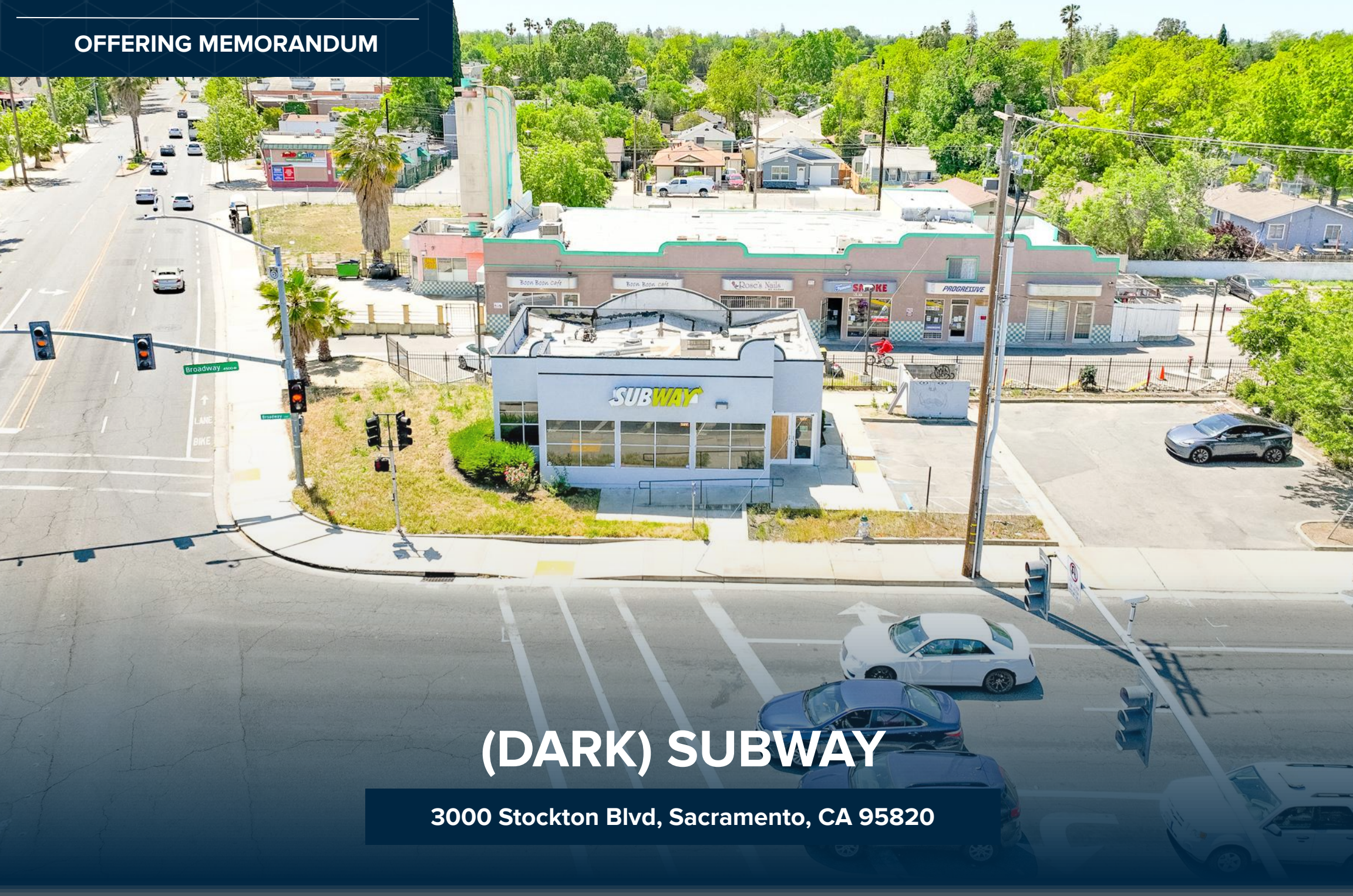


OFFERING MEMORANDUM



(DARK) SUBWAY

3000 Stockton Blvd, Sacramento, CA 95820

LISTED BY

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3000 Stockton Blvd, Sacramento, CA 95820

(DARK) SUBWAY

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PROPERTY OVERVIEW



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PROPERTY HIGHLIGHTS

TENANT & LEASE SUMMARY

- **Absolute NNN Lease** - Corporate lease with Subway (37,450 worldwide locations)
- **Naked Lease** - zero renewal options give Landlord control and value-add potential
- **Annual 4% Rental Escalations** - Annual CPI escalations (not to exceed 4%)
- **Guaranteed Cash Flow** - \$148,000 in remaining rental payments

STRONG REAL ESTATE FUNDAMENTALS

- **Ideal Traffic Counts & Visibility** - 29,000 daily traffic counts at a Signalized Intersection
- **Opportunity Zone (w/ High Income)** - Located in an Opportunity Zone despite an average household income of \$90,000 within a 3-mile radius
- **University Corridor** - Two (2) miles from Cal State Sacramento 30,000 enrolled undergraduates
- **Medical Retail Corridor** - UC Davis Medical employs 12K people within a 1-mile radius - Education & Health Services employ 57K people within a five (5) mile radius
- **Dense Infill** - 5-Mile population exceeds 400,000 people

DOWNTOWN SACRAMENTO

± 3 MILES AWAY



BROADWAY
± 11,000 VPD



STOCKTON BLVD
± 18,000 VPD

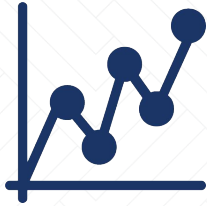


FINANCIAL OVERVIEW



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ASSET ANALYSIS



5.00%
CAP RATE



\$973,000
LIST PRICE



\$48,672
NOI

PROPERTY DESCRIPTION

Property Offering	Subway
Address	3000 Stockton Blvd
City, ST	Sacramento, CA
Price PSF	\$778
Total Building Area	1,250
Total Lot Size	0.160
Year Built/Remodeled	1990



VALUATION & SUMMARY

Tenant Summary

Tenant Name	Subway
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Entity	Subway Restaurants, Inc.
Lease Type	NNN
Roof & Structure	Tenant Responsible
Term Remaining	3 Years
Lease Commencement Date	March 10, 1989
Lease Expiration Date	April 30, 2025
Rent Increases	4% Annual
Options	None



Annualized Operating Data

Lease Schedule	Monthly	Annual	Increases	Cap Rate
8/1/2019 - 4/30/2022	\$3,900.00	\$46,800.00	-	4.81%
5/1/2022 - 4/30/2023	\$4,056.00	\$48,672.00	*4.00%	5.00%
5/1/2023 - 4/30/2024	\$4,218.24	\$50,618.88	*4.00%	5.20%
5/1/2024 - 4/30/2025	\$4,386.97	\$52,643.64	*4.00%	5.41%

*4% projected based on annual CPI rental escalations (not to exceed 4%)

UC DAVIS
HEALTH

SCHOOL OF
MEDICINE

CALIFORNIA DEPARTMENT OF JUSTICE

LANGUAGE ACADEMY OF SACRAMENTO

SACRAMENTO DMV

UC DAVIS
CLINICAL AND TRANSLATIONAL
SCIENCE CENTER



STOCKTON BLVD
± 18,000 VPD

BROADWAY
± 11,000 VPD



AREA OVERVIEW

SUBJECT
PROPERTY

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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. The city is ranked #4 in Best Places to Live in California.

DEMOGRAPHICS

POPULATION	3-MILE	5-MILE	10-MILE
Five Year Projection	54,533	128,680	265,279
Current Year Estimate	54,337	126,707	260,418
2010 Census	54,917	124,889	255,251
Growth Current Year-Five Year	0.36%	1.56%	1.87%
Growth 2010-Current Year	-1.06%	1.46%	2.02%
HOUSEHOLDS	3-MILE	5-MILE	10-MILE
Five Year Projection	19,895	47,922	104,765
Current Year Estimate	19,934	47,425	103,336
2010 Census	19,933	46,298	99,901
Growth Current Year-Five Year	-0.20%	1.05%	1.38%
Growth 2010-Current Year	0.01%	2.43%	3.44%
INCOME	3-MILE	5-MILE	10-MILE
Average Household Income	\$53,979	\$64,257	\$73,031



SACRAMENTO, CA 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	Employees
Kaiser Permanente	17,538
Sutter Health	15,505
Dignity Health	7,000
Intel Corp.	6,200
Raley's Inc.	5,574

SACRAMENTO, CA 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.

SHOPPING CENTERS

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.



SACRAMENTO, CA HIGHER EDUCATION

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.



SPORTS

Sacramento Kings

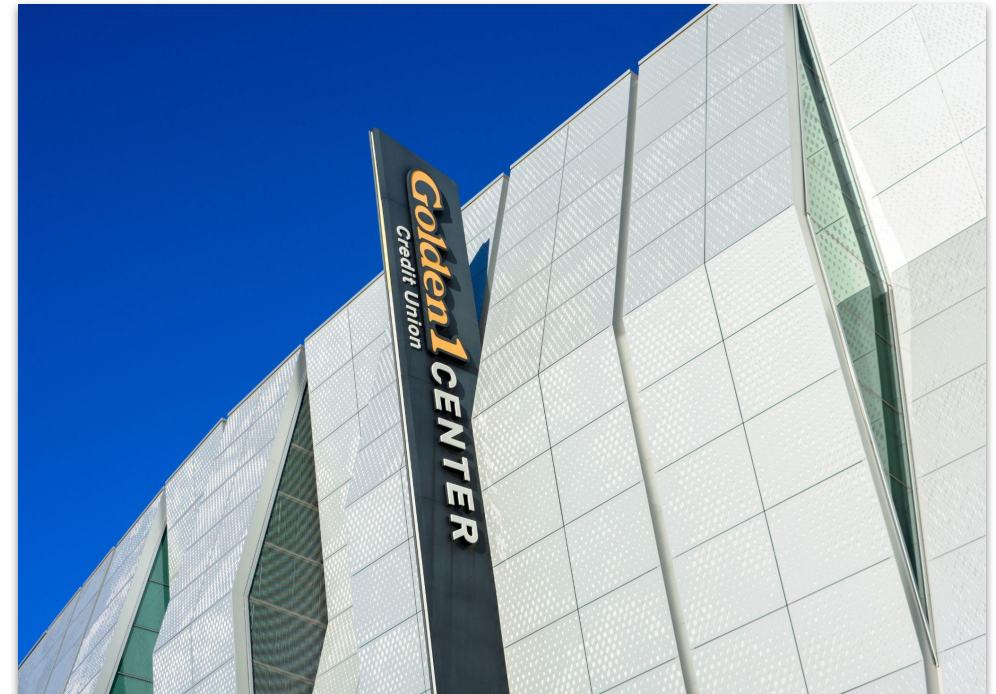
- NBA
- Venue: Golden 1 Center
- Average Attendance: 16,795

Sacramento Republic FC

- USL Championship
- Venue: Papa Murphy's Park
- Average Attendance: 10,436

Sacramento River Cats

- Pacific Coast League
- Venue: Sutter Health Park
- Average Attendance: 7,808



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(DARK) SUBWAY

Sacramento, CA

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