



# LEE & ASSOCIATES

COMMERCIAL REAL ESTATE SERVICES



## FEATURED MARKET REPORTS

## THE LEE ADVANTAGE

Every Lee & Associates office delivers world-class service to an array of regional, national, and international clients - from small businesses and local investors to major corporate users and institutional investors. Our professionals combine the latest technology, resources, and market intelligence with their experience, expertise, and commitment to superior service to optimize client results.

## WHAT SETS US APART?

Since 1979, Lee & Associates has reimagined the way that commercial real estate companies should be structured. Each Lee & Associates office is owned and operated by its professionals. As shareholders of the company, this separates us from our competition and creates one common goal; to provide seamless, consistent execution and value-driven market-to-market services to our clients.

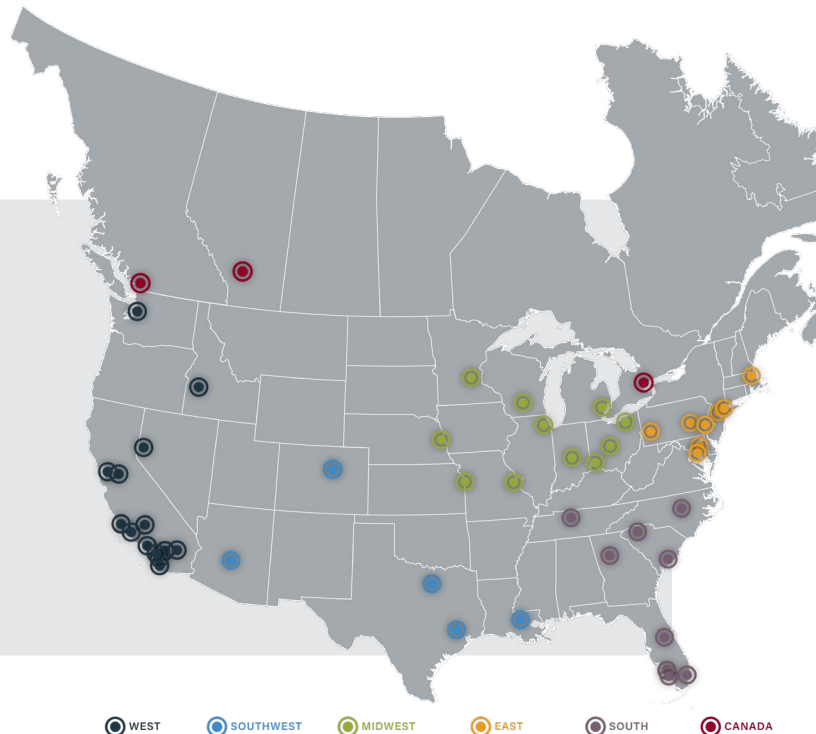
## SERVICES TO MEET THE NEEDS OF OUR CLIENTS

Lee & Associates' offices offer a broad array of real estate services tailored to meet the needs of the company's clients in each of the markets it operates, including commercial real estate brokerage, integrated services, and construction services.

With specialty practice groups in each of these disciplines, our professionals regularly collaborate to make sure they are providing their clients with the most advanced, up-to-date market technology and information.

## LOCAL EXPERTISE INTERNATIONAL REACH

With offices in 75+ markets across North America and a strategic international alliance with Gerald Eve, Lee & Associates has the ability to deliver first-class services to our clients both locally and internationally.



## INDUSTRIAL OVERVIEW: SHARP DECLINE HITS FIRST-QUARTER U.S. DEMAND

There was a sharp first-quarter decline in U.S. tenant demand for industrial space as wholesalers and retailers reconsider their inventory levels out of caution over the economic outlook. Net absorption in the first quarter totaled 39.4 million SF, a 57% drop from the record set a year ago. Demand for Canadian industrial space in Q1, however, gained nearly 21% year over year. The overall U.S. vacancy rate settled at 4.4%, an increase of 40 basis points from the close of 2022, comfortably below the 7.3% market average over the last two decades. Vacant space at the end of March totaled 805.6 million SF, up 81.4 million SF from the previous quarter.

While a potential pullback in consumer spending poses downside risks for 2023, onshoring of high-tech manufacturing will likely be a key driver of U.S. absorption from 2024-26. The federal government's 2022 passage of the CHIPS and Science Act, and the Inflation Reduction Act provided more than \$400 billion worth of incentives for growth in U.S.-based high-tech manufacturing. Newly completed space in the first quarter totaled 120.3 million SF compared to 74 million SF delivered in the same period last year. The stock of U.S. industrial property is set to grow nearly 4% in 2023 for the fastest pace of supply growth in more than 30 years. Barring a severe shock to the U.S. economy and industrial leasing, the volume of space set for delivery likely will produce only a moderate increase in vacancy without tipping the market in the tenants' favor. Influencing long-term prospects, increased interest rates of the past two quarters and concern that the increased cost of new construction may exceed replacement cost have caused developers to pull back by up to 40% starting late last year. The recent slowing in net absorption is broad-based across most major markets. Los Angeles and Southern California's Inland Empire - with respective vacancy rates of 3.4% and 3.1%, similar to other coastal markets - notably have posted outsized increases in space availability in recent months. Otherwise, the construction pipeline of projects is barely enough to meaningfully ease the space shortages in majority of coastal markets since the lockdown.

Imports have been declining at the national level since November. The slowing has been most pronounced at the Port of Los Angeles, where inbound cargo has been reduced by the Covid wave in China and risks of a strike by West Coast dockworkers. The potential strike has caused many importers to divert cargos to major East Coast ports, allowing East and Gulf Coast ports such as Newark, Savannah, Houston, Norfolk and Charleston to lead the U.S. in import growth since the Great Recession.

Lehigh Valley, Richmond, Tampa, Jacksonville, Detroit and Reno have bucked the national trend and record tightening availability since mid-2022, even among properties larger than 100,000 SF. U.S. and Canadian landlords in Q1 are expecting annualized 9.9% and 14.1% rent growth respectively. But those gains appear less likely to materialize as 2023's record levels of deliveries will see 250 million SF added in the second quarter and 650 million SF projected this year.

| LOWEST VACANCY RATE |      | HIGHEST MARKET RENT / SF ANNUAL |             | HIGHEST MARKET SALE PRICE / SF |           |
|---------------------|------|---------------------------------|-------------|--------------------------------|-----------|
| ON, Toronto         | 1.2% | CA, San Francisco               | \$27.12     | CA, San Francisco              | \$504     |
| BC, Vancouver       | 1.2% | CA, San Diego                   | \$21.48     | CA, Orange County              | \$376     |
| FL, Miami           | 2.1% | FL, Miami                       | \$19.20     | CA, Los Angeles                | \$355     |
| GA, Savannah        | 2.3% | CA, Orange County               | \$18.84     | CA, San Diego                  | \$351     |
| CA, Orange County   | 2.3% | CA, Los Angeles                 | \$18.84     | BC, Vancouver                  | \$334 CAD |
| <b>U.S. Index</b>   | 4.4% | <b>U.S. Index</b>               | \$11.40     | <b>U.S. Index</b>              | \$162     |
| <b>Canada Index</b> | 1.7% | <b>Canada Index</b>             | \$11.76 CAD | <b>Canada Index</b>            | \$215 CAD |

| MOST SF UNDER CONSTRUCTION SF |             | LARGEST INVENTORY BY SF |                | LOWEST MARKET CAP RATE |      |
|-------------------------------|-------------|-------------------------|----------------|------------------------|------|
| TX, Dallas-Fort Worth         | 76,691,186  | TX, Dallas-Fort Worth   | 1,091,980,277  | CA, Inland Empire      | 3.7% |
| AZ, Phoenix                   | 56,293,160  | CA, Los Angeles         | 950,073,302    | BC, Vancouver          | 4.0% |
| CA, Inland Empire             | 37,611,626  | ON, Toronto             | 858,933,788    | CA, Los Angeles        | 4.0% |
| TX, Houston                   | 36,630,838  | NY, New York*           | 854,883,800    | ON, Toronto            | 4.1% |
| GA, Atlanta                   | 31,804,416  | GA, Atlanta             | 806,519,545    | CA, Orange County      | 4.2% |
| <b>U.S. Index</b>             | 640,107,366 | <b>U.S. Index</b>       | 18,239,730,766 | <b>U.S. Index</b>      | 6.0% |
| <b>Canada Index</b>           | 61,519,338  | <b>Canada Index</b>     | 1,817,476,514  | <b>Canada Index</b>    | 4.9% |

\* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

| MARKET                     | VACANCY RATE | MARKET RENT / SF | MARKET SALE PRICE / SF | SF UNDER CONSTRUCTION | INVENTORY SF   | MARKET CAP RATE |
|----------------------------|--------------|------------------|------------------------|-----------------------|----------------|-----------------|
| <b>AB, Calgary **</b>      | 2.6%         | \$0.68           | \$126                  | 7,231,614             | 177,647,196    | 6.4%            |
| <b>AZ, Phoenix</b>         | 4.4%         | \$1.01           | \$186                  | 56,293,160            | 422,616,483    | 5.5%            |
| <b>BC, Vancouver **</b>    | 1.2%         | \$1.23           | \$334                  | 8,611,489             | 267,645,255    | 3.8%            |
| <b>CA, Bakersfield</b>     | 5.3%         | \$0.81           | \$121                  | 1,395,932             | 61,467,772     | 5.9%            |
| <b>CA, East Bay</b>        | 4.3%         | \$1.43           | \$313                  | 5,377,586             | 272,977,782    | 4.5%            |
| <b>CA, Fresno</b>          | 2.5%         | \$0.70           | \$94                   | 670,500               | 85,975,772     | 6.2%            |
| <b>CA, Inland Empire</b>   | 3.1%         | \$1.15           | \$287                  | 37,611,626            | 729,320,869    | 3.8%            |
| <b>CA, Los Angeles</b>     | 3.4%         | \$1.57           | \$355                  | 6,696,072             | 950,073,302    | 4.1%            |
| <b>CA, Orange County</b>   | 2.3%         | \$1.57           | \$376                  | 3,061,931             | 300,685,110    | 4.3%            |
| <b>CA, San Diego</b>       | 4.0%         | \$1.79           | \$351                  | 3,227,888             | 205,458,990    | 4.9%            |
| <b>CA, San Francisco</b>   | 7.4%         | \$2.26           | \$504                  | 5,227,284             | 97,970,998     | 4.5%            |
| <b>CA, San Luis Obispo</b> | 1.9%         | \$1.34           | \$219                  | 40,231                | 9,247,981      | 5.2%            |
| <b>CA, Santa Barbara</b>   | 2.7%         | \$1.50           | \$254                  | 29,965                | 17,985,822     | 5.4%            |
| <b>CA, Stockton</b>        | 5.3%         | \$0.77           | \$135                  | 7,699,935             | 143,955,580    | 5.2%            |
| <b>CA, Ventura</b>         | 3.3%         | \$1.19           | \$219                  | 260,015               | 74,258,259     | 5.1%            |
| <b>CO, Denver</b>          | 6.5%         | \$0.98           | \$196                  | 8,914,901             | 274,244,087    | 5.9%            |
| <b>DC, Washington</b>      | 4.1%         | \$1.31           | \$241                  | 9,933,070             | 288,242,822    | 6.0%            |
| <b>FL, Fort Myers</b>      | 1.0%         | \$0.96           | \$130                  | 3,727,374             | 37,373,172     | 7.2%            |
| <b>FL, Miami</b>           | 2.1%         | \$1.60           | \$271                  | 9,180,397             | 262,957,093    | 5.0%            |
| <b>FL, Naples</b>          | 1.1%         | \$1.27           | \$179                  | 947,936               | 13,544,056     | 6.5%            |
| <b>FL, Orlando</b>         | 3.6%         | \$1.03           | \$153                  | 9,179,067             | 192,141,307    | 5.8%            |
| <b>GA, Atlanta</b>         | 4.0%         | \$0.71           | \$110                  | 31,804,416            | 806,519,545    | 5.8%            |
| <b>GA, Savannah</b>        | 2.3%         | \$0.65           | \$117                  | 23,369,015            | 105,559,724    | 5.9%            |
| <b>ID, Boise</b>           | 4.2%         | \$0.83           | \$135                  | 5,414,498             | 54,465,640     | 6.1%            |
| <b>IL, Chicago</b>         | 5.8%         | \$0.61           | \$77                   | 18,698,962            | 400,025,100    | 6.7%            |
| <b>IN, Indianapolis</b>    | 4.6%         | \$0.58           | \$71                   | 33,041,274            | 376,597,931    | 7.0%            |
| <b>KS, Lawrence</b>        | 0.6%         | \$0.75           | \$94                   | 12,960                | 9,302,773      | 7.4%            |
| <b>KS, Topeka</b>          | 3.4%         | \$0.43           | \$65                   | 72,000                | 20,913,103     | 7.8%            |
| <b>LA, Baton Rouge</b>     | 3.3%         | \$0.76           | \$75                   | 2,272,114             | 39,311,397     | 8.1%            |
| <b>MA, Boston</b>          | 4.9%         | \$1.22           | \$192                  | 8,175,036             | 357,031,631    | 5.9%            |
| <b>MD, Baltimore</b>       | 6.2%         | \$0.84           | \$136                  | 2,720,450             | 260,454,767    | 6.4%            |
| <b>United States Index</b> | 4.4%         | \$0.95           | \$162                  | 640,107,366           | 18,239,730,766 | 6.0%            |
| <b>Canada Index</b>        | 1.7%         | \$0.98**         | \$215**                | 61,519,338            | 1,817,476,514  | 4.9%            |

| MARKET                           | VACANCY RATE | MARKET RENT / SF | MARKET SALE PRICE / SF | SF UNDER CONSTRUCTION | INVENTORY SF   | MARKET CAP RATE |
|----------------------------------|--------------|------------------|------------------------|-----------------------|----------------|-----------------|
| <b>MI, Detroit</b>               | 4.0%         | \$0.68           | \$75                   | 8,226,357             | 616,976,002    | 8.6%            |
| <b>MN, Minneapolis</b>           | 2.9%         | \$0.66           | \$94                   | 6,899,188             | 413,163,722    | 7.4%            |
| <b>MO, Kansas City *</b>         | 3.8%         | \$0.54           | \$68                   | 10,571,869            | 350,371,164    | 7.5%            |
| <b>MO, Saint Louis</b>           | 4.6%         | \$0.57           | \$73                   | 2,832,492             | 334,266,869    | 6.8%            |
| <b>NC, Durham</b>                | 4.3%         | \$0.91           | \$140                  | 4,307,034             | 47,618,841     | 6.0%            |
| <b>NC, Raleigh</b>               | 4.4%         | \$0.93           | \$138                  | 5,153,584             | 99,198,681     | 6.3%            |
| <b>NE, Lincoln</b>               | 5.2%         | \$0.53           | \$84                   | 646,426               | 35,868,602     | 6.6%            |
| <b>NE, Omaha</b>                 | 2.6%         | \$0.62           | \$86                   | 908,601               | 105,336,062    | 7.2%            |
| <b>NJ, Atlantic City</b>         | 2.8%         | \$1.25           | \$207                  | 4,846,190             | 250,388,078    | 5.4%            |
| <b>NJ, Northern New Jersey *</b> | 5.3%         | \$0.81           | \$170                  | 1,406,226             | 43,508,607     | 5.6%            |
| <b>NJ, Trenton</b>               | 7.8%         | \$0.59           | \$69                   | 0                     | 18,313,109     | 6.5%            |
| <b>NJ, Vineland</b>              | 2.8%         | \$0.75           | \$134                  | 4,434,334             | 111,403,127    | 5.2%            |
| <b>NV, Reno</b>                  | 4.1%         | \$1.47           | \$210                  | 1,897,120             | 182,756,461    | 6.8%            |
| <b>NY, Long Island</b>           | 4.4%         | \$1.53           | \$286                  | 20,882,623            | 854,883,800    | 4.9%            |
| <b>NY, New York *</b>            | 3.2%         | \$0.57           | \$70                   | 9,975,567             | 341,885,841    | 7.2%            |
| <b>OH, Cincinnati</b>            | 4.0%         | \$0.52           | \$52                   | 6,859,404             | 354,833,142    | 8.5%            |
| <b>OH, Cleveland</b>             | 5.1%         | \$0.64           | \$86                   | 15,683,410            | 349,222,386    | 6.1%            |
| <b>OH, Columbus</b>              | 1.2%         | \$1.10           | \$249                  | 30,573,344            | 858,933,788    | 4.1%            |
| <b>ON, Toronto **</b>            | 2.5%         | \$0.63           | \$97                   | 2,614,025             | 109,964,436    | 5.9%            |
| <b>PA, Harrisburg</b>            | 4.2%         | \$0.67           | \$123                  | 5,129,538             | 161,841,787    | 5.7%            |
| <b>PA, Lehigh Valley *</b>       | 4.8%         | \$0.88           | \$123                  | 26,636,212            | 597,282,825    | 6.1%            |
| <b>PA, Philadelphia *</b>        | 3.4%         | \$0.80           | \$104                  | 11,913,024            | 100,149,125    | 6.5%            |
| <b>SC, Charleston</b>            | 4.7%         | \$0.53           | \$63                   | 4,866,215             | 139,971,464    | 7.5%            |
| <b>SC, Greenville</b>            | 8.0%         | \$0.50           | \$67                   | 13,831,050            | 108,458,874    | 7.3%            |
| <b>SC, Spartanburg</b>           | 3.1%         | \$0.87           | \$112                  | 11,443,616            | 267,051,374    | 5.6%            |
| <b>TN, Nashville</b>             | 6.1%         | \$0.75           | \$118                  | 76,691,186            | 1,091,980,277  | 5.5%            |
| <b>TX, Dallas-Fort Worth</b>     | 5.6%         | \$0.71           | \$106                  | 36,630,838            | 772,198,821    | 6.3%            |
| <b>TX, Houston</b>               | 5.0%         | \$1.18           | \$260                  | 9,234,465             | 349,079,215    | 4.6%            |
| <b>WA, Seattle</b>               | 2.6%         | \$0.61           | \$77                   | 818,348               | 73,860,084     | 7.2%            |
| <b>WI, Madison</b>               | 2.8%         | \$0.59           | \$76                   | 469,723               | 73,526,115     | 7.2%            |
| <b>United States Index</b>       | 4.4%         | \$0.95           | \$162                  | 640,107,366           | 18,239,730,766 | 6.0%            |
| <b>Canada Index</b>              | 1.7%         | \$0.98**         | \$215**                | 61,519,338            | 1,817,476,514  | 4.9%            |

\* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

\*\* Numbers shown are in Canadian dollars (CAD)



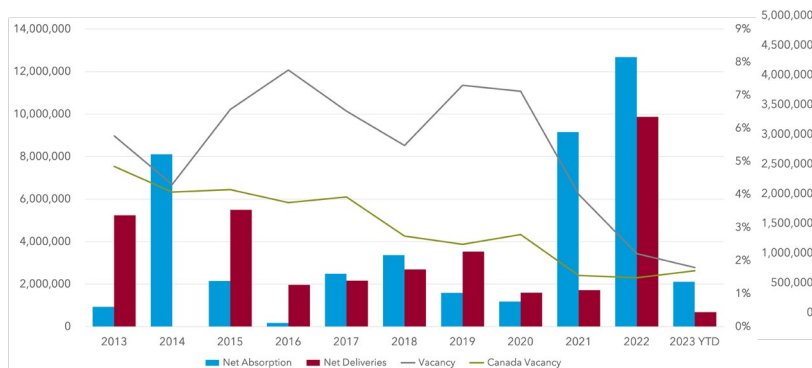
### INDUSTRIAL MARKET OVERVIEW

JACK MAZURY, *Research Coordinator*

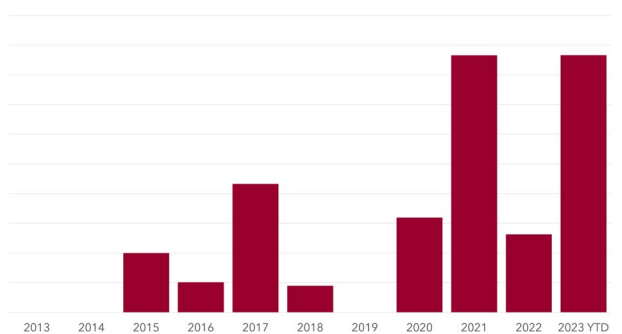
Vacancy continues to decrease toward an all-time low in Calgary's industrial market. Increasing interest rates and persistent inflation have slowed sales with owner-users impacted most. Leasing remains strong with a 1.87% vacancy rate. New speculative construction is leasing quickly and as a result, rents are continuing to increase. With heightened building costs, there is an expectation of increased demand for existing product for owner users as opposed to new construction as the cost delta between the two continues to rise. Much of the existing product available is concentrated in small bay B and C class buildings. Purchaser demand returning is dependent on the Bank of Canada decreasing rates, accompanied by slowing inflation.

| MARKET INDICATORS           | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Qtrly Net Absorption SF   | 2,115,223   | 2,569,437   | (230,369)   | 7,776,546   | 2,571,220   |
| ▼ Vacancy Rate              | 1.87%       | 2.21%       | 2.92%       | 2.85%       | 3.21%       |
| ◀ ▶ Avg NNN Asking Rate PSF | Not Tracked | Not Tracked | Not Tracked | Not Tracked | Not Tracked |
| ▲ SF Under Construction     | 4,329,883   | 1,315,151   | 1,974,474   | 4,344,337   | 7,825,685   |
| ▲ Inventory SF              | 163,105,942 | 162,657,499 | 162,067,331 | 159,600,115 | 155,185,570 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                      | SIZE       | SALE PRICE                     | BUYER / SELLER   | BUILDING CLASS |
|--|------------|--------------------------------|--|----------------|
| 4920 - 72nd Avenue SE*<br>Calgary, AB            | 293,761 SF | \$90,300,000**<br>\$128.62 PSF | Skyline Commercial Real Estate Holdings<br>HOOP Realty, Inc.       | Class B        |
| 261090 Wagon Wheel View*<br>Rockyview County, AB | 148,831 SF | \$19,000,000**<br>\$127.66 PSF | BHJ Canada Meat Products Inc.<br>Seaview Investments Ltd.          | Class A        |
| 2760 45th Avenue SE*<br>Calgary, AB              | 99,026 SF  | \$57,200,000**<br>\$163.97 PSF | Skyline Commercial Real Estate Holdings<br>Hopewell Equities, Inc. | Class A        |

\*\*All numbers shown are in Canadian dollars (CAD)

\*Part of a Portfolio Sale

| TOP LEASE TRANSACTIONS BY SF                                 | SIZE       | LANDLORD                   | TENANT        | TENANT INDUSTRY |
|--|------------|----------------------------|---------------|-----------------|
| 490 Carmek Drive SE<br>Rockyview County, AB                  | 253,049 SF | Emcor Developments         | Confidential  | Confidential    |
| High Plains Industrial Park, Bldg 10<br>Rockyview County, AB | 218,993 SF | Highfield Investment Group | DSV Solutions | Logistics       |
| 292031 Wagon Wheel Boulevard<br>Rockyview County, AB         | 147,840 SF | Anthem Properties          | Master Group  | HVAC            |



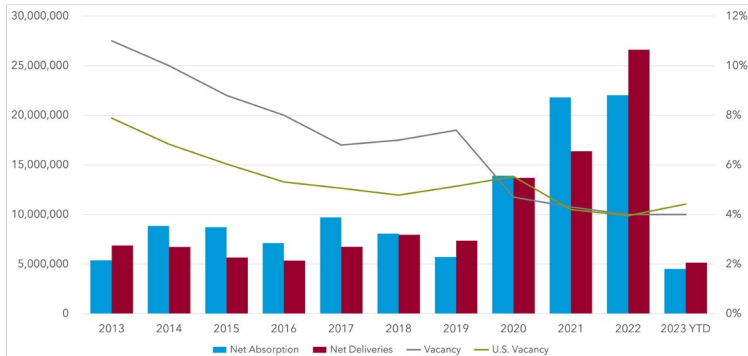
### INDUSTRIAL MARKET OVERVIEW

CHRIS MCCHESENEY, *Director of Research*

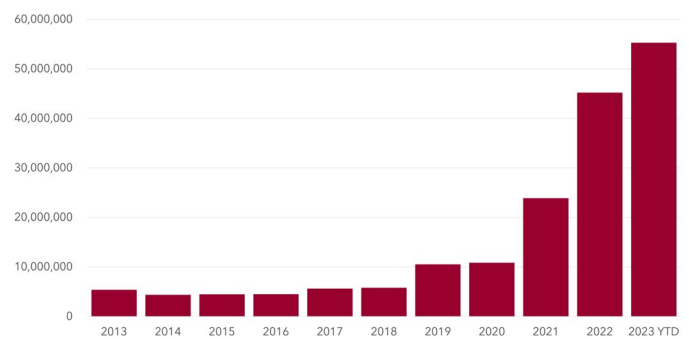
Strong user demand and unprecedented supply growth continue to drive the Phoenix Industrial Market. Vacancy rates hovered at 4% as net absorption and new deliveries were nearly identical for the quarter. Phoenix again ranked second in the nation for new development with 55 million square feet under construction, trailing only Dallas which has 73 million square feet underway. Phoenix remains one of the best performing markets for employment growth and showed its resilience during the pandemic. A low cost of doing business, pro-business environment and proximity to major regional markets will continue drawing tenants to the market.

| MARKET INDICATORS         | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Qtrly Net Absorption SF | 4,508,489   | 4,525,312   | 3,525,026   | 4,789,550   | 7,060,846   |
| ◀▶ Vacancy Rate           | 4.0%        | 4.0%        | 3.9%        | 4.0%        | 4.2%        |
| ▲ Avg NNN Asking Rate PSF | \$11.88     | \$10.56     | \$10.08     | \$9.48      | \$9.00      |
| ▲ SF Under Construction   | 55,291,088  | 43,197,614  | 45,330,326  | 33,000,361  | 25,246,900  |
| ▲ Inventory SF            | 372,918,165 | 367,223,661 | 359,359,407 | 354,482,546 | 352,546,443 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                 | SIZE       | SALE PRICE                   | BUYER / SELLER                         | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 8313 W. Latham<br>Tolleson, AZ              | 242,863 SF | \$38,200,000<br>\$157.29 PSF | StoneLake Capital<br>Oxford Properties | Class A        |
| 2800 & 2900 S. Gilbert Road<br>Chandler, AZ | 216,328 SF | \$40,150,000<br>\$185.60 PSF | Fidelity Investments<br>ViaWest Group  | Class A        |
| 1320 & 1330 W. Warner Road<br>Tempe, AZ     | 197,000 SF | \$42,400,000<br>\$215.23 PSF | Barings<br>The Opus Group              | Class A        |

| TOP LEASE TRANSACTIONS BY SF                   | SIZE       | LANDLORD            | TENANT      | TENANT INDUSTRY |
|--|------------|---------------------|-------------|-----------------|
| 6801 N. Cotton Lane<br>Glendale, AZ            | 915,160 SF | Pizzuti             | Cubework    | Logistics       |
| 91st Avenue & Roosevelt Street<br>Tolleson, AZ | 402,015 SF | EQT Exeter          | HD Supply   | Distributor     |
| SWC Ellsworth Road & Warner Road<br>Mesa, AZ   | 353,662 SF | Scannell Properties | Sysco Foods | Food Service    |



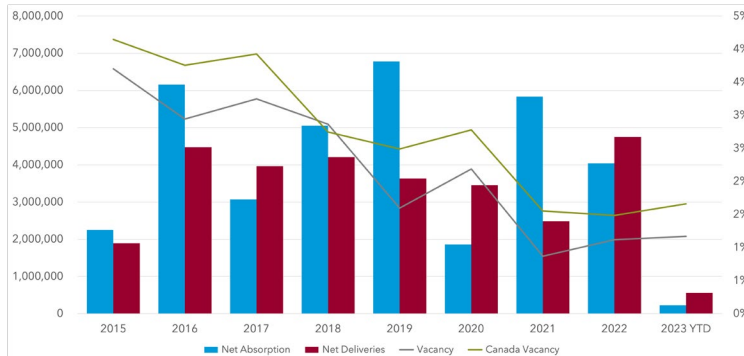
### INDUSTRIAL MARKET OVERVIEW

MASON TAYKANDY, *Research Coordinator*

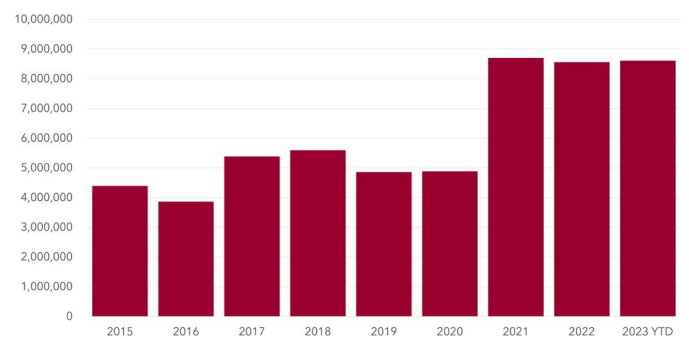
The Metro Vancouver industrial market remains robust with vacancy rates hovering around 1%. The market is among North America's tightest, with lease rates growing 3% quarter-over-quarter. A notable 155,000-SF lease deal was struck at 3200 East Broadway; deals of this size typically happen in the Fraser Valley. Furthermore, the Bank of Canada paused interest rate hikes, keeping the policy interest rate at 4.5% after eight consecutive increases. Though it temporarily stopped the rise of the cost of borrowing, many purchasers have already been driven to leasing. Vancouver's industrial market is promising for the remainder of 2023, given the tightness of the market, shortages of developable land, and expected steadiness of Canada's monetary policy.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 3,041,986   | 4,043,119   | 3,201,424   | 4,761,406   | 5,978,156   |
| ▲ Vacancy Rate             | 1.17%       | 1.12%       | 1.06%       | 1.03%       | 0.75%       |
| ▲ Avg NNN Asking Rate PSF  | \$20.01     | \$19.47     | \$18.79     | \$18.14     | \$17.39     |
| ▲ SF Under Construction    | 8,611,489   | 8,560,393   | 10,194,929  | 9,739,924   | 8,906,427   |
| ▲ Inventory SF             | 267,637,755 | 267,076,280 | 265,230,041 | 264,689,837 | 263,456,518 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF            | SIZE       | SALE PRICE                     | BUYER / SELLER   | BUILDING CLASS |
|--|------------|--------------------------------|--|----------------|
| 2325 190 Street<br>Surrey, BC          | 430,000 SF | \$150,000,000*<br>\$348.84 PSF | Crestpoint Real Estate Invests Ltd.<br>Cedar Coast Capital | Class B        |
| 5838 274 Street<br>Langley, BC         | 85,123 SF  | \$33,784,300*<br>\$396.89 PSF  | Bulldog Bag Ltd.<br>Beedie                                 | Class B        |
| 384 Lynn Avenue<br>North Vancouver, BC | 29,862 SF  | \$10,500,000*<br>\$351.62 PSF  | Lynn Creek Ventures Ltd.<br>Solus Trust Co Ltd.            | Class C        |

\*All numbers shown are in Canadian dollars (CAD)

| TOP LEASE TRANSACTIONS BY SF         | SIZE       | LANDLORD        | TENANT                      | TENANT INDUSTRY |
|--------------------------------------|------------|-----------------|-----------------------------|-----------------|
| 3200 East Broadway<br>Vancouver, BC  | 155,000 SF | Undisclosed     | Rolls-Right Industries      | Trucking        |
| 16111 Blundell Road<br>Richmond, BC  | 123,669 SF | Pure Industrial | Olympia Transportation Ltd. | Transportation  |
| 1615 Kebet Way<br>Port Coquitlam, BC | 61,400 SF  | Beedie          | Vitacore Industries Inc.    | Healthcare      |





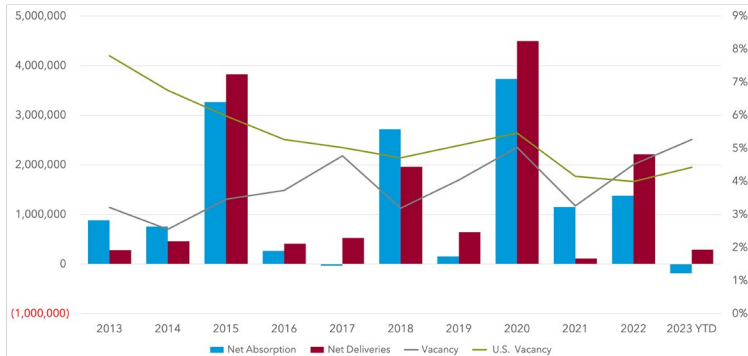
### INDUSTRIAL MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

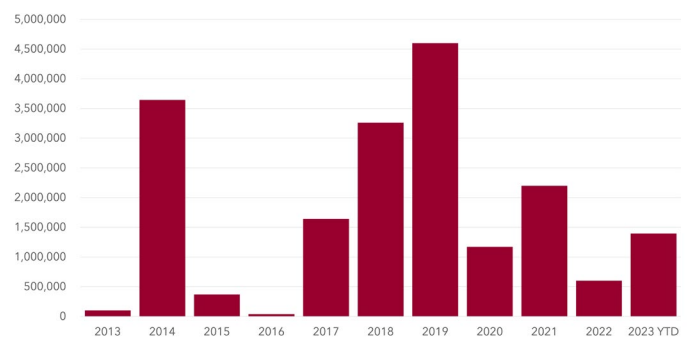
Central California industrial remains strong with logistics leading the way. The rise of e-commerce has increased demand for distribution facilities looking for proximity to southern California markets seeking lower rents and labor costs. Trucks can reach up to 40 million consumers within a four-hour drive. It's ideally located along I-5 & Hwy 99 with easy east/west corridors in Hwy 46 and Hwy 58. Vacancy is trending up at 5.3% and absorption rebounded in late 2022. New spec development at Tejon Ranch show increases in vacancy are more a function of increased supply than weak demand. Rents have grown by 6.5% YOY. Asking rents in Bakersfield are the highest in Central California, due in part to the metro's wealth of modern inventory and two-hour drive to the Port of LA/Long Beach.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 1,600,000  | 320,760    | 1,712,725  | 38,820     | 141,949    |
| ▲ Vacancy Rate             | 5.3%       | 4.5%       | 5.6%       | 4.9%       | 4.1%       |
| ▲ Avg NNN Asking Rate PSF  | \$9.72     | \$9.60     | \$9.36     | \$9.24     | \$9.12     |
| ▲ SF Under Construction    | 1,395,932  | 601,354    | 922,144    | 2,397,492  | 2,368,927  |
| ▲ Inventory SF             | 61,800,000 | 61,200,000 | 60,900,000 | 61,500,000 | 61,500,000 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF           | SIZE      | SALE PRICE                  | BUYER / SELLER   | BUILDING CLASS |
|---------------------------------------|-----------|-----------------------------|--|----------------|
| 3747 Standard Road<br>Bakersfield, CA | 61,260 SF | \$4,618,000<br>\$75.38 PSF  | Tomlin Scientific<br>Consolidated Fiberglass Productas   | Class B        |
| 4401 Stine Road<br>Bakersfield, CA    | 43,962 SF | \$5,275,500<br>\$120.00 PSF | Latitude Business Park, LLC<br>Townsend Industries, Inc. | Class B        |
| 810 Derby Street<br>Arvin, CA         | 42,770 SF | \$6,900,000<br>\$161.33 PSF | Derby Arvin, LLC<br>CSP Properties, LLC                  | Class C        |

| TOP LEASE TRANSACTIONS BY SF            | SIZE       | LANDLORD          | TENANT         | TENANT INDUSTRY    |
|---|------------|-------------------|----------------|--------------------|
| 5337 N Wheeler Ridge<br>Tejon Ranch, CA | 240,730 SF | Tejon Ranch       | Sunrise Brands | Wholesaler         |
| 561 N American Street<br>Shafter, CA    | 33,750 SF  | Undisclosed       | Undisclosed    | General Contractor |
| 4201 Armour Avenue<br>Bakersfield, CA   | 13,700 SF  | James Boylan Inc. | Clean Sleep    | Services           |



The Tri-Valley area includes the cities of Livermore, Dublin, and Pleasanton

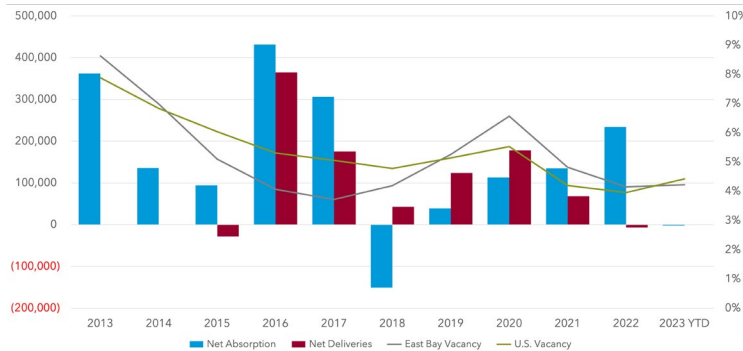
### INDUSTRIAL MARKET OVERVIEW

SEAN OFFERS, SIOR, *Principal*

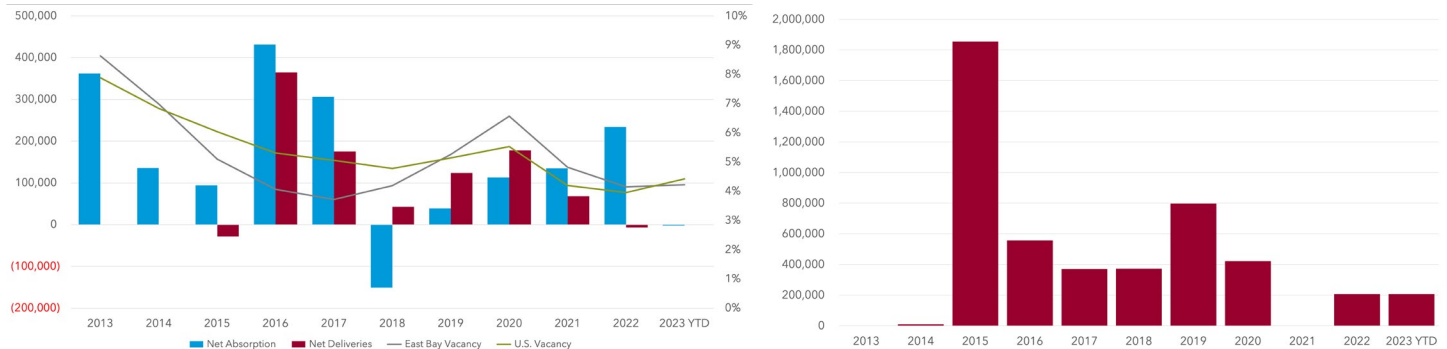
The Tri-Valley and I-680/580 Industrial corridor started the year off well as it seemed to shrug off some trepidation with the Fed raising of interest rates. Sale and leasing activity was solid with many Buyer/Tenants looking to the Tri-Valley as a lower cost alternative to other Bay Area markets. The main issue continues to be the lack of supply for Buyers/Tenants across the board with many would-be prospects having little to nothing to choose from. Given this scenario we foresee that pricing will remain fairly consistent in 2023 barring any major economic issues.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 165,254    | 234,128    | 194,663    | 226,493    | 291,181    |
| ◀ ▶ Vacancy Rate           | 3.30%      | 3.30%      | 3.60%      | 5.40%      | 5.20%      |
| ▲ Avg NNN Asking Rate PSF  | \$22.52    | \$22.35    | \$22.04    | \$21.65    | \$21.24    |
| ◀ ▶ SF Under Construction  | 206,900    | 206,900    | 195,500    | 185,500    | 163,500    |
| ◀ ▶ Inventory SF           | 28,118,392 | 28,118,392 | 28,118,392 | 28,118,392 | 28,118,392 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF         | SIZE        | SALE PRICE                  | BUYER / SELLER                           | BUILDING CLASS |
|-------------------------------------|-------------|-----------------------------|--|----------------|
| Arroyo Vista<br>Livermore, CA       | 28.92 Acres | \$75,000,000<br>\$60.00 PSF | Trumark Companies<br>Pell Development    | Land           |
| National Drive<br>Livermore, CA     | 6.52 Acres  | \$8,805,000<br>\$31.00 PSF  | DGSG Properties<br>EBI Development Group | Land           |
| 4763 Bennett Drive<br>Livermore, CA | 36,708 SF   | \$7,556,000<br>\$205.00 PSF | Bay Point Control<br>Kisner Enterprises  | Class C        |

| TOP LEASE TRANSACTIONS BY SF             | SIZE      | LANDLORD       | TENANT                                 | TENANT INDUSTRY  |
|--|-----------|----------------|--|------------------|
| 6567 Brisa Street<br>Livermore, CA       | 30,737 SF | PMZ Commercial | SEFNCO Communications                  | Communications   |
| 1813 Rutan Drive<br>Livermore, CA        | 16,065 SF | DAG Management | SMP Construction & Maintenance         | Construction     |
| 6780 Sierra Court, Suite R<br>Dublin, CA | 10,143 SF | TA Realty      | Ewing Irrigation & Landscape<br>Supply | Landscape Supply |



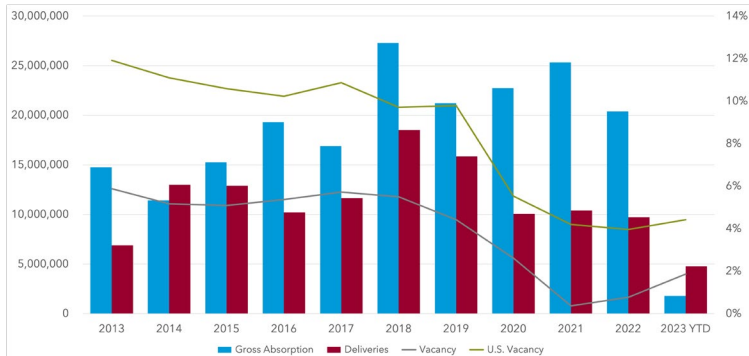
### INDUSTRIAL MARKET OVERVIEW

CAROLINE PAYAN, *Director of Marketing & Research*

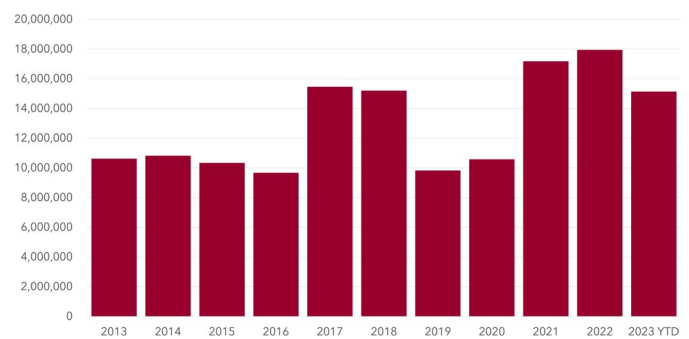
The Inland Empire East Valley industrial sector slowed during the first quarter of 2023. With many varying-sized industrial developments delivering at the end of 2022 and early 2023, vacancy and availability rates continued to climb in most submarkets. Although vacancy rates remain below long-term market averages, availability rates which will directly impact vacancy in the coming quarters, is up sharply. Although the market is slowing, lease rates remain at or near all-time highs. Sale prices have begun to decline, and cap rates have begun to increase. Institutional and developer activity on new transactions has slowed as money waits to see how market adjustments may impact values and returns.

| MARKET INDICATORS         | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Gross Absorption SF     | 1,792,311   | 3,459,099   | 8,194,939   | 3,975,366   | 4,765,076   |
| ▲ Vacancy Rate            | 1.86%       | 0.77%       | 0.79%       | 0.41%       | 0.56%       |
| ▼ Avg GRS Asking Rate PSF | \$15.37     | \$15.66     | \$15.44     | \$15.05     | \$14.47     |
| ▼ SF Under Construction   | 15,136,063  | 17,944,921  | 19,712,800  | 22,365,124  | 17,179,286  |
| ▲ Inventory SF            | 279,326,974 | 277,669,509 | 275,895,042 | 275,150,149 | 269,073,857 |

### GROSS ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                            | SIZE         | SALE PRICE                    | BUYER / SELLER                             | BUILDING CLASS |
|--|--------------|-------------------------------|--|----------------|
| 36312 & 36324 Cherry Valley Blvd.<br>Cherry Valley, CA | 1,832,667 SF | \$329,000,500<br>\$179.52 PSF | Brookfield Asset Mgmt<br>The Shopoff Group | Class A        |
| 6075 Lance Drive<br>Riverside, CA                      | 361,346 SF   | \$120,000,000<br>\$332.09 PSF | Altus Group<br>Loctek Ergonomic            | Class A        |
| 24773 Nandina Avenue<br>Moreno Valley, CA              | 95,922 SF    | \$27,241,848<br>\$284.00 PSF  | Dalfen Industrial<br>Molto Capital         | Class A        |

| TOP LEASE TRANSACTIONS BY SF                             | SIZE       | LANDLORD             | TENANT                      | TENANT INDUSTRY |
|--|------------|----------------------|-----------------------------|-----------------|
| 657 W. Nance Street (Renewal)<br>Perris, CA              | 864,000 SF | IPT Perris DC, LLC   | NFI Industries, Inc.        | 3PL             |
| 17335 Glen Helen Parkway (Renewal)<br>San Bernardino, CA | 604,029 SF | Alere Property Group | Hautelook, Inc. (Nordstrom) | Retail          |
| 23450 Brodiaea Avenue (Renewal)<br>Moreno Valley, CA     | 601,810 SF | Prologis Trust       | Harbor Freight Tools        | Retail          |



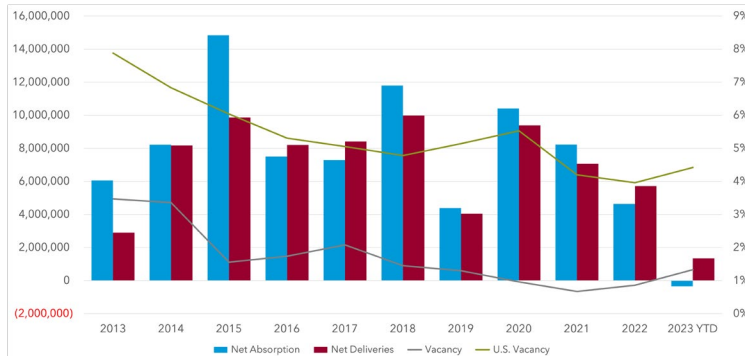
### INDUSTRIAL MARKET OVERVIEW

KARLY KAZANJIAN, *Director of Operations*

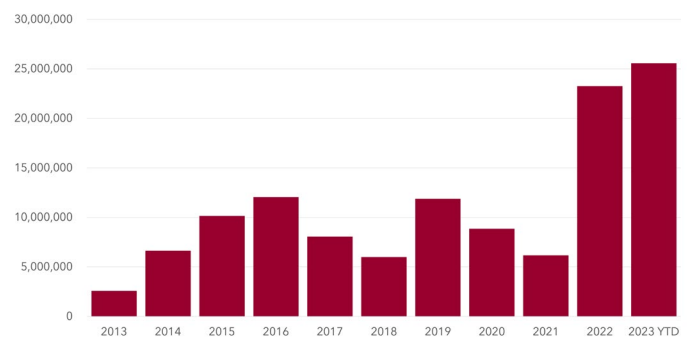
The Inland Empire West submarket remains one of the top industrial markets in the nation, despite its healthy course of correction. A lack of positive net absorption, in conjunction with the many completed constructions last quarter, caused a bump in vacant space. This increase, however, is relative as the vacancy rate is still under 1.5%. Any market fundamental shifts happening in the IEW has not disrupted institutional or credit tenant interest. This past quarter, the top three leases were over 1M square feet, and the top three sales were all nine-figure transactions. Despite the development pipeline being fuller than ever, lease rates remain competitive and historically strong.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | (341,964)   | (781,096)   | 1,319,814   | 1,367,935   | 2,738,816   |
| ▲ Vacancy Rate             | 1.33%       | 0.86%       | 0.48%       | 0.33%       | 0.25%       |
| ▼ Avg NNN Asking Rate PSF  | \$20.47     | \$20.77     | \$20.28     | \$15.66     | \$14.28     |
| ▲ SF Under Construction    | 25,562,676  | 23,259,548  | 20,254,257  | 18,663,661  | 12,490,629  |
| ▲ Inventory SF             | 359,568,117 | 356,133,149 | 352,235,614 | 350,261,015 | 342,836,362 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                    | SIZE         | SALE PRICE                    | BUYER / SELLER                            | BUILDING CLASS |
|--|--------------|-------------------------------|---|----------------|
| 10545 Production Avenue<br>Fontana, CA         | 1,101,840 SF | \$365,000,000<br>\$331.26 PSF | Rexford Industrial Realty<br>Tireco, Inc. | Class A        |
| 1800 S. Wineville Avenue<br>Ontario, CA        | 446,624 SF   | \$125,000,000<br>\$279.88 PSF | Link Logistics<br>JP Morgan               | Class B        |
| 13204-13250 Philadelphia Street<br>Fontana, CA | 380,650 SF   | \$127,000,000<br>\$333.64 PSF | BentallGreenOak<br>MetLife                | Class A        |

| TOP LEASE TRANSACTIONS BY SF            | SIZE         | LANDLORD       | TENANT  | TENANT INDUSTRY  |
|---|--------------|----------------|---|------------------|
| 3413 Manitou Court<br>Jurupa Valley, CA | 1,379,287 SF | Link Logistics | Crown & Court / Constellation<br>Brands, Inc. | Beverage Company |
| 4705 Grove Avenue<br>Ontario, CA        | 1,186,414 SF | Prologis       | Home Depot                                    | Retailer         |
| 4801 Grove Avenue<br>Ontario, CA        | 1,055,100 SF | Prologis       | Home Depot                                    | Retailer         |



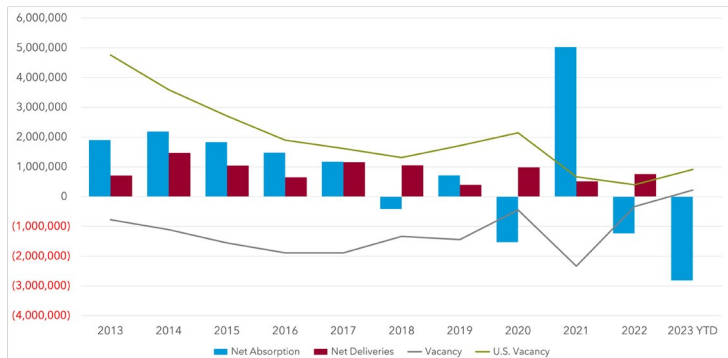
### INDUSTRIAL MARKET OVERVIEW

LEJO MAMMEN, *Director of Technology & Market Research*

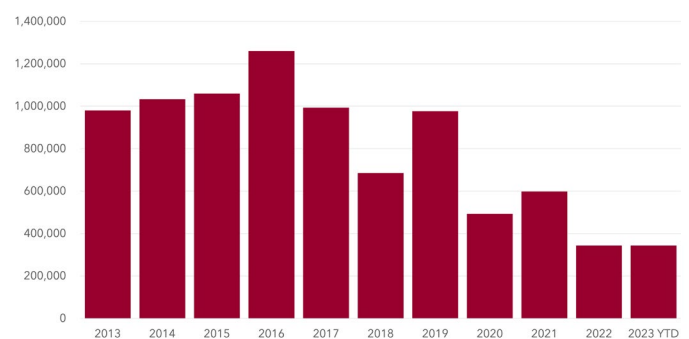
The 1st quarter saw the Los Angeles Central Market finish with a vacancy rate of 3.8%, a 60-basis-point increase from the previous quarter. At present, approximately 340,000 square feet of industrial space is under construction, with an additional 800,000 square feet planned. The average asking rate witnessed a minor increase to \$20.28 NNN per square foot annually compared to the prior quarter. Industrial demand is predominantly concentrated in the Vernon and Commerce micro markets, with food production and apparel manufacturing being the foremost industries in the area.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (4,301,288) | (1,608,436) | (1,232,124) | 1,356,741   | 179,372     |
| ▲ Vacancy Rate             | 3.8%        | 3.2%        | 2.4%        | 1.8%        | 1.5%        |
| ▲ Avg NNN Asking Rate PSF  | \$20.28     | \$20.16     | \$19.20     | \$17.52     | \$17.52     |
| ▲ SF Under Construction    | 343,494     | 303,284     | 460,770     | 630,782     | 482,999     |
| ◀ ▶ Inventory SF           | 237,240,331 | 237,240,331 | 236,917,410 | 236,796,992 | 237,231,695 |

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

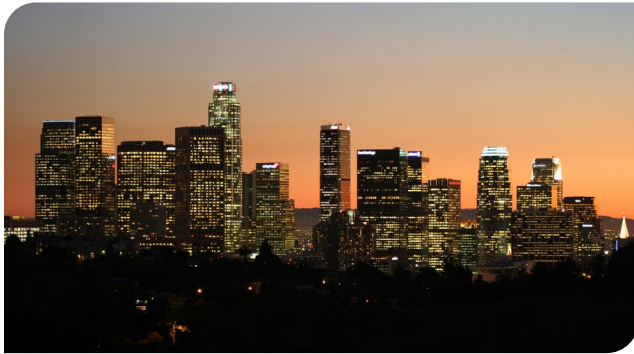


#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF           | SIZE      | SALE PRICE                     | BUYER / SELLER                   | BUILDING CLASS |
|---------------------------------------|-----------|--------------------------------|----------------------------------|----------------|
| 3333 Grand Avenue<br>Los Angeles, CA  | 91,886 SF | \$21,000,000<br>\$228.54 PSF   | SL LA Dev<br>Kobb Realty         | Class B        |
| 2160 E 7th Street<br>Los Angeles, CA  | 80,155 SF | \$85,000,000<br>\$1,060.45 PSF | TGA 2160<br>RREF III 7th St      | Class B        |
| 634 Crocker Street<br>Los Angeles, CA | 71,450 SF | \$21,500,000<br>\$300.91 PSF   | Modo Food Factory<br>W&S Shinabe | Class B        |

| TOP LEASE TRANSACTIONS BY SF          | SIZE       | LANDLORD                       | TENANT            | TENANT INDUSTRY |
|---------------------------------------|------------|--------------------------------|-------------------|-----------------|
| 6501 Flotilla<br>Commerce, CA         | 171,388 SF | RBABS Investments              | De Well Container | Shipping        |
| 3250-3254 E 26th Street<br>Vernon, CA | 141,434 SF | Veyron of KDP                  | Seven Up/RC       | Beverage        |
| 5119 District Boulevard<br>Vernon, CA | 121,098 SF | 5119 District Blvd<br>Partners | Amazon            | Warehouse       |



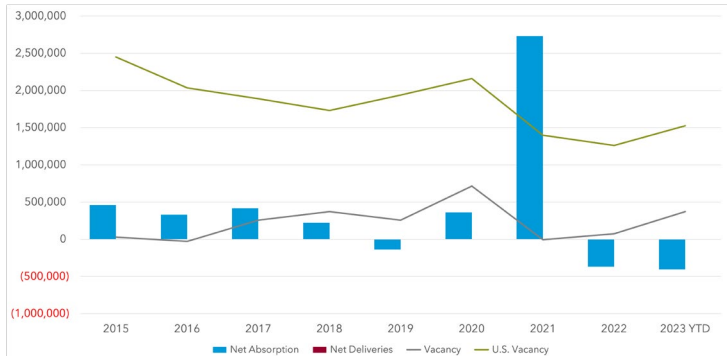
### INDUSTRIAL MARKET OVERVIEW

MIKE TINGUS, *President*

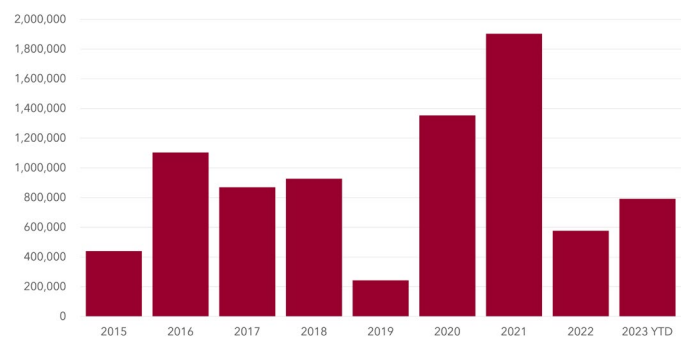
Despite a slight uptick in leasing activity, ongoing high demand wasn't enough to prevent the market from experiencing significant negative net absorption. Despite this setback, the overall trend in the market remains positive but cautious as it anticipates that lease rates may flatten and possibly become a bit softer as demand slows due to the federal actions to slow the economy which will slow the demand for space as companies choose a 'wait and see' posture. Q1 ended with 23 industrial sales, 19 non-distressed assets alone sold for a median price of \$273 psf. Although lower than the previous quarter's median price of \$307 psf, his price remains amongst the highest reported in the past decade.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (404,977)   | (369,633)   | (321,696)   | (147,874)   | 3,407,062   |
| ▲ Vacancy Rate             | 2.4%        | 1.88%       | 1.62%       | 1.65%       | 1.83%       |
| ▲ Avg NNN Asking Rate PSF  | \$1.76      | \$1.67      | \$1.73      | \$1.62      | \$1.55      |
| ▲ SF Under Construction    | 791,694     | 576,875     | 626,924     | 703,699     | 713,699     |
| ▲ Inventory SF             | 166,017,467 | 165,924,843 | 165,850,047 | 165,786,670 | 164,869,706 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF            | SIZE      | SALE PRICE                   | BUYER / SELLER  | BUILDING CLASS |
|--|-----------|------------------------------|---|----------------|
| 9530 DeSoto Avenue<br>Chatsworth, CA   | 50,236 SF | \$13,710,250<br>\$272.92 PSF | Gilberto Amparo and Isam LLC<br>9526 MYOB LLC                       | Class B        |
| 9255 Deering Avenue<br>Chatsworth, CA  | 32,094 SF | \$8,470,000<br>\$263.91 PSF  | Gerald Leonard T & Darin Leonard<br>Northwest Industrial Center LLC | Class B        |
| 9533 Irondale Avenue<br>Chatsworth, CA | 27,926 SF | \$6,425,875<br>\$230.10 PSF  | Gilberto Amparo and BRI & ISA LLC<br>NPP 9533 LLC                   | Class B        |

| TOP LEASE TRANSACTIONS BY SF                 | SIZE      | LANDLORD                             | TENANT                             | TENANT INDUSTRY          |
|--|-----------|--------------------------------------|------------------------------------|--------------------------|
| 3305 N San Fernando Boulevard<br>Burbank, CA | 33,304 SF | Selective Burbank<br>Creative, LLC   | Stumbaugh & Associates, Inc.       | Bathroom Supply<br>Store |
| 20720 Superior Street<br>Chatsworth, CA      | 30,000 SF | A & L Investments                    | Primitive Company                  | Clothing Supplier        |
| 960-1000 Chestnut Street<br>Burbank, CA      | 26,000 SF | SirReel Production<br>Vehicles, Inc. | MTB Event Rentals & Levon Bakalian | Event Rentals            |



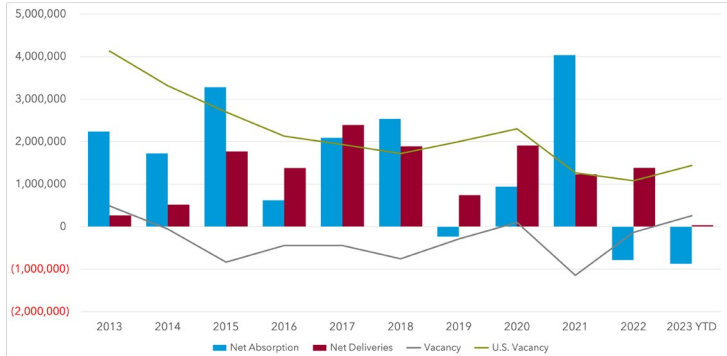
### INDUSTRIAL MARKET OVERVIEW

LEJO MAMMEN, *Director of Technology & Market Research*

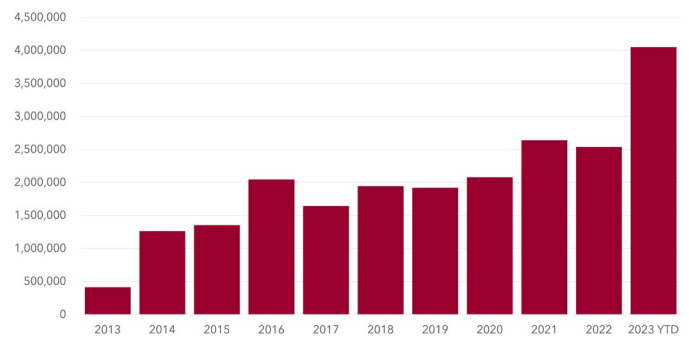
In Q1, San Gabriel Valley's industrial space demand persisted. Despite over 4 million square feet under construction, developers struggle to meet demand. Interestingly, the overall vacancy rate rose to 2.9%, gradually favoring tenants in negotiations. Average rents increased to \$20.16 per square foot annually due to limited space options. This rental upswing highlights the region's strong demand for industrial properties. Both tenants and developers must closely watch market trends and adjust strategies to seize opportunities in the thriving industrial sector of San Gabriel Valley.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (1,412,887) | (1,114,741) | (476,921)   | 1,005,784   | (356,032)   |
| ▲ Vacancy Rate             | 2.9%        | 2.0%        | 1.9%        | 1.8%        | 0.9%        |
| ▲ Avg NNN Asking Rate PSF  | \$20.16     | \$19.08     | \$18.60     | \$18.12     | \$14.28     |
| ▲ SF Under Construction    | 4,049,747   | 3,376,415   | 1,277,735   | 2,232,494   | 2,207,003   |
| ▲ Inventory SF             | 172,933,714 | 172,274,051 | 172,382,129 | 171,204,928 | 170,988,970 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                     | SIZE       | SALE PRICE                   | BUYER / SELLER                                   | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 1100 Baldwin Park Boulevard<br>Baldwin Park, CA | 263,303 SF | \$19,750,000<br>\$75.01 PSF  | BT OH LLC<br>M&T Company                         | Class A        |
| 9860-9874 Gidley<br>El Monte, CA                | 131,752 SF | \$17,000,000<br>\$129.03 PSF | El Monte 2023, LLC<br>Crown Real Estate Holdings | Class A        |
| 3133-3141 Maxon Road<br>El Monte, CA            | 105,769 SF | \$10,500,000<br>\$99.27 PSF  | Undisclosed<br>Maxon Warehouse                   | Class A        |

| TOP LEASE TRANSACTIONS BY SF          | SIZE       | LANDLORD           | TENANT               | TENANT INDUSTRY |
|---------------------------------------|------------|--------------------|----------------------|-----------------|
| 680 S Lemon Avenue<br>Industry, CA    | 472,876 SF | Unical             | Furniture of America | Furniture       |
| 901 Live Oak Avenue<br>Irwindale, CA  | 291,673 SF | Irwindale Partners | Undisclosed          | Undisclosed     |
| 21508 Ferrero Parkway<br>Industry, CA | 274,474 SF | Grand Ave Venture  | Weida Freight        | Freight         |



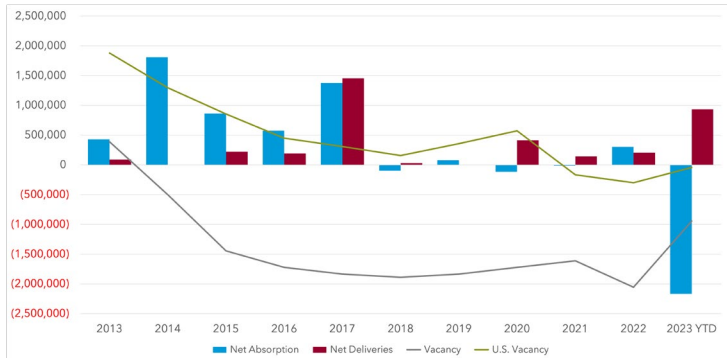
### INDUSTRIAL MARKET OVERVIEW

RYAN ENDRES, *Principal*

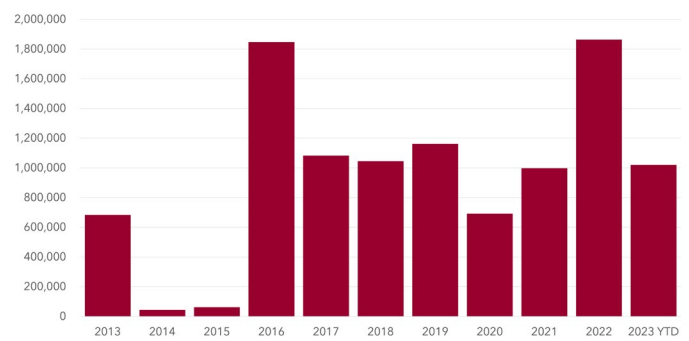
As Q1 closed, the vacancy rate doubled to 2.8%. Strong demand for port-adjacent warehouse space continues but tenants and buyers are more selective. Average asking lease rates decreased by nearly 13% for the quarter to \$1.56 per SF NNN while land lease rates for container parking have dropped roughly 25% in correlation with freight and drayage rates. The most notable sale was Blackstone's \$43-million purchase of the 14.2-acre former Alpine Village and swap meet site in Torrance. There have been seven straight months of decline in import volume through the Long Beach and Los Angeles port complex. Volumes are expected to improve later this year when labor issues are resolved with union dockworkers.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (2,165,402) | (389,583)   | 517,128     | (377,460)   | 303,589     |
| ▲ Vacancy Rate             | 2.80%       | 1.40%       | 1.20%       | 1.10%       | 0.80%       |
| ▼ Avg NNN Asking Rate PSF  | \$1.56      | \$1.79      | \$1.75      | \$1.57      | \$1.42      |
| ▼ SF Under Construction    | 1,020,654   | 1,827,018   | 1,621,583   | 1,726,207   | 1,863,442   |
| ▲ Inventory SF             | 201,773,330 | 200,839,036 | 200,839,036 | 200,560,201 | 200,046,219 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF              | SIZE       | SALE PRICE                   | BUYER / SELLER                        | BUILDING CLASS |
|--|------------|------------------------------|---------------------------------------|----------------|
| 833 W Torrance Boulevard<br>Torrance, CA | 622,232 SF | \$43,000,000<br>\$69.11 PSF  | Blackstone<br>Alpine Village          | Land           |
| 14805 S Maple Avenue<br>Gardena, CA      | 51,000 SF  | \$22,400,000<br>\$439.22 PSF | Terreno Realty<br>Cosway Company      | Class C        |
| 1355-1361 W 190th Street<br>Gardena, CA  | 92,640 SF  | \$22,700,000<br>\$245.03 PSF | Dunbar Real Estate<br>Altemus Company | Class C        |

| TOP LEASE TRANSACTIONS BY SF                | SIZE       | LANDLORD            | TENANT             | TENANT INDUSTRY            |
|---|------------|---------------------|--------------------|----------------------------|
| 2100 W 195th Street, Bldg 3<br>Torrance, CA | 146,919 SF | SARES REGIS         | ArcBest Company    | Warehouse/<br>Distribution |
| 1431 W. Via Plata Street<br>Long Beach, CA  | 112,121 SF | Alltrade Tools      | Pro Active Group   | Warehouse/<br>Distribution |
| 20639 S. Fordyce Avenue<br>Carson, CA       | 101,910 SF | Brentwood Originals | Cosway Company Inc | Warehouse/<br>Distribution |





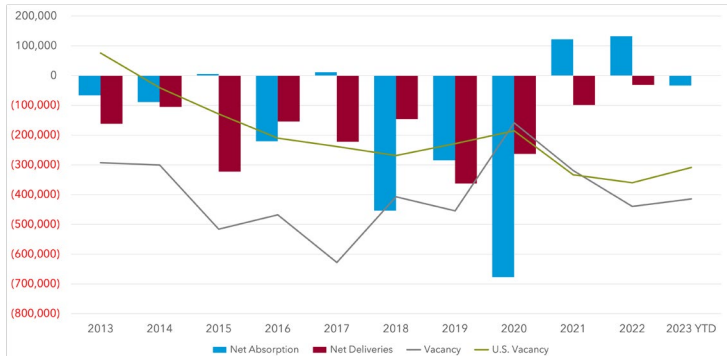
### INDUSTRIAL MARKET OVERVIEW

DOUGLAS MARSHALL, SIOR, *Principal*

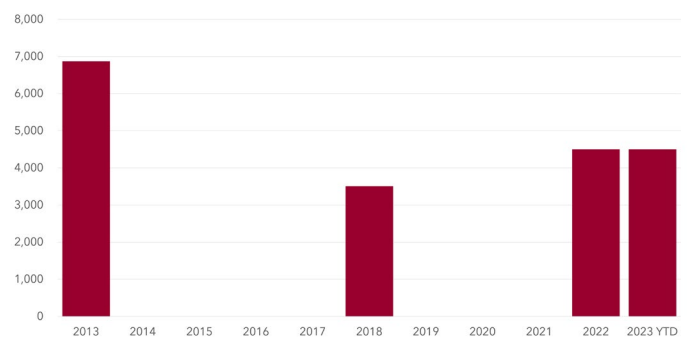
The West Los Angeles industrial marketplace remains tight although lease deals are taking substantially longer and are harder to make. Tenants want short-term leases and lower rents or free rent to bring their occupancy costs down. It is becoming a tenant's market as demand, lease, and sale prices soften. In the past several decades, the industrial base has substantially decreased. Properties have been converted to creative space with industrial tenants migrating southward. Remaining buildings often have clear height, parking, or loading deficiencies. Demand comes from companies needing last-mile distribution space to serve nearby high-end residential customers. Gross asking rents range from about \$2.00 per SF to \$2.75 per SF for industrial space/flex space.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | (17,542)   | (35,102)   | (11,934)   | 58,809     | 120,230    |
| ▲ Vacancy Rate             | 3.4%       | 3.2%       | 3.0%       | 3.1%       | 3.5%       |
| ▼ Avg NNN Asking Rate PSF  | \$2.65     | \$2.83     | \$2.83     | \$2.77     | \$2.63     |
| ◀ ▶ SF Under Construction  | 4,500      | 4,500      | 4,500      | 4,500      | 4,500      |
| ◀ ▶ Inventory SF           | 14,882,926 | 14,882,926 | 14,887,876 | 14,903,316 | 14,903,316 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF         | SIZE     | SALE PRICE                  | BUYER / SELLER  | BUILDING CLASS |
|-------------------------------------|----------|-----------------------------|---|----------------|
| 1650 W. 180th Street<br>Gardena, CA | 4,600 SF | \$1,750,000<br>\$380.43 PSF | ByDesign Vision & Sound Marketing<br>Little Gardena Equity, LLC | Class B        |

| TOP LEASE TRANSACTIONS BY SF                        | SIZE      | LANDLORD                          | TENANT                       | TENANT INDUSTRY                               |
|---|-----------|-----------------------------------|------------------------------|---|
| 12675 Crenshaw Boulevard<br>Hawthorne, CA           | 21,408 SF | Hathorne Business<br>Center LLC   | Elite Anywhere Corporation   | Freight Transportation<br>Warehousing/Storage |
| 2629 Manhattan Beach Boulevard<br>Redondo Beach, CA | 4,161 SF  | Vibrants, LLC                     | Rexford Industries, LLC      |   |
| 8915 S. La Cienega Blvd Suite F<br>Inglewood, CA    | 3,800 SF  | Rader Properties Group<br>IV, LLC | Brixton Forged Wheel Co, LLC | Wheels & Rims                                 |



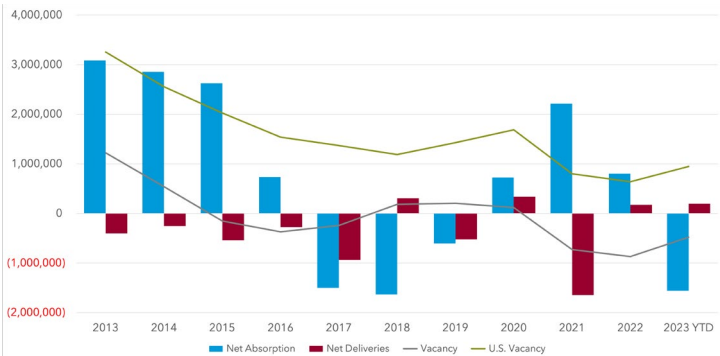
### INDUSTRIAL MARKET OVERVIEW

JACK HALEY, *Principal*

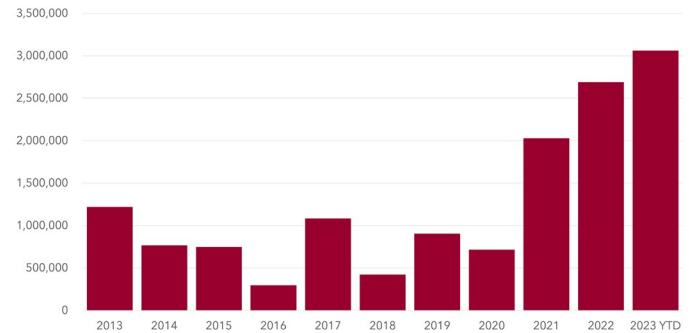
Overall demand for historically tight levels of rental space eased slightly in the first quarter, pushing up the vacancy rate from the all-time low reached in the final three months of last year. Nevertheless, rents continued to climb at a record pace as Orange County ranks statistically among the nation's most desirable industrial property markets. Countywide, net absorption was negative 818,335 SF in the first quarter, driving up the vacancy rate 40 basis points to 2.1% on a total base of 300 million SF. It was the largest of five quarterly contractions over the last four years. We will start to see the vacancy rate inch up as new inventory is starting to hit the market and lease concessions will occur as leasing activity slows.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (935,380)   | 865,571     | 265,585     | (396,372)   | 67,866      |
| ▲ Vacancy Rate             | 2.10%       | 1.70%       | 1.90%       | 1.90%       | 1.80%       |
| ▲ Avg NNN Asking Rate PSF  | \$1.64      | \$1.58      | \$1.54      | \$1.47      | \$1.38      |
| ▲ SF Under Construction    | 3,061,931   | 2,690,056   | 2,957,160   | 3,132,188   | 2,555,815   |
| ▲ Inventory SF             | 300,676,381 | 300,479,001 | 300,179,541 | 299,991,970 | 299,937,206 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                  | SIZE       | SALE PRICE                   | BUYER / SELLER                                   | BUILDING CLASS |
|--|------------|------------------------------|--|----------------|
| 1771 S Lewis Street<br>Anaheim, CA           | 117,502 SF | \$33,749,157<br>\$291.74 PSF | Lewis Street Property LLC<br>RAYMAB, LLC         | Class B        |
| 1701 S Lewis Street<br>Anaheim, CA           | 81,305 SF  | \$24,250,843<br>\$291.74 PSF | Lewis Street Property LLC<br>RAYMAB, LLC         | Class B        |
| 7272-7274 Lampson Avenue<br>Garden Grove, CA | 65,234 SF  | \$16,350,000<br>\$250.64 PSF | Dornin Investment Group<br>7272-7274 Lampson LLC | Class B        |

| TOP LEASE TRANSACTIONS BY SF                 | SIZE       | LANDLORD                             | TENANT                       | TENANT INDUSTRY     |
|--|------------|--------------------------------------|------------------------------|---------------------|
| 2362 Kimberly Avenue<br>Fullerton, CA        | 173,825 SF | Goodman No America<br>Management LLC | Bandai Logipal America, Inc. | Logistics           |
| 4 Goodyear<br>Irvine, CA                     | 94,195 SF  | Astronics Corporation                | Terran Orbital               | Satellite Solutions |
| 7272-7274 Lampson Avenue<br>Garden Grove, CA | 65,234 SF  | Sundance Bay                         | Commercial Custom Seating    | Seating/Upholstery  |



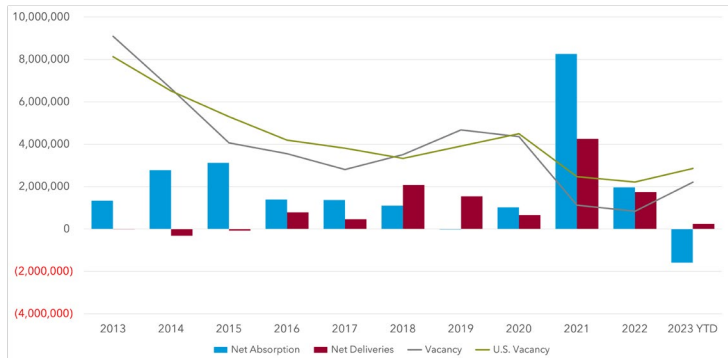
### INDUSTRIAL MARKET OVERVIEW

SPENCER DOK, *Associate*

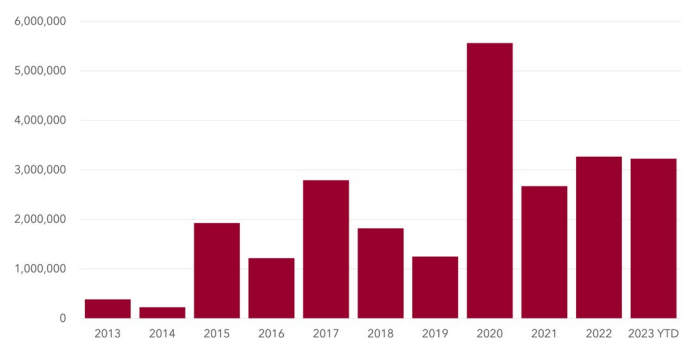
Demand for industrial space in San Diego remained strong but moderated slightly as vacancy increased by roughly 0.06% over the prior quarter to 3.8%. Despite a nominal increase in vacancy, average rents were up to \$1.80/SF; outperforming national rent growth averages. Cap rates for industrial product have largely remained steady around 5%. Average sale prices climbed to \$358 per square foot. Pricing has been supported by increased logistics and distribution requirements in a low inventory environment. Multifamily developers continue to target the region's central submarkets for adaptive reuse and redevelopment opportunities of office and industrial buildings.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (219,156)   | 1,963,920   | 3,623,921   | 8,117,321   | 8,565,758   |
| ▲ Vacancy Rate             | 3.8%        | 3.1%        | 3.5%        | 2.8%        | 3.1%        |
| ▲ Avg NNN Asking Rate PSF  | \$1.80      | \$1.77      | \$1.74      | \$1.69      | \$1.63      |
| ▼ SF Under Construction    | 3,227,888   | 3,267,363   | 3,215,506   | 2,806,795   | 2,887,616   |
| ▲ Inventory SF             | 205,451,637 | 205,211,327 | 205,134,364 | 204,016,716 | 203,946,907 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF            | SIZE       | SALE PRICE                    | BUYER / SELLER                              | BUILDING CLASS |
|--|------------|-------------------------------|---|----------------|
| 2020 Piper Ranch Road<br>San Diego, CA | 601,103 SF | \$126,836,500<br>\$211.01 PSF | LaSalle Investments<br>ARES Management, LLC | Class B        |
| 13651 Danielson Street<br>Poway, CA    | 51,071 SF  | \$14,755,864<br>\$288.93 PSF  | SENTRE, Inc.<br>TA Realty                   | Class B        |
| 13691 Danielson Street<br>Poway, CA    | 37,892 SF  | \$8,442,046<br>\$222.79 PSF   | SENTRE, Inc.<br>TA Realty                   | Class B        |

| TOP LEASE TRANSACTIONS BY SF            | SIZE       | LANDLORD                | TENANT       | TENANT INDUSTRY |
|---|------------|-------------------------|--------------|-----------------|
| 1610 Landmark Road<br>San Diego, CA     | 240,975 SF | Majestic Realty/Sunroad | RL Jones     | Logistics       |
| 505 Main Street<br>Chula Vista, CA      | 79,611 SF  | KKR                     | Ready Spaces | Warehousing     |
| 7615 Siempre Viva Road<br>San Diego, CA | 42,500 SF  | Dalfen Industrial       | HK Trans LLC | Logistics       |



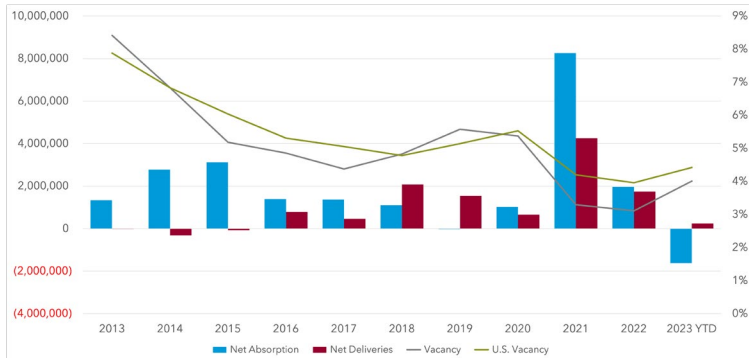
### INDUSTRIAL MARKET OVERVIEW

DANIEL KNOKE, *Principal*

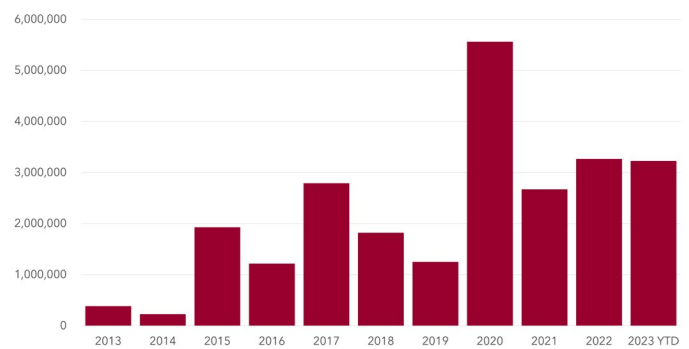
The last two quarters of 2022 saw some cooling in the market due to large ecommerce spaces returning to the market for sublease that we expect to be absorbed in the coming months. The net absorption for San Diego industrial properties in Q1 was approximately -200,000 square feet with leasing activity just under 2,000,000 square feet. Vacancy rates rose slightly to 3.1%, market rental rates increased at a slower rate to \$1.80 per square foot for high-finish and \$1.37 per square foot for low-finish. Although the sales volume saw a slight decrease, the average sale price rose from \$349 to \$355 per square foot. The 3,227,888 square feet of product under construction will help relieve the supply related pressure and increase transaction volume.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (219,156)   | 1,963,920   | 3,623,921   | 8,117,321   | 8,565,758   |
| ◀▶ Vacancy Rate            | 3.1%        | 3.1%        | 3.5%        | 2.8%        | 3.1%        |
| ▲ Avg NNN Asking Rate PSF  | \$1.80      | \$1.77      | \$1.74      | \$1.69      | \$1.63      |
| ▼ SF Under Construction    | 3,227,888   | 3,267,363   | 3,215,506   | 2,806,795   | 2,887,616   |
| ▲ Inventory SF             | 205,446,512 | 205,206,202 | 205,129,239 | 204,011,591 | 203,941,782 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF           | SIZE       | SALE PRICE                    | BUYER / SELLER  | BUILDING CLASS |
|---------------------------------------|------------|-------------------------------|---|----------------|
| 220 Piper Ranch Road<br>San Diego, CA | 601,103 SF | \$126,836,500<br>\$211.01 PSF | LaSalle Investment Management<br>ARES Management, LLC | Class B        |
| 13651 Danielson Street<br>Poway, CA   | 51,071 SF  | \$14,755,864<br>\$288.93 PSF  | SENTRE, Inc<br>TA Realty                              | Class B        |
| 4909 Pacific Highway<br>San Diego, CA | 33,400 SF  | \$12,597,000<br>\$377.16 PSF  | RPSD 4909 LLC<br>Ramin Pourteymour                    | Class C        |

| TOP LEASE TRANSACTIONS BY SF           | SIZE       | LANDLORD                           | TENANT                       | TENANT INDUSTRY                  |
|--|------------|------------------------------------|------------------------------|----------------------------------|
| 1610 Landmark Road<br>San Diego, CA    | 240,795 SF | Sunroad Holding Corporation        | RL Jones Customhouse Brokers | Import/Export                    |
| 505 Main Street<br>Chula Vista, CA     | 79,611 SF  | Kohlberg Kravis Roberts & Co. L.P. | Jabil                        | Electronics Manufacturing        |
| 7077 Consolidated Way<br>San Diego, CA | 45,600 SF  | 7077 Associates                    | Confidential                 | Computer Component Manufacturing |



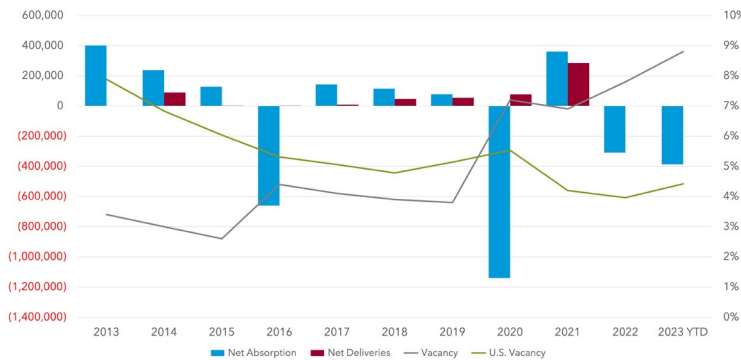
### INDUSTRIAL MARKET OVERVIEW

THOMAS NIU, *Senior Vice President*

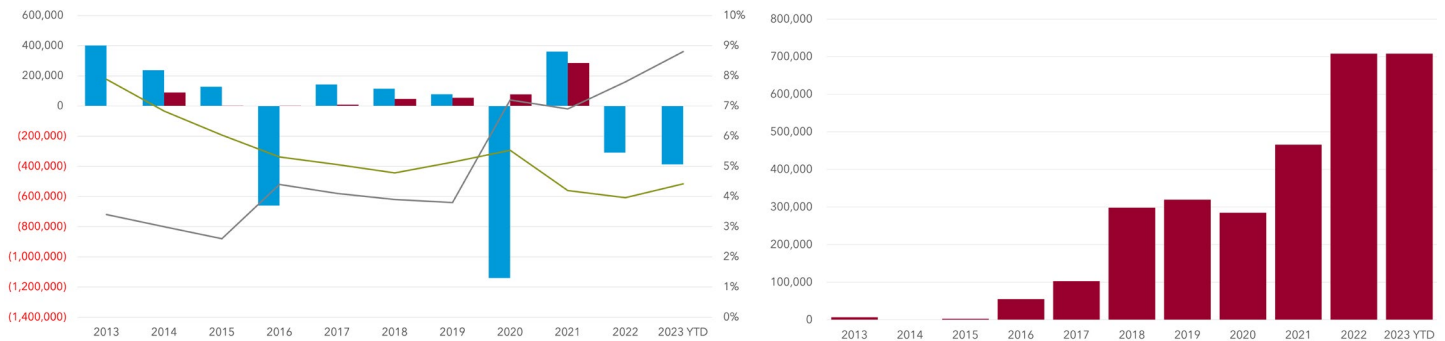
There was a strong start to 2023 as Australian investor, Goodman, purchased three industrial assets on Napoleon Street, including the former USPS distribution center, for \$110M. The confidence in the San Francisco market was further evidenced when 300 Kansas topped-off construction in March - the first multi-story, 150,000 SF, speculative industrial building constructed in San Francisco in many decades and intended to cater to high-value manufacturers. Meanwhile, the PDR market for electronic and autonomous vehicles has seen some twists and turns. EV-Go is in the process of expanding its portfolio by seeking to lease a 30,000 SF PDR site on Loomis Street, across from the Lowes outlet, for fleet charging stations.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022F   |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | (483,600)  | (216,580)  | (137,429)  | 151,514    | 189,824    |
| ▲ Vacancy Rate             | 8.75%      | 7.77%      | 7.74%      | 4.43%      | 4.48%      |
| ▼ Avg NNN Asking Rate PSF  | \$32.64    | \$33.11    | \$30.99    | \$30.65    | \$24.41    |
| ◀ ▶ SF Under Construction  | 707,815    | 707,815    | 707,815    | 465,729    | 465,729    |
| ◀ ▶ Inventory SF           | 36,592,246 | 36,592,246 | 36,592,246 | 36,592,246 | 36,592,246 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                 | SIZE      | SALE PRICE                  | BUYER / SELLER  | BUILDING CLASS |
|---|-----------|-----------------------------|---|----------------|
| 931/933 Treat Avenue<br>San Francisco, CA   | 12,780 SF | \$1,923,796<br>\$275.22 PSF | Monkey Brains<br>James & Barbara Heinzer                | Class C        |
| 1240 Fitzgerald Avenue<br>San Francisco, CA | 10,000 SF | \$4,125,000<br>\$412.50 PSF | Transformation Warehouse LLC<br>Kanbayashi Family Trust | Class C        |
| 1044 Howard Street<br>San Francisco, CA     | 3,236 SF  | \$2,140,000<br>\$661.31 PSF | United Palyaz<br>Harry & Mayling Low                    | Class C        |

| TOP LEASE TRANSACTIONS BY SF               | SIZE      | LANDLORD                         | TENANT                | TENANT INDUSTRY              |
|--|-----------|----------------------------------|-----------------------|------------------------------|
| 290-300 Toland Street<br>San Francisco, CA | 27,631 SF | LBA Realty                       | Store Transportation  | Transportation & Warehousing |
| 19 Pier 19-23<br>San Francisco, CA         | 16,100 SF | City and County of San Francisco | Undisclosed           | Undisclosed                  |
| 2001 Bryant Street<br>San Francisco, CA    | 15,000 SF | Jack Keeney Properties           | Pendulum Therapeutics | Scientific Technology        |



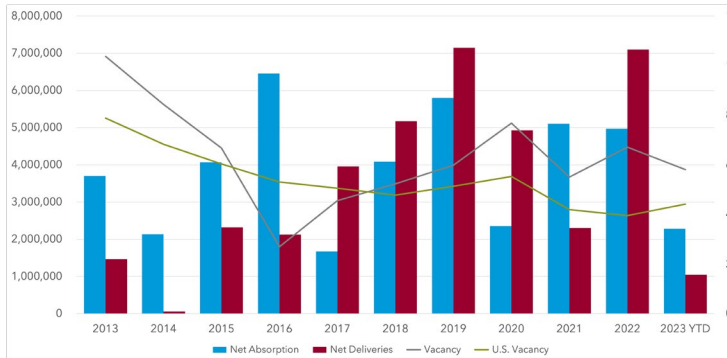
### INDUSTRIAL MARKET OVERVIEW

JIM MARTIN, SIOR Senior Vice President

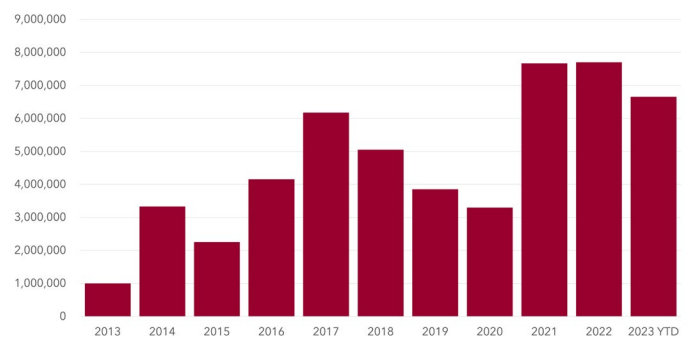
The 1st quarter of 2023 witnessed a more measured pace as compared to that enjoyed by 4th quarter of 2022, primarily due to new deliveries and a pause from many occupiers waiting to see what 2023 interest rates, consumer price indices and global unrest brings. Second and third generation (Class B and C) space is getting more attention as budget concerns loom and consumer spending cools. Investment sales - both institutional and private - has slowed while owners/sellers come to grips with rising interest rates and their unwillingness to adjust cap rates to meet market conditions.

| MARKET INDICATORS           | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ Qtrly Net Absorption SF   | 1,514,371   | 637,560     | 2,133,404   | 1,700,000   | 768,414     |
| ▲ Vacancy Rate              | 5.9%        | 4.2%        | 5.5%        | 6.2%        | 7.8%        |
| ◀ ▶ Avg NNN Asking Rate PSF | \$8.76      | \$8.76      | \$8.16      | \$7.80      | \$7.32      |
| ▼ SF Under Construction     | 6,466,750   | 8,278,460   | 5,500,000   | 8,201,466   | 9,953,565   |
| ▲ Inventory SF              | 196,450,000 | 195,375,600 | 194,670,000 | 193,856,220 | 191,802,460 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|-----------------------------|------|------------|----------------|----------------|
|-----------------------------|------|------------|----------------|----------------|

NONE TO REPORT

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|------------------------------|------|----------|--------|-----------------|
|------------------------------|------|----------|--------|-----------------|

|                                    |            |                      |                     |                            |
|------------------------------------|------------|----------------------|---------------------|----------------------------|
| 5150 Glacier Street<br>Lathrop, CA | 600,000 SF | Crow Holdings        | Tesla               | Warehouse/<br>Distribution |
| 5150 Glacier Street<br>Lathrop, CA | 579,859 SF | Crow Holdings        | Tesla               | Warehouse/<br>Distribution |
| 4512 Frontier Way<br>Stockton, CA  | 351,788 SF | Prologis             | DHL                 | 3PL                        |
| 506 Whitmore Avenue<br>Modesto, CA | 172,500 SF | G3 Enterprises, Inc. | First Tactical, LLC | Warehouse/<br>Distribution |
| 3735 Imperial Way<br>Stockton, CA  | 164,702 SF | Link                 | Cal Chefs           | Cold Storage<br>Whse/Dist  |



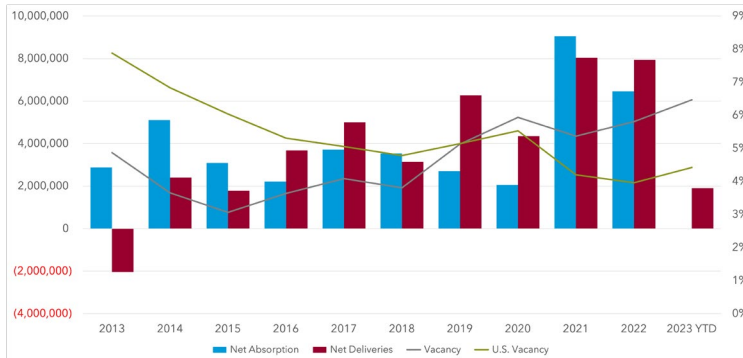
### INDUSTRIAL MARKET OVERVIEW

RON WEBERT, SIOR, *Principal*

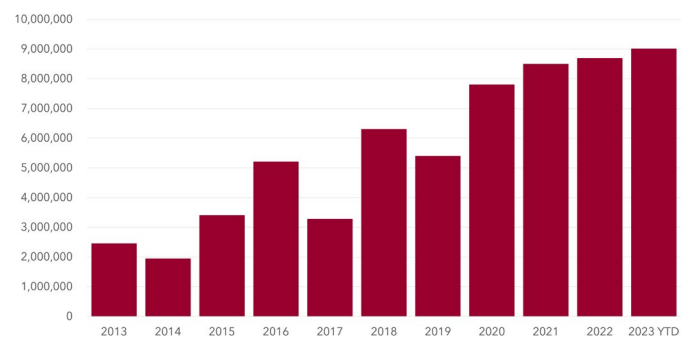
The Denver industrial market started the year off slow as one would expect, with concerns over the health of the national economy and continued high interest rates. Overall sales volume, a good indicator of the state of the market, only reached \$225M, which was a level not seen since Q1 2021, the start of the pandemic. When the market was reaching record levels we hit \$1.1B in sales in a single quarter, Q4 2021. Overall leasing is off with absorption only reaching 369,000 SF. We expect this to increase significantly with the announcement of some big deals in vacant facilities over the next few months. One bright spot is the health of the market as it relates to smaller units, 50K and below. Inventory is low, and lease rates continue to hold steady or rise.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 6,118,062   | 6,462,919   | 12,028,045  | 11,627,513  | 9,642,796   |
| ▲ Vacancy Rate             | 6.4%        | 5.8%        | 5.5%        | 5.0%        | 5.4%        |
| ▲ Avg NNN Asking Rate PSF  | \$11.77     | \$11.72     | \$11.54     | \$11.38     | \$11.13     |
| ▲ SF Under Construction    | 9,014,901   | 8,698,896   | 9,230,130   | 10,631,341  | 9,166,355   |
| ▲ Inventory SF             | 274,244,848 | 272,337,471 | 270,746,495 | 266,789,918 | 264,860,404 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF             | SIZE       | SALE PRICE                   | BUYER / SELLER                                      | BUILDING CLASS |
|---|------------|------------------------------|---|----------------|
| 5805 N Jackson Gap Street<br>Aurora, CO | 482,693 SF | \$72,219,900<br>\$149.62 PSF | Stonemont Financial Group<br>Scannell Properties    | Class A        |
| 4590 Jason Street<br>Denver, CO         | 138,500 SF | \$12,500,000<br>\$90.25 PSF  | Matrix Group, Inc<br>Acme Distribution Center, Inc. | Class C        |
| 6255 Joyce Drive<br>Golden, CO          | 90,872 SF  | \$12,300,000<br>\$135.36 PSF | Kratos Industries<br>Paul L. & Doris A. Guernsey    | Class C        |

| TOP LEASE TRANSACTIONS BY SF       | SIZE       | LANDLORD   | TENANT                             | TENANT INDUSTRY     |
|------------------------------------|------------|--|------------------------------------|---------------------|
| 6225 N Denali Street<br>Aurora, CO | 170,300 SF | Hyde Development                                   | PrimeSource Building Products, Inc | Finance & Insurance |
| 14827 Grant Street<br>Thornton, CO | 135,000 SF | EverWest Real Estate<br>Investors, LLC/Invesco Ltd | Ferguson Enterprises               | Manufacturing       |
| 1400 N Lisbon Street<br>Aurora, CO | 110,937 SF | NorthPoint<br>Development                          | Lanter                             | Distribution        |



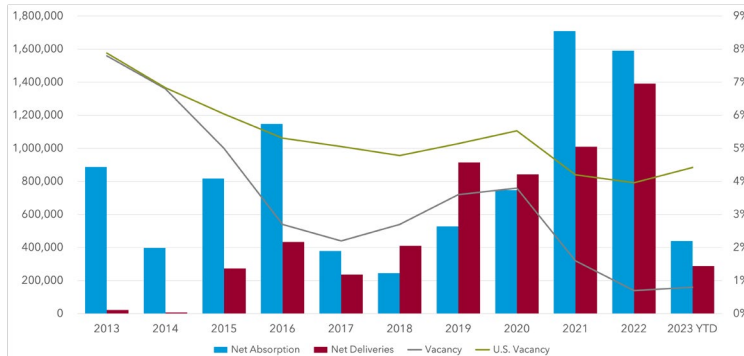
### INDUSTRIAL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

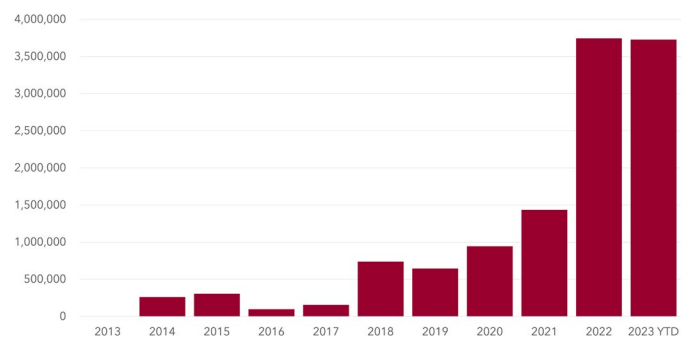
At the beginning of 2023, industrial demand in Fort Myers continued to outpace supply. Overall vacancy ended first quarter at 0.7%, despite a record volume of new development in the pipeline. One of the largest deals for the quarter was pre-leased to Clive Daniel Home, an interior design and furniture company, for more than 174,000 square feet at Legacy at Oriole in Fort Myers. The project is from Stonemont Financial Group and Geis Development with an expected delivery of Q2 2023. Industrial-related employment surpassed other metro areas in the state, specifically in the construction industry where YOY growth registered at 8.4%. Asking rates averaged double digits for the fourth quarter in a row.

| MARKET INDICATORS         | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|---------------------------|------------|------------|------------|------------|------------|
| ▲ Qtrly Net Absorption SF | 461,718    | 362,570    | 754,619    | 266,455    | 207,831    |
| ◀▶ Vacancy Rate           | 0.7%       | 0.7%       | 0.8%       | 1.5%       | 2.0%       |
| ▲ Avg NNN Asking Rate PSF | \$11.09    | \$10.91    | \$10.42    | \$10.20    | \$9.75     |
| ▼ SF Under Construction   | 3,727,374  | 3,743,807  | 3,145,418  | 3,014,875  | 1,445,078  |
| ▲ Inventory SF            | 37,387,221 | 37,098,553 | 36,765,243 | 36,166,485 | 36,066,465 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                   | SIZE      | SALE PRICE                  | BUYER / SELLER                                     | BUILDING CLASS |
|---|-----------|-----------------------------|--|----------------|
| 16710 Gator Road<br>Fort Myers, FL            | 59,791 SF | \$8,750,000<br>\$146.34 PSF | SBM Exchange I LLC<br>Stevens Gator Road, LLC      | Class B        |
| 2177 Andrea Lane<br>Fort Myers, FL            | 20,904 SF | \$2,400,000<br>\$114.81 PSF | Andrea RE, LLC<br>Afterglow Capital Management LLC | Class C        |
| 16151-16171 Pine Ridge Road<br>Fort Myers, FL | 18,000 SF | \$2,200,000<br>\$122.22 PSF | FS Properties LLC<br>Ozinus Pine Ridge, LLC        | Class C        |

| TOP LEASE TRANSACTIONS BY SF                  | SIZE       | LANDLORD                       | TENANT                           | TENANT INDUSTRY                     |
|---|------------|--------------------------------|----------------------------------|-------------------------------------|
| 16670 Oriole Road<br>Fort Myers, FL           | 174,539 SF | Geis Property Management       | Clive Daniel Home                | Furniture Store                     |
| 12290 Crystal Commerce Loop<br>Fort Myers, FL | 29,633 SF  | Crystal Commerce Loop Road LLC | Colony Hardware Corporation      | Hardware Supplier & Repair Services |
| 11975 Amedicus Lane<br>Fort Myers, FL         | 25,098 SF  | HB Adams, Inc.                 | Heritage Pool Supply Group, Inc. | Pool Supply Distributor             |





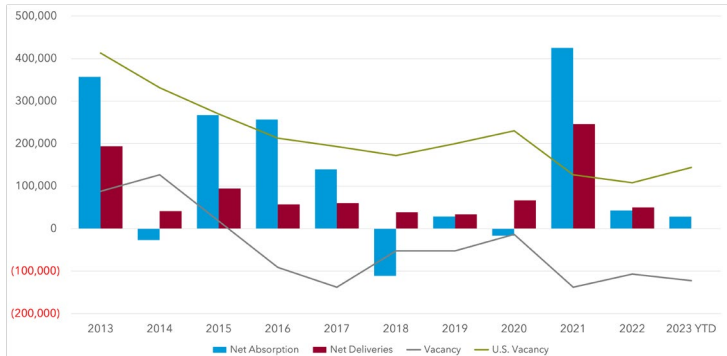
### INDUSTRIAL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

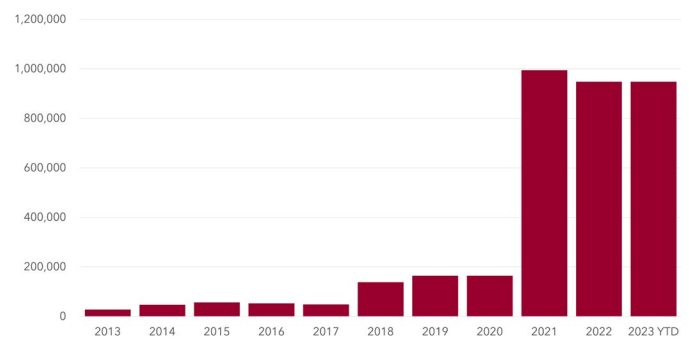
Competition for space in the Naples industrial market continued at the start of 2023, amid tight market conditions and record-high asking rates. Limited available inventory pushed the average NNN asking rate to \$18.50 per square foot in Collier County. Overall vacancy rates have been below 3% for the past eight consecutive years. There is little relief in sight with virtually no construction pipeline to alleviate supply constraints. Most of the activity in Q1 2023 occurred in the East Naples submarket where net absorption was positive and leasing activity totaled nearly 30,000 square feet. Industrial-related industries grew across the metro area, all with year-over-year gains in employment.

| MARKET INDICATORS         | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|---------------------------|------------|------------|------------|------------|------------|
| ▲ Qtrly Net Absorption SF | 16,886     | (15,351)   | 31,801     | 45,930     | (19,665)   |
| ▼ Vacancy Rate            | 1.1%       | 1.2%       | 1.2%       | 1.3%       | 1.2%       |
| ▲ Avg NNN Asking Rate PSF | \$18.50    | \$15.03    | \$14.42    | \$14.30    | \$13.84    |
| ◀ ▶ SF Under Construction | 947,936    | 947,936    | 947,936    | 944,800    | 978,062    |
| ◀ ▶ Inventory SF          | 13,544,056 | 13,544,056 | 13,544,056 | 13,544,056 | 13,510,794 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF        | SIZE      | SALE PRICE                  | BUYER / SELLER                                 | BUILDING CLASS |
|------------------------------------|-----------|-----------------------------|--|----------------|
| 3945 Tollhouse Drive<br>Naples, FL | 27,000 SF | \$5,800,000<br>\$214.81 PSF | Sugroup LLC<br>Thouse 2 Realty LLC             | Class B        |
| 3558 Plover Avenue<br>Naples, FL   | 18,463 SF | \$4,999,000<br>\$270.76 PSF | Plover Realty II, LLC<br>Zed Holdings II, LLC  | Class B        |
| 4530 Arnold Avenue<br>Naples, FL   | 16,408 SF | \$3,800,000<br>\$231.59 PSF | Liberty Group of Brainerd, LLC<br>Gilray, Inc. | Class B        |

| TOP LEASE TRANSACTIONS BY SF           | SIZE     | LANDLORD                        | TENANT                          | TENANT INDUSTRY        |
|--|----------|---------------------------------|---------------------------------|------------------------|
| 4785 Mercantile Avenue<br>Naples, FL   | 8,000 SF | Forager Real Estate<br>Partners | Screens Over Marco              | Screen Repair Service  |
| 1501 Rail Head Boulevard<br>Naples, FL | 6,000 SF | Kylar, LLC                      | Matrix Basement Systems, Inc.   | Home Improvement       |
| 4651 Mercantile Avenue<br>Naples, FL   | 5,795 SF | Anna Louise Properties,<br>LLC  | International Hotel Renovations | Hospitality Renovation |



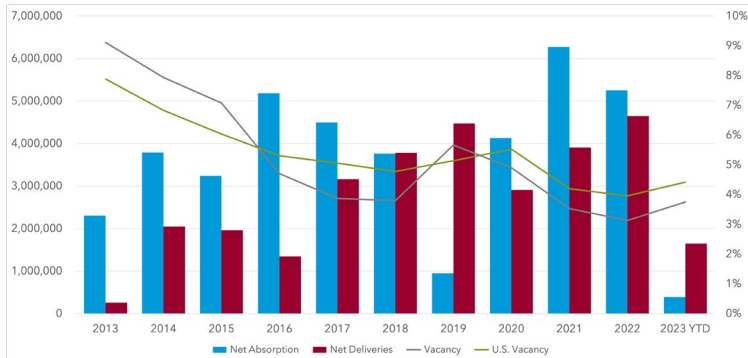
### INDUSTRIAL MARKET OVERVIEW

DEREK RIGGLEMAN, *Senior Vice President, Principal*

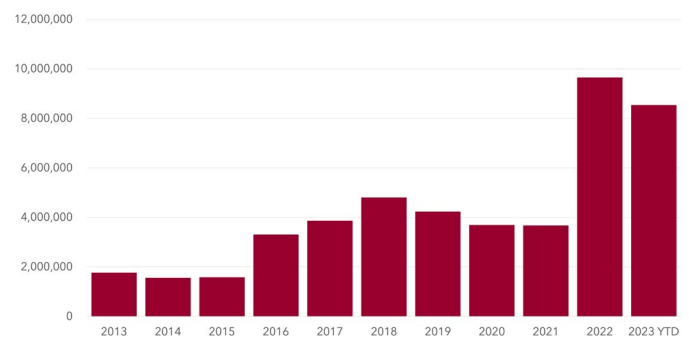
Absorption was light this quarter compared to the most recent prior quarters, but still healthy overall. We expect absorption to pick up in Q2/Q3 as buildings get delivered. Vacancies ticked up this quarter, primarily due to new sublease spaces and some new deliveries, mainly in Northwest Orange County, and the Airport/Southeast submarkets. Despite rising vacancy, rental rates have increased significantly, mainly due to almost zero vacancy in small bay product. As expected, sales volume went down significantly from the prior quarter as a result of tighter lending policies and interest rate hikes. Looking forward, we expect smaller spaces to have low vacancy and maintain high rental rates, while larger spaces will seek quick occupancy and get competitive on rental rates.

| MARKET INDICATORS         | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Qtrly Net Absorption SF | 4,319,660   | 5,252,748   | 5,222,649   | 6,157,096   | 6,546,182   |
| ▲ Vacancy Rate            | 3.60%       | 3.10%       | 3.60%       | 3.30%       | 3.60%       |
| ▲ Avg NNN Asking Rate PSF | \$12.51     | \$12.00     | \$11.55     | \$11.08     | \$10.67     |
| ▼ SF Under Construction   | 8,998,550   | 9,653,561   | 10,200,998  | 8,671,296   | 4,858,842   |
| ▲ Inventory SF            | 192,372,638 | 191,179,336 | 189,408,675 | 188,310,278 | 187,866,706 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF         | SIZE       | SALE PRICE                   | BUYER / SELLER                               | BUILDING CLASS |
|-------------------------------------|------------|------------------------------|--|----------------|
| Butters Avenue<br>Sanford, FL       | 547,753 SF | \$65,170,000<br>\$118.98 PSF | BentallGreenOak<br>Butters/McCraney          | Class A        |
| Taft Vineland Avenue<br>Orlando, FL | 140,641 SF | \$26,000,000<br>\$184.87 PSF | Universal Technical Institute<br>Prologis    | Class A        |
| 1700 Avenue B<br>Kissimmee, FL      | 96,000 SF  | \$18,000,000<br>\$187.50 PSF | Provender Partners<br>Performance Food Group | Class C        |

| TOP LEASE TRANSACTIONS BY SF                | SIZE       | LANDLORD   | TENANT                 | TENANT INDUSTRY   |
|---|------------|------------|------------------------|-------------------|
| 88 W Taft Vineland<br>Orlando, FL           | 540,399 SF | Brookfield | Sealy                  | Consumer Goods    |
| 995 N Old Lake Wilson Road<br>Kissimmee, FL | 291,875 SF | EastGroup  | Performance Food Group | Food and Beverage |
| 2550 American Way<br>Groveland, FL          | 144,023 SF | UBS        | Niagara Bottling       | Food and Beverage |



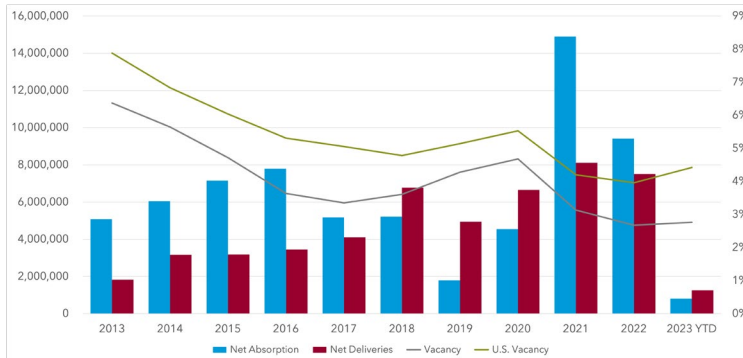
### INDUSTRIAL MARKET OVERVIEW

GREG MILOPOULOS, *Principal*

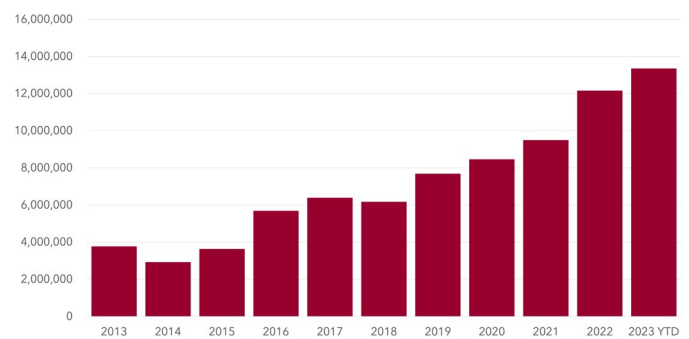
Lease rates have started to stabilize with landlords willing to bend on lease term and necessary TI allowances in return for strong credit tenants. We all hear the hysteria and uncertainty in the US markets but S. East Florida still appears to be somewhat isolated with the continued “flight to business freedom” that our state allows for. Institutional buyers continue to ride the emotional wave that the media portrays with the cost of debt being their voice of reason, but property owners aren’t trending in the same direction as many of them aren’t over leverage and those that do have debt, have rates below 4.5%.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 8,162,991   | 9,417,135   | 11,577,964  | 13,457,797  | 13,990,078  |
| ◀▶ Vacancy Rate            | 2.3%        | 2.3%        | 2.4%        | 2.6%        | 2.8%        |
| ▲ Avg NNN Asking Rate PSF  | \$15.40     | \$14.24     | \$13.23     | \$12.61     | \$12.01     |
| ▲ SF Under Construction    | 13,353,902  | 12,160,118  | 11,011,902  | 11,666,900  | 10,113,884  |
| ▲ Inventory SF             | 472,065,472 | 470,807,463 | 469,368,769 | 467,663,168 | 465,362,760 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                    | SIZE       | SALE PRICE                   | BUYER / SELLER   | BUILDING CLASS |
|--|------------|------------------------------|--|----------------|
| 644-646 Park of Commerce Way<br>Boca Raton, FL | 119,117 SF | \$27,750,000<br>\$232.96 PSF | Ares Industrial Real Estate Income Tr<br>McCraney Property Company | Class A        |
| 3001 W Copans Road<br>Pompano Beach, FL        | 133,814 SF | \$25,500,000<br>\$190.56 PSF | Morgan Stanley<br>IDI Logistics                                    | Class A        |
| 4340 W 104 Street, Ste 100<br>Hialeah, FL      | 89,502 SF  | \$17,250,000<br>\$192.73 PSF | Prime Value Realty, Inc.<br>Florida Eat Coast Industries, LLC      | Class A        |

| TOP LEASE TRANSACTIONS BY SF             | SIZE       | LANDLORD   | TENANT               | TENANT INDUSTRY                   |
|--|------------|--|----------------------|-----------------------------------|
| 8406 NW 90th<br>Medley, FL               | 198,108 SF | First Industrial                                 | JAS                  | Transportation and<br>Warehousing |
| 9575 NW 174th Street<br>Hialeah, FL      | 181,051 SF | Greystar Real Estate<br>Partners, Butters Realty | Logistics Plus       | Transportation and<br>Warehousing |
| 1673 Meathe Drive<br>West Palm Beach, FL | 124,479 SF | Dalfen Industrial                                | Eastern Metal Supply | Metal Stamping                    |



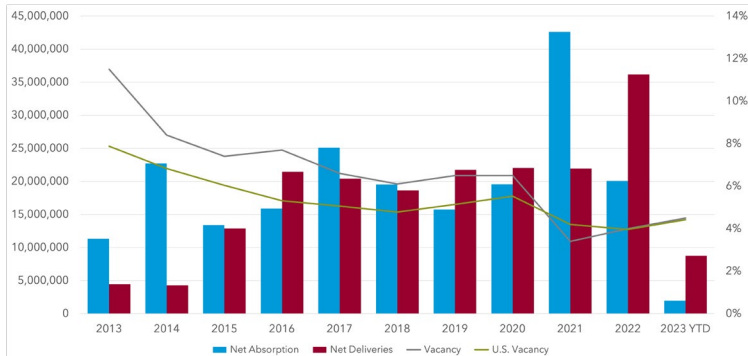
### INDUSTRIAL MARKET OVERVIEW

DAN WAGNER, *Chief Data Officer*

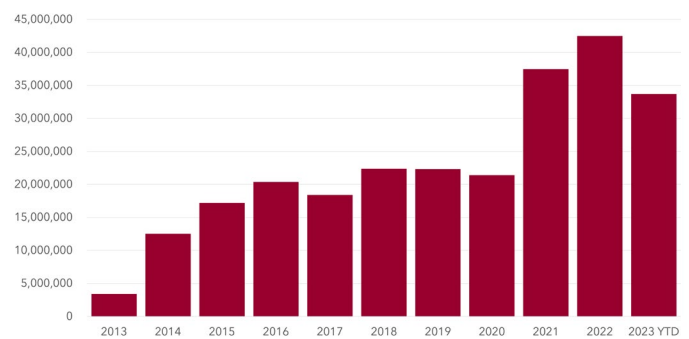
While demand for industrial space continues throughout Atlanta, activity slowed in Q1 2023. Vacancies have risen slightly off of record lows, ending Q1 2023 with a 50-basis point jump to 4.5%. Overall net absorption fell, with just under 2 million SF newly occupied. While activity cooled in Q1, the rise in sublease space during the Fall of 2022 has subsided and overall availability levels have stabilized. Atlanta's development pipeline remains elevated, ending the quarter at 33,690,764 SF under construction, however, only three new projects broke ground. First quarter deliveries totaled 8.7 MSF, with more than 43% of the space leased at time of delivery.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 18,392,426  | 20,074,856  | 30,719,093  | 30,468,619  | 34,740,123  |
| ▲ Vacancy Rate             | 4.50%       | 4.00%       | 3.70%       | 3.60%       | 4.00%       |
| ▲ Avg NNN Asking Rate PSF  | \$8.24      | \$7.90      | \$7.05      | \$6.18      | \$5.98      |
| ▼ SF Under Construction    | 33,690,764  | 42,488,685  | 44,038,314  | 45,435,187  | 46,105,904  |
| ▲ Inventory SF             | 803,675,642 | 794,460,904 | 785,752,196 | 777,874,004 | 774,811,199 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                | SIZE       | SALE PRICE                   | BUYER / SELLER                                      | BUILDING CLASS |
|--|------------|------------------------------|---|----------------|
| 7705 Staples Drive<br>Lithia Springs, GA   | 644,040 SF | \$87,500,000<br>\$135.86 PSF | Zoetis, Inc.<br>Bang Energy                         | Class A        |
| 2085 Avalon Parkway<br>McDonough, GA       | 714,560 SF | \$68,500,000<br>\$95.86 PSF  | FHR Capital, LLC<br>American Realty                 | Class A        |
| 950 New Salem Church Road<br>Jefferson, GA | 636,060 SF | \$50,000,000<br>\$78.61 PSF  | Stoltz Real Estate Partners<br>ARES Management, LLC | Class A        |

| TOP LEASE TRANSACTIONS BY SF              | SIZE       | LANDLORD                  | TENANT                     | TENANT INDUSTRY    |
|---|------------|---------------------------|----------------------------|--------------------|
| 201 King Mill Court<br>McDonough, GA      | 570,586SF  | Realty Income Corporation | Nexus Circular             | Recycling          |
| 355 Horace Head Road*<br>Jefferson, GA    | 492,480 SF | BentallGreenOak           | Kubota Tractor Corporation | Tractors           |
| 4755 Thurmon Tanner<br>Flowery Branch, GA | 447,120 SF | Hines                     | Mars, Inc                  | Food Manufacturing |

\*Lee & Associates Transaction



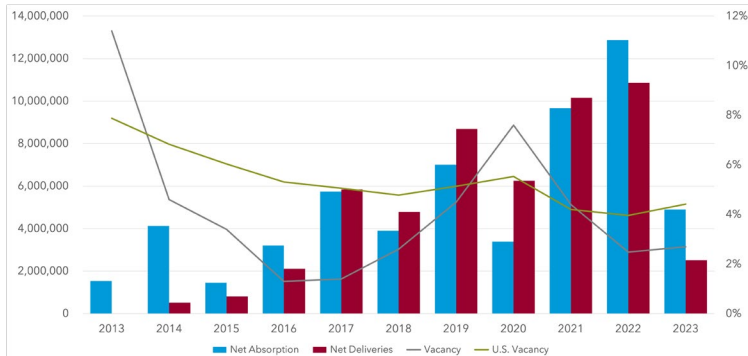
### INDUSTRIAL MARKET OVERVIEW

DAN WAGNER, *Chief Data Officer*

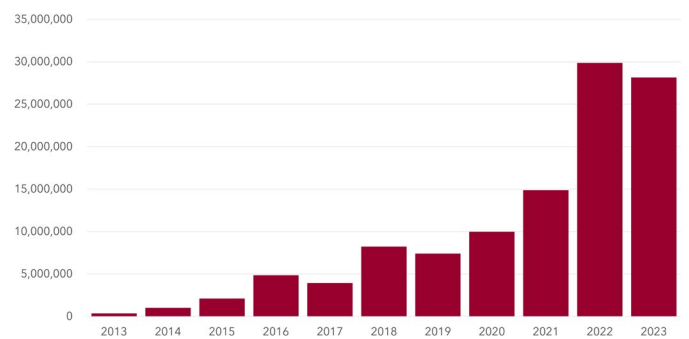
The Port of Savannah's growth remains unprecedented, doubling in volume over the last decade and spurring record demand for industrial space. However, the rapid growth eased slightly in Q1, as total TEU throughput declined by a modest 14.3% year-over-year as of February (latest data available at time of publication). Developers remain quite active, with more than 28 MSF of space under construction - only 16% lower than Atlanta's total development activity. After decreasing for three consecutive quarters, vacancy increased in Q1 to 2.7%, due primarily to the delivery of uncommitted spec space. Net absorption for the quarter reached 4.9 million SF, the highest total recorded since mid-year 2022.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022    | Q1 2022    |
|----------------------------|-------------|-------------|-------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 16,019,597  | 12,870,855  | 12,298,282  | 12,826,464 | 9,951,999  |
| ▲ Vacancy Rate             | 2.7%        | 2.5%        | 2.7%        | 3.0%       | 2.8%       |
| ▲ Avg NNN Asking Rate PSF  | \$6.01      | \$5.94      | \$5.94      | \$5.10     | \$5.17     |
| ▼ SF Under Construction    | 28,148,578  | 29,870,408  | 28,009,878  | 23,829,810 | 23,133,206 |
| ▲ Inventory SF             | 109,152,230 | 105,921,435 | 100,717,357 | 97,690,069 | 91,562,472 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF         | SIZE      | SALE PRICE                  | BUYER / SELLER   | BUILDING CLASS |
|-------------------------------------|-----------|-----------------------------|--|----------------|
| 530 Magazine Avenue<br>Savannah, GA | 39,692 SF | \$7,300,000<br>\$183.92 PSF | POET Terminal Savannah<br>Magazine Avenue Realty       | Class B        |
| 23 Westgate Street<br>Savannah, GA  | 84,612 SF | \$4,733,140*<br>\$55.94 PSF | Woodhill Real Estate<br>Continental Field Systems      | Class B        |
| 58 Columbia Drive<br>Pooler, GA     | 16,375 SF | \$2,345,000<br>\$143.21 PSF | Savannah Distributing Company<br>Chatham Water Company | Class C        |

\*Part of a Portfolio Sale

| TOP LEASE TRANSACTIONS BY SF                  | SIZE         | LANDLORD           | TENANT                  | TENANT INDUSTRY |
|---|--------------|--------------------|-------------------------|-----------------|
| 0 River Road<br>Bloomington, GA               | 1,231,693 SF | Panattoni          | Bradshaw                | Manufacturing   |
| 1421 Sunbury Road<br>Midway, GA               | 647,530 SF   | Safavieh           | Town & Country Holdings | Wholesaler      |
| 2600 Belfast Keller Road<br>Richmond Hill, GA | 281,067 SF   | AltaBird/Stonemont | Port Jersey Logistics   | Warehousing     |



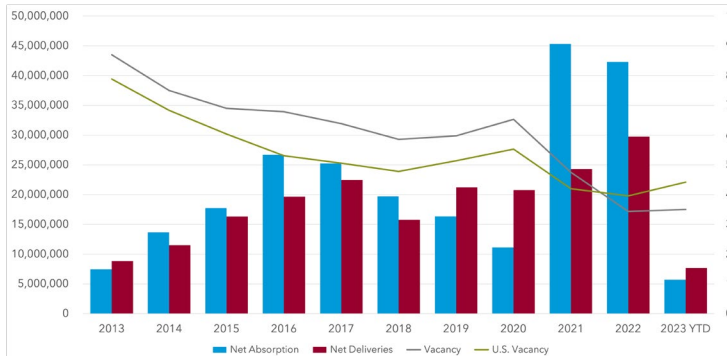
### INDUSTRIAL MARKET OVERVIEW

DIANA PEREZ, *Director of Research*

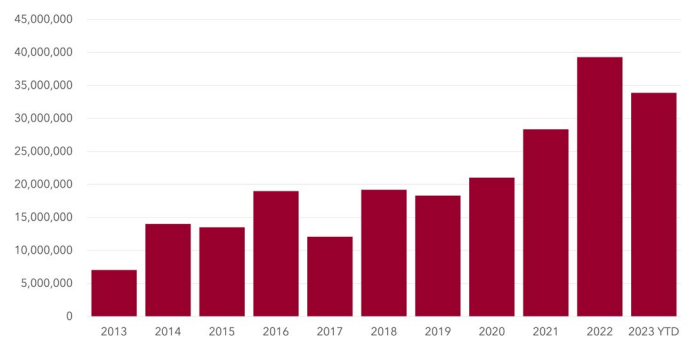
The Chicago industrial market experienced its first increase in vacancy rate in this quarter since the third quarter of 2020. The increase was the result of the completion of speculative developments. The first quarter overall vacancy rate increased by only 6 basis points from the fourth quarter rate of 3.43% to 3.50%. Steady construction is predicted for 2023, with 101 projects totaling 36.2 million square feet currently under construction. The first quarter witnessed 7.1 million square feet of new construction deliveries. The first quarter net absorption totaled positive 5.2 million square feet. Although positive, this marks a 22.4% decline from the fourth quarter mark of 6.7 million square feet.

| MARKET INDICATORS          | Q1 2023       | Q4 2022       | Q3 2022       | Q2 2022       | Q1 2022       |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| ▼ 12 Mo. Net Absorption SF | 5,694,226     | 6,703,768     | 10,993,166    | 9,806,866     | 14,897,482    |
| ▲ Vacancy Rate             | 3.50%         | 3.43%         | 3.55%         | 3.63%         | 4.13%         |
| ▲ Avg NNN Asking Rate PSF  | \$8.42        | \$8.36        | \$8.13        | \$8.01        | \$7.20        |
| ▼ SF Under Construction    | 33,862,269    | 39,279,715    | 34,635,639    | 34,121,171    | 30,130,839    |
| ▲ Inventory SF             | 1,383,943,717 | 1,377,061,055 | 1,371,789,943 | 1,361,376,518 | 1,358,296,098 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF               | SIZE       | SALE PRICE                   | BUYER / SELLER   | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 300 S. Maple Street<br>Frankfort, IL      | 229,000 SF | \$3,250,000<br>\$14.19 PSF   | MGZ New Lenox Rd Properties, LLC<br>Borg-Warner Automotive | Class C        |
| 3700 Rose Street<br>Schiller Park, IL     | 175,684 SF | \$32,501,540<br>\$185.00 PSF | Raja Foods<br>Go To Logistics                              | Class A        |
| 600 Industrial Drive<br>Saint Charles, IL | 148,790 SF | \$4,600,000<br>\$30.92 PSF   | Sunbelt Rentals<br>Concerned Partners, LLC                 | Class C        |

| TOP LEASE TRANSACTIONS BY SF                | SIZE         | LANDLORD                       | TENANT                    | TENANT INDUSTRY |
|---|--------------|--------------------------------|---------------------------|-----------------|
| SWX Millsdale Rd. & Rt. 53<br>Joliet, IL    | 1,426,266 SF | NorthPoint<br>Development      | Target                    | Retail          |
| 5000 183rd Street<br>Country Club Hills, IL | 1,033,450 SF | CRG Integrated RE<br>Solutions | Solo Cup Company          | Manufacturing   |
| 21705 W. Mississippi Street<br>Elwood, IL   | 1,022,554 SF | Prologis                       | CJ Logistics America, LLC | Logistics       |



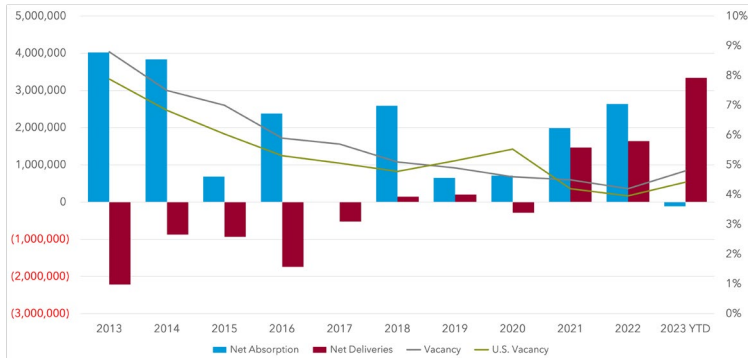
**INDUSTRIAL MARKET OVERVIEW**

TY JANNEY, *Managing Principal*

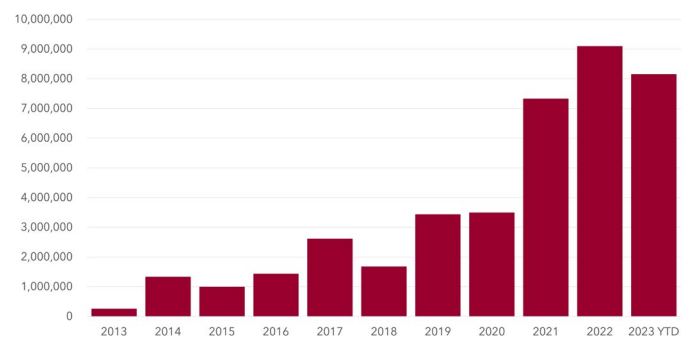
Emerging signs of relief for occupiers underscored industrial transaction activity in the greater Boston market in the first quarter of 2023 with an increase in overall vacancy to 4.8% from the 12 month average of 4.2% in 2022 and a reversion to negative absorption with new construction deliveries this quarter. The submarkets south of Boston were most active with large block leases signed between 70,000 and 160,000 square feet and Class B and C industrial and user sales highlighted transaction activity in the quarter.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (1,212,497) | 904,863     | (1,480,537) | 1,677,936   | 1,535,116   |
| ▲ Vacancy Rate             | 4.8%        | 4.2%        | 4.3%        | 3.9%        | 3.9%        |
| ▲ Avg NNN Asking Rate PSF  | \$14.81     | \$14.63     | \$14.37     | \$14.13     | \$13.72     |
| ▼ SF Under Construction    | 8,156,201   | 9,100,191   | 8,755,081   | 7,547,156   | 8,047,616   |
| ▲ Inventory SF             | 356,574,925 | 355,455,935 | 355,019,077 | 354,926,529 | 353,220,889 |

**NET ABSORPTION, NET DELIVERIES, & VACANCY**



**UNDER CONSTRUCTION**



| TOP SALE TRANSACTIONS BY SF           | SIZE       | SALE PRICE                   | BUYER / SELLER  | BUILDING CLASS |
|---------------------------------------|------------|------------------------------|---|----------------|
| 63 Middlesex Street<br>Chelmsford, MA | 141,000 SF | \$3,152,750<br>\$22.36 PSF   | Triple M Movers & Storage, Inc.<br>Treat Harware Corp       | Class C        |
| 60 Olympia Avenue<br>Woburn, MA       | 97,000 SF  | \$17,999,999<br>\$185.57 PSF | Brookfield Property Group<br>Juniper Advisory Services, LLC | Class B        |
| 30 Commerce Way<br>Tewksbury, MA      | 77,000 SF  | \$2,400,000<br>\$31.17 PSF   | Rhino Capital Advisors LLC<br>Atlantic Management Corp      | Class B        |

| TOP LEASE TRANSACTIONS BY SF            | SIZE       | LANDLORD                             | TENANT                  | TENANT INDUSTRY                  |
|---|------------|--------------------------------------|-------------------------|----------------------------------|
| 80 South Street<br>Hopkinton, MA        | 157,812 SF | Hopkinton Industrial<br>Realty Trust | Altaeros Energies, Inc. | Renewable Energy<br>Manufacturer |
| 7 Manley Street<br>West Bridgewater, MA | 88,200 SF  | Marcus Partners, Inc.                | 4Wall                   | Lighting Equipment<br>Supplier   |
| 54 Bodwell Street<br>Avon, MA           | 70,337 SF  | DH Property Holdings                 | DCNE                    | HVAC Distributor                 |



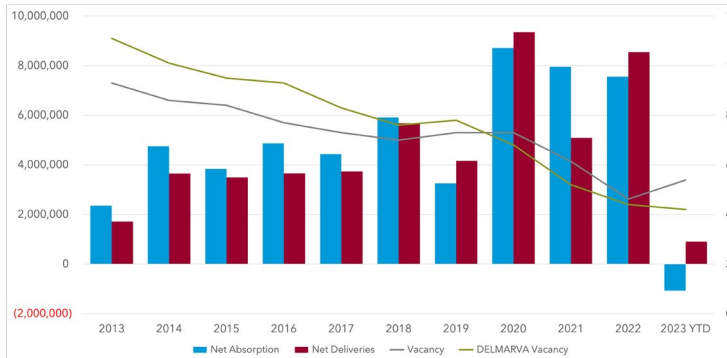
### INDUSTRIAL MARKET OVERVIEW

TOM WHELAN, *Principal*

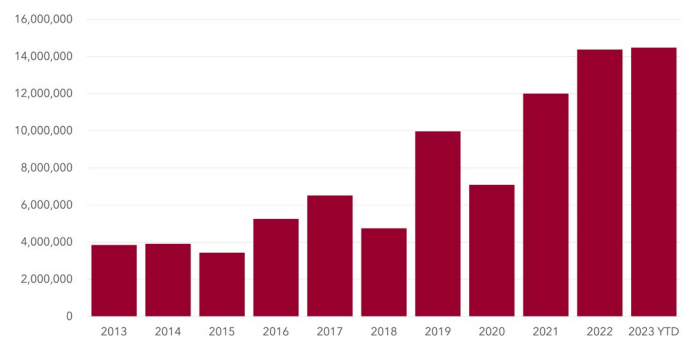
Macroeconomic concerns have led to the beginning of 2023 seeing quarterly negative net absorption for the first time and the greatest increase in direct vacancy in the past twelve months for the Greater Baltimore market. Overbuilding in non-core submarkets, especially of big-box warehouses, combined with a slowing of tenant velocity among larger tenants are the main culprits. Several of these companies have been giving back space, or electing not to renew, as they re-evaluate their supply chain strategies. However, with the land constraints of the region, we expect to still see strong demand for smaller spaces, especially in core infill locations.

| MARKET INDICATORS         | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Net Absorption SF       | (1,071,216) | 1,435,400   | 3,081,598   | 1,350,808   | 1,426,840   |
| ▲ Vacancy Rate            | 5.34%       | 4.62%       | 4.61%       | 4.39%       | 4.31%       |
| ▲ Avg NNN Asking Rate PSF | \$8.16      | \$7.79      | \$7.84      | \$7.61      | \$7.23      |
| ▲ SF Under Construction   | 14,478,784  | 14,373,868  | 12,890,943  | 15,071,873  | 12,372,563  |
| ▲ Inventory SF            | 269,825,208 | 268,920,604 | 267,264,616 | 263,439,520 | 261,805,608 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                 | SIZE       | SALE PRICE                   | BUYER / SELLER   | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| Bladensburg Road Portfolio<br>Brentwood, MD | 224,671 SF | \$20,000,000<br>\$89.02 PSF  | Granite Canyon Partners<br>Decker Development              | Class C        |
| 1205 68th Street<br>Rosedale, MD            | 80,775 SF  | \$14,800,000<br>\$183.23 PSF | Triten Real Estate Partners<br>Greenspring Realty Partners | Class C        |
| 1207 67th Street<br>Rosedale, MD            | 79,800 SF  | \$6,600,000<br>\$82.71 PSF   | Whitehouse & Schapiro<br>Daniels Health                    | Class B        |

| TOP LEASE TRANSACTIONS BY SF               | SIZE       | LANDLORD                     | TENANT                   | TENANT INDUSTRY                 |
|--|------------|------------------------------|--------------------------|---------------------------------|
| 913 Old Philadelphia Road<br>Aberdeen, MD  | 634,000 SF | Hartz Mountain<br>Industries | Amazon                   | E-commerce                      |
| 2800 Eastern Boulevard<br>Middle River, MD | 130,000 SF | Reich Brothers               | Global Trading Unlimited | Transportation &<br>Warehousing |
| 1533 Progress Way<br>Eldersburg, MD        | 100,000 SF | Merritt Properties           | Penguin Random House     | Publishing                      |





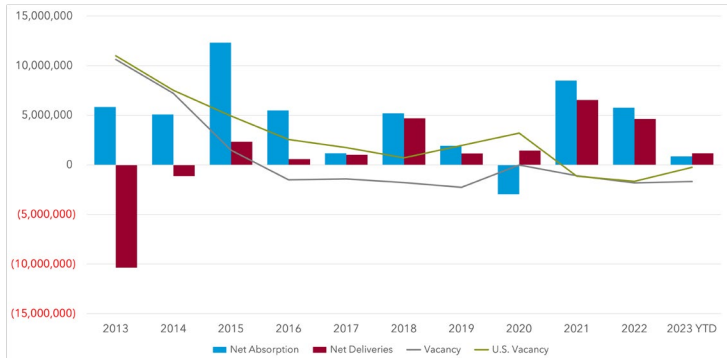
### INDUSTRIAL MARKET OVERVIEW

JON SAVOY, CCIM, SIOR, *President*

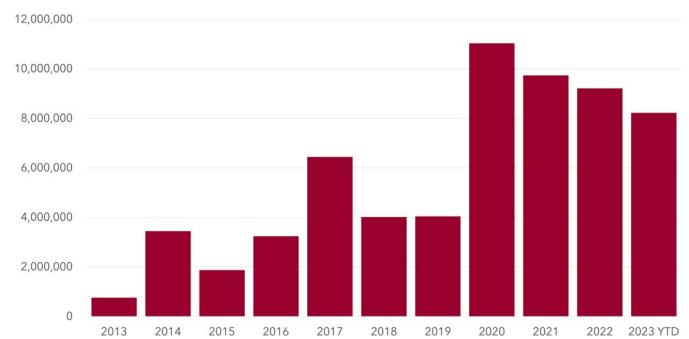
Detroit's new construction market remained red hot during the First Quarter of 2023, with over 9 million square feet of space under construction by the end of the period. Sale prices have continued to increase, and leasing activity has remained strong. Bingham Farms-based Burton-Katzman recently announced a \$240 million joint venture with New York-based DRA Advisors that will recapitalize 22 properties spanning over 2.2 million square feet. Edina, Minnesota-based Wildamere Capital Management recently disposed of a three property, 1.1 million square foot portfolio. Atlanta-based Crestlight Capital was the buyer. New York-based Ashley Capital is currently developing 1 million square feet at the Eastland Commerce Center in Harper Woods.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 4,967,735   | 5,763,775   | 3,462,369   | 8,304,482   | 8,483,345   |
| ◀▶ Vacancy Rate            | 4.0%        | 4.0%        | 4.1%        | 4.5%        | 4.4%        |
| ◀▶ Avg NNN Asking Rate PSF | \$8.20      | \$8.20      | \$8.11      | \$8.02      | \$7.87      |
| ▼ SF Under Construction    | 8,226,357   | 9,211,243   | 9,736,504   | 8,657,760   | 7,262,008   |
| ▲ Inventory SF             | 617,037,044 | 615,867,414 | 613,479,769 | 615,755,869 | 614,876,602 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                 | SIZE       | SALE PRICE                  | BUYER / SELLER                                     | BUILDING CLASS |
|---|------------|-----------------------------|--|----------------|
| 6505 Cogswell Street<br>Romulus, MI         | 429,959 SF | Undisclosed                 | Crestlight Capital<br>Wildamere Capital Management | Class B        |
| 26601 W. Huron River Drive<br>Flat Rock, MI | 307,700 SF | Undisclosed                 | GIC Real Estate<br>STORE Capital                   | Class C        |
| 1415 Durant Drive<br>Howell, MI             | 125,000 SF | \$11,250,000<br>\$90.00 PSF | DRA Advisors<br>Burton-Katzman                     | Class C        |

| TOP LEASE TRANSACTIONS BY SF                      | SIZE       | LANDLORD                | TENANT      | TENANT INDUSTRY      |
|---|------------|-------------------------|-------------|----------------------|
| 13901 Joy Road<br>Detroit, MI                     | 448,642 SF | Schostak Brothers       | Undisclosed | Undisclosed          |
| 6200 Metropolitan Parkway<br>Sterling Heights, MI | 388,273 SF | ICP                     | Gannett     | Media & Publications |
| 17423 W. Jefferson Avenue<br>Riverview, MI        | 120,000 SF | B6 Real Estate Advisors | Undisclosed | Undisclosed          |



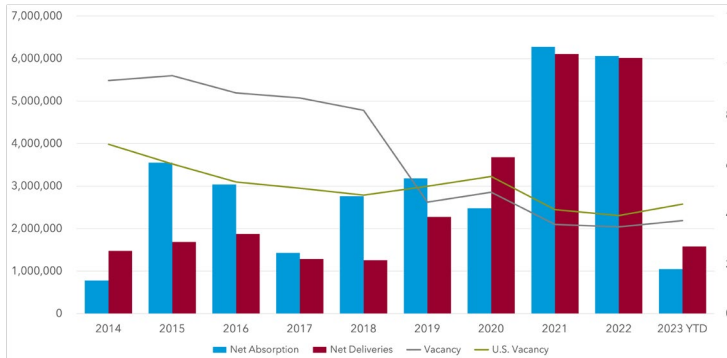
### INDUSTRIAL MARKET OVERVIEW

NATHAN ARNOLD, *Principal*

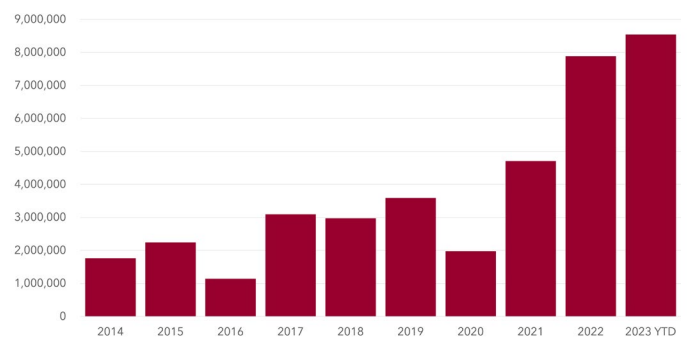
The industrial real estate market in the Twin Cities continues to show signs of stability, but with a slight increase in the vacancy rate from 3.5% to 3.75%. Despite this rise, demand for industrial properties remains high due to limited availability of options. Speculative developments are pulling back, with developers opting for build-to-suit projects. This cautious approach is likely due to the tightening supply and uncertainty in the market. Industrial real estate experts in the Minneapolis market should continue to monitor the situation closely for any further changes in demand and supply dynamics.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 1,050,741   | 1,210,144   | 2,189,981   | 2,300,277   | 2,641,201   |
| ▲ Vacancy Rate             | 3.75%       | 3.50%       | 3.30%       | 4.00%       | 3.90%       |
| ▲ Avg NNN Asking Rate PSF  | \$7.57      | \$7.30      | \$7.37      | \$6.73      | \$6.73      |
| ▲ SF Under Construction    | 8,539,542   | 7,885,799   | 8,254,782   | 7,156,531   | 4,825,000   |
| ▲ Inventory SF             | 286,708,271 | 275,202,187 | 273,326,058 | 272,864,543 | 268,507,876 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF         | SIZE       | SALE PRICE                   | BUYER / SELLER                        | BUILDING CLASS |
|-------------------------------------|------------|------------------------------|---------------------------------------|----------------|
| 905 Yankee Doodle Road<br>Eagan, MN | 358,532 SF | \$25,000,000<br>\$69.73 PSF  | Shafer Richardson<br>Murphy Warehouse | Class B        |
| 7300 36th Avenue N<br>New Hope, MN  | 175,555 SF | \$22,604,321<br>\$128.76 PSF | Spirit Realty LP<br>Primo-Platto      | Class B        |
| 3350 4th Avenue E<br>Shakopee, MN   | 231,482 SF | \$18,900,000<br>\$81.65 PSF  | Onward Investors<br>AEW Capital       | Class A        |

| TOP LEASE TRANSACTIONS BY SF        | SIZE       | LANDLORD    | TENANT            | TENANT INDUSTRY   |
|-------------------------------------|------------|-------------|-------------------|-------------------|
| Undisclosed<br>Rosemount, MN        | 417,600 SF | Undisclosed | Home Depot        | Home Improvement  |
| 12195 Brockton Lane<br>Rogers, MN   | 154,000 SF | Endeavor    | Victory Packaging | Packaging Company |
| Xylon Avenue N<br>Brooklyn Park, MN | 117,000 SF | Scannell    | Frito-Lay         | Snacks            |



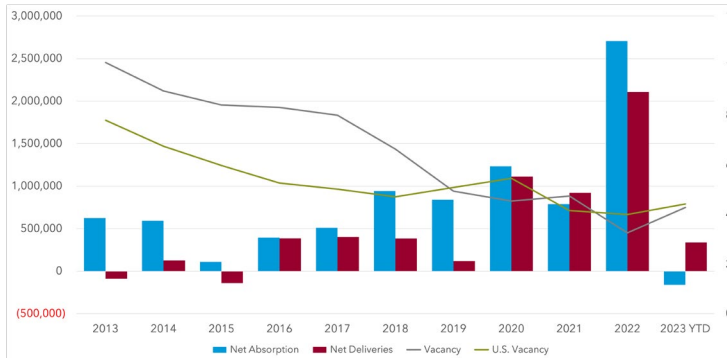
### INDUSTRIAL MARKET OVERVIEW

RYAN LAWLER, *Senior Director*

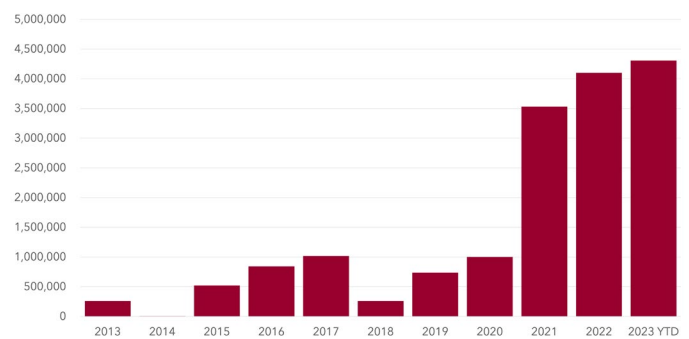
Quality flex/industrial availability remains difficult to come by even with a slight uptick in vacancy to  $\pm 4.34\%$  between the Raleigh-Durham Market. Construction costs & scarce industrial land have pushed rates higher to justify new industrial product. As a result, many tenants are experiencing sticker shock forcing the difficult decision of renewing at their current location, settling for smaller space, or absorbing a higher cost of conducting business. With construction costs remaining an important variable, minimal negotiations are occurring during the proposal stage of a new deal. Similarly, Buyers are left with few to zero options to consider. Despite fluctuating interest rates, demand to purchase buildings remains high due to the area's growth and strong demographics.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 2,257,119  | 2,706,255  | 2,597,861  | 1,516,967  | 1,391,416  |
| ▲ Vacancy Rate             | 4.35%      | 3.26%      | 3.30%      | 4.62%      | 4.43%      |
| ▲ Avg NNN Asking Rate PSF  | \$10.91    | \$10.63    | \$10.39    | \$10.12    | \$9.83     |
| ▲ SF Under Construction    | 4,307,034  | 4,101,832  | 3,698,399  | 4,091,151  | 3,897,677  |
| ▲ Inventory SF             | 47,613,782 | 47,276,282 | 47,170,182 | 46,650,177 | 45,294,177 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF        | SIZE       | SALE PRICE                   | BUYER / SELLER   | BUILDING CLASS |
|------------------------------------|------------|------------------------------|--|----------------|
| 300 N Duke Street<br>Durham, NC    | 114,600 SF | \$73,500,000<br>\$641.36 PSF | Brookfield Asset Management, Inc.<br>Longfellow Real Estate Partners | Class B        |
| 710 W Main Street<br>Durham, NC    | 51,174 SF  | \$39,500,000<br>\$771.88 PSF | Brookfield Asset Management, Inc.<br>Longfellow Real Estate Partners | Class B        |
| 4015 S Alston Avenue<br>Durham, NC | 21,145 SF  | \$1,420,000<br>\$67.16 PSF   | Foundation Building Materials LLC<br>Billy Ray Powell                | Class C        |

| TOP LEASE TRANSACTIONS BY SF                   | SIZE      | LANDLORD                           | TENANT         | TENANT INDUSTRY |
|--|-----------|------------------------------------|----------------|-----------------|
| 2530 S Tri-Center Boulevard<br>Durham, NC      | 84,600 SF | Clarion Partners                   | VF Corporation | Manufacturing   |
| 4117 Emperor Boulevard<br>Durham, NC           | 38,984 SF | Longfellow Real Estate<br>Partners | Undisclosed    | Undisclosed     |
| 2520-2528 S Tri-Center Boulevard<br>Durham, NC | 31,236 SF | Clarion Partners                   | Undisclosed    | Undisclosed     |



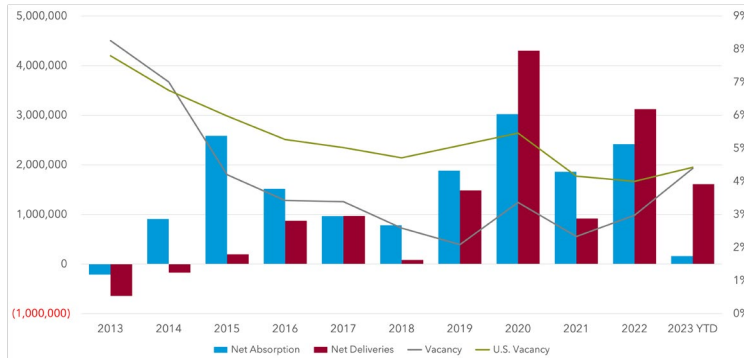
### INDUSTRIAL MARKET OVERVIEW

RYAN LAWLER, *Senior Director*

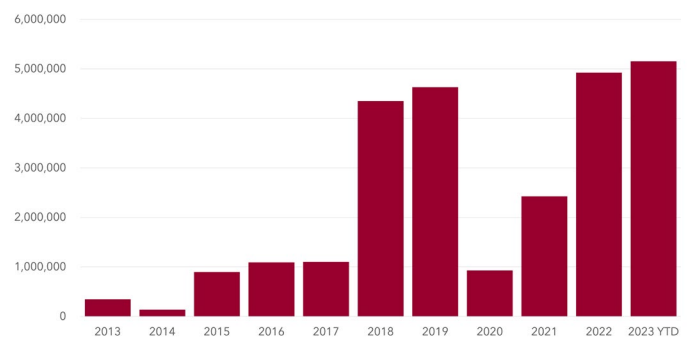
Quality flex/industrial availability remains difficult to come by even with a slight uptick in vacancy to  $\pm 4.34\%$  between the Raleigh-Durham Market. Construction costs & scarce industrial land have pushed rates higher to justify new industrial product. As a result, many tenants are experiencing sticker shock forcing the difficult decision of renewing at their current location, settling for smaller space, or absorbing a higher cost of conducting business. With construction costs remaining an important variable, minimal negotiations are occurring during the proposal stage of a new deal. Similarly, Buyers are left with few to zero options to consider. Despite fluctuating interest rates, demand to purchase buildings remains high due to the area's growth and strong demographics.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 2,606,695  | 2,418,755  | 2,689,478  | 1,435,246  | 2,057,745  |
| ▲ Vacancy Rate             | 4.32%      | 2.98%      | 2.60%      | 2.63%      | 2.45%      |
| ▲ Avg NNN Asking Rate PSF  | \$11.14    | \$10.85    | \$10.60    | \$10.32    | \$10.02    |
| ▲ SF Under Construction    | 5,153,584  | 4,922,991  | 4,957,354  | 6,028,556  | 4,925,398  |
| ▲ Inventory SF             | 99,198,681 | 97,584,861 | 96,784,966 | 95,191,316 | 94,661,869 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF             | SIZE       | SALE PRICE                   | BUYER / SELLER  | BUILDING CLASS |
|---|------------|------------------------------|---|----------------|
| 9 N Hollybrook Road<br>Wendell, NC      | 136,385 SF | \$4,700,000<br>\$34.46 PSF   | Boylan Executive Center<br>Third Street Screen Printing, Inc. | Class C        |
| 601 Irving Parkway<br>Holly Springs, NC | 130,127 SF | \$17,620,000<br>\$164.57 PSF | BBM Incorporated<br>Stout Ventures                            | Class B        |
| 1515 Capital Boulevard<br>Raleigh, NC   | 58,070 SF  | \$1,360,000<br>\$23.50 PSF   | Empire Properties<br>Centerline Bonded, LLC                   | Class C        |

| TOP LEASE TRANSACTIONS BY SF          | SIZE       | LANDLORD                      | TENANT                                     | TENANT INDUSTRY                                     |
|---------------------------------------|------------|-------------------------------|--|---|
| 419 W River Road<br>Louisburg, NC     | 195,000 SF | West Egg Real Estate,<br>LLC  | Novozymes NA Inc.                          | Professional, Scientific,<br>and Technical Services |
| 4900 Jones Sausage Road<br>Garner, NC | 164,956 SF | Beacon Development<br>Company | Greentech Renewables-Solar<br>Distribution | Transportation and<br>Warehousing                   |
| 935 Shotwell Road<br>Clayton, NC      | 81,466 SF  | Landmark Industrial           | Undisclosed                                | Undisclosed   |



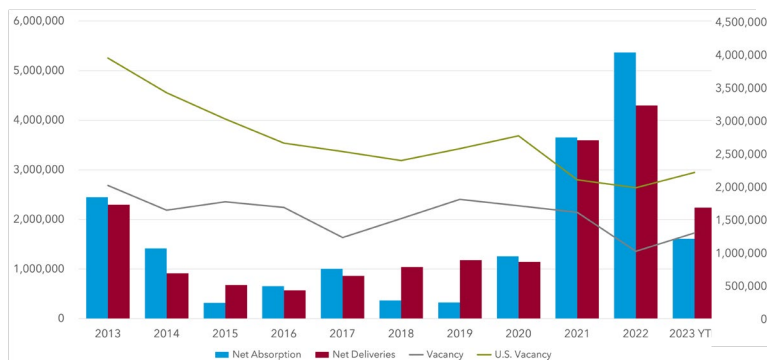
### INDUSTRIAL MARKET OVERVIEW

AMMAR ABU-HAMDA, Associate

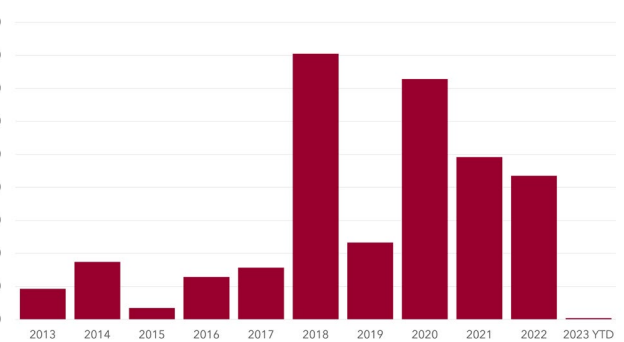
Industrial rents in the Omaha market were rising at a 7.1% annual rate during the first quarter of 2023, and have posted an average annual gain of 6.0% over the past three years. In addition to the 11.2 million SF that has delivered over the past three years, there is over 900,000 SF currently underway. Vacancies are in line with the 10-year average during Q1 of 2023, but have slightly decreasing over the past four quarters and currently sit at 2.5%. Employment in the metro was recently increasing at an annual rate of 1.6%, or a gain of about 8,000 jobs.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022    |
|----------------------------|-------------|-------------|-------------|-------------|------------|
| ▲ 12 Mo. Net Absorption SF | 6,526,055   | 5,367,987   | 7,436,285   | 7,169,521   | 3,825,563  |
| ▲ Vacancy Rate             | 2.5%        | 2.0%        | 2.3%        | 3.1%        | 3.5%       |
| ▲ Avg NNN Asking Rate PSF  | \$7.10      | \$6.92      | \$6.86      | \$6.86      | \$6.75     |
| ▼ SF Under Construction    | 908,601     | 3,127,443   | 2,954,543   | 2,421,715   | 5,226,048  |
| ▲ Inventory SF             | 105,367,300 | 103,128,658 | 103,082,711 | 102,778,124 | 99,662,778 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF     | SIZE       | SALE PRICE                  | BUYER / SELLER  | BUILDING CLASS |
|---------------------------------|------------|-----------------------------|---|----------------|
| 2501 Center Street<br>Omaha, NE | 118,216 SF | \$640,000<br>\$5.41 PSF     | Clarity Real Estate Company<br>Virgil Anderson              | Class C        |
| 13808 F Street<br>Omaha, NE     | 43,006 SF  | \$5,500,000<br>\$127.89 PSF | Servpro<br>Cassling Diagnostic Imaging                      | Class C        |
| 1921 S 26th Street<br>Omaha, NE | 25,590 SF  | Undisclosed                 | Wish in one Hand Enterprises LLC<br>Zander Enterprises, LLC | Class C        |

| TOP LEASE TRANSACTIONS BY SF   | SIZE      | LANDLORD               | TENANT                  | TENANT INDUSTRY |
|--------------------------------|-----------|------------------------|-------------------------|-----------------|
| 9995 I Street<br>Omaha, NE     | 54,000 SF | Stag Industrial Inc    | Nebraska Warehousing    | Recycling       |
| 9301 J Street<br>Omaha, NE     | 24,850 SF | Investors Realty, Inc. | Grimco                  | Manufacturing   |
| 3305 N 88th Plaza<br>Omaha, NE | 12,000 SF | CBRE                   | Creative Structures Inc | Warehouse       |



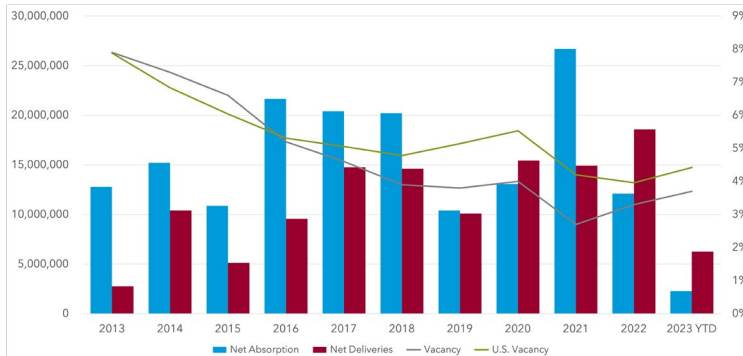
### INDUSTRIAL MARKET OVERVIEW

MICHAEL MALMSTONE, *Director of Research and Valuation*

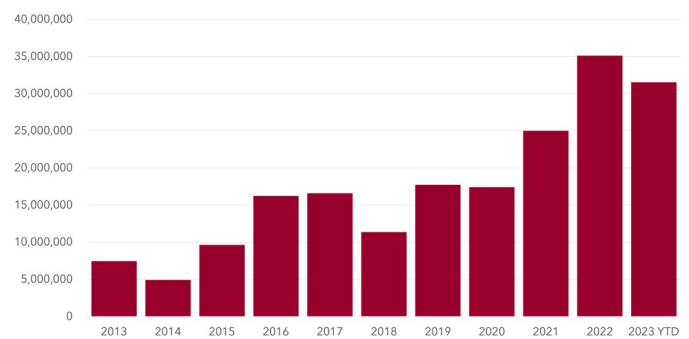
Q1 saw record rents at \$13.30 PSF NNN, the 33rd consecutive quarter of growth, 8.1% QoQ and 21% YoY. 7.9MM SF was leased, the lowest quarter since Q3 2009, in 4.7 months on average. 21 leases over 100k SF were signed, primarily in the Ports, I-287 / I-95 Interchange and Exit 8A submarkets. Net absorption clocked 2.3MM SF, the lowest in 3 years. Vacancy and availability up 40 and 50 bps QoQ, at 3.7% and 7.4% respectively. Sales volume fell to \$797MM, the lowest since Q1 2021, 55% of the 5-year average. Cap rates compressed 10 bps to 5.8%, while pricing contracted 27% to \$152 PSF. 31.6MM SF is under construction. 52MM SF is approved for development.

| MARKET INDICATORS         | Q1 2023       | Q4 2022       | Q3 2022       | Q2 2022       | Q1 2022     |
|---------------------------|---------------|---------------|---------------|---------------|-------------|
| ▼ Qtrly Net Absorption SF | 2,285,073     | 2,482,210     | 2,726,008     | 3,818,421     | 3,085,517   |
| ▲ Vacancy Rate            | 3.7%          | 3.3%          | 2.8%          | 2.8%          | 2.8%        |
| ▲ Avg NNN Asking Rate PSF | \$13.30       | \$12.30       | \$12.02       | \$11.68       | \$10.99     |
| ▼ SF Under Construction   | 31,557,494    | 35,102,768    | 39,347,180    | 33,803,089    | 30,218,601  |
| ▲ Inventory SF            | 1,017,442,119 | 1,011,185,430 | 1,003,355,879 | 1,000,673,410 | 996,648,518 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                | SIZE         | SALE PRICE                    | BUYER / SELLER   | BUILDING CLASS |
|--|--------------|-------------------------------|--|----------------|
| 2000 Galloping Hill Road<br>Kenilworth, NJ | 1,071,230 SF | \$110,320,562<br>\$102.98 PSF | Onyx Equities/ Machine Invest Grp<br>Merck               | Class B        |
| 297 Getty Avenue<br>Paterson, NJ           | 853,191 SF   | \$68,000,000<br>\$79.70 PSF   | Thor Equities<br>Alma Realty Corp.                       | Class C        |
| 100 Jefferson Road<br>Parsippany, NJ       | 558,930 SF   | \$130,500,000<br>\$233.48 PSF | J & J Farms Creamery Inc.<br>JFR Global Investments, LLC | Class B        |

| TOP LEASE TRANSACTIONS BY SF                    | SIZE       | LANDLORD                       | TENANT                  | TENANT INDUSTRY                              |
|---|------------|--------------------------------|-------------------------|--|
| 1365 Lambertson Road<br>Hamilton, NJ            | 845,078 SF | Hilco Global                   | Dynamic Marketing, Inc. | Co-op Buisness, Elec-<br>trical appliances   |
| 301-321 Herrod Boulevard<br>South Brunswick, NJ | 610,949 SF | Link Logistics Real<br>Estate  | GXO Logistics           | Process and Logistics<br>Consulting Services |
| 400 Linden Logistics Way<br>Linden, NJ          | 372,159 SF | Greek Dev. / Advance<br>/ PGIM | Vanguard Logistics      | Process and Logistics<br>Consulting Services |



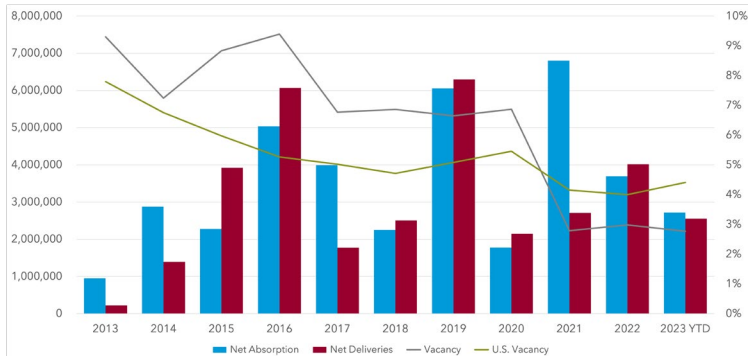
### INDUSTRIAL MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

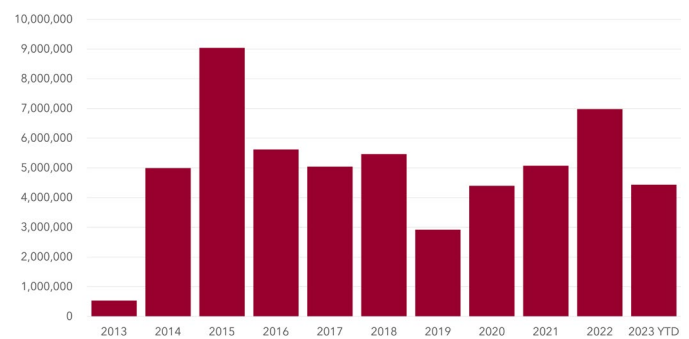
Vacancy is down and pricing continues to rise, the result of a very tight market combined with supply mainly provided by new construction. The rising interest rates affect returns as well as new starts and there appears to be a bit more sublease product in the market. As older product starts competing with the newer product, comparative advantages in cost basis should start driving down pricing. This, along with the rise in interest rates, should slow construction down a bit despite the very tight supply market which currently exists. Expectations are a slow down in the rise in rental rates as existing inventory enters the market on the supply side.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 5,331,679   | 3,691,658   | 5,108,580   | 4,364,748   | 4,547,195   |
| ▲ Vacancy Rate             | 3.2%        | 3.0%        | 3.1%        | 2.6%        | 2.3%        |
| ▲ Avg NNN Asking Rate PSF  | \$8.97      | \$8.91      | \$8.71      | \$8.54      | \$8.37      |
| ▼ SF Under Construction    | 4,434,334   | 6,979,778   | 7,103,583   | 8,796,424   | 7,151,202   |
| ▲ Inventory SF             | 111,403,127 | 108,847,815 | 108,414,770 | 106,240,919 | 104,999,099 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF            | SIZE      | SALE PRICE                  | BUYER / SELLER                    | BUILDING CLASS |
|--|-----------|-----------------------------|-----------------------------------|----------------|
| 2999 Waltham Way<br>McCarran, NV       | 21,050 SF | \$4,275,000<br>\$203.09 PSF | Aqua Metals Inc.<br>S&C Pokrajac  | Class B        |
| 152-156 Coney Island Way<br>Sparks, NV | 20,000 SF | \$1,300,000<br>\$65.00 PSF  | Josh Thieriot<br>R&L Dewey        | Class C        |
| 1845 Hymer Lane<br>Sparks, NV          | 4,800 SF  | \$860,000<br>\$179.17 PSF   | Vella Enterprises<br>D&D Stafford | Class C        |

| TOP LEASE TRANSACTIONS BY SF     | SIZE       | LANDLORD          | TENANT                                     | TENANT INDUSTRY |
|----------------------------------|------------|-------------------|--|-----------------|
| 655 Waltham Way<br>McCarran, NV  | 322,640 SF | Beretta Prop Mgmt | Symbia Logistics                           | 3PL             |
| 2777 USA Parkway<br>McCarran, NV | 282,500 SF | Conco             | Undisclosed                                | Battery Storage |
| 2625 USA Parkway<br>McCarran, NV | 193,440 SF | Conco             | Industrial Safety and Equipment<br>Apparel | PIP             |



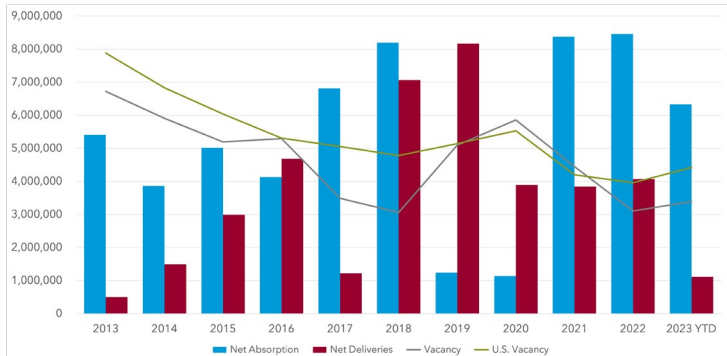
### INDUSTRIAL MARKET OVERVIEW

STEWART DEVITT, *Senior Vice President*

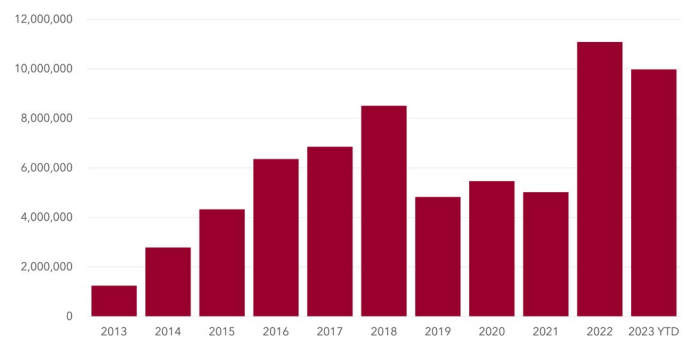
Cincinnati's industrial demand has been solid for the last 12 months, with absorption totaling 6.3M SF. With a 3.3% vacancy, it is close to the lowest point on record, leaving few large spaces available for lease. As of 2023 Q1 10M SF of space are under construction representing 2.9% of inventory. Year to date \$262M in trades have been recorded, with a historic high for the first quarter. Rent growth has accelerated as demand for space has surged, now setting well above the national average at 14% year over year.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 6,331,738   | 8,459,992   | 10,094,238  | 12,455,759  | 7,399,247   |
| ▲ Vacancy Rate             | 3.4%        | 3.1%        | 3.3%        | 3.2%        | 4.2%        |
| ▲ Avg NNN Asking Rate PSF  | \$6.86      | \$6.66      | \$6.44      | \$6.23      | \$6.02      |
| ▼ SF Under Construction    | 9,976,127   | 11,090,230  | 10,583,830  | 8,388,303   | 6,717,438   |
| ▲ Inventory SF             | 341,890,162 | 340,776,059 | 339,388,582 | 339,221,582 | 338,038,981 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                    | SIZE       | SALE PRICE                    | BUYER / SELLER                  | BUILDING CLASS |
|--|------------|-------------------------------|---------------------------------|----------------|
| 8814-8848 Trade Port Drive<br>West Chester, OH | 580,000 SF | \$212,000,000<br>\$365.52 PSF | Resilience<br>AstraZeneca PLC   | Class A        |
| 2000 Commerce Center Drive<br>Franklin, OH     | 275,245 SF | \$24,781,050<br>\$90.03 PSF   | New Mountain Capital<br>Novolex | Class B        |
| 4255 Thunderbird Lane<br>Fairfield, OH         | 195,280 SF | \$13,000,000<br>\$66.57 PSF   | New Mountain Capital<br>Novolex | Class C        |

| TOP LEASE TRANSACTIONS BY SF             | SIZE       | LANDLORD                               | TENANT       | TENANT INDUSTRY                                     |
|--|------------|--|--------------|---|
| 11019 Kenwood Road<br>Blue Ash, OH       | 103,415 SF | Neyer Properties, Inc.                 | PCS          | Services  |
| 1441 Western Avenue<br>Cincinnati, OH    | 101,297 SF | Viking Partners                        | SJN Data     | Professional, Scientific,<br>and Technical Services |
| 4438 Muhlhauser Road<br>West Chester, OH | 47,250 SF  | First Industrial Realty<br>Trust, Inc. | Cincy Brands | Services  |



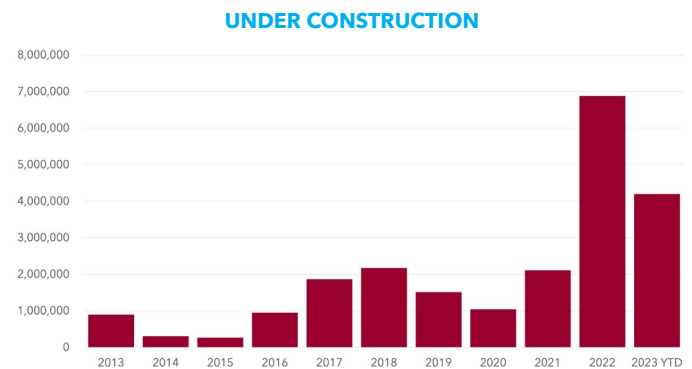
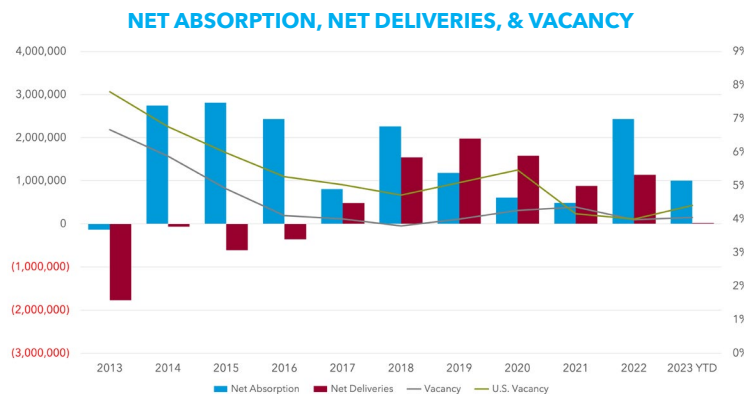


### INDUSTRIAL MARKET OVERVIEW

CONNOR KROUSE, Associate

The industrial market in Cleveland showed signs of softening in the first quarter of 2023 with only a small increase in positive net absorption and a decrease in lease signings. Despite this, the vacancy rate remained below 5% for the 17th consecutive quarter. While over 4.2 million square feet of industrial product is currently under construction, progress has slowed due to the softening market and the uncertainty caused by the banking crisis. However, the market's asking rate increased to \$5.41 per SF, representing another increase in the overall market's asking rate.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 3,868       | 804,819     | 644,000     | 743,000     | 917,000     |
| ▲ Vacancy Rate             | 4.05%       | 4.14%       | 4.19%       | 4.20%       | 4.40%       |
| ▲ Avg NNN Asking Rate PSF  | \$5.41      | \$4.99      | \$5.14      | \$5.07      | \$4.95      |
| ▼ SF Under Construction    | 4,200,000   | 4,900,000   | 7,700,000   | 2,900,000   | 2,200,000   |
| ▲ Inventory SF             | 293,200,000 | 292,800,000 | 292,000,000 | 290,850,000 | 290,700,000 |



| TOP SALE TRANSACTIONS BY SF                      | SIZE       | SALE PRICE                 | BUYER / SELLER   | BUILDING CLASS |
|--|------------|----------------------------|--|----------------|
| 200 Cuyahoga Falls Industrial Pkwy Peninsula, OH | 126,921 SF | \$7,000,000<br>\$55.15 PSF | Preformed Line Products Company<br>Jendrisak Properties, LLC | Class B        |
| 10147 Brecksville Road Brecksville, OH           | 46,762 SF  | \$2,475,000<br>\$52.93 PSF | Premier Development Partners<br>Quality Bolt & Screw, Inc.   | Class C        |
| 6481 Davis Industrial Parkway Solon, OH          | 35,300 SF  | \$2,000,000<br>\$56.66 PSF | Hostar International Inc.<br>Ohio Travel Bag, LLC            | Class B        |

| TOP LEASE TRANSACTIONS BY SF          | SIZE       | LANDLORD                       | TENANT                 | TENANT INDUSTRY          |
|---------------------------------------|------------|--------------------------------|------------------------|--------------------------|
| 18300 Snow Road Brook Park, OH        | 221,000 SF | Weston, Inc.                   | Victory Packaging Inc. | Distribution             |
| 24200 Aurora Road Bedford Heights, OH | 145,000 SF | Cogency Global Inc.            | Chick-fil-A Supply LLC | Warehouse & Distribution |
| 1444 Lowell Street Elyria, OH         | 53,720 SF  | Cornerstone Managed Properties | The HC Companies       | Wholesaler               |



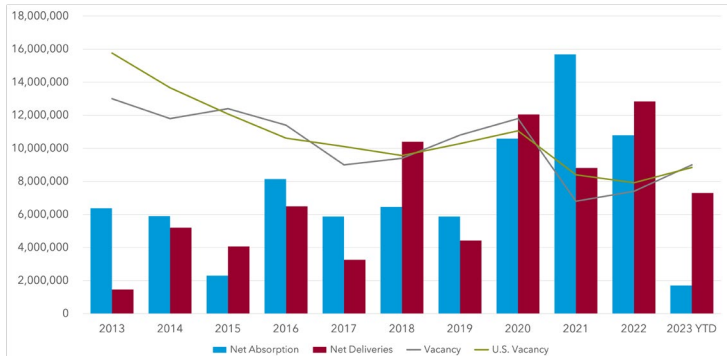
### INDUSTRIAL MARKET OVERVIEW

MIKE SPENCER, SIOR, *Principal, Broker*

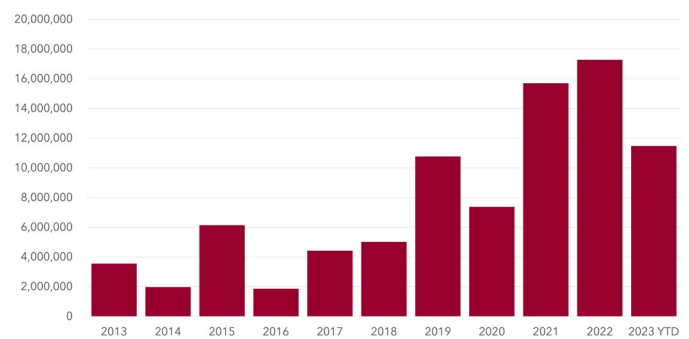
Demand for industrial space remains high. Developers are active, delivering more than 7M SF in 2023, with another 9.9M SF of spec product in the pipeline. Occupiers are tremendously active in most size ranges. Strong regional demographic trends and the mega projects for Intel and the Honda EV battery factory are durable growth drivers for industrial demand in Columbus. Midwest logistics hubs such as Columbus continue to post some of the most affordable rents across the US. With growing core sectors such as logistics and smart manufacturing, and a diverse economy, Columbus should withstand any economic headwinds.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 1,702,706   | 910,201     | 3,599,463   | 2,619,124   | 3,612,009   |
| ▲ Vacancy Rate             | 4.50%       | 3.70%       | 2.90%       | 2.90%       | 2.40%       |
| ▲ Avg NNN Asking Rate PSF  | \$6.68      | \$6.12      | \$5.74      | \$5.24      | \$4.93      |
| ▼ SF Under Construction    | 11,476,922  | 17,279,345  | 20,879,308  | 20,883,338  | 15,400,658  |
| ▲ Inventory SF             | 335,957,966 | 328,446,646 | 323,727,464 | 318,698,482 | 316,849,334 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                  | SIZE         | SALE PRICE                   | BUYER / SELLER                              | BUILDING CLASS |
|--|--------------|------------------------------|---|----------------|
| 3600 Etna Parkway<br>Pataskala, OH           | 1,092,000 SF | \$100,924,000<br>\$92.42 PSF | Invenergy<br>Red Rock Development           | Class A        |
| 1417 Rail Court South<br>Columbus, OH        | 582,400 SF   | \$51,830,000<br>\$88.99 PSF  | Transwestern<br>Prologis                    | Class A        |
| 5730 - 5830 Saltzgaber Road<br>Groveport, OH | 488,000 SF   | \$45,000,000<br>\$92.21 PSF  | Sarofim RE<br>Washington Capital Management | Class A        |

| TOP LEASE TRANSACTIONS BY SF                       | SIZE       | LANDLORD           | TENANT        | TENANT INDUSTRY |
|--|------------|--------------------|---------------|-----------------|
| 2373 Global Drive<br>Columbus, OH                  | 155,871 SF | Ind Log Prop Trust | EFL           | Logistics       |
| 2297 Southwest Boulevard<br>Grove City, OH         | 144,219 SF | Lincoln Prop Group | CuraScript SD | Medical         |
| 3420 Urbancrest Industrial Drive<br>Grove City, OH | 112,522 SF | Prologis           | Lowe's        | Retail          |



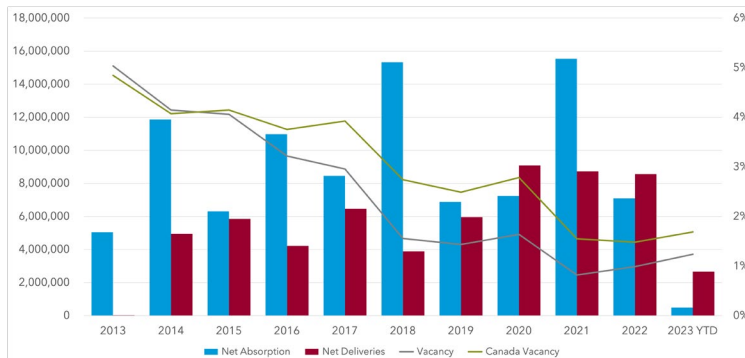
### INDUSTRIAL MARKET OVERVIEW

DANIEL SMITH, *Senior Vice President, Partner*

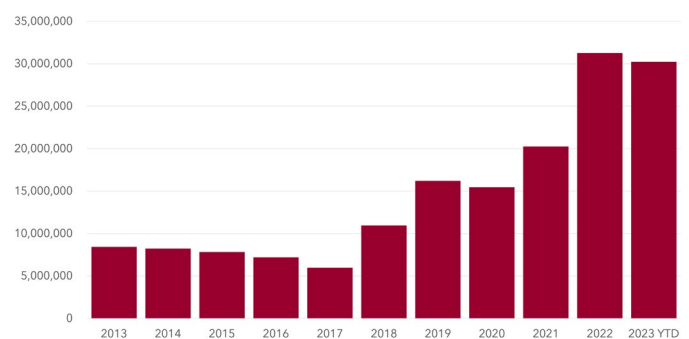
Toronto asking industrial rents continued rise in Q1 2023, with another double-digit year-over-year increase. With little change to overall vacancy across the market, the market continues to prove tough for occupiers as there are no signs of slowdown. Given these strong fundamentals, developers remain active as demand is fully expected to continue, with many of the new projects being pre-leased prior to construction completion. Milton specifically will see multiple million square feet come to market as construction is underway for both James Snow Business Park and Milton North, offering big-box Class A industrial space for 3PLs and end users alike.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 6,589,756   | 7,102,397   | 6,532,476   | 13,069,958  | 14,379,901  |
| ▲ Vacancy Rate             | 1.10%       | 1.00%       | 1.00%       | 1.00%       | 0.90%       |
| ▲ Avg NNN Asking Rate PSF  | \$17.83     | \$17.20     | \$16.49     | \$15.75     | \$15.09     |
| ▼ SF Under Construction    | 30,646,300  | 31,277,810  | 31,998,705  | 27,504,708  | 24,864,745  |
| ▲ Inventory SF             | 859,878,067 | 858,108,577 | 855,385,612 | 854,222,753 | 850,929,585 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF           | SIZE         | SALE PRICE                     | BUYER / SELLER                            | BUILDING CLASS |
|---------------------------------------|--------------|--------------------------------|---|----------------|
| 8450 Boston Church Road<br>Milton, ON | 1,320,000 SF | \$330,000,000*<br>\$250.00 PSF | Sycamore Partners<br>Lowe's Company, Inc. | Class A        |
| 50 Stienway Boulevard<br>Toronto, ON  | 589,894 SF   | \$247,662,978*<br>\$419.84 PSF | Breaking Pat Nominee, Inc.<br>Apotex      | Class B        |
| 150 Signet Drive<br>Toronto, ON       | 439,429 SF   | \$98,625,398*<br>\$225.44 PSF  | Breaking Pat Nominee, Inc.<br>Apotex      | Class B        |

\*\*All numbers shown are in Canadian dollars (CAD)

| TOP LEASE TRANSACTIONS BY SF         | SIZE       | LANDLORD                   | TENANT                       | TENANT INDUSTRY |
|--------------------------------------|------------|----------------------------|------------------------------|-----------------|
| 3150 Derry Road E<br>Mississauga, ON | 605,299 SF | Derry Aero Inc.            | The Home Depot               | Industrial      |
| 255 Chrysler Drive<br>Brampton, ON   | 437,323 SF | Oxford Properties<br>Group | Mondelez International       | Industrial      |
| 12203 Airport Road<br>Caledon, ON    | 410,975 SF | Prologis LP                | Legacy Supplu Chain Services | Industrial      |



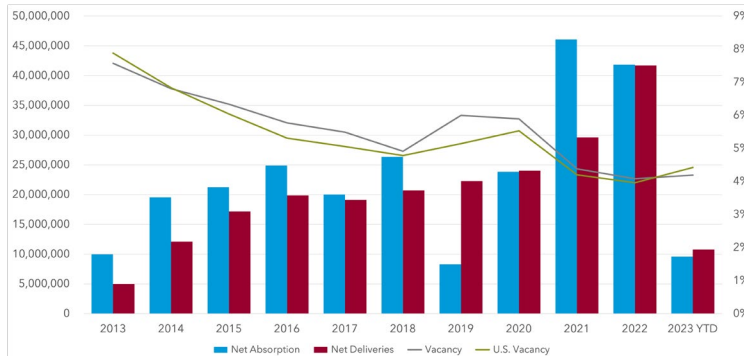
### INDUSTRIAL MARKET OVERVIEW

THOMAS DOUGHERTY, *Research Analyst*

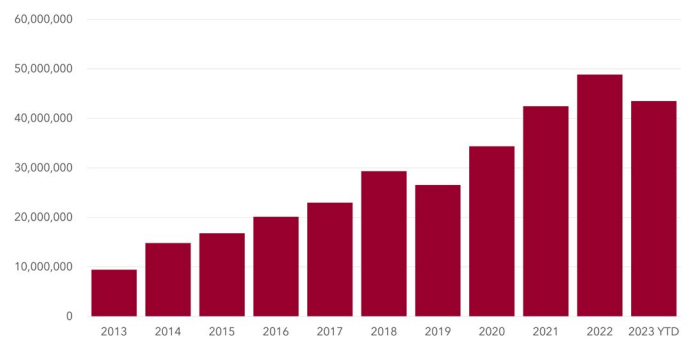
The Philadelphia region industrial market continues to remain strong, sitting under structural vacancy levels at 4.19%. A strong sign of the market is continued rent growth, with the average NNN asking rate PSF up to \$8.65. Construction levels sit at 43.5 MSF down, from their peak in 2022 at 56.2 MSF, a decrease of 22.6%. Overall, the market is still seeing several large lease transactions but, sales transactions are certainly at a decline due to interest rates.

| MARKET INDICATORS          | Q1 2023       | Q4 2022       | Q3 2022       | Q2 2022       | Q1 2022       |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| ▲ 12 Mo. Net Absorption SF | 42,548,591    | 41,833,344    | 40,698,118    | 49,820,727    | 48,927,981    |
| ▲ Vacancy Rate             | 4.19%         | 4.08%         | 3.90%         | 4.00%         | 4.20%         |
| ▲ Avg NNN Asking Rate PSF  | \$8.65        | \$8.26        | \$8.04        | \$7.96        | \$7.60        |
| ▼ SF Under Construction    | 43,508,017    | 48,870,408    | 56,226,412    | 55,147,389    | 52,447,363    |
| ▲ Inventory SF             | 1,317,550,572 | 1,297,240,329 | 1,279,460,619 | 1,266,006,117 | 1,253,807,366 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF      | SIZE       | SALE PRICE                   | BUYER / SELLER                                      | BUILDING CLASS |
|----------------------------------|------------|------------------------------|---|----------------|
| 2575 Route 206<br>Eastampton, NJ | 345,600 SF | \$83,000,000<br>\$240.16 PSF | Glendale Warehouse Co.<br>Rockefeller Group         | Class A        |
| 40 Dennis Drive<br>Reading, PA   | 330,682 SF | Undisclosed                  | Union Capital Associates, LP<br>R.M. Palmer Company | Class C        |
| 1107 Bern Road<br>Wyomissing, PA | 315,075 SF | Undisclosed                  | Undisclosed<br>Undisclosed                          | Class C        |

| TOP LEASE TRANSACTIONS BY SF                      | SIZE         | LANDLORD              | TENANT             | TENANT INDUSTRY |
|---|--------------|-----------------------|--------------------|-----------------|
| 2086 Corporate Center Drive West<br>Tobyhanna, PA | 1,368,817 SF | Mapletree Investments | Blue Triton Brands | Food & Beverage |
| 1480 United Drive<br>Chambersburg, PA             | 1,050,300 SF | Matrix Development    | Amazon.com, Inc.   | e-Commerce      |
| 8001 Industrial Boulevard<br>Breinigsville, PA    | 727,592 SF   | NFI Industries        | Bridgestone        | Automotive      |



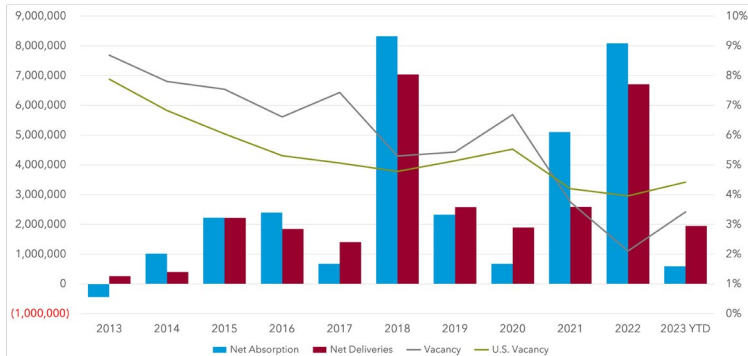
### INDUSTRIAL MARKET OVERVIEW

THOMAS BUIST, *Vice President*

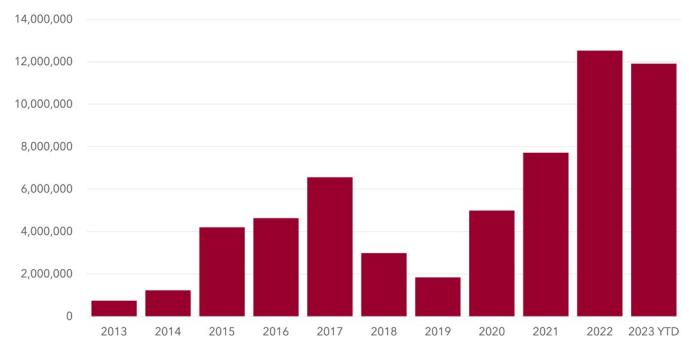
The Charleston Port continues to improve in all areas to support the increasing level of TEU throughput, particularly as the market share continues to shift from West Coast to East Coast. Industrial development continues to align with the high port activity. 2023 may be the most critical year in terms of construction. Over 11M SF of new space is being built and over 6M SF proposed. On the leasing side, the average time on the market for Q1 was 2.9 months, much faster than a year ago which had an average of 4.4 months. The year started strong on the investment side as well in which over \$100 Million has traded hands already.

| MARKET INDICATORS          | Q1 2023     | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|-------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 7,360,946   | 8,083,959  | 8,307,823  | 8,061,136  | 5,177,043  |
| ▲ Vacancy Rate             | 3.2%        | 2.1%       | 2.2%       | 2.4%       | 2.9%       |
| ▲ Avg NNN Asking Rate PSF  | \$9.66      | \$9.38     | \$9.16     | \$8.89     | \$8.64     |
| ▼ SF Under Construction    | 11,913,024  | 12,527,095 | 8,746,346  | 8,344,232  | 9,090,421  |
| ▲ Inventory SF             | 100,367,326 | 98,417,272 | 97,234,995 | 95,665,533 | 92,456,108 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                | SIZE       | SALE PRICE                  | BUYER / SELLER   | BUILDING CLASS |
|--|------------|-----------------------------|--|----------------|
| 1980 Clements Ferry Road<br>Charleston, SC | 603,214 SF | \$51,000,000<br>\$84.55 PSF | Edgewater Ventures<br>Gildan                                   | Class A        |
| 6655 Jet Park Drive<br>Charleston, SC      | 16,313 SF  | \$3,800,000<br>\$232.94 PSF | 2225 Old School Holdings, LLC<br>Mission Solutions Group, LLC  | Class A        |
| 2275 Technical Parkway<br>Charleston, SC   | 10,000 SF  | \$1,750,000<br>\$175.00 PSF | Lafayette Terminal Company Inc.<br>2275 Technical Parkway, LLC | Class B        |

| TOP LEASE TRANSACTIONS BY SF               | SIZE         | LANDLORD             | TENANT             | TENANT INDUSTRY |
|--|--------------|----------------------|--------------------|-----------------|
| 2272 Volvo Car Drive<br>Ridgeville, SC     | 1,120,000 SF | Portman Industrial   | Undisclosed        | Undisclosed     |
| 1980 Clements Ferry Road<br>Charleston, SC | 603,214 SF   | Gildan Active Wear   | Gildan Active Wear | Manufacturing   |
| Commerce Center Road<br>Ladson, SC         | 305,760 SF   | Holcombe Fair & Lane | Undisclosed        | Undisclosed     |



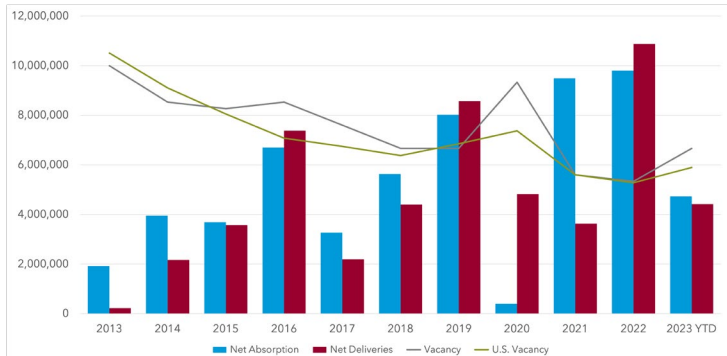
### INDUSTRIAL MARKET OVERVIEW

RANDALL BENTLEY, CCIM, SIOR, *President*

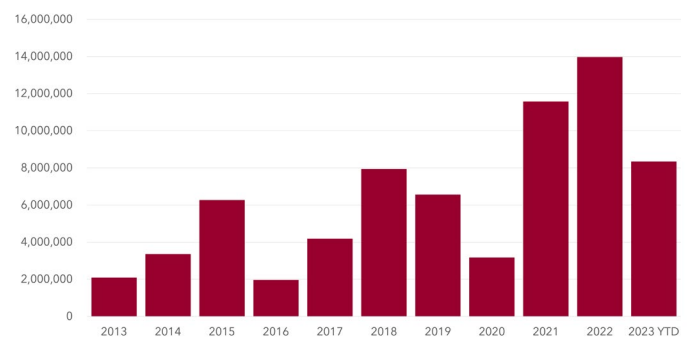
Much like the rest of the nation, the Greenville/Spartanburg market has experienced a gradual slowdown in industrial market activity during Q1 2023. Although inflationary problems and banking issues impeded activity, we expect to see investors and developers adjust to the new norm and continue to invest in Upstate South Carolina. Industrial vacancy remained relatively stable at 5% as space delivered to the market in Q1 was absorbed. An additional 8 MSF is still under construction, providing more product for future growth. Greenville/Spartanburg continues to benefit from the nearby Inland Port of Greer, which extends the Port of Charleston's reach 212 miles inland and provides convenient connection via interstate and railway to the rest of the nation.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 12,471,173  | 9,799,521   | 11,111,180  | 11,873,079  | 10,094,528  |
| ▲ Vacancy Rate             | 5.0%        | 4.0%        | 2.7%        | 2.9%        | 3.4%        |
| ▼ Avg NNN Asking Rate PSF  | \$4.57      | \$4.60      | \$4.39      | \$4.33      | \$4.32      |
| ▼ SF Under Construction    | 8,347,466   | 13,696,449  | 18,554,157  | 18,471,740  | 15,823,600  |
| ▲ Inventory SF             | 230,907,084 | 225,617,414 | 220,261,532 | 219,278,726 | 216,700,384 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF          | SIZE       | SALE PRICE                  | BUYER / SELLER                             | BUILDING CLASS |
|--------------------------------------|------------|-----------------------------|--|----------------|
| 1702 Springdale Drive<br>Clinton, SC | 566,479 SF | \$19,300,000<br>\$34.07 PSF | Strato Capital LLC<br>Griffin Realty Trust | Class C        |
| 915 Victor Hill Road<br>Greer, SC    | 297,607 SF | \$29,000,000<br>\$97.44 PSF | Stream Realty Partners<br>Childress Klein  | Class A        |
| 1172 Bracken Road<br>Piedmont, SC    | 266,777 SF | \$23,209,599<br>\$87.00 PSF | Dalfen Industrial<br>The Keith Corporation | Class A        |

| TOP LEASE TRANSACTIONS BY SF      | SIZE      | LANDLORD             | TENANT                          | TENANT INDUSTRY                |
|-----------------------------------|-----------|----------------------|---------------------------------|--------------------------------|
| 2701 Highway 56<br>Pauline, SC    | 72,705 SF | DWG Capital Partners | Lancaster Shuerman Distribution | Retailer                       |
| 852 S Buncombe Road<br>Greer, SC  | 65,000 SF | Cui Properties, LLC  | Multiwall Packaging             | Transportation and Warehousing |
| 5700 Airport Road<br>Anderson, SC | 56,700 SF | Todd Shubuck         | Flexit SC, Inc.                 | Manufacturing                  |



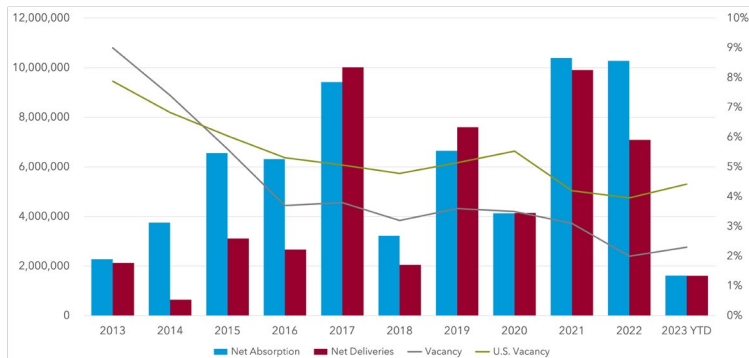
### INDUSTRIAL MARKET OVERVIEW

JIM RODRIGUES, SIOR, *President*

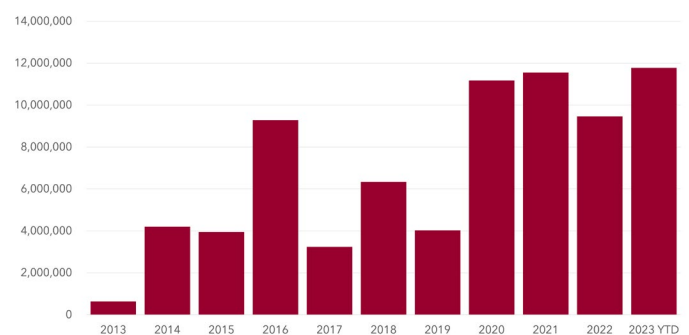
Robust industrial growth and expansion in Nashville resulted in Q1 vacancy of 2.3% and net absorption of more than 1.6 million SF. First quarter tenant demand remained strong, as Geodis (633,840 SF), 4Wall Entertainment (202,500 SF) and JR Automation (147,052 SF) completed new leases. There is approximately 11.8 million SF under construction and a limited number of large buildings coming online before the end of 2023. Despite the delivery of 1.6 million SF of new space in Q1, tightening supply fundamentals led to notable asking rent inflation of more than 16% year-over-year.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 11,771,592  | 10,273,158  | 9,485,802   | 10,355,318  | 8,108,225   |
| ▲ Vacancy Rate             | 2.3%        | 2.0%        | 2.4%        | 3.4%        | 4.5%        |
| ▲ Avg NNN Asking Rate PSF  | \$7.77      | \$7.36      | \$7.01      | \$6.75      | \$6.67      |
| ▲ SF Under Construction    | 11,771,364  | 9,459,843   | 11,113,261  | 12,924,833  | 9,661,991   |
| ▲ Inventory SF             | 254,961,264 | 249,068,024 | 248,077,701 | 244,062,966 | 243,365,126 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF             | SIZE       | SALE PRICE                   | BUYER / SELLER                               | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 201 Kirby Road<br>Portland, TN          | 115,381 SF | \$8,137,500<br>\$70.53 PSF   | William Deguira<br>Unipress North            | Class C        |
| 2949 Armory Drive<br>Nashville, TN      | 27,720 SF  | \$4,872,500<br>\$175.78 PSF  | Panzer Enterprises<br>Gregory S. Graham      | Class C        |
| 1234 Bridgestone Pkwy*<br>La Vergne, TN | 26,134 SF  | \$12,500,000<br>\$478.30 PSF | Alterra Property Group<br>Covenant Logistics | Class C        |

\*Sale Leaseback

| TOP LEASE TRANSACTIONS BY SF                | SIZE       | LANDLORD                      | TENANT              | TENANT INDUSTRY          |
|---|------------|-------------------------------|---------------------|--------------------------|
| 1731 Couchville Pike<br>Mt. Juliet, TN      | 633,840 SF | Strategic Capital<br>Partners | Geodis              | Warehousing &<br>Storage |
| 111 Airpark Center E<br>Nashville, TN       | 202,500 SF | Strategic Capital<br>Partners | 4Wall Entertainment | Design Services          |
| 501 Airpark Commerce Drive<br>Nashville, TN | 147,052 SF | Dalfen Industrial             | JR Automation       | Manufacturing            |



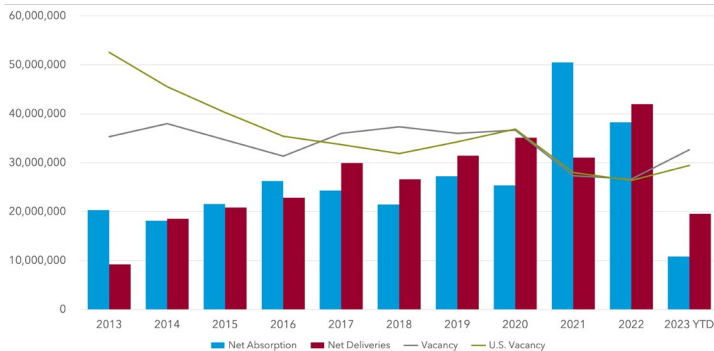
### INDUSTRIAL MARKET OVERVIEW

MICAH RABALAIS, *Operations and Research Director*

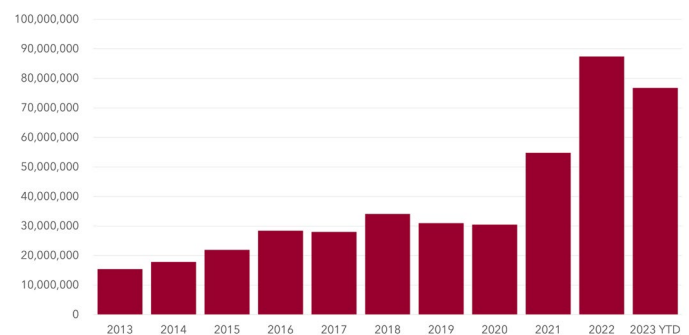
The industrial market in Dallas-Fort Worth (DFW) is normalizing after seeing incredibly strong growth over the past couple of years. As of Q1 2023, DFW leads the country in new developments, with over 76.7 million SF currently under construction. Pre-leasing activity is around 20%, signaling the potential for continued vacancy rises. Vacancy rates rose slightly to 4.9% after hovering around 4.0% for several consecutive quarters. Occupiers absorbed over 10.8 million SF in Q1, bringing 12-month net absorption to 40.9 million SF. Across the market, the average market rent for industrial and flex spaces was \$8.70 per square foot, up year-over-year from Q1 2022's \$7.46 per square foot.

| MARKET INDICATORS          | Q1 2023       | Q4 2022       | Q3 2022       | Q2 2022       | Q1 2022       |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| ▲ 12 Mo. Net Absorption SF | 40,953,841    | 38,297,459    | 39,198,992    | 39,836,902    | 43,528,451    |
| ▲ Vacancy Rate             | 4.9%          | 4.0%          | 3.9%          | 3.9%          | 4.1%          |
| ▲ Avg NNN Asking Rate PSF  | \$8.70        | \$8.46        | \$8.15        | \$7.58        | \$7.46        |
| ▼ SF Under Construction    | 76,726,861    | 87,380,089    | 82,829,301    | 66,056,865    | 58,311,949    |
| ▲ Inventory SF             | 1,091,810,229 | 1,072,229,186 | 1,062,449,838 | 1,048,886,176 | 1,038,467,033 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF          | SIZE       | SALE PRICE                   | BUYER / SELLER                               | BUILDING CLASS |
|--------------------------------------|------------|------------------------------|--|----------------|
| Denton Point<br>Denton, TX           | 242,320 SF | \$32,000,000<br>\$132.00 PSF | Spirit Realty Capital<br>Associated Material | Class B        |
| 1401 Dunn Drive<br>Carrollton, TX    | 100,800 SF | \$13,450,000<br>\$133.43 PSF | High Street Realty Company<br>Charity Supply | Class B        |
| 10701-10727 Plano Road<br>Dallas, TX | 78,657 SF  | \$9,150,000<br>\$116.33 PSF  | Ash Property Investments<br>Tillar Partners  | Class C        |

| TOP LEASE TRANSACTIONS BY SF         | SIZE         | LANDLORD                       | TENANT                             | TENANT INDUSTRY                |
|--------------------------------------|--------------|--------------------------------|------------------------------------|--------------------------------|
| 3701 Midpoint Drive<br>Lancaster, TX | 1,037,316 SF | MetLife, Inc                   | DSV Global Transport and Logistics | Transportation and Warehousing |
| 11333 County Road, 212<br>Forney, TX | 904,495 SF   | Stillwater Capital Investments | Hays Co                            | Transportation and Warehousing |
| 2900 West Drive<br>Lancaster, TX     | 603,328 SF   | AEW Capital Management         | Blue Triton Waters                 | Manufacturing                  |





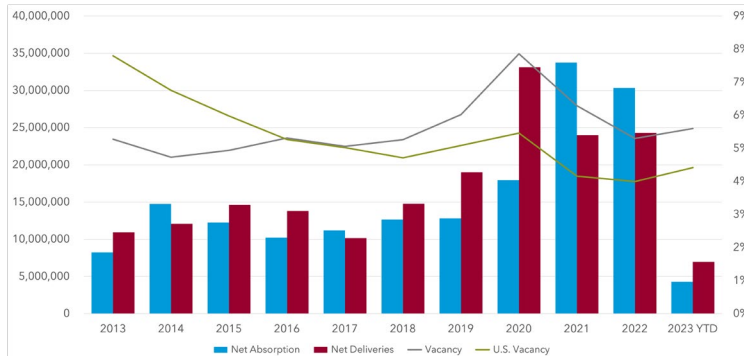
### INDUSTRIAL MARKET OVERVIEW

JUSTIN TUNNELL, *Principal*

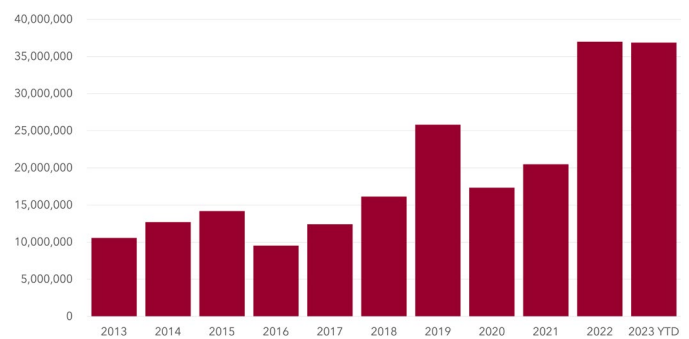
The Houston region continues to experience healthy consumer spending coupled with strong population growth which all contributes to the high demand for distribution space and the recent increase for manufacturing facilities. 3PLogistics, retailers and food/beverage services are the driving force behind Houston's distribution growth. The citywide industrial market delivered over 6.9 million SF of new inventory, inked 5.7 million SF of new leases, and absorption landed at 4.3 million SF during Q1 2023. The Southeast (Port of Houston) submarket tops construction activity at 7.2 million SF, followed by Northwest submarket at 5.6 million SF, and the North (Airport) submarket with 5.0 million SF. Demand for distribution space remains strong, tracking almost 30 million SF of requirements circling the market.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 29,468,670  | 30,341,851  | 33,143,599  | 43,041,909  | 37,547,459  |
| ▲ Vacancy Rate             | 5.6%        | 5.3%        | 5.5%        | 5.3%        | 6.1%        |
| ▲ Avg NNN Asking Rate PSF  | \$8.58      | \$8.45      | \$8.38      | \$8.32      | \$8.19      |
| ▼ SF Under Construction    | 36,869,455  | 36,992,938  | 33,638,664  | 29,392,961  | 24,523,773  |
| ▲ Inventory SF             | 773,172,903 | 766,189,918 | 760,674,229 | 750,567,721 | 745,667,458 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF          | SIZE       | SALE PRICE                   | BUYER / SELLER  | BUILDING CLASS |
|--------------------------------------|------------|------------------------------|---|----------------|
| 5803 Old Highway 146<br>Seabrook, TX | 454,600 SF | \$49,500,000<br>\$108.79 PSF | ARES Corporation<br>Transwestern                      | Class A        |
| 10625 Telge Road<br>Houston, TX      | 160,054 SF | Undisclosed                  | SEG Land Holdings Inc.<br>Norman Shoenfeld            | Class C        |
| 4414 Hollister<br>Houston, TX        | 234,215 SF | \$24,600,000<br>\$105.03 PSF | Lonestar Electric Supply<br>Frontera Capital Partners | Class B        |

| TOP LEASE TRANSACTIONS BY SF                       | SIZE       | LANDLORD   | TENANT               | TENANT INDUSTRY |
|--|------------|------------|----------------------|-----------------|
| Highway 90 & Purple Sage Rd, Bldg 2<br>Houston, TX | 373,150 SF | Granite    | WEIDA Freight System | Logistics       |
| 112 Empire Boulevard, Bldg 4<br>Houston, TX        | 333,330 SF | Stream     | HEB                  | Retailer        |
| McCarthy & Plummer Street<br>Houston, TX           | 332,064 SF | Northpoint | Richardson           | Logistics       |



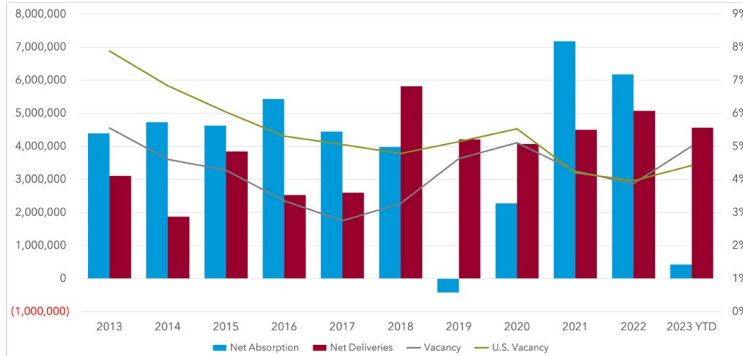
### INDUSTRIAL MARKET OVERVIEW

CHRIS PETERSON, SIOR, CCIM, *Principal*

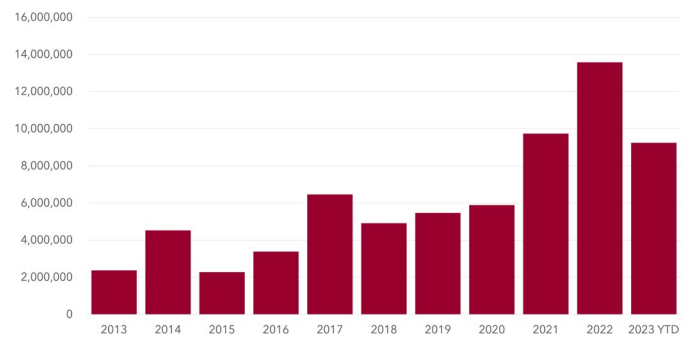
Economic uncertainty and continued inflationary pressures are prolonging skepticism in the market. Many investment sales have been sidelined, while buyers attempt to discern where the cost of funds will settle out long-term. Absorption dipped slightly, largely due to new supply coming online. While market rent growth has slowed it remains historically strong. The strongest rent growth has been in the secondary markets, where tenants exchange some transportation costs for lower base rent and new class A inventory. Year to date construction deliveries of 5M SF are already approaching prior years totals. Another 4M SF is due to come online this year. Developers remain bullish as preleasing carries on and low vacancy remains across the region.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 4,969,808   | 6,173,844   | 6,957,928   | 9,391,418   | 7,960,989   |
| ▲ Vacancy Rate             | 4.87%       | 3.87%       | 4.06%       | 3.93%       | 3.88%       |
| ▲ Avg NNN Asking Rate PSF  | \$14.16     | \$13.77     | \$13.47     | \$13.29     | \$12.95     |
| ▼ SF Under Construction    | 9,246,465   | 13,575,295  | 12,292,811  | 10,501,184  | 9,738,005   |
| ▲ Inventory SF             | 349,057,099 | 344,493,605 | 343,773,143 | 342,307,773 | 340,290,933 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF          | SIZE       | SALE PRICE                   | BUYER / SELLER                             | BUILDING CLASS |
|--------------------------------------|------------|------------------------------|--|----------------|
| 10120 269th Place NW<br>Stanwood, WA | 198,487 SF | \$19,435,000<br>\$97.92 PSF  | No Meat Factory<br>Twin City Foods, Inc.   | Class B        |
| 18425 50th Avenue E<br>Tacoma, WA    | 132,745 SF | \$19,900,000<br>\$149.91 PSF | SeaTac Packaging<br>Astec Industries, Inc. | Class B        |
| 1500 124th Avenue NE<br>Bellevue, WA | 77,938 SF  | \$25,125,000<br>\$322.37 PSF | Alco Investment Company<br>Ann Jacobsen    | Class C        |

| TOP LEASE TRANSACTIONS BY SF           | SIZE       | LANDLORD                    | TENANT | TENANT INDUSTRY |
|--|------------|-----------------------------|--------|-----------------|
| 8220 S 212th Street<br>Kent, WA        | 390,150 SF | Dermody<br>Properties, Inc. | Boeing | Aerospace       |
| 16015 51st Avenue NE<br>Marysville, WA | 245,619 SF | NorthPoint                  | Tesla  | Manufacturing   |
| 3025 International Place<br>Dupont, WA | 225,000 SF | Angelo Ianello              | Sany   | Manufacturing   |



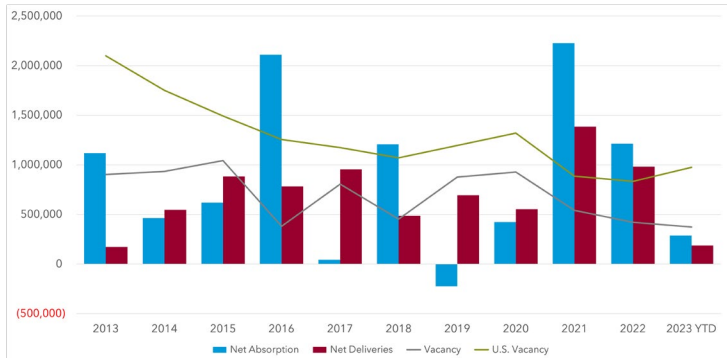
### INDUSTRIAL MARKET OVERVIEW

CAMP PERRET, *Vice President*

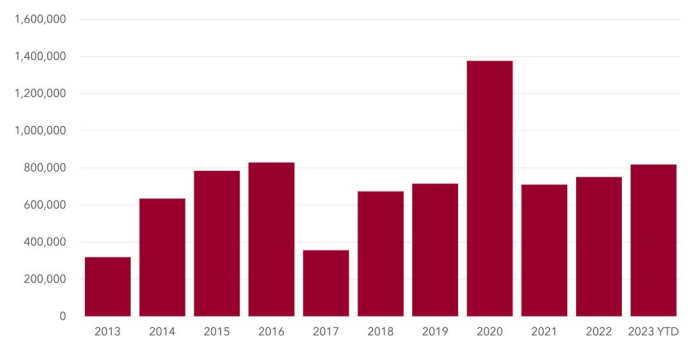
Demand in the Madison Industrial Market remains strong. Vacancy rates continue to decline; now at 2.6% which is lower than the national average of 4.4%. This in turn is pushing rental rates up to record levels giving landlords considerable pricing power. Demand continues to be greater than supply, making for a competitive environment. Construction starts were up for Q1, driven by the persistent need for warehouse and distribution facilities. Sales activity dipped slightly in Q1 due to limited sales stock. A positive forecast for the Madison Industrial Market is expected into the foreseeable future.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 1,362,807  | 1,213,579  | 1,177,604  | 1,395,341  | 1,924,826  |
| ▲ Vacancy Rate             | 2.5%       | 2.8%       | 3.4%       | 3.0%       | 2.9%       |
| ▲ Avg NNN Asking Rate PSF  | \$7.33     | \$7.21     | \$7.12     | \$7.01     | \$6.87     |
| ▲ SF Under Construction    | 818,348    | 750,836    | 938,661    | 1,095,798  | 802,423    |
| ▲ Inventory SF             | 73,839,234 | 73,652,246 | 73,302,421 | 72,894,161 | 72,753,361 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF              | SIZE       | SALE PRICE                  | BUYER / SELLER                                       | BUILDING CLASS |
|--|------------|-----------------------------|--|----------------|
| 5487 Blue Bill Park Drive<br>Madison, WI | 270,000 SF | \$14,231,250<br>\$52.71 PSF | Research Products Corp<br>Ruedebusch Development LLC | Class C        |
| 350 Braun Road<br>Oregon, WI             | 106,889 SF | \$4,197,600<br>\$39.27 PSF  | GIC Real Estate<br>STORE Capital Corporation         | Class B        |
| 225 Bruce Street<br>Verona, WI           | 14,423 SF  | \$1,000,000<br>\$69.33 PSF  | BruLin Group LLC<br>Verona Commercial Investments    | Class B        |

| TOP LEASE TRANSACTIONS BY SF           | SIZE      | LANDLORD                 | TENANT                | TENANT INDUSTRY |
|--|-----------|--------------------------|-----------------------|-----------------|
| 2950 Innovation Way<br>Sun Prairie, WI | 82,000 SF | Interstate Partners      | Undisclosed           | Undisclosed     |
| 4349 Duraform Lane<br>Windsor, WI      | 51,000 SF | Welton Enterprises, Inc. | Undisclosed           | Undisclosed     |
| 2041 S. Stoughton Road<br>Madison, WI  | 46,875 SF | Oakleaf Properties, Inc. | The Works Madison LLC | Manufacturing   |

## OFFICE OVERVIEW: DESPITE JOB GAINS OFFICE FOOTPRINTS CONTINUE TO SHRINK

Tenant demand for North American office space over the last two quarters has gone from bad to worse for landlords, affirming that the lingering and painful impact of post-pandemic workplace arrangements has yet to play out.

Net absorption for U.S. office space in Q1 was negative 28,749,399 SF. It was the third largest quarterly contraction since the Covid lockdown three years ago. It also comes on the heels of 16.6 million SF of negative absorption in the last quarter of 2022. The combined 35.3 million SF of negative absorption of the last six months represents 27% of the 131 million SF that have been put back on the market since Covid. Canadian markets reported negative 1.7 million SF of net absorption in the first quarter. Mobility data shows activity in workplaces in downtown Toronto and Vancouver remains down as much as half since the pandemic hit in 2020.

The U.S. vacancy rate increased to 13% from 12.5% at the end of 2022. In Canada, the vacancy rate was up 40 basis points from the close of last year. Comparisons with the effects of the so-called Great Recession are useful in calculating the character and magnitude of the current office downturn. In both cases there were declines of about 2.5 million office-using workers, but the office recoveries were significantly different. It took nearly six years to recover the jobs lost in the 2008-09 recession.

Despite the shock of the pandemic, all the positions lost were recovered in less than 20 months. Through January of 2023, office employment was nearly 6% more than in January 2020, when the Covid threat was first reported. In view of the strong job growth, historical patterns dictate that office demand would have rebounded by now. But demand for increased space has decoupled from employment gains.

Corporate users have been reducing their office footprints, adding to available sublease inventory. Although several large companies are requiring more employees to report in person, in a Labor Department survey last year 67.4% of companies in the information sector said their staff worked remotely some or all the time. The same was reported by 49% of companies in the professional and business sector, which includes law and accounting firms.

The volume of second-hand space available has more than doubled since 2019. The impact is acute in markets like San Francisco, which has more than 11 million SF available for sublease, or 5.8% of its inventory. New York has nearly 30 million SF of sublease space available, representing 3% of the total inventory. Adding to the stress on the overall fundamentals is the 70 million SF of space under construction, most of which is slated for completion in the first half this year. However, new starts have slowed dramatically. The 10 million SF of new starts in Q4 2022 is the lowest in 10 years. Transaction volume also has slowed considerably. Investment capital is abundant but buyers are moving to the sidelines until repricing is complete. Sales at the close of 2022 were the lowest of any fourth quarter since 2009. Last year's \$81.8 billion in sales was second to 2020 for the least volume in 10 years.

| LOWEST VACANCY RATE |       | HIGHEST MARKET RENT / SF ANNUAL |             | HIGHEST MARKET SALE PRICE / SF |           |
|---------------------|-------|---------------------------------|-------------|--------------------------------|-----------|
| GA, Savannah        | 2.0%  | CA, San Francisco               | \$60.24     | CA, San Francisco              | \$763     |
| FL, Fort Myers      | 4.4%  | NY, New York*                   | \$56.64     | NY, New York*                  | \$662     |
| CA, Stockton        | 4.6%  | FL, Miami                       | \$47.28     | WA, Seattle                    | \$506     |
| BC, Vancouver       | 5.5%  | MA, Boston                      | \$42.60     | BC, Vancouver                  | \$491 CAD |
| FL, Naples          | 5.5%  | CA, Los Angeles                 | \$42.24     | MA, Boston                     | \$478     |
| <b>U.S. Index</b>   | 13.0% | <b>U.S. Index</b>               | \$35.28     | <b>U.S. Index</b>              | \$334     |
| <b>Canada Index</b> | 9.1%  | <b>Canada Index</b>             | \$26.64 CAD | <b>Canada Index</b>            | \$280 CAD |

| MOST SF UNDER CONSTRUCTION SF |             | LARGEST INVENTORY BY SF |               | LOWEST MARKET CAP RATE |      |
|-------------------------------|-------------|-------------------------|---------------|------------------------|------|
| MA, Boston                    | 18,835,883  | NY, New York*           | 974,301,852   | BC, Vancouver          | 3.9% |
| NY, New York*                 | 14,809,530  | DC, Washington          | 523,012,127   | CA, San Francisco      | 4.8% |
| WA, Seattle                   | 12,820,657  | IL, Chicago             | 507,938,350   | NY, New York*          | 5.5% |
| ON, Toronto                   | 11,029,490  | CA, Los Angeles         | 436,497,481   | ON, Toronto            | 5.6% |
| TX, Dallas-Fort Worth         | 7,823,688   | TX, Dallas-Fort Worth   | 418,699,132   | CA, Los Angeles        | 5.6% |
| <b>U.S. Index</b>             | 134,335,694 | <b>U.S. Index</b>       | 8,359,421,271 | <b>U.S. Index</b>      | 7.0% |
| <b>Canada Index</b>           | 18,705,911  | <b>Canada Index</b>     | 686,448,014   | <b>Canada Index</b>    | 6.4% |

\* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

| MARKET                     | VACANCY RATE | MARKET RENT / SF | MARKET SALE PRICE / SF | SF UNDER CONSTRUCTION | INVENTORY SF  | MARKET CAP RATE |
|----------------------------|--------------|------------------|------------------------|-----------------------|---------------|-----------------|
| <b>AB, Calgary **</b>      | 17.2%        | \$1.64           | \$155                  | 394,740               | 98,464,363    | 9.8%            |
| <b>AZ, Phoenix</b>         | 15.2%        | \$2.42           | \$239                  | 1,309,938             | 194,570,425   | 7.1%            |
| <b>BC, Vancouver **</b>    | 5.5%         | \$2.77           | \$491                  | 5,787,372             | 98,652,544    | 3.9%            |
| <b>CA, Bakersfield</b>     | 12.5%        | \$1.95           | \$175                  | 50,000                | 15,969,178    | 8.4%            |
| <b>CA, East Bay</b>        | 12.6%        | \$3.27           | \$350                  | 128,970               | 115,268,380   | 5.9%            |
| <b>CA, Fresno</b>          | 8.6%         | \$1.76           | \$198                  | 114,266               | 28,585,111    | 8.1%            |
| <b>CA, Inland Empire</b>   | 5.7%         | \$2.05           | \$218                  | 240,459               | 77,351,013    | 7.2%            |
| <b>CA, Los Angeles</b>     | 15.0%        | \$3.52           | \$450                  | 3,750,694             | 436,497,481   | 5.6%            |
| <b>CA, Orange County</b>   | 13.4%        | \$2.60           | \$325                  | 285,361               | 158,552,912   | 6.2%            |
| <b>CA, San Diego</b>       | 11.0%        | \$3.16           | \$368                  | 4,052,556             | 119,227,185   | 6.3%            |
| <b>CA, San Francisco</b>   | 17.6%        | \$5.02           | \$763                  | 3,505,039             | 189,805,970   | 4.8%            |
| <b>CA, San Luis Obispo</b> | 3.3%         | \$2.34           | \$272                  | 36,039                | 6,553,146     | 7.3%            |
| <b>CA, Santa Barbara</b>   | 7.1%         | \$2.70           | \$386                  | 165,641               | 12,825,725    | 6.1%            |
| <b>CA, Stockton</b>        | 4.6%         | \$1.81           | \$187                  | 0                     | 12,938,469    | 7.7%            |
| <b>CA, Ventura</b>         | 11.6%        | \$2.34           | \$255                  | 0                     | 22,003,439    | 7.4%            |
| <b>CO, Denver</b>          | 15.4%        | \$2.43           | \$257                  | 2,799,852             | 183,862,200   | 7.1%            |
| <b>DC, Washington</b>      | 15.7%        | \$3.23           | \$361                  | 7,026,040             | 523,012,127   | 7.3%            |
| <b>FL, Fort Myers</b>      | 4.4%         | \$1.90           | \$185                  | 136,070               | 21,447,413    | 7.4%            |
| <b>FL, Miami</b>           | 9.2%         | \$3.94           | \$391                  | 4,727,005             | 113,838,341   | 5.9%            |
| <b>FL, Naples</b>          | 5.5%         | \$2.62           | \$265                  | 129,060               | 10,102,764    | 7.1%            |
| <b>FL, Orlando</b>         | 8.7%         | \$2.28           | \$206                  | 1,264,781             | 103,459,248   | 7.6%            |
| <b>GA, Atlanta</b>         | 14.1%        | \$2.33           | \$230                  | 3,481,599             | 334,209,081   | 7.2%            |
| <b>GA, Savannah</b>        | 2.0%         | \$1.99           | \$191                  | 22,938                | 12,391,814    | 8.5%            |
| <b>ID, Boise</b>           | 6.3%         | \$1.83           | \$173                  | 478,136               | 34,032,106    | 8.4%            |
| <b>IL, Chicago</b>         | 15.8%        | \$2.47           | \$220                  | 3,381,630             | 507,938,350   | 7.6%            |
| <b>IN, Indianapolis</b>    | 9.2%         | \$1.79           | \$136                  | 734,633               | 110,174,657   | 8.6%            |
| <b>KS, Lawrence</b>        | 10.7%        | \$1.87           | \$142                  | 0                     | 3,284,779     | 9.2%            |
| <b>KS, Topeka</b>          | 5.8%         | \$1.49           | \$128                  | 0                     | 12,043,690    | 8.9%            |
| <b>LA, Baton Rouge</b>     | 6.8%         | \$1.64           | \$118                  | 50,967                | 27,607,198    | 10.1%           |
| <b>MA, Boston</b>          | 10.6%        | \$3.55           | \$478                  | 18,835,883            | 371,242,721   | 6.0%            |
| <b>MD, Baltimore</b>       | 11.6%        | \$2.03           | \$178                  | 1,378,317             | 152,708,970   | 8.1%            |
| <b>United States Index</b> | 13.0%        | \$2.94           | \$334                  | 134,335,694           | 8,359,421,271 | 7.0%            |
| <b>Canada Index</b>        | 9.1%         | \$2.22**         | \$280**                | 18,705,911            | 686,448,014   | 6.4%            |

| MARKET                     | VACANCY RATE | MARKET RENT / SF | MARKET SALE PRICE / SF | SF UNDER CONSTRUCTION | INVENTORY SF  | MARKET CAP RATE |
|----------------------------|--------------|------------------|------------------------|-----------------------|---------------|-----------------|
| MI, Detroit                | 12.2%        | \$1.78           | \$127                  | 1,436,325             | 200,362,357   | 9.2%            |
| MN, Minneapolis            | 10.9%        | \$2.20           | \$171                  | 724,277               | 202,129,621   | 7.8%            |
| MO, Kansas City*           | 11.2%        | \$1.79           | \$144                  | 1,374,500             | 127,691,046   | 8.2%            |
| MO, Saint Louis            | 10.4%        | \$1.78           | \$134                  | 1,773,747             | 145,508,827   | 8.6%            |
| NC, Durham                 | 10.6%        | \$2.29           | \$247                  | 382,640               | 36,377,019    | 7.2%            |
| NC, Raleigh                | 10.0%        | \$2.41           | \$239                  | 2,461,235             | 77,533,834    | 7.2%            |
| NE, Lincoln                | 6.8%         | \$1.60           | \$137                  | 159,512               | 18,241,739    | 8.7%            |
| NE, Omaha                  | 6.9%         | \$1.99           | \$150                  | 561,935               | 47,955,128    | 9.0%            |
| NJ, Atlantic City          | 7.2%         | \$1.91           | \$154                  | 5,000                 | 7,514,715     | 8.9%            |
| NJ, Northern New Jersey *  | 14.3%        | \$2.29           | \$205                  | 514,312               | 155,877,624   | 8.1%            |
| NJ, Trenton                | 8.8%         | \$2.42           | \$180                  | 0                     | 32,062,483    | 8.4%            |
| NJ, Vineland               | 4.6%         | \$1.63           | \$125                  | 0                     | 2,825,980     | 8.9%            |
| NV, Reno                   | 10.0%        | \$2.06           | \$214                  | 207,137               | 17,483,781    | 7.7%            |
| NY, Long Island            | 9.0%         | \$2.59           | \$205                  | 139,037               | 99,209,546    | 7.9%            |
| NY, New York *             | 12.8%        | \$4.72           | \$662                  | 14,809,530            | 974,301,852   | 5.5%            |
| OH, Cincinnati             | 10.7%        | \$1.71           | \$108                  | 193,896               | 104,448,725   | 9.6%            |
| OH, Cleveland              | 8.9%         | \$1.61           | \$112                  | 1,933,478             | 110,013,662   | 10.0%           |
| OH, Columbus               | 10.5%        | \$1.80           | \$129                  | 1,109,069             | 117,281,369   | 8.7%            |
| ON, Toronto **             | 9.4%         | \$2.50           | \$314                  | 11,029,490            | 287,836,606   | 5.6%            |
| PA, Harrisburg             | 9.2%         | \$1.54           | \$128                  | 129,240               | 36,905,457    | 9.6%            |
| PA, Lehigh Valley *        | 8.5%         | \$1.77           | \$120                  | 22,175                | 32,029,049    | 9.7%            |
| PA, Philadelphia *         | 10.6%        | \$2.26           | \$191                  | 2,420,031             | 325,312,871   | 8.1%            |
| SC, Charleston             | 7.9%         | \$2.56           | \$217                  | 602,572               | 33,140,395    | 7.8%            |
| SC, Greenville             | 7.7%         | \$1.81           | \$159                  | 1,598,725             | 35,247,622    | 8.0%            |
| SC, Spartanburg            | 4.4%         | \$1.66           | \$130                  | 78,200                | 7,698,238     | 9.1%            |
| TN, Nashville              | 12.1%        | \$2.55           | \$248                  | 3,548,584             | 102,462,722   | 7.0%            |
| TX, Dallas-Fort Worth      | 18.1%        | \$2.48           | \$241                  | 7,823,688             | 418,699,132   | 7.0%            |
| TX, Houston                | 19.1%        | \$2.42           | \$231                  | 5,294,761             | 349,549,835   | 7.8%            |
| WA, Seattle                | 11.4%        | \$3.20           | \$506                  | 12,820,657            | 227,684,603   | 5.7%            |
| WI, Madison                | 5.9%         | \$1.88           | \$133                  | 446,800               | 38,195,729    | 9.3%            |
| <b>United States Index</b> | 13.0%        | \$2.94           | \$334                  | 134,335,694           | 8,359,421,271 | 7.0%            |
| <b>Canada Index</b>        | 9.1%         | \$2.22**         | \$280**                | 18,705,911            | 686,448,014   | 6.4%            |

\* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

\*\* Numbers shown are in Canadian dollars (CAD)



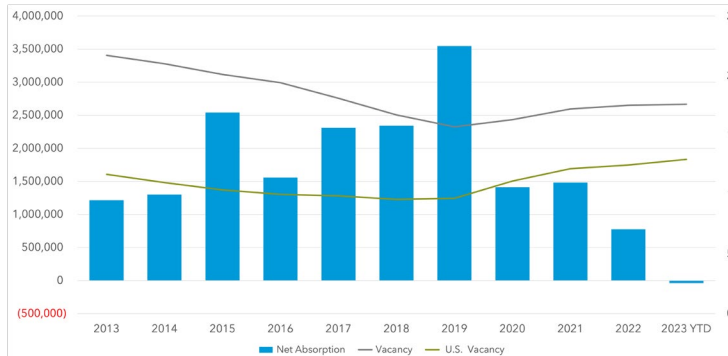
### OFFICE MARKET OVERVIEW

CHRIS MCCHESENEY, *Research Director*

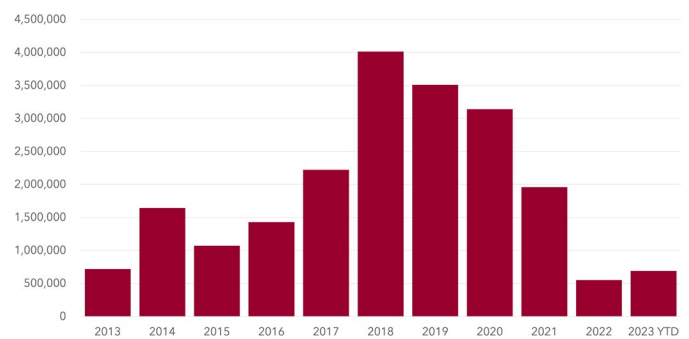
The Phoenix Office Market has yet to find balance as it adapts to the hybrid work model and continues to struggle with companies reevaluating their space needs, downsizing, or closing offices altogether. As more companies come back to the office and incorporate the hybrid work model, they are focusing more on providing a destination as the flight to quality continues. Tenants are targeting smaller amenity rich footprints as their space needs evolve and the market changes. TSMC, Amazon and Intel have all made a significant investment in the valley. Looking to 2023 we see companies continuing to move to Phoenix to take advantage of the extensive labor pool, favorable regulations, and cost of living.

| MARKET INDICATORS         | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Qtrly Net Absorption SF | (36,517)    | 123,048     | (81,621)    | 918,413     | 58,776      |
| ▲ Vacancy Rate            | 17.60%      | 17.50%      | 17.60%      | 17.20%      | 17.20%      |
| ▲ Avg NNN Asking Rate PSF | \$28.35     | \$28.06     | \$27.06     | \$26.28     | \$26.15     |
| ▲ SF Under Construction   | 689,000     | 551,054     | 732,548     | 869,702     | 58,776      |
| ▲ Inventory SF            | 108,795,619 | 108,349,479 | 108,199,479 | 107,982,697 | 107,431,533 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF              | SIZE       | SALE PRICE                   | BUYER / SELLER                       | BUILDING CLASS |
|--|------------|------------------------------|--------------------------------------|----------------|
| 500 N. Juniper Drive (2)<br>Chandler, AZ | 136,728 SF | \$22,000,000<br>\$160.90 PSF | Zeitlin Capital<br>Palisades Capital | Class A        |
| 14646 N. Kierland Road<br>Scottsdale, AZ | 79,537 SF  | \$32,000,000<br>\$402.33 PSF | Related Development<br>Providence RE | Class A        |
| 4200 E. Camelback Road<br>Phoenix, AZ    | 70,000 SF  | \$48,500,000<br>\$692.86 PSF | Virtus RE Capital<br>RED Development | Class A        |

| TOP LEASE TRANSACTIONS BY SF                     | SIZE       | LANDLORD          | TENANT           | TENANT INDUSTRY   |
|--|------------|-------------------|------------------|-------------------|
| 7720 S. Dobson Road (Sublease)<br>Scottsdale, AZ | 123,952 SF | Alter Asset Mgmt. | Equality Health  | Healthcare        |
| 114 S. McQueen Road (BTS)<br>Gilbert, AZ         | 119,222 SF | SunCap Property   | Northrop Grumman | Aerospace/Defense |
| 2222 E. Yeager Drive (Sublease)<br>Chandler, AZ  | 48,090 SF  | Sentinel RE Corp  | Titan Solar      | Solar             |



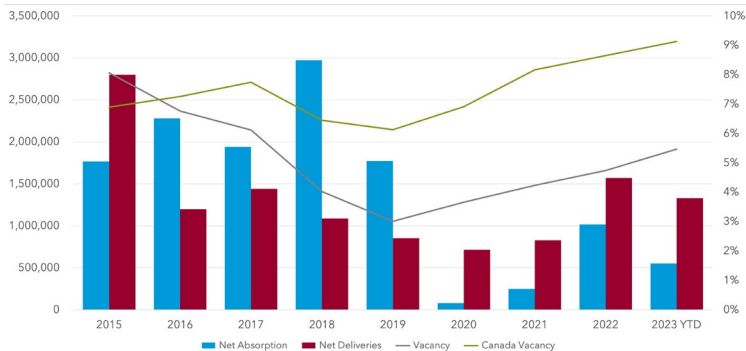
### OFFICE MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

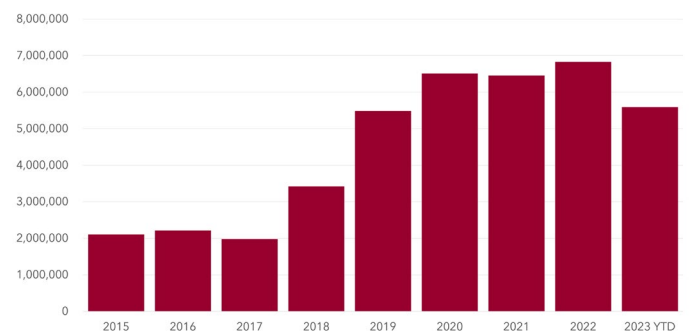
Q1 2023 was marked by even more layoffs in the tech industry, and the most sublease space seen in downtown Vancouver in 30 years. While no official statements have been made by companies in Vancouver like Microsoft and Amazon that they will sublease their expansive floor space in the downtown core, the worry is there. Although more sublease space is expected this year as new projects reach completion, long-term projections for Vancouver are still positive as we have one of the lowest office vacancies in North America, at 5% for Metro Vancouver, and pushing 10% in the downtown core.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 1,350,216  | 1,016,018  | 421,868    | 614,849    | 714,276    |
| ▲ Vacancy Rate             | 5.25%      | 4.74%      | 4.96%      | 4.63%      | 4.47%      |
| ▼ Avg NNN Asking Rate PSF  | \$45.00    | \$45.32    | \$45.28    | \$45.20    | \$44.52    |
| ▼ SF Under Construction    | 5,591,917  | 6,830,011  | 6,953,683  | 6,459,905  | 6,339,995  |
| ▲ Inventory SF             | 98,652,438 | 97,321,794 | 97,034,093 | 96,903,895 | 96,450,135 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                | SIZE      | SALE PRICE                   | BUYER / SELLER                                     | BUILDING CLASS |
|--|-----------|------------------------------|--|----------------|
| 93 Sixth Street<br>New Westminster, BC     | 11,127 SF | \$4,200,000*<br>\$377.00 PSF | 1391383 BC Ltd.<br>A.J.E. Management, Inc.         | Class B        |
| 156 West 3rd Street<br>North Vancouver, BC | 4,636 SF  | \$3,800,000*<br>\$820.00 PSF | Lolo Group Holdings Ltd.<br>Glove Management, Inc. | Class C        |
| 1443 East Pender Street<br>Vancouver, BC   | 4,200 SF  | \$3,900,000*<br>\$929.00 PSF | 1392407 BC Ltd.<br>Stringham Holdings, Inc.        | Class C        |

\*All numbers shown are in Canadian dollars (CAD)

| TOP LEASE TRANSACTIONS BY SF        | SIZE      | LANDLORD | TENANT       | TENANT INDUSTRY |
|-------------------------------------|-----------|----------|--------------|-----------------|
| 2920 Virtual Way<br>Vancouver, BC   | 69,611 SF | QuadReal | Undisclosed  | Undisclosed     |
| 745 Thurlow Street<br>Vancouver, BC | 31,800 SF | QuadReal | Weta Digital | Visual FX       |
| 2930 Virtual Way<br>Vancouver, BC   | 28,304 SF | QuadReal | AMD          | Technology      |





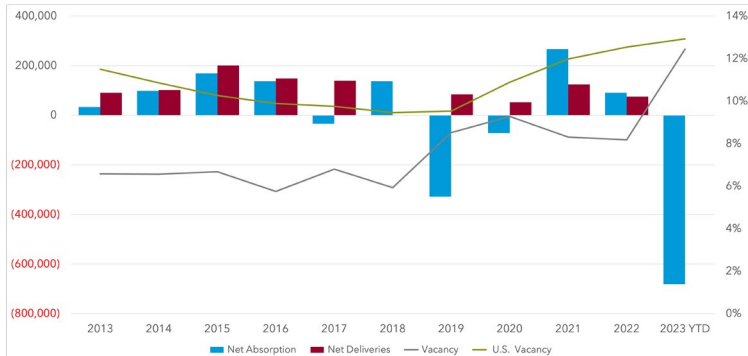
### OFFICE MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

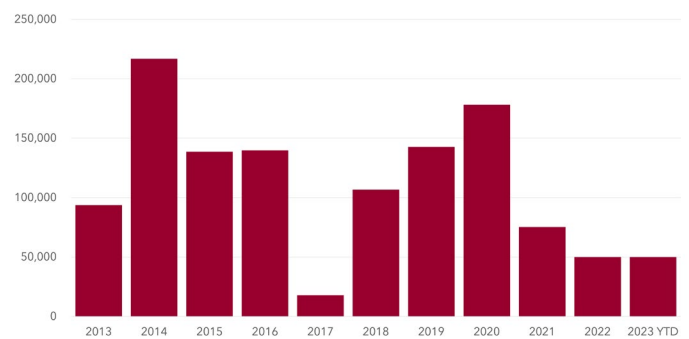
Office rents in the Bakersfield market were rising at a 2.7% annual rate during the second quarter of 2023, and have posted an average annual gain of 3.6% over the past three years. In addition to 220,000 SF that has delivered over the past three years (a cumulative inventory expansion of 1.4%), there is 50,000 SF currently underway. Vacancies were substantially above the 10-year average as of Q1 2023, and trended upward over the past four quarters. Employment in the metro was recently increasing at solid clip of 3.2% year-over-year, or a gain of about 8,900 jobs.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | (681,241)  | (108,993)  | (16,413)   | 44,170     | 172,288    |
| ▼ Vacancy Rate             | 14.06%     | 5.99%      | 6.34%      | 6.55%      | 5.95%      |
| ▲ Avg NNN Asking Rate PSF  | \$1.97     | \$1.96     | \$1.96     | \$1.94     | \$1.92     |
| ◀ ▶ SF Under Construction  | 50,000     | 50,000     | -          | -          | 15,277     |
| ◀ ▶ Inventory SF           | 15,966,788 | 15,966,788 | 15,966,788 | 15,966,788 | 15,951,511 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                | SIZE       | SALE PRICE                   | BUYER / SELLER   | BUILDING CLASS |
|--|------------|------------------------------|--|----------------|
| 9450-9500 Stockdale Hwy<br>Bakersfield, CA | 60,423 SF  | \$20,707,000<br>\$342.70 PSF | Kagr2 Binghamton LLC<br>Binhamton Medical Props, LLC   | Class B        |
| 1300 18th Street<br>Bakersfield, CA        | 105,513 SF | \$20,000,000<br>\$189.55 PSF | County of Kern Assessor<br>Lee Development Group LLC   | Class A        |
| 900 Old River Road<br>Bakersfield, CA      | 572,414 SF | \$14,000,000<br>\$24.46 PSF  | Lee Development Group LLC<br>California Resources Corp | Class A        |

| TOP LEASE TRANSACTIONS BY SF           | SIZE     | LANDLORD      | TENANT      | TENANT INDUSTRY |
|--|----------|---------------|-------------|-----------------|
| 1430 Truxtun Avenue<br>Bakersfield, CA | 6,164 SF | David Shoshan | Undisclosed | Undisclosed     |
| 5500 Ming Avenue<br>Bakersfield, CA    | 8,802 SF | Abbey Company | Undisclosed | Undisclosed     |
| 8337 Brimhall Road<br>Bakersfield, CA  | 9,285 SF | Undisclosed   | Undisclosed | Undisclosed     |



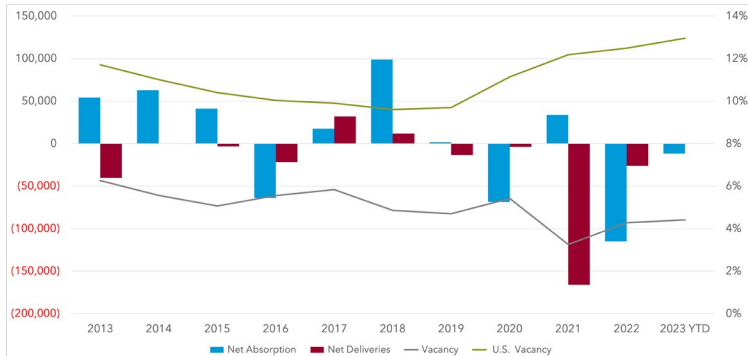
### OFFICE MARKET OVERVIEW

CHRISTOPHER LARIMORE, *Founding Principal*

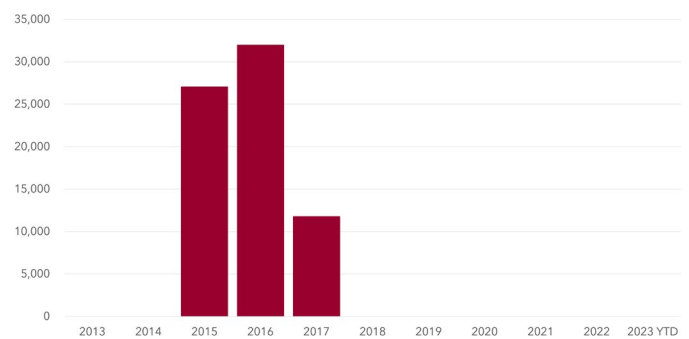
As the nation experienced increases in office vacancy in this first quarter of 2023 due to remote working and businesses giving back unneeded office space, the Mid-Cities showed only a slight decline. Asking rates and vacancy rates are still the lowest in the LA metro but have seen a slight uptick in vacancy and rates as well. This submarket is proving that suburban Class B and C is outperforming the metro Class A properties, who are dealing with a "flight for quality" in this competitive tenant's market. Sales volume declined due to rising interest rates, but asset value is holding firm with an increase in PSF at \$305.

| MARKET INDICATORS          | Q1 2023   | Q4 2022   | Q3 2022   | Q2 2022   | Q1 2022   |
|----------------------------|-----------|-----------|-----------|-----------|-----------|
| ▲ 12 Mo. Net Absorption SF | (11,628)  | (36,560)  | (53,615)  | 4,361     | (29,130)  |
| ▲ Vacancy Rate             | 4.3%      | 4.1%      | 3.7%      | 3.0%      | 3.2%      |
| ▲ Avg FSG Asking Rate PSF  | \$26.27   | \$26.05   | \$26.37   | \$26.14   | \$25.71   |
| ◀ ▶ SF Under Construction  | -         | -         | -         | -         | -         |
| ▼ Inventory SF             | 8,786,322 | 8,796,322 | 8,796,322 | 8,796,322 | 8,812,322 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY

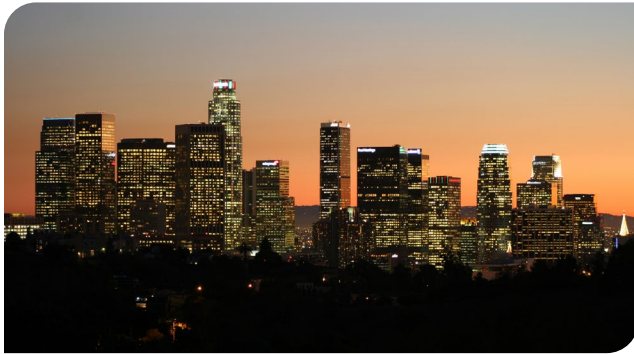


### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF              | SIZE      | SALE PRICE                  | BUYER / SELLER                      | BUILDING CLASS |
|--|-----------|-----------------------------|-------------------------------------|----------------|
| 9500 Artesia Boulevard<br>Bellflower, CA | 10,450 SF | \$3,947,000<br>\$377.70 PSF | John Nielsen<br>Sattar Mir          | Class C        |
| 5436 Jillson Street<br>Commerce, CA      | 3,081 SF  | \$655,095<br>\$212.62 PSF   | Eyal Cohen<br>Wilfred Reinsch Trust | Class C        |

| TOP LEASE TRANSACTIONS BY SF             | SIZE     | LANDLORD                    | TENANT         | TENANT INDUSTRY |
|--|----------|-----------------------------|----------------|-----------------|
| 3680 E Imperial Highway<br>Lynwood, CA   | 8,383 SF | Jade Enterprises            | Undisclosed    | Undisclosed     |
| 12440 Firestone Boulevard<br>Norwalk, CA | 4,375 SF | Sunny Hills Mgmt<br>Company | Undisclosed    | Undisclosed     |
| 2621 Zoe Avenue<br>Huntington Park, CA   | 4,000 SF | Abraham E. Soroudi          | Surgery Center | Medical         |



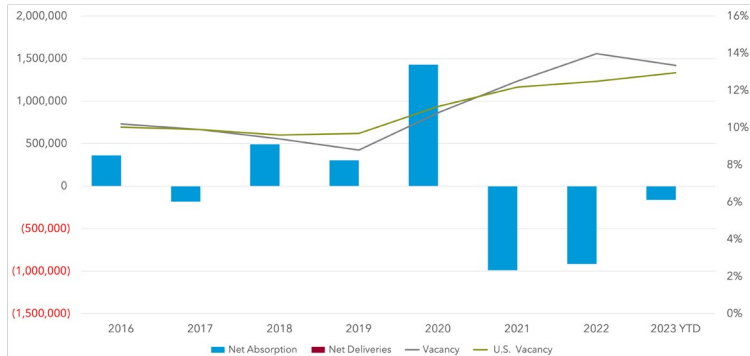
### OFFICE MARKET OVERVIEW

MIKE TINGUS, *President*

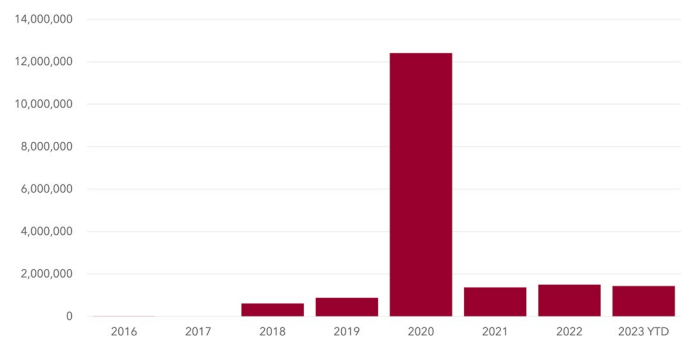
Despite high direct-ask lease rates, vacancy levels are reporting a staggering 15.4% - a rate not seen since the beginning of the last decade. With hybrid work arrangements becoming more prevalent and the economy in a state of flux, companies are clearly reassessing their operational needs. Asking Lease rates have steadily continued to increase, with a new all-time high at \$3.13 psf. Newly signed leases have been under these asking rates, with Landlords providing concessions in the form of tenant improvements and rental abatements. Tenants are showing a desire to bring employees back to the office; however, they are shrinking their pre-pandemic footprints. And, Sales prices continue to decline.

| MARKET INDICATORS          | Q1 2023    | Q4 2022     | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|-------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | (161,189)  | (916,235)   | (633,740)  | (292,732)  | (219,656)  |
| ▼ Vacancy Rate             | 13.35%     | 13.98%      | 12.49%     | 12.08%     | 12.35%     |
| ▼ Avg NNN Asking Rate PSF  | \$2.90     | \$2.99      | \$3.03     | \$6.58     | \$6.38     |
| ▼ SF Under Construction    | 1,431,661  | 1,495,971   | 1,322,921  | 1,446,794  | 1,397,869  |
| ▼ Inventory SF             | 97,436,608 | 104,774,621 | 99,925,965 | 94,062,704 | 91,327,142 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                        | SIZE      | SALE PRICE                  | BUYER / SELLER   | BUILDING CLASS |
|--|-----------|-----------------------------|--|----------------|
| 22801 Ventura Boulevard<br>Woodland Hills, CA      | 47,529 SF | \$8,300,000<br>\$174.63 PSF | My Properties Group LLC<br>22801 Ventura, LP                     | Class B        |
| 1506 S Glendale Avenue<br>Glendale, CA             | 4,551 SF  | \$2,850,000<br>\$626.24 PSF | Andrew Seklir & Harry Jierjian<br>1506 South Glendale Avenue LLC | Class B        |
| 3450 Cahuenga Boulevard Ste 508<br>Studio City, CA | 2,361 SF  | \$1,475,000<br>\$624.74 PSF | Omniverse Holdings LLC<br>Graham Family, LLC                     | Class B        |

| TOP LEASE TRANSACTIONS BY SF                         | SIZE      | LANDLORD               | TENANT                                | TENANT INDUSTRY                |
|--|-----------|------------------------|---------------------------------------|--------------------------------|
| 15000 Ventura Boulevard, Ste 300<br>Sherman Oaks, CA | 13,976 SF | 15000 Ventura Blvd LLC | Pacific 2.1 Entertainment Group, Inc. | Media Production Company       |
| 7800 Woodley Avenue<br>Van Nuys, CA                  | 11,522 SF | 7800 Woodley LLC       | Logistix People, Inc.                 | Freight and Logistics Services |
| 4149 Liberty Canyon Road<br>Agoura Hills, CA         | 10,012 SF | APB Properties, LLC    | Acelyrin, Inc.                        | Biopharma Company              |



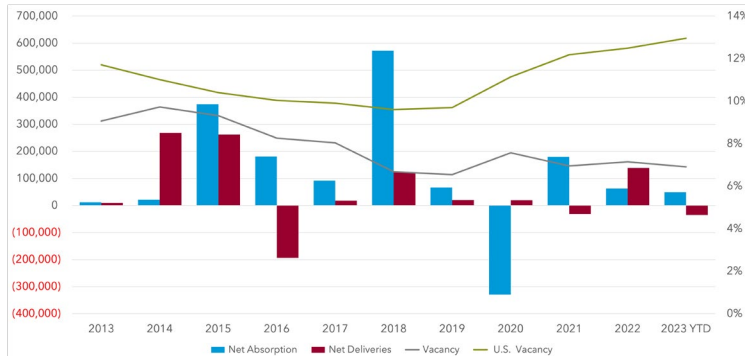
### OFFICE MARKET OVERVIEW

CHRISTOPHER LARIMORE, *Founding Principal*

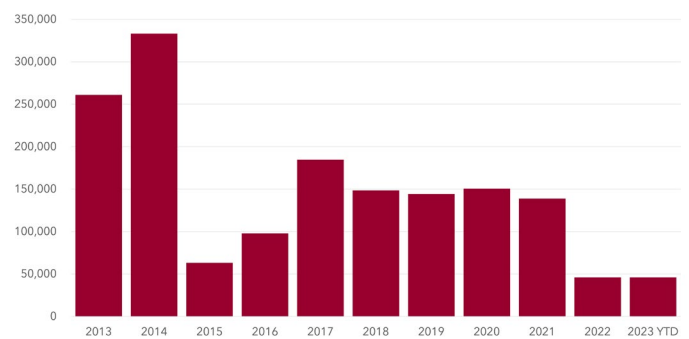
Despite the national increase in office vacancy experienced in this first quarter of 2023 due to employees working from home and businesses giving back unneeded office space, the San Gabriel Valley performed very well. Achieving positive net absorption of 48,770 SF and a slight decrease in vacancy at 6.9%, this submarket is proving that suburban Class B and C is outperforming the metro Class A properties, who are dealing with a “flight for quality” in this competitive tenant’s market. Sales volume declined due to rising interest rates, but the ESGV had two large sales by buyers taking advantage of discounted prices.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 48,770     | (194,774)  | 88,107     | 172,234    | (3,250)    |
| ▼ Vacancy Rate             | 6.9%       | 7.1%       | 6.5%       | 6.5%       | 7.0%       |
| ▲ Avg FSG Asking Rate PSF  | \$27.01    | \$26.67    | \$26.62    | \$26.56    | \$26.53    |
| ▼ SF Under Construction    | -          | 30,290     | 98,410     | 10,135     | -          |
| ▼ Inventory SF             | 34,007,700 | 34,042,802 | 34,012,512 | 33,914,102 | 33,903,967 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF               | SIZE       | SALE PRICE                   | BUYER / SELLER                                       | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 2934 E Garvey Avenue S<br>West Covina, CA | 100,724 SF | \$22,200,000<br>\$220.40 PSF | Options For Learning<br>Quest Capital Partners, Inc. | Class B        |
| 1902 Royalty Drive<br>Pomona, CA          | 32,387 SF  | \$7,150,000<br>\$220.77 PSF  | Undisclosed<br>Eddie H. Sieu Family Trust            | Class B        |
| 160 E Holt Avenue<br>Pomona, CA           | 22,500 SF  | \$2,375,000<br>\$105.56 PSF  | Edward Yawitz<br>Jan Steiner                         | Class C        |

| TOP LEASE TRANSACTIONS BY SF              | SIZE      | LANDLORD                      | TENANT           | TENANT INDUSTRY       |
|---|-----------|-------------------------------|------------------|-----------------------|
| 2934 E Garvey Avenue S<br>West Covina, CA | 34,116 SF | Options for Learning          | Undisclosed      | Undisclosed           |
| 1000 Lakes Drive S<br>West Covina, CA     | 13,444 SF | Waterford Property<br>Company | Wells Fargo Bank | Finance and Insurance |
| 150 N Santa Anita Avenue<br>Arcadia, CA   | 12,308 SF | Positive Investments, Inc     | Undisclosed      | Undisclosed           |



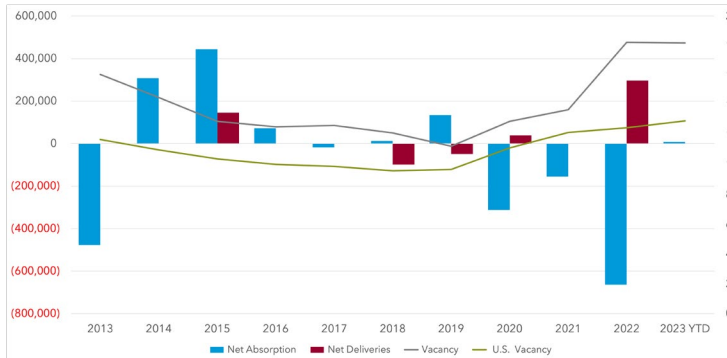
### OFFICE MARKET OVERVIEW

COLLEEN CAREY, *Founding Principal*

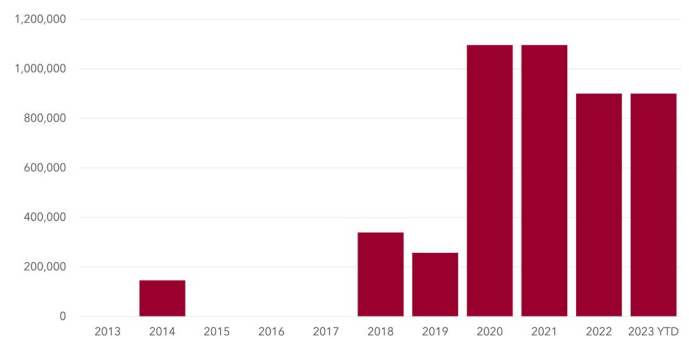
After three straight years of increasing negative absorption, the Tri City Market of Pasadena, Glendale and Burbank turned a corner in the 1st Quarter of 2023 posting a small positive gain in net absorption at 7,726 SF. We'll take it! The average asking rate has basically remained unchanged since 2021 at approximately \$43-\$44/SF while the vacancy rate has moved from 14% to 18.2% since Q1 2022. There were two large lease transactions but no significant sale transactions and almost no new construction so the inventory of SF available is holding steady at around \$20M.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 7,726      | (345,661)  | (183,024)  | (73,940)   | (60,721)   |
| ◀ ▶ Vacancy Rate           | 18.2%      | 18.2%      | 16.5%      | 15.6%      | 14.0%      |
| ▼ Avg FSG Asking Rate PSF  | \$43.76    | \$43.93    | \$43.69    | \$43.10    | \$43.10    |
| ◀ ▶ SF Under Construction  | 900,000    | 900,000    | 800,000    | 800,000    | 1,096,476  |
| ◀ ▶ Inventory SF           | 20,290,539 | 20,290,539 | 20,290,539 | 20,290,539 | 19,994,063 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|-----------------------------|------|------------|----------------|----------------|
| NONE TO REPORT              |      |            |                |                |

| TOP LEASE TRANSACTIONS BY SF          | SIZE      | LANDLORD                   | TENANT                | TENANT INDUSTRY                       |
|---------------------------------------|-----------|----------------------------|-----------------------|---------------------------------------|
| 611 N Brand Boulevard<br>Glendale, CA | 82,000 SF | Omni Group                 | County of Los Angeles | Government Services                   |
| 888 E Walnut Street<br>Pasadena, CA   | 47,408 SF | ACCO Engineered Systems    | BYD                   | Public Electric Vehicle Manufacturing |
| 2901 W Alameda Avenue<br>Burbank, CA  | 10,747 SF | Pendulum Property Partners | Undisclosed           | Undisclosed                           |



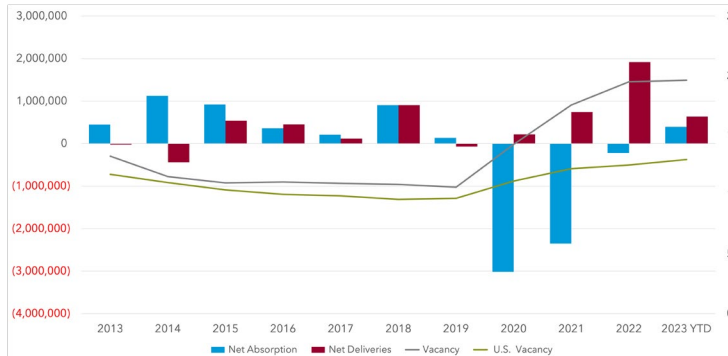
### OFFICE MARKET OVERVIEW

ALEKS TRIFUNOVIC, SIOR, *President*

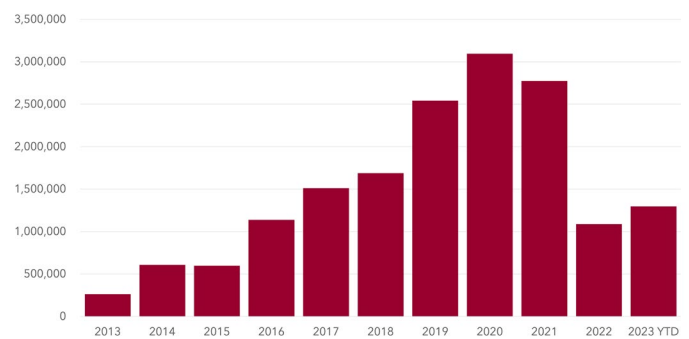
Q1 from an activity standpoint was very slow on the sale front. The increase in interest rates grounded sale activity. Santa Monica's premiere asset The Water Garden has interest, but pricing is coming in at close to half of seller's expectations. Investor buyers are limited by the lack of lending on vacant office space. The owner-user market has shown some life with buyers trying to take advantage of opportunities. The WFH model is changing with medium-sized tenants looking for lease space. Endeavor content signed the largest lease in the Q at 65,000 SF, taking the top two floors at the Lumen project. Other larger tenants are on hold as their employees return to the office.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | (232,280)  | (246,317)  | (331,509)  | 243,620    | 114,616    |
| ▲ Vacancy Rate             | 20.3%      | 19.5%      | 18.2%      | 17.8%      | 17.7%      |
| ▼ Avg NNN Asking Rate PSF  | \$4.33     | \$4.39     | \$4.36     | \$4.39     | \$4.43     |
| ▲ SF Under Construction    | 1,296,882  | 1,087,645  | 2,195,397  | 2,091,674  | 2,408,029  |
| ▲ Inventory SF             | 92,702,123 | 92,068,166 | 90,901,189 | 90,871,957 | 90,490,925 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                 | SIZE     | SALE PRICE                     | BUYER / SELLER                                       | BUILDING CLASS |
|---|----------|--------------------------------|--|----------------|
| 1663-1669 Euclid Street<br>Santa Monica, CA | 8,227 SF | \$15,000,000<br>\$1,823.26 PSF | Indian Paintbrush Productions LLC<br>1663 Euclid LLC | Class B        |

| TOP LEASE TRANSACTIONS BY SF               | SIZE      | LANDLORD             | TENANT  | TENANT INDUSTRY |
|--|-----------|----------------------|---|-----------------|
| 11151 Missouri Avenue<br>Los Angeles, CA   | 11,240 SF | Harvey Capital Corp. | The Range LA  | Undisclosed     |
| 1712 Berkeley Street<br>Santa Monica, CA   | 4,850 SF  | 1712 Berkeley, LLC   | SourceHOV Holdings, Inc. & Source-Corp. Management Inc. | Undisclosed     |
| 310 Wilshire Boulevard<br>Santa Monica, CA | 4,723 SF  | Work XYZ LP          | Bjarke Ingles Group California Inc.                     | Undisclosed     |



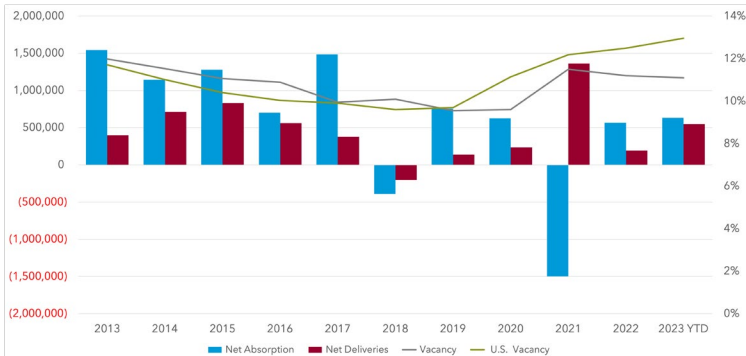
### OFFICE MARKET OVERVIEW

JORDAN RIVKIN, *Associate*

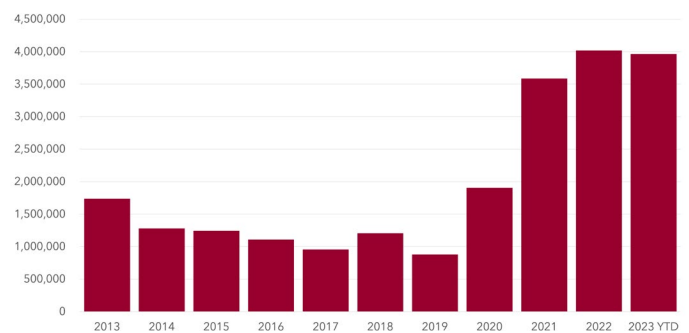
The San Diego office market is beginning to show the predicted trends forecasted in 2022; office landlords are beginning to contemplate selling as their debt continues to mature. The logical question last year was this: who would buy an office building if the assets are set to decrease in value significantly? The answer seems to be non-office real estate companies looking to attempt redevelopments/pivots. One of the top three sales in San Diego was a multifamily based redevelopment purchase. Another one of the top three office sales was purchased by Rexford Industrial. On the leasing end, the market shows some promise for recovery. As we continue moving further out of covid, the "work from home" trend seems to be waxing and waning depending on submarket and industry type.

| MARKET INDICATORS           | Q1 2023        | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|-----------------------------|----------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF  | 336,022 SF     | 936,253 SF  | 290,440 SF  | 491,107 SF  | 165,126 SF  |
| ▲ Vacancy Rate              | 10.36%         | 9.12%       | 10.97%      | 10.34%      | 11.13%      |
| ◀ ▶ Avg NNN Asking Rate PSF | \$36.60        | \$36.60     | \$36.36     | \$36.00     | \$35.52     |
| ▲ SF Under Construction     | 397,482 SF     | 153,482 SF  | 330,392 SF  | 246,910 SF  | 176,910 SF  |
| ◀ ▶ Inventory SF            | 119,000,000 SF | 119,000,000 | 119,000,000 | 119,000,000 | 119,000,000 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF             | SIZE       | SALE PRICE                   | BUYER / SELLER                               | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 9333 Balboa Avenue<br>San Diego, CA     | 125,000 SF | \$62,500,000<br>\$499.86 PSF | Rexford<br>Cubic                             | Class A        |
| 8760 Cuyamaca Street<br>San Diego, CA   | 25,219 SF  | \$8,200,000<br>\$325.15 PSF  | 200 N Palm Dr, LLC<br>John L. Davidson Trust | Class B        |
| 1070 S Santa Fe Avenue<br>San Diego, CA | 31,840 SF  | \$6,680,000<br>\$209.64 PSF  | Ambient Communities<br>RLS Investments       | Class C        |

| TOP LEASE TRANSACTIONS BY SF                 | SIZE       | LANDLORD                           | TENANT       | TENANT INDUSTRY |
|--|------------|------------------------------------|--------------|-----------------|
| 6350 Sequence Drive<br>San Diego, CA         | 132,802 SF | Alexandria Real Estate<br>Equities | Dexcom       | Tech - Office   |
| 13480 Evening Creek Drive N<br>San Diego, CA | 63,781 SF  | Kilroy Realty                      | MediaTek USA | Tech - Office   |
| 6310 Sequence Drive<br>San Diego, CA         | 62,415 SF  | Alexandria Real Estate<br>Equities | Dexcom       | Tech - Office   |



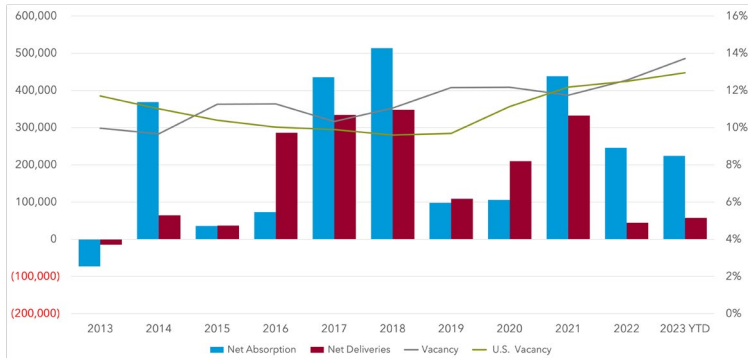
### OFFICE MARKET OVERVIEW

SELINA SOUNAKHENE, Associate

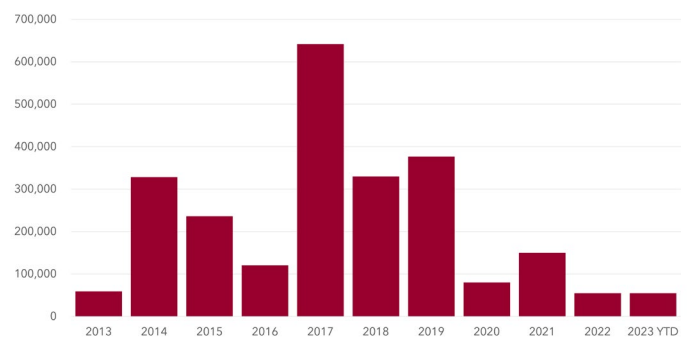
The presence of biotech has helped San Diego maintain resiliency. The office environment has become bifurcated as buildings that have delivered after 2010 have the lowest vacancies while older properties have vacancy rates twice as high. Sublet space continues to rise as tenants relinquish under-utilized office space. Sublet space coming to market has spread across nearly every sector, from biotech and high-tech to lending and healthcare. Buyers have shown more caution in the investment market as interest rates have risen. Pricing is anticipated to soften as cap rates rise to compensate for the high cost of debt. Consequently, investment activity has fallen to a level last seen in early 2020.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | (85,281)   | (36,887)   | 79,183     | 177,995    | 148,472    |
| ▲ Vacancy Rate             | 10.0%      | 9.7%       | 9.1%       | 9.5%       | 10.4%      |
| ▼ Avg NNN Asking Rate PSF  | \$30.36    | \$30.96    | \$30.36    | \$30.24    | \$30.24    |
| ◀▶ SF Under Construction   | 54,845     | 54,845     | 142,022    | 142,022    | 150,022    |
| ▼ Inventory SF             | 19,561,580 | 19,576,257 | 19,489,080 | 19,489,080 | 19,481,080 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF           | SIZE      | SALE PRICE                   | BUYER / SELLER   | BUILDING CLASS |
|---------------------------------------|-----------|------------------------------|--|----------------|
| 1959 Palomar Oaks Way<br>Carlsbad, CA | 47,273 SF | \$10,106,500<br>\$213.79 PSF | Wimatex, Inc.<br>CCSD LLC                              | Class A        |
| 1925 Palomar Oaks Way<br>Carlsbad, CA | 46,065 SF | \$9,074,724<br>\$197.00 PSF  | MC Strauss Company<br>Brookwood Financial Partners LLC | Class A        |
| 1921 Palomar Oaks Way<br>Carlsbad, CA | 42,804 SF | \$8,469,708<br>\$197.87 PSF  | MC Strauss Company<br>Brookwood Financial Partners LLC | Class A        |

| TOP LEASE TRANSACTIONS BY SF             | SIZE      | LANDLORD                    | TENANT         | TENANT INDUSTRY |
|--|-----------|-----------------------------|----------------|-----------------|
| 440 S Melrose Drive<br>Vista, CA         | 13,993 SF | Dr. Samuel Lee              | Dr. Samuel Lee | Medical         |
| 5909 Sea Otter Place<br>Carlsbad, CA     | 8,622 SF  | Tritower Financial<br>Group | Undisclosed    | Undisclosed     |
| Highway 101 @ Dahlia<br>Solana Beach, CA | 8,577 SF  | Zephyr Partners             | BOMA           | Real Estate     |





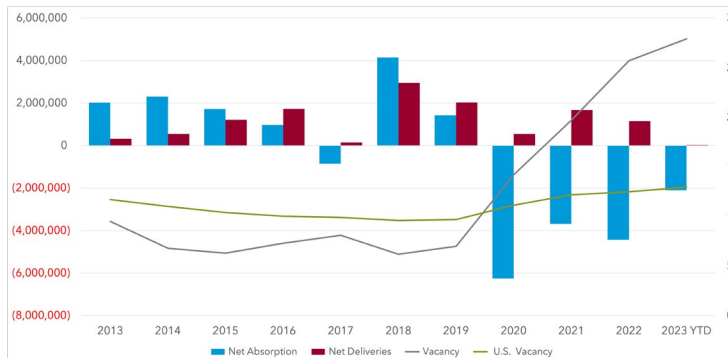
### OFFICE MARKET OVERVIEW

JEFF MOELLER, *President*

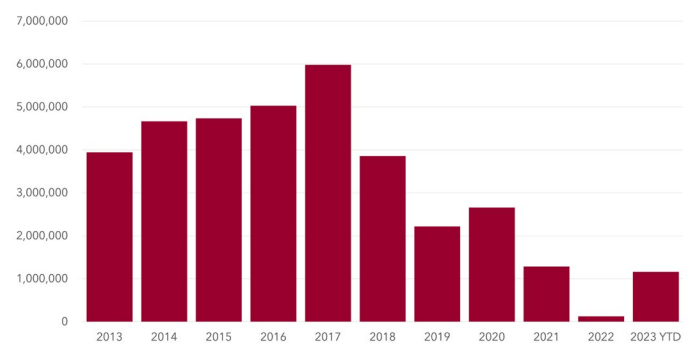
In the first quarter of 2023 we see a continuation of last year's trend. Vacancy hit an all time high in the last 10 years at 27.9%. With high interest rates and the fall of Silicon Valley Bank, San Francisco's office market has been hit harder than other competing markets. Large companies like Pinterest, Salesforce, and Gap have all downsized their office footprint in San Francisco as a means of cutting cost. The by-product of this is an active sublease market. With new in-office ordinances and companies watching costs, we are seeing companies rethink their office space.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (5,533,571) | (4,962,783) | (3,733,217) | (2,693,207) | (2,953,953) |
| ▲ Vacancy Rate             | 27.88%      | 25.73%      | 24.30%      | 22.28%      | 21.20%      |
| ▼ Avg NNN Asking Rate PSF  | \$46.72     | \$48.89     | \$49.76     | \$53.07     | \$55.61     |
| ▲ SF Under Construction    | 1,188,032   | 126,782     | 486,119     | 486,119     | 1,285,019   |
| ◀ ▶ Inventory SF           | 128,799,630 | 128,799,630 | 128,440,293 | 128,440,293 | 127,643,529 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                | SIZE       | SALE PRICE                     | BUYER / SELLER                                      | BUILDING CLASS |
|--|------------|--------------------------------|---|----------------|
| 1 Harrison Street<br>San Francisco, CA     | 228,367 SF | \$80,000,000<br>\$350.31 PSF   | The Sobrato Organization<br>The Gap, Inc.           | Class B        |
| 345 4th Street<br>San Francisco, CA        | 59,337 SF  | \$52,800,000<br>\$889.83 PSF   | Taipei Economic & Cultural Office<br>T2 Hospitality | Class A        |
| 807 Montgomery Street<br>San Francisco, CA | 10,397 SF  | \$38,000,000<br>\$3,654.90 PSF | 807 Montgomery St LLC<br>JDS Montgomery LLC         | Class C        |

| TOP LEASE TRANSACTIONS BY SF                | SIZE      | LANDLORD            | TENANT                   | TENANT INDUSTRY       |
|---|-----------|---------------------|--------------------------|-----------------------|
| 180 Montgomery Street<br>San Francisco, CA  | 49,399 SF | Sidra Real Estate   | Bank of the West         | Professional Services |
| 303 2nd Street<br>San Francisco, CA         | 47,872 SF | Kilroy Realty Corp. | Reddit                   | Technical Services    |
| One Embarcadero Center<br>San Francisco, CA | 41,551 SF | Boston Properties   | Gibson, Dunn, & Crutcher | Professional Services |



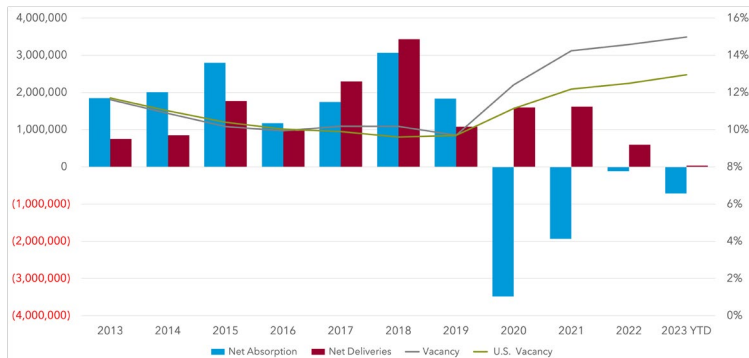
### OFFICE MARKET OVERVIEW

JR BITZER, *Principal*

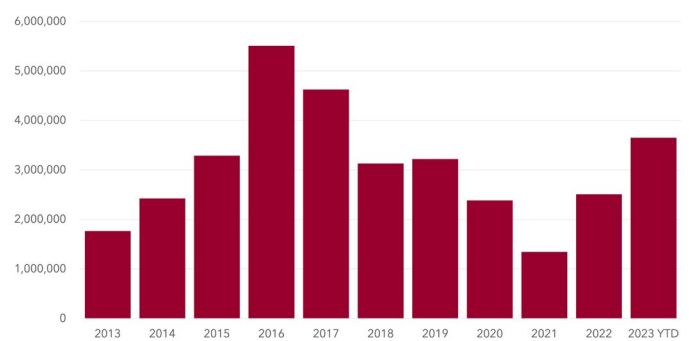
Economic uncertainties and looming recessionary fears continue to hinder the Metro Denver Office Market. While occupancy levels hover around 50%, small tenants make up the bulk of leasing activity. New construction continues to outperform other asset classes, as tenants look to improve their workspace in hopes of luring employees back to the office. Despite the economic headwinds, investment sales have improved over the course of the last quarter. It remains to be seen if the 2nd Quarter can pick up momentum or more of the same.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (1,992,309) | (115,899)   | (526,674)   | 459,349     | 168,173     |
| ▲ Vacancy Rate             | 15.3%       | 14.6%       | 14.6%       | 14.2%       | 14.0%       |
| ▲ Avg NNN Asking Rate PSF  | \$29.09     | \$29.03     | \$29.01     | \$28.99     | \$28.93     |
| ▲ SF Under Construction    | 3,649,852   | 2,509,586   | 2,281,556   | 2,397,530   | 1,418,571   |
| ▲ Inventory SF             | 183,880,068 | 183,847,474 | 183,721,677 | 183,545,724 | 183,623,651 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                     | SIZE       | SALE PRICE                   | BUYER / SELLER  | BUILDING CLASS |
|---|------------|------------------------------|---|----------------|
| 143 Union Boulevard<br>Lakewood, CO             | 191,564 SF | \$24,900,000<br>\$129.98 PSF | Legacy Real Estate Investments, LLC<br>Granite Properties, Inc. | Class B        |
| 2401 E 2nd Ave & 201 Columbine St<br>Denver, CO | 116,919 SF | \$51,461,853<br>\$440.15 PSF | Atlas Properties<br>Unico Properties                            | Class B        |
| 1801 Wewatta Street<br>Denver, CO               | 112,651 SF | \$54,000,000<br>\$479.36 PSF | Beacon Capital Partners<br>Invesco Advisors, Inc.               | Class A        |

| TOP LEASE TRANSACTIONS BY SF                 | SIZE      | LANDLORD                           | TENANT                                      | TENANT INDUSTRY       |
|--|-----------|------------------------------------|---|-----------------------|
| 6162 S Willow Drive<br>Greenwood Village, CO | 51,688 SF | Boyd Watterson Asset<br>Management | Arapahoe County Public Health<br>Department | Public Administration |
| 9555 S Maroon Circle<br>Englewood, CO        | 43,000 SF | D.H. Friedman<br>Properties, L.L.C | Zynex                                       | Medical               |
| 8744 Lucent Boulevard<br>Denver, CO          | 36,000 SF | MetLife                            | Blue Origin                                 | Aerospace             |



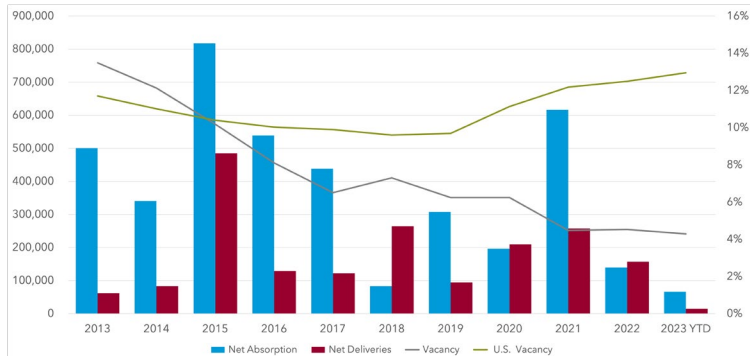
### OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

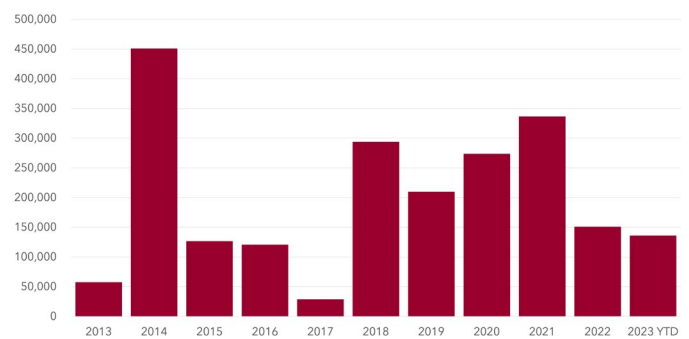
Overall net absorption was positive at the end of first quarter 2023. The vacancy rate remained relatively low. However, demand for office space in Fort Myers has tapered. Year-over-year (YOY) leasing activity declined across all asset classes at the start of 2023. Rent growth stabilized, remaining relatively unchanged at an average of \$17.75 psf NNN. The volume of total available sublease space on the market increased YOY with the biggest jump being in Class A buildings. The construction pipeline and recent deliveries declined. Current under construction square footage is the lowest it has been since fourth quarter of 2017.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 212,721    | 139,478    | 307,747    | 425,003    | 587,000    |
| ▼ Vacancy Rate             | 4.3%       | 4.5%       | 4.9%       | 5.2%       | 4.6%       |
| ▲ Avg NNN Asking Rate PSF  | \$17.75    | \$17.59    | \$16.66    | \$16.08    | \$15.67    |
| ▼ SF Under Construction    | 136,070    | 151,115    | 169,537    | 304,807    | 389,598    |
| ▲ Inventory SF             | 21,419,329 | 21,404,284 | 21,385,862 | 21,373,363 | 21,263,977 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                | SIZE      | SALE PRICE                  | BUYER / SELLER  | BUILDING CLASS |
|--|-----------|-----------------------------|---|----------------|
| 2180 W. 1st Street<br>Fort Myers, FL       | 36,028 SF | \$4,750,000<br>\$131.84 PSF | Edwards Companies<br>2180 West First Street, LLC        | Class B        |
| 3620 Colonial Boulevard<br>Fort Myers, FL  | 9,692 SF  | \$1,700,000<br>\$175.40 PSF | Gulf Coast Commercial Investments<br>LH Trade Corp Inc. | Class B        |
| 727 Cape Coral Parkway W<br>Cape Coral, FL | 8,312 SF  | \$1,500,000<br>\$180.46 PSF | BLDG Management LLC<br>Barbara Watt & Andrew Barnette   | Class B        |

| TOP LEASE TRANSACTIONS BY SF                  | SIZE      | LANDLORD                        | TENANT                   | TENANT INDUSTRY                 |
|---|-----------|---------------------------------|--------------------------|---------------------------------|
| 12751 Westlinks Drive<br>Fort Myers, FL       | 16,015 SF | McGarvey<br>Development Company | Vitas Healthcare         | Home Health Care<br>Services    |
| 5220 Summerlin Commons Blvd<br>Fort Myers, FL | 10,940 SF | Evan N. Berlin                  | The North Law Firm, P.A. | Accident and Injury<br>Law Firm |
| 12381 S. Cleveland Avenue<br>Fort Myers, FL   | 5,591 SF  | Mark Gorovoy M.D.               | Lee Memorial Health      | Offices of Physicians           |



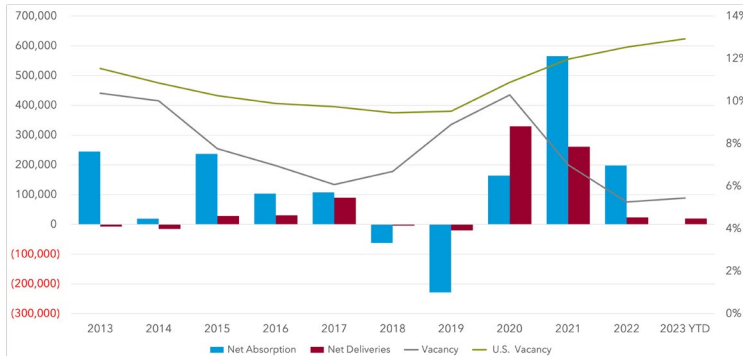
### OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

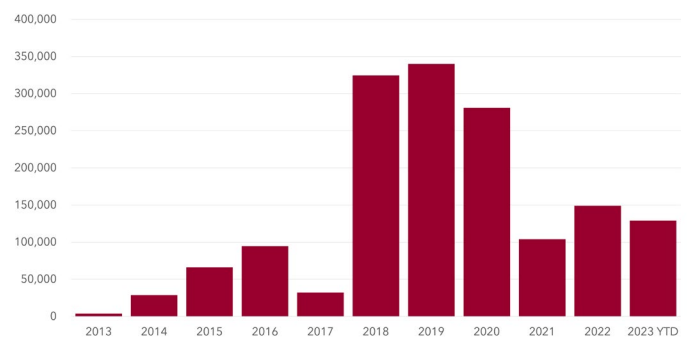
Leasing activity remained steady in Q1 2023, however there was a slight giveback in space as demand for office space weakened. Sales volume declined to the lowest it has been since third quarter of 2020. The construction pipeline and office deliveries have also been affected as the need for new supply has lessened. Available sublease space increased across all asset classes, however the most significant increase was found among Class B buildings. The North Naples submarket of Collier County had the strongest market fundamentals at the beginning of the year and one of the largest leases for the quarter. NAMI Collier County, a nonprofit, leased 12,494 sf of office space at Castello Centre.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 166,494    | 198,003    | 289,587    | 416,706    | 518,586    |
| ▲ Vacancy Rate             | 5.5%       | 5.3%       | 6.0%       | 6.7%       | 6.9%       |
| ▲ Avg NNN Asking Rate PSF  | \$25.34    | \$24.34    | \$23.58    | \$23.07    | \$22.41    |
| ▼ SF Under Construction    | 129,060    | 149,060    | 149,060    | 139,060    | 89,581     |
| ▲ Inventory SF             | 10,121,228 | 10,101,228 | 10,101,228 | 10,101,228 | 10,092,484 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                     | SIZE      | SALE PRICE                   | BUYER / SELLER   | BUILDING CLASS |
|---|-----------|------------------------------|--|----------------|
| 1185 Immokalee Road<br>Naples, FL               | 30,315 SF | \$10,500,000<br>\$346.36 PSF | Buffalo Grove Venture, LLC<br>Naples 9, LLC                      | Class A        |
| 2240 Venetian Court<br>Naples, FL               | 5,699 SF  | \$2,325,000<br>\$407.97 PSF  | Young Family Ventures, LLC<br>Richard L. & Geri Armalavage       | Class B        |
| 9045 Strada Stell Court, Unit 305<br>Naples, FL | 1,972 SF  | \$805,000<br>\$408.22 PSF    | Cardinal Property Advisors, Inc.<br>1880277 Ontario Limited Inc. | Class A        |

| TOP LEASE TRANSACTIONS BY SF       | SIZE      | LANDLORD                                 | TENANT              | TENANT INDUSTRY |
|------------------------------------|-----------|--|---------------------|-----------------|
| 5025 Castello Drive<br>Naples, FL  | 12,494 SF | TFF Commercial Rental<br>Properties, LLC | NAMI Collier County | Non-profit      |
| 801 Laurel Oak Drive<br>Naples, FL | 10,027 SF | American National<br>Insurance Company   | BMO Harris Bank     | Bank            |



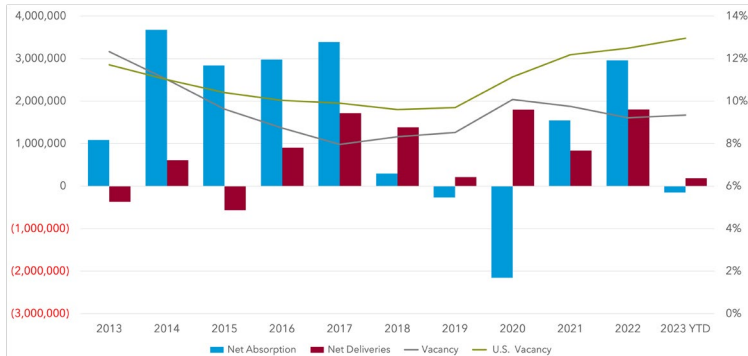
### OFFICE MARKET OVERVIEW

ELIAS PORRAS, SIOR, *Principal*

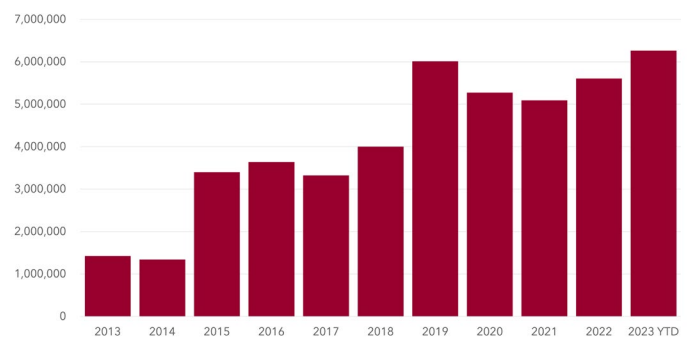
Palm Beach and Miami's Brickell and Downtown continue to provide office market momentum in 2023. In Miami, 801 Brickell's asking rates range from \$90 - \$110 PSF, FS, and Palm Beach 230 Royal Palm Way's asking rates are \$100 NNN PSF + \$29.62 OE. Vacancy rates continue to decline in both counties, and average rents in the entire Tri-County region have continued to rise. Although we are not seeing New York City and California rates, we are inching closer. Miami-Dade averages \$50.04 PSF FS up from \$45.26 PSF FS in Q1 of 2022, Broward averages \$37.33 PSF FS up from \$36.89 PSF FS, and Palm Beach averages \$39.78 PSF FS up from \$38.69 PSF FS.

| MARKET INDICATORS         | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Net Absorption SF       | 2,502,501   | 2,956,752   | 3,079,561   | 3,604,850   | 2,813,615   |
| ▼ Vacancy Rate            | 8.6%        | 8.7%        | 8.6%        | 8.8%        | 9.0%        |
| ▲ Avg NNN Asking Rate PSF | \$36.36     | \$36.01     | \$35.54     | \$34.98     | \$33.99     |
| ▲ SF Under Construction   | 6,263,335   | 5,607,916   | 5,717,098   | 5,299,255   | 5,055,466   |
| ▲ Inventory SF            | 247,798,802 | 247,611,247 | 247,056,521 | 246,229,714 | 245,887,754 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                      | SIZE       | SALE PRICE                   | BUYER / SELLER                                       | BUILDING CLASS |
|--|------------|------------------------------|--|----------------|
| 11690 NW 105th Street<br>Miami, FL               | 248,989 SF | \$42,100,000<br>\$169.08 PSF | Bridge Industrial<br>Ryder Systems, Inc.             | Class A        |
| 791 Park of Commerce Boulevard<br>Boca Raton, FL | 156,898 SF | \$20,000,000<br>\$127.47 PSF | Oak Lane Partners<br>Commercial Financial Management | Class B        |
| 11900 Biscayne Boulevard<br>North Miami, FL      | 156,446 SF | \$39,000,000<br>\$249.29 PSF | Ali Ahmed<br>Ami Shashoua                            | Class B        |

| TOP LEASE TRANSACTIONS BY SF                      | SIZE       | LANDLORD                          | TENANT            | TENANT INDUSTRY                               |
|---|------------|-----------------------------------|-------------------|---|
| 11690 NW 105th Street<br>Miami, FL                | 238,000 SF | Bridge, Ryder Truck<br>Rental     | Ryder System, Inc | Truck Rental And<br>Leasing                   |
| 333 SE 2nd Avenue<br>Miami, FL                    | 100,161 SF | MetLife Real Estate               | Kaseya US         | Scientific & Technical<br>Consulting Services |
| 3910-3980 RCA Boulevard<br>Palm Beach Gardens, FL | 77,351 SF  | John C. Bills<br>Properties, Inc. | Undisclosed       | Undisclosed                                   |



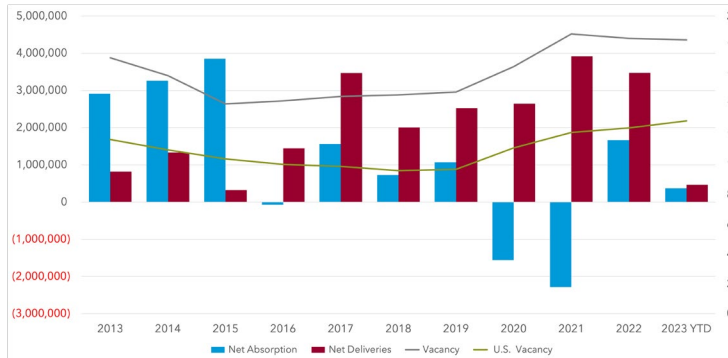
### OFFICE MARKET OVERVIEW

DAN WAGNER, *Chief Data Officer*

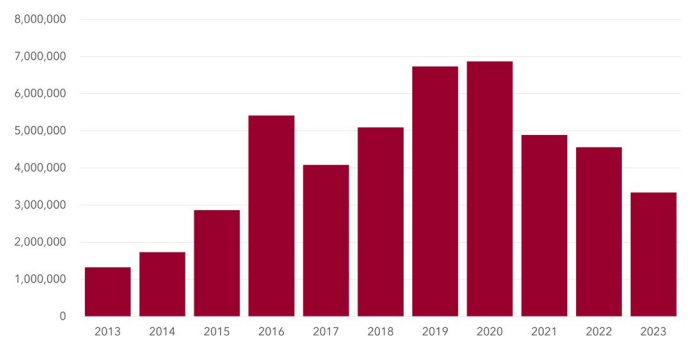
Despite an overall slowing of office fundamentals nationally, Atlanta's office market has posted positive overall activity for four consecutive quarters. Vacancy ended Q1 at 18.4%, a 10-basis point decrease from the previous quarter. Net absorption, while not as robust as quarters past, was in the positive thanks to major tenant move ins from Zaxby's (51,493 SF) and TSA (44,000 SF) in the Central Perimeter and South Atlanta submarkets. Increasing interest rates and macroeconomic concerns placed downward pressure on investment sales activity, as Atlanta's rolling 12-month sales volume fell by more than 14% quarter-over quarter.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 2,322,843   | 1,666,507   | 1,509,888   | 2,267,017   | 426,775     |
| ▼ Vacancy Rate             | 18.4%       | 18.5%       | 19.0%       | 18.4%       | 19.0%       |
| ▲ Avg NNN Asking Rate PSF  | \$30.11     | \$29.96     | \$30.02     | \$29.61     | \$29.57     |
| ▼ SF Under Construction    | 3,337,360   | 4,556,235   | 3,741,227   | 5,669,681   | 4,607,880   |
| ▼ Inventory SF             | 241,740,668 | 241,820,765 | 238,305,308 | 236,231,808 | 236,233,261 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF            | SIZE      | SALE PRICE                  | BUYER / SELLER                                    | BUILDING CLASS |
|--|-----------|-----------------------------|---|----------------|
| 1957 Lakeside Parkway*<br>Tucker, GA   | 94,942 SF | \$9,145,624<br>\$96.33 PSF  | Greenleaf Investment Partners<br>Onward Investors | Class B        |
| 1075 Big Shanty Road NW<br>Atlanta, GA | 70,140 SF | \$8,100,000<br>\$115.48 PSF | SilverCap Partners, LLC<br>Angelo Gordon & Co LP  | Class C        |
| 4555 N Shallowford Road<br>Atlanta, GA | 22,376 SF | \$7,780,000<br>\$347.69 PSF | SMP Sylva LLC<br>Paul Leonhardt                   | Class B        |

\*Part of a Portfolio Sale

| TOP LEASE TRANSACTIONS BY SF             | SIZE      | LANDLORD             | TENANT               | TENANT INDUSTRY         |
|--|-----------|----------------------|----------------------|-------------------------|
| 2002 Summit Boulevard<br>Atlanta, GA     | 51,493 SF | Spear Street Capital | Zaxby's              | Restaurants             |
| 1500 Centre Parkway<br>Atlanta, GA       | 44,000 SF | High Knox Properties | TSA                  | Transportation Services |
| 3625 Cumberland Boulevard<br>Atlanta, GA | 43,989 SF | CP Group             | Procurement Advisors | Finance & Insurance     |



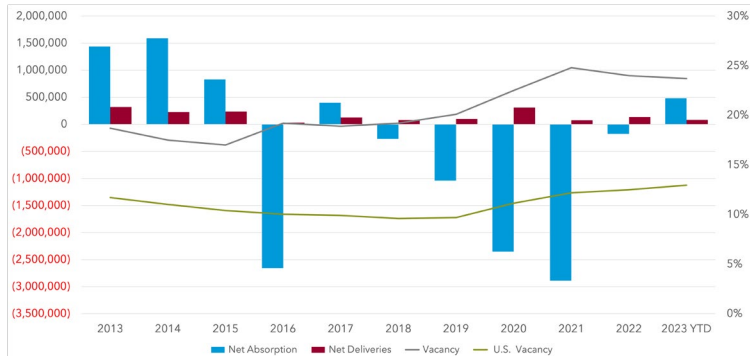
### OFFICE MARKET OVERVIEW

DIANA PEREZ, *Director of Research*

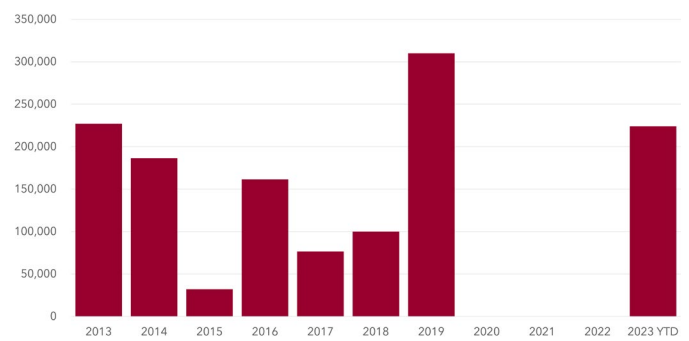
For those actively involved in Chicago's suburban and downtown office markets, the overall health took a small step in correct direction with total suburban vacancy dropping slightly in the suburbs even if only by a fraction of a percent. In the first quarter of 2023, many large corporations needing large blocks of space were able to relocate and take advantage of what are still extremely tenant favored transactions. As construction costs continue to float at all-time highs, tenant expectations of what concession packages should have created a problem. As a result, many landlords have put new lease transactions completely on pause or have requested that tenants fund their own buildout with a net rent reduction given in exchange.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 480,843     | (350,902)   | 257,484     | 109,009     | (18,973)    |
| ▼ Vacancy Rate             | 23.7%       | 24.0%       | 23.9%       | 23.9%       | 26.0%       |
| ▲ Avg NNN Asking Rate PSF  | \$24.53     | \$24.27     | \$24.18     | \$23.65     | \$24.01     |
| ◀ ▶ SF Under Construction  | -           | -           | -           | -           | -           |
| ▲ Inventory SF             | 128,429,706 | 127,284,517 | 126,988,433 | 127,405,034 | 126,955,460 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF           | SIZE       | SALE PRICE                   | BUYER / SELLER  | BUILDING CLASS |
|---------------------------------------|------------|------------------------------|---|----------------|
| 21440 Lake Cook Road<br>Deer Park, IL | 341,092 SF | \$59,000,000<br>\$172.97 PSF | MBARK Global<br>Arzan Whealth Limited                     | Class A        |
| 333 E. Lake Street<br>Bloomington, IL | 70,863 SF  | \$3,400,000<br>\$47.98 PSF   | Scottish Rite Cathedral Associates<br>Grace Capital Group | Class B        |
| 1200 Roosevelt Road<br>Glen Ellyn, IL | 48,253 SF  | \$4,175,000<br>\$86.52 PSF   | Urban Commercial Property Group<br>Stahelin Properties    | Class B        |

| TOP LEASE TRANSACTIONS BY SF                   | SIZE      | LANDLORD                   | TENANT  | TENANT INDUSTRY                 |
|--|-----------|----------------------------|---|---------------------------------|
| 1 Astellas Way<br>Northbrook, IL               | 77,863 SF | Astellas Pharma US         | CF Industries Holdings, Inc.                          | Manufacturing                   |
| 2 Pierce Place<br>Itasca, IL                   | 56,808 SF | Sovereign Partners         | AIT Worldwide Logistics                               | Transportation &<br>Warehousing |
| 7301-7337 N. Lincoln Avenue<br>Lincolnwood, IL | 28,086 SF | Imperial Realty<br>Company | Illinois Department of Central<br>Management Services | Services                        |



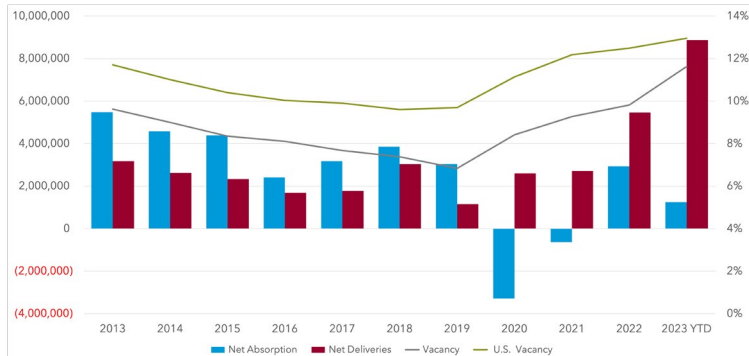
### OFFICE MARKET OVERVIEW

ERIC SOLEM, *Managing Principal, President*

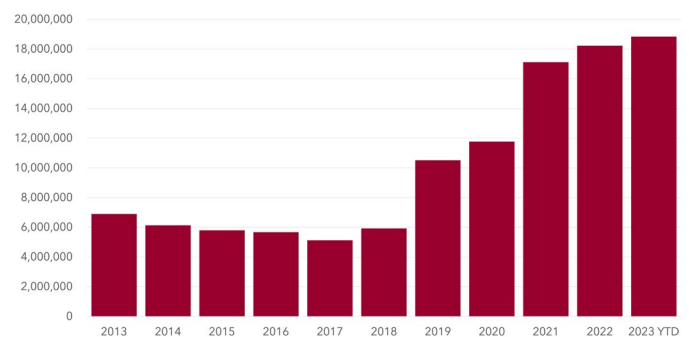
Q1 2023 was a bummer for Boston's office market. COVID and layoffs teamed up to deliver a one-two punch that knocked the vacancy rate up to 10.5%. Nobody was renting and the rental rates were dropping faster than the temperature is rising. The downtown market got the worst of it, with a whopping 12% vacancy rate, while the suburbs weren't far behind with 9.5%. And even the fancy-schmancy Winthrop Center couldn't catch a break, with 70% of their office space still up for grabs. Plus, with interest rates going up, nobody was buying anything. Even mixed-use developments were taking it on the chin. This market is down in the dumps and there's no way to sugarcoat it.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 811,437     | 2,934,617   | 4,425,478   | 4,439,869   | 3,508,991   |
| ▲ Vacancy Rate             | 10.4%       | 9.8%        | 9.5%        | 9.2%        | 9.1%        |
| ▲ Avg NNN Asking Rate PSF  | \$42.54     | \$42.49     | \$42.46     | \$42.59     | \$42.52     |
| ▲ SF Under Construction    | 18,835,884  | 18,227,612  | 18,733,012  | 18,169,468  | 18,396,906  |
| ▲ Inventory SF             | 371,247,273 | 369,811,037 | 367,282,437 | 366,290,162 | 365,180,708 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF          | SIZE       | SALE PRICE                   | BUYER / SELLER  | BUILDING CLASS |
|--------------------------------------|------------|------------------------------|---|----------------|
| 25 Research Drive<br>Westborough, MA | 282,028 SF | \$32,000,000<br>\$113.46 PSF | Samuels & Associates Management<br>Broadstone Real Estate | Class A        |
| 11-19 Deerfield Street<br>Boston, MA | 70,150 SF  | \$56,000,000<br>\$798.29 PSF | Trustees of Boston University<br>The Related Companies    | Class B        |
| 700 Congress Street<br>Quincy, MA    | 39,500 SF  | \$6,250,000<br>\$158.23 PSF  | NPV/Direct Invest<br>Shields & Company, Inc.              | Class B        |

| TOP LEASE TRANSACTIONS BY SF                 | SIZE       | LANDLORD                     | TENANT               | TENANT INDUSTRY                 |
|--|------------|------------------------------|----------------------|---------------------------------|
| One Post Office Square<br>Boston, MA         | 104,000 SF | Morgan Stanley<br>& Co., LLC | Goulston & Storrs PC | Legal Services                  |
| 64 Pleasant Street, 2nd Flr<br>Watertown, MA | 50,000 SF  | Berkeley                     | Via Separations      | Thermal Energy<br>Manufacturing |
| 300 Third Avenue, 6th Flr<br>Waltham, MA     | 36,911 SF  | Lincoln Property<br>Company  | Biocytogen           | Biomed Research                 |





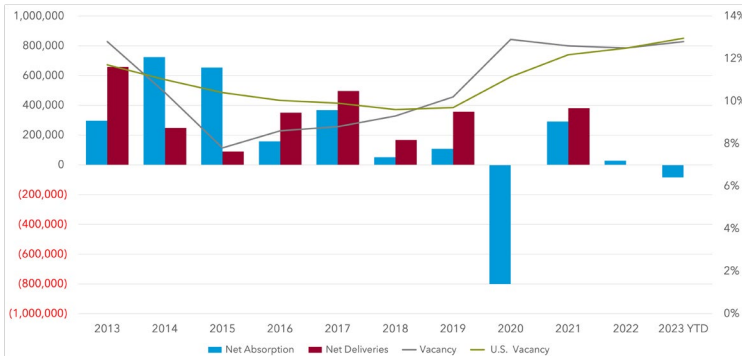
### OFFICE MARKET OVERVIEW

BILL HARRISON, *Senior Vice President*

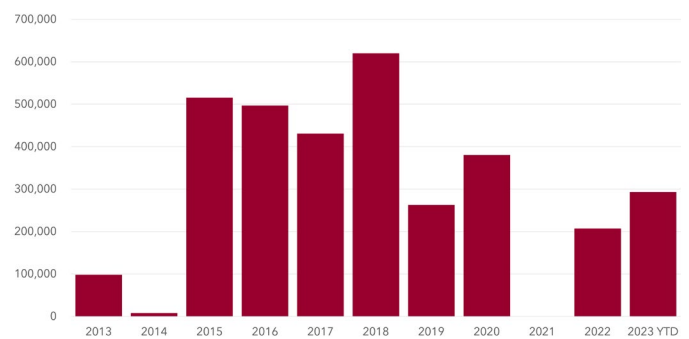
The first quarter of 2023 didn't get off to the best start. Direct net absorption for Q1 was a negative (82,849 SF) with the vacancy rate increasing slightly to 12.8% versus the 12.5% level seen in Q4 2022. There were several notable office leases completed in the quarter, at 10960 Grantchester Way, 7221 Lee Deforest Drive, and 7021 Columbia Gateway Drive. Asking rates increased slightly to \$25.52 from \$25.43 in Q4. Class A product with attractive facilities and locations continues to win the new tenants when pitted against B and C level product.

| MARKET INDICATORS         | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|---------------------------|------------|------------|------------|------------|------------|
| ▼ Net Absorption SF       | (79,633)   | 39,849     | 112,007    | 49,897     | 73,694     |
| ▲ Vacancy Rate            | 12.8%      | 12.5%      | 12.7%      | 13.1%      | 12.9%      |
| ▲ Avg NNN Asking Rate PSF | \$25.52    | \$25.43    | \$25.25    | \$26.47    | \$26.43    |
| ▲ SF Under Construction   | 293,200    | 207,200    | 120,000    | 90,000     | 80,000     |
| ◀ ▶ Inventory SF          | 22,838,250 | 22,838,250 | 22,838,250 | 22,838,250 | 22,838,250 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                      | SIZE      | SALE PRICE                  | BUYER / SELLER  | BUILDING CLASS |
|--|-----------|-----------------------------|---|----------------|
| 7178-7180 Columbia Gateway Drive<br>Columbia, MD | 87,562 SF | \$8,325,000<br>\$95.08 PSF  | 7178 Columbia Gateway LLC<br>Universities Space Research Assoc          | Class B        |
| 14750 Sweitzer Lane<br>Laurel, MD                | 14,034 SF | \$2,650,000<br>\$188.83 PSF | Total Environmental Concepts<br>American Inst of Ultrasound in Medicine | Class B        |
| 7226 Lee Deforest Drive Unit 102<br>Columbia, MD | 5,997 SF  | \$1,425,000<br>\$237.62 PSF | Neurology Practice<br>EMCEE LLC   | Class B        |

| TOP LEASE TRANSACTIONS BY SF                | SIZE      | LANDLORD           | TENANT       | TENANT INDUSTRY |
|---|-----------|--------------------|--------------|-----------------|
| 10960 Grantchester Way<br>Columbia, MD      | 23,707 SF | Howard Hughes      | Enlighten IT | Technology      |
| 7221 Lee Deforest Drive<br>Columbia, MD     | 15,372 SF | Abrams Development | Maxim        | Technology      |
| 7021 Columbia Gateway Drive<br>Columbia, MD | 11,816 SF | Abrams Development | Offit Kurman | Law             |



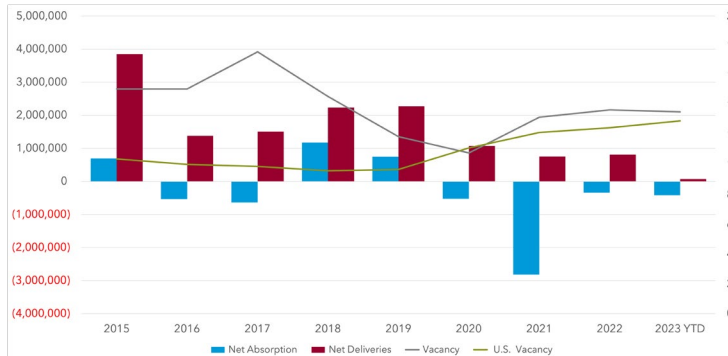
### OFFICE MARKET OVERVIEW

LUKE SCHAMMEL, *Associate*

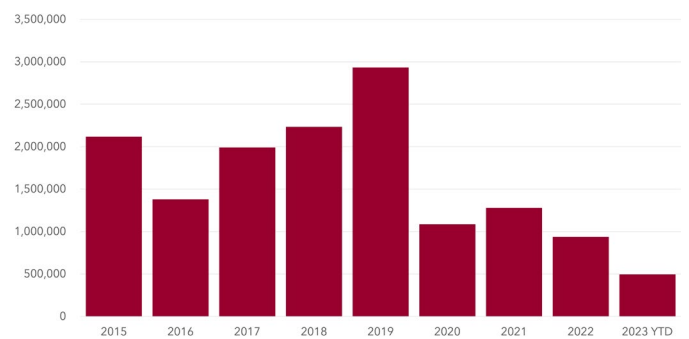
The Twin Cities office market continues to be impacted by remote work with vacancy rates increasing from 13.50% to 13.56% in Q1 2023. This trend is expected to continue as companies adopt hybrid work models. Additionally, investment sales are slowing due to interest rate volatility and economic uncertainty. As a result, landlords are offering more favorable lease terms and concessions to attract and retain tenants. It is an opportune time for tenants to negotiate favorable lease terms and secure cost-effective space in a competitive market. We will continue to monitor market conditions into Q2 and beyond as debt conditions will lead to interesting opportunities for tenants in the market.

| MARKET INDICATORS         | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Net Absorption SF       | (418,306)   | (371,824)   | (341,342)   | (866,817)   | (86,139)    |
| ▲ Vacancy Rate            | 13.56%      | 13.50%      | 13.70%      | 13.92%      | 13.40%      |
| ▲ Avg NNN Asking Rate PSF | \$26.55     | \$26.39     | \$26.38     | \$25.69     | \$25.74     |
| ▼ SF Under Construction   | 840,483     | 919,455     | 938,202     | 1,049,324   | 1,071,160   |
| ▼ Inventory SF            | 129,108,877 | 129,670,689 | 129,918,927 | 130,660,070 | 129,892,693 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF          | SIZE       | SALE PRICE                   | BUYER / SELLER   | BUILDING CLASS |
|--------------------------------------|------------|------------------------------|--|----------------|
| 445 Lake Street E<br>Wayzata, MN     | 38,328 SF  | \$25,700,000<br>\$670.53 PSF | Clackamas Commons Prop Mgmt<br>445 Lake Street Ltd Partnership | Class C        |
| 1625 Radio Drive<br>Woodbury, MN     | 54,810 SF  | \$13,069,246<br>\$238.45 PSF | Encompass Properties, LLC<br>Summerhill Commercial             | Class B        |
| 1715 Yankee Doodle Road<br>Eagan, MN | 118,978 SF | \$12,450,000<br>\$104.64 PSF | Riverpoint Eagan, LLC<br>Yankee Doodle Eagan, LLC              | Class B        |

| TOP LEASE TRANSACTIONS BY SF                              | SIZE      | LANDLORD            | TENANT     | TENANT INDUSTRY         |
|---|-----------|---------------------|------------|-------------------------|
| RBC Gateway<br>Minneapolis-Gateway District, MN           | 47,729 SF | United Properties   | Castlelake | Investment Service      |
| 620- 700 N 5th Street<br>Minneapolis-Gateway District, MN | 43,672 SF | Schafer Richardson  | CanteenOne | Food and Retail Service |
| The Marq<br>Minneapolis-Gateway District, MN              | 38,388 SF | KBS Realty Advisors | Voya       | Financial Services      |



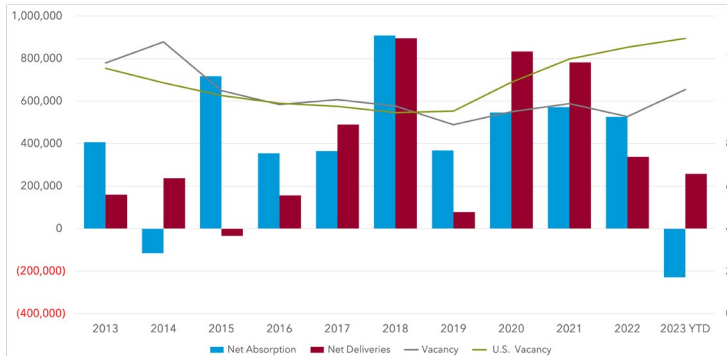
### OFFICE MARKET OVERVIEW

BRIAN FARMER, SIOR, *Managing Director, Vice President*

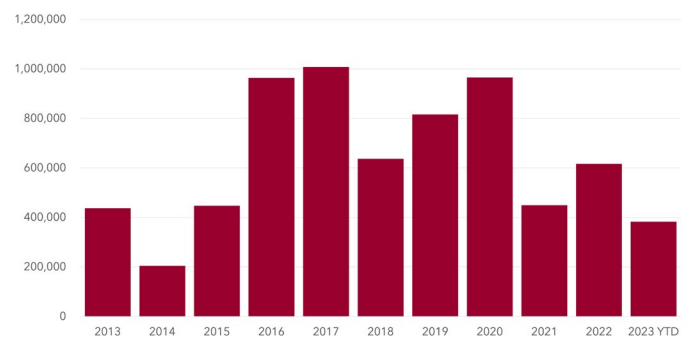
Another quarter of negative absorption brings the office vacancy in Durham to 9.8%. Rental rates continue to hold for quality Class A office spaces, and concessions are increasing for deals longer than five years. There is less than 400K square feet of office new construction, which should aid in the compression of vacancy. Life science continues to be a very sought-after sector, particularly in Durham, which comprises the Research Triangle Park. Building sales were very slow in Q1 due to interest rates and overall choppiness in the office sector. Despite that, we are seeing office usage climb in the Durham area with more employees going to the office to work at least 3 days per week.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 369,888    | 525,766    | 493,397    | 445,266    | 423,642    |
| ▲ Vacancy Rate             | 9.78%      | 9.27%      | 9.15%      | 9.69%      | 9.65%      |
| ▲ Avg NNN Asking Rate PSF  | \$27.48    | \$27.46    | \$27.26    | \$26.98    | \$26.69    |
| ▼ SF Under Construction    | 382,640    | 616,613    | 343,354    | 321,754    | 268,498    |
| ▲ Inventory SF             | 36,375,519 | 36,117,546 | 36,117,546 | 36,117,546 | 35,912,829 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF            | SIZE      | SALE PRICE                  | BUYER / SELLER                        | BUILDING CLASS |
|--|-----------|-----------------------------|---------------------------------------|----------------|
| 1701 TW Alexander Drive<br>Durham, NC  | 16,630 SF | \$4,270,000<br>\$256.86 PSF | GCF Global<br>Apex School of Theology | Class B        |
| 441 S Morgan Street<br>Roxboro, NC     | 4,290 SF  | \$325,000<br>\$75.76 PSF    | Laze Properties LLC<br>Norman C. Hall | Class C        |
| 706 W Corpotation Street<br>Durham, NC | 4,134 SF  | \$1,570,000<br>\$379.01 PSF | Magnolia Development<br>Ram Realty    | Class C        |

| TOP LEASE TRANSACTIONS BY SF         | SIZE      | LANDLORD                      | TENANT      | TENANT INDUSTRY      |
|--------------------------------------|-----------|-------------------------------|-------------|----------------------|
| 710 Slater Road<br>Morrisville, NC   | 20,643 SF | Strategic Capital<br>Partners | BE&K        | Engineering Services |
| 5001 S Miami Boulevard<br>Durham, NC | 14,745 SF | Lincoln Advisors              | Undisclosed | Undisclosed          |
| 4307 Emperor Boulevard<br>Durham, NC | 9,492 SF  | Blackburn Group Inc           | Undisclosed | Undisclosed          |



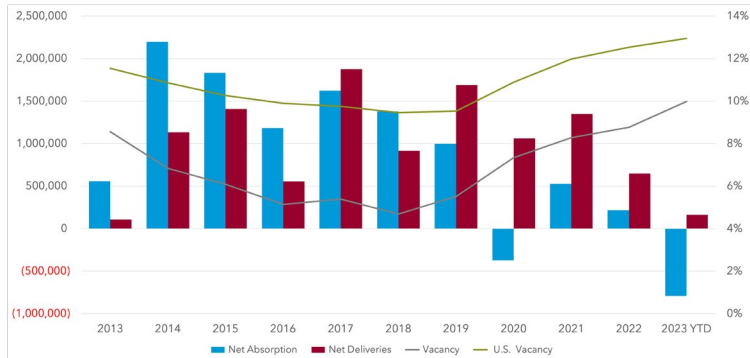
### OFFICE MARKET OVERVIEW

BRIAN FARMER, SIOR, *Managing Director, Vice President*

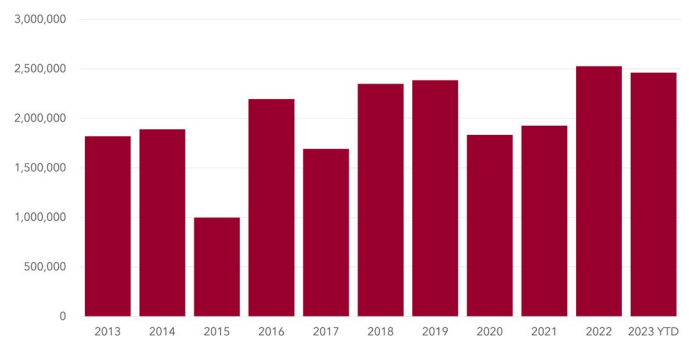
The vacancy factor for Raleigh popped in Q1 by over 100 basis points to 9.91%. Add to that approximately 4M SF of sublease space, and the result is roughly 15% vacancy/availability. This time in 2022 there was approximately 1.7M SF of sublease space. Since the mid-1990s, the Triangle has not seen this amount of office vacancy. Rental rates in Raleigh and surrounding submarkets continue to climb quarterly to pace the construction costs and higher proformas from the institutional office owners. The smaller sublease spaces are getting leased while the larger blocks have had much less interest. This is the same for direct leases. Despite all of this, Raleigh Metro is seeing much better activity than many other metros across the USA.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | (581,446)  | 216,614    | 1,091,897  | 576,498    | 355,077    |
| ▲ Vacancy Rate             | 9.91%      | 8.77%      | 8.36%      | 8.18%      | 8.22%      |
| ▲ Avg NNN Asking Rate PSF  | \$28.91    | \$28.81    | \$28.68    | \$28.46    | \$28.07    |
| ▼ SF Under Construction    | 2,434,235  | 2,526,495  | 2,140,902  | 2,071,755  | 2,043,281  |
| ▲ Inventory SF             | 77,533,850 | 77,370,280 | 77,241,648 | 76,984,945 | 76,737,734 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF        | SIZE     | SALE PRICE                  | BUYER / SELLER  | BUILDING CLASS |
|------------------------------------|----------|-----------------------------|---|----------------|
| 817 New Bern Avenue<br>Raleigh, NC | 7,666 SF | \$1,120,000<br>\$145.84 PSF | Level Up Kitchen & Barcadium<br>Capitol Group Brokerage LLC | Class C        |
| 213 Barden Street<br>Princeton, NC | 4,863 SF | \$450,000<br>\$92.54 PSF    | Donald Butler Rains Revocable Trust<br>Treasury Antiques    | Class C        |
| 2701 Rowland Road<br>Raleigh, NC   | 4,800 SF | \$900,000<br>\$187.50 PSF   | Ellen P Bergdolt<br>Command Construction Services           | Class B        |

| TOP LEASE TRANSACTIONS BY SF                     | SIZE      | LANDLORD                          | TENANT             | TENANT INDUSTRY    |
|--|-----------|-----------------------------------|--------------------|--------------------|
| 2610 Wycliff Road<br>Raleigh, NC                 | 64,536 SF | Alvarez & Marsal<br>Holdings, LLC | General Dynamics   | Manufacturing      |
| Saint Albans Drive<br>Raleigh, NC                | 29,664 SF | Dewitt Carolinas, Inc.            | Summit Engineering | Technical Services |
| 2100 Gateway Centre Boulevard<br>Morrisville, NC | 26,383 SF | CapRidge Partners                 | Undisclosed        | Undisclosed        |



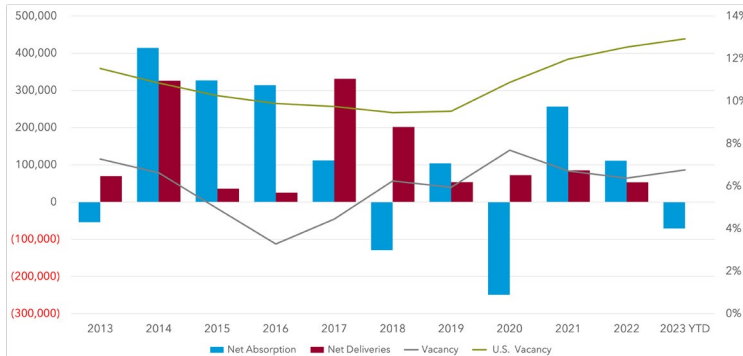
### OFFICE MARKET OVERVIEW

BENJAMIN PEARSON, *Principal*

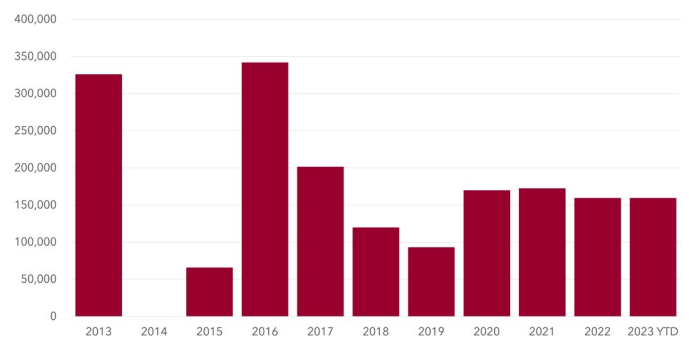
Office rents have continued to increase over the past twelve months by 1.8%. But sales transactions have drastically decreased with only three office sales in the first quarter. The market price which is based on the price movement of all office properties in the metro now sits at \$137 per square foot an improvement from \$133 per square foot.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 95,911     | 111,021    | 156,225    | 60,884     | 217,588    |
| ▲ Vacancy Rate             | 6.6%       | 6.4%       | 6.3%       | 6.6%       | 6.9%       |
| ▲ Avg NNN Asking Rate PSF  | \$19.08    | \$19.03    | \$18.99    | \$18.83    | \$18.73    |
| ◀ ▶ SF Under Construction  | 159,512    | 159,512    | 204,512    | 212,612    | 202,612    |
| ◀ ▶ Inventory SF           | 18,241,739 | 18,241,739 | 18,196,739 | 18,188,639 | 18,188,639 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                 | SIZE      | SALE PRICE                  | BUYER / SELLER                                    | BUILDING CLASS |
|---|-----------|-----------------------------|---|----------------|
| 3201 Pioneers Blvd Portfolio<br>Lincoln, NE | 37,704 SF | \$4,780,000<br>\$123.86 PSF | James H Meysenburg<br>Leon A. Olson Trust         | Undisclosed    |
| 150 NW 40th Street<br>Lincoln, NE           | 7,152 SF  | \$1,100,000<br>\$153.80 PSF | Plains Equipment Group<br>State Troopers Assoc NE | Undisclosed    |

| TOP LEASE TRANSACTIONS BY SF      | SIZE      | LANDLORD            | TENANT                   | TENANT INDUSTRY |
|-----------------------------------|-----------|---------------------|--------------------------|-----------------|
| 4501 S 70th Street<br>Lincoln, NE | 17,406 SF | HSA Commercial RE   | Alegent Creighton Clinic | Health Care     |
| 8211 S 81st Street<br>Lincoln, NE | 9,000 SF  | Krueger Development | Undisclosed              | Undisclosed     |
| 2077 N Street<br>Lincoln, NE      | 8,481 SF  | Speedway Properties | E&A Consulting           | Engineering     |



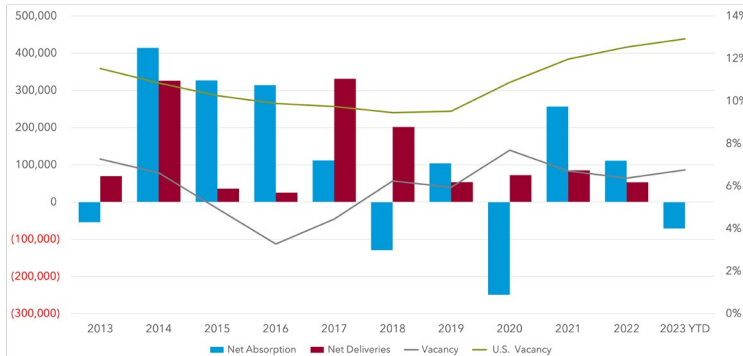
### OFFICE MARKET OVERVIEW

BENJAMIN PEARSON, *Principal*

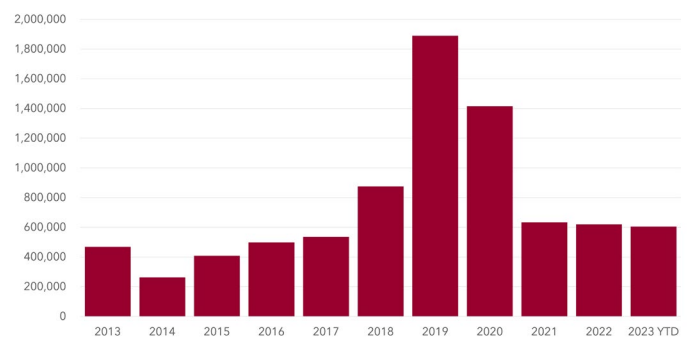
Office rents in Omaha continue to increase at an annual rate of 1.5%. We have also seen a continued decrease in vacancy rate of 6.9%. There is currently 600,000 sf of Office under construction. Employment in the metro has recently increased at an annual rate of 1.6% or gain of about 8,100 jobs. While this is positive, this does represent a weak rate of job creation in the past 12 months. Omaha saw 86 sales transactions in the past 12 months. That turned out to be the fewest sales in five years, \$138 million worth of office assets sold with the majority being class B office assets.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 315,795    | 324,478    | 557,806    | 603,556    | 922,939    |
| ▼ Vacancy Rate             | 6.9%       | 7.3%       | 7.3%       | 7.6%       | 7.7%       |
| ▲ Avg NNN Asking Rate PSF  | \$24.01    | \$23.99    | \$23.95    | \$23.67    | \$23.61    |
| ▼ SF Under Construction    | 604,935    | 620,503    | 553,866    | 569,606    | 471,556    |
| ▲ Inventory SF             | 47,961,222 | 47,945,654 | 47,844,956 | 47,933,096 | 48,040,200 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF          | SIZE      | SALE PRICE                  | BUYER / SELLER                                | BUILDING CLASS |
|--------------------------------------|-----------|-----------------------------|---|----------------|
| 2215-2221 Harney Street<br>Omaha, NE | 16,000 SF | \$3,000,000<br>\$187.50 PSF | Downtown JBK, LLC<br>2215 Harney St, LLC      | Class B        |
| 11725 Arbor Street<br>Omaha, NE      | 14,500 SF | \$1,490,000<br>\$102.41 PSF | Nick DiZona<br>Silverleaf Investments         | Class B        |
| 3131 S 72nd Street<br>Omaha, NE      | 11,000 SF | \$2,100,000<br>\$190.91 PSF | Midwest Fidelity Partners<br>Ronald J. Palagi | Class B        |

| TOP LEASE TRANSACTIONS BY SF     | SIZE      | LANDLORD                 | TENANT                       | TENANT INDUSTRY      |
|----------------------------------|-----------|--------------------------|------------------------------|----------------------|
| 11602 W Center Road<br>Omaha, NE | 21,647 SF | Lund Company             | Baldwin Hackett & Meeks Inc. | Computer Programming |
| 1113 N 13th Street<br>Omaha, NE  | 11,000 SF | 1113 N 13th St           | Rabbel Mill                  | Health Care          |
| 17110 Marcy Street<br>Omaha, NE  | 10,395 SF | Century Development, LLC | Agemark Management           | Health Care          |



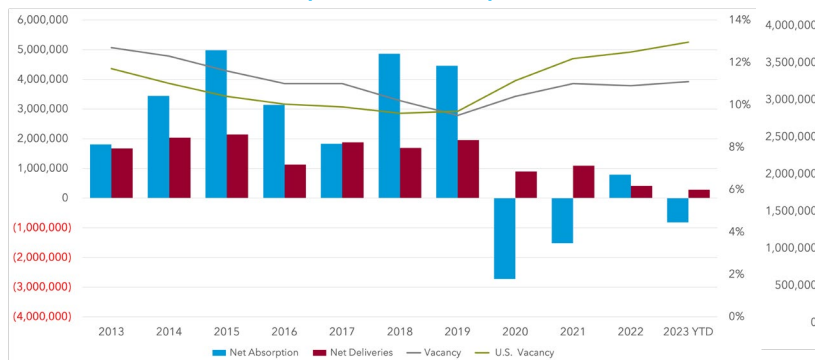
### OFFICE MARKET OVERVIEW

MICHAEL MALMSTONE, *Director of Research and Valuation*

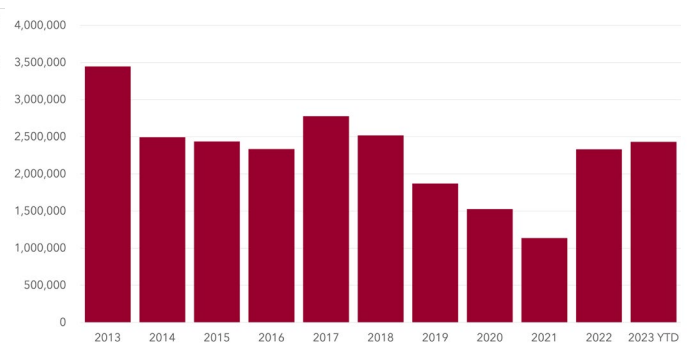
Q1 leasing velocity slowed by 33% to 2.2MM SF, 65% of the 5-year average. Lease-up time remained flat at 9.6 months. Vacant and available space grew 20 bps each to 11.1% and 14.7% respectively. Rental rates grew \$0.27 PSF QoQ and \$0.45 PSF YoY, to \$27.92 PSF gross. Net absorption clocked (817k) SF, down 31% QoQ and the lowest since Q1 2021. Unemployment rose 20 bps to 3.5% in February versus November. Sales volume dropped 77% to \$215MM, the lowest in 11 years. Pricing fell 39% to \$118 PSF while cap rates compressed 20 bps to 7.2%. 2.4MM SF is under construction. 17.6MM SF is approved, 1.1MM SF being medical. A handful of larger 100k+ SF buildings are slated for conversion to industrial and multi-family.

| MARKET INDICATORS         | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Qtrly Net Absorption SF | (816,664)   | (621,151)   | 837,028     | (279,447)   | 852,193     |
| ▲ Vacancy Rate            | 11.1%       | 10.9%       | 10.7%       | 10.9%       | 10.8%       |
| ▲ Avg GRS Asking Rate PSF | \$27.92     | \$27.65     | \$27.69     | \$27.59     | \$27.47     |
| ▲ SF Under Construction   | 2,431,595   | 2,331,868   | 2,310,543   | 2,318,933   | 2,263,820   |
| ▲ Inventory SF            | 421,375,395 | 421,094,022 | 421,051,147 | 420,887,147 | 420,744,383 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                           | SIZE       | SALE PRICE                   | BUYER / SELLER   | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 2000 Galloping Hill Road<br>Kenilworth, NJ            | 393,000 SF | \$31,613,490<br>\$80.44 PSF  | Onyx Equities/Machine Investment Grp<br>Merck            | Class B        |
| 131 Morristown Road, Bldgs A & B<br>Basking Ridge, NJ | 216,573 SF | \$9,432,562<br>\$43.55 PSF   | Adoni Property Group<br>UBS Asset Management             | Class A        |
| 10 Independence Boulevard<br>Warren, NJ               | 120,623 SF | \$22,000,000<br>\$182.39 PSF | Signature Acquisitions<br>American Equity Partners, Inc. | Class B        |

| TOP LEASE TRANSACTIONS BY SF                  | SIZE       | LANDLORD  | TENANT           | TENANT INDUSTRY            |
|---|------------|---|------------------|----------------------------|
| 100 Morris Street<br>Morristown, NJ           | 260,000 SF | SJP Properties                                    | Sanofi           | Pharmaceuticals            |
| 331 Newman Springs Road<br>Red Bank, NJ       | 40,420 SF  | Crown Acquisitions/Par-<br>amount Realty Services | LifeTime Fitness | Fitness Center<br>Operator |
| 101 John F Kennedy Parkway<br>Short Hills, NJ | 34,640 SF  | The Birch Group                                   | Virtu Financial  | Finance                    |



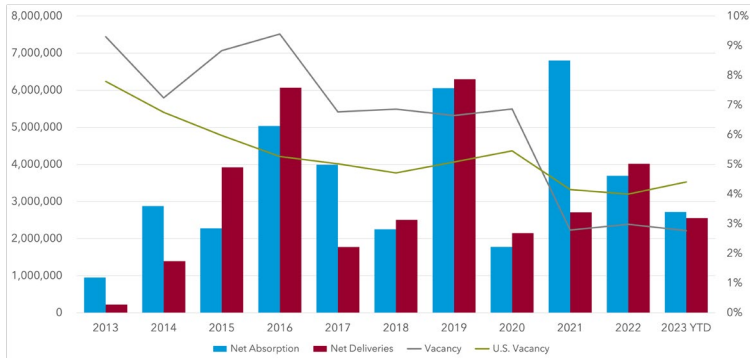
### OFFICE MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

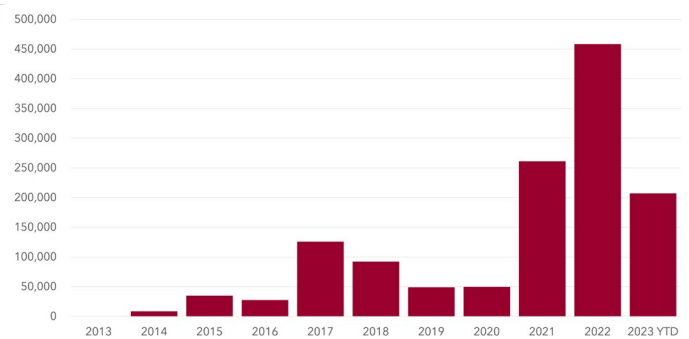
The Reno area has been very stagnant in both pricing and absolute SF of occupied space for some time. When new product comes on the market and the market occupies it, both an increase in overall pricing and higher vacancy can happen at the same time. We expect this trend to continue as new construction gets leased at the higher rates it demands. This will cause the “trickle down” effect of the former Class A space having to decrease pricing to gain tenancy which will again affect the next level down. The good news is the area’s population growth continues, bringing new demand which should steady the market somewhat, although it will take some time. Look for average pricing to increase, with competitive rates on the secondary classes of product.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | (141,784)  | (65,312)   | 37,559     | 253,912    | 299,394    |
| ▲ Vacancy Rate             | 10.3%      | 8.3%       | 7.9%       | 7.9%       | 7.9%       |
| ▲ Avg NNN Asking Rate PSF  | \$24.71    | \$24.63    | \$24.44    | \$24.24    | \$24.16    |
| ▼ SF Under Construction    | 207,137    | 458,538    | 463,666    | 342,549    | 334,549    |
| ▲ Inventory SF             | 17,483,781 | 17,197,530 | 17,185,701 | 17,185,701 | 17,185,701 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF   | SIZE      | SALE PRICE                  | BUYER / SELLER   | BUILDING CLASS |
|-------------------------------|-----------|-----------------------------|--|----------------|
| 1055 Moana Lane<br>Reno, NV   | 12,604 SF | \$1,550,000<br>\$122.98 PSF | DLP Family Trust<br>Beck, LLC                            | Class C        |
| 979 Pyramid Way<br>Sparks, NV | 5,774 SF  | \$1,850,000<br>\$320.40 PSF | Tamara E. Barengo<br>Benjamin Garol                      | Class B        |
| 458 Court Street<br>Reno, NV  | 4,407 SF  | \$857,000<br>\$171.40 PSF   | Bristlecone Branch LLC<br>AZ, NV Development Corporation | Class C        |

| TOP LEASE TRANSACTIONS BY SF               | SIZE      | LANDLORD                         | TENANT                | TENANT INDUSTRY |
|--|-----------|----------------------------------|-----------------------|-----------------|
| 13870 Stead Boulevard<br>Reno, NV          | 16,300 SF | Desi Moreno 2001 Trust           | ABC Daycare           | Daycare         |
| 200 S. Virginia Street, 5th Fl<br>Reno, NV | 5,500 SF  | Nelson 200 South<br>Virginia LLC | Department of Tourism | Government      |
| 6800 S. McCarran<br>Reno, NV               | 5,429 SF  | Greer Enterprises Inc            | Undisclosed           | Family Therapy  |





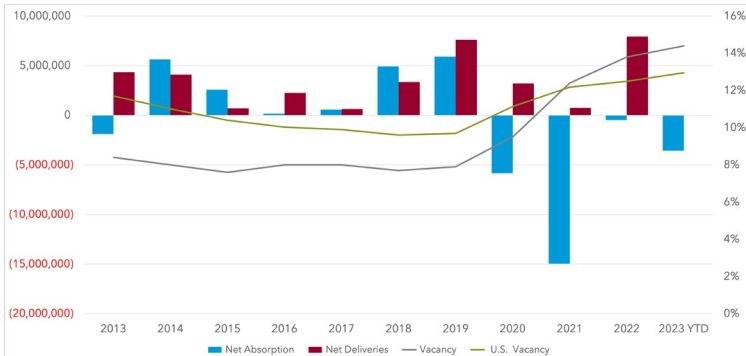
### OFFICE MARKET OVERVIEW

SARAH ORCUTT, *Director of Research*

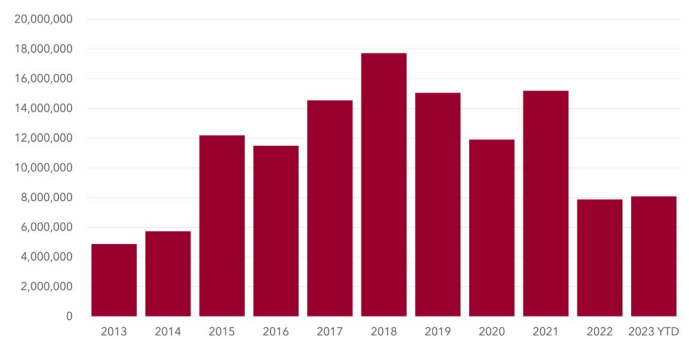
Recent economic shocks weighed on leasing decisions in Manhattan's office market through Q1, with activity totaling 5.5 million square feet, a 31.4% decline from 8.0 million square feet during the same period last year. Larger transactions were driven by renewals, indicative of tenants' hesitancy to commit to significant real estate decisions in the current market. The vacancy rate increased 0.6 percentage points quarter-over-quarter and 1.8 percentage points year-over-year to 14.4% while net absorption was negative 3.6 million square feet, reflective of companies opting to downsize or shed existing space. The available supply of sublet space reached a historic high at 24.6 million square feet, representing 24.1% of total available space on the market.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (3,562,332) | (484,110)   | (6,149,594) | (5,595,729) | (5,176,428) |
| ▲ Vacancy Rate             | 14.4%       | 13.8%       | 13.4%       | 13.3%       | 12.6%       |
| ▼ Avg GRS Asking Rate PSF  | \$71.35     | \$71.41     | \$71.42     | \$71.41     | \$71.64     |
| ▲ SF Under Construction    | 8,089,190   | 7,877,190   | 14,181,635  | 14,181,635  | 14,343,977  |
| ◀ ▶ Inventory SF           | 547,753,477 | 547,753,477 | 541,249,032 | 541,249,032 | 540,986,690 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF         | SIZE       | SALE PRICE                    | BUYER / SELLER                               | BUILDING CLASS |
|-------------------------------------|------------|-------------------------------|--|----------------|
| 850 Third Avenue<br>New York, NY    | 621,786 SF | \$265,934,184<br>\$427.69 PSF | HPS Investment Partners<br>The Chetrit Group | Class A        |
| 350 Park Avenue<br>New York, NY     | 585,460 SF | \$262,612,500<br>\$448.56 PSF | Citadel<br>Vornado Realty Trust              | Class A        |
| 40 East 52nd Street<br>New York, NY | 393,154 SF | \$84,048,000<br>\$213.78 PSF  | Citadel<br>Rudin Management Company          | Class A        |

| TOP LEASE TRANSACTIONS BY SF               | SIZE       | LANDLORD                       | TENANT                       | TENANT INDUSTRY |
|--|------------|--------------------------------|------------------------------|-----------------|
| 100 Avenue of the Americas<br>New York, NY | 265,217 SF | Hines                          | Two Sigma                    | FinTech         |
| 200 Liberty Street<br>New York, NY         | 225,000 SF | Brookfield Asset<br>Management | Cadwalader Wickersham & Taft | Legal Services  |
| 555 West 57th Street<br>New York, NY       | 186,882 SF | SL Green Realty Corp.          | CBS                          | Media           |



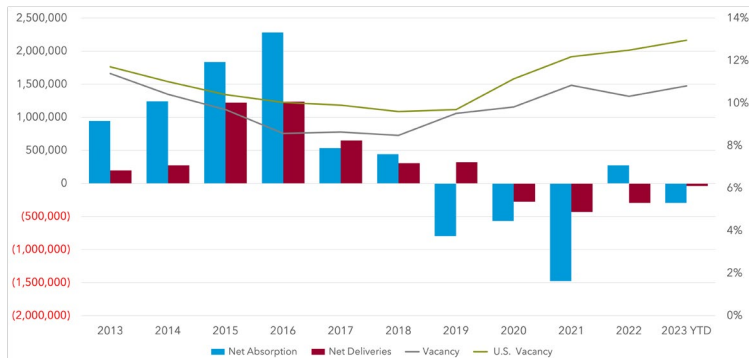
### OFFICE MARKET OVERVIEW

DAN MCDONALD, *Senior Vice President, Principal*

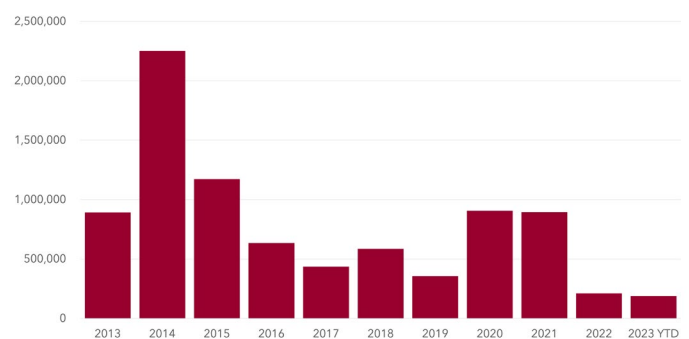
Leasing activity held steady with 281,712 SF of transaction volume in Q1 23 despite negative net absorption. Class A office space across the region accounted for 75.6% of all leases this quarter, with vacancy increasing to 17.8%. A total of 15 new leases were executed in Q1 2023. Suburban submarkets have seen most of the activity with users shrinking their footprints to anticipate their needs post Covid. The only project currently under construction is Corporex's Ovation, in Northern Kentucky, which will be anchored by MegaCorp Logistics occupying 40K SF and expected to move in by the end of Q2 23. The total development will offer 103K SF of Class A office space.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (295,269)   | 274,008     | 3,986       | (749,059)   | (1,094,183) |
| ▼ Vacancy Rate             | 17.8%       | 18.4%       | 18.8%       | 18.7%       | 17.5%       |
| ▲ Avg NNN Asking Rate PSF  | \$20.51     | \$20.49     | \$20.37     | \$20.27     | \$20.27     |
| ▼ SF Under Construction    | 188,158     | 211,658     | 211,658     | 203,502     | 730,477     |
| ▼ Inventory SF             | 104,450,766 | 104,489,887 | 104,935,329 | 104,927,485 | 104,808,133 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                    | SIZE       | SALE PRICE                  | BUYER / SELLER                                    | BUILDING CLASS |
|--|------------|-----------------------------|---|----------------|
| 8600-8650 Governors Hill Drive<br>Mason, OH    | 187,465 SF | \$8,500,000<br>\$45.34 PSF  | Ackermann Group<br>Smith/Halleman Partners        | Class B        |
| 2093 Medical Arts Drive<br>Hebron, KY          | 10,600 SF  | \$1,025,000<br>\$96.70 PSF  | Daniel P. Huhn<br>McCloy Realty, LLC              | Class C        |
| 10191 Evendale Commons Drive<br>Cincinnati, OH | 7,848 SF   | \$1,177,200<br>\$150.00 PSF | Seven Hills Anesthesia<br>Anchor Properties, Inc. | Class B        |

| TOP LEASE TRANSACTIONS BY SF                   | SIZE      | LANDLORD                       | TENANT               | TENANT INDUSTRY                |
|--|-----------|--------------------------------|----------------------|--------------------------------|
| 9025 Centre Pointe Drive<br>West Chester, OH   | 13,668 SF | Hines                          | Azelis               | Undisclosed                    |
| 7288-7312 Central Parke Boulevard<br>Mason, OH | 13,316 SF | Vigran Brothers<br>Investments | Alphabet of Mason    | Undisclosed                    |
| 4680 Parkway Drive<br>Mason, OH                | 12,481 SF | Smith/Halleman<br>Partners     | Summit Funding Group | Rental and Leasing<br>Services |



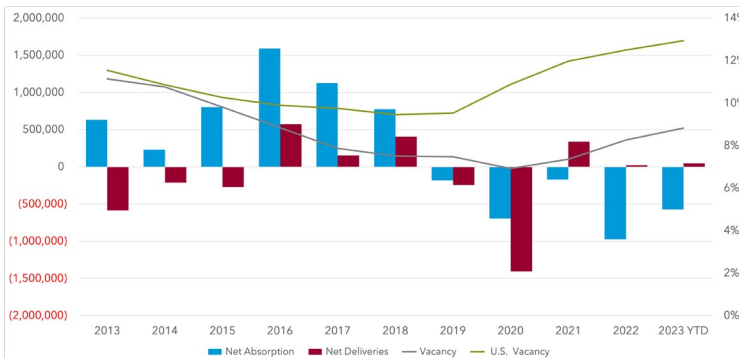
### OFFICE MARKET OVERVIEW

ABRAM SCHWARZ, SIOR, *Senior Vice President*

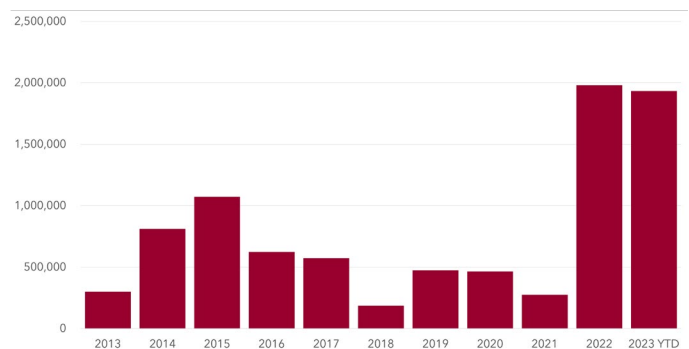
The office market can be summarized in one word – “downsize”. Tenants and buyers have the upper hand as remote work will not go away. Large tenants like Ernst & Young are leaving their namesake building, where they currently occupy 100,000+ SF paying close to \$40.00 PSF and will downsize to approximately 70,000 SF paying closer to \$20.00 PSF, amounting to approximately 65% in occupancy cost reductions. On the sales side, many office buildings actual occupancy utilization, mounting vacancy as leases begin to roll, and much higher interest rates put the office sales market behind the eight ball. The positive is that the suburban office market still has plenty of leasing activity.

| MARKET INDICATORS          | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     | Q4 2021     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (1,607,253) | (972,822)   | (27,843)    | (336,278)   | (88,385)    |
| ▲ Vacancy Rate             | 8.80%       | 8.30%       | 7.50%       | 7.60%       | 7.30%       |
| ▲ Avg NNN Asking Rate PSF  | \$19.32     | \$19.27     | \$19.28     | \$19.30     | \$19.24     |
| ▼ SF Under Construction    | 1,933,478   | 1,980,169   | 1,999,299   | 1,801,661   | 1,757,661   |
| ▲ Inventory SF             | 110,017,937 | 109,971,246 | 109,952,116 | 109,952,116 | 109,952,116 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF             | SIZE       | SALE PRICE                 | BUYER / SELLER                                       | BUILDING CLASS |
|---|------------|----------------------------|--|----------------|
| 29000 Aurora Road<br>Solon, OH          | 111,493 SF | \$3,540,000<br>\$31.75 PSF | HANA Technologies<br>ICP                             | Class B        |
| 14650 Detroit Avenue<br>Lakewood, OH    | 77,112 SF  | \$2,400,000<br>\$31.12 PSF | Riverside Abstract<br>LCW Associates, Ltd.           | Class B        |
| 11811 Shaker Boulevard<br>Cleveland, OH | 50,000 SF  | \$2,266,000<br>\$45.32 PSF | Ogbonnaya Okoroafor<br>Shaker West Professional, LLC | Class C        |

| TOP LEASE TRANSACTIONS BY SF                      | SIZE      | LANDLORD               | TENANT                     | TENANT INDUSTRY    |
|---|-----------|------------------------|----------------------------|--------------------|
| 1001 Lakeside Avenue East<br>Cleveland, OH        | 70,000 SF | Hertz Investment Group | Ernst & Young              | Financial Services |
| 1500 W. 3rd Street<br>Cleveland, OH               | 50,000 SF | K&D                    | Walter Haverfield          | Law                |
| 6100 Rockside Woods Boulevard<br>Independence, OH | 10,000 SF | Realife Management     | Cresco   Cushman Wakefield | Real Estate        |



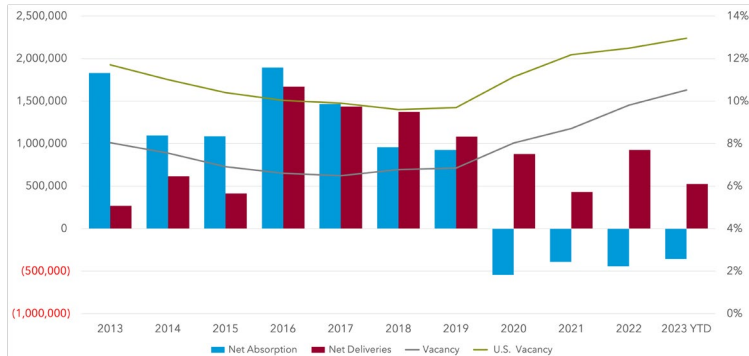
### OFFICE MARKET OVERVIEW

ALEX KUNIEGA, *Vice President*

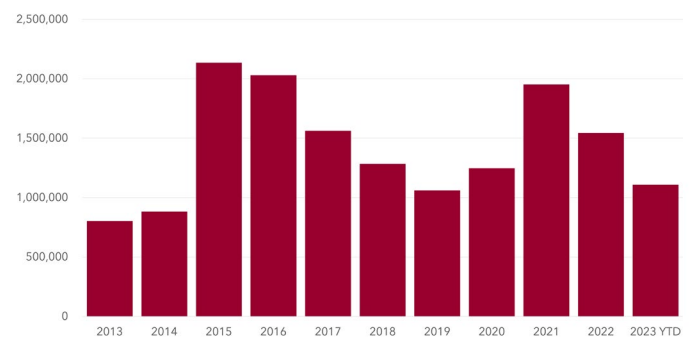
The Columbus office market is continuing to see a shift of tenants moving out of the downtown core to more attractive and amenity rich suburban options. Q1 2023 saw another quarter of negative net absorption of (702,317) SF. Asking rates increased slightly seeing an uptick of \$0.09 for the quarter. Construction activity remains strong with multiple projects active including Gravity II, The Offices at Jeffrey Park and The Offices at Astor Park. These projects are expected to be completed before year end. Uncertainty for downtown office space remains with a plethora of options for tenants looting to make a move.

| MARKET INDICATORS          | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     | Q4 2021     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (702,317)   | (441,901)   | 87,592      | (71,163)    | 176,090     |
| ▲ Vacancy Rate             | 10.5%       | 9.8%        | 9.4%        | 8.9%        | 8.9%        |
| ▲ Avg NNN Asking Rate PSF  | \$21.61     | \$21.52     | \$21.33     | \$21.22     | \$21.18     |
| ▼ SF Under Construction    | 1,109,069   | 1,544,084   | 1,570,915   | 1,748,221   | 1,827,721   |
| ▲ Inventory SF             | 117,328,278 | 116,803,263 | 116,629,172 | 116,200,645 | 115,991,208 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                  | SIZE       | SALE PRICE                   | BUYER / SELLER                                     | BUILDING CLASS |
|--|------------|------------------------------|--|----------------|
| 6500 New Albany Road<br>New Albany, OH       | 333,168 SF | \$9,650,000<br>\$28.96 PSF   | LHR Industries LLC<br>Discover Financial Services  | Class B        |
| 550 & 570 Polaris Parkway<br>Westerville, OH | 279,933 SF | \$31,000,000<br>\$110.74 PSF | Melrose Solomon Enterprises<br>HighBrook Investors | Class A        |
| 40 W Long Street<br>Columbus, OH             | 210,664 SF | \$1,000,000<br>\$4.75 PSF    | Columbus Downtown Dev Corp<br>YMCA                 | Class C        |

| TOP LEASE TRANSACTIONS BY SF           | SIZE      | LANDLORD                 | TENANT                      | TENANT INDUSTRY |
|--|-----------|--------------------------|-----------------------------|-----------------|
| 1105 Schrock Boulevard<br>Columbus, OH | 45,716 SF | IMC Real Estate          | National Education Seminars | Education       |
| 226 N 5th Street<br>Columbus, OH       | 38,807 SF | Hackman Capital Partners | WOW Business Solutions      | IT Services     |
| 200 Civic Center Drive<br>Columbus, OH | 36,000 SF | Lawyers Development Corp | Secretary of State of Ohio  | Government      |



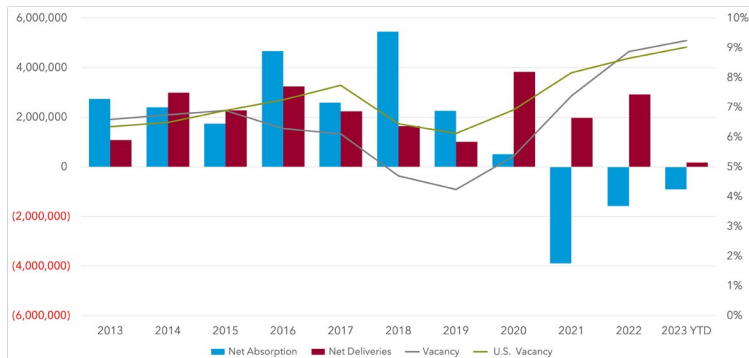
### OFFICE MARKET OVERVIEW

WILL GEHRING, *Senior Vice President*

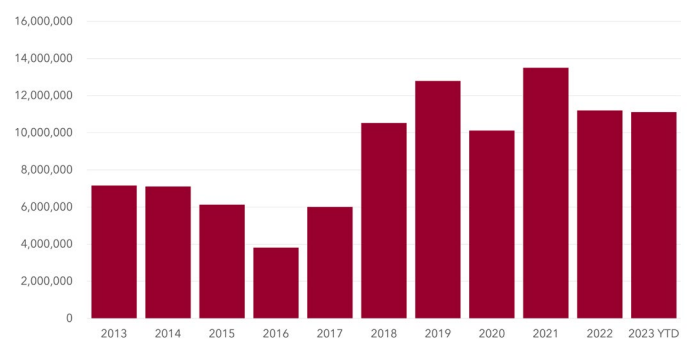
Toronto's office market is the largest in Canada with over 288 million square feet of current inventory in stock. Coming on the heels of the lowest GTA office vacancy rate in recorded history at 4.3% in Q1 2020, the pandemic halted leasing activity and now the market is in the process of recovery. Toronto's office market continues to find its footing as it moves through recovery. Office tenants formalized their plans for office utilization and finding the right-sized office is the aim for most companies. Some plan to increase their square footage to accommodate a more distanced floorplan or to add collaborative spaces within their offices to encourage office attendance, while others are expected to downsize to their square footage under hybrid models with employee rotation.

| MARKET INDICATORS          | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     | Q4 2021     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (2,101,080) | (1,576,258) | (3,198,112) | (3,657,172) | (2,706,030) |
| ▲ Vacancy Rate             | 9.3%        | 8.9%        | 8.5%        | 8.2%        | 1.8%        |
| ▲ Avg NNN Asking Rate PSF  | \$40.96     | \$40.92     | \$40.62     | \$40.46     | \$40.26     |
| ▼ SF Under Construction    | 11,116,390  | 11,200,196  | 12,397,699  | 12,976,473  | 12,844,523  |
| ▲ Inventory SF             | 287,994,098 | 287,820,292 | 286,583,741 | 285,677,839 | 285,844,093 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF          | SIZE       | SALE PRICE                    | BUYER / SELLER   | BUILDING CLASS |
|--------------------------------------|------------|-------------------------------|--|----------------|
| 100 New Park Place<br>Vaughan, ON    | 365,000 SF | \$75,176,261<br>\$205.96 PSF  | City of Vaughan<br>SmartCentres Real Estate                        | Undisclosed    |
| 1908 Colonel Sam Drive<br>Oshawa, ON | 285,000 SF | Undisclosed                   | Ontario Power Generation<br>General Motors of Canada               | Undisclosed    |
| 720 Bay Street<br>Toronto, ON        | 247,743 SF | \$135,000,000<br>\$544.92 PSF | Alexandria Real Estate Equities<br>Dream Office Real Estate Invest | Undisclosed    |

\*All numbers shown are in Canadian dollars (CAD)

| TOP LEASE TRANSACTIONS BY SF           | SIZE      | LANDLORD    | TENANT                     | TENANT INDUSTRY |
|--|-----------|-------------|----------------------------|-----------------|
| 5600 Cancross Court<br>Mississauga, ON | 75,000 SF | Undisclosed | Federated Agencies Limited | Undisclosed     |
| 151 Yonge Street<br>Toronto, ON        | 33,516 SF | Undisclosed | Citco                      | Undisclosed     |
| 68-70 Claremont Street<br>Toronto, ON  | 30,000 SF | Undisclosed | Undisclosed                | Undisclosed     |



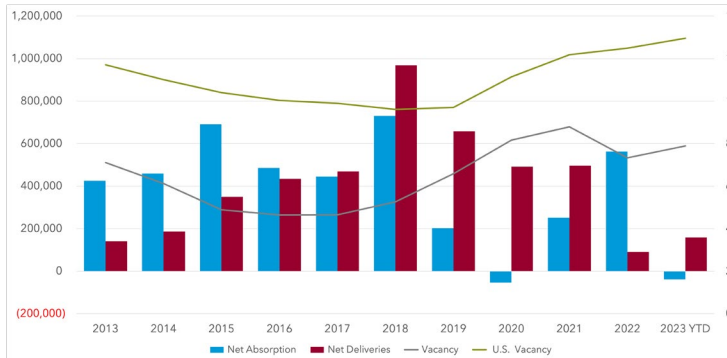
### OFFICE MARKET OVERVIEW

PETE HARPER, *Principal*

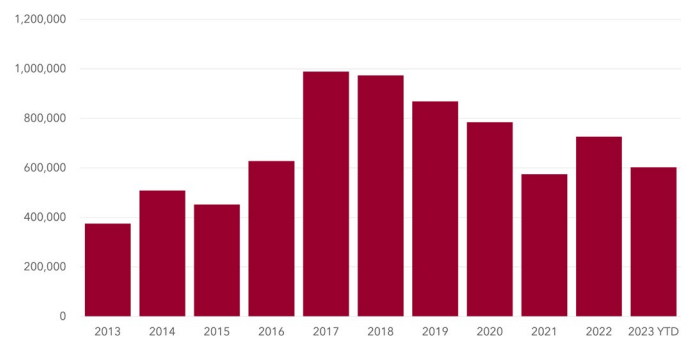
The office market continues to experience ups and downs similar to the rest of the nation. The recent softness in the tech and finance sector has had an impact. Vacancy rate has ticked up to 7.8% but sits below the national benchmark of 8.0%. Charleston's major employers such as Blackbaud and TELUS International announced layoffs. Available sublet space has reached a new high of 530,000 SF. Construction has been steady. Few projects are about to wrap up. The 115,000 SF Morris and the 135,000 SF Morrison Yard are near completion. The mass redevelopment of Navy Yard Storehouses on the former Navy base is underway.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 348,432    | 562,907    | 112,546    | 436,640    | 386,366    |
| ▲ Vacancy Rate             | 7.8%       | 7.3%       | 7.8%       | 7.3%       | 7.7%       |
| ▲ Avg NNN Asking Rate PSF  | \$30.78    | \$30.73    | \$30.44    | \$30.05    | \$29.67    |
| ▼ SF Under Construction    | 602,572    | 726,202    | 743,440    | 550,876    | 587,791    |
| ▲ Inventory SF             | 33,149,095 | 32,990,465 | 32,842,527 | 32,820,559 | 32,730,945 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                    | SIZE      | SALE PRICE                  | BUYER / SELLER   | BUILDING CLASS |
|--|-----------|-----------------------------|--|----------------|
| 3815 W Montague Avenue<br>North Charleston, SC | 10,000 SF | \$2,400,000<br>\$250.00 PSF | Stasmayer, Inc.<br>West Montague Ave, LLC              | Class B        |
| 3531 Mary Ader Avenue Ste B<br>Charleston, SC  | 5,029 SF  | \$2,395,000<br>\$476.24 PSF | Undisclosed<br>Eyecare Specialties of Charleston       | Class B        |
| 2102 Otranto Boulevard<br>North Charleston, SC | 4,600 SF  | \$989,000<br>\$215.00 PSF   | West Street Capital Partners, LLC<br>Ganesh Garden LLC | Class C        |

| TOP LEASE TRANSACTIONS BY SF                      | SIZE      | LANDLORD                    | TENANT      | TENANT INDUSTRY |
|---|-----------|-----------------------------|-------------|-----------------|
| 5935 Rivers Avenue<br>North Charleston, SC        | 14,400 SF | The Muhler Company,<br>Inc. | Undisclosed | Undisclosed     |
| 2070 Northbrook Boulevard<br>North Charleston, SC | 13,049 SF | SLR Management Corp.        | Undisclosed | Undisclosed     |
| 3860 Faber Place Drive<br>North Charleston, SC    | 10,068 SF | UIG First Properties, LLC   | OHMIQ, LLC  | Engineering     |



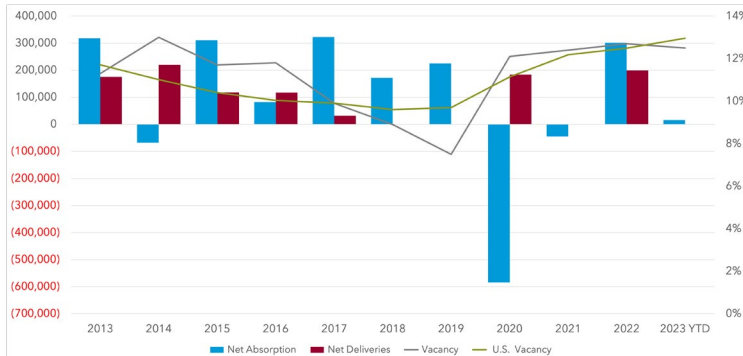
### OFFICE MARKET OVERVIEW

DARATH MACKIE, Associate Broker

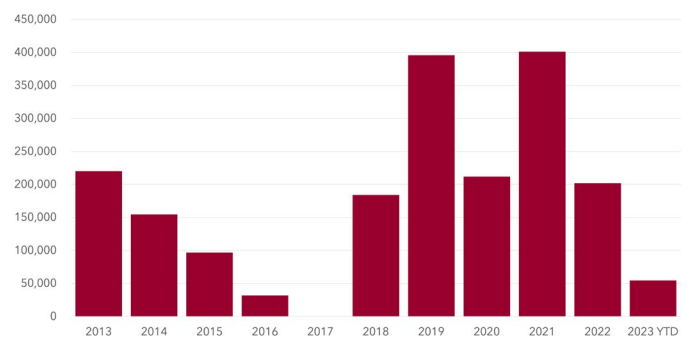
Office space performance remained steady in Greenville/Spartanburg, with a small gain in net absorption of 15,489 SF during Q1. Overall vacancy decreased by 20 basis points to 12.5%, down from 12.7% in Q4 of 2022. Tightening space availability is placing upward pressure on average asking rents, which rose by more than 5% quarter-over-quarter to \$23.60 PSF. Consequently, market conditions have spurred investor interest for quality office properties; and developers are seeking public and/or private partnerships to build space and capitalize on Greenville's growing need for office product. State and County level incentives remain available for development projects that meet certain thresholds, supporting further commercial real estate investment in the city.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 171,205    | 300,952    | 853,149    | 645,394    | 85,056     |
| ▼ Vacancy Rate             | 12.50%     | 12.70%     | 11.60%     | 12.10%     | 11.90%     |
| ▲ Avg NNN Asking Rate PSF  | \$23.60    | \$22.33    | \$22.16    | \$21.84    | \$22.15    |
| ▼ SF Under Construction    | 54,532     | 201,795    | 201,795    | 201,795    | 359,065    |
| ▲ Inventory SF             | 16,380,596 | 16,372,346 | 16,358,918 | 16,358,918 | 16,201,648 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                | SIZE      | SALE PRICE                  | BUYER / SELLER                            | BUILDING CLASS |
|--|-----------|-----------------------------|---|----------------|
| 1016 Woods Crossing Road<br>Greenville, SC | 27,140 SF | \$4,762,160<br>\$175.47 PSF | C. Dan Joyner<br>Woods Crossing Three LLC | Class B        |
| 15 Southern Center Court<br>Greenville, SC | 15,000 SF | \$1,750,000<br>\$116.67 PSF | Brandy Campbell<br>Reagon Realty Group    | Class B        |
| 3453 Pelham Road<br>Greenville, SC         | 8,030 SF  | \$825,000<br>\$102.74 PSF   | PCB Properties<br>Sycamore Drive LLC      | Class B        |

| TOP LEASE TRANSACTIONS BY SF           | SIZE      | LANDLORD                    | TENANT                            | TENANT INDUSTRY       |
|--|-----------|-----------------------------|-----------------------------------|-----------------------|
| 1 Research Drive<br>Greenville, SC     | 20,000 SF | Clemson University          | Soteria Battery Innovations Group | Battery Manufacturing |
| 3 Independence Point<br>Greenville, SC | 12,921 SF | The Simpson<br>Organization | Prosource                         | Industrial Supplies   |
| 201 E North Street<br>Greenville, SC   | 7,020 SF  | Kinney Hills Associates     | River Falls Spa                   | Personal Services     |



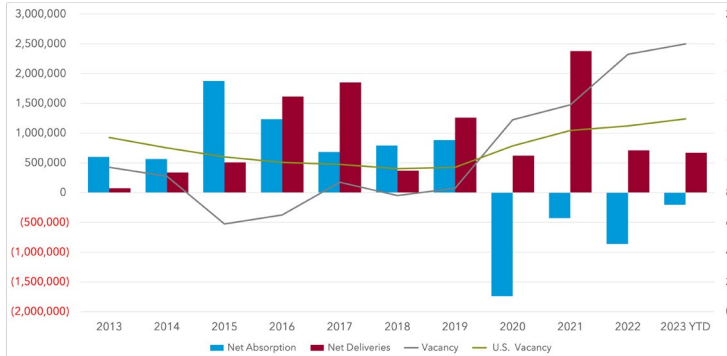
### OFFICE MARKET OVERVIEW

KYLE NEVEAU, Associate

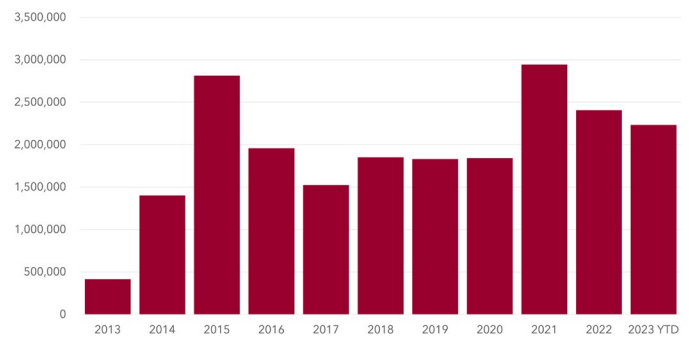
Office demand remained negative in Q1 with a net absorption deficit of 201,833 SF, bringing the last 12-month total to (663,358) SF. The net occupancy losses illustrate a broader trend within office space as occupiers continue to adapt space needs to employee preferences and worker responsibilities within the organization. Overall vacancy stands at 18.0%, an increase of 70 basis points since Q4 of 2022 and 310 basis points year-over-year. New construction activity remains elevated (2.2 MSF), with the vast majority of this space (2.1 MSF) located Downtown. Slowing tenant demand and rising vacancies are impacting investment activity, as rolling 12-month sales volume fell by more than 15% quarter-over-quarter.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022     | Q1 2022    |
|----------------------------|------------|------------|------------|-------------|------------|
| ▲ 12 Mo. Net Absorption SF | (663,358)  | (862,380)  | (640,140)  | (1,067,212) | 142,958    |
| ▲ Vacancy Rate             | 18.0%      | 17.3%      | 16.8%      | 15.9%       | 14.9%      |
| ▲ Avg NNN Asking Rate PSF  | \$29.77    | \$29.61    | \$29.33    | \$29.13     | \$28.94    |
| ▼ SF Under Construction    | 2,232,734  | 2,406,488  | 2,532,034  | 2,805,937   | 2,805,937  |
| ▲ Inventory SF             | 53,090,393 | 51,846,157 | 51,634,621 | 51,724,623  | 51,519,881 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                 | SIZE      | SALE PRICE                  | BUYER / SELLER   | BUILDING CLASS |
|---|-----------|-----------------------------|--|----------------|
| 2409 21st Avenue S<br>Nashville, TN         | 11,981 SF | \$9,062,670<br>\$229.43 PSF | Applegate Apts of Murfreesboro, et al<br>Elmington Capital Group | Class C        |
| 360 Cool Springs Boulevard<br>Nashville, TN | 7,131 SF  | \$2,900,000<br>\$406.68 PSF | Michael Nathaniel Green<br>Robeson Real Estate                   | Class C        |
| 2123 8th Avenue S<br>Nashville, TN          | 3,600 SF  | \$2,000,000<br>\$555.56 PSF | Michael J. Corcoran<br>Tennessee Chiropractic Association        | Class C        |

| TOP LEASE TRANSACTIONS BY SF       | SIZE       | LANDLORD                 | TENANT                        | TENANT INDUSTRY                                  |
|------------------------------------|------------|--------------------------|-------------------------------|--|
| 21 Platform Way S<br>Nashville, TN | 280,000 SF | Southwest Value Partners | Bass, Berry, & Sims PLC       | Legal  |
| 22 Platform Way S<br>Franklin, TN  | 140,000 SF | Southwest Value Partners | Pinnacle                      | Sporting & Athletic Equipment                    |
| 1600 W End Drive<br>Nashville, TN  | 32,000 SF  | Propst Properties        | Sherrard Roe Voigt & Harbison | Professional, Scientific, and Technical Services |





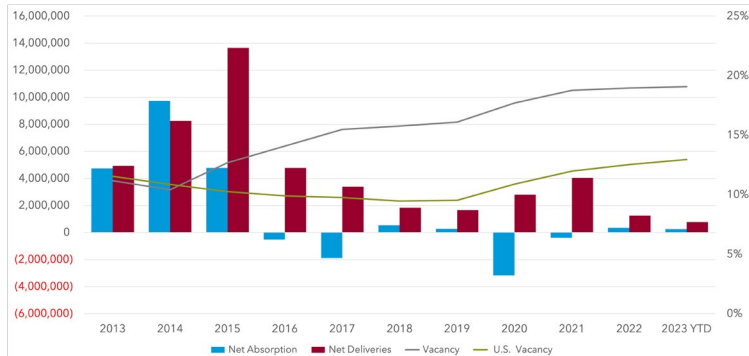
### OFFICE MARKET OVERVIEW

TRAVIS TAYLOR, *Principal*

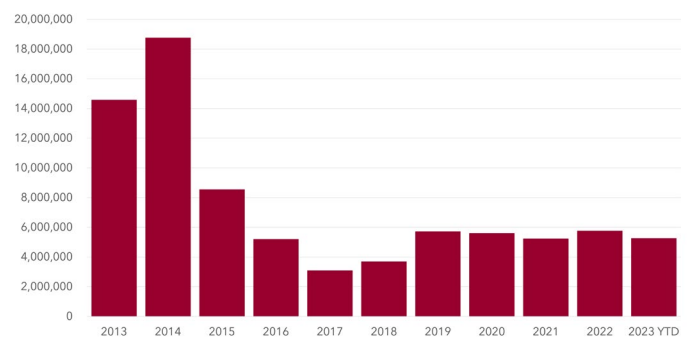
The year began with cautious optimism as hopes of building on conservative growth in 2022 lingered amidst several significant transactions. Key energy-related companies such as Kiewit Corporation and Modec International drew attention by signing large leases aligned with the shifting office trend of quality over quantity. Across the broader market, overall deal volume dipped among concerns about the economy. Large institutional real estate investors are starting to rebalance their portfolios away from office, giving opportunity buyers and foreign investment funds, a long awaited seat at the table. As economic headwinds loom large on a national scale, capital spending in the energy industry and flourishing population growth inspires optimism for the Houston economy.

| MARKET INDICATORS         | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Qtrly Net Absorption SF | (595,259)   | 346,980     | 557,213     | 1,380,130   | 956,848     |
| ▲ Vacancy Rate            | 19.1%       | 19.0%       | 18.8%       | 18.7%       | 18.5%       |
| ▲ Avg NNN Asking Rate PSF | \$28.99     | \$28.95     | \$28.94     | \$28.89     | \$28.91     |
| ▼ SF Under Construction   | 5,277,442   | 5,772,675   | 5,801,850   | 5,027,481   | 5,024,667   |
| ▲ Inventory SF            | 349,565,169 | 348,796,733 | 348,474,923 | 348,691,278 | 347,813,994 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF           | SIZE       | SALE PRICE                    | BUYER / SELLER  | BUILDING CLASS |
|---------------------------------------|------------|-------------------------------|---|----------------|
| 5847 San Felipe Street<br>Houston, TX | 980,472 SF | \$105,000,000<br>\$107.09 PSF | Sovereign Partners<br>Canada Pension Plan Investments | Class A        |
| 1701 City Plaza Drive<br>Houston, TX  | 326,800 SF | Undisclosed                   | Coventry Development Corp<br>Patrinely Geoup, LLC     | Class A        |
| 1700 City Plaza Drive<br>Houston, TX  | 149,500 SF | Undisclosed                   | Coventry Development Corp<br>Patrinely Geoup, LLC     | Class A        |

| TOP LEASE TRANSACTIONS BY SF                | SIZE       | LANDLORD                       | TENANT                                | TENANT INDUSTRY       |
|---|------------|--------------------------------|---------------------------------------|-----------------------|
| 15375 Memorial Drive<br>Houston, TX         | 116,161 SF | Mayde Creek Drive<br>Investors | MODEC International/SOFEC             | Energy Systems        |
| 585 North Dairy Ashford Road<br>Houston, TX | 105,839 SF | Spear Street Capital           | Kiewit Engineering Group, Inc.        | Energy Infrastructure |
| 4888 Loop Central Drive<br>Houston, TX      | 82,706 SF  | Griffin Partners, Inc.         | Community Health Choice Texas<br>Inc. | Healthcare Services   |



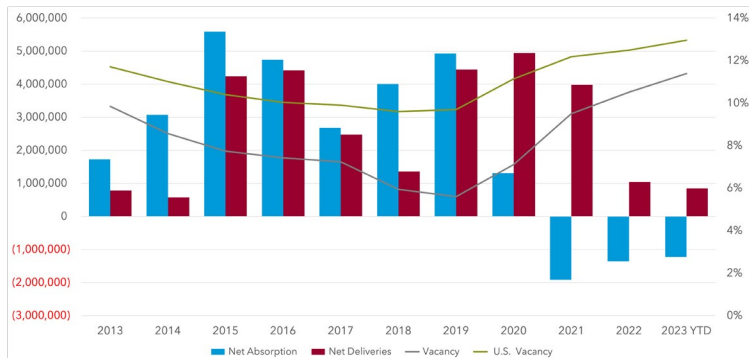
### OFFICE MARKET OVERVIEW

STREN LEA, *Vice President*

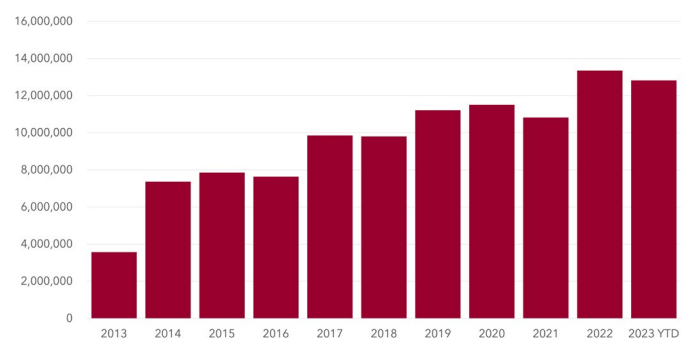
Negative absorption caused vacancies to continue to climb in Q1, approaching the 12% level not seen since the subprime crisis-era, while rent growth flattened. The largest tech employers such as Microsoft & Amazon announced additional rounds of layoffs and lease non-renewals that will be felt in coming quarters in tech submarkets. Vacancy in the tech submarkets is expected to surpass 30% in 2024. Suburban general office, medical and government sectors have remained resilient, not having been flooded with new square footage as tech submarkets had during the recent boom cycle. Sales were the lowest since Q4 2014 as buyers await the signs of a bottom and sellers are unwilling to mark down prices from recent record highs.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (1,580,689) | (1,354,480) | (212,138)   | 93,366      | 175,518     |
| ▲ Vacancy Rate             | 11.27%      | 10.52%      | 10.35%      | 10.40%      | 10.09%      |
| ▲ Avg NNN Asking Rate PSF  | \$38.38     | \$38.31     | \$38.28     | \$38.21     | \$38.06     |
| ▼ SF Under Construction    | 12,820,657  | 13,348,629  | 11,918,849  | 11,046,007  | 10,759,452  |
| ▲ Inventory SF             | 227,659,956 | 226,812,510 | 226,780,967 | 226,810,675 | 226,423,076 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF               | SIZE       | SALE PRICE                   | BUYER / SELLER   | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 11400 SE 8th Street<br>Bellevue, WA       | 111,746 SF | \$35,000,000<br>\$313.21 PSF | Felton Properties, Inc.<br>Lionstone Partners, LLC         | Class B        |
| 5200 Southcenter Boulevard<br>Tukwila, WA | 42,543 SF  | \$11,100,000<br>\$260.91 PSF | Int'l Union of Painters/Allied Trades<br>Gesa Credit Union | Class B        |
| 130 Andover Park E<br>Tukwila, WA         | 37,260 SF  | \$8,600,000<br>\$230.81 PSF  | The Carlyle Group<br>Schreck Investments, LLC              | Class B        |

| TOP LEASE TRANSACTIONS BY SF       | SIZE       | LANDLORD  | TENANT          | TENANT INDUSTRY |
|------------------------------------|------------|---|-----------------|-----------------|
| 1301 SW 16th Street<br>Renton, WA  | 107,000 SF | Unico Properties                                | Alaska Airlines | Aviation        |
| 11410 NE 122nd Way<br>Kirkland, WA | 67,500 SF  | The Roxborough Group                            | Behavior Health | Health Care     |
| 1099 Stewart Street<br>Seattle, WA | 28,479 SF  | Canada Pension Plan<br>Inv; Hudson Pacific Prop | Moderna         | Health Care     |

## RETAIL OVERVIEW: NET ABSORPTION DIPS IN THE FIRST QUARTER

Despite healthy consumer spending and strong successive quarterly merchant demand, overall net absorption for North American retail space eased in the first quarter. Net growth in the United States totaled 7.7 million SF in Q1. That was down from 22.4 million SF for the same period a year ago and off from 20.7 million in Q4 2022. The 74.8 million SF absorbed last year was the most since 2017. There have been eight straight quarters of net growth across the U.S.

Demand for Canadian retail space totaled 669,455 SF in net absorption in the first quarter, down from 1.3 million SF a year ago. Overall Q1 vacancy rates were unchanged in Canada at 2% and 4.2% in the United States.

Otherwise, supply-demand fundamentals continue to improve as new retail development activity remains minimal. Slightly more than 48 million SF of space was completed in 2022 and 66.8 million SF are underway. With about 80% of new development pre-leased, the U.S. retail market faces virtually no threat from new supply as developers and lenders continue to shy away from large spec projects. The vast majority of new construction consists of single-tenant build-to-suits or smaller ground-floor spaces in mixed-use projects.

Availability rates continued to fall across the U.S. in 2022 and ended the year at a 15-year low of 4.9%. Availabilities are now in line or lower than pre-pandemic levels across all retail segments, with the most significant contractions recorded in neighborhood and power centers thanks to strong demand from grocers, discounters, off-price merchants and experiential tenants. Fundamental tightening and rising retail sales pushed asking rents upward last year at their fastest clip in more than a decade at 4.1%, with average net asking rents closing the year at a record \$24 per SF. However, growth has been slowing and is expected to decelerate further in the coming quarter while above-average inflation will continue to weigh on the real rate of rent growth. Leasing activity continues to be driven by strong growth for smaller spaces as the average footprint for space hovers near the all-time low of just over 3,000 SF. This leasing activity is propelled by growth in store counts from quick-service brands such as Starbucks, Crumbl Cookies, Yum Brands and Restaurant Brands International, which owns BK, Tim Hortons, Popeyes and Firehouse Subs. Cellular retailers T-Mobile and AT&T also have signed for dozens of small shop space this year. Growth in larger space has been driven primarily by discounters such as Dollar Tree and Dollar General and off-price merchants TJ Maxx and Burlington.

While leasing activity has rebounded off pandemic-induced lows, activity has accelerated fastest in markets posting the most population growth and include Las Vegas, Phoenix, Fort Lauderdale, Tampa, Atlanta, Dallas and Houston. Availabilities now are lower than pre-pandemic levels within small to mid-sized centers and freestanding single-tenant properties. Conversely, available space in lifestyle centers, regional and super-regional malls is greater than before the pandemic. Despite a relatively strong retail demand environment and the highest net operating income growth since 2014, investment in retail properties trended downward in 2022 amid higher interest rates and greater economic uncertainty.

| LOWEST VACANCY RATE |      | HIGHEST MARKET RENT / SF ANNUAL |             | HIGHEST MARKET SALE PRICE / SF |           |
|---------------------|------|---------------------------------|-------------|--------------------------------|-----------|
| BC, Vancouver       | 1.1% | NY, New York*                   | \$46.32     | CA, San Francisco              | \$626     |
| ON, Toronto         | 1.6% | CA, San Francisco               | \$43.44     | BC, Vancouver                  | \$520 CAD |
| MA, Boston          | 2.6% | FL, Miami                       | \$43.44     | CA, Orange County              | \$443     |
| WA, Seattle         | 2.8% | CA, Orange County               | \$36.12     | NY, New York                   | \$434     |
| FL, Miami           | 3.0% | CA, Los Angeles                 | \$35.28     | FL, Miami                      | \$429     |
| <b>U.S. Index</b>   | 4.2% | <b>U.S. Index</b>               | \$24.00     | <b>U.S. Index</b>              | \$245     |
| <b>Canada Index</b> | 2.0% | <b>Canada Index</b>             | \$21.48 CAD | <b>Canada Index</b>            | \$337 CAD |

| MOST SF UNDER CONSTRUCTION SF |            | LARGEST INVENTORY BY SF |                | LOWEST MARKET CAP RATE |      |
|-------------------------------|------------|-------------------------|----------------|------------------------|------|
| TX, Houston                   | 5,145,621  | NY, New York*           | 627,706,461    | KS, Lawrence           | 4.1% |
| TX, Dallas-Fort Worth         | 4,278,201  | IL, Chicago             | 584,445,660    | KS, Topeka             | 4.5% |
| FL, Miami                     | 3,281,006  | TX, Dallas-Fort Worth   | 458,106,909    | CA, San Luis Obispo    | 4.9% |
| NY, New York*                 | 3,246,448  | CA, Los Angeles         | 448,190,266    | NJ, Atlantic City      | 5.2% |
| IL, Chicago                   | 2,923,247  | TX, Houston             | 427,579,491    | NJ, Trenton            | 5.3% |
| <b>U.S. Index</b>             | 66,758,179 | <b>U.S. Index</b>       | 11,902,154,940 | <b>U.S. Index</b>      | 6.7% |
| <b>Canada Index</b>           | 7,849,853  | <b>Canada Index</b>     | 802,742,020    | <b>Canada Index</b>    | 5.0% |

\* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

| MARKET              | VACANCY RATE | MARKET RENT / SF | MARKET SALE PRICE / SF | SF UNDER CONSTRUCTION | INVENTORY SF   | MARKET CAP RATE |
|---------------------|--------------|------------------|------------------------|-----------------------|----------------|-----------------|
| AB, Calgary **      | 3.6%         | \$1.69           | \$284                  | 1,855,797             | 78,407,319     | 5.8%            |
| AZ, Phoenix         | 5.1%         | \$1.92           | \$240                  | 2,713,493             | 239,814,470    | 6.5%            |
| BC, Vancouver **    | 1.1%         | \$2.11           | \$520                  | 1,128,633             | 126,710,935    | 4.1%            |
| CA, Bakersfield     | 5.0%         | \$1.56           | \$210                  | 142,567               | 33,638,249     | 6.5%            |
| CA, East Bay        | 5.2%         | \$2.72           | \$349                  | 260,661               | 124,215,915    | 5.3%            |
| CA, Fresno          | 4.0%         | \$1.50           | \$191                  | 75,279                | 48,997,149     | 6.9%            |
| CA, Inland Empire   | 6.0%         | \$2.12           | \$298                  | 999,525               | 200,690,360    | 5.7%            |
| CA, Los Angeles     | 5.3%         | \$2.94           | \$426                  | 2,001,430             | 448,190,266    | 5.2%            |
| CA, Orange County   | 4.3%         | \$3.01           | \$443                  | 108,219               | 143,445,111    | 4.9%            |
| CA, San Diego       | 4.3%         | \$2.83           | \$397                  | 528,326               | 138,653,035    | 5.4%            |
| CA, San Francisco   | 5.6%         | \$3.62           | \$626                  | 92,500                | 82,720,678     | 4.5%            |
| CA, San Luis Obispo | 3.2%         | \$2.21           | \$296                  | 64,088                | 15,445,157     | 6.0%            |
| CA, Santa Barbara   | 4.3%         | \$2.41           | \$339                  | 0                     | 25,090,948     | 6.1%            |
| CA, Stockton        | 4.6%         | \$1.72           | \$211                  | 138,891               | 30,997,098     | 6.6%            |
| CA, Ventura         | 5.3%         | \$2.28           | \$305                  | 42,671                | 42,658,195     | 5.8%            |
| CO, Denver          | 4.0%         | \$2.12           | \$272                  | 506,776               | 159,233,413    | 6.1%            |
| DC, Washington      | 4.7%         | \$2.61           | \$347                  | 1,566,246             | 266,638,510    | 6.0%            |
| FL, Fort Myers      | 3.0%         | \$1.70           | \$230                  | 204,674               | 48,899,659     | 6.4%            |
| FL, Miami           | 3.0%         | \$3.62           | \$429                  | 3,281,006             | 142,028,430    | 5.4%            |
| FL, Naples          | 3.7%         | \$2.28           | \$324                  | 114,928               | 24,002,382     | 5.4%            |
| FL, Orlando         | 3.7%         | \$2.30           | \$262                  | 2,399,036             | 152,924,170    | 6.3%            |
| GA, Atlanta         | 3.8%         | \$1.76           | \$208                  | 1,797,096             | 369,644,715    | 6.8%            |
| GA, Savannah        | 3.5%         | \$1.89           | \$213                  | 50,420                | 28,051,227     | 7.3%            |
| ID, Boise           | 3.8%         | \$1.37           | \$216                  | 655,840               | 42,198,658     | 6.3%            |
| IL, Chicago         | 5.4%         | \$1.74           | \$195                  | 2,923,247             | 584,445,660    | 7.3%            |
| IN, Indianapolis    | 3.5%         | \$1.45           | \$155                  | 358,933               | 133,623,830    | 7.7%            |
| KS, Lawrence        | 3.3%         | \$1.33           | \$186                  | 15,405                | 6,733,073      | 7.3%            |
| KS, Topeka          | 4.4%         | \$0.88           | \$132                  | 0                     | 13,499,598     | 8.6%            |
| LA, Baton Rouge     | 2.3%         | \$1.44           | \$152                  | 296,993               | 46,792,229     | 7.7%            |
| MA, Boston          | 2.6%         | \$2.25           | \$271                  | 773,082               | 248,793,984    | 6.1%            |
| MD, Baltimore       | 5.6%         | \$1.89           | \$212                  | 454,933               | 144,333,427    | 6.8%            |
| United States Index | 4.2%         | \$2.00           | \$245                  | 66,758,179            | 11,902,154,940 | 6.7%            |
| Canada Index        | 2.0%         | \$1.79**         | \$337**                | 7,849,853             | 802,742,020    | 5.0%            |

| MARKET                     | VACANCY RATE | MARKET RENT / SF | MARKET SALE PRICE / SF | SF UNDER CONSTRUCTION | INVENTORY SF   | MARKET CAP RATE |
|----------------------------|--------------|------------------|------------------------|-----------------------|----------------|-----------------|
| MI, Detroit                | 5.1%         | \$1.50           | \$136                  | 806,834               | 261,411,454    | 7.5%            |
| MN, Minneapolis            | 3.1%         | \$1.54           | \$170                  | 693,213               | 206,286,061    | 7.1%            |
| MO, Kansas City*           | 4.3%         | \$1.46           | \$167                  | 616,158               | 131,749,074    | 7.0%            |
| MO, Saint Louis            | 5.0%         | \$1.35           | \$142                  | 762,036               | 174,071,389    | 8.1%            |
| NC, Durham                 | 2.5%         | \$1.89           | \$245                  | 194,192               | 27,989,526     | 7.9%            |
| NC, Raleigh                | 2.2%         | \$2.01           | \$247                  | 1,560,164             | 76,017,918     | 6.4%            |
| NE, Lincoln                | 3.8%         | \$1.61           | \$185                  | 1,957                 | 17,082,044     | 7.0%            |
| NE, Omaha                  | 4.9%         | \$1.34           | \$152                  | 364,888               | 64,615,058     | 7.4%            |
| NJ, Atlantic City          | 6.1%         | \$1.37           | \$158                  | 13,835                | 18,229,119     | 7.3%            |
| NJ, Northern New Jersey *  | 4.6%         | \$1.94           | \$214                  | 696,166               | 136,150,514    | 6.9%            |
| NJ, Trenton                | 5.1%         | \$1.80           | \$186                  | 96,233                | 21,847,021     | 8.0%            |
| NJ, Vineland               | 4.7%         | \$1.20           | \$169                  | 3,000                 | 8,431,604      | 7.0%            |
| NV, Reno                   | 4.5%         | \$1.75           | \$213                  | 32,292                | 27,053,218     | 7.0%            |
| NY, Long Island            | 4.3%         | \$2.74           | \$324                  | 518,256               | 157,158,412    | 6.2%            |
| NY, New York *             | 4.1%         | \$3.86           | \$434                  | 3,246,448             | 627,706,461    | 5.9%            |
| OH, Cincinnati             | 6.0%         | \$1.22           | \$124                  | 536,880               | 133,153,420    | 7.9%            |
| OH, Cleveland              | 4.3%         | \$1.29           | \$116                  | 249,568               | 147,049,842    | 8.0%            |
| OH, Columbus               | 3.6%         | \$1.56           | \$158                  | 627,920               | 123,099,400    | 7.7%            |
| ON, Toronto **             | 1.6%         | \$2.09           | \$395                  | 2,538,816             | 301,426,241    | 4.5%            |
| PA, Harrisburg             | 5.3%         | \$1.37           | \$140                  | 167,707               | 35,164,595     | 7.5%            |
| PA, Lehigh Valley *        | 4.5%         | \$1.34           | \$136                  | 384,050               | 49,609,463     | 8.8%            |
| PA, Philadelphia *         | 4.4%         | \$1.78           | \$191                  | 1,156,415             | 339,040,119    | 6.9%            |
| SC, Charleston             | 3.7%         | \$1.96           | \$254                  | 672,515               | 49,329,180     | 6.4%            |
| SC, Greenville             | 3.6%         | \$1.41           | \$163                  | 188,682               | 63,514,885     | 6.9%            |
| SC, Spartanburg            | 4.1%         | \$1.10           | \$121                  | 30,888                | 26,661,035     | 8.2%            |
| TN, Nashville              | 3.3%         | \$2.30           | \$261                  | 1,270,500             | 120,707,089    | 6.0%            |
| TX, Dallas-Fort Worth      | 4.6%         | \$1.85           | \$263                  | 4,278,201             | 458,106,909    | 6.3%            |
| TX, Houston                | 4.9%         | \$1.89           | \$244                  | 5,145,621             | 427,579,491    | 6.7%            |
| WA, Seattle                | 2.8%         | \$2.40           | \$330                  | 546,996               | 179,740,737    | 5.7%            |
| WI, Madison                | 2.3%         | \$1.39           | \$156                  | 76,582                | 41,052,779     | 7.1%            |
| <b>United States Index</b> | 4.2%         | \$2.00           | \$245                  | 66,758,179            | 11,902,154,940 | 6.7%            |
| <b>Canada Index</b>        | 2.0%         | \$1.79**         | \$337**                | 7,849,853             | 802,742,020    | 5.0%            |

\* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

\*\* Numbers shown are in Canadian dollars (CAD)



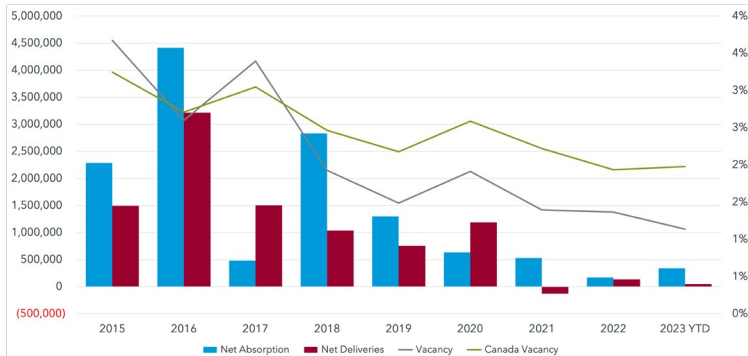
### RETAIL MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

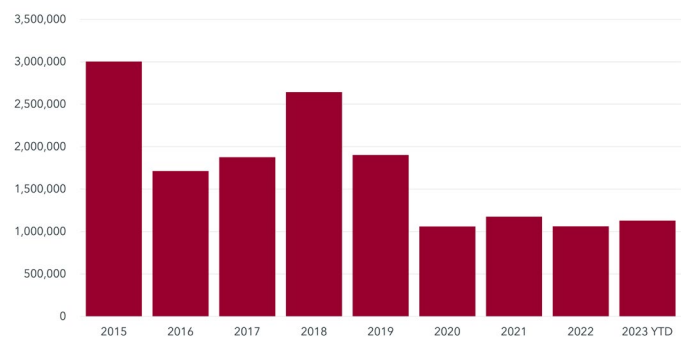
The first quarter of 2023 began with Bed, Bath & Beyond and Nordstrom's both deciding to close all Canadian operations, even though the Vancouver location was the latter's top performing store. Despite these large floor spaces being vacated, the retail industry has so far shown resilience, as there has been lots of interest in new tenants for the spaces. Large floor areas are hard to come by in Metro Vancouver, especially when vacancy remains low at 5.2%. Inflation had the largest deceleration since April 2020, and interest rates have paused, which is hopeful for players in the retail market as there is a potential for more sales, development, and consumer spending in the coming quarters.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 482,748     | 170,181     | 263,816     | 648,537     | 535,948     |
| ▼ Vacancy Rate             | 1.10%       | 1.36%       | 1.29%       | 1.21%       | 1.28%       |
| ▼ Avg NNN Asking Rate PSF  | \$34.28     | \$34.45     | \$34.42     | \$34.16     | \$33.86     |
| ▲ SF Under Construction    | 1,128,633   | 1,062,729   | 1,219,480   | 1,250,608   | 1,219,881   |
| ▲ Inventory SF             | 126,694,668 | 126,645,482 | 126,440,474 | 126,458,364 | 126,443,405 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF            | SIZE      | SALE PRICE                   | BUYER / SELLER   | BUILDING CLASS |
|--|-----------|------------------------------|--|----------------|
| 32559 Logan Avenue<br>Mission, BC      | 10,885 SF | \$3,732,500*<br>\$343.00 PSF | William Wright Commercial R.E. Svc<br>Romar Developments Ltd | Multi Tenant   |
| 8565 132nd Street<br>Surrey, BC        | 8,881 SF  | \$3,735,000*<br>\$421.00 PSF | 1401000 BC Ltd.<br>Undisclosed                               | Multi Tenant   |
| 818 20th Street<br>New Westminster, BC | 5,680 SF  | \$2,900,000*<br>\$511.00 PSF | 1120331 BC Ltd.<br>Undisclosed                               | Multi Tenant   |

\*All numbers shown are in Canadian dollars (CAD)

| TOP LEASE TRANSACTIONS BY SF           | SIZE      | LANDLORD            | TENANT                 | TENANT INDUSTRY |
|--|-----------|---------------------|------------------------|-----------------|
| 1060 Granville Street<br>Vancouver, BC | 11,442 SF | Onni                | Value Village Boutique | Second-Hand     |
| 658 Homer Street<br>Vancouver, BC      | 7,778 SF  | QuadReal & Westbank | Fogo de Chao           | Restaurant      |
| 7637 Edmonds Street<br>Burnaby, BC     | 4,979 SF  | Undisclosed         | Canadian Appliance     | Appliances      |



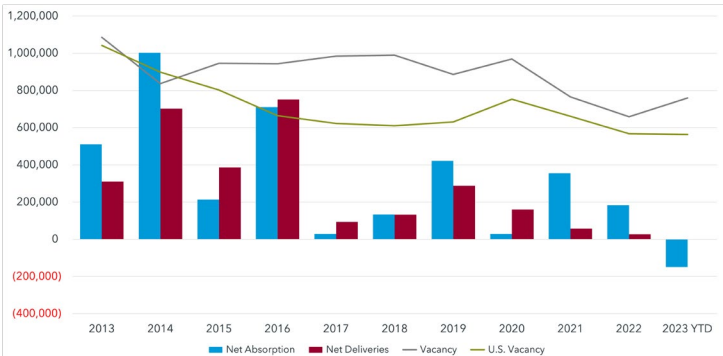
### RETAIL MARKET OVERVIEW

AMANDA WOLFF-BROCK, *Senior Vice President*

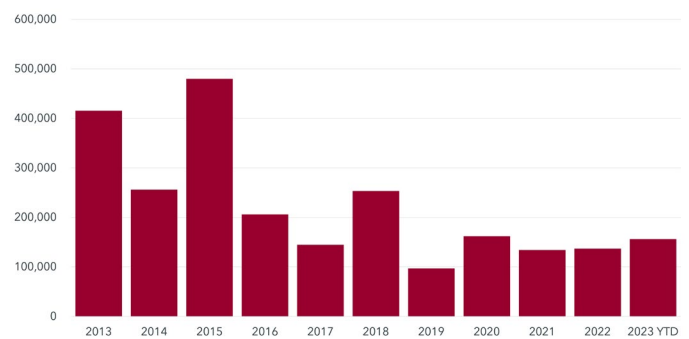
Retail rents in the Bakersfield market rose 2.9% annually during Q1 2023. Deliveries of 210,000 SF occurred over the past three years and 160,000 SF is currently underway. Vacancies are in line with the 10-year average and showed little change over the last four quarters. Bakersfield had 125 retail sales YOY, however, that proved to be the fewest over the past five years during a 12-month stretch. Investors slowed from their typical level of activity. Annual sales volume has averaged \$207 million over the past five years. YOY, \$232 million worth of retail assets sold. YOY, deals involving general retail lead annual sales, accounting for \$139 million. At 6.5%, the market cap rate is within a few basis points of the 12 month average, and on par with the US average.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | (141,882)  | 18,315     | 27,218     | (18,069)   | 155,646    |
| ▲ Vacancy Rate             | 5.05%      | 4.63%      | 4.69%      | 4.79%      | 4.65%      |
| ▲ Avg NNN Asking Rate PSF  | \$18.72    | \$18.48    | \$18.48    | \$18.36    | \$18.12    |
| ▲ SF Under Construction    | 156,334    | 137,071    | 141,216    | 117,511    | 135,784    |
| ◀ ▶ Inventory SF           | 33,686,169 | 33,686,169 | 33,689,024 | 33,694,250 | 33,663,518 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                  | SIZE      | SALE PRICE                  | BUYER / SELLER   | TENANCY TYPE  |
|--|-----------|-----------------------------|--|---------------|
| 1201 24th Street - Bldg D<br>Bakersfield, CA | 22,938 SF | \$4,140,033<br>\$180.49 PSF | Brent Cruz<br>C&C Acquisitions Group LLC               | Multi-Tenant  |
| 1501 White Lane<br>Bakersfield, CA           | 21,880 SF | \$3,724,000<br>\$170.20 PSF | Wood Investments Companies<br>99 Cents Only Stores LLC | Single-Tenant |
| 10530 Rosedale Highway<br>Bakersfield, CA    | 13,331 SF | \$1,680,000<br>\$126.02 PSF | Tulsi Life Foundation<br>Vinod Kumar                   | Multi-Tenant  |

| TOP LEASE TRANSACTIONS BY SF                   | SIZE      | LANDLORD             | TENANT        | TENANT INDUSTRY    |
|--|-----------|----------------------|---------------|--------------------|
| 6401-6465 Ming Avenue<br>Bakersfield, CA       | 29,731 SF | MD Atkinson          | Goodwill      | Retailer           |
| 4703-5021 Stockdale Highway<br>Bakersfield, CA | 10,000 SF | Dollinger Properties | Blue Fig Farm | Grocery/Restaurant |
| 9500 Brimhall Road<br>Bakersfield, CA          | 10,000 SF | David Gay            | Undisclosed   | Fitness            |



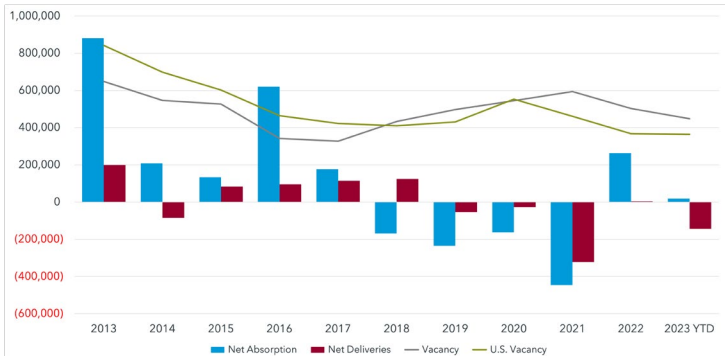
### RETAIL MARKET OVERVIEW

TREVOR GLEASON, *Senior Associate*

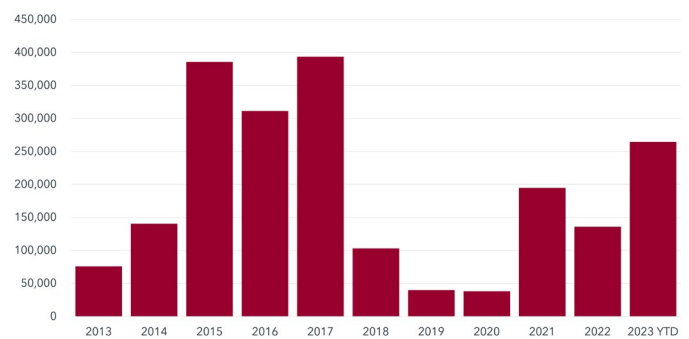
In the first quarter of 2023, the San Gabriel Valley retail market saw a notable increase in asking rates for commercial real estate properties. This is due to the high demand for retail spaces in the area, as well as the limited supply of available properties. As a result, the vacancy rate in the San Gabriel Valley has decreased, with more businesses opening their doors in the area. Additionally, landlords have become more selective in choosing tenants, as they seek to secure long-term leases with reliable and financially stable businesses. Despite the challenges posed by the COVID-19 pandemic, the SGV retail market continues to thrive and attract investors looking for prime commercial real estate opportunities,

| MARKET INDICATORS          | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    | Q4 2021    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 18,347     | (120,694)  | 210,694    | 179,951    | (6,647)    |
| ▼ Vacancy Rate             | 4.6%       | 4.8%       | 4.6%       | 4.9%       | 5.2%       |
| ▲ Avg NNN Asking Rate PSF  | \$25.94    | \$25.57    | \$24.81    | \$24.36    | \$24.83    |
| ▼ SF Under Construction    | 264,320    | 135,907    | 135,907    | 166,497    | 166,497    |
| ▼ Inventory SF             | 65,019,208 | 65,163,208 | 65,163,208 | 65,138,838 | 65,155,825 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF              | SIZE       | SALE PRICE                   | BUYER / SELLER                               | TENANCY TYPE  |
|--|------------|------------------------------|--|---------------|
| 1209 Plaza Drive<br>West Covina, CA      | 152,087 SF | \$8,700,000<br>\$57.20 PSF   | United Escrow<br>Seritage Growth Properties  | Single-Tenant |
| 1193-1231 Huntington Drive<br>Duarte, CA | 68,216 SF  | \$24,117,856<br>\$353.55 PSF | Richard W & Emily C Barrett<br>Gerrity Group | Multi-Tenant  |
| 431 E Arrow Highway<br>Glendora, CA      | 32,000 SF  | \$5,425,000<br>\$169.53 PSF  | Hai C Quach<br>Palo Plesnik                  | Single-Tenant |

| TOP LEASE TRANSACTIONS BY SF                    | SIZE      | LANDLORD                      | TENANT      | TENANT INDUSTRY |
|---|-----------|-------------------------------|-------------|-----------------|
| 19050 La Puente Road<br>West Covina, CA         | 17,200 SF | Naresh & Priti Solanki        | Undisclosed | Undisclosed     |
| 69 E Main Street<br>Alhambra, CA                | 14,557 SF | Undisclosed                   | Dollar Tree | Retail          |
| 17515-17585 Colima Road<br>City of Industry, CA | 14,519 SF | James Campbell<br>Company LLC | Undisclosed | Undisclosed     |





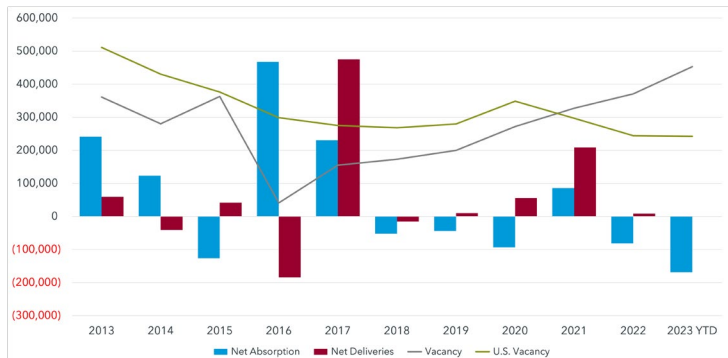
### RETAIL MARKET OVERVIEW

JODI SHOEMAKE, *Founding Principal*

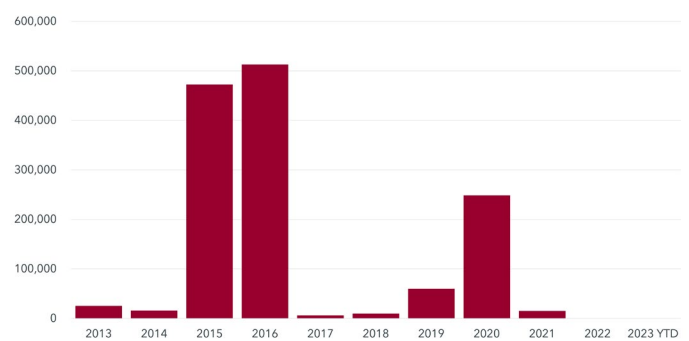
The Los Angeles - Tri Cities retail market is stable despite volatility across all markets in the region. Transaction activity is spurred by the continued return-to-work trend resulting in additional customers to restaurant and retail, and a resurgence in local tourism. Vacancy rates jumped to 5.9%, and the Tri-Cities is experiencing slightly higher than the average rental rates than Greater Los Angeles County. Net absorption increased; however, overall rents continue to remain stable year over year, a positive sign that the Tri Cities market is in good shape to weather the uncertainty of the remainder of 2023.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | (168,447)  | (73,087)   | (80,108)   | (419)      | 72,420     |
| ▲ Vacancy Rate             | 5.9%       | 5.2%       | 4.9%       | 4.6%       | 4.6%       |
| ▼ Avg NNN Asking Rate PSF  | \$35.44    | \$35.58    | \$40.35    | \$38.75    | \$38.59    |
| ◀ ▶ SF Under Construction  | -          | -          | -          | -          | -          |
| ◀ ▶ Inventory SF           | 26,383,593 | 26,383,593 | 26,383,593 | 26,383,593 | 26,383,593 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                 | SIZE       | SALE PRICE                  | BUYER / SELLER                                    | TENANCY TYPE  |
|---|------------|-----------------------------|---|---------------|
| 600 N San Fernando Boulevard<br>Burbank, CA | 221,829 SF | \$14,405,000<br>\$64.94 PSF | Crown Realty and Development<br>NETSTREIT Corp    | Multi-Tenant  |
| 228 E Burbank Boulevard<br>Burbank, CA      | 25,000 SF  | \$6,025,000<br>\$241.00 PSF | Crown Realty and Development<br>NETSTREIT Corp    | Single-Tenant |
| 1260 N Lake Avenue<br>Pasadena, CA          | 18,209 SF  | \$3,273,000<br>\$179.75 PSF | Red Mountain Retail Group, Inc.<br>Big Lots, Inc. | Single-Tenant |

| TOP LEASE TRANSACTIONS BY SF               | SIZE      | LANDLORD         | TENANT       | TENANT INDUSTRY     |
|--|-----------|------------------|--------------|---------------------|
| 531-561 N. Glendale Avenue<br>Glendale, CA | 15,340 SF | Pfk Properties   | ACE Hardware | Hardware            |
| 1264 S. Central Avenue<br>Glendale, CA     | 8,030 SF  | Ninja Jump Inc   | Asperix      | Home Goods          |
| 448 E. Colorado Boulevard<br>Pasadena, CA  | 4,950 SF  | Charlotte Wagner | PRO Boxing   | Martial Arts Supply |



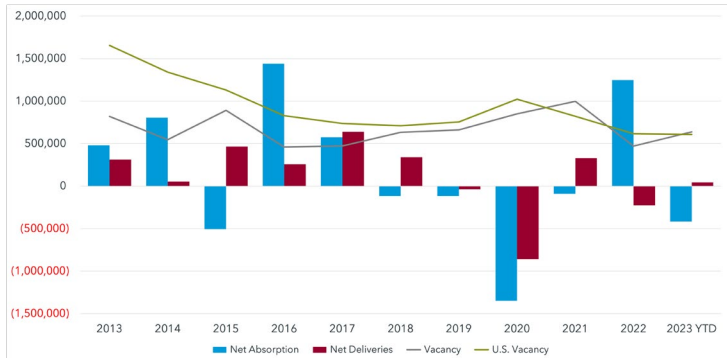
### RETAIL MARKET OVERVIEW

VICTOR AQUILINA, *Principal*

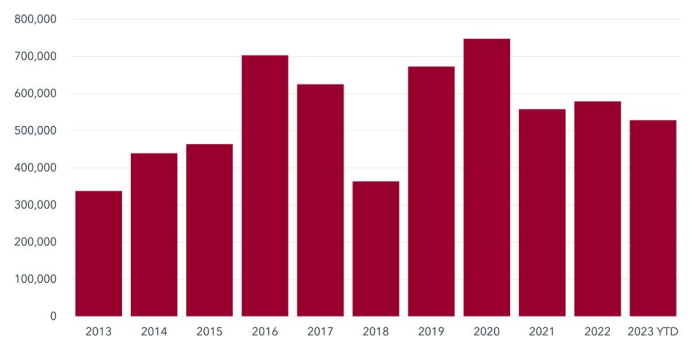
The San Diego retail market continues to stay strong through Q1, 2023. Vacancy is down 0.42% from Q1, 2022 and is currently 4.3%. In that same time period market rents have increased by 5% for a market average of \$2.83 NNN SF beating the national average of 3.7% growth over the past 12 months. Sales volumes have decreased significantly since mid-2022, due to interest rate hikes.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 580,484     | 1,246,821   | 1,140,330   | 1,435,717   | 980,240     |
| ▲ Vacancy Rate             | 4.3%        | 3.9%        | 4.2%        | 4.3%        | 4.7%        |
| ▲ Avg NNN Asking Rate PSF  | \$33.91     | \$33.25     | \$32.90     | \$32.71     | \$32.25     |
| ▼ SF Under Construction    | 528,326     | 579,043     | 537,716     | 563,857     | 543,175     |
| ▲ Inventory SF             | 138,586,740 | 138,538,714 | 138,693,896 | 138,674,968 | 138,694,780 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                   | SIZE       | SALE PRICE                   | BUYER / SELLER                                   | TENANCY TYPE  |
|---|------------|------------------------------|--|---------------|
| 200-272 E Via Rancho Parkway<br>Escondido, CA | 387,550 SF | \$19,839,177<br>\$51.19 PSF  | Steerpoint Capital<br>Unibail-Rodamco-Westfield  | Multi-Tenant  |
| 2310 Proctor Valley Road<br>Chula Vista, CA   | 52,442 SF  | \$13,350,000<br>\$254.57 PSF | Baldwin Park Plaza, LLC<br>MGP IX Properties LLC | Multi-Tenant  |
| 760 Sycamore Ave<br>Vista, CA                 | 51,000 SF  | \$6,800,000<br>\$133.33 PSF  | Lookout LLC<br>M&O Partners LP                   | Single-Tenant |

| TOP LEASE TRANSACTIONS BY SF                 | SIZE      | LANDLORD               | TENANT     | TENANT INDUSTRY |
|--|-----------|------------------------|------------|-----------------|
| 350 W San Ysidro Boulevard<br>San Ysidro, CA | 38,000 SF | Balboa Retail Partners | El Super   | Grocer          |
| 1135 Avocado Avenue<br>El Cajon, CA          | 21,440 SF | 9346 Abraham, LLC      | Rite Aid   | Pharmacy        |
| 12004 Carmel Mountain Road<br>San Diego, CA  | 14,289 SF | American Assets Trust  | Sola Salon | Hair Salon      |



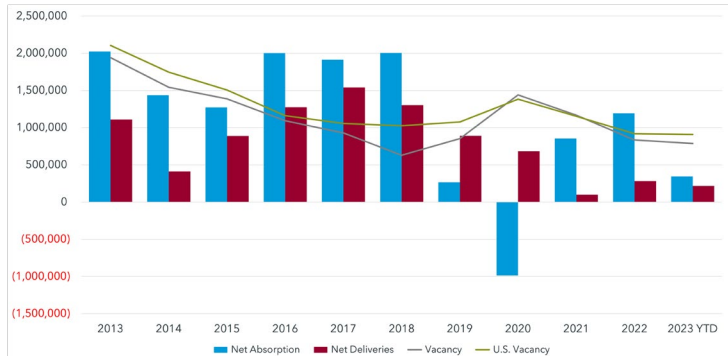
### RETAIL MARKET OVERVIEW

JEFF HALLBERG, *Principal*

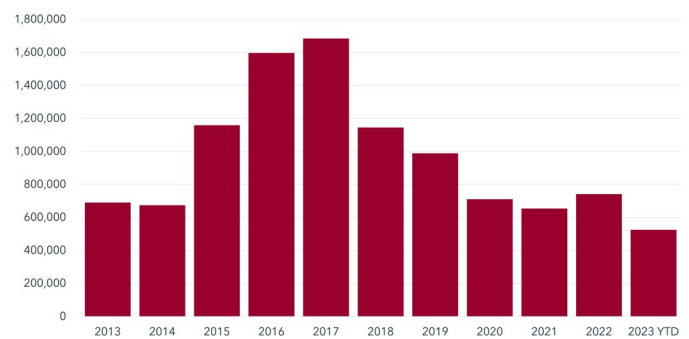
Consumer spending has been the main contributor to the Denver's retail sector's strong performance over the last few quarters. The leasing and investment markets could see a slowdown because of the rising interest rates, and high inflation that are all weighing on the market. Over the last seven quarters leasing activity has remained above average. Tenants moving in are outpacing those that are moving out. This has resulted in a year-over-year vacancy rate of 4%, which is nearing record lows. New construction projects are primarily freestanding build to suits. This lends itself to retail inventory growing at its slowest pace of the major assets classes in Denver helping to restore balance in the market.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 1,513,197   | 1,194,117   | 998,583     | 1,076,092   | 1,206,788   |
| ▼ Vacancy Rate             | 4.0%        | 4.1%        | 4.5%        | 4.6%        | 4.6%        |
| ▲ Avg NNN Asking Rate PSF  | \$25.45     | \$25.24     | \$25.01     | \$24.73     | \$24.43     |
| ▼ SF Under Construction    | 525,173     | 741,176     | 840,097     | 865,534     | 810,248     |
| ▲ Inventory SF             | 159,277,252 | 159,053,715 | 158,926,614 | 158,825,596 | 158,696,040 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                  | SIZE       | SALE PRICE                  | BUYER / SELLER   | TENANCY TYPE  |
|--|------------|-----------------------------|--|---------------|
| 8210-8385 Northfield Boulevard<br>Denver, CO | 175,000 SF | \$8,000,000<br>\$45.71 PSF  | Stockdale Capital Partners<br>Macy's                               | Single-Tenant |
| 7590 S Broadway<br>Littleton, CO             | 45,125 SF  | \$8,000,000<br>\$177.79 PSF | Ron Boyer<br>Benincasa Enterprises, LLC                            | Single-Tenant |
| 8125 Sheridan Boulevard<br>Arvada, CO        | 27,610 SF  | \$1,951,000<br>\$70.66 PSF  | Red Mountain Retail Group, Inc.<br>Red Mountain Retail Group, Inc. | Single-Tenant |

| TOP LEASE TRANSACTIONS BY SF                      | SIZE      | LANDLORD                   | TENANT      | TENANT INDUSTRY |
|---|-----------|----------------------------|-------------|-----------------|
| 2650 W Bellevue Avenue<br>Littleton, CO           | 29,962 SF | Richard Hyde               | Undisclosed | Undisclosed     |
| 24101 E Orchard Road<br>Aurora, CO                | 29,790 SF | Utah Retirement<br>Systems | Undisclosed | Undisclosed     |
| 9420-9440 N Sheridan Boulevard<br>Westminster, CO | 16,302 SF | Brixmor                    | Petco       | Retailer        |



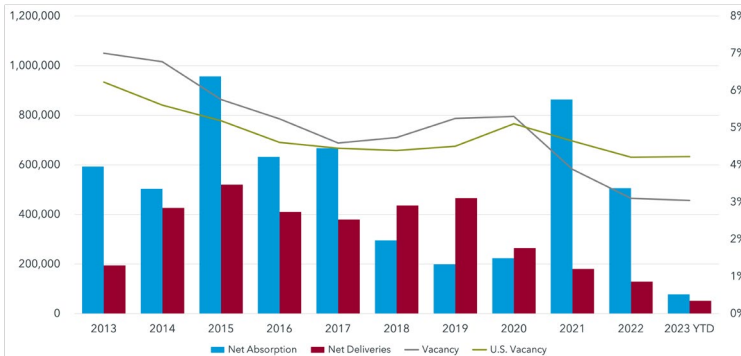
### RETAIL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

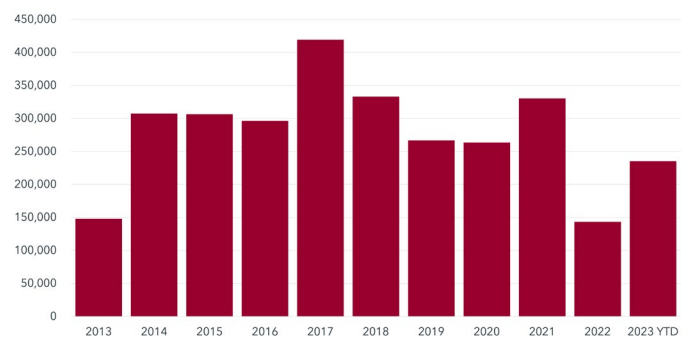
The retail market in Fort Myers showed resiliency despite the impact of Hurricane Ian and heightened economic uncertainty. The retail trade industry recorded a 1.6% year-over-year increase in employment as of February 2023. Limited new supply and steady demand for retail held vacancy at 3.1% for another quarter. New development expected mainly in the Cape Coral and Estero submarkets is only a fraction of current inventory. Overall net absorption was positive at the end of the first quarter. Seasonal tourism and job growth provided a strong base for retail fundamentals at the beginning of 2023.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 401,802    | 506,530    | 487,523    | 575,363    | 790,085    |
| ◀▶ Vacancy Rate            | 3.1%       | 3.1%       | 3.3%       | 3.8%       | 3.7%       |
| ▲ Avg NNN Asking Rate PSF  | \$20.35    | \$20.16    | \$19.93    | \$19.67    | \$19.36    |
| ▲ SF Under Construction    | 235,274    | 143,234    | 218,782    | 290,842    | 325,768    |
| ▲ Inventory SF             | 48,928,494 | 48,876,734 | 48,810,768 | 48,902,501 | 48,828,030 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                    | SIZE      | SALE PRICE                  | BUYER / SELLER  | TENANCY TYPE  |
|--|-----------|-----------------------------|---|---------------|
| 5696 Bayshore Road<br>North Fort Myers, FL     | 46,295 SF | \$6,500,000<br>\$140.40 PSF | NETSTREIT Corp.<br>Elite Estates                        | Single-Tenant |
| 601 Del Prado Boulevard N.<br>Cape Coral, FL   | 18,610 SF | \$3,800,000<br>\$204.19 PSF | Harbor Properties, Inc.<br>CC&D Holdings of Florida LLC | Multi-Tenant  |
| 16431 Corporate Commerce Way<br>Fort Myers, FL | 11,950 SF | \$8,100,000<br>\$677.82 PSF | GVW Property Holdings, LLC<br>CS Holdings-Alico LLC     | Multi-Tenant  |

| TOP LEASE TRANSACTIONS BY SF                      | SIZE      | LANDLORD                     | TENANT                  | TENANT INDUSTRY |
|---|-----------|------------------------------|-------------------------|-----------------|
| 13761 N. Cleveland Avenue<br>North Fort Myers, FL | 31,529 SF | Mimms Enterprises            | Paradise Village Market | Retailer        |
| 4300-4380 S. Cleveland Avenue<br>Fort Myers, FL   | 31,200 SF | Destiny Buildings LLC        | Highland Cabinetry      | Retailer        |
| 527 SW Pine Island Road<br>Cape Coral, FL         | 21,408 SF | Schottenstein Property Group | Undisclosed             | Retailer        |



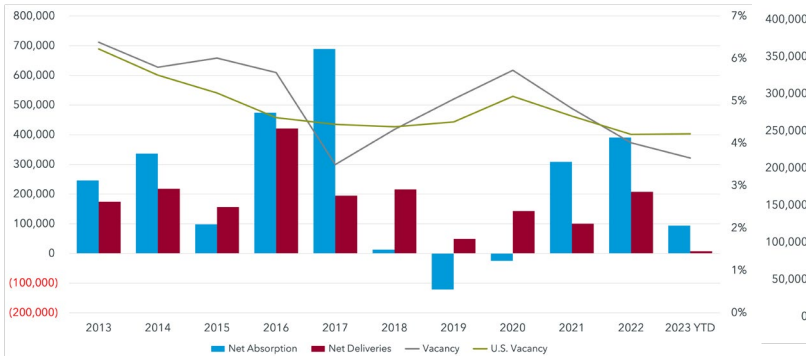
### RETAIL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

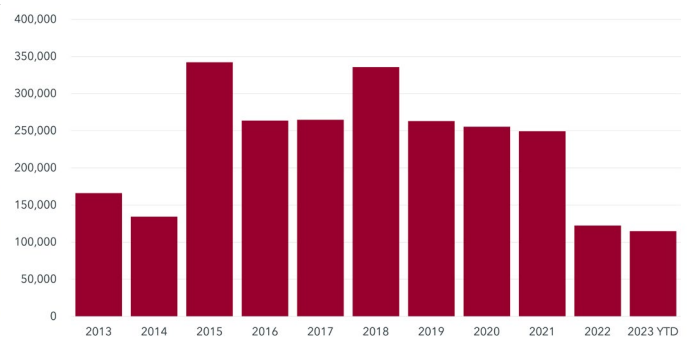
Demand for retail space in the Naples MSA slowed at the beginning of the year. Overall market vacancy recorded at 3.7%, measuring a tighter market than this time a year ago. Asking rents increased across all submarkets in Collier County. The greatest jump was recorded in Marco Island where limited availability in space gave landlords the opportunity to increase asking rents 41%. The trade area with the tightest market and largest rent premiums was the City of Naples where average rent reached a historic high of \$52.53 psf NNN. Job growth in the retail sector declined in Q1 with a mere 0.4% YOY increase in retail trade employment, for an additional 100 jobs.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 126,866    | 391,138    | 440,264    | 491,940    | 635,488    |
| ▼ Vacancy Rate             | 3.7%       | 4.0%       | 3.9%       | 4.0%       | 4.1%       |
| ▲ Avg NNN Asking Rate PSF  | \$27.34    | \$27.06    | \$26.73    | \$26.36    | \$25.92    |
| ▼ SF Under Construction    | 114,928    | 122,310    | 130,510    | 124,150    | 66,940     |
| ▲ Inventory SF             | 24,006,239 | 23,998,857 | 23,990,657 | 23,982,667 | 23,982,667 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF              | SIZE      | SALE PRICE                   | BUYER / SELLER   | TENANCY TYPE  |
|--|-----------|------------------------------|--|---------------|
| 2390 Vanderbilt Beach Road<br>Naples, FL | 26,000 SF | \$10,000,000<br>\$384.62 PSF | Villager Apartments of Titusville, et al<br>3554 NW Federal Highway, LLC | Single-Tenant |
| 6654 Collier Boulevard<br>Naples, FL     | 12,601 SF | \$6,275,000<br>\$497.98 PSF  | Bryer Properties LLC<br>Crown Holdings Group                             | Multi-Tenant  |

| TOP LEASE TRANSACTIONS BY SF               | SIZE     | LANDLORD                           | TENANT         | TENANT INDUSTRY       |
|--|----------|------------------------------------|----------------|-----------------------|
| 12703-12725 Tamiami Trail E.<br>Naples, FL | 4,824 SF | Brixmor                            | Princeton Pong | Recreation            |
| 401 5th Avenue South<br>Naples, FL         | 4,393 SF | Hoffmann Commercial<br>Real Estate | Natbank        | Financial Institution |



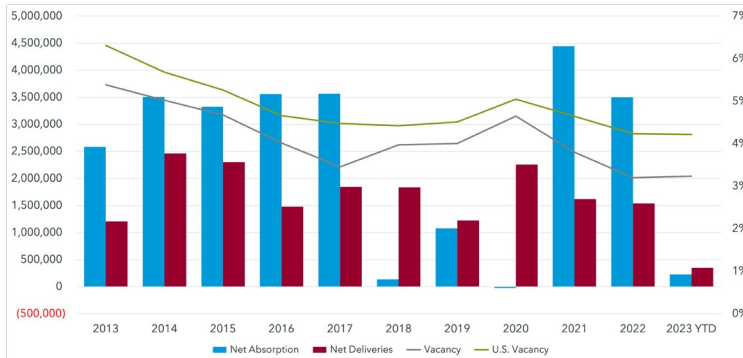
### RETAIL MARKET OVERVIEW

SHEENA SABATIER, *Marketing Director*

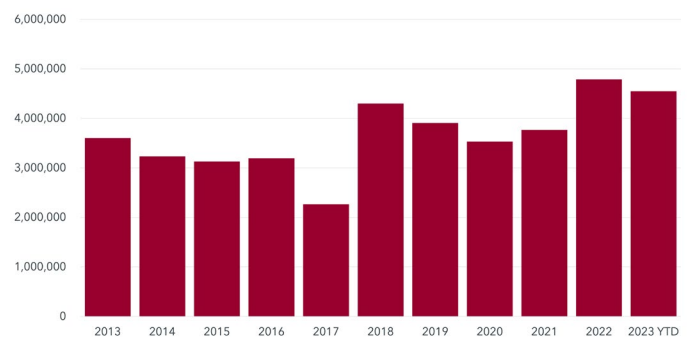
South Florida's Retail market continues to fare better than many other parts of the country, with vacancy rates holding steady at 3.1% across the three counties compared to a 4.2% nationwide average. Rental rates remain on the rise with average rents increasing in Miami-Dade County to \$43.31 PSF, Broward County to \$33.46 PSF, and Palm Beach County to \$33.59 PSF. Across the tri-county region, market cap rates have dropped to 5.5% and the average sale price has increased to \$375 PSF, though sales volume has been showing a decline over the last four consecutive quarters. New construction continues to deliver, bringing over 363,500 SF of new inventory in Q1 with over 4.5 Million SF currently underway.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 2,775,212   | 3,500,402   | 3,893,709   | 4,813,217   | 5,069,593   |
| ◀▶ Vacancy Rate            | 3.1%        | 3.1%        | 3.2%        | 3.3%        | 3.5%        |
| ▲ Avg NNN Asking Rate PSF  | \$35.97     | \$35.39     | \$34.44     | \$33.76     | \$32.53     |
| ▼ SF Under Construction    | 4,548,365   | 4,788,610   | 4,383,686   | 4,259,350   | 4,599,099   |
| ▲ Inventory SF             | 336,973,562 | 336,626,002 | 336,359,956 | 336,094,537 | 335,549,040 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                            | SIZE      | SALE PRICE                   | BUYER / SELLER  | TENANCY TYPE |
|--|-----------|------------------------------|---|--------------|
| 11300 S Military Trail<br>Golf, FL                     | 72,282 SF | \$38,867,400<br>\$537.72 PSF | Yevgeniy Yermakov<br>Stiles Retail Group                    | Multi-Tenant |
| 18401-18461 Miramar Parkway<br>Miramar, FL             | 70,288 SF | \$16,004,780<br>\$227.70 PSF | Phillips Edison & Company<br>PGIM Real Estate               | Multi-Tenant |
| 13001-13191 W Sunrise Boulevard<br>Fort Lauderdale, FL | 60,000 SF | \$13,850,000<br>\$230.83 PSF | Harvest International Investments<br>Florida Value Partners | Multi-Tenant |

| TOP LEASE TRANSACTIONS BY SF                     | SIZE      | LANDLORD                              | TENANT      | TENANT INDUSTRY |
|--|-----------|---------------------------------------|-------------|-----------------|
| 777 Isle Of Capri<br>Pompano Beach, FL           | 65,000 SF | The Cordish Co's,<br>Eldorado Resorts | Top Golf    | Recreation      |
| 10109 Southern Boulevard<br>Royal Palm Beach, FL | 38,448 SF | JBL Asset Management,<br>LLC          | El Bodegon  | Supermarket     |
| 2718 SW 28th Lane<br>Miami, FL                   | 38,400 SF | Grass River Property<br>LLC           | Club Studio | Retailer        |



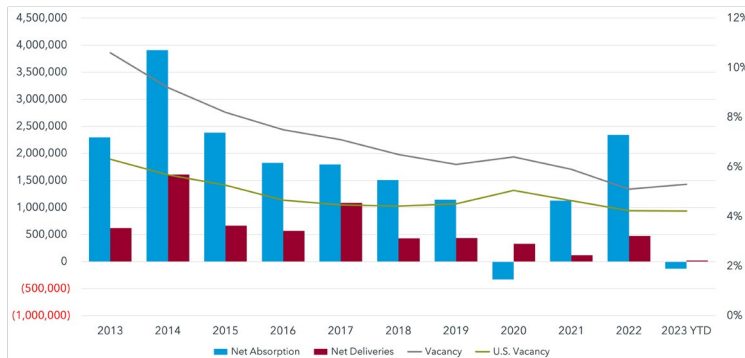
### RETAIL MARKET OVERVIEW

KATE HUNT, Senior Research Analyst

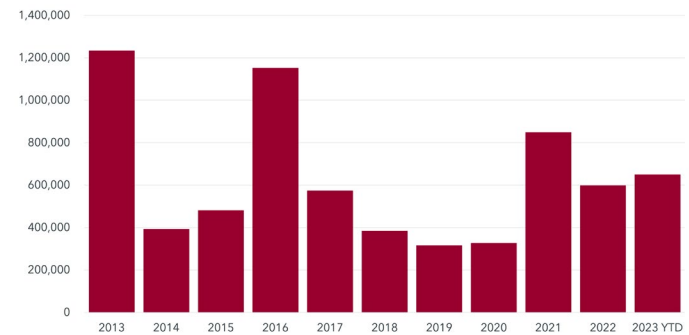
Atlanta's retail market paused in Q1 2023, recording negative absorption for the first time in nearly two years. Thanks to the region's diverse economy, favorable demographic trends, and a shortage of large-scale speculative supply, the metro's vacancy rate continues to remain historically low, at 5.3%. Over the past 12 months, retail net absorption has surpassed 1.89 MSF, while developers only delivered 20,000 SF to the market. With more employees returning to workplaces, additional foot traffic is expected to support restaurant and retail demand in population centers in and around Atlanta. Average retail asking rents have risen 8.3% year-over-year, standing at \$18.69 PSF at the end of Q1.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 1,824,662   | 2,341,341   | 2,072,144   | 2,281,741   | 1,676,042   |
| ▲ Vacancy Rate             | 5.3%        | 5.1%        | 5.4%        | 5.6%        | 5.9%        |
| ▲ Avg NNN Asking Rate PSF  | \$18.69     | \$18.48     | \$18.03     | \$17.26     | \$17.26     |
| ▲ SF Under Construction    | 650,187     | 599,056     | 491,325     | 571,325     | 571,325     |
| ▼ Inventory SF             | 185,470,081 | 185,529,895 | 185,432,791 | 185,320,791 | 185,134,520 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                     | SIZE       | SALE PRICE                   | BUYER / SELLER  | TENANCY TYPE  |
|---|------------|------------------------------|---|---------------|
| 400 Ernest W Barrett Parkway NW<br>Kennesaw, GA | 432,815 SF | \$61,038,287<br>\$141.03 PSF | Kohan Retail Investment Group<br>KeyBank                    | Multi-Tenant  |
| 5450 Peachtree Parkway<br>Norcross, GA          | 94,117 SF  | \$19,500,000<br>\$207.19 PSF | Sau Ping Kwok<br>Sterling Organization                      | Multi-Tenant  |
| 6344 Cash Court<br>Norcross, GA                 | 115,367 SF | \$15,200,000<br>\$131.75 PSF | Westcott Enterprises LLC<br>Alterman Commercial Real Estate | Single-Tenant |

| TOP LEASE TRANSACTIONS BY SF               | SIZE      | LANDLORD                         | TENANT      | TENANT INDUSTRY                  |
|--|-----------|----------------------------------|-------------|----------------------------------|
| 1605 Buford Highway<br>Buford, GA          | 49,298 SF | Liu Investments                  | AutoZone    | Automobile Parts                 |
| 2754-2792 Cumberland Blvd SE<br>Smyrna, GA | 27,968 SF | Crown Holdings Group             | Rockin Jump | Amusement & Recreation           |
| 11105 State Bridge Road<br>Alpharetta, GA  | 21,900 SF | American Management Services Inc | Vertigo     | Arts, Entertainment & Recreation |



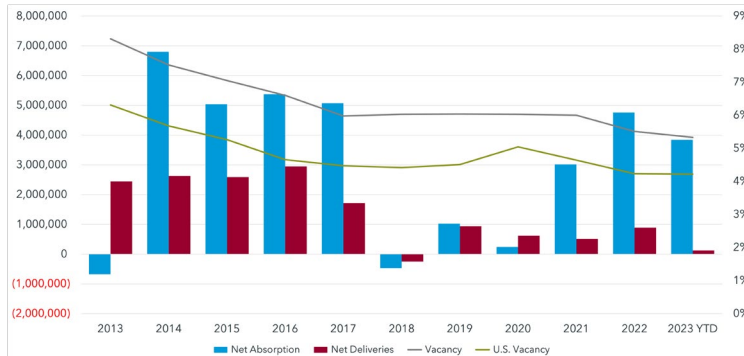
### RETAIL MARKET OVERVIEW

DAN WORDEN, *Research Analyst*

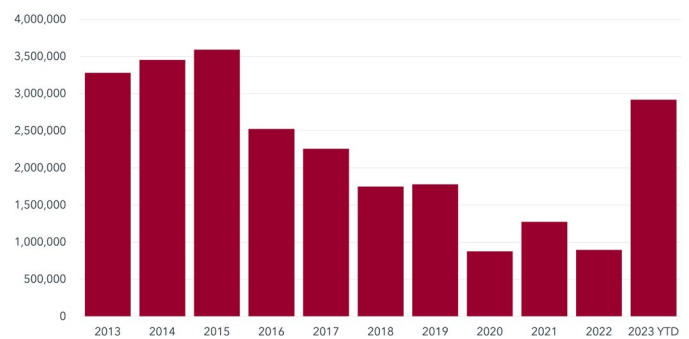
The Chicago area has actively been demolishing vacant and obsolete properties since 2017 while bringing primarily build-to-suit projects to market. In addition, local retailers are pivoting nicely to the market's increased demand for services, with discount and experiential retailers leading the pack. Demand for retail space increased by 3.9 million SF in Chicago over the past 12 months. Despite Chicago's population losses since 2018, it's recording the nation's third-largest increase in demand, behind only sunbelt population stars like Dallas and Phoenix. Over the past 12 months, Chicago rung up approximately \$4.0 billion in retail property sales - one of the market's highest annual sales volume recorded. However, this level should drop as 2023 unfolds.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 3,842,304   | 2,011,024   | 2,802,618   | 3,341,684   | 3,143,131   |
| ▼ Vacancy Rate             | 5.33%       | 5.51%       | 5.81%       | 5.83%       | 5.92%       |
| ▲ Avg NNN Asking Rate PSF  | \$20.88     | \$18.02     | \$17.86     | \$17.74     | \$17.65     |
| ▲ SF Under Construction    | 2,918,547   | 897,320     | 1,259,987   | 1,313,067   | 1,126,645   |
| ▲ Inventory SF             | 584,486,216 | 582,647,663 | 582,305,048 | 583,661,167 | 579,736,791 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF              | SIZE       | SALE PRICE                   | BUYER / SELLER                                    | TENANCY TYPE |
|--|------------|------------------------------|---|--------------|
| 2 Orland Square Drive<br>Orland Park, IL | 202,788 SF | \$4,305,000<br>\$21.23 PSF   | Cubework<br>Seritage Growth Properties            | Multi-Tenant |
| 3 Stratford Square<br>Bloomington, IL    | 163,042 SF | \$2,155,000<br>\$12.33 PSF   | Village of Bloomindale<br>Burlington Stores, Inc. | Multi-Tenant |
| 702-718 Commons Drive<br>Geneva, IL      | 132,686 SF | \$22,625,000<br>\$170.52 PSF | The Mid-America Management Corp<br>CIM Group, LP  | Multi-Tenant |

| TOP LEASE TRANSACTIONS BY SF                 | SIZE      | LANDLORD                           | TENANT                   | TENANT INDUSTRY |
|--|-----------|------------------------------------|--------------------------|-----------------|
| 7700 S. Cicero Avenue<br>Burbank, IL         | 42,765 SF | Wm 73 Re LC                        | Urban Air Adventure Park | Entertainment   |
| 101-105 N. Barrington Road<br>Schaumburg, IL | 37,000 SF | The Necessity Retail<br>REIT, Inc. | Signature Fitness        | Fitness         |
| 1745-1757 W. Fullerton Avenue<br>Chicago, IL | 35,676 SF | Mid-America Real<br>Estate Corp.   | PGA Superstore           | Retailer        |





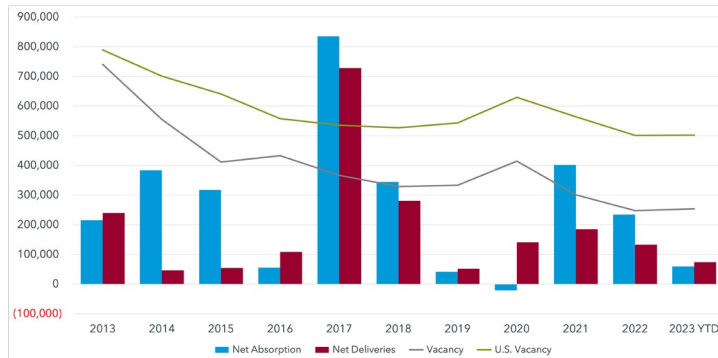
### RETAIL MARKET OVERVIEW

CHARLES LANIER, MBA, CLS, CSM, CRX, *Vice President*

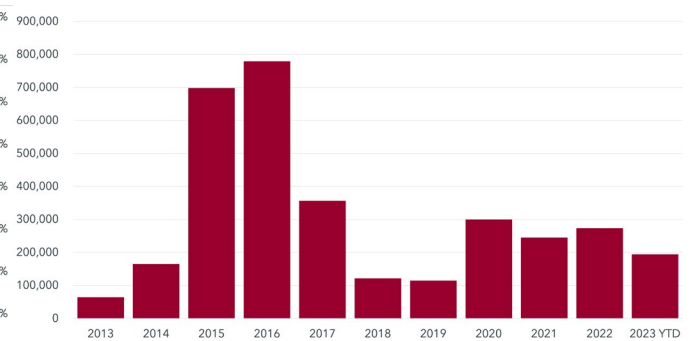
As the country frets about a possible recession, the Durham retail market remains strong with low vacancies and strong demand in the Downtown and I-40 corridors. Large tech/biomedical companies are adding jobs in the area, attracting new retailers to the market, and driving retail rents upward. Tenants are entering into bidding wars for spaces in highly desirable locations. New projects like Lata Park in north Durham, scheduled for delivery in 2024, are quoting rents in the upper \$30s and TICAM charges over \$6.50/sf are becoming more commonplace. Rents near the Streets at Southpoint are breaking the \$40/sf barrier. In the short term, vacancy rates are anticipated to remain low until more inventory is delivered to satisfy the strong demand.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 213,424    | 234,034    | 211,686    | 430,493    | 524,955    |
| ▲ Vacancy Rate             | 2.47%      | 2.43%      | 2.36%      | 2.56%      | 2.55%      |
| ▲ Avg NNN Asking Rate PSF  | \$22.63    | \$22.46    | \$22.20    | \$21.89    | \$21.53    |
| ▼ SF Under Construction    | 194,192    | 273,449    | 328,648    | 299,405    | 316,157    |
| ▲ Inventory SF             | 27,991,026 | 27,916,769 | 27,866,295 | 27,821,166 | 27,794,414 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF             | SIZE      | SALE PRICE                   | BUYER / SELLER                               | TENANCY TYPE  |
|---|-----------|------------------------------|--|---------------|
| 11 Cole Place Road<br>Chapel Hill, NC   | 19,800 SF | Undisclosed                  | GIC Real Estate<br>STORE Capital Corporation | Single-Tenant |
| 501 Washington Street<br>Durham, NC     | 18,429 SF | \$11,230,000<br>\$609.54 PSF | Ram Realty<br>Magnolia Development           | Multi-Tenant  |
| 819-823 N Miami Boulevard<br>Durham, NC | 12,500 SF | \$850,000<br>\$68.00 PSF     | Machu Pollo<br>Baklayan Vicken & Zozete      | Multi-Tenant  |

| TOP LEASE TRANSACTIONS BY SF             | SIZE      | LANDLORD        | TENANT               | TENANT INDUSTRY       |
|--|-----------|-----------------|----------------------|-----------------------|
| 100-129 Siler Xing<br>Siler City, NC     | 25,000 SF | Cai Ngo         | Kimbrell's Furniture | Wholesaler            |
| 2206-2230 N Roxboro Street<br>Durham, NC | 9,000 SF  | City Of Durham  | Advance Auto Parts   | Retailer              |
| 3500 N Roxboro Street<br>Durham, NC      | 7,564 SF  | Insite Holdings | Humana               | Finance and Insurance |



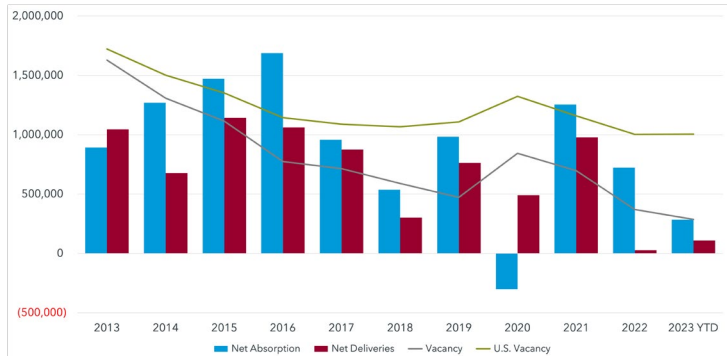
### RETAIL MARKET OVERVIEW

CHARLES LANIER, MBA, CLS, CSM, CRX, *Vice President*

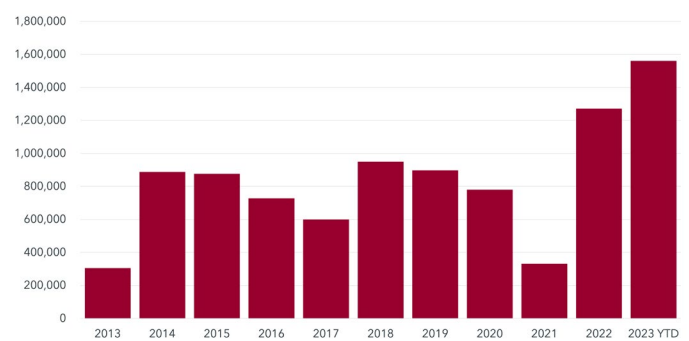
As the rest of the country frets about a possible recession, the Raleigh retail market has decided it will not be participating. Retail vacancies were at a record low of 2.0% in Q1 2023. Raleigh was ranked No. 5 U.S. job market, with many of the newer jobs focused on high-paying tech. This influx of talent and cash is attracting new retailers to the market and driving retail rents upward. Quoted rates for new projects scheduled for delivery later this year are in the mid to upper \$30s and TICAM over \$6.50/sf is becoming more commonplace. In the short term, vacancy rates are anticipated to remain low until more inventory is delivered to satisfy the strong demand.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 597,682    | 723,047    | 1,155,610  | 1,265,684  | 1,464,784  |
| ▼ Vacancy Rate             | 2.21%      | 2.44%      | 2.90%      | 2.81%      | 2.93%      |
| ▲ Avg NNN Asking Rate PSF  | \$24.09    | \$23.69    | \$23.53    | \$23.34    | \$22.96    |
| ▲ SF Under Construction    | 1,560,164  | 1,271,365  | 1,255,371  | 1,213,731  | 491,844    |
| ▲ Inventory SF             | 76,022,663 | 75,911,098 | 76,036,399 | 75,995,040 | 75,968,499 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                     | SIZE      | SALE PRICE                   | BUYER / SELLER                                      | TENANCY TYPE  |
|---|-----------|------------------------------|---|---------------|
| 3200 New Falls of the Neuse Road<br>Raleigh, NC | 75,927 SF | \$14,300,000<br>\$188.34 PSF | SVN   Real Estate Associates<br>ShopCore Properties | Multi-Tenant  |
| 1241 S Main Street<br>Wake Forest, NC           | 29,060 SF | \$1,400,000<br>\$48.18 PSF   | Villa AB 1 LLC<br>Kay B. Cash                       | Multi-Tenant  |
| 2300 US 70 Highway E<br>Garner, NC              | 28,540 SF | Undisclosed                  | GIC Real Estate<br>STORE Capital Corporation        | Single-Tenant |

| TOP LEASE TRANSACTIONS BY SF            | SIZE      | LANDLORD                          | TENANT                 | TENANT INDUSTRY |
|---|-----------|-----------------------------------|------------------------|-----------------|
| 5220 Capital Boulevard<br>Raleigh, NC   | 35,008 SF | JDR Property Corporation          | Undisclosed            | Undisclosed     |
| 7330-7550 Creedmoor Road<br>Raleigh, NC | 34,097 SF | Kimco Realty Corporation          | Painted Tree Boutiques | Retailer        |
| 1200 NW Maynard Road<br>Cary, NC        | 11,400 SF | Rhyne Management Associates, Inc. | Golden Hex             | Retailer        |



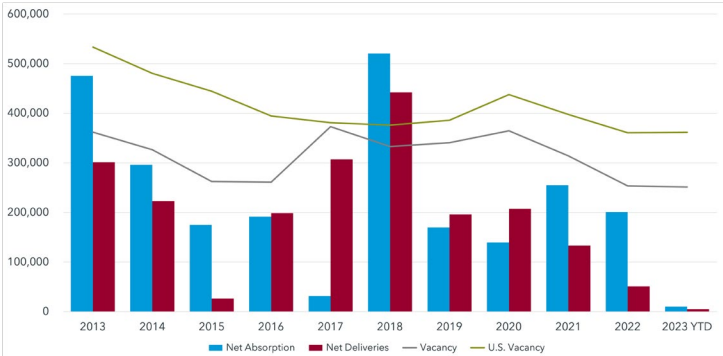
### RETAIL MARKET OVERVIEW

GRACE NEWTON, *Vice President*

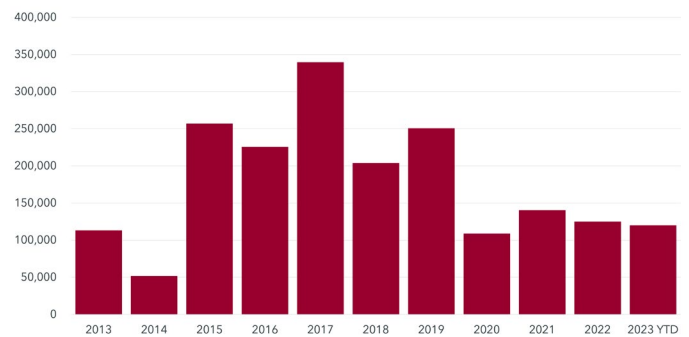
The retail market in Lincoln remains quite active from a leasing scenario. The vacancy rate stills low at 3% with many national tenants looking to enter or expand into the market. A lack of product and availability has made this a challenge. Rents have been rising over the past year due to this tight market. The net absorption in Q1 is lower than it's been in the past year. We anticipate this number to increase in the second and third quarters of 2023. Exciting projects in the downtown area including mixed-use development The Telegraph District continue to see lease signings and negotiations and are an example of local and regional tenants expanding in Nebraska.

| MARKET INDICATORS          | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    | Q4 2021    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 133,224    | 200,732    | 295,111    | 328,081    | 363,813    |
| ◀▶ Vacancy Rate            | 3.0%       | 3.0%       | 3.0%       | 3.2%       | 3.4%       |
| ▼ Avg NNN Asking Rate PSF  | \$13.93    | \$13.96    | \$13.92    | \$13.83    | \$13.72    |
| ▼ SF Under Construction    | 120,000    | 125,000    | 121,759    | 129,439    | 137,661    |
| ▲ Inventory SF             | 21,490,456 | 21,485,456 | 21,495,069 | 21,487,389 | 21,451,167 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF            | SIZE      | SALE PRICE                 | BUYER / SELLER                                      | TENANCY TYPE  |
|--|-----------|----------------------------|---|---------------|
| 1742 N 48th Street<br>Lincoln, NE      | 10,141 SF | \$1,000,000<br>\$98.61 PSF | Schafer Richardson<br>William Wood                  | Single-Tenant |
| 2311 N Cotner Boulevard<br>Lincoln, NE | 7,921 SF  | \$565,000<br>\$71.33 PSF   | Shoemaker Miller Real Estate<br>Lot Investments LLC | Single-Tenant |
| 510 Bradford Street<br>Seward, NE      | 7,200 SF  | \$177,000<br>\$24.58 PSF   | Nick Sloup<br>Indian Hills Land & Cattle Company    | Single-Tenant |

| TOP LEASE TRANSACTIONS BY SF          | SIZE     | LANDLORD            | TENANT                    | TENANT INDUSTRY                        |
|---------------------------------------|----------|---------------------|---------------------------|--|
| 6036 Havelock Avenue<br>Lincoln, NE   | 5,252 SF | Speedway Properties | Piqued Antiques and Gifts | Retail                                 |
| 2620 O Street<br>Lincoln, NE          | 4,968 SF | Speedway Properties | Fearless All-Stars        | Arts, Entertainment,<br>and Recreation |
| 630 N Cotner Boulevard<br>Lincoln, NE | 3,753 SF | LPR LLC             | Abuelita's Daycare        | Services                               |



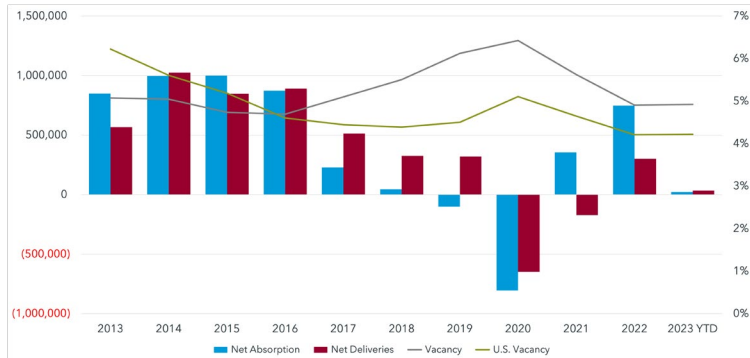
### RETAIL MARKET OVERVIEW

JORDAN POTTHOFF, *Senior Associate Broker*

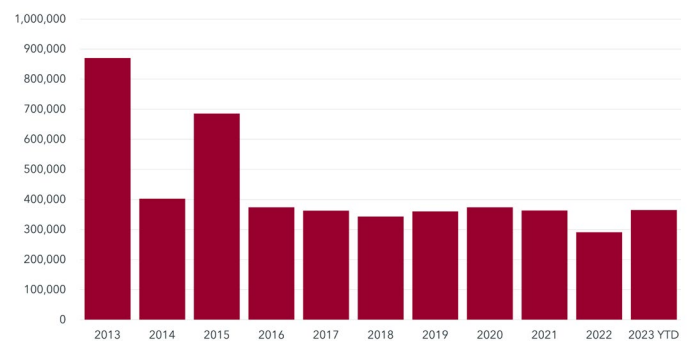
In a very active retail leasing market, construction remains where we saw it last year. This lack of inventory creates issues and has led to the vacancy rate remaining low at 4.9%. Landlords have been able to push rents and cut back on concessions as there aren't a lot of options available to tenant's after narrowing down location, budget, etc. Retail rents have grown at an average of 3% over the past three years. Buyers are on the hunt for portfolio deals to help make sense of pricing expectations because the market is so tight. All these factors only strengthen the importance of using a broker to source off-market opportunities through their connections.

| MARKET INDICATORS          | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    | Q4 2021    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 572,380    | 979,254    | 733,384    | 570,471    | 585,436    |
| ▲ Vacancy Rate             | 4.9%       | 4.6%       | 4.8%       | 5.2%       | 5.3%       |
| ▲ Avg NNN Asking Rate PSF  | \$16.09    | \$15.44    | \$15.19    | \$15.04    | \$15.02    |
| ▲ SF Under Construction    | 364,888    | 361,206    | 470,339    | 559,043    | 531,645    |
| ▲ Inventory SF             | 64,644,766 | 64,348,641 | 64,244,558 | 64,126,090 | 64,067,887 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF           | SIZE      | SALE PRICE                 | BUYER / SELLER                                   | TENANCY TYPE  |
|---------------------------------------|-----------|----------------------------|--|---------------|
| 13905-13955 S Plaza<br>Omaha, NE      | 93,946 SF | \$8,000,000<br>\$85.16 PSF | Global Quest LLC - Douglas Ruge<br>Valentino's   | Multi-Tenant  |
| 2500 S 120th Street<br>Omaha, NE      | 34,100 SF | \$985,000<br>\$28.89 PSF   | Michael S Worley<br>Nobbies                      | Single-Tenant |
| 12101-12123 Emmet Street<br>Omaha, NE | 31,168 SF | \$2,700,000<br>\$86.63 PSF | Oak Investments - John Heine<br>Tranquility, LLC | Multi-Tenant  |

| TOP LEASE TRANSACTIONS BY SF          | SIZE      | LANDLORD                        | TENANT                   | TENANT INDUSTRY |
|---------------------------------------|-----------|---------------------------------|--------------------------|-----------------|
| 8303 Spring Plaza<br>Omaha, NE        | 10,583 SF | Dale Williams                   | For the Wild Birds       | Retailer        |
| 5002-5044 S 108th Street<br>Omaha, NE | 9,552 SF  | Vacanti & Randazzo<br>Companies | Dollar Tree              | Retailer        |
| 5101-5125 S 36th Street<br>Omaha, NE  | 8,282 SF  | Gordman Properties<br>Company   | Isla Del Mar Restaurante | Restaurant      |



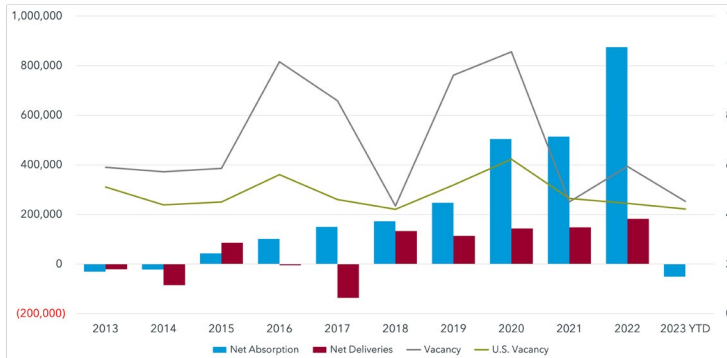
### RETAIL MARKET OVERVIEW

LYLE CHAMBERLAIN, CCIM, *President*

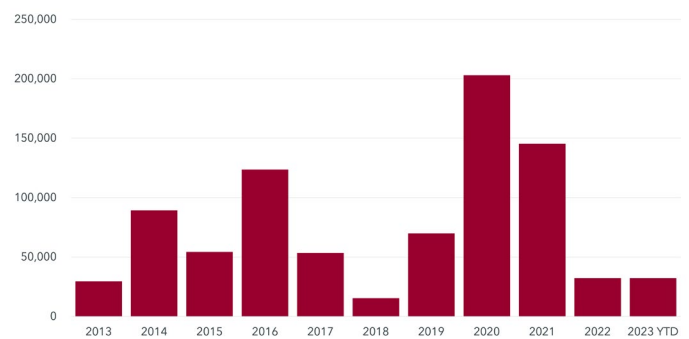
The Reno population has continued to grow, spurred by the regional job growth and the proximity to much higher priced California. The rise in interest rates has slowed, but not stopped the residential market as the rest of the equation is still in play with geographic location and the job market. This has kept the retail market in a healthy condition. Prior overdevelopment has caught up and new construction has not happened, supply seems to be adequate for the demand. With geographic conditions constraining new growth expanding outward, the expectations are continued redevelopment of existing areas to satisfy most of the upcoming needs and a continued, modest increases in pricing.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 52,498     | 172,955    | 259,482    | 108,965    | 491,798    |
| ▲ Vacancy Rate             | 4.6%       | 4.3%       | 4.7%       | 5.5%       | 4.4%       |
| ▲ Avg NNN Asking Rate PSF  | \$20.98    | \$20.71    | \$20.64    | \$20.51    | \$20.25    |
| ◀ ▶ SF Under Construction  | 32,292     | 32,292     | 44,976     | 47,813     | 113,333    |
| ◀ ▶ Inventory SF           | 27,053,218 | 27,053,218 | 27,040,534 | 27,025,697 | 26,957,177 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF              | SIZE      | SALE PRICE                    | BUYER / SELLER                             | TENANCY TYPE  |
|--|-----------|-------------------------------|--|---------------|
| 1090 Kietzke<br>Reno, NV                 | 11,641 SF | \$1,566,500<br>\$134.57 PSF   | Greg S Ricchini<br>Kietzke Holdings, LLC   | Single-Tenant |
| 124 Wonder Street<br>Reno, NV            | 6,818 SF  | \$1,540,000<br>\$225.87 PSF   | Mountain Valley Props LLC<br>Trent Schmidt | Single-Tenant |
| 1395 Big Fish Drive -Pad 6<br>Sparks, NV | 2,707 SF  | \$3,970,000<br>\$1,466.57 PSF | Gwenyth G O'Bryan<br>Larry L. Johnson      | Single-Tenant |

| TOP LEASE TRANSACTIONS BY SF       | SIZE     | LANDLORD               | TENANT            | TENANT INDUSTRY      |
|------------------------------------|----------|------------------------|-------------------|----------------------|
| 593 E Prater Way<br>Sparks, NV     | 7,083 SF | Jack Nguyen            | Rock Thrift Store | Thrift               |
| 1052 S Virginia<br>Reno, NV        | 5,200 SF | Jared Smith            | MidTown Antiques  | Collectibles         |
| 948 Victorian Avenue<br>Sparks, NV | 3,491 SF | Foote Living Llk Trust | Undisclosed       | Neighborhood C Store |



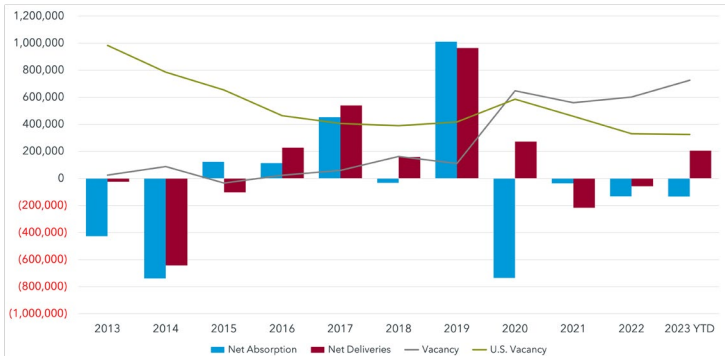
### RETAIL MARKET OVERVIEW

SARAH ORCUTT, *Director of Research*

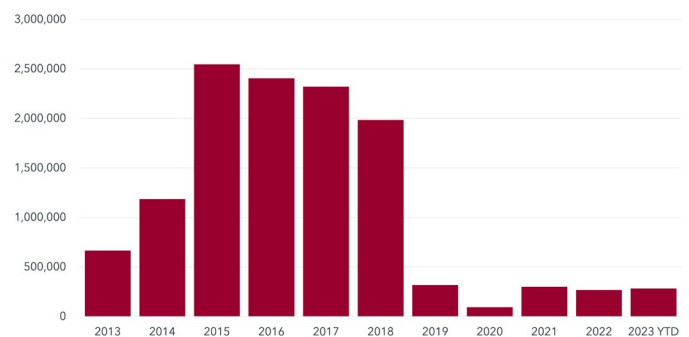
Manhattan's retail market continued its recovery into the first quarter with 293,449 square feet leased, a 36.1% increase from last quarter. The city continues to see signs of recovery from pandemic lows, with 63.3 million visitors projected to return this year and first quarter subway ridership averaging 3.1 million daily riders, up 24.1% from a year ago. Despite this momentum, the retail vacancy rate ticked up slightly to 5.5% with 12-month net absorption at negative 194,327 square feet. Retail market rents averaged \$135.21 per square foot, a 1.0% year-over-year increase. Several large retail deals were signed in the first three months of the year, with LVMH snagging the quarter's largest deal of 36,000 square feet at 6 East 57th Street, where the luxury retailer will take over the current Niketown space.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | (194,327)  | (132,734)  | 150,815    | 79,527     | 21,346     |
| ▲ Vacancy Rate             | 5.5%       | 5.1%       | 4.8%       | 5.0%       | 5.1%       |
| ▼ Avg NNN Asking Rate PSF  | \$135.21   | \$135.84   | \$135.49   | \$134.67   | \$133.84   |
| ▲ SF Under Construction    | 282,100    | 267,169    | 267,169    | 267,169    | 308,920    |
| ▲ Inventory SF             | 59,014,667 | 58,958,148 | 58,958,148 | 58,963,160 | 58,981,417 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF          | SIZE      | SALE PRICE                     | BUYER / SELLER   | TENANCY TYPE         |
|--------------------------------------|-----------|--------------------------------|--|----------------------|
| 235 West 57th Street<br>New York, NY | 28,892 SF | \$38,487,231<br>\$1,332.11 PSF | Astore Retail Condo LLC/RFR Realty<br>Astor Retail Strategic Venture/Vanbarton Grp | Multi-Tenant (Condo) |
| 155 Mercer Street<br>New York, NY    | 16,500 SF | \$60,000,000<br>\$3,636.36 PSF | Weybourne Group Limited<br>Thor Equities   | Multi-Tenant         |
| 133 Eldrige Street<br>New York, NY   | 11,078 SF | \$5,500,000<br>\$496.48 PSF    | 133 Eldrige Holdings LLC<br>Dpmenick Capobianco & Elfriede Schuselka               | Multi-Tenant         |

| TOP LEASE TRANSACTIONS BY SF       | SIZE      | LANDLORD                | TENANT         | TENANT INDUSTRY |
|------------------------------------|-----------|-------------------------|----------------|-----------------|
| 6 East 57th Street<br>New York, NY | 36,000 SF | The Trump Organization  | LVMH           | Luxury Apparel  |
| 881 Broadway<br>New York, NY       | 35,000 SF | Winter Management       | Crate & Barrel | Home Goods      |
| 555 Fifth Avenue<br>New York, NY   | 34,536 SF | Trellis Charitable Fund | Barnes & Noble | Book Store      |



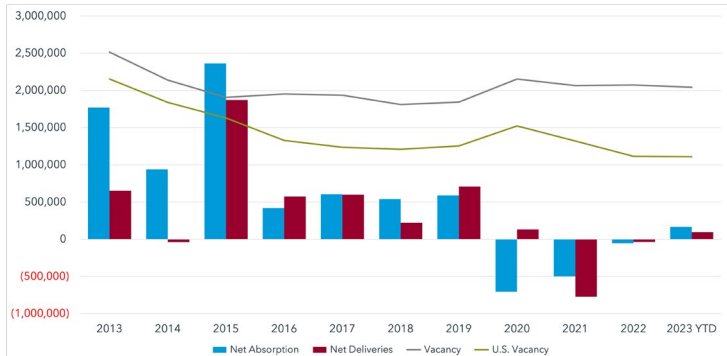
### RETAIL MARKET OVERVIEW

TC BARTOSZEK, *Senior Vice President*

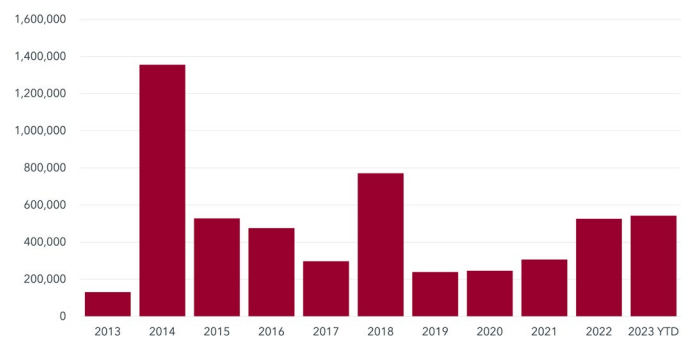
The uncertain economic and political climate has slowed down the rate at which retail was trending over the last two years. The disconnect between landlords/sellers and tenants/buyers is still a large gap. The impressive run that retail has been on over the last two to three years has left the market with extremely low vacancy, causing a decrease in activity. It appears the first half or two-thirds of this year will be a continuing struggle before an anticipated rise in action due to market stabilization.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 166,564     | (53,263)    | (188,078)   | (129,573)   | (364,036)   |
| ▼ Vacancy Rate             | 6.09%       | 6.15%       | 6.39%       | 6.25%       | 6.15%       |
| ▲ Avg NNN Asking Rate PSF  | \$14.64     | \$14.31     | \$14.11     | \$13.98     | \$13.98     |
| ▲ SF Under Construction    | 542,618     | 526,545     | 546,152     | 337,799     | 335,692     |
| ▲ Inventory SF             | 133,152,201 | 133,057,003 | 133,048,115 | 133,056,448 | 133,070,746 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF               | SIZE      | SALE PRICE                  | BUYER / SELLER   | TENANCY TYPE  |
|---|-----------|-----------------------------|--|---------------|
| 1030-1060 Hansel Avenue<br>Florence, KY   | 44,252 SF | \$6,100,000<br>\$137.85 PSF | Cloverleaf   | Multi-Tenant  |
| 24486 State Line Road<br>Lawrenceburg, IN | 20,664 SF | \$1,645,875<br>\$79.65 PSF  | Sony Empire LLC<br>Communication Industrial Dev LLC          | Multi-Tenant  |
| 8060 S Mason Montgomery Road<br>Mason, OH | 14,968 SF | \$5,593,000<br>\$47.40 PSF  | Sansalone & Associates<br>Corporate Partners Capital Grp Inc | Single-Tenant |

| TOP LEASE TRANSACTIONS BY SF                    | SIZE      | LANDLORD              | TENANT                    | TENANT INDUSTRY |
|---|-----------|-----------------------|---------------------------|-----------------|
| 5030-5096 Glencrossing Way<br>Cincinnati, OH    | 50,000 SF | Woodcrest Capital LLC | Nova Trampolines          | Retailer        |
| 7800 Montgomery Road<br>Cincinnati, OH          | 46,000 SF | Site Centers Corp     | Big Sandy Furniture Store | Retailer        |
| 4535-4633 Roosevelt Boulevard<br>Middletown, OH | 27,683 SF | Kamin Realty Company  | Michael's                 | Retailer        |



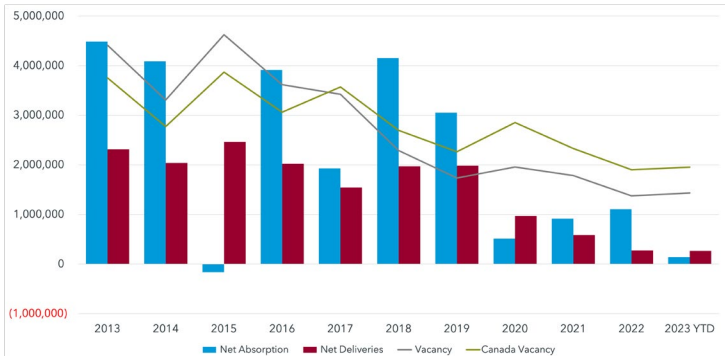
### RETAIL MARKET OVERVIEW

LUIS ALMEIDA, SIOR, *Executive Vice President, Partner*

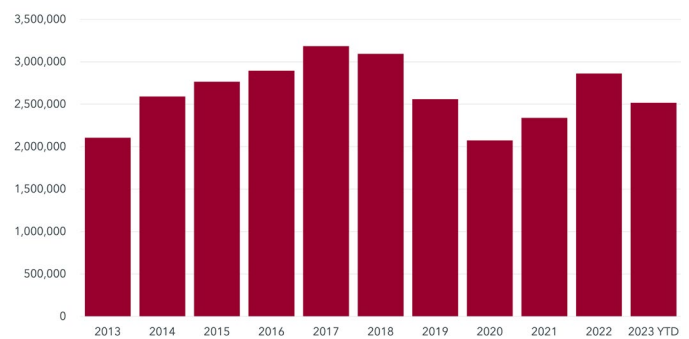
Retail in the Greater Toronto Area (GTA) is poised to recover well as we emerge from the pandemic, especially grocery-anchored retail centres. Even with the increasing CPI and interest rates, consumers will need to purchase everyday essentials making this format a preferred option for investors. Even though consumers are spending more, the effects of rising inflation and higher interest rates are impacting true growth in this sector. As the implications of higher inflation and a diminishing level of savings, consumers may slow their spending in the coming months. However, the rise in consumer prices positively affects landlords whose tenants' rents are correlated with their sales, translating into increased rent growth.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 1,261,377   | 1,106,258   | 987,998     | 1,292,459   | 786,785     |
| ◀ ▶ Vacancy Rate           | 1.60%       | 1.60%       | 1.60%       | 1.70%       | 1.90%       |
| ▲ Avg NNN Asking Rate PSF  | \$34.09     | \$34.01     | \$33.75     | \$33.36     | \$32.78     |
| ▼ SF Under Construction    | 2,543,816   | 2,861,286   | 2,831,474   | 2,592,116   | 2,367,523   |
| ▲ Inventory SF             | 301,201,876 | 300,925,682 | 300,870,244 | 300,764,167 | 300,803,637 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF             | SIZE         | SALE PRICE                     | BUYER / SELLER                              | TENANCY TYPE  |
|---|--------------|--------------------------------|---|---------------|
| Portfolio Sale Ontario                  | 3,746,535 SF | \$764,200,000*<br>\$203.98 PSF | Sycamore Partners<br>Lowe's Companies, Inc. | Multi-Tenant  |
| 5100 Erin Mills Parkway Mississauga, ON | 800,000 SF   | \$272,000,000*<br>\$340.00 PSF | The Muzzo Group<br>Ontario Pension Board    | Multi-Tenant  |
| 3757 Keele Street Toronto, ON           | 93,088 SF    | \$23,125,000*<br>\$248.42 PSF  | Nafeez Chowdhury<br>CRAFT Development Corp  | Single-Tenant |

\*All numbers shown are in Canadian dollars (CAD)

| TOP LEASE TRANSACTIONS BY SF       | SIZE      | LANDLORD                                    | TENANT                   | TENANT INDUSTRY |
|------------------------------------|-----------|---|--------------------------|-----------------|
| 1455-1457 McCowan Road Toronto, ON | 28,676 SF | Desjardins Insurance                        | Princess Auto            | Automotive      |
| 7979 Weston Road Vaughan, ON       | 23,186 SF | CPD Developments                            | Ashley HomeStore         | Home Décor      |
| 15 Canmotor Avenue Toronto, ON     | 21,109 SF | Riverside Cardiology and Diagnostic Imaging | Social Motion Media Inc. | Media           |





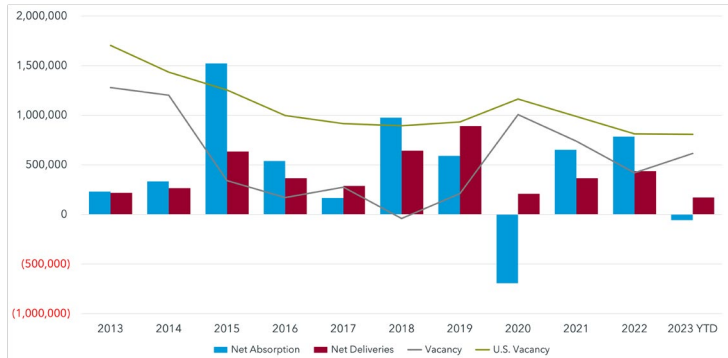
### RETAIL MARKET OVERVIEW

JUSTIN ROSS, *Vice President*

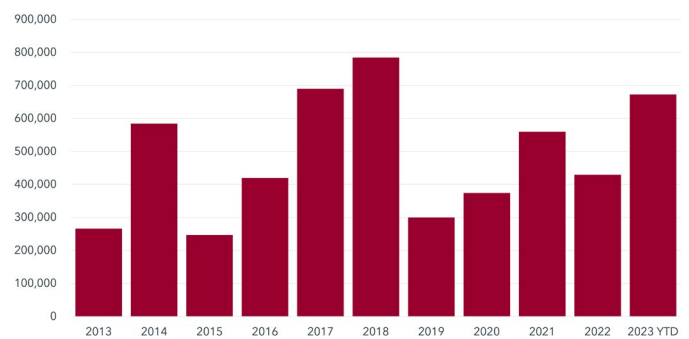
The retail consumption continues to be fueled by the growing population and tourism. The new Topgolf facility next to Tanger Outlets in North Charleston opened its doors in January. Investments continue in Charleston. About \$443 million traded hands over the last year and about 80% of sales volume involved national buyers. Average asking rents in Charleston is now over \$23.00/SF, the most expensive in the state. As new home construction, affordability, and population shifts further up away from the Charleston metro, so are the new retail developments. Berkeley and Dorchester counties both have over 100,000 SF of new retail space in the pipeline.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 756,382    | 784,560    | 846,676    | 797,669    | 545,711    |
| ▲ Vacancy Rate             | 3.6%       | 3.3%       | 3.5%       | 3.7%       | 4.0%       |
| ▲ Avg NNN Asking Rate PSF  | \$23.47    | \$23.31    | \$23.05    | \$22.77    | \$22.44    |
| ▲ SF Under Construction    | 672,515    | 429,262    | 567,477    | 648,609    | 596,771    |
| ▲ Inventory SF             | 49,303,678 | 49,130,991 | 48,976,528 | 48,752,800 | 48,765,024 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF             | SIZE      | SALE PRICE                  | BUYER / SELLER  | TENANCY TYPE  |
|---|-----------|-----------------------------|---|---------------|
| 3484 Shelby Ray Court<br>Charleston, SC | 16,000 SF | \$7,200,000<br>\$450.00 PSF | Montecito Medical Real Estate<br>National Veterinary Associates, Inc. | Single-Tenant |
| 1306 N Main Street<br>Summerville, SC   | 5,300 SF  | \$4,006,250<br>\$755.90 PSF | Woodhaven South Carolina, LLC<br>All Time High Holdings               | Single-Tenant |
| 155 King Street<br>Charleston, SC       | 6,100 SF  | \$3,375,000<br>\$553.28 PSF | King George Realty LLC<br>155 King Street LLC                         | Multi-Tenant  |

| TOP LEASE TRANSACTIONS BY SF              | SIZE      | LANDLORD                                   | TENANT       | TENANT INDUSTRY |
|---|-----------|--|--------------|-----------------|
| 705 W 5th North Street<br>Summerville, SC | 15,176 SF | Carter Rodney                              | Undisclosed  | Undisclosed     |
| 97 Church Street<br>Mount Pleasant, SC    | 14,700 SF | Geyer Morris Company                       | On The Water | Retailer        |
| 480 E Bay Street<br>Charleston, SC        | 11,308 SF | Huguenot Square LLC/<br>Clouter Creek Corp | Undisclosed  | Undisclosed     |



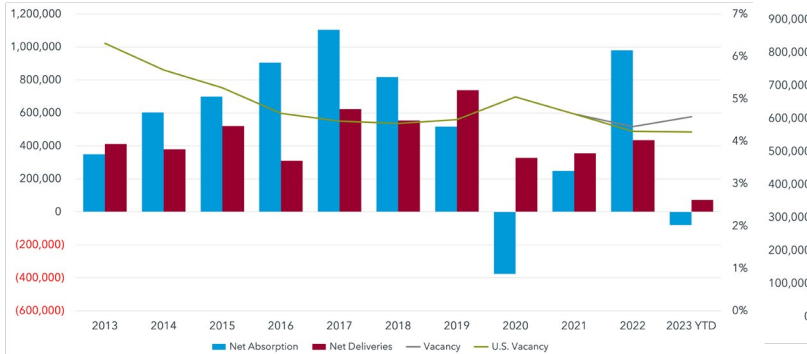
### RETAIL MARKET OVERVIEW

ANDREW HARRILL, *Broker Associate*

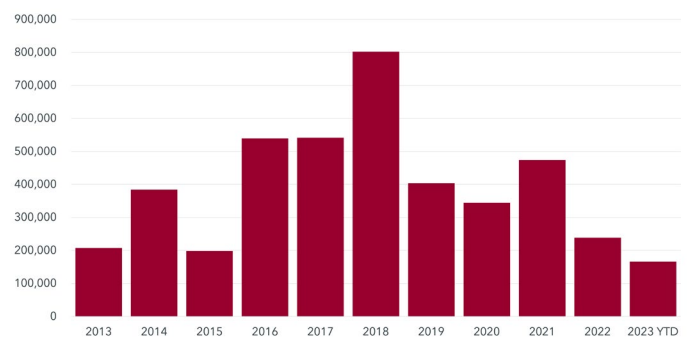
While the Greenville/Spartanburg retail market was heavily impacted by the pandemic during 2020, strengthening performance since that time has resulted in total net absorption surpassing 1.2 million square feet. Despite slightly negative absorption in Q1 of 2023, average NNN asking rents per square foot increased from \$12.06 in Q4 2022 to \$13.23 in Q1 2023, a rise of nearly 10%. Overall vacancy rose slightly in Q1, to 4.6%, an increase of 10 basis points since Q4 of 2022. The area has shown strong performance with grocers, discount retailers, and other retail services, while average annual population growth of 1.8% continues to spur additional consumer activity.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 459,164    | 979,676    | 803,686    | 734,990    | 430,438    |
| ▲ Vacancy Rate             | 4.6%       | 4.5%       | 4.5%       | 4.8%       | 5.0%       |
| ▲ Avg NNN Asking Rate PSF  | \$13.23    | \$12.06    | \$12.02    | \$11.79    | \$11.28    |
| ▼ SF Under Construction    | 166,240    | 168,368    | 199,345    | 177,181    | 354,871    |
| ▲ Inventory SF             | 67,353,638 | 67,198,404 | 66,871,399 | 66,860,063 | 66,682,373 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                      | SIZE       | SALE PRICE                  | BUYER / SELLER  | TENANCY TYPE |
|--|------------|-----------------------------|---|--------------|
| 3715 E North Street<br>Greenville, SC            | 129,287 SF | \$6,750,000<br>\$52.21 PSF  | Greenville County Library System<br>Club Forest Greenville, LLC | Multi-Tenant |
| 1 E Butler Road<br>Mauldin, SC                   | 11,336 SF  | \$5,060,000<br>\$446.37 PSF | LJS Mauldin, LLC<br>Parker Group                                | Multi-Tenant |
| 1401-1431 W Floyd Baker Boulevard<br>Gaffney, SC | 17,000 SF  | \$4,050,000<br>\$238.24 PSF | Meridian Health Services<br>Pacific West Land                   | Multi-Tenant |

| TOP LEASE TRANSACTIONS BY SF                     | SIZE      | LANDLORD                             | TENANT        | TENANT INDUSTRY |
|--|-----------|--------------------------------------|---------------|-----------------|
| 701 Easley Bridge Road<br>Greenville, SC         | 17,028 SF | Three Corners<br>Development         | The Play Café | Childcare       |
| 20 Liberty Lane<br>Greenville, SC                | 11,123 SF | Kimbrell's Furniture<br>Distributors | Elite Battles | Retailer        |
| 1036-1050 N Pleasantburg Drive<br>Greenville, SC | 5,153 SF  | Bank of America                      | Pet Supply    | Pet Care        |



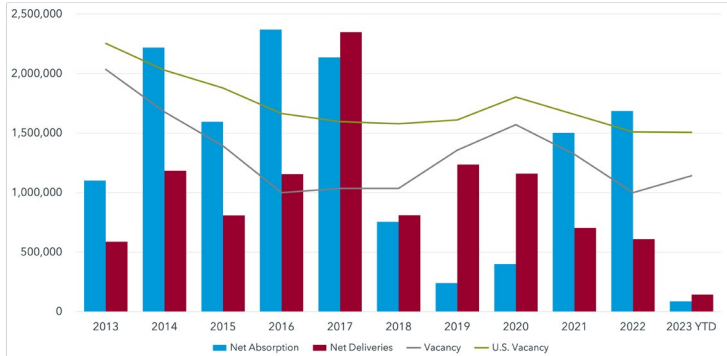
### RETAIL MARKET OVERVIEW

GAINES HANKS, *Associate*

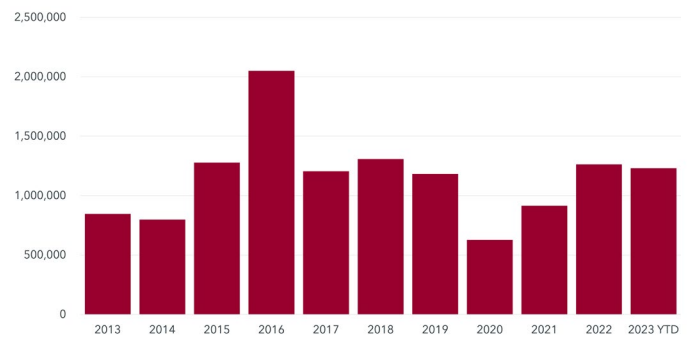
Like many sectors in the Nashville market, retail real estate has remained strong for the first part of 2023 due to positive economic and population growth. Retailers have been drawn to Nashville due to above-average household and income growth in the recent years. New construction has ticked up with the groundbreaking of the Tanger Outlets in Antioch, but the construction pipeline remains low, which has kept vacancy at historic lows as well. The combination of low vacancy and low construction starts has propelled retail rent growth in the market to one of the highest in the country, sitting at an impressive 7.6% for the past 12 months.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | 1,006,045   | 1,686,450   | 1,287,670   | 1,474,988   | 1,319,014   |
| ▲ Vacancy Rate             | 3.2%        | 2.8%        | 3.3%        | 3.4%        | 3.7%        |
| ▲ Avg NNN Asking Rate PSF  | \$23.89     | \$23.01     | \$23.08     | \$23.14     | \$22.45     |
| ▼ SF Under Construction    | 1,231,135   | 1,214,555   | 1,129,266   | 1,229,560   | 928,281     |
| ▲ Inventory SF             | 119,979,460 | 119,888,687 | 119,086,750 | 118,440,920 | 118,353,384 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF          | SIZE      | SALE PRICE                   | BUYER / SELLER                                 | TENANCY TYPE  |
|--------------------------------------|-----------|------------------------------|--|---------------|
| 105 Broadway<br>Nashville, TN        | 52,325 SF | \$30,000,000<br>\$573.34 PSF | 105 Broadway LP<br>MJM Real Estate Investments | Single-Tenant |
| 1005 Beasie Road<br>Murfreesboro, TN | 43,000 SF | \$18,025,661<br>\$419.20 PSF | Lazydays RV<br>Truist Securities               | Single-Tenant |
| 4012 Hillsboro Pike<br>Nashville, TN | 19,095 SF | \$8,500,000<br>\$445.14 PSF  | Stoltz RE Partners<br>George Morehead          | Multi-Tenant  |

| TOP LEASE TRANSACTIONS BY SF             | SIZE     | LANDLORD               | TENANT               | TENANT INDUSTRY |
|--|----------|------------------------|----------------------|-----------------|
| 855 W College Street<br>Murfreesboro, TN | 7,050 SF | Hearthstone            | Mission Point Church | Religious       |
| 4886 Port Royal Road<br>Spring Hill, TN  | 6,000 SF | Blue Ridge Investments | Whits Custard        | Restaurants     |
| 204 N Locust Avenue<br>Gallatin, TN      | 5,100 SF | Gregory Real Estate    | Statco               | Manufacturing   |



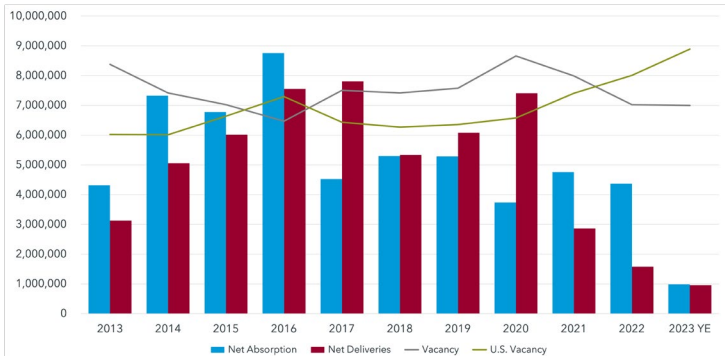
### RETAIL MARKET OVERVIEW

GRANT WALKER, *Senior Director*

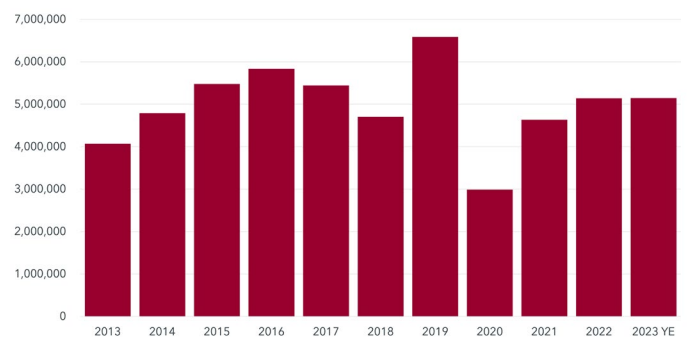
Houston's retail market is off to a strong start for 2023, especially in the employment sector. Year-over-year, February 2023 saw an increase of 148,500 in total job growth, which was 29,200 more than January 2022. Although there have been rumblings about a potential recession going back to the beginning of last year, there has been no concrete evidence in Houston's local job numbers to support the likelihood of a recession occurring. The citywide asking rates continue to climb, closing Q1 2023 at \$23.08 per square foot compared to \$21.87 per square foot at close of Q1 2022. There are no signs of this trend slowing with most economic forecasts showing rental rates almost doubling within the next five years.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 4,034,419   | 4,369,304   | 5,018,545   | 5,429,821   | 5,316,530   |
| ◀▶ Vacancy Rate            | 4.9%        | 4.9%        | 5.2%        | 5.3%        | 5.5%        |
| ▲ Avg NNN Asking Rate PSF  | \$22.71     | \$22.56     | \$22.20     | \$21.92     | \$21.64     |
| ▼ SF Under Construction    | 5,145,621   | 5,140,134   | 4,888,662   | 4,808,420   | 4,620,101   |
| ▲ Inventory SF             | 427,579,491 | 426,625,734 | 426,858,923 | 426,432,165 | 425,776,051 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                 | SIZE      | SALE PRICE  | BUYER / SELLER                               | TENANCY TYPE  |
|---|-----------|-------------|--|---------------|
| 18535 FM 1488 Road<br>Magnolia, TX          | 94,724 SF | Undisclosed | Mark Milstead<br>TriMarsh Properties, LLC    | Multi-Tenant  |
| 2421 Gulf Freeway South*<br>League City, TX | 73,605 SF | Undisclosed | GIC Real Estate<br>STORE Capital Corporation | Single-Tenant |
| 1125 Magnolia Avenue*<br>Webster, TX        | 64,917 SF | Undisclosed | GIC Real Estate<br>STORE Capital Corporation | Single-Tenant |

\*Part of portfolio

| TOP LEASE TRANSACTIONS BY SF          | SIZE      | LANDLORD                          | TENANT              | TENANT INDUSTRY                        |
|---------------------------------------|-----------|-----------------------------------|---------------------|--|
| 5319-5419 FM 1960 Road<br>Houston, TX | 41,453 SF | First National Realty<br>Partners | Undisclosed         | Big Box Retail Store                   |
| 4310 Avenue H<br>Rosenberg, TX        | 29,000 SF | Amin Noor                         | 3 Gems Event Center | Arts, Entertainment,<br>and Recreation |
| 501-521 South Mason Road<br>Katy, TX  | 28,750 SF | Global Fund<br>Investments        | Undisclosed         | Retail Store                           |



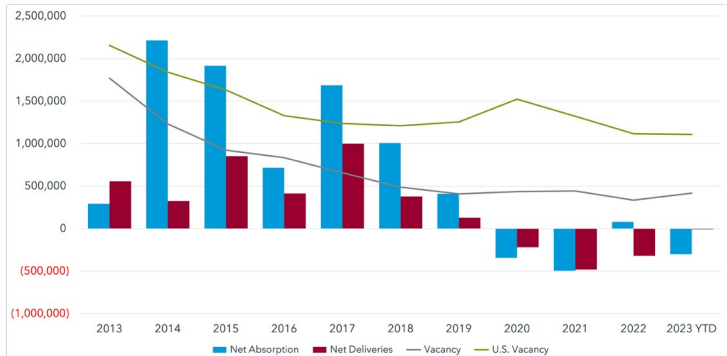
### RETAIL MARKET OVERVIEW

AMANDA HAHNEMANN, CCIM, *Senior Vice President*

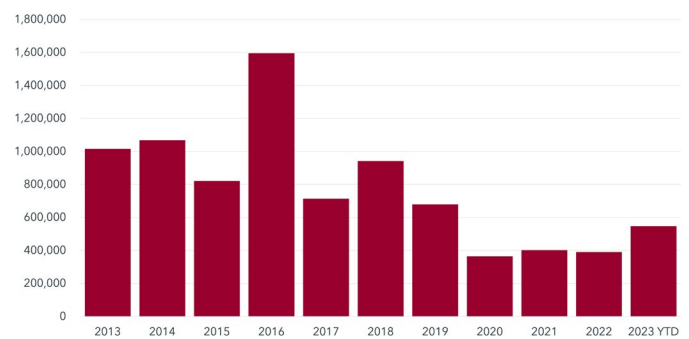
Inflation and higher interest rates continue to hamper retail leasing and sales activity. Economic concerns are causing hesitations for retailers' to commit to growth and expansion. Availability of space currently exists, with new inventory limited by construction slowdowns. Downtown retailers are still suffering from the lack of a robust office crowd. In contrast, well located, specifically experiential and service focused retail, remains strong in neighborhood markets. Moving forward, retail sales will require creativity where cash will be king and seller financing will help make deals pencil. Until desperation sales enter the market, transaction volume will be extremely low.

| MARKET INDICATORS          | Q1 2023     | Q4 2022     | Q3 2022     | Q2 2022     | Q1 2022     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (400,222)   | 79,360      | (302,648)   | (142,855)   | 31,405      |
| ▲ Vacancy Rate             | 2.82%       | 2.67%       | 2.68%       | 2.82%       | 2.61%       |
| ▲ Avg NNN Asking Rate PSF  | \$28.75     | \$28.49     | \$28.12     | \$27.96     | \$27.76     |
| ▲ SF Under Construction    | 546,996     | 389,946     | 562,007     | 613,283     | 591,079     |
| ▼ Inventory SF             | 179,748,217 | 179,756,153 | 179,573,845 | 179,665,361 | 179,774,611 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF               | SIZE       | SALE PRICE                   | BUYER / SELLER                                     | TENANCY TYPE  |
|---|------------|------------------------------|--|---------------|
| 4423-4621 S Meridian Ave*<br>Puyallup, WA | 106,350 SF | \$23,187,410<br>\$218.03 PSF | Hyperion Realty Capital<br>Guistina Resources      | Multi-Tenant  |
| 32818 1st Avenue S<br>Federal Way, WA     | 54,425 SF  | \$4,650,000<br>\$85.44 PSF   | Intracorp Homes<br>Weidner Property Management LLC | Single-Tenant |
| 2615 Broadway<br>Everett, WA              | 47,056 SF  | \$5,500,000<br>\$116.88 PSF  | Undisclosed<br>Lake & Company Real Estate          | Single-Tenant |

\*Part of 4-property Sale

| TOP LEASE TRANSACTIONS BY SF                 | SIZE      | LANDLORD                      | TENANT       | TENANT INDUSTRY                    |
|--|-----------|-------------------------------|--------------|------------------------------------|
| 4786-4790 1st Avenue S<br>Seattle, WA        | 31,687 SF | Terreno Realty                | Undisclosed  | Undisclosed                        |
| 700 Bellevue Way NE<br>Bellevue, WA          | 17,000 SF | Kemper Development<br>Company | Din Tai Fung | Accommodation and<br>Food Services |
| 19500 Alderwood Mall Parkway<br>Lynnwood, WA | 14,354 SF | Vestar                        | Undisclosed  | Undisclosed                        |



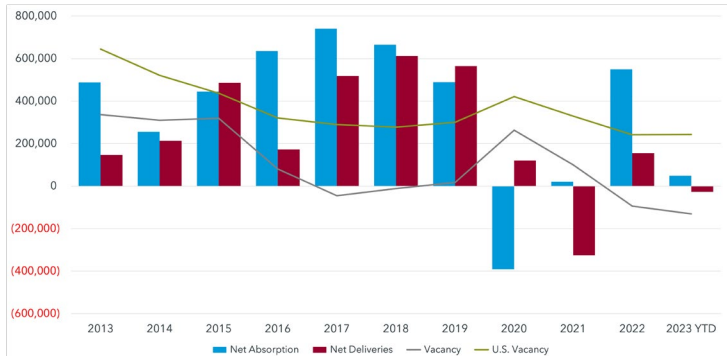
### RETAIL MARKET OVERVIEW

CAMP PERRET, Vice President

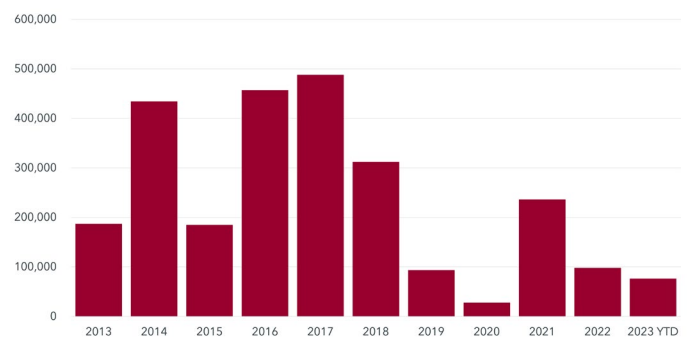
Among the 100 largest markets in the U.S., Madison's current retail vacancy rate of 2.3% is the lowest vacancy rate in the Midwest and the fourth lowest in the nation, which currently is averaging 4.2%. Limited retail inventory is pushing lease volumes down. Additionally, the lack of speculative construction, due to rising interest rates, along with six quarters of positive absorption is also affecting leasing activity. On a positive note, lack of inventory continues to push rental rates up. While leasing is declining, sales activity in the Madison retail market continues to attract record levels of investment capital due to positive market demographics.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 561,638    | 549,978    | 306,444    | 223,639    | 211,701    |
| ▼ Vacancy Rate             | 2.4%       | 2.5%       | 2.8%       | 2.9%       | 3.4%       |
| ▼ Avg NNN Asking Rate PSF  | \$16.63    | \$16.67    | \$16.62    | \$16.49    | \$16.37    |
| ▼ SF Under Construction    | 76,582     | 98,236     | 235,169    | 251,294    | 246,915    |
| ▼ Inventory SF             | 41,054,517 | 41,081,263 | 40,962,999 | 40,938,166 | 40,922,246 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                      | SIZE       | SALE PRICE                   | BUYER / SELLER  | TENANCY TYPE  |
|--|------------|------------------------------|---|---------------|
| 53 W. Towne Mall (West Town Mall)<br>Madison, WI | 110,601 SF | \$18,000,000<br>\$162.75 PSF | Fidelis Realty Partners<br>Seritage Growth Properties           | Multi-Tenant  |
| 3650 University Avenue<br>Madison, WI            | 41,786 SF  | \$12,652,622<br>\$302.80 PSF | Exchange Right Real Estate LLC<br>Flad Development & Investment | Single Tenant |
| 1209 Joseph Street<br>Dodgeville, WI             | 40,380 SF  | \$2,000,000<br>\$49.53 PSF   | McCon Building Corp<br>Lands End                                | Single Tenant |

| TOP LEASE TRANSACTIONS BY SF         | SIZE     | LANDLORD                        | TENANT                    | TENANT INDUSTRY       |
|--------------------------------------|----------|---------------------------------|---------------------------|-----------------------|
| 202 Keenan Court<br>Verona, WI       | 5,700 SF | PBJC Holdings, LLC              | Undisclosed               | Undisclosed           |
| 110 Market Street<br>Sun Prairie, WI | 4,928 SF | Guitarland Properties<br>LLC    | Guitarland Properties LLC | Retailer              |
| 2800 Sarah Lane<br>Waunakee, WI      | 4,500 SF | Woodland Crest<br>Investors LLC | Heartland Dental          | Professional Services |

## MULTIFAMILY OVERVIEW: RENT GROWTH CONTINUES TO SLOW

Demand remained tepid in the first quarter among U.S. renters growing anxious about the prospects of a recession. Rent growth continued to moderate as new apartment deliveries far outpaced absorption. First-quarter net absorption totaled 44,796 units, which was off 17% from the same period last year. The addition of nearly 100,000 deliveries in Q1 helped push the national vacancy rate up 170 basis points to 6.6%. Meanwhile, overall year-over-year rents increased 3.9%. Rent for an average apartment totaled \$1,633 per unit or \$1.84 per SF. Also influencing apartment demand is reduced fear of covid infection in crowded living arrangements. Additionally, workers returning to offices and children to classrooms have reduced the need for work and study space.

The story is different in Canada, where renters should be accustomed to tight markets. Since 2015, the overall vacancy rate has averaged 1.5% and in Q1 settled at 1.2%. Major demand for units is fueled by Canada's generous immigration policies, which will welcome an average of 476,000 new permanent residents per year through 2025. The policy's goal is to attract young, bilingual, high-skilled migrants in order to build human capital within Canada's aging workforce.

A vast majority of the newcomers live in cities. But tough rent control policies have developers shifting from building apartments to producing for-sale condominiums. Toronto and Vancouver have posted some of the highest per-capita rates of high-rise condo development in North America. After delivery of 9,929 apartments in the last year, completions this year across Canada will total more 11,800.

Sun Belt markets that dominated the growth boom in 2021 experienced the largest pullbacks in rents last year. Las Vegas and Phoenix rents suffered the largest about-face, going from more than 20% annual growth to slightly negative of the last four quarters. Rents in California's 12 largest counties are down 3.5% since peaking last August.

Midwest and Northeast markets fared better. For example, Kansas City and St. Louis posted 5.7% annual rent growth in 2022. With only 141,000 units absorbed in 2022, completions totaled 435,000 apartments and the new supply outpaced demand in each quarter. At the end of 2022 there were a record 959,000 units under construction and expected 2023 deliveries total 507,000, an all-time high, as developers struggled with material disruptions and labor shortages. With most new construction consisting of mid- and high-rise apartments, the time in the construction pipeline is two or three times longer than for garden-style and low-rise units.

Multifamily continued to be the most sought-after asset type in 2022 but there was a downturn in sales activity in eight of the last nine months. Despite the pullback in transactions, sales totaled \$227 billion with the majority of deals occurring in the first half of the year. There was a 25% decline in property trading in the last six months of 2022.

Persistent inflation and the potential for interest rates to remain elevated are affecting terminal cap rates as investors adjust their rent growth assumptions and plan their exits.

| LOWEST VACANCY RATE     |      | HIGHEST MARKET RENT / UNIT |             | HIGHEST 12 MO. SALES VOLUME |                     |
|-------------------------|------|----------------------------|-------------|-----------------------------|---------------------|
| ON, Toronto             | 0.6% | CA, San Francisco          | \$3,013     | NY, New York*               | \$11,457,422,407    |
| BC, Vancouver           | 0.8% | NY, New York*              | \$3,000     | AZ, Phoenix                 | \$11,200,022,994    |
| NY, New York*           | 2.3% | NY, Long Island            | \$2,773     | GA, Atlanta                 | \$11,164,514,829    |
| NJ, Northern New Jersey | 3.8% | MA, Boston - MA            | \$2,716     | CA, Los Angeles             | \$10,530,827,907    |
| CA, Orange County       | 4.0% | CA, Orange County          | \$2,524     | DC, Washington              | \$7,417,685,780     |
| <b>U.S. Index</b>       | 6.6% | <b>U.S. Index</b>          | \$1,646     | <b>U.S. Index</b>           | \$189,138,706,396   |
| <b>Canada Index</b>     | 1.2% | <b>Canada Index</b>        | \$1,397 CAD | <b>Canada Index</b>         | \$3,788,628,790 CAD |

| MOST UNITS UNDER CONSTRUCTION |           | LARGEST INVENTORY BY UNITS |            | LOWEST MARKET CAP RATE |      |
|-------------------------------|-----------|----------------------------|------------|------------------------|------|
| NY, New York*                 | 65,334    | NY, New York*              | 1,533,705  | BC, Vancouver          | 2.4% |
| TX, Dallas-Fort Worth         | 51,291    | CA, Los Angeles            | 1,008,705  | ON, Toronto            | 3.4% |
| GA, Atlanta                   | 36,903    | TX, Dallas-Fort Worth      | 823,398    | CA, San Francisco      | 3.5% |
| DC, Washington                | 36,540    | TX, Houston                | 678,482    | CA, Orange County      | 3.5% |
| TX, Houston                   | 34,946    | DC, Washington             | 554,830    | CA, San Diego          | 3.8% |
| <b>U.S. Index</b>             | 1,037,844 | <b>U.S. Index</b>          | 18,842,357 | <b>U.S. Index</b>      | 4.9% |
| <b>Canada Index</b>           | 51,718    | <b>Canada Index</b>        | 871,809    | <b>Canada Index</b>    | 3.6% |

\* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

| MARKET                     | VACANCY RATE | MARKET RENT / UNIT | MARKET SALE PRICE / UNIT | UNDER CONST. UNITS | INVENTORY UNITS | MARKET CAP RATE |
|----------------------------|--------------|--------------------|--------------------------|--------------------|-----------------|-----------------|
| <b>AB, Calgary **</b>      | 2.2%         | \$1,195            | \$190,132                | 5,756              | 65,710          | 4.6%            |
| <b>AZ, Phoenix</b>         | 9.1%         | \$1,568            | \$305,746                | 34,489             | 365,990         | 3.8%            |
| <b>BC, Vancouver **</b>    | 0.8%         | \$1,568            | \$421,178                | 9,962              | 129,002         | 2.4%            |
| <b>CA, Bakersfield</b>     | 4.2%         | \$1,266            | \$143,194                | 49                 | 24,615          | 5.8%            |
| <b>CA, East Bay</b>        | 7.5%         | \$2,396            | \$445,053                | 5,787              | 187,727         | 4.1%            |
| <b>CA, Fresno</b>          | 3.8%         | \$1,347            | \$167,668                | 179                | 54,864          | 5.3%            |
| <b>CA, Inland Empire</b>   | 5.3%         | \$1,977            | \$303,730                | 6,658              | 170,020         | 4.2%            |
| <b>CA, Los Angeles</b>     | 4.3%         | \$2,211            | \$423,775                | 26,910             | 1,008,705       | 3.9%            |
| <b>CA, Orange County</b>   | 4.0%         | \$2,524            | \$519,808                | 6,522              | 248,459         | 3.5%            |
| <b>CA, San Diego</b>       | 4.0%         | \$2,369            | \$453,540                | 7,744              | 273,459         | 3.8%            |
| <b>CA, San Francisco</b>   | 7.4%         | \$3,013            | \$664,330                | 8,938              | 178,467         | 3.5%            |
| <b>CA, San Luis Obispo</b> | 4.6%         | \$2,043            | \$329,859                | 288                | 7,058           | 4.3%            |
| <b>CA, Santa Barbara</b>   | 3.0%         | \$2,314            | \$395,798                | 178                | 19,572          | 3.8%            |
| <b>CA, Stockton</b>        | 6.0%         | \$1,628            | \$187,600                | 426                | 28,617          | 5.6%            |
| <b>CA, Ventura</b>         | 5.5%         | \$2,466            | \$415,401                | 451                | 35,487          | 3.8%            |
| <b>CO, Denver</b>          | 7.3%         | \$1,807            | \$363,615                | 30,087             | 280,174         | 4.1%            |
| <b>DC, Washington</b>      | 7.4%         | \$2,074            | \$344,424                | 36,540             | 554,830         | 4.5%            |
| <b>FL, Fort Myers</b>      | 6.5%         | \$1,933            | \$271,946                | 3,955              | 30,142          | 4.3%            |
| <b>FL, Miami</b>           | 5.1%         | \$2,248            | \$346,503                | 30,016             | 182,862         | 4.3%            |
| <b>FL, Naples</b>          | 10.8%        | \$2,389            | \$345,103                | 1,389              | 13,683          | 4.0%            |
| <b>FL, Orlando</b>         | 8.1%         | \$1,805            | \$275,949                | 25,633             | 201,760         | 4.1%            |
| <b>GA, Atlanta</b>         | 9.4%         | \$1,636            | \$239,567                | 36,903             | 485,958         | 4.4%            |
| <b>GA, Savannah</b>        | 6.9%         | \$1,552            | \$212,157                | 2,674              | 30,301          | 4.4%            |
| <b>ID, Boise</b>           | 8.5%         | \$1,519            | \$275,590                | 4,262              | 34,978          | 4.0%            |
| <b>IL, Chicago</b>         | 5.5%         | \$1,668            | \$244,108                | 16,808             | 543,296         | 5.5%            |
| <b>IN, Indianapolis</b>    | 8.1%         | \$1,195            | \$130,002                | 7,038              | 160,293         | 5.5%            |
| <b>KS, Lawrence</b>        | 2.5%         | \$961              | \$98,153                 | 206                | 12,015          | 6.5%            |
| <b>KS, Topeka</b>          | 9.6%         | \$834              | \$65,095                 | 0                  | 9,682           | 7.1%            |
| <b>LA, Baton Rouge</b>     | 10.6%        | \$1,115            | \$139,347                | 1,214              | 39,461          | 5.8%            |
| <b>MA, Boston</b>          | 5.1%         | \$2,716            | \$512,027                | 16,563             | 261,619         | 4.1%            |
| <b>MD, Baltimore</b>       | 6.9%         | \$1,612            | \$210,508                | 4,968              | 205,929         | 5.1%            |
| <b>United States Index</b> | 6.6%         | \$1,646            | \$261,993                | 1,037,844          | 18,842,357      | 4.9%            |
| <b>Canada Index</b>        | 1.2%         | \$1,397**          | \$266,572**              | 51,718             | 871,809         | 3.6%            |



| MARKET                           | VACANCY RATE | MARKET RENT / UNIT | MARKET SALE PRICE / UNIT | UNDER CONST. UNITS | INVENTORY UNITS | MARKET CAP RATE |
|----------------------------------|--------------|--------------------|--------------------------|--------------------|-----------------|-----------------|
| <b>MI, Detroit</b>               | 7.7%         | \$1,209            | \$112,341                | 5,046              | 226,995         | 6.0%            |
| <b>MN, Minneapolis</b>           | 7.3%         | \$1,435            | \$194,811                | 16,297             | 262,171         | 5.3%            |
| <b>MO, Kansas City*</b>          | 7.8%         | \$1,203            | \$158,462                | 8,106              | 170,714         | 5.2%            |
| <b>MO, Saint Louis</b>           | 8.7%         | \$1,157            | \$147,248                | 5,038              | 140,552         | 5.8%            |
| <b>NC, Durham</b>                | 8.1%         | \$1,513            | \$235,383                | 4,948              | 56,625          | 4.4%            |
| <b>NC, Raleigh</b>               | 9.3%         | \$1,553            | \$263,354                | 17,228             | 116,531         | 4.2%            |
| <b>NE, Lincoln</b>               | 3.8%         | \$1,070            | \$99,425                 | 1,995              | 30,896          | 6.5%            |
| <b>NE, Omaha</b>                 | 5.7%         | \$1,121            | \$113,515                | 4,891              | 79,070          | 6.0%            |
| <b>NJ, Atlantic City</b>         | 2.7%         | \$1,543            | \$146,382                | 88                 | 10,178          | 5.8%            |
| <b>NJ, Northern New Jersey *</b> | 3.8%         | \$1,974            | \$269,769                | 17,740             | 156,854         | 5.0%            |
| <b>NJ, Trenton</b>               | 3.5%         | \$1,972            | \$304,125                | 2,243              | 19,691          | 4.7%            |
| <b>NJ, Vineland</b>              | 2.5%         | \$1,238            | \$116,893                | 0                  | 3,153           | 5.7%            |
| <b>NV, Reno</b>                  | 8.1%         | \$1,515            | \$252,714                | 4,730              | 42,226          | 4.3%            |
| <b>NY, Long Island</b>           | 3.9%         | \$2,773            | \$380,643                | 3,312              | 56,035          | 4.2%            |
| <b>NY, New York *</b>            | 2.3%         | \$3,000            | \$439,770                | 65,334             | 1,533,705       | 4.2%            |
| <b>OH, Cincinnati</b>            | 6.0%         | \$1,174            | \$109,140                | 6,179              | 136,780         | 6.5%            |
| <b>OH, Cleveland</b>             | 6.5%         | \$1,103            | \$89,319                 | 3,406              | 133,209         | 7.3%            |
| <b>OH, Columbus</b>              | 6.8%         | \$1,222            | \$132,165                | 10,049             | 206,695         | 5.8%            |
| <b>ON, Toronto **</b>            | 0.6%         | \$1,514            | \$277,344                | 18,055             | 385,727         | 3.4%            |
| <b>PA, Harrisburg</b>            | 4.5%         | \$1,272            | \$142,188                | 920                | 30,393          | 5.6%            |
| <b>PA, Lehigh Valley *</b>       | 4.0%         | \$1,552            | \$170,162                | 257                | 34,441          | 5.8%            |
| <b>PA, Philadelphia *</b>        | 5.5%         | \$1,643            | \$223,774                | 22,040             | 346,867         | 5.1%            |
| <b>SC, Charleston</b>            | 9.3%         | \$1,704            | \$247,371                | 4,795              | 64,650          | 4.3%            |
| <b>SC, Greenville</b>            | 8.4%         | \$1,314            | \$188,137                | 5,620              | 48,504          | 4.8%            |
| <b>SC, Spartanburg</b>           | 14.6%        | \$1,203            | \$154,414                | 964                | 14,544          | 4.8%            |
| <b>TN, Nashville</b>             | 10.2%        | \$1,655            | \$264,390                | 22,784             | 154,089         | 4.4%            |
| <b>TX, Dallas-Fort Worth</b>     | 8.7%         | \$1,519            | \$199,432                | 51,291             | 823,398         | 4.6%            |
| <b>TX, Houston</b>               | 9.6%         | \$1,309            | \$169,920                | 34,946             | 678,482         | 5.2%            |
| <b>WA, Seattle</b>               | 6.9%         | \$1,947            | \$427,193                | 29,338             | 374,168         | 3.9%            |
| <b>WI, Madison</b>               | 2.9%         | \$1,445            | \$182,232                | 3,732              | 68,564          | 5.3%            |
| <b>United States Index</b>       | 6.6%         | \$1,646            | \$261,993                | 1,037,844          | 18,842,357      | 4.9%            |
| <b>Canada Index</b>              | 1.2%         | \$1,397**          | \$266,572**              | 51,718             | 871,809         | 3.6%            |

\* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

\*\* Numbers shown are in Canadian dollars (CAD)



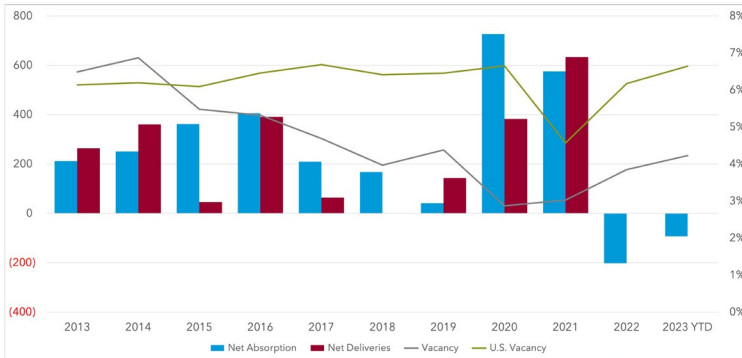
### MULTIFAMILY MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

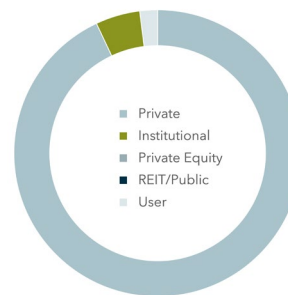
Bakersfield is primarily a SFR city with large apartment communities clustered near Downtown and scattered throughout the west and eastern suburban areas. Average rents in Bakersfield are \$1,270/unit, and rent growth has averaged 4.1% annually over the past decade. Rents have trended up 3.4% YOY and fall well short of the peak of 13.3% in early 2022. Rent growth in 2021 and 2022 drove increases up by 34.3%. Vacancy stood at 3.0% a year ago increasing to 4.2%, and lease-up for the market's new inventory has been strong. Future sales activity will likely be slow as rising interest rates limit the buying power of would-be investors, while potential sellers still expect top-of-the-market pricing.

| MARKET INDICATORS            | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 | Q1 2022 |
|------------------------------|---------|---------|---------|---------|---------|
| ▲ 12 Mo. Absorption Units    | (93)    | (118)   | (84)    | 15      | (15)    |
| ▲ Vacancy Rate               | 4.2%    | 3.9%    | 3.4%    | 3.0%    | 3.1%    |
| ▲ Asking Rent/Unit (\$)      | \$1,267 | \$1,255 | \$1,260 | \$1,246 | \$1,223 |
| ◀ ▶ Under Construction Units | 49      | 49      | 49      | 49      | 49      |
| ◀ ▶ Inventory Units          | 24,615  | 24,615  | 24,615  | 24,615  | 24,615  |

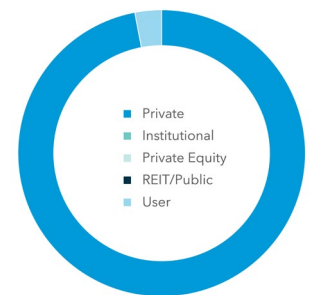
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                           | SALE PRICE                            | NUMBER OF UNITS | BUYER / SELLER  |
|---|---------------------------------------|-----------------|---|
| 5451 Norris Road<br>Bakersfield, CA             | \$30,975,434<br>\$93,019.32 Per Unit  | 333             | Springwood Court Apts LLC<br>Sequoia Affordable Family Housing LP |
| 3201 Columbus Street<br>Bakersfield, CA         | \$32,609,053<br>\$258,802.01 Per Unit | 126             | Welltower Inc<br>Holiday Retirement                               |
| Chimayo Street - Tyner Ranch<br>Bakersfield, CA | \$30,850,000<br>\$183,630.95 Per Unit | 168             | Graceada Partners<br>Hardt Investments IV, LLC                    |

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME |
|------------------------------|--------------|
| Hardt Investments IV LLC     | \$30,850,000 |
| Positive Investments, Inc    | \$7,140,000  |
| John Chiu                    | \$6,550,000  |
| Robert Montgomery            | \$5,680,000  |
| Beth Hoffman                 | \$5,350,000  |

| TOP BUYERS (PAST 12 MONTHS)   | SALES VOLUME |
|-------------------------------|--------------|
| Sentinel Rock Realty Trust    | \$30,850,000 |
| Pro Residential Services, Inc | \$7,140,000  |
| Rudy Rezzadeh                 | \$6,550,000  |
| Xiangyu Wang                  | \$6,050,001  |
| Matt Denio                    | \$5,350,000  |



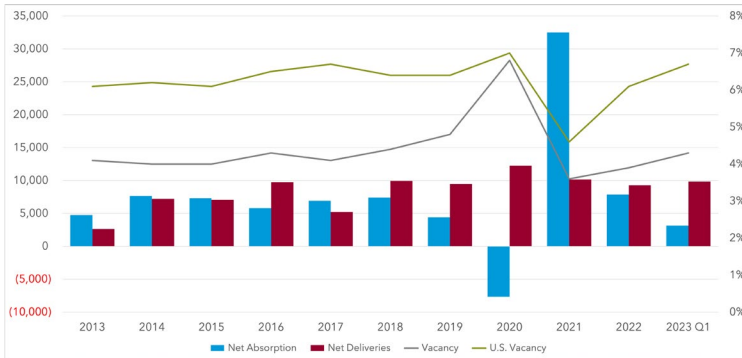
### MULTIFAMILY MARKET OVERVIEW

WARREN BERZACK, *National Director of Multifamily*

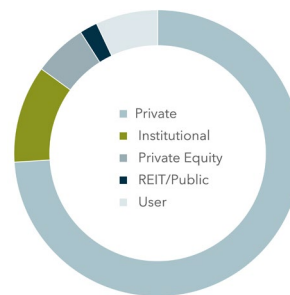
Los Angeles apartment market conditions provide mixed signals. Several data points suggest a stabilized market in 2023. Rents, which saw slight declines, reached a floor in early December. Renter demand has improved in recent months compared to negative net absorption witnessed late last year. While property managers are providing more generous incentives than a year ago, only around 20% offering concessions, has held steady since October 2022. On a market-wide basis, 4.3% vacancy, continues to increase, up from a recent low of 3.4% in 22Q1. Both demand and supply have precipitated the increase. Renters grew cautious last year as inflation reached decades-high levels and greater economic uncertainty surfaced.

| MARKET INDICATORS          | Q1 2023   | Q4 2022   | Q3 2022 | Q2 2022 | Q1 2022 |
|----------------------------|-----------|-----------|---------|---------|---------|
| ▼ 12 Mo. Absorption Units  | 3,134     | 7,861     | 13,814  | 22,139  | 31,790  |
| ▲ Vacancy Rate             | 4.3%      | 3.9%      | 3.5%    | 3.4%    | 3.4%    |
| ▲ Asking Rent/Unit (\$)    | \$2,211   | \$2,187   | \$2,183 | \$2,164 | \$2,128 |
| ▼ Under Construction Units | 26,910    | 28,040    | 27,560  | 29,204  | 27,390  |
| ▲ Inventory Units          | 1,008,705 | 1,004,511 | 997,905 | 993,440 | 996,601 |

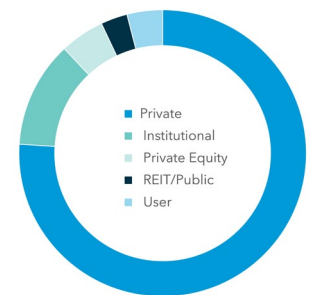
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                          | SALE PRICE                          | NUMBER OF UNITS | BUYER / SELLER                              |
|--|-------------------------------------|-----------------|---|
| 9115 N La Brea Avenue<br>West Hollywood, CA    | \$112,500,000<br>\$628,492 Per Unit | 179             | Olympus<br>JP Morgan Chase                  |
| 1625 W Pacific Coast Highway<br>Wilmington, CA | \$67,500,000<br>\$337,500 Per Unit  | 200             | OpenPath Investments<br>Virtu Investments   |
| 6530 Independence Avenue<br>Canoga Park, CA    | \$54,000,000<br>\$263,415 Per Unit  | 205             | LAApartments.Biz<br>Pacific Urban Investors |

| TOP SELLERS (PAST 12 MONTHS)  | SALES VOLUME    |
|-------------------------------|-----------------|
| Carmel Partners               | \$1,300,000,000 |
| Holland Partner Group         | \$640,000,000   |
| Greystar Real Estate Partners | \$550,000,000   |
| Greenland Group               | \$500,000,000   |
| Sares-Regis Group             | \$480,000,000   |

| TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME  |
|-----------------------------|---------------|
| Positive Investments, Inc.  | \$795,000,000 |
| Douglas Emmett Management   | \$645,000,000 |
| Harbor Group International  | \$605,000,000 |
| CA Statewide Communities    | \$545,000,000 |
| Clarion Partners            | \$520,000,000 |



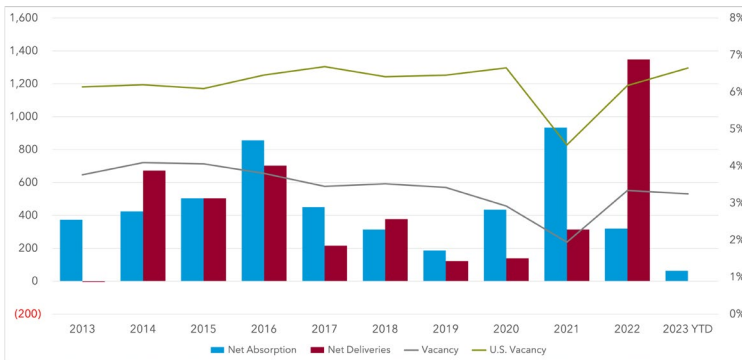
### MULTIFAMILY MARKET OVERVIEW

ROBERT LEVEEN, *Senior Vice President*

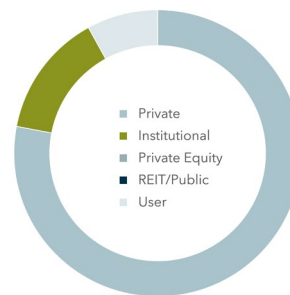
Interest rates on multi-family debt are hovering in the high five percent range. The rapid increase cost of debt over the last 12 months has slowed down transaction velocity. Sellers are reluctant to adjust to the new market conditions. As of this writing, the 10 Year Treasury Note is 3.439% down from its YTD high of 4.062% in early March. Additionally, the IRS has granted extensions to 1031 exchanges as a result of this winter's storms, allowing 1031 investors to take a breath. The shortage of housing supply continues to be the highest driver for upward pressure on rent growth, which drives the demand for multi-family acquisitions as a prudent long term investment.

| MARKET INDICATORS          | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 | Q1 2022 |
|----------------------------|---------|---------|---------|---------|---------|
| ▲ 12 Mo. Absorption Units  | 64      | 33      | 39      | 133     | 115     |
| ◀ ▶ Vacancy Rate           | 3.3%    | 3.3%    | 2.8%    | 2.7%    | 2.3%    |
| ▲ Asking Rent/Unit (\$)    | \$1,845 | \$1,831 | \$1,833 | \$1,827 | \$1,797 |
| ▲ Under Construction Units | 1,974   | 1,874   | 1,924   | 1,519   | 1,922   |
| ◀ ▶ Inventory Units        | 72,122  | 72,122  | 71,685  | 71,606  | 71,116  |

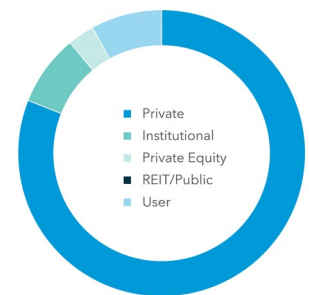
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                     | SALE PRICE                            | NUMBER OF UNITS | BUYER / SELLER                                  |
|---|---------------------------------------|-----------------|---|
| 2900 E Virginia Avenue<br>West Covina, CA | \$38,250,000<br>\$450,000.00 Per Unit | 85              | HFH LTD<br>NextGen Properties                   |
| 3420 Falcon Street<br>Pomona, CA          | \$14,500,000<br>\$302,083.33 Per Unit | 48              | The Walton Associated Companies<br>Browar Group |
| 5561 Sultana Avenue<br>Temple City, CA    | \$9,680,000<br>\$293,333.33 Per Unit  | 33              | Maria T. Ho<br>Robert Ho                        |

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME |
|------------------------------|--------------|
| Legacy Partners              | \$92,000,000 |
| Abacus Capital Group         | \$48,600,000 |
| Venture Property Management  | \$38,500,000 |
| NextGen Properties           | \$38,250,000 |
| Barker Pacific Group         | \$33,600,000 |

| TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME  |
|-----------------------------|---------------|
| Positive Investments, Inc.  | \$130,444,176 |
| Clarion Partners            | \$92,000,000  |
| Langdon Park Capital        | \$48,600,000  |
| HFH LTD                     | \$38,250,000  |
| Eden Housing, Inc.          | \$31,300,000  |



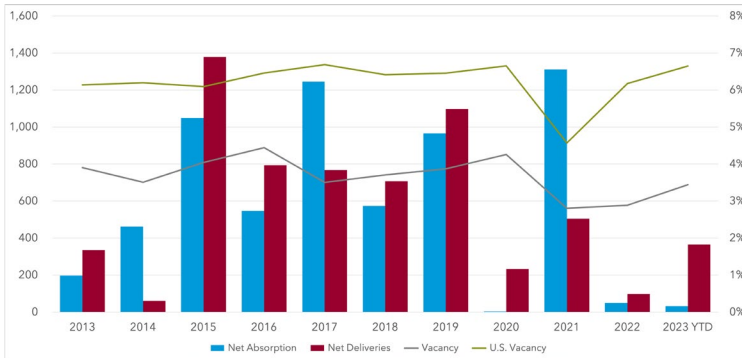
### MULTIFAMILY MARKET OVERVIEW

ROBERT LEVEEN, *Senior Vice President*

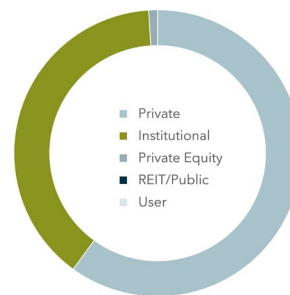
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| MARKET INDICATORS          | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 | Q1 2022 |
|----------------------------|---------|---------|---------|---------|---------|
| ▲ 12 Mo. Absorption Units  | 33      | (137)   | 55      | 12      | 120     |
| ▲ Vacancy Rate             | 3.4%    | 2.9%    | 2.6%    | 2.6%    | 2.6%    |
| ▲ Asking Rent/Unit (\$)    | \$2,392 | \$2,371 | \$2,374 | \$2,353 | \$2,318 |
| ▼ Under Construction Units | 1,606   | 1,940   | 1,940   | 1,767   | 1,539   |
| ▲ Inventory Units          | 57,524  | 57,159  | 57,159  | 57,061  | 57,061  |

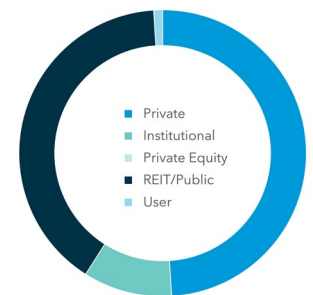
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                   | SALE PRICE                           | NUMBER OF UNITS | BUYER / SELLER  |
|---|--------------------------------------|-----------------|---|
| 1300-1304 W Olive Avenue<br>Burbank, CA | \$7,500,000<br>\$187,500.00 Per Unit | 40              | Burlington Beverly LLC & Olive Apartments<br>Kaplanis 2007 Family Trust |
| 655 Ivy Street<br>Glendale, CA          | \$3,300,000<br>\$275,000.00 Per Unit | 12              | Craig & Kimberly Ballard<br>Wallace N. Anderson                         |
| 415 W Riverside Drive<br>Burbank, CA    | \$1,900,000<br>\$190,000.00 Per Unit | 10              | Northwest Mutual LLC<br>Carol Derry                                     |

| TOP SELLERS (PAST 12 MONTHS)              | SALES VOLUME  |
|---|---------------|
| AvalonBay Communities, Inc.               | \$172,300,000 |
| Legendary Group                           | \$48,000,000  |
| The Guardian Life Insurance Co of America | \$38,000,000  |
| HumanGood                                 | \$19,500,000  |
| Walker Family Trust Survivors Trust A     | \$16,200,000  |

| TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME  |
|-----------------------------|---------------|
| CalSTRS                     | \$172,300,000 |
| Frank W Butler Family Trust | \$48,000,000  |
| HSR Management Inc          | \$38,000,000  |
| Pasaterra Capital           | \$22,750,000  |
| HumanGood                   | \$19,500,000  |



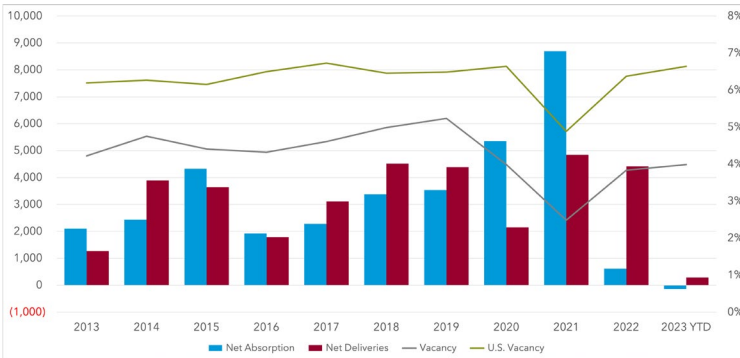
### MULTIFAMILY MARKET OVERVIEW

ERIC VON BLEUCHER, *Principal*

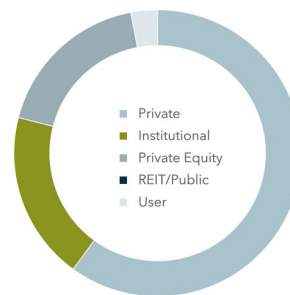
Q1 2023 - San Diego multifamily market averaged \$447k/unit versus \$431k/unit for Q1 2022. Average cap rates were 3.8%, versus 3.9% a year ago. California \$1M-\$6M multifamily 5-year fixed rate is 5.27%-6.02%, 7-year is 5.25%-5.73%, 10-year is 5.34%-5.87%. California \$6M-\$100M multifamily 5-year fixed rate is 5.17%-5.87%, 7-year is 5.23%-6.13%, 10-year 5.09%-5.94%. Vacancy rates rose to 3.97% since Q3 2021 at 2.46%. All rent categories have increased since last quarter. Studios from \$1,809 in Q4 2022 to \$1,828 in Q1 2023. 1-beds increased from \$2,067 in Q4 2022 to \$2,097 in Q1 2023. 2-beds surged from \$2,497 in Q4 2022 to \$2,536 in Q1 2023. 3-beds climbed from \$3,160 in Q4 2022 to \$3,172 in Q1 2023.

| MARKET INDICATORS          | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 | Q1 2022 |
|----------------------------|---------|---------|---------|---------|---------|
| ▼ 12 Mo. Absorption Units  | 61      | 594     | 1,626   | 4,416   | 7,258   |
| ▲ Vacancy Rate             | 4.0%    | 3.8%    | 3.5%    | 2.9%    | 2.7%    |
| ▲ Asking Rent/Unit (\$)    | \$2,367 | \$2,336 | \$2,367 | \$2,357 | \$2,267 |
| ▲ Under Construction Units | 7,175   | 7,064   | 7,084   | 7,931   | 8,505   |
| ▲ Inventory Units          | 273,588 | 273,298 | 272,746 | 271,412 | 269,828 |

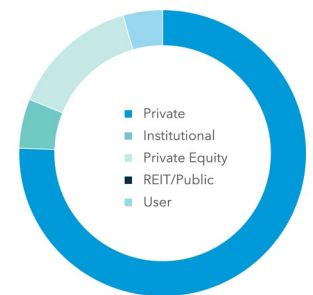
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS              | SALE PRICE                            | NUMBER OF UNITS | BUYER / SELLER  |
|------------------------------------|---------------------------------------|-----------------|---|
| 6363 Beadnell Way<br>San Diego, CA | \$90,480,000<br>\$335,111.11 Per Unit | 270             | FPA Multifamily LLC<br>Gleich Properties                |
| 3454 Ruffin Road<br>San Diego, CA  | \$73,087,500<br>\$292,350.00 Per Unit | 250             | FPA Multifamily LLC<br>Gleich Properties                |
| 229 16th Street<br>San Diego, CA   | \$21,000,000<br>\$210,000.00 Per Unit | 100             | Ball Park San Diego LLC<br>Jones Family Survivors Trust |

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME  |
|------------------------------|---------------|
| Blackstone Inc.              | \$321,385,118 |
| Gleich Properties            | \$203,667,500 |
| Holland Partner Group        | \$148,250,250 |
| Sekisui House                | \$148,250,250 |
| G.W. Williams Co.            | \$127,700,000 |

| TOP BUYERS (PAST 12 MONTHS)    | SALES VOLUME  |
|--------------------------------|---------------|
| Bridge Investment Group        | \$169,250,000 |
| FPA Multifamily LLC            | \$163,567,500 |
| Holland Partner Group          | \$148,250,250 |
| Pacific Life Insurance Company | \$148,250,250 |
| Waterton                       | \$141,000,000 |



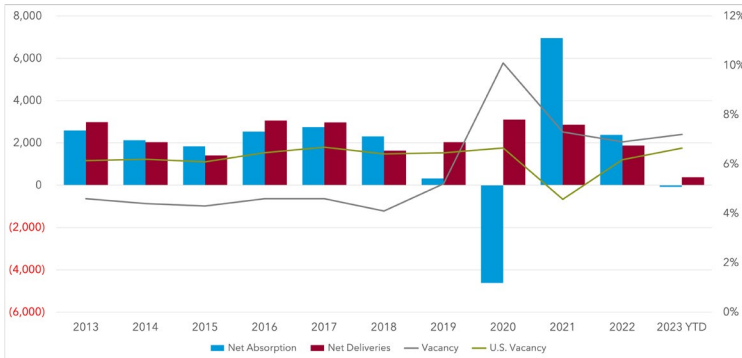
### MULTIFAMILY MARKET OVERVIEW

RYAN ABEL, *Vice President*

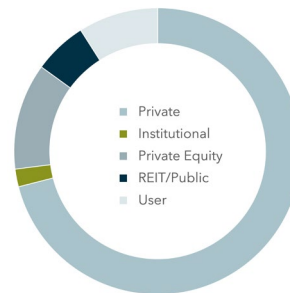
In Q1 2023, multifamily rental prices have held steady in comparison to Q4 2022. Yet net absorption of units has been lower than expected. Vacancy rates have increased with Bay Area companies still shedding more jobs. Asking rents still remain steady moving into 2023. There's been an increase in 10+ unit buildings being put on the market and we expect that trend to continue into the 2nd quarter of this year with the amount of properties that have gone into receivership at the end of 2022 and with owners opting to sell and take profits instead of refinancing their properties given the increases of interest rates in comparison when short term debt was substantially cheaper from the last decade.

| MARKET INDICATORS          | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 | Q1 2022 |
|----------------------------|---------|---------|---------|---------|---------|
| ▼ 12 Mo. Absorption Units  | 1,437   | 2,365   | 2,765   | 3,723   | 5,553   |
| ▲ Vacancy Rate             | 7.20%   | 6.90%   | 6.80%   | 6.70%   | 7.10%   |
| ▲ Asking Rent/Unit (\$)    | \$2,879 | \$2,871 | \$2,906 | \$2,832 | \$2,894 |
| ▲ Under Construction Units | 2,482   | 2,007   | 2,339   | 2,951   | 2,939   |
| ▲ Inventory Units          | 158,270 | 157,893 | 157,404 | 156,543 | 156,543 |

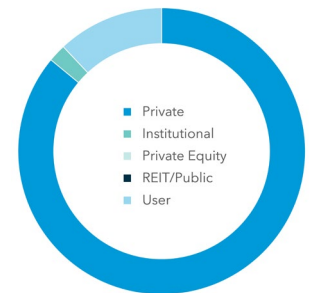
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                        | SALE PRICE                           | NUMBER OF UNITS | BUYER / SELLER   |
|--|--------------------------------------|-----------------|--|
| 1700 Golden Gate Avenue<br>San Francisco, CA | \$6,625,000<br>\$276,041.67 Per Unit | 24              | 1700 Golden Gate Avenue Partners LP<br>Cody & Michelle William |
| 1895 Jefferson Street<br>San Francisco, CA   | \$7,325,000<br>\$406,944.44 Per Unit | 18              | The Jeremy Ryan Devich Living Trust<br>The Lembi Group         |
| 2361 California Street<br>San Francisco, CA  | \$5,200,000<br>\$371,428.57 Per Unit | 14              | Abdul Rashid & Zarin Patel<br>Misaki Nagata                    |

| TOP SELLERS (PAST 12 MONTHS)           | SALES VOLUME |
|--|--------------|
| BUILD                                  | \$49,565,752 |
| The Related Companies                  | \$48,000,000 |
| Chinatown Community Development Center | \$48,000,000 |
| J. Michael Doyle                       | \$33,100,000 |
| San Francisco Housing Authority        | \$27,304,500 |

| TOP BUYERS (PAST 12 MONTHS)     | SALES VOLUME |
|---------------------------------|--------------|
| Veritas Investments             | \$98,400,000 |
| Avanath Capital Management      | \$96,000,000 |
| UDR                             | \$49,565,752 |
| San Francisco Housing Authority | \$40,099,500 |
| Mosser Companies                | \$23,350,000 |



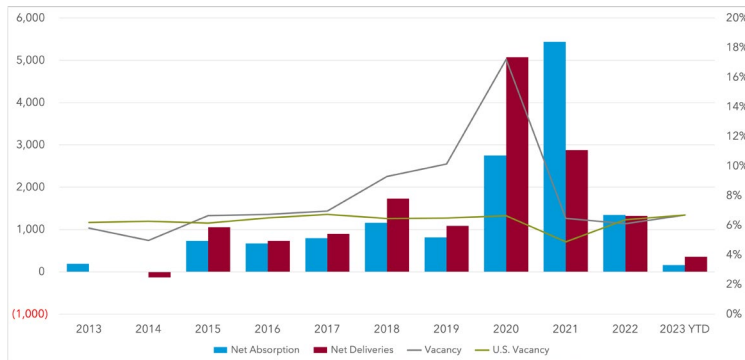
### MULTIFAMILY MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

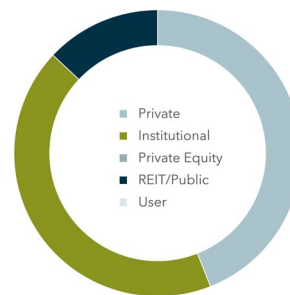
The multifamily pipeline remained robust with nearly 4,000 units under construction. Other projects are expected to break ground adding additional units to Lee County inventory. The most development occurred in the Cape Coral and Fort Myers submarkets. Asking rents were high but stabilized. Sales volume in Fort Myers slowed at the start of 2023. Cap rates remained the lowest they have ever been, averaging 4.4%. The overall vacancy rate increased year-over-year (YOY) to 6.7%, however market rent continued to rise. For Class A assets where YOY vacancy decreased, market rents averaged \$2,118 per month.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Absorption Units  | 1,088      | 1,345      | 1,647      | 3,118      | 4,531      |
| ▲ Vacancy Rate             | 6.7%       | 6.1%       | 6.7%       | 5.9%       | 6.4%       |
| ▲ Asking Rent/Unit (\$)    | \$1,935.31 | \$1,934.66 | \$1,853.05 | \$1,842.82 | \$1,831.88 |
| ▲ Under Construction Units | 3,955      | 3,745      | 3,891      | 3,089      | 3,089      |
| ▲ Inventory Units          | 30,142     | 29,786     | 29,336     | 28,874     | 28,874     |

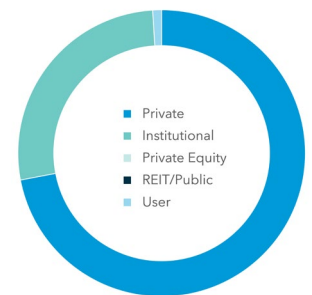
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                         | SALE PRICE                        | NUMBER OF UNITS | BUYER / SELLER                             |
|---|-----------------------------------|-----------------|--|
| 3705 Country Club Boulevard<br>Cape Coral, FL | \$1,800,000<br>\$150,000 Per Unit | 12              | Cape Club LLC<br>Loretano LLC              |
| 37 SE 24th Avenue<br>Cape Coral, FL           | \$2,320,000<br>\$290,000 Per Unit | 8               | 8 Places in the Sun LLC<br>Greystone, Inc. |

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME  |
|------------------------------|---------------|
| Blue Roc Premier             | \$152,000,000 |
| Courtelis Company            | \$122,500,000 |
| TerraCap Management LLC      | \$87,250,000  |
| 13th Floor Investments       | \$35,850,000  |
| Wexford Capital              | \$35,850,000  |

| TOP BUYERS (PAST 12 MONTHS)      | SALES VOLUME  |
|----------------------------------|---------------|
| Osso Capital LLC                 | \$152,000,000 |
| Hercules Real Estate Services    | \$122,500,000 |
| The Praedium Group               | \$87,250,000  |
| Apartment Investment and Mgmt Co | \$71,700,000  |
| Manhattan Five Partners          | \$46,600,000  |





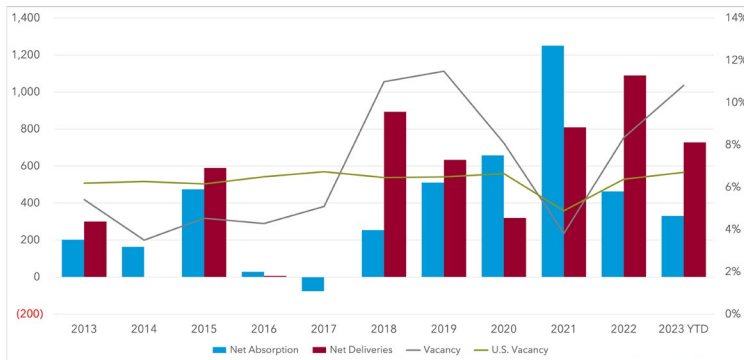
### MULTIFAMILY MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

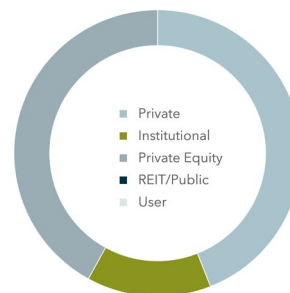
Multifamily demand in the Naples market remained strong at the beginning of 2023. Market rents have tempered slightly, however remained high, averaging over \$2,300 per month among all asset classes. Class A assets averaged more than \$2,500 per month per unit. Economic and demographic growth in the Naples area continued to fuel rates. Unemployment in Collier County was 2.5% in February, unchanged quarter-over-quarter and 30 basis points lower than a year ago. A recent addition to inventory was delivery of Marea Apartments a 300-unit Greystar community off the East Trail in Naples. The site was previously a shopping center.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Absorption Units  | 803        | 463        | 410        | 463        | 917        |
| ▲ Vacancy Rate             | 10.9%      | 8.3%       | 8.1%       | 9.6%       | 7.1%       |
| ▼ Asking Rent/Unit (\$)    | \$2,370.47 | \$2,393.91 | \$2,298.33 | \$2,261.27 | \$2,319.98 |
| ▼ Under Construction Units | 1,389      | 1,875      | 2,161      | 1,961      | 1,431      |
| ▲ Inventory Units          | 13,649     | 12,921     | 12,635     | 12,535     | 12,231     |

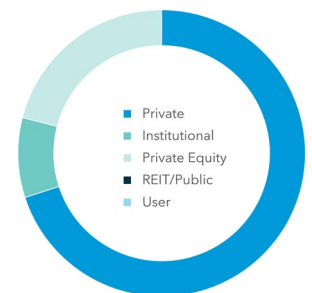
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS               | SALE PRICE                             | NUMBER OF UNITS | BUYER / SELLER                                       |
|-------------------------------------|--|-----------------|--|
| 8820 Walter Way<br>Naples, FL       | \$125,106,900<br>\$312,767.25 Per Unit | 400             | Beitel Group<br>Davis Development                    |
| 4300 Atoll Court<br>Naples, FL      | \$26,500,000<br>\$220,833.33 Per Unit  | 120             | Four Corners Development Group<br>Kanesville Capital |
| 2367 Bear Creek Drive<br>Naples, FL | \$22,000,000<br>\$183,333.33 Per Unit  | 120             | Peak Capital Partners<br>Ortsac Capital Group        |

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME     |
|------------------------------|------------------|
| Blackstone, Inc.             | \$138,466,882.00 |
| Davis Development            | \$125,106,900.00 |
| Bluerock Real Estate LLC     | \$120,258,604.00 |
| Phoenix Realty Group LLC     | \$62,000,000.00  |
| Andover Real Estate Partners | \$41,500,000.00  |

| TOP BUYERS (PAST 12 MONTHS)     | SALES VOLUME  |
|---------------------------------|---------------|
| Blackstone, Inc.                | \$258,725,486 |
| Beitel Group                    | \$125,106,900 |
| Cardinal Capital Partners, Inc. | \$83,000,000  |
| The Dolben Company, Inc.        | \$62,000,000  |
| Four Corners Development Group  | \$26,500,000  |



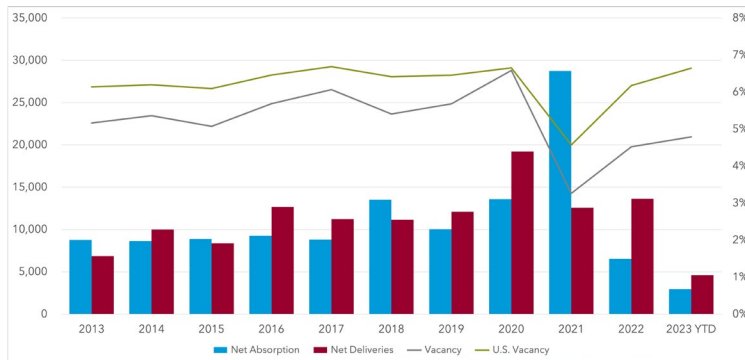
### MULTIFAMILY MARKET OVERVIEW

ANDY HIDALGO, *Senior Vice President*

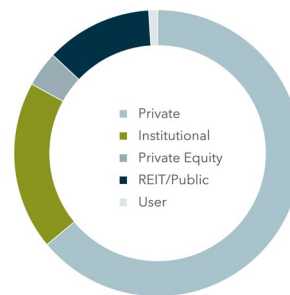
Though not impervious to broad economic difficulties, the substantial influx of people moving to Florida has reduced available single-family homes in most areas, making apartments a relatively more budget-friendly option. As a result, living preferences are shifting towards a society more inclined to rent, taking advantage of the cost savings, adaptability, and lifestyle benefits. The scarcity of Class C apartments has intensified the demand for lower-tier rentals, particularly in the more reasonably priced neighborhoods in South Florida. Florida's recently enacted affordable housing legislation, the Live Local Act, through local government incentives and low-interest loans, is anticipated to incentivize developers and those considering mixed-use projects to create additional housing.

| MARKET INDICATORS          | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 | Q1 2022 |
|----------------------------|---------|---------|---------|---------|---------|
| ▲ 12 Mo. Absorption Units  | 7,633   | 6,533   | 7,037   | 12,826  | 21,679  |
| ▲ Vacancy Rate             | 4.8%    | 4.5%    | 4.6%    | 4.1%    | 3.5%    |
| ▲ Asking Rent/Unit (\$)    | \$2,097 | \$2,081 | \$2,074 | \$2,078 | \$2,039 |
| ▲ Under Construction Units | 55,080  | 54,311  | 45,239  | 43,346  | 40,716  |
| ▲ Inventory Units          | 536,673 | 532,060 | 530,040 | 525,670 | 521,297 |

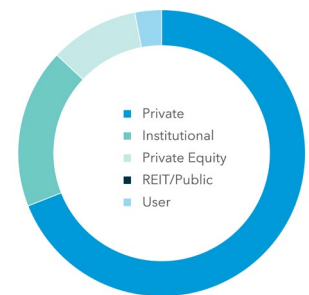
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                     | SALE PRICE                             | NUMBER OF UNITS | BUYER / SELLER                               |
|---|--|-----------------|--|
| 900 West Avenue<br>Miami Beach, FL        | \$271,058,000<br>\$547,591.92 Per Unit | 495             | Apartment Income REIT<br>Gumenick Properties |
| 1140 SE 24th Road<br>Homestead, FL        | \$67,000,000<br>\$218,954.25 Per Unit  | 306             | IMC Equity Group<br>Angelo Gordon & Co., LP  |
| 420 SW 27th Avenue<br>Fort Lauderdale, FL | \$84,068,000<br>\$304,594.20 Per Unit  | 276             | Stratford Management<br>The Shidler Group    |

| TOP SELLERS (PAST 12 MONTHS)     | SALES VOLUME  |
|----------------------------------|---------------|
| Rockpoint                        | \$352,114,333 |
| Bell Partners, Inc.              | \$293,000,000 |
| Elco Ltd.                        | \$293,000,000 |
| Mill Creek Residential Trust LLC | \$278,500,000 |
| Gumenick Properties              | \$271,058,000 |

| TOP BUYERS (PAST 12 MONTHS)    | SALES VOLUME  |
|--------------------------------|---------------|
| Apartment Income REIT          | \$655,058,000 |
| Hines                          | \$365,743,707 |
| Harbor Group International LLC | \$347,500,000 |
| Elco Ltd.                      | \$302,500,000 |
| AvalonBay Communities, Inc.    | \$295,000,000 |



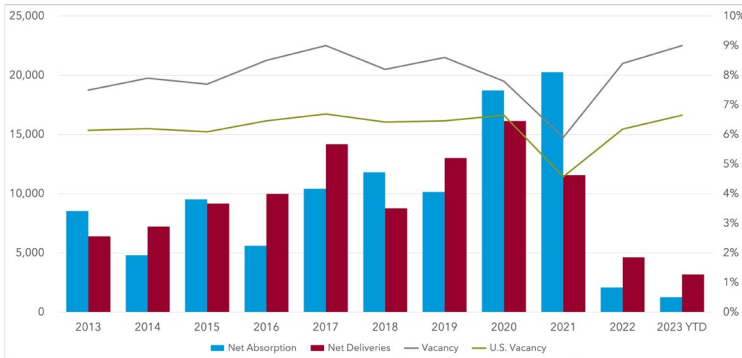
### MULTIFAMILY MARKET OVERVIEW

DAN WAGNER, *Chief Data Officer*

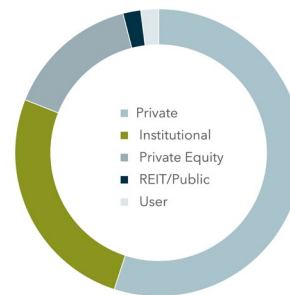
Atlanta's multifamily market remains solid, with overall vacancy below 10%. However, several factors have combined to push macro fundamentals back from recent highs, including an increasing supply of single-family home rentals, higher costs of construction, and consequently, higher rents. Developers are underway with 40,605 units under construction, with suburban submarkets accounting for the majority share of multifamily development. Average asking rates rose back up to \$1,615 after falling in the previous two quarters. An overall slowing is occurring in multifamily as we head into mid-2023 - but solid job growth (+145,000 jobs in 2022) and increasing borrowing costs for homeowners will provide continued support for the apartment market.

| MARKET INDICATORS          | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 | Q1 2022 |
|----------------------------|---------|---------|---------|---------|---------|
| ▲ 12 Mo. Absorption Units  | 4,747   | 2,076   | 4,525   | 4,958   | 12,961  |
| ▲ Vacancy Rate             | 9.0%    | 8.4%    | 7.4%    | 6.8%    | 6.5%    |
| ▲ Asking Rent/Unit (\$)    | \$1,615 | \$1,603 | \$1,629 | \$1,637 | \$1,592 |
| ▲ Under Construction Units | 40,605  | 39,214  | 34,747  | 31,204  | 29,389  |
| ▲ Inventory Units          | 538,740 | 534,614 | 536,389 | 523,809 | 521,106 |

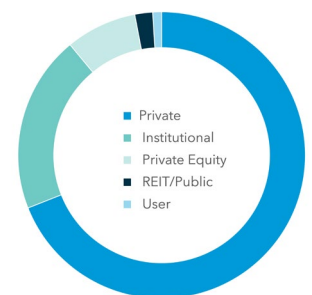
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                      | SALE PRICE                          | NUMBER OF UNITS | BUYER / SELLER  |
|--|-------------------------------------|-----------------|---|
| 391 17th Street NW<br>Atlanta, GA          | \$133,000,000<br>\$281,184 Per Unit | 473             | Blackstone Inc.<br>Goldman Sachs & Co. LLC            |
| 2925 & 2935 Buford Drive*<br>Buford, GA    | \$102,300,000<br>\$125,061 Per Unit | 818             | WMCi Atlanta II LLC<br>WSE Development LLC            |
| 345 Healtherden Avenue<br>Fayetteville, GA | \$82,000,000<br>\$311,787 Per Unit  | 263             | Stockbridge Capital Group LLC<br>Capstone Communities |

\*Part of a Portfolio Sale

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME    | TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME    |
|------------------------------|-----------------|-----------------------------|-----------------|
| Blackstone, Inc.             | \$1,306,020,069 | Blackstone Inc.             | \$2,020,464,085 |
| Bluerock                     | \$654,070,659   | Ashcroft Capital LLC        | \$534,100,000   |
| Atlantic Pacific Companies   | \$346,500,000   | S2 Capital LLC              | \$360,600,000   |
| Goldman Sachs & Co. LLC      | \$315,000,000   | Starwood Capital Group      | \$336,009,089   |
| Turner Impact Capital, LP    | \$290,000,000   | Mitsubishi Estate Company   | \$262,930,000   |



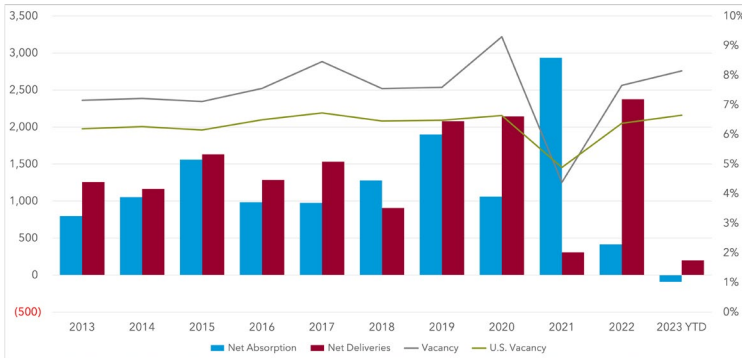
### MULTIFAMILY MARKET OVERVIEW

KYLE GROSS, *Senior Director*

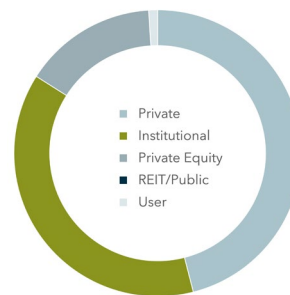
Durham multifamily vacancy rates rose from last quarter from 6.7% to 8.7% due largely to new inventory coming online. Net deliveries in Durham remained relatively flat from Q4 2022 to Q1 2023, with a construction pipeline expected to deliver an additional 1,994 units before year-end. Rent growth appears relatively flat, with some projections indicating a slight decrease in the market asking rents during Q2 and Q3 2023. In Durham, Q4 2022 sales volume totaled roughly \$184,575,000, compared to 132,600,000 in Q1 2023. Ranked as one of the best places to live in the U.S., Durham's high quality of life and prestigious universities continue to attract high-tech companies and employees to the area.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Absorption Units  | (6)        | 415        | 611        | 1,781      | 2,816      |
| ▲ Vacancy Rate             | 8.2%       | 7.7%       | 7.0%       | 6.7%       | 6.1%       |
| ▲ Asking Rent/Unit (\$)    | \$1,508.07 | \$1,504.22 | \$1,526.64 | \$1,563.79 | \$1,474.06 |
| ▲ Under Construction Units | 4,948      | 4,620      | 3,857      | 4,302      | 3,428      |
| ▲ Inventory Units          | 56,625     | 56,425     | 56,148     | 55,389     | 55,389     |

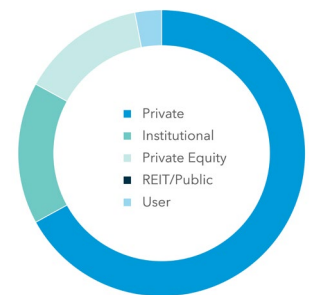
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS              | SALE PRICE                            | NUMBER OF UNITS | BUYER / SELLER   |
|------------------------------------|---------------------------------------|-----------------|--|
| 530 Foster Street<br>Durham, NC    | \$89,000,000<br>\$358,870.97 Per Unit | 248             | MEAG MUNICH ERGO AssetMgmt GmbH<br>Duck Pond Realty Management           |
| 3300 Shannon Road<br>Durham, NC    | \$43,600,000<br>\$189,565.22 Per Unit | 230             | Self Help Community Development Corp<br>PRG Real Estate Management, Inc. |
| 6201 Pine Glen Trail<br>Durham, NC | \$25,500,000<br>\$151,785.71 Per Unit | 168             | Fairfield<br>Foundation for Affordable Housing                           |

| TOP SELLERS (PAST 12 MONTHS)           | SALES VOLUME  |
|--|---------------|
| Blackstone, Inc.                       | \$110,852,414 |
| Northwestern Mutual Life Insurance Co. | \$100,000,000 |
| Kettler                                | \$99,742,500  |
| Carolina Commercial                    | \$91,300,000  |
| Duck Pond Realty Management            | \$89,000,000  |

| TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME  |
|-----------------------------|---------------|
| Blackstone, Inc.            | \$110,852,414 |
| The Connor Group            | \$100,000,000 |
| TerraCap Management LLC     | \$99,742,500  |
| Aldon Management            | \$91,300,000  |
| Munich RE                   | \$89,000,000  |



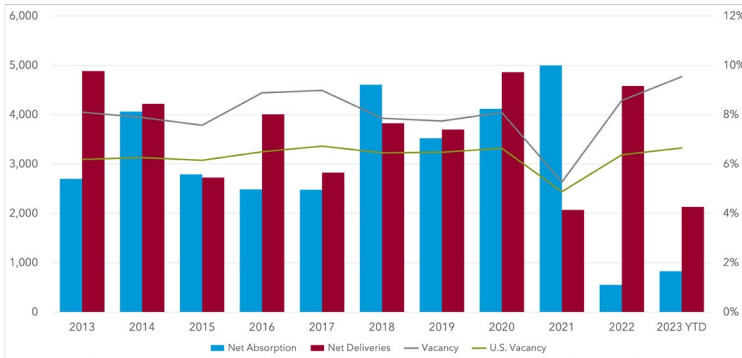
### MULTIFAMILY MARKET OVERVIEW

KYLE GROSS, *Senior Director*

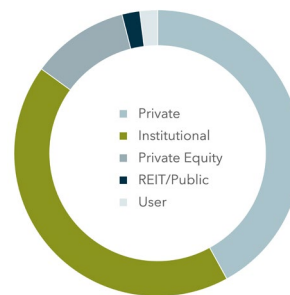
Vacancy rates for Raleigh multifamily rose last quarter from 7% to 10.1% due largely to new inventory coming online. Roughly 997 units were delivered in Q1 2023, an increase of 775 units from Q4 2022, with projected deliveries over the duration of 2023 forecasted at 5,100 additional units. Rent growth appears relatively flat, with some projections indicating a slight decrease in the market asking rents during Q2 and Q3 2023. Overall sales volume decreased from \$390,944,948 in Q4 2022, to \$149,750,00 in Q1 2023. Recently ranked number five in the U.S. job market and second best city to live in America, the area continues to attract high-tech jobs and employees to the region.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Absorption Units  | 1,032      | 553        | 1,062      | 2,334      | 3,812      |
| ▲ Vacancy Rate             | 9.6%       | 8.6%       | 7.6%       | 6.4%       | 6.4%       |
| ▲ Asking Rent/Unit (\$)    | \$1,549.09 | \$1,539.84 | \$1,568.70 | \$1,591.32 | \$1,522.11 |
| ▼ Under Construction Units | 16,955     | 17,883     | 15,995     | 13,864     | 12,357     |
| ▲ Inventory Units          | 116,555    | 114,422    | 113,626    | 112,240    | 111,450    |

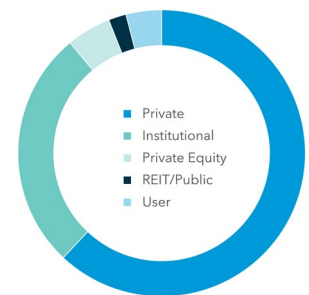
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                 | SALE PRICE                            | NUMBER OF UNITS | BUYER / SELLER                                     |
|---------------------------------------|---------------------------------------|-----------------|--|
| 2911 Mid Century Drive<br>Raleigh, NC | \$95,250,000<br>\$284,328.36 Per Unit | 335             | Westbrook Partners<br>Alliance Residential Company |
| 229 E Chatham Street<br>Cary, NC      | Undisclosed                           | 220             | Meridian East Chatham LLC<br>Jordan George H       |
| 4428 Mill Village Road<br>Raleigh, NC | \$56,500,000<br>\$256,818.18 Per Unit | 220             | Covenant Capital Group<br>R.K. Properties          |

| TOP SELLERS (PAST 12 MONTHS)   | SALES VOLUME  |
|--------------------------------|---------------|
| Bluerock Real Estate LLC       | \$179,064,117 |
| Mount Auburn Capital Group LLC | \$165,051,500 |
| Signature Property Group       | \$129,250,000 |
| Westbrook Partners             | \$120,000,000 |
| Rock Companies                 | \$112,000,000 |

| TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME  |
|-----------------------------|---------------|
| Starwood Capital Group      | \$206,551,500 |
| Blackstone, Inc.            | \$179,064,117 |
| GVA Property Management     | \$157,500,500 |
| The Connor Group            | \$149,000,000 |
| Aldon Management            | \$129,250,000 |



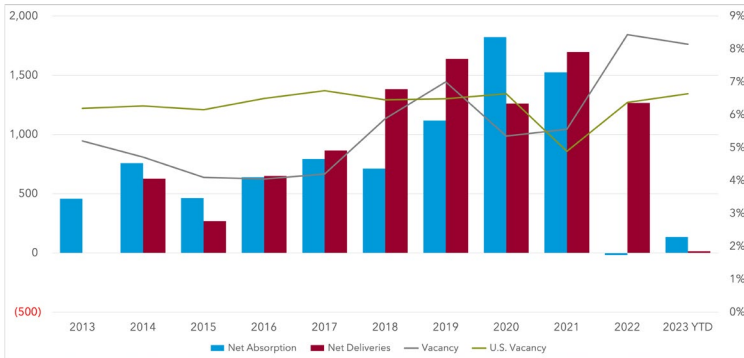
### MULTIFAMILY MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

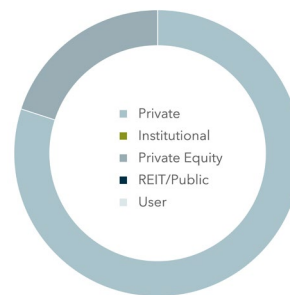
A huge under supply of multifamily housing in the area has resulted in a construction spree over the past 10 years. In spite of rising population and a healthy job market, the supply seems to have caught up with demand. Rental rates have stabilized in spite of increasing construction and land costs, but the migration to the newer product, in addition to the relatively high supply of newer product, has put performance pressure on the lower class products. With a healthy amount of construction still in the pipeline, a decrease in vacancy in the near future is unlikely which should mean stabilized rates and a sharp decline in construction starts in 2023.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Absorption Units  | 204        | (18)       | (300)      | 226        | 715        |
| ▼ Vacancy Rate             | 8.1%       | 8.4%       | 7.8%       | 6.1%       | 6.0%       |
| ▲ Asking Rent/Unit (\$)    | \$1,515.75 | \$1,505.71 | \$1,533.01 | \$1,560.63 | \$1,536.67 |
| ▲ Under Construction Units | 4,730      | 3,854      | 4,249      | 4,549      | 3,490      |
| ▲ Inventory Units          | 42,226     | 42,212     | 41,817     | 41,121     | 41,060     |

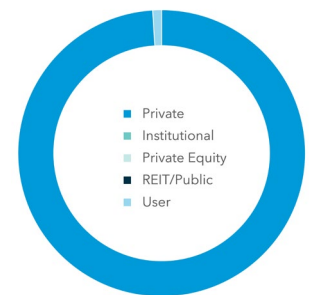
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS           | SALE PRICE                            | NUMBER OF UNITS | BUYER / SELLER                         |
|---------------------------------|---------------------------------------|-----------------|--|
| 444 Kirman<br>Reno, NV          | \$14,250,000<br>\$169,642.86 Per Unit | 84              | Eric Leimbach<br>Margarat Marie Murphy |
| 540 Crampton Street<br>Reno, NV | \$1,125,000<br>\$160,714.29 Per Unit  | 7               | Coombes Family Trust<br>Nicholas Webb  |
| 400 Highland Avenue<br>Reno, NV | \$2,025,000<br>\$289,285.71 Per Unit  | 7               | Nina Breda<br>Desegura A. Melendrez    |

| TOP SELLERS (PAST 12 MONTHS)              | SALES VOLUME | TOP BUYERS (PAST 12 MONTHS)          | SALES VOLUME  |
|---|--------------|--------------------------------------|---------------|
| JP DiNapoli Companies                     | \$88,000,000 | McClellan Park LLC                   | \$118,500,000 |
| Integra Land Company                      | \$59,250,000 | Benedict Canyon Equities, Inc.       | \$101,250,000 |
| Panther Residential                       | \$59,250,000 | Four Peaks Capital                   | \$47,000,000  |
| Tilden Properties                         | \$50,625,000 | Herzog Real Estate Dev Services, Inc | \$44,000,000  |
| Herzog Real Estate Development Svcs, Inc. | \$50,625,000 | Tilden Properties                    | \$44,000,000  |



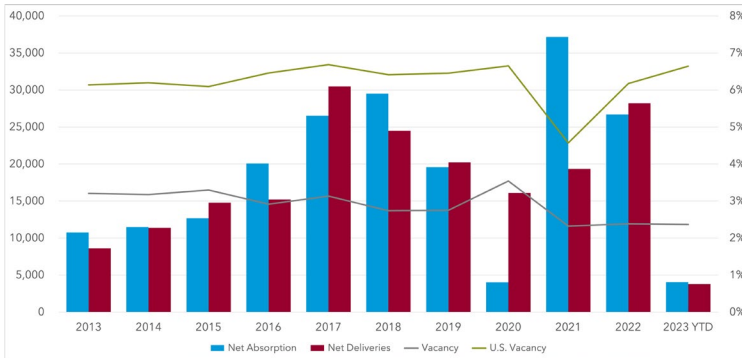
### MULTIFAMILY MARKET OVERVIEW

SARAH ORCUTT, *Director of Research*

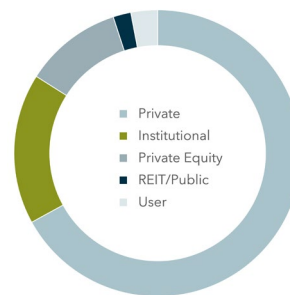
The vacancy rate for multifamily units in the New York City metro area dropped 0.8 percentage points quarter over quarter to 2.9%, indicative of the persisting supply-demand imbalance as renters compete for a limited supply of units. Net absorption was positive for the fifth consecutive quarter at 22,779 units, though this represents a moderation from prior quarters. 65,618 units were under construction in the first quarter and 3,793 units were delivered. Average asking rents remained well above the national average at \$3,003 per unit, a 2.8% year-over-year growth. Private and institutional players continued to lead the multifamily sales market this quarter, representing a combined 84% of total buyers and sellers.

| MARKET INDICATORS          | Q1 2023   | Q4 2022   | Q3 2022   | Q2 2022   | Q1 2022   |
|----------------------------|-----------|-----------|-----------|-----------|-----------|
| ▼ 12 Mo. Absorption Units  | 22,779    | 26,708    | 29,860    | 34,021    | 35,811    |
| ▼ Vacancy Rate             | 2.9%      | 3.7%      | 4.8%      | 6.2%      | 6.3%      |
| ▲ Asking Rent/Unit (\$)    | \$3,003   | \$2,984   | \$2,984   | \$2,976   | \$2,919   |
| ▲ Under Construction Units | 65,618    | 64,455    | 64,444    | 60,330    | 58,048    |
| ▲ Inventory Units          | 1,533,850 | 1,530,537 | 1,525,366 | 1,519,379 | 1,510,181 |

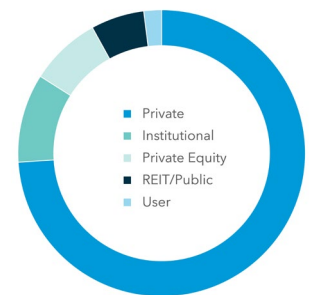
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                     | SALE PRICE                               | NUMBER OF UNITS | BUYER / SELLER  |
|---|--|-----------------|---|
| 125 Greenwich Street<br>New York, NY      | \$598,155,755<br>\$2,191,046.72 Per Unit | 273             | Fortress Investment Group<br>Bizzi & Partners Development LLC |
| 7 Dekalb Avenue<br>Brooklyn, NY           | \$101,250,000<br>\$405,000 Per Unit      | 250             | Avanath Capital Management LLC<br>The Brodsky Organization    |
| 144-74 Northern Boulevard<br>Flushing, NY | \$86,500,000<br>\$839,805.83 Per Unit    | 103             | BLDG<br>Skyview Co's/JP Morgan Global Alternatives            |

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME  |
|------------------------------|---------------|
| The Soloviev Group           | \$834,800,000 |
| Carmel Partners              | \$487,500,000 |
| Equity Residential           | \$415,000,000 |
| AvalonBay Communities, Inc.  | \$306,000,000 |
| The Related Companies        | \$266,000,000 |

| TOP BUYERS (PAST 12 MONTHS)    | SALES VOLUME  |
|--------------------------------|---------------|
| GO Partners                    | \$825,000,000 |
| A&E Real Estate                | \$691,159,350 |
| Ponte Gadea                    | \$487,500,000 |
| Eugene Asset Management        | \$266,000,000 |
| Avanath Capital Management LLC | \$245,695,537 |



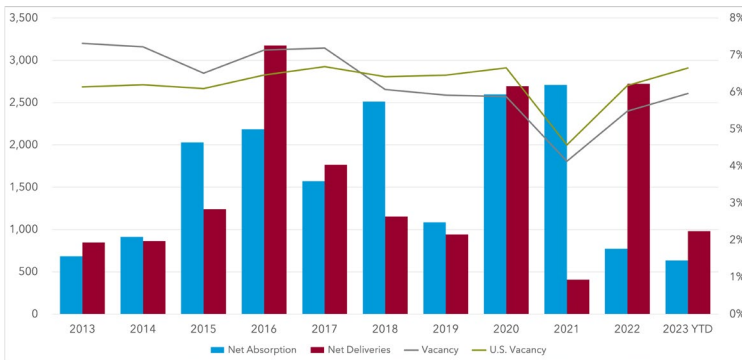
### MULTIFAMILY MARKET OVERVIEW

JOSH HARKAVY, *Vice President*

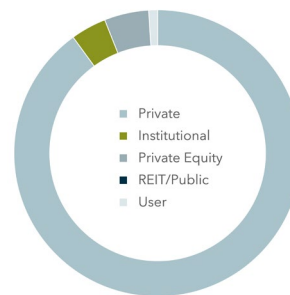
Q1 '23, the Cincinnati multifamily market continued to contract with vacancy increasing by .05% to 6% over the last quarter. While new construction edged downward, rental rates increased slightly, with continued market softness to be expected. Asking rent grew by 6.1% over the last 12 months. Rents are almost 30% lower in Cincinnati as compared to the national average. After a record 4th quarter sales volume of \$422,000,000, transactions slowed in Q1 2023 to \$20,000,000. This is reflective of the disconnect in pricing between sellers and buyers which likely will continue through 2023.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Absorption Units  | 635        | 773        | 978        | 1,390      | 1,932      |
| ▲ Vacancy Rate             | 6.0%       | 5.5%       | 5.2%       | 4.2%       | 3.9%       |
| ▲ Asking Rent/Unit (\$)    | \$1,173.83 | \$1,156.07 | \$1,153.13 | \$1,144.41 | \$1,106.75 |
| ▼ Under Construction Units | 6,179      | 6,845      | 6,676      | 7,178      | 6,674      |
| ▲ Inventory Units          | 136,767    | 135,787    | 135,314    | 133,917    | 133,215    |

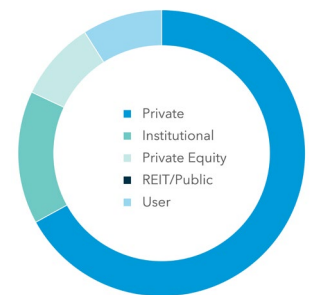
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                      | SALE PRICE                            | NUMBER OF UNITS | BUYER / SELLER                              |
|--|---------------------------------------|-----------------|---|
| 44 W Freedom Way<br>Cincinnati, OH         | \$86,700,000<br>\$296,917.81 Per Unit | 292             | Crawford Hoying<br>Nicol Investment Company |
| 2333 Anderson Road<br>Crescent Springs, KY | \$2,900,000<br>\$25,438.60 Per Unit   | 114             | Zalla Companies<br>Brian Bessler            |
| 113-200 Skokiaan Drive<br>Franklin, OH     | \$1,800,000<br>\$52,941.18 Per Unit   | 34              | Zachary M Ferrell<br>Stephen F. Gallagher   |

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME  | TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME  |
|------------------------------|---------------|-----------------------------|---------------|
| Nicol Investment Company     | \$176,400,000 | Crawford Hoying             | \$176,400,000 |
| The Gregel Group             | \$116,225,000 | Living Residential LLC      | \$116,225,000 |
| Coastal Ridge Real Estate    | \$115,250,000 | The Connor Group            | \$115,250,000 |
| University of Cincinnati     | \$40,725,000  | PLK Communities             | \$66,575,000  |
| RealtyLink                   | \$31,000,000  | Varia US Properties         | \$62,000,000  |





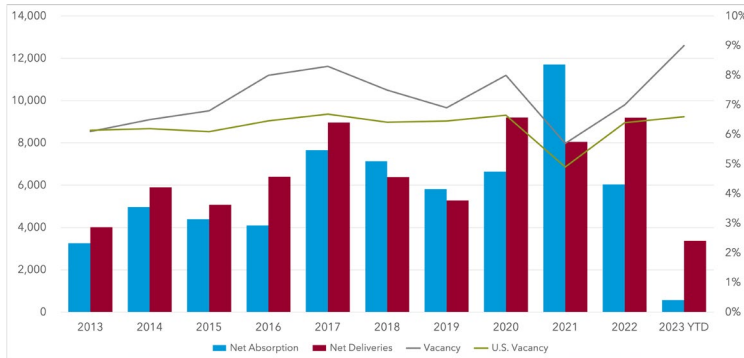
### MULTIFAMILY MARKET OVERVIEW

GAINES HANKS, Associate

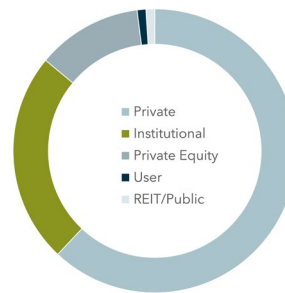
With a substantial increase in inventory over the last few quarters, Nashville's multifamily market has seen a correlating shift in vacancy and rent growth. Average rent growth over the last four quarters is hovering at 6.8%, which is near the 10-year average of 4.6%, showing that pandemic inflated figures are coming back to normal. With a large amount of inventory coming online in 2023, properties in lease-up have pushed the overall vacancy in the market to a 20-year high, which should not concern investors as the job market in Nashville is strong and continuing to grow with corporate relocations. Investor sentiment remains strong in Nashville, but interest rates have slowed activity significantly.

| MARKET INDICATORS          | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 | Q1 2022 |
|----------------------------|---------|---------|---------|---------|---------|
| ▼ 12 Mo. Absorption Units  | 3,360   | 6,039   | 6,817   | 8,783   | 11,535  |
| ▲ Vacancy Rate             | 9.0%    | 7.0%    | 6.2%    | 5.8%    | 5.7%    |
| ▲ Asking Rent/Unit (\$)    | \$1,534 | \$1,511 | \$1,537 | \$1,538 | \$1,483 |
| ▲ Under Construction Units | 24,493  | 23,591  | 22,273  | 24,975  | 24,865  |
| ▲ Inventory Units          | 201,524 | 197,626 | 195,511 | 193,800 | 191,928 |

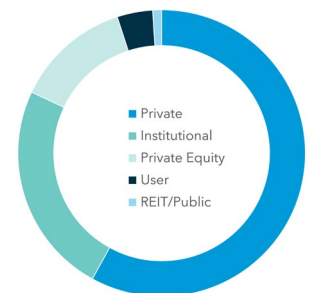
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS                      | SALE PRICE                         | NUMBER OF UNITS | BUYER / SELLER   |
|--|------------------------------------|-----------------|--|
| 200 Cumberland Bend<br>Nashville, TN       | \$106,000,000<br>\$304.00 Per Unit | 304             | HH Hunt<br>Wood Partners                                     |
| 100 Hunters Creek Boulevard<br>Lebanon, TN | \$41,400,000<br>\$192.00 Per Unit  | 192             | TriWest Development<br>Blackstoone Real Estate Income Trust  |
| 526 Dill Lane<br>Murfreesboro, TN          | \$59,300,000<br>\$276.00 Per Unit  | 276             | Freeman Webb Company<br>Blackstoone Real Estate Income Trust |

| TOP SELLERS (PAST 12 MONTHS)   | SALES VOLUME  | TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME  |
|--------------------------------|---------------|-----------------------------|---------------|
| Mount Auburn Capital Group LLC | \$476,285,351 | Starwood Capital Group      | \$476,285,351 |
| Blackstone, Inc.               | \$449,139,451 | Blackstone Inc.             | \$380,566,400 |
| Wood Partners                  | \$289,120,000 | GVA Property Management     | \$199,920,412 |
| The Connor Group               | \$215,250,000 | HHHunt                      | \$192,620,000 |
| Starwood Capital Group         | \$156,420,412 | Weinstein Properties        | \$182,500,000 |



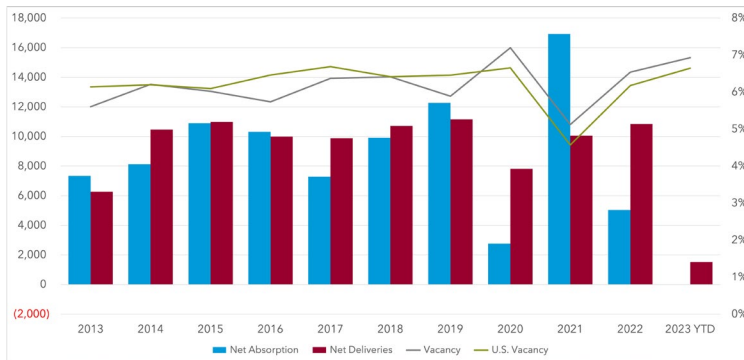
### MULTIFAMILY MARKET OVERVIEW

DANIEL LIM, *Vice President*

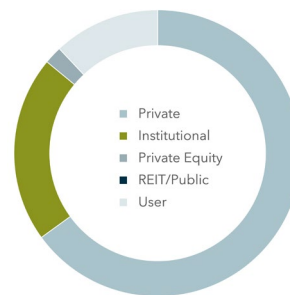
The Seattle MSA rental market is known to have strong seasonality trends with the winter months being the slowest. Twelve-month absorption in Q1 2023 was down 2,299 units from Q4 2022, however vacancy remained relatively steady moving up only 0.4% to 6.9% from Q4 2022. Asking rents trended up 2.4% since last quarter although still below their peak in Q2 2022. The number of units under construction continues to remain steady, however delivery of completed product into the market is expected to increase significantly throughout 2023. While interest rates have been a moving target, the expectation is rates are nearing the top which should allow rents and values to stabilize through the rest of 2023.

| MARKET INDICATORS          | Q1 2023    | Q4 2022    | Q3 2022    | Q2 2022    | Q1 2022    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Absorption Units  | 2,732      | 5,031      | 6,505      | 9,323      | 14,196     |
| ▲ Vacancy Rate             | 6.9%       | 6.5%       | 6.1%       | 5.5%       | 5.2%       |
| ▲ Asking Rent/Unit (\$)    | \$1,946.16 | \$1,927.28 | \$1,974.21 | \$2,003.94 | \$1,933.18 |
| ▲ Under Construction Units | 29,336     | 29,125     | 28,176     | 26,341     | 26,170     |
| ▲ Inventory Units          | 374,179    | 372,667    | 371,486    | 367,918    | 364,333    |

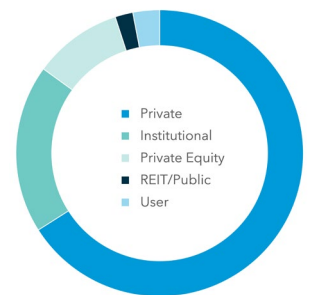
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

| TOP SALE TRANSACTIONS              | SALE PRICE                             | NUMBER OF UNITS | BUYER / SELLER   |
|------------------------------------|--|-----------------|--|
| 128 State Street S<br>Kirkland, WA | \$63,500,000<br>\$508,000 Per Unit     | 125             | Waterton   RPM<br>Prometheus Real Estate Group, Inc.       |
| 1812 Broadway<br>Seattle, WA       | \$105,000,000<br>\$460,526.32 Per Unit | 228             | Mill Creek Residential Trust LLC<br>AEW Capital Management |
| 1020 W Casino Road<br>Everett, WA  | \$31,537,500<br>\$210,250 Per Unit     | 150             | SKS International, Inc.<br>Goodman Real Estate, Inc.       |

| TOP SELLERS (PAST 12 MONTHS) | SALES VOLUME  |
|------------------------------|---------------|
| OMERS                        | \$322,700,000 |
| Gerson Bakar & Associates    | \$263,862,000 |
| Security Properties, Inc.    | \$156,045,000 |
| Jackson Square Properties    | \$138,150,000 |
| AEW Capital Management       | \$129,250,000 |

| TOP BUYERS (PAST 12 MONTHS) | SALES VOLUME  |
|-----------------------------|---------------|
| Marcus & Millichap          | \$426,759,500 |
| Ponte Gadea                 | \$322,700,000 |
| GID Investment Advisors LLC | \$242,000,000 |
| Security Properties, Inc.   | \$209,750,000 |
| Acacia Capital Corporation  | \$204,090,000 |

## ABSORPTION

Refers to the change in occupancy over a given time period. Lease renewals are not factored into absorption unless the renewal includes the occupancy of additional space. (In that case, the additional space would be counted in absorption.) Pre-leasing of space in non-existing buildings (e.g., Proposed, Under Construction, Under Renovation) is not counted in absorption until the actual move-in date.

## CAP RATE

The income rate of return for a total property that reflects the relationship between one year's net operating income expectancy and the total price or value. Calculated by dividing the net operating income by the sale price or value.

## CLASS A OFFICE

In general, a class A building is an extremely desirable investment-grade property with the highest quality construction and workmanship, materials and systems, significant architectural features, the highest quality/expensive finish and trim, abundant amenities, first rate maintenance and management; usually occupied by prestigious tenants with above average rental rates and in an excellent location with exceptional accessibility. They are most eagerly sought by international and national investors willing to pay a premium for quality and are often designed by architects whose names are immediately recognizable. A building meeting this criteria is often considered to be a landmark, either historical, architectural or both. It may have been built within the last 5-10 years, but if it is older, it has been renovated to maintain its status and provide it many amenities. Buildings of this stature can be one-of-a-kind with unique shape and floor plans, notable architectural design, excellent and possibly outstanding location and a definite market presence.

## CLASS B OFFICE

In general, a class B building offers more utilitarian space without special attractions. It will typically have ordinary architectural design and structural features, with average interior finish, systems, and floor plans, adequate systems and overall condition. It will typically not have the abundant amenities and location that a class A building will have. This is generally considered to be more of a speculative investment. The maintenance, management and tenants are average to good, although, Class B buildings are less appealing to tenants and may be deficient in a number of respects including floor plans, condition and facilities. They therefore attract a wide range of users with average rents. They lack prestige and must depend chiefly on lower price to attract tenants and investors. Typical investors are some national but mostly local.

## CLASS C OFFICE

In general, a class C building is a no-frills, older building that offers basic space. The property has below-average maintenance and management, a mixed or low tenant prestige, and inferior elevators and mechanical/electrical systems. As with Class B buildings, they lack prestige and must depend chiefly on lower price to attract tenants and investors.

## GROSS ABSORPTION

For existing buildings, the measure of total square feet occupied (indicated as a Move-In) over a given period of time with no consideration for space vacated during the same time period. Sublet space and lease renewals are not factored into gross absorption. However, in a lease renewal that includes the leasing of additional space, that additional space is counted in gross absorption. Preleasing of space in non-existing buildings (Planned, Under Construction or Under Renovation) is not counted in gross absorption until actual move in, which by definition may not be any earlier than the delivery date.

## INDUSTRIAL GROSS RENT

A type of Modified Gross lease where the tenant pays one or more of the expenses in addition to the rent. Exact details must be confirmed for each lease.

## INVENTORY

Existing inventory refers to the total square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space that is either planned, or under construction.

## MODIFIED GROSS

Modified Gross is a general type of lease rate where typically the tenant will be responsible for their proportional share of one or more of the expenses. The Lessor (landlord) will pay the remaining expenses. For example: Plus Electric means the tenant pays rent plus their own electric expense, or Plus Janitorial means the tenant pays the rent plus their own janitorial expense. Both of these are types of Modified Gross Leases, which may vary from tenant to tenant.

## NET ABSORPTION

For existing buildings, the measure of total square feet occupied (indicated as a Move-In) less the total space vacated (indicated as a Move-Out) over a given

period of time. Lease renewals are not factored into net absorption. However, in a lease renewal that includes the leasing of additional space, that additional space is counted in net absorption. Pre-leasing of space in non-existing buildings (Planned, Under Construction or Under Renovation) is not counted in net absorption until actual move in, which by definition may not be any earlier than the delivery date.

## TRIPLE NET (NNN)

A lease in which the tenant is responsible for all expenses associated with their proportional share of occupancy of the building.

## UNDER CONSTRUCTION

Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building Under Construction, the site must have a concrete foundation in place.

## VACANCY RATE

Expressed as a percentage - it identifies the amount of New/Relet/Sublet space vacant divided by the existing RBA. Can be used for buildings or markets.

## COMMON LEASE TYPES MATRIX

| LEASE TYPE                       | RESPONSIBILITY FOR EXPENSES                                    | OTHER  |
|----------------------------------|--|--|
| Gross (full service)             | Landlord pays all or most of the operating expenses and taxes. | Costs of operation must be disclosed in lease.                     |
| Modified Gross                   | Expenses are divided between tenant and landlord.              | Costs can be double or triple net depending on terms of lease.     |
| Net                              | Tenant pays all operating expenses.                            | Landlord must disclose tenant responsibility in lease.             |
| Triple Net (Net-net-net, or NNN) | Tenant pays all operating expenses, taxes and insurance.       | Landlord is responsible for structure, roof and maybe parking lot. |

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