

2840 5TH STREET DAVIS, CA

RARE 4,798 SF modern office or medical building for sale or lease in the heart of Davis!



TURTON
COMMERCIAL REAL ESTATE



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PROPERTY OVERVIEW

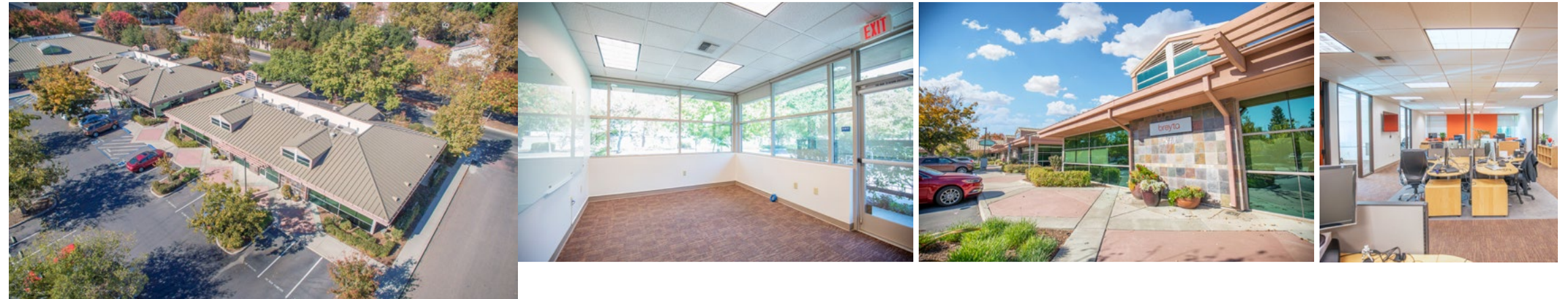
Turton Commercial Real Estate is pleased to present a rare opportunity to purchase or lease a modern office or medical building in Davis, CA, just minutes from downtown and UC Davis.

2840 5th Street is a modern and newer construction one (1) story office/medical building totaling 4,798 rentable square feet (RSF) just minutes from the heart of Downtown Davis. The building, built in 2005, features intricate landscaping design, floor to ceiling paned glass windows, stone exterior finishes, painted sheet metal roof, an abundance of parking, and a location that is conveniently located to many of Davis' more notable retail amenities, housing communities and easy access to the freeway.

The property is one of few opportunities in Davis for a company to buy or lease space in a newly constructed building with close proximity to University of California Davis. UC Davis is among the largest campuses in the UC system that enrolls 30,000 students per year on a 5,300-acre campus within a short drive of the subject property.

Companies looking to lease or purchase this property will find the space incredibly versatile. The interiors of the building can be easily configured to accommodate one or multiple tenants. Given the immaculate condition and outstanding location of the property as well as the generous parking, few would argue the rent per square foot is significantly under market by regional office standards, especially in Davis. The interiors of the building are highly functional and in excellent condition featuring up to three restrooms, perfect for demising the building for two suites with restrooms.

The property is currently fully leased by Breyta, Inc. The Tenant has occupied the premises since 2015 and has two years remaining on the term. Breyta is willing to either reduce their footprint in the building, or relocate early, allowing access to the entire building. The existing tenancy allows a future owner of the property to collect income while waiting for their lease to expire and plan for their relocation to the property.





PROPERTY LOCATION

2840 5th Street is located just minutes from the thriving Downtown Davis and world-renowned University of California, Davis.

The City of Davis is a university-oriented town and an active, progressive community. Davis is noted for its quality of life and friendly, small-town feel alongside big-city cultural amenities; energy conservation, environmental programs, parks, and tree preservation; double-decker buses, bicycles, and UC Davis.

The City's population totals more than 68,000 and is a fifteen-minute drive to the east to Downtown Sacramento, or a ninety-minute drive to the west to the San Francisco Bay Area. Davis is an ideal mix of established residential neighborhoods of palpable character combined with an eclectic array of successful national, regional and locally owned businesses and organic youth-infused goods and services.

Davis is considered to be one of the most desirable cities in California (and even the United States) to live in. The demographics are impressive. The median home price in Davis is \$637,000 (up 8.7% over the last year), with an average list price of \$342 per square foot, nearly 50% higher than the Sacramento metro average of \$227 per square foot. They are smaller, predominantly older homes, with architectural and neighborhood character, as Davis has deliberately seen very few new residential developments. Median family household income is \$114,094, with an average unemployment rate of 3.8% in 2016.



Average Household Income & Home Value within varying radii:



DAVIS QUICK-FACTS:

- Avg sunny days / year: 267
- Avg walk score in downtown: 90+
- Bachelor's degree or higher: 72.5%
- Median household income: \$58,000
- America's Brainiest Cities rank: 10
- Retail vacancy in downtown: 3.7%



Live. Work. Study. Play. Welcome to California's college town that has it all.

UC Davis, which first opened in 1908, is a highly regarded nationally ranked university best known for solving problems related to food, health, the environment and society. The campus is more than 5,300 acres and currently has more than 35,000 enrolled students. It offers more than 104 different majors, 99 graduate programs, is an NCAA Division 1 school and receives more than \$700 million in research funding each year. It is known worldwide to be one of the finest universities for veterinary medicine, and was named the most sustainable university in the world in 2016 by the UI GreenMetric World University Ranking.

Davis as a whole has seen a true renaissance over the last decade. It is truly a live, work and play environment.

Just minutes from the property at the Davis Farmers Market, open year-round, rain or shine, you will find a wide range of fruits and vegetables, including certified organic produce, as well as fresh meat, fish, cheese, wine, dried fruit & nuts, jams, baked goods, flowers, plants and specialty gifts.

Afterwards, visitors and residents can spend the afternoon sipping an espresso at Temple Coffee Downtown, shop for the perfect antique or gift at Himalaya Gift Shop, then top off your water bottle at Davis Wheelworks before heading out on one of many fun and challenging cycling or running routes. After working up a healthy appetite, stop for a late dinner and drink at Bistro 33 Davis and the City Tavern.

While regarded as one of California's most desirable college towns, Davis' economy is not adversely impacted when school lets out for the summer. Many of the students remain as residents throughout the summer and virtually all restaurants and retail establishments report steady sales during the summer months.



Live. Work. Study. Play.



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BUILDING DETAILS

Property Info

Address:	2840 5th Street
Building size:	4,798 RSF
Year built:	2005
Zoning:	M-U
Parcel size:	5,227 SF
APN:	071-406-013-000
Type:	Office / Medical office
Stories:	One
Sale price:	\$1,895,000.00
Asking rental rate per SF:	\$2.00 NNN

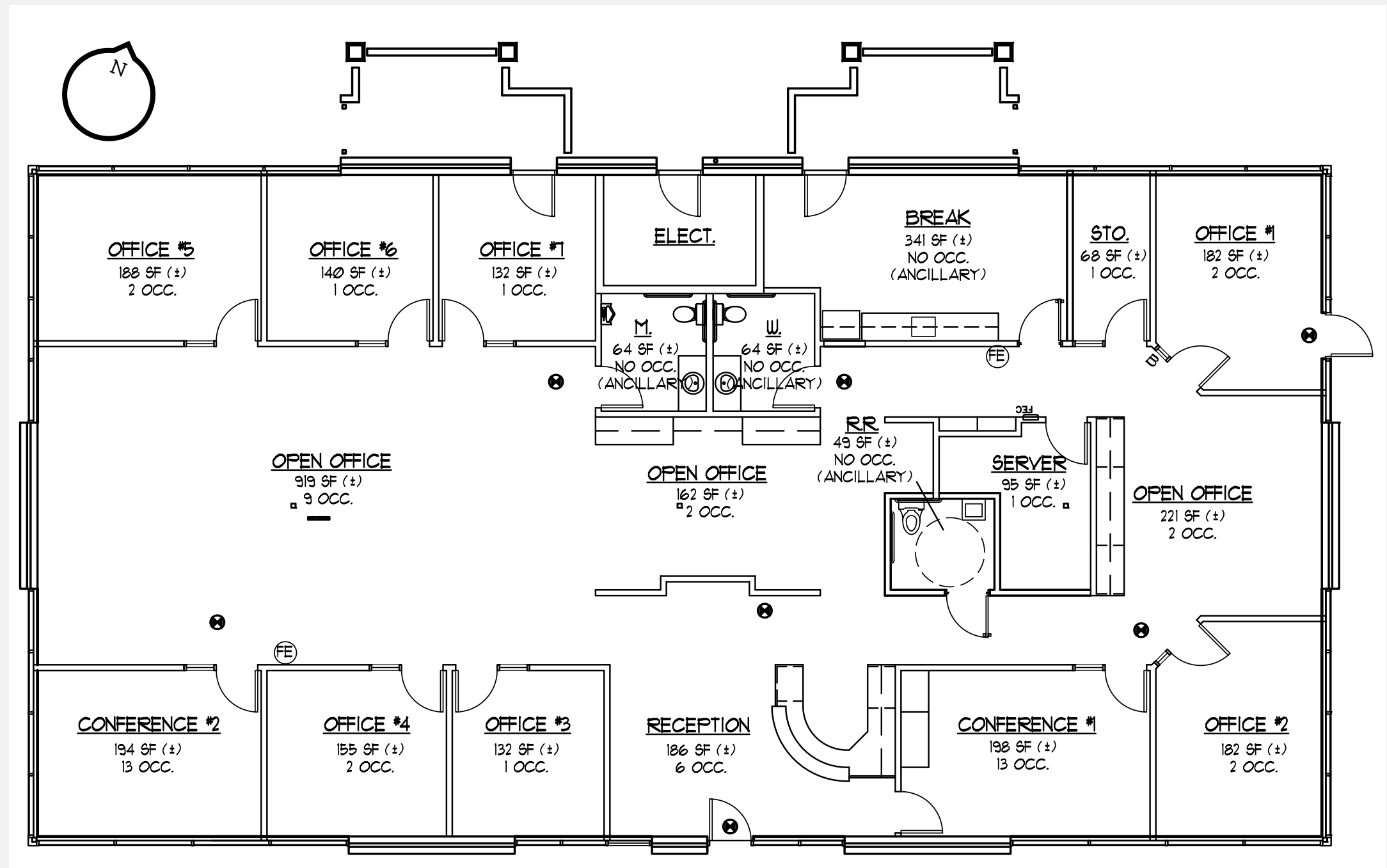
Existing Tenant Summary

Tenant name:	Breyta
2019 Gross rent:	\$114,868.20
2019 Est. operating expenses:	\$32,124
2019 Net operating income:	\$82,744
2019 Cap rate w/ current tenant:	4.3%
Existing lease term:	Through July 31, 2020 (Tenant is able to relocate sooner if desired)

Building Floor Plan

Sale price: \$1,895,000.00

Asking rental rate per SF: \$2.00 NNN





FINANCIAL INFO

Pro-forma Investment Underwriting

Income

	SF	BASE RENT FSG	MONTHLY BASE RENT FSG	ANNUAL BASE RENT FSG
Tenant Income	4,798	\$2.65	\$12,714.70	\$152,576.40

Operating Expenses

	PER SF	MONTHLY EXPENSE	ANNUAL EXPENSE
Building Owners' Association:	\$0.11	\$515.00	\$6,180.00
City Services:	\$0.03	\$166.00	\$1,992.00
HVAC:	\$0.06	\$300.00	\$3,600.00
Property Taxes (\$1.895m basis):	\$0.34	\$1,626.54	\$19,518.50
Repairs:	\$0.09	\$416.67	\$5,000.00
Insurance:	\$0.04	\$175.00	\$2,100.00
Total:	\$0.67	\$3,199.21	\$38,390.50
Net Operating Income:		\$114,185.90	
Capitalization Rate @ \$1.895m:		6.03%	

Owner-User Underwriting

Debt Service

Purchase Price:	\$1,895,000.00
Down Payment:	\$473,750.00
Loan Amount:	\$1,421,250.00
Interest Rate:	5.25%
Term of Loan (Years):	25
Monthly Debt Service Expense:	\$8,516.81

Operating Expenses

Monthly Operating Expenses:	\$3,199.21
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Summary

Total Monthly Cost:	\$11,716.02	or	\$2.44 / SF, fully serviced
Less Avg. Loan Paydown Over 10 Years:	\$3,014.87	or	\$0.63 / SF, fully serviced
Less Bldg. Apprec. Over 10 Years (2.5%/yr):	\$4,423.00	or	\$0.92 / SF, fully serviced
Net Cost of Ownership Over 10 Years:	\$4,278.15	or	\$0.89 / SF, fully serviced

Net Cost of Ownership Over 10 Years: \$4,278.15



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