

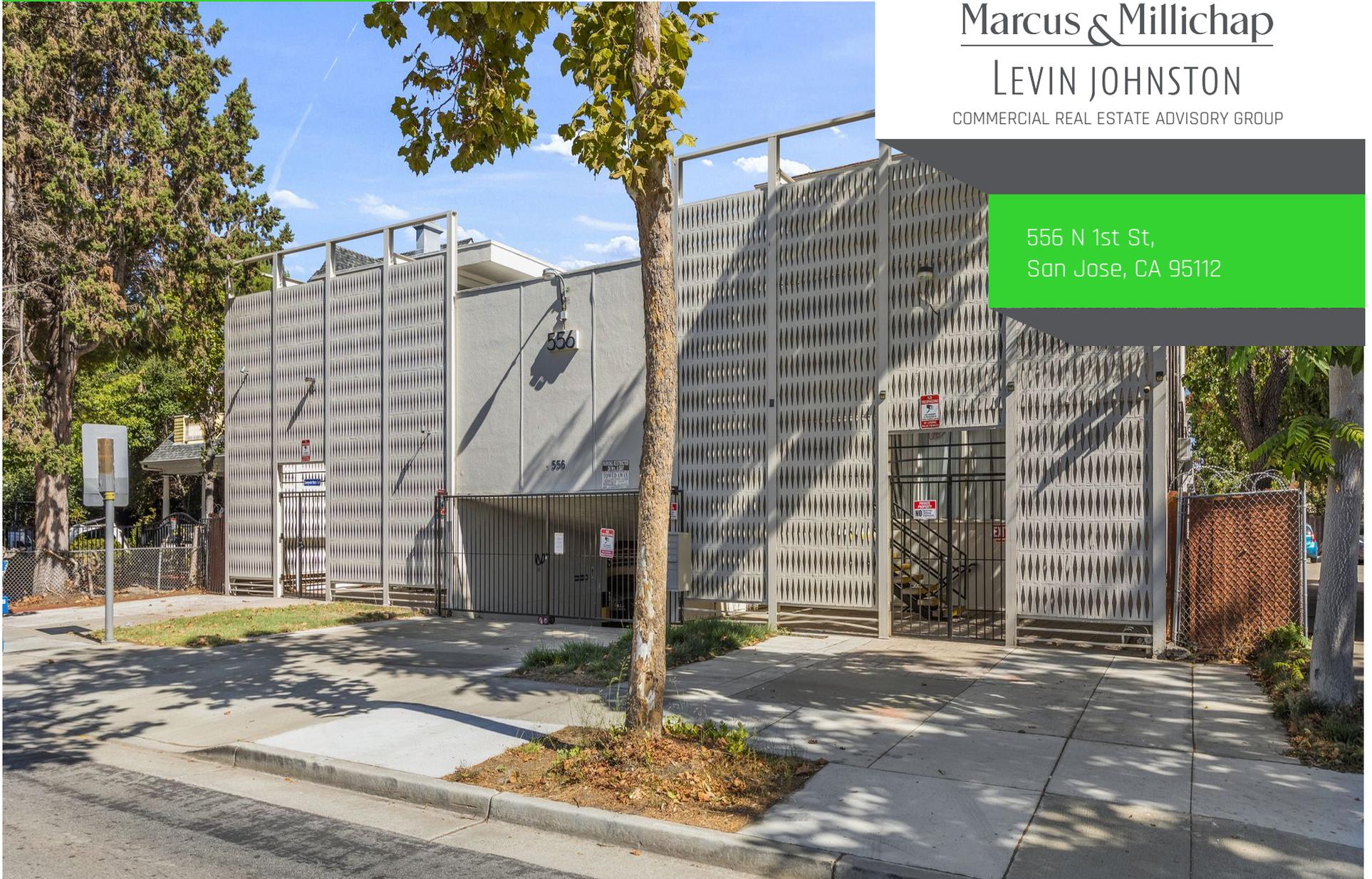
OFFERING MEMORANDUM

Marcus & Millichap

LEVIN JOHNSTON

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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by Marcus & Millichap in compliance with all applicable fair housing and equal opportunity laws.

PROPERTY INFORMATION

SECTION | 1



EXECUTIVE SUMMARY

PROPERTY OVERVIEW

Number Of Suites:	4
Year Constructed:	1961
Building SF:	8,350 SF
Lot Size:	9,822 SF
Zoning:	CP

PRICE ANALYSIS

SALE PRICE	\$1,995,000
Price Per Unit:	\$498,750
Price Per SF:	\$238.92

UNIT TYPE	COUNT	SIZE (SF)	\$/SF/YR	ANNUAL RENT
Medical Office Suite	4	1,850	\$24.00	\$44,400
Totals/Averages	4	7,400	\$24.00	\$177,600

PROPERTY DETAILS & HIGHLIGHTS

Address	556 N 1st St
City, State	San Jose, CA
APN	249-43-083
Building Size	8,350 SF
Lot Size	9,822 SF
Year Built	1961
Suites	4

556 N 1st St is a stunning medical office owner-user investment opportunity located in the thriving downtown area of San Jose, California.

Situated on a parcel of land totaling 9,822 square feet, the subject property features a gross building area of approximately 8,350 square feet. The subject property had undergone significant improvements in 2020 and consists of 4 units with end-suite restrooms for each. Additionally, 2 units have existing buildouts for a dental office with a laboratory. Per City of San Jose, tenants are responsible for obtaining the requisite permit(s) to operate their respective businesses. Zoning on the property is Commercial Pedestrian (CP) which has many permitted uses for most offices and financial services including medical offices, general services, among many others with the intention to support pedestrian-oriented retail activity at a scale compatible with surrounding neighborhoods. Buyer to verify.

Nestled by Japantown, the Hensley Historic District, and Downtown San Jose, tenants at 556 N 1st St have convenient access to the various amenities, restaurants, and entertainment options that the city has to offer. The property is also situated close to California Highway 87, providing easy access to the rest of the city as well as the greater San Francisco Bay Area.

The investment appeal of this asset is driven by San Jose's strong employment fundamentals and low vacancy levels. With a world-class location in the heart of the South Bay, 556 N 1st St presents an attractive choice for investors due to its close proximity to downtown, major employers, transportation corridors, shopping, dining, and entertainment options.

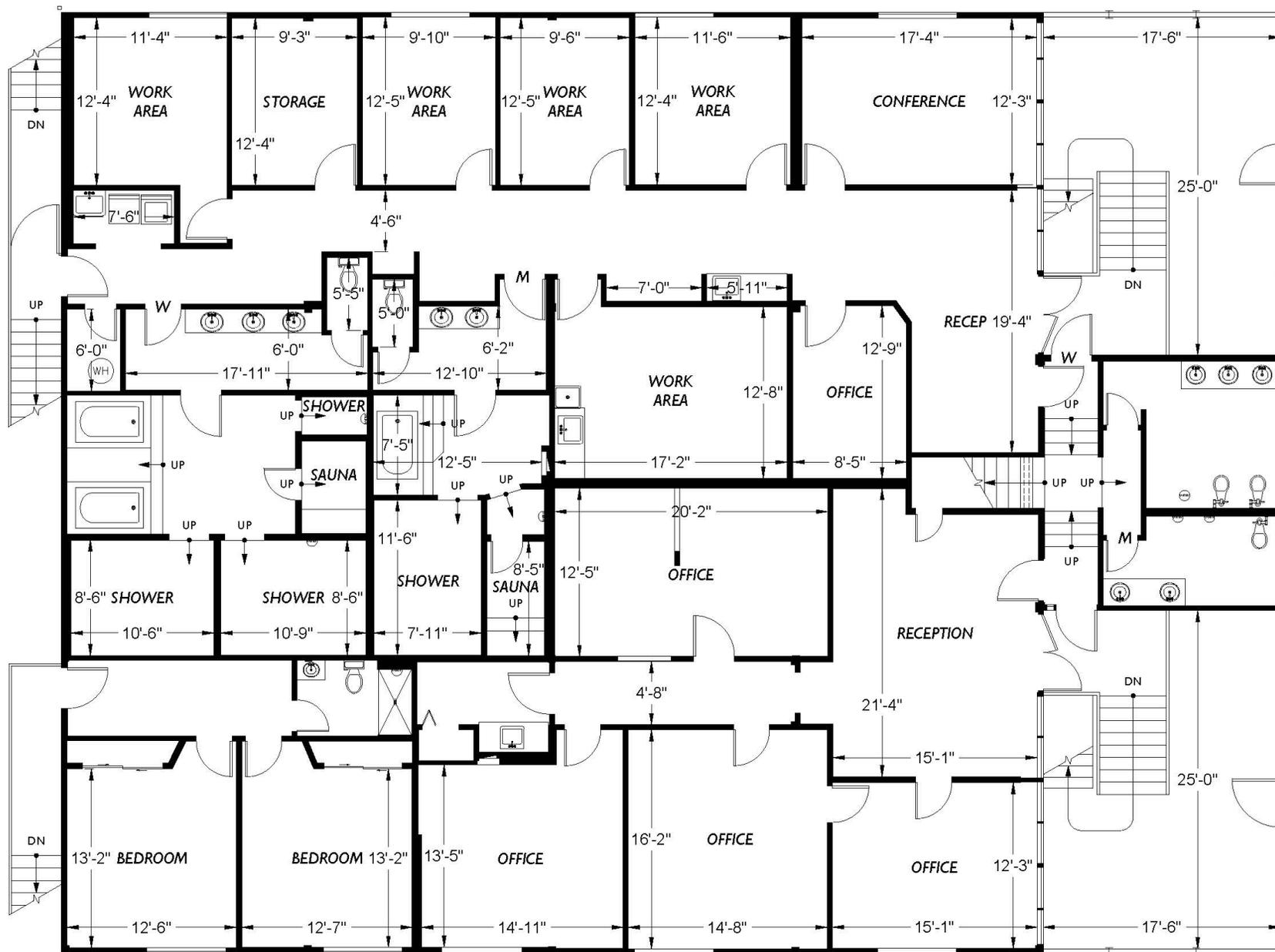


- Exceptional Owner-User Investment Opportunity - Investors have the opportunity to acquire a well-situated asset located in San Jose, California.
- Medical Office Buildout - The subject property consists of 2 units that have been retrofitted for a dental office with a laboratory.
- Prime Downtown San Jose Location - Renters benefit from close proximity to high end shopping, dining and entertainment options in Downtown San Jose.
- Notable Downtown Attractions - Tenants are located within convenient access to many nearby city attractions such as Guadalupe River Park, Cathedral Basilica of St. Joseph, SAP Center, the San Jose Museum of Art and many more.
- Convenient Access to Transportation Corridors - Including Interstate 680, Interstate 280, California Highway 87, U.S. 101.

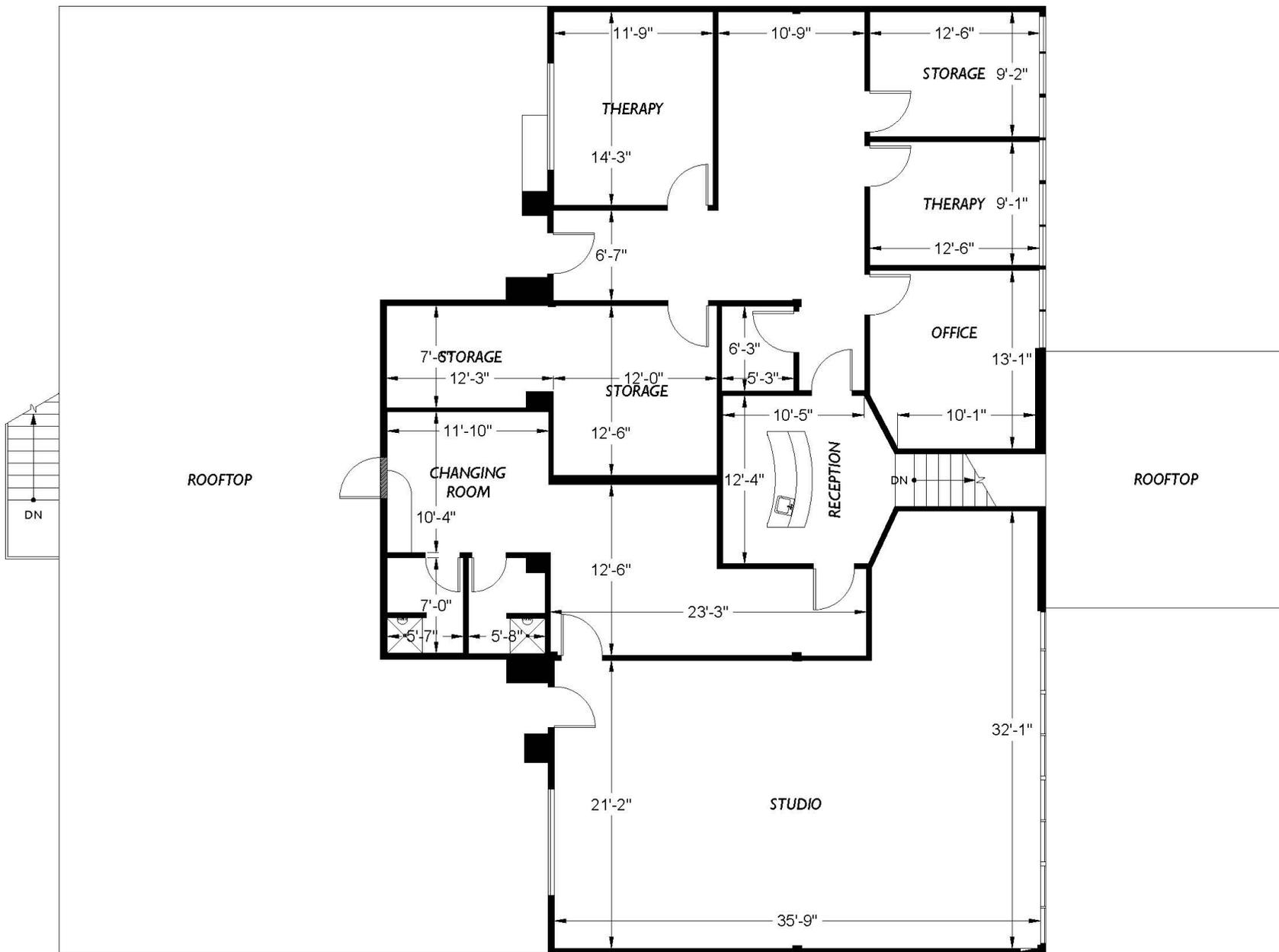
RENT ROLL

TENANT NAME	UNIT NUMBER	UNIT SIZE (SF)	MARKET RENT	% OF BUILDING	PRICE PER SF/YR
Vacant	101	2,350	\$56,400	28.14	\$24.00
Vacant	102	1,100	\$26,400	13.17	\$24.00
Vacant	103	1,250	\$30,000	14.97	\$24.00
Vacant	201	2,700	\$64,800	32.34	\$24.00
Totals/Averages		7,400	\$177,600		\$24.00

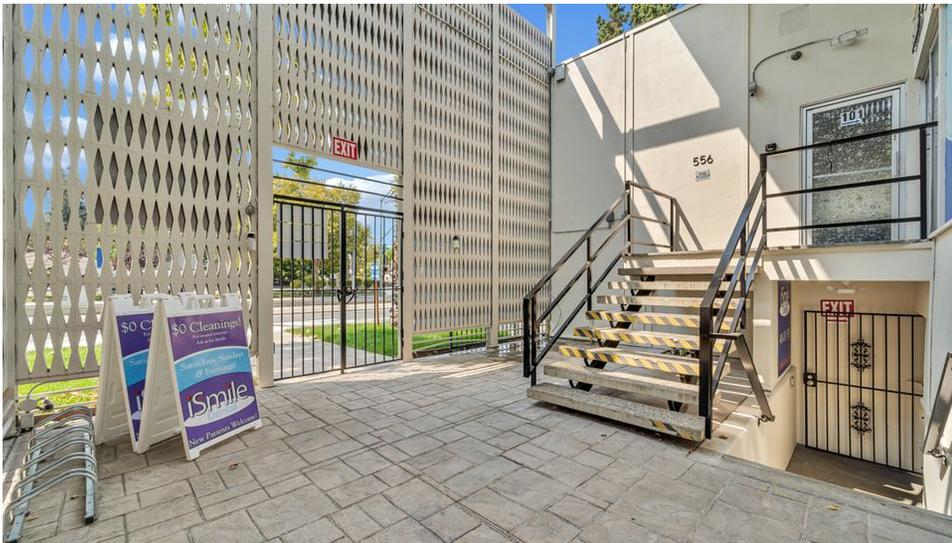
FLOOR PLAN - 1ST FLOOR



FLOOR PLAN - 2ND FLOOR



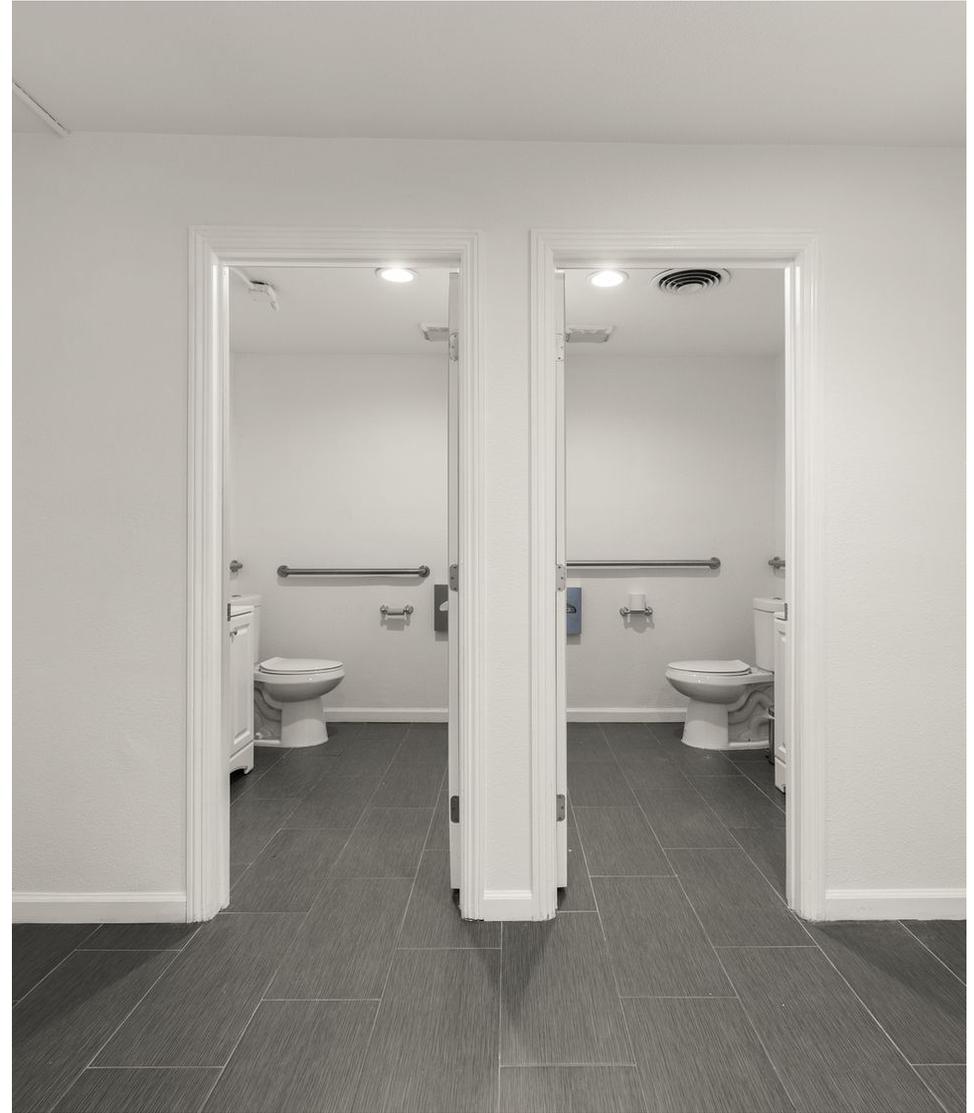
EXTERIOR PHOTOS



INTERIOR PHOTOS

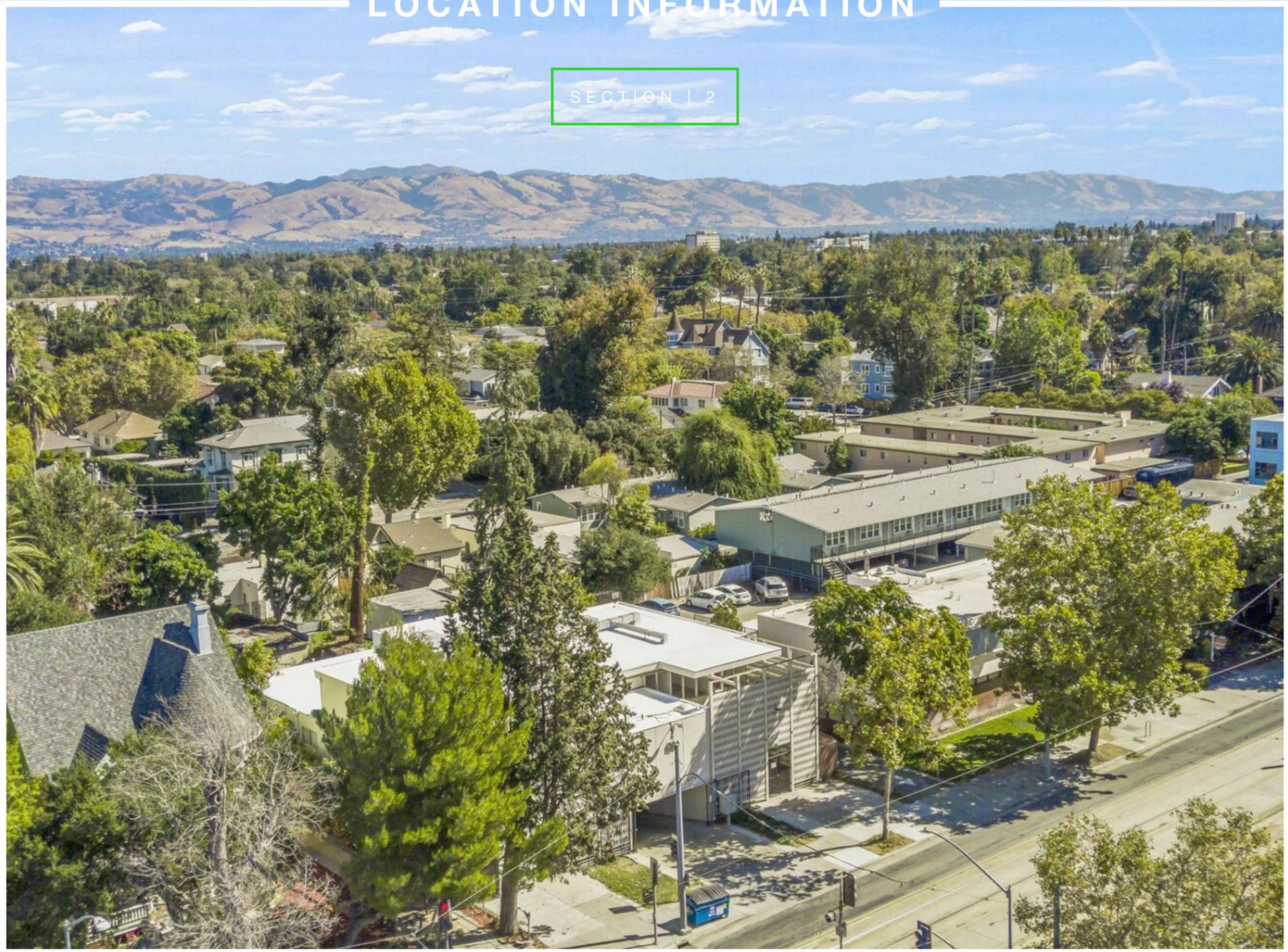


INTERIOR PHOTOS



LOCATION INFORMATION

SECTION | 2



LOCATION OVERVIEW



LOCATION DESCRIPTION

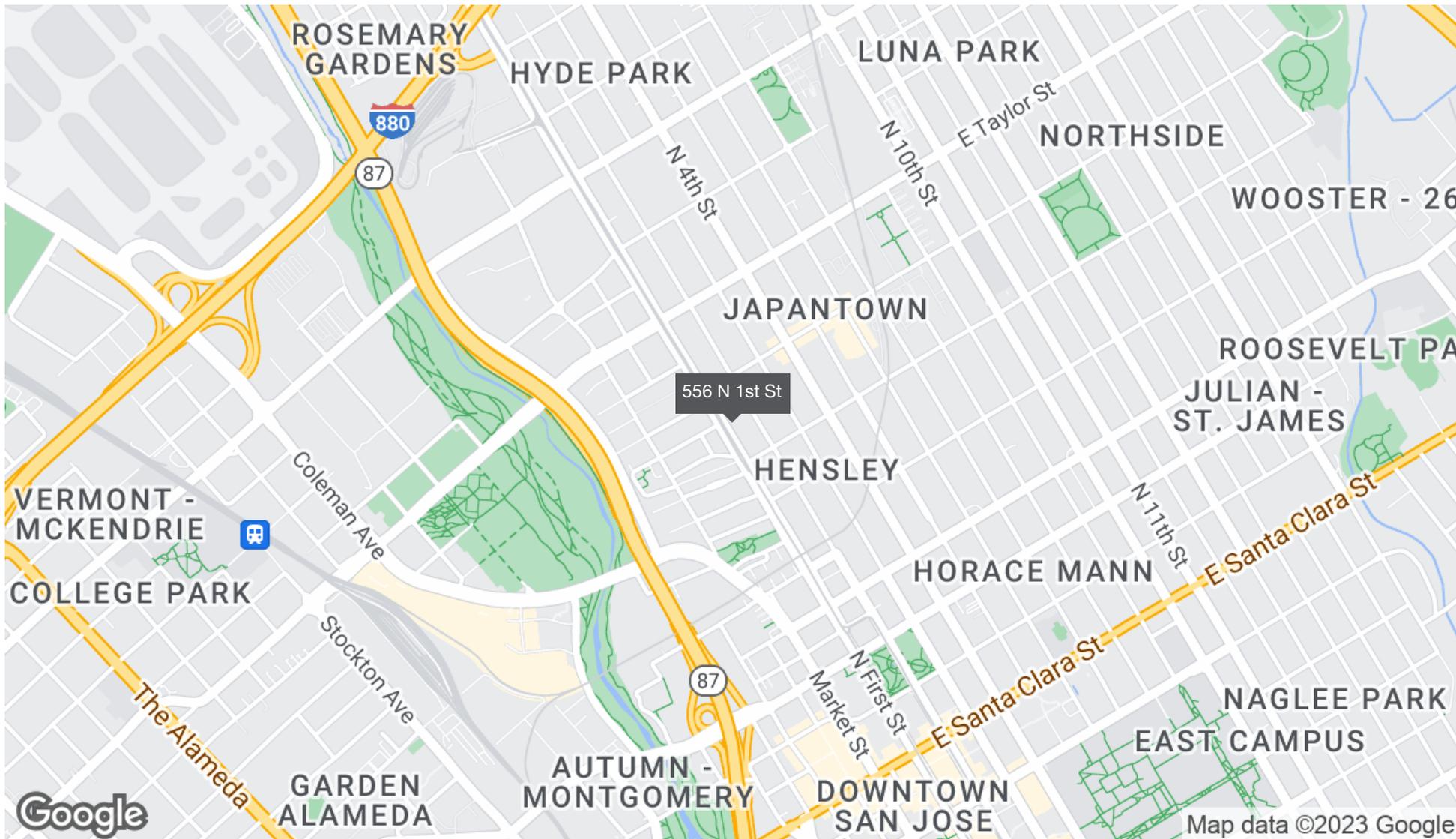
San Jose is the third-largest city by population in California, twelfth largest by population in the United States and the county seat of Santa Clara County. It is the largest city within the Bay Area as well as the largest city in Northern California. The large concentration of high-technology engineering, computer and microprocessor companies around San Jose has led the area to be known as the Silicon Valley. As the largest city in the valley, San Jose has billed itself as The Capital of Silicon Valley. San Jose is now considered to be a global city and is notable for its affluence and high cost of living.

Notable attractions in San Jose include the Guadalupe River Park, Cathedral Basilica of St. Joseph, SAP Center, San Jose Museum of Art, and a myriad of fine dining, shopping, and entertainment options. Google Village, the giant proposed tech campus for Google, is planned for the Downtown Diridon Station area which is just 2 miles away. The property is also located within half an hour of many additional distinguished educational institutions including Stanford University, and Santa Clara University. As part of Silicon Valley, this location offers renters close proximity to many of the nation's top tech employers including Apple, Google, Facebook, IBM, Intel, Yahoo, Cisco Systems, Adobe, and more.

HIGHLIGHTS

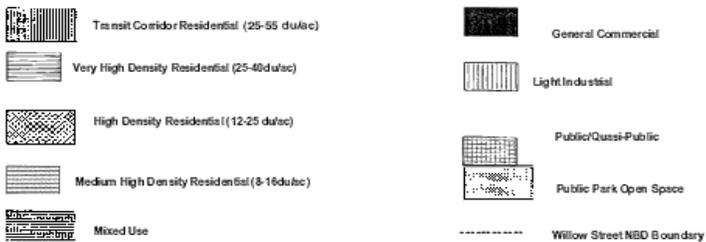
- Prime South Bay Location - San Jose is the twelfth largest city in the nation, home to approximately 994,272 people and 66,000 businesses with more than 2,500 being high-tech companies.
- Excellent Transportation Corridors - 556 N 1st St offers tenants and residents easy access to Interstate 280, State Route 87, Interstate 680, Interstate 880, U.S. Highway 101 as well as many others.
- Strong Employment Base - Many of the nation's top tech employers including Apple, Google, Facebook, IBM, Intel, Yahoo, Cisco Systems, Adobe Systems, LinkedIn as well as several others are within close proximity to the subject property.
- Surrounded by Major City Attractions - Including SAP Center, Santana Row, San Jose Municipal Rose Garden, San Jose Convention Center, the Children's Discovery Museum, the Tech Museum of Innovation and much more.

REGIONAL MAP



LOCATION OVERVIEW - NEARBY DEVELOPMENTS

LAND USE PLAN



TAMIEN STATION AREA SPECIFIC PLAN

The Tamien neighborhood is experiencing explosive growth in recent months largely due to the Tamien Station Area Specific Plan which focuses on development and building opportunities in San Jose as the city pushes for increased affordability and convenience for residents. The Tamien Station Area Specific Plan was born from the San Jose Housing Initiative as a push by the City of San Jose. This initiative uses land more efficiently by encouraging high density housing for all income levels while increasing public transit use by approving plans for developments near major transit stations. These stations also have convenient stops to major employers in the area such as the developing Google Village campus located in Diridon Station only one stop away from Tamien Station.

DIRIDON STATION AREA PLAN

The City of San Jose adopted the Diridon Station Area Plan (DSAP) as a way to redevelop the land in Downtown West San Jose from mostly parking lots and industrial buildings to a flourishing mixed-use urban environment that can be easily accessed through CalTrain. Recently, the city council approved of the Downtown West Mixed-Use Plan to use approximately 80 acres of the 250 acres allocated to the Diridon Station Area Plan to construct:

- 1) up to 7.3 million SF of office space
- 2) 4,000 new housing units
- 3) up to 500,000 SF of various active uses like retail, cultural, arts, etc
- 4) 100,000 SF of event spaces, hotels, and limited-term corporate accommodations
- 5) 15 acres of parks and open space
- 6) other infrastructure and utilities

Over the next few years, development is expected to begin and will continue as each section of the project will be built over several phases.

LOCATION OVERVIEW - DSAP/DOWNTOWN WEST



LEGEND

- Office
- Residential
- Land dedicated to City for affordable housing
- + Land dedicated to City for Unentitled DSAP potential affordable housing
- Active use (retail, cultural, arts, education etc)
- Parks + plazas + green spaces
- Downtown West Project Boundary

LOCATION OVERVIEW - BART SILICON VALLEY PHASE II

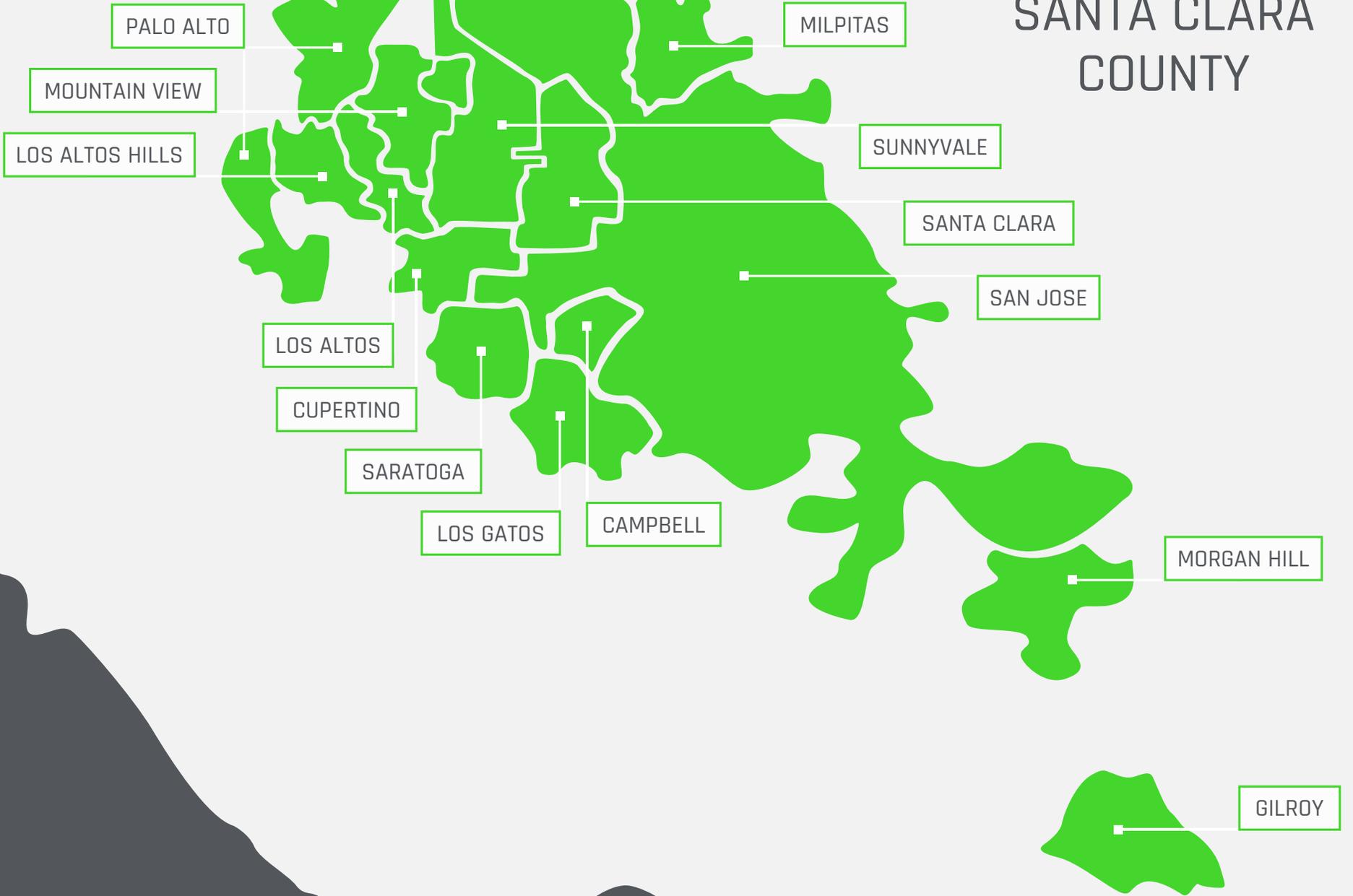


<https://www.vta.org/sites/default/files/2023-06/230629%20Overview%20and%20Benefits%20Factsheet.pdf>

MOUNTAIN VIEW



SANTA CLARA COUNTY



MOFFET PARK
Google Microsoft amazon
LOCKHEED MARTIN Motorola yahoo!

NASA

Hewlett Packard Enterprise DELL CISCO

DOWNTOWN SUNNYVALE
amc WELLS FARGO Caltrain aloft
WHOLE FOODS MARKET target Philz Coffee

SAN JOSE INTERNATIONAL AIRPORT

KAISER PERMANENTE

SANTA CLARA UNIVERSITY

556 N 1st St

SAN JOSE STATE UNIVERSITY

APPLE PARK

DOWNTOWN SAN JOSE
SAP zoom
COHESITY Adobe
wework Deloitte.
pwc Google

SANTANA ROW
LE LABO GRASSE - NEW YORK Nike VINCE. H&M
CB2 SEPHORA Crate&Barrel



556 N 1st St 

87

zoom

Adobe

at&t

acer

EY

The Tech
Museum of Innovation

Sheraton

Marriott

SAN JOSE
CONVENTION CENTER

pwc

Children's
Discovery
museum

Wrike

wework

Fairmont
HOTELS & RESORTS

Sheraton

ORIGINAL
JOE'S
RESTAURANT + BAR

CITY OF
SAN JOSE
CAPITAL OF SILICON VALLEY

GROCERY
OUTLET
Bargain Market

HAMMER
SAN JOSE STATE UNIVERSITY

SAN JOSE STATE
UNIVERSITY

FedEx Kinko's
Official Print Center

LIQUID AGENCY

decca

87

280

280

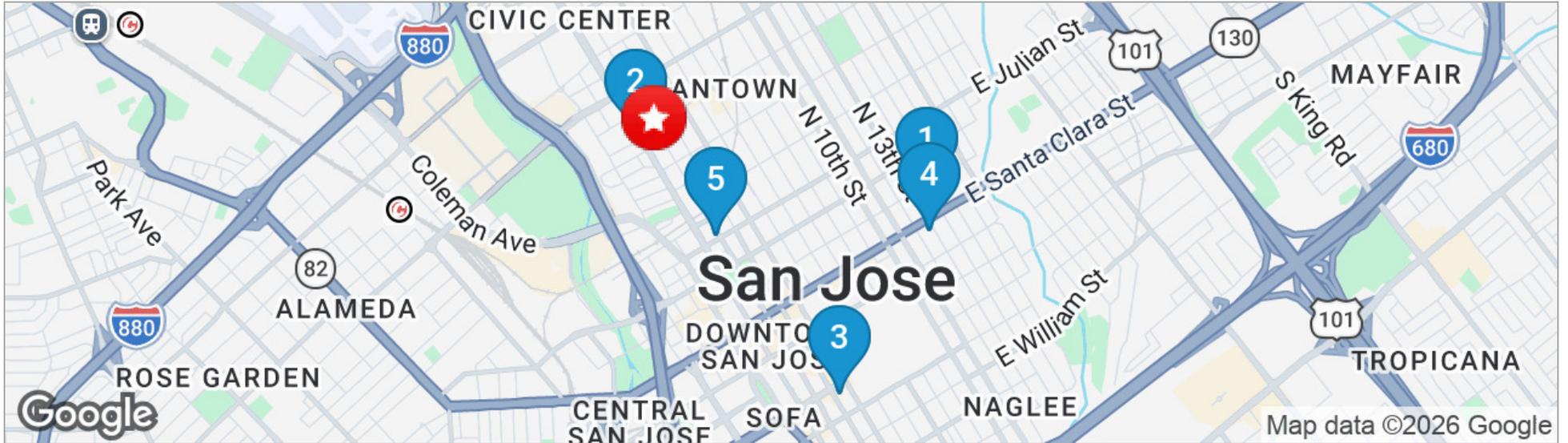
87

SALE COMPARABLES

SECTION | 3



SALE COMPS MAP



★ SUBJECT PROPERTY
556 N 1st St | San Jose, CA 95112

1 65 N 14TH ST
San Jose, CA
95112

2 601 N 1ST ST
San Jose, CA
95112

3 320 S 3RD ST
San Jose, CA
95112

4 27-29 S 13TH ST
San Jose, CA
95112

5 45 E JULIAN ST
San Jose, CA
95112

SALE COMPS SUMMARY

	SALE COMPS	PRICE	BLDG SF	PRICE/SF	CLOSE
	1 65 N 14th St San Jose, CA 95112	\$2,250,000	4,042 SF	\$556.66	01/20/2026
	2 601 N 1st St San Jose, CA 95112	\$1,100,000	3,508 SF	\$313.57	05/28/2025
	3 320 S 3rd St San Jose , CA 95112	\$1,750,000	5,080 SF	\$344.49	05/01/2025
	4 27-29 S 13th St San Jose, CA 95112	\$1,730,000	3,888 SF	\$444.96	10/16/2024
	5 45 E Julian St San Jose, CA 95112	\$2,325,000	5,095 SF	\$456.33	02/29/2024
		PRICE	BLDG SF	PRICE/SF	CLOSE
	Totals/Averages	\$1,831,000	4,323 SF	\$423.55	

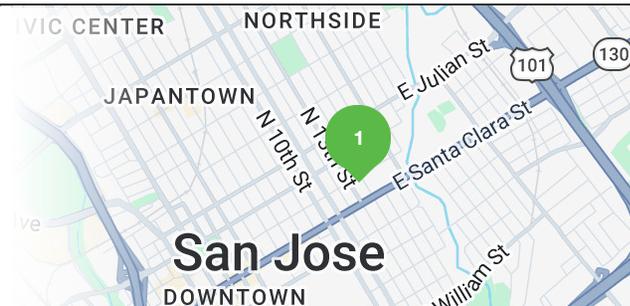
SALE COMPS



65 N 14TH ST

San Jose, CA 95112

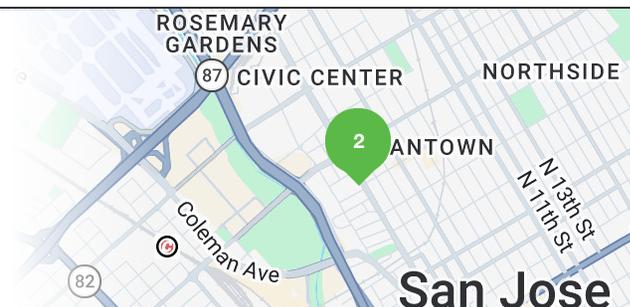
Sale Price:	\$2,250,000	Lot Size:	12,500 SF
Year Built:	1958	Building SF:	4,042 SF
Price PSF:	\$556.66	Closed:	01/20/2026



601 N 1ST ST

San Jose, CA 95112

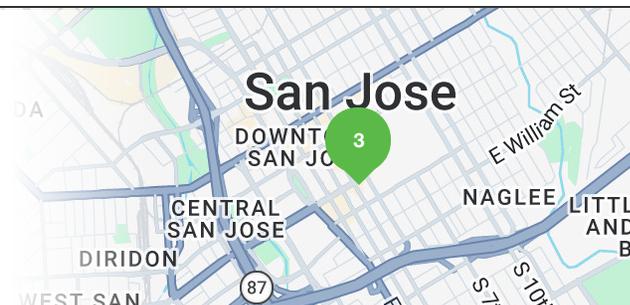
Sale Price:	\$1,100,000	Lot Size:	7,200 SF
Year Built:	1907	Building SF:	3,508 SF
Price PSF:	\$313.57	Closed:	05/28/2025



320 S 3RD ST

San Jose, CA 95112

Sale Price:	\$1,750,000	Lot Size:	6,302 SF
Year Built:	1950	Building SF:	5,080 SF
Price PSF:	\$344.49	Closed:	05/01/2025



SALE COMPS



27-29 S 13TH ST

San Jose, CA 95112

Sale Price: \$1,730,000

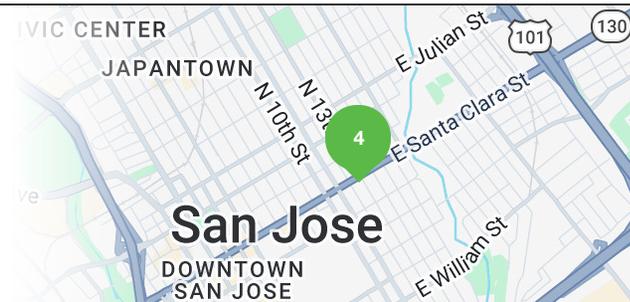
Year Built: 1972

Price PSF: \$444.96

Lot Size: 8,832 SF

Building SF: 3,888 SF

Closed: 10/16/2024



45 E JULIAN ST

San Jose, CA 95112

Sale Price: \$2,325,000

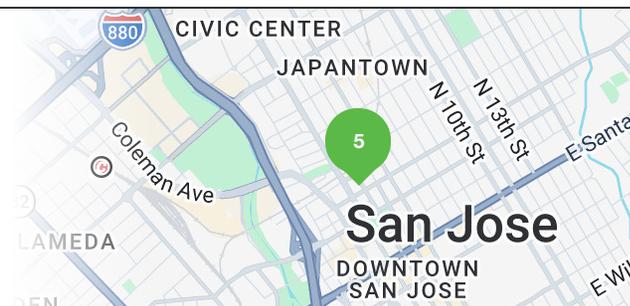
Year Built: 1900

Price PSF: \$456.33

Lot Size: 8,712 SF

Building SF: 5,095 SF

Closed: 02/29/2024

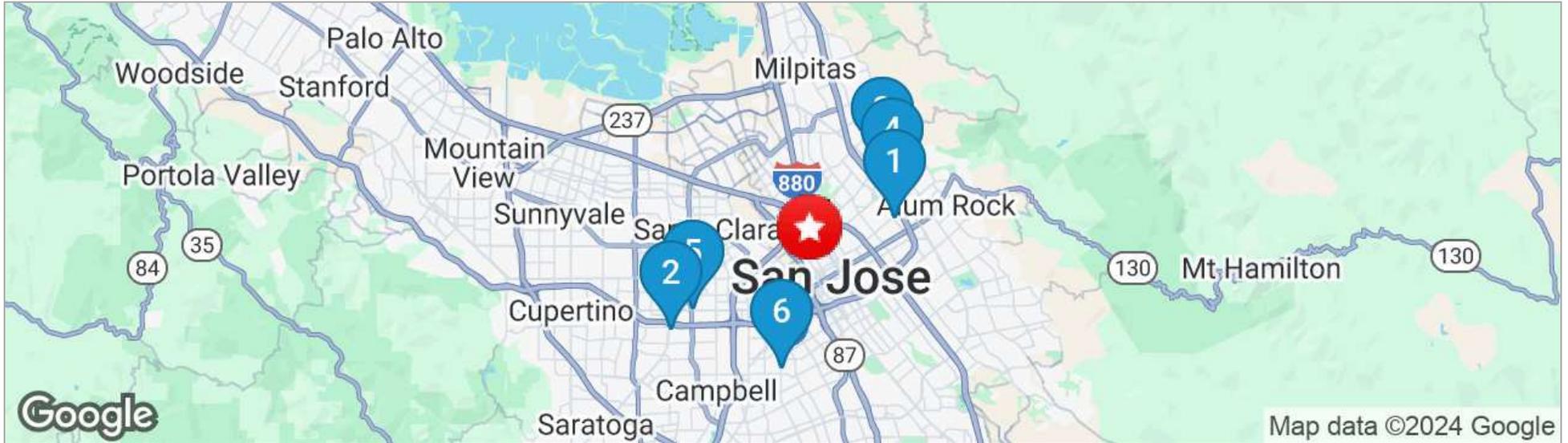


LEASE COMPARABLES

SECTION | 4



RENT COMPS MAP



SUBJECT PROPERTY
556 N 1st St | San Jose, CA 95112

1 280 N JACKSON AVE
San Jose, CA
95116

2 4125 BLACKFORD AVE
San Jose, CA
95117

3 2664 BERRYESSA RD
San Jose, CA
95132

4 750 N CAPITOL AVE
San Jose, CA
95133

5 3595 STEVENS CREEK BLVD
Santa Clara, CA
95050

6 1530 MERIDIAN AVE
San Jose, CA
95125

RENT COMPS



280 N JACKSON AVE

San Jose, CA 95116

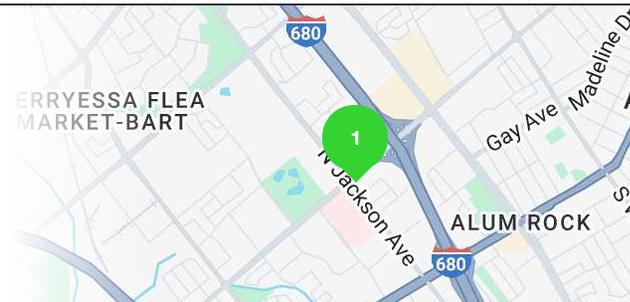
Lease Rate: \$31.20 SF

Space Size: 1,292 SF

Bldg Size: 3,876 SF

Lease Type: MG

Year Built: 1975



4125 BLACKFORD AVE

San Jose, CA 95117

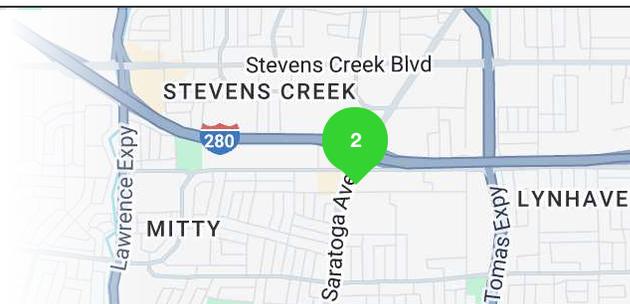
Lease Rate: \$32.52 SF

Space Size: 517 SF

Bldg Size: 19,932 SF

Lease Type: MG

Year Built: 1978



2664 BERRYESSA RD

San Jose, CA 95132

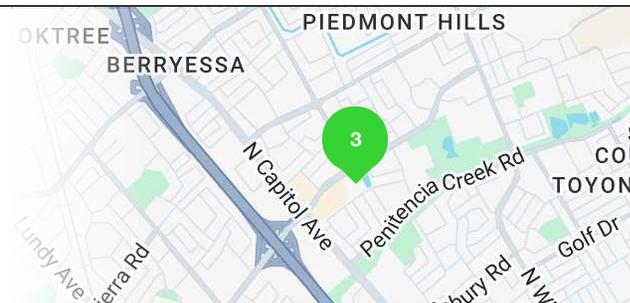
Lease Rate: \$33.00 SF

Space Size: 1,224 SF

Bldg Size: 30,683 SF

Lease Type: NNN

Year Built: 1979



RENT COMPS

4

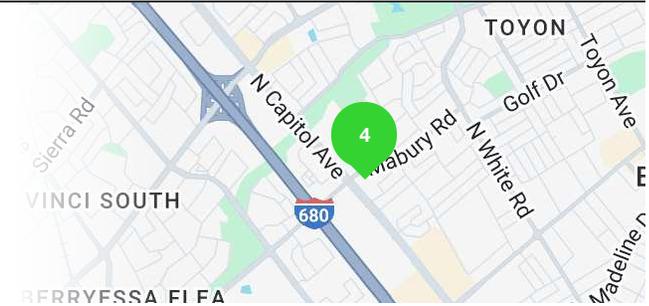


750 N CAPITOL AVE

San Jose, CA 95133

Lease Rate: \$35.76 SF
 Space Size: 1,457 SF
 Bldg Size: 4,544 SF

Lease Type: Full Service
 Year Built: 1977



5

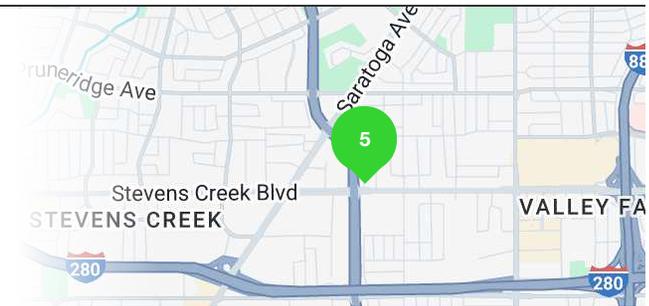


3595 STEVENS CREEK BLVD

Santa Clara, CA 95050

Lease Rate: \$39.00 SF
 Space Size: 2,938 SF
 Bldg Size: 5,112 SF

Lease Type: NNN
 Year Built: 1970



6

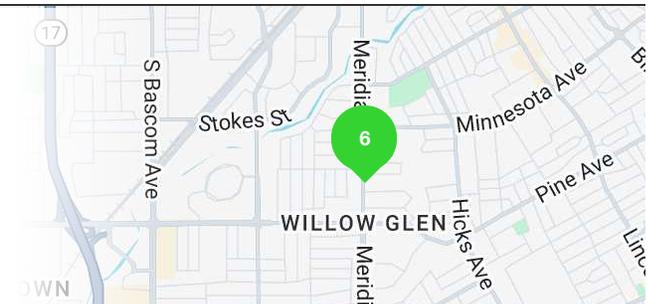


1530 MERIDIAN AVE

San Jose, CA 95125

Lease Rate: \$39.00 SF
 Space Size: 6,352 SF
 Bldg Size: 42,122 SF

Lease Type: Full Service
 Year Built: 1976



MARKET OVERVIEW

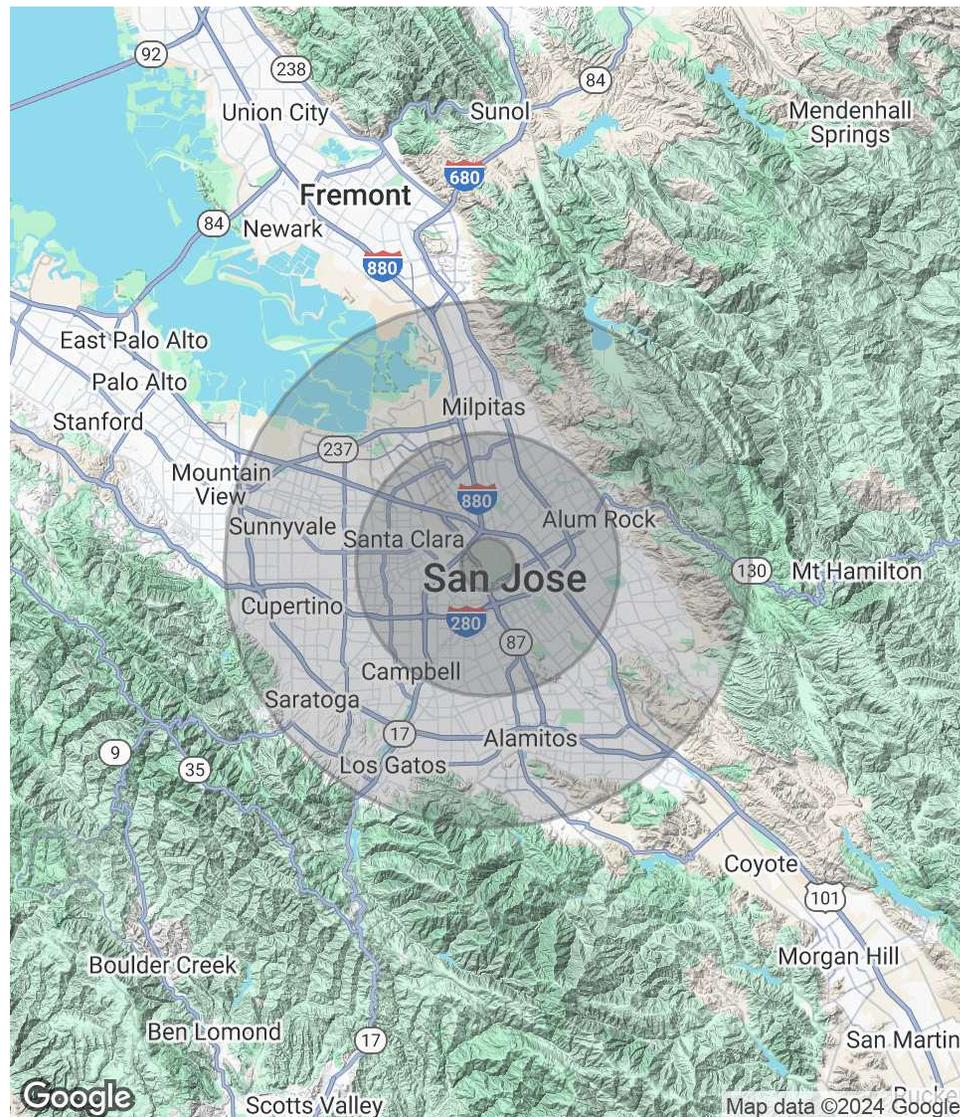
SECTION | 5



DEMOGRAPHICS MAP & REPORT

POPULATION	1 MILE	5 MILES	10 MILES
Total Population	30,488	671,792	1,588,822
Average Age	35.2	36.4	38.5
Average Age (Male)	35.5	35.5	37.6
Average Age (Female)	33.8	37.5	39.3

HOUSEHOLDS & INCOME	1 MILE	5 MILES	10 MILES
Total Households	13,439	227,182	545,562
# of Persons per HH	2.3	3.0	2.9
Average HH Income	\$128,482	\$133,365	\$158,321
Average House Value	\$730,827	\$812,763	\$1,020,609



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