



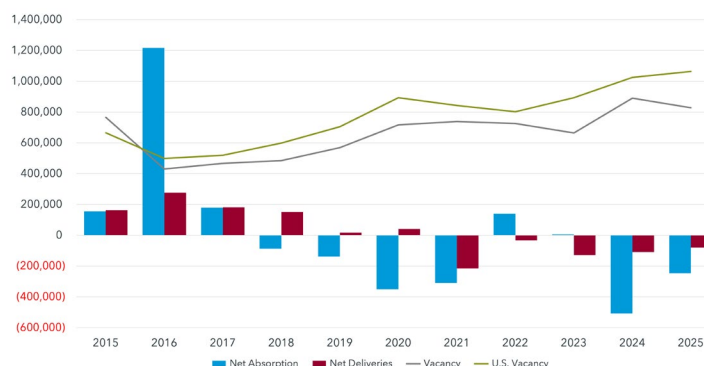
RETAIL MARKET OVERVIEW

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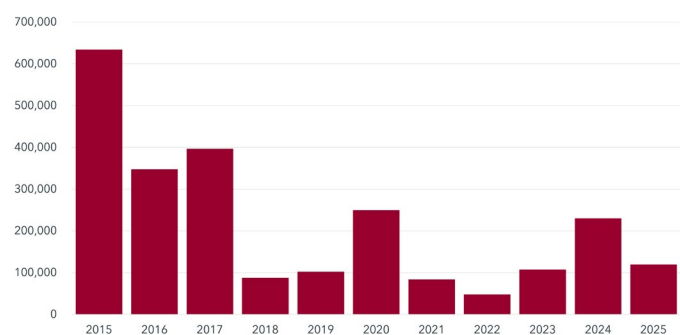
The San Gabriel Valley retail market showed signs of economic improvement towards the end of 4Q25. Leasing activity was highlighted by the signing of two large, big box spaces in both Arcadia and Azusa. While overall SGV rental rates have remained stable, rental rates in Pasadena and West SGV have shown some declines from their highs at the beginning of 2025. 4Q25 sales activity was primarily driven by investor interest except for TAWA Supermarket's (99 Ranch Supermarket) purchase of 1015 Nogales St, the retail center it anchors. Business activity was cautiously optimistic in 4Q25, with inflation abating with low labor demand and low unemployment. The prospect of lower interest rates should provide an improved business and investment environment in the SGV for 2026.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▲ 12 Mo. Net Absorption SF	(245,731)	(549,841)	(310,968)	(480,018)	(506,809)
▼ Vacancy Rate	5.00%	5.20%	4.89%	4.88%	5.22%
▼ Avg NNN Asking Rate PSF	\$33.65	\$33.82	\$33.98	\$34.09	\$33.99
▼ Sale Price PSF	\$371.58	\$373.30	\$376.60	\$378.92	\$381.63
▲ Cap Rate	5.91%	5.89%	5.84%	5.80%	5.74%
▼ Under Construction SF	119,730	136,280	150,508	154,232	230,290
▲ Inventory SF	83,838,673	83,822,123	83,821,659	83,815,159	83,917,520

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1015 Nogales Street Rowland Heights, CA	111,151 SF	\$24,000,000 \$215.92 PSF	TAWA Supermarket, Inc. Rowland Ranch Properties LLC	Multi-Tenant
3548-3610 Peck Road El Monte, CA	125,974 SF	\$23,601,210 \$187.00 PSF	DRA Advisors Merlone Geier Management, Inc.	Multi-Tenant
673 E. Colorado Boulevard Pasadena, CA	53,413 SF	\$15,550,000 \$291.13 PSF	GD Realty Group Vroman's Brookstore	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
610 Las Tunas Drive Arcadia, CA	27,692 SF	Robhana Group	Undisclosed	Undisclosed
2033 E. Washington Boulevard Pasadena, CA	24,265 SF	Undisclosed	Undisclosed	Specialty Church/ School
123-495 E. Gladstone Street Azusa, CA	19,200 SF	Reliable Properties	Undisclosed	Undisclosed

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