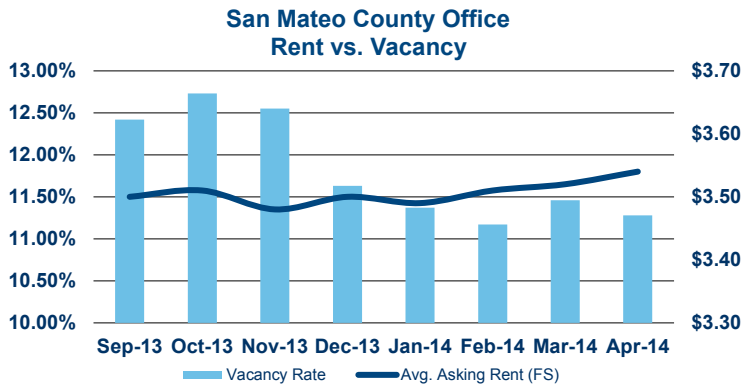


PENINSULA OFFICE MARKET VACANCY VS. RENTS

SAN MATEO COUNTY STATISTICS AS OF 04/01/14



PENINSULA OFFICE VACANCY & RENTS

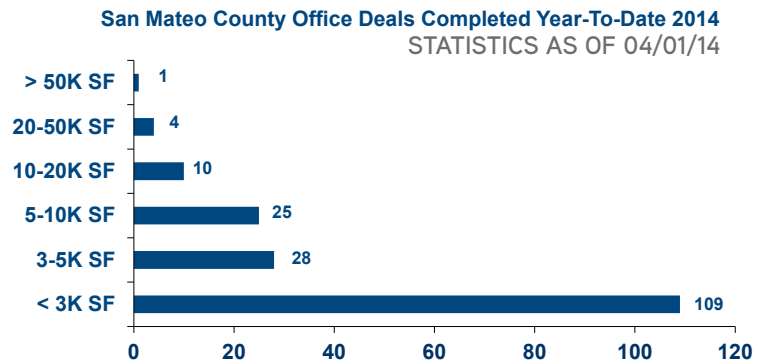
SAN MATEO COUNTY STATISTICS AS OF 04/01/14

| | Vacancy Rate | Vacancy SF | Rent (FS) |
|---------------------|---------------|------------------|---------------|
| Menlo Park | 6.19% | 310,803 | \$5.27 |
| Redwood City | 6.99% | 259,458 | \$3.69 |
| Belmont/San Carlos | 9.65% | 150,664 | \$3.35 |
| Redwood Shores | 6.30% | 357,783 | \$3.98 |
| San Mateo | 11.15% | 809,338 | \$3.47 |
| Foster City | 13.68% | 446,954 | \$4.24 |
| Burlingame | 10.92% | 197,917 | \$2.39 |
| San Bruno/Millbrae | 3.39% | 51,968 | \$3.05 |
| Daly City | 20.72% | 197,689 | \$2.68 |
| South San Francisco | 21.64% | 775,657 | \$3.13 |
| Brisbane | 51.34% | 411,059 | \$3.04 |
| Total | 11.28% | 3,969,290 | \$3.54 |

SAN MATEO COUNTY ABSORPTION YTD

| | 2014 Gross | 2014 Net |
|-------------------------|----------------|-----------------|
| Menlo Park | 73,775 | 14,178 |
| Redwood City | 97,460 | (41,161) |
| Belmont/San Carlos | 4,458 | (83,341) |
| Redwood Shores | 44,324 | (18,354) |
| San Mateo | 260,821 | (47,614) |
| Foster City | 156,276 | 116,251 |
| Burlingame | 28,696 | 14,550 |
| San Bruno/Millbrae | 12,989 | (22,757) |
| Daly City | 7,857 | (4,901) |
| South San Francisco | 82,923 | 52,331 |
| Brisbane | 9,676 | 6,257 |
| San Mateo County | 779,255 | (14,561) |

SAN MATEO COUNTY DEALS YTD



MARKET NEWS

- Coupa inked a 26,000 square foot lease at 1855 S Grant in San Mateo.
- San Mateo County's average asking rate is \$3.54 FS, the highest level since 2000.
- Compared to April 2013, YTD gross absorption is 28.11% higher this year at 779,255 square feet.
- The vacancy rate for San Mateo County dropped 18 basis points to 11.28% compared to March.
- San Mateo County has the second lowest unemployment rate in the state of California at 5.1%, Marin County has the lowest at 4.7%.

SAN MATEO COUNTY

Unemployment Rate

| | |
|---------|-----|
| Feb 14 | 5.1 |
| Jan 14 | 5.1 |
| Dec 13 | 4.6 |
| Nov 13 | 5.0 |
| Oct 13 | 5.2 |
| Sept 13 | 5.1 |
| Aug 13 | 5.4 |
| July 13 | 5.7 |
| Jun 13 | 5.6 |
| May 13 | 5.0 |
| Apr 13 | 5.0 |
| Mar 13 | 5.8 |
| Feb 13 | 5.9 |