SAN MATEO COUNTY ECONOMIC & INDUSTRY OVERVIEW SEPTEMBER 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.

Cities with Most Job Ads

<table>
<thead>
<tr>
<th>City</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Francisco</td>
<td>57,615</td>
</tr>
<tr>
<td>South San Francisco</td>
<td>3,290</td>
</tr>
<tr>
<td>Foster City</td>
<td>2,160</td>
</tr>
<tr>
<td>Menlo Park</td>
<td>1,961</td>
</tr>
<tr>
<td>Burlingame</td>
<td>983</td>
</tr>
<tr>
<td>San Bruno</td>
<td>960</td>
</tr>
<tr>
<td>Novato</td>
<td>700</td>
</tr>
<tr>
<td>San Mateo</td>
<td>3,243</td>
</tr>
<tr>
<td>Redwood City</td>
<td>3,408</td>
</tr>
</tbody>
</table>

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

- 21 venture-backed initial public offerings raised $2.1 billion during the second quarter of 2013, more than double the volume and dollars compared to the first quarter of the year.
- For the second quarter of 2013, 84 venture-backed deals were reported, 15 which had an aggregate deal value of $3.0 billion. This represents a 53% decrease in volume from the second quarter of 2012.

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 dropped to 12.9% from 14.1% from the last quarter breaking the streak in rising vacancy for the last three quarters.
- Net absorption for the quarter is positive 421,429 square feet, the highest net absorption seen since the fourth quarter in 2011 when it was 489,368 square feet.
- Gross absorption from the second quarter was 832,245 square feet, bringing the year to date total to 1.4 million 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