

Commercial Opportunities



WINTER 2004-05

ISSUE No. 28

DALY CITY REAL ESTATE MARKETPLACE - COMMERCIAL

COMPLIMENTS OF:

City of Daly City

Department of Economic and Community Development
(650) 991-8034

ALSO AVAILABALE ON-LINE AT WWW.DALYCITY.ORG



Commercial Opportunities

A free publication for everyone. . .

- Looking for commercial land, buildings, or building space in Daly City.
- Wanting to list available commercial property in this publication.
- Wanting to place a “want ad” for commercial real estate in Daly City.

To list your property or change your current listing you may:

- 1) Complete any of the forms at the end of this booklet and FAX them to the phone number shown on the form.
- 2) Telephone Michele Courtney, Dept. of Economic & Community Development, at (650) 991-8034, and she will enter your listing information and answer any questions you may have.
- 3) Email either Bob Hauser (bhauser@dalycity.org) or Victor Spano (vspano@dalycity.org).

If you are looking for commercial property, you can list your name and the type of property you are looking for to appear in a “Property Wanted” section in the next report. Please call (650) 991-8034 for assistance and ask for either Bob Hauser or Michele Courtney.

This list is published quarterly and is available on our website www.ci.daly-city.ca.us/commercial/frame.htm and at the following locations:

- City Hall – Planning Division, ECD Dept., 333 90th Street, Daly City
- Enterprise Center - 355 Gellert Boulevard, Suite 234, Daly City, Phone: (650) 991-5103
- Daly City/Colma Chamber of Commerce - 355 Gellert Boulevard, Suite 138, Daly City, Phone: (650) 755-3900

Watch for the next issue!

This information is provided by The Daly City Department of Economic and Community Development to assist business development in Daly City. All information contained herein has been provided by the owner, listing agent, or other sources considered reliable. However, this department does not warrant the accuracy of this information.

DALY CITY COMMUNITY ECONOMIC PROFILE

February 2004



Department of Economic & Community Development

(Next issue will contain updated profile.)

LOCATION: Daly City is located in northern San Mateo County. Bounded by the City of San Francisco to the north, and the Pacific Ocean to the west, Daly City is known as the “Gateway to the Peninsula”. The community lies just eight miles south of San Francisco’s financial district, and the San Francisco International Airport is just nine miles southeast of Daly City.

Daly City is also directly linked to the East and South Bay Area. Oakland International Airport is located 20 miles to the east, and is accessible via the Bay Bridge or the San Mateo-Hayward Bridge. Silicon Valley and the San Jose metropolitan area are located 45 miles to the south, via Interstate 280.

Population: Daly City has experienced a significant increase in population over the last four decades, and, according to the US Census, has realized an increase of over 12% growth in population over the past ten years. According to the Calif. Dept. of Finance, population estimates as of 1/01/03 are 712,400 for San Mateo County and 103,300 for Daly City.

Daly City is the largest city in San Mateo County, and, according to the Association of Bay Area Governments (ABAG), is expected to retain this position through at least 2025. During this time, ABAG estimates that Daly City will be the third largest growth city in the county. *Source: CA Dept. of Finance, (1/2004) & ABAG.*

Economic Growth & Trends:

Five-year history of taxable sales and labor force for Daly City and San Mateo County:

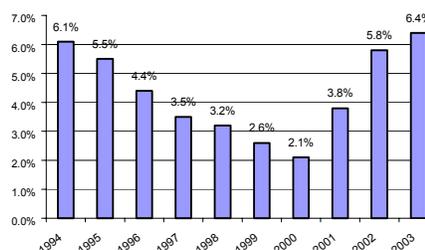
Taxable Sales (in thousands of dollars) – Source: State Board of Equalization						
	1998	1999	2000	2001	2002	Average % Growth/Yr.
County Sales:	\$11,035,003	\$12,130,051	\$14,044,016	\$12,859,589	\$11,614,809	1.3%
Daly City Sales:	\$648,603	\$651,913	\$698,541	\$688,875	\$718,448	2.6%
Labor Force- Annual Reporting – Source: CA EDD –Labor Market Information Division						
	1999	2000	2001	2002	2003	Average % Growth/Yr.
County Labor Force	398,300	400,400	395,500	382,700	381,192	-1.1%
Daly City Labor Force	55,290	55,530	55,060	53,620	53,363	-.9%

Daly City is among the top 1/3 cities in the county with the highest taxable sales and has enjoyed about double the county’s annual average growth in taxable sales with an average of 2.6%/year between 1998-2002. This demonstrates a fairly strong retail market in Daly City. Due to the current economic downturn, both the County and Daly City suffered a retraction in labor force from 2001-2003; however, the percentage decline over the last four years is less than the County’s average. Daly City also has a competitive labor force with nearly 75% of the City’s population over the age of eighteen, and only 10% of the population retired.

EMPLOYMENT:

Reflecting the continuing economic slow-down in the Bay Area, the unemployment rate has increased for the third year in Daly City. Daly City's current annual average unemployment is 6.4% compared to 5% for San Mateo County. *Source: State Employment & Development Department.*

% Unemployed - Annual Averages



Major Employers in San Mateo County and in Daly City

Company	Type of Business	Employees
San Mateo County		
United Airlines	Airline Service	17,700
Oracle	Database Computer Software	7,400
County of San Mateo	Government	4,944
Genentech	Biotechnology	3,700
Visa	Credit Card Services	2,677
Daly City		
Seton Medical Center	Medical Services	1,580
Jefferson School District	Education	1,418
City of Daly City	Government	775
Target @ Serramonte	Retail center	610
U.S. Postal Service	International Mail Facility	584
Genesys Telecommunications Lab.	Telecommunications software	380

REAL ESTATE MARKET (ENDING 2003):

The San Mateo County office market remains weak. However, Daly City fared much better than other San Mateo County Markets with a 4th qtr. vacancy rate of 16.6%, compared to over 30% in other areas of the County. Full service asking rents show further decline over the last year with Class A Office space averaging \$2.16/s.f. in Daly City and \$2.13/s.f. countywide. Net absorption in North San Mateo County moved from positive to negative (less occupied space now than previously) for the year. In 2003, some significant tenants left Daly City, notably International Paper, Peppermill and Lyon's Restaurants. As of 2/2004, both the latter properties had pending leases.

Office Vacancy:*	Ending 2003	2002	2001	2000	1999
North San Mateo County	26.18%	24%	22.3%	3.7%	1.4%
Daly City	16.6%	12.9%	18.3%	5.8%	.75%
Retail Vacancy: *					
San Mateo County	4.1%±	N/A	N/A	3%±	3.1%±
Daly City	6.4%±	6.2%±	5.8%±	2.5%±	3.4%±

NEW PROJECTS:

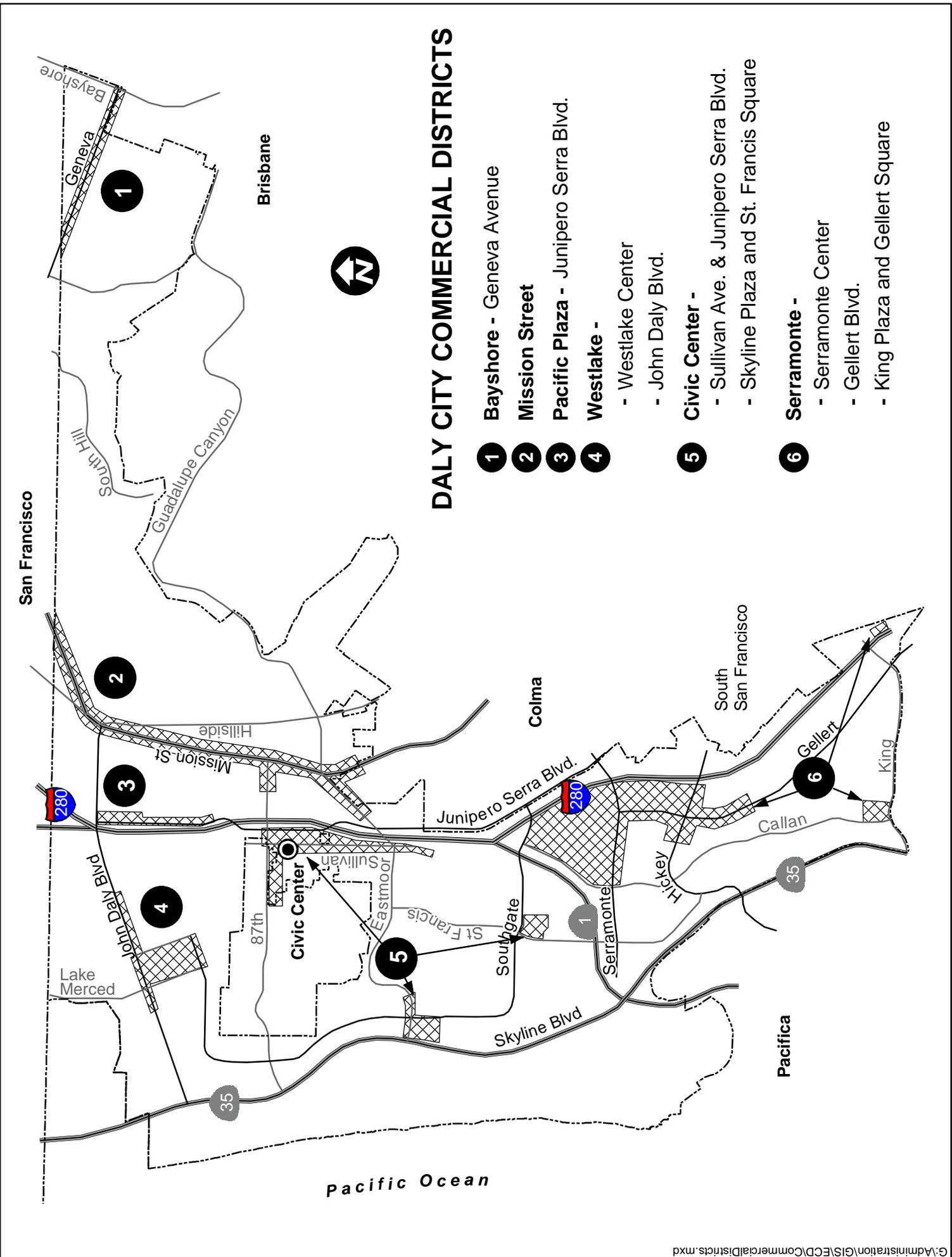
- **Pacific Plaza:** Located by the Daly City BART station, 350,000 s.f. of Class A office & retail space (Phase I) is now 93% leased; this is very quick absorption in this market. The 20-screen Century Theatre (Phase II) opened a year earlier and is now a Bay Area top performer in ticket sales.
- **Serramonte Corporate Center:** Located at Hickey Blvd. & I-280, this 130,000 s.f. medical office building is the new home of Kaiser Permanente. This building was completed in the fall of 2003.
- **87th Street Plaza:** This 100,000± s.f. project was completed in 2003 and has office/retail space as well as professional self-storage. It is also the home of Daly City's first **ACE Hardware** store.
- **Westlake and Serramonte Shopping Centers:** Both of these regional shopping centers undertook major renovation/expansion programs. Westlake is negotiating with several national tenants to redevelop and occupy space at the center. At Serramonte, attractive interior improvements were completed.

City Finance & Taxes:

Retail Sales Tax: State: 6% County: 0.25% County Transit: 1% City: 1% TOTAL: 8.25%

Bond Rating: Moody's Investors Services Inc.: Aaa Standard & Poor's Corporation: AAA
(Daly City has no significant outstanding public assessment bonds)

* A major commercial brokerage firm provided office vacancy data. Retail vacancy rates are loosely approximated from different sources.



DALY CITY COMMERCIAL DISTRICTS

- 1** Bayshore - Geneva Avenue
- 2** Mission Street
- 3** Pacific Plaza - Junipero Serra Blvd.
- 4** Westlake -
 - Westlake Center
 - John Daly Blvd.
- 5** Civic Center -
 - Sullivan Ave. & Junipero Serra Blvd.
 - Skyline Plaza and St. Francis Square
- 6** Serramonte -
 - Serramonte Center
 - Gellert Blvd.
 - King Plaza and Gellert Square



Land/Lots

FOR SALE

Page 1 of 1

Map Area	Size	Location	Zoning	Asking Price	Comments
1	1.7 Acres	2665 Geneva Ave.	C-1	\$4.95 million	SITE can accommodate a wide variety of uses.
Contact: <i>Victor Spano or Bob Hauser, City of Daly City, (650) 991-8034</i>					
2	11,160± s.f.	6854 Mission St.	C-1	\$1,200/mo.	LOT AVAILABLE to lease for one year w/option to renew.
Contact: <i>Martin Tom (415) 350-9421</i>					
4	Four Sites: 8.27 Acres Total	NW corner John Daly & Skyline Blvd. (Hwy. 35) Olympic Way	C-1	\$16,555,000 (\$46± /s.f.)	FOUR privately-owned sites for sale or ground lease for "visitor-serving commercial." Panoramic ocean view. Near Olympic Club.
Contact: <i>Tim McClean, Colliers International, (415)788-3100</i>					
5	16,000 s.f.	493 Eastmoor Avenue	C-0	\$1,200,000 (\$75/s.f.)	WELL-LOCATED corner lot at off-ramp from I-280. Views.
Contact: <i>Ed Kitts, Grubb & Ellis, (415) 477-9231</i>					

Commercial Buildings

FOR SALE

Page 1 of 1

Map Area	Property Type	Size	Location	Asking Price	Comments
2	R/O	N/A	6173 Mission St.	\$699,000 Sale Pending	GROUND LEVEL RETAIL with apartment above.
Contact: <i>Zephyr Real Estate (415) 522-9500</i>					
2	R/O	2,088 s.f.	5 Wellington Avenue	Sale Pending	ATTRACTIVE "Top-of-the-Hill" property. Two stories with retail and medical offices.
Contact: <i>Sale Pending</i>					
3	R/O	6,600 s.f.	2147 Junipero Serra Blvd.	SOLD	GOOD VISIBILITY. Includes mezzanine space. High ceilings. Former video rental store.
Contact: <i>Sold</i>					

Commercial Space

FOR LEASE

Page 1 of 6

Map Area	Property Type	Avail S.F.	Location	Monthly Rent /s.f.	Comments
1	R	2,200 s.f.	2501 Geneva Avenue	\$2,200/mo. Gross	FORMER BAR with small kitchen area, hood.
Contact: <i>Chris Collins, Gateway Management Rentals, (415) 550-7069</i>					
2	O	1,000± s.f.	6195 Mission St.	LEASED	MISSION ST. at Crocker Ave. Second floor office space divided into three rooms, w/sink & bathroom. Well lit, clean & painted. Landlord pays water, taxes & insurance. Stair access.
Contact: <i>Leased</i>					
2	R/O	14,297± s.f.	6210-12 Mission St.	\$1.25/s.f. NNN	FORMER RITE-AID. Ground floor & partial storage basement. Available as a sublease through 05/30/10.
Contact: <i>Marilyn Hansen, Grubb & Ellis Company, (650) 323-4805</i>					
2	R	2,500 s.f.	6296 Mission St.	LEASED	LOCATION IDEAL FOR RESTAURANT or commercial. Formerly "Tequila Place" bar.
Contact: <i>Leased</i>					
2	O	2,400 s.f.	6767 Mission St.	\$1,500/mo. Gross	TWO FLOORS, second and third. Each 1,200 s.f.
Contact: <i>Marie, Serramonte Mortgage, (650) 991-3800</i>					
2	R/O	584 s.f.	7130 Mission St.	LEASED	SMALL OFFICE for professional. Convenient location.
Contact: <i>Leased</i>					
2	R/O	2,000 s.f.	Mission/John Daly Blvd. 5 Wellington Ave.	\$2,500/mo. Gross	TOP-OF-THE-HILL. Great for small store.
Contact: <i>Don or Juan (415) 845-3210</i>					
2	O	3,900 s.f.	280 San Pedro Rd.	LEASED	OFFICE/RETAIL flexible use. Previously veterinary hospital.
Contact: <i>Leased</i>					

Commercial Space

FOR LEASE

Page 2 of 6

Map Area	Property Type	Avail S.F.	Location	Monthly Rent /s.f.	Comments
2	I/O	4,500 s.f.	San Pedro Rd./Hill St. 80 Hill Street	LEASED	WAREHOUSE/LIGHT INDUSTRIAL space with small office. Owner pays taxes and insurance.
Contact: <i>Leased</i>					
2	O	650± s.f.	101 School St.	\$900/mo. Gross	OFFICE/LIVE WORK space.
Contact: <i>Ed Hussain (650) 533-0291</i>					
2	R/O	785 to 1,200 s.f.	16 Washington St & 95 Hill St.	\$2.00/s.f. Gross	FOUR NEW OFFICE SPACES w/ground level retail potential. Units w/kitchen & bath areas. Three-story building w/on-site parking--one space per unit.
Contact: <i>Ben Durham, Harney, Cahan & Mason Properties, (415) 865-6106</i>					
3	R/O	22,277 s.f. remaining of 360,000 s.f. NRA	2001 Junipero Serra Blvd.	\$2.25 to \$2.45/s.f. FS Office Space TIs neg	PACIFIC PLAZA (Phase I). New 9-story Class A office building w/ground floor retail. Adjacent to restaurants, BART & Hwy. 280. Space available on 5th floor is divisible to suit tenants. Also available: Phase III--Build to Suit.
Contact: <i>Sandy Rodriguez, CB Richard Ellis, (650) 577-2973, James Lees/Tim Grant, CB Richard Ellis, (650) 577-2900, Phil Tippet/Darin Bosch, CB Richard Ellis, (415) 772-0123</i>					
3	O	16,000 s.f. divisible in 5,000 s.f. Units	2001 Junipero Serra Blvd.	\$2.00/s.f. FS (furniture potentially available)	PACIFIC PLAZA (Phase I). Sublease 4th Floor with bright, efficient open plan build-out. "Plug-n-play" available. On-site parking, fitness center, restaurants & other amenities. Next to BART. Term: 18-48 months.
Contact: <i>Steve Levere, The Staubach Company, (650) 493-1100</i>					
3	O	1,178 s.f.	2171 Junipero Serra Boulevard	\$2.55/s.f. FS	SUBLEASE until February 14, 2006. Beautiful seventh floor view space.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					

Commercial Space

FOR LEASE

Page 3 of 6

Map Area	Property Type	Avail S.F.	Location	Monthly Rent /s.f.	Comments
3	R/O	1,028 to 2,608 s.f.	2171 Junipero Serra Boulevard	\$2.55/s.f. FS	JS OFFICE BUILDING. Class A office space adjacent to Pacific Plaza. Tenant conference room. Close to BART.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					
4	O	538 to 1,656 s.f.	48 Park Plaza Drive	\$2.65/s.f. FS	MEDICAL BUILDING primarily. Renovation in progress.
Contact: <i>Conor Flynn, Kimco Realty Corporation, (925) 977-3452</i>					
4	R/O	Varies	Westlake Shopping Center Park Plaza Dr. & John Daly Blvd.	OFFICE \$3.00/s.f. FS RETAIL \$3.00-\$4.60/s.f.	NOW LEASING up to 10,000 s.f. of medical office space. RETAIL space available for good quality, high credit tenants.
Contact: <i>Jaci Wilson, Kimco Realty Corporation, (925) 977-3450</i>					
4	O	200 to 238 s.f.	375 South Mayfair Avenue	\$2.60/s.f. FS	GENERAL OFFICE with on-site parking.
Contact: <i>Conor Flynn, Kimco Realty Corporation, (925) 977-3452</i>					
4	R/O	1,500 s.f.	251 Southgate Avenue	\$2.67/s.f. NNN	EASY ACCESS and parking. Near Westlake Shopping Center.
Contact: <i>Conor Flynn, Kimco Realty Corporation, (925) 977-3452</i>					
4	O	5,750 to 13,111 s.f.	45 Southgate Avenue	\$2.35/s.f. FS	NEWER OFFICE BUILDING. Divisible to 2,000 s.f. Will accommodate build-to-suit needs. Great visibility.
Contact: <i>Conor Flynn, Kimco Realty Corporation, (925) 977-3452</i>					
5	R	1,500 s.f.	87th & Edgeworth Plaza	LEASED	STORE FRONT next to ACE Hardware. Finished space in two-year old building. On-site parking.
Contact: <i>Leased</i>					

Commercial Space

FOR LEASE

Page 4 of 6

Map Area	Property Type	Avail S.F.	Location	Monthly Rent /s.f.	Comments
5	R/O	189 to 800 s.f.	193-197 87th St. at Sullivan Ave.	\$1.75/s.f. Gross	GREAT LOCATION. Five units available. Small office spaces. Parking.
Contact: <i>Michael Berube (650) 574-7163</i>					
5	O	1,740 to 3,502 s.f.	295 89th St.	\$2.05/s.f. FS	SUBLEASE until July 31, 2007.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					
5	O	523 s.f.	295 89th St. at Sullivan Ave.	\$1.65/s.f. FS	CEDAR HILL OFFICE BUILDING. Some reserved covered parking. Near City Hall and BART. Please call for possible occupancy.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					
5	R/O	544 s.f.	2748 Junipero Serra Blvd.	\$1.70/s.f. Gross	OFFICE/RETAIL suitable for small business. Has storefront with good visibility from busy Junipero Serra Boulevard.
Contact: <i>Caesar Cabrera (650) 757-8960</i>					
5	R/O	1,400 s.f.	Skyline Plaza Shopping Center	LEASED	ONE SPACE AVAILABLE in center anchored by Ranch 99. Former video store.
Contact: <i>Leased</i>					
5	O	1,850 s.f.	1618 Sullivan Avenue	\$1.62/s.f. Gross	SUBLEASE dental office.
Contact: <i>Kenny Realty (650) 589-6422</i>					
5	O	1,700± s.f.	1618 Sullivan Avenue	\$1.75/s.f. NNN	FIVE PRIVATE OFFICES, large conference room plus large work area. Also has one on-site parking space.
Contact: <i>John Tealdi, Hometown Realty, (650) 756-9200</i>					

Commercial Space

FOR LEASE

Page 5 of 6

Map Area	Property Type	Avail S.F.	Location	Monthly Rent /s.f.	Comments
6	O	5,368 s.f. divisible to 601 s.f.	333 Gellert Blvd.	\$2.40/s.f. FS	SERRAMONTE PLAZA. Variety of spaces available now.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					
6	O/M	1,997 s.f.	333 Gellert Blvd. Ste. 140	\$2.40/s.f. FS	SERRAMONTE PLAZA Ste. 140. Available now.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					
6	O/M	1,719 s.f.	333 Gellert Blvd. Ste. 227	LEASED	SERRAMONTE PLAZA Ste. 227. Contiguous with Ste. 229 to total 3,062 s.f.
Contact: <i>Leased</i>					
6	O/M	1,343 s.f.	333 Gellert Blvd. Ste. 229	\$2.25- \$2.40/s.f. FS	SERRAMONTE PLAZA Ste. 229. Contiguous with Ste. 227 to total 3,062 s.f.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					
6	O/M	859 s.f.	333 Gellert Blvd. Ste. 241	\$2.25- \$2.40/s.f. FS	SERRAMONTE PLAZA Ste. 241. Available now.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					
6	O/M	601 s.f.	333 Gellert Blvd. Ste. 243	\$2.25- \$2.40/s.f. FS	SERRAMONTE PLAZA Ste. 243. Contiguous with Ste. 247.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					
6	O/M	1,824 s.f.	333 Gellert Blvd. Ste. 247	\$2.25- \$2.40/s.f. FS	SERRAMONTE PLAZA Ste. 247. Contiguous with Ste. 243.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					
6	O	1,432 s.f. And 1,570 s.f.	333 Gellert Boulevard	\$2.45/s.f. FS	SERRAMONTE PLAZA. Two spaces available.
Contact: <i>David Giusti (650) 992-3954</i>					

Commercial Space

FOR LEASE

Page 6 of 6

Map Area	Property Type	Avail S.F.	Location	Monthly Rent /s.f.	Comments
6	O	100 to 200 s.f.	355 Gellert Boulevard	\$480 to \$1,100/mo. FS	DALY CITY BUSINESS CENTER. Please call for current space availability. Business Center (executive suites) office space with full-time receptionist and variety of services including business assistance. Perfect for start-up or mature businesses.
Contact: <i>Tess Lagandaon, Manager, Daly City Business Center, (650) 757-2060</i>					
6	O	1,432 s.f.	355 Gellert Boulevard (Ste. 110)	\$2.45/s.f. FS	SERRAMONTE PLAZA Suite 110 available.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					
6	O	1,517 s.f.	355 Gellert Boulevard (Ste. 200)	\$2.45/s.f. FS	SERRAMONTE PLAZA Suite 200. Available.
Contact: <i>Karen Chin, BT Commercial, (650) 347-3700</i>					
6	O	62,500 s.f. (divisible)	455 Hickey Boulevard	\$2.25 to \$2.45/s.f. FS	FIVE-STORY office building with outstanding views and convenient 280 access. Multi-level covered parking. Three to five year lease terms. Medical use allowed. Close proximity to BART and SFO airport. Spec. suites available on fifth floor.
Contact: <i>John Barsocchini or Bob Bauman, BT Commercial, (650)347-3700; Jill Ruyle, BT Commercial, (415) 781-8100</i>					
6	R	call for current availability	Serramonte Center	\$3.00 to \$9.00/s.f. NNN	REGIONAL SHOPPING CENTER anchored by Macy's, Mervyn's and Target.
Contact: <i>Dick Bartlett (650) 992-8687 for short-term space. Robert Dishler (310) 378-8781 for long-term space.</i>					

FAX FORM

FROM:

NAME: _____

COMPANY: _____

PHONE: _____

FAX: _____

E-MAIL: _____

TO:

COMMERCIAL OPPORTUNITIES

FAX: (650) 991-8070

City of Daly City

Dept. of Economic and Community Development

Contact Michele Courtney at (650) 991-8034 or
mcourtney@dalycity.org if you have any questions.

PLEASE PRINT LEGIBLY!

LAND/LOTS - FOR SALE

Map Area	Size S.F./Ac.	Location	Zoning (if known)	Asking Price	Comments (10 word limit)	Contact & Phone #

COMMERCIAL BUILDINGS - FOR SALE

Map Area	Property Type*	Size	Location	Asking Price	Comments (10 word limit)	Contact & Phone #

COMMERCIAL SPACE - FOR LEASE

Map Area	Property Type	Avail. S.F./ Total S.F.	Location	Monthly Rate/S.F. (state exp. basis NNN /Gross, etc.)	Comments (10 word limit)	Contact & Phone #

*Property Type: I = industrial, O = Office, R = Retail, R/O = Mixed Retail/Office, OM = Other Mixed Use (e.g., commercial & apartments)