



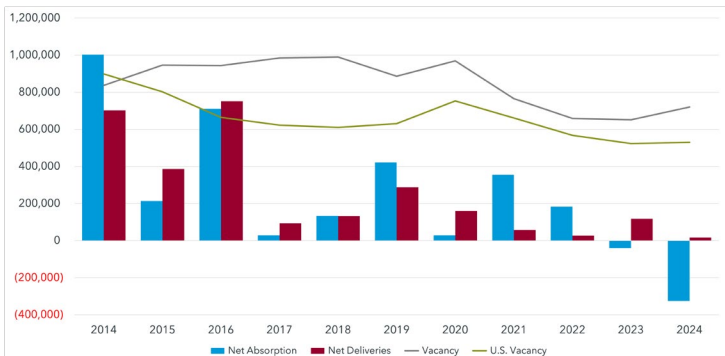
RETAIL MARKET OVERVIEW

AMANDA BROCK, VP Retail Properties

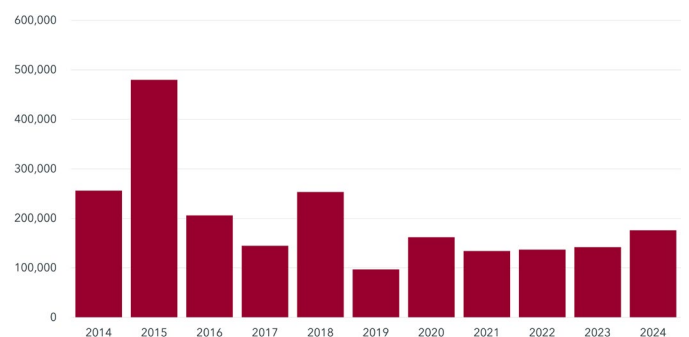
Bakersfield's retail sector has seen limited growth, with availability at 4.9%, slightly above the national average. Negative net absorption of -310KSF over the past year has pressured availability, while rents average \$19.80/SF, below the \$25.00/SF national figure but up 2.1% due to limited construction. Development remains modest, with 180KSF underway, expanding inventory by just 0.5%, and most projects are build-to-suit, with only 6.6% available for lease. Availability is expected to rise through mid-2024, with rent growth slowing before stabilizing. In the past year, 120 properties sold for \$119M, with cap rates increasing to the high 6% to low 7% range. Further value erosion and rising cap rates are anticipated into 2024.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▼ 12 Mo. Net Absorption SF	(324,922)	(443,000)	(224,000)	8,177	(40,300)
▼ Vacancy Rate	4.90%	4.98%	4.70%	4.20%	4.60%
▲ Avg NNN Asking Rate PSF	\$19.80	\$19.71	\$19.50	\$19.42	\$19.40
◀ ▶ Sale Price PSF	\$219	\$219	\$219	\$217	\$216
▲ Cap Rate	6.70%	6.69%	6.68%	6.68%	6.67%
▲ Under Construction SF	176,175	162,475	164,975	140,000	155,165
▲ Inventory SF	35,574,080	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
14600 CA-178 Lake Isabella, CA	4,073 SF	\$2,100,000 \$515.59 PSF	Hussam Hanna Elias Deeb	Single Tenant
2100 Panama Lane Bakersfield, CA	4,543 SF	\$1,765,000 \$388.51 PSF	Sam Abed Andrew J. Cesare	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
324 Bernard Street Bakersfield, CA	4,800 SF	Sarullo Dora	Bakersfield Thrift Store	Retail
1201B 24th Street Bakersfield, CA	4,000 SF	Brent Cruz	Bakersfield Elite Martial Arts	Sports & Recreation
3631 California Avenue Bakersfield, CA	3,443 SF	David L. Wick	Wow Brows Studio	Beauty

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