



24 HOUR FITNESS

SACRAMENTO, CALIFORNIA

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM

\$11,152,000 | 6.75% CAP RATE

- » Long-Term Net Lease with Scheduled Rental Increases
 - » Recent Lease Extension
 - » Successful Location with Long Operating History
- » Corporate Lease to Well-Known National Tenant
- » Prominent Location in Walmart-Anchored Power Center
- » Dense Retail Corridor with 2.3 Million SF of Retail Within One Mile
- » High Traffic Location at Signalized Intersection
 - » Convenient Access to Stockton Boulevard (28,380 AADT), Florin Road (34,180 AADT), 65th Street (18,728 AADT), and Highway 99 (196,000 AADT)
- » Densely Populated Area with Robust Demographics
 - » 385,039 Residents Within Five Miles
- » Located in an Opportunity Zone, Offering Special Tax Incentives for Buyer



ACTUAL SITE

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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**YURAS
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Leased Investment Team

www.YAFteam.com

INVESTMENT SUMMARY

ADDRESS	6061 Florin Rd, Sacramento, California		
PRICE	\$11,152,000		
CAP RATE	6.75% return		
NOI	\$752,746		
TERM	14 years remaining		
RENT COMMENCEMENT	September 1, 2008		
LEASE EXPIRATION	September 30, 2033		
RENTAL INCREASES	12% rental increase in 2028 and every five (5) years thereafter		
	YEAR	RENT	RETURN
	Current-Sep. 2028	\$752,746	6.75%
	Oct. 2028-Sep. 2033	\$843,076	7.56%
	Oct. 2033-Sep. 2038 (Option 1)	\$944,245	8.47%
	Oct. 2038-Sep. 2043 (Option 2)	\$1,057,554	9.48%
YEAR BUILT	2008		
BUILDING SF	34,070 SF		
PARCEL SIZE	3.02 acres (131,695 SF)		
LEASE TYPE	Net, with tenant responsible for taxes, insurance, and maintenance, excluding roof, structure, and parking lot		

LONG-TERM CORPORATE LEASE AT PROVEN LOCATION

- » Long-term net lease with scheduled rental increases, providing a hedge against inflation
- » Recent lease extension, demonstrating commitment to the location
- » Corporate lease to well-known national tenant
- » Strong operating history since 2008
- » 24 Hour Fitness is the world's 2nd largest fitness chain based on memberships, with more than 420 operating clubs across 13 states

HIGH-TRAFFIC LOCATION IN EXTREMELY DENSE RETAIL CORRIDOR

- » 24 Hour Fitness is investing additional capital into the space to update equipment and overall membership experience
- » Direct access to 28,380 vehicles per day via Florin Towne Centre's signalized entrance on Stockton Boulevard, plus interparcel access from Florin Road (34,180 AADT) and 65th Street (18,728 AADT)
- » Immediate access to Highway 99 (196,000 AADT)
- » Prominently located in Florin Towne Centre, a power center anchored by Walmart Supercenter
- » 2.3 million square feet of retail space within a one-mile radius of the property

CENTRAL LOCATION WITH ROBUST DEMOGRAPHICS

- » Centrally located eight miles from downtown Sacramento, six miles from Sacramento Executive Airport, and close to large schools and densely populated residential neighborhoods
- » Nearly 23,000 residents live within a one-mile radius of the property, and 385,039 people live within five miles, providing a large customer base
- » Large daytime population in the area, with 128,497 daytime employees working within a five-mile radius

ACTUAL SITE





Burlington
coat factory

SF SUPERMARKET
SỮA THỊ THUAN PHAT 順泰超市

65th Street
(18,728 AADT)

Walmart
Supercenter

The Boiling Crab

DOLLAR TREE
Davita

FRED LOYA
INSURANCE
metro
by T-Mobile

Auto Zone
Regional Hub

us bank

Sizzler

GameStop

Pizza Guys
New York Style

Sprint

Starbucks **PANDA EXPRESS**
GOURMET CHINESE FOOD

Florin Road
(34,180 AADT)

PET SMART

HYUNDAI

24 HOUR FITNESS

WELLS FARGO

Smog Mart
Smog and Automobile Repair Center

McDonald's

MIDAS

CARQUEST
AUTO PARTS

AMERICA'S TIRE

Stockton Boulevard
(28,380 AADT)



INDUSTRIAL REGION

INDUSTRIAL REGION

Camellia
Elementary School
(458 students)

Samuel Kennedy
Elementary School
(945 students)

Florin Elementary School
(608 students)

David Reese
Elementary School
(916 students)

James Rutter
Middle School
(905 students)



Stockton Boulevard
(28,380 AADT)



65th Street
(18,728 AADT)



Florin Road
(34,180 AADT)





River Oak Shopping Center

FOOD MAX
MAXIMUM DISCOUNT SUPERMARKETS

Goodwill

SACRAMENTO CITY COLLEGE
EST. 1916

(24,242 students and 800+ employees)

SACRAMENTO EXECUTIVE AIRPORT
(6 miles)

DOWNTOWN SACRAMENTO
(8 miles)



Bowling Green Elementary School and Fern Bacon Middle School
(1,632 students)

Pacific Elementary School
(693 students)

Christian Brothers High School
(1,150+ students)

Shriners Hospitals for Children™
(80 beds)

Walmart Neighborhood Market

ROSS
DRESS FOR LESS

Highway 99
(196,000 AADT)



Florin Towne Center

Walmart Supercenter

DOLLAR TREE

DAVITA

Smog Mar
Smog and Auto Service Repair Center

Sizzler

metro by T-Mobile

WELLS FARGO

McDonald's

Starbucks

usbank

GameStop

FRED LOYA INSURANCE

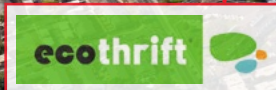


dd's DISCOUNTS

99c ONLY

O'Reilly AUTO PARTS
PROFESSIONAL CARE

UC DAVIS MEDICAL CENTER
(141 beds and 492 employees)



Auto Zone
Regional Hub

65th Street (18,728 AADT)



Florin Road
(34,180 AADT)

24 HOUR FITNESS

BURGER KING

LONG JOHN SILVERS

Stockton Boulevard
(28,380 AADT)

POPEYES
LOUISIANA KITCHEN



metro by T-Mobile

SITE PLAN

 DOLLAR TREE

STOCKTON BOULEVARD

 Walmart
Supercenter

 **24** *FITNESS*[®]

34,070 SF

WELLS
FARGO

 Smog Mart
Auto and Air Quality Repair Center

TENANT SUMMARY



Headquartered in San Ramon, California, 24 Hour Fitness is a leading fitness industry pioneer with nearly four million members in more than 430 clubs across the U.S. The company's fitness centers offer aerobic, cardiovascular, and weight lifting activities. Some facilities also feature squash, racquetball, and basketball courts; swimming pools; steam and sauna rooms; tanning rooms; and whirlpools. Clubs also offer dynamic personal and group training programs delivered by fitness professionals.

24 Hour Fitness is ranked third on Club Industry's Top 100 Health Clubs of 2018. The company reported annual revenue of \$1.44 billion in 2017, an increase of 1.48% from 2016.

For more information, please visit www.24hourfitness.com.

OWNERSHIP	Private	# OF LOCATIONS	430+
REVENUE	\$1.44B	HEADQUARTERS	San Ramon, CA

LEASE ABSTRACT

TENANT	24 Hour Fitness		
ADDRESS	6061 Florin Rd, Sacramento, California		
RENT COMMENCEMENT	September 1, 2008		
LEASE EXPIRATION	September 30, 2033		
RENEWAL OPTIONS	Two (2) options of five (5) years		
RENTAL INCREASES	YEAR Current-Sep. 2028 Oct. 2028-Sep. 2033 Oct. 2033-Sep. 2038 (Option 1) Oct. 2038-Sep. 2043 (Option 2)	RENT \$752,746 \$843,076 \$944,245 \$1,057,554	RETURN 6.75% 7.56% 8.47% 9.48%
REAL ESTATE TAXES	Tenant Responsible for Tenant's Share of Real Property Taxes		
INSURANCE	Tenant is responsible for all insurance costs for the building		
REPAIR & MAINTENANCE	Tenant Responsible for Tenant's Share of Maintenance Costs		
MAINTENANCE BY LANDLORD	Landlord responsible for the roof, exterior walls, structural components, foundation, subfloor, exterior paint, and fire sprinkler system		
ASSIGNMENT/ SUBLEASE	Tenant can not assign or sublet lease without landlords consent.		
CASUALTY/RENT ABATEMENT	Rent abatement begins on the date of Casualty and end on the day repairs are completed. If Casualty occurs during final 2 years of lease then tenant may terminate the lease with 45 days written notice.		
RESTRICTIONS OF USE	No auction or bankruptcy sale, fire sale, going out of business sale, lost our lease sale, sell any surplus, army and navy, or secondhand goods. Landlord shall not lease any portion of the center as a billiard room, game arcade or amusement center, gambling establishment, night club, dance hall, bar or tavern. No pawn shop, adult video store, massage parlor, training or education facilities, beauty or barber school, reading room or place of instruction. No stores for students, auctions or display of vehicles.		

PROPERTY OVERVIEW

LOCATION

The property is located at Florin Towne Centre's signalized entrance on Stockton Boulevard, with excellent visibility and direct access to 28,380 vehicles per day. The property also enjoys interparcel access from Florin Road (34,180 AADT) and 65th Street (18,728 AADT), as well as immediate access to Highway 99 (196,000 AADT). The property is prominently located in Florin Towne Centre, a power center anchored by Walmart Supercenter and featuring strong national tenants such as PetSmart, Starbucks, Wells Fargo, Dollar Tree, McDonald's, and more. Located within the main retail hub of one of south Sacramento's busiest trade areas, the property is surrounded by 2.3 million square feet of retail space within a one-mile radius. Other notable retailers in the nearby area include Burlington, Home Depot, Walmart Neighborhood Market, FoodMaxx, Krispy Kreme, Midas, and Beck's Furniture.

The property is centrally located eight miles from downtown Sacramento, six miles from Sacramento Executive Airport, and close to large schools and densely populated residential neighborhoods. Nearly 23,000 residents live within a one-mile radius of the property, and 385,039 people live within five miles, providing a large customer base. Additionally, the property is close to major employment centers and industrial regions, creating a large daytime population in the area, with 128,497 daytime employees working within a five-mile radius.

ACCESS

Access from Stockton Boulevard and interparcel access from Florin Road and 65th Street

TRAFFIC COUNTS

Stockton Boulevard:	28,380 AADT
Florin Road:	34,180 AADT
65th Street:	18,728 AADT
Highway 99:	196,000 AADT

PARKING

200 parking stalls in parcel, including two (2) handicap stalls, plus ample cross-access parking

YEAR BUILT

2008

NEAREST AIRPORT

Sacramento International Airport (SMF)




2008
YEAR BUILT


28K
TRAFFIC
COUNT (AADT)


**NEAREST
AIRPORT**
SACRAMENTO
INTERNATIONAL
AIRPORT

AREA OVERVIEW

Sacramento is the capital city of California and the seat of Sacramento County. It is at the confluence of the Sacramento River and the American River in the northern portion of California's expansive Central Valley, known as the Sacramento Valley. Its estimated 2018 population of 501,334 makes it the sixth largest city in California and the ninth largest capital in the United States. Today, Sacramento is known for its diversity, tree canopy (largest in the U.S.), historic Old Sacramento, evolving contemporary culture as the most "hipster city" in California, sunny climate, state administration, and farm-to-fork dining. As the capital of California, Sacramento has a strong economy supported in part by government, healthcare, and agriculture. In recent years, Sacramento has become a world-class tech community, with companies relocating to Sacramento to take advantage of its educated workforce and low cost of doing business without sacrificing quality of facilities and workforce skills. Due to its attractive business qualities, Sacramento experienced the fifth fastest private sector job growth rate among the top 25 U.S. metropolitan areas. This growth has been accompanied by extensive development and renovation within the Sacramento region, including the construction of a multi-use sports and entertainment arena accompanied by 1.5 million square feet of office, retail, and residential developments in downtown Sacramento.

Sacramento is the cultural and economic core of the Sacramento Metropolitan Statistical Area (MSA), which has a population of over 2.5 million people, making it the fourth largest metropolitan area in California and the 27th largest in the United States. Located approximately 75 miles northeast of San Francisco, the Sacramento MSA—consisting of El Dorado, Placer, Yolo, and Sacramento counties—is known as one of the most vibrant areas in all of California. Sacramento also anchored the even larger Sacramento–Arden–Arcade–Yuba City, CA–NV Combined Statistical Area (CSA)—also known as Greater Sacramento—which consists of several metropolitan statistical areas and seven counties in Northern California and one in Western Nevada. In addition to the bustling cityscape of Sacramento, Greater Sacramento also contains sites of natural beauty, including Lake Tahoe, the largest alpine lake in North America, and numerous ski and nature resorts. Greater Sacramento is also located in one of the world's most important agricultural areas. The region's eastern counties are located in Gold Country, site of the California Gold Rush. Recently, the Sacramento area has become one of the fastest growing regions in the United States, due to Sacramento's continued emergence as a distinct metropolitan center, as well as the region's cheaper housing costs for commuters to and from the nearby, more expensive, San Francisco Bay Area.

- » Sacramento is the third fastest growing metropolitan area in California, with a projected growth of 55.4% over the next 30 years.
- » Sacramento is expected to outpace the national average in job and population growth by more than double over the next ten years.

MAJOR EMPLOYERS IN SACRAMENTO MSA

OF EMPLOYEES

STATE OF CALIFORNIA	81,646
UNIVERSITY OF CALIFORNIA, DAVIS	44,201
KAISER PERMANENTE	16,959
UNITED STATES GOVERNMENT	14,300
SACRAMENTO COUNTY	14,007
UC DAVIS HEALTH SYSTEM	12,840
SUTTER HEALTH	12,138
DIGNITY HEALTH	8,039
INTEL	6,000
APPLE	5,000



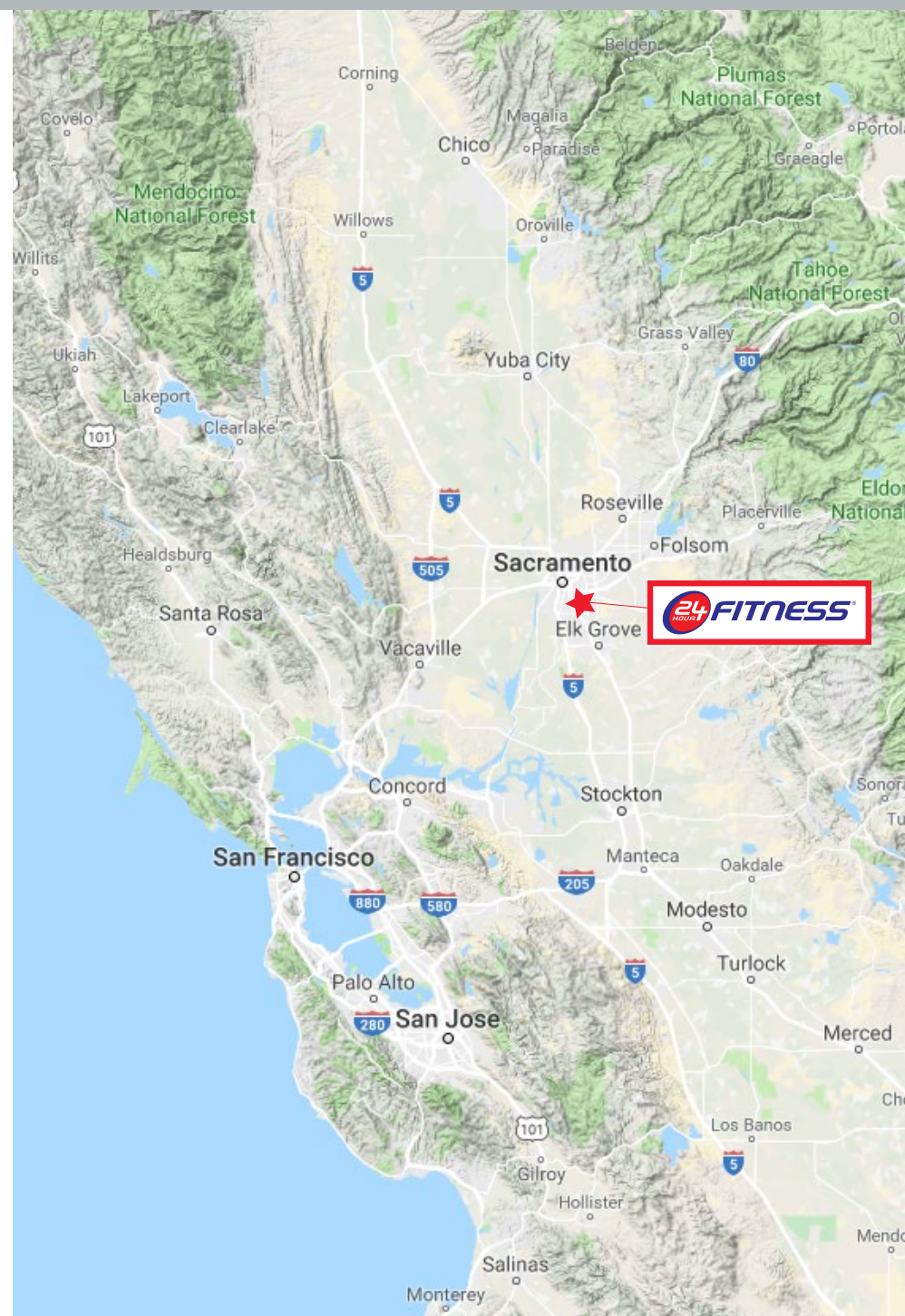
DEMOGRAPHIC PROFILE

2018 SUMMARY	1 Mile	3 Miles	5 Miles
Population	22,857	184,610	385,039
Households	7,095	55,661	126,867
Families	5,098	40,495	86,607
Average Household Size	3.20	3.29	3.00
Owner Occupied Housing Units	3,044	26,879	68,900
Renter Occupied Housing Units	4,050	28,783	57,967
Median Age	31.5	31.2	33.3
Average Household Income	\$48,438	\$53,090	\$70,923

2023 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	23,633	193,365	404,802
Households	7,290	57,971	132,646
Families	5,238	42,198	90,564
Average Household Size	3.22	3.31	3.02
Owner Occupied Housing Units	3,394	30,120	76,178
Renter Occupied Housing Units	3,896	27,852	56,468
Median Age	32.7	32.2	34.1
Average Household Income	\$55,872	\$61,725	\$83,066



**POPULATION OF 385,039
WITHIN FIVE MILES**



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