

4451 C

EAST SACRAMENTO



ARTIST: TYSON ANTHONY ROBERTS - CANON RESTAURANT



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4451 C STREET IS A HIGH IDENTITY
CORNER LOCATION IN THE HEART OF
EAST SACRAMENTO.

THE OPPORTUNITY

\$799,000	1,976	6.10%	2	2
PRICE	TOTAL SQUARE FEET	PROFORMA CAP RATE	UNITS	ON-SITE GARAGE STALLS

OWNER-USER OR VALUE-ADD INVESTMENT OPPORTUNITY

Turton Commercial Real Estate is pleased to present the opportunity to purchase 100% fee simple interest in 4451 C Street and 253 La Purissima Way, a rare duplex in the heart of East Sacramento. Given the Property's prime location and current

lay out, it is well suited for an owner-occupant in the upstairs two-bedroom unit. Further, the ground floor one-bedroom unit will generate consistent passive cashflow to offset ownership costs. In the meantime, the Property is 100% to two tenants

with an average in-place rent of \$1.67 per square foot. As such, the Property is also an attractive "value-add" investment opportunity. The Property is being offered for \$799,000.000 which equates to a 6.10% capitalization rate on proforma income.





PROPERTY DETAILS

Address:	4551 C Street and 253 La Purissima Way, Sacramento, CA
APN:	004-0132-012-0000
Price:	\$799,000.00
Cap Rate (proforma):	6.10%
Year Built:	1938
Number of Units:	2
Total Square Fee:	1,976 SF
Parcel Area:	5,663 SF (.13 AC)
Parking:	2 on-site garage stalls
Zoning:	R-1 Single Family Residential
Occupancy:	100%





PROPERTY OVERVIEW

4451 C Street and 253 La Purissima Way (together, the “Property”) is a two-unit residential building comprised of a two-bedroom / one bathroom unit upstairs and a one-bedroom / one bathroom unit on the ground floor. The Property is prominently located on a corner thereby creating an attractive setback from the street, as well as positioning the front door to each unit on separate sides of the building. As a result, each unit has complete privacy from the other. 4451 C Street is the larger of the two units, measuring approximately 1,100 square feet, and is comprised of two bedrooms and two bathrooms. Further, the unit includes a large living room, kitchen with fireplace, washer and dryer, and an attached sunroom. 253 La Purissima Way measures approximately 876 square feet and

includes one bedroom and one bathroom on the ground floor. The unit also features a roomy living room, kitchen with stacked washer and dryer. Both units have a small backyard or courtyard area to expand the living space. Additionally, both units have access to a one-car garage off C Street, as well as street parking in front of the building.

Owner-user Option:
The Property is an attractive opportunity for a buyer to occupy one of the units and offset monthly ownership costs with the income from the second unit. Assuming a buyer secures conventional financing for the Property, including a down payment of 20% (\$165,000) 2.99% interest rate, and 30-year amortization, the monthly “PITI” payment is approximately \$3,390 per

month. Assuming an owner occupies the larger of the two units, the market rent for the smaller unit is approximately \$1,795 per month. As such, a buyer could live in one of the units for a net cost of \$1,595 per month.

Value-add Investment Option:
For the typical investor, the Property presents a unique “value add” opportunity as the rents are severely under market. Currently, the average rent at the building is \$1,650 per unit or \$1.67 per square foot. However, the average rent for the units in the current condition is approximately 20% higher at \$1,950 per unit or \$1.97 per square foot. If a buyer were to undertake a considerable renovation to both units, the market rental rate increases to approximately \$2,450 per month or \$2.48 per square foot.





BUILDING LOCATION

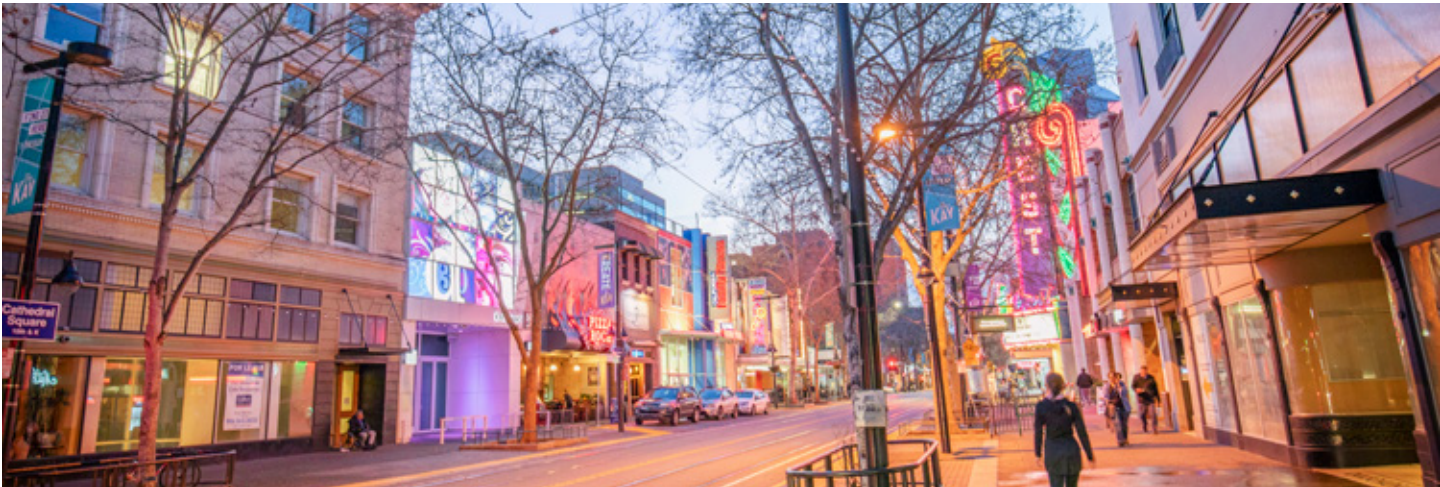
IN THE MIDDLE OF A HIGHLY-DESIREABLE NEIGHBORHOOD

The Property has one of, if not, the finest locations in the highly desirable East Sacramento submarket of Sacramento and is within easy walking distance of several notable amenities:

1	8	10	12	14
BLOCK FROM BERTHA HENSCHEL PARK	BLOCKS FROM 5+ BARS, COFFEE, & RESTAURANTS	BLOCKS FROM MERCY GENERAL HOSPITAL	BLOCKS FROM MCKINLEY PARK	BLOCKS FROM BUSINESS 80 ON/OFF RAMPS
1.1	1.4	1.7	2	2.8
MILES FROM “THE PARK AT EAST SACRAMENTO”	MILES FROM LINCOLN LAW SCHOOL	MILES FROM SACRAMENTO STATE	MILES FROM UC DAVIS MEDICAL CENTER	MILES FROM MIDTOWN, SACRAMENTO







SACRAMENTO

15.3 MILLION
ANNUAL REGIONAL VISITORS

71,335
DAYTIME EMPLOYEES

215+
BARS / RESTAURANTS

CALIFORNIA’S FASTEST-GROWING METROPOLITAN AREA

Sacramento is the Capitol of California, the fifth largest economy in the world. While perhaps not considered as prolific as many of the tourism-based cities in California such as San Francisco, Los Angeles and San Diego, being the hub of California’s governmental structure provides an incredible amount of economic stability throughout the region. In addition, Sacramento is being increasingly recognized as an outdoor enthusiast’s dream city with its re-

markably central location to Lake Tahoe, the Sierra’s, Yosemite and the Coast. In a recent study completed by WalletHub for National Nutrition Month, Sacramento was ranked the 5th healthiest city in the United States among 100 large cities (ranking higher than the likes of Denver, Colorado Springs, San Francisco, Portland, Austin, San Antonio and Seattle). Forbes magazine ranked Sacramento as the 10th healthiest city in the United States versus all cities.

A big part of this recognition stems from the cities’ proximity to the American River. Hiking trails and white-water rafting abound along the American River as well as one of Sacramento’s crown jewels - the 32-mile American River Bike Trail which runs entirely along the river from Beal’s State Park to Discovery Park where it conjoins with the Sacramento River to Old Sacramento on the riverfront (only 20 blocks from the Subject Property).



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

58.48% Owners

41.52% Renters

GSEC 2020
Applied Geographic Solutions & GIS Planning





EAST SACRAMENTO SUBMARKET

No single neighborhood in Sacramento is more desirable to live than East Sacramento. Homes in East Sacramento are highly sought after due to the central freeway location, proximity to the State Capitol Corridor and central business district, as well as easy access to numerous fine dining options, social events, and art offerings. Further, established schools, community and outdoor activities, and sense of security make the neighborhood highly desirable to both homeowners and tenants.

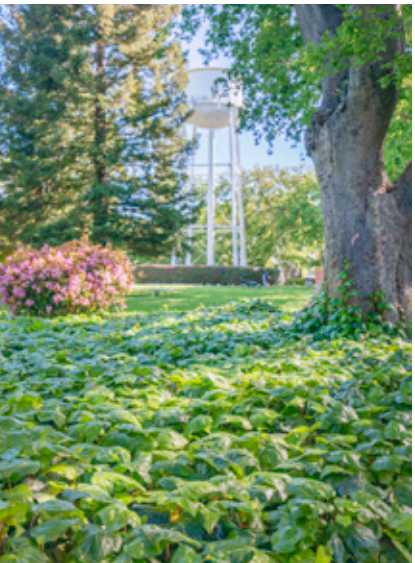
The availability of “for lease” rental housing in East Sacramento is quite limited because most of the housing inventory is comprised of single-family

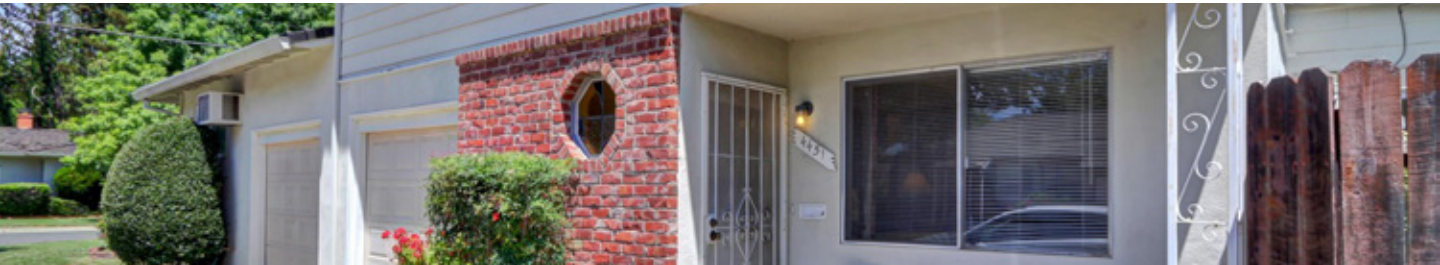
homes. Even then, rental housing in the submarket often includes retrofitted single-family homes, ADUs, and older multifamily buildings with dated finishes and no amenities. As a result, luxury rental units, when available in East Sacramento, experience high demand and command premium rent.

The Property is also located just two blocks from McKinley Park, one of the most underrated amenities in the entire city of Sacramento. The 32-acre park features a library, lake, tennis courts, a playground, a perimeter running and walking track, and ample grass sports fields.

Lastly, Mercy General Hospital, located at 39th

and J Streets, is located just four blocks from the Property. Mercy General is a member of the Dignity Health Network and currently employs over 2,000 clinical and medical staff. The hospital also serves as the major Cardiac Surgery center in the greater Sacramento area and is consistently ranked as one of the best hospitals in the entire county. Over time, the Property has demonstrated consistent tenancy from hospital employees, residency doctors, and long-term visitors. To that end, the hospital provides a valuable pool of well-paid and well-educated tenants searching for housing within walking distance of the hospital.





THE PROPERTY

2	1,976	2
RESIDENTIAL UNITS	RSF	GARAGE PARKING STALLS

LOCATED IN THE HEART OF EAST SACRAMENTO

GENERAL

Number of Residential Units	2
Unit Layout	
4451 C Street	2 bedroom and 1 bath
253 La Purissima Way	1 bedroom and 1 bath
Year Built	1938
Stories	2
Net Rentable Area	1,976 SF
4451 C Street	1,100 SF
253 La Purissima Way	876 SF
Total Monthly Rent (actual)	\$3,300
4451 C Street (actual)	\$1,700 per month
253 La Purissima Way (actual)	\$1,600 per month
Average Residential In-Place Rent (actual)	\$1,650
Average Residential Rent PSF (actual)	\$1.67 PSF

PROPERTY INFO

Electricity	SMUD
Water	City of Sacramento
Sewer/Storm drain	City of Sacramento
Gas	PG&E
Garbage	Republic Services
Internet	Tenant's Choice





ECONOMICS

2021 ACTUAL ECONOMICS

C Street Rent	\$1,700
La Puessima Rent	\$1,600
Utility Reimbursement	\$0
Garage Rent	\$0
Total Monthly Rent	\$3,300
Total Annual Rent	\$39,600

2021 ACTUAL OPERATING EXPENSES (ANNUAL)

City Utilities	\$3,000
Landscaping	\$1,320
Insurance	\$600
Property Taxes*	\$9,090
Total Operating Expenses	\$14,010

Net Operating Income	\$25,590
Purchase Price	\$799,000
Capitalization Rate	3.2%

2022 PROFORMA ECONOMICS

C Street Rent	\$2,095
La Puessima Rent	\$1,795
Utility Reimbursement	\$150
Garage Rent	\$100
Total Monthly Rent	\$4,140
Total Annual Rent	\$49,680

2022 PROFORMA OPERATING EXPENSES (ANNUAL)

City Utilities	\$3,000
Landscaping	\$1,320
Insurance	\$600
Property Taxes*	\$9,090
Total Operating Expenses	\$14,010

Net Operating Income	\$35,670
Purchase Price	\$799,000
Proforma Capitalization Rate	6.10%





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