

MARKET TRENDS

PENINSULA *INDUSTRIAL*



VACANCY



ABSORPTION



RENTAL
RATES



CONSTRUCTION
DELIVERIES

Year-Over-Year Change

SIGNIFICANT SALE TRANSACTIONS 3Q 2026

Property	Submarket	SF	Sale Price	\$/SF	Buyer	Seller
161 Starlite St	South San Francisco	64,103	\$16,500,000	\$257	WareSpace	A&S Realty
838 Mitten Rd	Burlingame	13,552	\$6,875,000	\$507	824 Mitten Rd, LLC	838 Mitten Road, LLC
1011 Douglas Ave	Redwood City	3,335	\$2,173,500	\$651	1011 Douglas, LLC	RC Tandem, LLC

SIGNIFICANT LEASE TRANSACTIONS 3Q 2026

Property	Submarket	SF	Transaction Date	Lease Type	Tenant
526-534 Eccles Ave	South San Francisco	116,095	August 2026	New Lease	Source Foundry
385 Valley Dr	Brisbane	89,200	July 2026	Renewal	Pitco Foods
240-246 Valley Dr	Brisbane	79,300	July 2026	New Lease	Parallax Energy

MARKET BREAKDOWN

	3Q26	2Q26	3Q25	YOY Change
Direct Vacancy Rate	7.8%	7.4%	7.5%	30 bps
Total Availability Rate	9.2%	10.2%	8.7%	50 bps
Direct Asking Lease Rate/SF/Mo	\$1.96	\$1.92	\$1.96	-0.4%

	3Q26	2026 YTD	2025 YTD	YOY Change
Leasing Activity (SF)	347,030	986,346	775,321	27.2%
Sales Volume (SF)	141,146	563,082	895,949	-37.2%
Net Absorption (SF)	-50,823	39,819	-362,100	N/A

PENINSULA INDUSTRIAL SUBMARKET STATISTICS

Submarket	Total Inventory	Direct Vacancy Rate	Sublet Vacancy Rate	Total Vacancy Rate	Total Available Rate	3Q26 Total Net Absorption	YTD Total Net Absorption	3Q26 Leasing Activity	YTD Leasing Activity	Avg Direct Rental Rate
Brisbane/Daly City	4,732,108	3.8%	3.2%	6.9%	6.6%	16,124	-96,894	126,926	146,660	\$1.81
South San Francisco	12,056,909	9.5%	0.3%	9.8%	10.4%	-139,835	75,247	70,230	467,591	\$1.74
San Bruno/Millbrae	985,597	22.6%	0.0%	22.6%	22.6%	9,542	9,542	0	9,542	\$1.88
Burlingame	3,227,535	7.5%	3.5%	11.0%	15.8%	40,644	113,959	16,737	133,496	\$1.91
San Mateo	3,670,193	3.0%	1.7%	4.7%	4.8%	84,750	79,431	85,457	94,797	\$2.14
Belmont/San Carlos	999,655	12.2%	1.0%	13.2%	11.3%	-22,783	-75,975	32,396	88,855	\$2.37
Redwood City	2,753,977	5.2%	0.0%	5.2%	6.4%	-15,367	-52,998	15,284	39,153	\$2.12
Menlo Park	2,220,337	10.7%	0.0%	10.7%	12.3%	-23,898	-12,493	0	6,252	\$2.95
Industrial Total	30,646,311	7.8%	1.2%	9.1%	9.2%	-50,823	39,819	347,030	986,346	\$1.96

PENINSULA R&D SUBMARKET STATISTICS

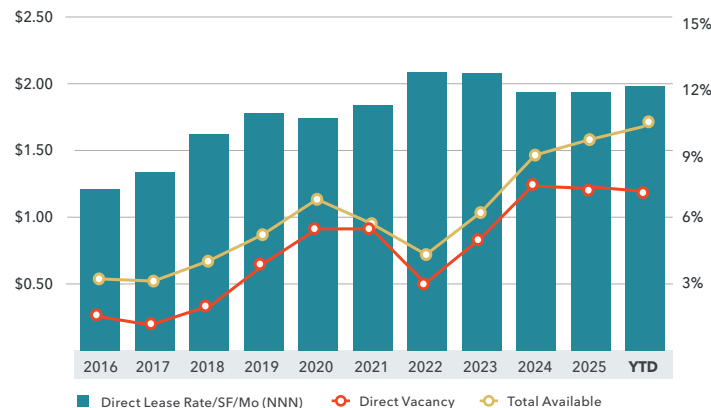
Submarket	Total Inventory	Direct Vacancy Rate	Sublet Vacancy Rate	Total Vacancy Rate	Total Available Rate	3Q26 Total Net Absorption	YTD Total Net Absorption	3Q26 Leasing Activity	YTD Leasing Activity	Avg Direct Rental Rate
South San Francisco	5,311,292	26.2%	1.4%	27.6%	28.3%	19,822	223,578	11,100	255,649	\$6.65
San Bruno/Millbrae	530,900	60.1%	0.0%	60.1%	60.1%	0	4,395	0	8,335	\$4.17
Burlingame	853,514	4.3%	0.0%	4.3%	3.4%	-14,941	-21,300	7,480	9,495	\$3.62
Brisbane/Daly City	783,882	27.0%	0.0%	27.0%	31.5%	0	72,170	0	2,667	\$5.85
San Mateo	277,739	5.0%	11.2%	16.2%	21.1%	0	17,345	0	0	\$6.03
Belmont/San Carlos	2,152,964	18.8%	3.0%	21.8%	20.9%	-9,960	298,814	34,402	362,022	\$5.57
Redwood City	2,213,999	14.7%	2.6%	17.4%	17.6%	-39,787	-9,838	23,821	181,278	\$4.64
Menlo Park	2,228,088	21.9%	0.1%	21.9%	27.9%	17,442	-108,944	6,400	46,185	\$5.53
R&D Total	14,352,378	22.2%	1.6%	23.8%	25.2%	-27,424	476,220	83,203	865,631	\$5.68

BIGGEST SALE OF THE QUARTER

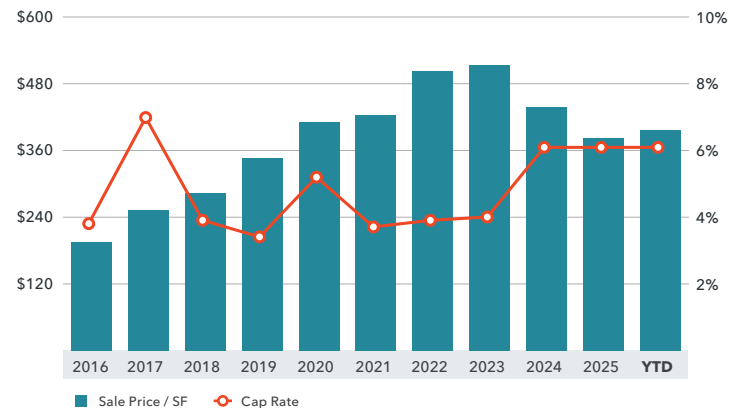
161 Starlite St, South San Francisco



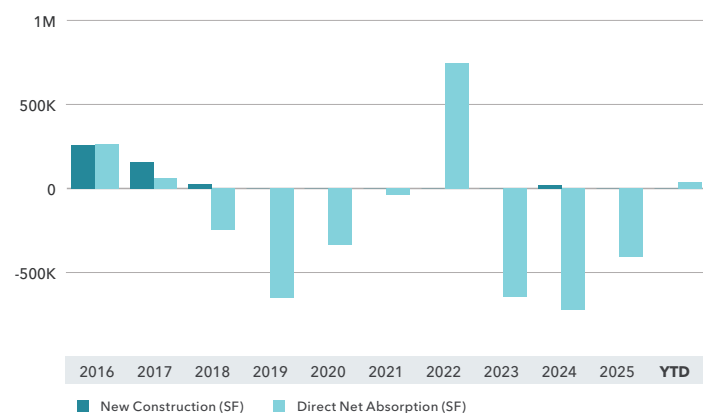
LEASE RATE, VACANCY & AVAILABILITY



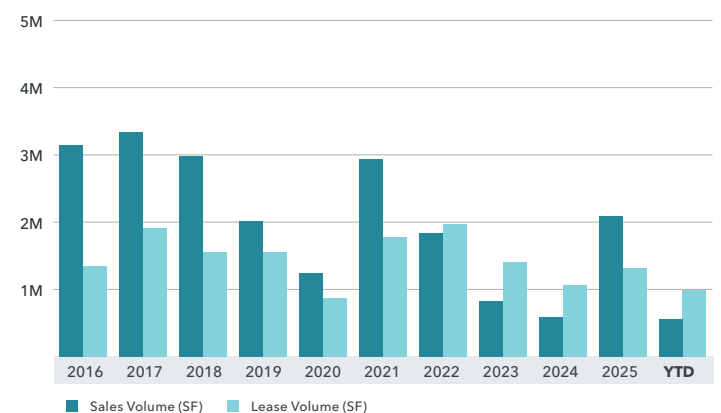
AVERAGE SALES PRICE/SF & CAP RATES



NEW CONSTRUCTION & ABSORPTION



SALE VOLUME & LEASE VOLUME



Data Source: CoStar



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COMMERCIAL BROKERAGE

\$9B

AVERAGE ANNUAL TRANSACTION VOLUME

32.4M

ANNUAL SALES SF

32.5M

ANNUAL LEASING SF

ASSET SERVICES

55M+ SF

MANAGEMENT PORTFOLIO SIZE

800+

ASSETS UNDER MANAGEMENT

250+

CLIENTS SERVED

VALUATION ADVISORY

2,700+

AVERAGE ASSIGNMENTS

42

TOTAL APPRAISERS

23

WITH MAI DESIGNATIONS