



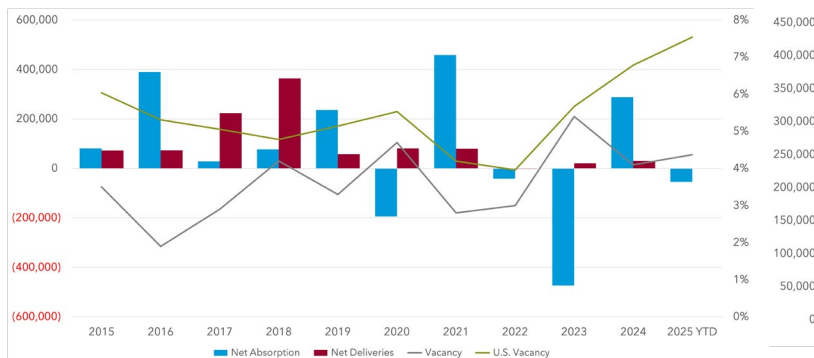
INDUSTRIAL MARKET OVERVIEW

TOM DAVIDSON, *Senior Vice President*

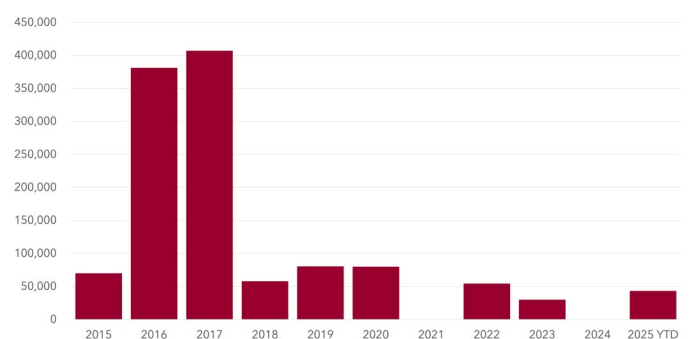
As of Q3 2025, Santa Barbara's industrial market reports a 4.3% vacancy rate, up 0.4% year-over-year following -91,000 SF of net absorption and no new deliveries. The current rate is above the five-year average of 3.8% and the ten-year average of 3.5%. About 1.2 million SF is listed for lease, representing 5.9% availability, with 43,000 SF under construction-slightly above the 10-year average of 34,000 SF. Total inventory measures 20.9 million SF, including 11.9 million SF of logistics, 4.3 million SF of flex, and 4.7 million SF of specialized space. Average rents are \$17.20/SF, down 0.3% year-over-year, with five- and ten-year average annual rent growth of 4.0% and 4.7%, respectively.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▼ 12 Mo. Net Absorption SF	(92,671)	95,726	204,664	288,491	335,853
▲ Vacancy Rate	4.31%	4.40%	4.20%	4.10%	3.92%
▲ Avg NNN Asking Rate PSF	\$17.19	\$18.13	\$17.95	\$17.92	\$17.76
▼ Sale Price PSF	\$220.00	\$202.00	\$217.00	\$213.00	\$212.00
▲ Cap Rate	6.92%	7.60%	6.86%	7.00%	6.89%
◀ ▶ Under Construction SF	43,350	43,350	43,350	-	-
▲ Inventory SF	20,863,331	20,787,805	20,738,840	20,322,695	20,302,646

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
414 Por La Mar Drive Santa Barbara, CA	19,626 SF	\$4,300,000 \$219.00 PSF	Greycliff Capital Shahram Bijan	Class C
1637 W. Central Avenue Lompoc, CA	20,000 SF	\$3,040,000 \$152.00 PSF	GH Lompoc LLC Neo Street Partners LLC	Class C
132 Santa Barbara Street Santa Barbara, CA	10,000 SF	\$6,875,000 \$688.00 PSF	SB Parlors LLC Castagnola Trust	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1401 W. Fairway Drive Santa Maria, CA	49,895 SF	Krz Fairway LLC	WheelPros	Automotive
165 Castilian Drive Goleta, CA	12,252 SF	Investec	Undisclosed	Undisclosed
2625 Skyway Drive Santa Maria, CA	10,000 SF	Bormes Brother LLC	Undisclosed	Undisclosed

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