

POINT WEST OFFICE BUILDING

TWO-STORY 36,320 SF CLASS B OFFICE BUILDING



1515 RIVER PARK DRIVE, SACRAMENTO, CA 95815



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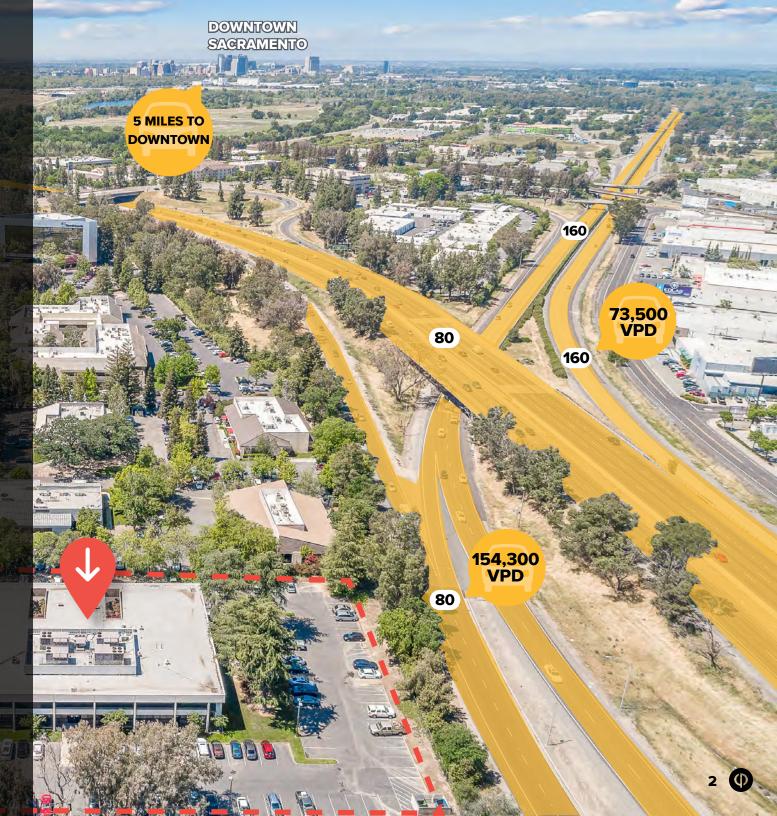
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Overview



POINT WEST OFFICE BUILDING

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\$6,100,000 7.17% **PRICE** CAP

NOI:	\$437,633
PRICE/SF:	\$167.95
OCCUPANCY:	84.40%
TENANTS:	5
RENTABLE AREA:	36,320 SF
LAND AREA:	2.01 AC

- 20% leased to State of California (Caltrans)
- Located near Hwy 80 less than 1 mile from Arden Fair Mall and 5 miles Downtown Sacramento, providing many amenities
- Diversified mix of suburban, residential, commercial, and recreational uses create attractive development opportunities
- Balcony surrounds entire second floor of building, access from all suites
- Seller will guarantee vacant space for one year
- Staggered lease expiration, allowing for smooth lease-up in case of minor vacancy
- Central courtyard provides natural light to interior of building 3



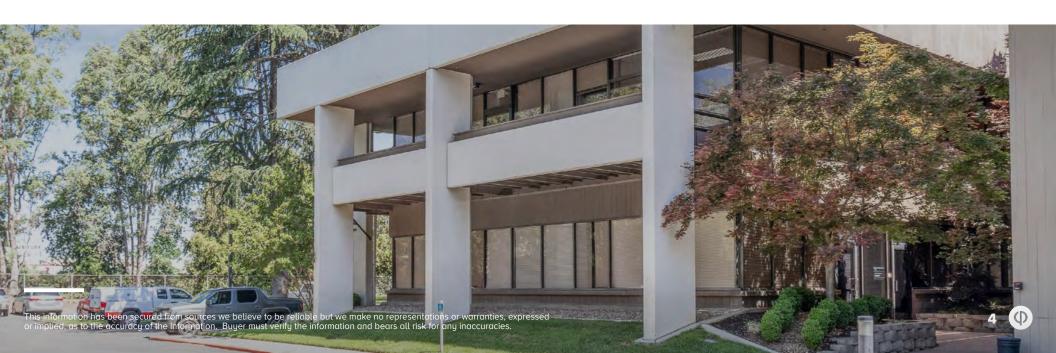
Investment Highlights

THE OFFERING is an attractive two story office building in a seven building office park located in Sacramento, CA. There are six private offices, a large conference room, and plenty of open space. Signage is available for every tenant. Point West is one of Sacramento's premier, high visibility, and most conveniently located suburban office parks. Point West's central location and proximity to complimentary commercial, residential, and recreational uses strengthens the subject property's value as it benefits from outside development opportunities in the growing area.

THE SUBJECT PROPERTY is immediately adjacent to Hwy 80 which provides quick access to downtown Sacramento, and is just a short walk to Arden Fair Mall, the 1.1 million square foot regional mall with nationally recognized tenants including Nordstrom and Apple. There is significant access to nearby amenities including hotels, restaurants, and entertainment. Cal Expo, the home of the California State Fair, tradeshows, year-round events, a race track and water park, is just down the street, providing increased regional draw.

SACRAMENTO is the capital city of California, as well as the sixth-largest city in the state. The city hosts a population of over 508,000 and is the most rapidly-growing major city in the state and a hub for politics, finances, education, and tourism.

IN THE 8TH
HIGHEST
AVERAGE
OFFICE RENT
GROWTH CITY
IN NATION



Income & Expense

		CURRENT
Price:		\$6,100,000
Capitalization Rate:		7.17%
Price Per Square Foot:		\$167.95
Down Payment	35%	\$2,135,000
Loan Amount	65%	\$3,965,000
Total Leased (SF):	84.40%	30,653
Total Vacant (SF):	15.60%	5,667
Total Rentable Area (SF):	100.00%	36,320
INCOME	P/SF	
*Scheduled Rent	\$23.98	\$735,012
CAM Revenue	\$0.27	\$8,420
EFFECTIVE GROSS INCOME		\$743,432
Vacancy Factor (4%)		\$(29,737)
ADJUSTED GROSS INCOME		\$713,695
EXPENSE (2018 Actuals)	P/SF	
Property Tax (1.1371%)	(\$1.91)	(\$69,363.10)
Insurance	(\$0.13)	(\$4,643.00)
Security/Fire Alarm	(\$0.25)	(\$9,119.20)
Janitorial/Day Porter/ Supplies	(\$1.13)	(\$40,863.64)
HVAC Contract Service	(\$0.08)	(\$3,000.00)
HVAC Repairs	(\$0.11)	(\$4,000.00)
Elevator Contract Service	(\$0.05)	(\$1,982.96)
Fire, Life, Safety	(\$0.02)	(\$901.00)
Electricity	(\$2.48)	(\$90,000.00)
Refuse	(\$0.07)	(\$2,600.00)
Water/Sewer	(\$0.36)	(\$12,993.00)
Parking Lot Lighting	(\$0.03)	(\$1,031.54)
Landscaping	(\$0.28)	(\$10,239.77)
Administrative Expense	(\$0.03)	(\$1,200.00)
General Repairs Reserve (\$0.20/SF)	(\$0.20)	(\$7,264.00)
Management Fee (3% of EGI)	(\$0.46)	(\$16,861.00)
TOTAL OPERATING EXPENSES	(\$7.60)	(\$276,062)
NET OPERATING INCOME		\$437,633

	CURRENT
Proposed Loan Amount	\$3,965,000
Loan To Value	65%
Interest Rate	4.04%
Amortization	25 Year
Term	10 Year
Lender Type	Bank
Net Operating Income	\$437,633
Debt Service	(\$252,197)
Pre-Tax Cash Flow	\$185,436
Debt Coverage Ratio	1.74
Cash-on-cash Return	8.69%
Principal Pay down (Year 1)	\$93,734
Total Return	\$279,170
Yield	13.08%

ARGUS Cash Flow Model available upon request

*Captures the rent increases

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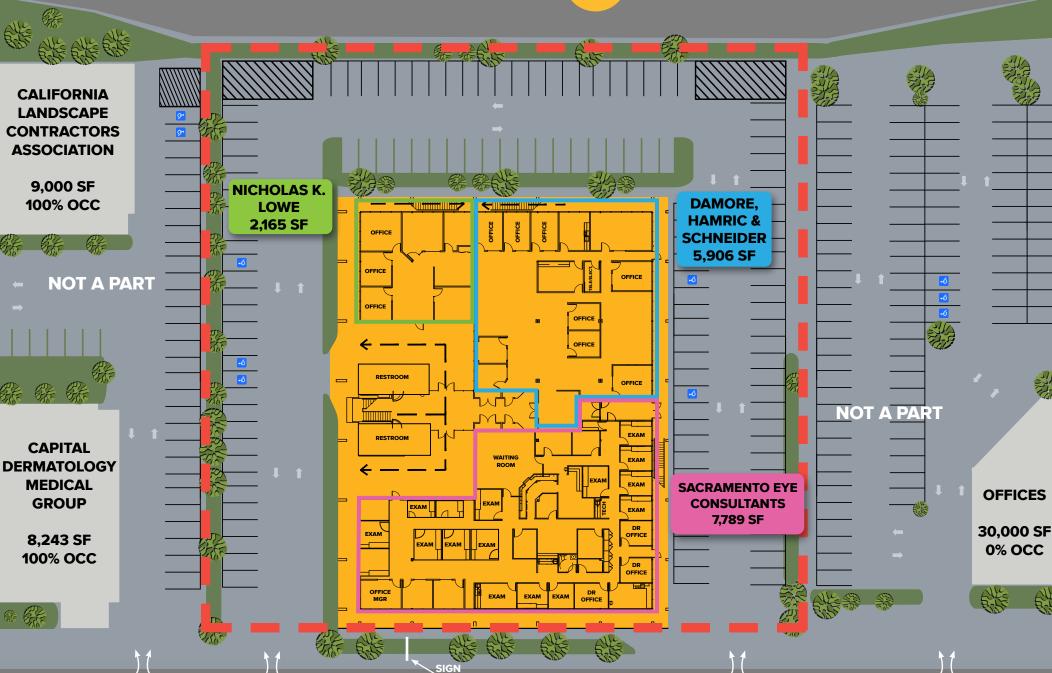
Rent Roll

	TENANT SUMMAR	Y		LEASE	TERMS	REN	NT SUMMARY		LEASE TYPE	OPTIONS	TENANT SINCE		COMMENIS
SUITE	TENANT	SQ. FT.		TE	RM	MONTHLY RENT	ANNUAL RENT	RENT/ FT					
100/125	Sacramento Eye Consultants	7,789	21.45% Increase	10/01/18 11/01/20	10/31/21 10/31/21	\$15,188.55 \$15,578.00	\$182,262.60 \$186,936.00	•	FULL SERVICE	None	2004	2018	Tenant has a high likelihood of renewing giving the amount of improvements made. Per the lease the pro rata share of the operating expense increase is 24.35%
150	Damore, Hamric &	5,906	16.26%	05/01/17	09/01/25	\$10,630.80	\$127,569.60	\$21.60		1 X 3 Year	2020	2020	Per the lease, the tenants pro
	Schneider		Increase	05/01/21	04/30/22	\$10,926.00	\$131,112.00	\$22.20	FULL				rata share of the operating
			Increase	05/01/22	04/30/23	\$11,221.40	\$134,656.80	\$22.80	SERVICE				expense increase is 18.51%
			Increase	05/01/23	04/30/24	\$11,516.70	\$138,200.40						
			Increase	05/01/24	09/01/25	\$11,812.00	\$141,744.00	\$24.00					
175	Law Office of	2,165	5.96%	05/01/17	12/31/24	\$3,994.42	\$47,933.04	\$22.14		1 X 5 Year	2014	2015	•
	Nicholas K. Lowe		Increase	01/01/21	12/31/21	\$4,094.28	\$49,131.36	\$22.69	FULL SERVICE				rata share of the operating
			Increase	01/01/22	12/31/22	\$4,196.64	\$50,359.68	\$23.26	SERVICE				expense increase is 6.8%
			Increase	01/01/23	12/31/23	\$4,301.55	\$51,618.60	\$23.84					
			Increase	01/01/24	12/31/24	\$4,409.00	\$52,908.00	\$24.44					
200	TRI Commercial	3,595	9.90%	08/01/16	10/17/23	\$6,111.50	\$73,338.00	\$20.40		1 X 5 Year	2015	2016	
Real Es	Real Estate		Increase	08/01/20	07/31/21	\$6,291.25	\$75,495.00	\$21.00	FULL SERVICE				Share of the operating Expense Increase is 11.24%
			Increase	08/01/21	07/31/22	\$6,471.00	\$77,652.00	\$21.60	0 0_				IIICIEase IS 11.2470
			Increase	08/01/22	07/31/23	\$6,650.75	\$79,809.00	\$22.20					
210	State of California	7,228	19.90%	12/01/19	10/31/27	\$13,284.00	\$159,408.00	\$22.05		NONE	2011	N/A	Tenant has a one time right
	Department of		Increase	11/01/20	10/31/21	\$13,682.52	\$164,190.24	\$22.72	FULL				to Terminate the leases after 10/31/2023 with a 60 day
	Transportation		Increase	11/01/21	10/31/22	\$14,093.00	\$169,116.00	\$23.40	SERVICE				written notice.
	(Caltrans)		Increase	11/01/22	10/31/23	\$14,515.79	\$174,189.48	\$24.10	GROSS				
			Increase	11/01/23	10/31/24	\$14,951.26	\$179,415.12	\$24.82					
			Increase	11/01/24	10/31/25	\$15,399.80	\$184,797.60	\$25.57					
			Increase	11/01/25	10/31/26	\$15,861.79	\$190,341.48	\$26.33					
			Increase	11/01/26	10/31/27	\$16,337.64	\$196,051.68	\$27.12					Market Rent is \$24 Full Service
220	Vacant (Seller to Credit Buyer)	5,667	15.60%			\$10,782.00	\$129,384.00	\$22.83					Seller will Credit Buyer with 12
Common Area		3,961											
	Current Totals	36,320	100.00%										
	Occupied	30,653	84.40%	2020 Tot	tal Monthly	Gross Rent:	\$60,286.47	7					
	Vacant	. 0	0.00%	2020 To	tal Annual	Gross Rent:	\$719,895.24	4					

Site Plan - First Floor



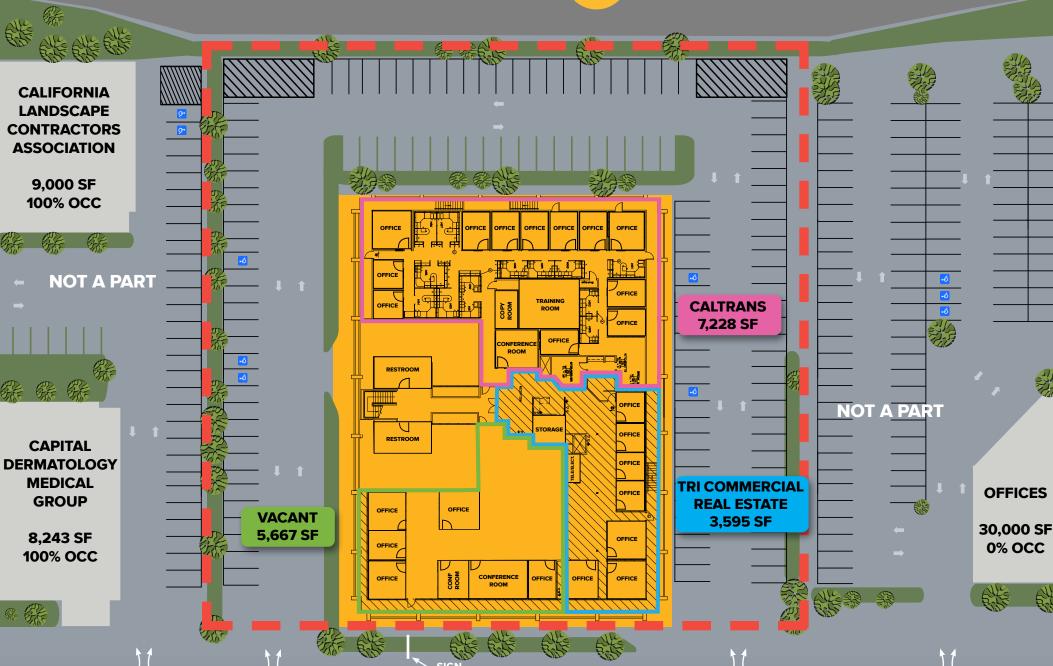




Site Plan - Second Floor









ABOUT SACRAMENTO EYE CONSULTANTS

Doctors Richard Grutzmacher, Richard Lewis, Patricia Sierra, Jacob Brubaker, and Samuel Lee are eye surgeons with advanced fellowship training in the medical and surgical care of eye disorders. Doctors Grutzmacher, Sierra, and Lee are corneal specialists emphasizing in laser eye surgery (iLASIK, Intralase, LASIK, and PRK), corneal transplantations, and cataract treatment in Sacramento. Dr. Lewis and Dr. Brubaker are glaucoma authorities who also specialize in cataract and vision correction procedures. In addition to these doctors, the office has an optometrist, Dr. Robinson. Who treats patients, as well as prescribes glasses.

ABOUT DAMORE, HAMRIC & SCHNEIDER, INC.

Damore, Hamric & Schneider, Inc. is the Sacramento area's 19th largest tax preparation and the 20th largest accounting firm. Members of the firm have provided professional service in the community for over 30 years. All members of the staff receive extensive continuing education to stay current on accounting, auditing, review, and tax issues.

ABOUT NICHOLAS K. LOWE

At the Law Offices of Nicholas K. Lowe, the Sacramento Personal Injury Lawyers have 39 years of experience and are committed to helping clients succeed. Attorney Lowe has recovered substantial settlements for seriously injured clients in Northern California, and is respected in the community for his integrity, aggressive representation, and successful case outcomes.

Tenant Overview ormation has been secured from sources we believe to be reliable but we make no representations or warranties ed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any

ABOUT TRI COMMERCIAL REAL ESTATE

Since 1977, TRI Commercial/CORFAC International has been one of the top independent commercial real estate companies in Northern California. The company handles all the elements of transactional business with an exclusive focus on commercial properties including office, industrial, retail, multi-family, and land. TRI maintains significant market presence in San Francisco, Oakland, Walnut Creek, Sacramento, Roseville, and Rocklin, with advisors serving every major market and sub-market in the region. As a member of CORFAC International, it partners with independent commercial real estate companies in more than 80 national and international markets.

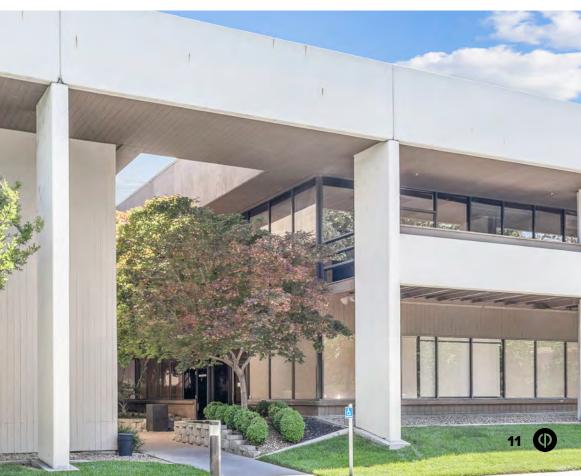
ABOUT STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

Caltrans manages more than 50,000 miles of California's highway and freeway lanes, provides inter-city rail services, permits more than 400 public-use airports and special-use hospital heliports, and works with local agencies. The department carries out its mission of providing a safe, sustainable, integrated, and efficient transportation system to enhance California's economy and livability, with six primary programs including Aeronautics, Highway Transportation, Mass Transportation, Transportation Planning, Administration, and the Equipment Service Center. Caltrans has been active in moving the people and commerce of California for more than 100 years from a loosely connected web of footpaths and rutted wagon routes to the sophisticated system that today serves the transportation needs of more than 30 million residents.















Office Growth in Sacramento

SPECULATIVE OFFICE CONSTRUCTION RETURNS TO SACRAMENTO; IS THE AREA READY FOR MORE?

June 20, 2019 (CoStar) Speculative office construction has been almost non-existent in metropolitan Sacramento this decade. Since 2010, the amount of office space in the market has only increased by a tepid 1.9%, and the majority of sizable office projects have been government or healthcare-related build-to-suits.

However, spec construction has made a modest return, and the landscape may be ripe for more office development should the newest projects being built with little or no preleasing perform well.

The limited introduction of new office supply during this economic cycle has positively impacted Sacramento's fundamentals. The average vacancy rate for office space is just 9%, and trailing 12-month rent growth sits at 4.3%, among the highest in the U.S. among major metropolitan areas.

For Sacramento companies in the market for high-end office space located in a premier submarket, options are particularly narrow. The vacancy rate for higher-quality 4- and 5- Star rated buildings is a tight 6.9%. Only five existing buildings contain at least 50,000 square feet of available, contiguous space, two located in downtown Sacramento and three in the Highway 50 Corridor.

However, the spec office pipeline may be starting to thaw. Bannon Investors broke ground in February on a three-story building to contain 90,000 SF. Developers will be closely watching the new office project. If it performs as expected and attracts tenant interest, additional speculative office projects in Sacramento will likely follow.

READ THE FULL ARTICLE

TOP 10 MARKETS FOR OFFICE RENT GROWTH.

June 5, 2019 (CoStar) A U.S. economy run that appears headed for the nation's longest expansion in history has been good for office landlords.

Nationally, average office rents in cities with at least 1 million in population have continued to rise although at a slower pace now than several years ago. That rate is now at 2.1% over the past 12 months, roughly a third of what office rent growth was several years ago.

Few would be surprised, though, that cities heavy on technology have seen office rents far surpass the national average. Rising rents mean landlords make more money.

Using recent data from CoStar, here are the Top 10 cities for the highest average office rent growth over the past year.

(Tie) 8. Sacramento, California -- 4.2%

The state capital has seen office rents grow but it's a slower market because it lacks the "dynamics like you have in a lot of other markets," said David Whitmore, CoStar's market analyst of Sacramento. While tech companies in general haven't come in and leased large amounts of space, office rent prices have gone up chiefly because so few new office buildings have been built.

Outside of government, healthcare companies have been active in leasing new space. St. Louis-based healthcare company Centene Corp. announced last year that it would open a regional headquarters in Sacramento as part of a 1.25 million square-foot campus, which is now under construction.

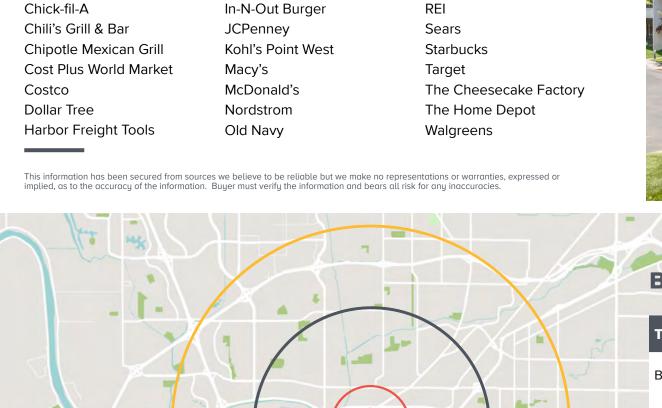
READ THE FULL ARTICLE

Submarket Overview

RETAILERS IN CLOSE PROXIMITY INCLUDE:

Best Buy Hobby Lobby
Chick-fil-A In-N-Out Burg

Olive Garden Italian

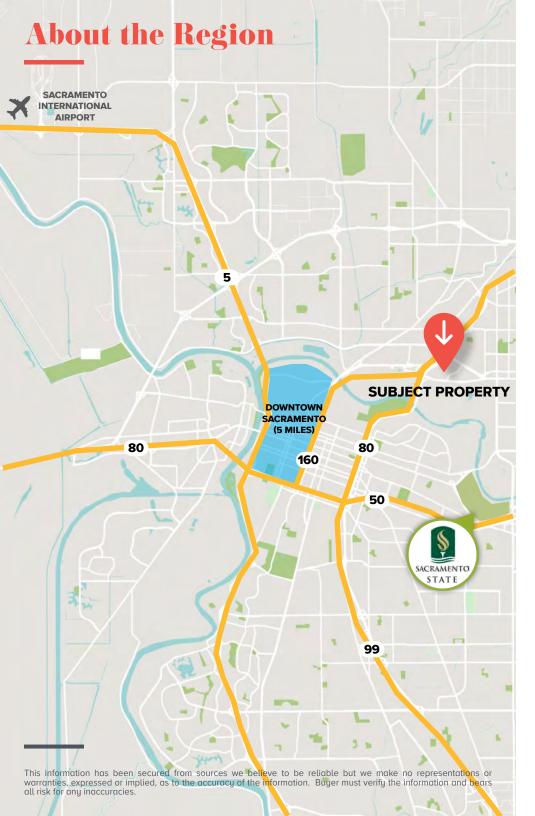


SACRAMENTO



BUSINESS SUMMARY

TOTAL	1-MILE	3-MILES	5-MILES	
Businesses	1,189	8,307	19,641	
Employees	15,246	90,220	292,867	
Residential Population	7,491	148,355	363,052	





PROPERTY GEOGRAPHIC HIGHLIGHTS



DOWNTOWN SACRAMENTO - 5 MILES

Downtown Sacramento has about 20,814,080 square feet of office space and about 9,181,568 square feet of Class A office space.



SACRAMENTO INTERNATIONAL AIRPORT - 15 MILES

Sacramento International Airport (SMF) served over 10 million passengers in 2017. In 2011, the airport had opened the new Terminal B which was about a \$1.03 billion terminal modernization project.



CSU SACRAMENTO - 8 MILES

California State University, Sacramento (Sacramento State) was founded in 1947 and is a public university. It's campus enrollment is roughly around 30,284 students.

Demographics

POPULATION

223	1-MILE	3-MILES	5-MILES
2010	6,897	139,362	340,120
2018	7,491	148,355	363,052
2023	7,933	155,501	381,374

2018 HH INCOME

\$	1-MILE	3-MILES	5-MILES
Average	\$59,898	\$70,408	\$74,702
Median	\$39,263	\$46,451	\$50,828

LARGEST EMPLOYERS IN SACRAMENTO VALLEY

EMPLOYER	# OF EMPLOYEES
State of California	69,469
Sacramento County	10,634
UC Davis Health System	9,985
Sutter Health Sacramento Sierra Region	6,507
Intel Corp.	6,000



THE AVERAGE HOUSEHOLD **INCOME WITHIN A 5-MILE RADIUS** IS OVER \$74K

Location Overview



SACRAMENTO is the capital city of California, the sixth-largest city in the state, and the 35th largest city in the United States. The urban Sacramento area has a population of 1.44 million while the Sacramento Valley, which includes ten counties, has an estimated population of 2.66 million.

Sacramento is one of the most historic cities in California, boasting an impressive array of museums, landmarks, parks, amenities, and more.

California State University, Sacramento, is located in downtown Sacramento and offers 151 Bachelor's degrees, 69 Master's degrees, 28 teaching credentials, and 2 Doctoral degrees. There are over 30,500 students enrolled annually.

Sacramento is not only the state's capital; it is also a growing metropolitan region. Government and transportation are key sectors of the Sacramento economy. Technology-related companies such as Intel and Hewlett-Packard have increasingly been drawn to Sacramento based on proximity to research centers and a well-educated labor pool. Other economic drivers include health services, hospitality, education & construction.

2.66 MILLION



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