

# SOMA/Technology Market Overview



Leadership

Creativity

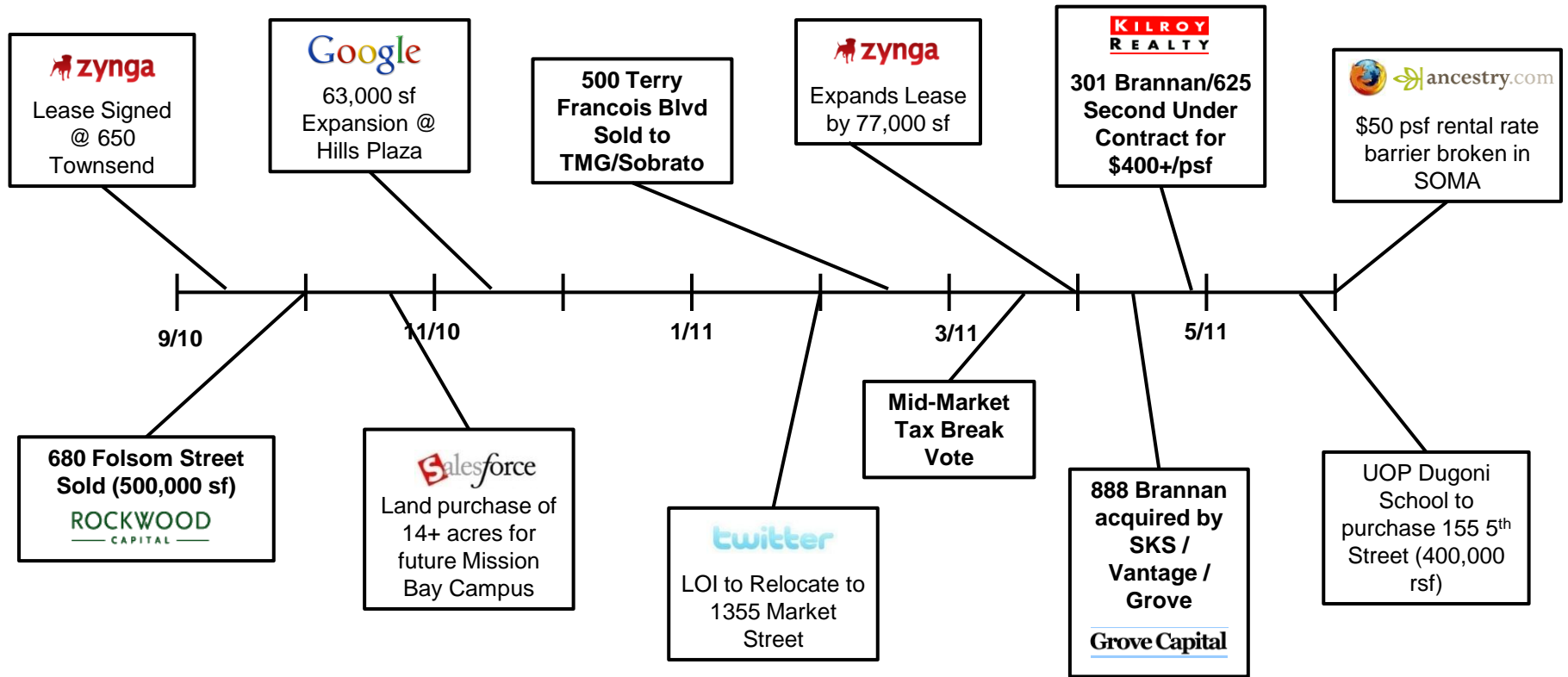
Achievement

Prepared By:

**Bill Cumbelich**  
*Principal*

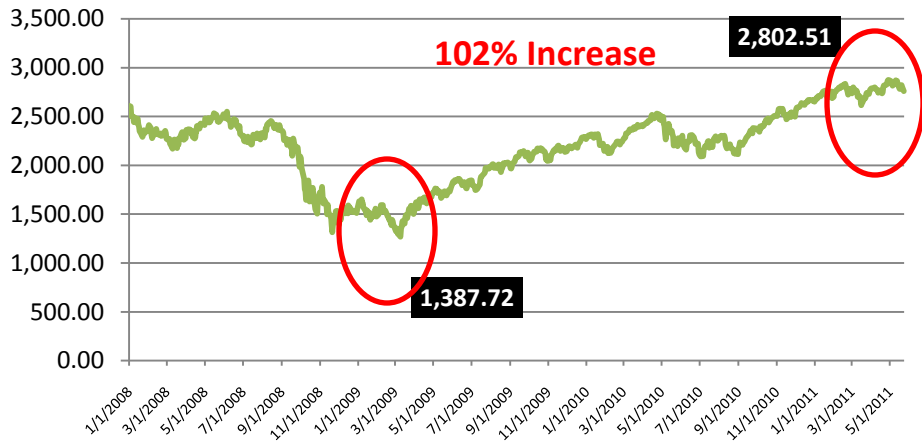
July 12, 2011

# SOMA is San Francisco's Most Dynamic Real Estate Neighborhood

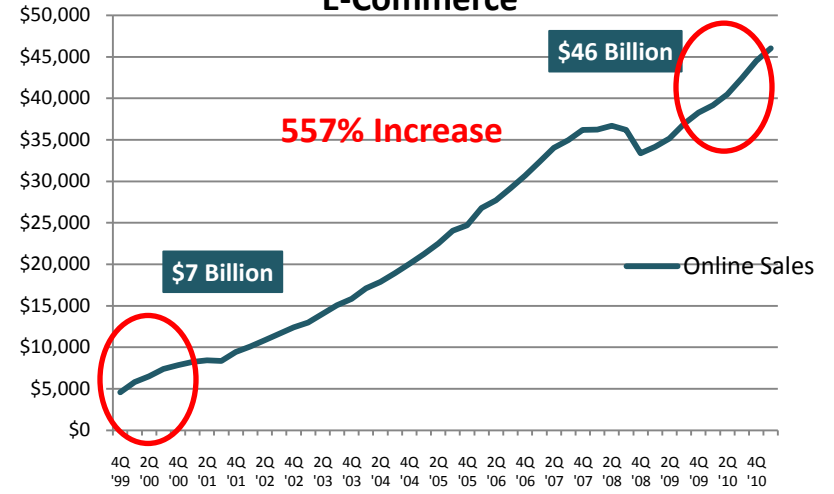


# What is driving technology leasing in San Francisco?

### NASDAQ Composite

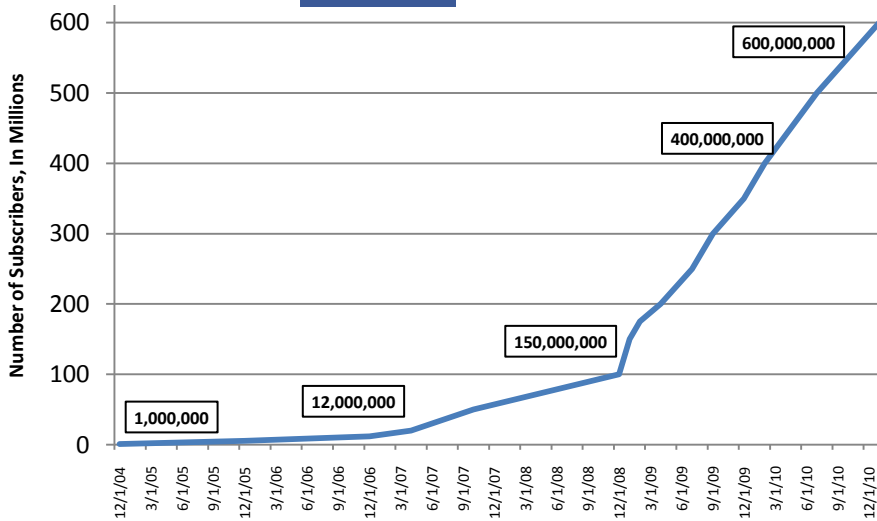


### E-Commerce

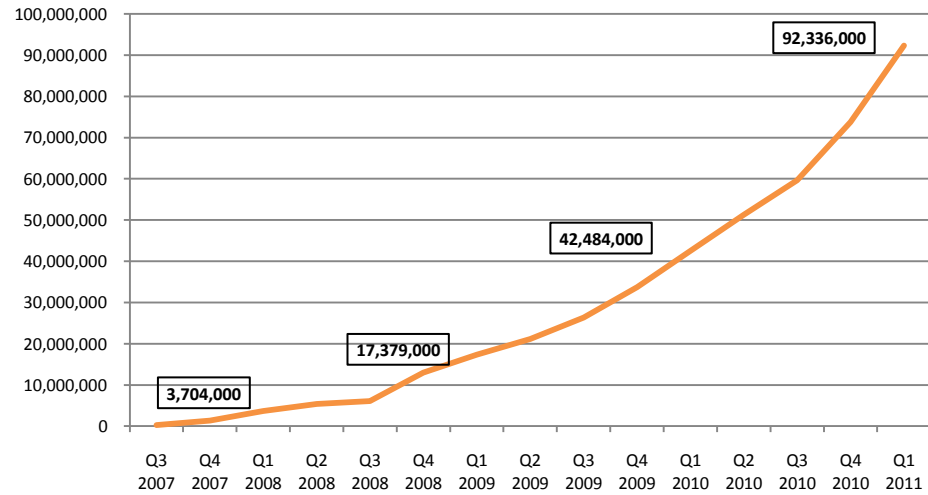


\* Sales Numbers in Millions, per Quarter

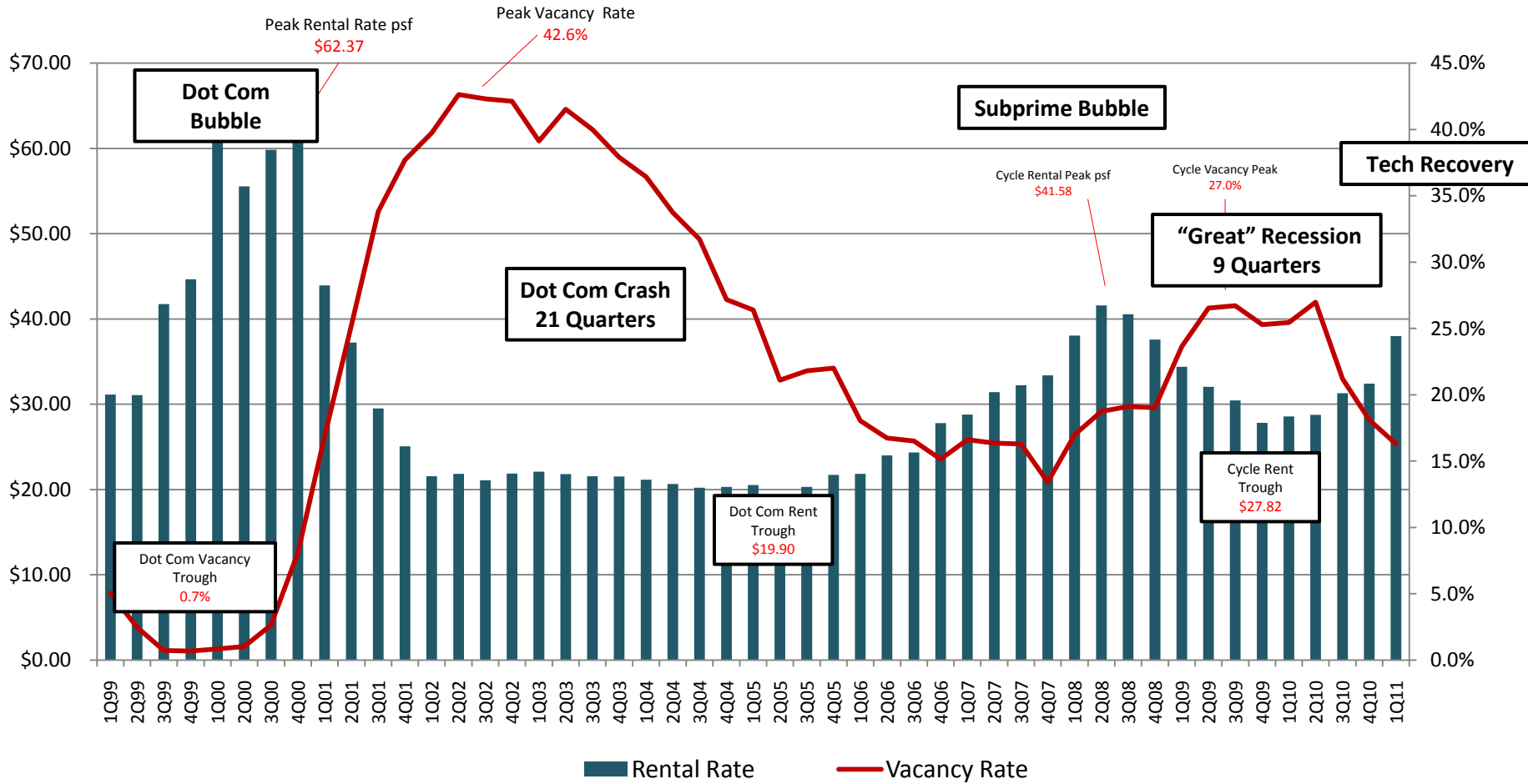
### facebook Subscribers



### Total iPhone Sales

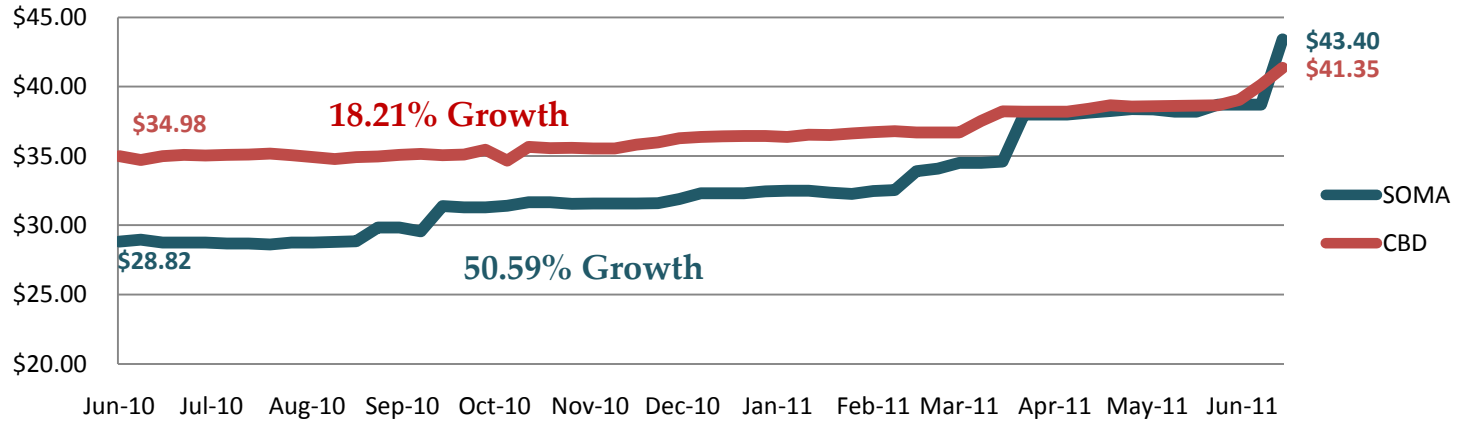


# SOMA Vacancy and Rental Rates

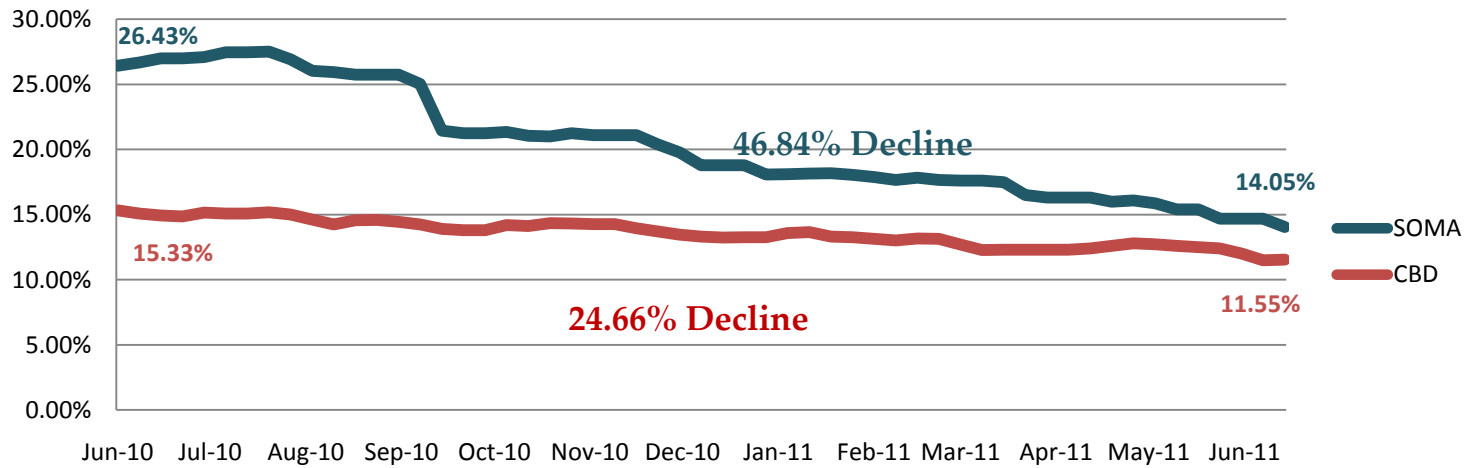


# CBD vs. SOMA Trends

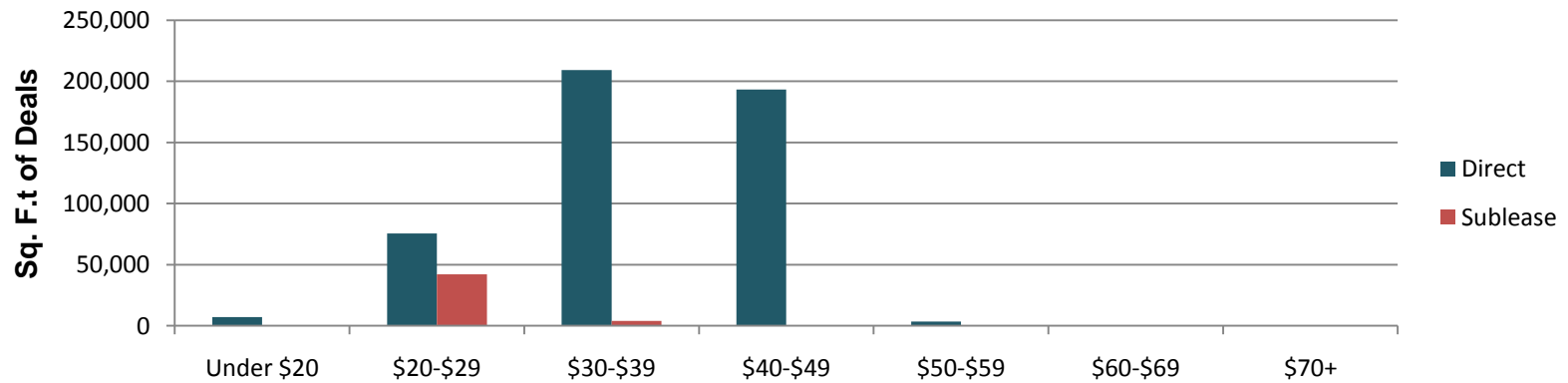
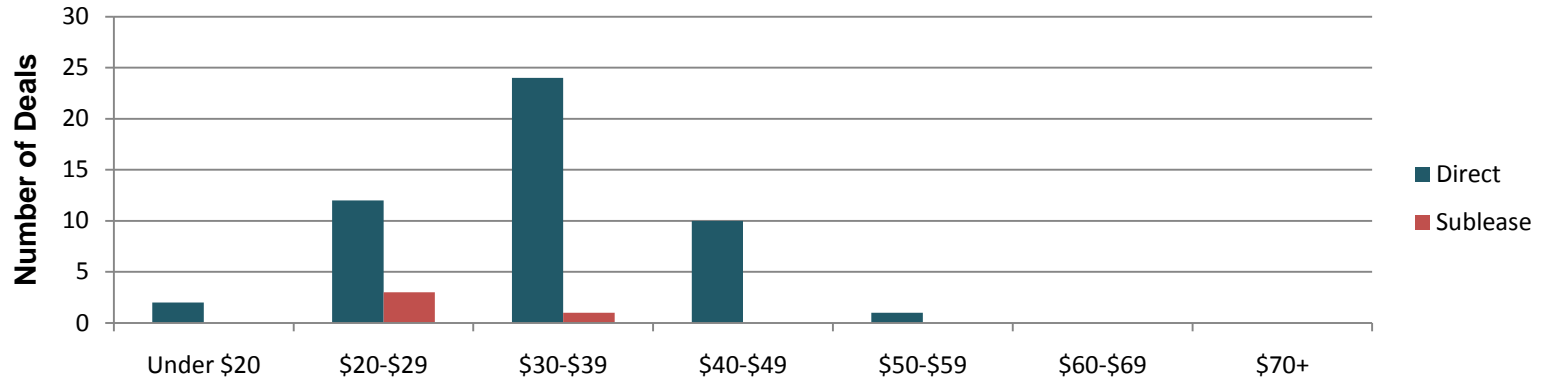
## Average Asking Rates



## Vacancy Rates



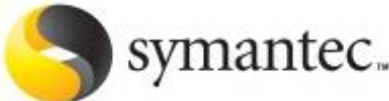
# SOMA Rental Rate Distribution



\* 53 SOMA Transactions totaling 527,541 square feet.



# Leading Technology Companies in San Francisco



# SOMA Vacancy Picture and Large Space Blocks

Building	Owner	NRA	Vacancy
303 Second Street	Kilroy Realty Corporation	680,000	5.0%
650 Townsend Street	TMG Partners / Farallon	672,788	28.5%
185 Berry Street	RREEF Funds	500,000	6.7%
185 Berry Street	RREEF Funds / McCarthy Cook	403,500	43.5%
370 Third Street	JER Partners	390,000	95.6%
201 Third Street	Kilroy Realty Corporation	300,000	4.3%
550 Terry A. Francois Blvd.	Tishman Speyer Properties	283,000	0.0%
500 Terry A. Francois Blvd.	TMG/Sobrato	268,245	99.8%
475 Brannan Street	SKS Investments	250,000	0.0%
600 Harrison Street	Pell Development	221,000	24.5%
501 Second Street	The Swig Company	190,000	3.0%
875 Howard Street	Hudson Pacific Properties	189,996	50.2%
600 Townsend Street	Toda Development	186,377	0.0%
1550 Bryant Street	Amerimar Enterprises, Inc.	182,000	30.8%
153 Townsend Street	American Assets, Inc.	155,000	5.2%
500 - 520 Third Street	Boulevard Property Investors	146,961	0.7%
444 De Haro Street	Apollo Real Estate Advisors L.P.	140,000	0.0%
350 Rhode Island Street - South	Tishman Speyer	135,509	20.5%
2727 Mariposa Street	1900 Bryant Street Investors, LLC	135,000	0.0%
350 Rhode Island Street - North	ING Clarion	134,491	0.0%
625 Second Street	KBS Realty Advisors	134,447	24.5%
651 Brannan Street	U-Jin Corporation	129,700	6.5%
123 Townsend Street	Manchester Capital Management	122,000	0.0%
274 Brannan Street	The Swig Company	120,000	6.9%
660 Third Street	Rabin Worldwide	100,000	0.0%
665 Third Street	655 Third Street Associates	98,000	3.0%
60 Federal Street	Academy of Art College	97,000	0.0%
1380 Howard Street	The Cort Family Living Trust	93,140	0.0%
250 Brannan Street	Kilroy Realty Corporation	92,606	25.2%
700 Townsend Street	The Sobel Building	84,000	0.0%
600 Townsend Street	LBA Realty	82,848	17.1%
208 Utah Street	TMG Partners	78,400	24.3%
730 Harrison Street	Far West Laboratory	76,219	0.0%
410 Townsend Street	PMI Properties	74,000	0.0%
543 Howard Street	Gordon Development	73,500	0.0%
539 Bryant Street	PMI Properties	73,130	0.0%
650-670 Fifth Street	Metrovation	72,000	2.4%

Building	Owner	NRA	Vacancy
301 Brannan Street	Watson Breevast, LLC	69,871	35.2%
400 Second Street	Cresleigh Properties Inc.	69,000	22.1%
2300 Harrison Street	562 Mission LLC	66,112	0.0%
251 Rhode Island Street	Giuseppe Giurlani Trust	65,912	13.2%
550 Fifteenth Street	Robert Imhoff	64,200	23.4%
330 Townsend Street	ATC Partners, LLC	63,178	0.0%
139 Townsend Street	Watson Breevast, LLC	60,000	18.2%
99 Rhode Island	Oelsner Commercial Properties	60,000	33.3%
612 Howard Street	Lightner Property Group	57,054	0.0%
642 Harrison Street	Garlock & Company	56,203	0.0%
444 Spear Street	FMEW, LLC	52,000	0.0%
832 Folsom Street	The Salvation Army	52,000	0.0%
2 Bryant Street	Aegon USA Realty Advisors, Inc.	49,928	0.0%
634 Second Street	Manchester Capital Management	49,000	0.0%
620 Folsom Street	Conner McLaughlin Properties	48,200	31.1%
490 Second Street	The Cort Family Living Trust	46,400	37.8%
210 & 290 King Street	Centurion Partners	44,500	0.0%
329 Bryant Street	Stensland P L/M S 2003 Trust	43,000	0.0%
1098 Harrison Street	Estate of Robert J. Cardinal	42,000	100.0%
630 Third Street	R & K Investments	41,750	0.0%
625 Third Street	PMI Properties	41,200	0.0%
101-109 Townsend Street	Civitas Equity Fund I LLC	40,000	14.6%
340 Brannan Street	ATC Partners, LLC	39,375	0.0%
1596 Howard Street	Gwendolyn & James Baba	39,013	0.0%
180 Townsend Street	Mariani Trust	38,000	0.0%
816-818 Mission Street	The Westfield Group	36,000	15.3%
290 Division Street	The Nicholson Company	35,442	3.6%
181 Fremont Street	SKS Investments	34,560	0.0%
500 Treat Avenue	Gary Gomez	32,500	8.8%
64-72 Townsend Street	Thompson Development Inc.	30,609	0.0%
501 Folsom Street	501 Folsom Street LLC	30,000	0.0%
534-548 Fourth Street	Bill Rothman	28,000	0.0%
2030 Harrison Street	The Cort Family Living Trust	27,311	0.0%
75 - 77 Federal Street	Plant Properties, Inc.	26,500	0.0%
334 Brannan Street	H E Jackson Co.	25,000	0.0%
480 Second Street	The Cort Family Living Trust	23,500	11.9%
201 King Street	Santa Fe Partners	18,000	0.0%
		<b>8,810,175</b>	<b>15.3%</b>



500 Terry A. Francois Blvd



680 Folsom Street



888 Brannan Street



185 Berry Street



1355 Market Street



370 Third Street



# Largest SOMA Deals, Last 12 Months

## Completed Deals






<u>Tenant</u>	<u>Square Feet</u>	<u>Building</u>
Zynga	270,000 sq.ft.	699 8th Street
Twitter	180,000 sq.ft.	1355 Market Street
Aliph	60,000 sq.ft.	99 Rhode Island
Zynga ( E )	59,056 sq.ft.	699 8th Street
Ancestry.com	56,593 sq.ft.	153 Townsend Street
Catholic Healthcare West ( R )	55,000 sq.ft.	China Basin
Pivotal Labs	33,258 sq.ft.	875 Howard Street
Idle Games	33,252 sq.ft.	875 Howard Street
Cisco Systems	31,891 sq.ft.	China Basin
Federated Media	28,269 sq.ft.	64-72 Townsend Street
SOMA Central	28,175 sq.ft.	153 Townsend Street
Steelcase ( R + D)	27,320 sq.ft.	475 Brannan Street
Eventbrite	27,000 sq.ft.	651 Brannan Street
Meta Switch	25,001 sq.ft.	208 Utah Street
StumbleUpon	23,500 sq.ft.	301 Brannan Street
Splunk ( E )	23,362 sq.ft.	250 Brannan Street
National Labor Relations ( R )	22,000 sq.ft.	901 Market Street
Outcast Agency ( R + E )	21,568 sq.ft.	123 Townsend
Academy of Art University	21,000 sq.ft.	631 Howard Street
AirBNB	20,000 sq.ft.	99 Rhode Island
Burning Man	20,000 sq.ft.	995 Market Street
Zynga ( E )	18,982 sq.ft.	699 8th Street
Common Sense Media ( R )	17,000 sq.ft.	650 Townsend
Stone Yamashita Partners ( R )	17,143 sq.ft.	475 Brannan Street
One Kings Lane	16,630 sq.ft.	501 Second Street

## Pending Deals

<u>Tenant</u>	<u>Square Feet</u>	<u>Building</u>
UOP - Dugoni School of Dentistry	360,000 sq. ft.	155 Fifth Street
Atlassian Software	42,000 sq. ft.	1098 Harrison Street
JP Morgan Chase	34,000 sq. ft.	600 Harrison Street
State of CA - Appeals Court	25,000 sq. ft.	China Basin



# Recent SOMA Sales Pending

Building Yr Built / % Leased	Status Date Sold	Sq. Ft. Class	Estimated Price	Price PSF	Seller	Buyer
 <b>642 Harrison Street</b> 1932/1985 / 100% Leased	<b>Under Contract</b>	50,580 Class B	\$14,650,000	\$289.64	Garlock & Company	Sierra Maestra Properties
 <b>808 Brannan Street</b> 1930 / 100% Leased	<b>Under Contract</b>	50,000 Class B	\$7,000,000	\$140.00	Brannan Street, LLC	Undisclosed
 <b>301 Brannan Street</b> 1988 / 65% Leased	<b>Under Contract</b>	69,871 Class A	\$29,000,000	\$415.05	Wattson Breevast, LLC	Kilroy Realty
 <b>Convention Plaza / 201 3rd</b> 1983 / 96% Leased	<b>Under Contract</b>	300,000 Class A	\$96,000,000	\$320.00	ADCO Group	Kilroy Realty
 <b>625 Second Street</b> 1905/1999 / 75% Leased	<b>Under Contract</b>	134,447 Class A	\$55,125,000	\$410.01	KBS Realty Advisors	Hudson Pacific Properties

