

SACRAMENTO ENTERTAINMENT  
& SPORTS COMPLEX



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# SACRAMENTO ESC

## PROJECT INTRO

### Executive Summary

Set to open October 2016, The Sacramento Entertainment and Sports Center (ESC) will revitalize the city's urban core and bring millions of fans and shoppers annually.

This project presents a completely novel, urban experience, the likes of which the Sacramento region has never seen. Unlike any other shopping and entertainment complex, ESC will feature retailers and restaurants unique to the region and enable trade area shoppers and visitors to enjoy a one of a kind urban shopping, dining and entertainment experience in the heart of Downtown Sacramento.

Upon completion, this extraordinary year-round destination will be an entertainment hub for the region offering a plethora of activities from shopping and dining to sporting events, concerts and family entertainment. Simply put, trade area shoppers will not need to go anywhere else.

## HIGHLIGHTS

**OPENING FALL OF 2016**

**FUTURE HOME OF  
THE SACRAMENTO KINGS**







# SACRAMENTO ESC

## PROJECT OVERVIEW

### Overview

The development is anchored by a new 780,000 SF, state-of-the art, multi-purpose Entertainment and Sports Complex (ESC), serving chiefly as the home of the NBA's Sacramento Kings. The complex will accommodate up to 17,500 seated attendees and in addition to NBA games, the ESC will host an additional 150 (200 total) events per year including indoor sports, concerts & theatricals, corporate conventions, community functions, and numerous other events; making it THE place for year-round, premium entertainment in the greater Sacramento region.

The area surrounding the iconic ESC arena has been entitled for 1.8 million SF of complementary, mixed-use development. Opening concurrently with the ESC shall be 930,000 SF of development designed to enhance the fan experience and provide a year-round draw, including:

### HIGHLIGHTS

**PROJECT**

- Over **600,000** square feet of retail
- Anchor: **330,000SF** Macy's | Century Theatre
- 200** events per year
- 13,500** parking spaces within ½ mile or 10 minute walk from the ESC

**ARENA STATS**

- 780,000 square feet
- 17,500 seats
- 200 events per year
- Over 1.6 million people per year
- \$11.5B estimated economic impact over 35 years





# SACRAMENTO ESC

## ANCHORS

### MACY'S

Macy's Block -Located at the western entrance to the center, the Macy's block is the closest to above-ground parking. Ground floor retail is ideal for boutiques and coffee shops, with a large, family-friendly restaurant facing the arena. Second floor retail space is connected with the food court & the Theater block, and a larger-restaurant space has a balcony overlooking the plaza.

### THEATER

Theater Block -The Theater block is anchored by a two-story movie theater and will also be home to the food court. This block has some of the largest suite sizes, and we envision the Theater block to be filled with fun, vibrant & youthful retailers. The second level of this block connects with the parking garage & the Macy's block via a skybridge- and there will be ample outdoor seating.

### HOTEL + RESIDENCES

The hotel and residence block will be the highest-end hotel in the Sacramento region, and we envision the retail and restaurants mirroring this prestige. These spaces are among the closest to the main entrance of the arena and front on the "Bosque," an outdoor seating & dining area. The ground floor restaurant space is accessible from the hotel lobby. Second floor retail features the widest patio space, offering an opportunity for outdoor dining overlooking the arena and the plaza below.

### ESC (ARENA)

Macy's Block -Located at the western entrance to the center, the Macy's block is the closest to above-ground parking. Ground floor retail is ideal for boutiques and coffee shops, with a large, family-friendly restaurant facing the arena. Second floor retail space is connected with the food court & the Theater block, and a larger-restaurant space has a balcony overlooking the plaza.

### 24 HOUR FITNESS

24-Hour Fitness -This block will offer great co-tenancy to athletic and outdoor apparel brands. The retail is facing the King's Practice Facility and is located at the East entrance to the center with some suites fronting on 7thStreet.





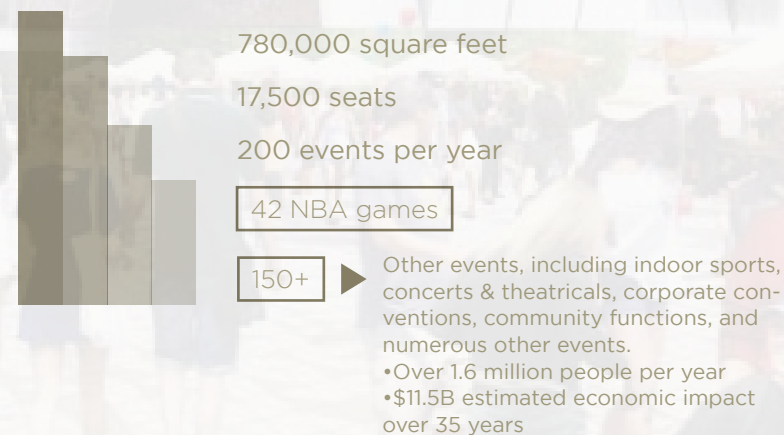
## DESIGN & BUILDING INFO

Dramatic grand entrance, measuring 50 x 150 feet. At the top of the grand entrance is a terrace that will provide dramatic views of the public plaza in one direction and indoor action in the other.

Five airport hangar-sized windows that can be opened for game-time festivities and/or during a concert or other event. This will allow for the energy of a game or event to carry out into the plaza.

## HIGHLIGHTS

### ARENA STATS



# SACRAMENTO ESC

## THE ESC (ARENA OVERVIEW)

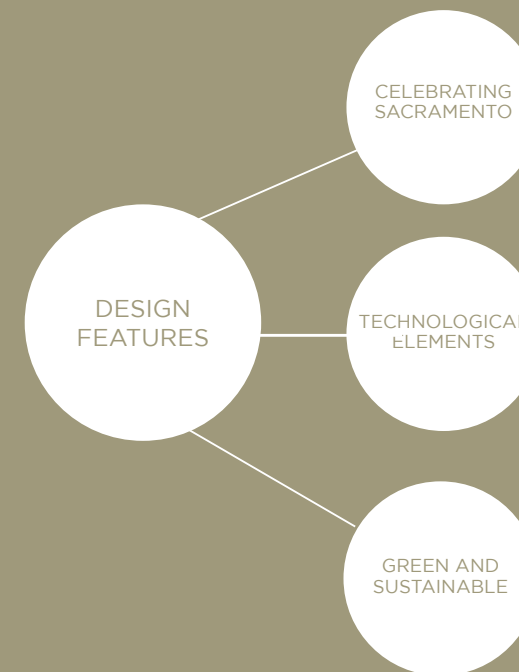
### The Esc Design Features

780,000 SF, state-of-the art, multi-purpose Entertainment and Sports Complex (ESC), serving chiefly as the home of the NBA's Sacramento Kings. The complex will accommodate up to 17,500 seated attendees and in addition to NBA games, the ESC will host another 150 events per year (200 total) including indoor sports, concerts & theatricals, corporate conventions, community functions, and numerous other events.

Concessions in the ESC will be local & farm-to-fork focused, 90 percent of the arena's concessions will hail from a 150-mile radius. The ESC's design will center around Sacramento's nickname, "the City of Trees," through the patterns on the façade, the grassy outdoor amphitheater & the "bosque," a tree-lined seating area.

The ESC aims to be the smartest arena in the world; architects and IT professionals are working to provide the best WiFi and cellular bandwidth. The building's "smart" features include contextual marketing, targeted offers and postgame information and events.

The ESC will be LEED Gold certified, carbon and grid neutral. Designed to maximize the excellent weather in Sacramento, the building will have an indoor-outdoor feel with windows that open to the plaza and feature smart temperature controls that utilize the natural delta breeze to cool the building. The site will feature hydroponic gardens that may be used in the on-site restaurants.





# SACRAMENTO MARKET

## SACRAMENTO REGIONAL OVERVIEW

### Sacramento Region

The Sacramento MSA is home to 2.2 million residents. Population growth is expected to outpace the national average by 100% due to the high quality of life and reasonable cost of living. Sacramento has the lowest costs of real estate and operations of any major metropolitan area in California. Residents are among the top educated in the state, and the area is a booming hub for agriculture & food science, biotechnology & clean-energy technology.

The city is the California State Capitol and is renowned for its central location to the state's wealth of scenic destinations. With an agreeable climate where weather inspires regular outdoor activity, the Sacramento Region offers year-round entertainment for sports and outdoor enthusiasts.

Over the past 20 years, retail development has mostly taken place in the outlying suburban areas. Sacramento is the country's 23rd largest MSA and, until now, has no central entertainment district. The advent of the ESC has brought all eyes, and dollars, to the downtown core.

#### LOCATION

- Tahoe: 104 miles
- San Francisco: 85 miles
- Napa Valley: 58 miles
- Yosemite: 150 miles
- Los Angeles: 384 miles
- Portland: 579 miles

#### COLLEGE & UNIVERSITY ANNUAL ENROLLMENT

- UC Davis -34,155 students
- CSU Sacramento -28,871
- American River College -34,502
- Sacramento City College -25,000
- Sierra College -22,000
- CosumnesRiver College -11,659
- Folsom Lake College -9,28

## HIGHLIGHTS

League of American Bicyclists ranked Sacramento as the top place for bicycle commuting in California and the 4th best in the country

38.5% of population (25+) have an Associate's degree or higher (CA avg=38.0%, US avg=36.3%); 29% have a Bachelor's or higher

\$73,938 Avg. HH Income

23<sup>RD</sup> largest MSA in the country

2.2 million people in the Sacramento MSA





# SACRAMENTO MARKET







## DOWNTOWN SACRAMENTO

### Sacramento's Urban Core

The Sacramento ESC is located in the heart of the city's Central Business District, soon to be known as the Entertainment District. The strong daytime employment population is centered on the California State Capitol, located blocks from the ESC. Downtown Sacramento is home of the city's cultural destinations. 1.2 million visitors attend cultural events each year, and an additional 815,000 attend other events downtown annually. Sacramento's urban core is home to the Sacramento Ballet, several theaters, and annual music festivals.

Our downtown location provides convenient access to multiple public transportation options including an extensive regional commuter bus and light-rail system. Almost 200,000 vehicles per day travel on Interstate-5, is just a few blocks west of the Property.

## MARKETING HIGHLIGHTS

-  Daytime Population: 95,000 (2013)
-  Nearby housing units under development: 1,091 (currently 17,665 existing in downtown & midtown)
-  1.2 million cultural (theater, ballet) visitors/year
-  815,000 other event visitors per year (e.g. farmer's markets, Tour of CA)
-  Surrounded by some of the region's most affluent suburban neighborhoods
  - Land Park: 15,587 pop., \$95,168 Avg. HH Income
  - Curtis Park: 3,167 pop., \$97,167 Avg. HH Income
  - East Sacramento: 19,033 pop., \$85,267 Avg. HH Income
  - Pocket: 37,860 pop., \$84,870 Avg. HH Income
-  2,293 hotel rooms in the downtown core

Population	1 Mile	3 Mile	5 Mile
2014 Total Population	18,425	130,873	309,569
2019 Population	19,296	136,510	323,871
Pop Growth 2014-2019	4.73%	4.31%	4.62%
Average Age	39.10	37.50	36.40
Households			
2014 Total Households	9,723	58,456	125,076
HH Growth 2014-2019	4.75%	4.48%	4.66%
AvgHousehold Inc	\$43,512	\$63,061	\$61,421
AvgHousehold Size	1.60	2.20	2.40
2014 AvgHH Vehicles	1.00	1.00	2.00

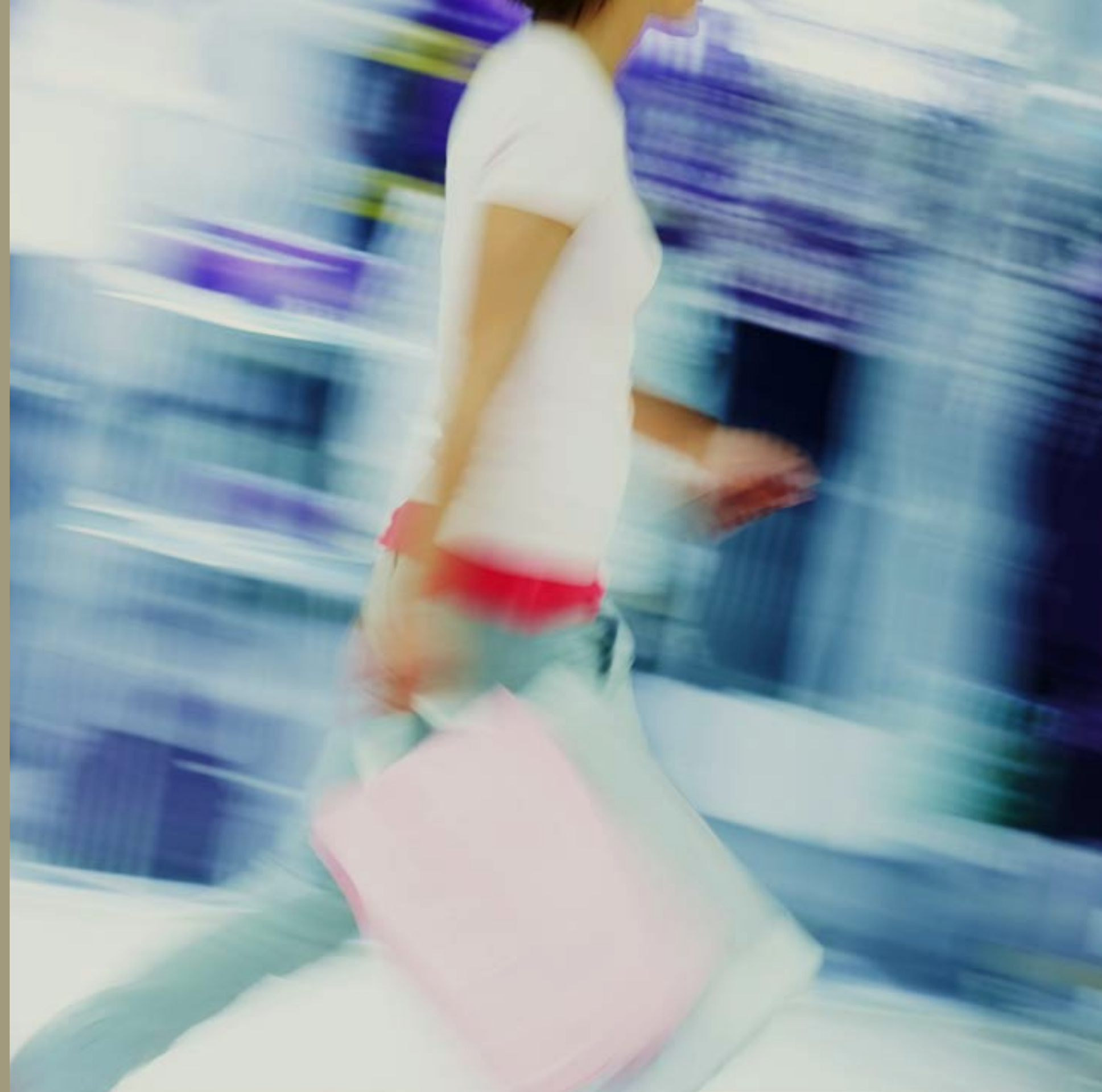


# SACRAMENTO'S URBAN RENAISSANCE

## MAJOR DEVELOPMENTS

### — Major Development Projects Reshaping Downtown Sacramento's Core.

- The Bridge District -168 Acres entitled for up to 12.5 MSF of commercial, office, hotel & retail use, as well as 6,000 residential units. The Bridge District aims to be a community joined through shared spaces such as parks and public gathering spaces.
- The Railyards-The largest urban infill development in the country, The Railyards is a mixed-use redevelopment of the 240-acre Union Pacific Railyardsto include residential, hotel, retail and commercial uses. The plan proposes 12,000 housing units along with office, hotel, retail and entertainment. The Railyardswill be the home to a soccer stadium, constructed as a boon to hopes of landing an MLS team.
- 700 Block of K Street-Fully entitled mixed-use development project that will consist of 137 apartment units & approximately 72,000 square-feet of restaurant, retail, & nightlife space.
- R Street Corridor -Former industrial district undergoing improvements to create a pedestrian friendly promenade. The Ice Blocks and the Warehouse Artist Lofts promise to make this the place to be for Sacramento's creative elite.





# SACRAMENTO'S URBAN RENAISSANCE

HOUSING - DENSITY COMING TO SACRAMENTO

## Multifamily Market

Downtown Sacramento is a premier rental submarket with one of the nation's top performing multifamily markets and is highly coveted for its unique live-work-play lifestyle. During the second quarter of 2014,

the region experienced a quarterly rental rate increase of 9.1% which made it the fourth strongest nationally. With job growth expected to continue in the region, along with the Sacramento Kings arena project under way which will transform the surrounding area and only make it an increasingly more attractive place to live, rents are projected to grow considerably over the foreseeable future.

### KEY MARKET HIGHLIGHTS



97.8%

During the second quarter of 2014, occupancy for Class A multifamily properties in Sacramento rose to 97.8%, the highest it has been since 2000



15.8%

The median sales price for homes in Downtown Sacramento increased by 15.8% over the past three months (Oct 2014)



60%

Nearly 60% of the existing apartment buildings in Downtown Sacramento were built prior to 2000



# SACRAMENTO'S URBAN RENAISSANCE

## HOUSING -DENSITY COMING TO SACRAMENTO

### MULTIFAMILY MARKET

Downtown Sacramento is a premier rental submarket within one of the nation's top performing multifamily markets and is highly coveted for its unique live-work-play lifestyle. During the second quarter of 2014, the region experienced a quarterly rental rate increase of 9.1% which made it the fourth strongest nationally. With job growth expected to continue in the region, along with the Sacramento Kings arena project under way which will transform the surrounding area and only make it an increasingly more attractive place to live, rents are projected to grow considerably over the foreseeable future.

### MAJOR HOUSING DEVELOPMENTS

#### NEW KEY DEVELOPMENTS

- Warehouse Artist Lofts: 116 apartment units and 13,000 sq. ft. of ground floor retail space including a marketplace, art galleries, and café.
- Whole Foods Mixed-Use: Mixed-use residential development anchored by a 40,000 sq. ft. Whole Foods to begin construction in 2016.
- EVIVA Midtown: 118 one and two bedroom market-rate apartment units and 5,195 square feet of ground floor retail. The project is scheduled for completion summer of 2015.
- 16 Powerhouse-16 Powerhouse will be a certified "LEED Platinum" mixed use development consisting of 50 luxurious apartment units and ground floor retail. Scheduled completion date 4thquarter 2014.
- Sacramento Commons: The proposed two 25-story towers would house 1,150 residential apartment units on a downtown super-block.
- Ice Blocks: 147 market-rate apartment units with ground floor retail.

#### EXISTING KEY DEVELOPMENTS

- Legadode Ravel-84 market-rate apartments units with ground floor retail. Completed 4thquarter 2013.
- 1801 L Street: 260 unit apartment and live-work loft building with ground floor retail.
- L Street Lofts: 69 high-end residential condominium units in Midtown.
- 800 J Street: 225 luxury apartments, 19,478 sq. ft. of ground floor retail. One of the City's most modern contemporary live-work-play destinations.

### KEY MARKET HIGHLIGHTS



97.8%

During the second quarter of 2014, occupancy for Class A multifamily properties in Sacramento rose to 97.8%, the highest it has been since 2000



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# SACRAMENTO'S URBAN RENAISSANCE

## THE TEAMS

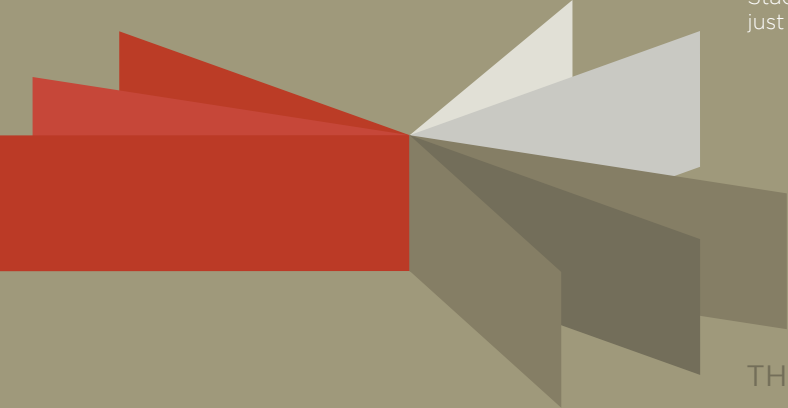
### Sacramento Professional Sports

#### SACRAMENTO KING'S

- Ranked no. 1 most valuable minor league baseball team in 2012 & 2013 by Forbe's Magazine
- Triple-A affiliate of Major League Baseball's San Francisco Giants
- Triple-A affiliate of Major League Baseball's San Francisco Giants

#### SACRAMENTO REPUBLIC FC

- USL Professional soccer team founded in 2012 and joined the USL league for the 2014 season and went on to win the championship that year selling over 182,000 tickets, breaking the USL Pro regular season attendance record of 112,74 previously set by Orlando City SC.
- Sacramento is now making a bid to bring a national MLS Soccer team to town, and plans to build a new Stadium at the nearby Railyardssite, just a half mile away.



#### THE SACRAMENTO RIVER CATS

- Ranked no. 1 most valuable minor league baseball team in 2012 & 2013 by Forbe's Magazine
- Triple-A affiliate of Major League Baseball's San Francisco Giants
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### KEY STATISTICS

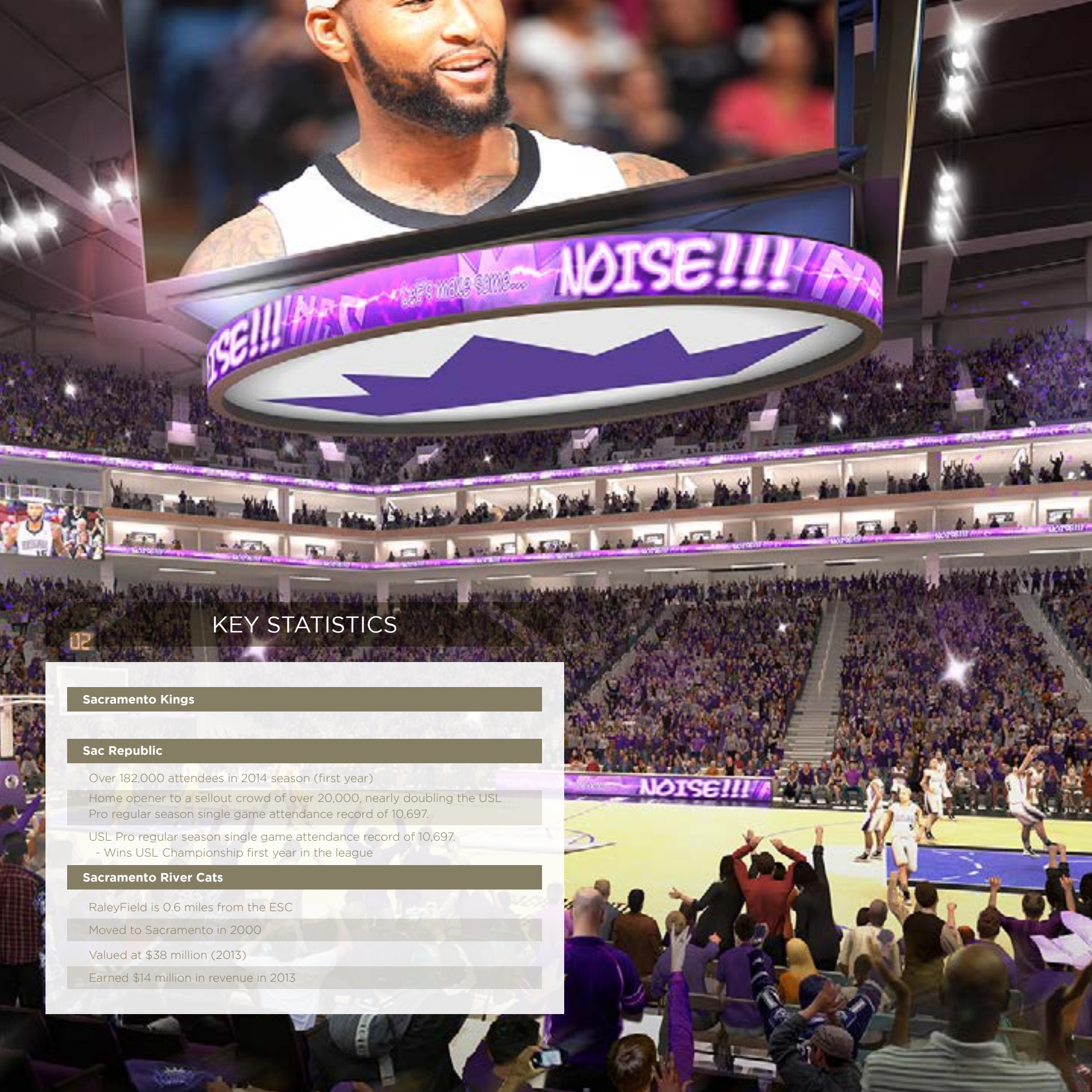
#### Sacramento Kings

#### Sac Republic

Over 182,000 attendees in 2014 season (first year)  
 Home opener to a sellout crowd of over 20,000, nearly doubling the USL Pro regular season single game attendance record of 10,697.  
 USL Pro regular season single game attendance record of 10,697.  
 - Wins USL Championship first year in the league

#### Sacramento River Cats

RaleyField is 0.6 miles from the ESC  
 Moved to Sacramento in 2000  
 Valued at \$38 million (2013)  
 Earned \$14 million in revenue in 2013

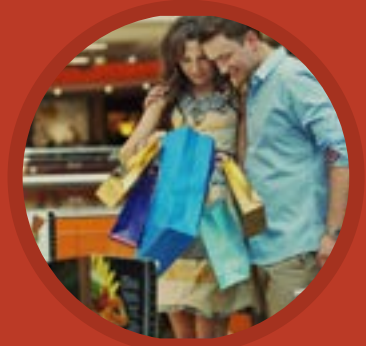




# DEMOGRAPHICS + PSYCHOGRAPHICS

## CORE CUSTOMER PROFILES

### CORE CUSTOMER PROFILES (ALL THE DIFFERENT CUSTOMERS WE DRAW)



URBAN RESIDENTS



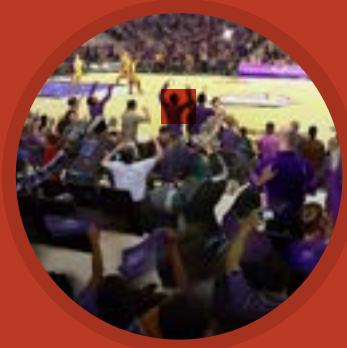
CBD EMPLOYEES



TOURIST & CONVENTIONEERS



COLLEGE STUDENTS



KING'S & EVENT ATTENDEES







# DEMOGRAPHICS + PSYCHOGRAPHICS

## CORE CUSTOMER PROFILES

### CORE CUSTOMER GROUPS

- ESC will draw from:
- Primary and Secondary Market Residents: Existing downtown residents and residents in surrounding neighborhoods.
- CBD Employees / Daytime Population: This group represents office workers in the immediate trade area. The ESC is located within the most densely populated office area in the region. Including both private and public sector employees.
- Visitors and Conventioneers:
- King's Ticket Holders & Event Attendees:

### HIGHLIGHTS OF DEMOGRAPHIC AND CUSTOMER BASE

- Daytime Population: 95,000 (2013)
- 2.2 million people in the Sacramento MSA
- 1.2 million cultural event (theater, ballet) visitors/year
- 815,000 other event visitors (e.g. farmer's markets, Tour of CA)
- Surrounded by some of the region's most affluent neighborhoods
  - Land Park: 15,587 pop., \$95,168 Avg. HH Income
  - Curtis Park: 3,167 pop., \$97,167 Avg. HH Income
  - East Sacramento: 19,033 pop., \$85,267 Avg. HH Income
  - Pocket: 37,860 pop., \$84,870 Avg. HH Income
- 2,293 hotel rooms in the downtown core

- College and University Enrollment
- UC Davis -34,155 students
  - CSU Sacramento -28,871
  - American River College -34,502
  - Sacramento City College -25,000
  - Sierra College -22,000
  - Cosumnes River College -11,659
  - Folsom Lake College -9,281



# DOWNTOWN HOSPITALITY & VISITOR INFORMATION

## DOWNTOWN HOSPITALITY & VISITOR INFORMATION

### DOWNTOWN VISITOR DESTINATIONS

- Sacramento Convention Center: The complex includes the 134,000 sf convention center, Memorial Auditorium (3,867 seats) & the Community Center Theater (2,452)
- California State Capitol: The center of California's state government. A popular destination for government business & school field trips.
- Old Sacramento: Old Sacramento State Historic Park attracts over 5 million visitors annually to see museums, historic buildings & events including: the Sacramento Music Festival, Gold Rush Days, & New Years Eve events.
- Crocker Art Museum: 286,500 annual visitors (2013). The historic Crocker building was built 1872 and the museum tripled in size with the 2010 expansion. The museum offers extensive community and children's art programming.

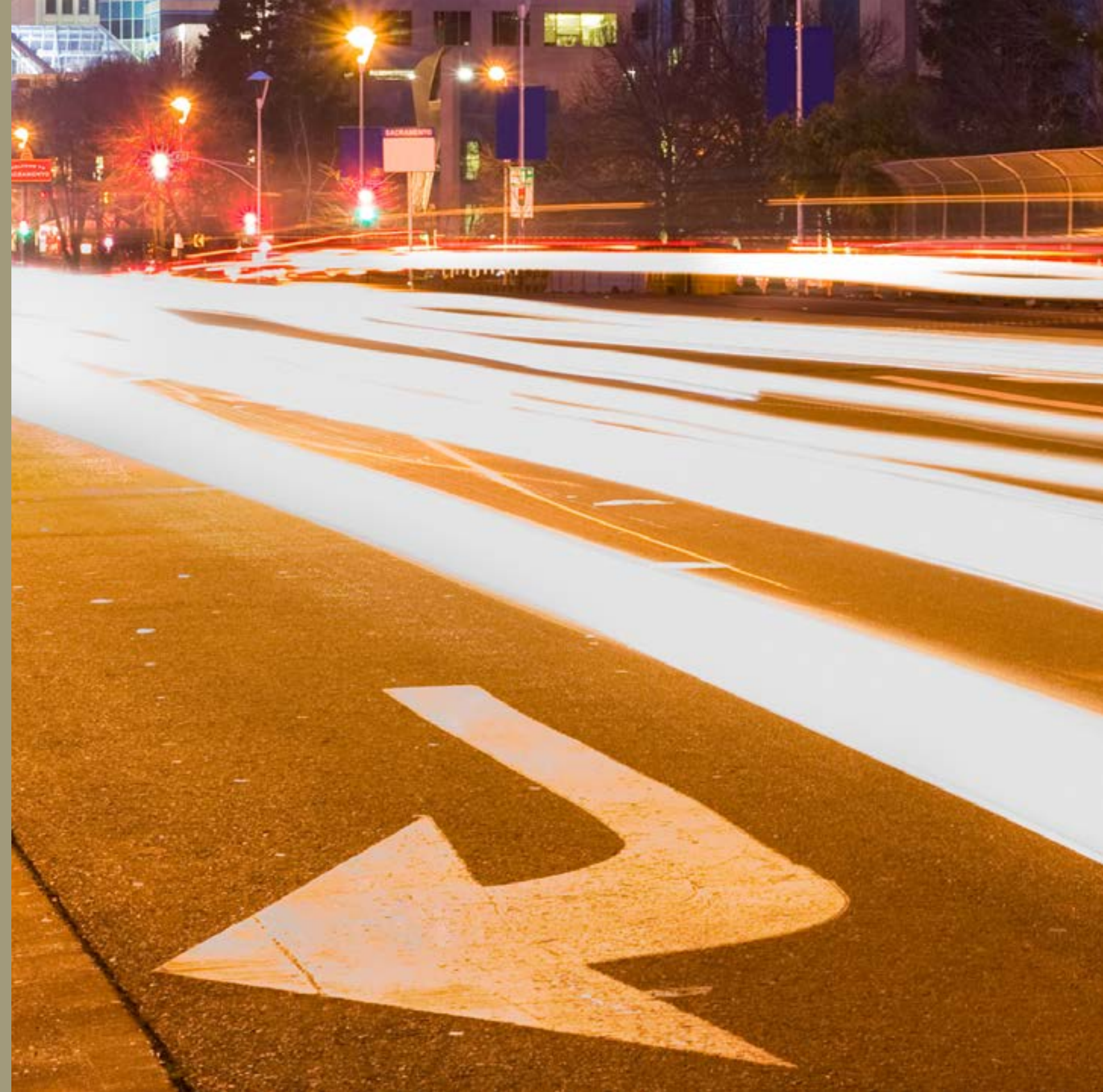
### DOWNTOWN EVENT ATTENDANCE

DOWNTOWN EVENT ATTENDANCE	
Event	Number of Visitors
Arts & Cultural Events	1,200,000
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### ARTS & CULTURE

- Over 1.2 million annual attendees enjoy Downtown's major performing arts organizations including:
  - Broadway Sacramento-150,000 annual patrons. Each year Broadway Sacramento features national touring productions of some of the most popular Broadway shows
  - Music Circus -Summer musical theater productions performed in the round, 2014 season included Mary Poppins, Brigadoon, & South Pacific.
  - Sacramento Ballet -Performances include the annual Nutcracker; the ballet school will be moving to the Fremont School in fall of 2014.
  - Sacramento Theatre Company -The company performs 300 times per year, as well as providing outreach programs to over 40,000 students each year
  - Sacramento Philharmonic Orchestra
  - Sacramento Opera

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# DEMOGRAPHICS

## Neighboring Affluence

Downtown Sacramento is surrounded by some of the region's most affluent neighborhoods.

- Land Park: 15,587 pop., \$95,168 Avg. HH Income
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DEMOGRAPHICS  
+ PSYCHOGRAPHICS

PRIMARY TRADE AREA: MEDIAN HOUSEHOLD INCOME







Bridge District

Raley Field

Old Sacramento

The Railyards



Crocker Art Museum

ESC  
Development  
Area

700 Block of K Street

R Street

State Capitol

Convention Center

**The Bridge District**  
188 Acres entitled for up to 12.5M SF of commercial office, hotel and retail use, as well as 6,000 housing units

**The Railyards**  
240 Acres of urban brownfield infill development in the former Union Pacific railyards located to the north of the CBD and the future home of Sacramento's professional soccer stadium

**R Street Corridor**  
The City of Sacramento is performing a three phase improvement plan on the historic corridor transforming the area to a hip, trendy neighborhood

**700 Block of K Street**  
Fully-entitled for 137 apartment units & 72,000 SF retail within walking distance of the ESC

**Raley Field**  
Home of the Sacramento River Cats, the stadium draws over 600,000 annual visitors for baseball games, as well as hosting concerts & an annual brew festival

**Old Sacramento**  
3.3 million visitors come to this historic district located on the river's edge

**California State Capitol**  
The State Capitol building sites on a 40 acre park in the center of the city's CBD, serving as a hub for over 78,000 regional state employees

**Sacramento Convention Center**  
Hosts over 600 events with 1 million visitors annually



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