

Marcus & Millichap
NNN FITNESS




LA|FITNESS®
CITY|SPORTS CLUB 
ELK GROVE | CALIFORNIA
OFFERING MEMORANDUM



RETAIL AERIAL


**OSCEOLA SCHOOL
FOR THE ARTS**


LA|FITNESS.
CITY|SPORTS CLUB
SUBJECT PROPERTY

AMERICA'S TIRE
THE LEARNING EXPERIENCE
DOLLAR TREE
pizzatwist

Tires LES SCHWAB
Auto Zone
KFC

Marcus & Millichap
NNN FITNESS

Round Table PIZZA
SUPERCUTS
T-Mobile
SUBWAY
Starbucks

SAFEWAY
CVS pharmacy
SALLY BEAUTY
H&R BLOCK

CALVINE RD | 44,057 VPD



ELK GROVE FLORIN RD | 24,874 VPD

ExtraSpace Storage

**13 MILES NORTH
SACRAMENTO, CA**



FUTURE
RETAIL



KOHL'S

Island Pacific SUPERMARKET
O'Reilly AUTO PARTS
WALGREEN'S
Pollo Loco
PANDA EXPRESS CHINESE KITCHEN
Bank of America

ExtraSpace Storage

24 FITNESS
CHASE
CAPTAIN CRAB
ME Massage Envy

BEL AIR
Great Clips
BR baskin robbins
Carl's Jr.
MOUNTAIN MIKE'S PIZZA
WING-STOP

 **STONERIDGE AT ELK GROVE | 96 UNITS**

INVESTMENT OVERVIEW

\$12,580,000

PURCHASE PRICE

6.25%

CAP RATE

13+ Years

LEASE TERM REMAINING



[Click to View
Google Map](#)



[Click to View
Street View](#)



**8438 ELK GROVE
FLORIN RD, ELK
GROVE, CA**

OFFERING DETAILS

| | |
|------------|---------------------------|
| TOTAL GLA | 37,000 SF |
| LOT SIZE | 2.08 AC |
| YEAR BUILT | 2023 |
| TENANT | Fitness International LLC |

LEASE DETAILS

| | |
|-----------------------|-------------------------|
| LEASE TYPE | NN |
| NOI | \$786,250 |
| LEASE TERM REMAINING | 13+ Years |
| LEASE EXPIRATION DATE | 3/29/2038 |
| RENT PSF | \$21.25/SF |
| PRICE PSF | \$340 |
| OPTIONS | (3) 5 Years |
| INCREASES | 8% or CPI Every 5 Years |

RENT SCHEDULE

| LEASE YEARS | ANNUAL RENT | RENT PSF |
|---------------|-------------|----------|
| YEARS 1 - 5 | \$786,250 | \$21.25 |
| YEARS 6 - 10 | \$849,150 | \$22.95 |
| YEARS 11 - 16 | \$917,082 | \$24.78 |
| OPTION 1 | \$990,448 | \$26.76 |
| OPTION 2 | \$1,069,684 | \$28.91 |
| OPTION 3 | \$1,155,259 | \$31.22 |

Rent schedule above assumes max 8% increases. Please contact Agent for exact Lease language.



INVESTMENT HIGHLIGHTS

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\$107K+
Average HHI
3-Mile



127,725
3-Mile Population



TOP 6%
Of Fitness Centers
Nationwide(Placer.
ai Foot Traffic)



1.2K Visits
Average Visits per
Day (Placer.ai)



New Long-Term Lease w/ Stable Rent Growth

This property features a corporate-backed 15-year lease with Fitness International, LLC (parent company of LA Fitness and City Sports Club), **offering a secure investment with 8% or CPI-based rent increases every five years.** The newly constructed site also provides minimal landlord responsibilities and a prime position at the busiest retail intersection in Elk Grove and South Sacramento County.



Prime Location at High-Traffic Elk Grove Intersection

Strategically located at Elk Grove's busiest retail intersection within the Calvine Pointe Shopping Center, **this property benefits from over 68,900 daily vehicle traffic.** Surrounded by high-profile retailers, it capitalizes on unparalleled visibility and accessibility in a dense commercial hub.



Wealthy Growing Demographic Base

Located in Elk Grove, **one of Sacramento's most desirable communities, this property draws from a wealthy and expanding population.** With over 127,000 residents within three miles and an average household income of \$116,085 within one mile. With similar income levels to the Bay Area but a significantly lower cost of living, the area provides a stable, affluent consumer base.



TENANT SUMMARY

City Sports Club

City Sports Club, was started in San Jose in 2012, and currently has 15 locations across Northern California. It was acquired by the LA Fitness parent company Fitness International, LLC among many other smaller gym chains. It operates as the LA Fitness equivalent in the Bay Area and gives its parent company territorial coverage. City Sports Clubs offer its visitors an invigorating diversity of amenities that are present in LA Fitness locations including plenty of free weights, cardio machines to personal training and a wide variety of group fitness classes, to a lap pool, indoor cycling, and basketball & racquetball courts.

S&P upgraded LA Fitness parent company Fitness International LLC to “B” to reflect the company’s intent to obtain new revolving credit facilities and refinance its existing credit facilities pushing due dates to 2028 & 2029. The proposed transaction will be leverage neutral, and S&P expects the retailer’s leverage will continue to improve over the next 12 months due to EBITDA growth. Offering multiple boutique studio classes and high-end health club amenities comes with higher membership fees. S&P expects the company to expand into the high-end market with additional Club Studio locations over the next several years.

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B / Stable
S&P Rating



2012
Year Founded



Irvine, CA
Headquarters



728+
Total Clubs



\$2.09B
2021 Revenue



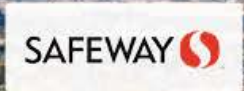
37+ Yrs
In the Industry

PARENT COMPANY OVERVIEW

Fitness International

Founded in 1984, **Fitness International, LLC** known as LA Fitness, is the largest non-franchised fitness club operator in the United States and Canada. Founded in 1984 and headquartered in Irvine, Calif., LA Fitness is one of the fastest growing sports club chains with more than 728+ locations across the United States and Canada. RetailStat, LLC estimates the company has annual revenue of \$2.09 billion in 2023. LA Fitness was also ranked #1 out of 100 in Club Industry’s Top 100 Health Clubs of 2019.





CALVINE RD | 44,057 VPD

ELK GROVE FLORIN RD | 24,874 VPD

FUTURE
RETAIL

FUTURE RETAIL
OFFER PENDING WITH
NATIONAL TENANTS

UNDEVELOPED
MULTI-FAMILY LAND

SITE MAP

Marcus & Millichap
NNN FITNESS



37,000 SF GLA :: 2.08 AC LOT SIZE :: 2023 YEAR BUILT



8438 ELK GROVE FLORIN RD, ELK GROVE, CA



RETAIL AERIAL

US
99



GOLDEN STATE HWY
138,000 VPD



KAISER
PERMANENTE



TARGET



UFC GYM

jamba



LOWE'S



ExtraSpace
Storage



SAVE MART
SUPERMARKETS

SUBWAY



Foods Co.



PAPA MURPHY'S
TAKE 'N BAKE PIZZA

O'Reilly
AUTO PARTS



COSTCO
WHOLESALE



sam's club
CARMAX

Public
Storage

Davita

KOHL'S

O'Reilly
AUTO PARTS



Island Pacific
SUPERMARKET

ExtraSpace
Storage



Bank of America



WALGREEN'S



Walmart



ELK GROVE FLORIN RD
24,874 VPD

BEAZER HOMES NEW
DEVELOPMENTS
156 LOTS TOTAL

AMERICA'S
TIRE

THE LEARNING
EXPERIENCE
Academy of Early Education



DOLLAR TREE

pizzatwist

SAFEWAY

CVS
pharmacy

SALLY
BEAUTY



LES SCHWAB

SUPERCUTS

Auto
Zone



T-Mobile
SUBWAY

LA|FITNESS.
CITY|SPORTS
CLUB

SUBJECT PROPERTY

BEL AIR



24
FITNESS

ExtraSpace
Storage

ME
Massage Envy

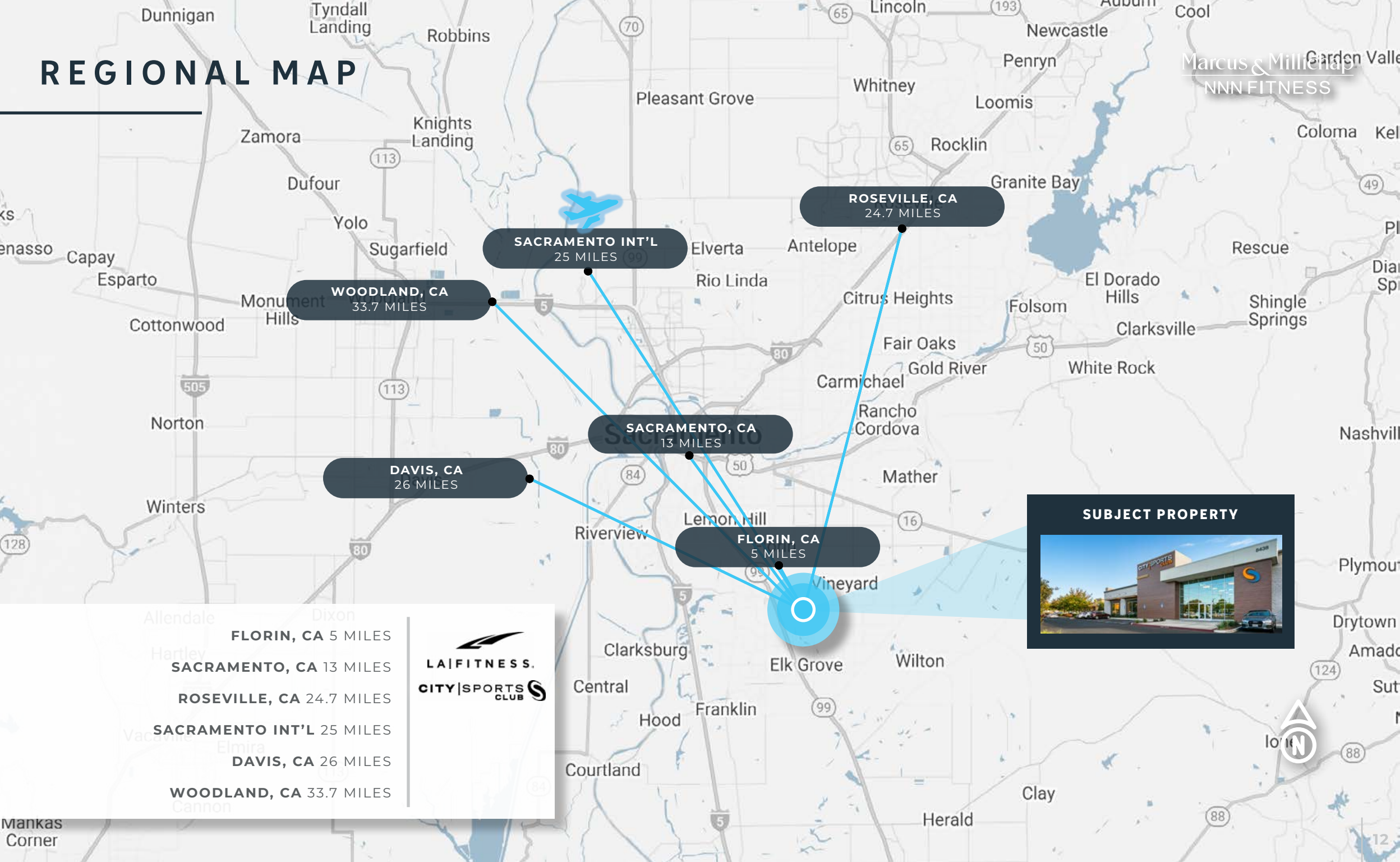
Great
Clips



CALVINE RD
44,057 VPD

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REGIONAL MAP



- FLORIN, CA 5 MILES
- SACRAMENTO, CA 13 MILES
- ROSEVILLE, CA 24.7 MILES
- SACRAMENTO INT'L 25 MILES
- DAVIS, CA 26 MILES
- WOODLAND, CA 33.7 MILES

Thriving Economy and Growth - Elk Grove is one of the fastest-growing cities in California, known for its robust economy driven by healthcare, education, and retail industries. Its strategic location within the Sacramento region and proximity to major transportation hubs make it a key destination for businesses and residents alike.

Affluent and Diverse Demographics - Elk Grove boasts a population exceeding 176,000, characterized by a diverse and affluent community. The average household income is over \$100,000, and the city is recognized for its high quality of life, excellent schools, and family-friendly atmosphere.

Prime Retail and Commercial Hub - Located along major transportation corridors, Elk Grove is a retail and commercial powerhouse within Sacramento County. The city features vibrant shopping centers, high-profile tenants, and traffic-dense intersections, attracting significant consumer activity and investment opportunities.



| POPULATION | 1 Mile | 3 Miles | 5 Miles |
|-----------------|--------|---------|---------|
| 2024 Population | 23,339 | 127,725 | 293,429 |
| 2029 Projection | 23,421 | 128,270 | 295,183 |



| HOUSEHOLDS | | | |
|-----------------|-------|--------|--------|
| 2024 Households | 6,727 | 38,450 | 89,102 |
| 2029 Projection | 6,748 | 38,602 | 89,587 |



| HOUSEHOLD INCOME | | | |
|-------------------------|-----------|-----------|-----------|
| Ave. Household Income | \$116,085 | \$107,365 | \$107,256 |
| Median Household Income | \$100,715 | \$91,241 | \$88,484 |



| EDUCATION | | | |
|-------------------------|-------|--------|--------|
| Some College, No Degree | 5,635 | 30,651 | 68,538 |
| Associate Degree | 1,351 | 6,414 | 13,683 |
| Bachelor's Degree | 3,147 | 15,978 | 36,838 |
| Advanced Degree | 1,162 | 6,490 | 15,515 |



| EMPLOYMENT | | | |
|---------------------|--------|--------|---------|
| Civilian Employed | 11,385 | 60,408 | 138,804 |
| Civilian Unemployed | 569 | 2,726 | 6,798 |
| U.S. Armed Forces | 8 | 124 | 381 |





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Marcus & Millichap
NNN FITNESS



ELK GROVE | CALIFORNIA

OFFERING MEMORANDUM

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7,546 Closed
Transactions in 2023

\$43.6B Total
Volume Closed in 2023

30 Transactions
Every Business Day

80+ Offices
Across the U.S. & Canada