

## MARKET TRENDS

# PENINSULA *INDUSTRIAL*



### SIGNIFICANT SALE TRANSACTIONS 2Q 2025

Property	Submarket	SF	Sale Price	\$/SF	Buyer	Seller
1030-1050 O'Brien Dr	Menlo Park	18,000	\$6,800,000	\$377.78	1030 1050 Obrien Drive, LLC	1030 Obrien, LLC
815-831 Warrington Ave	Redwood City	20,754	\$6,350,000	\$305.97	Scg Rwc, LLC	R&C Gardella Trust
937 Bransten Rd	Belmont/San Carlos	14,024	\$5,000,000	\$356.53	Tlr Properties, LLC	Terence

### SIGNIFICANT LEASE TRANSACTIONS 2Q 2025

Property	Submarket	SF	Transaction Date	Landlord	Tenant
274 Wattis Way	South San Francisco	46,650	May 2025	West Santa Inez Investments, LLC	Dimerco Express
200-214 Shaw Rd	South San Francisco	41,334	March 2025	Prologis	European Collision Center
1070 San Mateo Ave	South San Francisco	34,860	April 2025	Invesco	GSA

### MARKET BREAKDOWN

	2Q25	1Q25	2Q24	YOY Change
Direct Vacancy Rate	7.3%	6.6%	7.4%	<b>-10 bps</b>
Total Availability Rate	9.1%	8.4%	9.4%	<b>-30 bps</b>
Direct Asking Lease Rate	\$1.98	\$2.09	\$2.09	<b>-5.3%</b>

	2Q25	2025 YTD	2024 YTD	YOY Change
Leasing Activity (SF)	188,223	641,909	578,478	<b>11.0%</b>
Sales Volume (SF)	294,758	613,018	295,400	<b>107.5%</b>
Net Absorption (SF)	297,581	-479,377	-818,106	<b>N/A</b>

### PENINSULA INDUSTRIAL SUBMARKET STATISTICS

Submarket	Total Inventory	Direct Vacancy Rate	Sublet Vacancy Rate	Total Vacancy Rate	Total Available Rate	1Q25 Total Net Absorption	YTD Total Net Absorption	1Q25 Leasing Activity	YTD Leasing Activity	Avg Direct RentalRate
Brisbane/Daly City	4,712,450	9.7%	0.8%	10.6%	10.6%	162,944	-24,538	166,964	206,010	\$1.79
South San Francisco	12,049,072	6.8%	2.8%	9.5%	12.4%	104,139	-219,009	0	240,338	\$1.76
San Bruno/Millbrae	1,012,398	22.9%	0.0%	22.9%	22.9%	29,933	21,691	0	0	\$1.88
Burlingame	3,422,713	7.1%	4.1%	11.2%	11.8%	8,635	-127,491	11,451	84,455	\$1.99
San Mateo	951,114	7.6%	0.5%	8.1%	9.6%	26,380	13,242	0	12,952	\$2.14
Belmont/San Carlos	3,813,913	4.8%	0.6%	5.4%	6.5%	1,606	-73,417	8,808	65,166	\$2.42
Redwood City	2,786,021	3.6%	0.0%	3.7%	4.2%	31,678	14,996	0	27,988	\$2.12
Menlo Park	2,240,815	7.1%	0.0%	7.1%	9.0%	-67,734	-84,851	1,000	5,000	\$3.02
<b>Industrial Total</b>	<b>30,988,496</b>	<b>7.3%</b>	<b>1.8%</b>	<b>9.1%</b>	<b>9.1%</b>	<b>297,581</b>	<b>-479,377</b>	<b>188,223</b>	<b>641,909</b>	<b>\$1.98</b>

### PENINSULA R&D SUBMARKET STATISTICS

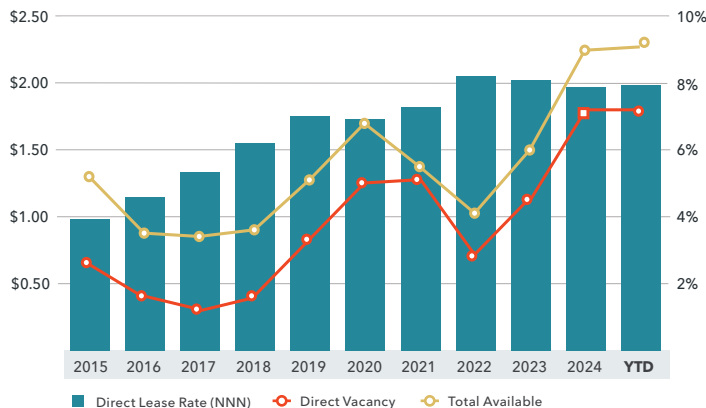
Submarket	Total Inventory	Direct Vacancy Rate	Sublet Vacancy Rate	Total Vacancy Rate	Total Available Rate	1Q25 Total Net Absorption	YTD Total Net Absorption	1Q25 Leasing Activity	YTD Leasing Activity	Avg Direct RentalRate
South San Francisco	9,752,137	19.5%	4.9%	24.4%	25.5%	443,698	233,434	0	229,313	\$6.72
San Bruno/Millbrae	144,934	11.3%	2.2%	13.5%	368.5%	55,625	27,005	480	7,680	\$4.21
Burlingame	921,372	5.0%	0.0%	5.0%	5.0%	-23,989	-20,157	0	25,351	\$3.70
Brisbane/Daly City	2,062,248	22.4%	19.0%	41.4%	44.8%	15,892	-109,656	50,004	58,834	\$5.86
San Mateo	801,104	56.8%	3.9%	60.7%	60.7%	-6,569	-16,146	0	0	\$6.04
Belmont/San Carlos	1,883,319	30.1%	1.4%	31.6%	47.4%	-21,591	15,256	0	59,711	\$5.62
Redwood City	2,753,969	17.8%	3.0%	20.8%	37.7%	-63,579	-132,239	94,507	136,423	\$5.05
Menlo Park	2,013,690	8.2%	1.4%	9.7%	15.2%	118,834	32,065	0	31,400	\$5.60
<b>R&amp;D Total</b>	<b>20,332,773</b>	<b>20.2%</b>	<b>5.1%</b>	<b>25.3%</b>	<b>33.0%</b>	<b>518,321</b>	<b>29,562</b>	<b>144,991</b>	<b>548,712</b>	<b>\$5.88</b>

### BIGGEST SALE OF THE QUARTER

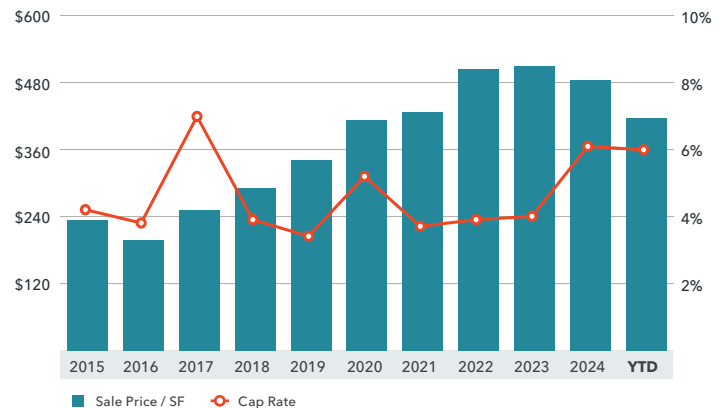
1030-1050 O'Brien Dr, Menlo Park, CA



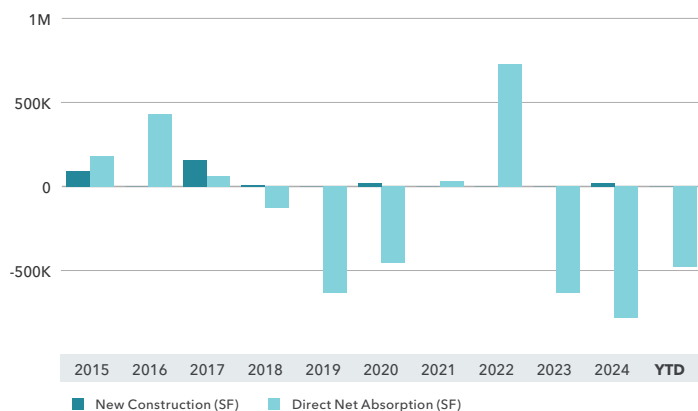
## LEASE RATE, VACANCY & AVAILABILITY



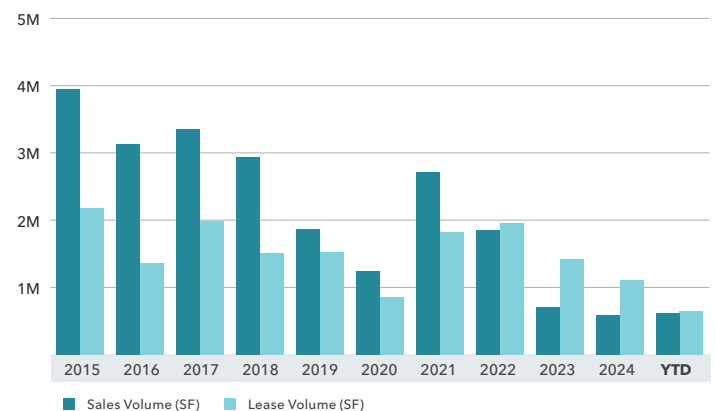
## AVERAGE SALES PRICE/SF & CAP RATES



## 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

**\$9B**

AVERAGE ANNUAL TRANSACTION VOLUME

**26.2M**

ANNUAL SALES SF

**36.7M**

ANNUAL LEASING SF

### ASSET SERVICES

**58M SF**

MANAGEMENT PORTFOLIO SIZE

**850+**

ASSETS UNDER MANAGEMENT

**250+**

CLIENTS SERVED

### VALUATION ADVISORY

**2,400+**

AVERAGE ASSIGNMENTS

**39**

TOTAL APPRAISERS

**24**

WITH MAI DESIGNATIONS

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