

# MARKET TRENDS | **PENINSULA**

# INDUSTRIAL

**4TH QUARTER**  
**2020**

▲ VACANCY | ▲ ABSORPTION | ◀▶ RENTAL RATE | ◀▶ CONSTRUCTION DELIVERIES

Year-over-year change

### TOP SALE TRANSACTIONS FOR 2020

Property	Submarket	Square Feet	Sale Price	Price Per SF	Buyer	Seller
915 & 1063 Old County Rd, 1015 Commercial St	Belmont/San Carlos	87,999	\$120,000,000	\$1,363.65	Alexandria RE Equities, Inc.	Kelly-Moore Paint Co., Inc.
1000 San Mateo Ave	San Bruno/Millbrae	222,500	\$84,720,018	\$380.76	Amazon	Green Courte Partners, LLC
1600 Gilbreth Rd	Burlingame	36,000	\$15,810,000	\$439.17	888 Hinckley LLC	Cormar Hinckley LLC

### TOP LEASE TRANSACTIONS FOR 2020

Property	Submarket	Square Feet	Transaction Date	Landlord	Tenant
240-246 Valley Dr	Brisbane/Daly City	79,400	Q3 2020	Prologis, Inc.	Trove
550-554 Eccles Ave	South San Francisco	45,362	Q1 2020	John C. Nickel Properties	Nippon Express
455 Allan St	Brisbane/Daly City	42,500	Q2 2020	John C. Johnson Trust	SF Storage

## Market Breakdown

	2020	2019	2018	Annual % Change
Direct Vacancy Rate	5.4%	3.8%	2.2%	<b>42.11%</b>
Total Availability Rate	7.1%	5.8%	4.1%	<b>22.41%</b>
Direct Asking Lease Rate	\$1.72	\$1.72	\$1.58	<b>0.05%</b>
Leased SF	801,249	1,662,968	1,635,362	<b>-51.82%</b>
Sold SF	622,171	1,164,612	1,832,431	<b>-46.58%</b>
Total Net Absorption	(432,642)	(628,944)	(300,018)	<b>N/A</b>

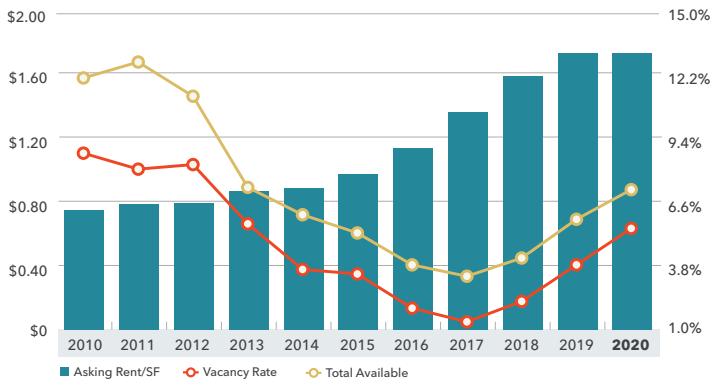
## PENINSULA INDUSTRIAL SUBMARKET STATISTICS

Industrial	Total Inventory	Direct Vacancy Rate	Sublease Vacancy Rate	Total Vacancy Rate	Total Available Rate	Q4 2020 Total Net Absorption	2020 Total Net Absorption	Q4 2020 Leasing Activity	2020 Leasing Activity	Average Direct Rental Rate
Brisbane/Daly City	4,684,830	2.2%	0.5%	2.6%	3.9%	49,001	102,812	0	232,747	\$1.27
South San Francisco	12,913,721	6.7%	0.2%	6.9%	9.9%	-83,576	-108,876	31,495	273,530	\$1.59
San Bruno/Millbrae	937,665	30.4%	0.0%	30.4%	1.7%	5,270	-236,207	45,782	45,782	-
Burlingame	3,396,610	4.6%	0.2%	4.8%	10.2%	-15,410	-65,892	4,735	92,905	\$1.59
San Mateo	764,956	2.4%	0.0%	2.4%	6.0%	145	-8,260	2,155	13,075	\$2.25
Belmont/San Carlos	3,613,729	3.1%	1.7%	4.8%	5.3%	-17,413	-20,496	13,590	33,042	\$2.86
Redwood City	2,926,464	3.1%	0.6%	3.6%	4.0%	-176	-60,679	23,900	33,965	\$2.03
Menlo Park	2,384,398	3.7%	0.0%	3.7%	3.3%	10,589	-35,044	8,463	76,203	\$3.32
<b>Industrial Total</b>	<b>31,622,373</b>	<b>5.4%</b>	<b>0.4%</b>	<b>5.8%</b>	<b>7.1%</b>	<b>-51,570</b>	<b>-432,642</b>	<b>130,120</b>	<b>801,249</b>	<b>\$1.72</b>

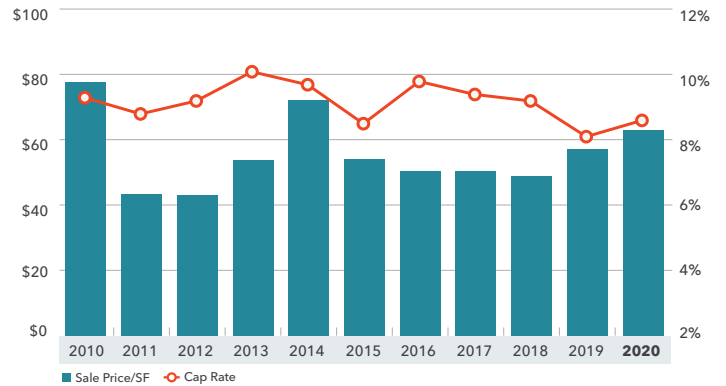
## PENINSULA R&D SUBMARKET STATISTICS

R&D	Total Inventory	Direct Vacancy Rate	Sublease Vacancy Rate	Total Vacancy Rate	Total Available Rate	Q4 2020 Total Net Absorption	2020 Total Net Absorption	Q4 2020 Leasing Activity	2020 Leasing Activity	Average Direct Rental Rate
South San Francisco	5,745,464	4.1%	2.3%	6.4%	15.4%	23,179	717,882	29,564	290,624	\$5.25
San Bruno/Millbrae	139,148	13.3%	0.0%	13.3%	9.7%	-11,280	-11,625	4,950	8,890	-
Burlingame	788,286	9.3%	0.0%	9.3%	11.5%	-4,573	-41,846	0	9,327	-
San Mateo	171,402	1.6%	0.0%	1.6%	23.7%	0	500	0	0	-
Belmont/San Carlos	1,795,249	8.4%	0.0%	8.4%	9.0%	-7,105	-85,586	19,934	56,730	\$3.75
Redwood City	2,031,974	4.9%	1.9%	6.9%	6.6%	19,725	-27,720	45,760	92,917	\$4.65
Menlo Park	2,379,667	1.2%	0.4%	1.6%	2.3%	-2,910	-11,625	31,525	76,744	\$4.85
<b>R&amp;D Total</b>	<b>13,051,190</b>	<b>4.7%</b>	<b>1.4%</b>	<b>6.1%</b>	<b>10.5%</b>	<b>17,036</b>	<b>539,980</b>	<b>131,733</b>	<b>535,232</b>	<b>\$4.63</b>

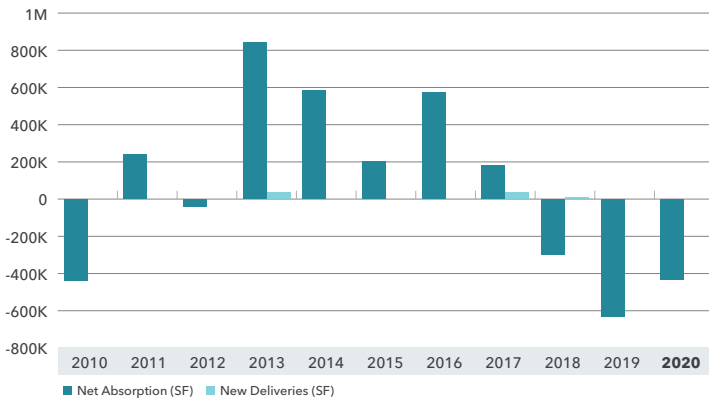
## LEASE RATE, VACANCY & AVAILABILITY



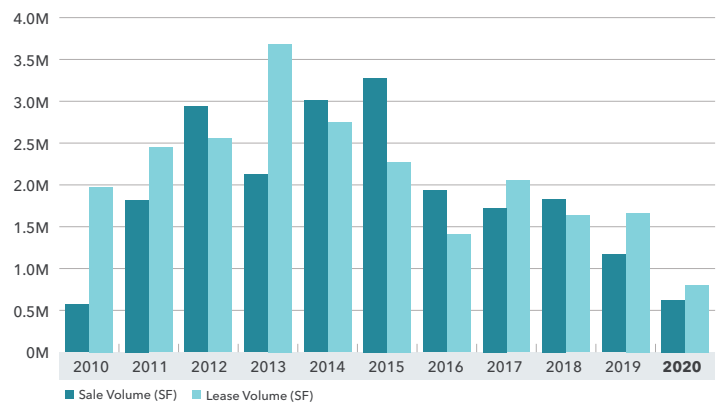
## AVERAGE SALES PRICE/SF & CAP RATES



## NET ABSORPTION & NEW DELIVERIES



## SALE VOLUME & LEASE VOLUME



Kidder Mathews is the largest, independent commercial real estate firm on the West Coast, with 900 real estate professionals and staff in 21 offices in Washington, Oregon, California, Nevada, and Arizona. We offer a complete range of brokerage, appraisal, property management, consulting, project and construction management, and debt equity finance services for all property types.

The information in this report was composed by the Kidder Mathews Research Group.

**GARY BARAGONA**  
 Director of Research  
 415.229.8925  
[gary.baragona@kidder.com](mailto:gary.baragona@kidder.com)

**ERIC LUHRS**  
 Regional President, Brokerage  
 Northern California & Nevada  
 650.769.3600  
[eric.luhrs@kidder.com](mailto:eric.luhrs@kidder.com)

Designated Broker  
 Mark Read | LIC N° 00572743

[KIDDER.COM](http://KIDDER.COM)

### COMMERCIAL BROKERAGE

**23M** ANNUAL SALES SF      **470+** NO. OF BROKERS  
**\$8B** ANNUAL TRANSACTION VOLUME      **42M** ANNUAL LEASING SF

### VALUATION ADVISORY

**1,800+** APPRAISALS ANNUALLY      **39/20** TOTAL NO. APPRAISERS/MAI'S

### PROPERTY MANAGEMENT

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

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