



INDUSTRIAL MARKET OVERVIEW

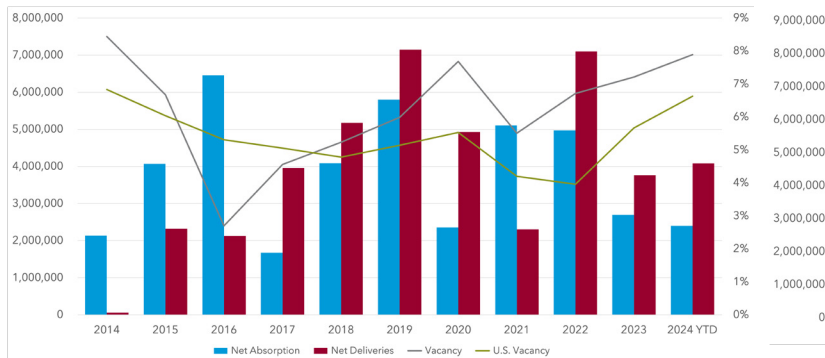
JIM MARTIN, SIOR Senior Vice President

3rd quarter 2026 maintained a healthy trend of positive net absorption through a mix of new leases being executed and purchases completed by owner/users. In addition there were notable capital market acquisitions - both leased and vacant - that continue to underscore the strength and desirability of the Central Valley as a solid institutional investment market. This quarter did not see any new deliveries or construction starts with current construction projects nearly balanced between speculative construction and build to suit construction.

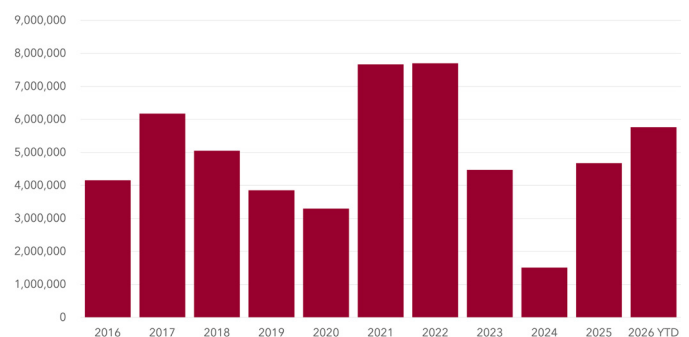
MARKET INDICATORS	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
▼ Qtrly Absorption SF	767,732	2,095,455	1,645,575	943,608	92,550
▼ Vacancy Rate	7.45%	7.50%	8.90%	9.10%	8.95%
◀ ▶ Avg NNN Asking Rent PSF	\$8.76	\$8.76	\$8.76	\$8.76	\$8.76
▲ Under Construction	7,366,000	5,566,000	5,240,906	2,865,906	2,490,000
▼ Inventory	148,675,350	149,675,350	148,615,150	146,200,500	145,232,000

*Please contact Lee & Associates Stockton for Sale Price and Cap Rate Information

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1269 E. Grant Line Road Tracy, CA	606,343 SF	\$79,100,000 \$130.45 PSF	Dermody Trammel Crow	Class A
1919 Boeing Way Stockton, CA	545,836 SF	\$74,000,000 \$135.57 PSF	BLP Clarion	Class A
16900 W. Schulte Road Tracy, CA	1,877,295 SF	\$215,000,000 \$114.53 PSF	Blue Owl Capital BrightSpire	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1300 E. Vine Street Lodi, CA	75,200 SF	EQT Exeter	Alliance Material Handling	Warehouse / Distribution
18755 Business Park Ct. Lathrop, CA	390,443 SF	Phelan	Tesla	Warehouse / Distribution
4114 S. Airpoty Way Stockton, CA	129,360 SF	Bixby	O'Reilly Auto Parts	Warehouse / Distribution

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