



2000
FRONT STREET
SACRAMENTO, CALIFORNIA

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8.25 ACRES / 5 ACRES UPLAND

INVESTMENT SUMMARY



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

THE OFFERING

Jones Lang Lasalle Americas, Inc. “JLL” as exclusive advisor, is pleased to offer for sale the 8.25 acres / 5 acres upland site in Downtown Sacramento. The Site has river frontage, excellent access, in place zoning for a riverfront residential development, and is located in a qualified opportunity zone.

SITE INFORMATION

ADDRESS	2000 Front St
CITY	Sacramento
APN	009-0012-003, 009-0012-031, 009-0012-018
SIZE (AC)	8.25 Acres / 5 Acres Upland
ZONING	General Commercial (C-2)
SPECIFIC PLAN / SPECIAL PLANNING DISTRICT	Central City
GENERAL PLAN	Urban Center High

** Acreage per PG&E internal documents.*

INVESTMENT HIGHLIGHTS



PRIME DEVELOPMENT SITE



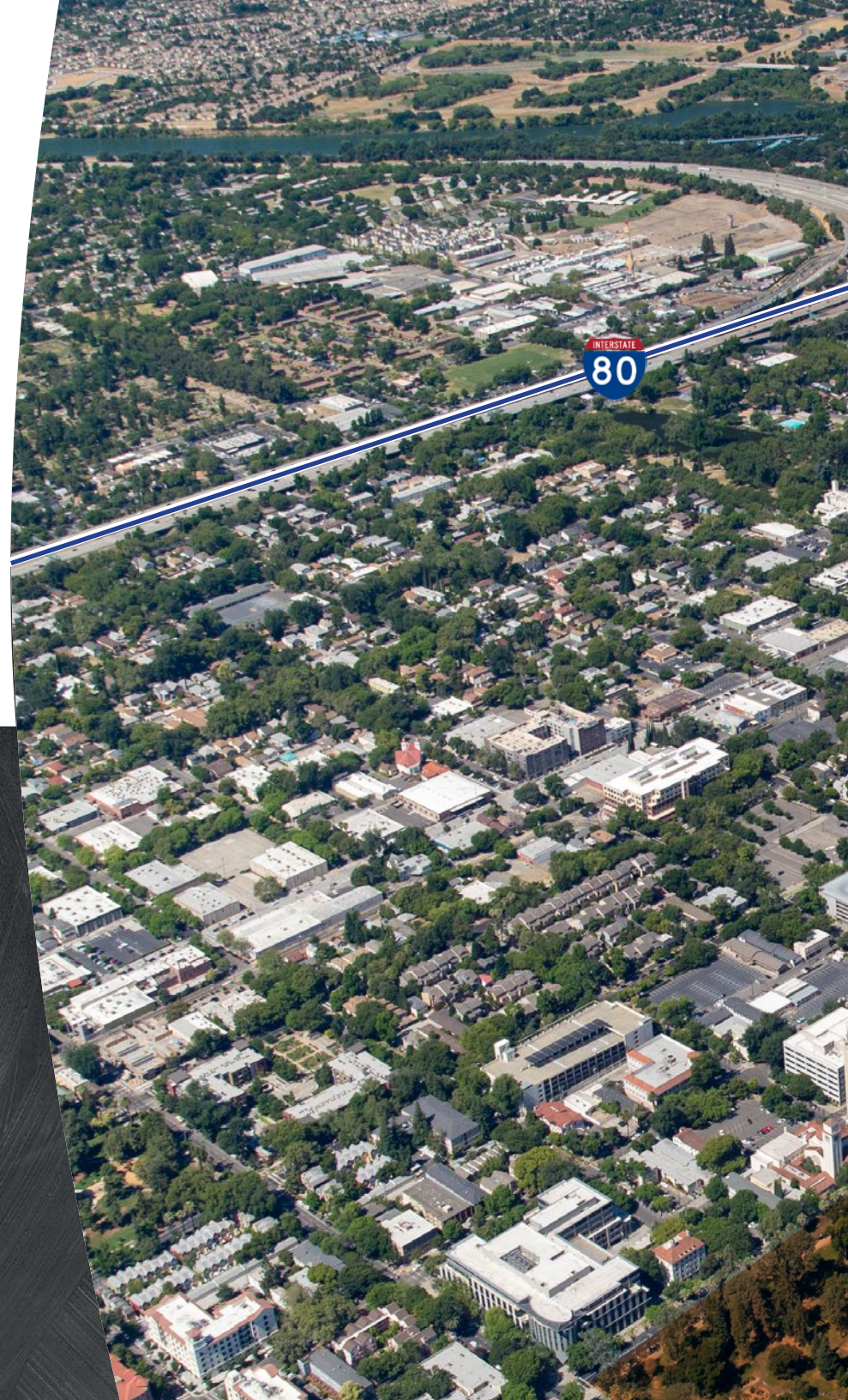
FAVORABLE ZONING



WATERFRONT LOCATION



OPPORTUNITY ZONE SITE





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DOCO DISTRICT

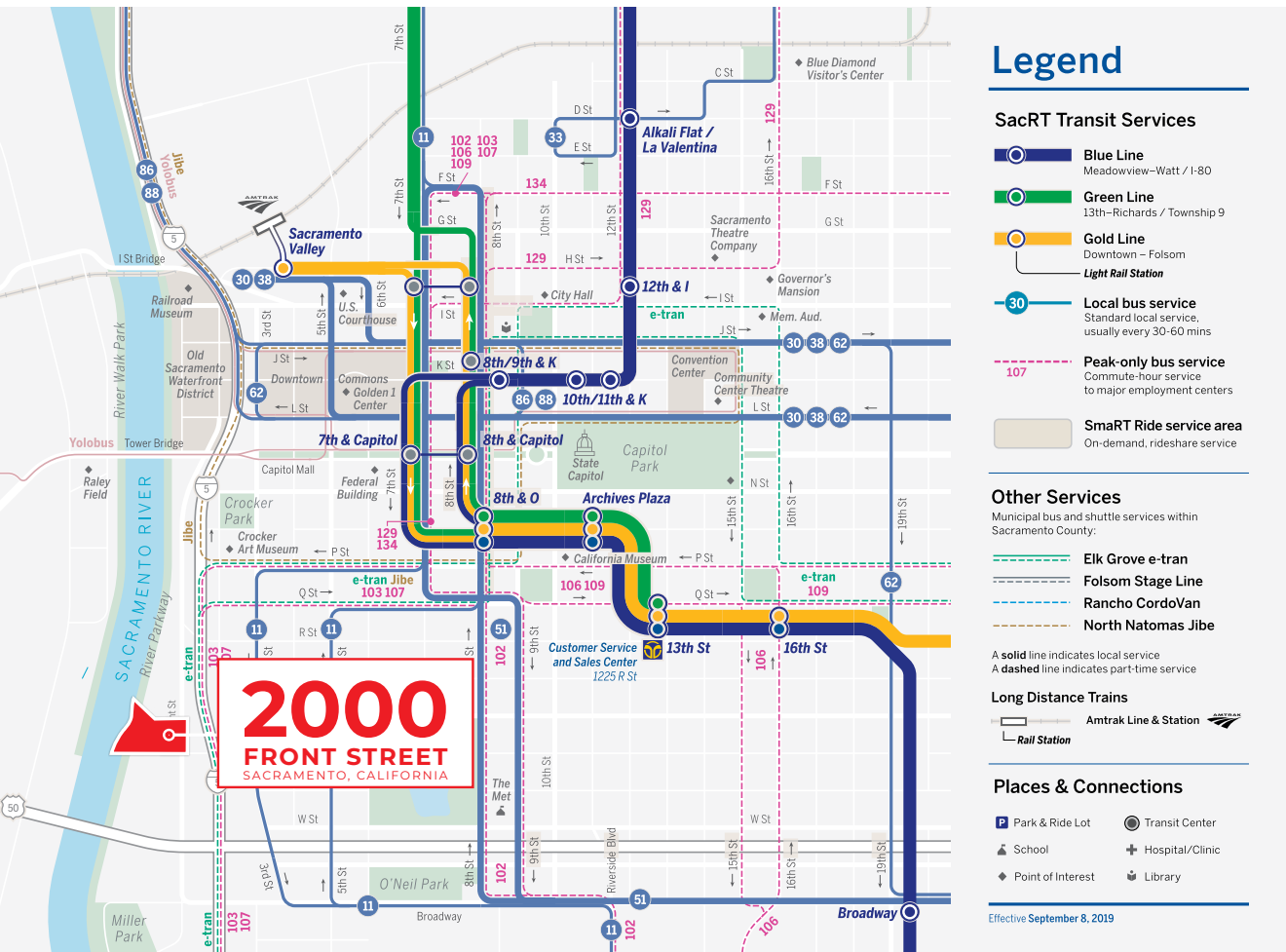
**CALIFORNIA STATE
CAPITOL**

PRIME DEVELOPMENT SITE

- » **Large Site:** At over 8.25 acres / 5 acres of upland land area and with a rectangular shape, the Site is ideal for an efficient development plan.
- » **Irreplaceable Waterfront Location:** Sacramento is increasingly looking towards its river as a prized public recreational space and community focal point. The Sacramento River Bike trail running along the Site is a prime example of the activity the River attracts.
- » **Excellent Access:** The Site has true multi-modal accessibility to Downtown Sacramento and the greater region via highway, buses, and regional bike trails. U.S. Route 50 runs east-west to the south of the Site, connecting the Site to East and West Sacramento, and Interstate 5 runs north-south to the east of the Site, connecting the Site to downtown.

FAVORABLE ZONING

- » **High Density Residential Zoning:** 24 - 250 units/ acre allowed, and a FAR of 0.5 - 8.0.
- » **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.



Legend

SacRT Transit Services

- Blue Line**
Meadowview–Watt / I-80
- Green Line**
13th–Richards / Township 9
- Gold Line**
Downtown – Folsom
- Light Rail Station**
- Local bus service**
Standard local service, usually every 30-60 mins
- Peak-only bus service**
Commuter-hour service to major employment centers
- SmaRT Ride service area**
On-demand, rideshare service

Other Services

Municipal bus and shuttle services within Sacramento County:

- Elk Grove e-tran
- Folsom Stage Line
- Rancho Cordova
- North Natomas Jibe

A solid line indicates local service
A dashed line indicates part-time service

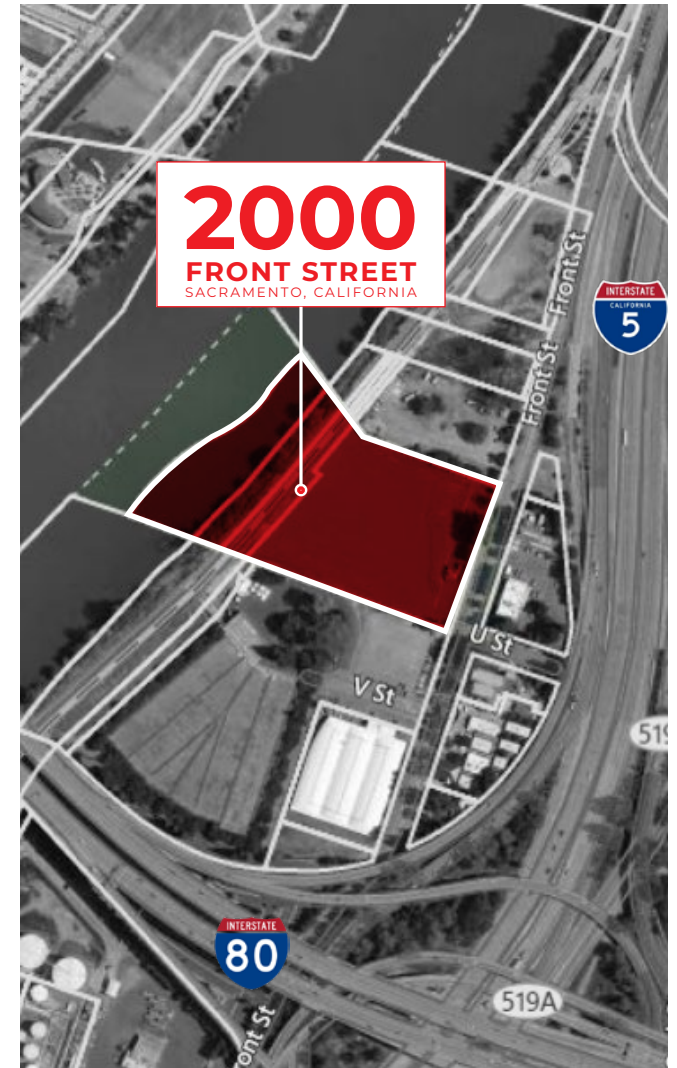
Long Distance Trains

- Amtrak Line & Station
- Rail Station

Places & Connections

- Park & Ride Lot
- Transit Center
- School
- Hospital/Clinic
- Point of Interest
- Library

Effective September 8, 2019



Source: sacrt.com

ECONOMIC HUB

- » **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%.

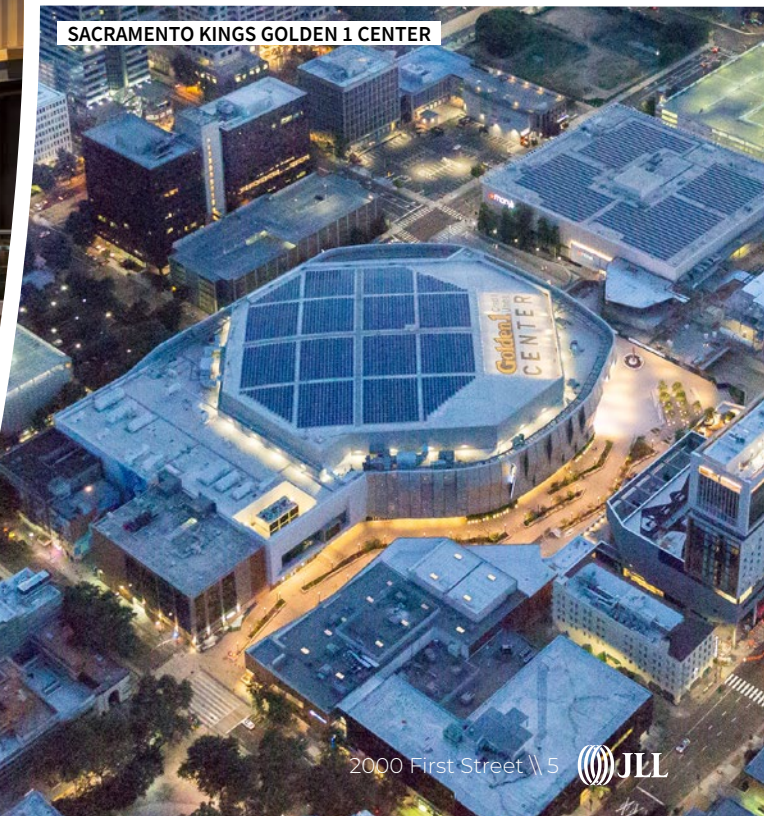


The site was formerly a Manufactured Gas Plant. PG&E secured a Remedial Action Certification and groundwater closure in October 2019.

Due to its status as a public utility, PG&E's sale of the Site must be approved by the California Public Utilities Commission. PG&E will submit this request and has been working with CPUC to accelerate this process.



SACRAMENTO KINGS GOLDEN 1 CENTER



OPPORTUNITY ZONE SITE

2000 Front Street is located within a Qualified Opportunity Zone (“QOZ”). As part of the 2017 Tax Cuts and Jobs Act, Opportunity Zone incentives were added to the United States tax code. Opportunity Zones were created to encourage economic development in certain census tracts across the U.S. by providing investors with key tax benefits when investing prior gains into a Qualified Opportunity Fund (QOF), which is a designated investment vehicle for Opportunity Zones. While not exclusive to real estate assets, Opportunity Zones are predicted to be a catalyst for real estate investment. The basic three tax incentives are as follows:

- » **Temporary Deferral:** A temporary deferral of inclusion in taxable income for gains reinvested in the Opportunity Fund. The deferred gain must be recognized on the earlier of the date on which the opportunity zone investment is sold or exchanged or December 31, 2026.
- » **Step-up Basis:** The gains basis is increased by 10% if the investment in the Opportunity Fund is held by the taxpayer for at least five years and by an additional 5% if held for at least seven years, thereby excluding up to 15% of the original gain from taxation.
- » **Permanent Exclusion :** A permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in an Opportunity Fund if the investment is held for at least 10 years. This exclusion only applies to gains accrued after an investment in an Opportunity Fund.

The above is a summary provided by JLL as a convenience. Please consult with a tax attorney for a full description of the tax policy.

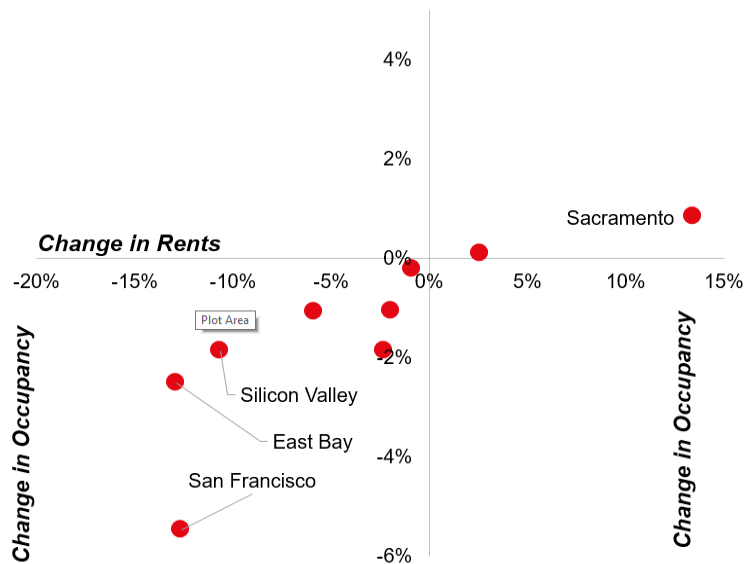


RESIDENTIAL MARKET OVERVIEW

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



EVIVA MIDTOWN APARTMENTS



FREMONT MEWS APARTMENTS

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.

Situated 85 miles northeast of San Francisco, the City sits at the junction of Interstate 5 and Interstate 80, is served by several rail lines and airports, and has a deep-water port at the confluence of the Sacramento and American rivers.

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

#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)





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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.

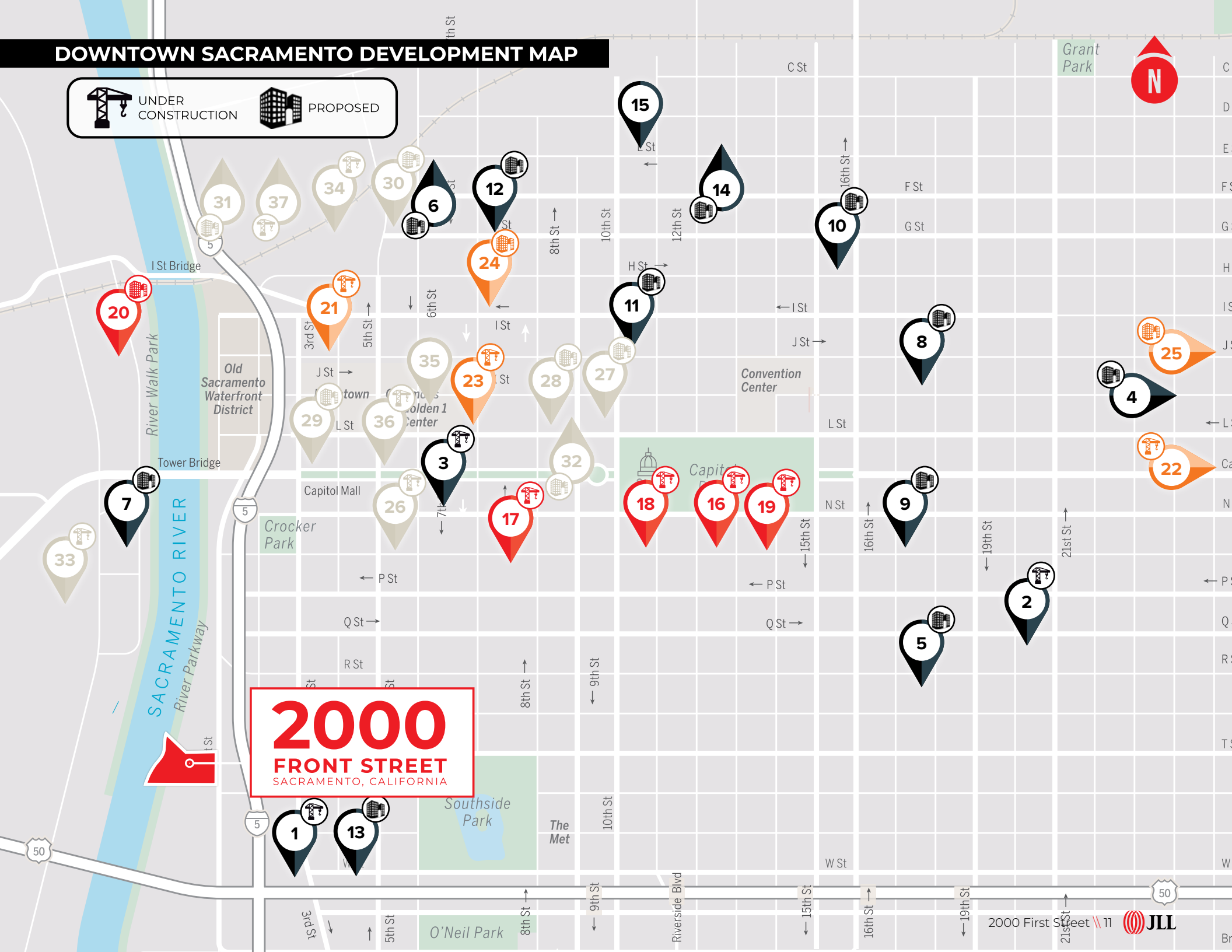
DOWNTOWN SACRAMENTO DEVELOPMENTS

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



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