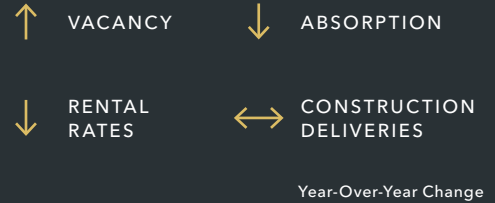


## MARKET TRENDS

# PENINSULA INDUSTRIAL



### SIGNIFICANT SALE TRANSACTIONS 1Q 2026

Property	Submarket	SF	Sale Price	\$/SF	Buyer	Seller
1380 Industrial Rd	Belmont/San Carlos	6,150	\$3,400,000	\$552.85	Strohband Family Revocable Trust	1380 Industrial, LLC
2001-2005 Spring St	Redwood City	8,500	\$3,150,000	\$370.59	Undisclosed Owner-User	Loural Towing
1300 Hancock St	Redwood City	10,000	\$2,200,000	\$220.00	High Heel Investments, LLC	Stephen S Hiller Exempt Family Trust

### SIGNIFICANT LEASE TRANSACTIONS 1Q 2026

Property	Submarket	SF	Transaction Date	Landlord	Tenant
1089 Mills Way	Redwood City	87,262	March 2026	David Taylor	Cellink
570-586 Eccles Ave, South San Francisco	South San Francisco	73,442	January 2026	Prologis	Zipline
1091 Industrial Rd	San Carlos	62,969	January 2026	Brittan West Owner	Natera, Inc.

### MARKET BREAKDOWN

	1Q26	4Q25	1Q25	YOY Change
Direct Vacancy Rate	8.0%	7.5%	7.1%	<b>90 bps</b>
Total Availability Rate	10.0%	9.4%	8.3%	<b>170 bps</b>
Direct Asking Lease Rate/SF/Mo	\$1.96	\$1.94	\$2.04	<b>4.0%</b>
	1Q26	4Q25	1Q25	YOY Change
Leasing Activity (SF)	321,834	431,579	382,590	<b>-15.9%</b>
Sales Volume (SF)	39,810	1,187,323	301,485	<b>-86.8%</b>
Net Absorption (SF)	(115,752)	(42,405)	(101,671)	<b>N/A</b>



**PENINSULA INDUSTRIAL SUBMARKET STATISTICS**

Submarket	Total Inventory	Direct Vacancy Rate	Sublet Vacancy Rate	Total Vacancy Rate	Total Available Rate	1Q26 Total Net Absorption	2025 Total Net Absorption	1Q26 Leasing Activity	2025 Leasing Activity	Avg Direct RentalRate
Brisbane/Daly City	4,724,184	3.5%	1.0%	4.4%	5.8%	22,984	242,606	15,042	214,370	\$1.75
South San Francisco	12,344,404	8.8%	1.9%	10.8%	11.9%	(73,602)	-244,560	185,070	337,954	\$1.70
San Bruno/Millbrae	985,597	23.6%	0.0%	23.6%	23.6%	0	21,291	0	0	\$1.88
Burlingame	3,284,402	10.7%	4.3%	15.0%	16.8%	(22,401)	-211,999	60,122	209,750	\$1.96
San Mateo	959,583	9.4%	0.6%	10.0%	11.1%	8,122	27,615	2,875	43,537	\$2.10
Belmont/San Carlos	3,697,810	5.6%	0.8%	6.4%	8.8%	(40,900)	-87,252	32,554	88,864	\$2.37
Redwood City	2,763,113	3.9%	0.0%	3.9%	4.7%	(10,287)	27,704	19,919	63,738	\$2.08
Menlo Park	2,219,722	10.1%	0.0%	10.1%	10.6%	332	-150,619	6,252	17,300	\$2.95
<b>Industrial Total</b>	<b>30,978,815</b>	<b>8.0%</b>	<b>1.5%</b>	<b>9.5%</b>	<b>10.0%</b>	<b>-115,752</b>	<b>-375,214</b>	<b>321,834</b>	<b>975,513</b>	<b>\$1.96</b>

**PENINSULA R&D SUBMARKET STATISTICS**

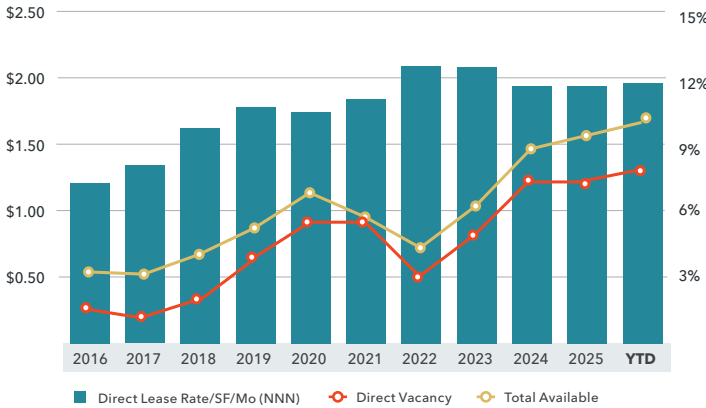
Submarket	Total Inventory	Direct Vacancy Rate	Sublet Vacancy Rate	Total Vacancy Rate	Total Available Rate	1Q26 Total Net Absorption	2025 Total Net Absorption	1Q26 Leasing Activity	2025 Leasing Activity	Avg Direct RentalRate
South San Francisco	9,472,756	24.4%	3.0%	27.4%	27.4%	(22,807)	80,998	109,183	522,771	\$6.65
San Bruno/Millbrae	816,900	40.1%	7.8%	47.9%	50.1%	(3,940)	38,285	5,135	11,280	\$4.17
Burlingame	851,759	2.2%	0.0%	2.2%	2.6%	(6,879)	11,720	0	32,051	\$3.62
Brisbane/Daly City	1,975,415	23.0%	7.1%	30.1%	48.2%	39,625	7,853	2,667	62,914	\$5.91
San Mateo	706,295	49.4%	4.4%	53.8%	55.7%	7,419	-19,399	0	20,262	\$6.03
Belmont/San Carlos	2,425,139	17.0%	2.8%	19.8%	21.6%	316,838	-15,497	319,540	100,865	\$5.57
Redwood City	2,922,979	17.1%	2.3%	19.4%	31.0%	24,802	-151,508	40,095	217,249	\$4.64
Menlo Park	2,308,546	23.7%	1.0%	24.6%	27.3%	(156,477)	101,575	35,457	87,355	\$5.53
<b>R&amp;D Total</b>	<b>21,479,789</b>	<b>22.9%</b>	<b>3.1%</b>	<b>26.0%</b>	<b>29.8%</b>	<b>198,581</b>	<b>54,027</b>	<b>512,077</b>	<b>1,054,747</b>	<b>\$5.83</b>



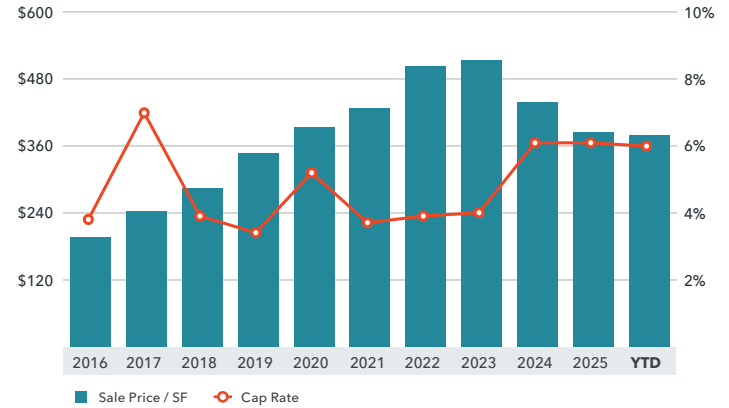
**BIGGEST SALE OF THE QUARTER**

*1380 Industrial Rd  
San Carlos, CA*

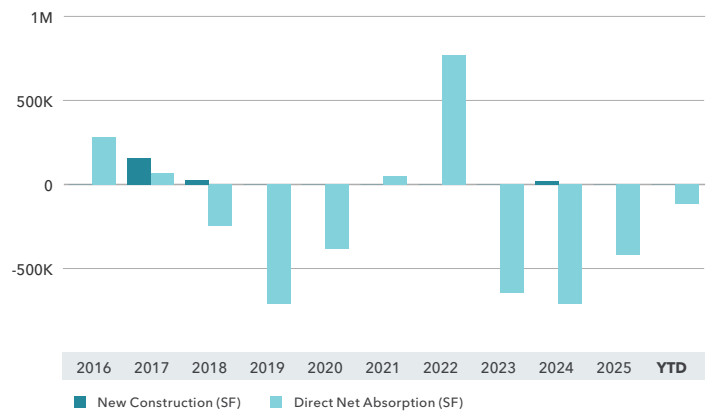
LEASE RATE, VACANCY & AVAILABILITY



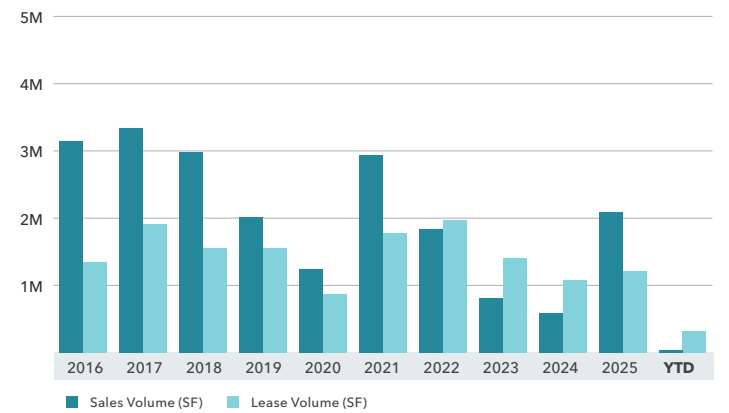
AVERAGE SALES PRICE/SF & CAP RATES



NEW CONSTRUCTION & ABSORPTION



SALE VOLUME & LEASE VOLUME



Data Source: CoStar



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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<b>COMMERCIAL BROKERAGE</b>	<i>\$9B</i> AVERAGE ANNUAL TRANSACTION VOLUME	<i>32.4M</i> ANNUAL SALES SF	<i>32.5M</i> ANNUAL LEASING SF
<b>ASSET SERVICES</b>	<i>55M SF</i> MANAGEMENT PORTFOLIO SIZE	<i>800+</i> ASSETS UNDER MANAGEMENT	<i>250+</i> CLIENTS SERVED
<b>VALUATION ADVISORY</b>	<i>2,700+</i> AVERAGE ASSIGNMENTS	<i>42</i> TOTAL APPRAISERS	<i>23</i> WITH MAI DESIGNATIONS