



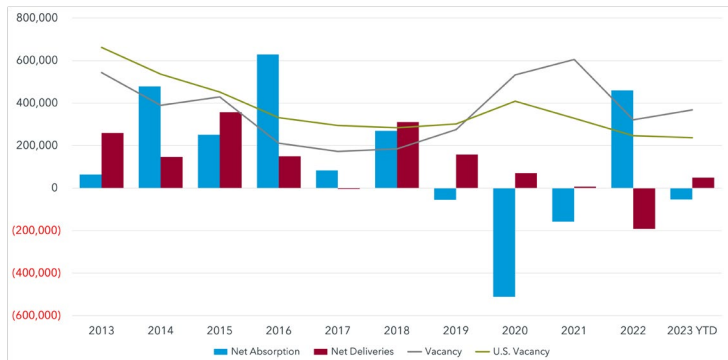
### RETAIL MARKET OVERVIEW

JAMES PIERI, JR, Senior Vice President, Broker and Principal

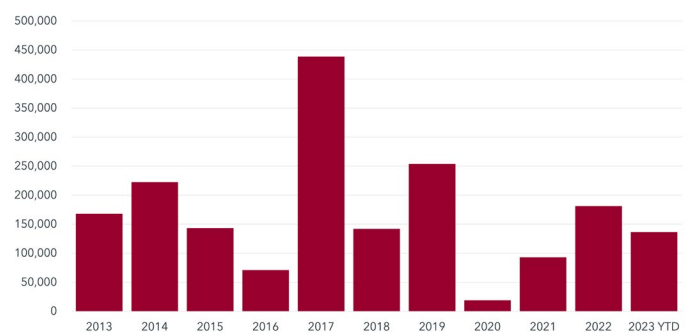
The North San Diego County retail trade areas (Oceanside, Carlsbad, Encinitas, Solana Beach, Del Mar, Vista, San Marcos, Escondido, Rancho Bernardo) continue to remain stable through Q2, 2023. Retail vacancy is down approximately 0.02% from Q1, 2023 and vacancy continues to hover at approximately 4.9%. In the same time period, NSDC retail rental rates have increased by approximately 5.6% for a market average of approximately \$2.98 PSF plus NNN's. This trend continues to hover above the national average of approximately 3.7% growth over the past twelve months. Purchase and sale volumes have continued to decrease since the middle of 2022, due to increased interest rates, low supply to the market, and the uncertainty of the market.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	(34,600)	217,617	460,103	429,729	521,937
▼ Vacancy Rate	4.93%	4.97%	4.61%	4.83%	5.07%
▲ Avg NNN Asking Rate PSF	\$28.08	\$26.40	\$26.16	\$25.56	\$25.20
▼ SF Under Construction	142,109	144,759	181,221	152,516	156,157
▲ Inventory SF	2,356,525	2,220,619	2,119,971	2,077,879	2,252,292

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1210-1276 Auto Park Way Escondido, CA	163,409 SF	\$30,500,000 \$459.26 PSF	Federal Realty Investment Trust Spark Development Partners LLC	Multi-Tenant
890 Palomar Airport Road Carlsbad, CA	27,505 SF	\$3,400,000 \$123.61 PSF	Excel Carlsbad LLC Washington Capital Management	Multi-Tenant
5613 Paseo Del Norte Carlsbad, CA	10,470 SF	\$7,500,000 \$716.33 PSF	K Ishii Manhattan Ave LLC Strategic Property Advisors	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1060 Auto Center Way Carlsbad, CA	65,400 SF	AutoNation	BMW	New Car Dealers
2445 Vista Way Oceanside, CA	16,566 SF	Oceanside America LLC	Lazy Boy	Furniture
307 N. Coast Highway Oceanside, CA	8,685 SF	JCT Properties LLC	Retail Center	Restaurant

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