



2435-2445
16TH STREET
SAN FRANCISCO

Exclusive Investment Advisor

GARY COHEN

Principal

415.268.2259

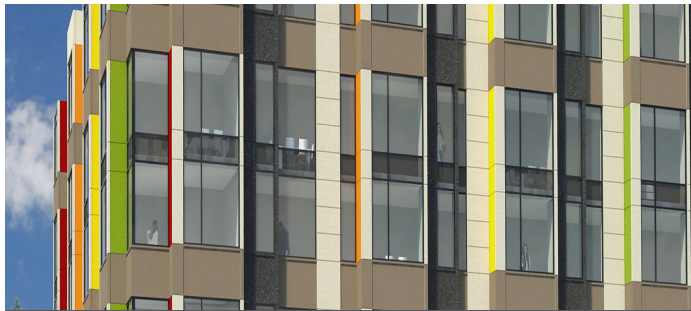
gcohen@tricommercial.com

DRE License #00831936

OFFERING MEMORANDUM

**FULLY ENTITLED WITH DEMOLITION & SITE
PERMIT APPROVED, MISSION DISTRICT,
53 RESIDENTIAL UNIT DEVELOPMENT OPPORTUNITY
ASKING PRICE: \$9,000,000**





2435-2445 16TH STREET
SAN FRANCISCO, CA

EXCLUSIVE INVESTMENT ADVISOR

CONTACT:

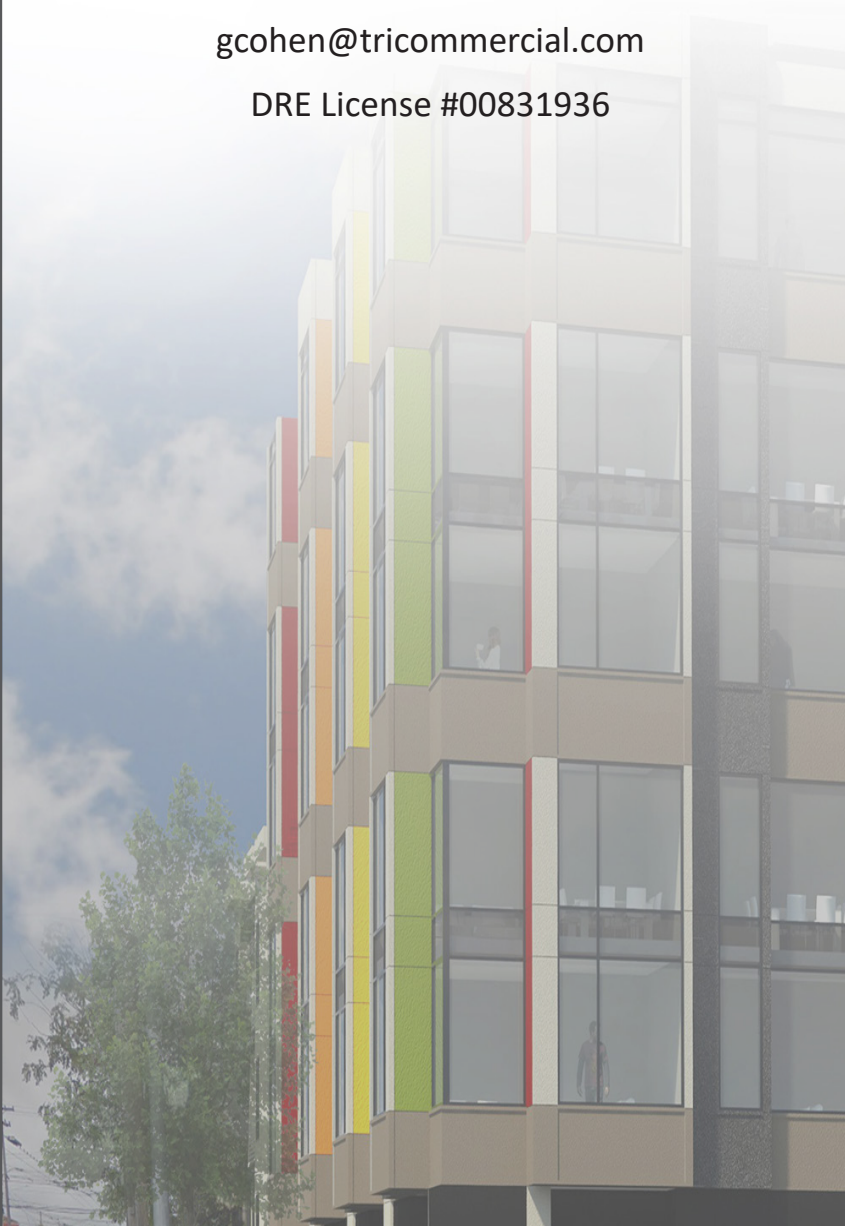
GARY COHEN

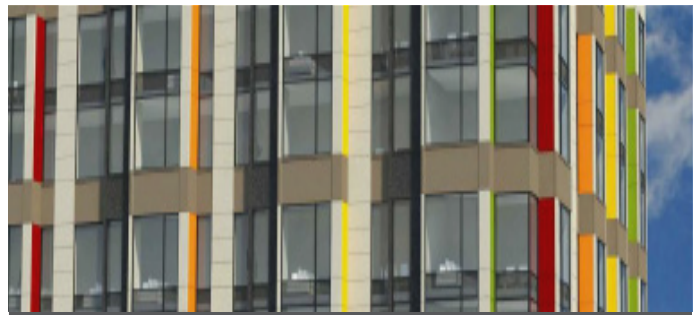
Principal

415.268.2259

gcohen@tricommercial.com

DRE License #00831936





2435-2445 16TH STREET
SAN FRANCISCO, CA

TABLE OF CONTENTS

EXECUTIVE SUMMARY

PROJECT OVERVIEW

LOCATION OVERVIEW

MARKET OVERVIEW

EXCLUSIVE INVESTMENT ADVISOR

CONTACT:

GARY COHEN

Principal

415.268.2259

gcohen@tricommercial.com

DRE License #00831936

EXECUTIVE SUMMARY

Executive Summary

TRI Commercial, as Exclusive Advisor to the Seller, is pleased to present this opportunity to acquire the property at 2435-45 16th Street and the associated development rights to a fully entitled, with demolition and site permits approved, mixed-use, residential and commercial development (a.k.a. the "Project") site located in The Mission District of San Francisco, arguably one of San Francisco's most vibrant and desirable neighborhoods. The Project enjoys easy access (within a few blocks) to: all major transit links; a plethora of neighborhood amenities; and a short ride to business and technology hubs, Mission Bay/Mid-Market/SOMA/Potrero Hill/Showplace and the Financial District.

As designed by D-Scheme Studio, a highly-respected San Francisco-based architecture design firm, 2435-45 16th Street features a seven-story residential and commercial development with a total of 39,852 saleable square feet (36,447 sq.ft. residential and 3,405 sq.ft. commercial). The Project encompasses a total of 53 residences with a mix of studio (1), one-bedroom (29), two-bedroom (18) and three-bedroom (5) units, averaging 688 square feet and a total of 3,405 square feet of ground floor commercial space divided into four units (1,016 sq.ft., 761 sq.ft., 967 sq.ft., and 661 sq.ft.). The below-grade garage provides 40 parking spaces via 13 stackers and 4 independent spaces, as well as two Car Share spaces. There are 60 below-grade Class I bike storage spaces and 8 Class II bike parking spaces on the side walk for a total of 68 bike spaces. Outdoor space is being provided by a \pm 4,558 square-foot roof deck with panoramic City views and a \pm 1,997 square foot ground floor patio.

2435-45 16th Street has excellent access to major public transit being: on the 16th Street MUNI line; four blocks from Mission Street BART station; and just a few blocks from private bus stops for Google, Facebook and Apple. 16th Street is the major east-west public transit artery providing direct access to all MUNI connections, which provides access to all areas of San Francisco, as well as a direct line to Mission Bay, home of the new University of California Medical Center, Hospitals and Biotech Hub, AT&T Park (SF Giants) and future Golden State Warrior's Sports and Entertainment Center. The Mission BART Station provides transit to the Financial District, and wider Bay Area (South Bay and East Bay).

The Project is half a block from a regional shopping center, Potrero Center, which includes Safeway, Party City, 24-Hour Fitness, Petco, Peet's Coffee & Tea, and an abundance of neighborhood services, restaurants, a hair salon, bank, dry cleaner, etc.

The property is currently leased to two tenants:

2435 16th Street - Safelite Auto Glass. Seller is in the process of obtaining a lease termination agreement from tenant.

2445 16th Street - US Auto Body. Seller has obtained a lease termination agreement with tenant, vacating no later than September 30th, 2018.

ASKING PRICE: \$9,000,000, (\$169,811/Entitled Residential Unit)

PROJECT SUMMARY

PROJECT OVERVIEW

Project Design	High-Rise (Type I)*
Designed Residential Units	53
Levels	7 stories above basement
Typical Slab-to-Slab Ceiling Heights	9' 6"
Project Gross SF	57,671
Total Project Saleable SF	39,852
Residential Saleable SF	36,447
Saleable Commercial SF	3,405
Average Saleable Residential Unit SF	688
Vehicle Stalls / Bike Stalls	40 / 60
Project Amenities	Ample on-site vehicle & bike parking. Private storage lockers. Ground floor patio and expansive roof deck with cityscape views.
BMR Requirements	17.5% on-site, 9 units total (5 - 1 bedroom, 3 - 2 bedroom, 1 - 3 bedroom)

**Other construction options may be available.*

ENTITLEMENT AND BUILDING PERMITS

1.	Certificate of Determination		
	Exemption from Environmental Review	Planning Department	Certified March 22, 2016
2.	Planning Commission Approval		
	Motion No. 19671	Planning Department	Adopted June 23, 2016
3.	Notice of Exemption CPE	Planning Department	Filed August 10, 2016 (no appeal)
4.	Demolition Permit	DBI	Approved February 20, 2018
5.	Site Permit	DBI	Approved, March 5, 2018

SITE OVERVIEW

Address	2435-45 16th Street, San Francisco, CA 94103
APNs	3965-21 (Lots 31 & 32 merged into one - Lot 21)
Site Area	10,000
Zoning	UMU (Urban Mixed-use)
Height Limit	65 Feet

PROJECT TEAM

Project Architect	D-Scheme Group
Geotechnical	H. Allen Gruen
Phase I & II Environmental	Carver Environmental and AEI Consultants
Architectural Site Survey	Foresight
Acoustical Engineer	Walsh + Norris Association, Inc.
Landscape Architecture	Smith & Smith
Shadow Analysis	CADP / Adam Noble
Surveyor/Civil Engineer	Triad/Holmes Associates

All square footages are approximate.

The information in this document was obtained from sources we deem reliable; however, no warranty or representation, expressed or implied, is made as to the accuracy of the information contained herein

PROJECT SNAPSHOT

FULLY-ENTITLED DEVELOPMENT SITE

53 Units - 688 Avg. Unit Size - 17.5% On-Site BMRs

1
STUDIO

29
1-BEDROOMS

18
2-BEDROOMS

5
3-BEDROOMS



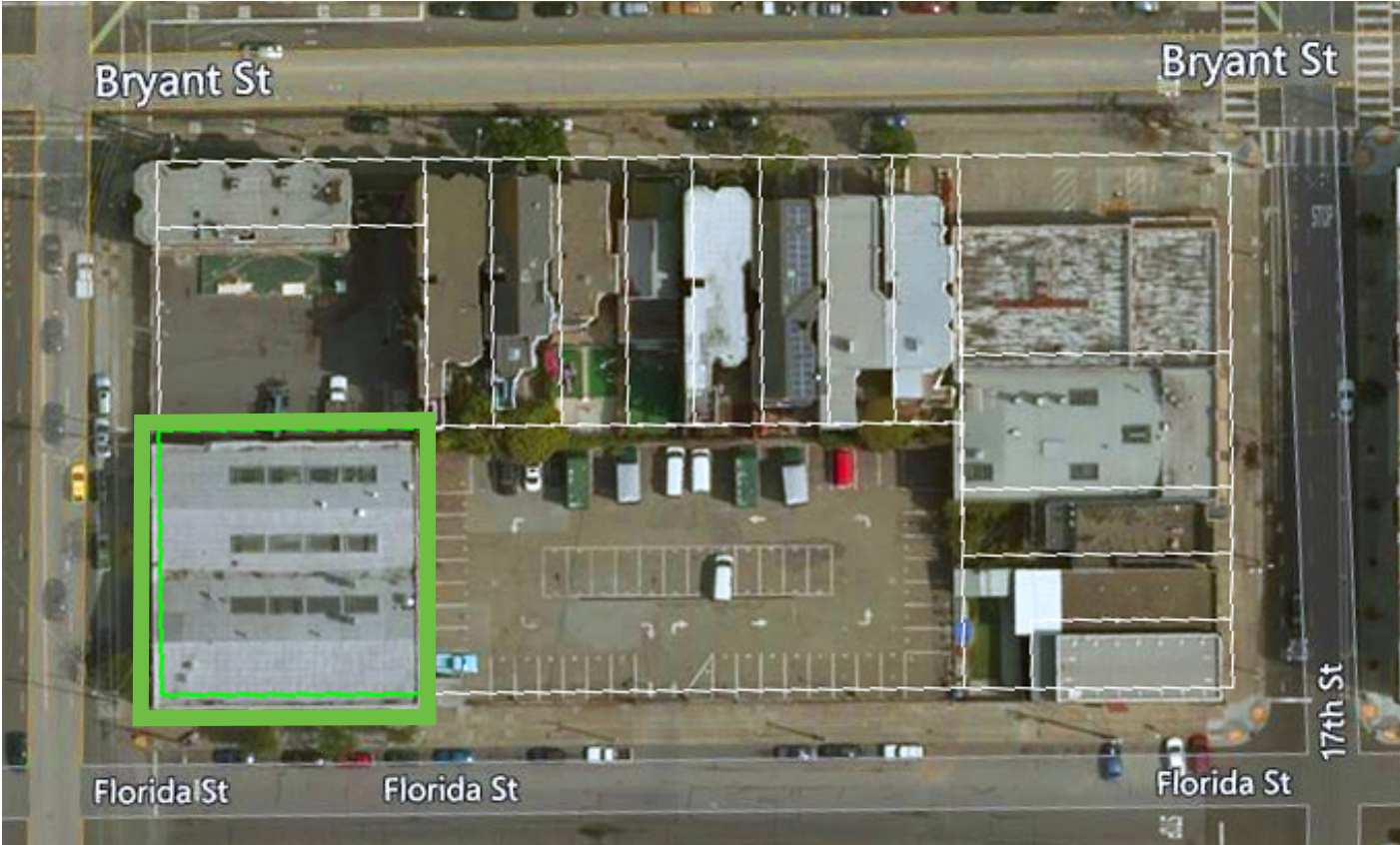
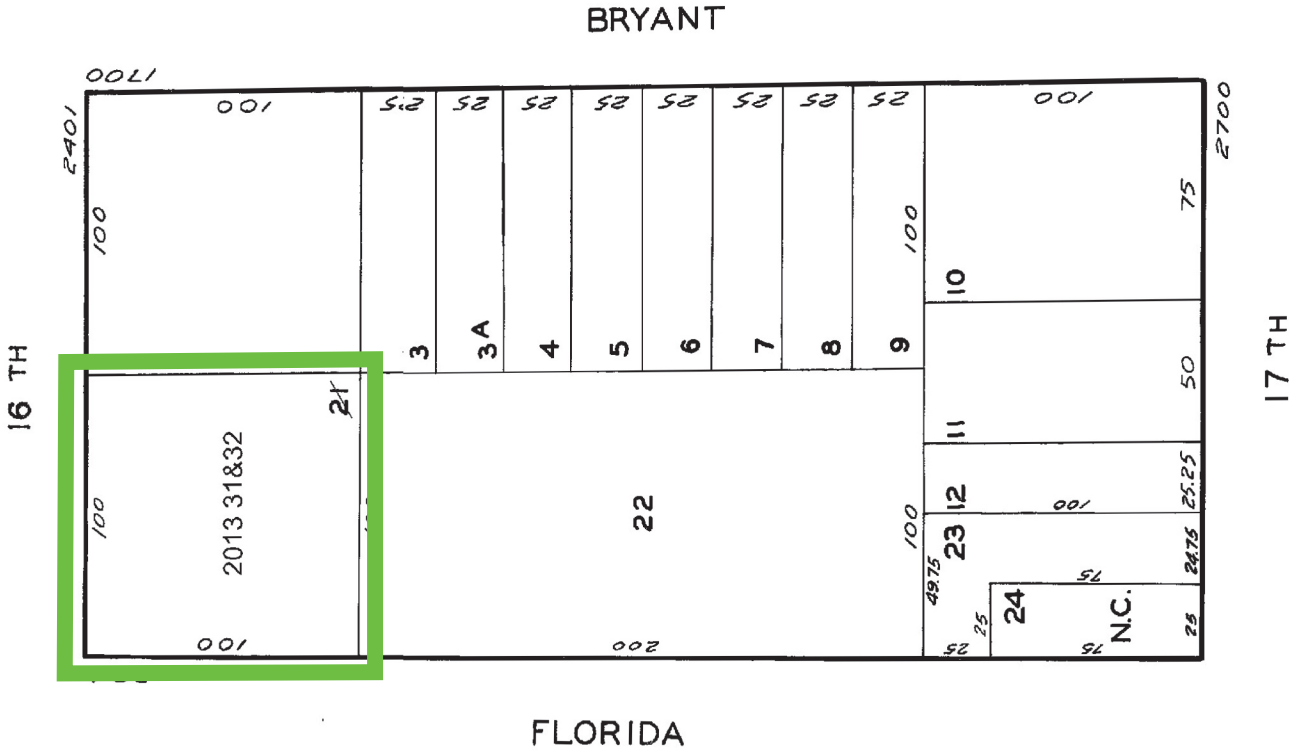
AMPLE ON-SITE PARKING

40 Vehicle Parking

2 Car Share

60 Bike Parking Stalls In Bike Room

PARCEL MAP



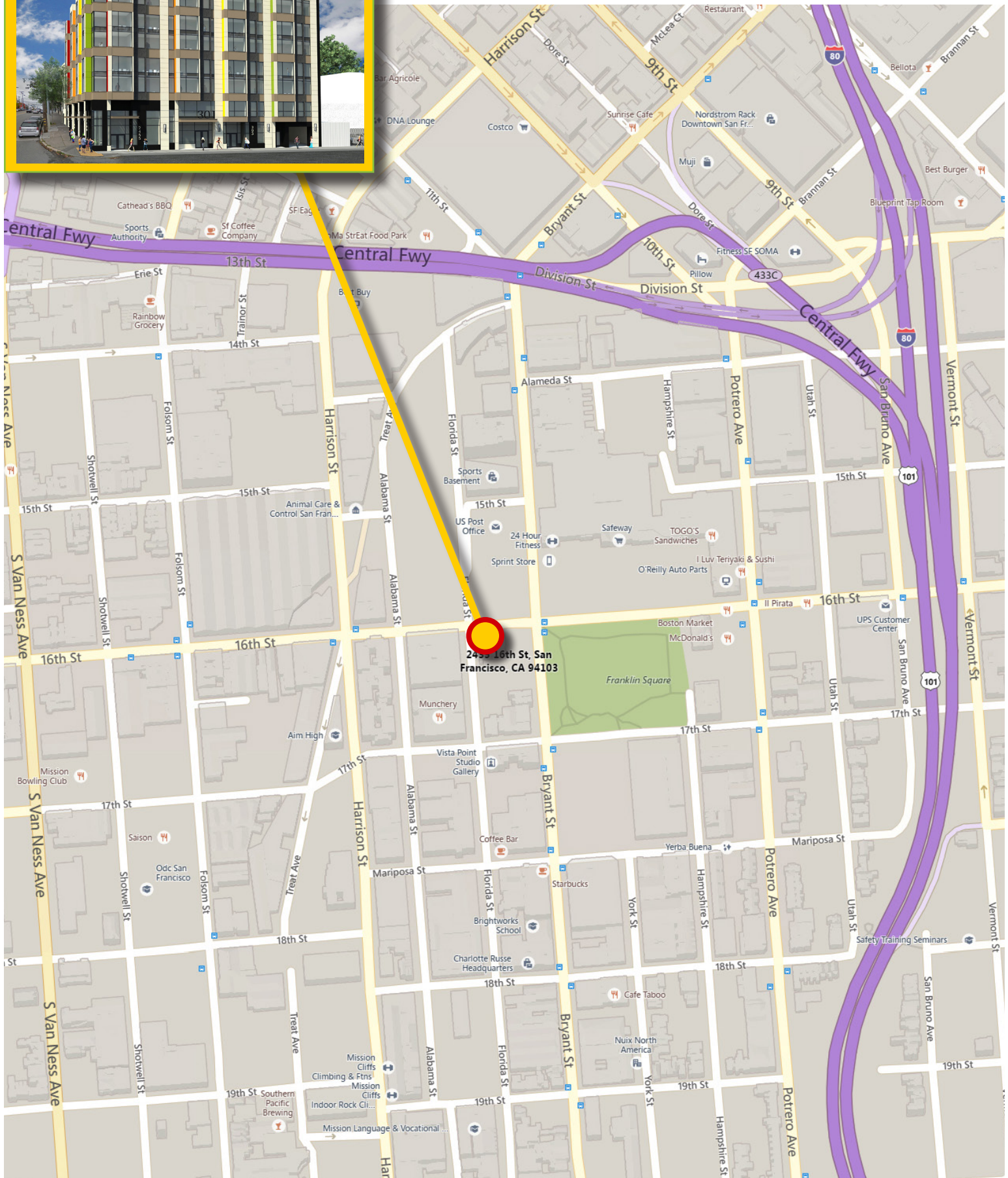
AMENITIES MAP



Image Landsat

2435-2445

16TH STREET, SAN FRANCISCO, CA



The information in this document was obtained from sources we deem reliable; however, no warranty or representation, expressed or implied, is made as to the accuracy of the information contained herein.



PROJECT HIGHLIGHTS

VIBRANT MISSION LOCATION

- 2435-2445 16th Street has an excellent transit-accessible Mission location adjacent to Potrero Hill, Showplace Square, Mission Bay, South of Market and Mid-Market, some of San Francisco’s most desirable, vibrant neighborhoods with easy access to amenities, including some of the City’s top restaurants, bars and cafés.
- Some of San Francisco’s top technology, medical, and life science firms have established an HQ location within a short commute from 2435-45 16th Street.



FULLY-ENTITLED RESIDENTIAL DEVELOPMENT SITE

- Fully-entitled, 2435-2445 16th Street represents a rare residential and commercial development opportunity ready for construction in 2018.
- Designed by D-Scheme, the Project is approved for 53 units averaging 688 square feet, ample on-site vehicle and bike parking, ground floor commercial space, and an expansive roof deck offering sweeping cityscape views.



2435-2445 16th Street has immediate access to some of the City’s best restaurants, bars and cafés, including;

Flour + Water, Central Kitchen, Trick Dog, Skool, Urban Fish, Commonwealth, Tartine, Hog & Rocks, Mau, Locanda, Lolo, Southern Pacific, Blue Bottle Coffee, Coffee Bar, Mission Bowling, and Double Play Bar & Grill.

The Project has incredible access to transit providing convenient access to all areas of the City as well as the Peninsula, the South Bay and the East Bay:



STRONG RESIDENTIAL MARKET FUNDAMENTALS

- Demand for Class A apartment product remains strong, with vacancy hovering at 3.0%.
- Similarly, the demand for high-quality condominium units continues to be robust with average pricing for competitive projects exceeding \$1,200 per square foot.



2435-2445

16TH STREET, SAN FRANCISCO, CA

CONTACT AND PROPERTY TOURS

Property tours are available upon request.

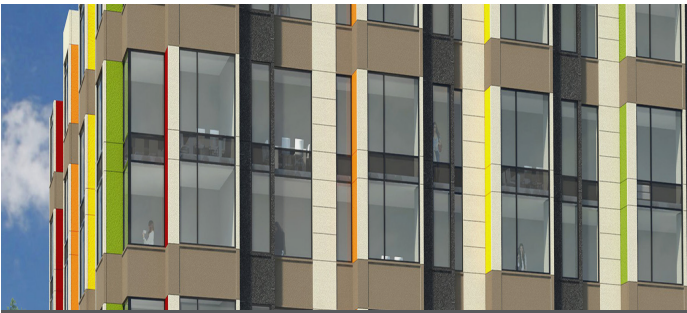
To schedule a tour or for any additional information please contact:

GARY COHEN

Principal

415.268.2259

gcohen@tricommercial.com



2435-2445 16TH STREET
SAN FRANCISCO, CA

PROJECT OVERVIEW



PROJECT DETAIL

BUILDING AREA SUMMARY				
Level	Residential Net Saleable	PDR Net Saleable	Total Net SF	Total Gross SF
Roof	-	-		
7	6,293	-	6,293	7,634
6	6,293	-	6,293	7,634
5	6,293	-	6,293	7,634
4	6,293	-	6,293	7,634
3	6,293	-	6,293	7,634
2	3,659	-	3,659	4,728
1	1,323	3,405	4,728	6,495
B	-	-		8,278
Total	36,447	3,405	39,852	57,671

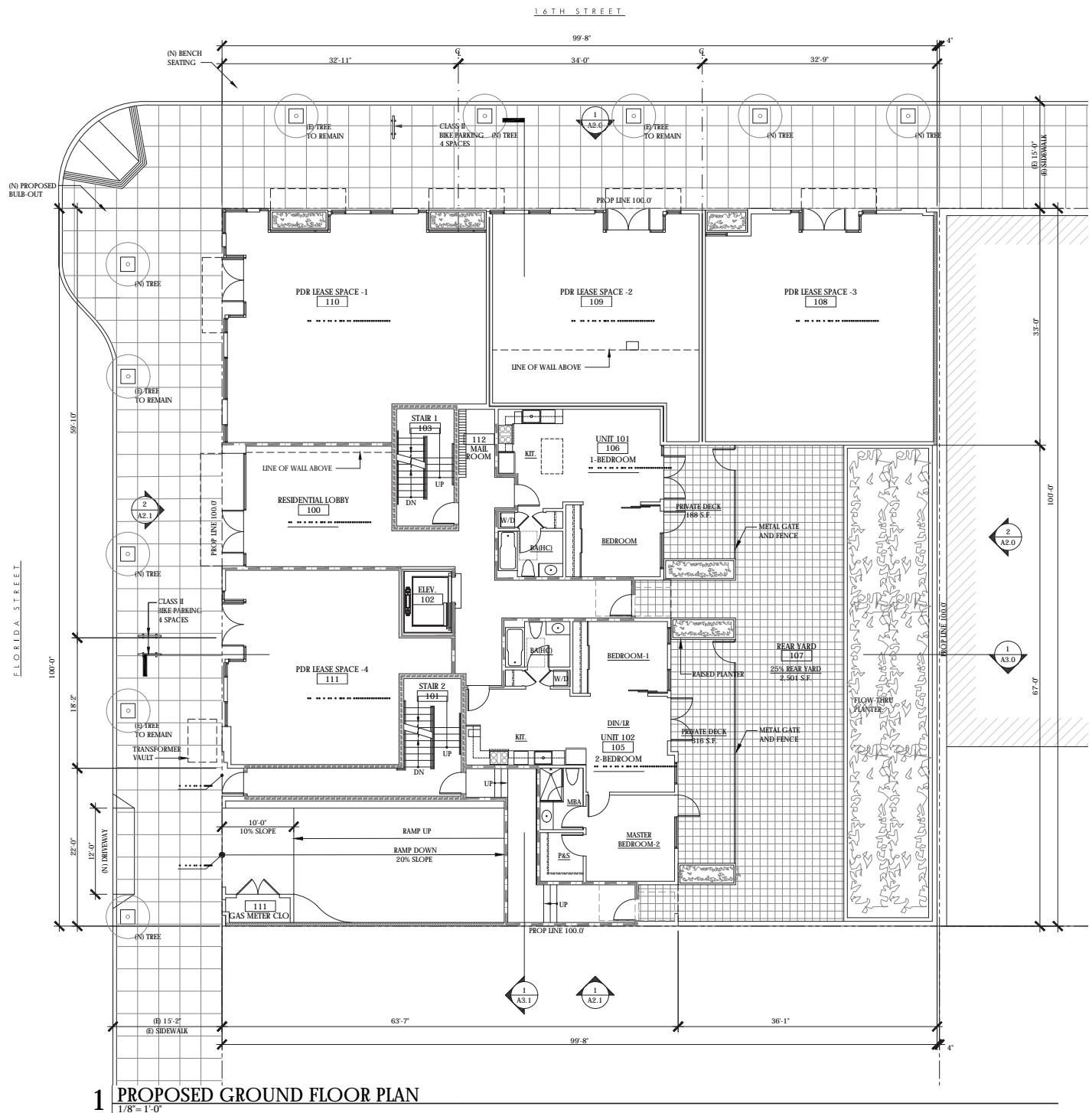


PROJECT DETAIL

RESIDENTIAL UNIT MIX						
Level	Studio	1 BD / 1 BA	2 BD / 1 BA	2 BD / 2 BA	3 BD / 2 BA	Total
7	-	5	1	2	1	9
6	-	5	1	2	1	9
5	-	5	1	2	1	9
4	-	5	1	2	1	9
3	-	5	1	2	1	9
2	1	3	1	1	-	6
1	-	1	-	1	-	2
B	-	-	-	-	-	-
Total	1	29	6	12	5	53
% Of Total	2%	55%	11%	23%	9%	100%
Avg. Unit Size	469	547	777	869	1003	688

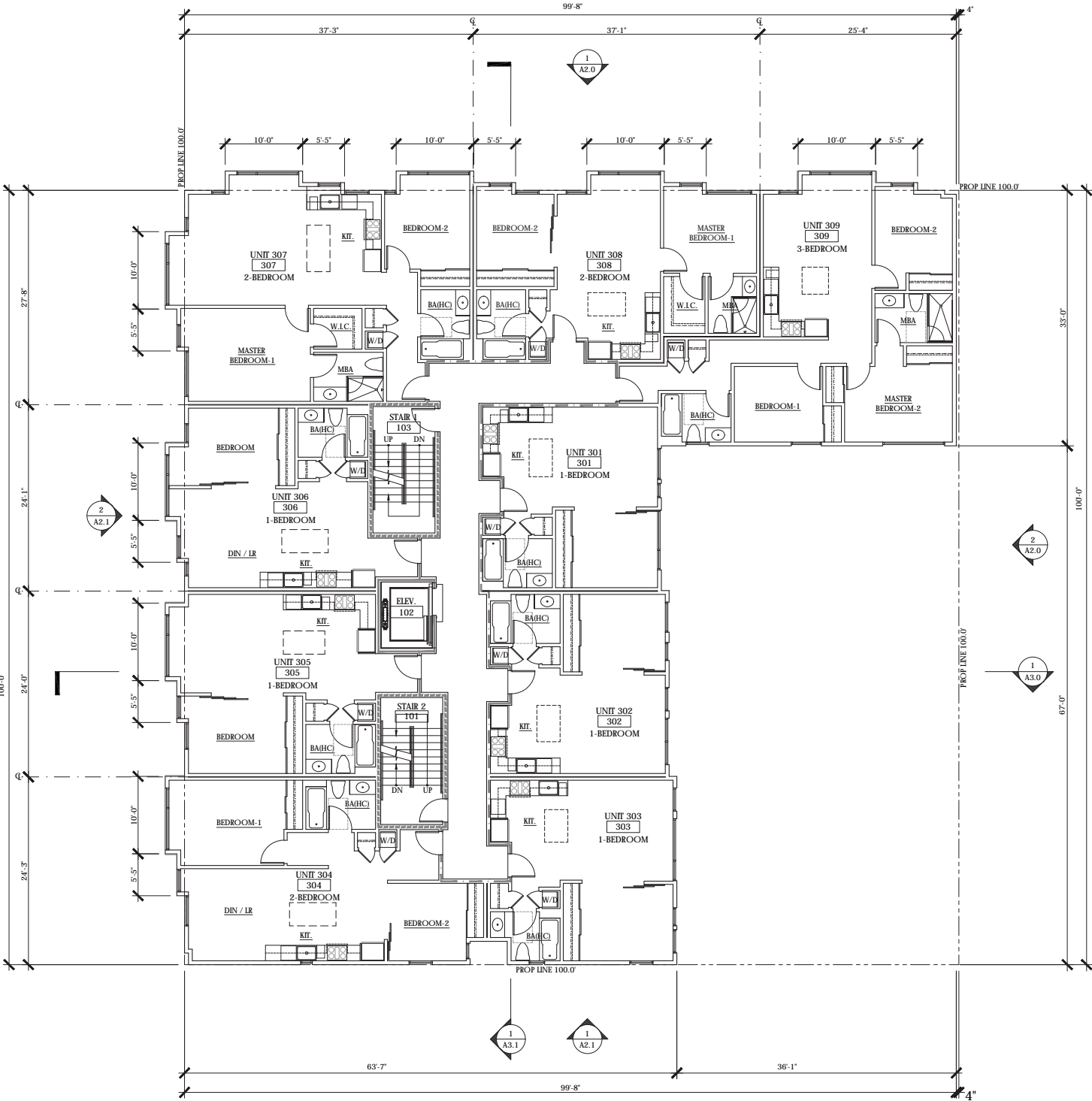


FLOOR PLANS - GROUND FLOOR



$$\frac{1}{8}'' = 1'-0''$$


FLOOR PLANS - 3RD - 7TH FLOOR

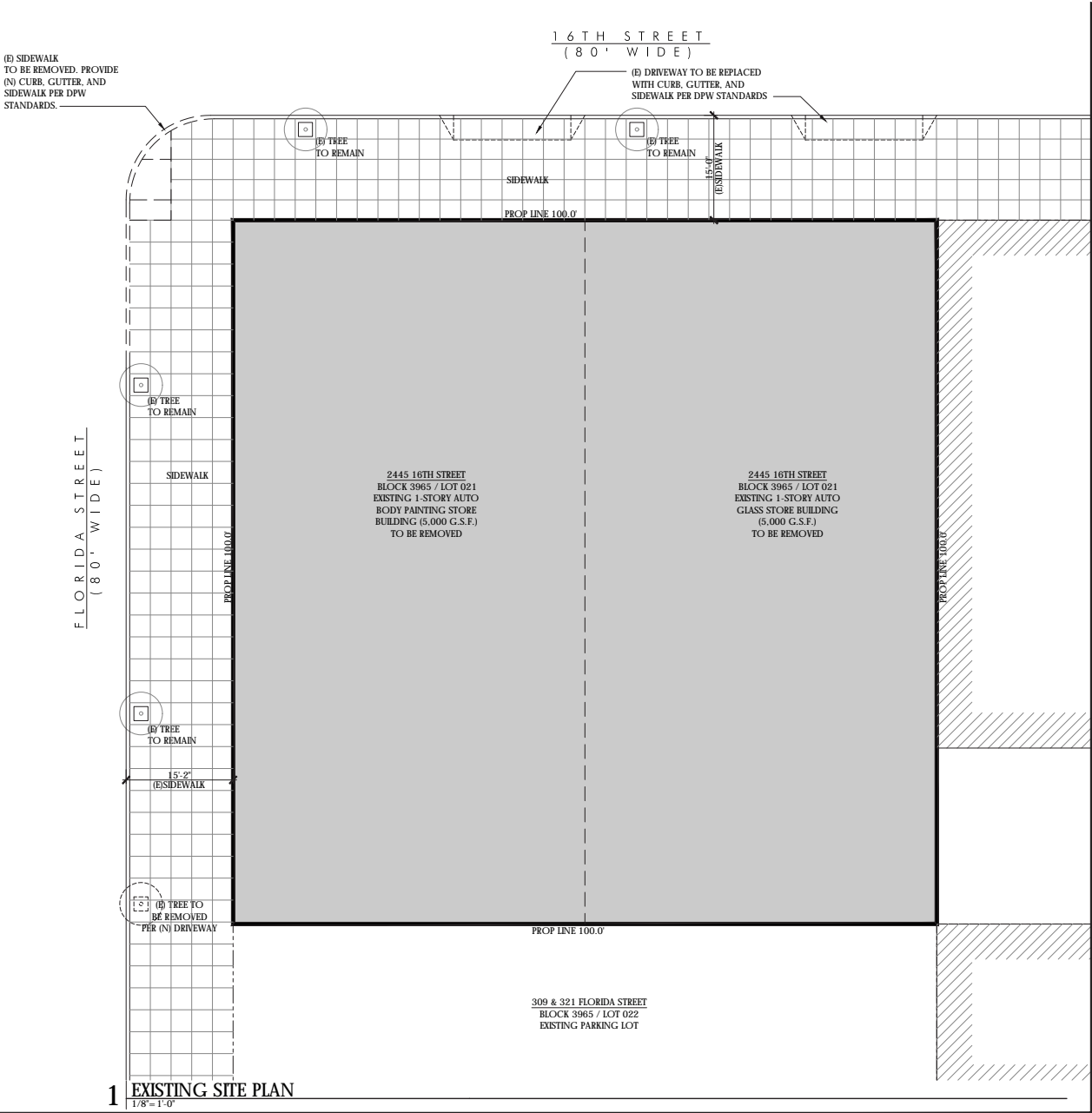


1 | PROPOSED THIRD FLOOR PLAN
1/8" = 1'-0"

SITE OVERVIEW

2435-2445 16th Street is currently comprised of two lots (31 & 32) which are in the process of being merged into one Lot (21). The site has frontages along 16th Street and Florida Street and encompasses a total of 10,000 square feet (100' x 100') and a total of 200 linear feet of frontage.

APN	SQUARE FEET	ACRES	FRONTAGE 16TH ST	FRONTAGE FLORIDA ST	TOTAL FRONTAGE	ZONING	HEIGHT LIMIT
3965-21	10,000	.23	100'	100'	200'	UMU	68 FEET



LOCATION OVERVIEW

2435-45 16th Street is located within the Mission District, one of San Francisco's most dynamic, lively and exciting neighborhoods, offering some of the best dining, nightlife, recreation, and amenities anywhere. The Subject Property is ideally just a few blocks from Mission and Valencia Streets, the two primary thoroughfares where a majority of the commercial activity is concentrated. Due to the vibrancy of the Mission, it has emerged as one of the most desirable residential neighborhoods for SF's upwardly-mobile workforce, especially the thriving technology sector. The Property's dynamic location is further enhanced by its proximity to Potrero Hill, Showplace Square, Mission Bay, South of Market and Mid-Market, all lively and thriving residential and business areas.



The Project's superior location offers residents strong transportation options including; 16th Street MUNI Line (directly in front of Property), which provides access to all areas of San Francisco; the 16th and Mission BART Station (4 blocks away), which provides access to the Financial District as well as the Peninsula (South Bay) and East Bay. The Property also offers easy access to the 101 and 280 Freeways located just a few minutes away.

In addition to its prime location within the Mission, 2435-45 16th Street is within a short commute and lies directly on the main feeder street (16th Street) of Mission Bay, a 303-acre master planned development, home of University of California San Francisco's Mission Bay Medical Center Research Campus, Children's Hospital, Women's Hospital, Cancer Hospital, Outpatient Services, more than 2.6 million square feet of commercial, medical, and life science buildings, and \pm 6,000 residential units and 41 acres of public open space. Mission Bay will also be home to the future Warriors Sports & Entertainment Center which will host NBA games, concerts, cultural events, and conventions.



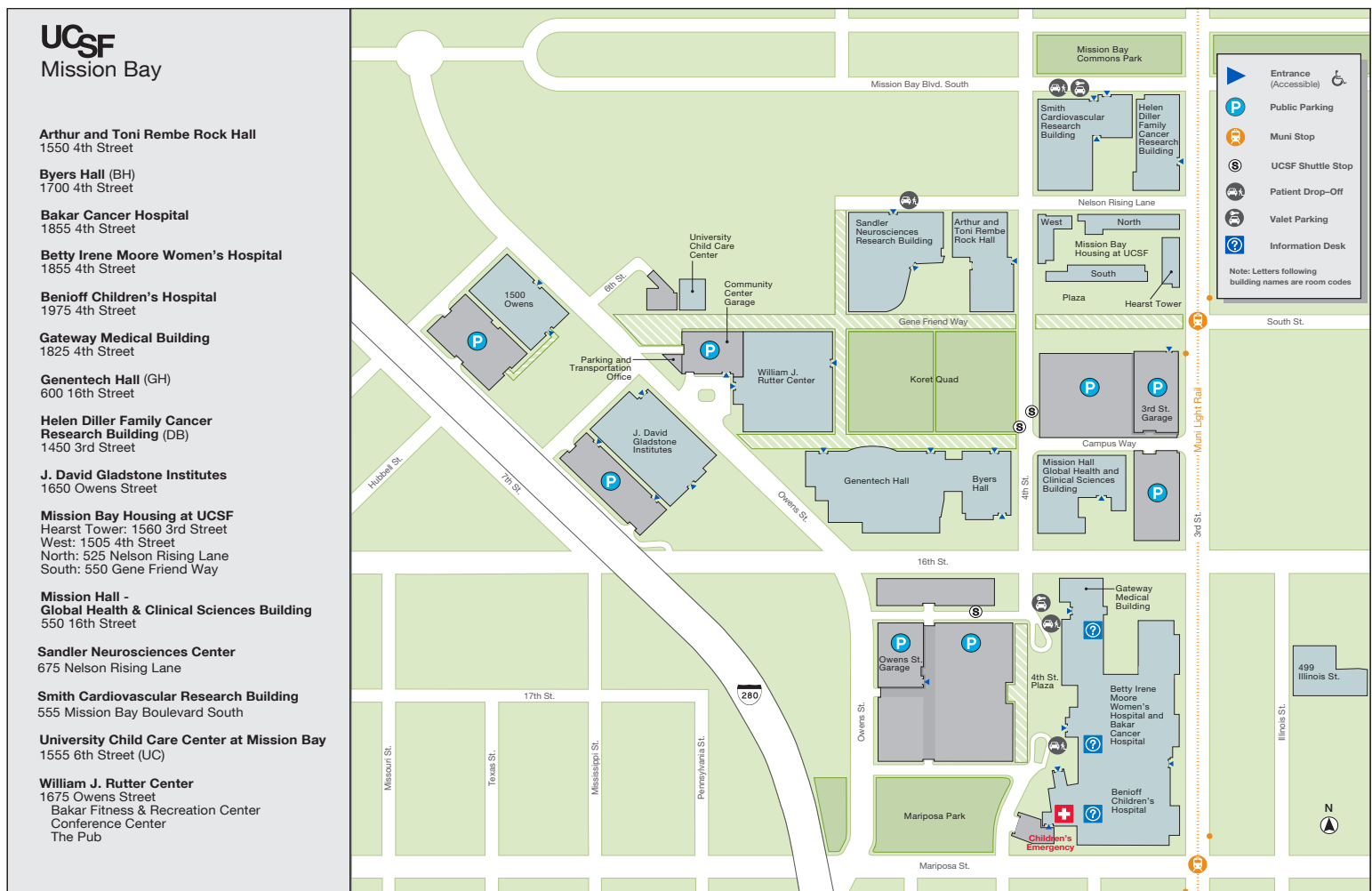
MISSION BAY OVERVIEW

Mission Bay, the 303 acre master planned development situated on the waterfront of the San Francisco Bay bounded by Mariposa Street on the south, Seventh and Townsend Streets on the west and north, and the San Francisco Bay on the east. Mission Bay has rapidly developed into a new community with state-of-the-art office, medical and biotech facilities, modern parks and infrastructure, and a central cluster of over 6,000 planned residential units. In the years since its designation as a redevelopment project in 1998, Mission Bay has been transformed into one of San Francisco's most unique and exciting new mixed-use neighborhoods. It is not only one of the leading biotechnology clusters in the country, but is also a central hub of San Francisco's burgeoning technology sector.

Once fully completed, Mission Bay will serve as one of San Francisco's most important commercial and residential areas, resulting in a direct benefit to 2435-2445 16th Street.

UCSF CAMPUS

The University of California San Francisco's 2.65 million square foot development encompasses office, classroom, and community and research space. A significant portion of the development has already been completed including the 237,000 square foot Sandler Neurosciences Center, 385,000 square foot Genentech Hall, 170,000 square foot Rock Hall, 152,000 square foot California Institute for Quantitative Biosciences building (QB3), 155,000 square foot William J. Rutter Center, 430-unit campus housing building, 200,000 Smith Cardiovascular Research Building, and the 162,000 square foot Helen Diller Cancer Research Center. Most recently in 2015, the UCSF Medical Center opened its doors. The complex, focused on care for children, women and cancer patients, is one of the city's first centers of its kind, further establishing UCSF's presence as the preeminent medical research care and treatment institution.



SAN FRANCISCO RESIDENTIAL MARKET OVERVIEW

The San Francisco residential market has arguably established itself as one of the strongest markets in the United States. The strength of the local market is a direct result of the continued growth of employment, and resulting demands on housing. There continues to be an incredible demand from the young technology-oriented workforce, as well as from international investors, which is contributing to the supply demand imbalance driving apartment rents and condo pricing.

San Francisco's Class A apartment vacancy continues to remain in the $\pm 3.0\%$ range. Similarly, the condominium market has shown exceptional strength in pricing and sales volume during the same period contributing to the supply-demand unbalance for high-quality product.



PROPERTY RENDERINGS



2432-45 16TH STREET DUE DILIGENCE INVENTORY LIST

Document	Company	Date	Pages
Plans/Survey			
Site Permit Plans with Revisions	D-Scheme Studio	28-Sep-17	48
Boundray/Topographic Map	Triad/Holmes Assoc.	24-Feb-17	1
Civil Improvement Plans	Triad/Holmes Assoc.	8-Sep-17	7
LPA Plans	D-Scheme Studio	17-Jun-15	18
DBI			
Site Permit Fees	DBI	16-Dec-15	1
Demo Fee	DBI	29-Dec-15	1
Demolition Affidavit	DBI	31-Dec-15	1
Permit Application and Authorized Agent Disclosure and Certification	DBI	31-Dec-15	1
Demolition Debris Recovery Plan Worksheet	DBI	31-Dec-15	1
Diversion Rate Table	DBI	31-Dec-15	1
SF Unified School Distict Cert. of Payment	Unified School District		1
SFPUC Checklist	DBI	31-Dec-15	1
Water and Wastewater Capacity Charge Checklist	DBI	31-Dec-15	1
Declaration of Use Limitation	DBI	6-Jun-17	8
Demolition Pemit Details Report	DBI	31-Dec-15	1
Site Pemit Details Report	DBI	31-Dec-15	2
Impact Fees	DBI	6-Mar-18	3
Environmental			
Maher Application	SFDPH	14-Oct-15	1
Phase I Update (Original and Update Combined)	John Carver Consulting	8-Aug-14	128
Phase II Work Plan	John Carver Consulting	15-Oct-15	1
Soil Sample Table	John Carver Consulting	4-Dec-15	3
Transmittal to DPH	SFDPH	15-Oct-15	1
UST Remedial Action Completion Cert	DPH	27-Jul-10	3
SFHC Article 22A Compliance Ltr	DPH	29-Oct-15	2
SFHC Article 22A Compliance Ltr	DPH	13-Jan-16	3
Subsurface Investigation (Phase II) Report	John Carver Consulting	18-Dec-15	77
Geotech			
Geotech Report	H. Allen Gruen	12-Oct-14	25
Leases			
2435 16th St/Safelite Fulfillment, Inc.		22-Apr-12	25
2445 16th St /U.S Auto Body & Painting		14-Aug-06	29

2432-45 16TH STREET DUE DILIGENCE INVENTORY LIST

Acoustics			
Exterior Noise Evaluation Charts	Walsh Norris & Assoc.	19-Sep-14	12
Exterior Noise Evaluation Report	Walsh Norris & Assoc.	1-Oct-14	7
Planning			
Authorization To Act As Agent	D-Scheme Studio	1-Dec-14	1
Application For Environmental Evaluation	SF Planning	1-Oct-14	6
LPA Fee Record Summary	SF Planning	16-Jul-15	2
Exemption From Environmental Review (CPE)	SF Planning	22-Mar-16	12
Planning Commission Motion No. 19670	SF Planning	23-Jun-16	5
Planning Commission Motion No. 19671	SF Planning	23-Jun-16	42
Draft Notice of Special Restriction	SF Planning		18
Preliminary Project Assessment	SF Planning	1-Oct-14	16
Notice of Exemption Filing Fee	SF Planning	3-Aug-16	1
No Historic Evaluation Emails	D-Scheme Studio	28-Sep-15	2
Compliance with the Inclusionary Affordable Housing Program Application	SF Planning	20-May-16	5
Affidavit for First Source Hiring Program Application	SF Planning	26-May-16	2
Anti-Discriminatory Housing Policy Packet	SF Planning	23-May-16	5
Notice of Exemption (NOE)	SF Planning	10-Aug-16	4
General Plan Referral	SF Planning	21-Sep-17	12
General Plan Referral Site Plan and Photos	SF Planning		3
General Plan Referral Plans 2	SF Planning		20
Lot Line Adjustment Letter	SF Planning	30-Dec-16	2
Lot Line Adjustment Legal Description	SF Planning		3
LPA Public Notice	SF Planning		4
PPA Application	SF Planning	16-Dec-14	5
Shadow			
Shadow Analysis	CADP Assoc.	17-Feb-16	9
Shadow Analysis Application	SF Planning	12-Mar-15	6
Misc			
Stormwater Mgt. Emails	D-Scheme Studio	28-Sep-15	
Landscape Architect Bid	Smith + Smith	30-Jun-15	12
Tree Planting and Protection Checklist	DPW	2-Dec-14	6
Draft First Source Hiring Program Memo (MOU)	SF Office of Econ. & Workforce		2
Site Survey	Foresight Land Surveying	13-Oct-14	1
Stormwater Control Plan	Triad/Holmes Assoc.	29-Mar-16	23
Landscape Plans	Smith + Smith	8-Jun-16	4
Lot Line Adjustment Application	DPW		5
Lot Line Adjustment Prop M Findings	DPW	13-Sep-16	3

TRI Commercial Real Estate Services, Inc. ("TRI") has been retained by Owner as exclusive listing advisor with respect to the real property located at 2435-45 16th Street, Block 3965 Lots 31 & 32, in San Francisco, California ("the Property"). You are advised that the Owner has indicated that all inquiries and communications with respect to the Property be directed to TRI.

TRI has made available, for your review, certain information concerning the Property (collectively the "Information"). You agree that TRI will not make such Information available to you unless you have executed this letter and thereby agreed to be bound by its terms. On behalf of the Owner, TRI is prepared to provide the Information for your consideration subject to the conditions set forth below:

1. All information relating to the Property, which may be furnished to you by TRI, shall continue to be the property of the Owner and TRI. The Information will be used by you solely for the purpose of evaluating the possible acquisition of the Property and may not be copied or duplicated without TRI's consent. The Information must be returned to TRI immediately upon TRI's request, or when you decline to make an offer for the Property or terminate any discussions or negotiations with respect to the purchase of the Property.
2. Without the prior written consent of TRI, you will not make any Information available, or disclose any of the contents thereof, to any person; provided, however, that the Information may be disclosed to your partners, affiliated entities, directors, employees, legal counsel and institutional lenders, who need to know such information for the sole purpose of evaluating the potential purchase of the Property by you. Your partners, directors, employees, consultants, advisors, legal counsel and institutional lenders shall be informed by you of the confidential nature of the Information and shall be directed by you to keep all the Information strictly confidential in accordance with this agreement.
3. You acknowledge that you are a principal or acquisition advisor and not an agent of or acting on behalf of any other party in connection with the purchase of the Property. You acknowledge that you have not had any discussions regarding the Property with any broker or agent other than TRI, except as set forth in the following paragraph.
4. You hereby authorize _____ to represent you as your representative ("Representative") with respect to the purchase of the Property. Upon execution of this letter by you and your Representative, you are hereby authorized to provide Information to your Representative subject to your Representative agreeing that his/her authorization to act in any capacity with respect to the purchase of the Property is limited to you. Your Representative further agrees that he/she will not discuss or distribute Information or excerpts regarding the Property to any other party. If you are a Representative, it is understood and agreed that you shall not be entitled to a commission or other compensation and waive your right to any commission or other compensation in the event a sale is not consummated between the Potential Purchaser and Owner regardless of whether you have brought a **ready, willing and able** Potential Purchaser. Any commission arising out of the transaction shall be paid by the Owner in the amount of one and one half percent (1.5%) of the purchase price, **provided that** (a) you are the Representative of the Potential Purchaser (as Confirmed and Agreed below) in connection with the sale and are the sole procuring cause thereof, other than TRI; (b) the Potential Purchaser you are representing executes a contract of sale with the Owner; (c) the sale actually closes and title to the Property passes to your Potential Purchaser; and (d) you agree to indemnify and hold Owner and TRI harmless from and against any claims by brokers or finders claiming by or through you, in connection with the sale. In no event shall Owner have any separate or additional liability to you for commission or other compensation.
5. You understand that although TRI and Owner endeavored to include all Information which we believe to be relevant for the purpose of your investigation, neither TRI nor the Owner make any representation or warranty as to the accuracy or completeness of

the Information. You agree that neither TRI nor the Owner shall have any liability to you or your Representative resulting from the use of the Information by you or your Representative. You also understand that the Information contains certain documents that are described in summary form. The summaries do not purport to constitute either a legal analysis of the provisions of the document or to be complete, accurate descriptions of the full documents involved. You are expected to examine all original documents independently.

6. You acknowledge that the Property has NOT been offered for sale and any discussion is subject to prior placement and withdrawal, cancellation or modification without notice. The Owner has specifically reserved the right, in its sole discretion to accept or decline any offers, regardless of price and terms.
7. This agreement shall be governed by, and construed in accordance with, the laws of California.

If you are in agreement with the foregoing, please sign and return a copy of this letter to the undersigned. Additionally, if you have authorized a Representative to represent you, please have your Representative sign in the appropriate space provided below.

POTENTIAL PURCHASER CONFIRMED AND AGREED:

(Company)

(Name)

(e-mail)

(Address)

(Telephone)

(Fax)

(Date)

Representative agrees to be bound by all the terms and conditions of the aforementioned letter whether stated as obligations of the Potential Purchaser or the Representative, including but not limited to, the indemnification provisions, which shall be joint and several as between the Representative and the Potential Purchaser.

REPRESENTATIVE CONFIRMED AND AGREED:

(Company)

(Phone)

(Name, Title)

(e-mail)

(Address)

(Date)