

San Francisco Bay Area

Market overview

The San Francisco Bay Area continues to be a hot spot for the life science sector. Because of the current pandemic, the Bay Area's biotech industry is booming as many companies continue their pursuit for more research on combating COVID-19 and other infectious diseases.



Overall
Vacancy
5.6%



Delivering
by year end
0.5 msf



Overall avg.
asking rate
\$3.72



Total building
inventory
25.6 msf

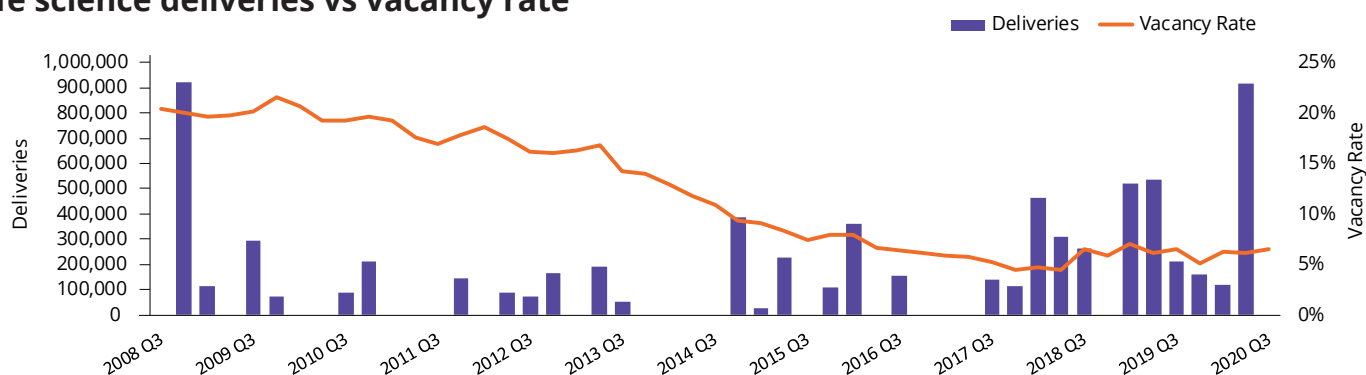
East Bay Benefits

Stockbridge is yet another owner to have transitioned over to the East Bay. They've recently acquired more biotech property within Alameda, including the Waterfront at Harbor Bay campus, citing that it is the perfect location for life science tenants who would like to stay within the cluster of the Bay Area, without being directly overshadowed by some of the largest pharmaceutical giants located across the Bay.



San Francisco
Bay Area Ranked
#2
in nation
(according to Sum Of NIH
Funding Recipients)

Life science deliveries vs vacancy rate



Notable transactions (year-to-date)

| Tenant | Address | Submarket | Type | SF |
|-------------------------------|------------------------------|---------------------|----------|---------|
| Ventas | Genesis Tower/4000 Shoreline | South San Francisco | Sale | 793,000 |
| Stockbridge Capital Group LLC | Portfolio | Alameda | Sale | 606,677 |
| Boston Properties | 701 Gateway Blvd | South San Francisco | Sale | 170,862 |
| Sutro Biopharma | 111 Oyster Point Blvd | South San Francisco | Lease | 115,466 |
| Lyell | 201 Haskins Way | South San Francisco | Lease | 115,000 |
| Perfect Day | 740 Heinz Avenue | Berkeley | Sublease | 112,000 |

Notable life science developments

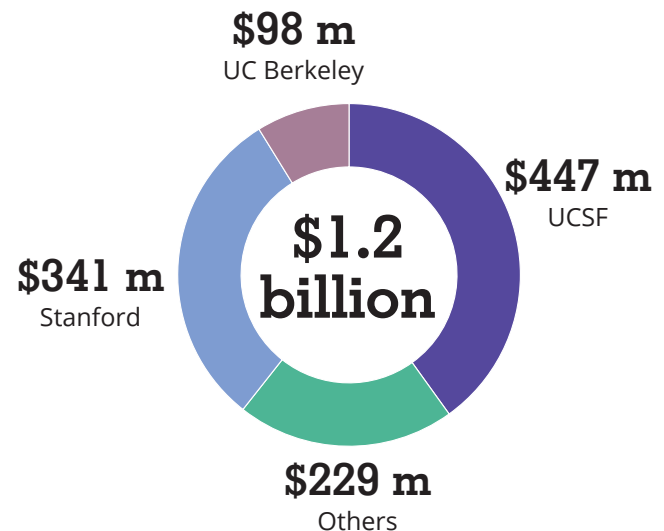
| Project | Developer | Submarket | SF | Completion | Preleased |
|------------------------------------|---------------------------------|---------------------|---------|------------|-----------|
| Gateway of Pacific Phase II-III | BioMed Realty | South San Francisco | 790,000 | Q3 2021 | 30% |
| Kilroy Oyster Point Phase I | Kilroy Realty | South San Francisco | 655,764 | Q3 2021 | 100% |
| Alexandria District | Alexandria Real Estate Equities | San Carlos | 526,178 | Q2 2021 | 65% |
| 201 Haskins Way | Alexandria Real Estate Equities | South San Francisco | 315,000 | Q2 2021 | 37% |
| The Shore at Sierra Point Phase II | Healthpeak Properties | Brisbane | 270,404 | Q4 2020 | 40% |
| 1951 Harbor Bay Pky | SRM Ernst | Alameda | 220,710 | Q3 2022 | 100% |
| South Loop Center | SRM Ernst | Alameda | 218,700 | Q2 2021 | 58% |

Developer spotlight

Lane Partners has over 7 million square feet of developments in the pipeline in the Bay Area with several key life science projects. Southline is a multi-building office and lab campus in South San Francisco that Lane Partners hopes they can fully lease up due to its prime location in South San Francisco, across the street from the San Bruno BART. Another one of Lane Partner's notable projects is called Berkeley Commons, located within Berkeley, California. The project will consist of two multi-story buildings to accommodate office, R&D, and lab tenants.



Top NIH - Funded institutions



Top vc-funded companies (2019)

| Company | City | Equity Invested |
|----------------------|---------------------|-----------------|
| BridgeBio | Palo Alto | \$299.2M |
| Maze Therapeutics | South San Francisco | \$191.0M |
| Perfect Day | Emeryville | \$174.8M |
| Grail | Menlo Park | \$125.0M |
| Nkarta | South San Francisco | \$114.0M |
| Encoded Therapeutics | South San Francisco | \$104.0M |
| IGM Biosciences | Mountain View | \$102.0M |
| Revolution Medicines | Redwood City | \$100.3M |
| Apollomics | Foster City | \$100.0M |
| Bolt Biotherapeutics | Redwood City | \$94.1M |

Get more market information



San Mateo
Ava Jensen
Senior Research Analyst
ava.jensen@avisonyoung.com
408.913.6911

San Francisco
Patrick McKenzie
Research Analyst
patrick.mckenzie@avisonyoung.com
415.322.5056

Oakland | East Bay
Paul Magoria
Senior Research Analyst
paul.magoria@avisonyoung.com
510.254.4266

Silicon Valley | Northern California
Jennifer Vaux
U.S. Director of Office Research
jennifer.vaux@avisonyoung.com
408.913.6902