



Developer Sees Opportunity in Dearth of New Warehouse-Distribution Space in Silicon Valley

SAN JOSE, CALIF. – January 7, 2016 – An ever tightening industrial market in Silicon Valley is providing developers of modern, high cube warehouse-distribution space with potential opportunities. One of the companies to detect the trend early is Newport Beach, Calif.-based Panattoni Development Company, which has broken ground on its first ever project in Silicon Valley, a \$40 million industrial warehouse-distribution development on 16 acres at Piercy Road and Hellyer Avenue in the rapidly growing South San Jose submarket.

Totaling 261,000 square feet, Panattoni's state of the art development features a 150,000 s.f. freestanding, high cube build-to-suit for DBI Beverage, Inc, an operator of ten beer distributorships throughout Northern California. At the same time, Panattoni will build a 111,043 s.f. freestanding high cube warehouse distribution facility on a speculative basis on an adjacent parcel. Silicon Valley Industrial Center is believed to be the only high cube, state of the art warehouse industrial building currently under construction in the South Bay.

"We've liked the way the fundamentals for industrial development in South San Jose have strengthened over the past few years and we were able to secure a great site for development," said Tim Schaedler, Northern California Partner, Panattoni Development. We're developing all over North America and Europe and we see Silicon Valley as one of the very best markets we're in at this time," he added.

The JLL team of Jason Ovadia, Greg Matter and Mark Bodie have been engaged to lease Silicon Valley Industrial Center.

"Panattoni is a globally-respected developer of high class industrial facilities and they have really chosen the perfect time to embark on their first projects in Silicon Valley," said Greg Matter, executive vice president, JLL. "Close to four million square feet of industrial product has been removed from the market in the last 12 months through acquisition and redevelopment by tech firms and other office users and there is really a dire need for modern industrial space in the Valley right now," he added.

Standing on just under six acres, Silicon Valley Industrial Center will be built to LEED standards and offer 32-foot clear heights and 50-foot by 52 foot column spacing for maximum warehouse efficiency. The building will have 15 dock-high doors and parking for 126 cars. Construction is underway and the building is expected to be ready for occupancy by next October.

"There is very, very little of this efficient, ample power, high-cube space available in the Valley right now and the location in South San Jose is attractive because it is easily accessible to a broad workforce in San Jose, Morgan Hill and Gilroy and is a reverse commute for executives coming from further up the Peninsula," said Jason Ovadia, executive vice president.

About Panattoni

Founded in 1986 by Carl Panattoni, Panattoni Development Company, Inc. (“PDC”) along with its European and Canadian affiliates (collectively “Panattoni”) is one of the largest privately held, full-service real estate development companies in the world. Panattoni operates from 24 offices in the United States, Canada and Europe. Since inception, Panattoni has developed more than 200 million square feet of space including more than 65 million square feet of build-to-suit projects. Panattoni’s US operations are headquartered in Newport Beach, CA and operate from 14 offices in the United States covering all major industrial hubs. Highly experienced local partners operate in each of their markets focusing on project sourcing and execution.

About JLL

JLL (NYSE: JLL) is a professional services and investment management firm offering specialized real estate services to clients seeking increased value by owning, occupying and investing in real estate. A Fortune 500 company with annual fee revenue of \$4.7 billion and gross revenue of \$5.4 billion, JLL has more than 230 corporate offices, operates in 80 countries and has a global workforce of approximately 58,000. On behalf of its clients, the firm provides management and real estate outsourcing services for a property portfolio of 3.4 billion square feet, or 316 million square meters, and completed \$118 billion in sales, acquisitions and finance transactions in 2014. Its investment management business, LaSalle Investment Management, has \$55.3 billion of real estate assets under management. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated. For further information, visit www.jll.com.

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