

By Katie Lauer – Business Journal contributor

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Editor's note: Want to be one of the first to check out The Grad San Jose in person? Join the Silicon Valley Business Journal for a special BizMix networking event on Wednesday, July 31 and tour the still-under-construction tower. [Get tickets here.](#)

A 19-story co-living building in downtown San Jose aimed at providing dorm-style student housing is close to completion nearly three years after a pair of private developers broke ground on the project.

The Grad San Jose will boast 1,039 beds in 260 units, just one block west of the San Jose State University campus. With the 1.1-acre project at 300 S. Second St., co-developers Amcal and Swenson Builders aim to cater to students who would benefit from the shared style of living so close to campus.

“It’s the location,” [Case Swenson](#), president and CEO of San Jose-based Swenson Builders, said in an interview. “It is that they are very small rooms that are going to be low-rent. We're hoping that the community housing product, which nobody has done in San Jose thus far, is something that is going to work around students.”

Incoming residents can expect to pay around \$1,200 per month for each 165-square-foot single room. (For comparison, the average rent in San Jose has increased 3 percent in the last year and now hovers around \$2,700 per month for a typical 860-square-foot apartment, [according to rental listing site RentCafe.](#))

The Grad's developers emphasize that though private spaces are small, the project features numerous communal amenities, including an exercise

center, a swimming pool with sundeck, sports courts and storage for up to 575 bikes.

Swenson, which is also both the general contractor and architect for the project, opted to keep rents lower by constructing a shared community-driven floor plan, featuring approximately four bedrooms per unit, each with a separate bathroom, with a shared common area and central kitchen. Some layouts may have only three bathrooms.

“When looking at a piece of property like this, which I've been working on for a little over 20 years, we knew that this was a prime location to be able to do something that was outside of the box and have it be a student-oriented building,” [Case Swenson](#) said. “When we ran the numbers, by not having to build as many kitchens — because they're the most expensive square footage in a typical apartment — it started to make some more sense.”

He said the project is on track for an initial 2020 expected opening and estimated that leasing could start as early as the second quarter of 2020. The Grad is coming online at a time when [another co-living project has been green-lit on the other side of downtown](#) — an 18-story, 803-unit building by the San Francisco-based startup Starcity that also offers private bedrooms arranged around communal living spaces.

The Grad San Jose — previously called “The Graduate @ SoFa” and simply “The Graduate” — also has 14,750 square feet of ground-floor retail space available. No specific retailers have been confirmed yet, [Case Swenson](#) said.

The building's rates are comparable to similarly styled floor plans around downtown, including 27 North, which is already popular with students. While rates for similar on-campus apartment style housing options at SJSU run for \$1,560 per month, it's worth noting that those leases are for

only eight months at a time and tend to offer more resident-focused activities, community space and student-only residency.

And while The Grad San Jose has been promoted as student housing for nearby SJSU, the project will rent the rooms out to whoever applies and meets the requirements. “It is definitely student housing focused, but we cannot discriminate,” Swenson said.

[Charlie Faas](#), the university's CFO and vice president for administration and finance, said that's potentially a problem.

"You can't say it's student housing, because it's not," Faas said. "I wish them well if they're housing our students. I wish them well in keeping our students happy, safe and in a good area. [But] student housing is about resident life – it's about activities and engagement. It's about getting students interacting with each other."

Faas said he's supportive of more people in downtown generally but that the combination of not knowing exactly who will actually take advantage of the co-living environment alongside a lack of organized residential life activities factored into the school's decision not to partner on the project.

"It's going to fill a need in the area for student housing, but I think people are going to see quickly it's not what they thought it's going to be," he said.

No matter who ends up moving in – whether they're independence-seeking college sophomores or downtown dreaming 30-somethings – Swenson said he believes that The Grad San Jose's additional 1,000 beds will bring much-needed new housing to the city core.

"We will have provided a very necessary need in the market," he said.

"Knowing how desperate people are for housing, and how expensive it's getting, I think putting that level of supply into the market is going to help across the board."