

# COGENT BAY REALTY INC. EXECUTIVE SUMMARY

## OFFERING DETAILS

**OFFERING SIZE:**  
\$50,000,000

**MINIMUM 1031 INVESTMENT:**  
\$100,000 or 10,000  
Class A beneficial interests

**MINIMUM CASH INVESTMENT:**  
\$1,000

### OWNERSHIP OBJECTIVES\*:

The ownership objectives of the Trust will be (i) distribute to the holders rent, after payment of expenses, and (ii) prepare the Property to be sold in approximately 10 years.

\*Distributions may consist of non-income items such as return of capital.

### BENEFITS TO INVESTOR:

- Opportunistic Acquisition for Investors
- Properties purchased Below Replacement Cost
- 721 Exchange Rollup as a potential exit strategy

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## PRESENTS



### CLLAIMM ACADEMY CHILDCARE

COMMERCIAL  
SUISUN, CALIFORNIA

### 1560 E. PACHECO

COMMERCIAL,  
LOS BANOS, CALIFORNIA



### PARK 2805

CONDOMINIUMS  
OAKLAND, CALIFORNIA

### 2860 FLORIN ROAD

COMMERCIAL &  
MULTI-FAMILY,  
LOS BANOS, CALIFORNIA



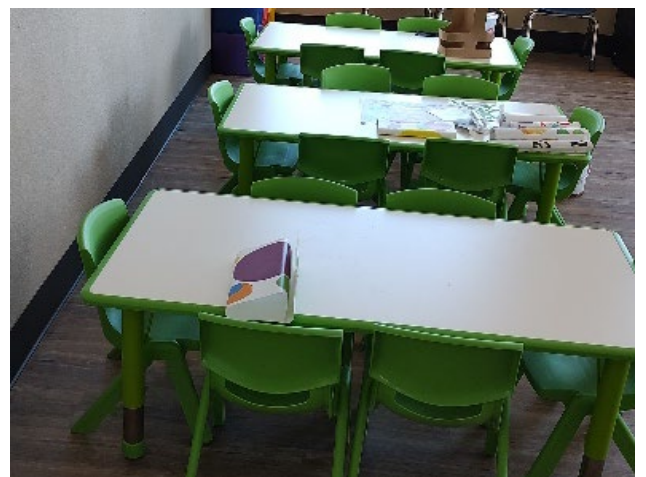
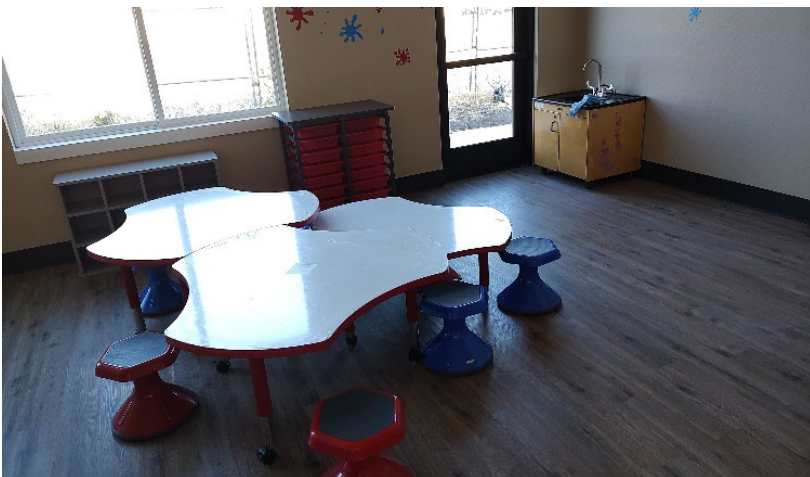
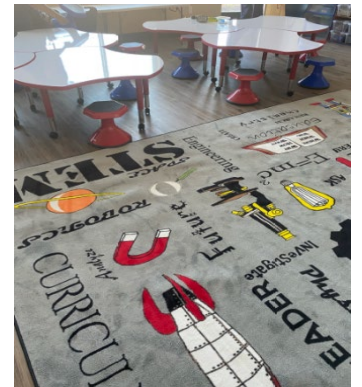
## INVESTMENT SUMMARY

	CLLAIMM	PACHECO	2805PARK	FLORIN
<b>Investment Product</b>	Commercial	Commercial	Condominium	Multi-Family & Commercial
<b>Class</b>	A	C	A	C
<b>Unit Mix</b>	4 Classrooms 1 multi-Purpose Room 1 Kitchen, 2 Bathrooms Reception area, Office, Breakroom	5 Free Standing Buildings 5 Storage Containers Parking	5 levels 20 condo units Underground parking Garden Area Private Balconies Commercial space	2, 2 Story Apt. Buildings (10 units) 1 single story, 3 suite commercial building
<b># of Buildings</b>	1 Building 1 Playground	4 buildings Storage Containers Covered Storage	1 Building	2 Multi Family 1 Commercial
<b># of Stories</b>	1	1	5	Varies
<b>Parking</b>	Yes	Yes	Yes	Yes
<b>Construction</b>	Slab on concrete, wood framed with stucco, flat roof with storage	Wood frame and metal	Slab on Concrete, wood frame with stucco	Wood Frame on Slab
<b>Rentable Sq Ft.</b>	4,700 sq ft	19,000 sq ft	17,691 sq ft	10,288 sq ft
<b>Lot Size</b>	.51 acres	2.60 acres	.33 acres	1 acre
<b>Address</b>	1241 Anderson Drive, Suisun, CA	1560 E. Pacheco, Los Banos, CA	2805 Park Blvd, Oakland, CA	
<b>Occupancy Projections</b>	1 Tenant/Operator + Staff +70 Students	9 Tenants + Storage Rentals + Future EV Stations	Sell of 20 units, with 16 at market rate and 4 at affordable housing rate	3 Commercial Tenants
<b>Current Occupancy</b>	100% Occupied	100% Occupied	Construction to begin in Fall 2024	100% Occupied
<b>Percentage Leased</b>	100%	100%	In planning stage.	60% Commercial with one unit under renovations
<b>Amenities</b>	Built as a childcare facility, washer/dryer, enclosed playground, energy efficient appliances and staff office/break room.	One story commercial facility, 4 bldgs, 9,978 of retail space, storage, land for future expansion, located in a major traffic hub, high profile tenants	Upgraded countertops, modern appliances, in unit washer & dryer, private work from home space, and sizable balconies with customization options available.	Off Street Parking, Land for development Busy cross street for high visibility for commercial tenants
<b>Year Built</b>	2023	1980	Completion early 2026	1962
<b>Value</b>	\$4,000,000	\$3,600,000	\$14,791,000	\$1,780,000
<b>Minimum Investment</b>	1031 Exchange Investor \$100,000	1031 Exchange Investor \$100,000	1031 Exchange Investor \$100,000	1031 Exchange Investor \$100,000



# C.L.L.A.I.M.M ACADEMY CHILDCARE CENTER

NEW COMMERCIAL BUILDING OPENED IN FALL 2024



## CHILDCARE CENTER MARKET CONDITIONS

*Market Conditions:* As the workforce slowly recovers with unemployment at an all-time low since the pandemic, the demand for affordable and accessible daycare continues to increase. For parents who must return to a place of work and parents who have transitioned to working from home, childcare has been and continues to be needed and sought after by the workforce.

In their article, “*Workforce Crimped by Lack of Daycare*”, the Wall Street Journal February 7, 2023, highlighted many of the struggles working parents are facing due to the lack of childcare and returning to work. For those who do not have the option to stay at home, the daycare crisis is severely limiting their ability to remain employable.

The decline in affordable and available childcare is foremost affected by the decline in the pool of quality employees post Covid. Many experienced employees elected to not return to the childcare industry after Covid and it is difficult to fill available jobs to support increased enrollment. Even our Tenant has experienced this exodus of quality personnel. However, our tenant has planned for such an interruption in care by continuously building her bench of talent through educational opportunities, competitive pay and benefits to attract and maintain the best talent for her business.



The fallout from the lack of employees at childcare centers are record numbers of families on wait lists. This was discussed in the Wall Street Journal article and voiced by our tenant, who has a waitlist of over 70 kids, and continues to turn families away daily. The impact of this lack of quality, affordable care has rippled through the workforce.

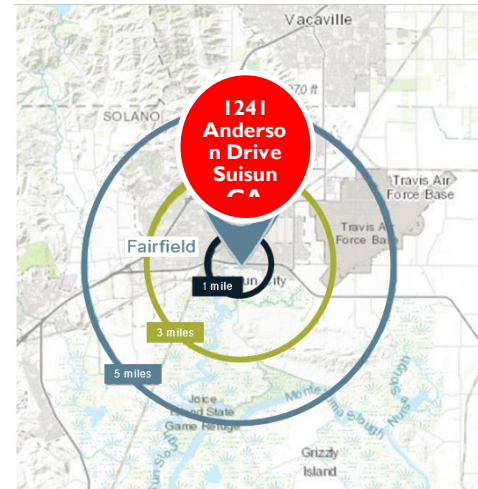
Employers are also struggling to find and keep experienced employees, especially those with families. Parents will overwhelmingly seek out job opportunities which benefit not only their professional goals, but the needs of their families as well. For some, this may mean electing to work nontraditional hours in industries outside of their skill sets and experience.

This is why when we researched this community and realized the need for quality daycare centers had reached critical mass, our investors supported this project. As one parent quoted in the Wall Street Journal article, “...I would not have survived professionally if I had not had access to childcare.” This is an opportunity we could not pass by. When the center opens in the first quarter of 2023, we are proud to report that over 80 children and potentially 80 families will have a place to care for their children while they work.



## DEMOGRAPHICS

<b>Population</b>	<b>1 mile</b>	<b>3 miles</b>	<b>5 miles</b>
2019 Population	4,620	33,705	79,197
2021 Population	5,003	36,577	86,929
2010-2019 Annual Rate	1.35%	1.74%	2.04%
2019-2024 Annual Rate	1.61%	1.65%	1.88%
<b>Households</b>	<b>1 mile</b>	<b>3 miles</b>	<b>5 miles</b>
2019 Households	2,284	13,241	30,030
2021 Households	2,478	14,366	32,873
2010-2019 Annual Rate	1.35%	1.72%	1.96%
2019-2024 Annual Rate	1.64%	1.64%	1.83%



## TENANT OVERVIEW

Our Tenant is a licensed childcare center provider that provides educational readiness, preschool care, before and after school care and summer programs. The program is founded with a dedication to love and care for the children of today. Our Tenant is interested in expanding their customers into Solano County to capture Bay Area commuters closer to home and provide care where the demand is high. The Tenant has a business plan that will incorporate active learning techniques provided by professionally trained teachers and caregivers. They will keep kids engaged and learning through arts and crafts, music lessons, educational endeavors, and outdoor activities.

Our Tenant maintains a safe environment and staff will have highly regarded ethics and will pass on the value of courtesy and respect to every child who is enrolled at this center. The programs have a Zero-Tolerance on bullying, and kids are taught how to communicate effectively. This program will be dedicated to developing a child educationally, emotionally, and socially.

### Our tenant is:

- State Licensed with Over 20 years of experience in the daycare provider industry and childcare development
- Has stellar reviews with a solid reputation, including positive reviews from previous or current parents.
- Maintains a caring, stimulating environment with happy kids, in a vibrant, clean, fun space with an encouraging and engaged environment with an interesting and varied schedule or curriculum
- Follows a strong business plan.
- Has established policies and consistent rules.
- Employs qualified caregivers.
- Has robust safety and health protocols in place with trained staff.
- Practices a low child to caregiver ratio and has low employee turnover.

## SPOTLIGHT ON SUISUN CITY

The historic Suisun City is a thriving waterfront city with nearby wetlands. Downtown Suisun City is a sprawling, palm-lined promenade, a marina, and a waterfront park which fringe the basin where shoreline fishing, free jazz concerts and outdoor movie nights, and firework displays draw regional visitors and Suisun City residents year around.



This area, known also as Solano County, is really a series of residential communities strung along I-80 as it heads east from the San Francisco Bay Area.

The string starts with Vallejo (once a gritty port and navy town), which has transformed because of Bay Area crowding and high home prices into a desirable commuter community. East across a narrow range of mountains, the land flattens again into the towns of Cordelia, Suisun City and the larger Fairfield and Vacaville.

**ECONOMY.** The unemployment rate in Suisun City is 7.5% (U.S. avg. is 6.0%). Recent job growth is Positive. Suisun City jobs have increased by 0.9%.

**POPULATION.** Suisun City's population is 29,305 people as of the end of 2022. Since 2020, it has had a population growth of 5.5%.

**COST OF LIVING.** Compared to the rest of the country, Suisun City's cost of living is 30.2% higher than the U.S. average.

**WEATHER & CLIMATE.** 15 feet above sea level, May, October, and June are the most pleasant months in Suisun City. However, in comparison to the San Francisco Bay Area weather, it is still quite pleasant hovering around 50-60 degrees on average during the winter months. The climate has been described as "Mediterranean" and because of this, Suisun City and Solano County as a whole, has some of the best vineyards and wineries, breweries, and olive oil farms in California.

**ACTIVITIES.** Tourists from across the state enjoy its many shops and eateries as well as outdoor attractions like Rockville Hills Regional Park, Osawulume Trail, various sports such as windsurfing, kayaking, fishing, and boating.



# 1560 EAST PACHECO COMMERCIAL AND STORAGE DEVELOPMENT



# COMMERCIAL MARKET CONDITIONS

Los Banos is committed to a healthy and vibrant economy.

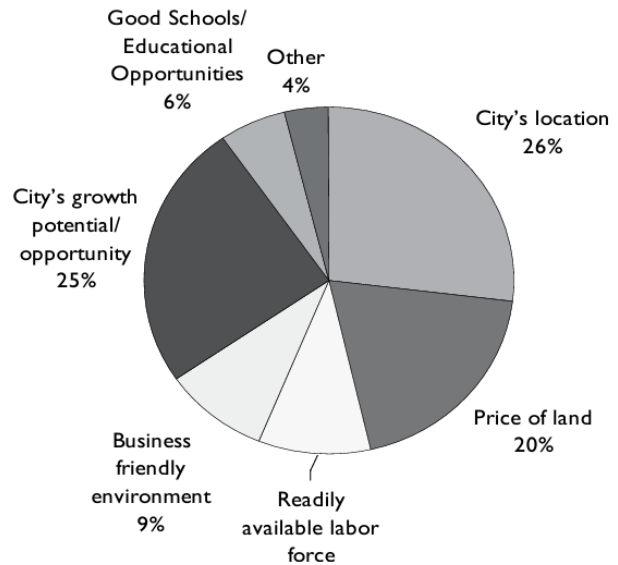
The City aims to provide quality jobs for its growing population, maintain a vibrant downtown, and ensure fiscal and financial balance. To achieve this, the City will work closely with both private and public sectors to attract new businesses. It also will provide sites for development and strive to maintain a healthy supply of skilled labor. The City has a focused economic development strategy.

The General Plan recognizes that future growth must be guided by a vision that will help maintain Los Banos' special character. This vision includes a strong and vibrant downtown that is the pride of community, supported by a network of neighborhood commercial centers that serve the needs of nearby residents.

A positive business climate will support the continued expansion of business, professional offices, and entertainment uses throughout the city. New business parks will accommodate manufacturing, processing, research and development, and office uses, providing a diverse mix of job opportunities. Los Banos Community College and other technical institutes will provide job training courses to match those needed by the local job market. New employers will be drawn to Los Banos because of its educated population, positive business climate, quality of life and its rising reputation as a pulsating economic hub in the San Joaquin Valley.

Los Banos' residents are generally satisfied with existing economic conditions. However, they also expressed a desire to see moderate to significant levels of economic development in the future. A vast majority of respondents thought that the City should attract high tech businesses and light industries to Los Banos in view of the employment opportunities they bring.

Retail businesses were also desired by many residents as current retail opportunities. The City's highly accessible location and its growth potential is listed as its chief asset in attracting businesses.



*Community response to the question: "What do you think attracts business to Los Banos?"*



## DEMOGRAPHIC TRENDS

Over the life of this General Plan, Los Banos will continue to grow, creating demand for new housing, generating important market support for local retail and services, and providing a growing workforce that can support business expansion.

Between 2010 and 2020, the average household size in Los Banos became smaller, the population aged 55 and over grew more quickly than the remaining population, and the number of nonfamily households and renters increased. These changes point to the need for a more diverse housing stock, to meet more varied household needs, and to be an attractive location for employers and workers.

### Workforce Characteristics

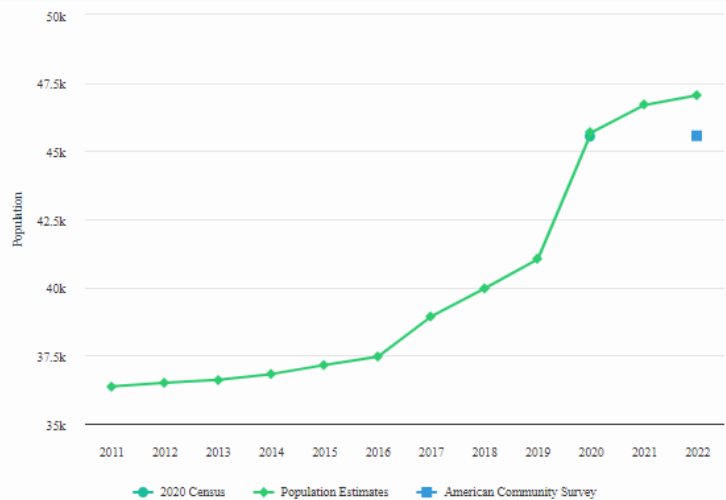
According to the Census Bureau, the City of Los Banos is adding residents with higher levels of educational attainment at a faster rate than the state.

In addition, Los Banos is home to the full-service Los Banos Campus of Merced Community College. Within 100 miles of Los Banos, there are eight additional vocational colleges and two four-year universities, the University of California at Merced, and California State University Stanislaus.

Additional investment in local education and training may offer important opportunities in terms of workforce readiness, the attractiveness of the local labor pool to employers seeking a more highly educated and highly skilled workforce, and consumer spending power that typically accompanies workers with higher educational attainment.

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### Los Banos Population



Sources: United States Census Bureau. 2022 American Community Survey 5-Year Estimates. U.S. Census Bureau, American Community Survey Office. Web. 7 December 2023.

United States Census Bureau. Annual Estimates of the Resident Population: April 1, 2020 to July 1, 2022. U.S. Census Bureau, Population Division. Web. May 2023. <http://www.census.gov/>.

# SPOTLIGHT ON LOS BANOS

## Downtown



The City of Los Banos recognizes that a strong and vibrant downtown is the pride of a city.

Downtown Los Banos is an important community focal point, providing goods and services for local residents, businesses and their employees, and visitors. While there are other shopping and dining areas in Los Banos, downtown is unique, known for important local destinations like Wool Growers, Los Banos Drug Store, Santa Fe Foods, and City Hall.

Centrally located at the “Crossroads of California”, Los Banos is much more than meets the eye. From bird watching to water skiing, fishing to elk watching, Los Banos offers thousands of acres of recreational fun and enjoyment opportunities for the young and young at heart.



The City of Los Banos, population 46,639, is situated on the west side of Merced County and is the county’s second largest city.

The City is conveniently located in the center of California and is about two hours from the cities of San Francisco, Oakland and Sacramento, as well as Yosemite National Park. California’s Monterey Peninsula and the Pacific Ocean are accessible in one and a half hours, as well as the Valley’s major cities of Stockton and Fresno.

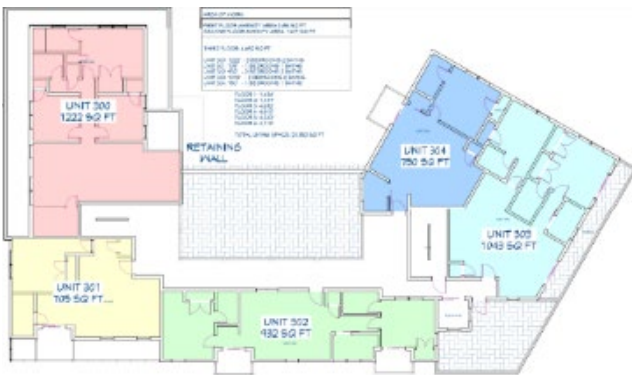


San Luis Reservoir State Recreation Area, consisting of San Luis Reservoir, O’Neill Forebay, and Los Banos Creek Reservoir offers a wide variety of outdoor recreational activities. Nestled in the grassy hills beneath the Pacheco Pass, the Reservoir is noted for boating, sailing, board sailing, camping and fishing. Other sports activities include fishing, equestrian trails, ATV and off-road motorcycle trails, dirt biking and more.



# 2805 PARK CONDOMINIUM PROJECT

## COMMERCIAL AND PRIVATE CONDO HOMES



## MARKET CONDITIONS: OAKLAND REAL ESTATE TRENDS

### **Oakland has enjoyed a prosperous decade.**

Real estate investors participating in the market will certainly tell you their local market has been particularly lucrative. With prices appreciating in the wake of what was a foreclosure crisis, rehabbers had a field day. It is worth noting, however, that the market is shifting. Not only did prices continue to appreciate throughout the pandemic on the back of cheap money, but a distinct lack of inventory also continued to drive prices higher. The shift in interest rates and high acquisition costs have left little room for profit margins on flips. The underlying demand for apartments on the other hand has been sustained by the deficit of supply and will persist given the shortfall of >45,000 units in the East Bay market. In response, investors have turned to alternative exit strategies: long-term rental properties.

Four Oakland real estate market trends, in particular, look as if they will cater more to rental property owners than rehabbers for the foreseeable future:

- Interest rates on traditional commercial loans are historically low
- Years of cash flow can easily justify today's higher acquisition costs
- Rental demand will increase given inventory shortages, high property values, and mortgage rates
- Oakland is the cultural & Transportation hub of the Bay Area and offers the best mix of proximity, space, culture

As of October, the average rate on a 30-year fixed-rate loan was 6.07% according to Freddie Mac. While up year to date, today's interest rates are still historically low. Lower borrowing costs have brought down acquisition costs for those looking to add to their passive income portfolio.

The cash flow potential of real estate assets makes the prospect of owning a rental property even more attractive. With a median rent price of \$2,703, it is possible to simultaneously rent out an investment property while having someone else pay down the mortgage. That way, investors could build equity in a physical asset and collect cash flow each month with the right long-term investment.

Perhaps even more importantly, the city looks to be the beneficiary of an exodus of renters from its neighbors: San Francisco and San Jose. As some of the most expensive cities to live in, San Jose and San Francisco see more people travel to the East Bay in search of slightly lower prices without giving up the Bay Area lifestyle. In 2024 Bay Area core renters continued to pay a premium for access to amenities and the desire to be connected with urban settings, walkable lifestyle, culture, entertainment, and dining. The Bay Area housing market will continue to be distinguished by high demand and a scarcity of available inventory. That is something even aggressive builders cannot quickly change. While ongoing shortages in the supply chain have caused delays, we continue to see robust demand for our apartment buildings.

Overall, the future remains bright for Northern California and Bay Area real estate. With continued and strong activity in the Bay Area, we know buyers and renters will find ways to truly "live in their element" in 2022 and beyond.



## DEMOGRAPHICS

Oakland is a large coastal city (i.e. on the ocean, a bay, or inlet) located in the state of California. With a population of 433,823 people and 116 constituent neighborhoods, Oakland is the eighth largest community in California. Much of the housing stock in Oakland was built prior to World War II, making it one of the older and more historic cities in the country. The project's neighborhood, Cleveland Heights, has access to interstate highways, public transportation, a diverse housing stock, recreational amenities, and businesses and retailers for everyday use. Cleveland Heights has experienced modest population growth over the past decade, a trend that will likely continue in the near-term.

Also of interest is that Oakland has more people living here who work in STEM based jobs than 95% of the places in the US. Cleveland Heights has a population with median age of 36.5 with a strong representation of young professionals contributing to the median income in Cleveland Heights being 13% higher than the city as a whole.

Cleveland Heights being in proximity to the attractions in Oakland it is hard not to notice when you are out and about town the large population of people who are young, single, educated, and upwardly-mobile career starters out at restaurants, listening to live music, and enjoying other activities. They are a real visible part of the culture of Oakland. This makes Oakland a good place to live for young professionals. With so many people in this demographic, Oakland presents many opportunities for single professionals to enjoy themselves, socialize, and to create lasting relationships.

One of the benefits of being a big city like Oakland is having a public transportation system, but in Oakland the transit system is the mode of choice for lots of people getting to and from work every day. You will find many people using the subway for their daily commute, even though other transportation options exist. If you ask these commuters, many will tell you that not having to drive in the snarl of big city traffic is one of main reasons for leaving the car at home, or even not owning a car at all. With so many people taking the subway, Oakland benefits from a reduction in air pollution and traffic.

The per capita income in Oakland in 2018 was \$49,970, which is upper middle income relative to California, and wealthy relative to the rest of the US. This equates to an annual income of \$199,880 for a family of four. However, Oakland contains both very wealthy and poor people as well.

Oakland is an extremely ethnically-diverse city. The people who call Oakland home describe themselves as belonging to a variety of racial and ethnic groups. The most common language spoken in Oakland is English. Other important languages spoken here include Spanish and Chinese.

Of important note, Oakland is also a city of artists. Oakland has more artists, designers and people working in media than 90% of the communities in America. This concentration of artists helps shape Oakland's character.

## SPOTLIGHT ON OAKLAND

Oakland is nautical, which means that parts of it are somewhat historic and touch the ocean or tidal bodies of water, such as inlets and bays. Quite often, nautical areas such as these attract visitors and locals who come to enjoy the scenery and various waterfront activities.

In Oakland, however, the average commute to work is quite long. On average, people spend 32.53 minutes each day getting to work, which is significantly higher than the national average. One bright side is that local public transit is widely used, so it may be an option to avoid the headache of driving in the heavy traffic by leaving the car at home and taking transit. In addition, the city is also quite pedestrian-friendly, because many neighborhoods are very dense and have amenities close enough together that people find it feasible to get around on foot.

Cleveland Heights is a neighborhood in Oakland, California with access to interstate highways, public transportation, a diverse housing stock, recreational amenities, and businesses and retailers for everyday use. Cleveland Heights has experienced modest population growth over the past decade, a trend that will likely continue in the near-term.

## HIGHLIGHTS

**ECONOMY.** One interesting thing about the economy is that relatively large numbers of people worked from their home: 15.56% of the workforce. While this number may seem small overall, as a fraction of the total workforce this is high compared to the rest of the county. These workers are often telecommuters who work in knowledge-based, white-collar professions. For example, Silicon Valley has large numbers of people who telecommute. Other at-home workers may be self-employed people who operate small businesses out of their homes.

**POPULATION.** Oakland's population in 2022 was 433,823. Due to its neighborhood culture, residents get the small town feel within a big city. The highest number of residents average between the ages of 35-54.

**COST OF LIVING.** The cost of living in Oakland, CA is 2% higher than the state average and 44% higher than the national average. Oakland, CA housing is 98% more expensive than the U.S average, while utilities are about 30% pricier.

**WEATHER & CLIMATE.** In Oakland, the summers are long, comfortable, arid, and mostly clear and the winters are short, cold, wet, and partly cloudy. Over the course of the year, the temperature typically varies from 44°F to 75°F and is rarely below 37°F or above 85°F.

**WALK SCORE: 83 (VERY WALKABLE).** Cleveland Heights is located along Interstate 580. Local corridors include Park Blvd, Grand Ave, and Lakeshore Ave. Bart train service is accessible by bus connection in Cleveland Heights, one block from the building. Alameda-Contra Costa Transit District provides public bus service within Cleveland Heights, including direct service to San Francisco. Cleveland Heights is roughly 6 miles from Metropolitan Oakland International Airport, and 14 miles from San Francisco International Airport.

**THINGS TO DO.** Oakland is home to no less than 20 parks in its center, and another 20 within an hour drive away. In addition to festivals year around, there is also the iconic Oakland Zoo. As a costal city, many enjoy water sports such as sailing, fishing and skiing, as well as visiting several beaches including the popular Lake Anza Beach and Alameda Beach, both in Alameda, CA, a short 15-20 minute drive away.



**2860 FLORIN ROAD, SACRAMENTO**  
COMMERCIAL AND MULTI-FAMILY HOUSING



## **MARKET CONDITIONS: SACRAMENTO MULTI-FAMILY MARKET**

### **Rent Growth Turns Positive and Renter Demand Surges Amidst Wave of Supply**

To kickoff 2024, Sacramento's multifamily market experienced a resurgence in fundamentals, marked by positive rent growth and strengthening demand. Despite supply-side pressures and slowing population growth, regional average effective rents recorded a 0.4% year-over-year growth rate and annual absorption spiked to nearly 3,000 units. The market occupancy rate of 94.4% rose marginally but was the first quarterly uptick since Q4 2021. Renter demand is healthy and record amounts of new supply continue to be delivered. With robust demand and rents trending upward, the market is poised for further stabilization throughout the rest of this year. However, sales activity remained lackluster, with institutional capital showing restraint. Higher financing costs, alongside lingering vacancy concerns, contributed to a 120 basis point increase year-over-year in the regional average cap rate, reaching 6.3%, its highest since 2015. Average sale prices continued to fall, down to its lowest level since 2017. Despite challenges, optimism remains for a potential rebound in investment activity, however, interest rates will be higher for longer. *Colliers, April 22, 2024*

### **Commercial Rental Market Sours in Sacramento**

**ECONOMY:** Jobs Numbers Continuing to Rise As 2024 began, Sacramento's economic landscape remained steady. The unemployment rate in the metropolitan area was 4.8%, showing a slight uptick from the 3.9% recorded in the previous year. The office sector played a significant role in employment, witnessing the creation of over 27,000 new jobs by the year's end, marking a 2.5% rise compared to the preceding year.

**DEMAND:** Leasing Activity Slows The first quarter closed with net absorption of approximately negative 224,000 square feet (sf), as absorption totals have remained consistently in the red for the past three years. Renewals continued to dominate leasing activity, comprising a substantial portion of transactions as the prevalence of remote and hybrid work setups weigh on new activity. By the end of Q1, total leasing activity surpassed 358,000 sf, with renewals accounting for nearly 139,000 sf or 39% of total leasing activity. In Q1 there were 27 renewals signed with an average term of 45 months. Of all renewals signed in Q1, 60% have a term of three years or more, as occupiers are beginning to make a longer-term commitment to their space. During the first quarter, tenant requirements totaled 1.6 million square feet (msf), up from 1.2 msf recorded a year earlier yet reflecting a roughly 20% decline from pre-pandemic levels of activity. A significant portion of these requirements are professional services occupiers seeking locations in Downtown. However, many of these requirements serve primarily as exploratory ventures, enabling tenants to evaluate the market before ultimately opting to renew their existing leases. This trend has contributed to subdued transaction volume.

**PRICING:** Landlords Maintain Asking Rents Despite ongoing market challenges, asking rates remained stable year-over-year (YOY) closing Q1 at \$2.21 per square foot (psf) on a monthly full-service basis. Rent growth has notably slowed down in the past 18 months, impacted by anticipated economic uncertainties, and is forecasted to remain relatively stable in the foreseeable future. However, in Downtown Sacramento, Class A space commands an average asking rate of \$3.45 psf, reflecting the premium for office space in the region's sole central business district. Landlords, adapting to the decreased demand, have begun offering generous concession packages in order to maintain asking rents. *Cushman & Wakefield – Q1 2024 report.*

## DEMOGRAPHICS

Included in Sacramento County are seven incorporated cities. Varying from quaint to cosmopolitan, each of these cities contributes a rich and unique dimension to the whole of Sacramento County and its communities. Our growing economy and educated workforce are part of one of the most livable and diverse regions in America and is the core cultural and economic center in the region. The 2010 U.S. Census Bureau estimated Sacramento County's total population as more than 1.4 million. With more than a half million residents living in unincorporated Sacramento County, it makes our unincorporated county population the fifth largest in the state.

## HIGHLIGHTS

Greater Sacramento has been cited as one of the five "most livable" regions in America in 2004, and the city was cited by TIME magazine as America's Most Diverse City in 2002. Clean Edge ranked the Sacramento region number six in the nation for clean technology.

The greater Sacramento Area, including Arden-Arcade and Roseville, was also ranked number seven in the 2013 American Fitness Index.

Sacramento County's Sacramento International Airport (SMF) has also received recognition. According to Airports Council International, SMF was ranked number four for best customer service in 2012.

### Community/Area Facts:

- 30 parks with 6 million trees and 4 public golf courses
- Sacramento River - longest river within California, flowing south for 447 miles
- American River - in 1848, gold was found, which led to the Gold Rush
- Leading agricultural crops - wine grapes, milk, poultry, pears, nursery stock
- The area of the County is 944 square miles

Weather/Climate: Average temperature: maximum : 73.6 F / minimum : 49 F / Average rainfall : 19.6 inches

### Transportation:

- 36.87 miles of light rail system
- 3 mainline railroad tracks
- 10.9 million passengers passed through Sacramento International Airport (SMF)
- 2017 J.D. Power Airport Satisfaction Rankings: SMF #1 among medium airports
- 870,000 short tons of cargo shipped annually

Public Facilities: 19 major public & private colleges & universities including California State University, Sacramento, University of California, Davis is located nearby (west of the capital), 16 public school districts and 15 major art and historical museums

Population: 1,458 persons per square-mile



## IMPORTANT RISK DISCLOSURE

An investment in Interests involves substantial risk including, but not limited, to the following: The Trust is speculative and prospective investors should be able to afford the loss of all or a substantial part of their investment. • Interests are illiquid and there is no guarantee investors will be able to redeem interests. • There will be no public market for the Interests. • The Interests are subject to restrictions on transfer and resale. • Investors will have no voting rights or control over management of the Trust or the “Property”.

There is no guarantee that investors will receive any return. • The performance of the Trust will depend on the Property’s ability to generate rent. • The Property will be subject to the risks generally associated with the acquisition, ownership and operation of real estate including, without limitation, environmental concerns, competition, occupancy, easements and restrictions and other real estate related risks. • An investment in the Trust will not be diversified. • The Trust Manager for the Trust (the “Trust Manager”) and its Affiliates will receive substantial compensation in connection with the Offering and operation of the Property. • The Trust Manager is a newly formed entity with no history of operations with limited capital. • An investment in the Interests involves certain tax risks. • The uncertain impact of the COVID-19 virus. Request the PPM for more details.

The offering (the “Offering”) of Interests in the Trust will not be registered under the Securities Act of 1933 (the “Securities Act”) or the securities laws of any state and are being offered and sold in reliance on exemptions from the registration requirements of the Securities Act and such state laws. Certain disclosure requirements which would have been applicable if the Interests were registered are not required to be met. Neither the Securities and Exchange Commission nor any other federal or state agency has passed upon the merits of or given their approval to the Interests, the terms of the Offering or the accuracy or completeness of the Memorandum. Securities offered through Cogent Bay Realty Inc. The information contained herein is not an offer or a solicitation related to the sale of any securities. Such an offer or solicitation can be made only through the Private Placement Memorandum (PPM), which is always controlling and supersedes the information contained herein in its entirety. The information contained herein is not to be construed as tax or legal advice, as neither Cogent Bay Realty Inc., nor any of its associated persons are qualified tax or legal professionals. Subject to certain regulatory requirements, the information contained herein is confidential, and only for the use of its intended recipient(s).

NEITHER THE ATTORNEY GENERAL OF THE STATE OF CALIFORNIA NOR ANY OTHER STATE REGULATORS HAVE PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

Not a deposit - Not FDIC Insured - Not Bank Guaranteed - May Lose Value