

THE VALENTINE BUILDING

SACRAMENTO, CA

Marcus & Millichap
Real Estate Investment Services



MARKET POSITIONING & PRICING ANALYSIS

Prepared For:

Tony Valentine
Owner - Manager

Polly Steinmetz
Owner - Manager

7/13/2011



TABLE OF CONTENTS

SECTION ONE

.....PRICING & FINANCIAL ANALYSIS

SECTION TWO

.....PROPERTY DESCRIPTION

SECTION THREE

.....RECENT SALES

SECTION FOUR

.....ON MARKET COMPARABLES

SECTION FIVE

.....RENT COMPARABLES

SECTION SIX

.....MARKET OVERVIEW

SECTION SEVEN

.....DEMOGRAPHIC ANALYSIS

SECTION EIGHT

.....MARKETING PLAN

SECTION NINE

.....AGENT QUALIFICATIONS

SECTION TEN

.....THE MARCUS & MILLICHAP
ADVANTAGE



THE VALENTINE BUILDING

SACRAMENTO, CA



Income & Expenses

Total Rentable Square Feet	1,797
Apartments - Rentable Square Feet	796
Retail - Gross Leasable Area (GLA)	1,001

INCOME	CURRENT	PRO FORMA
APARTMENTS		
GROSS POTENTIAL RENT	\$22,680	\$22,680
GROSS POTENTIAL INCOME	\$22,680	\$22,680
Vacancy/Collection Allow. (% of GPR)	(5.0%) 1,134	(5.0%) 1,134
EFFECTIVE GROSS INCOME	\$21,546	\$21,546
Expenses	5,944	5,944
NET OPERATING INCOME	\$15,602	\$15,602
RETAIL		
GROSS POTENTIAL RENT	\$16,224	\$18,024
GROSS POTENTIAL INCOME	\$16,224	\$18,024
Vacancy/Collection Allow. (% of GPR)	(5.0%) 811	(5.0%) 901
EFFECTIVE GROSS INCOME	\$15,413	\$17,123
Expenses	5,944	5,944
NET OPERATING INCOME	\$9,469	\$11,179
OFFICE		
Expenses	0	0
COMBINED EFFECTIVE GROSS INCOME	\$36,959	\$38,669
Total Expenses	11,888	11,888
% of EGI	32.2%	30.7%
NET OPERATING INCOME	\$25,071	\$26,781
Reserves/Replacements	1,000	1,000
NET CASH FLOW BEFORE DEBT SERVICE	\$24,071	\$25,781



Expenses

	CURRENT	PER SF	PRO FORMA	PER SF
Real Estate Taxes	\$2,176	\$1.21	\$2,176	1.21
Insurance	2,467	1.37	2,467	1.37
Utilities	2,597	1.45	2,597	1.45
Repairs & Maintenance	1,980	1.10	1,980	1.10
Contract Services	1,020	0.57	1,020	0.57
Reserves/Replacements	0	0.00	0	0.00
Security	1,648	0.92	1,648	0.92
TOTAL EXPENSES	\$11,888	\$6.62	\$11,888	\$6.62
% of EGI	32.2%		30.7%	



Pricing (A) - Current

	LIST PRICE		SALES RANGE	
Price	\$339,000		\$319,000	\$299,000
Down Payment	35%	\$118,650	35%	\$111,650
First Trust Deed/Mortgage		\$220,350		\$207,350
Interest Rate/ Amortization	5.5% / 25 Yrs.		5.5% / 25 Yrs.	5.5% / 25 Yrs.
NET OPERATING INCOME		\$25,071		\$25,071

CASH FLOW ANALYSIS

Reserves/Replacements	(1,000)	(1,000)	(1,000)
Net Cash Flow Before Debt Service	\$24,071	\$24,071	\$24,071
Debt Service	(16,238)	(15,280)	(14,322)
Debt Coverage Ratio	1.54	1.64	1.75
Net Cash Flow After Debt Service	\$7,833	\$8,791	\$9,749
Return %	6.60%	7.87%	9.32%
Principal Reduction	4,224	3,975	3,725
Total Return	\$12,057	\$12,766	\$13,475
Total Return %	10.16%	11.43%	12.88%

VALUE INDICATORS

CAP Rate	7.40%	7.86%	8.38%
Price/Square Foot	\$188.65	\$177.52	\$166.39



Pricing (B) - Pro Forma

	LIST PRICE		SALES RANGE	
Price		\$339,000	\$319,000	\$299,000
Down Payment	35%	\$118,650	35%	\$111,650
First Trust Deed/Mortgage		\$220,350		\$207,350
Interest Rate/ Amortization		5.5% / 25 Yrs.		5.5% / 25 Yrs.
NET OPERATING INCOME		\$26,781		\$26,781
CASH FLOW ANALYSIS				
Reserves/Replacements		(1,000)	(1,000)	(1,000)
Net Cash Flow Before Debt Service		\$25,781	\$25,781	\$25,781
Debt Service		(16,238)	(15,280)	(14,322)
Debt Coverage Ratio		1.65	1.75	1.87
Net Cash Flow After Debt Service		\$9,543	\$10,501	\$11,459
Return %		8.04%	9.41%	10.95%
Principal Reduction		4,224	3,975	3,725
Total Return		\$13,767	\$14,476	\$15,185
Total Return %		11.60%	12.97%	14.51%
VALUE INDICATORS				
CAP Rate		7.90%	8.40%	8.96%
Price/Square Foot		\$188.65	\$177.52	\$166.39



Pricing (C) - User Defined

	LIST PRICE		SALES RANGE	
Price		\$339,000		\$319,000
Down Payment	35%	\$118,650	35%	\$111,650
First Trust Deed/Mortgage		\$220,350		\$207,350
Interest Rate/ Amortization		5.5% / 25 Yrs.		5.5% / 25 Yrs.

CASH FLOW ANALYSIS

Debt Service	(16,238)	(15,280)	(14,322)
Principal Reduction	4,224	3,975	3,725

VALUE INDICATORS

Price/Square Foot	\$188.65	\$177.52	\$166.39
-------------------	----------	----------	----------



Rent Roll

APARTMENTS

Unit Number	Unit Type			Unit SF	Current Rent	Rent/ SF	Asking Rent	Rent/ SF
1	1 Bdr	1 Bath	Flat	391	\$720	\$1.84	\$720	\$1.84
2	Studio	1 Bath	Flat	227	\$605	\$2.67	\$605	\$2.67
3	Studio	1 Bath	Flat	178	\$565	\$3.17	\$565	\$3.17
3	TOTAL			796	\$1,890		\$1,890	

RETAIL

Suite	Tenant	GLA	% of GLA	Lease Commence	Lease Expire	Annual Rent	Rent/ SF	Changes On	Changes To	Other: Options/% Rent	Lease Type
1	Ace of Fades	1,001	55.70%	5/1/2009	1/1/2012	\$1,352	\$1.35	8/1/2012	\$1,379	1-1 YR	Gross
TOTAL		1,001	55.70%			\$1,352			\$1,379		

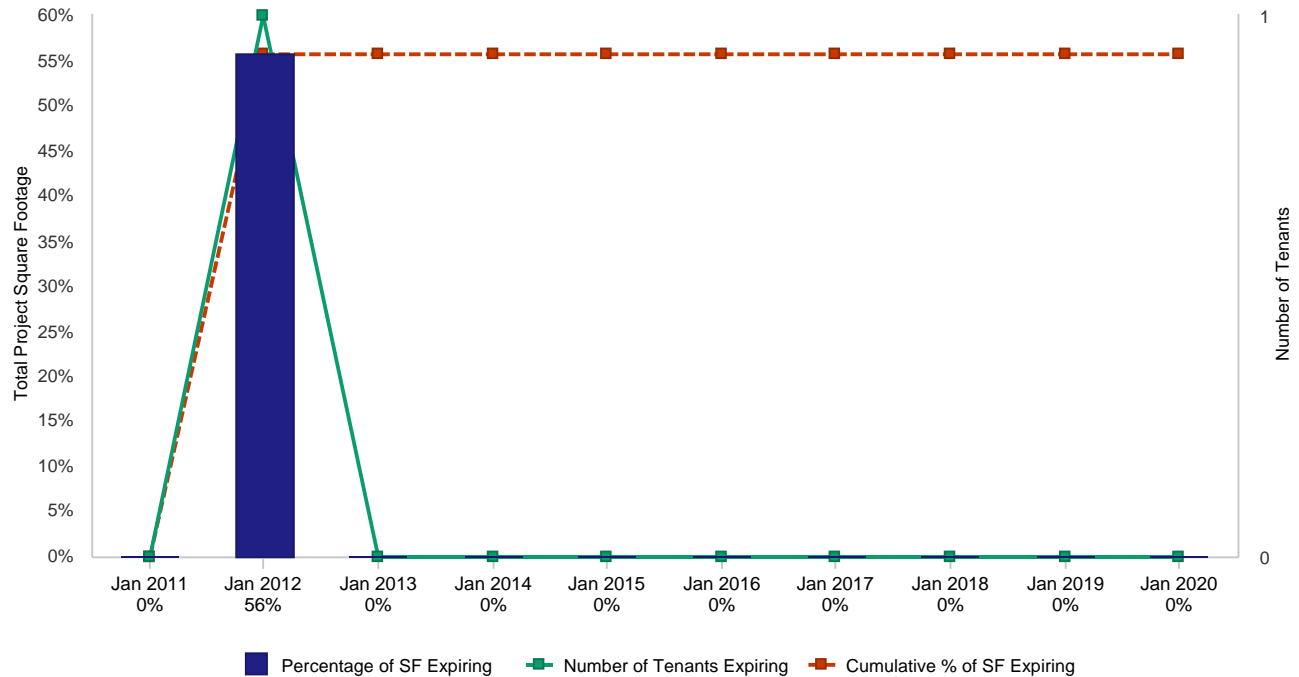
This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Lease Expiration Summary

For The Year Beginning	Year 1 Jan 2011	Year 2 Jan 2012	Year 3 Jan 2013	Year 4 Jan 2014	Year 5 Jan 2015	Year 6 Jan 2016	Year 7 Jan 2017	Year 8 Jan 2018	Year 9 Jan 2019	Year 10 Jan 2020
Tenant(s) Name		Ace of Fades								
Total Number of Tenants		1								
Total Square Feet		1,001								
Total Percentage		55.7%								
Cumulative Percentage		55.7%								



Any projections, opinions, assumptions or estimates used here within are for example purposes only and do not represent the current or future performance of the property.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Tenant & Lease Summary



Tenant Name:	Ace of Fades Barber Shop
Lease Commencement:	May 01, 2009
Lease Expiration:	January 01, 2012
Gross Leasable Area:	1,001
Original Term:	May 01, 2009 to January 01, 2012
Option Term:	January 01, 2012 to January 01, 2013
Pro Rata Share of Project:	56%

The "Ace of Fades" barber shop is a North Oak Park institution. Several of the barbers who work at Ace of Fades have been servicing their North Oak Park clientele for several decades. The Ace of Fades barber shop is well known throughout the greater Sacramento area and some of the shop's clientele travel from surrounding communities to have their hair cut at Ace of Fades.

LEASE SUMMARY

BASE RENT

Lease Years	Annual Rent	Monthly Rent	Monthly Rent/SF
2009-2010	\$15,600.00	\$1,300.00	\$1.30
2011	\$16,224.00	\$1,352.00	\$1.35

OPTION RENT

Lease Years	Annual Rent	Monthly Rent	Monthly Rent/SF
2012	\$16,548.00	\$1,379.00	\$1.38



Financial Overview

LOCATION

3300 Broadway Avenue	
Sacramento, CA 95817	
Price	\$339,000
Down Payment	35% \$118,650
Total Rentable Square Feet	1,797
Price/Square Foot	\$188.65
Apartments - Rentable Square Feet	796
Retail - Gross Leasable Area (GLA)	1,001
CAP Rate- Current	7.40%
CAP Rate- Pro Forma	7.90%
Year Built/Renovated	1910 / 2006
Lot Size	1,241 SF
Type of Ownership	Fee Simple

ANNUALIZED OPERATING DATA

INCOME	CURRENT	PRO FORMA
Apartments - Gross Potential Rent	\$22,680	\$22,680
Retail - Gross Potential Rent	\$16,224	\$18,024
Combined Gross Potential Rent	\$38,904	\$40,704
Gross Potential Income	\$38,904	\$40,704
Less: Vacancy/Collection Allow.	1,945	2,035
Effective Gross Income	\$36,959	\$38,669
Less: Combined Expenses	11,888	11,888
Net Operating Income	\$25,071	\$26,781
Reserves/Replacements	1,000	1,000
Net Cash Flow Before Debt Service	\$24,071	\$25,781
Debt Service	16,238	16,238
Debt Coverage Ratio	1.54	1.65
Net Cash Flow After Debt Service	6.60% \$7,833	8.04% \$9,543
Principal Reduction	4,224	4,224
Total Return	10.16% \$12,057	11.60% \$13,767

FINANCING

FIRST TRUST DEED

Loan Amount	\$220,350
Loan Type	Proposed New
Interest Rate	5.5%
Amortization	25 Years
Program	Commercial 7
Loan to Value	65%

Loan information is time sensitive and subject to change. Contact your local Marcus & Millichap Capital Corporation representative.

EXPENSES

Real Estate Taxes	\$2,176	\$2,176
Insurance	2,467	2,467
Utilities	2,597	2,597
Repairs & Maintenance	1,980	1,980
Contract Services	1,020	1,020
Reserves/Replacements	0	0
Security	1,648	1,648
TOTAL EXPENSES	\$11,888	\$11,888
EXPENSES/SF	\$6.62	\$6.62
% of EGI	32.2%	30.7%

SCHEDULED INCOME

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt Studio 1 Bath Flat	227 - 227	1	\$605 - \$605	\$2.67 - \$2.67
Apt Studio 1 Bath Flat	178 - 178	1	\$565 - \$565	\$3.17 - \$3.17
Apt 1 Bdr 1 Bath Flat	391 - 391	1	\$720 - \$720	\$1.84 - \$1.84
Ret	1,001 - 1,001	1	\$1,352 - \$1,352	\$1.35 - \$1.35
Total	1,797			

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



THE VALENTINE BUILDING

SACRAMENTO, CA



Investment Overview



INVESTMENT HIGHLIGHTS

Beautifully Restored Historical Building

The historically significant and beautifully restored two-story mixed-use property located at 3300 Broadway Avenue in North Oak Park is truly one of the irreplaceable gems of Sacramento commercial real estate.

New Concrete Foundation

The building is situated on its own city block at the intersection of Second Avenue and Broadway Avenue. The city block that contains 3300 Broadway is reputed to be the smallest city block in the City of Sacramento.

New Seismic Retrofitting

The current owner has completely renovated the property in the past five years, including:

Strategically Located on Major Arterial Broadway Avenue

1. New concrete foundation
2. New seismic retrofitting
3. Complete new kitchens in all apartments
4. Complete new bathrooms in all apartments
5. New restroom in first floor barber shop space
6. New roof
7. New building exterior trim and all new paint

Stable Apartment Tenants

Stable Retail Tenant

Located in Center of Major Redevelopment Project

Unique Property Attributes Will Always be Desirable



Investment Overview



This 1910 era mixed-use building exudes historical charm and location uniqueness. This is the type of historical property that will be preserved in perpetuity due to its innate design value and due to being situated on its own city block.

The current owner, in a true labor of love, completely renovated this property in the past seven years, from its foundation to its sculptural roof dormers. All original materials, included hand built exposed truss beams and solid vertical grain fir flooring in the second floor apartments have been beautifully restored to their original condition.

Any prospective commercial real estate investor will want to tour this beautiful and unique property to see this impeccably restored historical building.

The current apartment tenants have been renting their apartments for 12 to 24 months and have well - documented written leases. The first floor commercial tenant is a long time North Oak Park barber shop that has been operating in North Oak Park for several decades.



Property Summary



THE OFFERING

Property	The Valentine Building
Property Address	3300 Broadway Avenue Sacramento, CA 95817
Property Type	Mixed-Use Residential - Retail
Assessor's Parcel Number	010-0313-001
Zoning	C-2-SP

SITE DESCRIPTION

Year Built/Renovated	1910 / 2006
Number of Units	3
Number of Buildings	One
Number of Stories	Two
Apartments - Rentable Square Feet	796
Retail - Gross Leasable Area (GLA)	1,001
Total Rentable Square Feet	1,797
Parking	Street
Parking Ratio	NA
Landscaping	Deminimis

CONSTRUCTION

Foundation	Concrete Slab
Framing	Wood-Frame
Exterior	Wood Lap Siding
Parking Surface	NA
Roof	Composition Shingle
Number of Floors	Two
Number of Suites	Four
Floor Plate Size	NA

MECHANICAL

HVAC	Mini-Split Systems
Fire Protection	Smoke Detectors
Utilities	SMUD Electricity - PG&E Gas
Plumbing	Copper Water - Cast Iron Waste
Elevator	NA

INTERIOR DETAIL

Walls	2x4 Wood Framing
Ceilings	Gypsum
Floor Coverings	First Floor Tile - Second Floor Wood
Rest Rooms	Commercial First Floor - Residential



Amenities



COMMON AREA AMENITIES

Interior Bicycling Parking

First Floor ADA Compliant Restroom

Large Lounge in First Floor Suite

Perimeter Parking Around Building

Beautiful Restored Building Exterior

UNIT AMENITIES

All New Kitchens in Second Floor Apartments

All New Bathrooms in Second Floor Apartments

First Floor Suite Has Room For Barber Chair Station Expansion

All New Interior Finishes in First Floor And Second Floor

Volume Ceilings in Second Floor Apartments





Property Features



CONSTRUCTION

Historical 1910 Era Construction

Entire Building Beautifully Renovated In 2005-2009

Original Finishes Preserved in Second Floor Apartments

New Concrete Slab Foundation Installed in 2005

New Seismic Engineering Installed in 2005

PROPERTY DESCRIPTION

FEATURES

New Upgraded Kitchen Cabinets in All Apartments

New Upgraded Kitchen Appliances in All Apartments

All Second Floor Bathrooms Completely Renovated

All Interior Finishes Upgraded and Designer Coordinated

Unique Triangle Shaped Building Located on Triangle-Shaped City Block





Property Photos



PROPERTY DESCRIPTION

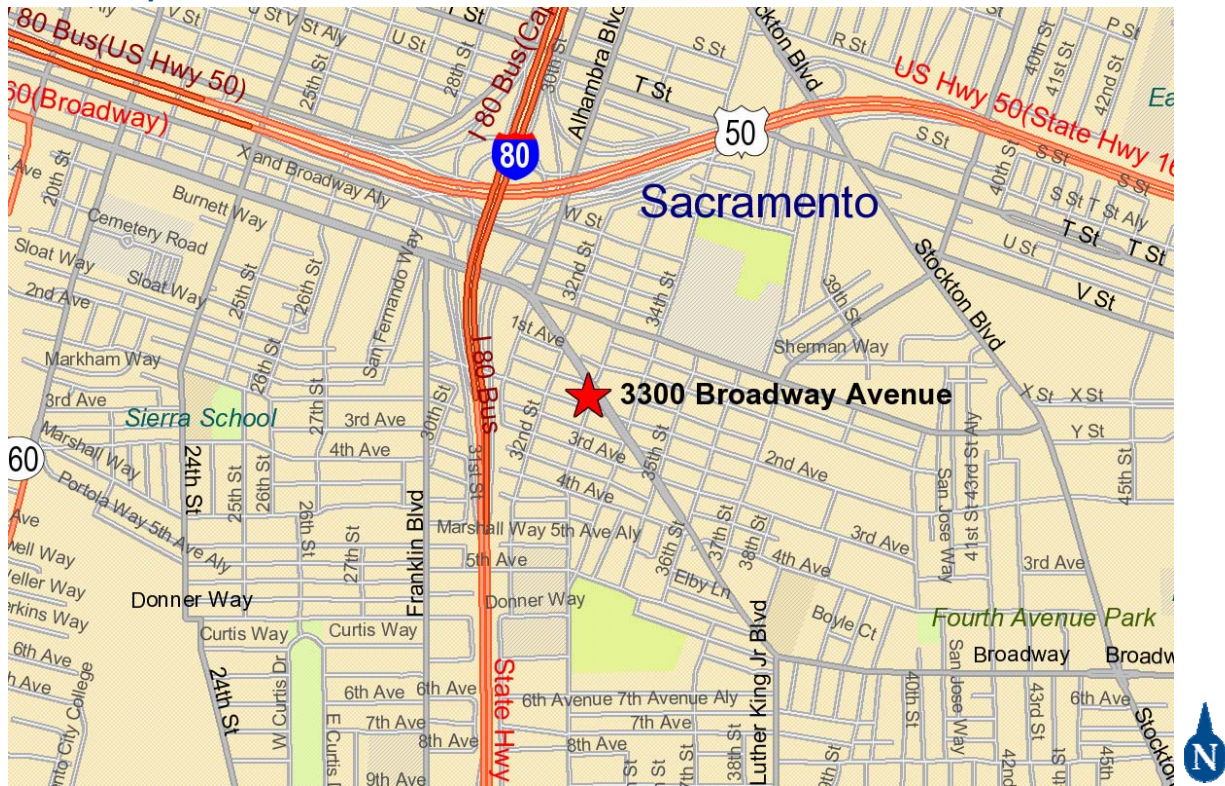


This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

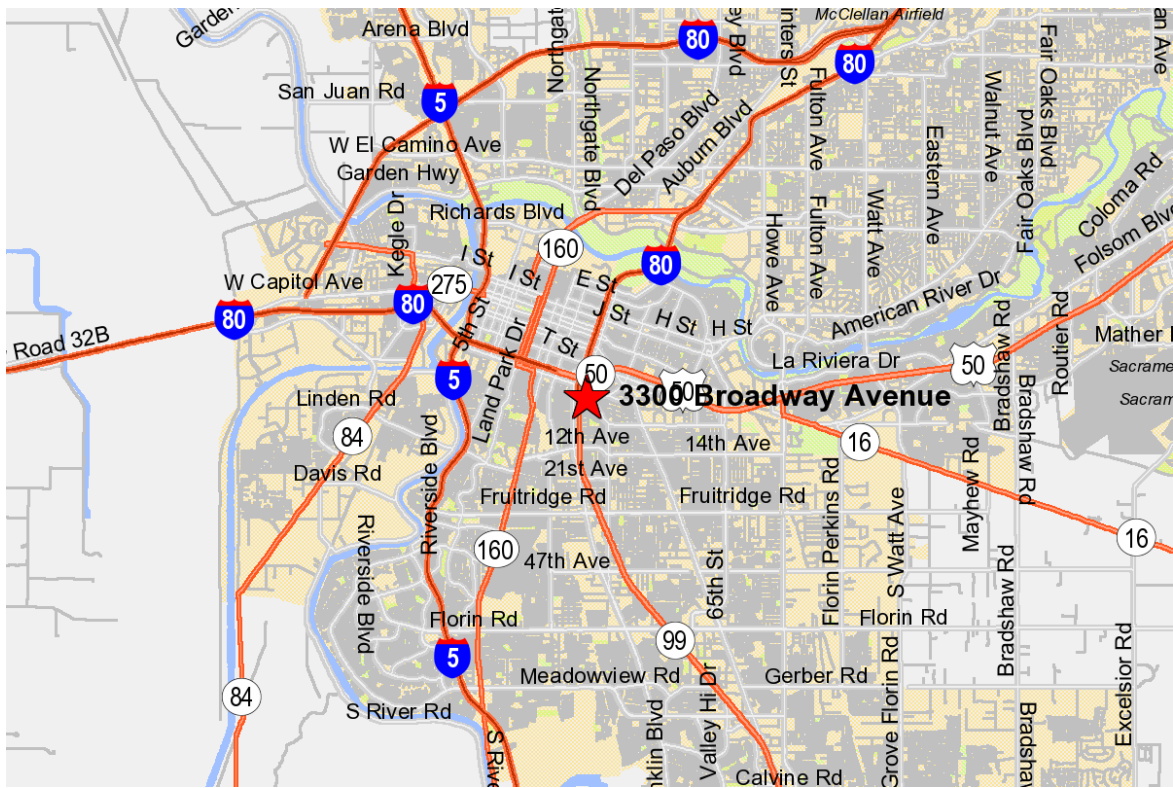
Marcus & Millichap
Real Estate Investment Services



Area Maps



LOCAL MAP



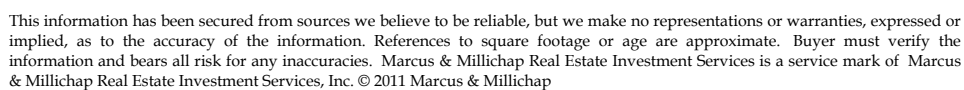
REGIONAL MAP

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



PROPERTY DESCRIPTION



Marcus & Millichap
Real Estate Investment Services



Aerial Photo



PROPERTY DESCRIPTION

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services

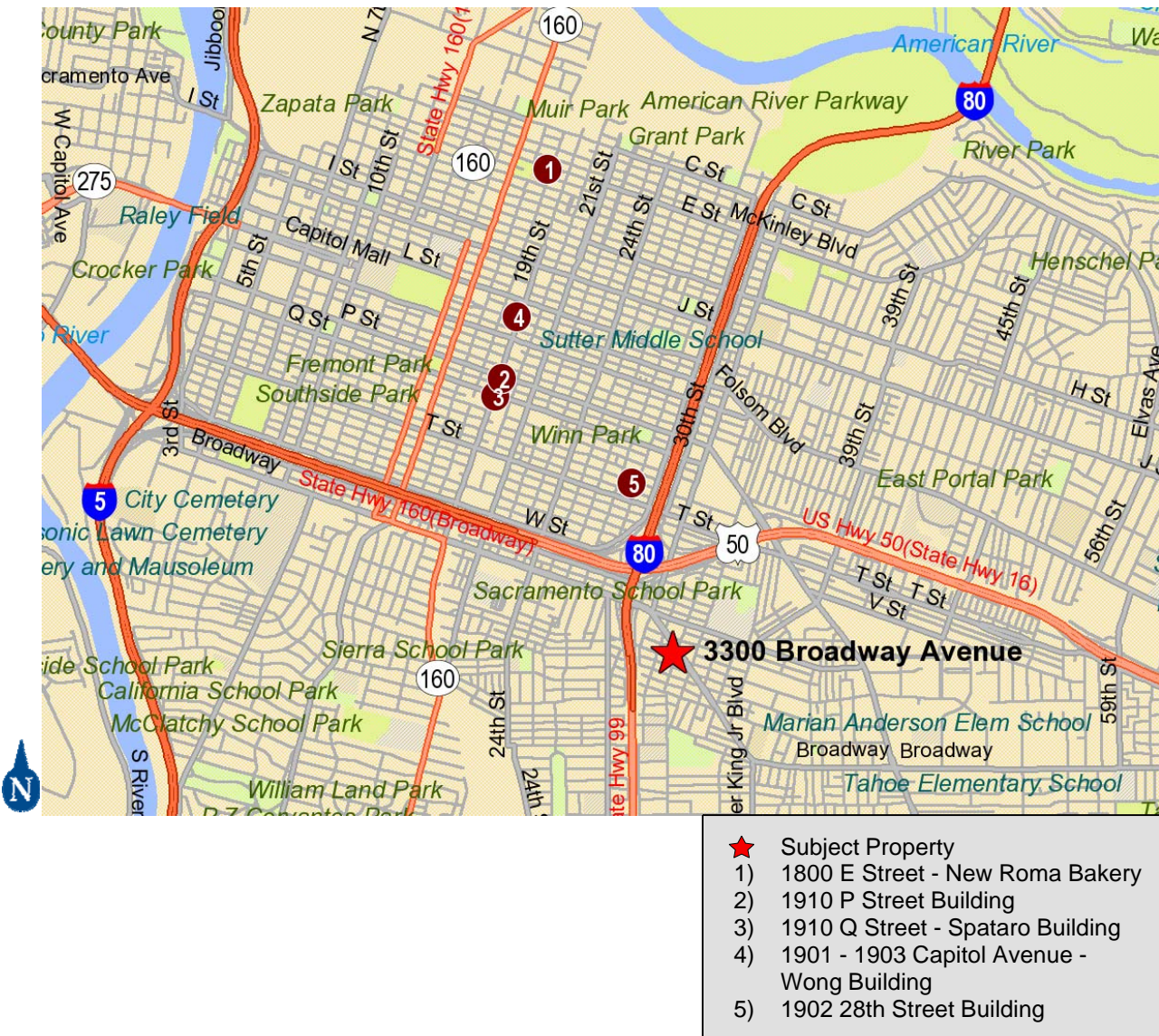


THE VALENTINE BUILDING

SACRAMENTO, CA



Recent Sales Map



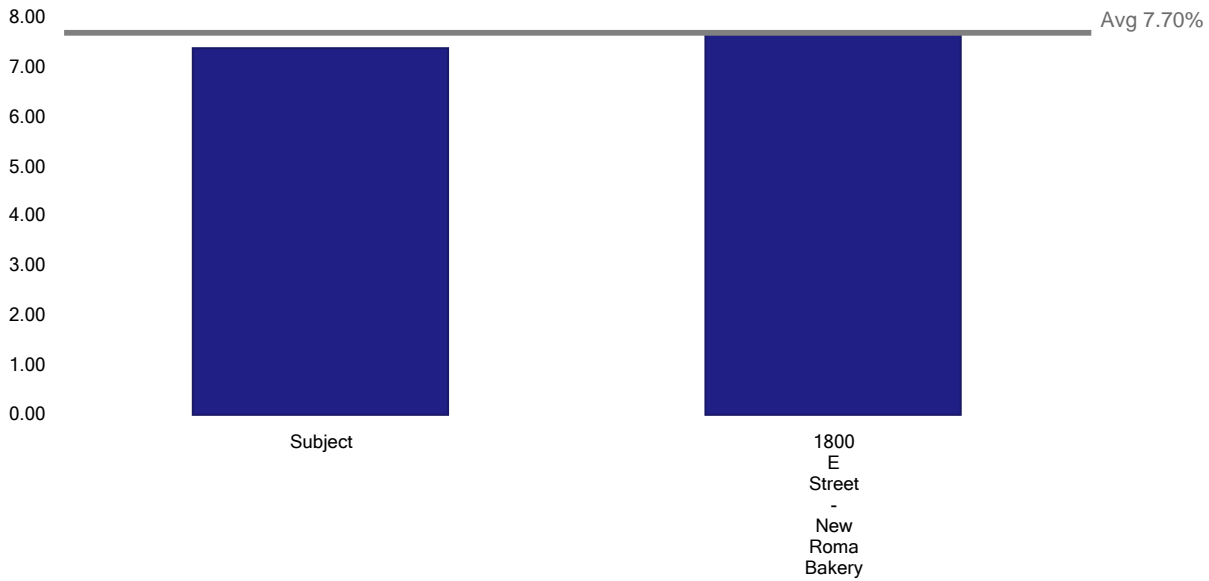
This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services

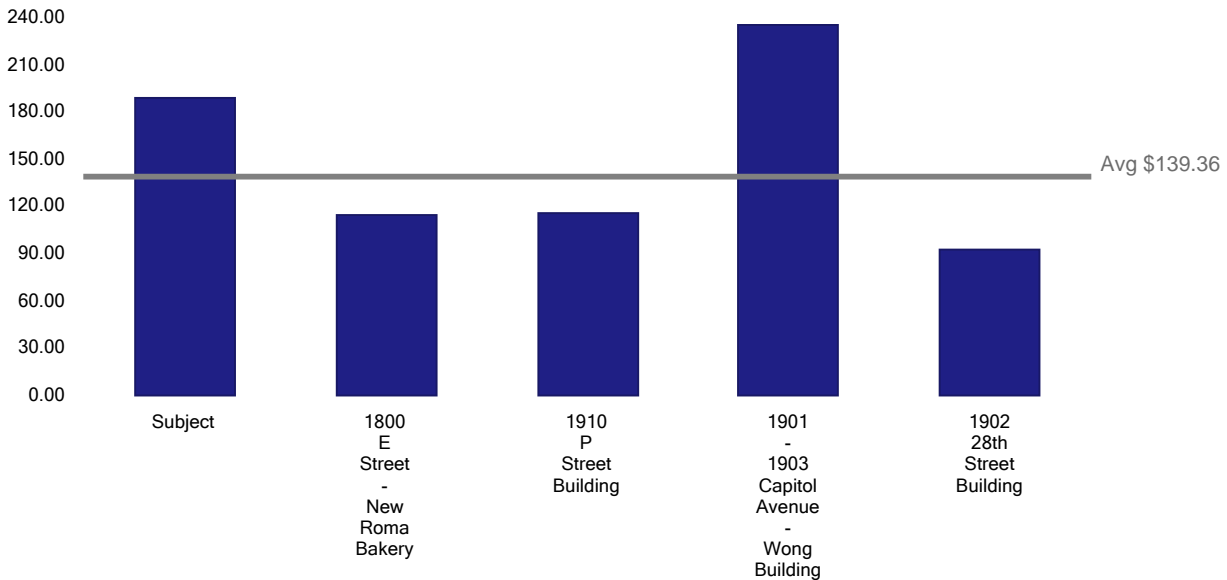


CAP Rate & Price/Square Foot

AVERAGE CAP RATE



AVERAGE PRICE/SQUARE FOOT



This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Profile of Recent Sale #1



1800 E STREET - NEW ROMA BAKERY

1800 E Street
Sacramento, CA 95811

Close of Escrow:	04.01.2011
Total Square Feet:	3,200
Lot Size:	3,200 SF
Redevelopment:	R-3A

VITAL DATA

Sale Price:	\$365,000
CAP Rate:	7.70%
Price/SF:	\$114.06

COMMENTS

This property is in an improving neighborhood that is becoming increasingly popular with young adults who want to live and work in the downtown and midtown Sacramento area. The building had pre-existing tenant improvements consistent with operating a small neighborhood bakery and cafe.



Profile of Recent Sale #2



1910 P STREET BUILDING

1910 P Street
Sacramento, CA 95811

Close of Escrow:	02.17.2011
Total Square Feet:	4,350
Lot Size:	6,247
Redevelopment:	C-2

VITAL DATA

Sale Price:	\$503,500
Down Payment:	\$125,875
Percent Down:	25%
Price/SF:	\$115.75

COMMENTS

This multi-suite building is located adjacent to a railroad crossing. The immediate vicinity is characterized by older single-family homes that have been converted to commercial use and older industrial - warehouse buildings that took advantage of the rail line access. The building is World War II era vintage and appears to have significant deferred maintenance. The sale price likely reflects an above market transaction due to the seller provided financing.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Profile of Recent Sale #3



1910 Q STREET - SPATARO BUILDING

1910 Q Street
Sacramento, CA 95817

Close of Escrow:	04.04.2011
Lot Size:	3,189
Redevelopment:	C-2-SP

VITAL DATA

Sale Price:	\$690,000
Down Payment:	\$345,000
Percent Down:	50%

COMMENTS

This Wells Fargo REO property sold to well established restaurateur Kurt Spataro in April 2011 for \$690,000. The property previously sold for \$895,000 in 2007. The architecturally distinctive brick masonry building was converted into a bar and restaurant and is already operational as of early July 2011.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Profile of Recent Sale #4



1901 - 1903 CAPITOL AVENUE - WONG BUILDING

1901 Capitol Avenue
Sacramento, CA 95811

Close of Escrow:	05.12.2011
Total Square Feet:	2,980
Lot Size:	3,498 SF
Redevelopment:	C-2-NC

VITAL DATA

Sale Price:	\$700,000
Price/SF:	\$234.90

COMMENTS

This mixed-use building is located in the heart of Sacramento's midtown district and is only a few blocks down Capitol Avenue from the California State Capitol building. The 3,000-square foot building was in well maintained condition and is efficiently designed to function as a first floor retail second floor apartment mixed use building. This property is most closely similar to 3300 Broadway Avenue in terms of design and functionality.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Profile of Recent Sale #5



1902 28TH STREET BUILDING

1902 28th Street
Sacramento, CA 95811

Close of Escrow:	02.28.2011
Total Square Feet:	2,400
Lot Size:	3,200 Sq Ft
Redevelopment:	C-2-SP

VITAL DATA

Sale Price:	\$222,500
Down Payment:	\$2,225
Percent Down:	1%
Price/SF:	\$92.71

COMMENTS

This mixed use building has a vacant first floor retail space and a second floor apartment space.
The seller financing likely understates the total financial compensation paid by the buyer to the seller for the purchase of this property.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Recent Sales



SUBJECT PROPERTY

COMMENTS

The subject property is in superior condition compared to all the sales comparables at the time of sale of the sales comparables. The subject property is in an average location compared to the sales comparables.

THE VALENTINE BUILDING

3300 Broadway Avenue
Sacramento, CA 95817

		Offering Price:	\$339,000
Total Rentable SF:	1,797	Price/SF:	\$188.65
Year Built/Renovated:	1910/2006	CAP Rate:	7.40%
Occupancy:	100%		

1



COMMENTS

This property is in an improving neighborhood that is becoming increasingly popular with young adults who want to live and work in the downtown and midtown Sacramento area. The building had pre-existing tenant improvements consistent with operating a small neighborhood bakery and cafe.

1800 E STREET - NEW ROMA BAKERY

1800 E Street
Sacramento, CA 95811

Close of Escrow:	04.01.2011	Sale Price:	\$365,000
Total Rentable SF:	3,200	Price/SF:	\$114.06
		CAP Rate:	7.70%

2



COMMENTS

This multi-suite building is located adjacent to a railroad crossing. The immediate vicinity is characterized by older single-family homes that have been converted to commercial use and older industrial - warehouse buildings that took advantage of the rail line access. The building is World War II era vintage and appears to have significant deferred maintenance. The sale price likely reflects an above market transaction due to the seller provided financing.

1910 P STREET BUILDING

1910 P Street
Sacramento, CA 95811

Close of Escrow:	02.17.2011	Sale Price:	\$503,500
Total Rentable SF:	4,350	Price/SF:	\$115.75



Recent Sales

3



1910 Q STREET - SPATARO BUILDING

1910 Q Street
Sacramento, CA 95817

Close of Escrow: 04.04.2011 Sale Price: \$690,000

COMMENTS

This Wells Fargo REO property sold to well established restaurateur Kurt Spataro in April 2011 for \$690,000. The property previously sold for \$895,000 in 2007. The architecturally distinctive brick masonry building was converted into a bar and restaurant and is already operational as of early July 2011.

4



1901 - 1903 CAPITOL AVENUE - WONG BUILDING

1901 Capitol Avenue
Sacramento, CA 95811

Close of Escrow: 05.12.2011 Sale Price: \$700,000

Total Rentable SF: 2,980 Price/SF: \$234.90

COMMENTS

This mixed-use building is located in the heart of Sacramento's midtown district and is only a few blocks down Capitol Avenue from the California State Capitol building. The 3,000-square foot building was in well maintained condition and is efficiently designed to function as a first floor retail second floor apartment mixed use building. This property is most closely similar to 3300 Broadway Avenue in terms of design and functionality.

5



1902 28TH STREET BUILDING

1902 28th Street
Sacramento, CA 95811

Close of Escrow: 02.28.2011 Sale Price: \$222,500

Total Rentable SF: 2,400 Price/SF: \$92.71

COMMENTS

This mixed use building has a vacant first floor retail space and a second floor apartment space. The seller financing likely understates the total financial compensation paid by the buyer to the seller for the purchase of this property.



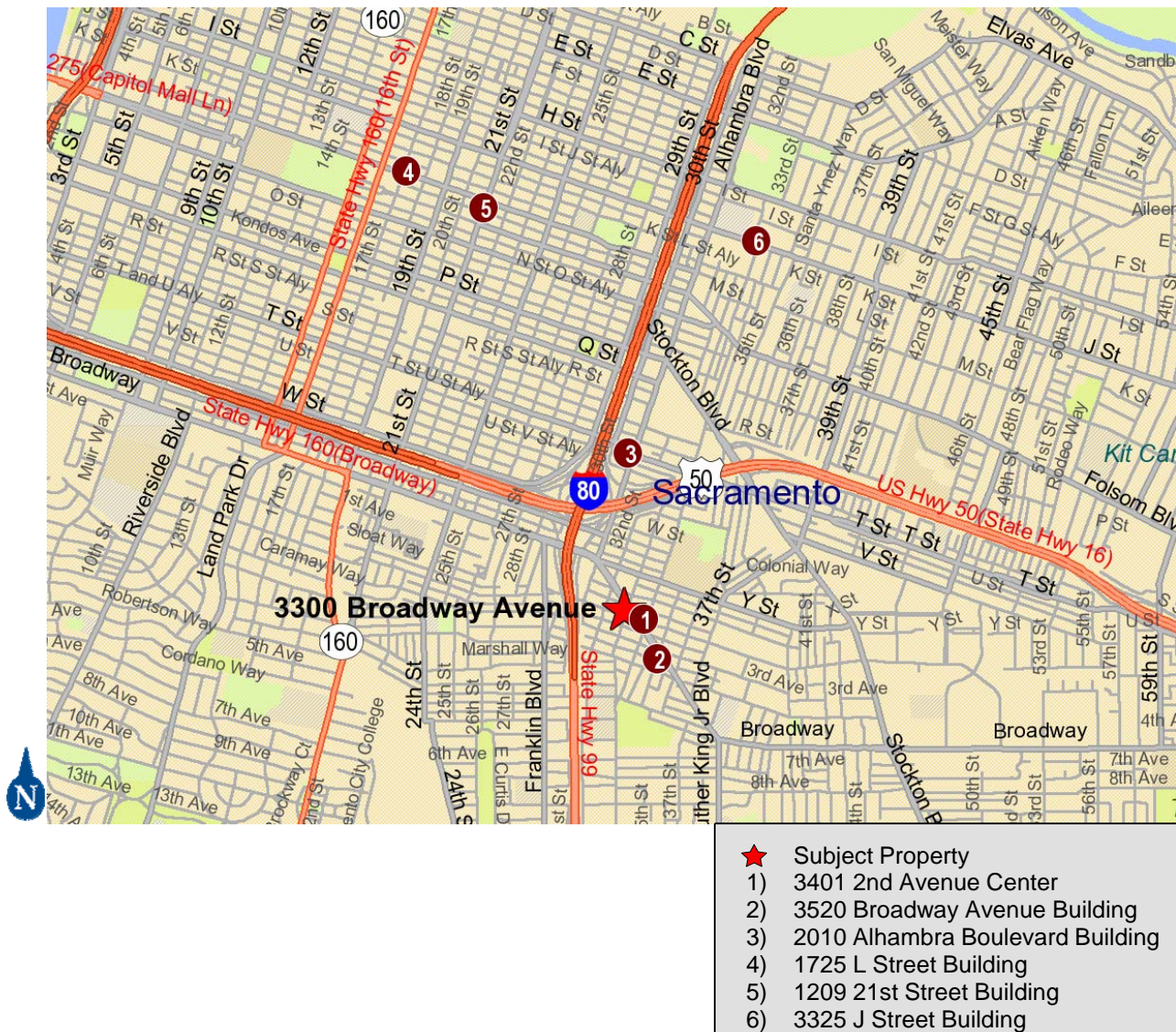
THE VALENTINE BUILDING

SACRAMENTO, CA



On Market Comparables Map

ON MARKET COMPARABLES



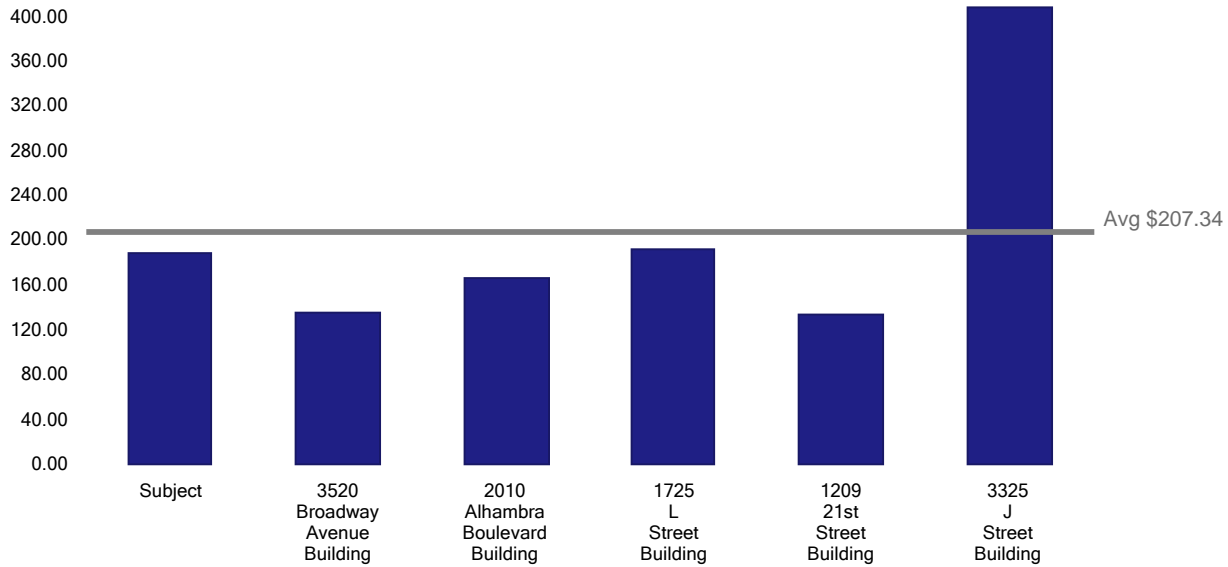
This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Price/Square Foot

AVERAGE PRICE/SQUARE FOOT



ON MARKET COMPARABLES

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Profile of On Market Comparable #1



3401 2ND AVENUE CENTER

3401 2nd Avenue
Sacramento, CA 95817

Close of Escrow:	On Market
Lot Size:	6,033
Redevelopment:	C-2-SP

VITAL DATA

List Price:	\$425,000
-------------	-----------



Profile of On Market Comparable #2



3520 BROADWAY AVENUE BUILDING

3520 Broadway Avenue
Sacramento, CA 95817

Close of Escrow:	On Market
Total Square Feet:	3,876
Year Built:	1920
Lot Size:	4,260 Sq Ft
Redevelopment:	C-2-SP

VITAL DATA

List Price:	\$525,000
Price/SF:	\$135.45



Profile of On Market Comparable #3



2010 ALHAMBRA BOULEVARD BUILDING

2010 Alhambra Boulevard
Sacramento, CA 95817

Close of Escrow:	On Market
Total Square Feet:	3,000
Year Built:	1945
Lot Size:	3,254
Redevelopment:	C-2-SP

VITAL DATA

List Price:	\$499,000
Price/SF:	\$166.33



Profile of On Market Comparable #4



1725 L STREET BUILDING

1725 L Street
Sacramento, CA 95811

Close of Escrow:	On Market
Total Square Feet:	3,321
Occupancy:	100%
Lot Size:	3,716

VITAL DATA

List Price:	\$640,000
Price/SF:	\$192.71



Profile of On Market Comparable #5



1209 21ST STREET BUILDING

1209 21st Street
Sacramento, CA 95811

Close of Escrow:	On Market
Total Square Feet:	3,000
Lot Size:	3,350
Redevelopment:	C-2

VITAL DATA

List Price:	\$399,990
Price/SF:	\$133.33



Profile of On Market Comparable #6



3325 J STREET BUILDING

3325 J Street
Sacramento, CA 95816

Close of Escrow:	On Market
Total Square Feet:	1,174
Lot Size:	6,970
Redevelopment:	R-4-SP

VITAL DATA

List Price:	\$480,000
Price/SF:	\$408.86



On Market Comparables



SUBJECT PROPERTY

COMMENTS

The subject property is in superior condition compared to the on market comparables. The subject property is in an average location compared to the on market comparables.

THE VALENTINE BUILDING

3300 Broadway Avenue
Sacramento, CA 95817

		Offering Price:	\$339,000
Total Rentable SF:	1,797	Price/SF:	\$188.65
Year Built/Renovated:	1910/2006	CAP Rate:	7.40%
Occupancy:	100%		

1



3401 2ND AVENUE CENTER

3401 2nd Avenue
Sacramento, CA 95817

Close of Escrow:	On Market	List Price:	\$425,000
------------------	-----------	-------------	-----------

2



3520 BROADWAY AVENUE BUILDING

3520 Broadway Avenue
Sacramento, CA 95817

Close of Escrow:	On Market	List Price:	\$525,000
Total Rentable SF:	3,876	Price/SF:	\$135.45
Year Built:	1920		



On Market Comparables

3



2010 ALHAMBRA BOULEVARD BUILDING

2010 Alhambra Boulevard
Sacramento, CA 95817

Close of Escrow:	On Market	List Price:	\$499,000
Total Rentable SF:	3,000	Price/SF:	\$166.33
Year Built:	1945		

4



1725 L STREET BUILDING

1725 L Street
Sacramento, CA 95811

Close of Escrow:	On Market	List Price:	\$640,000
Total Rentable SF:	3,321	Price/SF:	\$192.71
Occupancy:	100%		

5



1209 21ST STREET BUILDING

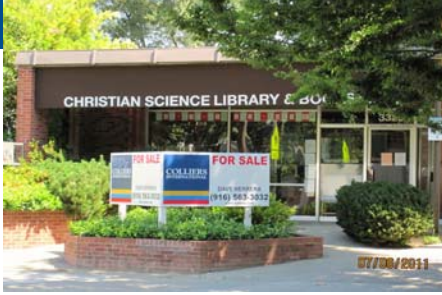
1209 21st Street
Sacramento, CA 95811

Close of Escrow:	On Market	List Price:	\$399,990
Total Rentable SF:	3,000	Price/SF:	\$133.33



On Market Comparables

6



3325 J STREET BUILDING

3325 J Street
Sacramento, CA 95816

Close of Escrow:	On Market	List Price:	\$480,000
Total Rentable SF:	1,174	Price/SF:	\$408.86



THE VALENTINE BUILDING

SACRAMENTO, CA



Rent Comparables Map

RENT COMPARABLES



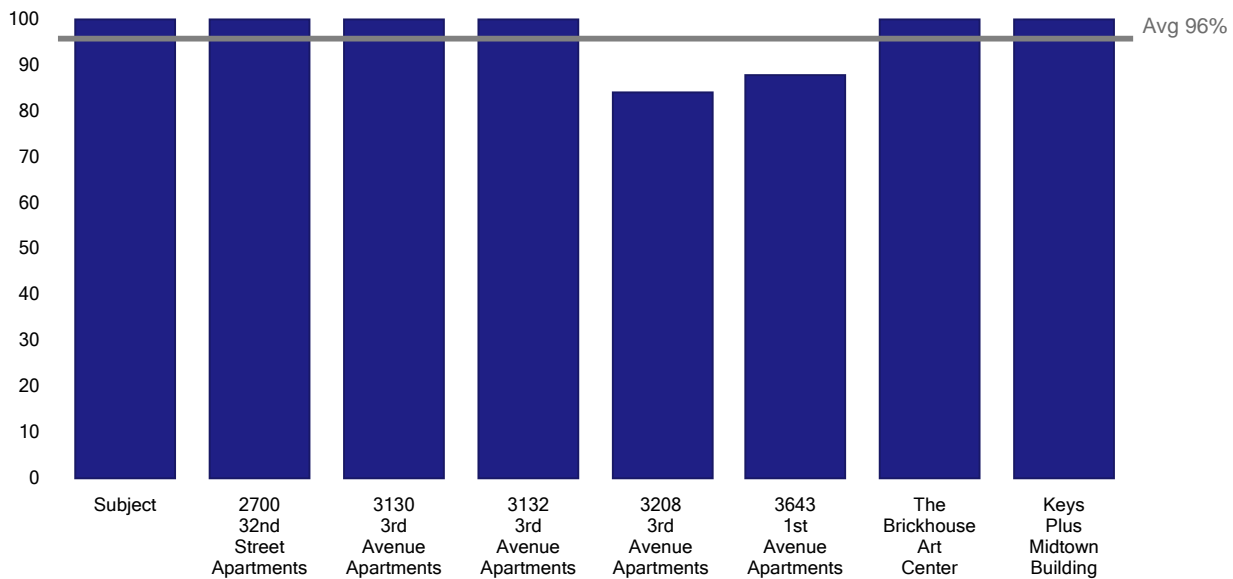
This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Graphs

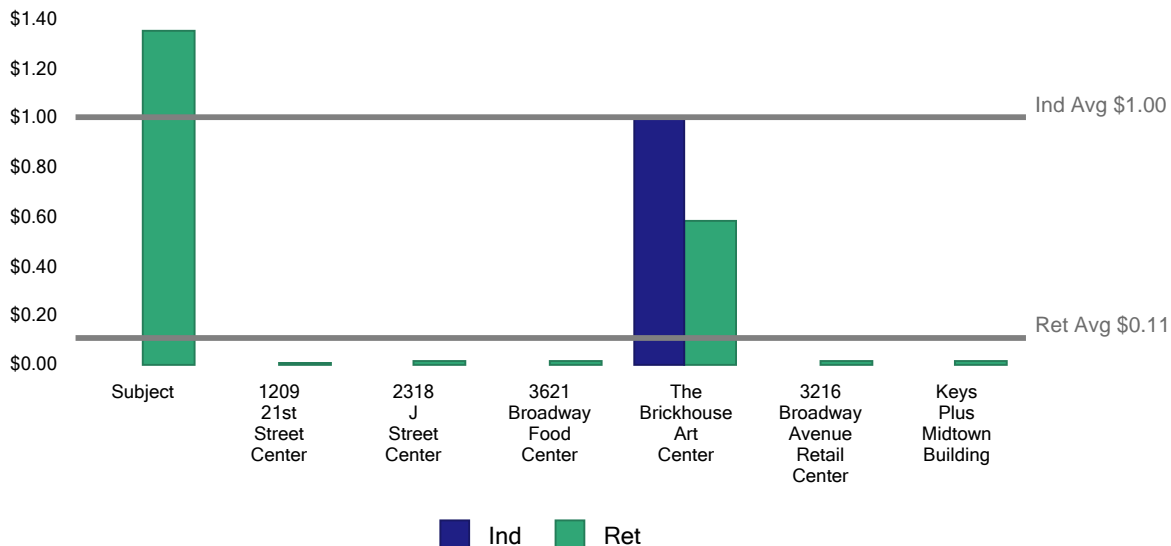
AVERAGE OCCUPANCY



COMMENTS

There is currently a high vacancy rate for both the retail component and for the apartment component in mixed-use properties within a two mile radius of the subject property, causing downward pressure on rents.

AVERAGE RENT/SF



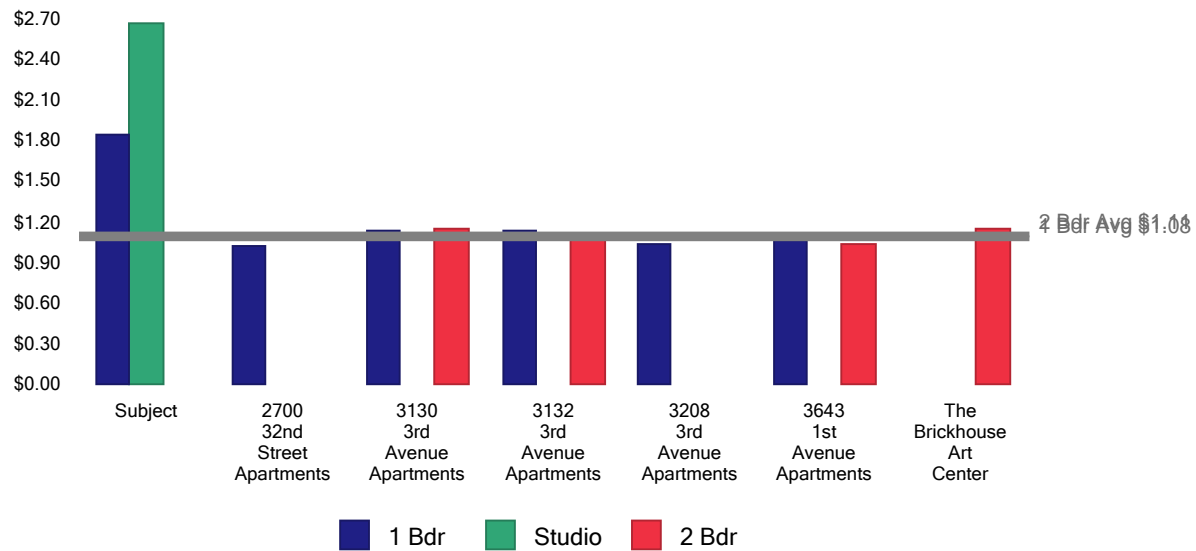
COMMENTS

The average rent per square foot for retail properties has declined significantly in the past four years, while the average per square foot rent for apartments has stabilized and is showing signs of moderate annual increases of two percent to four percent.



Graphs

AVERAGE RENT/SF - APARTMENTS



COMMENTS

The average rent per square foot for apartments is approximately \$1.10 per square foot, with newer apartments in renovated buildings commanding slightly higher rents.



Profile of Subject Property



THE VALENTINE BUILDING

3300 Broadway Avenue

Sacramento, CA 95817

Date Surveyed: July 8, 2011

Total Square Feet: 1,797

Occupancy: 100%

Year Built/Renovated: 1910 / 2006

RENT COMPARABLES

LEASING ACTIVITY

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt Studio 1 Bath Flat	227-227	1	\$605-\$605	\$2.67-\$2.67
Apt Studio 1 Bath Flat	178-178	1	\$565-\$565	\$3.17-\$3.17
Apt 1 Bdr 1 Bath Flat	391-391	1	\$720-\$720	\$1.84-\$1.84
Ret	1,001-1,001	1	\$1,352-\$1,352	\$1.35-\$1.35

Total	1,797	4
-------	-------	---

AMENITIES

Security	Video Surveillance And
Fire Protection	Smoke Detectors
Other	Entire Building
Other	Convenient Location
Other	Close To Public
Other	New Fresh N Easy

PROPERTY FEATURES

HVAC	Mini-Split Systems
Roof	Composition Shingle
Parking	Ample Street Parking
Construction	1910 Building Restored In
Utilities	SMUD Electricity - PG&E Gas
Other	Convenient Highway Access

COMMENTS

The subject property compares favorably to the other rent comparables, although the apartment rents in the subject property are higher than market rate. The retail rent in the subject property is below market rate.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Profile of Rent Comparables #1



2700 32ND STREET APARTMENTS

2700 32nd Street

Sacramento, CA 95817

Date Surveyed: 07.07.2011

Occupancy: 100%

Year Built/Renovated: 1955 / 2010

LEASING ACTIVITY

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt 1 Bdr 1 Bath Flat	595-605	8	\$535-\$700	\$0.90-\$1.16

Total

8

AMENITIES

Security	Perimeter Security Fencing
Fire	Smoke Detectors
Other	On-Site Laundry
Other	Large Paver Patios in Private Courtyard
Other	Quiet Residential Neighborhood
Other	Ample On-Site and Street Parking

PROPERTY FEATURES

HVAC	Wall Gas Heat, Wall Air
Roof	Composition Shingle
Parking	.5 Spaces On Site Per Unit
Construction	Two-Story Wood-Frame
Utilities	SMUD Electricity, PG&E Gas
Other	Property Gentrified After 2010

COMMENTS

This eight-unit apartment building is located one block from 3300 Broadway Avenue. The owner is deliberately maintaining rents approximately \$50 per unit below market in order to minimize tenant turnover.



Profile of Rent Comparables #2



3130 3RD AVENUE APARTMENTS

3130 3rd Avenue

Sacramento, CA 95817

Date Surveyed: 07.07.2011

Occupancy: 100%

Year Built/Renovated: 1965 / 2011

RENT COMPARABLES

LEASING ACTIVITY

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt 1 Bdr 1 Bath Flat	540-560	6	\$600-\$650	\$1.11-\$1.16
Apt 2 Bdr 1 Bath Flat	640-660	2	\$725-\$775	\$1.13-\$1.17
Ind				

Total

8

AMENITIES

Security	Perimeter Security
Fire Protection	Smoke Detectors
Other	Parking in Rear of
Other	Newly Renovated
Other	
Other	

PROPERTY FEATURES

HVAC	Gas Wall Heat, Wall Air
Roof	Composition Shingle
Parking	.5 Parking Spaces On Site Per
Construction	Two-Story Wood-Frame
Utilities	SMUD Electricity, PG&E Gas
Other	

COMMENTS

This property is located two short blocks from 3300 Broadway Avenue. The building exterior and all the apartment interiors were completely renovated in early 2011. The owners promptly leased up all units in the building at slightly higher than market monthly rents.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Profile of Rent Comparables #3



3132 3RD AVENUE APARTMENTS

3132 3rd Avenue

Sacramento, CA 95817

Date Surveyed: 07.07.2011

Occupancy: 100%

Year Built/Renovated: 1965 / 2011

LEASING ACTIVITY

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt 1 Bdr 1 Bath Flat	540-560	6	\$600-\$650	\$1.11-\$1.16
Apt 2 Bdr 1 Bath Flat	640-660	2	\$700-\$750	\$1.09-\$1.14

Total

8

AMENITIES

Security	Perimeter Security
Fire Protection	Smoke Detectors
Other	Completely Renovated
Other	
Other	
Other	

PROPERTY FEATURES

HVAC	Gas Wall Heat, Wall Air Conditioning
Roof	Composition Shingle
Parking	.5 On Site Parking Spaces Per Unit
Construction	Two-Story Wood-Frame
Utilities	SMUD Electricity, PG&E Gas
Other	

COMMENTS

This property is located two short blocks from 3300 Broadway Avenue. The building exterior and all the apartment interiors were completely renovated in early 2011. The owners promptly leased up all units in the building at slightly lower monthly rents than the adjacent eight-unit building that was renovated prior to this building. The owners found that there was inadequate demand for one-bedroom apartments at \$650 per month and they were forced to reduce asking rents to \$600 per month in order to find tenants for all vacant units.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Profile of Rent Comparables #4



3208 3RD AVENUE APARTMENTS

3208 3rd Avenue
Sacramento, CA 95817

Date Surveyed: 07.07.2011
Occupancy: 84%
Year Built: 1959

LEASING ACTIVITY

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt 1 Bdr 1 Bath Flat	565-565	12	\$575-\$600	\$1.02-\$1.06

Total

12

AMENITIES

Security No Security Fencing
Fire Protection Smoke Detectors
Other
Other
Other
Other

PROPERTY FEATURES

HVAC Gas Wall Heat, Wall Air Conditioning
Roof Composition Shingle
Parking 0.5 Parking Spaces Per Unit On Site
Construction Two-Story Wood-Frame
Utilities SMUD Electricity, PG&E Gas
Other

COMMENTS

This property has significant noticeable deferred maintenance. The current rents are at market rate for one-bedroom apartments in the North Oak Park submarket.



Profile of Rent Comparables #5



3643 1ST AVENUE APARTMENTS

3643 1st Avenue

Sacramento, CA 95817

Date Surveyed: 07.07.2011

Occupancy: 88%

Year Built/Renovated: 1960 / 2005

LEASING ACTIVITY

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt 1 Bdr 1 Bath Flat	550-550	7	\$575-\$600	\$1.05-\$1.09
Apt 2 Bdr 1 Bath Flat	650-650	1	\$675-\$675	\$1.04-\$1.04

Total

8

AMENITIES

Security	Perimeter Security Fencing
Fire Protection	Smoke Detectors
Other	Two Blocks From Sacramento High School
Other	Five Blocks From UC Davis Medical Center
Other	
Other	

PROPERTY FEATURES

HVAC	Gas Wall Heat, Wall Air Conditioning
Roof	Composition Shingle Roof
Parking	0.5 Parking Spaces Per Unit On Site
Construction	Two-Story Wood-Frame
Utilities	SMUD Electricity, PG&E Gas
Other	

COMMENTS

The 3643 1st Avenue Apartments are typical for a North Oak Park eight-unit apartment building built in the 1950s. The unit interiors have all been renovated in the past seven years. The property is conveniently located near several major medical center employers and is only two blocks from Sacramento High School.



Profile of Rent Comparables #6



1209 21ST STREET CENTER

1209 21st Street

Sacramento, CA 95811

Date Surveyed: 07.08.2011

Occupancy: 0%

Year Built/Renovated: 1920 / 1960

LEASING ACTIVITY

<u>Type</u>	<u>Rentable SF</u>	<u># of Units</u>	<u>Rent</u>	<u>Rent/SF</u>
Ret	1,500-1,500	2	\$12-\$12	\$1.00/PSF/mo

Total	2
-------	---

AMENITIES

Security	NA
Fire Protection	Smoke Detector
Other	Convenient Midtown Location
Other	Two 1,500-SF Spaces
Other	Tenant Improvements
Other	

PROPERTY FEATURES

HVAC	Gas Heat - Electric AC
Roof	Flat And Pitched
Parking	Street
Construction	Wood-Frame
Utilities	SMUD Electricity - PG&E Gas
Other	

COMMENTS

This property is an older house that has had a commercial retail addition constructed on the street side of the house. This development is typical of midtown Sacramento as late 19th century and early 20th century houses were converted to commercial use.



Profile of Rent Comparables #7



2318 J STREET CENTER

2318 J Street
Sacramento, CA 95816

Date Surveyed: 07.08.2011
Occupancy: 0%
Year Built: 1970

RENT COMPARABLES

LEASING ACTIVITY

<u>Type</u>	<u>Rentable SF</u>	<u># of Units</u>	<u>Rent</u>	<u>Rent/SF</u>
Ret	1,200-1,200	1	\$18-\$18	\$1.50/PSF/mo
Total		1		



Profile of Rent Comparables #8



3621 BROADWAY FOOD CENTER

3621 Broadway Avenue
Sacramento, CA 95817

Date Surveyed: 07.10.2011
Occupancy: 0%
Year Built: 1960

LEASING ACTIVITY

<u>Type</u>	<u>Rentable SF</u>	<u># of Units</u>	<u>Rent</u>	<u>Rent/SF</u>
Ret	1,200-1,200	1	\$18-\$18	\$1.50/PSF/mo

Total	1
-------	---

AMENITIES

Security	NA
Fire Protection	NA
Other	Large Parking Lot On Site
Other	Restaurant Tenant Improvements In Place
Other	High Daily Traffic Count on Broadway Avenue
Other	

PROPERTY FEATURES

HVAC	Central HVAC
Roof	Flat Built-Up Asphalt
Parking	16 Spaces On Site
Construction	Wood-Frame, Metal-Frame
Utilities	SMUD Electricity, PG&E Gas
Other	

COMMENTS

The 3621 Broadway Avenue restaurant property represents a strong opportunity for a creative and energetic food service entrepreneur to take advantage of the existing restaurant tenant improvements and quickly open a highly visible food oriented business with a minimum of invested capital. There is ample on site parking for business patrons.



Profile of Rent Comparables #9



THE BRICKHOUSE ART CENTER

2833 36th Street

Sacramento, CA 95817

Date Surveyed: 07.09.2011

Occupancy: 100%

Year Built: 1920

LEASING ACTIVITY

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt 2 Bdr 1 Bath Flat	720-740	2	\$830-\$850	\$1.15-\$1.15
Ret	920	1	\$540-\$540	\$.50/PSF/mo
Ind	125-145	6	\$125-\$145	\$1.00-\$1.00

Total

9

AMENITIES

Security Alarm On Site
 Fire Protection Smoke Detectors
 Other Art Gallery Recently Renovated
 Other Historical Building Exudes
 Other
 Other

PROPERTY FEATURES

HVAC Apts Have Gas Wall Heat, Wall AC
 Roof Flat
 Parking Street Parking Only
 Construction Brick Exterior, Wood-Frame Interior
 Utilities SMUD Electricity, PG&E Gas
 Other

COMMENTS

This historical property has recently been partially renovated. There are six artist studios on site as well as a 920-square foot art gallery in the commercial building. The two-bedroom apartments rent for \$850 per month.



Profile of Rent Comparables #10



3216 BROADWAY AVENUE RETAIL CENTER

3216 Broadway Avenue
Sacramento, CA 95817

Date Surveyed: 07.09.2011
Occupancy: 0%
Year Built: 1955

LEASING ACTIVITY

Type	Rentable SF	# of Units	Rent	Rent/SF
Ret	800-800	1	\$15-\$15	\$1.25/PSF/mo

Total	1
-------	---

AMENITIES

Security	Night Patrols
Fire Protection	Smoke Detector
Other	Retail Tenant Improvements In Place
Other	
Other	
Other	

PROPERTY FEATURES

HVAC	Central Heat and Air
Roof	Flat Built-Up Tar
Parking	Two Spaces At Rear
Construction	Wood-Frame
Utilities	SMUD Electricity, PG&E Gas
Other	

COMMENTS

This modern retail property has all tenant improvements in place. Owner is asking \$1.25 per square foot per month and will assist with minor tenant improvements.



Profile of Rent Comparables #11



KEYS PLUS MIDTOWN BUILDING

3130 Broadway Avenue
Sacramento, CA 95817

Date Surveyed: 07.09.2011
Occupancy: 100%
Year Built: 1958

LEASING ACTIVITY

Type	Rentable SF	# of Units	Rent	Rent/SF
Ret	800-800	1	\$14-\$14	\$1.20/PSF/mo

Total	1
-------	---

AMENITIES

Security	Video Surveillance
Fire Protection	Smoke Detectors with Alarm
Other	Well-Built Brick Building in Good Condition
Other	Long-Term Tenant with Established Business
Other	
Other	

PROPERTY FEATURES

HVAC	Central HVAC
Roof	Flat Built-Up Tar
Parking	Street Parking
Construction	Brick Exterior Walls, Wood-Frame Interior Walls
Utilities	SMUD Electricity, PG&E Gas
Other	

COMMENTS

This is a well located attractive brick building on a busy arterial street that travels through the entire Oak Park Neighborhood and travels along the north edge of the adjacent Curtis Park Neighborhood.



Rent Comparables



SUBJECT PROPERTY

Date Surveyed July 8, 2011
Occupancy 100%
Year Built/Renovated 1910/2006

THE VALENTINE BUILDING

3300 Broadway Avenue
Sacramento, CA 95817

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt Studio 1 Bath Flat	227-227	1	\$605-\$605	\$2.67-\$2.67
Apt Studio 1 Bath Flat	178-178	1	\$565-\$565	\$3.17-\$3.17
Apt 1 Bdr 1 Bath Flat	391-391	1	\$720-\$720	\$1.84-\$1.84
Ret	1,001-1,001	1	\$1,352-\$1,352	\$1.35-\$1.35

Total	1,797	4
-------	-------	---

COMMENTS

The subject property compares favorably to the other rent comparables, although the apartment rents in the subject property are higher than market rate. The retail rent in the subject property is below market rate.

1



Date Surveyed 07.07.2011
Occupancy 100%
Year Built/Renovated 1955/2010

2700 32ND STREET APARTMENTS

2700 32nd Street
Sacramento, CA 95817

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt 1 Bdr 1 Bath Flat	595-605	8	\$535-\$700	\$0.90-\$1.16

Total	8
-------	---

COMMENTS

This eight-unit apartment building is located one block from 3300 Broadway Avenue. The owner is deliberately maintaining rents approximately \$50 per unit below market in order to minimize tenant turnover.

2



Date Surveyed 07.07.2011
Occupancy 100%
Year Built/Renovated 1965/2011

3130 3RD AVENUE APARTMENTS

3130 3rd Avenue
Sacramento, CA 95817

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt 1 Bdr 1 Bath Flat	540-560	6	\$600-\$650	\$1.11-\$1.16
Apt 2 Bdr 1 Bath Flat	640-660	2	\$725-\$775	\$1.13-\$1.17
Ind				

Total	8
-------	---

COMMENTS

This property is located two short blocks from 3300 Broadway Avenue. The building exterior and all the apartment interiors were completely renovated in early 2011. The owners promptly leased up all units in the building at slightly higher than market monthly rents.



Rent Comparables

3



3132 3RD AVENUE APARTMENTS

3132 3rd Avenue
Sacramento, CA 95817

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt 1 Bdr 1 Bath Flat	540-560	6	\$600-\$650	\$1.11-\$1.16
Apt 2 Bdr 1 Bath Flat	640-660	2	\$700-\$750	\$1.09-\$1.14

Date Surveyed 07.07.2011
Occupancy 100%
Year Built/Renovated 1965/2011

Total 8

COMMENTS

This property is located two short blocks from 3300 Broadway Avenue. The building exterior and all the apartment interiors were completely renovated in early 2011. The owners promptly leased up all units in the building at slightly lower monthly rents than the adjacent eight-unit building that was renovated prior to this building. The owners found that there was inadequate demand for one-bedroom apartments at \$650 per month and they were forced to reduce asking rents to \$600 per month in order to find tenants for all vacant units.

4



3208 3RD AVENUE APARTMENTS

3208 3rd Avenue
Sacramento, CA 95817

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt 1 Bdr 1 Bath Flat	565-565	12	\$575-\$600	\$1.02-\$1.06

Date Surveyed 07.07.2011
Occupancy 84%
Year Built 1959

Total 12

COMMENTS

This property has significant noticeable deferred maintenance. The current rents are at market rate for one-bedroom apartments in the North Oak Park submarket.

5



3643 1ST AVENUE APARTMENTS

3643 1st Avenue
Sacramento, CA 95817

Type	Rentable SF	# of Units	Rent	Rent/SF
Apt 1 Bdr 1 Bath Flat	550-550	7	\$575-\$600	\$1.05-\$1.09
Apt 2 Bdr 1 Bath Flat	650-650	1	\$675-\$675	\$1.04-\$1.04

Date Surveyed 07.07.2011
Occupancy 88%
Year Built/Renovated 1960/2005

Total 8

COMMENTS

The 3643 1st Avenue Apartments are typical for a North Oak Park eight-unit apartment building built in the 1950s. The unit interiors have all been renovated in the past seven years. The property is conveniently located near several major medical center employers and is only two blocks from Sacramento High School.



Rent Comparables

6



Date Surveyed 07.08.2011
Occupancy 0%
Year Built/Renovated 1920/1960

1209 21ST STREET CENTER

1209 21st Street
Sacramento, CA 95811

Type	Rentable SF	# of Units	Rent	Rent/SF
Ret	1,500-1,500	2	\$12-\$12	\$1.00/PSF/mo

Total	2
-------	---

COMMENTS

This property is an older house that has had a commercial retail addition constructed on the street side of the house. This development is typical of midtown Sacramento as late 19th century and early 20th century houses were converted to commercial use.

7



Date Surveyed 07.08.2011
Occupancy 0%
Year Built 1970

2318 J STREET CENTER

2318 J Street
Sacramento, CA 95816

Type	Rentable SF	# of Units	Rent	Rent/SF
Ret	1,200-1,200	1	\$18-\$18	\$1.50/PSF/mo

Total	1
-------	---

8



Date Surveyed 07.10.2011
Occupancy 0%
Year Built 1960

3621 BROADWAY FOOD CENTER

3621 Broadway Avenue
Sacramento, CA 95817

Type	Rentable SF	# of Units	Rent	Rent/SF
Ret	1,200-1,200	1	\$18-\$18	\$1.50/PSF/mo

Total	1
-------	---

COMMENTS

The 3621 Broadway Avenue restaurant property represents a strong opportunity for a creative and energetic food service entrepreneur to take advantage of the existing restaurant tenant improvements and quickly open a highly visible food oriented business with a minimum of invested capital. There is ample on site parking for business patrons.



Rent Comparables

9



THE BRICKHOUSE ART CENTER

2833 36th Street
Sacramento, CA 95817

Type	Rentable	# of Units	Rent	Rent/SF
Apt 2 Bdr 1 Bath Flat	720-740	2	\$830-\$850	\$1.15-\$1.15
Ret	920	1	\$540-\$540	\$.50/PSF/mo
Ind	125-145	6	\$125-\$145	\$1.00-\$1.00

Date Surveyed 07.09.2011
Occupancy 100%
Year Built 1920

Total 9

COMMENTS

This historical property has recently been partially renovated. There are six artist studios on site as well as a 920-square foot art gallery in the commercial building. The two-bedroom apartments rent for \$850 per month.

10



3216 BROADWAY AVENUE RETAIL CENTER

3216 Broadway Avenue
Sacramento, CA 95817

Type	Rentable	# of Units	Rent	Rent/SF
Ret	800-800	1	\$15-\$15	\$1.25/PSF/mo

Date Surveyed 07.09.2011
Occupancy 0%
Year Built 1955

Total 1

COMMENTS

This modern retail property has all tenant improvements in place. Owner is asking \$1.25 per square foot per month and will assist with minor tenant improvements.

11



KEYS PLUS MIDTOWN BUILDING

3130 Broadway Avenue
Sacramento, CA 95817

Type	Rentable SF	# of Units	Rent	Rent/SF
Ret	800-800	1	\$14-\$14	\$1.20/PSF/mo

Date Surveyed 07.09.2011
Occupancy 100%
Year Built 1958

Total 1

COMMENTS

This is a well located attractive brick building on a busy arterial street that travels through the entire Oak Park Neighborhood and travels along the north edge of the adjacent Curtis Park Neighborhood.



THE VALENTINE BUILDING

SACRAMENTO, CA



Sacramento

MARKET HIGHLIGHTS

Strong population growth

- Sacramento's population growth is above the national average.

Solid levels of job creation

- Job growth is forecast to increase at an average of 1.7 percent annually through 2015.

Relatively low cost of living

- Sacramento's median home price is more affordable than other California metros.



GEOGRAPHY

The Sacramento metro is located in the middle of the 400-mile long Central Valley. The northern part of the Valley has been developed as a fertile agricultural region. The foothills of the Sierra Nevada Mountains are located to the east, and the Sacramento and American rivers traverse the region. Sacramento is flat grassland subject to seasonal flooding. Unlike the nearby San Francisco Bay Area, Sacramento is seismically quiet.



Sacramento-Arden-Arcade-Roseville MSA

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Sacramento

METRO

The Sacramento MSA is comprised of Sacramento, El Dorado, Placer and Yolo counties. Sacramento is the largest city and the state capital, with more than 473,700 residents. During the past 10 years, population growth in the metro's five largest cities outpaced the nation, and three cities expanded at a rate at least twice the national level.

INFRASTRUCTURE

Sacramento is the Central Valley's primary transportation and distribution hub. The region is close to major population and business centers throughout the Western United States.

The MSA has two interstate freeways — Interstate 5 travels north and south, and Interstate 80 stretches from the Pacific Coast to the East Coast

The Port of Sacramento, located on the Sacramento River, is serviced by the Union Pacific and BNSF railroads, connecting the region to national and world markets.

The Sacramento Regional Transit District operates the bus and light-rail network covering a 418-square mile service area. High-speed rail service between Sacramento and the Bay Area is currently under consideration due to the high volume of commuter traffic into San Francisco.



Largest Cities: Sacramento MSA

Sacramento	473,700
Roseville	117,300
Arden-Arcade	94,100
Citrus Heights	85,700
Folsom	72,900
Elk Grove	72,500

2010 Estimate
Sources: Marcus & Millichap Research Services, AGS

Airports

- Sacramento International Airport
- Three general aviation airports

Major Roadways

- Interstates 5 and 80
- U.S. Highway 50, state Route 99

Rail

- Freight - Union Pacific, BNSF
- Passenger - Amtrak
- Commuter - Sac RT light-rail

Port

- Port of Sacramento

The Sacramento MSA is:

- 90 miles from San Francisco
- 140 miles from Reno
- 515 miles from San Diego
- 755 miles from Seattle



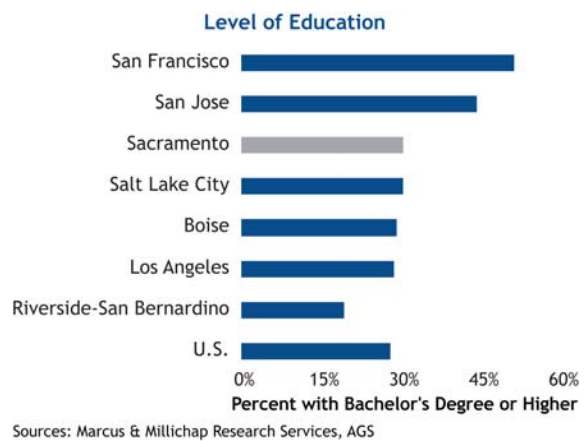
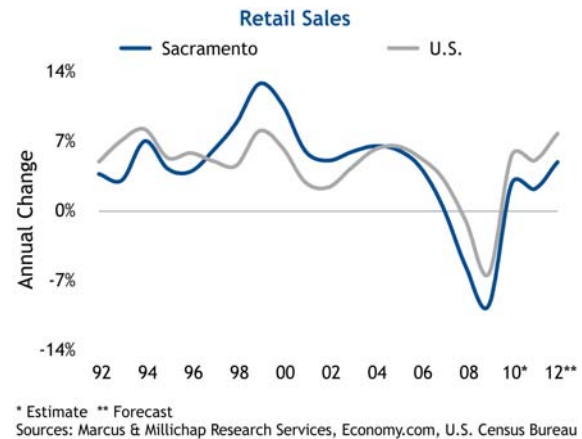
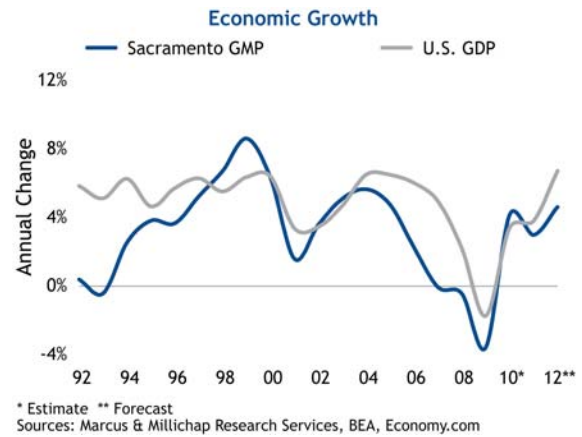
Sacramento

ECONOMY

Sacramento serves as the state capital, making the government sector important to the region's economy. During the past three decades, however, the local economy has diversified considerably, and government jobs now comprise just 29 percent of total employment, compared to 40 percent in 1970. In the near term, the state's continued budget deficit will result in further government job cuts locally, but the long-term outlook for the sector appears bright.

Sacramento's seismic stability and relatively low business costs compared to other California MSAs attract major corporations seeking to relocate or establish operations in the region. Intel Corp., Apple Computer and Siemens Transportation Systems, among others, maintain facilities in the area.

The decommissioning of Mather Air Force Base to Mather Airport has created new trade and transportation opportunities, as many globally recognized cargo companies, such as Airborne Express and United Parcel Service, now use the former base to ship freight. McClellan Air Force Base has also been converted to civilian use, transforming into McClellan Business Park. The park is largely industrial and has been successful in attracting tenants, which include TRW and Aerojet.





Sacramento

LABOR

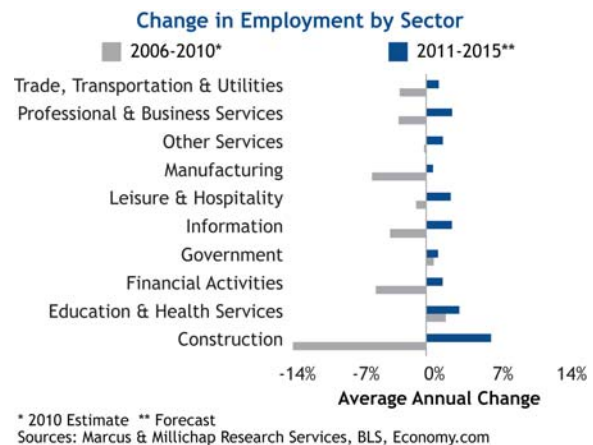
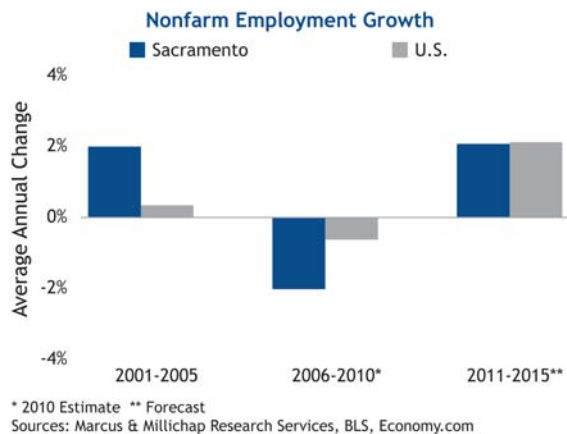
Sacramento's employment base is approximately 800,000 strong. An average annual growth rate of 1.7 percent is forecast through 2015.

Robust population growth fueled expansion in the education and health services sector over the past five years, resulting in an average annual increase of 1.8 percent. Through 2015, this segment will expand at a rate of 3.2 percent annually.

The financial activities sector, which includes insurance and real estate-related employment, contracted at a pace of 5.6 percent annually over the past five years. Looking ahead, this sector will resume growth and expand at a modest pace, with a forecast for annual increases of 1.5 percent through 2015.

During the past five years, the information sector has been plagued with job cuts, recording a 3 percent annual loss. Much of this was attributable to contraction in high-tech businesses that migrated to the area in search of a lower cost of doing business. The sector appears to be rebounding, however, and is expected to record a 1.5 percent yearly increase through 2015.

While the state government continues cutbacks in an effort to ease budget shortfalls, the government sector is forecast to achieve modest gains through 2015, averaging 0.8 percent per year, with the local government expected to eventually make up for losses incurred at the state level.





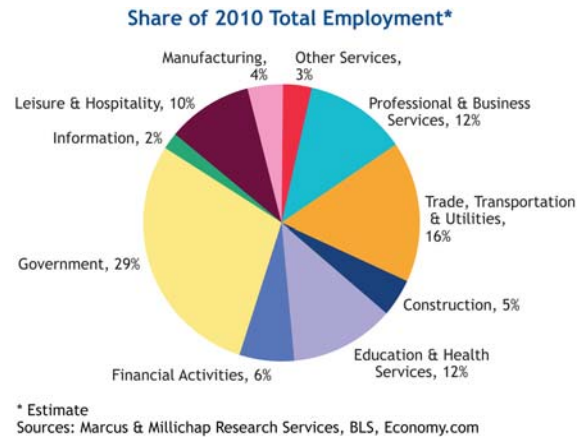
Sacramento

EMPLOYERS

Sacramento is home to numerous high-tech companies, including Intel Corp., which tops the list of major high-tech employers, and Hewlett-Packard Co., the second largest high-tech private employer in the area. The dip in demand for high-tech products worldwide has adversely affected the local economy in recent years, but the major imbalance between inventories and new orders is nearly resolved, and demand for high-tech products has begun to edge upward.

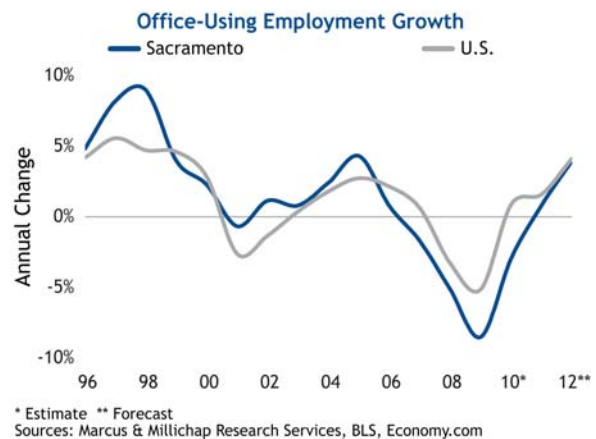
Healthcare companies, including Kaiser Permanente Sutter Health Central and CHW/Mercy Healthcare Sacramento, are significant employers. Demand for health services is projected to surge due to the aging population and continued strong population growth. Kaiser Permanente recently completed a \$300 million expansion on the 42-acre South Sacramento Medical Center campus, incorporating services needed to operate as a Level II Trauma Center.

Higher education provides many jobs within the metro, with California State University at Sacramento and the University of California at Davis together employing more than 30,000 individuals.



Major Employers

California State University Sacramento
Sutter Health Central
Kaiser Permanente
Raley's, Inc.
Intel Corp.
CHW/Mercy Healthcare Sacramento
University of California Davis Medical Center
SBC Communications, Inc.
Hewlett-Packard Co.
Target Corp.





Sacramento

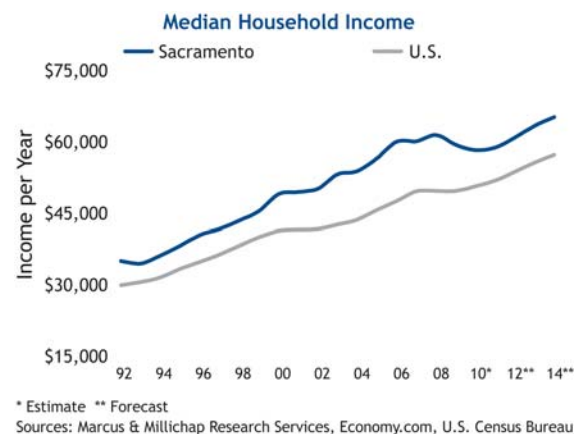
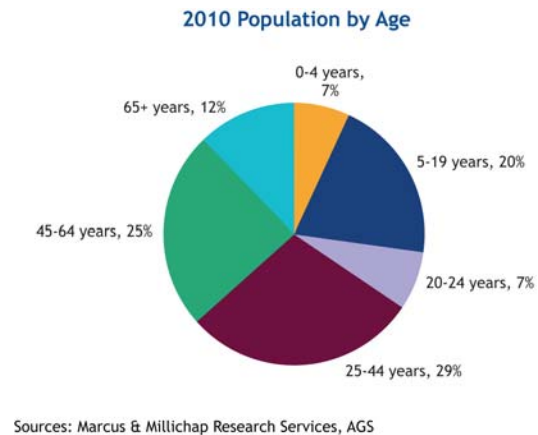
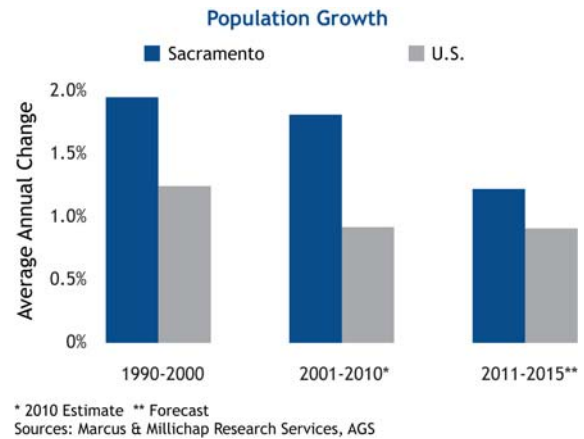
DEMOGRAPHICS

Sacramento has undergone significant job and population growth. The area received more than 500,000 residents over the past 15 years, an increase of 32 percent, driving the population to 2.1 million citizens. More than 50 percent of the gain was due to in-migration, which averaged 25,000 persons per year due to employment opportunities and relatively affordable housing. An expansion rate of 1.5 percent is forecast through 2015.

The MSA has registered strong population growth in the college-educated segment. The percentage of adults who have attained a bachelor's degree is 30 percent, compared to the national average of 28 percent.

Increased education levels have helped push the median household income in the Sacramento area to \$59,500 per year, well above the national median. In addition, nearly 10 percent of households earn in excess of \$150,000 annually.

Affordable home prices and healthy incomes have allowed nearly 56 percent of residents to own their own home. The median home price is currently \$182,000, slightly above the national average but well below most California metros.





Sacramento

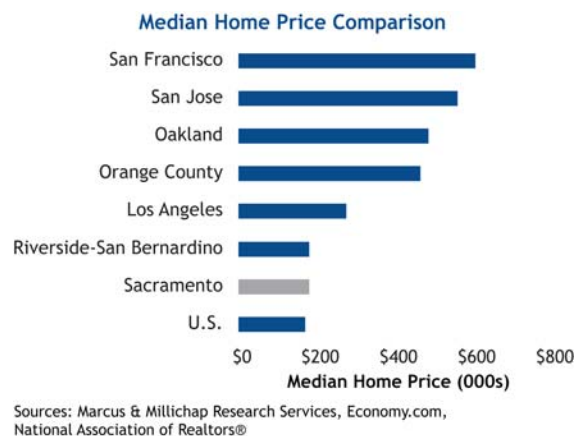
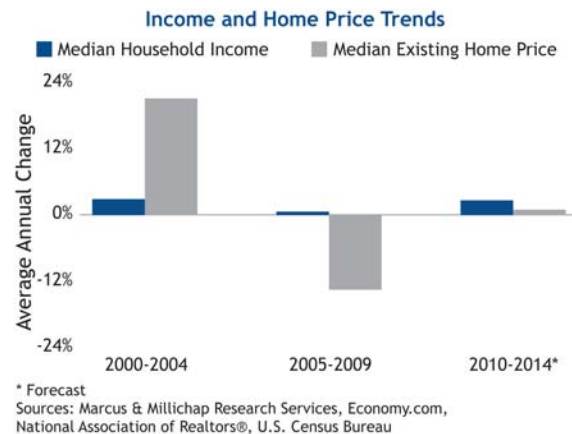
QUALITY OF LIFE

Residents and visitors to Sacramento can enjoy many recreational activities. The region is home to several professional sports teams, including the Kings (NBA), Monarchs (WNBA), Sirens (IWFL), Knights (Soccer) and the River Cats, the Triple-A affiliate of the Oakland A's. Boating is popular on Folsom Lake, and Sacramento is near the recreational areas of the Sierra Nevada Mountains, including Lake Tahoe. A short drive leads to some of the world's finest wine producing regions — the Napa, Sonoma and Alexander valleys.

Sacramento offers a professional ballet troupe, opera performances, a theater, more than 20 outstanding museums and a zoo. Each year, the city hosts the Dixieland Jazz Jubilee and many other recreational, entertainment and cultural activities.

In addition to four community colleges, there are two universities located in the region: University of California, Davis, and California State University, Sacramento. Numerous undergraduate and graduate programs are offered to the more than 150,000 students enrolled.

Housing is relatively affordable in the Sacramento region compared to the San Francisco Bay Area. The median single-family home in Sacramento is half the cost of a median home in the Bay Area and 10 percent below the median price for all of Northern California.





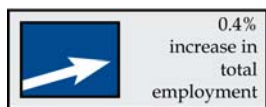
Sacramento

MOMENTUM TO BUILD SLOWLY IN SACRAMENTO

Conditions in Sacramento appear to be stabilizing, but lingering weakness in the employment and housing markets, and a measured revival in retail sales will keep a significant turnaround from gaining momentum this year. In the employment market, Sacramento continues to trail other metros, with local employers slow to ramp up hiring and many still trimming payrolls. Construction employment remains less than half of the area's pre-recession peak due to suppressed home building, while the government sector also continues to shed workers. A burst of "catch-up" spending, meanwhile, has raised retail sales from one year ago, but local spending remains below levels recorded during the last economic expansion. The recent increase in spending has stemmed the rate of store closures, but a sufficient number of new retailers have not yet stepped forward to backfill spaces darkened during the past three years. In addition, slow residential construction has virtually halted the development of new retail trade areas, further curtailing expansion by regional and national chains.

Despite the slow pace of the metro's recovery to date, transactions continue to occur at a sustainable pace due to expanded financing and a sense of urgency to put capital to work again following the recession. Investors have mostly targeted defensive properties, such as single-tenant assets net-leased to highly rated national credits or grocery-anchored shopping centers. Distressed assets offered at prices well below replacement cost have also attracted interest, but investors' preferences are not likely to broaden greatly until a durable local economic recovery takes hold. Cap rates on single-tenant properties can range from about 7.0 percent to 8.5 percent, depending on the tenant's credit rating and length of remaining lease term. Anchored shopping centers in the metro, meanwhile, can trade at cap rates in the low- to mid-7 percent range for properties with the strongest anchors and solid in-line tenant rosters. Investors interested in this grade of asset will focus on the metro's stronger trade areas, such as El Dorado Hills or Folsom.

2011 ANNUAL RETAIL FORECAST



Employment: Several private-employment sectors will re-staff work forces to meet improving demand for goods and services, resulting in the addition of 3,000 jobs this year, a 0.4 percent increase. In 2010, 16,600 positions were cut.



Construction: The 550,000-square foot Palladio at Broadstone accounts for most of the 700,000 square feet of new space slated to come online in 2011. Last year, builders completed 381,000 square feet.



Vacancy: A tepid recovery in space demand will support a 20 basis point decrease in the marketwide vacancy rate during 2011 to 10.3 percent, following a 50 basis point drop last year.



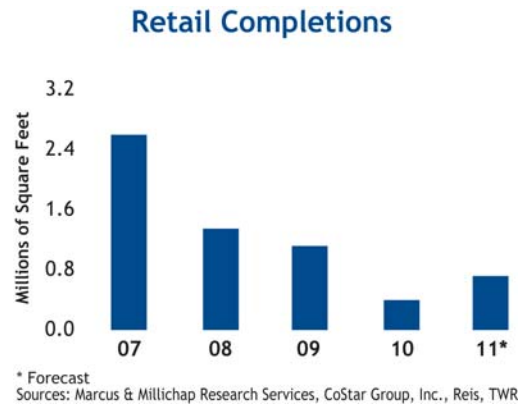
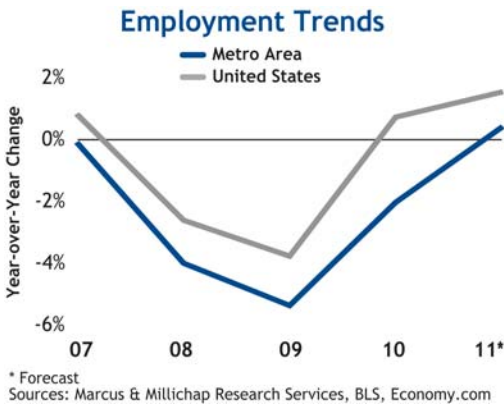
Rents: In 2011, asking rents will inch up 0.3 percent to \$21.36 per square foot and effective rents will rise 0.4 percent to \$17.53 per square foot. Asking and effective rents declined 0.6 percent and 1.5 percent, respectively, last year.



Sacramento

ECONOMY

- Local payrolls contracted for the fifth consecutive quarter in the first three months of 2011 as employers cut 5,700 positions. Over the past 12 months, 16,900 jobs were eliminated in the metro, a 2.1 percent decline.
- Year to date, cuts in eight of 10 sectors resulted in a loss of 3,800 private-sector jobs. Professional and business services payrolls were flat in the period, while education and health services added 200 employees. Government employers cut 1,900 positions, including 1,700 state and local jobs.
- Despite a weak employment market, residents spent more freely over the year ending in the first quarter, with retail sales rising about 5 percent during the period. Retail sales, however, remain 6 percent less than their pre-recession peak.
- Outlook: Local employers will add 3,000 jobs this year, a 0.4 percent increase. In 2010, 16,600 positions were eliminated.



CONSTRUCTION

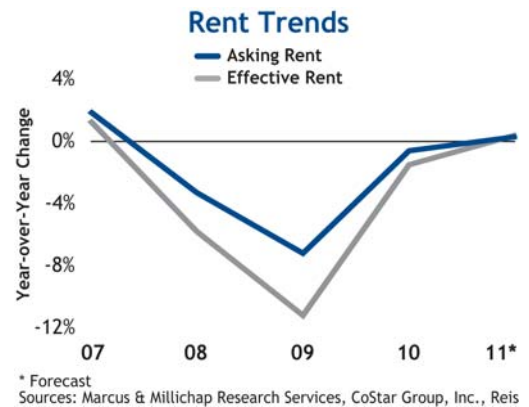
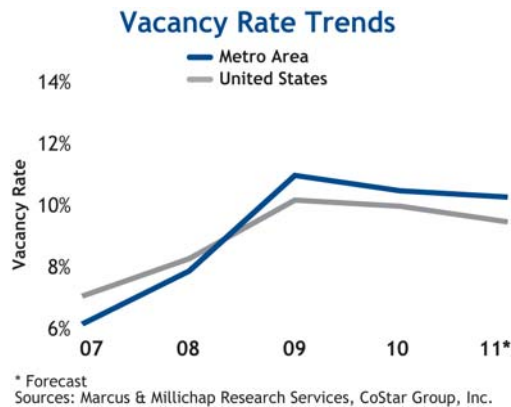
- Properties comprising 260,000 square feet were brought online in the 12 months ending in the first quarter, marking a slight 0.3 percent increase in retail property stock. During the preceding year, approximately 1.1 million square feet of space was delivered.
- No major completions were recorded in the first three months of 2011, but the Palladio at Broadstone lifestyle center remains under construction and on track for completion in the fourth quarter. The 550,000-square foot property will be anchored by Whole Foods and a 16-screen cinema.
- The 1.3 million-square foot Elk Grove Promenade mall remains unfinished and a completion date has yet to be determined. Ownership of the property has passed to a former subsidiary of General Growth Properties, the development's previous owner.
- Outlook: Builders will complete projects measuring 700,000 square feet this year, a 0.8 percent expansion of stock and an increase from 381,000 square feet delivered in 2010.



Sacramento

VACANCY

- Vacancy in the market was unchanged in the first quarter at 10.5 percent. In the past year, though, the rate has decreased 70 basis points as store closures slowed considerably, construction waned, and an additional 815,000 square feet of space became occupied.
- In the neighborhood/community center segment, the metrowide vacancy rate rose 20 basis points in the first quarter to 13 percent. Negative net absorption totaled 48,000 square feet in the period, with the decline in occupied space occurring primarily in neighborhood centers.
- Newer vintage neighborhood centers continue to face challenges retaining tenants and finding replacements. Properties built since 2000 were 18.7 percent vacancy in the first quarter, compared with 15.4 percent six months earlier.
- Outlook: The marketwide vacancy rate will decline 20 basis points this year to 10.3 percent, following a 50 basis point decrease in 2010.



RENTS

- Despite an increase in occupied space over the past year, asking rents have declined 1 percent during that time to \$21.17 per square foot. Weak leasing in the first quarter resulted in a 0.6 percent decrease during the period.
- Effective rents of \$17.35 per square foot are 1.6 percent lower than in the first quarter last year following a 0.6 percent decline in the first three months of 2011. Concessions have remained at 18 percent of asking rents for the past three quarters.
- Approximately 839,000 square feet of space was leased in the six-month period ending in the first quarter, a 20 percent decline from the preceding half year. The higher total in the preceding period likely reflects leases renegotiated at lower rents, while the recent downturn indicates a lack of tenants expanding in the market.
- Outlook: Slow leasing offers minimal support for significant rent growth. As a result, asking rents will increase 0.3 percent this year to \$21.36 per square foot, and effective rents will tick up just 0.4 percent to \$17.53 per square foot.

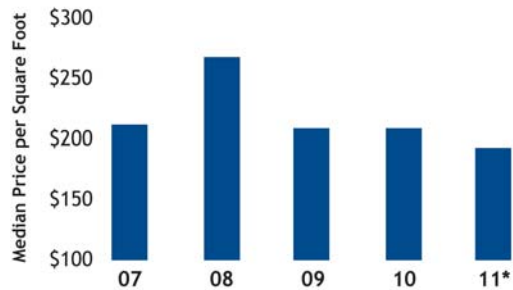


Sacramento

SINGLE-TENANT SALES TRENDS**

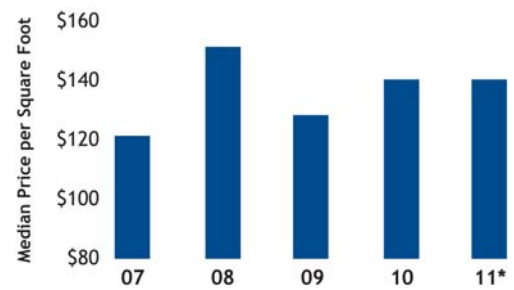
- A doubling in the number of drugstore sales contributed to an 80 percent increase in single-tenant property deals over the past 12 months. Fast food and restaurant transactions also increased during the period.
- Despite the rise in sales of higher-priced drug stores, the median price of all single-tenant properties sold in the past 12 months was \$192 per square foot, compared with \$208 per square foot in the prior year. The median price was lower due to more sales of vacant freestanding assets.
- Cap rates on most top net-leased properties with long lease terms start at around 7 percent. Assets net-leased to lower-rated corporate tenants or with shorter remaining lease terms trade from 7.5 percent to 8.5 percent.
- Outlook: Sales of single-tenant buildings net-leased to strong national brands will account for most of the investment activity in the market as steady long-term returns at minimal risk remain a primary investment objective for many investors.

Single-Tenant Sales Trends



* Trailing 12-Month Period
Sources: Marcus & Millichap Research Services, CoStar Group, Inc., RCA

Multi-Tenant Sales Trends



* Trailing 12-Month Period
Sources: Marcus & Millichap Research Services, CoStar Group, Inc., RCA

MULTI-TENANT SALES TRENDS**

- Nearly four times as many multi-tenant properties sold in the metro area over the past year compared with the preceding 12-month period.
- The median price of properties sold during the past year was \$119 per square foot, compared with a median price of \$190 per square foot in significantly fewer deals in the preceding 12-month span.
- Properties with strong credit anchors or co-anchors can change hands at cap rates in the low- to mid-7 percent range. Lesser-quality assets, especially those with near-term re-leasing risk, will likely need to list at 9 percent or more to attract interest.
- Outlook: Risk aversion strategies will persist over the near term, with most investors continuing to target well-anchored properties in infill locations. Lesser-quality properties will require higher first-year returns due to limited financing and near-term operational issues.

** Data reflects a full 12-month period, calculated on a trailing 12-month basis by quarter.



Sacramento

CAPITAL MARKETS

- The yield on the 10-year U.S. Treasury remained in the mid-3 percent range throughout the first quarter, where it will stay over the rest of 2011. A change in the ratings outlook for the nation hardly disturbed the credit markets, but ongoing U.S. budget battles, unrest in the Middle East and lingering uncertainty concerning sovereign European debt could affect interest rates.
- Active lenders include life companies, commercial banks and other financial companies. CMBS staged a comeback in the first quarter, with \$8.7 billion of new issuance, and will easily exceed last year's total of \$12 billion. Conduits continue to broaden their lending criteria as property operations stabilize.
- Loan-to-value ratios generally range from 60 percent to 75 percent, depending on asset age and quality, location, tenant mix, and tenant credit rating. Multi-tenant assets with strong anchors and a stable mix of national in-line tenants remain preferred. Debt-service ratios range from 1.25x to 1.40x. Financing for lower-quality but not distressed assets will stay limited until economic factors stabilize further and investor demand increases.
- Lending rates remain low for performing assets in primary markets. All-in rates for five-year retail loans typically start in the low- to mid-5 percent range, while seven- and 10-year loans price between 5.5 percent and 6.0 percent.

SUBMARKET OVERVIEW

- The planning pipeline totals 6.8 million square feet, or approximately 8 percent of existing stock. About one-third of the total square footage planned is located in the Downtown/South Sacramento submarket, but none of the projects are scheduled to start construction.
- Early in the second quarter, Sacramento County officials ceded 639 acres at the former Mather Air Force Base to a developer. Housing, a university, and public and commercial space are envisioned for the land, although specific details will likely not emerge for several more months.
- Only one submarket recorded rent growth in the first quarter and effective rents remain well below pre-recession levels. On average, effective rents have declined 17 percent since the peak, with more than 20 percent declines posted in the Elk Grove and Citrus Heights/Orangevale submarkets.



THE VALENTINE BUILDING

SACRAMENTO, CA



Demographic Report

	1 Miles:	3 Miles:	5 Miles:
1990 Population	22,292	147,061	352,010
2000 Population	21,569	147,983	368,960
2010 Population	21,647	150,552	387,479
2015 Population	21,127	146,937	397,209
1990 Households	9,062	62,888	142,394
2000 Households	9,182	63,885	145,834
2010 Households	9,023	63,818	149,997
2015 Households	8,772	61,839	152,341
2010 Average Household Size	2.35	2.28	2.52
2010 Daytime Population	20,424	171,171	280,445
1990 Median Housing Value	\$107,869	\$110,905	\$105,777
2000 Median Housing Value	\$140,000	\$134,842	\$119,168
2000 Owner Occupied Housing Units	36.3%	41.8%	42.9%
2000 Renter Occupied Housing Units	55.6%	51.7%	51.2%
2000 Vacant	8.10%	6.45%	5.88%
2010 Owner Occupied Housing Units	34.5%	39.7%	41.5%
2010 Renter Occupied Housing Units	54.2%	50.7%	49.6%
2010 Vacant	11.26%	9.62%	8.93%
2015 Owner Occupied Housing Units	33.9%	39.2%	40.8%
2015 Renter Occupied Housing Units	55.0%	51.3%	50.3%
2015 Vacant	11.06%	9.54%	8.83%
\$ 0 - \$ 14,999	19.9%	18.4%	16.7%
\$ 15,000 - \$24,999	14.9%	13.5%	13.2%
\$ 25,000 - \$34,999	12.5%	11.2%	11.9%
\$ 35,000 - \$49,999	13.4%	13.9%	15.3%
\$ 50,000 - \$74,999	14.6%	16.6%	17.3%
\$ 75,000 - \$99,999	9.0%	9.3%	9.7%
\$100,000 - \$124,999	5.6%	7.0%	6.6%
\$125,000 - \$149,999	4.0%	3.8%	3.5%
\$150,000 - \$200,000	3.0%	3.8%	3.5%
\$200,000 to \$249,999	0.8%	0.8%	0.8%
\$250,000 +	2.3%	1.7%	1.7%
Median Household Income	\$37,425	\$41,681	\$42,268
Per Capita Income	\$28,165	\$27,992	\$25,216
Average Household Income	\$63,465	\$62,761	\$62,391

Demographic data © 2010 by Experian/Applied Geographic Solutions.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Summary Report

Geography: 5 Miles

Population

In 2010, the population in your selected geography is 387,479. The population has changed by 5.02% since 2000. It is estimated that the population in your area will be 397,209 five years from now, which represents a change of 2.51% from the current year. The current population is 48.85% male and 51.15% female. The median age of the population in your area is 34.4, compare this to the US average which is 37.1. The population density in your area is 4,933.54 people per square mile.

Households

There are currently 149,997 households in your selected geography. The number of households has changed by 2.86% since 2000. It is estimated that the number of households in your area will be 152,341 five years from now, which represents a change of 1.56% from the current year. The average household size in your area is 2.52 persons.

Income

In 2010, the median household income for your selected geography is \$42,268, compare this to the US average which is currently \$51,517. The median household income for your area has changed by 23.23% since 2000. It is estimated that the median household income in your area will be \$45,392 five years from now, which represents a change of 7.39% from the current year.

The current year per capita income in your area is \$25,216, compare this to the US average, which is \$27,867. The

Race & Ethnicity

The current year racial makeup of your selected area is as follows: 51.49% White, 12.00% Black, 1.17% Native American and 16.65% Asian/Pacific Islander. Compare these to US% averages which are: 73.52% White, 12.42% Black, 0.76% Native American and 4.60% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 29.74% of the current year population in your selected area. Compare this to the US% average of 15.45%.

Housing

The median housing value in your area was \$119,168 in 2000, compare this to the \$US average of \$115,194 for the same year. In 2000, there were 66,509 owner occupied housing units in your area and there were 79,325 renter occupied housing units in your area. The median rent at the time was \$533.

Employment

In 2010, there are 280,445 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 63.2% of employees are employed in white-collar occupations in this geography, and 36.8% are employed in blue-collar occupations. In 2010, unemployment in this area is 13.80%. In 2000, the median time traveled to work was 19.5 minutes.

Demographic data © 2010 by Experian/Applied Geographic Solutions.

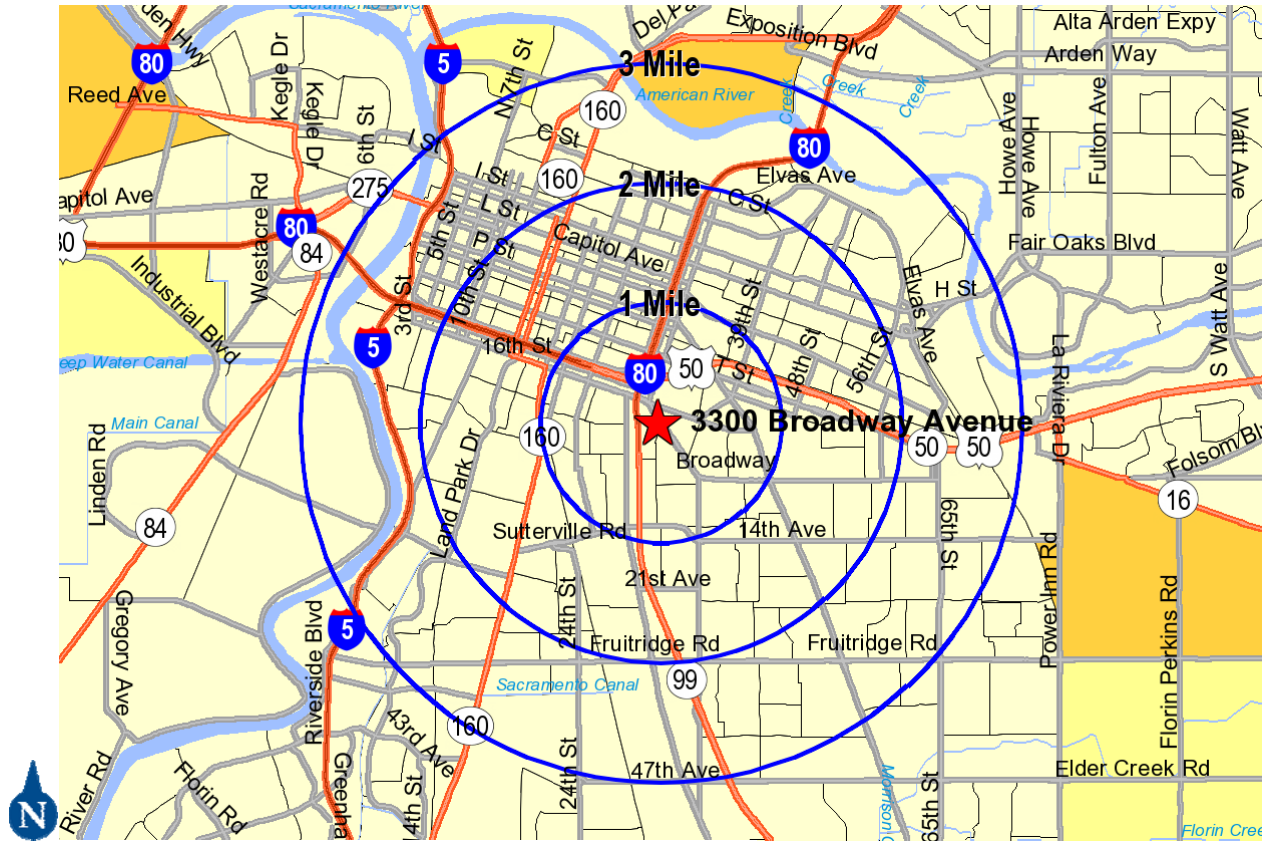
This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Population Density

DEMOGRAPHIC ANALYSIS



Demographic data © 2010 by Experian/ Applied Geographic Solutions.

Population Density

Theme	Low	High
High	172	or more
Above Average	108	172
Average	68	108
Below Average	43	68
Low	less than	43

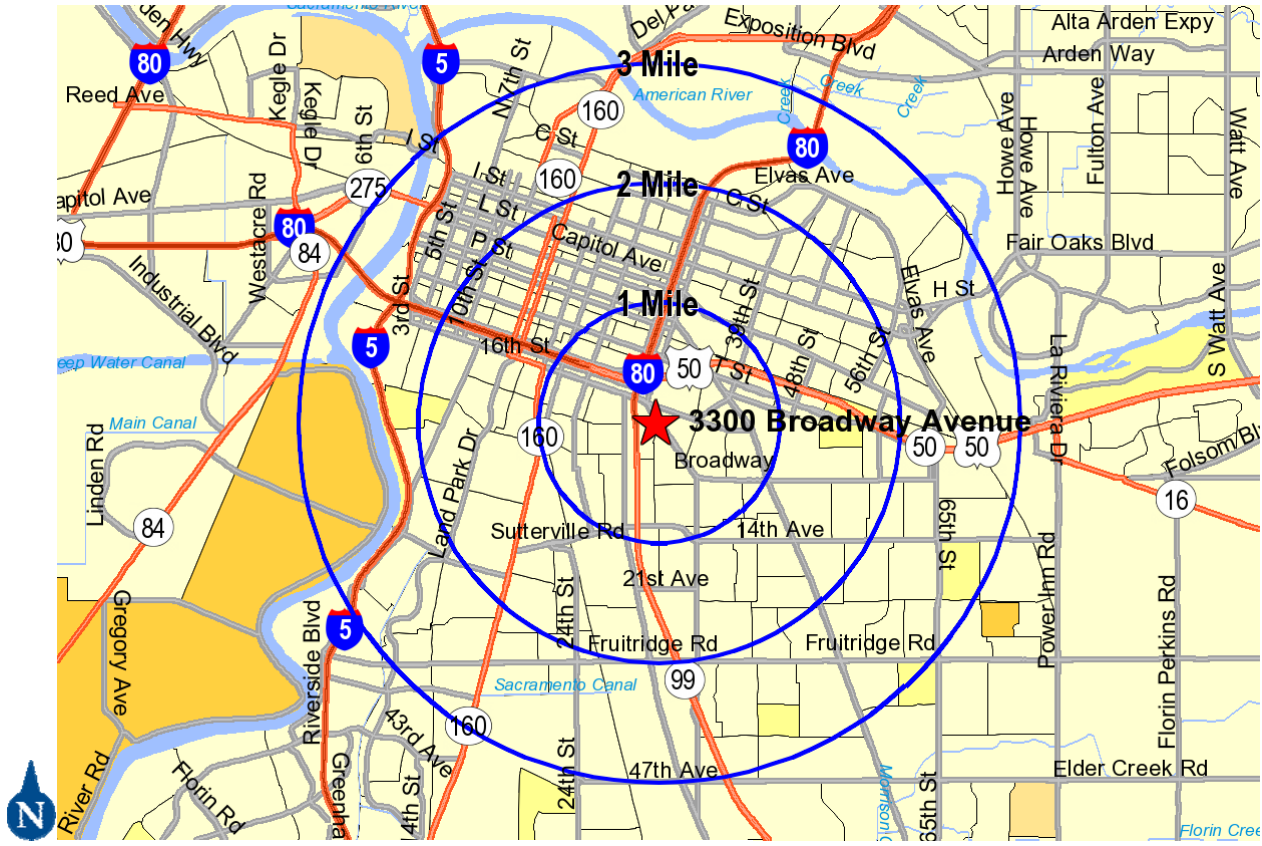
Number of people living in a given area per square mile.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Employment Density



Demographic data © 2010 by Experian/ Applied Geographic Solutions.

Employment Density

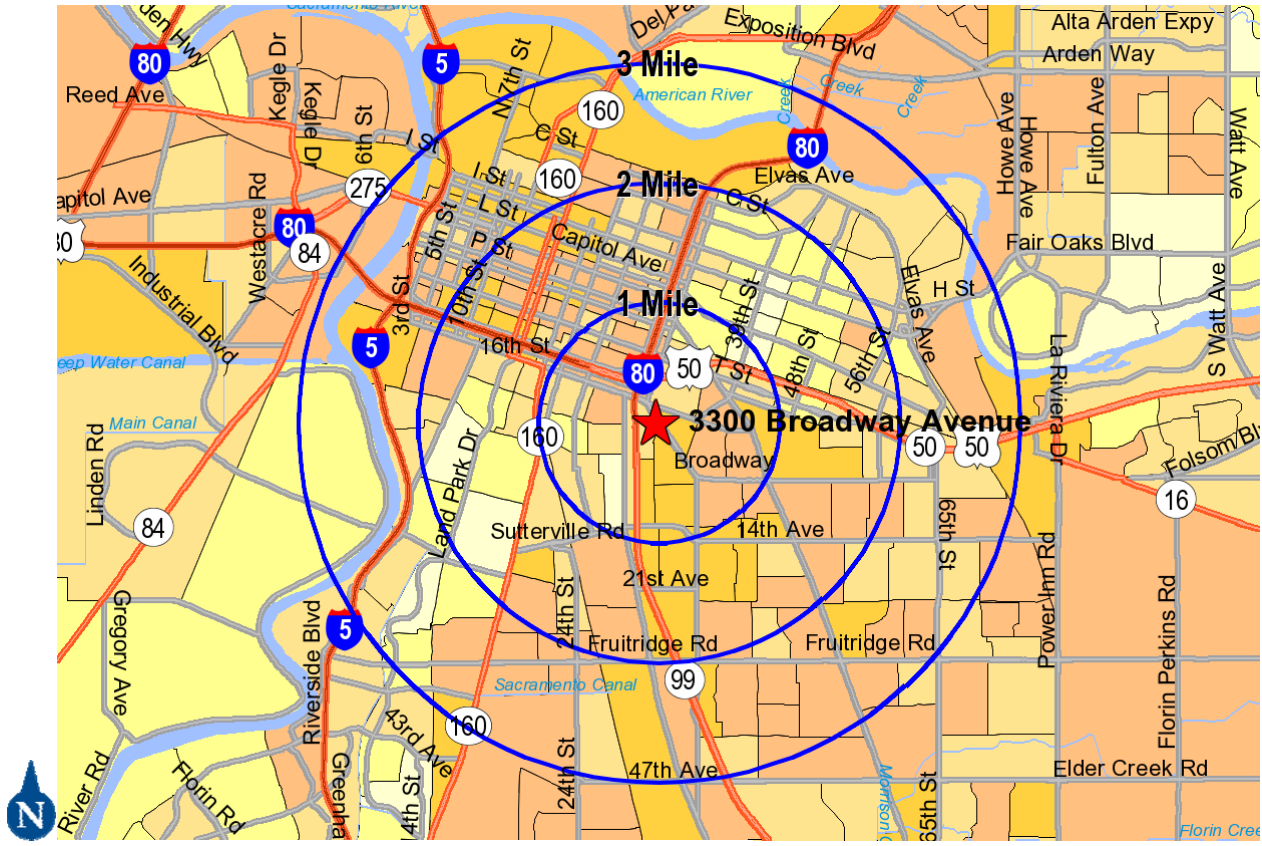
Theme	Low	High
High	82	or more
Above Average	52	82
Average	33	52
Below Average	21	33
Low	less than	21

The number of people employed in a given area per square mile.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap



Average Household Income



Demographic data © 2010 by Experian/ Applied Geographic Solutions.

Average Household Income

Theme	Low	High
High	\$144,296	or more
Above Average	\$90,901	\$144,296
Average	\$57,264	\$90,901
Below Average	\$36,074	\$57,264
Low	less than	\$36,074

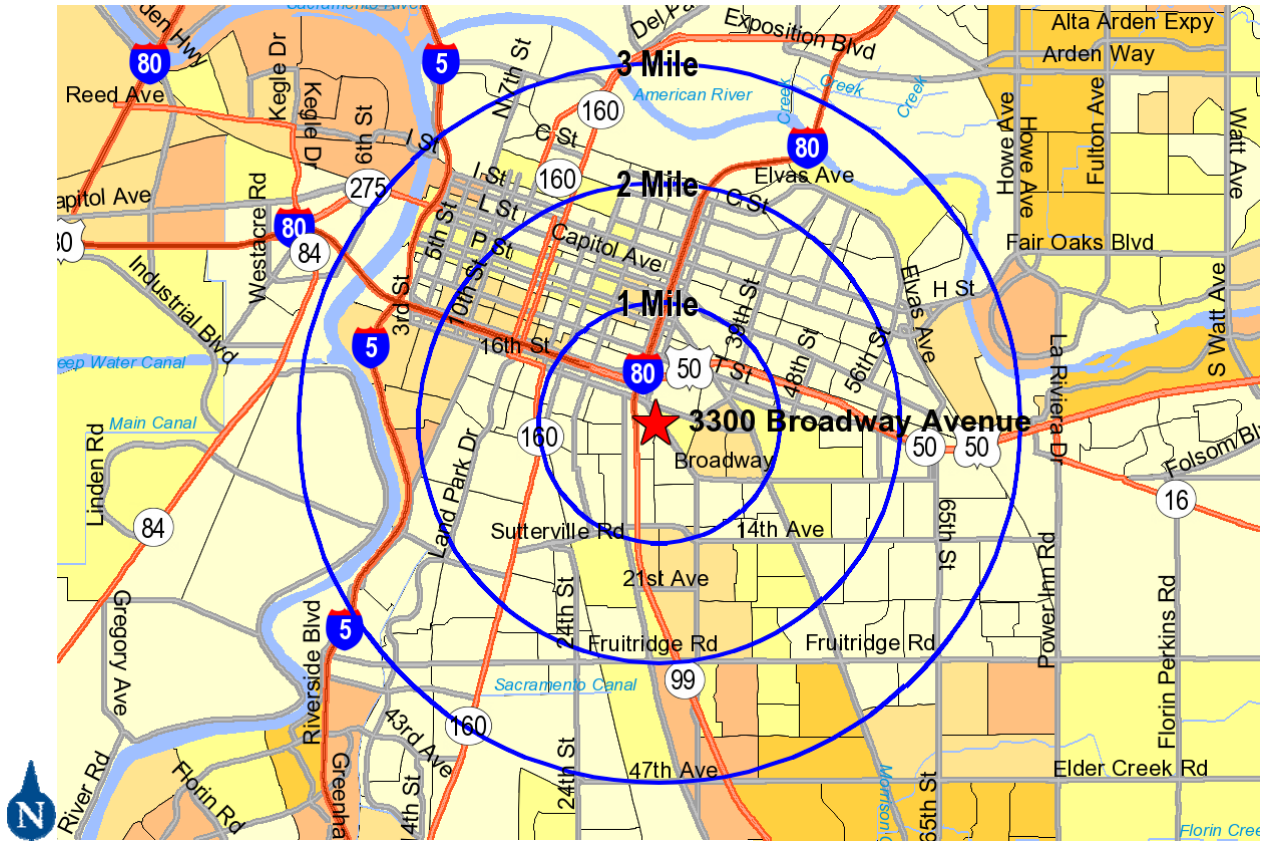
Average income of all the people 15 years and older occupying a single housing unit.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Total Crime Risk



Crime data © 2010 by Experian/Applied Geographic Solutions.

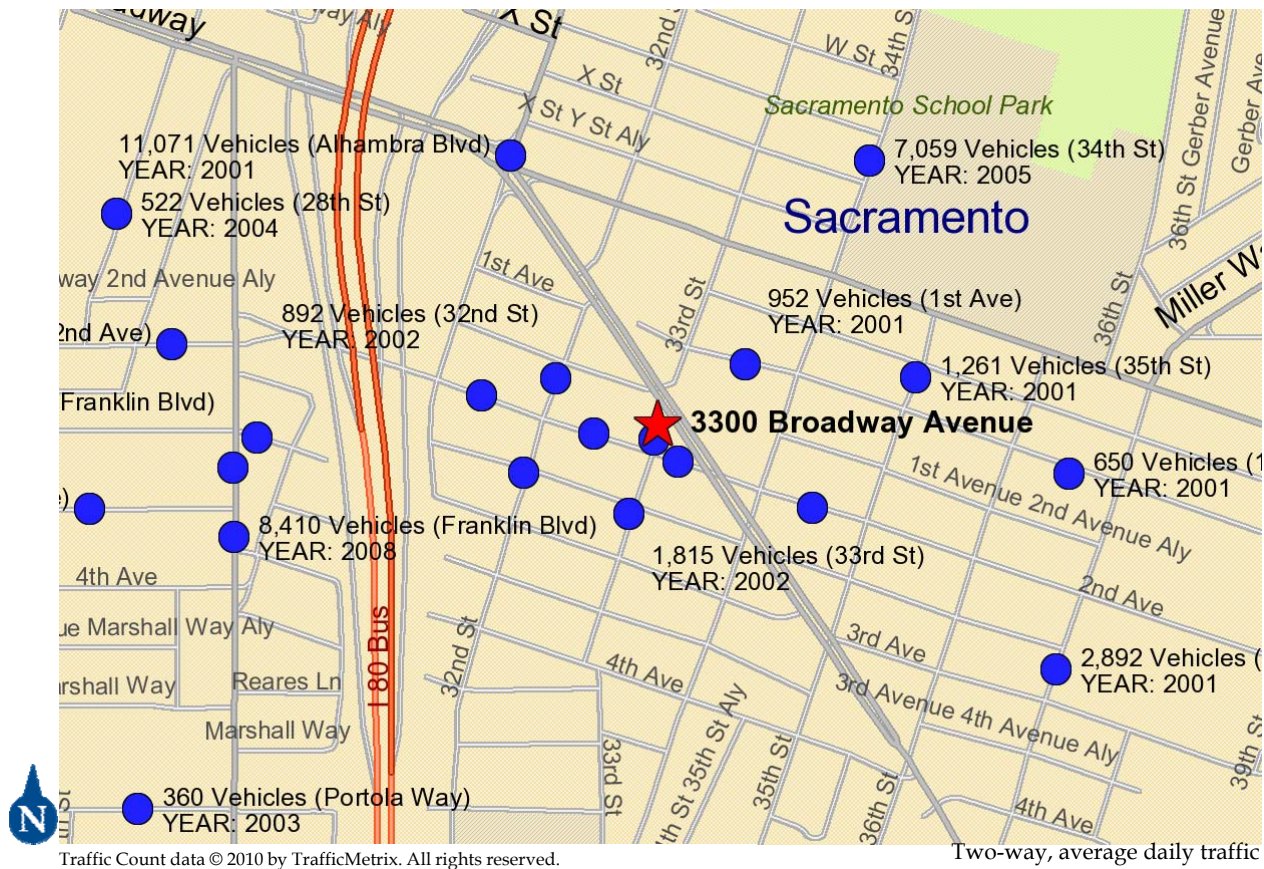
Total Crime

Theme	Low	High
High	200	or more
Above Average	126	200
Average	79	126
Below Average	50	79
Low	less than	50

Index of the relative risk of crime in a given area.



Traffic Counts





THE VALENTINE BUILDING

SACRAMENTO, CA

EXPOSURE

EXPERTISE

RESULTS



Leaving No Stone Unturned in Marketing Your Property.

- Expert Underwriting
- Access To More Investors Than Any Other Source
- A Tightly Managed Marketing Campaign

At Marcus & Millichap, our mission is to help each client achieve their investment goals. Through our investment expertise and extensive research capabilities, our agents develop optimal positioning, pricing and marketing strategies for each property.

While experience and knowledge of a market create value in the representation of a client, the quality of exposure to the marketplace determines the final outcome. Marcus & Millichap's time-tested marketing system ensures that each listing will be presented to an expanded marketplace, creating the broadest buyer interest and maximizing value for our clients.



INVESTOR PROFILES

There are three primary investor tiers in the marketplace, and Marcus & Millichap has the track record and relationships to effectively access each of these buyer pools.

3rd-Tier Investors

This group, mostly private, individual investors, typically acquires one or two properties per year. Many of these investors operate below other brokers' radar screens. Marcus & Millichap has relationships with the industry's largest pool of 3rd-Tier investors, who account for the lion's share of transactions in the market and are instrumental in driving value in the market.

2nd-Tier Investors

Professional investors who focus the majority of their time actively operating and selling investment properties, such as syndicators, developers, merchant builders and general partnerships, are included in this group. These investors typically focus within a region, investing in smaller properties and smaller markets than 1st-Tier investors.

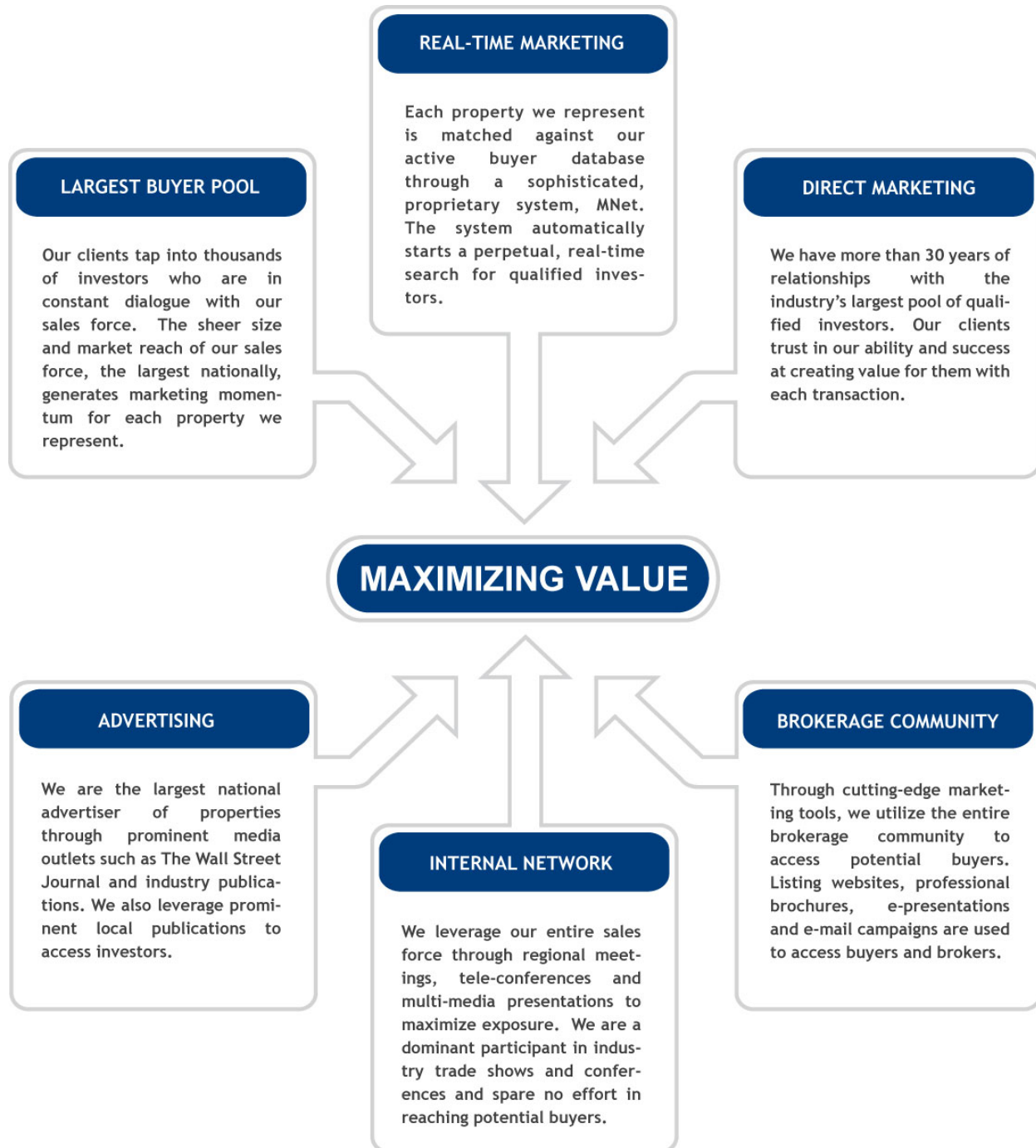
1st-Tier Investors

This group consists of pension funds, advisors, banks, REITs and life insurance companies that tend to own large portfolios with properties in multiple markets nationwide. They typically focus on larger properties in major markets. Through our national specialty groups, Marcus & Millichap maintains long-term relationships with these investors. We frequently facilitate transactions that bring institutions and private investors together.



ACHIEVING OPTIMAL RESULTS

ONE TRANSACTION AT A TIME



This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services

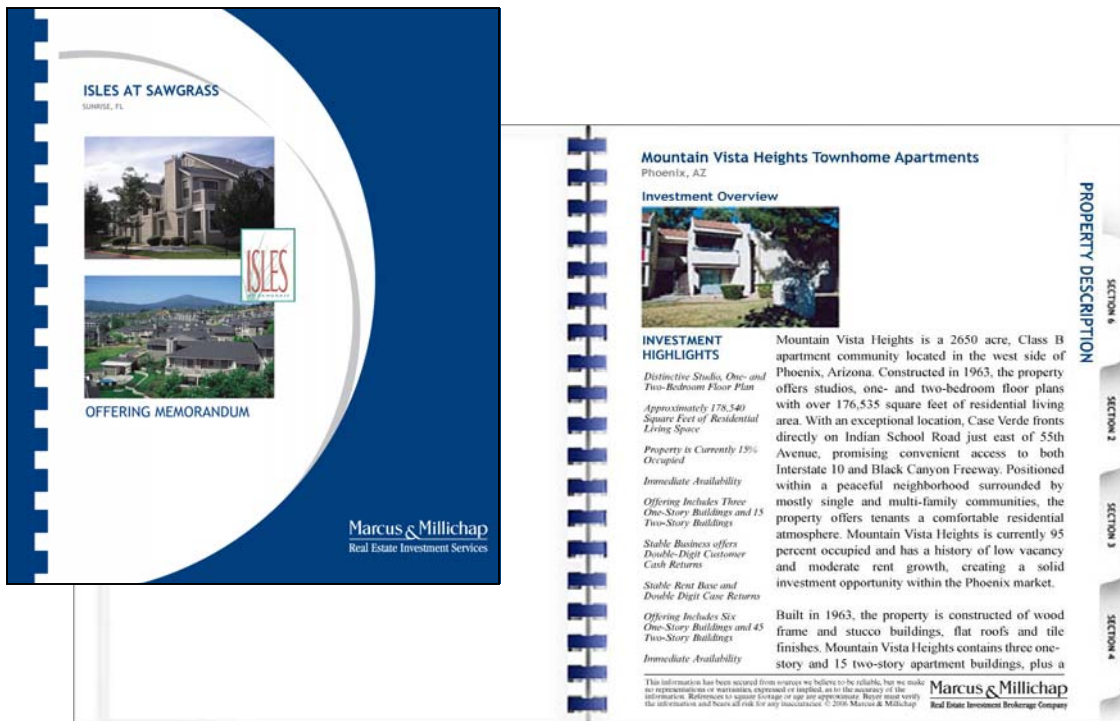


The Marketing Package

A complete Marketing Package is prepared immediately after execution of the “Exclusive Right to Sell” agreement. Within 72 hours of signing the listing agreement, we distribute a detailed information package to sales professionals in our offices throughout the United States.

Marketing Package Contents:

- Property Description-Overview, Highlights, Summary, Photos, Maps, Site Plan, Floor Plans, Aerial Photos, etc.
- Market Profile-MSA and Local Market Overviews
- Rent Comparables-Summary, Graphs and Map
- Recent Sales-Summary, Graphs and Map
- Financial Analysis-Tenant Summary, Income & Expense Summary
- Demographic Information-Summary of Local Market Population’s Statistical Characteristics, Reports, Maps





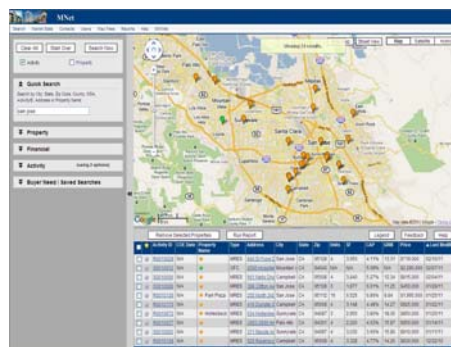
Maximum Exposure, Optimal Results

1. Internal Information Sharing
2. Direct Marketing
3. Advertising
4. Investor Symposiums
5. Broker Cooperation
6. Internet Marketing
7. Industry Events and Trade Shows

1. Internal Information Sharing

- MNet

Each listing is entered into Marcus & Millichap's proprietary property database (MNet) and the information is instantaneously transmitted to the firm's more than 1,200 agents nationwide. Employing the "Buyer Needs" function of MNet, an agent specifies a client's property investment criteria; when a matching property is listed, the agent is immediately notified.



- Sales Meetings

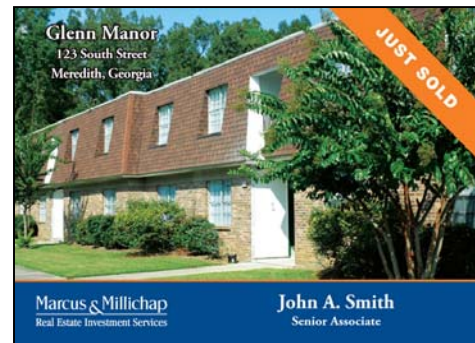
At our weekly local office sales meetings, a PowerPoint presentation will promote the property to the entire sales force. Agents will be instructed on how to reinforce the property's strong points and overcome any shortcomings. Properties are further promoted internally through our monthly property specialty group conference calls, where, for example, members of our National Multi Housing Group or National Retail Group confer on market trends and investment opportunities.





Offering memorandums and promotional materials are utilized to present the opportunity to a broad base of investors. Using "My Marketplace," an automated Web application, Marcus & Millichap agents can easily produce high-quality marketing materials and get properties to market quicker. Through MNet's "Buyer Needs" function and their personal databases of investor relationships, our investment professionals identify qualified potential buyers. After specific investors are identified, a direct marketing campaign is initiated, which includes mailings followed by personal contact with each potential buyer.

Marcus & Millichap actively advertises its exclusive property listings in national, regional and local publications to expand the exposure to potential investors. We regularly feature our listings in full-page advertisements in The Property Report section of The Wall Street Journal, the nation's premier business publication.



THE WALL STREET JOURNAL.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



4. Investor Symposiums

Marcus & Millichap's local offices host regular investor symposiums throughout the United States. These invitation-only events feature property presentations where the merits of each investment opportunity are discussed with the large group of qualified investors in attendance.

5. Broker Cooperation

We contact all brokers who possess the expertise and qualifications to contribute to a property's marketing. These contacts include brokers who have been involved in the sale of similar types of properties within the past 24 months and brokers who represent clients qualified to acquire such properties. As part of our initial marketing campaign, a mailer serves to notify qualified brokers of the offering. In addition, these brokers receive the property's Executive Summary via e-mail.

6. Internet

Marcus & Millichap utilizes the vast reach of the Internet to ensure maximum exposure of a listing. With the seller's permission, exclusive listings are promoted through the Marcus & Millichap website.

www.MarcusMillichap.com

7. Industry Events and Trade Shows

Marcus & Millichap is a leading participant and sponsor of key real estate industry events, the majority of which are organized by property type. Our commitment to industry events and our presence at key gatherings of investors result in additional exposure of investment properties to potential investors. Our agents and management interact with the nation's most prominent investors, as well as numerous local investors, at events such as ICSC, NAIOP, NMHC, ULI, Inside Self-Storage, ALFAA, AAHOA and Western Manufactured Housing.





Marketing Budget - Planning for Success

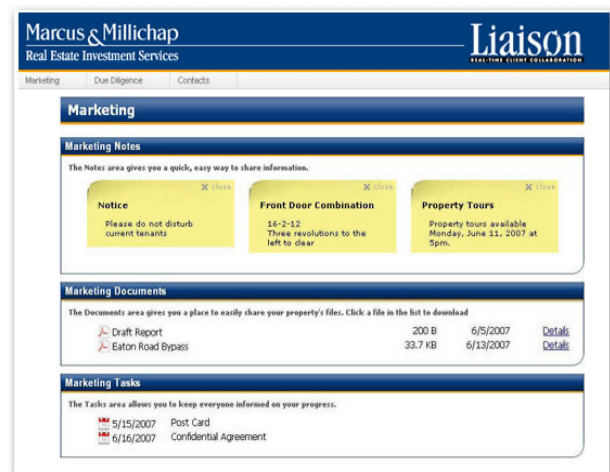
Marcus & Millichap designs its marketing budget to effectively target the right pool of investors. Employing cutting-edge marketing tools and state-of-the-art communications, we ensure the broadest possible exposure for each listing.

Emphasis on Client Communication - Liaison

Marcus & Millichap emphasizes proactive transaction management and client communication. We will give you regular updates on the pending sale of your asset. These reports will include progress status of interested parties, objections from uninterested parties, marketing activity updates and copies of all advertisements and dates when placed.

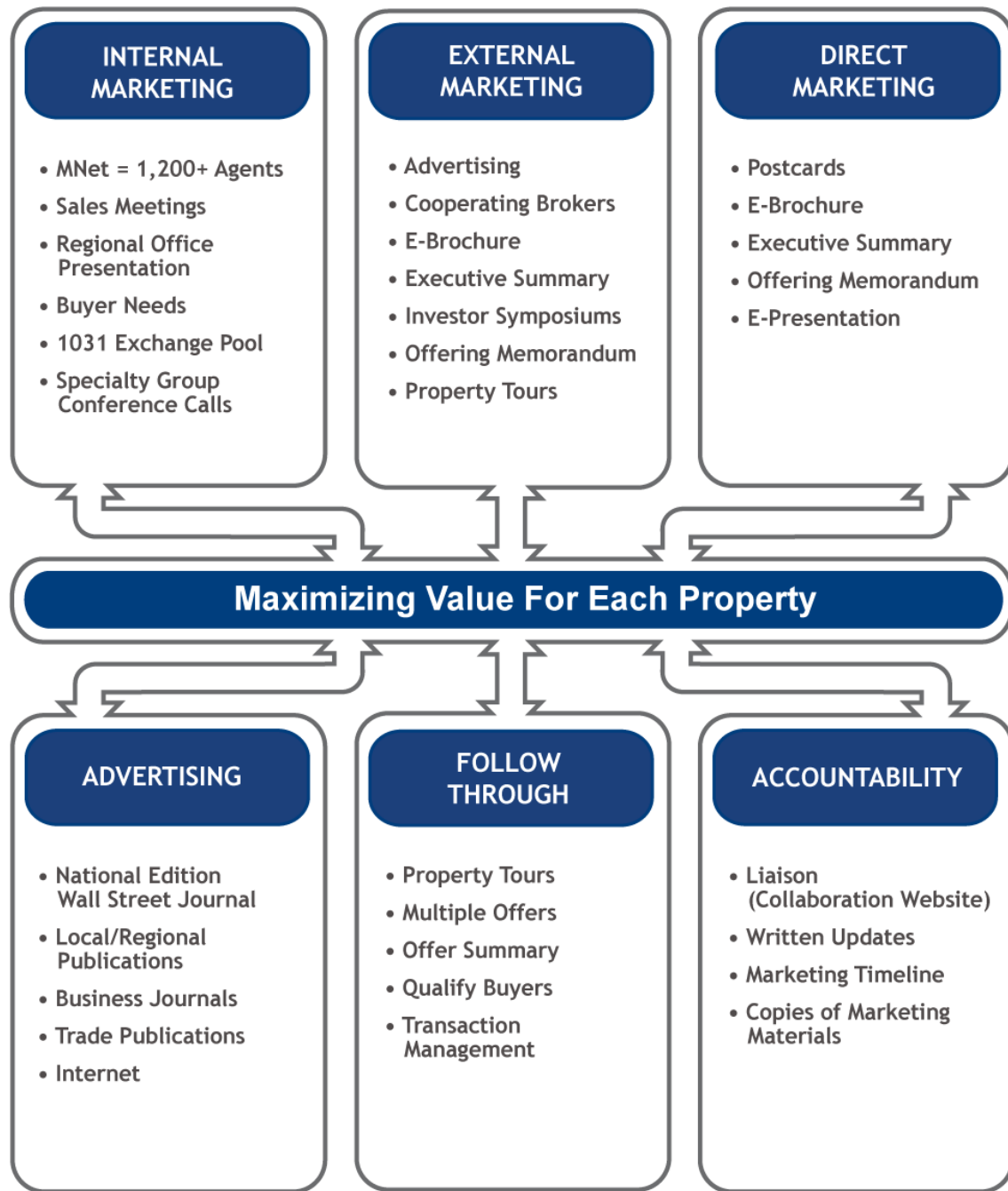
Clients also have the option of utilizing Marcus & Millichap's Marketing Liaison. This Web-based collaboration platform provides clients the convenience of online access to transaction progress reports and documents on a 24/7 basis. Agents and clients can also use the secured Internet meeting place as another means of communication.

BUDGET BREAKDOWN



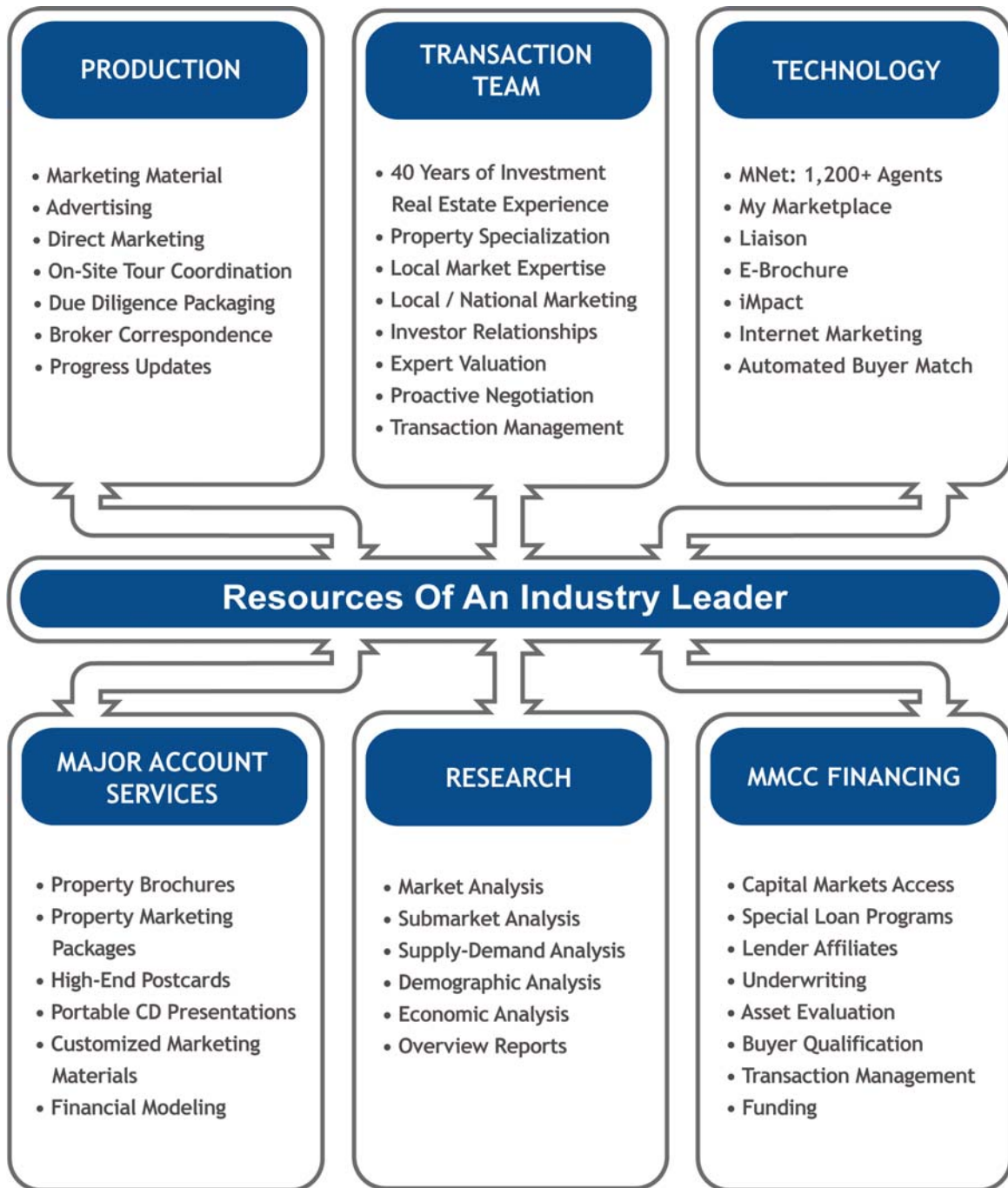


THE INDUSTRY'S MOST POWERFUL MARKETING PLATFORM





THE INDUSTRY'S MOST COMPREHENSIVE SUPPORT SYSTEMS





Timeline	Month 1				Month 2				Month 3				Month 4				Month 5				Month 6			
Week	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Internal Marketing																								
Property in MNet = 1,200+ Agents	▲																							
Sales Meetings		▲				▲				▲				▲				▲				▲		
Regional Office Presentations			▲	▲	▲	▲	▲	▲																
Buyer Needs (Automated Matching)	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
1031-Exchange List	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
National Specialty Group Marketing			▲				▲				▲				▲				▲				▲	
Direct Marketing to Potential Investors																								
E-Brochure	▲																							
Executive Summary	▲	▲	▲																					
Offering Memorandum			▲	▲																				
Investor Symposiums				▲			▲				▲				▲				▲				▲	
Postcards			▲			▲				▲				▲				▲				▲		
E-Presentation		▲					▲								▲									
Property Tours			▲			▲				▲				▲				▲				▲		
Marketing to Cooperating Brokers																								
E-mail	▲												▲											
E-Brochure	▲												▲											
Executive Summary	▲	▲	▲										▲	▲	▲									
Offering Memorandum			▲	▲										▲	▲									
Advertising																								
www.MarcusMillichap.com (optional)	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲
National Edition The Wall Street			▲			▲				▲				▲				▲				▲		
Local/Regional Newspapers		▲				▲				▲				▲				▲				▲		
Business Journals							▲														▲			
Trade Publications				▲																	▲			
Accountability																								
Status Meetings with Seller							▲									▲								▲
Marketing Updates (written)			▲				▲				▲					▲				▲				▲
Copies of Marketing Materials			▲				▲				▲					▲				▲				▲
Follow Through																								
Buyer Qualification																								
Multiple Offers																								
Offering																								
Transaction Management																								

ONGOING ➡



THE VALENTINE BUILDING

SACRAMENTO, CA



Professional Qualifications

John Russell Batchelder

Broker Associate



INVESTMENT EXPERTISE

Since completing an MBA in Real Estate at CSU Sacramento and obtaining his broker license in 1982, John Batchelder has worked for an apartment syndicator, condominium developer, apartment developer and single family developer as an analyst, project manager and a marketing manager.

EXPERIENCE / PROFESSIONAL HISTORY

John has worked in a wide variety of capacities for several Northern California apartment developers and residential condominium developers in the past thirty years. Job titles and responsibilities include research analyst, feasibility analyst, project manager and marketing manager. John's scope of work experience and expertise includes all aspects of apartment development, apartment investing and apartment management.

The largest and most recent apartment project management position that John held was with Tandem Properties - Pyramid Construction, where John provided turn key project management services for a 120-unit 160,000 square foot Class A multi-family community located in Davis, California.

SALES ACHIEVEMENTS / AWARDS

John obtained his California broker license in 1982. In the past thirty years John has been involved with a wide variety of commercial and residential real estate transactions, including hospitality properties, multi-family properties and owner occupied residential properties. Numerous clients from past transactions have written unsolicited letters of recommendation to John and his employers.

EDUCATION

BA Economics, Northwestern University, Evanston, Illinois

Construction Management, UC Davis, Davis, California

Master Business Administration, CSU Sacramento

PROFESSIONAL AFFILIATIONS

California Association of Realtors

National Multi-family Housing Council

Association of Commercial Real Estate, Sacramento Chapter.



THE VALENTINE BUILDING

SACRAMENTO, CA



EXPOSURE

EXPERTISE

RESULTS



THE MARCUS & MILLICHAP ADVANTAGE

The Marcus & Millichap Advantage

Since 1971, Marcus & Millichap Real Estate Investment Services has been the premier provider of investment real estate brokerage services. With more than 1,200 investment professionals throughout the United States, Marcus & Millichap is the largest brokerage firm focused exclusively on investments. By specializing 100 percent on investments and organizing our sales force into property specialty groups, we provide clients with superior market knowledge and transaction expertise targeted specifically to the unique requirements of each property type. Having pioneered the industry's most powerful marketing system, the essence of Marcus & Millichap's value proposition is our ability to "make a market" for each property through expanded market exposure, which generates the broadest buyer interest and results in maximum value.

We combine comprehensive market research, state-of-the-art technology and communications systems with access to the industry's largest pool of private and institutional investors. The result is the most efficient process for matching buyers and sellers locally, regionally and nationally. We offer investment expertise in all major property types, including apartments, retail, office, industrial, single-tenant net-lease, seniors housing, hospitality and lodging, manufactured home communities, self-storage and land.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed 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 Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Exposure



- **The Industry's Most Powerful Marketing System**

Marcus & Millichap utilizes a powerful and proprietary marketing system to facilitate the sale, purchase or exchange of investment properties nationwide. This platform is supported by our national inventory of investment properties, state-of-the-art communication technology and our culture of information sharing.

- **Access to more qualified investors than any other source.**

Through investment specialization, we have accumulated the largest database of qualified investors in the industry. Through the personal local relationships maintained by our investment professionals, we provide unparalleled access to potential buyers for each property we represent.

- **The largest investment brokerage sales force, a culture of information sharing.**

Each property is exposed to the broadest pool of qualified investors. Our unique culture brings a superior level of expertise to each transaction. The large number of owners and investors who repeatedly conduct business with Marcus & Millichap serves as a testimony to our success in matching buyers and sellers, and maximizing value.

A pioneer in real estate technology, Marcus & Millichap leverages the power of its sales force and the entire brokerage community to assure maximum exposure for each listing and meet investors' needs.

Our real-time property marketing system, supported by reliable property and market information, facilitates the matching of buyers and sellers from coast to coast.

- **Our investment property inventory is recognized for its size, diversity, quality, deliverability and underwriting standards.**

Investors have come to rely on Marcus & Millichap for access to investment opportunities that meet their specific parameters, including sensitive timing demands driven by 1031-exchange requirements.



Expertise: A Foundation for Client Success



1. Specialization

Our commitment and focus on investment brokerage services is rooted in our founders' philosophy that the most effective market knowledge and expertise can only be generated through specialization. Our sales force and services are further specialized by property type and geography, leading to the deepest and most up-to-date market knowledge, as well as personal relationships with owners and investors. To support our commitment to specialization within each property type, the firm has instituted National Specialty Groups, which organize the training, communication and marketing activities of our sales force by property type. Our specialty groups include National Multi Housing Group, National Retail Group, National Office and Industrial Properties Group, National Hospitality Group, National Manufactured Home Communities Group, National Self-Storage Group, National Seniors Housing Group, Net Leased Properties Group, Special Assets Services and Healthcare Real Estate Group.

2. Making a Market Through Information Sharing

Information sharing among our sales force and throughout the brokerage community best serves our clients' interests when all of our agents present investment opportunities to their clients. This results in the broadest possible exposure for each property and the most visible investment opportunities for investors. We "make a market" for each property we represent while expanding investors' choices and investment options.

3. Value-Added Brokerage

Marcus & Millichap believes in maintaining long-term relationships with its clients by providing the industry's highest quality services. We offer a number of services and capabilities designed to help clients maximize their investment returns. Through our Research Services Division, Marcus & Millichap Capital Corporation, National Specialty Groups and Major Account Services, we offer an array of services that help investors meet their objectives before, during and after each and every transaction. In addition, our investment-experienced management team operates with a hands-on philosophy focused on quality assurance and support for agents and clients in every market.



Results: Maximizing Results Through Value-Added Services



Expert Underwriting/Positioning



- ❖ We review comparable property rents, recent sales, current for-sale properties and local market conditions.
- ❖ Our investment team creates financial performance scenarios with input from clients in order to help assess pricing and formulate the right strategy.
- ❖ Our investment professionals conduct detailed market surveys that provide an accurate and competitive estimate of a property's current and future value.
- ❖ A comparison of property trends and values in various submarkets enables investors to assess the desirability of moving equity from one market to another in order to take advantage of local cycles and opportunities.

Investment Decision Support Through Market Research

Marcus & Millichap's Research Services Division is comprised of experienced real estate analysts. Our market research is specialized by property type and integrates local market trends, as well as regional and national developments, to support property evaluation, pricing and positioning. Clients who are pursuing a transaction will benefit from the combination of our investment research capabilities and the market knowledge of our agents. During the hold period of an investment, owners can utilize numerous research publications and analysis capabilities to help maximize property performance.

Access to Competitive Financing - Marcus & Millichap Capital Corporation

As a part of our effort to create value for property owners and investors, Marcus & Millichap Capital Corporation offers access to the most competitive capital sources, tailored by property type. Property owners can take advantage of refinancing opportunities to increase their returns during ownership. Investors can rely on our expert capital market knowledge and benefit from our ability to secure well-managed, competitively priced financing through our network of prominent national and regional lenders. Our national team of finance specialists possesses experience in providing financing for a full range of investment property types.



Major Account Services

We have tailored our services and delivery system to meet the needs of larger private and institutional investors. We provide major clients access to a special group of highly experienced financial analysts, research professionals and graphic designers. Our Major Account Services (MAS) team delivers state-of-the-art underwriting, property and market analysis, marketing and presentation capabilities. Services include financial modeling, analysis and valuation, portfolio analysis, preparation of offering memorandums, specialized marketing material and generation of full-scale marketing packages. Key assignments for major accounts are planned and executed with the involvement of the firm's management team to deliver the proper level of expertise to every client.

National Specialty Groups

Marcus & Millichap's national product specialty groups provide clients with product knowledge and transaction expertise geared specifically to the unique requirements of each property type. Our specialists work closely with major clients to understand their long-term objectives and to formulate the most effective marketing plan and team for specific projects. Our capabilities produce superior results for major clients, whether the assignment involves a single asset or a large multi-market portfolio.

Management Team of Investment Experts

Our national sales force is managed by a team of market experts who were investment sales professionals at some point in their careers. Marcus & Millichap has a long-standing philosophy of supporting its sales professionals with noncompetitive managers whose purpose is to provide clients with premier investment brokerage services. Managers foster these services by providing ongoing training and coaching of the sales force, supporting client and agents' needs, and overseeing the transaction process to ensure the best possible results for every client.





Maximizing Value By Accessing More Out-of-Market Buyers Than Any Other Source

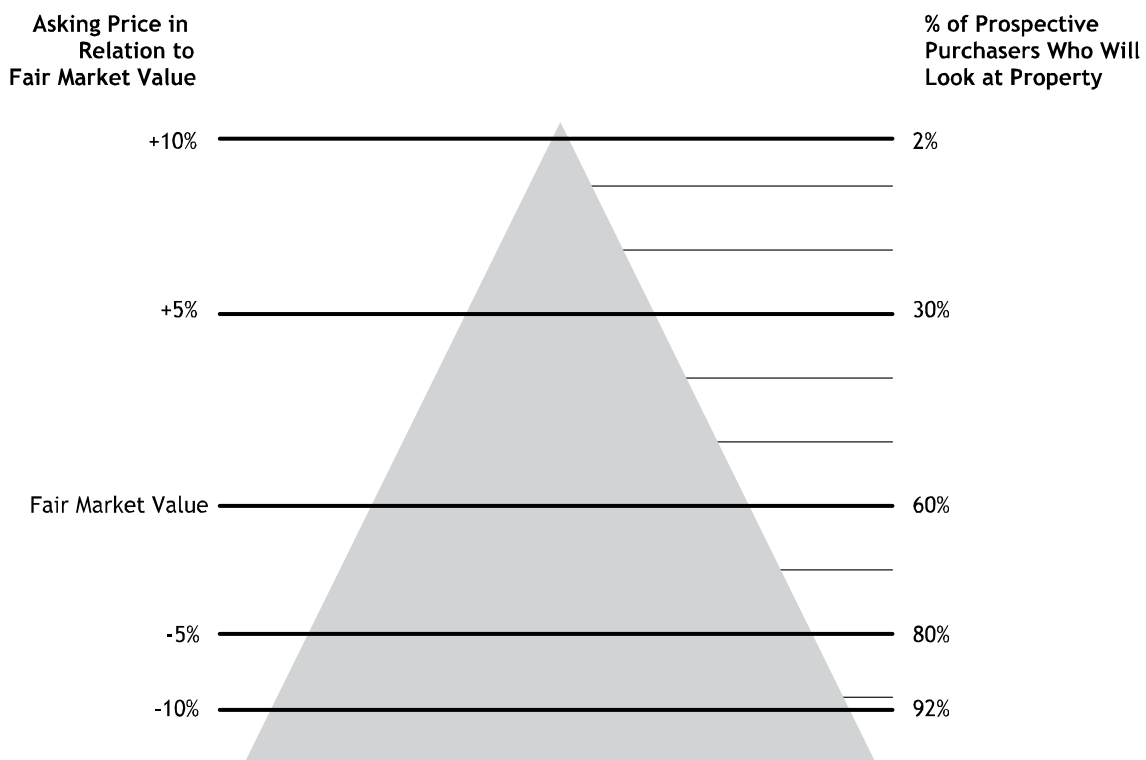
In 2010, Marcus & Millichap's National Marketing System and Investor Relationships Secured Out-of-Market Buyers 65 Percent of the Time for Mid-Market Sellers.





Pricing Evaluation

The diagram below shows the segment of prospective purchasers who are likely to see YOUR PROPERTY based upon the relationship of its asking price to its fair market value.



If you want to have a cushion for negotiation, you must still have people to negotiate with. If you over-price your property, it is not likely to be shown.

If your property is being shown, but not sold, maybe it is being used to make other listings more attractive.

These percentages are based upon a multi-state study conducted by a national marketing organization.



More Than 1,200 Investment Professionals in Offices Nationwide



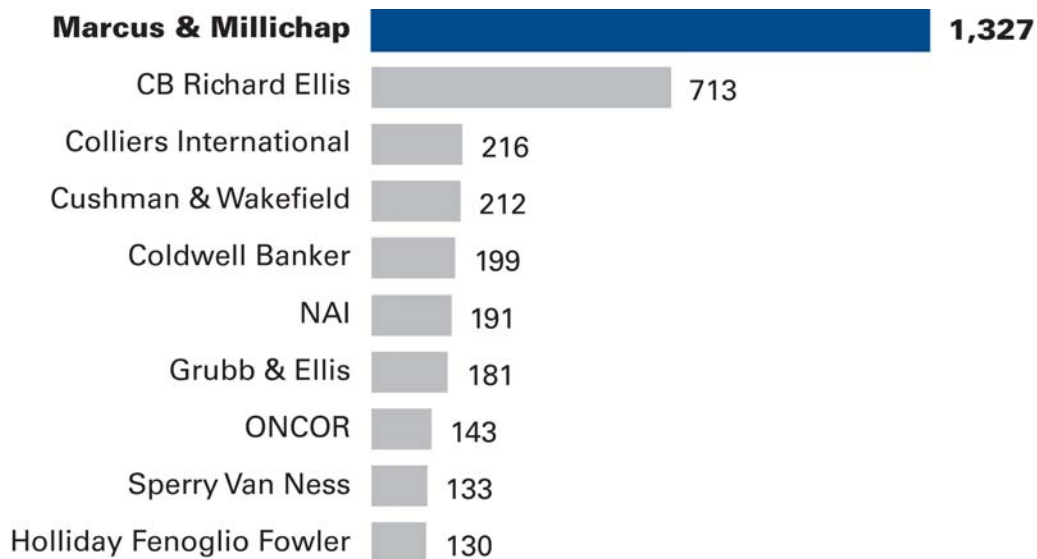
This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2011 Marcus & Millichap

Marcus & Millichap
Real Estate Investment Services



Marcus & Millichap Closed More Transactions Than Any Other Firm in the Last 12 Months

U.S. Investment Sales Brokerage Company Ranking by Number of Sales



*Includes sales of apartment, office, retail and industrial properties of \$1 million and above nationally, 12 months ending September 2010; list side.

Source: Costar Group, Inc.

THE VALENTINE BUILDING

SACRAMENTO, CA

MARKET POSITIONING & PRICING ANALYSIS

Presented By:

John Batchelder
Associate

Sacramento Office

Tel: (916) 724 - 1400

Fax: (916) 724 - 1410

John.Batchelder@marcusmillichap.com

www.marcusmillichap.com/JohnBatchelder