



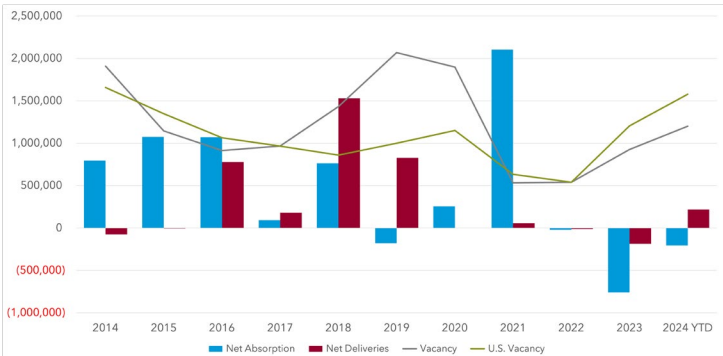
INDUSTRIAL MARKET OVERVIEW

DANIEL KNOKE, *Principal*

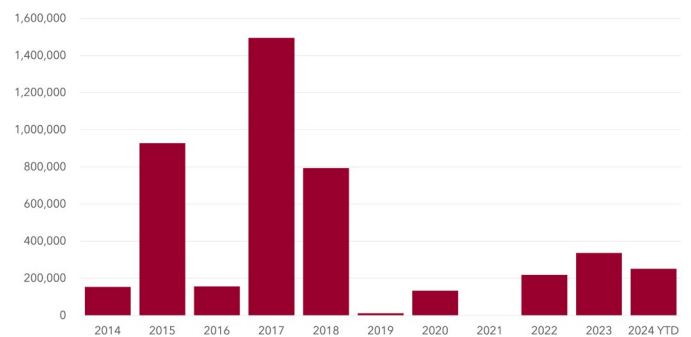
While net absorption is still negative for the last 12 months, we have seen just under 200,000 square feet of net absorption in the last two quarters combined. This signals stabilization in the leasing market as negative net absorption numbers are racing back towards net even. There has been a slight dip in average sale price driven by large CAP rate transactions, while pricing for small bay properties is still holding strong. Vacancy rates have dropped 20 basis points to 5.5% which signals a return to healthy power balance between tenants and landlords.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	72,615	121,800	(332,528)	8,543	(324,725)
▼ Vacancy Rate	5.5%	5.7%	5.5%	5.0%	5.0%
▼ Avg NNN Asking Rate PSF	\$1.45	\$1.46	\$1.43	\$1.44	\$1.48
▼ Sale Price PSF	\$261.00	\$282.00	\$294.00	\$283.00	\$279.00
▲ Cap Rate	6.15%	6.00%	6.17%	4.59%	4.45%
▼ Under Construction SF	251,229	336,515	242,890	242,890	242,890
◀ ▶ Inventory SF	58,717,461	58,717,461	58,299,032	58,299,032	58,299,032

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2065 Thibodo Road Vista, CA	76,872 SF	\$22,617,500 \$294.22 PSF	K-Tech Machine TPG Angelo Gordon & Co.	Class B
2588 Progress Street Vista, CA	30,866 SF	\$7,350,000 \$238.13 PSF	Birtcher Anderson & Davis Creekview Industrial Center LLC	Class C
261 Redel Road San Marcos, CA	18,100 SF	\$7,380,000 \$407.00 PSF	Urban Villages San Marcos LLC Durmer Pacific Investments LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2081 Faraday Avenue Carlsbad, CA	157,973 SF	Lincoln Property Company	Upper Deck Company	Sports Entertainment
1445 Engineer Street Vista, CA	93,662 SF	First Industrial Realty Trust, Inc.	Ferguson Enterprises	Distribution
1890 Ord Way Oceanside, CA	50,851 SF	BentallGreenOak	Hydranautics	Manufacturing

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