



Office Capital Markets Report

Elk Grove

Sacramento - CA

PREPARED BY



BACON Commercial
Real Estate

Tom Bacon
Broker/Owner



OFFICE CAPITAL MARKETS REPORT - SUBMARKET

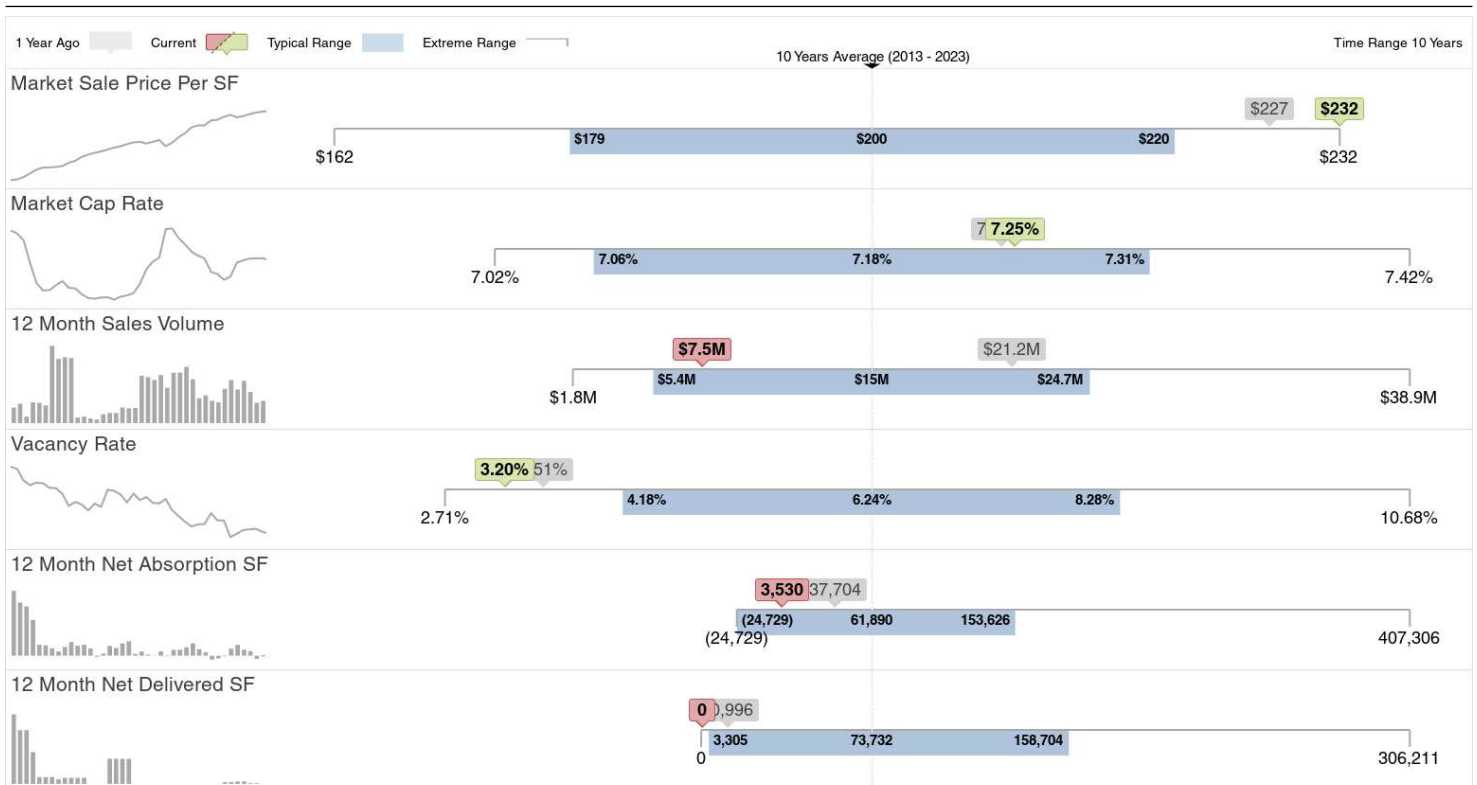
Capital Markets Overview	1
Market Pricing	5
Buying & Selling By Owner Type	7
Investment Trends By Buyer & Seller Origin	8
Submarket Sales Trends	9
Recent Significant Sales	10
Players	12
Sale Trends	16

Capital Markets Overview

Elk Grove Office

Asset Value	12 Mo Sales Volume			Market Cap Rate	Mkt Sale Price/SF Chg (YOY)			
\$583.8M	\$7.5M			7.2%	2.4%			
12 MO SALES VOLUME	Total	Lowest	Highest	12 MO SALES PRICE	Average	Lowest	Highest	Market
Transactions	8	-	-	Cap Rate	7.4%	7.4%	7.4%	7.2%
Sales Volume	\$7.5M	\$550K	\$2.7M	Sale Price/SF	\$252	\$186	\$385	\$232
Properties Sold	8	-	-	Sale Price	\$1.2M	\$550K	\$2.7M	-
Transacted SF	55K	1.5K	23.8K	Sale vs Asking Price	-4.6%	-6.6%	0%	-
Average SF	6.9K	1.5K	23.8K	% Leased at Sale	81.2%	0%	100%	-

KEY PERFORMANCE INDICATORS

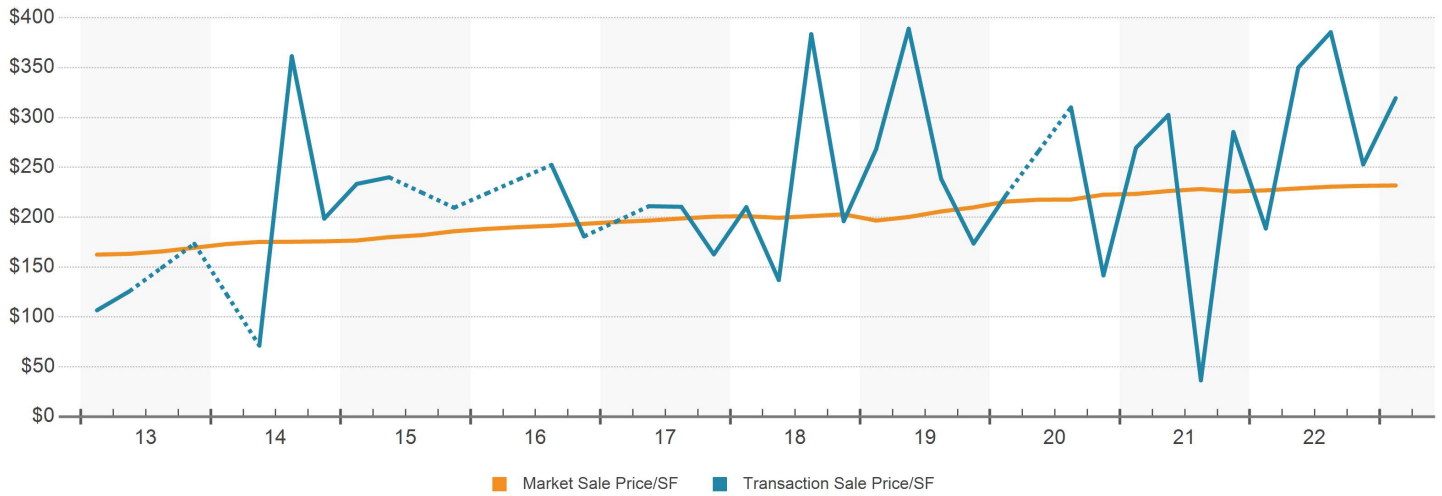


SUMMARY

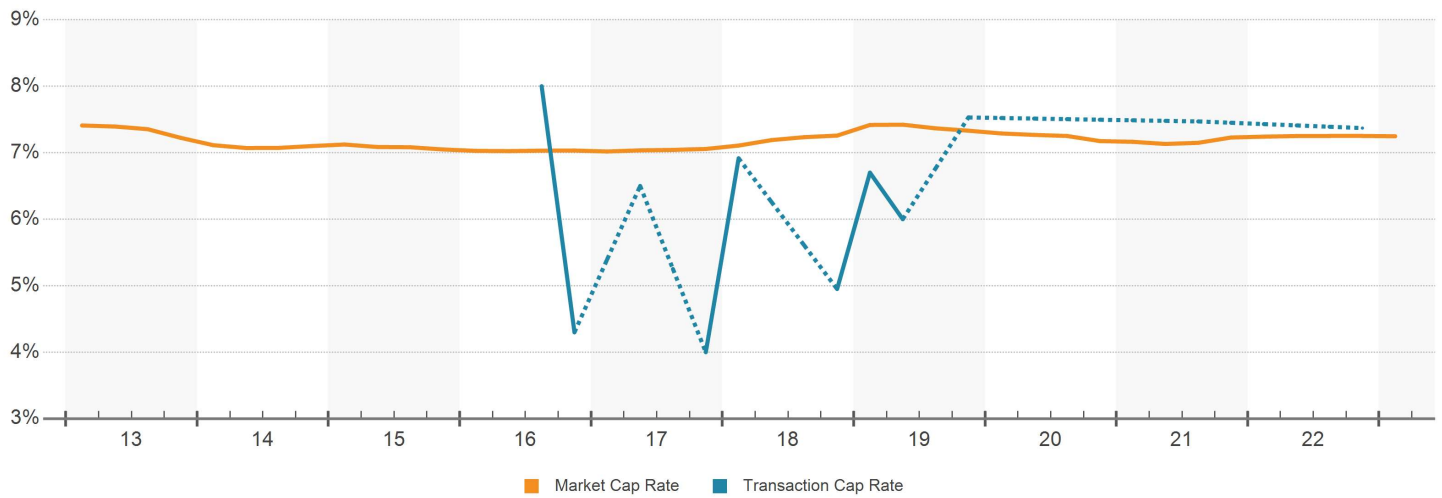
The Elk Grove Submarket is a regular target among market participants searching for office investment opportunities in Sacramento. Annual sales volume has averaged \$18.2 million over the past five years, and the 12-month high for deal volume over that period reached \$28.3 million. But the recorded volume over the past year totaled just \$7.8 million, which is the lowest figure over that five-year stretch.

The market price, based on the estimated price movement of all office assets in the submarket, sat at \$232/SF during the first quarter of 2023. That figure is up from this time last year, and the level here is still ahead of pricing across the Sacramento region. At 7.2%, the market cap rate is within a few basis points of its year-ago levels, and it's fairly similar to the metro average. The present rate in the submarket matches the five-year average.

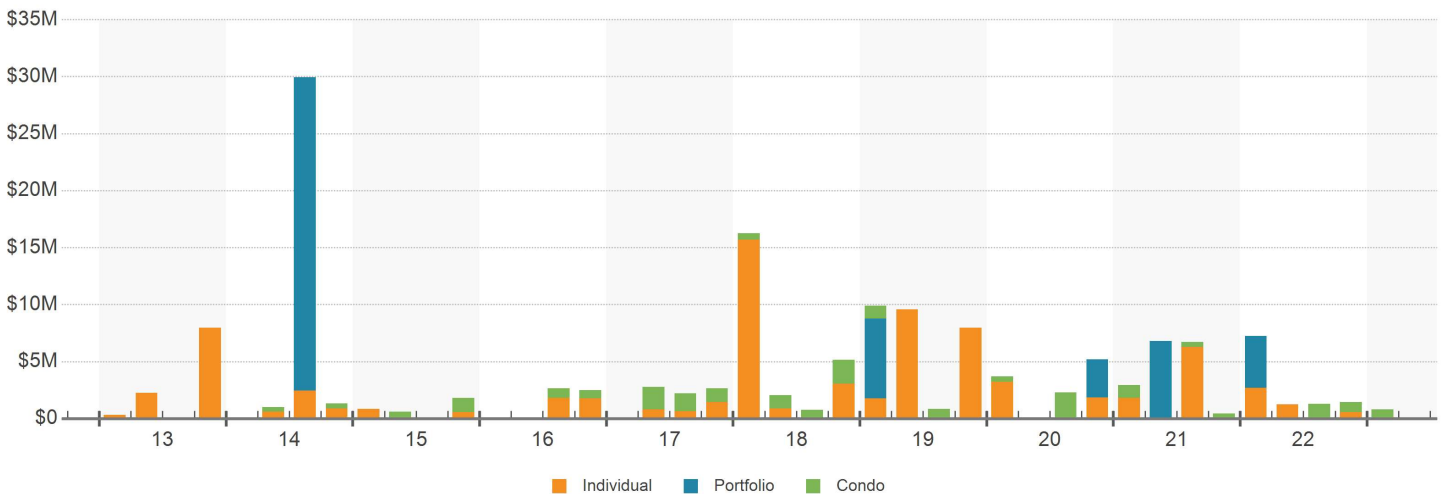
MARKET SALE PRICE & TRANSACTION SALE PRICE PER SF



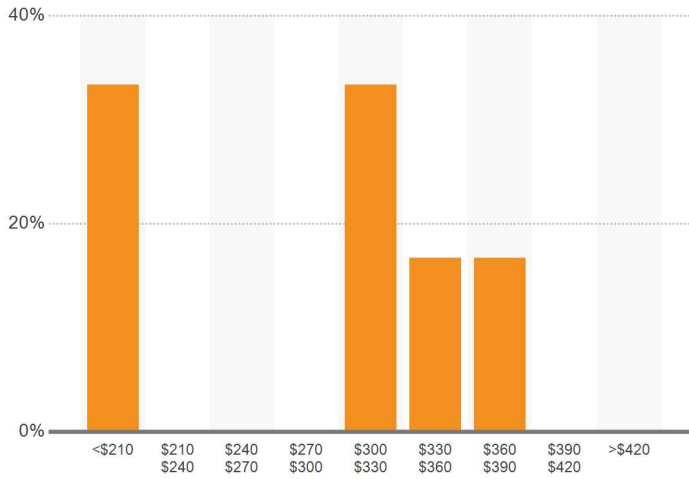
MARKET CAP RATE & TRANSACTION CAP RATE



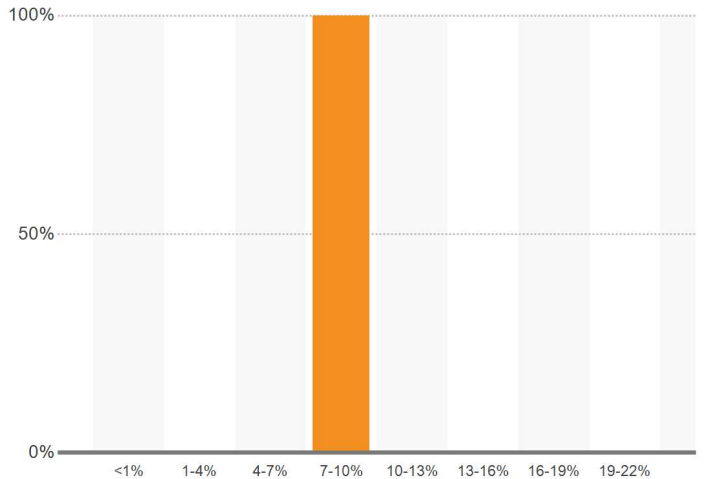
SALES VOLUME BY TRANSACTION TYPE



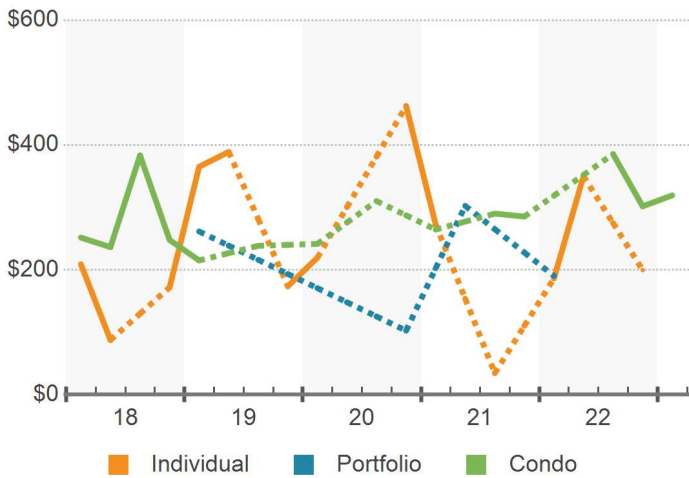
SALE PRICE PER SF DISTRIBUTION PAST 12 MONTHS



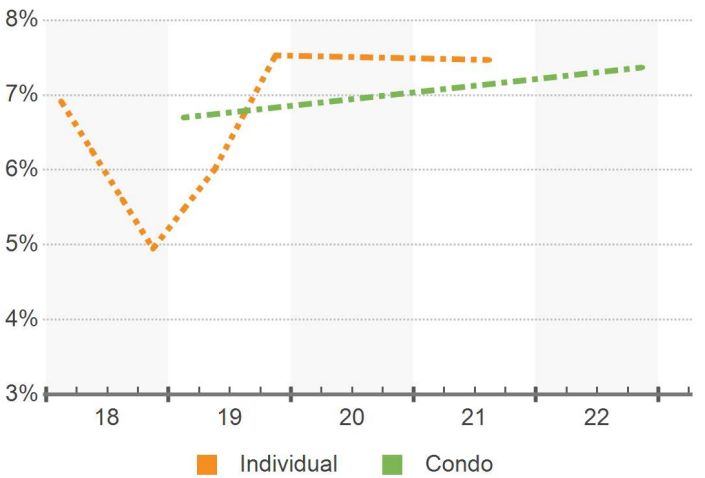
CAP RATE DISTRIBUTION PAST 12 MONTHS



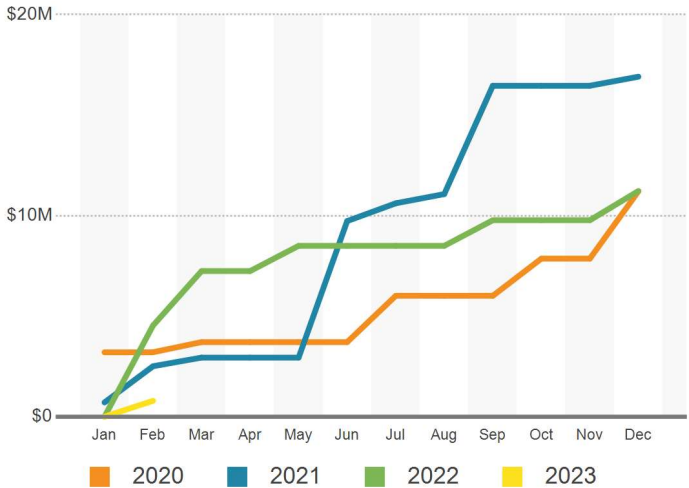
SALE PRICE PER SF BY TRANSACTION TYPE



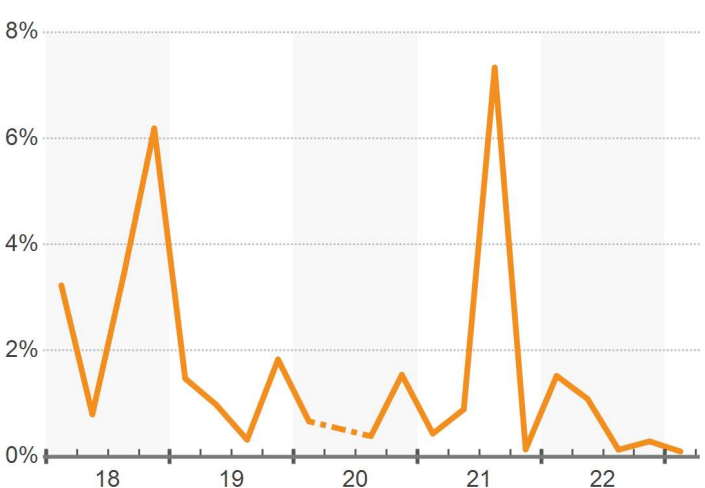
CAP RATE BY TRANSACTION TYPE



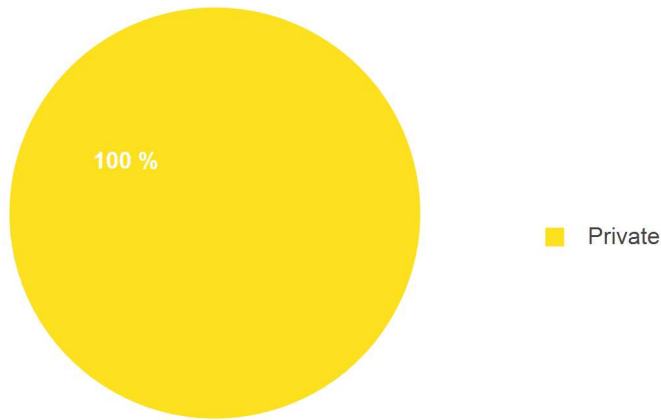
CUMULATIVE SALES VOLUME BY YEAR



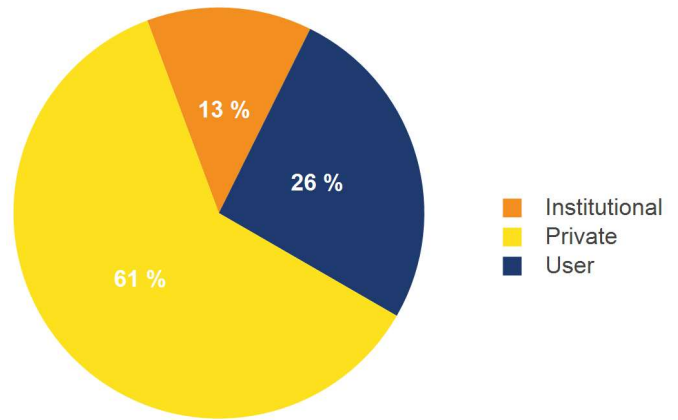
SOLD SF AS % OF TOTAL SF



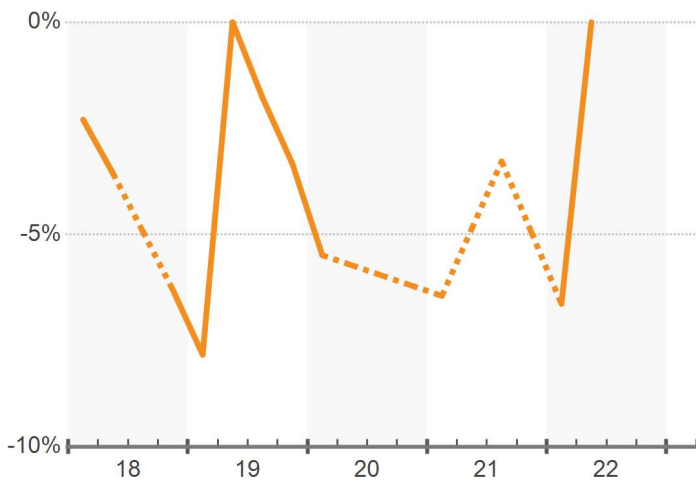
SALES VOLUME BY BUYER TYPE PAST 12 MONTHS



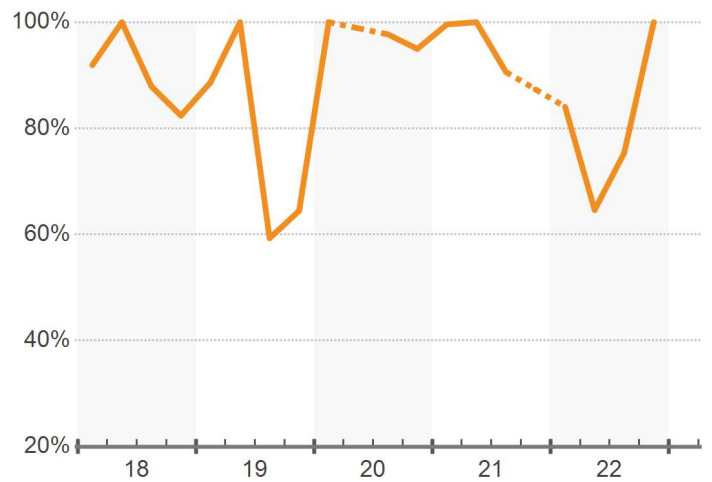
ASSET VALUE BY OWNER TYPE



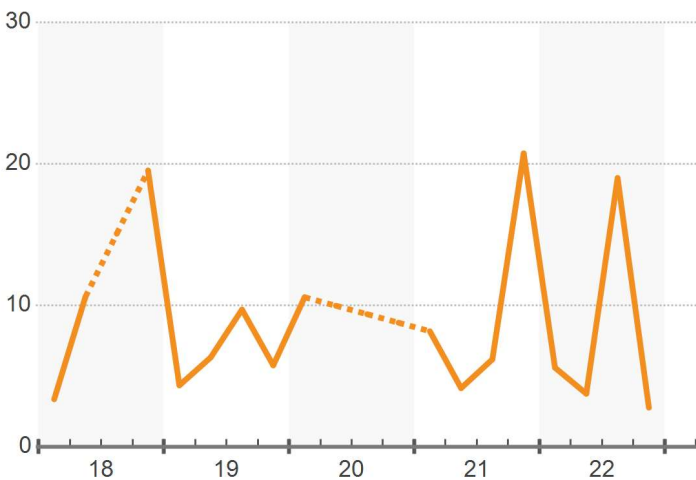
SALE TO ASKING PRICE DIFFERENTIAL



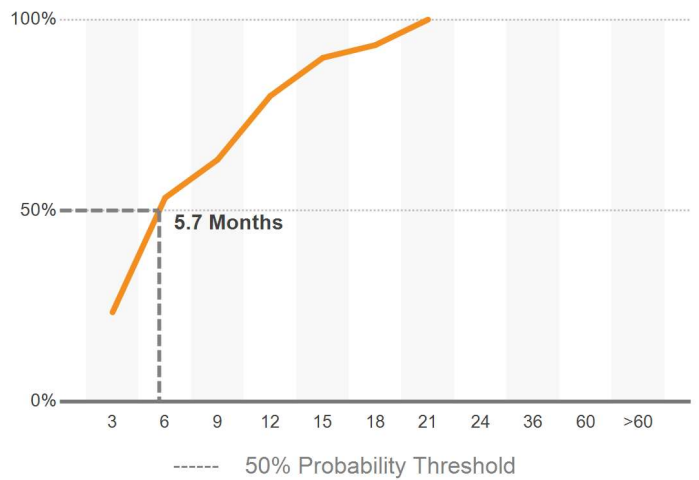
OCCUPANCY AT SALE



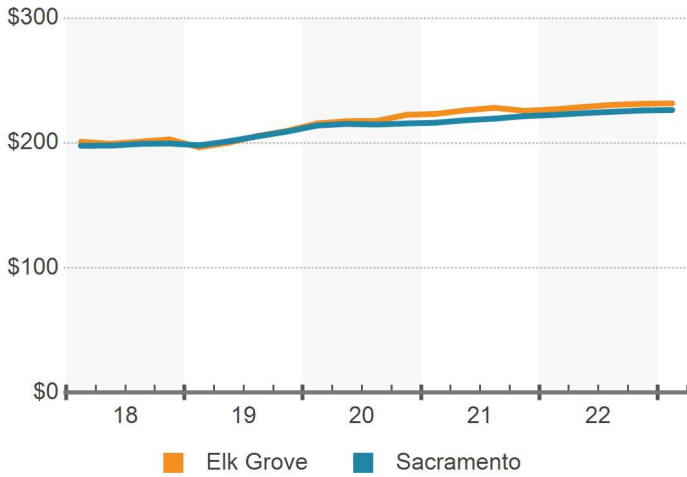
MONTHS TO SALE



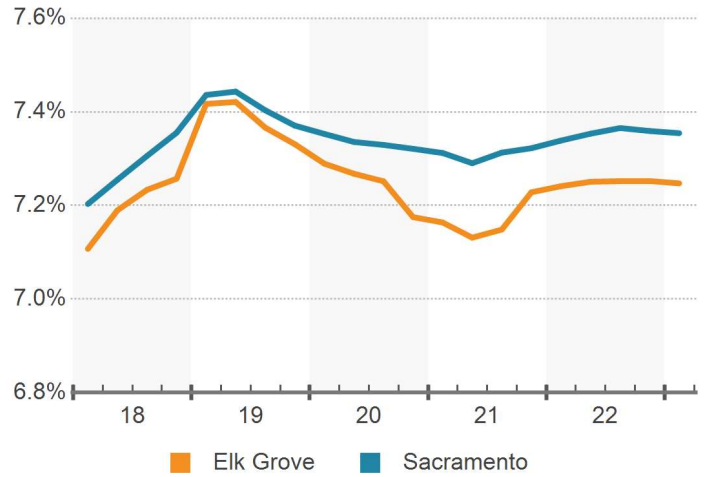
PROBABILITY OF SELLING IN MONTHS



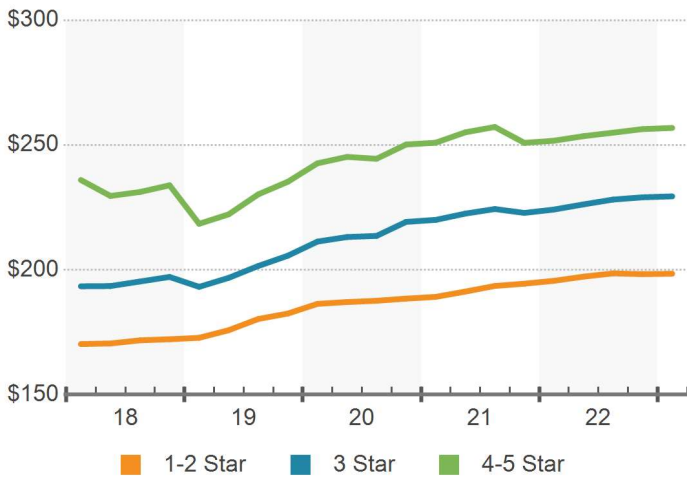
MARKET SALE PRICE PER SF



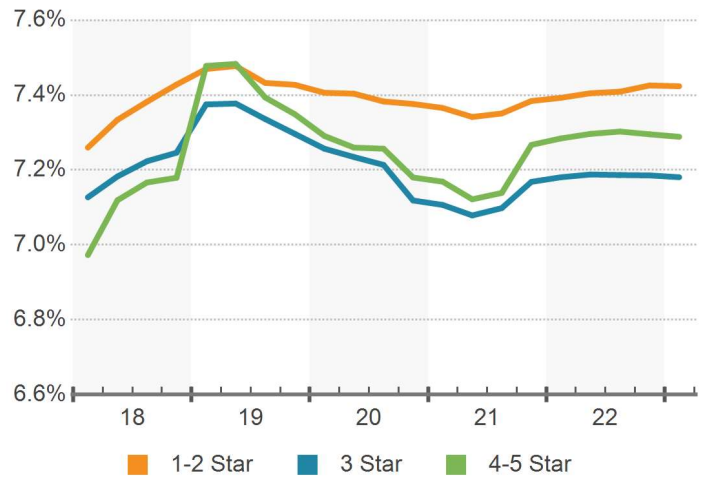
MARKET CAP RATE



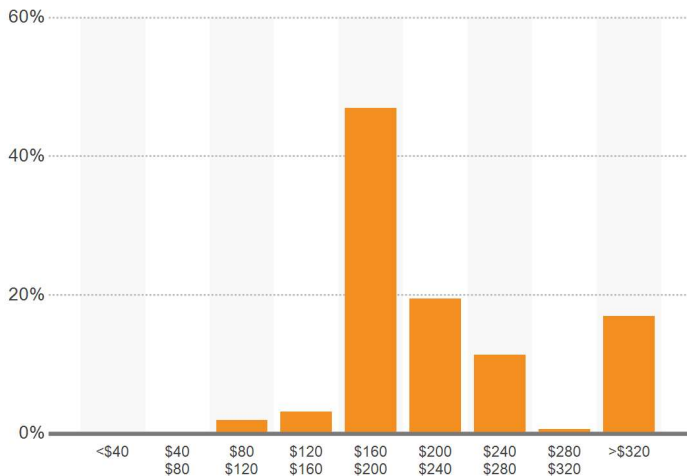
MARKET SALE PRICE PER SF BY STAR RATING



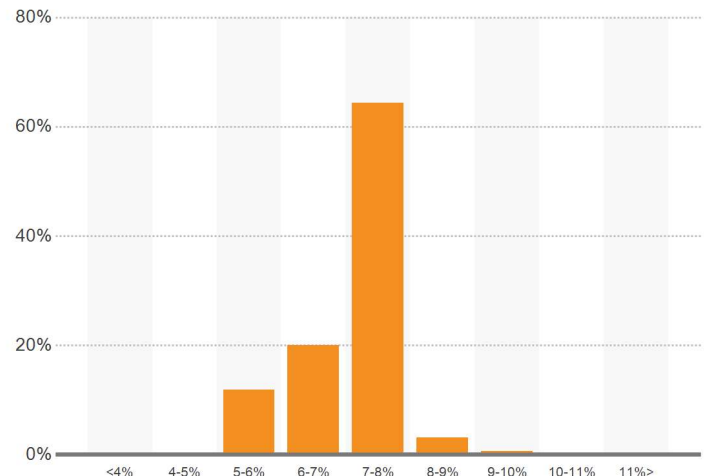
MARKET CAP RATE BY STAR RATING



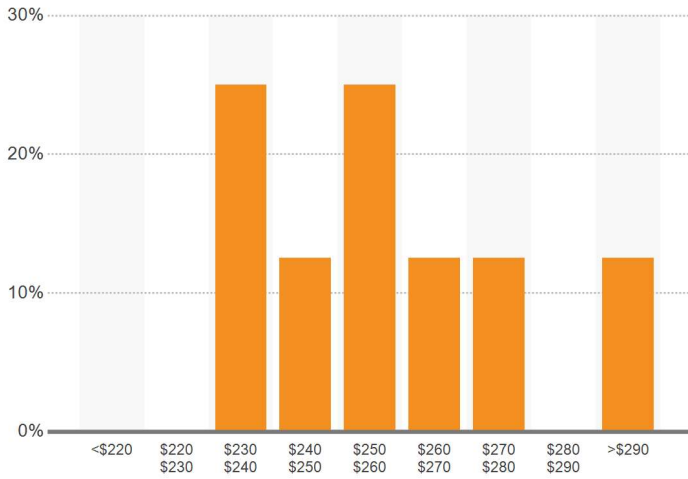
MARKET SALE PRICE PER SF DISTRIBUTION



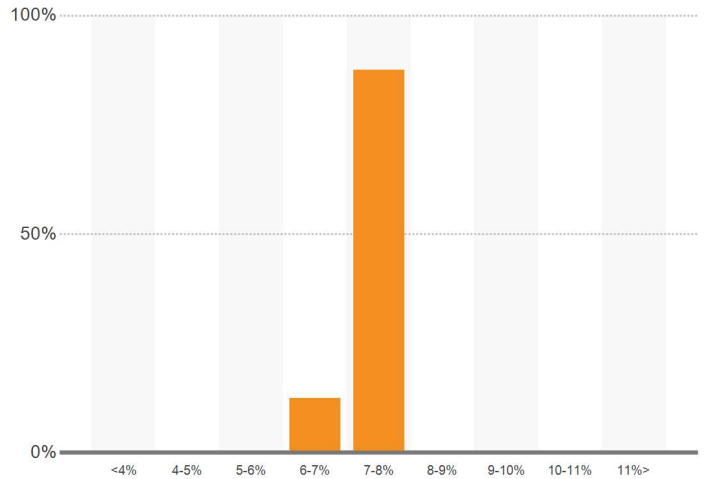
MARKET CAP RATE DISTRIBUTION



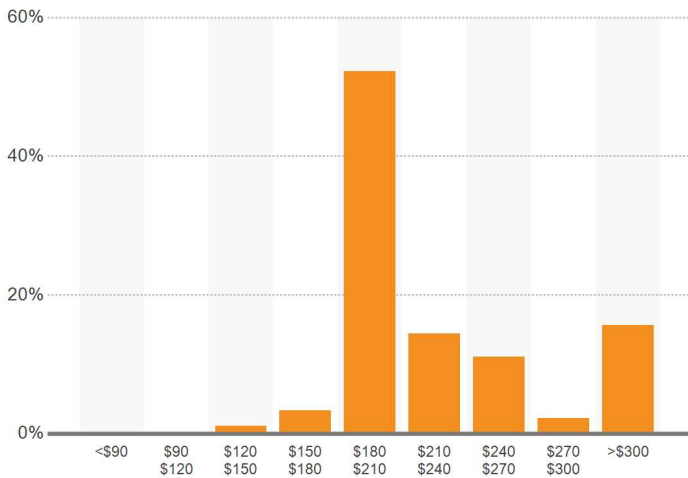
4-5 STAR MARKET SALE PRICE PER SF DISTRIBUTION



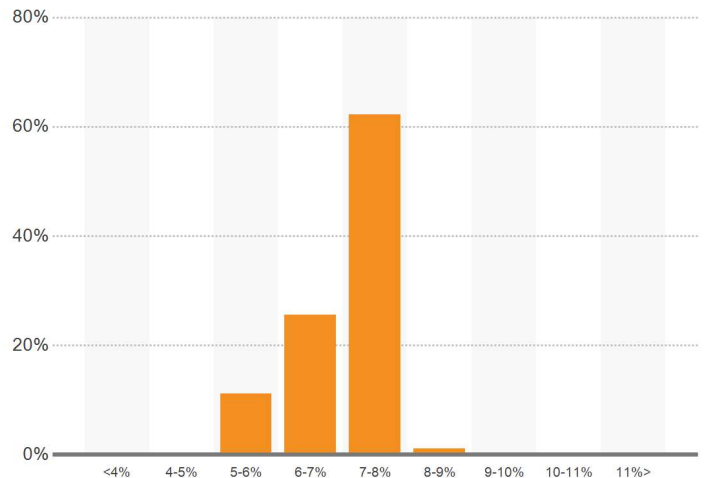
4-5 STAR MARKET CAP RATE DISTRIBUTION



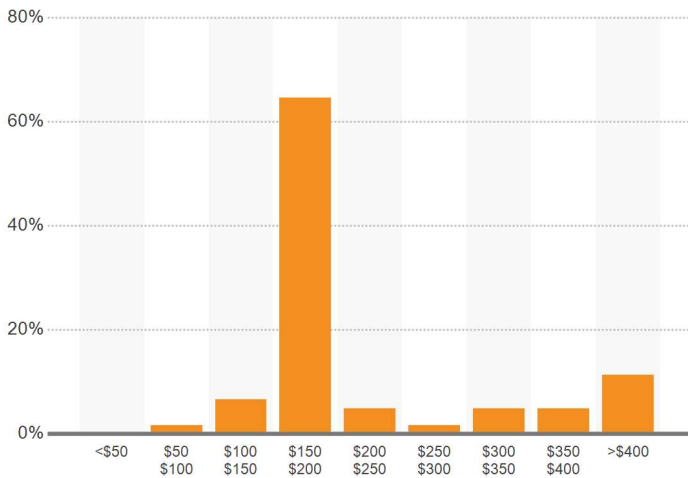
3 STAR MARKET SALE PRICE PER SF DISTRIBUTION



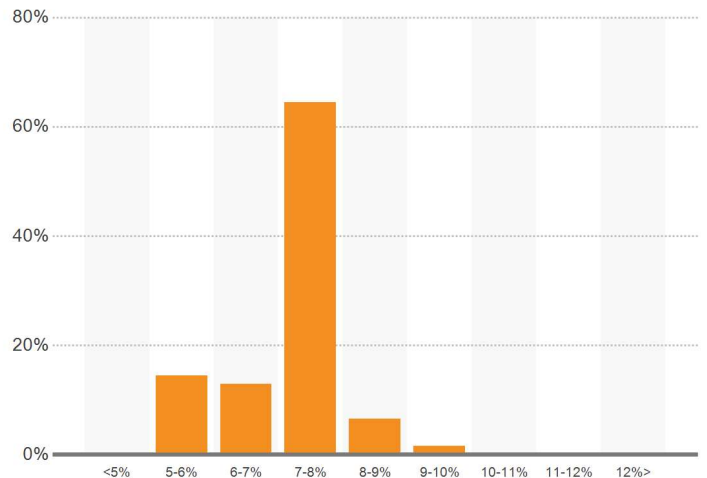
3 STAR MARKET CAP RATE DISTRIBUTION



1-2 STAR MARKET SALE PRICE PER SF DISTRIBUTION

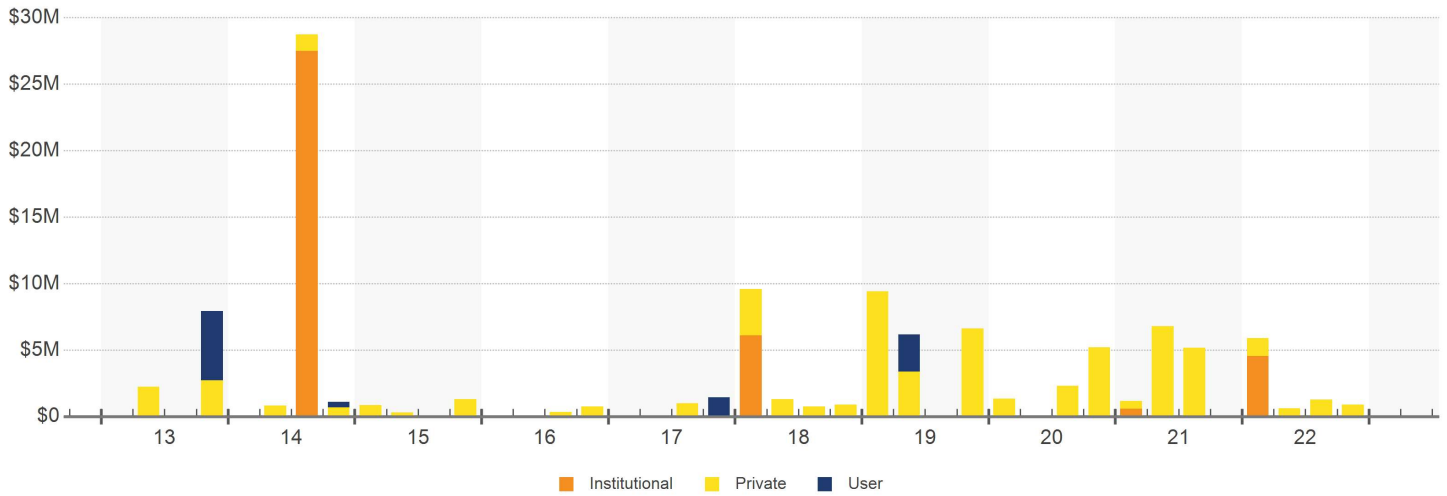


1-2 STAR MARKET CAP RATE DISTRIBUTION

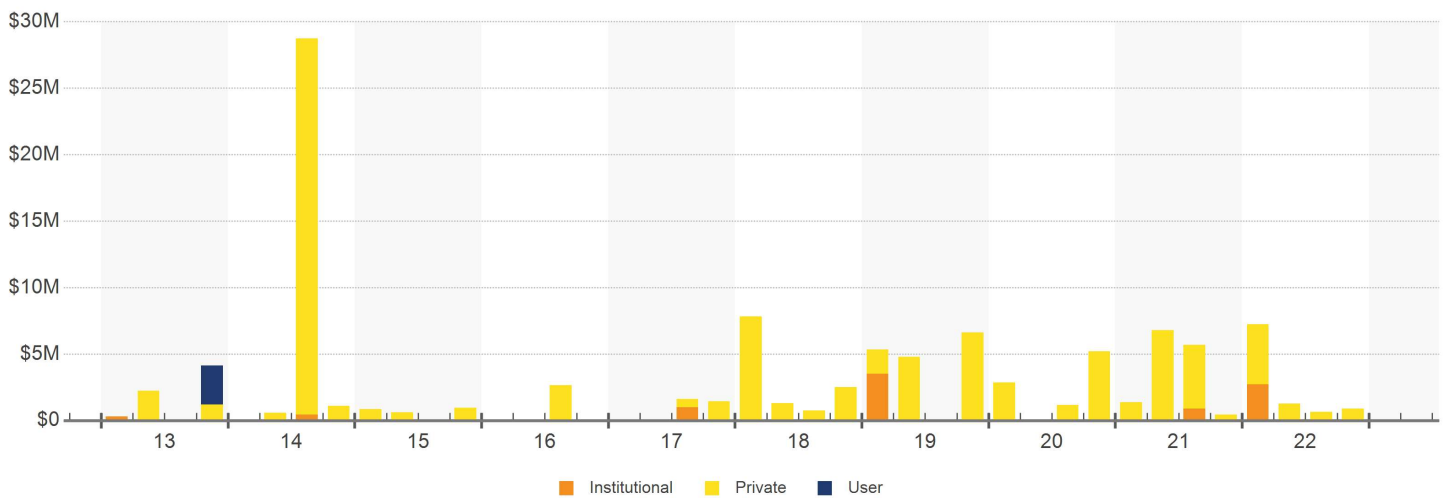


Buying & Selling By Owner Type

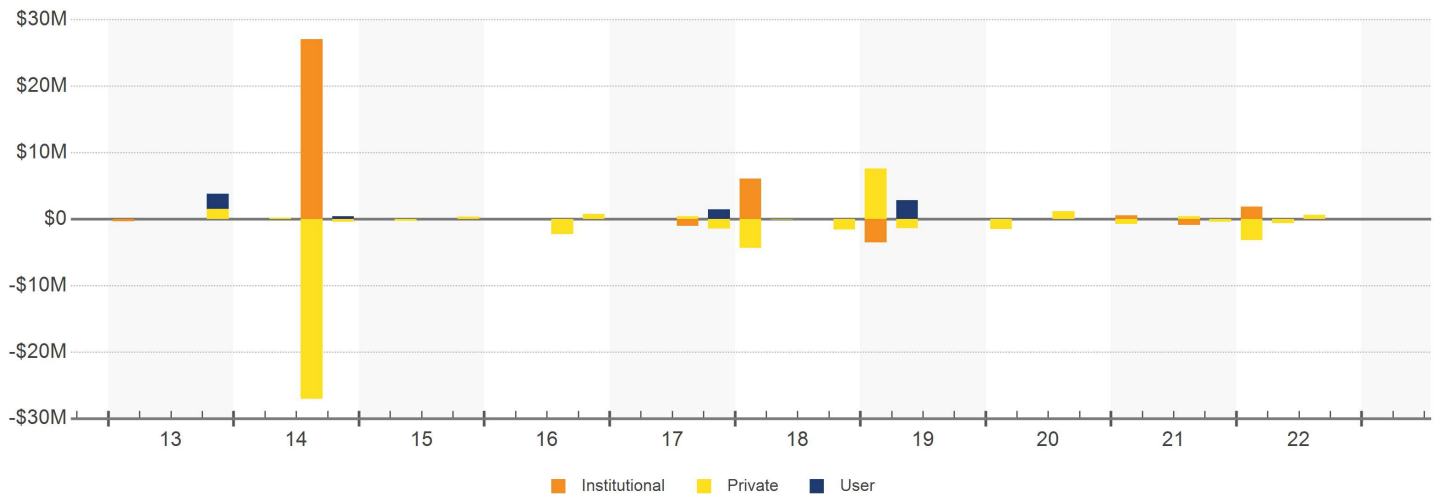
SALES VOLUME BY BUYER TYPE



SALES VOLUME BY SELLER TYPE

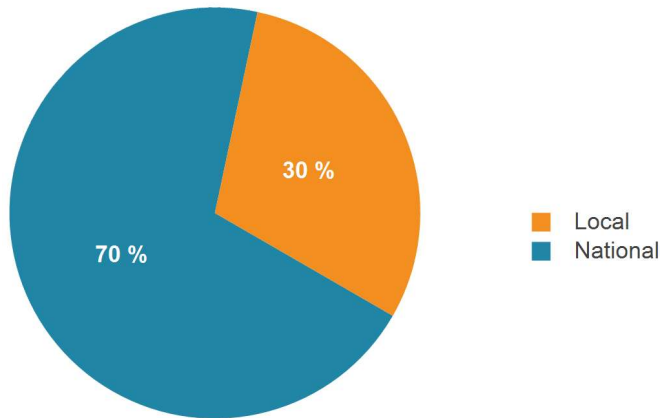


NET BUYING & SELLING BY OWNER TYPE

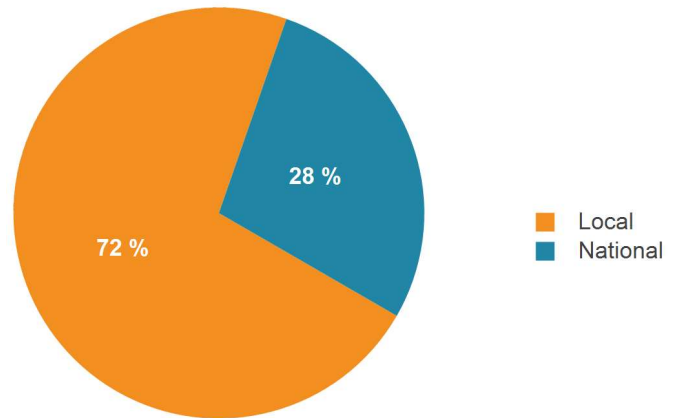


Investment Trends By Buyer & Seller Origin

SALES VOLUME BY BUYER ORIGIN PAST 12 MONTHS



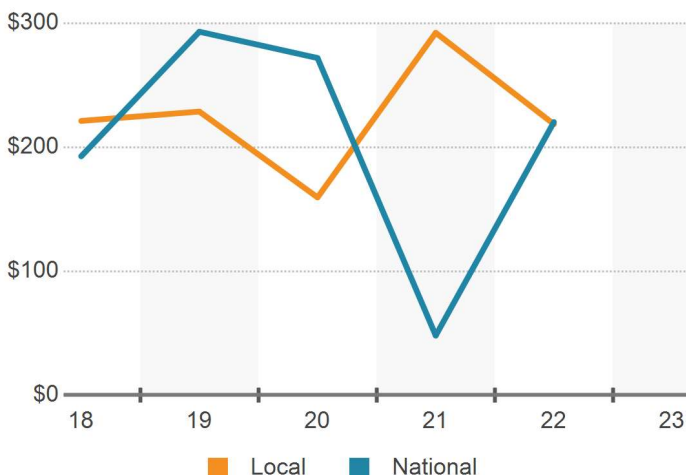
ASSET VALUE BY OWNER ORIGIN



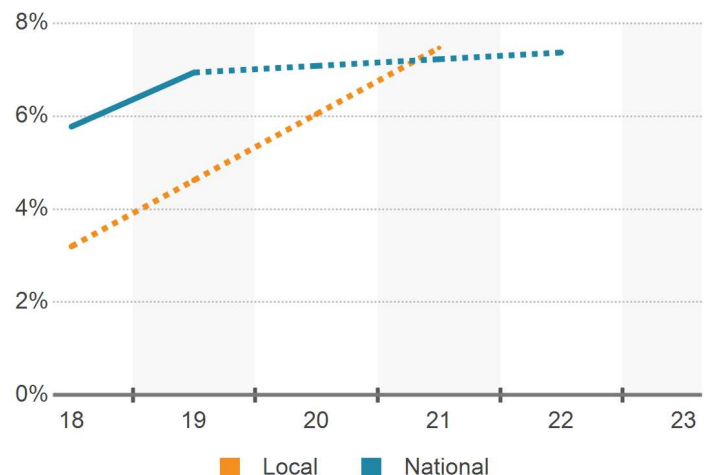
SALES VOLUME BY OWNER ORIGIN

Year	Total	Local			National			Foreign		
	Sales Volume	Bought	Sold	Net Trans	Bought	Sold	Net Trans	Bought	Sold	Net Trans
YTD	\$790K	-	-	-	-	-	-	-	-	-
2022	\$11.2M	\$2M	\$1.9M	\$89.9K	\$9.2M	\$9.3M	-\$89.9K	-	-	-
2021	\$16.9M	\$6.1M	\$5.4M	\$627.5K	\$9.3M	\$10.3M	-\$1.1M	-	-	-
2020	\$11.2M	\$7.6M	\$1.3M	\$6.2M	\$3.7M	\$9.9M	-\$6.2M	-	-	-
2019	\$28.3M	\$15.1M	\$3.2M	\$11.9M	\$13.2M	\$25.1M	-\$11.9M	-	-	-
2018	\$24.2M	\$4.9M	\$9.1M	-\$4.2M	\$17.5M	\$13.3M	\$4.2M	-	-	-
2017	\$7.6M	\$5.1M	\$3.1M	\$2M	\$739K	\$3.2M	-\$2.5M	-	-	-
2016	\$5.1M	\$3.4M	\$1.6M	\$1.8M	\$1M	\$2.7M	-\$1.7M	-	\$88.9K	-\$88.9K
2015	\$3.2M	\$2.2M	\$2M	\$186.8K	\$1M	\$1.2M	-\$186.8K	-	-	-
2014	\$32.3M	\$2.4M	\$28.9M	-\$26.5M	\$29.8M	\$3.4M	\$26.4M	\$80K	-	\$80K
2013	\$10.5M	\$6M	\$3.5M	\$2.6M	\$3.6M	\$7.1M	-\$3.4M	\$867.8K	-	\$867.8K

SALE PRICE PER SF BY BUYER ORIGIN



CAP RATE BY BUYER ORIGIN



Submarket Sales Trends

Elk Grove Office

SUBMARKET SALES TRANSACTIONS PAST 12 MONTHS

Submarket Name	Sales Volume	Transactions	Transacted SF	Avg SF	Mkt Cap Rate	Mkt Sale Price/SF
Highway 50 Corridor	\$113,749,078	33	633,890	19,209	7.6%	\$200
Roseville/Rocklin	\$101,739,958	57	523,446	9,183	7.2%	\$242
Downtown	\$87,407,674	18	384,626	21,368	7.2%	\$263
Folsom	\$84,972,000	17	358,912	21,112	7.2%	\$253
South Sacramento	\$42,575,501	20	197,323	9,866	7.3%	\$198
Campus Commons	\$33,693,000	7	171,194	24,456	7.0%	\$224
Point West	\$33,067,261	8	227,198	28,400	7.3%	\$195
Midtown	\$31,925,000	17	198,036	11,649	7.1%	\$239
El Dorado	\$31,353,009	16	297,588	18,599	7.5%	\$203
Howe Ave/Fulton Ave/Watt Ave	\$30,807,001	25	256,665	10,267	7.7%	\$175
Citrus Heights/Orangevale	\$22,912,000	16	140,766	8,798	7.5%	\$203
Carmichael/Fair Oaks	\$14,973,500	20	115,525	5,776	7.5%	\$176
Auburn/Lincoln	\$12,947,500	24	116,497	4,854	7.5%	\$215
Davis/Woodland	\$8,544,500	15	255,071	17,005	7.5%	\$232
Outer Placer County	\$8,513,000	4	30,198	7,550	7.2%	\$234
North Natomas	\$7,500,000	3	36,189	12,063	7.3%	\$204
Elk Grove	\$7,480,400	8	55,024	6,878	7.2%	\$232
Outer El Dorado County	\$3,857,991	6	19,425	3,238	7.3%	\$225
West Sacramento	\$1,715,000	2	8,301	4,151	7.3%	\$237
East Sacramento	\$489,000	2	96,887	48,444	7.3%	\$233
Rio Linda/N Highlands	\$375,000	1	4,074	4,074	7.5%	\$166

Recent Significant Sales

Elk Grove Office



9340 E Stockton Blvd [↻](#)

★★★★★

Elk Grove, CA 95624

Sale Date	Mar 2022	Buyer	Rachandeep M Singh (USA)
Sale Price	\$2.7M (\$186/SF)	Broker	Gallaway Commercial, Inc.
Leased	100%	Seller	Banner Corporation (USA)
Hold Period	20+ Years	Broker	Gallaway Commercial, Inc.
RBA	14,545 SF	Sale Type	Investment
Year Built	1998		



8290 Elk Grove Blvd [↻](#)

★★★★★

Elk Grove, CA 95758

Sale Date	Sep 2022	Buyer	Rajbarinder Hundal (USA)
Sale Price	\$1.3M (\$385/SF)	Seller	Tower Investments, Inc (USA)
Leased	75%	Broker	Colliers
Hold Period	42 Months	Sale Type	Owner User
RBA	13,387 SF		
Year Built	2015		



2370 Maritime Dr • Bldg G [↻](#)

★★★★★

Elk Grove Professional Center • Elk Grove, CA 95758

Sale Date	May 2022	Buyer	Serena Pugeda, DDS (USA)
Sale Price	\$1.3M (\$350/SF)	Broker	Colliers
Leased	0%	Seller	Tsuchida Dental (USA)
Hold Period	208 Months	Broker	Colliers
RBA	3,588 SF	Sale Type	Owner User
Year Built	2005		



8007-8109 Laguna Blvd • Fountain Plaza [↻](#)

★★★★★

Fountain Plaza • Elk Grove, CA 95758

Sale Date	Dec 2022	Buyer	Aspire Ventures, Inc. (USA)
Sale Price	\$905.1K (\$302/SF)	Broker	PDF - powered by eXp Commerical
Cap Rate	7.4% (Actual)	Seller	International Micro Design... (USA)
Leased	100%	Broker	PDF - powered by eXp Commerical
Hold Period	139 Months	Sale Type	Investment
RBA	15,000 SF		
Year Built	1999		



9381 E Stockton Blvd • Liberty Center II [↻](#)

★★★★★

Elk Grove, CA 95624

Sale Date	Feb 2023	Broker	PDF - powered by eXp Commerical
Sale Price	\$790K (\$319/SF)	Broker	PDF - powered by eXp Commerical
Hold Period	16 Months	Sale Type	Owner User
RBA	83,000 SF		
Year Built	2006		

Recent Significant Sales



9635 Elk Grove-Florin Rd [↻](#)



Elk Grove, CA 95624

Sale Date	Dec 2022	Buyer	Rhapodaca Llc (USA)
Sale Price	\$550K (\$200/SF)	Seller	Khan Saleem Akhtar (USA)
Leased	100%		
Hold Period	<1 Month		
RBA	2,755 SF		
Year Built	1918		

TOP OWNERS

Company Name	Owned SF	Owned Props	Avg SF	12 Mo Bought	12 Mo Sold	12 Mo Net Trans
Pappas Investments	453,279	8	56,660	-	-	-
Jackson Properties, Inc.	199,093	5	39,819	-	-	-
California Northstate University College	198,430	3	66,143	-	-	-
Sutter Health	195,101	1	195,101	-	-	-
Kaiser Permanente	172,085	2	86,043	-	-	-
Merlone Geier Management, Inc.	70,000	1	70,000	-	-	-
AR Global Investments, LLC	67,793	3	22,598	-	-	-
CommonSpirit Health	65,000	1	65,000	-	-	-
Sinclair, Wilson, Baldo & Chamberlai...	52,963	1	52,963	-	-	-
IMA Financial Corporation	51,240	1	51,240	-	-	-
Ridge Capital, Inc.	50,000	1	50,000	-	-	-
Rubicon Partners, Inc.	49,357	2	24,679	-	-	-
Joe Hernon	48,263	5	9,653	-	-	-
Tri & Henry Ung	32,703	3	10,901	-	-	-
9260 E. Stockton Blvd., LLC	27,456	1	27,456	-	-	-
Hauss & Steel, Inc.	26,088	1	26,088	-	-	-
Kingsbarn Realty Capital	23,842	1	23,842	-	-	-
TDA Investment Group	23,533	1	23,533	-	-	-
Karen Qin	22,445	4	5,611	-	-	-
Gregg Duffin & Lynn R Houlihan	21,216	1	21,216	-	-	-
Richard S. Samra	20,500	1	20,500	-	-	-
Anton & Anna Marie Lutfi	17,894	1	17,894	-	-	-
Barbara Golden	16,333	1	16,333	-	-	-
John & Nancy Zehnder Family	16,135	1	16,135	-	-	-
Rachandeep M Singh	14,545	1	14,545	\$2,707,500	-	\$2,707,500
John L & Anita E Lack	13,977	2	6,989	-	-	-
Tower Investments, Inc	13,387	1	13,387	-	\$1,272,000	-\$1,272,000
Quan Vo Anh Nguyen	13,387	1	13,387	-	-	-
Rajbarinder Hundal	13,387	1	13,387	\$1,272,000	-	\$1,272,000
Wood Brothers Properties LLC	12,500	1	12,500	-	-	-
Alok Banga	12,010	1	12,010	-	-	-
Pletz Investment Company	11,520	1	11,520	-	-	-
Thrive Church	11,520	1	11,520	-	-	-
Elk Grove Bible Church	11,520	1	11,520	-	-	-
Mai T Do	10,000	1	10,000	-	-	-
Engle Navea & Lourdes Navea	10,000	1	10,000	-	-	-
Daniel Buckley	10,000	1	10,000	-	-	-
DMJ Real Estate LP	9,975	2	4,988	-	-	-
Kent Andrew Hanson	9,000	1	9,000	-	-	-
Thanh V Nguyen	8,352	1	8,352	-	-	-
Veterans of Foreign Wars	8,000	1	8,000	-	-	-
Hatuey Properties LLC	7,281	1	7,281	-	-	-

TOP BUYERS PAST 12 MONTHS

Company Name	Sales Volume	Transactions	Transacted SF	Avg SF	Cap Rate	Sale Price/SF
Rachandeep M Singh	\$2,707,500	1	14,545	14,545	-	\$186
Rajbarinder Hundal	\$1,272,000	1	3,300	3,300	-	\$385
Serena Pugged, DDS	\$1,255,800	1	3,588	3,588	-	\$350
Aspire Ventures, Inc.	\$905,100	1	3,000	3,000	7.4%	\$302
Kingsbarn Realty Capital	-	1	23,842	23,842	-	-

TOP SELLERS PAST 12 MONTHS

Company Name	Sales Volume	Transactions	Transacted SF	Avg SF	Cap Rate	Sale Price/SF
Banner Corporation	\$2,707,500	1	14,545	14,545	-	\$186
Tower Investments, Inc	\$1,272,000	1	3,300	3,300	-	\$385
Tsuchida Dental	\$1,255,800	1	3,588	3,588	-	\$350
International Micro Design, Inc.	\$905,100	1	3,000	3,000	7.4%	\$302
Kingsbarn Realty Capital	-	1	23,842	23,842	-	-

TOP BROKERS PAST 12 MONTHS

Company Name	Sales Volume	Transactions	Transacted SF	Avg SF	Cap Rate	Sale Price/SF
Exis Global	\$5,415,000	2	29,090	14,545	-	\$186
Colliers	\$3,783,600	3	10,476	3,492	-	\$361
PDF - powered by eXp Commerical	\$3,390,200	4	10,948	2,737	7.4%	\$310
Keller Williams Realty, Inc	-	1	1,520	1,520	-	-

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$242.20	147	7.3%
2026	-	-	-	-	-	-	\$238.76	145	7.3%
2025	-	-	-	-	-	-	\$235.98	143	7.3%
2024	-	-	-	-	-	-	\$233.03	141	7.3%
2023	-	-	-	-	-	-	\$230.71	140	7.3%
YTD	1	\$790K	0.1%	\$790,000	\$319.32	-	\$231.79	141	7.2%
2022	8	\$11.2M	3.0%	\$1,870,933	\$219.98	7.4%	\$231.43	140	7.3%
2021	17	\$16.9M	8.8%	\$1,056,903	\$77.07	7.5%	\$225.75	137	7.2%
2020	11	\$11.2M	2.6%	\$1,401,375	\$184.34	-	\$222.55	135	7.2%
2019	14	\$28.3M	4.6%	\$2,356,000	\$254.85	6.9%	\$209.83	127	7.3%
2018	26	\$24.2M	13.6%	\$1,612,700	\$200.74	5.9%	\$202.90	123	7.3%
2017	14	\$7.6M	1.8%	\$583,692	\$191.14	5.3%	\$200.53	122	7.1%
2016	14	\$5.1M	6.2%	\$640,375	\$211.62	6.2%	\$193.33	117	7.0%
2015	9	\$3.2M	0.8%	\$462,143	\$220.61	-	\$185.92	113	7.0%
2014	17	\$32.3M	8.2%	\$3,228,550	\$311.34	-	\$175.78	107	7.1%
2013	7	\$10.5M	3.4%	\$2,102,300	\$157.59	-	\$169.37	103	7.2%
2012	9	\$9.7M	5.0%	\$1,081,889	\$87.98	-	\$163.25	99	7.4%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$268.25	139	7.4%
2026	-	-	-	-	-	-	\$264.38	137	7.4%
2025	-	-	-	-	-	-	\$261.28	136	7.4%
2024	-	-	-	-	-	-	\$258.05	134	7.4%
2023	-	-	-	-	-	-	\$255.45	133	7.4%
YTD	-	-	-	-	-	-	\$256.84	133	7.3%
2022	1	\$1.3M	0.5%	\$1,272,000	\$385.45	-	\$256.38	133	7.3%
2021	-	-	-	-	-	-	\$250.87	130	7.3%
2020	-	-	-	-	-	-	\$250.20	130	7.2%
2019	1	\$3.5M	2.0%	\$3,500,000	\$261.45	-	\$235.28	122	7.3%
2018	1	\$12.2M	7.7%	\$12,200,000	\$238.10	6.8%	\$233.86	121	7.2%
2017	-	-	-	-	-	-	\$235.98	122	6.9%
2016	1	\$0	16.6%	-	-	-	\$228.50	119	6.9%
2015	-	-	-	-	-	-	\$222.35	115	6.8%
2014	1	\$0	13.9%	-	-	-	\$208.70	108	6.9%
2013	-	-	-	-	-	-	\$200.58	104	7.1%
2012	-	-	-	-	-	-	\$194.44	101	7.2%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$239.50	150	7.2%
2026	-	-	-	-	-	-	\$236.15	148	7.2%
2025	-	-	-	-	-	-	\$233.44	146	7.2%
2024	-	-	-	-	-	-	\$230.53	145	7.3%
2023	-	-	-	-	-	-	\$228.28	143	7.3%
YTD	1	\$790K	0.2%	\$790,000	\$319.32	-	\$229.41	144	7.2%
2022	6	\$9.4M	4.8%	\$2,350,899	\$209.08	7.4%	\$229.05	144	7.2%
2021	16	\$14.8M	14.6%	\$984,968	\$69.81	7.5%	\$222.80	140	7.2%
2020	7	\$7.6M	2.8%	\$1,510,524	\$195.62	-	\$219.19	137	7.1%
2019	12	\$23.8M	7.0%	\$2,377,200	\$246.85	6.9%	\$205.65	129	7.3%
2018	20	\$9.5M	18.6%	\$952,000	\$188.72	7.0%	\$197.13	124	7.2%
2017	10	\$6.3M	2.8%	\$697,000	\$183.93	5.3%	\$192.95	121	7.1%
2016	8	\$2.2M	1.6%	\$436,600	\$224.82	-	\$185.68	116	7.1%
2015	7	\$2.7M	0.9%	\$447,500	\$219.52	-	\$177.52	111	7.1%
2014	10	\$11M	3.8%	\$2,207,512	\$268.38	-	\$168.54	106	7.1%
2013	4	\$5M	2.4%	\$1,656,667	\$160.87	-	\$162.43	102	7.3%
2012	7	\$8.3M	6.2%	\$1,178,857	\$94.15	-	\$155.98	98	7.4%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$208.38	150	7.5%
2026	-	-	-	-	-	-	\$205.32	148	7.5%
2025	-	-	-	-	-	-	\$202.83	146	7.5%
2024	-	-	-	-	-	-	\$200.19	144	7.5%
2023	-	-	-	-	-	-	\$198.07	143	7.5%
YTD	-	-	-	-	-	-	\$198.44	143	7.4%
2022	1	\$550K	0.7%	\$550,000	\$199.64	-	\$198.25	143	7.4%
2021	1	\$2.1M	2.0%	\$2,135,931	\$273.94	-	\$194.43	140	7.4%
2020	4	\$3.7M	6.1%	\$1,219,459	\$164.74	-	\$188.45	136	7.4%
2019	1	\$1M	0.3%	\$1,000,000	\$800	-	\$182.47	132	7.4%
2018	5	\$2.5M	5.1%	\$617,625	\$131.26	2.9%	\$172.17	124	7.4%
2017	4	\$1.3M	1.4%	\$328,750	\$235.12	-	\$168.94	122	7.2%
2016	5	\$2.9M	5.7%	\$980,000	\$202.77	6.2%	\$162.50	117	7.2%
2015	2	\$550K	1.2%	\$550,000	\$226.06	-	\$155.77	112	7.2%
2014	6	\$21.2M	16.3%	\$4,249,588	\$339.59	-	\$147.22	106	7.3%
2013	3	\$5.5M	12.0%	\$2,770,750	\$154.76	-	\$142.58	103	7.4%
2012	2	\$1.5M	5.8%	\$742,500	\$64.48	-	\$137.72	99	7.5%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.