

Real Estate Market Review

Silicon Valley Retail

Top Sale Transactions for 2017

Property	Submarket	Square Feet	Sale Price	Price/SF	Buyer	Seller
Monta Loma Plaza	West Mountain View	48,000	\$30,000,000	\$625.00	Retail Opportunity Investments, Corp	Charles Borello
1700 Embarcadero Road	Embarcadero/101	13,880	\$24,068,104	\$1,734.01	ARI	Fletcher Jones Auto Group
767 Mathilda Avenue	Peery Park	12,635	\$17,650,170	\$1,396.93	OTO Development	Gary Pagonis
South Valley Plaza	Gilroy	84,214	\$16,425,234	\$195.04	EPG Partnership	West Valley Properties, Inc
Alamo Plaza	Gilroy	85,699	\$16,000,000	\$186.70	Paula Lee Trust	Gilroy-san Ysidro Associates LLC

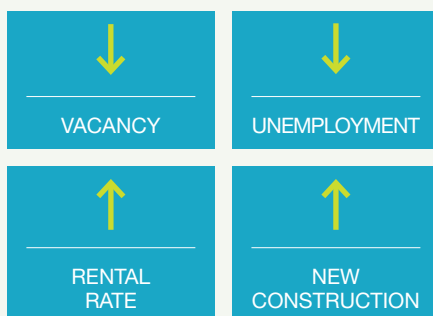
Top Lease Transactions for 2017

Property	Submarket	Square Feet	Date	Landlord	Tenant
Prospect Avenue & Park Street	San Benito	54,095	October 2017	Hawkins Companies	-
Prospect Avenue & Park Street	San Benito	48,000	October 2017	Hawkins Companies	-
3615 El Camino Real	Central Sunnyvale	44,436	November 2017	Pero & Anka Margaretic	-
2200 Eastridge Loop	San Jose	40,000	February 2017	Pacific Retail Capital Partners	Halloween Store
5502 Monterey Highway	South San Jose	35,467	August 2017	Kimco Realty Corporation	City Sports Club

Top Under Construction

Property	Address	Submarket	Square Feet	Owner	Delivery Date
Sunnyvale Town Center	225 S Taaffe Street	Central Sunnyvale	216,855	Lennar Commercial Investors, LLC	March 2019
Costco	Great Oaks Boulevard	South San Jose	153,211	Costco Wholesale Corporation	January 2018
Cochrane Commons	Cochrane Road	Morgan Hill	152,684	Morgan Hill Retail Venture	February 2018
The Village at San Antonio Center	West Mountain View	West Mountain View	144,000	Merlone Geier Management, Inc	March 2018
Villa Sport Athletic Club and Spa	11674 N. Capitol	IBP East	130,000	SyWest Development	March 2018

Market Forecast Trends



Market Snapshot

	2015	2016	2017	Annual % Change
New Construction	387,944	692,626	599,528	-13.44%
Under Construction	834,786	1,237,064	1,023,507	-17.26%
Vacancy Rate	3.8%	4.7%	4.2%	-10.64%
Average Asking Rents	\$29.76	\$30.36	\$32.16	5.93%
Average Sales Price	\$4,185,088	\$4,760,504	\$4,055,290	-14.81%
Cap Rate	5.16%	5.10%	5.13%	0.59%
Net Absorption	42,039	(57,496)	1,008,442	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

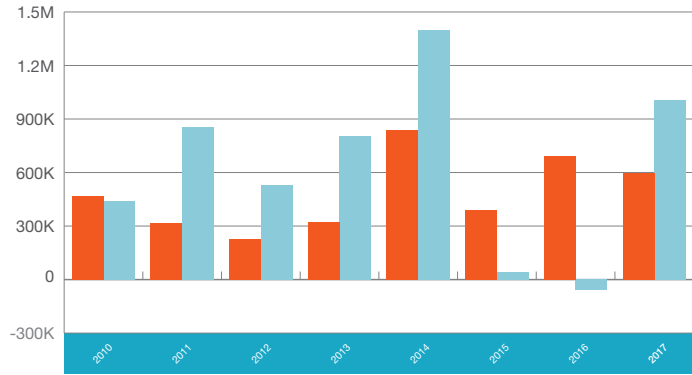
Contact

Reed Payne
Executive VP, Brokerage
Northern CA / NV
408.970.9400
rpayne@kiddermathews.com

Designated Broker
Reed Payne | LIC #00818935

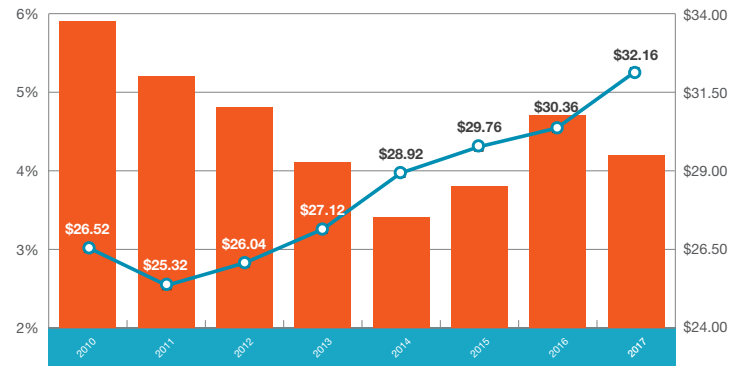
NEW RETAIL CONSTRUCTION & NET ABSORPTION

■ New Construction
■ Absorption



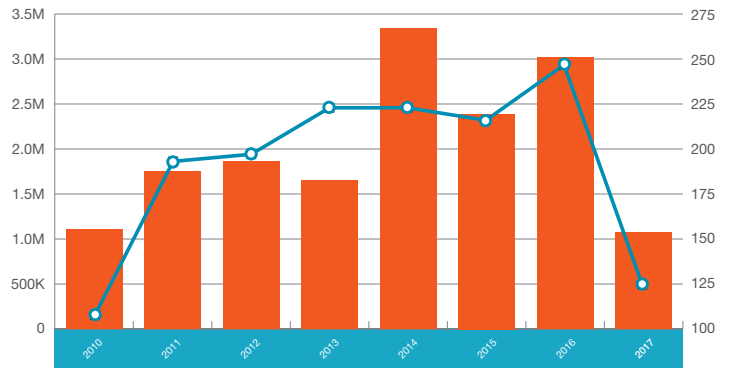
AVERAGE ASKING RENT/SF & VACANCY RATE*

■ 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

