

THE L I N E



COMMERCIAL TURN-KEY KITCHENS FOR LEASE
6415 ELVAS AVENUE IN EAST SACRAMENTO





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THE LINE

THE PROPERTY

| | | | | |
|----------|------------------|--------|---------------|-----------|
| 11 | 3 | TYPE 1 | MINIMAL | \$4,000 |
| KITCHENS | TAKE-OUT WINDOWS | HOOD | START UP COST | PER MONTH |

The Line on Elvas is a highly innovative project of newly constructed “ghost” kitchens for online ordering and takeout business - your virtual second back of house! Recognizing the changing landscape of food delivery and takeout which accelerated due to COVID associated shutdowns, The Line on Elvas was created as Sacramento’s first virtual kitchen project. The Line, located at 6415 Elvas Avenue, includes 11 individual commercial kitchen units, completely remodeled with enclosed food preparation and cooking operations. Two of the kitchens are already leased and nine are still available. Tenants have utilization of an on-site order and pickup services and will provide space for both restaurant

start-ups and established local operators looking to capitalize on the growing food delivery market without the high capital costs of opening a storefront restaurant. Virtual kitchens allow restaurant operators to focus on the food delivery and take-out only business – utilizing channels such as Uber Eats and Door Dash – without the extra labor and operational expenses of a traditional dine-in restaurant format. This exciting project provides an outstanding location in the vibrant 65th and Folsom Corridor in East Sacramento. The property is 80 feet from Sacramento State University, within two blocks of thousands of newly built and under construc-

tion student housing and multifamily units, SMUD Headquarters, and multiple medical institutions including UC Davis Medical Center, Mercy Hospital and Sutter Hospital. The property is also in proximity to some of Sacramento’s most affluent neighborhoods - East Sacramento, Sierra Oaks, and Midtown. The property is conveniently located near the 65th Street Light Rail Station that serves Downtown Sacramento. The Highway 50 on-ramp is a short two blocks from the property. The walking/ bicycle tunnel to Sacramento State is just 80 feet to the south. The property is in a prime position to take advantage of nearby institutions and commute routes.





PROPERTY DETAILS

Address: 6415 Elvas Avenue, Sacramento, CA 95819

Kitchens Available: 9

Kitchen Size: 200 square feet

Ceiling Height: 9 feet

Corridor Width: 4 feet

Equipment Provided:

- Commercial kitchen hood cooking type 1
- Dedicated outdoor air systems (DOAS) unit
- Three-compartment sink
- Prep sink
- Hand wash sink
- Stainless steel shelving
- Walk-In Cooler (shared)
- Walk-In Freezer (shared)
- Additional storage available

Finishes:

- Walls: RFP wall panels
- Floor: Epoxy
- Lighting: LED panels
- Power: Minimum 5 dedicated outlets





SITE PLAN

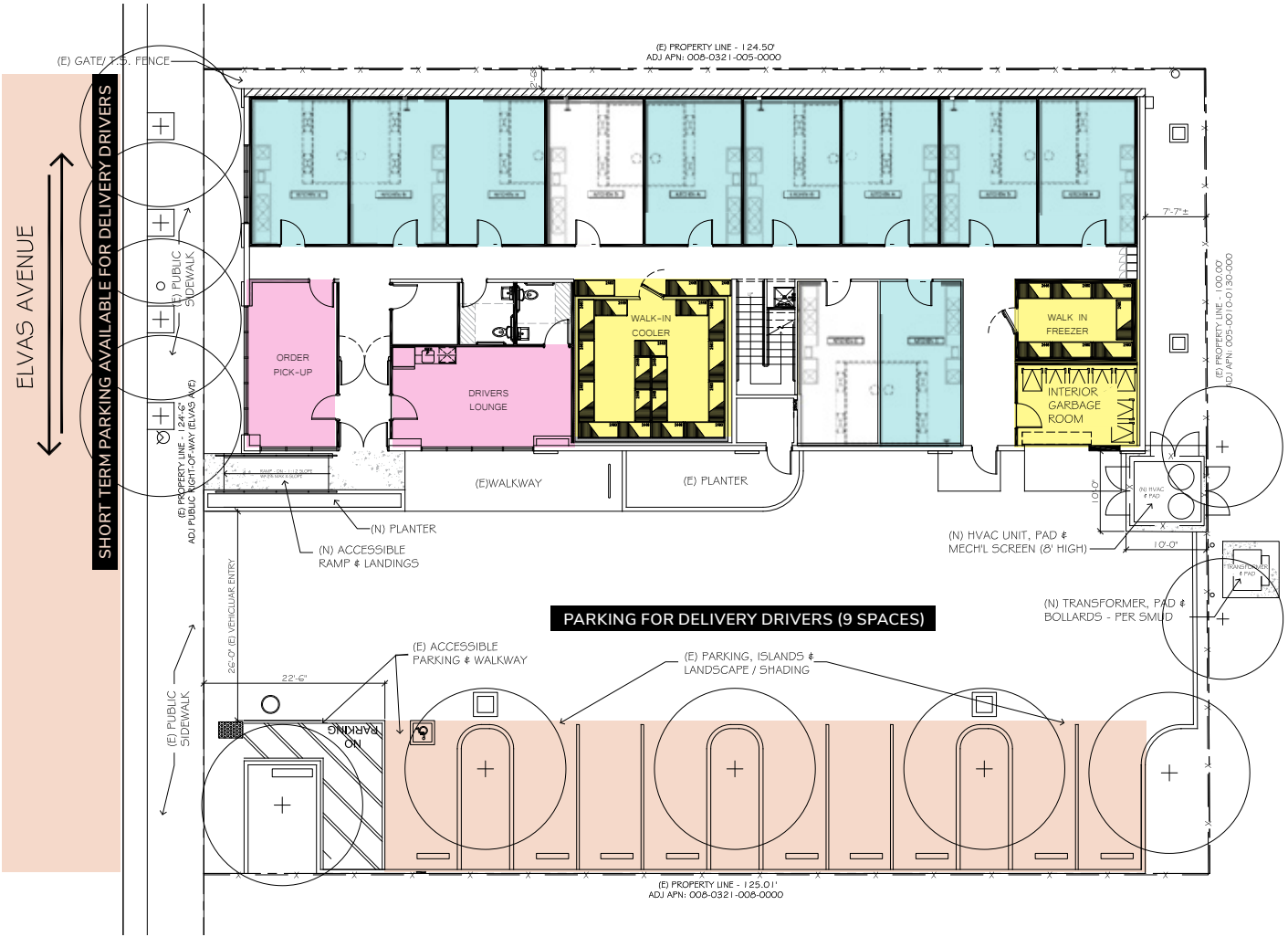
| SPACE | SERVICES | FIXTURES | UTILITIES |
|-------------------------|----------------------------|-------------------------------|------------------------|
| Driver lounge | Processing orders | Type 1 commercial hood | Power outlets |
| Order processing center | Handoff to correct courier | Grease trap | Cold/hot water lines |
| Staff lockers | Cleaning | Makeup air & DOAS unit | Fire/gas safety system |
| Receiving area | Maintenance | Industrial grade water heater | WiFi |
| Loading area | Health inspections | Walk-in cooler and freezer | Ethernet connections |
| Restrooms | Delivery logistics | Three-compartment sink | Trash |
| Mop wash | On-site support | Prep & Hand wash sink | Recycling |

AVAILABLE KITCHENS

SHARED AMENITIES

DRIVER AMENITIES

DRIVER PARKING





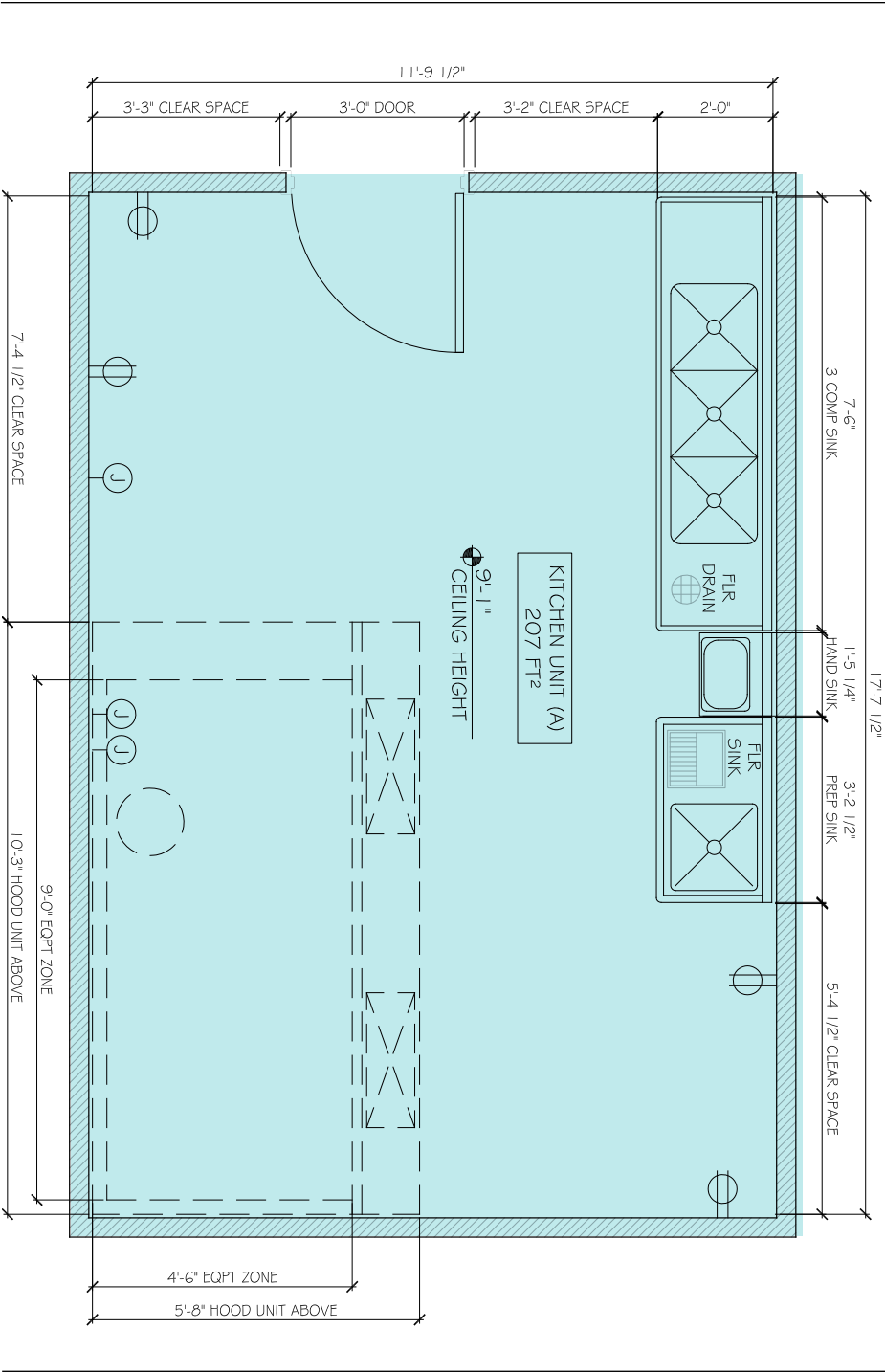
KITCHEN PLAN

BASE FEE - \$4,000

- Utilities - water, sewage (Licensee to pay gas and electric)
- Trash
- Internet
- Security
- Nightly Janitorial
- Grease Trap Cleaning & Maintenance
- Dry and cold storage

SERVICE FEE - 3%

- Processing orders and handoff to correct courier
- On-site staff and support
- 3rd party delivery management software
- Single tablet to aggregate orders / deliveries





SOFTWARE

INSIGHT

- Leverage your date to uncover insights, maximize revenue and operational efficiency with our industry-leading custom dashboards.
- Analyze missed orders, lost revenue, availability and uptime breakdown, product mix performance and hourly sales.
- Receive bespoke solutions that are tailored to your business needs

TRENDS

- Gain insight into performance at the brand level, and empower your franchisees to optimize in real time through live data.
- Utilize a single login for all your data sources that's accessible from our computer or tablet.
- Seamlessly filter your data by location, brand, and delivery partner.
- 3rd party aggregation - all orders from DSP's (doordash, etc) flow into 1 single tablet.

HAND OFF

- Increase efficiency in operations through a handoff feed display that informs staff of courier status.
- Streamline courier pick ups through your check-in web application that notifies couriers when orders are ready.
- Automate order handoffs through our integrated cubby system.
- Native online ordering site so you don't have to pay 3rd party commission fees.



ECONOMICS

INITIAL INVESTMENT

OPERATING COSTS

GO-TO MARKET

STAFFING & LOGISTICS

TRADITIONAL

- | | | | |
|---|--|---|--|
| <ul style="list-style-type: none">• \$1 Million for 2,000 SF Space• Permitting expenditures• Construction expenditures• Equipment expenditures | <ul style="list-style-type: none">• High operational costs for fully staffed kitchen• 20+ staff required• Front & back of house labor• 4 to 5 year break- even point• Long-term lease commitment (~10 years) | <ul style="list-style-type: none">• 12 to 18 months to launch• Single brand capability• No autonomy and flexibility in space design• Construction expenditures | <ul style="list-style-type: none">• 20% of business via delivery• Additional staffing required for delivery management• High costs associated for prime visibility and high demand areas |
|---|--|---|--|

THE LINE

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| <ul style="list-style-type: none">• Minimal start up expenses• Basic infrastructure included and installed• Commercial hood• Hand sink• Prep sink• 3-Compartment sink | <ul style="list-style-type: none">• Lower operational cost• 4 staff required• No front of house labor• 3 to 6 month break- even point• Flexible commitment | <ul style="list-style-type: none">• 4 weeks to launch• Permitting complete• Construction complete• Faster expansion• Multi-brand capability• Experimentation with menu | <ul style="list-style-type: none">• Optimized delivery only model• 100% Of business via delivery• On-site fulfillment team to provided for delivery orders• Site located at heart of delivery demand |
|--|--|---|---|

SAMPLE OPERATOR PROFIT & LOSS STATEMENT PER MONTH

| REVENUE | | EXAMPLE 1 | EXAMPLE 2 | EXAMPLE 3 |
|---|---------|-----------|-----------|-----------|
| Total Monthly Sales Revenue | | \$60,000 | \$90,000 | \$120,000 |
| EXPENSES (LICENSEE PAYS DIRECTLY) | | | | |
| Cost of Goods Sold | 25% | \$15,000 | \$22,500 | \$30,000 |
| Delivery Fees (3rd Party Delivery Fees) | 25% | \$15,000 | \$22,500 | \$30,000 |
| total Operator Labor Costs | | \$13,564 | \$13,564 | \$20,346 |
| Utilities: Gas % Electric (submetered) | \$450 | \$450 | \$450 | %450 |
| Operator Insurance | \$150 | \$150 | \$150 | \$150 |
| Marketing Costs | \$500 | \$500 | \$500 | \$500 |
| Total Variable Expenses | | \$44,664 | \$59,664 | \$81,446 |
| Percent of Revenue | | 74.44% | 66.29% | 67.87% |
| EXPENSES (LICENSEE PAYS TO THE LINE ON ELVAS MONTHLY) | | | | |
| Base Fee | \$4,000 | \$4,000 | \$4,000 | \$4,000 |
| Processing Fee (Online Orders) | 3.0% | \$1,800 | \$2,700 | \$3,600 |
| Total The Line Expenses | | \$5,800 | \$6,700 | \$7,600 |
| Percent of Revenue | | 9.67% | 7.44% | 6.33% |
| TOTAL OPERATING EXPENSES | | \$50,464 | \$66,364 | \$89,046 |
| Percent of Revenue | | 84.11% | 73.74% | 74.20% |
| NET PROFIT | | \$9,536 | \$23,636 | \$30,954 |
| Percent of Revenue | | 15.9% | 26.3% | 30.954 |
| Total Annual Profit | | \$114,433 | \$283,633 | \$371,450 |



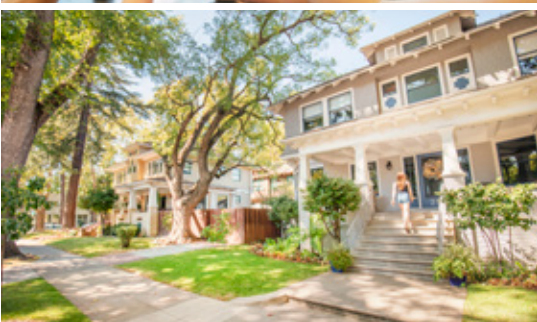
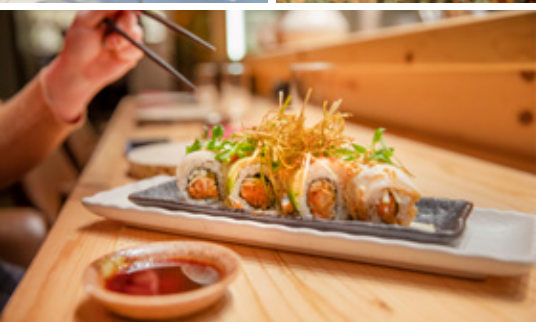
BUILDING LOCATION

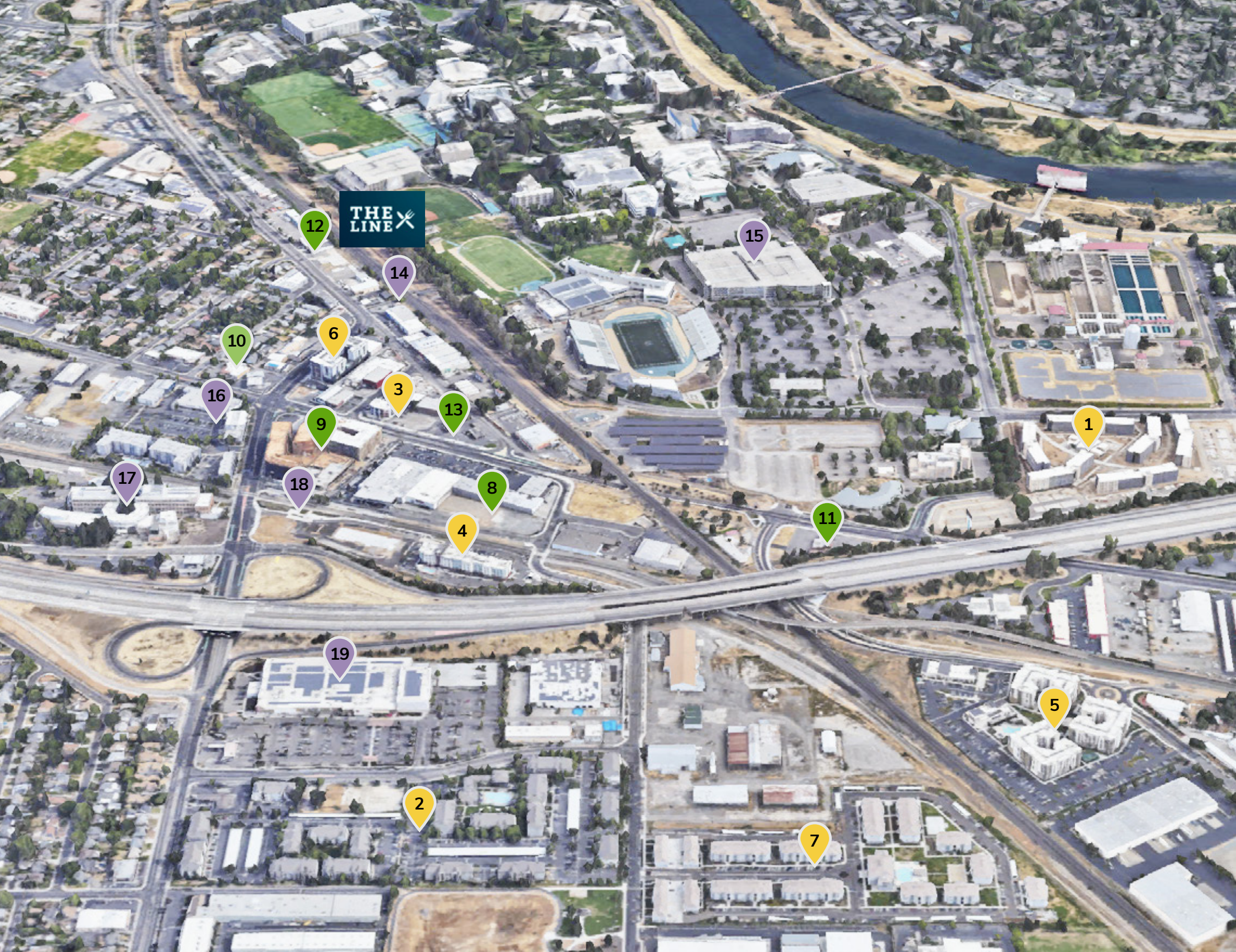
CENTRAL LOCATION BETWEEN MIDTOWN, DOWNTOWN, EAST SAC & ARDEN ARCADE

The Line on Elvas is located in the epicenter of the most thriving part of the Sacramento region – the urban grid. The property sits on the east side of three incredibly dynamic and booming submarkets: Downtown, Midtown and East Sacramento. East Sacramento is Sacramento's most in-demand residential neighborhood. The median home price per square foot is more than \$450, which is almost double the Sacramento average of \$235 per square foot. They are smaller, predominantly older homes, with tremendous character building in the 1930s to 1950s.

Because very few high-end office buildings exist in East Sacramento, spaces that are truly architectural – ly unique like The Park at East Sacramento are tough to find, and often lease very quickly. East Sacramento is the perfect mix of established residential neighborhoods with incredible amounts of character combined with successful locally owned business and organic youth infused goods and services, a healthy dose of carefully selected regional retailers, and an eclectic mix of high demographic occupations are embedded in a landscape of unique older buildings and mature trees.

Business owners, residents and investors have flocked to East Sacramento because of its rich art, music and cultural scene to cash in on the fruitful submarket. East Sacramento features some of Sacramento's most successful restaurants and entertainment venues, and has an eclectic mix of art galleries, coffee houses and boutiques. Some of East Sacramento's favorite spots to grab a bite to eat and drink include Orphan, Roxie Deli, Temple Coffee, Canon Kru Contemporary Japanese Cuisine, OBO Italian Table and Bar, Selland's Market Café and Tupelo Coffee House.





| COMPLETED | | |
|-----------|-------------------------------|-----------------------|
| 1. | Hornet Commons | 284 Units / 1100 Beds |
| 2. | The Element | 288 Units / 792 Beds |
| 3. | 6601 Folsom Blvd | 10 Units |
| 4. | Hampton Inn | 116 Rooms |
| 5. | The Crossings | 225 Units / 750 Beds |
| 6. | Academy65 - 1325 65th St. | 90 Units / 300 Beds |
| 7. | Lark Sacramento | 726 beds |
| PROPOSED | | |
| 8. | Q Street Commons - 6779 Q St. | 125 Units / 424 Beds |
| 9. | Wexler on 65th, 1500 67th St. | 223 Units / 760 Beds |
| 10. | 6409 Folsom Blvd. | 54 Units |
| 11. | 7042 Folsom Blvd | TBD |
| 12. | 6325 Elvas Ave | 225 Units / 750 Beds |
| 13. | Opus @ Folsom & Elvas | 37 Units / 372 Beds |
| ALSO! | | |
| 14. | Pedestrian Access to CSUS | |
| 15. | Sacramento State | 31,588 Students |
| 16. | F65, 1420 65th St. | Mixed Use Retail |
| 17. | SMUD Campus | 2000+ Employees |
| 18. | Regional Transit | University/65th St |
| 19. | Target | |



65TH & FOLSOM BLVD

65th & Folsom Blvd is a dining and shopping destination for surrounding office buildings and University students. Grab a coffee or a quick bite to eat during your lunch break. Nearby developments are in full swing adding new amenities and housing each month.

| | | |
|-------------------------|----------------------------|----------------------|
| 7-Eleven | GetitFixed | Starbucks |
| Anytime Fitness | Giovanni's Old World Pizza | Subway |
| Bento Box | Jamba Juice | Supercuts |
| Dos Coyotes Border Cafe | Office Depot | The Sandwich Spot |
| Enterprise Rent-A-Car | Pita Pit | Upper Eastside Lofts |
| GameStop | Safe Credit Union | Zpizza Tap Room |





SACRAMENTO

| | | |
|--------------------------|-------------------|--------------------|
| 15.3 MILLION | 71,335 | 215+ |
| ANNUAL REGIONAL VISITORS | DAYTIME EMPLOYEES | BARS / RESTAURANTS |

CALIFORNIA’S FASTEST-GROWING METROPOLITAN

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-

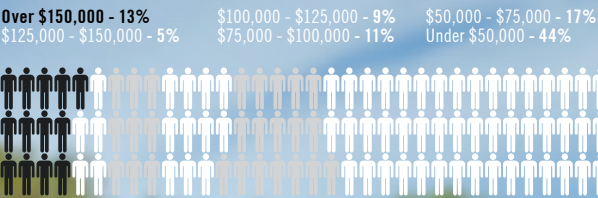
ban core is the perfect fusion of multi-generational locally owned business, organic youth infused retail and services, a healthy dose of carefully selected national and regional retailers, the best restaurants east of the Bay Bridge, an eclectic mix of high-end demographic occupations all magically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



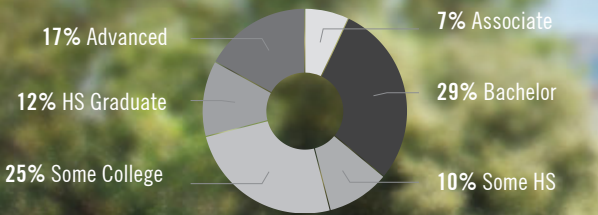
SACRAMENTO DATA BITES

Urban Sacramento is the perfect blend of carefully curated local and national retail embedded in a landscape of unique older buildings, mature trees, and a burgeoning mural scene. Business owners, residents, and investors near and far have flocked to the center of Sacramento’s art, music, and cultural scene to cash in on this fruitful submarket. Residential migration to Sacramento has been increasing with over 70,000 relocating in 2019. In July 2020, Sacramento was the most popular migration destination in the U.S, with more than half of home searches coming from buyers outside of the area (Redfin). Attracted by the affordability of real estate, lower cost of living and booming Downtown, many have found that Sacramento is an ideal location to achieve a turnkey live-work-play lifestyle. Sacramento has strong fundamentals for a retailer to tap into and leave their mark.

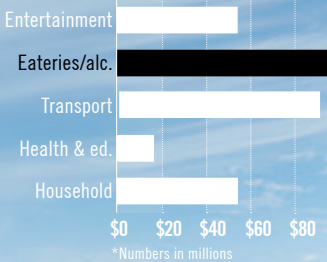
2020 HOUSEHOLD INCOME - ONE MILE RADIUS OF PROPERTY:



EDUCATION ATTAINMENT WITHIN ONE MILE RADIUS OF THE PROPERTY:



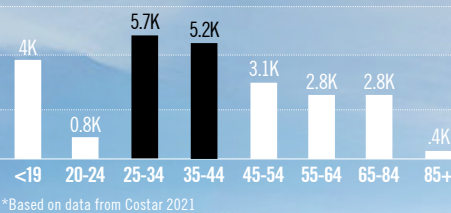
ANNUAL CONSUMER SPENDING WITHIN A ONE MILE RADIUS OF THE PROPERTY:



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

POPULATION BY AGE WITHIN ONE MILE OF PROPERTY



*Based on data from Costar 2021

WALK SCORE: 93

BIKE SCORE: 99

TRANSIT SCORE: 62

\$1,838 AVERAGE RENT PER MONTH IN SACRAMENTO



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TURTON
COMMERCIAL REAL ESTATE