



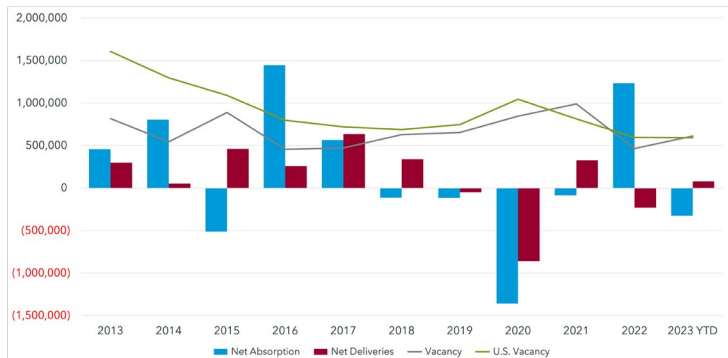
RETAIL MARKET OVERVIEW

ERIK FAUCETT, *Vice President*

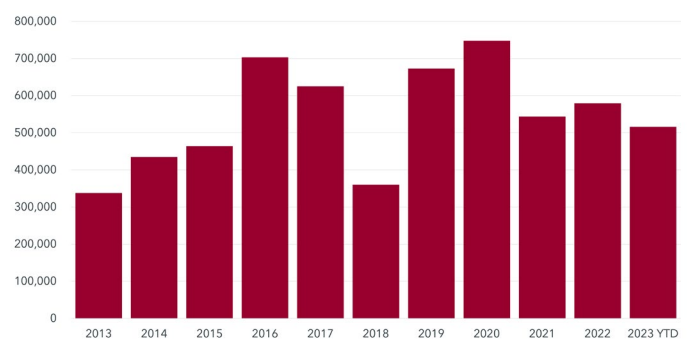
The general consensus is that the San Diego retail market is in one of its strongest positions in years. The spread between availability and vacancy rates are the lowest level in more than ten years. While leasing activity has slowed, that is more a function of less space than of less interest. The lack of new construction has also played a role in moderating demand. Deal flow and investment volume have slowed due to the rise in interest rates and buyers are being more selective.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	103,262	581,220	1,234,607	1,145,413	1,401,963
◀▶ Vacancy Rate	4.2%	4.2%	3.9%	4.2%	4.3%
▲ Avg NNN Asking Rate PSF	\$2.87	\$2.82	\$2.77	\$2.74	\$2.73
▼ SF Under Construction	515,989	540,545	579,262	541,775	565,266
▲ Inventory SF	138,765,556	138,727,379	138,679,353	138,834,535	138,826,783

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1300-1330 Orange Avenue Coronado, CA	41,949 SF	\$40,000,000 \$953.00 PSF	Park 1 Paragon Real Estate	Multi-Tenant
300 El Cajon Boulevard El Cajon, CA	35,200 SF	\$21,200,000 \$602.00 PSF	KB Home City Ventures	Single-Tenant
635 Oxford Street Chula Vista, CA	30,480 SF	\$3,512,500 \$115.00 PSF	Allan Ziman Ronnie Maman	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Civita Blvd and Qualcomm Way San Diego, CA	25,000 SF	Sudberry Properties	Jimbo's Naturally	Grocer
10511-10543 4S Commons Way San Diego, CA	6,080 SF	Regency Centers	Kahoot's	Pet Supply
4664 Clairemont Mesa Boulevard San Diego, CA	5,984 SF	Ashmore Dental Three	Dental Express	Dentist

