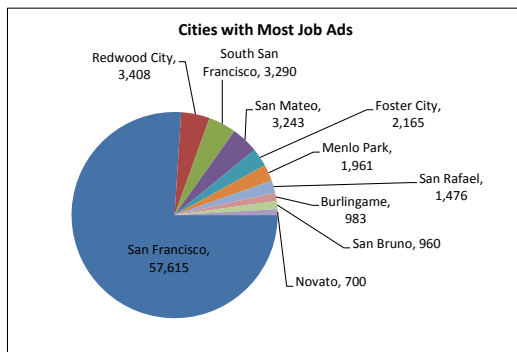


SAN MATEO COUNTY ECONOMIC & INDUSTRY OVERVIEW OCTOBER 2013

Employment and Business Dynamics

- Unemployment rate in San Mateo County is at 5.3%; a decrease from July when unemployment was at a revised 5.7%.
- San Mateo County ranks #2 in the lowest unemployment rate by county in the state. Marin is #1; San Francisco is #3; Santa Clara is #9; Contra Costa is #12; and Alameda is #14.
- The current unemployment rate in CA is 8.8% and in the U.S. it is at 7.3%.
- 21,500 are unemployed in San Mateo County out of a labor pool of 401,100.
- San Mateo County netted 13,100 jobs between 2011 and 2012, more than the 8,600 jobs gained between 2010 and 2011.
- Professional and business services led the growth in the county in 2012 by adding 7,000 jobs, mostly in professional, scientific, and technical services.
- Information technology gained 1,600 jobs between 2011 and 2012, while leisure and hospitality grew by 1,500 jobs.
- As of June 2013 the most recent job ads for Marin, San Francisco and San Mateo counties are Software Developers, Marketing Managers, Web Developers, Network and Computer Systems Administrators, Information Technology Project Managers, Computer Systems Analysts, Registered Nurses, Sales Managers, Accountants, and Software Quality Assurance Engineers & Testers.



Employers with Most Job Ads

Genentech/Roche - 1446
 Sutter Health - 680
 Salesforce.com - 637
 Robert Half International - 624
 University of California - 470
 Deloitte - 438
 Sterling Life Science - 430
 ZipRecruiter - 406
 Gilead Corporation - 376
 Price Water House Coopers - 356

Legend

Bay Area – Alameda, Contra Costa, Marin, San Francisco, San Mateo Counties and City of Palo Alto.

Silicon Valley – San Mateo, Santa Clara, Alameda Counties.



Industry Information

- 26 of the top 100 fastest growing private companies headquartered in Silicon Valley are located in San Mateo County.
- 18 of the top 25 largest software companies in the Bay Area are headquartered in San Mateo County.
- 18 of the top 25 venture capital funded biotech companies (total venture capital funding disclosed) in the Bay Area have facilities in San Mateo County.
- 18 of the top 25 largest venture capital firms (ranked by revenue) in the Bay Area are located in San Mateo County.
- 14 of the top 25 biotech patent recipients in the Bay Area have facilities in San Mateo County.
- 8 of the top 25 largest private equity firms (ranked by total capital under management) in the Bay Area have offices in San Mateo County.
- 6 out of 21 largest social media app makers (ranked by total number of employees) in the Bay Area are headquartered in San Mateo County.
- 6 of the top 25 largest digital entertainment companies in the Bay Area (based on number of Bay Area employees) are headquartered in San Mateo County.

Venture Capital Industry

- 26 venture-backed initial public offerings raised \$2.7 billion during the third quarter of 2013. This is a 13% increase from the second quarter this year. Also there was an 11% increase by dollars.
- For the third quarter of 2013, 107 venture-backed deals were reported, 31 which had an aggregate deal value of \$4.9 billion. This represents a 45% increase in disclosed value from the second quarter of 2013. This marks the strongest quarter for M&A disclosed value since the third quarter of 2012.

Real Estate (Retail)

- Over the course of the second quarter of 2013, shopping center vacancy declined from 3.2% to 3.1%.
- The second quarter of 2013 current vacancy rate for neighborhood/community centers is 3.8%, up slightly from 3.5% one year ago.
- In the second quarter of 2013 strip centers posted occupancy gains by 38,000 square feet. This drove local vacancy down from 4.7% to 3.5%.

Real Estate (Commercial)

- In the third quarter, San Mateo County vacancy dropped to 12.73% from 12.91% from the previous quarter.
- San Mateo County experienced positive net absorption for the last two consecutive quarters; 72,063 square feet in the third quarter and 421,429 square feet in the second quarter. This is a trend that we have not seen since the fourth quarter 2011.
- Gross absorption from the third quarter was 965,211 square feet. This brings the year to date total to 1.33 million square feet, having it as the most active period of leasing since the beginning of 2012.

Sources

- Bureau of Labor Statistics
- Cassidy Turley
- Colliers International
- National Venture Capital Association
- Pricewaterhouse/Coopers
- California Employment Development Department (EDD)
- SAMCAR
- San Francisco Business Times
- Terranomics (The Retail Division of BT Commercial)
- The Conference Board
- WANTED Technologies
- Silicon Valley/San Jose Business Journal