



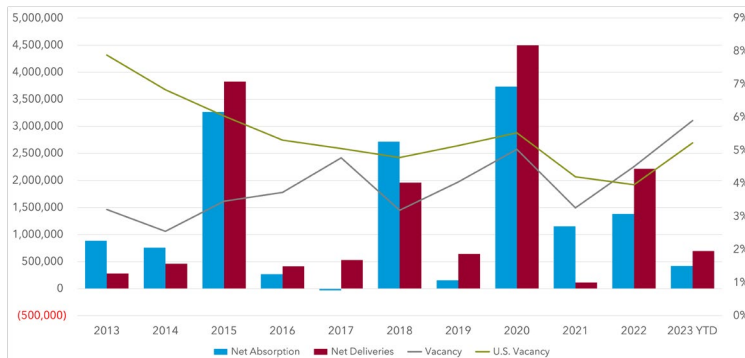
### INDUSTRIAL MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

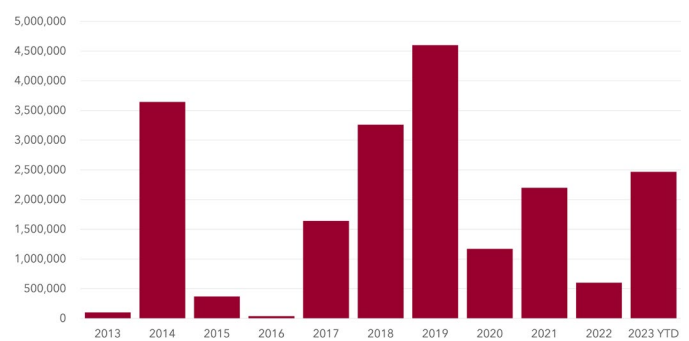
Bakersfield mainly attracts local and domestic investors, however the lack of trades in 2023 indicates a slower capital markets environment, but scarcity of available space continues to maintain investor interest. There has been a shift in 2023 from large single-building leases to smaller deals, one lease surpassing 100,000 SF, a 240,000 SF deal by Sunrise Brands in Q1. Vacancy has increased slightly to 5.9%, despite strong net absorption of 420,000 SF year-to-date. However, recent quarters slowed, with less than 200,000 SF leased in the 1st half of 2023. Development remains strong with 2.5M SF underway and 700K SF delivered in the past year, the risk of oversupply is low, as inventory is set to expand by 4.0%.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	418,000	356,875	1,600,000	320,760	1,712,725
▲ Vacancy Rate	5.9%	4.6%	5.3%	4.5%	5.6%
▲ Avg NNN Asking Rate PSF	\$9.96	\$9.84	\$9.72	\$9.60	\$9.36
▲ SF Under Construction	2,468,000	1,385,975	1,395,932	601,354	922,144
▲ Inventory SF	61,920,728	61,639,996	61,800,000	61,200,000	60,900,000

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3830 Saco Road Bakersfield, CA	168,000 SF	\$16,500,000 \$98.21 PSF	Four Star Fruit, Inc. Grapeman Farms	Class C
2624 Buck Owens Boulevard Bakersfield, CA	30,715 SF	\$2,200,000 \$71.63 PSF	Damian Poon Dennis Andre	Class C
3501 Fruitvale Avenue Bakersfield, CA	8,678 SF	\$2,100,000 \$241.99 PSF	Raghbir Singh Braich William C. Vigstrom	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1900 Norris Road Bakersfield, CA	80,000 SF	Meadows Field Industrial Park	Security Contractor Services	General Contracting
424-428 California Avenue Bakersfield, CA	68,000 SF	Sill Family Partnership	Goodwill Industries	Merchandise
100 Sycamore Road Bakersfield, CA	35,162 SF	S. Kuar / S. Singh	Undisclosed	Undisclosed

