

# 1441 INDUSTRIAL PKWY HAYWARD, CA



INVESTMENT SUMMARY



Jones Lang LaSalle Americas, Inc., California Real Estate License #01223413

**FULLY ENTITLED INFILL I-880 INDUSTRIAL DEVELOPMENT OPPORTUNITY TOTALING ±78,934 SF ON ±4.36 ACRES**



# EXECUTIVE SUMMARY

Jones Lang LaSalle America's Inc., ("JLL"), as exclusive advisor, is pleased to present an exciting investment opportunity for the acquisition of the 100% fee-simple interest in 1441 Industrial Parkway (the "Site"). The Site, located in Hayward, boasts a prime  $\pm 4.36$  AC infill parcel and offers a rare chance to develop a  $\pm 78,934$  SF state-of-the-art industrial or advanced manufacturing site.

The strategically positioned **entitled** Site provides excellent regional connectivity with convenient access to major highways, including the I-880, CA-238, and the San Mateo/ Hayward Bridge. This proximity ensures seamless transportation links and facilitates efficient distribution and logistics operations for businesses located within the East Bay market. Additionally, the Site is only a short 15-25 minute drive from the Oakland and San Jose International Airport, and less than 20 miles from the Port of Oakland, and BNSF Oakland Intermodal.

The San Francisco Bay Area has seen healthy tenant demand throughout 2023. Currently, JLL is actively tracking 64 active requirements for industrial space below 100K SF, totaling 3.2M SF in the East Bay. Industries of active tenants demanding space range from Manufacturing, Automobiles, Logistics & Distribution, and Health.

The Site, currently zoned Light Industrial (LI), offers a range of uses, including Advanced Manufacturing, Warehousing & Distribution, and Research & Development. Parcels of this size and zoned Industrial sites rarely hit the market and are highly prized in infill East Bay. The scarcity of such opportunities adds to the Site's appeal and potential for long-term value appreciation. As the demand for industrial properties continues to rise, this one-of-a-kind investment opportunity offers investors the chance to secure a unique and highly desirable asset in one of the most sought-after industrial pockets across the country.

## EXISTING SITE SUMMARY

<b>ADDRESS</b>	1441 Industrial Parkway
<b>CITY, STATE</b>	Hayward, CA
<b>PROPOSED SQUARE FEET</b>	$\pm 78,934$ SF
<b>LAND ACRES</b>	$\pm 4.36$ AC
<b>PROPOSED BUILDING FAR</b>	42%





# HIGH LEVEL HIGHLIGHTS



Fully Entitled



Top Performing Industrial Submarket



Irreplaceable  $\pm 4.36$  AC Light Industrial Zoned Site



Infill Class A Development Opportunity



Hayward's Under Construction products only accounts for 0.5% of the total East Bay's Inventory





## DEVELOPMENT HIGHLIGHTS

### Rare Entitled Infill Development Opportunity

- Due to the East Bay's infill nature, there have been no available development sites coming to market. **Currently there are NO ENTITLED SITES ready for construction in the East Bay that can accommodate a building under 100K SF.** Furthermore, the increasing NIMBY-ism (Not In My Backyard) sentiment towards industrial developments in the Bay area has made it more challenging to find suitable sites for future development.
- Given the infrequent cadence at which land sites become available to developers, and the lengthy construction timelines witnessed in California, the average building age in the Bay Area continues to steadily climb. **Once delivered, the new industrial building on the Site will garner significant interest from investors and tenants seeking class A construction in the East Bay.**
- The East Bay market currently contains **115 million SF of industrial product with an additional one million SF under construction.** Only 24% of the total East Bay Industrial Inventory is located in the Hayward submarket, with 600k YTD completions and an additional 430K SF currently under construction. **At the moment, there are no buildings under construction between 60k to 100k SF in Hayward.**

## LOCATION HIGHLIGHTS

### Strategic Infill Core Bay Area Location

- The Site is located **less than a mile from the I-880, with premier access to the San Mateo / Hayward Bridge, and CA-238,** providing access providing access to greater Northern California. **The Site is a short 15-25 minute drive from the San Jose and Oakland International Airport, and less than 20 miles from the Port of Oakland, and BNSF Oakland Intermodal.**
- Within a five-mile drive, the **Site reaches a population of 340,073 individuals and 106,434 households.** Moreover, **the Site offers easy connectivity to over 10,000 establishments, providing last-mile capabilities to both affluent consumers and local businesses.** Additionally, businesses will be able to tap into the opportunities presented by serving tenants involved in the rigorous advanced manufacturing innovation economy that exists in the Bay Area. This includes supporting startups and unique businesses that contribute to the region's cutting-edge technological advancements.





# % OF UNDER CONSTRUCTION SF VS EXISTING INVENTORY IN EACH SUBMARKET



**1441**  
INDUSTRIAL PKWY  
HAYWARD, CA

## High Barrier to Entry

- The Hayward submarket is **one of the most difficult markets in the United States to entitle and construct new warehouse products due to California's regulatory and economic restraints.**
- Due to CEQA and other legislative requirements, **entitlements tend to take longer to obtain in California in comparison to other states.**
- **As the Site is already entitled, new ownership will not have to deal with aforementioned complexities in trying to obtain entitlements. At the present, municipalities across the Bay Area have responded to concerns regarding truck traffic and environmental impacts of warehousing uses by implementing conditional use permits for warehouse and distribution operations. Currently there are no use regulations on Warehousing and distribution, R&D and Light Manufacturing on this Site.**



## MARKET HIGHLIGHTS

### Consistent Leasing Velocity & Highest Average Asking Rents

- The East Bay market has experienced consistently low vacancy rates, with **vacancy at 3.7% as of Q3 2023**. Similarly, the Hayward market has witnessed a decrease in vacancy, with **rates falling 21.7% from 2.3% in Q2 2023 to 1.8% this quarter**.
- Rents in the East Bay market have **grown 4.6% year-over-year** with the **Hayward submarket experiencing an impressive 9.6% year-over-year rent growth**.
- The Hayward submarket **commands the highest average asking rent amongst the other East Bay submarkets**, 17% higher than the average rents for the East Bay market.





## TENANTS IN THE MARKET <100K SF

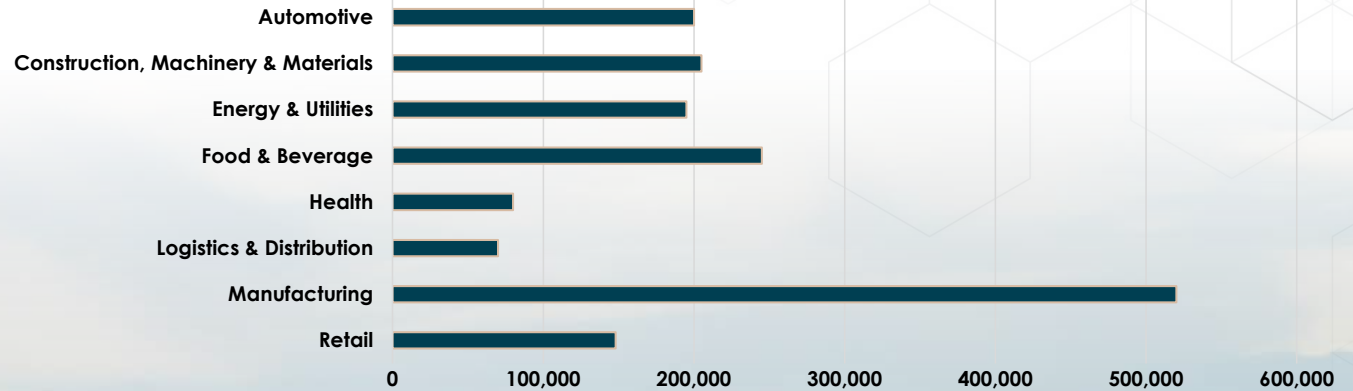
64 active large requirements for industrial space below 100K SF, totaling 3.2M SF in the East Bay



**47,167 SF**

Average Requirement Size

### Tenant Demand Clustered by Industries



### Largest Tenant Demand Industries as Permitted by Zoning







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