

Real Estate Market Review

San Francisco Retail

Top Sale Transactions for 2017

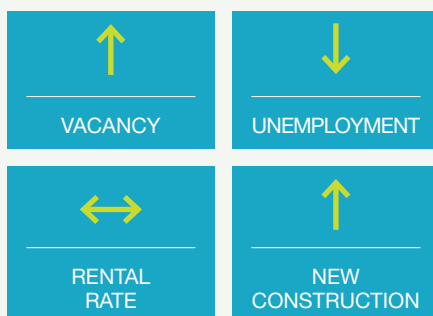
Property	Submarket	Square Feet	Sale Price	Price/SF	Buyer	Seller
Macy's	Union Square	263,640	\$250,000,000	\$948.26	Blatteis Realty Co, Inc	Macy's, Inc
39 Stockton Street	Union Square	12,281	\$33,001,600	\$2,687.21	Vanbarton Group	JSRE Management
386 1st Street	Rincon/South Beach	1,590	\$17,600,000	\$11,069.18	Mill Creek Residential Trust LLC	Di Cargo Services, Inc
812-820 Folsom Street	Yerba Buena	9,961	\$14,500,000	\$1,455.68	CitizenM Hotels	Restaurant Lulu, Inc
4840 Mission St.	Southern City	24,479	\$12,000,000	\$490.22	BRIDGE Housing Corp	Josephine Ferrari Family Trust

Top Lease Transactions for 2017

Property	Submarket	Square Feet	Date	Landlord	Tenant
1595 Van Ness Avenue	Van Ness Corridor	36,000	May 2017	Ellis & Hallie Brooks	-
265 Winston Drive	Southern City	25,355	March 2017	GGP, Inc.	Zara
1655 Folsom Street	South of Market	12,610	May 2017	Jerome Goldstein	Auto Body Repair
345 4th Street	Yerba Buena	10,800	May 2017	Tarsadia Alliance of Companies	-
399 Geary Street	Union Square	10,400	July 2017	Axis Development Group	-

Top Under Construction

Property	Address	Submarket	Square Feet	Owner	Delivery Date
Salesforce Transit Center	425 Mission Street	South Financial District	98,330	Transbay Joint Powers Authority	March 2018
Artists Studio	Pier 70	Mission Bay/China Basin	78,320	Port of San Francisco	January 2018
One Mission Bay	1000 3rd Street	Mission Bay/China Basin	16,594	-	March 2018

Market Forecast Trends

Market Snapshot

	2015	2016	2017	Annual % Change
New Construction	20,000	3,476	250,000	7092.17%
Under Construction	348,330	364,924	198,311	-45.66%
Vacancy Rate	2.2%	2.4%	3.2%	33.33%
Average Asking Rents	\$45.22	\$44.33	\$43.89	-0.99%
Average Sales Price	\$3,883,039	\$5,009,427	\$5,450,206	8.80%
Cap Rate	4.64%	4.77%	4.37%	-8.39%
Net Absorption	(42,181)	(133,290)	(208,434)	N/A

Offices

- Seattle**
206.296.9600
- Bellevue**
425.454.7040
- South Seattle**
206.248.7300
- Tacoma**
253.722.1400
- Olympia**
360.705.2800
- Portland**
503.221.9900
- San Francisco**
415.229.8888
- Redwood Shores**
650.769.3600
- Silicon Valley**
408.970.9400
- Sacramento**
916.970.9700
- Roseville**
916.751.3600
- Los Angeles**
213.880.5250
- Commerce**
323.727.1144
- Long Beach**
562.472.0071
- Orange County**
949.557.5000
- Inland Empire**
909.764.6500
- San Diego**
858.509.1200
- Carlsbad**
760.430.1000
- Reno**
775.301.1300
- Phoenix**
602.513.5200

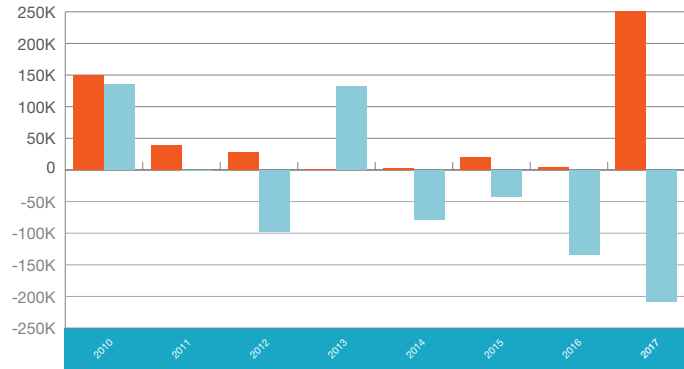
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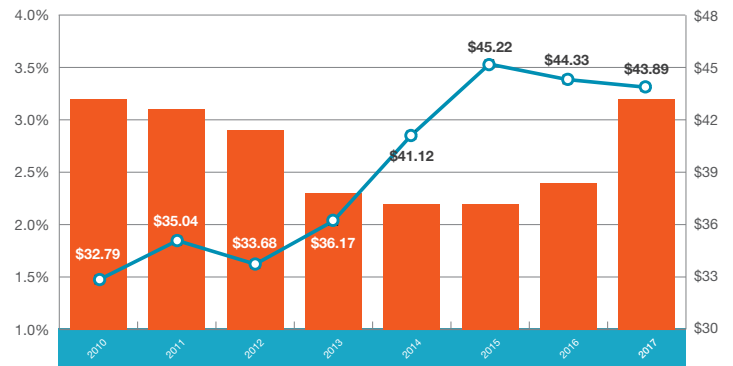
NEW RETAIL CONSTRUCTION & NET ABSORPTION

■ New Construction
■ Absorption



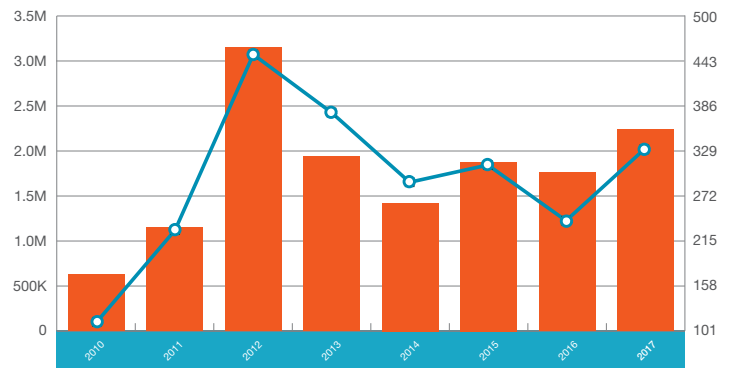
AVERAGE ASKING RENT/SF & VACANCY RATE*

■ Vacancy Rate
○ Asking Rent/SF



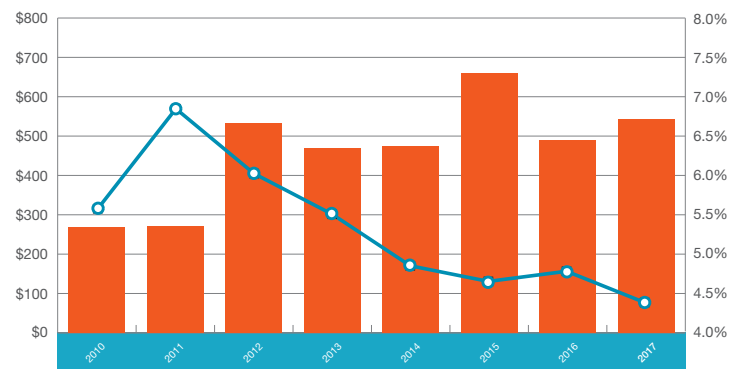
SQUARE FEET SOLD & NUMBER OF SALE TRANSACTIONS

■ SF Sold
○ # of Transactions



AVERAGE SALES PRICE/SF & CAP RATES

■ Average Sales Price/SF
○ Cap Rate



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