

— 1121 I STREET —

SACRAMENTO, CALIFORNIA



CONFIDENTIAL OFFERING MEMORANDUM

Presented by Jones Lang LaSalle Americas, Inc., California License #01223413.

ASKING PRICE: \$6.72M



DOCO DISTRICT

**CALIFORNIA STATE
CAPITOL**

K STREET

L STREET



THE OFFERING

Jones Lang Lasalle Americas, Inc. “JLL” as exclusive advisor, is pleased to offer for sale the 0.85 acre development site in Downtown Sacramento. The centrally located site is an ideal covered land play: the flexible zoning allows high density office or residential development and the existing Goodyear Auto Service shop provides current income.

SITE INFORMATION

ADDRESS	1121 I Street, Sacramento, CA
CITY	Sacramento
LISTING PRICE	\$6,720,000
APN	006-0046-005-0000 006-0046-006-0000
SIZE (AC)	0.85 Acres
ZONING	C-2 SPD
SPECIFIC PLAN / SPECIAL PLANNING DISTRICT	Central City Specific Plan
GENERAL PLAN	Central Business District

INVESTMENT HIGHLIGHTS



PRIME DEVELOPMENT SITE



FLEXIBLE ZONING



VIBRANT COMMUNITY

FLEXIBLE ZONING

- » **High Density Residential Zoning:** Up to 250 units/ acre and a FAR of up to 15 are allowed on the Site per the 2035 General Plan.
- » **Abbreviated Environmental Review:** The Central City Specific Plan included an Environmental Impact Report (EIR) that was approved in 2018. Development which is consistent with the program proposed in the EIR is anticipated to require no further environmental review, or an abbreviated process, cutting the pre-development timeline by approximately 18 months.

ZONING INFO & DEVELOPMENT PARAMETERS

1121 I St has extremely flexible zoning allowing a wide range of commercial and residential uses, at significant density. The zoning, plus California Environmental Quality Act (CEQA) analysis done for the Specific Plan, reduces dramatically remaining entitlement work before the project can go vertical.

ZONING	Commercial 2 Special Planning District (C-2 SPD)
SPECIAL USE DISTRICT	Central City Specific Plan ("CCSP")
PLANNING DISTRICT	JKL District
DENSITY	
DWELLING UNIT/ AC	61 - 450
FAR	3.0 -15.0
HEIGHT	85 Feet
GENERAL PLAN*	Central Business District
INCENTIVES	
The City is actively encouraging additional housing and active commercial development downtown, and providing incentives in support of this goal.	
CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA")	Projects consistent with the CCSP EIR may be able to use an abbreviated environmental review process
PUBLIC FINANCING	Priority Investment Area #4 - Priority infrastructure improvements include a 2,494 linear foot CSS 18 inch pipeline, 854 linear foot 8 inch water main and 2,009 linear foot 12 inch water main
IMPACT FEES	Lower than other jurisdictions including Elk Grove, Folsom, Rancho Cordova, Rocklin, Roseville, Woodland and Sacramento County
BENEFITS OF THE SPECIAL PLANNING DISTRICT	
HEIGHT ALLOWANCE	Increased to allow additional density
PARKING	No parking required in the CBD. 0.5 - 1 spaces / dwelling unit elsewhere in CCSP
PERMITTED USES	Housing permitted in all commercial and mixed-use zones
OPEN SPACE	Reduced requirements for residential developments

*Sacramento is currently updating their General Plan.

PRIME DEVELOPMENT SITE

- » **Irreplaceable Location:** 1121 I St is located in the center of the Sacramento CBD, where 30.7% of households within one mile make more than \$100,000 a year.
- » **In Place Tenant Income:** The current tenant pays about \$3,500/month gross rent, on a month-to-month lease, providing income to fund entitlements and cover carry costs.
- » **Excellent access:** 1121 I St is conveniently located less than a mile from the 7th and Capitol light rail station which provides access to 54 individual stations across 43 linear miles of the greater Sacramento area. The Property is also a 10 minute walk from the I Street Amtrak station which gives critical access to the San Francisco Bay Area and beyond.



Source: sacrt.com

VIBRANT COMMUNITY

- » **Award-winning Amenities:** Downtown Sacramento is celebrated for its range of attractions from high-end dining, hipster coffee to major sports team, such as the Kings.
- » **Diversified and Growing Economy:** Sacramento's economy is anchored by substantial government activities, thanks to its position as California's State Capitol. World-renowned UC Davis, Sacramento State University and five community colleges result in long-lasting institutions and a highly educated workforce. These economic drivers have resulted in an employment rate below 5% and year-over-year median income increase over 10%.

NAME	ADDRESS
EMPLOYMENT	
1 California Environmental Protection Agency	1001 I St
2 Sacramento City Hall	915 I St
3 Sacramento Central Library	828 I St
4 Sacramento County Administration Building	700 H St
5 California Eastern District Court	501 I St
6 Microsoft Corporation	1415 L St #200
7 Sacramento Metropolitan Air Quality Mgmt District	777 12th St #3
8 Office of the Attorney General	1300 I St
9 Robert T Matsui United State Courthouse	501 I St
EDUCATION	
10 UC Centrer Sacramento	1130 K St
11 Sacramento State University	6000 J St
AMENITIES	
12 Hyatt Regency	1209 L St
13 Cathedral of the Blessed Sacrament	101911th St
14 Sheraton Grand	1230 J St
15 Golden 1 Center	500 David J Stern
16 Holiday Inn	300 J St
17 Kimpton Sawyer	500 J St
18 California State Capital Museum	1315 10th St
MIXED USE	
19 Thayer Apartments	1228 N St
20 Penthouses at Capital Park	1127 15th St
21 Fremont Mews	1400 P St
22 Mansion Court	1415 G St
23 Capitol View	1051 G St
24 7th & H	720 7th St
25 Eleanor Apartments	501 16th St
26 H16 Apartments	731 16th St
27 EVIVA Midtown	1531 N St







EXISTING BUILDING OVERVIEW

- » The 13,130 square foot building on the Site at 1121 I St is currently used as an auto repair shop and generates \$3,500 gross rent per month via a month-to-month lease.
- » The building is mainly exposed to Terminal way, with 181 feet of frontage on this street, and additional frontage on 11th St and I St.

BUILDING INFORMATION

RENT PER MONTH	\$3,500
CEILING HEIGHT	14 Feet
SF/FLOOR	13,130 Square Feet
NUMBER OF STORIES	Single Story
TENANCY	Single
PARKING	21 Spaces
CONSTRUCTION TYPE	Masonry

Information provided is believed to be correct but should be confirmed by buyer.

SACRAMENTO OVERVIEW

RESILIENT ECONOMY

Sacramento is a leading business location in California largely because it offers employees an excellent quality of life and access to the best that California has to offer, all at a price point that is increasingly attractive. Its growing, well-educated population, relatively affordable cost of living, and proximity and access to the Bay Area, Lake Tahoe, Napa Valley and beyond will continue to fuel Sacramento's above average growth in the years ahead.

Sacramento is the sixth largest city in California, and the capital of the fifth largest economy in the world - California. Located at the north end of California's expansive Central Valley, one of the richest agricultural regions in the world, the four-county Sacramento MSA has 2.3 million residents making it the fifth largest MSA in California behind greater Los Angeles, the San Francisco Bay Area, the Inland Empire and San Diego.

Throughout the COVID 19 Pandemic, Sacramento's residential market has exhibited exceptional growth as evidenced by a ~14% increase in occupancy, and 1% increase in residential rental rates.

STRONG DEMOGRAPHIC PROFILE WITHIN 1 MILE OF THE SITE



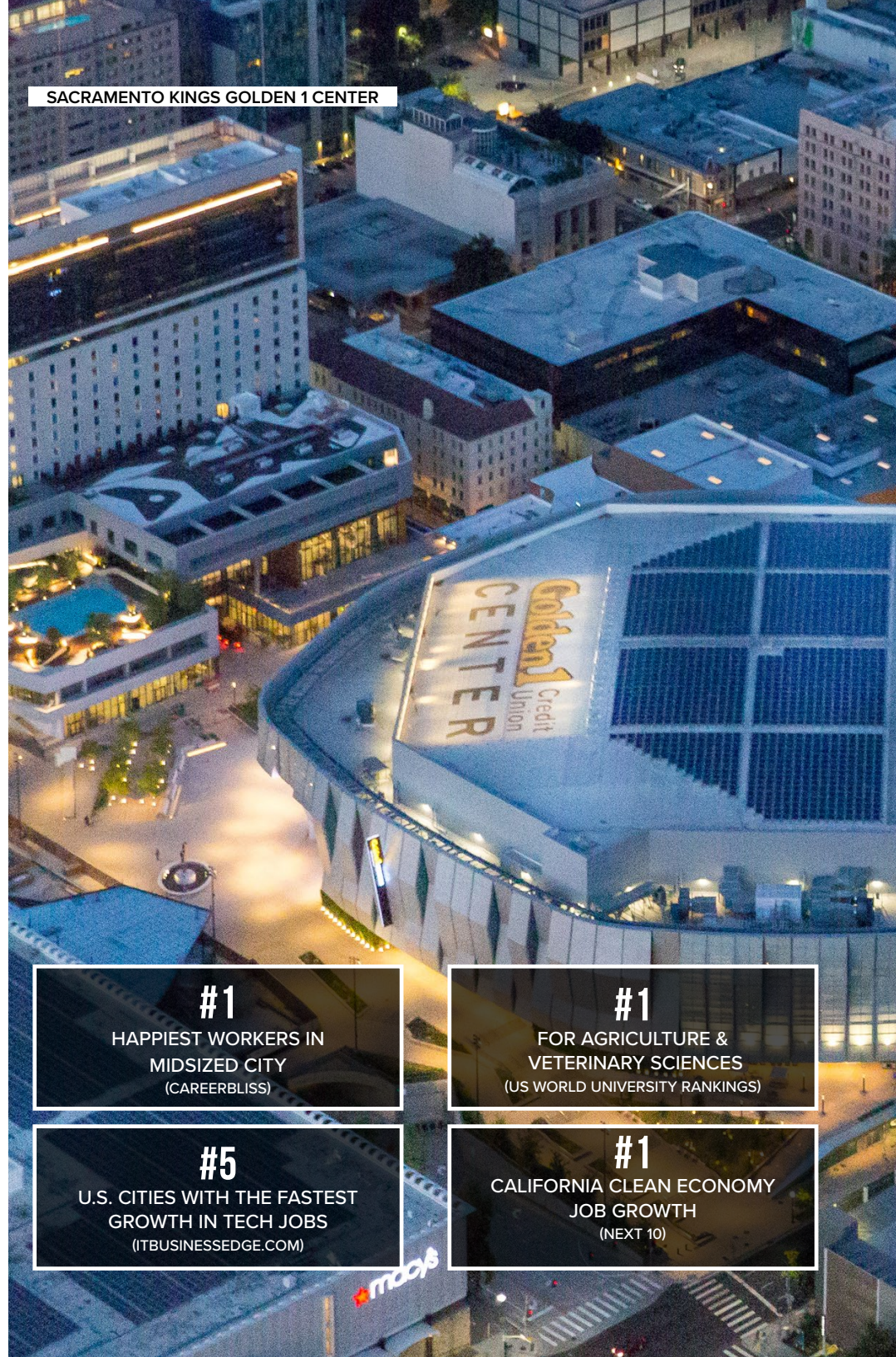
30.7%

OF HOUSEHOLDS EARN
MORE THAN \$100,000 PER
YEAR



\$96,804

AVERAGE HOUSEHOLD
INCOME



SACRAMENTO KINGS GOLDEN 1 CENTER

#1

HAPPIEST WORKERS IN
MID-SIZED CITY
(CAREERBLISS)

#1

FOR AGRICULTURE &
VETERINARY SCIENCES
(US WORLD UNIVERSITY RANKINGS)

#5

U.S. CITIES WITH THE FASTEST
GROWTH IN TECH JOBS
(ITBUSINESSEDGE.COM)

#1

CALIFORNIA CLEAN ECONOMY
JOB GROWTH
(NEXT 10)



PRIVATE SECTOR EMPLOYERS

The strength of the region’s labor force coupled with its attractive cost of doing business, proximity to the Bay Area and other major employment hubs, focus on and reasonable cost of living will continue to drive Sacramento’s growth. In addition to new entrants like Reviver which relocated its headquarters from Foster City, major companies that continue to have a positive impact on the region’s economy include: Sutter Health, Kaiser Permanente, Dignity Health, Intel Corp., Raley’s Inc., Apple Inc., Safeway, Health Net, VSP Global, Wells Fargo, Pride Industries, Hewlett Packard, Blue Shield of California, Siemens Rail Systems and Adventist Health.



#10
BEST CITIES FOR WOMEN
IN THE WORKFORCE
(NERDWALLET)

#8
HEALTHIEST CITIES IN THE U.S.
(FIT CITIES INDEX)

#4 & #1
IN THE NATION AND CA,
RESPECTIVELY FOR BICYCLE
COMMUTING
(AMERICAN BICYCLIST)

#7
BEST PLACE TO RAISE
ACTIVE CHILDREN
(BETTERDOCTOR.COM)

HIGHLY EDUCATED WORKFORCE

Besides access to the robust network of leading universities in the Bay Area, including Stanford University, University of California at Berkeley, Santa Clara University and others, Sacramento is home to two major universities -- the University of California, Davis and California State University, Sacramento. UC Davis, just 10 miles outside of Sacramento, is one of the nation’s top public research universities and is ranked tenth amongst public universities nationwide by US News & World Report. UC Davis is also one of the highest-ranked food and agricultural research universities in the world, attracting and retaining many agricultural technology (ag-tech) businesses and entrepreneurs. This in part has prompted Sacramento to be called the Farm-to-Fork capital. Both UC Davis and Cal State Sacramento contribute significantly to the local labor pool, with 32% of those 25 or older holding a Bachelor’s degree or higher. The planned addition of a UC Davis Campus in downtown Sacramento is expected to create \$2.6 billion of economic impact and add 15,000 job years.

DOWNTOWN SACRAMENTO RENAISSANCE

The completion of the Golden 1 Center (the “Arena”) in October 2016 has been an accelerator for new development in the Sacramento CBD. Within a mile of the Arena, many new retail, mixed-use and residential projects have either been delivered, are well underway, or proposed. No longer just a government city, Sacramento is making its mark as an innovative and vibrant place to live, work and play.

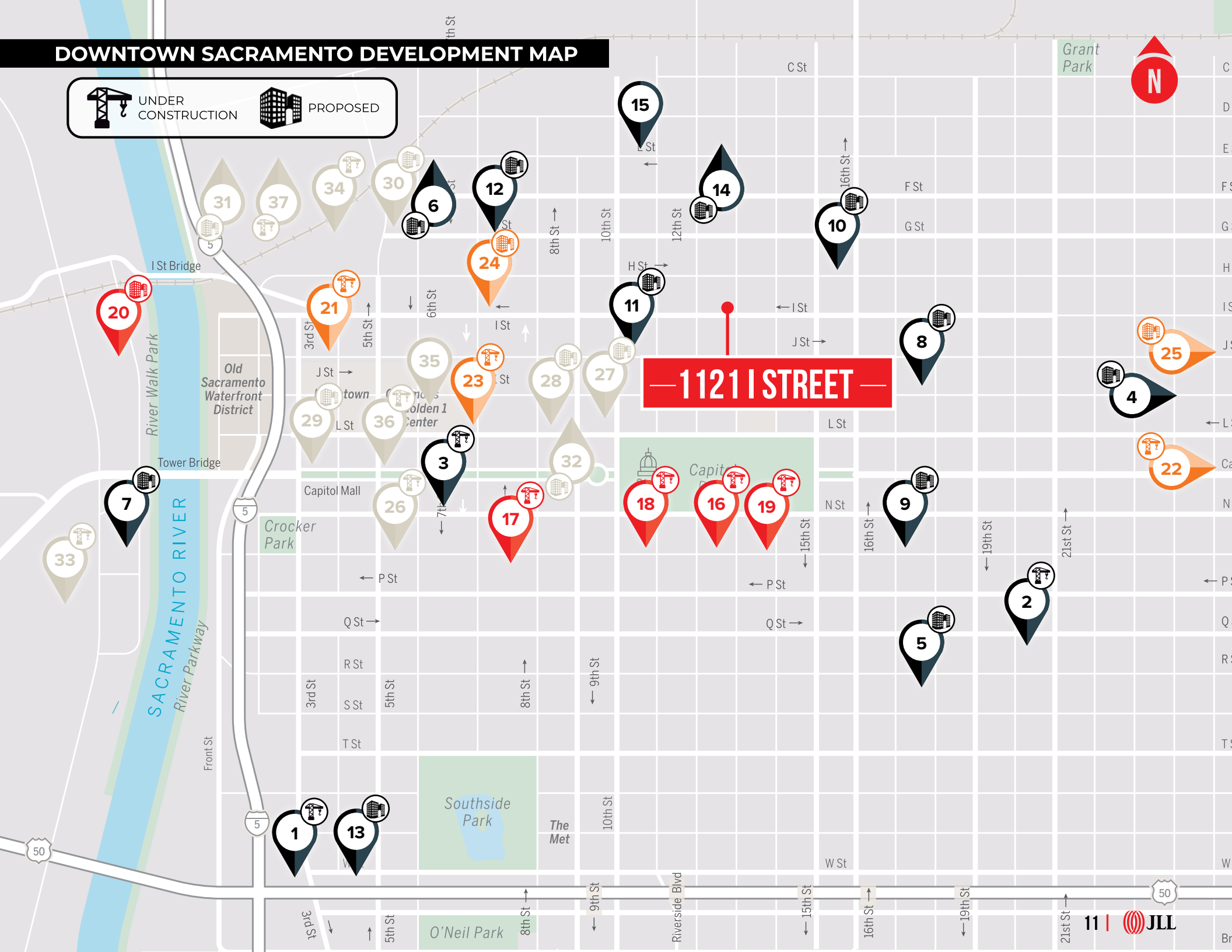
DOWNTOWN SACRAMENTO DEVELOPMENTS

NAME	ADDRESS	PROGRAM	STATUS	
RESIDENTIAL				
1	The Mill at Broadway	3rd-5th St & Broadway	1,000 for-sale single family units	Under Construction
2	The Press	21st & Q St	277 units and 8,000 SF retail	Under Construction
3	601 Cap Mall	601 Capitol Mall	162 units and 7,000 SF retail	Under Construction
4	Yamane	2500 J St	134 units and 14,000 SF retail	Proposed
5	1717 S St	1717 S St	159 units and 11,400 SF retail	Proposed
6	Revolve	Railyards Blvd & 7th St	303 units and 3,800 SF retail	Proposed
7	West	SE Corner of Riverfront St & Ballpark Ave	273 units and 16,000 SF retail	Proposed
8	17 Central	1631 K St	111 units and 1,608 SF retail	Proposed
9	East End 5/6/7/	16th St & N-O St	150 units	Proposed
10	The Bernice	700 16th St	186 units and 3,010 SF retail	Proposed
11	Anthem Cathedral Square	1030 J St	153 units and 10,890 SF retail	Proposed
12	700 G St	700 G St	150 units	Proposed
13	S3 Apartments	1900 3rd St	190 units and 2,300 SF retail	Proposed
14	Mirasol Village	12th St & Richmond Blvd	3,487 units	Proposed
15	The Creamery	1013 D St	122 for-sale single family units	Completed
OFFICE				
16	O State St Office	1215 O St	370,000 SF state office building	Under Construction
17	State Natural Resources	7th- 8th St & O-P St	838,000 SF	Under Construction
18	Capitol Annex Swing Space	10th & O St	472,000 SF and 1,200 SF retail	Under Construction
19	Clifford L Allenby Building	1215 O St	370,000 SF of new state office space	Under Construction
20	CalSTRS Expansion	100 Waterfront Place	265,000 SF	Proposed
HOTEL				
21	The Exchange Hotel	1006 4th St	Office conversion to 100 key Hilton Curio and 4,000 SF retail	Under Construction
22	Paraguay Hotel	28th & Capitol Ave	105 key Hilton Tapestry	Under Construction
23	Hyatt Centric	1122 7th St	120 hotel keys and 6,546 SF retail	Under Construction
24	7+1 Hotel	7th & I St	179 key AC Marriott and ground floor retail	Proposed
25	Hyatt House Midtown	2719 K St	Conversion of Eastern Star to 129 key hotel	Proposed
MIXED USE				
26	Sacramento Commons	5th - 7th St between N & P St	Phase 1: 436 units and 2,090 SF retail. Future phases: 1,252 units and 300 hotel keys	Under Construction
27	10K	10th & K St	186 units, 205 hotel keys, 7,400 SF retail	Proposed
28	800 K/L	800 K St	150 units and 20,000 SF retail	Proposed
29	Tower 301	301 Capitol Mall	791,647 SF office, 24,653 SF retail and 100 units	Proposed
30	The Foundry	5th - 6th St, at F St	261,000 SF office and 51,570 SF retail	Proposed
31	Kaiser	NW Corner of The Railyards	1.2M SF hospital and medical campus	Proposed
32	Canopy by Hilton	831 L St	275 key hotel and 50 luxury units	Proposed
33	The Bridge District	980 Central	4,000 units and 5M SF commercial	Under Construction
34	The Railyards	5th & I St	6,000 units, 1,000 keys, 1M SF retail, 5M SF office	Under Construction
35	The Hardin	700 K St	250,000 SF, 127 Units and 12 retailers	Completed
36	The Frederic	601 Capitol Mall	162 units and 7,00 SF of commercial	Under Construction
37	The AJ	Railyard blvd & 7th street	345 units and 5,000 sf of retail space	Under Construction

Source: JLL & Downtown Partnership Annual Report 2019

DOWNTOWN SACRAMENTO DEVELOPMENT MAP

 UNDER CONSTRUCTION  PROPOSED

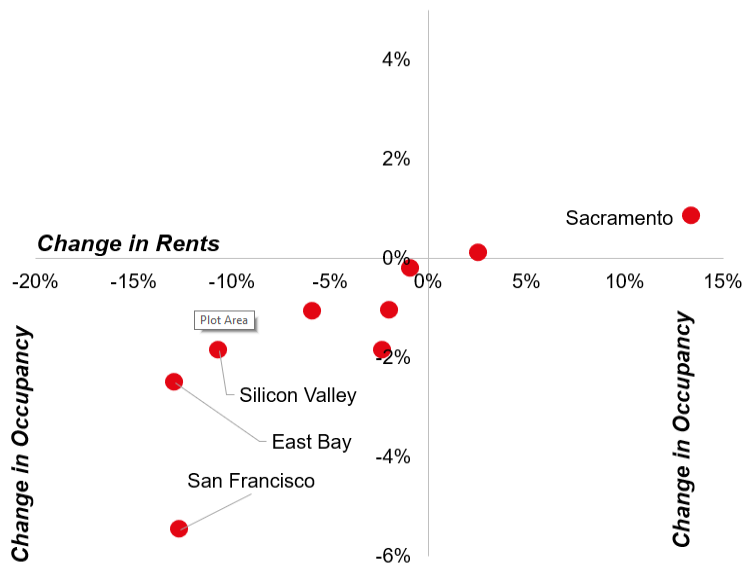


RESIDENTIAL MARKET OVERVIEW

Downtown Sacramento is increasingly perceived as a desirable residential location, thanks to the amenities and proximity to jobs. Two new residential Class A projects delivered over the past 5 years were the start of a growing wave of residential development.

- » Multifamily rents have staged a remarkable comeback since the mid-March COVID shutdown, with daily asking rents currently surpassing the pre-pandemic peak.
- » There are currently 2,200 residential units being constructed, and Sacramento Commons, a 436-unit community on 7th street, is slated to deliver in 2021.
- » Occupancy is consistently high, with vacancy hovering around 5% over the past 5 years. New units are quickly absorbed, indicating strong demand.

MARCH 2020 – SEPTEMBER 2020 CHANGES IN RESIDENTIAL RENT & VACANCY





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— 1121 | STREET —

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