

MARKET TRENDS | PENINSULA INDUSTRIAL

2ND QUARTER
2021

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

Year-over-year change

TOP SALE TRANSACTIONS FOR Q2 2021

Property	Submarket	Square Feet	Sale Price	Price/SF	Buyer	Seller
440 Forbes Blvd, South San Francisco	South San Francisco	105,000	\$60,506,000	\$576.25	Healthpeak Properties, Inc.	G3 Enterprises, Inc
1669 Bayshore Hwy, Burlingame	Burlingame	24,000	\$10,347,645	\$431.15	King Street Properties	1669 & 1699 Bayshore LLC
1020 O'Brien Dr, Menlo Park	Menlo Park	20,000	\$9,200,000	\$460.00	R&M Properties	Marilyn & Michael Cabak Charitable Trust

TOP LEASE TRANSACTIONS FOR Q2 2021

Property	Submarket	Square Feet	Date	Landlord	Tenant
15 Guittard Rd, Burlingame	Burlingame	76,000	May 2021	Timberlake Partners	B & N Industries Inc.
890 2nd Ave, Redwood City	Redwood City	22,400	May 2021	Ken Taggart	Retro Biosciences
865 Hinckley Rd, Burlingame	Burlingame	20,822	May 2021	Peter Scott Macdonald	Undisclosed

Market Breakdown

	Q2 2021	Q1 2021	Q2 2020	Annual % Change
Direct Vacancy Rate	6.2%	6.2%	4.8%	29.17%
Total Availability Rate	8.0%	7.4%	6.3%	26.98%
Direct Asking Lease Rate	\$1.80	\$1.74	\$1.73	4.30%
Leased SF	238,793	423,503	230,832	3.45%
Sold SF	107,285	209,093	323,901	-66.88%
Total Net Absorption	2,645	(269,504)	75,762	N/A

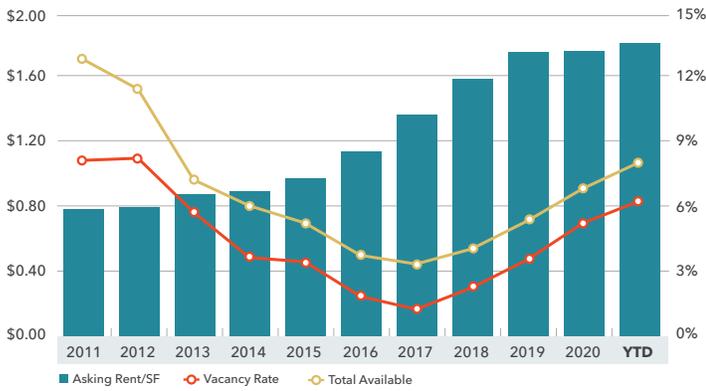
PENINSULA INDUSTRIAL SUBMARKET STATISTICS

Submarket	Total Inventory	Direct Vacancy Rate	Sublease Vacancy Rate	Total Vacancy Rate	Total Availability Rate	2Q 2021 Total Net Absorption	YTD Total Net Absorption	2Q 2021 Leasing Activity	YTD Leasing Activity	Direct Rental Rate
Brisbane/Daly City	4,701,864	2.9%	0.3%	3.2%	3.8%	20,600	-29,082	15,538	125,338	\$1.45
South San Francisco	12,618,262	9.0%	0.3%	9.3%	12.6%	1,029	-332,390	56,424	286,078	\$1.52
San Bruno/Millbrae	804,973	29.7%	0.0%	29.7%	2.0%	-5,184	40,598	0	0	-
Burlingame	3,389,414	4.6%	0.8%	5.3%	10.4%	-6,874	-19,146	99,222	121,352	\$1.59
San Mateo	782,953	2.3%	0.0%	2.3%	6.9%	3,978	268	1,912	6,912	\$2.32
Belmont/San Carlos	3,563,210	2.8%	0.0%	2.8%	3.2%	-8,048	72,149	22,539	58,358	\$2.79
Redwood City	2,933,491	2.8%	0.6%	3.4%	3.8%	-11,356	-7,756	43,158	59,258	\$2.32
Menlo Park	2,415,638	2.9%	0.0%	2.9%	2.9%	8,500	8,500	0	5,000	\$3.12
Industrial Total	31,209,805	6.2%	0.3%	6.5%	8.0%	2,645	-266,859	238,793	662,296	\$1.80

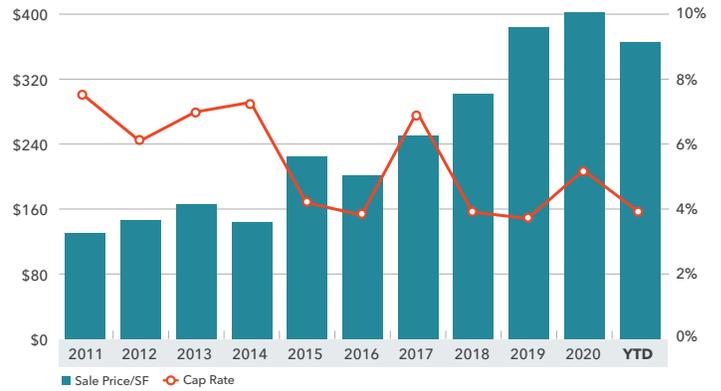
PENINSULA R&D SUBMARKET STATISTICS

Submarket	Total Inventory	Direct Vacancy Rate	Sublease Vacancy Rate	Total Vacancy Rate	Total Availability Rate	2Q 2021 Total Net Absorption	YTD Total Net Absorption	2Q 2021 Leasing Activity	YTD Leasing Activity	Direct Rental Rate
South San Francisco	13,322,843	3.2%	0.8%	4.1%	4.2%	230,577	138,182	99,651	435,345	\$6.00
San Bruno/Millbrae	139,148	4.2%	10.4%	14.6%	14.6%	0	-1,875	0	0	-
Burlingame	792,576	8.4%	0.0%	8.4%	10.6%	4,509	9,082	6,700	11,273	-
San Mateo	284,687	31.1%	0.0%	31.1%	44.4%	13,875	27,459	0	13,875	-
Belmont/San Carlos	1,796,869	7.8%	0.4%	8.2%	22.2%	3,195	-4,062	14,200	46,275	\$5.75
Redwood City	2,043,939	6.4%	0.3%	6.7%	15.2%	-27,042	16,902	16,275	18,559	\$5.65
Menlo Park	2,445,812	1.5%	1.6%	3.1%	3.2%	9,678	-33,871	6,356	11,634	\$5.95
R&D Total	20,825,874	4.3%	0.8%	5.2%	7.6%	234,792	151,817	143,182	536,961	\$5.09

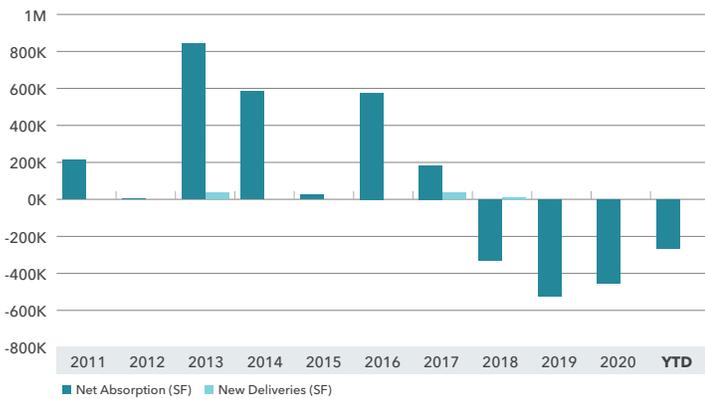
LEASE RATE, VACANCY & AVAILABILITY



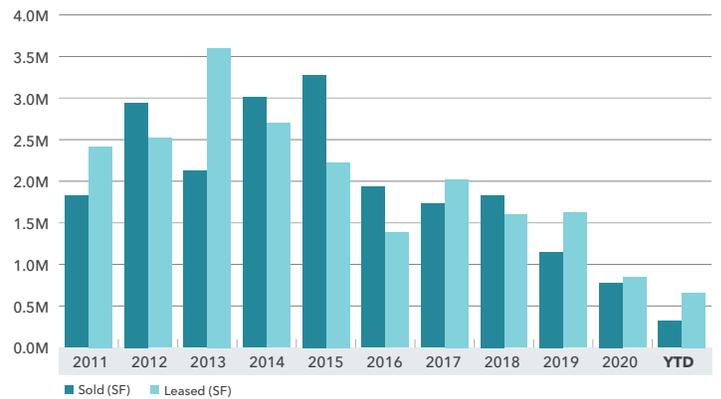
AVERAGE SALES PRICE/SF & CAP RATES



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

ERIC LUHRS
 Regional President, Brokerage
 Northern California & Nevada
 650.769.3600
eric.luhrs@kidder.com

Designated Broker
 Mark Read | LIC N° 00572743

KIDDER.COM

COMMERCIAL BROKERAGE

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

VALUATION ADVISORY

1,800+ APPRAISALS ANNUALLY
40/19 TOTAL NO. APPRAISERS/MAI'S

ASSET SERVICES

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

This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material, including, but not limited to, statements of income and expenses. CONSULT YOUR ATTORNEY, ACCOUNTANT, OR OTHER PROFESSIONAL ADVISOR.