



# FOR SALE/ LEASE

**120 GATEWAY DRIVE, LINCOLN, CA**

**100% LEASED MEDICAL/OFFICE/RETAIL  
PREMIER LOCATION & CURB APPEAL**

**±20,720 SF BUILDING**

**LARGEST AVAILABLE BUILDING SPACE IN LINCOLN**

**km Kidder  
Mathews**

# TABLE OF CONTENTS

## EXCLUSIVELY LISTED BY

**JOSH KUCHUGURNY**

916.751.3606

[josh.kuchugurny@kidder.com](mailto:josh.kuchugurny@kidder.com)

LIC N° 01974211

**KEVIN SHEEHAN**

916.751.3601

[kevin.sheehan@kidder.com](mailto:kevin.sheehan@kidder.com)

LIC N° 00936093

**TYLER BOYD**

916.751.3625

[tyler.boyd@kidder.com](mailto:tyler.boyd@kidder.com)

LIC N° 01927167

[KIDDER.COM](http://KIDDER.COM)

- 3** The Opportunity
- 5** Zoning Information
- 6** Site Plan
- 7** Aerials
- 9** Parcel Map
- 11** Financial Information
- 12** Floor Plan
- 14** Market Overview
- 17** About Lincoln
- 18** Company Overview

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Kidder Mathews and should not be made available to any other person or entity without the written consent of Kidder Mathews.

This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Kidder Mathews has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Kidder Mathews has not verified, and will not verify, any of the information contained herein, nor has Kidder Mathews conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

This information has been secured from sources we believe to be reliable. We make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Recipient of this report must verify the information and bears all risk for any inaccuracies.

# THE OPPORTUNITY

**Kidder Mathews is pleased to present a rare opportunity to Own or Lease the largest available and nicest building in all of Lincoln, CA.**

## THE OPPORTUNITY

**120 Gateway Drive was built in 2008 by Panattoni Development and it is one of the newest and nicest buildings in all of Lincoln, CA.** With a two-story build and brick finish this immaculate building has great curb appeal and presence within the marketplace. Located in The Lincoln Gateway center, 120 Gateway Drive offers a synergistic opportunity for a Buyer or Tenant to become part of the seven-building center and draw its customers and clients from the established base along Lincoln Boulevard.

**This is the largest available building and space in all of Lincoln at  $\pm 20,720$  SF; of which  $\pm 19,407$  SF may be occupied by an Owner/User Buyer or Tenant.**

**This  $\pm 20,720$  SF building can be used for office, retail or medical uses.** Currently, there are two tenants fully-occupying the building—Stone Fitness and Little Caesars Pizza. Stone Fitness is on a month-to-month lease and Little Caesars has a NNN lease through September 2023.

**This building presents the following opportunities for a Buyer/Tenant:**

- It may be purchased by an Owner/User Buyer who would like to occupy all or a portion of the Stone Fitness  $\pm 19,407$  SF space
- A Tenant may Lease and occupy all or a portion of the Stone Fitness  $\pm 19,407$  SF space
- An Investor may purchase the currently fully-occupied income-producing building, either renewing Stone Fitness to a longer-term lease or re-tenanting the space with an Investment-Grade Credit tenant on a long term lease

**120 Gateway Drive is Offered for Sale at \$4,850,000 and for Lease at \$1.50/SF, NNN.**

## PROPERTY OVERVIEW

Address	120 Gateway Drive Lincoln, CA 95648
Submarket	Lincoln
County	Placer
Land	22,216 SF / 0.51 AC
Building	$\pm 20,720$ SF
Year Built	2009
Zoning	Community Commercial
Parking	126 Spaces
APN	008-280-042 & 008-280-044
Sale Price	\$4,850,000
For Lease At	\$1.50/SF, NNN





# ZONING CODE

The parcel is located in the City of Lincoln, CA and more specifically, in the Lincoln Gateway general development plan. The City of Lincoln has three zoning districts that include Zoning District One (Commercial Zoning), Zoning District Two (Business Professional Office Zoning) and Zoning District Three (Residential Zoning).

# ZONING ORDINANCE

18.22 (C) Commercial District

## COMMERCIAL (C)

Zoning District One includes approximately 7.2 acres and has been designated Commercial (C) in order to encourage the mix of retail uses, capitalizing on the Highway 65 frontage. The site uses, building orientation, and overall architectural character are intended to reflect the Lincoln Downtown Character and to promote pedestrian orientation and activity.

### PERMITTED USES INCLUDE:

- Apartments
- Coffee Shop/ Bakery
- Restaurant/Bar
- Business & Professional
- Drugstore
- Fitness Center
- Financial Institutions
- Food Store
- Furniture Store
- Gallery
- Gift Shop
- Museum
- Public Building
- Sporting Goods Store
- Toy Store
- Personal Services
- Many Other Uses

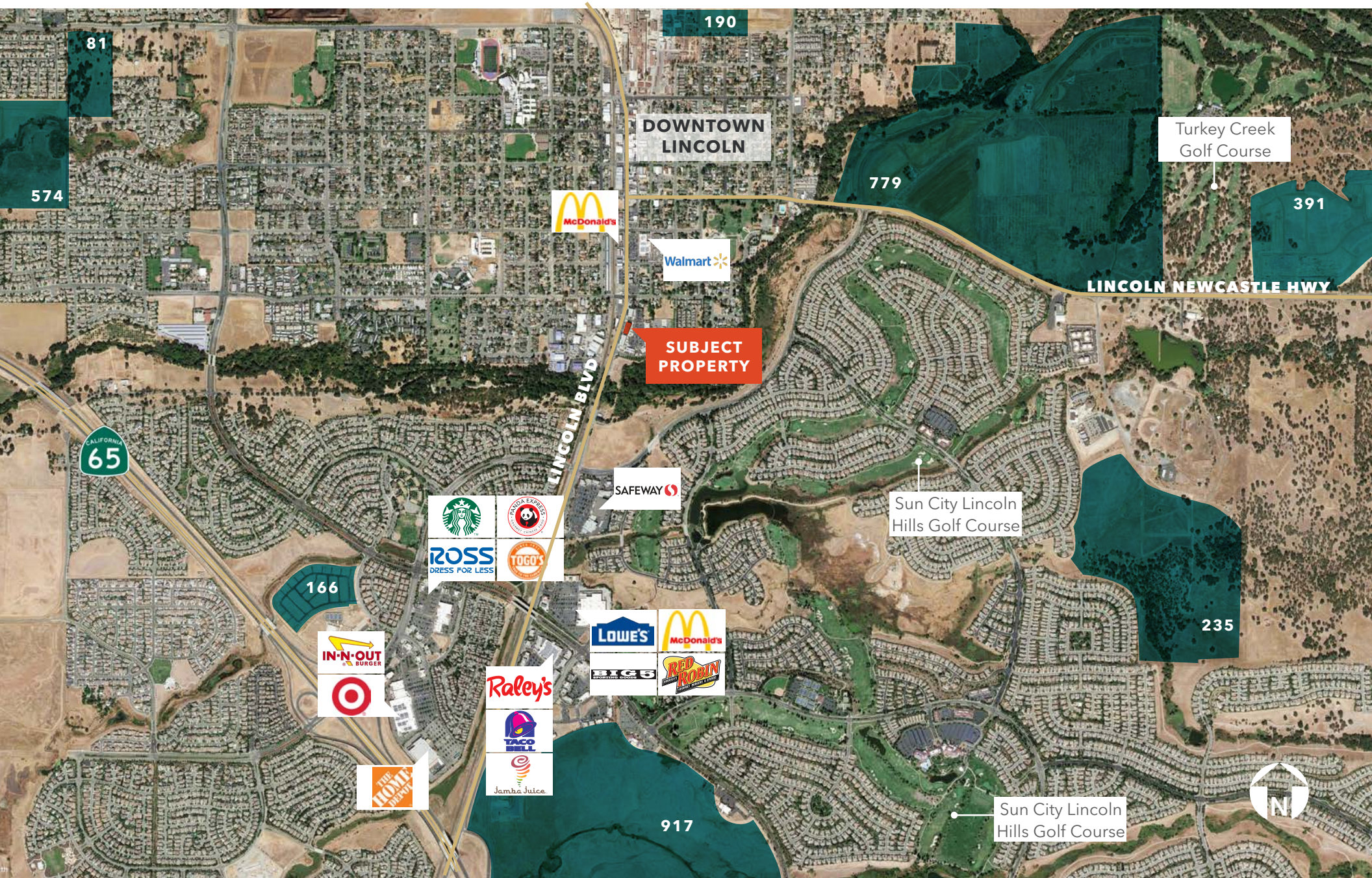


DISCLAIMER: Please contact or visit the City of Lincoln Planning Department for your questions and own interpretation of the zoning ordinance and specific plan.

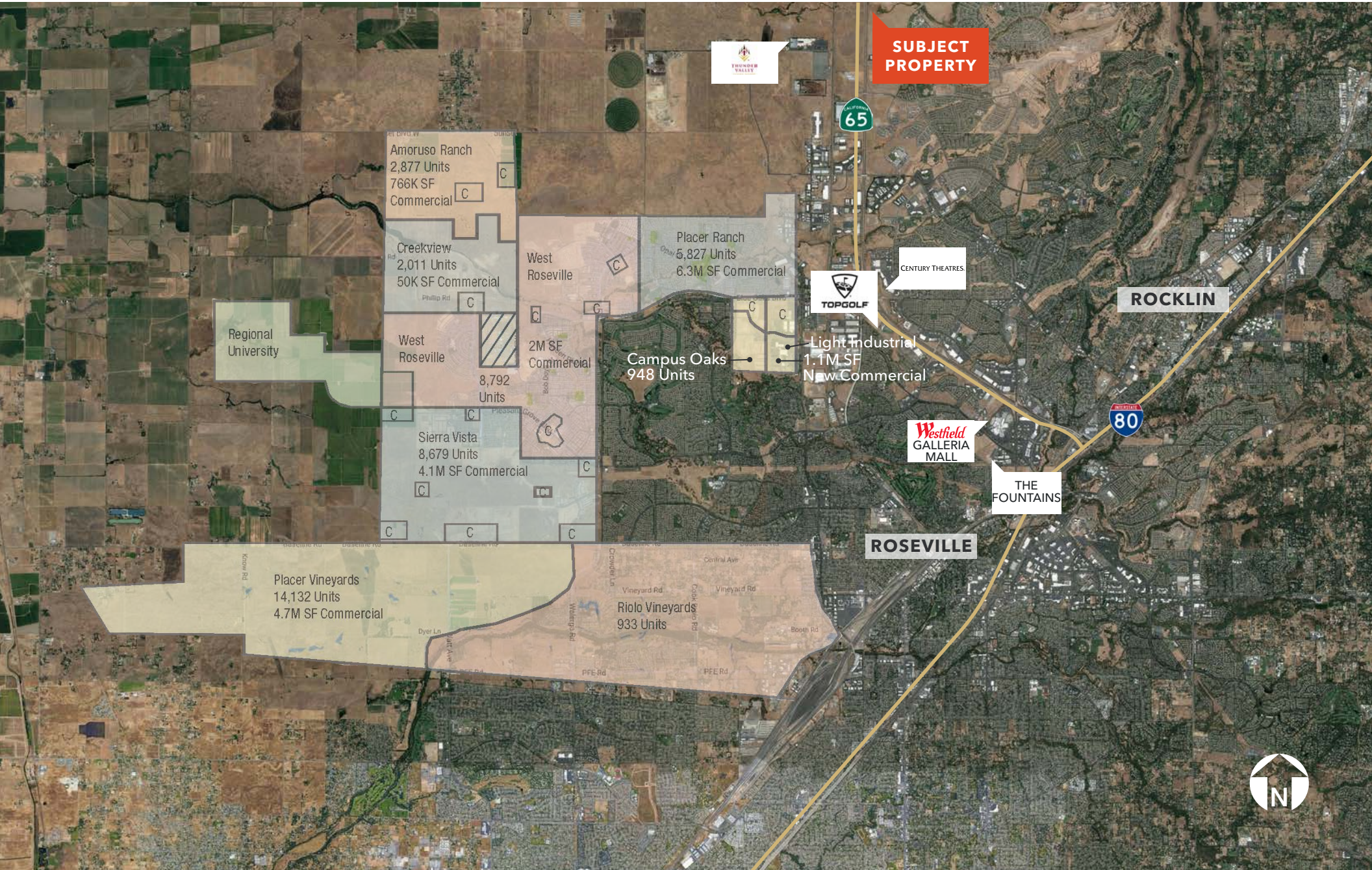
# SITE PLAN



# AERIAL-LINCOLN, CA

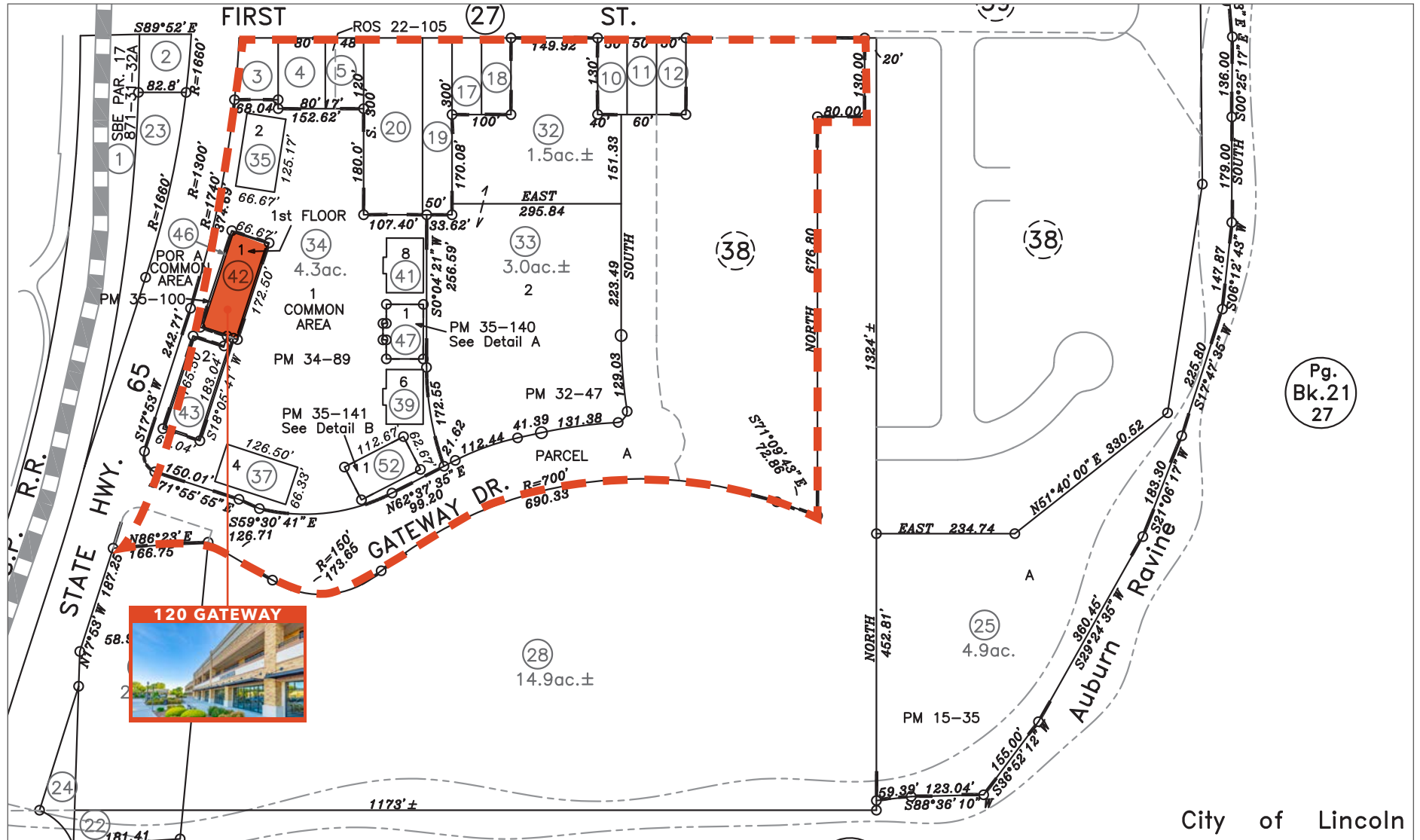


# AERIAL-WEST ROSEVILLE DEVELOPMENTS





# PARCEL MAP



--- LINCOLN GATEWAY AREA



**ROSEVILLE/  
ROCKLIN**

**THUNDER  
VALLEY CASINO**

**5,000 + NEW  
HOMES**

**DOWNTOWN  
SACRAMENTO**

**LINCOLN BLVD**  
**SITE**

# FINANCIAL INFORMATION

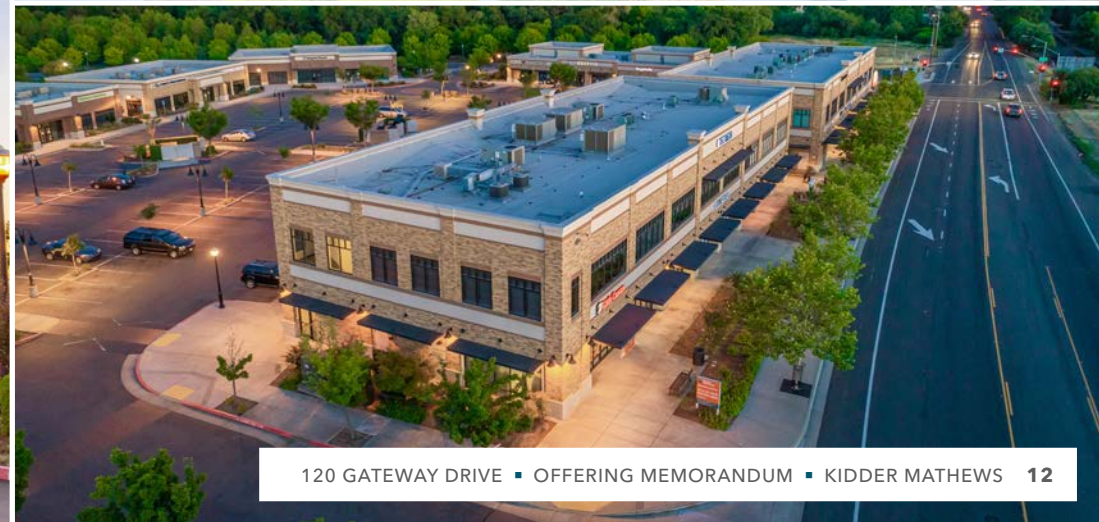
## RENT ROLL

Suite	Tenant	SF	Lease Type	Term	Monthly NNN Rent/SF	Annual NNN Rent	Notes
Suite 100	Little Caesars Pizza	±1,313	NNN	September 2023	\$3.42	\$53,885.52	Tenant is in the 2nd year of their 2nd 5-year option and has been a tenant since 2008. No options to renew remain.
Suite 150	Stone Fitness	±19,407	NNN	Month - to - Month	\$0.91	\$211,924.44	Tenant purchased the gym from Ripped Fitness in 2019
<b>TOTAL</b>		<b>±20,720</b>				<b>\$265,809.96</b>	

## CASH FLOW ANALYSIS

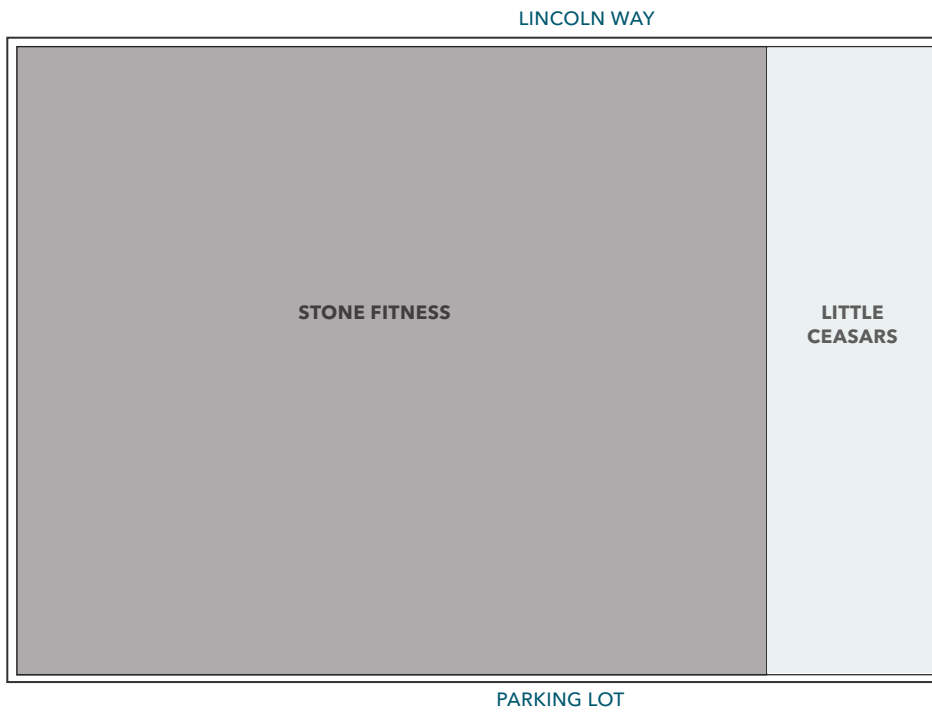
	Proforma	PSF/Month	PSF/Annual
<b>Gross Scheduled Income</b>	<b>\$522,144.00</b>	<b>\$2.10</b>	<b>\$25.20</b>
- Less: Vacancy 5%	(\$26,107.20)	(\$0.11)	(\$1.26)
<b>Effective Gross Income</b>	<b>\$496,036.80</b>	<b>\$2.00</b>	<b>\$23.94</b>
- Less: Real Estate Taxes	(\$53,350.00)	(\$0.21)	(\$2.57)
- Less: Insurance	(\$3,300.00)	(\$0.01)	(\$0.16)
- Less: CAM	(\$42,806.00)	(\$0.17)	(\$2.07)
- Less: Utilities	(\$42,268.80)	(\$0.17)	(\$2.04)
- Less: Janitorial	(\$7,459.20)	(\$0.03)	(\$0.36)
<b>Total Expenses</b>	<b>(\$149,184.00)</b>	<b>(\$0.60)</b>	<b>(\$7.20)</b>
<b>Net Operating Income</b>	<b>\$346,852.80</b>	<b>\$1.40</b>	<b>\$16.74</b>

**Proforma Cap Rate at \$4,850,000 Sale Price**      **7.15%**

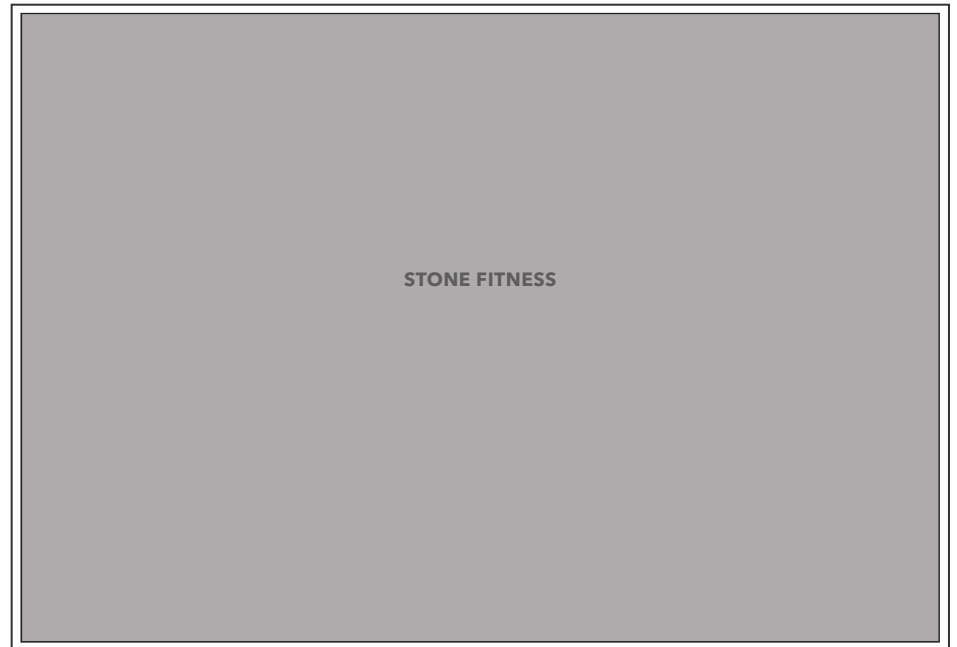


# FLOOR PLAN

## FIRST FLOOR



## SECOND FLOOR





# SACRAMENTO REGIONAL ECONOMY

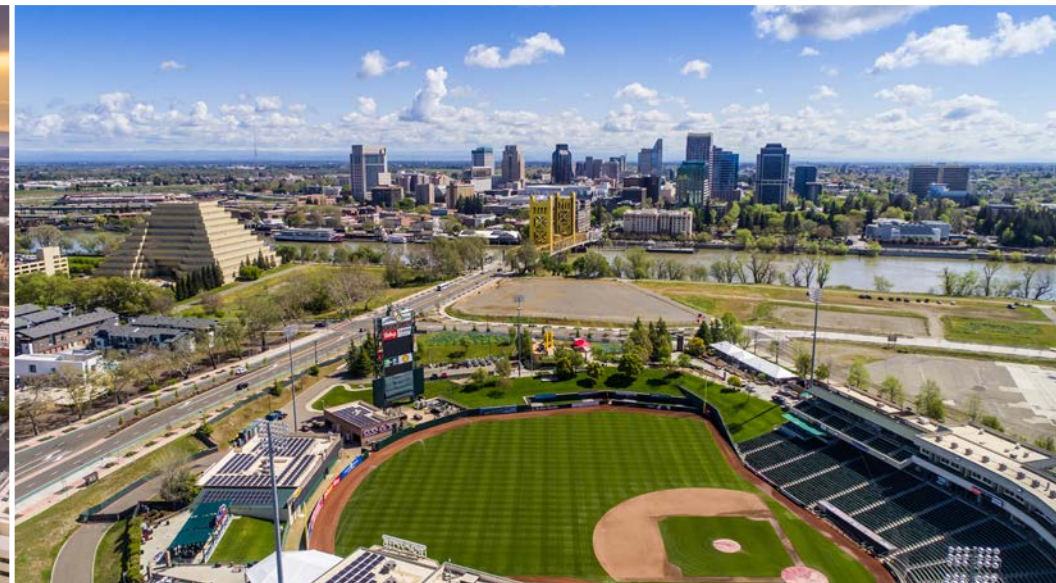
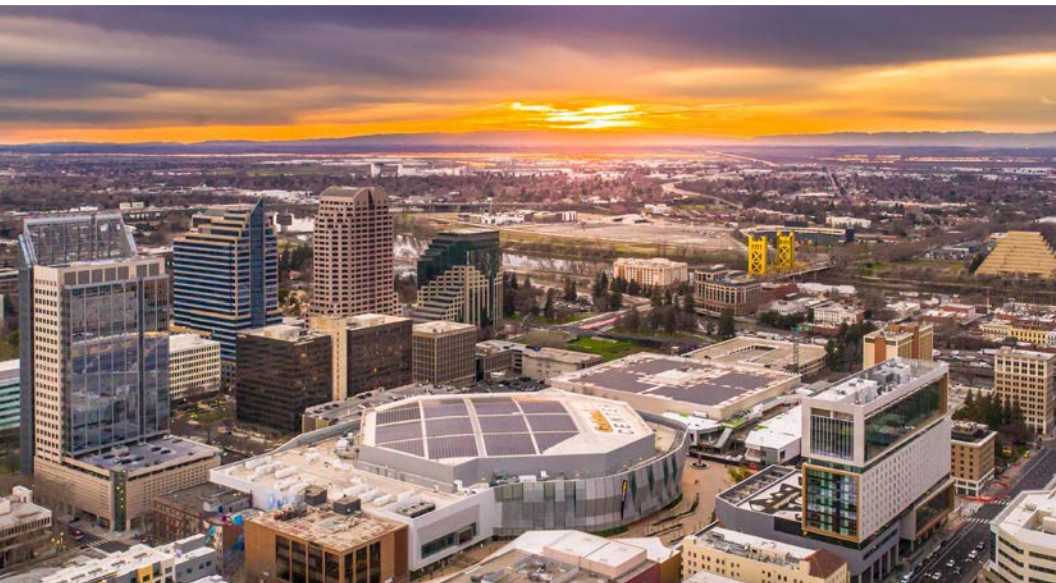
California's sixth-most populous metro, momentum in job growth has continued in the Golden State's capital. Outsized recessionary losses and subsequent subpar job growth left this market behind in the recovery, but employment gains have outpaced the national average since 2012. Job growth continues to come in above the U.S. norm and has averaged about 3% since 2012.

Education and health services, as well as Leisure and Hospitality, have been among the strongest growth sectors this cycle. The Education and Health Services sector has been the largest contributor to job growth since the bottom of the downturn, and again led the way in 2019. Total employment in this sector is about 20% above its prerecession peak. Within the Professional and Business Services sector, administrative and support jobs have benefited, due to the metro's low business costs attract firms with back-office operations.

Modest gains are expected in the long-stagnant state and local Government sector, which is by far the largest component of the metro's workforce. Government employment constitutes 25% of all jobs in the metro, the highest share of Government employment in the country, topping even Washington, D.C. in public sector employment.

Sacramento's relative affordability remains one of its biggest draws. Household growth has continued to surpass the rate of single-family and apartment deliveries, and forecasts show that population growth over the next five years will continue to outpace the national average. In recent years, Bay Area residents, as well as people in Los Angeles and San Diego, have shown interest in Sacramento to escape exorbitant housing costs. Bay Area residents continue to conduct the largest share of Sacramento apartment searches outside of metro residents.

Tech employment does exist in Sacramento, as Apple, Intel, Micron Technology, and Hewlett Packard Enterprises each have operations here. Tech startups have a presence as well, including some who relocated from the Bay Area. Silicon Valley is only about 100 miles away and operates in an entirely different world for attracting high-income, usually tech-oriented employment. Rents in Sacramento are less than half of San Francisco's and tech tenants have begun to relocate here because the Bay Area's venture capital firms, engineering schools, and entrenched culture offer better incentives, however that tide seems to be possibly changing headed into 2020. Bay Area residents continue to conduct the largest share of Sacramento apartment searches outside of metro residents.



# SACRAMENTO REGION RETAIL OVERVIEW

Sacramento receives its share of tourists and visitors. Nonetheless, as a travel destination, the metro sits in the shadows of the Bay Area and its myriad high-end retail options. Purchasing power is healthy, as Sacramento's job growth has been strong for most years this cycle, and incomes are roughly in line with the California median. As is typical of many markets, traditional malls, shopping centers, and necessity-based stores dominate the retail footprint. Still, a small handful of unique redevelopment projects in recent years may be changing perceptions. Downtown Sacramento appears to have momentum as a Live/Work/Play destination on the heels of the Golden 1 Center reaching its third year of operations.

## SUPPLY & DEMAND

A dearth of construction combined with steady demand has had a positive impact on fundamentals. To begin 2020, vacancies reached an all-time low, and rent growth was among the strongest in the nation. Sacramento's retail vacancies reached an all-time low to finish 2019. Demand for retail space in Sacramento has been positive every year in this cycle, and 2019 was healthy: Net absorption was at 1 million SF for the sixth time this cycle. However, in 2017, net absorption soared to 2 million SF for the first time since 2007. Fitness clubs and experiential retailers have signed many of the largest deals of late. While supply gains this cycle have been meager, activity has picked up significantly in recent years; a number of large-scale projects began, and 2017-18 combined for the two strongest back-to-back years of the decade for deliveries.

## SACRAMENTO'S RESURGANCE

Downtown is in the midst of a resurgence. In its third year, Golden 1 Center appears to be boosting

downtown's visibility as an area destination. According to the city of Sacramento, the arena, named 2017 Sports Facility of the Year by the Sports Business Journal, is drawing 1.6 million more visitors to downtown. In its first 24 months of operation, Golden 1 Center hosted over 125 sold-out events.

Downtown's renewed interest is buttressed by Downtown Commons (DOCO). Envisioned as a regional retail and entertainment destination, the lifestyle center has delivered more than 600,000 SF of retail space and 250,000 SF of office space to the heart of downtown, revitalizing the six city blocks around Golden 1 Center. DOCO is anchored by the Kimpton Sawyer Hotel and numerous retailers, including Century Theatres, Punch Bowl Social, Yard House, and 24 Hour Fitness.

## AFFORDABILITY

Rent growth has been very solid through 2019. The average asking rent is \$20.48/SF. Even with many years of positive growth, asking rents still trail the prerecession peak by approximately 10%. Compared with nearby metros, Sacramento's average rents are about 10% greater than Stockton's but around 35% less than East Bay's.

## INVESTMENT ACTIVITY

The local sales market was similar to most recent years in 2019. Investment volume easily surpassed the annual historical average, largely due to increased pricing; preliminary figures indicate the average transactional price surpassed 2017's previous high by approximately 5-10%.

## MARKET STATS

Number of Buildings	9,000
Market Size (SF)	108,000,000
Vacancy Rate	5.9%
Availability Rate	7.4%
SF Vacant	6,200,000
SF Under Construction	425,000
SF Delivered in Last 4 Quarters	391,000



ABSORPTION



VACANCY



RENTAL RATE



NEW CONSTRUCTION



# SACRAMENTO REGION OFFICE OVERVIEW

Sacramento’s office vacancies have compressed to single-digits due to job growth typically outpacing the national average, steady demand, and limited new inventory. The government propels demand for office space, but the metro will soon receive a boost from the private sector—a Fortune 100 company chose Sacramento as its home for a new regional headquarters. Centene, a St. Louis-based health insurer and Fortune 100 member, is constructing a five-building, 1.25-million-SF campus in North Natomas. The approximately 70-acre site is located between Interstate 5 and E. Commerce Way, adjacent to Sleep Train Arena. To lure Centene, the City of Sacramento approved a \$13.5 million incentive package, based on the company creating 5,000 jobs and 1,500 net new jobs. Co-working giant WeWork announced its metro entrance when the company leased 47,000 SF at Downtown’s Wells Fargo Center. Sacramento is home to a number of boutique co-working firms, but WeWork’s lease at 400 Capitol Mall marks the company’s first venture in Sacramento; the location opened in late 2019. WeWork plans to open a second metro location in 2021; the company signed a 96,000-SF lease for three of the four floors at 660 J Street in downtown Sacramento.

## SUPPLY & DEMAND

The vacancy rate of late has virtually matched the national rate, a rare occurrence in Sacramento. The tight occupancy levels have allowed for strong rent growth in recent years that has usually been unobtainable here. New supply has been limited, but the development pipeline is showing signs of life: About 2,400,000 SF is currently under construction. However, as with most new inventory this cycle, the majority of projects are build-to-suits.

Sacramento offers relative proximity and significantly discounted rents to the Bay Area and the metro siphons some large-scale tenants from its southern neighbor.

Most companies that have relocated to Sacramento in recent years are of a smaller scale, including a handful of tech start-ups, some of which are located in co-working spaces.

## RENT GROWTH & AFFORDABILITY

Rent growth in Sacramento is not only strong compared to the historical average, but also is garnering national attention. After years of negative or minimal gains, growth accelerated in 2015 as demand soared: Net absorption established a cyclical peak of more than 1.5 million SF. As of 20Q1, rent growth more than doubled the U.S. average, and was ranked among the strongest in the nation. Annual rent growth is currently 4.1%. The average asking rent is currently \$25.58/SF. This is a relative bargain compared to those in the Bay Area. Rates in Sacramento are less than half of those in both San Francisco and San Jose and offer around a 35% discount to the East Bay.

## INVESTMENT ACTIVITY

Investment activity in 2019 topped \$1 billion for the fourth consecutive year. In October, Singapore-based Manulife US Real Estate Investment Trust, a subsidiary of Toronto-based Manulife Financial Corporation, acquired Wells Fargo Center at 400 Capitol Mall for \$198.8 million (\$397/SF). Another Downtown building that changed hands was Emerald Tower at 300 Capitol Mall. In June, a joint venture of The Evergreen Company and United Auburn Indian Community acquired the asset for \$127 million (\$329/SF). Many recent trades of note took place in prominent suburban office nodes, such as the Highway 50 Corridor, Point West, and Roseville. The average sale price has reached \$200/SF.

## MARKET STATS

Number of Buildings	5,200
Market Size (SF)	106,000,000
Vacancy Rate	8.7%
Availability Rate	10.9%
SF Vacant	9,200,000
SF Under Construction	2,400,000
SF Delivered in Last 4 Quarters	500,000



ABSORPTION



VACANCY



RENTAL RATE



NEW CONSTRUCTION

# ABOUT LINCOLN, CA



The city of Lincoln, California, rests at the base of the Sierra Foothills in picturesque Placer Valley with the cities of Roseville, Rocklin, Loomis, and Newcastle located nearby. Situated on Hwy 65, Lincoln is approximately 30 miles northeast of the capital of California, Sacramento, and 30 miles southeast of Marysville. Traveling on Interstate 80, Lincoln is only 114 miles from Reno, and 115 miles east of San Francisco.

Lincoln is a city in Placer County, California and is part of the Sacramento metropolitan area. Located in an area of rapid suburban development, it grew 282% between 2000 and 2010, making it the fastest growing city over 10,000 people in the U.S. during that time period. Its population is now estimated to be ±48,000.

The original town site was surveyed and laid out in 1859 by Theodore Judah along the proposed line of the California Central Railroad (CCRR). The name "Lincoln" was conferred in honor of Charles Lincoln Wilson, one of the organizers and directors of the CCRR. The CCRR was planned as a rail link between the cities of Marysville and Sacramento via a connection to the Sacramento Valley Railroad in Folsom. Grading from Folsom to Marysville commenced in 1858 and was completed to Grider's Ranch (Roseville) by 1860. Track laying began that same year and the rails reached the site of Lincoln in early 1861. At

this point, due to a lack of funds, further construction on the California Central was temporarily halted and Lincoln experienced a small-scale boom as the northern terminus of this new road. Within a few years, however, more investors were found and the line was extended to Wheatland bringing an end to this early stage of Lincoln's development.

When most of its population and business moved on with the railroad, the town settled into a lull until the early 1870s, when rich clay deposits of the Lone Formation were discovered nearby. This led to the establishment of Gladding, McBean & Co., the pottery for which Lincoln is famous, ushering in a new era of prosperity and growth.

Lincoln remained a sleepy town until the mid-1990s, when the suburbs of Sacramento started expanding out past nearby Roseville. The city is now experiencing a new period of growth.

In June 2004, Lincoln gained additional notoriety when it opened the first casino in the greater Sacramento Metropolitan Area, Thunder Valley Casino Resort. In 2006, Lincoln was named an All-America City by the National Civic League. It was the only California city to be named an All-America City that year and only one of 10 cities to receive the prestigious award.

(Sources: Wikipedia; Lincoln Chamber of Commerce)

## Quick Facts About Lincoln

- Established in 1890
- Located in Placer County
- City Covers 21 Square Miles
- Elevation of 167 SF
- \$82,961 Median HH Income
- 8.84% 5-Year Population Growth
- Average Age of 42
- \$391,000 Median Home Value
- 2003 Home Median Year Built
- 4 Championship Golf Courses



# KIDDER MATHEWS OVERVIEW

We know the West Coast. In fact, we're its largest independent commercial real estate firm. Our team boasts 800 local market specialists and top-producing professionals—serving out of 22 offices across five states. The expertise of each local office is reinforced by the relationships, intelligence, and experience of our entire firm.

## WE DON'T JUST KNOW THE MARKET, WE DRIVE IT

It's no secret that having a team deeply embedded in your market gives you the edge. Our professionals deliver insights that go beyond data and identify

unexpected avenues for growth. This ensures our clients are armed to capitalize on market trends in the most competitive real estate markets in the West.

We offer a complete range of brokerage, appraisal, property management, consulting, project and construction management, and debt and equity finance services for all property types, giving our clients the competitive edge they need.



## COMMERCIAL BROKERAGE

**\$9B** ANNUAL TRANSACTION VOLUME

**400+** NO. OF BROKERS

## VALUATION ADVISORY

**1,600+** ASSIGNMENTS ANNUALLY

**36/23** TOTAL NO. OF APPRAISERS / MAIS

## PROPERTY MANAGEMENT

**60M+** SF UNDER MANAGEMENT

### AWARD-WINNING SERVICES

Largest Commercial RE Firm	7yrs
Top Leasing Firm in Sacramento	3yrs
Top Sales Firms	2yrs
Fastest Growing Companies	6yrs
NREI Top Brokers	7yrs
Bay Area News Group Top Work Places	7yrs

# EXCLUSIVELY REPRESENTED BY

**JOSH KUCHUGURNY**

916.751.3606

[josh.kuchugurny@kidder.com](mailto:josh.kuchugurny@kidder.com)

LIC N° 01974211

**KEVIN SHEEHAN**

916.751.3601

[kevin.sheehan@kidder.com](mailto:kevin.sheehan@kidder.com)

LIC N° 00936093

**TYLER BOYD**

916.751.3625

[tyler.boyd@kidder.com](mailto:tyler.boyd@kidder.com)

LIC N° 01927167



[KIDDER.COM](http://KIDDER.COM)