



**375  
BEALE  
STREET**

BAY  
AREA  
**METRO**  
CENTER

REVIEW PACKAGE

JULY 2024

*Presented by John Walsh & Brendon Kane*



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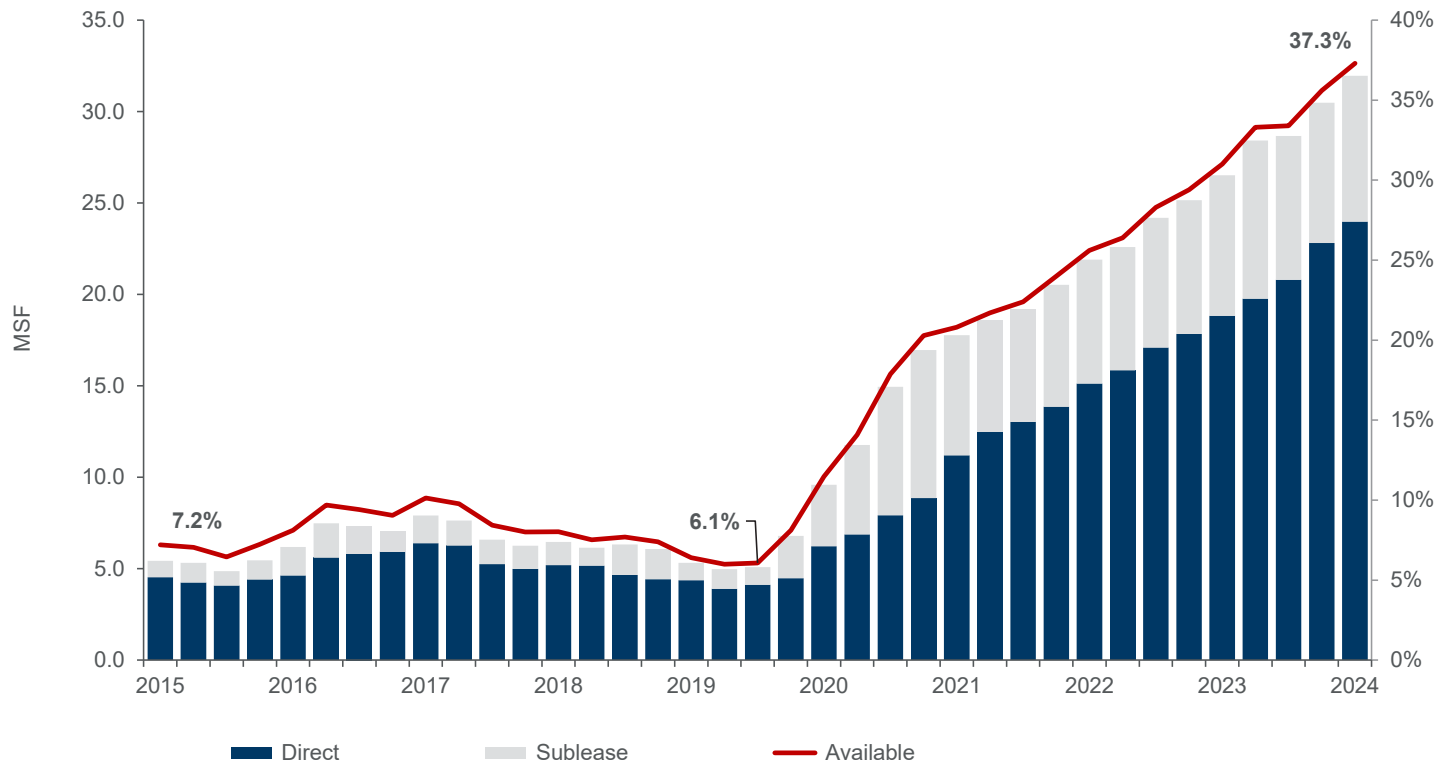
# STATE OF THE MARKET

## SAN FRANCISCO OFFICE




### Q1 2024 AVAILABILITY

DIRECT AND SUBLEASE AVAILABILITY TOTALS 24.0 MSF AND 8.0 MSF, BRINGING THE OVERALL MARKET AVAILABILITY 31.3% HIGHER THAN Q2 2019

Available space - All space listed on the market, including vacant space and space available in the future



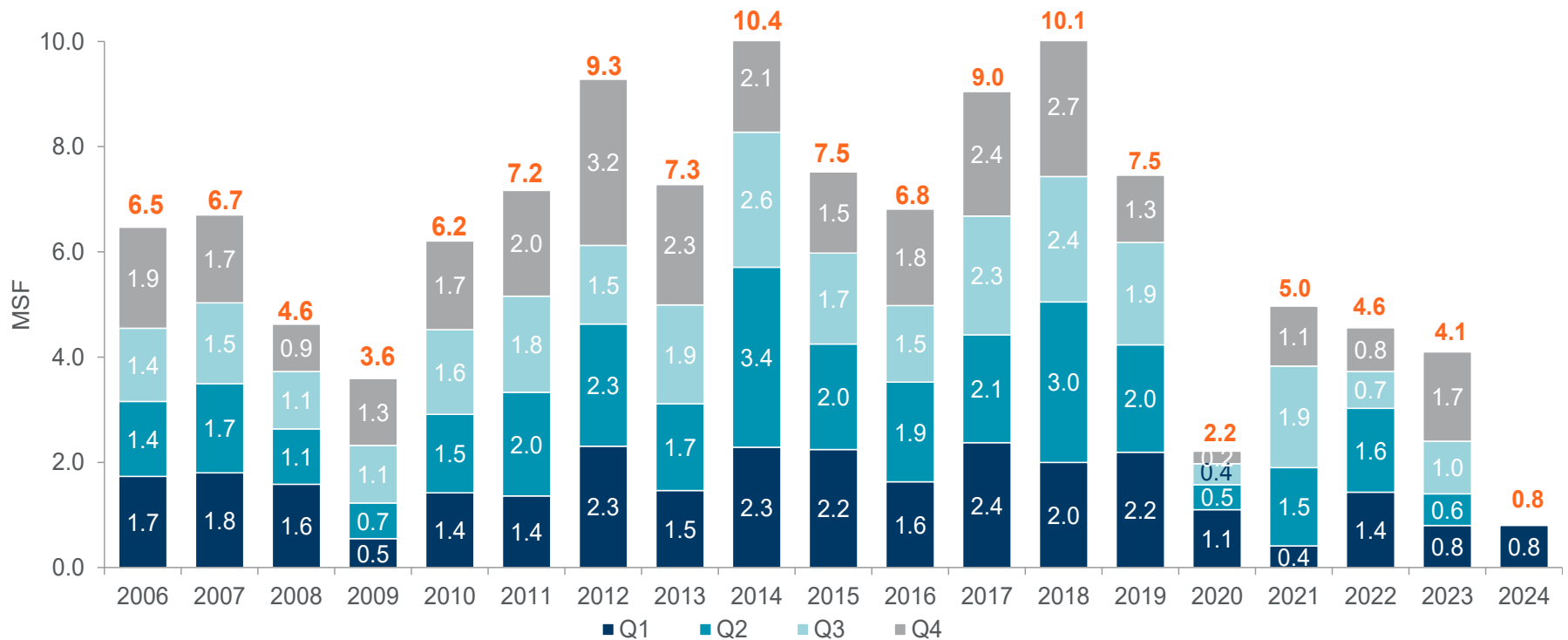
### KEY STATS

-  **37.3%**  
Overall Market Availability
-  **24.0 msf**  
Total Direct Availability
-  **8.0 msf**  
Total Sublease Availability

# STATE OF THE MARKET

## NEW LEASING BY QUARTER

- New leasing started out much the same as is 2023 with 842,879 sf of activity.
- Average quarterly new leasing activity since 2006 has been just over 1.6 msf.
- Transactions in Q1 2024 were once again skewed to both Class A (61.1% Citywide) and the CBD (68.2% across all classes).



**40+ spaces of 50K ft+**

Available within .5 miles of 375 Beale, with avg time on market of over 2.5 years

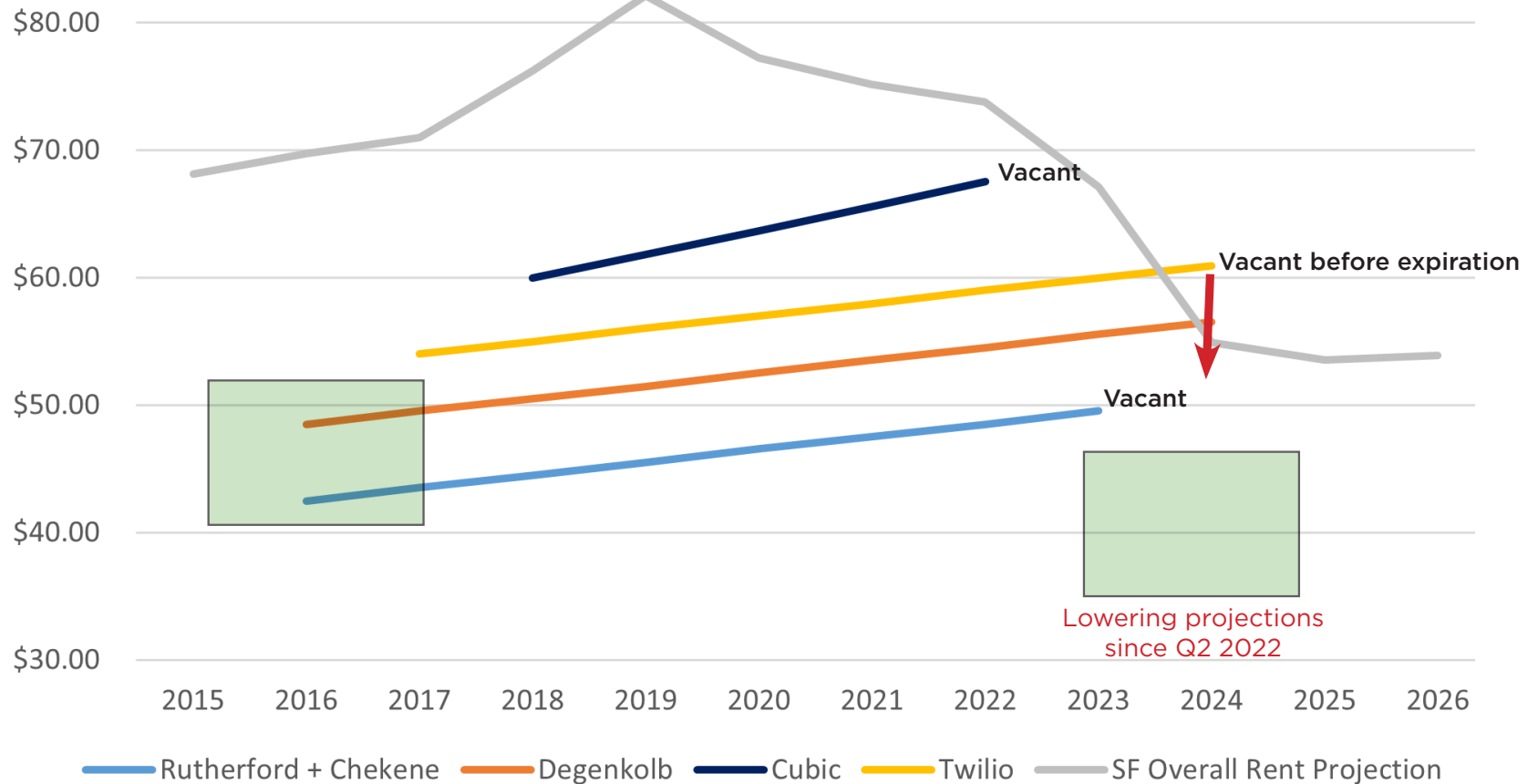
# STACKING PLAN

375 BEALE STREET - STACKING PLAN					+/- USF	LOAD FACTOR	+/- RSF	Agency +/- RSF			
BOMA 2015 Legacy Method A Measurement: Completed by Smith Group 6.19.15 = (2015) BOMA 2017 Method A Measurement: Completed by Smith Group 8.31.22 = (2017)											
FLOOR					+/- USF	LOAD FACTOR	+/- RSF	Agency +/- RSF			
8	SERVICE AREA 6,300 SF / (2015) 4,822.49 SF / (2017)  AGENCY: BAHAMTC/BAAQMD SUITE 800 49,000 RSF (2015) 56,088.10 RSF (2017)				Current: 52,054 New: 51,554	Current: 1.070 New: 1.182	Current: 55,700 New: 60,910	Current: 55,700 New: 60,910			
7	SERVICE AREA 6,300 SF / (2015) 5,279.82 SF / (2017)  AGENCY: BAHAMTC/BAAQMD SUITE 700 49,000 RSF (2015) 56,337.22 RSF (2017)				Current: 53,815 New: 51,757	Current: 1.064 New: 1.191	Current: 57,300 New: 61,617	Current: 57,300 New: 61,617			
6	SERVICE AREA 6,300 SF (2015) 6,060.50 SF (2017)  AGENCY: BAAQMD - SUITE 600 51,800 RSF (2015) 62,383.50 RSF (2017)				Current: 54,579 New: 51,710	Current: 1.064 New: 1.206	Current: 58,100 New: 62,383	Current: 58,100 New: 62,384			
5	SERVICE AREA 6,300 SF (2015) 5,997.42 SF (2017)	AGENCY: MTC - SUITE: 510A 14,900 RSF (2015) 15,690.41 RSF (2017)	AGENCY: SHARED 890SF RSF (2015) 809.59 USF / 974.58 RSF (2017)	AGENCY: BCDC - SUITE 510 OCCUPY: 9-1-2019 EXPIRE: 8-31-2027 OPTIONS: N/A 18,890 USF / 21,000 RSF (2015) 18,370.16 USF / 22,114 RSF (2017)	DEGENKOLB - SUITE 500 OCCUPY: 2-1-2017 EXPIRE: 01-31-2027 Option: On-60 months (i.e. 01-31-2032) 19,393 USF / 21,559 RSF (2015) 19,709 USF / 23,725.69 RSF (2017)	Current: 52,344 New: 51,923	Current: 1.116 New: 1.204	Current: 57,459 New: 62,504	Current: 35,900 New: 38,779		
4	SERVICE AREA 2,388 SF (2015) 2,388.87 SF (2017)  TWILIO TWILIO - SUITE 400 OCCUPY: 10-13-2016 EXPIRE: 10-31-2024 OPTION: Two options-36 mos each 58,290 RSF (2015) 55,573.95 USF / 62,665.19 RSF (2017)				Current: 54,571 New: 55,574	Current: 1.071 New: 1.128	Current: 58290 New: 62,665	Current: 0.00 New: 0.00			
3	SERVICE AREA 6,230 SF (2015) 6,230.45 SF (2017)	TWILIO - SUITE 300 OCCUPY: 10-13-2016 EXPIRE: 10-31-2024 OPTION: Two options at 36 mos 29,941 USF / 33,533 RSF (2015) 30,75.98 USF / 36,758.35 RSF (2017)	VACANT - SUITE 310 12,476.00 USF / 13,892.00 RSF (2015) 12,895.12 USF / 15,412.25 RSF (2017)	CONDUENT - SUITE 330 OCCUPY 04-01-2016 EXPIRE: 09-28-2027 OPTION: Annual increments up to 10 yrs 5,517.00 USF / 6,179.00 RSF (2015) 5,619.95 USF / 6,716.96 RSF (2017)	VACANT SPACE - SUITE 340 2,991.00 RSF (2015) 2,945.51 USF / 3,520.47 RSF (2017)	Current: 50,641 New: 52,216	Current: 1.119 New: 1.195	Current: 56,595 New: 62,408	Current: 0.00 New: 0.00		
2	SERVICE AREA 6,300 SF (2015) 4,112.63 SF (2017)	PARKING 16,064 SF (2015) 16,491.54 SF (2017)	AMENITIES 4,100 SF (2015) 4,431.92 SF (2017)	AGENCY: BAAQMD (LAB) 5,500 RSF (2015) 5,885.74 RSF (2017)	AGENCY/SHARED MAILROOM 4,100 RSF (2015) 7,209.44 (2017)	C&W SUITE 256 1,082 RSF (2015) 1,724.78 RSF (2017)	CONDUENT - SUITE 210 OCCUPY: 04-01-2016 EXPIRE: 09-28-2027 Option: Annual increments up to 10 yrs 18,836 USF / 21,096 RSF (2015) 19,586.93 USF / 23,992.03 RSF (2017)	Current: 28,403 New: 28,210	Current: 1.120 New: 1.225	Current: 31,778 New: 34,554	Current: 30,696 New: 10,562
1	SERVICE AREA 27,603.00 SF (2015) 27,603.20 SF (2017)	PARKING 15,912 SF (2015) 16,302.29 SF (2017)	AGENCY: BAHAMTC* 12,666 USF / 14,200 RSF (2015) 17,143.55 USF / 21,390.01 RSF (2017)	RETAIL A 4,310 USF / 4,827 RSF (2015) *COMBINED WITH AGENCY SPACE (2017)	RETAIL/HUB RESOURCE CENTER 1,521 RSF (2015) 1,357.74 USF / 1,694.05 RSF (2017)	Current: 18,334 New: 18,501	Current: 1.120 New: 1.248	Current: 20,548 New: 23,084	Current: 14,200 New: 21,390		

CURRENT TOTALS BASED ON 2015 MEASUREMENT: 364,741 395,770 251,896 64%  
NEW TOTALS BASED ON 2017 MEASUREMENT: 361,445 430,127 255,642 59%

# HISTORICAL RENT COMPARISON

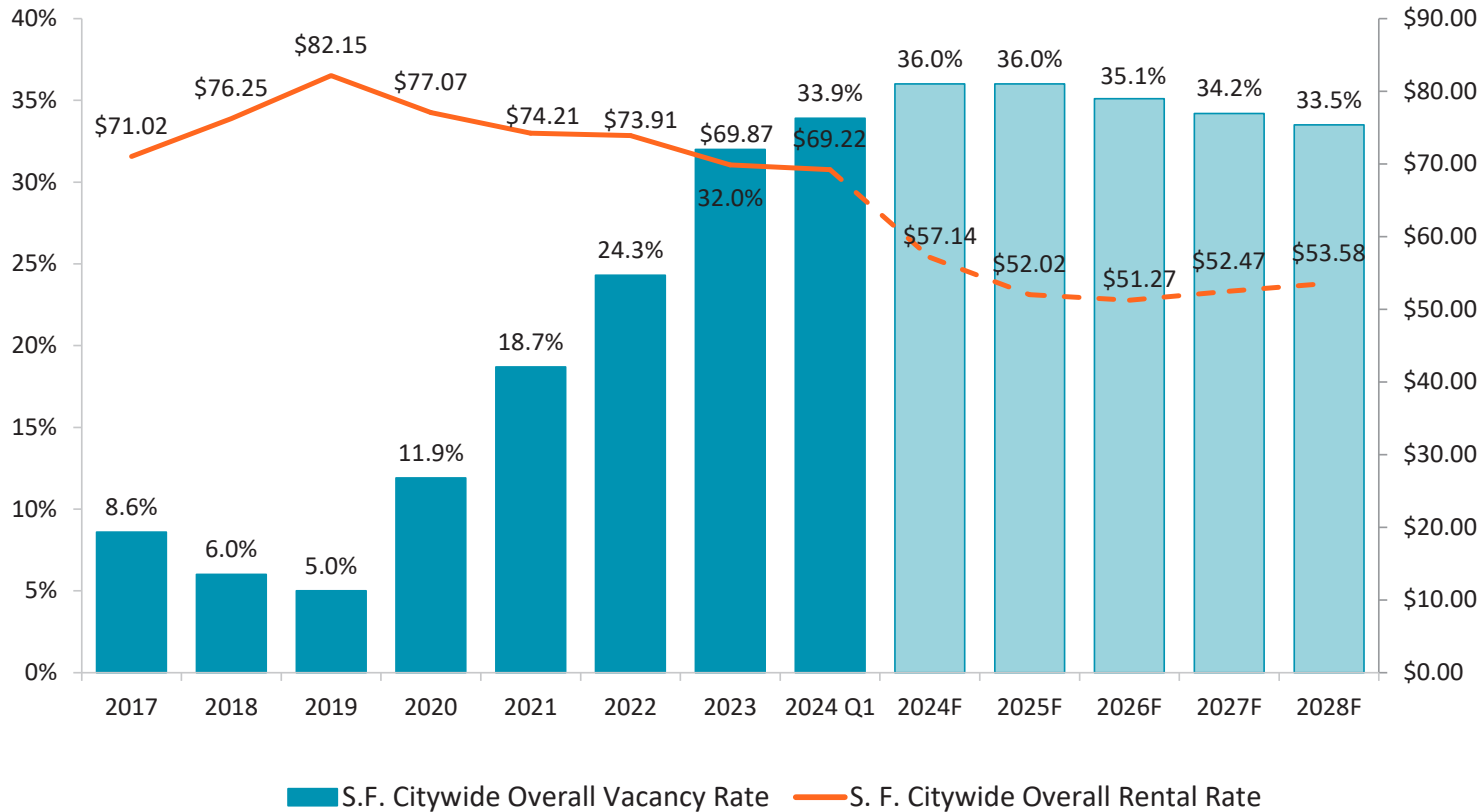
## 375 Beale vs Average Citywide Asking Rents



\* Asking Rent Forecasts are based on Fully Serviced rents.  
 375 Beale Rates are Net of Electric  
 (\$2-\$3 per ft per year more for Full Service equivalent)

# HISTORICAL RENT COMPARISON

## San Francisco Citywide Overall Office Forecast



### Baseline Forecast

- Asking rent is forecast to fall to \$51.27 at YE 2026 (down 60.2% from the high at YE 2019) with minimal increases through YE 2028.
- The vacancy rate is forecast to rise to 36.0% at YE 2024, remaining flat through YE 2025, before slowly decreasing through YE 2028.
- There is no new inventory expected through the forecast period



**375  
BEALE  
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THANK YOU