

1900 BROADWAY

OAKLAND,

CALIFORNIA

September 2024

EB-5 INVESTOR UPDATE

EB-5 MILESTONE ACHIEVEMENTS:

- ✓ I-956F APPROVED
- ✓ I-526 EXEMPLAR APPROVED
- ✓ I-526 INVESTOR APPROVED
- ✓ 100% FULL FUNDING COMMITMENT
- ✓ ALL REQUIRED JOB CREATION COMPLETE
- ✓ WORLD CLASS SPONSOR TEAM
- ✓ 48% OF UNITS ALREADY LEASED



BEHRING
REGIONAL CENTER



1900 Broadway Project Update

1900 Broadway is Leasing and **Already 48% Full!**

Summary

- 1900 Broadway Project began moving in residents in July 2024 and has reached 48% leased as of the end of September 2024.
- Behring Co. has acquired 1950 Franklin and the adjacent parking structure, adding 635 parking spaces for residents and 377,000 square feet of additional office space which a portion is offered as a flex office and coworking program.
- 1900 Broadway is already the market leader on rent level and absorption pace

Leasing Progress

- Leasing is in progress; tenant move-ins began in July 2024, and as of the end of September 2024, 48% of units have already been leased.
- Absorption pace reached a record 49 leases in August.
- More than 30 tours are scheduled weekly on average.

- As of the end of September 2024, more than 364 leasing applications have been received, year to date.

Job Creation: 2,977 Jobs Created¹

- More than 2,977 jobs have been created, confirmed by economist Baker Tilly LLP¹. More than 3,200 total jobs are anticipated to be created through the end of all construction activities and through leasing revenues.
- All EB-5 investors have already met their EB-5 job creation requirements for their eventual I-829 petitions.

Refinance / Exit

- The project is exploring refinance and exit opportunities targeting 2Q 2025
- Reduction in interest rates is accretive to cap rates, terms and will assist the effort



Job Creation Progress

Job Creation Type	Direct	Indirect	Total
Residential Construction	1,285.20	932.7	2,217.9
Non-residential Construction	341.3	217.9	559.2
Architectural & Engineering Professional Fees	65.5	74.1	139.6
FF&E Purchasing	-	9.3	9.3
Insurance	22.3	25.1	47.4
Marketing	-	1.7	1.7
Leasing Commissions	-	2.7	2.7
Total	1,714.3	1,263.5	2,977.8¹

1. Job creation figures confirmed by Baker Tilly LLP in report titled, "An I-829 Economic Analysis as of April 30, 2024 of the 1900 Broadway Project."



BROADWAY

DIRECTLY
ABOVE 19TH STREET
BART STATION
OAKLAND, CA



**FULL FPV
DRONE TOUR!**

▶ ▶| 🔊 0:00 / 3:58



Summary Performance & Market dynamics

Overall, Oakland market has bottomed out post-covid and rents are recovering. High supply is disappearing, future construction pipeline has dropped 75% and Oakland has the #3 highest median household income in the country.

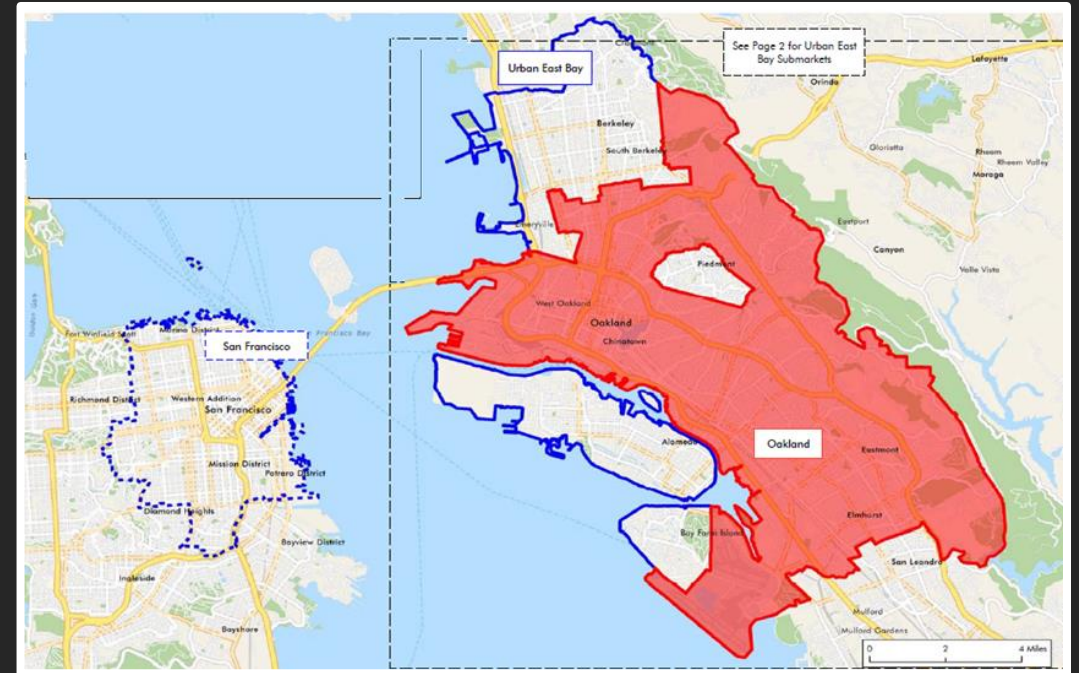
- **Rents across the region are under pressure while competition is high;** the region is still recording an over supply of about 4,000 units metrowide.
- **1900 Broadway records fast absorption:** A trophy quality location, market leading amenities and a top of market finish package is leading to the strongest absorption performance in the region of over 40+ units a month.
- **Strategic concession strategy** is helping lease less popular units while also providing a loss leader strategy to drive traffic and then cross sell/up sell higher yielding units after touring.
- **Construction pipeline of new apartments** seen dropping 75% versus 2017 peak which will result in dramatic rent increases.
- **Our tenants have extraordinary capacity to pay up to 47.25% higher rents** at the time of renewal and no new competing supply available.
- **Interest rate decreases** will lower the projects cost of capital and aid our ability to obtain more favorable terms at refinance or exit.

1900 Broadway's Rent Roll is comprised of a wealthy tenant base able afford strong rent increases after supply/demand dynamics normalize

Metric	1900 Broadway
Occupancy	48%
Absorption (Units/Mo)	40+
Concessions	4-10 weeks ^[1]
Tenant Avg HH Income	\$220,000
Rent Capacity	\$6,111
Current Avg 2 BD Rent	\$4,150
Excess Income Capacity	\$1,961
Excess Income Capacity %	47.25%

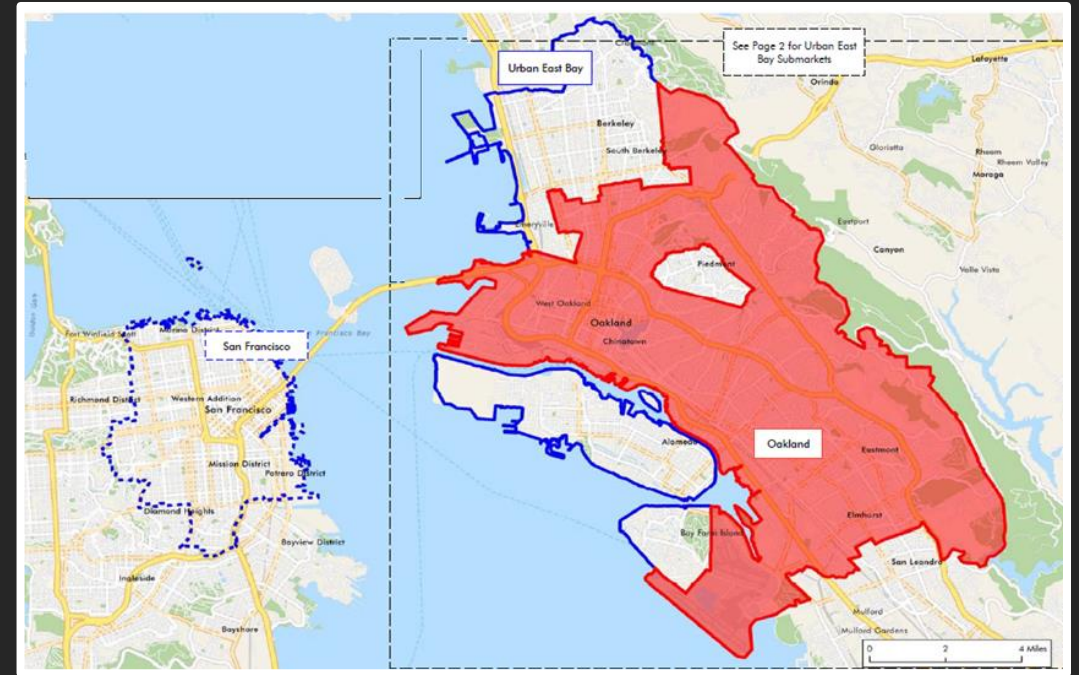
Bay Area Supply and Demand

- Presently, the combined **Bay Area** markets are oversupplied by nearly 4,000 multifamily units
- **San Jose** is currently stabilized, and is expected to only grow more undersupplied moving forward
- The **Urban East Bay** is oversupplied by 3,000 multifamily units and Oakland is oversupplied by 3,405 units, having captured the majority of recent deliveries
- **For Class A Product, the Urban East Bay and Oakland is much less oversupplied**, by 959 and 856 units respectively at present.



Bay Area Market Reaching Supply/Demand Stabilization

- As Silicon Valley is presently stabilized and San Francisco will stabilize in 1Q25, these markets will begin to resume the rent growth which has historically pushed high-income renters into Oakland and the East Bay, as a slightly more affordable option with a convenient commute
- The distress experienced specifically in San Francisco and Silicon Valley during and following the pandemic (driven by work-from-home trends, a pullback in tech) drove rents cheaper in those markets, slowing affordability-driven in-migration to the East Bay
- As these markets stabilize, the East Bay will once again benefit from affordability-driven migration from San Francisco and Silicon Valley / San Jose
- At present, Oakland's Class A multifamily market is expected to stabilize in 1Q25, with the greater Urban East Bay stabilizing in 4Q25
- As the East Bay and Oakland absorb the recently delivered product, a go-forward undersupply will drive rent growth and strong occupancy performance in these markets



#2 Ranked Best “Next Market” Investment SF-Oakland-Berkley Metro

When measuring 17 supply/demand variables, SF Oakland-Berkeley Metro ranks #2 strongest investment opportunity over the next 5 Years.

- Study measures 17 variables across supply, demand, inventory, pipeline, income demographics, job creation, and more.

- Top 3 Markets are all in CA, Bottom markets are Florida, TX, TN, SC and NC.

- California markets lead all prospects due to low supply, high incomes and strong job growth.

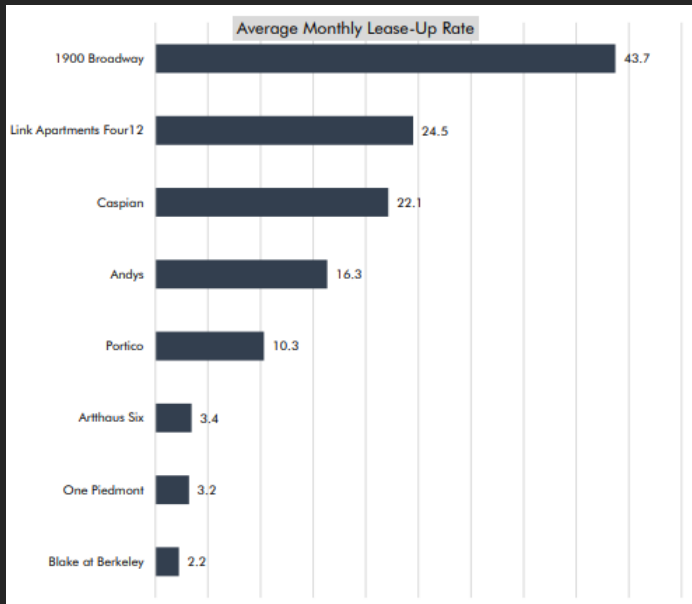
METRO RANKING CONCLUSIONS EQUAL WEIGHTING SCENARIO SELECT UNITED STATES METROS AUGUST 2023

Market	2022 Jobs/ Housing		L20Y Job Gr. vs Deliveries		Five-Year Job Growth		% Share of White Collar Jobs		U/C Pipeline % of MF Inventory		Permits as % of MF Inventory		U/C Pipeline % of Projected Jobs		% \$100K+ Renter HHs		\$150K+ Renter HHs vs Class A Inventory		Weighted Rank	
	Shift	Market	Market	Market	Ann.	Market	% of	Market	Share	Market	Share	Market	Share	Market	Share	Market	Share	Market	Wtd.	Market
	Share	Rank	Ratio	Rank	Rate	Rank	Total	Rank		Rank		Rank		Rank		Rank		Rank	Avg.	Rank
San Jose-Sunnyvale-Santa Clara, CA	1.62x	2	6.98	6	0.8%	17	28.8%	5	6.6%	3	1.5%	1	24.0%	9	1.3%	5	2.51	2	4.3	1
San Francisco-Oakland-Berkeley, CA	1.32x	7	15.60	1	0.9%	16	30.8%	1	4.5%	2	6.3%	12	6.5%	2	0.7%	14	6.26	1	4.7	2
Sacramento-Roseville-Folsom, CA	1.15x	17	10.60	3	0.7%	18	24.8%	14	3.9%	1	2.2%	2	14.8%	3	0.9%	12	1.22	3	8.2	3
Washington-Arlington-Alexandria, DC-VA-MD-WV	1.37x	4	3.15	19	0.7%	19	29.6%	3	7.1%	4	2.6%	3	40.3%	12	0.7%	15	0.74	5	8.3	4
Provo-Orem, UT	1.47x	3	13.29	2	1.9%	1	21.9%	19	9.3%	6	21.8%	19	4.6%	1	1.8%	1	0.32	8	9.0	5
Salt Lake City, UT	1.81x	1	7.36	5	1.4%	5	24.1%	16	12.3%	10	7.6%	15	17.5%	4	1.3%	4	0.26	14	9.2	6
Dallas-Fort Worth-Arlington, TX	1.36x	5	4.90	13	1.3%	7	25.0%	13	7.5%	5	3.2%	5	23.9%	8	0.6%	18	0.23	18	9.7	7
Austin-Round Rock-Georgetown, TX	1.28x	8	4.78	14	1.4%	4	25.0%	10	18.2%	16	10.3%	16	48.6%	16	1.2%	6	0.25	15	9.9	8
Denver-Aurora-Lakewood, CO	1.26x	9	4.18	17	0.9%	15	26.3%	8	16.1%	13	6.1%	11	56.6%	18	0.8%	13	0.29	10	10.1	9
Raleigh-Cary, NC	1.19x	13	5.18	12	1.5%	3	25.0%	11	20.2%	17	6.8%	14	42.5%	14	1.5%	2	0.40	6	10.1	10
Phoenix-Mesa-Chandler, AZ	1.21x	12	6.56	7	1.4%	6	26.7%	7	10.4%	8	4.4%	9	22.6%	6	0.6%	17	0.26	13	10.4	11
Tampa-St. Petersburg-Clearwater, FL	1.06x	19	5.63	11	1.2%	9	29.9%	2	9.5%	7	2.8%	4	23.4%	7	0.6%	16	0.31	9	11.1	12
Miami-Fort Lauderdale-Pompano Beach, FL	1.14x	18	10.53	4	1.2%	10	25.0%	12	21.4%	19	10.6%	18	21.7%	5	0.5%	19	1.00	4	11.1	13
Durham-Chapel Hill, NC	1.24x	10	4.26	16	1.1%	11	27.9%	6	21.3%	18	4.0%	7	69.3%	19	1.3%	3	0.28	11	11.8	14
Jacksonville, FL	1.16x	15	5.77	10	1.2%	8	29.2%	4	14.4%	11	5.9%	10	31.9%	11	1.0%	7	0.36	7	11.8	15
Charlotte-Concord-Gastonia, NC-SC	1.17x	14	4.14	18	1.1%	12	22.2%	18	17.3%	15	3.8%	6	48.7%	17	0.9%	10	0.28	12	12.1	16
Orlando-Kissimmee-Sanford, FL	1.24x	11	5.78	9	1.8%	2	22.2%	17	16.5%	14	6.6%	13	25.2%	10	1.0%	9	0.24	16	12.1	17
Nashville-Davidson--Murfreesboro--Franklin, TN	1.33x	6	6.07	8	1.0%	14	24.5%	15	15.2%	12	10.3%	17	43.3%	15	1.0%	8	0.23	17	12.6	18
San Antonio-New Braunfels, TX	1.15x	16	4.41	15	1.0%	13	26.0%	9	11.7%	9	4.1%	8	40.4%	13	0.9%	11	0.18	19	13.3	19

FAST ABSORPTION - 1900 Broadway is Leasing over 43+ Units/Mo

1900 Broadway has strong product market fit: We are absorbing much faster than competing market offerings and are on pace to be fully occupied by the end of Q1 2025.

JULY COMP STUDY - 1900 Broadway's leasing velocity is strong, it averaged 43.7 apartments leased per month, nearly 4x the average monthly leasing of its Market Comparables.

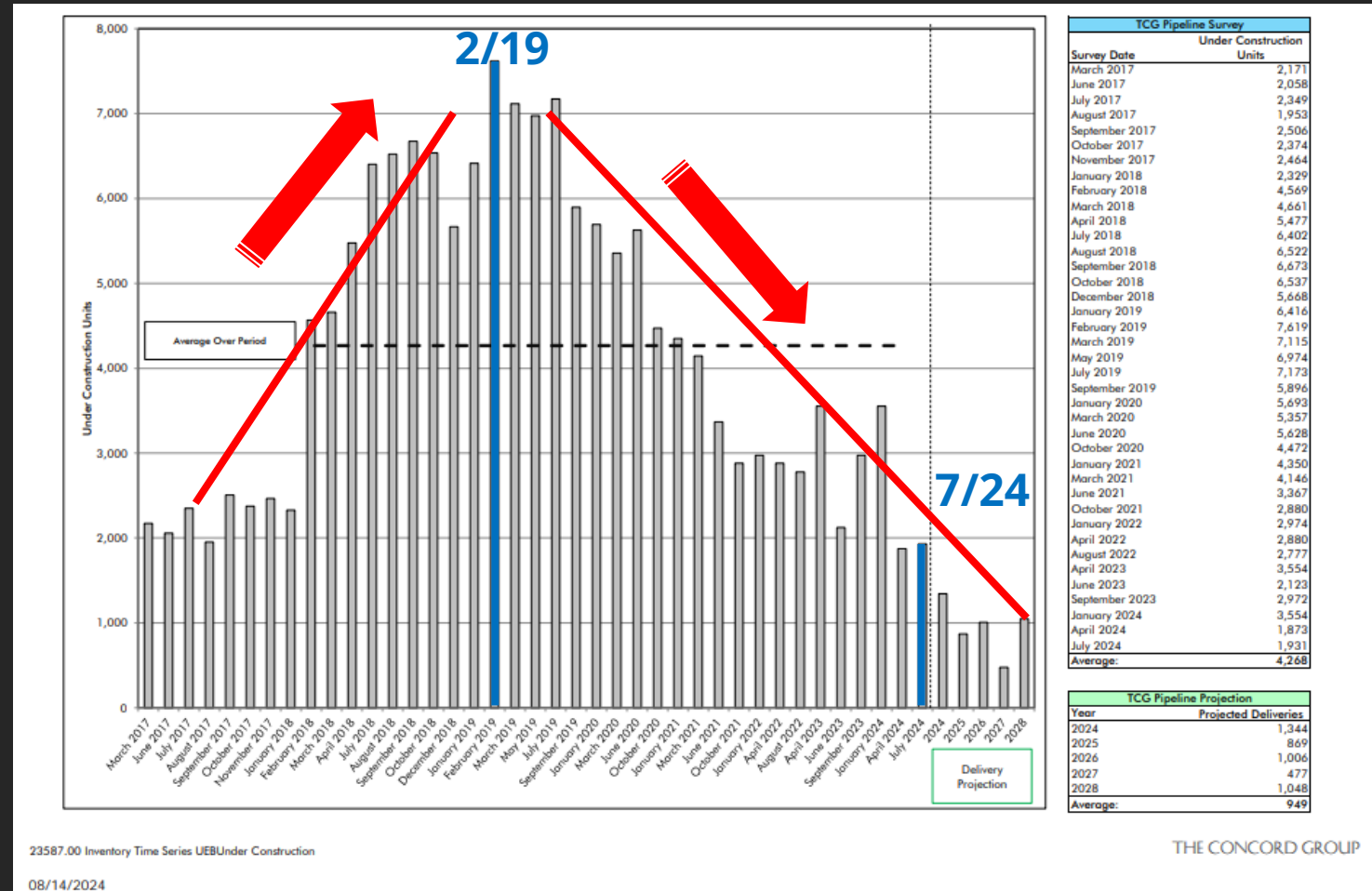


Project Name	Submarket	Lease-Up		Total Units	Months Leasing	Percent Leased	Units Leased	
		Start	End				Total	Per Mo.
Properties In Lease-Up								
1900 Broadway	Downtown Oakland	Mar 2024	--	452	4.7	46%	207	43.7
Link Apartments Four12	Jack London Square	Jul 2024	--	157	1.2	18%	29	24.5
Caspian	East Lake	Aug 2023	--	371	12.2	73%	270	22.1
Andys	Downtown Oakland	Feb 2024	--	236	5.3	37%	87	16.3
Portico	East Lake	Jan 2024	--	378	7.2	20%	74	10.3
Channel House	Jack London Square	Feb 2021	--	333	42.1	92%	307	7.3
Artthaus Six	East Lake	Jan 2023	--	75	19.2	88%	66	3.4
One Piedmont	North Oakland	Jan 2024	--	57	6.2	35%	20	3.2
Total / Average				2,059	98.2	51%	1,060	10.8
8 Communities in Lease-Up x 10.8 Units Per Month x 12 Months Per Year = Annual Lease-Up Run Rate of 1,037 Units								

Average Construction Pipeline Decreased 75%

- Since 2017, the Urban East Bay averaged 4,268 units under construction, peaking with 7,619 units in February 2019.
- 2024 to 2027, the entire urban East Bay expects construction of 949 Units on average, a 75% Drop.
- Average demand for new apartments is expected to exceed 3,000 units per year.
- **1900 Broadway current tenants can afford an average 47% increase in rent before it tests their qualifying income limits.**

Historical Inventory of Under Construction Apartments (Urban East Bay Monthly since 2017)



THE CONCORD GROUP

Supply and Demand – Combined Bay Area Markets

Oakland competitive market area will be stabilized and back to growth by 1Q25

TCG Supply and Demand Conclusions - July 2024			
Market	Over / (Under) Supply		Market Stabilization (1)
	Current	4Q28	
San Francisco	1,839	(14,291)	1Q25
Silicon Valley, San Jose	(931)	(11,113)	Current
Urban East Bay (PMA)	3,000	(2,268)	2Q27
SF Bay Area Total	3,908	(27,672)	--
Oakland (CMA)	846	(4,186)	1Q25

Strong Undersupply:

All Bay Area Markets (SF, Silicon Valley / San Jose, and the East Bay) are heavily undersupplied through 2028

Class-A Overperformance

Class-A product will stabilize sooner than Class-B and worse product, and is more undersupplied overall

Affordability-Drive Migration

SF and Silicon Valley's stabilization will push affordability driven migration to the East Bay.

Oakland Demographics Continue to Become Increasingly Wealthy

2016 vs 2027 Estimates - HH Earning 200k+ per year expect increase by 6,981 or 22%, \$1M+ increase of 671

- Our competitive market area continues to transform substantially, where the number of high earning households is increasing materially.

\$200k - \$500K: +83%

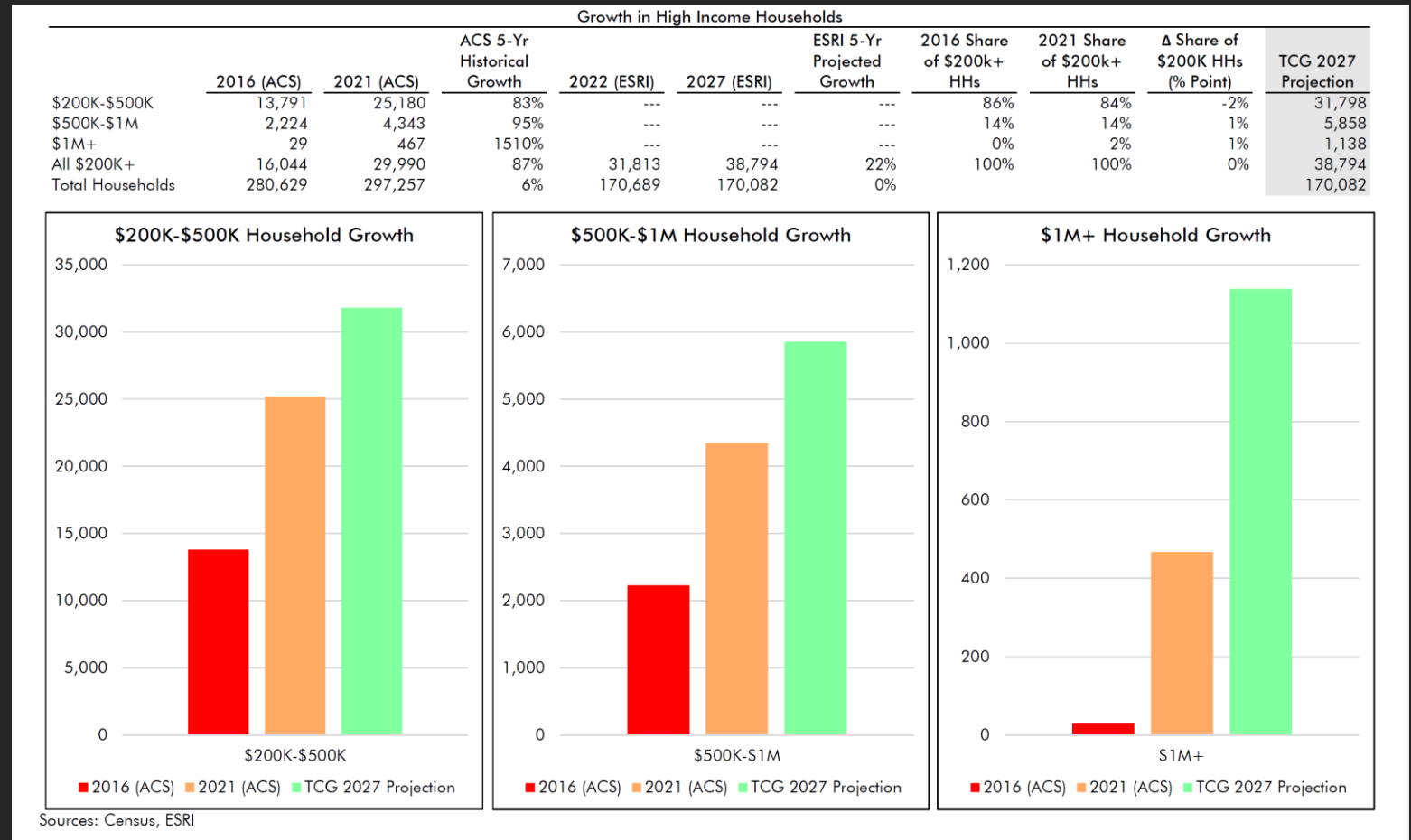
- Households earning \$200-500K per year have increased 83% in 5 years

\$500 - \$1M: +95%

- Households earning \$500k-1M per year have increased 95% in 5 years

\$1M+: +1510%

- Households earning \$1 million or more per year have increased 1510% in 5 years



Rents will Return to Peak Pre-Recession Rents by 2026

Projected Recovery of Multifamily Rental Rates:

Urban East Bay multifamily apartment **rents are projected to return to pre-COVID levels in 2026**, with further growth to follow.

This would closely resemble the Return to Peak period required to exit the GFC starting in 2008 and recovering in 2013.

Urban East Bay	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Costar Forecast					Total Δ '19 - '24
	2025	2026	2027	2028	2029																				
Inventory Units	44,737	45,287	46,112	46,424	46,882	47,197	47,340	47,554	47,756	48,353	48,843	49,279	50,883	53,780	56,252	59,041	61,403	62,759	64,080	64,073	64,063	64,244	64,939	65,903	+10,300 units
Gross Deliveries	440	550	825	312	458	315	143	214	202	597	490	436	1,604	2,897	2,472	2,789	2,362	1,356	1,335	(7)	(10)	181	695	964	
Net Absorption	288	662	422	250	763	443	90	395	242	479	178	318	716	1,964	(22)	4,647	1,252	1,604	1,652	378	3,753	2,381	3,025	2,267	
Vacancy Rate (1)	4.4%	4.1%	4.9%	5.0%	4.3%	4.0%	4.1%	3.7%	3.6%	3.8%	4.4%	4.6%	6.2%	7.6%	11.7%	8.0%	9.5%	8.9%	8.2%	7.6%	7.4%	7.3%	7.3%	7.3%	+60 bps
Effective Rent /Unit	\$1,978	\$2,084	\$2,087	\$1,927	\$1,947	\$1,980	\$2,050	\$2,135	\$2,215	\$2,337	\$2,390	\$2,455	\$2,510	\$2,540	\$2,371	\$2,483	\$2,463	\$2,416	\$2,410	\$2,480	\$2,564	\$2,628	\$2,685	\$2,729	(\$130)
% Change (YOY)	3.2%	5.4%	0.1%	(7.7%)	1.0%	1.7%	3.5%	4.1%	3.7%	5.5%	2.3%	2.7%	2.2%	1.2%	(6.7%)	4.7%	(0.8%)	(1.9%)	(0.2%)	2.9%	3.4%	2.5%	4.7%	3.8%	(5.1%)

Return to peak pre-recession rents in 2013 (from 2008 to 2013)

Return to peak pre-recession rents in 2026 (from 2020 to 2026)

SITE PHOTOS

1900 BROADWAY

Exterior Elevation



Exterior Elevation



Exterior Elevation



Exterior Elevation



Exterior Podium



1F

Entry
Lobby

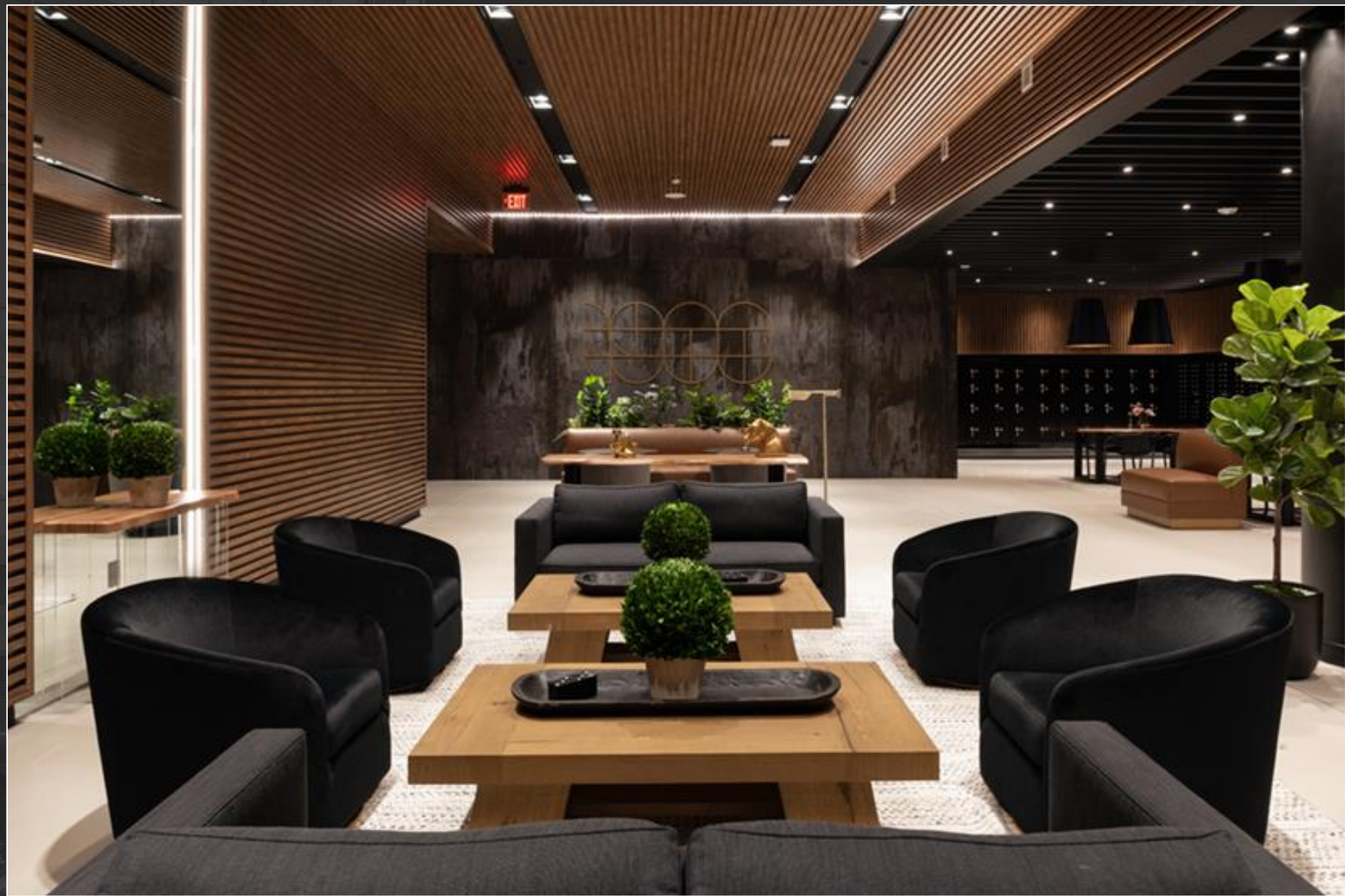


1F | Lounge & Mailroom



1F

Lounge &
Mailroom

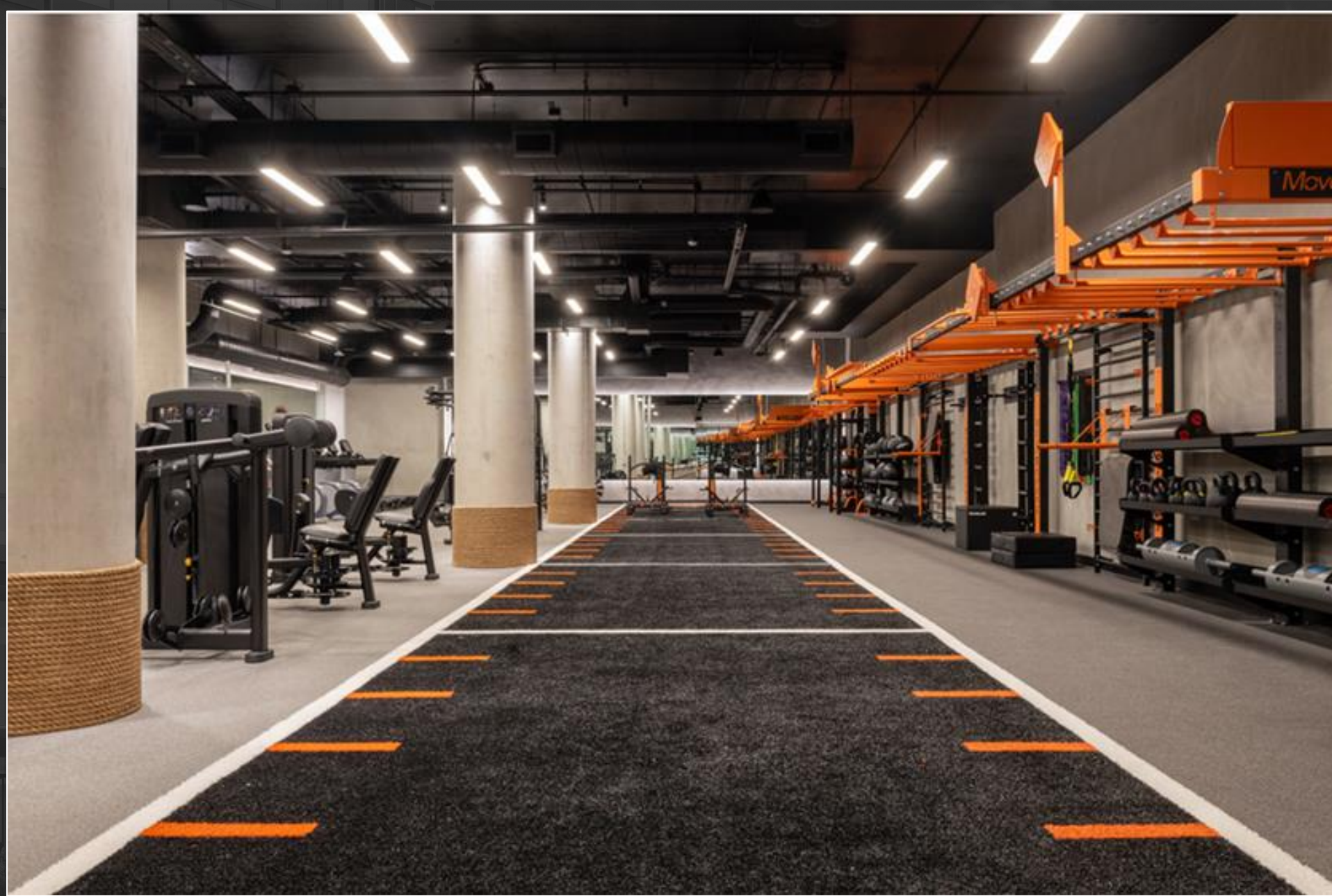


1F | Elevators

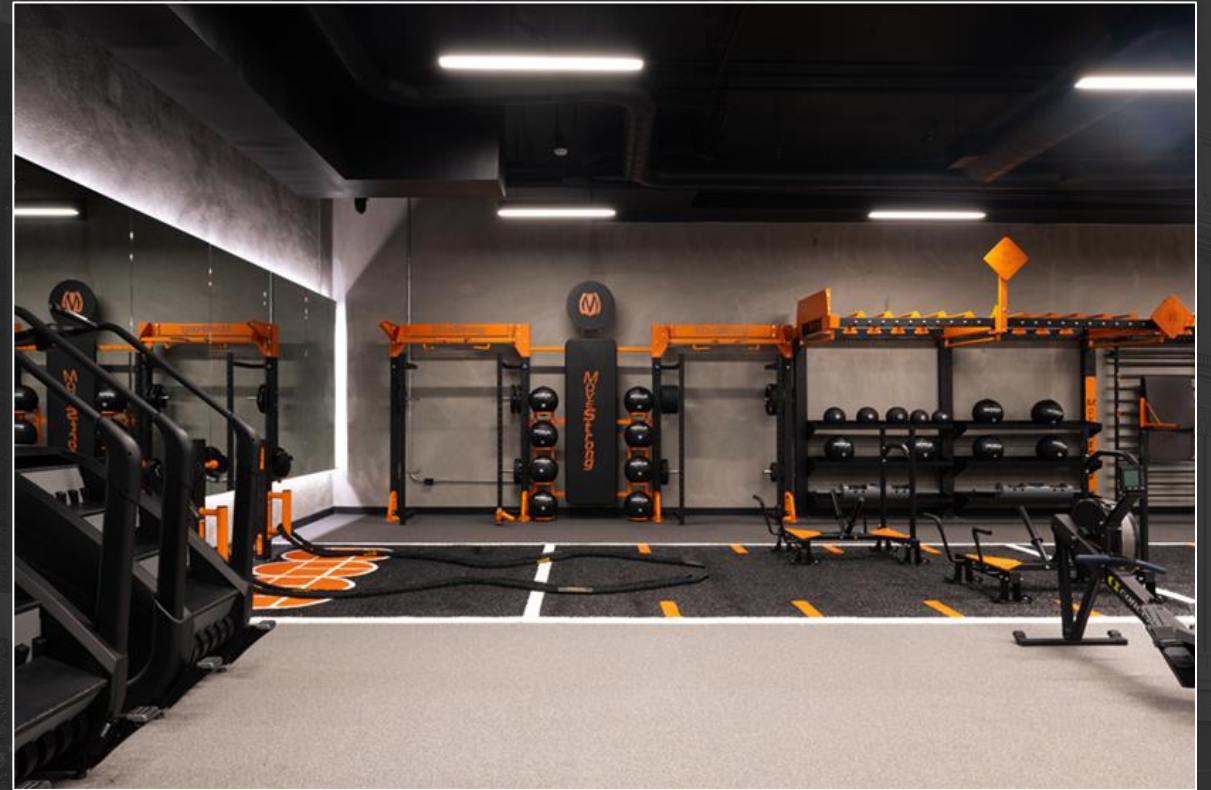
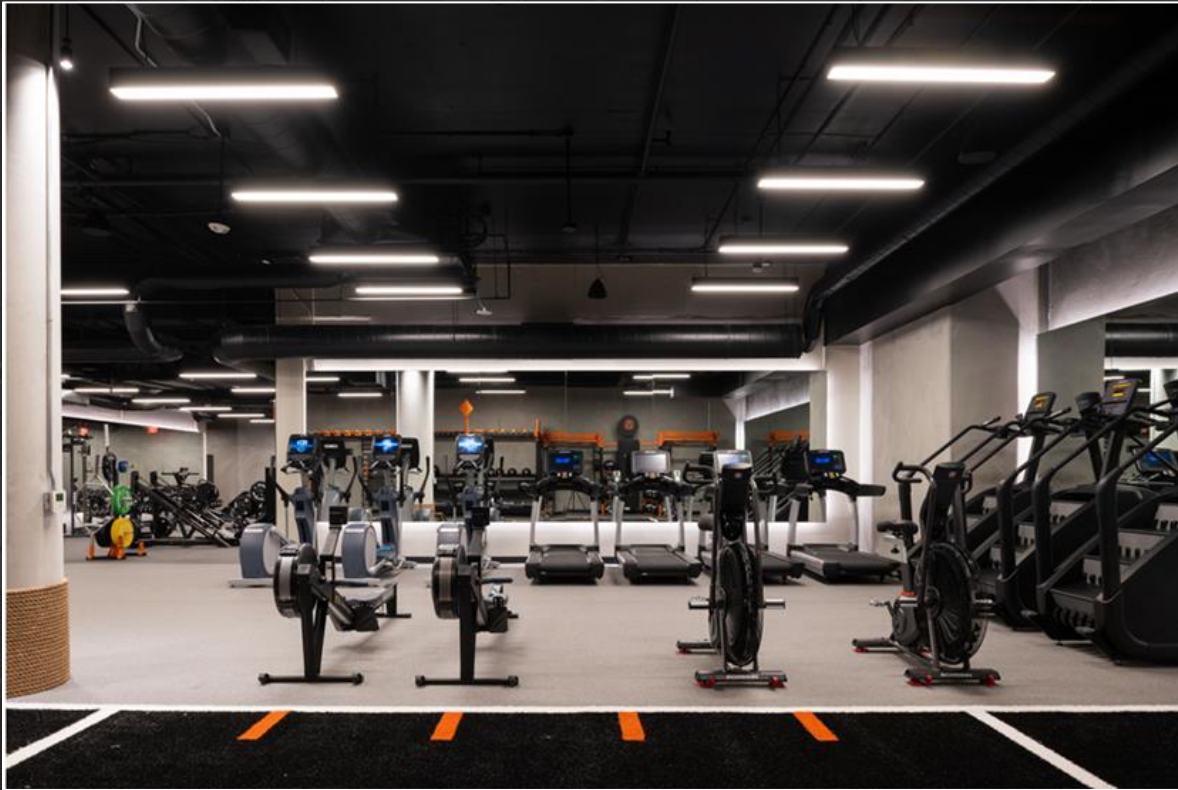


B2

Fitness
Center



B2 | Fitness Center



4F | Outdoor Terrace



4F | Coworking Lounge



4F

Coworking
Lounge



4F | Coworking Lounge



4F

Coworking
Lounge



4F | Coworking Lounge



4F

Coworking
Lounge



4F | Coworking Lounge



4F

Coworking
Lounge



Residential Units



Residential Units



Residential Units



Residential Units



Residential Units



39F

**Penthouse
Lounge**



39F | Penthouse Lounge



39F | Penthouse Lounge



39F

**Penthouse
Lounge**



39F | Penthouse Balcony



39F

**Penthouse
Balcony**



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EXPERTS**

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