

Sales Marketing Flyer Listed By:



SAFeway ANCHORED LAGUNA RESERVE MARKETPLACE

10042 - 10064 Bruceville Road, Elk Grove, CA 95757
(SWC Whitelock Parkway & Bruceville Road)

INVESTMENT SUMMARY

As the exclusive agent, Gallelli Real Estate is pleased to present this Offering Memorandum for the sale of the fee simple interest in Laguna Reserve Marketplace. The asset represents the opportunity to acquire a Class A shopping center anchored by one of the nation's most dominant grocers. The neighborhood shopping center was built in two phases, the six pad buildings totaling 33,308 square feet were constructed in 2005, and the Safeway building totaling 56,988 square feet was constructed in 2024. The planned seventh pad building, which has an executed Letter of Intent for a ground lease from a national coffee tenant, will be 2,465 square feet and construction will begin late 2025. The combination of tenancy, location, and demographics offers an investor the ability to acquire a proven investment which is well-positioned to take advantage of Elk Grove's continuing growth.

PROPERTY ADDRESS	10042 - 10064 Bruceville Road, Elk Grove, CA 95757
PRICE	Market Derived
NOI (IN-PLACE)	\$2,506,442
OWNERSHIP TYPE	Fee Simple
TOTAL BUILDING AREA	±92,761 SF
TOTAL LAND AREA	11.952 Acres
OCCUPANCY	100.00%
YEAR BUILT	2005/2024
WALT (JAN 2025)	13.88 Years



SITE PLAN



TENANT ROSTER

SUITE	TENANT	SQUARE FEET
Major A	Safeway	56,988
A-1	Executed LOI	5,200
A-3	Starbucks	2,200
Pad B	Peony Palace Restaurant	3,000
Pad C	Bank of America	5,000
Pad D	Round Table Pizza	4,000
1-A	Pink's Nail N' Spa	900
1-B	Fresh Cleaners	900
1-C	Images II Barber Shop	900
1-D	J Relaxing Massage	1,198
2-A	Oak Tree Dentistry	1,500
2-B/2-C	PetVet Care Center	2,100
2-D	Nabila's Beauty Salon	900
2-E/2-F	Preet India Market	2,100
2-G	Cadence Bike Shop	1,100
2-H	Paw Spa	1,100
2-I	Pop's Premium Meat Shop	1,210
Pad E	Executed LOI (Ground Lease)	*2,465
Grand Total Square Feet		92,761

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INVESTMENT HIGHLIGHTS



Below Market Rents

The average shop tenant is paying **20% under market rate** and the average Pad tenant is paying nearly 9% less than market rate. Over 80% of the leases in place were negotiated prior to securing Safeway as an anchor tenant. Upon lease expirations, the new owner will have the opportunity to recapture the loss to lease for the shop tenants.



Rental Rates Poised to Rise

Of the over 6.2 million square feet of retail space within the **Elk Grove** submarket, the combined **vacancy rate totals only 2.3%**. The lack of available, quality space in traditional grocery-anchored centers coupled with minimal new construction is putting upward pressure on rental rates, further increasing the potential to increase the current NOI.



Ideal Corner Location

The Property, located at the southwest quadrant of the intersection, is one of two commercial properties at the intersection of Whitelock Parkway and Bruceville Road, the other property being a Walmart anchored center. The Property is located 1-block from Franklin High School and Toby Johnson Middle School, which combined, have a student population of approximately 4,000.



Densely Populated and Growing

Laguna Reserve is located in the center of a very densely populated region. Using the boundaries of Elk Grove Boulevard to the north, Bilby Road/Kammerer Road to the south, Highway 99 to the east, and Franklin Boulevard to the west, this is an **area with over 18,000 existing homes and more than 24 single family projects under construction**. The majority of new construction homes are located directly southeast from Laguna Reserve.

Safeway is occupying 56,988 square feet on a brand new 20-year firm term lease. Safeway has 918 locations in the United States which ranks it as one of the top grocery chains nationwide. Safeway is owned by Albertsons which has over 2,200 locations in 34 states and the District of Columbia.





Recent Leasing Interest

Planned Pad E has received multiple ground lease LOIs from national tenants and an LOI has been executed with a national coffee tenant. Pad A-1 has an executed LOI with a national tenant as well.



Long Term / Stable Tenancy

Over 40% of tenants, representing 50% of the leasable area, have been in place for 10+ years prior to Safeway opening, showing commitment and stability to this location. During the owner's 4.5 years of ownership, occupancy has mostly been at 100% and has never fallen below 96%.



Significant Existing Residential Presence

There is a population of 106,673 over 34,000 households within a three-mile radius of the Property, more than twice the number of households typically required to support the five grocery stores within this area.



Continued Residential Growth

Elk Grove continues to be one of the fastest growing residential areas in the Sacramento MSA with an 8.52% Annual Average Population Growth Rate.



ROUND TABLE
PIZZA ROYALTY

SAFeway
Ingredients for life..

Bank of America
Ground Lease

Whitlock Parkway





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