

High-Tech Venture Capital Funding

San Francisco. Q3 2014



\$1.5B
Q3 2014 San Francisco high-tech VC funding

21.5%
% of total U.S. high-tech funding

26.4%
Y-o-Y % change in high-tech funding in San Francisco

Sector with the largest amount of funding
Software

\$14.4M
Average funding amount

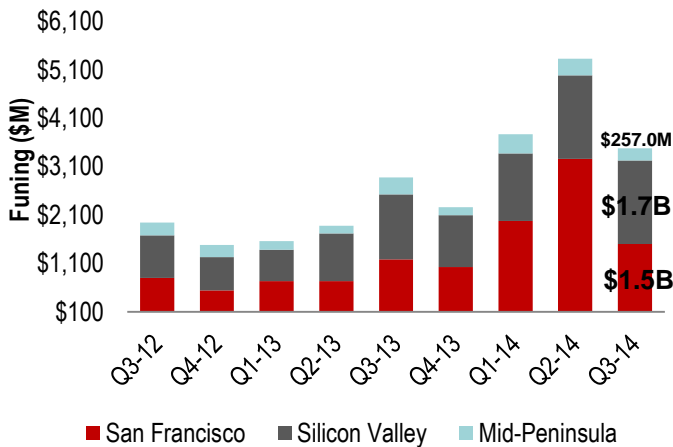
of Q3 2014 high-tech funding deals
119

Q3 2014 high-tech funding overview

Venture capitalists continue to place their bets in the rapidly growing local tech economy. During Q3 2014, San Francisco accounted for 15.0 percent of the top 10 high-tech VC backed deals nationally. VC funding dropped since last quarter, which was expected due to the \$1.2B Uber "mega" investment. Silicon Valley VC firms have begun to establish locations in the city, trading the prestige of a Sand Hill Road address for access to San Francisco's hot start-up economy.

San Francisco's thriving tech ecosystem is driving demand for office space and 39.4 percent of active tenant requirements are tech-related companies. San Francisco's high cost of living could prove onerous for tech companies as they search for top talent. However, the amenity base and access to capital continues to attract companies from other markets, contributing to leasing activity that is surpassing dot.com levels. VC outlook in the current cycle is very positive and investment in new innovation will continue to grow while recently funded startups look to expand, leading to additional demand for office space going forward.

Bay Area historical high-tech VC funding



Q3 2014 top 5 funded San Francisco companies

\$150M

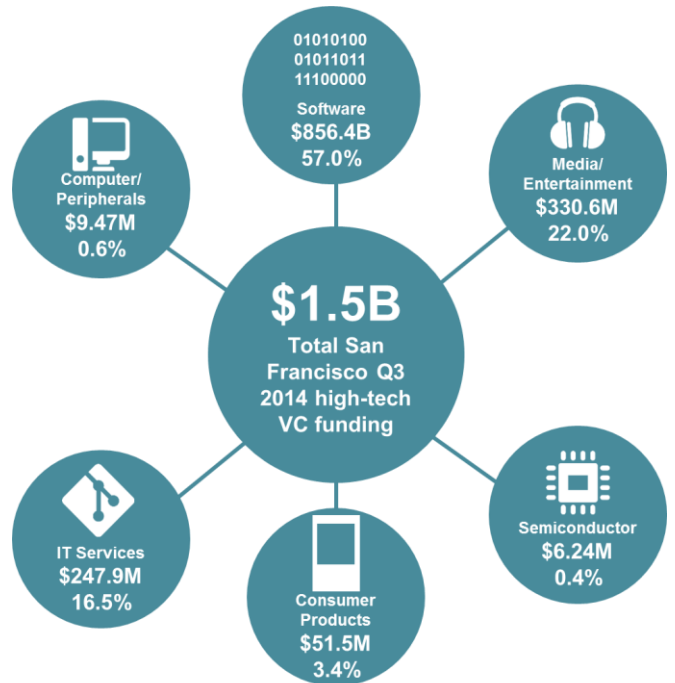
\$120.0M

\$100.0M

\$70.0M

\$55.0M

High-tech funding percentages by industry



Future San Francisco tech IPOs

Travel like a human.

Sources: JLL Research, PwC Moneytree

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