

**:: FOR SALE: 1240 47th Avenue, Oakland, CA ::**  
**EQUIPMENT-HEAVY ASSET. UNIQUE "TURN-KEY" OAKLAND COMMERCIAL KITCHEN FACILITY/PROPERTY**



**WOULD YOU BUY  
THIS BUILDING  
IF IT WERE FREE?  
100% BONUS  
DEPRECIATION  
POSSIBLE!**

# PROPERTY DESCRIPTION 1240 47th Avenue, Oakland, CA

**BUILDING SIZE:** ±3,503 SF

**SALE PRICE:** \$1,200,000

**PARCEL SIZE:** ±0.07 Acre

**APN:** 034-2 55-01800

**RARE OPPORTUNITY:** Commercial Kitchen for Sale – See Bonus Depreciation Info on Page 3

- Former USDA-approved meat factory
- Second floor office area
- 2 restrooms
- 2 large walk-in refrigerator and freezer units
- Washable walls, floor drains, and mop sink
- Two-car garage
- Storage Space
- Security system
- Fully sprinklered
- Sewer lateral certificate is valid (won't need new one for sale)
- Close to major freeways, Oakland International Airport and more
- Zoned: CIX-2



# BONUS DEPRECIATION INFO 1240 47th Avenue, Oakland, CA

## THIS IS NOT JUST A BUILDING. IT IS A HEAVILY EQUIPMENT-WEIGHTED ASSET – AND THAT CHANGES EVERYTHING FROM A TAX STANDPOINT.

Unlike typical retail or office properties (which largely depreciate over 39 years), a commercial kitchen includes a large amount of:

- Walk-in freezers and refrigeration
- Ovens and cooking equipment
- Vent hoods and fire suppression systems
- Specialized plumbing and grease traps
- Upgraded electrical infrastructure
- Built-in stainless systems
- Fixtures and removable improvements

Many of these components qualify as 5-, 7-, or 15-year property – not 39-year real estate. Through a cost segregation study, a substantial portion of the purchase price can be reclassified into these shorter-life categories, making them eligible for bonus depreciation.

### Illustrative Example – \$1.2M Purchase

Let's assume Purchase Price: \$1,200,000

Assume 65% allocated to equipment/short-life assets via cost segregation  
= \$780,000 in 5-, 7-, or 15-year property

Under current bonus depreciation rules (assuming 60% bonus for illustration):  
60% of \$780,000 = \$468,000

Remaining accelerated depreciation (Year 1 MACRS on balance) = ~\$60,000

Estimated Year 1 Total Depreciation = \$528,000

That means a buyer could potentially write off over \$500,000 in Year One.

If the buyer is in a combined federal/state tax bracket of, say, 37%, that could represent:  
 $\$528,000 \times 37\% = \sim\$195,000$  in tax savings in Year One alone.

That is real cash benefit. This is dramatically different from a traditional commercial property where maybe only \$30,000–\$40,000 would be depreciated in year one.

### SBA Owner-User Example (10% Down)

Now here's where this becomes extremely powerful.

Let's assume Purchase Price: \$1,200,000

SBA loan at 90% financing

Buyer equity (10% down): \$120,000

*Using the same depreciation illustration:*

Potential Year 1 depreciation: ~\$528,000

That means the buyer may receive tax deductions that are more than 4x their cash invested in year one. If that deduction saves them ~\$195,000 in taxes, they may recover more than their entire down payment in tax savings in Year One. In other words:

- \$120,000 invested
- ~\$195,000 potential tax savings
- Plus ownership of a fully built-out commercial kitchen

For an operating business owner who already has strong income (typically required to qualify for SBA financing), this creates a massive shelter against their business income. Effectively, the tax strategy can offset a significant portion of the buyer's overall taxable income – not just income from the property. This type of asset can be extraordinarily attractive to an owner-user.

**This property is different because it is equipment-heavy and infrastructure-heavy. It is not just square footage – it is accelerated depreciation potential.**

### Highlights:

- Equipment-heavy asset
- Cost segregation opportunity
- Potential substantial first-year write-off
- Significant tax shelter for SBA owner-user



# OVERVIEW

Fully built out for food production and ideal for catering operations, ghost kitchens, or commissary use. All kitchen infrastructure is in place; equipment is negotiable.

## RECENT MECHANICAL, ELECTRICAL, AND PLUMBING PLANS

- New Roof
- New Fire Suppression System
- Up to Date and Code Fire Sprinkler System
- Recent Hood Balance Air Test/Report
- Updated Electrical for Ovens
- Required Environmental Health Improvements Made
- New Kitchen Flooring
- New Water Heater
- New Camera & Alarm System
- New Grease Trap Installed



## DEMOGRAPHICS

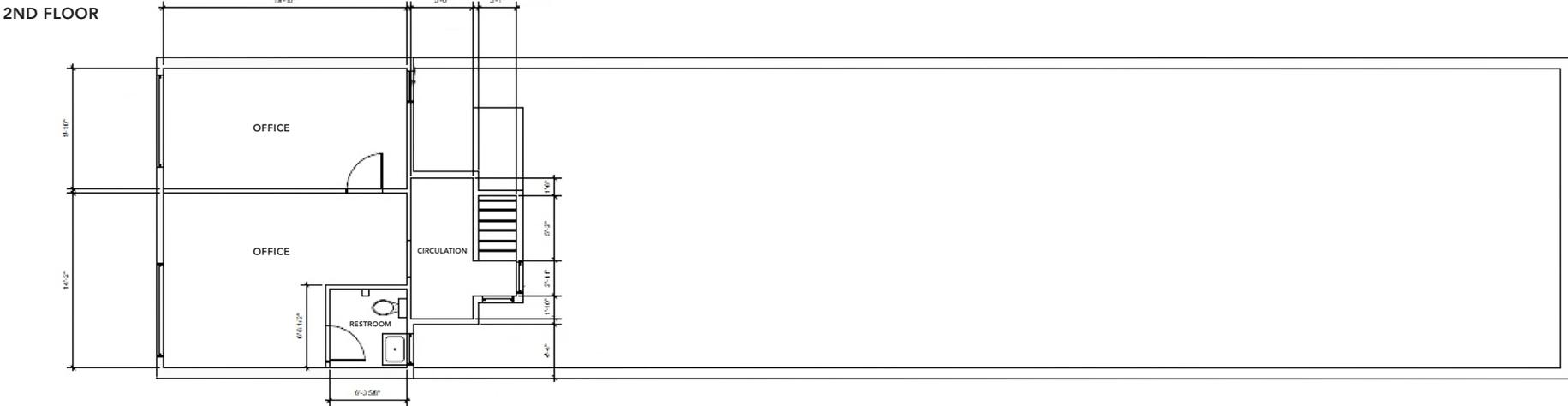
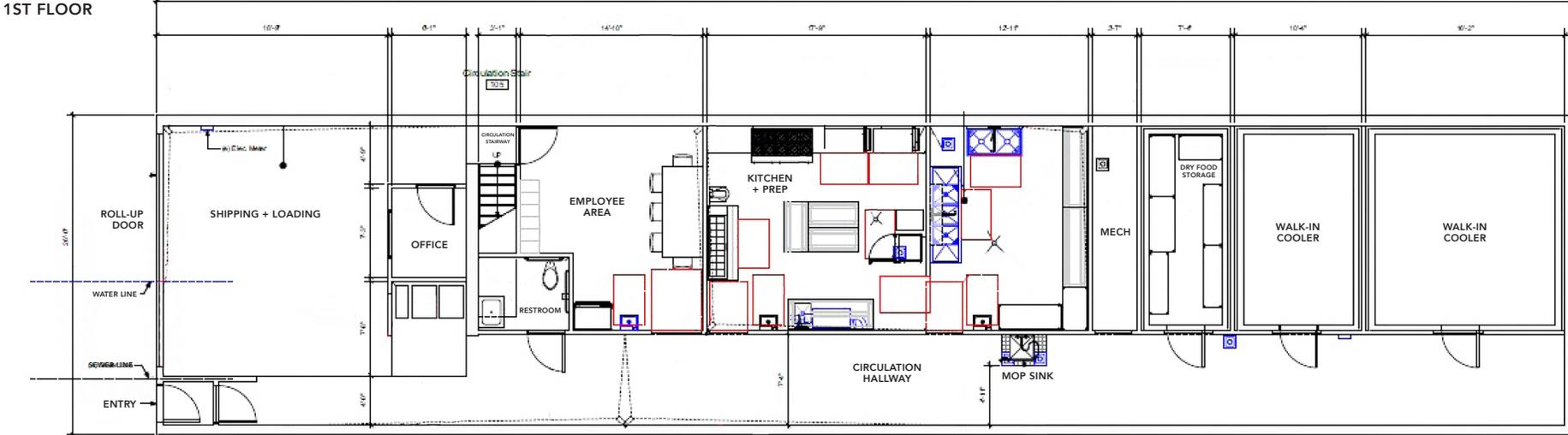
	BRICK & MORTAR RESTAURANT		CLOUD KITCHENS
	0.5 MILE	1 MILE	1.5 MILE
Total households	2,300	11,061	28,239
Total population	7,741	36,141	86,632
Persons per household	3.4	3.3	3.1
Average household income	\$72,212	\$76,099	\$78,568
Average house value	\$417,560	\$472,366	\$534,616
Average age	35.1	33.9	34.9
Average age male	34.1	33.3	34.3
Average age female	36.4	35.1	36



# PHOTO TOUR 1240 47th Avenue, Oakland, CA



# FLOOR PLAN 1240 47th Avenue, Oakland, CA



# LOCATION MAP 1240 47th Avenue, Oakland, CA

Located in a high-demand region with easy freeway accessibility between both I-880 and I-580. Close to I-80 and the entire San Francisco Bay Area. Oakland Airport is just 4.9 miles away, Port of Oakland is 4.9 miles, 4.8 miles to Downtown Oakland, 9 miles to Berkeley, 23 miles from San Francisco. 20 miles to Walnut Creek. 35 miles to San Jose, 85 miles to Sacramento.

