

SELECT A CITY ▾

Meet the innovators of 2017's Upstart 50 >

LIMITED TIME OFFER
Subscribe Now

SIGN IN

Your Account ▾

WELCOME

Your Account ▾

INDUSTRIES & TOPICS



NEWS

LISTS & AWARDS

PEOPLE & COMPANIES

EVENTS

MORE...



FOR THE EXCLUSIVE USE OF PERRY@FORTBAY.COM

From the Silicon Valley Business Journal:

<https://www.bizjournals.com/sanjose/news/2017/08/24/miramar-capital-real-estate-mountain-view-fremont.html>

New investment firm snaps up two Silicon Valley properties near Tesla, Google, LinkedIn campuses

🔑 SUBSCRIBER CONTENT: Aug 24, 2017, 5:31pm PDT Updated: Aug 24, 2017, 5:41pm PDT

Miramar Capital may only be a few months old, but it's already snapped up two prime, fully leased offices in Mountain View and Fremont that sit within walking distance to the tech campuses of [Tesla](#), [Google](#) and [LinkedIn](#).

The real estate operating and investment company officially launched in May, and is looking to invest in properties where it can make improvements or re-entitle and redevelop.

Its first two purchases are candidates for either future, said [Perry Hariri](#), a managing partner at the company.

"The first two acquisitions both have medium-term leases at below-market rates and both properties are in locations that are supply-constrained," Hariri told the Silicon Valley Business Journal. "They provide the opportunity to either re-lease at higher rates or possibly repurpose for re-entitlement."

Miramar's most recent acquisition, an R&D building at 400 Logue Ave. in Mountain View, sits tucked between [LinkedIn's](#) headquarters and [Google Inc.'s](#) Quad Campus.

The 42,210-square-foot single-story office, originally built in 1978, is fully leased by digital promotions company [Quotient Technology](#). Notably, the property is also within a short distance to many other tech companies like [Symantec](#), [Veritas Technologies](#) and [Synopsis](#).

The \$31 million transaction closed Aug. 14, according to county documents – a sale that works out to more than \$734 per square foot.

The seller, 400 Logue LLC, is associated with Jack Kasbergen, who owns Cache Creek Dairy in Woodland Calif. Kasbergen could not be reached for comment Thursday.

Miramar worked with a capital partner, [Grand China Overseas Investment Management LP](#), to close on the property.

“We are excited about our new partnership with ... the Miramar team,” David Long, CEO at [Grand China](#) said in a statement Thursday. “They have the right skills to identify unique investment opportunities in a market where finding interesting opportunistic returns is increasingly difficult.”

That transaction follows a Fremont acquisition in March, before Miramar was officially formed, though the property at 1250 Reliance Way was bought under an LLC bearing the Miramar name.

Today, the 101,882-square-foot light industrial property, which sits less than a mile from [Tesla Inc.](#)’s massive electric car factory in Fremont, is fully leased by [Western Digital Corp.](#) However, CoStar records show that the San Jose-based computer data storage company is currently working with JLL to find a sub-lease tenant to take over the building until early 2025.

Earlier this year, the Business Journal reported that Western Digital was set to [lay off more than 130 employees](#) in June and is consolidating its operations to its South San Jose Campus along Great Oaks Parkway.

Alameda County records show that an entity associated with [LBA Realty](#) sold the property to Miramar for \$18.5 million in early March. That sale works out to nearly \$182 per square foot.

But beyond the properties’ proximity to growing Bay Area giants in supply-constrained markets, Hariri said the properties stood out because of transit options nearby.

In Mountain View, the Quotient building is about a block away from a VTA stop while the Western Digital property in Fremont is a block away from the new [Warm Springs BART station](#), which is also served by AC Transit.

Miramar springs to life

Miramar Capital, headed up by three longtime California real estate gurus, is based in Santa Monica, but has a Silicon Valley presence at 4300 Stevens Creek Blvd. in San Jose, where Hariri’s office is.

The trio connected via their work with Los Angeles-based Colony NorthStar Inc., but decided earlier this year to branch out together, focusing on office and multifamily properties.

Hariri, founder and former principal of Silicon Valley-based infill development firm [Fortbay LLC](#), partnered with ex-Colony NorthStar employees, Paul Fuhrman, and Jae Yi to form Miramar.

Fuhrman is the former executive director and head of U.S. acquisitions at Colony NorthStar and Yi was a managing director for Colony NorthStar. Hariri was a frequent development partner with the company.

Miramar has two more acquisitions in escrow in Southern California, Hariri said Thursday. But as it looks to broaden its footprint, it’ll also be keeping a close eye on the northern half of the state.

Hariri, is also holding onto his interest in Fortbay, which over the past couple years, has picked up two properties in partnership with Colony NorthStar: a [208-unit apartment community](#) at 777 W. Middlefield Rd. in Mountain View and the [Stevens Creek Executive Park](#) at 4300-4340 Stevens Creek Blvd. in San Jose.

Meanwhile, the Miramar group recently formed a new partnership with Colony NorthStar to begin seeking out some new opportunities.

The two properties that Colony NorthStar has already invested in via its partnership with Fortbay are “currently exceeding expectations,” Richards Saltzman, president and CEO at Colony NorthStar said in a statement. “As a result, we are highly confident of Miramar’s ability to identify other similar joint venture equity opportunities.”

Hariri said the group is currently looking at several investments with Colony NorthStar.

“They tend to like larger transactions,” he said in an interview. “So we are looking at several, and look forward to closing something with them in the near future.”

Join the conversation: Follow @SVbizjournal on Twitter, "Like" us on Facebook and sign up for our free email newsletters.

Janice Bitters

Commercial Real Estate Reporter
Silicon Valley Business Journal

