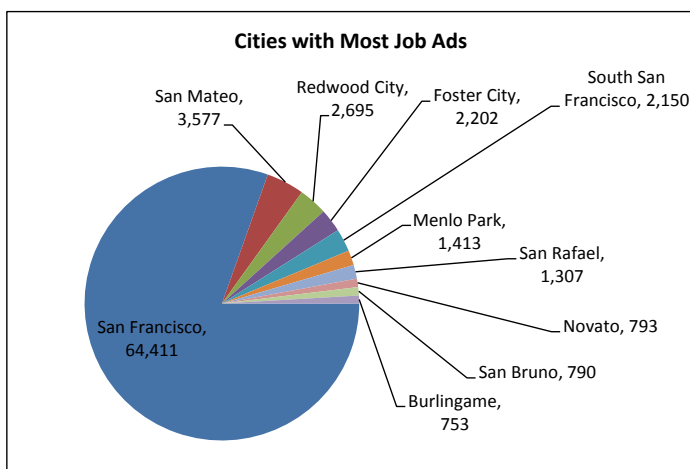


SAN MATEO COUNTY ECONOMIC & INDUSTRY OVERVIEW MAY 2012

Employment and Business Dynamics

- Unemployment rate in San Mateo County is at 6.8%; down from May 2011 when unemployment was at 7.9%
- 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 #8; Contra Costa is #12; and Alameda is #13.
- Unemployment rate in CA is at 10.4% and in the U.S. it is at 7.9%.
- 26,400 unemployed in San Mateo County out of a labor pool of 386,800.
- Cities in San Mateo County with unemployment above 10% are Brisbane at 11.9% and East Palo Alto at 16.2%. Two Census Designated Places (CDP) districts are also above 10% and include Broadmoor at 10.8% and North Fair Oaks at 14.2%.
- As of May 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, registered nurses, network and computer systems administrators, retail salespersons, sales managers, and accountants.



Employers with Most Job Ads

Salesforce.com	- 879
CyberCoders	- 683
Deloitte	- 681
Genentech	- 576
IBM	- 516
Visa	- 440
UCSF Medical Center	- 372
Gap Inc.	- 332
Allegis Group	- 320
Kaiser Permanente	- 296

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

- 19 venture-backed companies went public in the U.S. during the first quarter of 2012, raising \$1.5 billion. IPO activity marked its strongest opening quarter by number of dollars raised since the first quarter of 2007.
- 42 U.S. venture capital funds raised \$4.9 billion in the first quarter of 2012. This level marks a 35% decrease by dollar commitments compared to the first quarter of 2011, which saw 46 funds raise \$7.6 billion.

Real Estate (Retail)

- As of the close of the first quarter of 2012, shopping center vacancy stood at just 2.9%, down slightly from the 3.0% mark recorded just three months ago.
- As a whole in the first quarter of 2012, the market has posted 8,891 square feet of positive net absorption.
- The current vacancy rate for neighborhood/community centers is 3.2%, down from the mid-year 2011 mark of 3.6%. Neighborhood centers accounted for 13,000 square feet of occupancy growth over the past year.
- Unanchored strip center vacancy currently stands at 4.5%. Throughout the first quarter of 2012, strip centers recorded total occupancy decline of roughly 4,000 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 first quarter of 2012 down from 15.2% a year ago. San Mateo County's rent is \$3.24 per square feet, the highest since 2008.
- San Mateo County significant transactions in the first quarter of 2012 include: Informatica – Redwood City 290,305 square feet; HeartFlow – Redwood City 102,981 square feet; Evernote – Redwood City 85,891 square feet; Pan Pacific – Menlo Park 39,500 square feet.

Sources

- Bureau of Labor Statistics
- Cassidy Turley
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- National Venture Capital Association
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- SAMCAR
- San Francisco Business Times
- Terranomics (The Retail Division of BT Commercial)
- The Conference Board
- WANTED Technologies
- Silicon Valley/San Jose Business Journal