



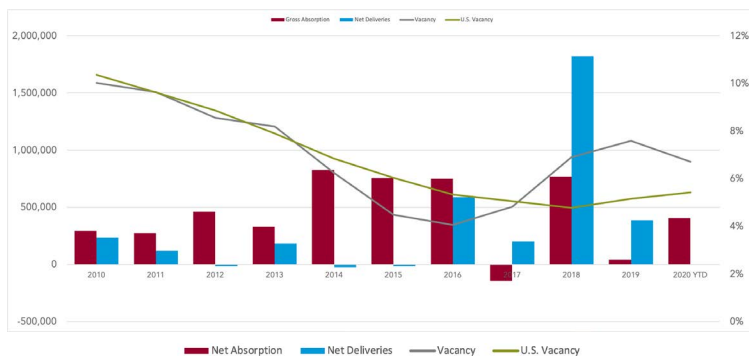
INDUSTRIAL MARKET OVERVIEW

ISAAC LITTLE, *Principal*

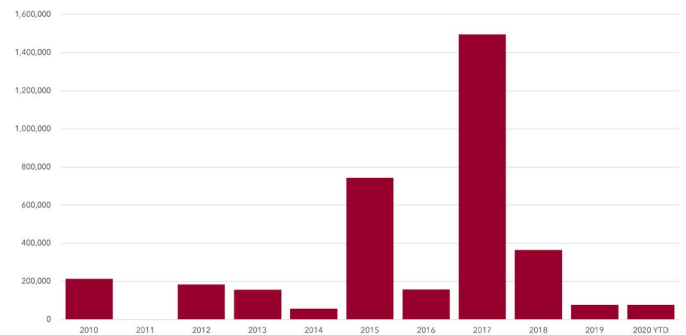
The North San Diego County industrial market had a strong first quarter with the market comprised of 57,543,000 square feet absorbing approximately 414,000 square feet of space. A handful of larger blocks of space (above 50,000 SF) were occupied, including two spaces totaling 280,000 SF getting absorbed by Amazon. Lease rates and sale prices appear to remain flat in the first quarter of 2020. Heading into March of 2020, active tenant, user and investor requirements significantly slowed down as the COVID 19 state lockdowns started to go into effect. There are a limited amount of active requirements coming from specific industry sectors, but many requirements are on a "wait and see" mode as it relates to the depth of COVID 19 impact.

MARKET INDICATORS	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
▲ Net Absorption	414,000 SF	198,000 SF	261,000 SF	(109,636) SF	203,680 SF
▼ Vacancy Rate	6.70%	6.72%	6.84%	6.90%	6.95%
▲ Avg NNN Asking Rate	\$12.36/SF	\$12.24/SF	\$12.24/SF	\$12.12/SF	\$11.88/SF
▲ Under Construction	59,000 SF	77,774 SF	77,774 SF	105,349 SF	401,957 SF
◀▶ Inventory	57,555,241 SF	57,555,241 SF	57,555,241 SF	57,477,516 SF	57,162,284 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1491 Poinsettia, Bldg A Vista, CA	225,000 SF	Undisclosed	BKM Capital Partners The Blackstone Group, LP	Class C
2620 Commerce Way Vista, CA	187,104 SF	\$26,400,000 \$133.94/SF	Westcore Properties GRE Commerce Way, LP	Class B
1340 N Melrose Drive Vista, CA	56,975 SF	\$8,400,000 \$147.43/SF	U-Store-It Vista, LLC D&R Property Management LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1345 Sycamore Ave Vista, CA	108,758 SF	Bentall Green Oak	Ernest Packaging Solutions	Manufacturing
2777 Loker Ave W Carlsbad, CA	59,215 SF	First Industrial Realty Trust, Inc	Amazon	Distribution
740 Los Vallecitos Blvd San Marcos, CA	40,067 SF	Navarra Properties ECSMLP	Pacific Western Wholesale	Wholesale