



345 FOURTH

SAN FRANCISCO, CA



CBRE

**SOMA'S NEWEST OFFICE BUILDING
100% PRE-LEASED OFFICE**

THE OFFERING

CBRE Capital Markets, as exclusive advisor, is pleased to present the opportunity to acquire 345 4th Street (the "Property", "Project"), a brand-new Class A office building scheduled to be delivered in Q2 2021. Totalling 59,337 sq. ft. across seven stories, 345 4th Street will feature state-of-the-art office improvements and plentiful outdoor amenities including a roof terrace with skyline views of San Francisco, balconies, and a unique passageway at grade. The office portion consisting of 56,106 sq. ft. is fully leased to WeWork, the market-leading provider of agile office space, under a long-term lease commitment. Located steps from the future Moscone Central Subway station and just blocks from BART and MUNI lines, 345 4th Street enjoys excellent transportation access. The Project's superb SoMa location is one of the most sought after by tech tenants in the market and features an abundance of dining and retail opportunities in an amenity-rich neighborhood. 345 4th Street represents an exceptional investment opportunity to acquire a new construction state-of-the-art office building in San Francisco's top performing submarket.



Brand new state-of-the-art office building to be delivered in Q2 2021.



Self-contained and controllable environment pre-leased to WeWork.



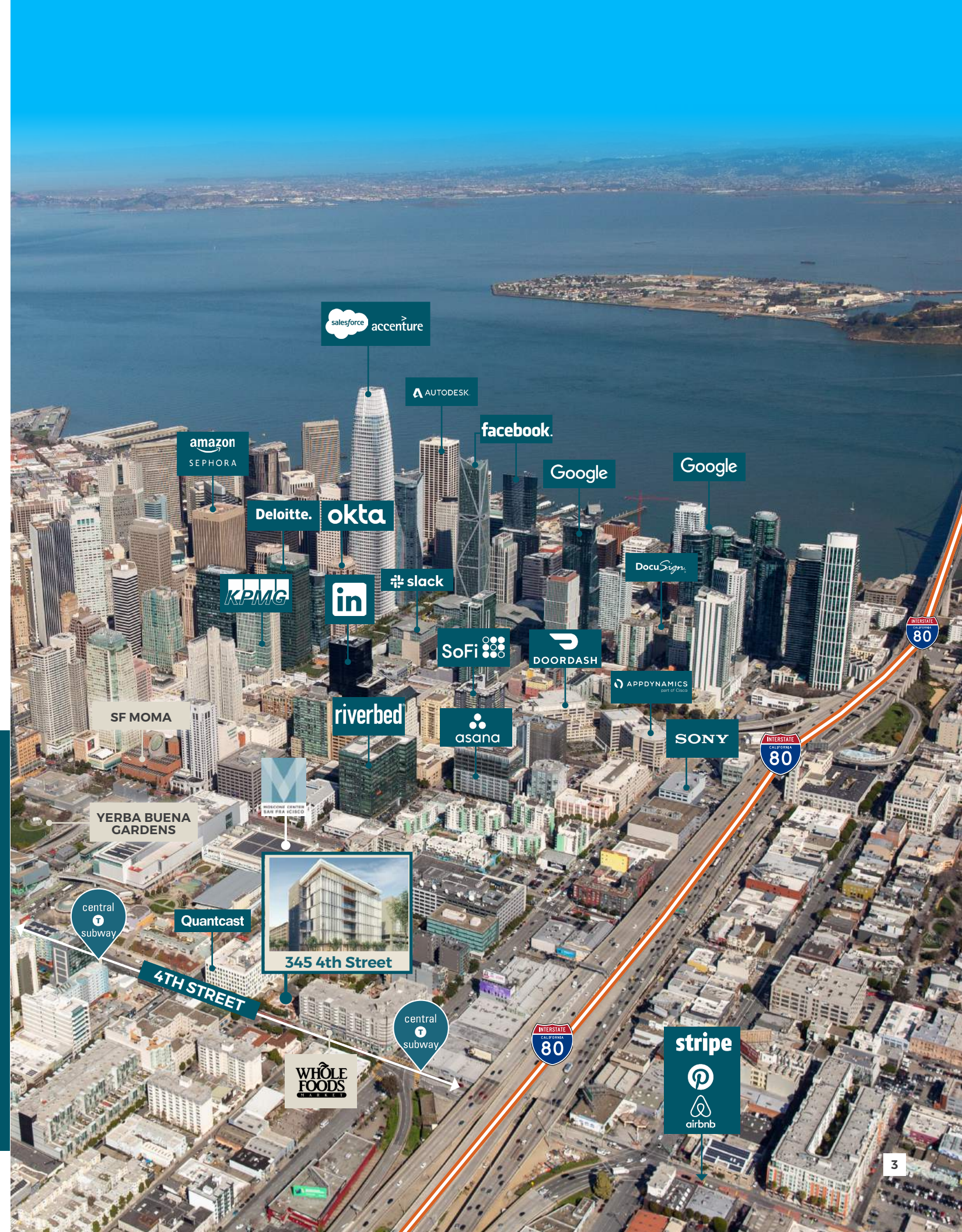
Plentiful outdoor amenities including a roof terrace, balconies, and a passageway at grade.



Located steps away from the future Moscone Central Subway Station.

PROPERTY PROFILE

Address	345 4th Street, San Francisco, CA
APN	Block 3751 Lot 165
Site Area	9,200 sq. ft.
Rentable Area	59,337 sq. ft.
% Leased	95%
Tenancy	WeWork
Amenities	Roof Deck, Outdoor, Balconies, Pedestrian Walkway with Art Feature, Bike Parking, Showers
Stories	Seven
Frontages	4th Street, Helena Macintosh Lane, Tandang Sora Street
Zoning	CMUO (Central Mixed-Use SoMa)
Submarket	South of Market (SoMa), Yerba Buena



BRAND NEW SOMA DEVELOPMENT

PREMIER NEW CONSTRUCTION BUILDING

345 4th Street is currently under construction and is scheduled to be delivered in Q2 2021. Designed and built with the needs of today's tenants in mind, 345 4th Street will set the new standard for Class A creative office buildings going forward. Consisting of 59,337 rentable sq. ft. across seven stories with typical floor-to-ceiling heights of 12', the Project includes 56,106 sq. ft. of office space pre-leased to WeWork and 3,231 sq. ft. of available retail space on the ground floor.

STATE-OF-ART TENANT AMENITIES

Designed by acclaimed San Francisco-based Stanton Architecture, the Project includes an abundance of outdoor amenities including balconies throughout the upper floors, a roof deck featuring skyline views of San Francisco, and an art-filled pedestrian walkway at grade. The Project also includes bike parking, showers, and lockers, and features sustainable improvements such as exterior sunshades, a photovoltaic canopy - which captures energy from the sun to generate electricity, and a vegetated roof.

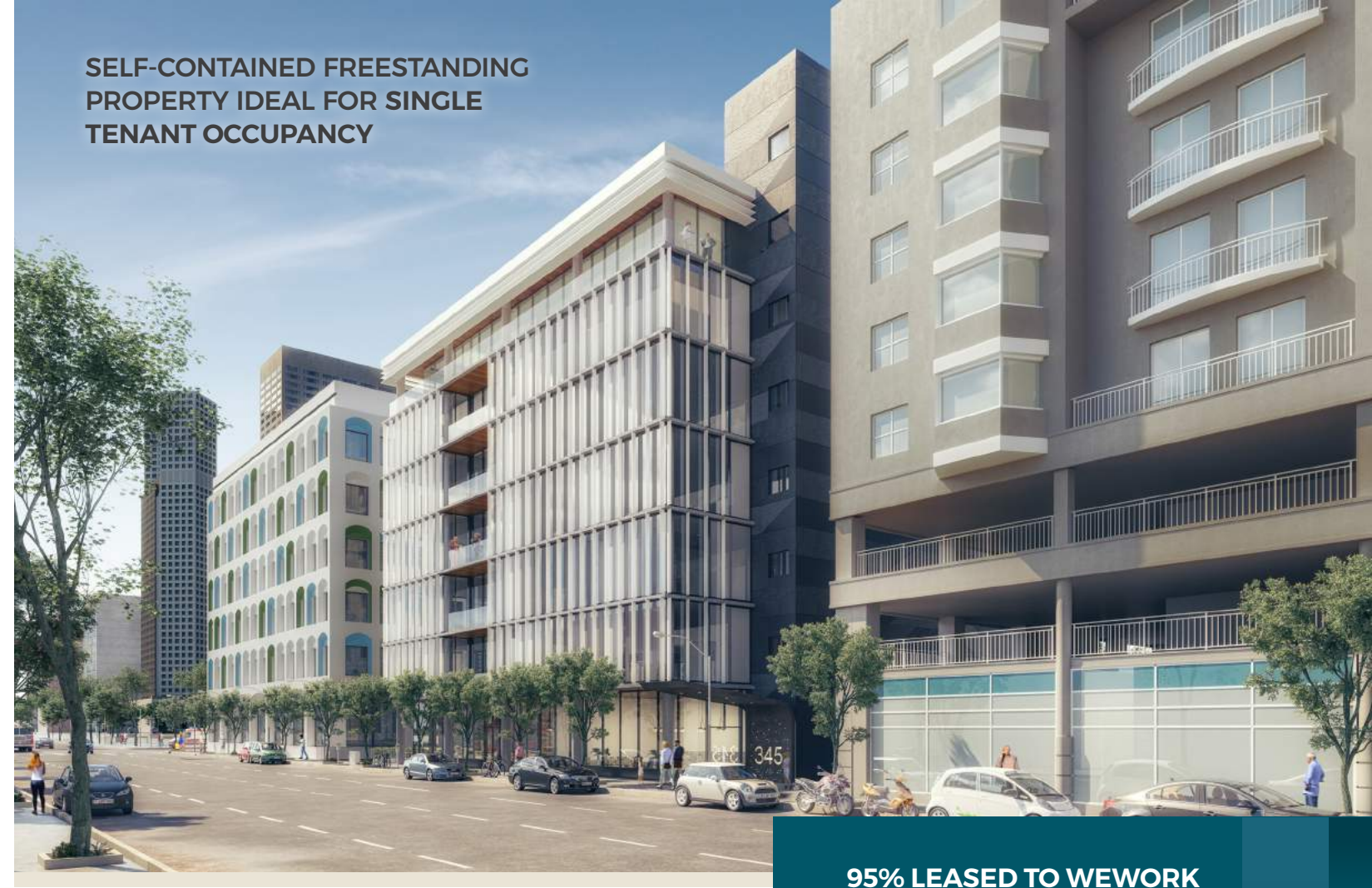
SELF-CONTAINED PROPERTY IDEAL FOR A SINGLE-TENANT

As companies rapidly transform the workplace environment with a focus on employee health and safety, 345 4th Street is well-positioned to benefit from these new trends. The Property will feature the top of the line dedicated DOAS (dedicated outdoor air system) HVAC system which will provide the highest level of air quality, by bringing fresh outdoor air into interior spaces, and energy efficiency to the building. As a standalone, self-contained building, 345 4th Street appeals to tenants seeking better control over the workplace environment for the well-being of their employees.



STATE-OF-THE ART NEW CONSTRUCTION OFFICE BUILDING SCHEDULED FOR COMPLETION IN Q2 2021

SELF-CONTAINED FREESTANDING PROPERTY IDEAL FOR SINGLE TENANT OCCUPANCY



95% LEASED TO WEWORK
AT MARKET RENTS
WITH ADDITIONAL UPSIDE

HIGH YIELD INVESTMENT WITH LONG-TERM LEASE

STRONG YIELDS WITH UPSIDE

345 4th Street is 95% leased to WeWork at market rents, allowing for substantial cash flow during the duration of its lease with the company. Due to the Property's brand new construction, a new owner can expect minimal capital outlay in the near future. Another 3,231 sq. ft. of retail space at the ground level is available for lease, allowing a new owner the opportunity to further enhance yields.

LEASED TO WEWORK

WeWork, the market-leading provider of agile office space, has pre-leased the office portion of 345 4th Street totaling 56,106 sq. ft. over a long term.

- Since its founding in 2010, WeWork has made a significant impact on the office environment, fundamentally changing it to be a more collaborative culture focused on employee well-being.
- Serving over 600,000 members in more than 500 locations across the world, WeWork counts some of the world's biggest companies as its clients and continues to be the most influential flexible office space provider in the industry.

OUTSTANDING SOMA LOCATION

INNOVATION CAPITAL OF THE WORLD

345 4th Street is well-located in SoMa, widely regarded as the epicenter of tech and innovation in San Francisco with dozens of established companies and innovative “unicorn” companies, such as Pinterest, Airbnb, Adobe, and Paypal within its borders. Historically, SoMa has been San Francisco’s top performing submarket, having achieved some of the highest rental rates in the City and sustained a sub-5% vacancy over the last few years.

AMENITY-RICH LOCATION

345 4th Street’s superb location is just blocks away from San Francisco’s highest concentration of brand name retailers and exceptional restaurants. Nearby amenities, including the adjacent Whole Foods, Moscone Center, the Metreon, Union Square, Yerba Buena Gardens, Westfield Centre, first-class museums and dozens of luxury hotels anchor this neighborhood as San Francisco’s most vibrant and exciting destination.

STEPS FROM CENTRAL SUBWAY STATION

Located along 4th Street, the Property enjoys excellent transportation access. 345 4th Street is just steps from the future Moscone Central Subway station at 4th and Folsom Street, which is scheduled to open in Summer 2021. Additionally, Market Street, the City’s main thoroughfare, is just three blocks away and offers BART and MUNI service via the Powell Street Station.



THE RECENTLY PASSED PROPOSITION E IS PROJECTED TO SIGNIFICANTLY LIMIT NEW COMPETITIVE FUTURE DEVELOPMENT

Q1 2020 SOMA MARKET STATS

\$91.12
PSF/YR. FSC
CLASS A
ASKING
RENTS

1.1%
CLASS A
VACANCY
RENTS

MAJOR SOMA TENANTS

TRANSPORTATION OPTIONS

STRONG MARKET FUNDAMENTALS

PROPOSITIONS M & E CURBS DEVELOPMENT

Proposition E, which was passed by San Francisco voters in March 2020 further curbs office development by tying the amount of development allocation available from Proposition M to the affordable housing goals of the City. According to CBRE projections, the new restrictions will permanently reduce the Proposition M availability and prevent nearly all new large development projects from being approved until 2030 or beyond. The lack of projected availability will further enhance the value of new construction product, such as 345 4th Street.

SAN FRANCISCO’S RESILIENT ECONOMY

San Francisco has historically been the top performing tenant and investment market in the United States and is anticipated to bounce back quickly due to its strong underlying economic fundamentals, according to Bloomberg. The City’s resilience is fueled by its highly skilled labor force, the number of established and growing companies in a diversity of industries including tech, life sciences, and healthcare, and the influx of capital that continues to invest in the region.

TOP VENTURE CAPITAL MARKET

In Q1 2020, venture capital invested \$26.4 billion with 44% going to Bay Area companies. Venture capital investment totaled \$110 billion for 2019, the third highest year on record, which continues to fuel the growth of many San Francisco-based companies. All five of the top venture capital deals in Q1 2020 went to Bay Area companies and included JUUL, Joby Aviation, Impossible Foods, Lyell Immunopharma, and Snowflake Computing.



INVESTMENT ADVISORS

MICHAEL TAQUINO

Executive Vice President
415.378.0460
mike.taquino@cbre.com
CA License #01431337

KYLE KOVAC

Executive Vice President
415.407.7122
kyle.kovac@cbre.com
CA License #01731229

MANDY LEE

Vice President
415.772.0409
mandy.lee@cbre.com
CA License #01942461

GIANCARLO SANGIACOMO

Senior Associate
415.772.0347
giancarlo.sangiaco@cbre.com
CA License #00409987

LEASING ADVISOR

CONOR FAMULENER

Executive Vice President
415.772.0123
conor.fam@cbre.com
CA License #01438818

DEBT ADVISORS

MIKE WALKER

Senior Vice President
415.772.0278
mike.l.walker@cbre.com
CA License #01843658

BRAD ZAMPA

Executive Vice President
415.772.0225
brad.zampa@cbre.com
CA License #01174386

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