CP PARTNERS

THE EDWARDS COMPANY

# Rancho San Miguel

## NEW CORPORATE NET-LEASED GROCERY STORE

## SACRAMENTO, CA

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## HIGHLIGHTS

- Single tenant, discount Hispanic grocery store on a long-term lease with the category's dominant large format discount grocer (corporate lease signature) in Northern California
- Opened in March 2022 to an excited Oak Park Community
- New long-term 20-year lease
- In addition to the dense residential communities of Oak Park, the property draws from the large surrounding employer base: UC Medical Center, California Department of Justice and Sacramento Country Office
- Immediately adjacent to future Aggie Square, a $1.1 billion dollar expansion of UC Davis Medical Campus (see page 11)
- Urban location in growing Sacramento Oak Park Neighborhood

# Rancho San Miguel

**4401 BROADWAY, SACRAMENTO, CA 95817**

**$10,166,000**
PRICE

**5.00%**
CAP

| | |
|---|---|
| NOI: | $508,276 |
| LEASE TYPE: | Net |
| LEASE TERM: | 20 Years |
| LEASABLE AREA: | 51,083 SF |
| LAND AREA: | 3.31 AC |
| YEAR BUILT: | 1999 |
| RENOVATED: | 2021 |

10% rent increases every 5 years throughout term and in each option period (if exercised)

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# Recently Renovated with New Tenant and New Long Term Lease

## BRAND NEW RANCHO SAN MIGUEL

> 51,083 SF Ranch San Miguel Market opened as vital access point to local community

> An estimated $7 million dollars spent on renovation

> Renovated in 2021, opened in Q1 2022

> Brand new corporate lease: 20-year term, two 5-year and one 4-year option periods

## SINGLE TENANT GROCERY ON MAJOR COMMERCIAL BOULEVARD

> Located in daily needs shopping center along with Walgreens (NAP) and Chase Bank pad (NAP)

> Located off the signalized hard corner of Broadway and Stockton Boulevard in Sacramento's Oak Park Neighborhood

> Oak Park Neighborhood is located southeast of downtown Sacramento, bounded to the North by U.S. Route 50 and on the West by California State Route 90

> The asset sits adjacent to Sacramento County and State of California government offices in addition to UC Davis Children's Hospital and medical offices (see page 10 for aerial)

> Nearest national grocery store is approximately 2 miles away; the subject property fills a void for the surrounding residential community

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| PRICE | | $10,166,000 |
|---|---|---|
| Capitalization Rate: | | 5.00% |
| Building Size (SF): | | 51,083 |
| Lot Size (SF): | | 3.31 |
| Price Per Square Foot: | | $199.01 |
| **STABILIZED INCOME** | **PER SQUARE FOOT** | |
| Scheduled Rent | $9.95 | $508,276 |
| Effective Gross Income | $9.95 | $508,276 |
| **LESS** | **PER SQUARE FOOT** | |
| Taxes | NNN | $0.00* |
| Insurance | NNN | $0.00 |
| Operating Expenses | NNN | $0.00 |
| **EQUALS NET OPERATING INCOME** | | **$508,276** |

**Subject to Tenant Proposition 13 protection (contact listing broker for more detail)*

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# RENT ROLL

| TENANT INFO | | LEASE TERMS | | RENT SUMMARY | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| TENANT NAME | SQ. FT. | TERM YEARS | | CURRENT RENT | MONTHLY RENT | YEARLY RENT | MONTHLY RENT/FT | YEARLY RENT/FT | RENT INCREASES |
| **Rancho San Miguel** | **51,083** | **9/1/2021** | **8/31/2041** | **$42,356** | **$42,356** | **$508,276** | **$0.83** | **$9.95** | |
| *Paq Inc. guaranteed* | increase | 9/1/2026 | 8/31/2031 | | $46,592 | $559,103 | $0.91 | $10.94 | 10.00% |
| | increase | 9/1/2031 | 8/31/2036 | | $51,251 | $615,014 | $1.00 | $12.04 | 10.00% |
| | increase | 9/1/2036 | 8/31/2041 | | $56,376 | $676,515 | $1.10 | $13.24 | 10.00% |
| | *Option 1* | *9/1/2041* | *8/31/2046* | | *$62,014* | *$744,167* | *$1.21* | *$14.57* | *10.00%* |
| | *Option 2* | *9/1/2046* | *8/31/2051* | | *$68,215* | *$818,583* | *$1.34* | *$16.02* | *10.00%* |
| | *Option 3* | *9/1/2051* | *8/31/2055* | | *$75,037* | *$900,442* | *$1.47* | *$17.63* | *10.00%* |
| **TOTALS:** | **51,083** | | | **$42,356** | **$42,356** | **$508,276** | **$0.83** | **$9.95** | |

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# SITE PLAN

51,083
RENTABLE SF

3.31
ACRES

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# PROPERTY PHOTOS

RANCHO SAN MIGUEL MARKETS

## ABOUT RANCHO SAN MIGUEL MARKETS

> A grocery market chain delivering high quality Hispanic products at extremely competitive prices to all its customers

> The first Rancho San Miguel Market was introduced and opened in May of 2004, and has since expanded to 7 locations

> PAQ, Inc., the parent company of Rancho San Miguel Markets, owns and operates a chain of supermarkets under the banners Food4Less, and Rancho San Miguel Markets

## KEY DIFFERENTIATORS

> Rancho San Miguel stores are original build-to-suit or extensively renovated buildings with an attractive aesthetic and design that separates Rancho San Miguel Markets from other Hispanic grocery competitors who often occupy second generation spaces

**7** | **LOCATIONS THROUGHOUT CALIFORNIA**

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## Opening date set for Rancho San Miguel Market in Oak Park

**February 10, 2022 (SACRAMENTO BUSINESS JOURNAL)** Bill Cote, CEO of PAQ Inc., said the Oak Park area where the grocery store is planned is considered a food desert with no low-cost grocery store options. He said Rancho San Miguel Market is designed to appeal to price-conscious consumers.

VIEW THE FULL ARTICLE →

## New grocery store opening in a Sacramento 'food desert'. Why residents say it's 'much needed'

**February 28, 2022 (THE SACRAMENTO BEE)** Nearly 4,000 people in Oak Park lacked reliable access to affordable, nutritious food in 2020, or nearly 20% of residents, according to data the Chicago-based nonproβt Feeding America. The lower-income neighborhood has a signiβcant number of residents living more than half a mile away from the nearest supermarket, according to the U.S. Department of Agriculture.

VIEW THE FULL ARTICLE →

## 'There's a store now that's accessible' | Rancho San Miguel Market opens in Oak Park after multiple delays

**March 2, 2022 (ABC 10)** The Rancho San Miguel Market is now fully operating in the 51,000 sq. foot space to ensure residents have access to affordable and nutritious food. The store offers a full-service bakery, meat and seafood departments, Hispanic Grab & Go items, salsa and ceviche bar, and other food products and online services.

VIEW THE FULL ARTICLE →

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# Aggie Square: Where university, industry and community come together to create opportunities for everyone

## WHAT IS AGGIE SQUARE?

> A $1.1 billion project located at Stockton Boulevard and Second Avenue in Sacramento that broke ground in February

> Public-private partnership between University of California, Davis, Wexford Science and Technology, and the City of Sacramento

> It will expand UC Davis' Sacramento campus, creating a state-of-the-art hub for research, innovation and education

## WHAT WILL THE PROJECT CREATE?

> The construction of four large buildings that will be used for classrooms, public and privately funded research labs, commercial office space, student housing, public plazas and other outdoor areas

> The entrepreneurial partnerships forged will advance human health, enrich lifelong learning, enhance emerging technologies, and set the stage for future collaborations

VISIT THE AGGIE SQUARE WEBSITE →

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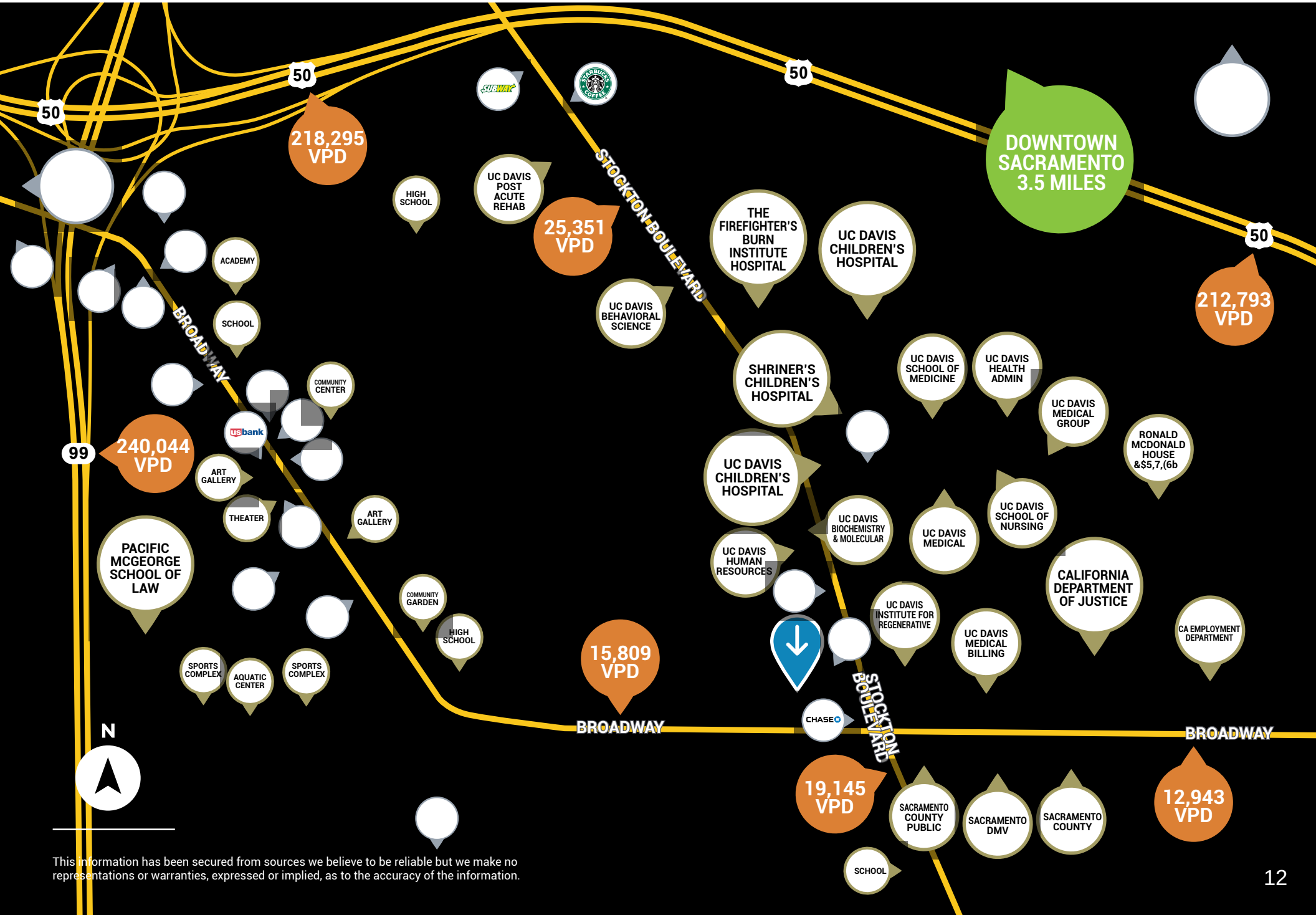
# IMMEDIATE TRADE AREA

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