

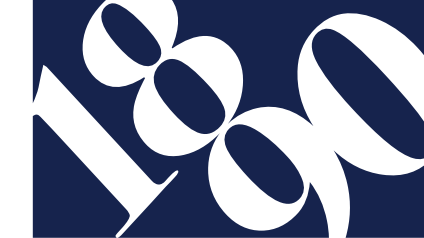
**1890 NORTH MAIN STREET
WALNUT CREEK, CA**



NORTH MAIN



**UNENTITLED 0.51 AC | PREMIER TRANSIT-ORIENTED WALNUT CREEK LOCATION
IDEAL FOR HIGH DENSITY RESIDENTIAL**



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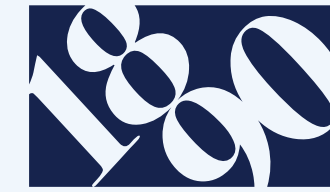


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BROADWAY PLAZA, WALNUT CREEK, CA



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Executive Summary



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The Offering

Colliers International (Colliers) as Exclusive Advisor is pleased to offer for sale 1890 N. Main Street ("Property") in Walnut Creek, CA, an outstanding development opportunity located in one of the S.F. Bay Area's prime suburban housing markets. As the site is currently unentitled, a developer/builder will have the flexibility to secure entitlements for several possible development schemes, including market rate or affordable multifamily, for-sale stacked flat condominiums as well as senior apartments.

The site encompasses ±22,278 SF (0.51AC) with current improvements that include a ±6,792 SF building and large surface parking area. The Property is currently leased to a used car operator on a net leased basis. The current lease expires in September 2024 and includes an early landlord right to terminate.

The offering provides an exceptional opportunity for residential developers. As post COVID apartment rents have risen throughout the Bay Area, Walnut Creek has particularly benefited from tenant migration to more suburban Bay Area submarkets. According to the most recent data from *Apartment List*, rents in Walnut Creek increased 0.5% over

the past month and are up sharply by 8.1% in comparison to the same time last year. Class A apartment occupancy has also been strong, averaging 95.8% with no current landlord concessions.

Walnut Creek has also benefited greatly from the run up in home prices over the past 12 months, whereby according to Zillow, the typical value of a home through April 2022 is now \$1,207,112. The typical value only includes middle price tier of homes, while overall, home values have increased 16.9% over the past year.

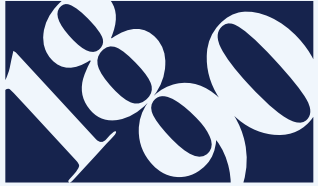
1890 North Main Street is ideally located only 0.3 miles, or an 8-minute walk to the Walnut Creek BART station, and less than a mile to the high-end shops and restaurants located at the open-air Broadway Plaza Shopping mall. The investment appeal of this site is driven by the significant demand for all types of housing in the Walnut Creek area, coupled with the covered land play aspect of the offering which allows a developer to realize significant monthly income from the current tenant during the repositioning and entitlement period.



Rents in Walnut Creek are up **8.1%** compared to the same time last year, and are projected to grow an average of 4.0% per year through 2025.



BROADWAY
PLAZA



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Property Description & Zoning Overview



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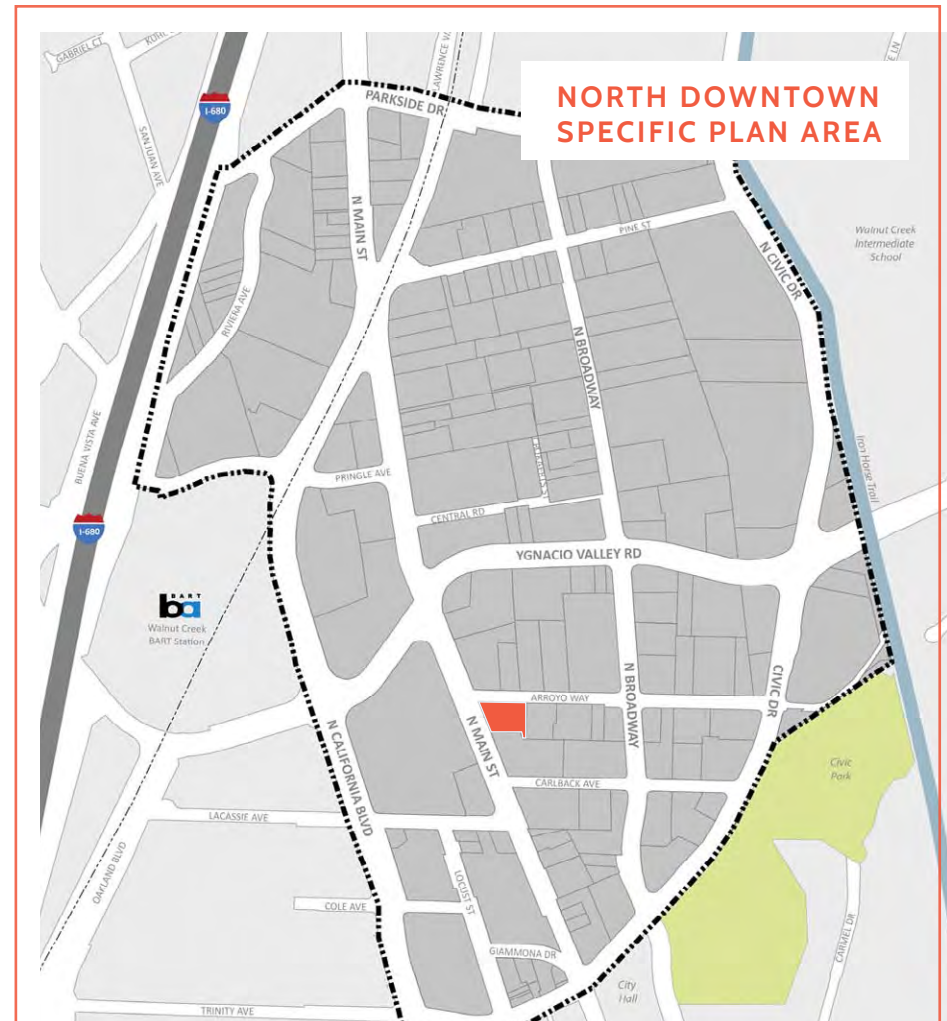
Property Description

1890 N. Main Street is a ±22,278 SF site with an existing ±6,792 SF building currently leased to MAG Motor Company (MAG). The site is situated along the most heavily traveled commercial corridor in Walnut Creek, known as N. Main Street, which runs north/south through the city and includes hundreds of local retail, restaurants, and service commercial businesses along or near N. Main Street.

The property is in the North Downtown Specific Plan area, adopted by the city in October 2019. The vision of the specific plan area is to promote a sustainable mix of uses including, both market rate and affordable housing as well as both horizontal and vertical mixed uses. The current zoning within the specific plan area is MU-R (Mixed-Use Residential) which is intended to encourage a combination of ground floor commercial uses with residential uses above, however ground floor commercial is not required, while residential must be the primary use.

The current lessee, MAG was assigned all lease obligations, including those terms found in the original commercial lease dated October 1, 2014, and whose terms were amended and then assigned to MAG on December 1, 2019. MAG's current lease expires on September 30, 2024, with one option to extend the term for one additional sixty (60) month period. However, the Landlord does have an Early Termination

Right which may be given no earlier than January 1, 2023, providing MAG 365 days to vacate the premises. As such, the property provides on-going positive cash flow during any redevelopment entitlement time period resulting in a "covered land play" opportunity.



Property Overview

LAND

Address	1890 N. Main Street, Walnut Creek, CA
APN #:	178-330-007
Total Area (SF):	±22,278
Total Land Area (Acres):	±0.51

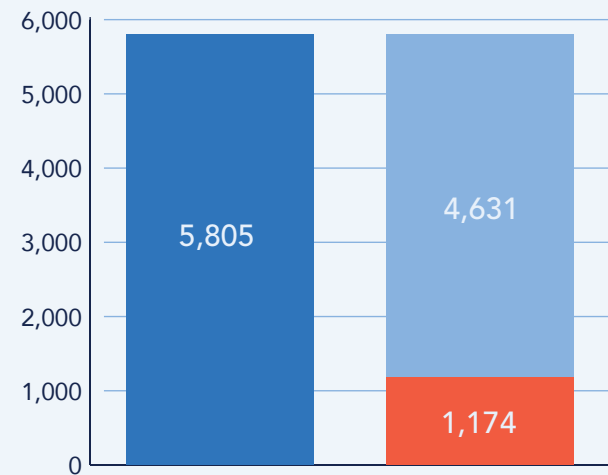
ZONING & DEVELOPMENT STANDARDS

General Plan Classification:	Mixed-Use Residential Emphasis
Zoning District:	MU-R (Mixed-Use Residential)
Specific Plan Area:	North Downtown Specific Plan
Density (Base):	1 du/425 SF of net lot area
Base Unit Count:	52
FAR (Base):	1.5
FAR (Max):	2.8
Height Limit:	35' (may be waived with state density bonus)
Minimum Open Space:	150 SF/unit
Minimum Parking Residential:	Studio: 0.5 min, 1.9 max/unit
	1 - bedroom: 0.75 min., 1.25 max/unit
	2 - bedroom: 1 min, 1.5 max/unit
	3+ bedroom: 1.25 min, 2.0 max/unit

Walnut Creek Housing Supply & Development

California State law requires that local jurisdictions update their Housing Element every eight years, known as the Regional Housing Needs Allocation or RHNA. These frequent updates are required because housing is critical to ensure economic prosperity and quality of life in each region. To comply with state law, Walnut Creek must update their housing element to ensure the City's zoning, policies and programs can accommodate its share of what is needed throughout the state. The current RHNA goal under consideration for Walnut Creek covering the period from 2023 - 2031 is 5,805 units allocated between the following income levels:

INCOME CATEGORY	NUMBER OF UNITS	% OF TOTAL UNITS
Very Low Income (0-50% of AMI)	1,667	29%
Low Income (50 -80% of AMI)	954	16%
Moderate Income (80 – 120% of AMI)	890	15%
Above Moderate Income (More than 120% of AMI)	2,304	40%



WALNUT CREEK REGIONAL HOUSING NEEDS

- Current Regional Housing (RHNA) 8-Year Goal
- Current Pipeline
- Housing Units Needed

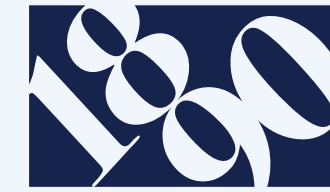
General Plan, Zoning and Specific Plan Overview

The General Plan indicates that the Property is within Walnut Creek's Core Area – the central district with higher densities than other parts of the city, while the General Plan designation is Mixed-Use Residential emphasis intended to encourage a combination of ground floor retail with office or residential uses above the ground floor. The allowable max FAR is 1.5 – 2.8, however residential must be the primary use.

The Property's zoning, Residential Mixed-Use, is intended to encourage the development of a combination of medium-to high density residential uses and limited commercial uses within the Core Area. The Property is also within the North Downtown Specific Plan area, which was adopted in 2019. The purpose of the Specific Plan in part was to encourage a vibrant mixed-use district that integrates housing, retail, restaurant, civic, hospitality and entertainment uses.



BROADWAY PLAZA, WALNUT CREEK, CA

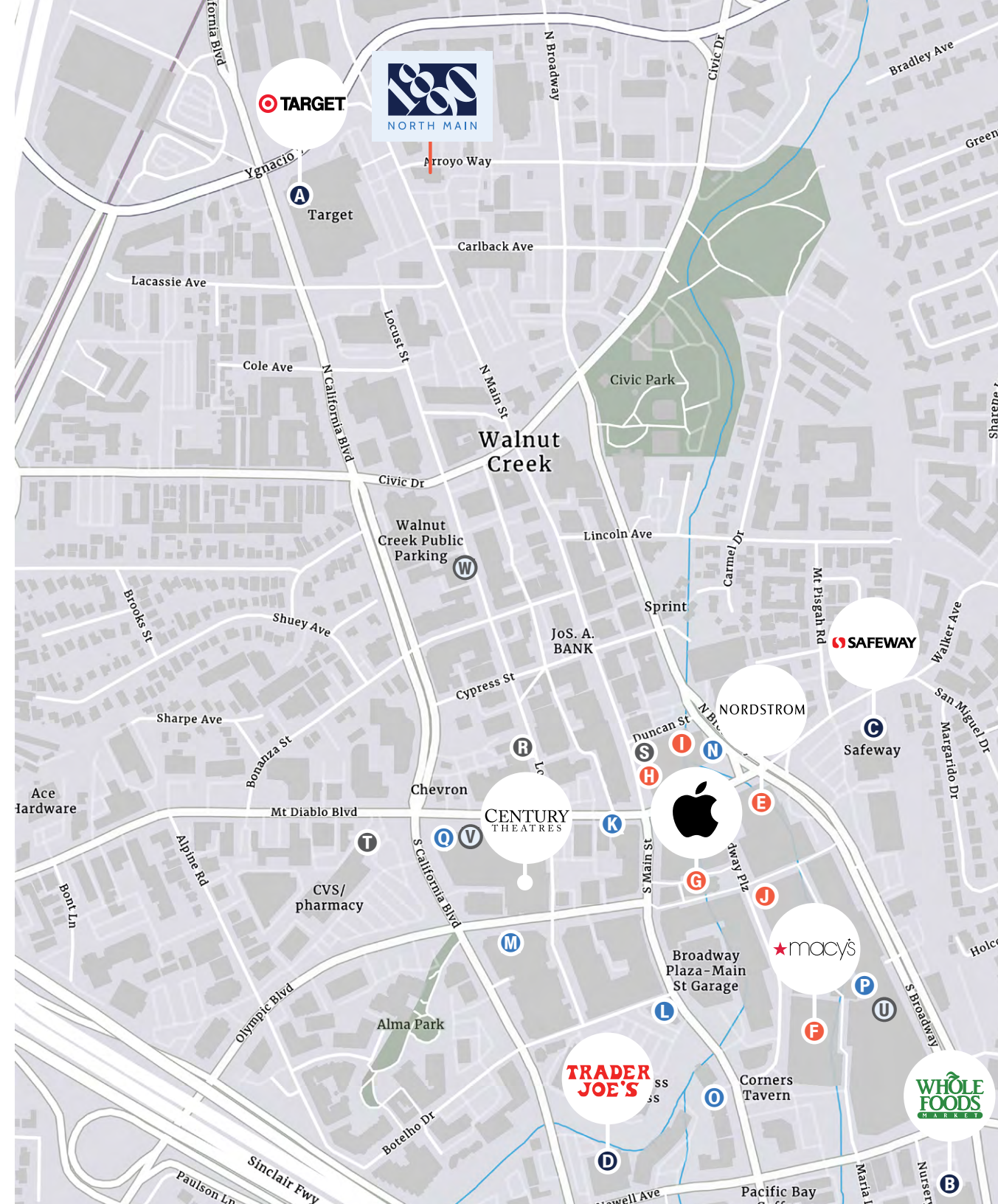


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Market Overview

Walnut Creek At A Glance

<p>71,135</p> <p>2022 Population</p>	<p>199,160</p> <p>Population Within 5-mile Radius (Est. 2023)</p>	<p>3.3%</p> <p>2021 - 2026 Projected Population Growth</p>	<p>83,135</p> <p>2021 Daytime Population</p>
<p>\$168,393</p> <p>Average Household Income</p>	<p>2.1</p> <p>Average Household Size</p>	<p>34%</p> <p>Renter Occupied Housing Units</p>	<p>69%</p> <p>Bachelor Degree or Higher</p>



Unmatched Retail & Dining Amenities

GROCERY	
A	Target
B	Whole Foods
C	Safeway
D	Trader Joes
SHOPPING	
E	Nordstrom
F	Macy's
G	Apple
H	Williams Sonoma
I	Restoration Hardware
J	Lululemon
RESTAURANTS	
K	Va de Vi
L	Gott's Roadside
M	Cheesecake Factory
N	Il Forno
O	California Pizza Kitchen
P	True Food Kitchen
Q	Flemings Steakhouse
COFFEE/TEA	
R	Peet's Coffee
S	Starbucks
T	Philz Coffee
FITNESS	
U	Soul Cycle
V	Pure Barre
W	Orangetheory Fitness



SAN FRANCISCO

OAKLAND

LAFAYETTE



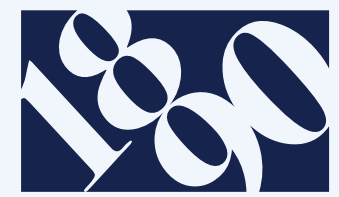
TO TRI-VALLEY



WALNUT CREEK



TO CONCORD



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Development Overview



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Flexible Development Potential

1890 N. Main Street offers a unique and flexible development opportunity. As the site is unentitled, developers have the flexibility to consider several development schemes depending on the developers focus and business plan.

Downtown Specific Plan area and its Mixed-Use Residential zoning designation, the site is ideal for a mix of residential development possibilities, including the following:

- Market rate or affordable apartments
- For-sale stacked flat condominiums
- Senior apartments

Because of the significant need for housing in Walnut Creek coupled with the Property's location in the North

Yield Study Development Possibilities

The following three development schemes appropriate for the 1890 N. Main Street site as studied by LCA Architects are based on current zoning and state density bonus regulations. Each of the three possible development schemes consider base density, plus the application of state density bonus to increase the overall density and massing of each scheme. Each of the studies show the building's mass consisting of 5 stories over a grade level podium deck, with parking requirements satisfied using mechanical parking stackers. A two-level podium deck is also shown thus eliminating the need for the puzzle lift stackers.

A density bonus project qualifies for up to a 50% increase in the number of residential units above the density allowed for in the local zoning, in exchange for providing on-site affordable units. The projects also qualify for waivers from all code requirements that would physically preclude the density bonus project (including height limit), and exceptions from up to four code requirements that make the project more expensive to construct.





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Confidentiality Agreement & Disclaimer

This Confidential Offering Memorandum (the "Memorandum") has been prepared and presented to the recipient (the "Recipient") by Colliers International ("Colliers") as part of Colliers' efforts to market for sale the real property located at 1890 North Main Street, Walnut Creek, CA (the "Property"). Colliers is the exclusive agent and broker for the owner(s) of the Property (the "Owner"). Colliers is providing this Memorandum and the material contained in it to the Recipient solely to assist the Recipient in determining whether the Recipient is interested in potentially purchasing all or part of the Property. Colliers also is providing this Memorandum and the material in it to the Recipient with the understanding that the Recipient will independently investigate those matters that it deems necessary and appropriate to evaluate the Property and that the Recipient will rely only on its own investigation, and not on Colliers, the Owner or this Memorandum, in determining whether to purchase the Property. The Recipient's use of this Memorandum and the material in it is strictly governed by the terms and conditions of the Registration and Confidentiality Agreement that the Recipient previously executed and delivered to Colliers.

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This Memorandum includes statements and estimates provided by or to Colliers and/or the Owner regarding the Property. Those statements and estimates may or may not be accurate, correct or complete. Nothing contained in this Memorandum should be construed as a representation or warranty about the accuracy, correctness or completeness of such statements and estimates. Further, nothing contained in this Memorandum should be construed as representation or warranty about any aspect of the Property, including, without limitation, the Property's (1) past, current or future performance, income, uses or occupancy, (2) past, current or prospective tenants, (3) physical condition, (4) compliance or non-compliance with any permit, license, law, regulation, rule, guideline or ordinance, or (5) appropriateness for any particular purpose, investment, use or occupancy. Again, the Recipient is urged not to rely on this Memorandum and the statements and estimates in it and to make an independent investigation regarding the Property and the statements and estimates contained herein.

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