

8438
**CITY SPORTS
CLUB**



ROW OPEN



CITY SPORTS CLUB

ELK GROVE, CA
SACRAMENTO COUNTY

OFFERING MEMORANDUM



PREMIER RETAIL CORRIDOR / INTERSECTION IN SOUTH SACRAMENTO COUNTY

127,725
3-MILE POP.

\$107,365
3-MILE AHHI

68,931
COMBINED VPD

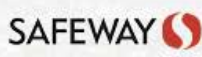
TOP PERFORMING
KOHL'S CO-ANCHOR



LA|FITNESS.
CITY|SPORTS
CLUB

SUBJECT PROPERTY

Marcus & Millichap
NNN FITNESS



SAFeway



BEL AIR



68,931 VPD
COMBINED

CALVINE RD | 44,057 VPD

ELK GROVE FLORIN RD | 24,874 VPD

**FUTURE
RETAIL**

**UNDEVELOPED
MULTI-FAMILY LAND**

**FUTURE RETAIL
OFFER PENDING WITH
NATIONAL TENANTS**

TOP 6% OF FITNESS CENTERS
Nationwide (Placer.AI Foottraffic)

MARKET AERIAL



OSCEOLA SCHOOL FOR THE ARTS

AMERICA'S TIRE
THE LEARNING EXPERIENCE
DOLLAR TREE
pizzatrust

LA FITNESS CITY SPORTS CLUB
SUBJECT PROPERTY

Tires LES SCHWAB
Auto Zone
KFC

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

FUTURE RETAIL

KOHL'S

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

ExtraSpace Storage

BEL AIR
Great Clips
Carls Jr.
MOUNTAIN MIKE'S PIZZA
BR bagkin robbins
WINGSTOP

24 FITNESS
CHASE
CAPTAIN CRAB
ME Massage Envy

STONERIDGE AT ELK GROVE | 96 UNITS

THE CROSSING AT ELK GROVE | 116 UNITS



INVESTMENT OVERVIEW

\$12,580,000

PURCHASE PRICE

6.25%

CAP RATE

OFFERING DETAILS

ADDRESS	8438 Elk Grove Florin Rd, Elk Grove, CA 95624
TENANT	Fitness International, LLC
LEASE TYPE	NN
NOI	\$786,250
LEASE TERM	15 Years
LEASE TERM REMAINING	13.25 Yrs
LEASE EXPIRATION DATE	3/29/2038
TOTAL GLA	37,000 SF
LOT SIZE	2.08 AC
YEAR BUILT	2023
RENT PSF	\$21.25
PRICE PSF	\$340.00
OPTIONS	(3) 5 Year
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 - 15	\$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.

DEMOGRAPHICS

1 MILE POP	1 MILE AHHI	3 MILE POP	3 MILE AHHI	5 MILE POP	5 MILE AHHI
23,339	\$116,085	127,725	\$107,365	293,429	\$107,256

INVESTMENT HIGHLIGHTS



New Long-Term Lease w/ Stable Rent Growth

This property features a new 15-year corporate-backed lease with Fitness International, LLC (the entity behind LA Fitness and City Sports Club), providing a secure and stable investment with rent increases of 8% or CPI every 5 years. This newly constructed site offers minimal landlord responsibilities and a prime position at the busiest retail intersection in Elk Grove and South Sacramento County.



Prime High-Traffic Elk Grove Retail Intersection

Positioned at the busiest retail intersection in Elk Grove and South Sacramento County, this property benefits from combined traffic counts exceeding 68,900 vehicles per day. Located within the Calvine Pointe Shopping Center and 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 benefits from excellent demographics with an average household income of \$116,085 within one mile and a population exceeding 127,000 within three miles. With similar income levels to the Bay Area but a significantly lower cost of living, the area provides a stable, affluent consumer base.



Tremendous Foot Traffic

This location averages over 1,200 site visits per day, demonstrating strong and consistent consumer demand across the past 12 months.



CITY | SPORTS CLUB

8438



NO PARKING FIRE LANE

TENANT SUMMARY

Marcus & Millichap
NNN FITNESS



Irvine, CA
Headquarters



37+ Years
In the Industry



728+
Locations in U.S.



B / Stable
S&P Upgraded Rating

TENANT OVERVIEW

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.

PARENT COMPANY

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.

Their mission is to help as many people as possible achieve the benefit its of a healthy lifestyle by creating a nationwide network of sports clubs, offering its members the widest range of amenities and the friendliest service at an affordable price.

LA Fitness clubs offer state-of-the-art equipment and cardio areas, group and specialty classes, indoor heated lap pools, whirlpool spas and saunas, racquetball and basketball courts, full locker facilities, personal trainers, and babysitting.

PROPERTY PHOTOS

Marcus & Millichap
NNN FITNESS





CITY SPORTS
CLUB

8438

CITY SPORTS
CLUB

NO PARKING FIRE LANE

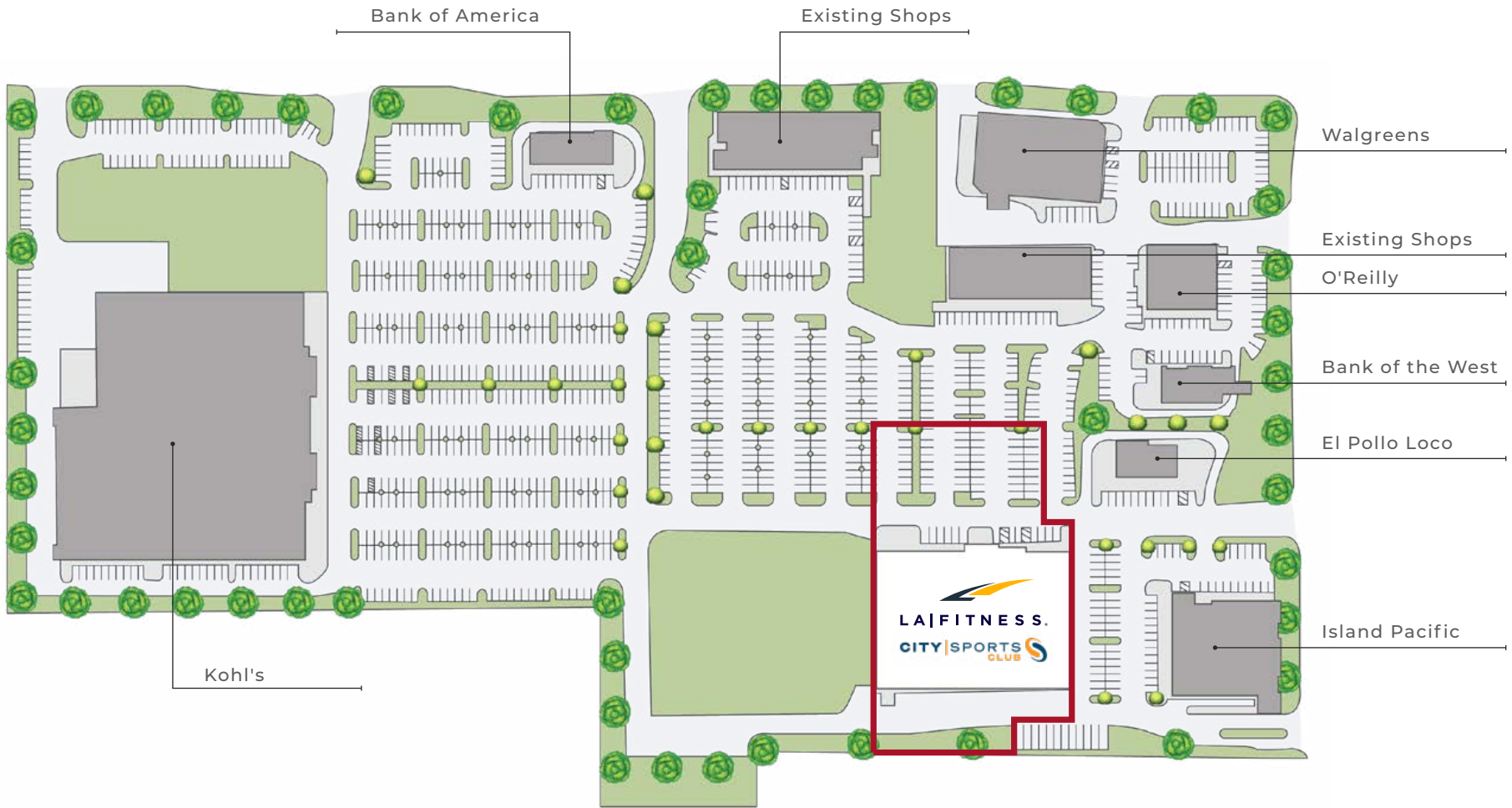
MARKET AERIAL



SITE PLAN

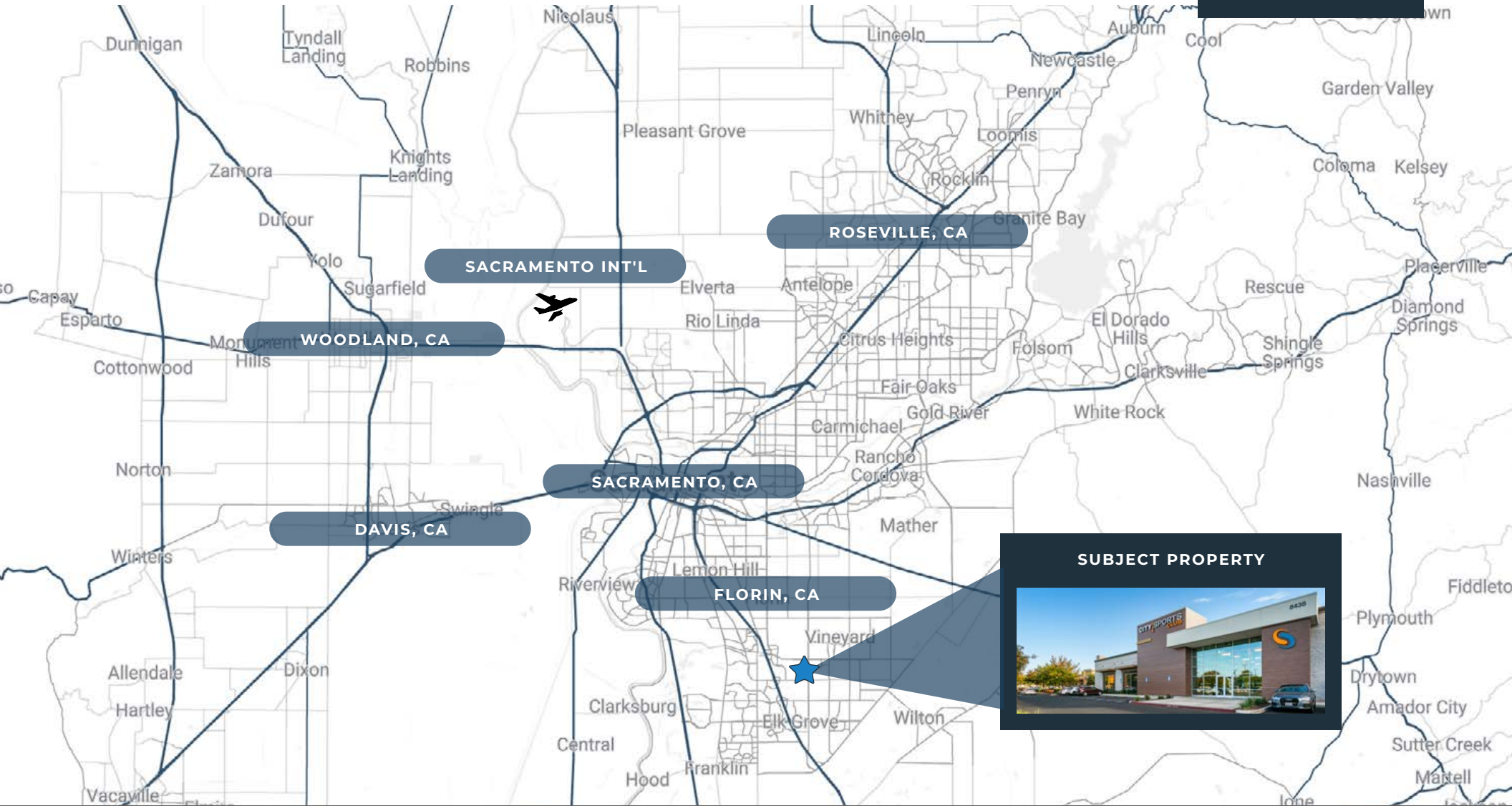
Marcus & Millichap
NNN FITNESS

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





REGIONAL OVERVIEW



TRAVEL DISTANCES



FLORIN, CA

5 MILES

SACRAMENTO, CA

13 MILES

ROSEVILLE, CA

24.7 MILES

SACRAMENTO INT'L

25 MILES

DAVID, CA

26 MILES

WOODLAND, CA

33.7 MILES

DEMOGRAPHICS



ELK GROVE, CA

	1 MILE	3 MILES	5 MILES
POPULATION			
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			
Avg 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
Civilian Non-Labor Force	6,735	38,402	86,356
U.S. Armed Forces	8	124	381

LOCATION SUMMARY

Marcus & Millichap
NNN FITNESS



Population: 187,985
2020 Census



Households: 56,211
2020 Census



Sacramento–Roseville–Arden-Arcade
Metropolitan Statistical Area

The Second-largest City in Sacramento County by Population

Elk Grove, just 15 miles south of Sacramento, is a thriving city of over 170,000 residents and the second-largest city in the Sacramento Metropolitan Statistical Area (MSA). Known for its award-winning schools, exceptional parks, and vibrant historic district, Elk Grove offers a high quality of life and a family-oriented atmosphere. The city is well-connected, with convenient access to major freeways, Sacramento International Airport, rail lines, and two nearby ports.

Elk Grove's prosperous economy is bolstered by a diverse business landscape, with agriculture, high technology, professional services, and commercial enterprises leading the way. Prominent employers such as Apple, Kaiser Permanente, Frontier Communications, and ALLDATA contribute to a strong job market and numerous career opportunities. From outstanding dining options to a range of recreational spaces, Elk Grove is a well-rounded community where both families and businesses can thrive.



NON-ENDORSEMENT & DISCLAIMER NOTICE

CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

SINGLE TENANT NET LEASE MARKETING PACKAGE DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers as follows:

The information contained in this and any other marketing materials provided by Marcus & Millichap has been obtained from sources believed to be reliable. However, Marcus & Millichap has not verified or conducted any due diligence, and will not verify or conduct any due diligence, regarding information communicated to potential buyers. Marcus & Millichap makes no promise, guarantee, warranty, or representation about the accuracy or completeness of any information and expressly denies any obligation to conduct a due diligence examination of this information or of any property for any buyer.

Any projections, forecasts, opinions, pro formas, assumptions, estimates, or expressions of potential future performance used in this or any other marketing material provided by Marcus & Millichap are for example only, represent only what might occur, and do not represent the current, actual, or future performance of this property or tenant. The value to any buyer of any property depends on factors that should be evaluated by each buyer together with the buyer's tax, financial, legal, and other professional advisors (collectively "Professional Advisors"). All buyers should conduct a careful, independent investigation of any property, tenant, and information deemed material to that buyer, to determine to their satisfaction the suitability of a particular property for each buyer's particular needs. All potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making when purchasing this or any other property. Information provided by Marcus & Millichap, including this marketing material, is never a substitute for nor satisfaction of each buyer's responsibility to conduct thorough due diligence of this or any other property the buyer might purchase.

Like all real estate transactions, this potential investment carries significant risks. Each buyer and Professional Advisors must request and carefully review all information and documents related to the property and tenant which the buyer deems material to their particular needs. While the tenant's past performance at this or other properties might be an important consideration, past performance is not a guarantee or necessarily a reliable indication of future performance. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be based on a tenant's projected sales with little or no record of actual performance or comparable rents for the area. Future performance and investment returns are never guaranteed. Tenants and guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of their lease. Cash flow may be interrupted in part or in whole due to market, economic, environmental, or other conditions. Regardless of tenant history and lease guarantees, every buyer is responsible for conducting their own investigation of all matters affecting the intrinsic value of the property and any lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property as well as the lease rates and other terms the buyer might be able to negotiate with potential replacement tenants, considering the location of the property, market rental rates, and the buyer's legal ability to make alternate use of the property.

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary. All potential buyers are admonished and advised to engage Professional Advisors on legal issues, tax, regulatory, financial and accounting matters, and for questions involving the property's physical condition or financial outlook.

By accepting this or any other marketing materials from Marcus & Millichap you agree to release Marcus & Millichap Real Estate Investment Services and its affiliated entities and agents, and hold them harmless, from any claim, cost, expense, or liability arising out of your purchase of this property.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2023 Marcus & Millichap. All rights reserved.



CITY SPORTS CLUB

ELK GROVE, CA
SACRAMENTO COUNTY

OFFERING MEMORANDUM

Marcus & Millichap
NNN FITNESS

MARK THIEL

Senior Managing Director
San Diego | (858) 373-3206
Mark.Thiel@marcusmillichap.com
License: CA 01469342

JAKE BORDELON

First Vice President Investments
San Diego | (858) 373-3133
Jake.Bordelon@marcusmillichap.com
License: CA 02048307

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