

MARKET TRENDS

PENINSULA INDUSTRIAL

↑ VACANCY ↓ ABSORPTION
 ↑ RENTAL RATES ↔ CONSTRUCTION DELIVERIES

Year-Over-Year Change

TOP SALE TRANSACTIONS 4Q 2023

Property	Submarket	SF	Sale Price	\$/SF	Buyer	Seller
333 Point San Bruno Blvd	South San Francisco	40,000	\$25,000,000	\$625.00	Genentech	Roy L. & Melinda Samuelson Revocable Trust
1335 Rollins Rd	Burlingame	13,680	\$5,800,000	\$423.98	Ironstone Metal Works	Richard Johnston
1000 American St	San Carlos	10,000	\$4,320,000	\$432.00	Unidsclosed	Unidsclosed
535 Whipple Ave	Redwood City	3,000	\$2,990,000	\$996.67	Unidsclosed	Unidsclosed
2549 Middlefield Rd	Redwood City	4,800	\$2,000,000	\$416.67	Unidsclosed	Unidsclosed

TOP LEASE TRANSACTIONS 4Q 2023

Property	Submarket	SF	Transaction Date	Landlord	Tenant
233 Grand Avenue	South San Francisco	32,113	October 2023	Alexandria Real Estate Equities, Inc.	Soleil Labs
285 Grand Avenue	South San Francisco	32,000	October 2023	Healthpeak Properties, Inc.	Initial Therapeutics Inc.
272 Maple Avenue	South San Francisco	29,021	October 2023	Healthpeak Properties, Inc.	Complete Linen
201 Haskins Way	South San Francisco	25,831	November 2023	Alexandria Real Estate Equities, Inc.	Addition Therapeutics
494 Forbes Blvd - Bldg B	South San Francisco	23,181	October 2023	Healthpeak Properties, Inc.	Astellas Pharma

MARKET BREAKDOWN

	4Q23	3Q23	4Q22	Annual % Change
Direct Vacancy Rate	4.6%	4.5%	3.0%	53.33%
Total Availability Rate	6.2%	5.7%	4.3%	44.19%
Direct Asking Lease Rate	\$2.25	\$2.11	\$2.17	3.69%
Leased SF	29,799	149,007	450,160	-93.38%
Sold SF	53,680	271,260	359,916	-85.09%
Total Net Absorption	(22,459)	(145,271)	258,767	N/A

PENINSULA INDUSTRIAL SUBMARKET STATISTICS

Submarket	Total Inventory	Direct Vacancy Rate	Sublet Vacancy Rate	Total Vacancy Rate	Total Available Rate	4Q23 Total Net Absorption	YTD Total Net Absorption	4Q23 Leasing Activity	YTD Leasing Activity	Avg Direct RentalRate
Brisbane/Daly City	4,846,741	5.7%	0.2%	5.8%	5.3%	0	-227,784	0	229,695	\$1.65
South San Francisco	11,915,682	3.5%	0.7%	4.3%	8.1%	8,024	-150,748	18,170	454,464	\$1.72
San Bruno/Millbrae	659,691	37.1%	0.0%	37.1%	3.4%	7,660	-22,491	0	8,460	\$1.87
Burlingame	3,549,062	4.1%	0.3%	4.3%	6.7%	0	-12,759	0	91,434	\$2.03
San Mateo	728,585	9.5%	0.7%	10.1%	11.5%	-2,991	-41,836	0	14,060	\$1.93
Belmont/San Carlos	3,684,404	2.1%	0.1%	2.2%	3.2%	-4,082	-15,496	2,772	56,474	\$3.41
Redwood City	2,499,085	5.5%	0.8%	6.3%	6.8%	-42,382	-35,949	8,857	82,114	\$2.67
Menlo Park	2,250,601	3.5%	0.0%	3.5%	5.9%	2,522	-39,098	0	12,500	\$4.72
Industrial Total	31,213,434	4.6%	0.4%	5.1%	6.4%	-31,249	-546,161	29,799	949,201	\$2.25

PENINSULA R&D SUBMARKET STATISTICS

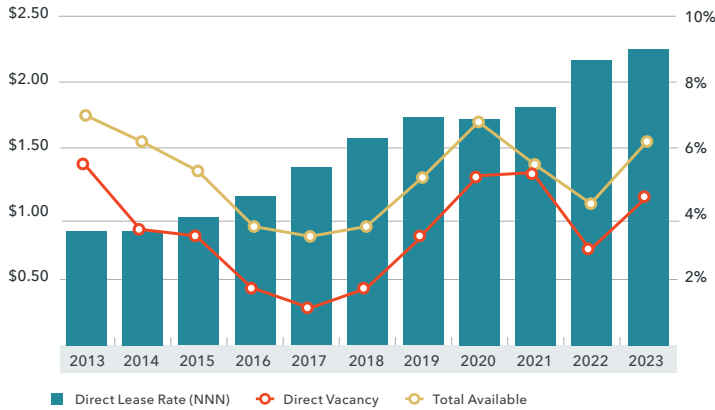
Submarket	Total Inventory	Direct Vacancy Rate	Sublet Vacancy Rate	Total Vacancy Rate	Total Available Rate	4Q23 Total Net Absorption	YTD Total Net Absorption	4Q23 Leasing Activity	YTD Leasing Activity	Avg Direct RentalRate
South San Francisco	6,463,074	8.6%	3.6%	12.1%	23.4%	82,149	-170,804	48,833	234,898	\$6.68
San Bruno/Millbrae	134,229	13.4%	4.6%	18.1%	402.4%	7,890	7,890	14,130	14,130	\$4.18
Burlingame	804,901	1.7%	1.5%	3.2%	7.5%	-1,710	264	2,215	12,970	\$3.67
San Mateo	222,807	19.7%	0.0%	19.7%	19.7%	-5,435	-43,961	0	0	\$6.01
Belmont/San Carlos	1,829,184	25.1%	1.4%	26.5%	26.9%	-143,045	-362,793	2,980	59,563	\$5.58
Redwood City	1,953,978	12.7%	4.7%	17.4%	21.8%	-16,781	-207,262	1,680	33,510	\$5.05
Menlo Park	1,949,884	4.8%	5.8%	10.7%	11.7%	9,548	-137,362	0	32,925	\$5.57
R&D Total	15,962,835	10.9%	3.5%	14.3%	21.7%	-67,384	-914,028	69,838	387,996	\$5.86

BIGGEST SALE OF THE QUARTER

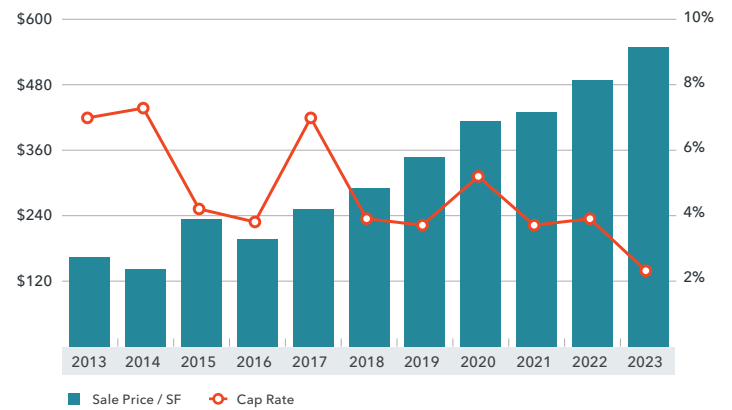
*333 Point San Bruno Blvd
South San Francisco*



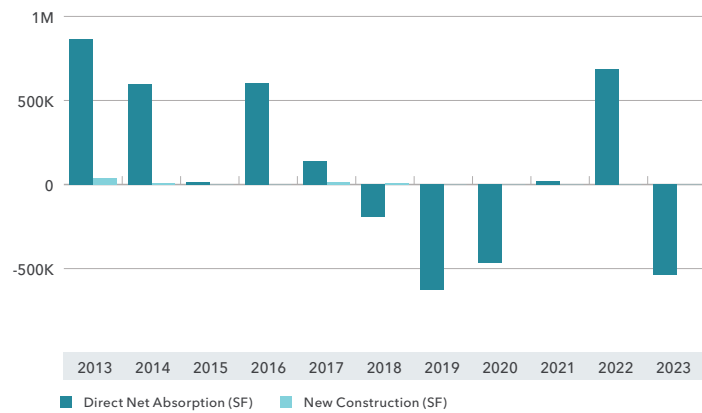
LEASE RATE, VACANCY & AVAILABILITY



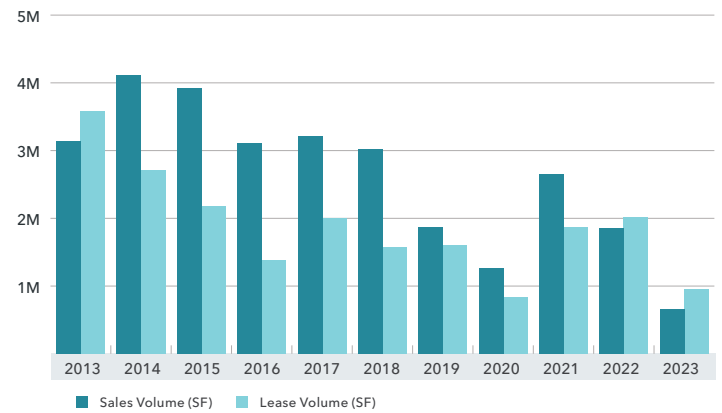
AVERAGE SALES PRICE/SF & CAP RATES



NEW CONSTRUCTION & ABSORPTION



SALE VOLUME & LEASE VOLUME



Data Source: CoStar



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

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COMMERCIAL BROKERAGE	<i>\$12B</i> TRANSACTION VOLUME ANNUALLY	<i>32.1M</i> ANNUAL SALES SF	<i>41.2M</i> ANNUAL LEASING SF
ASSET SERVICES	<i>53M</i> MANAGEMENT PORTFOLIO SF	<i>771+</i> ASSETS UNDER MANAGEMENT	<i>250+</i> ASSET SERVICES CLIENTS
VALUATION ADVISORY	<i>2,800+</i> ASSIGNMENTS ANNUALLY	<i>42</i> TOTAL APPRAISERS	<i>23</i> WITH MAI DESIGNATIONS

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