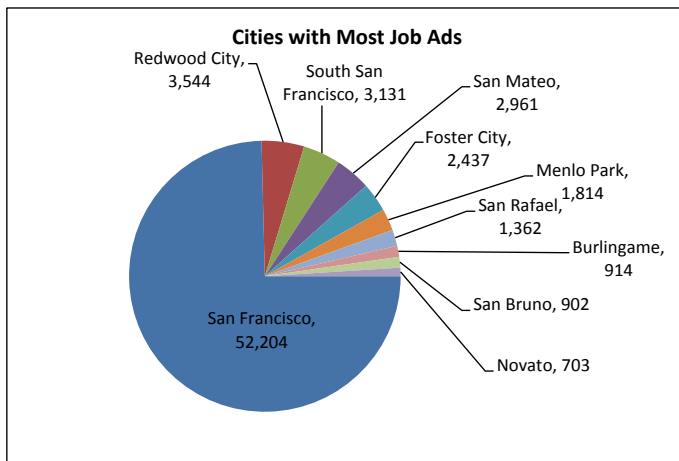


SAN MATEO COUNTY ECONOMIC & INDUSTRY OVERVIEW JUNE 2013

Employment and Business Dynamics

- Unemployment rate in San Mateo County is at 4.9%; down from December 2012 when unemployment was at 6%
- 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 #13.
- Unemployment rate in CA is at 8.1% and in the U.S. it is at 7.3%.
- 19,400 unemployed in San Mateo County out of a labor pool of 399,200.
- The City in San Mateo County with unemployment above 10% is East Palo Alto at 16%. One Census Designated Places (CDP) districts also above 10% is North Fair Oaks at 10.3%.
- As of April 2013 the most recent job ads for the 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, Market Research, Analysts and Marketing Specialists, and Management Analysts.



Employers with Most Job Ads

Genentech/Roche	1317
Sutter Health	738
Salesforce.com	592
Juniper Networks	546
Gilead Corporation	485
Deloitte	413
University of California	349
Facebook	329
Visa, Inc.	323
McKesson	319

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

- Venture-backed initial public offering activity raised \$672 million from eight offerings during the first quarter of 2013, a 52% decline in dollars raised from the fourth quarter of 2012 but on par with the number of listings during the previous quarter.
- For the first quarter of 2013, 77 venture backed deals were reported, 10 of which had an aggregate deal value of \$984.3 million, a 73% decrease from the last quarter.

Real Estate (Retail)

- Over the course of the first quarter of 2013, shopping center vacancy declined from 3.3% to 3.2%.
- The first quarter of 2013 current vacancy rate for neighborhood/community centers is 3.4%, up slightly from 3.3% in the last quarter.
- In the first quarter of 2013 strip centers posted occupancy gains by 12,100 square feet. This drove local vacancy down from 4.6% to 3.8%.

Real Estate (Commercial)

- San Mateo County vacancy rose to 14.1% in the 1st quarter to 14% in the 4th quarter of 2012. This marks the third consecutive quarter of rising vacancy rates.
- Net absorption for the quarter was negative 23,882 square feet, increasing absorption by 126,622 square feet from the 4th quarter of 2012 – much of that can be attributed to Softbank leasing 1 Circle Star (103,948) square feet in San Carlos in the 1st quarter.
- Gross absorption from the 1st quarter was 608,236 square feet, up by 43,976 square feet from last quarter.

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