

ACARA



2044 FRANKLIN STREET

CONFIDENTIAL OFFERING MEMORANDUM

2044 FRANKLIN STREET

Oakland, CA

FOR SALE
A ±0.59 Acre Multifamily
Development Opportunity

CONFIDENTIALITY & CONDITIONS

The information contained in this Offering Memorandum is confidential, furnished solely for the purpose of review by a prospective capital partner of 2044 Franklin Street, Oakland, CA (the "Property") and is not to be used for any other purpose or made available to any other person without the expressed written consent of ACARA ("ACARA") or the "Owner". The material is based in part upon information supplied by Owner and in part upon information obtained by ACARA from sources it deems reasonably reliable. Summaries of any documents are not intended to be comprehensive or all inclusive but rather only an outline of some of the provisions contained therein. No warranty or representation, expressed or implied, is made by Owner, ACARA, or any of their respective affiliates, as to the accuracy or completeness of the information contained herein or any other written or oral communication transmitted to a prospective capital partner in the course of its evaluation of the Property. No legal liability is assumed or to be applied in connection with the information or such other communications. Without limiting the generality of the foregoing, the information shall not be deemed a representation of the state of affairs of the Property or constitute an indication that there has been no change in the business or affairs of the Property since the date of preparation of the information. Prospective capital partners should make their own projections and conclusions without reliance upon the materials contained herein and conduct their own independent due diligence, including engineering and environmental inspections, to determine the condition of the Property and the existence of any potentially hazardous material located at the site.

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In this Offering Memorandum, certain documents and other

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This Offering Memorandum is subject to prior placement, errors, omissions, changes or withdrawal without notice and does not constitute a recommendation, endorsement or advice as to the value of the Property by ACARA or the Owner. Each prospective capital partner is to rely upon its own investigation, evaluation and judgment as to the advisability of investing the Property described herein.

Owner and ACARA expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to invest in the Property and/or to terminate discussions with any party at any time with or without notice. Owner shall have no legal commitment or obligation to any interested party reviewing this Offering Memorandum or making an offer to invest in the Property unless a written agreement for the investment in the Property has been fully executed and delivered by the Owner and such party and any conditions to Owner's obligations thereunder have been satisfied or waived and then only to the extent expressly provided for therein. ACARA is not authorized to make any representations or agreements on behalf of Owner.

This Offering Memorandum is the property of ACARA and may be used only by parties approved by ACARA and Owner. The Property is privately offered and, by accepting delivery of this Offering Memorandum, the party in possession hereof agrees (i) to return it to ACARA immediately upon request of ACARA or Owner and (ii) that this Offering Memorandum and its contents are of a confidential nature and will be held and treated in the strictest confidence. No portion of this Offering Memorandum may be copied or otherwise reproduced or disclosed to anyone without the prior written authorization of ACARA and Owner.

INVESTMENT CONTACTS

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CONTENTS

EXECUTIVE SUMMARY 4

PROPERTY OVERVIEW 7

LOCATION OVERVIEW 16

MARKET OVERVIEW. 21

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**EXECUTIVE
SUMMARY**

EXECUTIVE SUMMARY

ACARA, as exclusive advisor, is pleased to present the opportunity to acquire 2044 Franklin Street (the "Property"), an urban mixed-use redevelopment site located in the highly sought-after Uptown District, Oakland's premier live-work-play destination. Situated one block from the newly announced Square headquarters, two blocks from the 19th Street BART station, two blocks from the new 900K SF PG&E headquarters, a four-minute walk to Lake Merritt, and a 15-minute commute to San Francisco, the Property is an irreplaceable asset located in the heart of the San Francisco Bay Area.

The Property is a 25,500 SF lot currently operating a single-tenant office space, and is situated in the CBD-C zoning district, which permits a wide variety of uses including residential, mixed-use, retail, and commercial with no height limit. The project proposes a mix of studios, one-bedroom, and two-bedroom units with approximately 5,385 square feet of amenity space including a leasing center, mail center, roof-top deck, outdoor cafe, and fitness studio for tenants.



PREMIER UPTOWN LOCATION

Oakland is often referred to as the central hub of the Bay Area, which makes the Uptown Downtown District Oakland's main line. Once a shopping district in the early 20th century, Uptown is the hottest neighborhood in Oakland. A new restaurant, indie boutique, or bar seemingly opens every other week, with nearly 125 opened in the past decade. Oakland's entertainment capital comes alive at night with a host of new restaurants, hip bars, and an arts scene that's one of the best in the country.



COMPELLING MULTIFAMILY FUNDAMENTALS

There are extremely high barriers to entry and few large development sites available in the downtown region, especially in the Uptown district. The Oakland market continues to experience strong rent growth and tight vacancy rates.



ACCESS TO MASS TRANSIT

The Property is located within walking distance to several transit options: 19th Street BART Station, Oakland Jack London Square Amtrak Station, San Francisco-Oakland Ferry, and convenient access to I-880 and I-980.



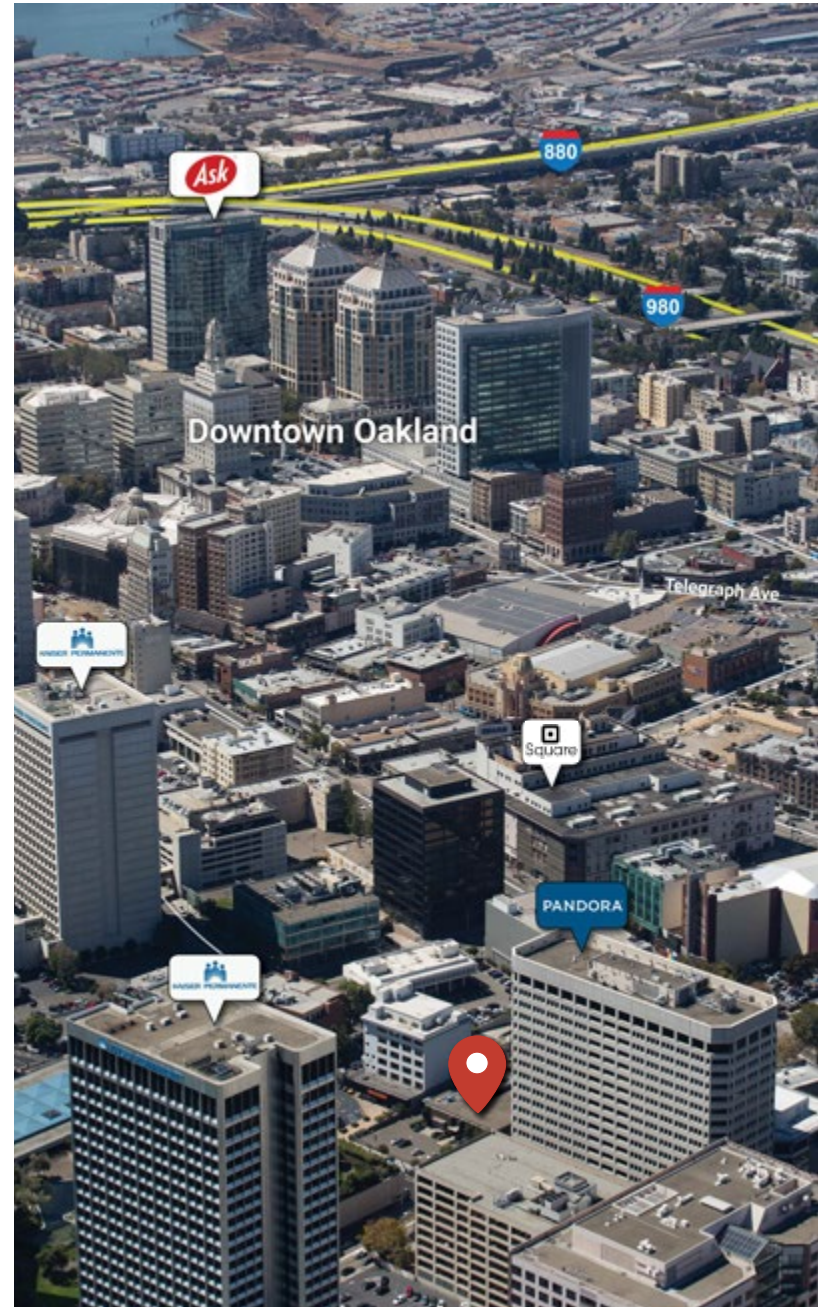
HOTTEST APARTMENT MARKET IN THE COUNTRY

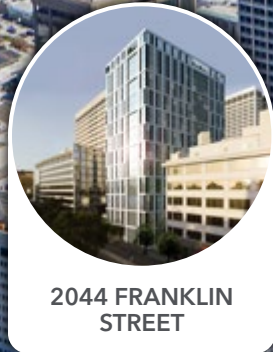
Oakland continues to top the list of annual rent growth leaders in the U.S. Rents rose in Oakland for all apartment types in 2019. Studios were 3.3 percent more in 2019 at about \$2,839, one-bedroom units were .7 percent more at about \$3,308 and two-bedroom units were 6 percent more at roughly \$4,338.

INVESTMENT SUMMARY

Price To Be Determined by Market
Address 2044 Franklin Street
City Oakland, CA
Year Built 1966

Site Area ± 0.59 Acres / 25,500 SF
Zoning Central Business District Commercial (CBD-C)
Current Use Commercial Building & Parking Lot
Proposed Use Mixed-Use / Multifamily / Commercial





2044 FRANKLIN STREET

PROPERTY OVERVIEW

PROPERTY OVERVIEW

2044 Franklin Street is an urban, mixed-use redevelopment site located in the Uptown District of Oakland in Alameda County, CA. The commercial site was operating as a single-tenant office space formerly occupied by Bank of America. Comprised of one parcel totaling 25,500 square feet, or 0.59 acres, the property is situated in the Central Business District (CBD) zoning district, which allows a wide range of ground-floor office and other commercial activities. The project proposes 357 units with a mix of studios, one-bedroom, and two-bedroom units and approximately 5,385 square feet of amenity space including a leasing center, mail center, roof-top deck, outdoor cafe, and fitness studio for tenants.

PROPERTY DETAILS

Address:	2044 Franklin Street Oakland, CA 94612
Zone:	CBD-C, Unlimited Height
Residential:	357 Units
Retail Area:	3,585 SF
Vehicle Parking:	None
Residential Amenity & Open Space:	7,500 SF
Height:	239 Feet
Stories:	22
Loading:	2 Berths
Avg Studio Size:	430 SF
Avg One-Bedroom Size:	605 SF
Avg Two-Bedroom Size:	1,000 SF



Proposed Rendering

2044 FRANKLIN STREET



Downtown San Francisco

Golden Gate Bridge

San Francisco Bay Bridge

Port of Oakland



West Oakland

880



Downtown Oakland



PANDORA



980

Grand Ave

Telegraph Ave

Lakeside Dr

Lake Merritt



2044 FRANKLIN STREET



Proposed Rendering



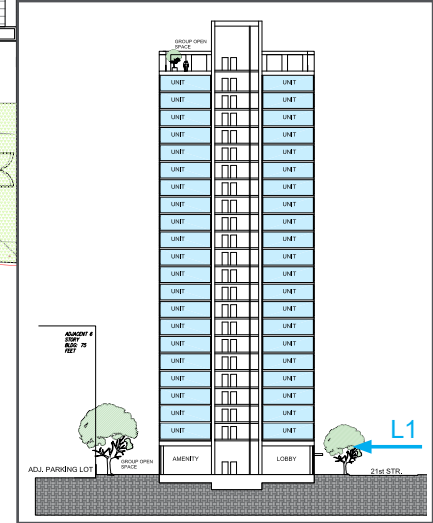
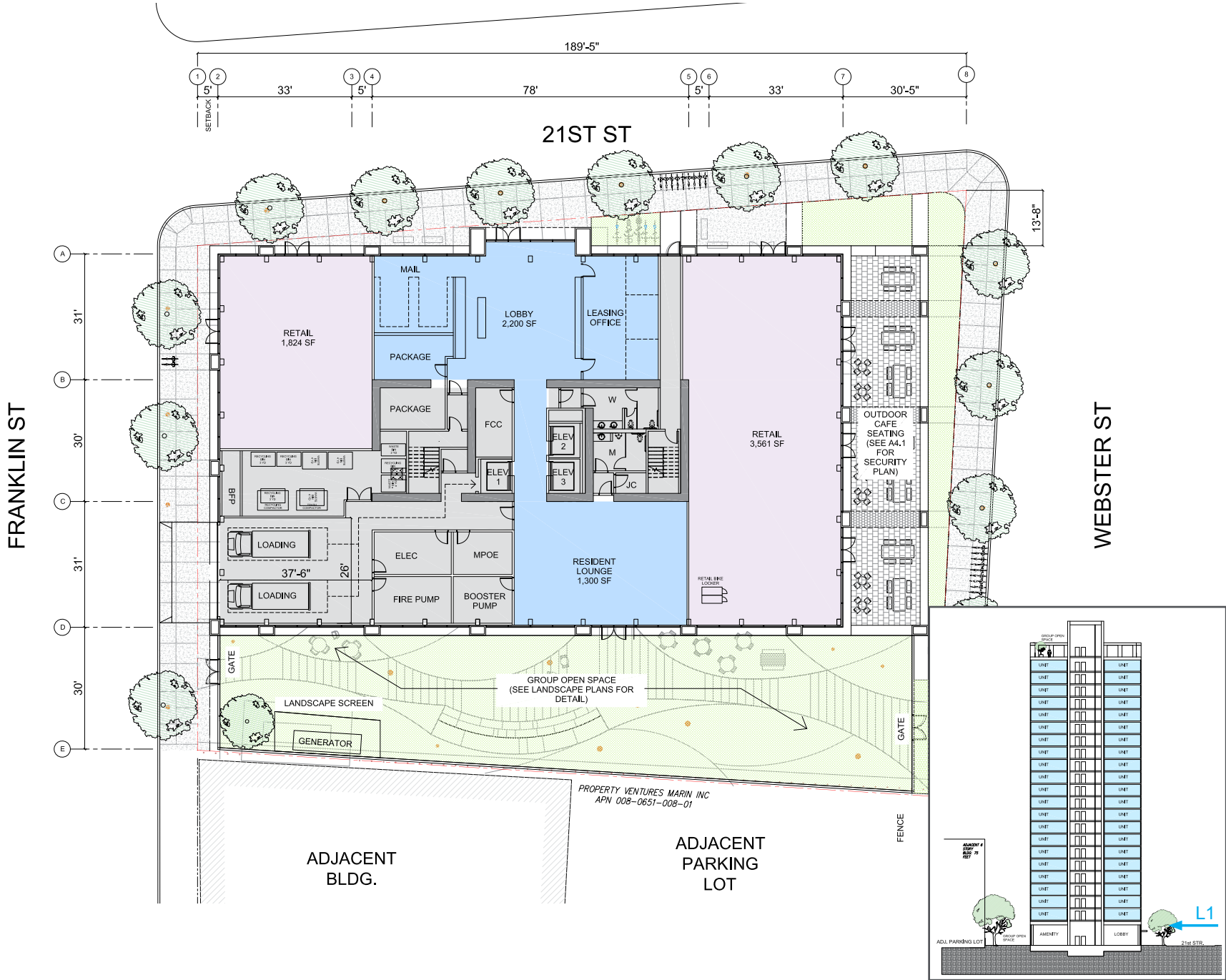
Proposed Rendering



Proposed Rendering

2044 FRANKLIN STREET

2044 FRANKLIN STREET





**LOCATION
OVERVIEW**

LOCATION OVERVIEW

COMMUNITY PROFILE

Oakland is often referred to as the central hub of the Bay Area, which makes the Uptown District Oakland's mainline. Once a shopping district in the early 20th century, Uptown is the city's premier live - work - play destination. Oakland's entertainment capital is host to new restaurants, hip bars, and an arts scene that is one of the best in the country. Situated one block from Square headquarters, two blocks from the 19th Street BART station, a four-minute walk to Lake Merritt, and a 15-minute commute to San Francisco, the property is an irreplaceable asset located in the heart of the San Francisco Bay Area. 2044 Franklin Street has a Walk Score of 97 out of 100, deeming the location a "Walker's Paradise," so daily errands do not require a vehicle.

Burgeoning with local cafes, restaurants, and nightlife venues, Uptown is renowned for its arts, culture, and historic sites like Fox and Paramount Theatres.

DEMOGRAPHICS



277,858

Residents
3-Mile Radius



514,799

Residents
5-Mile Radius



39

Avg Age of Residents
3-Mile Radius



\$82,922

Median Household Income
3-Mile Radius



2.2

Avg Persons / Household
3-Mile Radius



2,599,043

Total Labor Force
San Francisco-Oakland-Hayward MSA



\$771,000

Median Sale Price
Oakland City

LOCATION OVERVIEW

OAKLAND
AMENITIES MAP

LEGEND

DINING / ENTERTAINMENT

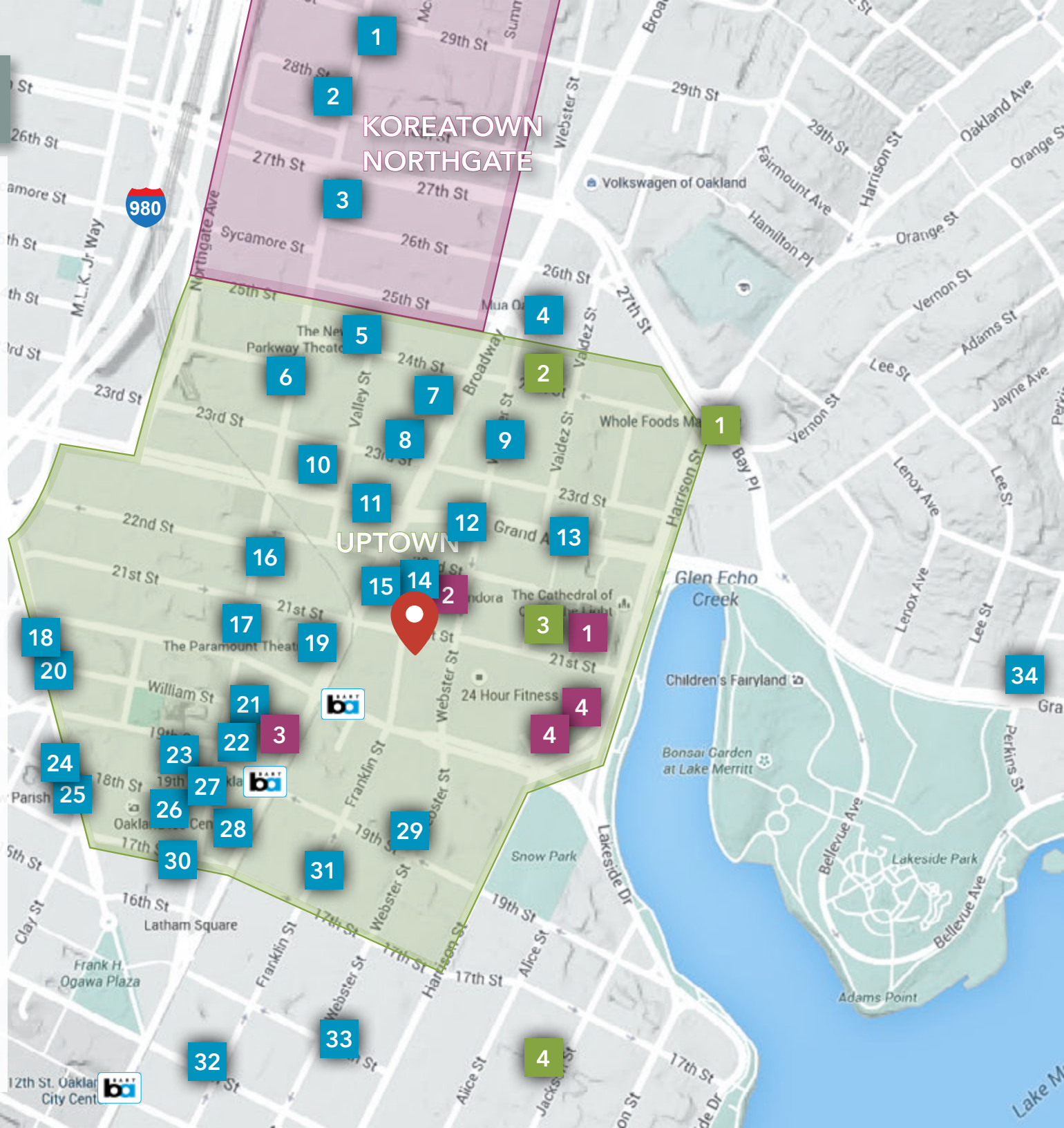
1. Common Wealth Cafe
2. Dan Sung Sa
3. Gogi Time
4. Mua Oakland
5. New Parkway Theater
6. Stork Club
7. Calavera
8. Dosa
9. Hawker Fare
10. Ozumo
11. Luka's Taproom
12. The Athletic Club Oakland
13. True Burger
14. Umami Burger
15. Agave Uptown
16. Lost & Found
17. 2022
18. Hopscotch
19. The Paramount Theater
20. Belly
21. Flora Restaurant & Bar
22. Duende
23. Fox Theater
24. The New Parish
25. Mockingbird
26. Make Westing
27. Camber Uptown
28. Bar Dogwood
29. Parlour
30. Cafe Van Kleeff
31. The Lunch Box
32. Analog
33. Aburaya Japanese
34. Enssaro

RETAIL

1. Whole Foods
2. Green & Go
3. Uptown Farmer's Market
4. Gourmet Market

MAJOR EMPLOYERS

1. Kaiser Permanente
2. Pandora
3. Square
4. BART
5. PG&E



2044 FRANKLIN STREET

2,000 EMPLOYEES

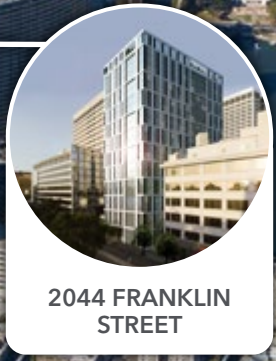
The 356,000-square-foot expansion in the former Sears Building positions Square to become the largest tech company in Oakland.
- San Francisco Chronicle

87,389 APPLICATIONS

Year after year, for more than a decade, applications for admission to UC Berkeley exceeded 80,000.
- Berkeley News



2044 FRANKLIN STREET



2044 FRANKLIN STREET



DAILY CONVENIENCES

A sampling of conveniences within walking distance or in close proximity to the property are:



Hair and beauty salons, fitness centers, gas stations, auto repair shops and parts supply stores, insurance services, and medical clinics are also nearby.



SHOPPING AND DINING

Broadway Avenue

- Broad selection specialty retailers and eateries along Broadway Avenue.
- Urban Stitch Boutique; Oaklandish; Town Biz; Laurel Book Store; Show & Tell Concept Shop.
- Xolo; Duende; Itani Ramen; Delicious Curry House.

Bay Street Emeryville

- Bayside, pedestrian-friendly, multi-level shopping and entertainment complex.
- Express; Gap; Sleep Number; Zumiez; Vans; LUSH; Levi's Store; Forever 21.
- AMC Bay Street 16 movie theater; California Pizza Kitchen; PF Chang's.

Alameda South Shore

- Waterfront, open-air shopping center with a variety of national retailers and restaurants.
- Trader Joe's; Safeway; Kohl's; T.J. Maxx; Ross Dress for Less; Old Navy; Carter's.
- Trabocco Kitchen and Cocktails, Panera Bread, Jamba Juice.

Eateries

- Umami Burger
- Ichiro
- alaMar Kitchen & Bar
- Mela Bistro
- Duende
- Aburaya
- Agave Uptown
- Ike's Sandwiches
- Burma Bear



**MARKET
OVERVIEW**

INTRODUCTION

Oakland leads the East Bay as the economic and cultural hub of the region. The city is situated on the eastern side of the Oakland / San Francisco Bay in Alameda County. Its eastern border offers 19 miles of coastline, while rolling hills to the east offer views of the Bay and Pacific Ocean. Within the two are traditional, well-kept neighborhoods, a progressive downtown that is experiencing a surge in growth, and superior cultural and recreational amenities. Oakland is the administrative site for the county of Alameda, the regional seat for the federal government, the district location of primary state offices, and the transportation hub of commerce for the bay Area.

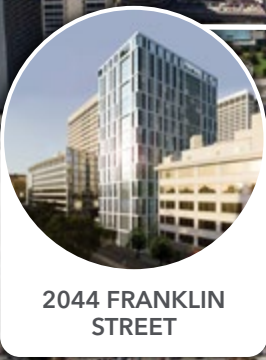
421,546
2020 POPULATION EST.

55.9
SQUARE MILES

7,541.1
PEOPLE / SQUARE MILES



2044 FRANKLIN STREET



2044 FRANKLIN STREET

WALKSCORE

WALKER'S PARADISE
97

EXCELLENT TRANSIT
80

BIKER'S PARADISE
92

DEMOGRAPHICS

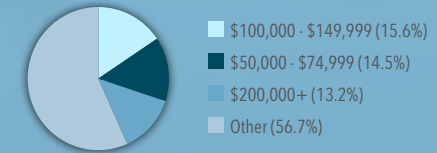
ANNUAL POPULATION GROWTH
1.29% GENERATION Z
1.27% MILLENNIAL

37.7
 MEDIAN AGE

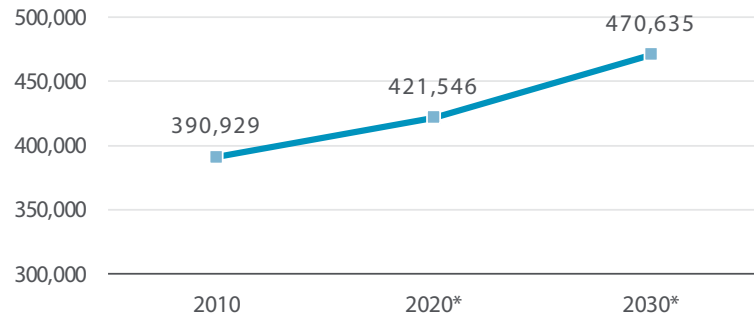
\$73,161
 MEDIAN HOUSEHOLD INCOME

2.5
 AVERAGE HOUSEHOLD SIZE

LARGEST GROUP OF EARNERS

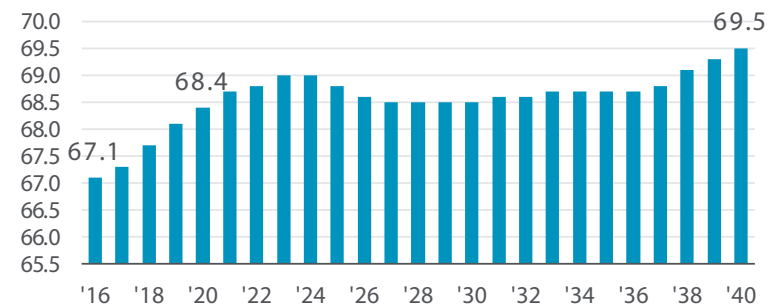


POPULATION GROWTH (OAKLAND)



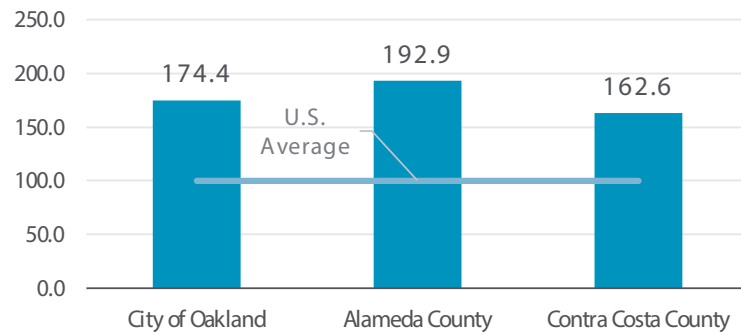
Source: Greystone Research, ESRI Demographics. *Projected

U.S. POPULATION: AGE 20-34 COHORT (MILLIONS)



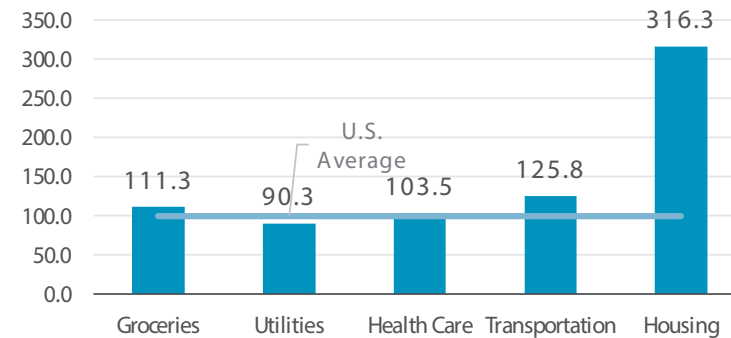
Source: Census Bureau, Fannie Mae

COST OF LIVING (OAKLAND)



Source: Sperling's.

COST OF LIVING - ITEMIZED (OAKLAND)



Source: Sperling's



HOUSING

\$801,072
MEDIAN HOME VALUE
(ZILLOW INDEX, MAY 2020)

\$525
MEDIAN LIST PRICE
OAKLAND

\$499
MEDIAN LIST PRICE
SAN FRANCISCO-OAKLAND-HAYWARD MSA

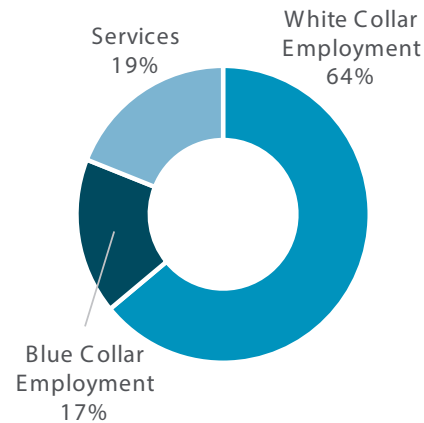
ECONOMY



18,429
TOTAL BUSINESSES



172,140
TOTAL EMPLOYEES



TOTAL OFFICE SPACE SF
CENTRAL BUSINESS DISTRICT

16,255,174
OAKLAND - DOWNTOWN

1,611,139
OAKLAND - JACK LONDON SQUARE

7.6%
OFFICE VACANCY 1Q 2020

COMPANIES RELOCATING

Oakland continues to benefit from companies relocating from San Francisco to escape skyrocketing rents. Oakland also stands to gain in attracting firms that need several hundred thousand square feet and can't find it in San Francisco. In the past five years, average asking per square foot FS rents have more than doubled from \$2.23 in the first quarter of 2015 to \$4.59 in the first quarter of 2020, according to the most recent Collier's report.

Some recent announcements and capital investments include:



PG&E announced that it will shift its headquarters to downtown Oakland starting in 2022, exiting San Francisco after 115 years. This marks a major jobs coup for Oakland. TMG Partners, a principal owner of the 28-story office tower at 300 Lakeside, will renovate the downtown Oakland offices to PG&E's specifications.



Deem Inc., a corporate travel company, moved its headquarters from San Francisco to Oakland in late 2019. Deem Inc. leased a full floor - about 16,454 square feet, in 1330 Broadway, an 18-story tower in the heart of downtown Oakland above the 12th Street BART stop.



Blue Shield, a nonprofit health plan, moved its corporate headquarters from San Francisco to Oakland in 2019 to reduce administrative costs, provide a new, state-of-the-art facility for its employees and to strengthen the company's position for long-term sustainable growth.



Square, the payments processor corporation run by Jack Dorsey (Twitter CEO), signed a lease for a 356,000-square-foot building in downtown Oakland in December 2018. The building has capacity for up to 2,000 workers. Square's arrival is expected to attract other startups and tech companies.

In 2019, an Urban Land Institute report named Oakland and the East Bay to a list of **metro areas attracting outsized amounts of capital across the U.S.** The Urban Land Institute and PwC consider the Oakland and East Bay area as one of several **"major capital magnets"** across the nation.

As of October 2019, a total of 47 Oakland-based companies closed funding rounds for the year with a combined value of **\$583 million, marking the highest total in years.**

Jeff Bellisario, interim executive director for the Bay Area Council Economic Institute, which studies economic issues affecting the vast region's livability and business competitiveness states **"I think we'll see Oakland emerging as tech moves a bit to the East" further stating "It's becoming that cool hip place to go."**

HEALTH CARE

KAISER PERMANENTE MEDICAL GROUP

Kaiser Permanente has headquarters in Oakland and is the city's largest employer.

LARGEST
MEDICAL GROUP IN U.S.

12,000+
EMPLOYEES - OAKLAND

4.5M
PATIENTS IN NORTHERN CA

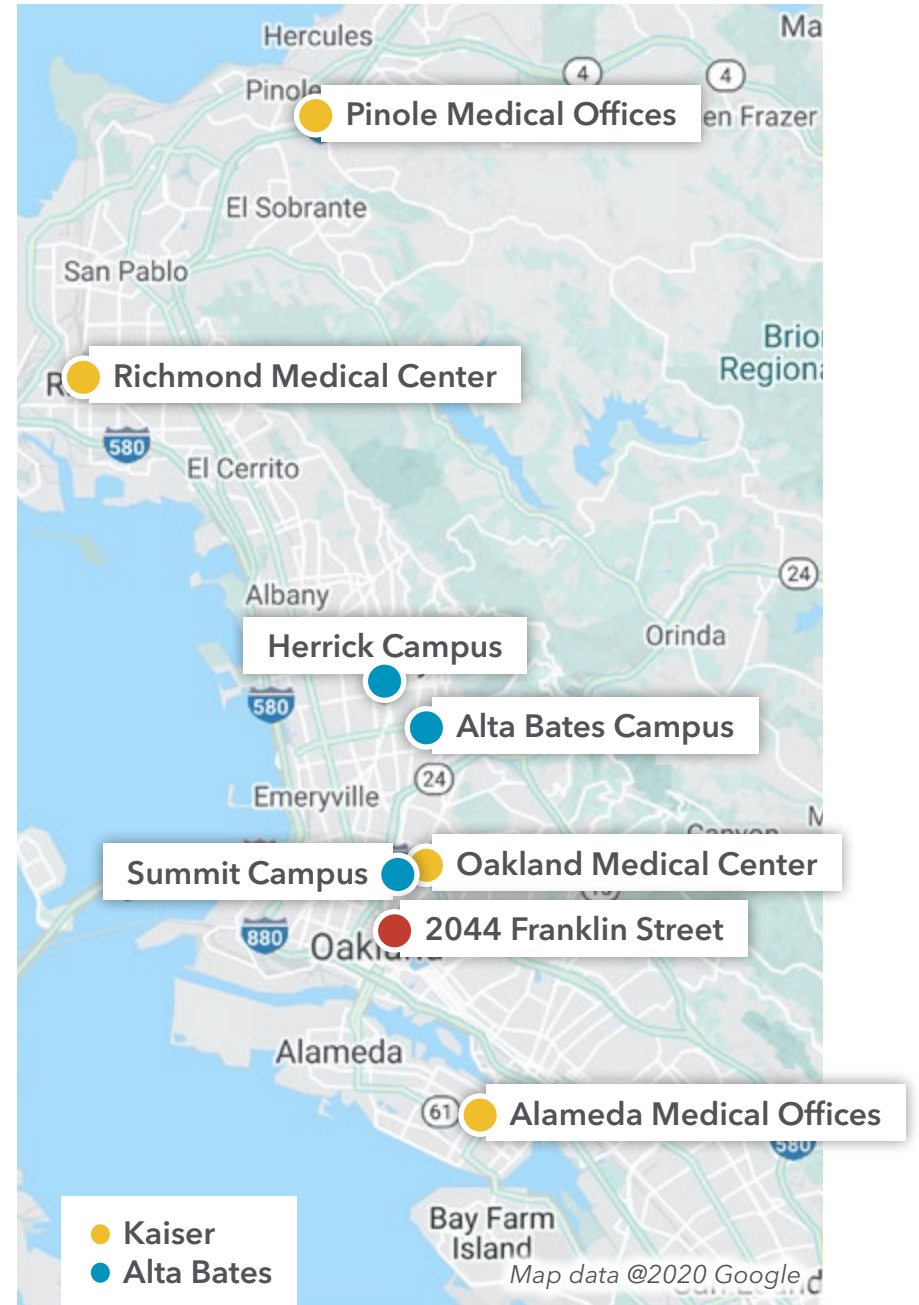
ALTA BATES SUMMIT MEDICAL CENTER

With locations in Berkeley and Oakland, Alta Bates Summit is a part of the Sutter Health network.

LARGEST
PRIVATE, NOT-FOR-PROFIT MEDICAL CENTER IN EAST BAY

3
CAMPUSES

2
ACUTE-CARE HOSPITALS



TRANSPORTATION



BART - 19TH STREET BART STATION

- BART provides access to San Francisco Airport, Downtown San Francisco, and the East Bay
- Passengers can also access AC Transit buses from most East Bay BART stations



BAY BRIDGE

- Connects Oakland to San Francisco



I-880

- Connects Oakland to San Jose, running parallel to the southeastern shore of the San Francisco Bay



I-80

- Runs from downtown San Francisco through Oakland across the United States to the New York City Metropolitan Area



AMTRAK

- Jack London Square rail station connects residents to destinations across California

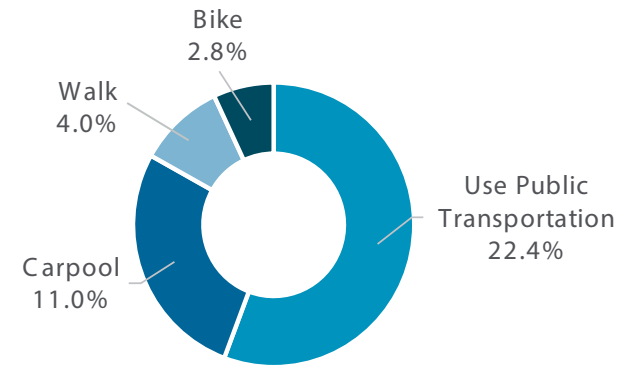


FERRY SERVICE

- From Alameda / Oakland via Jack London Square
- Provides service between Oakland, Alameda, and San Francisco



TRANSPORTATION TO WORK



Berkeley

UNIVERSITY OF CALIFORNIA

UC BERKELEY

The University of California, Berkeley is a public research university and is the oldest and flagship campus of the University of California system. UC Berkeley has been ranked by numerous major education publications as among the top 10 universities in the world.

43,204
STUDENTS
ENROLLED

\$800M+
R&D EXPENDITURES

#1
PUBLIC UNIVERSITY
WORLDWIDE

U.S. News & World Report

\$4.7B
ENDOWMENT

CAL STATE EAST BAY

CALIFORNIA STATE UNIVERSITY, EAST BAY

Located in Hayward, California State University, East Bay is a public university and is part of the 23-campus California State University system.

14,705
STUDENTS
ENROLLED

737
ACADEMIC
STAFF

136
UNDERGRADUATE
AREAS OF STUDY

60
BACCALAUREATE
AREAS OF STUDY

HIGHER EDUCATION

Two of the largest higher-learning institutions in the East Bay area are the California State University East Bay in Hayward and the University of California Berkeley.

42%
OAKLAND - BACHELOR'S DEGREE
OR HIGHER



UC Berkeley Campus



California State University, East Bay Campus

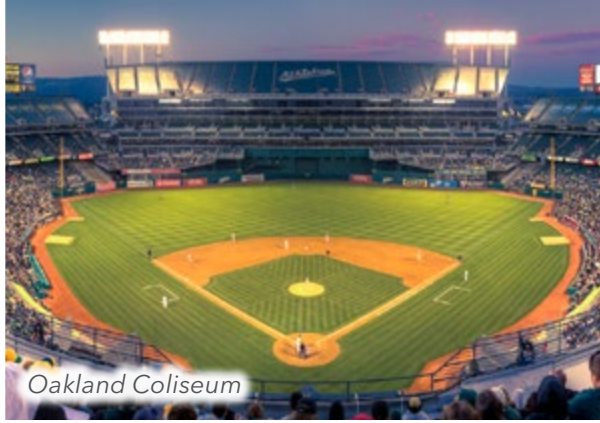
TOURISM AND RECREATION

The eclectic and diverse Downtown district is rich with history, art and culture, and emerging specialty shops and restaurants. Lake Merritt's Lakeside Park is one of the most accessible parks in the city, and residents have access to a variety of sites and activities, including the Lake Merritt Wildlife Sanctuary - the oldest Wildlife Refuge in Northern America. The park also features an indoor playground; paved walking trails; lawn bowling; and non-motorized boating.

PARKS & TRAILS

- Lafayette Square
- Paramount Theatre
- Rotary Nature Center
- African American Museum and Library
- Oakland Museum of California
- Museum of Children's Art
- Museum of Art and Digital Entertainment
- Fox Theater
- Children's Fairyland
- Snow Park

Sources: ACARA Research; Yardi Matrix; Wikipedia; U.S. Bureau of Labor; U.S. Census: Sperling's; CensusReporter; Colliers; City of Oakland; ESRI Demographics.



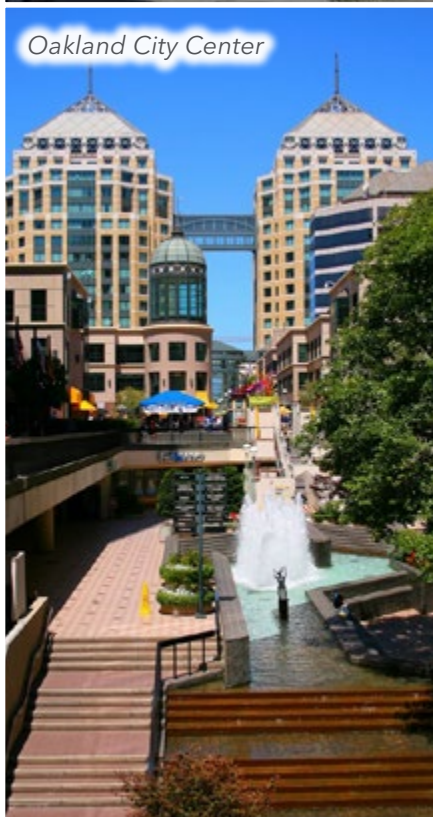
Oakland Coliseum



Fox Theater



Oakland - Chinatown



Oakland City Center



Jack London Square



Oakland - Off the Grid



Oakland - Temescal Street Fair

INVESTMENT CONTACTS

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For more information visit

www.myacara.com