



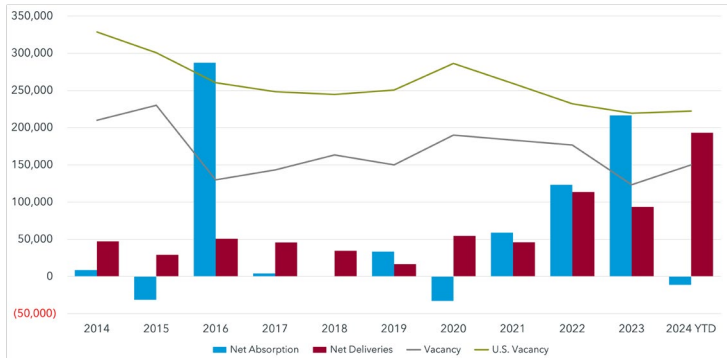
RETAIL MARKET OVERVIEW

JEFF ALLEN, *Senior Associate*

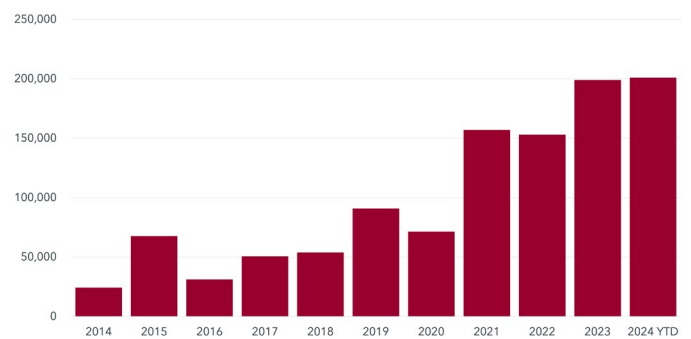
While the availability rate is trending at 4.1%, it is still low from a historical perspective. Demand has been healthy. Except for the first three months of this year, net absorption has been positive in nearly every quarter since 2021. Single-tenant availability has been relatively stable at about 3% for the past several years. Multi-tenant availability ticked up above 5% in 2024, although it is near its 15-year low. Retailers do have some options in new inventory. Roughly 200,000 SF is under construction with about 50,000 SF still available for lease.

| MARKET INDICATORS | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | Q2 2023 |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | (16,102) | 24,782 | 216,630 | 216,738 | 241,805 |
| ▲ Vacancy Rate | 3.1% | 3.0% | 2.6% | 2.9% | 3.0% |
| ▲ Avg NNN Asking Rate PSF | \$27.86 | \$27.71 | \$27.55 | \$27.36 | \$27.11 |
| ◀ ▶ SF Under Construction | 201,000 | 201,000 | 199,000 | 201,000 | 201,000 |
| ◀ ▶ Inventory SF | 15,569,987 | 15,569,987 | 15,567,867 | 15,567,867 | 15,567,867 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | TENANCY TYPE |
|---|-----------|-----------------------------|--|---------------|
| 1052 E. Grand Avenue Arroyo Grande, CA | 20,000 SF | \$3,500,000 \$175.00 PSF | Acts Churches of America, Inc. Blankenburg Properties | Multi-Tenant |
| 8304 El Camino Real Atascadero, CA | 2,800 SF | \$1,640,000 \$585.71 PSF | Cole Valley Partners Paul Meltzer Trust | Single-Tenant |
| 927 Shell Beach Road Pismo Beach, CA | 1,872 SF | \$1,800,000 \$961.54 PSF | Cynthia Foresee Family Trust Cravens Family Trust | Single-Tenant |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|---|-----------|---------------------------------------|-------------|-----------------|
| 7065-7101 El Camino Real Atascadero, CA | 13,487 SF | Taft Family Trust | Dollar Tree | Discount Retail |
| 1314 Madonna Road San Luis Obispo, CA | 13,261 SF | P Terence Shubert | Dollar Tree | Discount Retail |
| 11560 Los Osos Valley Road San Luis Obispo, CA | 4,605 SF | Laguna Village Shopping Center LLC | Undisclosed | Undisclosed |

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com