FOR SALE - INDUSTRIAL/RETAIL INVESTMENT OPPORTUNITY

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22,320 SF High Income Producing

851 Richards Blvd, Sacramento, CA 95811

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GQ North real estate

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22,320 SF HIGH INCOME PRODUCING

OFFERING SUMMARY

ADDRESS	851 Richards Blvd Sacramento CA 95811
MARKET	The River District
SUBMARKET	Close to Downtown
BUILDING SF	22,320 SF
GLA (SF)	11,981
PROPERTY TYPE	Industrial / Retail
LAND SF	60,983 SF
PROPERTY SUB TYPE	Warehouse / Retail
CONDITIONAL USE PERMIT	Gentlemen's Club and Bar
APN	001-0020-013-0000

FINANCIAL SUMMARY

PRICE	$3,300,000
PRICE PSF	$275.44
OCCUPANCY	46.33%
NOI (Current Income)	$203,753
NOI (Pro Forma)	$401,711
CAP RATE (CURRENT INCOME)	6.17%
CAP RATE (PRO FORMA)	12.17%

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
2023 Population	11,472	168,919	381,500
2023 Median HH Income	$49,910	$79,224	$78,769
2023 Average HH Income	$79,509	$110,114	$109,596

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10018 Fair Oaks Blvd., Fair Oaks, CA 95762

For Sale

- • Cap Rate & Revenue:
  • Year 2 projected cap rate: 12.17%
  • Current cap rate: 6%
  • Pro forma cap rate: 15%
  • Over $22,000 a month in current revenue
  •
  • Available Space:
  • 11,981 SF currently vacant—ideal for new tenants or owner-users
  • Current tenant (HQ Nightclub): $3,810.52 NNN, Rent: $18,308.00 with 3% annual increases

  • Prime Location:
  • Corner of Richards Blvd & N 8th St.
  • Immediate access to both I-5 and I-80 freeways
  • Just two minutes from Downtown Sacramento, bordering West Sacramento and Natomas
  • Across the street from the police station and next to the highway patrol.
  • Investment Opportunity:
  • Positioned in an emerging development area blending industrial and retail
  • Excellent mix of security, accessibility, and growth potential
  This property captures the intersection of opportunity and high return, making it a standout choice for investors or owner-users.

11,981 SF Vacant unit / Owner User / Investment

- The 22,320 SF property is situated on 1.4 acres and offers plenty of shared parking, along with a small private yard for the 11,981 SF vacant unit. The vacant unit features barbed-wire fencing, a sturdy cinder-block building, a split-level warehouse with a pit area, and two drive-in roll-up doors. Enclosed drive-in docks are also located inside the building. On the west side, there's a small private yard with two drive-up docks. Ample shared parking is available behind the building, which is especially convenient since the adjacent club operates from 6:00 PM to 4:00 AM. The vacant unit also provides approximately 1,000 SF of office space. This is a fantastic location with significant space and growth potential. Invest confidently and unlock the financial rewards of owning this prime industrial property—ideal for owner-users or investors.

HQ Gentlemen's Club, Higher Income Producing Tenant

- Discover this hidden gem—an exceptional investment opportunity for astute buyers looking to maximize returns. Positioned in a prime Sacramento location, this versatile property offers 22,320 square feet of space with strong existing tenancy and substantial future potential.
  • Current Tenant: The renowned HQ Gentlemen's Club & Bar occupies approx.. 10,000 SF under lease through January 31, 2030. As Sacramento's premier adult nightclub, HQ operates from 6:00 PM to 4:00 AM, utilizing shared parking primarily during off-peak hours. This allows for easy accommodation of additional daytime tenants or a potential owner-user scenario.
  • Unique Permit Advantage: The property's Conditional Use Permit (CUP) allows for adult entertainment and bar operations with a full liquor license, a rare and highly sought-after asset in Sacramento. This CUP ensures premium tenancy and strong income stability, with HQ's lease options adding extra security for investors.
  • Prime Location: Ideally situated.

22,320 SF HIGH INCOME PRODUCING

02 Location

The River District

- The River District is dramatically transforming from a formerly isolated industrial distribution center into a vibrant mixed-use community. Residential projects like Mirasol Village, Township 9, and Track 281 Apartments have created a sense of community. The State of California has made catalytic investments in projects like the CA Lottery Headquarters and the May Lee State Office Complex – the largest all-electric, carbon-zero building complex in the country. Now, innovative projects harnessing the power of diverse entrepreneurs and designed for sustainability are moving forward, with the imminent groundbreaking of the Alchemist Public Market and the adaptive reuse of the historic old produce terminal and surrounding brick warehouses into the Grower's District. The River District's new website documents the rapidly changing environment in this neighborhood on the banks of the American and Sacramento Rivers, just blocks away from Capitol Mall, DOCO, and Old Sacramento and ten minutes from Sacramento International Airport. www.riverdistrict.net.

- River District Specific Plan Update
  The River District Specific Plan Update kicked off in March 2024, and is scheduled to take approximately 2 years to complete. The existing Specific Plan was adopted in 2011, and a lot has changed in the last 13 years. This update is an opportunity to evaluate goals, policies, and actions against an updated vision for the area.About the River District
  The River District Specific Plan area (River District) is located just north of downtown Sacramento and includes around 773 acres of mostly developed land. It is bounded by the Sacramento and American Rivers to the north and west, a rail line along the east boundary, and North B Street and another rail line along the southern boundary. See the map showing the study area boundary.

  The River District is home to a number of long-established industrial businesses, restaurants, hotels, and social services organizations. The area also includes a middle school, several parks, a museum, and City and State government offices. In recent years, the area has seen an increase in development interest and has welcomed several major developments, such as the May Lee Office Complex, Township 9, Track 281, and Mirasol Village.

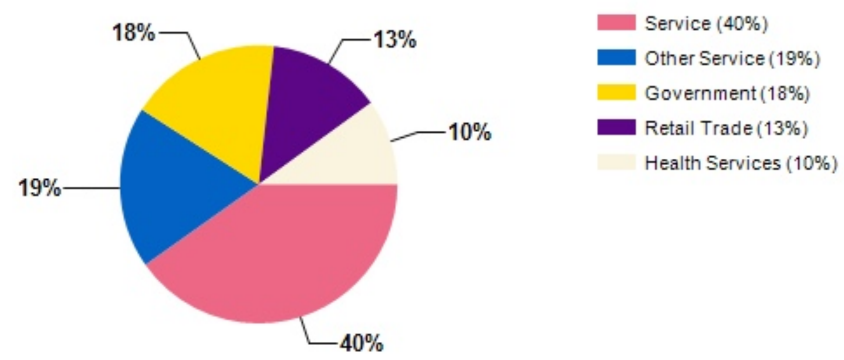
Permitting Cannabis Social Consumption Lounges

- Permitting Cannabis Social Consumption Lounges
  The Office of Cannabis Management is working towards developing the requirements to permit cannabis social consumption lounges. Add-on permits for consumption lounges are anticipated to become available after the City Council reviews cannabis land-use and zoning amendments , expected in early 2025. Following this, administrative steps such as a fee study will be completed, with permits likely to be available to begin issuing in summer 2025.

  Title 17 Cannabis Amendments Project
  The Community Development Department is preparing proposed amendments to Title 17 (Planning & Development Code) of the City Code for all cannabis business types (i.e., storefront dispensaries, delivery-only dispensaries, cultivation, manufacturing, distribution, and testing). This website provides information about the project to help you both understand and participate in the preparation and adoption of code amendments.

  *** Please check with the city of Sacramento's zoning and planning department.

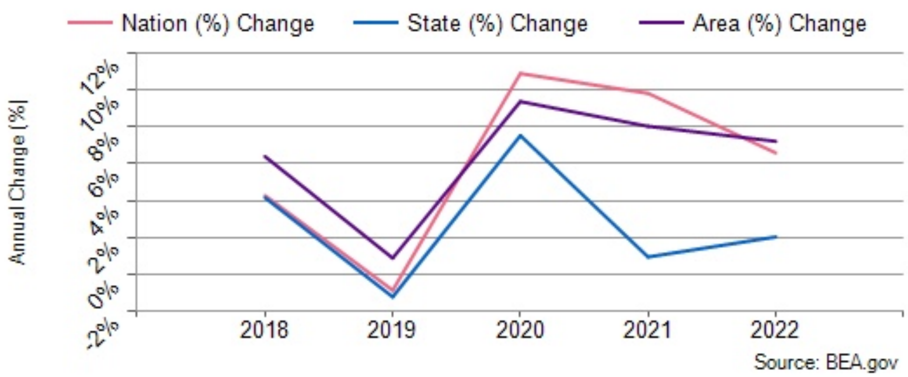
Major Industries by Employee Count

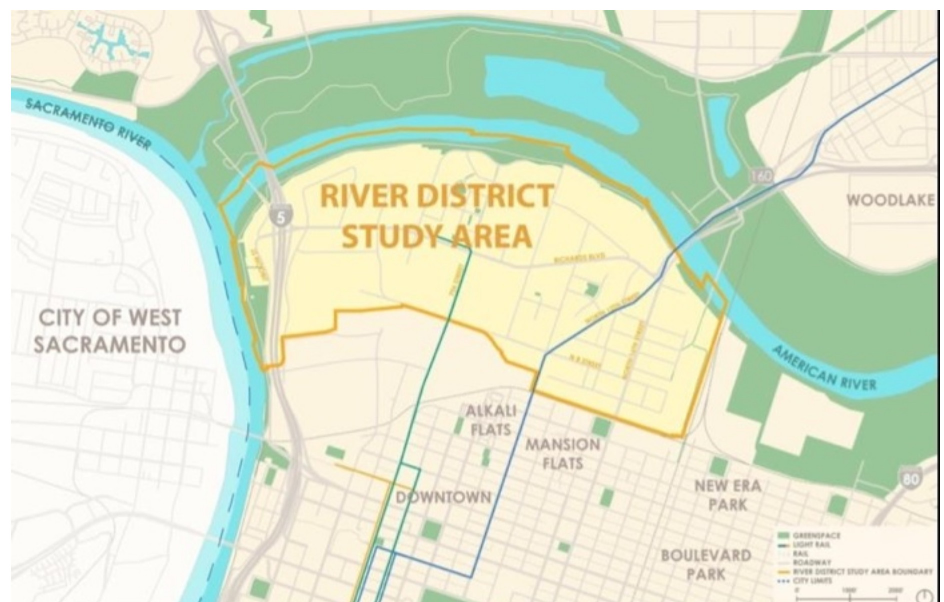


Largest Employers

State of California	107,876
UC Davis Health	16,075
Sacramento County	13,252
Kaiser Permanente	10,934
U.S. Government	10,507
Sutter Health	9,350
Dignity Health/Catholic Healthcare West	7,353
Intel	5,000

Sacramento County GDP Trend





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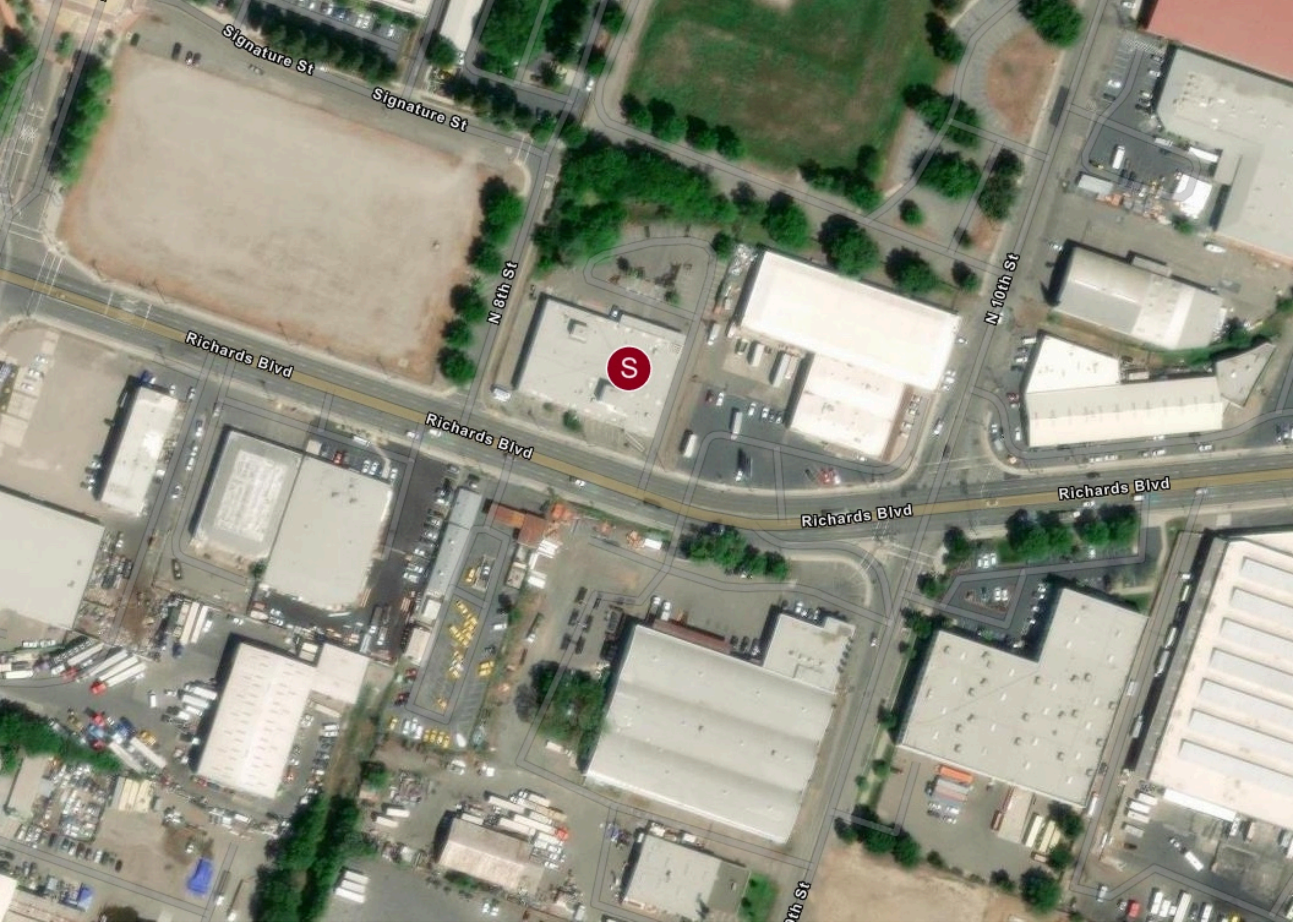
Signature St
Signature St
N 8th St
N 10th St
Richards Blvd
Richards Blvd
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22,320 SF HIGH INCOME PRODUCING

PROPERTY FEATURES

CURRENT OCCUPANCY	1
BUILDING SF	22,320
GLA (SF)	11,981
LAND SF	60,983
PROPERTY TYPE	Industrial / Retail
PROPERTY SUB TYPE	Warehouse / Retail
CONDITIONAL USE PERMIT	Gentlemen's Club and Bar
# OF PARCELS	1
ZONING TYPE	C2-SPD
TOTAL TENANTS	2
NUMBER OF STORIES	1
NUMBER OF BUILDINGS	1
PRIVATE YARD	Yes / Optional
ACRES	1.4 Acres
PARKING RATIO	Shared Use
CORNER LOCATION	Yes
HIGHER LEVEL CEILING HEIGHT	13 feet
LOWER LEVEL CEILING HEIGHT	15 feet
GRADE LEVEL DOORS	2
DRIVE IN DOCK	1
DRIVE UP DOCK SIDE BUILDING	2
SKYLIGHTS	Yes
FENCED YARD	Yes

NEIGHBORING PROPERTIES

NORTH	Office
SOUTH	Yellow Cab
EAST	CRESCO restaurant Equip
WEST	Sacramento HWY Patrol Station

MECHANICAL

HVAC	Yes
FIRE SPRINKLERS	Yes

CONSTRUCTION

FOUNDATION	Concrete Slab
FRAMING	Cinder Block Partial
EXTERIOR	Wood / Stucco
ROOF	Wood

TENANT INFORMATION

MAJOR TENANT/S	HQ gentlemen's club
LEASE TYPE	NNN

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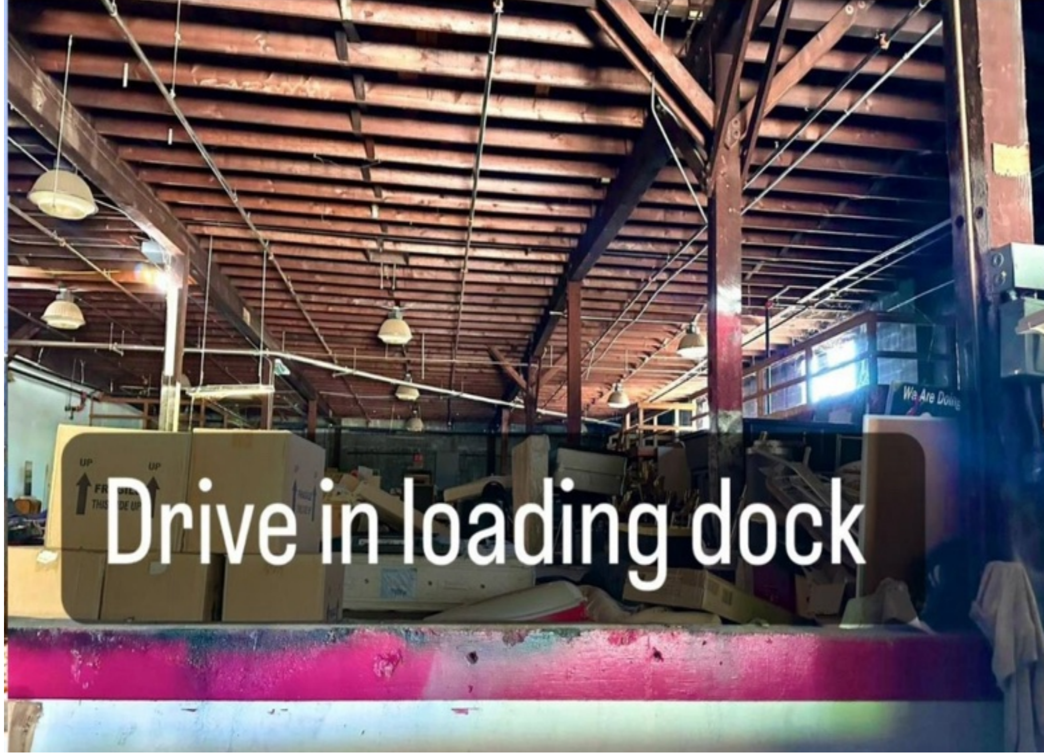
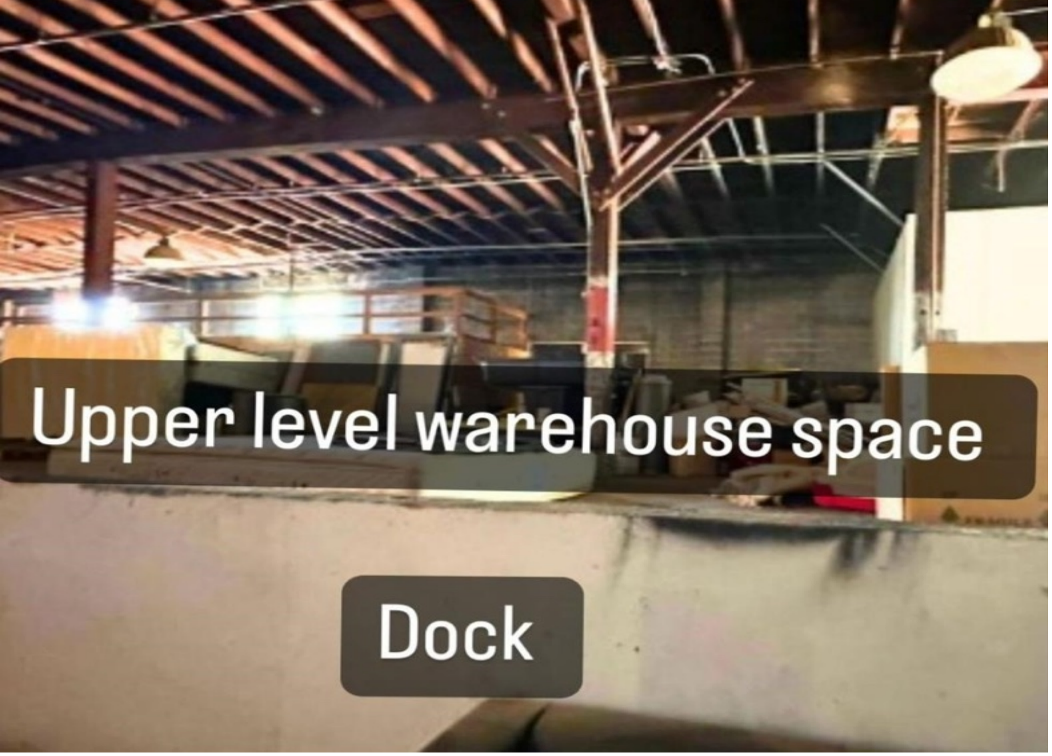
N 8th
N 8th St
N 8th St
N 8th St
851
AVAILABLE
Exotic Dancers
869
Richards Blvd
Richards Blvd


Drive up Docks


Drive in loading dock


NO PARKING


Upper level warehouse space
Dock

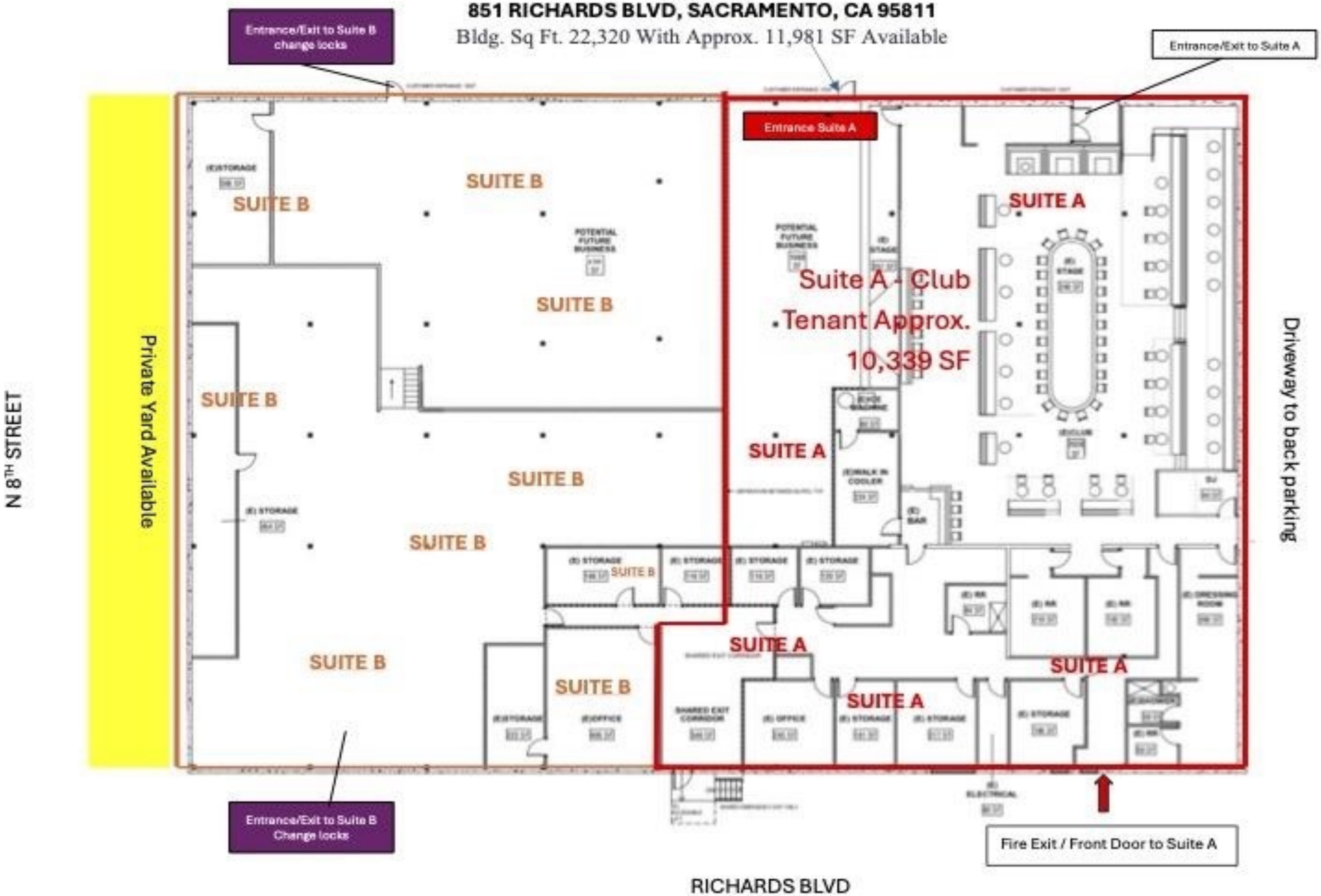

Upstairs Storage


Lower level
warehouse space

EXHIBIT A

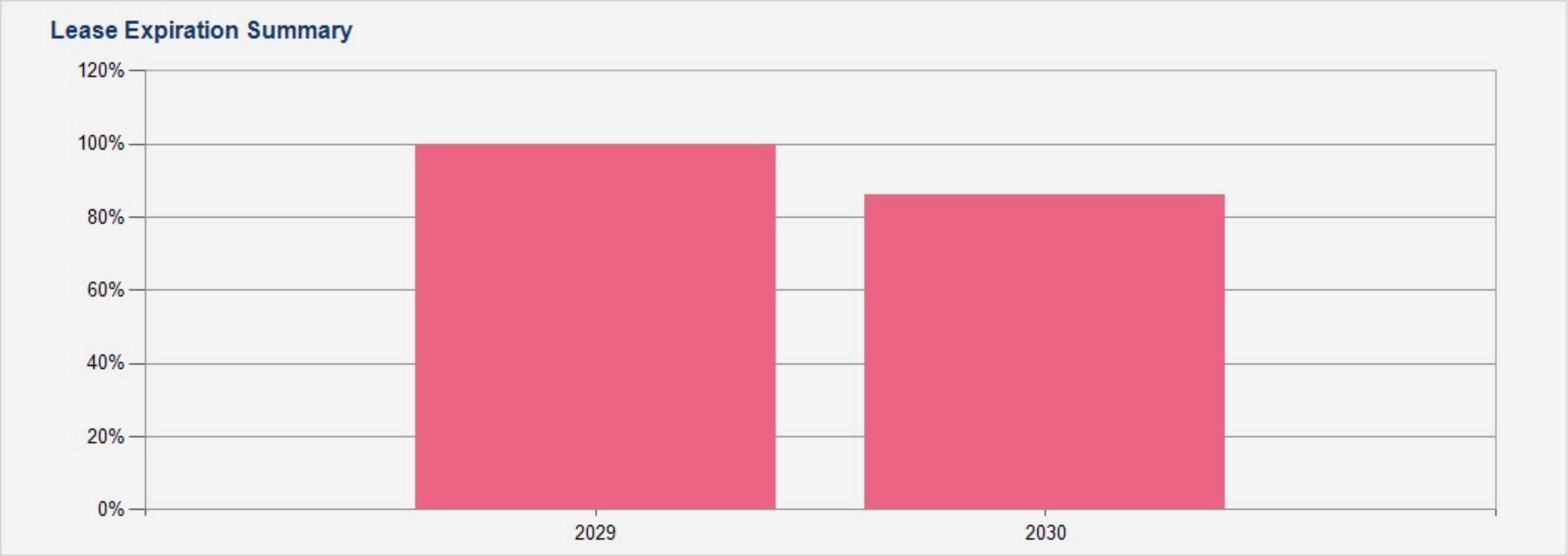
851 RICHARDS BLVD, SACRAMENTO, CA 95811

Bldg. Sq Ft. 22,320 With Approx. 11,981 SF Available



22,320 SF HIGH INCOME PRODUCING

				Lease Term		Rental Rates							
Suite	Tenant Name	Square Feet	% of NRA	Lease Start	Lease End	Begin Date	Monthly	PSF	Annual	PSF	CAM Revenue Annual	Lease Type	Options/Notes
100	HQ Gentlemen's Club	10,339	86.29%	07/01/19	01/31/30	CURRENT	$18,309	$1.77	$219,708	$21.25	$45,732	NNN	The building has a conditional Use permit for an Adult Entertainment Topless club and a full liquor license. A rare and profitable CUP.
						07/01/2026	$18,858	$1.82	$226,299	$21.84			
200	Available / Owner User	11,981	100.00%	10/01/24	09/30/29	FUTURE	$11,981	$1.00	$143,772	$12.00	$14,400	NNN	The is a vacant unit perfect for owner user or investment income producing.
						10/01/2025	$12,340	$1.03	$148,085	$12.36			
	Totals:	22,320					$18,309		$219,708		$45,732		
	Totals (Includes Vacant Space)						$30,290		$363,480		$60,132		



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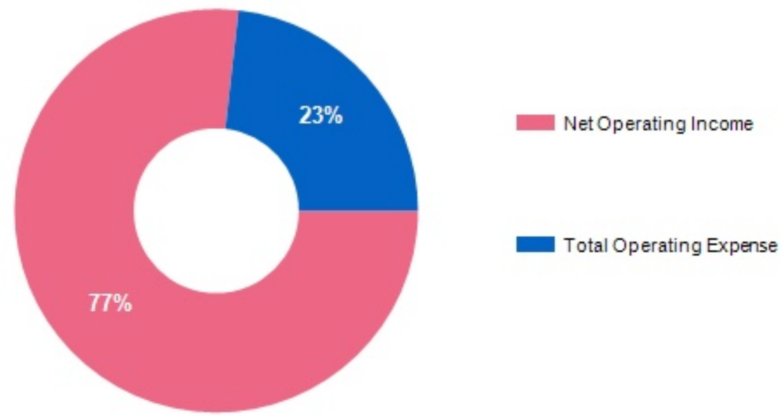
05 Financial Analysis

INCOME	CURRENT INCOME		PRO FORMA	
Gross Scheduled Rent	$219,696	82.8%	$403,386	87.1%
CAM Revenue	$45,732	17.2%	$60,000	12.9%
General Vacancy *	-50.00%			
Effective Gross Income	**$265,428**		**$463,386**	
Less Expenses	$61,675	23.23%	$61,675	13.30%
Net Operating Income	**$203,753**		**$401,711**	

* vacancy amount factored into gross revenue

REVENUE ALLOCATION

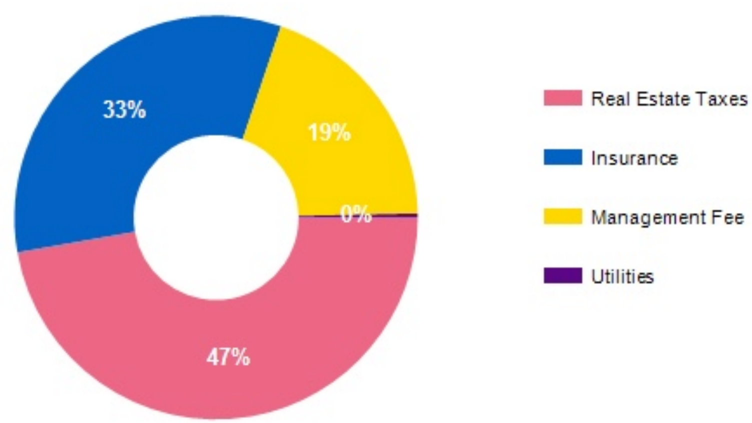
CURRENT INCOME



EXPENSES	CURRENT INCOME	PRO FORMA
Real Estate Taxes	$29,132	$29,132
Insurance	$20,344	$20,344
Management Fee	$12,000	$12,000
Utilities	$199	$199
Total Operating Expense	**$61,675**	**$61,675**
Expense / SF	$5.15	$5.15
% of EGI	23.23%	13.30%

DISTRIBUTION OF EXPENSES

CURRENT INCOME



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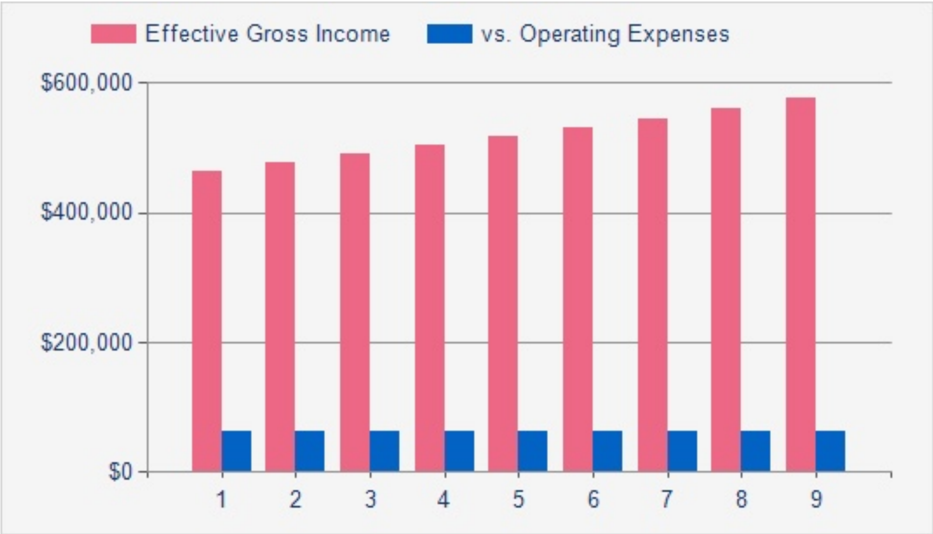
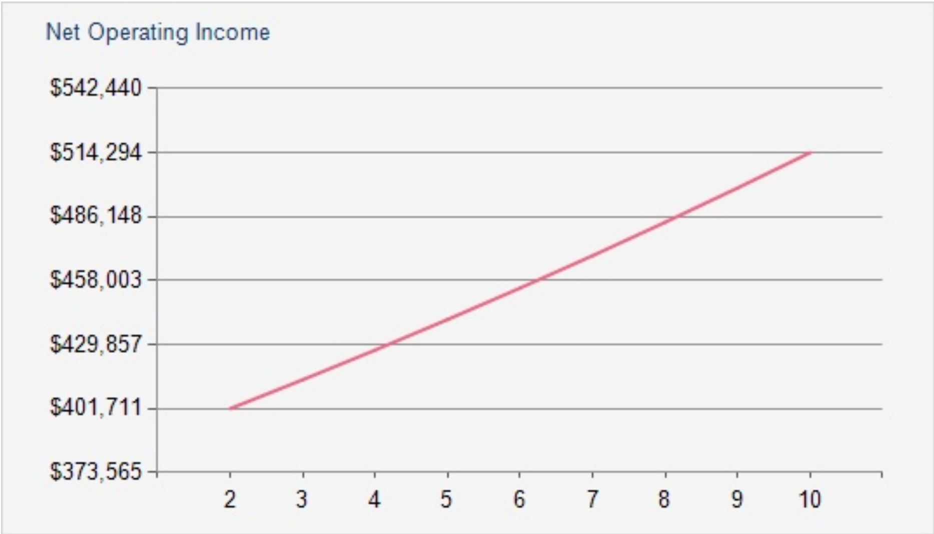
Calendar Year	Current Income	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Revenue										
Gross Scheduled Rent	$219,696	$403,386	$415,488	$427,952	$440,791	$454,014	$467,635	$481,664	$496,114	$510,997
CAM Revenue	$45,732	$60,000	$60,600	$61,206	$61,818	$62,436	$63,061	$63,691	$64,328	$64,971
General Vacancy*	-50.00%	-0.00%	-0.00%	-0.00%	-0.00%	-0.00%	-0.00%	-0.00%	-0.00%	-0.00%
Effective Gross Income	**$265,428**	**$463,386**	**$476,088**	**$489,158**	**$502,609**	**$516,451**	**$530,696**	**$545,355**	**$560,442**	**$575,969**
Operating Expenses										
Real Estate Taxes	$29,132	$29,132	$29,132	$29,132	$29,132	$29,132	$29,132	$29,132	$29,132	$29,132
Insurance	$20,344	$20,344	$20,344	$20,344	$20,344	$20,344	$20,344	$20,344	$20,344	$20,344
Management Fee	$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$12,000
Utilities	$199	$199	$199	$199	$199	$199	$199	$199	$199	$199
Total Operating Expense	**$61,675**	**$61,675**	**$61,675**	**$61,675**	**$61,675**	**$61,675**	**$61,675**	**$61,675**	**$61,675**	**$61,675**
Net Operating Income	**$203,753**	**$401,711**	**$414,413**	**$427,483**	**$440,934**	**$454,776**	**$469,021**	**$483,680**	**$498,767**	**$514,294**

* vacancy amount factored into gross revenue





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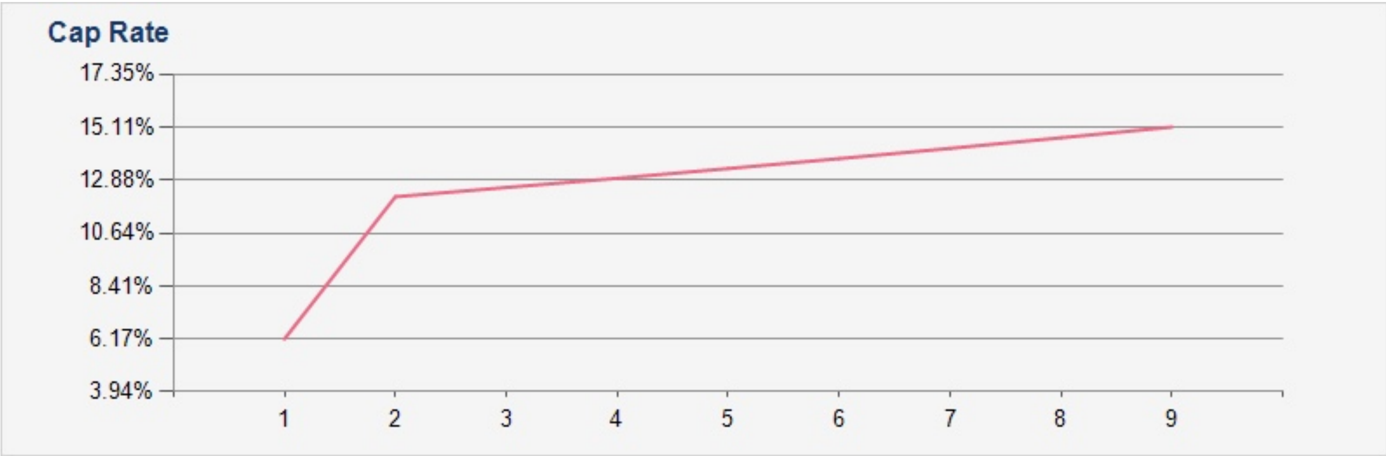
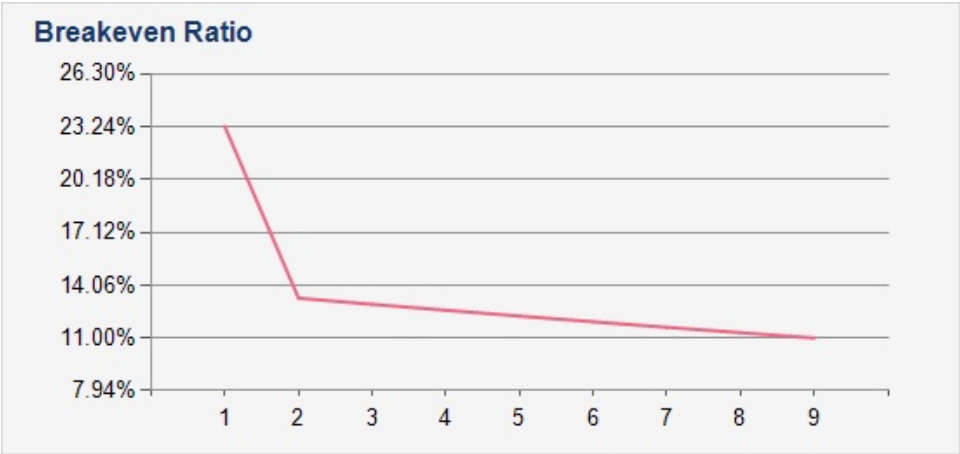
Calendar Year	Current Income	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
CAP Rate	6.17%	12.17%	12.56%	12.95%	13.36%	13.78%	14.21%	14.66%	15.11%	15.58%
Operating Expense Ratio	23.23%	13.30%	12.95%	12.60%	12.27%	11.94%	11.62%	11.30%	11.00%	10.70%
Breakeven Ratio	23.24%	13.31%	12.95%	12.61%	12.27%	11.94%	11.62%	11.31%	11.00%	10.71%
Price / SF	$275.44	$275.44	$275.44	$275.44	$275.44	$275.44	$275.44	$275.44	$275.44	$275.44
Price / Unit	$3,300,000	$3,300,000	$3,300,000	$3,300,000	$3,300,000	$3,300,000	$3,300,000	$3,300,000	$3,300,000	$3,300,000
Income / SF	$22.15	$38.67	$39.73	$40.82	$41.95	$43.10	$44.29	$45.51	$46.77	$48.07
Expense / SF	$5.14	$5.14	$5.14	$5.14	$5.14	$5.14	$5.14	$5.14	$5.14	$5.14





22,320 SF HIGH INCOME PRODUCING

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Senior Vice President

Lu Ann Henderson is an exclusive Commercial Real Estate listing agent serving California. She has a vast network of business owners and investors and a continuous pool of qualified buyers and tenants seeking quality real estate.

Eighty percent of her sales and leasing transactions are dual agency, which expedites transactions and reduces overall commission costs. Lu Ann has been recognized as a top producer by CoStar/LoopNet. She has received the Top-Performing Broker award in Crexi's Annual Platinum Broker Awards and is responsible for over $40 million in California sales alone.

She selectively manages several listings, ensuring each client receives personal attention and thorough due diligence. Lu Ann has a proven strategy and specialization in various sectors of business real estate, including industrial, retail shopping centers, mixed-use, residential, office, land development, and specialty assets, which contributes to her status in the top 5 percent of brokers by transaction volume.

Lu Ann is committed to advising you on effective strategies for selling or leasing your property. She focuses on transparent and ethical dealings and wants to alleviate the pressures associated with property transactions.

Lu Ann leverages digital marketing platforms and social media, including commercial real estate platforms, to maximize your property's exposure. She also manages a YouTube channel, MatrixCRE.ai, to showcase each listing and enhance global visibility.

If you seek high-quality advice and result-oriented brokerage services, please call or email her at Infor@MatrixCRE.ai and visit the website at MatrixCRE.ai.

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By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property, please promptly return this offering memorandum to GQ North Real Estate. This offering memorandum has been prepared to provide summary, unverified financial and physical 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. GQ North Real Estate 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, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or 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 offering memorandum has been obtained from sources we believe reliable; however, GQ North Real Estate has not verified, and will not verify, any of the information contained herein, nor has GQ North Real Estate 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

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