Industrial Market Report

East Bay - CA

PREPARED BY

NAI NorCal

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INDUSTRIAL MARKET REPORT

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Overview

East Bay Industrial

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	12 Mo Rent Growth
1.7M	2.3M	4.4%	7.4%

With a lack of open land and strict local zoning regulations, new industrial construction rarely reaches a large enough scale to significantly move the market in the East Bay. The picture in 2023q1 is no different, and with 5.9 million SF of industrial space under construction across the entire market equating to roughly 2.2% of market inventory. There is roughly 5.3 million SF dur to complete in 2023, the highest total since 1998 leaving the market exposed to oversupply risk in the coming quarters.

With construction limited, the market's outlook hinges on prospects for tenant demand. Amazon's decision to slow its distribution center expansion and even put a few large spaces up for sublease in San Leandro and Hayward has done little to tilt the market in tenants' favor. All four spaces Amazon has put on the market have already been taken by tenants including modular homebuilder Veev and third-party distributor Dependable Highway Express. At 4.4%, the vacancy rate is low and has fallen by -0.4% over the past year.

U.S. savings have swelled by $5 trillion or almost 40% since the start of the pandemic, but consumer savings have since waned and with it overall consumer spending levels. Leasing activity remained strong throughout 2022 but most of the largest deals were signed in the first half of the year. A general slowdown in leasing activity is expected as increases in interest rates and fear surrounding a slowing economy grows. These concerns are yet to show up in asking rents as of yet, which are up by 7.4% over the past 12 months, reaching $17.00/SF, well ahead of the national figure of $11.10/SF.

Sales accelerated in 2022 falling just short of $3.5 billion, the highest point in the past 25 years. Similar to leasing, activity was concentrated in the first half of the year as potential buyers closed with better debt pricing than was available later. That trend is likely to continue, the market price of $310/SF is likely at a high point as both pricing erosion and cap rate expansion are expected in the new year.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	160,541,156	4.3%	$15.44	5.9%	(354,952)	329,371	2,754,172
Specialized Industrial	56,127,771	2.8%	$14.33	4.1%	14,165	0	382,845
Flex	55,715,098	6.5%	$23.93	9.1%	(59,673)	0	2,779,384
Market	**272,384,025**	**4.4%**	**$17**	**6.2%**	**(400,460)**	**329,371**	**5,916,401**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-0.4%	7.3%	4.7%	12.3%	2010 Q3	3.1%	2000 Q2
Net Absorption SF	2.3M	1,246,497	2,597,369	10,160,742	1998 Q2	(11,007,003)	2002 Q2
Deliveries SF	1.7M	2,215,826	4,029,323	8,972,611	1998 Q3	63,600	2012 Q2
Rent Growth	7.4%	3.6%	3.6%	10.8%	2016 Q4	-5.4%	2010 Q1
Sales Volume	$3.7B	$1.1B	N/A	$4.1B	2022 Q3	$257.8M	1998 Q1

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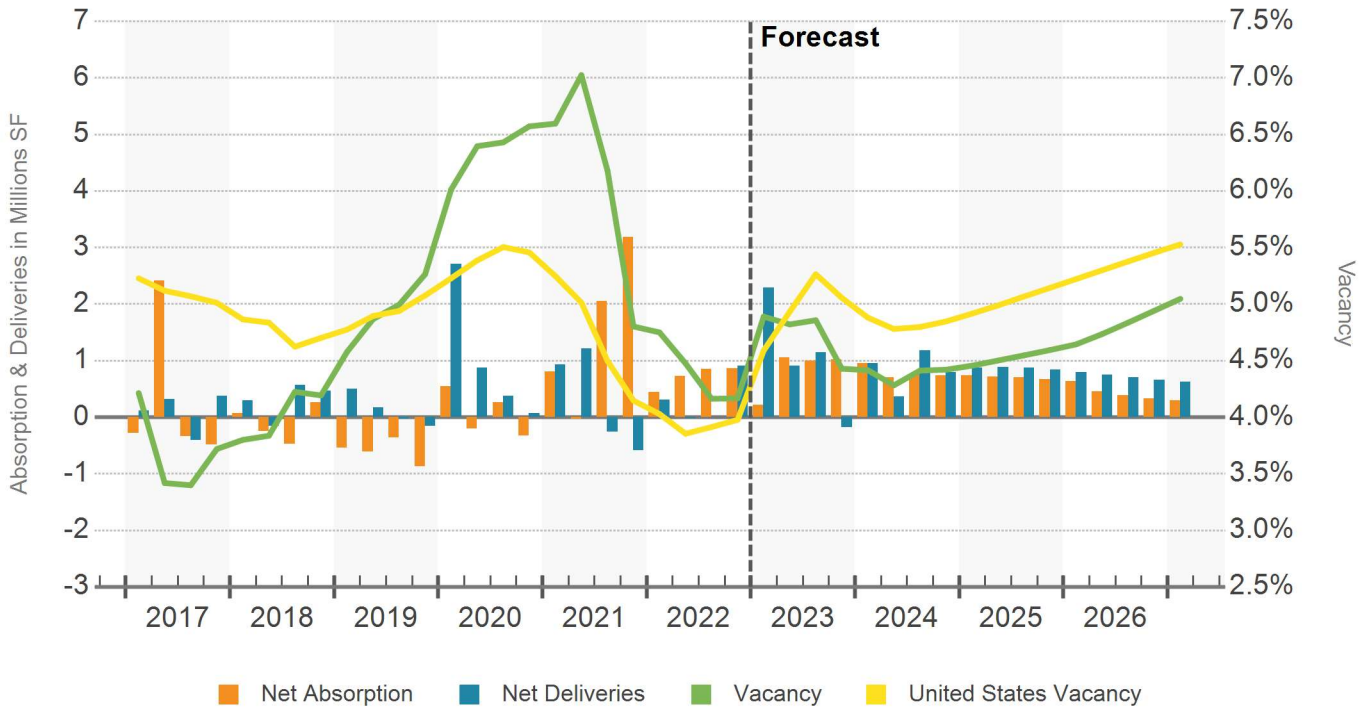
Considering the low levels of vacancy in the the East Bay, it is impressive that total industrial SF leased has tallied 10.9 million SF in 2022. Third-party distributors have been key contributors to the market's recent strength, as PCC Logistics, Dependable Highway Express, and RK Logistics Group signed leases of 250,000 SF or more.

High-tech manufacturers have also been leasing in large numbers. Modular homebuilding technology firm Veev signed a five-year sublease deal, taking 506,000 SF at the 2020-built Hayward Logistics Center, five months after Amazon put that space on the market. However, most manufacturing-related leases in recent months have come from firms in the electric vehicle or renewable energy infrastructure sectors. In February 2022, Tesla signed a two-year lease for all 393,000 SF at 4225 Hacienda, a 1996-built property in Pleasanton, about a 30-minute drive from Tesla's Gigafactory in Fremont. Lucid Motors, which opened its corporate headquarters and main research and development facility in a 305,000-SF manufacturing property at 7333 Gateway Blvd. in Newark in 2018, signed a lease for another 162,000 SF during May 2022, in Morton Commerce Center, a 2020-built manufacturing property less than a 10-minute drive from Lucid's headquarters.

Other renewable energy infrastructure firms such as Bloom Energy, CED Greentech, Enervenue, and Plastikon, a Tesla supplier, have all signed leased for spaces ranging from 60,000 to 165,000 SF since the beginning of 2022. Prospects for continued growth in high-tech manufacturing remain strong here given massive tax incentives included in the inflation reduction act, for U.S.-based production in these sectors.

The diversity of occupiers bodes well for the market overall, but high levels of development put the market at risk of oversupply as occupiers demand slows with the overall economy.

NET ABSORPTION, NET DELIVERIES & VACANCY



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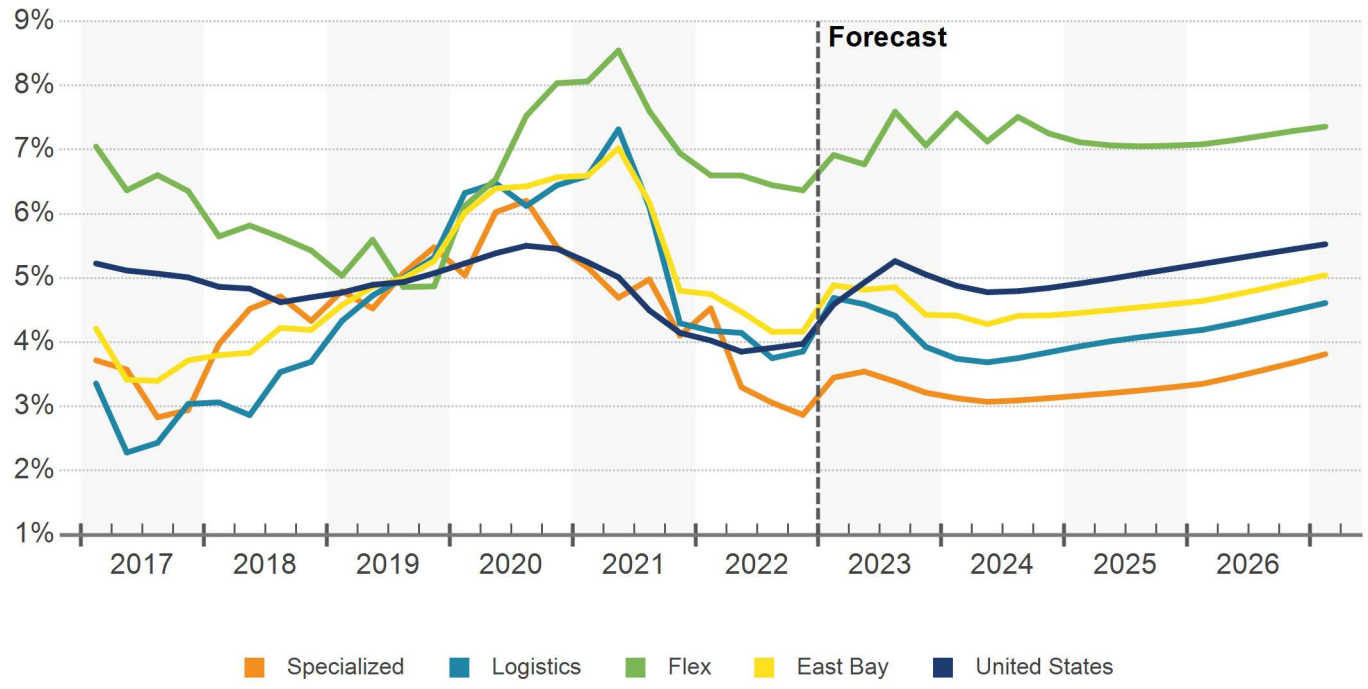
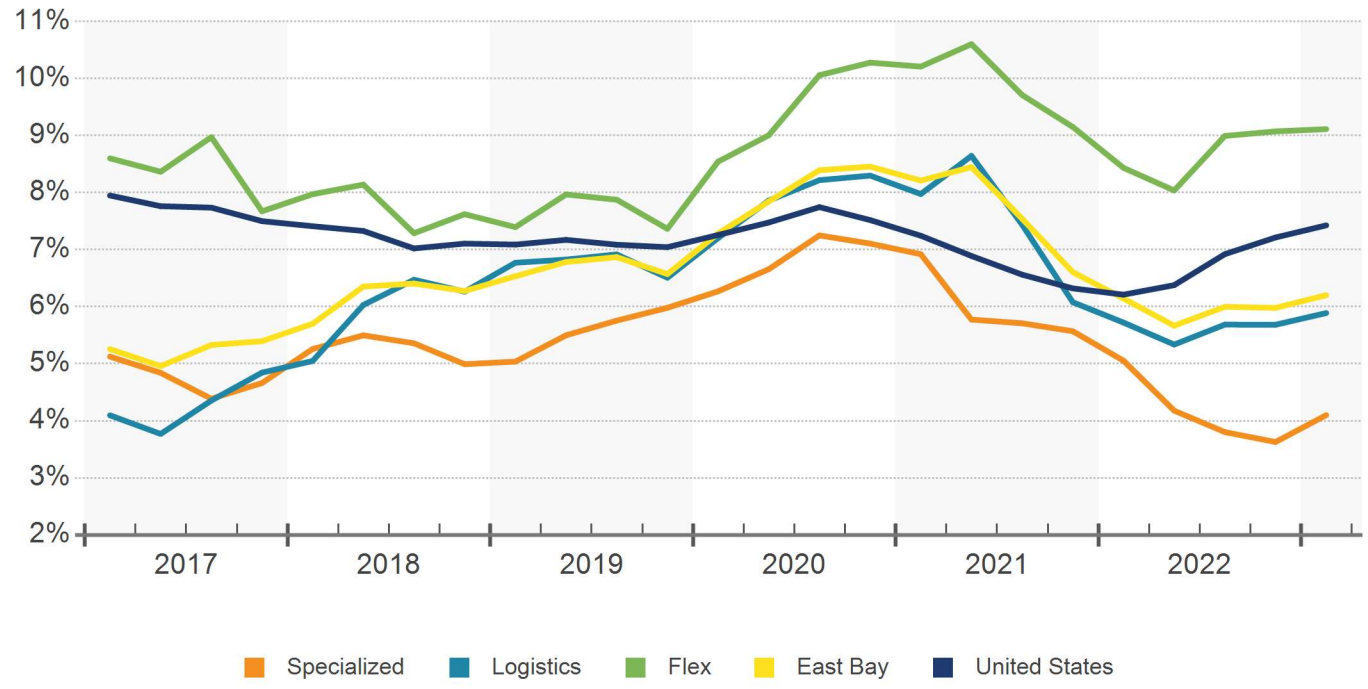
VACANCY RATE



AVAILABILITY RATE



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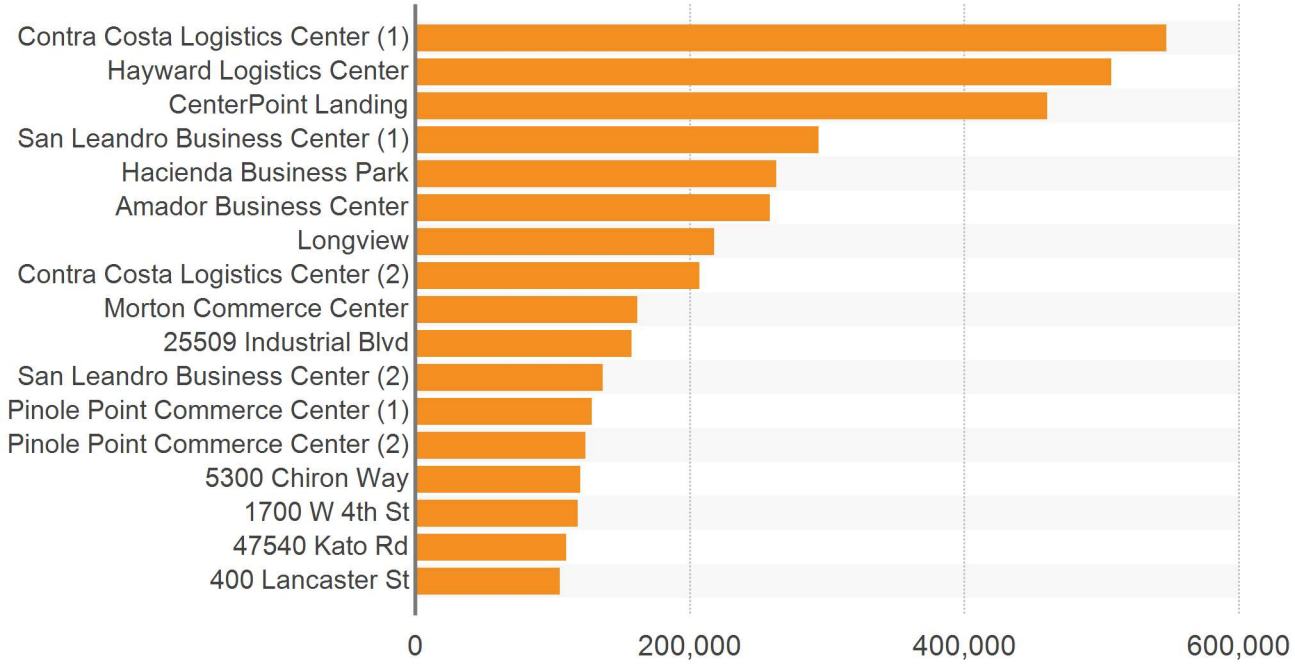
12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
Contra Costa Logistics Center (1)	Antioch/Pittsburg Ind	547,080	0	0	0	0	0	547,080
Hayward Logistics Center	Hayward/Castro Vall…	506,925	0	0	0	0	0	506,925
CenterPoint Landing	Oakland Ind	460,437	0	0	0	0	0	460,437
San Leandro Business Center (1)	San Leandro Ind	293,940	0	0	0	0	0	293,940
Hacienda Business Park	Pleasanton Ind	393,931	0	0	0	0	0	262,883
Amador Business Center	Livermore Ind	303,120	0	0	0	0	0	258,401
Longview	Oakland Ind	217,953	0	0	0	0	0	217,953
Contra Costa Logistics Center (2)	Antioch/Pittsburg Ind	206,866	0	0	0	0	0	206,866
Morton Commerce Center	Newark Ind	161,680	0	0	0	0	0	161,680
25509 Industrial Blvd	Hayward/Castro Vall…	296,900	30,600	(30,600)	0	0	0	157,436
San Leandro Business Center (2)	San Leandro Ind	136,794	0	0	0	0	0	136,794
Pinole Point Commerce Center (1)	Richmond/San Pablo…	203,300	0	0	0	0	0	128,756
Pinole Point Commerce Center (2)	Richmond/San Pablo…	124,050	0	0	0	0	0	124,050
5300 Chiron Way	Emeryville Ind	303,000	0	0	0	0	0	120,333
1700 W 4th St	Antioch/Pittsburg Ind	235,456	0	0	0	0	0	118,399
47540 Kato Rd	Fremont Ind	110,000	0	110,000	0	0	0	110,000
400 Lancaster St	Oakland Ind	105,488	0	0	0	0	0	105,488
Subtotal Primary Competitors		**4,606,920**	**30,600**	**79,400**	**0**	**0**	**0**	**3,917,421**
Remaining East Bay Market		267,777,105	12,037,135	(479,860)	0	0	0	(1,607,715)
Total East Bay Market		**272,384,025**	**12,067,735**	**(400,460)**	**0**	**0**	**0**	**2,309,706**

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TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
2701 W Winton Ave	Hayward/Castro Valley	506,925	Q2 22	Veev	CBRE	KBC Advisors
6700 Automall Pky *	Fremont	474,454	Q2 22	Office Depot	-	-
1300 Maritime St	Oakland	460,437	Q1 22	PCC Logistics	KBC Advisors	JLL
200 Halcyon Dr	San Leandro	293,940	Q1 22	Dependable Highway Exp…	KBC Advisors	KBC Advisors
25800 Clawiter Rd	Hayward/Castro Valley	278,499	Q1 22	Amazon	-	Cushman & Wakefield
6753 Mowry Ave *	Newark	268,538	Q4 22	RK Logistics Group	-	Cushman & Wakefield;…
4225 Hacienda Dr	Pleasanton	262,883	Q1 22	Tesla	-	CBRE
2701 W Winton Ave	Hayward/Castro Valley	237,400	Q4 22	RK Logistics Group	-	CBRE
8350 Pardee Dr	Oakland	232,881	Q4 22	RTS Holdings	-	JLL
25500 Clawiter Rd	Hayward/Castro Valley	231,147	Q3 22	Rivian Automotive	JLL	JLL
2900 Atlas Rd *	Richmond/San Pablo	200,000	Q4 22	Restoration Hardware	Newmark Knight Frank	Colliers
7150 Patterson Pass Rd	Livermore	181,458	Q1 22	RK Logistics	Townsend Commerc…	Cushman & Wakefield
2222 Grant Ave	San Leandro	180,000	Q3 22	Santini Foods	-	Colliers;Commercial W…
7395 Morton Ave	Newark	161,680	Q2 22	Lucid Motors	-	Cushman & Wakefield
25858-25864 Clawiter Rd	Hayward/Castro Valley	160,000	Q2 22	Matagrano	CBRE	Cushman & Wakefield
24493 Clawiter Rd	Hayward/Castro Valley	157,725	Q3 22	CEVA	CBRE	CBRE
8380 Pardee Dr	Oakland	155,000	Q4 22	Lansum International	CBRE	CBRE
6150 Las Positas Rd	Livermore	148,440	Q4 22	The Cary Company	-	Colliers
23475-23497 Eichler St *	Hayward/Castro Valley	147,853	Q4 22	Iron Mountain	JLL;Rehab Specialis…	-
30500-30580 Whipple Rd *	Union City	140,142	Q4 22	Finelite	JLL	-
100 Halcyon Dr	San Leandro	136,794	Q4 22	Dependable Highway Exp…	KBC Advisors	Newmark
100 Halcyon Dr	San Leandro	136,794	Q1 22	Third Wave Automation	Newmark	KBC Advisors
7501-7587 Las Positas Rd *	Livermore	132,836	Q4 22	Performance Food Group	-	Colliers
6065 Giant Hwy	Richmond/San Pablo	124,050	Q3 22	Gopuff	-	Colliers
25500 Clawiter Rd	Hayward/Castro Valley	122,506	Q3 22	Rivian Automotive	-	JLL
44400-44540 Osgood Rd *	Fremont	120,835	Q3 22	DGA Services	Colliers	Colliers;Cushman & W…
6013 Las Positas Rd	Livermore	111,172	Q1 23	-	-	Colliers
5775 Brisa St	Livermore	108,347	Q1 22	-	-	Colliers
1700 W 4th St	Antioch/Pittsburg	107,000	Q3 22	-	-	Cushman & Wakefield
6383 Las Positas Rd	Livermore	106,700	Q3 22	TransPak Inc.	-	Colliers
33210 Central Ave	Union City	105,486	Q1 22	Western Allied Mechanical	-	Colliers
4300 Wilbur Ave	Antioch/Pittsburg	103,049	Q3 22	Enchant Christmas Light…	CBRE	Cushman & Wakefield
38505 Cherry St *	Newark	102,916	Q4 22	Innovated Packing Comp…	Lee & Associates C…	Cushman & Wakefield
2350 Williams St	San Leandro	94,600	Q4 22	Service West	Colliers	CBRE
14420-14490 Catalina St	San Leandro	91,359	Q3 22	Shaw Bakers	-	JLL
425-427 Hester St	San Leandro	85,228	Q1 22	Apex Logistics	Cushman & Wakefield	KBC Advisors
31260 Wiegman Rd	Hayward/Castro Valley	84,480	Q2 22	Greentech Renewables	-	Colliers
8707 San Leandro St	Oakland	82,120	Q1 22	Wanda International	Newmark	CBRE;CenterPoint Pro…
7300 Edgewater Dr *	Oakland	81,802	Q3 22	Everett Graphics	-	Lee & Associates Com…
7150 Patterson Pass Rd	Livermore	76,734	Q1 22	-	-	Cushman & Wakefield

*Renewal

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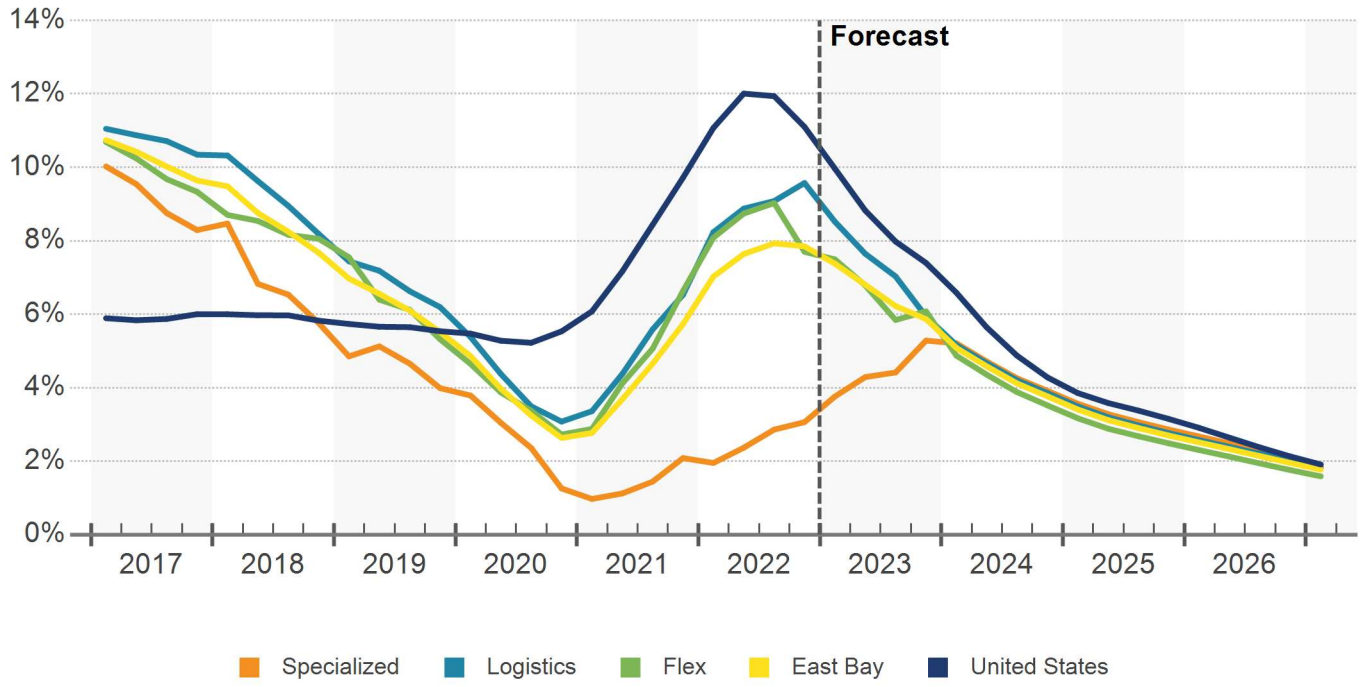
Rent

Given the market's lack of current supply of industrial space, the East Bay was recording rent growth well above inflation long before the pandemic, and over the past 10 years, rent growth has averaged 7.4% annually. Recent gains have been in line with that trend, with rent growth running at 7.4% year over year as of 2023q1.

Rent levels and growth have varied across the different sub-sectors of industrial properties in the East Bay. Logistics rent growth is currently measuring 8.9% year over year, bringing the rent level to $15.40/SF. Flex rents demand a premium, registering an average of $24.00/SF across the East Bay, with rent growth measuring 7.5% year over year.

The 111,000-SF distribution center at 6013 Las Positas Road which completed construction in Livermore in early 2021, currently lists its entire RBA as available with advertised triple net asking rents of $12.60/SF.

MARKET RENT GROWTH (YOY)



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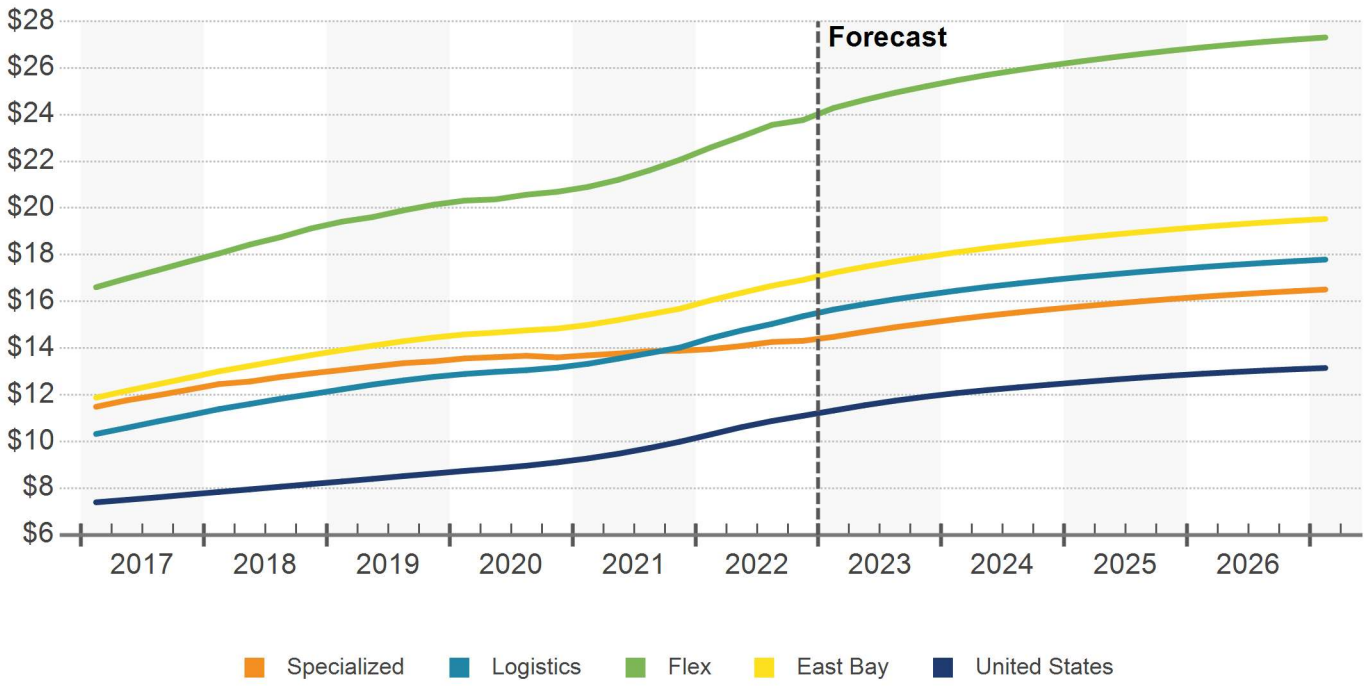
MARKET RENT PER SQUARE FEET



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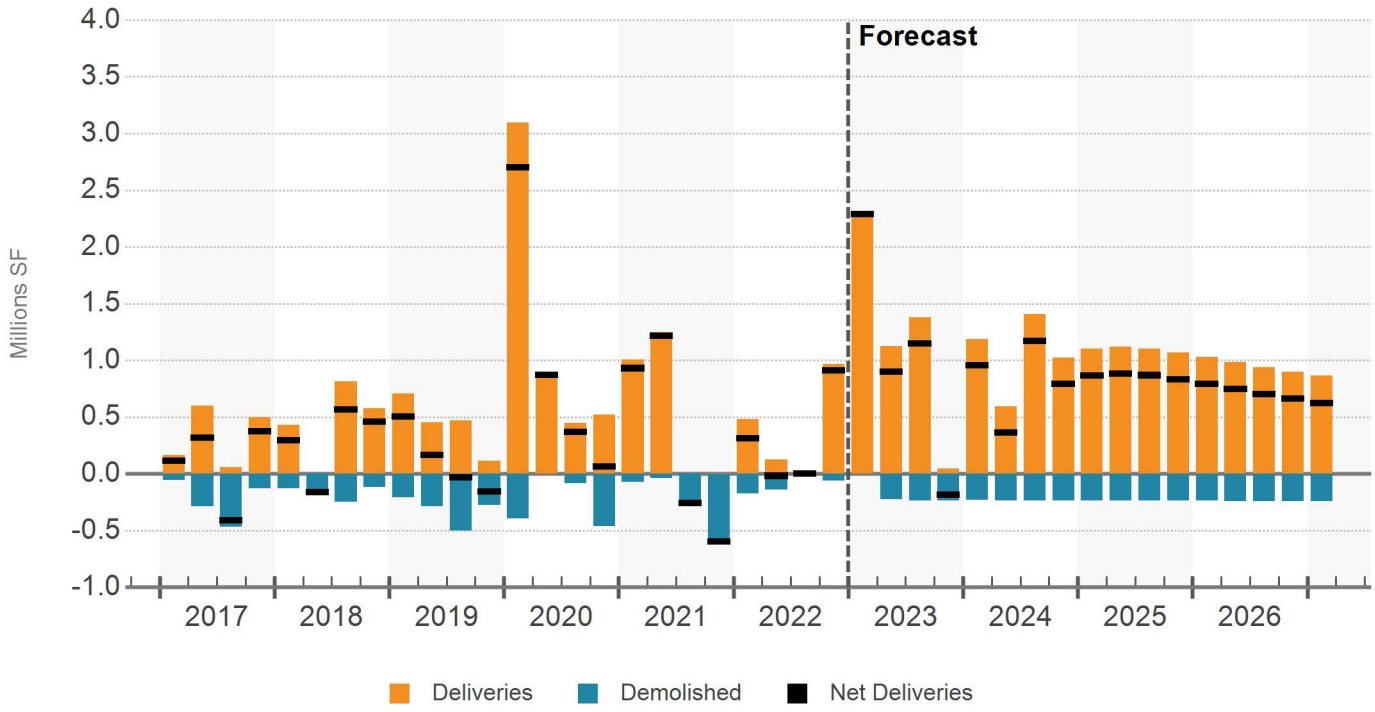
Hilly topography, population density, and lack of open land make largescale industrial construction challenging in the East Bay, where growth total growth in the stock of industrial properties has totaled less than 3% over the past five years. Nevertheless, the 5.9 million SF under construction is one of the highest levels of construction since the late 1990s.

As the economy slows and occupier demand wanes, there is an increased risk of oversupply in the market. \ Current levels equate to 2.2% of the market's inventory, fortunately about half of what is currently underway is already leased or owned by tenants including Tesla, Amazon, PacPride Distribution, and Fedex. The remaining inventory of unleased projects currently under construction is also spread fairly evenly along the I-880/I-580 corridors, in areas such as Fremont, Hayward, and Richmond, meaning that no individual submarkets are being faced with an overwhelming tally of new supply.

The largest unleased property currently under construction is located in El Segundo, California-based Birdge Point Oakland. . The 534,000-SF distribution center is well underway and scheduled to complete along International Blvd Avenue in Oakland in the first half of 2022.

DELIVERIES & DEMOLITIONS



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SUBMARKET CONSTRUCTION

		Under Construction Inventory					Average Building Size		
No.	Submarket	Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Berkeley	3	1,457	918	63.0%	6	18,279	485,608	1
2	Fremont	5	1,023	754	73.7%	5	49,963	204,592	5
3	Hayward/Castro Valley	7	811	722	89.0%	4	37,897	115,927	7
4	Richmond/San Pablo	7	724	235	32.5%	7	33,903	103,433	8
5	Antioch/Pittsburg	3	689	673	97.6%	3	34,304	229,761	4
6	Oakland	2	593	59	9.9%	9	22,762	296,369	2
7	Emeryville	1	285	0	0%	10	28,165	285,000	3
8	Pleasanton	1	164	164	100%	1	24,548	163,500	6
9	Concord/Pleasant Hill	2	127	29	22.6%	8	19,925	63,588	9
10	Livermore	4	43	43	100%	1	39,375	10,850	10
	All Other	0	-	-	-		38,196	-	
Totals		**35**	**5,916**	**3,597**	**60.8%**		**33,312**	**169,040**	

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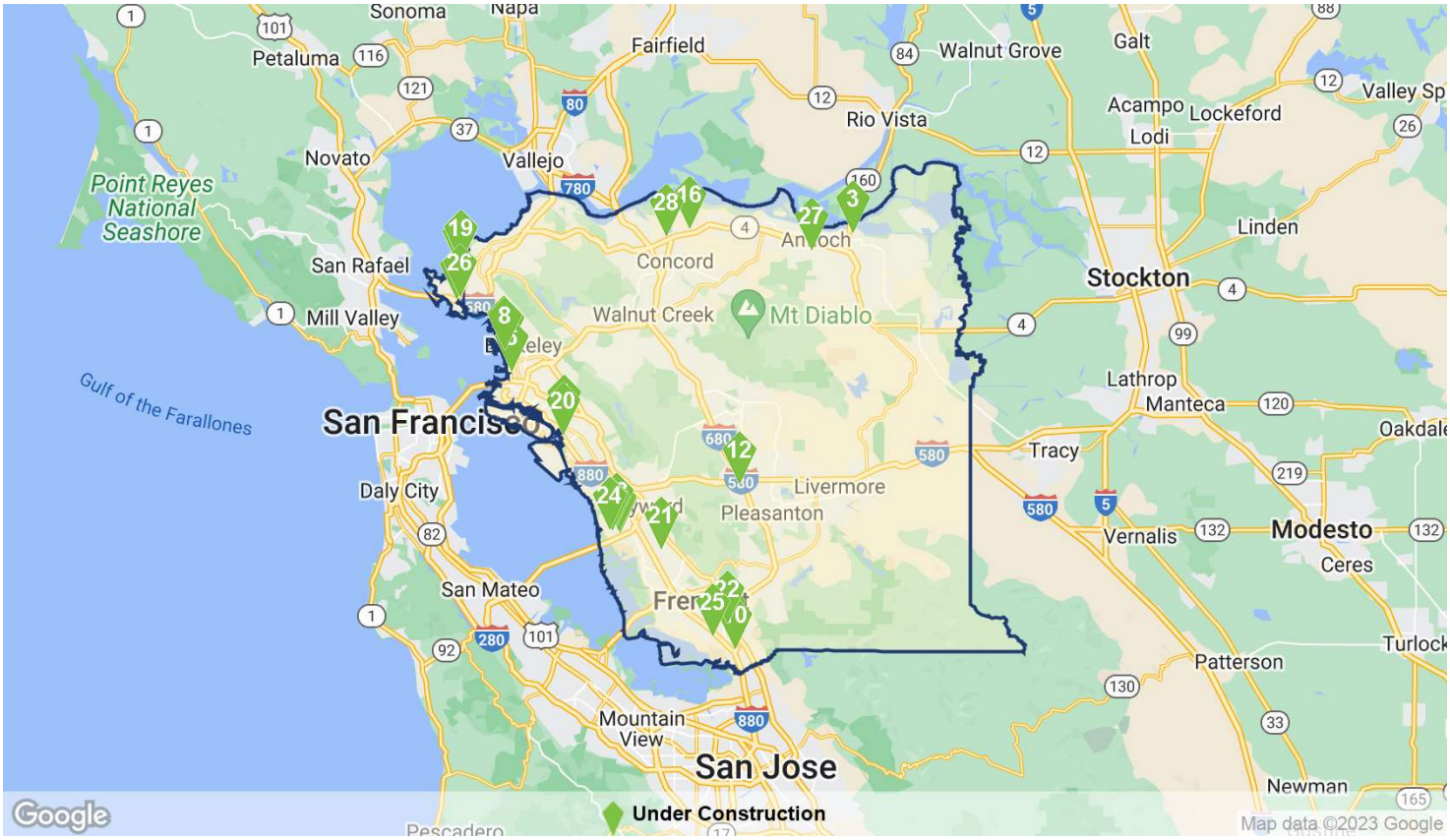
Under Construction Properties

East Bay Industrial

Properties	Square Feet	Percent of Inventory	Preleased
35	5,916,401	2.7%	60.8%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1	**Bayer Campus Expansion** 800 Dwight Way	★★★★☆	918,000	5	Jun 2022	Jun 2023	- -
2	**Warm Springs Developm...** 45500 Fremont Blvd	★★★★☆	703,270	4	Nov 2021	Dec 2023	Lennar Lennar
3	**Bldg 5** 4700 Wilbur Ave	★★★★★	643,000	1	Jan 2022	Mar 2023	NorthPoint Development NorthPoint Development
4	**Bridge Point Oakland** 5441 International Blvd	★★★★★	534,208	1	Jun 2021	Mar 2023	Bridge Development Partners Bridge Development Partners
5	**Berkeley Commons - Ad...** 600 Addison St	★★★★☆	304,791	3	Apr 2022	Jul 2024	Lane Partners Beacon Capital Partners
6	**Bldg 1 Phase-I** 5300 Chiron Way	★★★★☆	285,000	7	Jul 2022	Jan 2024	- -
7	**Hayward Exchange@92 -...** 25800 Clawiter Rd	★★★★★	278,500	3	Mar 2021	Mar 2023	Hines Hines

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Under Construction Properties

UNDER CONSTRUCTION

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8	**Berkeley Commons - Ba…** 601 Bancroft St	★★★★☆	234,034	3	Apr 2022	Jul 2024	Lane Partners Beacon Capital Partners
9	**Building 1** 25500 Clawiter Rd	★★★★☆	231,147	1	Jun 2022	Mar 2023	Dermody Properties, Inc. -
10	**Frontier Elm Business C…** 47020 Kato Rd	★★★★☆	209,916	1	Jun 2022	Aug 2023	- Link Logistics Real Estate
11	**Building 2** Parr Blvd	★★★★☆	205,900	1	Mar 2022	Mar 2023	Scannell Properties Scannell Properties
12	**Bldg 1** 1701 Springdale Ave	★★★★☆	163,500	3	Mar 2022	Mar 2023	- 10x Genomics
13	**24493 Clawiter Rd**	★★★★☆	157,725	1	Dec 2021	May 2023	Duke Realty Corporation Prologis, LP.
14	**731 W Cutting Blvd**	★★★★☆	153,747	1	Mar 2022	Mar 2023	- Prologis, LP.
15	**Building 1** Richmond Pky @ Parr Blvd	★★★★☆	121,733	1	Mar 2022	Jun 2023	Scannell Properties Scannell Properties
16	**Concord Logistics Center** Evora Rd	★★★★☆	98,430	1	Sep 2022	Aug 2023	Panattoni Development Company Panattoni Development Company…
17	**Phase III** PowerPlant Pky	★★★★☆	75,600	1	Oct 2020	Jun 2023	PowerPlant Park Inc PowerPlant Park Inc
18	**Phase II** PowerPlant Pky	★★★☆☆	72,000	-	Nov 2020	Jun 2023	- -
19	**Phase I** PowerPlant Pky	★★★☆☆	61,200	1	Oct 2020	Jun 2023	- PowerPlant Park Inc
20	**6345 Coliseum Way**	★★★★☆	58,530	1	Apr 2022	Mar 2023	- Prologis, LP.
21	**1190 Zephyr Ave**	★★★★☆	52,059	2	Apr 2022	Mar 2023	- -
22	**43510 Osgood Rd**	★★★☆☆	50,727	1	Jun 2021	Mar 2023	- -
23	**24101 Whitesell St**	★★★☆☆	37,056	1	Aug 2022	Jun 2023	- -
24	**3792 Depot Rd**	★★★☆☆	37,000	1	Oct 2022	Oct 2023	- -
25	**Bldg 5** 5210 Bunche Dr	★★★★☆	35,109	1	Dec 2021	Mar 2023	Overton Moore Properties Overton Moore Properties
26	**80-W Ohio Ave**	★★★☆☆	33,853	1	Sep 2022	Mar 2023	- -
27	**401 Putnam St**	★★★☆☆	30,000	1	Oct 2022	Apr 2023	- -
28	**1985 Arnold Industrial Way**	★★★☆☆	28,745	1	May 2021	Apr 2023	- -

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Investment into East Bay industrial properties has totaled $3.7 billion over the past 12 months, nearly double average annual sales recorded over the past five years, and one of the largest figures ever recorded in the market.

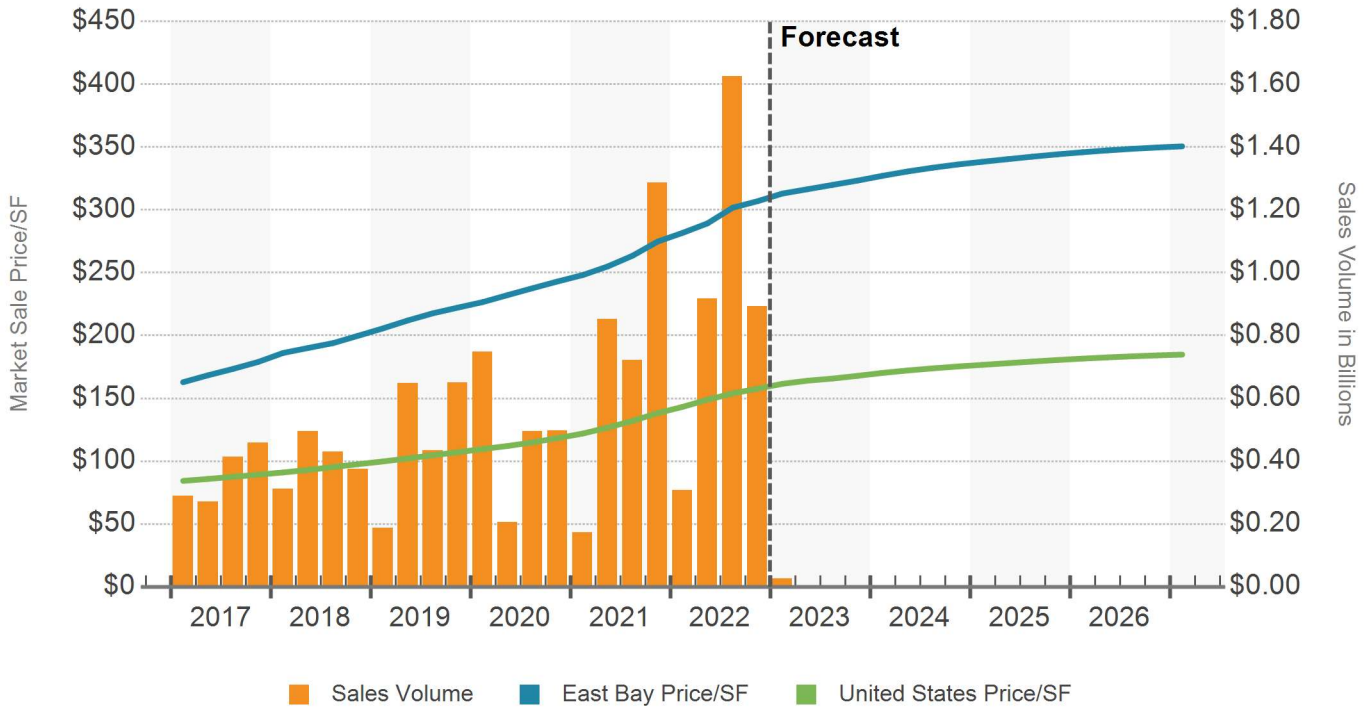
Sales began early in 2023 with the $138 million dollar acquisition of Cherry Logistics Center located at 38811 Cherry St in Newark by New York-based BentalGreenOak. The property was 100% occupied by Amazon at the time of sale and was built in 2014.

In 2022, most of the sales of large distribution centers that have closed since the start of summer 2022 has commanded pricing in the range of $270-$310/SF. In July , San Francisco-based Ark Row Industrial Partners purchased two neighboring San Leandro properties built in the 1970s, totaling 157,000 SF and fully leased to tenants including Kantor's Discount Office furniture and Soliel Linen. The sale closed for $42.9 million, or $273/SF.

In June , Fortress Investment Group acquired a 93,000-SF distribution property in Fremont from Logistics firm AER Worlwide, which occupied part of the property but also leased the remainder of its square footage to Hub Logistics, and a medical device manufacturer Delta Pacific Tooling. The sale closed for $29 million, or $310/SF.

Investment activity continues to slow across most CRE sectors but the industrial market has been no exception. Interest rates will continue to rise, albeit at a slower rate, increasing the cost of capital and making it more difficult for new investments to pencil going forward. The extent to which that will affect property values in the East Bay is yet to be seen, but both pricing erosion and cap rate expansion are expected.

SALES VOLUME & MARKET SALE PRICE PER SF



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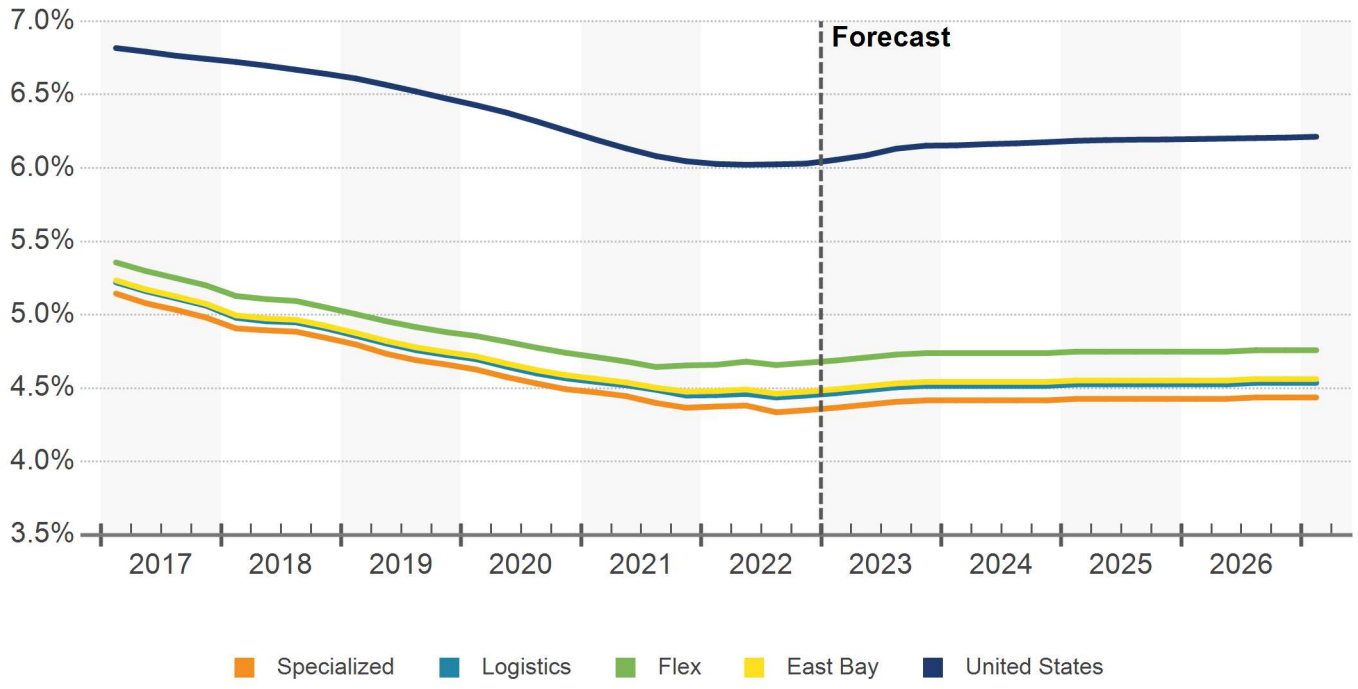
MARKET CAP RATE



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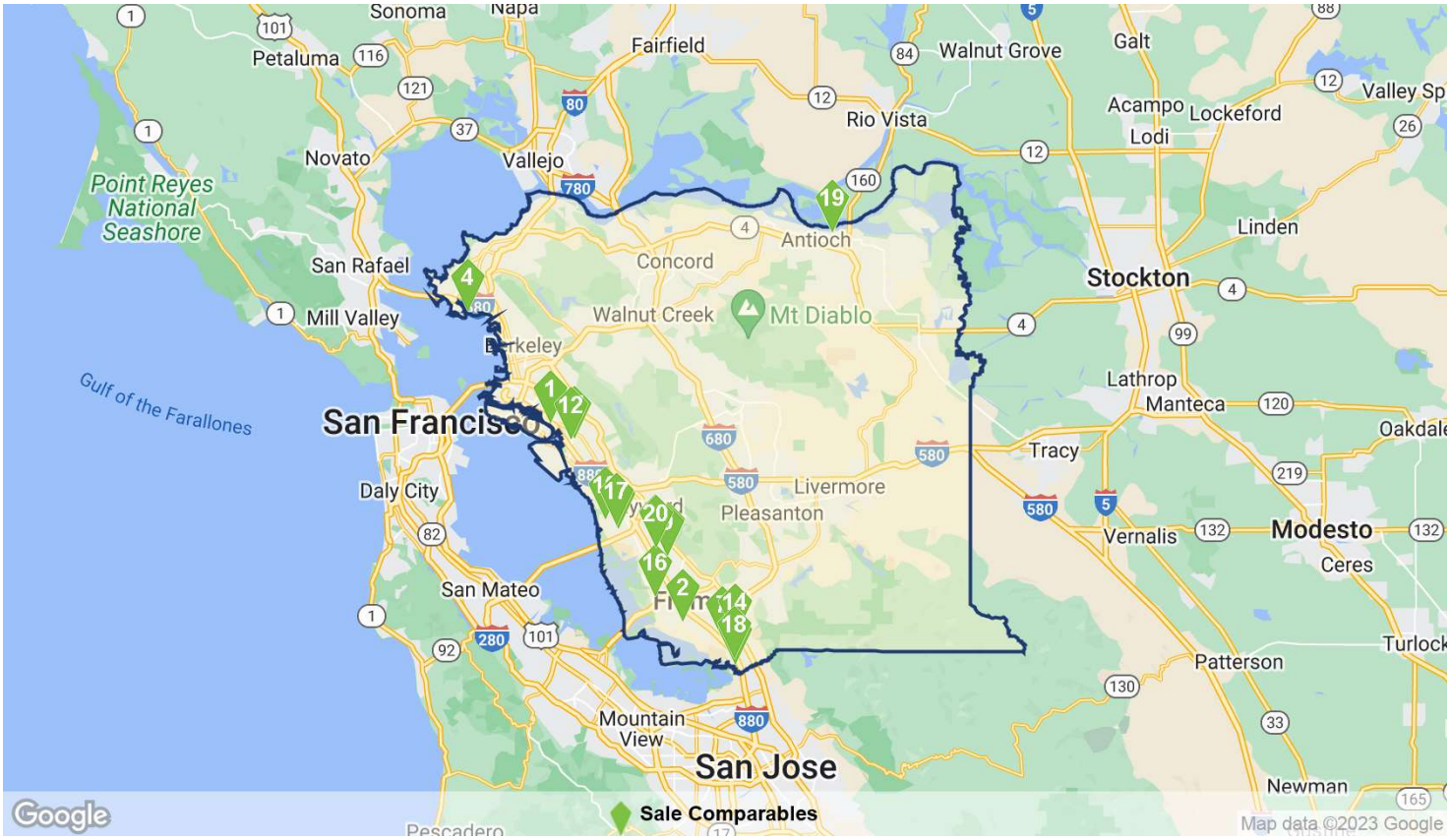
Sales Past 12 Months

East Bay Industrial

Sale Comparables	Avg. Cap Rate	Avg. Price/SF	Avg. Vacancy At Sale
338	5.1%	$282	6.9%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	$175,000	$12,803,228	$4,960,000	$201,776,813
Price/SF	$5.50	$282	$269	$4,056
Cap Rate	3.0%	5.1%	5.2%	7.6%
Time Since Sale in Months	0.1	6.5	6.5	12.0
Property Attributes	**Low**	**Average**	**Median**	**High**
Building SF	800	45,346	20,154	980,387
Ceiling Height	9'	19'9"	18'5"	50'
Docks	0	5	1	120
Vacancy Rate At Sale	0%	6.9%	0%	100%
Year Built	1898	1973	1979	2023
Star Rating	★☆☆☆☆	★★☆☆☆ 2.3	★★☆☆☆	★★★★★

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Sales Past 12 Months

RECENT SIGNIFICANT SALES

	Property Name - Address	Property				Sale			
		Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1	**3600 Alameda Ave**	★★☆☆☆	1937	980,387	0%	10/3/2022	$201,776,813	$206	-
2	**Cherry Logistics Center** 38811 Cherry St	★★★★★	2014	574,647	0%	12/23/2022	$138,000,000	$240	-
3	**Wiegman Distribution Ce...** 30736-30760 Wiegman Rd	★★★★☆	1992	459,854	0%	7/20/2022	$129,327,621	$281	-
4	**1414 Harbour Way S**	★★★☆☆	1932	478,761	26.4%	6/16/2022	$103,652,000	$217	-
5	**Building B** 2100-2300 Wilbur Ln	★★☆☆☆	1956	497,235	0%	4/1/2022	$101,057,954	$203	-
6	**Fremont Labs** 47071 Bayside Pky	★★★☆☆	1990	88,481	0%	7/27/2022	$82,000,000	$927	6.5%
7	**45101-45169 Industrial Dr**	★★★★☆	1993	198,676	0%	7/20/2022	$71,750,959	$361	-
8	**1200 Whipple Rd**	★★☆☆☆	1963	257,500	0%	3/1/2022	$65,657,000	$255	-
9	**1551 Atlantic St**	★★★☆☆	1991	58,991	0%	7/19/2022	$65,000,000	$1,102	-
10	**Cabot Distribution Center** 21001-21005 Cabot Blvd	★★★★☆	1972	248,860	0%	7/20/2022	$57,950,393	$233	-
11	**860 81st Ave**	★★☆☆☆	1950	123,560	0%	12/30/2022	$55,454,504	$449	-
12	**Cold Ice** 7741-7825 San Leandro St	★★☆☆☆	1943	107,481	0%	4/29/2022	$52,963,509	$493	-
13	**25001 Industrial Blvd**	★★★☆☆	1970	190,286	0%	7/15/2022	$52,800,000	$277	-
14	**45401 Research Ave**	★★★☆☆	1997	108,137	100%	6/17/2022	$49,401,000	$457	-
15	**48401 Fremont Blvd**	★★★★☆	2021	209,926	0%	10/3/2022	$46,945,421	$224	-
16	**6300 Dumbarton Cir**	★★★★☆	1990	43,560	0%	9/16/2022	$44,485,138	$1,021	-
17	**24493 Clawiter Rd**	★★★★☆	2023	157,725	0%	10/3/2022	$42,294,369	$268	-
18	**Bldg 22** 47900 Bayside Pky	★★★☆☆	1992	122,092	0%	2/22/2022	$42,202,623	$432	-
19	**Building A** 2200-2300 Wilbur Ave	★★☆☆☆	1956	169,322	0%	4/1/2022	$39,090,871	$231	-
20	**Bldg E** 30973-30995 Santana St	★★★☆☆	1982	129,600	0%	7/20/2022	$37,927,161	$293	-

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Economy

The East Bay economy continues its quest to fully recover from the fallout caused by the coronavirus pandemic, which abruptly ended what had been the longest economic expansion in U.S. history. The East Bay and the broader Bay Area were more cautious and methodical regarding opening up the economy following shutdown measures. The majority of office employees continue to work remotely, but retail businesses have been able to reopen, fueling a more robust recovery in recent months.

According to the Bureau of Labor Statistics, employment in the East Bay metro fell by nearly 180,000 between March and April of 2020, or over 15%. To date, employment remains a few thousand jobs short of pre-pandemic levels.

Unemployment stood just above 3% in late 2022, down around 100 basis points from one year prior. The East Bay rate compares to 4.1% for California and 3.5% for the nation overall. As expected, leisure and hospitality continues to be the hardest hit sector, down approximately 10,000 jobs since before the pandemic, but having seen 14,000 people added to payrolls in 2022.

While employment gains pre-pandemic in San Jose and San Francisco were more robust, the East Bay has significantly outpaced national average employment growth. Median income gains have been substantial as well, climbing above $100,000 and significantly outpacing the national average during the recent expansion. The East Bay benefited from the Bay Area's widespread, tech-led economic expansion coming out of the Great Recession. Established tech players such as Workday, Lam Research, and Veeva Systems continued or expanded their East Bay presence. In addition, newcomers like fintech firms Square and Credit Karma, and startups like Pleasanton-based 10x Genomics, among others, grew around the metro. Oxford Economics estimates that job growth in the East Bay will continue to outperform the national benchmark by a healthy margin over the next five years.

Outside of the tech sector, the East Bay is home to the Port of Oakland, one of the busiest ports in the U.S., and a central economic force in the metro. The East Bay is also the largest Bay Area industrial market, and major distribution tenants like Amazon and UPS have been expanding in the metro recently. The continued rise of e-commerce and the need for warehouse space and last-mile distribution facilities should benefit the East Bay economy and employment market.

Major U.S. research facilities Lawrence Livermore and Lawrence Berkeley National Laboratories, and Sandia National Laboratories are located in the East Bay. In addition, the East Bay is home to major operations for a diverse set of large corporations. Significant employment in the healthcare industry in the East Bay includes healthcare systems Kaiser Permanente, Sutter Health, and John Muir Health, along with device and supplier companies like The Cooper Companies and Bio-Rad Laboratories. And auto manufacturer Tesla, oil giant Chevron Corp, and The Clorox Company are all headquartered in the East Bay, helping to drive the region's economy.

Looking from a broader perspective, continued real estate development and public transportation infrastructure projects already in the works will strengthen economic activity in the East Bay moving forward. Most notable is the considerable amount of apartment construction taking place throughout the market, mostly in transit-oriented projects. While these projects may face issues in the near term, the long-term outlook is for continued connectivity in the Bay Area's most affordable major metro for housing and office space.

BART's ongoing extension from the East Bay to San Jose is significantly expanding the number of commuting options for East Bay residents. Job centers in San Francisco, Downtown Oakland, and Pleasanton are becoming even more accessible from the southern portion of the East Bay. And once BART reaches San Jose, East Bay residents will have the option to look for work in all of the Bay Area's three major cities of San Francisco, Oakland, and San Jose. Simultaneously, the construction of new BART stations through the southern end of the East Bay is opening up pockets for transit-oriented residential and commercial development, unlocking greater economic potential for the region as a whole.

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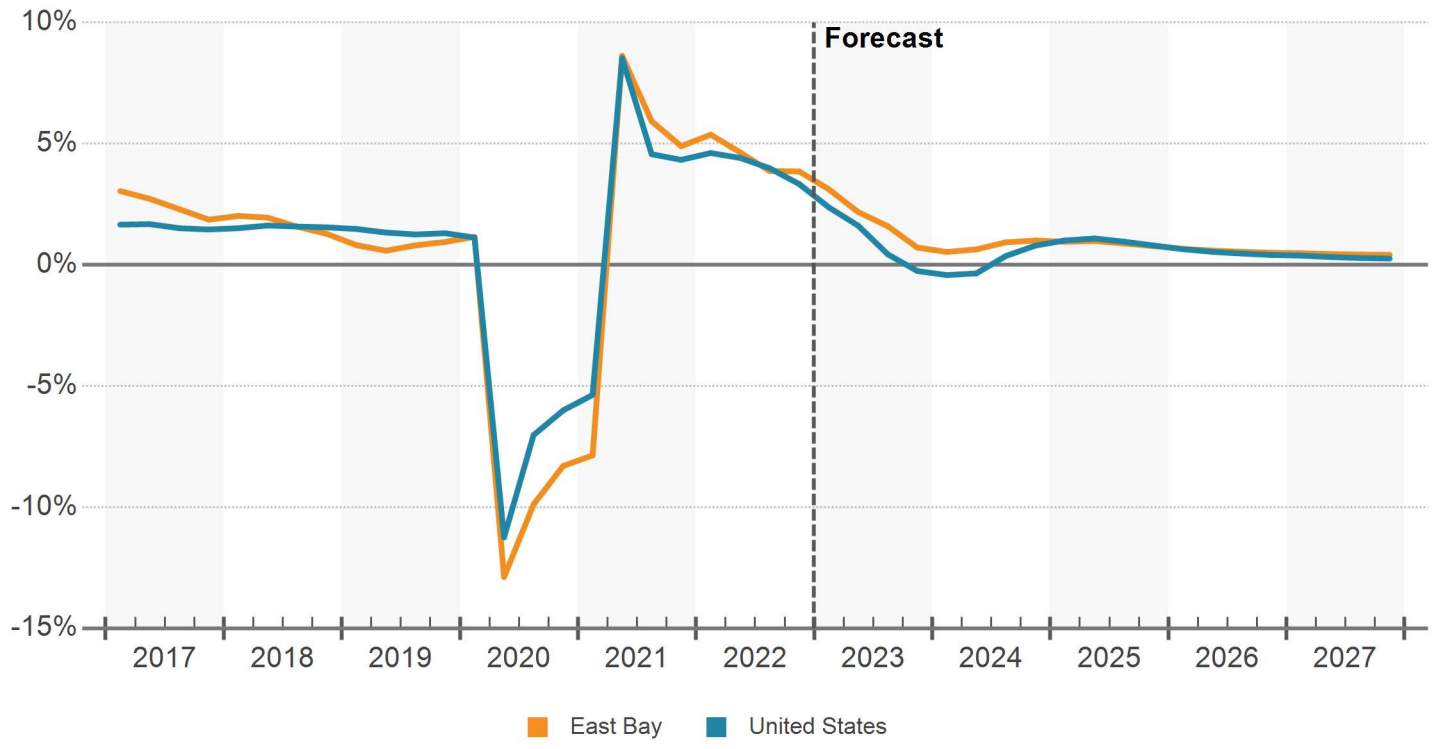
EAST BAY EMPLOYMENT BY INDUSTRY IN THOUSANDS

	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
Industry	**Jobs**	**LQ**	**Market**	**US**	**Market**	**US**	**Market**	**US**
Manufacturing	113	1.1	5.05%	3.12%	3.53%	0.79%	0.53%	-0.02%
Trade, Transportation and Utilities	208	0.9	4.29%	1.79%	1.28%	1.18%	-0.02%	0.08%
Retail Trade	114	0.9	5.75%	0.86%	0.74%	0.56%	-0.03%	0.08%
Financial Activities	52	0.7	0.75%	1.61%	0.10%	1.41%	0.24%	0.10%
Government	166	1.0	0.47%	1.27%	0.34%	0.24%	0.70%	0.54%
Natural Resources, Mining and Construction	76	1.2	5.39%	3.38%	3.14%	2.48%	0.83%	0.25%
Education and Health Services	207	1.1	2.80%	3.73%	2.32%	1.73%	0.60%	0.55%
Professional and Business Services	197	1.1	1.24%	3.08%	1.38%	2.11%	0.35%	0.36%
Information	25	1.1	4.60%	5.29%	1.16%	1.36%	0.82%	0.20%
Leisure and Hospitality	110	0.9	10.15%	6.35%	1.52%	1.38%	2.68%	1.09%
Other Services	41	0.9	7.85%	3.08%	0.81%	0.57%	0.24%	0.35%
Total Employment	**1,195**	**1.0**	**3.58%**	**2.98%**	**1.58%**	**1.30%**	**0.65%**	**0.39%**

Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)



Source: Oxford Economics

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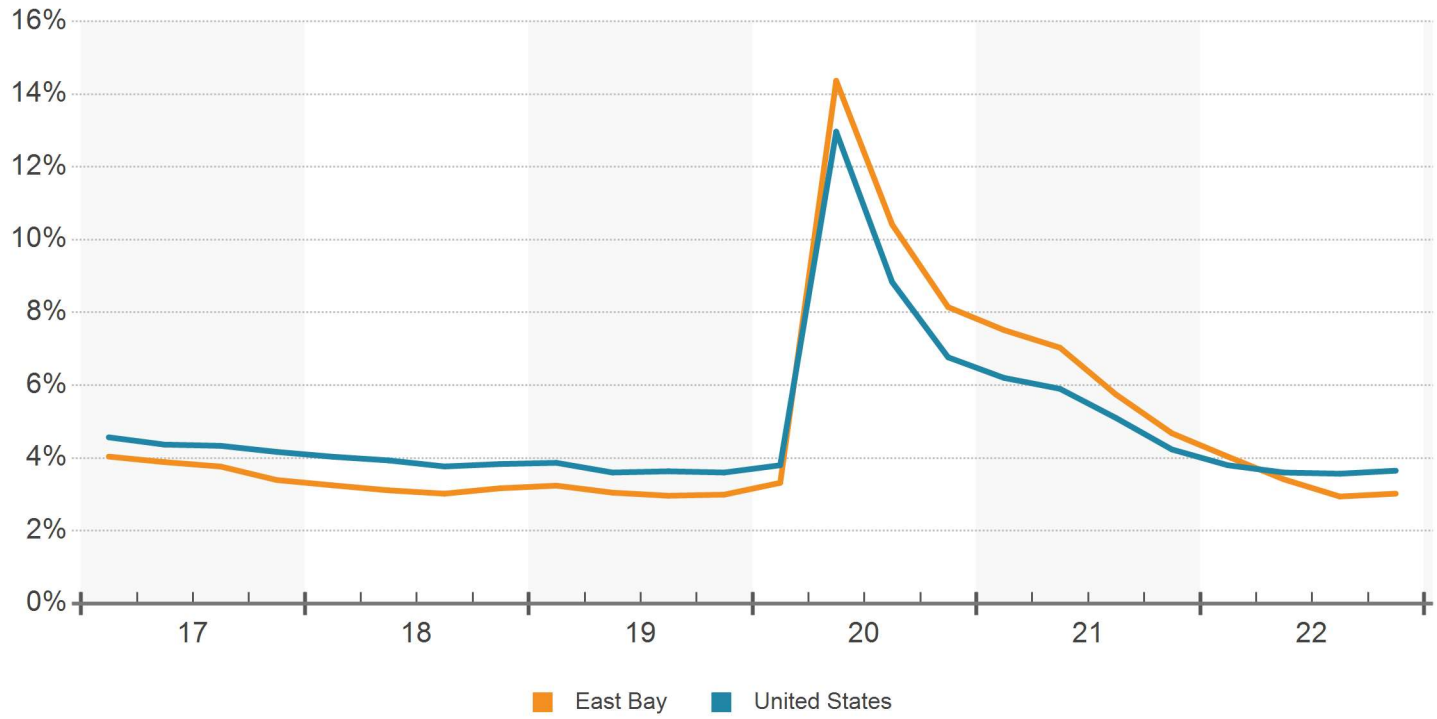
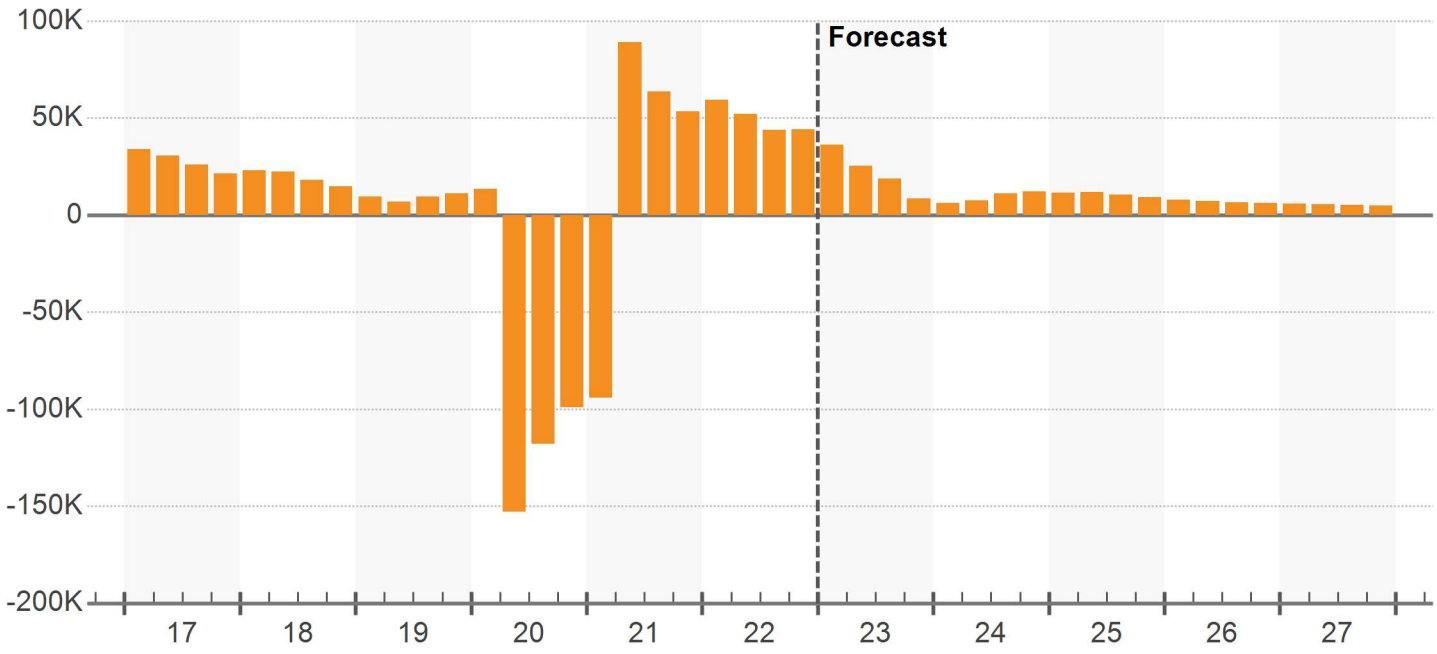
UNEMPLOYMENT RATE (%)



NET EMPLOYMENT CHANGE (YOY)



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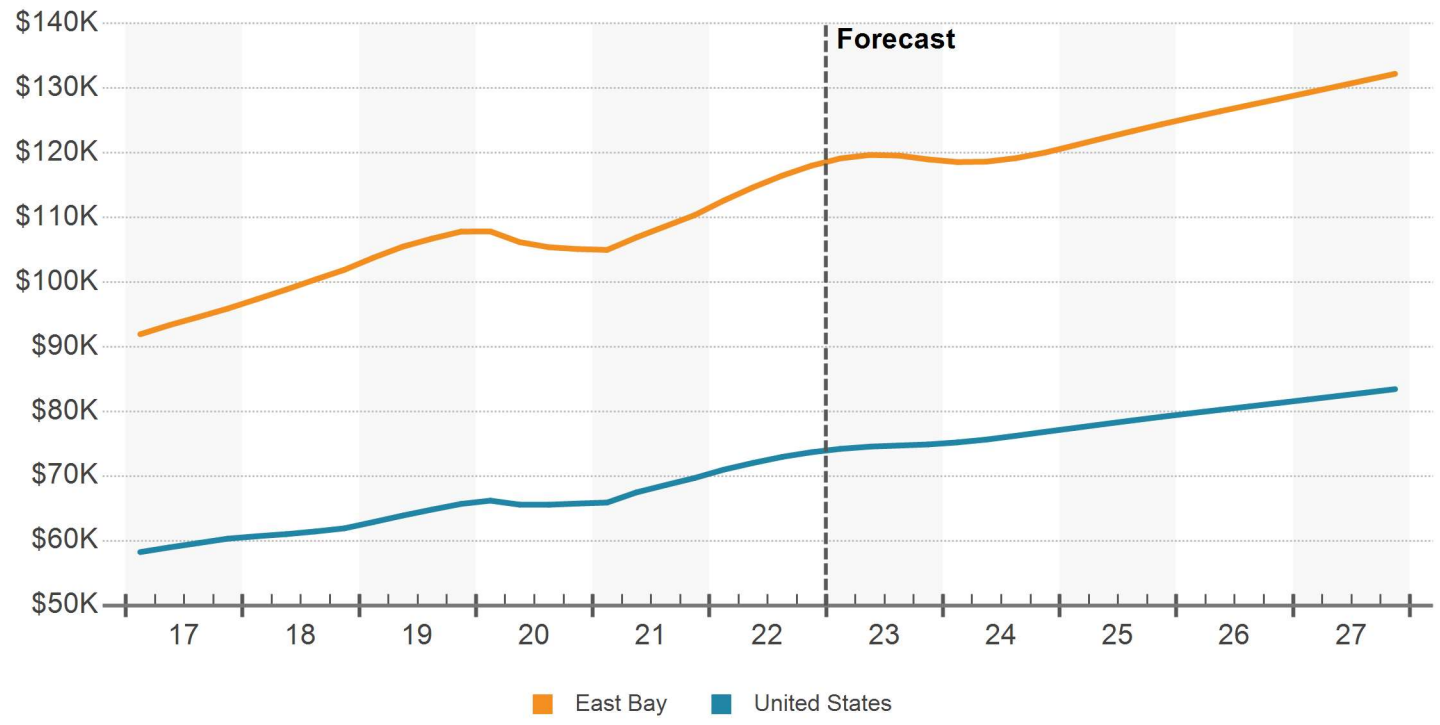
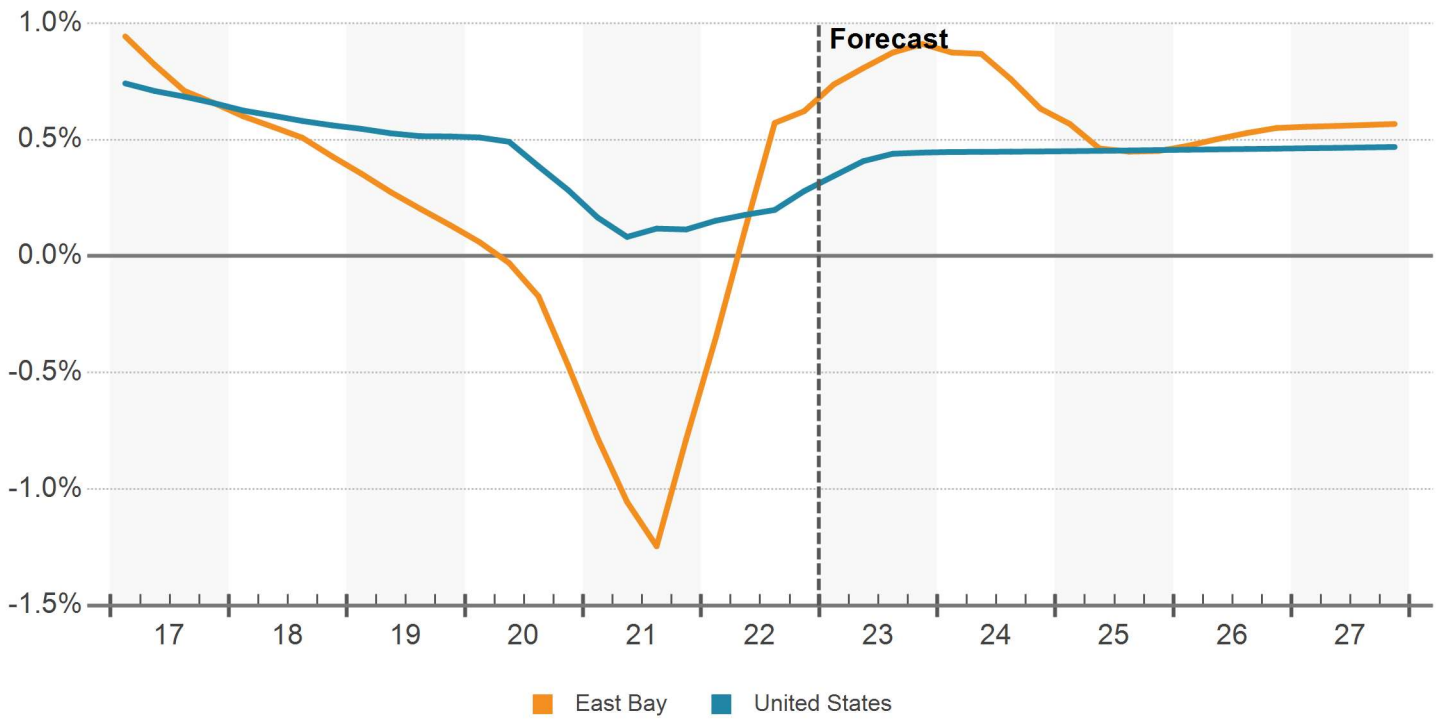
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



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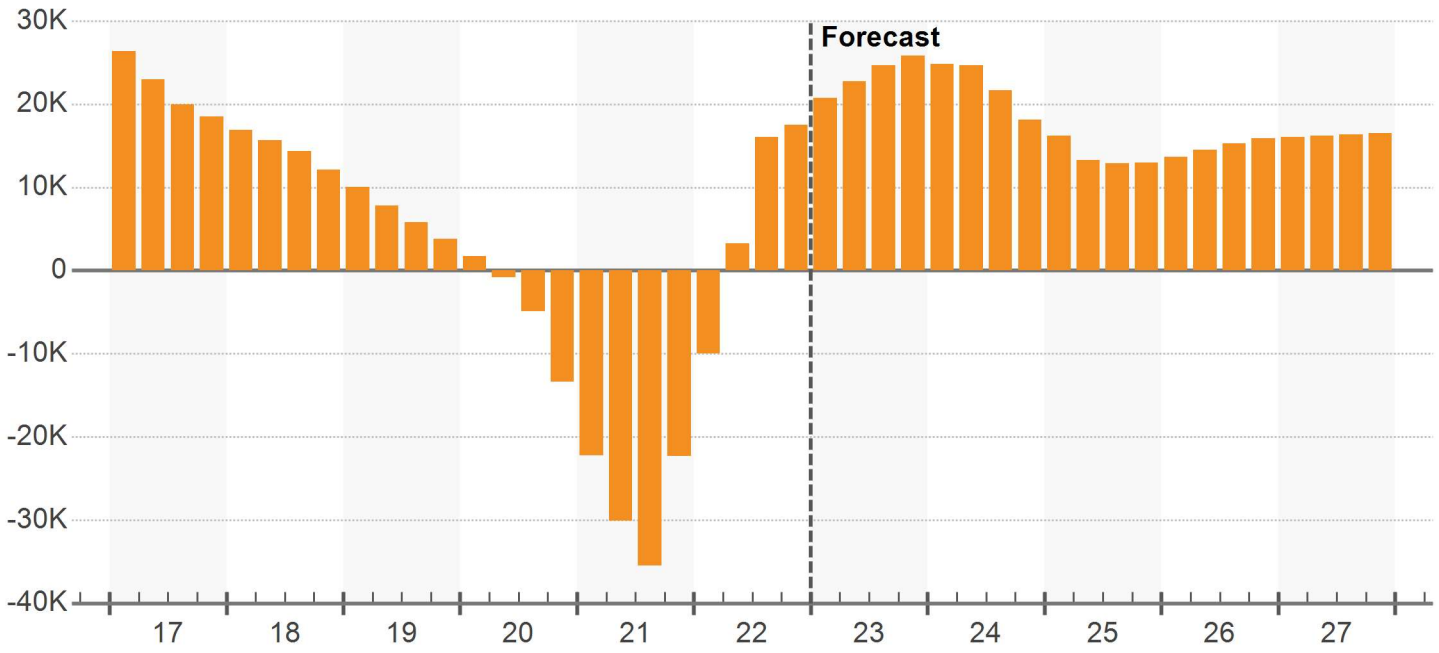
Economy

NET POPULATION CHANGE (YOY)

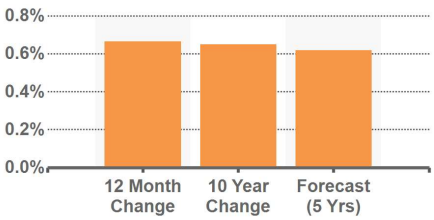


DEMOGRAPHIC TRENDS

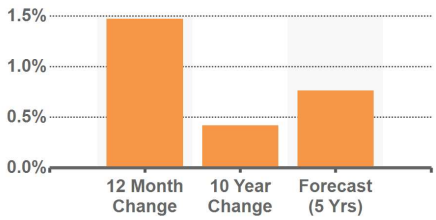
	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
Demographic Category	**Metro**	**US**	**Metro**	**US**	**Metro**	**US**	**Metro**	**US**
Population	2,834,228	333,066,500	0.7%	0.3%	0.6%	0.5%	0.6%	0.5%
Households	1,020,617	129,212,789	1.3%	1.0%	0.7%	0.8%	0.7%	0.6%
Median Household Income	$118,400	$73,887	6.5%	5.3%	5.1%	3.7%	2.3%	2.5%
Labor Force	1,389,861	164,957,453	1.5%	1.4%	0.4%	0.6%	0.8%	0.4%
Unemployment	3.0%	3.7%	-1.4%	-0.4%	-0.5%	-0.4%	-	-

Source: Oxford Economics

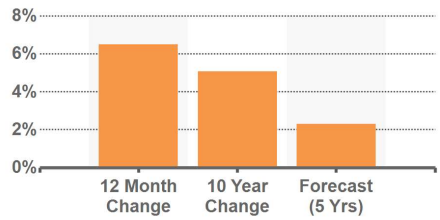
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

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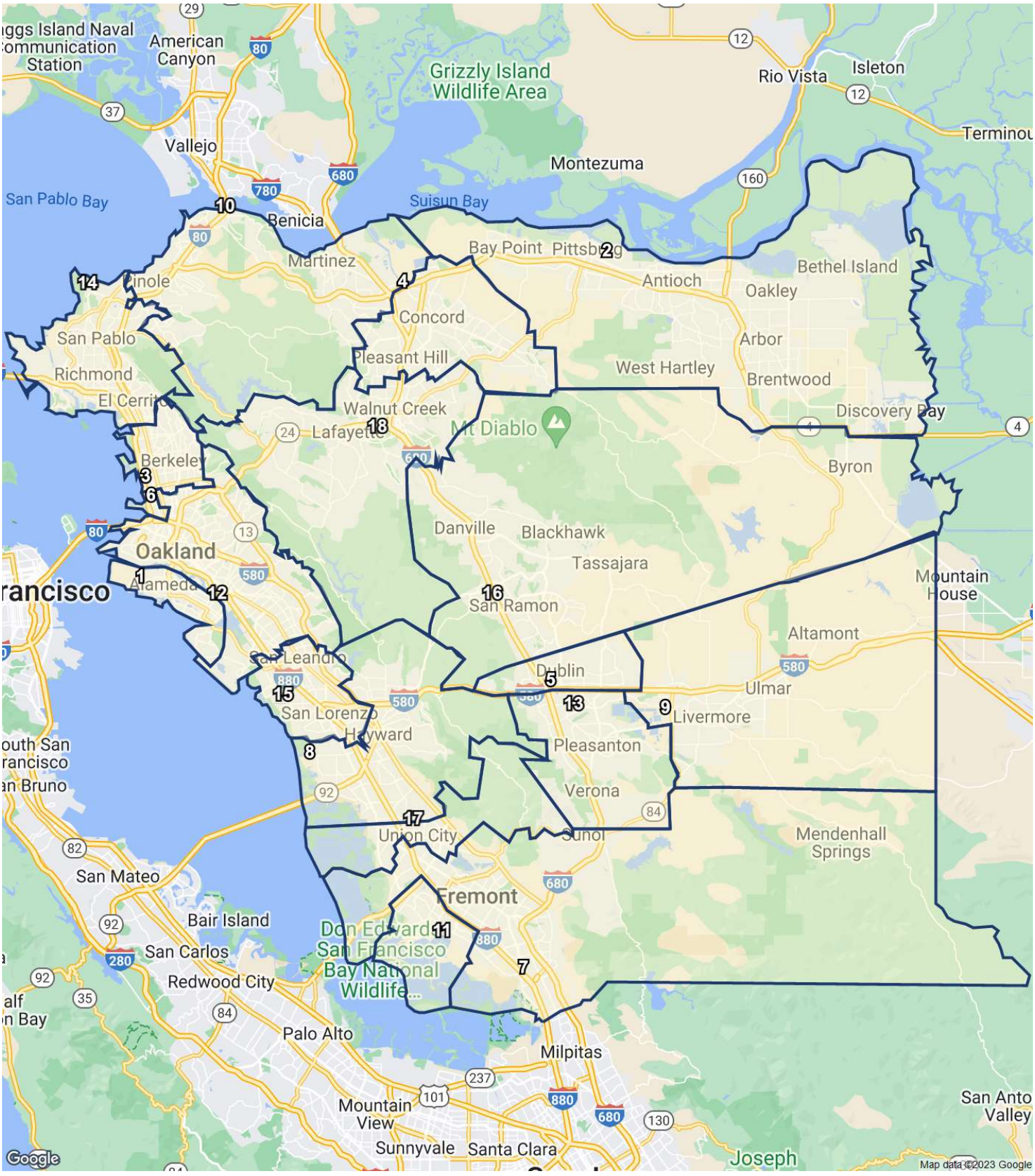
Submarkets

EAST BAY SUBMARKETS



Submarkets

SUBMARKET INVENTORY

		Inventory				12 Month Deliveries				Under Construction			
No.	Submarket	Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Alameda	163	6,711	2.5%	12	0	0	0%	-	0	-	-	-
2	Antioch/Pittsburg	404	13,859	5.1%	8	2	754	5.4%	1	3	689	5.0%	5
3	Berkeley	431	7,878	2.9%	11	0	0	0%	-	3	1,457	18.5%	1
4	Concord/Pleasant Hill	463	9,226	3.4%	9	0	0	0%	-	2	127	1.4%	9
5	Dublin	73	2,647	1.0%	16	0	0	0%	-	0	-	-	-
6	Emeryville	153	4,309	1.6%	14	0	0	0%	-	1	285	6.6%	7
7	Fremont	891	44,517	16.3%	2	1	110	0.2%	4	5	1,023	2.3%	2
8	Hayward/Castro Valley	1,261	47,788	17.5%	1	4	435	0.9%	2	7	811	1.7%	3
9	Livermore	514	20,239	7.4%	5	0	0	0%	-	4	43	0.2%	10
10	Martinez/Pacheco/Hercules	208	4,244	1.6%	15	0	0	0%	-	0	-	-	-
11	Newark	224	13,905	5.1%	7	0	0	0%	-	0	-	-	-
12	Oakland	1,637	37,262	13.7%	3	0	0	0%	-	2	593	1.6%	6
13	Pleasanton	213	5,229	1.9%	13	0	0	0%	-	1	164	3.1%	8
14	Richmond/San Pablo	540	18,308	6.7%	6	2	429	2.3%	3	7	724	4.0%	4
15	San Leandro	738	25,492	9.4%	4	0	0	0%	-	0	-	-	-
16	San Ramon/Danville	62	1,520	0.6%	17	0	0	0%	-	0	-	-	-
17	Union City	152	8,364	3.1%	10	0	0	0%	-	0	-	-	-
18	Walnut Creek/Lamorinda	49	865	0.3%	18	0	0	0%	-	0	-	-	-

SUBMARKET RENT

		Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
No.	Submarket	Per SF	Rank	Growth	Rank	Growth	Rank
1	Alameda	$18.25	10	7.8%	5	5.8%	6
2	Antioch/Pittsburg	$12.25	18	7.0%	16	4.3%	15
3	Berkeley	$25.43	3	7.4%	9	5.4%	9
4	Concord/Pleasant Hill	$20.73	7	7.5%	8	5.5%	8
5	Dublin	$25.38	4	7.6%	7	6.3%	3
6	Emeryville	$27.70	1	7.9%	4	5.7%	7
7	Fremont	$18.52	9	6.8%	17	6.4%	2
8	Hayward/Castro Valley	$14.27	15	8.3%	1	4.6%	14
9	Livermore	$16.52	13	8.0%	2	5.4%	11
10	Martinez/Pacheco/Hercules	$20.51	8	7.2%	12	5.4%	10
11	Newark	$17.16	11	6.8%	18	3.8%	17
12	Oakland	$16.81	12	7.2%	11	4.1%	16
13	Pleasanton	$25.44	2	7.1%	14	6.2%	4
14	Richmond/San Pablo	$15.74	14	7.8%	6	5.0%	13
15	San Leandro	$14.22	16	7.9%	3	5.1%	12
16	San Ramon/Danville	$22.50	6	7.1%	15	6.1%	5
17	Union City	$13.91	17	7.2%	13	3.6%	18
18	Walnut Creek/Lamorinda	$23.26	5	7.2%	10	6.6%	1

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SUBMARKET VACANCY & NET ABSORPTION

		Vacancy			12 Month Absorption			
No.	Submarket	SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Alameda	576,747	8.6%	16	(67,518)	-1.0%	16	-
2	Antioch/Pittsburg	1,050,082	7.6%	14	745,736	5.4%	1	1.0
3	Berkeley	288,783	3.7%	9	(142,214)	-1.8%	18	-
4	Concord/Pleasant Hill	188,876	2.0%	1	48,249	0.5%	8	-
5	Dublin	92,693	3.5%	7	9,758	0.4%	10	-
6	Emeryville	328,628	7.6%	15	(2,984)	-0.1%	13	-
7	Fremont	1,624,899	3.7%	8	172,317	0.4%	6	-
8	Hayward/Castro Valley	2,033,360	4.3%	11	426,676	0.9%	4	1.0
9	Livermore	512,171	2.5%	3	431,996	2.1%	3	-
10	Martinez/Pacheco/Hercules	87,799	2.1%	2	(24,756)	-0.6%	15	-
11	Newark	471,451	3.4%	5	7,553	0.1%	11	-
12	Oakland	2,010,877	5.4%	13	28,391	0.1%	9	-
13	Pleasanton	182,971	3.5%	6	251,572	4.8%	5	-
14	Richmond/San Pablo	727,668	4.0%	10	437,670	2.4%	2	0.3
15	San Leandro	1,306,599	5.1%	12	(106,180)	-0.4%	17	-
16	San Ramon/Danville	202,785	13.3%	18	272	0%	12	-
17	Union City	279,333	3.3%	4	100,007	1.2%	7	-
18	Walnut Creek/Lamorinda	102,013	11.8%	17	(6,839)	-0.8%	14	-

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Supply & Demand Trends

East Bay Industrial

OVERALL SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	288,143,851	2,304,815	0.8%	1,070,958	0.4%	2.2
2026	285,839,036	2,898,659	1.0%	1,811,641	0.6%	1.6
2025	282,940,377	3,452,986	1.2%	2,816,582	1.0%	1.2
2024	279,487,391	3,278,851	1.2%	3,152,119	1.1%	1.0
2023	276,208,540	4,153,886	1.5%	3,272,282	1.2%	1.3
YTD	272,384,025	329,371	0.1%	(400,460)	-0.1%	-
2022	272,054,654	1,201,623	0.4%	2,871,277	1.1%	0.4
2021	270,853,031	1,292,790	0.5%	5,999,955	2.2%	0.2
2020	269,560,241	4,005,120	1.5%	270,816	0.1%	14.8
2019	265,555,121	476,910	0.2%	(2,388,050)	-0.9%	-
2018	265,078,211	1,166,004	0.4%	(400,263)	-0.2%	-
2017	263,912,207	394,341	0.1%	1,290,021	0.5%	0.3
2016	263,517,866	2,120,881	0.8%	4,716,919	1.8%	0.4
2015	261,396,985	860,855	0.3%	5,745,236	2.2%	0.1
2014	260,536,130	149,209	0.1%	4,420,555	1.7%	0
2013	260,386,921	(1,483,386)	-0.6%	3,276,917	1.3%	-
2012	261,870,307	(1,955,915)	-0.7%	1,194,042	0.5%	-
2011	263,826,222	(1,154,874)	-0.4%	(1,679,841)	-0.6%	-

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	56,494,191	(18,967)	0%	(292,835)	-0.5%	-
2026	56,513,158	13,889	0%	(197,999)	-0.4%	-
2025	56,499,269	45,023	0.1%	(50,963)	-0.1%	-
2024	56,454,246	(43,430)	-0.1%	5,422	0%	-
2023	56,497,676	369,905	0.7%	166,184	0.3%	2.2
YTD	56,127,771	0	0%	14,165	0%	0
2022	56,127,771	(27,701)	0%	666,265	1.2%	-
2021	56,155,472	(247,074)	-0.4%	540,340	1.0%	-
2020	56,402,546	88,483	0.2%	82,795	0.1%	1.1
2019	56,314,063	441,262	0.8%	(223,924)	-0.4%	-
2018	55,872,801	407,842	0.7%	(645,275)	-1.2%	-
2017	55,464,959	166,516	0.3%	375,146	0.7%	0.4
2016	55,298,443	(11,294)	0%	288,760	0.5%	-
2015	55,309,737	152,710	0.3%	1,206,032	2.2%	0.1
2014	55,157,027	72,348	0.1%	764,688	1.4%	0.1
2013	55,084,679	(283,560)	-0.5%	890,587	1.6%	-
2012	55,368,239	(57,857)	-0.1%	280,944	0.5%	-
2011	55,426,096	(103,331)	-0.2%	(1,356,317)	-2.4%	-

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Supply & Demand Trends

East Bay Industrial

LOGISTICS SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	169,269,481	1,415,052	0.8%	668,119	0.4%	2.1
2026	167,854,429	1,775,650	1.1%	1,111,612	0.7%	1.6
2025	166,078,779	2,112,125	1.3%	1,550,631	0.9%	1.4
2024	163,966,654	1,078,646	0.7%	1,173,879	0.7%	0.9
2023	162,888,008	2,676,223	1.7%	2,463,749	1.5%	1.1
YTD	160,541,156	329,371	0.2%	(354,952)	-0.2%	-
2022	160,211,785	1,289,324	0.8%	1,938,547	1.2%	0.7
2021	158,922,461	1,200,048	0.8%	4,539,066	2.9%	0.3
2020	157,722,413	3,450,426	2.2%	1,499,143	1.0%	2.3
2019	154,271,987	502,330	0.3%	(2,030,345)	-1.3%	-
2018	153,769,657	898,007	0.6%	(136,848)	-0.1%	-
2017	152,871,650	322,280	0.2%	788,851	0.5%	0.4
2016	152,549,370	2,397,901	1.6%	3,046,174	2.0%	0.8
2015	150,151,469	630,712	0.4%	2,966,916	2.0%	0.2
2014	149,520,757	174,388	0.1%	2,551,329	1.7%	0.1
2013	149,346,369	(1,162,870)	-0.8%	1,464,709	1.0%	-
2012	150,509,239	(1,970,452)	-1.3%	394,748	0.3%	-
2011	152,479,691	(979,747)	-0.6%	(672,439)	-0.4%	-

FLEX SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	62,380,179	908,730	1.5%	695,674	1.1%	1.3
2026	61,471,449	1,109,120	1.8%	898,028	1.5%	1.2
2025	60,362,329	1,295,838	2.2%	1,316,914	2.2%	1.0
2024	59,066,491	2,243,635	3.9%	1,972,818	3.3%	1.1
2023	56,822,856	1,107,758	2.0%	642,349	1.1%	1.7
YTD	55,715,098	0	0%	(59,673)	-0.1%	-
2022	55,715,098	(60,000)	-0.1%	266,465	0.5%	-
2021	55,775,098	339,816	0.6%	920,549	1.7%	0.4
2020	55,435,282	466,211	0.8%	(1,311,122)	-2.4%	-
2019	54,969,071	(466,682)	-0.8%	(133,781)	-0.2%	-
2018	55,435,753	(139,845)	-0.3%	381,860	0.7%	-
2017	55,575,598	(94,455)	-0.2%	126,024	0.2%	-
2016	55,670,053	(265,726)	-0.5%	1,381,985	2.5%	-
2015	55,935,779	77,433	0.1%	1,572,288	2.8%	0
2014	55,858,346	(97,527)	-0.2%	1,104,538	2.0%	-
2013	55,955,873	(36,956)	-0.1%	921,621	1.6%	-
2012	55,992,829	72,394	0.1%	518,350	0.9%	0.1
2011	55,920,435	(71,796)	-0.1%	348,915	0.6%	-

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Rent & Vacancy

East Bay Industrial

OVERALL RENT & VACANCY

	Market Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	$19.73	231	1.4%	16.6%	15,370,368	5.3%	0.4%
2026	$19.46	228	1.9%	15.0%	14,123,407	4.9%	0.3%
2025	$19.09	224	2.7%	12.8%	12,998,437	4.6%	0.2%
2024	$18.59	218	3.8%	9.9%	12,353,440	4.4%	0%
2023	$17.91	210	5.9%	5.9%	12,231,608	4.4%	0.3%
YTD	$17	199	7.4%	0.5%	12,067,735	4.4%	0.3%
2022	$16.92	198	7.8%	0%	11,337,904	4.2%	-0.6%
2021	$15.69	184	5.7%	-7.3%	13,005,886	4.8%	-1.8%
2020	$14.84	174	2.6%	-12.3%	17,713,051	6.6%	1.3%
2019	$14.46	169	5.5%	-14.6%	13,978,747	5.3%	1.1%
2018	$13.70	160	7.7%	-19.0%	11,113,787	4.2%	0.5%
2017	$12.72	149	9.6%	-24.8%	9,813,520	3.7%	-0.4%
2016	$11.61	136	10.8%	-31.4%	10,721,306	4.1%	-1.0%
2015	$10.47	123	10.6%	-38.1%	13,324,144	5.1%	-1.9%
2014	$9.47	111	8.4%	-44.0%	18,208,525	7.0%	-1.6%
2013	$8.73	102	6.1%	-48.4%	22,479,871	8.6%	-1.8%
2012	$8.23	96	3.4%	-51.4%	27,240,174	10.4%	-1.1%
2011	$7.96	93	0.7%	-53.0%	30,390,131	11.5%	0.2%

SPECIALIZED INDUSTRIAL RENT & VACANCY

	Market Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	$16.69	208	1.5%	16.6%	2,360,206	4.2%	0.5%
2026	$16.44	205	2.1%	14.9%	2,083,952	3.7%	0.4%
2025	$16.11	201	2.9%	12.5%	1,864,006	3.3%	0.2%
2024	$15.66	195	3.9%	9.4%	1,766,605	3.1%	-0.1%
2023	$15.07	188	5.3%	5.3%	1,816,273	3.2%	0.3%
YTD	$14.33	179	3.0%	0.1%	1,596,480	2.8%	0%
2022	$14.31	179	3.1%	0%	1,610,645	2.9%	-1.2%
2021	$13.89	173	2.1%	-3.0%	2,304,611	4.1%	-1.4%
2020	$13.60	170	1.3%	-5.0%	3,092,025	5.5%	0%
2019	$13.44	168	4.0%	-6.1%	3,086,337	5.5%	1.1%
2018	$12.92	161	5.8%	-9.7%	2,421,151	4.3%	1.4%
2017	$12.22	152	8.3%	-14.6%	1,634,034	2.9%	-0.4%
2016	$11.28	141	10.6%	-21.2%	1,842,664	3.3%	-0.5%
2015	$10.20	127	11.3%	-28.7%	2,142,718	3.9%	-1.9%
2014	$9.17	114	9.3%	-35.9%	3,196,040	5.8%	-1.3%
2013	$8.39	105	6.5%	-41.4%	3,888,380	7.1%	-2.1%
2012	$7.88	98	4.1%	-45.0%	5,062,527	9.1%	-0.6%
2011	$7.57	94	0.6%	-47.1%	5,401,328	9.7%	2.3%

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LOGISTICS RENT & VACANCY

	Market Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	$17.98	250	1.4%	17.0%	8,311,467	4.9%	0.4%
2026	$17.72	246	2.0%	15.3%	7,555,541	4.5%	0.4%
2025	$17.37	241	2.8%	13.1%	6,870,933	4.1%	0.3%
2024	$16.91	235	3.9%	10.0%	6,302,950	3.8%	-0.1%
2023	$16.28	226	5.9%	5.9%	6,399,574	3.9%	0.1%
YTD	$15.44	214	8.9%	0.5%	6,864,148	4.3%	0.4%
2022	$15.37	213	9.6%	0%	6,179,825	3.9%	-0.4%
2021	$14.03	195	6.5%	-8.7%	6,827,376	4.3%	-2.1%
2020	$13.17	183	3.1%	-14.3%	10,166,394	6.4%	1.1%
2019	$12.77	177	6.2%	-16.9%	8,215,111	5.3%	1.6%
2018	$12.03	167	8.2%	-21.7%	5,682,436	3.7%	0.7%
2017	$11.12	154	10.3%	-27.7%	4,647,581	3.0%	-0.3%
2016	$10.08	140	11.0%	-34.4%	5,114,152	3.4%	-0.5%
2015	$9.08	126	10.6%	-40.9%	5,769,225	3.8%	-1.6%
2014	$8.21	114	8.8%	-46.6%	8,105,429	5.4%	-1.6%
2013	$7.55	105	6.5%	-50.9%	10,482,370	7.0%	-1.7%
2012	$7.09	98	4.0%	-53.9%	13,109,949	8.7%	-1.4%
2011	$6.82	95	1.3%	-55.6%	15,475,149	10.1%	-0.1%

FLEX RENT & VACANCY

	Market Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	$27.55	216	1.2%	15.9%	4,698,695	7.5%	0.2%
2026	$27.22	213	1.8%	14.5%	4,483,914	7.3%	0.2%
2025	$26.75	209	2.5%	12.5%	4,263,498	7.1%	-0.2%
2024	$26.10	204	3.5%	9.8%	4,283,885	7.3%	0.2%
2023	$25.21	197	6.1%	6.1%	4,015,761	7.1%	0.7%
YTD	$23.93	187	7.5%	0.7%	3,607,107	6.5%	0.1%
2022	$23.77	186	7.7%	0%	3,547,434	6.4%	-0.6%
2021	$22.07	173	6.6%	-7.1%	3,873,899	6.9%	-1.1%
2020	$20.70	162	2.7%	-12.9%	4,454,632	8.0%	3.2%
2019	$20.15	158	5.3%	-15.2%	2,677,299	4.9%	-0.6%
2018	$19.13	150	8.1%	-19.5%	3,010,200	5.4%	-0.9%
2017	$17.70	139	9.3%	-25.5%	3,531,905	6.4%	-0.4%
2016	$16.19	127	10.7%	-31.9%	3,764,490	6.8%	-2.9%
2015	$14.62	114	10.3%	-38.5%	5,412,201	9.7%	-2.7%
2014	$13.26	104	7.2%	-44.2%	6,907,056	12.4%	-2.1%
2013	$12.38	97	5.3%	-47.9%	8,109,121	14.5%	-1.7%
2012	$11.75	92	2.0%	-50.6%	9,067,698	16.2%	-0.8%
2011	$11.53	90	-0.3%	-51.5%	9,513,654	17.0%	-0.7%

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Sale Trends

East Bay Industrial

OVERALL SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	$352.68	385	4.6%
2026	-	-	-	-	-	-	$349.60	382	4.6%
2025	-	-	-	-	-	-	$344.14	376	4.6%
2024	-	-	-	-	-	-	$336.05	367	4.5%
2023	-	-	-	-	-	-	$323.24	353	4.5%
YTD	8	$25.3M	0%	$5,066,378	$271.90	4.9%	$309	338	4.5%
2022	350	$3.7B	5.2%	$11,477,391	$282.88	5.4%	$306.86	335	4.5%
2021	379	$3B	6.2%	$8,734,408	$189.70	4.4%	$274.74	300	4.5%
2020	252	$1.9B	4.0%	$8,571,983	$219.07	6.2%	$243.02	266	4.6%
2019	507	$1.9B	6.1%	$7,444,528	$196.53	6.0%	$222.19	243	4.7%
2018	453	$1.6B	4.9%	$5,985,337	$187.88	5.4%	$199.76	218	4.9%
2017	546	$1.4B	5.1%	$4,823,419	$135.66	6.0%	$178.93	195	5.1%
2016	507	$1.5B	6.6%	$4,198,453	$129.93	6.2%	$157.27	172	5.3%
2015	637	$1.5B	7.9%	$4,063,282	$112.66	7.3%	$135.50	148	5.6%
2014	406	$840M	4.0%	$2,584,526	$93.98	6.4%	$117.33	128	6.0%
2013	433	$992.6M	4.0%	$3,399,245	$113.55	7.2%	$103.27	113	6.4%
2012	433	$510.4M	4.5%	$2,591,082	$79.93	7.0%	$95.55	104	6.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.
(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

SPECIALIZED INDUSTRIAL SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	$337.62	397	4.4%
2026	-	-	-	-	-	-	$334.35	394	4.4%
2025	-	-	-	-	-	-	$328.72	387	4.4%
2024	-	-	-	-	-	-	$320.55	377	4.4%
2023	-	-	-	-	-	-	$307.94	363	4.4%
YTD	1	$10.3M	0.1%	$10,300,000	$242.92	4.9%	$294.96	347	4.4%
2022	65	$881.8M	5.6%	$13,997,023	$293.82	3.9%	$293.04	345	4.4%
2021	54	$461.5M	12.5%	$8,707,577	$65.85	4.5%	$261.03	307	4.4%
2020	40	$323.1M	3.0%	$8,283,474	$190.66	6.0%	$230.93	272	4.5%
2019	74	$206.9M	4.0%	$6,898,262	$132.29	6.1%	$210.27	248	4.7%
2018	85	$257.4M	4.8%	$5,252,221	$164.87	5.9%	$188.67	222	4.8%
2017	88	$164.5M	3.9%	$4,113,452	$98.75	6.2%	$169.41	199	5.0%
2016	93	$259.3M	5.9%	$4,321,813	$101.82	5.9%	$148.25	175	5.2%
2015	66	$190.9M	5.1%	$4,771,565	$94.42	8.6%	$127.58	150	5.5%
2014	76	$155.8M	4.2%	$2,781,271	$94.83	-	$110.11	130	5.9%
2013	78	$229.3M	3.8%	$4,679,907	$130.65	8.3%	$96.66	114	6.3%
2012	58	$72.7M	2.1%	$2,506,390	$97.73	7.0%	$89.06	105	6.5%

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Sale Trends

LOGISTICS SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	$335.53	392	4.5%
2026	-	-	-	-	-	-	$332.53	388	4.5%
2025	-	-	-	-	-	-	$327.28	382	4.5%
2024	-	-	-	-	-	-	$319.52	373	4.5%
2023	-	-	-	-	-	-	$307.22	359	4.5%
YTD	4	$10.2M	0%	$3,397,667	$295.84	-	$293.62	343	4.5%
2022	193	$1.7B	4.6%	$9,797,204	$254.27	4.8%	$291.60	341	4.4%
2021	202	$1.3B	3.4%	$6,957,406	$253.39	4.4%	$260.74	305	4.4%
2020	151	$1.1B	4.5%	$7,947,359	$201.98	5.7%	$229.51	268	4.6%
2019	296	$984.5M	5.7%	$6,563,291	$185.41	6.0%	$209.55	245	4.7%
2018	267	$839.8M	4.7%	$5,872,906	$183.41	5.1%	$188.19	220	4.9%
2017	368	$858.8M	5.8%	$4,744,836	$130.40	5.8%	$168.26	197	5.1%
2016	281	$754.7M	5.7%	$3,645,680	$126.65	5.9%	$147.74	173	5.3%
2015	322	$797.9M	7.6%	$3,817,801	$110.16	7.9%	$127.29	149	5.6%
2014	231	$439.6M	3.7%	$2,428,877	$88.36	6.3%	$110.21	129	6.0%
2013	248	$377.7M	3.6%	$2,360,835	$87.11	6.0%	$97.09	113	6.3%
2012	243	$272.1M	3.9%	$2,616,659	$77.49	6.7%	$89.88	105	6.6%

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FLEX SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	$415.13	363	4.8%
2026	-	-	-	-	-	-	$411.99	360	4.8%
2025	-	-	-	-	-	-	$406.12	355	4.7%
2024	-	-	-	-	-	-	$397.16	347	4.7%
2023	-	-	-	-	-	-	$382.75	334	4.7%
YTD	3	$4.8M	0.1%	$4,838,888	$296.66	-	$365.51	319	4.7%
2022	92	$1.1B	6.5%	$13,128,409	$331.39	6.7%	$362.80	317	4.7%
2021	123	$1.3B	7.9%	$11,593,341	$327.64	4.5%	$327.08	286	4.7%
2020	61	$565.8M	3.5%	$10,287,017	$289.47	8.1%	$292.44	255	4.7%
2019	137	$729.2M	9.6%	$9,349,319	$251.56	5.8%	$268.98	235	4.9%
2018	101	$512.9M	5.3%	$6,660,665	$211.10	5.8%	$242.79	212	5.0%
2017	90	$409.2M	4.4%	$5,384,237	$177.31	6.6%	$217.90	190	5.2%
2016	133	$510.1M	9.8%	$5,313,269	$158.20	7.0%	$192.60	168	5.4%
2015	249	$534.9M	11.7%	$4,245,617	$125.56	6.0%	$166.06	145	5.7%
2014	99	$244.6M	4.6%	$2,779,467	$105.41	6.6%	$144.16	126	6.1%
2013	107	$385.5M	5.4%	$4,644,945	$145.48	6.4%	$126.92	111	6.5%
2012	132	$165.6M	8.4%	$2,587,895	$77.75	7.7%	$117.68	103	6.7%

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