



OFFERING MEMORANDUM

2122 Williams Street, Palo Alto, CA 94306

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COMPASS COMMERCIAL

THOMSON • DANFORTH

INVESTMENT SALES & ADVISORY GROUP

INVESTMENT HIGHLIGHTS

2122 Williams Street offers an investor an incredible opportunity to acquire two properties on neighboring parcels with a total of 6 units in the world class College Terrace Neighborhood of Palo Alto.

- 2120 & 2122 Williams is a Duplex consisting of (2) Spacious Studios with attractive floorplans on a 3,625 sf lot.
- Attractive Layouts: All units offer significant storage area, large closets and private patio space or balconies.
- Value-Add Potential: The interiors are mostly original and all very clean with lovely vintage charm kept well by Class A tenants. A new owner will have the opportunity to add tremendous value in a multitude of ways including: ADUs, higher end amenities bringing higher rents over time, enhancing outdoor private areas & development potential on a 10,500 sf lot. In-place rents are excellent so there is no urgent need for these upgrades. It has on-site laundry facilities which could be converted to coin-operated machines for additional income, and ample carport parking.
- Spacious Owner's Unit: Includes a large 2-bedroom unit that works well for possible owner occupancy or repositioning as a fully leased investment, providing multiple execution and exit strategies.
- Residential Financing Available: Williams Street provides purchasers the rare ability to acquire attractive 30-year fixed residential financing for a 6-unit building by placing 2 separate loans on the property, one per parcel – the current owners hold the property in this fashion and we have quotes from multiple lenders eager to partner with borrowers. The properties are available to purchase individually or together.
- Prime Palo Alto Rental Market: The property benefits from a steady flow of prospective tenants due to its central location and proximity to major employers, transit, and retail amenities. Tenants enjoy gated access in the back fence of the property directly into Cameron Park, and College Terrace is strategically located in close proximity to Stanford University, Stanford Research Park & Stanford Shopping Center and walking or short bike-ride distance to dining and shopping amenities on California Avenue, with easy access to Caltrain Station and Highways 101 & 280.

LOCATION HIGHLIGHTS

Surrounded by Constant Tenant Demand: A half block from Stanford University, a block and a half from the Stanford Research Park - home to 150+ companies, comprising a diverse and thriving community of entrepreneurs and innovators.

1+ Acre Backyard Park: Direct access to Cameron Park via the private gate at the rear of the property.

Immediate Access to Public Amenities: Only 2 blocks to the College Terrace Library, Mayfield Park, and the College Terrace Children's Center. Stanford University also offers a wide variety of attractions and experiences, including the Stanford Oval, hiking at the Stanford dish trailhead, and Stanford sports facilities and arenas. Local Amenities Include:

- Weisshaar Park and Tennis Courts within a half mile
- Mayfield Soccer Complex within a half mile
- Stanford Campus Recreation Association including pool and tennis courts within a half mile
- Stanford sports fields and stadiums a half mile away
- Stanford Dish Hiking Trailhead just a mile up the road
- Stanford's driving range and golf course are only 2 miles away, and Palo Alto is also home to one of the best municipal golf courses in the area.

"Small town shopping in the heart of the city": California Ave, just ½ mile away, is Palo Alto's most historic shopping district, featuring numerous shopping, dining, and professional services businesses. It hosts public events and a regular Sunday farmer's market. Downtown Palo Alto and the Stanford Shopping Center are also less than a 10 minute drive, giving easy access to popular retail and dining destinations.

Employment & Innovation Hub: Located in the heart of Silicon Valley, the property is surrounded by one of the strongest employment centers in the world, driven by technology, venture capital, healthcare, and higher education. Major nearby employers and innovation hubs within approximately 3-miles include Palo Alto Medical Foundation, Tesla, HP, VMware, Meta, and the Stanford Research Park. Sand Hill Road, often referred to as the "Wall Street of the West," is located just minutes from the Subject and is home to globally recognized venture capital firms that continue to fuel innovation, job growth, and long term housing demand throughout the region.

"Walker's Paradise" and "Biker's Paradise": Walkability score of 91 and Bike Score of 100: "Daily errands do not require a car"

Transportation and connectivity: This property features close proximity to major transit and commuting routes, including Caltrain 0.7 miles away, Page Mill Rd providing freeway access to 101 and 280, and numerous bus routes within walking distance including Stanford's Marguerite Shuttle which stops at the corner of Yale and Olmstead, free to everyone.

Excellent Palo Alto school district and nearby schools:

- **Escondido Elementary:** 1/2 mile away 10/10 GreatSchools.org Test Scores rating AND Student Progress rating
- **Greene Middle School:** 1.5 miles away, 10/10 Test Scores rating
- **Palo Alto High:** < 1 mile away, and 10/10 Test Scores rating AND College Readiness rating



Walker's Paradise

Daily errands can be accomplished on foot.



Biker's Paradise

Daily errands can be accomplished on a bike.

PROPERTY PROFILE

PROPERTY DETAILS

Address	2120 Williams St, Palo Alto, CA
County	Santa Clara
Neighborhood	College Terrace
Apn/Parcel Id	137-02-093
Use	Multifamily
Zoning	R3

PROPERTY ATTRIBUTES

Units	2 Duplex
Gross Building SqFt	840
Gross SqFt / Unit*	420
Land Area (Sq Ft)	3,625
Year Built	1955
Parking	Carports - Convert to ADUs!
Laundry Facilities	Yes - Free to Tenants
Storage	Storage in Carports
Pool / Spa	None

UTILITY METERS

2 Gas Meters	Tenants
2 Electric Meters	Tenants

PROPERTY CONSTRUCTION

Foundation	Concrete Slab
Exterior Walls	Stucco
Roof	Flat / Foam
Patio/Balcony	No
SB721 Clearance	No, Repairs need
Plumbing Supply	Copper + Galvanized
Electrical Panels - Main Shutoff	Square D
Electrical Panels - Subpanels	Murray
Windows	Mostly Single Pane
Water Heater	1 Water Heaters, 2014
HVAC	Wall Furnaces

VALUATION SUMMARY

OFFERING DETAILS	
Address	2120 Williams Street, Palo Alto
Price	\$1,900,000
Units	2
Price/Unit	\$950,000
Rentable Square Feet	840
Price/Sq Ft	\$2,261.90
Year Built	1955
Land Area (Sq Ft)	3,625
Current Cap	1.48%
Market + ADU Cap Rate	3.25%
Current GRM	32.99
Market + ADU GRM	21.08

Average Home Price in Palo Alto is \$3,600,000 (2025).
Building square footage based on Santa Clara County Records
and to be confirmed by Buyer

OPERATIONS STATEMENT	CURRENT	MARKET
Scheduled Gross Rent	\$57,600	\$102,000
Vacancy	3% (\$1,728)	(\$3,060)
Effective Gross Rent	\$55,872	\$98,940
Laundry Income[1]	\$0	\$0
Total Income	\$55,872	\$98,940
Operating Expenses	\$2,603	\$3,103
Non-Operating Expenses	\$25,069	\$25,869
Total Expenses	\$27,672	\$28,972
Net Operating Income	\$28,200	\$69,968

FINANCING

Excellent Loan Packages are available and are always dependent on the lender's underwriting, property appraisal, loan program and buyer's qualifications. Available loan amounts and the loan terms are subject to change and are not guaranteed.

RENT ROLL

TYPE	UNITS	SQ FT	CURRENT	MARKET RENT	MOVE-IN DATE	INCREASE AVAILABLE
2120 Williams St	Studio	462	\$2,425	\$2,500	6/15/2026	6/15/2027
2122 Williams St	Studio	400	\$2,375	\$2,500	5/20/2026	5/20/2027
Potential New ADU	1 Bed 1 Bath	600	\$0	\$3,500		
Total		1,462	\$4,800	\$18,800		

OPERATIONS STATEMENT

OPERATIONS INCOME		CURRENT	RENT AFTER IMMEDIATELY AVAILABLE INCREASES	Market [5]
Scheduled Gross Rent		\$210,600	\$220,685	\$225,600
Vacancy Factor	3.00%	(\$6,318)	(\$6,621)	(\$6,768)
Effective Gross Rent		\$204,282	\$214,064	\$218,832
Laundry Income		\$0	\$0	\$1,440
Total Income		\$204,282	\$214,064	\$220,272
OPERATING EXPENSES				
*Repairs & Maintenance (\$750 / unit)		\$4,500	\$4,500	\$3,000
Utilities (Actual 2021)		\$4,349	\$4,349	\$4,349
Gardener (Actual)		\$2,160	\$2,160	\$2,160
Subtotal:		\$11,009	\$11,009	\$9,509
NON-OPERATING EXPENSES				
Real Estate Taxes	1.2014%	\$59,950	\$59,950	\$59,950
Special Assessments		\$2,098	\$2,098	\$2,098
Insurance (Actual)		\$4,200	\$4,200	\$4,200
Subtotal:		\$66,248	\$66,248	\$66,248
*CAPITAL RESERVES (\$250/ UNIT)		\$1,500	\$1,500.00	\$1,500
TOTAL EXPENSES				
		\$78,758	\$78,758	\$77,258
% Scheduled Gross Rent		37.40%	35.69%	34.25%
Expenses/Unit		\$13,126	\$13,126	\$12,876
Expenses/Sq Ft		\$19.03	\$19.03	\$18.67
NET OPERATING INCOME				
		\$125,524	\$135,307	\$143,014

* Industry Standard Estimates.

Property Taxes and Special Assessments are for a new owner based on Purchase Price.

Landlord pays for Water, Trash, Storm Drain only and the Tenants pay for all other Utilities.

Seller's actual insurance cost in 2025 was \$3375, brokers obtained a new estimate for insurance in the range of \$3800 - \$4200.

ADD AN ADU

Buyers can take advantage of recent favorable California statewide changes to Accessory Dwelling Unit (ADU) requirements and restrictions and immediately add tremendous value by converting existing structures, like tuck-under parking into ADU units. CA Senate Bills 1069, 13 and 330 (and other more recent updates) allow for streamlined approvals of ADU construction on Multi-Family properties of up to ¼ the number of current units on the property, rounding down. There is no need to replace the parking if the property is within ½ mile of public transportation, which this property is.

Below is a chart which outlines the City of Palo Alto guidelines for Multi-Family ADU development which is further explained on their website [HERE](#).

STANDARD	DEVELOPMENT REQUIREMENT
Minimum Lot Area	No minimum
Gross Floor Area (Maximum)	800 SF for a detached ADU (State Standards) and 900 to 1000 SF for a detached ADU (City Standard)
Building Setbacks for Units (Minimum)	min setback 4 ft (rear/side lot lines) for additions to converted structures underlying zone for front setback
Height for Units	max. height is 16 ft 18 ft if within 1/2 mile from transit. Additional 2 ft permitted to align roof pitch with the primary home
Required Parking Spaces	None - Replacement uncovered parking is required when converting existing parking into a JADU.

This is a fantastic strategy for a new owner to immediately add value to their new property. Contact us for more information, including contacts who have done this before, contractors and architects, and city planners who can verify this info.

Disclaimer: Buyer shall be solely responsible for determining whether the Property is legally and physically appropriate for the construction of an Accessory Dwelling Unit, or any new additions or construction of any kind. Neither Seller nor its Brokers make any representation or warranties with regard to any of the above.

PERMIT HISTORY: [City of Palo Alto](#)

2120-2122 WILLIAMS ST | DUPLEX





DIRECT ACCESS TO CAMERON PARK

A Rare Amenity for Residents

- 1+ Acre Community Park
- Newly Upgraded Playground
- Walking Paths & Open Green Space
- Quiet Residential Setting
- Dogs allowed
- Picnic tables
- Wheelchair-accessible walkways



CAMERON PARK

2106 – 2122
WILLIAMS

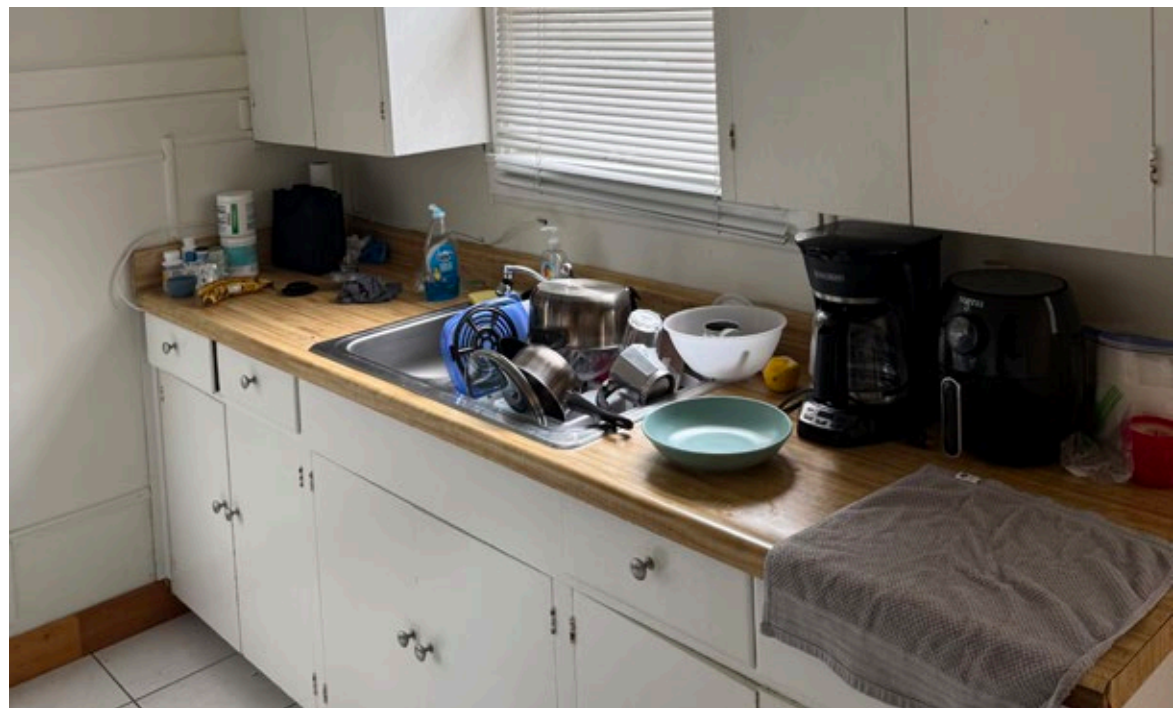
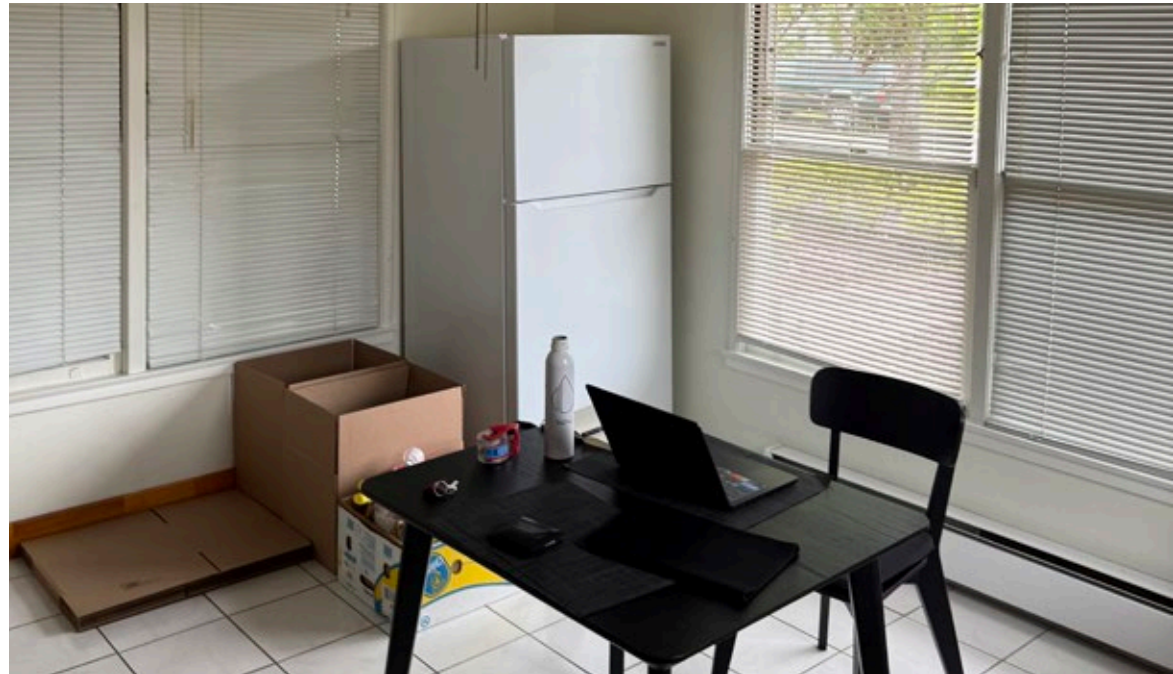
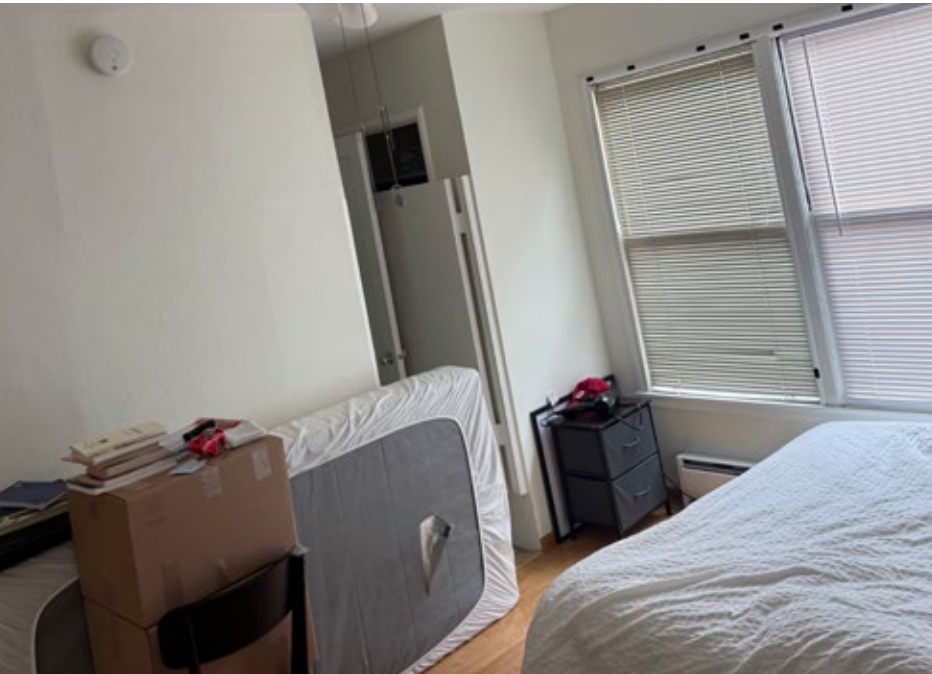


Renovated children's playground structure

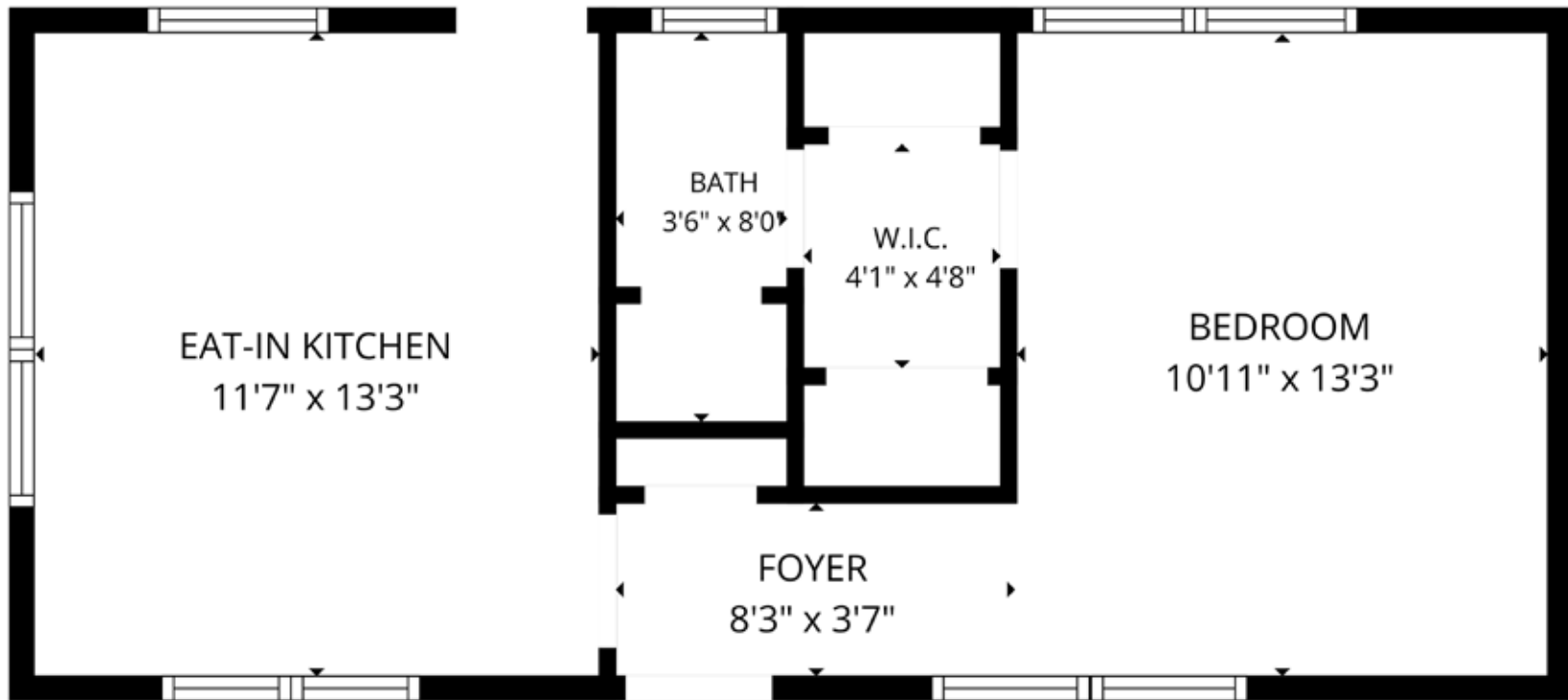
2106–2122 Williams Street offers an exclusive lifestyle benefit—direct access to the 1+ acre Cameron Park through a private gate at the rear of the property. This beautifully maintained park provides open green space, mature trees, walking paths and a peaceful setting just steps from your door.



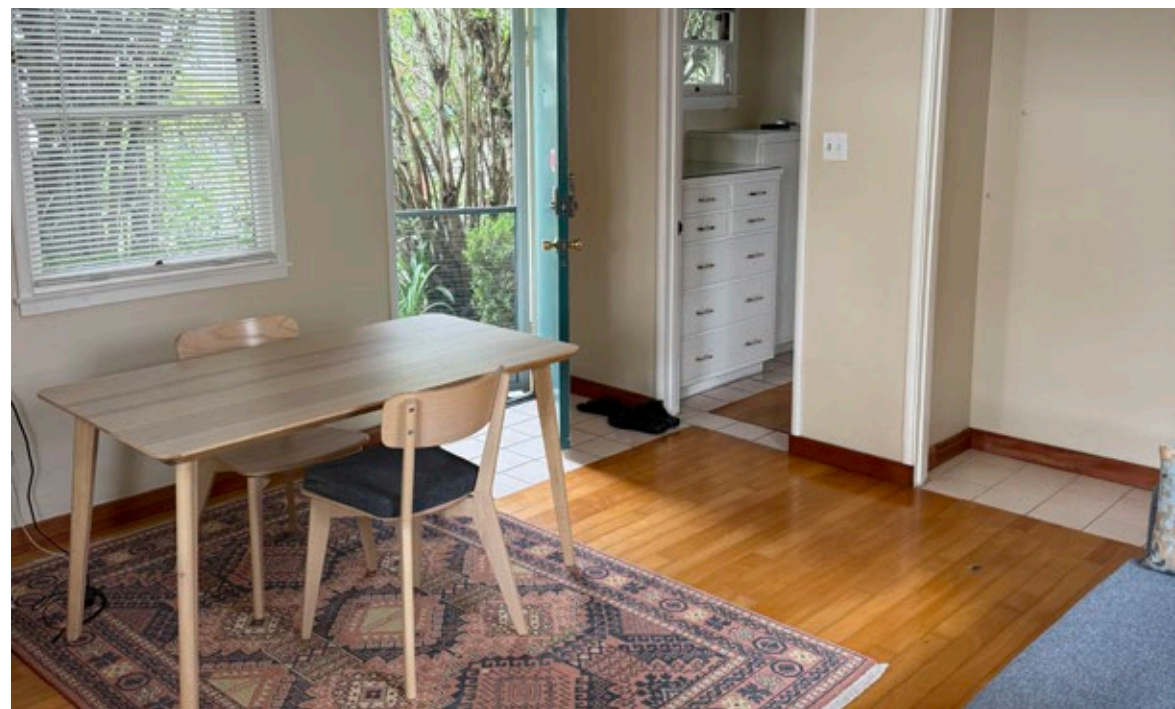
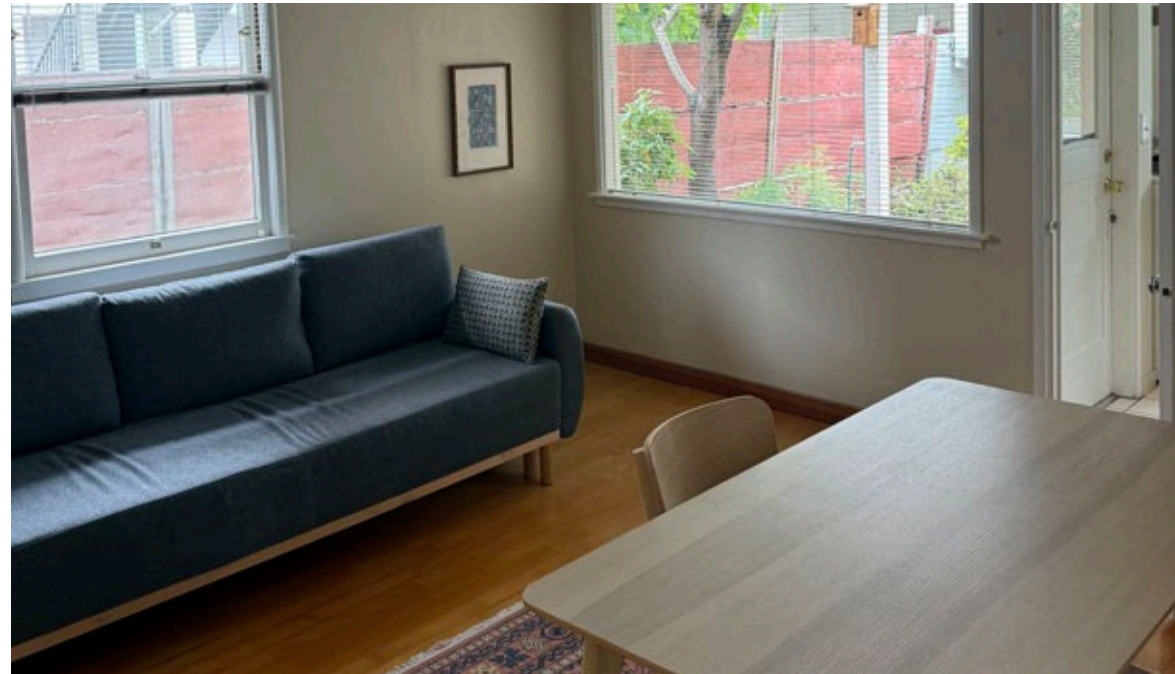
2120 INTERIOR PHOTOS



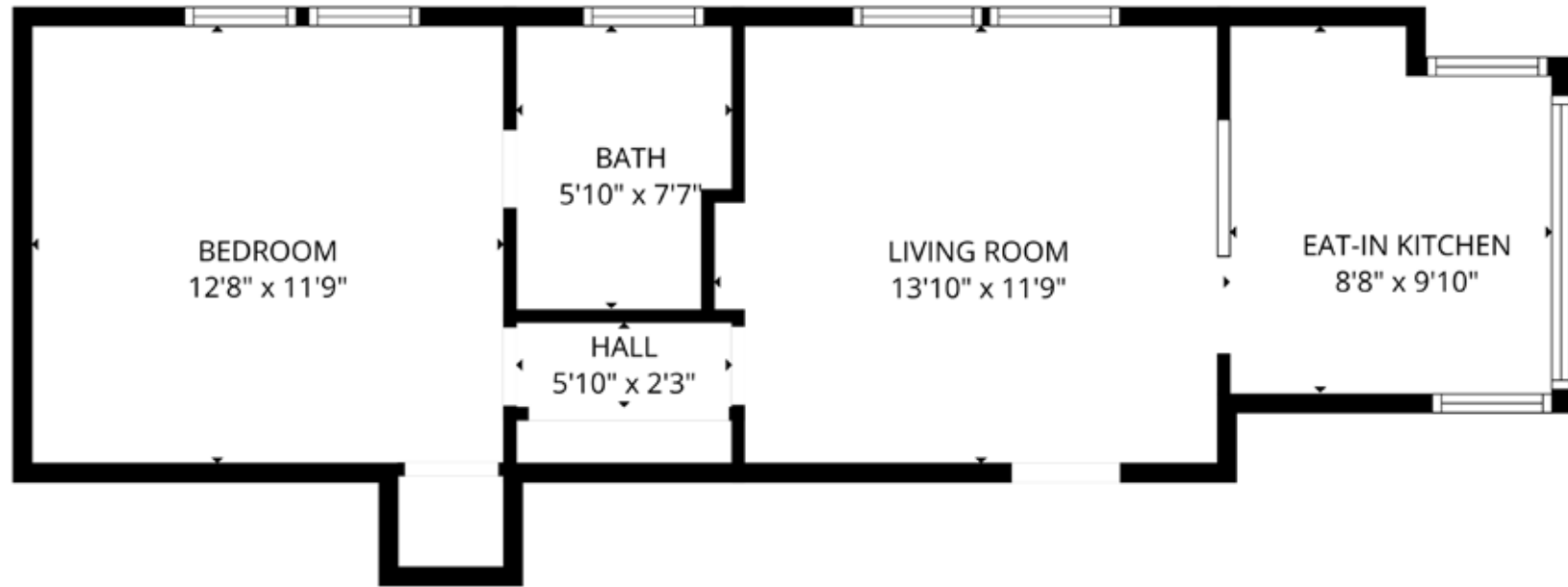
2120 FLOOR PLAN — 462 SQFT



2122 INTERIOR PHOTOS

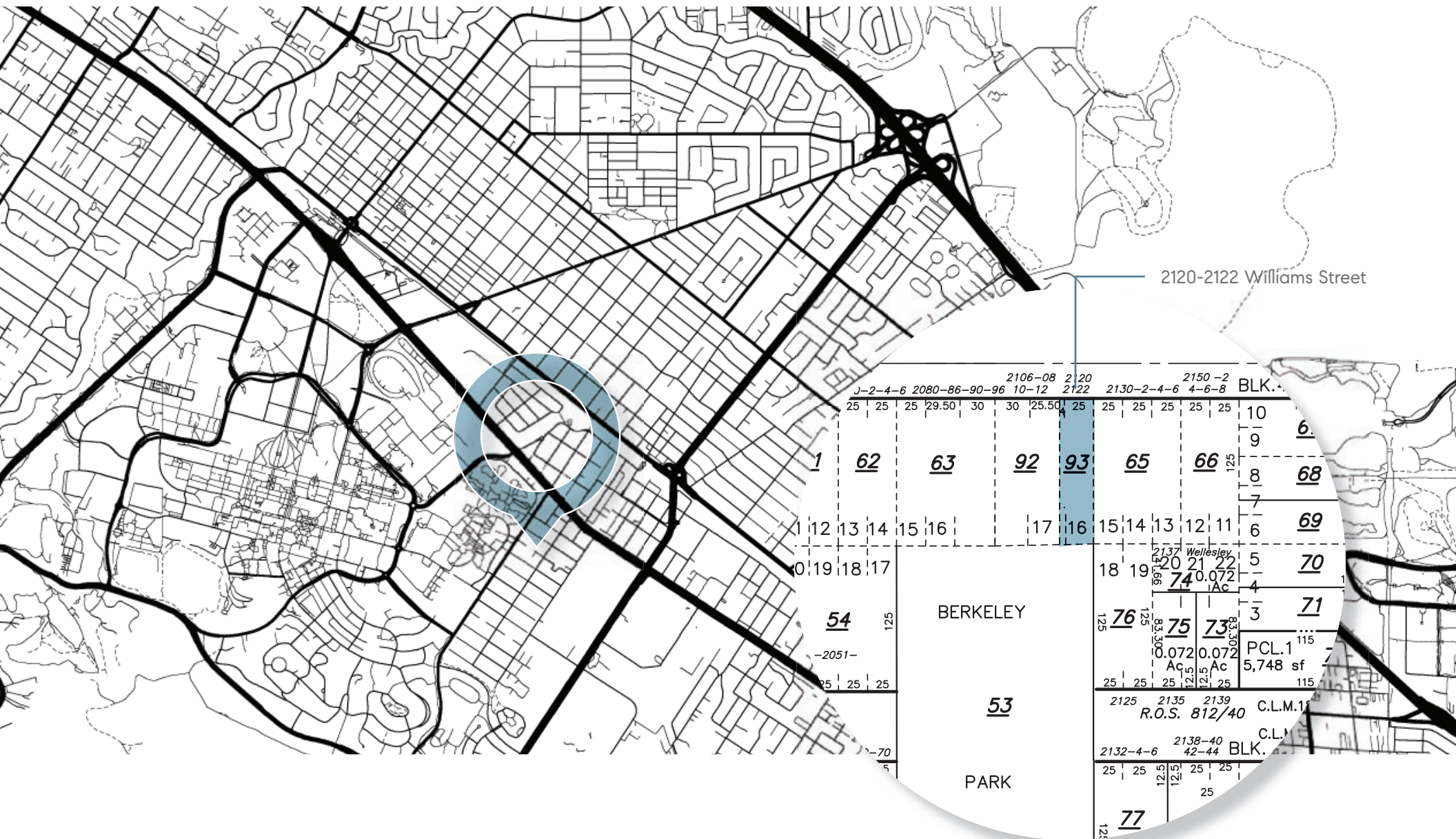


2122 A FLOOR PLAN — 398 SQFT



FLOOR PLAN CREATED BY CUBICASA APP. MEASUREMENTS DEEMED HIGHLY RELIABLE BUT NOT GUARANTEED.

PARCEL MAP



AERIAL



AERIAL

STANFORD UNIVERSITY

CAMERON PARK



LOCATION MAP



SAN FRANCISCO BAY AREA OVERVIEW

The San Francisco Bay Area is one of the most dynamic and economically vibrant regions in the world, making it a premier location for real estate investment. Home to over 7.5 million residents across nine counties, the Bay Area is the fifth-largest metropolitan area in the United States. Its GDP exceeds \$500 billion, ranking it among the top global economies, driven by a diverse mix of industries including technology, biotechnology, finance, and education.

ROBUST ECONOMY

Largest Metro Area In
The U.s. In Terms Of
Real GDP

#3

Largest Metro Area In The
U.s. With A Population Of
Over 8.8. Million

#5

Largest Economic Market In
The World With An Annual
Gdp Of Over \$880 Billion

#19

REMARKABLE ATTRIBUTES

BAY AREA SHARE OF U.S.
VENTURE CAPITAL (Q2 2024)

23%

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

286:1,000

OF ALL REGISTERED U.S. PATENTS

12.8%

HIGHEST CONCENTRATION
OF MILLIONAIRES

8.1%

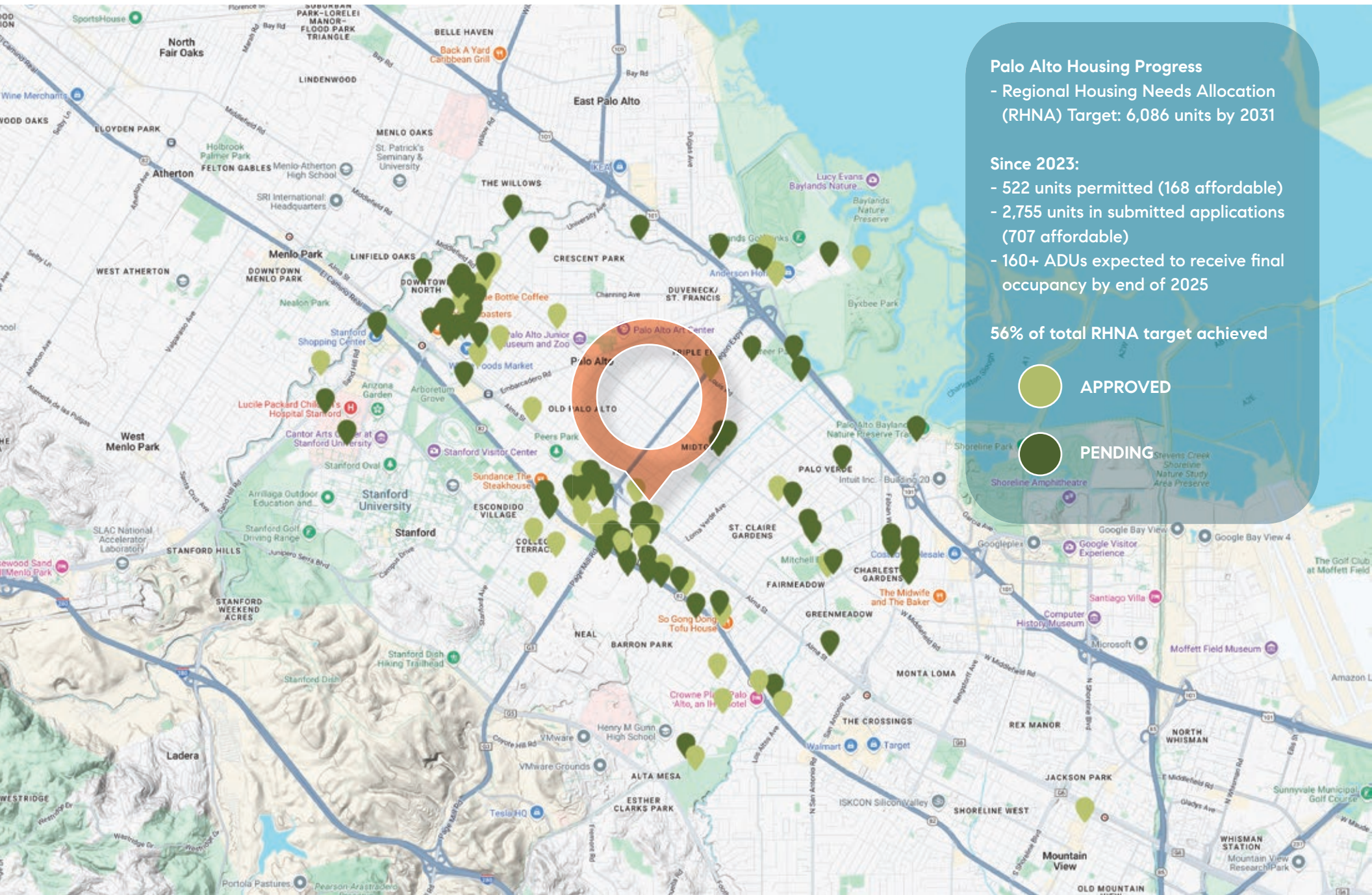
HIGHEST AVERAGE TECH
SALARIES IN THE U.S.

\$185K

OF SILICON VALLEY RESIDENTS WITH COLLEGE EDUCATION

75.6%

APPROVED & PENDING DEVELOPMENT PROJECTS



Palo Alto Housing Progress

- Regional Housing Needs Allocation (RHNA) Target: 6,086 units by 2031

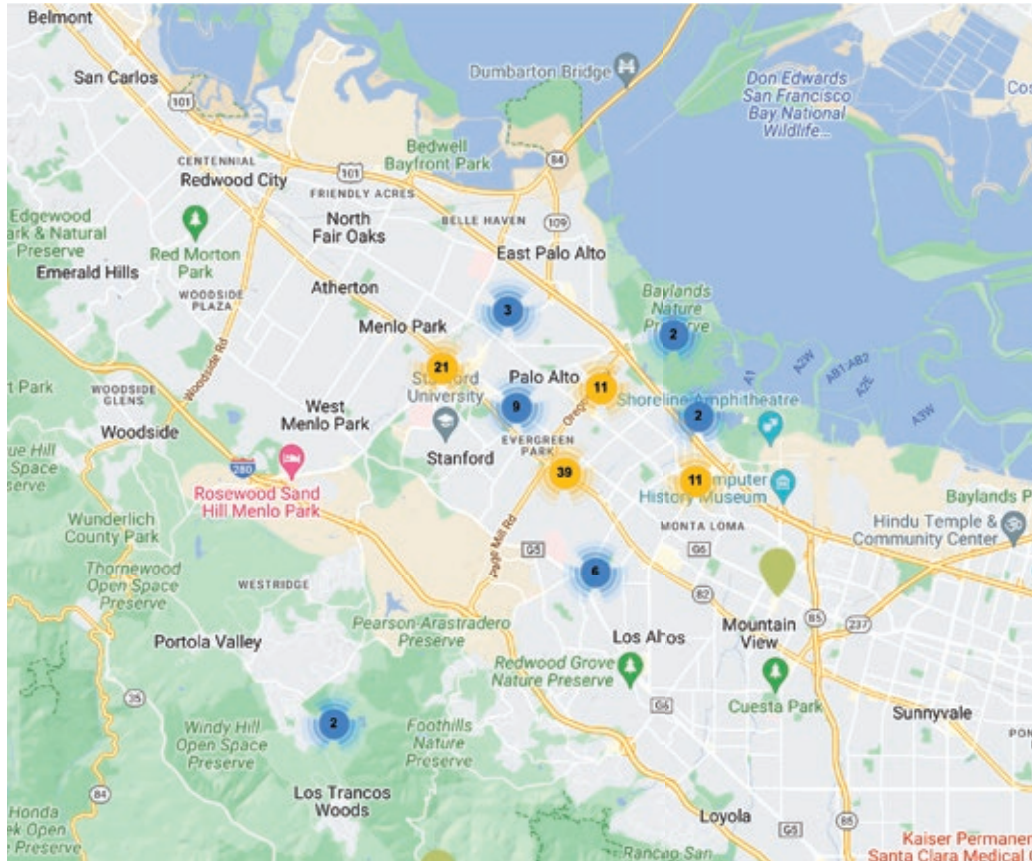
Since 2023:

- 522 units permitted (168 affordable)
- 2,755 units in submitted applications (707 affordable)
- 160+ ADUs expected to receive final occupancy by end of 2025

56% of total RHNA target achieved



KEY ECONOMIC DEVELOPMENT PROJECTS



3585 El Camino Real

Request for Architectural Review to allow the demolition of an existing approximately 800 square foot commercial structure and allow for construction of a new three-story approximately 6,790 square foot mixed-use building.



3001/3017 El Camino Real

Request for Major Architectural Review to demolish two existing retail buildings and to construct a 129 unit, 100% affordable, five-story, multi-family residential development.

3001 El Camino Real, Palo Alto, CA,



3241 Park Boulevard

Request for Major Architectural Review to demolish an existing 4,501 square foot building and construct a new 7,861 square foot office building.

3241 Park Boulevard, Palo Alto, CA, 94306



3877 El Camino Real

Request for Final Map to divide an existing 0.75 acre parcel for condominium purposes into 17 residential units and 4,676 square feet of commercial space.

3877 El Camino Real, Palo Alto, CA, 94306

3225 El Camino Real

Request by Hayes Group Architects for Architectural Review of a new 29,249 sq. ft. mixed-use project, replacing the existing 7,000 sq. ft. retail building, that includes eight residential units and 11,984 sq. ft. of commercial space.

3225 El Camino Real, Palo Alto, CA,

425 Page Mill Rd

Request by Stoecker & Northway Architects Inc. for a Site and Design Review for a 35, 537 sq. ft. 3 story mixed use building.

425 Page Mill Rd, Palo Alto, CA, 94306

2609 Alma St

Request for Major Architectural Review to Allow the Demolition of two existing one-story Apartment Buildings containing four (4) units and to construct four (4) new three-story townhome style apartments.

2609 Alma St, Palo Alto, CA, 94306

2755 El Camino Real

Request by Tod Spieker for a Major Architecture Review and addition of a new overlay at 2755 El Camino Real on the current site of a vacant parking lot formerly used as a Valley Transportation Authority (VTA) Park and Ride facility.

2755 El Camino Real, Palo Alto, CA,

2609 Alma St

Request for Major Architectural Review to Allow the Demolition of two existing one-story Apartment Buildings containing four (4) units and to construct four (4) new three-story townhome style apartments.

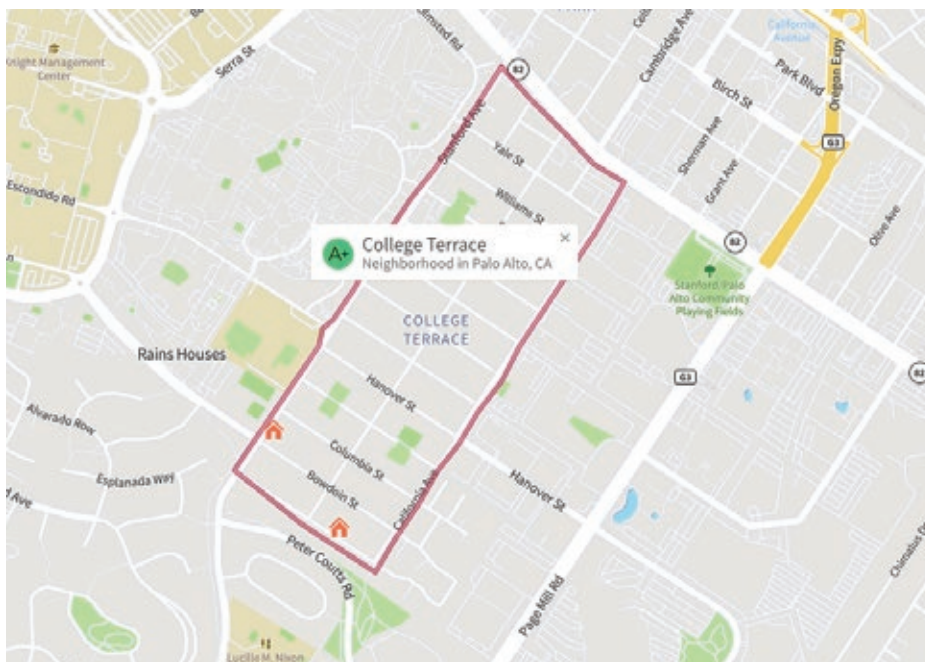
2609 Alma St, Palo Alto, CA, 94306

LOCATION OVERVIEW

Palo Alto is a town in California with a population of 67,231. Palo Alto is in Santa Clara County and is one of the best places to live in California. Living in Palo Alto offers residents an urban suburban mix feel and most residents own their homes. In Palo Alto there are a lot of restaurants, coffee shops, and parks. Many young professionals live in Palo Alto and residents tend to lean liberal. The public schools in Palo Alto are highly rated.

College Terrace is a highly desirable, walkable Palo Alto neighborhood favored by young professionals and families. Located adjacent to Stanford University, it offers top-tier schools and easy access to California Avenue dining.

Best Neighborhoods to Raise a Family in Palo Alto #8 of 22	Best Neighborhoods for Young Professionals in Palo Alto #5 of 22	Best Neighborhoods to Live in Palo Alto #3 of 22
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COLLEGE TERRACE BY THE NUMBERS

POPULATION
4,730

MEDIAN AGE
48

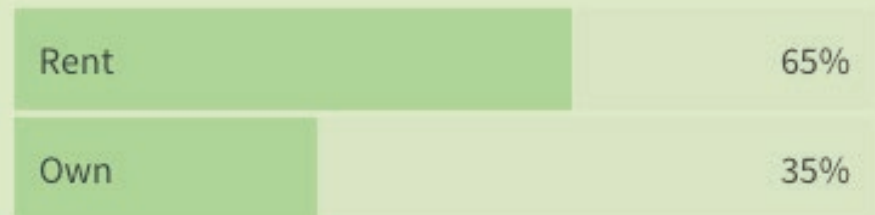
MEDIAN HOUSEHOLD INCOME
\$274,952

MEDIAN HOME VALUE
\$1,996,716

MEDIAN RENT
\$3,145

URBAN SUBURBAN MIX

Rent vs. Own



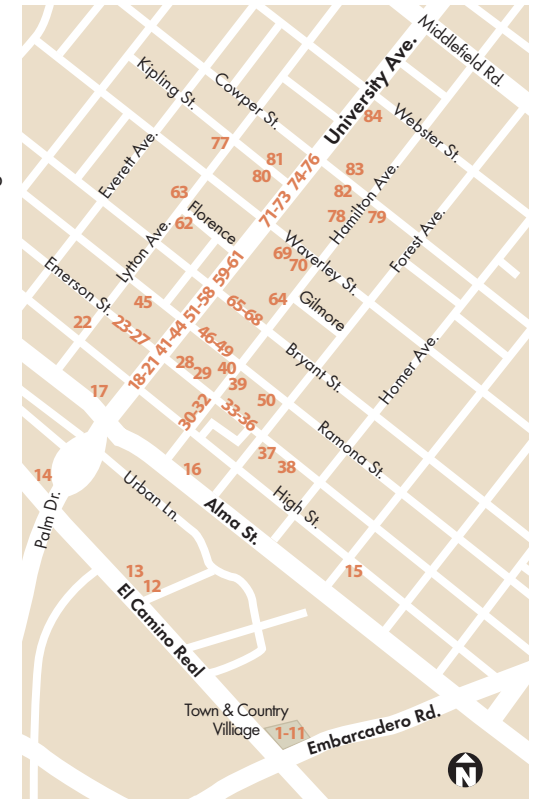
Source: Compass Research

PALO ALTO ATTRACTIONS



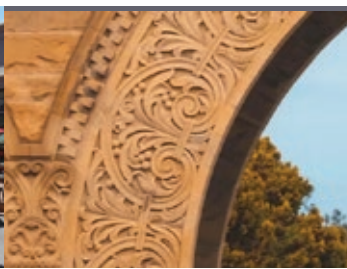
Downtown Palo Alto Restaurants

- | | |
|-----------------------------------|------------------------------------|
| 1 Scott's Seafood Grill | 39 Reposado |
| 2 Asian Box | 40 Osteria |
| 3 LuLu's Town & Country | 41 Steam |
| 4 Howie's Artisan Pizza | 42 Cafe 220 |
| 5 Kirk's Steakhouses | 43 Pizza My Heart |
| 6 Korean BBQ | 44 The Workshop |
| 7 Douce France | 45 Oren's Hummus Shop |
| 8 Mayfield Bakery & Cafe | 46 University Cafe |
| 9 Calafia Cafe | 47 Mandarin Gourmet |
| 10 Village Cheese House | 48 Nola |
| 11 Sushi House | 49 Coupa Cafe |
| 12 Restaurant Soleil | 50 Old Pro Sports Grill |
| 13 Poolside Grill | 51 Bistro Maxine |
| 14 MacArthur Park | 52 Coconut |
| 15 St. Michael's Alley | 53 Curry Up Now |
| 16 Pampas 529 Alma St. | 54 Madame Tam Gourmet Asian Bistro |
| 17 Rudy's Pub | 55 Slider Bar Cafe |
| 18 Amber Dhara | 56 Figo |
| 19 Loving Hut | 57 La Strada Ristorante Italiano |
| 20 Sprout Cafe | 58 Siam Royal |
| 21 Campo Pizzeria | 59 Joya Restaurant & Lounge |
| 22 Darbar Indian Cuisine | 60 Crepevine |
| 23 Evvia | 61 The Cheesecake Factory |
| 24 Patxi's Chicago Pizza | 62 Paris Baguette |
| 25 Jing Jing | 63 Kanpai Sushi |
| 26 Rangoon Ruby | 64 Janta Indian Cuisine |
| 27 China Delight | 65 Three Seasons Restaurant |
| 28 Thaiphoon | 66 Vero Ristorante |
| 29 The Rose & Crown Fountain | 67 Bon Vivant |
| 30 Palo Alto Creamery | 68 RoastShop |
| 31 Spot A Pizza | 69 Mango Caribbean Restaurant |
| 32 LYFE Kitchen | 70 Siam Orchid Thai |
| 33 Tacolicious | 71 Cafe Epi |
| 34 Gordon Biersch Brewing Company | 72 Cafe Venetia |
| 35 Buca di Beppo | 73 Krung Siam Thai Cuisine |
| 36 Empire Tap Room | 74 Thyme to Eat |
| 37 La Morenita | |
| 38 St. Michael's Alley Annex | |



California Avenue Restaurants

- | | |
|----------------------------|-----------------------------|
| 1 Caffe Riace | 20 Mediterranean Wraps |
| 2 Jade Palace | 21 Cafe Brioche |
| 3 Peking Duck | 22 Pastis |
| 4 Palo Alto Pizza Co. | 23 Terrone |
| 5 Baume | 24 Uzunaki |
| 6 Anatolian Kitchen | 25 La Bodeguita del Medio |
| 7 Birch Street | 26 3 G's Cafe |
| 8 Homma's Brown Rice Sushi | 27 Sundance The Steakhouse |
| 9 Cafe Pro Bono | 28 Cardinal Sushi |
| 10 Printer's Inc Cafe | 29 Fresh Taste |
| 11 Antonio's Nut House | 30 R & B Seafood Restaurant |
| 12 Tandoori Oven | 31 Freebirds World Burrito |
| 13 The Counter | 32 Cheese Steak Shop |
| 14 Palo Alto Baking Co. | 33 Olive Garden |
| 15 Joanie's Cafe | 34 Chipotle Mexican Grill |
| 16 Szechwan Cafe | |
| 17 Palo Alto Sol | |
| 18 Spalti Ristorante | |
| 19 Lotus Thai Bistro | |





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