



SF East Bay Office Investment with Market Rent Upside
\$18,500,000 (\$145 psf) - 7.2% In-Place Capitalization Rate

Southland Office Center

6-Story 127,232 Sq. Ft. Multi-Tenant Office & Retail Building

24301 SOUTHLAND DRIVE, HAYWARD, CALIFORNIA

San Francisco
425 Market Street, Suite 2300
San Francisco, CA 94105

Oakland
555 12th Street, Suite 1400
Oakland, CA 94607

cushmanwakefield.com

SOUTHLAND OFFICE CENTER | HAYWARD, CALIFORNIA

Exclusive Marketing Team

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Investment Highlights

Immediate Upside from Occupancy and Rent Growth

Strong Basis Play at \$145 psf

- In-Place Income Anchored by Long-Term Tenancy
- 90% Current Occupancy and Below Market Rents
- 36% of Office & Retail Occupied by 5 Largest Tenants
- Ground Floor Retail Fully Leased at 15% Below Market
- Upgrade Potential for Even Higher Rents

90% Occupied with Over 50 Tenants

- Floorplate Configuration Provides Maximum Tenant Flexibility
- Local & Regional Professional Service Base
- Central Location Ideally Suited for Sales Offices
- Average Tenant Less than 2,500 Square Feet

Positioned to Capture Rising Rents & Occupancy

- In-Place Rents 30%-50% Lower than Nearest Submarkets
- Asking Rents 5-15% Below Nearby Competitive Buildings
- 96% Occupancy for Competitive Office Projects
- Displacement of Tenants from Higher Rent Markets in Bay Area
- Recent Relocations from Silicon Valley and Oakland

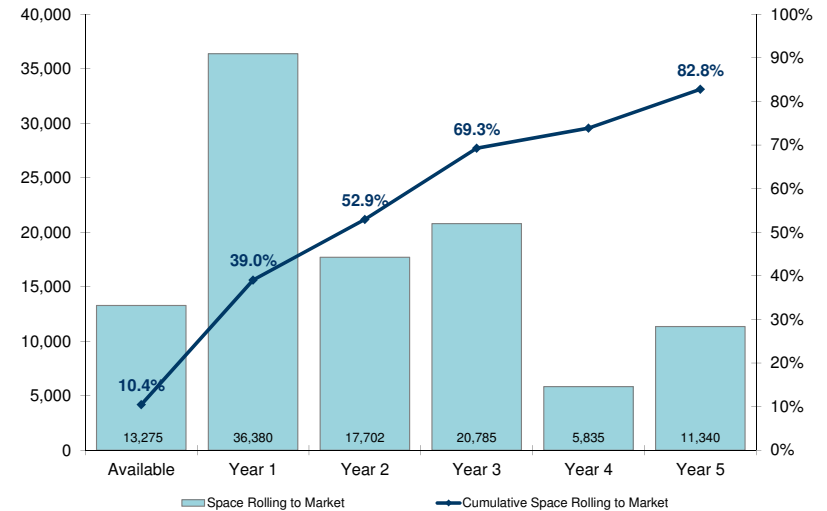
Asking Price with Loan Assumption

- \$18,500,000 (\$145 psf)
- \$12,100,000 Assumable 5YR Loan (65% LTV)
- 5.32% Interest Rate, 30YR Amortization

Property Specifications

6-Story Multi-Tenant Office
 127,232 Rentable Square Feet
 >3.0/1000 Parking Ratio
 90% Occupancy
 Completion 1967/2001

Space Rolling to Market



In Place & Projected Returns

	Yr-1	Yr-2	Yr-3	Yr-4	Yr-5
Capitalization Rate In-Place	7.2%				
Capitalization Rate	7.7%	8.8%	9.6%	10.1%	10.6%
Cash Returns Leveraged	5.1%	9.2%	12.6%	14.8%	16.8%
Cash Returns Average			9.0%		11.7%

Surging Demand and Rising Rents in East Bay

Dynamic Bay Area Office Growing Strong

- Bay Area wide asking rent up 12.9% year-over-year (YOY)
- Vacancy rates down by 20 bps YOY to healthy 8.6%
- After a multi-year run, vacancy rates stabilize and rise slightly

Growth Expanding into Secondary Markets

- Growth shifting to East Bay, North Bay and Peninsula
- Average vacancy reduction of 210 basis points YOY
- Average asking rent growth of 9.5% YOY

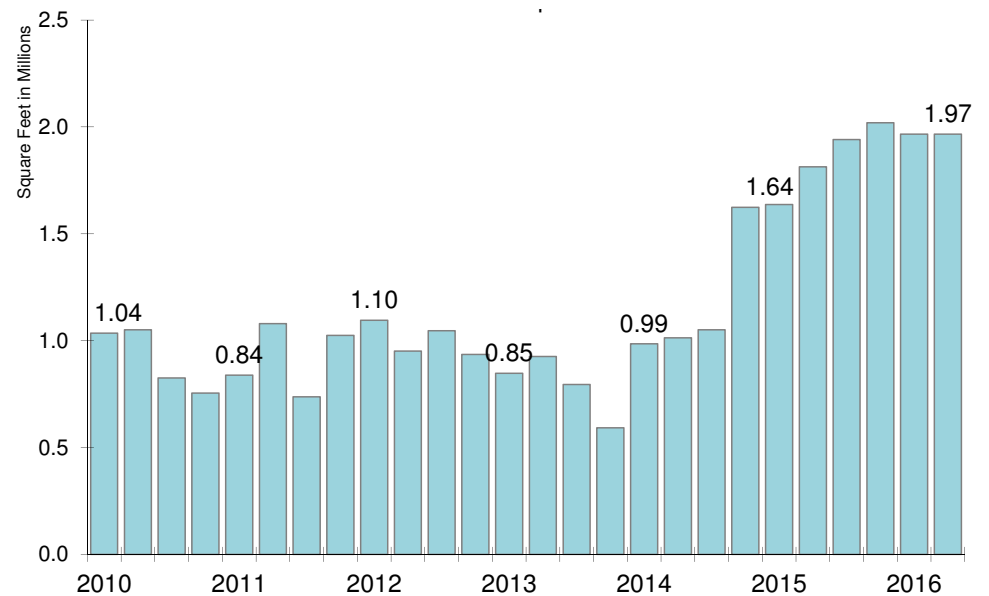
Record Occupancy Gains in East Bay

- Market-wide rental rates up 3.7% from Q2 and 8.6% YOY
- On a longer term, rents are up by over 30% since 2012
- Oakland CBD asking rents topped \$4.00 FS, Class A passing \$5.00 FS
- Record 1.6 million square feet (MSF) occupancy growth in 2015
- Over 2.2 MSF of occupancy gains since 2012
- Since 2012, overall market vacancy down almost 50%

Office Market Snapshot - Q3-2016

Market	Vacancy	YOY Change	Asking FS Rent	YOY Change
San Francisco	7.7%	+170 bps	\$5.77	3.7%
SF Peninsula	7.5%	-300 bps	\$4.71	10.0%
Silicon Valley	8.6%	+80 bps	\$4.29	26.5%
Oakland Metro	8.6%	-160 bps	\$2.79	12.0%
Tri-Valley	9.9%	-150 bps	\$2.42	6.1%
Walnut Creek	10.7%	-280 bps	\$2.47	4.2%
Marin-Sonoma	11.0%	-160 bps	\$2.19	11.7%
TOTAL BAY AREA	8.6%	-20 bps	\$4.02	12.9%

Oakland Metro Office - Historical Tenant Demand



Southland Capturing Bay Area Office Growth

Central Bay Area Location

- Easy access to Oakland, Tri-Valley, Silicon Valley and SF Peninsula
- Junction of major North/South and East/West interstate highways
- Minutes from San Mateo Bridge and the SF Peninsula
- Major hub for distribution and sales offices
- Large concentration of “more affordable” housing stock

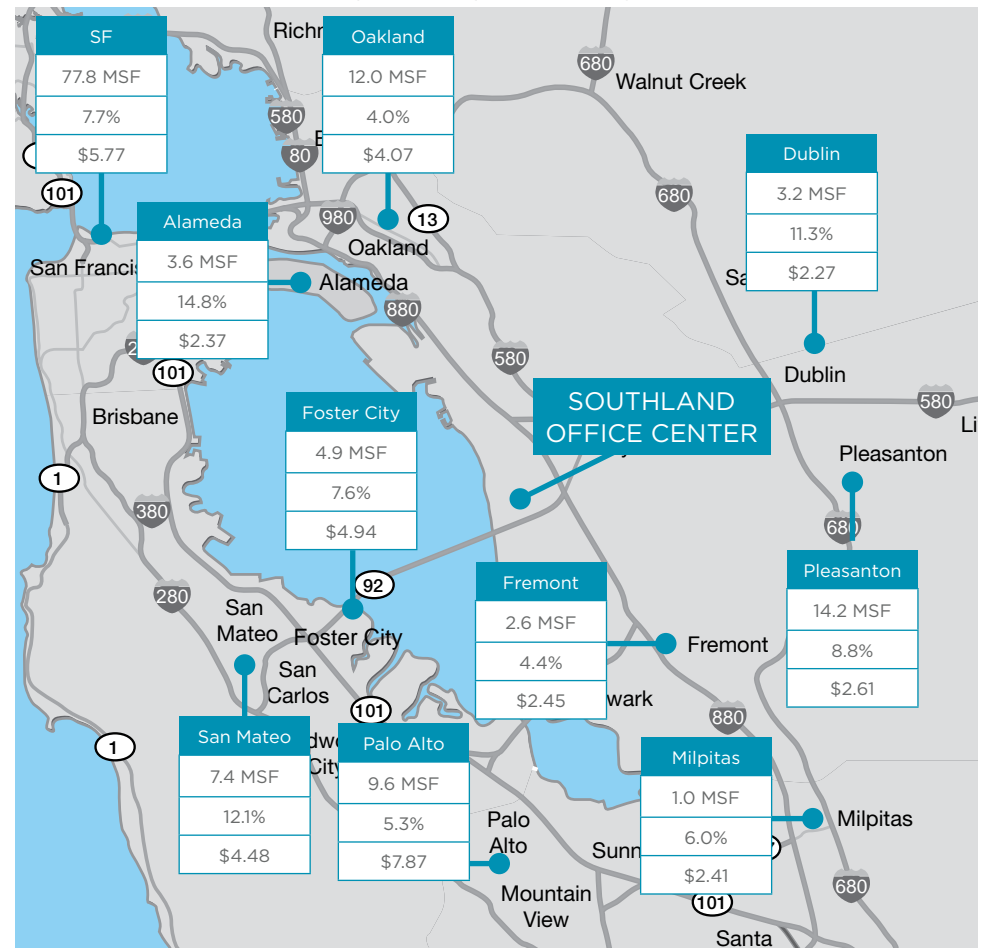
Small Inventory of Quality Competitive Buildings

- Outer edge of nearby office markets
- Quality multi-tenant office buildings are few and far between
- A dozen competitive buildings spread over three cities
- Truly competitive multi-tenant buildings currently 95.8% occupied
- Southland availability represents 55% small tenant vacancy
- Subject property rents below competition, neighboring markets

Demand Upswing Seen in Southland Office Leasing

- Social Security 15YR renewal on 11,620 square feet at \$2.11 FS
- Commonwealth College new 5YR lease for 4,247 square feet
- Solar Giant 5YR lease for 2,973 square feet at \$1.70 FS
- Albert Retodo MD expanding and upgrading 6th floor medical space
- Dental office relocating and upgrading to ground floor on 7YR term

Neighboring Office Market Statistics
(Inventory, Vacancy and Asking FS Rent)





Site Location

SOUTHLAND OFFICE CENTER

Sizzler

Kasper's Hot Dogs

Oil Changers

HESPERIAN BLVD

Starbucks

Walgreens

WEST WINTON AVENUE

SOUTHLAND PLACE

Famous Dave's

Elephant Bar



Applebee's

Panera Bread

California Bank & Trust

Los Pericos

H&R Block

Subway

Chase Bank

Shami Restaurant

Panda Express

SOUTHLAND DRIVE

From the North via I-880

Take I-880 south toward San Jose. Take the Winton Avenue exit, EXT 28. Keep right to take the Winton Ave W ramp and merge onto W Winton Ave. Take the 1st left onto Southland Drive and the project is on the right

From the South via I-880

Take I-880 North and then take the Winton Avenue exit, EXIT 28. Keep left to take the Winton Ave W/I-880 N ramp. Keep straight to take the Winton Ave W ramp and merge onto W Winton Ave. Turn left onto Southland Drive and the project is on the right.

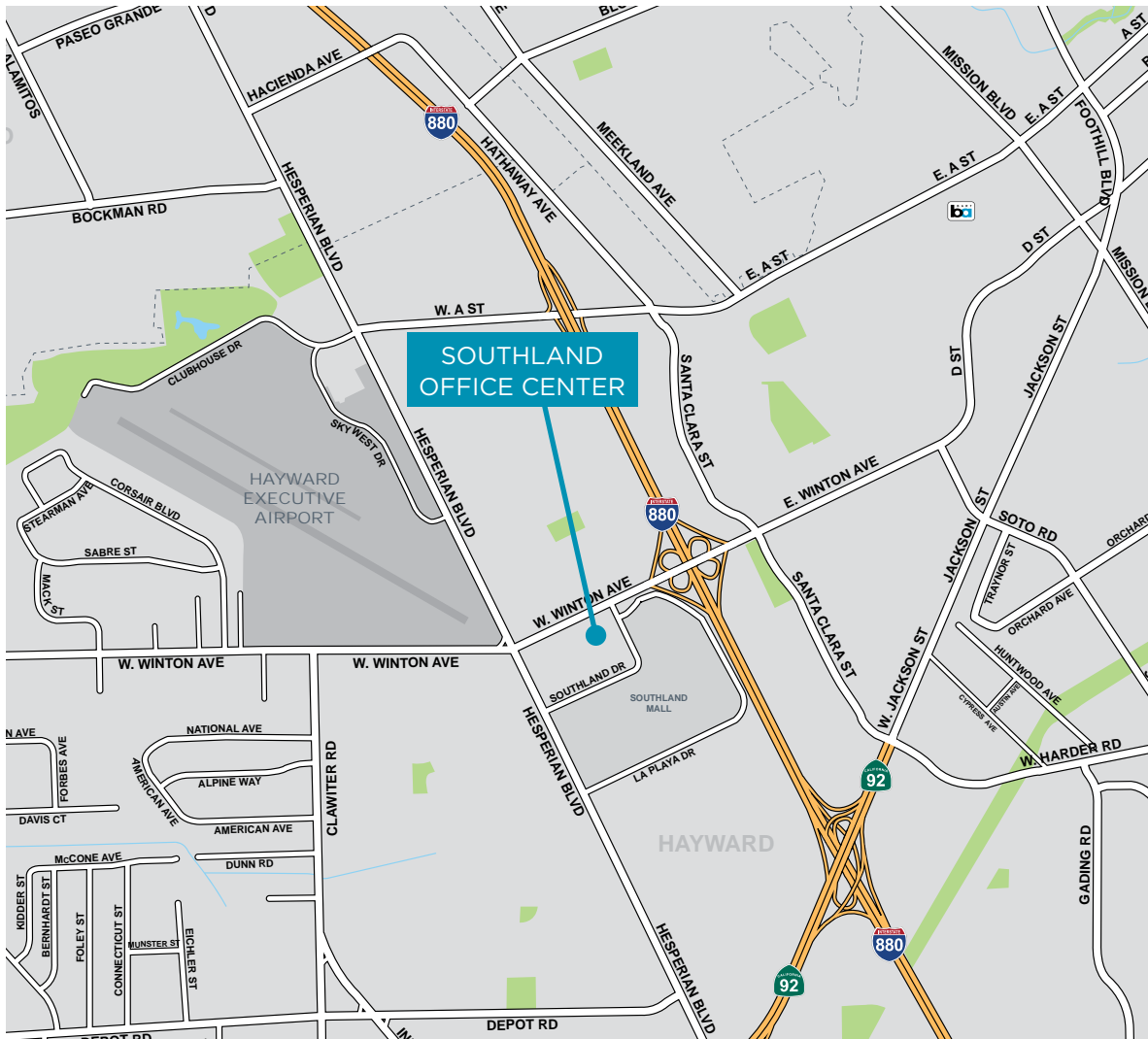
From the West via Hwy-92

Take CA-92 for 13.12 miles. Take the exit toward Hesperian Boulevard/I-880/San Jose/Oakland. Keep straight to take the ramp toward Hesperian Boulevard/I-880/San Jose/Oakland. Go 0.09 miles and take the Hesperian Blvd exit, EXIT 25B, toward Hesperian Boulevard/San Lorenzo. Go 0.15 miles and turn left onto Hesperian Blvd. Follow for 1.55 miles and turn right onto W. Winton Ave. Turn right onto Southland Drive and the project is on the right.

From the East via I-580/I-880

Take I-580 toward Oakland and then take I-238 N via EXIT 34 toward I-880. Go 1.75 miles and merge onto I-880 S/ Nimitz Fwy S via EXIT 16A toward San Jose/San Mateo Bridge. Follow for 3.24 miles and take the Winton Avenue exit, EXIT 28. Keep right to take the Winton Ave W ramp and merge onto W Winton Ave. Take the 1st left onto Southland Drive and the project is on the right





Exceptional Transportation Access

The project is located immediately off I-880 and adjacent to W. Winton Avenue and Hesperian Boulevard, two of the primary traffic corridors in Hayward. Given its central location, I-880 provides access to all parts of the Bay area, north, south, east and west. Hwy-92 is less than a mile to the south, providing access to the San Mateo Bridge and the Peninsula. It is less than 2 miles from the Hayward BART Station, which, with its AC Transit service, provides bus service from lines 22 and 386 which both stop at Southland Drive/Southland Place and W. Winton Avenue/Hesperian Boulevard.

Southland Mall - Local & Regional Draw

Located on the I-880 corridor, Southland Mall serves a densely populated immediate trade area, as well as an extended trade area. The center offers a powerful combination of excellent freeway visibility and access, solid anchors, diversified national specialty retailers, and numerous theme dining options that draw consumers across a strong and proven retail region.

High Concentration of Amenities

This location offers excellent amenities with a wide variety of eateries immediately adjacent to the building including the Elephant Bar Restaurant, Panera Bread, Subway, Shami Restaurant, Applebee's, Los Pericos Taqueria, and Famous Dave's. Within a five minute walk are Starbucks, Sizzler, Tomodachi Sushi Bistro, Buffalo Wild Wings and all of the eating choices available in the Southland Mall food court.

SAN FRANCISCO

ALAMEDA

DOWNTOWN
OAKLAND

Aerial View Facing North

SAN LEANDRO

PLEASANTON →



Hayward
Executive
Airport

SOUTHLAND OFFICE CENTER

Hayward
BART

WEST WINTON AVE

Southland Mall



Alameda
County Seat

DOWNTOWN
HAYWARD

Chabot
College

HESPERIAN BLVD

HAYWARD

Amtrak

WEST JACKSON ST



SILICON VALLEY

PALO ALTO

Aerial View Facing South

SAN MATEO BRIDGE



Chabot College

SOUTHLAND OFFICE CENTER

HESPERIAN BLVD

Southland Mall

Hayward Executive Airport

WEST JACKSON ST

HAYWARD

WEST WINTON AVE

Alameda County Seat



Amtrak

Marketing Process

Cushman & Wakefield has been authorized as the exclusive advisor to prepare and distribute the enclosed Investment Summary for Southland Office Center for the purpose of soliciting offers to purchase from interested and qualified parties.

Confidentiality Agreement

Upon execution of the Confidentiality Agreement interested parties will receive an Offering Memorandum.

Offering Memorandum

After an initial review period of the Offering Memorandum and property tours, we will announce a deadline for offers and expressions of interest.

Should you have interest in reviewing the Offering Memorandum, please execute the Confidentiality Agreement and return via email or facsimile to:

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