Bay Area Industrial Snapshot

6.6%	(403K)	2.7M	3.2M	$1.37
Vacancy	Net Absorption Sq. Ft.	Deliveries YTD Sq. Ft.	Under Construction Sq. Ft.	Average Asking Net Net Net /Month/Sq. Ft.

Figure 1: Market Statistics

Market	Net Rentable Area	Total Vacancy %	Total Vacant SF	Total Availability %	Total Direct Available	Total Sublease Available	Average Asking Rate ($)*	Qtr. Net Abs.	YTD Net Abs.
San Francisco	**21,880,204**	**8.9**	**1,952,415**	**10.5**	**2,176,448**	**114,588**	**1.71**	**(39,967)**	**(186,871)**
Warehouse	18,688,799	8.0	1,501,553	9.6	1,689,976	105,338	1.60	(19,124)	(264,509)
Manufacturing	3,191,405	14.1	450,862	15.5	486,472	9,250	2.04	(20,843)	77,638
SF Peninsula [1]	**34,710,718**	**6.0**	**2,069,232**	**7.6**	**2,019,729**	**635,051**	**1.87**	**(190,907)**	**(204,576)**
Warehouse	29,689,919	5.9	1,739,008	7.6	1,661,595	600,497	1.83	(104,661)	(36,290)
Manufacturing	5,020,799	6.6	330,224	7.8	358,134	34,554	2.09	(86,246)	(168,286)
Silicon Valley [2]	**106,074,762**	**4.6**	**4,920,305**	**5.9**	**5,124,073**	**1,121,454**	**1.79**	**350,479**	**631,579**
Warehouse	48,761,105	4.4	2,161,943	7.0	2,597,018	816,576	1.55	271,975	937,692
Manufacturing	57,313,657	4.8	2,758,362	4.9	2,527,055	304,878	1.85	78,504	(306,113)
Oakland [3]	**127,375,737**	**7.1**	**9,035,060**	**8.6**	**8,855,411**	**2,137,507**	**1.31**	**(313,762)**	**(1,465,689)**
Warehouse	93,729,121	7.8	7,340,206	9.8	7,110,473	2,058,563	1.32	(262,937)	(1,122,320)
Manufacturing	33,646,616	5.0	1,694,854	5.4	1,744,938	78,944	1.31	(50,825)	(343,369)
I-680 Corridor	**38,464,122**	**7.1**	**2,737,119**	**8.5**	**2,662,061**	**589,948**	**1.23**	**(175,027)**	**(843,794)**
Warehouse	32,371,504	6.2	2,002,819	7.6	1,930,021	533,676	1.13	(171,047)	(683,629)
Manufacturing	6,092,618	12.1	734,300	12.9	732,040	56,272	0.99	(3,980)	(160,165)
Napa / Solano	**56,517,738**	**8.0**	**4,544,675**	**10.5**	**4,882,651**	**1,061,166**	**0.93**	**(33,783)**	**(1,043,777)**
Warehouse	48,446,161	8.8	4,280,830	11.6	4,664,460	955,512	0.90	(64,563)	(1,024,754)
Manufacturing	8,071,577	3.3	263,845	4.0	218,191	105,654	1.19	30,780	(19,023)
Total Bay Area	**385,023,281**	**6.6**	**25,258,806**	**8.2**	**25,720,373**	**5,659,714**	**1.37**	**(402,967)**	**(3,113,128)**
Warehouse	**271,686,609**	**7.0**	**19,026,359**	**9.1**	**19,653,543**	**5,070,162**	**1.30**	**(350,357)**	**(2,193,810)**
Manufacturing	**113,336,672**	**5.5**	**6,232,447**	**5.9**	**6,066,830**	**589,552**	**1.60**	**(52,610)**	**(919,318)**

Source: CBRE Research

[1] Excludes Palo Alto

[2] Includes Fremont/Newark and Palo Alto

[3] Excludes Fremont/Newark

* Direct Monthly Lease Rates, Net Net Net (NNN)

Figure 2: Significant Lease Transactions of the Quarter

Lessee	Address	Market	Total SF	Product Type	Lease Type
Ardagh Glass	2600 Stanford Ct	Napa/Solano	1,020,000	Warehouse	Renewal
Confidential	1345 Doolittle Dr	Oakland	266,000	Warehouse	New Lease
MiTAC	47100 Lakeview Blvd	Silicon Valley	253,472	Manufacturing	New Lease
Quanta Manufacturing	7380 Morton Ave	Silicon Valley	225,861	Manufacturing	New Lease
Quanta Manufacturing	44509 Pacific Commons Blvd	Silicon Valley	178,910	Manufacturing	New Lease
SYNNEX Corp.	5555 Automall Pkwy	Silicon Valley	177,041	Manufacturing	Renewal
Outform	4100 Whipple Rd	Oakland	154,866	Warehouse	New Lease
Quanta Manufacturing	800 Corporate Way	Silicon Valley	152,995	Manufacturing	New Lease
Forward Air	30108-30118 Eigenbrodt Way	Oakland	135,860	Warehouse	Renewal
Core-Mark International	31300 Medallion Dr	Oakland	130,122	Warehouse	Renewal

Figure 3: Significant Sale Transactions of the Quarter

Buyer	Address	Market	Total SF	Price	Product Type	Sale Type
Prologis	Crocker Industrial Park	SF Peninsula	942,372	$314.5M	Warehouse	Investor Sale
Tishman Speyer Properties	42701-42735 Christy St	Silicon Valley	253,440	$93.0M	Manufacturing	Investor Sale
PGIM	7025-7055 Central Ave	Silicon Valley	367,185	$78.9M	Warehouse	Investor Sale
Sagard Real Estate	2009-2013 Farallon Dr	Oakland	260,989	$62.8M	Warehouse	Investor Sale
Clarion Partners	47548 Kato Rd	Silicon Valley	110,558	$43.0M	Manufacturing	Investor Sale
Pearlmark Real Estate	7411 Central Ave	Silicon Valley	140,762	$34.0M	Manufacturing	Investor Sale
Link Logistics	433-459 Industrial Way	Napa/Solano	240,000	$32.8M	Warehouse	Investor Sale
Lift Partners	100 Utah Ave	SF Peninsula	117,500	$31.8M	Warehouse	Investor Sale
AW Collision	339 Harbor Way	SF Peninsula	60,066	$19.5M	Warehouse	User Sale
Ouster	2741 16th St	San Francisco	22,421	$18.0M	Warehouse	Investor Sale

Figure 4: Average Asking Rates

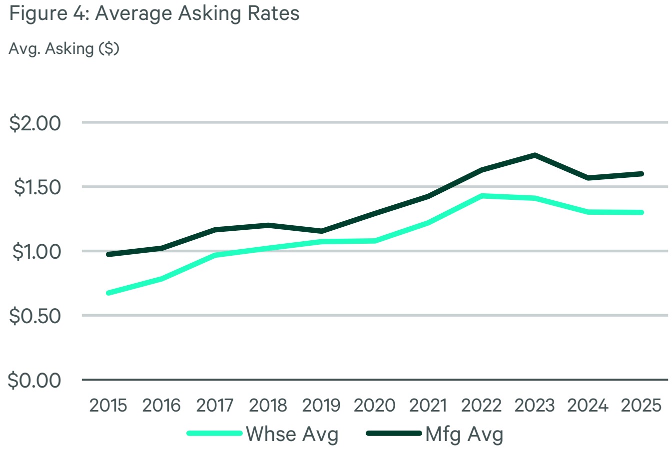


Figure 5: Net Absorption & Vacancy

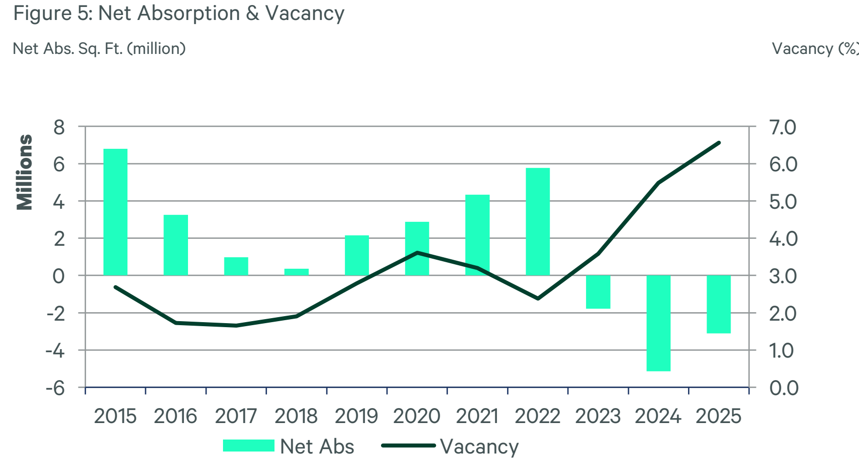
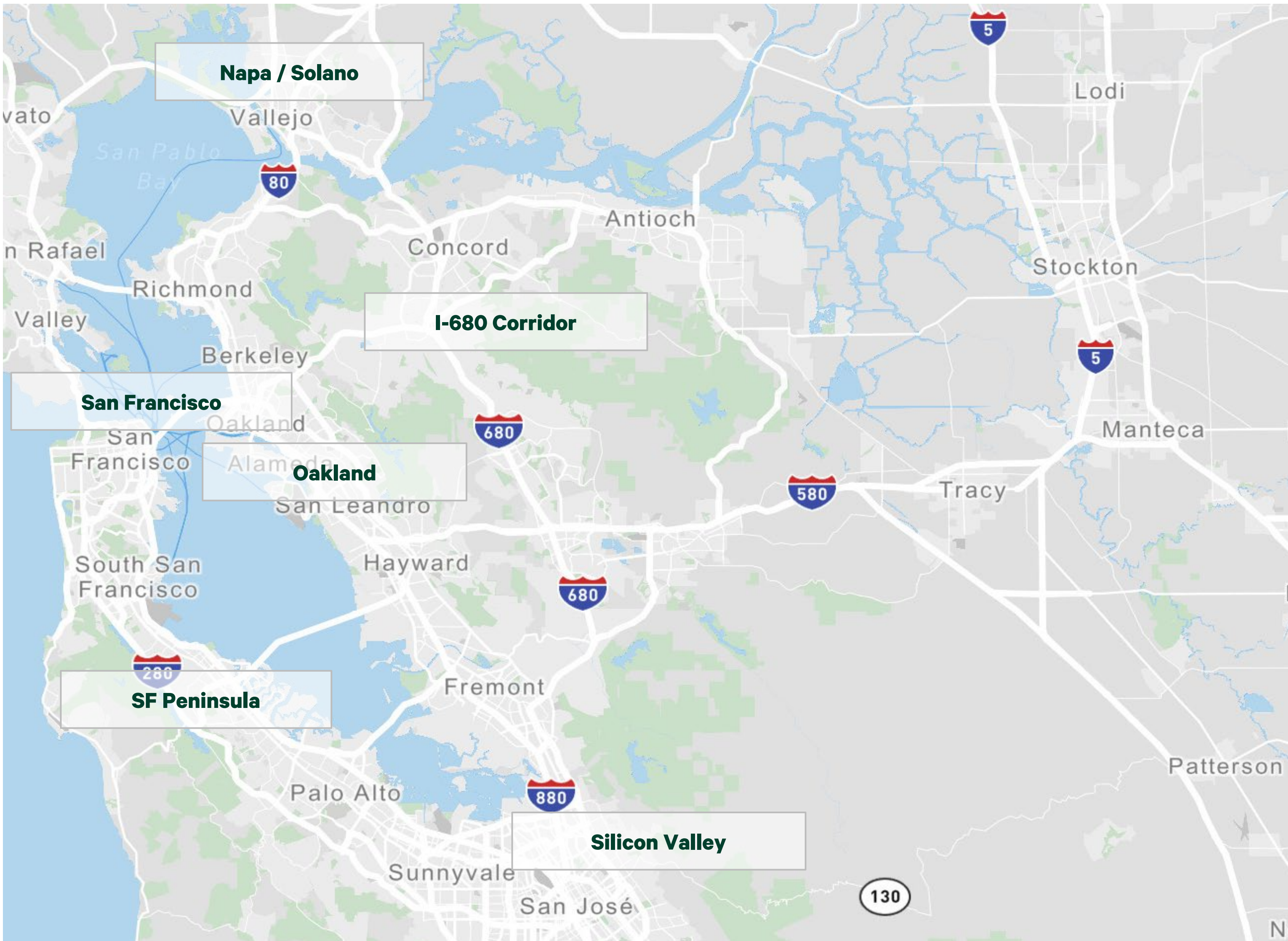


Figure 7: Regional Map



DEFINITIONS

Average Asking Rate Direct Monthly Lease Rates, Net Net Net.
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 industrial buildings that total 5,000+ sq. ft., excluding owner-occupied buildings. CBRE assembles all information through telephone canvassing, third-party vendors, and listings received from owners, tenants and members of the commercial real estate brokerage community.

Konrad Knutsen
Director of Research, Northern CA
T: +1 916 446 8292
E: konrad.knutsen@cbre.com

Paul Magoria
Research Manager, East Bay
T: +1 510 874 1912
E: paul.magoria@cbre.com

Aaron Goodale
Research Manager, San Francisco
E: aaron.goodale@cbre.com

Giovanni Giannotta
Research Manager, Silicon Valley
T: +1 408 790 5410
E: giovanni.giannotta@cbre.com