

## Acore Funds Silicon Valley Offices

**Embarcadero Capital** and **PCCP** have lined up \$99.4 million of floating-rate debt from **Acore Capital** to finance their joint purchase of a vacant office complex in Silicon Valley.

The partnership paid **Hudson Pacific Properties** about \$70 million for the 472,000-square-foot Campus Center, in Milpitas, Calif. **Eastdil Secured** brokered the sale, which closed July 25, and arranged the financing.

The loan has a five-year term, including extensions. A portion of the proceeds will be drawn down over time to cover capital expenditures, tenant improvements, leasing commissions and other expenses related to filling the space.

The three Class-A buildings were fully occupied by **Cisco** until 2017, when the technology giant consolidated offices in San Jose. Hudson then embarked on a \$16 million renovation, completed last year, that included substantial upgrades to one building and improvements to the lobby, landscaping and outdoor recreation areas.

The borrowers will have the opportunity to offer prospective tenants large blocks of high-quality space at lower rents than can be found elsewhere in Silicon Valley, said Acore managing director **Josh Katzin**. He also noted that Embarcadero, of Belmont, Calif., and Los Angeles-based PCCP have extensive experience owning and operating properties in the area.

Campus Center, developed in 2001, is on a 30-acre site at 115-155 North McCarthy Boulevard. Hudson assumed the property, along with an adjacent 35-acre parcel, via its 2015 purchase of an 8.2 million-sf Northern California office portfolio. The Los Angeles REIT paid New York-based **Blackstone** \$3.5 billion for the 26-property package. The undeveloped parcel was purchased separately last month by Chicago-based **Bridge Development** for around \$78 million, according to local property records cited by **The Mercury News** of San Jose. ❖