

1030

G STREET

URBAN CORE OWNER-USER BUILDING
FOR SALE AND LEASE IN DOWNTOWN
SACRAMENTO



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THE PROPERTY

6,402	\$2,195,000	\$2.60	8,160	12
SF BUILDING	PRICE	FSG RENT	SF PARCEL	PARKING STALLS

Turton Commercial Real Estate is pleased to offer a high quality, nicely appointed, stand alone office building with secured parking for sale in Downtown, Sacramento.

Turton Commercial Real Estate is pleased to present to market a stand-alone office building located at 1030 G Street in Downtown, Sacramento. The Property is being listed for \$2,195,000 which represents a 7.15% proforma capitalization rate inclusive of reassessed property taxes. The entire building is also available for lease at \$2.60 full service gross rent plus parking.

The Property is well suited for an owner-user or tenant, including businesses in the law, lobbying,

and political industries. The building measures approximately 6,402 square feet, comprised of recently renovated office space on the second floor and 12 covered and secured parking stalls on the ground floor. The office space is accessible via elevator from the ground floor lobby and boasts modern finishes, exposed ceilings and ductwork, and great window lines on three sides of the building. The building is turn-key and ready for occupy with minimal improvements.

Perhaps no amenity at the Property is more notable, though, than its location in the heart of Downtown. From a legal or political perspective, nearly every meaningful city, state, and county building is within walking distance. The Property is less than two blocks from the Sacramento City Hall and County Courthouse, four blocks from the Railyards Development, and six blocks from the State Capitol, Federal District Courthouse, Golden 1 Center, and Downtown Commons (DoCo).



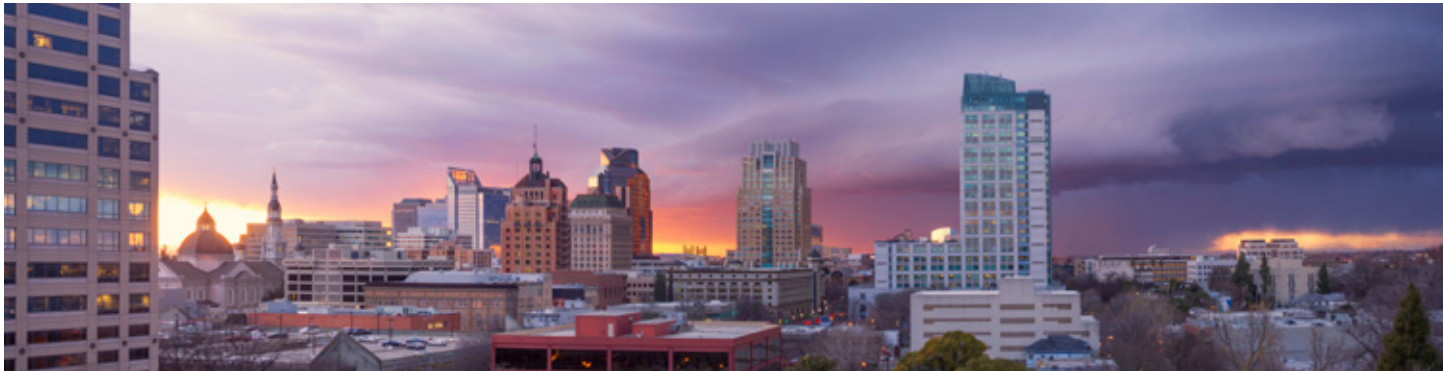


Section One: The Property

1030
G STREET

PROPERTY DETAILS

Address:	1030 G Street, Sacramento, CA
Building Size:	6,402 SF
Parcel Size:	8,160 SF
Availability:	Sale and Lease
Price:	\$2,195,000
Proforma NOI:	\$171,963
Proforma Cap Rate:	7.15%
Rent:	\$2.60 FSG plus parking
Year Built:	1985
Year Renovated:	2016
Zoning:	RO-SPD (Residential Office)
On-site Parking:	12 gated stalls



BUILDING LOCATION

1	2	4	5	8
BLOCK FROM CITY HALL	BLOCKS FROM THE COURT HOUSE	BLOCKS FROM THE RAILYARDS	BLOCKS FROM THE STATE CAPITOL	BLOCKS FROM GOLDEN 1 CENTER

The Property enjoys one of the most desirable locations in the urban core. Prominently positioned on the Southwest corner of 11th and G Street in the rapidly developing Alkali Flats district of Downtown Sac, the Property is located within a few blocks of all of Sac’s most desirable amenities.

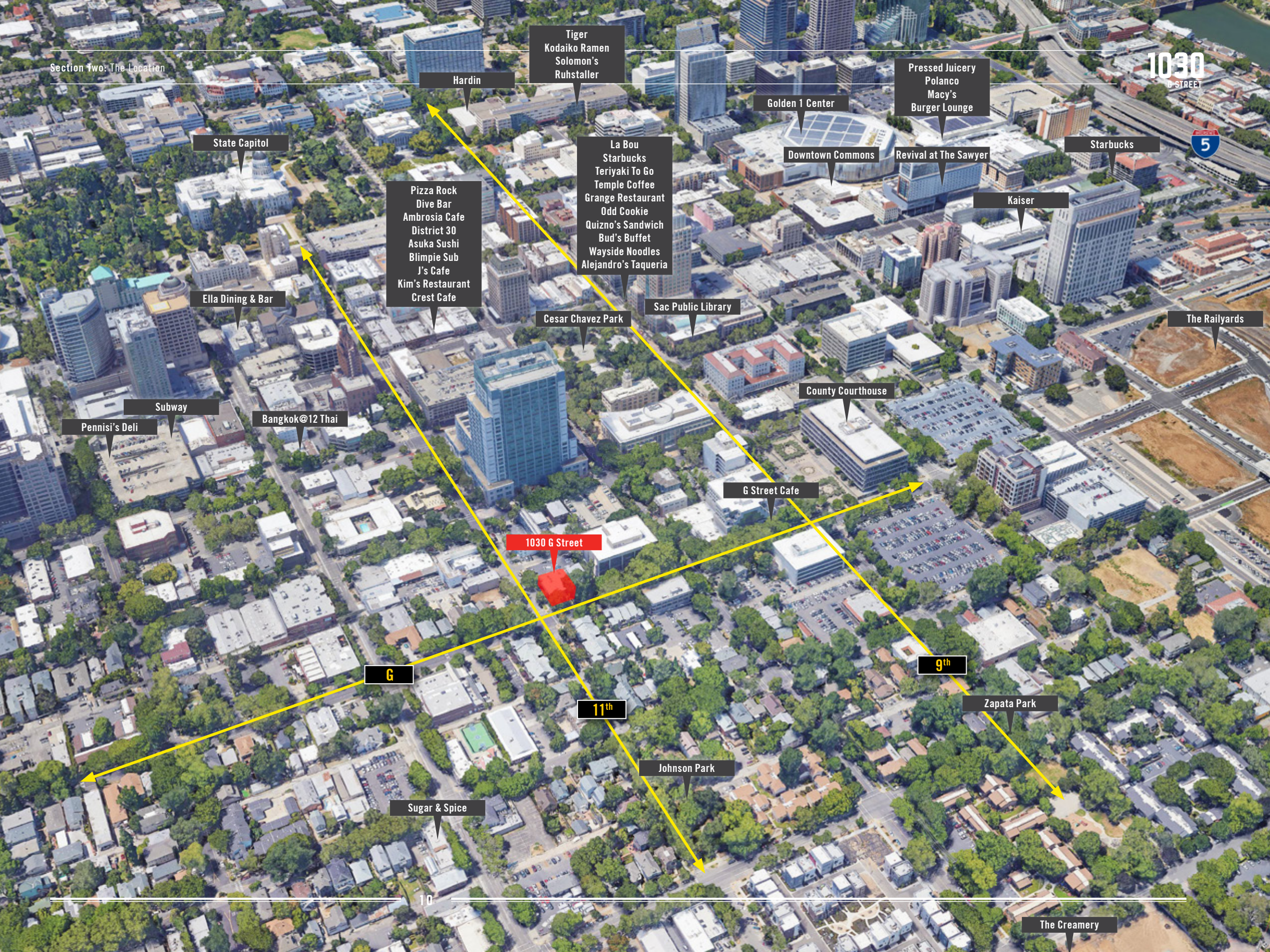
8 blocks from the Property is the Golden 1 Center sports and entertainment complex. A third-party study estimates that the 17,500 seat arena will attract 1.6 million new visitors to Downtown Sacramento each year, and will be the driving force behind \$11.58 billion in positive economic growth over the next 35 years. The arena hosts over 200 events each year ranging from sporting events to concerts to civic events and ceremonies. The surrounding “DoCo” development will feature over 600,000 square feet of retail shopping, dining and entertainment space

thus creating a truly dynamic year-round shopping and lifestyle destination. 5 blocks from the Property is the California State Capitol, the policy-making epicenter of the world’s 6th largest economy. The Capitol and related businesses drive Sacramento office demand; furthermore, office space that is within walking distance carries a significant premium. Currently, within a five block of the Capitol, the office vacancy rate is 8%, although a large portion of the vacant space is purposely held for redevelopment.

4 blocks from the Property is the renovated Sacramento Convention Center and 2 blocks from the property is City Hall. For commuters there is a Regional Transit Lite Rail stop three blocks from the property and two years from now the Property will be 7 blocks from the new Major League Soccer stadium for Sacramento Republic FC. Between the Property and all of these major landmarks lie dozens of Sacramento’s finest restaurants, cafes, coffee shops, nightclubs, watering holes and retail shops.



Section Two: The Location





NEARBY AMENITIES

The Property also benefits from proximity to several popular restaurants and bars, with easy access to every corner of the growing city.

POPULAR RESTAURANTS NEAR 1030 G STREET (NOT ALL ARE MENTIONED HERE):

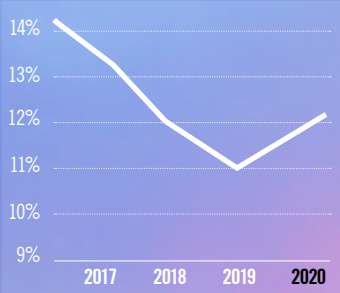
58 Degrees & Holding Co.	Chipotle	Jack's Urban Eats	Pachamama Coffee Coop	Tank House BBQ
Ace of Spades	Cornerstone	Karma Brew	Paesano's	Tapa the World
Aioli Bodega Espanola	Crepeville	Kru Japanese	Paragary's	Tea Cup Cafe
Amaro Italian Bistro & Bar	Der Biergarten	Bombay Bar & Grill	Pizzeria Urbano	Temple Coffee
Art of Toys	Dos Coyotes	Kupros Craft House	Portofino's	Thai Basil
Azul Mexican	Eatuscany Cafe	Lowbrau	Press Bistro	Thai Canteen
Badlands	Elixir Bar & Grill	Lucca	Pronto Pizza	The Bread Store
Bar West	Faces	Luna's Cafe & Juice Bar	Pushkin's Bakery	The Golden Bear
Bento Box	Federalist Public House	Mango's/Burgertown	Q Street Bar & Grill	The Mill Coffee House
BevMo	Fieldwork Brewing Co.	Make Fish	R15	The Porch
Block Butcher Bar	FishFace Poke Bar	Mercantile Saloon	Red Rabbit	The Press
Bottle & Barlow	Fit Eats	Metro Kitchen & Drinkery	Rick's Dessert Diner	The Rind
Broderick Midtown	Fox & Goose Public House	Mikuni Sushi	Roxie Deli and Barbecue	The Waterboy
Buckhorn Grill	Ginger Elizabeth Chocolates	Monkey Bar	Sakamoto	Tres Hermanas
Burger Patch	Grange	Mulvaney's B&L	See's Candies	Uncle Vito's Pizza
Burgers and Brew	Highwater	N Street Cafe	Shady Lady	University of Beer
Cafe Bernardo	Hot Italian	Nekter	Shoki Ramen House	Waffle Square Country Kitchen
Café Bernardo's	I Love Teriyaki	Nido	Skool	Yogurt a GoGo
Cantina Alley	Identity Coffee	Nishiki Sushi	Squeeze Inn	Zelda's Pizza
Centro Cocina Mexicana	Iron Horse Tavern	Old Soul Coffee	Sun & Soil Juice	Zocalo



SACRAMENTO DATA BITES

Sacramento's relative affordability versus amenities remains one of its biggest draws. Population growth is expected to average about 1% (20,000 annually for the region) over the next five years and is expected to outpace the national average. Household growth continues to far outpace the rate of single-family and apartment deliveries. In July 2020 Sacramento was the most popular migration destination in the U.S, with more than half of home searches from buyers outside of the area (Redfin).

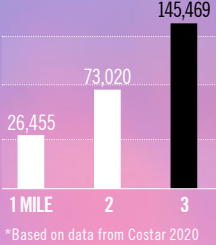
SACRAMENTO OFFICE VACANCY:



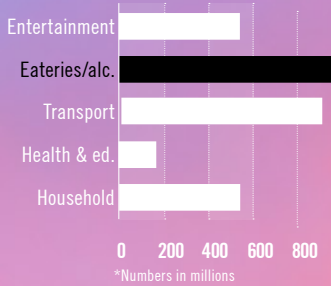
SACRAMENTO'S CITY RANKINGS

- #1 Happiest workers in midsized cities
- #2 Top 10 most fun, affordable U.S. cities
- #2 in the U.S. for net millennial migration
- #4 U.S metro clean tech index
- #4 Best cities for nerds
- #5 Hot startup cities
- #10 Best cities for women in the workforce
- #10 Best cities for coffee snobs
- #10 Least Stressed-out cities
- #14 America's coolest cities
- #16 Best cities for millennials

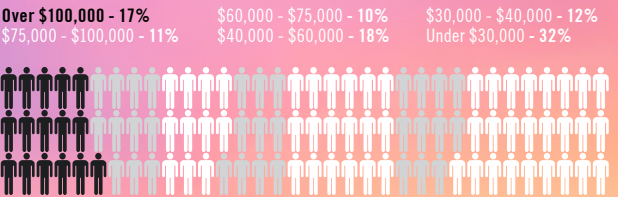
NUMBER OF EMPLOYEES WITHIN VARYING RADIUS OF THE PROPERTY:



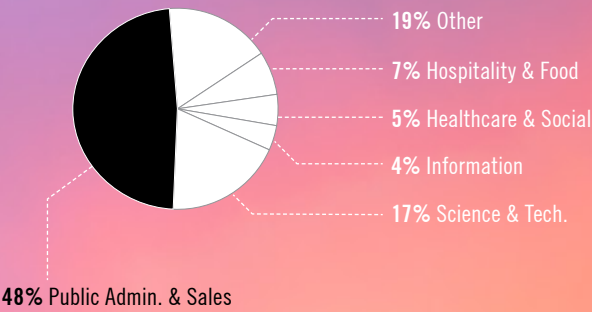
ANNUAL CONSUMER SPENDING WITHIN A ONE MILE RADIUS OF THE PROPERTY:



SACRAMENTO REGION ANNUAL SALARY BREAKDOWN:



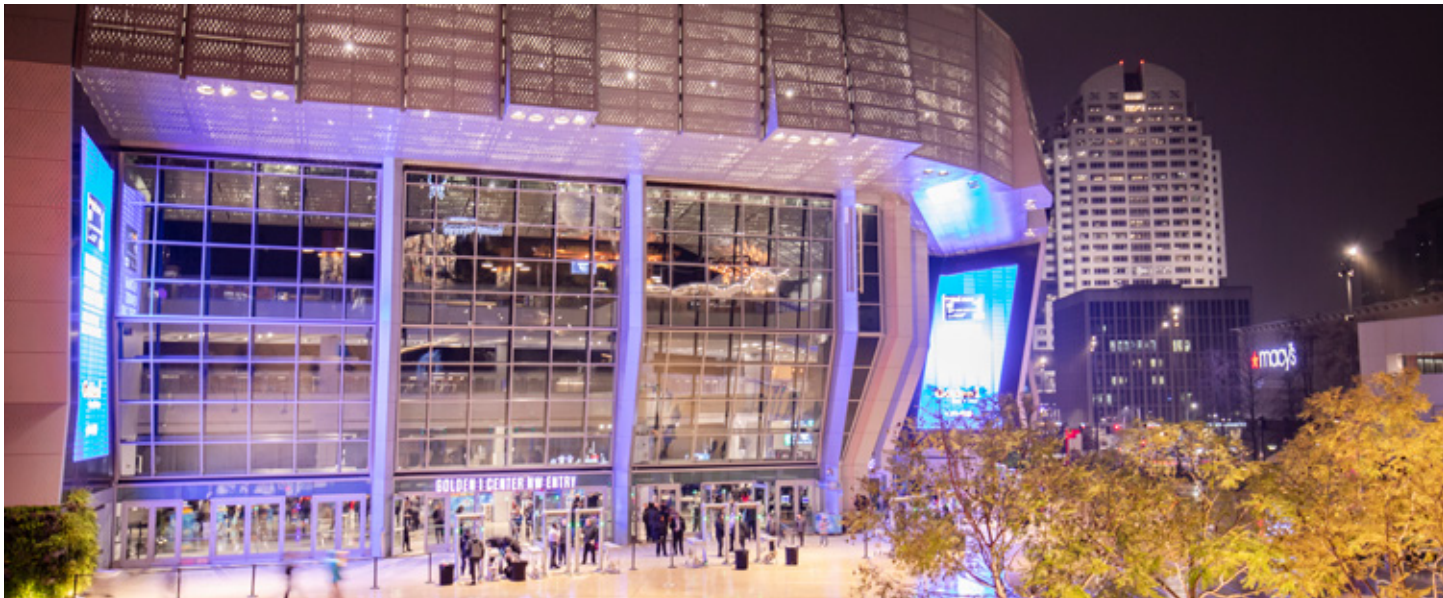
LARGEST EMPLOYMENT INDUSTRIES WITHIN 1 MILE RADIUS OF THE PROPERTY:



34.3% Of population have a bachelor's degree

Sources: SmartAsset 2018
Emsi 2019

WALK SCORE: 97
BIKE SCORE: 98
TRANSIT SCORE: 55



THE OFFICE MARKET

Downtown, Sacramento is one of the strongest commercial real estate submarkets in the entire Sacramento Region and Sacramento is considered one of the fastest growing cities in California. Demographic inflow from the Bay Area, economic expansion, limited to no new inventory and high construction/TI costs are placing significant upward pressure on rent growth and significant downward pressure on the vacancy rate. Limited to no new office construction with continued growth and influx from the Bay Area will extend and continue the current Landlord's market. Current market statistics indicate that the current office vacancy rate in Downtown is reaching historical lows around is 7.8% with the average rental rate is \$2.56 per square foot. The growth can

be attributed to a number of economic factors, but most visibly, the large scale development projects including the Golden 1 Center, the new Convention Center and Theater, the several large State office buildings, the new IMSF Kaiser Hospital, the new Courthouse, the MLS Stadium and the rest of the Railyards development, which have created a buzz throughout the city and region. Sacramento is attracting new growth from around the State and is at the beginning of a new era.

The Subject Property is compelling in that it offers much more than its competitive set. Stand Alone building and signage allow for a distinct presence to the urban core. Modern and attractive architecture with great window lines allowing for natural light and a rewarding work environment.

Gated and secured parking with immediate access to the workplace. High end finishes and appointments with an efficient professional layout that comfortably accommodates a workforce of 15-30 people. The building is nicer than most Class B buildings and has many more valuable offerings than that of the Class A Office space. The Class A segment has a vacancy rate of 6.9% and an average rental rate of \$3.35 with an average parking cost of \$185/stall while Class B Office has a vacancy rate of 9.3% and an average rental rate of \$2.78 with an average parking cost of \$165. The Fair Market Rent used to underwrite this property is below Class A rents and parking costs while above Class B rents and parking costs.





PROPERTY DETAILS



OWNER-USER OPPORTUNITY

TURN-KEY CONDITION

NEW IMPROVEMENTS

High Quality Tenant Improvements

The Property boasts modern finishes, including high ceilings, exposed duct work, modern lighting, and large windows on three sides of the building. Within the last five years, the ownership has also upgraded the hardwood flooring, interior paint, office layout, breakroom amenities, IT wiring throughout the building, and upgraded breakroom infrastructure.

New HVAC

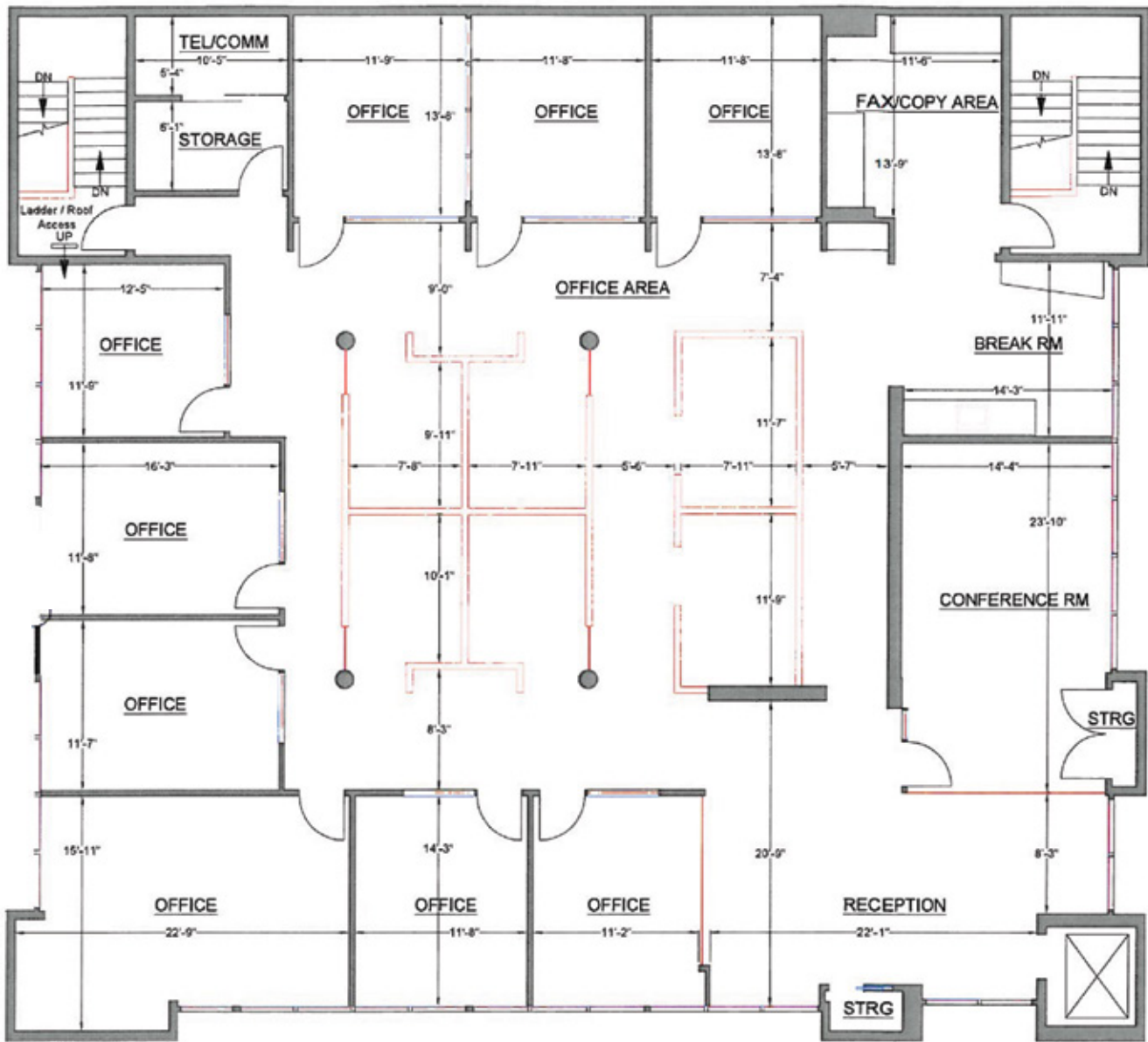
In 2016, the ownership replaced all six (6) HVAC units, comprised of five (1) new rooftop package heat pump units and one (1) new rooftop cooling only unit. The interior is wired with six (6) programmable thermostats. The work was done by LEED Mechanical.

New Roof

In 2016, the ownership installed a new single ply thermoplastic roof on the Property. The roof comes with a ten year “No Dollar Limit” roof system warranty from Watson Roof Companies, Inc.

Parking

The Property includes approximately 12 covered parking stalls located on the ground floor of the building. The garage is accessible from 10th Street and secured by an automatic gate. Once inside, the second floor office space is accessible from one of three entry points – two stairwells and an elevator





ECONOMICS

Base Year Operating Expenses

Electric & Gas:	\$9,000
Water & Sewer:	\$2,136
Trash	\$863
Property Taxes	\$26,004
Insurance Expense	\$2,000
Landscaping	\$1,800
Pest Control	\$900
HVAC Maintenance	\$1,200
Elevator Maintenance	\$600
Janitorial	\$4,800
Other Maintenance:	\$1,200
Management Fees:	\$4,800
Total (annual):	\$55,303
Total (PSF, annual):	\$8.638
Total (PSF, monthly):	\$0.719

2021/2020 FMV Pro Forma

2020 Base Year Rent:	\$211,272
Base Year Parking:	\$1,500
Gross Rent:	\$229,266
Less Operating Expenses:	(\$57,303)
Base Year NOI:	\$171,963
Purchase Price:	\$2,195,000
Stabilization:	\$210,000
Capitilization Rate:	7.15%



