

MARKET TRENDS | **SILICON VALLEY**

RETAIL

**4TH QUARTER
2019**

◀ VACANCY | ▼ UNEMPLOYMENT | ▶ RENTAL RATE | ▼ CONSTRUCTION DELIVERIES

TOP SALE TRANSACTIONS FOR 2019

Property	Submarket	Square Feet	Sale Price	Price/SF	Buyer	Seller
Pruneyard Shopping Center	Campbell	251,255	\$212,500,000	\$845.75	Regency Centers	Ellis Partners
350 Showers Dr, Mountain View	West Mountain View	170,098	\$155,000,000	\$911.24	Los Altos School District	Federal Realty
El Paseo de Saratoga	San Jose-Winchester	340,950	\$146,600,000	\$429.98	Sand Hill Property	Terramar Retail Centers
Villa Shopping Center	San Jose-Winchester	195,952	\$95,700,000	\$488.38	Weingarten Realty	AEW Capital
590 Castro St, Mountain View	Downtown Mountain View	7,056	\$28,000,000	\$3,968.25	Sobrato Organization	Wells Fargo

TOP LEASE TRANSACTIONS FOR 2019

Property	Submarket	Square Feet	Date	Landlord	Tenant
Evergreen Circle	San Jose East	191,242	Sept 2019	Hunter Properties JV Arcadia Development	Costco
Westfield Oakridge	South San Jose	108,000	March 2019	Unibail-Rodamco-Westfield	Living Spaces
1375 Blossom Hill Rd	South San Jose	61,004	July 2019	Pan-Cal Corporation	Outdoor Supply Hardware
Westfield Valley Fair	Santa Clara	51,000	Dec 2019	Unibail-Rodamco-Westfield	Eataly
196 N 3rd St	Downtown San Jose East	44,049	Sept 2019	Nahas Company LLC	N/A

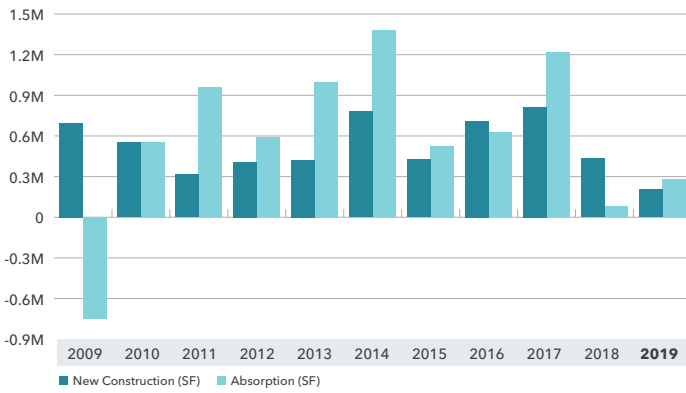
TOP UNDER CONSTRUCTION

Property	Address	Submarket	SF	Owner	Delivery Date
Evergreen Circle	2140 Quimby Rd	San Jose East	405,000	Hunter Properties JV Arcadia Development	April 2020
Cityline Sunnyvale Whole Foods/AMC	150 E McKinley Ave, Sunnyvale	Santa Clara	110,000	Hunter Properties	April 2020
Gateway Village	3700 El Camino Real	Santa Clara	108,600	Essex Property Trust	June 2021
Stevens Creek Subaru	3209 Stevens Creek Blvd	San Jose, Winchester	45,778	Oscar Bakhtiari	Jan 2020
Miro Retail Podium	39 N 5th St, San Jose	Downtown San Jose E	39,074	Beijing Damei JV Bayview Development	March 2021

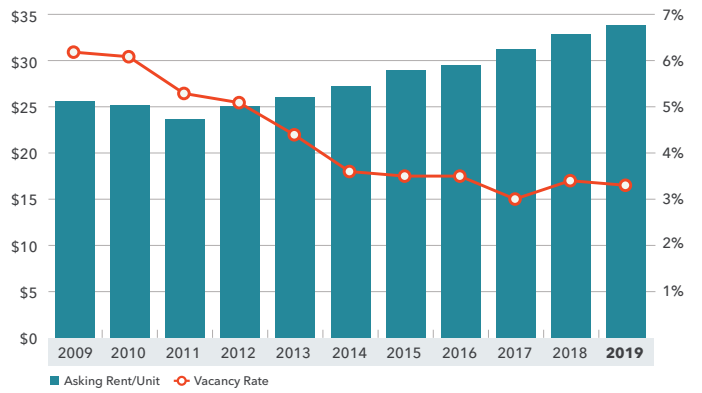
Market Breakdown

	2019	2018	2017	% Change from A Year Ago
New Construction	203,405	432,247	812,032	-52.94%
Under Construction	1,086,984	1,054,888	669,613	3.04%
Vacancy Rate	3.3%	3.4%	3.0%	-2.94%
Average Asking Rents (NNN)	\$33.84	\$32.88	\$31.20	2.92%
Average Sales Price/SF	\$575.83	\$380.05	\$303.96	51.51%
Cap Rates	5.00%	5.10%	5.60%	-1.96%
Net Absorption	280,301	81,066	1,215,394	N/A

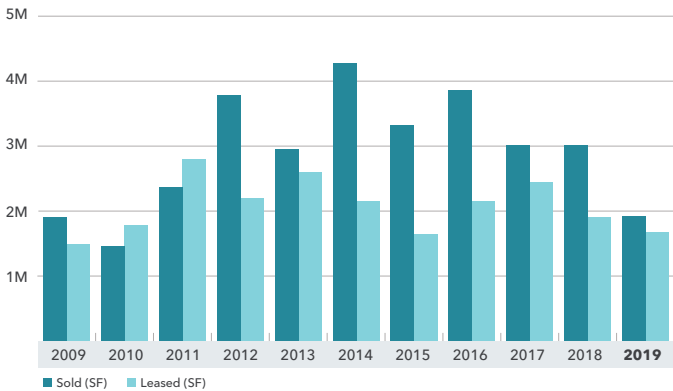
NEW RETAIL CONSTRUCTION & ABSORPTION



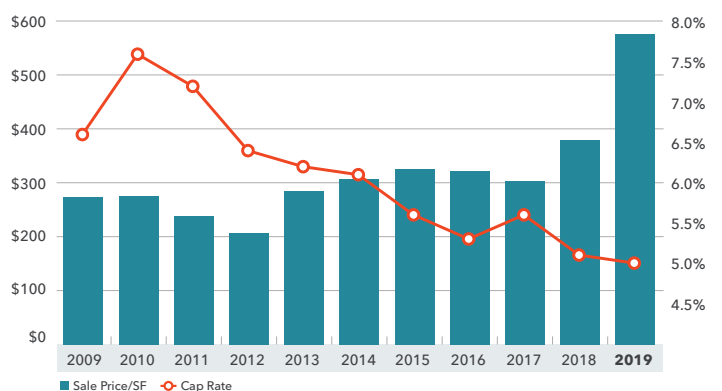
AVERAGE ASKING RENT/SF & VACANCY RATE



SALE VOLUME & LEASE VOLUME



AVERAGE SALES PRICE/SF & CAP RATES



Kidder Mathews is the largest, independent commercial real estate firm on the West Coast, with 800 real estate professionals and staff in 22 offices in Washington, Oregon, California, Nevada, and Arizona. We offer a complete range of brokerage, appraisal, property management, consulting, project and construction management, and debt equity finance services for all property types.

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

JERRY HOLDNER
 Director of Research
 949.557.5050
jerry.holdner@kidder.com

ERIC LUHRS
 Regional President, Brokerage
 Northern California & Nevada
 408.970.9400
eric.luhrs@kidder.com

Designated Broker
 Mark Read | LIC N° 00572743

KIDDER.COM

COMMERCIAL BROKERAGE

20M ANNUAL SALES SF
420+ NO. OF BROKERS
\$9B ANNUAL TRANSACTION VOLUME
40M ANNUAL LEASING SF

VALUATION ADVISORY

1,600+ APPRAISALS ANNUALLY
39/24 TOTAL NO. APPRAISERS/MAI'S

PROPERTY MANAGEMENT

70M+ MANAGEMENT PORTFOLIO SF

This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material, including, but not limited to, statements of income and expenses. CONSULT YOUR ATTORNEY, ACCOUNTANT, OR OTHER PROFESSIONAL ADVISOR.