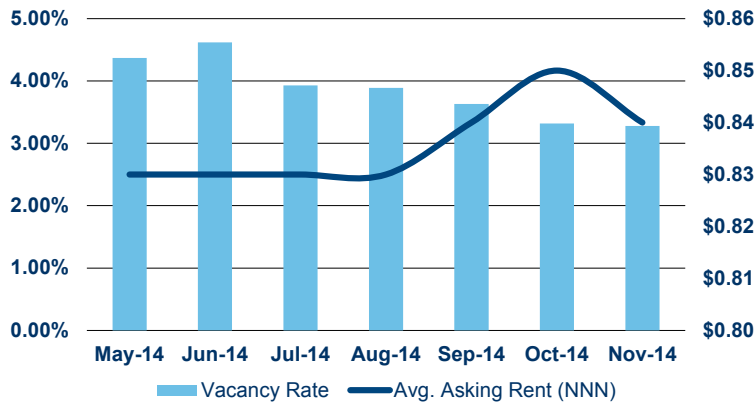


PENINSULA INDUSTRIAL MARKET VACANCY VS. RENTS

SAN MATEO COUNTY STATISTICS AS OF 11/01/14



PENINSULA INDUSTRIAL VACANCY & RENTS

SAN MATEO COUNTY STATISTICS AS OF 11/01/14

| | Vacancy Rate | Vacancy SF | Rent (NNN) |
|-----------------------|--------------|------------------|---------------|
| Menlo Park | 2.31% | 70,728 | \$0.83 |
| Redwood City | 2.48% | 103,889 | \$0.99 |
| Belmont/San Carlos | 1.31% | 71,311 | \$0.70 |
| San Mateo/Foster City | 1.69% | 21,500 | \$0.60 |
| Burlingame | 4.16% | 197,416 | \$0.96 |
| San Bruno/Millbrae | 0.00% | 0 | N/A |
| Brisbane/Daly City | 8.36% | 414,405 | \$0.76 |
| South San Francisco | 2.81% | 462,458 | \$0.88 |
| Total | 3.28% | 1,341,707 | \$0.84 |

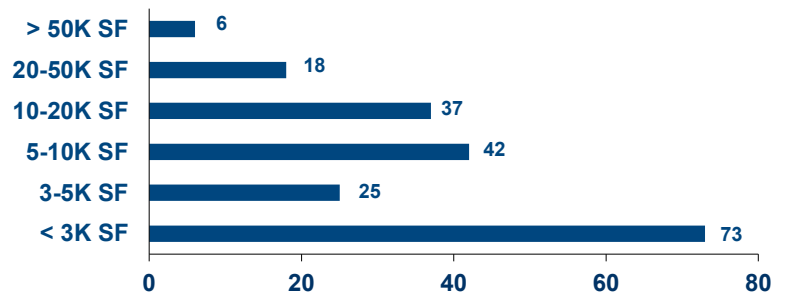
SAN MATEO COUNTY ABSORPTION YTD

| | 2014 Gross | 2014 Net |
|-------------------------|------------------|----------------|
| Menlo Park | 227,805 | 212,389 |
| Redwood City | 105,944 | 32,352 |
| Belmont/San Carlos | 98,951 | 16,450 |
| San Mateo/Foster City | 32,222 | 22,935 |
| Burlingame | 237,069 | (90,358) |
| San Bruno/Millbrae | 19,657 | 19,657 |
| Brisbane/Daly City | 246,567 | (6,086) |
| South San Francisco | 987,726 | 573,082 |
| San Mateo County | 1,955,941 | 780,421 |

SAN MATEO COUNTY DEALS YTD

San Mateo County Industrial Deals Completed Year-To-Date 2014

STATISTICS AS OF 11/01/14



MARKET NEWS

- SF Express leased 27,519 square feet of industrial space at 320 Corey way in South San Francisco.
- Average asking rent for industrial space in San Mateo County has dropped 4 basis points from 3.32% down to 3.28% since last month.
- Only 2 industrial submarkets have negative year-to-date net absorption and they are Burlingame and Brisbane/Daly City.
- The sublease vacancy rate is still well under 1.00% coming in at 0.31% for this month.
- Redwood City remains the submarket with the highest average asking rate at \$0.99 NNN for industrial space in San Mateo County.

SAN MATEO COUNTY

Unemployment Rate

| | |
|--------|-----|
| Sep 14 | 4.2 |
| Aug 14 | 4.5 |
| Jul 14 | 4.8 |
| Jun 14 | 4.2 |
| May 14 | 4.1 |
| 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 |
| Sep 13 | 5.1 |