



Offering Memorandum

**SAICH WAY STATION**  
Cupertino, CA

**Marcus & Millichap**

Another Development Project by  
Borelli Investment Company



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Marcus & Millichap



# SAICH WAY STATION

CUPERTINO, CA



exclusively listed

Exclusively listed by:

**Marcus & Millichap**

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theVitamin  
Shoppe



theVitamin  
Shoppe

20803

SALE

25% OFF





# summary

## EXECUTIVE SUMMARY



Marcus & Millichap

## Offering Highlights

## SAICH WAY STATION

20803 Stevens Creek Boulevard, Cupertino, CA 95014



## Offering Summary

Offering Price	\$20,000,000
Stabilized Occupancy:	100.00%
Gross Leasable Area (GLA):	15,673 SF
Year Built:	2015
Lot Size:	1.32 Acres

## Vital Data

Stabilized Cap Rate	4.02%
Stabilized Net Operating Income	\$804,599

## Major Employers

COMPANY
Apple
Cupertino Union School District
Foothill-De Anza Community College District
Fremont Union High School District
Seagate Technology
CRC Health Corporation
Hewlett-Packard
Chordiant Software
Health Care Center at The Forum
Trend Micro, Inc
Cupertino Health Care & Wellness
Sunnyview Retirement Solutions

## Major Tenants

TENANT	GLA	LEASE EXP	LEASE TYPE
Vitamin Shoppe	3,500	Jun-25	NNN
Blast 825 Pizza	2,809	Jan-26	NNN
The Melt	1,750	May-25	NNN
T-Mobile	1,750	Apr-26	NNN
H&R Block	1,533	Oct-21	NNN
Site For Sore Eyes	1,533	Apr-26	NNN
The Coder School	1,026	Oct-25	NNN

## Demographics

	1-MILE	3-MILES	5-MILES
2014 Total Population	24,561	177,514	436,539
2019 Total Population	25,425	180,488	443,459
2014 Total Households	8,721	63,944	164,000
2019 Total Households	9,002	64,867	166,387
Median HH Income	\$115,143	\$114,793	\$102,649
Per Capita HH Income	\$54,609	\$56,155	\$53,011
Average HH Income	\$153,759	\$155,572	\$140,838



## Investment Overview

Marcus & Millichap has been selected to exclusively market for sale Saich Way Station, a 15,673 square foot multi-tenant retail center in Cupertino, California. This offering represents the rare opportunity to acquire a newly constructed trophy retail asset located in one of the most affluent communities in the nation. Saich Way Station has an attractive mix of restaurant, retail, and personal service uses; current tenancy includes The Vitamin Shoppe, T-Mobile, The Melt, H&R Block, Blast 825 Pizza, Site for Sore Eyes, and The Coder School Cupertino. The property is ideally located at the northwest corner of Stevens Creek Boulevard and Saich Way between Target and Whole Foods. More than 31,000 vehicles pass the site each day along Stevens Creek Boulevard.

Saich Way Station has a total of 15,673 square feet of gross leasable area in two buildings and is situated on a 1.32-acre site. The improvements were constructed in 2015 and are in excellent condition. The retail space has been configured into two buildings, which creates four highly desirable end cap units at the property, in addition to the five inline spaces. The design of the center significantly increases the income potential of all spaces within the property. Additionally, the configuration of the buildings greatly improves circulation within the center and access to the property. The center is accessed from one curb cut along Stevens Creek Boulevard and two curb cuts along Saich Way. Parking is provided in a surface lot with 78 spaces, for a ratio of 4.98 spaces per 1,000 square feet.

Saich Way Station is located less than one mile from Apple's headquarters on De Anza Boulevard and is approximately two miles from the new 3.4 million square foot Apple Campus 2 on Wolfe Road. Apple currently has approximately 15,000 employees in Cupertino and will be doubling their employment in the city when the new campus opens in late 2016. The property is also one-half mile from De Anza College, which has an enrollment of 21,500 students. The close proximity of the property to major employers and a large college campus makes the center an ideal location for personal service tenants, convenience retailers, casual dining, and quick-service restaurants.



The property is located along Stevens Creek Boulevard, the primary commercial thoroughfare in Cupertino. There are several major retail developments in the immediate area, including a Target store located directly east of Saich Way Station and a Whole Food Market to the east of the development. A shopping center anchored by TJ Maxx, Party City, Home Goods, Sprouts Farmers Market, Pier 1 Imports, Staples, and Aaron Brothers is located directly south of the property.

Regional access to the property is provided by State Highway 85 and Interstate 280. An interchange with State Highway 85 is located approximately one-half mile west of the subject property on Stevens Creek Boulevard. Interstate 280 is accessible from an interchange at De Anza Boulevard, located approximately one mile northeast of Saich Way Station. Stevens Creek Boulevard, De Anza Boulevard, and Stelling Road.

### Investment Highlights

- Newly Constructed Trophy Multi-Tenant Retail Property
- High-Profile Location on Stevens Creek Boulevard
- Situated between Whole Foods Market and Target
- Close Proximity to Apple Headquarters and De Anza College
- Good Mix of Restaurant, Retail, and Personal Service Uses
- Excellent Access from State Highway 85 and Interstate 280





# description

## PROPERTY DESCRIPTION



Marcus & Millichap

## Property Details

### THE OFFERING

Property	Saich Way Station
Property Address	20803 Stevens Creek Boulevard, Cupertino, CA
Number of Tax Parcels	One
Zoning	Planned Development (CG, Res)

### SITE DESCRIPTION

Ownership	Saich Way Station LLC
Number of Stories	One
Parking	78 Spaces
Parking Ratio:	4.98 Per 1,000 SF
Topography	Generally Level
Developer	Borelli Investment Company

### ACCESS POINTS

Signalized Intersection at Saich Way; Curb Cuts  
Along Stevens Creek Boulevard and Saich Way

### CONSTRUCTION

Foundation	Reinforced Concrete Slab
Framing	Wood
Exterior	Painted EIFS
Parking Surface	Asphalt
Roof	Elastomeric Ply

### UTILITIES

Gas	Pacific Gas & Electric (Tenant Responsible)
Electric	Pacific Gas & Electric (Tenant Responsible)
Water	San Jose Water Company (Tenant Responsible)
Sewer	Cupertino Sanitary District (Tenant Responsible)
Trash	Recology (Tenant Responsible)

### AVAILABLE SPACE CONDITION

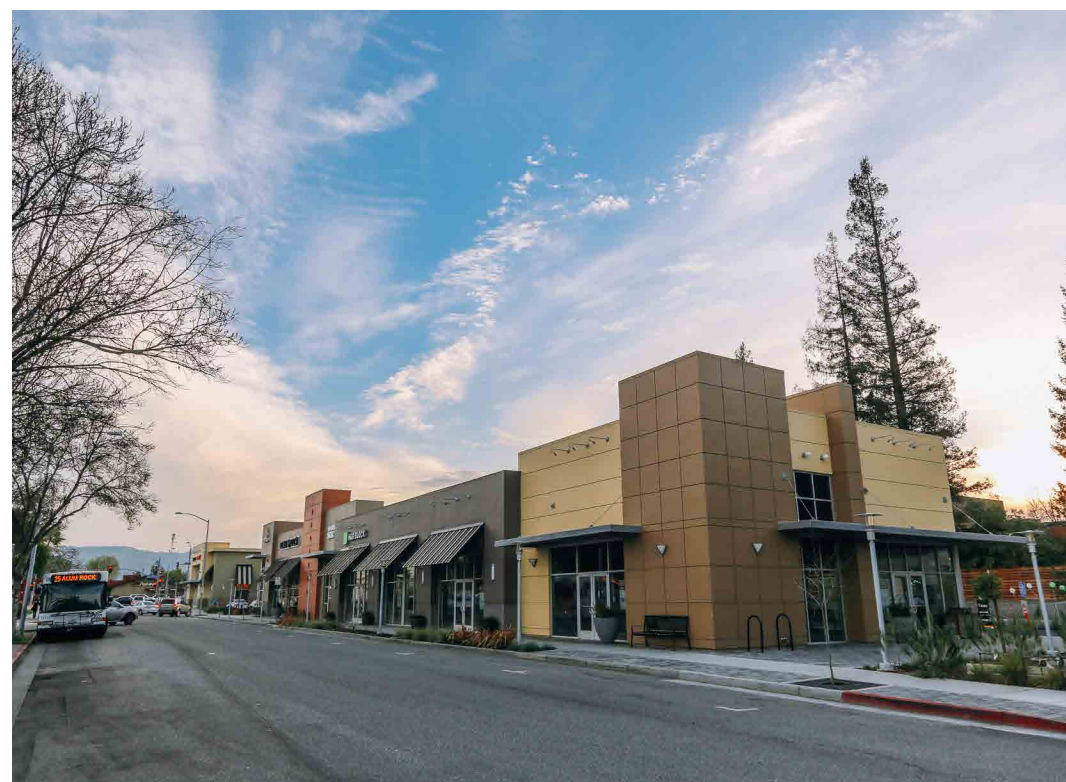
Vacant Space Condition	Available Space Will Be Delivered to Tenant in Vanilla Shell Condition
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### MECHANICAL

HVAC	Roof-Mounted Package Units
Fire Protection	Fire Sprinklers and Alarm





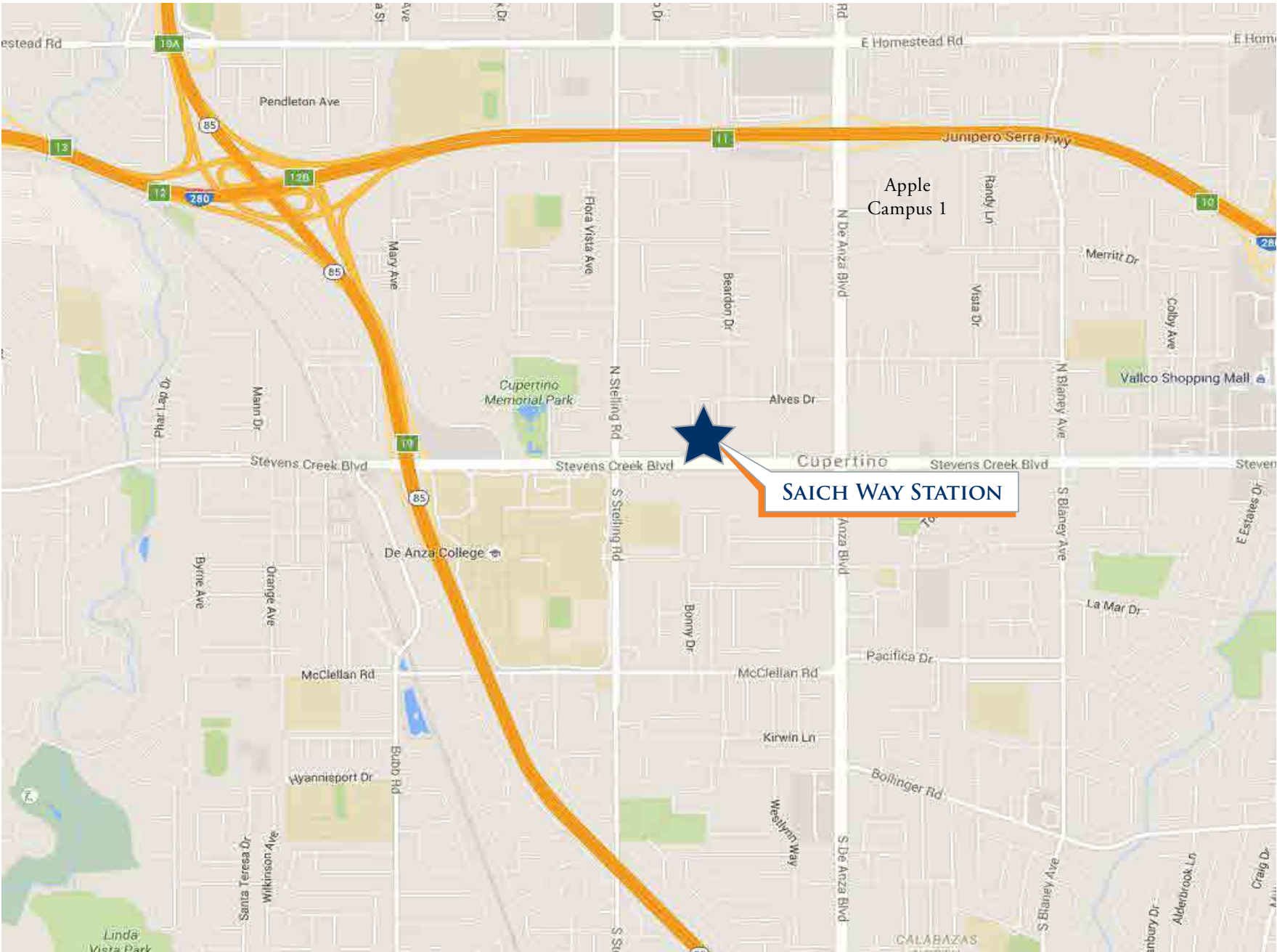








Local Map



EXECUTIVE SUMMARY

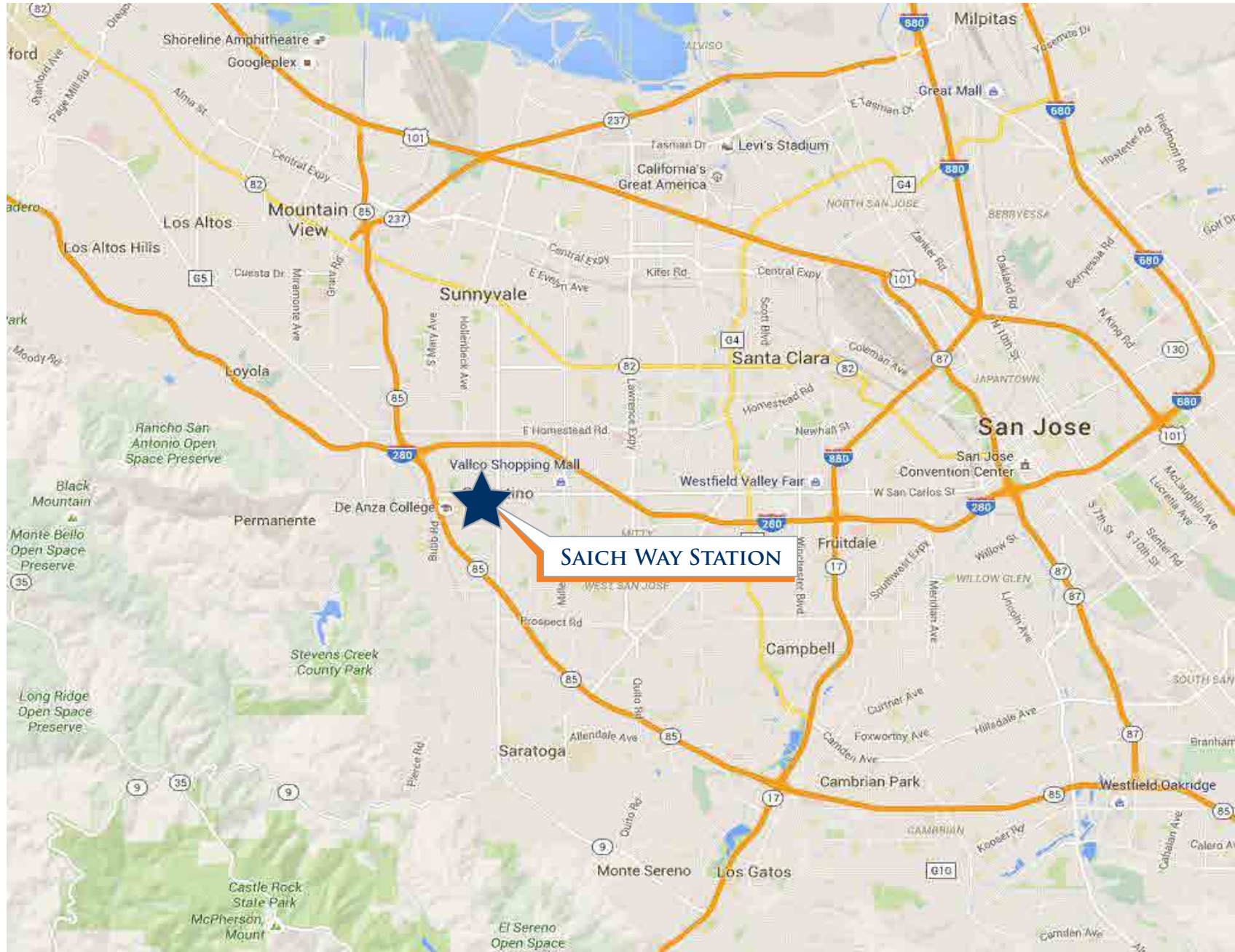
PROPERTY DESCRIPTION

FINANCIAL ANALYSIS

COMPARABLES

MARKET OVERVIEW

## Regional Map





Aerial Photo



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*De Anza College*

*Whole Foods*



*Subject*

*Property*







*Apple Headquarters*

*Apple Campus 2*

*Target*

*Subject*

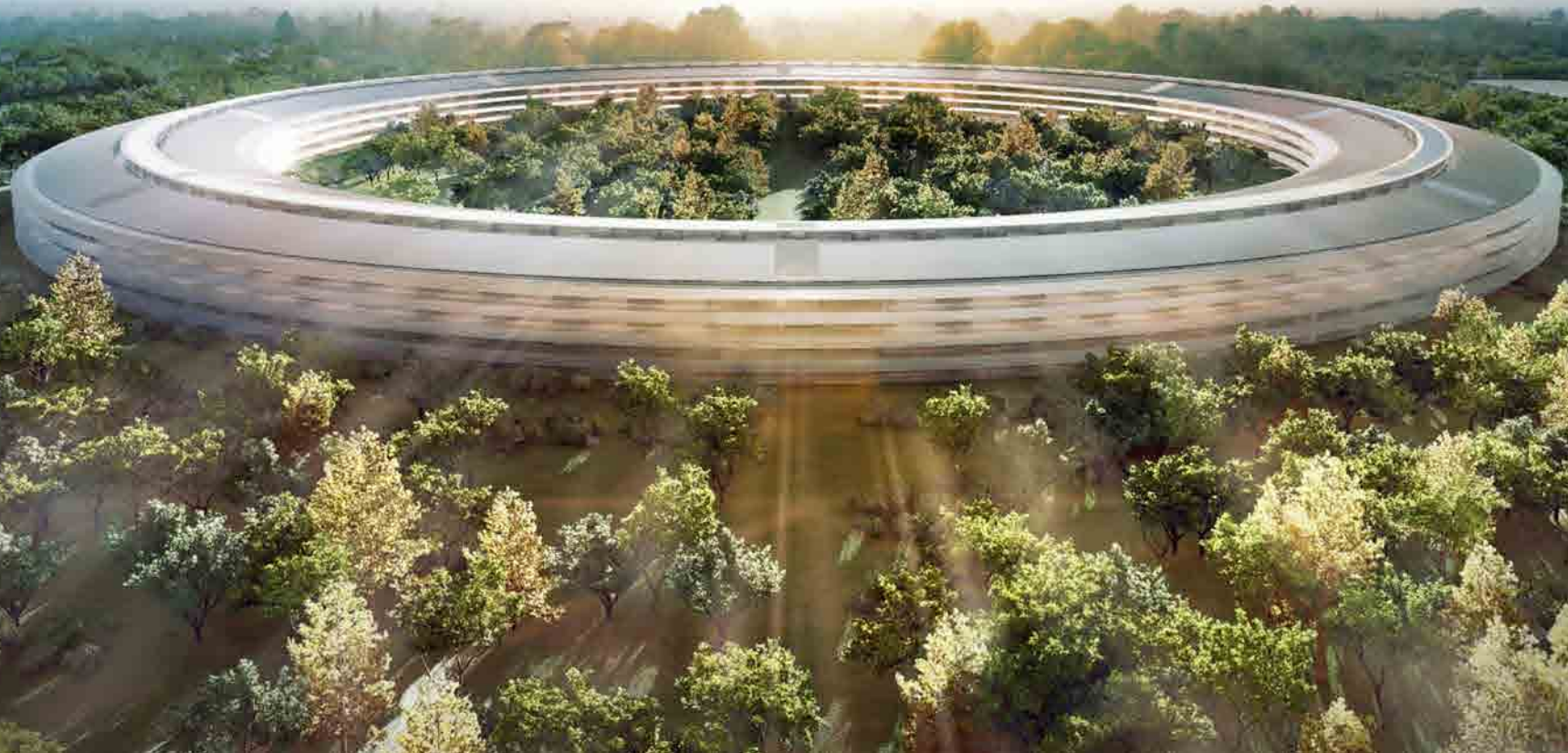
*Property*



## New Apple Campus 2

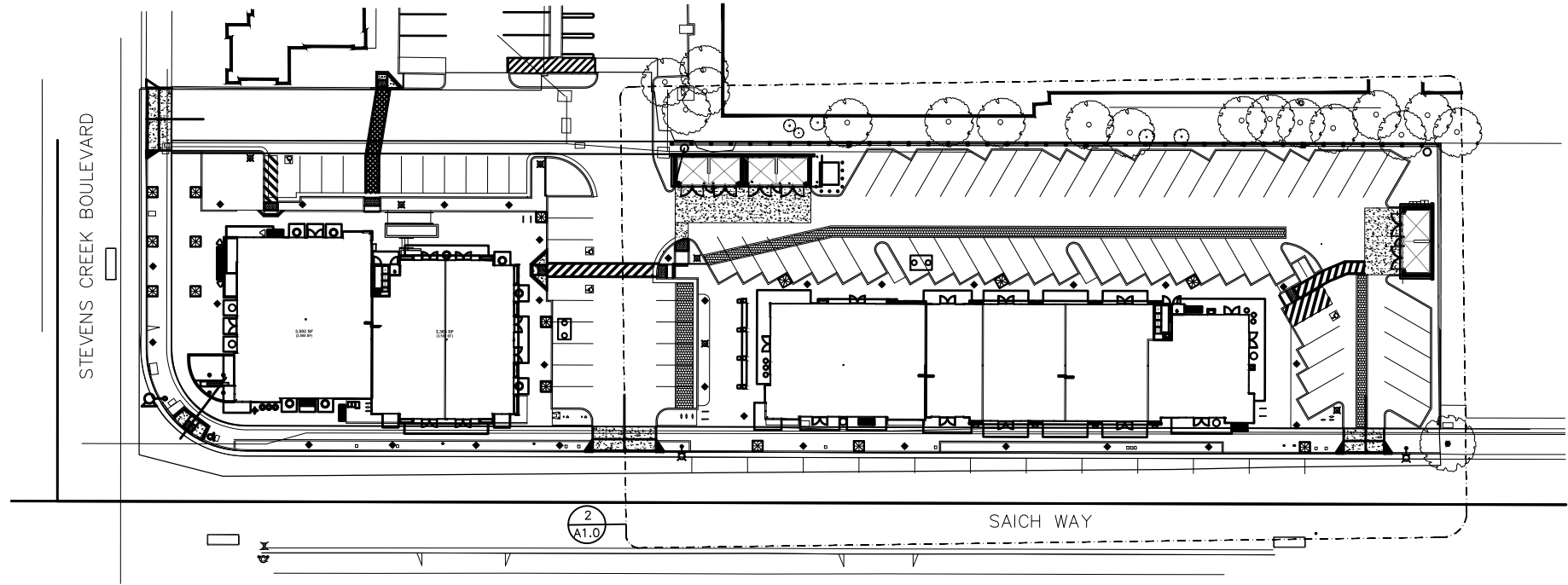
### Highlights

- 176-Acre Site Bounded By Wolfe Road, Homestead Road, Tantau Avenue, and Interstate 280
- Main Building Will Have 2,820,000 Square Feet of Office Space in a Four-Story Structure
- Tantau Sites Will Have 600,000 Square Feet of Research & Development Space in 14 Buildings
- Amenities Include a 100,000-Square Foot Fitness Center, 1,000-Seat Auditorium, and Visitor's Center
- Employee Capacity is 12,000 in the Main Building and 2,200 in the Tantau Buildings
- Construction Commenced in Late 2013 and is Expected to be Completed in Late 2016





Site Plan



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BLAST PIZZA

BLAST PIZZA

10033

the woodnet  
SCHOOL

THE BLOCK



# analysis

## FINANCIAL ANALYSIS



Marcus & Millichap

## Rent Roll

TENANT NAME TYPE & SUITE NUMBER LEASE DATES & TERM	FLOOR SF BLDG SHARE	RATE & AMOUNT PER YEAR PER MONTH	CHANGES ON	CHANGES TO	RENEWAL OPTIONS	LEASE TYPE
The Vitamin Shoppe Retail, Suite: A100 Jun-2015 to May-2025 120 Months	3,523 22.5%	\$51.55 \$181,611 \$4.30 \$15,134	Jun-2020	\$56.56	1, 5-Year	NNN 15% CAM Fee
T-Mobile Retail, Suite: A105 May-2016 to Apr-2026 120 Months	1,750 11.2%	\$49.20 \$86,100 \$4.10 \$7,175	May-2021	\$55.35	2, 5-Year	NNN 10% CAM Fee
The Melt Retail, Suite: A110 Jul-2015 to Jun-2025 120 Months	1,750 11.2%	\$54.00 \$94,500 \$4.50 \$7,875	Oct-2015 Jul-2020	\$54.00 \$62.10	2, 5-Year	NNN 10% Admin Fee
Blast 825 Pizza Retail, Suite: 10033 Feb-2016 to Mar-2026 122 Months	2,809 17.9%	\$48.00 \$134,832 \$4.00 \$11,236	Apr-2016 Apr-2021	\$48.00 \$52.80	2, 5-Year	NNN 15% Admin Fee
The Coder School Cupertino Retail, Suite: 10057 Dec-2015 to Nov-2025 120 Months	1,026 6.6%	\$51.01 \$52,332 \$4.25 \$4,361	Dec-2016 Dec-2017 Dec-2018 Dec-2019 Dec-2020 Dec-2021 Dec-2022 Dec-2023 Dec-2024	\$52.53 \$54.11 \$55.73 \$57.40 \$59.12 \$60.90 \$62.73 \$64.61 \$66.54	2, 5-Year	NNN 15% Admin Fee
H&R Block Retail, Suite: 10073 May-2016 to Oct-2021 66 Months	1,533 9.8%	\$48.23 \$73,944 \$4.02 \$6,162	May-2017 May-2018 May-2019 May-2020	\$49.68 \$51.17 \$52.70 \$54.29	1, 5-Year	NNN 15% Admin Fee



## Rent Roll

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TENANT NAME TYPE & SUITE NUMBER LEASE DATES & TERM	FLOOR SF BLDG SHARE	RATE & AMOUNT PER YEAR PER MONTH	CHANGES ON	CHANGES TO	RENEWAL OPTIONS	LEASE TYPE
Site for Sore Eyes		\$49.20	May-2017	\$50.66	1, 5-Year	NNN
Retail, Suite: 10079	1,533	\$75,424	May-2018	\$52.18		15% Admin Fee
May-2016 to Apr-2026	9.8%	\$4.10	May-2019	\$53.74		
120 Months		\$6,285	May-2020	\$55.35		
			May-2021	\$57.02		
			May-2022	\$58.73		
			May-2023	\$60.49		
			May-2024	\$62.30		
			May-2025	\$64.17		
uBreakiFix (LOI)		\$54.00	Jul-2021	\$59.40	N/A	NNN
Retail, Suite: 10095A	949	\$51,246				15% Admin Fee
Jul-2016 to Jun-2026	6.1%	\$4.50				
120 Months		\$4,271				
Available		\$54.00	Jul-2021	\$59.40	N/A	NNN
Retail, Suite: 10095B	800	\$43,200				15% Admin Fee
Jul-2016 to Jun-2026	5.1%	\$4.50				
120 Months		\$3,600				
<b>Total Occupied Square Feet</b>	<b>14,873</b>					
<b>Total Available Square Feet</b>	<b>800</b>					



## Assumptions

VALUATION	
Sales Price	\$20,000,000
Sales Price per SF	\$1,276.08 SF

## Property Timing

Start of Analysis	July-2016
End of Analysis	June-2026
Analysis Period	10 Years

## GROWTH RATES:

Market Rents	
Year 1	2.50%
Thereafter	2.50%
Operating Expenses	3.00%
Real Estate Taxes	2.00%
Capital Reserves	3.00%

## MARKET LEASING ASSUMPTIONS

	New Tenants	Renewal Tenants
Renewal Probability	30%	70%
Market Rent (SF/MO)	\$4.50 to \$5.00	\$4.50 to \$5.00
Downtime	6 Months	0 Months
Tenant Improvements	\$20.00 SF	\$0.00 SF
Leasing Commissions	4.50%	0.00%
Rent Escalation	10% Midterm	10% Midterm
Lease Term	10 Years	10 Years
Lease Type	NNN w/10% Admin Fee	NNN w/10% Admin Fee

## OPERATING EXPENSES (YEAR 1):

Real Estate Taxes	\$236,980
Special Assessments	\$4,921
Property Insurance	\$8,040
Maintenance	\$4,280
Trash Removal	\$14,400
Gas / Electric	\$4,800
Water	\$6,000
Landscaping	\$7,040
Security	\$3,960
Sweeping	\$16,668
Property Management	\$34,428
Non-Reimbursable Landlord Expense	\$1,500
Total Operating Expenses	\$343,017
Amount Reimbursed by Tenants	\$352,775

## CAPITAL EXPENSE (YEAR 1):

Capital Reserves	\$0.20 SF/YR
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## Scheduled Prospective Cash Flow

For the Years Ending:	Year 1 \$/SF	Year 1 Jun-2017	Year 2 Jun-2018	Year 3 Jun-2019	Year 4 Jun-2020	Year 5 Jun-2021	Year 6 Jun-2022	Year 7 Jun-2023	Year 8 Jun-2024	Year 9 Jun-2025	Year 10 Jun-2026	Year 11 Jun-2027	% Annual Growth Over Hold
<b>Potential Gross Revenue</b>													
Base Rental Revenue	\$50.71	\$794,841	\$800,916	\$807,198	\$815,140	\$856,907	\$896,751	\$904,718	\$909,339	\$918,952	\$1,005,566	\$1,076,269	3.12%
Absorption & Turnover Vacancy	\$0.00	0	0	0	0	0	0	0	0	0	0	(37,811)	
Scheduled Base Rental Revenue	50.71	794,841	800,916	807,198	815,140	856,907	896,751	904,718	909,339	918,952	1,005,566	1,038,458	2.75%
<b>Expense Reimbursement Revenue</b>													
Real Estate Taxes	16.54	259,245	264,430	269,717	275,112	280,616	286,226	291,951	297,791	303,747	309,821	267,015	0.42%
Special Assessments	0.34	5,383	5,546	5,711	5,882	6,059	6,241	6,428	6,620	6,819	7,023	6,922	2.56%
Property Insurance	0.56	8,794	9,058	9,330	9,611	9,898	10,196	10,503	10,816	11,143	11,476	11,309	2.56%
Maintenance	0.31	4,873	5,021	5,173	5,326	5,487	5,650	5,821	5,996	6,175	6,360	6,278	2.57%
Trash Removal	1.05	16,400	16,892	17,397	17,922	18,458	19,011	19,581	20,168	20,773	21,396	21,126	2.57%
Gas / Electric	0.34	5,251	5,407	5,572	5,738	5,910	6,087	6,269	6,458	6,652	6,851	6,753	2.56%
Water	0.42	6,565	6,760	6,964	7,172	7,387	7,609	7,838	8,073	8,315	8,566	8,440	2.55%
Landscaping	0.51	8,018	8,260	8,504	8,762	9,023	9,293	9,573	9,860	10,154	10,459	10,328	2.57%
Security	0.29	4,508	4,645	4,786	4,928	5,075	5,228	5,386	5,547	5,712	5,885	5,811	2.58%
Sweeping	1.21	18,982	19,551	20,138	20,742	21,363	22,004	22,665	23,345	24,045	24,768	24,451	2.57%
Property Management	0.94	14,756	14,932	15,115	15,320	15,971	16,597	16,811	16,985	17,226	18,472	9,572	-2.53%
Total Reimbursement Revenue	22.51	352,775	360,502	368,407	376,515	385,247	394,142	402,826	411,659	420,761	431,077	378,005	0.80%
Total Potential Gross Revenue	73.22	1,147,616	1,161,418	1,175,605	1,191,655	1,242,154	1,290,893	1,307,544	1,320,998	1,339,713	1,436,643	1,416,463	2.15%
<b>EFFECTIVE GROSS REVENUE</b>	<b>73.22</b>	<b>1,147,616</b>	<b>1,161,418</b>	<b>1,175,605</b>	<b>1,191,655</b>	<b>1,242,154</b>	<b>1,290,893</b>	<b>1,307,544</b>	<b>1,320,998</b>	<b>1,339,713</b>	<b>1,436,643</b>	<b>1,416,463</b>	<b>2.15%</b>
<b>Operating Expenses</b>													
Real Estate Taxes	15.12	236,980	241,720	246,554	251,485	256,515	261,645	266,878	272,216	277,660	283,213	255,096	0.81%
Special Assessments	0.31	4,921	5,069	5,221	5,377	5,539	5,705	5,876	6,052	6,234	6,421	6,613	3.00%
Property Insurance	0.51	8,040	8,281	8,530	8,786	9,049	9,321	9,600	9,888	10,185	10,490	10,805	3.00%
Maintenance	0.27	4,280	4,408	4,541	4,677	4,817	4,962	5,111	5,264	5,422	5,584	5,752	3.00%
Trash Removal	0.92	14,400	14,832	15,277	15,735	16,207	16,694	17,194	17,710	18,241	18,789	19,352	3.00%
Gas / Electric	0.31	4,800	4,944	5,092	5,245	5,402	5,565	5,731	5,903	6,080	6,263	6,451	3.00%
Water	0.38	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063	3.00%
Landscaping	0.45	7,040	7,251	7,469	7,693	7,924	8,161	8,406	8,658	8,918	9,186	9,461	3.00%
Security	0.25	3,960	4,079	4,201	4,327	4,457	4,591	4,728	4,870	5,016	5,167	5,322	3.00%
Sweeping	1.06	16,668	17,168	17,683	18,214	18,760	19,323	19,902	20,500	21,115	21,748	22,400	3.00%
Property Management	2.20	34,428	34,843	35,268	35,750	37,265	38,727	39,226	39,630	40,191	43,099	42,494	2.15%
Non-Reimbursable Landlord Expense	0.10	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	3.00%
Total Operating Expenses	21.89	343,017	350,320	357,792	365,484	374,376	383,389	391,607	399,915	408,563	419,746	393,825	1.42%
<b>NET OPERATING INCOME</b>	<b>\$51.34</b>	<b>\$804,599</b>	<b>\$811,098</b>	<b>\$817,813</b>	<b>\$826,171</b>	<b>\$867,778</b>	<b>\$907,504</b>	<b>\$915,937</b>	<b>\$921,083</b>	<b>\$931,150</b>	<b>\$1,016,897</b>	<b>\$1,022,638</b>	<b>2.46%</b>
<b>Leasing and Capital Costs</b>													
Capital Reserves	0.20	3,135	3,229	3,325	3,425	3,528	3,634	3,743	3,855	3,971	4,090	4,213	
Tenant Improvements	0.00	0	0	0	0	0	0	0	0	0	0	19,692	
Leasing Commissions	0.00	0	0	0	0	0	0	0	0	0	0	32,159	
Total Leasing and Capital Costs	0.20	3,135	3,229	3,325	3,425	3,528	3,634	3,743	3,855	3,971	4,090	56,064	
<b>NET CASH FLOW</b>	<b>\$51.14</b>	<b>\$801,464</b>	<b>\$807,869</b>	<b>\$814,488</b>	<b>\$822,746</b>	<b>\$864,250</b>	<b>\$903,870</b>	<b>\$912,194</b>	<b>\$917,228</b>	<b>\$927,179</b>	<b>\$1,012,807</b>	<b>\$966,574</b>	

EXECUTIVE  
SUMMARYPROPERTY  
DESCRIPTIONFINANCIAL  
ANALYSIS

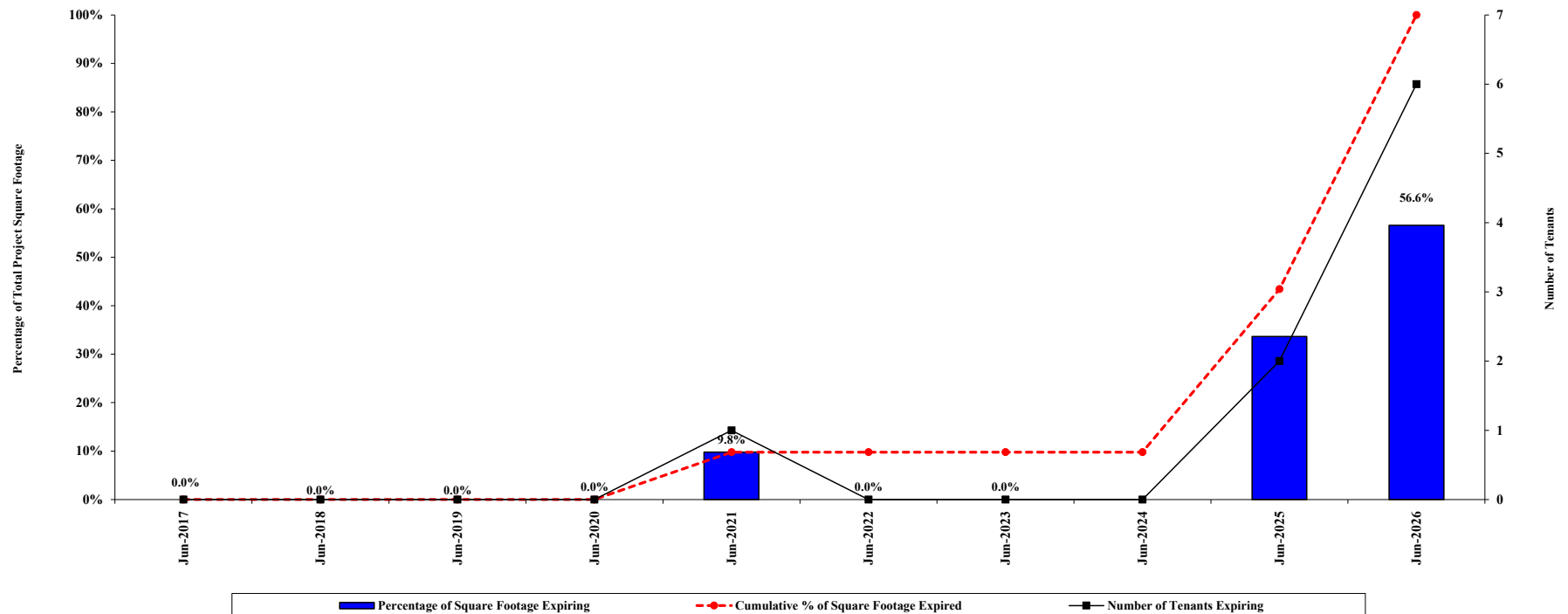
COMPARABLES

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OVERVIEW



## Lease Expiration Schedule

For The Year Ending	Year 1 Jun-2017	Year 2 Jun-2018	Year 3 Jun-2019	Year 4 Jun-2020	Year 5 Jun-2021	Year 6 Jun-2022	Year 7 Jun-2023	Year 8 Jun-2024	Year 9 Jun-2025	Year 10 Jun-2026
Tenants Expiring					H&R Block				The Vitamin Shoppe The Melt	The Coder School Cupertino Blast 825 Pizza T-Mobile Site for Sore Eyes uBreakiFix (LOI) Available
Total Number of Tenants	0	0	0	0	1	0	0	0	2	6
Total Square Feet	0	0	0	0	1,533	0	0	0	5,273	8,867
Total Percentage	0.0%	0.0%	0.0%	0.0%	9.8%	0.0%	0.0%	0.0%	33.6%	56.6%
Cumulative Percentage	0.0%	0.0%	0.0%	0.0%	9.8%	9.8%	9.8%	9.8%	43.4%	100.0%





# tenants

## TENANT OVERVIEW



Marcus & Millichap



## Tenant Summary



The Vitamin Shoppe (NYSE: VSI) is a specialty retailer and direct marketer of nutritional products ranging from vitamins and minerals to nutritional supplements, herbs, sports nutrition formulas, homeopathic remedies, and health and beauty aids. The Vitamin Shoppe offers approximately 900 brands, including national brands such as Optimum Nutrition, Cellucor, Garden of Life, Quest Nutrition, Solaray, Solgar, and Natures Way; additionally, it sells its own brands, such as Vitamin Shoppe, BodyTech, True Athlete, Mytrition, ProBioCare, Next Step, Nutri-Force Sport, and Betancourt Sports Nutrition. The company sells its products through Vitamin Shoppe, Super Supplements, and Vitapath retail store formats, and e-commerce and catalog formats through its website. The company was founded in 1977 and has since grown to more than 700 locations in the United States, Puerto Rico, and Canada.

[www.vitaminshoppe.com](http://www.vitaminshoppe.com)



T-Mobile (NASDAQ: TMUS) is a national wireless voice, messaging, and data services provider with products in the postpaid, prepaid, and wholesale markets. The company also offers wireless devices, including smartphones, tablets, and other mobile communication devices, as well as accessories that are manufactured by various suppliers. They serve more than 63 million customers under their T-Mobile and MetroPCS brands through their corporate-owned stores and website, as well as through third-party retail outlets and websites. Deutsche Telekom maintains approximately 66% ownership of the company.

[www.t-mobile.com](http://www.t-mobile.com)



The Melt is a new twist on the classic American grill; their goal is to serve better food to families by using all-natural ingredients without artificial colors, flavors, sweeteners, or preservatives. The Melt serves guests burgers crafted with a custom blend of Angus and Wagyu beef, grilled cheese melts – melted to order – made with real aged cheese, crispy fries, mac 'n' cheese, homemade soups and fresh salads. These restaurants are popular in health-conscious communities and there are now 18 locations throughout California and Colorado.

[www.themelt.com](http://www.themelt.com)



## Tenant Summary



Blast 825 Pizza is a quick-service pizza restaurant that allows customers to choose their dough, sauce, and an unlimited number of fresh toppings before their hand-crafted pizza is put into a custom dome oven. Three minutes later, the pizza is done and ready to be devoured! This new quick-fired pizza concept is owned by Milano Restaurants, a successful regional company that operates under the Me-N-Ed's Pizzeria, Piazza Del Pane, Victory Grill, Coney Island Grill, and Blast 825 Pizza brands. The company was founded in 1958 and now operates more than 70 restaurants in Central and Northern California.

[www.blast825pizza.com](http://www.blast825pizza.com)



The Coder School is an after-school drop-off program for kids learning to write computer code. With locations in Palo Alto, Cupertino, San Mateo, and soon to be in Bellevue, the school is focused on teaching children the skills necessary to compete in the world of computer science. In addition to after-school programs, they also offer summer programs that give children the opportunity to spend the entire day learning to program in multiple computer languages.

[www.thecoderschool.com](http://www.thecoderschool.com)



H&R Block (NYSE: HRB) is the world's largest tax services provider, having prepared more than 650 million tax returns since 1955. Founded in 1946, the company now has approximately 12,000 company-owned and franchise retail locations in the United States, Puerto Rico, and other U.S. territories. They also have tax offices on more than 100 military bases throughout the world. In addition to providing assisted tax return services, H&R Block offers do-it-yourself tax preparation software, banking services, refund anticipation checks, lines of credit, and prepaid debit cards.

[www.hrblock.com](http://www.hrblock.com)



Site for Sore Eyes was founded in Berkeley, California, in 1979 and has grown from a single optical store to a chain with more than 40 locations in Northern California. Most stores offer prescription and non-prescription eyeglasses, eyeglass frames, ophthalmic lenses, contact lenses, sunglasses, and a range of ancillary items. In 1993, the business was acquired by Emerging Vision, Inc., one of the largest franchised optical chains in the United States. Emerging Vision operates under the Sterling Optical, Site for Sore Eyes, Artful Eye and The Eye Gallery brands, and has more than 200 locations in California, the Midwest, Northeast, and Mid-Atlantic. Additionally, they operate a licensed vision health care service plan, Sterling VisionCare, and two leading optical purchasing businesses, Combine Buying and The Optical Group.

[www.siteforsoreeyes.com](http://www.siteforsoreeyes.com)





# overview

## MARKET OVERVIEW





## Location Overview

The subject property is located in one of the wealthiest and most desirable cities in the San Francisco Bay Area, as well as the nation. Cupertino has long been regarded as one of the best places to live in Silicon Valley because of its central location, the safety of the city, and its high achieving public schools. Additionally, the city is the home to Apple, one of the largest technology companies in the world, and the largest private employer in Silicon Valley. Apple's dramatic expansion over the past several years has been a major factor in the continued growth of the city. With a new 3.4 million square foot campus currently under construction and expected to be completed in late 2016, Apple will likely double their employment in the city within the next two years.

At the end of 2015, Cupertino had an estimated population of 62,032. This represents a 5.2% increase over the population of 58,970 as of 2010. As with most cities in Silicon Valley, growth has been constrained by the limited amount of vacant land available for development. In recent years, most growth has come through the redevelopment of underutilized sites to higher density residential projects. The population is forecast to increase to 63,493 by 2020, which represents a 2.3% increase over the current population.

Cupertino has a well-educated population, with more than 75% of the workforce having obtained a bachelor's degree or higher. The high educational attainment of the local population is reflected in the high income of residents. The median household income in the city is estimated at \$127,499 and the per capita income is estimated at \$60,740, making Cupertino one of the wealthiest cities in the country. The median income for the city is forecast to grow steadily through 2020, with a 15.8% increase to \$147,663.

The economy of Cupertino is heavily dependent on the technology sector, with Apple being the city's largest employer. It is estimated that more than 15,000 Apple employees work in Cupertino; the next largest employer, Cupertino Union School District, has approximately 1,600 employees. The other major technology employers in the city include Seagate Technology, Hewlett-Packard, Chordiant Software, Trend Micro,



Ricoh America, Insight Solutions, and Sugar CRM. The healthcare and education sectors also play a role in the city's economy, with Cupertino Health Care & Wellness, Health Care Center at the Forum, Sunnyview Retirement Community, Foothill-De Anza Community College District, and Fremont Union High School District rounding out the list of top employers in Cupertino.

## Location Highlights

- Cupertino is One of the Wealthiest Cities in the Nation
- The City is Known for its Schools, Safety, and Central Location in Silicon Valley
- The Median Household Income in Cupertino is \$127,499
- Apple Headquarters is in Cupertino; it is the Largest Employer in Silicon Valley
- The New Apple Campus Will House 14,200 Employees
- State Highway 85 and Interstate 280 Provide Access to the City



## Demographic Summary

POPULATION	1-MILE	3-MILES	5-MILES
2000 Population	20,576	160,974	400,524
2010 Population	23,449	171,391	419,240
2014 Population	24,561	177,514	436,539
2019 Population	25,425	180,488	443,459

HOUSEHOLDS	1-MILE	3-MILES	5-MILES
2000 Households	7,658	60,062	153,834
2010 Households	8,274	61,386	156,323
2014 Households	8,721	63,944	164,000
2019 Households	9,002	64,867	166,387
2014 Average Household Size	2.85	2.76	2.65
2014 Daytime Population	13,126	44,022	139,480
2000 Owner Occupied Housing Units	49.14%	60.96%	54.26%
2000 Renter Occupied Housing Units	48.30%	37.27%	43.65%
2000 Vacant	2.56%	1.77%	2.09%
2014 Owner Occupied Housing Units	48.01%	60.04%	53.87%
2014 Renter Occupied Housing Units	51.99%	39.96%	46.13%
2014 Vacant	1.38%	0.72%	0.63%
2019 Owner Occupied Housing Units	47.78%	59.77%	53.63%
2019 Renter Occupied Housing Units	52.22%	40.23%	46.37%
2019 Vacant	1.42%	0.76%	0.65%

INCOME	1-MILE	3-MILES	5-MILES
\$ 0 - \$14,999	6.10%	4.90%	6.10%
\$ 15,000 - \$24,999	4.40%	4.60%	5.30%
\$ 25,000 - \$34,999	4.90%	4.10%	5.10%
\$ 35,000 - \$49,999	7.20%	7.10%	8.00%
\$ 50,000 - \$74,999	9.00%	10.50%	12.10%
\$ 75,000 - \$99,999	9.50%	10.90%	11.90%
\$100,000 - \$124,999	14.90%	13.20%	13.00%
\$125,000 - \$149,999	10.40%	10.40%	9.50%
\$150,000 - \$199,999	13.40%	13.70%	12.10%
\$200,000 - \$249,999	9.20%	8.90%	6.90%
\$250,000 +	11.20%	11.70%	9.90%
2014 Median Household Income	\$115,143	\$114,793	\$102,649
2014 Per Capita Income	\$54,609	\$56,155	\$53,011
2014 Average Household Income	\$153,759	\$155,572	\$140,838

EXECUTIVE  
SUMMARYPROPERTY  
DESCRIPTIONFINANCIAL  
ANALYSIS

COMPARABLES

MARKET  
OVERVIEW

# Demographic Summary

Geography: 5 Miles

## Population

In 2014, the population in your selected geography is 436,538. The population has changed by 8.99% since 2000. It is estimated that the population in your area will be 443,459 five years from now, which represents a change of 1.58% from the current year. The current population is 49.81% male and 50.18% female. The median age of the population in your area is 38.6, compare this to the Entire US average which is 37.3. The population density in your area is 5,553.32 people per square mile.

## Households

There are currently 164,000 households in your selected geography. The number of households has changed by 6.60% since 2000. It is estimated that the number of households in your area will be 166,386 five years from now, which represents a change of 1.45% from the current year. The average household size in your area is 2.65 persons.

## Income

In 2014, the median household income for your selected geography is \$102,648, compare this to the Entire US average which is currently \$51,972. The median household income for your area has changed by 26.64% since 2000. It is estimated that the median household income in your area will be \$121,924 five years from now, which represents a change of 18.77% from the current year.

The current year per capita income in your area is \$53,011, compare this to the Entire US average, which is \$28,599. The current year average household income in your area is \$140,837, compare this to the Entire US average which is \$74,533.

## Race and Ethnicity

The current year racial makeup of your selected area is as follows: 44.63% White, 1.87% Black, 0.34% Native American and 42.14% Asian/Pacific Islander. Compare these to Entire US averages which are: 71.60% White, 12.70% Black, 0.18% Native American and 5.02% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 14.00% of the current year population in your selected area. Compare this to the Entire US average of 17.13%.

## Housing

In 2000, there were 85,252 owner occupied housing units in your area and there were 68,581 renter occupied housing units in your area. The median rent at the time was \$1,213.

## Employment

In 2014, there are 139,479 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 81.33% of employees are employed in white-collar occupations in this geography, and 18.65% are employed in blue-collar occupations. In 2014, unemployment in this area is 4.93%. In 2000, the average time traveled to work was 24.4 minutes.

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Demographic data © 2010 by Experian Applied Geographic Solutions.







# SAICH WAY STATION

CUPERTINO, CA



exclusively listed

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