

KBS Sells a 99,552 Square-Foot Building, at an Eight Building Class A Office Complex in San Jose, California for \$35M

Property is the final asset KBS has sold in the office park since the firm acquired the complex in 2013.



SAN JOSE, California (November 29, 2021) – [KBS](#), one of the largest investors in premier commercial real estate, has sold 300 Holger Way, a 99,552 square-foot, Class A office building in San Jose, California, a submarket of Silicon Valley. The property, the final asset KBS has sold in the eight-building District 237 office park the firm acquired in 2013, was purchased by an affiliate of [Menlo Equities](#) for \$35 million. 300 Holger Way was owned by KBS Real Estate Investment II.

District 237, formerly known as Corporate Technology Centre, is located in a particularly active area within Northern California that is highly popular with office users, according to Gio Cordoves, Western regional president for KBS.

“District 237 presents a premier value-add opportunity to capture tenant demand in the Silicon Valley market,” says Cordoves. “The location offers close proximity to several world-leading technology firms, such as Google, which [continues to expand](#) its development footprint in San Jose. This is just one example of the demand for office space in this market.”

Silicon Valley’s Class A office market is rebounding and could prove to be one of the strongest performing markets in the country. The current monthly office rental rate is the [highest on record](#) for Silicon Valley. Also, an increase in rental rates during the third quarter for all product types, including office, research, and industrial spaces, has led to a surge of new construction throughout the Silicon Valley market. According to [CBRE’s Silicon Valley office market report](#) for the third quarter, 1.5 million square feet of office space was delivered to this market, 1.1 million square feet of which was preleased. Talent retention and recruitment is one of the main reasons companies continue to seek Class A office buildings in the area, notes Cordoves.

The property is conveniently situated near the @First Marketplace retail development, providing a robust amenity base for tenants, according to Brent Carroll, asset manager for District 237 and senior vice president of KBS. The retail development contains numerous restaurants, retail establishments and hotels ideal for traveling office users.

“300 Holger Way’s advantageous location is well positioned to attract a wide range of technology-based users,” says Carroll. “The area is home to the nation’s largest cluster of technology firms, and it benefits from this exuberant entrepreneurial spirit.”

A three-story steel-frame building that was constructed in 2000 and fully renovated in 2019, 300 Holger Way sits on a 4.86-acre parcel and benefits from the continued influx of venture capital dollars invested in the Silicon Valley. The building features extensive glass lines and efficient floor plates. Amenities include nearby transportation, shopping, entertainment, and dining options.

KBS has invested more than \$3 million in renovations to the property that included completely new interiors, upgraded exteriors, landscaping, a new outdoor amenity area, an upgraded parking lot and a new HVAC system.

Joseph Moriarty, Scott Prosser, Jack Depuy, Brad Zampa and Mike Walker from CBRE represented KBS in the sale of 300 Holger Way.

“This transaction represented a rare chance to acquire a fully renovated Class A office building in the premier Northern San Jose submarket,” says Moriarty, Executive Vice President for CBRE.

The buyer recognized the opportunity to acquire one of San Jose's most desirable office buildings, which has been revitalized due to KBS' world-class management of this asset, according to Michael Johnston of Menlo Equities.

"We were very pleased to work with KBS in the disposition of 300 Holger Way during the revitalization of the Silicon Valley office market," said Fischer, Greenberg Traurig's Chair of the West Coast Real Estate Practice and Co-Managing Shareholder of the Orange County Office, who led the Greenberg Traurig team representing KBS.

The property is located at 300 Holger Way in San Jose, California.

Please click [here](#) for photos of 300 Holger Way at District 237.

About KBS

[KBS](#) is one of the largest investors of premier commercial real estate in the nation. As a private equity real estate company and an SEC-registered investment adviser, KBS and its affiliated companies have completed transactional activity of more than \$43 billion on behalf of private and institutional investors globally. Founded in 1992 by Peter Bren and Chuck Schreiber, KBS acquires and operates prime commercial real estate in some of the most successful epicenters in the country. The firm is committed in its business ethics, its business relationships, and its constant focus on exceeding the expectations of its investors, partners, and tenants. SEC registration as an investment advisor does not imply any particular level of skill or training. For more information on KBS, please visit www.kbs.com.

About Menlo Equities

Menlo Equities is headquartered in Menlo Park, California and is a private, vertically-integrated commercial real estate investment firm with a 26-year history of successfully investing through economic and real estate cycles. Menlo Equities' goal is to create value and generate superior, risk-adjusted returns through three investment platforms: core-plus, value-add, and development, by investing in high-quality properties located in innovation driven-markets with highly educated workforces. Since 1995, Menlo has acquired or developed \$7.9 billion of assets across the United States totaling 23.2 million square feet. For more information, please visit www.menloequities.com.

This release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements relating to KBS Real Estate Investment Trust II's ability to invest in and manage a diverse portfolio, and the performance of District 237 and of the San Jose, California real estate market. These statements are subject to known and unknown risks, uncertainties and other factors which may cause KBS Real Estate Investment Trust II's and/or District 237's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

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