



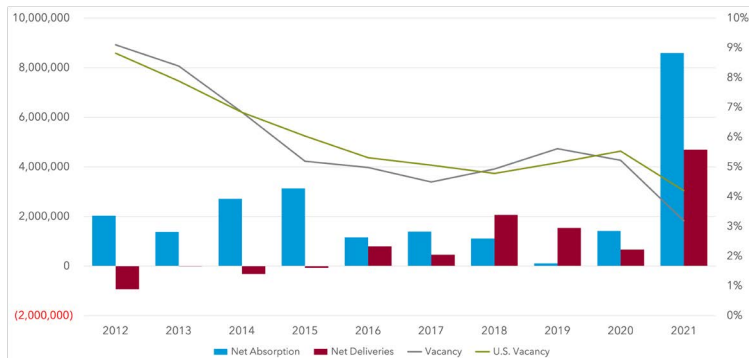
INDUSTRIAL MARKET OVERVIEW

LINDA GREENBERG, *Principal*

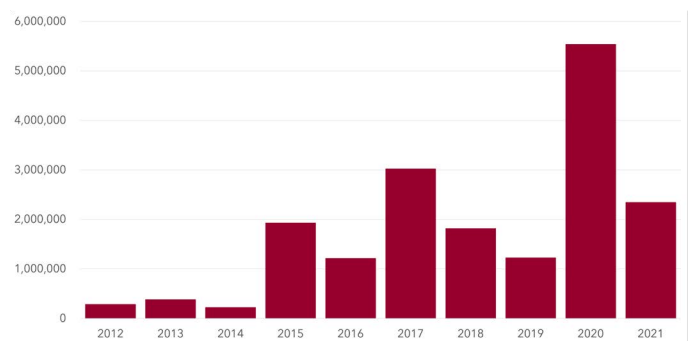
The San Diego industrial market is well balanced between warehousing and distribution space occupied by last mile and e-commerce tenants led by Amazon with a new 3.4 million sf building with a second 700,000 sf under construction and the robust life science sector which is primarily located in proximity to the University of California San Diego in the Torrey Pines and Sorrento Mesa submarkets. Some older office and industrial buildings are being converted to life science space to meet the current demand. San Diego's annual rent growth is at 8.6% which is above the national average of 8.4%.

MARKET INDICATORS	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
▲ 12 Mo. Net Absorption SF	8,591,462	7,136,682	3,197,570	1,891,282	1,414,249
▼ Vacancy Rate	3.20%	4.20%	4.60%	5.10%	5.20%
▲ Avg NNN Asking Rate PSF	\$18.44	\$17.93	\$17.56	\$17.25	\$16.96
▼ SF Under Construction	2,349,577	2,552,196	5,803,117	5,541,122	5,540,373
▲ Inventory SF	203,788,174	203,427,337	199,894,669	199,427,595	199,093,419

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10421 Pacific Center Court (Part of Portfolio), San Diego, CA	183,565 SF	\$189,726,834 \$1,033 PSF	Harrison Street Capital City Office REIT, Inc.	Class B
10390 Pacific Center Court (Part of Portfolio), San Diego, CA	68,536 SF	\$70,836,588 \$1,033.00 PSF	Harrison Street Capital City Office REIT, Inc.	Class B
7995 Armour Street San Diego, CA	104,510 SF	\$64,300,000 \$614 PSF	Realterm Logistics Lincoln Property Company	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5670 Kearny Mesa Road San Diego, CA	315,000 SF	Crow Holdings	Amazon	Warehouse
1701 Landmark Road San Diego, CA	153,630 SF	Sunroad Otay Partners	RL Jones	Warehouse
2611 Business Park Drive Vista, CA	125,516 SF	Everwest Real Estate Investors	Stone Brewing	Manufacturing

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