3Q 2025

MARKET TRENDS

PENINSULA *INDUSTRIAL*

↓ VACANCY

↑ ABSORPTION

↓ RENTAL RATES

↔ CONSTRUCTION DELIVERIES

Year-Over-Year Change

SIGNIFICANT SALE TRANSACTIONS 3Q 2025

Property	Submarket	SF	Sale Price	$/SF	Buyer	Seller
868 Cowan Rd	Burlingame	55,700	$45,500,000	$816.88	LBA Realty	Link Logistics Real Estate
258 Littlefield Ave	South San Francisco	33,000	$10,200,000	$309.09	Terreno Realty	J Sosnick & Son
1341 San Mateo Ave	South San Francisco	27,008	$7,656,500	$283.49	Buchanan Street Partners	John J Rajasekaran

SIGNIFICANT LEASE TRANSACTIONS 3Q 2025

Property	Submarket	SF	Transaction Date	Landlord	Tenant
570 & 582 Eccles Avenue	South San Francisco	97,148	July 2025	Prologis, Inc.	ZipLine
437 Rozzi Place	South San Francisco	60,573	July 2025	Prologis, Inc.	SSF Imported Auto Parts
212 Littlefield Avenue	South San Francisco	34,100	July 2025	Frametory (Sublease)	Beumer Corporation

MARKET BREAKDOWN

	3Q25	2Q25	3Q24	YOY Change
Direct Vacancy Rate	7.0%	7.4%	7.5%	**-50 bps**
Total Availability Rate	8.6%	8.8%	8.9%	**-30 bps**
Direct Asking Lease Rate	$1.98	$2.08	$1.99	**-0.3%**

	3Q25	2025 YTD	2024 YTD	YOY Change
Leasing Activity (SF)	113,094	755,003	772,760	**-2.3%**
Sales Volume (SF)	268,337	882,949	440,833	**100.3%**
Net Absorption (SF)	131,528	-347,849	-841,350	**N/A**

PENINSULA INDUSTRIAL SUBMARKET STATISTICS

Submarket	Total Inventory	Direct Vacancy Rate	Sublet Vacancy Rate	Total Vacancy Rate	Total Available Rate	3Q25 Total Net Absorption	YTD Total Net Absorption	3Q25 Leasing Activity	YTD Leasing Activity	Avg Direct RentalRate
Brisbane/Daly City	4,712,450	6.7%	0.8%	7.6%	7.6%	141,710	117,172	8,360	214,370	$1.78
South San Francisco	11,961,006	7.2%	2.1%	9.3%	10.6%	3,991	-215,018	42,775	283,113	$1.76
San Bruno/Millbrae	1,012,398	22.9%	0.0%	22.9%	22.9%	0	21,691	0	0	$1.88
Burlingame	3,429,832	7.1%	4.1%	11.2%	12.9%	134	-127,357	35,911	120,366	$1.95
San Mateo	963,355	9.3%	0.5%	9.8%	10.4%	-14,995	-1,753	5,200	18,152	$2.12
Belmont/San Carlos	3,820,517	4.5%	1.4%	5.9%	7.7%	-1,604	-75,021	14,598	79,764	$2.40
Redwood City	2,773,820	3.6%	0.0%	3.6%	4.5%	2,147	17,143	3,750	31,738	$2.13
Menlo Park	2,220,670	6.3%	0.0%	6.3%	6.7%	145	-84,706	2,500	7,500	$3.02
Industrial Total	**30,894,048**	**7.0%**	**1.6%**	**8.5%**	**8.6%**	**131,528**	**-347,849**	**113,094**	**755,003**	**$1.98**

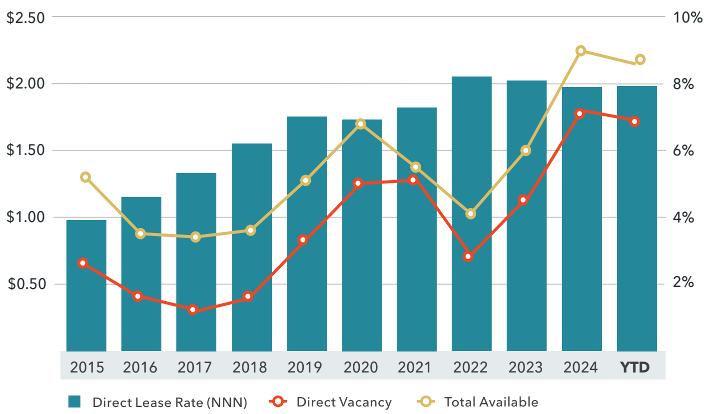
PENINSULA R&D SUBMARKET STATISTICS

Submarket	Total Inventory	Direct Vacancy Rate	Sublet Vacancy Rate	Total Vacancy Rate	Total Available Rate	3Q25 Total Net Absorption	YTD Total Net Absorption	3Q25 Leasing Activity	YTD Leasing Activity	Avg Direct RentalRate
South San Francisco	9,423,435	23.0%	4.6%	27.6%	29.6%	-274,221	-40,787	22,028	251,341	$6.70
San Bruno/Millbrae	459,934	70.4%	0.7%	71.1%	72.6%	7,680	34,685	0	7,680	$4.20
Burlingame	899,034	3.1%	0.0%	3.1%	3.1%	18,257	-1,900	4,800	30,151	$3.68
Brisbane/Daly City	1,975,415	23.2%	13.3%	36.5%	40.3%	117,509	7,853	4,080	62,914	$5.86
San Mateo	706,295	50.4%	4.4%	54.8%	54.8%	-3,253	-19,399	0	0	$6.05
Belmont/San Carlos	2,156,402	35.0%	0.3%	35.3%	49.3%	-37,741	-22,485	13,079	72,790	$5.60
Redwood City	2,890,312	23.6%	3.6%	27.2%	34.9%	-17,176	-149,415	80,826	217,249	$5.03
Menlo Park	2,014,585	8.2%	1.4%	9.6%	12.4%	0	32,065	55,955	87,355	$5.55
R&D Total	**20,525,412**	**24.0%**	**4.2%**	**28.3%**	**32.4%**	**-188,945**	**-159,383**	**180,768**	**729,480**	**$5.85**

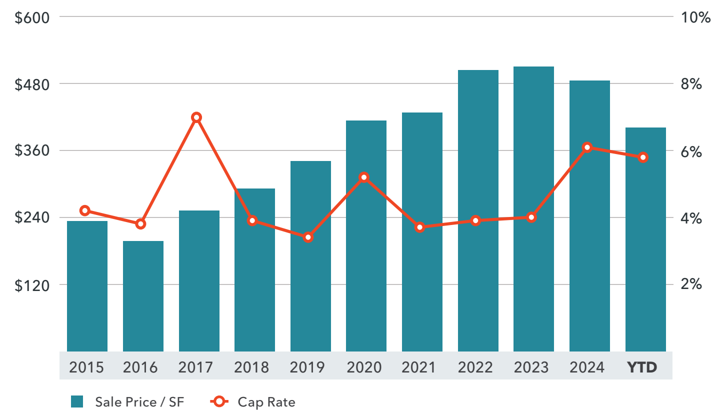
BIGGEST SALE OF THE QUARTER

868 Cowan Rd, Burlingame, CA

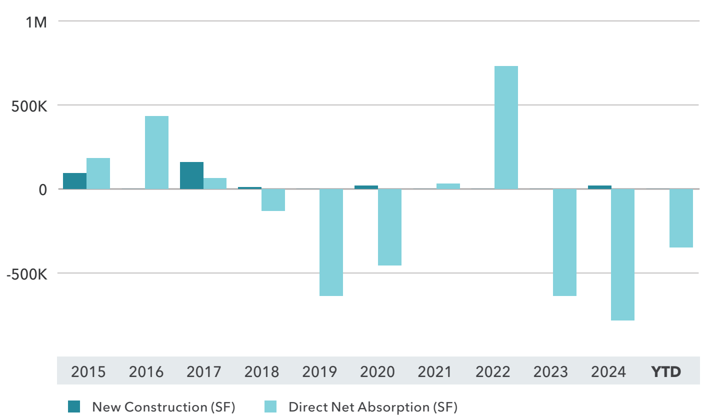
LEASE RATE, VACANCY & AVAILABILITY



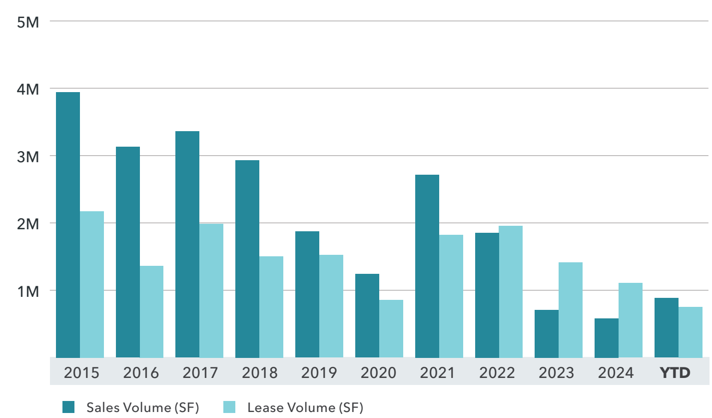
AVERAGE SALES PRICE/SF & CAP RATES



NEW CONSTRUCTION & ABSORPTION



SALE VOLUME & LEASE VOLUME



Data Source: CoStar

Kidder Mathews

Kidder Mathews is the largest fully independent commercial real estate firm in the Western U.S., with over 900 real estate professionals and staff in 19 offices in Washington, Oregon, California, Nevada, and Arizona. We offer a complete range of brokerage, appraisal, asset services, consulting, and debt & equity finance services for all property types.

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	53M SF MANAGEMENT PORTFOLIO SIZE	800+ ASSETS UNDER MANAGEMENT	250+ CLIENTS SERVED
VALUATION ADVISORY	2,400+ AVERAGE ASSIGNMENTS	39 TOTAL APPRAISERS	24 WITH MAI DESIGNATIONS