



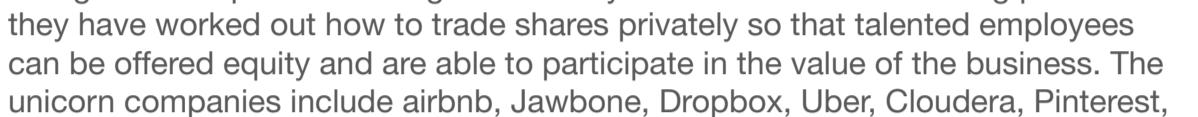
Office Leasing Feedback from International Roadshow

TITANS AND UNICORNS

They are now so financially substantial that the businesses using their own equity.

A horizontal row of seven logos representing major tech companies: Facebook (blue 'f'), Apple (black silhouette), Cisco (blue and red graphic), Oracle (red text), Google (blue and green text), Microsoft (blue and green graphic), and Amazon (orange and yellow graphic).

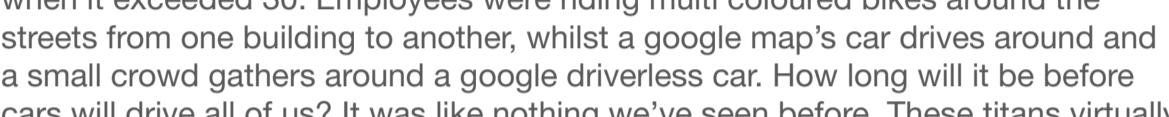
The challengers to these titans are known as **unicorns**. Unicorns are defined as tech businesses valued at \$US1 billion or more. Many are now ripe for IPO after creating a business with a unique offering, obtaining adequate funding and either growing revenues or even being profitable. In most cases they are delaying



A horizontal row of logos for various tech companies. From left to right: Pinterest (a red 'p' inside a white circle), Airbnb (a red stylized 'a' inside a house-like shape), Dropbox (a blue hexagonal icon with a white 'd'), SurveyMonkey (a yellow cloud-like icon with a white 'm'), Uber (the word 'UBER' in a large, bold, black sans-serif font with a registered trademark symbol), SurveyMonkey (the word 'SurveyMonkey' in a black sans-serif font with a registered trademark symbol), Cloudera (the word 'cloudera' in a blue sans-serif font with a registered trademark symbol), and Jawbone (the word 'JAWBONE' in a black sans-serif font).

SCALE

These businesses are across the United States but most are embedded in San Francisco or immediately south in Silicon Valley in areas such as Palo Alto, Mountain View, Menlo Park, Cupertino, Redwood City, Santa Clara and San Jose. In these locations titan companies like Apple, Symantec, Oracle and Google dominate the landscape. I stopped counting the number of buildings at Googleplex



What I have
done a deal
that deal wa

San Francisco, Salesforce have committed to the largest tower which is under construction. The building will be 127,000 sqm and Salesforce will take 66,300 sqm. There was talk that LinkedIn purchased land just out of the city and were readying for construction when key staff announced they wouldn't work there. LinkedIn have subsequently committed to a further 45,000 sqm in the city which suits their staff just fine.

portunity and future with a smaller group, like a unicorn. The city means more amenity and less travel time. No matter how you travel to Silicon Valley, it takes time. My trip, even leaving early was 1 hour and 15 mins, and it was congested

The unicorns like the industrial style spaces in convenient, but smaller areas where space costs less, but still offers A grade facilities. May have an expensive look, but they definitely need A grade services.

It's all about data. Broadband cable is essential to carry data fast. Up and downloading files quickly is vital. Some areas are not adequately serviced, so they just don't work.

work spaces and in many cases, additional areas where staff could go and work in different ways. Every staff member has a desk. Dropbox had a kitchen breakout area of over 1,000 sqm and it was the most popular and most used area of their space. That space reflected about 15% of the total tenancy.

There is no doubt that San Francisco has come alive and is experiencing tremendous prosperity. Tech is filling space and making new developments viable and this is having a very positive impact on the city. I saw this in the number of people in bars/restaurants who wanted to be entertained. There is greater interest in the arts, food, and culture.

SO WHAT CAN WE LEARN...

What I see for Sydney are some real learnings:

Many buildings won't be suitable for these users because they are too old and haven't been upgraded. Old buildings on the fringe of the city refurbished to an A grade standard with internal amenity will be attractive;

- There is a strong possibility we will see centralisation from Macquarie Park to the CBD, as San Francisco is seeing out of Silicon Valley;

- Efficiency isn't a key consideration for space planning for tech, but expansion within the building is;
- I see more space being taken because Sydney can offer skilled people and can also act as a support centre. However, we need to harness the interest a

ensure that these companies are made aware of our best development. This is where Knight Frank will be your point of difference – we are committed to ensuring that our clients stock is at the forefront of the tech companies thinking, and that they bring their requirement to us first.

Let us work with you to secure this new breed of tenants, the Titans and the Unicorns, as well as the excellent local startup Tech companies. This is the new wave of occupier, and now is the time to ride that wave.

CONTACT US

Contact Kymbal Dunne if you are interested and would like to have your property promoted to a much larger



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