

OFFERING MEMORANDUM



**GROCERY OUTLET**  
Cameron Park, California

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team



**\$8,156,000 | 5.15% CAP RATE**



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# INVESTMENT SUMMARY

TENANT	Grocery Outlet		
ADDRESS	<a href="#">SW of Intersection of Green Valley Road and Winterhaven Drive, Cameron Park, California</a>		
PRICE	\$8,156,000		
CAP RATE	5.15%		
NOI	\$420,000		
TERM	15 years		
RENT COMMENCEMENT	October 2023 (est.)		
LEASE EXPIRATION	October 2038 (est.)		
RENTAL INCREASES	10% rental increases every five (5) years		
	YEAR	RENT	RETURN
	1-5	\$420,000	5.15%
	6-10	\$462,000	5.67%
	11-15	\$508,200	6.23%
	16-20 (option 1)	\$559,020	6.85%
	21-25 (option 2)	\$614,922	7.54%
	26-30 (option 3)	\$676,414	8.29%
	31-35 (option 4)	\$744,056	9.12%
LEASE TYPE	Net, with tenant responsible for all taxes, insurance, and maintenance, excluding structure		



# LISTING HIGHLIGHTS

## NEW 15-YEAR CORPORATE NET LEASE TO A STRONG AND GROWING GROCERY TENANT

- » 15-year net lease to Grocery Outlet (NASDAQ: "GO")
- » 10% rental increases every five (5) years
- » Grocery Outlet is the nation's largest extreme value grocery retailer, with more than 444 locations in eight states and \$3.58 billion in annual revenue
- » Grocery Outlet opened 27 new stores in fiscal 2022, including 10 in the fourth quarter
- » In fiscal 2022, net sales increased by 18.9% to \$930.8 million during the fourth quarter
- » Q1 2023 continued strong earnings with net sales increasing by 16.1% along with Company wide raised guidance for fiscal 2023
- » High-quality 2023 construction

## PROMINENT LOCATION NEAR MAJOR CALIFORNIA THOROUGHFARE WITH 71K DAILY VEHICLES

- » Only neighborhood grocery store within the residential hub of Cameron Park and true 360 degree trade area
- » High-visibility and easily accessible location along Green Valley Road (12,874 AADT) near the busy Cameron Park Drive signalized intersection (19,536 AADT)
- » Beneficial proximity to U.S. 50/El Dorado Freeway, a major California highway that sees an average of over 71,000 daily vehicles
- » Within one of the growing retail corridors in Cameron Park near notable tenants such as CVS, Starbucks, Domino's Pizza, Jamba, and Mountain Mike's Pizza, attracting significant crossover shopping to the location

## WELL-POSITIONED TO MEET THE GROWING DEMAND FOR AFFORDABLE GROCERY OPTIONS IN THE AREA

- » Only Grocery Outlet within a 20-minute drive from the location with few other grocery stores in and near the immediate area, creating limited competition in the local market
- » Affluent area with an average annual household income of \$178,151 within a five-mile radius and projected to increase 14% by 2028
- » Supported by 63,471 residents within five miles (7% growth since 2010)
- » 1.6 miles from Cameron Airpark and less than one hour from Mather Airport, Sacramento McClellan Airport, and Sacramento International Airport
- » Gateway to Sacramento (528,001 population), the sixth-most populous city in California and part of the third fastest growing MSA in California, with a projected growth of 55.4% over the next 30 years





Cambridge Road  
(9,615 AADT)



El Dorado  
Fitness



CVS/pharmacy

Superior  
SELF STORAGE

Knolls at Green Valley  
(200 units)

Two Future QSR's and  
One Future Retailer

GROCERY  
OUTLET  
Bargain Market

(Under  
Construction)

Green Valley Road  
(12,874 AADT)



jamba







DOWNTOWN  
SACRAMENTO

FOLSOM LAKE  
(2 million annual visitors)

EL DORADO HILLS  
(47,000+ population)

Serrano  
Country Club

Bass Lake

Green Valley Road  
(12,874 AADT)

Green Valley  
Elementary School  
(522 students)

CVS/pharmacy

Superior  
SELF STORAGE

POCKY  
R&C

Domino's

MIKASA

El Dorado  
Fitness

Serra County

CHICKEN STUFF

THE  
BOOK  
HOUSE

Starbucks

Circle K

Cameron Park Drive  
(19,536 AADT)

jamba

COVAR'S

Cambridge Road  
(9,615 AADT)

GROCERY  
OUTLET  
bargain market

(Under  
Construction)

MOUNTAIN MIKES

FOUR LEGS IS

CAMERADO  
BREWING

Two Future QSR's and  
One Future Retailer





Cameron Airpark

Cameron Park  
Country Club

Cameron Park  
Lake

Knolls at Green Valley  
(200 units)

**GROCERY  
OUTLET**  
bargain Market

(Under Construction)

ROOMS ROOMS  
El Dorado Fitness

Domino's

MIKASA

THE BOOK HOUSE

CVS/pharmacy

Superior  
SELF STORAGE

Cambridge Road  
(9,615 AADT)

Cameron Park Drive  
(19,536 AADT)

Green Valley Road  
(12,874 AADT)

Two Future QSR's and  
One Future Retailer

jamba

KOVARS

Starbucks

Starbucks

MOUNTAIN MIKE'S  
PIZZA

EL DORADO

CAMERADO BREWING



# SITE OVERVIEW

## YEAR BUILT

2023

## BUILDING SIZE

16,000 SF

## PARCEL SIZE

1.94 acres (84,363 SF)

## PARKING

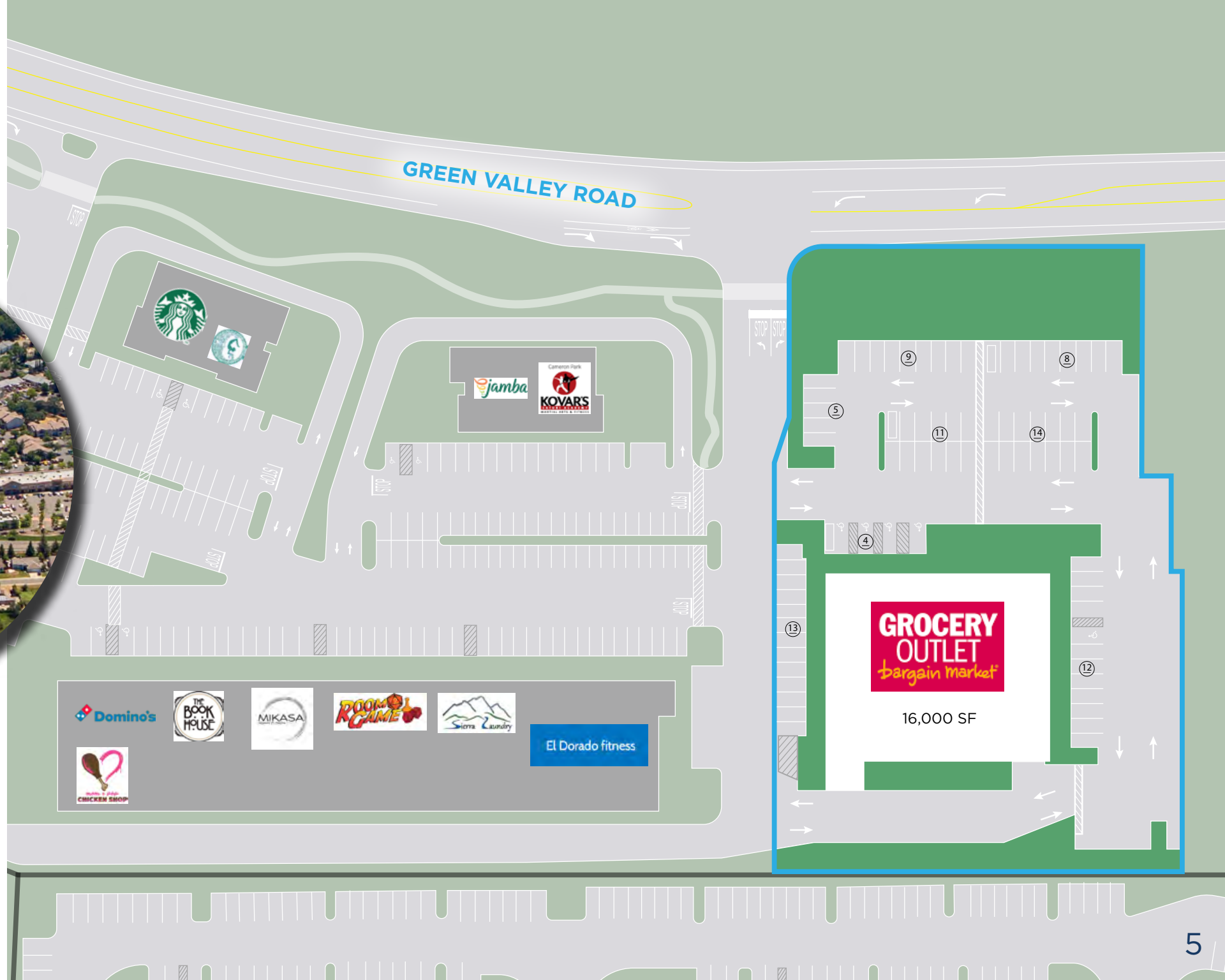
76 total parking stalls |  
5 handicap stalls

## ACCESS POINTS

Green Valley Road, Interparcel  
access from Cambridge Road

## MAJOR TRAFFIC DRIVERS

CVS, Starbucks, Domino's Pizza, Jamba, Knolls at Green Valley Apartments (200 units), Cameron Oaks (150 units), Glenview Apartments (88 units), Green Valley Elementary School (403 students), Sierra Oaks - North Apartments (72 units), Gold Oaks Apartments (28 units), Cameron Airpark, 27 miles to Sacramento McClellan Airport, 23 miles Mather Airport, 41 miles to Sacramento International Airport



# TENANT OVERVIEW



Grocery Outlet is a supermarket company that offers discount, overstocked, and closeout products from name-brand and private label suppliers. Grocery Outlet is the nation’s largest extreme value grocery retailer, with 444+ locations in California, Idaho, Maryland, New Jersey, Nevada, Oregon, Pennsylvania and Washington. Grocery Outlet’s business model, which emphasizes the acquisition of overstocks, factory seconds, package design changes, product overruns and close dated goods, is unlike that of traditional grocery retailers or discount sellers, and its stores are generally well received by consumers eager to stretch grocery budgets. The company’s stores also carry food staples such as fresh meat, dairy, and bread. All products sold by Grocery Outlet are purchased directly from manufacturers, not other retail stores, allowing the company to charge 40% to 70% less than traditional retailers for similar products.

On June 20, 2019, Grocery Outlet went public, trading its shares on the Nasdaq Stock Market under the symbol “GO.” The offering raised net proceeds to Grocery Outlet of approximately \$399.6 million, about \$150 million more than initially expected. Grocery Outlet was also recently upgraded to a B-1 rating by Moody’s in April of 2020. In a stock prospectus, Grocery Outlet indicated it sees the potential to open more than 400 additional stores in its current market area plus another 1,600 locations in neighboring states, with the potential for as many as 4,800 stores nationally over the long term. Grocery Outlet annual revenue for 2022 was \$3.6B, a 16.19% growth from 2021.

For more information, please visit [www.groceryoutlet.com](http://www.groceryoutlet.com)

REVENUE	HEADQUARTERS	TICKER	# OF LOCATIONS
\$3.6B	Emeryville, CA	NASDAQ: “GO”	444+

# LEASE ABSTRACT

## GROCERY OUTLET

ADDRESS:	<a href="#">SW of Intersection of Green Valley Road and Winterhaven Drive, Cameron Park, California</a>		
TENANT:	Grocery Outlet Inc.		
RENT COMMENCEMENT:	October 2023 (est.)		
LEASE EXPIRATION:	October 2038 (est.)		
RENEWAL OPTIONS:	Three (3) options of five (5) years and one (1) option of 59 months*		
RENTAL INCREASES:	YEAR	RENT	RETURN
	1-5	\$420,000	5.15%
	6-10	\$462,000	5.67%
	11-15	\$508,200	6.23%
	16-20 (option 1)	\$559,020	6.85%
	21-25 (option 2)	\$614,922	7.54%
	26-30 (option 3)	\$676,414	8.29%
	31-35* (option 4)	\$744,056	9.12%
REAL ESTATE TAXES:	Tenant is responsible for all taxes		
INSURANCE:	Tenant is responsible for insurance costs		
REPAIR & MAINTENANCE:	Tenant shall maintain, repair, and replace, all aspects of the building including the interior of the premises, fixtures, and equipment, nonstructural portions of the storefront, utility, HVAC systems serving only the premises, and all exterior areas of the premises, including sidewalks, driveways, parking areas, landscaping, trash enclosures, and trash compacting/loading areas		
MAINTENANCE BY LANDLORD:	Landlord is responsible for maintaining the structural systems and exterior portions of the Premises including the foundations, floors, and structural supports		
RIGHT OF FIRST OFFER:	None		



# PROPERTY OVERVIEW

## LOCATION

- » **Prime Retail Location:** High visibility location along Green Valley Road (12,874 AADT) near the busy Cameron Park Drive (19,536 AADT) intersection, attracting a significant daily traffic volume. Additionally, the property is positioned within a growing retail area, near popular tenants such as CVS, Starbucks, Domino's Pizza, Jamba, and Mountain Mike's Pizza, allowing the site to capture crossover shoppers
- » **Proximity to Major Highway:** Benefits from proximity to U.S. 50/El Dorado Freeway, ensuring exposure to a steady stream of over 71,000 vehicles daily
- » **Surrounded by Educational Institutions and Residential Units:** Less than one mile from Green Valley Elementary School and the Rescue Union School District office, and within walking distance to three large apartments with access to dense residential communities in the surrounding area
- » **Affluent Community Poised For Growth:** This area is supported by 63,471 residents with an average annual household income of \$178,151 within a five-mile radius and is projected to increase 14% to \$202,126 by 2028, indicating strong economic growth within the community. Additionally, the location is a gateway to Sacramento, the sixth-most populous city in California, and part of the third fastest-growing Metropolitan Statistical Area (MSA) in the state. The MSA is projected to achieve a remarkable growth of 55.4% over the next 30 years, offering long-term opportunities for businesses in the region



FILE PHOTO

  
**2023**  
YEAR BUILT

  
**76**  
PARKING STALLS

  
**PROPERTY ACCESS**  
GREEN VALLEY ROAD  
CAMBRIDGE ROAD

  
**TRAFFIC COUNTS**  
GREEN VALLEY ROAD: 12,874 AADT  
CAMERON PARK DRIVE: 19,536 AADT  
CAMBRIDGE ROAD: 9,615 AADT  
U.S. ROUTE 50: 71,000 AADT

  
**NEAREST AIRPORT**  
SACRAMENTO  
INTERNATIONAL AIRPORT  
(SMF)

**Prime Retail Location near Major California Highway**

**Gateway to Sacramento**





# AREA OVERVIEW

Cameron Park is a census-designated place in El Dorado County, California, and is part of the Greater Sacramento Area. The population was 19,171 as of the 2020 census, up from 18,228 in 2010. Cameron Park reflects a wide scope of interests, with ranch-sized properties, medium and high density residential, shopping areas, a championship country club, and a recreational lake. Cameron Airpark, O61, is a public airport and vital to the surrounding region. Cameron Airpark Estates provides opportunities for residents who are pilots to commute from home to any destination. The wide streets double as taxiways leading from the homes to the adjacent airport. El Dorado County is one of the original 27 counties into which the State of California was divided at its organization and admission to the union in 1850.

El Dorado County had a population of 191,185 in the 2020 U.S. Census. Over the last decade, El Dorado County has grown six percent. The majority of El Dorado County residents reside outside of the two incorporated cities of Placerville and South Lake Tahoe. El Dorado County has a diverse economy with the largest employment sectors in Education, Health Care, and Social Assistance employing 17,295 people. The Sacramento MSA has witnessed sustained and rapid growth for more than three decades and is now home to more than 2.4 million people, making it the fourth-largest metropolitan region in California and the 18th-largest in the United States. Due to its close proximity to the Bay Area and Lake Tahoe, relatively low cost of living, and high quality of life, the Sacramento MSA is poised for continued near and long-term growth.

- » **Sacramento is the third fastest growing MSA in California**, with a projected growth of 55.4 percent over the next 30 years
- » **Sacramento is expected to outpace the national average in job and population growth by more than double over the next 10 years**
- » **The Sacramento region is a major transportation hub**, served by air cargo airports, an international airport, a deep-water shipping port, two major interstate freeways, freight and passenger rail lines, and an extensive regional commuter bus and light-rail system



## CAMERON PARK



### LARGEST EMPLOYERS IN SACRAMENTO, CA # OF EMPLOYEES

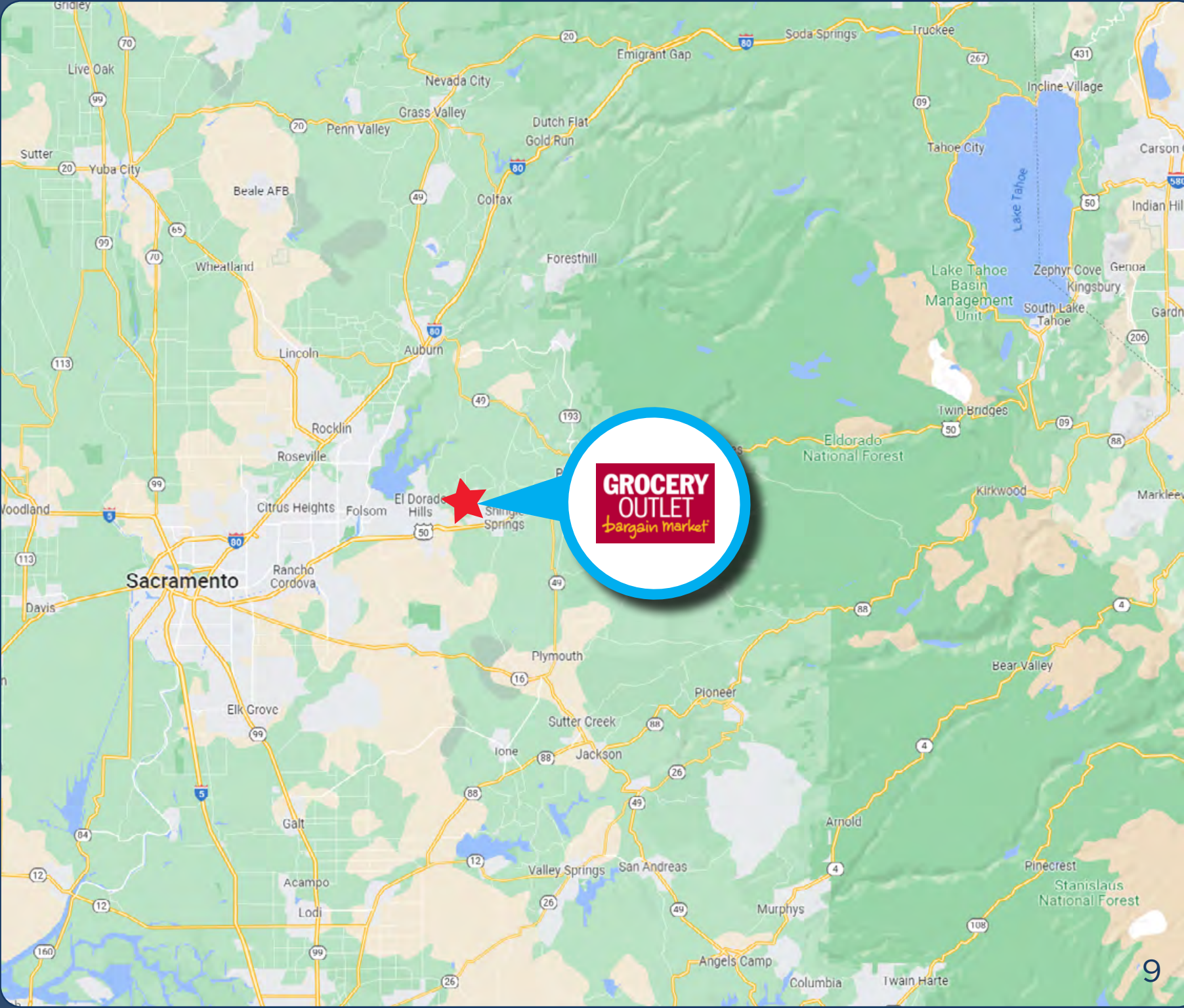
STATE OF CALIFORNIA	72,220
UNIVERSITY OF CALIFORNIA, DAVIS	20,295
CALTRANS	20,000
SACRAMENTO COUNTY	10,700
U.S. GOVERNMENT	9,906
UC DAVIS HEALTH SYSTEM	9,905
SUTTER HEALTH	7,352
RALEY'S	6,240
DIGNITY HEALTH	6,212
INTEL	6,000



# DEMOGRAPHICS

2023 SUMMARY	1 Mile	3 Miles	5 Miles
POPULATION	7,272	32,538	63,471
HOUSEHOLDS	2,905	12,189	23,164
FAMILIES	2,011	9,519	18,472
AVERAGE HOUSEHOLD SIZE	2.50	2.67	2.73
OWNER OCCUPIED HOUSING UNITS	1,827	9,521	18,599
RENTER OCCUPIED HOUSING UNITS	1,078	2,668	4,565
MEDIAN AGE	37.5	41.7	43.3
AVERAGE HOUSEHOLD INCOME	\$126,411	\$164,298	\$178,151

2028 ESTIMATE	1 Mile	3 Miles	5 Miles
POPULATION	7,296	33,153	64,275
HOUSEHOLDS	2,960	12,603	23,821
FAMILIES	2,046	9,839	18,975
AVERAGE HOUSEHOLD SIZE	2.46	2.63	2.69
OWNER OCCUPIED HOUSING UNITS	1,884	9,932	19,261
RENTER OCCUPIED HOUSING UNITS	1,076	2,671	4,560
MEDIAN AGE	38.1	42.0	43.7
AVERAGE HOUSEHOLD INCOME	\$148,622	\$187,932	\$202,126







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Cameron Park, California

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## DISCLAIMER

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Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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