



Market Park
SOUTH VILLAGE

SILICON VALLEY'S PREMIER MIXED-USE TRANSIT ORIENTED DEVELOPMENT OPPORTUNITY

NEWMARK

—Est. 1955—
BORELLI
INVESTMENT COMPANY

THE OFFERING

MARKET PARK SOUTH VILLAGE

Newmark, as exclusive advisor, is pleased to present the generational opportunity to acquire Market Park South Village (“South Village” or the “Property”), Silicon Valley’s largest mixed-use transit-oriented development site. Spanning 63-acres, South Village has zoning and EIR approval for between 1,700-3,450 residential units, 1.5M - 3.4M SF of commercial space, and nearly 6.5 acres of dedicated park area complimented by miles of walking/biking trails, flowing creeks, and vibrant plant life, all seamlessly integrated with the new Berryessa Bay Area Rapid Transit (“BART”) station in San Jose, CA.



MASTER-PLANNED DEVELOPMENT WITH INTEGRATED AMENITY BASE

The retail & housing amenities provided in the Urban Village plan will create the small-town neighborhood environment that residential tenants desire and indoor/outdoor amenity that tenants require in order to compete for talent with the largest Silicon Valley companies without developing their own campus.



PATH OF GROWTH LOCATION FOR LARGE USERS TO CAPTURE HIGH CALIBER WORKFORCE

Silicon Valley's supply constraints have driven new and tenured companies to expand southeast along transit nodes, like Market Park at Berryessa Station, in order to take advantage of rent savings for large blocks of space while still tapping into the most desirable employee base.



FULLY ENTITLED DEVELOPMENT & APPROVED EIR

South Village, the second phase of the Market Park development project, has received full zoning and Environmental Impact Report ("EIR") approvals. The project could receive permit approval and break ground as early as 2023, or additional entitlement work could be done to reconfigure the development.



RECORD DEMAND DRIVEN BY TECH & LIFE SCIENCE

The world's largest technology companies saw exceptional growth during the pandemic and their need for large blocks of space are not going away. At the same time, demand from a rapidly growing Life Science sector has reduced the supply of Class A office space thus and displacing tenants southeast, towards Market Park South Village.



TRANSIT-ORIENTED DEVELOPMENT OPPORTUNITY

Over the past several decades transit nodes have been the primary driver of both commercial & multifamily demand, which has spurred the development of nearly every site with direct proximity to rail stations. As such, Market Park South Village remains one of the, if not the, last remaining core opportunity for developers looking for scale.



HIGH BARRIERS TO ENTRY CONSTRAIN SUPPLY

Home values across the Bay Area have increased by an average of 18% in just the past 12 months, with some areas experiencing increases higher than 30%. Historically, approximately 45% of households in Silicon Valley have rented as opposed to owned, as home values continue to sky rocket, more households will rent in order to live in Silicon Valley.



FULLY ENTITLED & APPROVED EIR

MARKET PARK SOUTH VILLAGE



63
ACRES



3,433
UNITS



3.4M
SQ. FT.



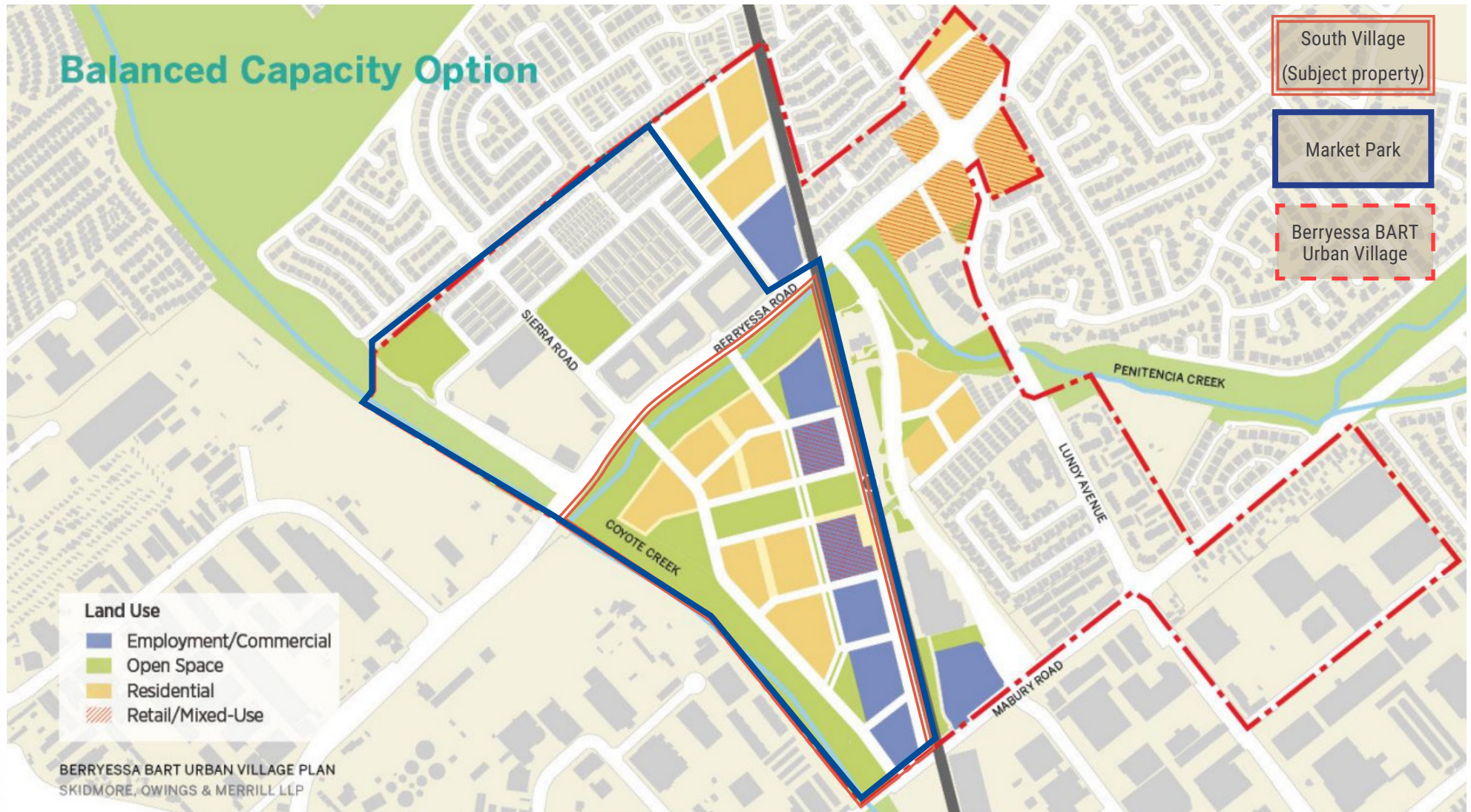
6.4
AC PARK



14K
STALLS



Market Park San Jose is one of four districts at the core of the City of San Jose's planned Berryessa BART Urban Village. The plan for the city's first transit urban village encompasses 270 acres — including Market Park's 120 acres — centered on the Berryessa Transit Center. The vision calls for an attractive and vibrant urban community with a mix of employment and residential uses, including up to 4,800 new housing units, 6.7 million sq. ft. of commercial and office space, and jobs for 22,000 people — all accessible via transit, bicycling and walking. Market Park San Jose is a key element in this vision.

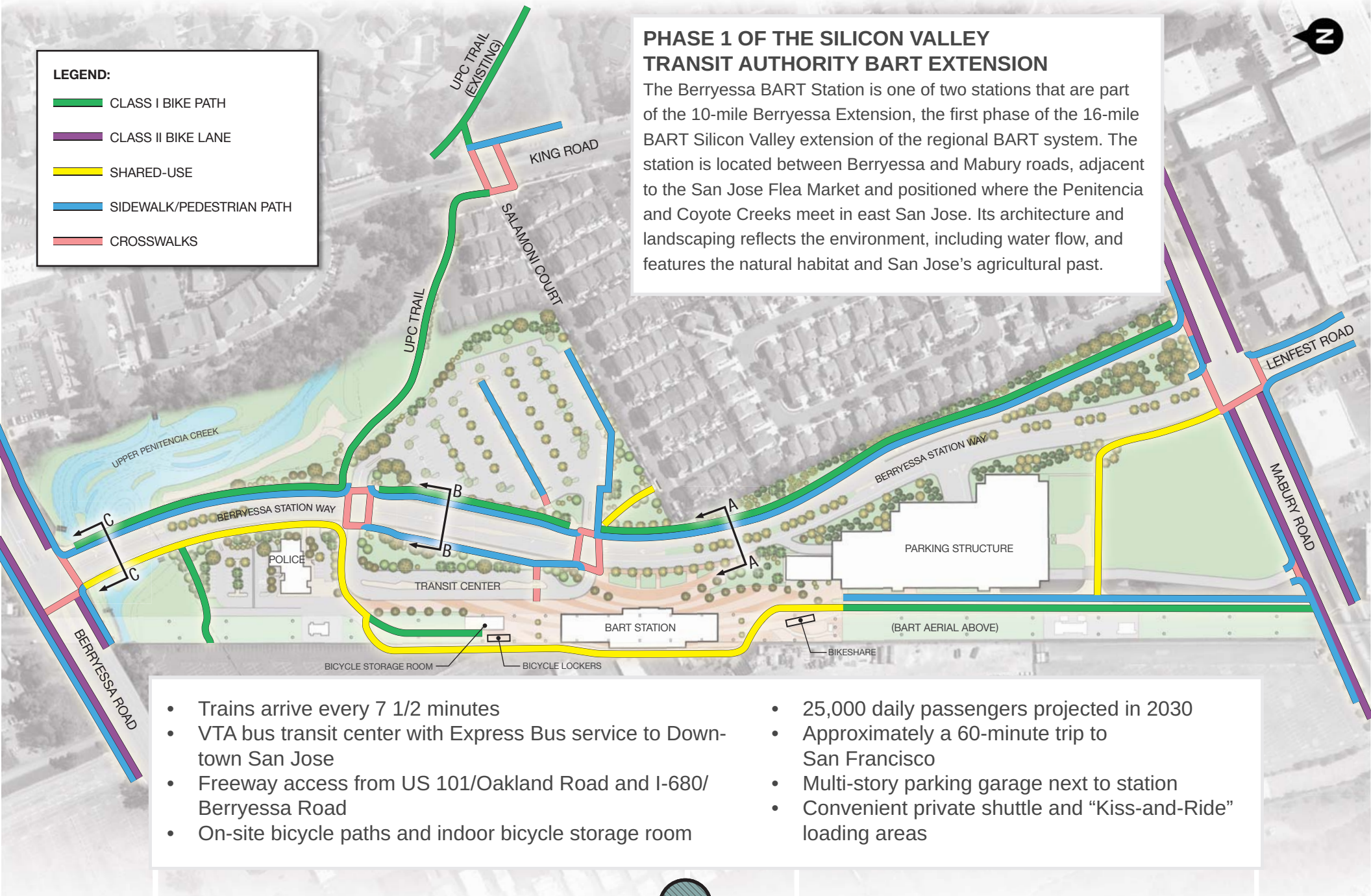


LEGEND:

- CLASS I BIKE PATH
- CLASS II BIKE LANE
- SHARED-USE
- SIDEWALK/PEDESTRIAN PATH
- CROSSWALKS

PHASE 1 OF THE SILICON VALLEY TRANSIT AUTHORITY BART EXTENSION

The Berryessa BART Station is one of two stations that are part of the 10-mile Berryessa Extension, the first phase of the 16-mile BART Silicon Valley extension of the regional BART system. The station is located between Berryessa and Mabury roads, adjacent to the San Jose Flea Market and positioned where the Penitencia and Coyote Creeks meet in east San Jose. Its architecture and landscaping reflects the environment, including water flow, and features the natural habitat and San Jose's agricultural past.

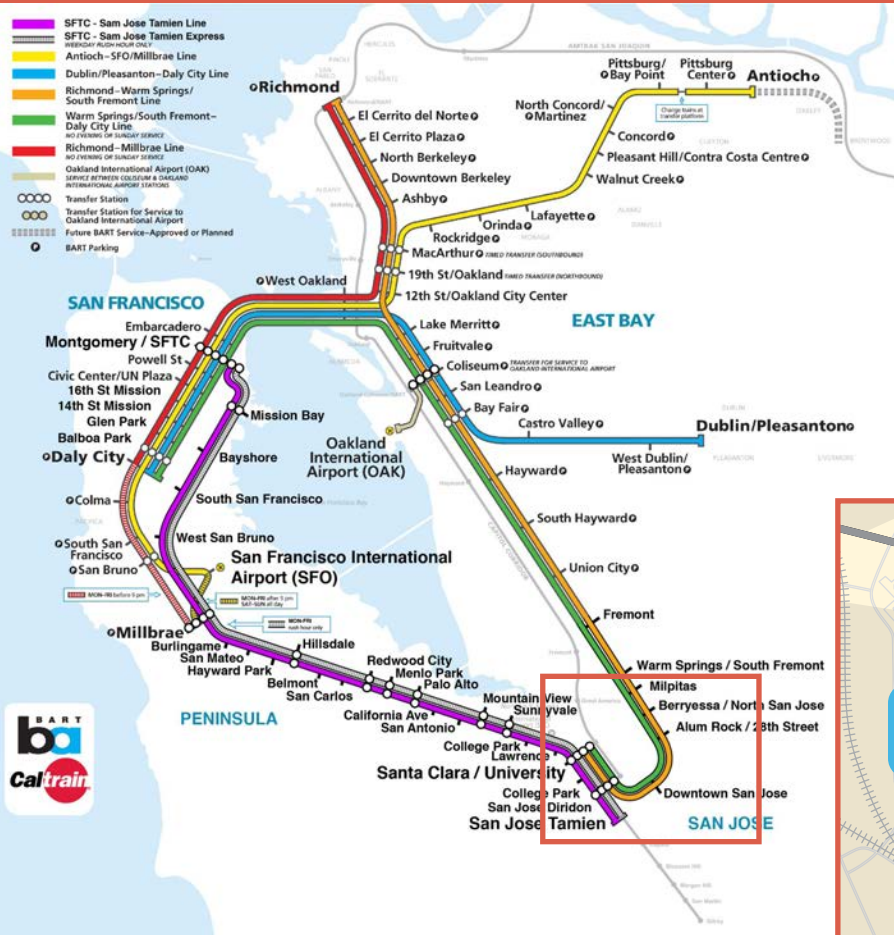


- Trains arrive every 7 1/2 minutes
- VTA bus transit center with Express Bus service to Downtown San Jose
- Freeway access from US 101/Oakland Road and I-680/Berryessa Road
- On-site bicycle paths and indoor bicycle storage room

- 25,000 daily passengers projected in 2030
- Approximately a 60-minute trip to San Francisco
- Multi-story parking garage next to station
- Convenient private shuttle and "Kiss-and-Ride" loading areas

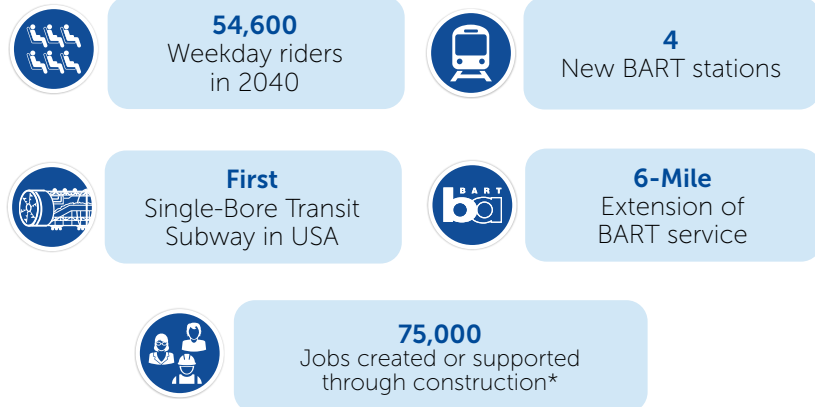
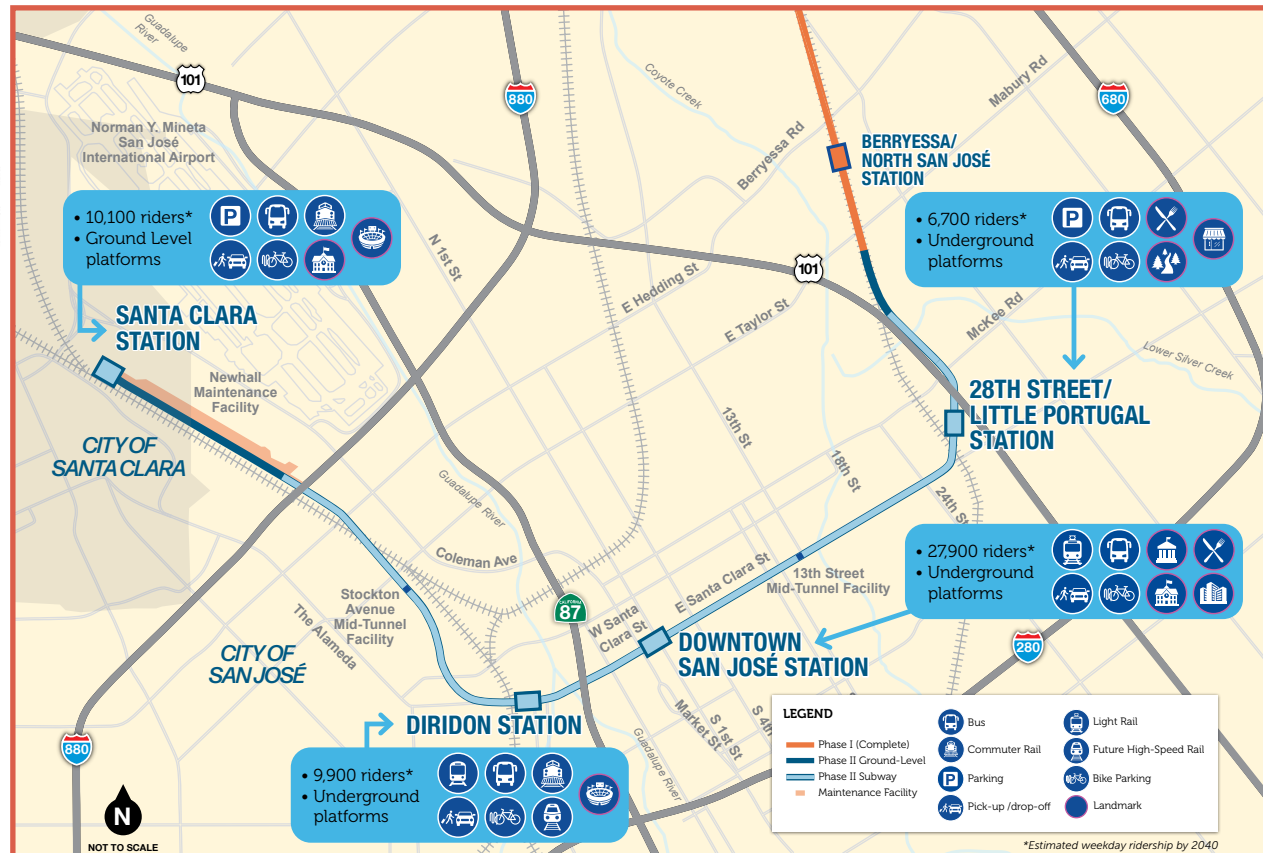
FUTURE CONNECTIVITY TO CALTRAIN

MARKET PARK SOUTH VILLAGE



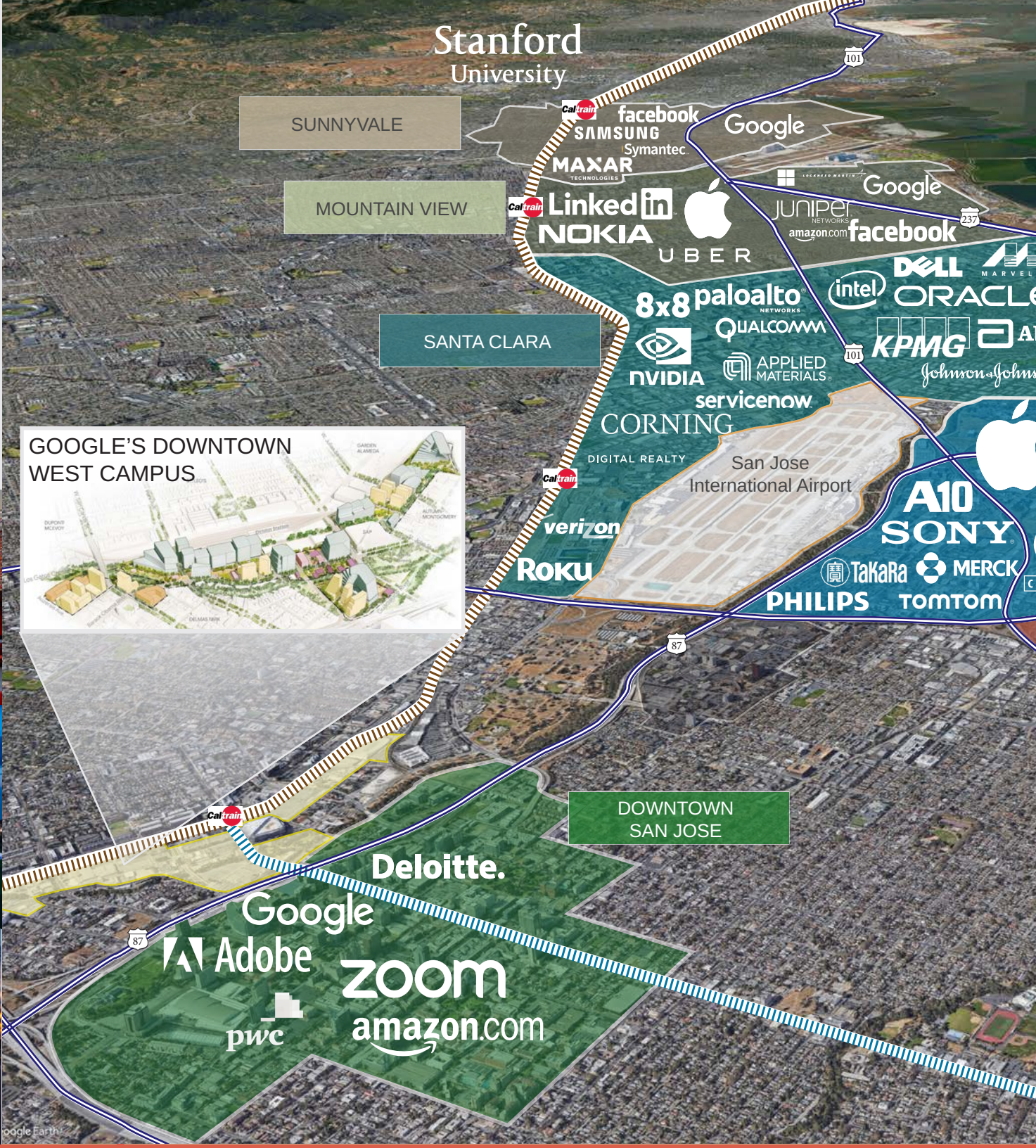
PHASE 2 OF THE SILICON VALLEY VTA & BART EXTENSION

VTA's BART Silicon Valley Phase II Extension (Phase II Project) is a six-mile, four-station extension of BART from Berryessa/North San José Station (opened 2020) through downtown San José to the City of Santa Clara. The Phase II Project is planned to include an approximately five-mile subway, three stations with underground platforms (28th Street/Little Portugal, Downtown San José, and Diridon), one ground-level station (Santa Clara), a train maintenance and storage facility, and additional facilities.



WORLD CLASS LOCATION

Market Park South Village will benefit from a plethora of entertainment options, from world class stadiums & arenas, to scenic beaches & forests, and renowned restaurants and night-life Silicon Valley has something for everyone.



GOOGLE'S DOWNTOWN WEST CAMPUS

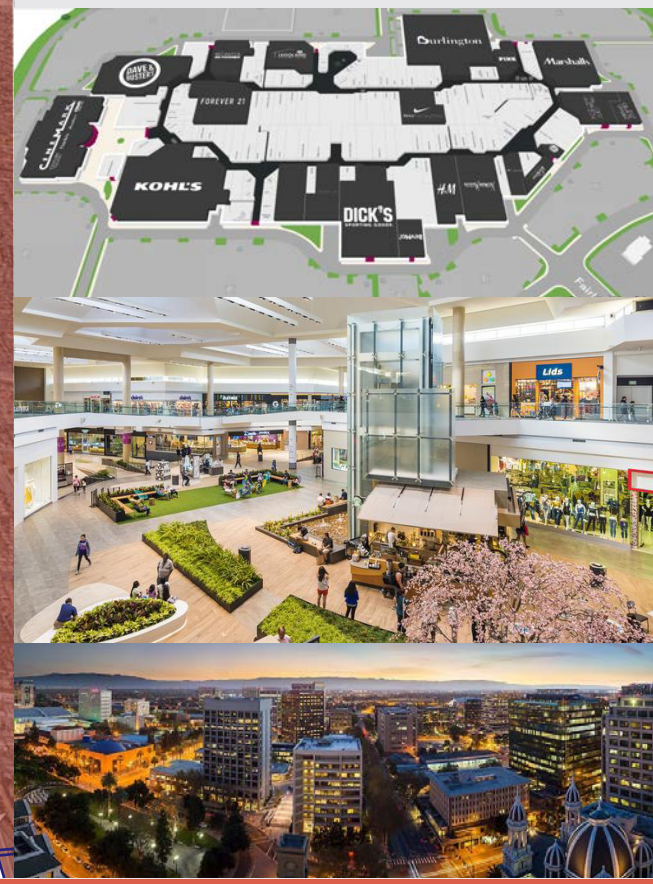


Palo Alto, Sunnyvale, and Mountain View have historically been the preferred submarkets for Silicon Valley's technology companies, but increasing competition between just a handful of tech companies has not only displaced everyone else, but has even displaced the most aggressive of those tech companies. As a result, companies have been moving further southeast, towards Market Park South Village, in order to find more affordable high quality space at scale.

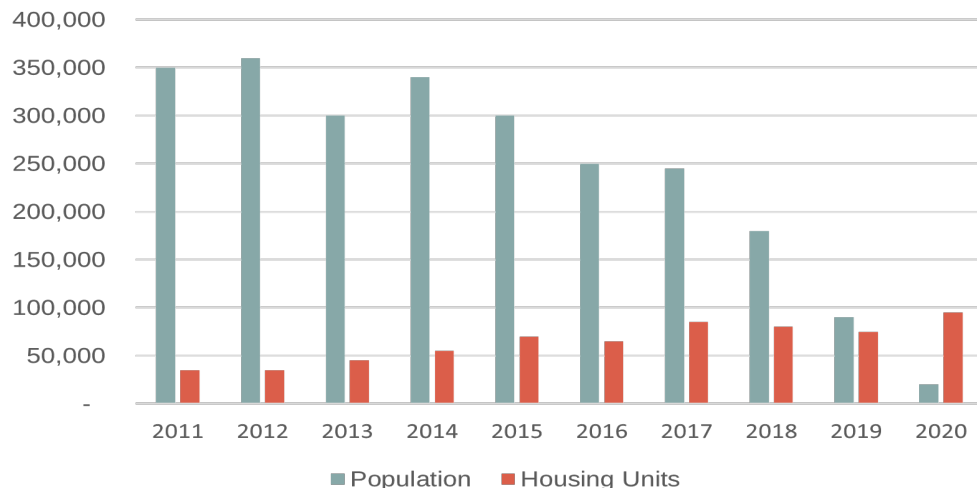


ACCESS TO ENDLESS AMENITIES

Market Park South Village will offer its tenants a convenient local retail base onsite for most of their day to day needs. This retail marketplace will be complemented by big box retailers at the Milpitas Great Mall and the dense urban amenities of Downtown San Jose, each of which are just 5 minutes from their front door via BART.

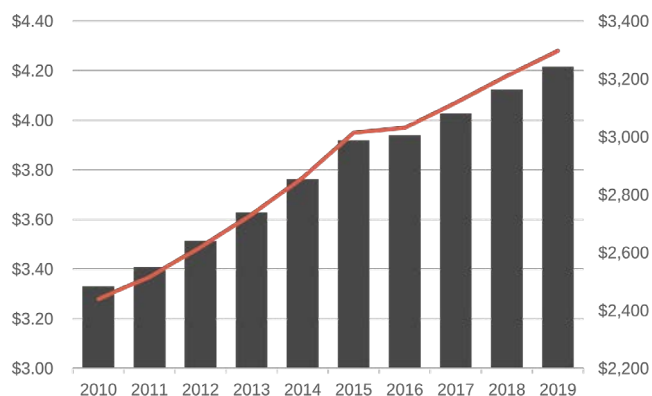


LACK OF DEVELOPMENT IS INCREASING HOME VALUES AND MARKET RENTS

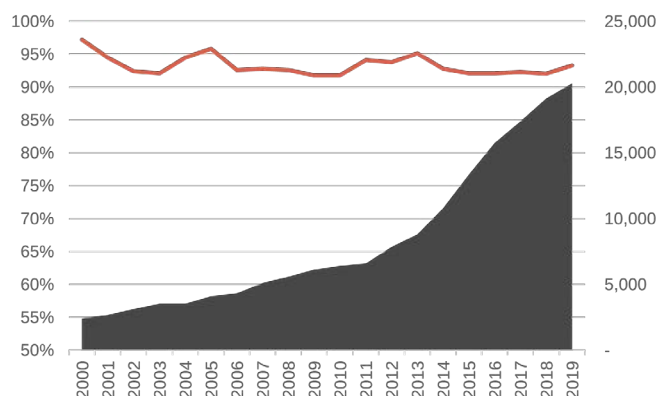


- California has experienced exceptional population growth over the past decade with an average increase of ~250,000 people per year.
- California added less than 650,000 single family homes and multi-family units over the same period of time, an average of 64,000 units per year.
- Silicon Valley's population has grown by an average of 15,000 people per year since 2010, nearly 150,000 people in total.
- Over the same period of time, Silicon Valley built less than 4,000 units a year on average, 40,000 units in total.
- Silicon Valley's Multifamily development pipeline is showing signs of slowing with less than 6,000 units on track to deliver in the next 3 years.

1-Bedroom Market Rents for Class A Product near Transit



1-Bedroom Inventory & Occupancy for Class A Product near Transit



- Absorption of Class A Unit in Silicon Valley within 1 mile of a rail station have benefited from strong occupancy historically, maintaining at least 90% occupancy since before 2000.
- The lack of sufficient housing supply throughout the state, and particularly surrounding around rail stations, has allowed for strong occupancy as comparable inventory has quadrupled over the same period of time.
- In addition to Silicon Valley's historically strong absorption, market rent for these 1-bedroom units has seen a steady compound annual growth rate equal to 2.7% since 2010.

TECH'S RAPID GROWTH & HIGH SALARIES

MARKET PARK SOUTH VILLAGE

- Silicon Valley is home to 6 of the World's 10 Most Valuable Companies, many of them have doubled their market value in just 24 months.
- Employees in of technology companies benefit from the highest wages of any industry, with median salaries more than 2x the rest of California, and 3x more than the rest of the country.
- 100% of the top 25 highest paying companies in the United States have key office locations in the Bay Area, with 76% of them choosing the Bay Area as their global Headquarters.
- Silicon Valley's dominant tech companies accelerated their growth during the pandemic, using the near term uncertainty as an opportunity to expand their foot print and build new campuses to attract & house new talent.
- Despite the surge of remote work caused by the pandemic, the executives of the largest companies are indicating a need for in-office collaboration to fuel innovation and accelerate growth of both the company and its employees.

SINCE THE BEGINING OF THE PANDEMIC...



+7,000 New Employees (+5%)
\$430B US Investment Plan
+1.5M SF added in Silicon Valley



+11,000 New Employees (+11%)
+\$1.5T Additional Market Cap
+1.5M SF added in Silicon Valley



+16,402 New Employees (+14%)
+\$1.5T Additional Market Cap
+10M SF planned in Silicon Valley



+500,000 New Employees (+62%)
+\$750B Additional Market Cap
+120M SF of US Industrial added



+13,662 New Employees (+30%)
+\$529B Additional Market Cap
+1.4M SF added in Silicon Valley



+5,200 New Employees (+38%)
+\$660B Additional Market Cap
+800K SF added in Silicon Valley

Company	Median Salary
Nvidia*	170,068
Palo Alto Networks*	170,929
Gilead Sciences*	162,210
Twitter*	162,852
VMware*	158,063
Google*	161,254
Facebook*	152,962
Salesforce*	150,379
LinkedIn*	157,402
Microsoft	148,068
Service Now*	145,529
Juniper Networks*	146,781
McKinsey	145,367
PlayStation	143,229
AutoDesk*	142,083
eBay*	140,056
BNP Paribas	140,056
Qualcomm	139,754
Workday*	141,893
Synopsys*	140,577
Tableau	138,043
Adobe*	135,027
Genentech*	133,605
Western Digital*	137,527
Veritas*	137,244
CALIFORNIA	75,235
UNITED STATES	51,480

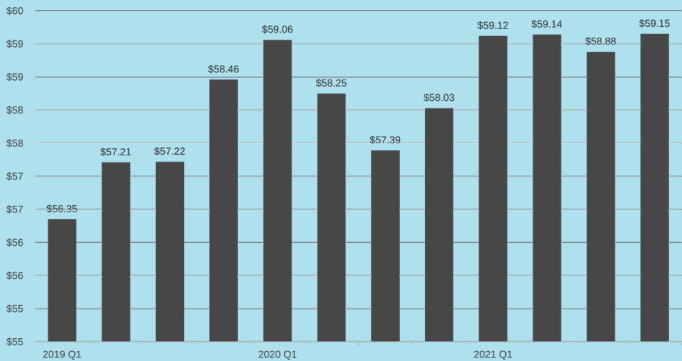
* Headquartered in the Bay Area

RECORD DEMAND FOR HIGH QUALITY SPACE

Rents Are Exceeding 2019 Levels for Large Blocks of Class A Office

San Francisco Bay Area Class A Office Rents for spaces larger than 50,000 SF have continued to climb beyond pre-pandemic levels for high quality space as nearly a decade of demand backlog has been shaken up following the pandemic.

CLASS A
OFFICE
RENTS
PER
QUARTER
(>50,000 SF)



71%
of All Bay Area
Developments
are Pre-Leased

Leases
Signed

Total Leased
Square Footage

Average Lease Size

The average lease size has increased by 35% compared to 2019 as large technology & life science companies race to solidify enough space to accommodate their growth.

	2019	890	25M SF	28,000 SF
(est)	2021	580	22M SF	38,000 SF

Life Science Demand is 311% Higher Than Supply

The San Francisco Bay Area is home to two of the largest Life Science hubs in the world, the East Bay and San Francisco Peninsula. Since the COVID-19 pandemic, billions of dollars have been spent by both leaders of the Life Science Industry and invested in new growing companies. The demand for lab space in the Bay Area has rapidly out passed supply, forcing tenants to migrate further southeast in order to find enough space. This unprecedented demand has caused some investors to converted their office space into Life Science which is pushing even traditional and creative office tenants further southeast as well.



LACK OF SUPPLY IS DRIVING TENANTS SOUTHEAST

As the tenant base of Silicon Valley continues to expand and grow, large blocks of office space have become exceedingly difficult to obtain. Nearly 100% of scalable projects in Sunnyvale and Mountain View have been sold to a user or encumbered by long-term leases forcing one to look for scale in neighboring markets. Even Silicon Valley's most notable and prestigious tenants (such as Google, Apple, Microsoft) are in need of large blocks of real estate for their growing operations and have circled San Jose as their location for expansion.

MARKET PARK IS A
50% DISCOUNT
COMPARED TO OTHER
LIFE SCIENCE MARKETS

MARKET PARK IS A
30% DISCOUNT
COMPARED TO OTHER
OFFICE MARKETS

SILICON VALLEY
/ SAN JOSE



LIFE SCIENCE MARKET OVERVIEW

Market	Rent NNN	Inventory	Available
San Francisco	\$6.50	1.3M SF	2.40%
East Bay	\$6.00	5.0M SF	1.90%
Upper Peninsula	\$6.00	16.5M SF	7.70%
Lower Peninsula	\$5.75	3.5M SF	9.70%
Silicon Valley	\$4.00	4.6M SF	7.90%

OFFICE MARKET OVERVIEW ¹

Market	Rent FSG	Inventory	Available
San Francisco	\$6.40	62.6M SF	6.10%
Upper Peninsula	\$6.56	6.6M SF	11.10%
Lower Peninsula	\$6.85	14.1M SF	8.00%
Silicon Valley	\$4.89	5.4M SF	12.20%

CAMPUS AMENITIES ATTRACT HIGH CALIBER TALENT

In order to recruit and retain the top executives, engineers, sales, management and innovative talent, today's companies must offer more than a competitive salary to prospective and current employees. The most appealing perk of a large company is a fully integrated campus with high quality finishes, an abundance of on-site amenities and a diverse set of walking distance, retail options. This has long been the appeal of an urban core, however it is very expensive to acquire a single building or any identity in a dense downtown,

Market Park South Village will offer tenants an iconic project with high visibility, an unmatched onsite amenity base with an abundance of walkable retail which, with access BART, will unmatched by any existing project in the Silicon Valley. These desirable campus features are used as tools to recruit and retain the highest quality employee base and is viewed not only as a perk by companies but as a necessary tool to continue to grow and expand.

¹ Class A Office within 1mile of rail transit station



Market Park

SOUTH VILLAGE

Newmark Knight Frank (the "Agent") has been engaged as the exclusive sales representative for the sale of 47488 Kato Road, Fremont, California (the "Property") by the Seller. The information contained herein has been obtained from sources deemed reliable but has not been verified and no guarantee, warranty or representation, either express or implied, is made with respect to such information. Terms of sale or lease and availability are subject to change or withdrawal without notice.

NEWMARK

INVESTMENT ADVISORS

SCOTT BALES

Vice Chairman Multifamily
t 415-445-5138
Scott.Bales@nmrk.com
CA Lic #: 01002027

STEVEN GOLUBCHIK

Vice Chairman Office
t 415-445-5148
Steven.golubchik@nmrk.com
CA Lic #: 01712816

NICHOLAS BICARDO

Vice Chairman Retail
t 415-445-5172
Nicholas.Bicardo@nmrk.com
CA Lic #: 01380524

FINANCING

RAMSEY DAYA

Vice Chairman Debt
t 415-399-8085
Ramsey.Daya@nmrk.com
CA Lic #: 01248046



RALPH BORELLI

t 408-453-4700 x 117
Ralph@ralphborelli.com
CA Lic #: 00465691