

# GILTNER

REALTY ADVISORS

## OFFERING INFORMATION

### SAVEMART

3860 FLORIN ROAD SACRAMENTO, CALIFORNIA



### OVERVIEW

The subject is a 67,750 square foot free-standing single tenant commercial building leased to Save Mart dba Food Maxx and is part of a larger shopping center. The building is of painted concrete block construction and was completed in 1973, situated on 5.95 acres of commercially zoned land. The subject property lease originated in March 2003 for an initial 20-year term expired in March 2023. SaveMart extended the lease until October 31, 2042, with escalations in 2032 and 2037. There are two 5-year options to renew at fixed rental rates extending the potential occupancy to March 2053.

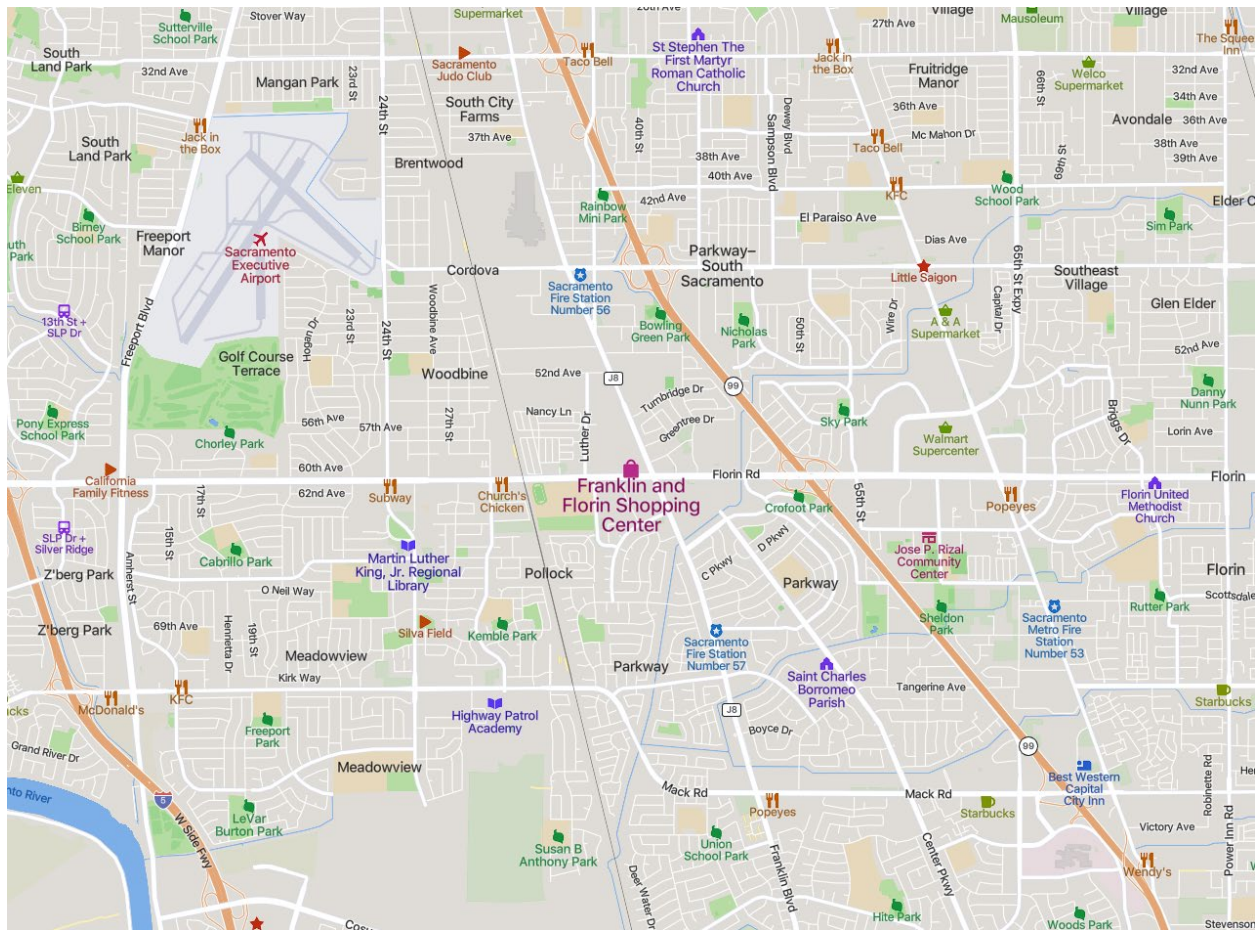
<u>Period (Firm)</u>	<u>Minimum Annual Rent</u>	<u>Minimum Monthly Rent</u>
11/1/2024 to 10/31/2032:	\$822,800.00/year	\$68,566.66
11/1/2032 to 10/31/2037:	\$866,800.00/year	\$72,233.33
11/1/2037 to 10/31/2042:	\$905,300.00/year	\$75,441.66

<u>Period (Options)</u>	<u>Minimum Annual Rent</u>	<u>Minimum Monthly Rent</u>
11/1/2042 to 10/31/2047:	\$932,800.00/year	\$77,733.33
11/1/2047 to 10/31/2052:	\$960,000.00/year	\$80,025.00

The current rental rate is \$68,566.66 per month, equivalent to \$1.01 per square foot per month on a triple net basis. The roof and the parking lot were replaced in 2020.

Save Mart is a privately held company that started in 1952 with its first store in Modesto. It is one of the leading grocers in California's Central Valley. It owns and operates stores under the names of Save Mart, S-Mart Foods, Lucky, and FoodMaxx and are primarily located in northern California and northern Nevada. They are reported to have 207 locations and 16,000 employees as of 2016. In 2006, Save Mart acquired 132 Albertsons stores in California and Nevada.

## SUBJECT PROPERTY





The urban sprawl of South Sacramento began with the routing of former U.S. Route 99 (now Stockton Boulevard) through the area. Stockton and Franklin boulevards extend southerly from Downtown Sacramento, and were used from the earliest days of the "gold mining" era for land routes to Stockton—as well as to travel to farming areas—long before the route was designated a U.S. highway.

The next transportation growth was the Southern Pacific Railroad and then several years after, the Western Pacific Railroad, both of which railroad tracks in neighboring Florin.

During the 1940s, steady growth of residential areas was occurring in neighboring areas of South Sacramento. During the 1950s additional shopping centers were developed on or near Stockton Boulevard and Florin Road, and new residential areas developed in the nearby Lindale and Florin areas. Rapid growth occurred in the early 1960s as the Florin Mall was built in South Sacramento as well as additions to the Lindale area, tapering off in the late '60s to early '70s

South Sacramento is a mecca of cultural specialties including home-grown ethnic restaurants and international supermarkets. Visit Little Saigon, specializing in goods and services from throughout Asia, including Vietnam, China, India, Cambodia, Philippines and Korea. It is also home to Sacramento's oldest family-owned and -operated winery, Frasinetti Winery, which was founded on the southern edge of Sacramento in 1897 and still produces wine today.

In 2022, Sacramento County was more diverse than it was in 2010. In 2022, the white (non-Hispanic) group made up 41.4% of the population compared with 48.5% in 2010. Between 2010 and 2022, the share of the population that is Asian (non-Hispanic) grew the most, increasing 3.2 percentage points to 17.5%. The white (non-Hispanic) population had the largest decrease dropping 7.1 percentage points to 41.4%.

<b>Population</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>	<b>10 Miles</b>	<b>15 Min. Drive</b>
Population	23,980	188,035	385,111	925,298	676,244
5 Yr Growth	4.5%	4.3%	4.2%	4.4%	4.6%
Median Age	31	33	35	36	36
5 Yr Forecast	33	35	37	37	38
White / Black / Hispanic	43% / 21% / 37%	45% / 18% / 38%	48% / 16% / 31%	56% / 13% / 27%	52% / 14% / 26%
5 Yr Forecast	42% / 20% / 38%	45% / 18% / 39%	47% / 15% / 32%	55% / 13% / 28%	51% / 14% / 27%
Employment	4,948	41,381	126,300	434,525	317,956
Buying Power	\$301.5M	\$2.6B	\$7.9B	\$22.2B	\$16.8B
5 Yr Growth	6.4%	6.6%	7.4%	7.7%	7.8%
College Graduates	9.8%	10.9%	21.5%	25.7%	37.7%
<b>Household</b>					
Households	7,243	57,233	131,405	334,315	242,132
5 Yr Growth	4.5%	4.2%	4.2%	4.5%	4.6%
Median Household Income	\$41,632	\$44,715	\$59,973	\$66,332	\$69,292
5 Yr Forecast	\$42,408	\$45,751	\$61,828	\$68,371	\$71,438
Average Household Income	\$56,230	\$59,475	\$80,070	\$87,365	\$89,348
5 Yr Forecast	\$57,718	\$61,037	\$82,169	\$89,593	\$91,640
% High Income (>\$75k)	27%	27%	40%	45%	46%
<b>Housing</b>					
Median Home Value	\$260,847	\$271,581	\$352,070	\$372,959	\$380,585
Median Year Built	1972	1970	1973	1976	1977
Owner / Renter Occupied	45% / 55%	50% / 50%	55% / 45%	54% / 46%	55% / 45%

SALE COMPARABLES

ADDRESS	TYPE	YR. BUI	SIZE	SALE DATE	PRICE	PER SQ FT.
107 Westview San Diego CA	Market Smart&Fin	2000	55,489	6/7/24	Part of Portfolio	\$548
230 Bay Pl. Oakland	Whole Foods	2007	57,218	9/26/24	\$44,400,000	\$776
1290 Henderson Porterville CA	Food For Less	2002	52,620	7/15/24	\$9,600,000	\$182
Plaza at Silverhawk Murrieta CA	Market	2004	48,305	12/3/24	\$27,221,500	\$564
2687 Gateway Rd Carlsbad CA	Stater Bros	2009	43,830	4/4/24	Part of Portfolio	\$523
415 N. Ash Street Escondido CA	\$.99 Cents Only	2005	14,000	8/15/24	\$4,000,000	\$286
2115 Morrill Ave San Jose CA	Market Island Pacif	1972	24,340	5/14/24	\$5,000,000	\$205

1601 N. Vermont LA, CA	Market Jon's Market	1964	30,754	1/3/24	\$15,100,000	\$500
109 N. McKinley St Corona CA	Market Food 4 Less	1989	55,000	6/7/24	\$8,700,000	\$158

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Purchase Price;	\$15,000,000
Cap Rate:	5.5%
Price per Sq. Ft.	\$222

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