

OFFERING MEMORANDUM

TEMESCAL | OAKLAND, CA 94609

476 42ND STREET



EXCLUSIVELY LISTED BY PHILIP BATLIN · SAM RUNCO · EJ CHEUNG

Marcus & Millichap



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SECTION ONE

THE PROPERTY

OFFERING SUMMARY • INVESTMENT HIGHLIGHTS • LOCATION

OFFERING SUMMARY

476 42ND STREET

OAKLAND, CA 94609



\$1,650,000

LISTING PRICE



4.09%

CAP RATE (5.37% PRO FORMA)



4

UNITS • FOURPLEX

FINANCIAL

Listing Price	\$1,650,000
Net Operating Income	\$67,456
Cap Rate	4.09%
Pro Forma Cap Rate	5.37%
Price / SF	\$436.51
Price / Unit	\$412,500
GRM	14.97

OPERATIONAL

Building SF	3,780 SF
Rentable SF	3,920 SF
Number of Units	4
Unit Mix	4 × 1BD / 1BA
Lot Size	0.13 Acres (5,662 SF)
Occupancy	100%
Year Built	1941

INVESTMENT OVERVIEW

The Batlin Group is pleased to present a well-maintained fourplex in the highly sought-after Temescal neighborhood. 476 42nd Street offers four spacious one-bedroom, one-bathroom units of approximately 900 square feet each, set on a 5,662 square foot lot, with a private enclosed garage for every unit at the rear of the building.

The current owner has made extensive capital improvements throughout her tenure, including a seismic sill bolt, full sewer lateral replacement, all-new water lines, new water heaters in every unit, a new furnace in Unit B, and a majority roof replacement, the big-ticket items that matter most to savvy investors. Multiple windows have been replaced, the rear staircase rebuilt, perimeter fencing upgraded, and new metal gates installed at both entries. Interior updates include bathroom vanities, miscellaneous plumbing and electrical work, and fresh exterior paint throughout.

Each unit operates fully independently with its own water heater and furnace. Multiple units feature in-unit laundry. With MacArthur BART less than half a mile away and Telegraph Avenue's restaurants and shops just steps from the front door, this is the kind of asset tenants stay in and investors hold onto.

Spacious one-bedroom floor plans of roughly 900 square feet are increasingly scarce in Temescal, where newer construction skews toward compact studios and junior units. The generous layouts, independent systems, and a private garage for every unit give 476 42nd Street a durable edge with long-tenured renters who value space, storage, and a true parking spot.

The asset also carries meaningful long-term upside. Its 5,662 square foot lot is among the larger parcels on the block, and California's accessory dwelling unit statutes may allow additional units at the rear, subject to City of Oakland approval, giving a future owner a clear path to grow income beyond the in-place rents.

THE REPOSITIONING STORY

In-place rents average \$2,296 against market rents of \$2,750, leaving roughly 20% of upside on the table. As units turn at market, effective gross income climbs from \$106,913 to \$128,040 and net operating income grows to \$88,583, lifting the cap rate from 4.09% to 5.37% with no structural work required.

INVESTMENT HIGHLIGHTS

✓ **Turnkey Temescal fourplex** with large ~900 SF one-bedroom units in one of Oakland's most desirable rental submarkets, with a **94 Walk Score**.

✓ **Private enclosed garage for every unit** at the rear of the building, a rare amenity that commands premium rents and retains tenants.

✓ **Large 5,662 SF lot with development upside.** The generous parcel and rear garage structures offer potential to add accessory dwelling units (ADUs), subject to city approval, for additional income and long-term value.

✓ **Extensive capital improvements** under current ownership: seismic sill bolt, full sewer lateral replacement, all-new water lines, new water heaters in every unit, a new furnace in Unit B, and a majority roof replacement.

✓ **In-unit washer and dryer in three units:** washer/dryer in Units A and D, washer in Unit B, and a dryer hookup with vent in Unit C.

✓ **Fully independent units:** each operates on its own water heater and furnace, simplifying management and tenant billing.

✓ **MacArthur BART less than a half-mile away,** with Telegraph Avenue's restaurants and shops just steps from the front door.

✓ **100% occupied** with consistent demand from families and professionals drawn to the location and unit size.

✓ **Meaningful rental upside:** in-place rents sit roughly 20% below market, supporting a pro forma cap rate of 5.37% with light repositioning.

A WALKER'S PARADISE IN TEMESCAL

OAKLAND, CA 94609

<p>WALK SCORE</p> <p>94</p> <p>"Walker's Paradise" for daily errands on foot</p>	<p>TO MACARTHUR BART</p> <p>0.4 mi</p> <p>One-seat ride to SF & downtown Oakland</p>	<p>TRANSIT SCORE</p> <p>70</p> <p>BART, AC Transit & Amtrak nearby</p>	<p>BIKE SCORE</p> <p>88</p> <p>Flat, bike-friendly grid</p>
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WHY TEMESCAL

Temescal is one of Oakland's most established and highly sought-after rental neighborhoods. It is a vibrant, walkable, tree-lined district anchored by Telegraph Avenue and the iconic Temescal Alley.

This neighborhood perfectly blends historic charm with modern energy. Stroll through Temescal Alley's colorful shops, street art, and boutique storefronts, then enjoy world-class dining, third-wave coffee shops, craft breweries, and lively weekend markets. With abundant outdoor patios, nearby parks, and easy access to BART and major freeways, residents enjoy the excitement of an urban village while staying conveniently connected to downtown Oakland, San Francisco, and beyond, often without needing a car.

It's the ideal home for creatives, young professionals, and families who want culture, community, and convenience all in one place.

WHAT'S NEARBY

MacArthur BART Station	0.4 mi
Telegraph Avenue retail & dining	0.1 mi
Temescal Alley shops	0.5 mi
Whole Foods Market (Harrison)	0.7 mi
Kaiser Permanente Oakland Medical Center	0.9 mi
Piedmont Avenue shops & dining	1.1 mi
Downtown Oakland	1.8 mi
UC Berkeley	2.6 mi
Downtown San Francisco (via BART)	20 min

IN THE NEIGHBORHOOD

<p>DINING</p> <p>2 MIN WALK</p> <p>Telegraph Avenue Restaurant Row</p>	<p>SHOPPING</p> <p>5 MIN WALK</p> <p>Temescal Alley</p>	<p>COFFEE & BAKERIES</p> <p>4 MIN WALK</p> <p>Cafés & Bakeshops</p>
<p>GROCERIES</p> <p>10 MIN WALK</p> <p>Whole Foods & Farmers Market</p>	<p>PARKS</p> <p>8 MIN WALK</p> <p>Mosswood Park & Greenway</p>	<p>EVERYDAY</p> <p>5 MIN WALK</p> <p>Daily Essentials</p>

476 42ND STREET



LIVING ROOM WITH HARDWOOD FLOORS, ARCHWAYS & GARDEN OUTLOOK



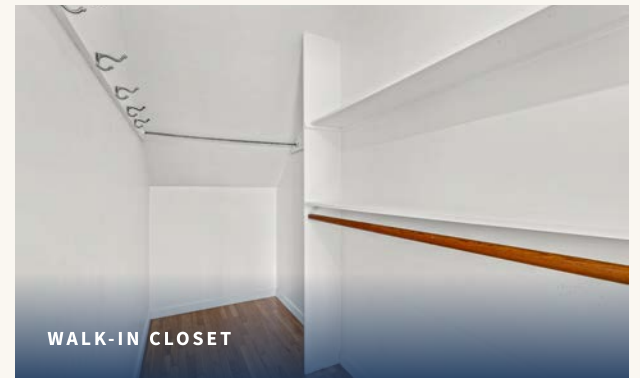
ORIGINAL TILE KITCHEN



PERIOD TILED BATH



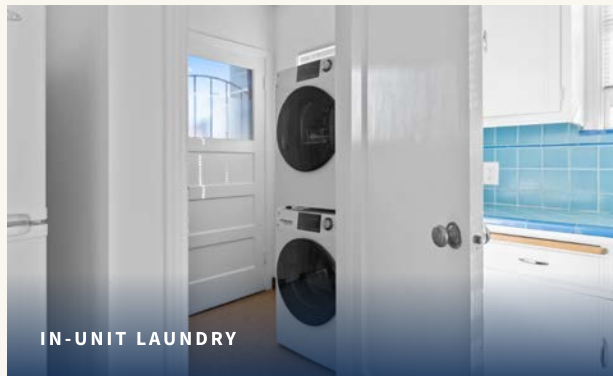
LIGHT-FILLED BEDROOM



WALK-IN CLOSET



PRIVATE ENCLOSED GARAGES & GATED PARKING



IN-UNIT LAUNDRY



INDEPENDENT FURNACES & NEW WATER HEATERS

03

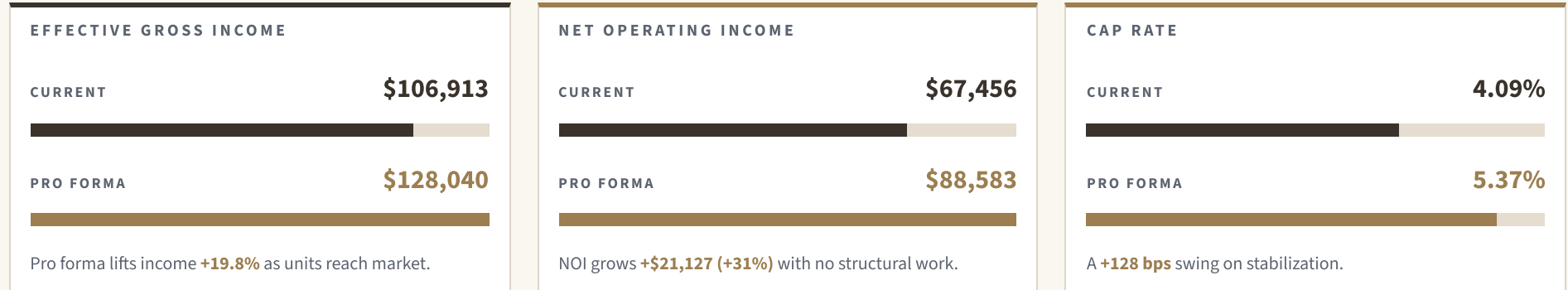
SECTION THREE

FINANCIAL ANALYSIS

• RENT ROLL • OPERATING STATEMENT • RETURNS

FINANCIAL ANALYSIS

CURRENT IN-PLACE VS. MARKET PRO FORMA



UNIT RENT ROLL: SCHEDULED VS. MARKET

UNIT	TYPE	SF	SCHED. RENT	\$/SF	MARKET RENT	\$/SF
A	1BD / 1BA	980	\$2,600	\$2.65	\$2,750	\$2.81
B	1BD / 1BA	980	\$1,796	\$1.83	\$2,750	\$2.81
C	1BD / 1BA	980	\$2,309	\$2.36	\$2,750	\$2.81
D	1BD / 1BA	980	\$2,480	\$2.53	\$2,750	\$2.81
Total	4 Units	3,920	\$9,185	\$2.34	\$11,000	\$2.81

OPERATING STATEMENT	CURRENT	PRO FORMA	PER UNIT	PER SF
INCOME				
Gross Potential Rent	\$132,000	\$132,000	\$33,000	\$33.67
Loss / Gain to Lease (16.5%)	(\$21,780)	\$0	\$0	\$0.00
Gross Scheduled Rent	\$110,220	\$132,000	\$33,000	\$33.67
Physical Vacancy (3.0%)	(\$3,307)	(\$3,960)	(\$990)	(\$1.01)
Effective Gross Income	\$106,913	\$128,040	\$32,010	\$32.66
EXPENSES				
Real Estate Taxes	\$21,085	\$21,085	\$5,271	\$5.38
Special Assessments	\$4,202	\$4,202		
Insurance	\$4,676	\$4,676	\$1,169	\$1.19
Utilities (PG&E)	\$360	\$360	\$90	\$0.09
Trash Removal	\$3,880	\$3,880	\$970	\$0.99
Repairs & Maintenance (Est.)	\$2,000	\$2,000	\$500	\$0.51
Landscaping (Est.)	\$1,200	\$1,200	\$300	\$0.31
Oakland Rent Program & Business Tax	\$2,055	\$2,055	\$514	\$0.52
Total Expenses	\$39,457	\$39,457	\$9,864	\$10.07
Expenses as % of EGI	36.9%	30.8%		
Net Operating Income	\$67,456	\$88,583	\$22,146	\$22.60

NOTES TO OPERATING STATEMENT

[1] Vacancy factor estimated at 3%. [2] Insurance per current policy. [3] PG&E per owner's P&L. [4] Trash removal per owner's P&L.

[5] Repairs & maintenance estimated at \$500 per unit. [6] Landscaping estimated at \$100 / month. [7] Oakland Rent Program fee \$137 / unit + business tax \$13.95 per \$1,000 of gross rental income.



OAKLAND

SECTION FOUR

MARKET OVERVIEW

OAKLAND / EAST BAY • ECONOMY • DEMOGRAPHICS

MARKET OVERVIEW

POPULATION 2.8M Growth 2025–2029, U.S. 1.6%	HOUSEHOLDS 1.0M Forming 17,000+ new HH	MEDIAN AGE 40 U.S. median 39	MEDIAN HH INCOME \$136K U.S. median \$76K
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ELEVATED HOUSEHOLD INCOME A skilled labor pool and sizable higher-paying industries support a median household income over \$60,000 above the U.S. level, fueling demand for restaurants and services.	ROBUST PUBLIC TRANSIT Oakland is connected to neighboring cities by BART, facilitating commuting and shopping in San Francisco and San Jose, a core driver of rental demand near stations.	WORLD-CLASS INSTITUTIONS Students access more than a dozen East Bay colleges and universities, including UC Berkeley. Research institutions have congregated around the campus.
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OAKLAND / EAST BAY

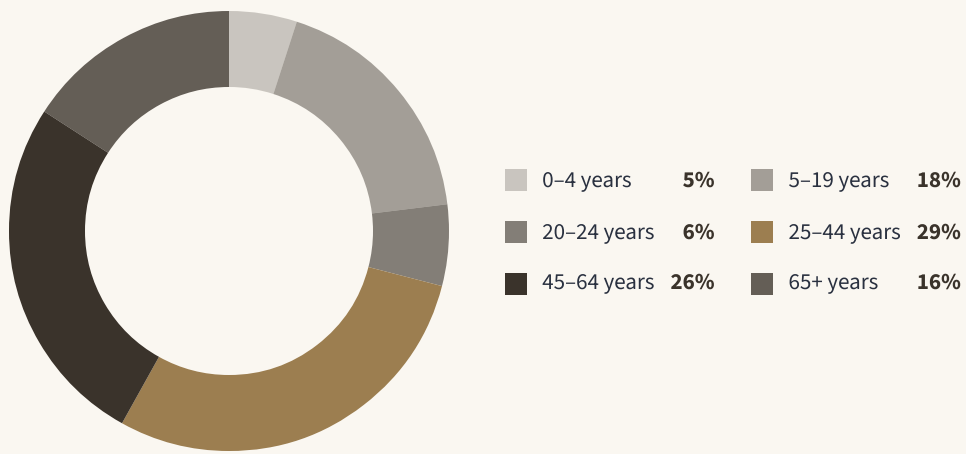
The Oakland / East Bay metro sits on the eastern side of the San Francisco Bay, spanning 1,470 square miles across Alameda and Contra Costa counties. Regionally lower housing costs and quick access across the Bay lure many San Francisco workers to the East Bay. UC Berkeley's enrollment of over 45,000 students contributes to a youthful community and steady housing demand.

The Port of Oakland is a major economic driver, with 2.0–2.3 million TEUs passing through annually. The area continues to be an epicenter for redevelopment and conversion projects, especially in older portions of Oakland and Hayward, drawing new businesses and residents.

MAJOR AREA EMPLOYERS

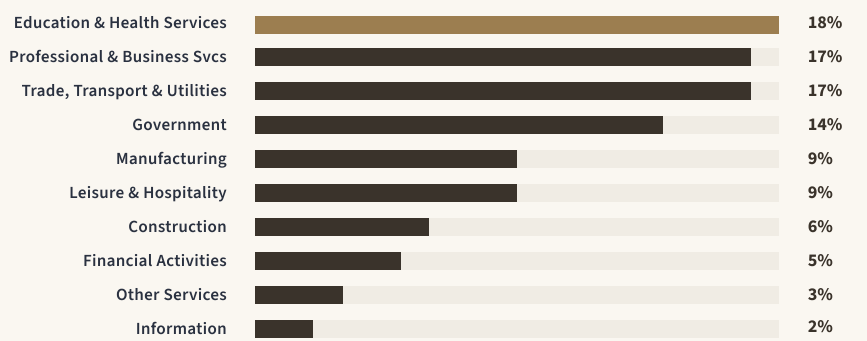
Kaiser Permanente	UCSF Benioff Children's Hospitals
Oakland Unified School District	Sutter Health
City of Oakland	East Bay Municipal Utility District
Bay Area Rapid Transit (BART)	University of California, Berkeley
Southwest Airlines	State of California

POPULATION BY AGE (2025)



ROUGHLY 35% OF THE POPULATION FALLS IN THE PRIME 20–44 RENTER COHORT, UNDERPINNING DURABLE DEMAND FOR WELL-LOCATED ONE-BEDROOM HOUSING.

SHARE OF 2025 EMPLOYMENT



FIGURES ROUNDED TO NEAREST WHOLE PERCENTAGE POINT. SOURCE: BLS.

DEMOGRAPHICS & QUALITY OF LIFE

The population will expand by about 46,000 residents over the next five years, forming more than 17,000 households. The homeownership rate of 58 percent sits below the U.S. average, supporting a large renter pool. Roughly 49 percent of residents 25 and older hold a bachelor's degree, with nearly 20 percent holding a graduate or professional degree.

In 2024 the City Council adopted the Downtown Oakland Specific Plan, aiming to create 29,000 new housing units, expand public services, and preserve historic buildings, reinforcing long-term demand drivers across the urban core.

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