

## MARKET TRENDS | SILICON VALLEY

# RETAIL

4TH QUARTER  
2021

▼ VACANCY | ▼ UNEMPLOYMENT | ▲ RENTAL RATE | ▼ CONSTRUCTION DELIVERIES

### TOP SALE TRANSACTIONS FOR 2021

| Property             | Submarket                 | Square Feet | Sale Price   | Price/SF | Buyer                 | Seller                     |
|----------------------|---------------------------|-------------|--------------|----------|-----------------------|----------------------------|
| 150 S 1st St         | Downtown San Jose         | 179,763     | \$60,000,000 | \$334    | Hines                 | Digital Realty Trust       |
| 725 Ridder Park Dr   | San Jose-Berryessa        | 24,834      | \$13,800,000 | \$556    | Orton Development     | Sand Hill Property Company |
| 10591 N De Anza Blvd | Cupertino                 | 22,246      | \$8,100,000  | \$364    | County of Santa Clara | Harry W Jr & Madge Falk    |
| 2040 Tully Rd        | East San Jose-Willow Glen | 15,526      | \$6,800,000  | \$438    | Hua Family Gift Trust | Dennis Liu                 |
| 2799 S White Rd      | East San Jose-Willow Glen | 12,192      | \$6,250,000  | \$513    | Yun Deng              | Walgreens Boots Alliance   |

### TOP LEASE TRANSACTIONS FOR 2021

| Property                 | Submarket        | Square Feet | Transaction Date | Landlord                  | Tenant                   |
|--------------------------|------------------|-------------|------------------|---------------------------|--------------------------|
| 303 10th St              | Gilroy           | 44,000      | April 2021       | Family 1990 Trust         | Gilroy Motorcycle Center |
| 1523-1545 Parkmoore Ave  | Midtown San Jose | 25,000      | May 2021         | Chiechi Park W Associates | C3 Church                |
| 2152 Monterey Hwy        | East San Jose    | 13,000      | October 2021     | Kouretas PN               | WSS Shoes                |
| 2152 Monterey Hwy        | East San Jose    | 13,000      | November 2021    | Kouretas PN               | Eurostar                 |
| 669-719 E Calaveres Blvd | Milpitas         | 12,000      | January 2021     | Shapell Properties        | India Supermarket        |

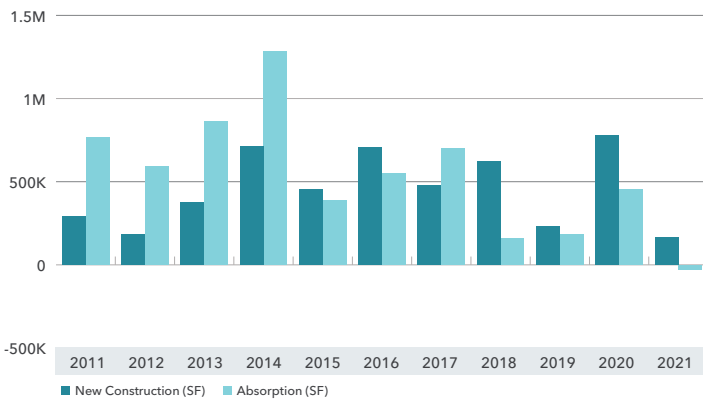
### TOP UNDER CONSTRUCTION

| Property             | Submarket          | Square Feet | Delivery Date |
|----------------------|--------------------|-------------|---------------|
| 14975 Los Gatos Blvd | Los Gatos/Saratoga | 52,552      | 2Q 2023       |
| 180 El Camino Real   | Downtown Palo Alto | 43,581      | 3Q 2022       |
| 696 N 6th St         | Downtown San Jose  | 18,546      | 1Q 2022       |

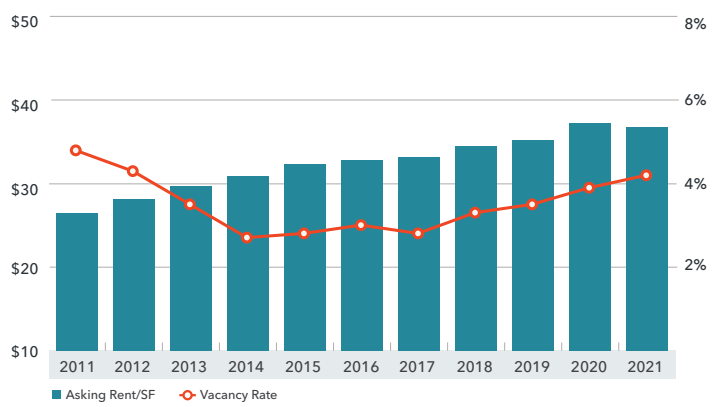
## Market Breakdown

|                            | 4Q 2021  | 3Q 2021  | 4Q 2020  | Annual % Change |
|----------------------------|----------|----------|----------|-----------------|
| New Construction           | 0        | 5,399    | 260,302  | -100.00%        |
| Under Construction         | 125,605  | 122,605  | 171,860  | -26.91%         |
| Vacancy Rate               | 4.2%     | 4.2%     | 3.9%     | 7.69%           |
| Average Asking Rents (NNN) | \$36.73  | \$36.25  | \$37.18  | -1.21%          |
| Average Sales Price/SF     | \$668.29 | \$619.42 | \$507.98 | 31.56%          |
| Cap Rates                  | 4.5%     | 5.1%     | 4.8%     | -6.25%          |
| Net Absorption             | 34,336   | 98,653   | 259,466  | -86.77%         |

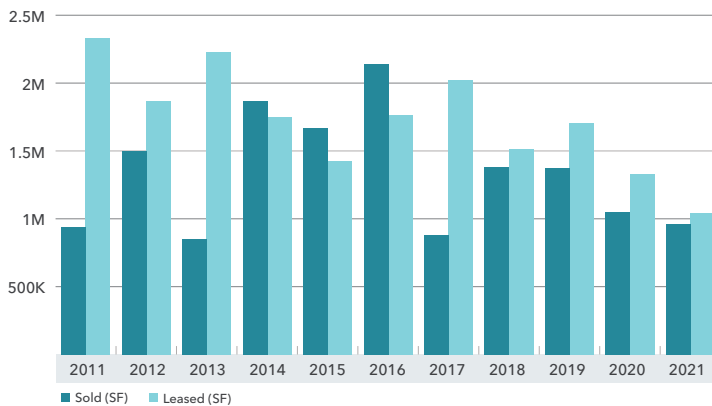
## NEW RETAIL CONSTRUCTION & ABSORPTION



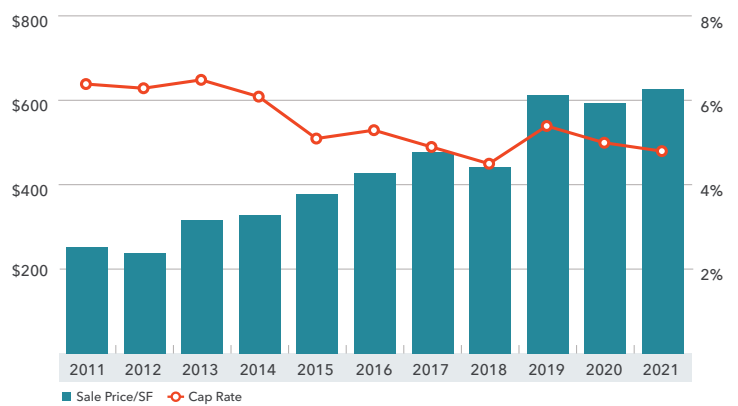
## AVERAGE ASKING RENT/SF & VACANCY RATE



## 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 900 real estate professionals and staff in 21 offices in Washington, Oregon, California, Nevada, and Arizona. We offer a complete range of brokerage, appraisal, asset services, 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.

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### COMMERCIAL BROKERAGE

|             |                                  |             |                          |
|-------------|----------------------------------|-------------|--------------------------|
| <b>23M</b>  | <b>ANNUAL SALES SF</b>           | <b>470+</b> | <b>NO. OF BROKERS</b>    |
| <b>\$8B</b> | <b>ANNUAL TRANSACTION VOLUME</b> | <b>42M</b>  | <b>ANNUAL LEASING SF</b> |

### VALUATION ADVISORY

|               |                            |              |                                   |
|---------------|----------------------------|--------------|-----------------------------------|
| <b>1,800+</b> | <b>APPRAISALS ANNUALLY</b> | <b>45/23</b> | <b>TOTAL NO. APPRAISERS/MAI'S</b> |
|---------------|----------------------------|--------------|-----------------------------------|

### ASSET SERVICES

|            |                                |              |                                   |
|------------|--------------------------------|--------------|-----------------------------------|
| <b>64M</b> | <b>MANAGEMENT PORTFOLIO SF</b> | <b>\$11B</b> | <b>IN ASSETS UNDER MANAGEMENT</b> |
|------------|--------------------------------|--------------|-----------------------------------|

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