

SACRAMENTO SPORTSPLEX FOR SALE



11327 FOLSOM BOULEVARD, RANCHO CORDOVA

NEWMARK

OFFERING MEMORANDUM

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All tours must be arranged through listing agents.

This is a confidential memorandum intended solely for your own limited use to determine whether you wish to express interest in the purchase of the subject property. This memorandum contains selected information pertaining to the described property and has been prepared primarily from information supplied by the Seller and Newmark, agent for the Seller. This memorandum does not purport to be all-inclusive nor to contain all of the information which a prospective investor may desire. Neither the Seller nor any of their employees, or agents, including Newmark, makes any representation or warranty, expressed or implied, as to the accuracy or completeness of this confidential memorandum or any of its contents, and no legal liability is assumed or to be implied by any of the aforementioned with respect thereto. By your receipt of this memorandum, you agree that the information contained herein is of a confidential nature, that you will not, directly or indirectly, disclose or permit anyone else to disclose this memorandum or any part of the contents to any other person, firm or entity without prior written authorization of Seller or Newmark, nor will you use or permit to be used this memorandum or any part of the contents in any fashion or manner detrimental to the interests of the Seller.

The Seller expressly reserves the right, at its sole discretion, to reject any or all proposals or expressions of interest in the subject property and to terminate discussions with any party at any time with or without notice.

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THE OFFERING

With 15-acres and $\pm 250,000$ SF of established indoor sporting venues, the Sacramento Sportsplex is one of the largest indoor sports and recreation centers in North America. The complex is comprised of seven industrial buildings, separately owned across five parcels. The Subject property is the anchor $\pm 94,000$ SF Class B suburban industrial building located at 11327 Folsom Blvd. Three tenants including Wacky Tacky indoor playground, Fitness Outlet gym equipment wholesaler, and OMNI Volleyball club occupy 100% of the Subject asset. Other tenants at the facility include The Swimstitute indoor swimming, Granite Arch indoor rock climbing, and Technique Gymnastics activity center.

As of October 2023, the Subject property offers a 2.89-year WALT and \$.63psf NNN weighted average rent. Submarket rents for the underlying industrial property are \$.87psf NNN, and the submarket vacancy for industrial product is 1.9%. Specialty uses have fewer options from landlords willing to accommodate the space, and therefore command a premium to market rents. Multiple examples of this demand are cited in the OM and the market is indicating pricing demand closer to \$1.00psf NNN. In an effort to remain conservative, the ProForma model suggest a market rent for specialty suites of \$.90psf, a 30% discount to the in-place weighted average rent.

With prominent visibility from Highway 50 and easy access from Sunrise Blvd, the Subject property has been a staple sporting destination for generations. The offering provides a unique and longstanding asset for buyers seeking stable cash flow with significant upside and nostalgic pride of ownership.



SACRAMENTO SPORTSPLEX

EXECUTIVE SUMMARY

11327 FOLSOM BOULEVARD
RANCHO CORDOVA, CA

PROPERTY DESCRIPTION

Address:	11327 Folsom Boulevard Rancho Cordova, CA 95742
Rentable Building Area:	±94,060 SF
Parcel Number:	069-0090-001-0000
Stories:	1
Construction Type:	Concrete tilt
Clear Height:	28'
Year Built:	1998
Parking Ratio:	1.5 per 1,000 SF
Parking Spaces:	±143
Land Acres:	±5.01
Zoning:	M1
Freeway Visibility:	±300'
Signage:	Building and Digital Monument
Grade Level Doors:	Yes



INVESTMENT HIGHLIGHTS



100% OCCUPIED

Since inception of the sportsplex model, this development has had little to no vacancy.



FREEWAY VISIBILITY

The site fronts Highway 50 giving tenants rights to building signage visible to over 147,000 average cars per day.



UNIQUE USER BUILDOUTS

The property has continually attracted indoor sports users and accommodates sticky tenant profiles.



HIGH TENANT DEMAND

Specialty tenant uses have few options and will pay above market rents to occupy.



LOCATION EQUITY

The purpose-built sporting complex has been in operation for over 30 years.



INDUSTRIAL BONES

The property offers future owners a prominent retail presence with the durability of industrial construction.

VIDEO





SACRAMENTO SPORTSPLEX

TENANTS

11327 FOLSOM BOULEVARD
RANCHO CORDOVA, CA

THE FITNESS OUTLET

Fitness Outlet
since 1993

SUITE 110
±5,700 SQUARE FEET



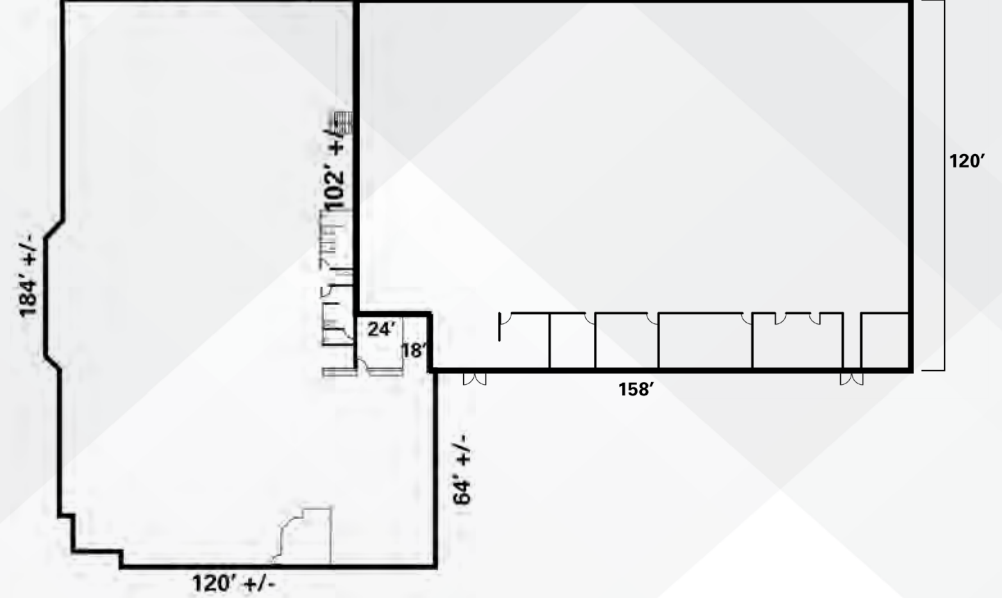
OMNI VOLLEYBALL CLUB



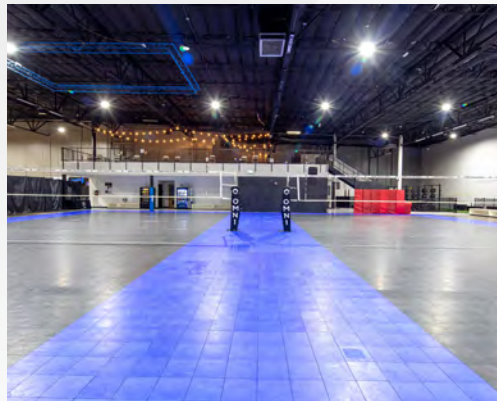
SUITE 120
±23,070 SQUARE FEET
192'-3"



SUITE 180
±20,062 SQUARE FEET
96' +/-



SUITE 160
±21,168 SQUARE FEET
180'



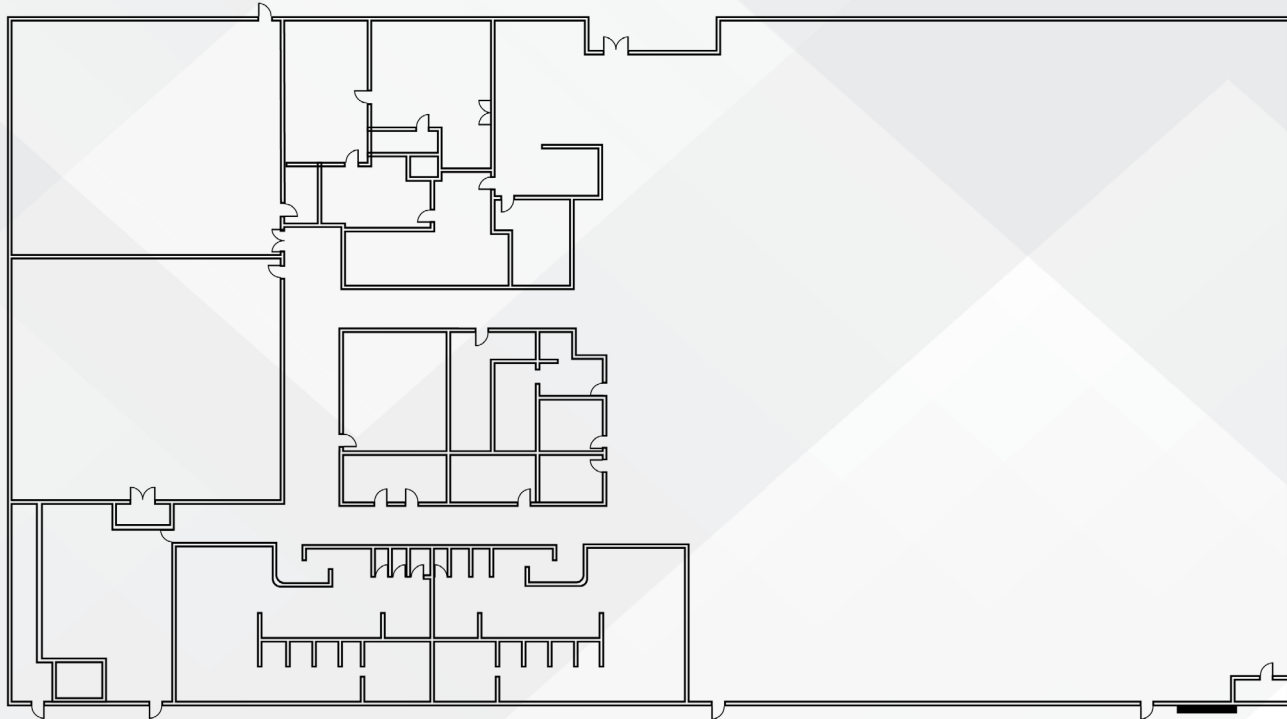
WACKY TACKY



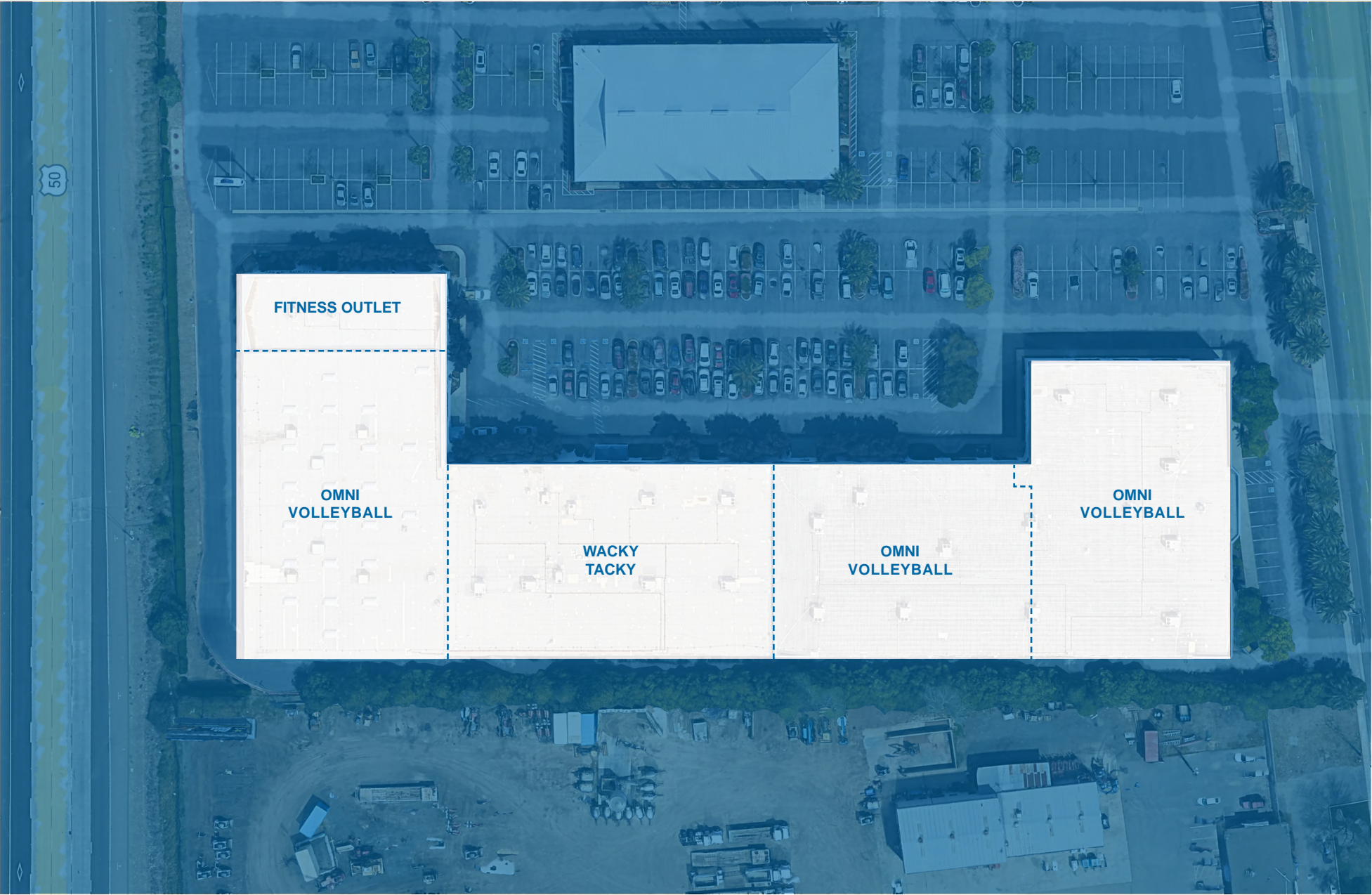
Wacky Tacky

Where the fun is

SUITE 140 - ±24,000 SQUARE FEET



SITE PLAN



SITE PLAN



SACRAMENTO SPORTSPLEX

LOCATION OVERVIEW



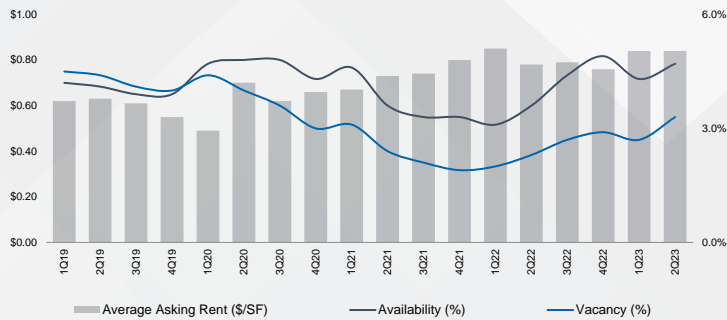
11327 FOLSOM BOULEVARD
RANCHO CORDOVA, CA

SACRAMENTO INDUSTRIAL MARKET OVERVIEW 2Q2023

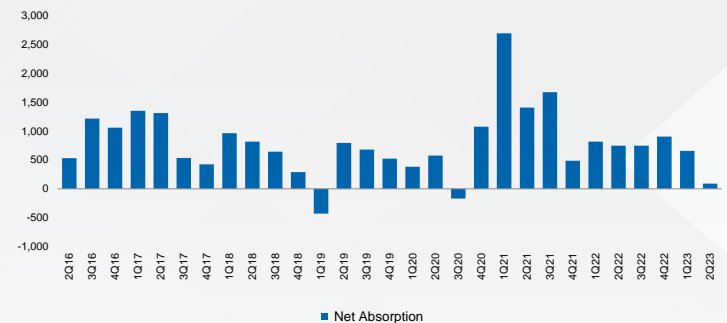
Statistical Summary

	Current Quarter	Prior Quarter	Year Ago Period
Total Inventory (SF)	170.4M	169.2M	166.9M
Vacancy Rate	3.3%	2.7%	2.3%
Quarterly Net Absorption (SF)	91K	660K	750K
Average NNN Asking Rent/SF	\$0.84	\$0.84	\$0.78
Under Construction (SF)	3.0M	3.8M	3.5M
Deliveries (SF)	1.2M	0	1.4M

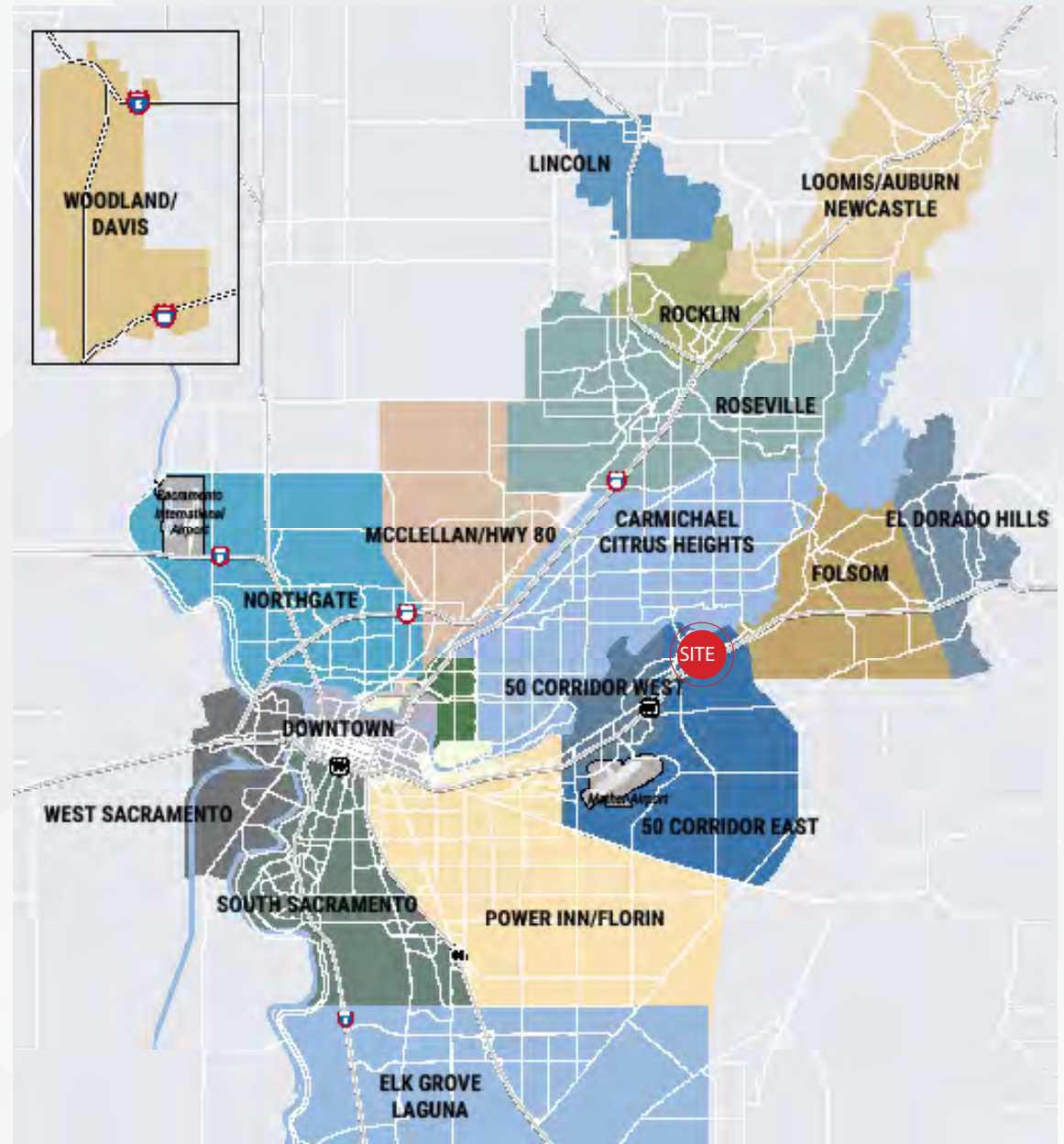
Weighted Average Asking Rent, Availability and Vacancy



Net Absorption (Square Feet, Millions)



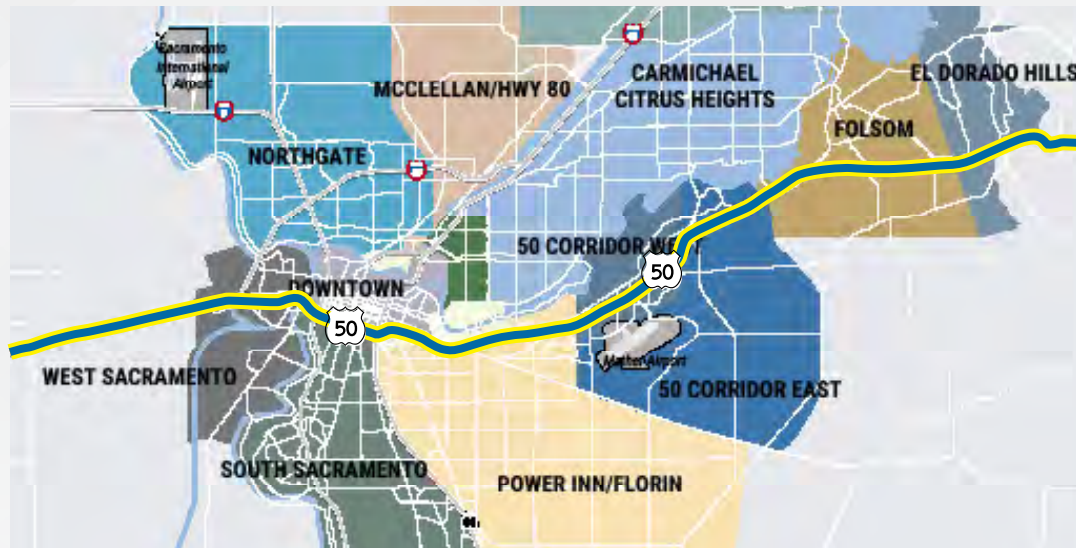
LOCATION MAP



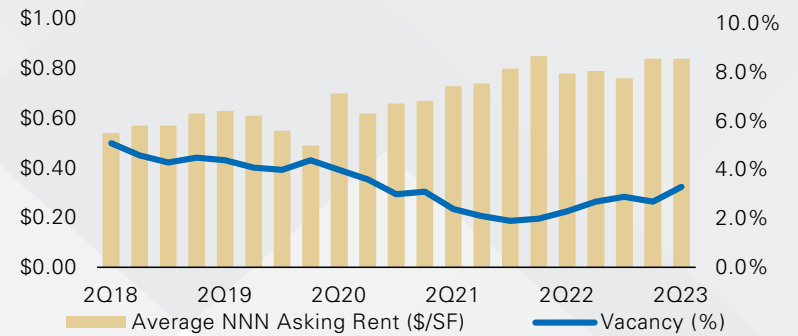
SUBMARKET REPORT - HIGHWAY 50 INDUSTRIAL

The Highway 50 corridor industrial market continued the positive momentum through the second quarter of 2023, ending the year with a vacancy rate of 1.9%, over 1.4% lower than the Greater Sacramento Region vacancy rate of 3.3%. At the end of the second quarter, the Sunrise (Highway 50 East) submarket has merely no space available. The vacancy rate for Sunrise is 1.0%. As vacancy rates remain at historic lows along the Highway 50 Corridor, rental rates have remained stable. The asking rental rate for the Sunrise area remained unchanged from the previous quarter at \$0.92 PSF triple net.

The Highway 50 Corridor industrial market ended the first two quarters of 2023 with 732,000 square feet of positive net absorption. The healthy lease rates are a function of sustained levels of low vacancy as well as positive. Limited inventory in the market and historical low vacancy present tenants with few-to-no options for space, leaving landlords to remain bullish on rental rates and concessions. Landlords are offering minimal concessions, including limited free rent, higher annual rent escalations of 4-5% and, often, no tenant improvements.



Rent Availability



Highway 50 Corridor

	Q2 2023	Q1 2023	Q2 2022	Quarterly Change
Total Inventory (SF)	45.3M	45.3M	45.3M	—
Vacancy Rate	1.9%	1.7%	1.8%	↑
Qtr Net Absorption (SF)	(93K)	825	(26K)	↓
Avg NNN Asking Rent/SF	\$0.87	\$0.83	\$0.89	↑
Under Construction (SF)	747K	750K	0	↓

NEARBY AMENITIES



WELLS FARGO | STARBUCKS COFFEE | JACK'S
 BEL AIR | RITE AID
 Arigato Sushi | TORO CLASSICO

Round Table PIZZA | BR BASKIN-ROBBINS | SALLY BEAUTY
 DELISH PIZZA | Gangnam ave. Korean Barbecue | SUBWAY

SPORTSMAN'S WAREHOUSE | Bare Bones WORKWEAR | W | CHOP TOP
 DOLLAR TREE | PIEOLOGY PIZZERIA | FIVE GUYS BURGERS and FRIES
 JASPER'S GIANT BURGERS | Chick-fil-A | Bruegger's | SCOOTER'S COFFEE

CALIFORNIA Family Fitness | MELT DOWN | STARBUCKS COFFEE
 ROOT HAPPINESS | AT&T | MCDONALD'S

TARGET | GROCERY OUTLET | GameStop | five BELOW
 BURGER KING | KOP International Market | ROSS | MOD PIZZA
 Michaels | Marshalls | ULTA
 STARBUCKS COFFEE | POPEYES | TACO BELL | Jamba

SAFeway | WAL-MART SUPERCENTER

JIMBOY'S TACOS | 7-ELEVEN | BASKIN-ROBBINS
 AMERICA'S TIRE | LA QUINTA INNE & SUITES

MARRIOTT | DOUBLETREE BY HILTON | Holiday Inn
 TOWNEPLACE SUITES MARRIOTT | HOMETOWNE STUDIOS

Staples | Wendy's



SACRAMENTO SPORTSPLEX

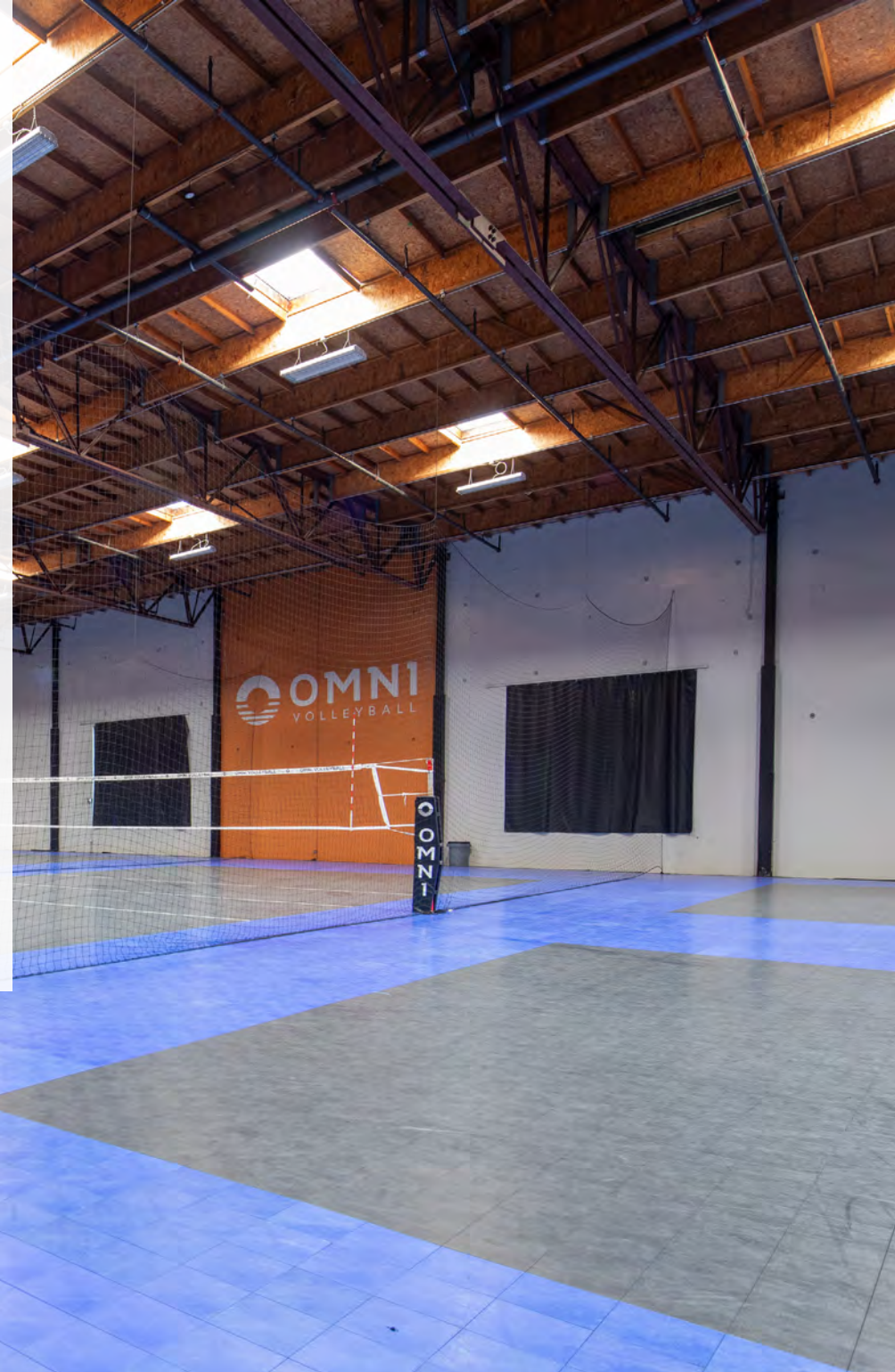
TENANT OVERVIEW

11327 FOLSOM BOULEVARD
RANCHO CORDOVA, CA

OMNI VOLLEYBALL CLUB



OMNI Volleyball Club is committed to creating a structured and highly technical environment for student athletes. A vital member of the West Coast Volleyball Association (WCVBA), OMNI prioritizes community, communication, and competition, emphasizing the holistic growth of athletes on and off the court. The club places a strong emphasis on player safety, offering resources on injury prevention, concussion safety, and SafeSport training for athletes, parents, coaches, and staff. OMNI ensures that all its coaches and staff complete SafeSport training, fostering a secure and comfortable environment for everyone involved. Athletes turning 18 during the season undergo essential SafeSport training, ensuring continuity in play. OMNI Volleyball Club contributes to a competitive and supportive league that values safety, excellence, and athlete empowerment.



FITNESS OUTLET

Fitness Outlet

since 1993

Fitness Outlet offers a comprehensive range of services to help businesses create exceptional fitness facilities. They specialize in designing and outfitting fitness rooms, ensuring that clients have the right equipment mix and a modern look that suits their budget and space requirements. With over 40 years of combined experience in the fitness industry, they provide complimentary site design and planning, vast product selection, preventive maintenance and repair services, equipment orientations, and top-notch customer service. Beyond equipment, they can assist with various aspects of fitness facility projects, including flooring, mirrors, electrical work, installation, facility management, and maintenance. Their commitment to customer satisfaction extends beyond installation, as they offer maintenance service plans and fast, reliable warranty and non-warranty service for all the brands they supply. Whether building, expanding, or maintaining a fitness center, this provider is a one-stop solution for all fitness equipment and service needs.



WACKY TACKY



Wacky Tacky
Where the fun is

Wacky Tacky is a popular kids' play place with two vibrant locations in Rancho Cordova and Roseville, California. These exciting destinations offer children a world of fun and adventure, featuring imaginative play structures, interactive games, and engaging activities that encourage creativity and social interaction. With a strong focus on providing a safe and stimulating environment, Wacky Tacky has become a beloved choice for families looking to enjoy quality playtime and memorable experiences with their children in the greater Sacramento area.



SACRAMENTO CURRENT SPORTING & SPECIALTY TENANT DEMANDS



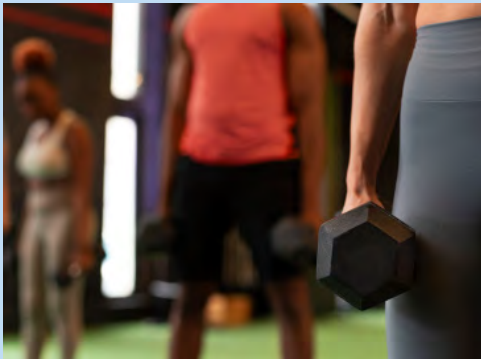
EXPERIENCED SPORTS TRAINER EXPANDING

Seeking 6,000 up to 17,000 SF with 16' minimum clear height.



INDOOR CRICKET SPORTS FACILITY

Local group looking to open first indoor cricket field in Greater Sacramento. Seeking 8,500 up to 12,500 SF. Indoor warehouse field space minimum size 70 feet by 120 feet. Minimum ceiling height 27 feet and preferred insulated or conditioned warehouse.



SPORTS TRAINING COMPANY

Seeking 7,000 up to 10,000 SF with 20' minimum clear height.



BASEBALL ACADEMY LOOKING FOR FACILITY

Established baseball academy needs 10,000 SF up to 15,000 SF of industrial space. A yard would be a plus. Minimum ceiling height - 18 feet up to 20 feet.



STREET BALL GROUP NEEDS TO LEASE ASAP

Seeking industrial or retail locations. 10,000 SF up to 12,000 SF.



CHILDREN'S INDOOR PLAYGROUND GREATER SACRAMENTO

A well established children's indoor playground looking to expand. Ideal square footage is 4,000 SF up to 8,000 SF. Looking for shopping centers or freestanding buildings in high traffic locations.

SPECIALTY TENANT MARKET RENT: \$.90 - \$1.00PSF/MO

SACRAMENTO SPORTSPLEX

FINANCIAL ANALYSIS



11327 FOLSOM BOULEVARD
RANCHO CORDOVA, CA

UNDERWRITING ASSUMPTIONS

ANALYSIS ASSUMPTIONS			
Analysis Start Date	July 1, 2025	Analysis End Date	June 30, 2029
Net Rentable Area	94,060	In-Place Occupancy	100%
Market Leasing Assumptions			
Market Rent (\$PSF/mo)	\$0.90	Market Rent (\$PSF/yr)	\$10.80
Renewal Rent (% of FMV)	100%	Reimbursement Type	NNN
Fitness Outlet		OMNI	
Annual Rent Increases	3.00%	Annual Rent Increases	Varies
Lease Term	5yr 1mo	Lease Term - Ste 120	5yrs 1mo
Renewal Probability	85%	Lease Term - Ste 160	5yrs 1mo
Wacky Tacky		Lease Term - Ste 180	5yrs 1mo
Annual Rent Increases	3.00%	Renewal Probability	85%
Lease Term	5yrs 1mo		
Renewal Probability	85%		
Free Rent/ Downtime			
Free Rent	1 New/ 0 Renew	Downtime	2 mos
Tenant Improvements (\$/ SF)			
New	\$5.00	Renewal	\$0.00
Leasing Commissions (%)			
New	5.00%	Renewal	2.50%
Other General Assumptions			
General Inflation	3.00%	Property Tax Millage Rate	1.346%
Operating Expense Inflation	3.00%	Property Management Fee	5% of EGR
Capital Reserves	\$0.15	Vacancy and Credit Loss	1.90%

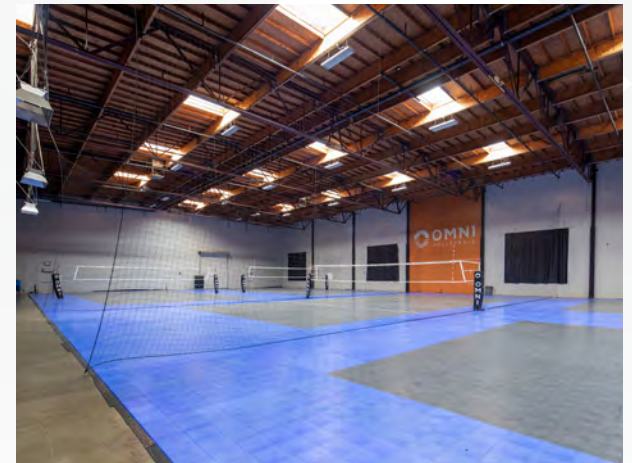
CASH FLOW MODEL

Year		1	2	3	4	5	
Year Ending December 31*		2025	2026	2027	2028	2029	
YR1 \$/ RSF							
Revenue	Potential Base Rent	\$7.87	\$740,657	\$841,652	\$999,431	\$1,060,925	\$1,117,054
	Absorbtion & Turnover Vacancy	\$0.00	\$0	\$0	\$0	\$0	\$0
	Free Rent**	(\$0.01)	(\$778)	(\$5,998)	(\$3,437)	\$0	(\$3,216)
	Scheduled Base Rent	\$7.87	\$739,879	\$835,654	\$995,994	\$1,060,925	\$1,113,838
	Expense Recoveries	\$2.76	\$259,245	\$314,120	\$370,619	\$393,331	\$425,167
	Potential Gross Revenue	\$10.62	\$999,124	\$1,149,774	\$1,366,613	\$1,454,256	\$1,539,005
	Vacancy & Credit Loss (1.90%)	\$0.00	(\$18,983)	(\$21,846)	(\$25,966)	(\$27,631)	(\$29,241)
	Effective Gross Revenue	\$10.62	\$980,141	\$1,127,928	\$1,340,647	\$1,426,625	\$1,509,764
Expenses	Property Tax (1.346%)*	\$1.56	\$146,710	\$149,644	\$152,637	\$155,689	\$206,561
	Direct Levys	\$0.07	\$7,052	\$7,193	\$7,337	\$7,484	\$7,633
	Insurance	\$0.32	\$30,525	\$31,441	\$32,384	\$33,355	\$34,356
	Property Management (5% EGI)	\$0.52	\$49,007	\$56,396	\$67,032	\$71,331	\$75,488
	Gas, Electric, Water	\$0.20	\$18,824	\$19,388	\$19,970	\$20,569	\$21,186
	Janitorial	\$0.09	\$8,649	\$8,908	\$9,175	\$9,451	\$9,734
	Repairs & Maintenance	\$0.27	\$25,794	\$26,567	\$27,364	\$28,185	\$29,031
	Landscaping	\$0.32	\$30,525	\$31,441	\$32,384	\$33,355	\$34,356
	Fire & Life Safety	\$0.16	\$15,263	\$15,720	\$16,192	\$16,678	\$17,178
		Total Operating Expenses	(\$3.53)	(\$332,349)	(\$346,698)	(\$364,475)	(\$376,097)
	Net Operating Income	\$7.09	\$647,792	\$781,230	\$976,172	\$1,050,528	\$1,074,241
	Leasing & Capital Costs						
	Tenant Improvements (\$5.00)	-	(\$4,320)	(\$33,319)	(\$19,096)	\$0	(\$17,869)
	Leasing Commissions (6.0%)	-	(\$9,473)	(\$73,063)	(\$41,874)	\$0	(\$39,182)
	Capital Reserve	-	(\$14,109)	(\$14,532)	(\$14,968)	(\$15,417)	(\$15,880)
	Total Leasing & Capital Costs	-	(\$27,902)	(\$120,914)	(\$75,938)	(\$15,417)	(\$72,931)
	Cash Flow Before Debt Service		\$619,890	\$660,316	\$900,234	\$1,035,111	\$1,001,310









*Property Tax based on \$10.9m purchase price and a 7.00% Year-5 Resale Cap Rate

RENT ROLL







#	Tenant	Original Occupancy	Expire	WALT	SF	Rent	PSF	Rent Annually	PSF	Type	NNNs Monthly	PSF
110	The Fitness Outlet	5/1/2000	4/30/2025	0.08	5,760	\$5,326	\$0.92	\$63,906	\$11.09	NNN	\$1,582	\$0.27
120	OMNI Sports	11/1/2022	1/31/2026	0.51	23,070	\$12,500	\$0.54	\$150,000	\$6.50	NNN		
140	Wacky Tacky 2	7/1/2015	11/30/2026	0.74	24,000	\$13,498	\$0.56	\$161,976	\$6.75	NNN	\$6,592	\$0.27
160	OMNI Sports	12/1/2023	11/30/2028	1.11	21,168	\$15,876	\$0.75	\$190,512	\$9.00	NNN	\$5,815	\$0.27
180	OMNI Sports	2/1/2021	1/31/2026	0.44	20,062	\$11,034	\$0.55	\$132,409	\$6.60	NNN	\$5,511	\$0.27
TOTALS					94,060	\$58,234		\$698,804			\$19,500	
AVERAGES				2.89			\$0.67		\$7.99			\$0.22



LEASE COMPARABLES

#	Property Photo	Property Address	Square Feet	Year Built	Clear Height	Tenant	Tenant Type	Signing Year	Current Rent/ Escalations	Notes
		11327 Folsom Blvd. Rancho Cordova	94,060	1998						
1		11115 Folsom Blvd. Rancho Cordova	2006	1986	26'	Le Five Indoor Soccer	Specialty Tenant	2023	\$0.57/3%	Indoor soccer complex less than 1-mile from subject
2		11455 Folsom Blvd. Rancho Cordova	28,800	1985/2015	18'	Bases Loaded	Specialty Tenant	2022	\$1.24/2%	Baseball supply store
3		5308 Pacific Ave. Stockton, CA	242,000	1979	28'	Sky Zone	Specialty Tenant	2021	\$1.00/unknown	Trampoline park
4		4200 82nd St. Sacramento, CA	3,640	1980	18'	Hyperthrive Athletics	Specialty Tenant	2023	\$0.85/4%	Baseball training facility
5		11395 Folsom Blvd. Rancho Cordova, CA	23,379	1986	18'	SuperBike	Specialty Tenant	2023	\$0.64/3%	Super bike showroom
6		11282 Pyrties Way Rancho Cordova, CA	10,000	2004	18'	Imperial Electric	Traditional Tenant	2023	\$0.75/3%	EV charging stations
7		3756 Omec Circle Rancho Cordova, CA	21,500	1984	18'	OptiFit International	Traditional Tenant	2023	\$0.68/3%	Specializes in planning, design, supply & service of gym equipment

SALE COMPARABLES

#	Property Photo	Property Address	Square Feet	Year Built	Sale Date	Sale Price	Price/SF	Reported Cap Rate	Buyer	Seller	Notes
		11327 Folsom Blvd. Rancho Cordova	94,060	1998							
1		11115 Folsom Blvd. Rancho Cordova	103,945	2006	On Market	\$15,000,000	\$144.31	N/A		Cummings Trust	This property has a 44,865 vacancy, while the remaining square feet is occupied by Le Five, an indoor soccer complex. The property has been on the market for 819 days.
2		901-915 N B Street Sacramento	110,742	1943	5/2023	\$12,555,000	\$113.37	6.21%	Jewell Capital	Graceada Partners	At the time of sale, this building was 100% leased with 16% of the units rented below market presenting a value-add opportunity.
3		11455 Folsom Blvd. Rancho Cordova	28,800	1985/2015	4/2023	\$6,958,000	\$241.60	5.96%	Frederick B. Miller	Bases Loaded	This was a sale leaseback of a retail/industrial flex building leased by Bases Loaded, a baseball & softball equipment store on an absolute NNN leases.
4		10151 - 10173 Croydon Way Sacramento	183,938	1983	4/2023	\$20,250,000	\$110.09	5.75%	AT Industrial	Blackstone	This was a portfolio sale of 3 assets by Blackstone, Inc. The in-place net operating income was reported at ±\$1.16 million.
5		2501 - 2640 Mercantile Dr. Rancho Cordova	150,007	1986	3/2023	\$21,475,000	\$143.16	N/A	Rising Realty Partners	GPR Ventures	This transaction was a portfolio sale of 4 multi-tenant industrial properties on 8.13 acres. The occupancy at sale was just below 100%.
		Averages:	111,915			\$10,956,895	\$150	5.97%			



SACRAMENTO SPORTSPLEX

11327 FOLSOM BOULEVARD
RANCHO CORDOVA

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