



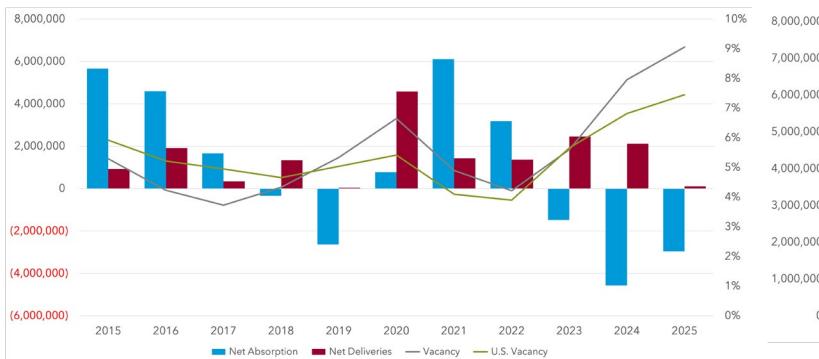
### INDUSTRIAL MARKET OVERVIEW

 CHRIS SCHOFIELD, SIOR, *Managing Principal*

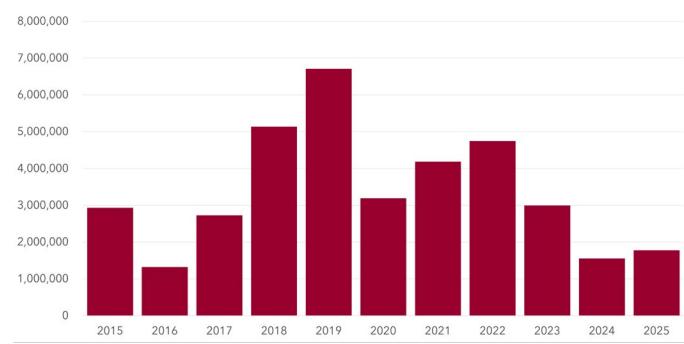
Activity in the East Bay industrial market remained steady through the fourth quarter of 2025. Overall availability was up in 2025 to over 9% but did not increase from Q3 through Q4. Net absorption was down again in 2025 but far less than 2024. With deliveries slowing, overall absorption posted improvements 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 San Leandro, CA	260,989 SF	\$62,700,000 \$240.24 PSF	Sagard Real Estate Gilbert Group	Class B
7411 Central Avenue Newark, CA	143,086 SF	\$34,000,000 \$237.62 PSF	Palisade Group United Logistics Solutions, Inc.	Class B
47548 Kato Road Fremont, CA	110,588 SF	\$43,010,000 \$388.92 PSF	Clarion Partners Barings	Class A

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



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