



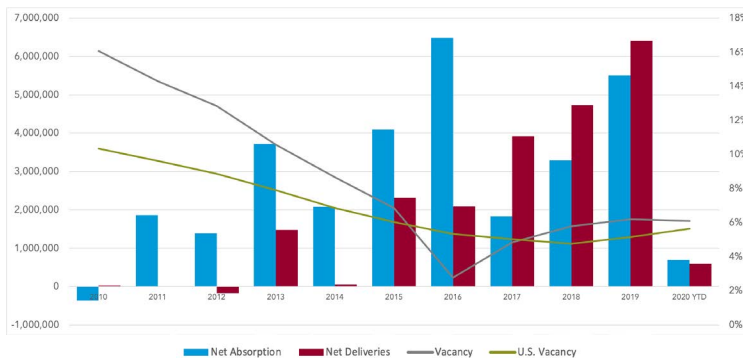
### INDUSTRIAL MARKET OVERVIEW

JIM MARTIN, SIOR, *Senior Vice President*

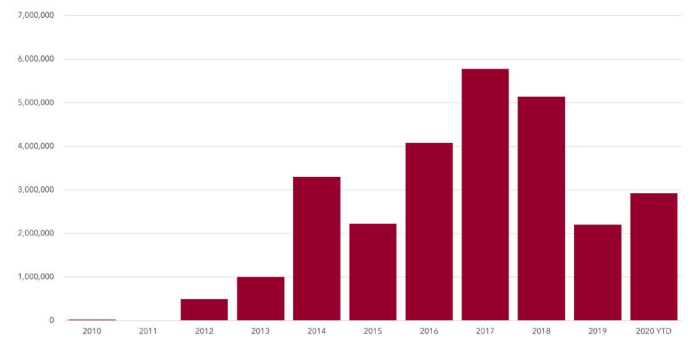
Overall, the industrial market for the Central Valley remained healthy and strong for Q2 2020, primarily due to continued owner/user purchase activity with a few large leases as well, including Allen Distribution 150,000 SF and UPS 550,000 SF. Two sizeable investment sales closed in Q2 despite the pandemic. Eight new building deliveries contributed to a slight up-tick in vacancy.

MARKET INDICATORS	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
◀ ▶ Net Absorption	1,308,697 SF	1,308,697 SF	5,508,882 SF	4,786,942 SF	4,852,412 SF
▲ Vacancy Rate	6.7%	6.3%	6.2%	5.2%	4.7%
▲ Avg NNN Asking Rate	\$7.30 PSF	\$7.21 PSF	\$7.12 PSF	\$7.02 PSF	\$6.90 PSF
▼ Under Construction	2,911,954 SF	3,425,041 SF	2,202,129 SF	2,893,526 SF	3,934,704 SF
▲ Inventory	128,528,416 SF	128,023,829 SF	127,930,292 SF	126,073,730 SF	124,500,035 SF

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1901 South Stockton Street Lodi, CA	345,000 SF	\$7,844,091 \$22.74 PSF	Rich's TreeHouse Foods, Inc.	Class C
2991-3001 North Navone Road Stockton, CA	201,400 SF	\$10,200,000 \$50.65 PSF	Jerry Fan Clover Industrial Properties	Class C
1447 Mariani Court Tracy, CA	155,945 SF	\$21,330,000 \$136.78 PSF	Nearon Enterprises Scannell Properties	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6868 Arch Rd Stockton, CA	155,492 SF	Buzz Oates	Allen Distribution	Warehouse/ Distribution
600 Spreckles Ave Manteca, CA	552,450 SF	Duke	UPS	Warehouse/ Distribution
1150 E. Arbor Tracy, CA	210,877 SF	Prologis, Inc.	Hollingsworth	Warehouse/ Distribution