

# FURTHER PRICE REDUCTION

**4020** LENNANE  
DRIVE

SACRAMENTO, CA



FOR SALE | \$1,150,000

6.34% Cap Rate / 8.34% Pro Forma

**CBRE**



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Your receipt of this Memorandum constitutes your acknowledgment that (i) It is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property (“Owner”) or CBRE, Inc. and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

## *Disclaimer*

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented “as is” without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property’s suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any and all expressions of interests or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner. PMStudio\_June2020

# OFFERING SUMMARY

## Investment Highlights

- In-place rents are currently below market rent. At fair market rent of \$2.15/sf/mo, the pro forma capitalization rate is 8.34%.
- 100% occupied by four tenants providing an investor with a stabilized investment.
- 73% of the tenants have rent escalations, allowing for the opportunity to increase NOI.
- The property is conveniently located near Interstate 80 and Interstate 5, allowing for easy access to the building.
- Built in 2003, the property is of newer construction and offers Class A office interior finishes and floor to ceiling glass windows.



**CONSTRUCTION  
TYPE: MASONRY**

**YEAR BUILT: 2003**

**PARKING RATIO:  
4/1,000 SF**

**LAND AREA:  
0.66 ACRES**

**CAP  
RATE: 6.34%**

**PRO FORMA CAP  
RATE: 8.34%**

**CURRENT  
OCCUPANCY: 100%**

**SALE PRICE:  
\$1,150,000**

**TOTAL SF: 6,069  
PROPERTY TYPE:  
OFFICE**

**FLOOR-TO-CEILING  
GLASS**

**CLASS A  
INTERIOR  
FINISHES**

**FREEWAY  
ACCESS**

**CLOSE TO  
RESTAURANTS &  
PROFESSIONAL  
AMENITIES**

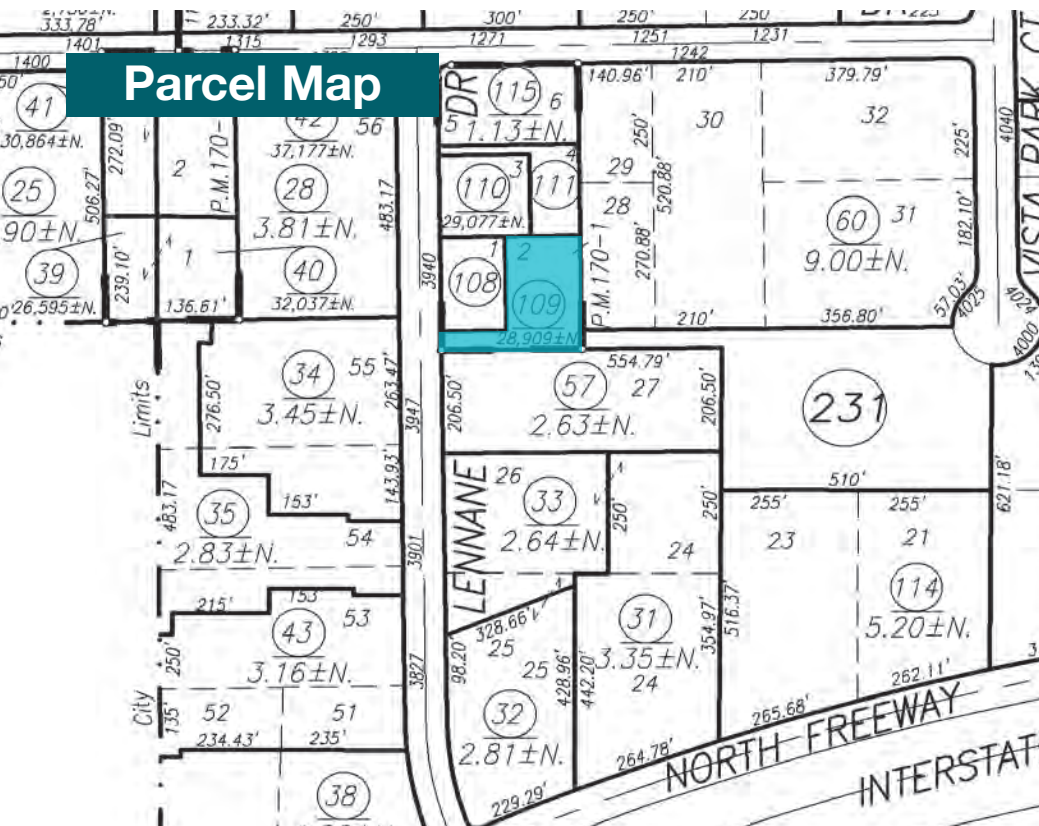
# PROPERTY OVERVIEW

## Site Description

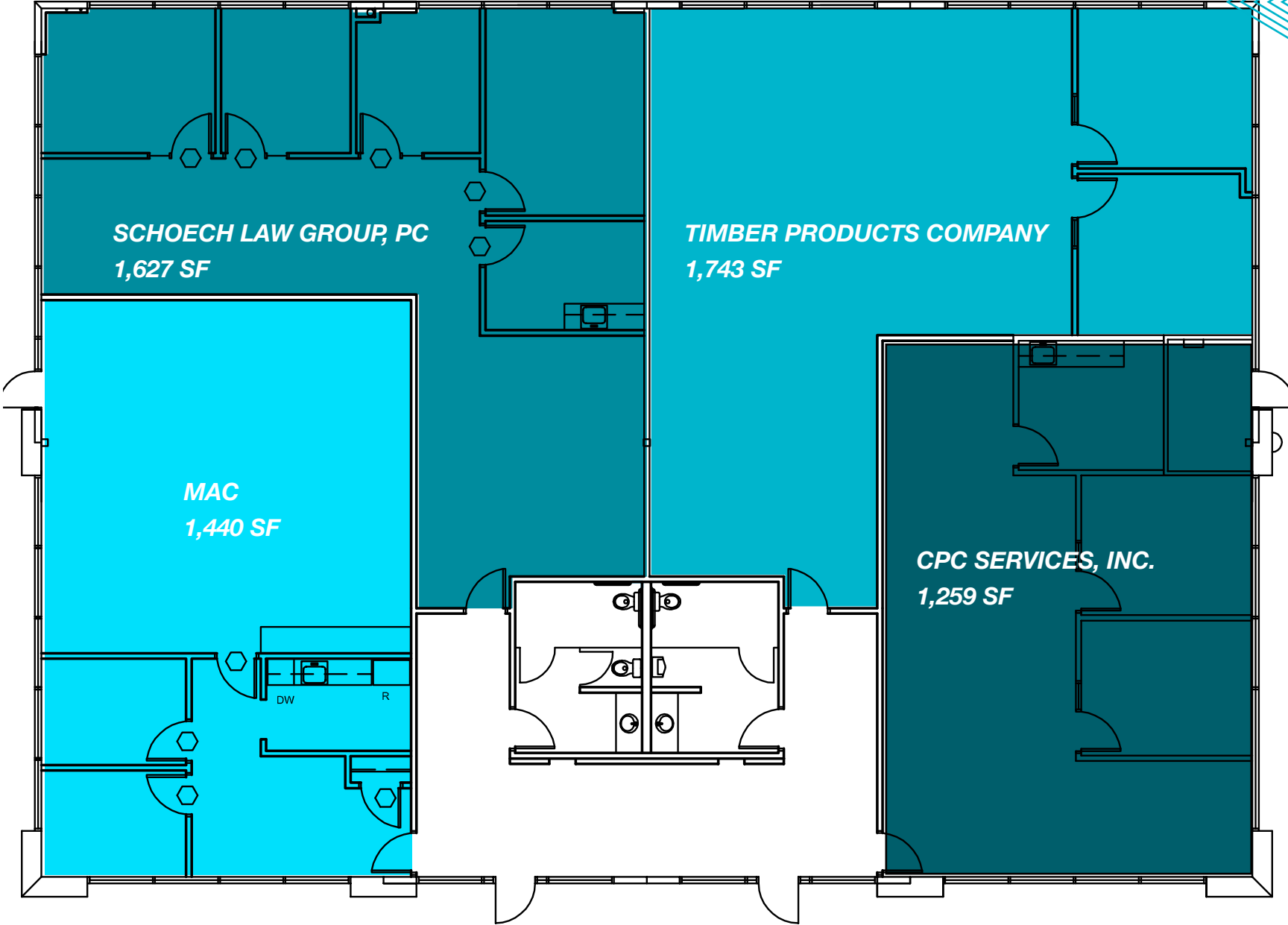
4020 Lennane Drive, totaling 6,096 square feet, was constructed in 2003. Located within the North Pointe Business Park, the building is situated on 0.66 acre parcel and has a parking ratio of 4 spaces: 1,000 square feet. The single-story office building is zoned in Sacramento County for MP - Industrial - Office Park. 4020 Lennane Drive is 100% occupied by four tenants: Timber Products Company, Schoech Law Group, CPC Logistics, and MAC Cosmetics.

## PROPERTY SUMMARY

Address	4020 Lennane Dr, Sacramento, CA
County	Sacramento
Parcel #	224-0944-109
Land Area	0.66 acres
Net Rentable Area	6,096 SF
Year Built	2003
Zoning	MP - Industrial - Office Park
Construction Type	Masonry
Parking (Ratio)	25 Spaces (4 Spaces: 1,000 SF)



# FLOOR PLAN



# REGIONAL MAP



**4020** LENNANE DRIVE

Discovery Park

West Sacramento

**Sacramento**

15th St

80

80

80

5

160

80

50

50

84

5

99

# FINANCIAL SUMMARY

The asset is being offered for sale at a price of \$1,150,000, or \$189 per square foot.

FINANCIAL SUMMARY		
<b>Purchase Price</b>	<b>\$1,150,000</b>	
New Rentable Area	6,069	
Price Per Foot	\$189	
	<b>Current</b>	<b>Pro Forma</b>
Occupancy	100%	100%
<b>Effective Gross Income</b>	\$143,735	\$166,805
Less Operating Expenses	(\$70,874)	(\$70,874)
<b>Net Operating Income (NOI)</b>	\$72,861	\$95,931
<b>Capitalization Rate</b>	<b>6.34%</b>	<b>8.34%</b>

OPERATING EXPENSES	
Utilities	\$16,604
Janitorial/Pest	\$9,237
R&M	\$982
Fire Life Safety	\$6,425
Association/Reserves	\$13,451
Insurance	\$3,600
Taxes	\$14,575
Property Mgmt (pro forma)	\$6,000
<b>TOTAL EXPENSES</b>	<b>\$70,874</b>

## RENT ROLL

TENANT	RSF	LEASE TERM		CURRENT BASE RENT			LEASE TYPE	DATE	ESCALATIONS		
		START	END	MONTHLY	PSF	ANNUAL			NEW MO. RENT	PSF	PRO RATA
101 - MAC Cosmetics	1,440	8/1/2008	11/30/2022	\$3,069	\$2.15	\$37,728	FSG	12/01/2020	\$3,168	\$2.20	24%
								12/01/2021	\$3,240	\$2.25	
102 - Schoech Law	1,627	11/1/2014	3/31/2021	\$2,603	\$1.60	\$31,238	FSG	None			27%
103 - Timber Products	1,743	8/1/2016	11/30/2021	\$2,876	\$1.65	\$35,209	FSG	12/01/2020	\$2,963	\$1.70	29%
104 - CPC Logistics	1,259	8/1/2019	9/30/2023	\$2,392	\$1.90	\$29,335	FSG	10/01/2020	\$2,455	\$1.95	21%
								10/01/2021	\$2,518	\$2.00	
								10/01/2022	\$2,581	\$2.05	
CAMS/HVAC				\$852		\$10,225					
<b>TOTAL</b>	<b>6,069</b>			<b>\$11,819</b>		<b>\$143,735</b>					<b>100%</b>

You are solely responsible for independently verifying the information in this Memorandum. ANY RELIANCE ON IT IS SOLELY AT YOUR OWN RISK.

# TENANT PROFILES



Founded in 1918, Timber Products Company produces a wide range of diversified wood products. Best known for its hardwood plywood, the company is committed to environmental sustainability and offers a fully integrated approach to manufacturing with company-owned forestland, 9 manufacturing facilities (in Yreka, CA, Sutter Creek, CA, Munising, MI, White City, OR, Medford, OR, Grants Pass, OR, and Corinth, MS), an import division and a nationwide transportation division.

Timber Products, a family-owned business managed by a fourth-generation family member, has sustained a tremendous rate of growth for over ten decades. This growth has led Timber Products to be one of the largest material suppliers to the Nation's kitchen/bath cabinet, furniture, store fixture/display and architectural millwork industries. The company has over 1,100 full-time employees nationwide.

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<b>Leased Area:</b>	1,743 SF (29% of RBA)
<b>Website:</b>	<a href="http://www.timberproducts.com">www.timberproducts.com</a>
<b>Headquarters:</b>	Springfield, Oregon

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Schoech Law Group, PC, is a full service litigation firm which handles a broad range of cases including, but not limited to, the following:

- Wage and Hour Class Actions
- Labor and Employment Claims
- Wage and Hour Claims
- Sexual Harassment Claims
- Real Estate Fraud
- Real Estate Failure to Disclose Claims
- Personal Inquiry Claims
- Product Liability Claims
- Defective Remodels / Repairs
- SB800 / Right to Repair Claims
- Disability Insurance Bad Faith Claims
- Insurance Bad Faith Claims
- Property Damage
- Fire Damage
- Construction Defect Claims
- Breach of Contract

The Schoech Law Group's dedicated staff aggressively pursues fair compensation for homeowners, consumers, and employees through the California legal system.



# TENANT PROFILES



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<b>Leased Area:</b>	1,440 SF (24% of RBA)
<b>Website:</b>	<a href="http://www.maccosmetics.com">www.maccosmetics.com</a>
<b>Headquarters:</b>	New York, New York

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MAC Cosmetics, originally created as a brand for make-up artists, is the world's leading professional makeup authority because of our unrivalled expertise in makeup artistry. Part of the Estée Lauder Companies since 1994, MAC is sold today in over 120 countries around the world. It remains committed to developing new categories, products and over 50 collections each year, all of which continue to serve the demand of consumers and professional makeup artists alike.

This location is used as a training center for all MAC Cosmetics current and potential employees who work at retail locations in the region.



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<b>Leased Area:</b>	1,259 SF (21% of RBA)
<b>Website:</b>	<a href="http://www.callcpc.com">www.callcpc.com</a>
<b>Headquarters:</b>	St. Louis, Missouri

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CPC is a leader in the transportation services industry logistics services. CPC Logistics was founded in 1973 by four individuals from diverse backgrounds and experience in private truck fleet operations, truck leasing, and labor law. As a result of strong, steady growth and strategic acquisitions, CPC Logistics has grown substantially over the last four decades to become the leading provider of professional driver services for many of the top private truck fleets in North America. CPC Logistics is an international organization, headquartered in St. Louis, Missouri with a network of over 20 regional offices strategically located throughout the United States, Canada and Puerto Rico to service its customers. CPC Logistics has over 3,000 employees providing its transportation services to customers in over 300 locations across the United States, Canada and Puerto Rico.



# AMENITIES



Hampton Inn  
 Holiday Inn  
 A&W  
 KFC  
 IN-N-OUT BURGER  
 PANDA EXPRESS  
 TACO BELL  
 Wendy's  
 Sizzler  
 Straw Hat Pizza

SAFEWAY  
 RITE AID

CVS pharmacy

KOHL'S  
 Marshalls  
 LANE BRYANT  
 Tuesday Morning  
 dressbarn

3,000 HOMES PLANNED

INDERKUM HIGH SCHOOL

NATOMAS BLVD - 26,476 ADT

DEL PASO RD - 39,321 ADT

NATOMAS CENTRAL 800 HOMES UNDER CONSTRUCTION

Raley's

NATOMAS PROMENADE  
 TARGET  
 OLD NAVY  
 BEST BUY  
 OFFICE DEPOT  
 Beverages & More!  
 BARNES & NOBLE BOOKSELLERS  
 Pier 1 imports

900 HOMES UNDER CONSTRUCTION

4020 LENNANE DRIVE

BEL AIR

NATOMAS FIELD 800 HOMES UNDER CONSTRUCTION

TRUKEL RD - 61,218 ADT

Walmart  
 THE HOME DEPOT  
 Michaels  
 ROSS DRESS FOR LESS  
 STAPLES  
 PETSMART  
 REGAL CINEMAS

try's



# THE NEW SACRAMENTO

THE NORTHERN CALIFORNIA MEGAREGION IS A COMPETITIVE MARKETPLACE OF

**12.2M people**

WITH A REGIONAL GDP HIGHER THAN ANY U.S. MEGAREGION

THE NUMBER OF DOWNTOWN JOBS HAS INCREASED

**38%**

*since the announcement of the G1C Opening in the Former downtown Westfield Plaza*

**60 mins**  
TO BERKELEY

**& 90 mins**

TO SAN JOSE & SAN FRANCISCO

*connected to the Northern California Megaregion*

**27** NEW STORES HAVE OPENED DOWNTOWN

**& 23** OTHERS ARE SCHEDULED TO OPEN IN 2018

**365,240**

CURRENTLY ENROLLED 4-YEAR UNIVERSITY STUDENTS WITHIN

**100 miles**

ANCHORED BY TOP UC SCHOOLS

**28%** OF THE 2.5M THAT LIVE IN SACRAMENTO ARE MILLENNIALS

**50%** OF THOSE HAVE SAID THEY WANT TO LIVE DOWNTOWN SINCE THE INTRODUCTION OF GOLDEN 1 CENTER

**74%** OF MILLENNIALS IN THE BAY AREA ARE CONSIDERING LEAVING AND SACRAMENTO IS THE **#1**

DESTINATION IN THE NATION FOR MILLENNIALS

RANKED **#3** THE NATION FOR MILLENNIAL DESTINATION

# MARKET OVERVIEW

## Northgate/Natomas

4020 Lennane Dr is located within the CBRE tracked Natomas/Northgate office submarket. As of Q1 2020, this submarket comprises approximately 2.3 million square feet and the vacancy rate is 15.1%. The average asking rate for all office classes in the submarket is \$1.69, FSG. The Natomas/Northgate Class A office asking rate is \$2.17, FSG.



**\$2.17, FSG**  
AVERAGE ASKING  
RATE - CLASS A

**2.3M SF**  
NORTHGATE/NATOMAS  
SUBMARKET

**150 BASIS POINT**  
DECREASE IN VACANCY SINCE  
Q1 2019

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The CBRE logo is displayed in a bold, white, sans-serif font. It is positioned in the lower right quadrant of the page, partially overlapping the building's facade and the decorative geometric pattern. The background of the entire page is a photograph of a modern office building with large glass windows and a light-colored facade. The image is overlaid with a semi-transparent blue tint and a complex, white, geometric pattern of overlapping lines that forms a large, stylized 'X' or star shape on the right side.