANALYSIS

Offering Summary

Property Name	GS Foods Group
Property Address	435 Southgate Court Chico, CA 95928
Assessor's Parcel Number	040-400-050-000
Year Built	2004
Gross Leasable Area (GLA)	±52,989 Square Feet
Lot Size	±3.78 Acres (±164,656 Square Feet)

Pricing

Price	$9,071,000
Cap Rate	7.00%
Price/SF	$171.19

Annualized Operating Data

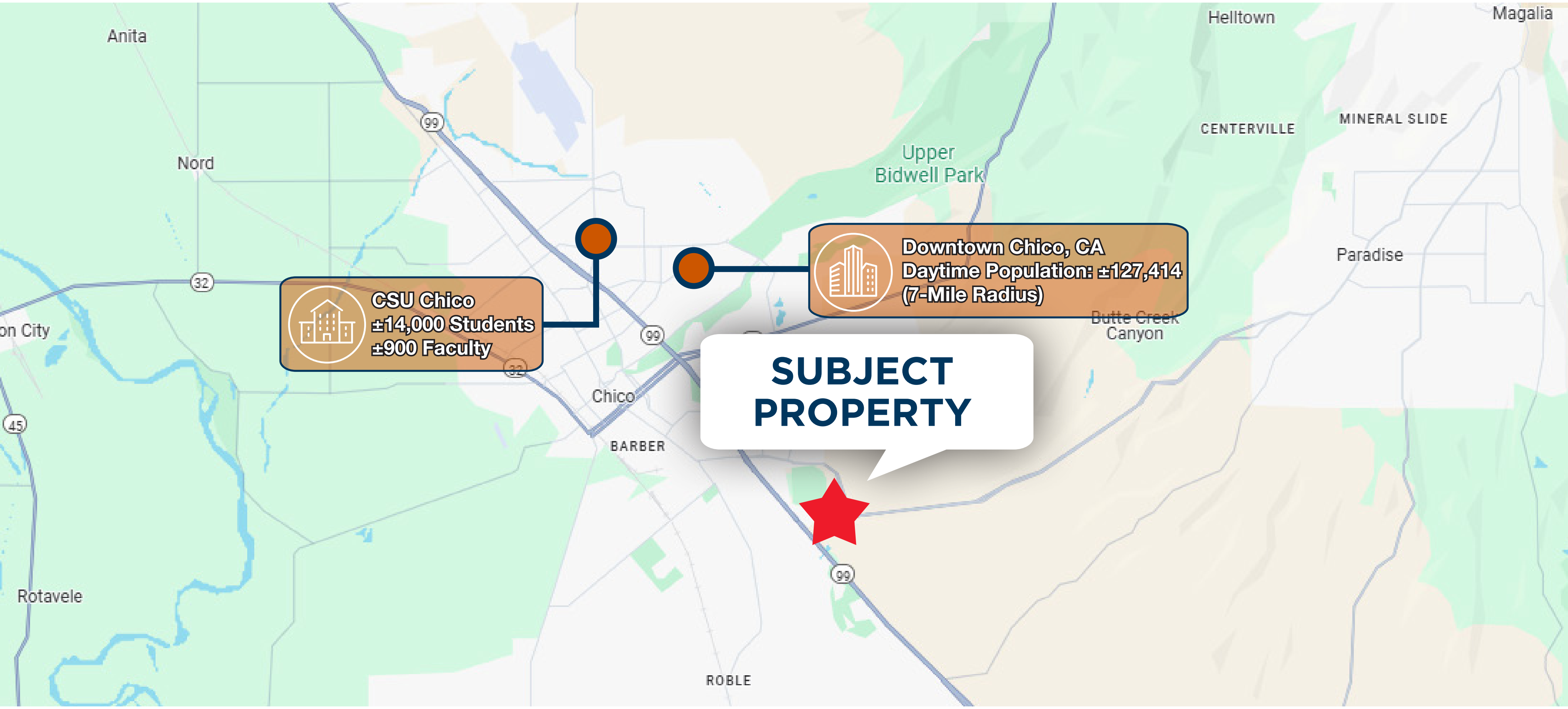
Net Operating Income	$635,000

Lease Information

Lease Commencement Date	April 16, 2025
Lease Expiration Date	April 15, 2031
Total Lease Term	±6 Years
Lease Term Remaining	±5.5 Years
Increases	3% Annual
Options	One, Five-Year
Lease Type	NNN
Lease Type Details	Landlord responsible for roof & structure replacement only. Tenant responsible for all maintenance.

MARKET OVERVIEW

Regional Map



±80,000
CARS PER DAY ON THE NEARBY 99 FREEWAY

±9 MILES
TO CHICO REGIONAL AIRPORT (CIC)

±6 MILES
TO CALIFORNIA STATE UNIVERSITY, CHICO

±25 MILES
VIA CA-99 & CA-32 TO I-5 FREEWAY

MARKET OVERVIEW

The City Of Chico, CA

Located in the heart of Northern California's Sacramento Valley, Chico is a growing regional hub with a strong economic foundation rooted in education, healthcare, agriculture, and light manufacturing. As the largest city in Butte County, Chico offers commercial real estate investors a stable, mid-sized market with access to skilled labor, affordable land, and a supportive municipal framework. Anchored by California State University, Chico and the presence of major employers such as Enloe Medical Center and Sierra Nevada Brewing Co., the city has cultivated a resilient and diversified economy.

From an industrial standpoint, Chico is strategically positioned to serve both local and regional distribution needs. With direct access to State Route 99 and proximity to Interstate 5—just 20 miles west—Chico is well-connected to Northern California's key transportation corridors. Its location between Sacramento and Redding makes it a compelling option for tenants seeking cost-effective alternatives to the high rents and congestion of larger metropolitan areas, while still maintaining logistical efficiency.

The city has also seen growth in the development of business parks and light industrial facilities, especially in the south Chico and Chico Airport Industrial areas. Zoning flexibility and expansion-ready parcels provide an opportunity for investors to meet the rising demand for warehousing, logistics, and last-mile distribution space. Coupled with population growth and a strong university presence, Chico is becoming increasingly attractive to businesses seeking long-term operational stability outside of California's high-cost urban centers.

Noteworthy Items - Chico, CA

- Highways & Transportation
  - State Route 99 (North-South corridor through Chico)
  - 20 miles to Interstate 5 (a key West Coast logistics artery)
  - State Route 32 (East-West connector)
- Airports
  - Chico Municipal Airport (supports general aviation and future cargo potential)
  - Sacramento International Airport (~90 minutes south)
- Commerce & Employment Hubs
  - Chico State University (a major economic driver and source of workforce)
  - Enloe Medical Center (largest healthcare employer in the region)
  - Chico Airport Industrial Park (growing hub for industrial and light manufacturing)

Downtown Chico

CSU Chico Campus

Chico Farmer's Market

MARKET OVERVIEW

Demographic Summary

Population	3-Miles	5-Miles	7-Miles
2028 Population	15,604	69,486	114,111
2023 Population	15,219	68,640	111,638
2020 Population	15,074	67,212	109,354
2010 Population	13,178	62,744	100,425

Income & Economics	3-Miles	5-Miles	7-Miles
Average Household Income	$98,036	$91,374	$91,383
Median Household Income	$61,767	$56,446	$58,253
2023 Daytime Population	25,521	94,050	127,414

Households	3-Miles	5-Miles	7-Miles
2028 Households	6,297	28,219	46,673
2023 Households	6,140	27,881	45,650
2020 Households	6,047	27,672	45,050
2010 Households	5,160	24,931	40,509

111,638

2023 Population
(7-Mile Radius)

$91,383

2023 Average Household Income
(7-Mile Radius)

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