

# San Francisco Peninsula R&D, Q3 2021

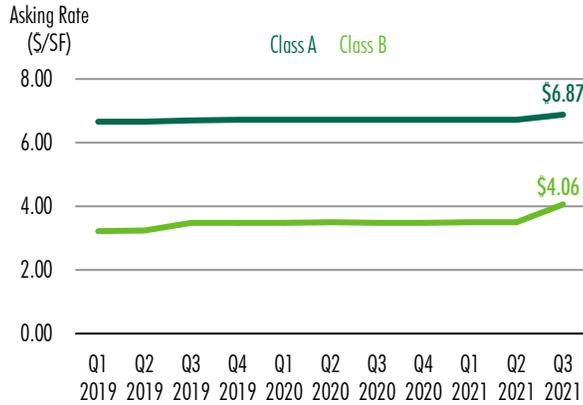
Figure 1: Statistics and Transactions

Submarket	Net Rentable Area	Total Vacancy % <sup>1</sup>	Total Vacant SF	Total Availability % <sup>2</sup>	Total Direct Available	Total Sublease Available	Average Asking Rate <sup>3</sup>	Q3 Net Absorption	YTD Net Absorption
Daly City/Brisbane	906,183	17.6	159,694	17.6	67,598	92,096	6.82	11,514	200,303
Class A	853,514	18.7	159,694	18.7	67,598	92,096	6.50	11,514	255,303
Class B	52,669	0.0	0	0.0	0	0	5.06	0	(55,000)
South San Francisco	9,510,375	2.0	191,937	4.1	155,199	236,945	6.81	550,597	572,171
Class A	7,385,878	2.0	145,294	3.4	99,460	155,105	6.95	503,000	648,493
Class B	693,574	6.7	46,643	8.0	55,739	0	5.95	47,597	(72,240)
San Bruno/Millbrae	127,239	21.6	27,429	21.6	12,924	14,505	1.90	(9,324)	(27,429)
Class B	127,239	21.6	27,429	21.6	12,924	14,505	1.90	(9,324)	(27,429)
Burlingame	597,670	9.0	53,529	9.5	56,849	0	2.05	(11,781)	(14,422)
Class B	572,670	9.3	53,529	9.9	56,849	0	2.14	(11,781)	(14,422)
North County	11,141,467	3.9	432,589	5.7	292,570	343,546	6.50	541,006	730,623
San Mateo	220,793	23.3	51,457	23.3	51,457	0	0.80	24,508	14,788
Class B	107,508	17.2	18,449	17.2	18,449	0	1.65	(6,609)	(16,329)
Foster City	1,933,862	2.6	50,765	3.3	63,938	0	4.92	(37,751)	(47,947)
Class A	1,374,197	2.3	31,320	3.2	44,493	0	6.50	(31,320)	(31,320)
Class B	559,665	3.5	19,445	3.5	19,445	0	2.50	(6,431)	(16,627)
Belmont/San Carlos	4,447,223	3.6	160,757	10.1	441,607	7,246	4.76	(23,461)	524,397
Class A	1,599,870	3.5	55,664	20.2	315,999	7,246	5.32	2,420	563,314
Class B	2,847,353	3.7	105,093	4.4	125,608	0	4.28	(25,881)	(38,917)
Redwood City	3,795,569	5.0	190,651	6.5	220,951	25,194	4.87	149,258	370,625
Class A	2,250,785	2.8	62,826	3.9	62,826	25,194	6.50	180,161	302,860
Class B	1,544,784	8.3	127,825	10.2	158,125	0	2.49	(30,903)	67,765
Central County	10,397,447	4.4	453,630	7.8	777,953	32,440	4.75	112,554	861,863
Menlo Park	3,203,463	4.3	136,368	5.9	147,760	41,604	4.63	(2,500)	(30,442)
Class A	1,159,770	2.6	30,629	3.2	34,228	2,500	5.75	(2,500)	2,778
Class B	2,043,693	5.2	105,739	7.5	113,532	39,104	4.00	0	(33,220)
Palo Alto	10,317,944	12.9	1,328,158	15.7	1,047,107	577,599	6.45	183,274	(273,046)
Class A	7,016,734	16.1	1,129,505	19.8	922,078	467,975	7.15	244,155	(197,758)
Class B	3,301,210	6.0	198,653	7.1	125,029	109,624	5.00	(60,881)	(75,288)
South County	13,521,407	10.8	1,464,526	13.4	1,194,867	619,203	6.02	180,774	(303,488)
<b>Total R&amp;D Market</b>	<b>35,060,321</b>	<b>6.7</b>	<b>2,350,745</b>	<b>9.3</b>	<b>2,265,390</b>	<b>995,189</b>	<b>5.79</b>	<b>834,334</b>	<b>1,288,998</b>
<b>Class A</b>	<b>23,209,956</b>	<b>7.1</b>	<b>1,647,940</b>	<b>10.4</b>	<b>1,579,690</b>	<b>831,956</b>	<b>6.87</b>	<b>938,547</b>	<b>1,570,705</b>
<b>Class B</b>	<b>11,850,365</b>	<b>5.9</b>	<b>702,805</b>	<b>7.2</b>	<b>685,700</b>	<b>163,233</b>	<b>4.06</b>	<b>(104,213)</b>	<b>(281,707)</b>

Source: CBRE Research, Q3 2021.

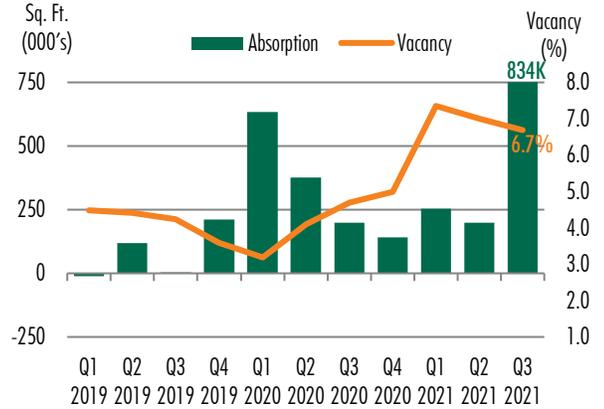
<sup>1</sup> Total Vacancy Rate = Direct Vacancy + Sublease Vacancy  
<sup>2</sup> Total Availability Rate = All existing space being marketed for lease  
<sup>3</sup> Monthly Direct Lease Rates, Net Net Net

Figure 2: Average Asking Rates



Source: CBRE Research, Q3 2021.

Figure 3: Net Absorption and Vacancy



Source: CBRE Research, Q3 2021.

Figure 4: Significant Lease Transactions of the Quarter

Lessee	Address	Total SF	Class	Lease Type
Freenome	3000-3300 Marina Blvd., Brisbane & 285 E Grand Ave., South San Francisco	358,460	Life Science	New Lease-Direct/Sublease
Tesla Motors	1501 Page Mill Rd., Palo Alto	325,000	Class A	New Lease - Direct
Altos Labs	2000-3000 Bridge Pkwy. & 1300 Island Dr., Redwood City	232,987	Life Science	New Lease - Direct
Confidential Tenant	1500 Seaport Blvd., Redwood City	164,732	Class A	New Lease - Direct
Arastradero Research Institute	3160-3181 Porter Dr., Palo Alto	127,867	Life Science	New Lease - Direct/Sublease
Confidential Tenant	1150 Veterans Blvd., South San Francisco	88,106	Life Science	New Lease - Direct
Confidential Tenant	333 Allerton Ave., South San Francisco	56,428	Life Science	Expansion/Renewal - Direct
Confidential Tenant	170 Harbor Way, 290, & 310 Utah Ave., South San Francisco	54,338	Life Science	New Lease/Renewal/Expansion - Direct
Confidential Tenant	1400 Sierra Point Pkwy., Brisbane	35,929	Life Science	New Lease - Direct
Confidential Tenant	240 E Grand Ave., South San Francisco	33,633	Life Science	Renewal - Direct
23 and Me	349 Oyster Point Blvd., South San Francisco	31,500	Life Science	Renewal - Direct
Recode Therapeutics	1140 O'Brien Dr., Menlo Park	31,254	Life Science	New Lease - Direct

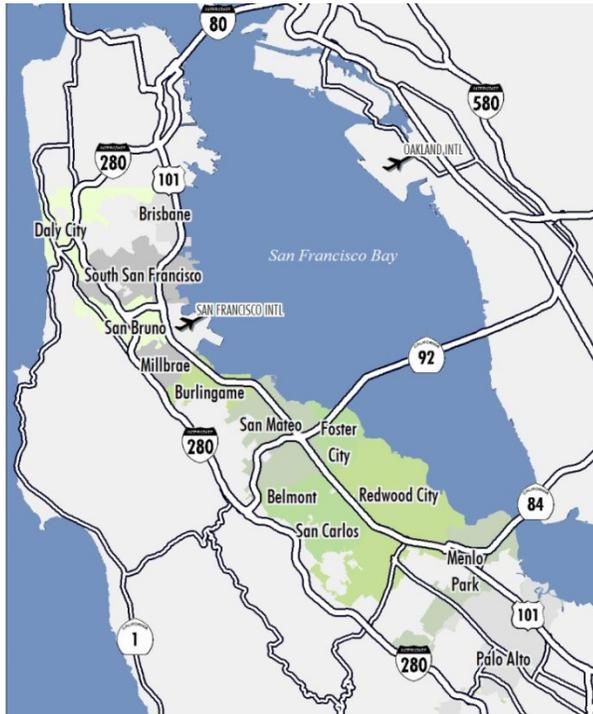
Source: CBRE Research, Q3 2021.

Figure 5: Significant Sale Transactions of the Quarter

Buyer	Address	Total SF	Class	Type
Premia Capital	1021-1045 Howard Ave. & 1360-1390 Bayport Ave., San Carlos	44,774	C	Sold to Investor
Carmel Partners	1 Adrian Ct., Burlingame	29,918	B	Sold to Investor
ECS Big Town LLC	1309 Elmer St., Belmont	25,644	B	Sold to Investor

Source: CBRE Research, Q3 2021.

**SUBMARKET MAP**



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**DEFINITIONS**

**Average Asking Rate** Direct Annual Lease Rates, Net Net Net. **Availability** All existing space being marketed for lease. **Total Vacancy Rate** Direct Vacancy + Sublease Vacancy.

**Class A** is defined as a newer R&D building with significant office and adequate parking. **Life science** and buildings with significant **lab build-out** are defined as an "A" property. **Industrial flex** is considered a "B" property.

**SURVEY CRITERIA**

CBRE's market report analyzes existing single- and multi-tenant R&D buildings that total 10,000+ sq. ft. in the San Francisco Peninsula, 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.

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