

Real Estate Market Review

Silicon Valley Retail

Top Sale Transactions for 1Q 2018

Property	City	Square Feet	Sale Price	Price/SF	Cap Rate	Buyer	Seller
377 Royal Avenue	San Jose	70,000	\$39,550,000	\$565.00	-	Google	National Retail Properties, Inc
2549 S King Road	San Jose	31,617	\$17,500,000	\$553.50	4.75%	N/A	N/A
2741 Middlefield Road	Palo Alto	18,555	\$16,000,000	\$862.30	4.50%	USRI LLC	Sunrise Value Investments
301 Castro Street	Mountain View	8,910	\$9,400,000	\$1,054.99	-	Kenneth Rodriguez & Partners, Inc.	Paul P. Levin
2500 California Street	Mountain View	7,994	\$6,710,000	\$839.38	-	N/A	Jennifer Rim

Top Lease Transactions for 1Q 2018

Property	Submarket	Square Feet	Date	Landlord	Tenant
5347-5353 Prospect Road	San Jose	40,000	February 2018	Redlands Joint Venture LLC	24 Hour Fitness
4050 Stevens Creek Boulevard	San Jose	21,269	January 2018	Wood Investments, Inc.	N/A
999 Alma Street	Palo Alto	10,800	February 2018	Property CA SCJLW One Corp.	N/A
715-727 Sunnyvale Saratoga Road	Sunnyvale	8,272	February 2018	N/A	N/A
951-955 Monroe Street	Santa Clara	7,039	January 2018	Las Vegas Land & Develop. Co. Inc.	Aqua Education
2050-2060 Duane Avenue	Santa Clara	6,760	February 2018	Wood Investments, Inc.	N/A

Top Under Construction

Property	Address	Submarket	Square Feet	Owner	Delivery Date
Town Center Lane	225 S Taaffe Street	Sunnyvale	216,855	Redus SVTC LLC	March 2019
The Village at San Antonio	393 San Antonio Road	Mountain View	144,000	Merlone Geier Partners	September 2018
Icon Theater	645 San Antonio Road	Mountain View	49,751	Merlone Geier Partners	September 2018
Caribbees Center	2889 Senter Road	San Jose	34,000	Stratton Properties	April 2018
Camino Plaza	696 W El Camino Real	Sunnyvale	9,836	Behzad & Louise Askarinam Trust	May 2018

Market Forecast Trends



Market Snapshot

	1Q18	4Q17	1Q17	Annual % Change
New Construction	161,580	253,572	46,088	250.59%
Under Construction	663,957	816,249	1,363,766	-51.31%
Vacancy Rate	4.30%	4.20%	4.60%	-6.52%
Average Asking Rents	\$33.36	\$32.04	\$31.68	5.30%
Average Sales Price	\$561.36	\$351.23	\$195.93	186.51%
Cap Rate	4.79%	4.92%	5.28%	-9.28%
Net Absorption	115,643	447,234	41,619	177.86%

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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

El Segundo
310.807.0880

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

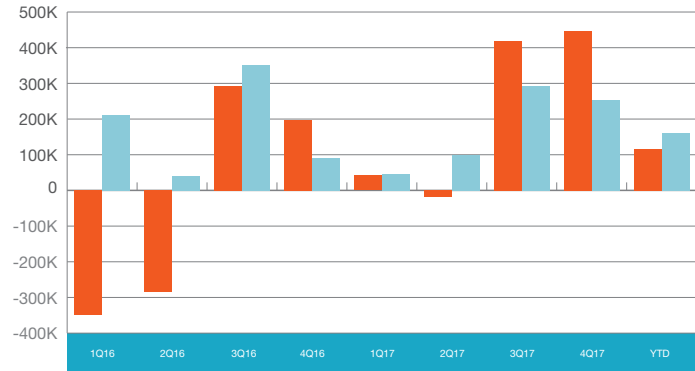
Contact

Mark Read
Executive VP, Brokerage
408.970.9400
mread@kiddermathews.com

Designated Broker
Mark Read | LIC #00572743

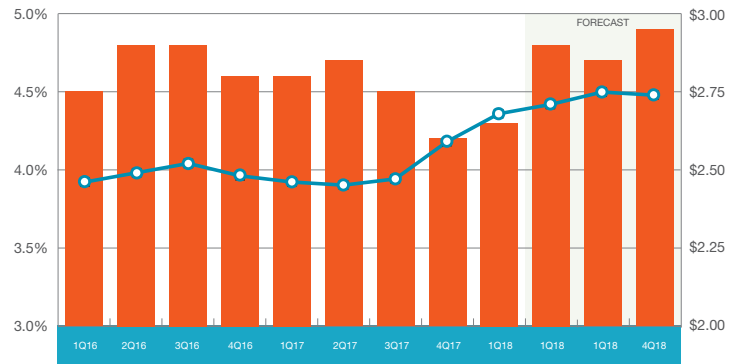
NEW RETAIL CONSTRUCTION & NET ABSORPTION

■ Absorption
■ New Construction



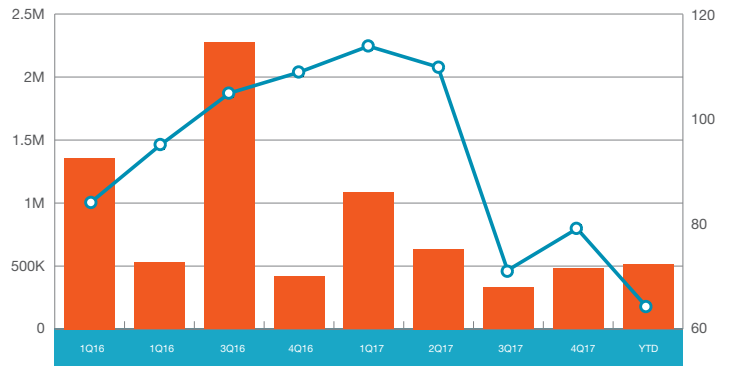
AVERAGE ASKING RENT/SF & VACANCY RATE*

■ Vacancy Rate
○ Asking Rent/SF



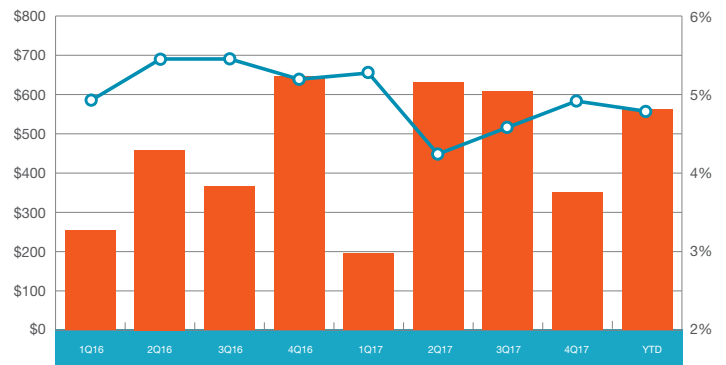
SQUARE FEET SOLD & NUMBER OF SALE TRANSACTIONS

■ SF Sold
○ # of Transactions



AVERAGE SALES PRICE/SF & CAP RATES

■ Average Sales Price/SF
○ Cap Rate



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