



The Tri-Valley area includes the cities of Livermore, Dublin, and Pleasanton

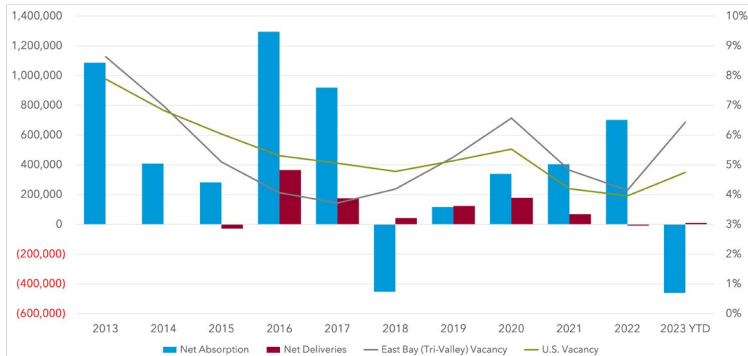
INDUSTRIAL MARKET OVERVIEW

SEAN OFFERS, SIOR, *Principal*

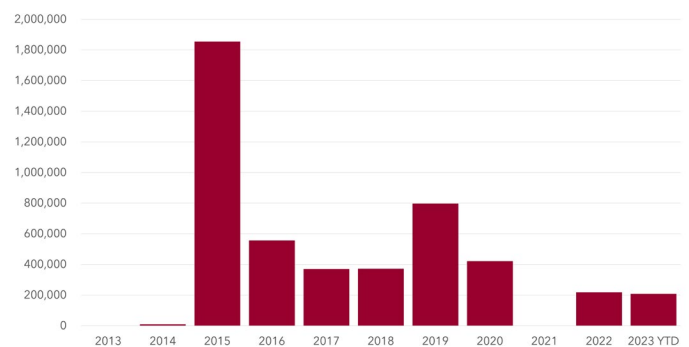
The second quarter of 2023 in the East Bay, specifically the Tri-Valley, was much the same as the first of the year. Industrial demand continues to be solid, but activity and deal volume are not what we had a year prior. Sales pricing is holding steady but there seems to be a disconnect between would be buyers and sellers with many sellers sticking to the highs of 2022. Lease rates have stayed strong, but many landlords are now giving extra concessions in order to attract tenants. We anticipate the same continued activity into the third quarter, but will be eyeing general economic conditions and what they may hold for the industrial sector.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(83,162)	495,762	702,383	583,989	679,480
▲ Vacancy Rate	6.40%	3.30%	3.30%	3.60%	5.40%
▼ Avg NNN Asking Rate PSF	\$21.98	\$22.52	\$22.35	\$22.04	\$21.65
▲ SF Under Construction	207,925	206,900	206,900	195,500	185,500
▲ Inventory SF	28,247,838	28,118,392	28,118,392	28,118,392	28,118,392

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
N Canyon Parkway, Parcel 3 Livermore, CA	229,606 SF	\$13,600,000 \$59.23 PSF	Denova Homes Property Invest Ltd	Land
National Drive Livermore, CA	284,011 SF	\$8,805,000 \$31.00 PSF	Dominic Sposeto Evans Brothers, Inc.	Land
530 Boulder Court, Unit 100-101 Pleasanton, CA	10,645 SF	\$3,360,000 \$315.64 PSF	Boulder Rock LLC Friedrich Support Services	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6909 Las Positas Road, Suite A Livermore, CA	42,424 SF	Prologis	Altamont Beer Works	Craft Brewery
7041 Las Positas Road, Suite H Livermore, CA	36,595 SF	UBS	Viking SupplyNet	Fire Protection Equipment Supplier
6818 Patterson Pass Road, Suites A-C Livermore, CA	39,019 SF	Principal	Profood International	Food Distribution

