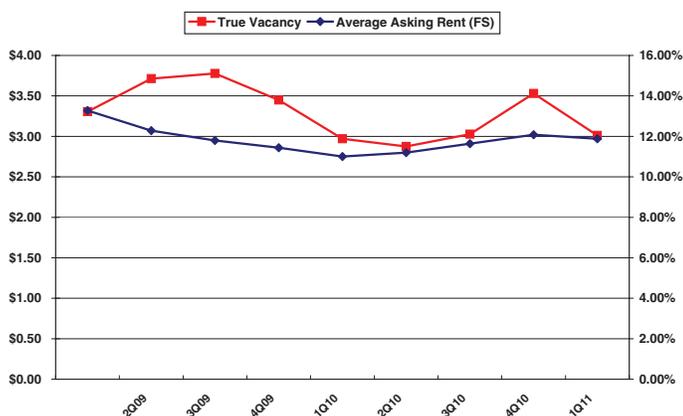


MOUNTAIN VIEW Market Report



HISTORICAL RENT VS. VACANCY



RECENT TRANSACTIONS

- > Vendavo leased ±35,000 sf of R&D space
- > NeuStar leased ±34,000 sf of office space in downtown Mtn View
- > BMW North America leased ±14,000 sf of office space in Shoreline Park
- > IMVU leased ±35,000 sf of office space in downtown Mtn View

RESOURCES

www.SFPeninsulaCRE.com

Commercial Real Estate Blog focused on the SF Peninsula

www.ci.mtnview.ca.us

City of Mountain View website

www.ilovemv.org

Goings-on in Mountain View

www.colliersparrish.com/mcobb

About Mike Cobb

www.twitter.com/MikeCobbCRE

Real time updates on the local market



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- > As expected, the Downtown Major Building Vacancy Index plummeted over the course of Q1. The current rate of 3.37% is far and away the lowest in recent memory, and almost certainly marks the tightest downtown Mountain View market since the dot-com boom.
- > The overall office vacancy rate in Mountain View also showed improvement over the past several months, dropping to 12.05%-- although much of this drop can be attributed to a few major transactions in downtown. Lease rates remain generally flat, though increases in asking prices have been seen in some major buildings--whether this is yet justified in non-core locations remains to be seen.
- > The local market for owner-user sale buildings (particularly industrial properties) has tightened dramatically over the past quarter with Google's purchase of several smaller properties in the general area of their campus.
- > Despite continued improvement in the R&D market, asking rates remain relatively flat, currently averaging just under \$1.60 NNN. Vacancies have dropped to 12.75% following quarter of solid leasing activity (over 330,000 sf of gross absorption).

MARKET TRENDS		
Downtown Vacancy Index	3.37%	↓
Office Avg Asking Rent	\$2.97 FS	↔
R&D Vacancy Rate	12.75%	↓
OFFICE AVAILABILITY RATE, ADJACENT CITIES		
Palo Alto	7.3%	↓
Los Altos	23.75%	↑