

De Anza Properties

De Anza Hotel

10931 N De Anza Blvd, Cupertino, CA 95014

Parcel number: 32610061

Zoning Designation: CG-RG

Subject: Extension of Current Permit Development Agreement

To whom it may concern:

Back in March 2020, when the "De Anza Hotel" project received its 5-year permit to build, Covid Pandemic hit. Since then, prices of goods and building material have tripled. And, due to the Ukrainian/Russian conflict, aluminum and elevator parts are nearly impossible to get.

Even trillion-dollar companies such as Google and Apple have put a stop on further building development due to prices of goods that have reached an all-time high. See one of many examples available online for fast research: <https://www.cnbc.com/2023/04/21/googles-80-acre-san-jose-mega-campus-on-hold-amid-economic-slowdown-.html> . For accuracy, Google is the second trillion-dollar company in the world, located in proximity to Cupertino.

We would like to point out that we are still in the recovery phase and still currently have an economic slowdown that is still impacting most businesses. Many of these companies have employees that are not yet back in the office 100% of the time.

Based on the above, to build a new Hotel at this time would require three times the normal cost to build, if not more. We kindly request a 3-year extension, so that it would allow us to regroup, for the economic downturn to strengthen again to the 2019 levels and for overall prices to come down to reasonable levels.

Let me know if there is anything else I can assist you with.

On behalf of John Vidovich.



Claudio Bono