



INVESTMENT  
SUMMARY

# 825 STEWART

SUNNYVALE | CALIFORNIA



**RARE OPPORTUNITY TO ACQUIRE A HIGHLY-SPECIALIZED, APPLE-LEASED R&D ASSET IN SUNNYVALE**



# The Offering

Jones Lang LaSalle Americas, Inc. (“JLL”), as exclusive advisor, is pleased to present the opportunity to acquire the fee simple interest in 825 Stewart Drive (“825 Stewart” or the “Property”), a partial two-story, 75,350 square foot R&D asset located in Sunnyvale, California. Situated on a 4.3-acre site, 825 Stewart is 100% leased to Apple Inc. (“Apple” - S&P: AA+) for 6.67 years (exp. 04/2030). Apple maintains an extensive footprint in Silicon Valley, occupying over 15 million square feet with 3.9 million square feet in Sunnyvale alone. Strategically positioned among a mass of Apple tenancy, the Property is a highly-specialized R&D facility.

The Property underwent a full renovation in 2015 with approximately \$5 million of capital investment, which is not inclusive of the substantial additional capital spent by Apple to improve the Property’s highly-specialized R&D infrastructure. Apple’s growing footprint in Silicon Valley, coupled with its significant capital investment at the Property, underscores the stickiness of Apple’s tenancy and its long-term commitment at 825 Stewart.

**825 Stewart offers investors the rare opportunity to acquire an Apple-leased, highly-specialized R&D asset in one of the world’s top performing submarkets.**



## PROPERTY SUMMARY

<b>Address</b>	825 Stewart Drive, Sunnyvale, CA 94085
<b>Square Footage</b>	75,350
<b>Year Built / Renovated</b>	1970, 1988, 2003 / 2015
<b>Stories</b>	Partial Two Story
<b>Power</b>	4,000 Amps
<b>Site Size</b>	4.30 Acres
<b>APN</b>	205-21-008
<b>Parking</b>	242 Stalls (3.2 per 1,000)
<b>Occupancy</b>	100%
<b>Tenant</b>	Apple Inc. (S&P: AA+)
<b>Remaining Lease Term</b>	6.67 Years
<b>Lease Expiration</b>	April 30, 2030, Tenant has the continuing right to terminate the lease after May 1, 2028 with 180 days notice
<b>Renewal Options</b>	Two (2) Five (5) Year Extension Options at 95% FMV





Apple

100% LEASED TO APPLE  
THROUGH APRIL 2030

AA+

INVESTMENT-GRADE APPLE  
CREDIT



FULLY RENOVATED IN 2015  
WITH HIGHLY-SPECIALIZED  
R&D INFRASTRUCTURE



IDEALLY POSITIONED  
AMONG A CRITICAL MASS OF  
APPLE TENANCY



LOCATED AMONG THE  
WORLD'S MOST DIVERSE  
TECHNOLOGY TENANT BASE



UNPARALLELED ACCESS TO  
TOP-TIER TALENT



CENTRAL LOCATION WITH  
FLEXIBLE ACCESS VIA US 101,  
CENTRAL EXPRESSWAY, AND  
LAWRENCE EXPRESSWAY



## RARE OPPORTUNITY TO ACQUIRE A HIGHLY-SPECIALIZED R&D ASSET WITH HIGHLY IMPROVED SPACE

825 Stewart offers investors the extremely rare opportunity to acquire a highly-specialized R&D asset fully leased to Apple with highly improved space. In 2015, the Property underwent exterior and interior renovations, amounting to approximately \$5 million in capital investment. Select enhancements include two new lobbies with updated entrances, new HVAC units throughout the building, four new restroom cores, and upgraded electrical capacity to 4,000 amps of power.

In addition to the Landlord capital investment, Apple has invested substantial capital of their own to cater to the specific research and development activities conducted at the Property.

16'  
CLEAR HEIGHTS

242 (3.2/1,000)  
PARKING STALLS



**4,000  
AMPS**

**2015  
INTERIOR & EXTERIOR RENOVATION**

**FLOOR 1**

61,383 RSF  
81.5% OF TOAL SF

**FLOOR 2**

13,967 RSF  
18.5% OF TOTAL SF

**HIGHLY-SPECIALIZED LAB IMPROVEMENTS  
WITH RESTORATION REQUIREMENTS**



## 6.67 YEARS OF LEASE TERM WITH APPLE (S&P: AA+)

100% leased to multinational technology company Apple (S&P: AA+) through April of 2030, potential investors will benefit from 6.67 years of lease term with an established and highly committed investment-grade credit tenant. Advanced supply chains, successful products, and a healthy balance sheet contribute to Apple's strong business profile, which has enabled the company to maintain an investment-grade credit rating for almost a decade.

Despite rising inflation due to supply chain challenges, commodity shortages, and increased labor costs, Apple experienced unwavering customer goodwill and sustained demand for its products. In 2022, Apple maintained strong operating margins consistently above 30%, demonstrating the company's ability to mitigate risk against macroeconomic headwinds.

### APPLE HIGHLIGHTS

**AA+**

Investment-Grade  
Credit Rating

**164K**

Employees  
Worldwide

**\$394.3B**

2022  
Total Sales

**#3**

Fortune 100  
Companies

**1976**

Year  
Founded

**\$2.68T**

Market  
Cap



## APPLE CONSISTENTLY OUTPERFORMS FAANG PEERS

In 2022, Apple reported strong annual results and outperformed its peers. Apple generated \$394.3 billion in total sales, a 7.8% increase year-over-year. Compared to that of its FAANG peers, Apple's stock was less impacted by the market volatility, witnessing the lowest percentage change in returns in 2022. Moreover, over the last five years, Apple's stock experienced the largest percentage increase in returns on average when compared to its peers.

The high interest rate environment, in conjunction with overzealous hiring practices, has caused a host of technology companies, including Meta, Alphabet, Amazon and Microsoft, to conduct layoffs to correct the hyper-growth period in 2021. While Apple bolstered its workforce by approximately 20% over the last two years, it did not significantly increase its rate of hiring further highlighting the stability of Apple's workforce.

### FAANG STOCK PERFORMANCE

COMPANY	AVG 5-YEAR RETURNS (%)
<b>APPLE</b>	202.20
<b>META (FACEBOOK)</b>	-24.44
<b>AMAZON</b>	51.58
<b>NETFLIX</b>	51.00
<b>ALPHABET (GOOGLE)</b>	61.11

Source: Refinitiv





## APPLE'S LONG-TERM COMMITMENT TO SILICON VALLEY

Apple maintains an extensive footprint in Silicon Valley, occupying over 15 million square feet - a 117% increase in square footage over the past six years. Given the bespoke nature of its spaces, Apple has retained a high occupancy rate throughout its tenure in Silicon Valley, shedding little to no space over the years.

## APPLE'S GROWING SUNNYVALE FOOTPRINT

Apple's Sunnyvale footprint of 3.9 million square feet has experienced tremendous growth in recent years, with 1.7 million square feet added since 2020 alone. As Apple's chosen expansion destination, Sunnyvale provides direct connectivity to Cupertino - home to Apple's headquarters, Apple Park, and the Apple Infinite Loop Campus. The close proximity to Cupertino, coupled with recent long-term Apple lease commitments, demonstrates Apple's continued commitment to Sunnyvale.

### NOTABLE RECENT APPLE ACTIVITY IN SILICON VALLEY

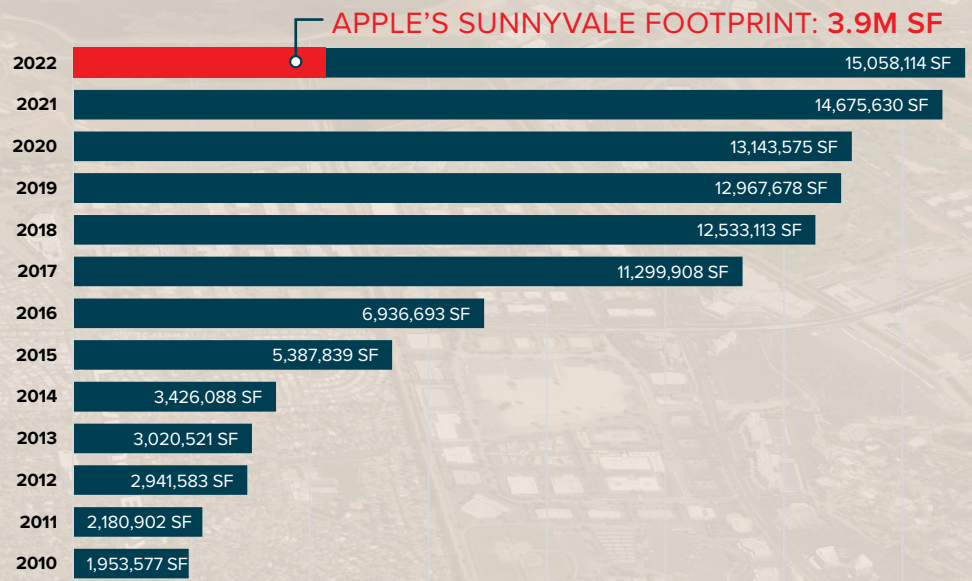
Tenant	Location	Submarket	Size (SF)	Date
Apple (User Purchase)	474 Potrero (Peery Park)	Sunnyvale	58,200	Sep-22
Apple (Lease)	625/655 N. Mathilda (Mathilda Commons)	Sunnyvale	382,500	Jun-22
Apple (User Purchase)	123 Uranium	Sunnyvale	105,000	Jan-22
Apple (Lease)	195 N Wolfe Road	Sunnyvale	128,084	Jul-21
Apple (Lease)	600-650 & 700-750 N. Mary (Pathline Park)	Sunnyvale	700,000	May-21
Apple (Lease)	5407 Stevens Creek	Santa Clara	147,500	Jan-20

Data is from publicly available sources.





APPLE'S SILICON VALLEY FOOTPRINT GROWTH



**825 STEWART**

6.5 MILES  
15 MIN

APPLE LAWRENCE  
AREA FOOTPRINT  
1,413,489 SF

LAWRENCE  
STATION AREA

3.4 MILES  
8 MIN

APPLE PARK





## PRIME SILICON VALLEY LOCATION WITH SUPERIOR ACCESS

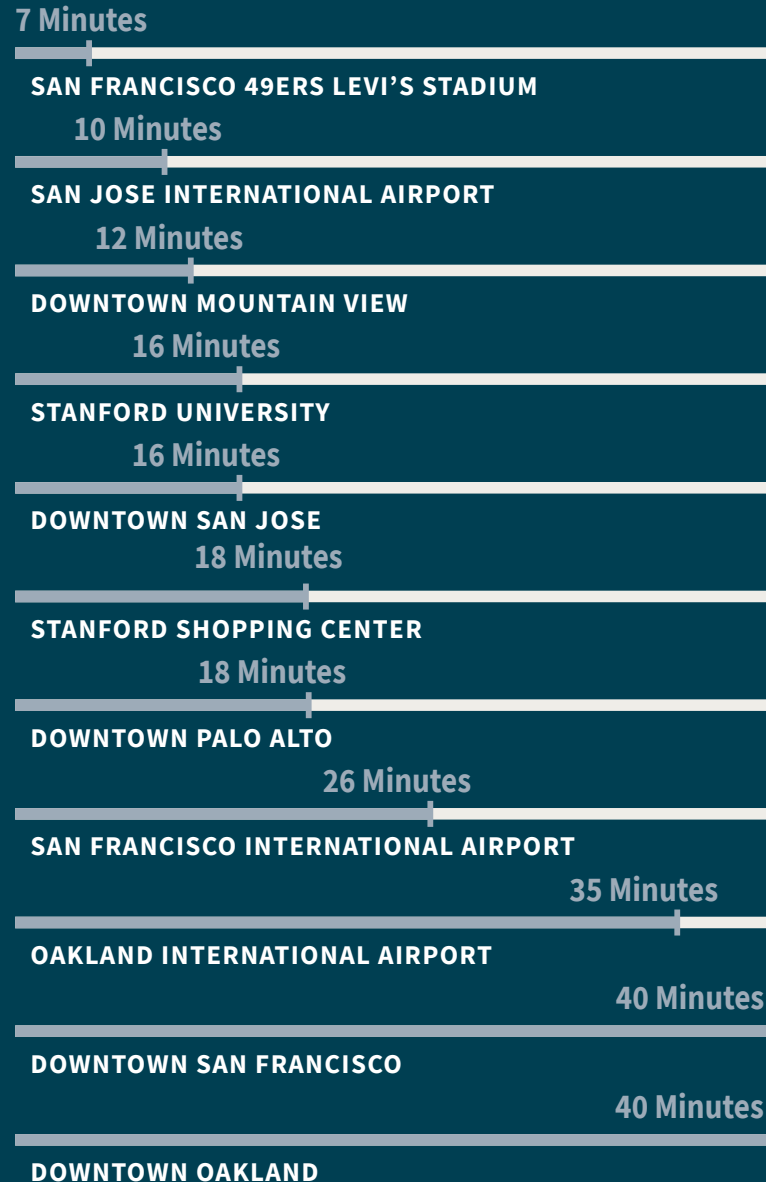
### PREMIER CENTRAL LOCATION

825 Stewart is ideally positioned near the intersection of Central Expressway and North Wolfe Road, providing direct proximity to Lawrence Expressway & Highway 237, as well as convenient access to Highway 101. Located in one of the most robust technology markets in the world, the Property's Silicon Valley location affords tenants connectivity to venture capital and extensive transportation infrastructure. Additionally, 825 Stewart is located less than 2 miles from both the Sunnyvale Caltrain station and the Lawrence Caltrain station.

### PROXIMITY TO EXECUTIVE HOUSING AND AFFLUENT COMMUNITIES

Sunnyvale is a short distance from many of Silicon Valley's most affluent communities long favored by top executives - Los Altos Hills, Woodside, Hillsborough, Atherton, Palo Alto, Saratoga, Campbell and Monte Sereno - all of which are located within thirty minutes of the Property. The Property's proximity to Highway 237 also offers convenient access to communities south and east of the Property with the high-quality schools and upscale housing desired by the region's large, well-educated talent pool and highly-skilled engineers.

## DRIVE TIMES TO POINTS OF INTEREST





- - - Caltrain  
- - - Bay Area Rapid Transit (BART)

**825 STEWART**

**HILLSBOROUGH**  
 Bachelors Degree or Higher\*: 81.8%  
 Average HH Income: \$366,586

**MENLO PARK**  
 Bachelors Degree or Higher\*: 70.5%  
 Average HH Income: \$269,921

**ATHERTON**  
 Bachelors Degree or Higher\*: 82.6%  
 Average HH Income: \$373,202

**825 STEWART**




**WOODSIDE**  
 Bachelors Degree or Higher\*: 77.0%  
 Average HH Income: \$362,340

**PALO ALTO**  
 Bachelors Degree or Higher\*: 82.7%  
 Average HH Income: \$266,907

**SANTA CLARA**  
 Bachelors Degree or Higher\*: 62.1%  
 Average HH Income: \$177,643

**SAN JOSE**  
 Bachelors Degree or Higher\*: 44.8%  
 Average HH Income: \$174,217

**TRAVEL TIMES TO CALTRAIN**

-  **33 MINUTES**  
WALK
-  **10 MINUTES**  
BIKE
-  **6 MINUTES**  
DRIVE

\*25+ Years of Age



# 825 STEWART



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