Research &
Forecast Report

OAKLAND | INDUSTRIAL

Q2 2015

I-80/I-880 Corridor Records another Strong Quarter

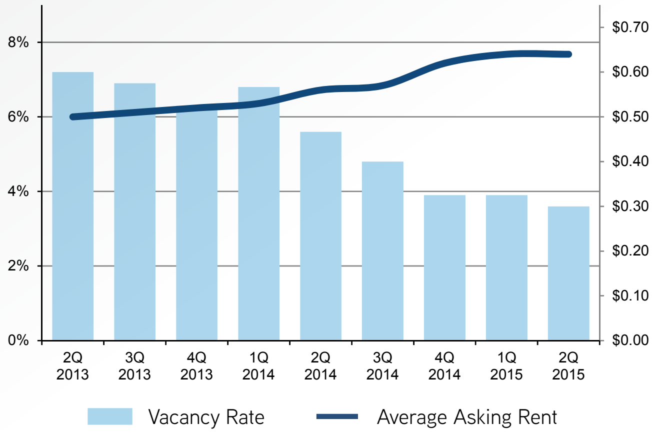
- Year-to-date gross absorption is 4,676,528 square feet
- Vacancy this quarter was 3.6 percent compared to 3.9 percent last quarter
- Year-to-date net absorption is 1,116,733 square feet

The I-80/I-880 Corridor Industrial Market followed up on a solid first quarter of the year with an equally impressive second quarter. Overall vacancy rates remained historically low dropping marginally across all product types from 3.9 percent in the first quarter to 3.6 percent in second quarter. In comparison, the second quarter of 2014 saw vacancy rates 2 percent higher, at 5.6 percent.

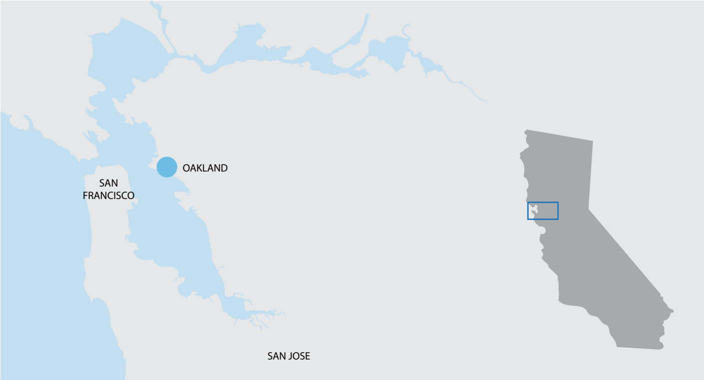
The first quarter registered a number of noteworthy large lease transactions, as well as owner/user and investment purchases.

Vacancy vs. Asking NNN Rental Rates

I-80/I-880 Corridor | Overall Industrial Market



Vacancy rates decreased for the past consecutive twelve quarters ending 4Q2014 and remained flat at 3.9 percent for the 1Q2015, however, vacancy dropped further and the 2Q2015 rate closed at an even lower 3.6 percent. We expect moderate but steady rental rate growth to continue into 2015.



Market Trends

Relative to prior period	Q2 2015	Q3 2015*
Vacancy	↓	↓
Rental Rate	↑	↑
Net Absorption	↑	↑
Construction	↑	↑

*Projected

Summary Statistics

Q1 2015 I-80/I-880 Corridor Industrial Market	Previous Quarter	Current Quarter
Overall Vacancy	3.9%	3.6%
Net Absorption	85,688	1,116,733
Construction Completed	-	670,089
Under Construction	1,107,634	440,024
Overall Asking Rents	0.65	0.65
Overall Industrial Asking Rents	0.62	0.65
Overall Warehouse Asking Rents	0.54	0.56
Overall R&D Flex Asking Rents	0.84	0.84

**Asking Rents Reported Monthly*

U.S. National Economic Indicators

Unemployment Rate	5.5%	5.3%
Labor Force Participation Rate	63%	63%
Consumer Price Index	2.36%	2.37%
Interest Rate - 10 Yr Treasury	1.94%	2.43%
Business Confidence	52.80%	53.50%
Consumer Confidence	90.70%	96.10%
Building Permits	1,140,000	1,275,000

Three notable new long-term leases, greater than 100,000 square feet, were inked in the quarter, each with starting rates in the $0.50 NNN vicinity. The largest new deal occurred in Richmond, where Williams-Sonoma Inc. relocated and expanded from their previous Oakland location, signing a long term lease which will move their business to 6000 Giant Road. Williams-Sonoma agreed to occupy an entire 252,375 square foot building at the Prologis Pinole Point Development - a lease that was completed prior to the speculative development being fully completed. Additionally, EDE Group, a third party logistics company, that primarily distributes solar panel equipment and parts, signed a 191,868 square foot lease in Union City at 33300 Dowe Avenue. EDE had previously occupied multiple warehouses in Hayward; the Dowe Avenue deal will allow them to consolidate their entire operation under one roof. Finally, Ferguson Enterprises, a global parts and equipment distribution company, signed a long term new deal with Prologis in 157,324 square feet at 1936 Fairway Drive in San Leandro. Ferguson was drawn to the Fairway Drive location due to the large rear yard that came with the Class A building – a very tough amenity to find.

These deals have contributed directly to higher asking rates across all product types and classes as demand increases and the supply along the I-80/I-880 Corridor declines. Asking rates for Class A warehouse facilities are commonly in the $0.55 - $0.65 NNN range and leases are being executed with starting rents very close to these asking rates.

Sales were also very active in the second quarter of the year – two notable owner/user purchases closed, both at high dollar per square foot values relative to what properties have historically sold for along the I-80/I-880 Corridor. First, a user purchased a total of 122,240 square feet on a large parcel at 335 Adeline Street, the former longtime home of Svenhard's Bakery. The new owner is in the import and export business and will use the facility as their main Bay Area headquarters – an ideal location given its proximity to the Port of Oakland.

In another transaction, 1500 Atlantic Street, a standalone 26,552 square foot warehouse building, was purchased by Tim and Nick Investment Group, LLC at a price approaching $130 per square foot – a historically high sale number for a building of this size and location.

Sales activity was not only limited to owner/user transactions, as a few major investment sales were recorded in the second quarter. Bentall Kennedy purchased the Goodman Logistics Center at 8350 Pardee Road in Oakland from Goodman Birtcher. This 374,725 square foot facility, completed in 2014 is 100 percent leased by two tenants with long term deals in place. It is believed that the property traded below a 5.0 percent capitalization rate – something that is becoming the status quo for fully leased, newly constructed product. Another notable investor sale was the purchase of 550 85th Avenue Oakland by Westcore Properties. This specialized food building is the former home of Just Deserts and was purchased vacant by Westcore though they have on the market currently for lease with good activity.

6000 Giant Road, Richmond

Aerial of 6000 Giant Road, Richmond

33300 Dowe Avenue, Union City

Richmond

Hercules, Pinole, Richmond, San Pablo and El Cerrito

Second quarter vacancy rates in the Richmond industrial market increased from year-end 2014 totals, with overall rates up from 5.4 percent, currently at 6.8 percent. The quarter registered positive net absorption in warehouse/distribution and the R&D/flex sectors. Light industrial posted a minimal amount of negative net absorption for the year. The majority of the increase in vacancy is attributed to the warehouse market in Richmond with the completion of 224,154 square feet at Pinole Point. Warehouse/distribution vacancy is currently up to 6.6 percent, compared to 4.8 percent at the close of the second quarter in 2015. Light industrial vacancy is now at 7.6 percent, up from 7.4 percent, while the R&D/flex vacancy fell 80 basis points to 6.1 percent.

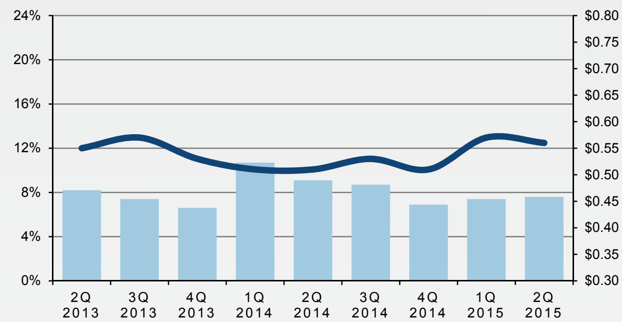
Colliers predicts that warehouse vacancy rates will trend downward in Richmond as the year progresses and leasing activity continues to flourish. There is still quality warehouse product available and new Class A space being built at Pinole Business Park. Investors, developers and users are drawn to Richmond because of its proximity to Marin County and the Port of Oakland. Projects are fueled by a healthy regional economy and an increased demand for Class A space by tenants from Berkeley, Emeryville, and Marin County. The most significant investment sale this quarter was the sale of a 55,595 square foot manufacturing building at 2600 Goodrick Avenue for $12,875,000. The most significant lease transaction was the leasing of a 252,375 square foot warehouse building by Williams-Sonoma, Inc.

Overall asking rental rates have stabilized over the year, light industrial rates are up to $0.56 from $0.51, warehouse/distribution up to $0.56 from $0.52, R&D/flex has remained stagnant at $0.75 for the year. Rents are projected to increase into 2015 as more developers look to break ground on new Class A warehouse projects. The increase in warehouse rental rates is a direct result of the tightening of the market as more warehouse space has been absorbed, boosting landlord confidence to hold tight on asking rents. New Class A warehouse projects include the 42 acre LDK redevelopment at the former Steelscapes site at 2005 Atlas Avenue, where LDK will construct a new 700,000 square foot cross-dock facility.

The light industrial and R&D/flex sectors will continue to lag behind warehouse/distribution. There is less of a demand for R&D/flex space in the Richmond submarket and the light industrial market is comprised of older, dysfunctional space that has been on the market for longer periods of time.

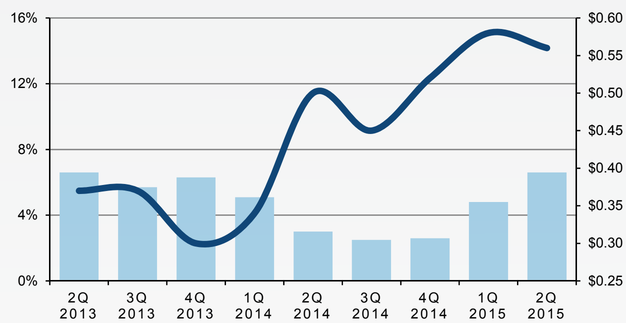
Vacancy vs. Asking NNN Rental Rates

Richmond | Light Industrial



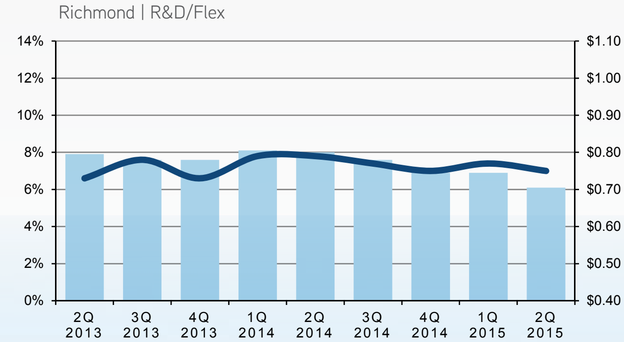
Vacancy vs. Asking NNN Rental Rates

Richmond | Warehouse/Distribution



Vacancy vs. Asking NNN Rental Rates

Richmond | R&D/Flex



Vacancy Rate — Average Asking Rent

Oakland

Oakland and Alameda

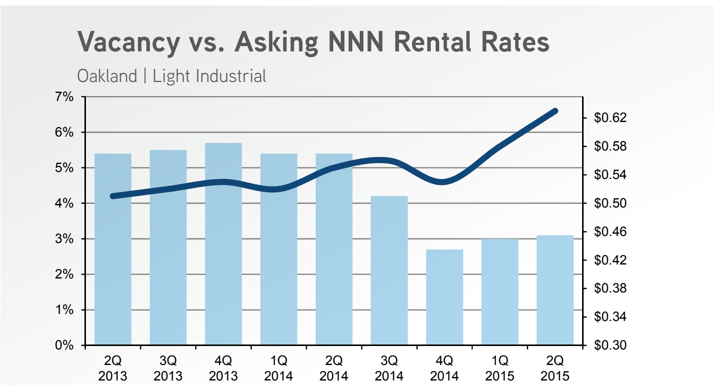
The Oakland industrial market ended the first six months of the year with a commendable finish. Warehouse vacancy changed from 5.9 percent to 3.0 percent for the six months ending in June. Light industrial vacancy moved upwards slightly from 2.7 percent to 3.1 percent. Overall vacancy finished the year at 3.1 percent as compared to 3.8 percent for the fourth quarter 2014. Overall rental rates increased from the end of 2014, currently at $0.61 NNN per square foot.

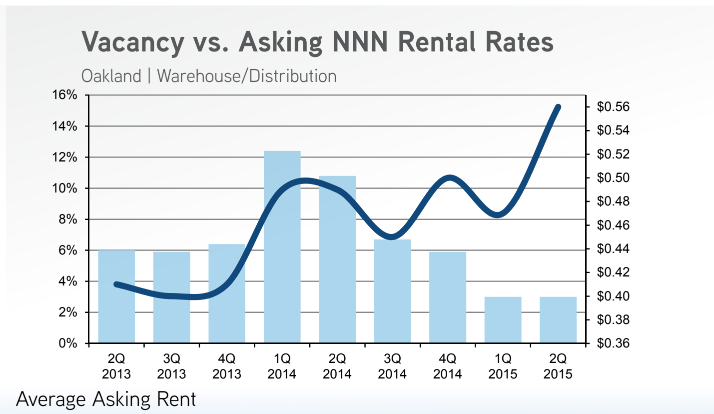
Warehouse asking rates rose from $0.50 NNN asking to $0.56 NNN asking in the second quarter, while industrial rates rose by substantially more from $0.53 NNN to $0.63 NNN. Presently, we expect rates to stabilize due to the low amount of inventory.

Users remained active renewing and expanding existing leases throughout the marketplace. Brick's Inc. renewed 80,800 square feet at 3725-3775 Alameda Avenue. Central Valley Agricultural signed a lease at 800 77th Avenue for 70,000 square feet. Several notable sales were executed in the second quarter. Bentall Kennedy purchased a 374,725 square foot warehouse at 8350 Pardee Drive, Edward Kwaun and Sow Fun Chung purchased 122,240 square feet of light industrial at 335 Adeline Street and R&A Trucking purchased a 75,000 square foot light industrial building at 1100 77th Avenue.

Development activity is underway in West Oakland and the former Oakland Army Base with lead developer Prologis beginning demolition and infrastructure work at the site. Phase one will deliver 440,000 square feet of Class A warehouse in early 2016. In-fill projects continue to push forward in Downtown and West Oakland. In-fill projects include the 3.68 acre industrial project at Filbert. West Grand has been demolished to make way for housing. Development activity has been, and continues to be, a highlight for the Oakland market in 2015.

Gross absorption activity was over 914,662 square feet for the first half of 2015. The next two quarters look optimistic with similar activity as experienced in the first and second quarters of 2015. We expect the Oakland market will continue to move forward with low vacancy and gradually rising rental rates due to its prime location and increasing rates in surrounding markets.





San Leandro

San Leandro and San Lorenzo

The San Leandro industrial submarket has experienced a dramatic 39.2 percent vacancy drop since the end of 2014. Vacancy is expected to stabilize over the next six months as the remaining blocks of space are bordering on functional obsolescence. Overall vacancy space decreased from 2.8 percent to 1.7 percent over the last six months. This decrease has allowed San Leandro to take the top spot along the I-880 Corridor for the lowest vacancy rate in the region. Delving into the product segments, light industrial product decreased from 2.5 percent to 2.1 percent over the past six months. Warehouse experienced the greatest decrease from 2.9 percent to 1.2 percent. R&D Flex decreased from 6 percent to 5.3 percent. The quarter experienced a few large lease and renewal transactions, namely; (1) Sloat Brothers, Ltd – 299,930 square feet at 1345 Doolittle Drive, (2) Ferguson Enterprises – 157,324 square feet at 1936 Fairway Drive, (3) Corovan Moving – 70,125 square feet at 10903 Bigge Street and (4) St. George Logistics – 52,980 square feet at 1500 Doolittle Drive. Due to the fact that large spaces are diminishing we expect less activity next quarter, despite strong demand.

Overall asking rental rates have increased 18 percent from the 2014 base. The market has been extremely tight limiting deal flow and this was seen by the limited major transactions. Overall asking rents increased to $0.72 from $0.61 at the close of 2014. Industrial rental rates increased from $0.66 to $0.83. Warehouse/distribution rental rates remained subdued at $0.54 NNN per square foot at the close of the second quarter. R&D/flex increased slightly to $0.86 and has started showing signs of stabilizing at this level. We expect rents to experience limited volatility as we move towards the end of 2015.

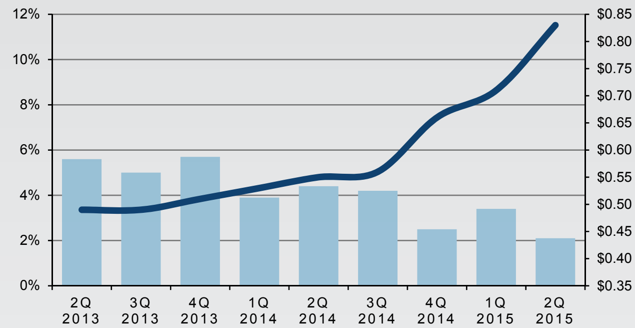
Overall gross absorption totaled 804,130 square feet for the first six months of 2015. The majority of the absorption were larger blocks of warehouse/distribution space totaling 512,199 square feet, with light industrial space absorption at 274,542 square feet and a minimal amount of 17,389 square feet attributable to R&D/flex space. The largest contributor to warehouse/distribution absorption was the previously mentioned Ferguson deal for 157,324 square feet.

1936 Fairway Drive, San Leandro

"... San Leandro take[s] the top spot along the I-880 Corridor for the lowest vacancy rate in the region."

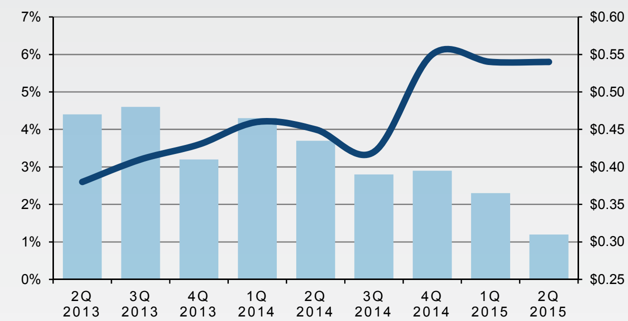
Vacancy vs. Asking NNN Rental Rates

San Leandro | Light Industrial



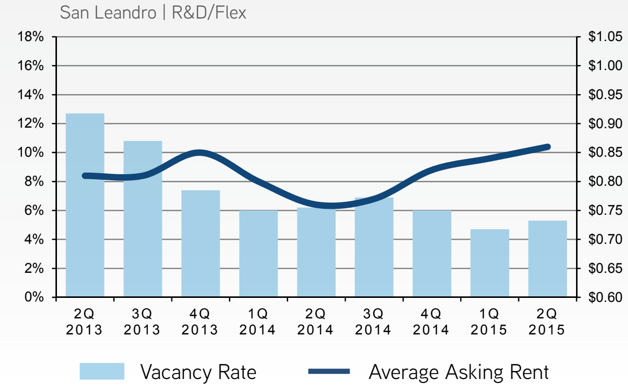
Vacancy vs. Asking NNN Rental Rates

San Leandro | Warehouse/Distribution



Vacancy vs. Asking NNN Rental Rates

San Leandro | R&D/Flex



Hayward

Overall vacancy increased slightly by the close of the second quarter. This was due primarily to the new functional 297,050 square foot warehouse space at 22290 Hathaway Avenue coming to the market. Isolating for this single space revealed that in fact the vacancy actually remained motionless at 3.8 percent, however, this rate remains historically low. The demolishing of 97,029 square feet at 22290 Hathaway Avenue, to create a more functional building, identifies the remarkable improvements in fundamentals in Hayward.

Diving further into the details, current warehouse/distribution vacancy rates are 5.8 percent compared to 3.2 percent six months ago, and R&D/flex vacancy is down from 11.1 percent to 7.2 percent. Light industrial vacancy decreased to 2.1 percent from 2.7 percent six months ago. As industrial users continue to spill over from the Peninsula, Hayward presents itself as an ideal location for local, national, and international companies due to its easy access to Highway 92 and the I-880 Corridor. There are currently nine blocks of space in Hayward greater than 100,000 square feet and in light of this, despite the current construction, we expect the overall vacancy rate to either remain flat or dip slightly. This point is further strengthened by the fact that adjacent submarkets lack similar large blocks of space.

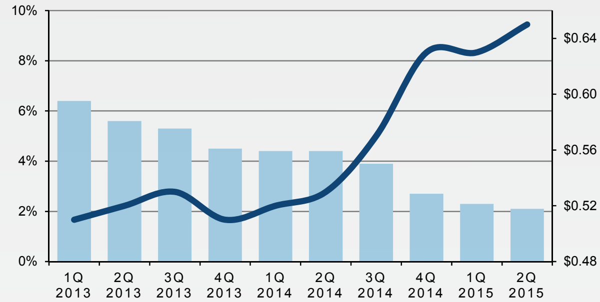
Overall asking rental rates have consistently remained above the $0.60 mark since the end of 2014. Hayward has seen a 30 percent increase in rental rates since the close of 2013. We expect both asking rates and completed lease rates to trend upward on functional space with fewer concessions from landlords throughout the remaining portion of 2015.

There were several notable transactions that took place during the second quarter. Ikea renewed their 118,840 square foot space at 21001-21005 Cabot Boulevard. Impax Laboratories, Inc. signed a sublease for 68,400 square feet at 31780 Hayman Street. Orion Logistics, Inc. renewed their 68,020 square foot space at 2188 Winton Avenue. Future Foam signed a lease for 50,300 square feet at 1455-1475 Crocker Avenue.

22290 Hathaway Avenue, Hayward

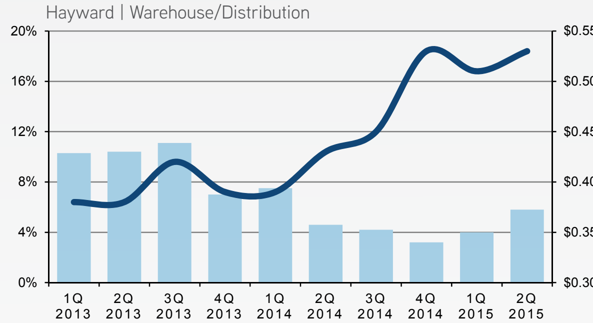
Vacancy vs. Asking NNN Rental Rates

Hayward | Light Industrial



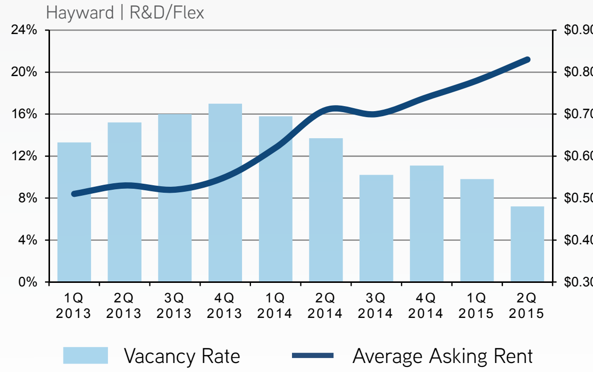
Vacancy vs. Asking NNN Rental Rates

Hayward | Warehouse/Distribution



Vacancy vs. Asking NNN Rental Rates

Hayward | R&D/Flex



Recent Developments Eden Landing

We expect vacancy to remain either flat or rise slightly in the Eden Landing submarket due to the fact that there is currently a lack of large spaces. Therefore, the moment one becomes available it will increase vacancy. Another aspect of this unique dynamic is that we furthermore expect leasing activity to be subdued as it becomes increasingly difficult for tenants to move around. This is also evident as we noted sizeable expansions in this area, namely; (1) 36,872 square feet – Daiso California, LLC at 3455 Arden Road and (2) 22,600 square feet - Pilot Air Freight at 26300 Corporate Avenue. On the construction front, McShane Development Company's planned project of 333,365 square feet at 3596 Baumberg Avenue is under way and set to be completed by the first quarter of 2016.

Union City

Industrial rents in Union City have increased as vacancy remains low. Vacancy in Union City continues to be one of the lowest in the region, presently 3.1 percent, down from 3.9 percent at the close of 2014. There is continued demand for Class A space in Union City, both existing tenants from the I-880 Corridor market, and tenants from outside the area are drawn to its "bulls eye" location in the Bay Area. The first half of 2015 was a solid start with positive absorption and occupancy increases, coupled with improvements in the economy leading to a decline in large blocks of space for tenants. Only two buildings of significant value or size came on the market; (1) 2930 Faber Street's 41,856 square feet – which is currently in escrow to a user and (2) 32,886 square feet at 2811 Faber Street, which came on the market at the tail end of the quarter, and should see immediate interest. We expect vacancy and leasing activity to remain relatively stable over the next few months until all larger, functional supply has been leased. This deficiency of quality product will slow the rate of lease transactions thereafter until new construction or more viable space options come available. We do not forecast a market downturn within the next six months and with an overall vacancy rate as low as 3.1 percent it is unlikely that we will see any significant downward movement.

As a result of the lack of supply highlighted above, asking rental rates have increased by more than 20 percent since the end of 2014. Overall asking rates across all product lines is currently $0.71 NNN compared to $0.58 NNN at the end of 2014. Average warehouse asking rates are presently $0.69, up from $0.52 a year ago, and light industrial rates are $0.57, up from $0.52 in 2014. R&D/flex rates currently sit at $0.94 NNN, up from $0.85 NNN in 2014. We expect to see gradual improvements in rates over the remainder of 2015 as vacancy remains low and activity levels remain steady.

"... Asking rental rates have increased by more than 20 percent since the end of 2014."

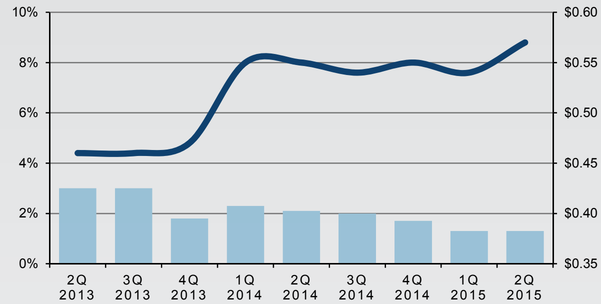
Significant leasing and sales activity took place during the second quarter. EDE Group signed a long term lease in 191,000 square feet at 33300 Dowe Avenue that will consolidate their operations from multiple Hayward locations to one larger block of space in Union City. Another large block of space was taken off the market as Spacesonic agreed to relocate their operations from the Peninsula, signing a long term lease at 30300 Union City Boulevard in 70,000 square feet of light industrial/manufacturing space. Finally, Pentair Thermal Management inked a long term deal with Prologis in 53,000 square feet at 2900 Faber Street – Pentair will be relocating their operations from the Silicon Valley, a trend that is becoming more common as tenants from the Peninsula and Silicon Valley Markets are drawn to the I-880 Corridor due to lower rents and often more functional product.

On the sales side two notable transactions stand out that were completed this quarter. Westland Giftware agreed to sell and lease back their 58,000 square foot Bay Area headquarters at 30180 Ahern Avenue to Terreno Realty and 26,000 square feet at 1500 Atlantic sold to a user for a price approaching $130 per square foot – a figure that is becoming the norm for functional warehouse/distribution space here.

33300 Dowe Avenue, Union City

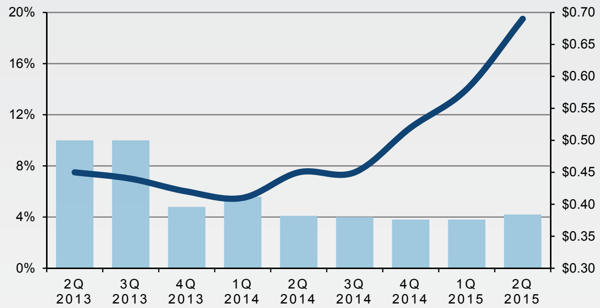
Vacancy vs. Asking NNN Rental Rates

Union City | Light Industrial



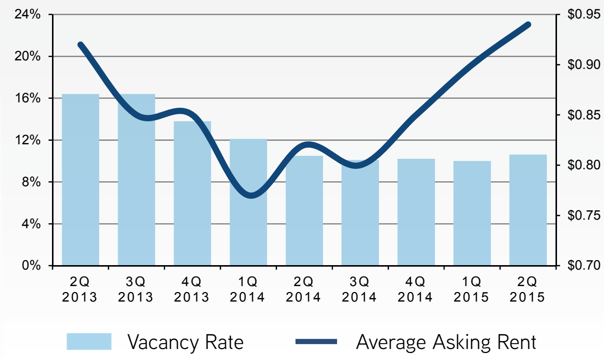
Vacancy vs. Asking NNN Rental Rates

Union City | Warehouse/Distribution



Vacancy vs. Asking NNN Rental Rates

Union City | R&D/Flex



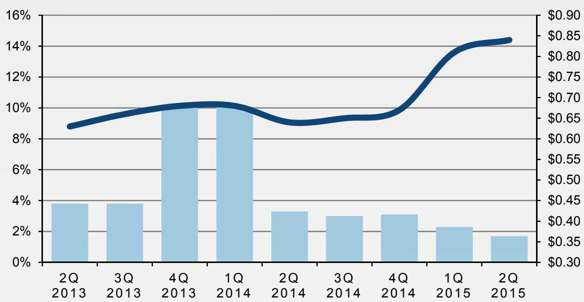
Newark

Newark is a smaller submarket with an attractive mix of product ranging from light industrial, warehouse/distribution to R&D/flex. This submarket is uniquely positioned along the I-880 Corridor due primarily to its proximity to the Dumbarton Bridge and in turn Silicon Valley.

Since the development of Cherry Logistics Center, new opportunities for a redevelopment have not presented themselves despite piqued interest from institutional developers and investors. The fact that Newark is a smaller market and has lower land costs in comparison to its neighbors along the Corridor exacerbates this. Due to the general growth trend in this submarket there appears to be strong business activity among major tenants as they look to expand their footprint.

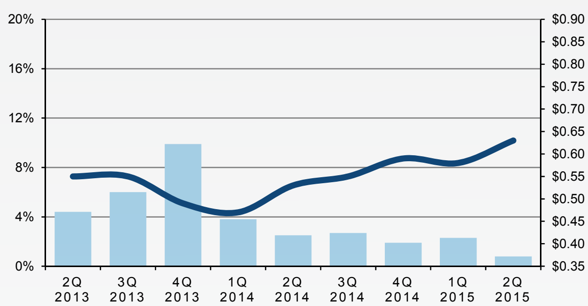
Vacancy vs. Asking NNN Rental Rates

Newark | Light Industrial



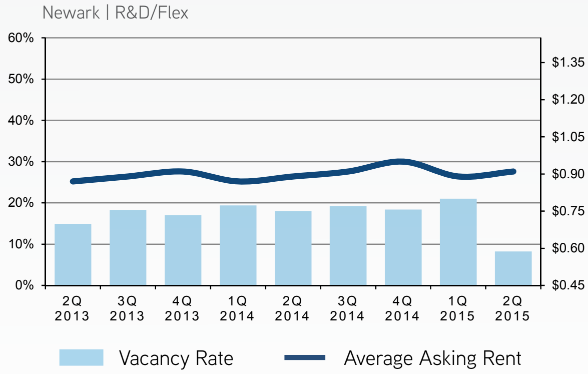
Vacancy vs. Asking NNN Rental Rates

Newark | Warehouse/Distribution



Vacancy vs. Asking NNN Rental Rates

Newark | R&D/Flex



"This submarket is uniquely positioned along the I-880 Corridor due to its proximity to the Dumbarton Bridge and in turn, Silicon Valley."

Leasing activity has been robust for the first half of the year, specifically for R&D/flex product. Two significant leases contributed to this in the second quarter of 2015. First, Stanford Health leased 105,362 square feet at 7600 Gateway Boulevard at the Pacific Research Center. Second, Cellotape leased 48,034 square feet of R&D/flex space at 39611 Eureka Drive in Stevenson Point Technology Park. These significant leases along with the removal of 100,960 square feet space at 39201 Cherry Street, taken off the market in June, further contributed to the significant drop of 10.2 percent in vacancy for Newark's R&D/flex product. Overall vacancy is 3.2 percent, down from 3.7 percent from the end of 2014. Light industrial vacancy dropped to 1.7 percent from 3.1 percent and warehouse/distribution to 0.8 percent from 1.9 percent. The dramatic descent in vacancy rates across all product types verifies the demand for more affordable product from the South Bay, Silicon Valley and the Lower Peninsula. Tethering all these facets, the current market activity and positive absorption trends should be consistent for the remaining portion of 2015.

Rental rates increased significantly for industrial product due largely to the lack of inventory and increased demand by both South Bay and Peninsula tenants. Light industrial asking rental rates increased by more than 25 percent since the close of 2014. Due to the shortage of inventory in warehouse/distribution and high rates in R&D/flex product, the overall rental rate is $0.87 NNN per square foot. Warehouse/distribution rental rates are up 6.8 percent from the close of 2014. Newark's rates are currently at the upper segment, for all product types, in relation to its I-880 Corridor counterparts. Colliers expects rents to continue ascending over the next two quarters as market activity remains steady and vacancy remains historically low across all product types.

Year-to-date total net absorption in Newark was higher than most submarkets within the I-880 Corridor, with 420,353 square feet of positive net absorption.

Aerial View of Newark

Significant Lease Activity

Significant Lease Activity

PROPERTY ADDRESS	SALE DATE	SIZE	TENANT	TYPE
3725-3775 Alameda Avenue, Oakland	April 2015	80,800	Brink's Inc	Warehouse/Distribution
30300 Union City Boulevard, Union City	May 2015	70,800	Spacesonic Inc	Warehouse/Distribution
10903 Bigge Street, San Leandro	April 2015	70,125	Corovan Moving	Light Industrial
800 77th Avenue, Oakland	May 2015	70,000	Central Valley Agricultural	Industrial
31780 Hayman Street, Hayward	May 2015	68,400	Impax Laboratories, Inc	Warehouse/Distribution
2188 Winton Avenue, Hayward	April 2015	68,020	Orion Logistics, Inc	Warehouse/Distribution
2900 Faber Street, Union City	April 2015	53,504	Pentair Thermal Management, LLC	Warehouse/Distribution
1500 Doolittle Drive, San Leandro	June 2015	52,980	St. George Logistics	Light Industrial
1455-1475 Crocker Avenue, Hayward	May 2015	50,300	Future Foam	Warehouse/Distribution
23270-23284 Eichler Street, Hayward	June 2015	45,199	Wash Multifamily Laundry Systems	Warehouse/Distribution
2704-2748 Winton Avenue, Hayward	April 2015	35,640	California Sierra Express	Warehouse/Distribution

Significant Sale Activity

American Tire Distributors
2600 Goodrick Avenue, Richmond
June 2015
55,595 SF - Manufacturing

Edward Kwaun & Sow Fun Chung
335 Adeline Street, Oakland
June 2015
122,240 SF - Light Industrial

R&A Trucking
1100 77th Avenue, Oakland
April 2015
75,000 SF - Light Industrial

Westcore Properties, LLC
550 85th Avenue, Oakland
June 2015
66,913 SF - Light Industrial

Balco Properties LTD, LLC
2091-2095 Williams Street, San Leandro
June 2015
29,400 SF
Light Industrial

Bentall Kennedy
8350 Pardee Drive, Oakland
April 2015
374,725 SF
Warehouse/Distribution

Terreno Realty Corporation
30180 Ahern Avenue, Union City
April 2015
58,624 SF
Light Industrial

Market Comparisons

INDUSTRIAL MARKET

SUBTYPE	BLDGS	TOTAL INVENTORY SF	DIRECT VACANT SF	DIRECT VACANCY RATE	SUBLEASE VACANT SF	SUBLEASE VACANCY RATE	TOTAL VACANT SF	VACANCY RATE CURRENT QUARTER	VACANCY RATE PRIOR QUARTER	NET ABSORPTION CURRENT QTR SF	NET ABSORPTION YTD SF	COMPLETED CURRENT QTR SF	UNDER CONSTRUCTION SF	AVG ASKING NNN
RICHMOND														
Industrial	225	4,851,386	366,962	7.6%	-	0.0%	366,962	7.6%	7.4%	(6,088)	(34,088)	-	-	$0.56
Warehouse	44	4,857,710	320,967	6.6%	-	0.0%	320,967	6.6%	4.8%	367,876	269,691	476,529 -	-	$0.56
R&D/Flex	100	3,393,153	206,813	6.1%	-	0.0%	206,813	6.1%	6.9%	28,651	26,101	-	-	$0.75
Total	369	13,102,249	894,742	6.8%	-	0.0%	894,742	6.8%	6.4%	390,439	261,704	476,529	-	$0.61
OAKLAND														
Industrial	834	22,664,359	695,836	3.1%	12,710	0.1%	708,546	3.1%	3.0%	(27,080)	(85,933)	-	-	$0.63
Warehouse	157	10,990,829	170,617	1.6%	161,500	1.5%	332,117	3.0%	3.0%	-	319,038	-	-	$0.56
R&D/Flex	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	991	33,655,188	866,453	2.6%	174,210	0.5%	1,040,663	3.1%	3.0%	(27,080)	233,105	-	-	$0.61
SAN LEANDRO														
Industrial	460	11,661,810	248,760	2.1%	-	0.0%	248,760	2.1%	3.4%	148,504	46,408	-	-	$0.83
Warehouse	127	14,543,408	117,225	0.8%	57,000	0.4%	174,225	1.2%	2.3%	161,728	244,688	-	-	$0.54
R&D/Flex	52	847,380	45,296	5.3%	-	0.0%	45,296	5.3%	4.7%	(5,631)	5,418	-	-	$0.86
Total	639	27,052,598	411,281	1.5%	57,000	0.2%	468,281	1.7%	2.9%	304,601	296,514	-	-	$0.72
HAYWARD														
Industrial	786	16,581,585	343,713	2.1%	-	0.0%	343,713	2.1%	2.3%	31,571	97,544	-	-	$0.65
Warehouse	214	21,078,545	1,205,724	5.7%	12,434	0.1%	1,218,158	5.8%	4.0%	(375,472)	(547,817)	-	333,000	$0.53
R&D/Flex	105	4,502,794	270,367	6.0%	52,834	1.2%	323,201	7.2%	9.8%	116,259	178,680	-	-	$0.83
Total	1,105	42,162,924	1,819,804	4.3%	65,268	0.2%	1,885,072	4.5%	3.9%	(227,642)	(271,593)	-	333,000	$0.60
UNION CITY														
Industrial	162	7,883,678	104,561	1.3%	-	0.0%	104,561	1.3%	1.3%	1,695	25,659	-	-	$0.57
Warehouse	82	7,381,086	309,896	4.2%	-	0.0%	309,896	4.2%	3.8%	158,035	154,380	193,560	107,024	$0.69
R&D/Flex	14	870,672	92,190	10.6%	-	0.0%	92,190	10.6%	10.0%	(5,184)	(3,389)	-	-	$0.94
Total	258	16,135,436	506,647	3.1%	-	0.0%	506,647	3.1%	2.9%	154,546	176,650	193,560	107,024	$0.71
NEWARK														
Industrial	139	4,119,474	70,630	1.7%	-	0.0%	70,630	1.7%	2.3%	24,163	58,271	-	-	$0.84
Warehouse	29	3,923,778	-	0.0%	30,000	0.8%	30,000	0.8%	2.3%	60,048	46,248	-	-	$0.63
R&D/Flex	43	3,082,263	251,818	8.2%	-	0.0%	251,818	8.2%	21.0%	395,570	315,834	-	-	$0.91
Total	211	11,125,514	322,448	2.9%	30,000	0.3%	352,448	3.2%	7.4%	479,781	420,353	-	-	$0.87

MARKET TOTAL

Industrial	2,606	67,762,292	1,830,462	2.7%	12,710	0.0%	1,843,172	2.7%	3.0%	172,765	107,861	-	-	$0.65
Warehouse	653	62,775,356	2,124,429	3.4%	260,934	0.4%	2,385,363	3.8%	3.4%	372,215	486,228	670,089	440,024	$0.56
R&D/Flex	314	12,696,262	866,484	6.8%	52,834	0.4%	919,318	7.2%	11.4%	529,665	522,644	-	-	$0.84
Total	3,573	143,233,909	4,821,375	3.4%	326,478	0.2%	5,147,853	3.6%	3.9%	1,074,645	1,116,733	670,089	440,024	$0.65

QUARTERLY COMPARISONS AND TOTALS

Q2-15	3,573	143,233,909	4,821,375	3.4%	326,478	0.2%	5,147,853	3.6%	3.9%	1,074,645	1,116,733	670,089	440,024	$0.65
Q1-15	3,569	142,563,820	4,628,639	3.2%	923,770	0.6%	5,552,409	3.9%	3.9%	-	42,088	-	1,107,634	$0.65
Q4-14	3,569	142,563,820	4,708,975	3.3%	885,522	0.6%	5,594,497	3.9%	4.8%	-	4,353,089	-	633,584	$0.62
Q3-14	3,569	142,563,820	5,906,095	4.1%	961,814	0.7%	6,867,909	4.8%	5.6%	1,116,697	2,977,613	-	580,584	$0.57
Q2-14	3,569	142,563,820	6,827,832	4.8%	1,156,774	0.8%	7,984,606	5.6%	6.8%	2,192,041	1,860,916	574,640	-	$0.56
Q1-14	3,568	141,989,180	8,228,693	5.8%	1,373,314	1.0%	9,602,007	6.8%	6.4%	(331,125)	(331,125)	374,725	574,640	$0.53

502 offices in
67 countries on
6 continents

United States: **140**
Canada: **31**
Latin America: **24**
Asia Pacific: **199**
EMEA: **108**

$2.3

billion in
annual revenue

1.7

billion square feet
under management

16,300

professionals
and staff

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