

EMBARCADERO

CAPITAL PARTNERS

Project Description Letter

The Current Project consists of four, three-story buildings constructed circa 1978 and located on a long, rectangular site at the intersection of Oakmead Parkway and Lakeside Drive in Sunnyvale, California. The site is bordered by Oakmead Parkway to the north and east, Lakeside Drive to the west, and low-rise buildings to the south. Surrounding streets are fully improved public right-of-ways with concrete curbs, storm drains, streetlights, and sidewalks. Nearby properties generally consist of similar low-rise office, office/R&D, and commercial developments.

Currently accommodating office uses as well as a small cafe space, the project site consists of a chain of four thin rectangular buildings fronted by a single double loaded parking aisle along Oakmead and backed by two rows of double loaded parking abutting the rear property line. All areas of the site around the buildings are fully improved and generally consist of asphalt paved drives and surface parking areas, concrete pedestrian walkways, and mature landscaped areas served by an automatic irrigation system.

The four long, rectangular, three-story concrete precast buildings are founded on concrete spread footings and grade beams with a reinforced on-grade concrete slab floor. The buildings have a rigid concrete roof and floor framing systems consisting of a concrete topping slab supported by pre-stressed concrete hollow-core planks, which in turn are supported by precast concrete beams and cast-in-place columns. Lateral forces are distributed to the rigid roof and floor diaphragms, which in turn transfer the loads to precast concrete shear walls. The concrete wall panels transfer the loads to the foundation and the underlying soil. Access and exiting from the second and third floor spaces is accomplished by external walkways with non-conforming stairs and elevators.

The Proposed Improvements consist of six general areas: the removal of 3 exterior concrete stair and 4 elevator towers along the south exterior corridor; the addition of three new "Link Lobbies" creating enclosed building entry points at the existing gaps between the buildings; the addition of gross floor area with the enclosure of ground floor underbuilding space; the addition of new accessible elevators and third level exterior corridor building links; the addition of new accessible restrooms and finally; upgraded site improvements to provide site accessibility, alleviate deferred hardscape and landscape maintenance and provide/upgrade tenant amenities. It is currently planned that construction for the work will be done in consecutive phases to accommodate existing tenants. Seismic

upgrades are not anticipated with the proposed scope of work. The proposed use of the buildings and will remain unchanged and will continue to be light office.

The Leasing Market, especially the multi-tenant office market in Sunnyvale continues to strengthen as Google and Apple maintain their pace of leasing space. As they continue to take more space, which is anticipated to continue into the foreseeable future, there are fewer and fewer opportunities in Mountain View and Sunnyvale for their ancillary businesses who desire to be within close proximity. Oakmead Terrace is well-positioned to take advantage of increasing market conditions and lease to high quality companies in the 3,000 - 15,000 SF range if ownership is able to update the building. Some of those renovations are:

- The addition of three link lobbies - the current lack of a building lobby(s) is a leasing hindrance and the connection afforded by the link lobby increases leasing flexibility by allowing tenants more freedom to expand horizontally
- Enclosing the first floor underbuilding area on the Oakmead side-this provides additional revenue generating space to pay for long overdue upgrades to building services and to provide accessibility.
- New bathroom cores at all four buildings and new elevators at all link lobbies - these improvements are needed in order to modernize the property and be competitive in the marketplace.

With the planned renovations Oakmead Terrace will attract high quality companies as there is a decreasing supply of multi-tenant office opportunities under 15,000 square feet. The current list of tenants onsite are as follows:

List of Tenants for 1230-1250-1270- 1290 Oakmead Parkway				Approximate	Typical Work Hours	Estimated Number of
Floor #	Unit #	Unit Type	Leased Area	Estimated Monday Through Friday	Employees Based on 150 SF/ Person	
Oakmead Terrace						
	1230-1	110	Commercial	4,050	8:00 AM to 6:00 PM	27
	1230-2	201	Commercial	1,078	8:00 AM to 6:00 PM	7
	1230-2	208	Commercial	1,671	6:00 AM to 8:00 PM	11
	1230-2	212	Commercial	3,355	6:00 AM to 8:00 PM	22
	1230-2	216	Commercial	1,848	8:00 AM to 6:00 PM	12
	1230-2	218	Commercial	1,880	8:00 AM to 6:00 PM	13
	1230-3	301	Commercial	1,093	8:00 AM to 6:00 PM	7
	1230-3	303	Commercial	1,066	8:00 AM to 6:00 PM	7
	1230-3	306	Commercial	1,066	8:00 AM to 6:00 PM	7
	1230-3	308	Commercial	1,066	8:00 AM to 6:00 PM	7
	1230-3	318	Commercial	2,160	8:00 AM to 6:00 PM	14
	1250-1	101-50	Commercial	1,330	8:00 AM to 6:00 PM	9
	1250-1	105-50	Commercial	726	8:00 AM to 6:00 PM	5
	1250-1	109-50	Commercial	1,185	8:00 AM to 6:00 PM	8
	1250-1	111-50	Commercial	1,413	8:00 AM to 6:00 PM	9
	1250-1	114-50	Commercial	1,743	8:00 AM to 6:00 PM	12
	1250-1	116-50	Commercial	894	8:00 AM to 6:00 PM	6
	1250-2	210-50	Commercial	13,098	8:00 AM to 6:00 PM	87
	1250-3	310-50	Commercial	3,495	8:00 AM to 6:00 PM	23
	1270-1	105-70	Commercial	871	8:00 AM to 6:00 PM	6
	1270-1	107-70	Commercial	738	8:00 AM to 6:00 PM	5
	1270-1	109-70	Commercial	400	8:00 AM to 6:00 PM	3
	1270-1	111-70	Commercial	1,403	8:00 AM to 6:00 PM	9
	1270-2	207-70	Commercial	1,848	8:00 AM to 6:00 PM	12
	1270-2	212-70	Commercial	1,232	8:00 AM to 6:00 PM	8
	1270-2	215-70	Commercial	3,111	8:00 AM to 6:00 PM	21
	1270-3	301-70	Commercial	4,118	8:00 AM to 6:00 PM	27
	1270-3	310-70	Commercial	2,665	8:00 AM to 6:00 PM	18
	1270-3	314-70	Commercial	2,858	8:00 AM to 6:00 PM	19
	1290-1	101-90	Commercial	1,765	8:00 AM to 6:00 PM	12
	1290-1	105-90	Commercial	871	8:00 AM to 6:00 PM	6
	1290-1	107-90	Commercial	1,638	8:00 AM to 6:00 PM	11
	1290-1	118-90	Commercial	894	8:00 AM to 6:00 PM	6
	1290-2	201-90	Commercial	6,014	8:00 AM to 6:00 PM	40
	1290-2	218-90	Commercial	2,126	8:00 AM to 6:00 PM	14
	1290-2	230-90	Commercial	3,726	8:00 AM to 6:00 PM	25
	1290-3	301-90	Commercial	3,225	8:00 AM to 6:00 PM	22
	1290-3	318-90	Commercial	1,093	8:00 AM to 6:00 PM	7