

# East Bay / Tri-Valley Quarterly Report INDUSTRIAL & OFFICE MARKET

FIRST QUARTER 2018

## THE BIG PICTURE - 1<sup>ST</sup> QUARTER 2018

Quarter after quarter the message has been the same. A healthy market with good activity; lower vacancies and higher values. The Industrial vacancy increased over 3% by a single building of 610,000±SF becoming available.

While it's still early, we feel that one should begin to pay more attention to market signals:

- Rising interest rates - stable cap rates
- The stock market swings
- Decrease in transaction volume

The amount of square feet remains low by market standards but were paying attention to sublease space:

- Is there an increase in the number of spaces?
- Are they impacting direct deal values?
- What is the cause - too much space, changes in industry?

We appreciate your business and invite you to contact us with any questions or comments you may have regarding commercial properties in the East Bay. Let us know how we can help you!

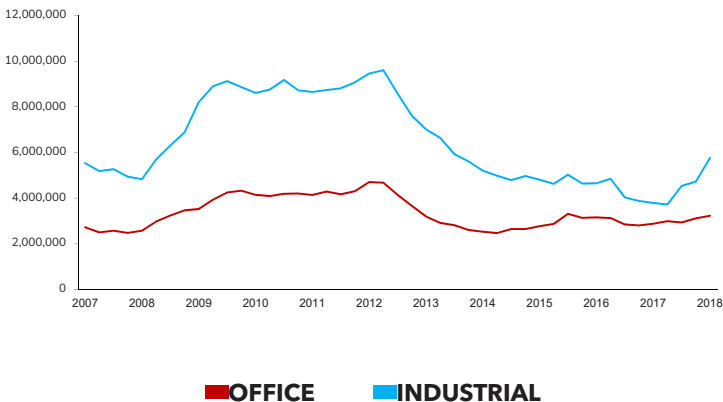
**-Mike Furay, Managing Principal  
Lee & Associates - Pleasanton**

## MARKET INDICATORS



Industrial Availability    Office Availability    Lease Rates

## TRI-VALLEY AVAILABLE HISTORY



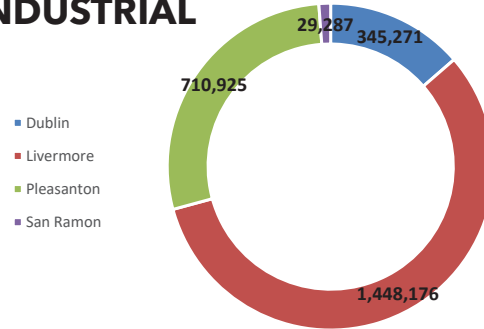
OFFICE    INDUSTRIAL

## MARKET SNAPSHOT

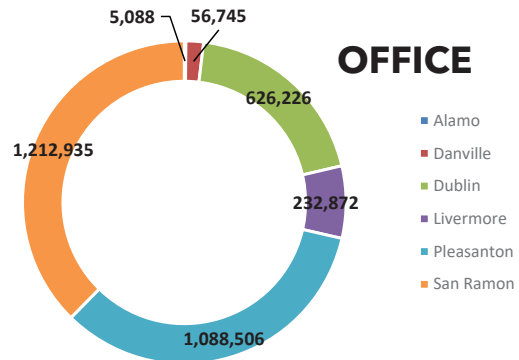
Tri-Valley Industrial Inventory:	28,829,645
Tri-Valley Industrial Availability:	2,533,659
Tri-Valley Availability Rate:	8.79%
Tri-Valley Office Inventory:	23,854,411
Tri-Valley Office Availability:	3,222,372
Tri-Valley Availability Rate:	13.51%

## TOTAL AVAILABLE SF BY SUBMARKET

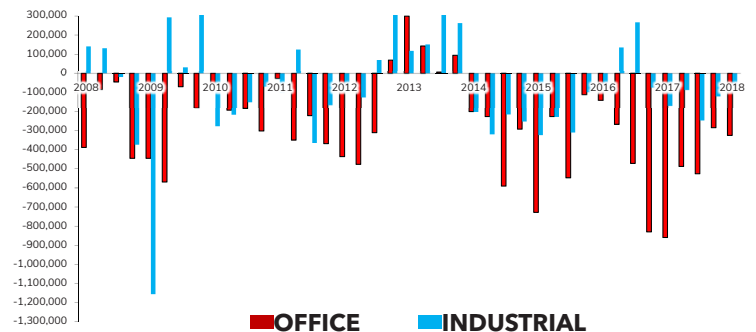
### INDUSTRIAL



### OFFICE



## TRI-VALLEY ABSORPTION HISTORY



OFFICE    INDUSTRIAL

Lee & Associates maintains an up-to-date database of all available properties and sold/leased properties.

# East Bay / Tri-Valley Quarterly Report

## INDUSTRIAL MARKET STATISTICS

FIRST QUARTER 2018



MARKET	INVENTORY		AVAILABILITY			AVAILABILITY RATE	
	Buildings	Total SF	Direct SF	Sublease SF	Available SF	Direct	Total
<b>DUBLIN</b>							
INDUSTRIAL	47	1,179,765	42,523	1,400	43,923	3.60%	3.72%
MULTI TENANT/INCUBATOR	14	319,647	35,796	14,711	50,507	11.20%	15.80%
FLEX/R&D	7	553,575	224,812	0	224,812	40.61%	40.61%
WAREHOUSE/DIST	4	552,653	26,029	0	26,029	4.71%	4.71%
<b>TOTAL</b>	<b>72</b>	<b>2,605,640</b>	<b>329,160</b>	<b>16,111</b>	<b>345,271</b>	<b>12.63%</b>	<b>13.25%</b>
<b>LIVERMORE</b>							
INDUSTRIAL	440	5,665,794	187,686	47,444	235,130	3.31%	4.15%
MULTI TENANT/INCUBATOR	30	1,091,641	77,169	0	77,169	7.07%	7.07%
FLEX/R&D	71	2,095,256	90,542	35,600	126,142	4.32%	6.02%
WAREHOUSE/DIST	85	9,661,690	950,483	59,252	1,009,735	9.84%	10.45%
<b>TOTAL</b>	<b>626</b>	<b>18,514,381</b>	<b>1,305,880</b>	<b>142,296</b>	<b>1,448,176</b>	<b>7.05%</b>	<b>7.82%</b>
<b>PLEASANTON</b>							
INDUSTRIAL	211	2,050,403	122,175	0	122,175	5.96%	5.96%
MULTI TENANT/INCUBATOR	18	495,256	14,170	0	14,170	2.86%	2.86%
FLEX/R&D	99	3,229,297	178,196	2,384	180,580	5.52%	5.59%
WAREHOUSE/DIST	4	523,353	394,000	0	394,000	75.28%	75.28%
<b>TOTAL</b>	<b>332</b>	<b>6,298,309</b>	<b>708,541</b>	<b>2,384</b>	<b>710,925</b>	<b>11.25%</b>	<b>11.29%</b>
<b>SAN RAMON</b>							
INDUSTRIAL	21	725,761	11,721	0	11,721	1.61%	1.61%
MULTI TENANT/INCUBATOR	11	283,698	11,161	0	11,161	3.93%	3.93%
FLEX/R&D	5	401,856	103,380	0	6,405	25.73%	1.59%
<b>TOTAL</b>	<b>37</b>	<b>1,411,315</b>	<b>126,262</b>	<b>0</b>	<b>29,287</b>	<b>8.95%</b>	<b>2.08%</b>
<b>MARKET TOTAL</b>	<b>1,067</b>	<b>28,829,645</b>	<b>2,469,843</b>	<b>160,791</b>	<b>2,533,659</b>	<b>8.57%</b>	<b>8.79%</b>

## RECENT TRANSACTIONS

PROPERTY	SIZE	TENANT/BUYER	SUBMARKET	LEASE/SALE
5467 Brisa Street	60,000±SF	Ryerson Holding Corporation	Livermore	Lease
6767 Preston Avenue	20,580±SF	Laco, Inc.	Livermore	Lease
6538 Patterson Pass Road	18,007±SF	Lost World Family Fun Center	Livermore	Lease
5637 La Ribera Street	16,640±SF	Bay Area Concretes, Inc.	Livermore	Lease
5885 La Ribera Street	16,565±SF	Moore Newton Hardwoods	Livermore	Lease
6909 Las Positas Road	13,176±SF	Atilekt	Livermore	Sublease

\*\* Lee & Associates deal

East Bay / Tri-Valley Quarterly Report  
**OFFICE MARKET STATISTICS**

FIRST QUARTER 2018



MARKET	INVENTORY		AVAILABILITY			AVAILABILITY RATE	
	Buildings	Total SF	Direct SF	Sublease SF	Available SF	Direct	Total
ALAMO							
B	10	127,934	5,088	0	5,088	3.98%	3.98%
<b>TOTAL</b>	<b>10</b>	<b>127,934</b>	<b>5,088</b>	<b>0</b>	<b>5,088</b>	<b>3.98%</b>	<b>3.98%</b>
DANVILLE							
A	3	64,000	1,992	7,268	9,260	3.11%	14.47%
B	60	786,060	39,562	7,923	47,485	5.03%	6.04%
<b>TOTAL</b>	<b>63</b>	<b>850,060</b>	<b>41,554</b>	<b>15,191</b>	<b>56,745</b>	<b>4.89%</b>	<b>6.68%</b>
DUBLIN							
A	11	1,544,222	476,711	71,303	548,014	30.87%	35.49%
B	33	908,114	74,694	3,518	78,212	8.23%	8.61%
<b>TOTAL</b>	<b>44</b>	<b>2,452,336</b>	<b>551,405</b>	<b>74,821</b>	<b>626,226</b>	<b>22.48%</b>	<b>25.54%</b>
LIVERMORE							
A	21	433,722	10,055	0	10,055	2.32%	2.32%
B	49	969,424	222,817	0	222,817	22.98%	22.98%
<b>TOTAL</b>	<b>70</b>	<b>1,403,146</b>	<b>232,872</b>	<b>0</b>	<b>232,872</b>	<b>16.60%</b>	<b>16.60%</b>
PLEASANTON							
A	72	6,754,731	768,912	117,523	886,435	11.38%	13.12%
B	92	1,750,997	194,735	7,336	202,071	11.12%	11.54%
<b>TOTAL</b>	<b>164</b>	<b>8,505,728</b>	<b>963,647</b>	<b>124,859</b>	<b>1,088,506</b>	<b>11.33%</b>	<b>12.80%</b>
SAN RAMON							
A	36	8,731,906	1,035,347	133,590	1,168,937	11.86%	13.39%
B	86	1,783,301	39,419	4,579	43,998	2.21%	2.47%
<b>TOTAL</b>	<b>122</b>	<b>10,515,207</b>	<b>1,074,766</b>	<b>138,169</b>	<b>1,212,935</b>	<b>10.22%</b>	<b>11.54%</b>
<b>MARKET TOTAL</b>	<b>473</b>	<b>23,854,411</b>	<b>2,869,332</b>	<b>353,040</b>	<b>3,222,372</b>	<b>12.03%</b>	<b>13.51%</b>

**RECENT TRANSACTIONS**

PROPERTY	SIZE	TENANT/BUYER	SUBMARKET	LEASE/SALE
Legacy Plaza	311,584±SF	Align Real Estate	San Ramon	Sale
Saratoga Center	84,320±SF	Ridge Capital Investors, LLC.	Pleasanton	Sale
12667 Alcosta Boulevard	16,486±SF	GCL New Energy	San Ramon	Lease
5960 Inglewood Drive	10,290±SF	Global Syn-Turf	Pleasanton	Lease
5720 Stoneridge Mall Road	8,539±SF	Kaiser Foundation	Pleasanton	Lease
2810 Crow Canyon Road	7,945±SF	Twin Canyon, Inc.	San Ramon	Lease

\*\* Lee & Associates deal

# East Bay / Tri-Valley Quarterly Report INDUSTRIAL & OFFICE MARKET

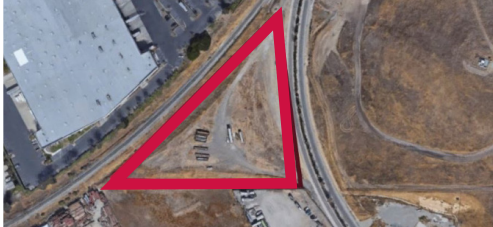
FIRST QUARTER 2018



## EXCLUSIVE LEE LISTINGS

### FOR LEASE/SALE IN LIVERMORE

4.39±ACRES OF LAND  
151 GREENVILLE ROAD



### FOR LEASE IN PLEASANTON

90,629±SF INDUSTRIAL SPACE  
5675 SUNOL BOULEVARD



### FOR LEASE IN LIVERMORE

45,089±SF INDUSTRIAL SPACE  
7041 LAS POSITAS ROAD, SUITE E/F



### FOR LEASE IN PLEASANTON

1,616±SF - 3,887±SF OFFICE/MEDICAL SPACE  
5870 STONERIDGE MALL ROAD



### FOR LEASE IN DUBLIN

651±SF - 3,863±SF OFFICE SPACE  
11700 DUBLIN BOULEVARD



### FOR LEASE IN SAN RAMON

611±SF RETAIL SPACE  
1021 MARKET PLACE



## YOUR PLEASANTON TEAM

### OFFICE SERVICE GROUP

Will Ballowe	Associate	925.737.4143
Tyler Gare	Associate	925.737.4158
Aron Hoenninger	Principal	925.737.4155
Mark Rinkle	Principal	925.737.4145
Virginia Voelkel	Principal	925.737.4150
Simon Vogt	Principal	925.737.4157

wballowe@lee-associates.com  
tgare@lee-associates.com  
ahoenninger@lee-associates.com  
mrinkle@lee-associates.com  
vvoelkel@lee-associates.com  
svogt@lee-associates.com

### INDUSTRIAL SERVICE GROUP

Tony Ferreri	Principal	925.737.4147
Brett Holden	Principal	925.737.4141
Bob Kumnick	Principal	925.737.4146
Sean Offers, SIOR	Principal	925.737.4159
Mark Pleis	Principal	925.737.4148
Mike Smith	Principal	925.737.4151
Hunter Steffien	Associate	925.737.4154

tferreri@lee-associates.com  
bholden@lee-associates.com  
bkumnick@lee-associates.com  
soffers@lee-associates.com  
mpleis@lee-associates.com  
mikesmith1@lee-associates.com  
hsteffien@lee-associates.com

### RETAIL SERVICE GROUP

Jessica Mauser	Principal	925.737.4168
Tim Willett	Associate	925.737.4149

jmauser@lee-associates.com  
twillett@lee-associates.com

### MANAGING PRINCIPAL

Mike Furay	Managing Principal	925.737.4140
------------	--------------------	--------------

mfuray@lee-associates.com

## ABOUT LEE & ASSOCIATES

Lee & Associates, founded in 1979, is one of the largest regional commercial real estate providers in the United States. Since 1979, our seasoned, motivated shareholders and professionals have been offering comprehensive quality service nationally and locally in a pro-active manner. We develop customized solutions for all of your real estates needs through our market-to-market knowledge in all property types. Our unique business model and extensive experience has helped us become one of the largest commercial real estate providers in the United States.