



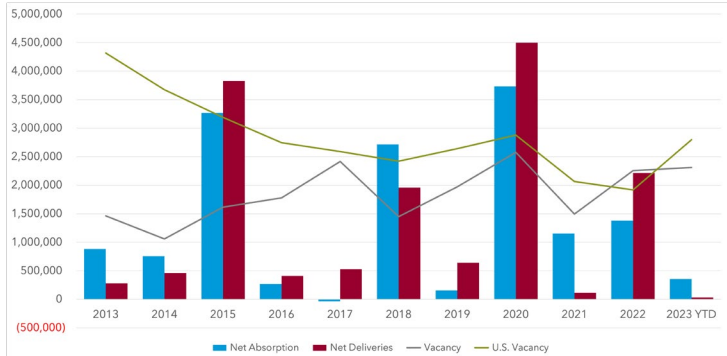
INDUSTRIAL MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

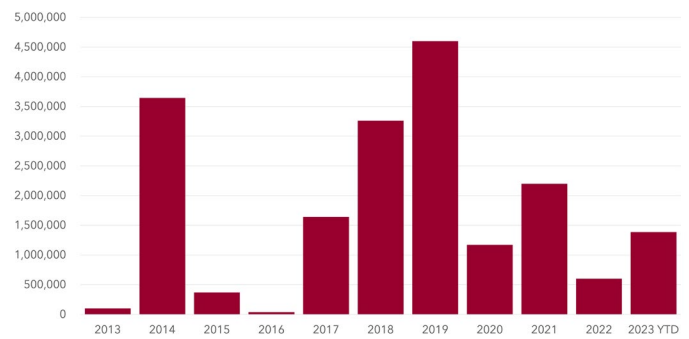
Vacancy is down this quarter from 5.3% to 4.6% and absorption was at 356,875 SF. New spec development is still underway at Tejon Ranch and Wonderful Industrial Park which shows increases in vacancy are more a function of increased supply rather than weak demand. Rent growth is still at 5.2% YOY. Asking rents in Bakersfield are the highest in Central California due to the metro's wealth of modern inventory and 2 hour drive proximity to the Port of LA/Long Beach. Despite a lack of large leases inked in Q2 2023, there are currently three large users under negotiation on 100K SF or more. Investors are attracted to strong rent growth with a mix of local and national capital targeting Bakersfield.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	356,875	1,600,000	320,760	1,712,725	38,820
▼ Vacancy Rate	4.60%	5.30%	4.51%	5.62%	4.92%
▲ Avg NNN Asking Rate PSF	\$9.84	\$9.72	\$9.60	\$9.36	\$9.24
▼ SF Under Construction	1,385,975	1,395,932	601,354	922,144	2,397,492
▼ Inventory SF	61,639,996	61,800,000	61,200,000	60,900,000	61,500,000

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
235 Mt. Vernon Avenue Bakersfield, CA	12,889 SF	\$1,800,000 \$140.00 PSF	Standford Transportation, Inc. Jeffrey M. Vetter	Class C
825 E. White Lane Bakersfield, CA	9,600 SF	\$2,500,000 \$260.00 PSF	Braly Properties White Lane LLC Michael G. Conner	Class C
1649 Elzworth Street Bakersfield, CA	9,500 SF	\$2,800,000 \$295.00 PSF	Denmeyer LLC Ellis Family Living Trust	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6001 Snow Road Bakersfield, CA	71,087 SF	6001 Snow Rd LLC	Titan Cold Storage	Ag / Cold Storage
901 Sacramento Street Bakersfield, CA	10,500 SF	Sill Family Partnership	Auto Collision Group Bakersfield	Automotive Repair
8319 Kimber Avenue Bakersfield, CA	9,000 SF	Apex Bulk Commodities	APT General Engineering	Construction/ Engineering

