



INDUSTRIAL MARKET OVERVIEW

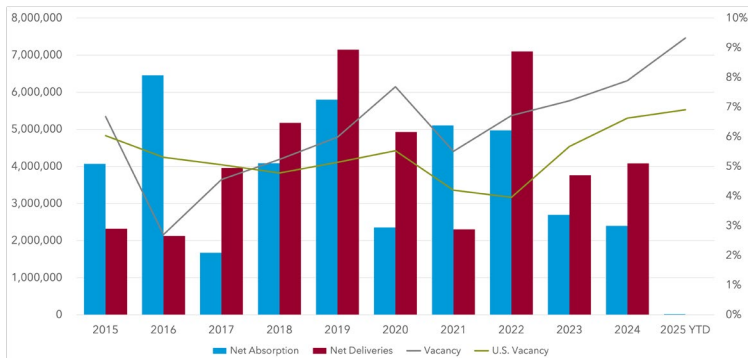
JIM MARTIN, SIOR Senior Vice President

2025 picked up where 2024 left off in the Central Valley Industrial market, with general activity better than many markets but more or less sputtering along when compared to previous quarters/years. Having said that, owner/user purchase activity remains robust despite interest rates that remain higher than have been seen in the previous 10+/- years, while on the leasing side anything small and of quality (50,000sf and below) is generally still in relative short supply. Surprisingly, build to suit signings were completed despite similarly sized spec and/or existing product being readily available in close proximity. Expectations going forward remain uncertain in light of geopolitical concerns and potential trade wars as a result of tariffs, the final results of which are yet to be determined.

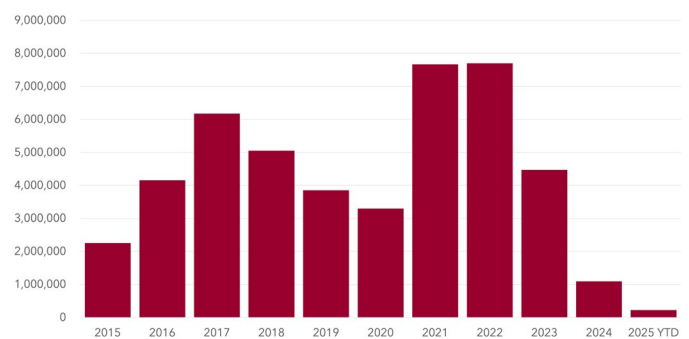
MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▼ Qtrly Absorption Units	312,900	343,650	191,360	477,360	1,865,480
◀▶ Vacancy Rate	8.2%	8.2%	7.9%	7.1%	7.1%
◀▶ Avg NNN Asking Rent PSF	\$8.76	\$8.76	\$8.76	\$8.76	\$8.76
◀▶ Sale Price PSF	*	*	*	*	*
◀▶ Cap Rate	*	*	*	*	*
▲ Under Construction	2,490,000	1,030,790	2,120,950	3,766,490	4,129,287
◀▶ Inventory	155,087,729	155,087,729	153,997,569	152,352,029	151,989,232

*Please contact Lee & Associates Stockton for Sale Price and Cap Rate Information

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
18300 S. Harlan Road Lathrop, CA	935,000 SF	\$84,950,000 \$90.86 PSF	Kin Properties CenterPoint	Class B
301 9th Street Modesto, CA	182,547 SF	\$11,000,000 \$60.26 PSF	Graceada Cable Family LP	Class B
3137 Del Este / 819 S. Mariposa Modesto, CA	42,436 SF	\$5,049,884 \$119.00 PSF	Buzz Oates Copper Cane	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6140 Promontory Parkway Tracy, CA	403,000 SF	Prologis	Costco	Warehouse/ Distribution
1200 Graphics Modesto, CA	200,000 SF	North Point	Pepsico	Warehouse/ Distribution
4747 Frontier Way Stockton, CA	150,000 SF	DRA Advisors	Southwest Traders	Warehouse/ Distribution

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