LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q4 2022
SAN DIEGO NORTH, CA

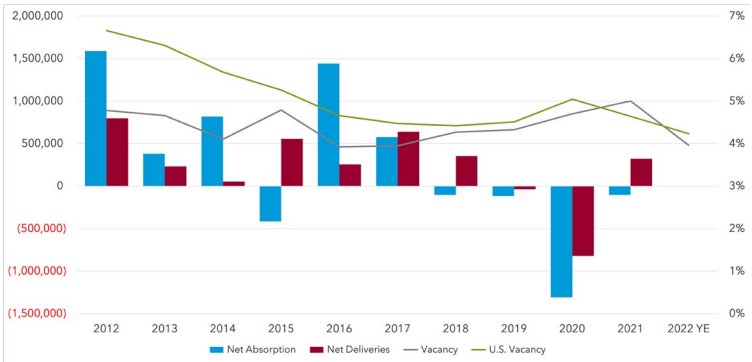
RETAIL MARKET OVERVIEW

VICTOR AQUILINA, *Principal*

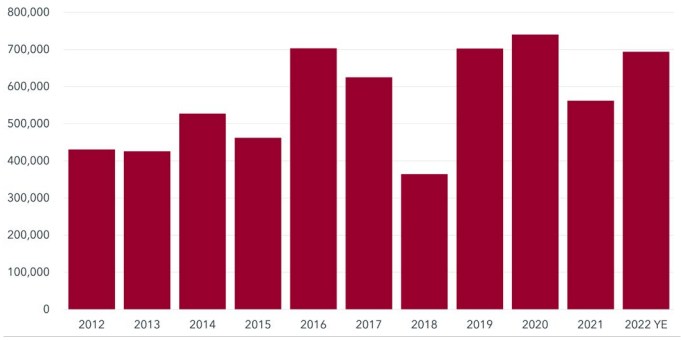
San Diego retail market continues to have positive net absorption over the last seven quarters, the longest streak in 10 years. This has lead to the a year-over-year vacancy change of -0.9% to 4%. The net absorption over the past 12 months has been 1.3 million square feet. Rents are up 3.9% over the year and continue to rise. The San Diego Market is in good shape going into an uncertain 2023.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	1,385,577	1,248,167	1,409,185	960,952	(103,855)
▼ Vacancy Rate	4.00%	4.10%	4.30%	4.70%	5.00%
▲ Avg NNN Asking Rate PSF	$2.75	$2.73	$2.73	$2.68	$2.64
▼ SF Under Construction	693,775	734,864	771,005	749,502	562,072
▲ Inventory SF	138,595,884	138,564,087	138,545,159	138,564,971	138,652,861

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
635 N Broadway Escondido, CA	44,047 SF	$6,750,000 $153.25 PSF	Escooz LLC Stater Bros Markets	Single-Tenant
6171 Mission Gorge Road San Diego, CA	23,760 SF	$13,100,000 $551.35 PSF	Mission Gorge LP Sidney Family Limited Partnership	Multi-Tenant
476 Broadway Chula Vista, CA	21,807 SF	$4,480,000 $205.21 PSF	Patron Investments LLC USA Properties, Inc.	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4760-496 Clairemont Mesa Blvd San Diego, CA	27,000 SF	Deutsch Company	Lighthouse Bible Church	Religious Facility
2770 Glebe Road Lemon Grove, CA	15,148 SF	New Vision Holdings Inc	Greater Life SD Church	Religious Facility
3829-3837 Plaza Drive Oceanside, CA	15,000 SF	Fernando Peniche Bustamante	Modern Airsoft	Sporting Goods

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