

RARE BERKLEY 5.25% CAP | CLASS-A STNL RETAIL | \$3,238,000 | 12 YR NNN LEASE PRIME 1031

DENSE URBAN INFILL LOCATION | NEWLY REDEVELOPED CONSTRUCTION | 2101 SAN PABLO AVE.

EXCEPTIONAL NEIGHBORHOOD W/ LOW HISTORICAL TRANSACTIONAL VOLUME AND HIGH DEMAND

Just Listed!



- ▶ RECENT 2020 & 2023 FULLY REDEVELOPED INTO SUPERIOR CLASS A RETAIL IN TURN KEY NNN CONDITION
- ▶ HIGH DEMAND/LOW VACANCY
- ▶ UNIVERSITY ADJACENT
- ▶ DENSE URBAN AREA W/ HIP, NATIONALS, REGIONALS & LOCAL SERVICE TENANTS
- ▶ MULTIPLE LOCATIONS W/SUPERIOR LEASE GUARANTEES

lavender
Bakery & Cafe'

★★★★★

FOURTH STREET

DWG CAPITAL GROUP
INVESTMENT SALES.
CAPITAL MARKETS.
DONE.



±2,765 SF
BUILDING



±0.06 AC
LAND AREA



2020/2023
RENOVATED



NOI
\$169,994
ESCALATIONS
2%



VACANCY
RATES
4.8%

2101 SAN PABLO AVE.



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JUDD DUNNING

LA: 310.261.8428 | TX: 972.738.8586

JDUNNING@DWG-RE.COM

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EXECUTIVE SUMMARY

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DWG Capital Group, as the exclusive advisor, presents **Lavender Bakery and Cafe**, a rare opportunity to acquire a prime retail asset in the heart of Berkeley, California. The subject approx. **2,765 SF single tenant NNN Class A retail property** is located in the **Berkeley central business district** at San Pablo Avenue and Ashby Avenue, surrounded by both excellent boutique and national brands, as well as many hip local tenants. The areas heralds scores of customers perfect for its use, only 1.5 miles from UC Berkeley and 0.8 miles from the water, and is supported by a **WALKSCORE OF 97%** and **BIKESCORE OF 99%**. The property is in an exceptional neighborhood, with low historical transactional volume and high demand.

KEY FEATURES

- **HIGH EXPOSURE PROPERTY** with ease of access and direct street visibility. Building boasts an approx. **280 linear feet frontage**
- **FULLY RENOVATED/NEW CONSTRUCTION**
- **LOYAL CUSTOMER BASE AND STRONG REVENUE STREAM**, making it an attractive investment for both owner-users and investors seeking a stabilized or value-add opportunity.
- **HIGH CEILINGS, OPEN FLOOR PLAN, EXTENSIVE MODERN FLOORS & LIGHTING** throughout
- **HEAVILY TRAFFICKED CORRIDOR**, 21,000 vpd and within half a block of University Avenue
- **NO LANDLORD RESPONSIBILITIES**, absolute NNN

TENANCY & INCOME

This legacy Class A market investment, **JUST**

LISTED for sale at \$3,238,000 with an attractive **5.25% cap rate**, was originally secured by a 15-year absolute NNN lease and now has 12 years remaining after a total upgrade and renovation. Located in an area dense with numerous national, regional brands, and flooded daily by locals, students and tourist customers, "**Lavender Bakery & Cafe**" is well positioned to be an area leader. Base rent is attractively yielding **\$5.12 +/- PSF** or **\$14,166/mo.** The lease has attractive **2% annual rent increases, with two 10-year options.** With two locations in the Bay Area, the investment offers further strong growth potential and credit enhancement.

IMMEDIATE AREA

The property at **2101 San Pablo Ave**, is situated in a vibrant and rapidly evolving commercial corridor known for its mix of boutique retail, local eateries, and creative businesses. Located **just minutes from Downtown Berkeley** and the **University of California, Berkeley**, the area benefits from strong pedestrian traffic, a diverse customer base, and consistent economic activity. San Pablo Avenue **serves as a major arterial route**, providing **excellent connectivity to neighboring cities** like Oakland, Emeryville, and San Francisco. The surrounding neighborhood has seen significant revitalization, with new mixed-use developments, upscale residential communities, and an influx of high-quality retail and dining establishments. With its prime location, high visibility, and accessibility, this property is ideally positioned to capitalize on the continued growth and demand in one of Berkeley's most dynamic commercial districts.

THE PROPERTY	
ADDRESS	2101 San Pablo Ave.
CITY, STATE, ZIP	Berkeley, CA 94702
YEAR BUILT	1927 (Fully Renovated: 2020 & 2023)
PROPERTY TYPE	Retail NNN QSR
BUILDING SIZE	±2,765 SF
LOT AREA	±0.06 AC
INCOME	<ul style="list-style-type: none">• \$14,166.24 NNN/Mo.• \$169,994.88/Yr.• \$5.12 PSF QSR NNN Rent
OCCUPANCY	100%
LEASE TERM	12 Yrs Remain (Of 15-Yr NNN)
LEASE TYPE	Absolute Net
ZONING	C-1
PARKING	4 Spaces (1.45 Spaces Per 1,000 Leased)

EXECUTIVE SUMMARY

Berkeley: A Thriving Retail Market

Berkeley's retail market is characterized by strong demand, limited supply, and a vibrant mix of local and national retailers. The city benefits from a highly educated and affluent population, creating a robust consumer base for a variety of goods and services. The presence of the University of California, Berkeley, adds a unique dynamic to the market, driving foot traffic and supporting a diverse range of businesses.

Recent data indicates that retail vacancy rates in Berkeley are among the lowest in the Bay Area, reflecting the strong demand for retail space. Average lease rates have been steadily increasing, making this an opportune time to invest in Berkeley's retail market. Furthermore, the city's commitment to supporting local businesses and fostering a vibrant commercial environment makes it an attractive location for retailers.



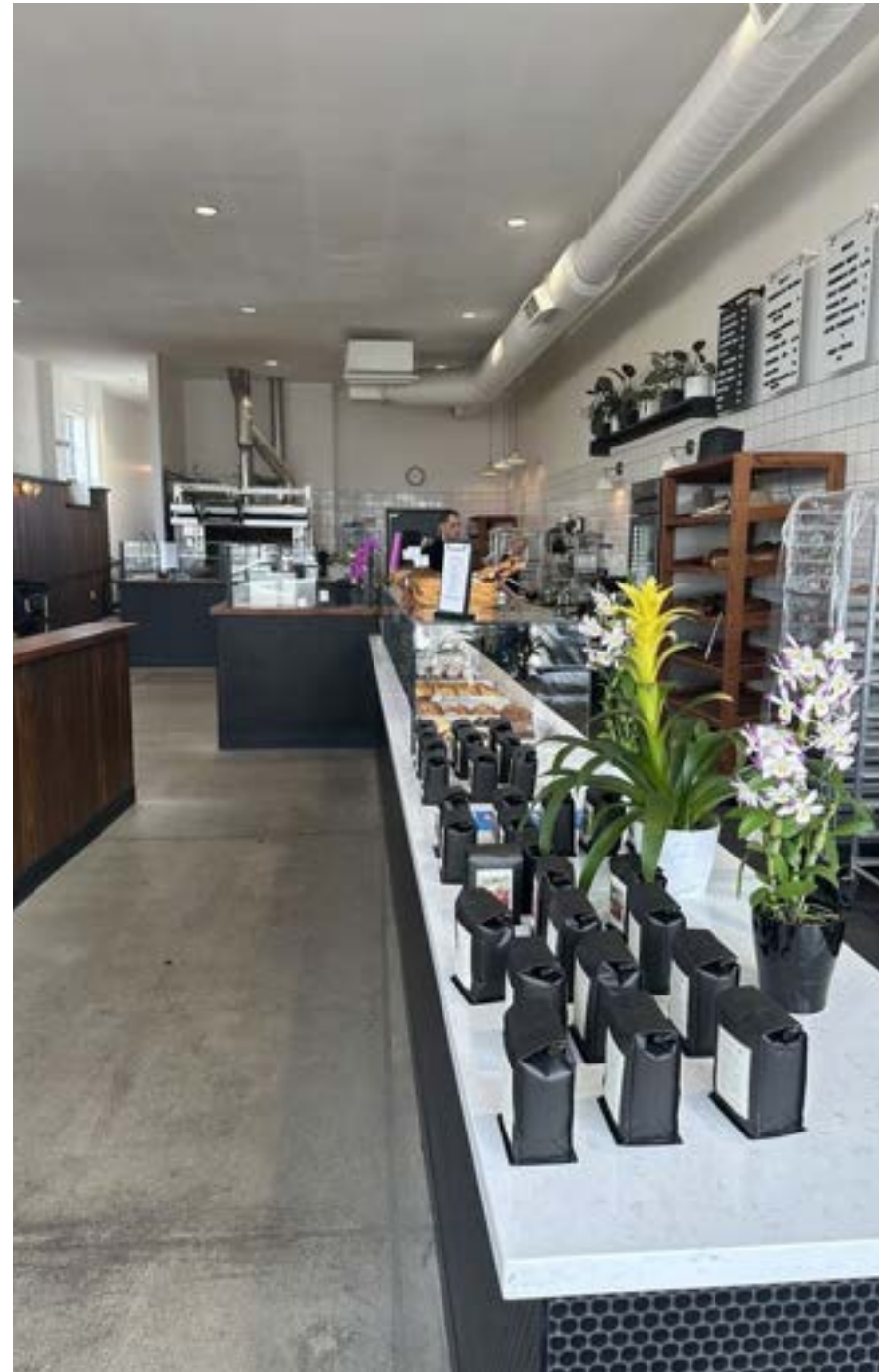
STRONG DEMAND

Low vacancy rates and increasing lease rates.



AFFLUENT POPULATION

High disposable income and strong consumer spending.



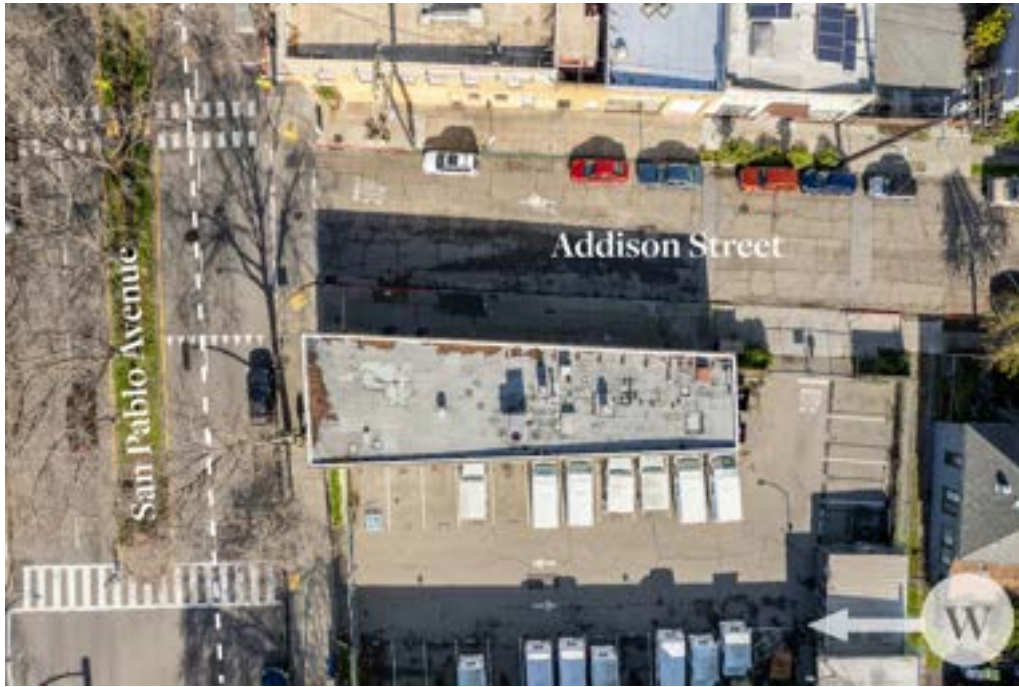
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PROPERTY
OVERVIEW

THE PROPERTY



2101 SAN PALBLO AVE, BERKELEY CA 94702

2101 San Pablo Avenue is a **well-maintained retail property** located in a **high-traffic area** of Berkeley. The property offers **excellent visibility and accessibility**, making it ideal for a variety of retail businesses. With a listing price of **\$3,238,000**, this investment presents a strong value proposition given its location and potential for future appreciation.

The building features modern construction, ample parking, and flexible floor plans that can be easily adapted to suit different tenant needs. Currently, the property is fully leased to a mix of established local businesses, providing a stable income stream from day one. Its strategic location in a bustling commercial corridor ensures consistent foot traffic and high exposure.



Prime Location



Modern Construction



Stable Income



PROPERTY PHOTOS: EXTERIOR

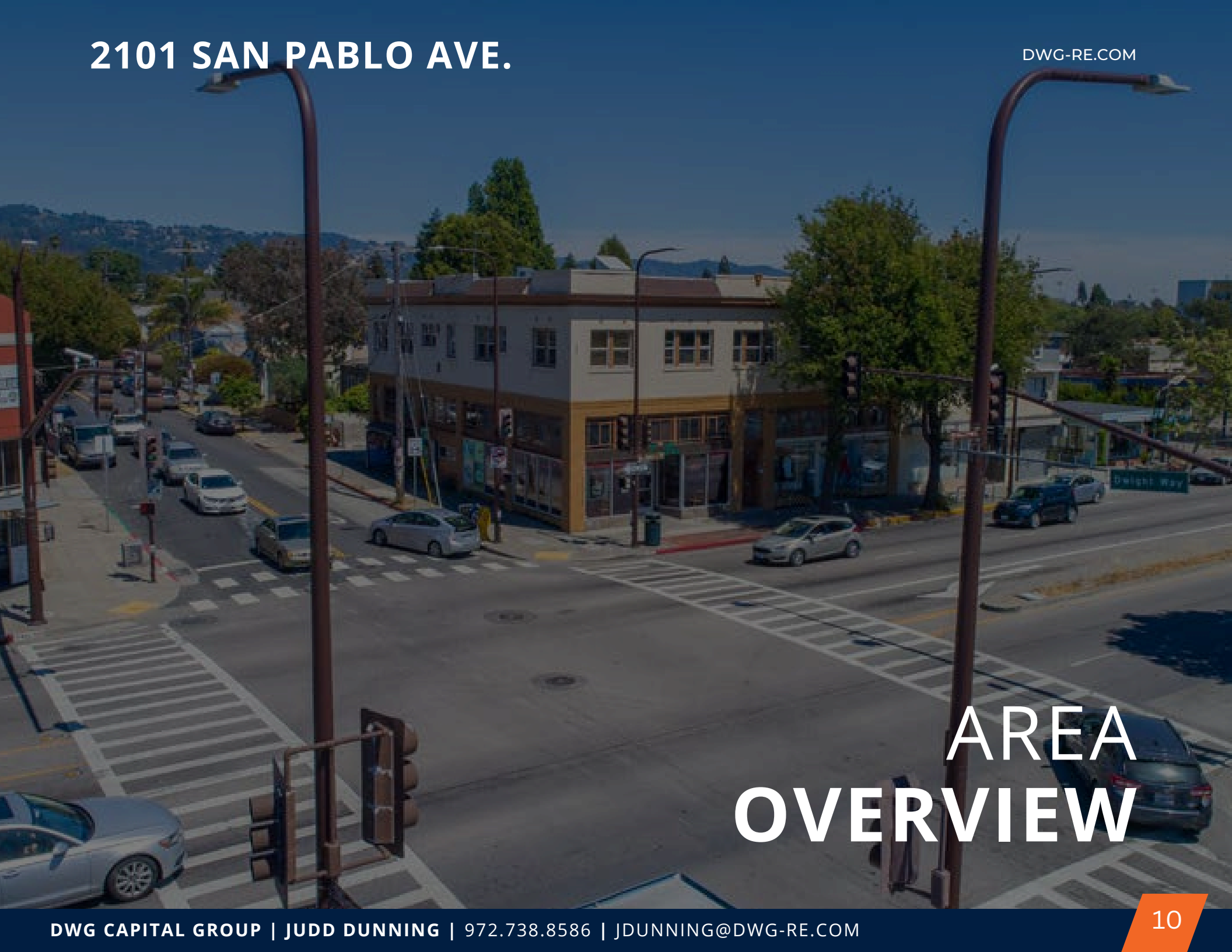


PROPERTY PHOTOS: INTERIOR



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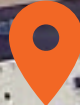
AREA OVERVIEW

NEIGHBORHOOD AERIAL OVERVIEW



**WALK
SCORE** 97%

2101
SAN PABLO AVE.
BERKELEY, CA 94702



Addison St

LOCATION HIGHLIGHTS

Located within 1-2 Miles of Premiere Area Tourist & Local Shopping Destinations

- Close to **Berkeley Bowl West** a destination grocery store and café known for its organic produce, meat, fish and bulk foods
- 1.5 miles to **Fourth Street Shopping District**
- 1.5 miles to **Emeryville Public Market**
- 2 miles to **Downtown and UC Berkeley**
- 2 miles to **Powell Street Plaza and Shops**
- Easy freeway accessibility and **SF Bay Bridge access**
- **Near hundreds of new housing units** approved or under construction. Currently $\pm 1,400$ units (across 20 projects) have been submitted and are pending review
- **Bioscience companies** in the vicinity include Bayer, Xoma, Aduro Biotech, Newomics, Dynavax Technologies, Caribou Biosciences, and AGC Biologics

Nearby Companies Include:



PIXAR



SIEMENS
Healthineers



modern-twist



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THE
MARKET

MARKET SUMMARY

Sale Comparables

19

Avg. Cap Rate

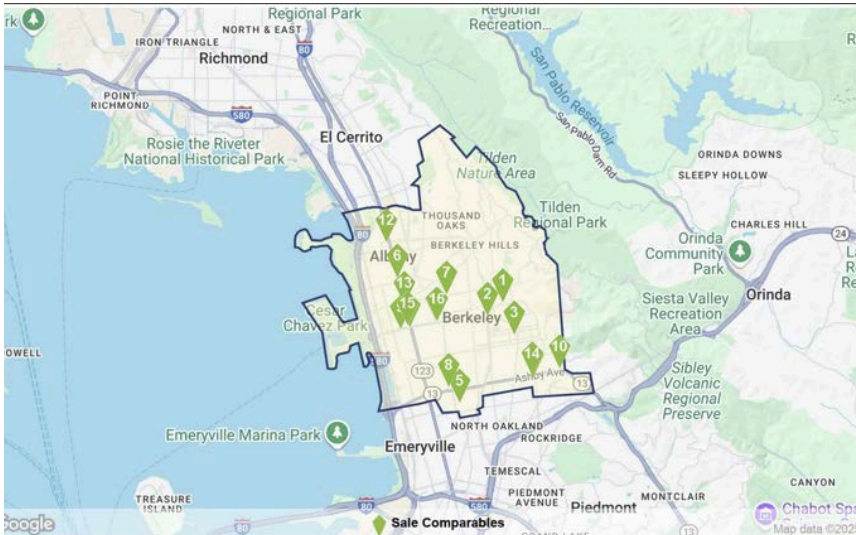
4.5%

Avg. Price/SF

\$542

Avg. Vacancy At Sale

4.7%



BERKELEY'S RETAIL MARKET PRICING

is estimated at **\$379/SF**, exceeding the overall market average of **\$337/SF**.

The estimated market cap rate for retail properties in Berkeley is 5.7%, which is in line with the market average.

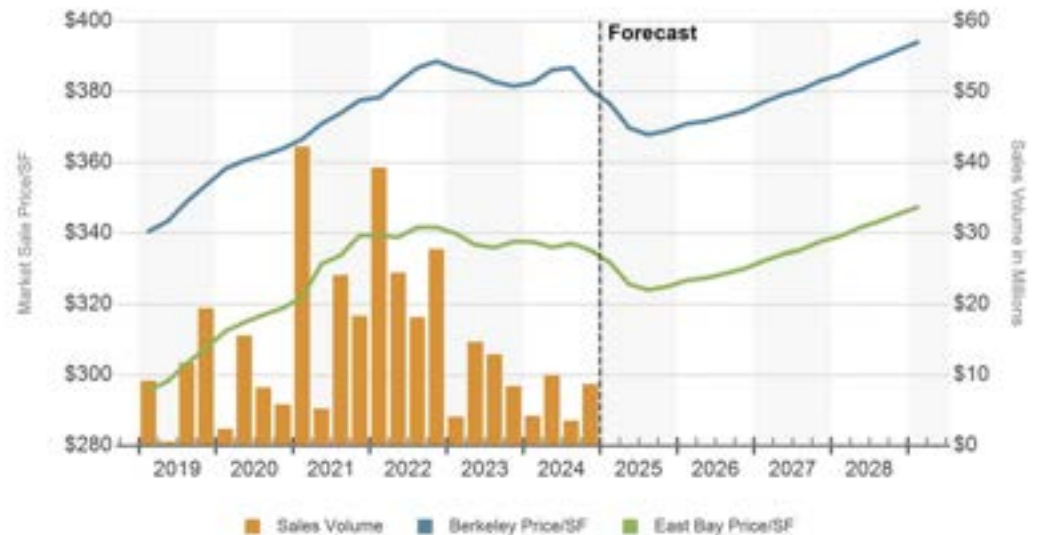
The typical sale is of a small inline retail unit in one of the submarket's neighborhood retail strips. For example, in September 2024, the 3,500 SF property at 2392 Telegraph Ave. sold for \$1.78 million, or \$517/SF.

SALES COMPARABLES LOCATIONS (Last 12 Mos)

In the past year, Berkeley has seen 17 transactions involving 62,000 SF of retail space. This is a continuation of the longer-term trend in the submarket, where sales of small properties predominate.

The area's **average annual sales volume has been 45,000 SF over the last five years and 59,000 SF over the past decade**. The total retail sales volume in Berkeley for the year reached \$20.8 million, with an average annual sales volume of \$60.4 million over the previous five years and \$58.5 million over the last ten years.

SALES VOLUME & MARKET SALE PRICE PER SF



BERKELEY RETAIL MARKET DATA & STATISTICS



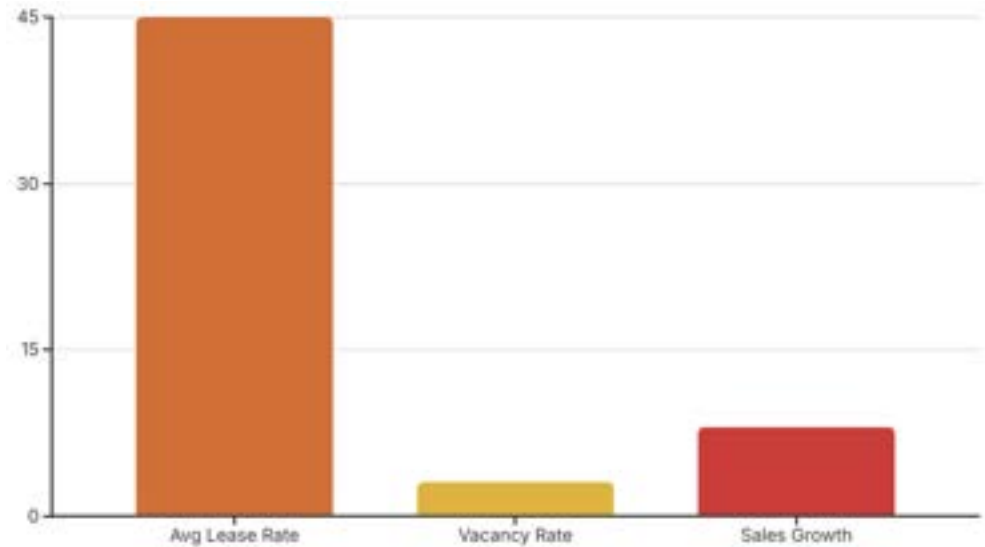
\$30M student housing development financing secured in Berkeley

JLL Capital Markets arranged a \$30M loan for the construction of the 73-unit The Northside student housing project near the University of California, Berkeley.

READ MORE



Berkeley Retail Lease Rates *as High as \$60 per Square Foot*



Analyzing current retail market data reveals compelling reasons to invest in Berkeley. The **average retail lease rate in the area is approximately \$45 per square foot**, with some premium locations commanding **rates as high as \$60 per square foot**. Vacancy rates remain low, averaging around 3%, indicating strong demand for retail space. **Retail sales volume in Berkeley has increased by 8% year-over-year, demonstrating the strength of the local economy.**

Furthermore, demographic data shows that Berkeley's population is highly educated and has a high disposable income, which translates into strong consumer spending. The city's commitment to supporting local businesses and fostering a vibrant commercial environment makes it an attractive location for retailers.

EAST BAY, CA: ECONOMY

The East Bay economy has outperformed other areas of the Bay Area in terms of recovering population and jobs following the pandemic. According to the Bureau of Labor Statistics, employment in the East Bay metro region plummeted by nearly 180,000 jobs, or over 15%, between March and April 2020. However, employment levels have since rebounded, surpassing pre-pandemic figures by about 31,000 jobs.

As of the first quarter of 2025, the unemployment rate in the East Bay stands at 4.6%, a rise of roughly 40 basis points compared to a year earlier. This rate is lower than California's overall unemployment rate of 5.3% and higher than the national average of 3.8%. The government, leisure and hospitality, and education and health services sectors have experienced the most significant percentage gains in employment over the past year, with growth rates between 2% and 4%.

While job growth in San Jose and San Francisco was stronger before the pandemic, the East Bay has outpaced national employment growth averages significantly. Additionally, median incomes have risen substantially, reaching \$130,000 and outstripping the national average during the recent expansion. The East Bay has benefited from the Bay Area's broad, tech-driven economic growth since the Great Recession, with established tech firms like Workday, Lam Research, and Veeva Systems either maintaining or expanding their presence in the region. New players, including fintech companies Square and Credit Karma, and startups like Pleasanton-based 10x Genomics, have also thrived in the area. Oxford Economics predicts that job growth in the East Bay will be solid over the next five years.



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ABOUT DWG CAPITAL GROUP

DWG CAPITAL GROUP

INVESTMENT SALES.
CAPITAL MARKETS.
DONE.

A DYNAMIC FINANCIAL SERVICES PLATFORM

Through our financial platform, clients have access to solutions that seamlessly support their real estate and business objectives.

CAPITAL MARKETS

COMMERCIAL REAL ESTATE / INVESTMENT SALES AND CAPITAL MARKETS ADVISORY

OUR FIRM: DWG Capital Group is a fully integrated commercial real estate advisory and capital markets platform of services for owners and users of real estate from ranging from private local owners to prominent multinational corporations and institutional investors. Headquartered in Los Angeles, DWG Capital Group's seasoned strategic relationship platform of 11 seasoned CRE veterans enables our team to effectively serve the property requirements of ALL our Owners, Investors, Developers, Private Equity Groups and Lenders from California to across the US. Regardless of how seasoned our clients are at selling, buying or joint venturing commercial real estate can be a monumental endeavor. DWG Capital Group ensures every client gets the professional, intelligent service they deserve coupled with a strong, seasoned advisory **based on what matters most: Our clients per transaction highest yield outcome coupled with a comprehensive overall real estate portfolio advisory focused on our client's overall long term security.** As a highly seasoned group of Capital Markets Advisors and Brokers who are also active Developers and Investors ourselves, DWG Capital Group brings decades of both sophisticated institutional and personal experience to every assignment **with same care as if it was our very own real estate endeavor.**

Investment Sales, Capital Markets. DONE.

OUR TEAM: DWG Capital Group's team was formed and now led by Judd Dunning, (former NGKF Capital Group / ARA Managing Director) who launched DWG Capital Group in order to combine the very best of his DWG brokers highly seasoned capital market and investment sale expertise and many decades of extensive hands-on commercial real estate advisory experience to ensure that all our DWG clients receive and are assisted to execute only the highest and best real estate portfolio strategies possible.

DWG Capital Group is a client driven firm that executes a wide range of assignments from larger, institutional investment sales and debt / equity placements to local private middle market sales. **Judd Dunning** and all **DWG Capital Group Team Members:** DWG was originally formed by 10 former Top-5 institutional CRE firm brokers. Now independent and within DWG collectively bringing the very same high service standard, same national network of seasoned middle market and institutional clients, the same vast database of national buyers/sellers, the same debt and private equity and the same superior and sophisticated *Client-Centric Capital Markets and Investment Sales Advisory* to our clients we always have these last 20 years but doing so with even greater individual attention.

OUR TRACK RECORD



BUYING, SELLING OR LEASING NATIONWIDE?

DWG CAPITAL GROUP

INVESTMENT SALES.
CAPITAL MARKETS.
DONE.

\$2B

TOTAL CAREER
TRANSACTIONS

21

YEARS IN AMERICAN
INSTITUTIONAL REAL ESTATE

40

STATES TRANACTED
WITHIN, NATIONWIDE



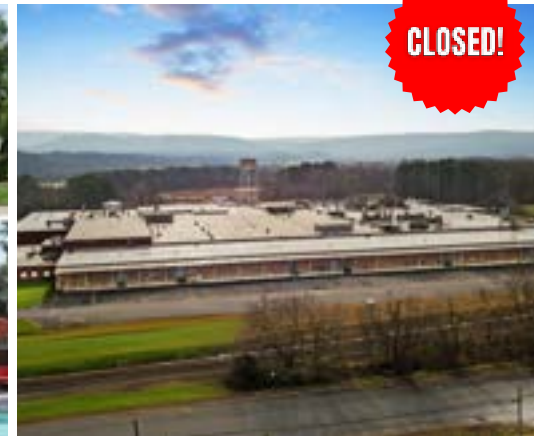
**SONY ANIMATION
STUDIOS**
LA OFFICE/FLEX INDUSTRIAL
\$160M



**MALIBU CROSSROADS
AREA JV**
CLASS A RETAIL
\$130M



**INLAND EMPIRE
MULTIFAMILY PORTFOLIO**
RECAPITALIZATION/SALE
\$118M



**\$3B
TENANT
NEW INDUSTRIAL LEASE**
165K SF

INDUSTRIAL | DEVELOPMENT | MULTIFAMILY | RETAIL | OFFICE | JOINT VENTURE | DEBT | EQUITY

OVER 15K+ UNITS SOLD | \$1B CLOSED PAST 24 MONTHS | LABJ CRE GOLD AWARD WINNER | COSTAR POWER BROKER



TRUSTED INSTITUTIONAL CRE ADVISORY

2101 SAN PABLO AVE.

DWG-RE.COM



JUDD DUNNING

PRESIDENT

CA: 310.261.8428

JDUNNING@DWG-RE.COM

RYAN BILLINGS

CAPITAL MARKETS

310.351.7347

RYAN@DWG-RE.COM

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GROUP**

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