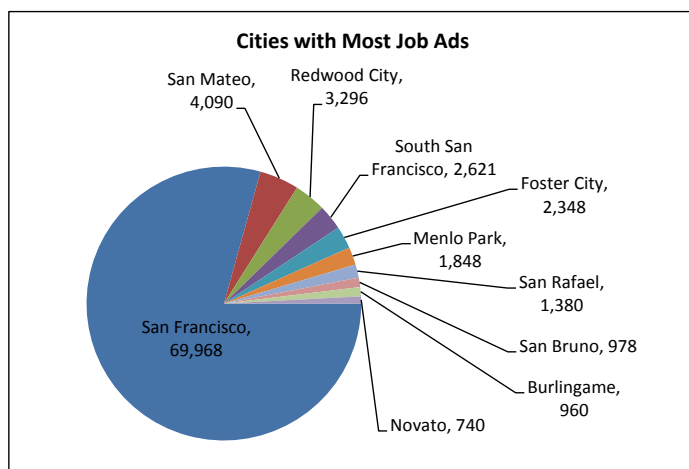


SAN MATEO COUNTY ECONOMIC & INDUSTRY OVERVIEW JULY 2012

Employment and Business Dynamics

- Unemployment rate in San Mateo County is at 7%; down from July 2011 when unemployment was at 8.4%
- 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 #11; and Alameda is #14.
- Unemployment rate in CA is at 10.9% and in the U.S. it is at 8.6%.
- 27,600 unemployed in San Mateo County out of a labor pool of 392,400.
- Cities in San Mateo County with unemployment above 10% are Brisbane at 12.3% and East Palo Alto at 16.6%. Two Census Designated Places (CDP) districts are also above 10% and include Broadmoor at 11.1% and North Fair Oaks at 14.6%.
- As of July 2012 the most recent job ads for the Marin, San Francisco and San Mateo counties are computer software engineers, marketing managers, web developers, computer systems analysts, executive secretaries and administrative assistants, network and computer systems administrators, registered nurses, retail salespersons, accountants and sales managers.



Employers with Most Job Ads

Cybercoders	- 2478
Roche/Genentech	- 1183
IBM	- 864
Google	- 661
Deloitte	- 643
Salesforce.com	- 519
Visa	- 513
Kaiser Permanente	- 373
Wells Fargo	- 330
Allegis Group	- 326

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

- 16 of the top 50 fastest growing private companies headquartered in Silicon Valley are located in San Mateo County.
- 16 of the top 25 largest software companies in the Bay Area are headquartered in San Mateo County.
- 14 of the top 25 venture capital funded biotech companies (total venture capital funding disclosed) in the Bay Area have facilities in San Mateo County.
- 14 of the top 25 largest venture capital firms (ranked by revenue) in the Bay Area are located in San Mateo County.
- 12 of the top 25 biotech patent recipients in the Bay Area have facilities in San Mateo County.
- 7 of the top 25 largest private equity firms (ranked by total capital under management) in the Bay Area have offices in San Mateo County.
- 5 out of 21 largest social media app makers (ranked by total number of employees) in the Bay Area are headquartered in San Mateo County.
- 5 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

- 38 U.S. venture capital funds raised \$5.9 billion in the second quarter of 2012. This marks a 12% increase by dollar commitments and a 22% decline by number of funds compared to the first quarter of 2012.
- Venture Capital fundraising for the first half of 2012 totaled \$11.2 billion, a 10% increase by dollar commitments compared to the first half of 2011 (\$10.2 billion) and an 8% decline by number of funds.

Real Estate (Retail)

- As of the close of the second quarter of 2012, shopping center vacancy stood at 3%, up slightly from the 2.8% mark recorded three months ago.
- As a whole in the second quarter of 2012, the market posted 43,762 square feet of negative net absorption.
- The current vacancy rate for neighborhood/community centers is 3.2%. Neighborhood centers recorded total occupancy decline of roughly 34,000 this quarter.
- Unanchored strip center vacancy currently stands at 4.6%. Throughout the second quarter of 2012, strip centers recorded total occupancy decline of roughly 3,000 square feet.
- Vacancy has now reached levels so low as to threaten growth—space users who would like to expand in the region are having a difficult time finding quality options.

Real Estate (Commercial)

- A positive sign is the commercial vacancy rate of 12.5% in the second quarter of 2012 down from 14.3% a year ago. San Mateo County's rent is \$3.25 per square foot, a 15% increase from one year ago.
- San Mateo County significant transactions in the second quarter of 2012 include: SuccessFactors – South San Francisco Centennial Towers 87,067 square feet; LiveOps – Redwood City 42,165 square feet; and Sonitus Medical – San Mateo 25,170 square feet.

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