

OFFERING MEMORANDUM

111 BROADWAY OAKLAND, CA

FOR SALE



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 Newmark
Knight Frank

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THE OFFERING

Newmark Knight Frank is pleased to offer 111 Broadway for sale, a rare opportunity to acquire a ±10,489 SF, 3 story (plus penthouse) office building right at the entrance of Jack London Square in Oakland. This 3+ story office building is ideally suited for an owner/user to occupy, or as a value-add investment opportunity given that the current rents are well below market. There's currently a small rooftop deck off the penthouse that could potentially be expanded.

Investment Highlights

111 Broadway is located at the entrance of Jack London Square, on the south end of Broadway. Situated along the Oakland/Alameda estuary, Jack London Square is Oakland's only publicly accessible mixed-use waterfront area and a well-known landmark since the mid-1800s. With its rich history as the heart of Oakland's port operations, Jack London Square is a historic working waterfront and is one of the Bay Area's premier recreational, dining and commercial districts. Jack London Square offers a vibrant hub for outdoor recreation, events and the latest dining options. Jack London Square is home to many businesses, restaurants, hotels, an Amtrak station, and the Oakland-San Francisco Bay Ferry.

Jack London Square – A Dynamic Location

There is a free Broadway shuttle bus that takes riders to the City Center BART Station located approximately 1/2 mile away. Interstate 880 is just a few short blocks away, Amtrak's Jack London Square Station is 1/3 of a mile away, the Oakland International Airport is 9 miles away, and the Oakland-San Francisco Bay Ferry is just across the street.

Jack London Square Office Market

111 Broadway is situated in the heart of the Jack London Square office submarket. The Jack London Square office submarket is comprised of approximately 1,500,000 RSF. The submarket consists of a very wide variety of types of office space including Class A office space and creative office space. The current Jack London Square office vacancy is 6.55%. Given that Jack London Square boasts outstanding amenities, numerous modes of transportation and close-proximity to the Oakland Estuary, office tenants consider Jack London Square to be an attractive, cost-effective alternative to downtown Oakland.

Owner/User or Investment Opportunity

111 Broadway is ideally suited for either an owner/user or an Investor. Current vacancy on the 2nd floor and the penthouse allows an owner/user to occupy a portion of the building (capturing additional income from renewing or re-tenanting the building) or expand into the entirety of the building over time. 111 Broadway is also ideally suited for an investor looking to own a unique asset in one of the Bay Area's most dynamic submarkets.



111 Broadway is located in Oakland's revitalized Jack London Square submarket, adjacent to the City Center district of Oakland's Central Business District. The building consists of approximately 10,489 RSF within 3 floors plus a fourth story office penthouse with a rooftop deck. Currently, College Track occupies the 3rd Floor and REO Homes, LLC occupies the 1st Floor. The second floor and the penthouse are currently vacant.

Building Summary:

Address: 111 Broadway

APN: 1-137-7

Square Feet: ±10,489 RSF

Land Area: ±4,000 SF

Year built: ±1966

Floors: 3 Floors, plus penthouse

1st Floor - ±2,828 RSF

2nd Floor - ±3,341 RSF

3rd Floor - ±3,340 RSF

Penthouse - ±980 RSF

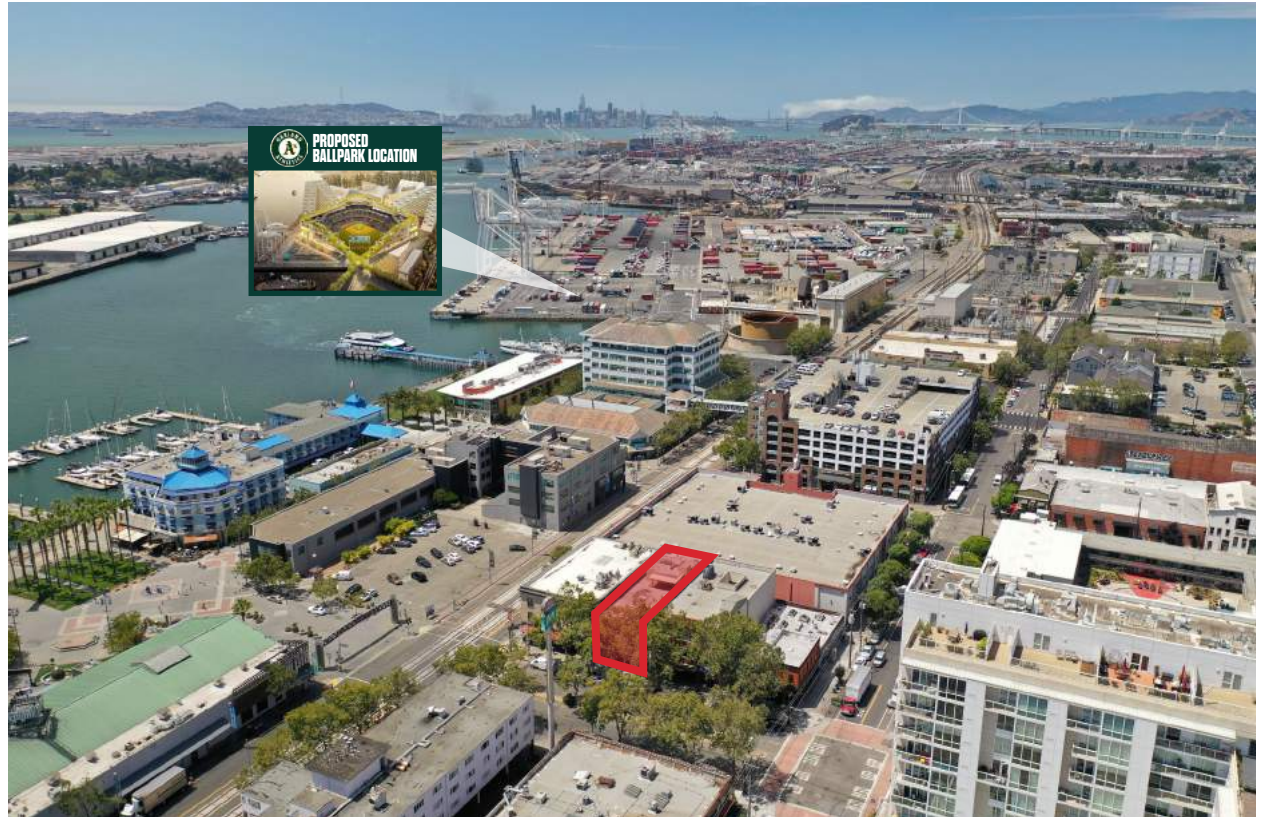
±10,489 SF TOTAL

Occupancy: 1st Floor – REO Homes, LLC

2nd Floor – Vacant

3rd Floor – College Track

Penthouse – Vacant



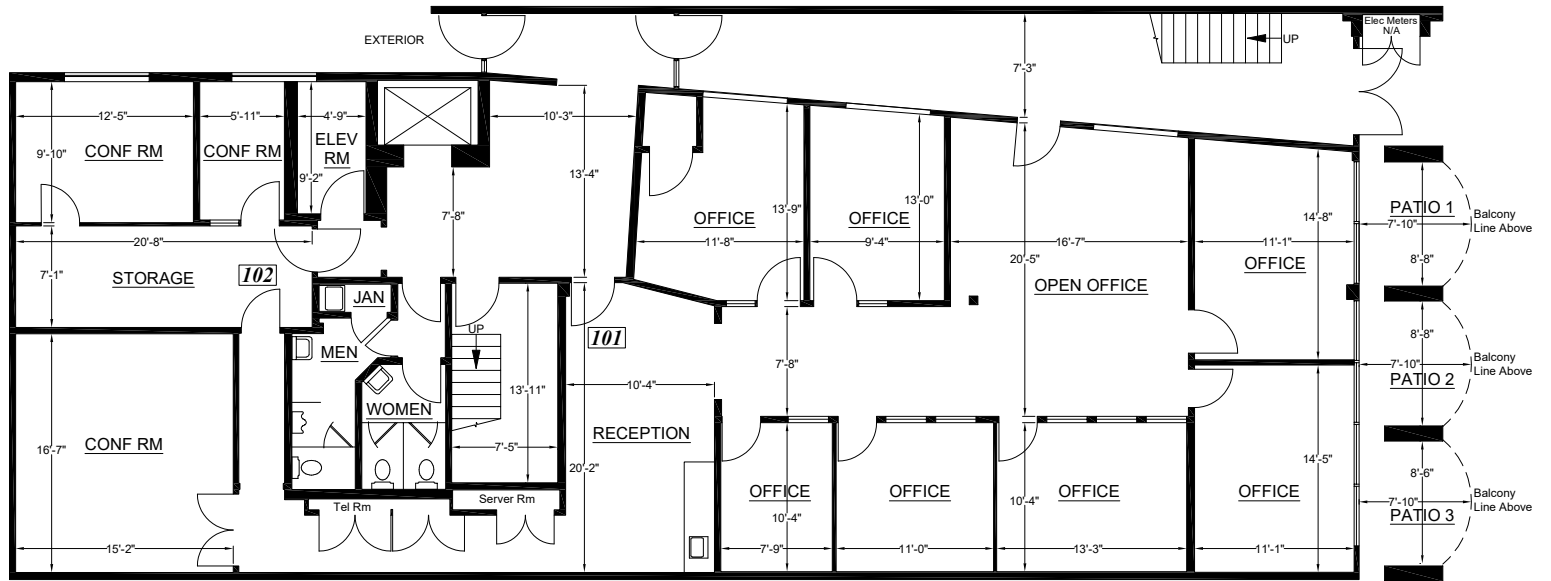
Parking: There is no building specific parking. Parking is available via abundant street parking or multiple parking garages located within the immediate vicinity. The Broadway & Embarcadero West garage is located 1/2 block away, while the Washington Street & Embarcadero West Garage is located 1 block away.

Zoning: C-45 / S-4 (overlay)

The Community Shopping Commercial (C-45) Zone is intended to create, preserve, and enhance areas with a wide range of both retail and wholesale establishments serving both long and short term needs in compact locations oriented toward pedestrian comparison shopping, and is typically appropriate to commercial clusters near intersections and major thoroughfares. The Design Review Combining (S-4) Zone is intended to create, preserve, and enhance the visual harmony and attractiveness of area which require special treatment and the consideration of relationships between facilities, and is typically appropriate to areas of special community, historical, or visual significance.

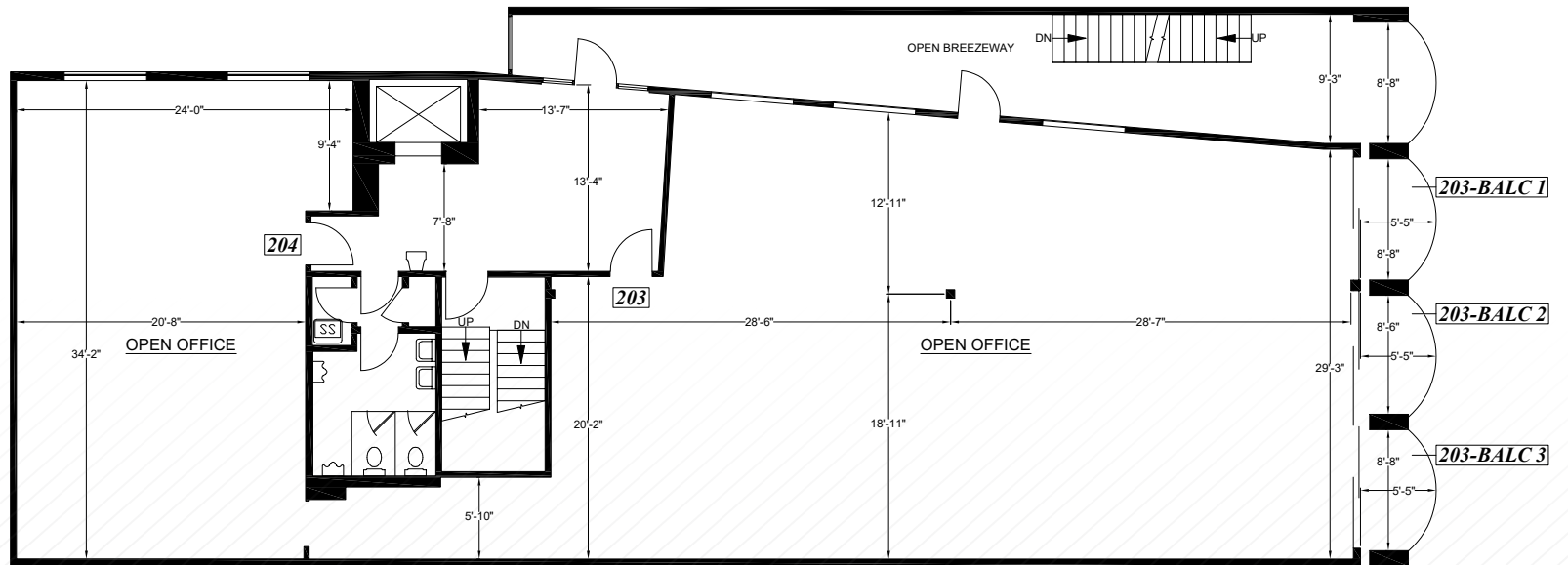
1ST FLOOR

±2,828 RSF



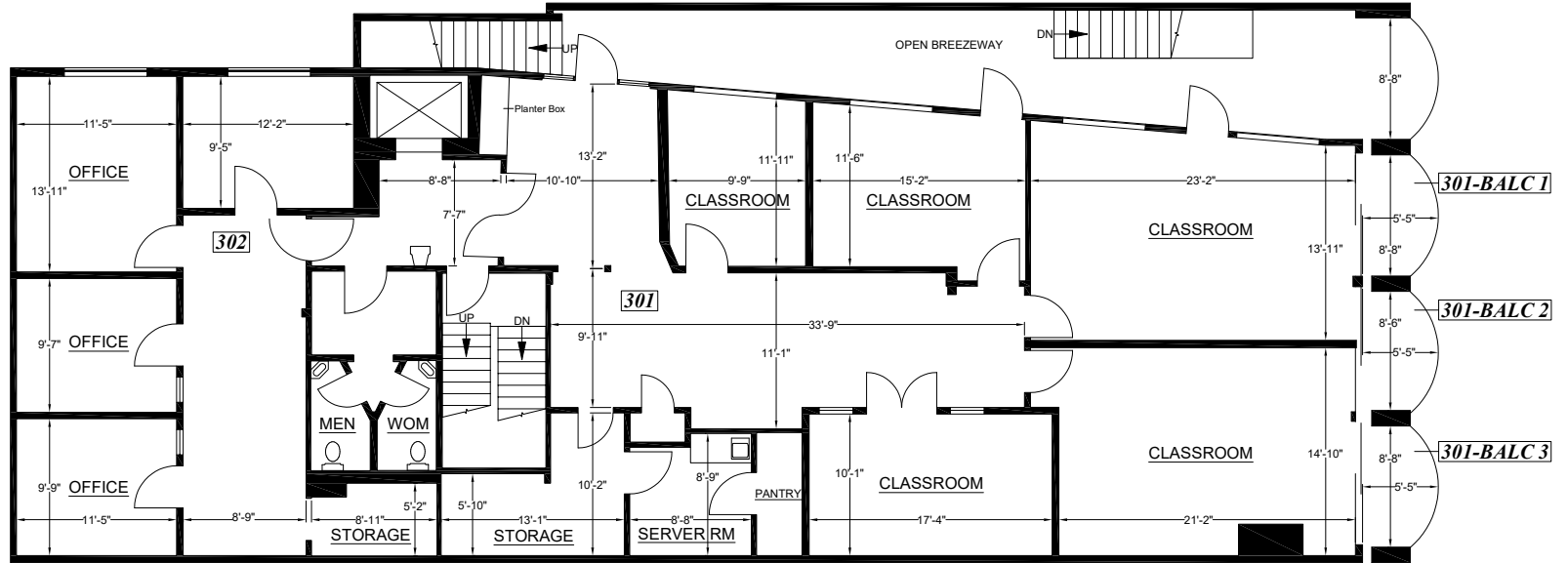
2ND FLOOR

±3,341 RSF



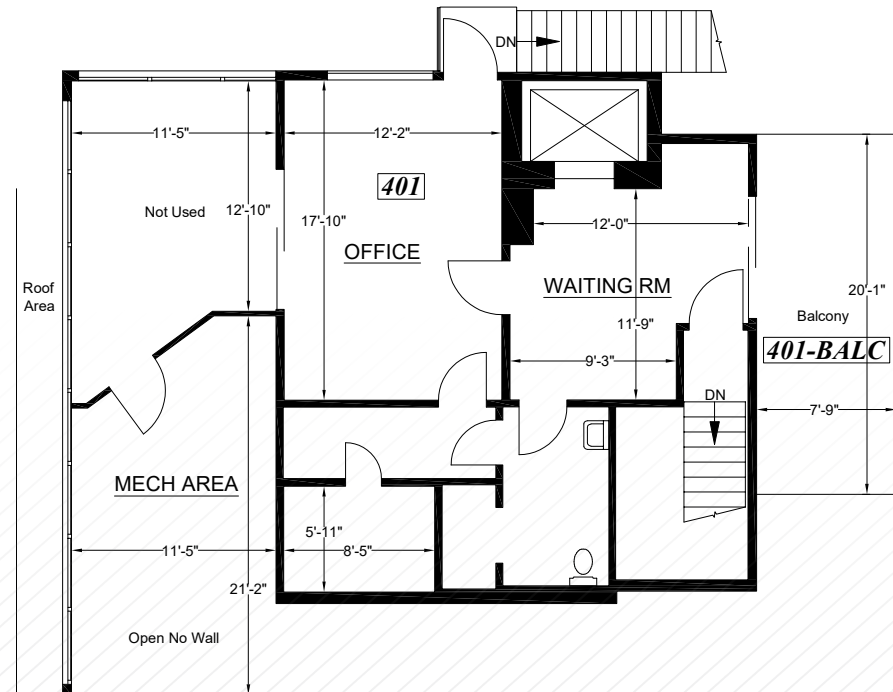
3RD FLOOR

±3,340 RSF



PENTHOUSE

±980 RSF







JACK LONDON

OAKLAND™

HOTELS

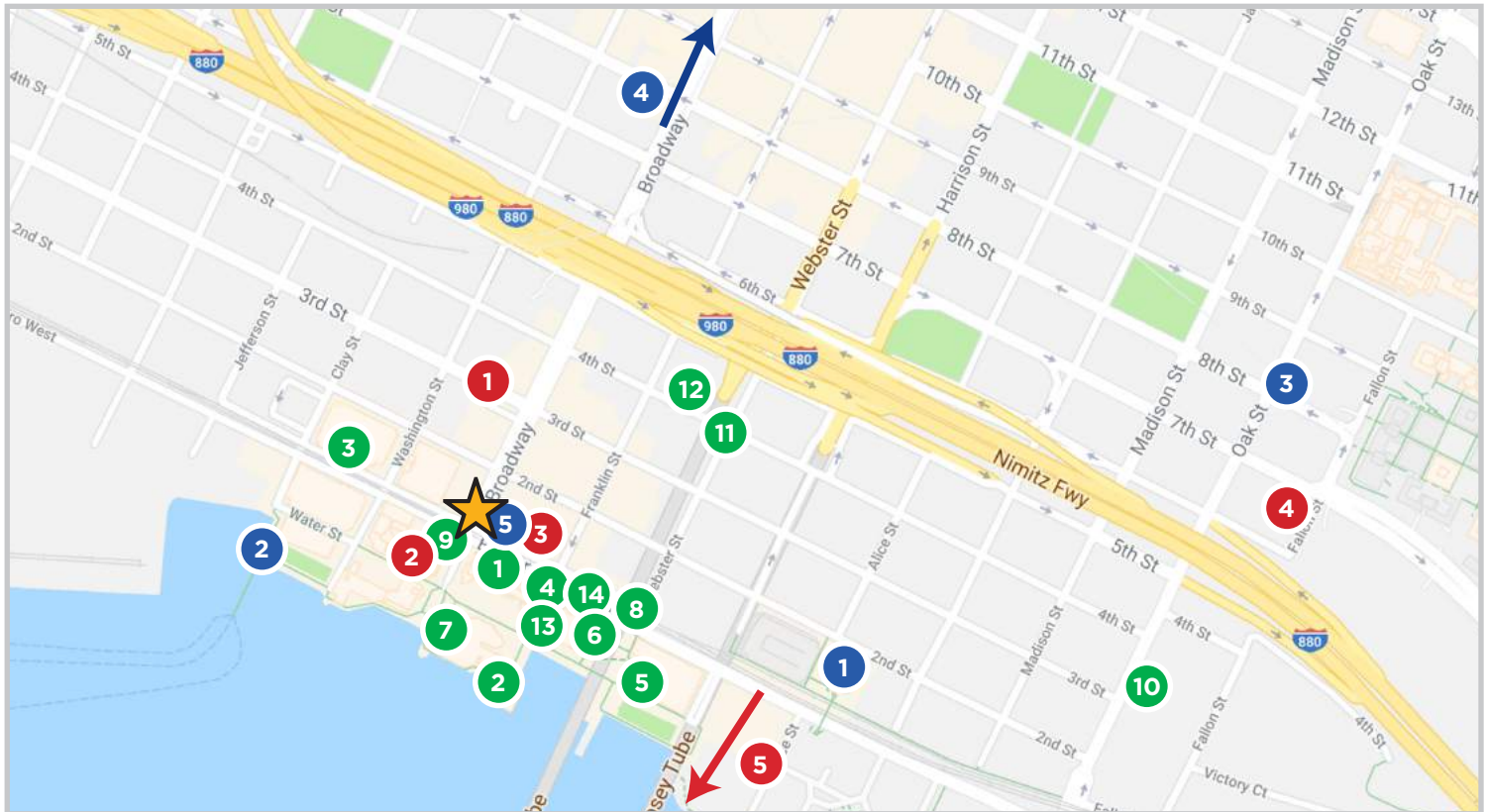
- 1. Z Hotel
- 2. Waterfront Hotel
- 3. Jack London Inn
- 4. Civic Center Lodge
- 5. Extended Stay America

TRANSPORTATION









- 1. AmTrak Station
- 2. Oakland Ferry Terminal
- 3. Lake Merritt BART
- 4. 12th Street BART
- 5. Free AC Transit Bus to 12th Street BART

RESTAURANTS



- 1. Plank
- 2. Kincaid's
- 3. Yoshi's
- 4. Forge Pizza
- 5. Dyafa
- 6. Belcampco Meat Co.
- 7. Scott's Seafood Grill & Bar
- 8. Miette Patisserie
- 9. Lungomare
- 10. Peerless Coffee
- 11. Blue Bottle Coffee
- 12. Oakland Grill
- 13. Farmhouse Kitchen Thai Cuisine
- 14. Grocery Cafe



TRANSPORTATION LEGEND

-  BART entrances/exits
-  AC Transit hub
-  Amtrak Station
-  Ferry terminal
-  Greyhound depot
-  Parking garage/lots
-  Parking (open late)
-  Pedestrian path

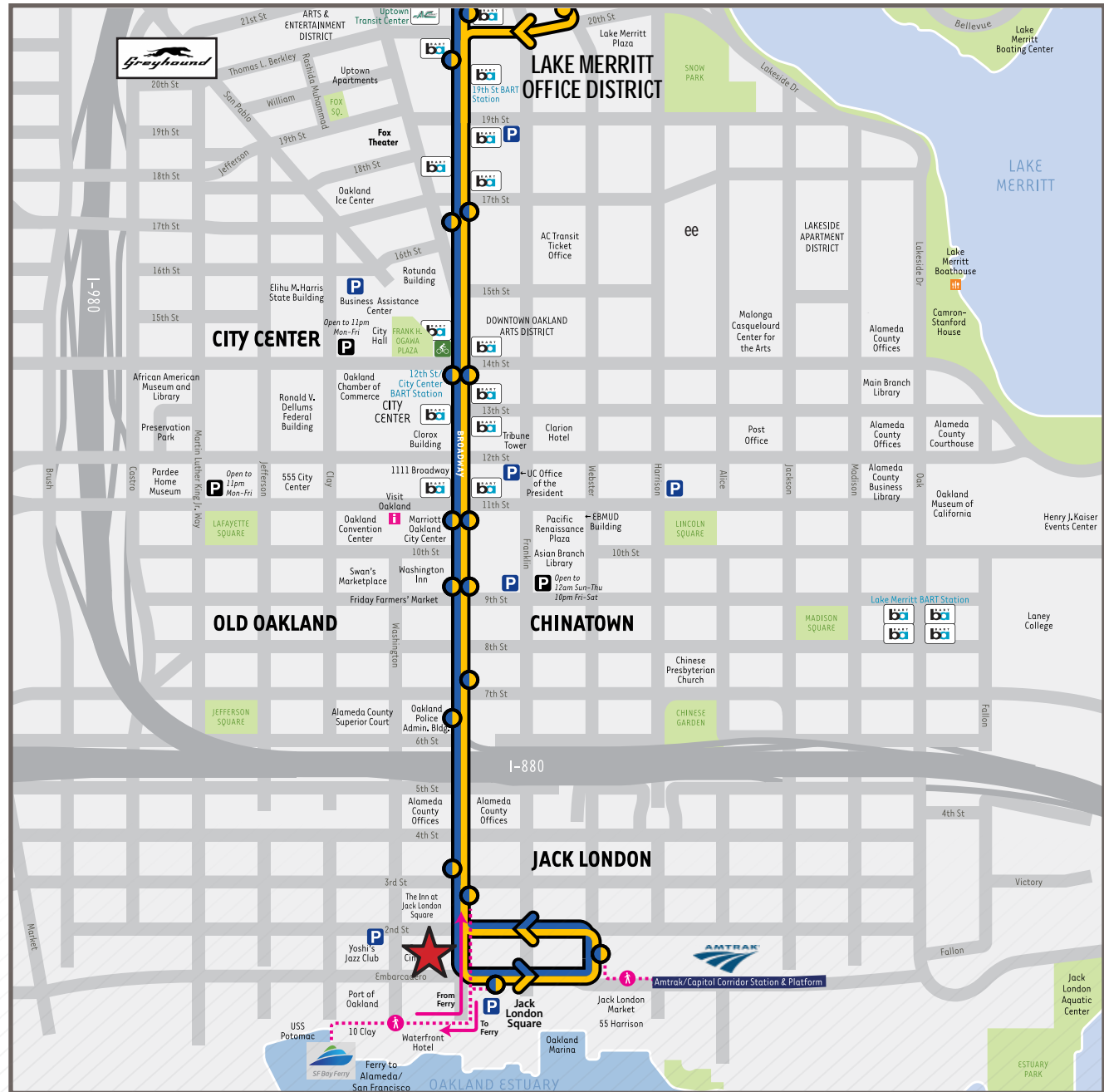
SHUTTLE INFORMATION

-  **WEEKDAY ROUTE**
Mon-Fri 7am-7pm
-  **NIGHT ROUTE**
Mon-Th 7pm-10pm
Fri 7pm-1am
Sat 6pm-1am

Shuttles arrive every 10-15 min

Visit NextFreeB.com for live arrival predictions.

Schedule and info at Bshuttle.com



RENT ROLL

SUITE	TENANT NAME	SF	CURRENT RENT \$- MONTHLY	CURRENT RENT \$/SF- MONTHLY	LEASE TYPE	LED	COMMENTS
100	College Track (REO Homes)	2,828	\$5,261	\$1.91	Full Service	11/30/20	One (1) Five (5) year option
200	Vacant	3,341	\$12,529	\$3.75	Full Service	N/A	*Projected Market Rate
300	College Track	3,340	\$6,020	\$2.06	Full Service	11/30/20	One (1) Five (5) year option
400	Vacant	980	\$3,920	\$4.00	Full Service	N/A	*Projected Market Rate

PROJECTED ANNUAL CASH FLOW (AS OF JANUARY 2020)

RENTAL REVENUE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Potential Base Rent	\$346,284	\$461,762	\$475,035	\$489,287	\$503,965
Absorption & Turnover Vacancy	(\$25,640)	(\$19,301)	-	-	-
Free Rent	(\$49,346)	(\$14,476)	-	-	-
SCHEDULED BASE RENT	\$271,298	\$427,985	\$475,035	\$489,287	\$503,965
Expense Recoveries	\$4,266	\$10,023	\$16,159	\$21,693	\$27,435
POTENTIAL GROSS REVENUE	\$275,564	\$438,008	\$491,194	\$510,980	\$531,400
Vacancy Reserve	-	(\$3,564)	(\$24,560)	(\$25,549)	(\$26,570)
EFFECTIVE GROSS REVENUE	\$275,564	\$434,443	\$466,635	\$485,431	\$504,830
OPERATING EXPENSES					
Taxes	\$55,333	\$58,628	\$60,420	\$61,768	\$63,146
Insurance	\$8,040	\$8,281	\$8,530	\$8,786	\$9,049
Management	\$13,778	\$21,722	\$23,332	\$24,271	\$25,241
Utilities & Janitorial	\$42,220	\$43,487	\$44,792	\$46,135	\$47,519
CAM/Maintenance	\$24,690	\$25,431	\$26,194	\$26,980	\$27,789
Permits/Fees	\$1,990	\$2,050	\$2,111	\$2,175	\$2,240
TOTAL OPERATING EXPENSES	\$146,051	\$159,599	\$165,378	\$170,114	\$174,984
NET OPERATING INCOME	\$129,514	\$274,845	\$301,257	\$315,317	\$329,846
CAP RATE (\$3,600,000 SALE PRICE)	3.60%	7.63%	8.37%	8.76%	9.16%

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College Track is a comprehensive college completion program that empowers students from underserved communities to graduate from college. We believe that every student has the potential to change the world. We also believe that the most powerful way to unlock that potential is through a four-year college degree.

By making a 10-year promise to our students, we remove the academic, financial, and social-emotional barriers to earning a bachelor's degree and a life of upward social mobility. As college graduates, our students rise above systemic social and cultural barriers to contribute their talents to the world.



REO HOMES, LLC

REO Homes, LLC is an Oakland, California based company focused on restoring homes in Oakland. We have been investing in West Oakland since 2008. The vast majority of our employees live in Oakland and we only utilize local contractors. We strive to employ environmentally responsible and resource efficient construction techniques and work to green the neighborhood by planting hundreds of trees and improving the landscape.



This Memorandum does not constitute a representation that the business or affairs of the Property or Seller since the date of preparation of this Memorandum have remained the same. Analysis and verification of the information contained in this Memorandum are solely the responsibility of the prospective purchaser.

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