

01

LOFTS

Office Space Over Retail
Heart of Midtown/Downtown





2409 I STREET, STE 200
SACRAMENTO, CA 95816
916.573.3300 | TURTONCOM.COM

AARON MARCHAND
VICE PRESIDENT - LIC. 01711650
916.573.3305
AARONMARCHAND@TURTONCOM.COM

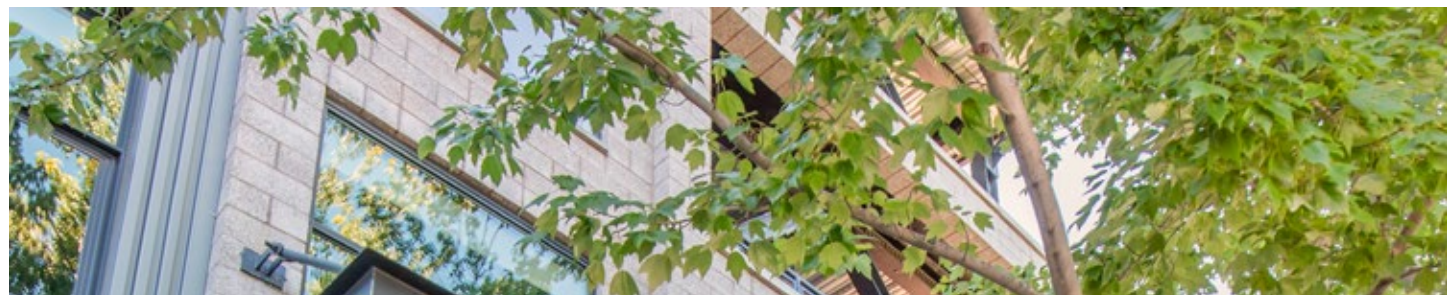
SCOTT KINGSTON
VICE PRESIDENT - LIC. 01485640
916.573.3309
SCOTTKINGSTON@TURTONCOM.COM

PATRICK STELMACH
DIRECTOR - LIC. 01964999
916.573.3314
PATRICKSTELMACH@TURTONCOM.COM

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Shepard Fairey
@obeygiant

Raoul & Davide Perre
@hownosm



THE PROPERTY

| | | | |
|-------------------------|--------------------|---------------|------------------|
| ± 6,823 | 100+ | 30,542 | 3 |
| SF MOVE-IN READY OFFICE | NEARBY RESTAURANTS | CARS PER DAY | SIDES OF WINDOWS |

CENTRALLY LOCATED ON 16TH STREET

o1 Lofts Midtown represents one of the rarest creative office lease opportunities within urban Sacramento. Light-filled loft work space with open floor plan, floor to ceiling windows wrapping around on three sides of the building, and your own private balcony overlooking lush tree canopy. Attractive, cool and fully functional in its “as-is” condition, the building also enjoys 14 luxury residences upstairs and over 20,000 square feet of retail on the ground floor, including Starbucks, Pieology, Mikuni Sushi, and P.F. Chang’s.

For firms that brand themselves as creative, open, raw, streamlined, authentic and currently relevant, you must see this building. For

businesses seeking to recruit the best talent in their industries and an environment that tells your creative story rooted in Sacramento, you must see this space.

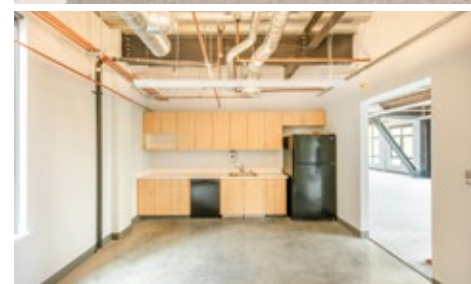
The tall ceilings, steel and concrete architectural features, and large window lines make o1 Lofts Midtown an inspiring canvas for the visionary entrepreneur to create their home.

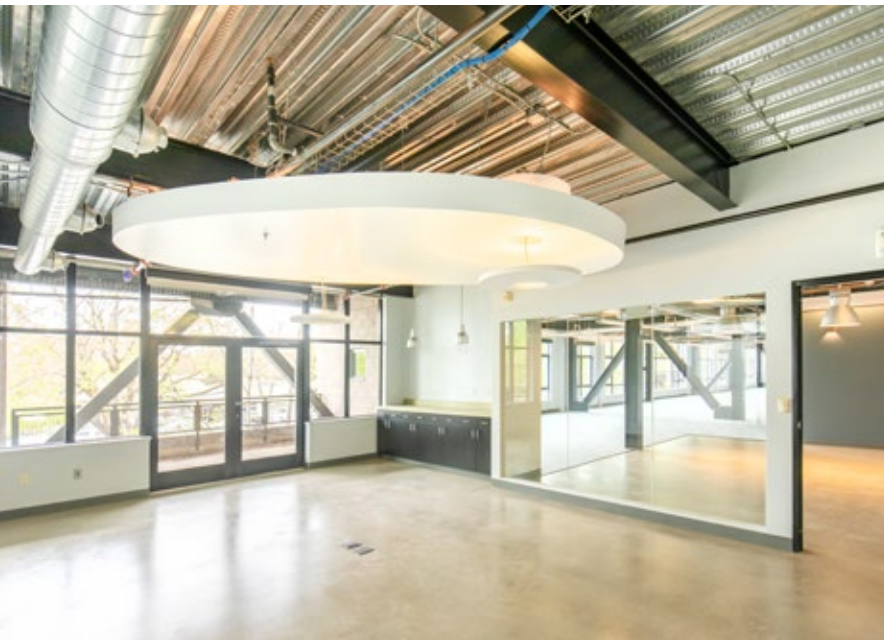
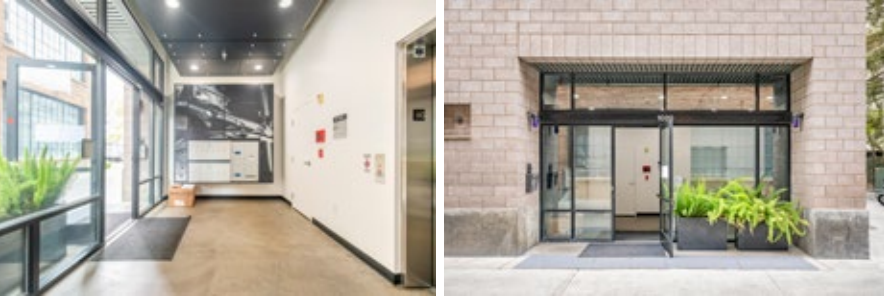
o1 Lofts Midtown is an essential connection between 16th Street, Downtown and Midtown to link a seamless, vibrant lifestyle experience anchored in Sacramento’s most walkable mixed-use neighborhood. o1 Lofts is centered in a pedestrian-friendly, walkable neighborhood

of Sacramento. The building has incredible visibility to both 16th Street and K Street, and is surrounded by surface and structured parking. The property features a modern design that reflects the increasingly contemporary character of Sacramento mixed-use buildings in Downtown and Midtown Sacramento with a neutral material palette, expansive windows, abundant natural light and high ceilings.

It is an exciting time to be a creative tenant in Downtown Sacramento. But opportunities for turn-key creative office space in the urban core are scarce. Don’t miss this opportunity to be part of one of Midtown’s most iconic mixed-use projects.

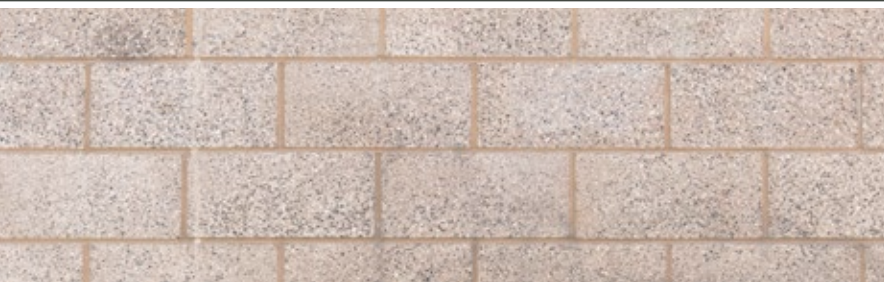
01 LOFTS IS A RARE OPPORTUNITY TO LOCATE YOUR OFFICE IN THE HEART OF THE GRID





PROPERTY DETAILS

- ± 6,823 RSF available immediately
- Modern industrial-chic design aesthetic
- Attractive exposed ceilings and HVAC
- High identity corner location
- Exclusive patio balcony overlooking Midtown
- Rare operable windows





BUILDING LOCATION

14

NEARBY DEVELOPMENTS

1,000

NEW HOUSING UNITS

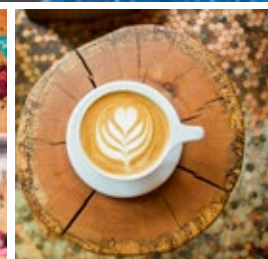
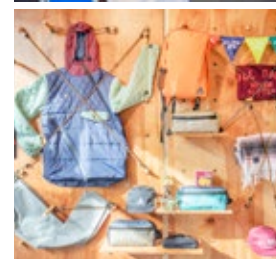
75+

NEARBY AMENITIES

Midtown Sacramento is the perfect fusion of multi-generational locally owned business and organic youth infused goods and services; a healthy dose of carefully selected national and regional retailers and an eclectic mix of high-end demographic occupations are embedded in a landscape of unique older buildings and mature trees. Business owners, residents and investors have flocked to the center of Sacramento's art, music, and cultural scene to cash in on the burgeoning and fruitful submarket. Many people consider Midtown to be the most centralized

area in the City of Sacramento, with easy access to Downtown, Old Sacramento, West Sacramento and East Sacramento. Large infill housing and mixed-use development projects are scattered throughout the grid, indicating regional growth and an increased emphasis on inner-city living. Midtown has emerged as one of the submarket's hottest micro-markets. 01 Lofts straddles the border between Midtown and Downtown which has an excellent daytime population and provides numerous eateries and professional amenities within easy

walking distance. 01 Lofts is also located only a few blocks from the Capital City Freeway. This allows for quick and easy access to both Interstate 80 and Highway 50. The downtown, East Sacramento and Campus Commons submarkets are only a short drive away via K Street or J Street - a popular thoroughfare and retail artery. The 16th Street corridor is home to several high-end development projects with over 574 apartment units recently completed, under construction and nearing completion, and more proposed.



Section Two: The Location



01 LOFTS



01 LOFTS IS IN A SACRAMENTO HOTSPOT. ALL KNOW TO COME TO THIS NEIGHBORHOOD TO START OR END THEIR NIGHT OUT!





H16 MURAL BY JOLENE ROSE RUSSELL

NEARBY REDEVELOPMENT PROJECTS

The Property also benefits from proximity to several nearby development projects which will serve tenants of 01 Lofts for years to come.

H16 Midtown by SKK

95 units completed on NEC 16th & H Streets

Manor Flats

27 Victorian-style units completed SWC 16th & F

Elanor Apartments by SKK

95 units nearing completion on SEC 16th & E Streets

17 Central by D&S

111 units under construction on NWC 17th & K

The Bernice by SKK

186 units proposed on SWC 16th & H Streets

Lavender Courtyard by Mutual Housing

50 units planned for SEC 16th & F Streets

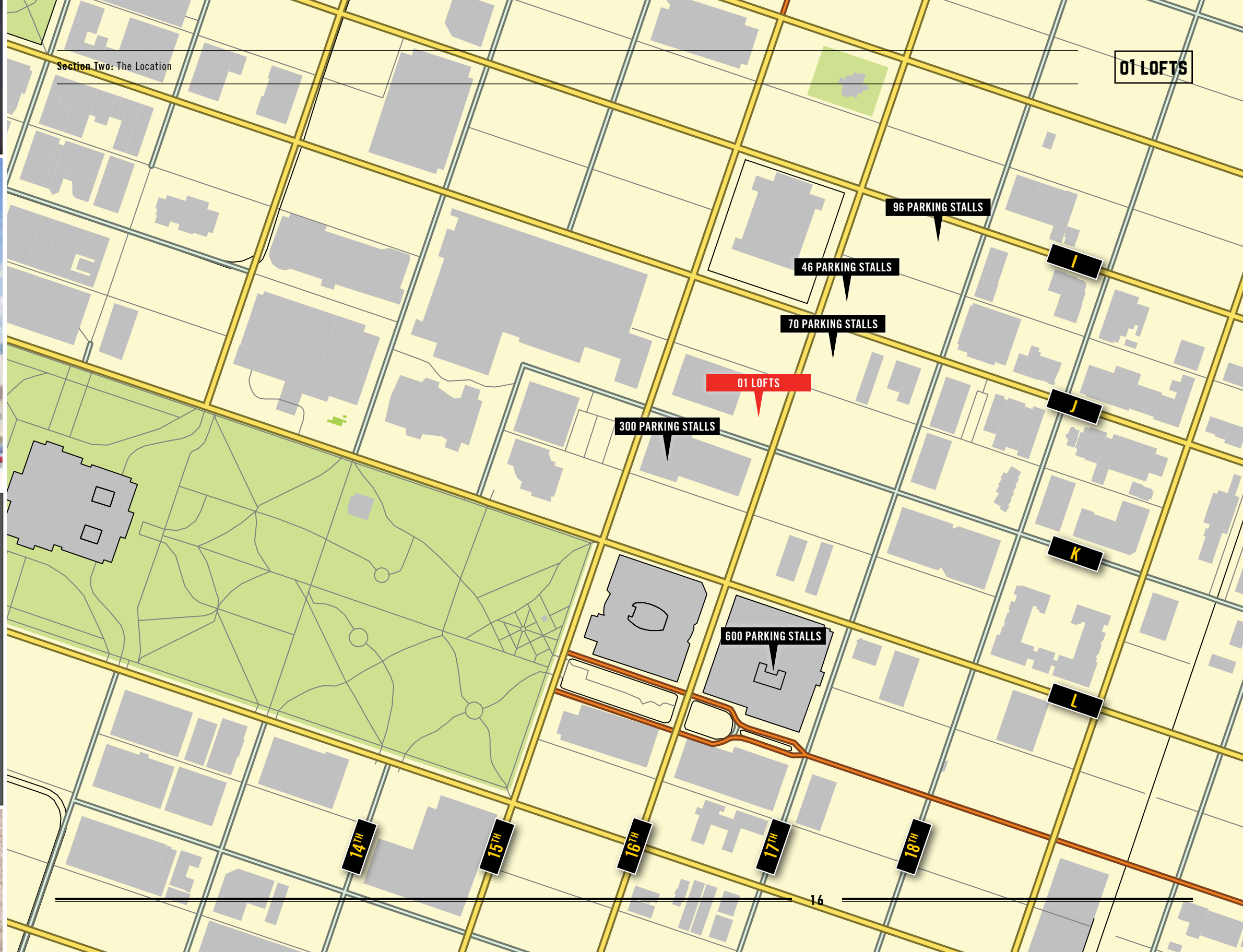
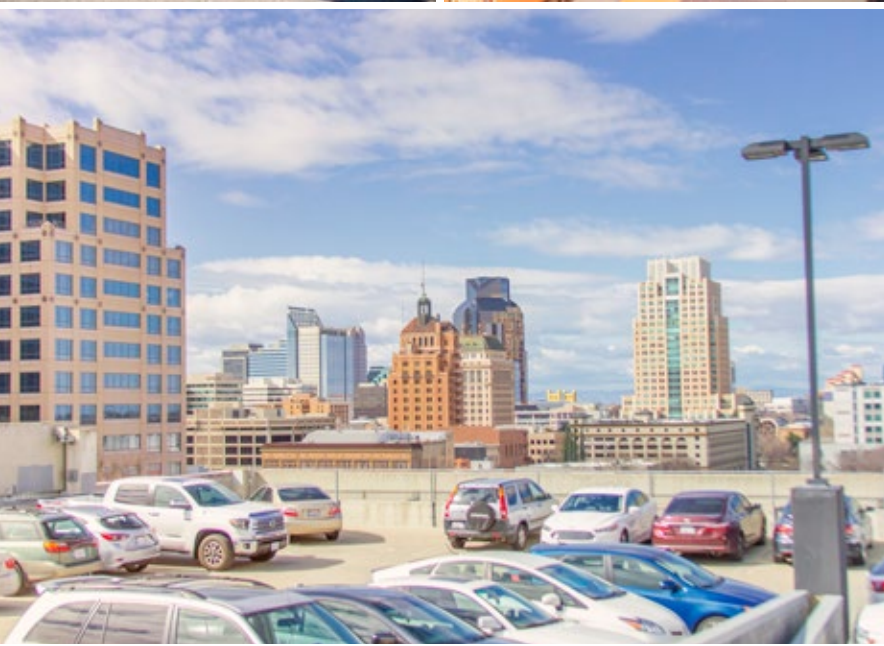
Lotus Equity Partners

Proposing 60 units for NEC 14th & H Streets

Convention Center

To keep Sacramento competitive in the convention industry, the City of Sacramento has approved the expansion of the Sacramento Convention Center. Plans for the project include additional ballrooms, larger exhibit hall and more meeting space. These plans allow the Convention Center to hold multiple events at the same time. It is part of a 3-project renovation/modernization that includes the Memorial Auditorium and the Community Center Theatre.





PARKING DETAILS

Over 1200 stalls within a 2 block radius

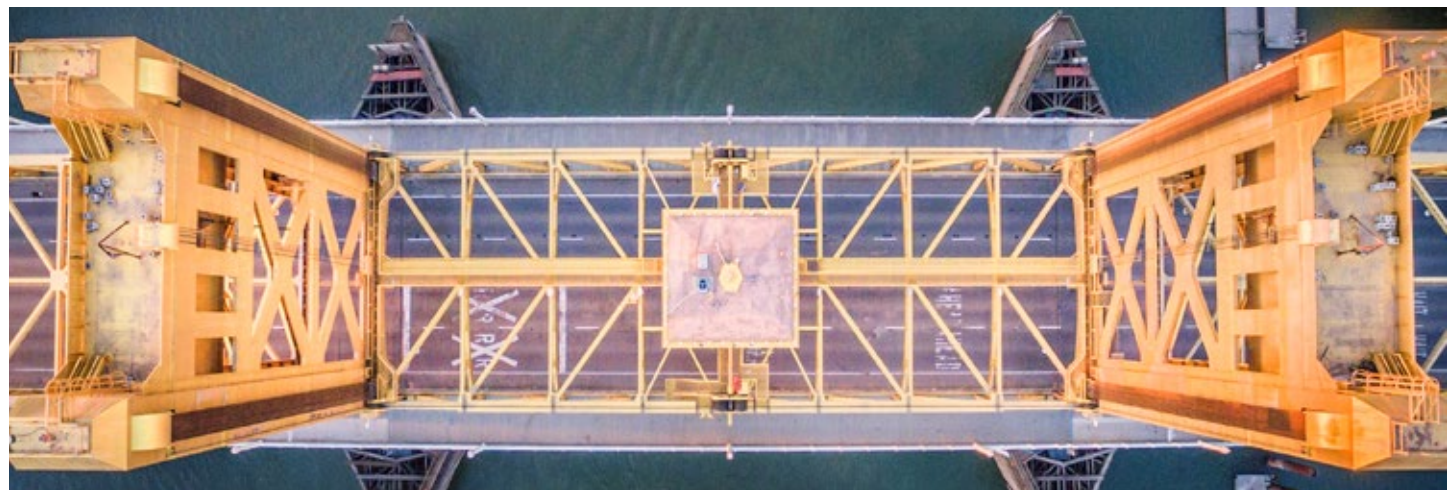
1500 K Street: 300 parking stalls

SEC 16th and J: 70 stalls

1214 17th Street: 600 stalls

NEC 16th and J: 46 stalls

1616 I Street: 96 stalls



SACRAMENTO

15.3 MILLION
ANNUAL REGIONAL VISITORS

71,335
DAYTIME EMPLOYEES

215+
BARS / RESTAURANTS

CALIFORNIA'S FASTEST-GROWING METROPOLITAN AREA

Sacramento is the Capitol of California, the fifth largest economy in the world. While perhaps not considered as prolific as many of the tourism-based cities in California such as San Francisco, Los Angeles and San Diego, being the hub of California's governmental structure provides an incredible amount of economic stability throughout the region. In addition, Sacramento is being increasingly recognized as an outdoor enthusiast's dream city with its remarkably

central location to Lake Tahoe, the Sierra's, Yosemite and the Coast.

In a recent study completed by WalletHub for National Nutrition Month, Sacramento was ranked the 5th healthiest city in the United States among 100 large cities (ranking higher than the likes of Denver, Colorado Springs, San Francisco, Portland, Austin, San Antonio and Seattle). Forbes magazine ranked Sacramento as the 10th healthiest city in the United

States versus all cities. A big part of this recognition stems from the cities' proximity to the American River. Hiking trails and white-water rafting abound along the American River as well as one of Sacramento's crown jewels - the 32-mile American River Bike Trail which runs entirely along the river from Beal's State Park to Discovery Park where it conjoins with the Sacramento River to Old Sacramento on the riverfront (only a few blocks from the Subject Property).



THERE'S A REASON EVERYONE IS COMING HERE.



URBAN RENAISSANCE

The word “renaissance” is often overused and inappropriate to describe economic improvement in the urban core of cities throughout the United States. That is not the case in Sacramento. Nowhere is the word “renaissance” more applicable and demonstrable than the City of Sacramento.

In 2012 the economic outlook for Downtown Sacramento, and the region as a whole, looked somewhat bleak. The urban core was anchored by a blighted and inactivated retail mall located dead center in its retail grid. The mall, formerly owned by Westfield, had undergone several facelifts none of which achieved the economic results envisioned. The Sacramento Kings, then owned by the Maloof Family, were threatening to

leave for Seattle and the 30-year-old Sleep Train Arena located in a nearby suburb was tired and functionally obsolete.

All of this changed in 2013 when Mayor Kevin Johnson used his considerable influence with the NBA and Northern California to complete the single most meaningful and transformative economic transaction in Sacramento since it was named the Capitol. He brought in a Bay Area ownership team to purchase the Kings then worked with City Management to construct a masterful plan to build a new state-of-the-art 19,000 seat arena in place of the blighted center at the heart of the downtown grid.

The impact to Sacramento's urban core of this

miraculous achievement cannot be overstated and it has truly formed the foundation for Sacramento's urban renaissance. Since the formal approval by City Council of the Cities' contribution to construct the Arena (and retain the Sacramento Kings) the floodgates have figuratively opened to the urban migration of retailers, businesses and residents. Vacancy rates in commercial properties have dropped steadily and rapidly in every urban district. Property values escalated exponentially. Blighted buildings on the J, K and L Street corridors were (or are in the process of being) activated. Over 2,000 new residential units have been constructed over the last three years.

DEMAND FOR LUXURY LIVING

According to a recent study completed by Bay Area Economics (BAE) Urban Economics in coordination with the Capitol Area Development Authority (CADA) and the City of Sacramento, only 6% of the population lives in the urban core. Estimated demand over the next decade is more than 11,700 units with a possible demand of up to 20,000 units. Current total pipeline supply is approximately 4,500 units, and that is being very generous with submarkets like the Railyards, accounting for up to 2,000 of those units, still in need of significant infrastructure. In addition, several high-rise residential projects accounting for at least another 500 units seem, at this time, economically infeasible requiring rents of over

\$4.00 per sf to warrant concrete, steel and glass construction inclusive of multi-story concrete parking structures.

Moreover, according to that same study, demand for apartment units targeting residents with median family incomes in excess of 120% over the mean is almost 2,000 units above projected supply. This does not account for the economic construction challenges mentioned above. It goes without saying the number of professional workers in the urban core of the State's Capitol is extensive. 60% of the workforce has some college education and over 1/3 of the workforce have bachelor's degrees or graduate degrees. Over 38% of the workforce is millennial or Gen Y and over 39%

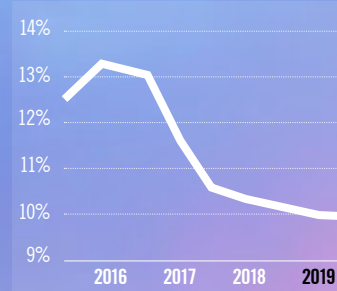
of the workforce earns over \$50,000 annually and 25% earn \$75,000 - \$150,000+ per year.

These figures also do not account for regional migration from the Bay Area which appears increasingly imminent as housing prices in the Sacramento Region are approximately 60% of Bay Area prices in every category. Suffice to say, the future of luxury apartments looks very, very bright in Sacramento's urban core.

SACRAMENTO DATA BITES

Sacramento's relative affordability versus amenities remains one of its biggest draws. Population growth is expected to average about 1% (20,000 annually for the region) over the next five years and is expected to outpace the national average. Household growth continues to far outpace the rate of single-family and apartment deliveries. In recent years, Bay Area residents have flocked to Sacramento to escape exorbitant housing costs.

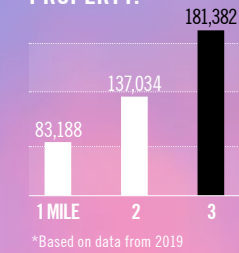
SACRAMENTO OFFICE VACANCY:



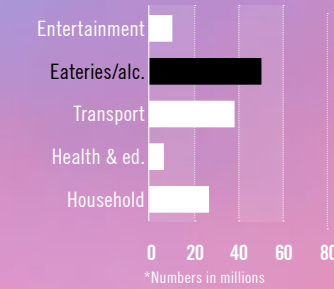
SACRAMENTO'S CITY RANKINGS

- #1 Happiest workers in midsized cities
- #2 Top 10 most fun, affordable U.S. cities
- #4 U.S. metro clean tech index
- #4 Best cities for nerds
- #5 Hot startup cities
- #10 Best cities for women in the workforce
- #10 Best cities for coffee snobs
- #10 Least Stressed-out cities
- #14 America's coolest cities
- #16 Best cities for millennials

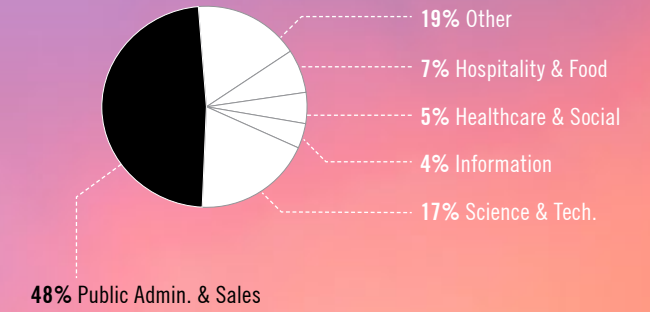
NUMBER OF EMPLOYEES WITHIN VARYING RADIUS OF THE PROPERTY:



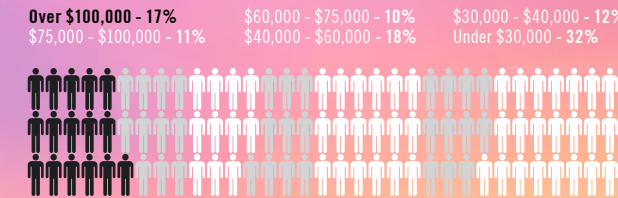
ANNUAL CONSUMER SPENDING WITHIN A ONE MILE RADIUS OF THE PROPERTY:



LARGEST EMPLOYMENT INDUSTRIES WITHIN 1 MILE RADIUS OF THE PROPERTY:



SACRAMENTO REGION ANNUAL SALARY BREAKDOWN:



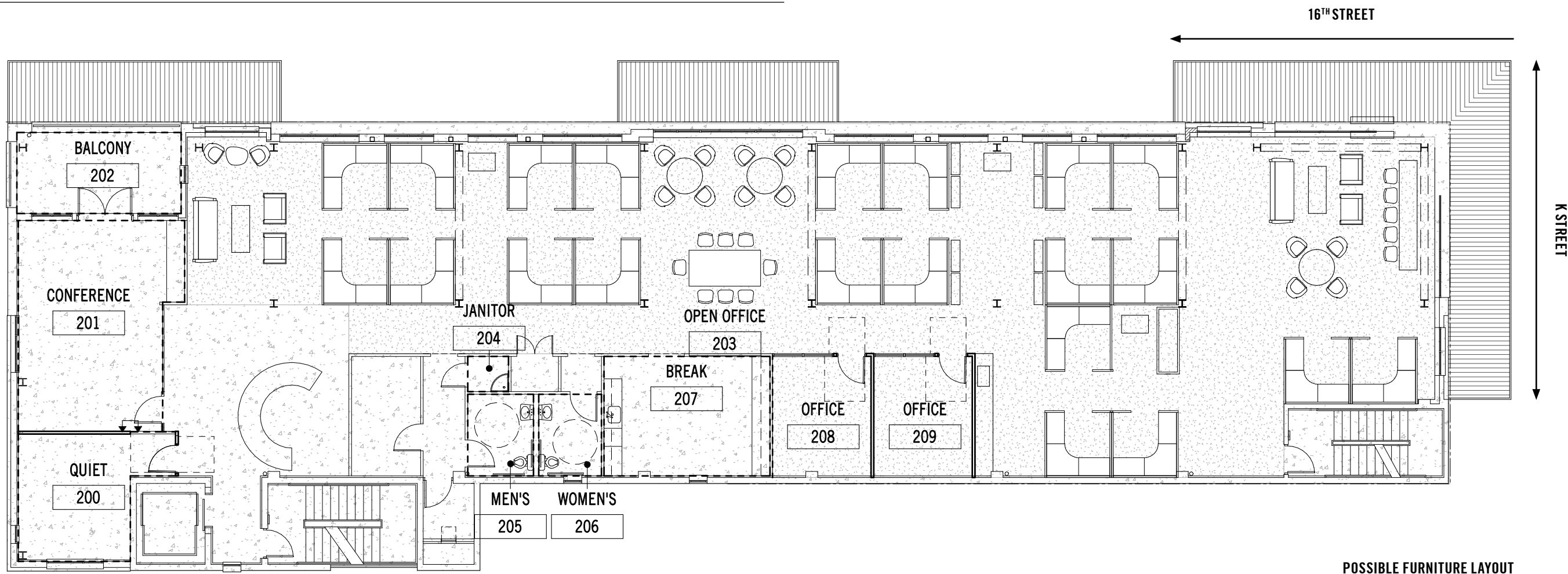
WALK SCORE: 97

BIKE SCORE: 98

TRANSIT SCORE: 55

FLOOR PLAN

1 AVAILABLE SPACE **± 6,823** RSF AVAILABLE **UNLIMITED** POSSIBILITIES





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TURTON
COMMERCIAL REAL ESTATE