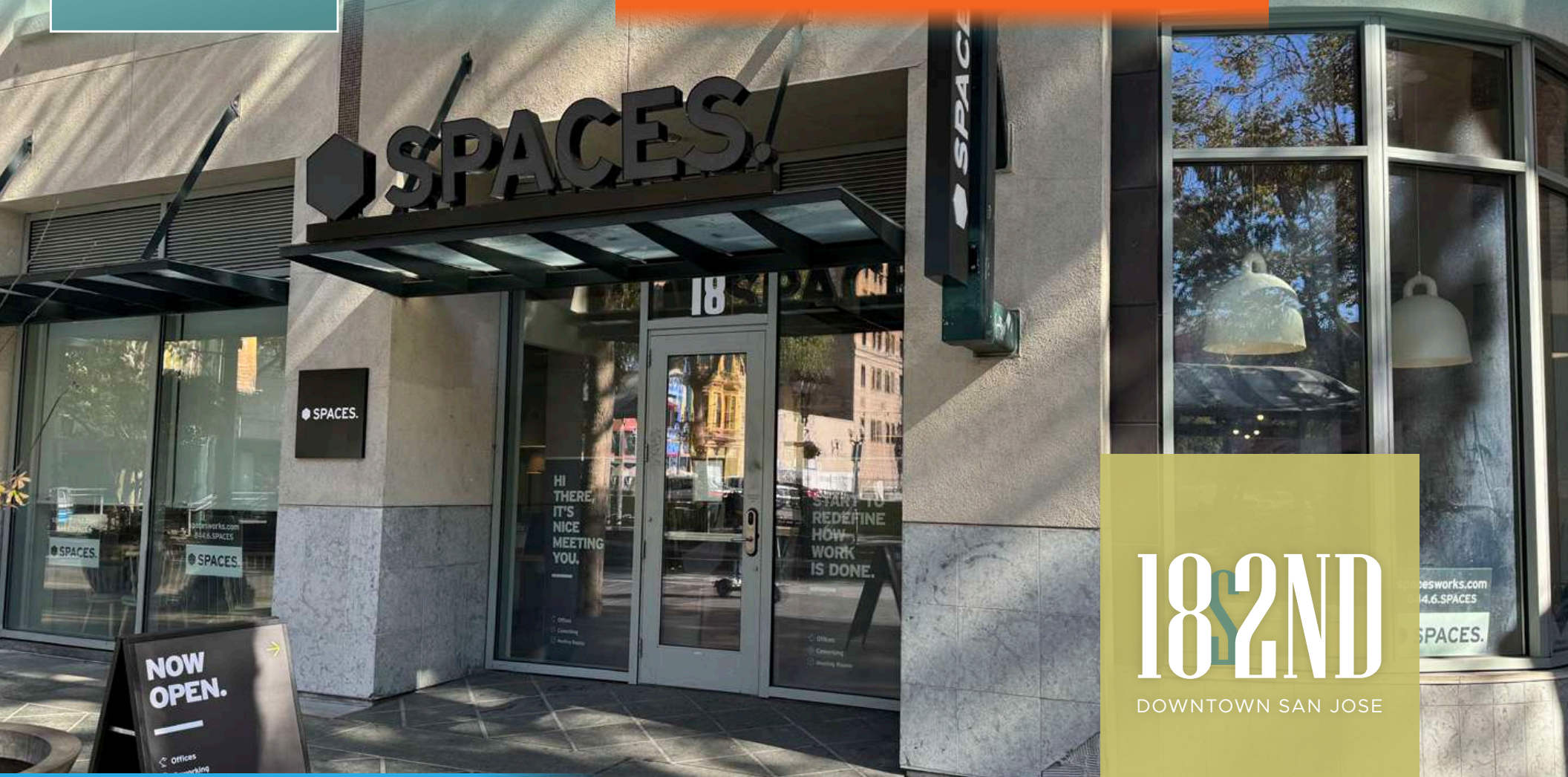


SILICON
VALLEY

SINGLE TENANT INVESTMENT OPPORTUNITY

SIGNIFICANT PRICE REDUCTION



18&2ND

DOWNTOWN SAN JOSE

Highly Attractive Basis!

NEWMARK

CAPITAL MARKETS

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CA RE Lic #01734742

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18&2ND

DOWNTOWN SAN JOSE

I

EXECUTIVE SUMMARY



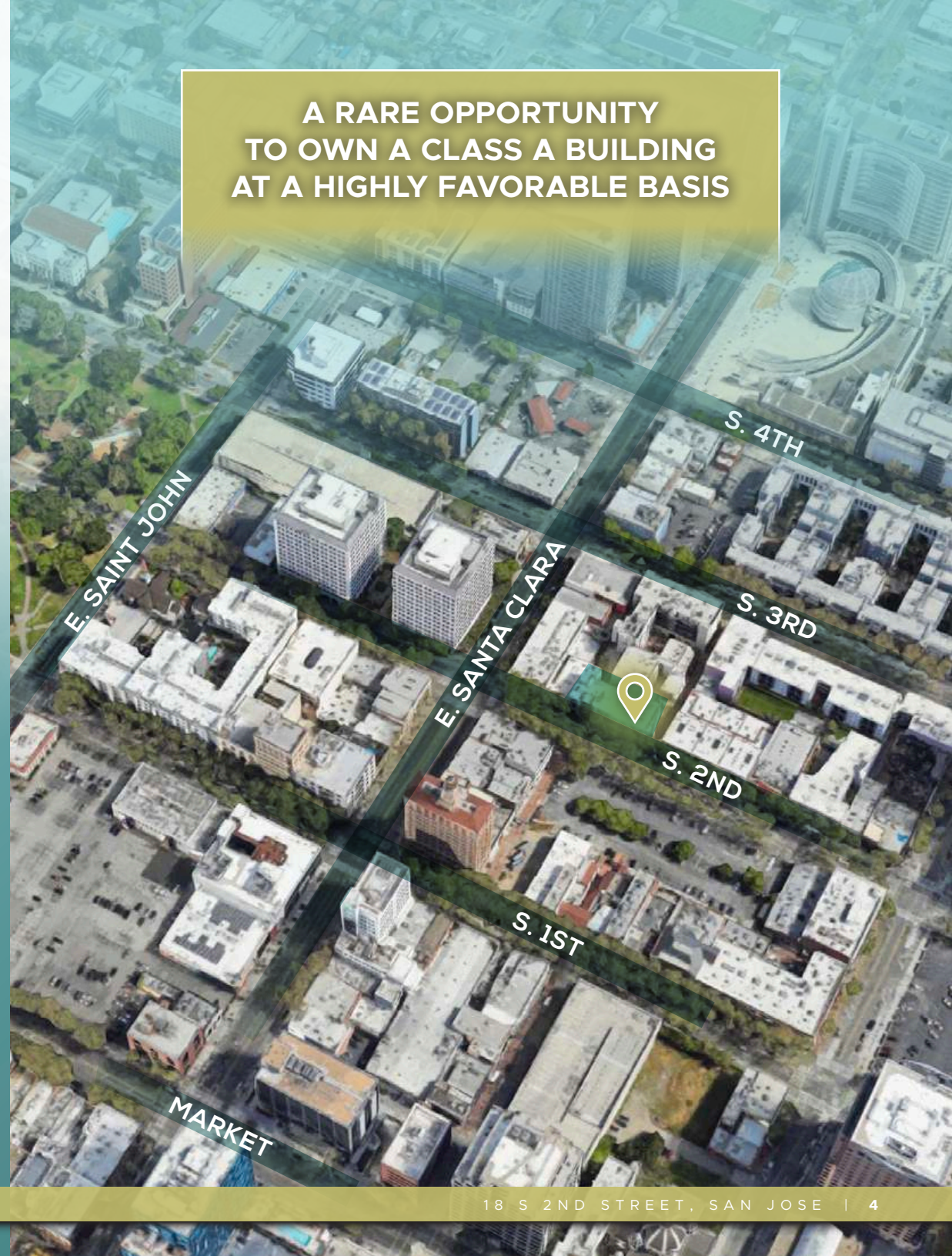
182ND THE OPPORTUNITY

Newmark, as exclusive advisor, is pleased to present the unique opportunity to acquire the fee simple interest in a 100% leased, single tenant asset consisting of $\pm 17,500$ RSF leased to Regus (IWG PLC) located in Downtown San Jose.

Price	\$2,187,500
Price/SF	\$125

This rare opportunity to acquire a leased investment, provides the investor the ability to own newly renovated office space in the prominent and growing Downtown San Jose market with a 10+ year commitment from one of the largest coworking companies in the world. Not only did the Tenant commit to a 10 year initial term, but the lease also provides upside for an investor through profit participation.

A RARE OPPORTUNITY
TO OWN A CLASS A BUILDING
AT A HIGHLY FAVORABLE BASIS



18²ND PROPERTY SUMMARY



ADDRESS

18 S 2nd Street, San Jose, CA 95113

BUILDING AREA

17,500 SF

TENANT/OCCUPANCY

100% Leased to Regus (IWG PLC)

YEAR BUILT/RENOVATED

2007 / 2018

NUMBER OF STORIES

1 (76 Residential Units Above)

PARCEL NUMBER

467-63-078

SITE AREA

17,500 SF

ZONING

Downtown Commercial (DC)

PARKING

Public Parking – Adjacent 171 Space Garage (additional nearby public & private parking lots)

18 S. 2nd in Downtown San Jose, zoned DC (Downtown Commercial), consists of approximately ±17,500 square feet of office space located on the ground floor of a mixed-use development with 76 residential units above. This dynamic location in the heart of downtown San Jose is on the public VTA light rail system and is located a short distance to Caltrain Diridon Station that provides immediate access to all parts of the Silicon Valley, Peninsula, and San Francisco. The amenity rich environment is surrounded by San Pedro Square, Historic District and Paseo de San Antonio of shops, food and drinks and a variety of walkable activities. There is an adjacent 171 space Public Parking garage and several public and private parking lots within walking distance.

18 S. 2nd sale offering is in the path of long-term growth and future viability of Downtown San Jose in Silicon Valley.

182ND INVESTMENT HIGHLIGHTS



Prime Downtown
San Jose location



Single tenant leased
investment



Brand new tenant
improvements for
workspace environment



Directly across from
VTA light rail stop



Walking distance (or
short DASH shuttle) to
Diridon Caltrain Station
and future BART
Station on East Santa
Clara Street



Long Term lease
with Regus,
±9 years remaining



Ideal investment
property for 1031
Exchange



Well Below
Replacement Costs

TENANT
Regus (IWG PLC)

TERM
10 Years
(8 years remaining)

MIN. ANNUAL RENT
\$294,000

182ND LEASE SUMMARY

PROPOSED NEW DEBT

Tenant Name	RGN - San Jose, XI LLC
Square Feet	17,500 SF
Lease Start	February 1, 2023
Lease End	January 31, 2033
Annual Increase	3%
Min Monthly Rent	\$24,500
Proforma Annual Rent (80% profit share)	\$735,000
Options	Two, Five Year
Ownership	Fee Simple
Lease Security	\$183,750 Letter of Credit

MINIMUM RENTAL INCOME

Revenue Periods (Months)	Monthly Rent	Annual Rent
Feb 2024-Jan 2025	\$24,500	\$294,000
Feb 2025-Jan 2026	\$25,235	\$302,820
Feb 2026-Jan 2027	\$25,992	\$311,905
Feb 2027-Jan 2028	\$26,772	\$321,262
Feb 2028-Jan 2029	\$27,575	\$330,900
Feb 2029-Jan 2030	\$28,402	\$340,827
Feb 2030-Jan 2031	\$29,254	\$351,051
Feb 2031-Jan 2032	\$30,132	\$361,583
Feb 2032-Jan 2033	\$31,036	\$372,430
Feb 2033-Jan 2034*	\$31,967	\$383,603
Feb 2034-Jan 2035*	\$32,926	\$395,111
Feb 2035-Jan 2036*	\$33,914	\$406,695
Feb 2036-Jan 2037*	\$34,931	\$419,174
Feb 2037-Jan 2038*	\$35,979	\$431,749
Feb 2038-Jan 2039**	\$37,058	\$444,701
Feb 2039-Jan 2040**	\$38,170	\$458,042
Feb 2040-Jan 2041**	\$39,315	\$471,784
Feb 2041-Jan 2042**	\$40,495	\$485,937
Feb 2042-Jan 2043**	\$41,710	\$500,515

*First Renewal if Tenant exercises its First Renewal Option

**Second Renewal Term if Tenant Exercises its Second Renewal Option

18&2ND TENANT PROFILE



IWG PLC, Regus' parent company, owns a network of business centers that are leased to a variety of business customers and offer flexible workspace options. It owns and operates brands like Regus, Spaces, Signature, HQ, and No 18. The company operates in four principal geographical segments: the Americas; Europe, Middle East, and Africa; Asia-Pacific; and the United Kingdom. The Americas segment generates the largest proportion of revenue.

WORK WHEREVER BUSINESS TAKES YOU

With over 3,000 locations globally we have offices, coworking spaces and meeting rooms in every major town, city, and transport hub.

IF YOUR NEEDS CHANGE, WE'RE FLEXIBLE

Whether you work alone, you're growing a start-up, or you're running the world's most successful corporation our network makes it possible to work near clients, colleagues, or family.

Whether you need a single desk or a whole building, want to drop in or stay for much longer, we've got all your immediate business requirements covered.

And whatever the future brings, we're able to handle that too. So when you need to scale up, cross borders, or make the move to hybrid working we're here to support you every step of the way.

Market Cap

\$1.90 B

As of Jan 2024

TTM Total Revenue

\$2.95 B

As of Jun 2023

Enterprise Value

\$7.99 B

As of Jan 2024

IWG IN NUMBERS

8M+ People use our workspace

Every day millions of people open their laptops at an IWG workspace. Whether they're working solo or part of a team.

120+ Countries we're present in

We have workspaces of every size in every timezone across the planet. And we're growing by the day.

4,000+ Workspace locations globally

Name a major city or town anywhere in the world and there's a good chance we're already there.

10,000+ Global team members

Our team members come from a truly diverse background, speaking over 50 different languages.



18&2ND

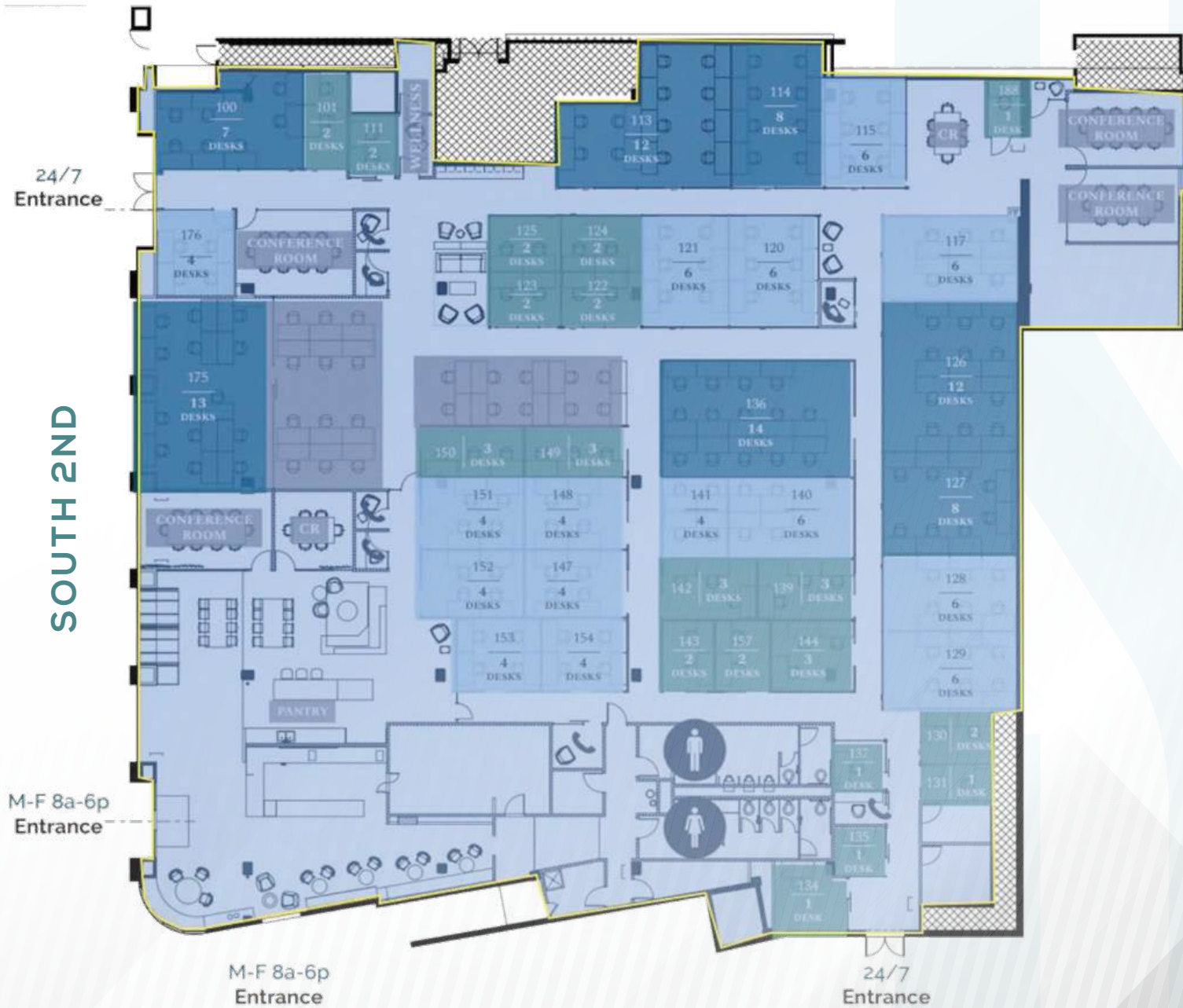
DOWNTOWN SAN JOSE

2

PROPERTY OVERVIEW



18&2ND FLOOR PLAN











18&2ND

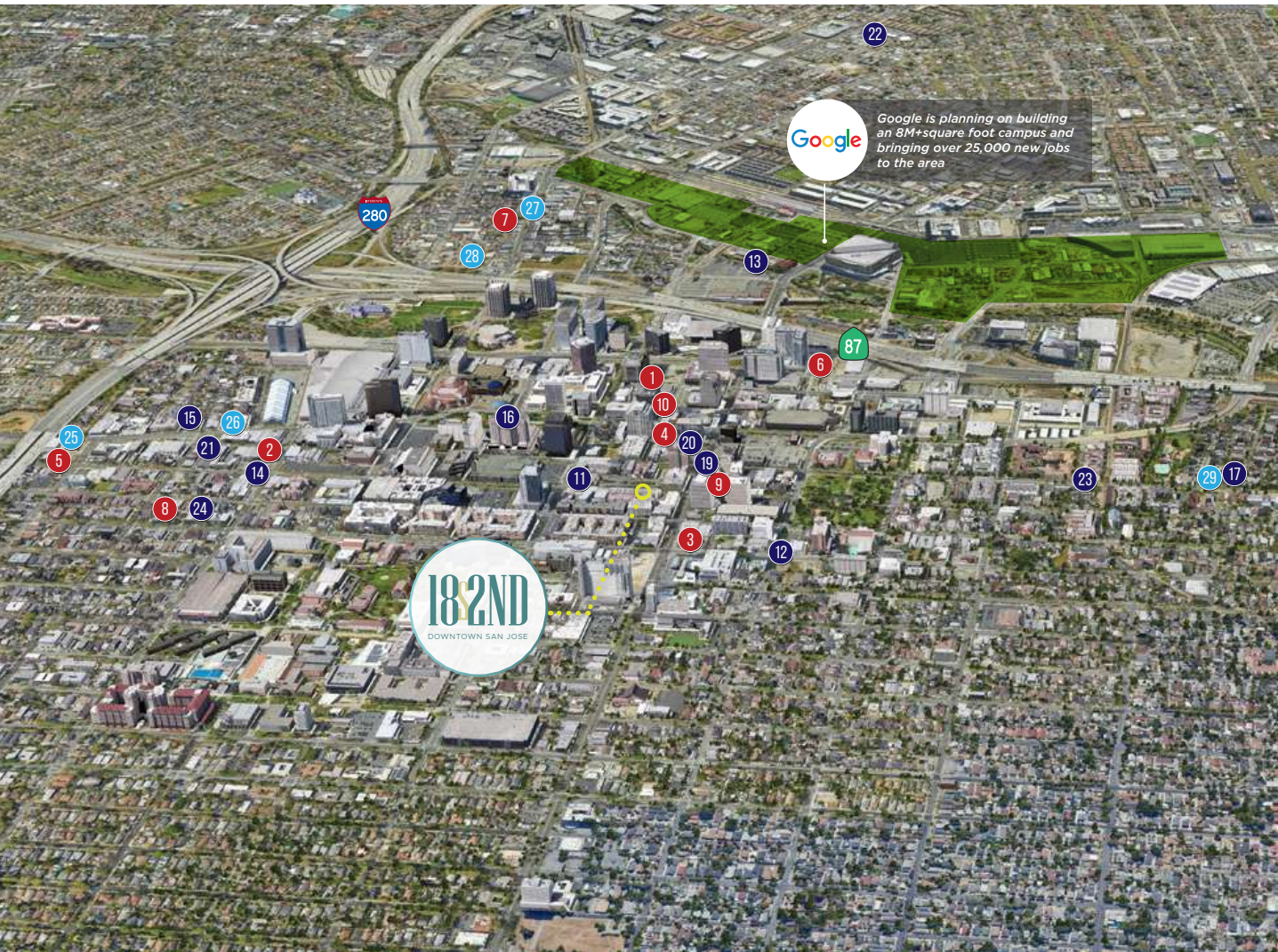
DOWNTOWN SAN JOSE

3

AREA OVERVIEW



18&2ND DOWNTOWN DEVELOPMENTS - MULTIFAMILY



Approved

PROPERTY NAME	UNITS/ROOMS	OFFICE SPACE	COMPLETION DATE
1 70 S Almaden Ave	723		Q1 2026
2 The Orchard Residential	540		Q4 2026
3 Icon-Echo Towers - Building 1	389		Q1 2025
4 27 West	374		Q1 2025
5 605 Affordable	358		Q4 2025
6 The Carlyle	280	150,000	Q2 2027
7 Aquino	272		Q4 2025
8 The Mark	222		Q4 2025
9 19 N 2nd St	220		N/A
10 Post San Pedro Tower	202		Q4 2026

Proposed

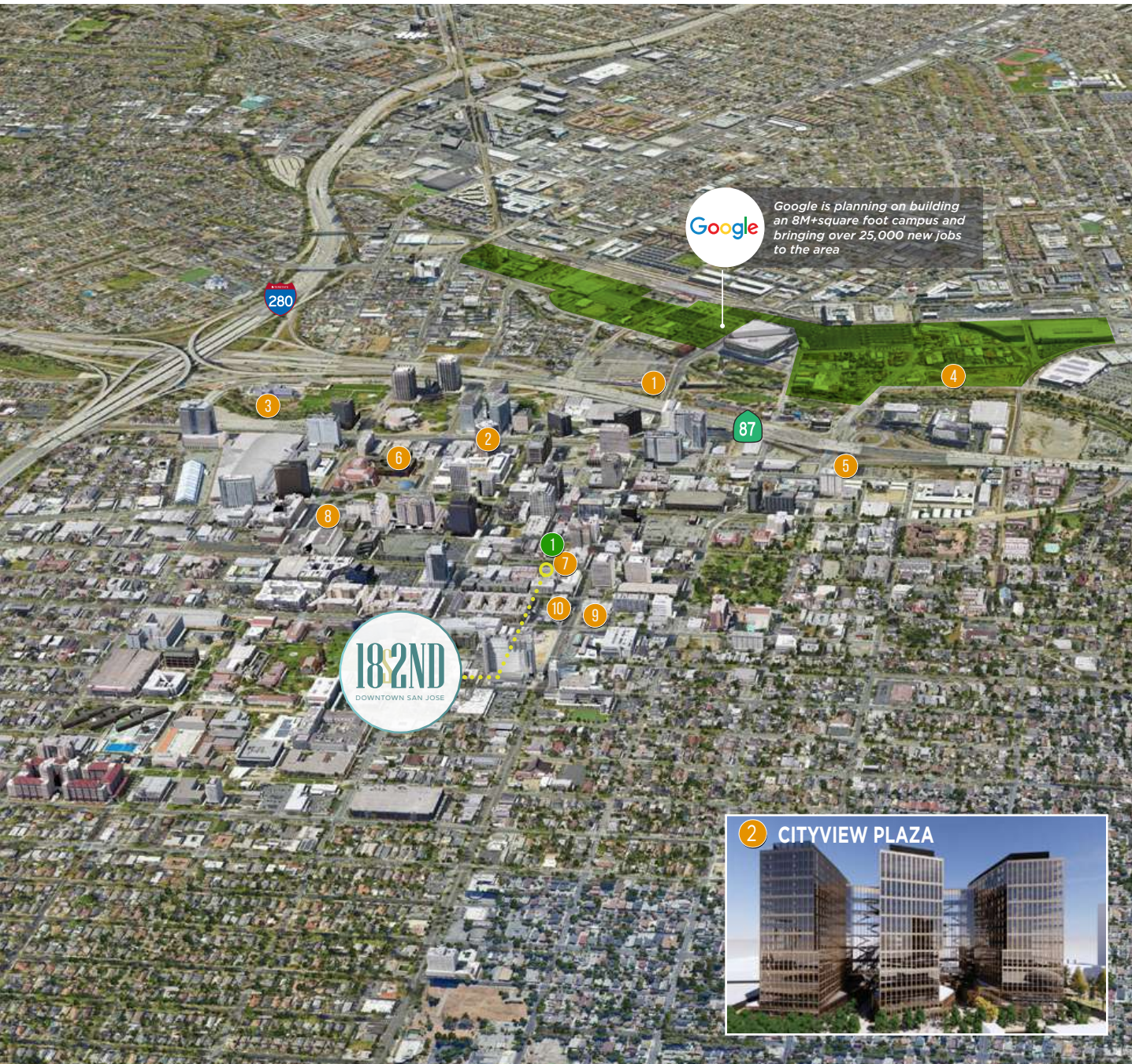
PROPERTY NAME	UNITS/ROOMS	OFFICE SPACE	COMPLETION DATE
11 90-98 S 2nd St	339		Q1 2025
12 Spartan Heights	330		Q3 2026
13 402 W Santa Clara St	325		Q3 2026
14 404 S 2nd St	299		N/A
15 Gateway Tower	292		Q2 2026
16 170 S Market St	264		N/A
17 475 N 1st St	220		Q3 2025
18 95 N 17th St	213		Q2 2026
19 Eterna Tower	192		Q3 2025
20 Micro Hotel at 2 West Santa Clara	147		Q2 2026
21 Home2 Suites by Hilton San Jose Downtown	144		Q1 2030
22 259 Meridian Ave	120		Q3 2025
23 380 N 1st St	118		N/A
24 439 S 4th St	108		Q4 2025

Under Construction

PROPERTY NAME	UNITS/ROOMS	OFFICE SPACE	COMPLETION DATE
25 Garden Gate Tower	336		Q2 2024
26 Gateway Tower	300		Q3 2026
27 TownePlace Suites by Marriott San Jose Downtown	175		Q2 2025
28 Delmas Avenue	120		Q1 2024
29 The Kelsey Ayer Station	115		Q2 2024



182ND DOWNTOWN DEVELOPMENTS - OFFICE



Approved

PROPERTY NAME	ADDRESS	OFFICE SPACE
1 Google Mega Campus	374-384 W Santa Clara St	7,400,000
2 CityView Plaza	150 Almaden Blvd	3,600,000
3 Plaza at Almaden	447 Almaden Blvd	1,454,320
4 Platform 16	325 Autumn Pky	1,090,000
5 Davidson Plaza Tower	255 W Julian St	875,000
6 Museum Place	180 Park Ave	870,793
7 The Energy Hub	35 S 2nd St	405,924
8 Market Street Towers	282 S Market St	628,000
9 Icon-Echo Towers - Building 2	147 N 4th St	525,000
10 SuZaCo	130-150 E Santa Clara St	63,461

Proposed

PROPERTY NAME	ADDRESS	OFFICE SPACE
1 Fountain Alley Building	30 S 1st St	57,000

18²ND SAN JOSE TRANSPORTATION OVERVIEW

CONNECTED TO THE EAST BAY BY HIGHWAYS 680 AND 880, AND LINKED TO THE SAN FRANCISCO PENINSULA BY HIGHWAYS 101 AND 280, SAN JOSE IS THE CENTER OF SILICON VALLEY'S REGIONAL TRANSPORTATION NETWORK.

San Jose is the gateway to the San Francisco Bay Area and a transportation hub for Silicon Valley.

18 S. 2nd is located just two minutes from Highway 87, offering convenient access to the East Bay via Highways 680 and 880, and San Francisco Peninsula via Highways 101 and 280. Downtown San Jose's Diridon station is a major transit center for all of Silicon Valley and Santa Clara County, providing rail service by Caltrain, ACE, VTA light rail and Amtrak. The bus plaza at the station offers services by Greyhound, Amtrak Thruway, Megabus, Monterey-Salinas Transit, Santa Cruz Metro, and local VTA buses and employer shuttles. Eventually, the station will also offer service to BART with the completion of the Silicon Valley's BART extension Phase II project.

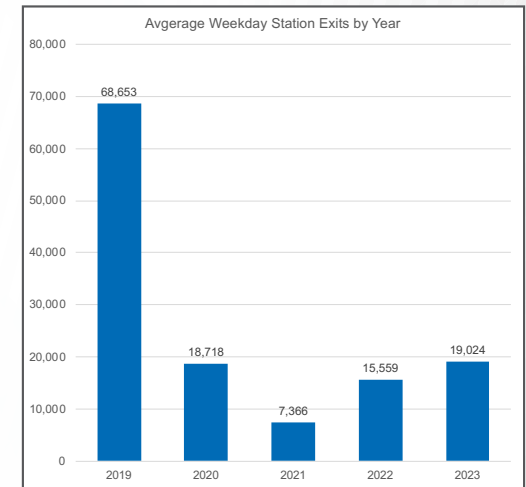
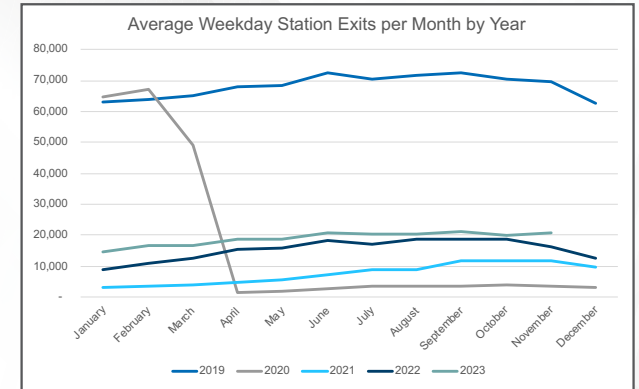
The VTA provides bus, light rail, and paratransit services throughout Santa Clara County, from Mountain View to Gilroy, offering convenient mass transit access to Downtown San Jose.

San Jose Mineta International Airport (SJC) is located just under 4 miles from Downtown San Jose. The airport provides services to nearly 4 million people, and averages 170 departures, 16 domestic and international to 44 nonstop destinations. SJC recently completed an \$8 million upgrade to its international arrivals terminal, and is one of the nation's fastest growing airports.



18²ND VTA/CALTRAIN RIDERSHIP RATES

MONTH/ YEAR	2019	2020	2021	2022	2023
JAN	63,044	64,806	3,058	9,044	14,655
FEB	64,041	67,218	3,484	10,956	16,829
MAR	65,000	49,276	3,965	12,539	16,628
APR	68,000	1,547	4,693	15,451	18,621
MAY	68,326	1,936	5,521	15,757	18,853
JUN	72,370	2,884	7,143	18,187	20,663
JUL	70,493	3,421	8,721	16,931	20,525
AUG	71,557	3,526	9,096	18,598	20,284
SEP	72,389	3,654	11,881	18,696	21,366
OCT	70,360	3,873	11,673	18,565	19,939
NOV	69,607	3,760	11,787	16,429	20,901
DEC	62,480	3,162	9,687	12,513	



YEAR	2019	2020	2021	2022	2023
AVG. WEEKDAY STATION EXITS PER YEAR	68,653	18,718	7,366	15,559	19,024



18&2ND SAN JOSE OVERVIEW

San Jose is the 3rd largest city in California, and the largest city in the San Francisco Bay Area. The city is one of the most prosperous regions in the world, boasting the highest median household income in the nation. The area has the one of the largest concentrations of technology companies and VC firms in the world. Cisco, Adobe, and Broadcom are just some of the companies that are headquartered in San Jose.

Downtown San Jose offers vibrant and diverse recreation, entertainment, shopping, dining options, and is still rapidly growing. Google's Downtown West 80 acre transit village is slated to bring between 4,000 and 5,900 homes, 7.3 million square feet of offices, 500,000 square feet of shops and restaurants, and 15 acres of parks to the area.



**San Jose is the “Capital of Silicon Valley,”
a region known for its high-tech talent and innovation.**



SAP CENTER

The SAP Center hosts over 250 events each year, including large concerts, family/children, Olympic and sporting events. The venue is also home to the San Jose Sharks, a local national hockey team.

18&2ND

ST. JAMES PARK



St. James Park, located one block from 18 S. 2nd, is 6.8 acre historic park dating back to the late 1800s. The park is surrounded by several of San Jose's oldest churches and landmarks. A planned revitalization of the park will include a playground, dog park, picnic area, and a pavilion would hold concerts.

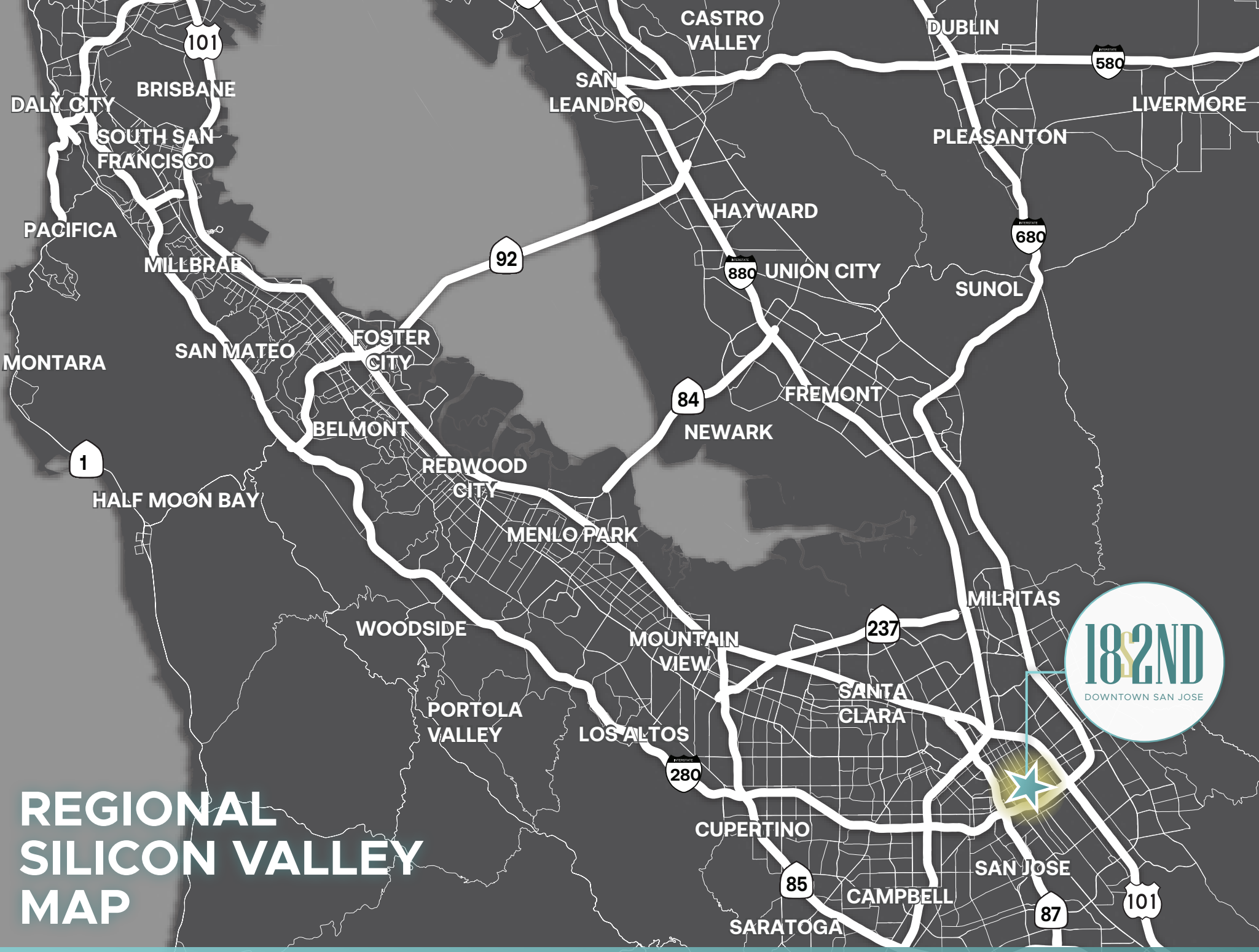




SAN PEDRO SQUARE MARKET

Located adjacent to 18 S. 2nd, San Pedro Square Market is the center of Downtown San Jose's dynamic food and entertainment scene. With an open-air Plaza, sidewalk cafe, and interior spaces, the SPS Market features a wide range of cuisines, craft beer, coffee, music, live entertainment, and a weekly farmer's market.





REGIONAL SILICON VALLEY MAP











Newmark (the "Agent") has been engaged as the exclusive sales representative for the sale of 18 S. 2nd (the "Property") by 'Ownership' (the "Seller"). The Property is being offered for sale in an "as-is, where-is" condition, and the Seller and the Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum. The enclosed materials include confidential information and are being furnished solely for the purpose of review by prospective purchasers ("Purchasers") of the interest described herein for which it shall be fully and solely responsible. Neither the enclosed materials, nor any information contained herein, are to be used for any other purpose, or made available to any other person without the express written consent of the Seller. Each recipient, as a prerequisite to receiving the enclosed information, should be registered with the Agent as a "Registered Potential Investor" or as a "Buyer's Agent" for an identified "Registered Potential Investor". The use of this Offering Memorandum, and the information provided herein, is subject to the terms, provisions and limitations of the Confidentiality Agreement furnished by the Agent prior to delivery of this Offering Memorandum.

The material contained herein is based on information and sources deemed to be reliable, but no representation or warranty, express or implied, is being made by the Agent or the Seller or any of their respective representatives, affiliates, officers, employees, shareholders, partners, and directors, as to its accuracy or completeness. Summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Neither the Seller nor the Agent shall have any liability whatsoever for any other written or oral communication or information transmitted, or made available, or any action taken, or decision made by the recipient with respect to the Property.

The Seller reserves the right, at its sole and absolute discretion, to withdraw the Property from the market for sale at any time and for any reason without notice, to reject any and all expressions of interest or offers regarding the Property, and/or to terminate discussions with any entity at any time, with or

without notice. This Offering Memorandum is made subject to omissions, correction of errors, change of price or other terms, prior sale or withdrawal from the market without notice. The Agent is not authorized to make any representations or agreements on behalf of the Seller. The Seller shall have no legal commitment or obligation to any recipient reviewing the enclosed materials, performing additional investigation, and/ or making an offer to purchase the Property unless and until a binding written agreement for the purchase of the Property has been fully executed, delivered, and approved by Seller and any conditions required under the contract for title to pass from the Seller to the buyer have been satisfied or waived.

By taking possession of and reviewing the information contained herein, the recipient agrees that (a) the enclosed materials and their contents will be held and treated in the strictest of confidence; and (b) the recipient shall not contact employees, contractors, subcontractors or lien-holders of the Property directly or indirectly regarding any aspect of the enclosed materials or the Property without the prior written approval of the Seller or the Agent; and (c) no portion of the enclosed materials may be copied or otherwise reproduced without the prior written authorization of the Seller or the Agent or as otherwise provided in the Confidentiality Agreement executed and delivered by the recipient(s) to Agent.

The Seller will be responsible for any commission due in connection with a sale of the property per exclusive listing agreement with Newmark. Under no circumstances will the Agent or the Seller be liable for same and recipient will indemnify and hold the Agent and the Seller harmless from any claims by any brokers having dealt with recipient other than the Agent. Any Buyer's Broker must provide a registration signed by the recipient acknowledging said Buyer's Broker's authority to act on the recipient's behalf.

18&2ND

DOWNTOWN SAN JOSE

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