

RUNNER-UP

DEAL OF THE YEAR

YAHOO INC.

Santa Clara purchase
opens up possibilities

BY MARY DUAN
sanjose@bizjournals.com

When you're one of the largest Internet companies in the world, known for your business joie de vivre, amazing ability to adapt and expand, and for clever titles for your executives (Chief Yahoo, anyone?), it's natural that even a tiny land purchase will draw attention.

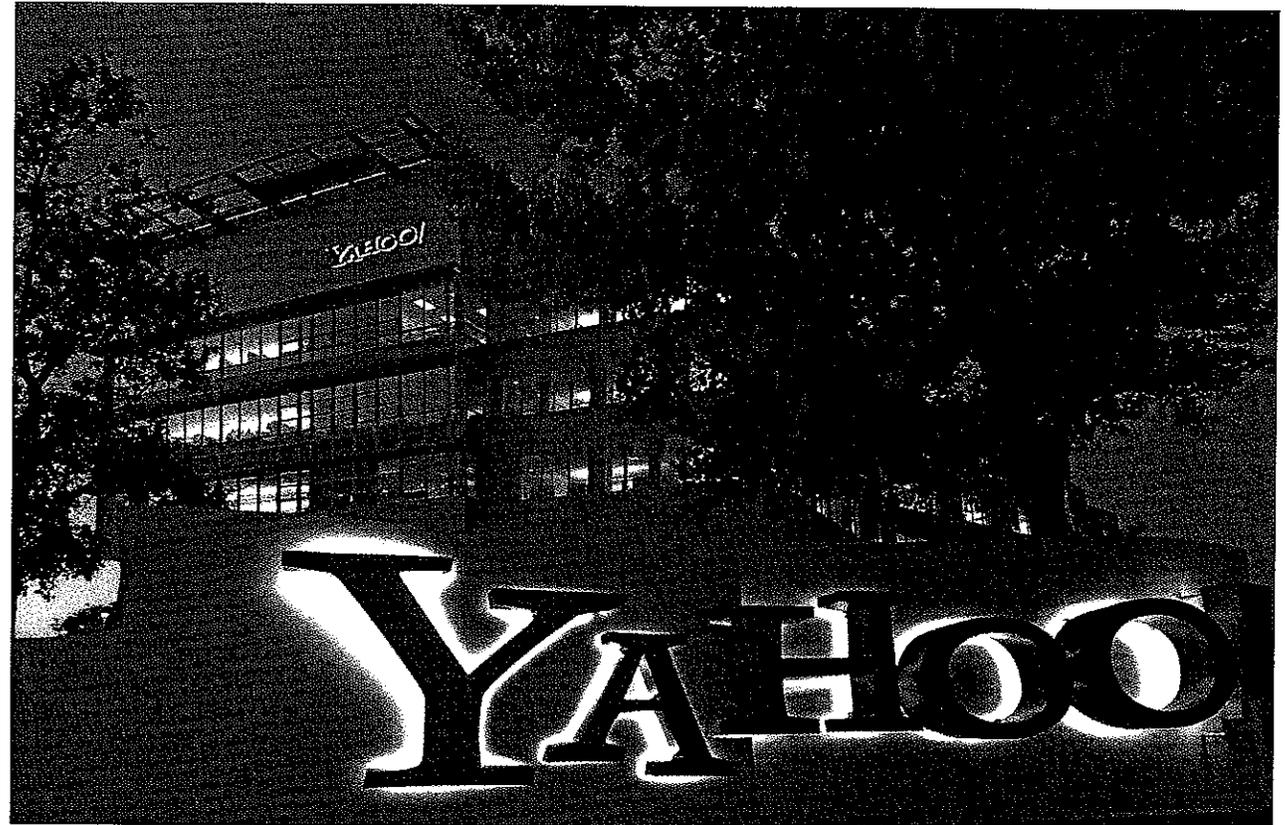
Imagine, then, the attention that Yahoo Inc.'s purchase this summer of more than 40 acres in Santa Clara from San Francisco's TMG Partners drew. Are they relocating? Are they expanding? Are they building a giant Yahoo theme park where all of the Yahooigans can frolic together?

They really just don't want to talk about it.

One San Jose newspaper reported that TMG president Michael Covarrubias said Yahoo was exploring using the property as a potential headquarters, but Yahoo spokeswoman Helena Maus said the company didn't have specific plans for the site. She also didn't want to comment on potential relocation of the company's headquarters from Sunnyvale to Santa Clara.

A company statement said the purchase allows Yahoo to plan for future growth and several scenarios were being examined for the property.

No price was disclosed on the transaction, but according to Business Journal research of public re-



Yahoo Inc. purchased more than 40 acres in Santa Clara this summer but is keeping mum about plans for the land.

DENNIS G. HENDRICKS

ords, TMG paid about \$50 million for the 42.5 acres. The property comprises nine separate parcels and partially front Tasman Drive, near the Tasman light-rail station and just a short distance from Great America Parkway, which already is home to some of the valley's most attractive Class A office space. The site also is close to the Santa Clara Convention Center and the Hyatt Regency Santa Clara.

Whatever Yahoo's plans, development depends on how many square feet the city of Santa Clara allows it to build. If Santa Clara approves full development of the site, experts say up to 2 million square feet in office towers, accommodating up to 6,000 employees, could be built.

MARY DUAN is a freelance writer based in Salinas.