



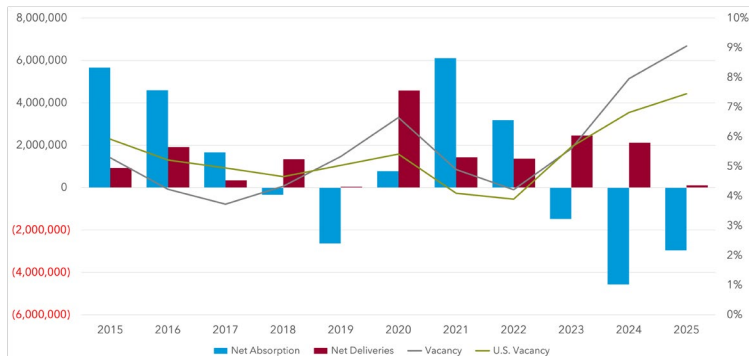
### INDUSTRIAL MARKET OVERVIEW

CHRIS SCHOFIELD, SIOR, *Managing Principal*

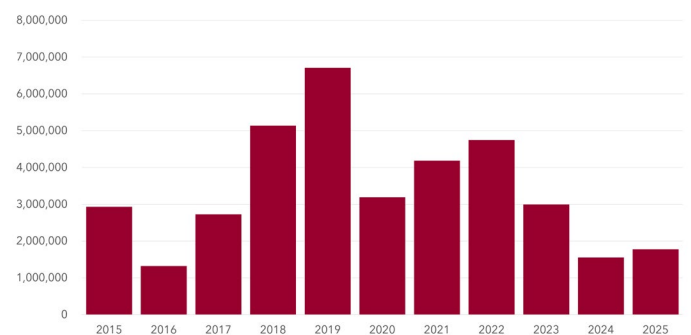
Activity in the East Bay industrial market remained steady through the fourth quarter of 2025. Overall availability was up in 2025 to over 9% but did not increase from Q3 through Q4. Net absorption was down again in 2025 but far less than 2024. With deliveries slowing, overall absorption posted improvements year over year. Rents have decreased slightly but landlords are optimistic for 2026. With limited inventory for owner/user and investor purchases, sale prices have remained strong.

| MARKET INDICATORS          | Q4 2025     | Q3 2025     | Q2 2025     | Q1 2025     | Q4 2024     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (2,960,042) | (478,999)   | (6,002,016) | (6,122,327) | (4,571,278) |
| ◀ ▶ Vacancy Rate           | 9.10%       | 9.10%       | 9.00%       | 8.40%       | 8.00%       |
| ▼ Avg NNN Asking Rate PSF  | \$1.44      | \$1.45      | \$1.45      | \$1.45      | \$1.45      |
| ▼ Sale Price PSF           | \$278.00    | \$279.00    | \$272.00    | \$272.00    | \$271.00    |
| ◀ ▶ Cap Rate               | 5.70%       | 5.70%       | 5.80%       | 5.80%       | 5.80%       |
| ▲ Under Construction SF    | 1,777,430   | 1,265,717   | 1,007,245   | 1,227,740   | 1,557,535   |
| ▼ Inventory SF             | 278,880,491 | 278,904,269 | 278,920,377 | 278,816,564 | 278,773,082 |

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                 | SIZE       | SALE PRICE                   | BUYER / SELLER                                     | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 2009-2021 Farallon Drive<br>San Leandro, CA | 260,989 SF | \$62,700,000<br>\$240.24 PSF | Sagard Real Estate<br>Gilbert Group                | Class B        |
| 7411 Central Avenue<br>Newark, CA           | 143,086 SF | \$34,000,000<br>\$237.62 PSF | Palisade Group<br>United Logistics Solutions, Inc. | Class B        |
| 47548 Kato Road<br>Fremont, CA              | 110,588 SF | \$43,010,000<br>\$388.92 PSF | Clarion Partners<br>Barings                        | Class A        |

| TOP LEASE TRANSACTIONS BY SF            | SIZE       | LANDLORD       | TENANT | TENANT INDUSTRY |
|---|------------|----------------|--------|-----------------|
| 1345 Doolittle Drive<br>San Leandro, CA | 266,000 SF | ProLogis       | Amazon | e-commerce      |
| 7380 Morton Avenue<br>Newark, CA        | 225,679 SF | Terreno        | Quanta | Technology      |
| 31353 Huntwood Avenue<br>Hayward, CA    | 327,100 SF | Morgan Stanley | Tesla  | Automotive      |

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