



LEE & ASSOCIATES

COMMERCIAL REAL ESTATE SERVICES



FEATURED MARKET REPORTS

THE LEE ADVANTAGE

Every Lee & Associates office delivers world-class service to an array of regional, national, and international clients - from small businesses and local investors to major corporate users and institutional investors. Our professionals combine the latest technology, resources, and market intelligence with their experience, expertise, and commitment to superior service to optimize client results.

WHAT SETS US APART?

Since 1979, Lee & Associates has reimagined the way that commercial real estate companies should be structured. Each Lee & Associates office is owned and operated by its professionals. As shareholders of the company, this separates us from our competition and creates one common goal; to provide seamless, consistent execution and value-driven market-to-market services to our clients.

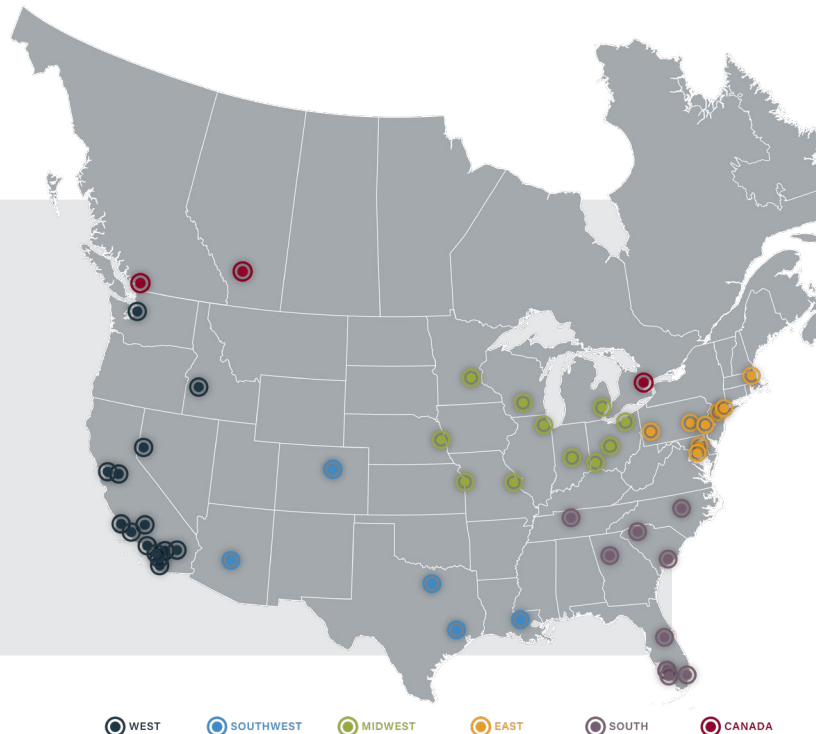
SERVICES TO MEET THE NEEDS OF OUR CLIENTS

Lee & Associates' offices offer a broad array of real estate services tailored to meet the needs of the company's clients in each of the markets it operates, including commercial real estate brokerage, integrated services, and construction services.

With specialty practice groups in each of these disciplines, our professionals regularly collaborate to make sure they are providing their clients with the most advanced, up-to-date market technology and information.

LOCAL EXPERTISE INTERNATIONAL REACH

With offices in 75+ markets across North America and a strategic international alliance with Gerald Eve, Lee & Associates has the ability to deliver first-class services to our clients both locally and internationally.



INDUSTRIAL OVERVIEW: INDUSTRIAL GROWTH ON TRACK FOR LEAST GAIN IN YEARS

In a reversal from the ballooning logistics capacities required during the pandemic, demand for space has slowed across North America. After continuously rebuilding inventories from the fall of 2021 through Q3 last year, many retailers and wholesalers are taking a breather, pausing further inventory accumulation out of caution over the economic outlook. In the U.S., second-quarter net absorption was down 58% year over year, and 2023 is on track to post the weakest annual growth in more than a decade. The vacancy rate was up 30 basis points from the first of the year to settle at 4.7%. The recent slowing has been broad-based across most markets, but Los Angeles, the Inland Empire and Las Vegas recorded outsized increases in available space.

U.S. imports have fallen from record highs in November. The slowdown has been most pronounced at the Port of Los Angeles, where cargo traffic was affected by China's Covid wave in late 2022 and early 2023. Additionally, until a tentative labor agreement was reached recently, there has been risk of a strike by West Coast dockworkers who have been working without a contract since 2022. That risk was enough for many importers to divert cargoes to major East Coast ports such as Newark, Savannah, Norfolk and Charleston as well as Houston.

Bucking the national trend are several markets, notably Lehigh Valley, Richmond, Tampa, Jacksonville, Detroit and Reno, that have reported tightening availability since mid-2022. Contributing to the weak growth were troubled retailers such as Neiman Marcus, Bed Bath & Beyond and Stich Fix, which shuttered distribution centers larger than 500,000 SF. Amazon recently put its 508,000-SF distribution center outside Baltimore on the market along with a similar facility in Broward County, Florida.

While the resumption of student loan payments and a possible recession could result in a pullback in consumer spending, the onshoring of high-tech manufacturing is likely to be a driver of U.S. absorption through 2026. The CHIPS and Science Act and Inflation Reduction Act okayed more than \$400 billion in incentives for new U.S.-based high-tech manufacturing. More than 30 battery plants are planned, and many are targeting 2024-25 to start production. Many of these plants are planned in Georgia, Arizona and Texas.

The stock of U.S. industrial properties is set to grow by nearly 4% this year, the fastest pace in more than three decades. But barring a severe economic shock, the amount of space under construction will likely produce only a moderate increase in vacancy. Construction starts have been plummeting since last fall. Developers have grown increasingly concerned that higher interest rates are causing values of newly delivered projects to dip below replacement costs.

Net absorption in Canada fell 4.4% year over year and the vacancy rate was up 20 basis points to 1.7% from the end of 2022. It is growing more likely that 2023 will post the least national growth since 2020.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / SF ANNUAL		HIGHEST MARKET SALE PRICE / SF	
BC, Vancouver	1.2%	CA, San Diego	\$22.08	BC, Vancouver	\$366 CAD
ON, Toronto	1.4%	FL, Miami	\$19.68	CA, Orange County	\$356
AB, Calgary	2.3%	CA, Orange County	\$19.56	CA, San Diego	\$340
FL, Miami	2.4%	CA, Los Angeles	\$19.20	CA, Los Angeles	\$336
NE, Omaha	2.6%	NY, New York	\$18.84	CA, East Bay	\$284
U.S. Index	4.7%	U.S. Index	\$11.64	U.S. Index	\$154
Canada Index	1.7%	Canada Index	\$12.36 CAD	Canada Index	\$228 CAD

MOST SF UNDER CONSTRUCTION SF		LARGEST INVENTORY BY SF		LOWEST MARKET CAP RATE	
TX, Dallas-Fort Worth	64,047,409	IL, Chicago	1,371,614,619	BC, Vancouver	4.0%
AZ, Phoenix	57,880,662	TX, Dallas-Fort Worth	1,110,217,795	CA, Inland Empire	4.2%
CA, Inland Empire	38,669,802	CA, Los Angeles	951,492,964	ON, Toronto	4.2%
IL, Chicago	35,895,071	ON, Toronto	862,806,236	CA, Los Angeles	4.5%
GA, Atlanta	30,233,783	NY, New York	858,952,384	CA, Orange County	4.7%
U.S. Index	590,761,031	U.S. Index	18,381,933,443	U.S. Index	6.8%
Canada Index	60,506,462	Canada Index	1,834,336,241	Canada Index	5.0%

* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
AB, Calgary **	2.3%	\$0.70	\$124	9,531,732	178,937,375	6.8%
AZ, Phoenix	4.4%	\$1.06	\$178	57,880,662	423,521,959	6.1%
BC, Vancouver **	1.2%	\$1.30	\$366	8,955,757	272,405,896	4.0%
CA, Bakersfield	4.9%	\$0.82	\$114	1,358,975	61,639,676	6.7%
CA, East Bay	4.5%	\$1.39	\$284	4,262,586	275,118,458	5.2%
CA, Fresno	2.7%	\$0.71	\$87	512,767	86,308,436	7.1%
CA, Inland Empire	4.0%	\$1.16	\$275	38,669,802	732,216,980	4.2%
CA, Los Angeles	3.7%	\$1.60	\$336	7,666,322	951,492,964	4.5%
CA, Orange County	2.8%	\$1.63	\$356	2,147,483	302,377,761	4.7%
CA, San Diego	4.7%	\$1.84	\$340	3,817,986	206,722,056	5.5%
CA, San Francisco	7.7%	\$2.28	\$470	5,565,769	98,632,351	5.1%
CA, San Luis Obispo	2.5%	\$1.35	\$200	92,327	9,339,099	6.0%
CA, Santa Barbara	4.0%	\$1.50	\$236	47,018	18,983,391	6.1%
CA, Stockton	6.8%	\$0.78	\$128	5,781,819	146,110,537	5.8%
CA, Ventura	3.2%	\$1.19	\$203	659,763	75,000,753	5.8%
CO, Denver	6.2%	\$0.99	\$183	10,833,983	275,534,372	6.6%
DC, Washington	4.4%	\$1.32	\$229	9,549,542	290,096,533	6.6%
FL, Fort Myers	1.4%	\$1.00	\$126	4,070,910	37,731,160	7.9%
FL, Miami	2.4%	\$1.64	\$256	8,449,631	265,891,870	5.5%
FL, Naples	1.0%	\$1.30	\$170	46,718	14,530,335	7.2%
FL, Orlando	3.5%	\$1.09	\$150	10,432,404	194,695,470	6.3%
GA, Atlanta	4.5%	\$0.73	\$108	30,233,783	810,340,083	6.3%
GA, Savannah	4.4%	\$0.67	\$114	20,040,164	108,834,760	6.7%
ID, Boise	5.4%	\$0.83	\$125	9,566,596	55,489,845	7.1%
IL, Chicago	3.7%	\$0.76	\$92	32,941,173	1,392,339,813	7.4%
IN, Indianapolis	7.0%	\$0.61	\$73	13,159,429	410,220,375	7.9%
KS, Lawrence	1.1%	\$0.77	\$87	17,460	9,447,271	8.5%
KS, Topeka	2.7%	\$0.45	\$60	103,514	21,008,624	8.9%
LA, Baton Rouge	2.6%	\$0.78	\$70	2,242,000	41,847,173	9.1%
MA, Boston	5.0%	\$1.25	\$184	8,283,495	356,730,246	6.6%
MD, Baltimore	6.2%	\$0.87	\$131	1,663,641	262,753,543	7.1%
United States Index	4.7%	\$0.97	\$154	590,761,031	18,381,933,443	6.8%
Canada Index	1.7%	\$1.03**	\$228**	60,506,462	1,834,336,241	5.0%

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
MI, Detroit	3.7%	\$0.70	\$71	7,436,729	615,246,484	9.8%
MN, Minneapolis	3.2%	\$0.68	\$90	8,034,790	414,634,425	8.4%
MO, Kansas City *	4.2%	\$0.56	\$64	13,269,036	353,139,394	8.5%
MO, Saint Louis	4.4%	\$0.58	\$69	3,679,923	334,400,592	7.7%
NC, Durham	4.8%	\$0.93	\$129	2,806,797	49,340,944	6.9%
NC, Raleigh	4.3%	\$0.94	\$131	5,480,703	99,602,007	7.1%
NE, Lincoln	2.3%	\$0.59	\$80	291,900	31,922,696	8.7%
NE, Omaha	2.6%	\$0.64	\$82	3,437,034	105,684,831	8.2%
NJ, Atlantic City	4.5%	\$0.86	\$84	0	9,404,380	7.8%
NJ, Northern New Jersey *	3.0%	\$1.28	\$201	4,304,426	251,543,467	6.1%
NJ, Trenton	2.9%	\$0.82	\$164	1,446,726	43,550,241	6.2%
NJ, Vineland	5.1%	\$0.59	\$65	0	18,134,284	7.3%
NV, Reno	4.1%	\$0.76	\$128	5,077,759	113,263,495	5.8%
NY, Long Island	4.4%	\$1.48	\$197	1,951,558	182,976,203	7.7%
NY, New York *	4.9%	\$1.57	\$271	20,368,870	858,952,384	5.6%
OH, Cincinnati	3.5%	\$0.58	\$68	9,747,591	345,441,950	8.0%
OH, Cleveland	3.7%	\$0.53	\$50	3,547,588	353,216,555	9.6%
OH, Columbus	4.7%	\$0.66	\$82	13,716,013	353,143,015	6.9%
ON, Toronto **	1.4%	\$1.17	\$265	27,940,191	862,806,236	4.2%
PA, Harrisburg	3.8%	\$0.65	\$93	698,880	112,524,072	6.7%
PA, Lehigh Valley *	4.2%	\$0.69	\$118	4,494,926	162,481,393	6.4%
PA, Philadelphia *	5.5%	\$0.89	\$117	23,780,357	602,790,795	6.9%
SC, Charleston	5.2%	\$0.82	\$100	11,454,296	103,541,039	7.4%
SC, Greenville	4.3%	\$0.53	\$61	4,736,521	140,534,184	8.5%
SC, Spartanburg	9.8%	\$0.51	\$66	12,112,114	109,970,792	8.1%
TN, Nashville	3.9%	\$0.89	\$107	10,329,866	270,090,257	6.3%
TX, Dallas-Fort Worth	7.2%	\$0.76	\$113	64,047,409	1,110,217,795	6.2%
TX, Houston	6.2%	\$0.73	\$99	29,458,877	784,214,513	7.2%
WA, Seattle	5.4%	\$1.19	\$246	7,532,690	349,684,288	5.2%
WI, Madison	2.2%	\$0.62	\$73	1,209,040	74,132,035	8.1%
United States Index	4.7%	\$0.97	\$154	590,761,031	18,381,933,443	6.8%
Canada Index	1.7%	\$1.03**	\$228**	60,506,462	1,834,336,241	5.0%

* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

** Numbers shown are in Canadian dollars (CAD)



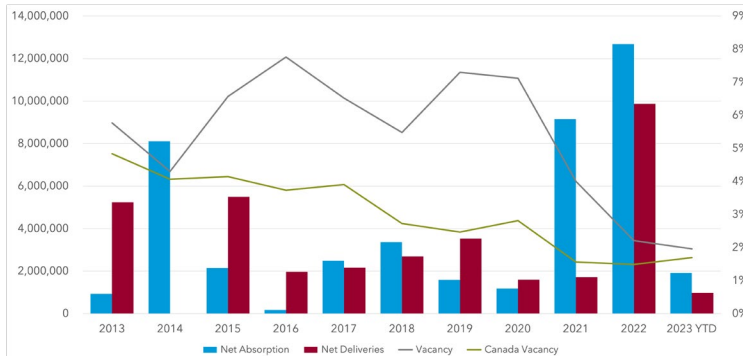
INDUSTRIAL MARKET OVERVIEW

JACK MAZURY, *Research Coordinator*

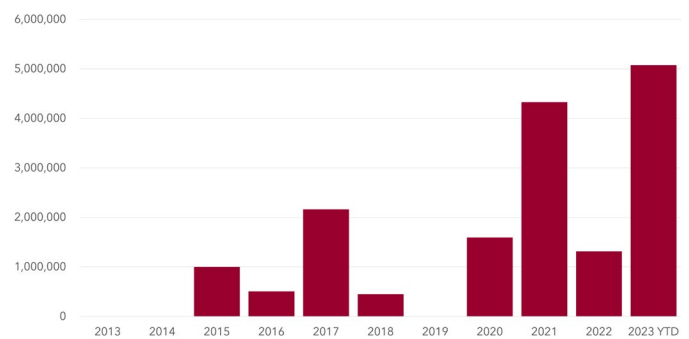
The Calgary industrial market remained stable in the second quarter of 2023. With limited supply continuing to pose an issue for prospective tenants alongside increased construction completions, absorption was negative and the vacancy rate rose slightly. Sales volume slowed from Q1 as the Bank of Canada's interest rate hikes continue to raise the cost of capital, reducing the viability of acquisitions for purchasers. Small bay product continues to make-up a significant majority of active listings as demand for large distribution space in the Calgary area remains strong. The construction pipeline reached over 5,000,000 square feet and is largely concentrated in Balzac due to the lower tax scenario compared to properties within city limits.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ Qtrly Net Absorption SF	(199,137)	2,115,223	2,569,437	(230,369)	7,776,546
▲ Vacancy Rate	1.96%	1.87%	2.21%	2.92%	2.85%
◀ ▶ Avg NNN Asking Rate PSF	Not Tracked	Not Tracked	Not Tracked	Not Tracked	Not Tracked
▲ SF Under Construction	5,076,977	4,329,883	1,315,151	1,974,474	4,344,337
▲ Inventory SF	163,311,067	163,105,942	162,657,499	162,067,331	159,600,115

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5495 - 61st Avenue SE Calgary, AB	43,673 SF	Undisclosed	Undisclosed Undisclosed	Class A
2620 - 22nd Street SE Calgary, AB	25,674 SF	\$5,500,000* \$214.22 PSF	New Convent Assembly Danijel Anton Holdings, Ltd.	Class B
4305 - 75th Avenue SE Calgary, AB	24,255 SF	\$5,100,000* \$210.27 PSF	Wacker Neuson Limited 1300049 Alberta, Inc.	Class B

**All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
High Plains Industrial Park - Bldg 11 Rockyview County, AB	209,461 SF	Highfield Development Ltd.	Mobis	Automotive
292028 Crosspointe Road NE Rockyview County, AB	160,122 SF	Hopewell Development	Medline Canada	Healthcare
Nose Creek Business Park, Bldg G Rockyview County, AB	474,060 SF	Quadreal	Undisclosed	Undisclosed



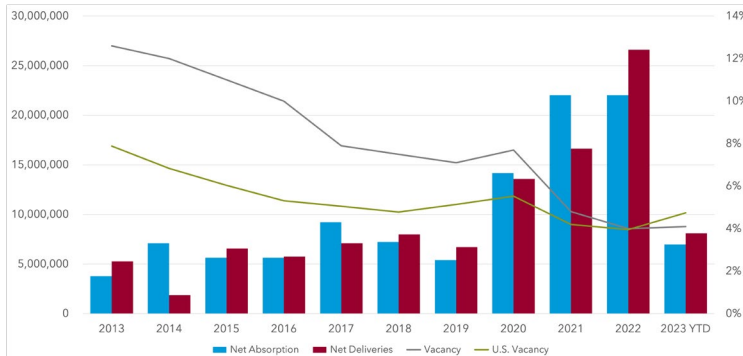
INDUSTRIAL MARKET OVERVIEW

CHRIS MCCHESENEY, *Director of Research*

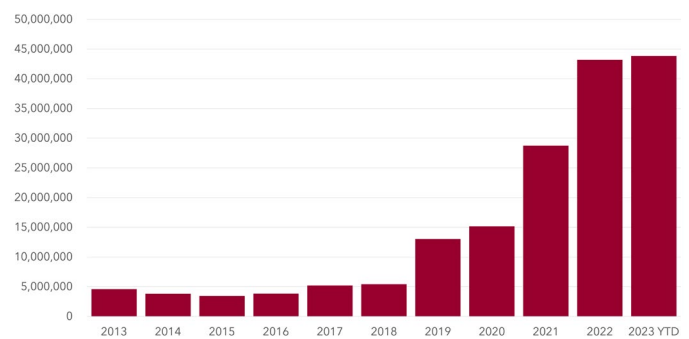
The Phoenix industrial market has been thriving, driven by population growth, e-commerce expansion, and a strong logistics sector. The region has been attracting both local and national industrial companies, leading to record construction, rental growth, and net absorption. Phoenix continues to be a top producing industrial market due to its strategic location, favorable business environment, and lower cost of doing business.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ Qtrly Net Absorption SF	2,173,140	4,508,489	4,525,312	3,525,026	4,789,550
▼ Vacancy Rate	3.8%	4.0%	4.0%	3.9%	4.0%
▲ Avg NNN Asking Rate PSF	\$12.24	\$11.88	\$10.56	\$10.08	\$9.48
▼ SF Under Construction	43,839,972	55,291,088	43,197,614	45,330,326	33,000,361
▲ Inventory SF	375,658,060	372,918,165	367,223,661	359,359,407	354,482,546

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
99th Avenue & Buckeye Road (3 Bldgs) Tolleson, AZ	1,282,863 SF	\$165,000,000 \$128.62 PSF	KKR & Co. George Oliver	Class A
15132 N. Camelback Road Glendale, AZ	599,486 SF	\$81,698,544 \$136.28 PSF	Cohen Assest Management US Capital Development	Class A
7421 N. Reems Road Glendale, AZ	570,080 SF	\$82,661,600 \$145.00 PSF	Fundrise CRG/Clayco, Inc.	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
15600 W. Camelback Road Litchfield Park, AZ	331,683 SF	SteelWave/NY Life	CJ Logistics, Inc.	3PL
25651 W. Durango Street Buckeye, AZ	326,103 SF	Crimson Canyon	Exxon	Fuel Distribution
SWC Buckeye Road & 103rd Avenue Tolleson, AZ	321,892 SF	Lincoln Property Co.	Tempur-Pedic	Mattress Manufacturing



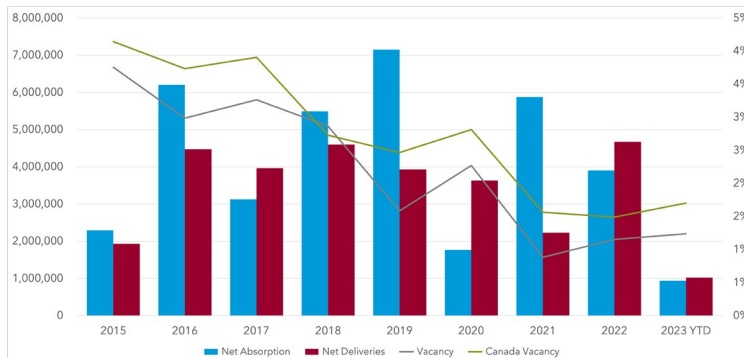
INDUSTRIAL MARKET OVERVIEW

MASON TAYKANDY, *Research Coordinator*

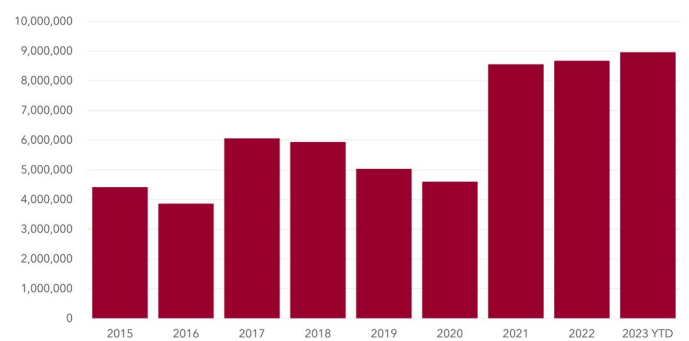
The Metro Vancouver industrial market continued to demonstrate its resilience with vacancy rates stabilizing around 1%. Most vacant spaces tend to lack modern specifications, as tenants demand higher ceiling heights and flexible loading capabilities. Lease rates grew by 2.3% quarter-over-quarter, reflecting the industrial market's tightness and ongoing lease activity. With the Bank of Canada's decision to increase the policy interest rate to 4.75%, the downward trend in sales activity continued as the cost of borrowing rises. About 4 million SF under construction is expected to be delivered by the end of the year, signaling an optimistic market outlook as the influx of new space aims to support demand.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	3,346,568	2,987,094	3,904,274	3,060,342	4,637,067
▼ Vacancy Rate	1.12%	1.19%	1.15%	1.07%	1.05%
▲ Avg NNN Asking Rate PSF	\$20.70	\$20.23	\$19.60	\$18.89	\$18.22
▲ SF Under Construction	8,959,004	8,907,434	8,670,963	10,174,906	9,606,982
▲ Inventory SF	272,379,858	271,724,818	271,186,852	269,340,613	268,805,407

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1615 Franklin Street Vancouver, BC	90,776 SF	\$43,750,000* \$482.00 PSF	SmartStop Asset Management LLC Key Self Storage Ltd.	Class A
3388 190th Street Surrey, BC	54,256 SF	\$25,000,000* \$461.00 PSF	Loon Properties (190 Surrey), Inc. Precision Pully & Idler, Inc.	Class B
1615 Industrial Avenue Port Coquitlam, BC	23,528 SF	\$14,500,000* \$616.00 PSF	Blue Shark Holdings, Inc. Leigh Investments Ltd.	Class A

*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7233 Progress Way Delta, BC	380,578 SF	Beedie	Undisclosed	Undisclosed
12091 88 Avenue Surrey, BC	195,960 SF	Undisclosed	Oceanwell Environmental Resources, Inc.	Energy
69-71 Glacier Street Coquitlam, BC	115,596 SF	Beedie	Teck Resources	Mining



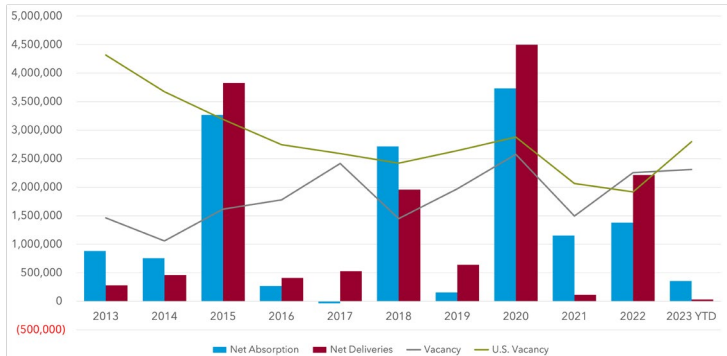
INDUSTRIAL MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

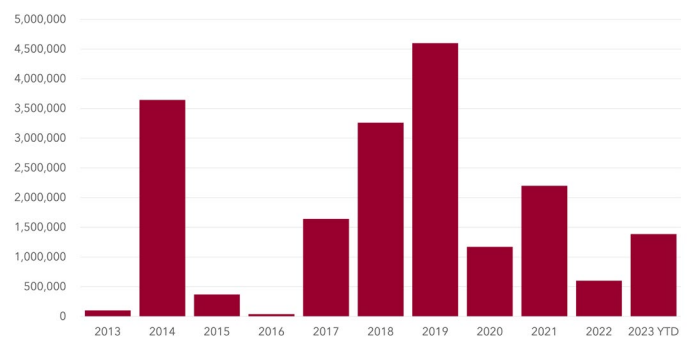
Vacancy is down this quarter from 5.3% to 4.6% and absorption was at 356,875 SF. New spec development is still underway at Tejon Ranch and Wonderful Industrial Park which shows increases in vacancy are more a function of increased supply rather than weak demand. Rent growth is still at 5.2% YOY. Asking rents in Bakersfield are the highest in Central California due to the metro's wealth of modern inventory and 2 hour drive proximity to the Port of LA/Long Beach. Despite a lack of large leases inked in Q2 2023, there are currently three large users under negotiation on 100K SF or more. Investors are attracted to strong rent growth with a mix of local and national capital targeting Bakersfield.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	356,875	1,600,000	320,760	1,712,725	38,820
▼ Vacancy Rate	4.60%	5.30%	4.51%	5.62%	4.92%
▲ Avg NNN Asking Rate PSF	\$9.84	\$9.72	\$9.60	\$9.36	\$9.24
▼ SF Under Construction	1,385,975	1,395,932	601,354	922,144	2,397,492
▼ Inventory SF	61,639,996	61,800,000	61,200,000	60,900,000	61,500,000

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
235 Mt. Vernon Avenue Bakersfield, CA	12,889 SF	\$1,800,000 \$140.00 PSF	Standford Transportation, Inc. Jeffrey M. Vetter	Class C
825 E. White Lane Bakersfield, CA	9,600 SF	\$2,500,000 \$260.00 PSF	Braly Properties White Lane LLC Michael G. Conner	Class C
1649 Elzworth Street Bakersfield, CA	9,500 SF	\$2,800,000 \$295.00 PSF	Denmeyer LLC Ellis Family Living Trust	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6001 Snow Road Bakersfield, CA	71,087 SF	6001 Snow Rd LLC	Titan Cold Storage	Ag / Cold Storage
901 Sacramento Street Bakersfield, CA	10,500 SF	Sill Family Partnership	Auto Collision Group Bakersfield	Automotive Repair
8319 Kimber Avenue Bakersfield, CA	9,000 SF	Apex Bulk Commodities	APT General Engineering	Construction/ Engineering



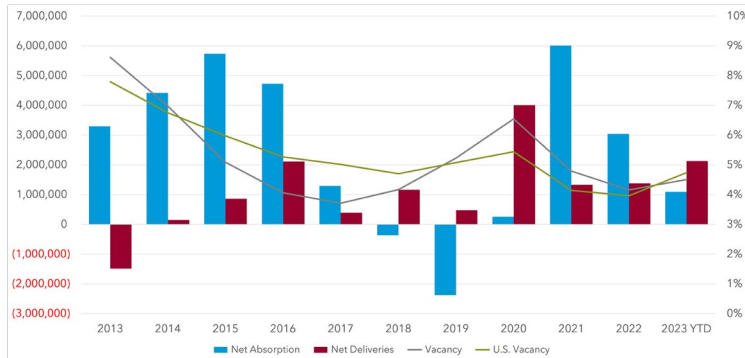
INDUSTRIAL MARKET OVERVIEW

CHRIS SCHOFIELD, SIOR, *President*

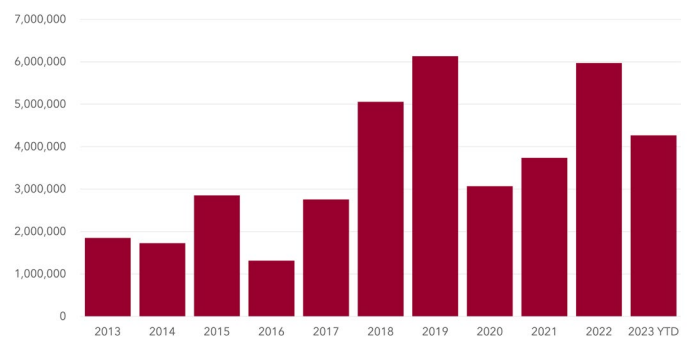
With supply chain and inventory issues shifting from the post pandemic world, industrial rents and demand remain steady, but not as explosive as in quarters past. The East Bay Industrial inventory sits at roughly 275M square feet with an additional 4M square feet under construction. Absorption levels have stabilized along with rents as we have seen three quarters of similar activity, down from the highs of the years before. While the overall vacancy sits just over four percent, the warehouse/distribution market remains much tighter. There continues to be a flight to quality and building sales remain scarce.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	3,177,563	3,609,575	3,040,283	5,389,986	6,607,265
▲ Vacancy Rate	4.30%	4.10%	4.20%	4.10%	4.50%
▼ Avg NNN Asking Rate PSF	\$1.39	\$1.40	\$1.39	\$1.37	\$1.35
▼ SF Under Construction	4,266,587	5,046,876	5,973,041	6,811,906	6,373,598
▲ Inventory SF	275,059,458	273,958,471	272,930,111	272,069,903	272,069,903

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
880 Harbour Way Richmond, CA	57,800 SF	\$13,927,000 \$240.95 PSF	Berkeley Partners A&F Properties LLC	Class A
4700 San Pablo Avenue Emeryville, CA	35,743 SF	\$6,750,000 \$188.85 PSF	SRM Ernst R&J Investment LCL	Class B
1605-1619 Abram Court San Leandro, CA	35,808 SF	\$10,550,000 \$294.63 PSF	Emery Hills LLC Claar Corporation	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
731 W. Cutting Boulevard Richmond, CA	153,747 SF	Prologis	Home Depot	Home Improvement
30526 San Antonio Street Hayward, CA	148,935 SF	Morgan Stanley	Rapid Display	Display Manufacturer
22290 Hathaway Avenue Hayward, CA	146,225 SF	Prologis	National Auto Parts	Wholesale Auto Parts



The Tri-Valley area includes the cities of Livermore, Dublin, and Pleasanton

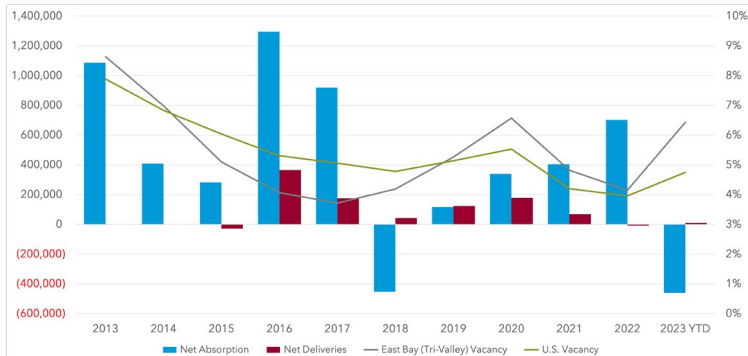
INDUSTRIAL MARKET OVERVIEW

SEAN OFFERS, SIOR, *Principal*

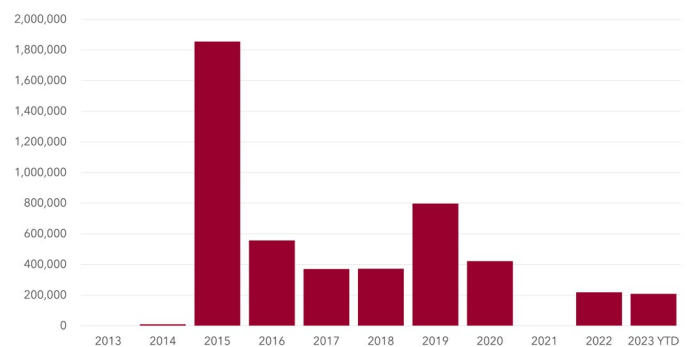
The second quarter of 2023 in the East Bay, specifically the Tri-Valley, was much the same as the first of the year. Industrial demand continues to be solid, but activity and deal volume are not what we had a year prior. Sales pricing is holding steady but there seems to be a disconnect between would be buyers and sellers with many sellers sticking to the highs of 2022. Lease rates have stayed strong, but many landlords are now giving extra concessions in order to attract tenants. We anticipate the same continued activity into the third quarter, but will be eyeing general economic conditions and what they may hold for the industrial sector.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(83,162)	495,762	702,383	583,989	679,480
▲ Vacancy Rate	6.40%	3.30%	3.30%	3.60%	5.40%
▼ Avg NNN Asking Rate PSF	\$21.98	\$22.52	\$22.35	\$22.04	\$21.65
▲ SF Under Construction	207,925	206,900	206,900	195,500	185,500
▲ Inventory SF	28,247,838	28,118,392	28,118,392	28,118,392	28,118,392

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
N Canyon Parkway, Parcel 3 Livermore, CA	229,606 SF	\$13,600,000 \$59.23 PSF	Denova Homes Property Invest Ltd	Land
National Drive Livermore, CA	284,011 SF	\$8,805,000 \$31.00 PSF	Dominic Sposeto Evans Brothers, Inc.	Land
530 Boulder Court, Unit 100-101 Pleasanton, CA	10,645 SF	\$3,360,000 \$315.64 PSF	Boulder Rock LLC Friedrich Support Services	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6909 Las Positas Road, Suite A Livermore, CA	42,424 SF	Prologis	Altamont Beer Works	Craft Brewery
7041 Las Positas Road, Suite H Livermore, CA	36,595 SF	UBS	Viking SupplyNet	Fire Protection Equipment Supplier
6818 Patterson Pass Road, Suites A-C Livermore, CA	39,019 SF	Principal	Profood International	Food Distribution



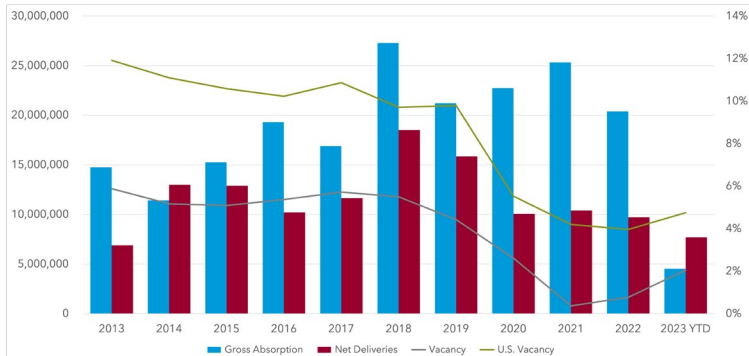
INDUSTRIAL MARKET OVERVIEW

CAROLINE PAYAN, *Director of Marketing & Research*

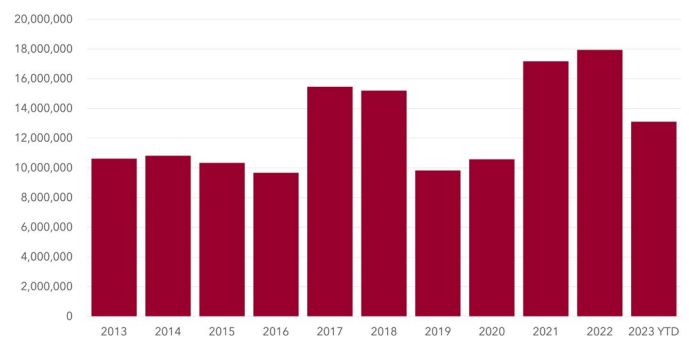
In the second quarter of 2023, the industrial sector in the Inland Empire East Valley continued to grow its inventory, coupled with slowing activity. While the pace of activity has gradually slowed since the end of 2022, absorption rates, the rate at which available industrial space is leased or occupied, and overall activity remain strong. Sale prices and lease rates have begun easing in certain size ranges, responding to the decrease in market absorption and the increase in product availability. The next few quarters will be critical to the finish for 2023 and the overall condition of the market.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ Gross Absorption SF	2,734,089	1,792,311	3,459,099	8,194,939	3,975,366
▲ Vacancy Rate	2.05%	1.86%	0.77%	0.79%	0.41%
▲ Avg GRS Asking Rate PSF	\$15.80	\$15.37	\$15.66	\$15.44	\$15.05
▼ SF Under Construction	13,109,194	15,136,063	17,944,921	19,712,800	22,365,124
▲ Inventory SF	280,392,698	279,326,974	277,669,509	275,895,042	275,150,149

GROSS ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
14063 Brown St. (Purchase Option) Riverside, CA	596,090 SF	\$78,000,000 \$130.84 PSF	High Tech Logistics Exeter Property Group	Class A
531 E. Central Avenue (Investment) San Bernardino, CA	462,125 SF	\$121,079,500 \$262.01 PSF	Oaktree Capital Management REDA	Class A
3350 S. Enterprise Drive (Investment) Rialto, CA	274,494 SF	\$84,200,000 \$306.75 PSF	New York Life TA Realty	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
24103 San Michele Road (Renewal) Moreno Valley, CA	739,903 SF	IDS Real Estate Group	DMSI Ross Stores	Apparel
1543 Alder Avenue (Renewal) Rialto, CA	426,302 SF	Prologis Trust	CTDI, Inc.	Logistics
26525 Pioneer Avenue (Renewal) Redlands, CA	375,839 SF	Watson Land Company	XPO Logistics Supply Chain	Logistics



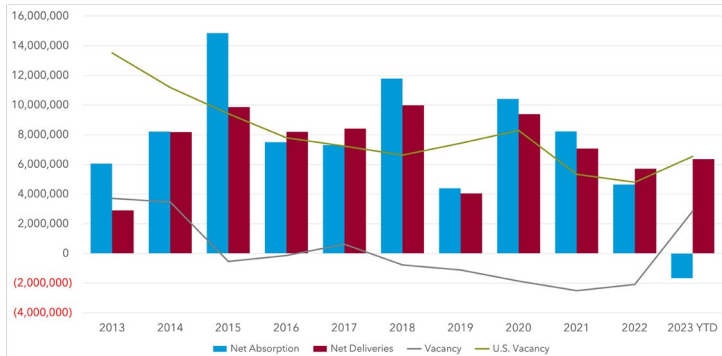
INDUSTRIAL MARKET OVERVIEW

KARLY KAZANJIAN, *Director of Operations*

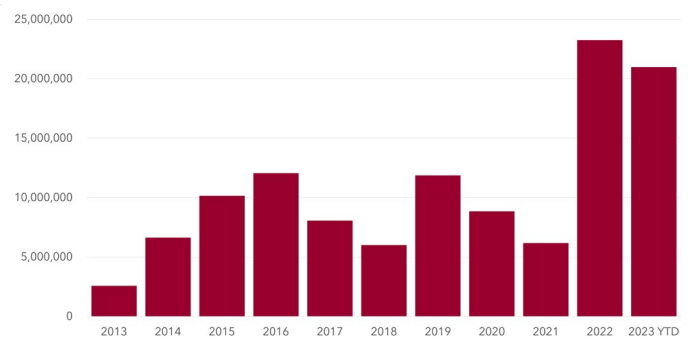
The past few consecutive quarters of negative net absorption have caught up with the Inland Empire West submarket, bumping the vacancy rate just above 3.00%. Despite occupiers relocating, the key market fundamentals hold stability. Asking rates remain elevated and consistent with the market's peak. Over 6.3M square feet of industrial product has been completed year-to-date with almost 21M square feet actively under construction. Credit tenants remain in the market by leasing-up and renewing big-box space. Investors acknowledge the Inland Empire West's strength and longevity, and they continue to pour capital into the market; one \$125M sale closed escrow this past quarter.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ Qtrly Net Absorption SF	(1,327,177)	(341,964)	(781,096)	1,319,814	1,367,935
▲ Vacancy Rate	3.09%	1.33%	0.86%	0.48%	0.33%
▼ Avg NNN Asking Rate PSF	\$20.28	\$20.47	\$20.77	\$20.28	\$15.66
▼ SF Under Construction	20,988,000	25,562,676	23,259,548	20,254,257	18,663,661
▲ Inventory SF	359,917,966	359,568,117	356,133,149	352,235,614	350,261,015

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4345 Parkhurst Street Jurupa Valley, CA	329,831 SF	\$125,500,000 \$380.50 PSF	GLP Capital State Teachers Retirement Sys of Ohio	Class B
2902-2976 Rubidoux Boulevard Jurupa Valley, CA	120,261 SF	\$19,500,000 \$162.15 PSF	Intersection Equities LLC Transition Properties LP	Class B
1945 S. Grove Street Ontario, CA	116,804 SF	\$57,281,088 \$490.40 PSF	GLP Capital EBS Realty / Penwood REIM	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
12430 Fourth Street Rancho Cucamonga, CA	1,422,524 SF	Bridge Development	Smart & Final	Retailer
11905 Landon Drive Jurupa Valley, CA	645,311 SF	Prologis	Maersk Warehousing	Logistics
9774 Calabash Avenue Fontana, CA	591,020 SF	Alere Property Group	Ontrac	Logistics



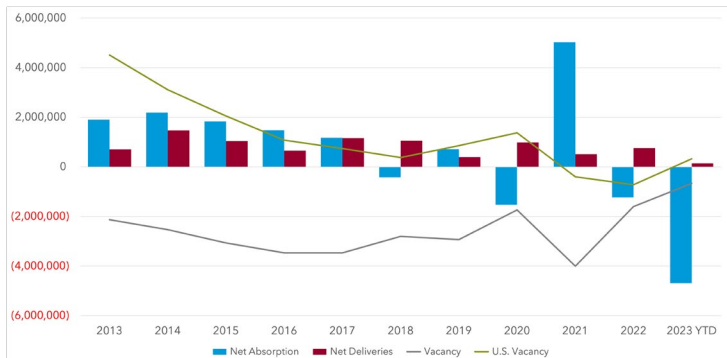
INDUSTRIAL MARKET OVERVIEW

LEJO MAMMEN, *Director of Information Technology & Market Research*

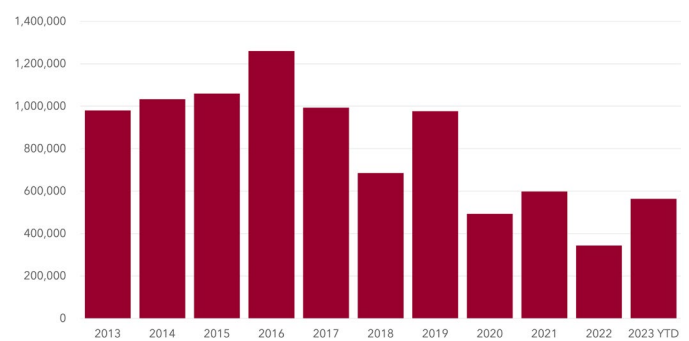
The second quarter witnessed a rise in the vacancy rate of the Los Angeles Central market to 4.7%, a 90 basis point increase from the prior quarter. Currently, around 340,000 square feet of industrial space are under development, and plans for an additional 564,000 square feet are in motion. The asking NNN lease rates slightly dropped to \$19.64 per square foot by the end of the quarter. Industrial demand remains largely focused in the Vernon and Commerce micro-markets, where food production and apparel manufacturing are the key sectors.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(4,374,000)	(4,301,288)	(1,608,436)	(1,232,124)	1,356,741
▲ Vacancy Rate	4.70%	3.80%	3.20%	2.40%	1.80%
▼ Avg NNN Asking Rate PSF	\$19.64	\$20.28	\$20.16	\$19.20	\$17.52
▲ SF Under Construction	563,673	343,494	303,284	460,770	630,782
▼ Inventory SF	236,457,474	237,240,331	237,240,331	236,917,410	236,796,992

NET ABSORPTION, NET DELIVERIES, & VACANCY

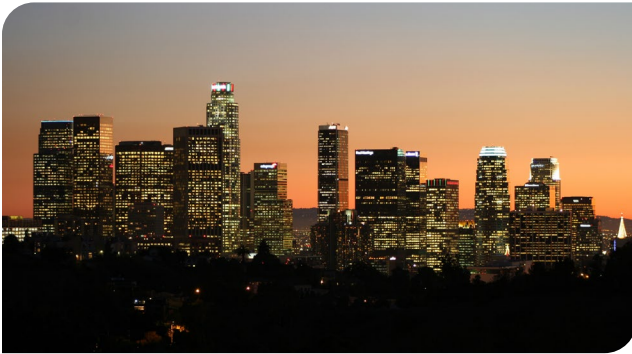


UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2121 E. 25th Street Los Angeles, CA	250,906 SF	\$45,995,500 \$183.32 PSF	JB Hunt Transport 25th Street Recycling	Land
1701 E. 41st Street Vernon, CA	133,680 SF	\$42,198,500 \$315.67 PSF	Bokk 1701 LLC Pima Alameda Partnership	Class B
1700 E. Martin Luther King, Bldg 1 Vernon, CA	115,973 SF	\$34,805,000 \$300.11 PSF	Undisclosed Pima Alameda Partnership	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5560-5580 E. Slauson Ave Commerce, CA	248,759 SF	AMB Property	Century Snack	Food
1700 E. Martin Luther King Boulevard Los Angeles, CA	115,012 SF	Pima Alameda Partners	Verta Bottling	Food
6152 S. Boyle Avenue Vernon, CA	99,671 SF	Adaya Assets	Green Oaks International	Warehouse



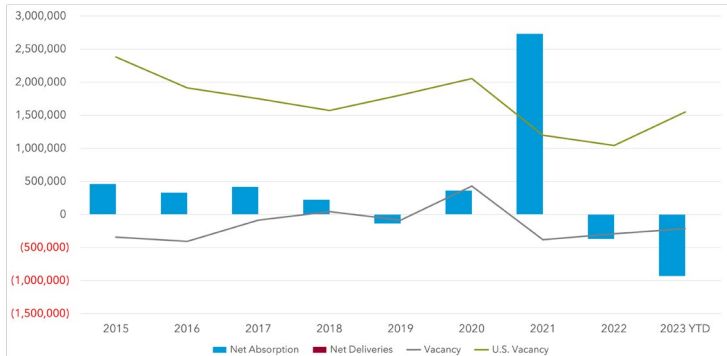
INDUSTRIAL MARKET OVERVIEW

MIKE TINGUS, *President*

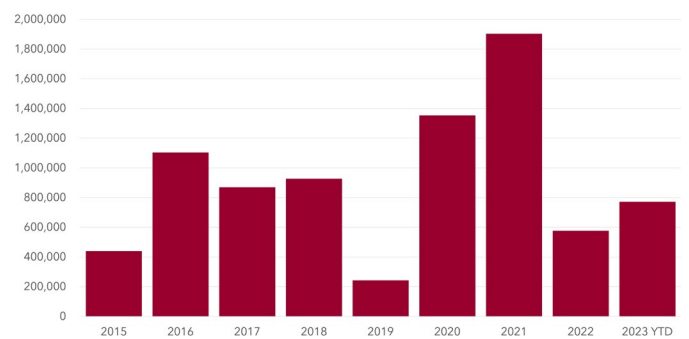
Leasing activity surged quarter-over-quarter, increasing by 20% to 930,166 SF, making this the highest amount of space leased since Q2 2022. Lease rates continue to soar, reaching another record high of \$1.78 PSF. Sales prices are also on the rise after a slight dip at the beginning of Q1, with Q2 ending with eight sales for a median price of \$293 PSF. Q2 witnessed a monumental tenfold increase in negative net absorption, reaching an all-time high of 636,796 SF. The Santa Clarita Valley was the leader in the ongoing trend, reporting 311,913 SF of negative absorption. The Northridge submarket stands out as the only submarket with positive net absorption, reporting 72,720 SF of positive net absorption.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(479,469)	(404,977)	(369,633)	(321,696)	(147,874)
▼ Vacancy Rate	2.30%	2.40%	1.88%	1.62%	1.65%
▲ Avg NNN Asking Rate PSF	\$1.78	\$1.76	\$1.67	\$1.73	\$1.62
▼ SF Under Construction	771,645	791,694	576,875	626,924	703,699
▲ Inventory SF	166,489,820	166,017,467	165,924,843	165,850,047	165,786,670

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
9223 Deering Avenue Chatsworth, CA	37,169 SF	\$10,779,000 \$290.00 PSF	The Aprahamian Family Trust Northwest Industrial Center LLC	Class B
31238 Via Colinas Westlake Village, CA	22,244 SF	\$6,150,000 \$276.00 PSF	Chris Gray 31238 Via Colinas Associates LLC	Class A
7124 DeCelis Place Van Nuys, CA	7,500 SF	\$2,730,000 \$364.00 PSF	MTD Vanities R&T Investments LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
26801 Agoura Road Calabasas, CA	128,700 SF	Cypress-Calabasas LLC	ResMed, Inc	Medical Equipment
25000 Avenue Stanford, Wrhse 1 & 2 Valencia, CA	30,384 SF	25000 Ave Stanford Group LLC	3PL	Asset Servicing Enterprise
9160 Deering Avenue Chatsworth, CA	19,600 SF	UNAS MONEDAS LLC	Glamlite, Inc	Cosmetics Manufacturer



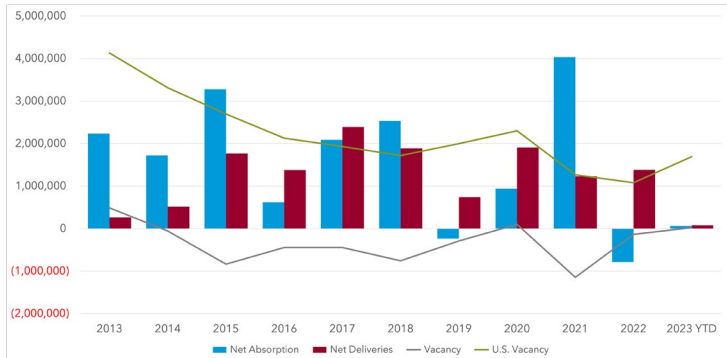
INDUSTRIAL MARKET OVERVIEW

LEJO MAMMEN, *Director of Information Technology & Market Research*

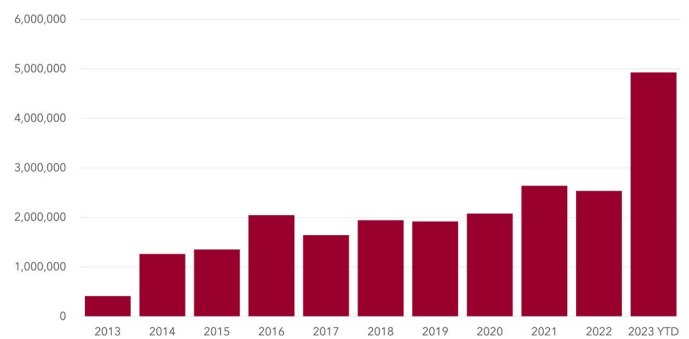
San Gabriel Valley's industrial sector remains robust, showing a slight decrease in vacancy rates to 2.6%. Rental decreases were minimal from the previous quarter, averaging an annualized \$19.32 per square foot, NNN. Construction is progressing steadily, with 4.9M square feet currently in progress. The City of Industry represents about 72% of SVG's industrial base and is the micro-market of most of the new development of Class A warehouses and distribution space. Both tenants and developers must closely watch market trends and adjust strategies to seize opportunities in the thriving industrial sector of the San Gabriel Valley.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(854,063)	(1,412,887)	(1,114,741.00)	(476,921.00)	1,005,784.00
▼ Vacancy Rate	2.6%	2.9%	2.0%	1.9%	1.8%
▼ Avg NNN Asking Rate PSF	\$19.32	\$20.16	\$19.08	\$18.60	\$18.12
▲ SF Under Construction	4,927,600	4,049,747	3,376,415	1,277,735	2,232,494
▲ Inventory SF	173,879,741	172,933,714	172,274,051	172,382,129	171,204,928

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2395-2399 Bateman Avenue Irwindale, CA	133,942 SF	\$41,203,000 \$307.62 PSF	Rexford Ouyan Family Trust	Class B
2675 Pomona Pomona, CA	104,492 SF	\$30,200,000 \$289.02 PSF	VAF Social Industrial	Class C
936-960 Overland Court San Dimas, CA	79,036 SF	\$26,000,000 \$328.96 PSF	Gary Irwindale Property Buick McKane Holdings	Land

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5307 Rivergrade Road Irwindale, CA	486,476 SF	LBA Realty	AP Express	Logistics
680 S. Lemon Avenue Industry, CA	472,876 SF	Unical Aviation	Furniture of America	Furniture Wholesale
21558 Ferrero Parkway Industry, CA	318,497 SF	Grand Avenue Venture	D Element Group	General Mechanical Wholesale



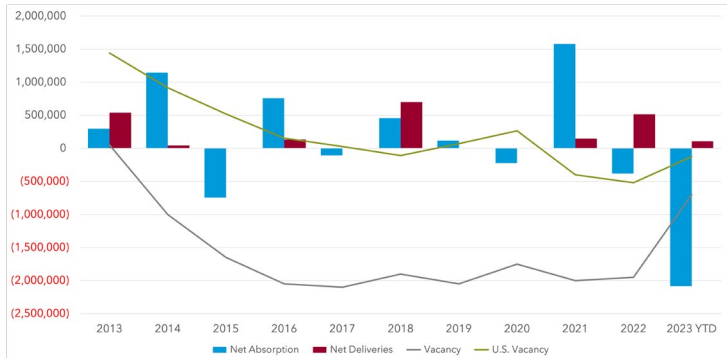
INDUSTRIAL MARKET OVERVIEW

BRANDON CARRILLO, *Principal*

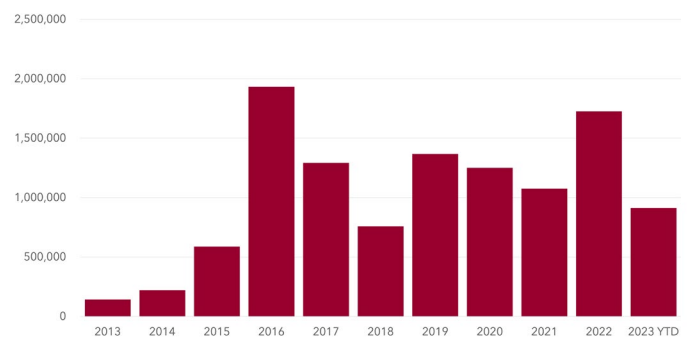
Demand for industrial properties is waning along with declining port traffic, which is down 22% from a year ago. Other factors influencing property availability are led by the recently tightening capital markets. In addition, until a tentative labor agreement was announced in June, there was rising concern about supply-chain disruptions due to a dockworkers strike. The outlook produced a vacancy rate of 3.7% compared to 2.2% a year ago. Class A buildings have been in highest demand among tenants and investors. The most notable sale in Q2 was a Class B 101,175 square foot building on East 208th Street in Carson for \$316 per square foot.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(2,084,123)	(1,976,404)	(129,305)	453,760	(381,585)
▲ Vacancy Rate	3.7%	2.6%	1.4%	1.3%	1.1%
▲ Avg NNN Asking Rate PSF	\$1.97	\$1.59	\$1.84	\$1.80	\$1.59
▲ SF Under Construction	912,921	1,020,654	1,827,018	1,621,583	1,726,207
▲ Inventory SF	202,421,138	202,313,405	201,379,111	201,379,111	201,100,276

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
550 Spring Street Long Beach, CA	266,587 SF	\$25,200,000 \$94.53 PSF	Long Beach Memorial Medical Ctr GRG LLC	Land
2824 E. 208th Street Carson, CA	101,175 SF	\$32,000,000 \$316.28 PSF	EverWest Real Estate Investors LLC Black Equities Group	Class B
1525 Rosecrans Avenue Gardena, CA	78,914 SF	\$1,900,000 \$24.08 PSF	Jose Lopez Susan J. Edelstein	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
909 E. Colon Street Wilmington, CA	223,865 SF	Morgan Stanley	West Logistics	Logistic Services
2500 S. Edison Way Compton, CA	120,578 SF	PGIM Real Estate	Aeronet Worldwide LLC	Freight Services
255 W. Manville Street Compton, CA	108,387 SF	Heitman	Punch Studios	Stationery



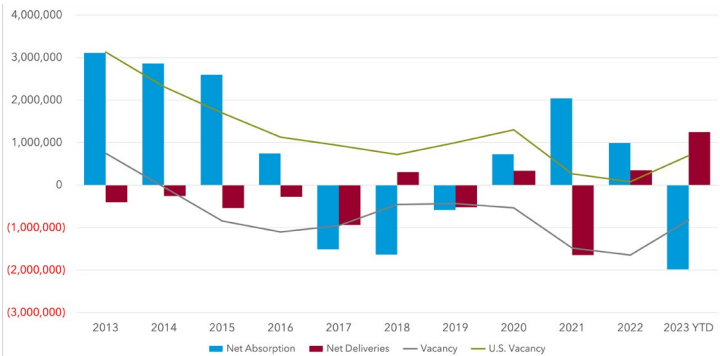
INDUSTRIAL MARKET OVERVIEW

JACK HALEY, *Principal*

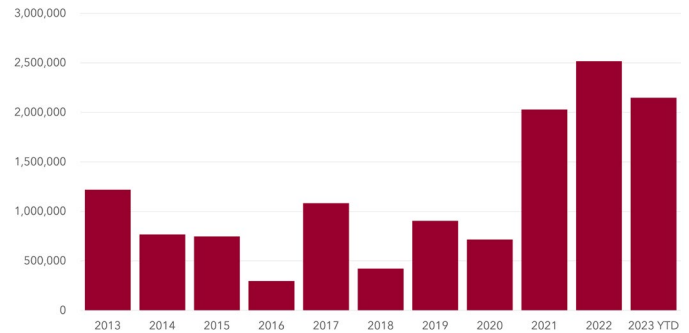
Demand for Orange County industrial space eased in the first half of the year, and there was significant slowing of the recent double-digit rent growth, which is up 52% overall since the lockdown. Countywide net absorption was a negative 562,416 square feet in the second quarter and was off 995,957 square feet in the first half. It was the weakest quarterly demand since early 2019. The vacancy rate gained 60 basis points in the second quarter to settle at 2.6%, however, still close to the all-time low. Sublease space countywide reached its highest point since 2010, totaling 3.64 million square feet, or 1.3% of the total inventory.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ Qtrly Net Absorption SF	(601,579)	(555,091)	1,115,537	267,782	(460,661)
▲ Vacancy Rate	2.6%	2.0%	1.7%	2.0%	2.0%
▲ Avg NNN Asking Rate PSF	\$1.68	\$1.64	\$1.58	\$1.54	\$1.47
▼ SF Under Construction	2,147,483	3,046,706	2,516,232	2,957,161	3,132,189
▲ Inventory SF	302,377,761	301,328,016	301,130,636	300,657,351	300,469,780

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Portfolio Sale* Anaheim, CA	182,800 SF	\$65,000,000 \$355.58 PSF	Dalfen Industrial JP Morgan Chase & Co	Class B
1400 S. Allec Street Anaheim, CA	121,225 SF	\$28,150,000 \$232.21 PSF	LaSalle Investment Management Bixby Land Company	Class B
2441 Michelle Drive Tustin, CA	117,805 SF	\$32,040,000 \$271.97 PSF	EBS Realty Partners JW Mitchell Company LLC	Class B

*1340-1400 E. State College & 2000-2050 E. Winston

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
12821 Knott Street Garden Grove, CA	165,171 SF	Rexford Industrial Realty, Inc.	Harbinger Motors, Inc.	Manufacturing
5665 Corporate Avenue Cypress, CA	159,943 SF	Bixby Land Company	Bar Bakers LLC	Wholesale Bakery
9400 Jeronimo Road Irvine, CA	146,482 SF	Irvine Company	Bio-Rad Laboratories, Inc.	Life Science Products



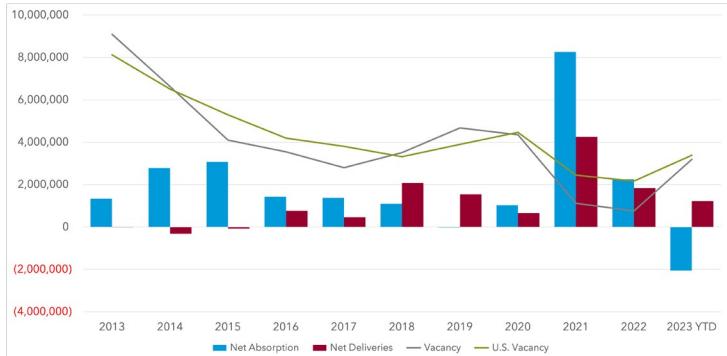
INDUSTRIAL MARKET OVERVIEW

SPENCER DOK, *Associate*

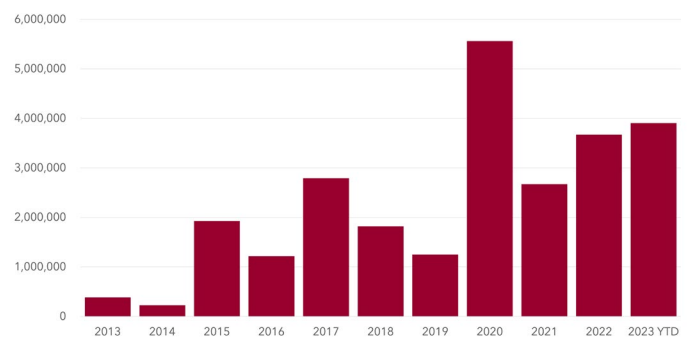
Leasing activity has slowed as larger space users opt for lease renewals amid economic concerns and limited alternative options. Demand for buildings <50,000 SF remains stable. Vacancy rates increased but are still significantly below long-term averages in San Diego. The industrial market has returned to more normal levels after experiencing record-high leasing and rent growth. Construction is concentrated near Otay Mesa Port, with high demand leading to quick lease agreements, albeit at lower price points. Annual rent growth remains above average, although it has started to moderate and landlords are offering more concessions. Investor activity has decreased due to economic uncertainty, resulting in rising cap rates and more responsive pricing.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(860,622)	364,362	2,256,303	3,933,235	8,274,435
▲ Vacancy Rate	4.4%	3.8%	3.1%	3.4%	2.8%
▲ Avg NNN Asking Rate PSF	\$1.83	\$1.81	\$1.78	\$1.74	\$1.69
▲ SF Under Construction	3,903,986	3,330,334	3,671,903	3,210,031	2,810,133
▲ Inventory SF	206,664,040	206,022,448	205,436,010	205,359,047	204,142,849

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4205-47 Ponderosa Avenue San Diego, CA	156,079 SF	\$46,500,000 \$297.93 PSF	Monro Capital CCF IND Ponderosa LLC	Class B
1451 N. Johnson Avenue San Diego, CA	57,484 SF	\$9,100,000 \$158.30 PSF	RSA Engineered Products Weldmac Manufacturing Company	Class C
1207 Air Wing Road San Diego, CA	36,475 SF	\$9,400,000 \$257.71 PSF	Agramont Transport Inc. RCJ Properties LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4370 Jutland Drive San Diego, CA	72,716 SF	Isaac Alchalel	TopBuild	Construction
2055 Sanyo Avenue San Diego, CA	54,500 SF	JLL IPT	Intelligent Blends	Manufacturing
1210 Air Wing Road San Diego, CA	54,404 SF	DWS	Chipman Relocations	Moving & Storage



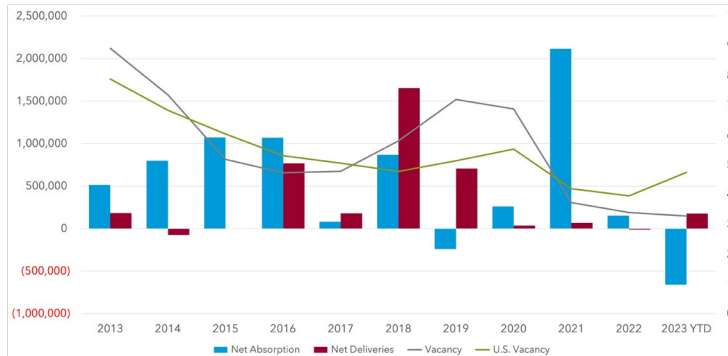
INDUSTRIAL MARKET OVERVIEW

DANIEL KNOKE, *Principal*

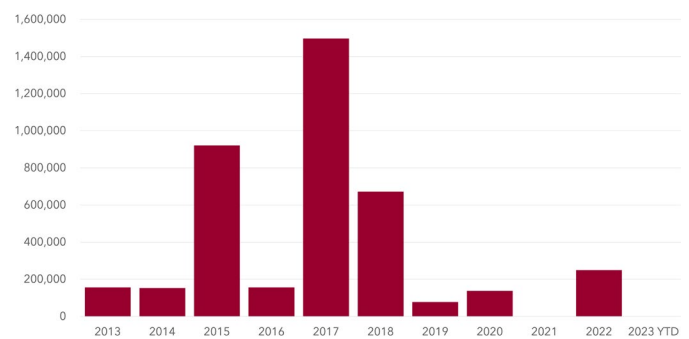
After starting this year with a slight increase in vacancy rates to 3.33%, the second quarter saw a small improvement to 3.23% with rental rates decreasing slightly by two cents per square foot. Both rental rates and occupancy levels remain well above pre-pandemic levels. The slight adjustments in availability will likely seesaw back and forth quarter-to-quarter as the market sees a combination of rampant small bay leasing activity and an uptick in larger distribution spaces being offered for sublease.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(926,910)	(444,786)	154,403	1,234,001	1,773,436
▼ Vacancy Rate	3.23%	3.33%	3.44%	3.54%	3.49%
▼ Avg NNN Asking Rate PSF	\$1.43	\$1.45	\$1.47	\$1.49	\$1.51
◀ ▶ SF Under Construction	249,015	249,015	249,015	-	-
◀ ▶ Inventory SF	58,246,239	58,246,239	58,246,239	58,246,239	58,246,239

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1145 Industrial Avenue Escondido, CA	17,760 SF	\$3,996,000 \$225.00 PSF	Majestic Property Group, Inc. Philip M. & Arlette C. Larraburu	Class C
2349 La Mirada Drive Vista, CA	14,907 SF	\$4,100,000 \$275.04 PSF	Undisclosed Colors Enterprises, Inc.	Class B
1185 Joshua Way Vista, CA	12,160 SF	\$3,260,000 \$268.09 PSF	Auto Concierge KA Enterprises	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1900 Aston Avenue Carlsbad, CA	22,825 SF	Equity Oak Ventures LLC	Argonaut Manufacturing Services	Life Science
5803 Newton Drive, Suite A Carlsbad, CA	22,519 SF	EV Newton LLC	TAU Systems, Inc	Technology
155 Mata Way, Suites 103-106 San Marcos, CA	19,597 SF	Blackstone, Inc.	Grain to Green, Inc	Brewery



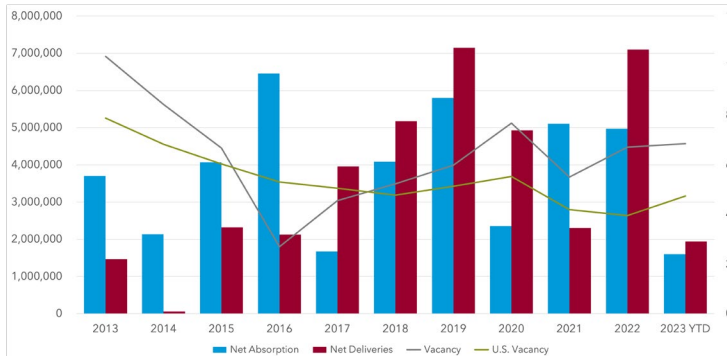
INDUSTRIAL MARKET OVERVIEW

JIM MARTIN, SIOR Senior Vice President

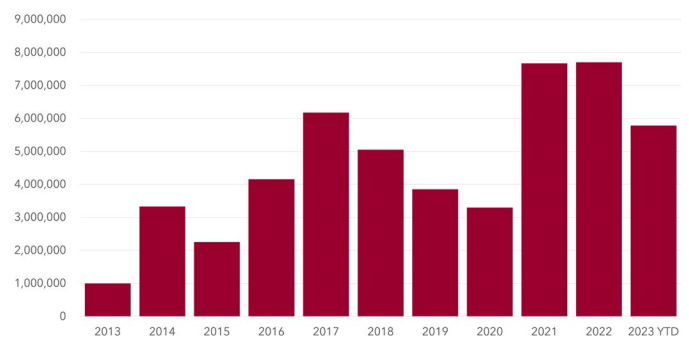
The Central Valley industrial market has seen slowing in large scale/big box leasing activity despite several recent deliveries. The San Joaquin County has been the beneficiary of aggressive spec development over the last several years and the pipeline of brand new, Class A deliveries has resulted in a more normalized vacancy rate. Sales of institutional or capital markets offerings have been non-existent for a second straight quarter, although there is an offering that may serve as a litmus test as to the appetite of the capital markets. Owner/user activity remains healthy given the short supply of available buildings under 100,000 SF for purchase. Simple supply and demand fundamentals continue to prevail despite interest rate increases.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ Qtrly Net Absorption SF	1,226,450	1,514,371	637,560	2,133,404	1,700,000
▲ Vacancy Rate	7.2%	5.9%	4.2%	5.5%	6.2%
◀ ▶ Avg NNN Asking Rate PSF	\$8.76	\$8.76	\$8.76	\$8.16	\$7.80
▼ SF Under Construction	6,446,750	6,466,750	8,278,460	5,500,000	8,201,466
◀ ▶ Inventory SF	196,450,000	196,450,000	195,375,600	194,670,000	193,856,220

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
401 E. Glenn Avenue Modesto, CA	204,800 SF	\$20,119,000 \$98.24 PSF	Panattoni Coldstream Real Estate	Class A
567 S. Riverside Drive Modesto, CA	148,000 SF	\$14,000,000 \$94.60 PSF	Bridge Investment Harbor Way	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1624 Army Court Stockton, CA	373,022 SF	Stockbridge	Performance Food Group	3PL
1150 Arbor Road Tracy, CA	210,000 SF	Prologis	Peet's Coffee	Warehouse/ Distribution
1380 N. MacArthur Drive Tracy, CA	206,451 SF	UBS	International Paper	Warehouse/ Distribution



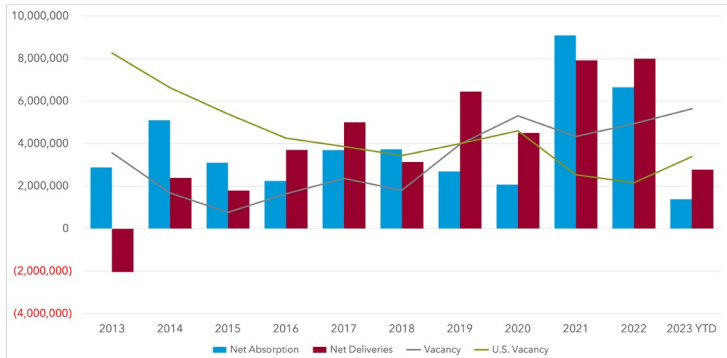
INDUSTRIAL MARKET OVERVIEW

MATTHEW NORA, *Vice President*

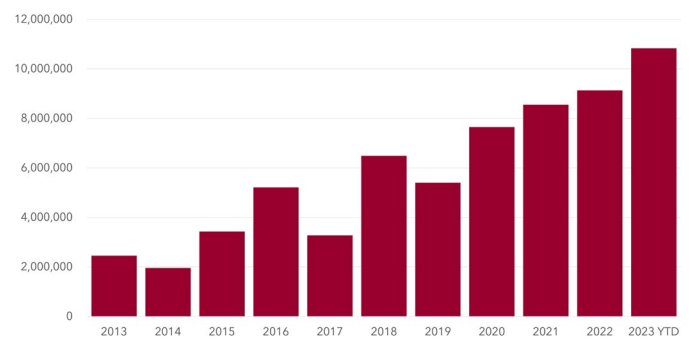
The Denver industrial market remains steady with tenant demand remaining robust. New product continues to be delivered with almost 11M SF under construction as the development pipeline remains strong. Average asking rental rates continue to increase across all industrial product types, closing at \$11.93 PSF on a triple net basis. Vacancy has decreased slightly from Q1 with an average vacancy rate of 6.10% and 4.6M SF of absorption in Q2 2023. It is important to note many large users' preference has shifted to a desire of owning their own real estate (Dollar General, Pepsi, Whole Foods). Sales prices are still well above the national average, with interest rates continuing to creep upwards causing a slowdown in investment activity.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	4,577,754	6,176,845	6,653,949	12,235,012	11,786,317
▼ Vacancy Rate	6.10%	6.30%	5.70%	5.40%	4.90%
▲ Avg NNN Asking Rate PSF	\$11.93	\$11.81	\$11.69	\$11.51	\$11.35
▼ SF Under Construction	10,833,983	11,209,798	9,129,877	9,075,932	9,615,643
▲ Inventory SF	275,534,372	274,663,813	272,756,436	271,165,460	267,158,883

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
700 W. Mineral Avenue Littleton, CO	600,000 SF	Undisclosed	Undisclosed Martin Marietta	Class C
1550 E. 73rd Avenue Denver, CO	153,264 SF	\$32,404,062 \$211.43 PSF	EverWestREal Estate Investors LLC Comuneale Properties	Class A
12300 Grant Street Thornton, CO	144,024 SF	\$18,000,120 \$124.98 PSF	Undisclosed Chicago Venture Partners	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
17190 E. 85th Avenue Commerce City, CO	330,526 SF	Becknell Industries	Undisclosed	Undisclosed
4221 Monaco Street Denver, CO	265,361 SF	Conscience Bay Company	RFMX, Corp/Houger Express LLC	Transportation and Warehousing
19100 E. 38th Aurora, CO	142,301 SF	Calrion Partners	Undisclosed	Undisclosed



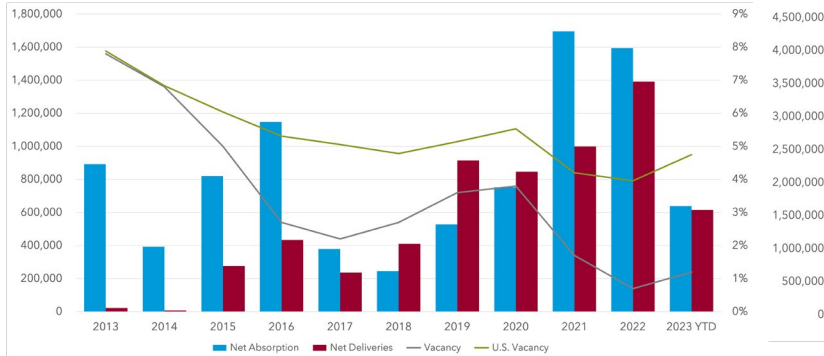
INDUSTRIAL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

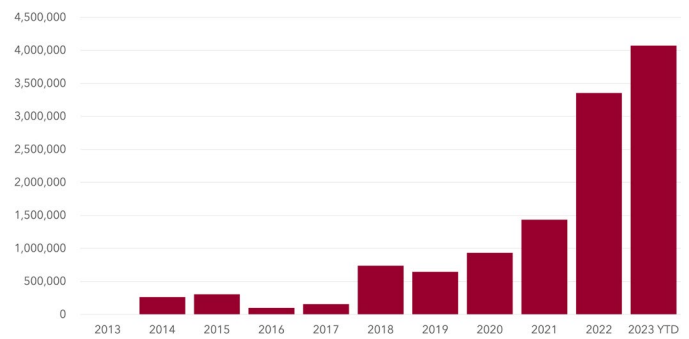
Over the past few years, the Fort Myers industrial market has been the leader in Southwest Florida in providing quality, Class A space to tenants. The construction pipeline reached unprecedented levels in 2023 topping more than 4 million square feet. This attracted national credit tenants to Fort Myers despite heightened asking rents. Vacancy remained historically low at midyear in spite of more than half a million square feet in deliveries YTD. Average asking rents remained elevated at the close of the second quarter, rising 22% year-over-year. The Cape Coral/Fort Myers MSA had the third highest annual job growth rate when compared to all the metro areas in the state in construction employment.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ Qtrly Net Absorption SF	132,917	455,838	362,702	754,619	266,455
▲ Vacancy Rate	1.2%	0.7%	0.7%	0.8%	1.5%
▲ Avg NNN Asking Rate PSF	\$12.57	\$11.15	\$10.96	\$10.55	\$10.30
▼ SF Under Construction	4,070,910	4,171,584	3,355,719	2,600,517	2,569,172
▲ Inventory SF	37,723,598	37,396,354	37,107,686	36,774,244	36,175,486

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
25150 Bernwood Drive Bonita Springs, FL	38,559 SF	\$7,305,000 \$189.00 PSF	DS Partnership LLC Bonita Commerce Center LLC	Class B
2411 Palm Ave/2761 Edison Ave Fort Myers, FL	34,560 SF	\$3,095,000 \$90.00 PSF	Rechtien International Trucks, Inc. Debra W. Gilkey	Class C
3040 Fowler Street Fort Myers, FL	25,489 SF	\$4,000,000 \$157.00 PSF	29 Street Property Investment South Florida Appliance	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
16220 Airport Drive Fort Myers, FL	42,275 SF	Principal Financial Group, Inc.	Delivery By Design	Moving & Storage
16220 Airport Drive Fort Myers, FL	32,384 SF	Principal Financial Group, Inc.	Arthrex	Medical Manufacturing Co
16220 Airport Drive Fort Myers, FL	31,042 SF	Principal Financial Group, Inc.	United Way	Nonprofit Family Social Services



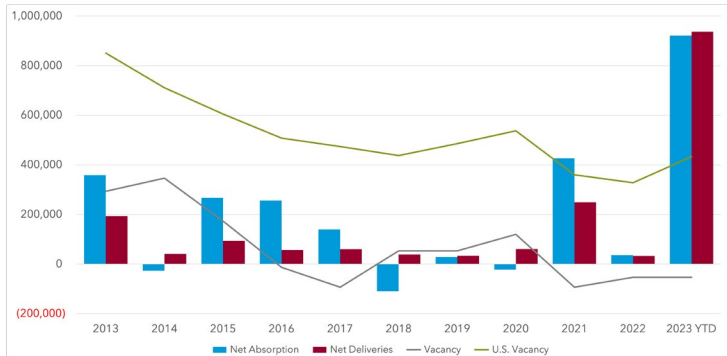
INDUSTRIAL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

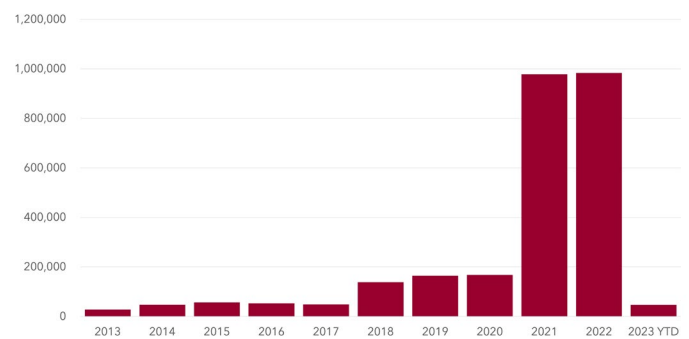
Demand remained elevated in a tight Naples market at midyear. The Uline distribution center accounted for most of the total net absorption for the quarter at the new build-to-suit facility in outlying Collier County, just northeast of I-75 and Collier Boulevard. Construction and Manufacturing industries both saw continued year-over-year (YOY) growth. Manufacturing jobs increased 7.5% YOY and construction jobs increased 5.2%. Vacancy closed the quarter at 0.8% indicating there are few options available for occupiers. Asking rents surged 34% YOY to an average \$19.21 PSF, NNN, potentially squeezing some tenants out of the Naples market. There is little speculative construction to alleviate any pent-up demand or provide additional opportunities for space.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ Qtrly Net Absorption SF	947,965	16,886	(17,091)	31,801	55,930
▼ Vacancy Rate	0.8%	1.0%	1.1%	1.1%	1.2%
▲ Avg NNN Asking Rate PSF	\$19.21	\$18.50	\$15.03	\$14.42	\$14.30
▼ SF Under Construction	46,718	983,718	983,718	983,718	968,550
▲ Inventory SF	14,531,642	13,594,642	13,594,642	13,594,642	13,594,642

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1485 Rail Head Boulevard Naples, FL	102,875 SF	\$16,000,000 \$156.00 PSF	Redfearn Capital MDSC Partners LLP	Class C
1892 Trade Center Way Naples, FL	10,100 SF	\$2,000,000 \$198.00 PSF	Kolonial Holdings LLC 1892 TCW LLC	Class B
1498 Rail Head Boulevard Naples, FL	8,501 SF	\$2,150,000 \$253.00 PSF	KB Patio Furniture Rail Head Blvd. LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
371 Production Boulevard Naples, FL	6,312 SF	DarwinPW Realty	Coastal Water Filters	Water Purification Equipment
4755 Mercantile Avenue Naples, FL	4,400 SF	Forager Real Estate Partners	Undisclosed	Undisclosed
1040 Collier Center Way Naples, FL	3,030 SF	Forefront Properties LLC	Collier Water Systems, Inc.	Lake Fountain & Irrigation Company



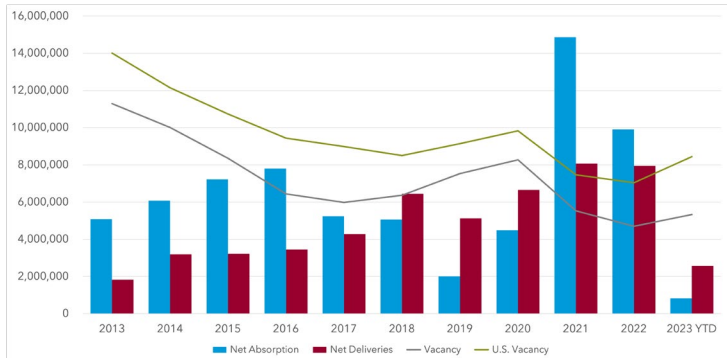
INDUSTRIAL MARKET OVERVIEW

WILLIAM DOMSKY, *Principal*

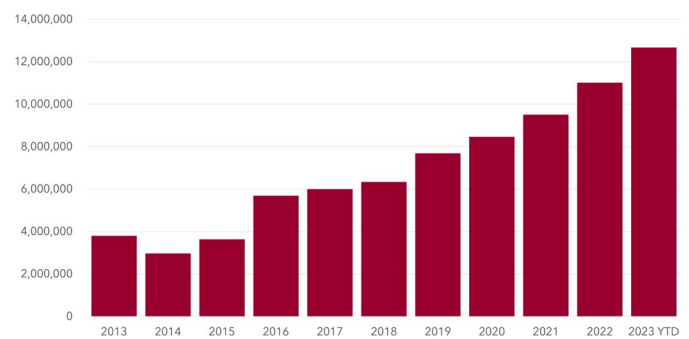
South Florida remains in a position of strength, although the vacancy rate has increased by 0.2 percentage points but the rental rates have continued to rise. There are more than 12,738,333 SF under construction, but with the scarcity of modern logistics space, it's expected that a majority of the newly developed space will be absorbed based on the continued interest of new-to-market companies moving into South Florida. Heavy leasing activity took place in the market, but in many cases the higher rental rates and increased operating costs have led to existing tenants relocating to smaller spaces. Sales volume has slowed, but the market continues to experience price appreciation despite rising interest rates and speculation of a slowing economy.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	5,764,199	8,778,446	9,905,429	11,555,772	13,517,702
▲ Vacancy Rate	2.4%	2.2%	2.3%	2.4%	2.6%
▲ Avg NNN Asking Rate PSF	\$16.01	\$15.40	\$14.26	\$13.27	\$12.63
▲ SF Under Construction	12,738,333	12,367,034	11,017,981	10,360,768	11,015,766
▲ Inventory SF	475,807,833	474,735,336	473,301,015	471,415,247	469,709,646

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
13801 NW 112 Avenue Hialeah Gardens, FL	231,482 SF	\$43,300,000 \$187.06 PSF	Boxer US, Inc. Blackstone, Inc.	Class B
2700 NW 19th Street Pompano Beach, FL	123,062 SF	\$28,600,000 \$232.40 PSF	Blackstone, Inc. IDI Logistics	Class A
1500 NW 95th Avenue Miami, FL	115,477 SF	\$16,000,000 \$138.56 PSF	Brookfield Properties USA Bouquet Company, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1951 N. Commerce Parkway Weston, FL	134,400 SF	EastGroup Properties, Inc.	Specialized Freight Carriers	Transportation and Warehousing
1500 NW 95th Avenue Miami, FL	115,477 SF	Brookfield Properties	Usa Bouquet Company, Inc.	Flowers Wholesaler
9950 NW 17th Street Miami, FL	106,208 SF	Link Logistics Real Estate	Undisclosed	Undisclosed



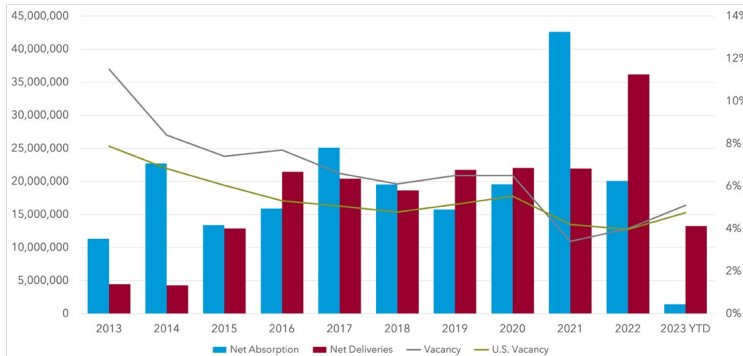
INDUSTRIAL MARKET OVERVIEW

KATE HUNT, Senior Research Analyst

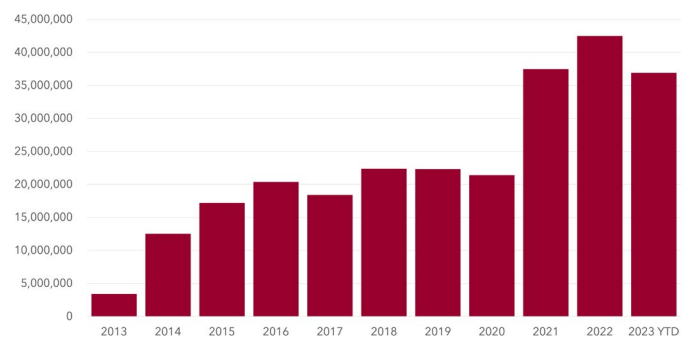
After record-setting activity in 2021 and 2022, Atlanta's industrial market slowed significantly in the first half of 2023. While industrial demand remains high, a slow deal process coupled with market uncertainty led leasing activity to decline to 6,460,974 SF in Q2 2023, the lowest level since Q3 2011. However, slowing leasing activity has not discouraged landlords from increasing rents. Vacancy rose for the fourth consecutive quarter to 5.1% and tenant move-outs dropped net absorption to a negative 557,882 SF in Q2 2023. Despite the Q2 slowdown, developers pushed ahead with new groundbreakings, with 36.2M SF under construction, 19% of which is pre-committed.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	11,840,437	18,392,426	20,074,856	30,719,093	30,468,619
▲ Vacancy Rate	5.10%	4.50%	4.00%	3.70%	3.60%
▲ Avg NNN Asking Rate PSF	\$8.32	\$8.24	\$7.90	\$7.05	\$6.18
▲ SF Under Construction	36,225,608	33,690,764	42,488,685	44,038,314	45,435,187
▲ Inventory SF	808,883,501	803,675,642	794,460,904	785,752,196	777,874,004

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
200 Logistics Parkway NE* White, GA	973,218 SF	\$68,400,000 \$70.28 PSF	MDH Partners LLC Core5 Industrial Partners	Class A
7965 Bowen Road Palmetto, GA	686,038 SF	\$85,000,000 \$123.90 PSF	KKR Real Estate Becknell Industrial	Class A
1551 North River Road Douglasville, GA	280,140 SF	\$64,000,000 \$228.46 PSF	Aligned Data Centers The Carlyle Group	Class A

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7634 Adairsville Highway Adairsville, GA	691,667 SF	Strategic Real Estate Partners	Broadrange Logistics	Freight & Logistics Services
3312 North Berkeley Lake Road Duluth, GA	320,530 SF	GLEN UNA	Broder Bros Company	Apparel Wholesaler
601 Logistics Parkway Jackson, GA	306,035 SF	CRG Real Estate	Yongsan Automotive USA, Inc.	Manufacturing



INDUSTRIAL MARKET OVERVIEW

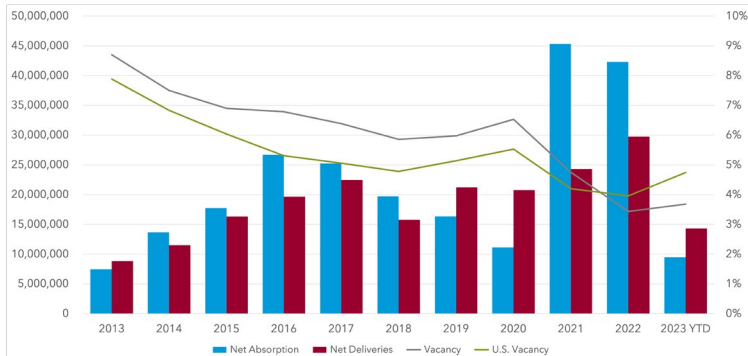
DIANA PEREZ, *Director of Research*

The Chicago industrial market experienced an increase in vacancy rate for the second consecutive quarter due to the delivery of 28 speculative construction projects totaling 6.3 million square feet, of which 4.9 million square feet remains vacant. As a result, Chicago's Metro Area vacancy rate increased by eighteen basis points to 3.68%. Currently there are 77 speculative projects under construction totaling 28.6 million square feet, of which 23.6 million square feet are scheduled for completion in 2023. These new project deliveries will result in an increase in the vacancy rate in the second half of the year.

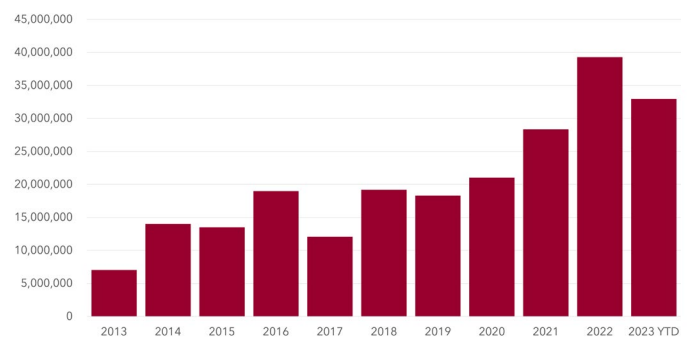
The data contained in this report includes: Chicago, IL, Racine, WI, and Rockford, IL

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	3,778,267	5,694,226	6,703,768	10,993,166	9,806,866
▲ Vacancy Rate	3.68%	3.50%	3.43%	3.55%	3.63%
▲ Avg NNN Asking Rate PSF	\$9.17	\$8.42	\$8.36	\$8.13	\$8.01
▼ SF Under Construction	32,941,173	33,862,269	39,279,715	34,635,639	34,121,171
▲ Inventory SF	1,392,339,813	1,383,943,717	1,377,061,055	1,371,789,943	1,361,376,518

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1200 Orchard Gateway Aurora, IL	6,064,565 SF	\$55,500,000 \$91.80 PSF	Bank of America American Realty Advisors	Class A
1909 S. Waukegan Road Waukegan, IL	271,476 SF	\$25,805,000 \$95.05 PSF	Venture One Real Estate The Visual Pak Companies	Class B
6402 E. Rockton Road Roscoe, IL	219,757 SF	\$20,000,000 \$91.01 PSF	Modiv, Inc. PBC Linear	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2250 Berens Court New Lenox, IL	1,159,200 SF	Northern Builders	Unilever	Consumer Goods
870 W. Taylor Road Romeoville, IL	898,560 SF	LaSalle Investment Management	Solo Cup Company	Consumer Goods
3351 Brandon Road Joliet, IL	712,380 SF	CenterPoint Properties	Saddle Creek Logistics	Supply Chain



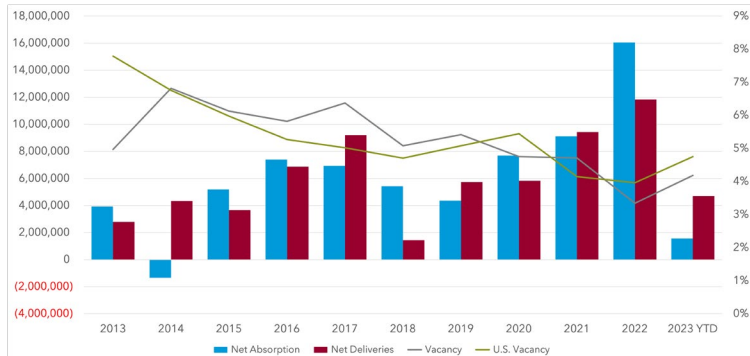
INDUSTRIAL MARKET OVERVIEW

BRUCE JOHNSON, *Senior Vice President*

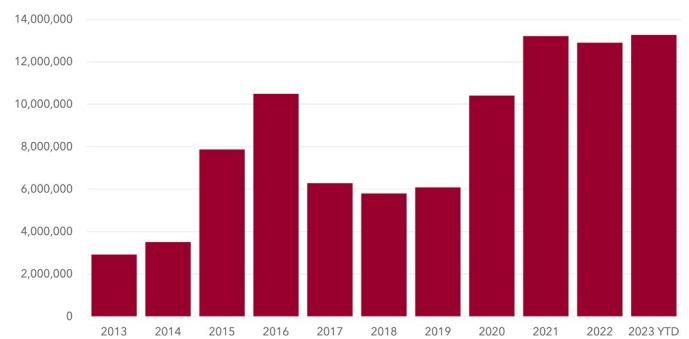
The Kansas City MSA industrial market has been robust for an extended period of time driven by its central location, abundance of developable land, low labor costs, and a well developed interstate system with access to major east/west (BNSF and Union Pacific) and north/south (Canadian Pacific) railroads. Kansas City is home to two major intermodal projects which reinforces its prominence with respect to a major player in the logistics arena.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	13,165,894	12,707,465	16,050,849	11,107,586	11,682,606
▲ Vacancy Rate	3.9%	3.6%	3.3%	3.7%	4/2%
▲ Avg NNN Asking Rate PSF	\$6.73	\$6.59	\$6.52	\$6.48	\$6.38
▲ SF Under Construction	13,269,036	12,844,211	12,899,406	18,229,273	15,829,286
▲ Inventory SF	353,139,394	349,587,195	348,454,369	342,162,896	340,219,880

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8601 E. 40 Highway Kansas City, MO	130,000 SF	\$12,900,000 \$99.23 PSF	HERC Holdings, Inc. MST Investments LC	Class B
1671-1685 E. Kansas City Road Olathe, KS	65,100 SF	\$5,625,000 \$86.41 PSF	Josiah Holdings I LLC Kansas Road LLC	Class B
7106 Truman Road Kansas City, MO	45,600 SF	\$1,150,000 \$25.22 PSF	Undisclosed Surface Technologies	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
24900 W. 43rd Street Shawnee, KS	574,732SF	Heartland Logistics LC	Standard Motor Parts	Automotive
16575 S. Theden Street Olathe, KS	455,220 SF	Van Trust	Accelerate360	3PL
12441 NE 41st Street Kansas City, MO	244,000 SF	Northpoint	Staples	Office Supplies



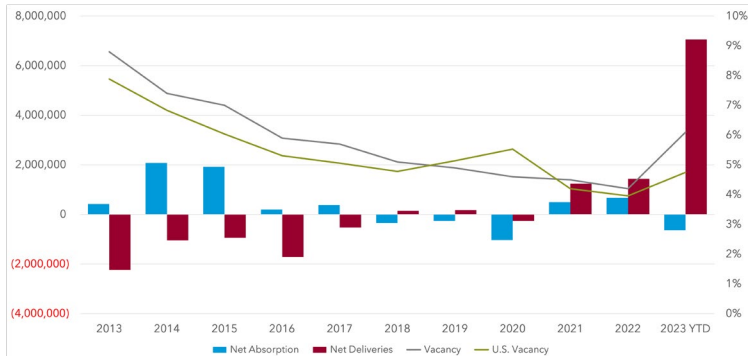
INDUSTRIAL MARKET OVERVIEW

TY JANNEY, *Managing Principal*, ROBERT M. ELMER, *Managing Principal*

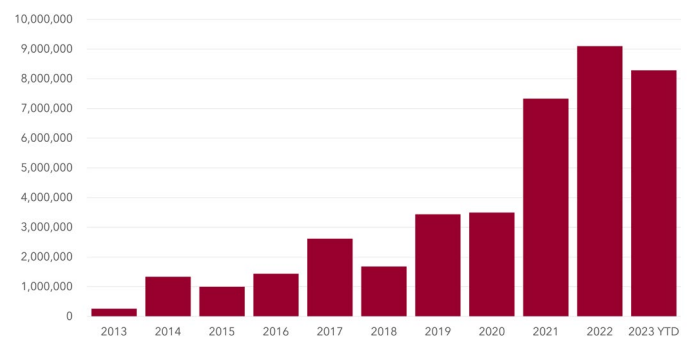
The greater Boston Industrial market ended the second quarter of 2023 with both an increase in vacancy at 5.4% (highest since 2017) and an increase in asking rate at \$15.05 PSF. This was largely due to 1.5M SF of new industrial inventory delivered in the second quarter. Expect this trend to continue with almost 8.2M SF currently under construction. One of the largest lease transactions signed this quarter was for 187,236 SF with Electric Hydrogen at 33 Jackson Road in Devens, MA as the advanced manufacturing demand trend continues. Cytrellis Biosystems leased 30,000 SF at 34 Commerce Way in Woburn, a former Amgen cGMP facility, and one of only a few facilities in New England with existing ISO 5, 7 and 8 clean room capacity.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(1,426,474)	(23,552)	2,389,534	2,220,847	3,616,228
◀▶ Vacancy Rate	4.80%	4.80%	4.20%	4.30%	3.90%
▲ Avg NNN Asking Rate PSF	\$14.98	\$14.87	\$14.60	\$14.30	\$14.05
▲ SF Under Construction	8,283,495	8,218,455	9,226,445	8,843,835	7,627,410
▲ Inventory SF	356,616,250	356,166,703	355,126,249	354,686,391	354,602,343

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
101-107 Scott Drive Leominster, MA	179,141 SF	\$12,400,000 \$69.22 PSF	CK Peters LLC RNP Shah LLC	Class C
53 Jackson Road Ayer, MA	58,000 SF	\$11,000,000 \$189.66 PSF	REALM Xinetics	Class B
1332-1334 Dorchester Avenue Dorchester, MA	35,000 SF	\$9,000,000 \$257.14 PSF	Plumbers Supply Company 13 Chelsea St M&S LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
100 Fordham Road Wilmington, MA	158,000 SF	Carlisle Capital Corporation	Locus Robotics	Robotics
100-180 Meadow Road Boston, MA	152,046 SF	AEW Capital Management	HD Supply	Wholesaler
33 Jackson Road Devens, MA	187,236 SF	King Street Properties	Electric Hydrogen	Manufacturing



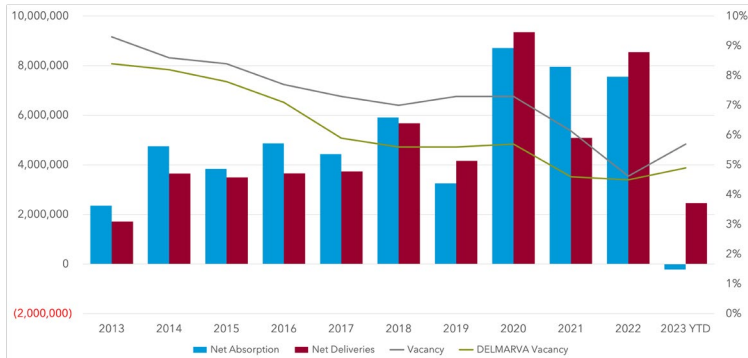
INDUSTRIAL MARKET OVERVIEW

TOM WHELAN, *Principal*

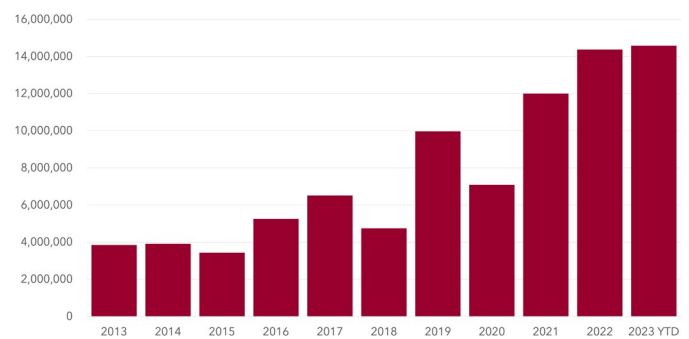
The second quarter continued the trend set in the beginning of 2023 as the direct vacancy rate increased again and the Greater Baltimore Market had its second consecutive quarter of negative net absorption. The overall numbers were buoyed by a large lease of a vacant building and the delivery of a pre-leased property in the I-95 North market cluster (approximately 1,100,000 SF combined). The demand in core markets remains robust and they maintain a below market vacancy rate. This has led to continued rental rate increases, especially with Class A product, however at a much slower pace than 2022 with signs of it potentially leveling out by year's end.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ Net Absorption SF	(215,737)	(1,071,216)	1,435,400	3,081,598	1,350,808
▲ Vacancy Rate	6.14%	5.34%	4.62%	4.61%	4.39%
▲ Avg NNN Asking Rate PSF	\$9.05	\$8.16	\$7.79	\$7.84	\$7.61
▲ SF Under Construction	14,580,644	14,478,784	14,373,868	12,890,943	15,071,873
▲ Inventory SF	271,337,584	269,825,208	268,920,604	267,264,616	263,439,520

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1225 S. Philadelphia Boulevard Perryman, MD	859,900 SF	\$80,700,000 \$93.85 PSF	MCB, Artemis, Ace Logistics Merritt, BentallGreenOak	Class A
Techwood Business Center Hanover, MD	648,173 SF	\$116,000,000 \$179.00 PSF	Longpoint Amazon	Class A & B
952 Frederick Street Hagerstown, MD	88,000 SF	\$7,250,000 \$82.36 PSF	AIC Ventures HBP, Inc.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1940 Reservoir Road Sparrows Point, MD	1,321,240 SF	Tradepoint Atlantic	Floor & Décor	Flooring
1225 S. Philadelphia Boulevard Perryman, MD	859,900 SF	MCB & Artemis	Ace Logistics	Transportation & Warehousing
8995-9063 Gas House Pike Frederick, MD	278,160 SF	Trammell Crow & Diamond Realty	Metrie	Manufacturing



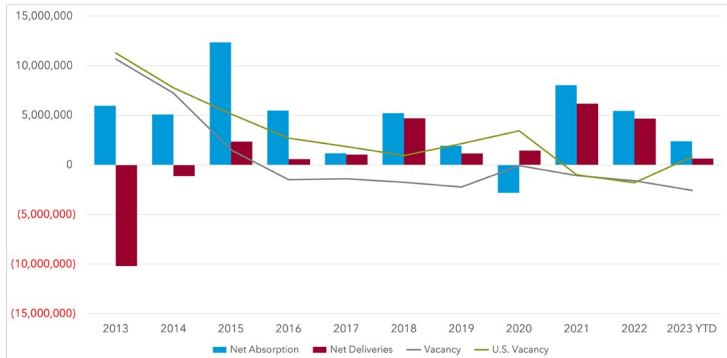
INDUSTRIAL MARKET OVERVIEW

JON SAVOY, CCIM, SIOR, *President*

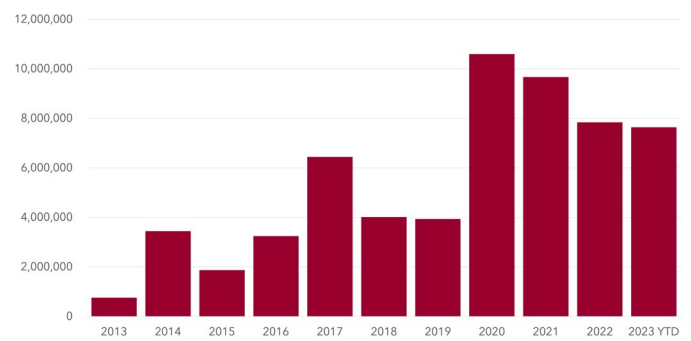
The Detroit industrial market continued its strong, linear growth during the second quarter of 2023. Rising costs of construction have slowed down Detroit's speculative construction market. Kansas City-based, Flint Development, is currently developing 550,000 square feet of logistics space at the Wixom Assembly Park in Wixom, Kansas. City-based, NorthPoint Development, is currently dual-developing 1 million square feet of logistics space at the Eastland Commerce Center in Harper Woods, as well as 700,000 square feet of logistics space at the Romulus Trade Center in Romulus. The market for existing buildings has tightened, a direct result of a lack of available product.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	5,352,339	4,299,163	5,432,702	2,725,596	7,583,494
▼ Vacancy Rate	3.8%	4.1%	4.0%	4.2%	4.6%
▲ Avg NNN Asking Rate PSF	\$8.42	\$8.28	\$8.21	\$8.11	\$8.02
▼ SF Under Construction	7,637,936	7,656,980	7,837,826	8,358,817	7,623,034
▼ Inventory SF	615,247,684	615,501,842	614,610,689	612,237,244	614,525,719

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
12601 Southfield Freeway, #B Detroit, MI	587,915 SF	\$56,000,000 \$94.96 PSF	Realty Mogul Company Innovo Development Group LLC	Class A
12701 Southfield Freeway Detroit, MI	484,609 SF	\$26,500,000 \$54.96 PSF	Realty Mogul Company Innovo Development Group LLC	Class C
12601 Southfield Freeway, #C Detroit, MI	421,000 SF	\$42,500,000 \$101.04 PSF	Realty Mogul Company Innovo Development Group LLC	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7080 23 Mile Road Shelby Twp, MI	332,264 SF	NorthPoint Development LLC	Mayco International LLC	Automotive
7080 23 Mile Road Shelby Twp, MI	168,442 SF	NorthPoint Development LLC	Zhongyi North America, Inc.	Automotive
12950 Eckles Road Livonia, MI	101,964 SF	Ashley Capital LLC	Penske Logistics, Inc.	Logistics



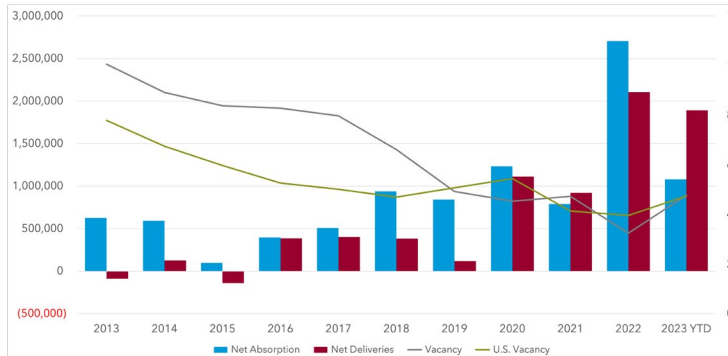
INDUSTRIAL MARKET OVERVIEW

MARLENE SPRITZER, SIOR, CCIM, J.D., *Vice President*

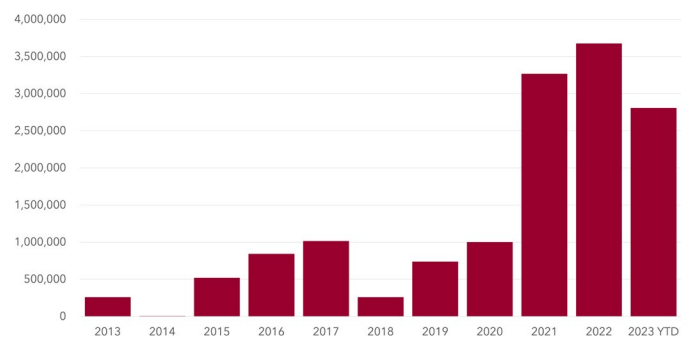
The Durham industrial market continues to see rising rental rates and a low vacancy rate of 4.79% in the second quarter of 2023 compared to 4.95% in the first quarter. The market has 2.6 million SF under construction. Demand is high due to the region's growth and need for more industrial product. Construction costs and less availability of land contribute to rising rent rates, particularly for new product, thus landlords are less likely to entertain much in the way of negotiations on rate, concessions, or improvements. Even with rising interest rates, demand remains strong, while investors have fewer options available for purchase.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	2,212,231	2,777,019	2,706,255	2,592,196	1,518,402
▼ Vacancy Rate	4.79%	4.95%	3.25%	3.30%	4.60%
▲ Avg NNN Asking Rate PSF	\$11.14	\$10.91	\$10.62	\$10.37	\$10.11
▼ SF Under Construction	2,906,797	3,027,579	3,676,629	3,782,729	4,175,509
▲ Inventory SF	49,240,944	48,642,492	47,450,122	47,344,022	46,824,017

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2001 TW Alexander Drive Durham, NC	308,964 SF	\$34,950,000 \$113.12 PSF	LBA Realty Broadstone Net Lease, Inc.	Class B
1311 E. Club Boulevard Durham, NC	14,615 SF	\$2,160,000 \$147.79 PSF	Lowry Stephen ODID LLC	Class C
1375 Stockyard Road Staley, NC	3,996 SF	\$798,000 \$199.70 PSF	Jordan Electric Motors, Inc. Josey Trucking LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4300 Emperor Boulevard Durham, NC	18,385 SF	Prologis, Inc.	Performance Contracting Group	Professional, Scientific, and Technical Services
3829-3839 S. Alston Avenue Durham, NC	15,000 SF	Clarion Partners	Workspace Services	Rental and Leasing Services
1500 E. Club Boulevard Durham, NC	4,361 SF	Daye W Jones Jr.	USC Flooring, Inc.	Retailer



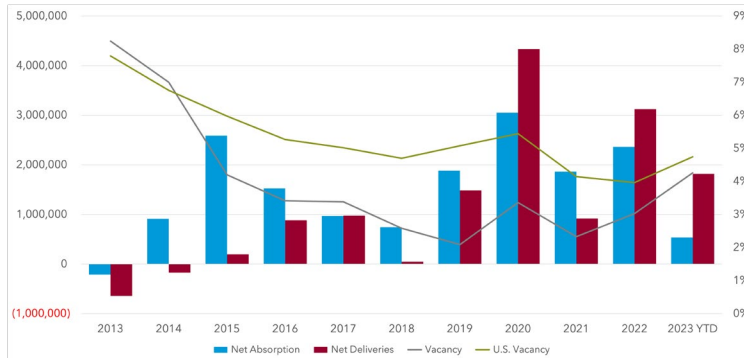
INDUSTRIAL MARKET OVERVIEW

MARLENE SPRITZER, SIOR, CCIM, J.D., *Vice President*

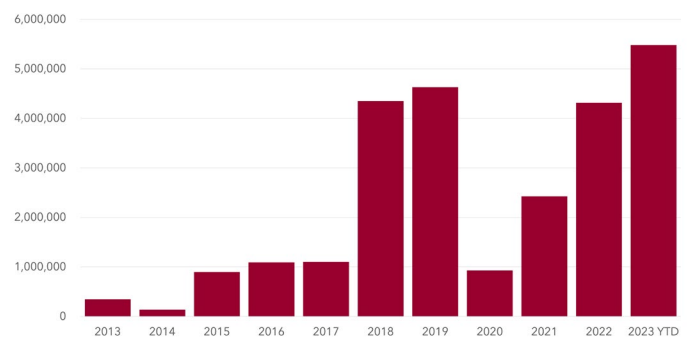
The Raleigh industrial market continues to see rising rental rates and a low vacancy rate of 3.88% in the second quarter of 2023 compared to 4.34% in the first quarter. The market has 5.5 million SF under construction. Demand is high due to the region's growth and the need for more industrial product. Construction costs and less availability of land contribute to rising rent rates particularly for new product, thus landlords are less likely to entertain much in the way of negotiations on rate, concessions, or improvements. Even with rising interest rates, demand remains strong, while investors have fewer options available for purchase.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	2,848,090	2,546,299	2,364,359	2,631,782	1,438,050
▼ Vacancy Rate	3.88%	4.38%	3.03%	2.65%	2.62%
▲ Avg NNN Asking Rate PSF	\$11.34	\$11.11	\$10.83	\$10.57	\$10.30
▲ SF Under Construction	5,480,703	5,214,866	4,316,180	4,341,493	5,412,695
▲ Inventory SF	99,602,007	99,396,924	97,783,104	96,983,209	95,389,559

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
205 Bickett Boulevard Raleigh, NC	18,315 SF	\$4,060,000 \$221.68 PSF	Textbook Properties LLC Electric Supply Co-Raleigh	Class C
790 NC 561 Highway Centerville, NC	12,648 SF	\$750,000 \$59.30 PSF	Triangle Risk Advisors Lawrence R. and Janie M. Pulley	Class C
103 S. Front Street Franklinton, NC	12,000 SF	\$250,000 \$20.83 PSF	Salas Properties LLC Shearwater Properties Worldwide LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1412 Stewart Street Fuquay-Varina, NC	30,000 SF	Vialink	Undisclosed	Undisclosed
225 Technology Park Lane Fuquay-Varina, NC	18,000 SF	Greenscape, Inc.	Transoms Direct	Professional, Scientific, and Technical Services
3321 Hobby Court Raleigh, NC	15,450 SF	Hobby Properties	Hoffman Mechanical Solutions, Inc.	Services



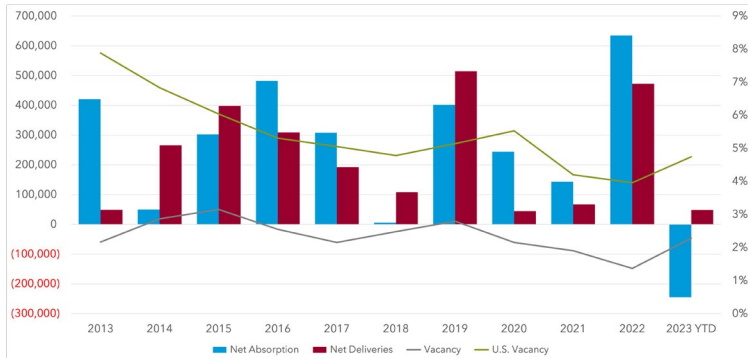
INDUSTRIAL MARKET OVERVIEW

AMMAR ABU-HAMDA, Associate

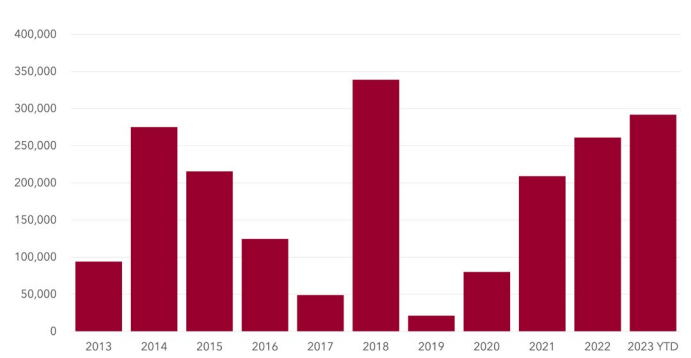
Vacancy in the Lincoln industrial market during Q2 2023 was 2.3% which showed an increase by 1.0% over the past 12 months. During Q2 2023, there was a negative net absorption of 100,745 SF, a net delivery of 11,400 SF and 292,000 SF under construction, representing a 0.9% expansion of inventory. Rents increased over 1.0% from last quarter and have increased a cumulative 20.0% in the past three years. The market cap rate for Lincoln was 8.7%, above its trailing three-year average of 8.5%. Both employment and population have grown in the past year, the number of jobs has increased by 1.8% and the population has grown by 1.1%.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	33,608	511,228	634,945	570,159	700,595
▲ Vacancy Rate	2.2%	1.9%	1.4%	1.2%	1.2%
▲ Avg NNN Asking Rate PSF	\$7.03	\$6.97	\$6.85	\$6.75	\$6.64
▼ SF Under Construction	291,900	303,300	261,050	385,140	116,278
▲ Inventory SF	31,922,696	31,911,296	31,873,796	31,600,556	31,568,678

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
415 S. 7th Street Lincoln, NE	5,400 SF	\$495,000.00 \$91.67 PSF	Derek Kats Sohay Holdings LLC	Class C
3711 Touzalin Avenue Lincoln, NE	2,190 SF	\$287,500.00 \$136.32 PSF	ASI Roofing LLC Metim LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3340 Oxbow Circle Lincoln, NE	10,000 SF	Superior Investment LLC	Continental Siding	Construction
500 W. South Street Lincoln, NE	5,670 SF	Speedway Properties	Midwest Petroleum	Service
2821 W. P Circle Lincoln, NE	4,550 SF	Las Brisas Land Development Company	Home Town Industries	Retail



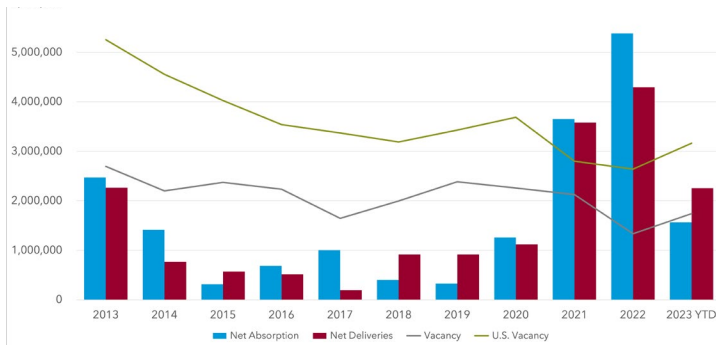
INDUSTRIAL MARKET OVERVIEW

AMMAR ABU-HAMDA, Associate

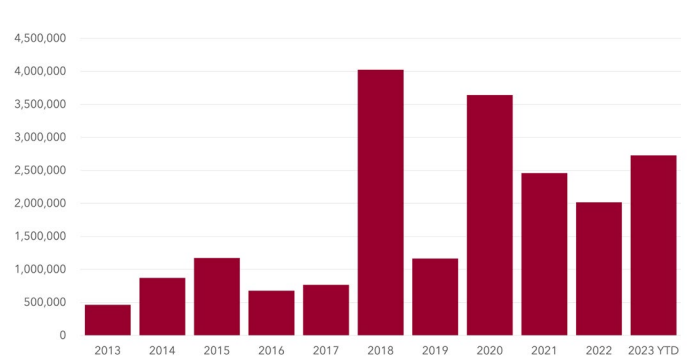
Vacancy in the Omaha industrial market during Q2 2023 was 2.6% and decreased 0.4% over the past 12 months. During Q2 2023, there was a net absorption of 17,000 SF, a net delivery of 17,500 SF and over 3.4 million SF under construction, representing a 3.3% expansion of inventory. Rents increased over 1.1% from last quarter and have increased a cumulative 19.9% in the past three years. The market cap rate for Omaha was 8.2%, above its trailing three-year average of 7.8%. Both employment and population have grown in the past year, the number of jobs has increased 2.9% in the past year, while the population has grown by 0.9%.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	2,971,621	6,351,226	5,381,907	7,433,472	7,184,921
◀▶ Vacancy Rate	2.6%	2.6%	2.0%	2.3%	3.1%
▲ Avg NNN Asking Rate PSF	\$7.72	\$7.64	\$7.51	\$7.40	\$7.27
▲ SF Under Construction	3,437,034	3,436,602	2,965,760	2,588,863	2,056,035
▲ Inventory SF	105,684,831	105,667,331	103,428,689	103,380,822	103,076,235

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1929 S. 20th Street Omaha, NE	39,904 SF	\$1,025,000 \$25.69 PSF	Safe Harbour Eat LLC Big V Rentals LLC	Class C
2029 Harney Street Omaha, NE	28,974 SF	\$2,500,000 \$86.28 PSF	BHK Properties LLC Harney Group LLC	Class C
10711 Chandler Street La Vista, NE	21,300 SF	\$3,125,000 \$146.71 PSF	KL Holding Companies LLC Elite Glass Services	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
10025 I Street Omaha, NE	54,000 SF	Stag Industrial, Inc	Everlasting Cabinetry	Manufacturing
4444 S. 94th Street Omaha, NE	30,000 SF	Bret Linden	MacArthur Company	Retailer
8817 S. 117th Street La Vista, NE	19,683 SF	Fred Korth	Mad City	Supply



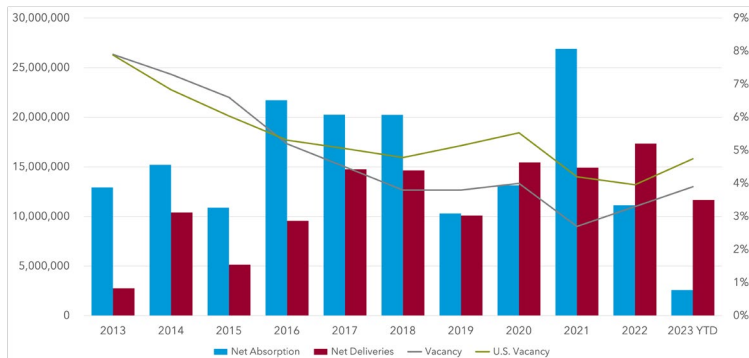
INDUSTRIAL MARKET OVERVIEW

MICHAEL MALMSTONE, *Director of Research and Valuation*

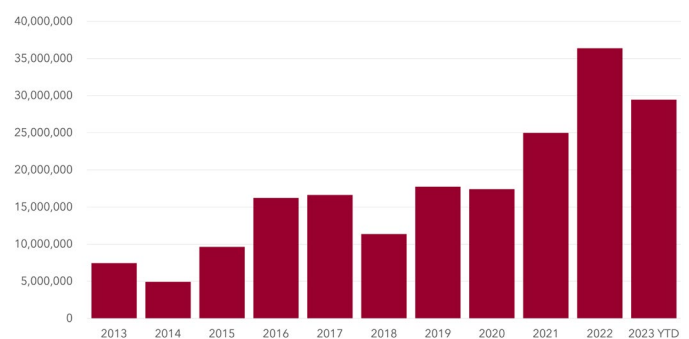
Q2 saw record rents at \$13.47 PSF NNN, the 34th consecutive quarter of growth, 1.5% QoQ and 15% YoY. Quarterly, this was the slowest period of rental growth since Q3 2020. 8.3M SF was leased, the lowest quarter since Q3 2009, and 66% of the 5-year average. Leasing took 4.9 months on average. Available sublet space is at an 11-year high of 6.5M SF, having more than doubled YoY. Twenty leases over 100,000 SF were signed, primarily in the Meadowlands and Ports submarkets. Net absorption clocked a negative 802,000 SF, the first time negative since Q1 2015. Vacancy and availability were both up 50 bps QoQ, at 4.1% and 7.8% respectively. Sales volume fell to \$611M, the lowest in 10 years, 42% of the 5-year average. Cap rates loosened 110 bps to 6.8%, while pricing appreciated 22% to \$191 PSF. There is 29.5M SF under construction and 57M SF is approved for development.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ Qtrly Net Absorption SF	(802,171)	3,397,474	1,834,379	2,486,379	4,062,804
▲ Vacancy Rate	4.1%	3.6%	3.3%	2.8%	2.8%
▲ Avg NNN Asking Rate PSF	\$13.47	\$13.27	\$12.28	\$11.99	\$11.67
▼ SF Under Construction	29,529,395	32,661,156	36,370,271	39,238,261	33,991,466
▲ Inventory SF	1,022,130,863	1,017,111,876	1,010,545,409	1,003,716,402	1,001,033,933

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8 Peach Tree Hill Road Livingston, NJ	293,887 SF	\$98,500,000 \$335.16 PSF	Invesco Real Estate USAA Real Estate/Bluewater Prop Grp	Class A
1-5 Plant Road Hasbrouck Heights, NJ	206,458 SF	\$45,000,000 \$217.96 PSF	Bridge Investment Group United Wire Hanger Corporation	Class C
230 Belmont Drive Somerset, NJ	152,175 SF	\$44,000,000 \$289.14 PSF	Bridge Industrial Stonemont Financial Group	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2501 Mt Holly Road Burlington Township, NJ	939,918 SF	Clarion Partners / MRP Industrial	Maersk	Shipping & Logistics
258 Prospect Plains Road Cranbury, NJ	886,826 SF	BentallGreenOak / CalPERS	Christian Dior Perfumes	Perfumery & Cosmetics
901 W. Linden Avenue Linden, NJ	495,212 SF	Prologis	Blue Apron	All Other Specialty Food Retailers



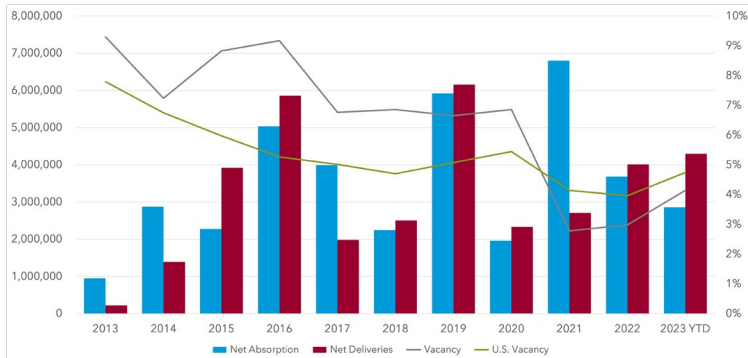
INDUSTRIAL MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

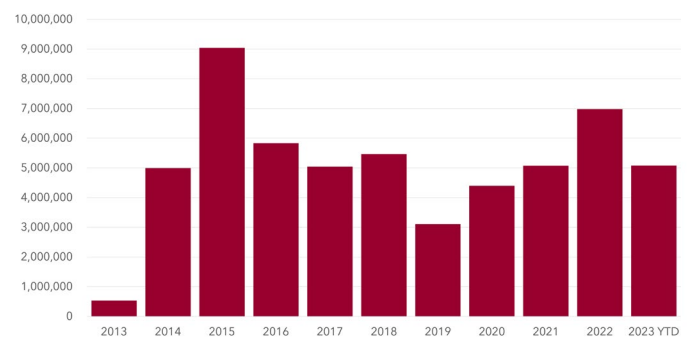
The Northern Nevada industrial market still boasts a very low 3.8% vacancy rate. However, the area still has more than 5 million SF under construction. Approximately 50% of that is preleased (according to sources) compared to approximately 70%-80% preleased space less than a year ago. This would indicate a slowing trend caused by both nationwide recession concerns and real rises in interest rates. Sublease space continues to hit the market, putting product on the market at rates based upon the past as opposed to new construction pricing. This has slowed the rise in asking rates, but the overall health of the market and proximity to the West Coast for distribution should keep the area moving in the right direction in the coming months.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	5,282,614	5,492,893	3,685,475	5,101,397	4,364,751
▲ Vacancy Rate	3.8%	3.2%	3.0%	3.1%	2.6%
▲ Avg NNN Asking Rate PSF	\$9.06	\$9.02	\$8.94	\$8.75	\$8.58
▼ SF Under Construction	5,077,759	5,082,294	6,979,778	7,103,583	8,792,442
▲ Inventory SF	113,263,495	111,684,635	108,961,923	108,528,878	106,359,009

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1955 Timber Way Reno, NV	48,035 SF	\$6,600,000 \$137.40 PSF	Jai Fei Grant Davis	Class C
1070 Matley Lane Reno, NV	27,865 SF	\$2,250,000 \$80.75 PSF	Reno Printing Data Forms, Inc.	Class C
7935 Sugar Pine Court Reno, NV	21,000 SF	\$4,500,000 \$214.29 PSF	Patagonia Forte NV LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
650 Vista Sparks, NV	48,003 SF	Link Logistics	HLC	Sporting & Athletic Goods
9415 Double R Boulevard Reno, NV	48,600 SF	DBL G Holdings LLC	Generac	Retailer
640 Maestro Drive Reno, NV	36,667 SF	Blackstone	Arrow	Equipment Wholesalers



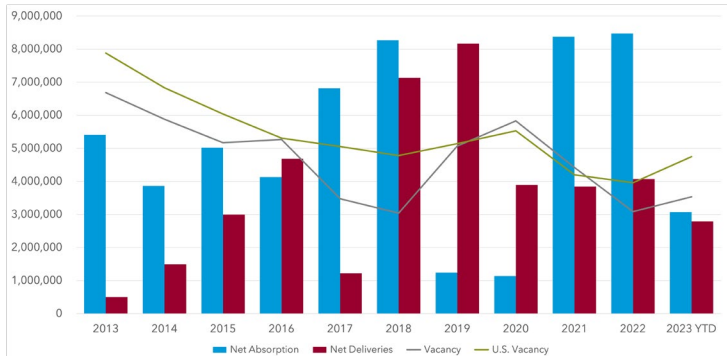
INDUSTRIAL MARKET OVERVIEW

PAUL SCHMERGE, *Senior Vice President*

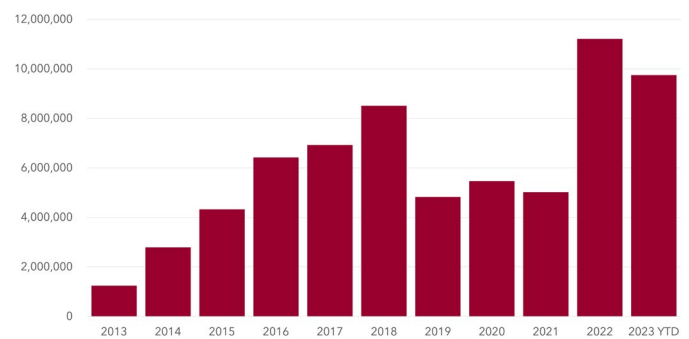
Greater Cincinnati industrial market continues to have historically low vacancy rates. This is in spite of lower absorption rates for the quarter, and year-to-date. Much of these results are due to the lack of available inventory. Construction activity is still strong, but actual deliveries have slowed. Rents are still rising, but at a slower pace than in previous quarters. The sale market continues to be strong due to demand exceeding supply. In retrospect, Q1 of 2023 experienced a record high sales volume. Leasing demand has slowed, but overall, the expectations are for the market fundamentals to stay strong throughout the balance of 2023.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	3,130,506	6,459,551	8,472,492	10,103,638	12,466,320
▲ Vacancy Rate	3.52%	3.49%	3.09%	3.24%	3.21%
▲ Avg NNN Asking Rate PSF	\$6.97	\$6.88	\$6.67	\$6.46	\$6.25
▼ SF Under Construction	9,747,591	10,421,904	11,211,259	10,708,681	8,387,743
▲ Inventory SF	345,438,687	344,335,074	342,645,971	341,258,494	341,091,494

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6147 Western Row Road Mason, OH	100,000 SF	\$8,250,000 \$82.50 PSF	Batory Foods Queensgate Warehouse Ltd	Class B
500-518 W. Crescentville Road Cincinnati, OH	74,747 SF	\$5,295,106 \$70.84 PSF	TradeLane Properties Tappan Properties, Inc.	Class C
4817 Section Avenue Norwood, OH	35,420 SF	\$4,400,000 \$124.22 PSF	Crossroads Community Church The Ray Hamilton Companies	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
300 Distribution Circle Fairfield, OH	33,750 SF	Prologis, Inc.	CT Design	Services
4750 Lake Forest Drive Blue Ash, OH	33,698 SF	Taurus Investment Holdings LLC	LPS Fulfillment	Services
10080 Commerce Park Drive West Chester, OH	24,000 SF	Midwest Properties	EJ Thomas Company	Services



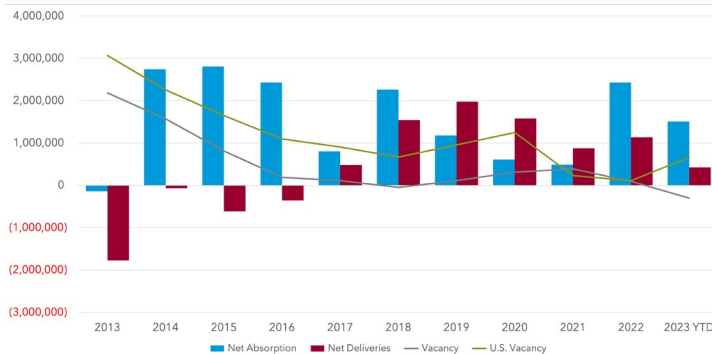
INDUSTRIAL MARKET OVERVIEW

CONNOR KROUSE, Associate

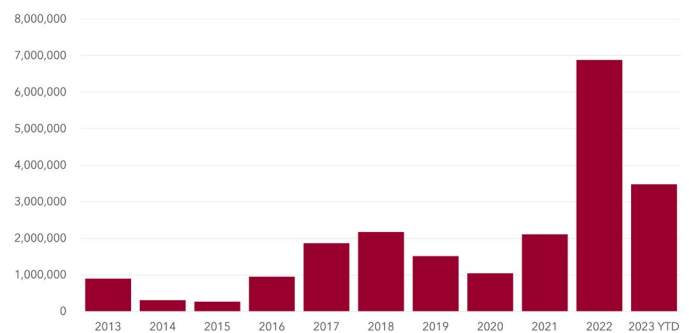
Cleveland's industrial market mirrors national trends with increasing vacancy rates, although minimal due to limited supply. The redevelopment of the former Ford Cleveland Engine Plant as the Forward Innovation Center will add substantial industrial space but may raise vacancy by 80 basis points. Demand in Cleveland is moderate compared to the national market, primarily due to limited modern space availability. Leasing volume has declined for three consecutive quarters but remains healthy. Industrial rent growth in Cleveland slightly outperforms the national average but trails logistics-focused regional markets. Investment activity dropped, impacted by higher debt costs and wider bid-ask spreads. Despite challenges, Cleveland's industrial market is expected to stay balanced.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	632,910	3,868	804,819	644,000	743,000
▼ Vacancy Rate	3.47%	4.05%	4.14%	4.19%	4.20%
▲ Avg NNN Asking Rate PSF	\$5.88	\$5.41	\$4.99	\$5.14	\$5.07
▼ SF Under Construction	3,500,000	4,200,000	4,900,000	7,700,000	2,900,000
▲ Inventory SF	295,400,000	293,200,000	292,800,000	292,000,000	290,850,000

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
26300 Miles Road Bedford Heights, OH	225,000 SF	\$10,500,000 \$46.67 PSF	Premier Development Partners American Spring Wire Corporation	Class B
1374 E. 51st Street Cleveland, OH	220,375 SF	\$4,850,000 \$22.02 PSF	Cleveland Portfolio Fund LLC Ohio Technical College	Class C
1338-1340 E. 289th Street Wickliffe, OH	107,700 SF	\$3,500,000 \$32.50 PSF	Alliance Development Diamond Shine Car Wash Solutions	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7800 Cochran Road Solon, OH	200,928 SF	EQT Exeter	Southern Glazer's Wine and Spirits LLC	Distribution
24200 Aurora Road Bedford Heights, OH	145,000 SF	Scannell Properties	Chick-fil-A Supply LLC	Distribution
1793 Enterprise Parkway Twinsburg, OH	87,408 SF	Russell Equipment Company, Inc.	Full Circle Logistics	Logistics



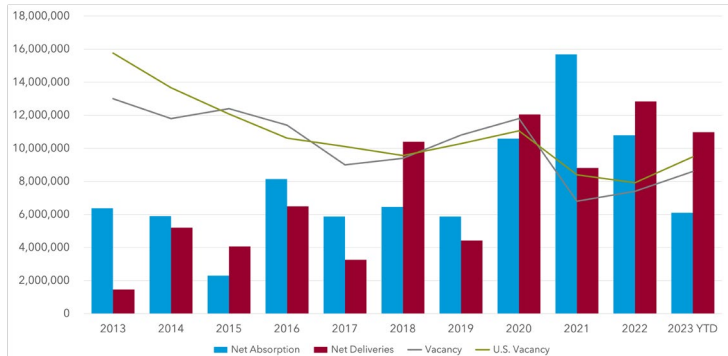
INDUSTRIAL MARKET OVERVIEW

MIKE SPENCER, SIOR, *Principal, Broker*

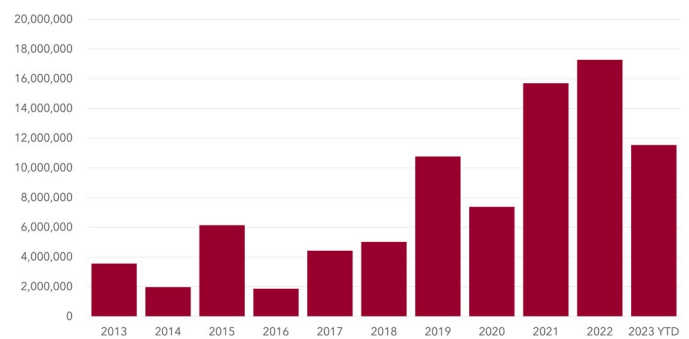
Demand for industrial space in the Columbus Region is picking up steam again, and this is before Intel provides further direction to its suppliers. The slowdown in speculative construction starts may be short lived. Vacancy is still near all-time lows and with current requirement activity levels for occupiers in all size ranges, growth drivers for industrial demand will continue for the foreseeable future. With strong fundamentals in the region, investor sentiment bullish on its future, and a growing manufacturing, life sciences, and data center base to further diversify the market, the Columbus Region will continue on its path of sustained growth.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	4,403,326	1,702,706	910,201	3,599,463	2,619,124
▼ Vacancy Rate	4.30%	4.50%	3.70%	2.90%	2.90%
▲ Avg NNN Asking Rate PSF	\$6.84	\$6.68	\$6.12	\$5.74	\$5.24
▲ SF Under Construction	11,543,682	11,476,922	17,279,345	20,879,308	20,883,338
▲ Inventory SF	338,642,668	335,957,966	328,446,646	323,727,464	318,698,482

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8320 Global Way Etna, OH	1,014,398 SF	\$114,300,000 \$112.68 PSF	Uline Ashley Furniture	Class A
2300 McGaw Road Columbus, OH	214,741 SF	\$10,100,000 \$47.03 PSF	Founders Cardinal Health	Class C
4835 Northwest Boulevard Hilliard, OH	114,485 SF	\$7,600,000 \$66.38 PSF	Tempus Diamond Properties	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9800 Schuster Way Etna, OH	1,074,840 SF	CRG	Black & Decker	Manufacturing
4229 Raymond Avenue Columbus, OH	1,027,649 SF	CT Realty	Geodis	Logistics
9157 Mink Street Pataskala, OH	697,860 SF	Core5	Ryder Logistics	Logistics



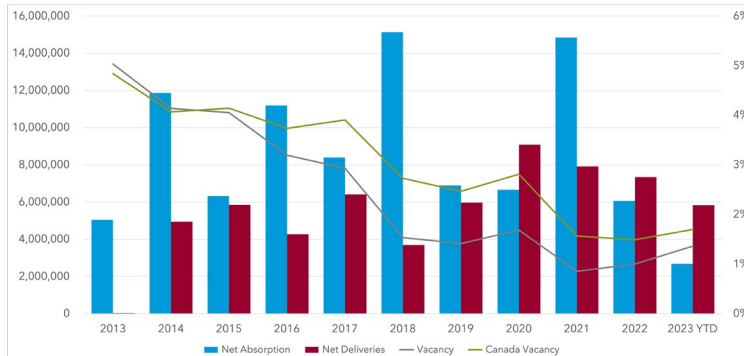
INDUSTRIAL MARKET OVERVIEW

DANIEL SMITH, *Senior Vice President, Partner*

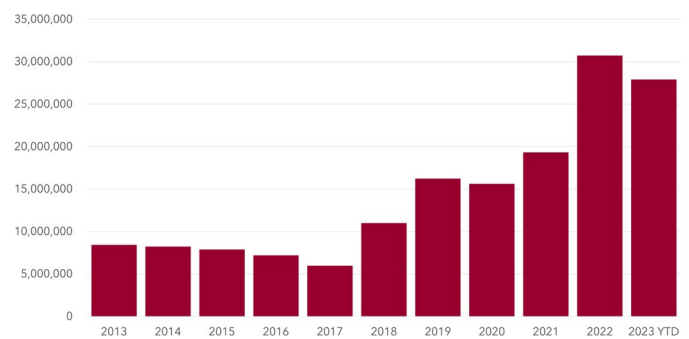
Toronto's industrial vacancies remained lower than the national average in Q2 2023. The high demand caused by the growth in e-commerce, increased manufacturing activity, and a growing population have resulted in the limited supply of industrial leases which will further tighten. As a result, industrial rents within the GTA have been on an upwards trend, reaching a record high average of \$18.70 PSF. This trend in rental costs is projected to continue, as demand is anticipated to outpace supply due to rising construction costs slowing the development of new buildings. Additionally, developers are constrained by the geographic limitations within the GTA such as the greenbelt and the decreasing availability of developable land.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	6,378,148	6,640,097	6,066,623	5,740,820	12,193,634
▲ Vacancy Rate	1.4%	1.2%	1.0%	1.0%	1.0%
▲ Avg NNN Asking Rate PSF	\$18.53	\$18.05	\$17.37	\$16.62	\$15.89
▼ SF Under Construction	27,915,191	28,602,898	30,730,734	29,995,623	26,046,398
▲ Inventory SF	862,761,123	860,117,237	856,929,974	854,665,628	853,707,840

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8574 Boston Church Road Milton, ON	754,704 SF	\$176,000,000** \$233.20 PSF	Pure Industrial TD Asset Management	Class B
150 Signet Drive* Toronto, ON	555,297 SF	Undisclosed	W.P. Carey, Inc. Apotex	Class B
50 Steinway Boulevard* Toronto, ON	516,845 SF	Undisclosed	W.P. Carey, Inc. Apotex	Class C

* Part of 16 Property Portfolio Sale; **All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1100 Thornton Road S Oshawa, ON	162,753 SF	Crux Capital Corporation	DCM	Advertising Agency
137 Horner Avenue Toronto, ON	149,378 SF	H&R Real Estate Investment Trust	Undisclosed	Undisclosed
4680 Garrard Road Whitby, ON	125,000 SF	Panattoni Canada	Undisclosed	Undisclosed



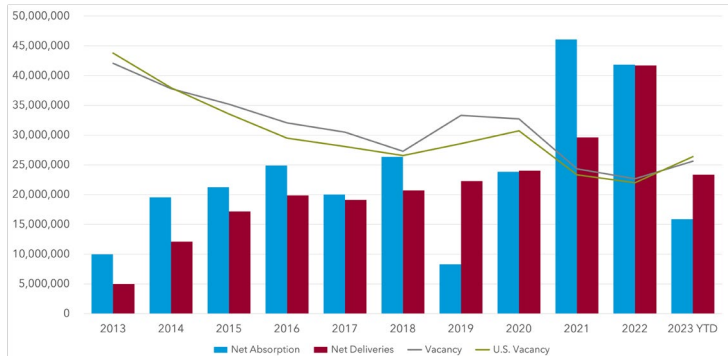
INDUSTRIAL MARKET OVERVIEW

THOMAS DOUGHERTY, *Research Analyst*

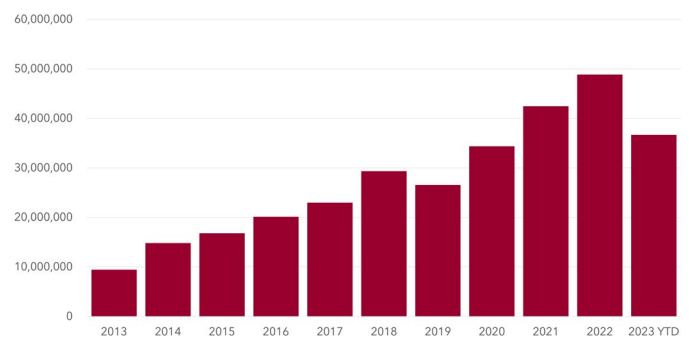
The Philadelphia Region industrial market continues to show its strong fundamentals, even as vacancy ticks up again. Vacancy across the region rose to 4.61%, still well below structural levels. The strong fundamentals are displayed in the continued growth of NNN asking rates, now up to \$8.86 PSF, a \$0.21 increase from the previous quarter, as well as significant leases still being signed, with one over 1.3 MSF and one just under 1 MSF being completed this quarter. Looking ahead, expect vacancy to decline in the coming quarters as rolling construction levels are down to 36.7 MSF. This decline will allow for existing vacancies to be filled without a significant number of new deliveries coming online.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	37,746,335	42,548,591	41,833,344	40,698,118	49,820,727
▲ Vacancy Rate	4.61%	4.19%	4.08%	3.90%	4.00%
▲ Avg NNN Asking Rate PSF	\$8.86	\$8.65	\$8.26	\$8.04	\$7.96
▼ SF Under Construction	36,667,827	43,508,017	48,870,408	56,226,412	55,147,389
▲ Inventory SF	1,335,822,374	1,317,550,572	1,297,240,329	1,279,460,619	1,266,006,117

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1605 Bartlett Drive Manchester, PA	1,209,000 SF	\$129,000,000 \$106.70 PSF	Ponte Gadea USA, Inc. Blackstone Real Estate Income Trust	Class A
180 First Avenue Gouldsboro, PA	501,600 SF	\$60,000,000 \$119.62 PSF	Hines Portman Holdings	Class A
405 Busser Road York, PA	483,748 SF	\$54,400,000 \$112.46 PSF	Cabot Properties, Inc. Core5 Industrial Partners	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
251 Westwood Hill Tremont, PA	1,346,755 SF	Panattoni	Amazon	E-commerce
Mount Holly Road Burlington Township, NJ	939,918 SF	MRP	Performance Group	Food
217 Allen Road Carlisle, PA	382,985 SF	Prologis	Allen Distribution	3PL



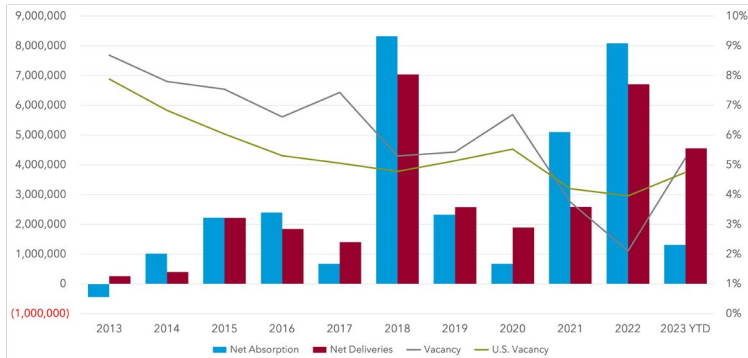
INDUSTRIAL MARKET OVERVIEW

RYAN WELCH, SIOR, *Principal*

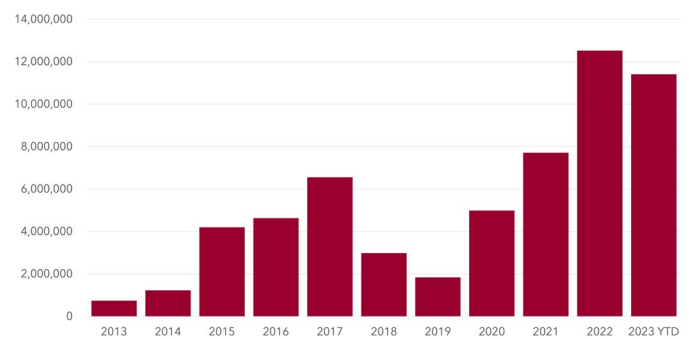
The Charleston industrial commercial real estate market is currently experiencing a robust and active phase. With a vacancy rate of 5.2%, the market shows healthy demand and a strong level of occupancy. This indicates a favorable climate for industrial businesses and investors looking to establish or expand their presence in the area. Moreover, the market's growth potential is evident from the substantial amount of construction underway, with over 11 million square feet being developed. This indicates a proactive approach to meet the increasing demand for industrial spaces, suggesting a positive outlook for the market in terms of future growth and economic activity.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	4,095,609	7,958,877	8,026,554	9,012,502	8,714,389
▲ Vacancy Rate	5.2%	3.2%	2.1%	2.2%	2.4%
▼ Avg NNN Asking Rate PSF	\$7.58	\$9.66	\$9.38	\$9.16	\$8.89
▼ SF Under Construction	11,423,192	11,913,024	12,527,095	8,746,346	8,344,232
▼ Inventory SF	95,332,631	100,367,326	98,417,272	97,234,995	95,665,533

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7770 Palmetto Commerce Parkway* North Charleston, SC	196,540 SF	\$868,000,000 \$4,416.40 PSF	Centerbridge Partners INDUS Realty Trust	Class A
7644 South Rail Road North Charleston, SC	48,000 SF	\$7,550,000 \$157.29 PSF	Excelsior Capital William W. Henninger	Class B
2686 Industrial Avenue North Charleston, SC	18,980 SF	\$3,200,000 \$168.60 PSF	Fennell Holdings Grove Property Fund	Class C

* Part of Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
0 Commerce Center Road Ladson, SC	148,594 SF	BentallGreenOak	Leidos	Engineering
259 Drop Off Drive Summerville, SC	126,687 SF	Samet Corporation	Undisclosed	Undisclosed
6555 Fain Street North Charleston, SC	112,764 SF	InterWrap	Undisclosed	Undisclosed



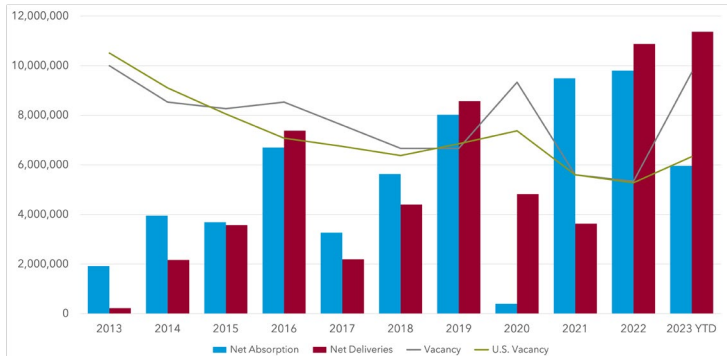
INDUSTRIAL MARKET OVERVIEW

RANDALL BENTLEY, CCIM, SIOR, *President*

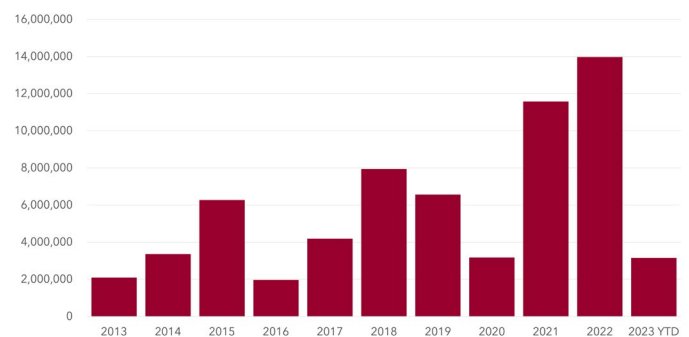
Much like the rest of the nation, the Greenville/Spartanburg market has experienced a gradual slowdown in industrial market activity during the first half of the year, but remains positive. The most notable change came in the form of new building deliveries, which totaled nearly 7 MSF in Q2 and placed upward pressure on overall vacancy. The increased vacancy stands to provide additional space options for tenants seeking more flexibility. Net absorption in Q2 topped 1.2 MSF, bringing the year-to-date total to 5.9 MSF. Greenville/Spartanburg continues to benefit from the nearby Inland Port of Greer, which extends the Port of Charleston's reach 212 miles inland and provides convenient connection via interstate and railway to the rest of the nation.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	10,781,392	12,471,173	9,799,521	11,111,180	11,873,079
▲ Vacancy Rate	7.3%	5.0%	4.0%	2.7%	2.9%
▲ Avg NNN Asking Rate PSF	\$4.67	\$4.57	\$4.60	\$4.39	\$4.33
▼ SF Under Construction	3,153,699	8,347,466	13,696,449	18,554,157	18,471,740
▲ Inventory SF	236,553,266	230,907,084	225,617,414	220,261,532	219,278,726

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
130 Commerce Center Greenville, SC	320,904 SF	\$22,750,000 \$70.89 PSF	Certa Realty RealOp Investments	Class B
300 S. Main Street Mauldin, SC	344,000 SF	\$9,600,000 \$27.91 PSF	Jersey Holdings LLC JDI Realty	Class C
1298 New Cut Road Spartanburg, SC	201,718 SF	\$8,725,000 \$43.25 PSF	Blue Vista Ina Bearing Company, Inc.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
100 Exchange Logistics Park Drive Anderson, SC	346,283 SF	Vantrust Real Estate LLC	Cardinal Health	Healthcare
310 John Martin Road Spartanburg, SC	190,606 SF	EQT Exeter	Sally Beauty	Beauty Equipment and Supplies
117 Littlejohn Street Spartanburg, SC	116,413 SF	Littlejohn Holdings LLC	Capital Recovery Services LLC	Secured Asset Recovery



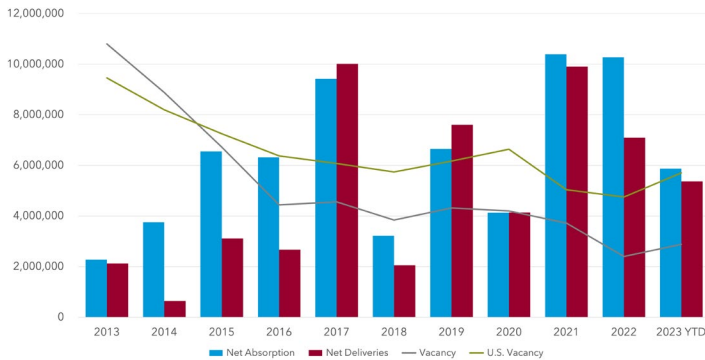
INDUSTRIAL MARKET OVERVIEW

JIM RODRIGUES, SIOR, *President*

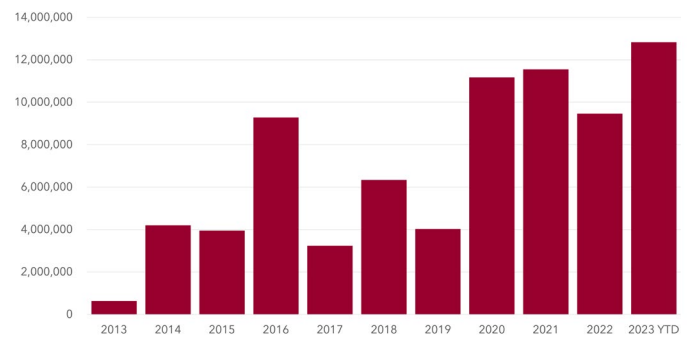
Robust industrial growth and expansion in Nashville resulted in Q2 vacancy of 2.4% and net absorption of more than 4.2 million SF. Second quarter tenant demand remained strong, as Store Opening Solutions (377,220 SF), Wilson's Sporting Goods (252,262 SF), and Plastic Omnium Exteriors (131,289 SF) completed new leases. There is approximately 12.8 million SF under construction and a limited number of large buildings coming online before the end of 2023. More than 3.7 million SF of new space entered the market in Q2, with more than 82% of the deliveries committed upon delivery. This elevated level of leasing activity has led to healthy fundamentals in Nashville, with rising asking rents and low vacancy.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	12,954,712	11,771,592	10,273,158	9,485,802	10,355,318
▲ Vacancy Rate	2.4%	2.3%	2.0%	2.4%	3.4%
▼ Avg NNN Asking Rate PSF	\$7.51	\$7.77	\$7.36	\$7.01	\$6.75
▲ SF Under Construction	12,830,559	11,771,364	9,459,843	11,113,261	12,924,833
▲ Inventory SF	257,689,488	254,961,264	249,068,024	248,077,701	244,062,966

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1731 Couchville Pike Mt. Juliet, TN	633,410 SF	\$66,755,125 \$105.39 PSF	GTIS Partners PGIM, Inc.	Class A
5018 Murfreesboro Road La Vergne, TN	227,166 SF	\$15,600,000 \$68.67 PSF	Josh S. Kaufman Gramercy (Blackstone)	Class C
7140 Centennial Place* Nashville, TN	8,304 SF	\$6,850,000 \$824.90 PSF	DSP LLC US Brick	Class B

* Industrial Outside Storage Transaction

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5501 CentrePointe Drive La Vergne, TN	377,220 SF	Clarion Partners	Store Opening Solutions	Industrial Logistics
700 Airpark Commerce Drive Nashville, TN	252,262 SF	Dalfen Industrial	Wilson's Sporting Goods	Retailer
741 Beechcroft Road Spring Hill, TN	131,289 SF	Ship Investors LLC	Plastic Omnium Exteriors	Manufacturing



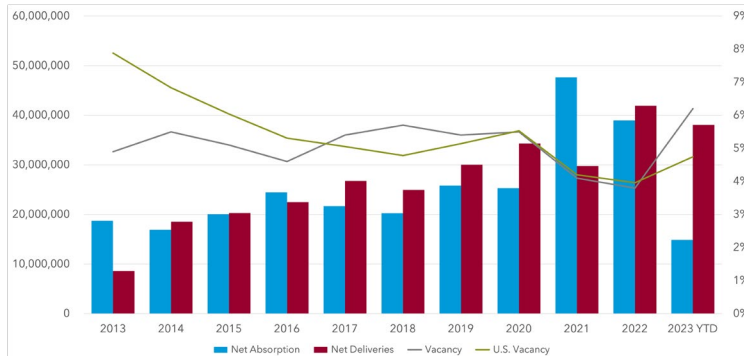
INDUSTRIAL MARKET OVERVIEW

MICAH RABALAIS, *Operations and Research Director*

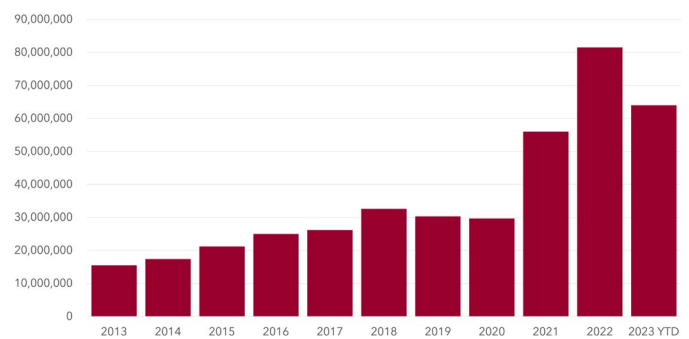
The Dallas-Fort Worth (DFW) industrial market continued to normalize in Q2 2023, with quarterly net absorption slowing to 5.4 million square feet and vacancy rising to 6.2%. The construction pipeline remained at record levels, with 64 million square feet of space under development. Slowing demand and record deliveries will likely continue to drive up vacancy rate, but expect rental rates to continue climbing. Demand for industrial space in DFW is being driven by a number of factors, including the strong economy, the growth of e-commerce, and the relocation of businesses from California and other high-cost areas. As a result, the DFW industrial market is expected to remain healthy in the coming quarters.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	39,354,236	43,811,708	37,940,155	38,645,155	38,416,942
▲ Vacancy Rate	6.2%	4.9%	3.8%	3.9%	4.0%
▲ Avg NNN Asking Rate PSF	\$8.23	\$7.63	\$7.35	\$7.06	\$6.65
▼ SF Under Construction	63,982,929	63,997,825	77,732,461	75,480,107	62,877,218
▲ Inventory SF	973,374,851	957,213,438	938,168,677	928,477,187	914,983,326

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
North Quarter 35, Buildings 1,2, & 4 Fort Worth, TX	485,330 SF	\$73,656,545 \$151.77 PSF	Westcore Properties, Inc. M2G Ventures	Class B
Core 5 Logistics Center at McKinney McKinney, TX	279,356 SF	\$32,000,000 \$114.55 PSF	United Pacific Industries, Inc. Core5 Industrial Partners	Class A
4200-4240 Spring Valley Road Dallas, TX	61,139 SF	\$10,210,213 \$167.00 PSF	Fort Capital Ledo Capital Group	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
FM-156 Fort Worth, TX	1,076,459 SF	Hillwood	Undisclosed	Undisclosed
1201 Bold Ruler Road Justin, TX	1,008,416 SF	NorthPoint Development	Dollar General	Retail
Exeter Westpark I Denton, TX	609,127 SF	EQT Exeter	Undisclosed	Undisclosed



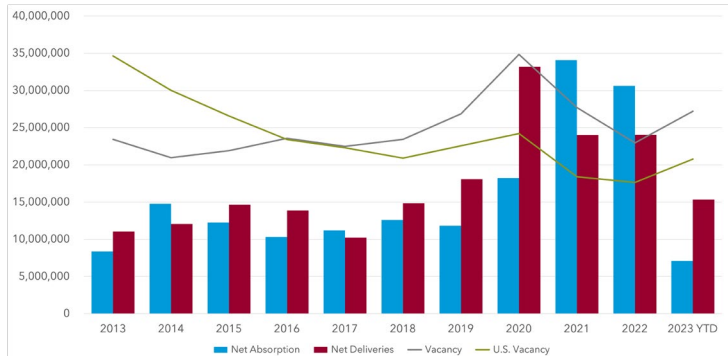
INDUSTRIAL MARKET OVERVIEW

ROBERT MCGEE, SIOR, *Principal*

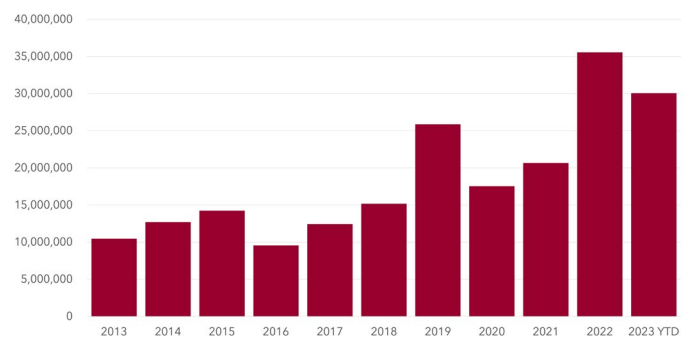
Overall, leasing activity has remained steady throughout Q2 2023. While the vacancy rate has slightly moved upward, it's mainly due to a large number of deliveries across the market. Smaller blocks of space, less than 200,000 square feet, have started seeing better rent growth as the properties are getting leased at a healthy pace and even catching-up with the larger bulk centers over 400,000 square feet. While tenants have been more cautionary in their decision process, there is still an equilibrium between supply and demand. We expect supply to begin to diminish with fewer new construction projects through year-end.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	22,741,389	29,735,595	30,606,488	33,542,346	43,612,580
▲ Vacancy Rate	6.1%	5.5%	5.2%	5.4%	5.2%
▲ Avg NNN Asking Rate PSF	\$8.73	\$8.67	\$8.51	\$8.43	\$8.36
▼ SF Under Construction	30,052,232	35,269,540	35,559,418	32,896,085	28,781,420
▲ Inventory SF	782,315,707	774,321,636	766,972,992	761,706,810	751,629,344

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4861 Sam Houston Parkway Houston, TX	603,389 SF	\$69,850,000 \$115.76 PSF	MDH Funding LLC IDV / Baupost	Class A
4414 Hollister Road Houston, TX	234,215 SF	\$24,600,00 \$105.03 PSF	Lonestar Electric Supply Frontera Capital Partners	Class B
8550 Market Street Houston, TX	231,879 SF	Undisclosed	ATCAP Partners CenterPoint Properties	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
32509 US Highway 90 Brookshire, TX	229,150 SF	Stream	Professional Packing Systems	Logistics
9601-9649 West Wingfoot Road Houston, TX	195,185 SF	AG-EIP 9647 West Wingfoot Drive LLC	HEB	Grocery
703 Logistics Drive South Baytown, TX	133,000 SF	National Property Holding	Quantix	Logistics



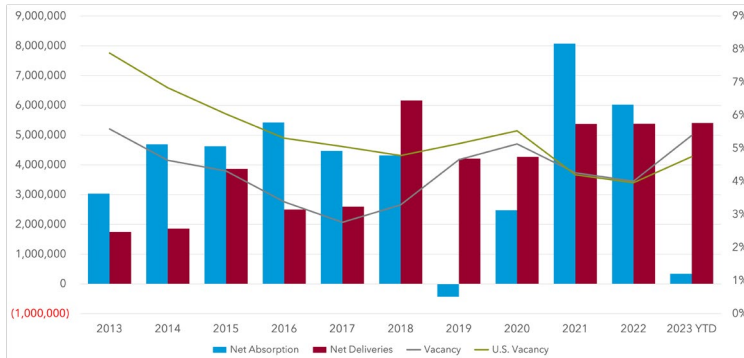
INDUSTRIAL MARKET OVERVIEW

VANESSA HERZOG, SIOR, CCIM, *Principal*

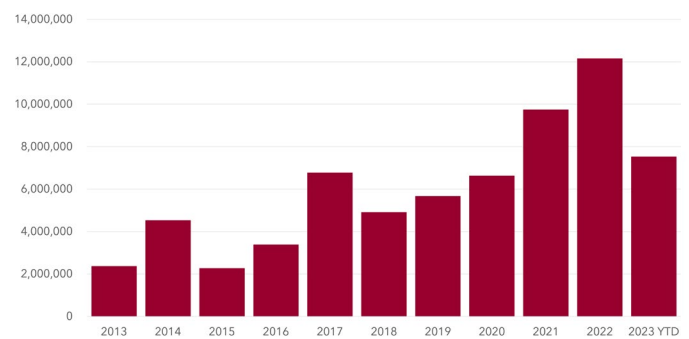
Sublease space is always available, however, the first five months of 2023 nearly doubled the amount of square feet available for sublease, from 1.5M SF in December 2022 to over 2.7M SF today, in 77 available spaces. This type of activity has not been seen in the Seattle metro market since 2009-2010 when sublease space reached over 3M SF. This doesn't appear to be affecting the overall lease rates, yet, as lease rates are holding steady and, in some places, still increasing. The sudden increase could be due to the slowdown in freight movement as Ports on the west coast struggle with labor negotiations. While Covid demand levels are likely over, tenant demand continues for larger and newer facilities.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	147,770	2,797,676	6,021,850	7,172,929	10,353,353
▲ Vacancy Rate	5.3%	4.7%	4.0%	4.0%	3.9%
▲ Avg NNN Asking Rate PSF	\$14.34	\$14.11	\$13.77	\$13.46	\$13.24
▼ SF Under Construction	10,332,690	10,388,209	12,157,314	10,522,892	9,427,649
▲ Inventory SF	346,884,288	345,631,466	344,275,697	343,262,063	341,796,693

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2925 70th Avenue E Tacoma, WA	111,824 SF	\$22,800,000 \$203.89 PSF	Invesco Principal Financial Group, Inc.	Class B
7622 S. 188th Street Kent, WA	66,230 SF	\$15,000,000 \$226.48 PSF	Kyokuyo America Corp American Foods Group	Class B
9229 10th Avenue South Seattle, WA	31,300 SF	\$8,000,000 \$255.59 PSF	National Products, Inc. Scharhon Family LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
14545 SE Stewart Road Sumner, WA	293,172 SF	Investco LLC	Allen Distribution	Transportation and Warehousing
1950 S. State Street Tacoma, WA	248,033 SF	Davis Property & Investment	Infinity Global Logistics	Logistics
16015 51st Avenue Marysville, CA	245,000 SF	NorthPoint	Tesla	Manufacturing



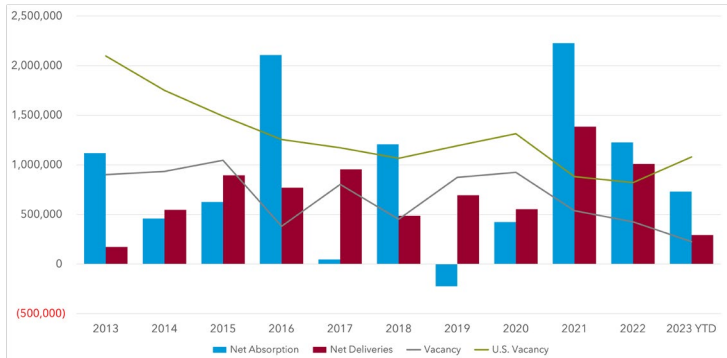
INDUSTRIAL MARKET OVERVIEW

CAMP PERRET, *Vice President*

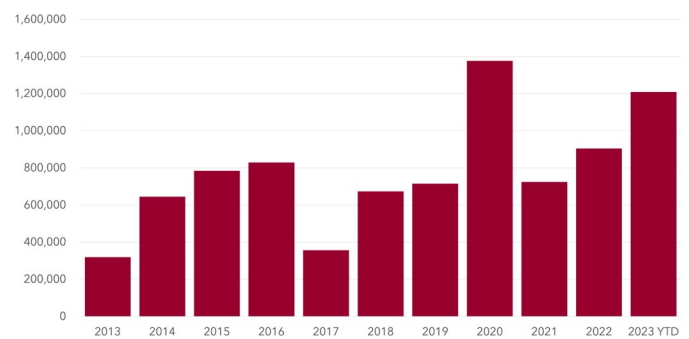
The demand in the Madison industrial market remains strong. Vacancy rates continue to decline; now at an all-time low of 1.9%. Rental rates continue to climb due to lack of inventory. While construction starts were up again in Q2, the market is underbuilding compared to its peers. Inventory expansion was a mere 1.4% year-over-year. Sales activity continues to be muted by a number of factors, including elevated interest rates and lack of available properties for sale. The market's strong demographics, including above-average median household incomes, low unemployment rates, and soaring population growth, will continue to power industrial demand into the foreseeable future.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	1,910,104	1,376,265	1,227,037	1,176,704	1,395,841
▼ Vacancy Rate	1.9%	2.5%	2.8%	3.4%	3.0%
▲ Avg NNN Asking Rate PSF	\$7.43	\$7.36	\$7.24	\$7.14	\$7.02
▲ SF Under Construction	1,209,040	982,048	904,536	1,072,119	1,123,317
▲ Inventory SF	74,132,035	74,025,544	73,838,556	73,475,273	73,052,952

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
150 Business Park Drive Sun Prairie, WI	179,526 SF	\$8,000,000 \$44.56 PSF	Business Park Property Group LLC Guardian Industries	Class B
240 Birdsey Street Columbus, WI	40,140 SF	\$911,000 \$22.70 PSF	Birdsey Warehouse Group LLC GAR Real Estate LLC	Class B
908 Stewart Street Madison, WI	35,000 SF	\$2,940,000 \$84.00 PSF	Grindstone Management LLC JP Madison Partners LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6002 Femrite Drive Madison, WI	93,156 SF	Undisclosed	Undisclosed	Undisclosed
129 Railroad Street Sun Prairie, WI	3,000 SF	Infinite Pursuit Investments	Amanda	Undisclosed
318 Locust Drive Verona, WI	2,850 SF	Undisclosed	Yotrio Corporation	Retailer

OFFICE OVERVIEW: OFFICE DOWNTURN DEEPENS, SUBLEASE SPACE MOUNTS

Tenants in the United States shed a record amount of space in the first half of 2023 and net absorption is on pace for its biggest annual loss ever, exceeding the negative 68 million SF in 2020, the first year of the pandemic. Net absorption nationwide in the second quarter was negative 10.9 million SF, bringing the mid-year total to negative 39.7 million SF, as the internet and social distancing combined to dramatically alter the entrenched regimen of the office worker. While hybrid work has become a fixture in many companies, studies show that fully remote work has declined.

Canadian markets have held up better, although leasing volume in Canada this year was down 20% from a year ago and is half the pre-pandemic average. On a regional basis, conditions have been stronger in the Western markets of Vancouver and Calgary while activity in Toronto and Montreal remains depressed.

Top-quality buildings have seen consistently positive net absorption throughout the pandemic era. So have newer buildings, completed after 2015. Leasing data shows that since the beginning of 2022, tenants have been taking nearly 10% less space since before the pandemic. The U.S. market has contracted by 150 million SF over an unprecedented three straight years beginning early in 2020 when the vacancy rate was 10%, or 2% of total inventory. The vacancy rate at the end of Q2 was 13.2% and short- and long-term pressures are lined up to drive it higher. For example, new leasing activity this year has been off 17% from its pre-pandemic average. Also, about 67 million SF of new inventory - the most since 2009 - is projected for delivery by the end of the year.

With 65% of leases set to expire in the next five years an imminent turnaround is unlikely. Also, the amount of available sublease inventory has soared to 216 million SF, a 120% increase since the end of 2019. Sublease space is the proverbial canary in the coal mine and can signal an extended period of weak demand. Conditions in San Francisco are acute. The city has 13 million SF available for sublease, representing 6.7% of total inventory. New York City's 30 million SF of sublease space is equal to 3% of inventory. Even more resilient markets have been hit by the sublease wave. San Jose and Austin, for example, each have more than 6 million SF of sublease space available.

Taken together, depressed occupancy and second-hand space have created a demand gap of more than 400 million SF, rivaling the size of office markets in Dallas or Los Angeles. Demand has been comparatively healthier in several secondary and Sun Belt markets, including Miami and Las Vegas.

Maturing debt looms as a challenge. More than \$24.5 billion in CMBS office loans will come due this year. Delinquency rates are up 2.4 percentage points since December and are projected to reach 6% or more next year.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / SF ANNUAL		HIGHEST MARKET SALE PRICE / SF	
FL, Fort Myers	4.4%	CA, San Francisco	\$57.12	CA, San Francisco	\$652
BC, Vancouver	5.8%	NY, New York*	\$56.40	NY, New York*	\$594
CA, Inland Empire	5.9%	FL, Miami	\$47.64	BC, Vancouver	\$513 CAD
WI, Madison	6.0%	CA, Los Angeles	\$41.88	WA, Seattle	\$454
LA, Baton Rouge	6.1%	MA, Boston	\$41.52	MA, Boston	\$413
U.S. Index	13.2%	U.S. Index	\$35.16	U.S. Index	\$301
Canada Index	9.2%	Canada Index	\$27.48 CAD	Canada Index	\$279 CAD

MOST SF UNDER CONSTRUCTION SF		LARGEST INVENTORY BY SF		LOWEST MARKET CAP RATE	
MA, Boston	18,632,193	NY, New York*	979,344,450	BC, Vancouver	4.0%
WA, Seattle	11,902,984	DC, Washington	521,802,414	CA, San Francisco	5.6%
ON, Toronto	10,341,175	IL, Chicago	511,895,648	ON, Toronto	5.8%
NY, New York*	9,303,932	CA, Los Angeles	437,206,837	NY, New York*	6.2%
TX, Dallas-Fort Worth	8,162,053	TX, Dallas-Fort Worth	421,504,740	CA, Los Angeles	6.4%
U.S. Index	124,708,586	U.S. Index	8,399,356,698	U.S. Index	8.0%
Canada Index	17,483,297	Canada Index	683,266,399	Canada Index	6.7%

* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
AB, Calgary **	16.3%	\$1.76	\$137	393,139	97,664,507	10.8%
AZ, Phoenix	15.7%	\$2.43	\$221	1,332,788	194,143,515	8.0%
BC, Vancouver **	5.8%	\$2.86	\$513	5,325,258	96,191,964	4.0%
CA, Bakersfield	9.2%	\$2.03	\$163	9,611	16,037,545	9.4%
CA, East Bay	13.8%	\$3.27	\$314	53,730	115,490,067	6.7%
CA, Fresno	8.5%	\$1.77	\$183	104,125	28,725,965	9.2%
CA, Inland Empire	5.9%	\$2.13	\$202	240,459	77,486,143	8.1%
CA, Los Angeles	15.1%	\$3.49	\$400	4,175,665	437,206,837	6.4%
CA, Orange County	13.4%	\$2.58	\$288	265,361	158,585,583	7.1%
CA, San Diego	11.2%	\$3.21	\$340	4,102,493	119,380,365	7.0%
CA, San Francisco	18.9%	\$4.76	\$652	2,951,168	189,210,780	5.6%
CA, San Luis Obispo	3.7%	\$2.34	\$259	120,000	6,637,159	8.2%
CA, Santa Barbara	6.8%	\$2.76	\$347	165,641	12,831,002	7.0%
CA, Stockton	5.5%	\$1.81	\$169	0	12,911,431	8.7%
CA, Ventura	10.9%	\$2.33	\$231	0	21,933,914	8.3%
CO, Denver	15.6%	\$2.43	\$237	4,111,388	184,284,773	8.0%
DC, Washington	16.1%	\$3.24	\$331	5,319,043	521,802,414	8.2%
FL, Fort Myers	4.4%	\$2.00	\$173	129,000	21,522,537	8.2%
FL, Miami	9.5%	\$3.97	\$357	5,525,640	115,042,736	6.6%
FL, Naples	4.8%	\$2.71	\$247	117,348	10,118,432	8.0%
FL, Orlando	8.7%	\$2.31	\$187	1,327,179	103,905,952	8.5%
GA, Atlanta	14.7%	\$2.34	\$212	3,305,916	335,748,451	8.0%
GA, Savannah	1.7%	\$2.05	\$180	43,936	12,413,697	9.5%
ID, Boise	6.9%	\$1.79	\$157	337,510	34,163,400	9.6%
IL, Chicago	15.7%	\$2.48	\$199	1,752,811	511,895,648	8.6%
IN, Indianapolis	9.6%	\$1.78	\$124	1,247,077	109,714,045	9.7%
KS, Lawrence	10.5%	\$1.88	\$127	0	3,300,434	10.4%
KS, Topeka	6.6%	\$1.49	\$117	111,447	11,571,244	10.0%
LA, Baton Rouge	6.1%	\$1.66	\$108	40,363	27,826,684	11.5%
MA, Boston	10.7%	\$3.46	\$413	18,632,193	373,932,600	6.9%
MD, Baltimore	11.8%	\$2.05	\$166	1,383,529	152,346,135	9.1%
United States Index	13.2%	\$2.93	\$301	124,708,586	8,399,356,698	8.0%
Canada Index	9.2%	\$2.29**	\$279**	17,483,297	683,266,399	6.7%

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
MI, Detroit	12.3%	\$1.80	\$117	1,466,558	201,170,135	10.4%
MN, Minneapolis	10.8%	\$2.21	\$157	813,768	202,776,566	8.8%
MO, Kansas City*	11.5%	\$1.81	\$130	1,081,965	128,089,975	9.3%
MO, Saint Louis	10.9%	\$1.78	\$121	1,587,924	148,491,969	9.8%
NC, Durham	10.5%	\$2.30	\$233	399,159	36,927,531	8.0%
NC, Raleigh	9.9%	\$2.44	\$220	2,554,561	77,557,523	8.1%
NE, Lincoln	6.6%	\$1.59	\$125	192,932	18,227,646	9.8%
NE, Omaha	6.9%	\$2.01	\$134	1,361,935	48,455,594	10.4%
NJ, Atlantic City	6.6%	\$1.90	\$141	0	7,552,389	10.0%
NJ, Northern New Jersey *	14.1%	\$2.30	\$187	504,312	156,166,595	9.1%
NJ, Trenton	8.8%	\$2.45	\$161	38,000	31,960,325	9.6%
NJ, Vineland	4.8%	\$1.51	\$109	0	2,839,438	10.1%
NV, Reno	10.1%	\$2.01	\$193	268,021	17,482,469	8.7%
NY, Long Island	9.0%	\$2.60	\$185	209,037	99,382,001	9.0%
NY, New York *	13.1%	\$4.70	\$594	9,303,932	979,344,450	6.2%
OH, Cincinnati	10.4%	\$1.71	\$98	171,738	104,637,803	10.9%
OH, Cleveland	9.3%	\$1.63	\$99	1,420,846	111,738,420	11.4%
OH, Columbus	10.8%	\$1.83	\$116	1,052,969	118,078,417	9.8%
ON, Toronto **	9.7%	\$2.57	\$316	10,341,175	287,179,758	5.8%
PA, Harrisburg	8.9%	\$1.52	\$118	109,740	37,754,932	10.8%
PA, Lehigh Valley *	7.8%	\$1.79	\$105	55,175	31,820,858	11.3%
PA, Philadelphia *	10.7%	\$2.30	\$171	2,952,929	327,303,384	9.2%
SC, Charleston	7.8%	\$2.60	\$197	583,040	33,372,135	8.9%
SC, Greenville	7.9%	\$1.86	\$144	582,980	35,423,469	9.1%
SC, Spartanburg	5.1%	\$1.71	\$121	3,200	7,786,603	10.2%
TN, Nashville	11.8%	\$2.62	\$228	3,738,527	101,706,673	7.9%
TX, Dallas-Fort Worth	18.0%	\$2.52	\$226	8,162,053	421,504,740	7.8%
TX, Houston	18.9%	\$2.43	\$207	4,961,909	352,593,343	8.9%
WA, Seattle	12.7%	\$3.17	\$454	11,902,984	229,915,944	6.5%
WI, Madison	6.0%	\$1.92	\$124	565,800	38,299,752	10.5%
United States Index	13.2%	\$2.93	\$301	124,708,586	8,399,356,698	8.0%
Canada Index	9.2%	\$2.29**	\$279**	17,483,297	683,266,399	6.7%

* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

** Numbers shown are in Canadian dollars (CAD)



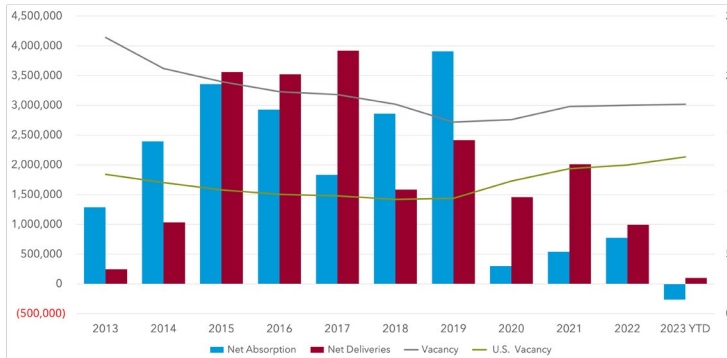
OFFICE MARKET OVERVIEW

CHRIS MCCHESENEY, *Research Director*

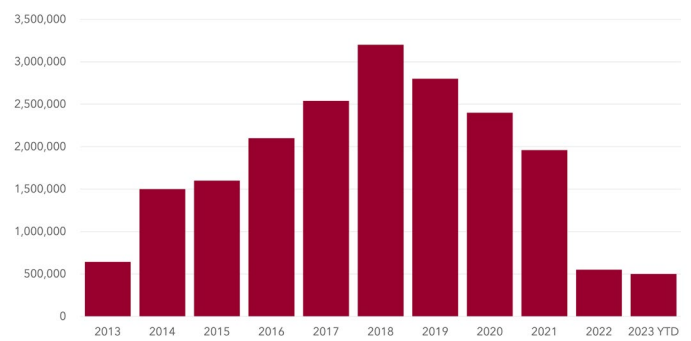
After recording flat absorption in the two years following the Covid pandemic, the Phoenix office market slipped in 2022, and the trend continued in the first half of 2023. The recalibration of space configurations in the wake of hybrid work models is clearly having an impact on local office fundamentals. The overall office vacancy increased slightly to 17.7% as the market recorded negative net absorption of 137,097 SF in the quarter. Asking rates continued to rise finishing the quarter at \$28.79 PSF. The number of companies moving to metro Phoenix is noteworthy, but the diversity of industries has helped sustain the region's long-term stability. Phoenix's favorable business climate, affordable cost of living and increased population, continues to attract companies and investors to the market.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ Qtrly Net Absorption SF	(137,097)	(127,468)	123,048	(81,621)	918,413
▲ Vacancy Rate	17.7%	17.6%	17.5%	17.6%	17.2%
▲ Avg NNN Asking Rate PSF	\$28.79	\$28.35	\$28.06	\$27.06	\$26.28
▲ SF Under Construction	552,194	500,000	551,054	732,548	869,702
▲ Inventory SF	108,838,962	108,795,619	108,349,479	108,199,479	107,982,697

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Luhrs Tower - 45 W. Jefferson Street Phoenix, AZ	224,146 SF	\$20,400,000 \$91.01 PSF	Sunrise Capital Investments RED Development	Class B
4110 N. Scottsdale Road Scottsdale, AZ	109,968 SF	\$44,000,000 \$400.12 PSF	Providence RE Group Goldman Sachs	Class B
8160 S. Hardy Drive Tempe, AZ	95,070 SF	\$13,928,360 \$146.51 PSF	Enzed LLC LACERA	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
14400 N. 87th Street Scottsdale, AZ	133,634 SF	CIM Group	The Vanquard Group	Investment/Financial
1661 E. Camelback Road Phoenix, AZ	78,668 SF	Fenway Properties	Kimley-Horn	Engineering
4343 N. Scottsdale Road Scottsdale, AZ	58,477 SF	Jasper Ridge Partners	TikTok	Social Media



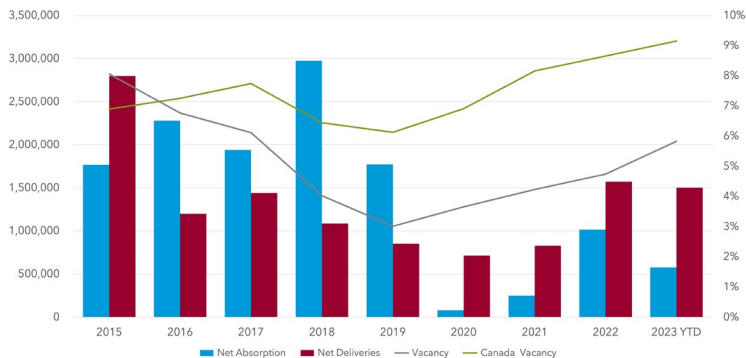
OFFICE MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

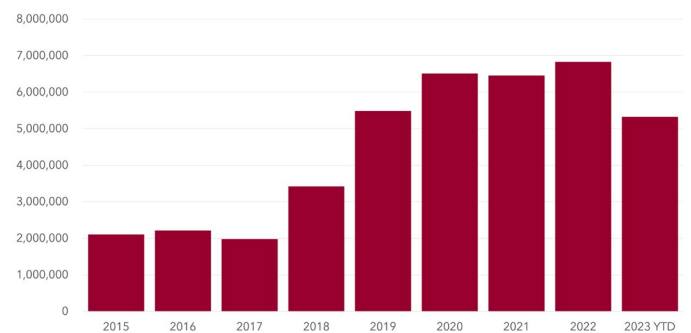
Q2 of 2023 saw the vacancy rate in Metro Vancouver climb even higher throughout the quarter, hitting over 10% in the downtown core. While the amount of sublease space on the market came down, this indicates that mostly headlease space is now contributing to the increase in vacancies. Some tenants could be experiencing a delay between when the market felt the effects of a soft recession and initiating a cost-cutting approach. We expect to see vacancies increase further over 2023, specifically downtown, as headlease and sublease space continues to hit the market. However, the fundamentals remain strong and there is confidence that the Vancouver office market will bounce back in the coming years.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	1,308,043	1,350,216	1,016,018	421,868	614,849
▲ Vacancy Rate	5.40%	5.25%	4.74%	4.96%	4.63%
▲ Avg NNN Asking Rate PSF	\$45.23	\$45.00	\$45.32	\$45.28	\$45.20
▼ SF Under Construction	5,325,258	5,591,917	6,830,011	6,953,683	6,459,905
▲ Inventory SF	96,174,595	96,082,132	94,672,772	94,378,317	94,248,119

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2688 Shell Road, Units 138, 143, 238, 243 Richmond, BC	4,194 SF	\$2,250,000* \$536.00 PSF	1224102 BC Ltd. 1231843 BC Ltd.	Class B
15315 66th Avenue, Units 205, 211, 212 Surrey, BC	4,086 SF	\$1,818,263* \$445.00 PSF	1404339 BC Ltd. 1152414 BC Ltd.	Class B
9547 152nd Street Unit 113 Vancouver, BC	3,992 SF	\$2,000,000* \$501.00 PSF	Sandol Fellowship Church 0793872 BC Ltd.	Class C

*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
101 Smithe Street Vancouver, BC	30,000 SF	Undisclosed	Canadian College of Technology and Business	Education
555 Robson Street Vancouver, BC	27,362 SF	GWL Realty Advisors	Kaseya	Technology
550 Burrard Street Vancouver, BC	9,813 SF	BentallGreenOak	Mott Macdonald Canada	Engineering



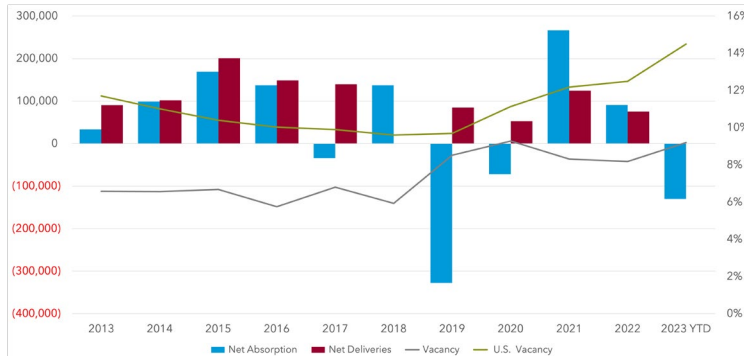
OFFICE MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

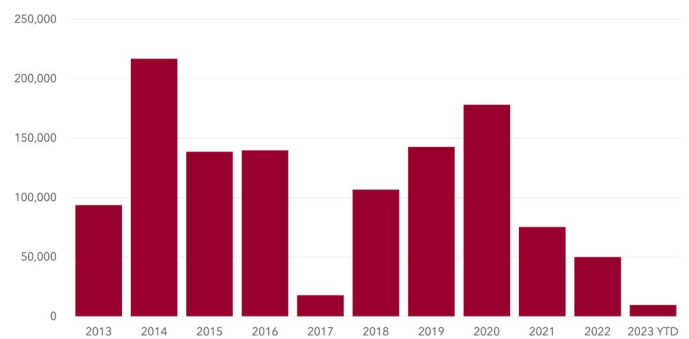
Bakersfield is a mid-sized office metro that had 61 office sales close over the past 12 months—the fewest office deals the metro has seen over the past five years, as investors took a step back from their typical level of activity. Annual sales volume has averaged \$101 million over the past five years, and the 12-month high for deal volume over that period reached \$162 million. However, the recorded volume over the past year totaled just \$48.4 million, which is the lowest figure over that five-year stretch. The market price, which is derived from the price movement of all office buildings in the market, now sits at \$163 PSF. That price has stumbled on a year-over-year basis, and the price offers a significant discount compared with the average level across the nation.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(247,000)	(681,241)	(108,993)	(16,413)	44,170
▼ Vacancy Rate	9.20%	14.06%	5.99%	6.34%	6.55%
▲ Avg NNN Asking Rate PSF	\$24.36	\$23.64	\$23.64	\$23.64	\$23.64
▼ SF Under Construction	9,611	50,000	50,000	-	-
▲ Inventory SF	16,037,568	15,966,788	15,966,788	15,966,788	15,966,788

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
601 High Street Bakersfield, CA	9,931 SF	\$2,000,000 \$201.00 PSF	601 High Street Investments LLC Mike Mariani	Class C
8501 Brimhall Road, #200 Bakersfield, CA	8,828 SF	\$1,646,000 \$186.00 PSF	Rick Montyoya Daniel Taheri MD	Class B
8501 Brimhall Road, #1900 Bakersfield, CA	6,096 SF	\$1,646,000 \$270.00 PSF	Movement Properties LLC 8311 Brimhall Rd LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3551 Pegasus Drive Bakersfield, CA	27,000 SF	G3 Concepts LLC	PGE	Telecom
5060 California Ave - Stockdale Twr Bakersfield, CA	6,587 SF	Cardinal Equities	Undisclosed	Undisclosed
5060 California Ave - Stockdale Twr Bakersfield, CA	4,995 SF	Cardinal Equities	Undisclosed	Undisclosed



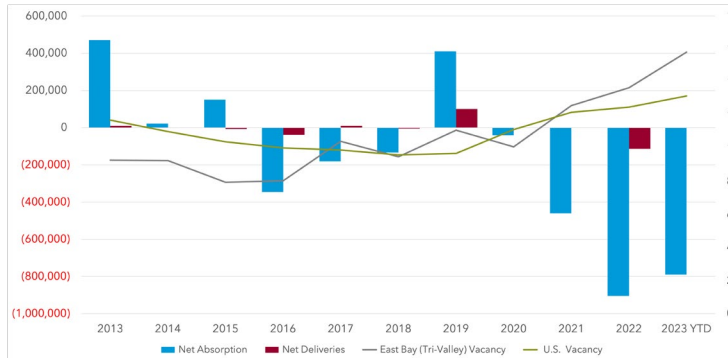
OFFICE MARKET OVERVIEW

MARK RINKLE, *Principal*

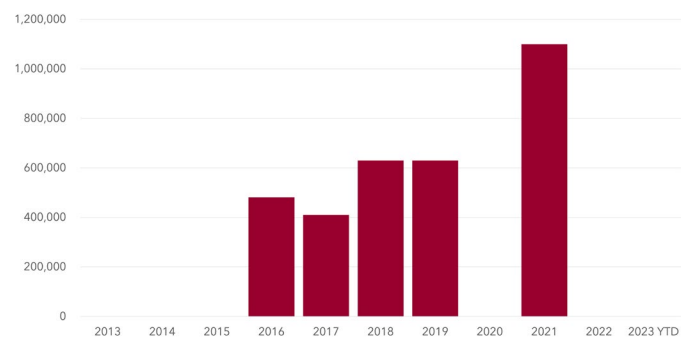
Leasing activity in the 2nd Quarter continues to be weak with few new office tenants coming into the market and many tenants with upcoming lease renewals, continuing to shed office space as hybrid work schedules remain a common theme. This contributed to the slight increase in the office vacancy rate, which reached an annual high of 15.6% this quarter. The total inventory square footage remained consistent, with no new construction on the horizon and likely many owners pondering the possibility of a conversion to residential. Overall, with the office market experiencing a rise in vacancy rate and a negative trend in 12-month net absorption we are likely to see a challenging period ahead for office.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(442,565)	(690,704)	(904,451)	(342,232)	(800,749)
▲ Vacancy Rate	15.6%	14.2%	13.7%	13.1%	15.5%
▲ Avg NNN Asking Rate PSF	\$35.63	\$35.57	\$35.53	\$35.80	\$35.36
◀ ▶ SF Under Construction	-	-	-	-	-
◀ ▶ Inventory SF	27,305,529	27,305,529	27,305,529	27,305,529	27,985,219

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2600 Old Crow Canyon Road San Ramon, CA	10,944 SF	\$4,400,000 \$402.05 PSF	2600 OCC LLC Wachter Enterprises LLC	Class B
1330 Concannon Boulevard Livermore, CA	5,785 SF	\$2,813,000 \$486.26 PSF	J Solomon Investments LLC Hanalei Sunset LLC	Class B
809 Podva Road Danville, CA	3,064 SF	\$2,790,000 \$910.57 PSF	Master Wealth Properties LLC Gary D. Swiggett Trust	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3825 Hopyard Road, Ste 195 Pleasanton, CA	9,045 SF	Harsch Investment Properties LLC	MISCOwater	Energy, Utilities & Waste Treatment
18 Crow Canyon Court, Ste 370 San Ramon, CA	5,252 SF	Eagle Canyon Management LLC	Team Logic IT	Information Technology
4733 Chabot Drive, Ste 101 Pleasanton, CA	2,950 SF	Blackhawk Industries LLC	Thermo Systems	Professional services



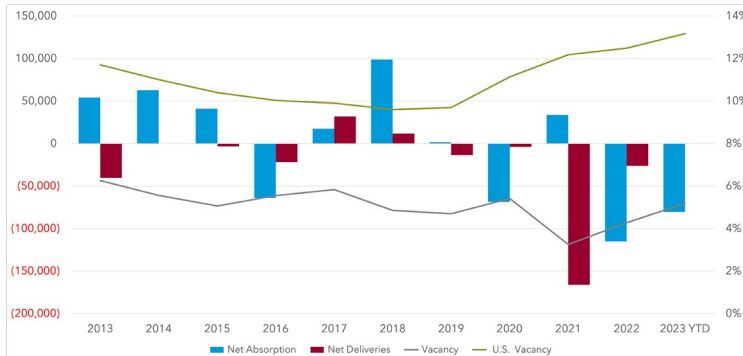
OFFICE MARKET OVERVIEW

CHRISTOPHER LARIMORE, *Founding Principal*

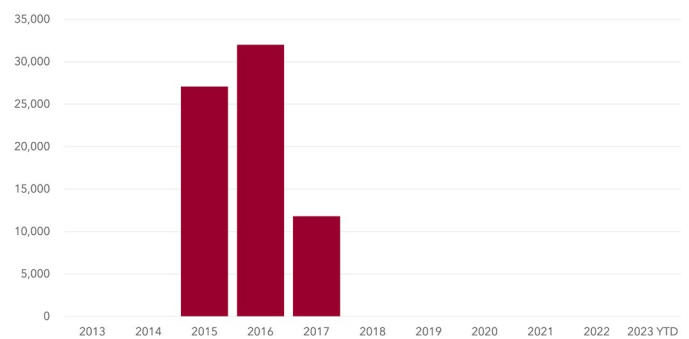
Mid-Cities office market experienced an uptick across the board in Q2 2023. Negative net absorption for a fourth consecutive quarter is indicative of the larger economy where demand for office space is less than supply. Vacancy increased by almost a full percent and the asking rate barely increased. The Mid-Cities are still a low-cost alternative to the LA Metro area, with three large lease transactions closing. Overall, the data indicates that the bottom hasn't hit yet.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(67,904)	(11,628)	(36,560)	(53,615)	4,361
▲ Vacancy Rate	5.1%	4.3%	4.1%	3.7%	3.0%
▲ Avg FSG Asking Rate PSF	\$26.40	\$26.27	\$26.05	\$26.37	\$26.14
◀ ▶ SF Under Construction	-	-	-	-	-
◀ ▶ Inventory SF	8,786,322	8,786,322	8,796,322	8,796,322	8,796,322

NET ABSORPTION, NET DELIVERIES, & VACANCY

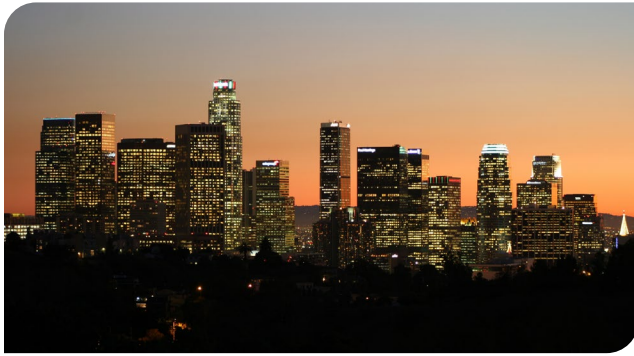


UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5600 Pacific Boulevard Huntington Park, CA	15,040 SF	\$3,550,000 \$236.04 PSF	Behrouz Zaman Michael Fayfel	Class C
7301 State Street Huntington Park, CA	5,383 SF	\$2,010,000 \$373.40 PSF	Complete Care Comm Health Care Inc. Complete Care Comm Health Care Inc.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3737 MLK Jr. Boulevard Lynwood, CA	10,380 SF	Dr. Sam Mahboubian	Undisclosed	Medical
9836 Atlantic Avenue South Gate, CA	9,475 SF	Grasmere Trust	Undisclosed	Undisclosed
10230 Artesia Boulevard Bellflower, CA	7,072 SF	Ramin & Juliana Saghian	Undisclosed	Medical



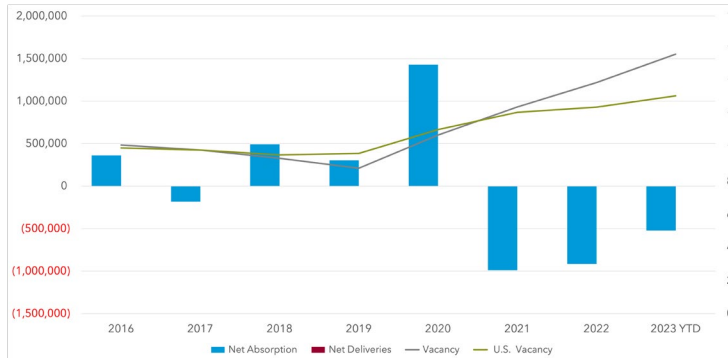
OFFICE MARKET OVERVIEW

MIKE TINGUS, *President*

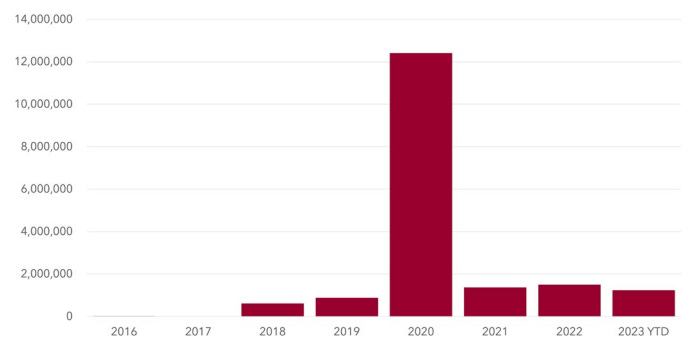
The office market showcased mixed trends throughout Q2, with leasing activities reaching levels not seen in nearly two years. However, issues of prolonged negative net absorption and near-record breaking vacancy rates remain prevalent. Leasing activity experienced a surge with 975,741 SF leased. Direct-ask lease rates remain high, averaging \$3.11 PSF. The sustained trends of negative net absorption and high vacancy rates become especially intriguing when juxtaposed with the concurrent increase in leasing activity. Hypotheses from industry experts suggest that such trends can be attributed to businesses continuing to re-evaluate their space and operational needs as they execute their return-to-office plans.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(38,150)	(161,189)	(916,235)	(633,740)	(292,732)
▲ Vacancy Rate	13.55%	13.35%	13.98%	12.49%	12.08%
▼ Avg NNN Asking Rate PSF	\$2.89	\$2.90	\$2.99	\$3.03	\$6.58
▲ SF Under Construction	1,462,295	1,431,661	1,495,971	1,322,921	1,446,794
▲ Inventory SF	97,981,069	97,436,608	104,774,621	99,925,965	94,062,704

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
30440 Agoura Road Agoura Hills, CA	22,256 SF	\$9,750,000 \$438.00 PSF	Donald Henthorn Conrad Hilton Foundation	Class A
3450 Cahuenga Boulevard, Ste 805 Studio City, CA	2,361 SF	\$1,085,000 \$459.55 PSF	Grid Financial Management LLC 848 Curson LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5850 Canoga Avenue,, Ste 650 Woodland Hills, CA	9,864 SF	5850 Canoga LLC	Gorst & Compass	Insurance Services
28632 Roadside Dr, Stes 255 & 260 Agoura Hills, CA	6,793 SF	ZDI Agoura I LLC	Grant & Weber	Collection Services
15165 Ventura Blvd, Stes 140 & 150 Sherman Oaks, CA	5,513 SF	15165 Columbus Center LLC	Neptune Management Corp	Funeral, Memorial, Aftercare Services



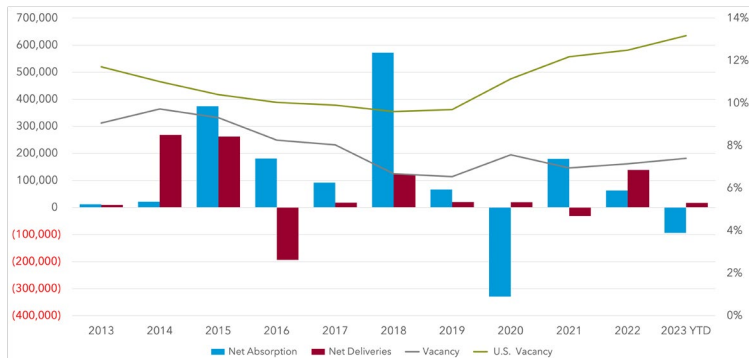
OFFICE MARKET OVERVIEW

CHRISTOPHER LARIMORE, *Founding Principal*

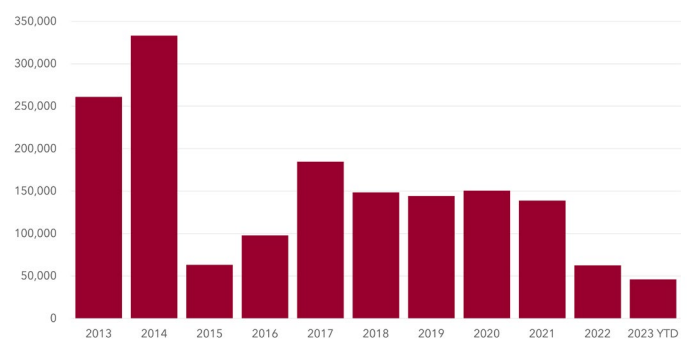
In Q2 2023, the San Gabriel Valley office market showed signs of slowly stabilizing, however, year-to-date trends indicate further decline is ahead. Quarter-over-quarter, vacancy held steady at 7.2% with barely an increase in rental rates. With population declining and a remote workforce, net absorption is still negative. Development activity has been modest in this mature market. Sales volume is slowly climbing back from its peak in Q4 2021 at \$315 per square foot and inventory is hitting the market matching last quarter's number at 105 sale listings.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(20,553)	(27,144)	(194,174)	88,107	172,234
◀▶ Vacancy Rate	7.2%	7.2%	7.2%	6.5%	6.5%
▲ Avg FSG Asking Rate PSF	\$27.12	\$27.01	\$26.67	\$26.62	\$26.56
▼ SF Under Construction	46,000	52,344	62,636	92,926	145,336
▲ Inventory SF	33,996,366	33,990,022	34,014,832	33,984,542	33,886,132

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
25 N. Santa Anita Avenue Arcadia, CA	25,000 SF	\$9,602,701 \$960.27 PSF	Jie Li Andy Yong Zhang	Class B
50 E. Foothil Boulevard Arcadia, CA	18,400 SF	\$6,700,000 \$364.13 PSF	LA Financial Credit Union DoubleLine Group LP	Class B
506 W. Valley Boulevard San Gabriel, CA	11,558 SF	\$8,800,000 \$761.38 PSF	AI 506 Valley LLC Minted Solutions Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1-25 Cupania Circle Monterey Park, CA	42,000 SF	Korda Group	LA County Sheriff's Dept	Government Police
933 Glendora Avenue West Covina, CA	18,542 SF	Chevron Investments I LLC	Employment Development Dept	Public Administration
1000 S. Fremont Avenue Alhambra, CA	16,795 SF	Seazen Capital Partners	Undisclosed	Undisclosed



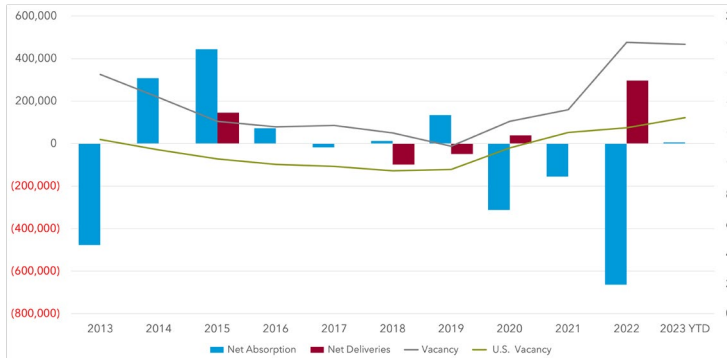
OFFICE MARKET OVERVIEW

CHRISTOPHER LARIMORE, *Founding Principal*

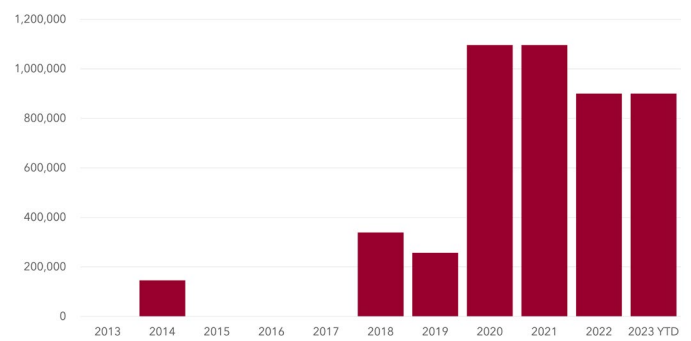
With no sales for two consecutive quarters and zero deliverables over one year, the pains felt by the rest of the LA office market have reached the Tri City Class A, office market. Vacancy has crept up to 18.2%, well over LA's 15.1%, along with negative net absorption. Overall Pasadena performed better with positive net absorption and lower vacancy, but Burbank and Glendale had double-digit vacancy (11.3% and 24.6%, respectively) and negative net absorption. Rising vacancy rates have caused rents to stagnate at \$3.65, driven by remote work and companies relocating/downsizing. This market is still highly desirable and will be first-choice for tenants in the market.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(81,544)	7,726	(345,661)	(183,024)	(73,940)
▲ Vacancy Rate	18.2%	17.7%	17.6%	17.7%	15.6%
◀ ▶ Avg FSG Asking Rate PSF	\$43.76	\$43.76	\$43.93	\$43.69	\$43.10
◀ ▶ SF Under Construction	900,000	900,000	900,000	800,000	800,000
◀ ▶ Inventory SF	20,290,539	20,290,539	20,290,539	20,290,539	20,290,539

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
-----------------------------	------	------------	----------------	----------------

NONE TO REPORT

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
655 N. Central Avenue Glendale, CA	20,012 SF	Divco West Services LLC	Hurst Media Production Group	Media
3061-3065 N Hollywood Way Burbank, CA	18,750 SF	Overton Moore Properties	Holder Construction, Pankow & TEC Constructors	Construction
801 N. Brand Avenue Glendale, CA	8,300 SF	CBRE Investment Management	Undisclosed	Undisclosed



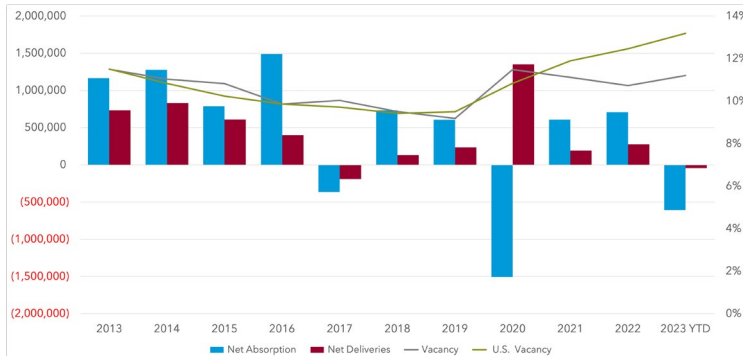
OFFICE MARKET OVERVIEW

SPENCER DOK, *Associate*

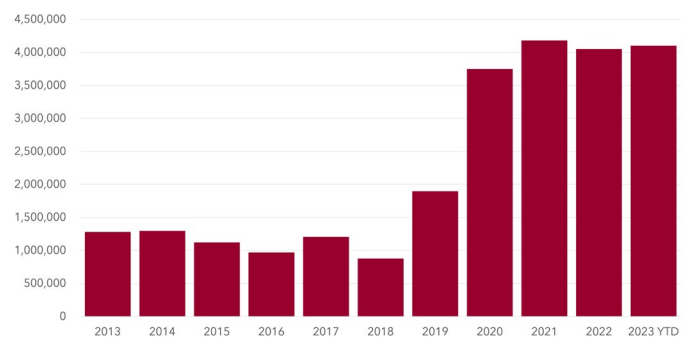
San Diego's office market benefits from a diverse mix of defense contractors, healthcare providers, life sciences firms, and tech companies supported by top universities. However, challenges persist, especially in biotech demand, leading to a decline in leasing activity for four consecutive quarters. The office market has become divided, with newer, well-located assets performing better than older properties. Despite positive net absorption, vacancy rates remain higher than pre-pandemic levels. Sublet space availability is at a 15-year high. Rent growth exceeds the national average, but adjusting for inflation, rents are falling. The market is set to witness a significant influx of speculative development, although cautious investor sentiment prevails due to rising interest rates.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(1,040,252)	233,917	708,631	1,241,518	2,091,072
▲ Vacancy Rate	11.2%	10.9%	10.7%	10.8%	10.4%
▲ Avg NNN Asking Rate PSF	\$3.21	\$3.20	\$3.19	\$3.18	\$3.16
▲ SF Under Construction	4,102,469	4,051,045	4,051,045	3,901,414	3,901,414
▼ Inventory SF	119,357,491	119,381,678	119,399,555	119,471,566	119,678,607

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5825 Oberlin Drive San Diego, CA	60,518 SF	\$36,000,000 \$594.86 PSF	King Street Properties Nuveen	Class B
2581 Camino Del Rio S San Diego, CA	32,000 SF	\$6,695,000 \$209.22 PSF	CGSK Properties LLC 2581 Camino Del Rio LP	Class B
10085 Carroll Canyon Road San Diego, CA	22,532 SF	\$6,421,620 \$285.00 PSF	10085 Carroll Canyon LLC Rosner & Mansfield	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4655 Executive Drive San Diego, CA	45,706 SF	Irvine Company	CoStar Group	Software
12830 El Camino Real San Diego, CA	30,294 SF	Kilroy Realty	Undisclosed	Undisclosed
9808 Scranton Road San Diego, CA	23,452 SF	CalSTRS / ARE	Undisclosed	Undisclosed



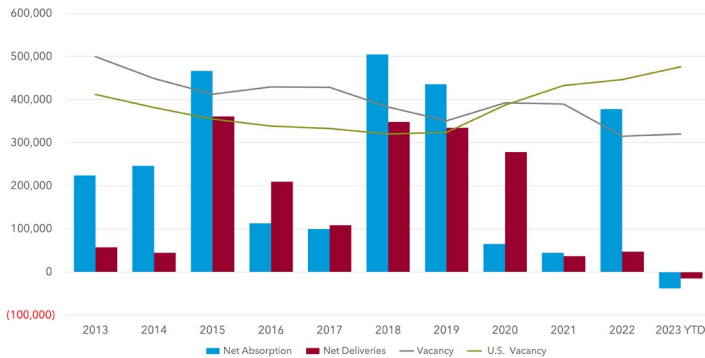
OFFICE MARKET OVERVIEW

JAMES BENGALA, *Senior Associate*

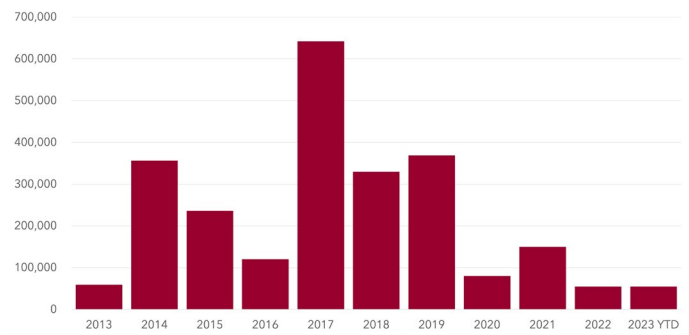
The San Diego office market continues to thrive, showcasing robust activity in both leasing and investment. With its prime coastal location, strong economy, and vibrant business environment, San Diego remains an attractive destination for companies seeking office space. Leasing activity is characterized by a diverse range of industries, including technology, biotech, healthcare, and defense, which are drawn to the region's skilled workforce and innovative ecosystem. The demand for flexible workspaces and modern amenities is on the rise, with an emphasis on collaborative environments and employee well-being. Simultaneously, the investment market in San Diego remains buoyant, with a steady flow of capital from institutional and private investors.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	26,454	142,264	378,043	406,262	338,180
▼ Vacancy Rate	9.64%	9.82%	9.49%	8.92%	9.56%
▲ Avg NNN Asking Rate PSF	\$33.00	\$32.88	\$33.60	\$33.00	\$33.00
◀ ▶ SF Under Construction	54,845	54,845	54,845	142,022	142,022
▲ Inventory SF	2,894,944	2,823,705	2,736,077	2,549,071	2,549,219

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2424 Vista Way Oceanside, CA	31,388 SF	\$5,700,000 \$181.60 PSF	Mohammad Pashmforoush The Jaeger Family Trust	Class B
1011 Devonshire Drive Encinitas, CA	10,007 SF	\$6,735,000 \$673.03 PSF	Mkнатoma Holdings, Inc. Tata Beachside LLC	Class C
1802 S. Escondido Boulevard Escondido, CA	7,474 SF	\$1,600,000 \$214.08 PSF	Integrity Eye VeniExpress	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
855 Brotherton Road Escondido, CA	20,747 SF	Bethel Southern Baptist	Undisclosed	Undisclosed
Highway 101 at Dahlia Solana Beach, CA	12,305 SF	Zephyr Solana LLC	Undisclosed	Undisclosed
1890 Hacienda Drive Vista, CA	10,000 SF	Ambassador Real Estate	Undisclosed	Undisclosed



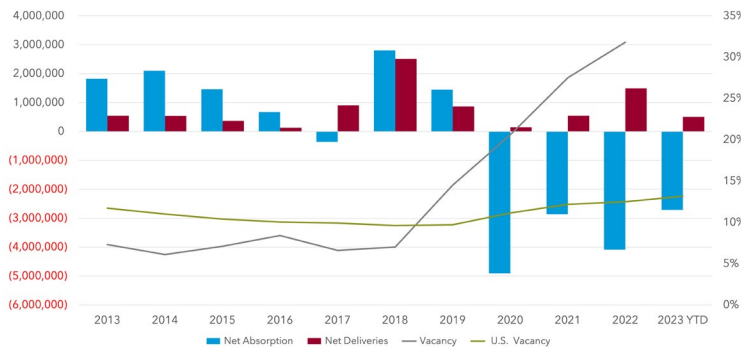
OFFICE MARKET OVERVIEW

JEFF MOELLER, *President*

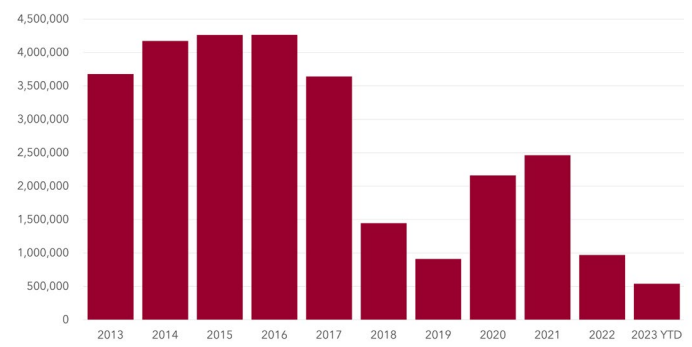
The San Francisco office market is facing challenges with continuing rising vacancy, creating a difficult environment for landlords. However, the market is adapting and evolving to these conditions. Despite high office rents, the increasing costs of tenant improvements and the provision of free rent serve as incentives for current tenants to secure favorable deals for their future office needs. In April, San Francisco experienced positive employment growth, with approximately 559,000 employed individuals, an increase of 8,000 compared to the previous year according to the U.S. Bureau of Labor Statistics. This suggests a potential demand for office space as businesses seek to accommodate their expanding workforce.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(5,051,710)	(4,212,883)	(4,088,317)	(3,295,642)	(1,753,198)
▲ Vacancy Rate	31.48%	30.21%	27.45%	24.31%	22.64%
▼ Avg NNN Asking Rate PSF	\$56.06	\$56.12	\$56.97	\$57.25	\$58.39
▼ SF Under Construction	715,089	816,871	505,621	864,958	864,958
◀ ▶ Inventory SF	102,736,896	102,736,896	102,635,114	102,635,114	102,275,777

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
40 Jessie Street San Francisco, CA	37,000 SF	\$17,600,000 \$475.68 PSF	Long Market Property Partners DRA Advisors	Class C
156-160 2nd Street San Francisco, CA	33,786 SF	\$6,000,000 \$177.59 PSF	14 Second Street LLP GCP Fund 2 LLC	Class C
2323 Sacramento Street San Francisco, CA	15,626 SF	\$6,250,000 \$399.97 PSF	Golden Gate Diversified LLC Sutter Bay Hospitals	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
One Montgomery Street San Francisco, CA	68,446 SF	Post Montgomery Associates	Stifel, Nicolaus & Company	Professional Services
333 Bush Street San Francisco, CA	44,000 SF	333 Bush 4002 LLC	Willkie Farr & Gallagher LLP	Professional Services
100 First San Francisco, CA	23,289 SF	Kilroy Realty	Kandji.io	Technical Services



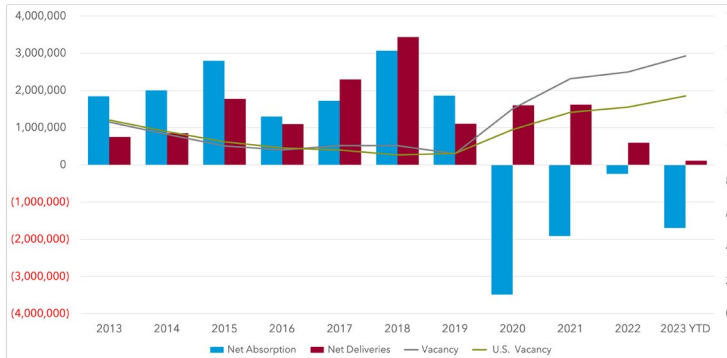
OFFICE MARKET OVERVIEW

JR BITZER, *Principal*

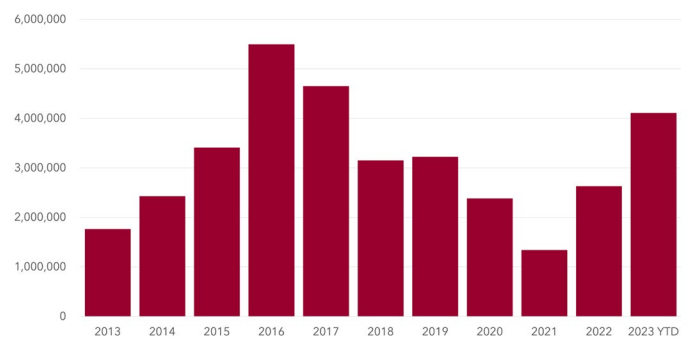
As we head into the summer months, Metro Denver's office market continues along the same trajectory. Net absorption continues to trend in the wrong direction. Vacancy and sublease space are still on the rise. On the flip side, activity is up and rental rates have stabilized. There was some good news in that Denver's iconic Republic Plaza has secured two new leases that will stave off a pending foreclosure as the existing loan has now been modified. Average daily occupancy downtown now hovers around 60% during mid-week, which is a positive sign that more employees are heading back to the office.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(1,647,014)	(1,860,361)	(240,206)	(648,093)	340,568
▲ Vacancy Rate	15.3%	15.2%	14.6%	14.7%	14.2%
▲ Avg NNN Asking Rate PSF	\$29.14	\$28.98	\$28.90	\$28.88	\$28.84
▲ SF Under Construction	4,111,388	3,927,765	2,631,329	2,391,556	2,507,530
▲ Inventory SF	184,284,773	184,198,625	184,174,031	184,048,234	183,872,281

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5800 S. Quebec Street Greenwood Village, CO	163,648 SF	\$5,112,500 \$31.24 PSF	Colorado Health & Tech Centers Peakstone Realty Trust	Class A
7400 S. Alton Court Englewood, CO	131,719 SF	Undisclosed	Undisclosed S&P Global	Class B
520 Zang Street Broomfield, CO	93,657 SF	Undisclosed	Undisclosed Scott S. Pudalov	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6560 Greenwood Plaza Boulevard Englewood, CO	120,979 SF	Franklin Street Properties Corporation	Kaiser Permanente	Health Care and Social Assistance
9555 S. Maroon Circle Englewood, CO	42,840 SF	D.H. Friedman Properties LLC	Zynex Medical	Wholesaler
7173 S. Havana Street Englewood, CO	37,166 SF	Libitzky Property Companies	Village Work & Wellness Center	Health Care and Social Assistance



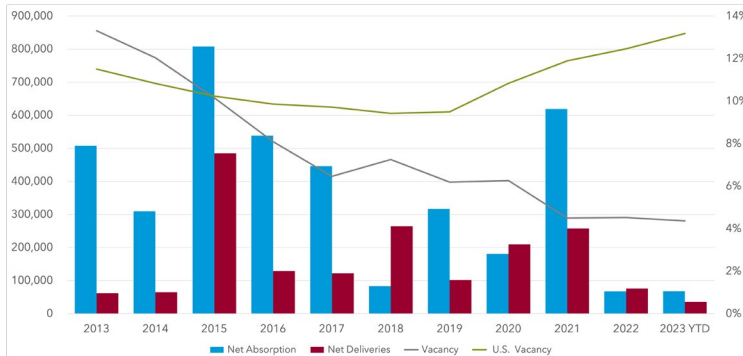
OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

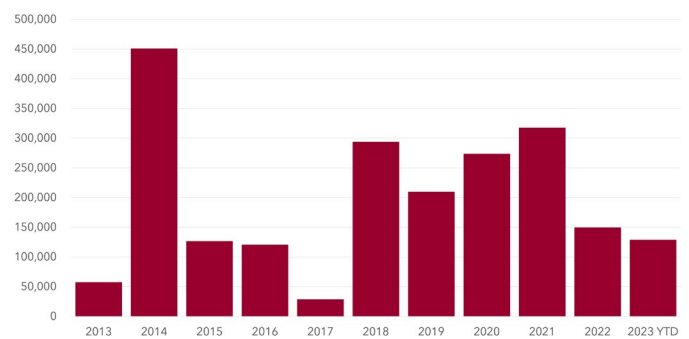
Market conditions in Fort Myers remained relatively tight at the end of the second quarter showing improved demand at mid-year. The health of the local office sector was supported by job growth across all office-using industries in the Cape Coral/ Fort Myers MSA. Financial activities added 300 jobs over the year for a 1.9% YOY increase. Employment in professional and business services jumped 6.5% YOY. Despite trending uncertainty in other parts of the U.S., overall net absorption was positive, and leasing activity ended Q2 at more than 244,000 SF. The volume of available sublease space remained historically high at nearly 280,000 SF. Despite the elevation in sublease space, overall office vacancy tightened to 4.0%.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	180,149	138,935	67,694	232,991	420,710
▼ Vacancy Rate	4.0%	4.4%	4.5%	4.9%	5.1%
▲ Avg NNN Asking Rate PSF	\$18.23	\$17.75	\$17.56	\$16.63	\$16.12
▼ SF Under Construction	129,000	134,820	149,865	168,287	244,165
▲ Inventory SF	21,501,594	21,480,774	21,465,729	21,447,307	21,496,450

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3301 Bonita Beach Road Bonita Springs, FL	69,442 SF	\$14,360,000 \$207.00 PSF	IRC International Realty Corporation Klingler LLC	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
24311 Walden Center Drive Bonita Springs, FL	29,547 SF	Walden Center LLC	Pulte Homes	Residential Contractor
3208 Chiquita Boulevard S Cape Coral, FL	10,239 SF	South Cape Business Center	Undisclosed	Undisclosed
3700 Central Avenue Fort Myers, FL	10,127 SF	JIB Holdings V LLC	Blue Cloud Pediatric Surgery Centers	Healthcare



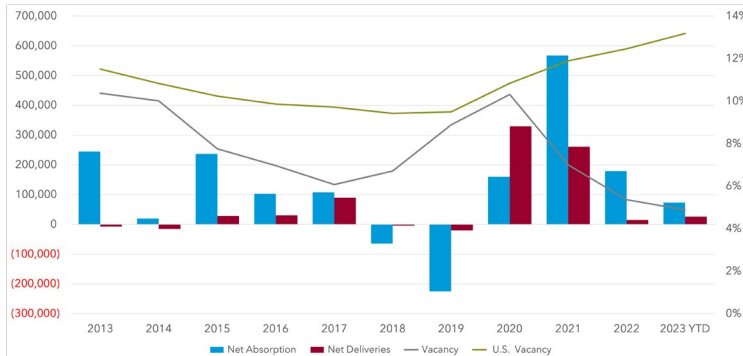
OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

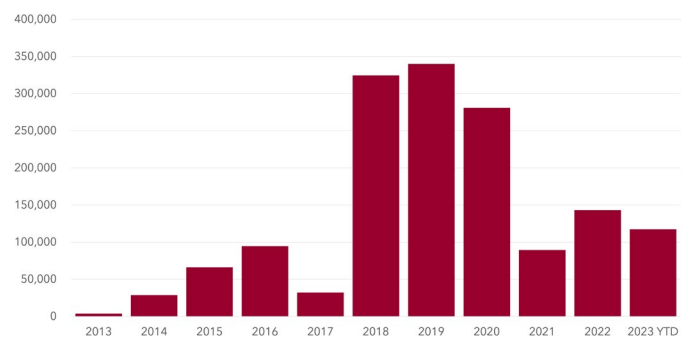
Overall vacancy compressed to 4.7% and asking rent increased to an average of \$25.62 PSF, NNN. Strong demand continued with solid leasing activity and positive net absorption. One of the largest new office leases for the quarter was signed to Meliora Health, PLLC for 14,139 SF. Most of the construction pipeline includes medical office space. Demand for Class A product rebounded at mid-year, registering 26,299 SF of positive absorption and 85,572 SF of leasing activity. Asking rent increased YOY and overall vacancy tightened 380 basis points down to 9.8%. There was very little sublease space available in Class A buildings.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	213,351	166,494	178,897	269,043	407,962
▼ Vacancy Rate	4.7%	5.1%	5.4%	6.2%	6.7%
▲ Avg NNN Asking Rate PSF	\$25.62	\$25.34	\$24.34	\$23.58	\$23.07
▼ SF Under Construction	117,348	123,204	143,204	143,204	133,204
▲ Inventory SF	10,118,432	10,112,576	10,092,576	10,092,576	10,092,576

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5101 Tamiami Trail E Naples, FL	11,800 SF	\$2,200,000 \$186.00 PSF	Farley White Tamiami LLC Med-Life Enterprise, Inc.	Class B
5692 Strand Court Naples, FL	5,878 SF	\$1,880,000 \$320.00 PSF	L & A Strand LLC 5692 Strand LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9128 Strada Place Naples, FL	21,364 SF	PR Mercato LLC	Merrill	Wealth Management
704 Goodlette-Frank Road Naples, FL	14,139 SF	OM Holdings 704 & 708 LLC	Meliora Health	Mental Health Provider
9110 Strada Place Naples, FL	12,604 SF	PR Mercato LLC	Dentons Cohen & Grigsby's	Attorneys



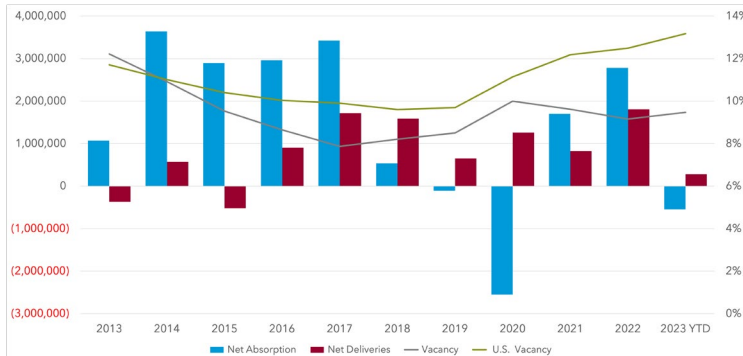
OFFICE MARKET OVERVIEW

MATTHEW KATZEN, *Senior Vice President*

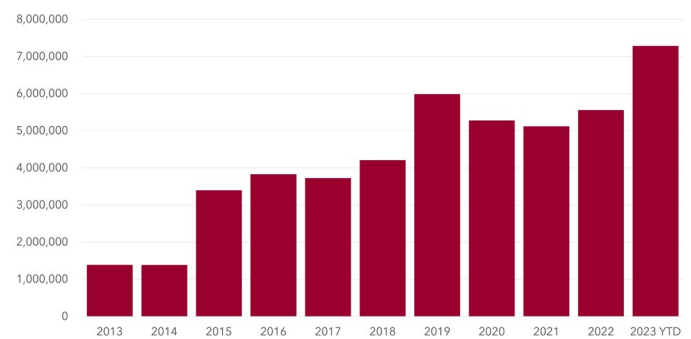
South Florida continues to see heavy activity in office leasing and construction. 26 properties under construction and proposed are anticipated to deliver 8.4M SF to the market by 2026. Class A and B office rents have continued to rise at a double digit increase 12%-17%. New-to-market office product falls in the \$75 to \$150 PSF range, which is comparable to New York City rates. Set to be complete in 2023, 830 Brickell, for example, has hit asking rates between \$125 to \$150 PSF. A record 57 companies either relocated or expanded in Miami-Dade in 2022, the Miami-Dade Beacon Council reported, and the state added 318,855 new residents last year, according to the National Association of Realtors.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ Net Absorption SF	999,257	2,288,141	2,781,123	3,061,578	3,591,798
▲ Vacancy Rate	8.8%	8.6%	8.6%	8.6%	8.7%
▼ Avg NNN Asking Rate PSF	\$36.33	\$36.40	\$36.02	\$35.55	\$34.99
▲ SF Under Construction	7,285,669	6,229,726	5,557,482	5,735,188	5,317,345
▲ Inventory SF	249,995,287	249,934,984	249,714,252	249,151,002	248,324,195

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6600 N. Military Trail Boca Raton, FL	650,000 SF	\$104,000,000 \$160.00 PSF	PEBB Enterprises / BH Group The ODP Corporation	Class A
150 W. Flagler Street Miami, FL	243,825 SF	\$73,750,000 \$302.47 PSF	Moishe Mana Bridge Investment Group	Class A
4360-4362 Northlake Boulevard Palm Beach Gardens, FL	68,124 SF	\$14,000,000 \$205.51 PSF	Allan A Kaminsky Richard Freedman	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6600 N. Military Trail Boca Raton, FL	285,000 SF	PEBB Enterprises / BH Group	The ODP Corporation	Office Supplies
701 Brickell Avenue Miami, FL	121,032 SF	Teachers Ins & Annuity Assoc of America	Holland & Knight	Offices of Lawyers
6363 NW 6th Way Fort Lauderdale, FL	119,225 SF	Gladstone Commercial Corporation	Moss Construction	Building Construction



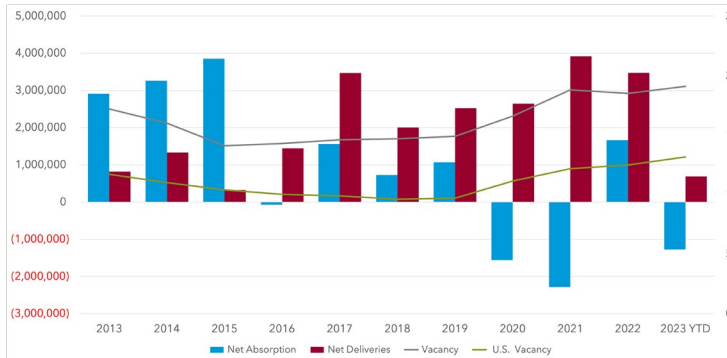
OFFICE MARKET OVERVIEW

KATE HUNT, Senior Research Analyst

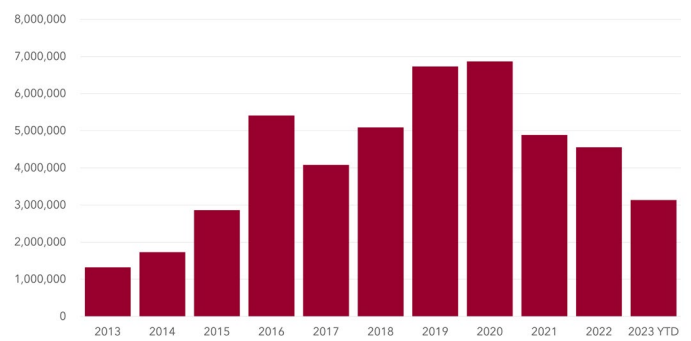
Atlanta's office market has hit a 12-year high at 19.1% vacancy at the end of Q2 2023. This time last year, companies absorbed 1.3 MSF, in stark contrast to this quarter's -1.6 MSF. While leasing activity increased from last quarter, tenants continue to evaluate their current footprints and determine future space requirements, leading to slow decision making. AT&T, a major player in Atlanta's office market, shed almost 500,000 SF in Q2 2023 as it announced its national real estate holdings consolidation plans. Landlords, however, persist with increasing asking rents, ending Q2 at \$30.34 PSF.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(648,383)	2,322,843	1,666,507	1,509,888	2,267,017
▲ Vacancy Rate	19.1%	18.4%	18.5%	19.0%	18.4%
▲ Avg NNN Asking Rate PSF	\$30.34	\$30.11	\$29.96	\$30.02	\$29.61
▼ SF Under Construction	3,135,831	3,337,360	4,556,235	3,741,227	5,669,681
▼ Inventory SF	242,929,491	241,740,668	241,820,765	238,305,308	236,231,808

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1115 Howell Mill Road NW Atlanta, GA	40,000 SF	\$215,000,00 \$537.50 PSF	Armada Hoffler Properties, Inc. SJC Ventures	Class A
3005 Business Park Drive Norcross, GA	20,622 SF	\$4,865,000 \$235.91 PSF	DLS Properties Bowes Properties LLC	Class B
130 Technology Parkway Norcross, GA	29,734 SF	\$3,800,000 \$127.80 PSF	Corners D003 LLC Corus Group LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1 Primerica Parkway Duluth, GA	344,476 SF	Office Properties Income Trust	Primerica Life Insurance Company (Renewal)	Finance & Insurance
1230 Peachtree Street NE Atlanta, GA	71,870 SF	Cousins Properties	Deloitte	Professional, Scientific & Technical Services
300 Galleria Parkway SE Atlanta, GA	70,455 SF*	Piedmont Office Realty Trust	OneDigital Borrower LLC	Finance & Insurance

*Combined (2 suites)



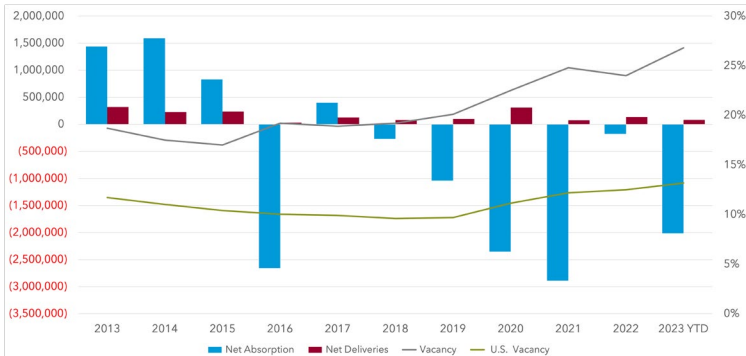
OFFICE MARKET OVERVIEW

DIANA PEREZ, *Director of Research*

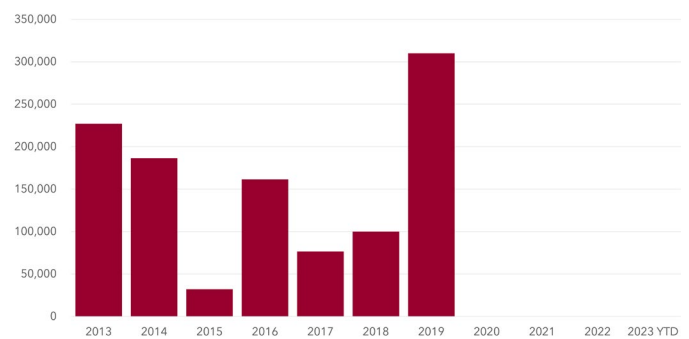
For those actively involved in Chicago's suburban office market, overall health has struggled significantly since the onset of 2020. In the first quarter of 2023, there was a minor uptick in leasing activity which was a reason for optimism. Many had hoped that the market had finally hit bottom in terms of tenant bleed and downsizing. Unfortunately, the market currently sits at a combined 28.1% vacancy rate (26.8% direct and 1.3% sublease) with 30% of all space being actively marketed. Tenants find themselves in an interesting spot in the market cycle with ample options, extremely high construction costs, and owners that are having a hard time justifying deal costs to their lenders when a deal could be executed.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(2,130,707)	480,843	(350,902)	257,484	109,009
▲ Vacancy Rate	26.8%	23.7%	24.0%	23.9%	23.9%
▼ Avg NNN Asking Rate PSF	\$24.23	\$24.53	\$24.27	\$24.18	\$23.65
◀ ▶ SF Under Construction	-	-	-	-	-
▼ Inventory SF	81,015,372	128,429,706	127,284,517	126,988,433	127,405,034

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1960 Lucen Lane Naperville, IL	1,780,297 SF	\$4,750,000 \$9.20 PSF	Franklin American LLC Nokia Corporation	Class B
150 NW Point Boulevard Elk Grove Village, IL	176,844 SF	\$14,422,000 \$81.55 PSF	Aligned Data Centers Bridge Industrial	Class A
2250 Point Boulevard Elgin, IL	80,978 SF	\$2,050,000 \$25.32 PSF	Aligned Data Centers Bridge Industrial	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1415 W. Diehl Road Naperville, IL	42,895 SF	Office Properties Income Trust	Undisclosed	Undisclosed
100 S. Saunders Road Lake Forest, IL	30,833 SF	Newsweb LLC	Undisclosed	Undisclosed
550 E. Commerce Drive Schaumburg, IL	25,126 SF	First American Properties	Natus Medical Incorporated	Medical



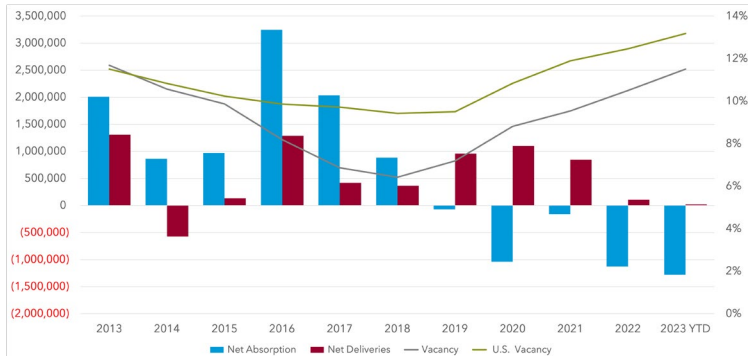
OFFICE MARKET OVERVIEW

MAX LAPKE, *Senior Associate*

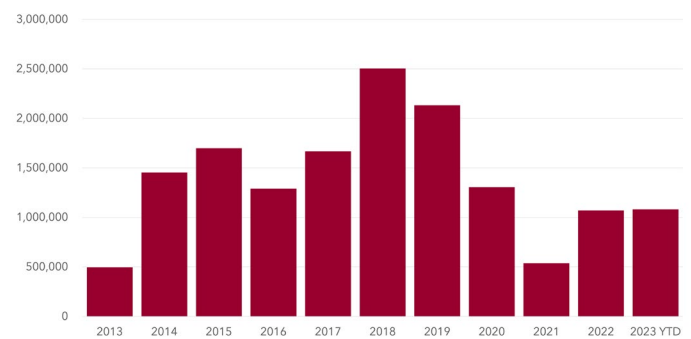
As tenants continue to investigate options to right-size their offices, vacancy rates resume their increase throughout the market. The market has experienced an annual absorption of negative 2.2 MSF, the largest occupancy loss in a decade. Kansas City still falls below the national average in office vacancy with a YTD rate of 11.51% compared to the national average of 13.18%. The availability of sublease space has increased to approximately 2.0 MSF currently available. Sales volume in the market has been lackluster, reaching only \$134 million over the past year. The low sales activity can be attributed to increased interest rates, higher vacancy, and a significant price disparity between buyers and sellers. Development interest has slowly started to return with approximately 1.08 MSF of property under construction YTD.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(2,276,754)	(1,510,703)	(1,128,715)	(599,484)	141,981
▲ Vacancy Rate	11.5%	11.2%	10.5%	10.0%	9.8%
▲ Avg FSG Asking Rate PSF	\$21.77	\$21.66	\$21.62	\$21.64	\$21.61
▼ SF Under Construction	1,081,965	1,090,454	1,070,059	849,937	280,408
▲ Inventory SF	128,089,102	128,080,613	128,070,203	128,053,474	128,189,060

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1600 Genessee Street Kansas City, MO	213,751 SF	Undisclosed	Undisclosed Tenfold Investment Group	Class B
1200 E. 104th Street Kansas City, MO	68,224 SF	\$2,999,000 \$43.96 PSF	West 103rd Street Enterprises LLC Group RMC	Class B
10301 Hickman Mills Drive Kansas City, MO	34,648 SF	\$3,950,000 \$114.00 PSF	Hickman Mills School District Pinnacle Career Institute	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1111 Main Street Kansas City, MO	108,955 SF	Copaken Brooks	NAIC	Insurance
9221 Ward Parkway Kansas City, MO	102,490 SF	Group RMC	Honeywell	Manufacturing
4801 Main Street Kansas City, MO	94,239 SF	Copaken Brooks	Husch Blackwell LLP	Legal



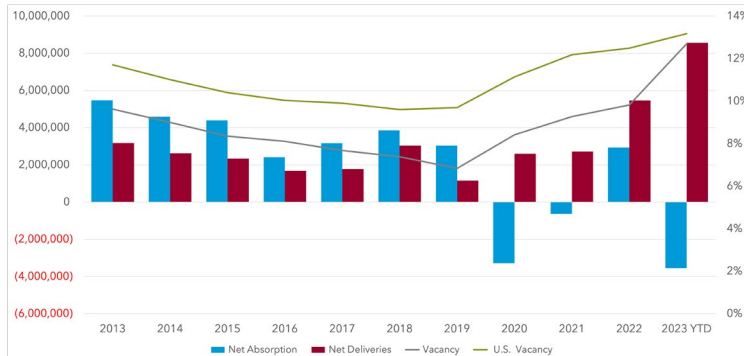
OFFICE MARKET OVERVIEW

ERIC SOLEM, *Managing Principal, President*

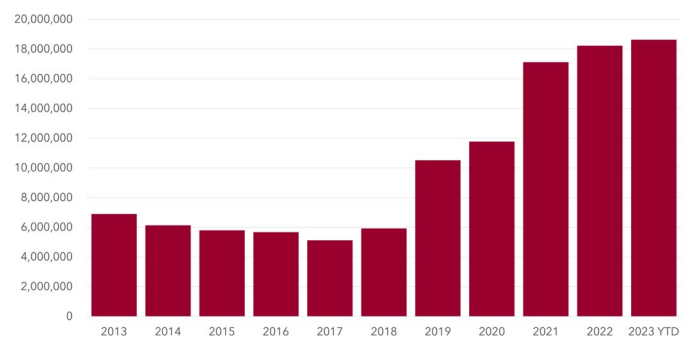
Boston's office market is weakening, with negative net absorption and vacancy rates exceeding 10.5% for the first time in 10 years. Nearly 700,000 SF of space has returned to the market, and new supply has added almost 2 million SF this year. Leasing activity has declined, and sublease space has reached a record high of almost 13 million SF. Despite this, Boston's lab office ecosystem and education/medical sectors remain strong. Investment in the market is at its lowest since 2011. Asking rents are stagnant, while effective rents have declined due to concessions. The development pipeline includes 18.6 million SF of office space, but demand is expected to weaken further.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(7,249)	1,042,492	3,013,866	4,471,373	4,515,731
▲ Vacancy Rate	10.5%	10.2%	9.7%	9.5%	9.1%
▼ Avg NNN Asking Rate PSF	\$41.51	\$42.34	\$42.26	\$42.24	\$42.52
▼ SF Under Construction	18,632,192	19,492,360	18,884,090	18,733,012	18,523,612
▲ Inventory SF	373,685,527	372,809,504	371,373,268	369,152,583	368,032,642

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
421 Park Drive Boston, MA	660,034 SF	\$155,000,000 \$234.84 PSF	Boston Children's Hospital Alexandria R.E. Equities/Samuels & Assoc	Class A
275 Grove Street Newton, MA	510,000 SF	\$117,500,000 \$230.39 PSF	Greatland Realty Partners Alexandria Real Estate Equities, Inc.	Class A
15 Necco Street Boston, MA	345,995 SF	\$66,108,000 \$955.33 PSF	Mori Trust Co., Inc. Alexandria Real Estate Equities, Inc.	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
115 Federal Street Boston, MA	138,000 SF	Millenium Partners	Deloitte	Professional Services
80 Guest Street Brighton, MA	99,537 SF	NB Development Group	Athenahealth LLC	Health Care
135 Morrissey Boulevard Boston, MA	58,000 SF	Beacon Capital Partners	Portal Innovations	Life Sciences



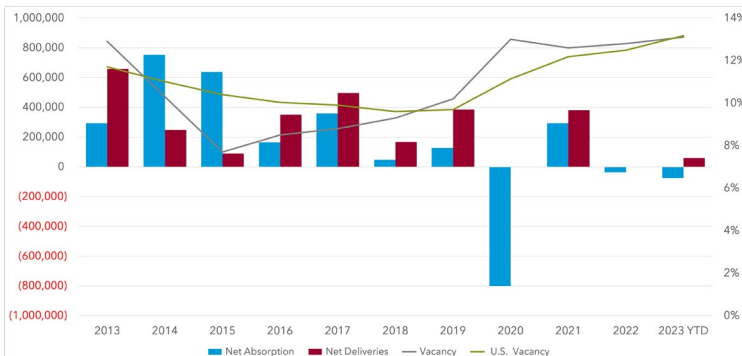
OFFICE MARKET OVERVIEW

BILL HARRISON, *Senior Vice President*

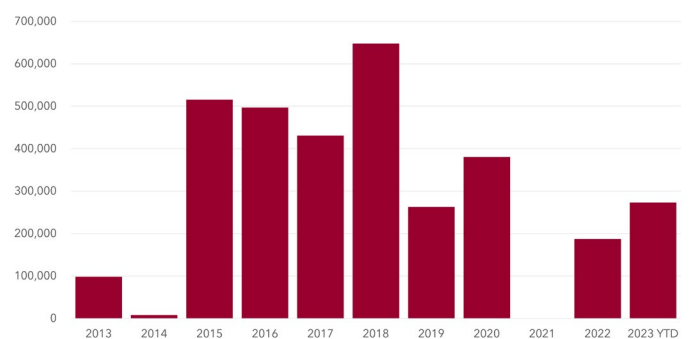
As we hit the halfway point of the year, it is time to examine some of the details of Q2. Direct net absorption for Q2 was a positive 9,608 SF with the vacancy rate decreasing slightly to 12.9% versus the 13% level seen in Q1 2023. There were several notable office leases completed in the quarter - 9055 Guilford Road, 6522 Meadowridge Road, and 7090 Samuel Morse Drive. Asking rates decreased slightly to \$25.47 from \$25.53 in Q1 2023. Medical and government related tenants continue to be strong prospects in the market compared to generic office users.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ Net Absorption SF	9,608	(45,333)	(24,372)	111,107	(48,897)
▼ Vacancy Rate	12.9%	13.0%	12.8%	12.7%	13.2%
▼ Avg NNN Asking Rate PSF	\$25.47	\$25.53	\$25.43	\$25.25	\$26.47
◀ ▶ SF Under Construction	273,200	273,200	187,200	100,000	70,000
▲ Inventory SF	22,855,584	22,795,584	22,795,584	22,795,584	22,795,584

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6522 Meadowridge Road Elkridge, MD	30,450 SF	\$4,022,200 \$132.09 PSF	Genesis GSA Strategic One LLC Firestone Consulting	Class B
9011 Chevrolet Drive Ellicott City, MD	19,259 SF	\$3,250,000 \$168.75 PSF	Kenwood Management Company KMS Associates LLC	Class C
13976 Laurel Lakes Ave- 2nd Floor Laurel, MD	4,915 SF	\$800,000 \$162.77 PSF	Burgos & Associates, Inc. Laurel Children's Clinic	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9055 Guilford Road Columbia, MD	76,303 SF	Adler Real Estate Partners	Johns Hopkins Applied Physics Lab	Defense Contractor
6522 Meadowridge Road Elkridge, MD	30,450 SF	Genesis GSA Strategic One LLC	GSA Immigration and Customs Enforcement	Public Administration
7090 Samuel Morse Drive Columbia, MD	15,191 SF	Abrams Development Group	Howard County	Public Administration



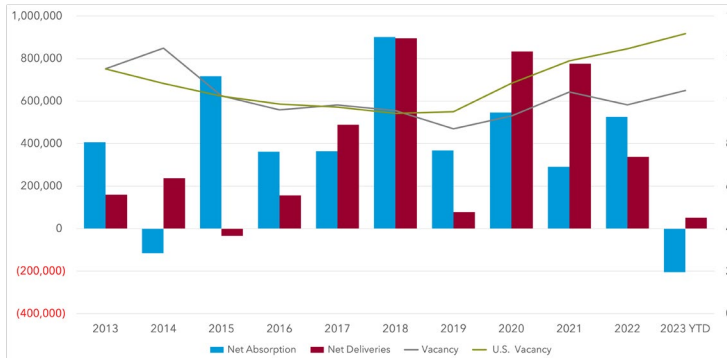
OFFICE MARKET OVERVIEW

BRIAN FARMER, SIOR, *Managing Director, Vice President*

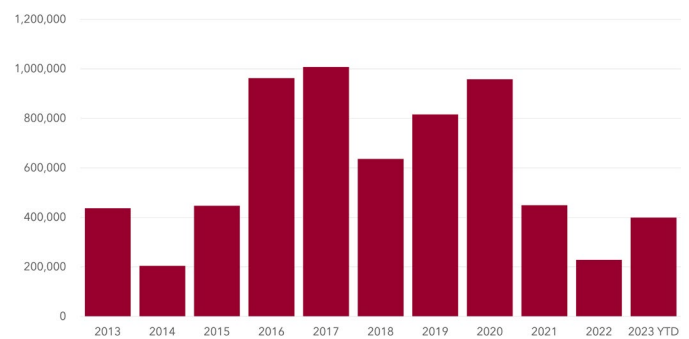
A quarter of positive absorption brings the vacancy in Durham down slightly. Rental rates in Durham and surrounding submarkets are continuing to climb, although the rates are increasing ever so slightly at this point. There is only 400,000 SF under construction. We are seeing more activity in the office sector with increased showings and calls, which is especially true for any spaces less than 5,000 SF. Top sale this quarter was just over \$20 million by Fidelity Investment at \$344 PSF.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	86,867	119,050	525,766	493,397	170,889
▼ Vacancy Rate	10.12%	10.38%	9.82%	9.71%	10.23%
▲ Avg NNN Asking Rate PSF	\$27.48	\$27.46	\$27.45	\$27.14	\$26.78
▲ SF Under Construction	399,159	252,440	228,440	78,181	63,781
▲ Inventory SF	36,927,531	36,876,250	36,876,250	36,876,250	36,876,250

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4709 Creekstone Drive Durham, NC	60,192 SF	\$20,740,000 \$344.56 PSF	Fidelity Investments Highwoods Properties, Inc.	Class B
4620 Industry Lane Durham, NC	17,000 SF	\$2,500,000 \$147.06 PSF	Rasidul Amin Brady Johnson	Class B
3508-3510 University Drive Durham, NC	12,000 SF	\$1,250,000 \$104.17 PSF	Durham Academy Laura Hall	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
800 Taylor Street Durham, NC	9,867 SF	LRC Properties	MHA Works	Professional, Scientific, and Technical Services
301 W. Barbee Chapel Road Chapel Hill, NC	7,495 SF	Gem Land Company, Inc.	Undisclosed	Undisclosed
320 Roney Street Durham, NC	7,247 SF	Measurement, Inc.	Undisclosed	Undisclosed



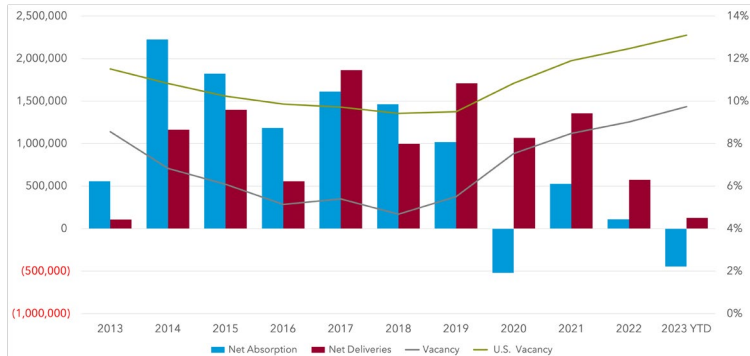
OFFICE MARKET OVERVIEW

BRIAN FARMER, SIOR, *Managing Director, Vice President*

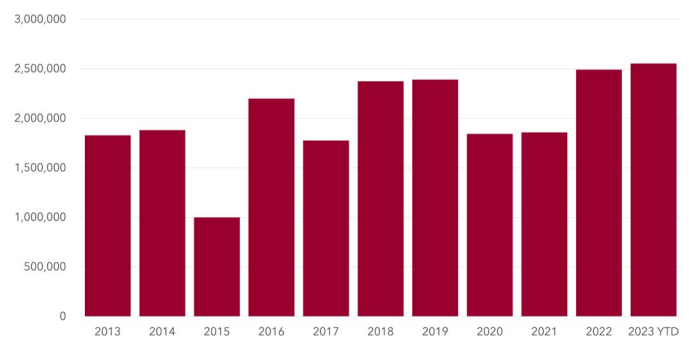
The vacancy factor for Raleigh decreased slightly in Q2 to 9.74%. Add to that another approximate 4 million SF of sublease space, the office sector is experiencing roughly 15% vacancy/availability. Rental rates in Raleigh and surrounding submarkets are continuing to climb, although ever so slightly at this point. There is over 2.5 million SF under construction. We are seeing more activity in office with increased showings and calls. This is especially true for any spaces less than 5,000 SF. Top sale this quarter was for just under \$300 PSF.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(636,329)	(541,518)	110,459	997,189	554,058
▼ Vacancy Rate	9.74%	9.89%	9.02%	8.62%	8.40%
▲ Avg NNN Asking Rate PSF	\$29.10	\$29.09	\$28.92	\$28.81	\$28.59
▲ SF Under Construction	2,554,561	2,489,931	2,491,215	2,103,022	1,999,339
▲ Inventory SF	77,537,337	77,486,967	77,411,047	77,282,415	77,098,712

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5000 Falls of Neuse Road Raleigh, NC	24,000 SF	\$7,010,000 \$292.25 PSF	Gunter Gaffney, Jr. Corporate Chaplains of America	Class A
200 W. Morgan Street Raleigh, NC	20,577 SF	\$9,100,000 \$442.24 PSF	Convexity Properties The Episcopal Diocese of No. Carolina	Class B
3210 Fairhill Drive Raleigh, NC	11,180 SF	\$2,380,000 \$212.43 PSF	Undisclosed Kuehn Properties LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
149-159 E. Chatham Street Cary, NC	40,746 SF	Chatham Street Commercial LLC	WithersRavenel	Engineering Services
Saint Albans Drive Raleigh, NC	31,305 SF	Dewitt Carolinas, Inc.	Undisclosed	Undisclosed
Saint Albans Drive Raleigh, NC	31,294 SF	Dewitt Carolinas, Inc.	Undisclosed	Undisclosed



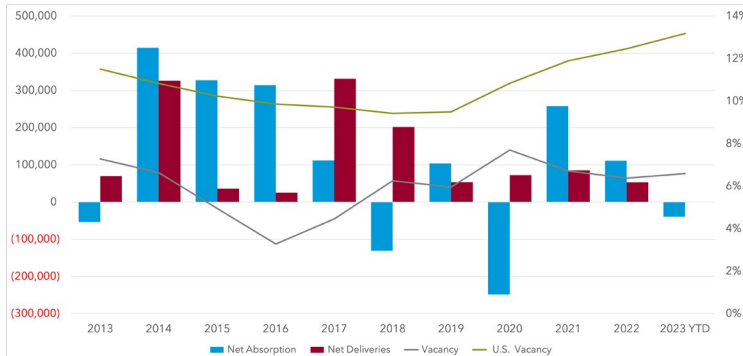
OFFICE MARKET OVERVIEW

BENJAMIN PEARSON, *Principal*

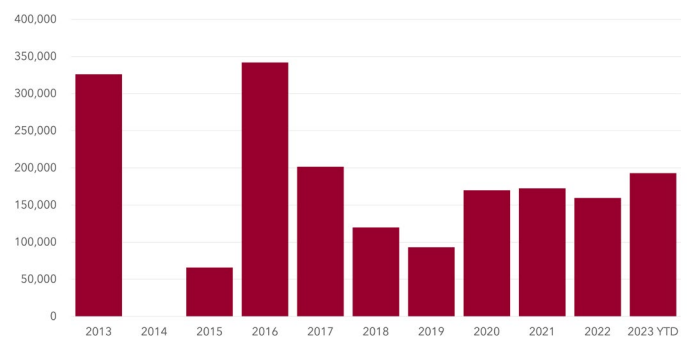
Vacancy in the Lincoln office market is 6.5%, which is the same level it was 12 months ago. Meanwhile, the national average increased by 1.0%. During this period, 52,000 square feet has delivered, and 49,000 square feet has been absorbed. Total availability, which includes sublease space, is 8.1% of all inventory. Approximately 190,000 square feet is under construction, representing a 1.1% increase in inventory. The medical sector had the largest amount of absorption with Class B office continuing a healthy increase in absorption.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	70,685	95,411	111,021	156,225	61,884
▼ Vacancy Rate	6.5%	6.6%	6.4%	6.3%	6.6%
▲ Avg NNN Asking Rate PSF	\$19.07	\$19.04	\$18.94	\$18.89	\$18.67
◀ ▶ SF Under Construction	192,932	192,932	159,512	204,512	212,612
◀ ▶ Inventory SF	18,242,255	18,242,255	18,242,255	18,197,255	18,189,155

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
425 Fallbrook Boulevard Lincoln, NE	16,490 SF	\$2,975,000 \$180.41 PSF	Proceed Finance Nebco, Inc.	Class B
2700 Fletcher Avenue Lincoln, NE	13,314 SF	\$2,225,000 \$167.12 PSF	CL Construction Proceed Finance	Class B
9300 Heritage Lakes Drive Lincoln, NE	12,000 SF	\$1,825,000 \$152.08 PSF	Rebeca Becker Concorde Management	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
575 S. 70th Street Lincoln, NE	17,588 SF	Welltower, Inc.	Undisclosed	Medical
2200 Fletcher Avenue Lincoln, NE	5,150 SF	Speedway Properties	Undisclosed	Office
301 S. 13th Street Lincoln, NE	3,600 SF	The Marcus Corp	Nanonation, Inc.	Tech



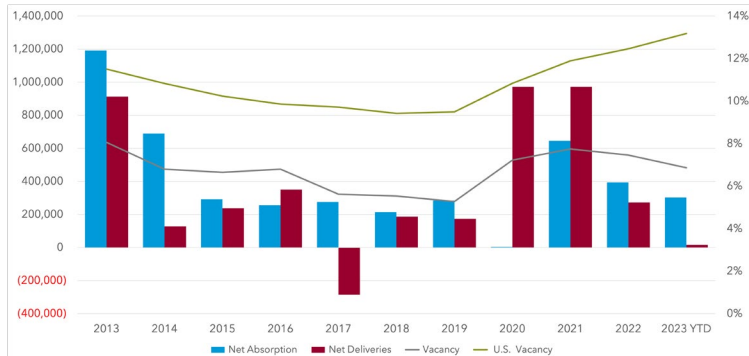
OFFICE MARKET OVERVIEW

BENJAMIN PEARSON, *Principal*

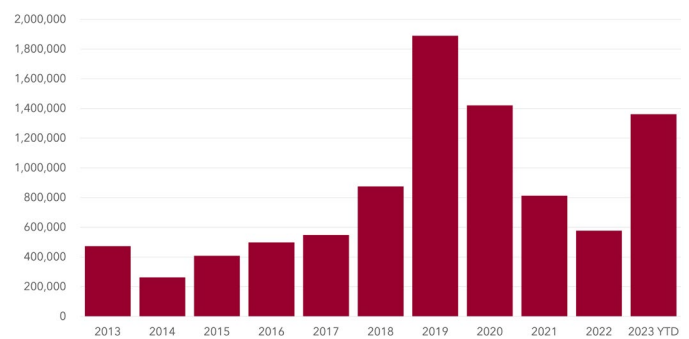
Vacancy in the Omaha office market is 7.3% and has decreased 0.7% over the past 12 months. Meanwhile, the national average increased by 1.0%. Total availability, which includes sublease space, is 9.3% of all inventory. Approximately 1.4 million SF is under construction representing a 2.8% increase in inventory. Medical office had the largest absorption this past quarter with a healthy amount of class B office space being leased.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	172,698	288,060	393,470	734,932	786,782
▲ Vacancy Rate	7.3%	7.2%	7.5%	7.2%	7.6%
▲ Avg NNN Asking Rate PSF	\$24.08	\$24.03	\$24.00	\$23.98	\$23.62
▲ SF Under Construction	1,361,935	561,935	577,503	553,866	569,606
◀ ▶ Inventory SF	48,455,594	48,455,594	48,440,026	48,339,328	48,427,468

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
112 S. 20th Street Omaha, NE	86,016 SF	\$3,400,000 \$39.53 PSF	Community Health Access Elevator	Class B
444 Regency Pkwy Drive Omaha, NE	48,861 SF	\$7,700,000 \$157.59 PSF	The Lund Company Gordman	Class A
910 N. 96th Street Omaha, NE	48,405 SF	\$4,350,000 \$89.87 PSF	American National Bank Banyan Medical Systems	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
18010 Burt Street Omaha, NE	101,283 SF	Office Properties Income Trust	Primetime Healthcare	Medical
1919 Aksarben Omaha, NE	58,532 SF	Rainwood Development Partners	IPG	Marketing
10250 Regency Circle Omaha, NE	15,647 SF	Lund Company	Pansing Hogan Ernst & Bachman	Law Firm



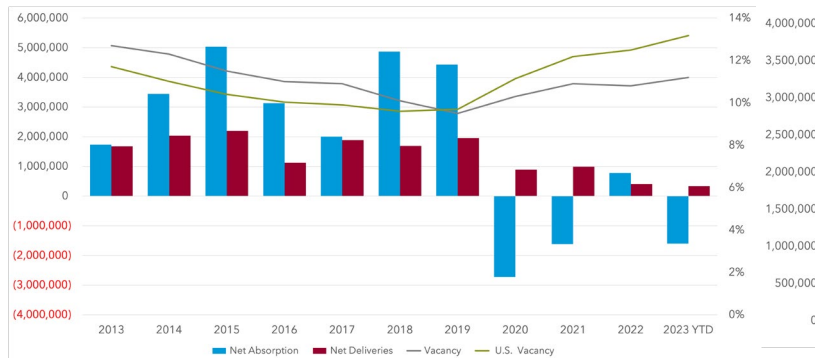
OFFICE MARKET OVERVIEW

MICHAEL MALMSTONE, *Director of Research and Valuation*

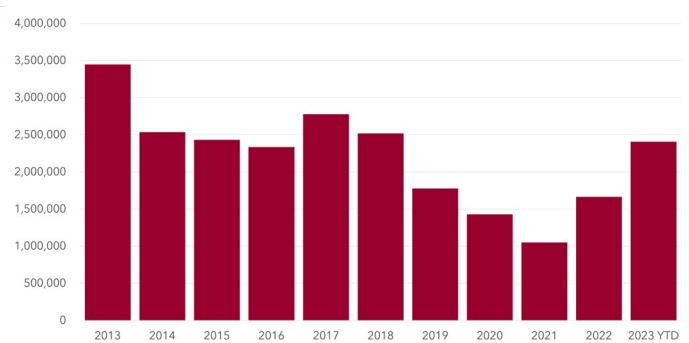
Q2 leasing velocity continued to slow by 9% to 2.4M SF, 72% of the 5-year average. Lease-up time hastened just over a month to 8.4 months. Vacant and available space grew 20 and 30 bps each to 11.3% and 15.0% respectively. Rental rates remained flat, up only \$0.02 QoQ and \$0.36 PSF YoY, to \$27.92 PSF gross. Net absorption remained flat QoQ at negative 806,000 SF, the third consecutive quarter of negative absorption, down nearly threefold YoY and the lowest since Q1 2021. NJ unemployment rose 10 bps to 3.6% in May versus February. Sales volume grew 141% to \$683M. Pricing grew 56% to \$187 PSF while cap rates decompressed 70 bps to 7.9%. 2.4M SF is under construction. 16.6M SF is approved, 1M SF being medical.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ Qtrly Net Absorption SF	(806,004)	(797,904)	(685,365)	889,346	(276,108)
▲ Vacancy Rate	11.3%	11.1%	10.8%	10.6%	10.8%
▲ Avg GRS Asking Rate PSF	\$27.92	\$27.90	\$27.64	\$27.67	\$27.56
▲ SF Under Construction	2,406,595	1,778,595	1,664,368	1,684,543	1,692,933
▲ Inventory SF	421,449,939	421,409,939	421,113,066	421,068,691	420,904,691

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
200 Hudson Street Jersey City, NJ	837,829 SF	\$170,506,884 \$203.51 PSF	The 601W Companies Veris Residential, Inc.	Class A
210 Hudson Street Jersey City, NJ	761,200 SF	\$148,303,660 \$194.83 PSF	The 601W Companies Veris Residential, Inc.	Class A
150 Hudson Street Jersey City, NJ	421,771 SF	\$101,189,456 \$239.92 PSF	The 601W Companies Veris Residential, Inc.	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2 Gateway Center Newark, NJ	396,464 SF	Prudential/Onyx Equities/Garrison Inv. Group	NJ Transit	Transport
400 W. Route 38 Moorestown, NJ	164,988 SF	Cooper University Health Care	Cooper University Health Care	General Medical and Surgical Hospitals
200 Crossing Boulevard Bridgewater, NJ	57,558 SF	Alexander Property Holdings, LLC	Syneos Health	Health Care and Social Assistance



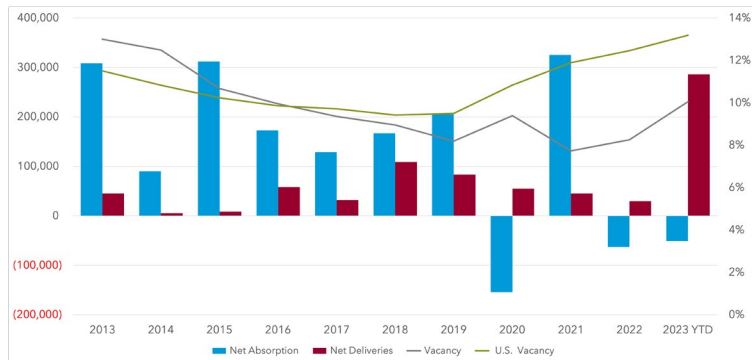
OFFICE MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

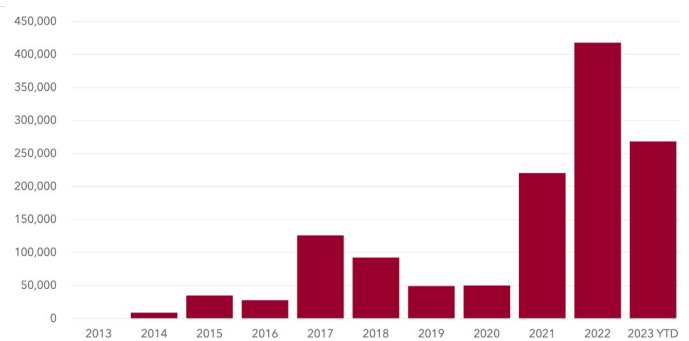
The Office market in Northern Nevada is not dissimilar to other areas of the country. There has been a rise in new office space under construction while the area has experienced negative absorption for the last three quarters. Vacancy has also increased over that period as well. The silver lining in all of this is that our office market is not predicated on the large office users. This has kept the market insulated from the hit many markets have taken when the full floor users have disappeared. Also, Reno is strategically located near the West Coast, and the relative lease rate comparatives give this region a great look when office users are looking to relocate to less expensive areas. The market should remain fairly stable with a good outlook in the near future.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(102,157)	(139,865)	(62,823)	40,048	254,197
▼ Vacancy Rate	10.1%	10.2%	8.3%	7.9%	7.9%
▲ Avg NNN Asking Rate PSF	\$24.30	\$24.27	\$24.14	\$23.91	\$23.74
▲ SF Under Construction	268,021	166,202	417,603	422,731	301,614
◀ ▶ Inventory SF	17,481,540	17,481,540	17,195,289	17,183,460	17,183,460

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
294 Marsh Avenue Reno, NV	8,639 SF	\$2,160,000 \$250.03 PSF	Pellet Construction Stephen T. Glenn	Class C
6148 Mae Ann Avenue Reno, NV	6,800 SF	\$1,650,000 \$242.65 PSF	French Ibinola Properties Cooley Commercial	Class B
6190 Mae Ann Avenue Reno, NV	5,625 SF	\$1,412,000 \$251.02 PSF	NW Health Solutions Lakeside 2001 LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
675 Sierra Rose Reno, NV	7,398 SF	Lee Hancock Construction	Undisclosed	Healthcare
6152 Mae Ann Avenue Reno, NV	6,788 SF	Cooley Trust	Little Hands Daycare	Healthcare
10345 Professional Circle Reno, NV	6,584 SF	Nev Dex Properties	Maxim Healthcare	Healthcare



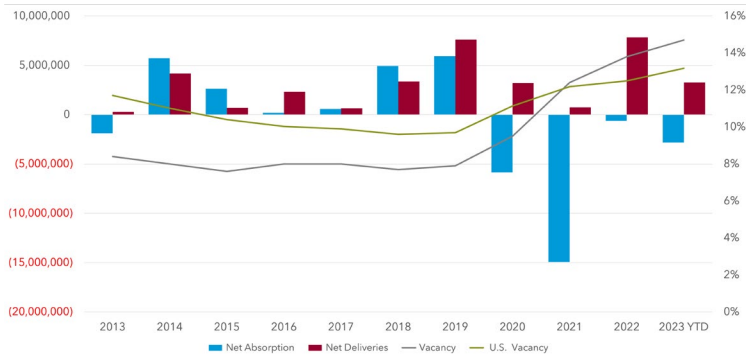
OFFICE MARKET OVERVIEW

SARAH ORCUTT, *Director of Research*

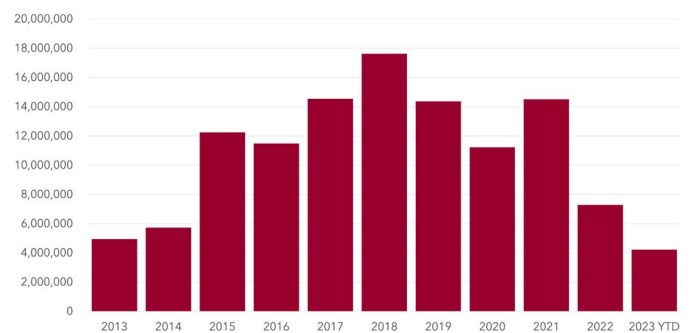
Manhattan captured 6.2 million square feet of demand in the second quarter of 2023, marking a 31.4% year-over-year decline but outpacing Q1 2023 by 7.4%. With economic uncertainty and the persisting remote-work trend weighing on the market, large transactions have slowed from historical levels and are predominantly expiration driven. Manhattan's vacancy rate increased for the twelfth consecutive quarter to 14.8%, and 12-month net absorption totaled negative 223,852 square feet. Market rents have remained relatively flat for several quarters, ending the latest period at \$70.77 PSF. Market inventory increased by 3.3 million square feet from the prior quarter due to two new construction deliveries.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(223,852)	(3,922,052)	(618,659)	(6,162,822)	(5,606,042)
▲ Vacancy Rate	14.8%	14.3%	13.8%	13.4%	13.3%
▲ Avg GRS Asking Rate PSF	\$70.77	\$70.68	\$70.70	\$70.86	\$70.96
▼ SF Under Construction	4,223,268	7,499,870	7,287,870	13,499,630	13,499,630
▲ Inventory SF	550,835,827	547,559,225	547,559,225	541,347,465	541,347,465

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1 Liberty Plaza New York, NY	2,346,000 SF	\$490,000,000 \$426.26 PSF*	Brookfield Asset Management Blackstone, Inc.	Class A
245 Park Avenue New York, NY	1,784,480 SF	\$998,000,000 \$1,120.77 PSF*	Mori Trust Company SL Green Realty Corporation	Class A
50 W. 47th Street New York, NY	397,000 SF	\$1,232,858 \$3.11 PSF	Gem Tower Sky Blue LLC Extell Development Company	Class A

*Partial interest sales. The price PSF reflects portion of property sold in the transaction, not on total property SF.

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
110 William Street New York, NY	630,000 SF	Pacific Oak Capital Advisors	Department of Citywide Administrative Services (DCAS)	Government Agency
200 Park Avenue New York, NY	256,840 SF	Irvine Company	Paul Hastings	Legal Services
51 West 52nd Street New York, NY	242,464 SF	Harbor Group International	Wachtell, Lipton, Rosen & Katz	Legal Services



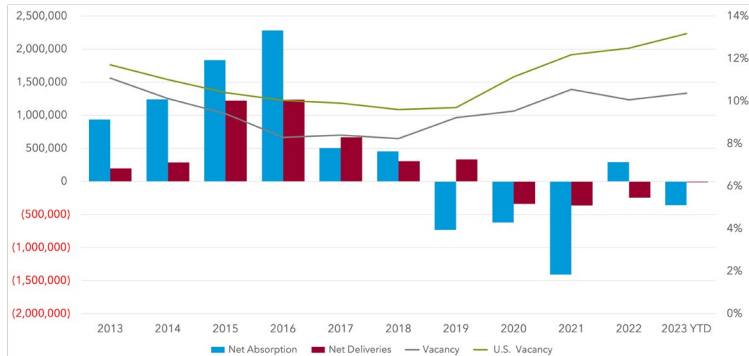
OFFICE MARKET OVERVIEW

WILLIAM SCHNELLER, *Senior Vice President*

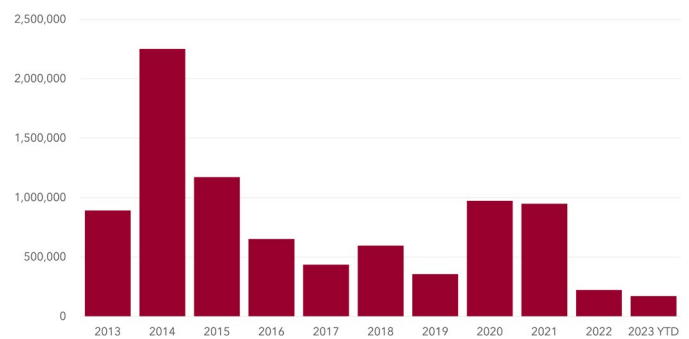
While office-using employment recovered relatively quickly in Cincinnati, many firms are still downsizing, which is weighing on demand moving through 2023. Net absorption remains volatile from one quarter to the next and is flirting with zero on a 12-month basis. Vacancy is now 10.3%, in line with prior-year levels. These tepid demand trends sit in contrast to a solid rebound in leasing activity, which returned to pre-crisis levels in 2022 and has accelerated further year-to-date. In line with most major office markets, tenants are increasingly selective about their space and its surroundings, often choosing to move up the quality spectrum.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(283,639)	(339,472)	292,447	226,342	(555,167)
▼ Vacancy Rate	10.3%	10.5%	10.1%	10.3%	10.4%
▲ Avg NNN Asking Rate PSF	\$20.51	\$20.47	\$20.42	\$20.29	\$20.17
▼ SF Under Construction	171,738	198,896	222,396	222,396	208,502
▲ Inventory SF	104,557,748	104,530,590	104,569,711	105,015,153	105,007,309

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7550-7576 Bales Street Liberty Township, OH	100,000 SF	\$16,200,000 \$162.00 PSF	Realife Real Estate Group The Daimler Group, Inc.	Class A
1 Crowne Point Court Sharonville, OH	74,110 SF	\$3,125,000 \$42.17 PSF	Experimental Holdings, Inc. Neyer Properties, Inc.	Class A
16 Spiral Drive Florence, KY	29,000 SF	\$1,211,076 \$41.76 PSF	William Newton STNL Development	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9999 Carver Road Blue Ash, OH	18,564 SF	VanTrust Real Estate LLC	STACK Construction Technologies	Construction
138 E. Court Street Cincinnati, OH	15,948 SF	Hamilton County Ohio	Hamilton County Ohio	Public Administration
3600-3700 Park 42 Drive Sharonville, OH	12,500 SF	Experimental Holdings, Inc.	LifeSafer Ignition Interlock	Manufacturing



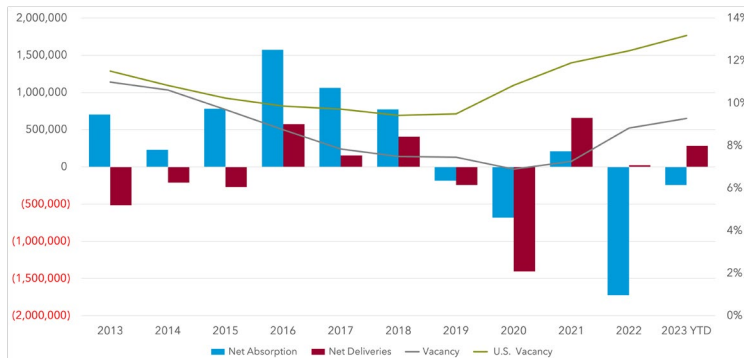
OFFICE MARKET OVERVIEW

ABRAM SCHWARZ, SIOR, *Senior Vice President*

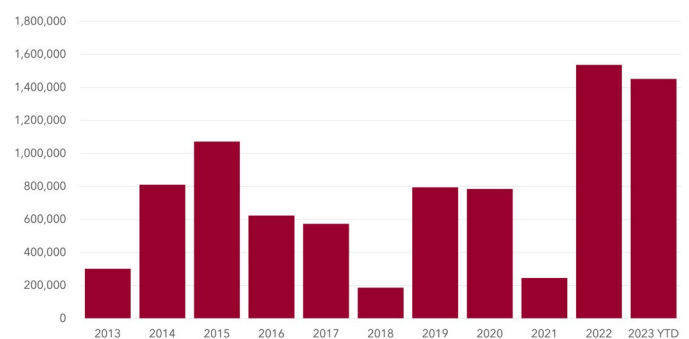
Thriving suburban markets only accentuate our sluggish downtown. Certain suburban submarkets have seen higher occupancy rates than ever before due to the mass exodus of downtown companies, while a slew of buildings downtown are either in receivership, foreclosure, or are now bank owned. There is now a premium on move-in-ready space as many landlords are struggling to compete for users of space that need tenant improvement dollars. Non move-in ready spaces may sit on the market due to the high cost of construction. It will be interesting to see how the downtown market bounces back as more buildings are troubled.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(829,846)	(2,496,421)	(1,724,426)	(920,270)	(1,228,727)
▲ Vacancy Rate	9.30%	9.50%	8.88%	8.20%	8.30%
▲ Avg NNN Asking Rate PSF	\$19.22	\$19.15	\$19.04	\$19.05	\$19.06
▼ SF Under Construction	1,451,846	1,489,546	1,536,237	1,555,367	1,351,521
▲ Inventory SF	111,707,479	111,469,779	111,424,678	111,405,548	111,405,548

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
101 W. Prospect Ave. & 601 Canal St. Cleveland, OH	1,040,000 SF	\$48,500,000 \$46.63 PSF	Bedrock Real Estate Sherwin Williams	Class B
4830 E. 49th Street Cuyahoga Heights, OH	34,000 SF	\$1,500,000 \$44.12 PSF	JSI Janitorial Emm Properties	Class C
8748 Brecksville Road Brecksville, OH	31,773 SF	\$1,000,000 \$31.47 PSF	DAMM Holdings Ken Ganley Auto	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3300 Enterprise Parkway Beachwood, OH	14,762 SF	SITE Centers	Fortune Brands	Building Supplies
25111 Miles Road Warrensville Heights, OH	11,862 SF	Galaxy Corporate Holdings	Temeda	Materials
6050 Oak Tree Boulevard Independence, OH	6,553 SF	Park Center Plaza, LP	MAI Capital Management	Financial



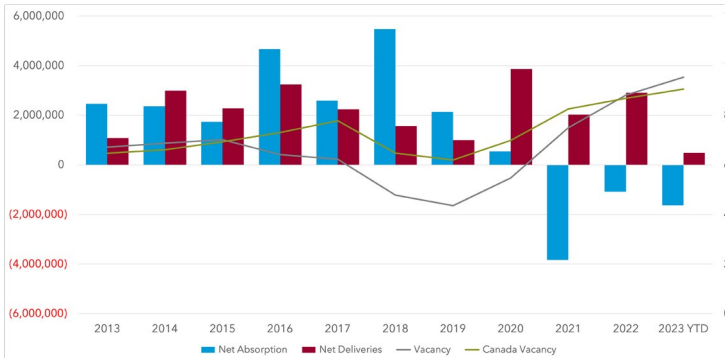
OFFICE MARKET OVERVIEW

WILL GEHRING, *Senior Vice President*

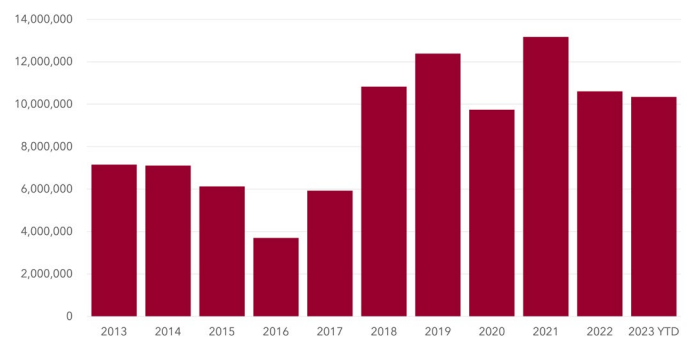
Toronto's office vacancies have continued to rise in Q2 2023. The adoption of the hybrid work model in the post-pandemic era, alongside growing preferences towards remote work, have led to an increase in office space availabilities within the downtown and suburban markets. With an abundance of low-priced sublets, rental rates are experiencing downward pressure. Employers' focus remains on operational efficiencies and long-term growth. Their efforts continue in offering their employees a more attractive balance between coming into the office and working from home. Office tenants with leases coming due over the next 12-24 months will decide to downsize and renew, give up their space in its entirety, or upgrade and relocate to higher quality space.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(1,040,953)	(1,399,171)	(1,083,274)	(2,648,339)	(3,645,588)
▲ Vacancy Rate	9.5%	9.2%	8.8%	8.5%	8.3%
◀ ▶ Avg NNN Asking Rate PSF	\$40.44	\$40.44	\$40.41	\$40.30	\$40.22
▲ SF Under Construction	10,341,175	10,293,948	10,606,244	11,798,408	12,563,907
▲ Inventory SF	287,412,374	287,298,601	286,922,660	285,695,593	284,778,084

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7070 Mississauga Road Mississauga, ON	244,128 SF	\$72,350,000* \$296.36 PSF	Partners Real Estate Investment Trust GWL Realty Advisors	Class B
1950 Meadowvale Boulevard Mississauga, ON	160,560 SF	\$41,500,000* \$258.47 PSF	Soti Inc QuadReal	Class A
277 Victoria Street (P/O 2 Property Portfolio), Toronto, ON	109,700 SF	\$34,760,259* \$316.87 PSF	Toronto Metropolitan University CreateTO	Class B

*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
40 King Street W Toronto, ON	89,704 SF	AIMCo, KingSett Capital, Inc	Undisclosed	Undisclosed
40 King Street W Toronto, ON	64,508 SF	AIMCo, KingSett Capital, Inc	Undisclosed	Undisclosed
16 York Street Toronto, ON	59,056 SF	Cadillac Fairview, Ontario Pension Board	Undisclosed	Undisclosed



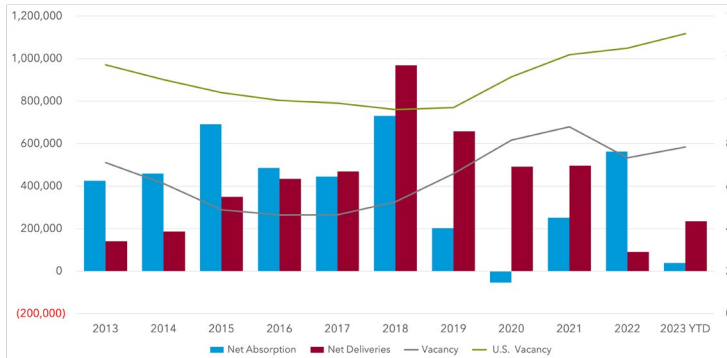
OFFICE MARKET OVERVIEW

PETE HARPER, CCIM, *Principal*

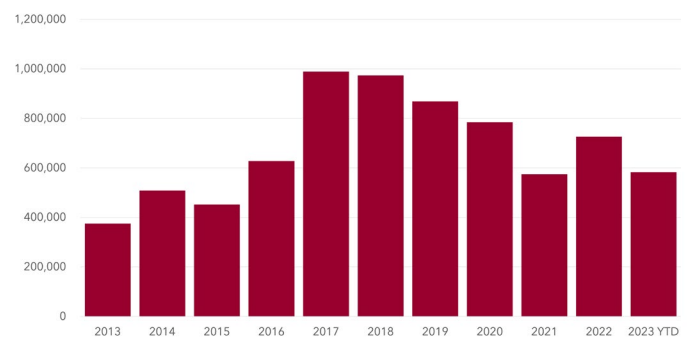
The Charleston commercial office market stands out in the face of the wider US office market's problems. The national market suffers from remote employment and economic uncertainty, yet Charleston thrives. Charleston's resilience is visible, with vacancy rates at 8%, 3% lower than the national average, asking rates growing by 3.3%, and over 500,000 SF of construction currently underway. The Morris, a contemporary workplace that was just finished in a booming location on the peninsula, is noteworthy. Charleston's appeal extends beyond its attraction as a place to live; it's becoming a city where businesses and industries want to establish new footholds. Overall, Charleston is set to perform far above the country's current office market drawbacks.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	132,979	365,881	742,729	292,368	628,151
▲ Vacancy Rate	8.0%	7.8%	7.3%	7.8%	7.3%
▲ Avg NNN Asking Rate PSF	\$31.99	\$30.78	\$30.73	\$30.44	\$30.05
▼ SF Under Construction	583,040	602,572	726,202	743,440	550,876
▲ Inventory SF	33,374,334	33,149,095	32,990,465	32,842,527	32,820,559

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1101 Clarity Road Mount Pleasant, SC	13,543 SF	\$5,675,750 \$419.09 PSF	Skytree Ventures LLC Montecity Medical Real Estate	Class B
2861 Tricom Street North Charleston, SC	7,248 SF	\$5,635,000 \$419.09 PSF	Undisclosed Montecity Medical Real Estate	Class B
59 Broad Street Charleston, SC	4,752 SF	\$1,700,000 \$357.74 PSF	Elizabeth Banchik The Sherman Agency	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4340 Corporate North Charleston, SC	40,000 SF	Maybank Properties	Undisclosed	Undisclosed
1080-1090 Morrison Drive Charleston, SC	11,081 SF	Cowan Nakios Group	Raptor Group	Finance
5900 Core Road North Charleston, SC	10,600 SF	Avison Young	Segra	Information



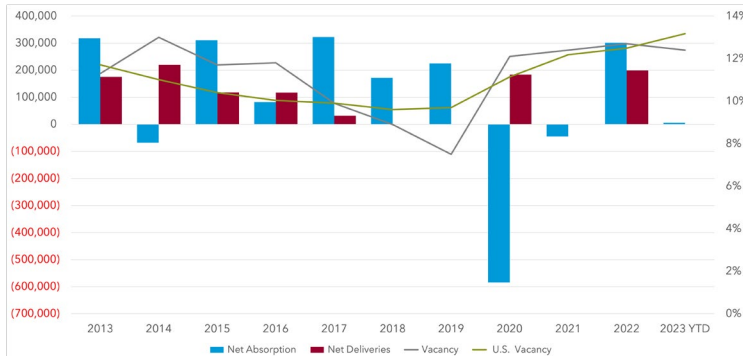
OFFICE MARKET OVERVIEW

DARATH MACKIE, Associate Broker

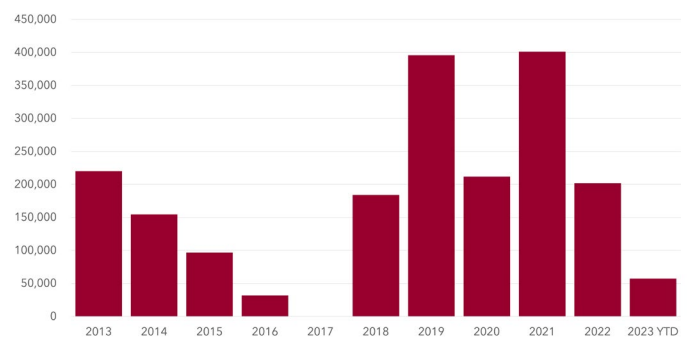
Office space performance remained consistent in Greenville/Spartanburg during Q2, with negative net absorption of 9,708 square feet and vacancy falling slightly to 12.4%. Average asking rents fell to \$23.44 PSF in Q2, down \$0.16 PSF from Q1. Greenville's healthy market conditions have spurred investor interest for quality office properties; and developers are seeking public and/or private partnerships to build space and capitalize on Greenville's growing need for office product. Office sales activity has declined relative to 2022, with rolling 12-month volume down more than 50%, however, pricing has remained resilient, down less than 7% during the same period.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	36,645	171,205	300,952	853,149	645,394
▼ Vacancy Rate	12.4%	12.5%	12.7%	11.6%	12.1%
▼ Avg NNN Asking Rate PSF	\$23.44	\$23.60	\$22.33	\$22.16	\$21.84
▲ SF Under Construction	57,300	54,532	201,795	201,795	201,795
▲ Inventory SF	16,553,004	16,380,596	16,372,346	16,358,918	16,358,918

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2210 N. 81 Highway Anderson, SC	12,661 SF	\$3,050,000 \$240.90 PSF	Longleaf Realty Partners TM Medical Properties Anderson	Class B
1560 Wade Hampton Boulevard Greenville, SC	4,800 SF	\$1,700,000 \$354.17 PSF	Applied Network Consulting Group JDL Holdings	Class B
35 Cessna Court Greenville, SC	9,100 SF	\$1,400,000 \$153.85 PSF	Interchange Holdings LLC Kellogg Development	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
104 S. Main Street Greenville, SC	21,450 SF	Hughes Investments	Thrive Coworking	Real Estate
80 International Drive Greenville, SC	21,412 SF	JFR Global Investments	Tech 24 Commercial Food Service Repair	Repair / Service
531 E. Main Street Spartanburg, SC	20,000 SF	Oak Street Real Estate Capital	Pinnacle Bank	Finance & Insurance



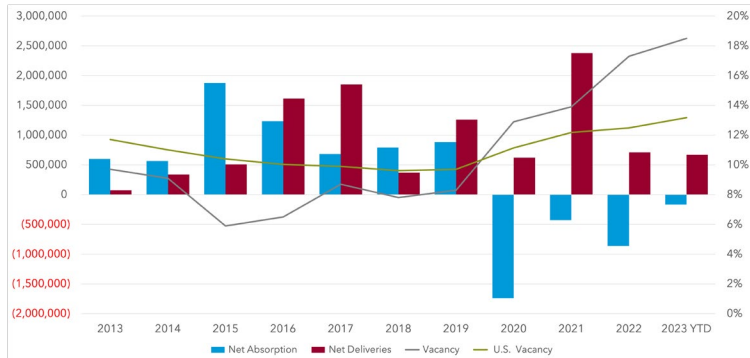
OFFICE MARKET OVERVIEW

KYLE NEVEAU, Associate

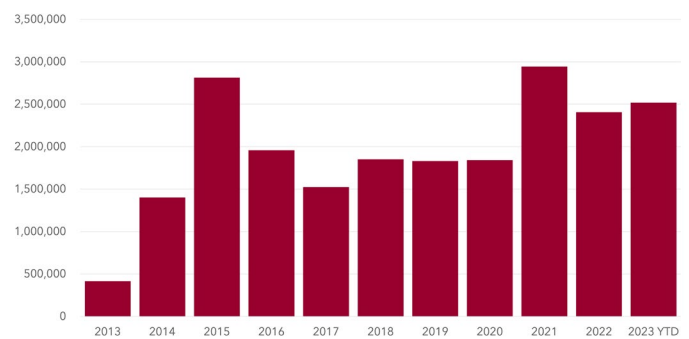
Office demand turned positive in Q2 with net absorption of 36,006 SF, bringing the year-to-date total to (165,827) SF. The net occupancy losses to date illustrate a broader trend within office space as occupiers adopt hybrid work models, and in many cases, reduce footprints. Overall vacancy stands at 18.5%, an increase of 50 basis points since Q1 of 2023. New construction activity remains elevated at 2.5 MSF, with the vast majority of this space 2.1 MSF, located Downtown. Investment activity increased in Q2 to more than \$144.5 million, bringing the rolling 12-month sales volume to more than \$1.0 billion.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(148,135)	(663,358)	(862,380)	(640,140)	(1,067,212)
▲ Vacancy Rate	18.5%	18.0%	17.3%	16.8%	15.9%
▼ Avg NNN Asking Rate PSF	\$28.01	\$28.08	\$27.89	\$27.96	\$28.02
▲ SF Under Construction	2,518,101	2,232,734	2,406,488	2,532,034	2,805,937
▼ Inventory SF	52,963,692	53,090,393	51,846,157	51,634,621	51,724,623

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2100 West End Avenue Nashville, TN	130,931 SF	\$37,000,000 \$282.59 PSF	The University Financing Fnd, Inc. Stoltz Real Estate Partners	Class A
205 Miller Springs Court* Franklin, TN	50,000 SF	\$15,319,226 \$306.38 PSF	Oak Street Real Estate Capital Pinnacle Financial Partners	Class B
1569 Mallory Lane** Brentwood, TN	28,675 SF	\$8,376,794 \$292.13 PSF	Elmington Capital Group Southeast Venture LLC	Class A

*Sale Leaseback, Part of Portfolio; **Part of a Portfolio

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
601 11th Avenue N Nashville, TN	25,324 SF	Rubicon Equities	Covenant Physician Partners	Healthcare
827 19th Avenue Nashville, TN	11,824 SF	Portman Holdings	Barnes & Thornburg	Legal
1131 4th Avenue Nashville, TN	11,220 SF	AJ Capital Partners	Hensel Phelps Construction	Construction



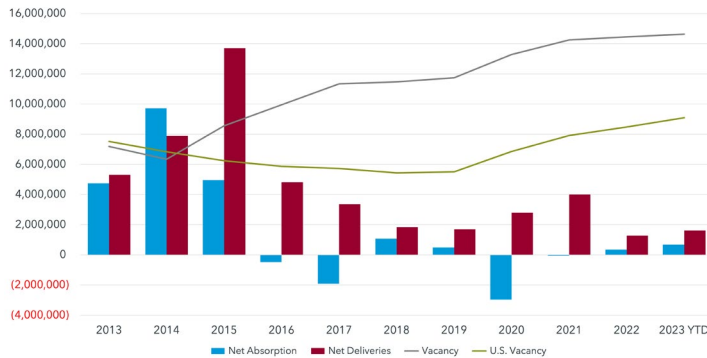
OFFICE MARKET OVERVIEW

BLAKE R. VIRGILIO, CCIM, SIOR, *Senior Director*

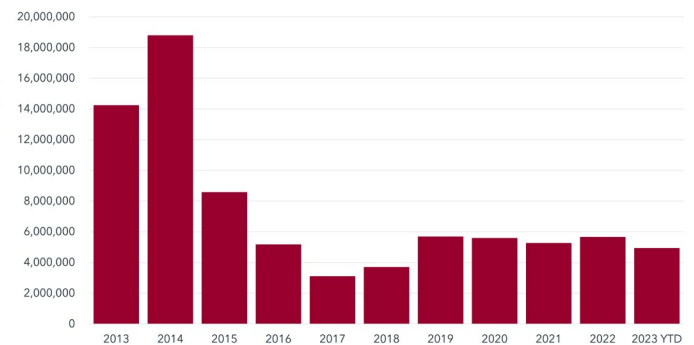
The office market continued at a moderate pace in Q2, with contrasting signs of growth and signs of continued struggles. There was a healthy amount of positive net absorption that has the trajectory of the market bridging the gap closer towards the national average. Several large leases and significant volume occurred in the West Loop/Galleria, Katy Freeway East, and Katy Freeway West submarkets, but high levels of vacancy and tenant concessions persist. Under construction inventory is a fraction of what was under construction 10 years prior, but while discipline on the supply side from new construction is evident, there is abundant vacancy in older 1980's vintage buildings.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ Qtrly Net Absorption SF	(44,511)	(490,405)	339,047	510,836	1,517,286
◀ ▶ Vacancy Rate	18.6%	18.6%	18.4%	18.3%	18.2%
▲ Avg NNN Asking Rate PSF	\$29.10	\$29.07	\$29.02	\$28.99	\$28.88
▼ SF Under Construction	4,943,107	5,210,442	5,671,707	5,706,413	4,904,805
▲ Inventory SF	352,512,475	351,639,927	350,884,708	350,551,481	350,742,868

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1001 McKinney Street Houston, TX	375,440 SF	Undisclosed	TPG Capital LP TRC Capital Partners	Class B
1325 S. Dairy Ashford Road Houston, TX	155,320 SF	Undisclosed	Donald Jason Ford Associated Financial Corporation	Class B
8303 Southwest Freeway Houston, TX	140,582 SF	Undisclosed	Swapan Dhairyawan Rishikesh Sohoni	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2800 Post Oak Boulevard Houston, TX	318,504 SF	Invesco	Lyondell Basell	Petrochemical
737 N. Eldridge Parkway Houston, TX	308,186 SF	Granite Properties, Inc.	Fluor Corporation	Construction
15377 Memorial Drive Houston, TX	171,600 SF	Fuller Realty Interests	Technip Energies	Engineering & Technology



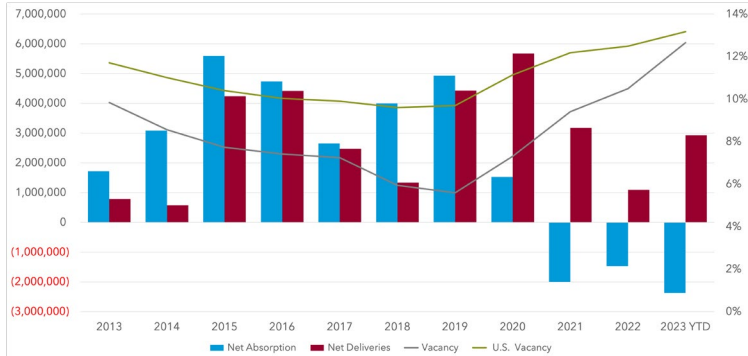
OFFICE MARKET OVERVIEW

JOHN BAUDER, *Principal*

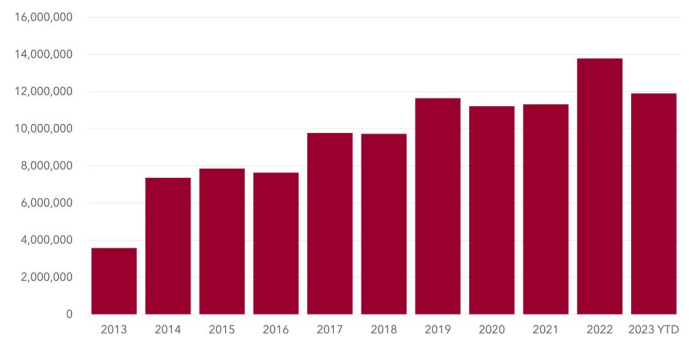
Continued negative absorption tells the story in the office market. Despite return to office mandates and an actual increase in people returning to the office, the vacancy rate increased for the 3rd straight quarter and is now at just over 12%. The pace of new construction is softening, and companies are reducing the overall size of their portfolios. The forecast calls for continued negative absorption and increasing vacancy rates. The flight to quality, amenity rich buildings that is playing out nationally, is also evident in the Puget Sound Region, and we expect this trend to continue. Sales continue to slow as the gap between what sellers want and what buyers are willing to pay remains. The three largest sales of the quarter all occurred outside Seattle with two in Snohomish County and one in Bellevue.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(1,421,372)	(1,915,081)	(1,468,337)	(455,019)	(183,374)
▲ Vacancy Rate	12.0%	11.0%	10.0%	10.0%	10.0%
▲ Avg NNN Asking Rate PSF	\$38.11	\$38.10	\$37.98	\$38.00	\$37.89
▼ SF Under Construction	11,902,984	13,645,743	13,789,715	12,445,018	11,576,920
▲ Inventory SF	229,915,944	227,831,695	226,984,249	226,867,623	226,909,406

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4011 172nd Street NE Arlington, WA	68,424 SF	\$32,500,000 \$474.98 PSF	Fred Kunik Market Street Healthcare Properties	Class B
3020 Rucker Avenue Everett, WA	67,042 SF	\$10,964,000 \$163.54 PSF	Snohomish Health District Snohomish County	Class B
3190 160th Avenue SE Bellevue, WA	60,423 SF	\$18,000,000 \$297.90 PSF	Intracorp Homes HAL Real Estate, Inc. WangResults	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
10900 NE 4th Street Bellevue, WA	55,500 SF	Kilroy Realty Corporation	Flexport	Transportation and Warehousing
12277 134th Court NE Redmond, WA	34,875 SF	PAR5 Investments	Kymeta Corporation	Manufacturing
1150 Eastlake Avenue E Seattle, WA	31,270 SF	Alexandria Real Estate Equities	Undisclosed	Biotech



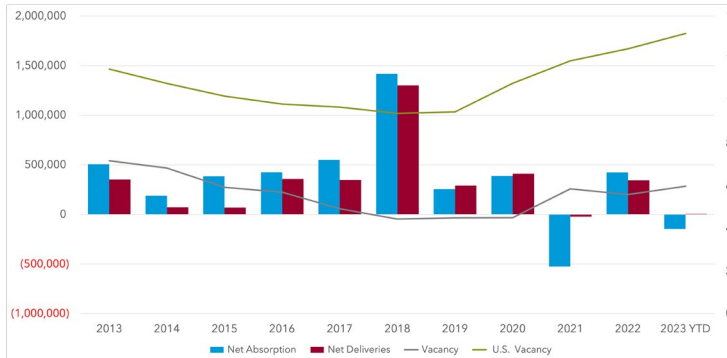
OFFICE MARKET OVERVIEW

CAMP PERRET, *Vice President*

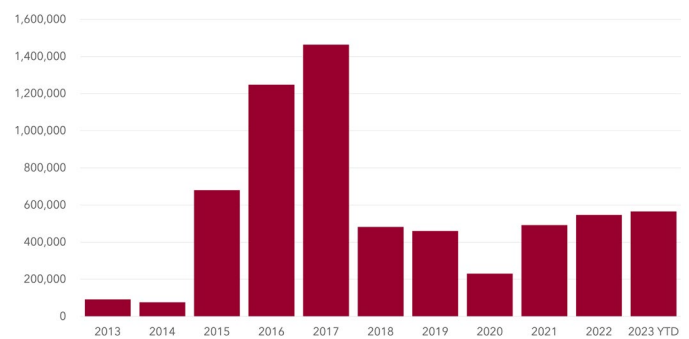
The Madison office market weakened slightly during Q2. The vacancy rate ticked up and there was negative absorption despite a robust market economy. Construction and deliveries are mainly for owner-occupied and build-to-suit developments. Employers continue to look to lease smaller office spaces due to remote work options. Sales have lagged as interest rates have risen. Madison still outperforms the nation in the office sector due to one of the lowest unemployment rates in the country with solid employers such as the State of Wisconsin and the University of Wisconsin, along with many healthcare and biotech firms.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(73,972)	174,677	424,637	477,950	464,989
▲ Vacancy Rate	5.8%	5.7%	5.6%	5.7%	5.5%
▲ Avg NNN Asking Rate PSF	\$23.09	\$23.04	\$22.85	\$22.66	\$22.45
▼ SF Under Construction	565,800	571,800	546,800	527,487	441,792
▲ Inventory SF	38,271,667	38,265,667	38,265,667	38,234,980	38,225,675

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5303 Fen Oak Madison, WI	33,495 SF	\$2,970,000 \$88.67 PSF	Intr'l Brotherhood of Electrical Workers Hastings East Development LLC	Class B
1802 Pankratz Street Madison, WI	25,041 SF	\$2,600,000 \$103.83 PSF	Isthmus Montessori Academy, Inc. Central States Group	Class B
2945 Triverton Pike Drive Madison, WI	17,004 SF	\$2,650,000 \$155.85 PSF	Becks Enterprises of Dane Cnty LLC Madison Partners XX LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4602 Biltmore Lane Madison, WI	10,850 SF	St. John Properties, Inc.	Undisclosed	Undisclosed
34 Schroeder Court Madison, WI	9,971 SF	Alliant Energy Corporation	Undisclosed	Undisclosed
8401 Greenway Boulevard Middleton, WI	7,786 SF	Artis REIT	Knothe and Bruce Architect Services	Services

RETAIL OVERVIEW: RETAIL'S LATEST CHALLENGE: SATISFYING PENT-UP DEMAND

Retail property is showing its overall resilience across North America with fundamentals so tight that the sector's biggest challenge lately is satisfying pent-up demand.

The second quarter was the ninth straight quarter of positive net absorption in the U.S. Leasing activity has been declining lately, however. This year's 18.2 million SF of net absorption through June is the least since 2020, the first year of the pandemic. Otherwise, most retail landlords have enjoyed steady growth, and the sector's vacancy rate is at a record low 4.2%. Merchants and landlords say leasing activity is being affected by supply- and demand-side factors. Lack of available supply in desirable locations is holding back growth while concerns over rising costs and uncertain economic outlook for consumption are affecting demand.

Most leasing activity remains concentrated in smaller spaces, less than 3,000 SF, and is being driven by growth in store counts from quick-service restaurant brands such as Starbucks, Crumbl Cookies, Yum Brands and Restaurant Brands International, which owns BK, Tim Hortons, Popeyes and Firehouse Subs. T-Mobile and AT&T also have leased dozens of small shop spaces over the past year.

Demand for medium to larger space has been chiefly driven by discounters TJ Maxx, Burlington, Dollar Tree, Dollar General and its new concept PopShelf. Demand for spaces larger than 10,000 SF has come from fitness and experiential tenants, as consumers pivot back toward services in a post-pandemic environment. After accounting for between 8% to 10% of all retail leasing activity since 2015, experiential retailers total 15% of all retail activity for the past year with Planet Fitness and Urban Adventure topping the list.

While demand for space continues to rise, new retail development activity remains muted. A mere 51 million SF of new space was delivered in the past 12 months, which is 35% less than the pre-pandemic average. At the same time 21.5 million SF have been demolished over the past year. In the last five years 144 million SF have been razed. With concerns of over-supply still fresh in the minds of banks and developers, the majority of new space consists of build-to-suits and small freestanding buildings. Low supply and strong consumer spending have combined to drive nominal asking rents upward at their fastest clip in a decade. Average triple-net asking rents are up 3.5% and average \$24 per SF.

Canadian landlords are facing similar challenges to their American counterparts to "right-size" their retail properties in order to bring them into alignment with rapidly evolving consumer spending trends. Nevertheless, Canada's retail sector was still outperforming throughout the first half of 2023, driven in part by pent-up demand. The vacancy rate fell to a record low 1.8%. Every category has posted consistent growth except for mall properties, which posted negative absorption this year after two years of healthy expansion.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / SF ANNUAL		HIGHEST MARKET SALE PRICE / SF	
BC, Vancouver	1.0%	NY, New York*	\$46.56	CA, San Francisco	\$613
ON, Toronto	1.6%	FL, Miami	\$43.80	BC, Vancouver	\$533 CAD
MA, Boston	2.6%	CA, Orange County	\$36.72	CA, Orange County	\$451
WA, Seattle	2.9%	CA, Los Angeles	\$35.64	NY, New York*	\$431
FL, Miami	3.0%	CA, San Diego	\$34.44	FL, Miami	\$431
U.S. Index	4.2%	U.S. Index	\$24.24	U.S. Index	\$245
Canada Index	1.8%	Canada Index	\$22.20 CAD	Canada Index	\$345 CAD

MOST SF UNDER CONSTRUCTION SF		LARGEST INVENTORY BY SF		LOWEST MARKET CAP RATE	
TX, Dallas-Fort Worth	4,803,582	NY, New York*	632,457,883	BC, Vancouver	4.1%
TX, Houston	4,037,945	IL, Chicago	586,243,422	ON, Toronto	4.5%
ON, Toronto	3,553,482	TX, Dallas-Fort Worth	470,321,114	CA, San Francisco	4.5%
NY, New York*	3,213,846	CA, Los Angeles	450,399,225	CA, Orange County	5.0%
FL, Miami	2,575,628	TX, Houston	430,071,612	CA, Los Angeles	5.3%
U.S. Index	62,087,372	U.S. Index	11,948,768,267	U.S. Index	6.7%
Canada Index	8,742,061	Canada Index	809,296,923	Canada Index	5.1%

* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
AB, Calgary **	2.6%	\$1.72	\$291	1,918,549	78,198,955	5.8%
AZ, Phoenix	4.7%	\$1.98	\$245	2,153,200	240,846,138	6.5%
BC, Vancouver **	1.0%	\$2.12	\$533	950,614	126,722,635	4.1%
CA, Bakersfield	4.9%	\$1.59	\$214	155,382	33,754,496	6.5%
CA, East Bay	5.1%	\$2.65	\$341	258,108	124,586,162	5.4%
CA, Fresno	4.6%	\$1.54	\$195	81,655	49,062,042	6.9%
CA, Inland Empire	5.9%	\$2.13	\$297	1,455,774	201,314,849	5.8%
CA, Los Angeles	5.4%	\$2.97	\$423	1,798,224	450,399,225	5.3%
CA, Orange County	4.4%	\$3.06	\$451	112,478	143,703,555	5.0%
CA, San Diego	4.2%	\$2.87	\$407	515,989	138,742,516	5.3%
CA, San Francisco	5.5%	\$3.59	\$613	92,500	82,965,942	4.5%
CA, San Luis Obispo	3.0%	\$2.27	\$296	189,092	15,426,071	6.1%
CA, Santa Barbara	4.3%	\$2.46	\$346	0	25,087,330	6.0%
CA, Stockton	4.6%	\$1.76	\$218	104,643	31,104,341	6.5%
CA, Ventura	5.7%	\$2.33	\$310	29,171	42,785,248	5.8%
CO, Denver	4.1%	\$2.07	\$268	709,913	159,809,181	6.2%
DC, Washington	4.5%	\$2.62	\$344	1,375,606	266,740,151	6.1%
FL, Fort Myers	2.9%	\$1.71	\$231	171,258	49,025,240	6.4%
FL, Miami	3.0%	\$3.65	\$431	2,575,628	143,433,130	5.4%
FL, Naples	3.7%	\$2.30	\$330	70,199	24,009,532	5.5%
FL, Orlando	3.8%	\$2.32	\$266	2,066,809	154,162,151	6.3%
GA, Atlanta	3.7%	\$1.78	\$210	2,079,605	370,400,563	6.9%
GA, Savannah	3.6%	\$1.92	\$217	99,560	28,141,463	7.4%
ID, Boise	3.7%	\$1.41	\$220	573,105	42,540,668	6.3%
IL, Chicago	5.1%	\$1.75	\$195	1,559,628	586,243,422	7.3%
IN, Indianapolis	3.4%	\$1.50	\$158	821,489	134,123,186	7.7%
KS, Lawrence	3.7%	\$1.34	\$186	15,405	6,741,227	7.4%
KS, Topeka	4.4%	\$0.89	\$132	11,089	13,510,772	8.7%
LA, Baton Rouge	2.1%	\$1.46	\$153	289,993	47,056,194	7.7%
MA, Boston	2.6%	\$2.19	\$267	702,391	247,667,162	6.2%
MD, Baltimore	5.6%	\$1.92	\$215	363,076	144,561,334	6.9%
United States Index	4.2%	\$2.02	\$245	62,087,372	11,948,768,267	6.7%
Canada Index	1.8%	\$1.85**	\$345**	8,742,061	809,296,923	5.1%

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
MI, Detroit	5.1%	\$1.51	\$137	741,506	261,874,140	7.5%
MN, Minneapolis	3.2%	\$1.63	\$176	552,750	205,462,482	7.1%
MO, Kansas City*	4.2%	\$1.46	\$167	672,023	131,801,706	7.1%
MO, Saint Louis	4.8%	\$1.35	\$143	778,869	174,714,146	8.1%
NC, Durham	2.6%	\$1.89	\$243	218,203	28,011,900	8.0%
NC, Raleigh	2.4%	\$2.06	\$252	1,218,810	75,641,760	6.4%
NE, Lincoln	3.0%	\$1.18	\$137	48,000	21,436,783	7.4%
NE, Omaha	4.7%	\$1.39	\$155	343,848	64,817,651	7.4%
NJ, Atlantic City	5.6%	\$1.41	\$158	13,835	18,264,232	7.4%
NJ, Northern New Jersey *	4.5%	\$1.98	\$218	458,870	135,780,888	6.9%
NJ, Trenton	4.7%	\$1.83	\$189	100,829	22,001,323	8.0%
NJ, Vineland	4.3%	\$1.22	\$163	0	8,418,248	7.2%
NV, Reno	4.6%	\$1.80	\$218	21,191	27,215,170	7.0%
NY, Long Island	4.3%	\$2.80	\$326	511,575	157,543,958	6.3%
NY, New York *	4.3%	\$3.88	\$431	3,213,846	632,457,883	5.9%
OH, Cincinnati	6.0%	\$1.27	\$128	742,555	133,753,032	7.9%
OH, Cleveland	4.4%	\$1.29	\$113	229,963	147,665,119	8.1%
OH, Columbus	3.6%	\$1.53	\$155	544,536	123,147,557	7.8%
ON, Toronto **	1.6%	\$2.18	\$409	3,553,482	303,535,096	4.5%
PA, Harrisburg	5.7%	\$1.40	\$140	215,227	36,181,699	7.7%
PA, Lehigh Valley *	4.5%	\$1.36	\$138	231,600	49,572,752	8.8%
PA, Philadelphia *	4.4%	\$1.81	\$191	1,520,181	340,535,733	7.0%
SC, Charleston	3.9%	\$1.98	\$254	644,364	49,079,067	6.4%
SC, Greenville	3.5%	\$1.37	\$158	340,419	64,239,160	7.1%
SC, Spartanburg	3.8%	\$1.12	\$120	34,892	26,713,348	8.3%
TN, Nashville	3.3%	\$2.33	\$262	1,379,873	121,076,832	6.1%
TX, Dallas-Fort Worth	4.5%	\$1.89	\$265	4,803,582	470,321,114	6.4%
TX, Houston	4.9%	\$1.91	\$244	4,037,945	430,071,612	6.8%
WA, Seattle	2.9%	\$2.41	\$332	563,072	180,488,132	5.8%
WI, Madison	2.3%	\$1.41	\$156	93,582	41,116,473	7.2%
United States Index	4.2%	\$2.02	\$245	62,087,372	11,948,768,267	6.7%
Canada Index	1.8%	\$1.85**	\$345**	8,742,061	809,296,923	5.1%

* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

** Numbers shown are in Canadian dollars (CAD)



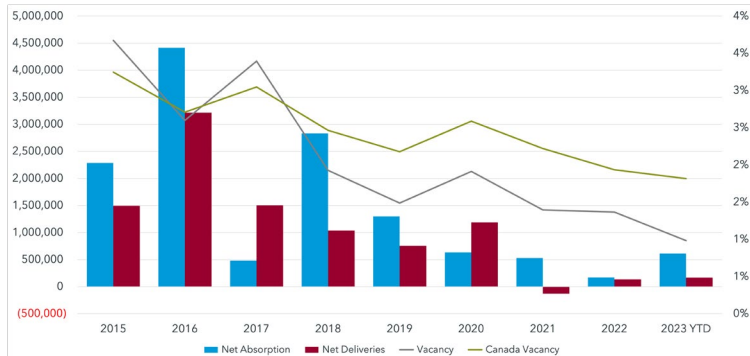
RETAIL MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

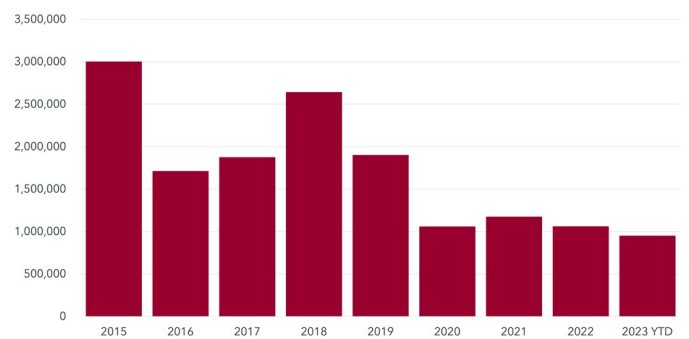
This quarter, the Bank of Canada raised the policy rate by 25 basis points, bringing the current prime rate to 6.95%. However, the retail industry in Metro Vancouver has not yet felt the full effect of this soft recession, as consumer spending remains strong. This goes beyond the demand for budget-friendly or essential items, as experiential retail demand is up. According to Statistics Canada, restaurant/bar spending reached new highs in April in BC. An increase in the number of cruise ships in Vancouver harbor this year is also helping downtown retailers by boosting the foot traffic; between this quarter and October, we will see a record high of 331 ships.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	555,884	482,748	170,181	263,816	648,537
▼ Vacancy Rate	1.00%	1.10%	1.36%	1.29%	1.21%
▼ Avg NNN Asking Rate PSF	\$33.68	\$34.28	\$34.45	\$34.42	\$34.16
▼ SF Under Construction	1,014,614	1,128,633	1,062,729	1,219,480	1,250,608
▼ Inventory SF	126,676,004	126,694,668	126,645,482	126,440,474	126,458,364

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
15350 34th Ave & 3388 Rosemary Hts Crescent, Surrey, BC	26,126 SF	\$16,125,000* \$617.00 PSF	1411787 BC Ltd. Ocean Park Enterprises Ltd.	Multi-Tenant
5491 Parkwood Way Richmond, BC	19,400 SF	\$24,000,000* \$1,237.00 PSF	Go Auto Automax	Single-Tenant
1316 Commercial Drive Vancouver, BC	11,584 SF	\$6,600,000* \$570.00 PSF	FCCZ Investment, Inc. Celador Enterprises Ltd.	Multi-Tenant

*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
425 West 6th Avenue Vancouver, BC	43,000 SF	Cressey Development Group	Altea Active	Fitness
19860 Langley Bypass Langley, BC	15,966 SF	Wesgroup	Rooms + Spaces	Furniture
701 West Georgia Street Vancouver, BC	5,400 SF	Cadillac Fairview	Alo Yoga	Athletic Wear



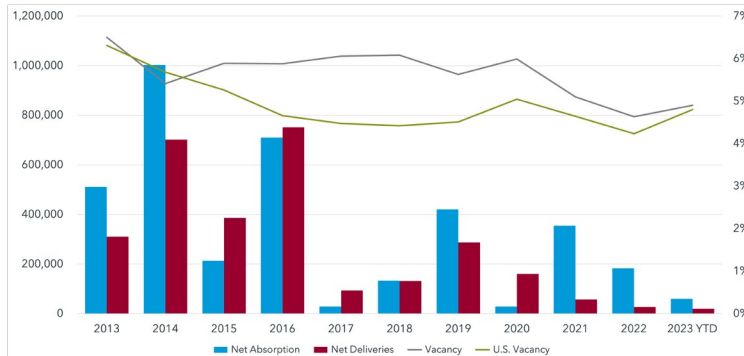
RETAIL MARKET OVERVIEW

AMANDA BROCK, *Vice President - Retail Properties*

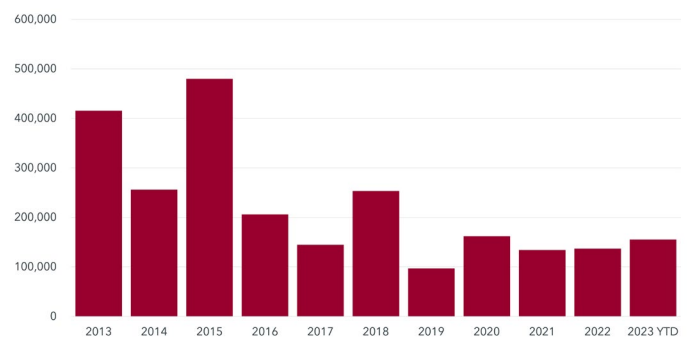
Vacancy in the Bakersfield retail market is 4.9%, which is essentially the same level it was a year ago. Vacancy has only risen 0.1% during this time. During this period, there has been 38,000 square feet of negative absorption, and 6,300 square feet has been delivered. Rents are \$19.10 PSF, which is a 3.7% increase YOY. About 160,000 square feet is under construction, representing a minor 0.5% expansion. There have been 107 sales in the past 12 months. The estimated value for the market as a whole is \$213 PSF. In the past year, the number of jobs has increased 2.5% whereas the population has decreased 0.4%.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(38,200)	(141,882)	18,315	27,218	(18,069)
▼ Vacancy Rate	4.90%	5.05%	4.63%	4.69%	4.79%
▲ Avg NNN Asking Rate PSF	\$19.08	\$18.72	\$18.48	\$18.48	\$18.36
▼ SF Under Construction	155,382	156,334	137,071	141,216	117,511
▲ Inventory SF	33,739,059	33,686,169	33,686,169	33,689,024	33,694,250

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
7777 Rosedale Highway Bakersfield, CA	3,200 SF	\$2,450,000 \$258.85 PSF	7777 Rosedale Hwy LLC C. John Houchin Family Trust	Single-Tenant
2617 Haley Street Bakersfield, CA	3,200 SF	\$2,000,000 \$625.00 PSF	Tacos El Superior Holdings Farmer Boys	Single-Tenant
544 California Avenue Bakersfield, CA	3,000 SF	\$2,300,000 \$766.67 PSF	Esperanza Morroquin Mike Ledbetter	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
716 19th Street Bakersfield, CA	6,500 SF	Saguaro Investors LLC	TBD	Restaurant
11108 Brimhall Road Bakersfield, CA	4,995 SF	KIG Enterprises LLC	Apex Industrial Supply	Cleaning Supplies
7701 White Lane Bakersfield, CA	4,057 SF	Carosella Properties	White Lane Laundry	Laundry



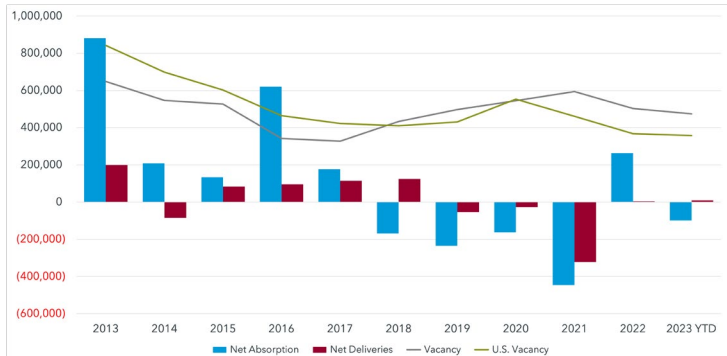
RETAIL MARKET OVERVIEW

TREVOR GLEASON, *Senior Associate*

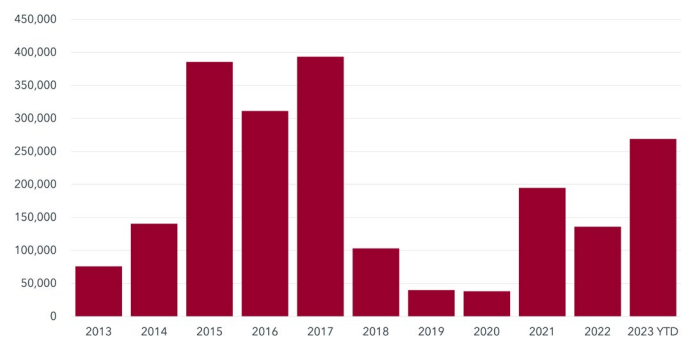
The San Gabriel Valley retail market experienced steady growth and stability in rental rates. The average asking rent for retail spaces in prime locations remained relatively consistent. It seems that consumer confidence is increasing as retailers showed a strong interest in opening new stores or expanding their existing presence in the region during this second quarter. Investors have been active in the second quarter as well, with their adaptive reuse of retail spaces contributing to the revitalization of the market.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(121,301)	18,347	(120,694)	210,694	179,951
▲ Vacancy Rate	4.8%	4.6%	4.8%	4.6%	4.9%
▼ Avg NNN Asking Rate PSF	\$25.92	\$25.94	\$25.57	\$24.81	\$24.36
▲ SF Under Construction	268,875	264,320	135,907	135,907	166,497
▲ Inventory SF	65,811,531	65,019,208	65,163,208	65,163,208	65,138,838

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1410-1432 S. Azusa Avenue West Covina, CA	116,709 SF	\$37,500,000 \$321.31 PSF	Property Ventures of Marin, Inc. Lee Family Trust	Multi-Tenant
821 E. Central Avenue Monrovia, CA	21,630 SF	\$12,650,000 \$584.84 PSF	Open Road Capital Hgreg Nissan Kendall	Single-Tenant
550 S. Grand Avenue Glendora, CA	14,392 SF	\$7,042,000 \$489.30 PSF	1979 Ehrlich Investment Trust Walgreens Co.	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
500-660 W. Huntington Drive Monrovia, CA	30,000 SF	Huntington Oaks Delaware Partners LLC	Crunch Fitness	Fitness
550 S. Grand Avenue Glendora, CA	14,392 SF	1979 Ehrlich Investment Trust	Walgreens	Drug Store
1201-1325 S. Baldwin Avenue Arcadia, CA	12,500 SF	Bin Fen Cheng	Undisclosed	Undisclosed



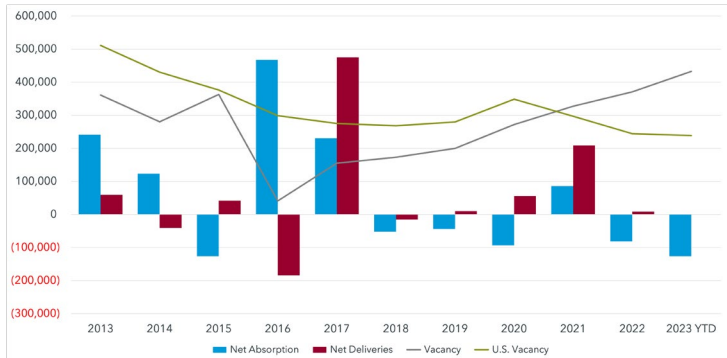
RETAIL MARKET OVERVIEW

JODI SHOEMAKE, *Founding Principal*

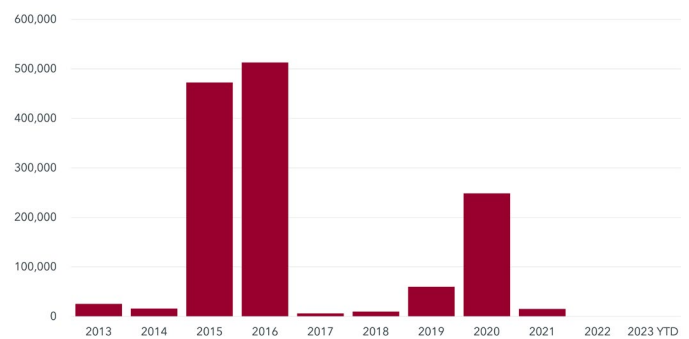
Average retail rents and vacancy rates in the Tri-Cities of Los Angeles decreased slightly in the second quarter of 2023. Net absorption posted positive numbers for the first time in five quarters indicating retail deal flow continues to outperform other property types. The core downtown business districts of Pasadena, Burbank, and Glendale continue to attract new restaurants and fresh retail concepts to the area.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	26,533	(168,447)	(73,087)	(80,108)	(419)
▼ Vacancy Rate	5.7%	5.9%	5.2%	4.9%	4.6%
▼ Avg NNN Asking Rate PSF	\$34.80	\$35.44	\$35.58	\$40.35	\$38.75
◀ ▶ SF Under Construction	-	-	-	-	-
◀ ▶ Inventory SF	26,383,593	26,383,593	26,383,593	26,383,593	26,383,593

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
865 E. Colorado Boulevard Pasadena, CA	10,039 SF	\$7,100,000 \$707.24 PSF	Golden Hare LLC KSO Pasadena LLC	Single-Tenant
820 N. Central Avenue Glendale, CA	35,155 SF (Land)	\$12,240,000 \$339.00 PSF	Valeriy Karakenyan Family Trust Martin N. Burton	MF Residential Development
2424 Huntington Drive San Marino, CA	6,139 SF	\$5,000,000 \$814.46 PSF	Seven Color Management Grp LLC Culture Escrow, Inc.	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
35 N. De Lacey Avenue Pasadena, CA	38,000 SF	St John Land Company, Inc.	Arhaus	Home Furnishings
120-130 N. Glendale Avenue Glendale, CA	7,460 SF	Home Silk Properties	Candy Land	Childcare
460 S. Arroyo Parkway Pasadena, CA	6,510 SF	The Neman Group	K9 Loft	Dog Daycare



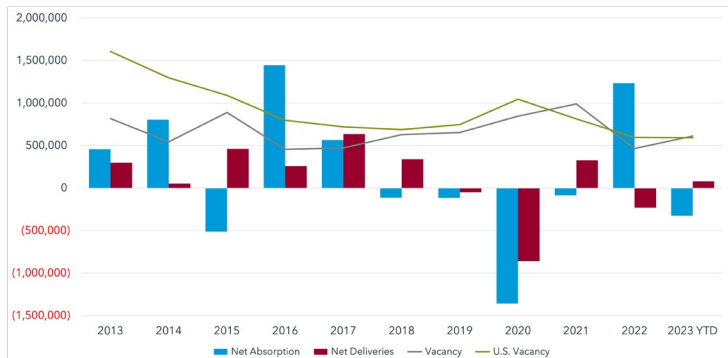
RETAIL MARKET OVERVIEW

ERIK FAUCETT, *Vice President*

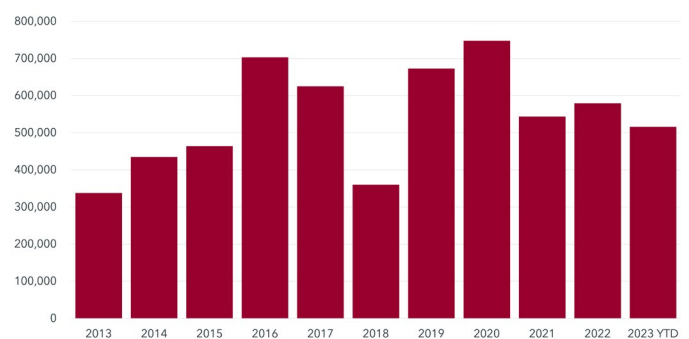
The general consensus is that the San Diego retail market is in one of its strongest positions in years. The spread between availability and vacancy rates are the lowest level in more than ten years. While leasing activity has slowed, that is more a function of less space than of less interest. The lack of new construction has also played a role in moderating demand. Deal flow and investment volume have slowed due to the rise in interest rates and buyers are being more selective.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	103,262	581,220	1,234,607	1,145,413	1,401,963
◀▶ Vacancy Rate	4.2%	4.2%	3.9%	4.2%	4.3%
▲ Avg NNN Asking Rate PSF	\$2.87	\$2.82	\$2.77	\$2.74	\$2.73
▼ SF Under Construction	515,989	540,545	579,262	541,775	565,266
▲ Inventory SF	138,765,556	138,727,379	138,679,353	138,834,535	138,826,783

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1300-1330 Orange Avenue Coronado, CA	41,949 SF	\$40,000,000 \$953.00 PSF	Park 1 Paragon Real Estate	Multi-Tenant
300 El Cajon Boulevard El Cajon, CA	35,200 SF	\$21,200,000 \$602.00 PSF	KB Home City Ventures	Single-Tenant
635 Oxford Street Chula Vista, CA	30,480 SF	\$3,512,500 \$115.00 PSF	Allan Ziman Ronnie Maman	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Civita Blvd and Qualcomm Way San Diego, CA	25,000 SF	Sudberry Properties	Jimbo's Naturally	Grocer
10511-10543 4S Commons Way San Diego, CA	6,080 SF	Regency Centers	Kahoot's	Pet Supply
4664 Clairemont Mesa Boulevard San Diego, CA	5,984 SF	Ashmore Dental Three	Dental Express	Dentist



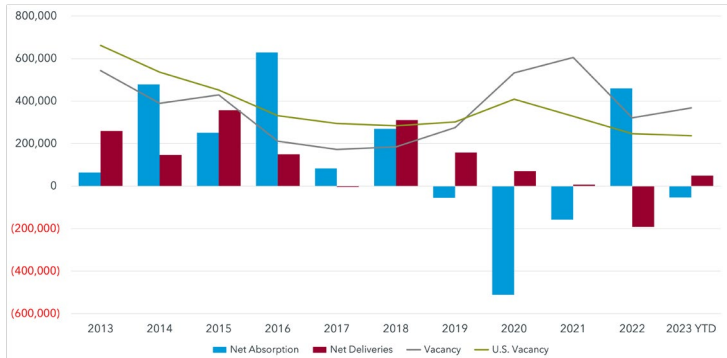
RETAIL MARKET OVERVIEW

JAMES PIERI, JR, *Senior Vice President, Broker and Principal*

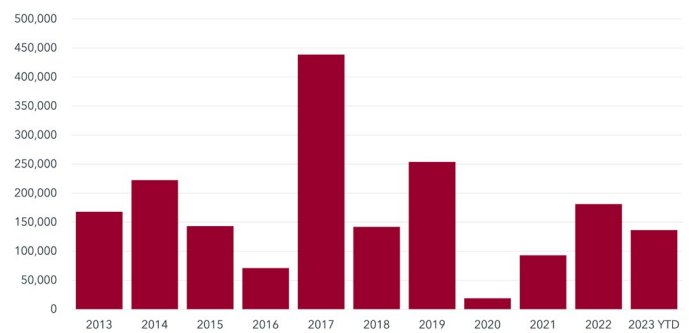
The North San Diego County retail trade areas (Oceanside, Carlsbad, Encinitas, Solana Beach, Del Mar, Vista, San Marcos, Escondido, Rancho Bernardo) continue to remain stable through Q2, 2023. Retail vacancy is down approximately 0.02% from Q1, 2023 and vacancy continues to hover at approximately 4.9%. In the same time period, NSDC retail rental rates have increased by approximately 5.6% for a market average of approximately \$2.98 PSF plus NNN's. This trend continues to hover above the national average of approximately 3.7% growth over the past twelve months. Purchase and sale volumes have continued to decrease since the middle of 2022, due to increased interest rates, low supply to the market, and the uncertainty of the market.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(34,600)	217,617	460,103	429,729	521,937
▼ Vacancy Rate	4.93%	4.97%	4.61%	4.83%	5.07%
▲ Avg NNN Asking Rate PSF	\$28.08	\$26.40	\$26.16	\$25.56	\$25.20
▼ SF Under Construction	142,109	144,759	181,221	152,516	156,157
▲ Inventory SF	2,356,525	2,220,619	2,119,971	2,077,879	2,252,292

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1210-1276 Auto Park Way Escondido, CA	163,409 SF	\$30,500,000 \$459.26 PSF	Federal Realty Investment Trust Spark Development Partners LLC	Multi-Tenant
890 Palomar Airport Road Carlsbad, CA	27,505 SF	\$3,400,000 \$123.61 PSF	Excel Carlsbad LLC Washington Capital Management	Multi-Tenant
5613 Paseo Del Norte Carlsbad, CA	10,470 SF	\$7,500,000 \$716.33 PSF	K Ishii Manhattan Ave LLC Strategic Property Advisors	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1060 Auto Center Way Carlsbad, CA	65,400 SF	AutoNation	BMW	New Car Dealers
2445 Vista Way Oceanside, CA	16,566 SF	Oceanside America LLC	Lazy Boy	Furniture
307 N. Coast Highway Oceanside, CA	8,685 SF	JCT Properties LLC	Retail Center	Restaurant



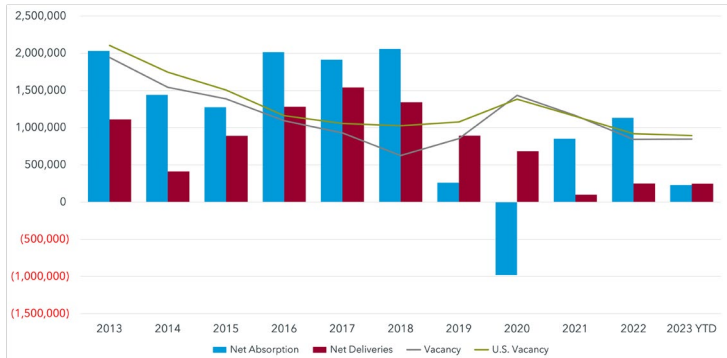
RETAIL MARKET OVERVIEW

JEFF HALLBERG, *Principal*

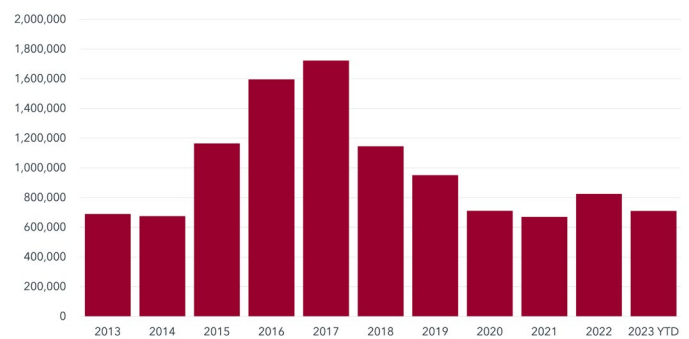
Retail spending has remained strong through the first half of 2023 which should help prevent a potential slowdown for the 2nd half of the year. Limited new development projects have driven rents higher as demand across all product types remains strong. Rising interest rates, inflation, and consumer debt look to present challenges to local retailers in the coming months.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	1,183,365	1,434,658	1,133,179	953,048	1,041,315
▲ Vacancy Rate	4.1%	4.0%	4.1%	4.5%	4.6%
▼ Avg NNN Asking Rate PSF	\$24.88	\$25.12	\$25.00	\$24.80	\$24.57
▼ SF Under Construction	705,801	748,020	825,616	903,131	825,249
▲ Inventory SF	159,809,181	159,745,637	159,560,716	159,433,615	159,332,597

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1400 E. 104th Street Thorntoon, CO	193,730 SF	\$16,500,000 \$85.17 PSF	Pinnacle Realty Services Seritage Growth Properties	Single-Tenant
4254 E. 8th Place Denver, CO	44,000 SF	\$1,452,500 \$33.01 PSF	David Ramsden Wood & Tara Ramsden Wood John & Suzanne Simmons	Single-Tenant
295 S. Broadway Denver, CO	29,181 SF	\$4,700,000 \$161.06 PSF	Rebecca Tekle Astro Automotive	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
8585 S. Yosemite Street Lone Tree, CO	70,000 SF	AVG Partners	At Home	Home Accessories
7150 Leetsdale Drive Denver, CO	39,079 SF	Legacy Capital Partners	American Ninja Warrior Adventure Park	Arts, Entertainment, and Recreation
8555 W. Belleview Avenue Littleton, CO	28,000 SF	Loja Group	Sprouts Farmers Market	Groceries



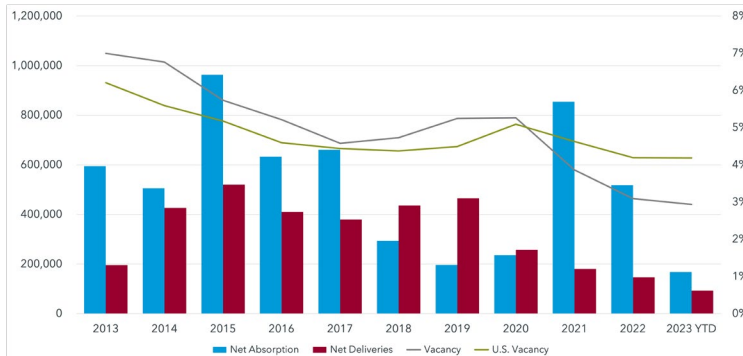
RETAIL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

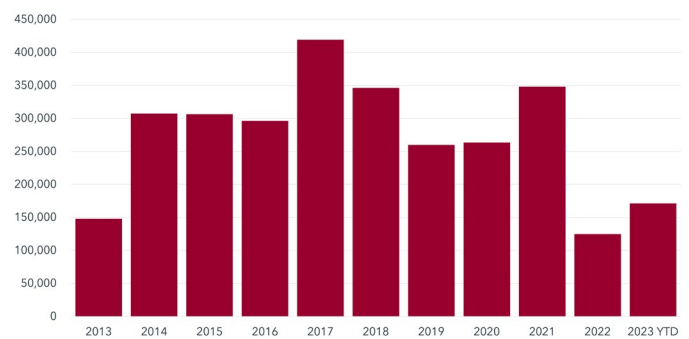
The retail market in Fort Myers had another solid quarter with positive absorption and solid demand. Leasing activity was substantial at mid-year with some of the largest leases transacted in the Cape Coral submarket of Lee County. Overall NNN asking rent remained relatively unchanged, as well as vacancy rates. The development pipeline is solid with significant square footage expected to deliver in the next few quarters. Much of the new retail product will be seen in the south Fort Myers and Estero submarkets.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	439,655	404,501	518,442	502,407	585,486
▼ Vacancy Rate	3.0%	3.1%	3.1%	3.3%	3.8%
▲ Avg NNN Asking Rate PSF	\$20.56	\$20.36	\$20.13	\$19.90	\$19.64
▼ SF Under Construction	171,258	192,693	124,637	189,532	263,842
▲ Inventory SF	49,025,923	48,992,985	48,932,541	48,866,575	48,959,390

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
42 Mid Cape Terrace Cape Coral, FL	60,467 SF	\$10,460,000 \$173.00 PSF	Bowlero Corporation Del Prado Fec LLC	Single-Tenant
13750 & 13860 N. Cleveland Avenue North Fort Myers, FL	35,110 SF	\$5,000,000 \$142.00 PSF	Candu Investment LLC Courtelis Company	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1013 Cape Coral Parkway E Cape Coral, FL	10,000 SF	National Fitness Clubs of Florida	Hammerhead Gym	Physical Fitness Facility
1780-1850 NE Pine Island Road Cape Coral, FL	7,068 SF	Schottenstein Property Group	Direct Flooring	Floor Covering Retailer
13401 Summerlin Road Fort Myers, FL	6,527 SF	Real Sub LLC	Mr. Tequila	Mexican Restaurant



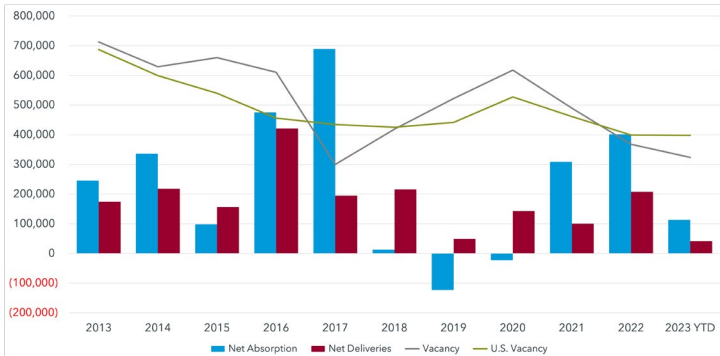
RETAIL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

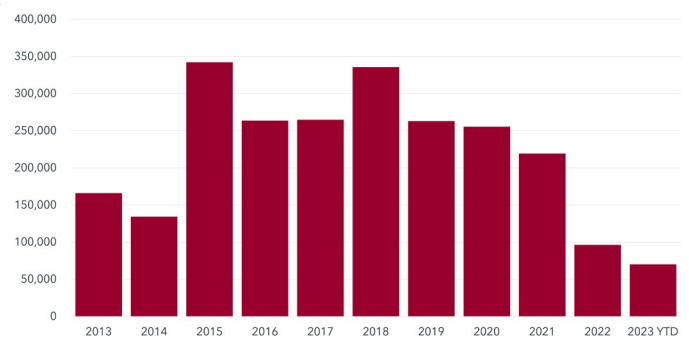
Collier County ended Q2 2023 with another consecutive quarter of positive absorption. Demand for retail was solid with steady leasing velocity at mid-year. Despite some giveback in space with store closures such as Bed Bath & Beyond, the effect on overall vacancy and rent was moderate. Average NNN rents increased 5.2% year-over-year to \$24.41 per square foot for shopping center retail. Some of the most stable centers were strip centers, community, and neighborhood centers where net absorption was positive across the board.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	144,517	126,866	401,700	452,264	491,940
◀▶ Vacancy Rate	3.7%	3.7%	4.0%	3.9%	4.0%
▲ Avg NNN Asking Rate PSF	\$27.62	\$27.35	\$27.01	\$26.68	\$26.33
▼ SF Under Construction	70,199	88,928	96,310	104,510	98,150
▲ Inventory SF	24,009,532	23,975,704	23,968,322	23,960,122	23,952,132

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
7740-7750 Preserve Lane Naples, FL	26,872 SF	\$6,600,000 \$246.00 PSF	VW Preserve Lane LLC Pacifica Companies	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2302-2482 Immokalee Road Naples, FL	7,000 SF	Columbo Builders Supply	Undisclosed	Unknown
2302-2482 Immokalee Road Naples, FL	5,500 SF	Columbo Builders Supply	Undisclosed	Unknown
7273 Vanderbilt Beach Road Naples, FL	4,128 SF	Meadowcreek Mobile Park Inc.	Undisclosed	Unknown



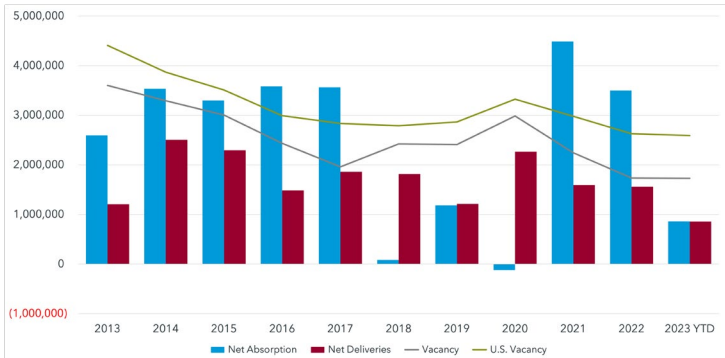
RETAIL MARKET OVERVIEW

TODD COHEN, *Principal*

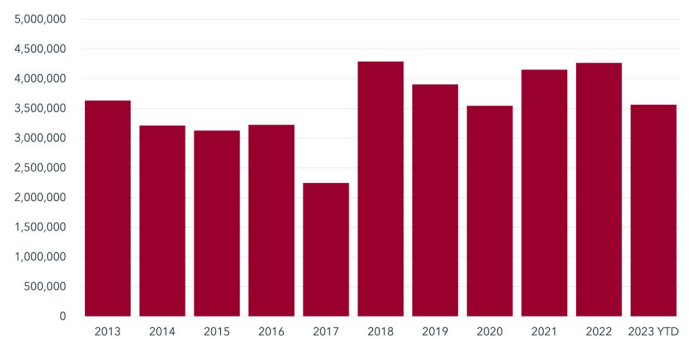
The South Florida retail market remains robust, especially compared to national retail trends, with rents continuing to rise over the last several quarters. New construction projects have delivered nearly 2 million SF of new space yearover-year, and an additional 3.5 million SF are currently under construction. Absorption has been slowing slightly, but vacancy rates have stabilized at an incredibly low average of 3% over the entire tri-county region. Fitness centers, restaurants, salons, and other service-oriented tenants immune to online/internet threats are leading the way. South Florida retail properties are desired by investors all over the world as is evidenced by continued strong sales momentum despite a challenging capital markets environment.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	2,654,777	2,722,004	3,499,499	3,426,615	4,351,720
◀▶ Vacancy Rate	3.0%	3.0%	3.1%	3.2%	3.3%
▲ Avg NNN Asking Rate PSF	\$36.24	\$36.03	\$35.50	\$34.54	\$33.86
▼ SF Under Construction	3,553,998	4,020,125	4,268,279	4,675,535	4,542,612
▲ Inventory SF	338,352,494	337,801,147	337,493,211	336,769,749	336,488,286

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1625 W. 49th Street Hialeah, FL	153,596 SF	\$17,000,000 \$110.68 PSF	Codina Partners Seritage Growth Properties	Multi-Tenant
5201-5401 W. Sample Road Coconut Creek, FL	61,005 SF	\$42,000,000 \$688.47 PSF	Morgan Auto Group Alfred E. Hendrickson, Jr.	Multi-Tenant
2301 W. Sample Road Pompano Beach, FL	28,180 SF	\$8,506,900 \$301.88 PSF	Jorge Leopoldo Acevedo Savitar Properties, Inc.	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9919 W. Oakland Park Boulevard Sunrise, FL	53,024 SF	J Porru Green	Crunch Fitness	Health Clubs
8700 NW 36th Avenue Miami, FL	38,000 SF	Terra Group	UFC Gym	Health Clubs
1115-1299 S. Federal Highway Pompano Beach, FL	36,000 SF	KPR Centers	Undisclosed	Undisclosed



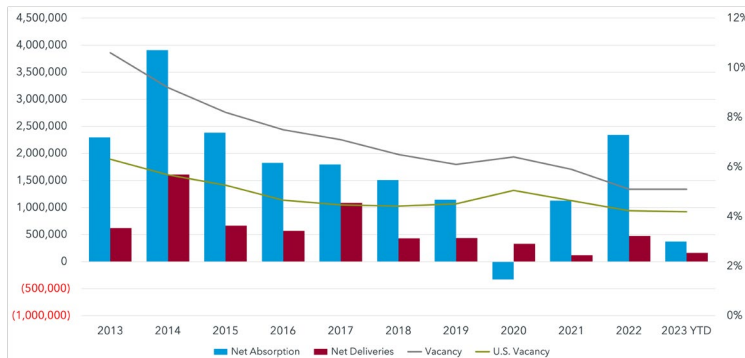
RETAIL MARKET OVERVIEW

DAN WAGNER, *Chief Data Officer*

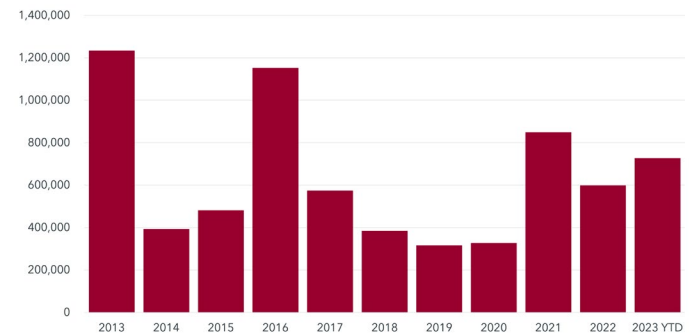
Atlanta's retail market activity slowed in Q2, but remained positive overall. Net absorption topped 45,000 SF, the lowest level of demand in nearly two years. The region's robust economy, positive move-in activity and shortage of large-scale speculative supply, is placing downward pressure on vacancy, which remains historically low at 5.1%. Less than 900,000 SF of new space has delivered over the last eighteen months, and currently less than 730,000 SF is under construction. With more employees returning to workplaces, additional foot traffic is expected to support restaurant and retail demand in population centers in and around Atlanta. Average retail asking rents have risen 7.1% year-over-year, standing at \$17.90 PSF at the end of Q2.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	1,989,472	1,824,662	2,341,341	2,072,144	2,281,741
▼ Vacancy Rate	5.1%	5.3%	5.1%	5.4%	5.6%
▼ Avg NNN Asking Rate PSF	\$17.90	\$18.69	\$18.48	\$18.03	\$17.26
▲ SF Under Construction	727,125	650,187	599,056	491,325	571,325
▲ Inventory SF	208,461,554	208,381,554	208,328,484	208,220,009	207,992,905

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
3600-3628 Marketplace Boulevard* Atlanta, GA	153,285 SF	\$31,042,598 \$202.52 PSF	Octave Holdings and Investments ShopCore Properties	Multi-Tenant
1401 Johnson Ferry Road* Marietta, GA	53,559 SF	\$14,717,340 \$274.79 PSF	Last Mile Investments Crow Holdings	Multi-Tenant
2836 Lavista Road Decatur, GA	45,450 SF	\$10,750,000 \$236.52 PSF	M & P Shopping Centers Stafford Development Company	Multi-Tenant

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3675 Satellite Boulevard Duluth, GA	29,995 SF	Rivercrest Realty Investors	Burlington	Retailer
975-983 Dawsonville Highway Gainesville, GA	26,674 SF	United Corners, Inc.	Planet Fitness	Fitness Center
619 Ponce de Leon Avenue Atlanta, GA	22,487 SF	Jamestown LP	Pottery Barn	Retailer



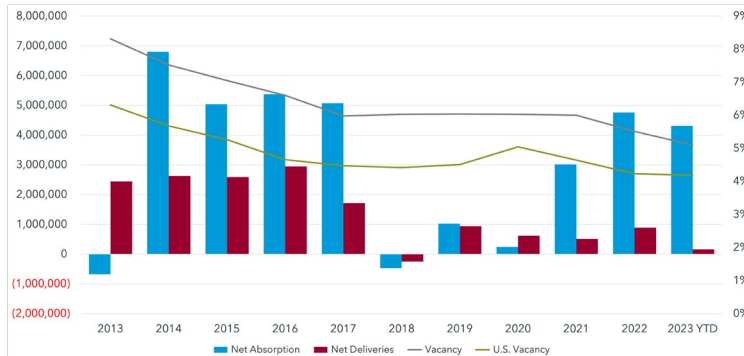
RETAIL MARKET OVERVIEW

DIANA PEREZ, *Director of Research*

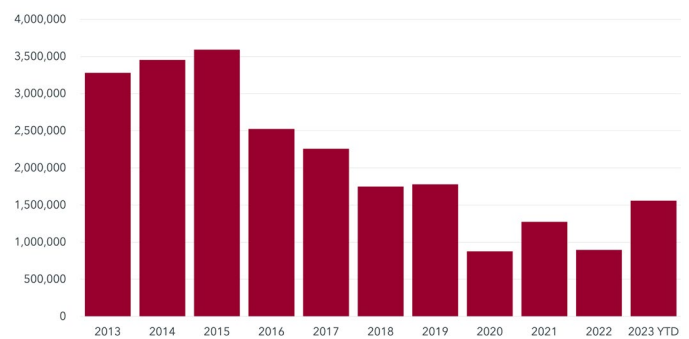
Chicago's retail market is amidst one of its strongest demand formation environments recorded in over 20 years. The most obvious bellwether to the market's health is the overall availability rate of 6.5% - 150 basis points below the Chicago retail market's historical average. By the end of May 2023, regardless of a property's location, rental growth was at least triple the market's historic 0.5% growth rate. Suburban and downtown retail rents are growing at a nice clip during Q2 2023, roughly between 3.2% and 3.7%, while Chicago's urban rents are recording rental growth between 2.6% and 2.9%.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	4,316,186	3,842,304	2,011,024	2,802,618	3,341,684
▼ Vacancy Rate	5.1%	5.3%	5.5%	5.8%	5.8%
▲ Avg NNN Asking Rate PSF	\$21.05	\$20.88	\$18.02	\$17.86	\$17.74
▼ SF Under Construction	1,559,628	2,918,547	897,320	1,259,987	1,313,067
▲ Inventory SF	586,276,688	584,486,216	582,647,663	582,305,048	583,661,167

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
10 Building Portfolio Algonquin, IL	531,937 SF	\$6,400,000 \$12.03 PSF	Ashley Furniture Industries, Inc. Algonquin III LLC	Single-Tenant
400 N. Rand Road Lake Zurich, IL	148,000 SF	\$45,500,000 \$307.43 PSF	Realty Income Corporation Life time	Single-Tenant
720 W. Euclid Avenue Palatine, IL	138,317 SF	\$1,200,000 \$8.68 PSF	GW Properties Heitman	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
420 E. Golf Road Schaumburg, IL	83,000 SF	DRA Advisors	H Mart	Retailer
905-915 Golf Road Schaumburg, IL	70,737 SF	The Necessity Retail REIT, Inc.	Steinhafels	Furniture Store
900 E. Boughton Road Woodridge, IL	68,620 SF	GIC Real Estate	In Stock Furniture USA	Furniture Store



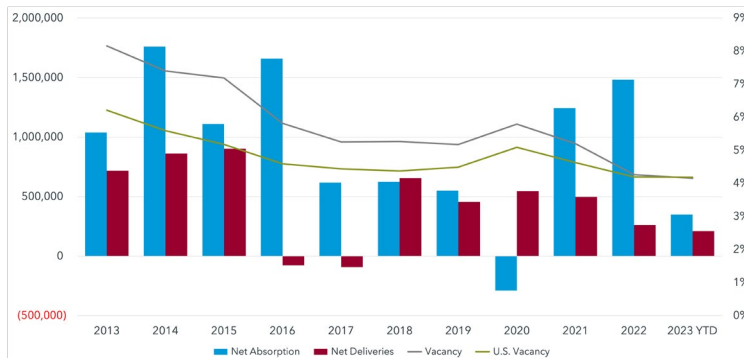
RETAIL MARKET OVERVIEW

HUNTER SEABAUGH, *Senior Associate*

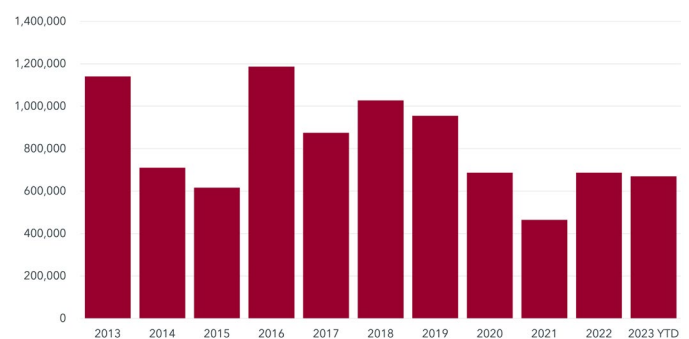
The retail market is shifting as retailers move from strip malls to grocery-anchored and mixed-use developments, attracting more foot traffic and exposure. Leasing for high credit tenants remains favorable, with attractive TI and abatement packages. Second generation restaurant spaces with existing kitchen infrastructure command premium rent due to rising costs and supply chain disruption delays. Land prices and construction pipeline issues stifle new builds. Vacancies in junior and big box spaces are challenging to fill, prompting alternative redevelopment plans such as entertainment or tear-down redevelopments.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	1,037,683	1,185,982	1,482,466	1,678,155	1,729,087
▼ Vacancy Rate	4.1%	4.3%	4.3%	4.4%	4.8%
▲ Avg NNN Asking Rate PSF	\$17.55	\$17.33	\$17.11	\$16.92	\$16.70
▼ SF Under Construction	674,023	724,174	686,726	711,080	613,969
▲ Inventory SF	131,797,656	131,699,212	131,591,955	131,478,561	131,606,266

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
15500 Shawnee Mission Parkway Shawnee, KS	87,434 SF	\$1,995,000 \$22.82 PSF	Slabotsky Family Office Kin LLC (Kohls Corp)	Single-Tenant
601-625 SW 40 Highway Blue Springs, MO	86,328 SF	Undisclosed	Dave Richards Home Building, Inc. Country Club Homes II LLC	Multi-Tenant
1102-1236 Woods Chapel Blue Springs, MO	52,918 SF	\$5,920,000 \$111.87 PSF	Naeem Niamat Axiom Equities	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
15281 W. 119th Street Olathe, KS	33,463 SF	Enterprises Financial Services Corp	Confidential - in Contingency Phase	Undisclosed
3603 Frederick Avenue St. Joseph, MO	13,400 SF	Kenneth Siemens	Freedom Church of St Joseph	Religious
5301 Johnson Drive Mission, KS	12,000 SF	Commercial Ventures	Undisclosed	Undisclosed



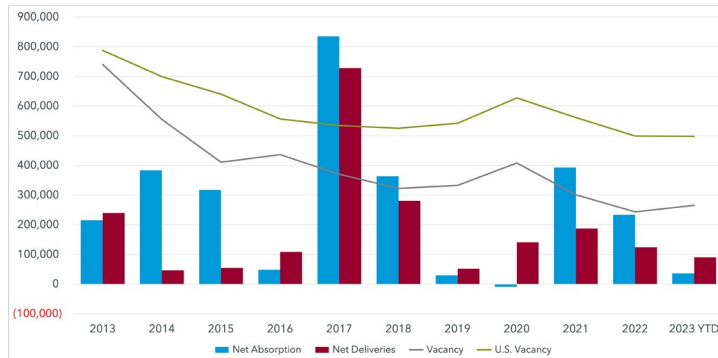
RETAIL MARKET OVERVIEW

CHRISTINA COFFEY, *Vice President*

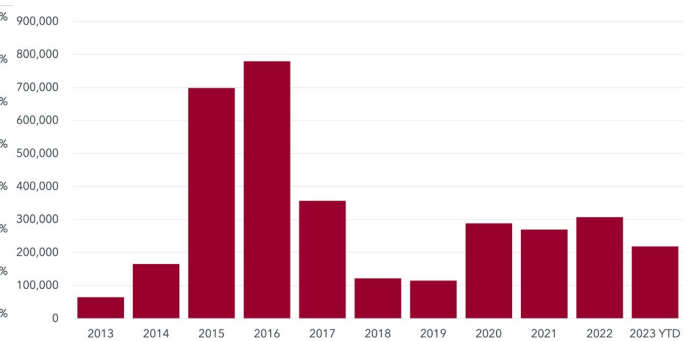
The Triangle retail market continues to remain incredibly strong. Outlook is extremely optimistic as vacancy remains at a record low 2% causing rents to steadily rise. The locations for existing retailer, Bed Bath & Beyond, were quickly taken by retailers Burlington, Michael's, Haverty, Macy's, and Barnes & Noble. Raleigh-Durham ranked #3 in the Best Places to Live in the U.S. by U.S. News & World Report. Notable Tenant openings include Tecovas, Madre Restaurant, East End Bistro, Faherty, Ava Rooftop Bar, Oaklyn Springs Taproom, Jeni's Ice Cream, Midwood Smokehouse, and The Westin Hotel including restaurant, Il Falo. Restoration Hardware closed the quarter opening their first RH Outlet in the Triangle at Parkside Commons close to the future Apple Campus.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	196,411	202,089	233,567	199,436	424,243
▼ Vacancy Rate	2.46%	2.47%	2.40%	2.33%	2.56%
▲ Avg NNN Asking Rate PSF	\$22.75	\$22.53	\$22.27	\$22.01	\$21.72
▼ SF Under Construction	218,203	227,670	306,727	361,926	318,283
▲ Inventory SF	28,011,900	27,998,400	27,921,143	27,870,669	27,839,940

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
101-153 N. Scotswood Boulevard Hillsborough, NC	62,200 SF	\$8,300,000 \$129.28 PSF	Ted M Vick Avison Young	Multi-Tenant
2223 E. NC Highway 54 Durham, NC	24,813 SF	\$4,600,000 \$185.39 PSF	Regents LLC Park Terrace Investments LLC	Multi-Tenant
500 W. Morgan Street Durham, NC	23,206 SF	\$5,320,000 \$229.29 PSF	Austin Lawrence Partners East PNC Financial Services Group, Inc.	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3415-3457 Hillsborough Road Durham, NC	10,287 SF	Heitman	Five Below	Misc General Merchandise Stores
5100-5124 N. Roxboro Road Durham, NC	8,000 SF	Epic Real Estate Partners	Pet Supplies Plus	Pet and Pet Supplies Retailers
1525 Glenn School Road Durham, NC	5,000 SF	WRS, Inc.	Anytime Fitness	Services



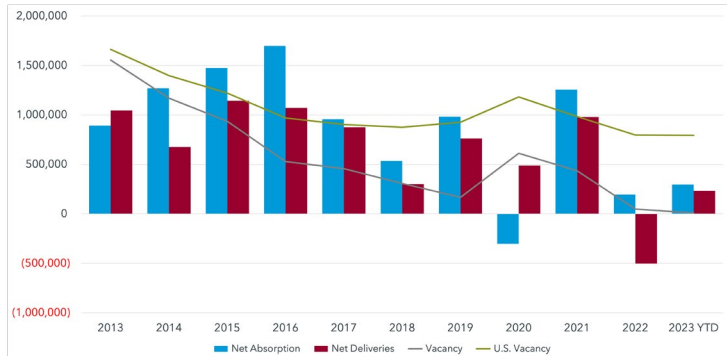
RETAIL MARKET OVERVIEW

CHRISTINA COFFEY, *Vice President*

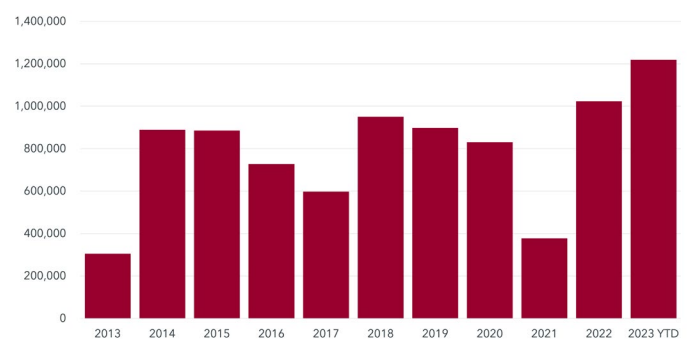
The Triangle retail market continues to remain incredibly strong. Outlook is extremely optimistic as vacancy remains at a record low 2% causing rents to steadily rise. The locations for existing retailer, Bed Bath & Beyond, were quickly taken by retailers Burlington, Michael's, Haverty, Macy's, and Barnes & Noble. Raleigh-Durham ranked #3 in the Best Places to Live in the U.S. by U.S. News & World Report. Notable Tenant openings include Tecovas, Madre Restaurant, East End Bistro, Faherty, Ava Rooftop Bar, Oaklyn Springs Taproom, Jeni's Ice Cream, Midwood Smokehouse, and The Westin Hotel including restaurant, Il Falò. Restoration Hardware closed the quarter opening their first RH Outlet in the Triangle at Parkside Commons close to the future Apple Campus.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	484,561	77,352	195,704	622,179	735,503
▲ Vacancy Rate	2.38%	2.23%	2.45%	2.91%	3.50%
▲ Avg NNN Asking Rate PSF	\$24.76	\$24.28	\$23.88	\$23.66	\$23.44
▼ SF Under Construction	1,218,810	1,304,381	1,023,282	1,011,376	968,319
▲ Inventory SF	75,641,760	75,525,468	75,408,203	75,529,416	76,018,498

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
920-970 High House Road Cary, NC	75,823 SF	\$10,000,000 \$131.87 PSF	Northpond Partners BentallGreenOak	Multi-Tenant
2524 Hillsborough Street Raleigh, NC	22,675 SF	\$4,004,000 \$178.17 PSF	Stockbridge Capital Group LLC Loden Properties	Single-Tenant
3601 Davis Drive Morrisville, NC	14,820 SF	\$6,023,000 \$406.41 PSF	The Morgan Companies Jubilee Management Company LLC	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1060 Parkside Main Street Cary, NC	33,379 SF	Kite Realty Group Trust	Restoration Hardware Outlet	Retailer
2413 Blue Ridge Road Raleigh, NC	31,554 SF	North State Bank	North State Bank	Finance and Insurance
4600-4700 Capital Boulevard Raleigh, NC	26,377 SF	Rivercrest Realty Investors	Best Remodeling Home	Retailer



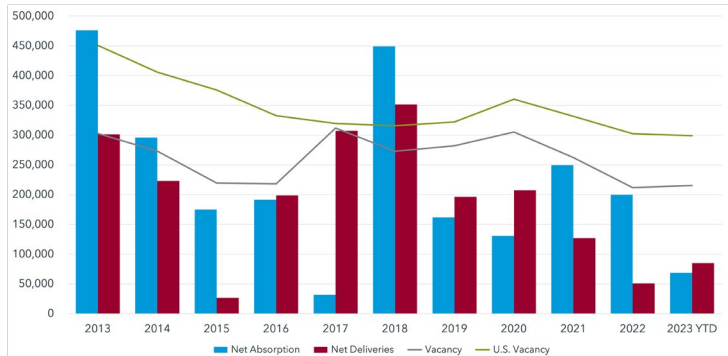
RETAIL MARKET OVERVIEW

GRACE NEWTON, *Vice President*

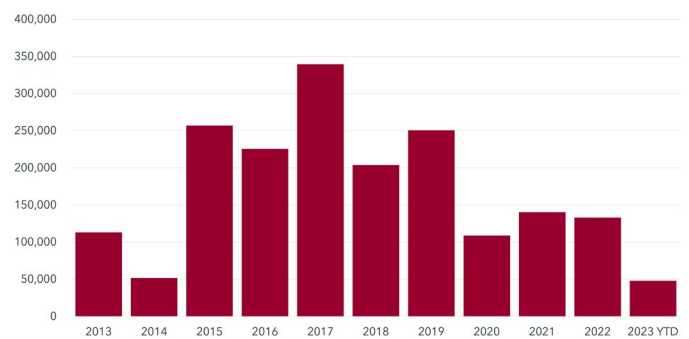
Lincoln's retail market has seen a 2% increase in rents from a year ago. The low vacancy rate, just below 3%, is a driving factor. The amount of retail under construction is at a 10-year low. This leads one to believe rents will continue to rise and vacancy to decrease. With an active leasing market, Lincoln continues to attract national tenants and has seen a rise in entertainment-focused businesses. Prime retail pad sites are competitive and in high demand especially from QSR and car wash users.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	142,175	135,170	199,627	294,006	320,476
▼ Vacancy Rate	2.9%	3.0%	3.0%	3.0%	3.2%
▲ Avg NNN Asking Rate PSF	\$14.15	\$14.03	\$14.03	\$13.97	\$13.87
▼ SF Under Construction	48,000	128,000	133,000	129,759	137,439
▲ Inventory SF	21,426,410	21,346,410	21,341,410	21,351,023	21,343,343

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
4615 Vine Street Lincoln, NE	62,307 SF	\$4,000,000 \$64.20 PSF	Access Group Kelly's Carpet	Single-Tenant
6120 Havelock Avenue Lincoln, NE	8,400 SF	\$630,000 \$75.00 PSF	Riley Holdings Captain B Enterprises	Single-Tenant
701 N. 27th Street Lincoln, NE	6,706 SF	\$1,650,000 \$246.65 PSF	Jet Splash Car Wash Jou & Wendy Stanley	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2600 S. 48th Street Lincoln, NE	12,543 SF	First Management	Shoot 360	Arts, Entertainment, and Recreation
2910 Pine Lake Road Lincoln, NE	5,413 SF	RED Development	J Crew Factory	Apparel
7125 S. 29th Street Lincoln, NE	4,800 SF	Krueger Development	Intermix Dance	Arts, Entertainment, and Recreation



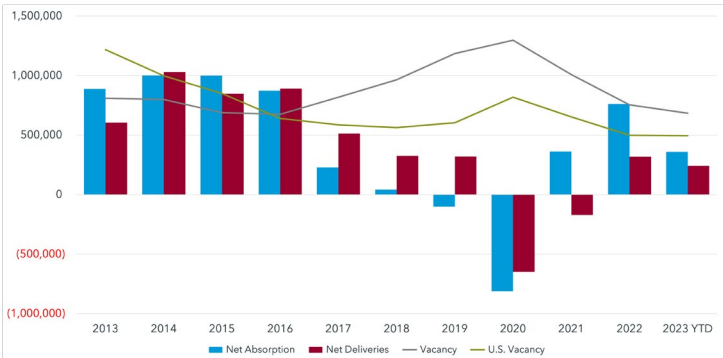
RETAIL MARKET OVERVIEW

JORDAN POTTHOFF, *Senior Associate Broker*

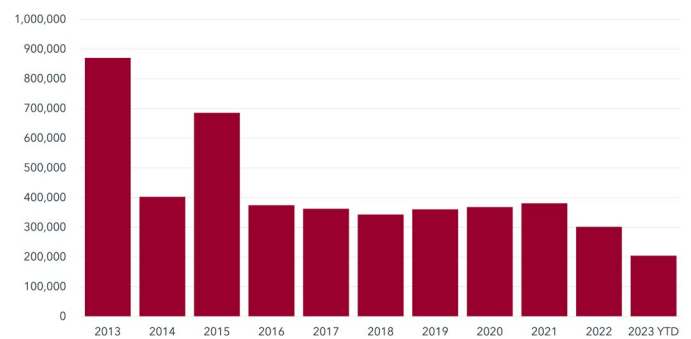
The retail market in Omaha is proving to be busy, despite summer months typically slowing down. Leasing remains active although our vacancy rate is low at 4.78%. Average asking rates continue to rise as the demand for space is high with little product available. Discount retailers are securing some of the last big box spaces remaining in the market. Warehouse/distribution is taking over hard to lease retail space. The 85,000+ SF former grocer in the Millard area was sold to Hy-Vee for them to utilize the space for warehouse and their Aisles Online concept. Hy-Vee continues to modernize their grocery concept and be the anchor retailer in major developments in robust areas of Omaha.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	727,343	598,733	761,994	631,580	475,005
▼ Vacancy Rate	4.8%	4.9%	4.9%	5.0%	5.3%
▲ Avg NNN Asking Rate PSF	\$16.65	\$16.17	\$15.75	\$15.47	\$15.26
▼ SF Under Construction	224,374	353,388	301,588	360,761	456,791
▲ Inventory SF	64,939,405	64,761,732	64,717,302	64,652,002	64,521,891

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
11102 W. Dodge Road Omaha, NE	112,709 SF	\$12,200,000 \$108.24 PSF	Woodhouse Auto Cadillac	Single-Tenant
5710 S. 144th Street Omaha, NE	85,106 SF	\$5,780,000 \$67.92 PSF	Hyvee National Real Estate Management Corp	Single-Tenant
7440 Crown Point Avenue Omaha, NE	52,012 SF	\$750,000 \$14.42 PSF	Great Escape Theatres Abbott Properties	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5710 S. 144th Street Omaha, NE	85,106 SF	Hy-Vee, Inc.	Hyvee Warehouse & Distribution	Grocery/Warehouse
713-721 S. 72nd Street Omaha, NE	25,886 SF	Equity Management Group, Inc.	Ross Dress for Less	Retail
120 Regency Parkway Omaha, NE	7,674 SF	RED Development LLC	J Crew Factory	Retail



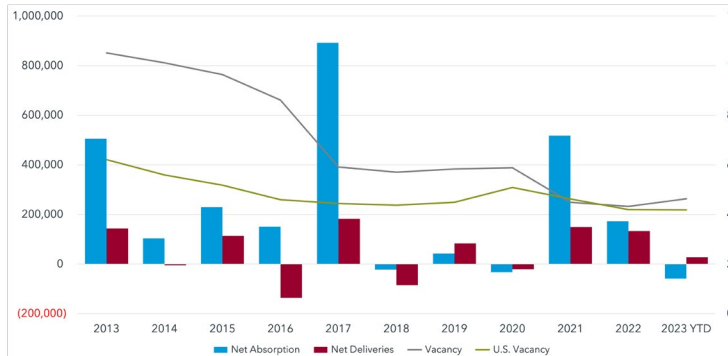
RETAIL MARKET OVERVIEW

LYLE CHAMBERLAIN, CCIM, *President*

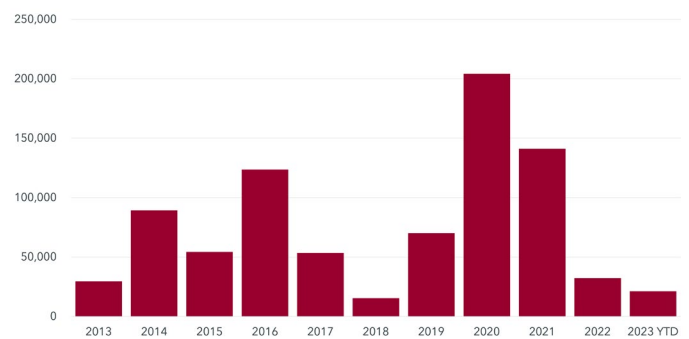
Reno's location, proximate to a multitude of outdoor activities and accessibility to the West Coast, has kept this population in growth mode for the past several years. Retail has not exploded like industrial in the area, but consistent growth, not outpacing population, has kept this market very healthy. Good growth in the housing market and expansion and stability in the jobs market have maintained a sustainable increase in this sector. This should continue as long as the under construction component of the area does not get out of hand.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	301,044	69,998	172,955	249,781	97,164
▲ Vacancy Rate	4.6%	4.5%	4.3%	4.7%	5.5%
▲ Avg NNN Asking Rate PSF	\$21.63	\$21.31	\$20.95	\$20.81	\$20.63
▲ SF Under Construction	21,191	20,292	32,292	44,976	51,913
▲ Inventory SF	27,215,170	27,199,878	27,187,878	27,175,194	27,156,257

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
5400 Meadowood Mall Circle Reno, NV	156,929 SF	\$7,600,000 \$48.43 PSF	Ethan Conrad Properties Seritage Growth Properties	Single-Tenant
890 Gentry Reno, NV	11,915 SF	\$1,100,000 \$92.32 PSF	Marmot Properties Troy Zimmerman	Single-Tenant
175 E. Greg Sparks, NV	7,384 SF	\$3,500,000 \$474.00 PSF	Gloria Vincent Trust DBL G Holdings	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2125-2285 Oddie Boulevard Sparks, NV	30,386 SF	CIRE Partners	Hanks Farmer's Market	Grocery
550-670 N. McCarran Sparks, NV	25,128 SF	Albenese Cormier Holdings	Undisclosed	Undisclosed
50 S. Virginia Reno, NV	9,691 SF	Dacole-Breitling	The Paloma	Furniture



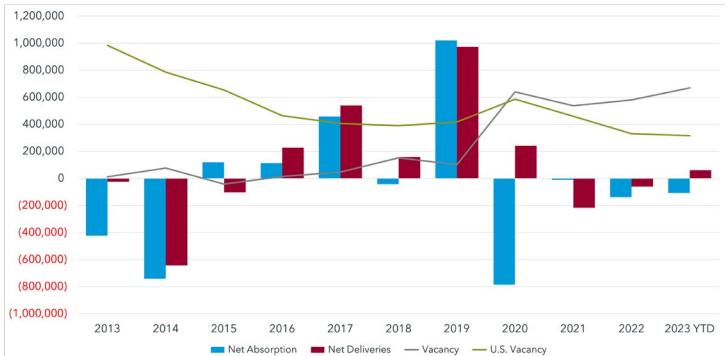
RETAIL MARKET OVERVIEW

SARAH ORCUTT, *Director of Research*

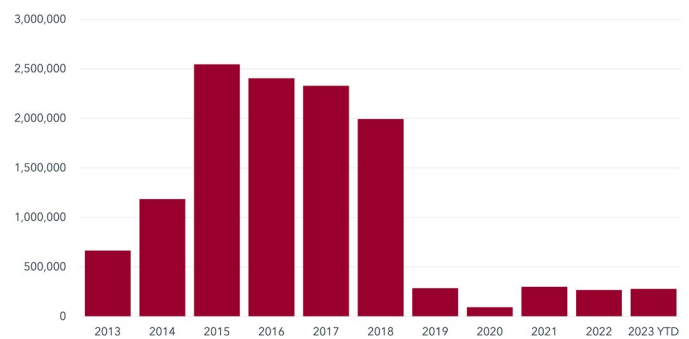
Leasing activity in Manhattan's retail market increased to 353,852 square feet during Q2 2023, up 19.3% from Q1 2023. After spiking up last quarter, vacancy marginally contracted to 5.3% this quarter, though remains elevated from pre-pandemic lows. The largest transaction was signed by Life Time Fitness for 53,000 square feet at 1 Penn Plaza. Market rents have remained relatively stable over the last five quarters, ending Q2 2023 at \$133.60 PSF. The city continues to see signs of recovery, with subway ridership and Broadway attendance at 70% and 90% of pre-pandemic levels respectively.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(157,895)	(200,093)	(137,924)	131,056	96,234
▼ Vacancy Rate	5.3%	5.4%	5.0%	4.7%	4.9%
▼ Avg NNN Asking Rate PSF	\$133.60	\$133.75	\$134.05	\$133.83	\$133.20
▼ SF Under Construction	278,000	282,100	267,169	267,169	270,153
▲ Inventory SF	60,016,691	60,012,591	59,956,072	59,956,072	59,958,100

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
534 West 28th Street New York, NY	31,106 SF	\$34,500,000 \$1,109.11 PSF	Silvera Properties Extell Development Company	Single-Tenant
453 West 17th Street New York, NY	22,500 SF	\$17,500,000 \$777.78 PSF	Network Capital The N.E.W. Corp/Robert Wainland	Multi-Tenant
230 West 72nd Street New York, NY	11,371 SF	\$7,500,000 \$659.57 PSF	Peak Capital Advisors Stemar Group LLC/Niederma Fam Trust	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1 Penn Plaza New York, NY	53,000 SF	Vornado Realty Trust	Life Time	Fitness
2220 Broadway New York, NY	30,000 SF	Saul Zabar	PC Richard & Sons	Electronics / Appliances
335 Eighth Avenue New York, NY	27,779 SF	Mutual Redevelopment Houses, Inc.	Lidl US	Grocery Store



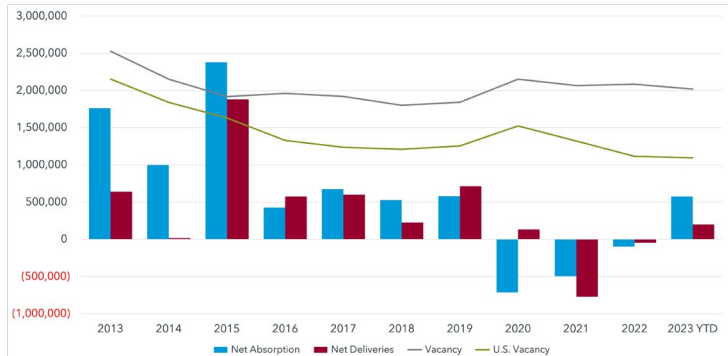
RETAIL MARKET OVERVIEW

MOLLY HOFFMAN, Associate

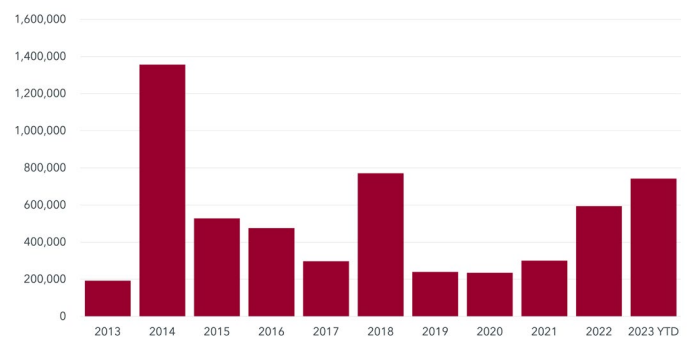
The retail vacancy rate in Cincinnati sits below the national average at 6.03% driving a landlord market where supply is limited and rents are on the rise. The high costs of construction and capital has limited the amount of retail space currently underway in the region which will likely keep the market in landlords' favor. There is a respectable amount of activity in the home goods, home improvement, and discount/dollar stores, but inflation and a more cautious consumer has narrowed profit margins for many business operators which could lead to an uptick in store closures. Overall, the market is trending in a positive direction with accelerating rent growth and increased demand.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	581,827	214,034	(97,673)	(331,879)	(239,126)
▼ Vacancy Rate	6.03%	6.10%	6.17%	6.48%	6.32%
▲ Avg NNN Asking Rate PSF	\$15.22	\$14.69	\$14.37	\$14.20	\$14.08
▲ SF Under Construction	742,555	593,298	594,388	572,577	315,869
▲ Inventory SF	133,744,511	133,672,420	133,545,059	133,536,171	133,544,504

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
11711 W. Princeton Pike Road Springdale, OH	136,382 SF	\$14,162,256 \$103.84 PSF	United Properties Corporation ACF Property Management, Inc.	Multi-Tenant
4100-4138 Hunt Road Blue Ash, OH	105,215 SF	\$8,800,000 \$83.64 PSF	T.L.M. Realty Corporation Gershenson Realty & Investments	Multi-Tenant
4727-4785 Dixie Highway Fairfield, OH	86,381 SF	\$526,963 \$6.10 PSF	John J. Andrews Sally Lambert	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3762-3870 Paxton Avenue Cincinnati, OH	69,592 SF	Regency Centers Corporation	Kohl's	Retailer
1952-1960 N. Bend Road Hebron, KY	22,527 SF	Commonwealth Of KY	D-BAT Baseball and Softball Academy	Services
5030-5096 Glencrossing Way Cincinnati, OH	15,620 SF	Woodcrest Capital LLC	Spirit of Halloween	Retailer



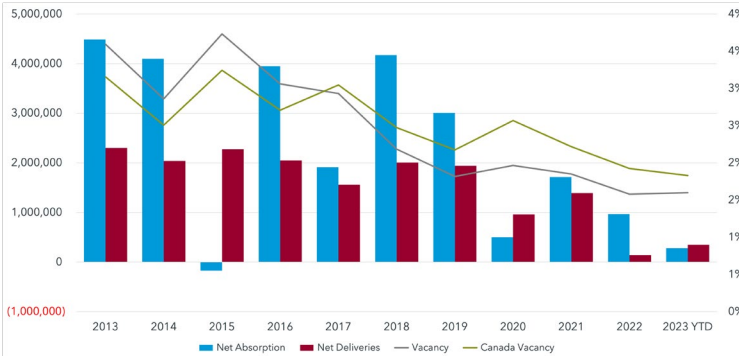
RETAIL MARKET OVERVIEW

LUIS ALMEIDA, SIOR, *Executive Vice President, Partner*

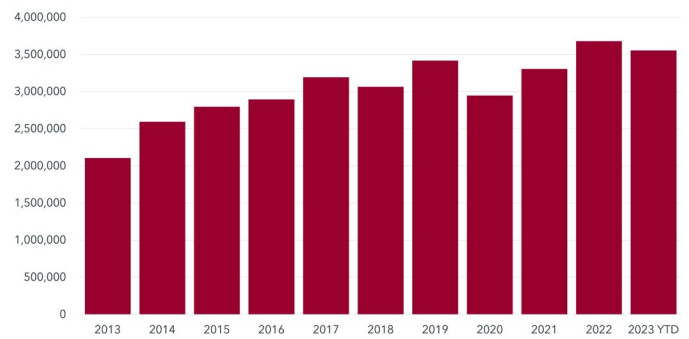
Toronto's retail vacancies continued to remain around 1.6% in Q2 2023. In response to high inflation, the popularity of percentage rent agreements has increased, allowing both landlords and tenants to benefit from any increase in sales. As the economy continues to recover in the post-pandemic era, retail sales are expected to further increase, driving rental rates upward. Despite the Bank of Canada's efforts at quantitative tightening, the job market in Toronto remained robust, fueling consumer spending. As a result, leasing volumes are currently centered around retail centres with essential retail tenants such as banks, grocery stores, and pharmacies. Additionally, luxury storefronts have recently demonstrated strong performances, contributing to the demand for spaces within retail centres.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	582,385	1,136,758	968,011	844,235	2,130,824
◀▶ Vacancy Rate	1.6%	1.6%	1.6%	1.7%	1.7%
▲ Avg NNN Asking Rate PSF	\$34.74	\$34.40	\$34.17	\$33.84	\$33.40
▲ SF Under Construction	3,553,482	3,510,300	3,679,651	3,772,656	3,529,609
▲ Inventory SF	303,366,543	303,296,352	303,016,800	303,099,370	303,001,224

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
126 Wellington Street W Aurora, ON	51,673 SF	\$15,950,000* \$308.67 PSF	Liisa Yazdani Harry Rotenberg Real Estate	Multi-Tenant
5328 Highway 7 Markham, ON	26,539 SF	\$26,500,000* \$998.53 PSF	Realtrium Holdings, Inc. Frank Shahidi	Multi-Tenant
76-94 Lakeshore Road W Oakville, ON	25,272 SF	\$1,360,000* \$53.81 PSF	Undisclosed Undisclosed	Multi-Tenant

*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
909 Lake Shore Boulevard W Toronto, ON	65,000 SF	Ministry of Government and Consumer Services	Therme Spa	Health and Wellness
225 High Tech Road Richmond Hill, ON	31,756 SF	Metrus Properties	rooms + spaces	Home Furniture
1455-1457 McCowan Road Toronto, ON	28,676 SF	Desjardins Insurance	Si Vous Play Sports	Athletic Apparel



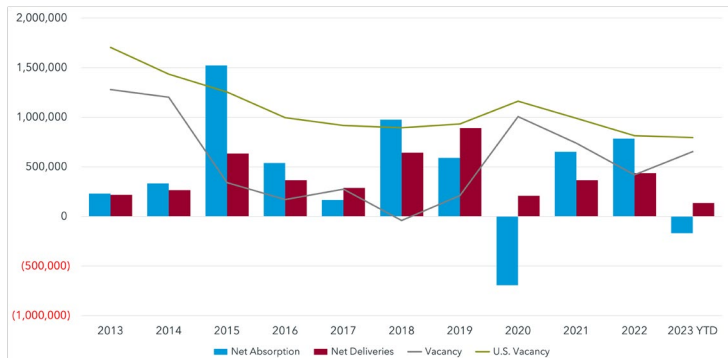
RETAIL MARKET OVERVIEW

JAMES BAKKER, *Senior Associate*

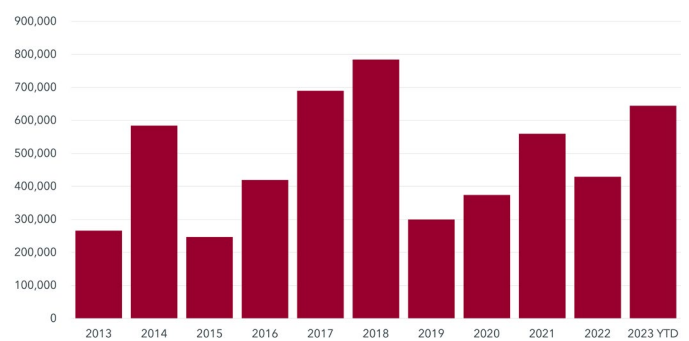
The retail market continues to remain strong with well-located retail centers and properties reporting very little vacancy. Retail investments sales continue to remain slow due to a significant cap rate gap between buyers and sellers. This strong market condition reflects the attractiveness of the region to businesses and consumers alike. However, despite the overall strength of the retail sector, retail investment sales have been experiencing a sluggish pace. This can be attributed to a notable cap rate gap that exists between potential buyers and sellers. Nonetheless, the market's underlying strength and low vacancy rates in well-located retail properties keep Charleston desirable to retailers and investors.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	408,537	686,973	800,773	783,988	800,269
▲ Vacancy Rate	3.9%	3.6%	3.3%	3.5%	3.7%
▼ Avg NNN Asking Rate PSF	\$27.34	\$23.47	\$23.31	\$23.05	\$22.77
▼ SF Under Construction	644,364	672,515	429,262	567,477	648,609
▼ Inventory SF	49,079,067	49,303,678	49,130,991	48,976,528	48,752,800

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
142 Sportsman Island Drive Charleston, SC	25,000 SF	\$6,250,000 \$250.00 PSF	One Gospel Holdings Sportsman's Island LLC	Multi-Tenant
366 E. 5th North Street Summerville, SC	22,590 SF	\$1,164,027 \$51.33 PSF	Charles Dennis Henbell Summerville	Multi-Tenant
523 N. Goose Creek Boulevard Goose Creek, SC	16,800 SF	\$1,750,000 \$104.17 PSF	JJR Development LLC Angela Dangerfield	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7400 Rivers Avenue North Charleston, SC	25,574 SF	Phillips Edison and Company	Spirit of Halloween	Seasonal Retailer
1341 College Park Road Summerville, SC	11,698 SF	RCB Development	Safelite	Glass Repair
1905 Savannah Highway Charleston, SC	9,134 SF	Mccormick Harvey	Woody's Car Care	Automotive



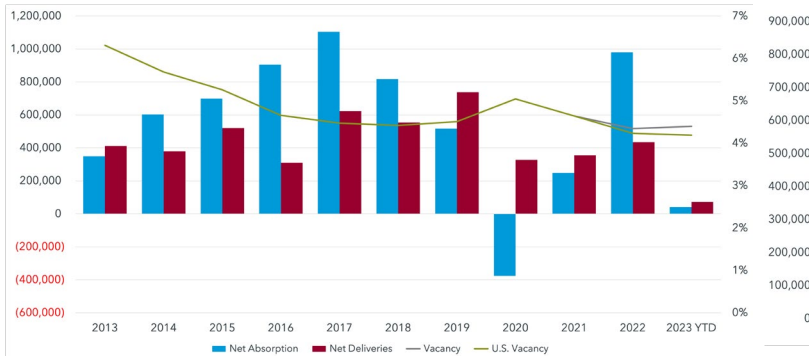
RETAIL MARKET OVERVIEW

ANDREW HARRILL, *Broker Associate*

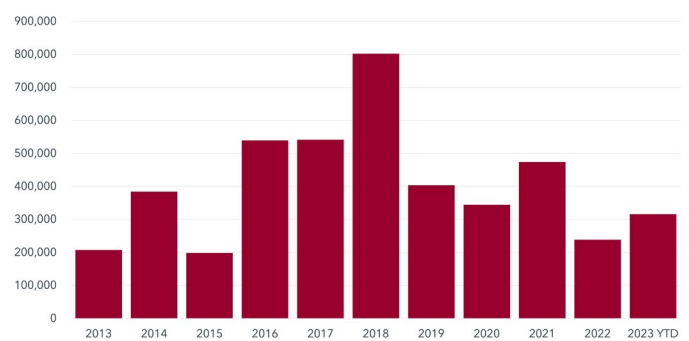
Greenville/Spartanburg's retail market performance has been strengthening for nearly two years, characterized by strong absorption, decreasing vacancy and healthy pricing. Second quarter net absorption surpassed 120,000 SF, bringing the year-to-date total to 41,131 SF. Average NNN asking rents decreased slightly in Q2 to \$12.41 PSF. Overall, vacancy dropped slightly in Q2, to 4.4%, a decrease of 20 basis points since Q1 of 2023. The area has shown strong performance with grocers, discount retailers, and other retail services, while average annual population growth of 1.8% continues to spur additional consumer activity.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	495,410	459,164	979,676	803,686	734,990
▼ Vacancy Rate	4.4%	4.6%	4.5%	4.5%	4.8%
▼ Avg NNN Asking Rate PSF	\$12.41	\$13.23	\$12.06	\$12.02	\$11.79
▲ SF Under Construction	315,772	166,240	168,368	199,345	177,181
▲ Inventory SF	67,940,269	67,353,638	67,198,404	66,871,399	66,860,063

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
21 Plaza Drive Travelers Rest, SC	55,000 SF	\$6,200,000 \$112.73 PSF	SAP SC LLC TR Plaza LLC	Multi-Tenant
100 Adams Mill Road Simpsonville, SC	34,158 SF	\$5,500,000 \$161.02 PSF	Fellowship Greenville YMCA of Greater Greenville	Single-Tenant
116-118 N. Markley Street* Greenville, SC	25,080 SF	\$8,892,789 \$354.58 PSF	Dormie Capital Partners N&H Holding Company	Multi-Tenant

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
107 Canopy Lane Clemson, SC	34,928 SF	Reliance Realty Advisors	Planet Fitness	Fitness Centers
499-535 Laurens Road Woodruff, SC	13,277 SF	Younts Properties, Inc.	Dollar General	Retailer
403 Highway 183 Piedmont, SC	10,700 SF	Dodd Glen	Salty Frye's Golf Carts	Sporting & Recreational Goods



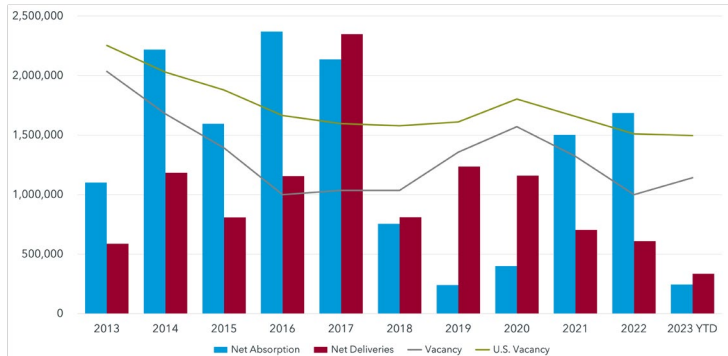
RETAIL MARKET OVERVIEW

GAINES HANKS, *Associate*

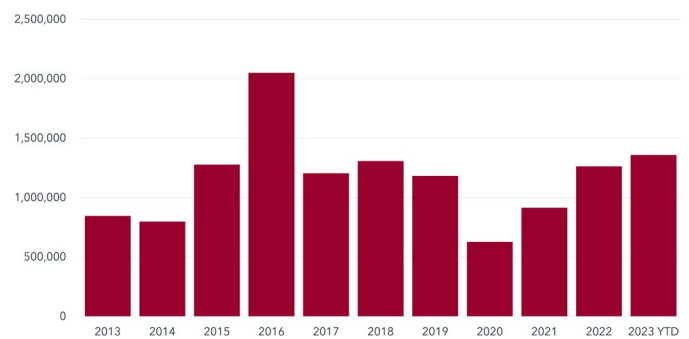
Retail real estate has remained strong for the second quarter of 2023 due to positive economic and population growth across the Nashville metro area. Retailers have been drawn to Nashville due to above-average household and income growth in the recent years. Despite improving market conditions, retail development remains tepid in Nashville. New construction has ticked up with the groundbreaking of the Tanger Outlets in Antioch, but the construction pipeline remains low, which has kept vacancy at historic lows as well. From an investment standpoint, activity has continued to slow throughout the first half of 2023, due to macro environment conditions.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	735,027	1,006,045	1,686,450	1,287,670	1,474,988
◀▶ Vacancy Rate	3.2%	3.2%	2.8%	3.3%	3.4%
▼ Avg NNN Asking Rate PSF	\$23.71	\$23.89	\$23.01	\$23.08	\$23.14
▲ SF Under Construction	1,359,243	1,231,135	1,214,555	1,129,266	1,229,560
▲ Inventory SF	120,641,086	119,979,460	119,888,687	119,086,750	118,440,920

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
5101 Maryland Way Brentwood, TN	98,487 SF	\$16,000,000 \$162.46 PSF	Highwoods Properties Young Men's Christian Assn of Middle TN	Multi-Tenant
709-709A Rivergate Parkway Goodlettsville, TN	96,117 SF	\$8,800,000 \$91.56 PSF	Regeneration Nashville Automotive Properties LLC	Multi-Tenant
2056-2088 Gallatin Pike N - Village at Rivergate, Madison, TN	64,106 SF	\$8,100,000 \$126.35 PSF	Mohamd Abdel-Khalik KDI Rivergate Center LLC	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Highway 76 and Raymond Hirsch Pky White House, TN	48,387 SF	The Sembler Company	Publix	Grocery Stores
955 Church Street Nashville, TN	40,000 SF	Southwest Value Partners	Iconix Fitness	Fitness Centers
2007-2019 Memorial Boulevard Springfield, TN	20,796 SF	Tobin Real Estate, Inc	Farmers Home Furniture	Furniture Retailer



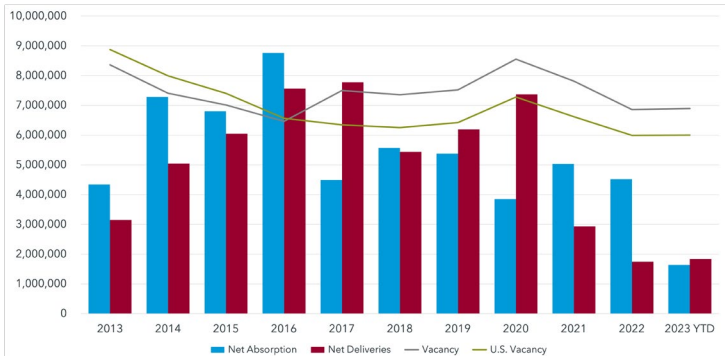
RETAIL MARKET OVERVIEW

GRANT WALKER, *Senior Director*

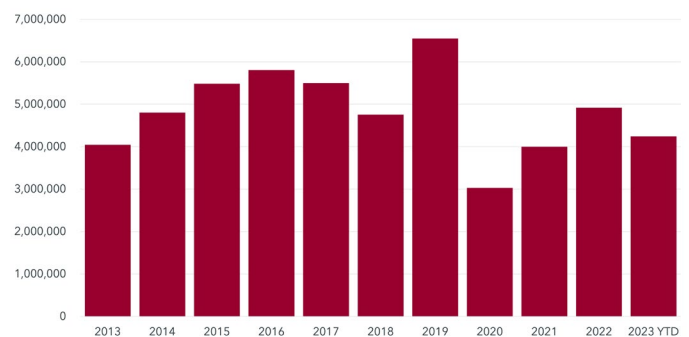
Houston's retail market remains strong as it surpasses the national trend, averaging 2.1M SF in total leasing activity. Around 87% of new leases were from smaller tenants, classified as 5,000 SF or less. Houston's only natural land barrier is the Gulf of Mexico, so the majority of the largest leases signed in Q2 2023 were near the growing suburban areas in the Greater Houston area. Over the last year, Houston has absorbed 3.1MSF of retail space, mostly coming from big-box stores expanding into the fast-growing suburbs. The national average vacancy rate is 4.2% while Houston's has remained at 4.8% since 2017.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	3,569,325	4,242,236	4,517,039	5,252,181	5,629,280
◀▶ Vacancy Rate	4.8%	4.8%	4.8%	5.0%	5.1%
◀▶ Avg NNN Asking Rate PSF	\$22.92	\$22.92	\$22.68	\$22.32	\$22.08
▼ SF Under Construction	4,243,221	4,773,065	4,918,565	4,794,342	4,499,360
▲ Inventory SF	429,722,106	428,947,902	427,865,112	427,956,445	427,505,001

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
10000 Emmett F Lowry Expressway Texas City, TX	451,813 SF	Undisclosed	Pat & Amy Nolan Asset Preservation, Inc.	Multi-Tenant
16510-16762 Southwest Freeway Sugarland, TX	379,442 SF	Undisclosed	Kite Realty Group Trust Retail Properties of America, Inc.	Multi-Tenant
11222-12820 Fountain Lake Drive Stafford, TX	373,827 SF	Undisclosed	Dhanani Private Equity Group Dunhill Partners, Inc.	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
12565 Arc Lane Stafford, TX	124,440 SF	Undisclosed	Target	Big Box Retail Store
9420 College Park Drive The Woodlands, TX	57,000 SF	Brixmor Property Group	Undisclosed	Undisclosed
9209 Gulf Freeway Houston, TX	33,000 SF	Anjuash LLC	Undisclosed	Undisclosed



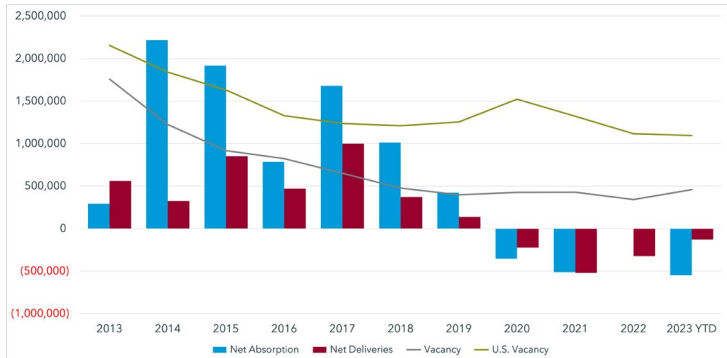
RETAIL MARKET OVERVIEW

KYLE PROSSER, *Principal*

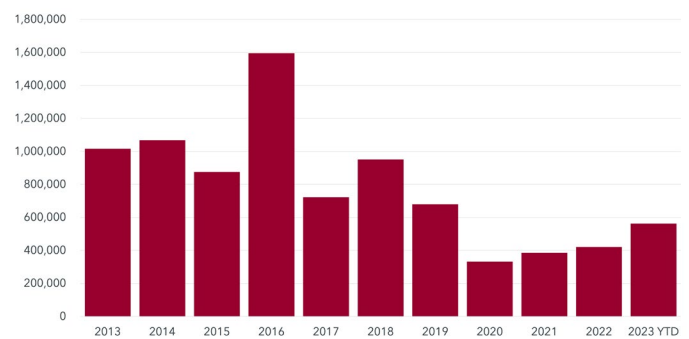
The current retail market presents a mixed landscape. Vacancy rates have experienced a gradual increase in the past year, although they have consistently declined over the last three years. Construction activity has been steadily growing for three consecutive years yet remain below the 2019 activity level. Local retailers, particularly restaurants, grapple with labor shortages and the higher wage expectations of younger employees. As a result, restaurant workers are increasingly flocking to professions offering better benefits. However, the market demonstrates resilience and significant potential, evident through solid sales growth numbers. This dynamic environment offers opportunities for innovation and improvement, providing a platform for creative entrepreneurs to thrive.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(196,448)	(517,327)	(1,330)	(406,392)	(257,637)
▲ Vacancy Rate	3.0%	2.9%	2.7%	2.7%	2.8%
▲ Avg NNN Asking Rate PSF	\$28.90	\$28.75	\$28.44	\$28.07	\$27.91
▼ SF Under Construction	563,072	572,690	420,639	598,700	627,908
▼ Inventory SF	180,590,041	180,620,167	180,616,961	180,436,723	180,511,614

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1414 72nd Street E Tacoma, WA	106,420 SF	\$11,515,265 \$108.21 PSF	Rhino Investments PMF Investments LLC	Multi-Tenant
2105 Broadway Everett, WA	39,621 SF	\$4,200,000 \$106.00 PSF	Conlin's Furniture Behar's Furniture	Single-Tenant
8025 S. Hosmer Street Tacoma, WA	24,949 SF	\$5,110,000 \$204.82 PSF	GNC Properties LLC John Anthony Tognazzini Trust	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3903-4091 Factoria Boulevard SE Bellevue, WA	76,207 SF	Kimco Realty Corporation	T&T Supermarket	Retailer
4130 1st Avenue S Seattle, WA	28,839 SF	Scott Gibson, Foundry LLC	Landmark Event Company	Arts & Entertainment
17150-17200 Southcenter Parkway Tukwila, WA	25,000 SF	Wig Properties	Levi's	Retailer



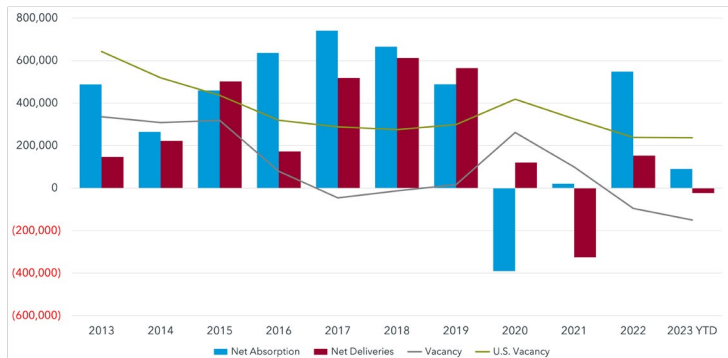
RETAIL MARKET OVERVIEW

CAMP PERRET, *Vice President*

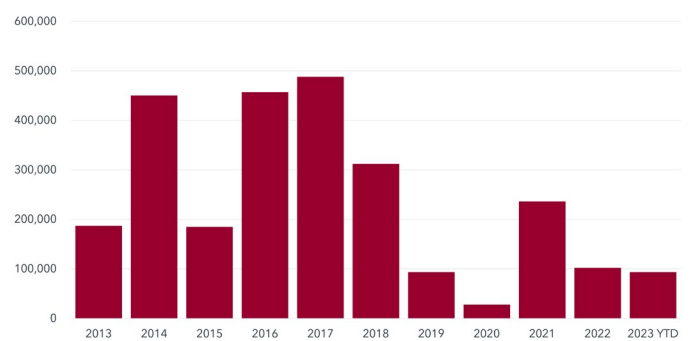
The Madison retail market demand remains strong due to impressive demographics, including above-average median household incomes, soaring population growth, and the lowest unemployment rate in the Midwest. Vacancy rates continue to decline; now at an all-time low of 2.3%. Rental rates are steadily going up. Leasing volumes are down, due in most part, to the lack of available inventory. While sales volume dipped slightly in Q2, sales prices have risen, showing that the market is still attractive to buyers despite interest rate increases.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	398,153	563,894	548,234	306,444	223,639
▼ Vacancy Rate	2.3%	2.4%	2.5%	2.8%	2.9%
▲ Avg NNN Asking Rate PSF	\$16.88	\$16.72	\$16.72	\$16.65	\$16.53
▲ SF Under Construction	93,582	76,582	102,236	237,225	255,294
◀ ▶ Inventory SF	41,121,850	41,121,850	41,144,596	41,028,276	41,003,443

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2502 Shopko Drive Madison, WI	67,473 SF	\$460,000 \$6.82 PSF	Encore Homes Iric County Id LLC	Single-Tenant
411 Prairie Heights Drive Verona, WI	52,888 SF	\$4,650,000 \$87.92 PSF	4955 Commercial Street LLC Verona Athletic Center LLC	Multi-Tenant
4602-4604 Monona Drive Madison, WI	17,930 SF	\$1,300,000 \$72.50 PSF	Hung Phien Tang LNL Marketplace LLC	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1700 Deming Way Middleton, WI	25,460 SF	Galway Companies	Undisclosed	Undisclosed
2101 W. Broadway Monona, WI	16,666 SF	Galway Companies	Pet Suppiles Plus	Miscellaneous Retail
1868 E. Washington Avenue Madison, WI	11,500 SF	Galway Companies	Undisclosed	Undisclosed

MULTIFAMILY OVERVIEW: DEMAND REBOUNDS BUT TENANTS RETAIN UPPER HAND

Healthy demand for apartments in the U.S. rebounded in the second quarter after falling flat last summer. But with supply outpacing net absorption for six straight quarters and a historic volume of apartments under construction the outlook tilts decidedly in the tenant's favor.

There were 184,935 units rented in the first half of 2023, 24% more than last year, with 140,139 units absorbed in the second quarter. The strong quarterly showing puts absorption for 2023 on track to exceed the five-year pre-pandemic annual average by 15%.

The increased inventory of available units has put downward pressure on rents. Nationally, rent growth through the second quarter this year averages 1.1%, the lowest since 2020.

The strong second-quarter demand is a reversal from the weak net absorption going back to last summer. Net absorption only totaled 28,920 units in the second half of 2022 and Q1's growth totaled 44,796 units, well below the 82,000 quarterly average for five years prior to the lockdown.

Northeast and Midwestern markets fared best for investors over the last four quarters with year-over-year rent growth down only marginally. For example, Saint Louis and Kansas City posted 5.7% rent growth in 2022, which remains significantly higher than each city's five-year average. Madison, Knoxville, Rochester, Providence and Omaha were the growth leaders with effective rent increases ranging from 4.9% to 6.9%

Unfortunately, for landlords the downward pressure on rents is expected to continue through 2023 and beyond. Sun Belt markets saw significant slowing over the past 12 months. Rents skidded in Las Vegas, Austin and Sarasota, ranging from 3.3% to 3.9% in the red at the end of the second quarter. Palm Beach saw the steepest rent slowdown in the nation, down nearly 30% over the past 18 months.

When multifamily demand spiked in the first year of the pandemic, developers accelerated plans for new projects. Now, two years later, many of these are set to deliver. This year nearly 530,000 new units are projected for completion. It will be the most new supply to hit the market since the mid-1980s. Sun Belt markets make up 12 of the 20 markets where deliveries are projected to hit records this year.

The recent supply-demand imbalance has pushed the national vacancy rate up at least 200 basis points from an all-time low of 4.7% in Q3 2021 to 6.8%, which is slightly higher than the pre-pandemic average rate.

Canada's multifamily market remains tight as a drum. The vacancy rate was 1.2% through June, unchanged from the first quarter. Nationally, net absorption through June 2023 totaled 7,117 units, off 15% from the five-year average prior to the pandemic.

Toronto has the nation's largest inventory, 386,794 units, the lowest vacancy rate at 0.8% and the most units under construction, 10,004, followed by Vancouver's vacancy rate of 0.9%, 130,044-unit inventory and total of 9,012 units underway.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / UNIT		HIGHEST 12 MO. SALES VOLUME	
ON, Toronto	0.8%	CA, San Francisco	\$3,050	NY, New York*	\$10,159,165,761
BC, Vancouver	0.9%	NY, New York*	\$3,048	CA, Los Angeles	\$7,560,364,799
NY, New York*	2.5%	MA, Boston	\$2,793	AZ, Phoenix	\$6,397,066,043
CA, San Diego	3.5%	CA, Orange County	\$2,599	GA, Atlanta	\$6,253,582,614
CA, Orange County	4.2%	CA, San Diego	\$2,433	DC, Washington	\$5,253,589,140
U.S. Index	6.8%	U.S. Index	\$1,672	U.S. Index	\$132,108,143,131
Canada Index	1.2%	Canada Index	\$1,464 CAD	Canada Index	\$3,350,907,806 CAD

MOST UNITS UNDER CONSTRUCTION		LARGEST INVENTORY BY UNITS		LOWEST MARKET CAP RATE	
NY, New York*	66,019	NY, New York*	1,540,097	BC, Vancouver	2.5%
TX, Dallas-Fort Worth	58,825	CA, Los Angeles	1,013,432	ON, Toronto	3.5%
AZ, Phoenix	36,382	TX, Dallas-Fort Worth	838,238	CA, San Francisco	3.9%
DC, Washington	36,080	TX, Houston	686,471	CA, Orange County	3.9%
CO, Denver	35,241	DC, Washington	556,259	CA, San Diego	4.1%
U.S. Index	1,063,023	U.S. Index	19,043,377	U.S. Index	5.4%
Canada Index	51,427	Canada Index	879,844	Canada Index	3.7%

* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / UNIT	MARKET SALE PRICE / UNIT	UNDER CONST. UNITS	INVENTORY UNITS	MARKET CAP RATE
AB, Calgary **	1.4%	\$1,267	\$184,699	7,147	65,605	4.8%
AZ, Phoenix	9.5%	\$1,576	\$284,766	36,382	370,792	4.3%
BC, Vancouver **	0.9%	\$1,650	\$431,341	9,012	130,044	2.5%
CA, Bakersfield	3.7%	\$1,278	\$134,722	54	24,704	6.3%
CA, East Bay	7.5%	\$2,413	\$409,303	5,627	188,221	4.5%
CA, Fresno	3.7%	\$1,369	\$160,238	343	54,899	5.7%
CA, Inland Empire	5.5%	\$1,999	\$286,442	6,463	170,189	4.6%
CA, Los Angeles	4.9%	\$2,225	\$396,990	23,570	1,013,432	4.3%
CA, Orange County	4.2%	\$2,599	\$492,837	5,570	249,149	3.9%
CA, San Diego	3.5%	\$2,433	\$433,162	8,021	273,968	4.1%
CA, San Francisco	7.1%	\$3,050	\$615,168	3,738	179,608	3.9%
CA, San Luis Obispo	8.0%	\$2,078	\$302,639	288	7,060	4.8%
CA, Santa Barbara	2.8%	\$2,348	\$380,633	178	19,639	4.2%
CA, Stockton	4.9%	\$1,595	\$179,460	244	28,839	6.1%
CA, Ventura	4.8%	\$2,512	\$389,800	382	35,615	4.3%
CO, Denver	7.8%	\$1,850	\$339,027	35,241	288,431	4.6%
DC, Washington	6.7%	\$2,124	\$324,591	36,080	556,259	5.1%
FL, Fort Myers	8.6%	\$1,878	\$245,826	6,849	29,136	5.0%
FL, Miami	5.6%	\$2,264	\$314,119	32,310	184,863	4.8%
FL, Naples	9.6%	\$2,254	\$292,720	1,659	13,202	4.7%
FL, Orlando	8.5%	\$1,799	\$252,594	25,544	204,996	4.7%
GA, Atlanta	10.5%	\$1,646	\$220,767	34,029	494,220	5.0%
GA, Savannah	8.8%	\$1,592	\$199,016	3,395	30,826	5.0%
ID, Boise	11.1%	\$1,542	\$260,949	3,708	36,662	4.4%
IL, Chicago	5.3%	\$1,707	\$230,595	14,516	549,782	6.1%
IN, Indianapolis	8.2%	\$1,216	\$125,661	8,193	162,897	6.1%
KS, Lawrence	2.2%	\$981	\$94,275	206	12,015	7.1%
KS, Topeka	9.1%	\$841	\$60,837	0	9,689	7.8%
LA, Baton Rouge	11.3%	\$1,125	\$127,357	1,786	39,389	6.5%
MA, Boston	5.1%	\$2,793	\$473,420	16,405	264,768	4.6%
MD, Baltimore	6.8%	\$1,631	\$193,418	5,063	206,525	5.7%
United States Index	6.8%	\$1,672	\$245,121	1,063,023	19,043,377	5.4%
Canada Index	1.2%	\$1,464**	\$266,981**	51,427	879,844	3.7%

MARKET	VACANCY RATE	MARKET RENT / UNIT	MARKET SALE PRICE / UNIT	UNDER CONST. UNITS	INVENTORY UNITS	MARKET CAP RATE
MI, Detroit	7.9%	\$1,237	\$106,042	7,095	228,012	6.7%
MN, Minneapolis	7.0%	\$1,455	\$186,169	16,090	263,885	5.8%
MO, Kansas City*	7.3%	\$1,242	\$152,978	9,124	171,852	5.8%
MO, Saint Louis	9.1%	\$1,180	\$137,397	4,461	143,683	6.5%
NC, Durham	9.8%	\$1,534	\$221,717	5,492	57,513	4.9%
NC, Raleigh	9.5%	\$1,583	\$244,875	18,220	118,395	4.7%
NE, Lincoln	4.5%	\$1,106	\$97,666	1,564	30,705	7.2%
NE, Omaha	5.8%	\$1,147	\$110,485	5,030	80,325	6.5%
NJ, Atlantic City	2.8%	\$1,600	\$137,185	88	10,150	6.3%
NJ, Northern New Jersey *	4.6%	\$2,024	\$247,231	14,899	160,346	5.5%
NJ, Trenton	2.3%	\$2,033	\$283,054	1,644	20,247	5.1%
NJ, Vineland	2.6%	\$1,252	\$111,037	0	3,161	6.2%
NV, Reno	8.8%	\$1,532	\$248,070	3,547	43,305	4.7%
NY, Long Island	4.2%	\$2,795	\$357,147	4,462	56,198	4.7%
NY, New York *	2.5%	\$3,048	\$412,353	66,019	1,540,097	4.6%
OH, Cincinnati	5.4%	\$1,201	\$106,781	5,866	137,541	7.1%
OH, Cleveland	6.8%	\$1,126	\$86,466	2,714	133,329	8.0%
OH, Columbus	7.1%	\$1,251	\$129,813	11,456	208,937	6.3%
ON, Toronto **	0.8%	\$1,588	\$275,140	20,004	386,792	3.5%
PA, Harrisburg	4.4%	\$1,288	\$133,599	1,563	31,068	6.1%
PA, Lehigh Valley *	3.5%	\$1,582	\$168,996	134	34,621	6.4%
PA, Philadelphia *	5.8%	\$1,689	\$214,001	21,655	349,458	5.6%
SC, Charleston	9.5%	\$1,751	\$228,194	5,740	65,643	4.9%
SC, Greenville	9.9%	\$1,345	\$178,469	4,901	50,310	5.4%
SC, Spartanburg	16.5%	\$1,221	\$151,652	865	14,776	5.3%
TN, Nashville	10.8%	\$1,672	\$245,384	21,630	157,977	5.0%
TX, Dallas-Fort Worth	8.8%	\$1,538	\$186,300	58,825	838,238	5.2%
TX, Houston	9.9%	\$1,323	\$157,728	31,715	686,471	5.8%
WA, Seattle	6.4%	\$1,988	\$403,264	29,227	375,420	4.3%
WI, Madison	3.5%	\$1,472	\$172,937	4,585	69,425	5.9%
United States Index	6.8%	\$1,672	\$245,121	1,063,023	19,043,377	5.4%
Canada Index	1.2%	\$1,464**	\$266,981**	51,427	879,844	3.7%

* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

** Numbers shown are in Canadian dollars (CAD)



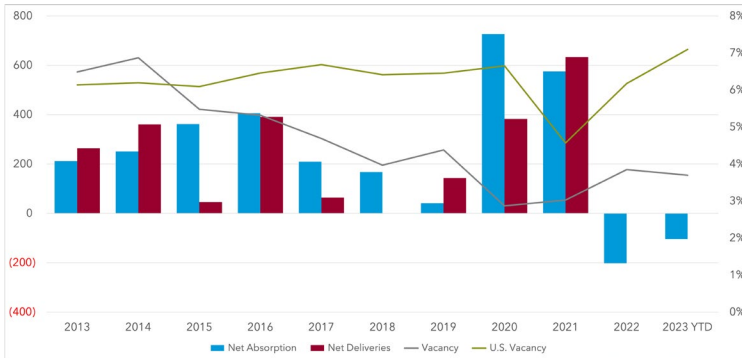
MULTIFAMILY MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

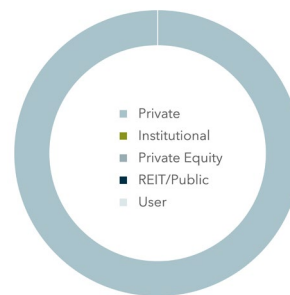
Rent growth at 2% with continued lack of inventory. The vacancy rate is now 3.7%. Lease-up for the market's new inventory is relatively strong. Average asking rents in are around \$1,280 per unit, compared to the national average of \$1,670. Bakersfield has historically had limited multifamily development, with a net of 2,300 units entering the market over the past decade. Net absorption outpaced new supply by a slim margin. The current pipeline has 54 units, well below the five-year average of 400. Pricing is typically lower than coastal neighbors, and units can sell for less than \$100,000 per door at a cap rate above 5%. Over the past year, 40 properties sold for a total of \$82.4 million.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Absorption Units	(104)	(93)	(118)	(84)	15
▼ Vacancy Rate	3.7%	4.2%	3.9%	3.4%	3.0%
▲ Asking Rent/Unit (\$)	\$1,278	\$1,267	\$1,255	\$1,260	\$1,246
▼ Under Construction Units	5	49	49	49	49
▲ Inventory Units	24,704	24,615	24,615	24,615	24,615

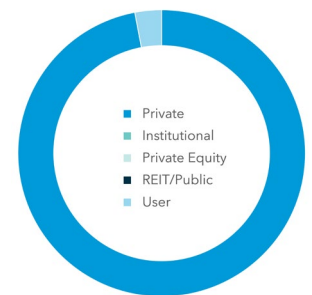
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
4201 Parkwood Court Bakersfield, CA	\$1,325,000 \$120,454.55 Per Unit	11	4201 Parkwood LLC David & Rachel Valdez
701 Peters Street Bakersfield, CA	\$1,100,000 \$91,666.67 Per Unit	12	KSA Properties LLC CC Double Eagle LLC
6050 State Road Bakersfield, CA	\$890,000 \$63,571.43 Per Unit	14	Vicente Sigala Mope Inc.

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Hardt Investments IV LLC	\$30,850,000	Sentinel Rock Realty Trust	\$30,850,000
Positive Investments, Inc	\$7,140,000	Pro Residential Service, Inc	\$7,140,000
John Chiu	\$6,550,000	Rudy Rezzadeh	\$6,550,000
William & Ellen Morris	\$4,347,500	Xiangyu Wang	\$6,050,001
Carlos Enriquez	\$3,325,000	Swaranjit S. Nijjar	\$4,347,500



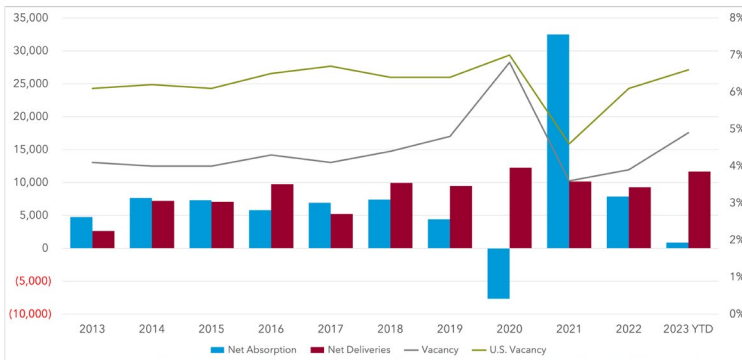
MULTIFAMILY MARKET OVERVIEW

WARREN BERZACK, *National Director of Multifamily*

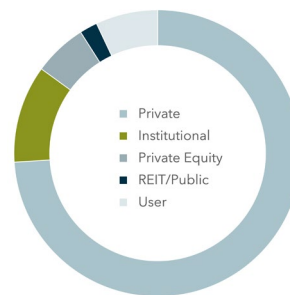
Softer apartment market conditions in Los Angeles persisted in Q2. Net absorption of 890 units, during the past 12 months, is well below the 18,000 units absorbed one year ago. Renters remain cautious in the face of economic uncertainty and inflation. Demand was insufficient to absorb 12,000 net new units added, resulting in increased vacancy to 4.9%. Several local brokers say buyers expect a 10-20% discount to recent pricing. Transactions closing see discounts compared to early 2022. Additionally, the cities of Los Angeles and Santa Monica imposed transfer taxes for residential and commercial properties above certain values. The additional costs will likely suppress near-term transaction volumes and add downward pressure to asset values.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Absorption Units	883	3,134	7,861	13,184	22,139
◀▶ Vacancy Rate	0	0	0	4	3
▲ Asking Rent/Unit (\$)	2,577	2,211	2,187	2,183	2,164
▼ Under Construction Units	23,479	26,910	28,040	27,560	29,204
▲ Inventory Units	1,013,023	1,008,705	1,004,511	997,905	993,440

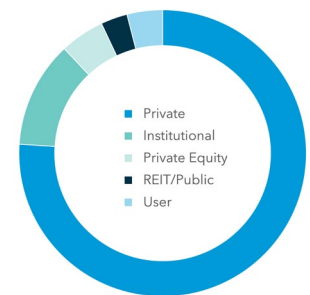
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
600 N. Broadway Los Angeles, CA	\$97,000,000 \$355,311.36 Per Unit	273	Cathay Manor Apartments LP CCOA Housing Corporation
2245 S. Beverly Glen Boulevard Los Angeles, CA	\$66,100,000 \$584,955.75 Per Unit	113	Xenon Investment Corporation Equity Residential
100 Long Beach Boulevard Los Angeles, CA	\$58,000,000 \$371,794.87 Per Unit	156	Advanced Real Estate Avenue 5 Residential

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Carmel Partners	\$1,300,000,000
Holland Partner Group	\$640,000,000
Greystar Real Estate Partners	\$550,000,000
Greenland Group	\$500,000,000
Sares-Regis Group	\$480,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Positive Investments, Inc.	\$795,000,000
Douglas Emmett Management	\$645,000,000
Harbor Group International	\$605,000,000
CA Statewide Communities	\$545,000,000
Clarion Partners	\$520,000,000



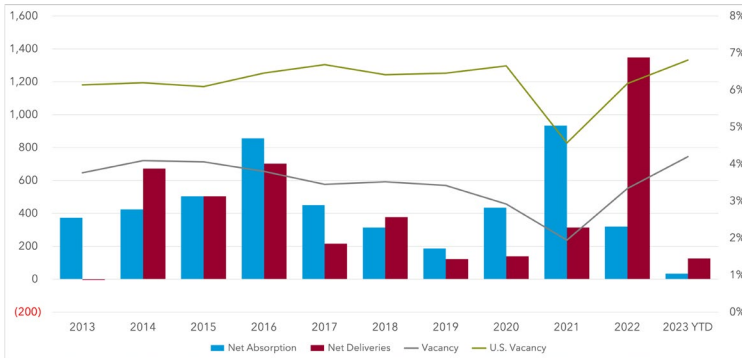
MULTIFAMILY MARKET OVERVIEW

ROBERT LEVEEN, *Senior Vice President*

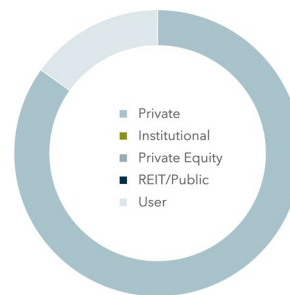
As of this writing, the 10 Year Treasury Note is 4.01%, an increase of over 50 bps since the last quarterly report. Multifamily interest rates are now in the low six percent range. Regardless, transactions volume is now on an increasing trend. While nationally, there is now an over-supply of new construction units, the situation locally remains the same, a significant shortage of units. This will continue to drive demand for multifamily acquisitions as a prudent long-term investment.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Absorption Units	123	64	33	39	133
▲ Vacancy Rate	3.6%	3.3%	3.3%	2.8%	2.7%
▲ Asking Rent/Unit (\$)	\$1,869.00	\$1,845.00	\$1,831.00	\$1,833.00	\$1,827.00
◀ ▶ Under Construction Units	1,974	1,974	1,874	1,924	1,519
▲ Inventory Units	72,495	72,122	72,122	71,685	71,606

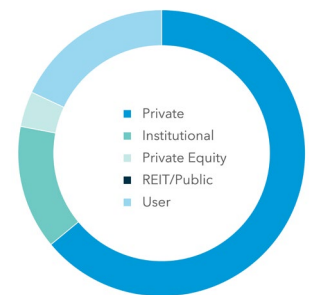
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
745 E. 5th Street Azusa, CA	\$35,230,000 \$577,540.98 Per Unit	61	CLG Bold Alosta LP Alosta Landmark LP
1428-1440 Vineland Avenue Baldwin Park, CA	\$9,800,000 \$288,235.29 Per Unit	34	Chi Ian Ho MacroReal Commercial, Inc.
1018 Arcadia Avenue Arcadia, CA	\$6,785,000 \$678,500.00 Per Unit	10	Sandy Zhang Walmilly Corporation

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Abacus Capital Group	\$48,600,000	Positive Investments, Inc.	\$71,694,176
NextGen Properties	\$38,250,000	Langdon Park Capital	\$48,600,000
Barker Pacific Group	\$33,600,000	HFH LTD	\$38,250,000
The American Opportunity Foundation, Inc.	\$33,265,000	Eden Housing, Inc.	\$31,300,000
Jagdish & Usha K Varma	\$25,566,500	Sirott Investments	\$19,800,000



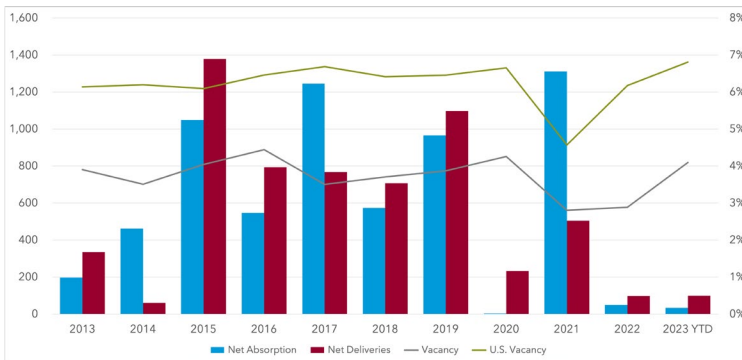
MULTIFAMILY MARKET OVERVIEW

ROBERT LEVEEN, *Senior Vice President*

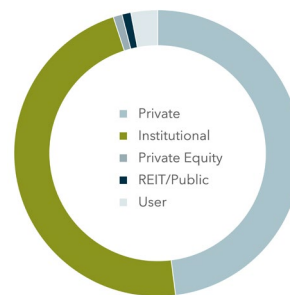
As of this writing, the 10 Year Treasury Note is 4.01%, an increase of over 50 bps since the last quarterly report. Multifamily interest rates are now in the low six percent range. Regardless, transactions volume is now on an increasing trend. While nationally, there is now an over-supply of new construction units, the situation locally remains the same, a significant shortage of units. This will continue to drive demand for multifamily acquisitions as a prudent long term investment.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Absorption Units	44	33	-137	55	12
▲ Vacancy Rate	3.8%	3.4%	2.9%	2.6%	2.6%
▲ Asking Rent/Unit (\$)	\$2,414.00	\$2,392.00	\$2,371.00	\$2,374.00	\$2,353.00
▼ Under Construction Units	1,657	1,747	2,041	2,041	1,840
▲ Inventory Units	57,571	57,524	57,159	57,159	57,061

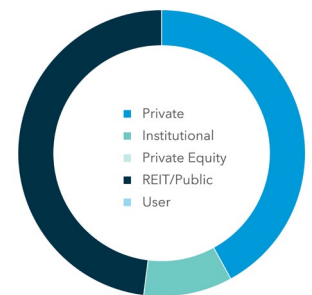
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
257 E. Valencia Avenue Burbank, CA	\$10,270,000 \$427,916.67 Per Unit	24	The Stanley A Sirott Trust Jose Tam
1293 N. Garfield Avenue Pasadena, CA	\$9,800,000 \$245,000.00 Per Unit	40	Undisclosed Peter M. Fertig
281 Madison Avenue Pasadena, CA	\$7,900,000 \$376,190.48 Per Unit	21	Abbas Family Revocable Trust Martineau & Knudson Glenn B Martineau Trust

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
AvalonBay Communities, Inc.	\$172,300,000
The Guardian Life Insurance Co of America	\$38,000,000
Walker Family Trust Survivors Trust A	\$16,200,000
Properties International	\$10,500,000
Jose Tam	\$10,270,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
CalSTRS	\$172,300,000
HSR Management, Inc.	\$38,000,000
Sirott Investments	\$20,770,000
Pasaterra Capital	\$16,400,000
Faruque & Maria S. Sikder	\$16,200,000



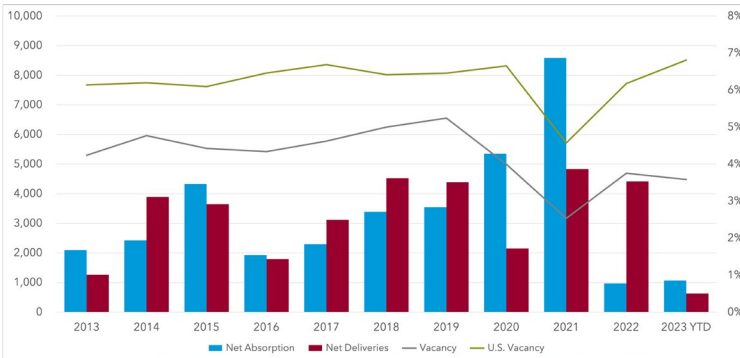
MULTIFAMILY MARKET OVERVIEW

CONNOR MACOMBER, *Junior Associate*

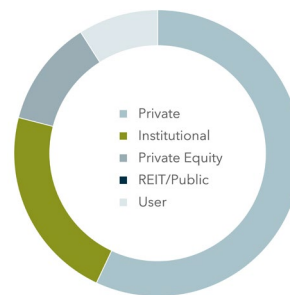
Since the last quarter, San Diego has seen a massive decrease in absorption of units (1,263 to 772). The market cap rate for San Diego's multifamily is 4.1%. San Diego's multifamily market asking rents for studios are \$1,866, 1-bedrooms are \$2,144, 2-bedrooms are \$2,608, 3-bedrooms are \$3,298. In San Diego there are currently 1,718 units for sale with 9,500 vacant units. Transactions in the San Diego multifamily market saw a decline by 50% year-over-year. Over the past 12 months, the average per unit sale price was \$390,000. On average, throughout the past year until now, it has taken 3.8 months to sell a unit.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Absorption Units	772	1,263	969	1,674	4,345
◀▶ Vacancy Rate	3.6%	3.6%	3.8%	3.5%	3.0%
▲ Asking Rent/Unit (\$)	\$2,431	\$2,383	\$2,346	\$2,375	\$2,365
▲ Under Construction Units	8,178	7,980	7,690	7,782	8,590
▲ Inventory Units	273,805	273,499	273,176	272,624	271,290

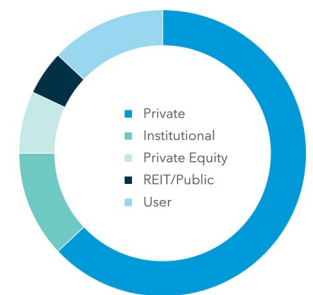
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
3417 Lebon Drive San Diego, CA	\$177,300,000 \$443,250.00 Per Unit	400	Pacific Urban Investors LLC The Premiere Residential Communities
1031 Imperial Beach Boulevard Imperial Beach, CA	\$19,000,000 \$301,587.30 Per Unit	63	F&F Income Properties Porter Family Trust
2241 4th Avenue San Diego, CA	\$12,950,000 \$340,789.47 Per Unit	38	Neel Chatpatwala F&F Income Properties

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Gleich Properties	\$190,217,500
The Premiere Residential Communities	\$177,300,000
Holland Partner Group	\$148,250,250
Sekisui House	\$148,250,250
G.W. Williams Co.	\$127,700,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
FPA Multifamily LLC	\$163,567,500
Holland Partner Group	\$148,250,250
Pacific Life Insurance Company	\$148,250,250
Waterton	\$141,000,000
MG Properties	\$128,550,000



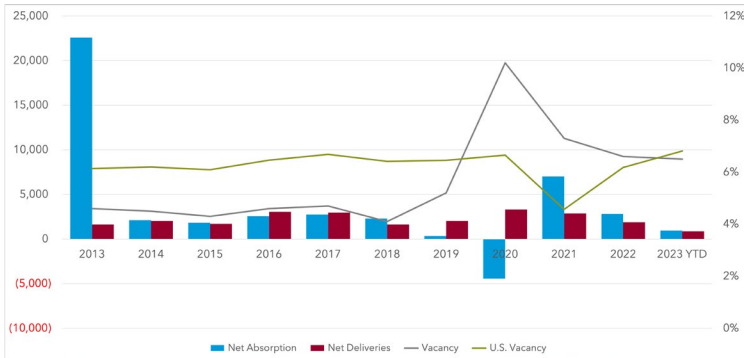
MULTIFAMILY MARKET OVERVIEW

RYAN ABEL, *Vice President*

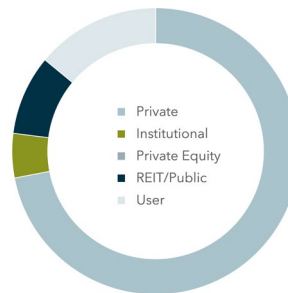
The 2nd quarter saw the trends of 2023 continue with low transaction volume. Vacancy rates have remained steady, hovering around 6.5% with net absorption, continuing with trends from the 1st quarter. Rental rates have remained stagnant given the steady unemployment rate and lower amount of jobs added to the economy. The largest transaction of the quarter has been Veritias Investment bidding on their own delinquent debt, at a discount, of two portfolios consisting of 95 buildings with approximately 2,452 units with a debt roughly of 1 billion dollars. With interest rates remaining steady, we predict to see the trend of lower transaction volume and buildings trading at higher CAP rates through the 3rd quarter.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Absorption Units	2,277	2,397	2,810	2,992	2,252
▼ Vacancy Rate	6.5%	6.6%	6.6%	6.7%	6.7%
▲ Asking Rent/Unit (\$)	\$2,896	\$2,890	\$2,877	\$2,912	\$2,936
◀ ▶ Under Construction Units	2,641	2,641	2,367	2,678	2,883
▲ Inventory Units	159,077	158,601	158,200	157,711	156,850

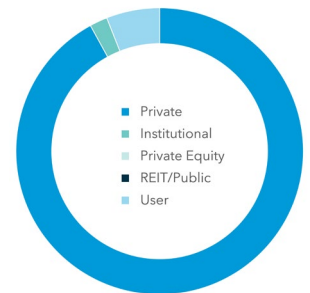
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
555 Fulton Street San Francisco, CA	\$12,500,000 \$89,928.06 Per Unit	139	Fulton 555 Residential LLC Z&L Properties
125 Mason Street San Francisco, CA	\$5,293,000 \$65,345.68 Per Unit	81	Tenderloin Neighborhood Development Glide Economic Development Corporation
2057 15th Street San Francisco, CA	\$960,000 \$80,000.00 Per Unit	12	Adam Chasin Colin M. George

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Panoramic Interests	\$145,000,000	City & County of San Francisco	\$145,000,000
BUILD	\$49,565,752	Veritas Investments	\$92,230,000
J. Michael Doyle	\$33,100,000	UDR	\$49,565,752
San Francisco Housing Authority	\$27,304,500	San Francisco Housing Authority	\$40,099,500
Couch Survivor's Trust	\$18,350,000	Anthony M. Hay	\$18,050,000



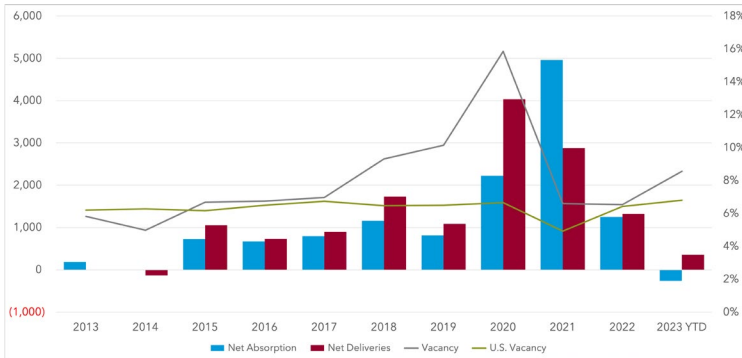
MULTIFAMILY MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

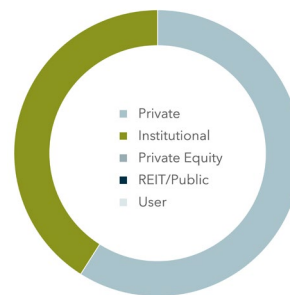
The pipeline for new multifamily product was robust at mid-year with nearly 7,000 units under construction. Overall demand, however, seemed to slow in Q2 2023 as market fundamentals were contested. Increased vacancy lowered asking rents making more concessions available in some communities. Year-over-year absorption declined significantly. Buyers turned to other markets as many of the local economic indicators showed decreased demand. The only sale for the second quarter was the acquisition of 260-unit, Longitude 81, an apartment community in Estero, Florida. The property traded for \$78.8M or \$303,077 per unit.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Absorption Units	434	740	1,251	1,516	2,898
▲ Vacancy Rate	8.6%	8.0%	6.5%	6.9%	6.0%
▲ Asking Rent/Unit (\$)	\$1,880	\$1,932	\$1,955	\$1,875	\$1,864
▲ Under Construction Units	6,989	6,697	5,993	5,465	4,523
▲ Inventory Units	29,136	29,136	28,780	28,330	27,868

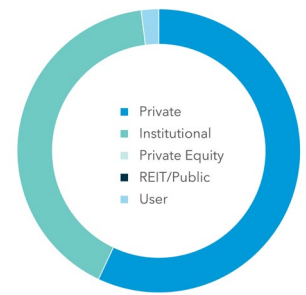
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
11221 Everblades Parkway Fort Myers, FL	\$78,800,000 \$303,077 Per Unit	260	ECI Group PASSCO Companies

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
TerraCap Management LLC	\$87,250,000	The Praedium Group	\$87,250,000
PASSCO Companies	\$78,800,000	ECI Group	\$78,800,000
Pedcor Companies	\$10,100,000	Steve Delaney	\$19,200,000
Village Capital Corporation	\$9,100,000	Duane F. Bishop Jr.	\$3,250,000
Realty World Inc.	\$3,250,000	American Mortgage & Equity Cnslts	\$2,750,000



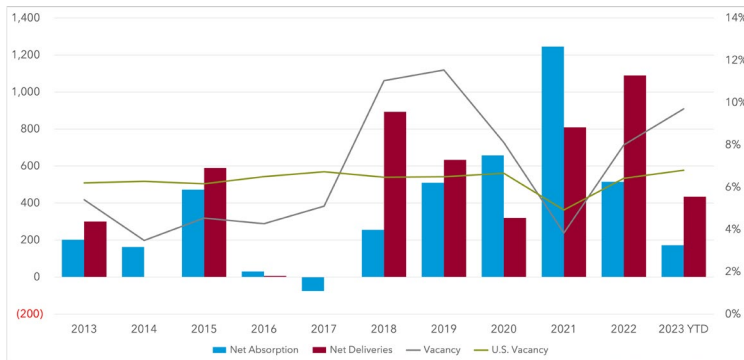
MULTIFAMILY MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

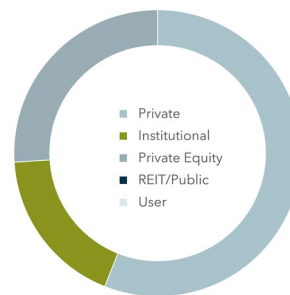
Multifamily market fundamentals in Naples remained relatively unchanged at mid-year. Absorption ticked up slightly in Naples showing little decline in the past 12 months. Investment and transaction volume decreased at mid-year as there was only one sale that closed of 50 units or more. The 188-unit apartment community, Naples 701, closed at the end of June for \$160,638 per unit. There were no new deliveries at the end of the second quarter, however, expect changes in inventory in future quarters. We estimate nearly 3,000 units will be added to the Collier County market.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Absorption Units	722	604	515	424	467
▼ Vacancy Rate	9.8%	10.5%	8.0%	8.0%	9.6%
▼ Asking Rent/Unit (\$)	\$2,269.36	\$2,374.43	\$2,404.47	\$2,307.77	\$2,270.75
◀ ▶ Under Construction Units	1,659	1,659	1,581	1,867	1,667
◀ ▶ Inventory Units	13,266	13,266	12,832	12,546	12,446

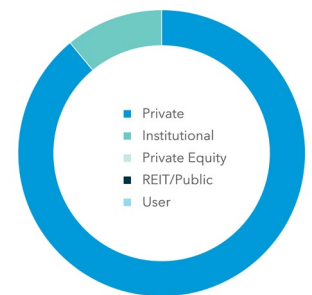
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
3531 Plantation Way Naples, FL	\$30,200,000 \$160,638 Per Unit	188	Naples 701 Owner LLC US Industries Group, Inc.

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Davis Development	\$125,106,900	Beitel Group	\$125,106,900
Bluerock Real Estate LLC	\$120,258,604	Blackstone Inc.	\$120,258,604
Phoenix Realty Group LLC	\$62,000,000	Cardinal Capital Partners, Inc.	\$83,000,000
Andover Real Estate Partners	\$41,500,000	The Dolben Company, Inc.	\$62,000,000
Atlas Real Estate Partners	\$41,500,000	James Birge	\$30,200,000



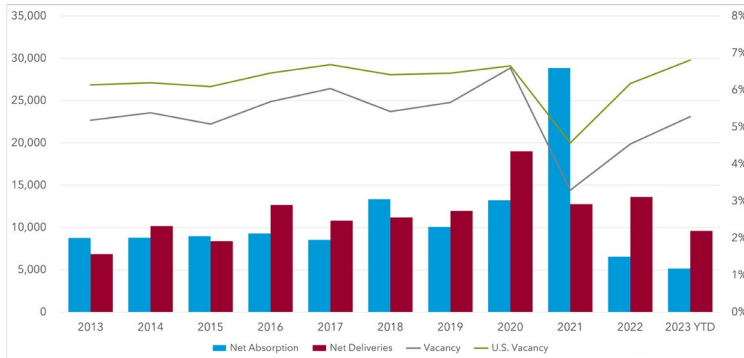
MULTIFAMILY MARKET OVERVIEW

SHEENA SABATIER, *Marketing Director, Researcher*

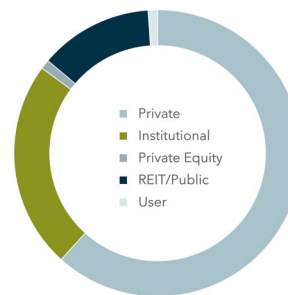
The South Florida multifamily market remains strong as rents continue to stabilize. Despite the country's current economic environment and inflationary concerns, South Florida's population growth and business migration has continued to help insulate the market that encourages new construction to press on with new demand. There are currently over 57,000 new units under construction, up by over 16,000 units year-over-year, and many new projects are in the pipeline. Absorption is rising again in Q2 after three consecutive quarters of slower absorption rates, although vacancy has been up slightly over the last two quarters. Property values through Q2 showed an average of \$288k per unit with cap rates averaging 5.6%.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Absorption Units	8,667	6,438	6,546	6,741	13,123
▲ Vacancy Rate	5.3%	5.1%	4.5%	4.6%	4.1%
▼ Asking Rent/Unit (\$)	\$2,109	\$2,110	\$2,093	\$2,085	\$2,087
▲ Under Construction Units	57,678	56,447	55,284	45,360	41,272
▲ Inventory Units	542,172	537,533	532,570	530,545	526,391

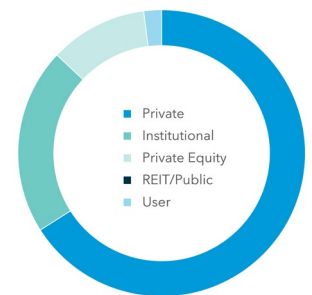
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
2725 Somerset Drive Lauderdale Lakes, FL	\$77,120,000 \$126,013.07 Per Unit	612	Parkview Management, Inc. Norman Rausman LLC/Montebello Enterprises LLC
1650 SW 78th Avenue Plantation, FL	\$88,383,095 \$275,336.74 Per Unit	321	Waterton PGIM Real Estate
3590 Village Boulevard West Palm Beach, FL	\$106,000,000 \$378,571.43 Per Unit	280	Harbor Group International LLC The Carlyle Group

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Bell Partners, Inc.	\$293,000,000
Elco Ltd.	\$285,600,000
Gumenick Properties	\$271,058,000
Rockpoint	\$264,333,333
Clarion Partners	\$219,008,616

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Apartment Investment and Mgmt Co	\$444,058,000
Harbor Group International, LLC	\$403,500,000
Hines	\$365,743,707
AvalonBay Communities, Inc.	\$295,000,000
Pantzer Properties	\$272,500,000



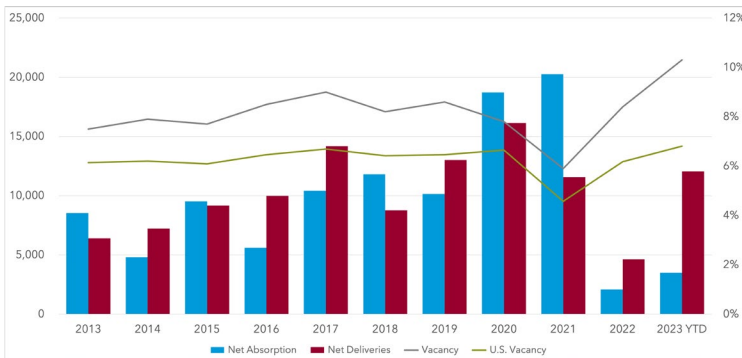
MULTIFAMILY MARKET OVERVIEW

DAN WAGNER, *Chief Data Officer*

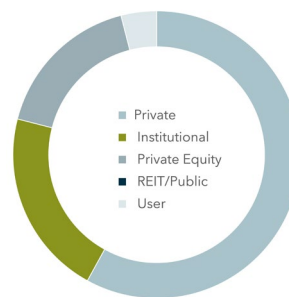
The delivery of more than 12,000 apartment units in 2023 has led to a slight uptick in vacancy, which surpassed 10% for the first time since 2009. Despite the increase, Atlanta's multifamily market fundamentals reflect elevated unit absorption and average rental rates north of \$1,500 per unit for the last two years. Developers are underway with 40,022 units under construction, with suburban submarkets accounting for the majority share of multifamily development. Despite rising vacancy, drivers of apartment demand remain favorable as solid job growth, +145,000 jobs in 2022, and increasing borrowing costs for homeowners will provide continued support for the apartment market.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Absorption Units	3,583	4,747	2,076	4,525	4,958
▲ Vacancy Rate	10.3%	9.0%	8.4%	7.4%	6.8%
▼ Asking Rent/Unit (\$)	\$1,599	\$1,615	\$1,603	\$1,629	\$1,637
▼ Under Construction Units	40,022	40,605	39,214	34,747	31,204
▲ Inventory Units	588,392	538,740	534,614	536,389	523,809

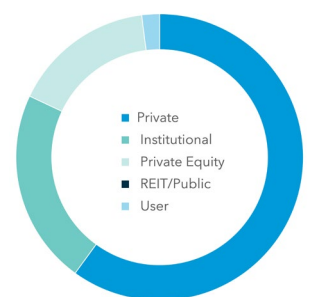
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
391 17th Street NW Atlanta, GA	\$133,000,000 \$281,184 Per Unit	473	Blackstone, Inc. Goldman Sachs & Co. LLC
2605 Meadow Church Road Duluth, GA	\$91,000,000 \$273,273 Per Unit	333	Olen Properties New York Life Insurance Company
1918 Johnson Ferry Road Brookhaven, GA	\$66,300,000 \$300,000 Per Unit	221	Robert Whitacre Birge & Held Asset Management

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Bluerock	\$654,070,659
Northwood Investors	\$257,540,000
Goldman Sachs & Co. LLC	\$248,500,000
RPM	\$174,000,000
McDowell Properties	\$140,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone Inc.	\$787,070,659
HHHunt	\$257,540,000
The Related Companies	\$183,500,000
L+M Development Partners, Inc.	\$143,500,000
American Realty Advisors	\$140,576,914



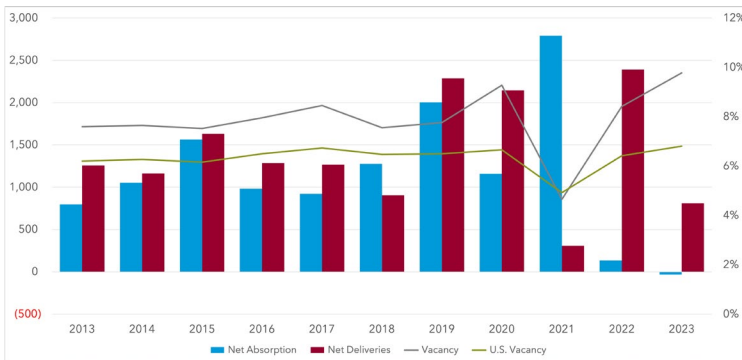
MULTIFAMILY MARKET OVERVIEW

JONATHON HARRISS, *Broker*

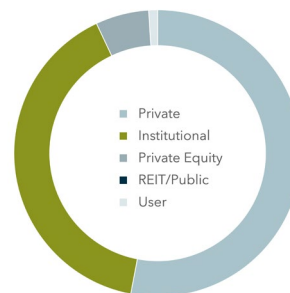
Durham saw a substantial increase in 12-month absorption as well as an increased vacancy rate in Q2 2023. This surge in absorption indicates growing demand for multifamily housing, however, increased vacancy suggests the market is not efficiently absorbing new deliveries. The asking rent per unit followed a similar pattern as in Raleigh, rising from \$1,514.31 to \$1,538.48, indicating that landlords were able to command slightly higher rents. The number of under construction units in Durham also increased from 5,234 to 5,492, showcasing ongoing development activity.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Absorption Units	221	58	219	345	1,532
▲ Vacancy Rate	9.8%	8.8%	8.4%	7.7%	7.3%
▲ Asking Rent/Unit (\$)	\$1,538.48	\$1,514.31	\$1,508.73	\$1,529.69	\$1,563.80
▲ Under Construction Units	5,492	5,234	4,500	3,753	4,198
▲ Inventory Units	57,513	56,903	56,703	56,410	55,651

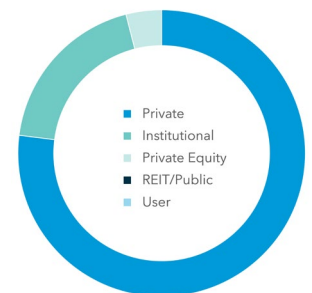
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
400 Advancement Avenue Durham, NC	\$85,290,000 \$253,839.29 Per Unit	336	CWS Capital Partners LLC Duck Pond Realty Management
604 N Hardee Street Durham, NC	\$14,100,000 \$73,437.50 Per Unit	192	Friedlam Partners LLC Homewood Real Estate Partners
3115 Fayetteville Street Durham, NC	\$1,300,000 \$21,666.67 Per Unit	60	Adorable Family Care Home, Inc. Advocate Restoration LLC

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Duck Pond Realty Management	\$174,292,000
Northwestern Mutual Life Insurance Co	\$100,000,000
Kettler	\$99,742,500
Stonebridge Investments	\$88,000,000
Cortland	\$84,500,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
The Connor Group	\$100,000,000
TerraCap Management, LLC	\$99,742,500
Munich RE	\$89,000,000
Birge & Held Asset Management	\$88,000,000
CWS Capital Partners LLC	\$85,292,000



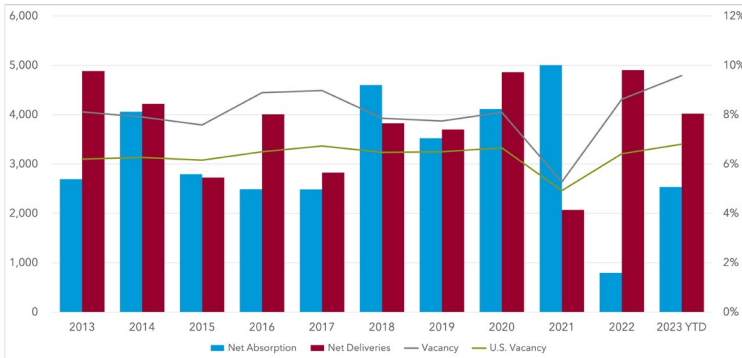
MULTIFAMILY MARKET OVERVIEW

JONATHON HARRISS, *Broker*

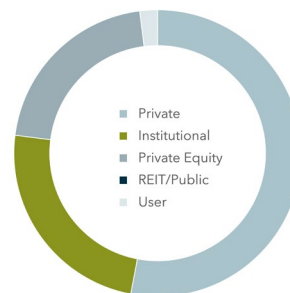
Raleigh's multifamily inventory continues to grow in 2023 with 18,291 units under construction in Q2 and a year-to-date net delivery of 4,020 units. Average asking rent per unit saw a modest rise from \$1,562.98 to \$1,580.69 and vacancy rose from 9.2% in Q1 2023 to 9.6% in Q2 2023. High interest rates and a substantial bid-ask spread are slowing new multifamily development in the region. However, over the long-term Raleigh is well positioned for continued growth as migration continues to the sunbelt.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Absorption Units	2,350	1,463	795	1,310	2,344
▲ Vacancy Rate	9.6%	9.2%	8.6%	7.7%	6.4%
▲ Asking Rent/Unit (\$)	\$1,580.69	\$1,562.98	\$1,548.17	\$1,575.29	\$1,596.67
▲ Under Construction Units	18,291	17,528	17,335	15,133	13,786
▲ Inventory Units	118,766	116,530	114,746	113,950	112,243

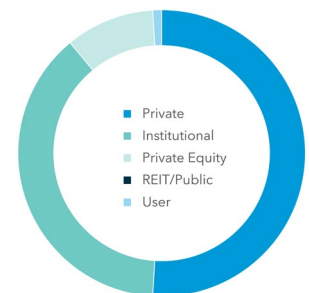
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
3926 Marcom Street Raleigh, NC	\$21,870,000 \$145,800 Per Unit	150	Ritz Banc Group Artesia Real Estate
1402 - 1408 Stovall Drive Raleigh, NC	\$2,300,000 \$82,142.86 Per Unit	28	Ritz Banc Group Artesia Real Estate
1501 Gorman Street Raleigh, NC	\$1,060,000 \$96,363.64 Per Unit	11	Phuoc & Khen Group LLC Ryan Groff

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Lone Star Funds	\$344,457,654
Carroll	\$273,925,000
Prudential Financial, Inc.	\$273,925,000
Bluerock Real Estate LLC	\$260,389,117
Banner Real Estate Group	\$254,750,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Blackstone Inc.	\$912,014,117
Starwood Capital Group	\$646,779,500
Carroll	\$496,103,825
Mitsubishi Estate Co. Ltd.	\$373,200,000
Morgan Stanley & Co. LLC	\$320,189,000



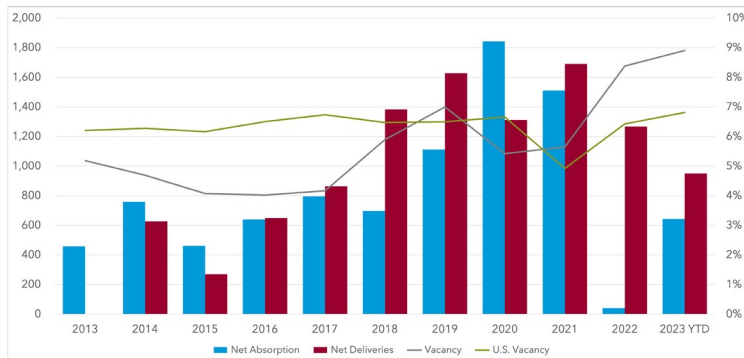
MULTIFAMILY MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

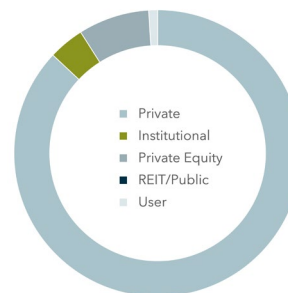
The rising population of the region has fueled a huge construction boom of multifamily units here for quite some time. However, the number of units has finally caught-up with the demand, suggesting a slower growth cycle going forward. There has been a slight increase in the vacancy rates, however, if construction slows just a bit, that should not be a problem. Good jobs and a great location will keep the economy moving forward, but look for modest growth as opposed to rampant growth in the coming months.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Absorption Units	717	342	41	(284)	217
▲ Vacancy Rate	8.9%	7.9%	8.4%	7.9%	6.1%
▲ Asking Rent/Unit (\$)	\$1,529.51	\$1,516.98	\$1,505.10	\$1,533.69	\$1,562.01
▼ Under Construction Units	3,622	4,258	3,864	4,259	4,739
▲ Inventory Units	43,230	42,294	42,280	41,885	41,189

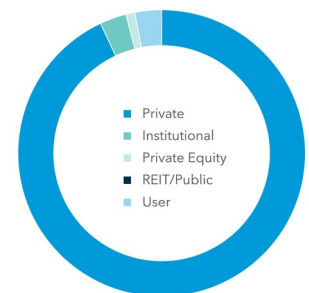
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
4275 W. 4th Street Reno, NV	\$68,300,000 \$355,729.17 Per Unit	192	Topanga Management Company Ensemble Real Estate
765 S. Meadows Parkway Reno, NV	\$37,000,000 \$282,442.75 Per Unit	131	Livingston Street Capital Mission Senior Living
1224 Berrum Lane Reno, NV	\$16,550,000 \$165,500.00 Per Unit	100	Bernard Xavier Infinity Assets

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
JP DiNapoli Companies	\$88,000,000
Ensemble Investments LLC	\$68,300,000
Integra Land Company	\$59,250,000
Panther Residential	\$59,250,000
Mark Abrahams	\$47,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
McClellan Park, LLC	\$118,500,000
Topanga Management Company	\$68,300,000
Four Peaks Capital	\$47,000,000
Herzog Real Estate Dev Services Inc.	\$44,000,000
Tilden Properties	\$44,000,000



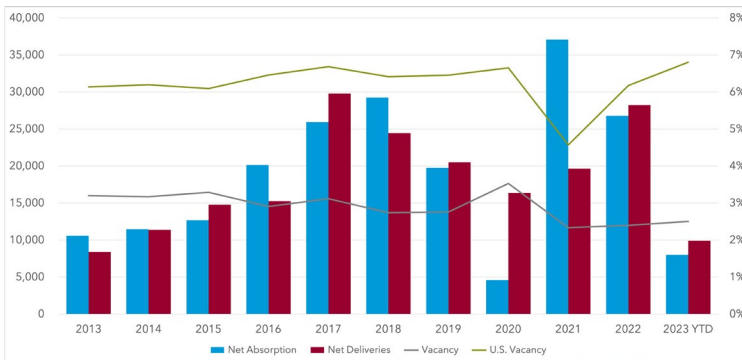
MULTIFAMILY MARKET OVERVIEW

SARAH ORCUTT, *Director of Research*

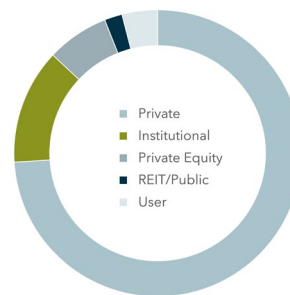
New York City's multifamily market saw a slight increase in vacancy this quarter to 2.5%, though this rate remains well below historical levels. The multifamily market continues to exhibit a supply-demand imbalance, with many renters competing for a limited supply of units. High demand has led to a continued increase in asking rents over the last five quarters, increasing to \$3,051 in Q2 2023. During the second quarter, 66,329 units were under construction, while 9,903 units have been delivered year-to-date. Private and institutional buyers and sellers continue to dominate the multifamily sales market, accounting for a collective 87% of buyers and 88% of sellers in the last 12 months.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Absorption Units	18,444	21,905	26,782	29,913	33,809
▲ Vacancy Rate	2.5%	2.4%	2.4%	2.3%	2.3%
▲ Asking Rent/Unit (\$)	\$3,051	\$3,017	\$2,994	\$2,993	\$2,983
▲ Under Construction Units	66,329	65,662	63,571	63,220	58,874
▲ Inventory Units	1,540,479	1,533,920	1,530,576	1,525,273	1,519,090

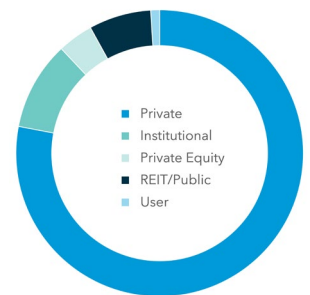
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
820-880 Colgate Avenue Bronx, NY	\$67,010,063 \$69,225.27 Per Unit	968	The Vistria Group Nelson Management Group Ltd.
123 Linden Boulevard Brooklyn, NY	\$330,000,000 \$706,638.12 Per Unit	467	Undisclosed The Moinian Group
1261-1281 Second Avenue New York, NY	\$402,625,000 \$1,250,388.20 Per Unit	322	GO Partners Soloviev Group

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Soloviev Group	\$1,237,425,000
Carmel Partners	\$487,500,000
Equity Residential	\$415,000,000
AvalonBay Communities Inc.	\$306,000,000
UBS AG	\$265,000,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
GO Partners	\$1,227,625,000
A&E Real Estate	\$648,659,350
Ponte Gadea	\$487,500,000
The Carlyle Group	\$223,685,960
Harbor Group International LLC	\$153,000,000



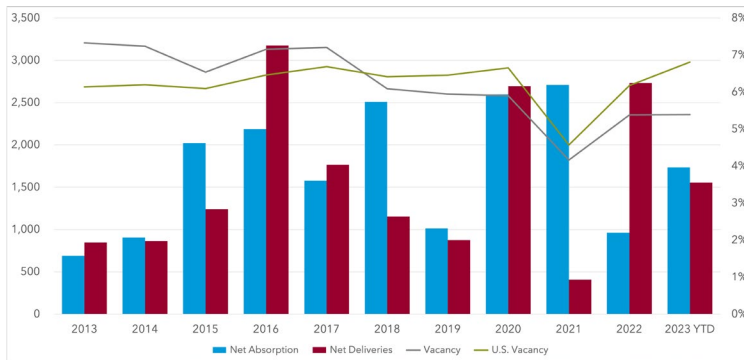
MULTIFAMILY MARKET OVERVIEW

JOSH HARKAVY, *Vice President*

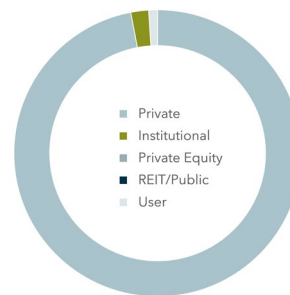
In the second quarter 2023, Cincinnati's multifamily market vacancy held steady from Q1 at 5.4%. There are 6,500 units under construction. Twelve months asking rent growth is 4.2% and this continues to slow year-over-year. With the new apartment supply, and slowing of household formations due to inflation and economic uncertainty, continued market softness is to be expected. Cincinnati rents are almost 30% lower as compared to the national average. Sales remain quiet, however, prices are 60% below the national average and cap rates are 150 basis points higher. The slowness in sales is reflective of the disconnect in pricing between sellers and buyers which likely will continue through 2023.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Absorption Units	1,732	1,097	963	1,042	1,397
▼ Vacancy Rate	5.4%	5.7%	5.4%	5.2%	4.3%
▲ Asking Rent/Unit (\$)	\$1,201.83	\$1,188.84	\$1,167.36	\$1,163.11	\$1,153.73
▼ Under Construction Units	5,864	6,378	6,840	6,848	7,010
▲ Inventory Units	137,541	137,011	135,985	135,503	134,106

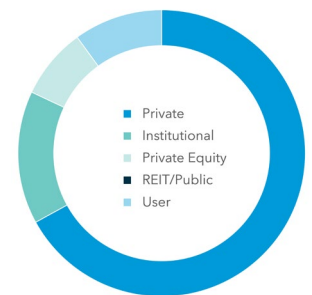
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
100 River Road Lawrenceburg, IN	\$13,750,000 \$143,229.17 Per Unit	96	Revitate Varia US Properties
5247 Four Mile Road Melbourne, KY	\$2,600,000 \$104,000 Per Unit	25	Soar Capital Group LLC Saddlebrook KY LLC
4828 Glenway Avenue Cincinnati, OH	\$690,000.00 \$53,077 Per Unit	13	Kevin C Phifer Lawrence Akroush

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Nicol Investment Company	\$176,400,000
The Gregel Group	\$116,225,000
Coastal Ridge Real Estate	\$115,250,000
Mendel Steiner	\$60,559,000
University of Cincinnati	\$40,725,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Crawford Hoying	\$176,400,000
Living Residential LLC	\$116,225,000
The Connor Group	\$115,250,000
PLK Communities	\$66,575,000
Varia US Properties	\$62,000,000



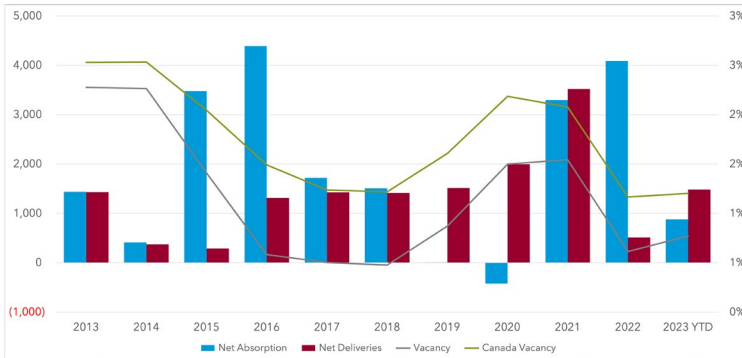
MULTIFAMILY MARKET OVERVIEW

LUIS ALMEIDA, SIOR, *Executive Vice President, Partner*

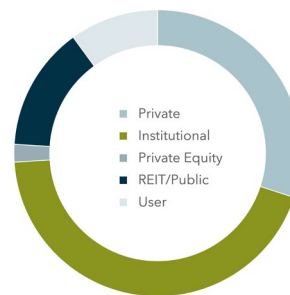
Toronto's multifamily vacancies remained below 1% in Q2 2023. As the Bank of Canada continues quantitative tightening, a rising number of individuals are finding themselves priced out of property ownership despite a robust job market. This resulted in a stronger rental market with demand remaining high throughout the first half of 2023. However, the Ontario government has announced they would cap rental rate increases to 2.5% in rent-controlled buildings during 2023. This may cause a shift in investor demand from older to newer buildings, as landlords will be interested in having rent cash flows remain close to market levels and maximizing the value of their investments.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Absorption Units	1,756	2,807	4,088	5,174	5,331
▲ Vacancy Rate	0.8%	0.7%	0.6%	0.7%	0.8%
▲ Asking Rent/Unit (\$)	\$2,104	\$2,072	\$2,019	\$1,964	\$1,906
▲ Under Construction Units	19,542	16,165	16,713	15,963	12,962
▲ Inventory Units	386,767	386,213	385,283	385,298	385,269

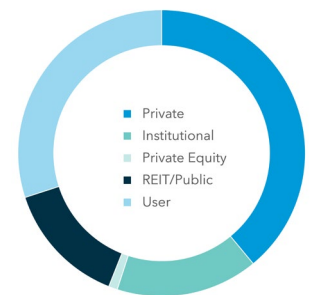
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
2360 Birchmount Road* Toronto, ON	Undisclosed	186	Starlight Investments Ltd Roche Development Group, Inc.
2200 Roche Court* Mississauga, ON	Undisclosed	142	Starlight Investments Ltd Roche Development Group, Inc.
38 Dixington Crest Toronto, ON	\$30,500,000 \$274,774.77 Per Unit	111	Lankin Investments Harry Rotenberg Real Estate

*Part of a 5-Property Portfolio

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Starlight Investments Ltd	\$217,580,000	Karl Fay Investments Ltd	\$237,500,000
Woodbourne Capital Mgmt International, LP	\$149,000,000	Power Corporation of Canada	\$185,500,000
Timbercreek Capital Inc	\$116,900,000	First Capital REIT	\$149,000,000
Equiton Inc	\$113,250,000	Golden Hauer Investments (1988)	\$94,500,000
DREAM Unlimited	\$105,545,000	Canadian Apartment Properties REIT	\$90,100,000



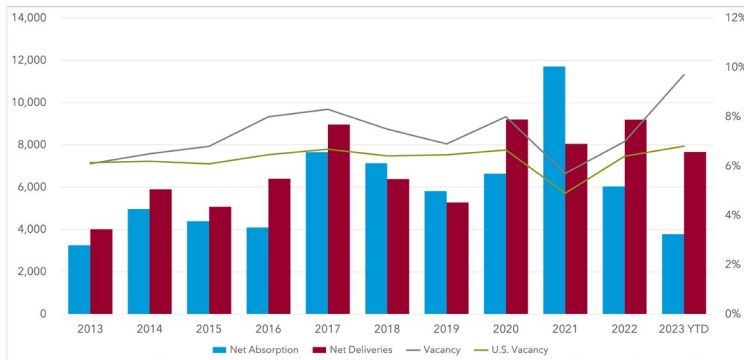
MULTIFAMILY MARKET OVERVIEW

GAINES HANKS, Associate

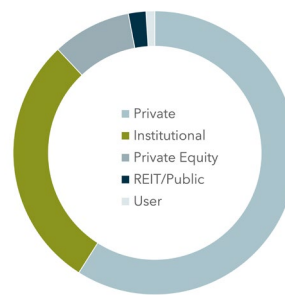
Much like most of the US, the record-setting apartment metrics of 2021 are a fond but distant memory for multifamily operators in the Nashville Market. Absorption has slowed across all classes due to the near-record pipeline of 12,000 new units that have delivered in the past 12 months, which has also put negative pressure on asking rents. Nashville's asking rents have ticked up in 2023, which is negating the losses in rent growth in H2 2022. Additionally, due to the interest rate environment, sales volume has dropped significantly in the first half of 2023.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Absorption Units	4,733	3,360	6,039	6,817	8,783
▲ Vacancy Rate	9.7%	9.0%	7.0%	6.2%	5.8%
▲ Asking Rent/Unit (\$)	\$1,558	\$1,534	\$1,511	\$1,537	\$1,538
▲ Under Construction Units	24,574	24,493	23,591	22,273	24,975
▲ Inventory Units	206,539	201,524	197,626	195,511	193,800

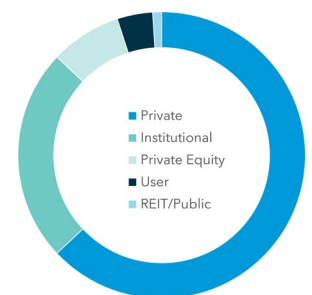
NET ABSORPTION, NET DELIVERIES, & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
600 11th Avenue N Nashville, TN	\$96,500,000 \$356,089 Per Unit	271	Southern Ute Indian Tribe Growth Fund Undisclosed
113 Magnolia Drive Franklin, TN	\$27,035,000 \$225,292 Per Unit	120	AEW Capital Management SPM
3020 S. Rutherford Boulevard Murfreesboro, TN	\$5,500,000 \$171,875 Per Unit	32	CRF Properties Eric M & Christine M Novakovich

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Wood Partners	\$289,120,000
Starwood Capital Group	\$156,420,412
Cantor Fitzgerald & Co.	\$149,000,000
Elco Ltd.	\$142,000,000
Blackstone Inc.	\$125,300,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Starwood Capital Group	\$649,811,749
Blackstone Inc.	\$631,953,474
GVA Property Management	\$530,411,322
Greystar Real Estate Partners	\$393,250,000
Hamilton Zanze & Company	\$375,480,000



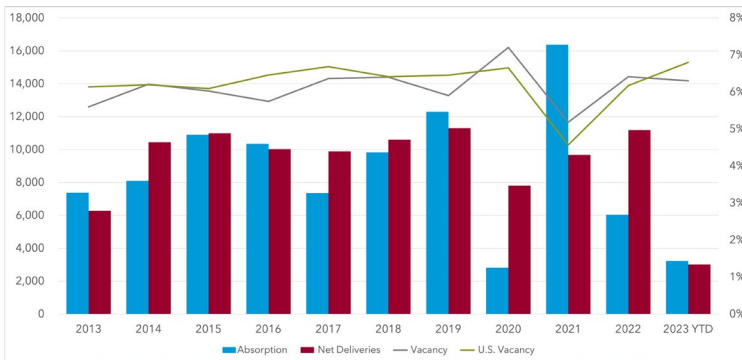
MULTIFAMILY MARKET OVERVIEW

TED WOOD, *Senior Vice President*

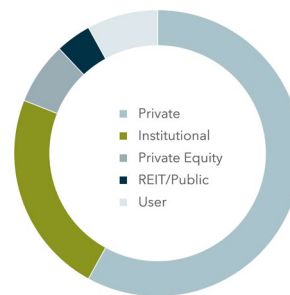
According to the latest Crane Index by Rider Levett Bucknall (RLB), Seattle is leading the nation in terms of the number of cranes in operation, experiencing a significant 21% increase compared to Q3 2022. The demand for rentals remains robust due to the continuous growth of Seattle's biosciences sector and the challenges associated with homeownership. The vacancy rate improved, dropping by 3.1% from 6.5% in Q1 to 6.3%. The number of units under construction has remained steady, experiencing a slight increase of 0.7% from Q1, reaching a total of 29,364 units. Notably, the largest sale in the region occurred in Mill Creek, WA, where a portfolio consisting of 284 units was sold for \$107,147,780.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Absorption Units	4,829	5,127	6,043	6,610	8,972
▼ Vacancy Rate	6.3%	6.5%	6.4%	6.1%	5.5%
▼ Asking Rent/Unit (\$)	\$398,959	\$400,092	\$407,752	\$422,674	\$436,892
▲ Under Construction Units	29,364	29,152	28,948	28,385	26,704
▲ Inventory Units	375,437	374,017	372,420	370,843	367,275

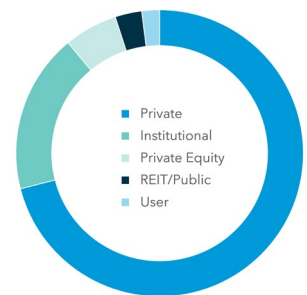
NET ABSORPTION, NET DELIVERIES & VACANCY



SALE BY BUYER TYPE



SALE BY SELLER TYPE



**Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
14701 Main Street Mill Creek, WA	\$107,147,780 \$377,281 Per Unit	284	UDR, Inc. UDR, Inc.
14710 NE 40th Street Bellevue, WA	\$103,000,000 \$388,679 Per Unit	265	Waterton Prometheus Real Estate Group, Inc.
12400 Sunrise Boulevard, E Puyallup, WA	\$45,800,000 \$305,333 Per Unit	150	Equus Capital Partners Ltd. Hamilton Zane & Company

*Part of a Portfolio Sale

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Greystar Real Estate Partners	\$1,076,414,569	Marcus & Millichap	\$912,332,000
Blackstone Inc.	\$958,810,000	Security Properties, Inc.	\$859,752,075
Security Properties, Inc.	\$778,920,000	Rise Property Trust	\$677,944,766
Kennedy Wilson, Inc.	\$689,950,000	Blackstone Inc.	\$672,425,000
Goodman Real Estate Inc.	\$652,710,100	Acacia Capital Corporation	\$611,790,000

ABSORPTION

Refers to the change in occupancy over a given time period. Lease renewals are not factored into absorption unless the renewal includes the occupancy of additional space. (In that case, the additional space would be counted in absorption.) Pre-leasing of space in non-existing buildings (e.g., Proposed, Under Construction, Under Renovation) is not counted in absorption until the actual move-in date.

CAP RATE

The income rate of return for a total property that reflects the relationship between one year's net operating income expectancy and the total price or value. Calculated by dividing the net operating income by the sale price or value.

CLASS A OFFICE

In general, a class A building is an extremely desirable investment-grade property with the highest quality construction and workmanship, materials and systems, significant architectural features, the highest quality/expensive finish and trim, abundant amenities, first rate maintenance and management; usually occupied by prestigious tenants with above average rental rates and in an excellent location with exceptional accessibility. They are most eagerly sought by international and national investors willing to pay a premium for quality and are often designed by architects whose names are immediately recognizable. A building meeting this criteria is often considered to be a landmark, either historical, architectural or both. It may have been built within the last 5-10 years, but if it is older, it has been renovated to maintain its status and provide it many amenities. Buildings of this stature can be one-of-a-kind with unique shape and floor plans, notable architectural design, excellent and possibly outstanding location and a definite market presence.

CLASS B OFFICE

In general, a class B building offers more utilitarian space without special attractions. It will typically have ordinary architectural design and structural features, with average interior finish, systems, and floor plans, adequate systems and overall condition. It will typically not have the abundant amenities and location that a class A building will have. This is generally considered to be more of a speculative investment. The maintenance, management and tenants are average to good, although, Class B buildings are less appealing to tenants and may be deficient in a number of respects including floor plans, condition and facilities. They therefore attract a wide range of users with average rents. They lack prestige and must depend chiefly on lower price to attract tenants and investors. Typical investors are some national but mostly local.

CLASS C OFFICE

In general, a class C building is a no-frills, older building that offers basic space. The property has below-average maintenance and management, a mixed or low tenant prestige, and inferior elevators and mechanical/electrical systems. As with Class B buildings, they lack prestige and must depend chiefly on lower price to attract tenants and investors.

GROSS ABSORPTION

For existing buildings, the measure of total square feet occupied (indicated as a Move-In) over a given period of time with no consideration for space vacated during the same time period. Sublet space and lease renewals are not factored into gross absorption. However, in a lease renewal that includes the leasing of additional space, that additional space is counted in gross absorption. Preleasing of space in non-existing buildings (Planned, Under Construction or Under Renovation) is not counted in gross absorption until actual move in, which by definition may not be any earlier than the delivery date.

INDUSTRIAL GROSS RENT

A type of Modified Gross lease where the tenant pays one or more of the expenses in addition to the rent. Exact details must be confirmed for each lease.

INVENTORY

Existing inventory refers to the total square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space that is either planned, or under construction.

MODIFIED GROSS

Modified Gross is a general type of lease rate where typically the tenant will be responsible for their proportional share of one or more of the expenses. The Lessor (landlord) will pay the remaining expenses. For example: Plus Electric means the tenant pays rent plus their own electric expense, or Plus Janitorial means the tenant pays the rent plus their own janitorial expense. Both of these are types of Modified Gross Leases, which may vary from tenant to tenant.

NET ABSORPTION

For existing buildings, the measure of total square feet occupied (indicated as a Move-In) less the total space vacated (indicated as a Move-Out) over a given

period of time. Lease renewals are not factored into net absorption. However, in a lease renewal that includes the leasing of additional space, that additional space is counted in net absorption. Pre-leasing of space in non-existing buildings (Planned, Under Construction or Under Renovation) is not counted in net absorption until actual move in, which by definition may not be any earlier than the delivery date.

TRIPLE NET (NNN)

A lease in which the tenant is responsible for all expenses associated with their proportional share of occupancy of the building.

UNDER CONSTRUCTION

Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building Under Construction, the site must have a concrete foundation in place.

VACANCY RATE

Expressed as a percentage - it identifies the amount of New/Relet/Sublet space vacant divided by the existing RBA. Can be used for buildings or markets.

COMMON LEASE TYPES MATRIX

LEASE TYPE	RESPONSIBILITY FOR EXPENSES	OTHER
Gross (full service)	Landlord pays all or most of the operating expenses and taxes.	Costs of operation must be disclosed in lease.
Modified Gross	Expenses are divided between tenant and landlord.	Costs can be double or triple net depending on terms of lease.
Net	Tenant pays all operating expenses.	Landlord must disclose tenant responsibility in lease.
Triple Net (Net-net-net, or NNN)	Tenant pays all operating expenses, taxes and insurance.	Landlord is responsible for structure, roof and maybe parking lot.

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com