

MARKET TRENDS

SILICON VALLEY RETAIL

↔ VACANCY	↔ UNEMPLOYMENT
↑ RENTAL RATES	↓ CONSTRUCTION DELIVERIES
Year-Over-Year Change	

SIGNIFICANT SALE TRANSACTIONS 1Q 2026

Property	Submarket	SF	Sale Price	\$/SF	Buyer	Seller
Winchester Shopping Center	South Santa Clara	15,026	\$8,050,000	\$535.74	Winchester Creek, LLC	Everett Trusts, LLC
15367 Los Gatos Blvd	Los Gatos/Saratoga	5,722	\$7,926,380	\$1,385.25	Arroyo Cap Vi-2, LLC	Peck Leasing, LTD
15349 Los Gatos Blvd	Los Gatos/Saratoga	4,000	\$6,073,620	\$1,518.40	Arroyo Cap Vi-2, LLC	Peck Leasing, LTD

SIGNIFICANT LEASE TRANSACTIONS 1Q 2026

Property	Submarket	SF	Transaction Date	Tenant
Monterey Plaza	South San Jose	31,057	January 2026	Ace Pickleball
Almaden Expressway @ Foxworthy	East San Jose-Willow Glen	14,852	January 2026	T & J Furniture, Inc
2517 El Camino Real	South Santa Clara	11,950	January 2026	Lee Brothers Automotive

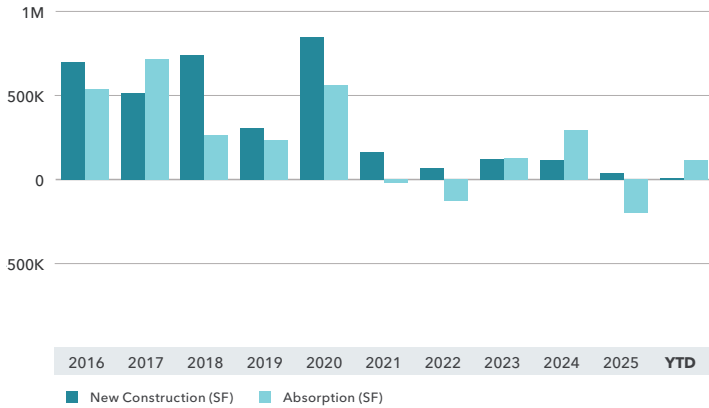
SIGNIFICANT UNDER CONSTRUCTION

Property	Submarket	SF	Delivery
5158 West El Camino Real	Los Altos	85,000	2Q 2026
Tesla	East San Jose-Willow Glen	50,000	2Q 2026

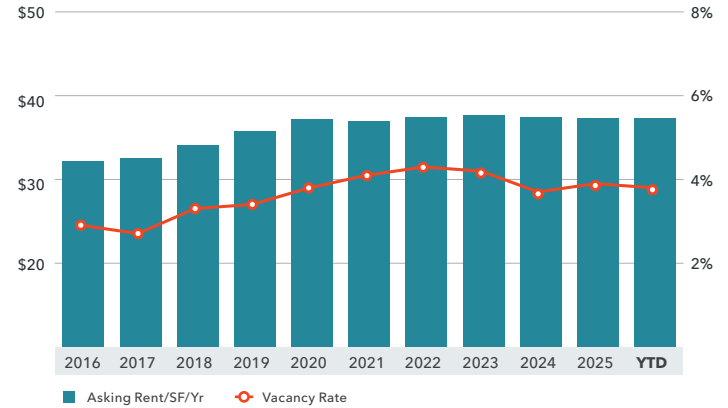
MARKET BREAKDOWN

	1Q26	4Q25	1Q25	YOY Change
Vacancy Rate	3.8%	3.9%	3.8%	0 bps
Average Asking Rents/SF/Yr	\$3.11	\$3.10	\$3.09	0.65%
Under Construction (SF)	135,000	145,285	95,285	41.68%
Average Sales Price/SF	\$492	\$695	\$452	8.66%
Average Cap Rate	0.0%	5.5%	5.6%	-560 bps
	1Q26	4Q25	1Q25	YOY Change
Construction Deliveries (SF)	10,285	10,285	36,739	-72.01%
Net Absorption	116,466	116,466	0	N/A

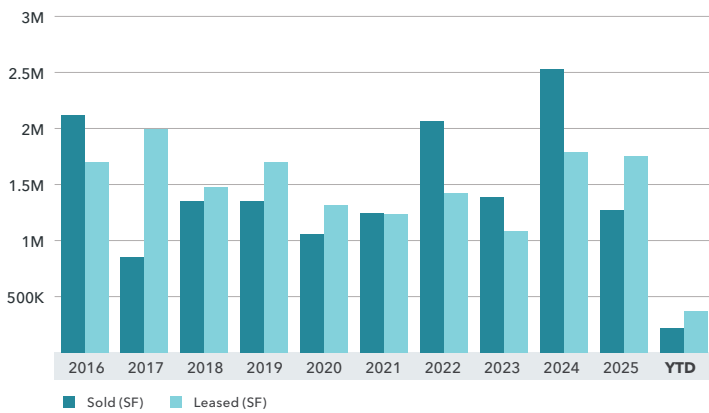
NEW CONSTRUCTION & ABSORPTION



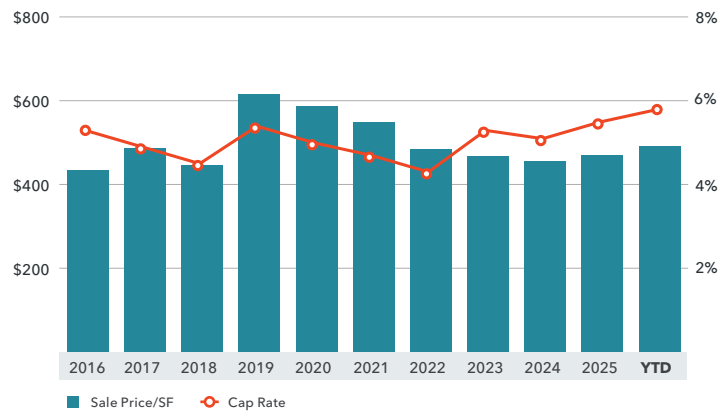
AVERAGE ASKING RENT/SF & VACANCY RATE



SALE VOLUME & LEASE VOLUME



AVERAGE SALE PRICE/SF & CAP RATES



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