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**AMERICAN REALTY ADVISORS ACQUIRES TROPHY-CALIBER
MIXED-USE ASSET IN PALO ALTO, CALIFORNIA**

- **The building is 100% leased with 93% of the space occupied by leading global payment solutions firm, Visa.**

PALO ALTO, Calif., (January 30, 2018) – [American Realty Advisors \(“ARA”\)](#), an institutional fund manager with more than \$8.0 billion in assets under management, has acquired 385 Sherman, a 67,974 square-foot, newly-constructed, mixed-use property in the heart of Palo Alto. The property is comprised of 63,618 square feet of office space that is fully leased to Visa, a credit tenant with annual revenues in excess of \$30 billion, and four fully leased multi-family units.

“Completed at the end of 2016, 385 Sherman is a true core investment with an A+ investment grade tenant in one of the nation’s top performing office markets,” according to Scott Darling, ARA’s President. “The market is home to a majority of the country’s leading technology, professional services, and venture capital firms, in close proximity to the Bay Area’s most affluent residential neighborhoods, and is dominated by extremely high barriers to entry and limited supply.”

Newer office buildings delivered after 2010 only comprise seven percent of the overall Palo Alto office inventory, strategically positioning 385 Sherman for long-term demand and increased value over time.

“Our ability to acquire an asset of this caliber with long-term leases in place fits well within our investment strategy and provides downside protection to our investors,” explains Darling.

Located two blocks from the California Avenue Caltrain Station and in close proximity to the vibrant California Avenue retail corridor, the property benefits from its highly walkable, densely populated locale, as well as its first-class amenities. 385 Sherman features expansive column-free floor plates to accommodate an open and flexible design, floor to ceiling glass window line, bike storage, shower facilities, and a landscaped third floor roof deck for tenants to enjoy.

“These best-in-class amenities, coupled with high walkability and transit-orientation, will maintain this property’s sought-after position in both office and multi-family for the long-term,” says ARA’s Senior Director in the Investment Group, Albert Pura.

385 Sherman also offers unique interest for its public art piece – Tabula – which is integrated into the building façade and consists of 63 LED light panel fins that run along two exterior walls of the building. The LED lights transmit live seismic data from the USGA overlain on a world map. “This piece further gives the building a modern feel that translates well among its environmental surroundings as well as in the tech community,” adds Pura.

The property's four multi-family units currently serve as executive residences, and are fully leased, providing an additional revenue stream that further enhances the long-term value of the asset.

The (pending) LEED certified building is located at 385 Sherman in Palo Alto, California.

The seller, a joint-venture between The Minkoff Group and a fund managed by JPMorgan Asset Management, was represented by Stephen Van Dusen and Paul Nelson at Eastdil Secured.

ABOUT AMERICAN REALTY ADVISORS

With more than \$8.0 billion in assets under management, American Realty Advisors is a leading provider of commercial real estate investment management services. For over 29 years, ARA has managed capital for institutional investors utilizing core and value-added commingled funds and separate accounts. ARA acquires assets directly or provides equity, preferred equity, mezzanine debt, debt, and hybrid debt to primary investors and developers operating throughout the United States for office, industrial, multi-family, and retail properties. More information regarding ARA can be found at www.aracapital.com.

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