

1309-1315 I Street

CONTEMPORARY OFFICE BUILDING FOR SALE 3 BLOCKS FROM THE CALIFORNIA STATE CAPITOL



1309-1315 I



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1309-1315 I Street



THE OPPORTUNITY

8,000	\$2.6M	\$325	19
SF BUILDING	PURCHASE PRICE	PRICE PER SF	ON-SITE PARKING STALLS

STAND-ALONE OFFICE BUILDING IN THE HEART OF DOWNTOWN!

Turton Commercial Real Estate is pleased to offer to the market, 1309-1315 I Street (the “Property”). 1309-1315 I Street is a rare and well-located stand-alone office building in the heart of Downtown, just three blocks from the California State Capitol. The Building’s footprint is approximately 8,000 square feet on a combined 14,640 square foot parcel with nineteen (19) parking stalls. The Property presents a unique opportunity for an investor to acquire a fully-leased, fully-renovated, urban-core property with below market rents, or for an owner-user to purchase a cash-flowing building they can occupy and grow into. This well-maintained Property is located on the I Street Corridor, on the cusp between midtown and downtown a 3-block walk from the California State Capitol, Sacramento City Hall, 2 blocks from the memorial auditorium and Sacramento Convention

Center, and easy walking distance to some of mid-town and downtown’s best retailers and restaurants. The Property is well-suited for a trade association, labor union, law firm, non-profit or other business that benefits from being near the California State Capitol and central business district. Perfect for an owner-user, the Property provides a new owner with rental income in place with two tenants; an association/lobbying group currently paying \$11,213 per month on a full-service basis, with \$0.05 per square foot annual increases, for 5,750 square feet, and four years remaining on their lease term. Additionally, the association/lobbying group currently pays \$1,920 per month for twelve parking stalls. The law firm, a long-term tenant, currently \$4,050 per month on a full-service basis, for 2,250 square feet, and is month to month. Additionally, the law firm currently pays

\$875 per month for seven parking stalls. This provides flexibility for an owner-user to occupy this space. The current tenancy would allow a buyer to close escrow on the property, and have \$18,058 in monthly income (\$216,696 annually) until their desired move-in. Stand-alone commercial opportunities in Downtown Sacramento near the California State Capitol are scarce. Developments are replacing underutilized or lower density commercial properties. Higher density projects will be bringing thousands of new residential units in the coming years. There are less than 10 properties in the Central City that are under 5,000 square feet and none that are priced reasonably and walking distance to the California State Capitol, and central business district. Take advantage of this incredible rare opportunity to own 1309-1315 I Street!



THE FULLY RENOVATED PROPERTY IS LOCATED JUST THREE BLOCKS AWAY FROM THE STATE CAPITOL.

SUITE 100



SUITE 200



SUITE 100



1309-1315 I

THE CLASSIC BRICK EXTERIOR
EMPHASIZES THE CREATIVE AND
PROFESSIONAL OFFICE WITHIN

PROPERTY DETAILS

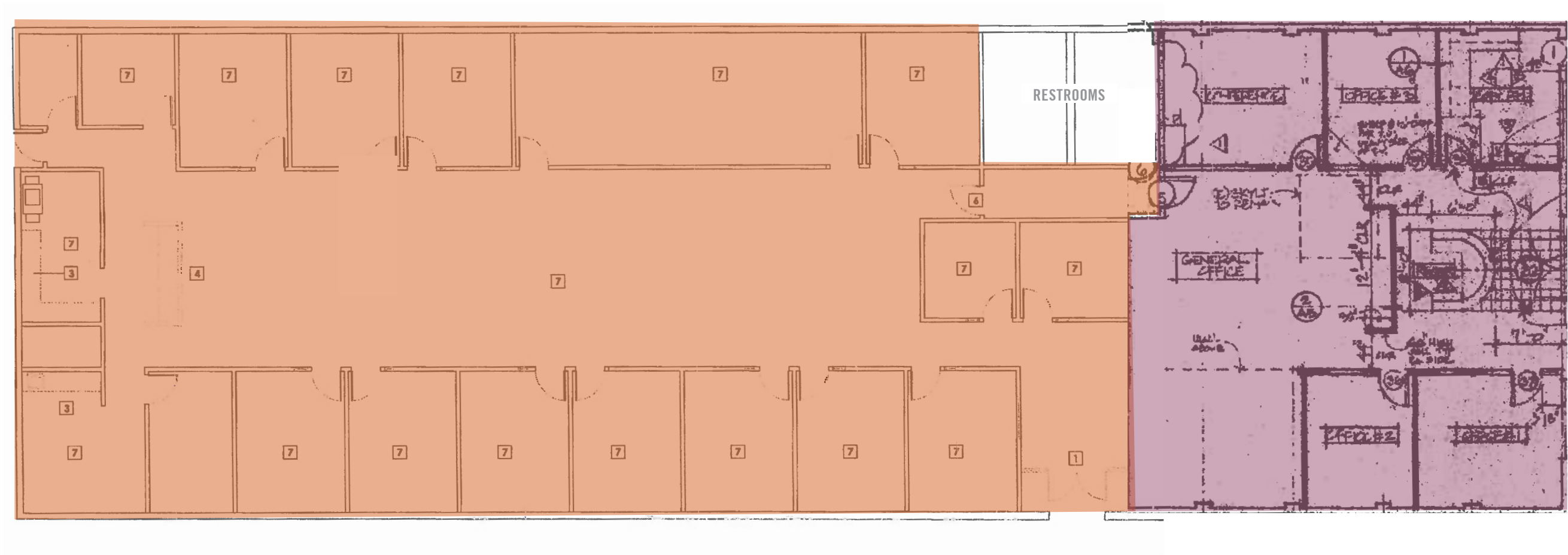
Address:	1309 I Street, Sacramento, CA 95814 1315 I Street, Sacramento, CA 95814
APN:	1309 I Street: 006-005-3013-0000 1315 I Street: 006-005-3012-0000
Building Size:	8,000 SF
Parcel Size:	14,640 SF (COMBINED)
Zoning:	C-2-SPD
Year Built:	1920
Year Redeveloped:	1979
Year Renovated:	2019
Parking:	Nineteen (19) Stalls
Roof:	TPO Membrane
Price:	\$2,600,000
Annual Net Operating Income (w/ proforma property taxes):	\$128,468
Pro-forma Annual *Leveraged Yield:	8%

* Based on the following financial variables: 25-year amortization,
10-year fixed rate at 3.85%, 60% LTV



FLOOR PLANS

SUITE 100 = 5,750 RSF
SUITE 200 = 2,250 RSF



1309-1315 I



BUILDING LOCATION

IN THE HEART OF DOWNTOWN

The Property enjoys an outstanding location, centrally positioned by all of Sacramento's most desirable amenities:

1 BLOCK FROM SAFE CREDIT UNION CONVENTION CENTER	2 BLOCKS FROM THE MEMORIAL AUDITORIUM	2 BLOCKS FROM K STREET RETAIL	3 BLOCKS FROM THE CA STATE CAPITOL BUILDING	3 BLOCKS FROM CITY HALL
5 BLOCKS FROM THE COUNTY COURTHOUSE	7 BLOCKS FROM GOLDEN 1 CENTER	7 BLOCKS FROM DOCO	8 BLOCKS FROM 1-5	10 BLOCKS FROM THE ICE BLOCKS



1309-1315 I





NEARBY AMENITIES

POPULAR RESTAURANTS NEAR 1309-1315 I STREET (not all are mentioned here):

- | | | | | |
|--------------------------|-----------------------------|-------------------------|-------------------------|-----------------------|
| 58 Degrees & Holding Co. | Chipotle | Karma Brew | Paesanos | Tapa the World |
| Ace of Spades | Cornerstone | Kin Thai Street Eatery | Paragary's | Tea Cup Cafe |
| Adamo's | Crepeville | Kru Japanese | Peet's Coffee | Temple Coffee |
| Aioli Bodega Espanola | Dad's Sandwiches | Kupros Craft House | Pizzasaurus Rex | Thai Basil |
| Alaro Craft Brewery | Der Biergarten | Lowbrau | Plant Power Fast Food | Thai Canteen |
| Azul Mexican | Faces | Luna's Cafe & Juice Bar | Pushkin's Bakery | The Golden Bear |
| Badlands | Faria Bakery | Mango's/Burgertown | R15 | The Mill Coffee House |
| Bar West | Federalist Public House | Massulo Pizza | Red Rabbit | The Porch |
| Bento Box | Fieldwork Brewing Co. | Mendocino Farms | Rick's Dessert Diner | The Rind |
| BevMo | Fire Wings | Mercantile Saloon | Ro Sham Beaux | The Snug |
| Bike Dog | FishFace Poke Bar | Mikuni Sushi | Roxie Deli and Barbecue | The Trade Coffee |
| Bombay Bar & Grill | Fox & Goose Public House | Milka Coffee | Saigon Alley | The Waterboy |
| Bottle & Barlow | Ginger Elizabeth Chocolates | Mochinut | Scorpio Coffee | Tower Theatre Cafe |
| Broderick Midtown | Good News Wine | Monkey Bar | See's Candies | Tres Hermanas |
| Burger Patch | Goodside Coffee | Mulvaney's B&L | Selland's | Tupi Coffee |
| Burgers and Brew | Grange | N Street Cafe | Shake Shack | Uncle Vito's Pizza |
| Cafe Bernardo | Highwater | Nekter | Shady Lady | University of Beer |
| Camellia Coffee | I Love Teriyaki | New Roma Bakery | Squeeze Burger | Vic's Ice Cream |
| Cantina Alley | Identity Coffee | Noah's Bagels | Station 16 | Yogurt a GoGo |
| Capital Hop Shop | Iron Horse Tavern | Old Soul Coffee | Sun & Soil Juice | Zelda's Pizza |
| Centro Cocina Mexicana | Jack's Urban Eats | Pachamama Coffee Coop | Tank House BBQ | Zocalo |





NEARBY REDEVELOPMENT PROJECTS

1309-1315 I also benefits from proximity to several nearby development projects which will serve tenants near the Property for years to come.

Convention Center

To keep Sacramento competitive in the convention industry, the City of Sacramento has approved the expansion of the Sacramento Convention Center and will be spending more than \$100 million to complete this incredible project. Plans for the project include additional ballrooms, larger exhibit hall and more meeting space. These plans allow the Convention Center to hold multiple events at the same time. It is part of a 3-project renovation/modernization that includes the Memorial Auditorium and the Community Center Theatre.

830 K Street

830 K Street is a 63,000 sf four story office building features a historical brick façade with the original chain driven windows. This iconic K Street property is currently undergoing a complete renovation.

731 K Street

731 K Street is a 3-story mid-rise mixed-use building comprised of 2 levels of above ground office space, ground floor retail and lower level space totaling 16,793 sf. Currently undergoing a complete remodel for the new headquarters for Cambria Solutions.

The Hardin

Situated on the half-block bounded by 7th, 8th, and K Streets, The Hardin is a large, mixed-use redevelopment project comprised of historic 19th century structures and is poised to become the new nexus of K Street.

10K

Mohanna Development Co. plans to construct a 15-story urban residential building with a hotel component. The project will include 186 small format residential units and the hotel

portion will have 205 rooms. A retail component is also planned with 7,400 sf located on the ground floor.

800 Block

CFY Development's 800 Block mixed-use project will feature 150 residential units with another 25,600 sf of new retail on K and L Streets.

The Bel Vue

The property is a three story 22-unit multifamily property originally built in 1909. The building is undergoing a full renovation, including new residential affordable housing units upstairs, and a new ground floor retail experience with new retail storefronts,. The ground floor offers two incredible retail opportunities with one unit approximately ±1,969 sf and the second unit approximately ±2,608 sf.

Doco and Golden 1 Center

Golden 1 Center seats 17,500 and hosts hundreds of days of events a year. The development project adds up to 1.5 million sf of additional development, branded as DOCO, that includes 250,000 sf of office, 630,000 sf of retail, a 250-room Kimpton hotel, and 45 residential units.

Cathedral Square (at 11th and J)

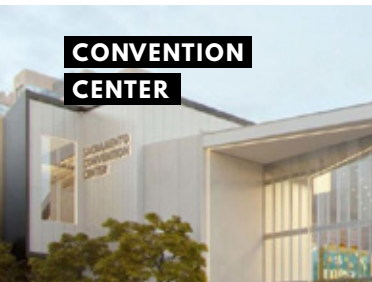
Cathedral Square, one of the largest and highest profile mixed-use projects under development in Sacramento's urban core, will provide 153 new multi-family apartments, 102 parking stalls with and 10,320 sf of retail space in a new 7-story building located at the southwest corner of 11th and J Streets, along urban Sacramento's busiest thoroughfare.



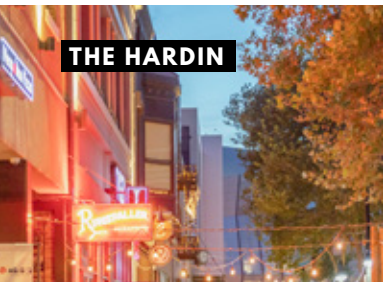
CONVENTION CENTER



THE BEL VUE



CONVENTION CENTER



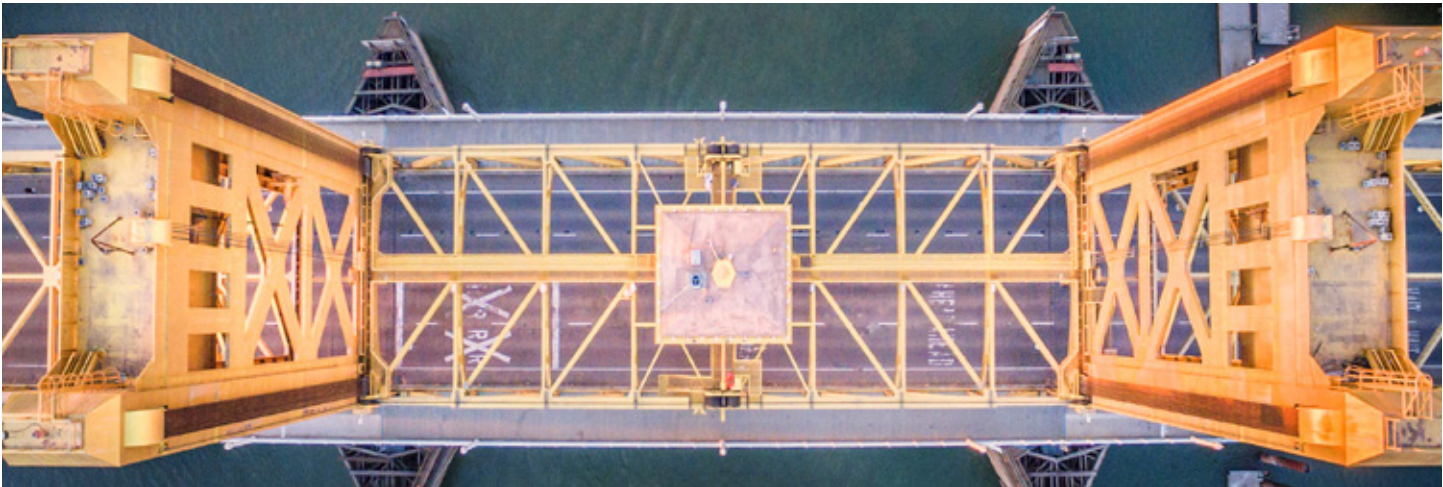
THE HARDIN



CATHEDRAL SQUARE



DOCO & GOLDEN 1



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 remarkably central

location to Lake Tahoe, the Sierras, 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 city's 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 (a stones throw from the Subject Property).





URBAN RENAISSANCE

The urban core of Sacramento (Downtown and Midtown) is the most desirable business location in the Sacramento region and easily boasts the lowest combined commercial vacancy rate, hovering between 5 – 8%.

While the Golden 1 Center has expedited urban renovation on the K Street Grid, the renaissance of Sacramento’s urban sectors surrounding the K Street Grid has been underway for several years now. Residential migration to the higher density urban cores is a phenomenon easily recognizable in Tier 1 population centers like New York, Chicago, Philadelphia, and in California, Los Angeles, San Francisco and San Diego. This same pattern is now beginning in Tier 2 population centers like Portland, Denver, San Antonio and Sacramento.

The urban core of Sacramento (Downtown and Midtown) is the most desirable business location the Sacramento region and easily boasts the lowest combined commercial vacancy rate, hovering between 5 – 8%. This figure is impressive when factoring in many buildings marketed as “available” that are functionally obsolete and non-compliant. The ur-

ban core is the perfect fusion of multi-generational locally owned business, organic youth infused retail and services, a healthy dose of carefully selected national and regional retailers, the best restaurants east of the Bay Bridge, an eclectic mix of high-end demographic occupations all magically embedded in a landscape of unique older buildings and mature trees and flora.

Developers are now highly focused on the “cool” vacant buildings and key infill properties within the downtown grid to further capitalize on this increasing demand. Unique historical buildings and warehouses, multi-story downtown midrise structures with impressive window lines and ceiling heights, multi-generational businesses with local ownerships, mature landscape with generous tree lines and an impressive, yet eclectic, residential and workforce demographic create the foundation

for amazing opportunity. Having the Capitol of the world’s 5th largest economy located five blocks from the new Golden 1 Center provides even more demand and market stability.

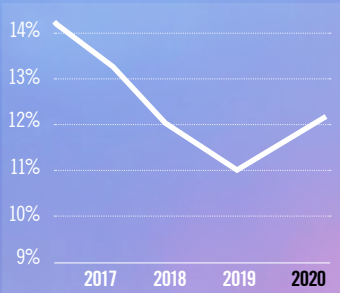
Office and retail vacancy has traditionally hovered at a steady 8 – 11%, much of which is due to chronic vacancy in the form of non-compliant blighted buildings. Even then, residential vacancy is virtually non-existent. Recent new construction projects have leased up faster than pro-forma. Virtually every vacant building within the Grid or immediately surrounding area has activity. If one looks at the history of urban development in Sacramento along with current composition of activity, momentum and demand, the most attractive opportunities reside within the Grid, and the opportunity with the most versatility, best location and greatest upside with least risk are properties located within the Grid.



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).

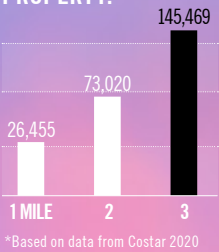
SACRAMENTO OFFICE VACANCY:



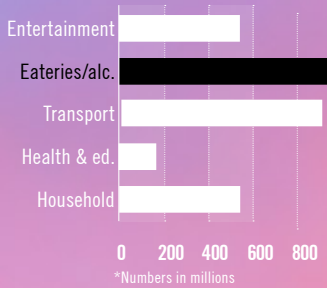
SACRAMENTO'S CITY RANKINGS

- #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

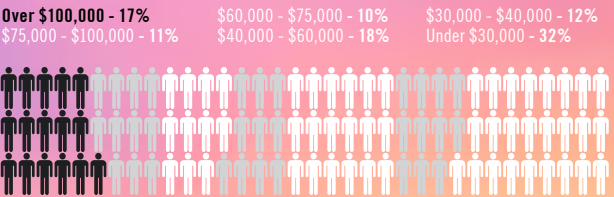
NUMBER OF EMPLOYEES WITHIN VARYING RADIUS OF THE PROPERTY:



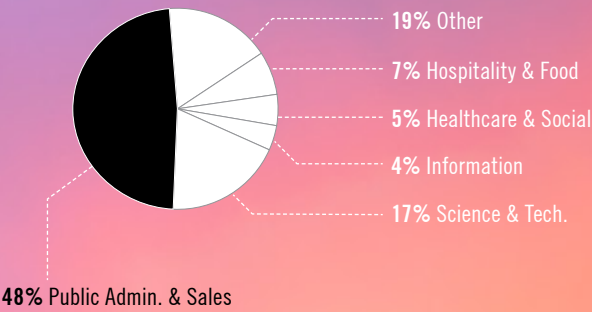
ANNUAL CONSUMER SPENDING WITHIN A ONE MILE RADIUS OF THE PROPERTY:



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



ECONOMICS

SCHEDULED REVENUE

	Size (SF)	Base Rent Per SF (FSG)	Monthly Base Rent (FSG)	Annual Base Rent (FSG)
Law Firm	2,250	\$1.80	\$4,050.00	\$48,600.00
Association/Lobbying Group	5,750	\$2.00	\$11,500.00	\$138,000.00
Parking Revenue (Law Firm)	7	\$125.00	\$875.00	\$10,500.00
Parking Revenue (Association\Lobbying Firm)	12	\$160.00	\$1,920.00	\$23,040.00
Annual Income				\$220,140.00
Vacancy Reserve				\$0.00
Annual Expenses				\$91,672.00
Net Operating Income				\$128,468.00

FUTURE VALUE SUMMARY

Cap Rate	Value
Value at 5.0%	\$2,569,360.00

IMPROVEMENT EXPENSES

	Size (SF)	Amount Per SF	Amount
Tenant Improvements	2,250	\$5	\$11,250.00
Capital Improvements	2,250	\$5	\$11,250.00

2022 AS-IS VALUE

Value
\$2,600,000.00



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