

# 1701

MCCARTHY

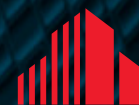
MILPITAS, CA



□ 33,684 SQUARE FOOT SINGLE STORY R&D BUILDING

□ 100% NNN LEASED TO TE CONNECTIVITY

□ \$4M RECENT TENANT INVESTMENT



**CUSHMAN &  
WAKEFIELD**



# THE OFFERING

Cushman & Wakefield, as exclusive advisor, is pleased to present the opportunity to acquire the 100% fee simple interest in 1701 McCarthy Boulevard (the "Property"), a recently renovated R&D building located in Milpitas, California.

Comprising 33,684 square feet, the building is 100% leased to TE Connectivity (NYSE: TEL). The tenant has leased the Property since 2006 and recently invested nearly \$4 million in HVAC, mechanical, and equipment improvements. TE Connectivity is a global industrial technology leader specializing in designing and manufacturing electrical and electronic components, serving a wide range of industries including automotive, aerospace, defense, medical, and energy.

## PROPERTY SUMMARY

<b>RSF:</b>	33,684
<b>Site Area:</b>	2.5 Acres
<b>Parking:</b>	3.0 Stalls / 1,000 SF
<b>% Leased:</b>	100%
<b>Tenant:</b>	TE Connectivity (NYSE: TEL)
<b>Credit Rating:</b>	A- (S&P)
<b>Market Cap:</b>	\$45.45B (As of 2/26/25)
<b>Lease Expiration:</b>	January 31, 2029







## STRONG CASH FLOW

The building is 100% NNN leased to TE Connectivity through January 2029; by way of mergers and acquisitions, the same tenant has operated at the Property since 2006. Since 2017, the tenant has invested approximately \$4 million in extensive HVAC, mechanical, and equipment upgrades including recoating the roof, new HVAC units, and installing specialty manufacturing equipment (a DRIE etcher).



## ESTABLISHED, INVESTMENT GRADE TENANT

Founded in 1941, TE Connectivity is a global industrial technology leader that specializes in connectivity and sensing solutions, designing and manufacturing more than 200 products annually. With operations in 130 countries, the company has more than 85,000 employees, including 9,000 engineers. They have a market cap of \$45.45 billion (as of February 2025) with \$15.8 billion net sales in 2024. In 2019, TE Connectivity acquired Silicon Microstructures, the tenant at the Property. That acquisition represents one of more than two dozen that TE Connectivity has completed in the past ~20 years.







## DIMINISHING INVENTORY & CORPORATE LAND GRAB

Inventory of R&D product in Silicon Valley has significantly dwindled with 23.4 million square feet scraped for multifamily or office development since 2013. Specifically in the North San Jose and Milpitas area, most demolished properties have been converted to residential projects, and the city has identified several additional properties for residential redevelopment. The presence of large technology firms including Apple, Facebook, Google, and LinkedIn has resulted in a very limited supply of high-quality, single-story R&D product across Silicon Valley.



## HIGHLY SOUGHT AFTER, FUNCTIONAL PRODUCT

Demand for quality R&D space has remained strong despite market uncertainties because those job functions cannot be performed remotely. This demand coupled with diminishing inventory means buildings like 1701 McCarthy are highly sought after. The Property features excellent R&D infrastructure including grade-level loading, 1,600 amps of power, three clean rooms ranging from Class 100 to 10,000, as well as abundant parking and convenient highway access. The tenant has occupied the building since 2006 and invested nearly \$4 million in building systems and equipment since 2018. Should they ever vacate, the Property would be easily re-leased due to its functionality and ideal location.







## PREFERRED ASSET CLASS IN SILICON VALLEY'S BEST LOCATION

The Property is in the Oak Creek area of Milpitas within Silicon Valley's Golden Triangle. Oak Creek has outperformed the Milpitas and overall Silicon Valley R&D markets— it recorded a 6.4% vacancy at the end of 2024, compared to Milpitas at 14.4% and Silicon Valley at 12.5%. The Golden Triangle has long been known as Silicon Valley's most desirable trade areas and is home to some of the world's most notable technology companies due to its access to talent and infrastructure, and this concentration creates a self-reinforcing cycle that continues to draw more technology companies and investment.



## GLOBAL CENTER FOR TECHNOLOGY & VENTURE CAPITAL INVESTMENT

With a high concentration of cutting-edge companies and an unparalleled stream of Venture Capital investment (~50% of all U.S. VC investment in 2024), the Bay Area, and especially Silicon Valley, is renowned as the world's center of technology. The region flourishes from immediate access to abundant venture capital and one of the most educated workforces in the nation. The Silicon Valley metro area ranks #3 in the world and #1 in the United States for GDP per capita, and there are 38 Fortune 500 companies located in Silicon Valley.

## PROXIMITY TO LABOR POOL AND HOUSING

Within a 3-mile radius of the Property, 17,057 people are employed in professional/ scientific tech industries and nearly 60,000 are employed in manufacturing. The Property's location allows a tenant to draw from a labor pool that is both deep and highly educated (72% with bachelor's degree or higher). Within 3 miles of the Property there is an existing inventory of ±2,534 multifamily units built since 2019, with another 3,972 under construction or proposed.





## ACCESS TO TRANSPORTATION & AMENITIES

1701 McCarthy enjoys quick access to I-880, Hwy-101, SR- 237 and Montague Expressway along with convenient light rail service, proximity to the Milpitas Bart station, and is located within a 9-minute drive of San Jose Mineta International Airport. There is an ACE shuttle bus stop across the street from the Property, and the Alder VTA station is one mile from the Property, providing efficient access to a myriad of local amenities, nearby bedroom communities, and the Milpitas Bart station. The Property is located just minutes from The Great Mall, the largest indoor shopping mall in Northern California, and many other shopping and dining centers such as @First, Rivermark, McCarthy Ranch, and Nicholson Plaza.



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