

East Bay 4Q14 Retail Report

Retail

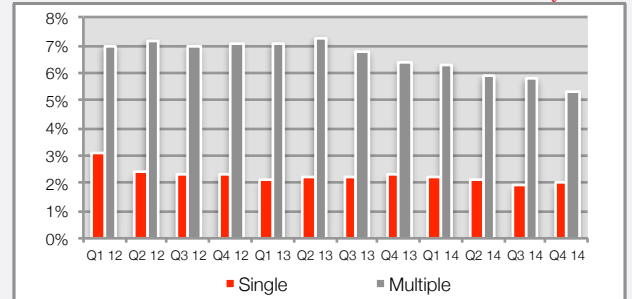


Unemployment in the East Bay market of Alameda and Contra Costa county dropped from 6.3% to 5.7%, a 60 basis point decrease, since the fourth quarter of 2013. With an increase of 34,000 jobs, the employment increased from 1,223,000 to 1,257,000, compared to the fourth quarter of 2013. The East Bay market had an unemployment rate of 5.7% in the fourth quarter, which is 10 basis points lower than the national unemployment rate.

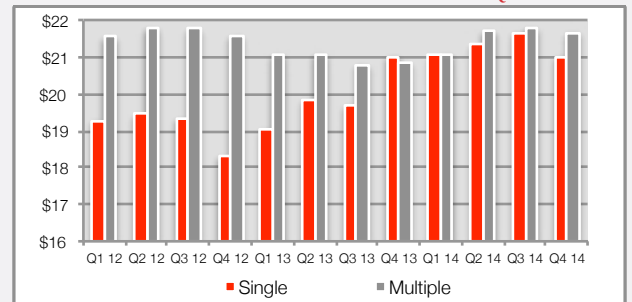
Since the fourth quarter of 2013, quoted rates have increased by 4.53%. Average quoted rates were \$21.98 in the fourth quarter of 2014. With the rise in quoted rates, the vacancy rate for the East Bay has declined 70 basis points since last year, retail vacancy was 4.0% in the fourth quarter of 2014. Since the fourth quarter of 2013, multiple tenancy retail vacancy has declined to 5.3%, this was a 110 basis point decrease.

In the fourth quarter, we want to highlight three major retail sales in the East Bay. S. D. Higgins purchased 300 Floresta Blvd. from Arnold & Sheri Schlesinger for \$12,750,000. Dorothy Anderson purchased 844-848 Willow Ave from Tucker Associates, Inc. for \$9,700,000. John Lotz purchased 3614 Mt. Diablo Blvd. from Berkeley Land Company, Inc. for \$7,325,000.

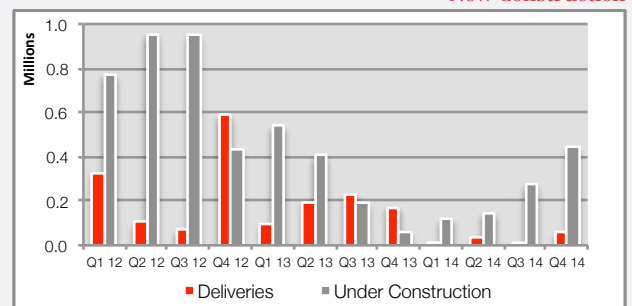
Vacancy Rates



Quoted Rates



New Construction



Trends for 4Q14

▲
NET ABSORPTION

▼
VACANCY RATE

▲
CONSTRUCTION

▼
QUOTED RATES

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Market Overview:

SUBMARKET	# OF BLDGS	TOTAL RBA (SF)	VACANCY (%)	QUOTED RATES (\$/SF/YR)	NET ABSORPTION (SF)	DELIVERIES (SF)	UNDER CONST. (SF)
680 Corridor North	1349	16,937,180	2.78%	\$24.41	175,866	4,600	23,184
680 Corridor South	1181	16,825,346	3.71%	\$25.27	150,000	1,118	153,640
80 Corridor	2482	19,248,323	3.55%	\$24.34	145,092	-	-
880 Corridor	3237	33,940,070	4.44%	\$20.80	415,798	96,047	125,380
Highway 4	1198	13,976,252	6.58%	\$16.39	(53,235)	617	-
Napa County	777	5,978,434	4.34%	\$33.17	28,364	-	81,000
Oakland	3262	19,622,101	2.84%	\$20.97	121,729	2,500	55,000

Significant Alameda County Sales Transactions:

Buyer	Address	Price	City
S D Higgins	300 Floresta Blvd	\$12,750,000	San Leandro
Mohammad Naeem	1600 N Vasco Rd	\$5,000,000	Livermore
Ray Dai & Yongmei Wu	3100 Newpark Mall	\$3,300,000	Newark
Arthur Ting	39470-39472 Paseo Padre Pky	\$2,870,000	Fremont
Wang Sun, Inc.	3288 Castro Valley Blvd	\$2,445,000	Castro Valley
Anthony G. Wilson	5615 College Ave	\$2,400,000	Oakland
Keun Yoo	3401-3423 Telegraph Ave	\$2,400,000	Oakland

Significant Contra Costa Sales Transactions:

Buyer	Address	Price	City
Dorothy Anderson	844-848 Willow Ave	\$9,700,000	Hercules
John Lotz	3614 Mt Diablo Blvd	\$7,325,000	Lafayette
Harold Would Development	1525-1545 Locust St	\$5,996,500	Walnut Creek
John Lotz	200 Hartz Ave	\$5,250,000	Danville
Smokn Bones LLC	3416-3422 Mount Diablo Blvd	\$4,350,000	Lafayette
Canquan Chen	7710-7760 Brentwood Blvd	\$4,200,000	Brentwood
William Faidi	4444 Lone Tree Way	\$3,000,000	Antioch
Kratz Revocable Trust	842 Willow Ave	\$1,479,000	Hercules
Diamond Petroleum, Inc	1 San Carlos Blvd	\$1,297,500	Pittsburg
Christopher Wong & Liwen Wu	4801-4807 Valley Rd	\$1,030,000	Richmond

4Q'14

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