

MASTER LEASE: CHEVRON, CAR WASH, BURGER KING, COUNTRY C-STORE

7175 Murieta Drive | Sacramento, CA MSA

OFFERING MEMORANDUM



LISTED BY

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AREA OVERVIEW

7175 Murieta Drive | Rancho Murieta, CA 37660

OFFERING MEMORANDUM

EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS

ABSOLUTE NNN PASSIVE INVESTMENT PROPERTY IN SACRAMENTO MSA

- Attractive Tenant Mix with Chevron Gas, Car Wash, Convenience Store, and Burger King
- Brand New 15-Year Master Lease with 10% Rental Increases every 5 years

GROWING MARKET WITH ESTABLISHED CUSTOMER BASE

- Signalized Hard Corner asset with new Retail and Multifamily developments in the immediate vicinity
- Brand New 'Bel-Air' grocery anchor built in May 2020

ESTABLISHED OPERATOR WITH EXPERIENCE OF OVER 20 YEARS

- Very high and Consistent Store Sale Volume (Financials and Store Sales available upon signed CA)
- National Name-Brand Tenants such as Chevron and Burger King
- Limited Competition: The ONLY Gas Station in 12-Mile Radius

LOCATION AND CONCEPTS HAVE PROVEN TO BE PANDEMIC PROOF

- Headache-Free Passive Investment with Pride of Ownership Asset
- Excellent Synergy with Rancho Murieta Country Club, Murieta Plaza, Private Airport and Fire Station in Direct Trade Area

RANCHO GRANDE DEVELOPMENT

The Rancho Grande Development across the street is a 17.8-acre site zoned R-30 multi-family located within the upscale country club community of Rancho Murieta. Water and Sewer rights have been established via existing planned developmental agreements with the county of Sacramento. Property features approx. 1140' of street frontage on Jackson Hwy and is adjacent to the 97,000 sq ft Murieta Marketplace Shopping Center featuring anchor tenant Bel-Air which opened on 5/20.





JACKSON ROAD
± 13,000 VPD



FINANCIAL OVERVIEW



\$13,200,000

LIST PRICE



\$660,000

NOI



5.00%

CAP RATE

BUILDING INFO

Address	7175 Murieta Dr Rancho Murieta, CA
Building Area	±5,451 SF
Land Area	±65,775 SF (1.51 ACRES)
APN	073-0460-009-0000

FINANCIAL OVERVIEW

TENANT SUMMARY

Tenant Trade Names	Chevron, Car Wash, Burger King, Country C Store
Type of Ownership	Fee Simple
Lease Guarantor	Franchisee
Lease Type	NNN
Roof and Structure	Tenant Responsibility
Original Lease Term	15 years
Lease Commencement Date	COE
Lease Expiration Date	15 Years after COE
Increases	10% every 5 years
Renewal Options	5, 5 year Options

ANNUALIZED OPERATING DATA

Lease Term	Monthly Rent	Annual Rent	Cap Rate
COE- 5 Years	\$55,000.00	\$660,000.00	5.00%
Years 5-10	\$60,500.00	\$726,000.00	5.50%
Years 10-15	\$66,550.00	\$798,600.00	6.05%
First Option Period	\$73,205.00	\$878,460.00	6.66%
Second Option Period	\$80,525.50	\$966,306.00	7.32%
Third Option Period	\$88,578.92	\$1,062,947.00	8.05%
Fourth Option Period	\$97,435.92	\$1,169,231.00	8.86%
Fifth Option Period	\$107,179.50	\$1,286,154.00	9.74%

LOAN QUOTE

Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

Patrick Flanagan
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LTV

60%

Interest Rate

3.75%

Amortization

30





TENANT OVERVIEWS

CHEVRON



» **Company Name**
CHEVRON



» **Ownership**
PUBLIC



» **Year Founded**
1879



» **Industry**
OIL & GAS



» **Headquarters**
SAN RAMON, CA



» **Website**
WWW.CHEVRON.COM

Chevron Corporation is an American multinational energy corporation. One of the successor companies of Standard Oil, it is headquartered in San Ramon, California, and active in more than 180 countries. Chevron is engaged in every aspect of the oil and natural gas industries, including hydrocarbon exploration and production; refining, marketing, and transport; chemicals manufacturing and sales; and power generation. Chevron is one of the world's largest companies; as of March 2020, it ranked fifteenth in the Fortune 500 with yearly revenue of \$146.5 billion and a market valuation of \$136 billion. In the 2020 Forbes Global 2000, Chevron was ranked as the 61st-largest public company in the world. It was also one of the Seven Sisters that dominated the global petroleum industry from the mid-1940s to the 1970s. Chevron is incorporated in California.

BURGER KING



» **Company Name**
BURGER KING



» **Ownership**
PUBLIC



» **Year Founded**
1954



» **Industry**
FAST CASUAL

» **Headquarters**
MIAMI, FL

» **Website**
WWW.BK.COM

Burger King (BK) is an American multinational chain of hamburger fast-food restaurants. Founded in 1954, Burger King is the second-largest fast-food hamburger chain in the world. The original Home of the Whopper, our commitment to premium ingredients, signature recipes, and family-friendly dining experiences is what has defined our brand for more than 50 successful years. Every day, more than 11 million guests visit Burger King restaurants around the world.

FRANCHISEE OVERVIEWS



Rancho Murieta Country Store Inc. is a successful Gas Station Operator who has been running this site for 20 plus years. Harvind Uppal resides as President of Operations and brings over 15 years of experience in managing multiple gas stations. Management has been able to consistently improve sales, even when stations were hit during the recent Covid-19 Pandemic. New dispensers have been recently installed, and an interior remodel is currently underway as well.

The Burger King is operated by Singh's Food Service, which brings the experience of managing over 100 BKs along the west coast, primarily in the state of California.

RANCHO MURIETA, CA

Rancho Murieta is a guard-gated community in Sacramento County, California. It is part of the Sacramento–Arden-Arcade–Roseville Metropolitan Statistical Area. It is located in the foothills of the Sierra Nevada range, about 25 miles east of Sacramento.

SACRAMENTO, CA

As the capital of the world’s 6th largest economy, Sacramento is undergoing a transition, with technological and cultural developments breathing new life into the city. With a city population of over 500,000 residents, Sacramento is seeing a growth in population, especially young professionals who are drawn to the reasonable cost of living, abundant sunshine, and ethnic diversity. Sacramento beckons many visitors as well, due to its strategic location at the heart of the Central Valley, the metro area is at the forefront of the farm-to-fork movement. Residents have access to an abundance of fresh, locally sourced foods from nearby farms, wineries, and breweries.



DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2026 PROJECTION	3,043	6,249	6,773
2021 ESTIMATE	2,971	6,097	6,612
2010 CENSUS	2,895	5,921	6,464
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2026 PROJECTION	1,252	2,540	2,613
2021 ESTIMATE	1,222	2,479	2,551
2010 CENSUS	1,193	2,411	2,489
INCOME	1-MILE	3-MILE	5-MILE
AVERAGE HH INCOME	\$138,500	\$142,863	\$142,15



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TOURISM

OLD SACRAMENTO WATERFRONT

The Old Sacramento Waterfront is a National Historic Landmark District and a State Historic Park that pays homage to the Gold Rush of 1849 in California. The 28-acre site not only features historical landmarks, but also unique shopping and dining experiences and world-renowned museums. Wooden sidewalks and horse-drawn carriages add to the overall 19th century atmosphere of the area.



CROCKER ART MUSEUM

The Crocker Art Museum is a major cultural hub in the city of Sacramento. The museum has two wings: the Victorian house built in 1873, and the new Teal Pavilion, which opened in 2010. Popular artworks in the museum include a collection of California Impressionist art, German drawings, and many other contemporary and antique pieces.



ARDEN FAIR MALL

Located close to the Cal Expo fairgrounds and several hotels, Arden Fair Mall offers over 165 retail and dining amenities. The bright and spacious mall includes stores such as Macy's JCPenney, and Sears and restaurants such as BJ's Restaurant and Brewhouse, Gen Korean BBQ, and Seasons 52.



DOCO

Located at the heart of downtown Sacramento, Sacramento's Downtown Commons (DOCO) is the newest shopping experience in the area. DOCO features the Golden 1 Center, home of the Sacramento Kings, and several shopping and dining experiences, including Macy's, Urban Outfitters, Echo & Rig, Yard House, and many more. It also features movie theatres, a 24-Hour Fitness, and several hotels for visitor lodging.

ECONOMY

The growth of Sacramento's economy has resulted in job growth that is evident in industries like technology, construction, and healthcare. Healthcare is a major industry in the city. Kaiser Permanente, Sutter Health, Dignity Health, and UC Davis Medical center employ a large number of Sacramento residents.

Sacramento's economy has been fueled by recent job growth in leisure and hospitality. This tourism growth is largely due to Sacramento's ability to host large events and conventions. Recently these large events have been professional sporting events, like the yearly cycling competition, the Amgen Tour of California, and the California International Marathon.

MAJOR EMPLOYERS



CALIFORNIA STATE UNIVERSITY, SACRAMENTO

Established in 1947, California State University – Sacramento, commonly referred to as Sac State, is part of the California State University system. Currently, over **30,000 students** attend the university. The university is made up of 7 colleges including Arts & Letters, Business Administration, Education, Engineering & Computer Science, Health & Human Services, Natural Sciences & Mathematics, and Social Sciences & Interdisciplinary Studies. Across the 7 colleges, nearly **60 undergraduate majors** are offered, the most popular majors are business, education, and social sciences.

Sac State's 300-acre campus is surrounded by over 3,500 trees, making it a picturesque campus. Due to this, it was designated as Tree Campus USA by the Arbor Day Foundation. ***Sac State is a major economic driver in Sacramento's economy as it generates a total economic impact of \$816 million on the regional economy and more than \$1 billion on the statewide economy. Around 9,000 jobs are supported by Sac State in the region and statewide economy.***



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **7175 Murietta Dr, Rancho Murieta, CA** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner Seller and in part upon financial information obtained from sources the Owner it deems reliable. Owner, nor their officers, employees, or real estate agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its contents, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein. and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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