

Appendix B: Market Study Report

ESRI Report Data

California Avenue

- Total sales: \$301,350,000
- Total employees: 1,562
- Total businesses: 235
- Retail: 6.5% businesses; 6.4% employees
- Accommodation and food services: 10.4% businesses; 11.9% employees

Demographic Summary	2021	2026 (Projected)
Population	141,015	146,566
Households	55,632	57,798
Families	32,242	33,552
Median Age	37.5	37.5
Median Household Income	\$161,252	\$176,564

Top Tapestry Segments	Percent
Top Tier (1A)	25.5%
Urban Chic (2A)	24.2%
Laptops and Lattes (3A)	21.1%
Trendsetters (3C)	8.1%
Enterprising Professionals (2D)	5.8%
See reports at the end of this Appendix for detailed profiles of Top Tier, Urban Chic, and Laptops and Lattes. Other profiles can be found at https://doc.arcgis.com/en/esri-demographics/latest/regional-data/tapestry-segmentation.htm .	

Retail Leakage

- More than 40%: Auto parts, motor vehicle dealers, auto accessories, drinking places, direct selling establishments, florists, vending machine operators
- 20% to 40%: Lawn and garden equipment, healthcare stores, gasoline stores, used merchandise
- 10% to 20%: Grocery stores, specialty food stores, and services

Retail Surplus

- More than 40%: Shoe stores, book, periodical, and music stores
- 20% to 40%: Furniture stores
- 10% to 20%: Department stores, home furnishings stores, electronics and appliance stores

Downtown/University Avenue

- Total sales: \$1,871,207,000
- Total employees: 8,322
- Total businesses: 1,063
- Retail: 7.5% businesses; 4.6% employees
- Accommodation and food services: 8.4% businesses; 14.0% employees

Demographic Summary	2021	2026 (Projected)
Population	20,938	21,195
Households	9,370	9,441
Families	4,950	5,015
Median Age	43.0	43.7
Median Household Income	\$186,084	\$200,001

Top Tapestry Segments	Percent
Laptops and Lattes (3A)	46.4%
Top Tier (1A)	34.6%
Urban Chic (2A)	10.8%
Social Security Set (9F)	8.2%
Dorms to Diplomas (14C)	0.1%
See reports at the end of this Appendix for detailed profiles of Top Tier, Urban Chic, and Laptops and Lattes. Other profiles can be found at https://doc.arcgis.com/en/esri-demographics/latest/regional-data/tapestry-segmentation.htm .	

Retail Leakage

- More than 40%: Auto parts, motor vehicle dealers, auto accessories, building material, lawn & garden equipment, other general merchandise stores, florists, vending machine operators, direct selling establishments, special food services, drinking places
- 20% to 40%: Used merchandise stores, office supplies, stationery, and gift stores, gasoline stations, health and personal care stores, specialty food stores, grocery stores

Retail Surplus

- More than 40%: Furniture stores, shoe stores, books, periodicals, and music stores
- 10% to 20%: Department stores, jewelry, luggage, and leather goods stores

Midtown Shopping

- Total sales: \$101,684,000
- Total employees: 451
- Total businesses: 116

Demographic Summary	2021	2026 (Projected)
Population	30,295	30,639
Households	11,318	11,401
Families	7,917	8,006
Median Age	44.0	44.0
Median Household Income	\$200,001	\$200,001

Top Tapestry Segments	Percent
Urban Chic (2A)	45.8%
Top Tier (1A)	38.9%
Laptops and Lattes (3A)	8.8%
Enterprising Professionals (2D)	5.5%
Trendsetters (3C)	1.0%
See reports at the end of this Appendix for detailed profiles of Top Tier, Urban Chic, and Laptops and Lattes. Other profiles can be found at https://doc.arcgis.com/en/esri-demographics/latest/regional-data/tapestry-segmentation.htm .	

CoStar Retail and Office Summary (February 2024)

Retail

Table 1: Retail Overview - Palo Alto, Los Altos, and Santa Monica (2024 Q1)

Retail	Total/Average Palo Alto	Palo Alto Downtown (CD-C/GF)	Palo Alto California Ave (CC2/R)	Palo Alto El Camino Real – Town & County (CC)	Palo Alto El Camino Real – California Ave (CN, CS)	Palo Alto El Camino Real – South	Palo Alto Midtown (CN/GF)	Los Altos CRS Zone	Santa Monica Main Street	Santa Monica 3 rd Street
INVENTORY SF	1,831,300	740,000	295,000	175,000	54,300	463,000	104,000	433,000	461,000	1,300,000
Under Construction Square Feet	0	0	0	0	0	0	0	0	0	50,000
Vacant Square Feet	178,600	112,000	28,200	21,400	5,000	8,100	3,900	11,074	47,700	340,000
12 Month Net Absorption Square Feet	-44,851	-51,300	12,200	-853	-4,500	-832	434	-282	-12,800	-32,800
12 Month Net Absorption Square Feet (one year change)	-1543%	-381%	504%	-158%	-9277%	-110%	164%	27%	-35%	33%
VACANCY RATE	9.8%	15.1%	9.6%	12.2%	9.1%	1.8%	3.8%	2.6%	10.3%	25.9%
Vacancy Rate (one year change)	1.9%	6.90%	-4.10%	0.50%	8.20%	0.20%	-0.40%	0.10%	2.80%	2.50%
Market Asking Rent/ Square Feet	\$61.07	\$77.11	\$54.47	\$76.70	\$48.81	\$53.65	\$55.67	\$49.05	\$67.56	\$79.85
Market Asking Rent/ Square Feet (one year change)	-0.52%	-0.50%	-0.70%	-0.40%	-0.30%	-0.70%	-0.50%	-0.40%	1.30%	-1.80%
Market Sale Price/ Square Feet	\$828	\$1,129	\$788	\$593	\$913	\$797	\$748	\$767	\$916	\$909
Market Sale Price/ Square Feet (one year change)	-0.83%	-2.00%	-0.80%	0.20%	-1.60%	-1.20%	0.40%	-0.70%	2.10%	-0.80%
Market Cap Rate	4.45%	4.20%	4.50%	5.00%	4.20%	4.50%	4.30%	4.60%	4.60%	4.90%
Market Cap Rate (one year change)	0.85%	0.10%	4.50%	0.20%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%

Table 2: Retail Vacancy Rate - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

PERIOD	Palo Alto Downtown (CD-C/GF)	Palo Alto California Ave (CC2/R)	Palo Alto El Camino Real – Town & County (CC)	Palo Alto El Camino Real – California Ave (CN, CS)	Palo Alto El Camino Real – South	Palo Alto Midtown (CN/GF)	Los Altos CRS Zone	Santa Monica Main Street	Santa Monica 3rd Street
INVENTORY SF	740,000	295,000	175,000	54,300	463,000	104,000	433,000	461,000	1,300,000
2024 Q1	15%	10%	12%	9.1%	2%	4%	3%	10%	26%
2023 Q4	14%	9%	12%	9.1%	2%	5%	3%	11%	25%
2023 Q3	14%	9%	12%	0%	1%	5%	2%	10%	26%
2023 Q2	14%	13%	12%	0%	1%	5%	2%	8%	24%
2023 Q1	9%	15%	13%	0.00%	1%	5%	2%	11%	23%
2022 Q4	8%	13%	10%	1.6%	2%	4%	3%	5%	23%
2022 Q3	10%	14%	10%	2%	2%	4%	2%	6%	22%
2022 Q2	9%	15%	11%	2%	3%	4%	3%	8%	24%
2022 Q1	12%	13%	12%	2%	3%	4%	2%	6%	22%
2021 Q4	10%	15%	13%	0%	3%	3%	2%	5%	19%
2021 Q3	8%	13%	14%	0%	3%	3%	4%	8%	22%
2021 Q2	11%	12%	12%	0%	2%	3%	3%	11%	21%
2021 Q1	9%	12%	12%	0%	2%	1%	2%	9%	12%
2020 Q4	6%	11%	14%	4%	3%	1%	3%	11%	12%
2020 Q3	5%	11%	11%	4%	2%	1%	4%	11%	12%
2020 Q2	4%	9%	7%	4%	1%	1%	3%	7%	11%
2020 Q1	4%	9%	6%	4%	1%	1%	3%	5%	12%
2019 Q4	4%	6%	3%	17%	1%	1%	2%	5%	9%
2019 Q3	4%	6%	0%	19%	1%	1%	1%	6%	9%
2019 Q2	5%	6%	2%	0%	1%	1%	1%	2%	8%
2019 Q1	4%	6%	2%	1%	1%	2%	0%	4%	10%
2018 Q4	5%	3%	3%	0%	1%	0%	0%	4%	9%
2018 Q3	3%	3%	1%	0%	1%	0%	1%	5%	7%
2018 Q2	3%	1%	2%	0%	1%	0%	0%	5%	8%
2018 Q1	3%	2%	2%	0%	1%	0%	0%	6%	7%
2017 Q4	4%	6%	0%	0%	1%	0%	0%	5%	4%
2017 Q3	4%	1%	1%	0%	0%	0%	2%	4%	4%
2017 Q2	4%	7%	0%	0%	1%	1%	2%	4%	3%
2017 Q1	6%	6%	4%	0%	1%	2%	3%	3%	3%
2016 Q4	2%	0%	1%	2%	1%	1%	2%	2%	4%
2016 Q3	3%	2%	1%	2%	1%	4%	1%	3%	5%
2016 Q2	1%	1%	1%	0%	0%	0%	2%	2%	3%
2016 Q1	3%	3%	1%	0%	1%	0%	2%	2%	4%
2015 Q4	1%	4%	1%	0%	2%	0%	2%	1%	5%
2015 Q3	1%	0%	1%	0%	1%	0%	2%	1%	5%
2015 Q2	1%	2%	0%	0%	2%	3%	3%	1%	4%
2015 Q1	2%	2%	0%	0%	2%	3%	2%	1%	4%
2014 Q4	1%	2%	1%	0%	1%	3%	0%	0%	5%
2014 Q3	0%	2%	1%	0%	1%	3%	1%	1%	6%
2014 Q2	3%	0%	0%	0%	1%	3%	1%	1%	6%
2014 Q1	1%	1%	0%	16%	2%	3%	1%	4%	4%

Figure 1: Retail Vacancy Rate - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

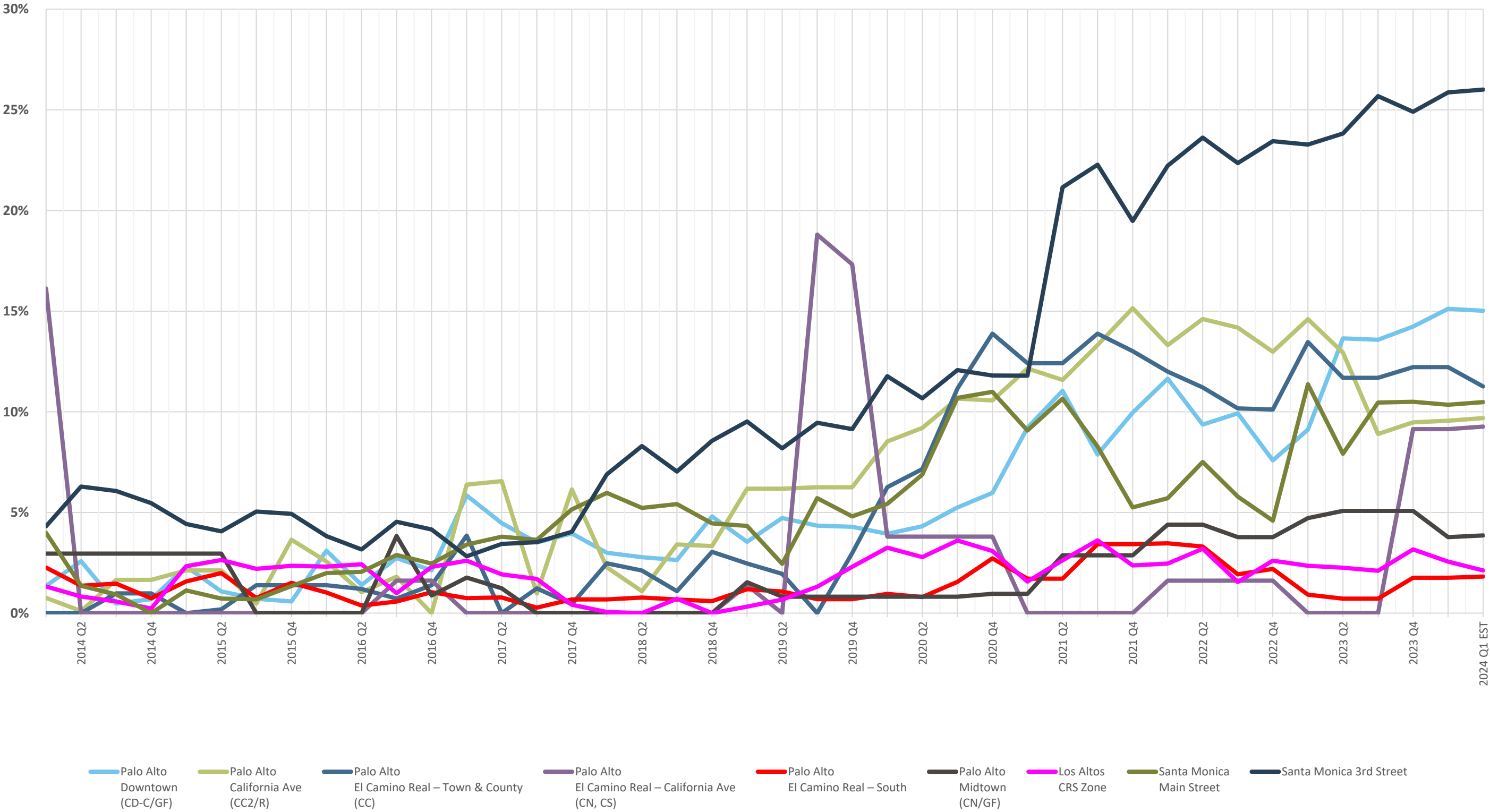


Table 3: Retail Vacancy Square Footage - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

PERIOD	Total Square Feet Palo Alto	Palo Alto Downtown (CD-C/GF)	Palo Alto California Ave (CC2/R)	Palo Alto El Camino Real – Town & County (CC)	Palo Alto El Camino Real – California Ave (CN, CS)	Palo Alto El Camino Real – South	Palo Alto Midtown (CN/GF)	Los Altos CRS Zone	Santa Monica Main Street	Santa Monica 3rd Street
TOTAL SF	1,831,300	740,000	295,000	175,000	54,300	463,000	104,000	433,000	461,000	1,300,000
2024 Q1	178,597	111,905	28,235	21,425	4,960	8,132	3,940	11,074	47,714	339,654
2023 Q4	173,194	105,375	27,999	21,425	4,960	8,132	5,303	13,710	48,409	326,979
2023 Q3	155,957	100,547	26,293	20,493	-	3,321	5,303	9,107	48,227	337,217
2023 Q2	168,361	101,016	38,228	20,493	-	3,321	5,303	9,753	36,496	312,798
2023 Q1	143,381	67,478	43,128	23,606	-	4,241	4,928	10,178	52,416	305,582
2022 Q4	127,229	56,165	38,353	17,732	875	10,164	3,940	11,274	21,180	307,835
2022 Q3	146,933	73,475	41,897	17,830	875	8,916	3,940	6,696	26,681	293,504
2022 Q2	152,945	69,354	43,158	19,652	875	15,316	4,590	13,825	34,620	310,164
2022 Q1	168,125	86,236	39,326	21,032	875	16,066	4,590	10,651	26,314	291,790
2021 Q4	160,156	73,735	44,743	22,812	-	15,866	3,000	10,248	24,212	261,303
2021 Q3	140,829	58,301	39,325	24,337	-	15,866	3,000	15,648	38,160	298,801
2021 Q2	149,691	82,789	34,225	21,761	-	7,916	3,000	11,339	49,132	283,694
2021 Q1	133,446	69,048	33,721	21,761	-	7,916	1,000	6,789	41,828	158,202
2020 Q4	114,225	44,786	29,321	24,340	2,062	12,716	1,000	13,349	50,688	158,302
2020 Q3	98,700	39,340	29,573	19,554	2,062	7,321	850	15,605	49,298	161,951
2020 Q2	77,103	32,350	25,526	12,541	2,062	3,774	850	12,040	31,726	143,160
2020 Q1	71,609	29,528	23,666	10,967	2,062	4,536	850	14,077	25,024	157,851
2019 Q4	68,273	32,146	17,349	5,226	9,402	3,300	850	9,964	22,153	122,571
2019 Q3	64,283	32,578	17,349	-	10,206	3,300	850	5,667	26,343	126,847
2019 Q2	61,946	35,423	17,149	3,424	-	5,100	850	2,913	11,286	109,811
2019 Q1	56,015	26,552	17,149	4,324	750	5,640	1,600	1,383	19,971	127,702
2018 Q4	53,397	35,982	9,250	5,335	-	2,830	-	-	20,559	114,843
2018 Q3	34,381	19,785	9,465	1,911	-	3,220	-	3,100	24,870	94,342
2018 Q2	31,228	20,830	3,017	3,711	-	3,670	-	-	23,992	111,338
2018 Q1	36,373	22,483	6,317	4,337	-	3,236	-	250	27,425	92,497
2017 Q4	51,354	29,687	17,651	780	-	3,236	-	1,800	23,648	54,170
2017 Q3	32,545	26,296	2,797	2,152	-	1,300	-	7,344	16,706	47,270
2017 Q2	57,323	33,513	18,832	-	-	3,688	1,290	8,344	17,421	46,153
2017 Q1	74,259	43,793	18,332	6,751	-	3,538	1,845	11,280	15,621	37,648
2016 Q4	25,103	15,915	-	2,436	875	4,962	915	9,944	11,311	55,410
2016 Q3	34,582	20,515	5,191	1,264	875	2,738	3,999	4,290	13,268	60,582
2016 Q2	17,374	10,500	2,986	2,100	-	1,788	-	10,500	9,427	42,179
2016 Q1	37,919	23,261	7,358	2,429	-	4,871	-	9,990	9,142	51,035
2015 Q4	24,547	4,350	10,597	2,429	-	7,171	-	10,172	6,166	65,780
2015 Q3	12,725	5,350	1,358	2,429	-	3,588	-	9,515	3,150	67,286
2015 Q2	27,143	8,084	6,158	329	-	9,488	3,084	11,428	3,322	54,211
2015 Q1	34,214	17,459	6,158	-	-	7,513	3,084	10,092	5,172	59,104
2014 Q4	18,344	5,226	4,800	1,722	-	3,512	3,084	1,000	-	72,902
2014 Q3	20,198	3,600	4,800	1,722	-	6,992	3,084	2,500	4,260	80,946
2014 Q2	29,786	19,900	310	-	-	6,492	3,084	3,200	6,175	83,840
2014 Q1	36,931	10,402	2,200	-	10,432	10,813	3,084	5,124	18,144	57,548

Figure 2: Retail Vacancy Square Footage - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

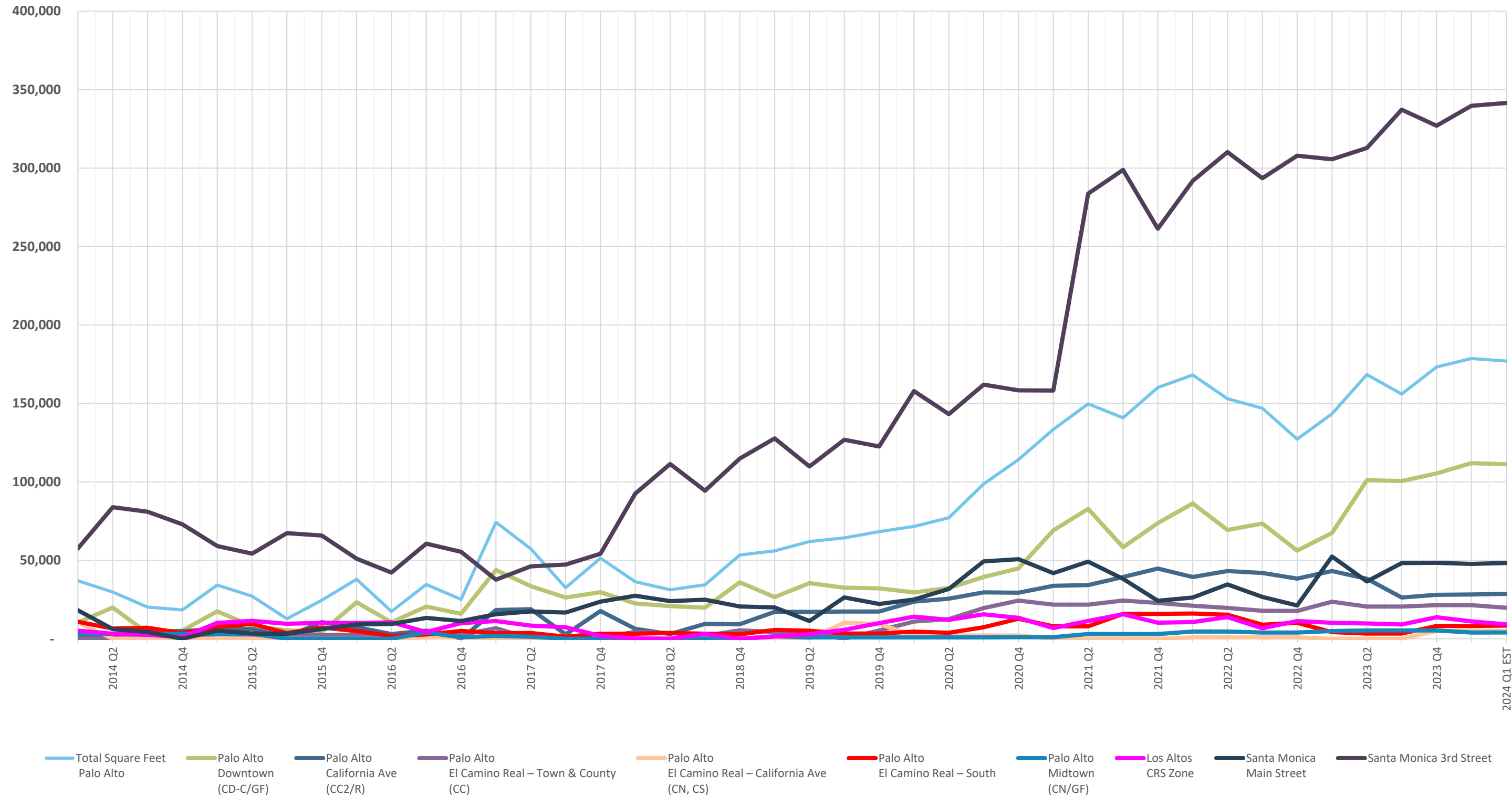


Table 4: Retail Market Asking Rent Per Square Foot - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

PERIOD	Palo Alto Downtown (CD-C/GF)	Palo Alto California Ave (CC2/R)	Palo Alto El Camino Real – Town & County (CC)	Palo Alto El Camino Real – California Ave (CN, CS)	Palo Alto El Camino Real – South	Palo Alto Midtown (CN/GF)	Los Altos CRS Zone	Santa Monica Main Street	Santa Monica 3rd Street
TOTAL SF	740,000	295,000	175,000	54,300	463,000	104,000	433,000	461,000	1,300,000
2024 Q1	\$77	\$54	\$77	\$49	\$54	\$56	\$49	\$68	\$80
2023 Q4	\$78	\$55	\$77	\$49	\$54	\$56	\$49	\$68	\$81
2023 Q3	\$76.8	\$54.3	\$75.7	\$49.0	\$53.3	\$55.2	\$49.0	\$67.3	\$80.9
2023 Q2	\$77.1	\$54.5	\$76.4	\$48.8	\$53.6	\$55.6	\$49.2	\$67.0	\$81.2
2023 Q1	\$77.7	\$54.9	\$77.1	\$49.1	\$54.1	\$56.0	\$49.3	\$66.8	\$81.4
2022 Q4	\$77	\$55	\$77	\$49	\$54	\$56	\$49	\$67	\$82
2022 Q3	\$77	\$54	\$77	\$49	\$54	\$56	\$49	\$66	\$81
2022 Q2	\$77	\$54	\$76	\$48	\$53	\$55	\$49	\$66	\$81
2022 Q1	\$76	\$54	\$75	\$48	\$53	\$55	\$49	\$65	\$79
2021 Q4	\$76	\$54	\$75	\$48	\$53	\$55	\$48	\$65	\$79
2021 Q3	\$76	\$53	\$74	\$48	\$53	\$54	\$48	\$64	\$79
2021 Q2	\$75	\$53	\$74	\$48	\$52	\$54	\$48	\$64	\$78
2021 Q1	\$74	\$53	\$73	\$47	\$52	\$53	\$47	\$64	\$78
2020 Q4	\$74	\$52	\$73	\$47	\$51	\$53	\$47	\$64	\$78
2020 Q3	\$74	\$52	\$73	\$46	\$51	\$53	\$47	\$64	\$79
2020 Q2	\$74	\$52	\$73	\$46	\$51	\$53	\$47	\$64	\$79
2020 Q1	\$73	\$52	\$72	\$46	\$51	\$52	\$46	\$64	\$80
2019 Q4	\$73	\$52	\$71	\$46	\$50	\$52	\$46	\$64	\$80
2019 Q3	\$72	\$51	\$71	\$46	\$50	\$52	\$46	\$64	\$81
2019 Q2	\$72	\$51	\$70	\$45	\$50	\$51	\$46	\$63	\$81
2019 Q1	\$71	\$51	\$69	\$45	\$49	\$51	\$45	\$63	\$80
2018 Q4	\$71	\$50	\$69	\$45	\$49	\$51	\$45	\$63	\$80
2018 Q3	\$70	\$50	\$68	\$45	\$49	\$50	\$44	\$62	\$78
2018 Q2	\$70	\$50	\$68	\$44	\$48	\$50	\$44	\$62	\$78
2018 Q1	\$69	\$49	\$67	\$44	\$48	\$49	\$44	\$62	\$78
2017 Q4	\$69	\$49	\$66	\$43	\$47	\$49	\$43	\$61	\$77
2017 Q3	\$68	\$49	\$65	\$43	\$47	\$49	\$43	\$61	\$79
2017 Q2	\$68	\$48	\$65	\$43	\$47	\$48	\$43	\$60	\$80
2017 Q1	\$67	\$48	\$65	\$43	\$46	\$48	\$42	\$60	\$80
2016 Q4	\$67	\$47	\$64	\$42	\$46	\$47	\$42	\$59	\$80
2016 Q3	\$66	\$47	\$63	\$42	\$45	\$47	\$42	\$59	\$79
2016 Q2	\$65	\$46	\$62	\$41	\$45	\$46	\$41	\$59	\$75
2016 Q1	\$65	\$46	\$61	\$41	\$44	\$46	\$41	\$58	\$73
2015 Q4	\$64	\$45	\$60	\$40	\$44	\$45	\$40	\$57	\$72
2015 Q3	\$63	\$45	\$59	\$40	\$43	\$44	\$40	\$57	\$71
2015 Q2	\$63	\$44	\$59	\$39	\$43	\$44	\$39	\$56	\$70
2015 Q1	\$62	\$44	\$58	\$39	\$42	\$43	\$39	\$55	\$69
2014 Q4	\$61	\$44	\$57	\$39	\$42	\$43	\$39	\$55	\$68
2014 Q3	\$61	\$43	\$57	\$38	\$41	\$42	\$38	\$54	\$67
2014 Q2	\$60	\$43	\$56	\$38	\$41	\$42	\$38	\$54	\$66
2014 Q1	\$60	\$42	\$55	\$37	\$40	\$41	\$37	\$53	\$66

Figure 3: Retail Market Asking Rent Per Square Foot - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

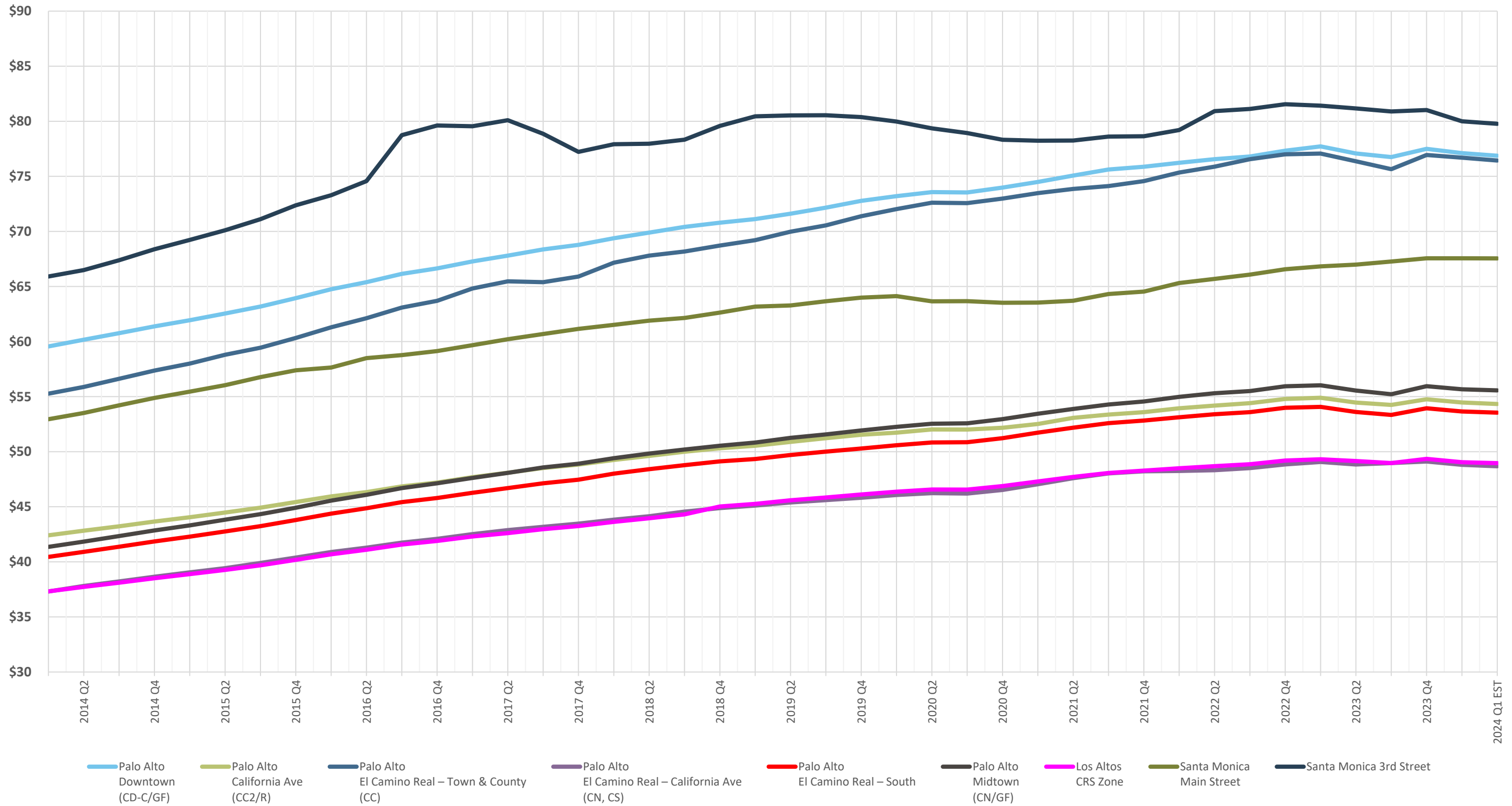
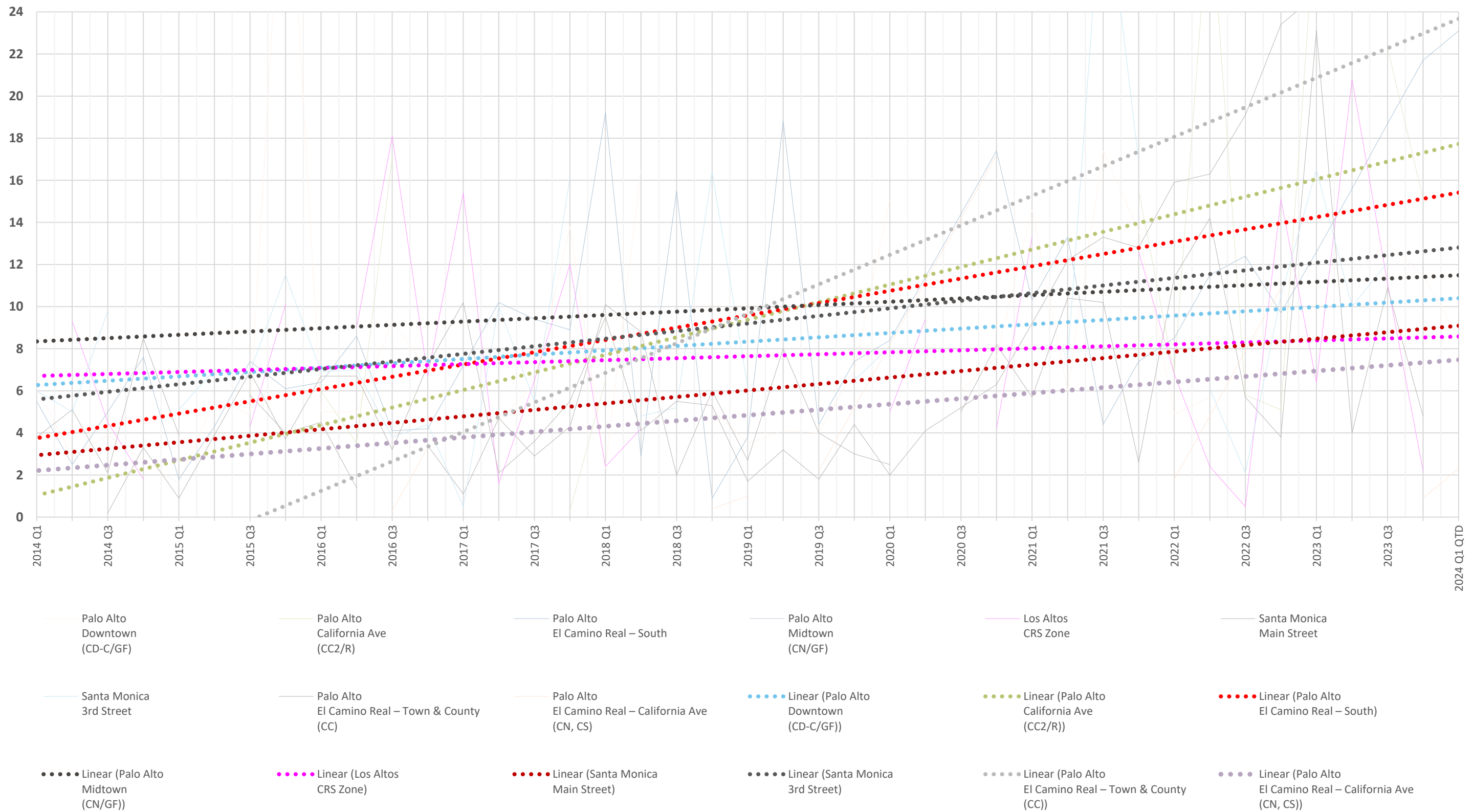


Table 5: Retail Vacancy by Months - Palo Alto, Los Altos, and Santa Monica (2014 - 2024 Q1)

PERIOD	Palo Alto Downtown (CD-C/GF)	Palo Alto California Ave (CC2/R)	Palo Alto El Camino Real – Town & County (CC)	Palo Alto El Camino Real – California Ave (CN, CS)	Palo Alto El Camino Real – South	Palo Alto Midtown (CN/GF)	Los Altos CRS Zone	Santa Monica Main Street	Santa Monica 3rd Street
TOTAL FA	740,000	295,000	175,000	54,300	463,000	104,000	433,000	461,000	1,300,000
2024 Q1	8.5		40.6	2.3	23.1				
2023 Q4	11.5	15.1	39.2	0.9	21.7		2.2	4.8	
2023 Q3	13.0	22.3	32.1		18.7		11.1	10.9	12.1
2023 Q2	11.5		27.8		15.6		20.8	4.0	10.0
2023 Q1		29.2	24.8		12.6		6.4	23.1	16.5
2022 Q4	6.3	5.1	23.4	10.9	9.7		15.1	3.8	10.5
2022 Q3		5.8	19.1	7.9	12.4		0.5	5.7	2.1
2022 Q2	5.7	29.6	16.3	4.8	11.5		2.4	14.2	6.1
2022 Q1	4.9	6.8	15.9	1.8	8.5		6.8	11.4	
2021 Q4	13.6	15.5	12.8		7.4		12.6	2.6	16.9
2021 Q3	17.4		13.3		4.4			10.2	31.0
2021 Q2	6.0	8.3	12.2		13.3			10.4	7.4
2021 Q1	14.6		9.2		10.3		13.3	5.7	
2020 Q4	7.6		6.3	17.2	17.4	17.4	4.2	8.2	
2020 Q3	6.0		5.2	14.2	14.4			5.0	
2020 Q2		17.8	4.1	11.2	11.4		9.4		
2020 Q1	15.1		2.0	8.2	8.4		5.0	2.5	8.1
2019 Q4	7.0	3.8	4.4	5.2	7.4			3.0	6.5
2019 Q3	4.0		1.8	2.2	4.4		3.6	4.0	
2019 Q2	4.1		3.2		18.8	3.9		8.0	
2019 Q1	3.5		1.7	1.0	3.8			2.7	6.2
2018 Q4	5.1		5.3	0.4	0.9		3.1	6.0	16.4
2018 Q3		6.4	5.5		15.5			2.0	5.2
2018 Q2	16.5		4.1		2.9		4.2	8.8	4.8
2018 Q1	2.3	6.5	9.5		19.2		2.4	10.1	
2017 Q4	13.8	0.3	5.5		8.9		12.0	4.3	16.1
2017 Q3	6.3		3.6		9.4		6.5	2.9	5.5
2017 Q2	4.6	5.3	2.1		10.2	6.2	1.6	4.7	10.0
2017 Q1			10.2		7.2		15.4	1.1	0.5
2016 Q4	7.0		7.2	3.3	4.2		6.7	3.4	4.4
2016 Q3	9.3	17.1	3.2	0.3	4.1	3.2	18.1		3.8
2016 Q2	5.0	3.5	6.7		8.6		9.0	1.4	7.0
2016 Q1	5.0	6.0	6.7		6.4			4.5	6.9
2015 Q4	34.6		3.7		6.1		10.1	4.0	11.5
2015 Q3	4.9		6.9		7.4		4.3	5.8	6.9
2015 Q2	5.6		3.9		4.3	17.0			7.0
2015 Q1	1.6		0.9		1.8			3.9	5.1
2014 Q4	2.7		3.3	1.4	7.6		1.8	8.5	
2014 Q3	3.9		0.2		5		4.5	2.1	9.8
2014 Q2	2.9	0.9			2.5		9.3	5.1	5.0
2014 Q1	6.1				5.5			3.8	6.0

Figure 4: Retail Vacancy by Months - Palo Alto, Los Altos, and Santa Monica (2014 - 2024 Q1)



Office

Table 6: Office Overview - Palo Alto, Los Altos, and Santa Monica (2024 Q1)

Office	Total/Average Palo Alto	Palo Alto Downtown (CD-C/GF)	Palo Alto California Ave (CC2/R)	Palo Alto El Camino Real – Town & County (CC)	Palo Alto El Camino Real – California Ave (CN, CS)	Palo Alto El Camino Real – South	Palo Alto Midtown (CN/GF)	Los Altos CRS Zone	Santa Monica Main Street	Santa Monica 3rd Street
INVENTORY SF	3,316,000	2,100,000	712,000	49,800	192,000	219,000	43,200	188,000	247,000	1,300,000
Under Construction Square Feet	-	0	0	0	0	0	0	0	0	0
Vacant Square Feet	556,100	339,000	166,000	5,800	15,500	20,900	8,900	24,300	77,400	364,000
12 Month Net Absorption Square Feet	(59,913)	-77,600	-6,500	-1,100	8,800	16,400	87	-4700	-26,800	-122,000
12 Month Net Absorption Square Feet (one year change)	42%	8.8%	89.5%	69.2%	26.4%	-46.5%	102.7%	-126.2%	-164.0%	-89.8%
VACANCY RATE	17%	16.0%	23.4%	11.6%	8.1%	9.6%	20.7%	12.9%	31.4%	28.3%
Vacancy Rate (one year change)	-1%	3.7%	1.0%	2.3%	-4.6%	-5.6%	-0.2%	2.5%	11.0%	9.5%
Market Asking Rent/ Square Feet	\$76.22	\$93.77	\$72.23	\$87.63	\$72.45	\$66.11	\$65.13	\$71.82	\$59.36	\$66.34
Market Asking Rent/ Square Feet (one year change)	-1%	-0.8%	-1.6%	-1.0%	-1.6%	-1.3%	-1.8%	-0.5%	0.6%	0.4%
Market Sale Price/ Square Feet	\$928	\$1,077	\$894	\$1,149	\$969	\$749	\$727	\$679	\$840	\$734
Market Sale Price/ Square Feet (one year change)	-7%	-6.4%	-7.4%	-8.3%	-7.9%	-7.1%	-7.8%	-7.0%	-5.6%	-7.2%
Market Cap Rate	5.9%	5.9%	5.8%	5.7%	5.7%	5.9%	6.5%	6.1%	5.7%	5.8%
Market Cap Rate (one year change)	0%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%

Table 7: Office Vacancy Rate - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

Period	Palo Alto Downtown (CD-C/GF)	Palo Alto California Ave (CC2/R)	Palo Alto El Camino Real – Town & County (CC)	Palo Alto El Camino Real – California Ave (CN, CS)	Palo Alto El Camino Real – South	Palo Alto Midtown (CN/GF)	Los Altos CRS Zone	Santa Monica Main Street	Santa Monica 3rd Street
INVENTORY SF	2,100,000	712,000	49,800	192,000	219,000	43,200	188,000	247,000	1,300,000
2024 Q1	16.0%	23.4%	11.6%	8.1%	9.6%	20.7%	12.9%	31.4%	28.7%
2023 Q4	17.6%	17.6%	11.6%	4.6%	14.9%	20.7%	13.4%	30.1%	26.6%
2023 Q3	16.8%	18.2%	11.6%	6.0%	14.3%	20.0%	13.7%	26.2%	21.9%
2023 Q2	16.2%	23.4%	11.6%	6.0%	13.9%	19.8%	13.0%	23.0%	21.4%
2023 Q1	14.0%	25.1%	11.6%	8.1%	14.4%	22.0%	10.2%	24.0%	19.2%
2022 Q4	10.8%	20.0%	7.2%	16.9%	16.0%	19.9%	10.6%	17.2%	18.5%
2022 Q3	9.6%	26.4%	0.0%	12.3%	17.5%	19.1%	17.5%	18.6%	21.1%
2022 Q2	8.6%	15.5%	0.0%	12.3%	29.5%	19.6%	17.9%	19.9%	16.4%
2022 Q1	7.8%	16.3%	0.0%	15.3%	29.2%	19.6%	19.5%	15.3%	13.0%
2021 Q4	8.7%	17.7%	3.8%	17.4%	29.9%	7.7%	20.4%	14.4%	14.5%
2021 Q3	9.4%	14.8%	3.8%	16.2%	22.1%	8.8%	24.3%	15.7%	12.6%
2021 Q2	11.7%	14.8%	3.8%	15.8%	18.9%	14.7%	13.3%	22.5%	12.4%
2021 Q1	10.7%	10.0%	3.8%	17.7%	17.4%	26.6%	14.2%	15.8%	10.8%
2020 Q4	11.6%	9.6%	3.8%	14.8%	9.2%	26.6%	13.7%	16.7%	9.2%
2020 Q3	9.3%	8.5%	5.6%	14.8%	13.3%	12.3%	14.1%	15.2%	9.7%
2020 Q2	5.1%	5.2%	7.8%	13.9%	16.5%	7.7%	14.6%	5.2%	7.6%
2020 Q1	4.8%	4.6%	5.9%	3.7%	14.7%	4.6%	11.8%	3.9%	4.7%
2019 Q4	3.5%	6.9%	0.0%	3.7%	6.7%	4.6%	13.3%	5.1%	4.0%
2019 Q3	2.9%	4.0%	0.0%	3.7%	6.6%	13.1%	2.7%	3.8%	6.3%
2019 Q2	2.1%	5.7%	0.0%	2.9%	6.9%	13.1%	2.7%	0.6%	5.2%
2019 Q1	1.9%	8.3%	0.0%	6.9%	5.4%	13.1%	2.0%	0.5%	4.5%
2018 Q4	2.0%	7.5%	0.0%	33.3%	4.8%	14.4%	1.5%	0.5%	2.8%
2018 Q3	2.3%	7.5%	0.0%	3.2%	4.5%	0.0%	0.9%	2.2%	2.9%
2018 Q2	2.1%	3.5%	2.0%	6.3%	10.4%	0.0%	1.0%	2.2%	7.6%
2018 Q1	3.2%	11.0%	2.0%	8.3%	3.7%	0.0%	2.7%	5.2%	5.7%
2017 Q4	4.4%	9.6%	2.0%	7.3%	4.1%	0.0%	3.4%	3.2%	7.6%
2017 Q3	3.4%	8.2%	2.0%	7.6%	2.2%	0.0%	4.2%	9.6%	7.2%
2017 Q2	3.0%	5.9%	5.8%	5.9%	5.3%	0.0%	4.2%	11.1%	7.3%
2017 Q1	5.1%	5.6%	4.7%	9.8%	4.7%	0.0%	3.3%	4.5%	8.4%
2016 Q4	3.9%	4.5%	4.7%	6.5%	3.6%	0.0%	5.1%	6.4%	8.0%
2016 Q3	3.6%	3.4%	0.0%	7.0%	1.3%	0.0%	5.5%	3.7%	8.1%
2016 Q2	3.2%	1.5%	0.0%	9.2%	2.9%	0.0%	2.7%	6.3%	7.0%
2016 Q1	2.1%	2.4%	0.9%	5.0%	1.3%	0.0%	4.7%	3.1%	6.1%
2015 Q4	1.6%	3.0%	0.9%	3.5%	4.3%	0.0%	4.7%	3.4%	7.7%
2015 Q3	3.0%	5.3%	0.9%	4.5%	4.7%	4.6%	5.9%	1.2%	10.3%
2015 Q2	3.4%	10.6%	0.9%	4.0%	2.1%	0.0%	1.7%	1.7%	9.4%
2015 Q1	3.4%	6.3%	0.0%	10.1%	1.5%	0.0%	6.5%	2.1%	7.8%
2014 Q4	3.2%	5.8%	0.0%	16.8%	4.0%	0.0%	14.1%	2.6%	7.2%
2014 Q3	3.2%	3.5%	0.0%	5.5%	12.9%	0.0%	0.0%	5.3%	7.1%
2014 Q2	3.0%	3.7%	3.2%	3.6%	15.9%	0.0%	0.0%	2.7%	9.2%
2014 Q1	2.7%	4.5%	5.7%	1.3%	9.6%	0.0%	0.0%	8.5%	7.5%

Figure 5: Office Vacancy Rate - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

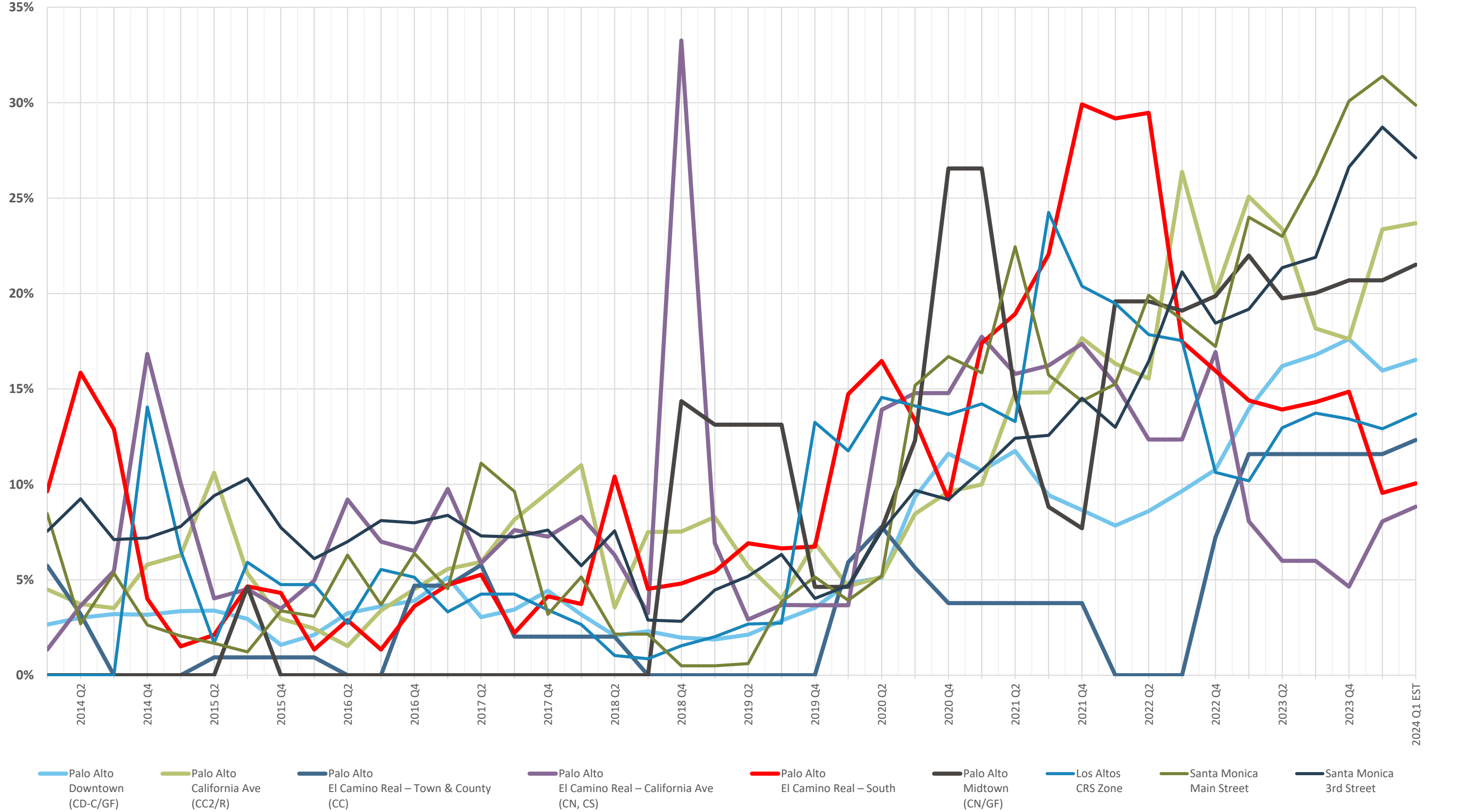


Table 8: Office Vacancy Square Footage - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

Period	Palo Alto Downtown (CD-C/GF)	Palo Alto California Ave (CC2/R)	Palo Alto El Camino Real – Town & County (CC)	Palo Alto El Camino Real – California Ave (CN, CS)	Palo Alto El Camino Real – South	Palo Alto Midtown (CN/GF)	Los Altos CRS Zone	Santa Monica Main Street	Santa Monica 3rd Street
INVENTORY SF	2,100,000	712,000	49,800	192,000	219,000	43,200	188,000	247,000	1,300,000
2024 Q1	338,980	166,439	5,768	15,473	20,880	8,939	24,340	77,431	369,593
2023 Q4	373,997	125,480	5,768	8,914	32,472	8,939	25,297	74,240	342,659
2023 Q3	356,287	129,448	5,768	11,514	31,271	8,653	25,884	64,601	281,799
2023 Q2	343,975	166,543	5,768	11,514	30,435	8,533	24,435	56,739	274,774
2023 Q1	296,317	178,598	5,768	15,488	30,775	9,499	19,192	59,219	246,795
2022 Q4	228,762	142,548	3,600	32,520	34,099	8,583	20,027	42,506	237,438
2022 Q3	204,888	195,380	-	23,713	37,370	8,253	33,036	45,998	271,948
2022 Q2	182,597	115,147	-	23,713	62,987	8,461	33,642	48,241	211,668
2022 Q1	166,536	120,902	-	29,313	62,363	8,461	36,703	36,982	167,152
2021 Q4	183,733	130,842	1,881	33,353	63,940	3,326	38,424	34,829	186,772
2021 Q3	200,319	109,783	1,881	31,153	47,138	3,810	45,703	38,130	157,999
2021 Q2	249,472	109,639	1,881	30,313	40,471	6,359	25,046	54,411	156,037
2021 Q1	227,481	74,063	1,881	34,056	37,202	11,471	26,801	38,412	135,137
2020 Q4	246,443	71,183	1,881	28,380	19,680	11,471	25,741	40,470	115,644
2020 Q3	198,350	62,618	2,803	28,380	28,531	5,315	26,599	36,802	121,745
2020 Q2	108,452	38,263	3,872	26,713	35,197	3,315	27,434	12,606	94,942
2020 Q1	102,288	34,426	2,950	4,743	31,497	2,000	22,155	9,504	59,198
2019 Q4	75,003	51,261	-	4,743	14,396	2,000	24,972	12,476	50,570
2019 Q3	60,668	29,639	-	4,759	14,206	5,671	5,146	9,324	79,541
2019 Q2	45,072	42,238	-	3,775	14,773	5,671	5,052	1,470	65,206
2019 Q1	39,774	61,431	-	8,959	11,621	5,671	3,804	1,195	56,110
2018 Q4	41,800	55,749	-	61,500	10,271	6,203	2,910	1,195	35,511
2018 Q3	48,961	55,552	-	6,000	9,678	-	1,624	5,217	36,305
2018 Q2	44,085	25,221	1,006	11,650	22,255	-	1,944	5,217	95,083
2018 Q1	67,447	79,176	1,006	15,364	7,977	-	5,010	12,484	72,085
2017 Q4	93,961	68,883	1,006	13,423	8,834	-	6,451	7,733	95,575
2017 Q3	72,062	58,663	1,006	14,058	4,729	-	8,006	23,331	91,024
2017 Q2	63,375	42,736	2,878	10,856	11,262	-	8,006	26,922	91,771
2017 Q1	106,579	40,027	2,337	18,051	10,110	-	6,251	11,000	105,311
2016 Q4	81,137	32,422	2,337	12,038	7,730	-	9,671	15,459	101,340
2016 Q3	75,143	21,830	-	12,938	2,870	-	10,448	8,946	102,816
2016 Q2	67,517	9,857	-	17,017	6,170	-	5,109	15,248	88,763
2016 Q1	43,012	15,710	464	9,158	2,870	-	8,950	7,480	77,429
2015 Q4	32,332	19,032	464	6,199	9,217	-	8,950	8,110	98,179
2015 Q3	60,015	34,390	464	8,019	9,951	2,000	11,154	2,942	130,653
2015 Q2	67,695	70,579	464	7,166	4,516	-	3,186	4,023	119,298
2015 Q1	67,094	41,829	-	19,238	3,224	-	12,328	4,942	98,873
2014 Q4	63,266	36,802	-	36,015	8,560	-	26,489	6,319	91,257
2014 Q3	63,406	22,370	-	11,684	27,325	-	-	12,848	90,162
2014 Q2	59,714	23,692	1,595	7,773	33,604	-	-	6,471	117,272
2014 Q1	52,525	28,587	2,859	2,865	20,112	-	-	20,364	95,659

Figure 6: Office Vacancy Square Footage - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

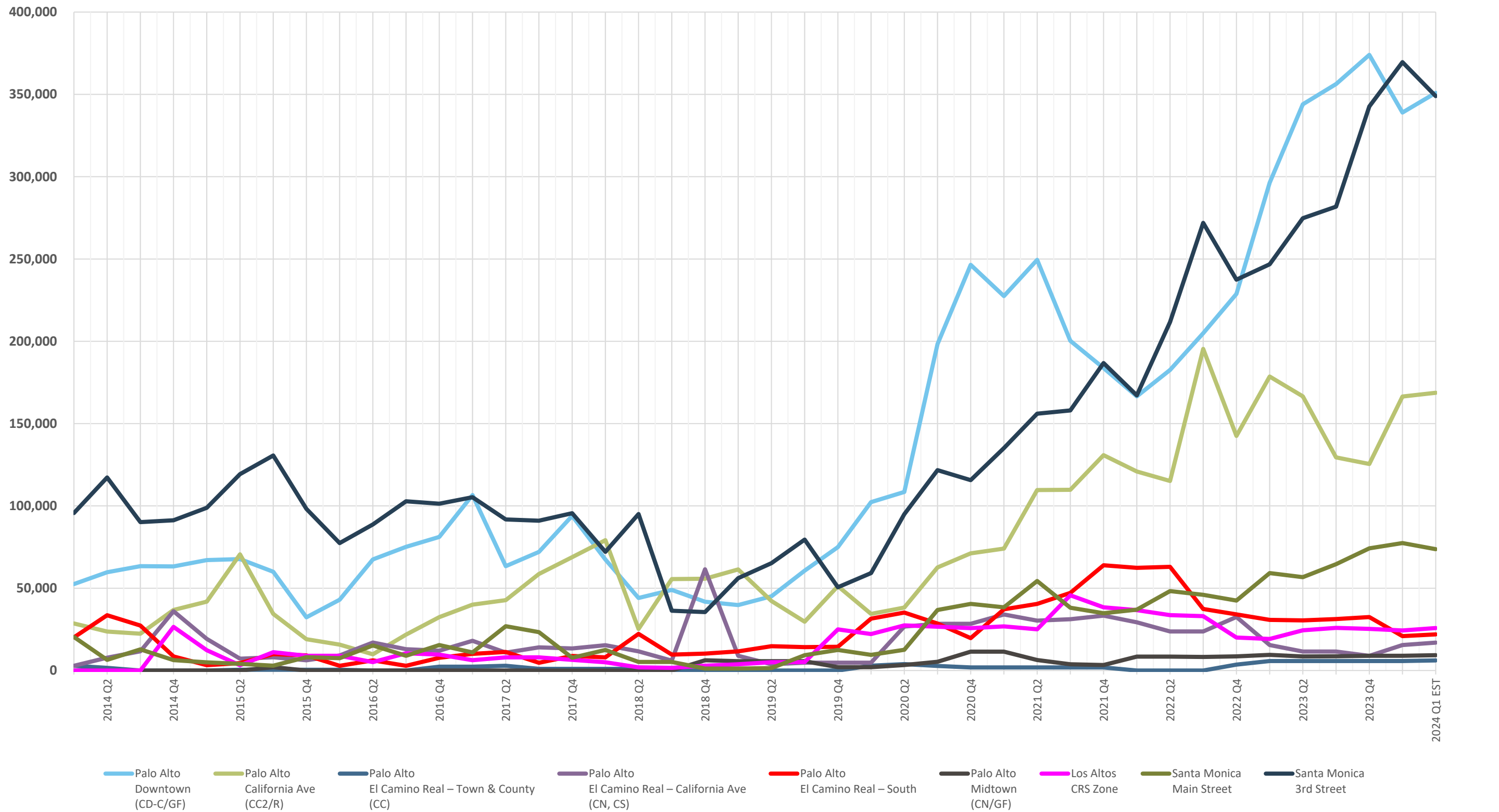


Table 9: Office Market Asking Rent per Square Foot - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

Period	Palo Alto Downtown (CD-C/GF)	Palo Alto California Ave (CC2/R)	Palo Alto El Camino Real – Town & County (CC)	Palo Alto El Camino Real – California Ave (CN, CS)	Palo Alto El Camino Real – South	Palo Alto Midtown (CN/GF)	Los Altos CRS Zone	Santa Monica Main Street	Santa Monica 3rd Street
INVENTORY SF	2,100,000	712,000	49,800	192,000	219,000	43,200	188,000	247,000	1,300,000
2024 Q1	\$94	\$72	\$88	\$72	\$66	\$65	\$72	\$59	\$66
2023 Q4	\$94	\$72	\$88	\$72	\$66	\$65	\$72	\$59	\$66
2023 Q3	\$94	\$72	\$88	\$72	\$66	\$65	\$72	\$59	\$66
2023 Q2	\$94	\$73	\$88	\$73	\$67	\$66	\$72	\$59	\$67
2023 Q1	\$94	\$73	\$88	\$73	\$67	\$66	\$72	\$59	\$66
2022 Q4	\$95	\$74	\$89	\$74	\$67	\$67	\$72	\$59	\$66
2022 Q3	\$96	\$76	\$90	\$76	\$68	\$67	\$73	\$59	\$66
2022 Q2	\$97	\$76	\$92	\$77	\$70	\$68	\$74	\$59	\$65
2022 Q1	\$97	\$76	\$92	\$78	\$69	\$68	\$74	\$59	\$65
2021 Q4	\$99	\$78	\$95	\$80	\$71	\$69	\$75	\$58	\$64
2021 Q3	\$99	\$78	\$94	\$80	\$71	\$69	\$75	\$58	\$63
2021 Q2	\$98	\$77	\$92	\$79	\$70	\$68	\$74	\$58	\$63
2021 Q1	\$98	\$77	\$93	\$79	\$70	\$68	\$75	\$59	\$64
2020 Q4	\$99	\$78	\$96	\$80	\$72	\$68	\$78	\$59	\$65
2020 Q3	\$102	\$80	\$100	\$82	\$75	\$70	\$78	\$60	\$66
2020 Q2	\$103	\$80	\$103	\$82	\$76	\$71	\$79	\$62	\$69
2020 Q1	\$106	\$82	\$105	\$84	\$78	\$73	\$79	\$63	\$71
2019 Q4	\$105	\$82	\$107	\$84	\$79	\$73	\$80	\$63	\$72
2019 Q3	\$104	\$82	\$105	\$84	\$78	\$73	\$79	\$63	\$71
2019 Q2	\$104	\$82	\$104	\$84	\$78	\$73	\$78	\$62	\$69
2019 Q1	\$104	\$82	\$105	\$84	\$79	\$74	\$78	\$62	\$68
2018 Q4	\$103	\$80	\$103	\$83	\$78	\$72	\$77	\$61	\$67
2018 Q3	\$104	\$80	\$106	\$83	\$79	\$72	\$76	\$62	\$67
2018 Q2	\$104	\$80	\$107	\$83	\$80	\$73	\$73	\$61	\$67
2018 Q1	\$103	\$79	\$107	\$82	\$79	\$73	\$72	\$59	\$66
2017 Q4	\$100	\$77	\$104	\$80	\$77	\$70	\$71	\$59	\$65
2017 Q3	\$99	\$75	\$102	\$79	\$76	\$69	\$71	\$59	\$64
2017 Q2	\$99	\$76	\$102	\$80	\$77	\$70	\$71	\$59	\$64
2017 Q1	\$100	\$77	\$101	\$80	\$77	\$71	\$70	\$58	\$63
2016 Q4	\$102	\$78	\$102	\$81	\$78	\$73	\$71	\$57	\$62
2016 Q3	\$101	\$78	\$100	\$80	\$77	\$72	\$71	\$56	\$62
2016 Q2	\$100	\$77	\$97	\$79	\$76	\$72	\$70	\$56	\$61
2016 Q1	\$105	\$79	\$101	\$81	\$78	\$74	\$69	\$55	\$60
2015 Q4	\$101	\$77	\$97	\$78	\$76	\$71	\$67	\$54	\$58
2015 Q3	\$99	\$76	\$97	\$77	\$75	\$71	\$66	\$53	\$58
2015 Q2	\$96	\$73	\$93	\$75	\$73	\$68	\$65	\$51	\$56
2015 Q1	\$92	\$70	\$88	\$71	\$69	\$65	\$62	\$50	\$55
2014 Q4	\$88	\$67	\$84	\$68	\$66	\$62	\$60	\$49	\$53
2014 Q3	\$85	\$64	\$80	\$66	\$63	\$59	\$57	\$48	\$52
2014 Q2	\$82	\$61	\$76	\$64	\$60	\$56	\$55	\$47	\$51
2014 Q1	\$81	\$60	\$76	\$63	\$61	\$56	\$53	\$46	\$51

Figure 7: Office Market Asking Rent per Square Foot - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

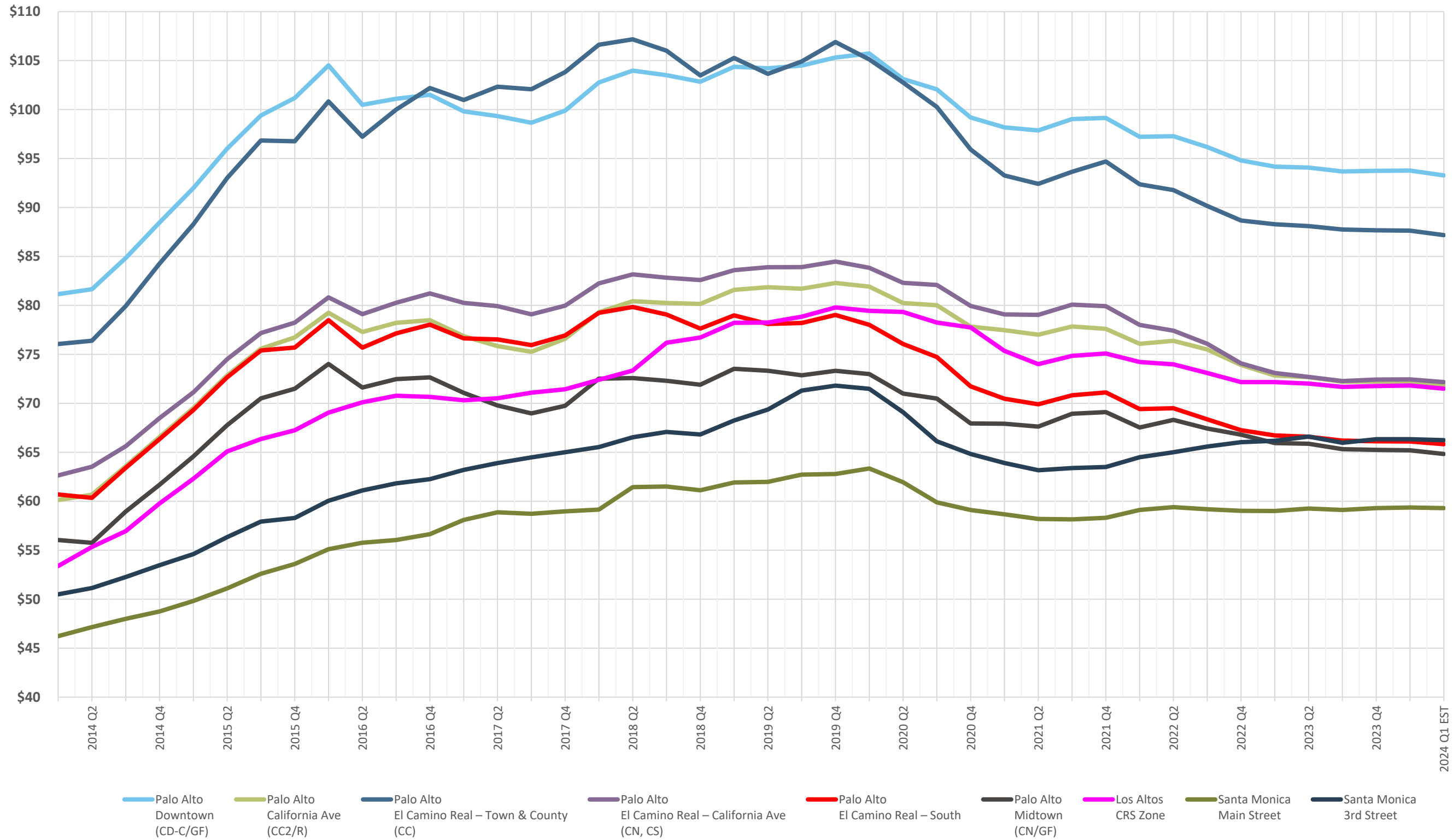


Table 10: Office Vacancy by Months - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

Period	Palo Alto Downtown (CD-C/GF)	Palo Alto California Ave (CC2/R)	Palo Alto El Camino Real – Town & County (CC)	Palo Alto El Camino Real – California Ave (CN, CS)	Palo Alto El Camino Real – South	Palo Alto Midtown (CN/GF)	Los Altos CRS Zone	Santa Monica Main Street	Santa Monica 3rd Street
INVENTORY SF	2,100,000	712,000	49,800	192,000	219,000	43,200	188,000	247,000	1,300,000
2024 Q1	9.5	11.0	15.3	11.6	5.5			4.3	4.7
2023 Q4	10.7	4.4	13.9	10.2	7.6	6.2	6.2	2.3	21.6
2023 Q3	10.1	9.1	10.9	7.0	9.8		2.8	1.4	10.6
2023 Q2	3.9	15.9	7.9	3.9	25	5.0		9.2	16.9
2023 Q1	32.0	15.0	4.4	4.6	10.9	5.0	6.0	1.9	5.6
2022 Q4	3.2	14.4	1.9	2.2	17.7		8.8	4.4	8.7
2022 Q3	3.5	12.8		24.2	16.8		19.0	12.4	
2022 Q2	5.4	13.6		17.7	15.8		18.9	1.0	15.0
2022 Q1	10.4	19.0		14.7	12.8		6.1	5.1	13.8
2021 Q4	10.5	7.6	21.3	9.7	12.3	2.1		2.6	17.4
2021 Q3	16.5	14.3	18.2	6.7	12.2	16.9	7.3	19.8	3.5
2021 Q2	11.2	8.1	15.2	7.4	11.3	11.1	12.4	9.5	3.3
2021 Q1	5.3		12.2	6.2	10.4			10.3	9.5
2020 Q4	6.1	20.1	9.3	7.2	7.6	3.7	12.0		7.4
2020 Q3		11.5	5.5	4.1	4.6		1.8	2.3	3.6
2020 Q2	12.2		2.7	3.7	2.8	4.7			3.7
2020 Q1	6.7	8.8	0.2	1.4	13.7	3.4	4.6	4.0	11.9
2019 Q4	5.1			3.4	10.1	12.2		3.2	6.1
2019 Q3	8.5	4.1		0.8	6.1		5.6	4.2	5.0
2019 Q2	6.2	7.1		3.6	7.1			4.5	2.7
2019 Q1	4.8	4.3		0.9	2.9	4.2		1.3	4.2
2018 Q4	6.4	9.6	3.8	18.8	5.2			7.4	4.8
2018 Q3	4.6	6.4	0.8	15.8	2.6		1.8	3.3	6.6
2018 Q2	4.3	5.2	12.7	1.3	5.8		0.8	6.8	6.3
2018 Q1	3.1	7.4	9.8	9.8	4.5		41.9	3.5	5.6
2017 Q4	8.4	9.1	6.8	6.8	2.4		11.7	3.9	3.7
2017 Q3	4.6	3.3	3.8	4.1	5.3			6.7	7.6
2017 Q2	3.7	4.4	4.5	2.6	3.7				4.5
2017 Q1	2.5	1.9	4.1	7.9	5.6			6.0	3.9
2016 Q4	7.7	3.9	1.1	5.3	5.4		6.1		5.8
2016 Q3	3.6	4.7	4.0	5.0	11.8			4.0	2.0
2016 Q2	5.6	3.7	3.7	2.2	4.1		11.0	6.7	0.5
2016 Q1	10.1	9.4	4.8	8.3	5.7			10.9	8.5
2015 Q4		9.8	5.3	17.9	5.7			3.0	5.3
2015 Q3	2.9	2.4	6.9	7.5	6.1	2.8		2.6	4.6
2015 Q2	4.4	7.0	3.9	4.4	4.5			1.8	15.2
2015 Q1	3.6	6.4	0.9	6.8	1.6		4.6		7.1
2014 Q4	2.5	31.1		4.4	22			2.2	2.7
2014 Q3	3.3	2.2		2.9	10.6		1.6	4.8	4.2
2014 Q2	2.9	5.4	3.0	2.5	7.4			5.0	5.7
2014 Q1	2.3	3.4	9.2	1.2	6.2	3.4	4.0		3.5

Figure 8: Office Vacancy by Months - Palo Alto, Los Altos, and Santa Monica (2014 Q1 - 2024 Q1)

