



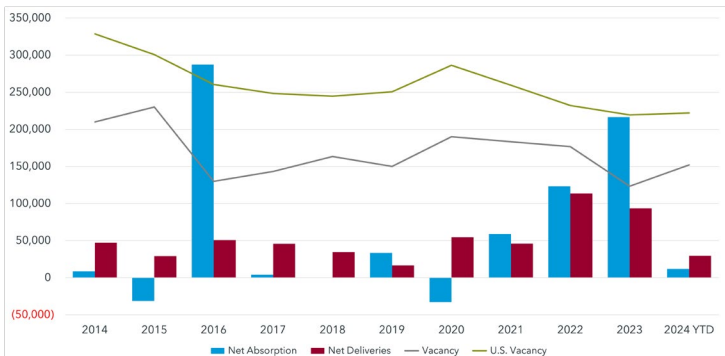
RETAIL MARKET OVERVIEW

JEFF ALLEN, Associate

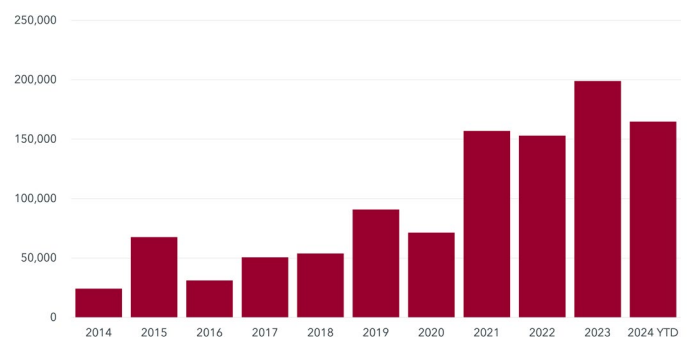
San Luis Obispo's retail market remains attractive, with single-tenant availability stable at around 3.5%, while multi-tenant availability has risen slightly above 5%, still low historically. Currently, 160,000 square feet are under construction, with 30,000 square feet available for lease. Rent growth reached 2.6% over the past 12 months and 18.5% over the past five years. Sales volume peaked at over \$80 million in mid-2022, with only two quarters surpassing \$20 million since. In the past year, 38 transactions averaged \$323 per square foot, with a cap rate of 6.5%. Private investors hold two-thirds of market share, while institutional and REIT entities own 15%.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▲ 12 Mo. Net Absorption SF	11,860	(16,102)	24,782	216,630	216,738
▼ Vacancy Rate	3.03%	3.1%	3.0%	2.6%	2.9%
▲ Avg NNN Asking Rate PSF	\$27.95	\$27.86	\$27.71	\$27.55	\$27.36
▲ Sale Price PSF	\$306.00	\$305.00	\$304.00	\$303.00	\$300.00
▲ Cap Rate	6.16%	6.15%	6.13%	6.12%	6.12%
▼ Under Construction SF	164,834	201,000	201,000	199,000	201,000
◀▶ Inventory SF	15,569,987	15,569,987	15,569,987	15,567,867	15,567,867

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1299 James Way Arroyo Grande, CA	17,993 SF	\$4,110,000 \$228.42 PSF	Fitness 19 Kennedy Athletic Club	Single-Tenant
197 W. Grand Avenue San Luis Obispo, CA	6,000 SF	\$1,915,000 \$319.17 PSF	Gary Grossman TDW Investments Group	Single-Tenant
1491 Monterey Street San Luis Obispo, CA	4,083 SF	\$2,577,500 \$631.28 PSF	Miramar Group Splash Cafe	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1127 Broad Street San Luis Obispo, CA	2,400 SF	Levi S Seligman	Undisclosed	Undisclosed
Froom Ranch San Luis Obispo, CA	1,720 SF	Undisclosed	Undisclosed	Undisclosed
795 Higuera Street San Luis Obispo, CA	1,600 SF	HSP Cynthia LLC	Undisclosed	Undisclosed

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