

THE ROCK GARDEN

Truckee, California

Investment Opportunity



OFFERING MEMORANDUM

Sierra | Sotheby's
INTERNATIONAL REALTY



AERIAL VIEW

The Rock Garden

INVESTMENT OVERVIEW

The Rock Garden business began operations in 1998. It was acquired in 2022 by Outdoor Living Supply (OLS), a coast-to-coast network of leading stone, paver, products and materials distributors focused on outdoor living. This is a Class A NNN lease investment offering with anchor tenant: Outdoor Living Supply.

The investment offering features the 3.69 acre property, structure and improvements along with strong annualized income generation from The Rock Garden anchor tenant, operated by Outdoor Living Supply. There is currently a 10-year lease, expiring in 2032, with two 10-year options to extend. The Rock Garden lease includes 12,134 SF of the total 14,618 SF building. In addition, the approximately 2,484 SF upper office is rented separately on a month-to-month basis. The new owner may elect to retain the smaller upper office tenant, set the offices aside for personal use, or replace the current tenant with a long-term NNN tenant.



THE ROCK GARDEN



AERIAL VIEW

EXECUTIVE SUMMARY

Address	10642 Pioneer Trail, Truckee CA 96161
Title	The Rock Garden DBA (OLS-Outdoor Living Supply)
Market Area	Pioneer Commerce Center (submarket)
List Price	\$ 6,500,000
Building	14,618 SF – Anchor 12,134 SF, upper office 2484 SF; Built in 1998
Price per Sq Ft	\$ 445/ SF
Acreage	3.69 Acres
2026 NOI	\$ 405,352 (includes @ \$1.75/SF for upper office)
Cap Rate	6.24%
NNN Anchor Lease	NNN * Lease term 6/2/2022 to 6/2/2032
Anchor Lease Options	Two 10-year options
Rent Escalation	CPI up to 5.0%

* CAM based on actual operating and common area costs

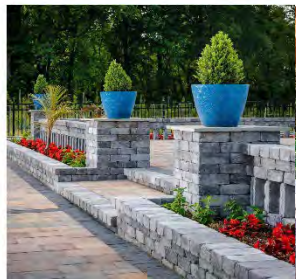


**THE
ROCK GARDEN™**
TRUCKEE, CALIFORNIA

The Rock Garden is the top natural stone and hardscaping material supplier serving North Lake Tahoe and Truckee, offering a wide range of premium products for all your construction and design needs. Our dedicated team is committed to delivering exceptional customer service, combining expertise, efficiency, and a welcoming approach. As the preferred choice for local architects, contractors, and homeowners, we boast extensive quarry connections across the continental United States, providing various wainscoting, fireplace stone, interior flooring, and outdoor hardscaping selections.

Our inventory includes landscaping steps, boulders, columns, and architectural elements such as mantles and hand-hewn stone furniture, as well as pavers, brick, and other manufactured hardscaping elements. The Rock Garden is your destination for bringing your design visions to life, and we invite you to explore our showroom in Truckee to discover the diverse selection, colors, textures, and natural stone options available.

The Rock Garden became part of Outdoor Living Supply in June 2022. This strategic acquisition has empowered us to expand our operations and unlock even greater opportunities for our customers, vendor partners, and employees. This acquisition has also cemented a partnership with Parker Hardscapes in Reno, NV, and Tahoe Sand & Gravel in South Lake Tahoe, CA, to bring you the widest range of products and services in the area.



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The Rock Garden

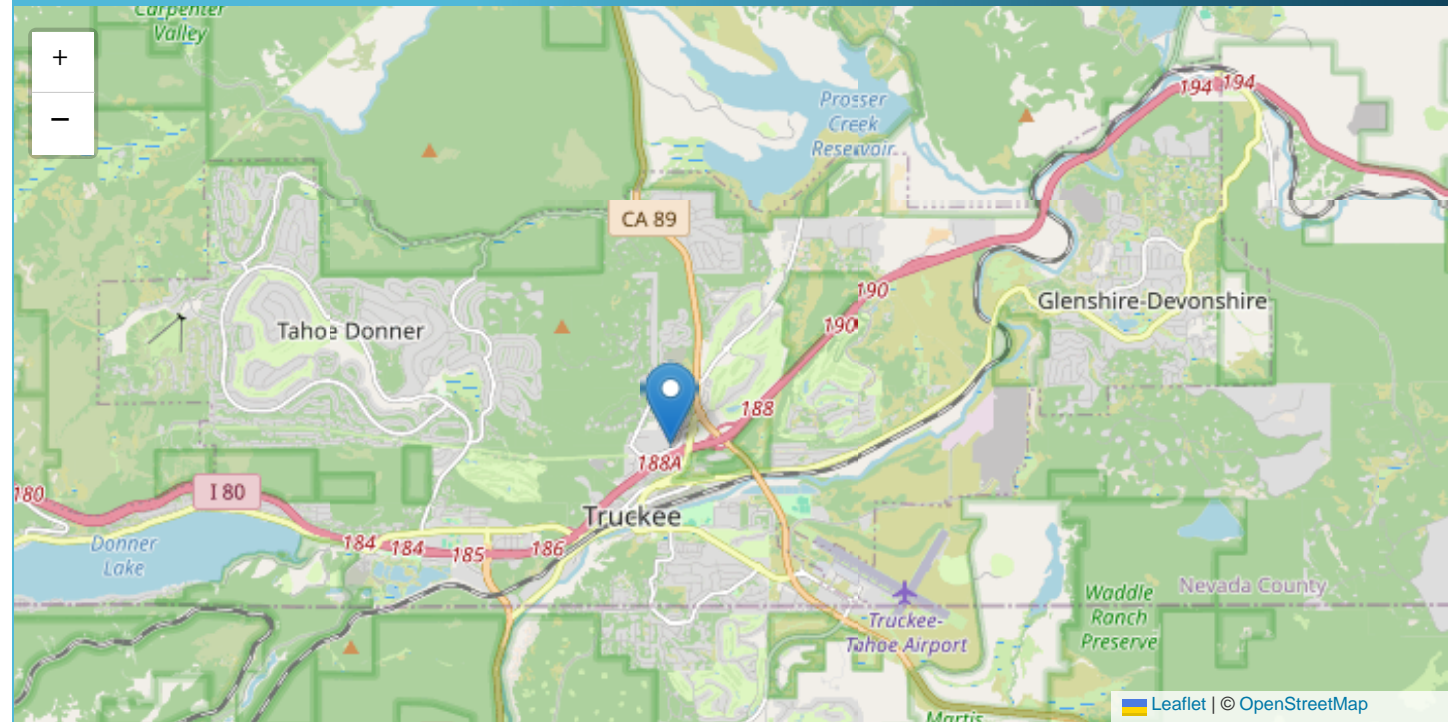
LOCATION

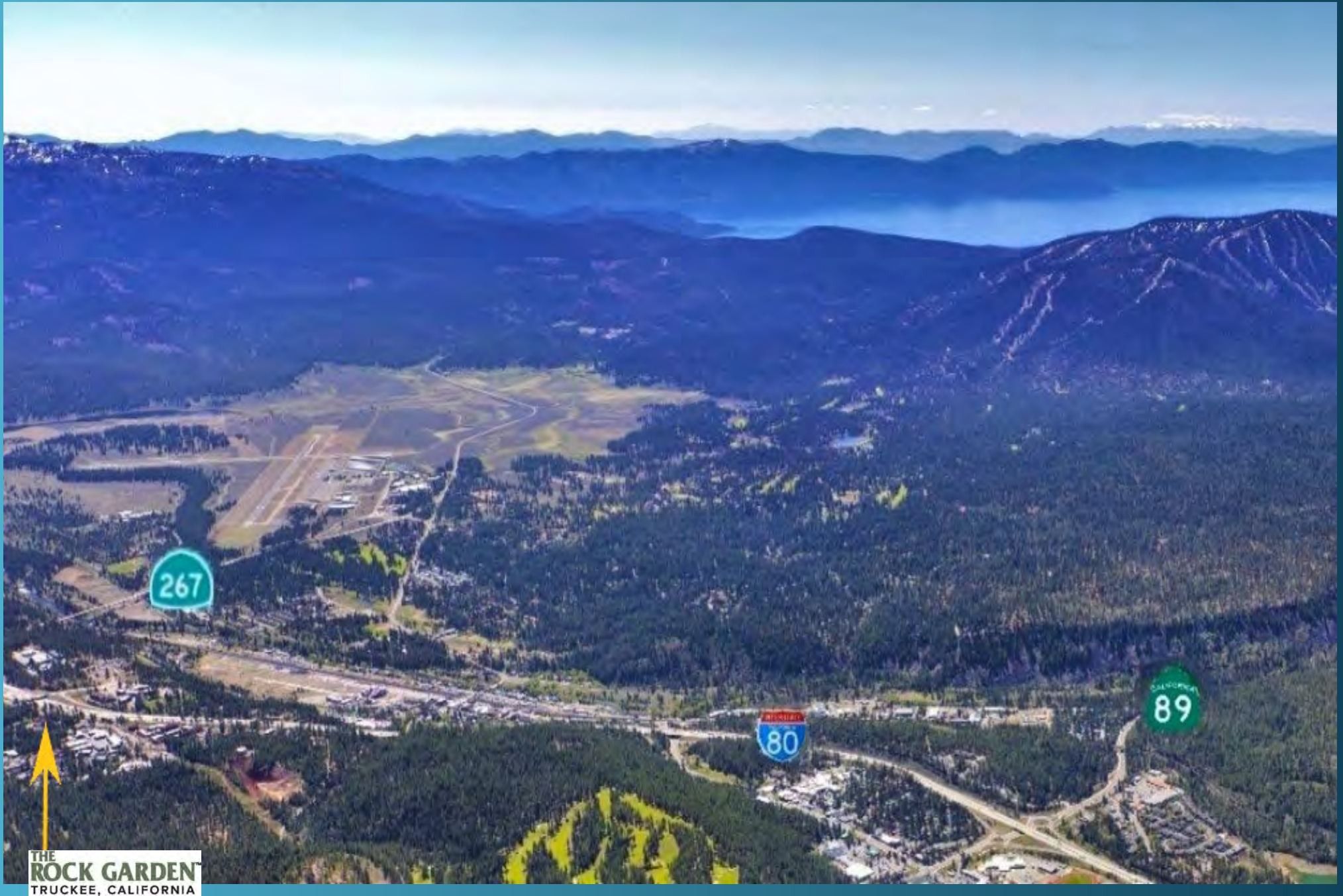
Truckee, California

Located in the Sierra Nevada Mountain range, Truckee is just 200 miles northeast of San Francisco; 100 miles east of Sacramento; 40 miles west of Reno, Nevada; and 12 miles north of Lake Tahoe.

Truckee offers a blend of rugged western mountain charm and an array of year-round recreational amenities: destination ski resorts, forested golf communities, mountain biking, hiking and snow sports, plus Lake Tahoe and Donner Lake water activities.

The Rock Garden, in the heart of Truckee's most prominent commercial industrial area, is adjacent to Interstate 80 and only five minutes from Truckee Tahoe Airport.





AERIAL VIEW - TRUCKEE TAHOE



AERIAL VIEW



THE ROCK GARDEN



THE ROCK GARDEN - SITE VIEW



SECOND LEVEL OFFICE SUITE



THE ROCK GARDEN

FINANCIAL STATEMENT

The Rock Garden Financial Worksheet - 10642 Pioneer Trail

INCOME (6/1/26 - 6/1/27)

Outdoor Living Supply (OLS) - 12,134 SF per lease
Upstairs Office tenant - 2,484 SF per lease

Monthly

Annual

\$29,432.33	\$353,187.96	CPI June each year (Max 5%)
\$3,500.00	\$42,000.00	
<u>\$32,932.33</u>	<u>\$395,187.96</u>	

EXPENSES (6/1/26 - 6/1/27)

Trash Removal	\$752.12	\$9,025.44	
Security Alarm	\$142.43	\$1,709.16	
Water/Electric	\$142.43	\$15,455.92	
Phone/Internet	\$933.62	\$11,203.44	
Heating	\$1,158.08	\$13,896.94	Variable Expense
Property Taxes	\$2,356.14	\$28,273.66	Annual Escalations
Snow Removal	\$898.33	\$10,780.00	Variable Expense

SUBTOTAL

\$6,383 **\$90,345**

CAM Reimbursement - OLS anchor tenant CAM 83%

\$5,298 \$74,986

CURRENT NOI - partial upstairs tenant \$3500/mo CAM CURRENT CAP RATE

\$31,847 **\$379,829**
5.84%

NOI - full upstairs tenant +CAM 17% CAP RATE - full upstairs tenant +CAM 17%

\$32,932 **\$395,188**
6.08%

PRO FORMA NOI - upstairs @ \$1.75/SF +CAM 17% PRO FORMA CAP RATE - upstairs @ \$1.75/SF +CAM 17%

\$33,779 **\$405,352**
6.24%

PRO FORMA - 5-YEAR OUTLOOK

	3% per year CPI Bump - Annually in June				
	6/1/26 - 6/1/27	6/1/27 - 6/1/28	6/1/28 - 6/1/29	6/1/29 - 6/1/30	6/1/30 - 6/1/31
Occupancy 100%, NNN, 3% per year CPI BUMP	\$405,352	\$417,512.56	\$430,037.94	\$442,939.07	\$456,227.25
PRO FORMA CAP RATE	6.24%	6.42%	6.62%	6.81%	7.02%
	5% per year CPI Bump - Annually in June				
	6/1/26 - 6/1/27	6/1/27 - 6/1/28	6/1/28 - 6/1/29	6/1/29 - 6/1/30	6/1/30 - 6/1/31
Occupancy 100%, NNN, 5% per year CPI BUMP	\$405,352	\$425,620.00	\$446,901.00	469,246	492,708
PRO FORMA CAP RATE	6.24%	6.55%	6.88%	7.22%	7.58%



OFFERING MEMORANDUM

Ron Hemig

(530) 318-8158

ronhemig@gmail.com

BS.01157345

Kristine Mitchell

(775) 848-5451

kristine@kristinemitchell.com

BRE.00898952

Sierra Sotheby's International

Realty

11177 Brockway Road

Truckee, CA 96161

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INTERNATIONAL REALTY