

MARKET TRENDS | SILICON VALLEY

R&D

3RD QUARTER
2020

◀ VACANCY | ◀ UNEMPLOYMENT | ◀ RENTAL RATE | ▼ CONSTRUCTION DELIVERIES

Year-over-year change

TOP SALE TRANSACTIONS FOR 3Q 2020

Property	Submarket	Square Feet	Sale Price	Price/SF	Buyer	Seller
3181 Porter Dr	Palo Alto	99,415	\$115,200,000	\$1,158.78	Alexandra Real Estate Equities	Stanford
3540-3546 Bassett St	Santa Clara	416,767	\$107,050,500	\$256.86	Hines	DRA Advisors JV Westcore Properties
10300-10411 Bubb Rd	Cupertino	108,690	\$73,900,000	\$679.92	Global Asset Capital	Graymark Capital JV PIMCO
Sycamore Business Park	Milpitas	213,519	\$45,500,000	\$213.10	Vertical Ventures	Cannae Partners
250 Holger Way	San Jose	76,410	\$38,300,000	\$501.24	Bailard	KBS REIT II

TOP LEASE TRANSACTIONS FOR 3Q 2020

Property	Submarket	Square Feet	Date	Landlord	Tenant
3000 Hanover St	Palo Alto	249,549	July 2020	Sand Hill Property Co	Guardant Health
3850-3870 N 1st St	San Jose	179,232	September 2020	Sobrato	Microchip
6321 San Ignacio Ave	San Jose	103,894	July 2020	DRA Advisors	Hummingbird Energy Storage
2400 Ringwood Dr	San Jose	80,000	September 2020	Ringwood LLC	Olympus
240 E Hacienda Ave	Campbell	68,521	September 2020	PIMCO	Chargepoint

TOP UNDER CONSTRUCTION

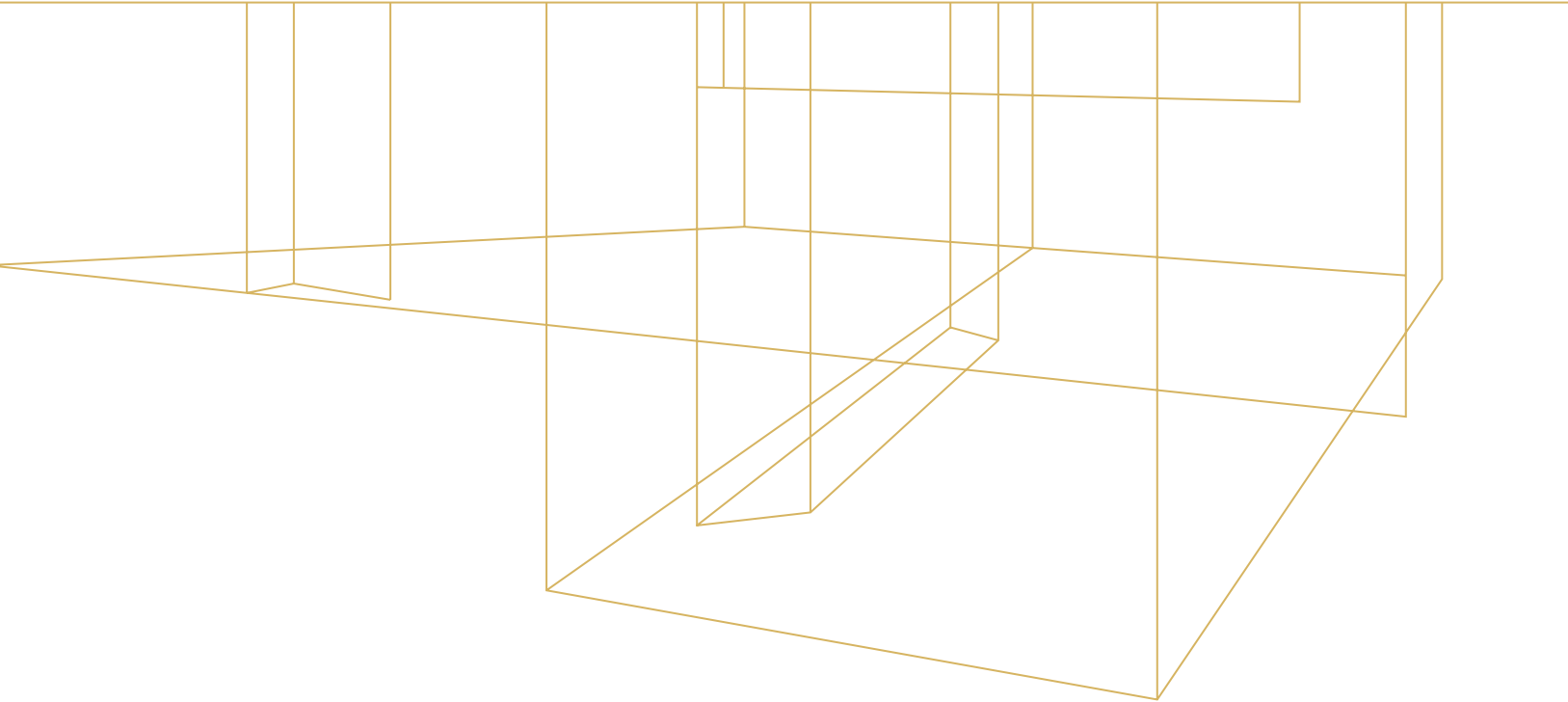
Property	Submarket	Square Feet	Owner	Delivery Date
Intuitive Surgical Campus	Sunnyvale	755,144	Intuitive Surgical	September 2020

Market Breakdown

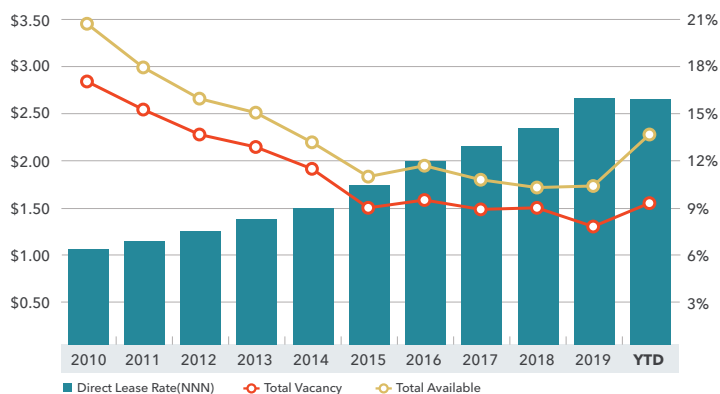
	3Q 2020	2Q 2020	3Q 2019	Annual % Change
Vacancy Rate	9.09%	8.20%	7.80%	16.52%
Availability Rate	13.46%	10.90%	9.70%	38.71%
Asking Lease Rate	\$2.61	\$2.60	\$2.42	7.85%
Lease Transactions	382,907	1,112,477	1,857,096	-79.38%
Sale Transactions	771,574	1,266,574	1,898,953	-59.37%
Net Absorption	(794,652)	(498,212)	1,379,089	N/A

SILICON VALLEY SUBMARKET STATISTICS

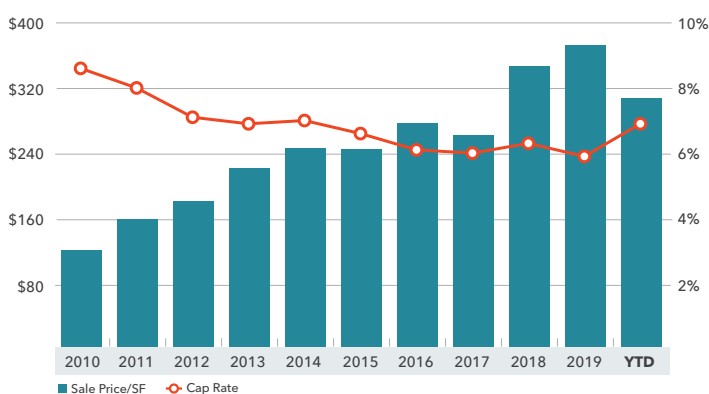
Submarket	Total Inventory	SF Under Construction	Direct Vacancy Rate	Total Vacancy Rate	Total Available Rate	3Q 2020 Direct Net Absorption	3Q 2020 Total Net Absorption	YTD Direct Net Absorption	YTD Total Net Absorption	3Q Gross Absorption	YTD Gross Absorption	Avg NNN Rental Rate
Campbell	1,436,989	-	3.51%	3.86%	5.35%	(2,327)	4,358	35,268	30,268	-	20,617	\$2.35
Cupertino	2,312,307	-	0.30%	0.30%	0.87%	21,175	21,175	21,175	21,175	-	19,616	\$3.75
Fremont	16,849,221	-	7.45%	8.21%	9.74%	(107,672)	(162,667)	(197,990)	(290,877)	179,246	566,714	\$1.67
Milpitas	9,259,658	-	17.94%	18.26%	17.97%	1,476	1,476	(41,633)	36,747	20,901	52,043	\$2.12
Mountain View	7,964,969	-	5.67%	7.45%	13.02%	(98,027)	(148,959)	(62,450)	(113,705)	8,979	53,248	\$4.38
Newark	3,510,903	-	1.43%	3.96%	9.63%	(23,911)	31,356	196,714	163,096	4,774	137,126	\$2.02
Palo Alto	4,433,952	-	5.43%	6.89%	11.96%	6,857	(6,964)	(57,035)	(109,799)	-	41,344	\$5.12
San Jose	39,824,934	-	9.08%	10.31%	17.92%	(132,695)	(240,652)	(272,222)	(437,340)	116,574	683,333	\$2.25
Santa Clara	18,470,766	-	8.14%	9.13%	12.99%	(118,556)	(113,788)	(204,310)	(287,154)	15,303	533,484	\$2.59
Sunnyvale	15,490,321	755,144	5.03%	5.79%	8.04%	(155,227)	(179,987)	26,341	20,777	37,130	95,971	\$3.43
Total	119,554,020	755,144	8.04%	9.09%	13.46%	(608,907)	(794,652)	(556,142)	(966,812)	382,907	2,203,496	\$2.61



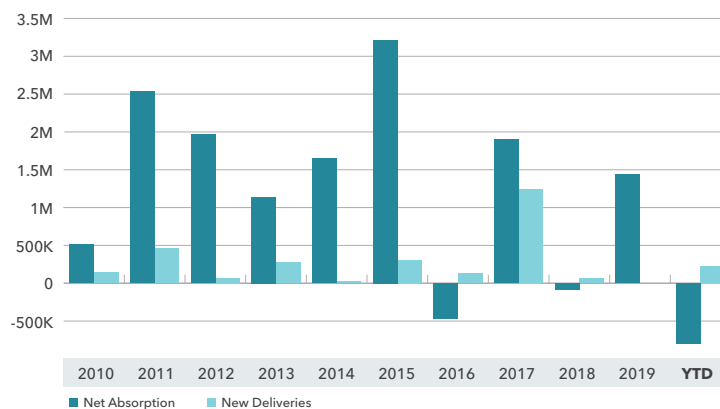
LEASE RATE, VACANCY, & AVAILABILITY



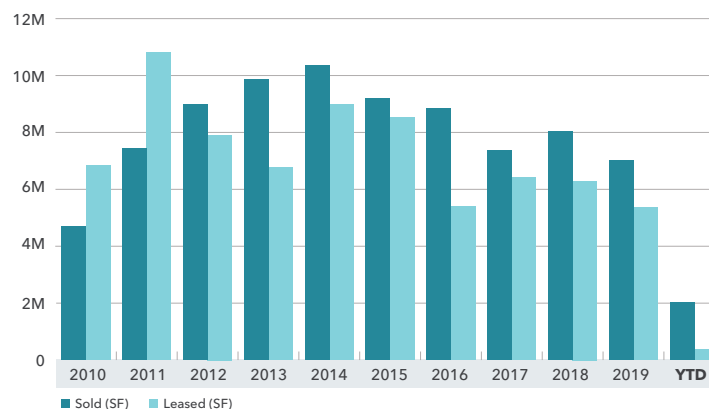
AVERAGE SALES PRICE/SF & CAP RATES



NET ABSORPTION & NEW DELIVERIES



SALE VOLUME & LEASE VOLUME



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COMMERCIAL BROKERAGE

27M ANNUAL SALES SF
450+ NO. OF BROKERS
\$9.6B ANNUAL TRANSACTION VOLUME
42M ANNUAL LEASING SF

VALUATION ADVISORY

1,680+ APPRAISALS ANNUALLY
37/23 TOTAL NO. APPRAISERS/MAI'S

PROPERTY MANAGEMENT

70M+ MANAGEMENT PORTFOLIO SF
\$12B+ IN ASSETS UNDER MANAGEMENT

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