

OFFERING MEMORANDUM

1899 MENDOCINO AVENUE

Santa Rosa, CA 95401

ALEX PROVOST
Managing Principal
(512)-216-5495
ap@alpharetx.com
LIC #2000077

JONATHAN FRAGER
Associate Vice President
(650) 477-0376
jf@alpharetx.com
LIC #02109886



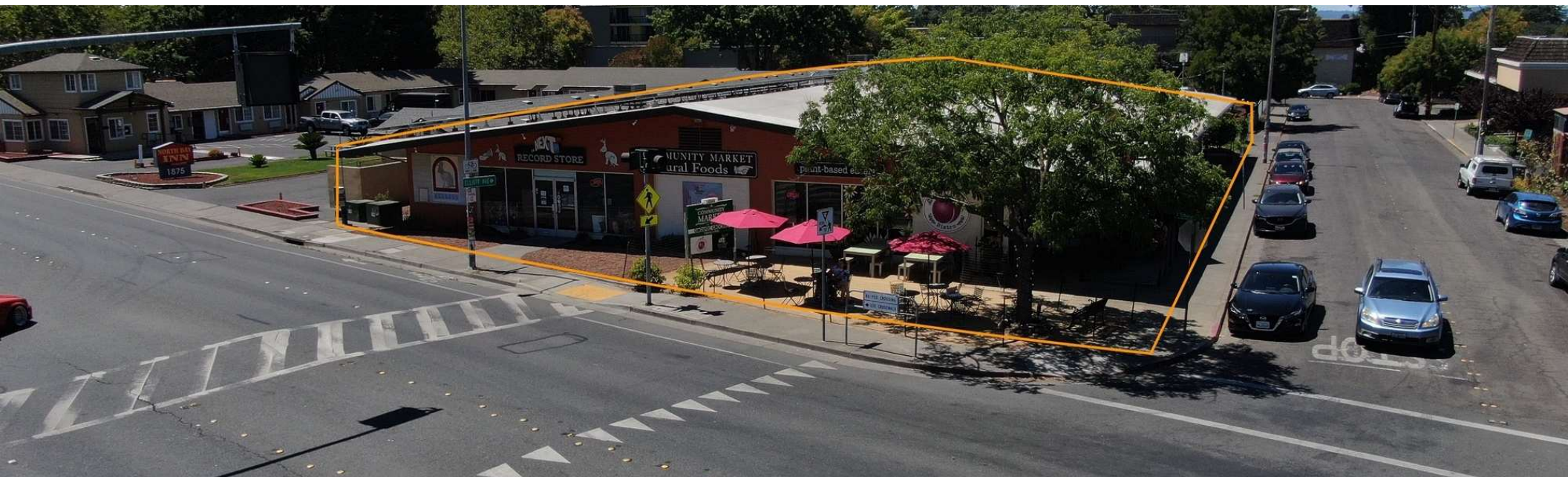
ALPHA
REAL ESTATE ADVISORS

An aerial photograph of a suburban neighborhood. In the foreground, a large commercial building with a flat roof and solar panels is outlined in orange. To its right is a large parking lot, also outlined in orange. The background shows a dense residential area with many trees and houses, leading up to a range of hills under a clear blue sky.

SECTION 1

ABOUT THE INVESTMENT

OFFERING SUMMARY



OFFERING SUMMARY

SALE PRICE:	\$ 6,250,000
CAP RATE:	6.5%
BUILDING SIZE:	12,549 SF
LOT SIZE:	0.96 Acres
NOI:	\$409,686
YEAR BUILT:	1957
ZONING:	City SRCC
APN:	180-310-012
OWNERSHIP:	Fee Simple

PROPERTY OVERVIEW

Alpha Real Estate Group is pleased to present 1899 Mendocino Avenue, Santa Rosa, CA "the "Subject Property". The Subject property is situated in a prime location on Mendocino Avenue, a main thoroughfare of Santa Rosa, and is anchored by the Community Market, which has occupied this site since 1987 and recently renewed their Lease. With another prominent location at the Barlow in Sebastopol, the Community Market is a local anchor for the community and small businesses. The property is located adjacent to Santa Rosa Junior College, which is consistently ranked among the Nation's top 100 community colleges.

PROPERTY HIGHLIGHTS

- Occupied by a premier local tenant that continued to pay rent through both the 2008 Financial Crisis and the 2020 COVID Pandemic.
- Stabilized NNN investment
- Irreplaceable location adjacent to Santa Rosa Junior College and within close proximity to major retailers.



COMMUNITY MARKET LEASE SUMMARY



LEASE

- Community Market has operated at this location since 1987, and recently extended their Lease until December 31, 2032, with no options to extend. Community Market reports sales and they have consistently been trending upwards since 2020. The Tenant occupies 7,949 SF (~63% of the Project) on a NNN Lease.

TENANT OVERVIEW

COMPANY:	Community Market
FOUNDED:	1975
LOCATION(S):	2
WEBSITE:	www.cmnaturalfoods.com
SQUARE FEET	7,949

RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	RENT PER SF
1/1/24 - 12/31/25	\$286,164	\$3.00
1/1/26 - 12/31/27	\$294,113.04	\$3.08
1/1/28 - 12/31/29	\$302,061.96	\$3.20
1/1/30 - 12/31/31	\$310,011	\$3..25



COMMUNITY MARKET OVERVIEW

On June 25, 1975, Country People's Warehouse and Santa Rosa Community Market opened for business. Within a year Country People's Warehouse was serving ten stores, three dozen buying clubs, and several restaurants. In 1976, CPW incorporated as a nonprofit. The store was operated entirely by volunteers from the membership.

In early 1976: Sunshine Produce Distribution was founded to truck organic vegetables from local growers from the San Francisco produce market. CPW organized Morningstar Trucking, a small team of all-women truckers with routes from San Diego, Fresno, and as far as British Colombia and Arizona.

Country People's Warehouse, Community Market, Sunshine Produce, Morningstar Trucking and Red Clover Bakery (which eventually became Alvarado Street) banded together in April 1976 under an umbrella organization, the Red Clover Worker's Brigade.

By 1987 Santa Rosa Community Market was the only remaining enterprise in the Red Clover Worker's Brigade and was established at its current location. RCWB is still the organization that operates Community Market as Mutual Benefit Corporation and a worker-run model to this day.

In 2013 Community Market opened a second store, located in Sebastopol. With the support of their loyal customers, they've been providing Sonoma County with natural foods, organic produce, and holistic health products for over 40 years.

For additional information, please see [www.https://www.cmnaturalfoods.com](https://www.cmnaturalfoods.com)





THAI HOUSE NOODLE SOUP LEASE SUMMARY



TENANT HIGHLIGHTS

- Thai Noodle House has operated at this location since 2024, and its current term expires on 7/31/29, with no options to extend. The Tenant occupies 1,900 SF (~15% of the Project) on a NNN Lease.

TENANT OVERVIEW

COMPANY:	Thai House Noodle Soup
FOUNDED:	2023
LOCATION(S):	1
WEBSITE:	www.https://thaihousenoodles.com/
SQUARE FEET:	1,900

RENT SCHEDULE

LEASE YEARS	MONTHLY BASE RENT	RENT PER SF
1/1/25 - 3/31/25	\$5,225	\$2.75
4/1/25 - 3/31/26	\$5,377	\$2.83
4/1/26 - 3/31/27	\$5,529	\$2.91
4/1/27 - 3/31/28	\$5,700	\$3.00
4/1/28 - 3/31/29	\$5,871	\$3.09
4/1/29 - 7/31/29	\$6,042	\$3.18



THE NEXT RECORD STORE LEASE SUMMARY



TENANT HIGHLIGHTS

- The Next Record store has operated at this location since 2003, and its current term expires on 12/31/27, with no options to extend. The Tenant occupies 2,700 SF (~22% of the Project) on a NNN Lease.

TENANT OVERVIEW

COMPANY:	The Next Record Store
FOUNDED:	1983
LOCATION(S):	1
WEBSITE:	https://the-next-record-store.square.site/
SQUARE FEET:	2,700

RENT SCHEDULE

LEASE YEARS	MONTHLY BASE RENT	RENT PER SF
6/1/24 - 5/31/25	\$4,914	\$1.82
6/1/25 - 5/31/26	\$5,076	\$1.88
6/1/26 - 12/31/27	\$5,238	\$1.94



RENT ROLL

Rent Roll														
	SF	% of GLA	LCD	LED	LTR	Base Rent	2025	2026	2027	2028	2029	2030	2031	2032
Community Market	7,949	63%	Dec-87	Dec-31	7	Annual	\$286,164	\$294,113	\$294,113	\$302,062	\$302,062	\$310,011	\$310,011	\$310,011
						PSF	\$3	\$3.08	\$3.08	\$3.17	\$3.17	\$3.25	\$3.25	\$3.25
						Monthly	\$23,847	\$24,509	\$24,509	\$25,172	\$25,172	\$25,834	\$25,834	\$25,834
Thai House Noodles	1,900	15%	Aug-24	Jul-29	4	Annual	\$64,524	\$66,348	\$68,400	\$70,452	\$72,504			
						PSF	\$2.83	\$2.91	\$3.00	\$3.09	\$3.18			
						Monthly	\$5,377	\$5,529	\$5,700	\$5,871	\$6,042			
The Next Record Store	2,700	22%	Jan-11	Dec-27		Annual	\$57,348	\$59,068	\$60,836					
						PSF	\$1.77	\$1.82	\$1.88					
						Monthly	\$4,779	\$4,922	\$5,070					

FINANCIALS



Pro Forma																				
			2025		2026		2027		2028		2029		2030		2031		2032			
Base Rent																				
	Community Market	\$	286,164	\$	294,113	\$	294,113	\$	302,062	\$	302,062	\$	310,011	\$	310,011	\$	310,011	\$	310,011	
	Thai House Noodles	\$	64,524	\$	66,348	\$	68,400	\$	70,452	\$	72,504	\$	72,504	\$	72,504	\$	72,504	\$	72,504	
	The Next Record Store	\$	57,348	\$	59,068	\$	60,836	\$	64,800	\$	66,744	\$	68,746	\$	70,809	\$	72,933	\$	72,933	
	Total	\$	408,036	\$	419,529	\$	423,349	\$	437,314	\$	441,310	\$	451,261	\$	453,324	\$	455,448	\$	455,448	
CAM Reimbursement																				
	Community Market	\$	13,386	\$	13,386	\$	13,386	\$	13,386	\$	13,386	\$	13,386	\$	13,386	\$	13,386	\$	13,386	
	Thai House Noodles	\$	3,187	\$	3,283	\$	3,381	\$	3,483	\$	3,587	\$	3,695	\$	3,806	\$	3,920	\$	3,920	
	The Next Record Store	\$	4,675	\$	4,815	\$	4,959	\$	5,108	\$	5,261	\$	5,419	\$	5,582	\$	5,749	\$	5,749	
	Total	\$	21,248	\$	21,484	\$	21,727	\$	21,977	\$	22,235	\$	22,500	\$	22,774	\$	23,055	\$	23,055	
Insurance Reimbursement																				
	Community Market	\$	13,342	\$	13,742	\$	14,155	\$	14,579	\$	15,017	\$	15,467	\$	15,931	\$	16,409	\$	16,409	
	Thai House Noodles	\$	3,177	\$	3,272	\$	3,370	\$	3,471	\$	3,575	\$	3,683	\$	3,793	\$	3,907	\$	3,907	
	The Next Record Store	\$	4,659	\$	4,799	\$	4,943	\$	5,091	\$	5,244	\$	5,401	\$	5,563	\$	5,730	\$	5,730	
	Total	\$	21,178	\$	21,813	\$	22,468	\$	23,142	\$	23,836	\$	24,551	\$	25,287	\$	26,046	\$	26,046	
Property Tax Reimbursement																				
	Community Market	\$	35,690	\$	36,760	\$	37,863	\$	38,999	\$	40,169	\$	41,374	\$	42,615	\$	43,894	\$	43,894	
	Thai House Noodles	\$	8,498	\$	8,752	\$	9,015	\$	9,285	\$	9,564	\$	9,851	\$	10,146	\$	10,451	\$	10,451	
	The Next Record Store	\$	12,463	\$	12,837	\$	13,222	\$	13,619	\$	14,027	\$	14,448	\$	14,881	\$	15,328	\$	15,328	
	Total	\$	56,650	\$	58,350	\$	60,100	\$	61,903	\$	63,760	\$	65,673	\$	67,643	\$	69,672	\$	69,672	
Total Revenue			\$	507,112	\$	521,176	\$	527,643	\$	544,336	\$	551,141	\$	563,985	\$	569,028	\$	574,222	\$	574,222
Operating Expenses																				
	CAM Expense	\$	21,248	\$	21,886	\$	22,542	\$	23,218	\$	23,915	\$	24,632	\$	25,371	\$	26,132	\$	26,132	
	Insurance Expense	\$	21,178	\$	21,813	\$	22,468	\$	23,142	\$	23,836	\$	24,551	\$	25,287	\$	26,046	\$	26,046	
	Property Tax Expense	\$	55,000	\$	56,650	\$	58,350	\$	60,100	\$	61,903	\$	63,760	\$	65,673	\$	67,643	\$	67,643	
Total Operating Expenses			\$	97,426	\$	100,349	\$	103,359	\$	106,460	\$	109,654	\$	112,943	\$	116,332	\$	119,822	\$	119,822
NOI			\$	409,686	\$	420,827	\$	424,284	\$	437,876	\$	441,487	\$	451,042	\$	452,696	\$	454,400	\$	454,400

*3% annual expense growth assumed

*1/1/25 Analysis Start

*Assumes inline tenant renewals with 3% annual increases

SITE PLAN





SECTION 3

LOCATION INFORMATION



SANTA ROSA, CA OVERVIEW



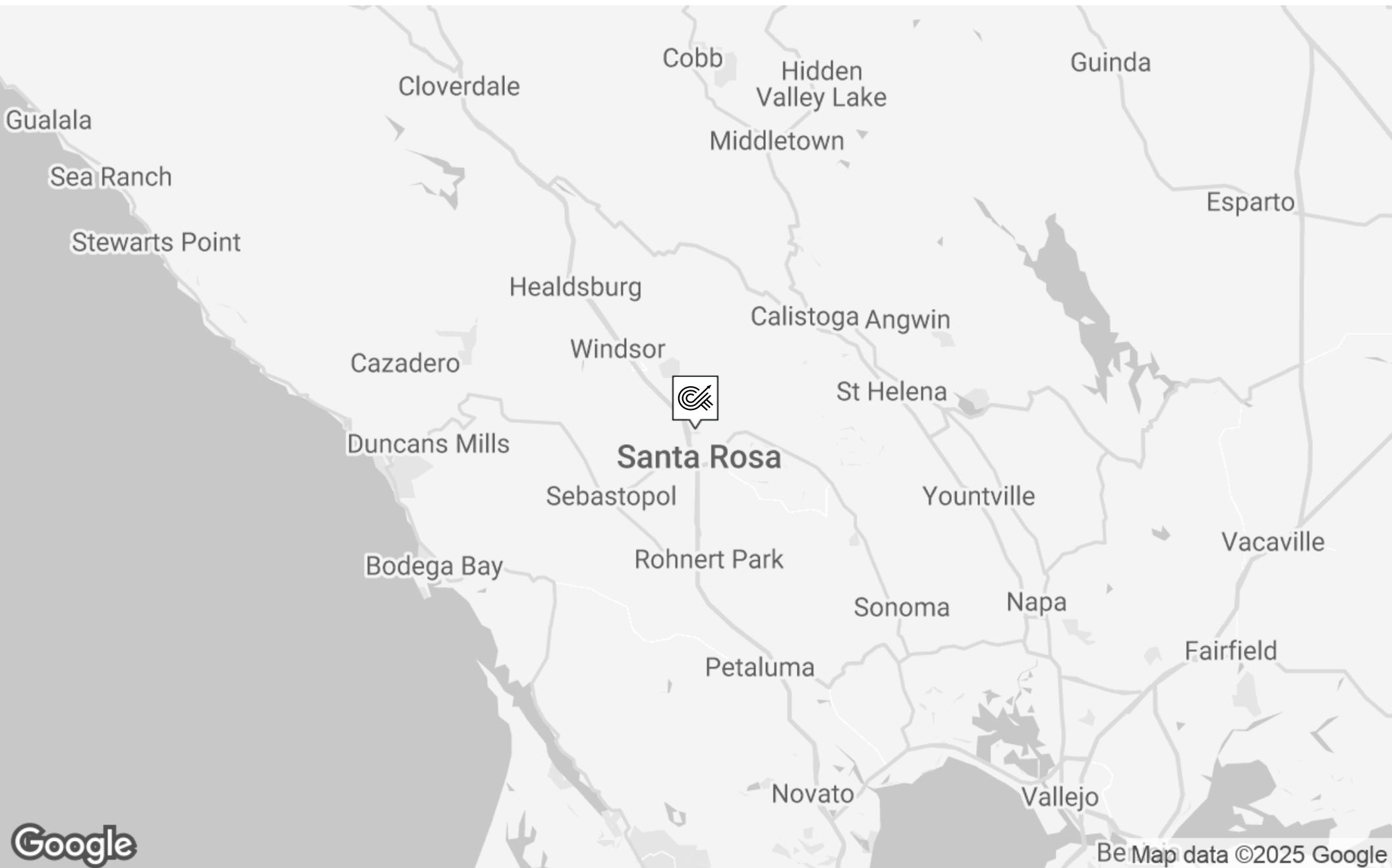
LOCATION DESCRIPTION

Santa Rosa has a population of approximately 171,000 and is the government, financial, medical, and retail center of Sonoma County. Santa Rosa is located 47 miles north of the Golden Gate Bridge in the world-class Sonoma County Wine Country. Santa Rosa is the County seat and largest business and economic center between San Francisco and Portland, OR. Santa Rosa has an unemployment rate of 3.1%, which is 0.6% lower than the U.S. average. The Santa Rosa job market has increased by 1.7% over the last year with future job growth over the next ten years predicted to be 34.8%, which is higher than the U.S. average of 33.5%. Median Household Income is approximately \$95,700 with a population of 191,545 in a 5-mile radius and approximately \$100,600 with a population of 333,557 in a 10-mile radius.

Sonoma County has a population of approximately 500,000 and is known for its incredible natural beauty, technology base and bioscience firms, diverse landscape, world-class foods and beverages including approximately 250 wineries and 25 craft beer breweries, 16 American Viticultural Areas (AVA's) nestled between the Mayacamas Mountains and the beautiful Pacific Coast/Bodega Bay to the Russian River and Sonoma Valley. Employment and innovation leaders include Medtronic, Keysight (formerly Agilent), JDS Uniphase, Tri Vascular Medical Devices, American Ag Credit, Kaiser Hospital, St. Joseph Health, and Sutter Health. Sonoma County educational institutions include Sonoma State University, Empire College, Santa Rosa Junior College, and a branch of San Francisco State University.

Sonoma County is the home to a burgeoning craft beer industry led by world renowned breweries including Lagunitas Brewing Co., Russian River Brewing Co., and Bear Republic Brewing Co. The annual release in Downtown Santa Rosa of Russian River Brewing Company's Pliny the Younger draws thousands of beer aficionado's from around the world for two weeks in February and is ranked among the world's top craft beers. The economic impact of the craft brewing industry in Sonoma County is estimated to be over \$125,000,000. During the last 30 years, the popularity and significance of Sonoma County wines have given rise to a variety of cultural amenities, attractions, and experiences including wine tasting, winemaker dinners, vineyard cycling, and competitive cycling events, the Green Music Center, Wells Fargo Center for the Arts, and the recent boom in craft breweries tours.

REGIONAL MAP



Be Map data ©2025 Google



LOCATION MAP

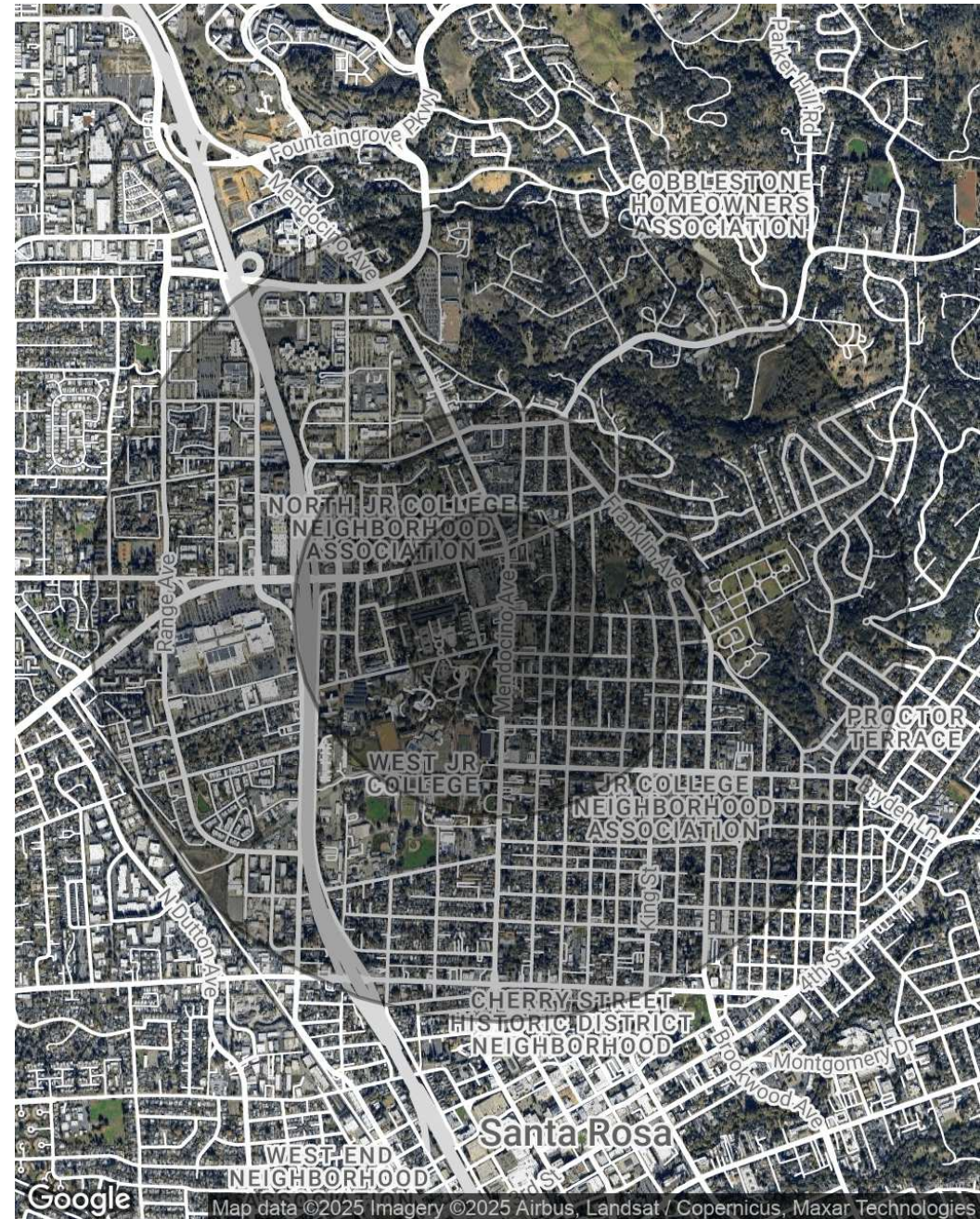




DEMOGRAPHICS MAP & REPORT

POPULATION	0.25 MILES	0.5 MILES	1 MILE
Total Population	1,048	4,253	17,694
Average Age	32.1	35.0	38.6
Average Age (Male)	31.9	33.6	36.2
Average Age (Female)	32.5	36.2	39.9
HOUSEHOLDS & INCOME	0.25 MILES	0.5 MILES	1 MILE
Total Households	404	1,697	7,906
# of Persons per HH	2.6	2.5	2.2
Average HH Income	\$78,060	\$85,010	\$84,577
Average House Value	\$585,808	\$581,843	\$442,807
ETHNICITY (%)	0.25 MILES	0.5 MILES	1 MILE
Hispanic	34.9%	29.4%	26.3%
RACE	0.25 MILES	0.5 MILES	1 MILE
% White	59.4%	65.4%	69.1%
% Black	8.9%	7.8%	4.0%
% Asian	2.1%	2.4%	4.0%
% Hawaiian	0.0%	0.1%	0.1%
% American Indian	3.1%	2.5%	1.3%
% Other	10.7%	9.5%	13.8%

2020 American Community Survey (ACS)



EXCLUSIVELY LISTED BY

ALEX PROVOST
MANAGING DIRECTOR
C. 512.216.5495
AP@ALPHARETX.COM
LIC. #2000077

JONATHAN FRAGER
ASSOCIATE VICE PRESIDENT
C. 650.477.0376
JF@ALPHARETX.COM
LIC. #02109886

BROKER
BRADEN CROCKETT
O. 310.947.8007
BRADEN@ALPHARE.COM
LIC. #831271