

# SAN FRANCISCO



**Market Insights for Tenants:** At Exis, our loyalties aren't compromised; because we do not represent landlords, we are 100% focused on providing market conditions and strategies that can benefit tenants in each marketplace – leveraging this information for your economic advantage. We're pleased to provide the below in-depth information; contact us for ways we can help you get the BEST deal on your commercial space needs.

## OVERVIEW

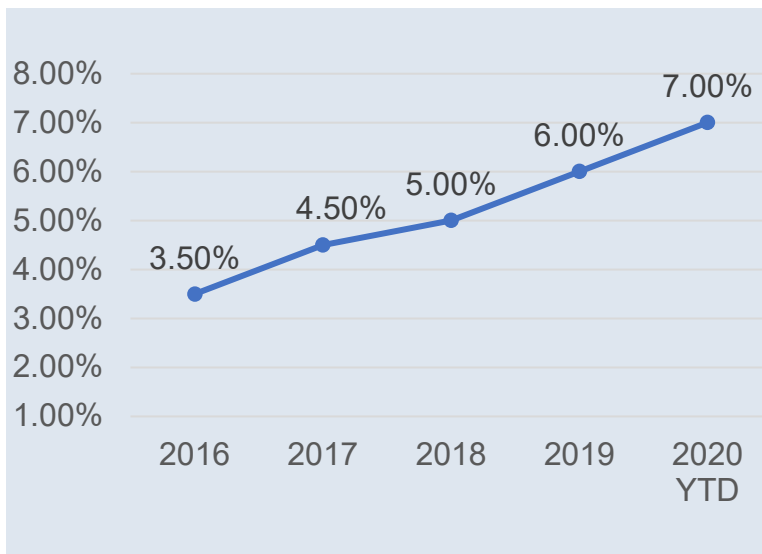
With San Francisco under strict shelter-in-place guidelines due to COVID-19, the impact on the office market continues to be significant. San Francisco saw close to 2M RSF of Negative Net Absorption in Q2 and the Vacancy Rate rise 200 basis points from last quarter to 8.4%. The economic impact on companies as well as the inability to occupy their office space has attributed to approximately 2.5M RSF of Sublease space come online in Q2 and has dramatically slowed demand.

## FUNDAMENTALS

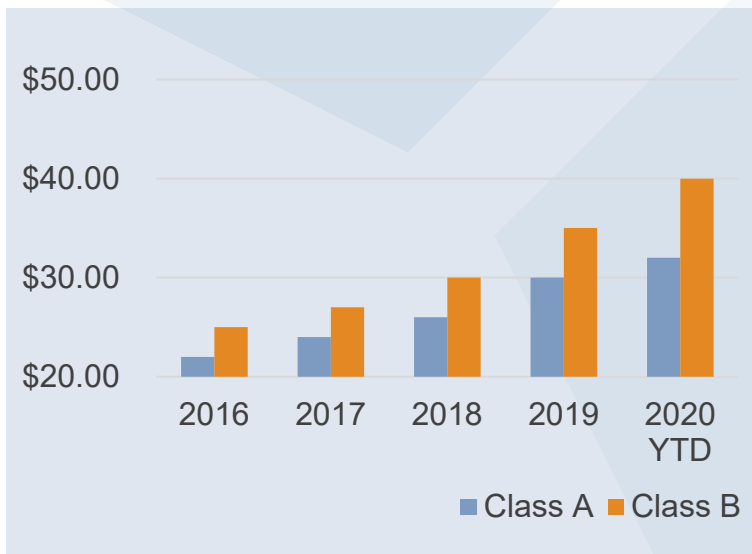
Forecast

<b>YTD net absorption</b>	<b>-1,903,906</b> ▼	
<b>Under construction</b>	<b>0</b> ▼	
<b>Average asking rent (gross)</b>	<b>\$80.59</b> ▼	
<b>Concessions</b>	<b>TBD</b> ▲	
 <b>Market Size</b>	 <b>Largest Office Deal</b>	 <b>Total Vacancy</b>
<b>79-85M SF</b>	<b>153,000 sqft</b>	<b>8.4%</b>

## TOTAL VACANCY



## AVERAGE ASKING RENTS



Metrics Used: Feet, US Dollars

For more information, please contact:



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## WHAT THIS MEANS FOR TENANTS

With the limited leasing activity, most landlords are opting not to reduce asking rates dramatically, but all indications point to a significant reduction in rents and an increase in concessions from landlords as they will be competing with the sublease inventory in the coming 6-24 months.

## KEY LEASE TRANSACTIONS

Tenant	Building Address	Submarket	Type	Sq Feet
Morgan Lewis & Brockius (Renewal)	1 Market Street (Spear Street Tower)	S.FiDi		153,000
First Republic Bank (Renewal)	388 Market Street	N.FiDi		115,000
Airtable	155 5th Street	SOMA		48,812
SF AIDS Foundation (Renewal)	1035 Market Street	Mid-Market		45,322
User Testing	144 Townsend Street	SOMA		45,000

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