



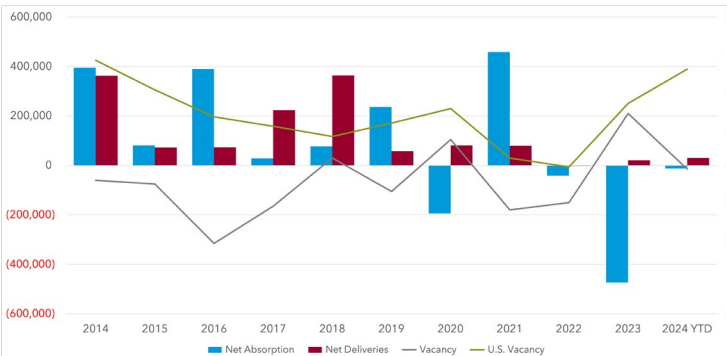
INDUSTRIAL MARKET OVERVIEW

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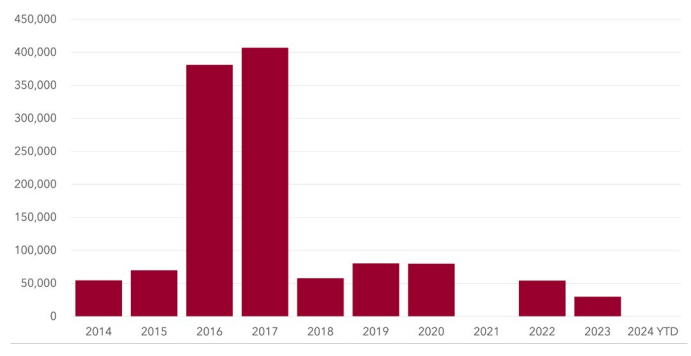
Santa Barbara's availability rate of 5.1% is the highest in a decade. Vacancy increased to 3.8% from less than 3% in 2023, before a 200,000-SF cannabis growing facility in Carpinteria became available. Hollandia Produce's nearly 800,000-SF leaseback for 25 years in Carpinteria and Raytheon's five-year renewal for 120,000 SF in Goleta were notable transactions. But net absorption over the past 12 months was roughly 10,000 SF. Leasing volume in the first quarter was the lowest since 2017 with only about 10 new leases signed. Santa Barbara faces minimal near-term supply-side pressure on vacancy or rent growth.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▲ 12 Mo. Net Absorption SF	(303,734)	(510,371)	(473,792)	(555,711)	(60,711)
▼ Vacancy Rate	5.1%	5.2%	5.4%	5.4%	3.4%
▼ Avg NNN Asking Rate PSF	\$17.79	\$17.93	\$17.93	\$17.84	\$17.69
▼ SF Under Construction	0	30,000	30,000	30,000	30,000
▲ Inventory SF	20,321,701	20,300,000	20,300,000	20,300,000	20,300,000

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6338 Lindmar Drive Goleta, CA	66,178 SF	\$11,100,000 \$167.73 PSF	Derek Duncan Stephen Barlett	Class B
1604 N. O Street Lompoc, CA	27,535 SF	\$7,500,000 \$272.38 PSF	CB Coastal LLC Davids Pinot Vineyards, Inc.	Class C
2325 Skyway Drive Santa Maria, CA	25,053 SF	\$5,100,000 \$203.57 PSF	Rancho Laguna Farms Francis D. & Alida Freda 1991 Trust	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
326 Bolley Drive Goleta, CA	42,611 SF	Majestic Asset Management, Inc.	Redwire Space Enterprises, Inc.	Services
495 Pine Avenue Goleta, CA	5,361 SF	Goleta Business Park	Merakai LLC dba MOS Equipment	Manufacturing
750 Technology Drive Goleta, CA	5,000 SF	Onnen & Klopstein Investments	Undisclosed	Undisclosed

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