

Silicon Valley Office Snapshot



▲ 14.1%
Vacancy

▲ (311K)
Sq. Ft. Net Absorption

▼ 4.9M
Sq. Ft. Under

▶ \$5.65
Full-Service Gross

▲ 408K
Office Using Employment

Figure 1: Submarket Statistics Office

Submarket	Net Rentable Area	Total Vacant %	Total Vacant SF	Total Available %	Total Direct Available	Total Sublease Available	Average Asking Rate \$	Current Gross Absorption	Current Net Absorption	YTD Net Absorption
San Jose - Downtown + CBD	11,938,351	17.4	2,080,941	19.9	2,133,821	246,320	4.36	113,579	(12,489)	385,145
Downtown	3,202,169	6.4	204,470	6.4	185,036	19,434	2.54	7,142	(807)	(62,354)
Class A	512,879	0.0	0	0.0	0	0	2.75	0	0	0
Class B	1,430,104	7.0	100,261	7.0	96,261	4,000	2.68	6,542	(807)	(3,641)
Class C	1,259,186	8.3	104,209	8.3	88,775	15,434	2.37	600	0	(58,713)
CBD	8,736,182	21.5	1,876,471	24.9	1,948,785	226,886	4.83	106,437	(11,682)	447,499
Class A	4,518,069	20.7	934,314	22.5	840,828	175,625	5.20	84,551	(14,978)	599,911
Class B	3,726,028	20.5	762,880	26.3	928,680	51,261	4.60	21,886	3,296	(58,113)
Class C	492,085	36.4	179,277	36.4	179,277	0	3.24	0	0	(94,299)
San Jose - North	15,022,370	16.4	2,466,303	18.5	2,524,874	249,233	4.00	164,607	(54,054)	(326,666)
Class A	11,228,968	19.2	2,153,005	21.4	2,169,773	235,006	4.16	64,190	(75,548)	(331,315)
Class B	2,830,655	9.7	273,754	11.7	315,557	14,227	3.56	92,318	17,621	(2,280)
Class C	962,747	4.1	39,544	4.1	39,544	0	3.00	8,099	3,873	6,929
San Jose - South	2,449,299	4.9	119,427	5.3	110,597	18,750	2.39	4,586	(397)	918
Class A	583,917	2.7	16,043	2.7	16,043	0	2.76	0	0	9,891
Class B	1,043,223	6.0	63,050	6.4	51,600	15,600	2.60	0	0	(6,066)
Class C	822,159	4.9	40,334	5.6	42,954	3,150	2.08	4,586	(397)	(2,907)
West Valley	6,641,471	22.5	1,495,443	28.2	1,344,967	528,331	5.12	68,362	(251,962)	(386,916)
Class A	3,111,082	31.1	966,802	40.9	791,695	479,404	5.88	33,863	(246,042)	(301,770)
Class B	1,842,808	21.1	389,303	22.2	397,572	12,308	4.13	25,157	994	(79,003)
Class C	1,687,581	8.3	139,338	11.4	155,700	36,619	3.16	9,342	(6,914)	(6,143)
IBP/Milpitas	2,410,501	6.4	153,089	6.6	158,357	0	2.36	9,668	1,097	(16,320)
Class A	539,356	16.4	88,633	17.0	91,540	0	2.57	8,318	1,848	(11,045)
Class B	1,272,130	4.5	56,817	4.5	56,817	0	2.43	1,350	0	(5,130)
Class C	599,015	1.3	7,639	1.7	10,000	0	1.79	0	(751)	(145)
Cupertino	7,274,734	5.2	377,069	5.4	366,656	28,650	5.93	38,321	(14,025)	(63,110)
Class A	5,900,396	3.7	216,295	3.7	216,295	0	6.71	12,482	12,644	(6,493)
Class B	1,352,750	11.9	160,774	13.2	150,361	28,650	5.00	25,839	(26,669)	(56,617)
Class C	21,588	0.0	0	0.0	0	0	3.75	0	0	0
Santa Clara	15,408,098	26.2	4,032,068	27.2	2,758,059	1,435,385	4.98	105,934	(69,862)	(422,567)
Class A	12,152,993	27.4	3,333,359	28.6	2,181,002	1,294,976	5.39	68,810	(16,010)	(290,058)
Class B	1,992,862	32.2	641,480	32.7	512,139	140,409	3.79	30,271	(50,581)	(128,239)
Class C	1,262,243	4.5	57,229	5.1	64,918	0	2.68	6,853	(3,271)	(4,270)
Sunnyvale	19,817,799	4.7	938,258	5.6	746,941	370,311	6.65	53,468	323,688	1,064,918
Class A	18,244,177	3.6	651,772	4.5	443,048	370,311	7.33	49,968	322,346	1,075,987
Class B	937,879	29.2	273,904	31.1	291,311	0	5.32	1,785	2,474	(9,937)
Class C	635,743	2.0	12,582	2.0	12,582	0	4.41	1,715	(1,132)	(1,132)
Mountain View/Los Altos	11,939,513	12.4	1,482,985	15.4	1,084,723	751,072	8.43	46,408	(158,690)	1,108,842
Class A	9,352,956	12.4	1,160,398	14.2	739,016	585,145	9.42	22,570	(125,835)	1,238,495
Class B	2,368,092	13.1	310,666	21.1	333,786	165,927	7.31	22,258	(32,855)	(121,788)
Class C	218,465	5.5	11,921	5.5	11,921	0	4.93	1,580	0	(7,865)
Palo Alto	8,278,663	14.9	1,230,522	21.8	1,362,389	443,545	8.90	79,103	(75,506)	(87,539)
Class A	4,729,463	14.3	676,651	23.2	761,045	337,889	9.70	28,306	(33,799)	(15,119)
Class B	3,204,469	16.6	533,459	21.0	568,295	105,656	8.00	30,019	(41,707)	(82,387)
Class C	344,731	5.9	20,412	9.6	33,049	0	6.00	20,778	0	9,967
Fremont/Newark	2,287,906	11.0	251,805	11.5	243,068	19,188	2.95	15,542	1,393	(61,743)
Class A	532,207	17.2	91,490	17.4	82,769	9,657	3.31	7,660	3,330	(26,433)
Class B	1,038,884	10.4	107,668	11.3	108,992	8,191	2.69	0	(1,937)	(20,913)
Class C	716,815	7.3	52,647	7.3	51,307	1,340	2.91	7,882	0	(14,397)
Silicon Valley	103,468,705	14.1	14,627,910	16.4	12,834,452	4,090,785	5.65	699,578	(310,807)	1,194,962
Class A	71,406,463	14.4	10,288,762	16.6	8,333,054	3,488,013	6.31	380,718	(172,044)	1,942,051
Class B	23,039,884	15.9	3,674,016	18.9	3,811,371	546,229	4.99	257,425	(130,171)	(574,114)
Class C	9,022,358	7.4	665,132	8.3	690,027	56,543	3.10	61,435	(8,592)	(172,975)

Source: CBRE Research, Q4 2022

Figure 2: Significant Lease Transactions of the Quarter

Lessee	Address	City	Total SF	Class	Lease Type
Magic Leap	1376 Bordeaux Dr	Sunnyvale	41,280	A	Renewal
Frank, Rimerman and Company LLP	60 S Market St	San Jose	34,882	A	Renewal
Armanino LLP	50 W San Fernando St	San Jose	21,254	A	Renewal
Confidential	333 W San Carlos St	San Jose	19,739	A	Renewal
Neato Robotics	3590 N 1st St	San Jose	16,188	A	Renewal
Celona, Inc.	900 E Hamilton Ave	Campbell	15,445	A	New Lease
Vialto Corp.	300 Orchard City Dr	Campbell	12,868	B	New Lease
Aptos, Inc.	735 Emerson St	Palo Alto	11,250	C	Sublease
DoorDash	444 Castro St	Mountain View	10,655	A	Sublease
Polaris Wireless	2350 Mission College Blvd	Santa Clara	10,598	A	New Lease

Figure 3: Significant Sale Transactions of the Quarter

Buyer	Address	City	Total SF	Price	Class	Buyer Type
Metzler Enterprises	684 W Maude Avenue	Sunnyvale	195,000	\$222.0M	A	Investor
Drawbridge Realty	200 S Mathilda Avenue	Sunnyvale	156,960	\$193.3M	A	Investor
Blue River Technology	3303 Scott Boulevard	Santa Clara	83,590	\$85.0M	A	User
Gurnick Academy	1641 N 1st Street	San Jose	48,300	\$11.0M	B	User

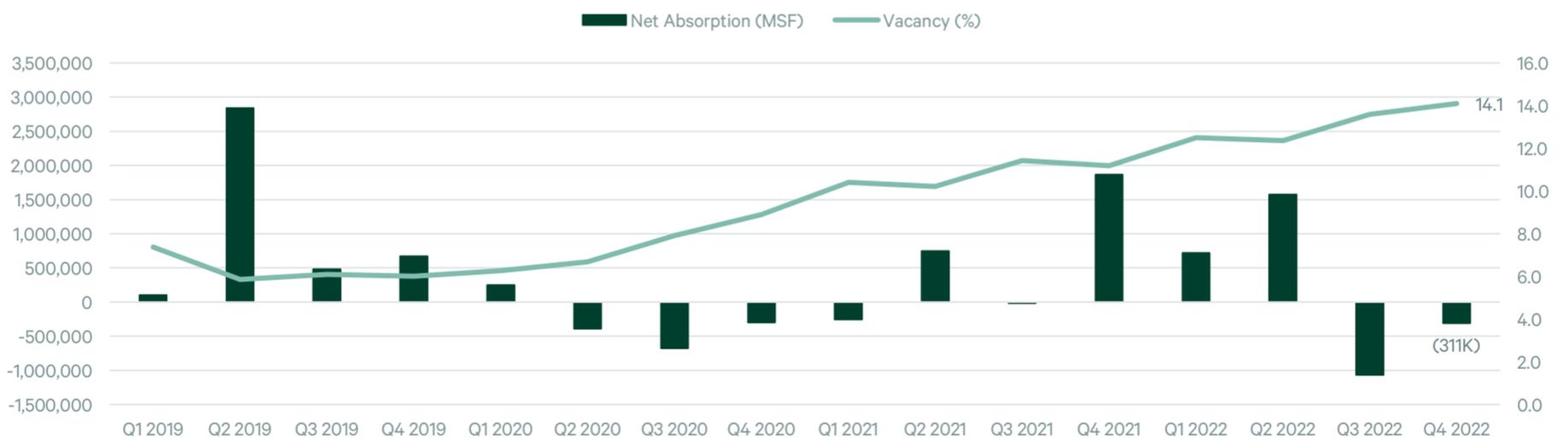
Figure 4: Average Asking Rates FSG

Avg. Asking (\$)



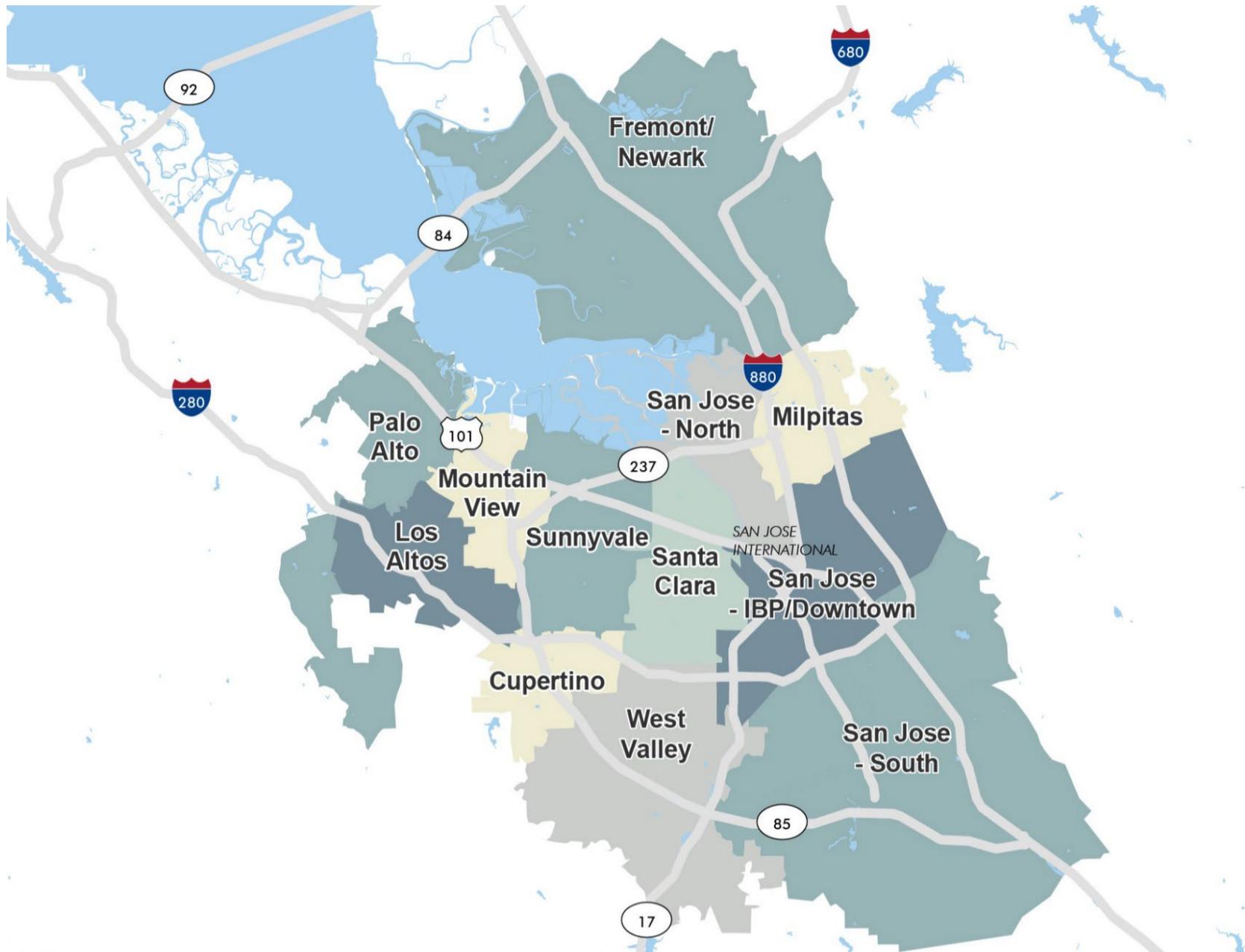
Figure 5: Net Absorption & Vacancy

Net Abs. Sq. Ft. (million)



Source: CBRE Research, Q4 2022

Figure 6: Regional Map



DEFINITIONS

Average Asking Rate Direct Monthly Lease Rates, Full Service Gross (Office) and Net Net Net (R&D). Availability All existing space being marketed for lease. Total Vacancy Rate Direct Vacancy+Sublease Vacancy.

SURVEY CRITERIA

CBRE's market report analyzes existing single- and multi-tenant office and R&D buildings that total 10,000+ sq. ft., excluding owner-occupied buildings in most markets (included for Silicon Valley). CBRE assembles all information through web and phone canvassing, third-party vendors, and listings received from owners, tenants and members of the commercial real estate brokerage community.

Giovanni Giannotta

Research Manager
 T: +1 408 790 5410
 E: giovanni.giannotta@cbre.com

Konrad Knutsen

Associate Director, Northern CA
 T: +1 916 446 8292
 E: konrad.knutsen@cbre.com

Sean Walsh

Field Research Analyst
 T: +1 408 790 5418
 E: sean.walsh1@cbre.com

Silicon Valley Office

225 W. Santa Clara Street
 12th Floor
 San Jose, 95113

Rebecca Schmid

Field Research Analyst
 T: +1 408 467 7597
 E: rebecca.schmid@cbre.com

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