



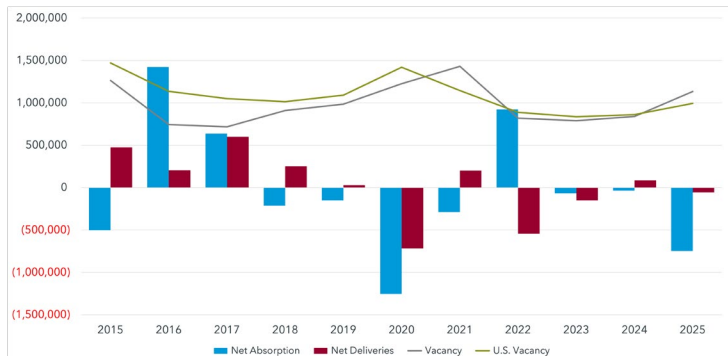
RETAIL MARKET OVERVIEW

JAKE HARTBARGER, Associate

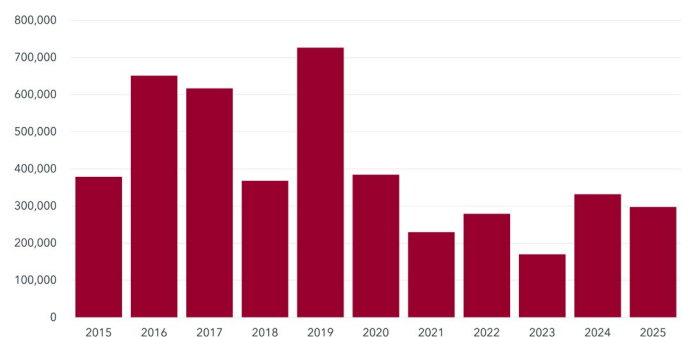
In Q4 2025, San Diego's retail vacancy rate inched up slightly to 4.52%, reflecting a 51-basis-point increase year over year. Asking rents remained steady at \$3.03 per square foot. Leasing activity remains strong, driven by strong demand and sustained confidence among retailers. Supported by strong market fundamentals and healthy absorption, San Diego's retail sector is well positioned to sustain its momentum heading into 2026.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Net Absorption SF	(746,293)	(617,172)	(312,326)	33,159	(35,629)
▲ Vacancy Rate	4.52%	4.49%	4.35%	4.19%	4.01%
▼ Avg NNN Asking Rate PSF	\$3.03	\$3.05	\$3.03	\$3.02	\$3.00
◀ ▶ Sale Price PSF	\$394.00	\$394.00	\$392.00	\$391.00	\$388.00
▲ Cap Rate	5.89%	5.87%	5.86%	5.85%	5.84%
▼ Under Construction SF	297,465	375,169	356,513	311,463	311,734
▲ Inventory SF	137,333,761	137,243,761	137,242,977	137,244,756	137,388,151

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1900-1998 Hacienda Drive Vista, CA	137,725 SF	\$30,500,000 \$221.46 PSF	Milan Capital Management Brixton Capital	Multi-Tenant
5487-5547 Clairemont Mesa Blvd. San Diego, CA	53,288 SF	\$23,000,000 \$431.62 PSF	CEG Advisors PPI Real Estate	Multi-Tenant
777 Camino del Rio, S San Diego, CA	36,245 SF	\$19,000,000 \$524.21 PSF	Carvana Sunroad Enterprises	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
332 N. Johnson Avenue El Cajon, CA	15,877 SF	Gunter Family Trust	Auto Collision Group	Automotive
16617 Dove Canyon Road San Diego, CA	13,969 SF	Buie Stoddard Group	4S Ranch International Market	Grocery Store
420 S. Santa Fe Avenue Vista, CA	13,475 SF	Daniel B. Carr	Primo Food Mart	Grocery Store

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