

Silicon Valley, CA

Silicon Valley is the Bay Area's center of innovation and home to some the nation's most important high-tech firms. As is the case in the rest of the Bay Area, Silicon Valley's office market has been hardest hit by the recent economic meltdown. New inventory has exacerbated already poor market conditions, as vacancy and availability broke records. The retail and multifamily sectors have been relatively stable, with limited new construction and low vacancies. Industrial markets are oversupplied, especially for R&D space which includes significant older obsolete inventory.

Population

San Jose Metro Area: 1.8 Million

▲ 1.88 %

Source: U.S. Census

Unemployment Rate

San Jose Metro Area: 11.8% ▲

California: 12.1% ▲

United States: 9.8% ▲

Source: U.S. Department of Labor

Avg. Household Income

San Jose Metro Area: \$113,680

California: \$82,786

United States: \$69,376

Source: Claritas

For more information contact:

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Metro Area Vital Signs

Inventory	72 M SF	↔
Vacancy Rate	18.7%	↑
Rental Rate Per SF	\$34.51	↓
Annual Absorption	-2.4 M SF	↓
Average Op. Expense/SF	\$10.50	↔
Cap Rate – Class A	8.25%	↓
Cap Rate – Class B	9.0%	↓

Inventory	111.1 K	↔
Vacancy Rate	4.8%	↑
Average Monthly Rent	\$1,426	↓
Annual Absorption	-900 Units	↓
Operating Expense	44%	↔
Cap Rate – Class A	6.75%	↓
Cap Rate – Class B	7.25%	↓

Inventory	78.5 M SF	↔
Vacancy Rate	5.0%	↑
Avg. Rental Rate Per SF	\$27.77 Net	↓
Annual Absorption	-1.9 M SF	↓
Average Op. Expense/SF	\$9.50	↔
Cap Rate – Class A	8.25%	↔
Cap Rate – Class B	9.0%	↔

Inventory	216 M SF	↔
Vacancy Rate	13.4%	↑
Rental Rate Per SF	\$11.78	↓
Annual Absorption Rate	-9.2 M SF	↓
Cap Rate – Class A	8.75%	↔
Cap Rate – Class B	9.25%	↔

Office

Multi-Family

Retail

Industrial

Demographics