



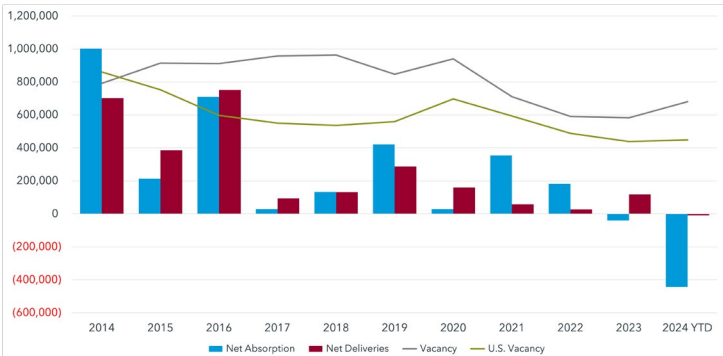
### RETAIL MARKET OVERVIEW

AMANDA BROCK, *Senior Vice President, Retail Properties*

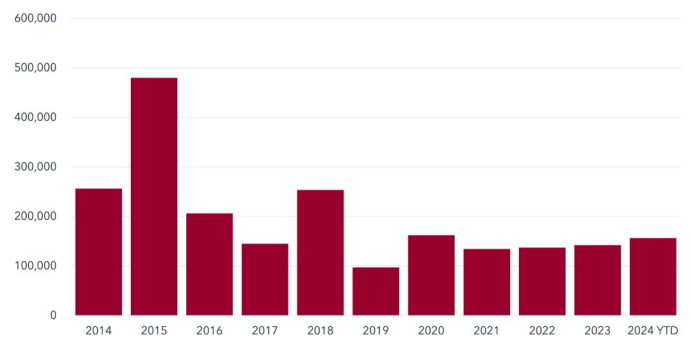
Bakersfield's retail vacancy rate holds steady at 5%, offering rents well below the national average while achieving 2.4% year-over-year growth. Rent growth is projected to decelerate through mid-2025, with gradual recovery expected thereafter. Limited new construction mitigates supply-side risks. Over the past year, retail sales volume reached \$116 million across 120 transactions, a significant drop from the five-year average of \$202 million. Market sentiment remains positive on the potential impact of rate cuts, which could stimulate investor activity in 2025. Notably, a 4,100-square-foot 7-Eleven traded at \$5.84 million in January at a 4.4% cap rate. The market's average cap rate is trending upward, currently at 6.7%.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	(443,000)	(224,000)	8,177	(40,300)	(93,100)
▲ Vacancy Rate	4.98%	4.70%	4.20%	4.60%	4.20%
▲ Avg NNN Asking Rate PSF	\$19.71	\$19.50	\$19.42	\$19.40	\$19.30
◀ ▶ Sale Price PSF	\$219.00	\$219.00	\$217.00	\$216.00	\$215.00
▲ Cap Rate	6.69%	6.68%	6.68%	6.67%	6.64%
▼ Under Construction SF	162,475	164,975	140,000	155,165	-
▲ Inventory SF	35,344,331	35,300,000	33,779,830	33,459,546	-

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
3699 Ming Avenue Bakersfield, CA	15,556 SF	\$3,500,000 \$1,432.00 PSF	Ravinder Kamboj Village Investment Partners	Multi-Tenant
1406 N. Chester Avenue Bakersfield, CA	13,741 SF	\$2,840,000 \$206.68 PSF	Duff Capital Investors Julie M. Scholl Living Trust	Multi-Tenant
3500 Truxtun Avenue Bakersfield, CA	7,072 SF	\$2,000,000 \$283.00 PSF	Raushani Narang Robert Bell	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
16910-16918 State Hwy 14 Mojave, CA	6,200 SF	Gold Team Properties LLC	Undisclosed	Undisclosed
6500 District Boulevard Bakersfield, CA	2,690 SF	Benny & Solly Michael	Undisclosed	Undisclosed
1701 18th Street Bakersfield, CA	2,504 SF	Jake A. Soberal	Undisclosed	Undisclosed

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