

APPLIED FUSION

SUBSIDIARY OF ICHOR HOLDINGS LTD. (NASDAQ: ICHR)

PORTFOLIO OF FOUR BAY AREA, NORTHERN CALIFORNIA

INDUSTRIAL/MANUFACTURING BUILDINGS AS A LEASED SINGLE TENANT INVESTMENT

CAN BE PURCHASED AS A PORTFOLIO OR TWO SEPARATE INVESTMENTS

SAN LEANDRO, CALIFORNIA

**\$264,000
PRICE REDUCTION!**



NET LEASE INVESTMENT SERVICES

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AN IMG COMPANY

PRECISION

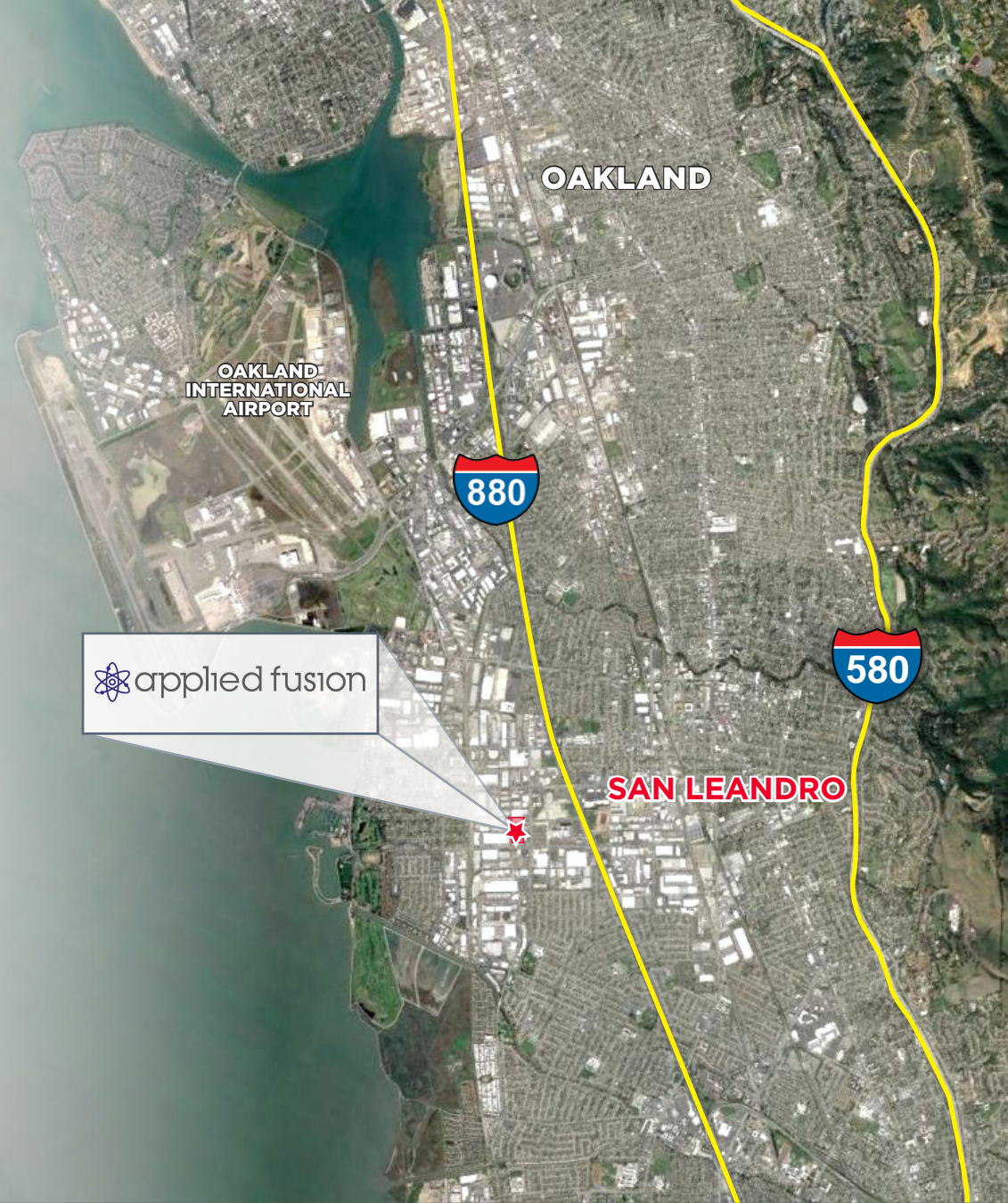
MECHANICAL

FABRICATORS

SINCE 1973

Table of Contents

Investment Offering & Highlights	4
Investment Overview	5
Net Income Analysis	6
Property Specifications	7
Interior Photographs	9
About the Tenant	10
Site Plan	11
Site Location	12
Aerials	13
Regional Map	16
Local Map	17
San Leandro, California	18
Demographics	19



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THE OFFERING

Leased to one tenant, **Applied Fusion**, four single story industrial/manufacturing buildings located side by side and across the street from each other on Republic Avenue and Nicholson Street just west of Interstate 880 in San Leandro, CA. To be purchased together or as two separate investments.

PRICE

ORIGINAL PRICE: \$15,250,000 - 5.94% CAP RATE

NEW REVISED PRICE: \$14,986,000 - 6.15% CAP RATE

NORTHERN BUILDINGS: \$9,526,000 - 6.15% CAP RATE

SOUTHERN BUILDINGS: \$5,461,000 - 6.15% CAP RATE

INVESTMENT HIGHLIGHTS

- » Rare industrial leased single tenant investment for sale
- » Approximately 3.5 years remaining on net leases with tenant who has a long history of occupying these buildings
- » Annual increases of CPI, but not less than 2%
- » Well maintained buildings with significant tenant investments
- » Applied Fusion is owned by IMG Companies, a wholly owned subsidiary of publicly traded Ichor Holdings Ltd. (NASDAQ: ICHR).
- » Tenant is paying an average rent of \$1.34/sf/mo/net, which is at or below market
- » Two 5-year Fair-Market-Value options to renew leases, but not less than previous rent increased by a minimum of 2%
- » All four buildings are on separate parcels and have separate leases - **can be purchased as a portfolio or two separate investments.**

LOCATION

1915 Republic Ave, San Leandro, CA 94577 (NORTH)
 1919-1925-1931 Republic Ave, San Leandro, CA 94577 (NORTH)
 1914-1916 Republic Ave, San Leandro, CA 94577 (SOUTH)
 2580 Nicholson St, San Leandro, CA 94577 (SOUTH)

LOT & BUILDING SIZES (SEPARATE PARCELS)

ADDRESS	± LOT SIZE (SQ. FT.)	± BUILDING SIZE	± PARKING
1915 Republic Ave	19,903	8,000	8
1919-1925-1931 Republic Ave	50,600	29,500	25
1914-1916 Republic Ave	15,036	10,080	9
2580 Nicholson St	13,679	9,260	4
Total	99,218	56,840	46

LEASE

Leased to **Applied Fusion** until May 23, 2028, all four leases are net with the tenant responsible for reimbursing the landlord for taxes, insurance, and maintenance. Landlord is responsible for maintaining, repairing, replacing exterior walls, structural components, roofs, and HVAC systems. Tenant, at its cost, shall maintain an HVAC service contract throughout the term. Rent increases annually by CPI but not less than 2%.

ADDRESS	BLDG SF	PROJECTED RENT	ANNUAL RENT	RENT/SF/MO	INCREASES:	LEASE EXP
1915 Republic Ave	8,000	\$12,691	\$152,297	\$1.58	ANN CPI W/ 2% MIN	5/23/2028
1919-1925-1931 Republic Ave	29,500	\$36,597	\$439,163	\$1.24	ANN CPI W/ 2% MIN	5/23/2028
1914-1916 Republic Ave	10,080	\$14,712	\$176,543	\$1.46	ANN CPI W/ 2% MIN	5/23/2028
2580 Nicholson St	9,260	\$13,515	\$162,183	\$1.46	ANN CPI W/ 2% MIN	5/23/2028

*As of May 24, 2025, projected 3% increase
 2-5 year options at FMV but not less than prior rent w/ annual CPI w/ 2% min

NET INCOME ANALYSIS

For the 12 Months Ending	Year 1 5/22/2026	Year 6* 5/22/2031
PROJECTED GROSS REVENUE		
Scheduled Annual Base Rent	\$930,186	\$1,078,340
EXPENSE REIMBURSEMENT REVENUE		
Insurance Recovery	\$13,309	\$15,429
RE Tax Recovery (1.25% of Asking Price)	\$187,325	\$206,822
Total Reimbursement Revenue	\$200,634	\$222,251
EFFECTIVE GROSS REVENUE	\$1,130,820	\$1,300,591
OPERATING EXPENSES		
Insurance Expense	\$13,309	\$15,429
RE Tax Expense (1.25% of Asking Price)	\$187,325	\$206,822
Capital Reserves at \$.15/SF	\$8,526	\$9,884
Total Operating Expenses	\$209,160	\$232,135
NET OPERATING INCOME	\$921,660	\$1,068,456
RETURN	6.15%	7.13%

* Assumes a 3% rental increase annually, insurance increases 3% annually, capital reserves increase 3% annually and taxes increase 2% annually

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NORTHERN BUILDINGS: \$9,526,000 - 6.15%
SOUTHERN BUILDINGS: \$5,461,000 - 6.15%

RIGHT OF FIRST OFFER

Tenant has 10 days to respond to written notice

NET INCOME ANALYSIS

YEAR ENDING:	5/22/2026	5/22/2027	5/22/2028	5/22/2029	5/22/2030	5/22/2031	5/22/2032	5/22/2033	5/22/2034	5/22/2035
INVESTMENT YEAR:	1	2	3	4	5	6	7	8	9	10
1915 Republic Ave (North)	\$152,297	\$156,866	\$161,572	\$166,419	\$171,412	\$176,554	\$181,851	\$187,306	\$192,926	\$198,713
1919-1925-1931 Republic Ave (North)	\$439,163	\$452,338	\$465,908	\$479,885	\$494,282	\$509,110	\$524,384	\$540,115	\$556,319	\$573,008
1914-1916 Republic Ave (South)	\$176,543	\$181,839	\$187,294	\$192,913	\$198,701	\$204,662	\$210,801	\$217,125	\$223,639	\$230,348
2580 Nicholson St (South)	\$162,182	\$167,048	\$172,059	\$177,221	\$182,538	\$188,014	\$193,654	\$199,464	\$205,448	\$211,611
Total Base Rent	\$930,186	\$958,091	\$986,834	\$1,016,439	\$1,046,932	\$1,078,340	\$1,110,690	\$1,144,011	\$1,178,331	\$1,213,681
Insurance Recovery	\$13,309	\$13,708	\$14,120	\$14,543	\$14,980	\$15,429	\$15,892	\$16,369	\$16,860	\$17,365
R Estate Taxes Recovery	\$187,325	\$191,072	\$194,893	\$198,791	\$202,767	\$206,822	\$210,958	\$215,178	\$219,481	\$223,871
Total Reimbursement Revenue	\$200,634	\$204,780	\$209,013	\$213,334	\$217,746	\$222,251	\$226,850	\$231,546	\$236,341	\$241,236
Effective Gross Revenue	\$1,130,820	\$1,162,871	\$1,195,847	\$1,229,773	\$1,264,678	\$1,300,591	\$1,337,541	\$1,375,557	\$1,414,672	\$1,454,917
Operating Expenses										
Insurance Expense	\$13,309	\$13,708	\$14,120	\$14,543	\$14,980	\$15,429	\$15,892	\$16,369	\$16,860	\$17,365
RE Tax Expense	\$187,325	\$191,072	\$194,893	\$198,791	\$202,767	\$206,822	\$210,958	\$215,178	\$219,481	\$223,871
Capital Reserves at \$.15/SF	\$8,526	\$8,782	\$9,045	\$9,317	\$9,596	\$9,884	\$10,180	\$10,486	\$10,800	\$11,124
Total Operating Expenses	\$209,160	\$213,562	\$218,058	\$222,651	\$227,342	\$232,135	\$237,031	\$242,032	\$247,141	\$252,361
Net Operating Income	\$921,660	\$949,309	\$977,789	\$1,007,122	\$1,037,336	\$1,068,456	\$1,100,510	\$1,133,525	\$1,167,531	\$1,202,557

Assumptions

- Rent increases by 3% annually
- Tenant exercises options
- Insurance grows by 3% annually
- R E Taxes grow by 2% annually



1919-1925-1931 REPUBLIC:

Building SF:	29,500±
Office SF:	2,792± (9.5% of total)
Clean Room SF:	0
Lot Size SF:	50,600±
Construction Type:	Concrete
Year Built:	1968
Ceiling Height:	17 ft.±
Sprinklers:	Yes
Loading Doors:	2 dock high/5 grade level
Cranes:¹	3 bridge cranes/4 jib cranes
Parking Spaces:	22
	1919
	120/240v 400a three phase 277/480v 400a three phase
	1925
Electrical:	120/240v 200a single phase 277/480v 400a three phase
	1931
	120/240v 200a single phase 277/480v 400a three phase

¹ Ownership of cranes to be verified during due diligence.



1915 REPUBLIC:

Building SF:	8,000±
Office SF:	3,534± (44% of total)
Clean Room SF:	1,323 (16.5% of total)
Lot Size SF:	19,903±
Construction Type:	Concrete
Year Built:	1968
Ceiling Height:	17 ft.±
Sprinklers:	Yes
Loading Doors:	3 grade level
Cranes:¹	None
Parking Spaces:	8
	120/240v 200a single phase
Electrical:	120/240v 200a three phase 120/240v 400a three phase

¹ Ownership of cranes to be verified during due diligence.

Comment: 1915 has a nice rear secure yard. Fully insulated building.



1914-1916 REPUBLIC:

Building SF:	10,080±
Office SF:	880± (9.5% of total)
Clean Room SF:	1,056± (10.5% of total)
Lot Size SF:	15,036±
Construction Type:	Concrete
Year Built:	1968
Ceiling Height:	15 ft.±
Sprinklers:	No
Loading Doors:	1 dock high/1 grade level
Cranes: ¹	2 bridge cranes/7 jib cranes
Parking Spaces:	9
Electrical:	<u>1914</u> 120/240v 100a single phase 120/240v 200a three phase <u>1916</u> 120/240v 200a three phase 277/480v 400a three phase

¹ Ownership of cranes to be verified during due diligence.

Comment: Fully insulated building with epoxy floor



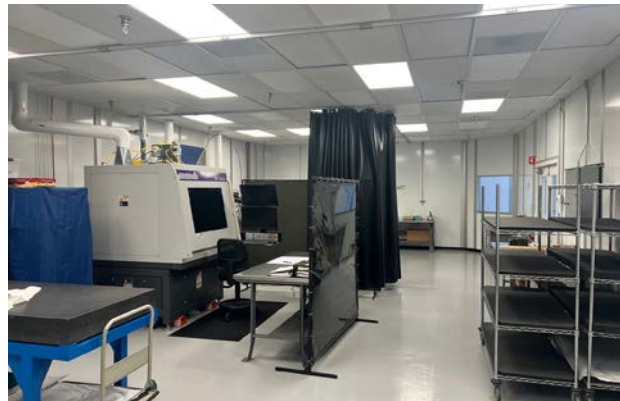
2580 NICHOLSON:

Building SF:	9,260±
Office SF:	840± (9% of total)
Clean Room SF:	0
Lot Size SF:	13,679±
Construction Type/YOC:	Concrete/1968
Ceiling Height:	18 ft.±
Sprinklers:	No
Loading Doors:	2 grade level
Cranes: ¹	2 bridge cranes
Parking Spaces:	4
Electrical:	120/240 100a single phase 120/240v 400a three phase 277/480v 400a three phase

¹ Ownership of cranes to be verified during due diligence.

Comment: No epoxy floor

Interior Photographs



APPLIED FUSION:

Applied Fusion is owned by **IMG Companies, LLC** which is a wholly-owned subsidiary of the publicly traded **Ichor Holdings Ltd. (NASDAQ: ICHR)**. Applied Fusion was acquired by IMG Precision in May 2018 for an undisclosed sum. IMG Companies LLC, an Ichor portfolio company, is a precision manufacturer for emerging technologies. By acquiring Applied Fusion, they have been able to draw from best practices to vertically integrate, deliver sustainable value to current customers and expand possibilities with both current and new customers. IMG Companies, LLC was acquired by Ichor Holdings, Ltd (NASDAQ: ICHR) for \$270 million in the fourth quarter of 2021. Ichor is a leader in the design, engineering, and manufacturing of critical fluid delivery subsystems and components for semiconductor capital equipment. For the 9 months ending September 30, 2024, **Ichor Holding Ltd.** reported sales of \$615.7 million, EDITDA of \$22.7 million, and stockholder's equity of \$697 million.

Applied Fusion was founded in 1972 and quickly made a name for itself with some of the best craftsmanship in the industry. Over time, the company positioned itself to be a world leader in laser and electron beam welding technologies, integrating these crafts into standard and advanced manufacturing methods. These services have produced unmatched quality and performance within the medical device, aerospace and defense and semiconductor sectors. Applied Fusion offers the following: E-Beam welding, Laser welding, Machining, Metal Fabrication and R&D Prototyping.

Applied Fusion was one of the first shops in the U.S. to integrate electron beam welding into the job shop industry. When the semiconductor industry was born, they were ready. They immediately assisted engineers with new welding methods that allowed designers to create components that were previously impossible.

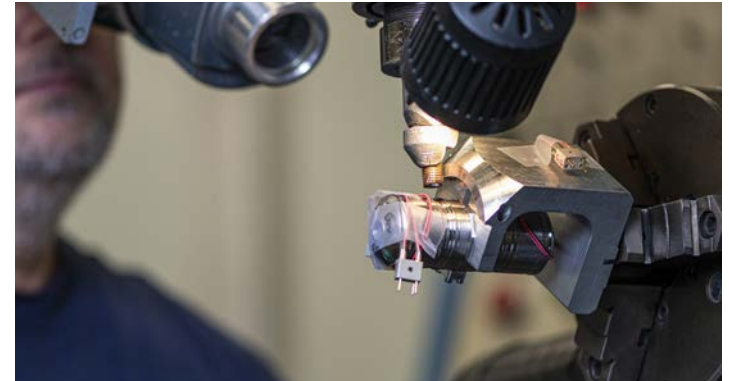
In the late 70s, they pioneered laser applications and integrated them into the job shop environment, which opened up possibilities that were once not achievable with conventional methods. Today, it's a common occurrence to have customers schedule time in our laser lab and work directly with our staff to establish parameter settings and techniques before designs are finalized.

They are always ready to implement traditional fabrication methods also. Their skilled welders provide high quality TIG welding applications for vacuum chambers and apparatuses as well as structural components.

With a large manual shop and an even larger CNC shop, they are unique in that they are able to specialize in R&D/Prototype work that most shops of similar size are incapable of, with the flexibility to advance these into production requirements.

More information can be found on their website:

www.appliedfusionllc.com



Site Plan

PC
MAINTENANCE

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1919-1925-1931
REPUBLIC AVE

 applied fusion

1915
REPUBLIC AVE

ANGELES
DENTAL CARE

REPUBLIC AVE



CRANWORKS, INC

MR. CLEAN CARPET
CARE

NICHOLSON ST



 applied fusion

1914-1916
REPUBLIC AVE

 applied fusion

2580
NICHOLSON ST

MARTIN PO SUPPLY


AMERICAN BUILDING SUPPLY

MERCED ST





Site Location

The four single-tenant manufacturing properties are located adjacent and across the street from each other at the intersection of Republic Ave and Nicholson St in San Leandro, CA, just two blocks from Interstate 880 onramp and an eight-minute drive to Oakland International Airport. San Leandro is situated in Alameda County and is the third-largest industrial market, with over 27 million square feet (MSF). The property benefits from excellent demographics with an average household income of over \$135,000 within one mile and a population of over 338,000 within 5 miles. Major manufacturing tenants in San Leandro include Coca-Cola, Dr. Pepper, Snapple, Ghirardelli Chocolate, Torani, All American Containers, Georgia-Pacific, Pelagic Pressure Systems, Airgas, Olson Steel, Polymeric Technology, L3 Applied Technologies, CNH Industrial, and Energy Recovery.





LOWE'S
PRO SUPPLY

OEM
PARTS CONTAINER

EXPRESS FREIGHT

Torani

Public Storage

ONE SOURCE
DISTRIBUTORS

CALIFORNIA DEPARTMENT
OF TRANSPORTATION
EQUIPMENT SHOP

CONCRETEWORKS
ESTABLISHED 1991

USAirconditioning
DISTRIBUTORS
The world's largest privately owned HVAC equipment distributor

EDGES

WESTERN
TRUCK CENTER

THE ANNEX

canteen

OAS

nel

Daiohs
First Choice

TCB
INDUSTRIAL CONTRACTOR

APRIA

OHLONE
ARCHERY

Bank of America

daltille

FARMERS
INSURANCE

WELLS FARGO

Denny's

Allstate

1919-1925-1931
REPUBLIC AVE

1915
REPUBLIC AVE

1914-1916
REPUBLIC AVE

2580
NICHOLSON ST

REPUBLIC ST

NICHOLSON ST

FAIRWAY DR

MERCED ST

SCHOON
CORPORATION

ANGELES
DENTAL CARE

SATELLITE
HEALTHCARE

KAISER
PERMANENTE

Davita

L3
COMMUNICATIONS

BAY LINE

FULLFILLCO LLC

PROLOGIS

FERGUSON

AF



SOUTHLAND MALL
 macy's SEAFOOD CITY CINEMARK
 CITY SPORTS CLUB SEARS
 ROSS JCPenney KAY JEWELERS

GREENHOUSE MARKETPLACE
 food maxx SAFeway CVS pharmacy
 JO-ANN unleashed Great Clips
 Starbucks McDonald's happy lemon

MARINA SQUARE CENTER
 NORDSTROM RACK NIKE GAP
 BANANA REPUBLIC Marshalls
 SEPHORA M STARBUCKS COFFEE
 Talbots ANN TAYLOR
 FedEx Office

2580 NICHOLSON ST

1915 REPUBLIC AVE

1914-1916 REPUBLIC AVE

1919-1925-1931 REPUBLIC AVE

TONY LEMA GOLF COURSE

MARINA PARK

SAN LEANDRO MARINA

MOORE NEWTON

wayfair

energy recovery

SALA

21st AMENDMENT BREWERY

SWIFT

TRENCH SHORING
50 YEARS

SUNBELT RENTALS

Walmart
Save money. Live better.

ROSS
DRESS FOR LESS

ATC

NGY

FedEx
Ground

THE HOME DEPOT

Olson Steel

Hertz

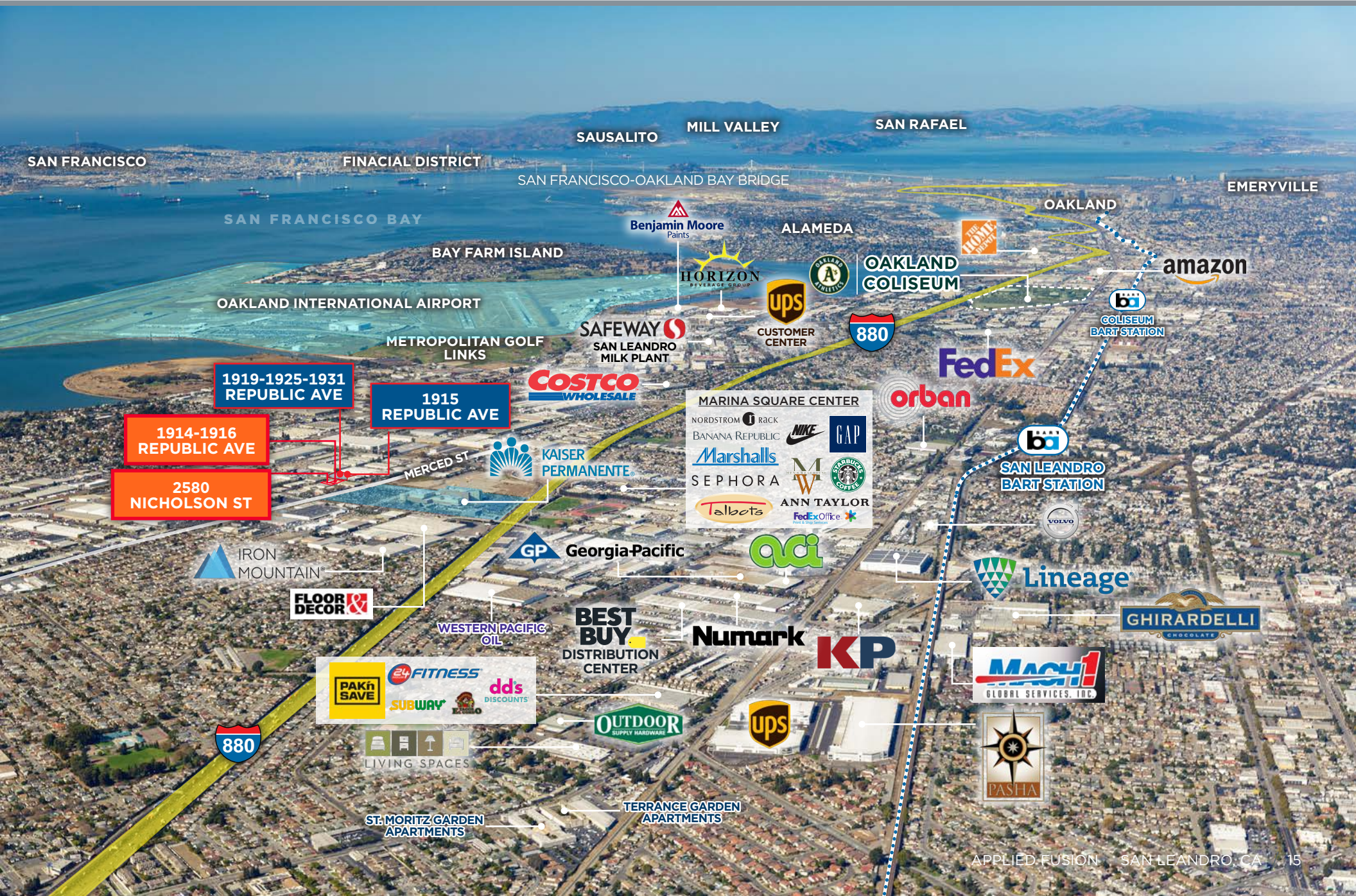
Emser Tile

GENERAL FOUNDRY SERVICE

JAY N TRUCKING

PROLOGIS

RELIABLE LIQUIDATION & INSTALLATION INC



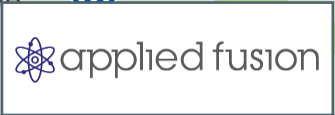
1919-1925-1931
REPUBLIC AVE

1914-1916
REPUBLIC AVE

2580
NICHOLSON ST

1915
REPUBLIC AVE

Regional Area Map



SAN LEANDRO

OAKLAND INT'L AIRPORT

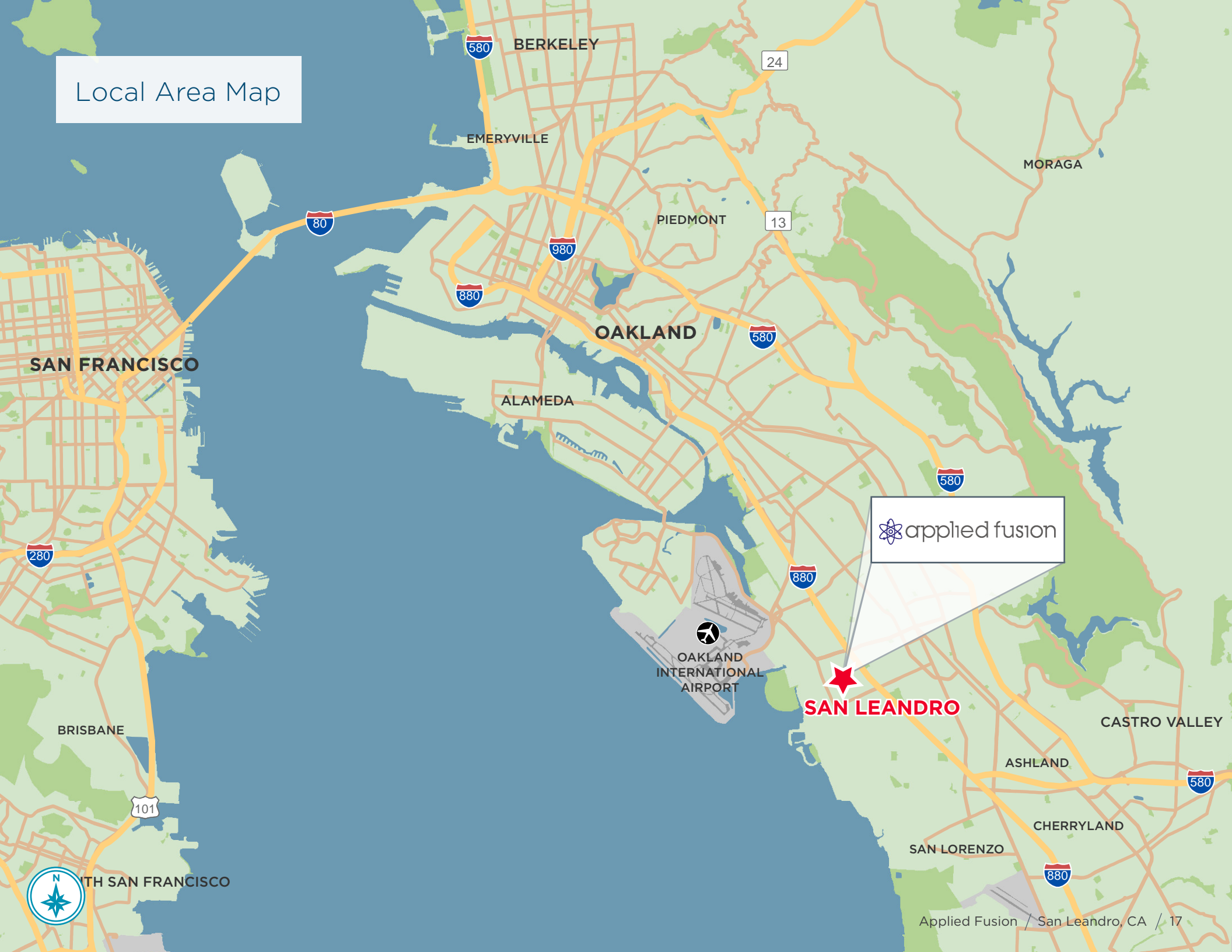
SAN FRANCISCO INT'L AIRPORT


HAYWARD EXECUTIVE AIRPORT

SAN JOSE MINETA INT'L AIRPORT



Local Area Map



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SAN LEANDRO

San Leandro is a city in Alameda County on the eastern shore of the San Francisco Bay between Oakland to the north and Hayward to the south. With a vibrant community of over 89,200 residents with an average household income of \$139,751, San Leandro is one of the most diverse cities in the nation. San Leandro is a desirable place for families to call home by offering affordable single-family dwellings with an average value of \$861,000, compared to San Francisco at nearly \$1.4 million. Young families have access to many quality K-12 schools; the San Leandro Unified School District is a leader among medium-sized school districts in Advanced Placement Program courses and exam performances. The city is known for its annual Cherry Festival, hiking at Oyster Bay Regional Shoreline and Lake Chabot, local breweries, and a wide range of shopping and dining. San Leandro also encompasses a large industrial market with a thriving advanced manufacturing industry.

Residents have a mix of national retailers within a short drive from their homes. The city attracts Bay Area residents to an easy shopping experience at the Westgate Mall and Bayfair Center, along with the popular Marina Square Center with exclusive factory outlets.

Transportation within the San Leandro and around the Bay Area is easy. The AC Transit operates bus routes throughout the East Bay with connections to San Francisco and Palo Alto. Three BART train lines stop at downtown San Leandro Station, with total BART ridership reaching 48 million trips in 2023. The San Leandro BART Station has nonstop destinations to Oakland, San Francisco, Day City, North San Jose, and Dublin/Pleasanton; one stop away is a connecting train to the Oakland International Airport. Two heavily traveled interstate highways travel north-south and run parallel to each other, the I-580 (143,000 VPD) and I-880 (240,000 VPD). The I-580 runs from US 101 in San Rafael to I-5 near Tracy and the I-880 runs from Oakland to San Jose.

San Leandro's thriving industrial market is home to global brands and national players in the warehouse and manufacturing industry. The city's industrial market is the third largest in Alameda County, with over 27 MSF of space. The vacancy rate was a low 4.4% at the end of the first quarter of 2024. Major tenants in San Leandro include Coca-Cola, Dr. Pepper, Snapple, Ghirardelli Chocolate, Torani, All American Containers, Georgia-Pacific, Pelagic Pressure Systems, Airgas, Polymeric Technology, L3 Applied Technologies, CNH Industrial, and Energy Recovery.





DEMOGRAPHICS

2024 Summary	1 mile	3 miles	5 miles
Population	13,312	146,270	336,240
Households	3,855	47,339	107,771
Families	2,898	32,913	75,048
Average Household Size	3.44	3.04	3.07
Owner Occupied Housing Units	2,295	26,102	56,088
Renter Occupied Housing Units	1,560	21,237	51,683
Median Age	40.7	39.4	38.3
Median Household Income	\$99,384	\$93,868	\$91,810
Average Household Income	\$134,575	\$130,590	\$132,686
Projected 2029 Summary	1 mile	3 miles	5 miles
Population	13,293	146,610	337,481
Households	3,795	46,991	106,961
Families	2,863	32,732	74,662
Average Household Size	3.49	3.07	3.10
Owner Occupied Housing Units	2,281	25,926	55,941
Renter Occupied Housing Units	1,515	21,064	51,020
Median Age	41.9	40.6	39.4
Median Household Income	\$117,535	\$112,012	\$109,724
Average Household Income	\$160,342	\$155,445	\$157,377



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PRECISION

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FABRICATORS

SINCE 1973

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