JOBS (Oct 2012)

- **SF Unemployment Rate**: 6.8%
- **SF Statewide Rank**: 3rd
- **SF Change from Oct 2011**: ↓ from 8.2%
- **Number of Unemployed in SF**: 32,600
- **SF Workforce**: 476,400
- **CA Unemployment Rate**: 9.8%
- **US Unemployment Rate**: 7.5%

**Source**: CA EDD 2012

REAL ESTATE (September 2012)

- **SF Vacancy Rate**: 9.7% / 7.3 msf
- **SF Vacancy Rate - Submarkets**
  - **Downtown CBD**: 8.1% / 3.8 msf
  - **SoMa**: 4.2% / 265k sf
  - **Central Market**: 17.5% / 652k sf
- **Average Annual Lease Rates (Direct)**: $46.12 per sq/ft
- **Net Absorption (Year-to-Date)**: +1.1 msf

**Source**: CBRE 2012

**FAST FACTS**

- **Unemployment at lowest point since 2008**: In Jan 2011, San Francisco’s unemployment rate was 9.6 percent; in Oct 2012, it was 6.8 percent. (EDD)
- **Jobs Increased by 4.1%**: Jobs in San Francisco increased by 4.1% on a year-over-year basis as of March 2012, ranking SF #17 of the 329 largest counties in the US. (BLS)
- **This year, 8.5 million sq/ft of office space has been leased as of Sep**: 43% of which was leased to tech companies. (CBRE)
- **Square Moves to Central Market**: In Oct 2012, Square announced a move to 1455 Market, leasing 150,000 sq/ft of space and plans to employ 1000 by end of 2013.
- **75% of job growth in the SF Metro was non-tech**: Between Oct 11 and Oct 12, 75% of job growth in the SF Metro (SF, Marin and San Mateo) was non-tech. This includes growth in retail (5.6%), health care (4.7%), accommodation and food (4.2%) and construction (3.2%). (EDD)
- **Net Absorption as of September is 1.1 million square feet (msf)**: This is lower than at this point last year, when SF registered 1.5 msf as of Sep 2011. (CBRE)
- **52 of the Bay Area’s 100 fastest-growing private companies are headquartered in San Francisco**: (SF Business Times)
- **San Francisco had 4.2 msf of tenant demand in September**: This is down from 6 msf from this point last year. 41% of demand is in tech. (CBRE)
- **As of March 2012, SF was home to 1,712 tech companies with 39,721 employees**: This is a 12% increase in the number of companies and 27.9% increase in the number of jobs from March 2011. (CBRE)

**UNEMPLOYMENT: 2-YEAR HISTORICAL TREND**

**CENTRAL MARKET UPDATE**

- **9 Tech Companies and 1 VC firm have occupied, leased or purchased more than 950,000 square feet of space**, representing space for an estimated **5,700 jobs**.
- **Companies in Central Market include**: Square (150k sq/ft), Dolby (350k sq/ft), Microsoft (80k sq/ft), Call Socket (30k sq/ft), One Kings Lane (52k sq/ft), Twitter (215k sq/ft), Zendesk (35k sq/ft) and Zoosk (52k sq/ft), Desmos and Benchmark Capital (10k sq/ft).
- **3,300 residential units under construction**.
- **8 new small businesses open in the past year, as well as 2 expansions of existing storefront businesses and more on the way**.
- **5 new performance or gallery venues opened in the past year, with 4 more in the pipeline. In November PianoFight announced a new theater complex on Taylor, set to open in 2013.**
### NOTABLE TRANSACTIONS (July–Oct)

<table>
<thead>
<tr>
<th>Company</th>
<th>Date</th>
<th>Sector</th>
<th>Activity</th>
<th>Location</th>
<th>Size (sq/ft)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotwire</td>
<td>July</td>
<td>Tech</td>
<td>Renewal/Expansion</td>
<td>655 Montgomery St / Downtown</td>
<td>78,011</td>
<td>Major tech relocation from Palo Alto to San Francisco.</td>
</tr>
<tr>
<td>Twilio</td>
<td>July</td>
<td>Tech</td>
<td>New Lease</td>
<td>645 Harrison St / SoMa</td>
<td>40,000</td>
<td>A multi-line insurance provider with a global network of subsidiaries and offices in Europe, North America and the Middle East.</td>
</tr>
<tr>
<td>United Health Care</td>
<td>July</td>
<td>Insurance</td>
<td>Renewal</td>
<td>425 Market St / Downtown</td>
<td>53,008</td>
<td>Major tech relocation from Palo Alto to San Francisco.</td>
</tr>
<tr>
<td>Pinterest</td>
<td>Aug</td>
<td>Tech</td>
<td>New Lease</td>
<td>808 Brannan St / Showplace</td>
<td>58,000</td>
<td>Major tech relocation from Palo Alto to San Francisco.</td>
</tr>
<tr>
<td>New Relic</td>
<td>Aug</td>
<td>Tech</td>
<td>New Lease</td>
<td>188 Spear / Downtown</td>
<td>55,006</td>
<td>Major tech relocation from Palo Alto to San Francisco.</td>
</tr>
<tr>
<td>Bayer CoLaborator</td>
<td>Sep</td>
<td>Biotech</td>
<td>New Biotech Incubator</td>
<td>455 Mission Bay Blvd South / Mission Bay</td>
<td>6,000</td>
<td>Major tech relocation from Palo Alto to San Francisco.</td>
</tr>
<tr>
<td>Open Table</td>
<td>Sep</td>
<td>Tech</td>
<td>New Lease</td>
<td>One Montgomery St / Downtown</td>
<td>48,161</td>
<td>Major tech relocation from Palo Alto to San Francisco.</td>
</tr>
<tr>
<td>NewME Accelerator</td>
<td>Sep</td>
<td>Tech</td>
<td>New Lease</td>
<td>1552 Yosemite Avenue / Bayview</td>
<td>3,100</td>
<td>Major tech relocation from Palo Alto to San Francisco.</td>
</tr>
<tr>
<td>Lithium</td>
<td>Oct</td>
<td>Tech</td>
<td>New Lease</td>
<td>225 Bush St/ Downtown</td>
<td>52,000</td>
<td>Major tech relocation from Palo Alto to San Francisco.</td>
</tr>
<tr>
<td>Uniqlo</td>
<td>Oct</td>
<td>Retail</td>
<td>New Business Opening</td>
<td>111 Powell Street / Union Square</td>
<td>29,000</td>
<td>Major tech relocation from Palo Alto to San Francisco.</td>
</tr>
<tr>
<td>Target</td>
<td>Oct</td>
<td>Retail</td>
<td>New Business Opening</td>
<td>Metreon / Yerba Buena</td>
<td>100,000</td>
<td>Major tech relocation from Palo Alto to San Francisco.</td>
</tr>
<tr>
<td>Square</td>
<td>Oct</td>
<td>Tech</td>
<td>New Lease</td>
<td>1455 Market Street / Central Market</td>
<td>150,000</td>
<td>Major tech relocation from Palo Alto to San Francisco.</td>
</tr>
</tbody>
</table>