

# DEAL 2: PIONEER VISTA TOWNHOMES

*In Contract: \$23M Office to Townhome Conversion in San Mateo*



## DEAL HIGHLIGHTS

- Plan includes a 3rd floor buildout and enclosing the garage level, creating ten 3-story townhomes with private rooftops.
- Spacious 4–5 bedroom, 3.5 bath units averaging 2,968 SF, larger than most single-family homes in the area.
- Luxury finishes, high-end fixtures, and premium appliances— at a much lower price than comparable single-family homes.
- Only one affordable unit required at \$880K, meeting setback waiver conditions.
- The building will be fully vacated by April 2025, allowing efficient reuse of the podium and first-floor walls.
- Exit pricing conservatively underwritten at \$830/SF vs. \$1,000/SF for comps averaging 9 years old

## MARKET HIGHLIGHTS

- SPG completed a successful \$45.5M condo conversion exit in 2024 at over \$900 PSF, resulting in a 50.6% deal level IRR
- Expected average sale price: \$2.4M (\$830/SF), while nearby single-family homes exceed \$2M and \$1,000/SF.
- As-Of Right for residential use, buildable up to 22 units
- Prime location: Within ½ mile of Caltrain, walking distance to retail, dining, and entertainment, and near Rt 101, El Camino Real, and the San Mateo Bridge.

### PROPERTY HIGHLIGHTS

Location:	San Mateo, CA
# of Units:	10
Current GSF:	27,100 SF
Planned Resi NSF:	28,600 SF
Planned Gross SF:	34,220 SF
Existing Use:	Office
Planned Use:	Residential
Unit Description:	3-5 Bed Townhomes
Avg Unit SF:	2,968 SF
Purchase Price:	\$5.5 million (\$200 psf)

Project Cost:	\$16.9 M
Estimated Exit Value:	\$22.5 M

HOLD PERIOD	27 MONTHS
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### PROJECT RETURNS

Deal Equity	\$3.75 M
Deal Profit	\$4.88 M
Deal-LEVEL IRR	47.7%
Deal MOIC	2.30x

