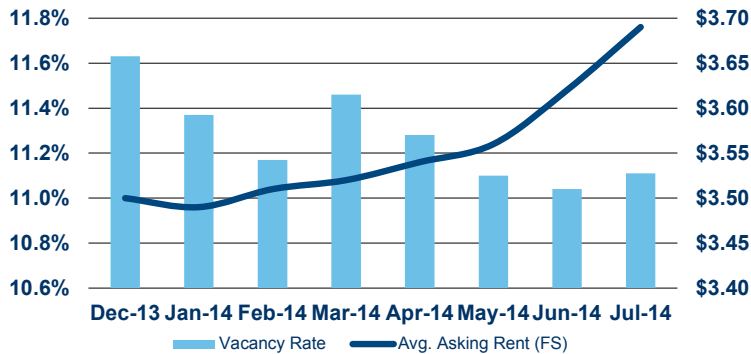


PENINSULA OFFICE MARKET VACANCY VS. RENTS

SAN MATEO COUNTY STATISTICS AS OF 07/01/14



PENINSULA OFFICE VACANCY & RENTS

SAN MATEO COUNTY STATISTICS AS OF 07/01/14

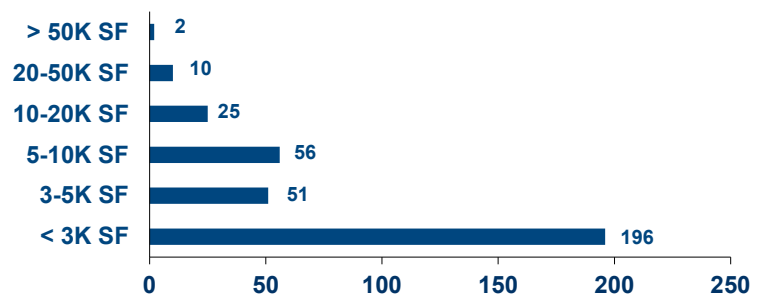
	Vacancy Rate	Vacancy SF	Rent (FS)
Menlo Park	7.12%	359,435	\$6.13
Redwood City	6.54%	240,838	\$3.57
Belmont/San Carlos	9.14%	142,745	\$3.41
Redwood Shores	5.97%	338,556	\$4.06
San Mateo	9.79%	710,493	\$3.48
Foster City	14.85%	485,265	\$4.30
Burlingame	9.58%	173,583	\$2.60
San Bruno/Millbrae	5.30%	81,239	\$2.98
Daly City	20.26%	193,281	\$2.64
South San Francisco	21.07%	755,238	\$3.24
Brisbane	53.79%	430,748	\$3.02
Total	11.11%	3,911,421	\$3.69

SAN MATEO COUNTY ABSORPTION YTD

	2014 Gross	2014 Net
Menlo Park	218,074	(7,454)
Redwood City	212,373	(22,541)
Belmont/San Carlos	22,756	(75,422)
Redwood Shores	169,585	(24,377)
San Mateo	501,582	34,219
Foster City	205,615	50,940
Burlingame	85,250	36,135
San Bruno/Millbrae	132,019	(52,028)
Daly City	21,635	(493)
South San Francisco	137,018	69,618
Brisbane	9,676	(13,432)
San Mateo County	1,715,583	(4,835)

SAN MATEO COUNTY DEALS YTD

San Mateo County Office Deals Completed Year-To-Date 2014 STATISTICS AS OF 07/01/14



MARKET NEWS

- July marks the eighth consecutive month for increasing asking rents in San Mateo County.
- Seth McKinnon made an investment purchase at 1241 E Hillsdale Blvd in Foster City for \$16M for 39,700 square feet.
- Delphix expanded 18,300 square feet at 275 Middlefield in Menlo Park.
- Compared to last month, asking rent for class A space in San Mateo County increased 4.10% from \$3.66 FS to \$3.81 FS.
- Unemployment rate this month is 4.2%, the last time it was nearly this low was in March 2008 at 4.2%

SAN MATEO COUNTY

Unemployment Rate

May 14	4.2
Apr 14	4.3
Mar 14	5.1
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