

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

FOURTH QUARTER 2019

4TH QUARTER 2019

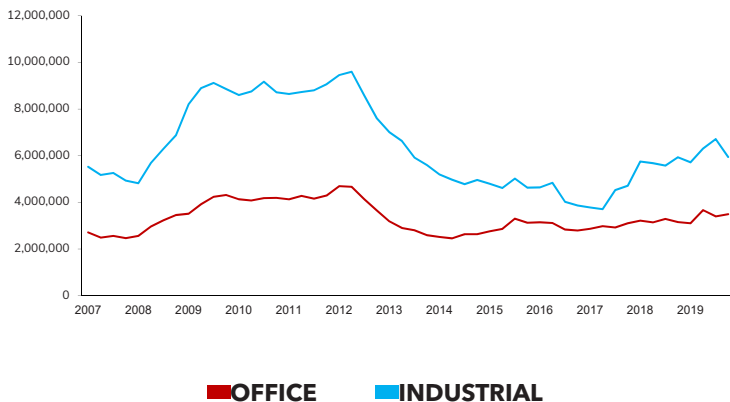
The Tri-Valley Industrial market remains strong and we see no reason for change in 2020. There is no land available for future development, the supply will stay limited and the demand will continue. Rates have continued to steadily increase while sale prices have increased more dramatically. Buildings up to 20,000±SF have sold from \$230-\$280/SF and leases have been done in the \$1.25-\$1.60/SF IG. Asking lease rates for the larger industrial properties are in the \$0.75/SF NNN range. Amazon made the headlines by leasing 610,000±SF in East Livermore, the largest building in the Tri-Valley. Prologis is nearing completion on a 373,590±SF build to suite for RK Logistics on Jack London Boulevard and commenced construction on a 77,000±SF spec project on National Drive in Livermore.

Q4's highlight of office activity follows the same trend as Q3 with continued development. Most recently, the redevelopment of the former Corrie Building, located at 7950 Dublin Boulevard in Dublin. This 80,575± SF office building will be redeveloped to become one of the premier, multi-tenant office buildings in the Tri-Valley. With Tri-Valley development on the rise, lease rates have continued to plateau with Class "A" rents in the low \$3.00/SF range and Class "B" rents in the high \$2.00/SF range. With regard to local tenants, multi-national software provider, SAP has expanded their lease by 90K SF at Bishop Ranch.

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

**-Brett Holden, Managing Principal
Lee & Associates - Pleasanton**

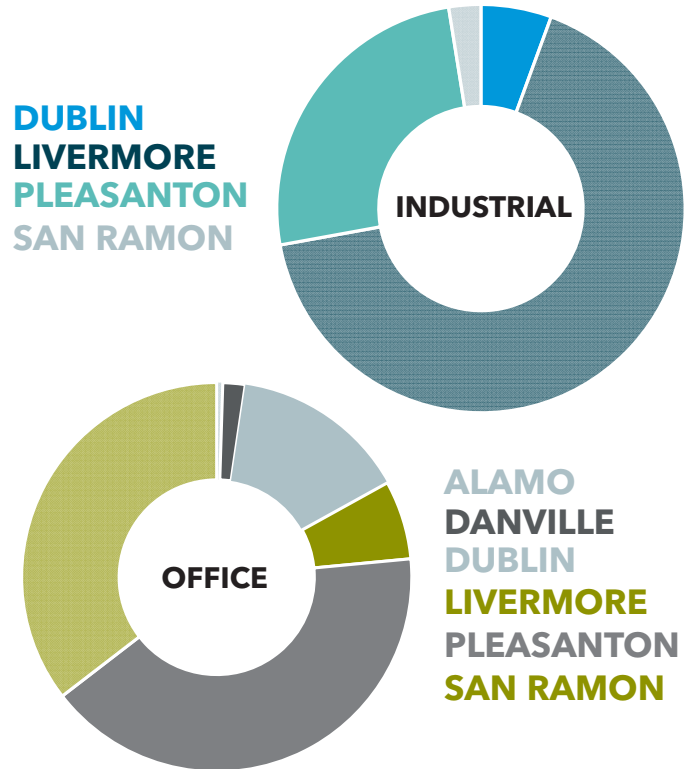
TRI-VALLEY AVAILABLE HISTORY



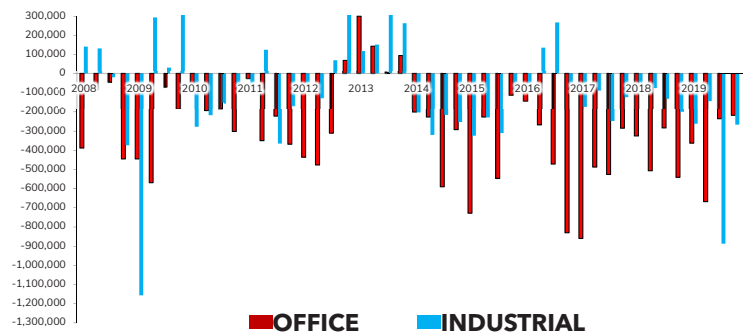
MARKET SNAPSHOT

Tri-Valley Industrial Inventory:	29,419,945
Tri-Valley Industrial Availability:	2,451,706
Tri-Valley Availability Rate:	8.33%
Tri-Valley Office Inventory:	23,810,754
Tri-Valley Office Availability:	3,499,031
Tri-Valley Availability Rate:	14.70%

TOTAL AVAILABLE SF BY SUBMARKET



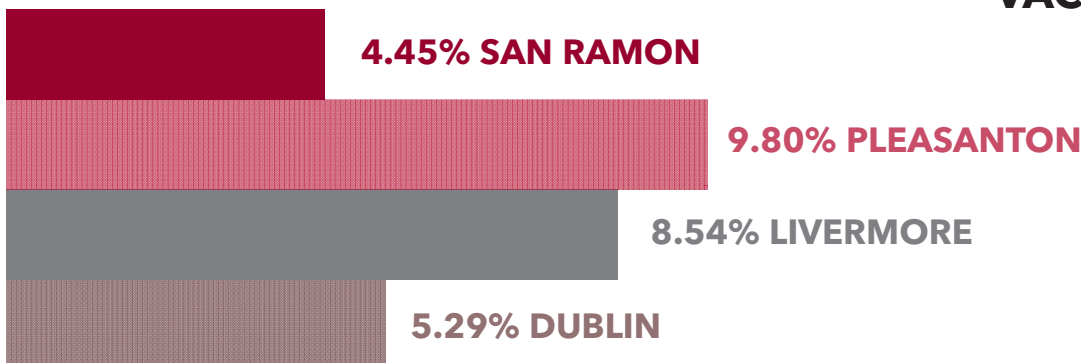
TRI-VALLEY ABSORPTION HISTORY



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

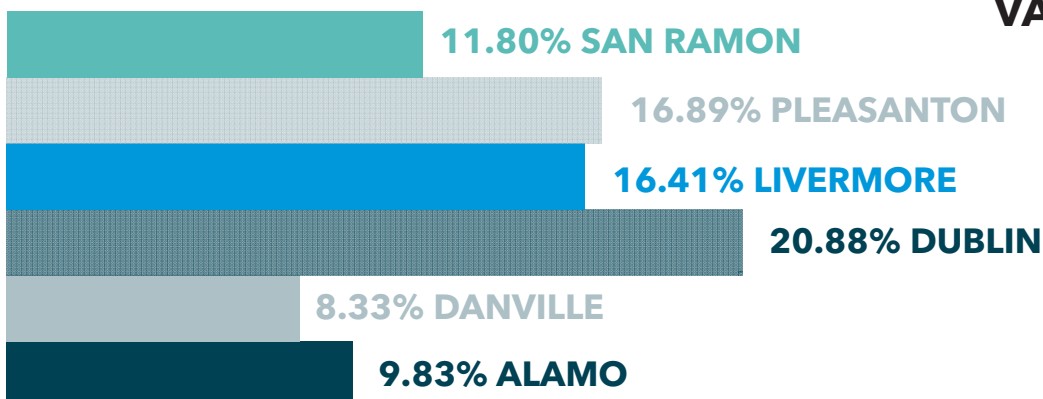
MARKET	INVENTORY		AVAILABILITY			AVAILABILITY RATE	
	Buildings	Total SF	Direct SF	Sublease SF	Available SF	Direct	Total
DUBLIN							
INDUSTRIAL	46	1,171,175	42,523	0	42,523	3.63%	3.63%
MULTI TENANT/INCUBATOR	14	319,647	21,171	7,978	29,149	6.62%	9.12%
FLEX/R&D	7	553,575	65,417	0	65,417	11.82%	11.82%
WAREHOUSE/DIST	4	545,999	0	0	0	0.00%	0.00%
TOTAL	71	2,590,396	129,111	7,978	137,089	4.98%	5.29%
LIVERMORE							
INDUSTRIAL	438	5,633,799	238,384	1,800	240,184	4.23%	4.26%
MULTI TENANT/INCUBATOR	30	1,097,841	70,301	5,032	75,333	6.40%	6.86%
FLEX/R&D	72	2,097,957	71,700	73,850	145,550	3.42%	6.94%
WAREHOUSE/DIST	87	10,268,722	931,169	239,507	1,170,676	9.07%	11.40%
TOTAL	627	19,098,319	1,311,554	320,189	1,631,743	6.87%	8.54%
PLEASANTON							
INDUSTRIAL	212	2,044,635	23,312	0	23,312	1.14%	1.14%
MULTI TENANT/INCUBATOR	18	495,256	5,675	0	5,675	1.15%	1.15%
FLEX/R&D	98	3,189,205	278,756	44,423	323,179	8.74%	10.13%
WAREHOUSE/DIST	4	605,795	268,546	0	268,546	44.33%	44.33%
TOTAL	332	6,334,891	576,289	44,423	620,712	9.10%	9.80%
SAN RAMON							
INDUSTRIAL	21	728,185	34,157	0	34,157	4.69%	4.69%
MULTI TENANT/INCUBATOR	9	232,386	11,408	0	11,408	4.91%	4.91%
FLEX/R&D	6	435,768	16,597	0	16,597	3.81%	3.81%
TOTAL	36	1,396,339	62,162	0	62,162	4.45%	4.45%
MARKET TOTAL	1,066	29,419,945	2,079,116	372,590	2,451,706	7.07%	8.33%

VACANCY RATES



MARKET		INVENTORY		AVAILABILITY			AVAILABILITY RATE	
		Buildings	Total SF	Direct SF	Sublease SF	Available SF	Direct	Total
ALAMO	A	1	49,000	4,009	0	4,009	8.18%	8.18%
	B	10	127,245	13,311	0	13,311	10.46%	10.46%
	TOTAL	11	176,245	17,320	0	17,320	9.83%	9.83%
DANVILLE	A	3	64,000	6,295	0	6,295	9.84%	9.84%
	B	59	713,561	44,363	14,080	58,443	6.22%	8.19%
	TOTAL	62	777,561	50,658	14,080	64,738	6.51%	8.33%
DUBLIN	A	12	1,625,797	368,029	118,203	486,232	22.64%	29.91%
	B	31	819,998	24,537	0	24,537	2.99%	2.99%
	TOTAL	43	2,445,795	392,566	118,203	510,769	16.05%	20.88%
LIVERMORE	A	21	433,722	11,863	4,374	16,237	2.74%	3.74%
	B	48	962,041	212,774	0	212,774	22.12%	22.12%
	TOTAL	69	1,395,763	224,637	4,374	229,011	16.09%	16.41%
PLEASANTON	A	72	6,749,781	817,096	395,157	1,212,253	12.11%	17.96%
	B	92	1,753,153	200,301	24,007	224,308	11.43%	12.79%
	TOTAL	164	8,502,934	1,017,397	419,164	1,436,561	11.97%	16.89%
SAN RAMON	A	35	8,673,393	749,337	413,725	1,163,062	8.64%	13.41%
	B	86	1,839,063	69,369	8,201	77,570	3.77%	4.22%
	TOTAL	121	10,512,456	818,706	421,926	1,240,632	7.79%	11.80%
MARKET TOTAL		470	23,810,754	2,521,284	977,747	3,499,031	10.59%	14.70%

VACANCY RATES



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TRANSACTIONS

WAREHOUSE - 612,300± SF LEASED
400 LONGFELLOW COURT, LIVERMORE
AMAZON



RETAIL - 45,500± SF LEASED
7885 DUBLIN BOULEVARD, DUBLIN
Z GALLERY



INDUSTRIAL - 44,199± SF LEASED
7551 LONGARD ROAD, LIVERMORE
FORM FACTOR INC.



LAND - 1.00± ACRE LEASED
NATIONAL DRIVE, LIVERMORE
HAWTHORNE HYDROPONICS



INDUSTRIAL - 40,300± SF LEASED
6474 PATTERSON PASS ROAD, LIVERMORE
PERFORMANCE CONTRACTING, INC.



INDUSTRIAL - 25,160± SF LEASED
7451 LONGARD ROAD, LIVERMORE
COSCO FIRE PROTECTION



RETAIL - 22,023± SF LEASED
THE SHOPS@LIVERMORE, LIVERMORE
ROSS



INDUSTRIAL - 16,065± SF LEASED
1813 RUTAN DRIVE, LIVERMORE
SMP CONSTRUCTION & MAINTENANCE, INC.



INDUSTRIAL - 13,308± SF LEASED
5826 BRISA STREET, LIVERMORE
SHAMES CONSTRUCTION COMPANY



INDUSTRIAL - 19,650± SF SOLD
7067-69 COMMERCE CIRCLE, PLEASANTON
HANY DIMITRY



OFFICE - 15,030± SF SOLD
6541-43 REGIONAL STREET, DUBLIN
BAYVIEW DEVELOPMENT GROUP



INDUSTRIAL - 7,776± SF SOLD
5139-45 JOHNSON DRIVE, PLEASANTON
LSTC CALIFORNIA, LLC



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EXCLUSIVE LEE LISTINGS

FOR LEASE IN DUBLIN
81,575±SF OFFICE SPACE
7950 DUBLIN BOULEVARD



FOR SALE IN SAN RAMON
1.74±ACRE LAND SPACE
OLD CROW CANYON ROAD



FOR LEASE/SALE IN DUBLIN
1.25±ACRE LAND SPACE
FALLON ROAD



FOR SALE IN SAN RAMON
33,912±SF INDUSTRIAL SPACE
3420 FOSTORIA WAY



FOR LEASE IN LIVERMORE
19,257±SF FLEX SPACE
2575 COLLIER CANYON ROAD



FOR SUBLEASE IN DUBLIN
19,940±SF RETAIL SPACE
6430-6440 DUBLIN COURT



FOR SUBLEASE IN FREMONT
17,000±SF OFFICE SPACE
39300 CIVIC CENTER DRIVE



FOR LEASE IN LIVERMORE
15,800±SF RETAIL SPACE
ARROYO SECO SHOPPING CENTER



FOR LEASE IN LIVERMORE
12,000±SF INDUSTRIAL SPACE
88 WRIGHT BROTHERS AVENUE



FOR SUBLEASE IN LIVERMORE
9,697±SF INDUSTRIAL SPACE
4301 HACIENDA DRIVE, SUITE 500



FOR SALE IN LIVERMORE
6,151±SF INDUSTRIAL SPACE
581-599 LEISURE STREET



FOR LEASE IN DANVILLE
5,311±SF RESTAURANT SPACE
THE ROSE GARDEN

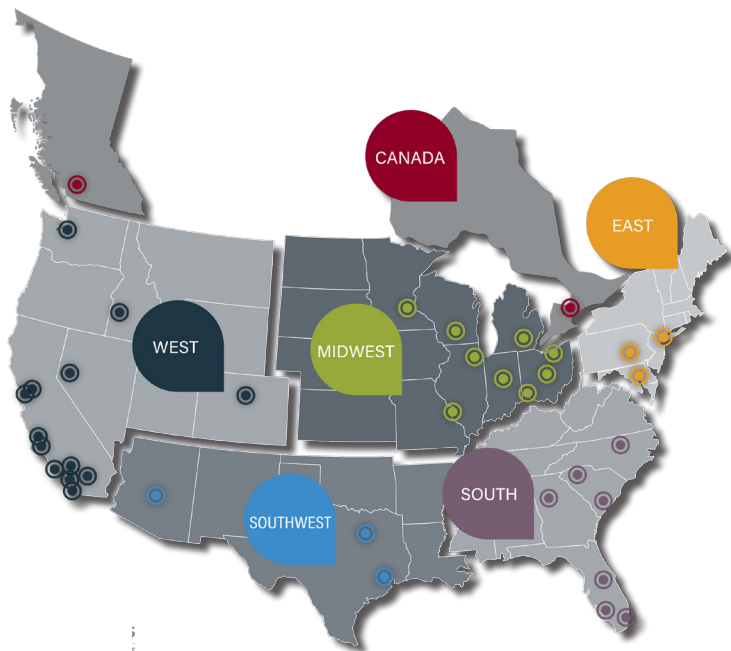


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OUR COMPANY



In **1979, Bill Lee's vision became reality** when he opened the first office of Lee & Associates in Orange County, California. **Every Lee office is owned and operated by the real estate professionals**, all of whom benefit from the sharing of real-time market intelligence that is vital to the delivery of superior commercial real estate services. The unique service platform has attracted some of the most experienced and talented real estate professionals in the industry, all of whom share Bill's original vision of superior service through teamwork.

Lee & Associates offices offer a broad array of real estate services tailored to meet the needs of the company's clients in each of the markets it serves. They include commercial real estate brokerage, property management, valuation, asset management and finance.

Now, **the largest firm of its kind in North America.** The company's reach extends across the US, British Columbia and, most recently, to Europe through a strategic alliance with Gerald Eve.

YOUR PLEASANTON TEAM

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