

# NORTHGATE PORTFOLIO

899 & 1050 NORTHGATE  
SAN RAFAEL, CALIFORNIA



+/-113,000 SF VALUE-ADD  
OFFICE PORTFOLIO IN  
PREMIER MARIN  
COUNTY LOCATION

**NEWMARK**

 **BAY AREA**  
Private Capital Group

# EXECUTIVE SUMMARY

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899

**GB** GOLDWELL-BANKER REALTY

Available  
415-528-7878

800

# EXECUTIVE SUMMARY

## THE OFFERING

Newmark's Bay Area Private Capital Group is pleased to present the rare opportunity to purchase the Northgate Portfolio, a +/-113,000 square foot two-building office / medical offering located in San Rafael, CA (the "Portfolio" or "Property") comprised of 899 Northgate Drive (+/-57,245 SF) and 1050 Northgate Drive (+/-55,849 SF) located in one of Marin County's most desirable and supply-constrained submarkets. Positioned adjacent to Highway 101 next to the Northgate Mall redevelopment, the Portfolio offers investors stable in-place income with significant upside through lease up of vacant spaces capturing rising rental rates. The buildings feature a diverse mix of tenants including many medical / healthcare tenants, many of whom have been in occupancy for years.

Built in 1985, the Northgate Professional Center at 899 Northgate ("899 Northgate") is a recently renovated five-story modern office building with an attached garage featuring 186 parking spaces (3.25/1,000 SF). The property is 66% leased to 14 tenants, including 4 prominent tenants in the healthcare industry. Ownership has recently completed over \$2 million in property wide capital investments, including a new high-end lobby, modernized elevators, restroom upgrades, and other base-building improvements, substantially reducing future capital exposure. Vacant suites are in excellent condition, giving investors the immediate opportunity to increase NOI through further leasing. 899 Northgate is directly adjacent to the Northgate Town Square redevelopment, providing downside protection and future upside.

1050 Northgate, known as Northgate Heights, was built in 1969 and is prominently located 0.20 miles from 899 Northgate featuring 55,849 square feet of office /medical space with excellent natural light and views. This property enjoys a large 230-stall surface parking lot (4.12/1,000 SF), providing ample parking. Ownership has invested \$1.0 million in capital investments, including a new modernized elevators, new boiler and other base-building improvements. This property, featuring a broad mix of suite sizes, is 52% leased to 27 tenants, including many in the healthcare industry. Many suites are under 2,000 square feet,

catering to Marin County's large cadre of small suite users and many suites feature plumbing suitable for medical users. 1050 Northgate also offers significant cell tower income, providing steady secure cash flow.

The Portfolio is located adjacent to Northgate Mall, which is slated for redevelopment into Northgate Town Square—a master-planned transformation of the mall and surrounding parking lots into a vibrant mixed-use community. The project is planned to feature over 1,400 residential units, expansive open space, and approximately 220,000 square feet of retail shop space and restaurant space. This new housing stock and walkable amenity base will help attract and retain tenants at both buildings, while allowing ownership to push rental rates beyond the market average. Immediately adjacent to Highway 101, the properties are also a 10-minute walk to the Civic Center SMART train station, providing excellent transportation access and connectivity.

## PORTFOLIO OVERVIEW

Address:	899 Northgate Drive	1050 Northgate Drive
Year Built:	1985	1968
Net Rentable Area:	57,245	55,849
No. Floors:	5 + Roofdeck	5 + Patio Level
Occupancy / WALT:	66% / 4.5 Years	52% / 2.6 Years
Parking Stalls:	186 - garage	230 - surface
Parking Ratio:	3.25 per 1,000	4.12 per 1,000
APN:	175-360-13	178-240-20
Lot Area - SF   Acres:	72,063   1.65	104,596   2.40
Zoning District:	O - Office	O - Office

## INVESTMENT HIGHLIGHTS



### Secure Cash Flow – Sticky Tenancy

The Northgate Portfolio is currently 59 % leased with 3.70 years of WALT, providing stable secure cash flow from a diverse tenant base. The Properties benefit from a sticky tenant base, including many medical / healthcare tenants who have been in occupancy for years, and long-term cell tower leases at 1050 Northgate.



### Recent Renovations – Over \$3M Invested Across the Portfolio

Well over \$3M has been spent on renovations and foundational base building upgrades across both properties. In addition to new landscaping and exterior paint, 899 Northgate received an elevator modernization, multiple sets of new restrooms, outdoor amenity area and refreshed lobby. 1050 Northgate's elevators have also been modernized and a new boiler installed, among other capital expenditures.



### Superb Marin County Location Adjacent to Rich Amenity Base

Immediate adjacency to all of the Northgate retail complex provides Portfolio tenants a wide variety of walkable amenities, including numerous restaurants and cafes. The properties enjoy excellent transportation access and connectivity, next to Highway 101 and a 10-minute walk to the Civic Center SMART train station.



### Future Upside through Lease-Up of Vacant Spaces

There is a clear path to adding value through the lease-up of the existing vacancies. The vacancies are generally in excellent condition, requiring minimal further improvements. Many suites are under 2,000 square feet, catering to Marin County's large cadre of small suite users and numerous suites feature plumbing suitable for medical users.



### Recovering Market Fundamentals

The Marin County office market is faring well, experiencing continued recovering market fundamentals including positive net absorption throughout 2025, lowering the vacancy rate to 19.6%. Asking rents continue to steadily climb, with quality office space adjacent to premium amenities experiencing rents much higher than market averages. Additionally, the overall building stock is being lowered as office-to-residential conversions take over 1.4M square feet out of competition.



### Adjacent to Northgate Town Square Redevelopment

The Portfolio will directly benefit from the redevelopment of the Northgate Mall into Northgate Town Square, a master-planned redevelopment of the mall and surrounding parking lots into a vibrant mixed-use community This new housing stock and walkable amenity base will help attract and retain tenants at both buildings, while allowing ownership to push rental rates beyond the market average.

# INVESTMENT HIGHLIGHTS

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NORTHGATE TOWN  
CENTER REDEVELOPMENT

1050 NORTHGATE

899 NORTHGATE

IMAGES FOR ILLUSTRATIVE PURPOSES

# THE NORTHGATE PORTFOLIO CHECKS ALL THE BOXES

## 899 NORTHGATE

- ✓ Overall Building Refresh & Exterior Paint
- ✓ Updated Lobby
- ✓ Renovated Restrooms
- ✓ Covered Parking
- ✓ Minimal Additional Building Capital
- ✓ New Landscaping

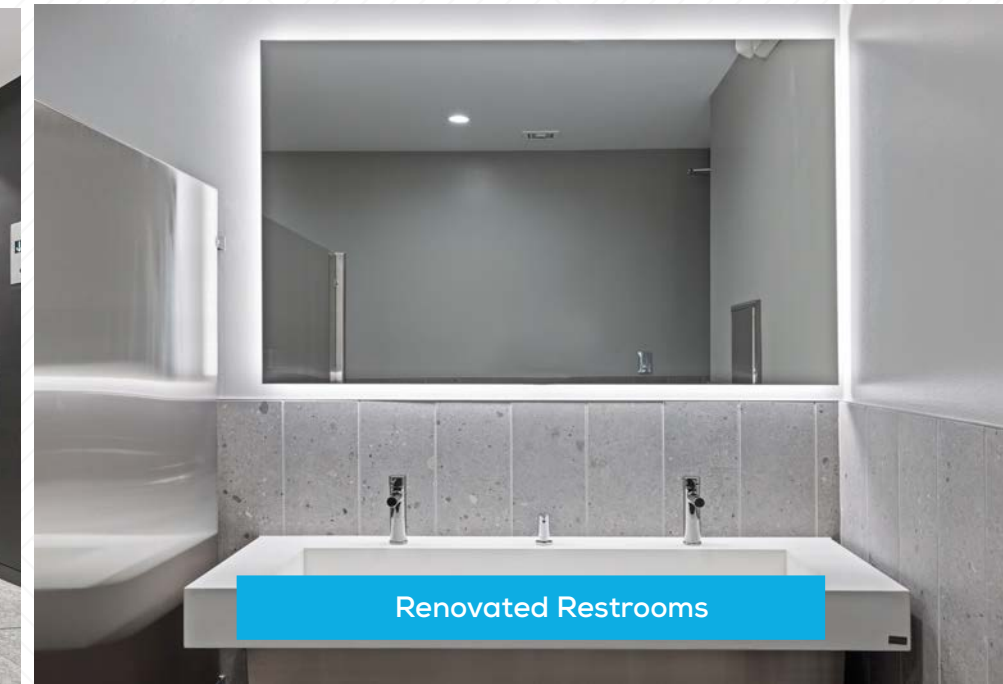
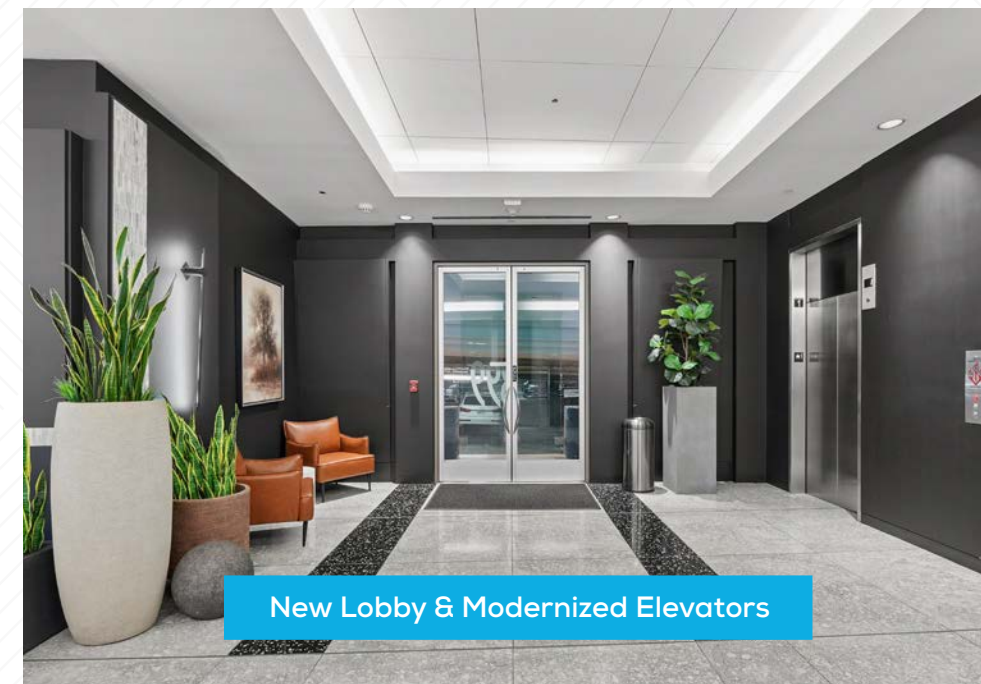
## PORTFOLIO

- ✓ Scale in a Shrinking Supply Market
- ✓ Medical Office Principally Permitted
- ✓ ~47% Medical User (Sticky Tenancy)
- ✓ Substantial Parking
- ✓ New Elevators Cabs & Systems
- ✓ Outdoor Seating /Amenity
- ✓ Renovated Spec Suites

## 1050 NORTHGATE

- ✓ In-Demand Suite Sizes
- ✓ Modern Conference Room
- ✓ High Ceilings on Multiple Floors
- ✓ Excellent Views
- ✓ Durable Cell Tower Income

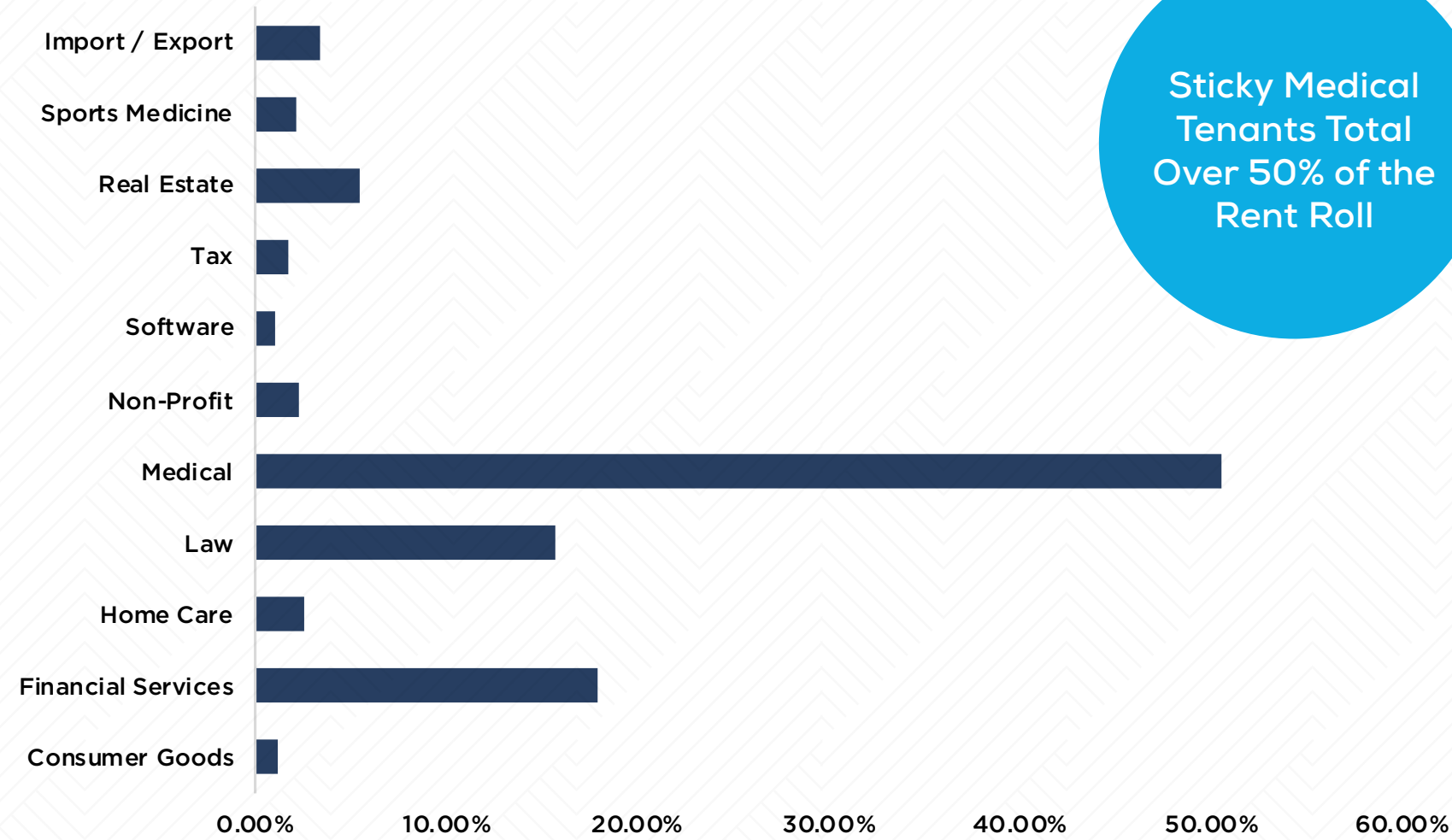
CURRENT OWNERSHIPS' INVESTMENT OF ~\$3.2 MM IN THE LAST FOUR YEARS GREATLY REDUCES NEAR-TERM CAPITAL REQUIREMENTS



# DIVERSE STICKY TENANT MIX

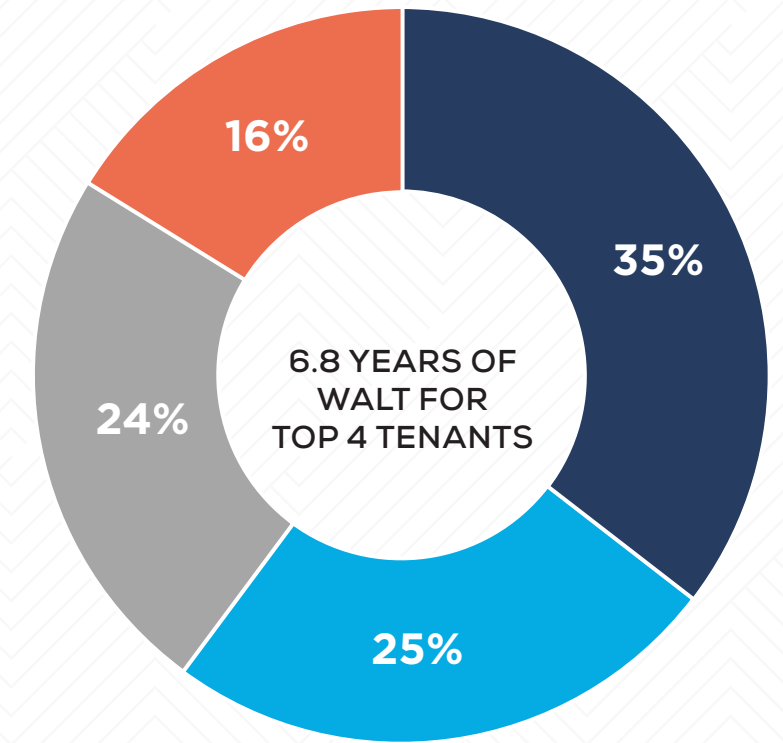
NORTHGATE DIVERSE TENANT MIX AND STICKY MEDICAL TENANCY PROVIDES DOWNSIDE PROTECTION

NORTHGATE TENANT BREAKDOWN



Sticky Medical Tenants Total Over 50% of the Rent Roll

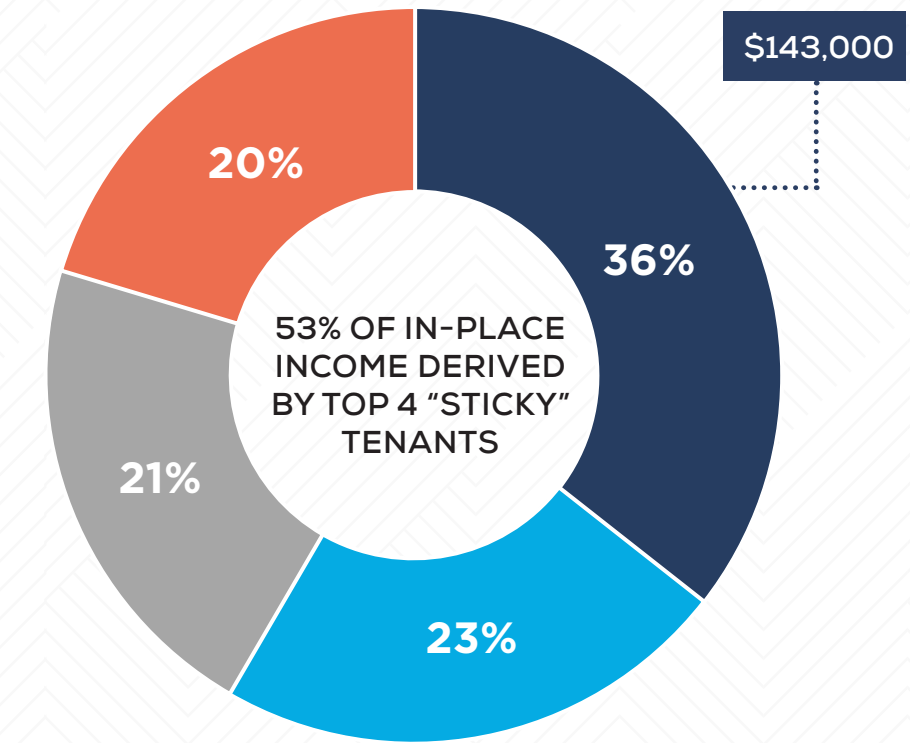
899 NORTHGATE TOP 4 TENANTS



6.8 YEARS OF WALT FOR TOP 4 TENANTS

- SH Medical
- NRT West/Coldwell Banker
- Supple Law
- Paradigm Oral Health

1050 NORTHGATE TOP 4 TENANTS



53% OF IN-PLACE INCOME DERIVED BY TOP 4 "STICKY" TENANTS

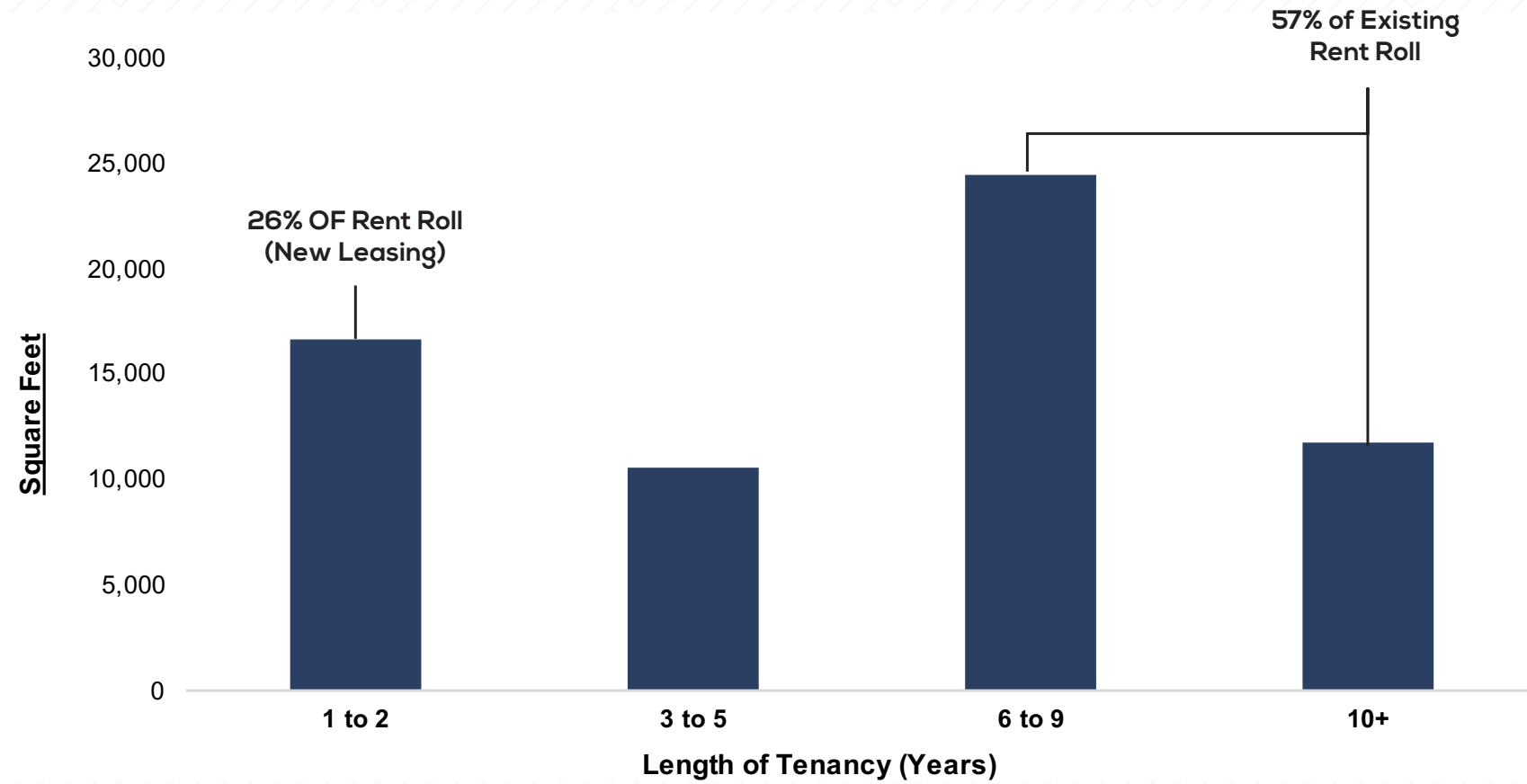
\$143,000

- Rooftop Income
- Dr. Teper & Dr. Koehler
- Victor H. Cuadros DDS Inc
- Muscle & Joint Clinic

# LONG-TERM TENANCIES

## DEMONSTRATED LONG TERM TENANCY THROUGHOUT THE PORTFOLIO

NORTHGATE PORTFOLIO LENGTH OF TENANCY



## DEMONSTRATED LEASING ACTIVITY AT OR ABOVE ASKING RATES

NEW LEASING (PAST 18 MONTHS)

BUILDING	SF	RATE
899	3,479	\$3.50
899	1,315	\$3.50
899	2,034	\$3.50
899	2,588	\$4.28
1050	799	\$3.50
	7,627	\$3.70

RENEWALS (PAST 18 MONTHS)

BUILDING	SF	RATE
899	3,640	\$4.28
899	1,359	\$3.50
1050	2,776	\$3.50
1050	1,350	\$3.61
1050	1,775	\$3.61
1050	541	\$3.61
	11,441	\$3.78

Northgate Asking Rents  
\$3.50 to \$3.75 PSF

# SHRINKING OFFICE SUPPLY

## SHRINKING OFFICE SUPPLY & RESIDENTIAL DEVELOPMENT

A Total of 15 Office Building that Directly Compete with Northgate Have or Will Be Removed From The Building Base

OFFICE PROPERTY	CITY	SF	COMPETITIVE	STATUS
100 Wood Hollow Drive	Novato	130,062	Yes	Approved
3301 Kerner Blvd	San Rafael	54,216	Removed Prior	Approved
7 Mt. Lassen Drive	San Rafael	31,816	Yes	Proposed
3 Harbor Drive	Sausalito	70,081	Yes	Proposed
2401 Kerner	San Rafael	60,910	Removed Prior	Proposed
240 Tamal Vista Blvd	Corte Madera	25,754	Yes	Approved
777 San Marin Drive	Novato	702,482	Removed Prior	Proposed
7 Mt. Lassen Drive	San Rafael	31,816	Yes	Proposed
555 Northgate Drive	San Rafael	23,100	Yes	Under Review
4040 Civic Center Dr.	San Rafael	130,000	Yes	Under Review
21 Tamal Vista	Corte Madera	51,000	Yes	Proposed

MARIN OFFICE MARKET SIZE (2022):	7,364,908
REMOVED FROM MARKET (PRIOR TO APRIL 2026) [1]:	981,878
MARIN OFFICE MARKET SIZE (2026):	6,383,030
PENDING OFFICE DESTRUCTION:	493,629
PROJECTED MARIN MARKET SIZE (2028):	5,889,401
% Reduction of Market Size (Since 2022):	-20%

OVER 6,200 HOUSING UNITS WITHIN A FIVE MILE RADIUS ARE EITHER UNDER CONSTRUCTION, APPROVED OR PROPOSED, WHICH WILL DRAMATICALLY CHANGE MARIN COUNTY

## OWNER USER PURCHASES

Since 2022, owner-user purchases have reduced the competitive building inventory by approximately 164,270square feet

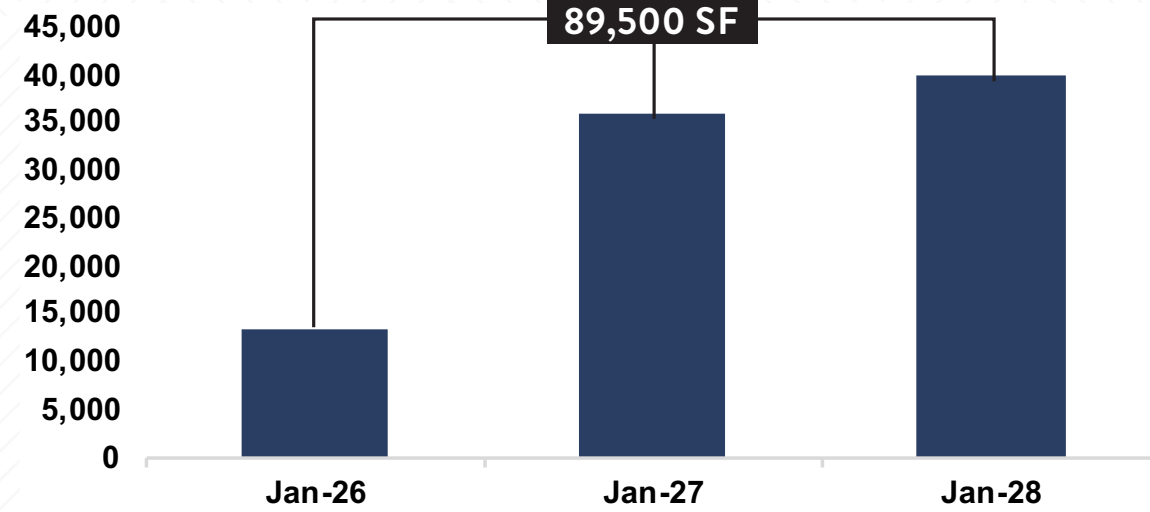
OFFICE PROPERTY	CITY	SF	COMPETITIVE	DATE PURCHASED	PURCHASER
350 Ignacio	Novato	19,683	Yes	Mar-26	County of Marin
30 N San Pedro	Novato	24,689	Yes	Oct-25	County of Marin
365 Bel Marin Keys	San Rafael	6,928	Yes	Aug-25	Blueline Sterilization Service
2960 Kerner Boulevard	San Rafael	7,414	Yes	Dec-24	Enriching Lives Through Music
7655 & 7665 Redwood Boulevard	Sausalito	36,024	Yes	Nov-24	Community Action Marin
800 A Street	San Rafael	14,000	Yes	Mar-23	The Ritter Center
353 & 359 Bel Marin Keys	Corte Madera	27,277	Yes	Jan-23	OMW Corporation
711 Grand Avenue	Novato	28,255	Yes	Nov-22	Canal Alliance

[1] Includes the removal of purchased by Owner User prior to 2026.

BY 2030 THE  
MARIN OFFICE  
MARKET SIZE WILL BE  
**REDUCED BY 19.8%**

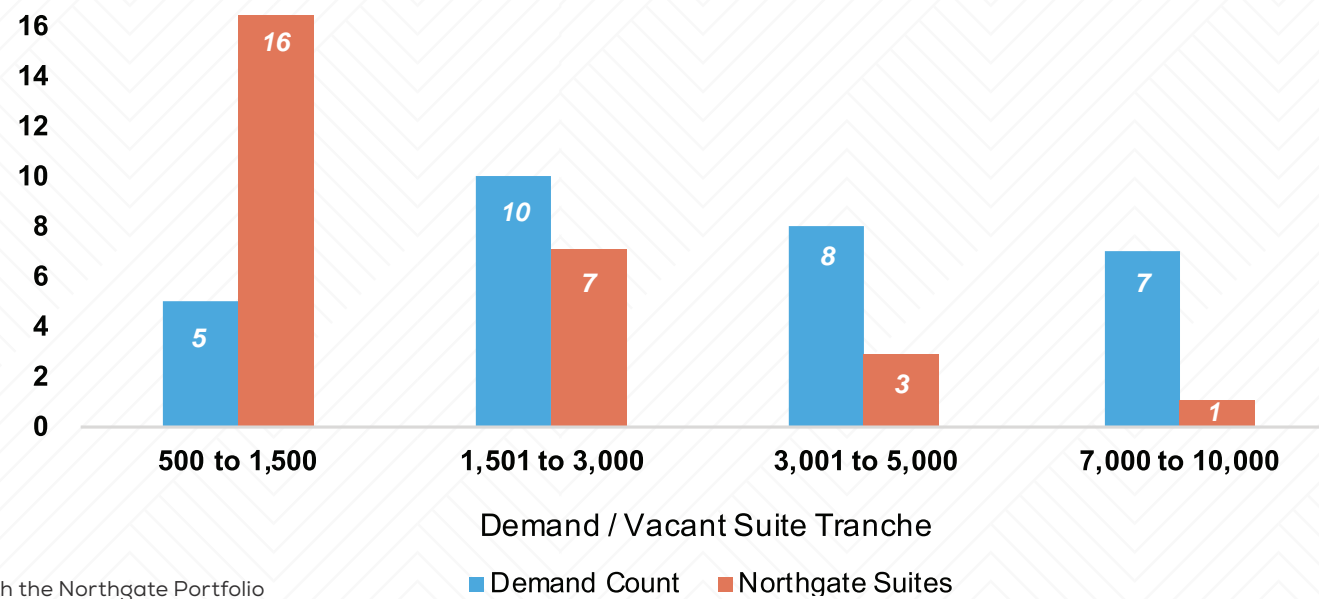
# COMPETITIVE SET DISPLACEMENT

DIRECT COMPETITIVE SET DISPLACEMENT (NEXT 36 MONTHS)<sup>[1]</sup>



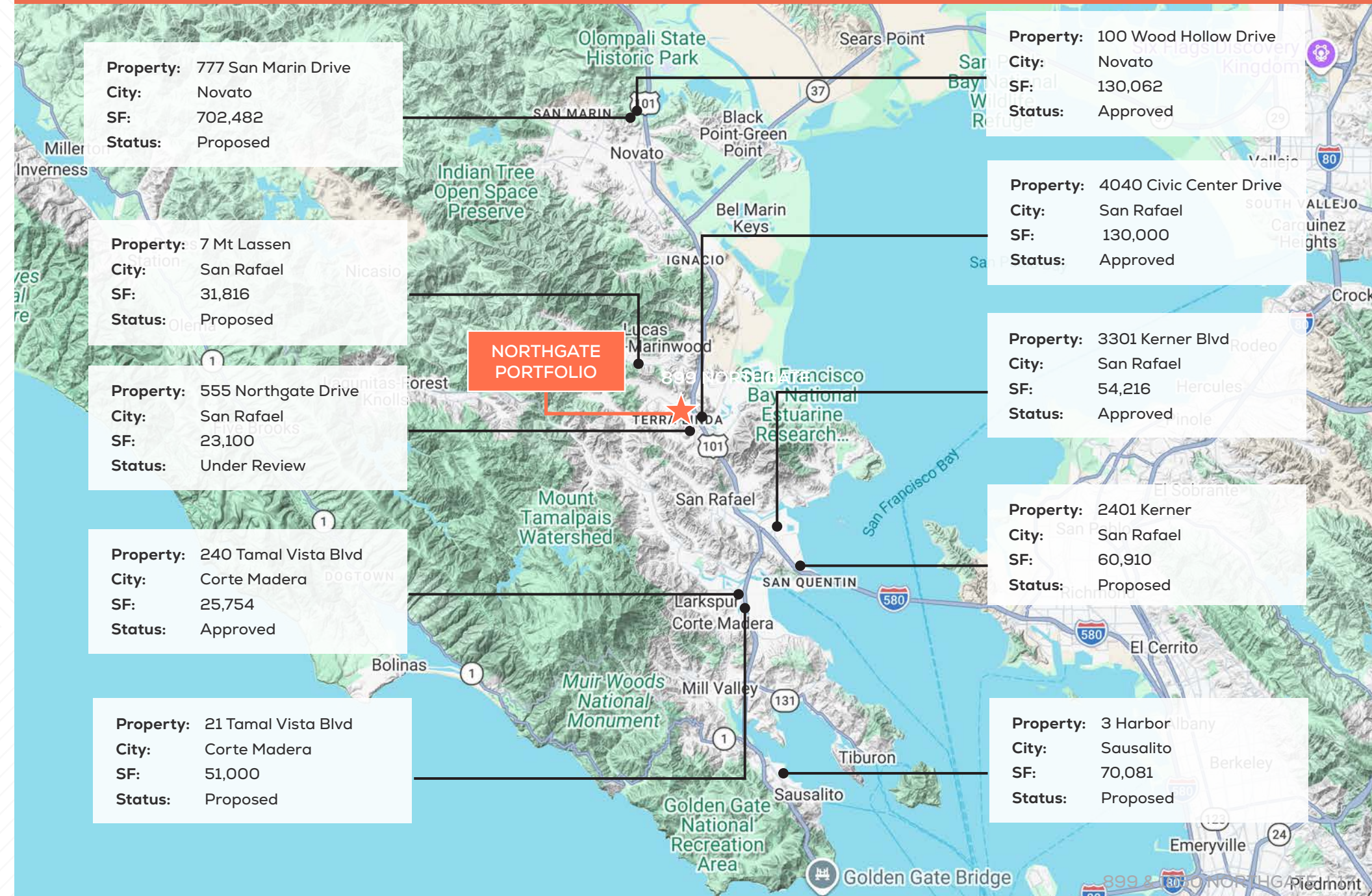
Competitive Set Displacement is 2.50X Greater Than Northgate Vacancy

TIM DEMAND COMPARED TO NORTHGATE VACANCY



[1] Consist of 7 buildings that directly compete with the Northgate Portfolio

# OFFICE DESTRUCTION / RESIDENTIAL DEVELOPMENT



# TRANSFORMATIVE ADJACENT REDEVELOPMENT

## NORTHGATE TOWN SQUARE

Northgate Portfolio's Proximity To The Northgate Master Planned 1,422 Residential Units And New Shops Provides Downside Protection And Future Upside

### NORTHGATE TOWN SQUARE

Status: Approved December 2024

Projected Start Date: 2026

Residential Phase 1:  
 124 market-rate townhomes  
 14 affordable townhomes  
 653 market-rate apartments  
 73 affordable apartments

Residential Phase 2:  
 502 market-rate apartments  
 56 affordable apartments

Retail: 73,320 SF shops & dining space

Total Commercial Space: 219,380 SF

1,422 Units



## NORTHGATE MASTER PLAN



THE NEW WALKABLE HOUSING AND AMENITY BASE AT THE NORTHGATE DEVELOPMENT HELP ATTRACT AND RETAIN TENANTS AT BOTH BUILDINGS, WHILE ALLOWING OWNERSHIP TO PUSH RENTAL RATES BEYOND THE MARKET AVERAGE.

# TRANSFORMATIVE ADJACENT REDEVELOPMENT

## NORTHGATE REDEVELOPMENT RESTAURANT & SHOP SPACE








## NORTHGATE REDEVELOPMENT RESIDENTIAL & TOWN CENTER



# TRANSFORMATIVE ADJACENT REDEVELOPMENT

## Marin County Dense Retail Locations Outperform The Broader Market

The future Northgate Square place-making lifestyle retail will create the kind of premium amenity center that will be inline with others in Marin County that consistently attract the highest rents.

	RETAIL CENTER	TOP FOOD	DISTANCE	ADJACENT OFFICE PROJECT	OFFICE RENTS (FSG)
	Northgate Town Square Northgate I & II	Chipotle Peet's Safeway Habit Burger <sup>[1]</sup>	<i>Directly Adjacent</i>	Northgate Portfolio	\$3.50 to \$3.75
	Bon Air Center	Gotts Sweet Greens Peet's	<i>0.25 Miles</i>	Drakes Landing	\$6.75
	Marin Country Mart	Souvla Farmshop Hog Island	<i>Directly Adjacent</i>	The Exchange	\$6.75
	Town Center	Roam Burger RH Fieldwork Starbird	<i>Office Over Retail</i>	Town Center	\$6.35
	Strawberry Village	Tartine Harmony Aloha Poke	<i>0.20 Miles</i>	Belvedere Place	\$6.85

~50% Rent Premium

[1] Existing amenities





# NORTHGATE PORTFOLIO

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	DISTANCE (mi)	DRIVE TIME
Hwy 101 On/Off Ramp	0.25	1 Min
Northgate Town Square	0.25	1 Min
SMART Station	0.50	2 Mins
Kaiser Medical Center	1.7	7 Mins
DT San Rafael	4.0	7 Mins
San Francisco	21.0	35 Mins
Emeryville / Oakland	22.0	26 Mins
Sonoma Wine County	24.0	35 Mins

**LOCAL EASE & DIRECT CONNECTIVITY TO EMPLOYMENT CENTERS**

The Northgate Portfolio is ideally situated along Highway 101, and the SMART Train Line provides easy access to local amenities and bedroom communities in Marin and Sonoma County.

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