



2419 K STREET

RETAIL BUILDING FOR SALE OR LEASE MIDTOWN SACRAMENTO



TURTON
COMMERCIAL REAL ESTATE



2131 CAPITOL AVENUE, STE 100
SACRAMENTO, CA 95816

916.573.3300 | TURTONCOM.COM

SCOTT KINGSTON
SENIOR VICE PRESIDENT - LIC. 01485640
916.573.3309
SCOTTKINGSTON@TURTONCOM.COM

©2024 The information contained in the Offering memorandum is confidential and is not to be used for any other purpose or made available to other persons without the express written consent of Turton Commercial Real Estate ("TCRE"), Ken Turton or the owner. The material contained herein is based upon information supplied by owner in coordination with information provided by TCRE from sources it deems reasonably reliable. Summaries of documents are not intended to be comprehensive or all-inclusive but rather a general outline of the provisions contained herein and subject to more diligent investigation on the part of the prospective purchaser. No warranty, expressed or implied, is made by owner, TCRE or any other respective affiliates, as to the accuracy or completeness of the information contained herein or any other written or oral communication provided to a prospective purchaser in the course of its evaluation of the Property. No legal liability is assumed or to be applied in connection with the information or such other communication. Without limiting the general nature of the foregoing, the information shall not be deemed a representation of the state of affairs of the Property or constitute an indication that there has been no change in the business affairs, specific finances or specific condition of the Property since the date of preparation of the information. Prospective purchaser shall make their own projections and conclusions without reliance upon the materials contained herein and conduct their own independent due diligence, inspection and review of the Property, including but not limited to engineering and environmental inspections, to determine the condition of the Property and the existence of any potential hazardous material located at the site.



THE OPPORTUNITY

6,395	4	C-2	\$2,025,000	\$316	\$2.25
TOTAL SF	PARKING STALLS	SPD ZONING	PURCHASE PRICE	PER SF	PER SF NNN



3 INVESTMENT OPTIONS!



OPTION 1: INVESTMENT SALE IF TREK BICYCLE RENEWS AT 2419 K STREET

2419 K Street is a 6,395 square foot retail building located in the heart of midtown and is currently leased to a nationally recognized tenant, Trek Bicycle. Located in the epicenter of Midtown Sacramento, the property offers a secure income stream with a proven tenant. The existing lease expires October 31, 2025, with a tenant-held option to renew for an additional five (5) years. The property has been operating as a bicycle retail sales and service building since the 1980s, originally operating as City Bicycle Works, and then in 2018 as Trek Bicycle.

HIGHLIGHTS:

PROVEN TENANT:	Stable national brand. Trek Bicycle through either Oct 31, 2025 or Oct 31, 2030 if Trek exercises their option to renew.
PRIME LOCATION:	Located in the dynamic Midtown Sacramento market, offering strong rental growth potential.
LONG-TERM LEASE:	Secure income stream with a lease extending to October 31, 2030 (if option exercised).
INVESTMENT PROPERTY:	Well-maintained building with excellent visibility and on-site parking stalls.
BELOW MARKET RENTS:	Trek's base rent during the remaining term and its renewal period is approximately 20% below current market rent in Midtown.
ROI:	If Trek exercises its renewal option, their base rent will be \$10,824.32 per month with two percent (2.0%) per annum increases. This reflects a 6.4% capitalization rate on a purchase price of \$2,025,000.



OPTION 2: OWNER/USER SALE IF TREK BICYCLE VACATES AT 2419 K STREET

If Trek elects to vacate the building on October 31, 2025, this building offers unparalleled potential for an owner-occupant seeking a high-visibility location in Midtown Sacramento. With its prime location, ample on-site parking, and turn-key condition, this property is ideal for a wide range of retail concepts.

PROPERTY HIGHLIGHTS:

- PRIME LOCATION:** Benefit from the high foot traffic, diverse demographics, and thriving business community in Midtown.
- TURN-KEY CONDITION:** Ready for immediate occupancy or customization to suit your business needs.
- ON-SITE PARKING:** Valuable amenity in the heart of Midtown.
- OWNERSHIP BENEFITS:** Build equity, control your destiny, and enjoy long-term cost savings.

THE ADVANTAGES OF BUILDING OWNERSHIP:

- LONG-TERM STABILITY:** Shield your business from rising rental costs and the uncertainty of lease renewals.
- EQUITY BUILDING:** Every mortgage payment builds equity in your property, creating a valuable asset.
- TAX ADVANTAGES:** Real estate ownership offers potential tax benefits that can boost your bottom line.
- CONTROL / FLEXIBILITY:** Customize your space to perfectly suit your business needs without landlord restrictions.
- APPRECIATION:** Commercial real estate in prime locations like Midtown often appreciates in value over time.



OPTION 3: RETAIL SPACE AVAILABLE IF TREK BICYCLE VACATES AT 2419 K

With Trek’s potential departure on October 31, 2025, a remarkable chance emerges to occupy one of Midtown Sacramento’s most coveted retail spaces. 2419 K Street offers an unparalleled platform for businesses seeking high visibility and exceptional foot traffic. This turn-key building is ideally situated in

the heart of Midtown’s vibrant commercial district, surrounded by thriving businesses, trendy restaurants, and upscale residences. Its prime location ensures maximum exposure to a diverse and affluent clientele. Ample on-site parking further enhances the convenience and appeal of this exceptional property. Whether you envision a

stylish boutique, a cutting-edge eatery, or a dynamic service-based business, 2419 K Street provides the perfect foundation for your success. Don’t miss this extraordinary opportunity to make your mark in the heart of Midtown Sacramento. Contact us today to schedule a viewing.

THE DETAILS:

PROPERTY DETAILS

APN: 007-0101-010
Zoning: C-2 SPD
Price: \$2,025,000
Price Per SF: \$316
Year Built: 1948
Year Remodeled: 2019
Total SF: ± 6,395 SF
Parking Stalls: Four (4)
Total Site Size: ± 6,400 SF
Occupancy: 100%

TENANT SUMMARY:

Tenant: Trek Bicycle
Lease Expiration: 10/31/2025
Option to Renew: One (1) five (5) year option which expires April 30, 2025

Current Base Rent (NNN)
Per Month: \$10,612.08

UTILITIES:

Electricity: SMUD
Gas: PG&E
Water/Sewer/Trash/Storm: City of Sacramento

SEISMIC/FLOOD:

Fault Zone: N/A
Flood Zone: Zone X (FEMA MAP 06067C0180J)

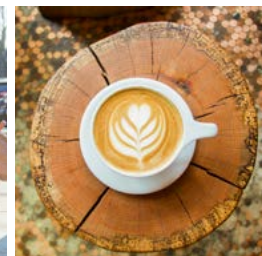




ECONOMICS

PURCHASE	MONTHLY	ANNUAL	NOTES
MORTGAGE PAYMENT	\$9,302.98	\$111,635.77	65/35 LTV, 7% interest rate, 25 year amortization
OPERATING EXPENSES	\$3,517.25	\$42,207.00	\$6.60 per SF per year, net of property taxes
PROPERTY TAXES	\$1,940.63	\$23,287.50	Pro Forma at \$2,025,000
SUBTOTAL	\$14,760.86	\$177,130.27	
10 YEAR SUBTOTAL		\$1,862,765.37	R/E tax growth at 2% per annum, OpEx growth at 3% per annum.
<i>LESS PRINCIPAL PAYDOWN</i>		<i>\$370,683.41</i>	
<i>LESS DEPRECIATION</i>		<i>\$145,384.62</i>	80% of Total Value, depreciated over 39 years at 35% average tax rate
NET 10 YEAR COST OF OWNERSHIP		\$112,224.78	Average of 10 Years
		\$1,122,247.79	Total over 10 Years
LEASE			
LEASE PAYMENT	\$12,232.37	\$146,788.44	\$1.65 per sf per month, NNN, with 3% per annum increases
PARKING COST	\$724.55	\$8,694.56	5 stalls at \$125 per stall per month, 3% per annum increases
OPERATING EXPENSES	\$4,077.46	\$48,929.48	3% per annum increase
PROPERTY TAXES	\$2,142.61	\$25,711.28	2% per annum increase
SUBTOTAL 10 YEAR COST OF LEASING		\$230,123.76	Average of 10 Years
		\$2,301,237.61	Total over 10 Years
TOTAL 10 YEAR BENEFIT OF PURCHASING		\$1,178,989.82	





THE LOCATION

IN THE MIDDLE OF A HIGHLY-DESIREABLE NEIGHBORHOOD

The Subject Property is located in the heart of the “Grid” in Midtown Sacramento. Midtown is regarded by many as the hottest and most desirable submarket in the Sacramento Region. The “Grid”, generally considered to be the area bounded by 16th Street to the west, 28th Street to the east, I Street to the north and Capitol Avenue to the south, is the most desirable real estate in Midtown. J Street was, and is, the highest traffic count street in Midtown and the Grid. Retailers and businesses located along J Street are benefitted by the robust and growing business and residential community south of

J Street along with the solid, entrenched residential community located throughout Boulevard Park and East Sacramento... two of Sacramento’s best demographic areas. It is very difficult to find value-add properties along J or K Street in the Midtown Grid.

The Midtown Property is a short walk from many of the areas finest retail amenities, including Temple Coffee, Midtown’s Der Bier Garten, Midtown Cantina Alley, Burger Patch, Art Beast, Flamingo House, the MARRS Building (home to LowBrau, Nekter Juice Bar, Azul Taqueria & Tequila bar, Sleek Wax, Kin Thai

restaurant, and Peet’s Coffee), Faces, The Depot, Mango’s and much more. Furthermore, the Subject Properties can take advantage of a handful of service-based amenities within three blocks including Golden 1 Credit Union, UPS Store, and some of the best hair and nail salons in the region. The property is also just 8 blocks from the medical corridor which includes Sutter Hospital, Dignity Health (formerly Mercy Hospital), UC Davis Medical Center and Shriners Hospital.



Section Three: The Location



SACRAMENTO DATA BITES

Urban Sacramento is the perfect blend of carefully curated local and national retail embedded in a landscape of unique older buildings, mature trees, and a burgeoning mural scene. Business owners, residents, and investors near and far have flocked to the center of Sacramento's art, music, and cultural scene to cash in on this fruitful submarket. In July 2020, Sacramento was the most popular migration destination in the U.S, with more than half of home searches coming from buyers outside of the area (Redfin). In 2023 Forbes named Sacramento the best place to live in California. Attracted by the affordability of real estate, lower cost of living and booming Downtown, many have found that Sacramento is an ideal location to achieve a turnkey live-work-play lifestyle.

SACRAMENTO'S CITY RANKINGS:

- #1 Best Place to Live in CA
- #1 Happiest Workers in Midstized City
- #3 Best Foodie City in America
- #4 Best Cities for Nerds
- #5 U.S. Cities with Fastest Growth in Tech Jobs
- #5 Bike-friendly Cities
- #6 Nation's Greatest Cities for Food Lovers
- #7 Best Place to Raise Active Children
- #9 City with Best Connectivity in U.S.
- #9 City for Happiest Young Professionals
- #10 Best City for Women in the Workforce
- #10 Most Hipster City in America

POPULATION GREATER SACRAMENTO REGION

2,623,204

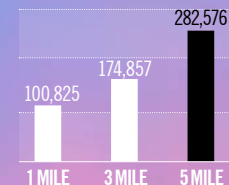
GSEC 2023
Applied Geographic Solutions & GIS Planning 2022

PERCENTAGE OF POPULATION WITH A DEGREE OR SOME COLLEGE:

68%

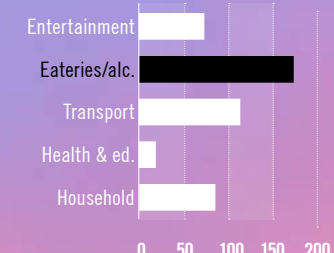
GSEC 2023
Applied Geographic Solutions & GIS Planning 2022

NUMBER OF EMPLOYEES WITHIN VARYING RADIUS OF THE STATE CAPITOL:



Costar 2023 - 1500 Capitol Ave

ANNUAL CONSUMER SPENDING WITHIN ONE MILE OF THE STATE CAPITOL:



*Numbers in millions - Costar 2023 - 1500 Capitol Ave

COST OF LIVING INDEX - \$100,000 BASE SALARY MOVE TO SACRAMENTO FROM SAN FRANCISCO

Grocery will cost:	18.68% less
Housing will cost:	52.93% less
Utilities will cost:	17.94% less
Transportation will cost:	9.30% less
Healthcare will cost:	12.58% less

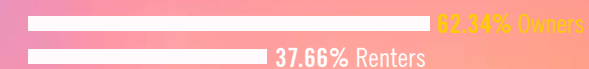
GSEC 2023
Applied Geographic Solutions & GIS Planning 2022

SACRAMENTO LARGEST JOB COUNTS BY OCCUPATION:

Office & Administrative Support	14.20%	115,931
Sales	10.91%	89,063
Executive, Managers & Admin	10.58%	86,391
Food Preparation, Serving	6.12%	49,978
Business and Financial Operations	5.94%	48,500

GSEC 2023
Applied Geographic Solutions & GIS Planning 2022

SACRAMENTO OWNERS VS. RENTERS



GSEC 2023
Applied Geographic Solutions & GIS Planning 2022

MIDTOWN FARMERS MARKET

- #1 California's top farmers market
- #3 Best farmers market in the country

America's Farmer's Market Celebration by American Farmland Trust 2024

WALK SCORE:

98
Walker's Paradise

BIKE SCORE:

62
Biker's Paradise

TRANSIT SCORE:

96
Good Transit

walkscore.com
1500 Capitol



2131 CAPITOL AVENUE, STE 100
SACRAMENTO, CA 95816
916.573.3300 | TURTONCOM.COM

SCOTT KINGSTON
SENIOR VICE PRESIDENT - LIC. 01485640
916.573.3309
SCOTTKINGSTON@TURTONCOM.COM

©2024 The information contained in the Offering memorandum is confidential and is not to be used for any other purpose or made available to other persons without the express written consent of Turton Commercial Real Estate ("TCRE"), Ken Turton or the owner. The material contained herein is based upon information supplied by owner in coordination with information provided by TCRE from sources it deems reasonably reliable. Summaries of documents are not intended to be comprehensive or all-inclusive but rather a general outline of the provisions contained herein and subject to more diligent investigation on the part of the prospective purchaser. No warranty, expressed or implied, is made by owner, TCRE or any other respective affiliates, as to the accuracy or completeness of the information contained herein or any other written or oral communication provided to a prospective purchaser in the course of its evaluation of the Property. No legal liability is assumed or to be applied in connection with the information or such other communication. Without limiting the general nature of the foregoing, the information shall not be deemed a representation of the state of affairs of the Property or constitute an indication that there has been no change in the business affairs, specific finances or specific condition of the Property since the date of preparation of the information. Prospective purchaser shall make their own projections and conclusions without reliance upon the materials contained herein and conduct their own independent due diligence, inspection and review of the Property, including but not limited to engineering and environmental inspections, to determine the condition of the Property and the existence of any potential hazardous material located at the site.





TURTON
COMMERCIAL REAL ESTATE