

# 13C

DOWNTOWN, SACRAMENTO

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URBAN INFILL SITE  
OPPORTUNITY ZONE



**TURTON**  
COMMERCIAL REAL ESTATE



13C

THE FUTURE OF DOWNTOWN IS BRIGHT.  
DEVELOPMENT SURROUNDS 13C  
(RAILYARDS RENDERING)



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# THE PROPERTY

25,600	\$1,600,000	M-1	±20-70
SF LAND	PRICE	ZONING	UNITS POTENTIAL

13C (the “Property”) is 25,600 square feet land centrally located on the southeast corner of 13th Street and C Street. The property consists of two (2) parcels, APN: 002-0084-001-0000; 002-0084-002-0000, with the current zoning designation: M-1. The property is a quarter of a city block, measuring approximately 160 feet long an approximately 160 feet wide.

The Property is a rare corner location in a highly desirable residential neighborhood setting. In the

epicenter of Midtown and Downtown Sacramento, the Property is mere blocks from 16th Street and 12th Street which are two main arterial streets of Downtown and 12 blocks from the Golden 1 Center, DOCO, nightlife, restaurants, as well as major employment centers. The Property provides walkability to most of the urban core, without sacrificing ancillary parking options, privacy, or noise.

The Property is an excellent development opportunity that can potentially yield up to +/-70 units

in a project of five stories. The sale of the Property includes an existing clean Phase I and Phase II report. The Property provides many viable options for a project, including high-density multifamily, mixed-use, or residential condos.

There is an existing warehouse structure located on the 1310 C Street property which could provide the developer potential income to help cover holding costs while planning/designing a future project.

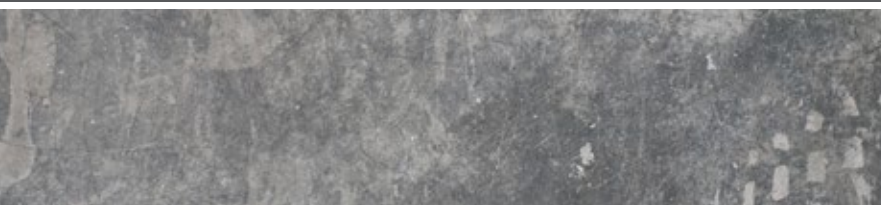






## PROPERTY HIGHLIGHTS

- High-Density Infill Development Sites in Opportunity Zone
- Clean Phase I Report
- Desirable Historic Mansion Flats Neighborhood
- Rare Corner Configuration
- Opportunity Zone Site
- Central Location to Midtown and Downtown
- Proximity to Civic Center, Theatre District, Golden 1 Center, DCO
- Near many significant infill development sites







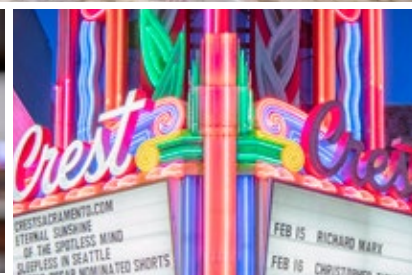
# BUILDING LOCATION

4	5	6	8	8
BLOCK FROM THE RAILYARDS	BLOCKS FROM THE COURT HOUSE	BLOCKS FROM CITYHALL	BLOCKS FROM THE STATE CAPITOL	BLOCKS FROM GOLDEN 1 CENTER

Alkali Flat is the oldest remaining neighborhood in Sacramento, and is undergoing a transformation into a community of residents, employees, artisans, restaurants and retailers. Between 2016 and 2019 over 1,000 new residential units were added to the Downtown Grid and/or immediately surrounding blocks, including The Creamery, which is a new development of modern tri-level homes. The Creamery has been occupied by a heady brew of professionals, “creatives,” young

families and energetic mid-agers looking to re-connect with the eclectic and electric charms of the neighborhood. 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. 8 blocks from the Property is the California State Capitol, the policy-making epicenter of the world’s 6th largest economy.







# NEARBY AMENITIES

The property benefits from all that Downtown Sacramento has to offer. The ultra centralized location provides easy access to every corner of the city.

**POPULAR RESTAURANTS NEAR 1300-1310 C (NOT ALL ARE MENTIONED HERE):**

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





# NEARBY DEVELOPMENTS

## Kaiser



The new 1,200,000 square foot Kaiser Permanente Medical Center is located on the northwest corner the Railyards on an 18 acre site and will replace the current hospital located at 2025 Morse Avenue location. The first phase of the project is underway and scheduled to open in 2025. The two phased project has an estimated cost of over \$1,000,000,000.

## Township 9



The 65 acre infill site was recently acquired by 29th Street Capital, who has stated they plan to start on 900 multifamily units fall of 2020 with plans to eventually develop up to 1,400 units there in later phases. This same developer is responsible for the 752 homes that have been completed at the Mill at Broadway. There is no estimate of construction costs for the project.

## The Railyards



One of the largest urban infill sites in the Western States, this project is slated to double the size of Downtown Sacramento and act as a destination worthy extension of the urban core. Includes the new Kaiser Hospital, MLS Stadium and room for high quality mixed use office, retail and residential projects. The Foundry is one such proposed development of two six-story office buildings that total 313,350 square feet with ground floor retail. It is likely there will be many more exciting projects proposed on this large infill site.

## Powerhouse Science Center



50,000 square foot center with exhibition space, a planetarium and classrooms that's under construction and scheduled to be completed by the end 2020. Estimated costs are \$84,000,000.

## MLS Stadium



Sacramento's FC Republic was awarded an MLS franchise in 2019 under the understanding that a new MLS Stadium will be constructed and completed in time for the 2023 season. The new stadium is scheduled to break ground Fall 2020 and be completed in December 2022. The 426,000 square foot stadium will accommodate up to 22,000 attendees for soccer matches, concerts and other events. Preliminary infrastructure work is underway. Estimated to cost are at \$252,000,000

## Richards Blvd Office Complex



1,250,000 square feet of stunning offices for the State of California, expected to bring 4,650 daytime employees. Project is currently underway and anticipated completion of March 2024. Estimated cost are at \$1,000,000,000.

## Mirasol Village



The project is a public-private partnership bringing 487 residential townhomes and apartments with amenities that include a park, community garden, walking paths and a light rail stop. Construction of the first phase of residential buildings is expected to begin in June and be ready for occupancy by January 2022. The second phase of residential construction is scheduled for late 2020 and total costs are estimated to be \$310,000,000.

## Sac County Courthouse



Construction of an 18-story courthouse with 543,437 square feet and 53 courtrooms will allow the county court system to consolidate its operations from the existing courthouse a few blocks east and four leased locations. The state purchased the 2.4AC site in 2014 and it is estimated the construction of the courthouse to start in 2020 and to be completed in 2023. The project is expected to cost \$450,000,000.

## Multifamily on 16th



Several multifamily projects are in different stages of development that will be delivering hundreds of units in the next year. The 186 unit Mansion Apartment project at 16th & H Street is underway, the 95 unit project at 16H recently completed, another 95 unit Eleanor project at 16th & E is nearing completion and 53 units at Lavender Courtyard. Several additional sites have early stage infill development projects not included in this total or estimate. Total unit come to 429 units and estimated costs are at \$150,0000.

## The Richards Blvd Corridor



Now home to the new California Highway Patrol headquarters, the City of Sacramento headquarters, the new Greyhound Station and the Sacramento Police Department Headquarters.





# SACRAMENTO

15.3 MILLION  
ANNUAL REGIONAL VISITORS

71,335  
DAYTIME EMPLOYEES

215+  
BARS / RESTAURANTS

*California’s fastest-growing metropolitan area!*

While the Golden 1 Center has expedited urban development, the renaissance of Sacramento’s urban core has been underway for several years now. Residential migration to Sacramento has also been increasing with over 150,000 people relocating from the Bay Area or Silicon Valley between 2014 and 2018 according to census data, and upwards of 70,000 people migrating to Sacramento since 2019. Attracted by the affordability of real estate, lower cost of living, easy access to outdoors and great proximity to destinations such as Lake Tahoe, Napa

Valley, and the San Francisco Bay Area, many have found that Sacramento is an ideal location to live and improve their quality of life.

Downtown and Midtown, the two submarkets that make up the Central Business District and urban grid are the most desirable, amenity-rich locations for business in the Sacramento region and easily boast the lowest vacancy rates. As of Q3 2020, the Class A Office vacancy rate in Downtown was 6% while Midtown was 1.4%, and when combined with Class B Office vacancy, 11.7% and 7.5% respec-

tively. These figures are impressive when factoring in many Class B buildings on the market are functionally obsolete.

The urban core is the perfect fusion of multi-generational locally owned business, organic youth infused retail and services, carefully selected national and regional retailers, Michelin guide rated restaurants, an eclectic mix of high-end demographic occupations all embedded in a landscape known as the City of Trees and Farm-to-Fork capital of the world.





# 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).

## MULTIFAMILY RENTAL TRENDS URBAN CORE:

Class	Inventory (units)	Avg Rent	Vacancy	Absorption* (units)	Under Const. (units)
A	1,993	\$2,053	14.5%	328	1,154
B	2,172	\$1,677	9.8%	36	140
C	8,864	\$1,041	4.4%	40	0
All Types	13,029	\$1,442	7.3%	252	1,294

Costar, Multifamily All Unit Mixes

## SACRAMENTO'S CITY RANKINGS:

- #1 in the U.S. for net migration
- #1 Happiest workers in midsize cities
- #2 Top 10 most fun, affordable U.S. cities
- #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

\$3,123 AVERAGE RENT PER MONTH  
BAY AREA

\$1,838 AVERAGE RENT PER MONTH  
SACRAMENTO

Zillow, August 2020

## PERCENTAGE OF POPULATION WITH A BACHELORS DEGREE:

34.3%

SmartAsset 2018

## SACRAMENTO: OWNERS VS. RENTERS



GSEC 2020  
Applied Geographic Solutions & GIS Planning





# LOCAL MULTIFAMILY MARKET

The Sacramento Urban Core apartment market is bordered by American River (North), HWY 50 (South), to CSUS (East) and I-5 (West). The market consists of 806 total properties (five units and greater) and a total of 13,028 rental units. These communities benefit from being in close proximity to plentiful urban amenities and the CBD of Sacramento.

At the close of 2020, the Urban Core vacancy rate stood at 7.9%, inflated by more than 700 units delivered over the past two years. The average asking price across all unit types in the Urban Core was \$1,442 and \$2,277 for newer product. Despite the rise in vacant units, leasing activity proved to be strong in 2020—in the middle of a global pandemic—as the year reported the second highest annual absorption on record at 252 units (compared to 307 in 2014).

The Urban Core has witnessed a dramatic increase in its apartment stock over the past eight years in response to the recent revitalization throughout. What was historically a B & C market until recently, saw a dramatic shift in the development of Class A communities. Represented by just two properties 20 years ago, The Urban Core has ballooned to 22 properties or nearly 2,000 units by year-end 2020, with more right around the corner. This shift was predicated on the growing number of millennials or younger and higher income earning individuals in search of enhanced onsite and local amenities.

The newer, “urban” package resembles more of what you’ll find in a hip, boutique hotel including smart home integration, WiFi lobby/ communal areas, roof deck lounges, micro-mobility, Amazon lockers, state-of-the-art fitness centers

with Peloton bikes, etc. Coupled with the best in restaurants, entertainment, and nightlife night life only found in the Urban Core, it’s no surprise millennials fit right in and why we’ve also seen a strong in-bound migration from the Bay Area.

Recent construction further demonstrates the double-down on the millennial population, as 78% of units delivered since 2012 were in the studio and one bedroom unit mixes. These tenants are likely to be either single or couples without children. Rents in these two categories and vintage are seeking on average \$1,788 and \$2,282 per unit, respectively. Currently in the construction pipeline are 7 more projects underway slated to be delivered over the next three to 24 months. In total, this will bring another 1,300 units to the Urban Core.

# Multifamily Deliveries

Sacramento GRID – 2020



**The Press, Sacramento**

SKK, DeBartolo Dev.

277 Units; 200,616 SF

Studio (20); 1BR (137);  
2BR (44); & 3BR (7)

Current Avg. Rent: \$2,256



**H16, Sacramento**

SKK, Guardian Capital

95 Units; 60,000 SF

Studio (42); 1BR (40);  
& 2BR (13)

Current Avg. Rent: \$2,108



**1430 Q, Sacramento**

D&S Development

73 Units; 72,000 SF

1BR (33); 2BR (39); &  
3BR (1)

Current Avg. Rent: \$3,603



**The Carlaw, Sacramento**

James Cordano

26 Units; 45,000 SF

Studio (8); 1BR (10);  
& 2BR (8)

Current Avg. Rent: \$2,735

Source: Costar, Multifamily All Unit Mixes

# Multifamily Trophy Sales

Sacramento GRID – 2020



**The Press**

1714 21st St

SKK / DeBartolo Dev.

Oakmont Properties

2020

110,642

200,616

277

\$2,385

61.0%

\$118,000,000

\$588.19

\$425,993

70.0%

N/A

9/30/2020



**Q19 Apartments**

1907 Q St

SKK / Grupe Company

Woodmont Real Estate

2018

25,700

46,170

68

\$1,899

7.4%

\$26,800,000

\$580.46

\$394,118

0.0%

4.65%

4/19/2019



**16 Powerhouse**

1606 P St

D&S Development

Demmon Partners

2015

19,166

71,929

50

\$3,341

6.7%

\$32,500,000

\$451.83

\$650,000

0.0%

5.05%

3/6/2018



**Eviva Midtown**

1531 N St

LDK Ventures / Integral

Sequoia Equities

2016

30,492

180,000

118

\$2,226

4.2%

\$53,000,000

\$294.44

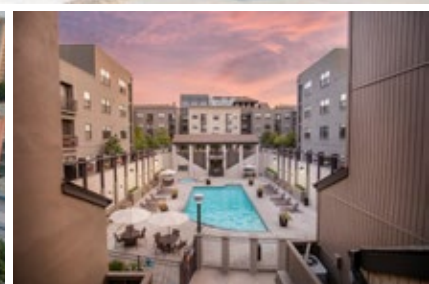
\$449,153

0.0%

4.78%

9/1/2017

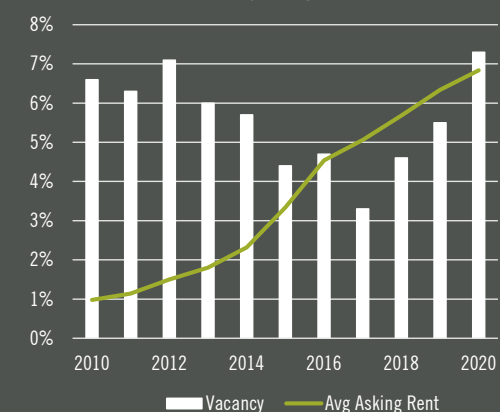




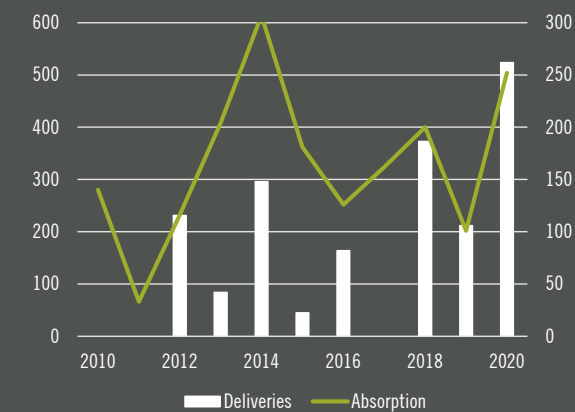
# Multifamily Rental Trends

Sacramento GRID

Vacancy & Avg Rent Trend



Deliveries & Absorption Trend



Source: Costar, Multifamily All Unit Mixes

# Multifamily Rental Trends

Sacramento GRID – New Construction Since 2012

All Unit Types

27.9%

Vacancy

\$2,277

Avg Rent / Unit

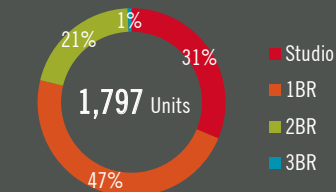
\$3.16

Avg Rent / SF

4.1%

Concessions

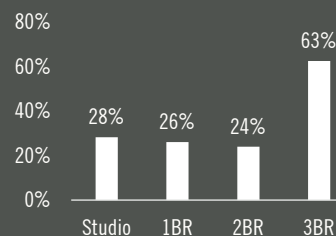
Total Units Delivered



Avg Rent / SF



Vacancy



Avg Rent / Unit



Source: Costar, Multifamily All Unit Mixes





# DEVELOPMENT POTENTIAL

25,600 SF LAND	M-1 ZONING	±20-70 UNITS POTENTIAL
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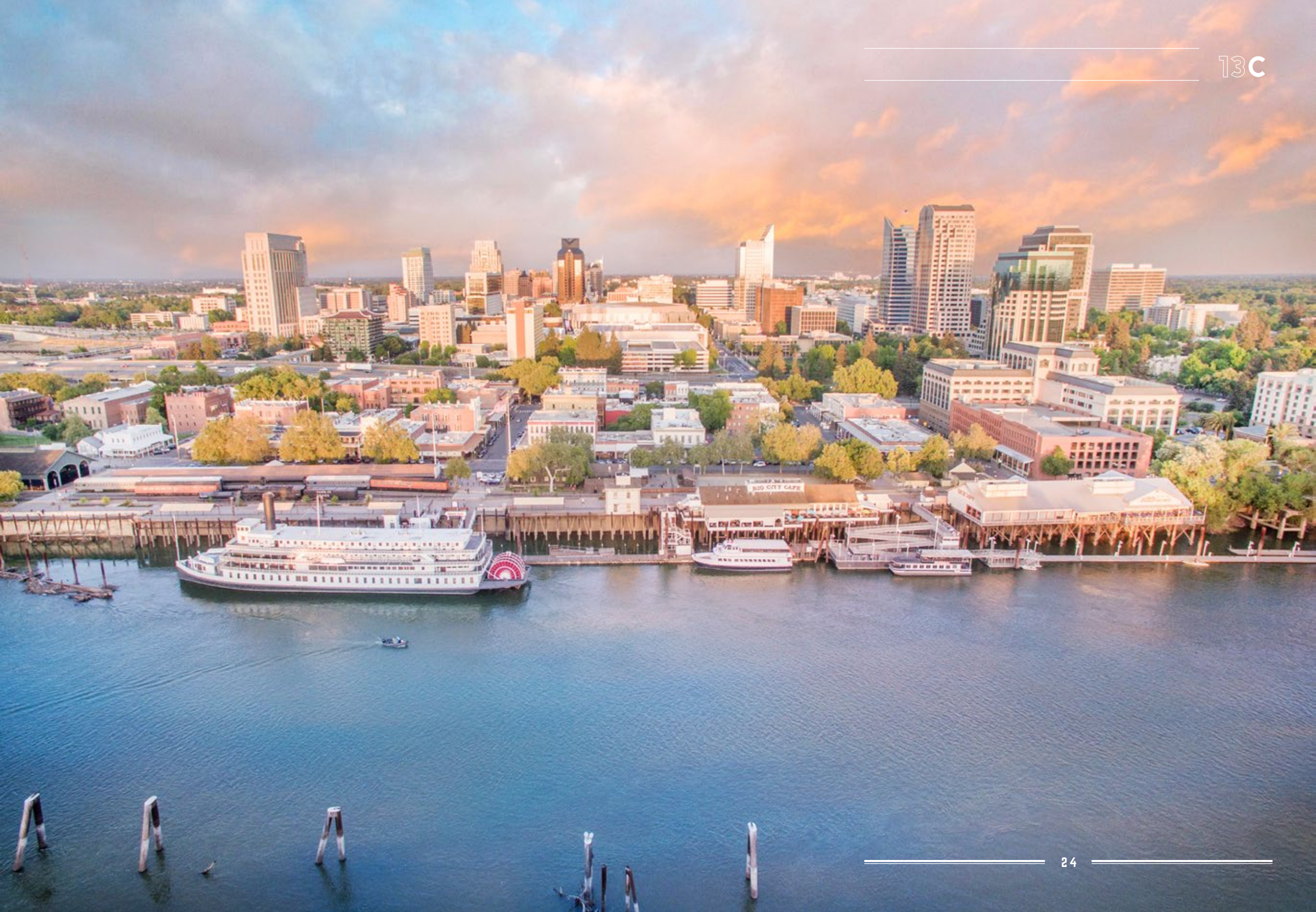
Excellent location, flexible zoning, and open configuration offers numerous possible projects: apartments, single family residences, townhomes, and/or mixed-use with ground floor retail, live/work or office.

In today's market, highest and best use for urban infill property is multi-family residential. With home sales prices increasing steadily higher and severely limited inventory of housing stock, there is also an opportunity for a condo-

minium development. Current studies indicate population growth for the City and the urban core, will outpace supply for the foreseeable future.







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