

RARE SILICON VALLEY REDEVELOPMENT | VALUE-ADD/OWNER-USER OPPORTUNITY

3550 N. FIRST

±76,690 SF | ±5.91 ACRES

SAN JOSE, CA



THE OFFERING

Cushman & Wakefield, as exclusive advisor, is pleased to present the opportunity to acquire the 100% fee simple interest in 3550 N 1st Street (the "Property"), a two-story R&D building totaling $\pm 76,690$ square feet on a 5.91 acre parcel that includes approximately 2.5 acres of additional land for future development.

The Property, currently owned by Analog Devices, offers an investor the opportunity to renovate and release the building or an owner/user the opportunity to occupy the existing site for its own use. In addition, the Property has been identified in the City of San Jose's Housing Element Sites Inventory as a potential site for residential redevelopment.

PROPERTY HIGHLIGHTS

- 76,690 Square Feet Total Rentable Area
- 5.91 acres
- Full Height Lobby
- $\pm 13'4"$ to $\pm 16'6"$ Clear Heights
- Dock and Grade Level Loading
- 2,000 Amps at 480/277 3 Phase
- EV Charging Stations
- $\pm 4.6/1,000$ Parking
- 300 kW Back Up Generator
- Excess Land Available On the Site for Future Expansion
- Across the Street from the Tasman Light Rail Station



PROPERTY HIGHLIGHTS

- **COVETED GOLDEN TRIANGLE LOCATION**

Offering easy access to the Greater Silicon Valley via Interstate 880 and Highways 101 and 237.

- **PROXIMITY TO AMENITIES AND HOUSING**

Surrounded by several retail centers, with shopping and restaurants and directly across the street from thousands of new housing units.

- **TRANSIT ORIENTED LOCATION**

The Tasman Light Rail Station is directly across the street from the Property, this station is only four stops from the Milpitas BART Station.

- **HIGHLY FUNCTIONAL BUILDING**

The Building is two story with a full height lobby and a functional layout offering a mix of office, labs, warehouse areas and excellent glass line. The Property has 2,000 amps of power at 480/277 Volts, dock and grade level loading and above market parking meeting the requirements of today's R&D tenants.

- **REDEVELOPMENT OPPORTUNITY**

Situated on 5.91 acres, the Property contains approximately 2.5 acres of excess land allowing for additional square footage to be added to the site.



INVESTMENT HIGHLIGHTS



VALUE-ADD OR OWNER/USER OPPORTUNITY

The Property will be delivered vacant, allowing an investor the opportunity to renovate and lease up the buildings in a dynamic North San Jose submarket. Alternatively, the Campus allows for an owner/user to purchase the site for their own occupancy, there are limited opportunities for users to purchase R&D buildings in Silicon Valley.



POTENTIAL FOR FUTURE RESIDENTIAL DEVELOPMENT

Recently the city of San Jose identified the Property as a site for future housing in San Jose's draft 2023-2031 Housing Element that was submitted to the California Department of Housing and Community Development. Per the City's designation, the site has been identified for 475 units.



CONTINUED CORPORATE LAND GRAB

In 2004, Apple and Google combined to occupy 4.5 million square feet in the Silicon Valley. Since then, those two companies along with Amazon, Meta (Facebook) and Microsoft/LinkedIn now occupy over 59 million square feet in the market. This tremendous growth caused tenants who traditionally were located along the Highway 101 corridor to shift to the south and east to submarkets like North San Jose when looking for space.



SHRINKING R&D SUPPLY

Over the past eight years, Silicon Valley has undergone significant redevelopment with over 400 older R&D/Industrial buildings totaling nearly 22 million square feet being torn down and replaced with new high-rise office, residential and mixed-use projects. This has resulted in a dwindling R&D building base, effectively removing competitive buildings from market.



POTENTIAL FOR RESIDENTIAL REDEVELOPMENT

The City of San Jose has identified 3350 N 1st and several other surrounding properties as a potential sites for residential redevelopment in their 2023 -2031 Housing Element. The Housing Element is the City's eight-year housing strategy with the purpose of identifying the City's housing needs and address the State of California's state law regarding necessary housing units per city. The Housing Element is in draft form so not finalized but has been submitted to the State of California's Department of Housing and Community Development for review. 3550 N 1st Street has been identified in the Housing Element as a Lower Income Site with density of 75 units per acre or total of 475 units.

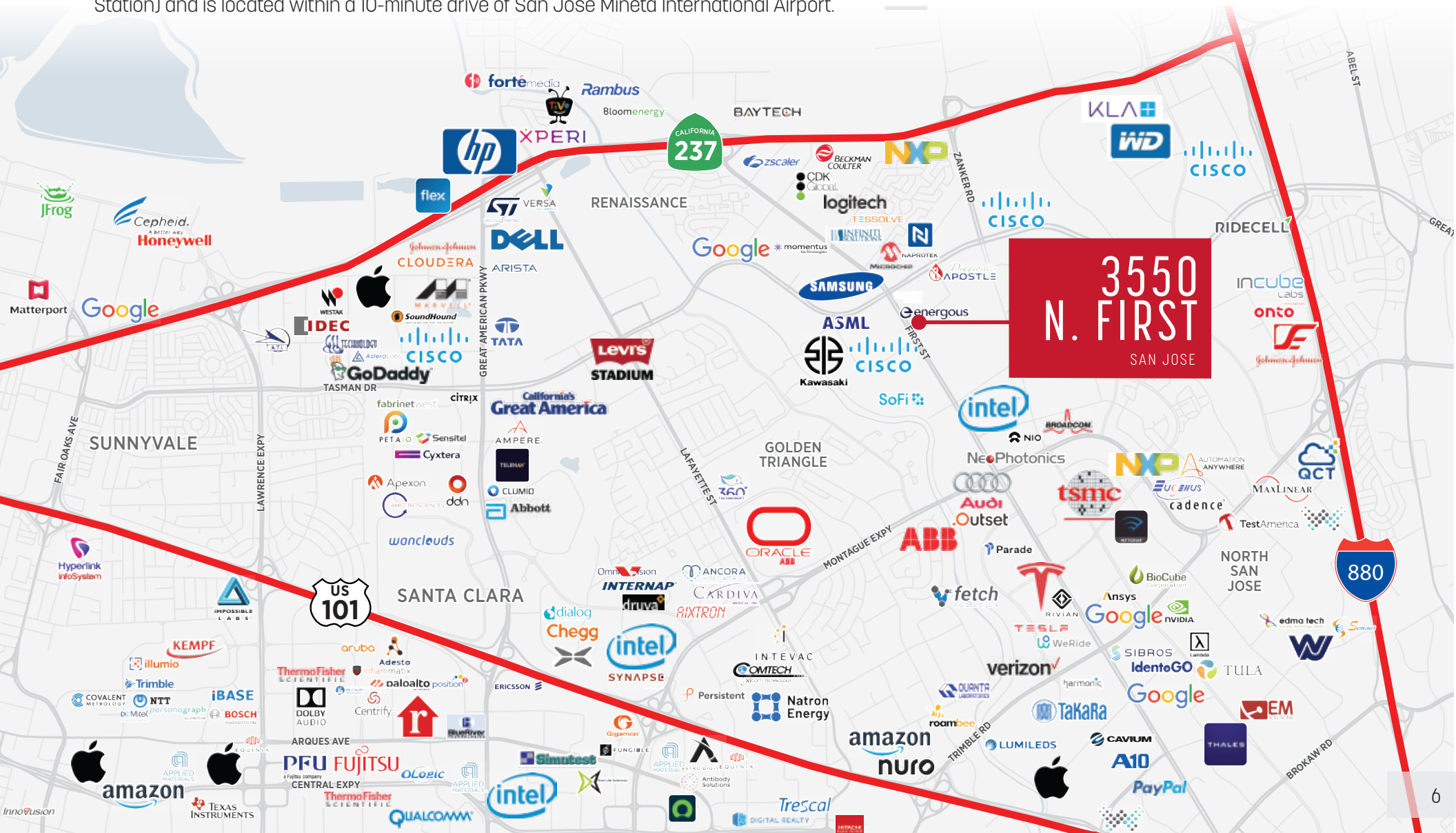
The Draft Housing Element can be accessed via the link below:

[2023-2031 DRAFT HOUSING ELEMENT](#)



COVETED GOLDEN TRIANGLE LOCATION

The Golden Triangle is the designated area between Highway 101, State Route 237, and Interstate 880 that incorporates part of North San Jose, Santa Clara, Sunnyvale, and Milpitas. The Property is adjacent to the North First Street Corridor in the heart of the Golden Triangle which serves as a preferred location for world-leading technology and life science firms including Google, Apple, Samsung, Raytheon, Micron, PayPal, Abbott, and Johnson & Johnson. The Property enjoys quick access to I-880, Hwy-101, and SR-237 via Montague Expressway along with convenient light rail service (Tasman Station) and is located within a 10-minute drive of San Jose Mineta International Airport.



PROXIMITY TO AMENITIES & NEW / PLANNED HOUSING

3550 N 1st St is central to number of shopping centers including several options just across Tasman Drive (Subway, Round Table Pizza, La Catalana, Sendo Sushi, Mina's Korean BBQ). In addition directly across both Baypointe Drive and North 1st Street there is over 4,000 recently constructed residential units offering excellent options for housing for employees and also proving this area can support residential projects of scale.



- @FIRST**
- Target
 - Starbucks
 - Panera Bread
 - Chipotle Mexican Grill
 - Five Guys
 - Fish's Wild
 - Chick-fil-A
 - Rok Steakhouse & Grill
 - SAJJ Mediterranean
 - Panda Express
 - Shan Restaurant
 - Blue Water Seafood & Crab
 - Round Table
 - CVS

- La Catalana
- Subway
- Mina's Korean BBQ
- Sendo Sushi
- Round Table Pizza
- Halal Gyro Express
- Von Chicken

- MCCARTHY**
- Best Buy
 - Michael's
 - PetSmart
 - Walmart
 - Big Al's
 - Starbucks
 - Macaroni Grill
 - On the Border
 - Banana Leaf
 - DishDash
 - Black Angus Steakhouse
 - Dindigul Thaiappakatti
 - Aria Dining & Banquets
 - The Sandwich Spot
 - Konaseerna xpress
 - Taqueria Los Cunados
 - Togo's
 - In N Out
 - Tea Top
 - Shabuya
 - V Sushi

- Faz Restaurant
- Capriotti's Sandwiches
- Caffé Bene

- Courtyard Marriott
- Hyatt House

- Samsung Cafe
- Honeyberry

- Levi's Stadium
- Bourbon Steak

- A2B Indian
- Inchin's Bamboo Garden
- Blast & Brew
- Salad Farm
- Starbucks
- Pokeworks

3550 N. FIRST
SAN JOSE

- MERCADO**
- In-N-Out Burger
 - AMC Mercado 20
 - Starbucks
 - SmokeEaters
 - Panda Express
 - Tomatina
 - Subway
 - TJ Maxx & Homegoods
 - Walmart Neighborhood Market
 - Jamba Juice
 - World Wrapps
 - Pho Hoa Noodle Soup
 - Tostadas Prime
 - The Roasted Crab
 - Paris Baguette

- Safeway
- Meet Fresh
- Chipotle
- Poke House
- Premier Pizza
- The Kebab Shop
- Cold Stone
- Red Robin
- Easterly
- Jersey Mike's
- Fantasia Coffee & Tea
- Peet's Coffee

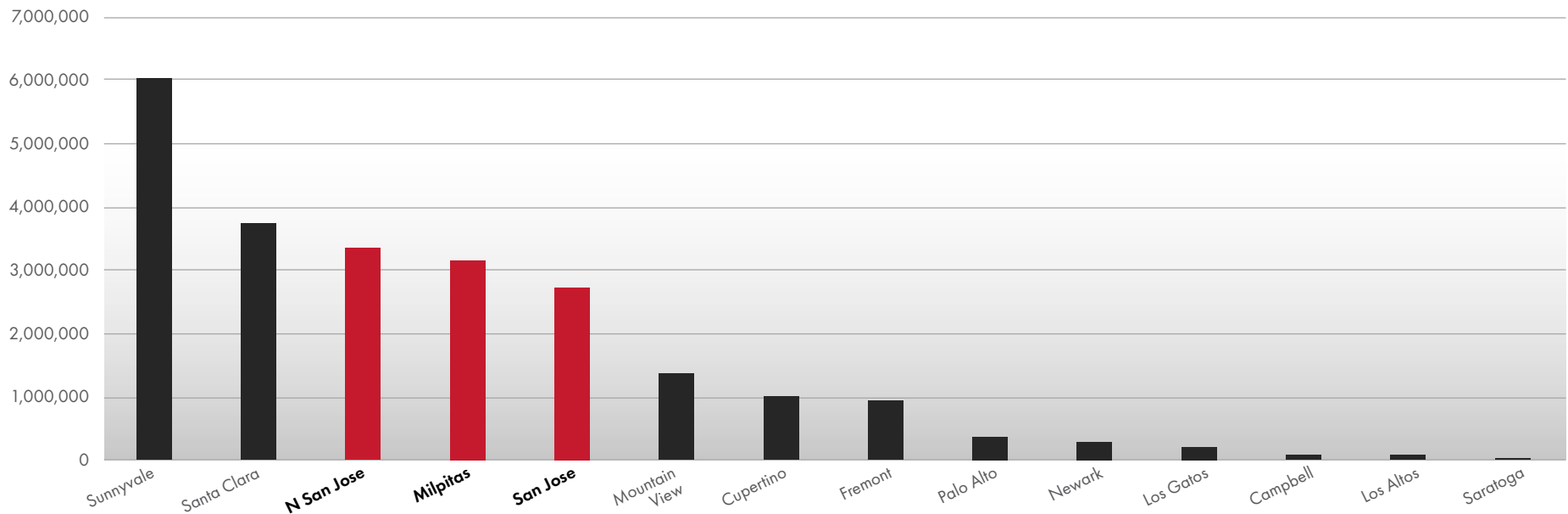
- Hobee's
- Go Fish Poke Bar
- Subway
- Starbucks
- Bimbibowl



LIMITED SUPPLY & DECLINING R&D BASE

Due to the limited availability of undeveloped land, the Silicon Valley R&D and industrial markets have undergone significant redevelopment that has resulted in buildings being torn down to make way for new high-rise office buildings, residential and mixed-use projects. Over the past decade, 440 buildings have been demolished, totaling approximately 23.4 million square feet. Of these demolished buildings, 10.4 million square feet have been redeveloped to office and industrial, 4.4 million square feet to retail and mixed use, and 8.7 million square feet to residential. In addition, in the near term, an additional 2.3 million square feet across 46 R&D properties are expected to be torn down for redevelopment, with about 1.4 million square feet being torn down in North San Jose, Milpitas, and Santa Clara alone. This creative destruction is expected to continue as demand remains strong, especially for housing and mixed-use projects.

LOSS OF SQUARE FOOTAGE BY CITY/SUBMARKET



CONTINUED CORPORATE LAND GRAB

TOTAL SILICON VALLEY OFFICE/R&D FOOTPRINTS

Apple, Google, Facebook, Microsoft/LinkedIn and Amazon have massive corporate footprints in the Bay Area. These five companies have increased their Silicon Valley footprints from **4.5 million square feet** in 2004 to over **59 million square feet** today.

**3550
N. FIRST**
SAN JOSE

MOUNTAIN VIEW

SUNNYVALE

SANTA CLARA

SAN JOSE

SAN JOSE
INTERNATIONAL
AIRPORT

TOTAL SILICON VALLEY INVENTORY

FACEBOOK	11,473,586 SF
APPLE	17,265,428 SF
AMAZON	5,647,762 SF
NETFLIX	726,176 SF
GOOGLE	27,887,743 SF
MICROSOFT/LINKEDIN	3,100,000 SF



MENLO PARK / PALO ALTO



FREMONT / NEWARK



WEST VALLEY

CITY OF SAN JOSE/NORTH SAN JOSE

The City of San Jose, the Capital of Silicon Valley, is the largest in the bay area. With a population of nearly one million people, it is the 12th biggest in the U.S. and the 3rd largest in California. After more than 100 years as a small farming town, San Jose has experienced tremendous growth during the past few decades. San Jose is a strategic regional location for many businesses with convenient access to freeways, airports, railroads, expressways, light rail, and other public transportation. North San Jose is considered the City's premier Business District and is home to more than half of the City's major tech companies. Major employers include technology giants Cisco Systems, IBM, Apple, Google, Oracle, and Adobe.

SAN JOSE AT A GLANCE

181

SQUARE MILES

971,233

POPULATION

3RD LARGEST

CITY IN CALIFORNIA
BY POPULATION

\$210,235

GDP PER CAPITA

SAN JOSE

INTERNATIONAL AIRPORT
1 MILLION+ MONTHLY PASSENGERS

SUPERIOR

PUBLIC TRANSPORTATION



SAN JOSE

CONVENTION CENTER
& SAP CENTER

HOME TO

SANTANA ROW

SILICON VALLEY'S "RODEO DRIVE"

GOOGLE'S

DOWNTOWN WEST

80-ACRE PLANNED DEVELOPMENT



DOWNTOWN SAN JOSE

ABUNDANT AMENITY BASE

San Jose residents and visitors enjoy a variety of retail and entertainment amenities. Levi's Stadium opened for the 2014 football season and is home of the 49ers. In addition, SAP Center, home of the National Hockey League San Jose Sharks and Arena Football League SaberCats, hosts nearly 200 events per year including the area's major concerts and a variety of national sporting events. There are also several museums located in the city including The Tech Museum, San Jose Museum of Art and Children's Discovery Museum of San Jose. Additionally, the San Jose Convention Center encompasses 143,000 square feet of exhibit space, and 31 meeting rooms and banquet facilities that can accommodate approximately 5,000 people. Nearby recreational amenities include Coyote Creek Trail, Guadalupe River Trail, and the San Jose Municipal Golf Course. San Jose's North First Street corridor is rich with amenities to serve the area's large employment base.

MAJOR EMPLOYERS

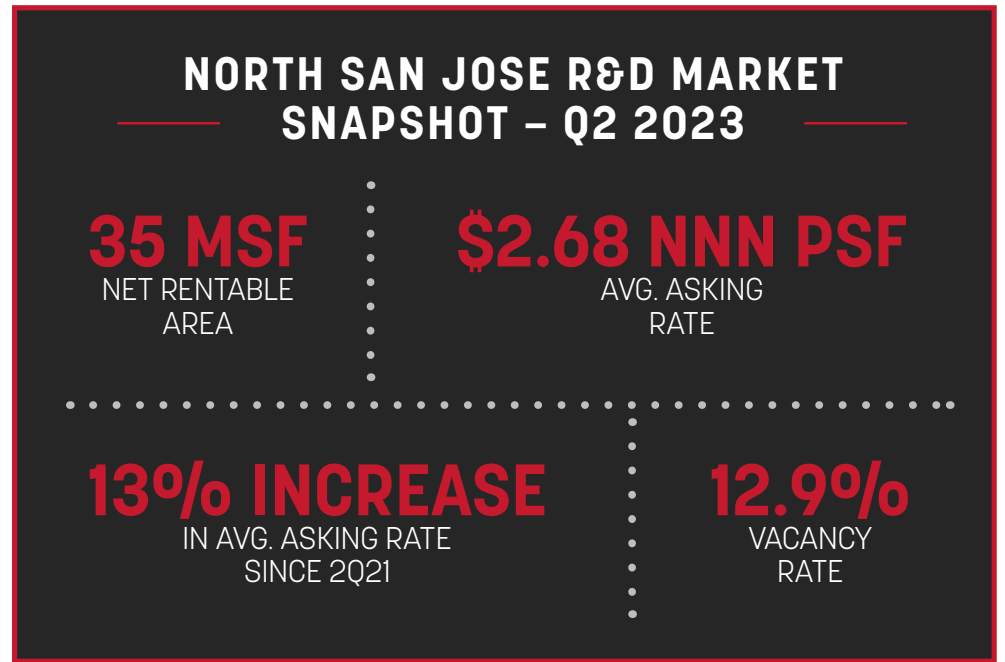


CORPORATE MIGRATION

A large driver of demand in North San Jose has been the migration of major tenants to Silicon Valley submarkets. Since 2011, large technology companies such as Apple, Google, Amazon, Microsoft/ LinkedIn and Facebook have significantly expanded their real estate footprints in western Silicon Valley, substantially altering market fundamentals. The largest and most innovative voices in technology, remain in Silicon Valley, and will continue to encourage migration trends.

CURRENT TENANTS LEADING LEASE TRANSACTIONS

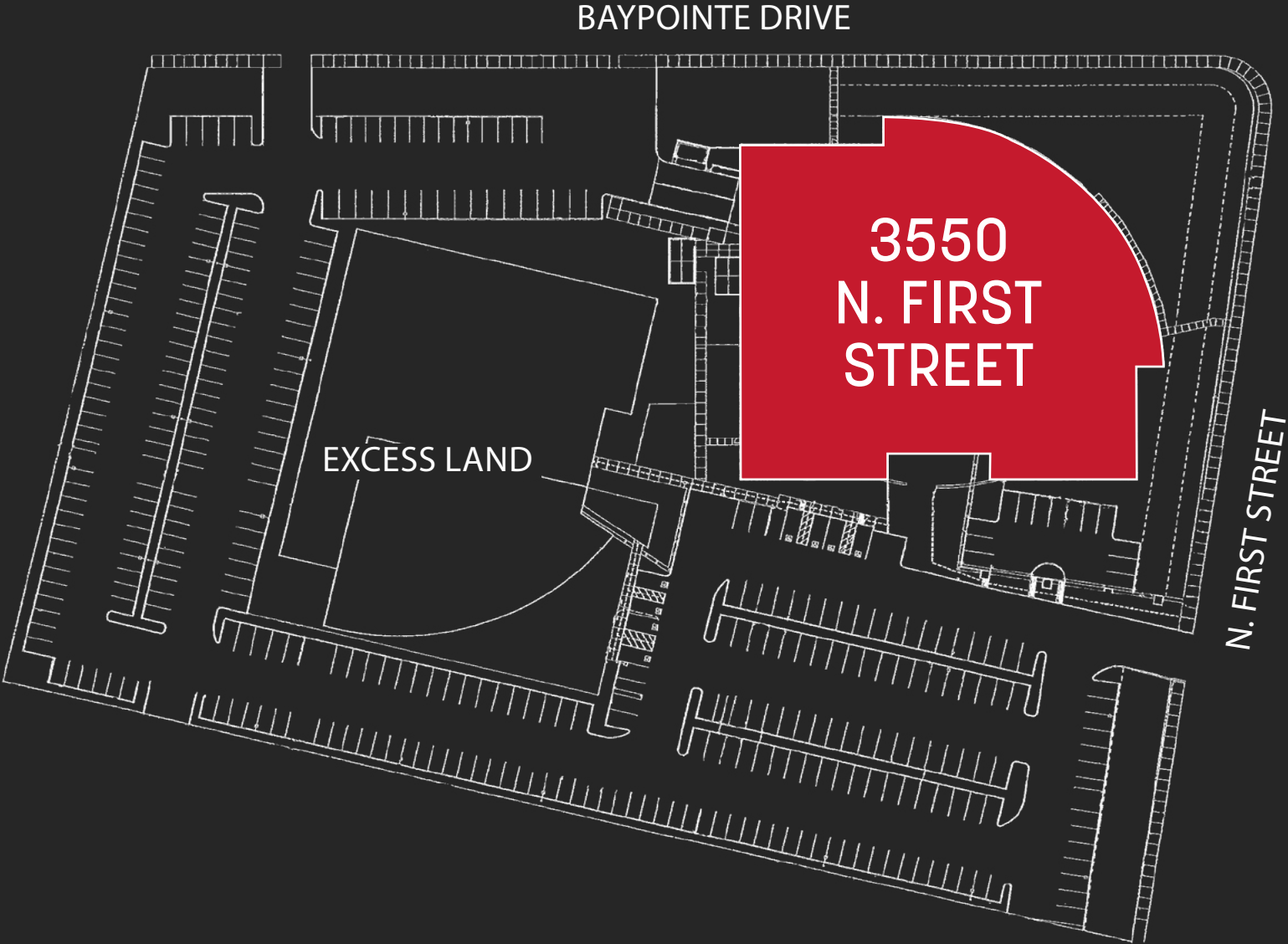
As new construction projects are not being undertaken in the Silicon Valley R&D market, build-to-suit projects and customizable build-outs for established tenants are the main focal point of development in the Valley. Although space requirements are tenant-specific and variable, Cushman & Wakefield is currently tracking approximately 3.3 million square feet of active office/R&D tenant requirements in Silicon Valley, an increase from 2.9 million square feet last quarter. Key transactions from Q2-23 include a 411,227 square-foot renewal by Google in Mountain View and an 84,560-square-foot renewal by Fetch Robotics in North San Jose.



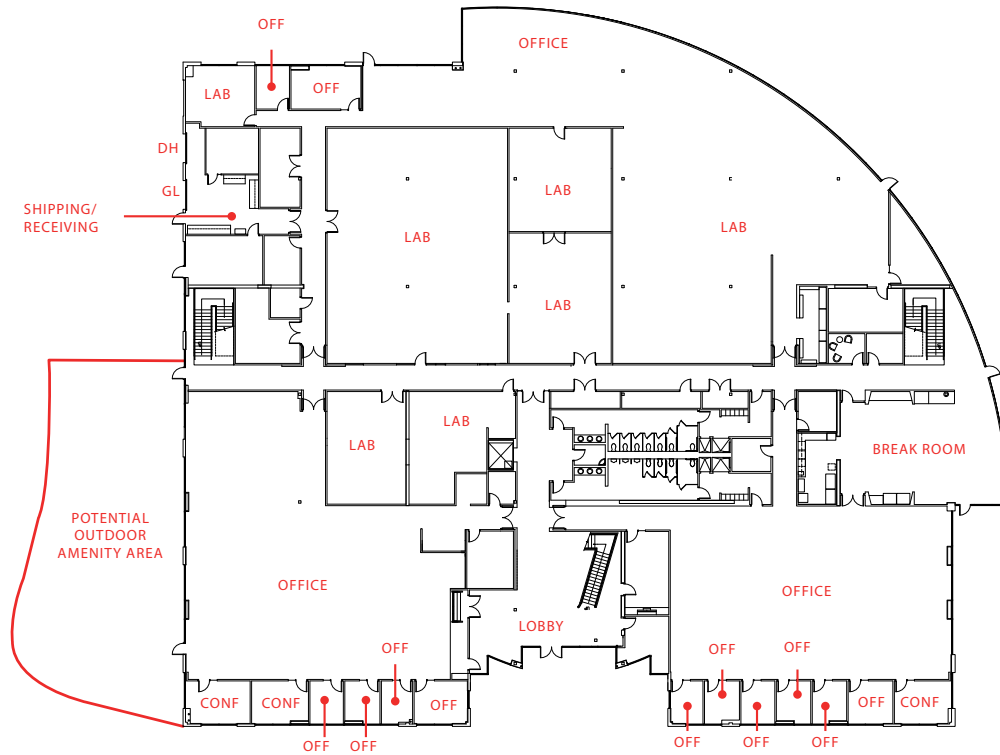
KEY LEASE TRANSACTIONS 2Q 2023

Property	Submarket	Tenant	Square Feet	Type
1800-2000 Charleston Road	Mountain View	Google	411,227	Renewal
2811 Orchard Pkwy	North San Jose	Fetch Robotics	84,560	Renewal
1237 E Arques Avenue	Sunnyvale	Cerebras Systems, Inc.	68,608	Renewal
475 Ellis Street	Mountain View	Google	67,000	Renewal
2500 Walsh Avenue	Santa Clara	CommScope	65,840	Renewal

SITE PLAN

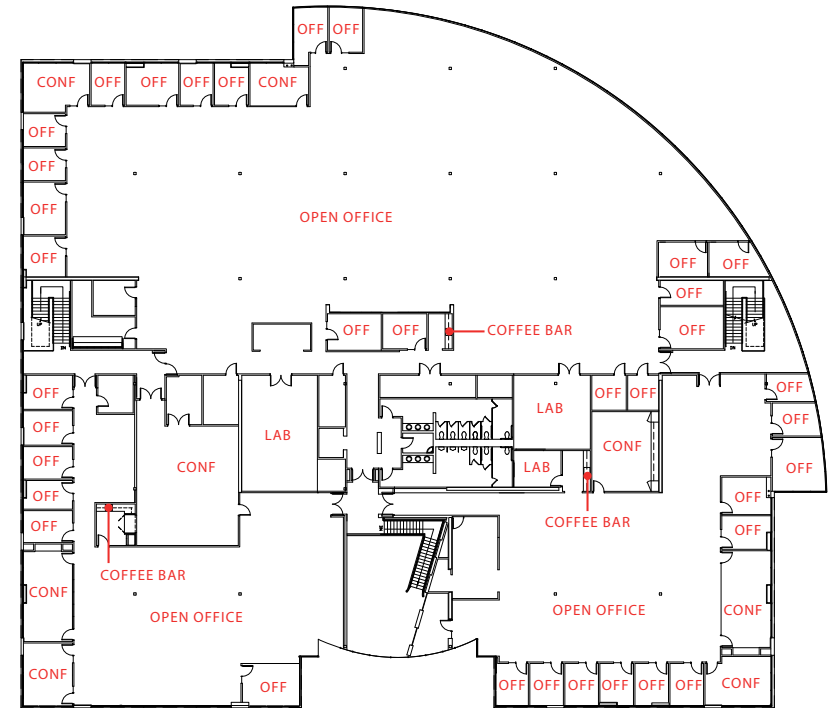


FLOOR PLANS



FIRST FLOOR / ±76,690 SF

- Open Office Areas
- 3 Conference Rooms
- 12 Offices
- 1 Dock High Loading Door
- 1 Grade Level Loading Door
- Break Room
- Showers with Lockers



SECOND FLOOR / ±76,690 SF

- Open Office Area
- 8 Conference Rooms
- 35 Offices

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