



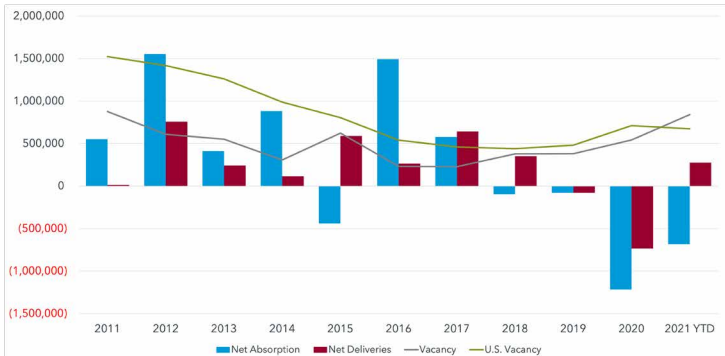
### RETAIL MARKET OVERVIEW

VICTOR AQUILINA, *Principal*

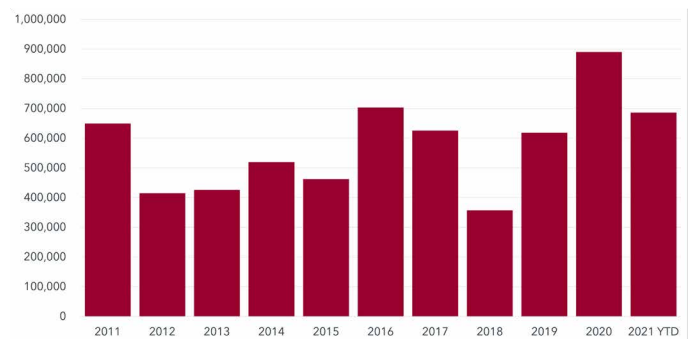
The San Diego Retail market is on the rebound since the recent lift of Covid-19 restrictions. Many operators are back to full capacity and making a steady recovery. The Hospitality and Restaurant sectors are looking forward to a busy summer as tourism returns to San Diego. San Diego's vacancy rate increased over the past 12 months to 5.4%, a change of 1.1% year over year. The vacancy rate would be closer to 6% had net supply not fallen due to demolitions in 2020 by -730,000 SF. Vacancy is projected to stay elevated relative to recent history.

MARKET INDICATORS	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
▼ 12 Mo. Net Absorption SF	(1,192,736)	(801,790)	(59,600)	(520,250)	(282,473)
▼ Vacancy Rate	5.3%	5.4%	4.7%	4.6%	4.2%
▲ Avg NNN Asking Rate PSF	\$30.65	\$30.44	\$30.35	\$30.49	\$30.58
▼ SF Under Construction	681,330	718,842	890,069	853,342	944,672
▲ Inventory SF	139,054,401	139,006,904	138,771,374	138,742,997	138,626,629

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
5500 Grossmont Center Drive La Mesa, CA	853,975 SF	\$162,304,906 \$317.00 PSF	FR Grossmont LLC Rainbow Investment Company	Multi-Tenant
4627-4853 Carmel Mountain Road San Diego, CA	85,834 SF	\$44,430,657 \$518.00 PSF	Gri Torrey Hilld LLC Sea Breeze Properties	Multi-Tenant
330 Rancheros Drive San Marcos, CA	70,742 SF	\$13,445,094 \$316.00 PSF	Vertical Ventures San Marcos Plaza of JVP, LLC	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
659 9th Avenue San Diego, CA	36,000 SF	4 Lee Tenth LLC	Target	Soft Goods
324 Sycamore Avenue Vista, CA	35,000 SF	Giavista Investment LLC	Esporta	Fitness
212 El Camino Real Encinitas, CA	20,488 SF	Wiengarten Realty Investors	Burlington	Soft Goods

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