



**±57,496 SF Office/Flex Single Tenant
NNN Investment Opportunity**

With Highly Specialized Improvements

Offering Memorandum



107

Woodmere Road

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01 | Executive Summary

The Offering

Colliers International, as exclusive advisor, is pleased to present this one of a kind NNN opportunity to acquire 107 Woodmere Road, which is a single-story, ±57,496 SF office flex building, located in the Lake Forest Tech Center micro market of Folsom, CA.

The building is leased to Stellant Systems, a designer and manufacturer of advanced RF and microwave solutions for both defense and commercial customers worldwide. Stellant Systems partners with civil, military, and commercial organizations to create technical foundations for a safer, more aware and connected world.

The subject property is located proximate to a cluster of technology companies including Powerschool, Verizon Wireless, Voxpro, Inductive Automation, and Agilent Technologies. The submarket is home to a diversified employment base and some of Sacramento's most notable corporate occupiers, including Intel, VSP, Kaiser Permanente, and Mercury Insurance.

High-end inventory is abundant, resulting in an average asking rent that is positioned near the top of the metro.

Investment Summary

Offering Price	\$14,650,000
Cap Rate	6.5%
Size	±57,496 SF
Lease Term	11/1/2023 - 6/30/2035 (2) 5-year options to extend
Rent	\$1.38 NNN with 2.5% annual increases \$79,560.09 per month NNN
Parking	223 surface stalls 4/1,000 ratio
Tenant	Stellant Systems, Inc.
Year Built/ Renovated	1984/1996/2008/Q3 2024

Investment Highlights



NNN Investment

Landlord is only financially responsible for exterior walls and foundation.

Specialized Tenant Improvements

The lab portion of the building is a highly specialized build out. It would be expensive for the tenant to duplicate and is a driver for the tenant being in place since 1996.

Accessible Location

107 Woodmere sits just off of Folsom Blvd where the average daily traffic is 34,563. Access to Highway 50 is 3 minutes away. All amenities are within in short walking distance.

Recent Upgrades

- New Roof 2021
- New HVAC 2021
- New Exterior Building Paint
- New Building Monument
- Parking Lot Overlay
- Currently in process is a full-remodel of the interior improvements including the restrooms

Abundant Parking

4/1,000 SF

Demographics

The subject property is located in Folsom, CA in the Lake Forest Tech Center area just off of Folsom Boulevard proximate to a cluster of technology companies. Highway 50 is easily accessible from the site and numerous coffee shops and restaurants are a short walk away.

Folsom is comprised of mostly single family homes occupied by high income families with an average household income of \$142,744 annually.

Folsom is a high growth area and over the course of the next 5 years is expected to expand its population by nearly 10% within a one mile radius and 4.5% in the entire city.

There are over 85,000 employees within a five mile radius of the subject property.

	1 mile	3 mile	5 mile
2023 Population	7,425	69,273	167,368
2028 Population	7,590	69,713	168,464
Median Household Income	\$134,974	\$105,746	\$113,019
Total Households	2,972	28,856	65,382
Median Age	39	40	40



Sacramento MSA



While California's population has declined over the last three years, the Sacramento region continued to grow. Sacramento was ranked number two nationally in 2022 in U-Haul's top growth cities. It was also ranked the best place to live in California by Forbes in 2023. As the capital of California, the world's fifth largest economy, the Sacramento region has long been known as a government town. However, the region has undergone a significant economic diversification in the last decade with companies relocating to or expanding across Sacramento to tap into its diverse talent pool. Half of the region's population with a Bachelor's degree or higher have science, technology, engineering, or mathematical degrees. Healthcare providers have recorded tremendous employment growth and biotechnology and medical device manufacturers along with Bay Area tenants and major corporations like Apple, Walmart, Target, and Amazon have major presences.

There are 718,000 students enrolled in two-year and four-year universities within 100 miles of Sacramento, more than Raleigh, Denver, and Seattle. UC Davis is a globally recognized research institution with more than 40,000 students. It is ranked the number one university in the U.S. for agriculture/forestry and veterinary medicine. UC Davis also is a top 20 university for

external research funding with \$1.07 billion raised in fiscal year 2021-2022. The growth of companies spinning out of Davis is accelerating and boosting the region's biotechnology and agriculture-technology sectors – benefitting the local commercial real estate market. In 2023, Business Facilities ranked Sacramento as the number two market nationally for life science growth.

In addition to having a relatively affordable cost of living in California, Sacramento also offers a vibrant quality of life to its 2.4 million residents. Sacramento has a diverse array of communities to live in spanning urban, suburban, and foothill neighborhoods. Its local schools are excellent and its urban core is teeming with new development with 200+ events per year held at the Sacramento Kings' Golden 1 Center. There are more than 200 wineries, 40 breweries, and 15 Michelin recognized restaurants in the Farm-to-Fork Capital of America. Furthermore, the region offers numerous recreational opportunities with 4,700+ acres of parks, nine rivers and lakes, and more than 180 miles of bike trails. Centrally located, Sacramento is a 90-minute drive to Lake Tahoe and one hour away from Napa wine country.



02 | Property Overview

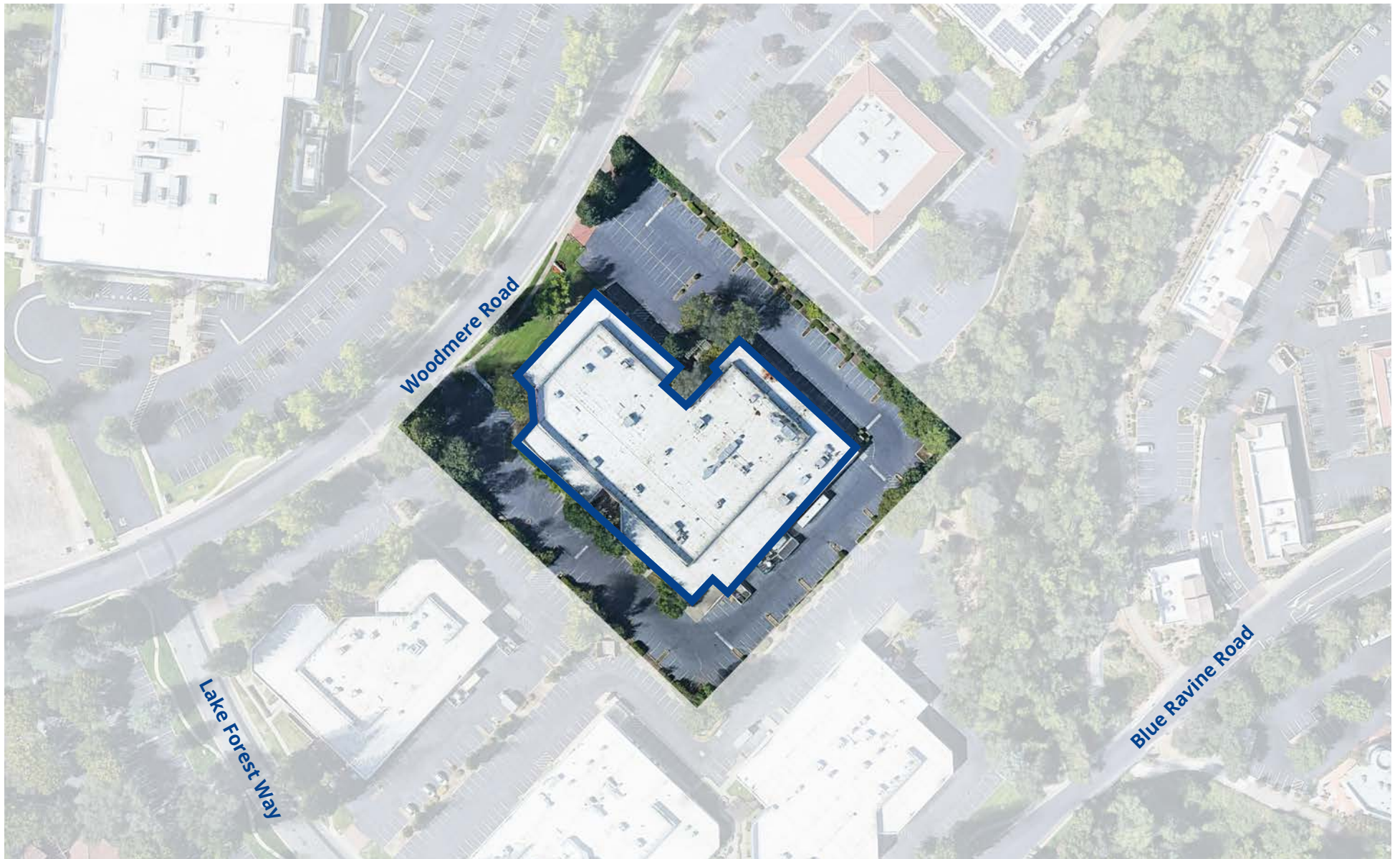
Property Summary



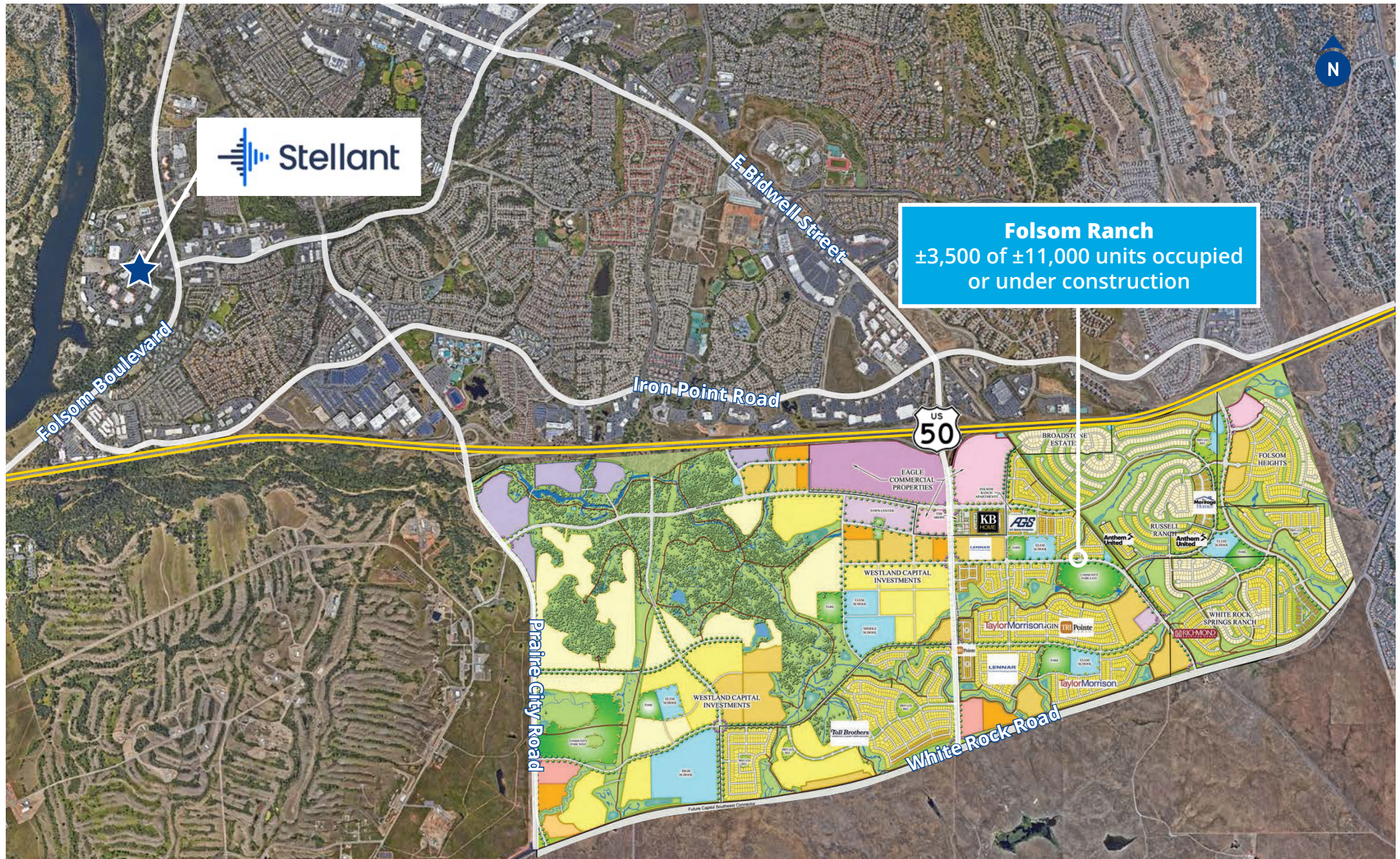
Property Address	107 Woodmere Road Folsom, CA 95630
Year Built/Renovated	1984/1996/2008/2024
Total Building SF	±57,496 SF
Land Area Acres	±3.89 Acres
Land Area SF	±169,488 SF
Parcel Numbers	069-0240-005
Tenant	Stellant Systems, Inc

Zoning	Light Industrial
County	Sacramento
Walk Score	Car-dependent (37)
Mass Transit	Some Transit (49) Light rail stop 0.9 miles away
Neighborhood	Folsom
Traffic Counts	Folsom Blvd. and Woodmere Rd - 34,563 ADT

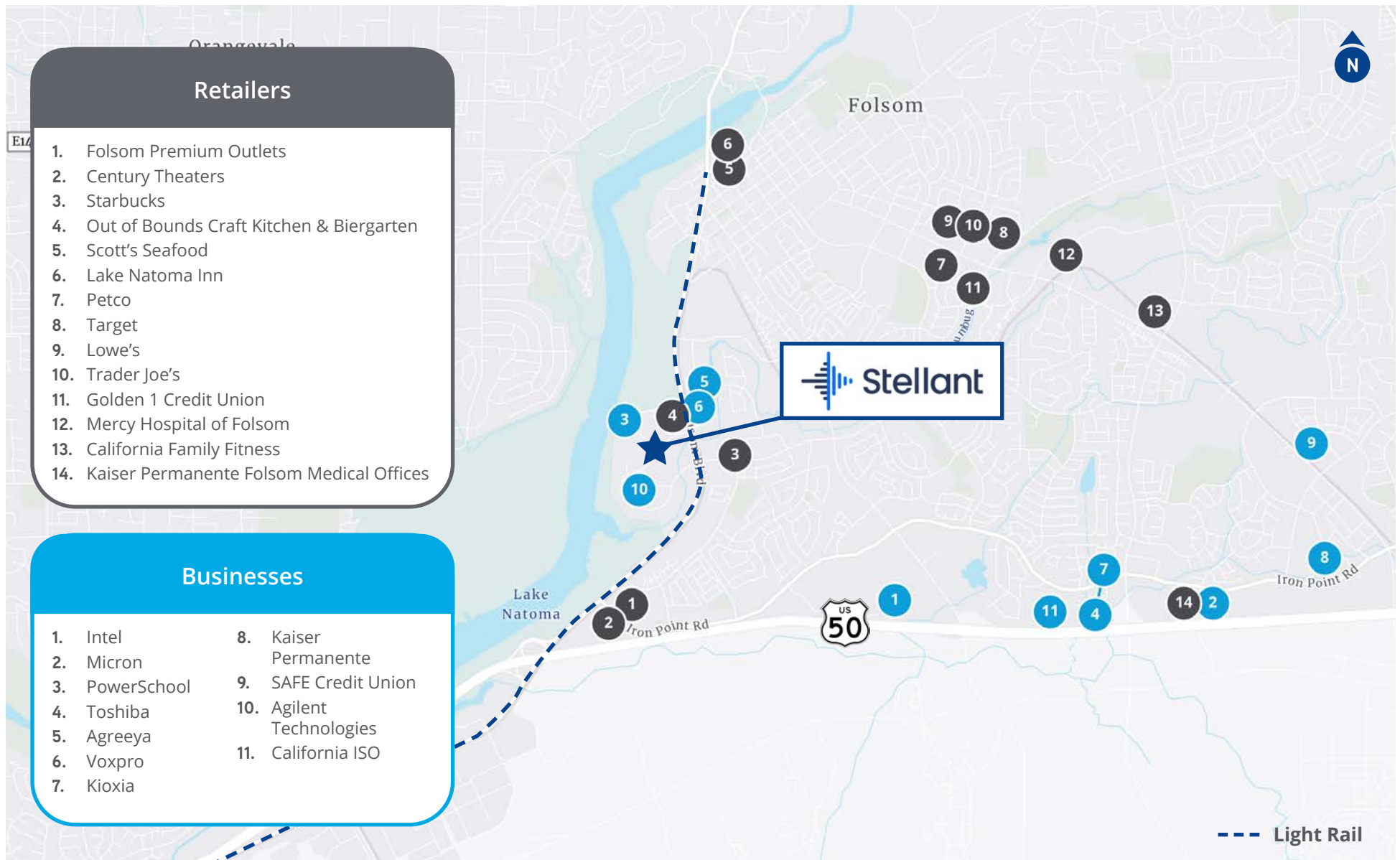
Site Plan

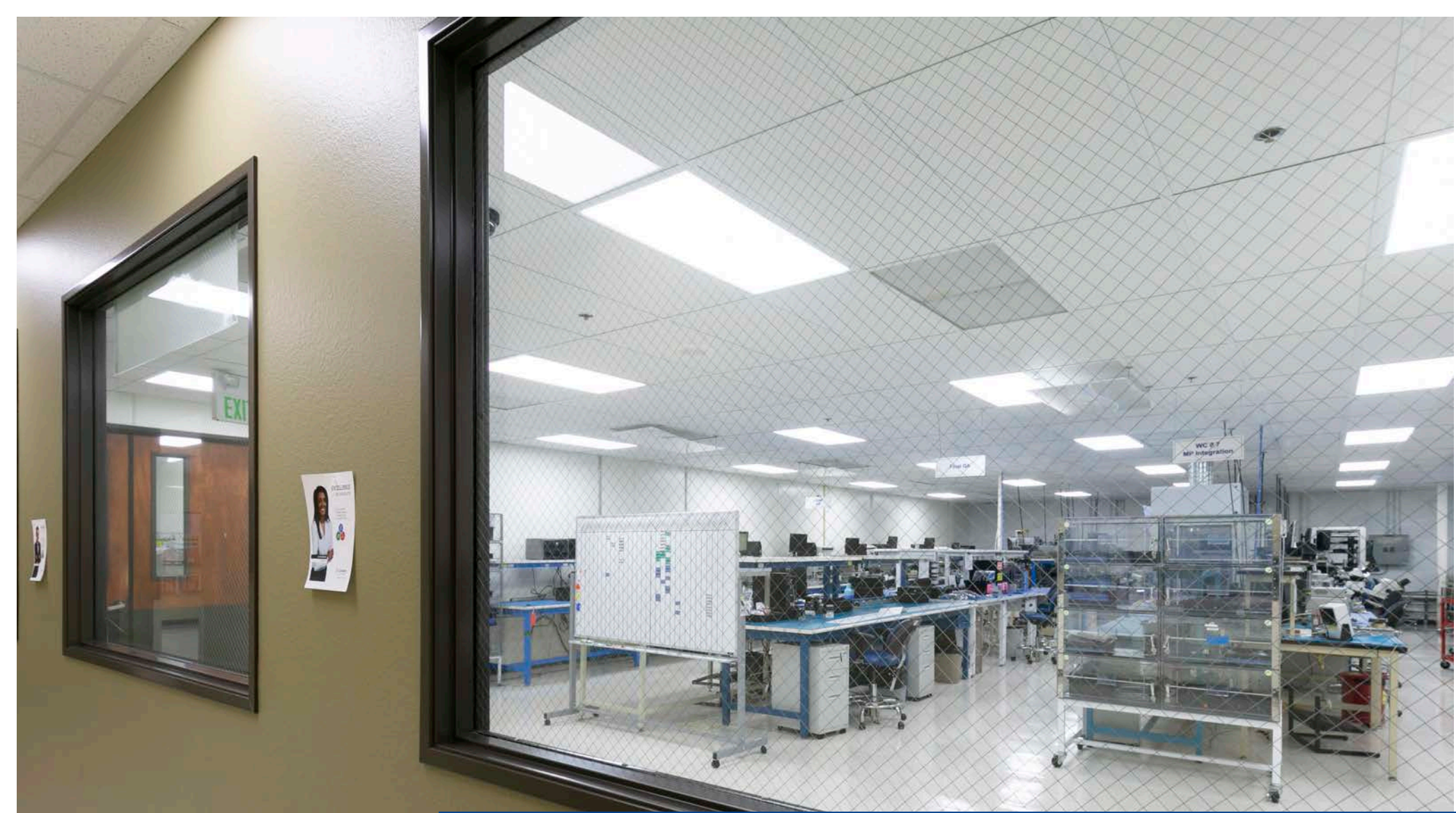


Location Aerial



Nearby Retailers and Businesses





03 | Financial Analysis

Financial Analysis

Price \$14,650,000	Cap Rate 6.5%	Term 11 YEARS	Occupancy 100%
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Rent Roll							
Tenant/Subtenant	Square Feet	Monthly Rent	Annual Rent	Annual Rent PSF	Lease Type	Current Term Start	Current Term End
Stellant Systems	±57,496	\$79,560.06	\$955,801.08	\$16.56	NNN	November 1, 2023	June 30, 2035

Rent:

Commenced at \$77,619.60 (\$1.35 NNN) with 2.5% annual increases beginning November 1, 2024.

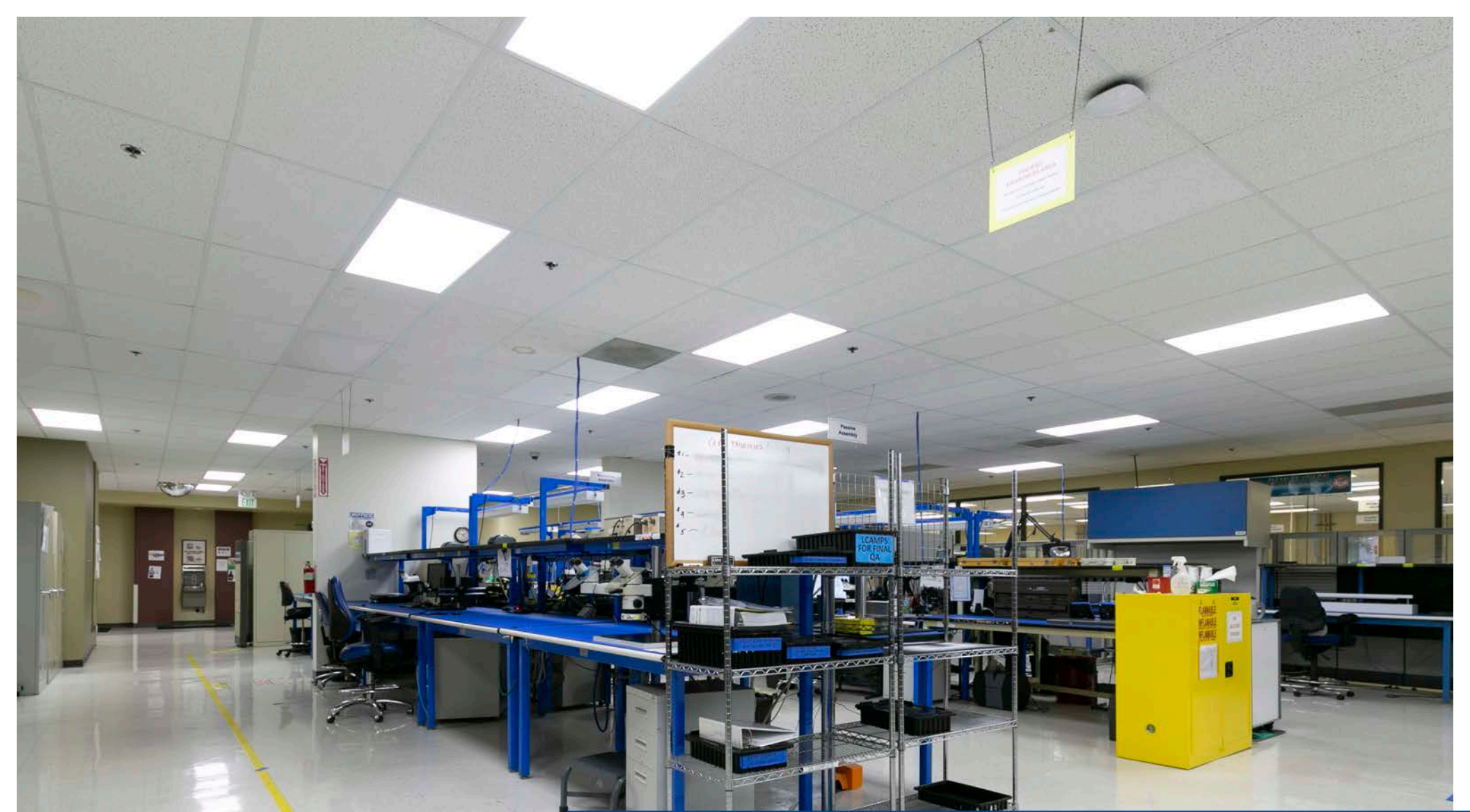
TI:

At lease execution, Landlord provided tenant with a \$25 per square foot (\$1,437,000.00) tenant improvement allowance.

Options:

Tenant has two options to extend the lease for two consecutive five year periods at fair market value. The rental rate for the first twelve (12) months of each extension term shall increase 2.5% from the previous year of the current term, and the rent will continue to increase 2.5% annually through the term of the extension period(s).





04 | Tenant Profile

Tenant Profile



Stellant powers signals that make the world safe, aware, and connected, but changes to ensure we meet our obligations, deliver on time every time, and innovate new solutions for the future. Our specialized capabilities include: cathode manufacturing, ceramic metallization, vapor deposition of metals, wet chemical, process lab, high temperature furnace

brazing, operations, real-time x-ray scanning electron, microscopy with energy dispersive x-ray (SEM/EDX), and electron spectroscopy for chemical analysis (ESCA).

With businesses that started as Charles Litton's Engineering Laboratories in 1932 (San Carlos, CA) and Howard Hughes Microwave Tube division in 1959 (Torrance, CA), along with multiple acquisitions and consolidation of divisions that operated under larger organizations (Sylvania, Loral, GM Hughes, Sperry, GE, RCA Raytheon, Boeing, and L3Harris — to name a few), that heritage is preserved and continues today as Stellant Systems.

Confidentiality agreement

This Confidential Offering Memorandum (the "Memorandum") has been prepared and presented to the recipient (the "Recipient") by Colliers International ("Colliers") as part of Colliers' efforts to market for lease the real property located at 107 Woodmere Rd, Folsom, CA 95630 (the "Property"). Colliers is the exclusive agent and broker for the owner(s) of the Property (the "Owner"). Colliers is providing this Memorandum and the material contained in it to the Recipient solely to assist the Recipient in determining whether the Recipient is interested in potentially purchasing all or part of the Property.

Colliers also is providing this Memorandum and the material in it to the Recipient with the understanding that the Recipient will independently investigate those matters that it deems necessary and appropriate to evaluate the Property and that the Recipient will rely only on its own investigation, and not on Colliers, the Owner or this Memorandum, in determining whether to purchase the Property. The Recipient's use of this Memorandum and the material in it is strictly governed by the terms and conditions of the Registration and Confidentiality Agreement that the Recipient previously executed and delivered to Colliers.

Please Note the Following: Colliers, the Owner and their respective agents, employees, representatives, property managers, officers, directors, shareholders, members, managers, partners, joint venturers, corporate parents or controlling entities, subsidiaries, affiliates, assigns and predecessors and successors-in-interest make no representations or warranties about the accuracy, correctness or completeness of the information contained in this Memorandum. The Recipient is urged not to rely on the information contained in this Memorandum and to make an independent investigation of all matters relating to the Property.

This Memorandum includes statements and estimates provided by or to Colliers and/or the Owner regarding the Property. Those statements and estimates may or may not be accurate, correct or complete. Nothing contained in this Memorandum should be construed as a representation or warranty about the accuracy, correctness or completeness of such statements and estimates. Further, nothing contained in this Memorandum should be construed as representation or warranty about any aspect of the Property, including, without limitation, the Property's (1) past, current or future performance, income, uses or occupancy, (2) past, current or prospective tenants, (3) physical condition, (4) compliance or non-compliance with any permit, license, law, regulation, rule, guideline or ordinance, or (5) appropriateness for any particular purpose, investment, use or occupancy. Again, the Recipient is urged not to rely on this Memorandum and the statements and estimates in it and to make an independent investigation regarding the Property and the statements and estimates contained herein.

This Memorandum may include statements regarding, references to, or summaries of, the nature, scope or content of contracts and/or other documents relating to the Property. Those statements, references or summaries may or may not be accurate, correct or complete. Additionally, Colliers may not have referenced or included summaries of each and every contract and/or other document that the Recipient might determine is relevant to its evaluation of the Property. Nothing contained in this Memorandum should be construed as a representation or warranty about the accuracy, correctness or completeness of such statements, representations or summaries. On request and as available, and subject to the Owner's consent, Colliers will provide the Recipient with copies of all referenced contracts and other documents. Colliers assumes no obligation to supplement or modify the information contained in this Memorandum to reflect events or conditions occurring on or after the date of its preparation of this Memorandum. More detailed information regarding the anticipated terms, conditions and timing of any offering by the Owner relating to the Property will be provided in due course by separate communication. Colliers and/or the Owner reserve the right to engage at any time in discussions or negotiations with one or more recipients of this Memorandum and/or other prospective purchasers of the Property without notice or other obligation to the Recipient.

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