

# 725

Alfred Nobel Drive  
HERCULES, CA



Newmark  
Knight Frank

# DISCLAIMER

# 725

## Alfred Nobel Drive HERCULES, CA

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Additional information and an opportunity to inspect the Property will be made available upon written request of interested and qualified prospective purchasers. Seller and Agent each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any party at any time with or without notice. Seller reserves the right to change the timing and procedures for the Offering process at any time in Seller's sole discretion. Seller shall have no legal commitment or obligations to any party reviewing this Memorandum, or making an offer to purchase the Property, unless and until such offer is approved by Seller, and a written agreement for the purchase of the Property has been fully executed and delivered by Seller and the Purchaser thereunder.

This Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not forward, photocopy or duplicate it, that you will not disclose this Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Seller or Agent, and that you will not use this Memorandum or any of the contents in any fashion or manner detrimental to the interest of Seller or Agent.

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The background is a warm, golden-brown color with a subtle pattern of overlapping gears and faint numbers. The gears are of various sizes and are positioned in a way that suggests a complex mechanical or industrial theme. The numbers are scattered throughout the background, some appearing as small, faint digits and others as larger, more prominent numbers. The overall aesthetic is clean, professional, and modern.

# Executive SUMMARY

# Executive SUMMARY

**NEWMARK KNIGHT FRANK, as exclusive advisor, is pleased to present the opportunity to acquire the fee simple interest in 725 Alfred Nobel Drive (the "Property" or "725"), a single-story office/R&D building located in Hercules, California.** The +/-69,184 square foot Property presents Tenants with the opportunity to occupy this well-located property with excellent access to I-80 and Highway 4. The Property offers investors immediate leasing upside with the opportunity to cater to both office and R&D users in a supply constrained market.

The Property is located within the North Shore Business Park which is comprised of more than 1,000,000 square feet of office and R&D commercial space. Along with numerous other successful companies, North Shore Business Park is the headquarters of Bio-Rad Laboratories, Inc. which occupies over 600,000 square feet located in the immediate vicinity.

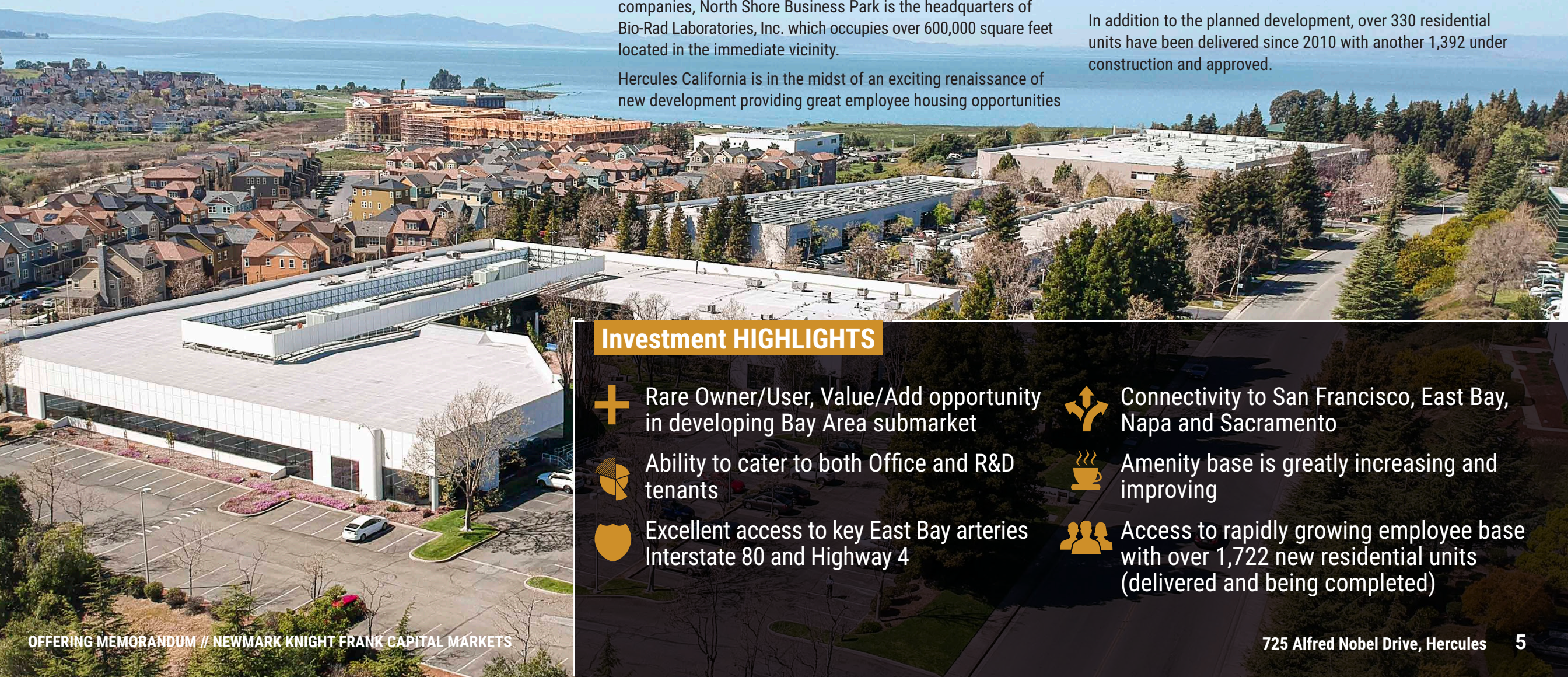
Hercules California is in the midst of an exciting renaissance of new development providing great employee housing opportunities

as well as new restaurants, major grocery markets, services, and other retail amenities all within minutes of 725 Alfred Nobel Drive.

New planned development also includes an expanded transportation hub with an all new Capitol Corridor station, bus station, and planning for a new San Francisco Bay Ferry connection.

The retail amenities base offers multiple retail developments including the new Safeway Center (major grocer, coffee shop, banking and fuel station), under construction with a planned opening of late 2020 as well as Sycamore Crossing, a recently approved development with approximately 30,000 square feet of additional new retail amenities, a 105-room hotel, and 120 residential condominiums.

In addition to the planned development, over 330 residential units have been delivered since 2010 with another 1,392 under construction and approved.



## Investment HIGHLIGHTS

- + Rare Owner/User, Value/Add opportunity in developing Bay Area submarket
- Ability to cater to both Office and R&D tenants
- Excellent access to key East Bay arteries Interstate 80 and Highway 4

- Connectivity to San Francisco, East Bay, Napa and Sacramento
- Amenity base is greatly increasing and improving
- Access to rapidly growing employee base with over 1,722 new residential units (delivered and being completed)

# Property SUMMARY



## PROPERTY OVERVIEW

<b>Building Address</b>	725 Alfred Nobel Drive, Hercules, California
<b>Location:</b>	725 Alfred Nobel is located less than a half mile from both Interstate 80 and Highway 4. It is also less than a half mile from the new Regional Intermodal Transportation Center (bus, and planned train and ferry service).
<b>Site Access:</b>	Vehicular access to the Property is provided via two driveways along Alfred Nobel Drive.
<b>Parking &amp; Paving:</b>	Asphalt paved parking lots surround the Property. A total of 257 parking spaces are provided with a ratio of 3.7 per 1,000 rentable square feet. The site topography is generally level.
<b>Loading:</b>	The Property has two (2) grade level roll-up loading doors with another that is currently glassed-in and could be returned to a loading door.
<b>Zoning:</b>	PO/PD – Planned Office – Research & Development Mixed Use District

## CONSTRUCTION DETAIL

<b>Foundation &amp; Structure:</b>	The foundation is concrete slab on grade.
<b>Exterior Walls:</b>	The building is painted tilt-up concrete construction with a low slope built up roof system.
<b>Building Clear Height:</b>	Building clear height above the ceiling grid is estimated at 15'-20' in different locations.

## UTILITIES

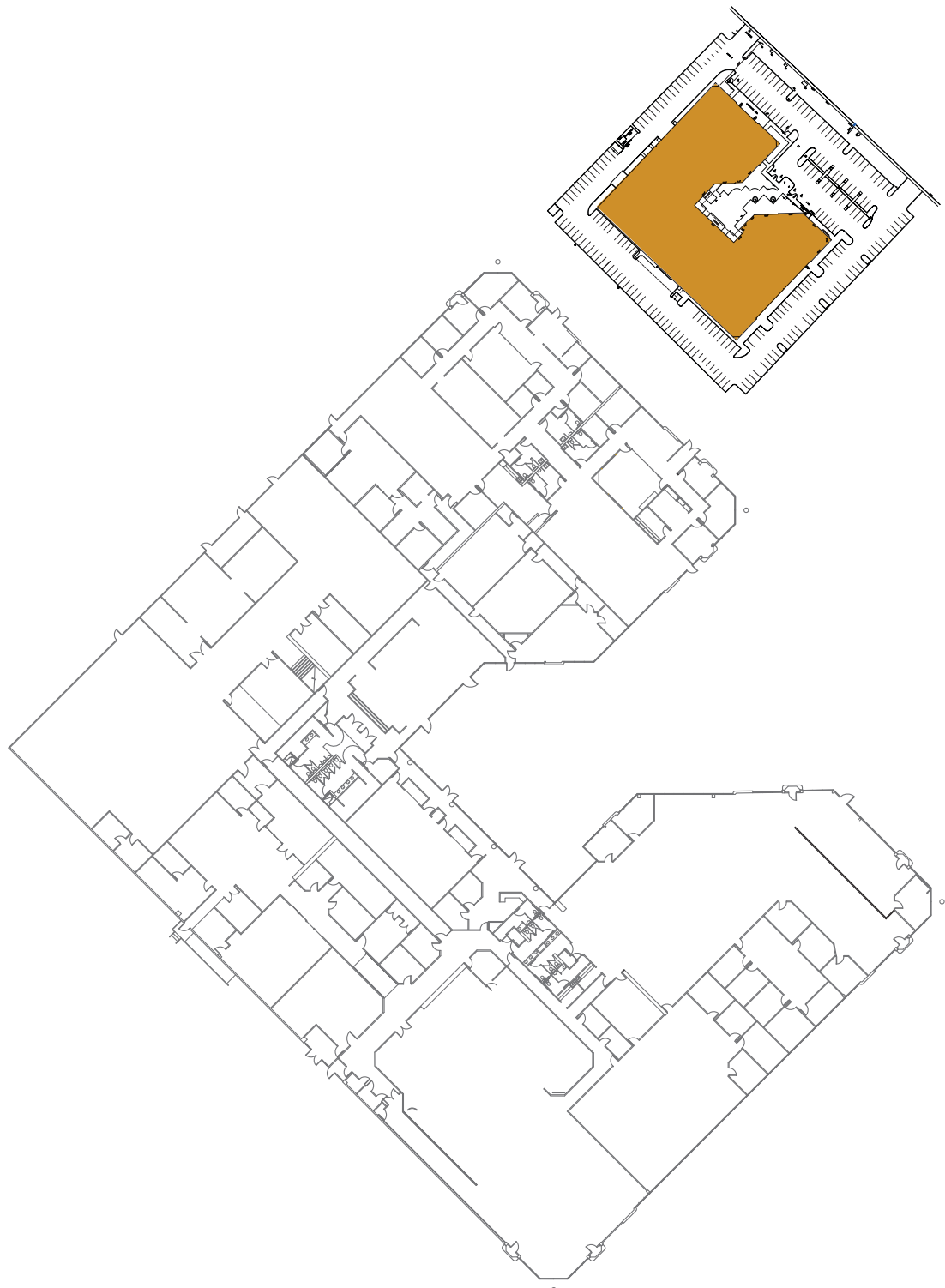
<b>Sanitary Sewer:</b>	City of Hercules
<b>Domestic Water:</b>	East Bay Municipal Utility District
<b>Electric Service:</b>	PG&E
<b>Natural Gas:</b>	PG&E

# Property PROFILE

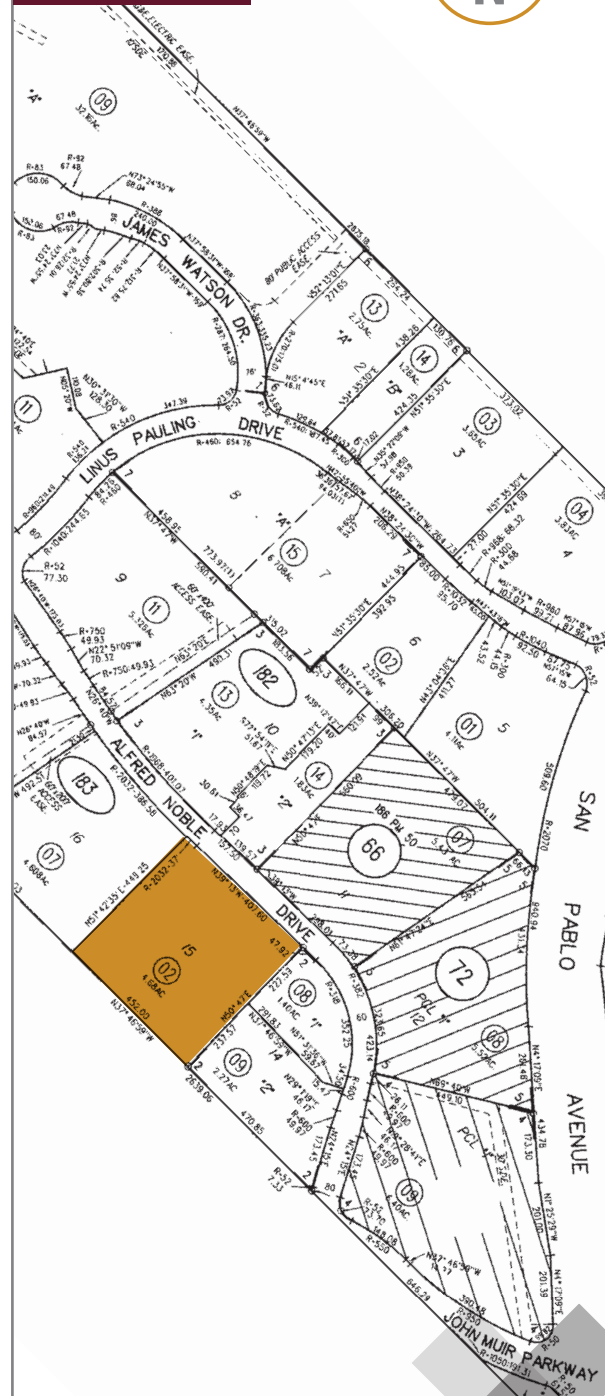
<b>Property Address</b>	725 Alfred Nobel Drive   Hercules, CA
<b>APN</b>	404-183-002-9
<b>Parcel Size</b>	4.68 acres
<b>Buildings</b>	1
<b>Special Improvements</b>	Raised floor data center (±2,000 SF)
<b>Year Built</b>	1986
<b>Square Footage</b>	±69,184
<b>Occupancy</b>	Vacant upon close of escrow
<b>Zoning</b>	PO/RD (Planned Office – Research & Development Mixed Use District)
<b>Loading Doors</b>	Two (2) grade level loading doors with One (1) more currently glassed in
<b>Construction</b>	Concrete tilt
<b>Clear Height</b>	15'-20' varied
<b>Fire Suppression</b>	Fully sprinklered
<b>Power</b>	2,000 amps / 480V / 3-phase
<b>Back-Up Generator</b>	ONAN 350KW 480V 3 Phase (300 gallon above grade fuel tank)
<b>Parking</b>	257 spaces (3.7/1,000 square feet)



# Site & FLOORPLAN



## PARCEL MAP





# INTERIOR



RECEPTION



LOADING AREA



LUNCH ROOM



*San Francisco Bay Area  
East Bay  
City of Hercules*

# AREA OVERVIEW

# San Francisco BAY AREA

The San Francisco Bay Area is a major international gateway and one of the world's most important commercial, cultural, and financial centers. Additionally, when one takes into account its exceptional beauty, from the famed Napa Valley wine country in the north to the scenic Monterey Peninsula in the south, it is no surprise that Condé Nast Traveler magazine has named San Francisco the number one U.S. city to visit for 18 straight years. Marked by a diverse, dynamic, and resilient \$300 billion economy; highly skilled workforce; temperate weather; unique cultural offerings; and an unparalleled quality of life, the San Francisco Bay Area continues to prosper as one of the world's most desirable places to live, work, and play.

As the fifth largest metropolitan area in the country and the 15th largest financial center in the world, the San Francisco Bay Area is ranked in the top five nationally for both job growth and education.

The San Francisco Bay Area boasts the highest concentration of technology companies and workers in the country, and is home to headquarters of such companies as Apple, LinkedIn, Google, Salesforce, and Facebook. Nearly 50% of San Francisco Bay Area residents have at least a bachelor's degree. In addition, the top six median income counties in the state of California are located within the San Francisco Bay Area.



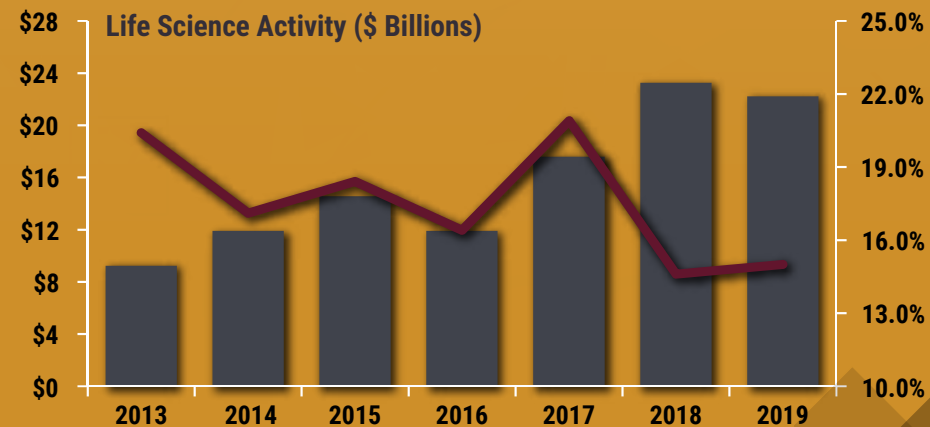
## VENTURE CAPITAL INVESTMENT

The San Francisco Bay Area is a leading global center for innovation and the most active venture capital market in the world. Since the 1970s, the San Francisco Bay Area has served as the birthplace of and home to many of the world's most renowned technology companies. Today, the San Francisco Bay Area is widely recognized as the epicenter of technological innovation, covering the full spectrum of technology, including nanotechnology, biotechnology, alternative energy, hardware, software, and social media.

The San Francisco Bay Area remains the world's leading center for innovation, and with specializations spanning seven technology fields, it is also the most diversified of any innovation-based community. In 2018, 33.3% (\$45.5 billion), of United States venture capital investments were made in the San Francisco Bay Area, representing the highest percentage of any geographic area. The relentless global demand for ever-increasing technological proficiencies and advancement is expected to continue to drive growth in the Bay Area. Currently, venture capital dry powder stands at \$180 billion, its highest level ever.

## U.S. VENTURE CAPITAL INVESTMENT

Life science companies received \$22.5 billion, or 15% of the U.S. venture capital invested through the fourth quarter of 2019. A total of 1,547 life science venture capital deals were recorded year-to-date.



# San Francisco BAY AREA

## INTERNATIONAL COMMERCE

The San Francisco Bay Area is one of the world's leading centers for international commerce with more than 80 foreign consulates and long-standing cultural and commercial ties to Asia and the greater Pacific Rim. Its geographic location is at the crossroads of East and West in the global marketplace, providing it with access to Asian, European, Latin American, and Canadian markets.

## MAJOR CULTURAL CENTER

The San Francisco Bay Area is home to numerous historical sites, museums, and significant cultural institutions, including the Presidio, Muir Woods National Monument, Point Reyes National Seashore, Lawrence Hall of Science, San Francisco Exploratorium, Technology Museum of Innovation, California Academy of Sciences, Asian Art Museum, de Young Museum, San Francisco Symphony and Ballet, the SF JAZZ Center, and the San Francisco Museum of Modern Art (SFMOMA). A food centric location where some of the world's most renowned chefs and restaurants may be found, the San Francisco Bay Area gave birth to "California Cuisine," a style which is now synonymous with healthy, fresh, and simply-prepared food.

## SAN FRANCISCO BAY AREA 2035

According to the Association of Bay Area Governments (ABAG), the Bay Area's population is forecast to grow by nearly 25% (1.7 million residents) to a total of 9 million people by 2035. Nearly 75% of this growth is projected to occur in Santa Clara, Alameda, and Contra Costa Counties.

## INTERNATIONAL TOURIST DESTINATION

As one of the world's most attractive travel and shopping destinations, San Francisco is experiencing extremely strong visitor and spending volume, with more than 25 million visitors in 2017 spending nearly \$9.3 billion.

## Stanford University

STUDENTS 16,336 LAUREATS 31

## Berkeley

UNIVERSITY OF CALIFORNIA

STUDENTS 38,204 LAUREATS 22

## UCSF

STUDENTS 2,940 LAUREATS 5

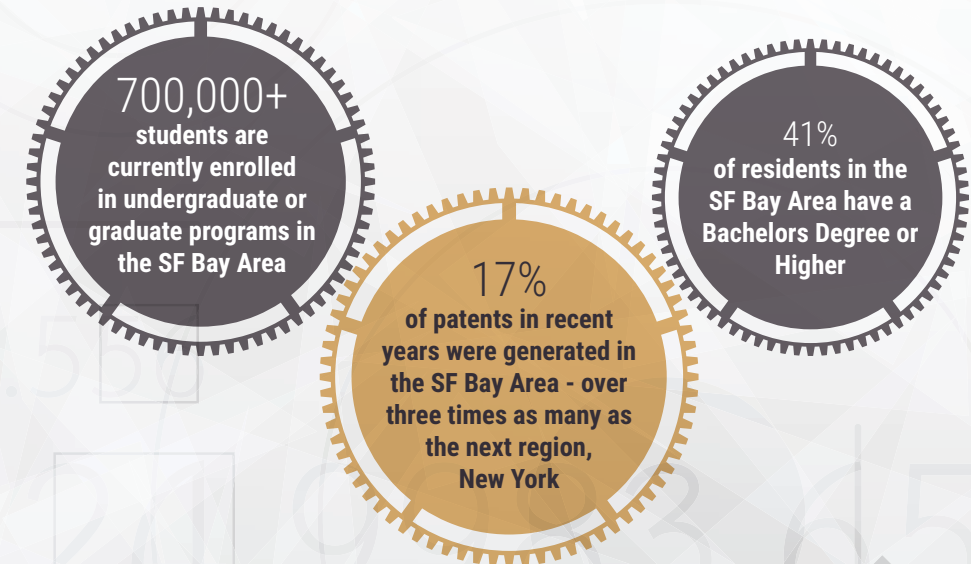
## Santa Clara University

STUDENTS 9,015

## SUPERIOR ACCESS TO INTELLECT AND ABILITY

The San Francisco Bay Area is home to the most highly educated workforce in the United States, due in large part to the presence of many world-renowned institutions, such as Stanford University, the University of California Berkeley, the University of California San Francisco, and Santa Clara University. In total, there are over 50 colleges and universities in the San Francisco Bay Area, each offering a first-rate education and specialized programs tailored to the specific disciplines of its students. Many of these programs allow students to launch companies while they are still in school, providing the oversight, tools, human capital, and funding necessary to grow. For example, Stanford is a \$5.5-billion enterprise, managing \$21.4 billion in endowment support. According to Forbes Magazine, "it is almost impossible to name a leading-edge company in the Bay Area that isn't closely associated with Stanford." Examples include Cisco Systems, Google, Hewlett-Packard, LinkedIn, Rambus, Silicon Graphics, and Yahoo.

Overall, the Bay Area has the most highly-educated workforce in the nation with the highest percentage of residents with graduate and professional degrees. The educated workforce and world-renowned universities of the Bay Area continue to drive job growth through innovation and the creation of cutting-edge businesses.







# East Bay OVERVIEW

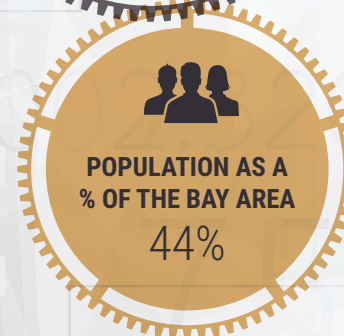
The East Bay is one of the most dynamic real estate markets in the country. The area is comprised of highly diverse and desirable cities. The market extends along interstates 80/880, Interstate 580, and Interstate 680, and encompasses the Port of Oakland and Oakland International Airport.

The market thrives on a stable local economy, diversified tenant mix, educated employment base, exceptional logistics system, proximity to San Francisco and San Jose, limited supply of land and significant barriers to entry for future development. The East Bay continues to attract people seeking affordability, a central location, accessibility, a temperate climate, and cultural amenities.

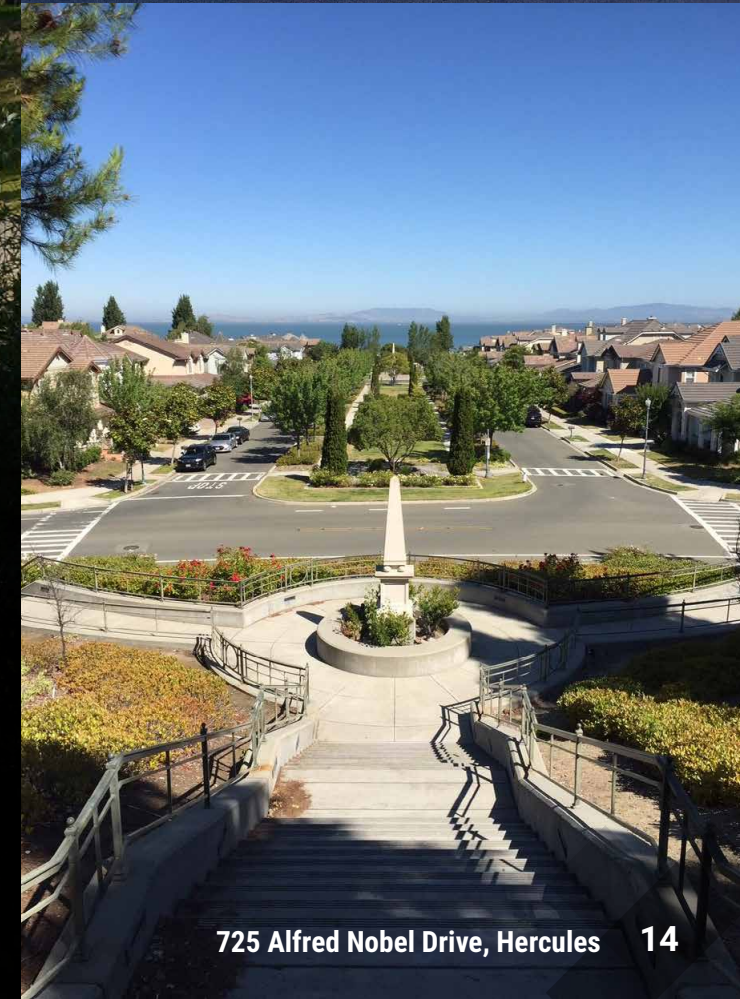
The East Bay is home to several Fortune 500 companies, including AAA, AT&T, Clorox, Bio-Rad, Comcast, Kaiser Permanente, Chevron, Ross Stores, Safeway, and Wells Fargo, to name a few.

## EAST BAY HIGHLIGHTS

-  Large biotechnology, software, and green technology hub due to immediate access to highly educated workforce and office rents commanding a significant discount to rents in San Francisco and Silicon Valley.
-  Excellent access and transportation infrastructure.
-  Steady demand generators from a highly diversified corporate base.
-  Severe barriers to entry due to its infill nature and anti-growth sentiment.



# City of HERCULES



Hercules, a diverse, suburban city, is centrally located in the San Francisco Bay Area along the southeastern shores of the San Pablo Bay, roughly 4 miles southwest of the Carquinez Bridge. By road, Hercules is roughly 12 miles north of Berkeley, 18 miles north of Oakland and 22 miles northeast of San Francisco.

The city is bisected by Interstate 80, one of California's major west-to-east transportation arteries, and the main highway between San Francisco and Sacramento. In addition to highway accessibility, Hercules is also connected by the WestCAT Lynx bus service, which provides a direct route to and from San Francisco's Salesforce Transbay Terminal in under an hour. A ferry terminal on Mare Island is located a 10-minute drive north of the city and provides transit to and from San Francisco's Ferry Building.

Hercules' largest employer, Biorad, is headquartered within the city. A Fortune 500 biotech company which as of 2018 had 8,260 employees worldwide and \$2.2 billion in revenue. The company is located in the North Shore Business park which includes over 1.1 million square feet of industrial and R&D space.

Hercules has over 98 acres of parkland in six parks created as part of its master planning effort, the most central being Refugio Valley Park, and has over 950 additional acres of open space. Hercules is also close to several regional nature preserves including Point Pinole Regional Shoreline, Crockett Hills Regional Park, Carquinez Strait, Wildcat Canyon and Sobrante Ridge Botanic Regional Preserve. Franklin Canyon Golf Course is an 18-hole golf course at the east side of the city. The San Francisco Bay Trail runs along Hercules' waterfront.

# New 4 RETAIL

SYCAMORE AVE

INTERSTATE  
80

SYCAMORE CROSSING

INTERESTED TENANTS



CVS/pharmacy®

SAFeway CENTER

SAFeway 

INTERESTED TENANTS

Peets Coffee & Tea... CHASE 

SAN PABLO AVE

JOHN MUIR PARKWAY

725

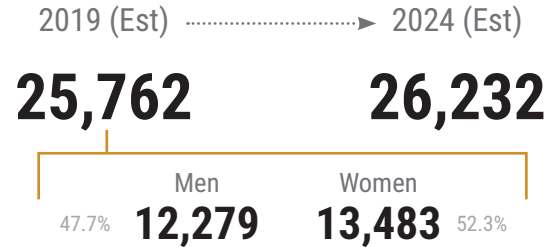
Alfred Nobel Drive  
HERCULES, CA



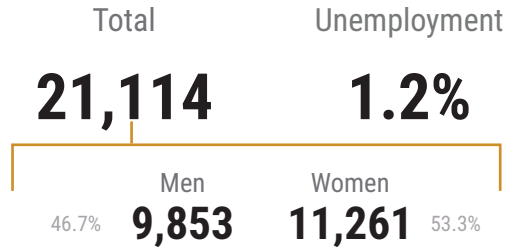
# City of HERCULES



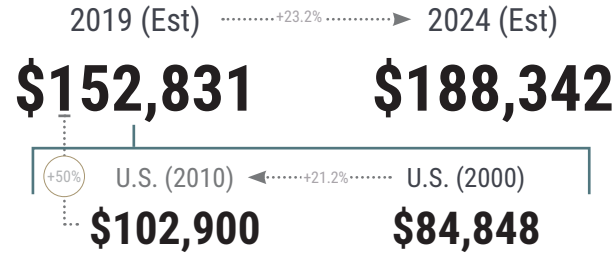
## POPULATION



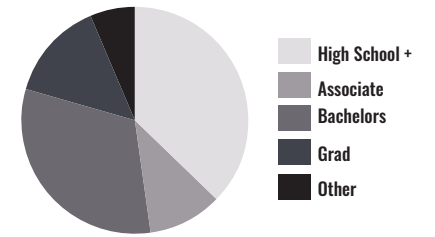
## LABOR FORCE



## AVERAGE HOUSEHOLD INCOME



## EDUCATION Adults 25+

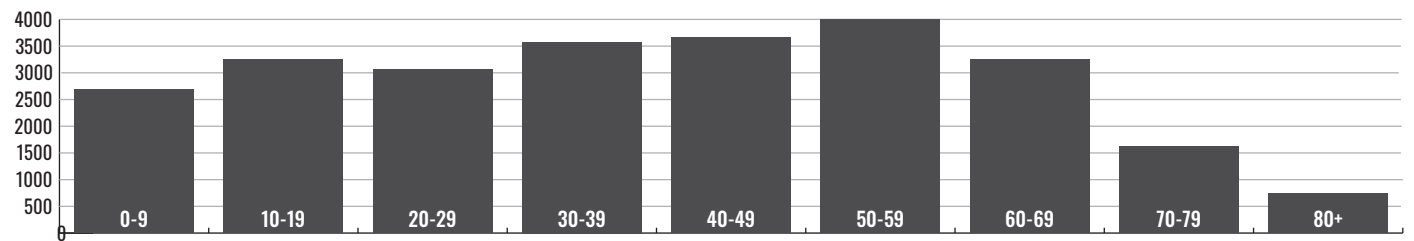


## Property Demographics (2019 Est.)

	WITHIN 1 MILE	3 MILES	5 MILES
<b>Population</b>	14,035	62,030	128,802
<b>Daytime Population</b>	7,948	30,177	63,634
<b>Avg. Household Inc.</b>	\$141,440	\$132,977	\$120,455



## AGE DISTRIBUTION





# DESTINATION



OFFERING MEMORANDUM // NEWMARK KNIGHT FRANK CAPITAL MARKETS

**SF** **35**  
MINUTES

**SFO** **45**  
MINUTES

**OAK** **25**  
MINUTES

**OAK** **30**  
MINUTES

**SAC** **60**  
MINUTES

**MFR** **60**  
MINUTES

**NAPA** **30**  
MINUTES

**CCR** **20**  
MINUTES

725 Alfred Nobel Drive, Hercules | 17

# TRANSPORTATION



**725**  
Alfred Nobel Drive  
HERCULES, CA

**13**  
MINUTES



**45**

MINUTES  
DIRECT BUS SERVICE  
FROM SAN FRANCISCO  
SALESFORCE TRANSIT  
CENTER TO HERCULES

**San Francisco Bay Ferry**

**75**

MINUTES  
1 HR RIDE FROM SAN  
FRANCISCO TO MARE  
ISLAND (VALLEJO) + 15  
MINUTE UBER TO HERCULES



**55**

MINUTE  
35 MINUTE BART FROM  
SAN FRANCISCO TO  
RICHMOND + 20 MINUTE  
BUS TO HERCULES

**Ferry Schedule**

DEPART SF	ARRIVE VALLEJO
7:15 AM	8:15 AM
9:45 AM	10:45 AM
3:30 PM	4:30 PM
6:00 PM	7:00 PM

..... **Proposed Direct Route**

The background is a warm, golden-brown color with a complex pattern of faint, semi-transparent gears and numbers. The gears are of various sizes and are interlocked, creating a sense of mechanical movement. Numbers are scattered throughout the background, some appearing as simple digits and others as small tables or data points. The overall aesthetic is technical and professional.

# MARKET OVERVIEW

# San Francisco BAY AREA

## MARKET OVERVIEW

### LEADING INTERNATIONAL COMPANIES

The San Francisco Bay Area is home to many prominent global companies, including 31 Fortune 500 companies, such as Chevron, McKesson, Wells Fargo, Hewlett Packard, Apple, Intel, Cisco Systems, Google, Oracle, Bio-Rad and Applied Materials.

McKesson



ORACLE



Google

WELLS FARGO

BIO-RAD

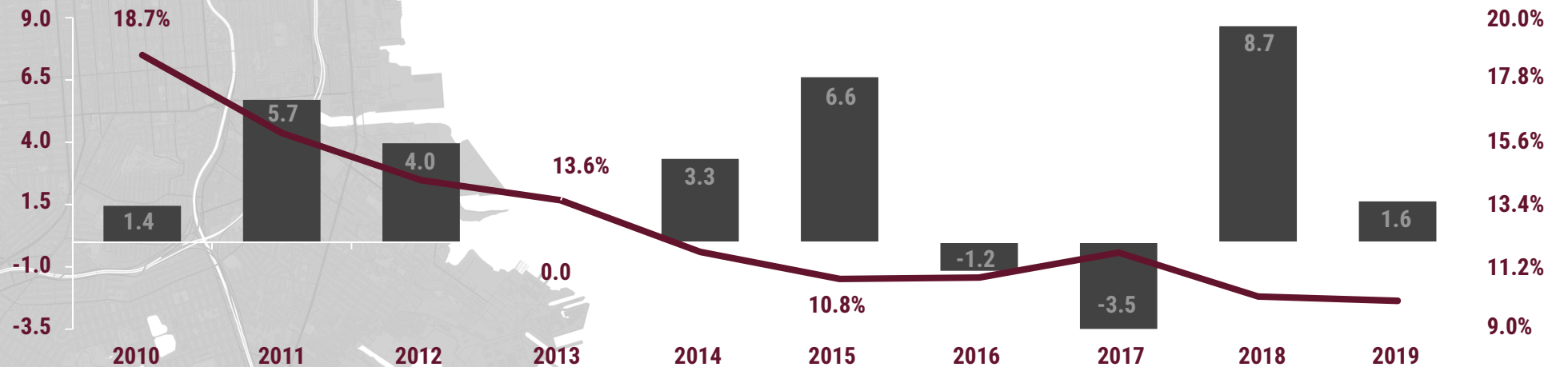


INVENTORY SF  
312,470,206

OFFICE

9.96%

Net Absorption  
(SF, Millions) vs.  
4Q Availability  
Rate (%)

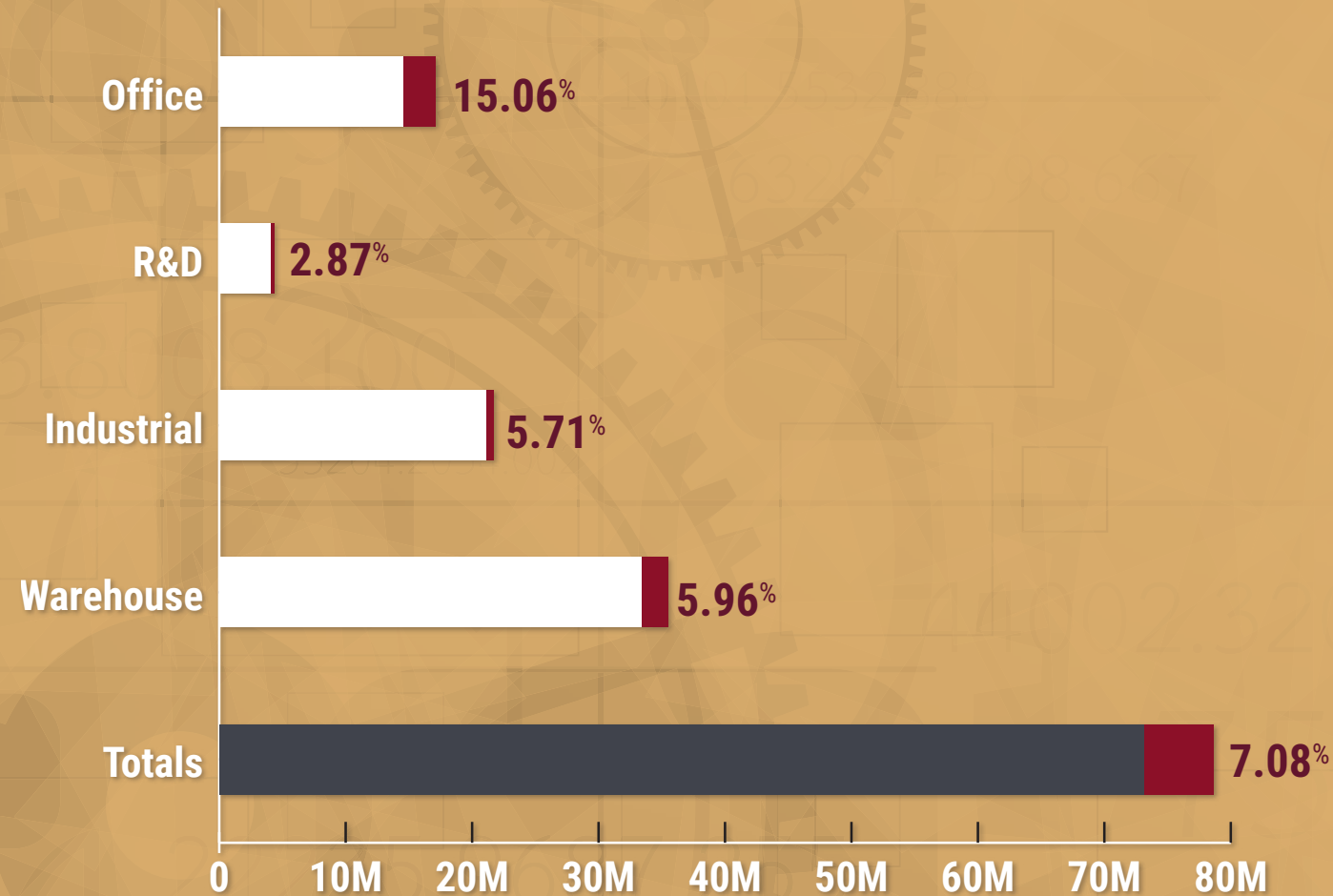


# East BAY

## MARKET OVERVIEW

### North I-680 Market Vacancy // All Sectors

Walnut Creek, Concord, Pleasant Hill and Surrounding Areas



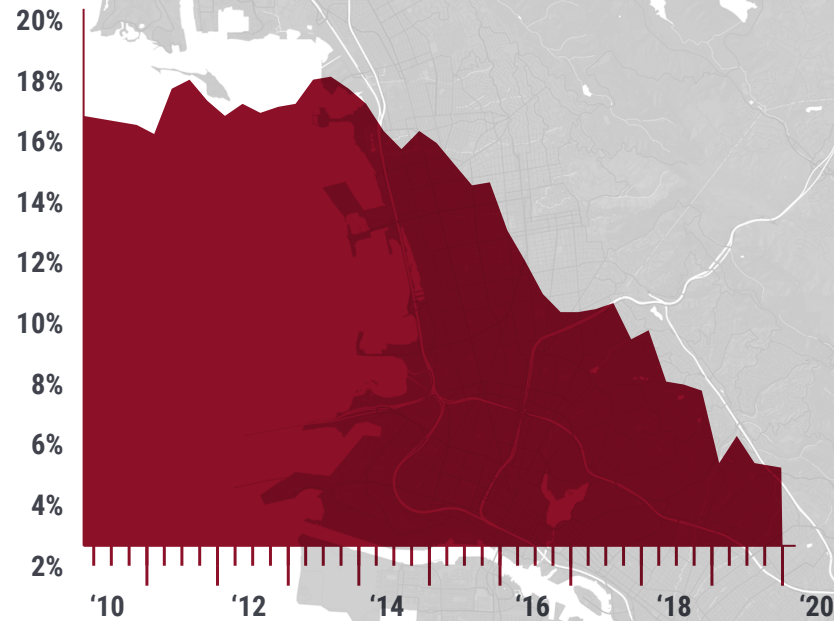
### West Contra Costa // Hercules, Rodeo, Vallejo, Richmond, Pinole

INVENTORY SF  
10,859,559

OFFICE/  
R&D

5%  
OFFICE/R&D  
VACANCY

### Vacancy Rate



Limited supply and significant barriers to entry for development has compressed Office/R&D vacancy in West Contra Costa County to an all-time low

# DEVELOPMENT



# DEVELOPMENT

● COMPLETED   
 ● UNDER CONSTRUCTION   
 ● PROPOSED/APPROVED



## TRANSIT



## RESIDENTIAL



## COMMERCIAL

### WATERFRONT DEVELOPMENT

#### 1 REGIONAL INTERMODAL TRANSIT STATION

DEVELOPER

**Ledcor**

STATUS

**Under Construction**

*WestCAT Bus - Approved*

*Capital Corridor Train -*

*Granted Station Status 2/12/2020*

*WETA Ferry - Pending*

#### 2 HERCULES TRANSIT CENTER

STATUS

**Completed 2009**

Express bus service to El Cerrito BART, downtown Martinez and Martinez Amtrak

Direct bus service to SF Salesforce Transit Center - *45 minutes*

#### 1 THE VILLAGE

751 Units / 134,000 SF of Office, Retail, or Commercial

THE EXCHANGE AT BAYFRONT

**Delivery: Spring 2020 / 172 Units**  
14,000 SF Retail

THE GRAND AT BAYFRONT

**Delivery: Fall 2020 / 231 Units**  
+ Retail

#### 2 BAYFRONT BLVD

305 Units / 152,000 SF of Office, Retail, and Flex space

**Delivery: TBD**

#### 3 THE HEIGHTS

336 Units / 85,000 SF of Office, Retail, and Flex space

**Delivery: TBD**

#### 1 SYCAMORE CROSSING

STATUS

**Proposed**

DEVELOPER

**Lewis Group**

12.9 acre site

Proposed: 29,511 SF Retail, 105-room Hotel, 120 Residential Condo Units.

#### 2 SAFEWAY CENTER

STATUS

**Under Construction**

DEVELOPER

**Lewis Group**

Grocery store, fuel center, bank, coffee shop drive-thru

#### 4 MUIR POINTE

STATUS

**Completed 2019**

DEVELOPER

**Taylor Morrison**

144 Single-family homes

#### 5 SEAGATE AT BAYSIDE

STATUS

**Completed 2005**

DEVELOPER

**William Lyon Homes**

96 Single-family homes

#### 6 AVENTINE APARTMENTS

STATUS

**Completed 2016**

DEVELOPER

**Carmel Partners**

147 Units and more than 8,000 SF of retail space.

#### 7 HILLTOWN

STATUS

**Proposed**

DEVELOPER

**Santa Clara Valley Housing Group**

598 Rental/For-Sale Units (including townhomes, courtyards, and podium housing; 4,200 SF of neighborhood Retail.

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Knight Frank