



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

626-648

WALNUT STREET

SAN CARLOS, CALIFORNIA

CONFIDENTIAL OFFERING
MEMORANDUM

**0.61-ACRE MIXED-USE TRANSIT-ORIENTED DEVELOPMENT SITE
— 35 UNITS AND 2 COMMERCIAL SPACES —**

THE OFFERING

Jones Lang LaSalle Americas, Inc. (“JLL”), as exclusive advisor, is pleased to present the opportunity to acquire the fee simple interest in 626-648 Walnut Street (the “Property”), a unique infill development opportunity located in the heart of San Carlos, California. The 0.61 acre site is entitled for a 5-story, mixed use development which will include 35 residential units and 2 commercial spaces totaling 2,284 square feet.

SITE SUMMARY

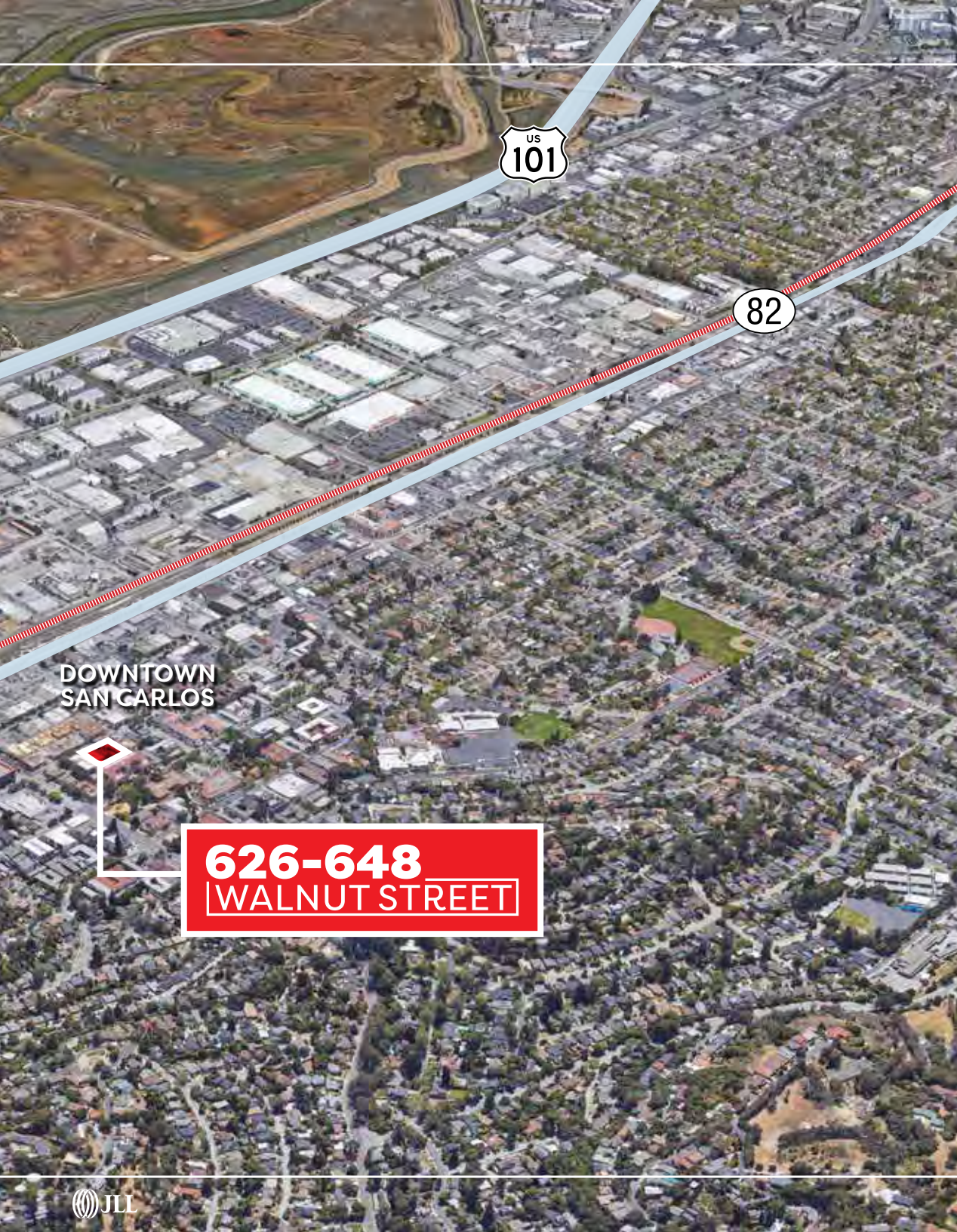
Address 626-648 Walnut Street
San Carlos, CA 94070

County San Mateo

Size 0.61 Acres

APNs	Parcel #	Acreage
	050-131-060	0.25
	050-131-070	0.18
	050-131-080	0.18
	Total	0.61





DOWNTOWN
SAN CARLOS

626-648
WALNUT STREET

INVESTMENT HIGHLIGHTS



**San Francisco Bay Area
Silicon Valley
Location**

**Uniquely Positioned in
The Center of Bay Area
Employment Hubs**



Shovel Ready Site

**Strong For-Sale Housing
Fundamentals in A Supply-
Constrained Market**



**Transit Oriented
Development (TOD)**

**Award-Winning City of San
Carlos' School System**



RETAIL, RESIDENTIAL & COMMERCIAL STRUCTURES REPOSITION

THREE PROPERTY ASSEMBLAGE WITH ABUNDANT PARKING

	626 Walnut Street	640 Walnut Street	648 Walnut Street
Use	Commercial Office	Commercial/ Single Family	8 Multifamily Units
Building SF	4,674	1,210 SF	6,998 SF
Built / Renovated	1978	1940 / 1990	1956
Stories	2	1	2
Site Size	0.25 Ac / 11,012 SF	0.18 Ac / 7,750 SF	0.18 Ac / 7,750 SF
APN	050-131-060	050-131-070	050-131-070
Description	Office space over parking	Former 2 bedroom single family home repositioned to barber shop	Apartment building with 3 garages

PG&E power & water would need to be reconnected.



626 Walnut



640 Walnut



648 Walnut



626 Walnut



626 Walnut



PROPERTY PHOTOS



648 Walnut



648 Walnut

640 Walnut



ASSET OVERVIEW

DEVELOPMENT OPPORTUNITY

626-648 Walnut Street is five-story mixed-use project located in the Mixed-Use Downtown (MU-CD) zone on a .61-acre lot and will include 2,284 square feet of commercial space, and 35 units including three low-income and one moderate (as required by the City's BMR Ordinance), resulting in a density of 58 du/ac. The applicant has submitted plans for a building permit, which is under review with the City. The Site is developed with an 8-unit apartment building, a two-story commercial building, and a one-story commercial building containing a restaurant and office space. The existing buildings currently sit vacant.

SITE INFORMATION

Size (AC)	0.61
APNs	050-131-060, 050-131-070, & 050-131-080

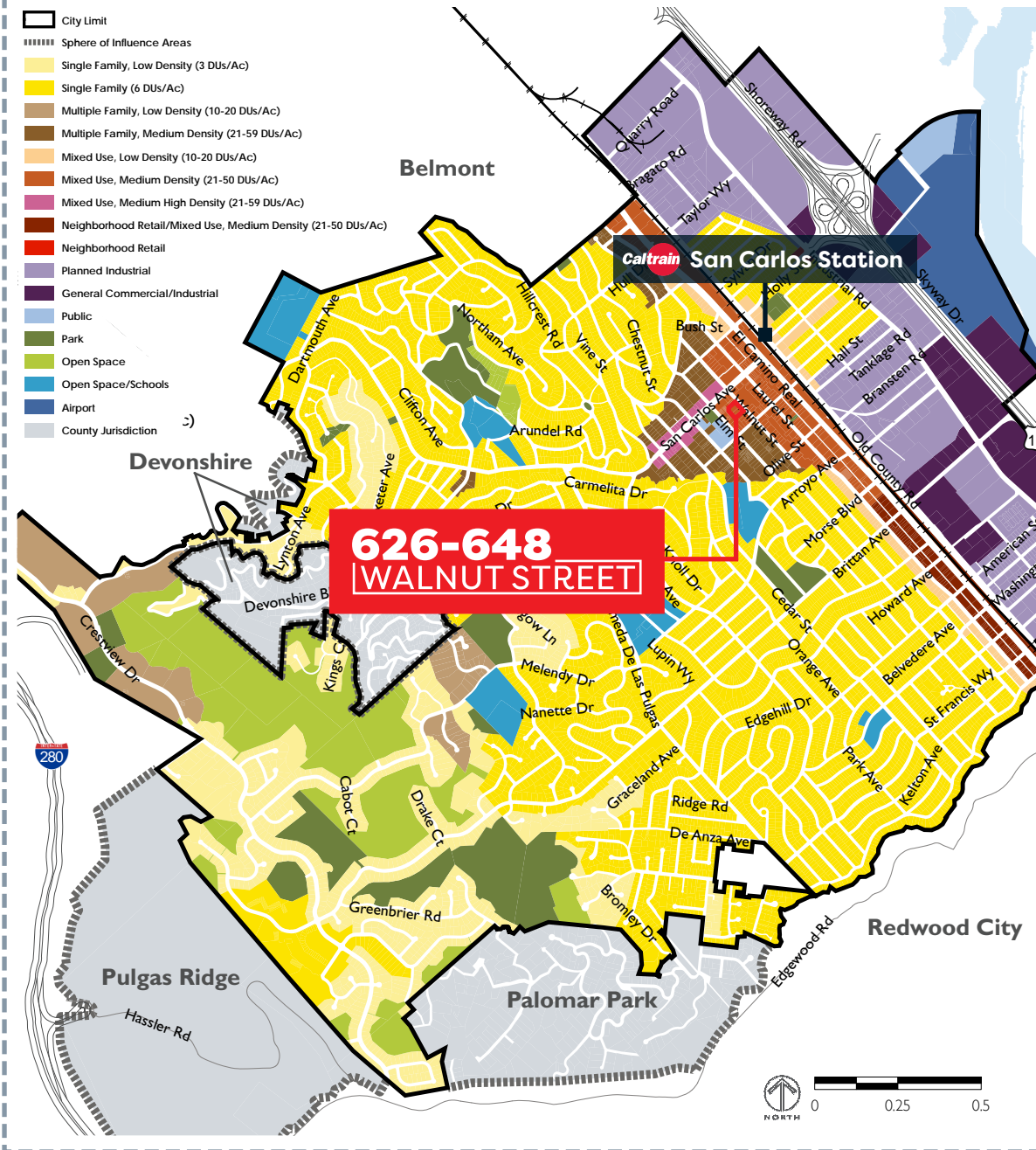
CITY ZONING & POLICIES

Zoning	MU-DC: Mixed Use Downtown Core
Uses	Retail, Commercial, Office, and Residential Development
Height	50 Feet
Number of Stories	4
Affordable Housing	
AS ENTITLED (2021):	All residential developments containing seven or more units include at least 15 percent affordable units for very low-, low-, and median-income households
NEW POLICY (2023):	For Sale – 20% at low-income Rental – 15% below market with 5% at low-income and 10% at very low-income

GENERAL PLAN

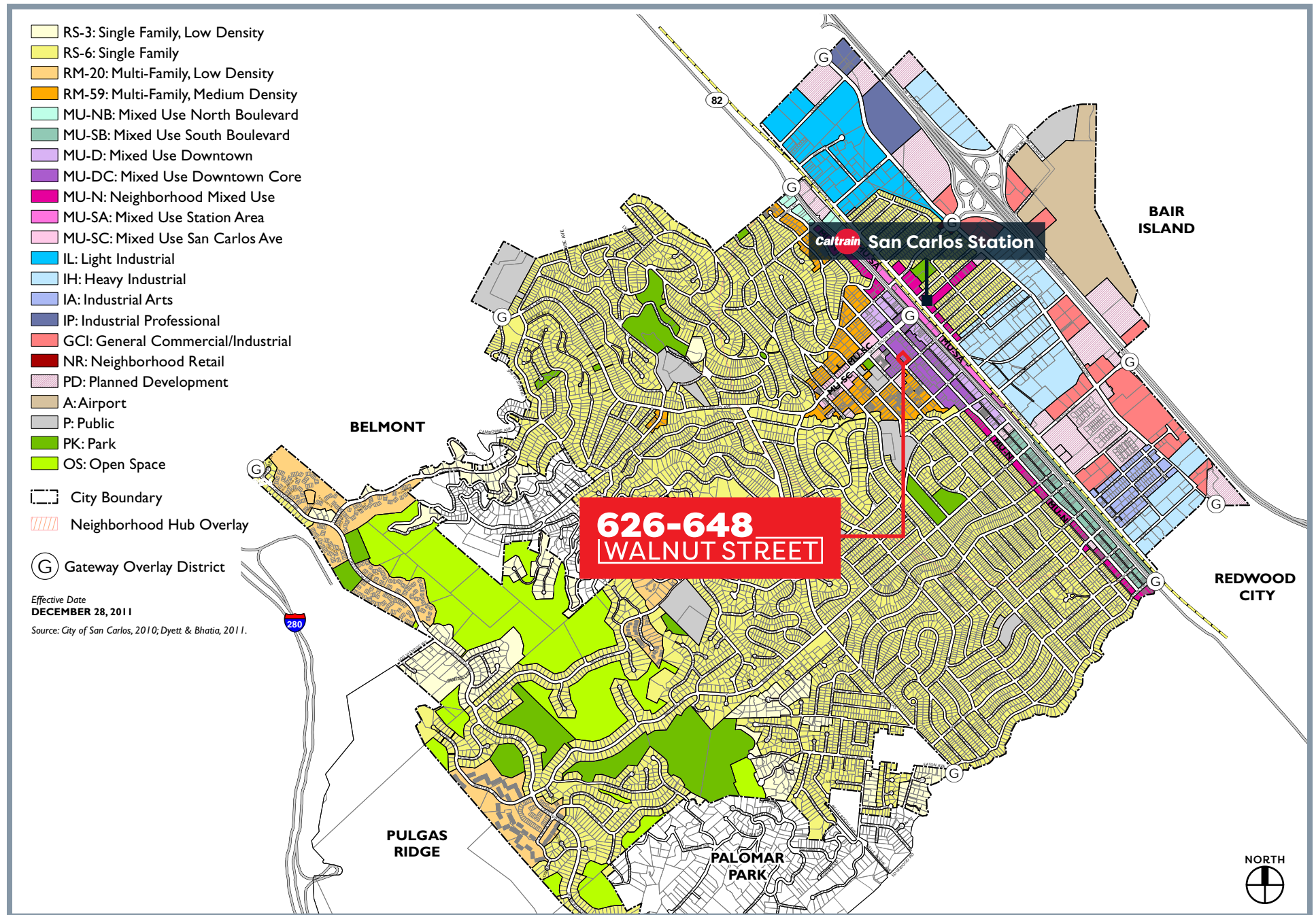
Designation	Mixed Use, Medium Density
Density (Maximum)	50 DUs / Acre

GENERAL PLAN



JLL PROVIDES THE ENTITLEMENTS & ZONING SUMMARY AS A CONVENIENCE TO INVESTORS. INVESTORS SHOULD RELY ON THEIR OWN ANALYSIS.

ZONING MAP



JLL PROVIDES THE ENTITLEMENTS & ZONING SUMMARY AS A CONVENIENCE TO INVESTORS. INVESTORS SHOULD RELY ON THEIR OWN ANALYSIS.

ENTITLED PROJECT: PATH TO CONSTRUCTION START



HIGHLIGHTS OF APPROVAL PROCESS

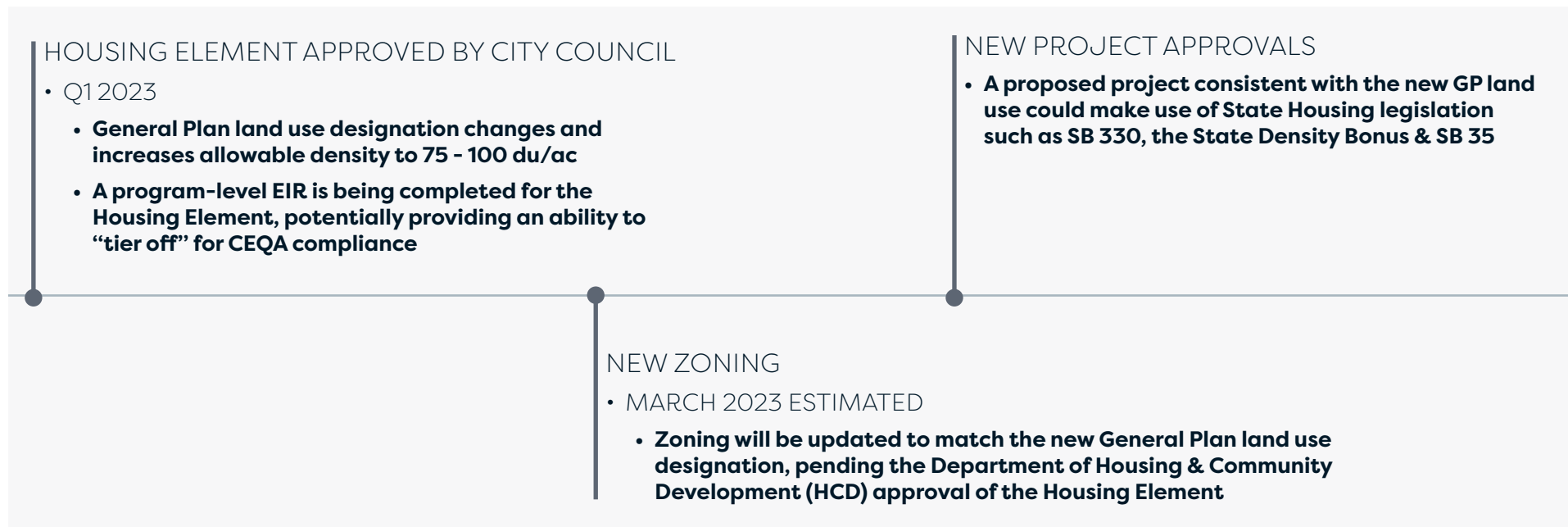
- Project was approved by the City's Planning Commission in 2021 (i.e. design review, CEQA, tentative parcel map).
- Project approvals are valid for one (1) year after which they will need to be renewed by the Planning Commission.
- The applicant has submitted plans for a building permit, shortening the anticipated time to receive building permits.
- The project was entitled under the prior affordable housing policy which required 15% affordable housing, vs. 20% for sale affordable housing component under the current affordable housing policy.
- Project approvals are being processed under the State Density Bonus Law.
- The project is requesting two waivers for height and FAR, and one concession to reduce parking requirement.

AFFORDABLE HOUSING (CURRENT ENTITLEMENTS)

- All residential developments containing seven or more units include at least 15 percent affordable units for very low-, low-, and median-income households.

JLL PROVIDES THE ENTITLEMENTS & ZONING SUMMARY AS A CONVENIENCE TO INVESTORS. INVESTORS SHOULD RELY ON THEIR OWN ANALYSIS.

RE-ENTITLEMENT OPTION: HOUSING ELEMENT



HOUSING ELEMENT UPDATE

- The subject site's zoning will be modified as part of the City's housing element update.
- The site is currently zoned Mixed Use Downtown Core which permits a maximum density of 50 units to the acre. The update, scheduled for Q1 2023, would amend the land use designation to allow densities of 75 to 100 units to the acre.

AFFORDABLE HOUSING (NEW POLICY)

- **For Sale** – 20% of the units must be affordable to low-income households.
- **For Rent** – 15% of the units must be below market rate, of which 5% affordable to low-income households and 10% affordable to very low-income households.

JLL PROVIDES THE ENTITLEMENTS & ZONING SUMMARY AS A CONVENIENCE TO INVESTORS. INVESTORS SHOULD RELY ON THEIR OWN ANALYSIS.

COMPETITIVENESS FOR AFFORDABLE HOUSING FEDERAL TAX CREDITS

The property sits in the “Highest Resource” zone for California’s Tax Credit Allocation Committee (“CTCAC”), potentially making it competitive for affordable housing tax credits.

TCAC RESOURCE ZONE: 626-648 WALNUT STREET

TCAC Opportunity Area




Highest Resource Zone

CITY OF SAN CARLOS INCLUSIONARY HOUSING REQUIREMENTS

Type	Rate	AMI
For Sale	20%	Low-income households
Rental	15%	5% low-income households and 10% very low-income households

626-648
WALNUT STREET

LEGEND

	Highest Resource
	High Resource
	Moderate Resource
	Low Resource
	High Segregation & Poverty
	Missing/Insufficient Date
	National & State Park/Forest/Rec Area

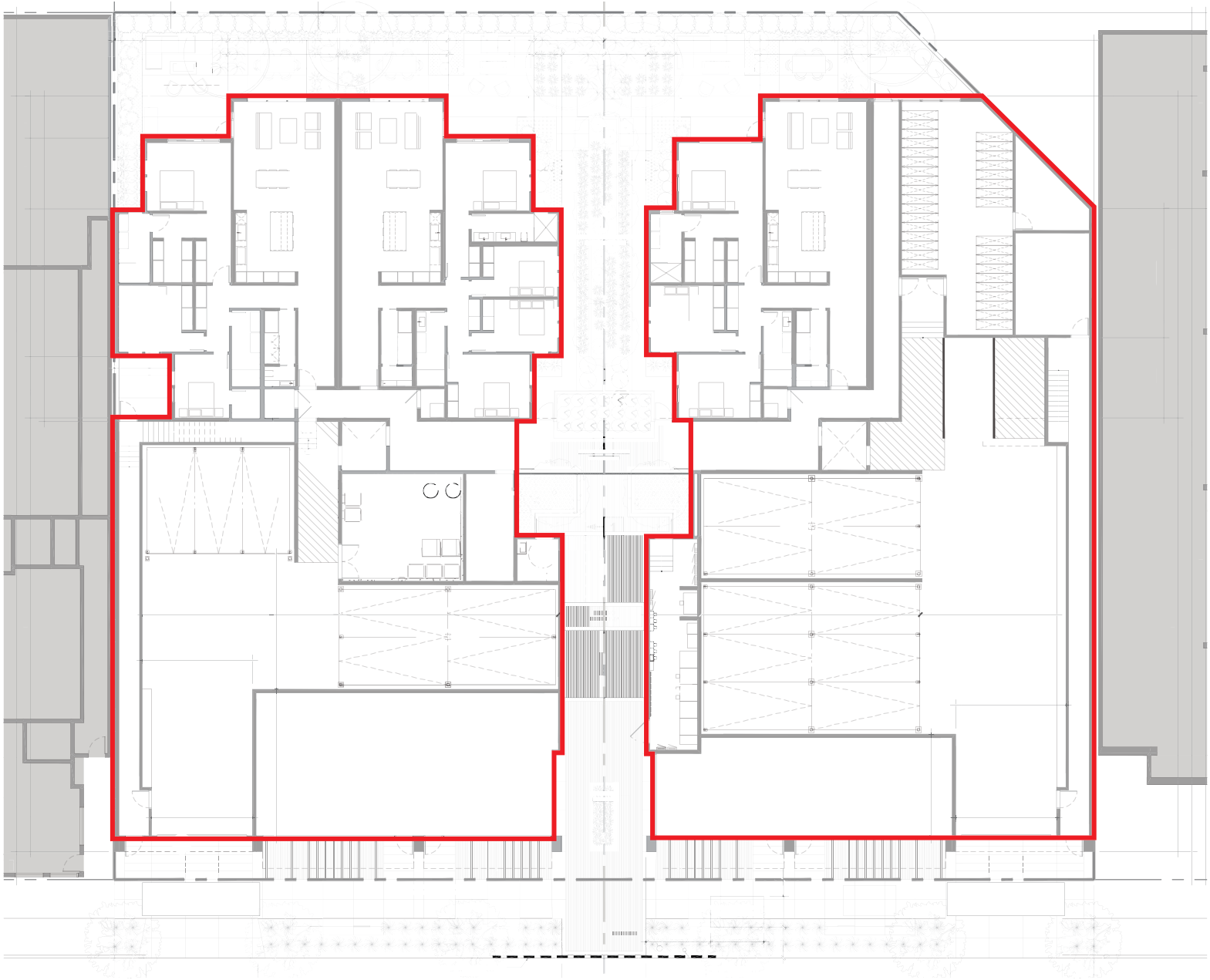
JLL PROVIDES THE ENTITLEMENTS & ZONING SUMMARY AS A CONVENIENCE TO INVESTORS. INVESTORS SHOULD RELY ON THEIR OWN ANALYSIS.



Property Rendering



SITE PLAN



PROJECT OVERVIEW

EXISTING ENTITLEMENTS

Gross Square Feet	83,329
Residential Square Feet	71,806
Commercial Square Feet	2,284
Residential Units	35
Market Rate	31
Below Market Rate	4
Commercial Units	2
Parking	46
Bicycle Parking	78

COMMERCIAL

Type	Square Feet
Commercial A	1,363
Commercial B	921
Total	2,284

PROPOSED PRODUCT MIX

BELOW MARKET RATE

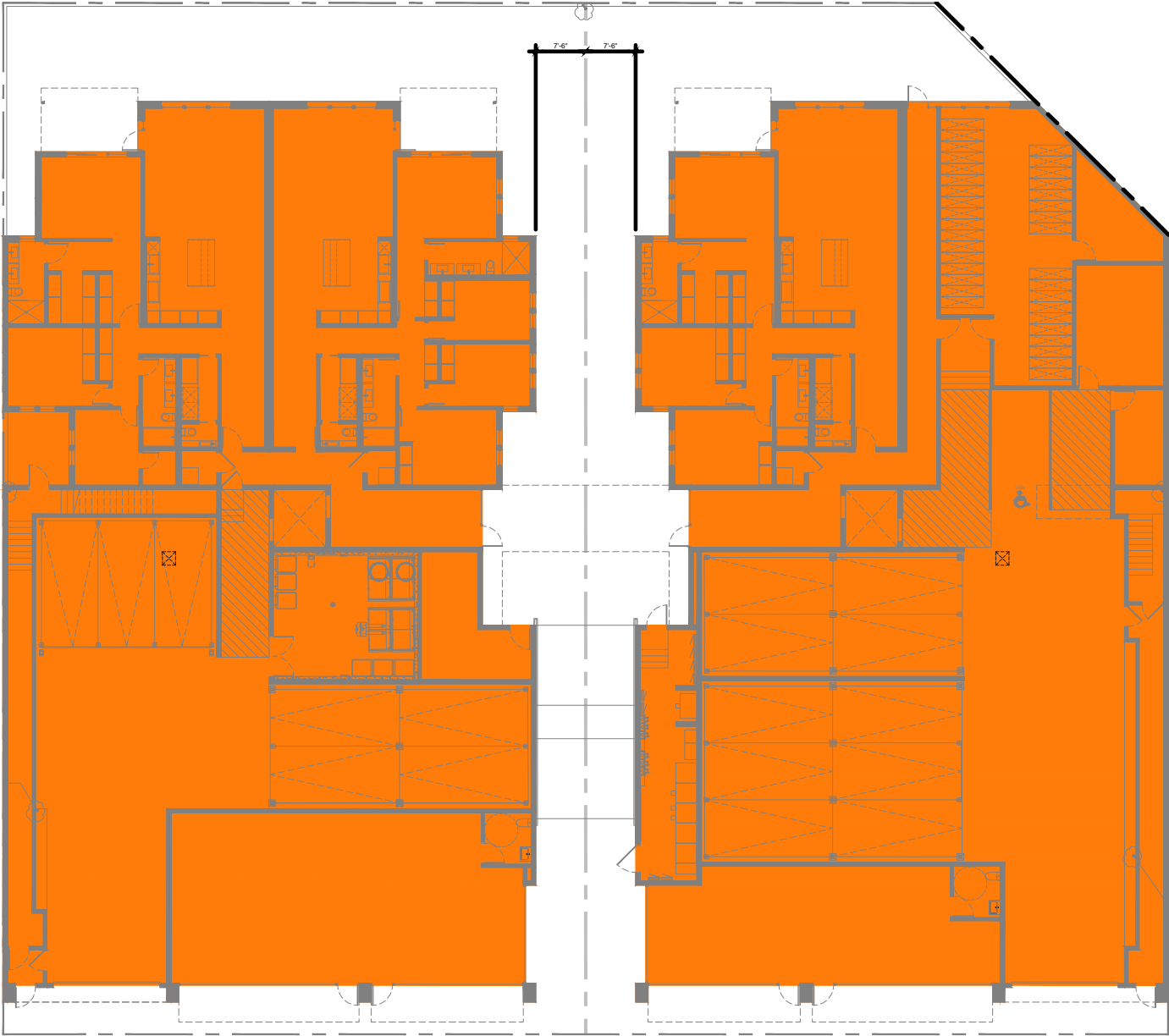
Floor	Unit	Beds	Baths	Square Feet
2	202-B	3	4.5	2,773
2	202-A	3	4.5	2,773
3	302-B	3	4	2,428
4	401-A	3	4.5	2,882
Total	31	101	78	59,182

PROPOSED PRODUCT MIX

MARKET RATE

Floor	Unit	Beds	Baths	Sq Ft
1	102-A	3	3	1,925
1	101-B	3	3	1,939
1	101-A	4	3	1,949
2	204-A	3	2.5	1,903
2	203-A	3	2.5	1,907
2	201-B	3	2.5	1,926
2	201-A	4	2.5	1,925
2	203-B	4	2.5	1,927
2	204-B	3	2.5	1,903
3	304-A	3	2.5	1,903
3	303-A	3	2.5	1,907
3	302-A	3	2.5	1,901
3	301-B	3	2.5	1,926
3	301-A	4	2.5	1,925
3	303-B	4	2.5	1,927
3	304-B	3	2.5	1,903
4	402-B	3	2	1,493
4	402-A	3	2.5	1,901
4	404-A	3	2.5	1,903
4	403-A	3	2.5	1,907
4	401-B	3	2.5	1,926
4	403-B	4	2.5	1,927
4	404-B	3	2.5	1,903
5	502-B	3	2	1,701
5	502-A	3	2.5	1,964
5	504-A	3	2.5	1,964
5	504-B	3	2.5	1,965
5	503-A	3	2.5	1,967
5	501-B	3	2.5	1,989
5	501-A	4	2.5	1,988
5	503-B	4	2.5	1,988
Total	31	101	78	59,182

FLOOR PLANS
LEVEL 1 - FAR DIAGRAM | FLOOR AREA = 19,826 SF

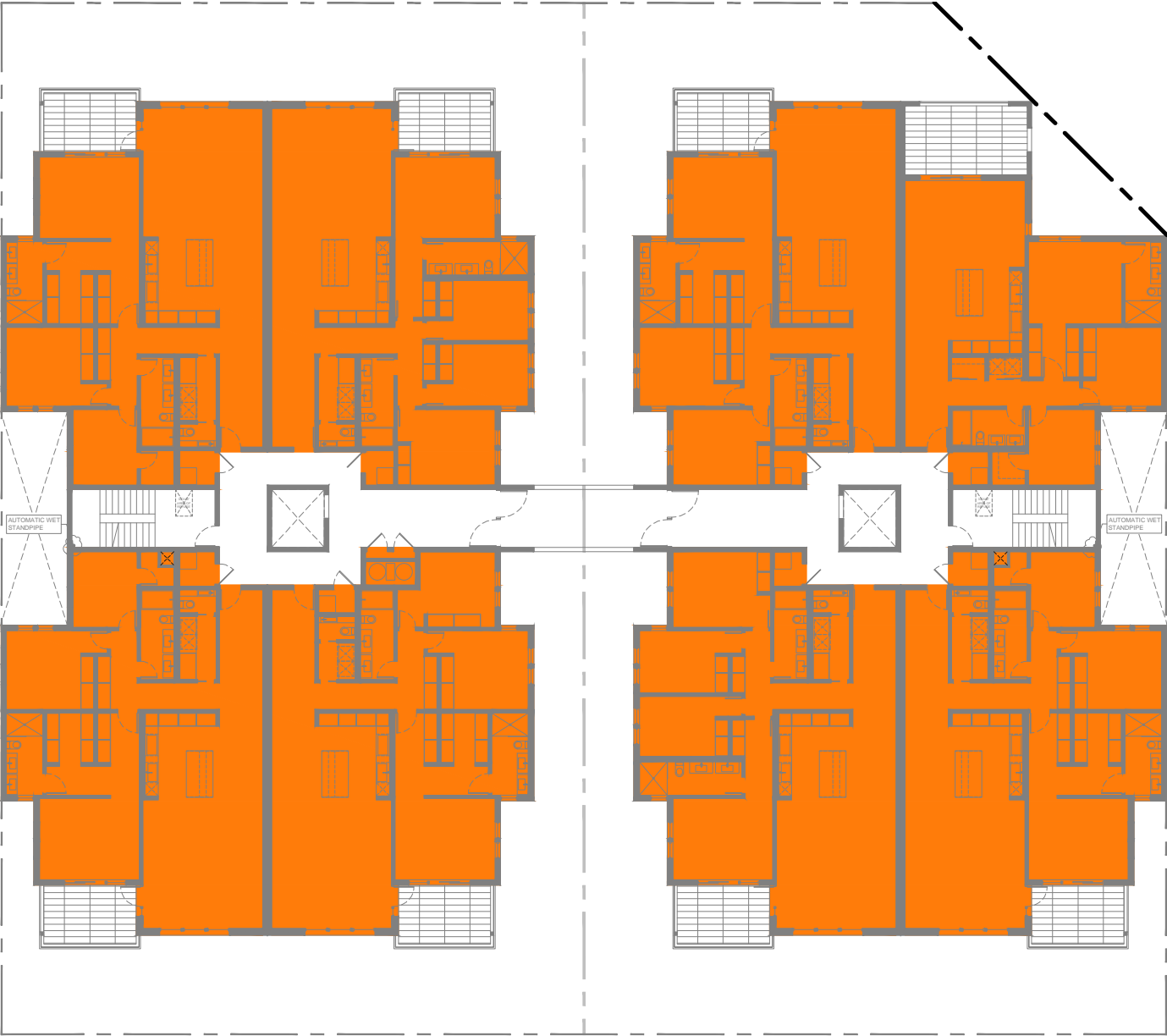


FLOOR PLANS

LEVEL 2 - FAR DIAGRAM | FLOOR AREA = 15,296 SF



FLOOR PLANS
LEVEL 3 - FAR DIAGRAM | FLOOR AREA = 15,296 SF



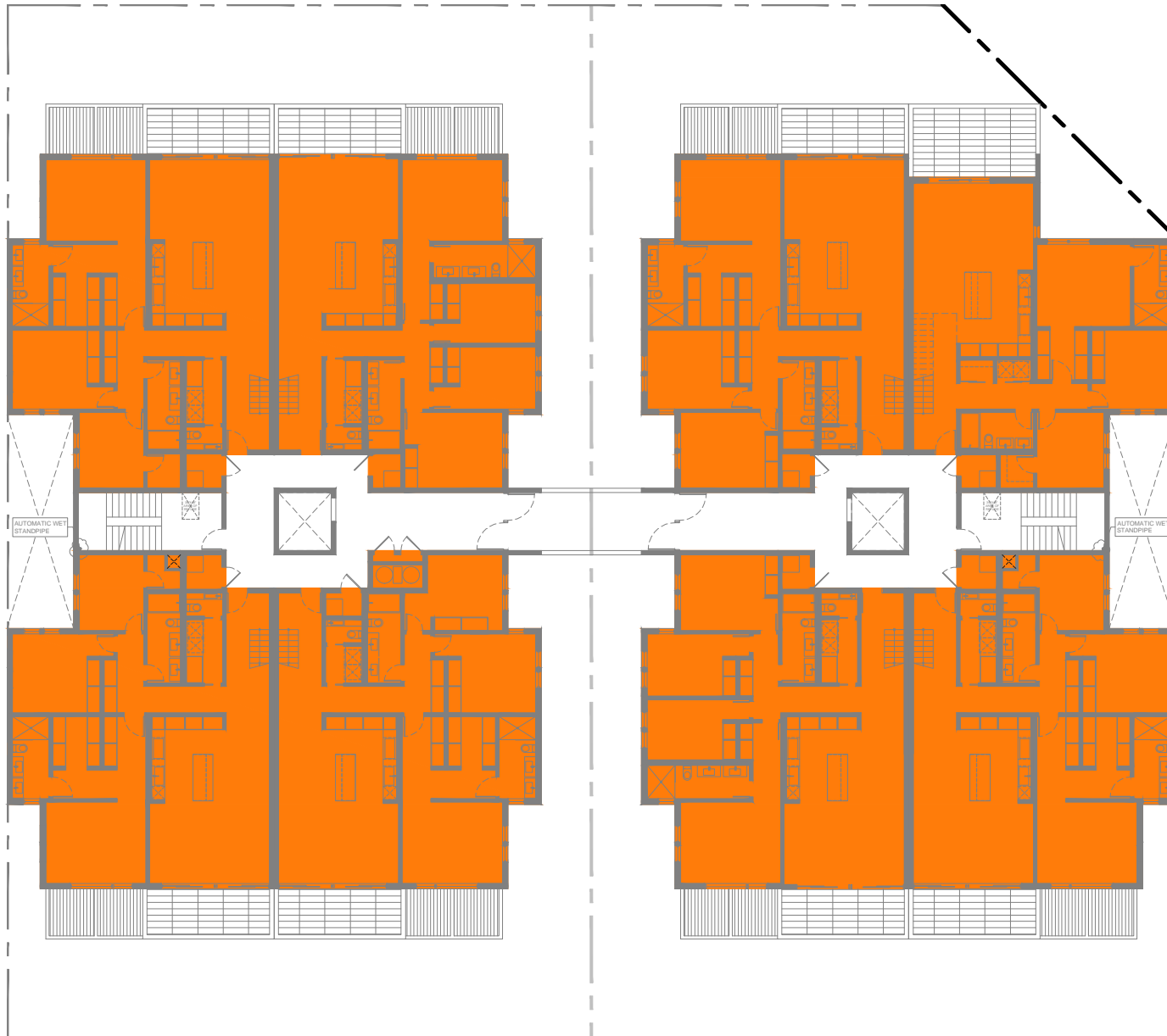
FLOOR PLANS

LEVEL 4 - FAR DIAGRAM | FLOOR AREA = 15,296 SF



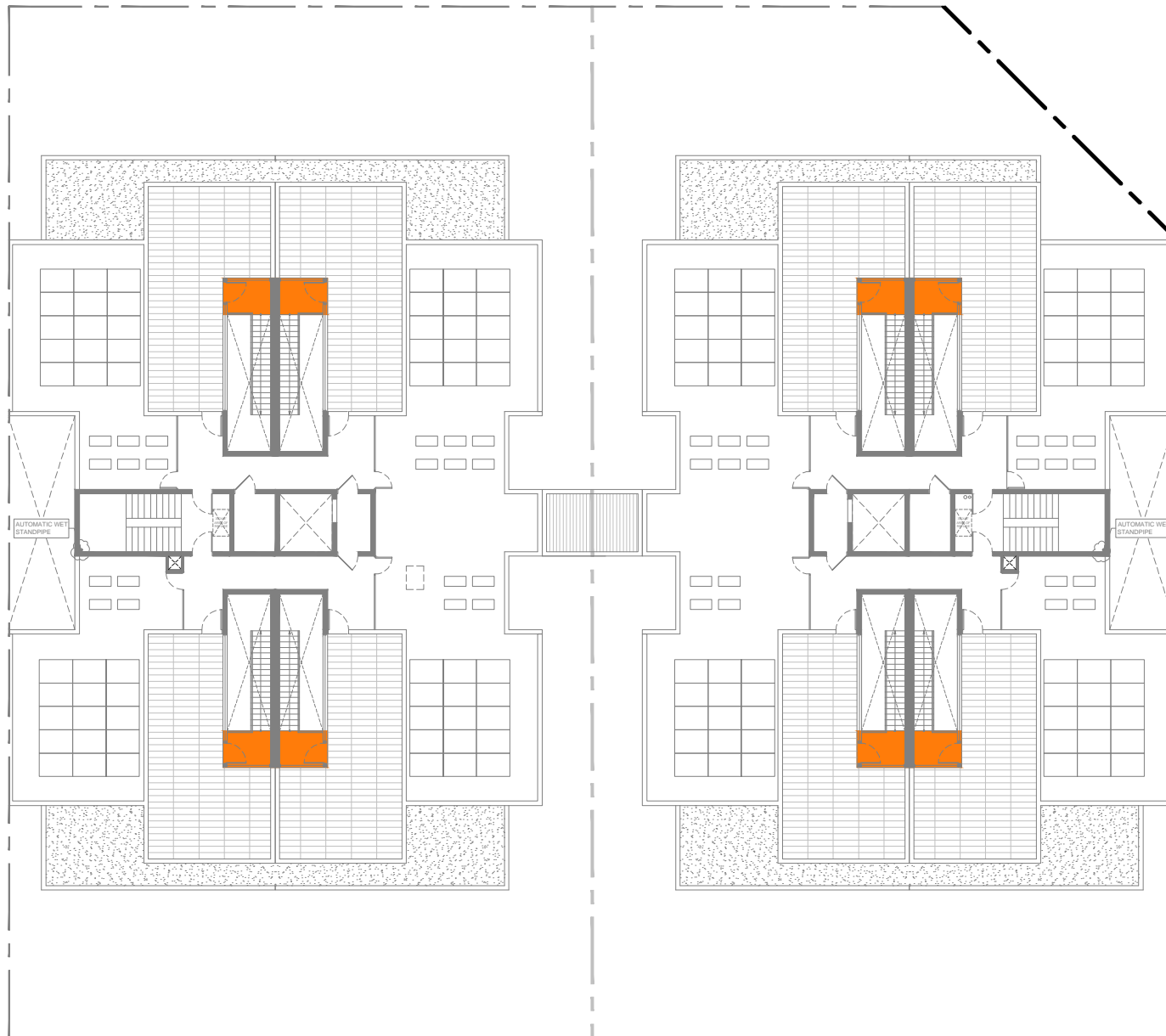
FLOOR PLANS

LEVEL 5 - FAR DIAGRAM | FLOOR AREA = 15,296 SF



FLOOR PLANS

ROOF LEVEL - FAR DIAGRAM | FLOOR AREA = 344 SF



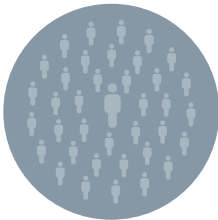
NEIGHBORHOOD COMPOSITION
WITHIN A 10-MILE RADIUS



\$204,000
MEDIAN HOUSEHOLD INCOME
4.2 % 1 YEAR GROWTH



67%
ADULTS WITH BACHELORS
DEGREE OR HIGHER



8%
POPULATION GROWTH SINCE 2010



\$2.5 MILLION
MEDIAN HOME PRICE



TRAVEL TIME FROM SAN CARLOS BY CAR

SAN FRANCISCO INTERNATIONAL AIRPORT	15 MINUTES
SAN JOSE.....	35 MINUTES
SAN FRANCISCO	40 MINUTES

TRAVEL TIME FROM SAN CARLOS CALTRAIN STATION

SAN FRANCISCO INTERNATIONAL AIRPORT	25 MINUTES
SAN FRANCISCO	40 MINUTES
SAN JOSE.....	45 MINUTES



NEIGHBORHOOD AMENITIES

#	Name	Drive Time	Type
1	Hiller Aviation Museum	12 Minutes	Recreational
2	Mint & Honey	8 Minutes	Café
3	Orchid Room	8 Minutes	Food & Beverage
4	Devil's Canyon Brewing Company	8 Minutes	Food & Beverage
5	Domenico Winery	9 Minutes	Food & Beverage
6	Flying Suitcase Wines	9 Minutes	Food & Beverage
7	Pazzo	7 Minutes	Food & Beverage
8	Refuge	7 Minutes	Food & Beverage
9	Seiya	9 Minutes	Food & Beverage
10	Town	8 Minutes	Food & Beverage

1 Hiller Aviation Museum

Caltrain San Carlos Station

Orchid Room 3

9 Seiya

10 Town

Refuge 8

82

Pazzo 7

Domenico Winery 5

Flying Suitcase Wines 6

Devil's Canyon Brewing Company 4

Mint & Honey 2

626-648
WALNUT STREET

0.3 MILE
TO SAN CARLOS CALTRAIN STATION



3
MINUTES



6
MINUTES

CITY OF SAN CARLOS

LOCATION

San Carlos is uniquely located on the San Francisco Peninsula, between Belmont and Redwood City. The city limit extends to the City of Belmont to the northwest, the San Francisco Bay to the northeast, the City of Redwood City to the southeast and unincorporated San Mateo County to the southwest. Situated equidistant from San Jose and San Francisco, this submarket offers the rare combination of being one the most highly regarded suburban communities on the Peninsula while also providing unparalleled level of transit served access to each of the Bay Area's Urban Cores.



TRANSIT-ORIENTED

Caltrain, located in the heart of downtown San Carlos, will provide future residents with direct access to both San Francisco and San Jose in addition to the San Francisco International Airport. Additionally, the submarket is situated adjacent to route 101 and is approximately a 35 to 40 minute drive to both downtown San Jose and San Francisco.

SAN FRANCISCO BAY

626-648
WALNUT STREET**0.3 MILE**
TO SAN CARLOS CALTRAIN STATION**3**
MINUTES**6**
MINUTES

UNPARALLELED ACCESS

Located in close proximity to US Highway 101 and the San Carlos Caltrain Station, 626-648 Walnut Street's location provides a commuter's paradise for the increasingly geographically diverse Bay Area workforce.

The San Francisco Bay Area is serviced by a world-class network of transportation consisting of highways, trains, light rails, buses and ferries.

Caltrain: The Property is situated near the San Carlos Caltrain Station, offering residents an easy commute to major employers in San Francisco and Silicon Valley.

Freeways: In close proximity to US Highway 101, the Property gives residents immediate access to the nine-county Bay Area.

Bus: Numerous city, county and regional bus systems service each of the nine counties within the Bay Area making most areas within the region accessible by multiple forms of public transportation.

Airports: San Francisco International, Oakland International and Mineta San Jose International – in total, servicing a combined 70 million passengers annually.

VIBRANT DOWNTOWN

As a lifestyle destination, downtown San Carlos offers visitors and local residents an authentic, vibrant hub including some of the peninsula's best restaurants, coffee shops, breweries, and wine bars. Popular dining destinations include Pazzo, Refuge, Seiya, and Town. The area's vibrant nightlife is supported by the Orchid Room, Devil's Canyon Brewing Company, and Domenico Winery. Additionally, there are plenty of options for daytime activities, including a trip to the Hiller Aviation Museum or a game of bocce ball in Burton Park.


626-648
WALNUT STREET


Caltrain San Carlos Station

LEGEND

- Dining
- Retail
- Hotel
- Grocer


CARLMONT HIGH SCHOOL
#3 Best Public High School in San Mateo County
Overall Niche Grade: A+


ARUNDEL ELEMENTARY SCHOOL
#17 Best Public Elementary School in San Mateo CA
Overall Niche Grade: A

 **San Carlos Station**

626-648
WALNUT STREET

STRONG INCOME GROWTH

The submarket's household income is above the national median and continues to grow. Household income for the submarket is projected to increase by another 13% in the next five years. The current median household income is \$204,000, 159% of San Mateo County's average household income of \$128,091.

EDUCATION

This submarket has a well-educated populace with over 67% of its residents having obtained a bachelor degree or higher. Its highly educated population reflects a community that values education and actively supports an elite school system. This submarket has access to some of the best schools in San Mateo County including Arundel Elementary School, Carlmont High School, and Central Middle School which constantly sit in the top 20 of the Peninsula Bay Area schools.


CENTRAL MIDDLE SCHOOL
#7 Best Public Middle School in San Mateo County
Overall Niche Grade: A

626-648

WALNUT STREET

**UC
BERKELEY**

OAKLAND

**SAN
FRANCISCO**

**OAKLAND
INT'L AIRPORT**

PACIFIC
OCEAN

SAN FRANCISCO
BAY

**SAN FRANCISCO
INT'L AIRPORT**

92

**UNION
CITY**

**SAN
MATEO**

**626-648
WALNUT STREET**

FREMONT

84

**REDWOOD
CITY**

MILPITAS

**STANFORD
UNIVERSITY**

**MOUNTAIN
VIEW**

**SANTA CLARA
UNIVERSITY**

**SAN JOSE
INT'L AIRPORT**

**SAN
JOSE**

A FEW OF THE BAY AREA'S REMARKABLE ATTRIBUTES INCLUDE:

14.4%

BAY AREA SHARE OF
GLOBAL VENTURE
CAPITAL (Q2 2022)

286:1,000

HIGHEST CONCENTRATION
OF HIGH-TECH WORKERS
IN THE U.S.

12.8%

OF ALL REGISTERED U.S.
PATENTS

8.1%

HIGHEST CONCENTRATION
OF MILLIONAIRES

1st

IN THE COUNTRY WITH
RATIO OF RESIDENTS
WITH COLLEGE DEGREE+

\$144K

HIGHEST AVERAGE
TECH SALARIES IN THE U.S.

REGIONAL OVERVIEW

ROBUST ECONOMY

#3 LARGEST METRO AREA IN THE U.S. IN TERMS OF
REAL GDP

#5 LARGEST METRO AREA IN THE U.S. WITH A
POPULATION OF OVER 8.8 MILLION

#19 LARGEST ECONOMIC MARKET IN THE WORLD
WITH AN ANNUAL GDP OF OVER \$880 BILLION

AERIAL VIEW – FRONT

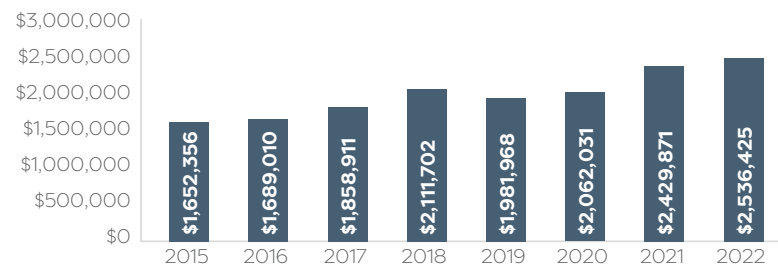


MARKET OVERVIEW

RESIDENTIAL FOR-SALE MARKET

According to Zillow data, in December 2022, San Carlos' home prices were up 4.4% compared to last year, selling for a median price of \$2.5M. Since 2015, home prices within the submarket have appreciated by more than 53%. San Carlos home prices remained resilient through both the global pandemic and recent interest rate rises.

SAN CARLOS HOME PRICE APPRECIATION





NEW DEVELOPMENTS IN SAN CARLOS

626-648
WALNUT STREET



1501 CHERRY STREET

Lowest Price Point.....**\$1,120 PSF**
Average Price Point.....**\$1,271 PSF**
Highest Price Point**\$1,432 PSF**



LAUREL TOWNHOMES

Lowest Price Point.....**\$1,129 PSF**
Average Price Point.....**\$1,139 PSF**
Highest Price Point**\$1,155 PSF**

626-648
WALNUT STREET

RECENT TOWNHOME & CONDOMINIUM SALES

626-648
WALNUT STREET



600 CHESTNUT STREET
\$942 Average PSF



445-489 HARRISON AVE
\$1,047 Average PSF



657 WALNUT STREET
\$1,144 Average PSF



501-513 CLEVELAND ST
\$1,032 Average PSF



2 LISBON LANE
\$865 Average PSF



2-28 AVONDALE AVENUE
\$771 Average PSF



9 MADRID LANE
\$953 Average PSF

AERIAL VIEW – REAR





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

INVESTMENT SALES & ADVISORY

LAND SPECIALIST

TATIANA HODAPP Director
+1 415 562 4268 // Tatiana.Hodapp@jll.com
CA Lic #02016779

MULTI-HOUSING SPECIALISTS

MATT KROGER Senior Managing Director
+1 415 395 7219 // Matt.Kroger@jll.com
CA Lic #01703772

BRANDON GERALDO Senior Managing Director
+1 415 395 7273 // Brandon.Geraldo@jll.com
CA Lic #01462707

RYAN WAGNER Senior Managing Director
+1 415 395 7222 // Ryan.Wagner@jll.com
CA Lic #01760602

Jones Lang LaSalle Americas, Inc. or its state-licensed affiliate ("JLL") has been engaged by the owner of the property to market it for sale. Information concerning the property described herein has been obtained from sources other than JLL, and neither Owner nor JLL, nor their respective equity holders, officers, directors, employees and agents makes any representations or warranties, express or implied, as to the accuracy or completeness of such information. Any and all reference to age, square footage, income, expenses and any other property specific information are approximate. Any opinions, assumptions, or estimates contained herein are projections only and used for illustrative purposes and may be based on assumptions or due diligence criteria different from that used by a purchaser. JLL and owner disclaim any liability that may be based upon or related to the information contained herein. Prospective purchasers should conduct their own independent investigation and rely on those results. The information contained herein is subject to change. The Property may be withdrawn without notice. If the recipient of this information has signed a confidentiality agreement regarding this matter, this information is subject to the terms of that agreement. ©2023. Jones Lang LaSalle IP, Inc. All rights reserved.