

Silicon Valley Office Snapshot



▲ 18.9%
Vacancy Rate

▼ (1.09M)
Net Absorption
Sq. Ft.

▲ 1.32M
Deliveries YTD
Sq. Ft.

▼ 3.02M
Under Construction
Sq. Ft.

▼ \$5.52
Average Asking Rate
\$/SF (FSG)

Figure 1: Submarket Statistics Office

Submarket	Net Rentable Area	Total Vacancy %	Total Vacant SF	Total Availability %	Total Direct Available	Total Sublease Available	Average Asking Rate (\$/SF)	Current Gross Absorption	Current Net Absorption	YTD Net Absorption
San Jose - CBD	10,181,513	31.5	3,210,813	32.7	3,018,004	307,113	4.76	47,708	(27,415)	(312,345)
Class A	5,977,069	35.1	2,097,554	36.0	1,868,918	282,749	5.16	20,400	(34,434)	(234,948)
Class B	3,732,359	26.3	980,929	27.9	1,016,756	24,364	4.45	20,784	(1,466)	(76,755)
Class C	472,085	28.0	132,330	28.0	132,330	0	3.01	6,524	8,485	(642)
San Jose - Central	2,708,169	8.4	228,136	8.4	220,161	8,294	2.70	37,289	(8,457)	(43,137)
Class A	-	-	-	-	-	-	-	-	-	-
Class B	1,430,104	10.4	148,740	10.4	147,459	1,600	2.75	31,150	(8,032)	(52,105)
Class C	1,278,065	6.2	79,396	6.2	72,702	6,694	2.60	6,139	(425)	8,968
San Jose - North	15,266,995	19.8	3,021,607	21.6	2,698,478	606,246	4.02	229,281	(257,398)	(549,682)
Class A	11,343,968	23.4	2,649,112	25.7	2,325,356	584,596	4.15	178,607	(232,856)	(525,634)
Class B	2,960,280	11.5	339,624	12.2	340,251	21,650	3.57	40,116	(25,103)	(25,843)
Class C	962,747	3.4	32,871	3.4	32,871	0	3.00	10,558	561	1,795
San Jose - South	2,406,027	4.2	101,714	4.5	90,881	18,550	2.51	34,846	31,219	4,077
Class A	573,617	0.0	0	0.0	0	0	2.75	28,967	12,967	12,967
Class B	1,111,751	6.0	66,275	6.3	51,875	18,550	2.57	2,511	16,445	14,795
Class C	720,659	4.9	35,439	5.4	39,006	0	2.42	3,368	1,807	(23,685)
West Valley	6,509,518	23.2	1,508,927	27.9	1,263,554	552,313	4.97	79,009	(39,661)	(163,754)
Class A	3,199,749	32.2	1,029,805	39.8	759,545	514,474	5.78	35,053	(10,254)	(99,246)
Class B	1,767,448	19.8	350,545	21.1	359,905	12,761	4.15	29,060	(7,606)	(26,563)
Class C	1,542,321	8.3	128,577	11.0	144,104	25,078	3.15	14,896	(21,801)	(37,945)
IBP/Milpitas	2,410,501	5.6	135,286	5.7	137,647	0	2.42	70,726	9,691	10,120
Class A	539,356	14.1	76,245	14.1	76,245	0	2.58	66,777	10,272	7,365
Class B	1,272,130	3.5	44,855	3.5	44,855	0	2.39	3,949	1,958	11,962
Class C	599,015	2.4	14,186	2.8	16,547	0	1.79	0	(2,539)	(9,207)
Cupertino	7,271,036	2.4	173,259.0	2.8	203,379	0	5.49	35,440	10,141	182,891
Class A	5,900,396	0.8	48,083	0.8	48,083	0	6.55	9,535	9,535	168,212
Class B	1,349,052	9.3	125,176	11.5	155,296	0	5.16	25,905	606	14,679
Class C	21,588	0.0	0	0.0	0	0	3.75	0	0	0
Santa Clara	15,302,293	25.4	3,893,438	27.2	2,722,515	1,439,638	4.87	374,858	19,743	16,762
Class A	12,103,100	26.7	3,230,458	28.9	2,153,929	1,341,911	5.23	322,471	(2,965)	30,342
Class B	2,218,844	28.7	637,493	28.7	539,766	97,727	3.53	50,453	23,407	(4,149)
Class C	980,349	2.6	25,487	2.9	28,820	0	2.62	1,934	(699)	(9,431)
Sunnyvale	19,998,570	14.0	2,805,827	16.9	985,065	2,392,228	6.65	596,980	(267,664)	(1,713,951)
Class A	18,424,948	13.0	2,400,227	16.1	711,619	2,254,082	7.33	581,973	(271,613)	(1,573,278)
Class B	937,879	28.1	263,440	28.7	269,432	0	5.33	15,007	3,949	(2,527)
Class C	635,743	22.4	142,160	22.4	4,014	138,146	4.41	0	0	(138,146)
Mountain View/Los Altos	12,155,340	19.7	2,398,396	21.7	1,435,533	1,198,231	8.33	76,192	(284,120)	(748,932)
Class A	9,553,483	19.4	1,857,009	21.3	972,095	1,064,603	8.92	51,665	(259,127)	(627,945)
Class B	2,368,092	21.5	507,979	23.8	442,416	121,242	7.19	24,527	(24,293)	(101,000)
Class C	233,765	14.3	33,408	14.3	21,022	12,386	4.90	0	(700)	(19,987)
Palo Alto	8,117,326	22.9	1,860,287	25.3	1,461,550	588,115	9.30	148,947	(260,417)	(743,526)
Class A	4,739,720	24.5	1,160,631	27.2	802,491	485,886	9.85	59,216	(182,926)	(556,021)
Class B	3,095,738	21.5	666,615	23.5	638,655	89,592	8.66	89,731	(77,491)	(174,876)
Class C	281,868	11.7	33,041	11.7	20,404	12,637	7.54	0	0	(12,629)
Fremont/Newark	2,446,087	18.6	456,126	19.8	457,718	26,375	2.81	10,461	(14,207)	(208,784)
Class A	690,388	41.4	285,534	41.4	268,460	17,074	3.36	4,223	(17,582)	(194,494)
Class B	1,151,839	12.9	149,050	13.4	144,692	9,301	2.70	6,238	3,375	(14,290)
Class C	603,860	3.6	21,542	7.4	44,566	0	2.50	0	0	0
Silicon Valley	104,773,375	18.9	19,793,816	20.8	14,694,485	7,137,103	5.52	1,741,737	(1,088,545)	(4,270,261)
Class A	73,045,794	20.3	14,834,658	22.6	9,986,741	6,545,375	5.88	1,358,887	(978,983)	(3,592,680)
Class B	23,395,516	18.3	4,280,721	19.4	4,151,358	396,787	5.09	339,431	(94,251)	(436,672)
Class C	8,332,065	8.1	678,437	9.0	556,386	194,941	3.10	43,419	(15,311)	(240,909)

Source: CBRE Research, Q3 2023

Figure 2: Significant Lease Transactions of the Quarter

Lessee	Address	City	Total SF	Class	Lease Type
Lab 126/Amazon	1120 Enterprise Way	Sunnyvale	581,973	Class A	Renewal
Sony	1730 N 1st St	San Jose	79,874	Class A	Renewal
Eightfold.Ai	2625 Augustine Dr	Santa Clara	32,492	Class A	Renewal
Workday Inc.	5451 Great America Pkwy	Santa Clara	30,531	Class A	New Lease
Life Moves	2550 Great America Way	Santa Clara	27,723	Class A	New Lease
View Glass	6280 America Center Dr	San Jose	21,187	Class A	Sublease
Confidential	1601 Sunnyvale Saratoga Rd	Cupertino	14,036	Class B	Renewal
Undisclosed	6203 San Ignacio Ave	San Jose	12,967	Class A	New Lease
Treasure Data, Inc.	2440 W El Camino Real	Mountain View	12,717	Class A	Sublease
HNTB	1732 N 1st St	San Jose	11,706	Class A	Renewal

Figure 3: Significant Sale Transactions of the Quarter

Buyer	Address	City	Total SF	Sale Price	\$/SF	Class	Sale Type
Stratford School	1323 Great Mall Dr	San Jose	53,670	\$21.50M	\$400	Class A	User
LGTC Realty, LLC	4850 Union Ave	San Jose	16,000	\$9.00M	\$563	Class A	User

Figure 4: Average Asking Rates FSG

Avg. Asking (\$/SF)

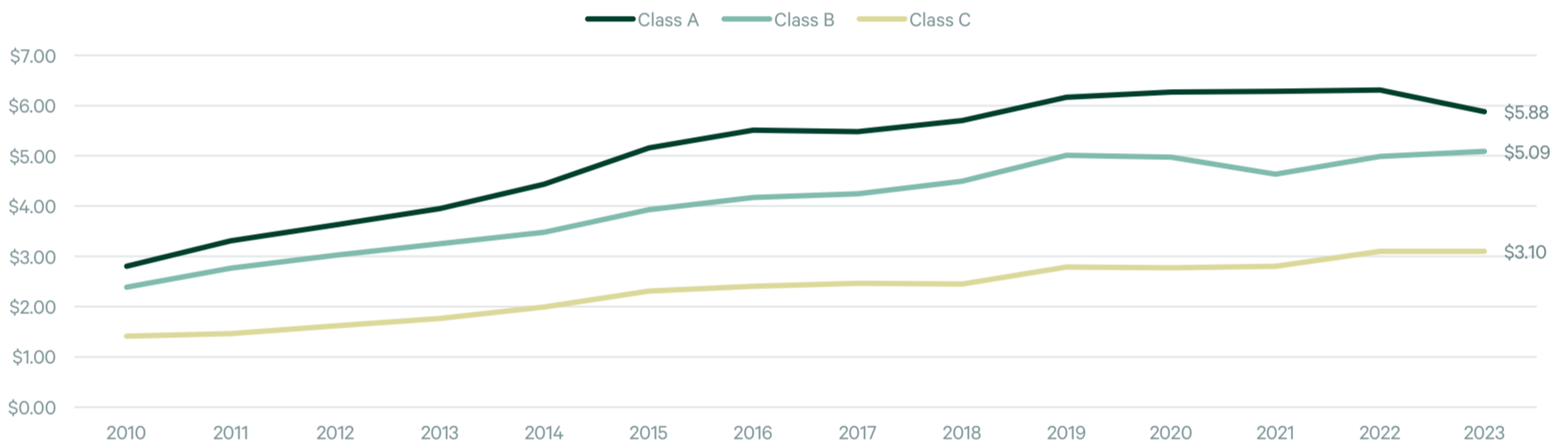
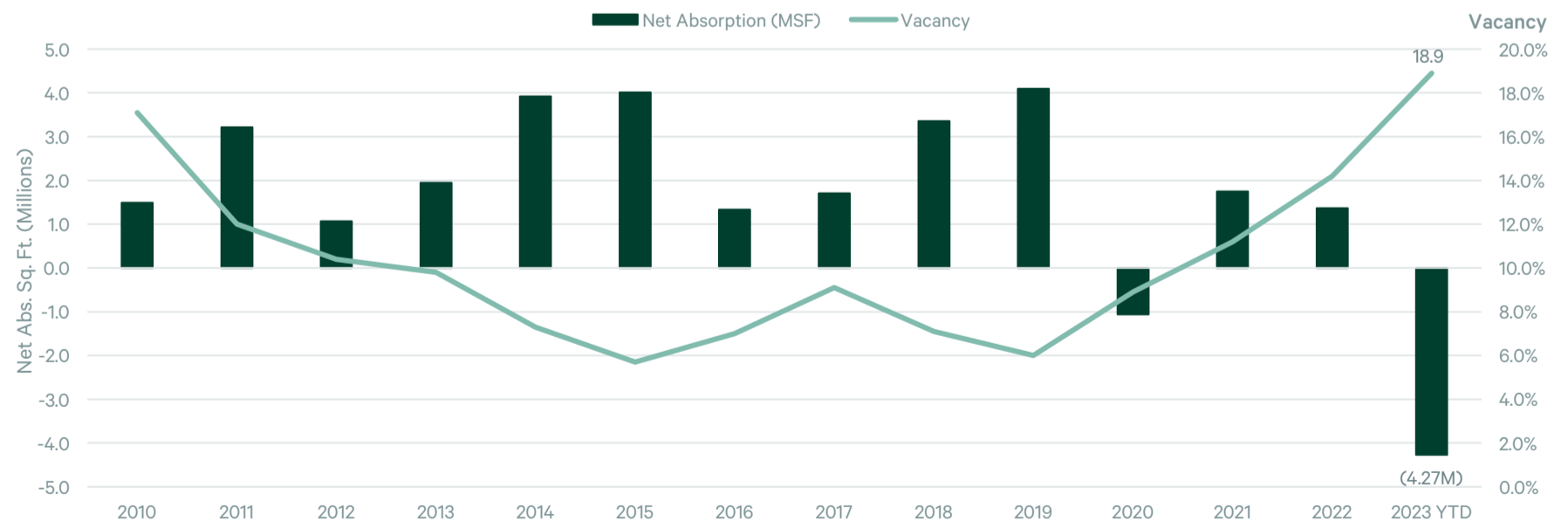
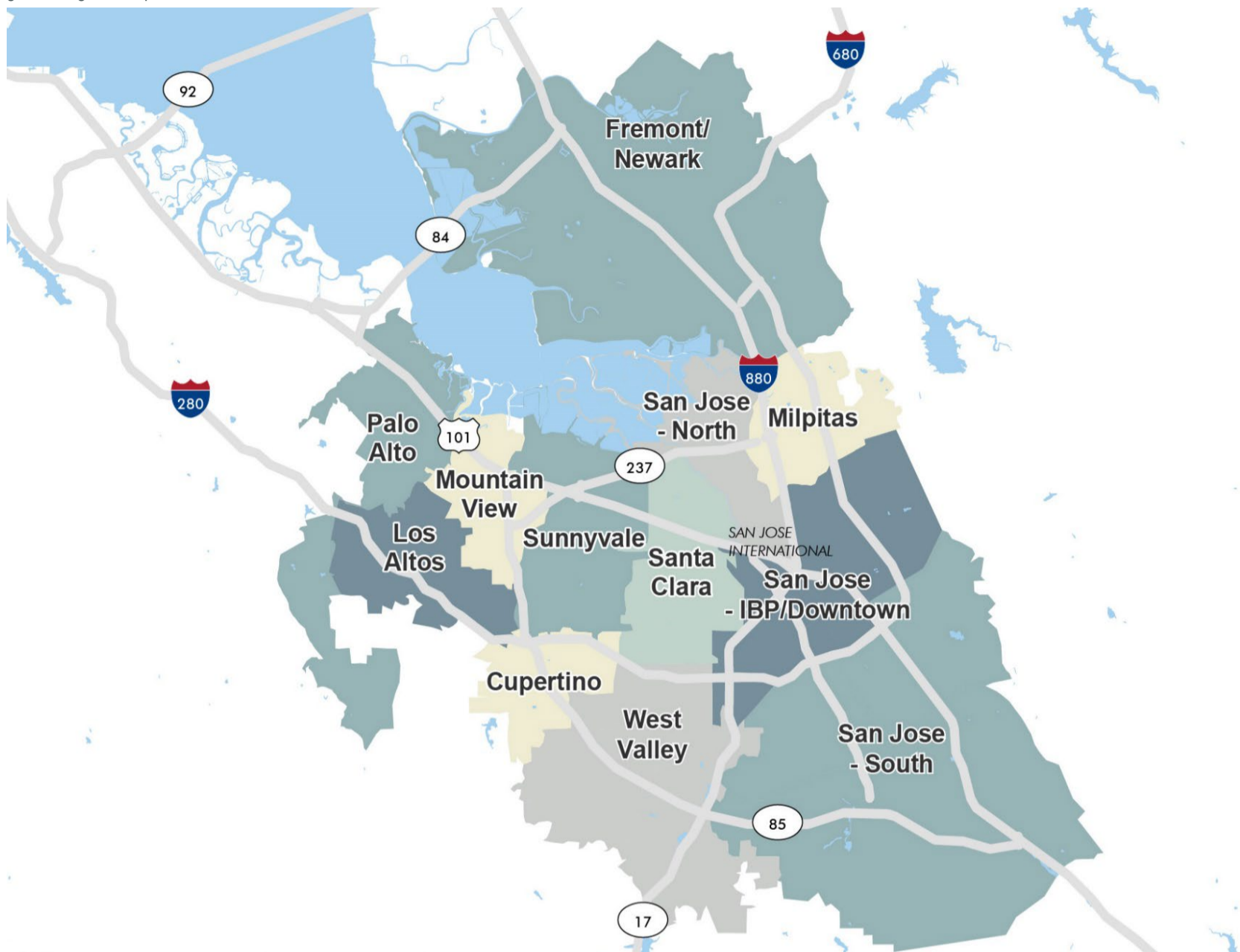


Figure 5: Net Absorption & Vacancy



Source: CBRE Research, Q3 2023

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.

Rebecca Schmid

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

Sean Walsh

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

Jack Mortensen

Field Research Analyst
 T: +1 408 790 5418
 E: jack.mortensen@cbre.com

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

Silicon Valley Office

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

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