



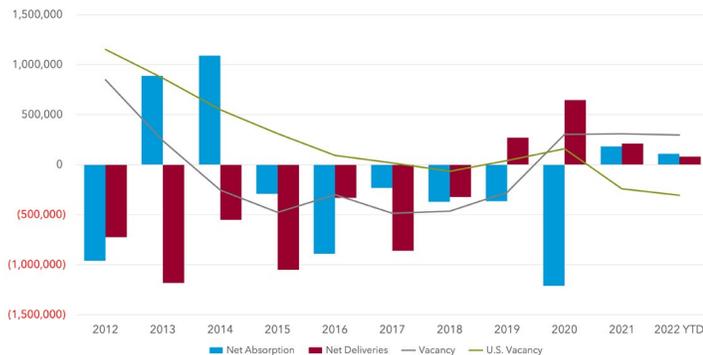
INDUSTRIAL MARKET OVERVIEW

CODY KOLLMANN, *Principal*

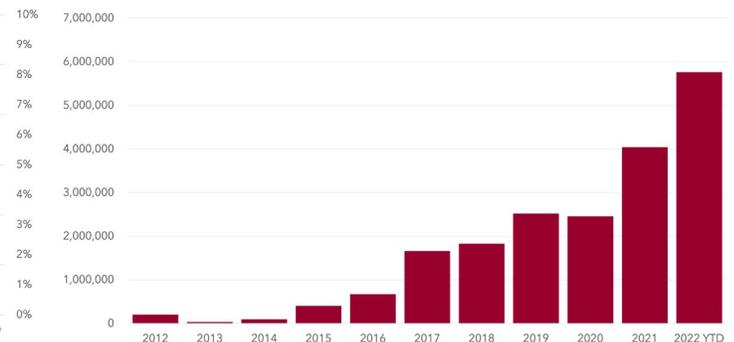
Only one large-block of space was absorbed this quarter, and that was Balfour Beatty occupying 44,898 square feet on 6000 3rd Street. Leasing activity is slowing compared to last year and rental rates are returning to pre-pandemic prices. Shasta Foods occupied 39,840 square feet on 301 Toland Street making it the only other lease exceeding 10,000 square feet. Tenant demand remains high, with greater than 3 million square feet in the San Francisco area, although negative absorption persists.

MARKET INDICATORS	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
▲ Qtrly Net Absorption SF	1,016,784	882,491	637,582	182,552	(981,646)
▲ Vacancy Rate	5.90%	5.80%	6.00%	6.00%	6.90%
▲ Avg NNN Asking Rate PSF	\$30.99	\$30.65	\$24.41	\$24.44	\$24.10
◀▶ SF Under Construction	5,800,000	5,800,000	4,800,000	4,400,000	4,000,000
◀▶ Inventory SF	95,900,000	95,900,000	95,900,000	95,900,000	95,900,000

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
301 Toland Street San Francisco, CA	110,000 SF	\$425,275,000 \$384.32 PSF	TPG Global LLC Lift Partners	Class B
1330 Fitzgerald Avenue San Francisco, CA	94,304 SF	\$37,000,000 \$286.31 PSF	Blackstone Inc. Circa	Class B
2000 Marin Street San Francisco, CA	74,122 SF	\$63,600,000 \$858.04 PSF	City and County of San Francisco Tishman Speyer	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
901 Rankin Street San Francisco, CA	56,615 SF	SFERS Real Estate Corp	Undisclosed	Undisclosed
6000 3rd Street San Francisco, CA	44,898 SF	Elevate Propco IV LLC	Balfour Beatty	Professional, Scientific, Technical Services
301 Toland Street -1st Floor San Francisco, CA	39,827 SF	Elevate Propco IV LLC	Undisclosed	Undisclosed

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