



Industrial Market Report

San Jose - CA

PREPARED BY



INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF

606K

12 Mo Net Absorption in SF

185K

Vacancy Rate

6.1%

12 Mo Rent Growth

4.8%

San Jose's industrial market is driven by the growth of Silicon Valley's technology-based economy. The impressive growth of this sector over the past 30 years has supported increased demand for specific types of industrial real estate, such as data centers and flex properties catering to high-tech firms conducting research and development and to some extent manufacturing.

Thus, flex properties constitute over half of industrial real estate in San Jose compared to only 10% of industrial space nationally. Many local flex R&D properties even compete directly with San Jose's 140 million-SF stock of office properties for the same tenants. Thus, leasing momentum tends to follow the same boom and bust trends that drive growth in the tech sector.

After running at historically high levels at the beginning of last year, leasing activity slowed sharply in the second half of the year, as inflation and rising interest rates dampened tenant demand. However, vacancy, at 6.1%, remains low in comparison to historical levels. This is primarily due to low levels of new construction and the continuation of the long-term trend to re-purpose older industrial sites for housing and other uses, which results in a net reduction in industrial stock.

San Jose's flex inventory operates at a significantly higher vacancy rate (9.2% as of 23Q2) than properties in its logistics market, which is severely supply constrained and currently has an aggregate vacancy rate of 3.0%.

As with other real estate sectors, strong demand and tight supply has made industrial rents in San Jose among the highest in the nation, second only to San Francisco. However, the rate of growth in rents is currently one of the nation's lowest. Year-over-year rent growth in the local flex and logistics sectors is running at 4.7% and 5.4%, respectively, somewhat below the national average for these subtypes.

With a relatively small tally of 3.7 million SF of industrial product under construction across the entire market, competition from new supply will not be of major concern for landlords in the coming quarters, or likely for the next several years.

Looking forward, vacancy is projected to remain at its current level, with continued positive absorption in the core logistics markets that surround San Jose, while solid demand for R&D space will keep properties well-leased in the main Silicon Valley employment hubs.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	54,061,427	3.0%	\$18.55	5.0%	(12,547)	0	887,870
Specialized Industrial	42,712,956	2.8%	\$20.40	3.6%	56,415	0	765,603
Flex	102,354,170	9.2%	\$33.08	11.3%	(411,065)	0	2,005,679
Market	199,128,553	6.1%	\$26.43	7.9%	(367,197)	0	3,659,152
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-0.3%	8.8%	6.8%	15.7%	2003 Q3	2.0%	2000 Q2
Net Absorption SF	185K	(371,328)	(307,802)	13,428,886	2000 Q2	(12,510,235)	2002 Q1
Deliveries SF	606K	1,419,276	1,366,446	6,790,418	2001 Q3	0	2016 Q1
Rent Growth	4.8%	3.2%	4.6%	11.2%	2015 Q2	-12.6%	2003 Q2
Sales Volume	\$1.6B	\$1.6B	N/A	\$4.3B	2022 Q1	\$168.4M	2009 Q4

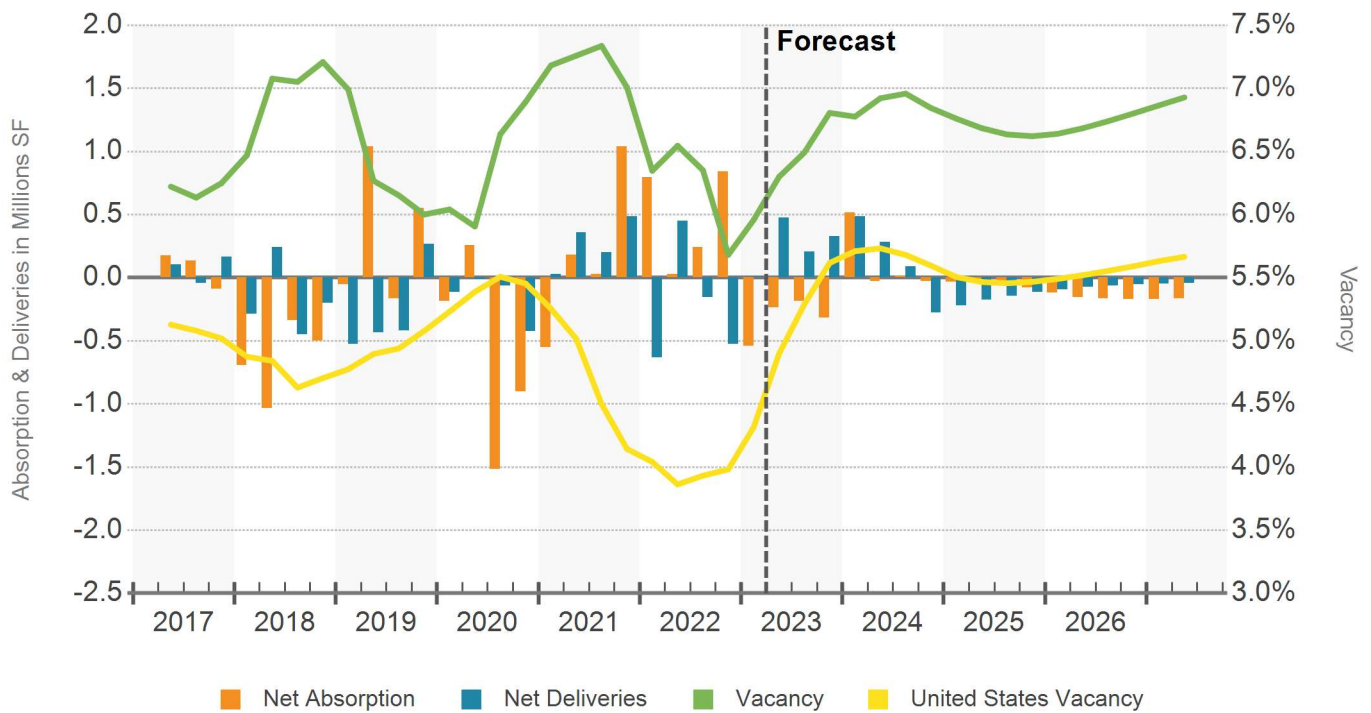
The San Jose industrial market has seen positive absorption in both the flex and logistic subtypes. For flex properties, there has been 10,000 SF of net absorption in the past 12 months, with leasing activity across a diverse range of industries including healthcare, robotics, cleantech, and information technology.

Minerva Surgical renewed for 33,000 SF of space at the Mission Park R&D Campus in Santa Clara during 22Q3, a location it has occupied since 2019. In June 2022, computer hardware and software designer Nvidia, which has been rapidly expanding its footprint in Santa Clara, subleased 170,000 SF from Futurewei Technologies through 2027 across the street from Nvidia's global headquarters, shortly after signing a 10-year lease for 103,000 SF at 2421 Mission College Blvd. A diverse

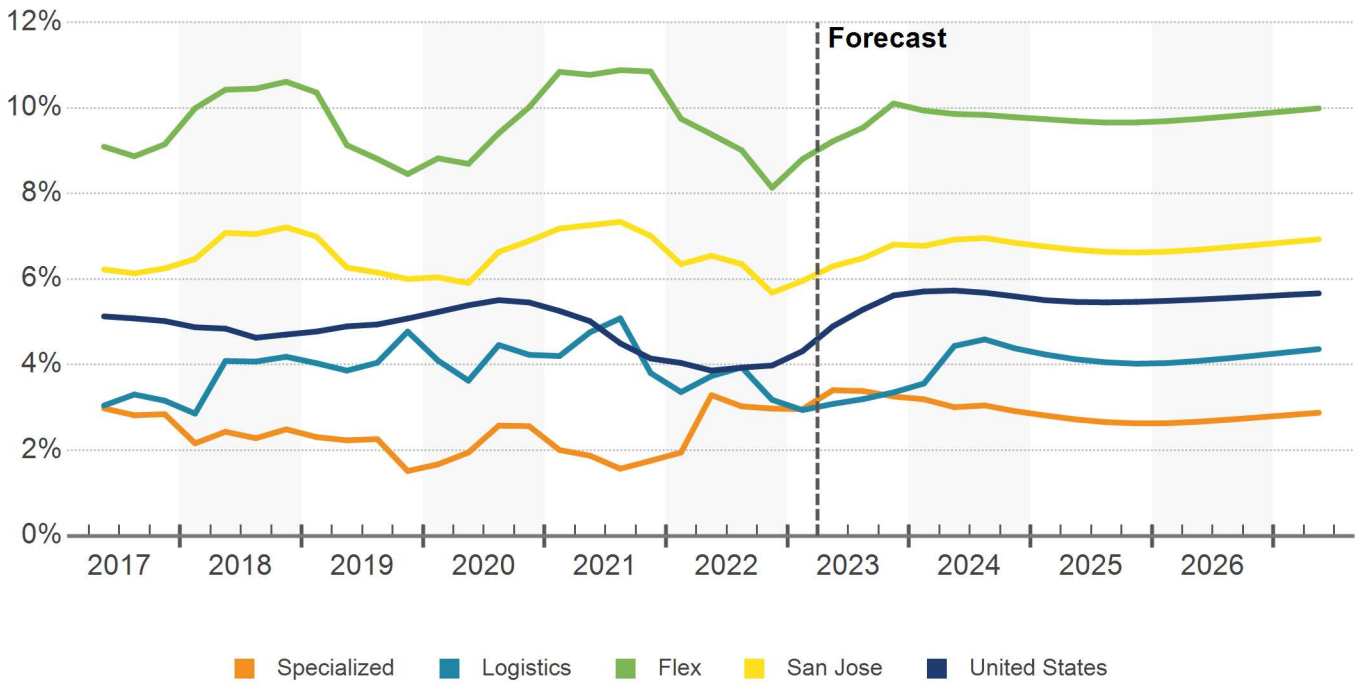
range of other tenants including Nuro, BD Bioscience, and Kawasaki Robotics signed large flex leases in 2022.

Large lease signings in traditional logistics properties have been rare in recent quarters, but that is mainly a reflection of an extremely low level of available space. In fact, there are only five existing logistics properties in the entire market currently listing more than 100,000 SF of available space, one of which is a property built in Gilroy in 1957. The largest availability is at Almaden Vineyards Wharf, a 458,000-SF distribution property built in East San Jose in 1972, where San Jose Distribution Services leases 166,000 SF. Another 259,000 SF is listed as available within the property at advertised triple-net rents of \$13.80/SF.

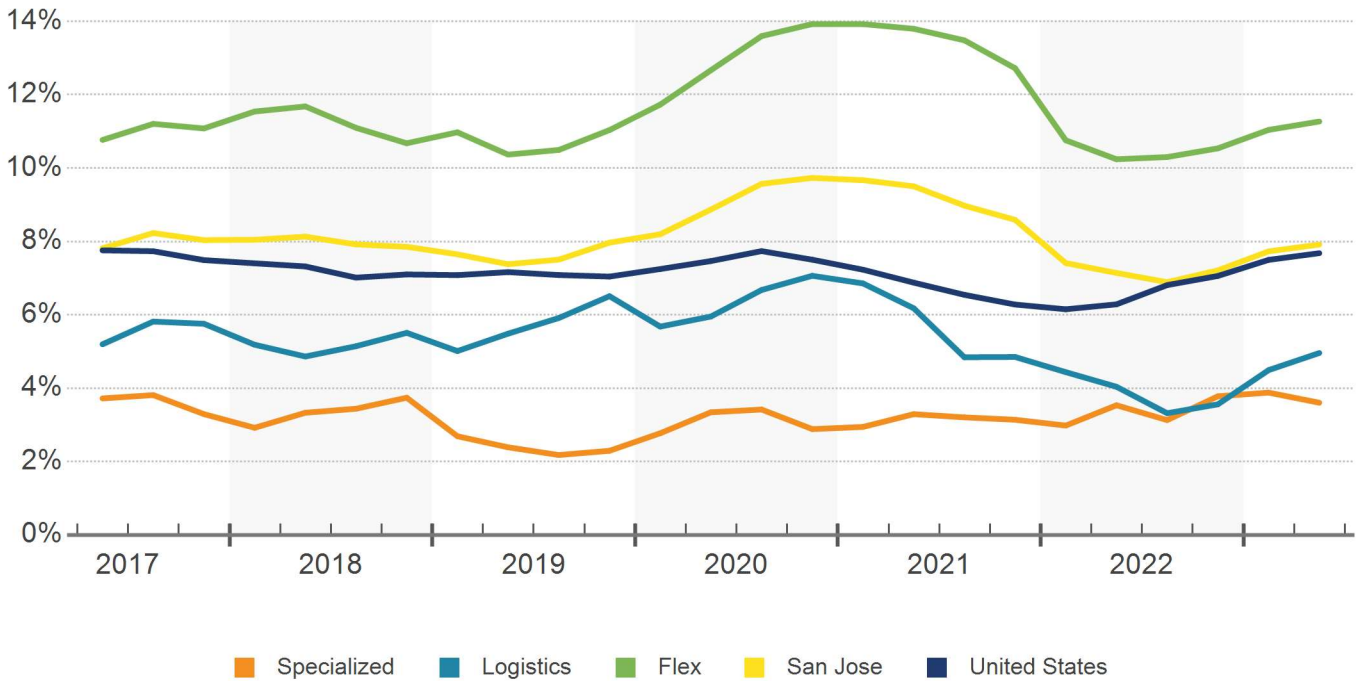
NET ABSORPTION, NET DELIVERIES & VACANCY



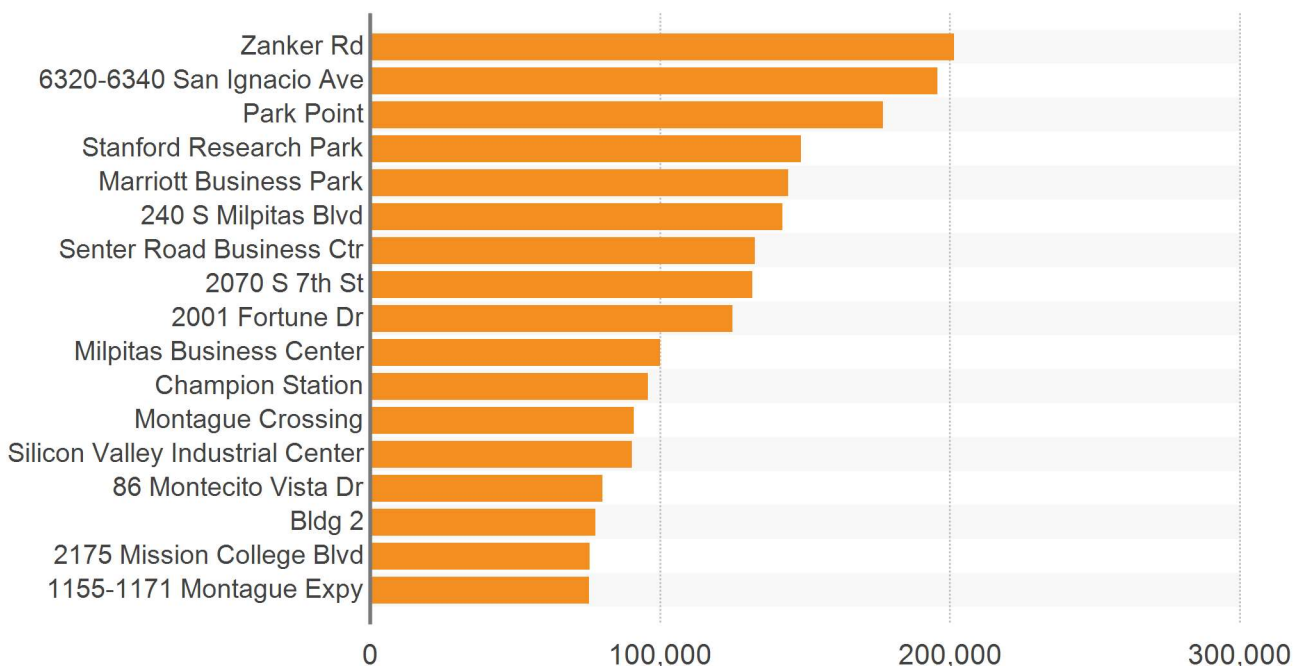
VACANCY RATE



AVAILABILITY RATE



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
Zanker Rd	North San Jose	201,500	0	0	0	0	0	201,500
6320-6340 San Ignacio Ave	South San Jose	305,587	0	0	0	0	0	195,758
Park Point	Milpitas	176,875	0	0	0	0	0	176,875
Stanford Research Park	Palo Alto	220,173	0	0	0	0	0	148,649
Marriott Business Park	North Santa Clara	144,277	0	144,277	0	0	0	144,277
240 S Milpitas Blvd	Milpitas	142,272	0	0	0	0	0	142,272
Senter Road Business Ctr	East San Jose-Willo...	132,721	0	0	0	0	0	132,721
2070 S 7th St	East San Jose-Willo...	315,789	0	0	0	0	0	131,953
2001 Fortune Dr	San Jose-Berryessa	232,275	0	0	0	0	0	125,071
Milpitas Business Center	Milpitas	174,268	0	100,103	0	0	0	100,103
Champion Station	North San Jose	95,948	0	0	0	0	0	95,948
Montague Crossing	North San Jose	90,974	0	0	0	0	0	90,974
Silicon Valley Industrial Center	South San Jose	156,007	0	0	0	0	0	90,229
86 Montecito Vista Dr	East San Jose-Willo...	80,260	0	0	0	0	0	80,260
Bldg 2	North San Jose	77,822	0	0	0	0	0	77,822
2175 Mission College Blvd	North Santa Clara	75,810	0	0	75,810	0	0	75,810
1155-1171 Montague Expy	Milpitas	75,547	0	0	0	0	0	75,547
Subtotal Primary Competitors		2,698,105	0	244,380	75,810	0	0	2,085,769
Remaining San Jose Market		196,443,648	12,232,059	(787,835)	(443,007)	0	0	(1,900,328)
Total San Jose Market		199,141,753	12,232,059	(543,455)	(367,197)	0	0	185,441

TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
1601 Las Plumas Ave	San Jose-Berryessa	166,347	Q2 22	Legence	-	-
1980 Senter Rd	East San Jose-Willow Glen	132,721	Q3 22	All Fab Precision Sheetm...	Colliers	CBRE
590 Brennan Ave *	North San Jose	109,400	Q3 22	Sanmina	Cushman & Wakefield	CBRE
901-927 Wrigley Way	Milpitas	100,103	Q3 22	County of Santa Clara	-	Newmark
3001 Orchard Pky *	North San Jose	97,890	Q4 22	ProteinSimple	Cushman & Wakefield	-
3930 N 1st St	North San Jose	86,243	Q3 22	Logitech	-	-
86 Montecito Vista Dr	East San Jose-Willow Glen	80,260	Q3 22	Becton, Dickinson and Co...	JLL	JLL
455 E Trimble Rd	North San Jose	80,125	Q4 22	XP Power	CBRE	Cushman & Wakefield
715-735 Sycamore Dr *	Milpitas	45,127	Q4 22	Johnson & Johnson Visio...	-	CBRE
660 Vista Way	Milpitas	41,855	Q4 22	TCT Circuit Supply Inc	Cushman & Wakefield	Kidder Mathews
400-430 E Trimble Rd	North San Jose	38,433	Q4 22	-	-	CBRE;Newmark
110-128 Component Dr	North San Jose	38,250	Q3 22	-	-	CBRE
80-92 Railroad Ave	Milpitas	36,663	Q2 22	-	-	Colliers
581 Race St	Midtown San Jose	35,072	Q1 23	-	-	Swenson
3501-3521 Leonard Ct	North Santa Clara	33,360	Q1 23	Vibrant America	CBRE	Cushman & Wakefield
3291-3307 Edward Ave *	North Santa Clara	30,548	Q2 22	Lor-Van Manufacturing	-	Cushman & Wakefield
1020 Timothy Dr	San Jose-Berryessa	29,952	Q4 22	Action Gypsum Drywall	CBRE	Cushman & Wakefield;...
975 Mabury Rd	San Jose-Berryessa	27,770	Q3 22	-	Colliers	Colliers;Cushman & W...
1709 Junction Ct	North San Jose	27,605	Q4 22	Quality Circuit Assembly Inc	Cushman & Wakefield	CBRE
480 Vandell Way	Campbell	26,920	Q4 22	Orbital Composites	-	CBRE
215 E Alma Ave	East San Jose-Willow Glen	26,889	Q3 22	Future Packaging Group,...	-	Swenson
1802 Shelton Dr	San Benito County	26,200	Q3 22	-	-	Mahoney & Associates
890 Service St *	San Jose-Berryessa	25,265	Q3 22	Fix Air- HVAC Parts & Su...	-	Cushman & Wakefield
3200 Coronado Dr	Central Santa Clara	24,740	Q4 22	-	-	Irvine Company Office...
2215-2221 Ringwood Ave	San Jose-Berryessa	24,281	Q4 22	-	-	CBRE
705 Reed St	Central Santa Clara	24,000	Q2 22	-	-	CBRE
222 Commercial St	Sunnyvale	24,000	Q2 23	-	-	Cushman & Wakefield
1500-1504 Dell Ave *	Campbell	23,278	Q3 22	WorldPac, Inc.	Kidder Mathews	Cushman & Wakefield
1030 Commercial St	San Jose-Berryessa	23,236	Q2 22	-	-	Colliers;Orchard Comm...
1711 Senter Rd	East San Jose-Willow Glen	21,434	Q4 22	Rivian Automotive	JLL	Cushman & Wakefield
615 Dado St	North San Jose	21,254	Q2 23	-	-	CBRE
850 San Antonio Rd	Palo Alto	20,880	Q1 23	-	-	Sequoia Realty Services
980 Walsh Ave	Central Santa Clara	20,000	Q4 22	-	-	Central Computers
3175 De La Cruz Blvd	North Santa Clara	20,000	Q1 23	-	-	CBRE
700 Comstock St	Central Santa Clara	19,920	Q1 23	-	-	CBRE
1919 Monterey Rd	East San Jose-Willow Glen	19,610	Q2 23	SJ Cash & Carry Inc	-	JLL
950-960 George St	North Santa Clara	19,481	Q3 22	-	-	Daniel Olesen and Ass...
925 Morse Ave	Sunnyvale	18,320	Q2 22	-	-	Cushman & Wakefield
3601 Thomas Rd	North Santa Clara	18,035	Q4 22	Nanez Manufacturing, Inc.	-	Cushman & Wakefield
1175-1199 Ames Ave	Milpitas	17,993	Q2 22	-	-	Avison Young

*Renewal

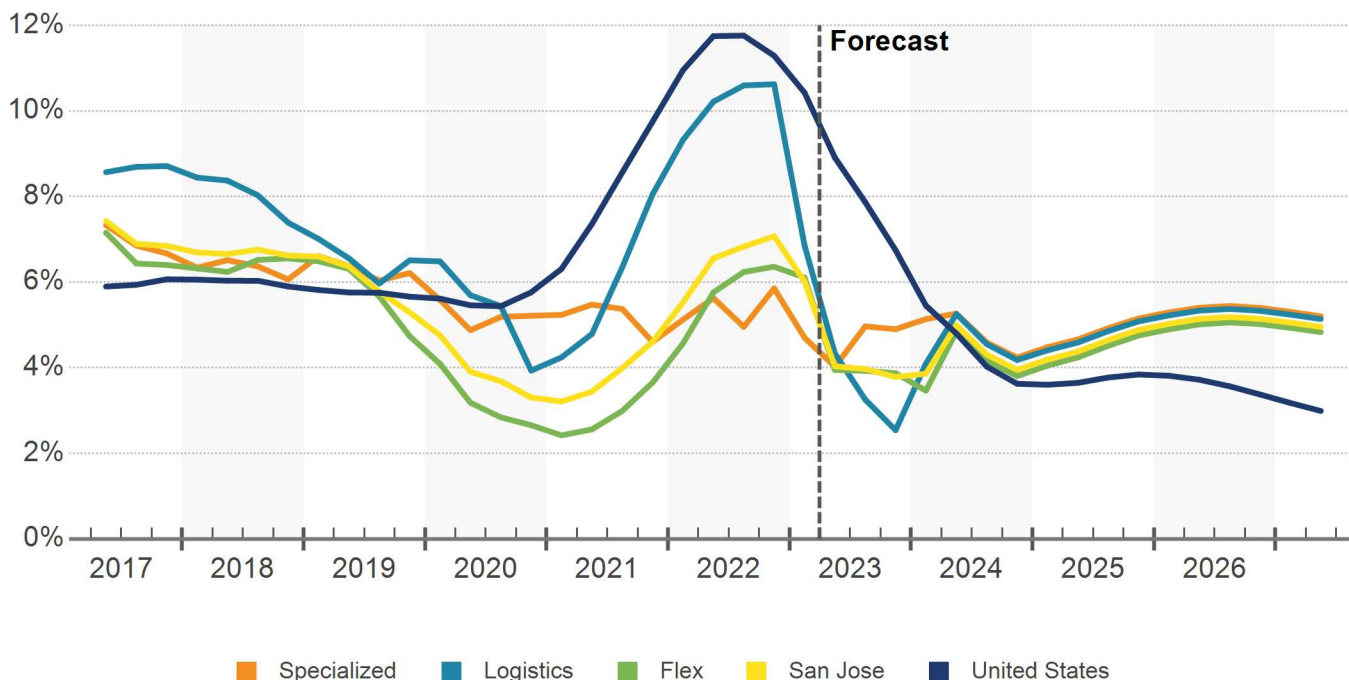
At the national level, industrial rents have seen record annual rent growth that peaked at 11.8% in early 2022. However, rent growth has softened in recent months on the back of rising interest rates and economic uncertainty. In San Jose, rent growth has been more modest, and while there has been a pause in the most recent quarters, the rate of rent growth is increasing once again.

For both flex and logistics properties, rental rates in the San Jose market are approximately twice the national average. Average market rent for flex properties currently

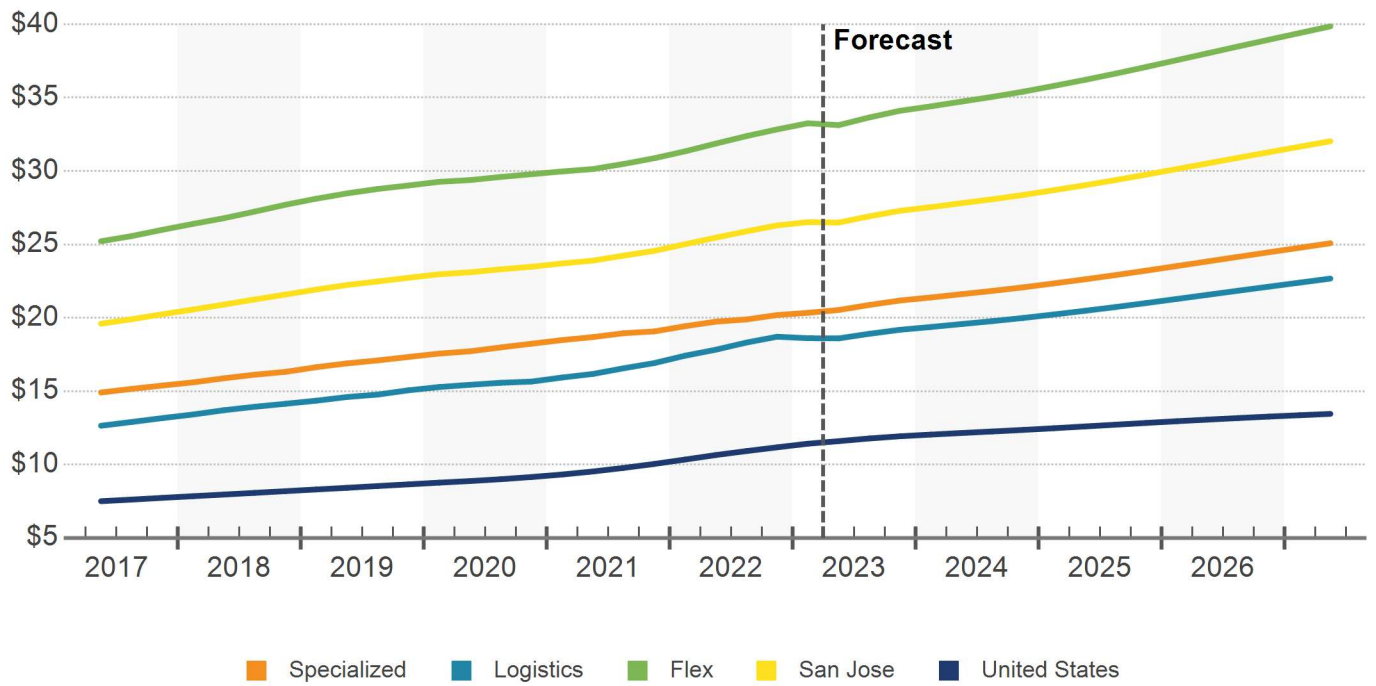
stands at \$33.00/SF, having increased by 4.7% over the past 12 months. Logistics properties currently rent for \$18.50/SF, an increase of 5.4% over the previous year.

There is wide variation in rents across property subtypes and locations. For example, in March 2023, Kellers Supply leased a 15,500-SF warehouse in North San Jose at an asking rent of \$16.20/SF. By contrast, much higher rents can be achieved for R&D spaces in the most sought-after locations. The 320,000-SF space leased by Tesla in Palo Alto came with an asking rent of \$83.40/SF NNN.

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



Over the past 10 years, the net amount of industrial space in San Jose has declined as older industrial buildings have been replaced by other uses, such as residential and office.

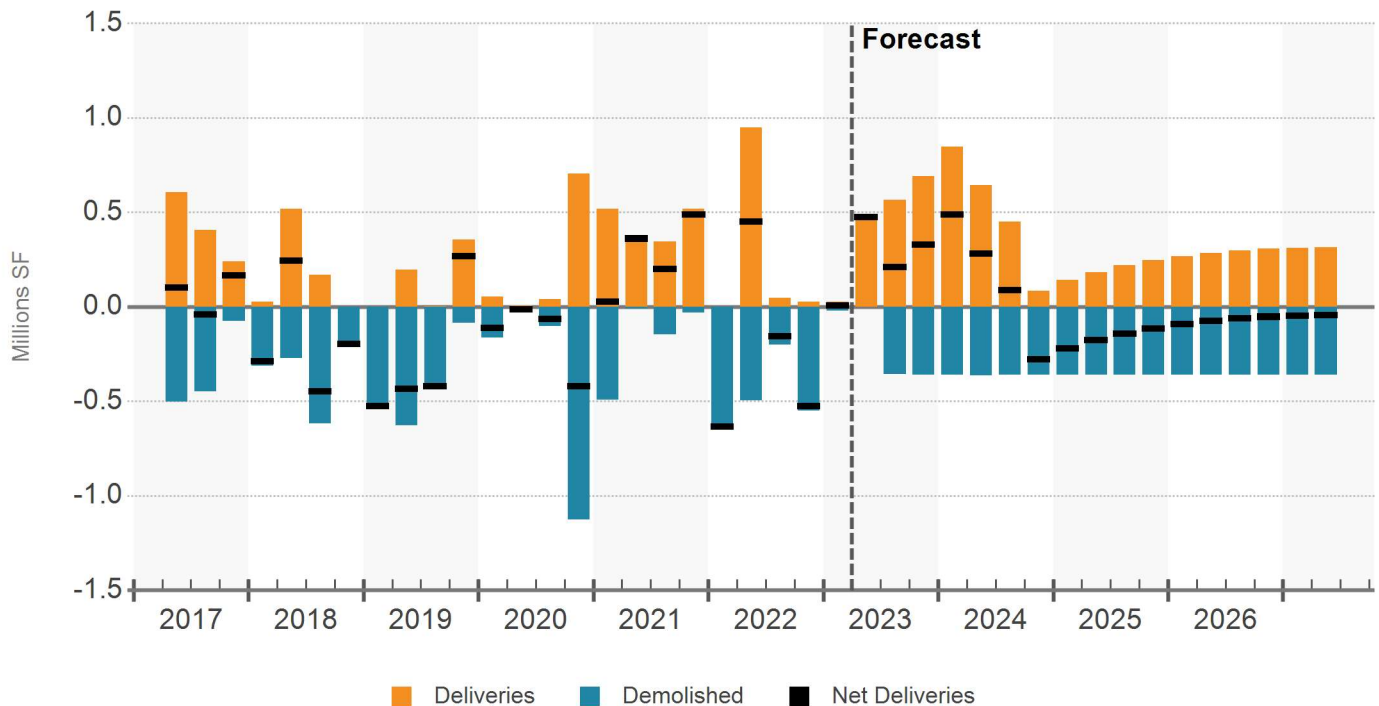
However, robust demand for logistics and flex properties has increased the attractiveness of these property types and led to an uptick in construction activity, with 3.7 million SF underway, which compares to the 10-year average of 1.5 million SF.

However, most of the space currently under construction is preleased data center space, clustered in the Santa

Clara Submarket. Logistics space under construction amounts to just 890,000SF, which suggests that the very low vacancy rate for distribution properties is set to continue. Amazon's recent purchase of a 41-acre manufacturing site in Santa Clara is evidence that logistics companies are prepared to acquire sites and conduct redevelopment projects in order to expand their networks.

In the R&D segment, the 847,000-SF manufacturing/research facility being built for Intuitive Surgical at 932 Kifer Road in Sunnyvale is the largest project currently underway.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory				Average Building Size			
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Central Santa Clara	5	1,359	1,359	100%	1	33,357	271,784	3
2	Sunnyvale	1	847	847	100%	1	32,881	847,000	1
3	Morgan Hill	5	500	0	0%	5	33,756	100,061	6
4	Gilroy	2	383	0	0%	5	28,418	191,283	5
5	North Santa Clara	1	353	353	100%	1	29,672	352,679	2
6	San Jose-Berryessa	1	213	0	0%	5	32,371	212,683	4
7	Mountain View	1	5	5	100%	1	22,204	5,000	7
8	Campbell	0	-	-	-	-	12,505	-	-
9	Central Sunnyvale	0	-	-	-	-	-	-	-
10	Cupertino	0	-	-	-	-	42,562	-	-
	All Other	0	-	-	-		36,277	-	
Totals		16	3,659	2,564	70.1%		32,524	228,697	

Under Construction Properties

San Jose Industrial

Properties

Square Feet

Percent of Inventory

Released

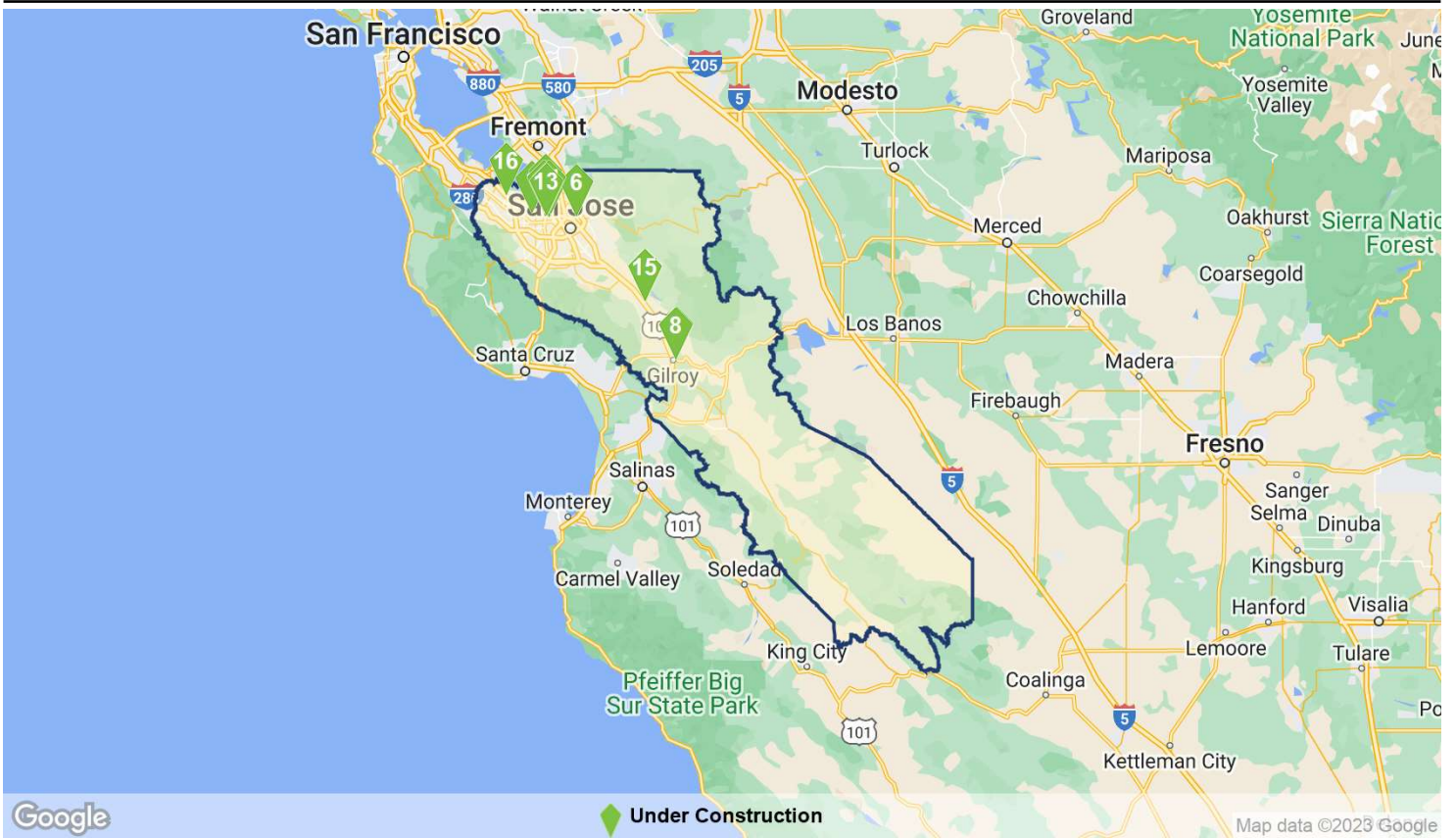
16

3,659,152

3.8%

70.1%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 South Site 932 Kifer Rd	★★★★★	847,000	-	Dec 2021	Feb 2024	- Intuitive
2 1200 Memorex Dr	★★★★☆	472,920	4	Jun 2022	Jun 2023	Skybox Datacenters -
3 651 Walsh Ave	★★★★☆	435,000	4	Sep 2021	Jun 2023	- Digital Realty Trust, Inc.
4 2305 Mission College Blvd	★★★★☆	352,679	2	Apr 2021	Aug 2023	SSV Properties Amazon
5 2905 Stender Way	★★★★☆	250,000	4	Oct 2022	Oct 2023	- American Tower
6 650 N King Rd	★★★★☆	212,683	1	Dec 2022	Jul 2023	- -
7 Building B 1001 Venture Way	★★★★☆	198,965	1	Feb 2023	Feb 2024	McCarthy Ranch Rockpoint

Under Construction Properties

San Jose Industrial

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 Building A 901 Venture Way	★★★★☆	183,600	1	Feb 2023	Feb 2024	- Rockpoint
9 Building A DuPeal Dr	★★★★☆	138,689	1	Feb 2023	Feb 2024	- -
10 Building C Half Rd	★★★★☆	121,101	1	Feb 2023	Feb 2024	- -
11 Prime Data Center 1111 Comstock St	★★★☆☆	121,000	4	Dec 2021	Jun 2023	Prime Data Centers -
12 Building B Half Rd	★★★★☆	92,841	1	Feb 2023	Feb 2024	- -
13 2175 Martin Ave	★★★★☆	80,000	3	Nov 2022	Dec 2023	- -
14 Building E Depaul Dr	★★★★☆	74,006	1	Feb 2023	Feb 2024	- -
15 Building D Half Rd	★★★★☆	73,668	1	Feb 2023	Feb 2024	- -
16 2019 Leghorn St	★★★☆☆	5,000	1	Oct 2022	Jun 2023	- MDE Electric

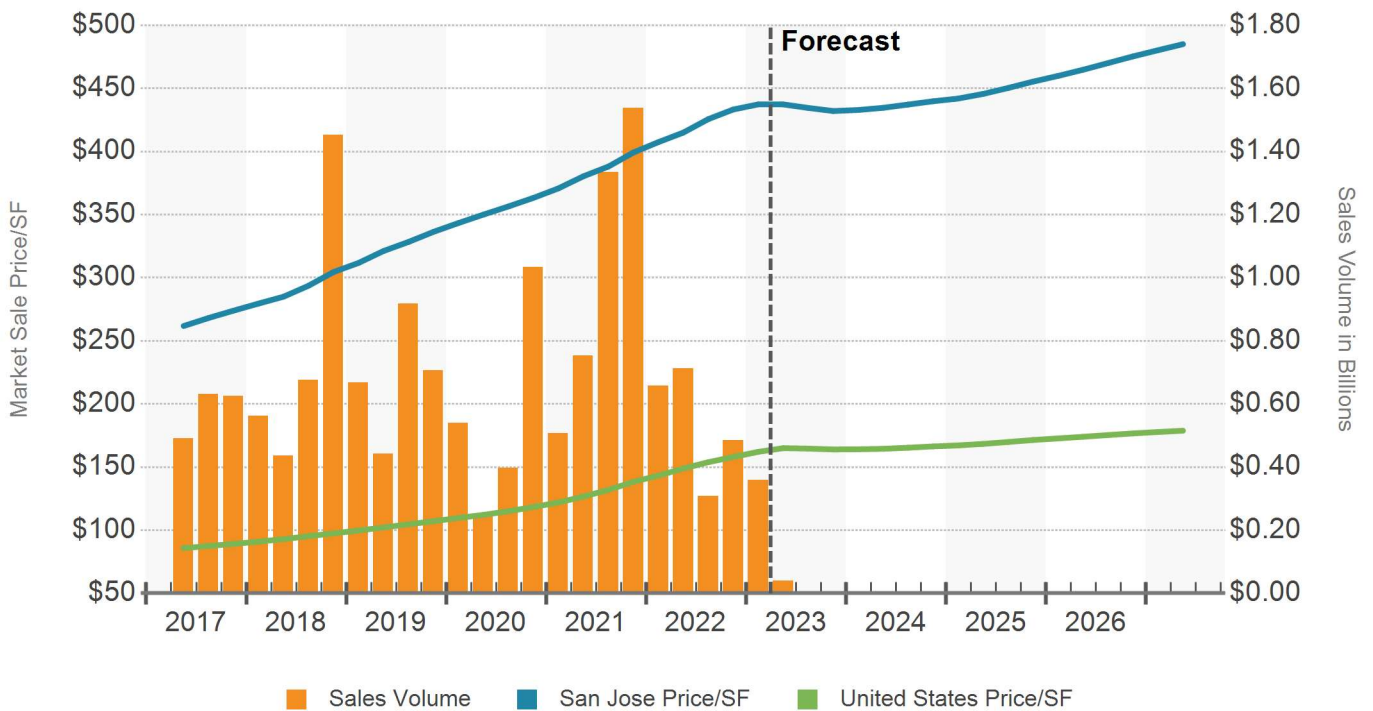
Transaction volume has remained robust in the market, with some \$1.6 billion of sales of industrial properties having closed in the past 12 months. San Jose is one of the most expensive markets in the nation for industrial properties, with an average market price of \$440/SF, which is way in excess of the national average at \$164/SF.

Among recent sales, in March 2023, Amazon paid \$238 million for a manufacturing site at 960-980 Central

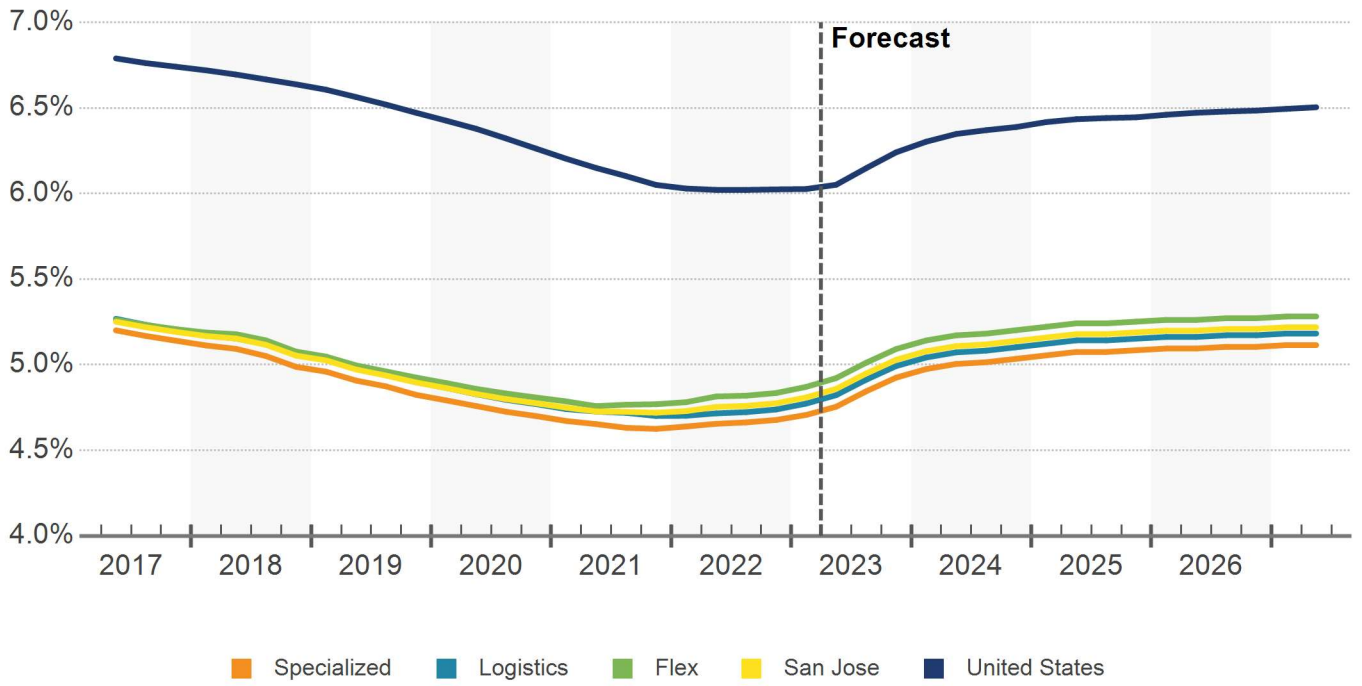
Expressway in Santa Clara. Even though Amazon has slowed its distribution space expansion program nationally, it is still making select investments of attractive sites in good locations, such as this 41-acre site in Santa Clara.

The previous highest price was achieved by the May 2022 sale of the 200,000-SF R&D property at 1710 Automation Pkwy., which sold for \$104 million, or \$526/SF.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

San Jose Industrial

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

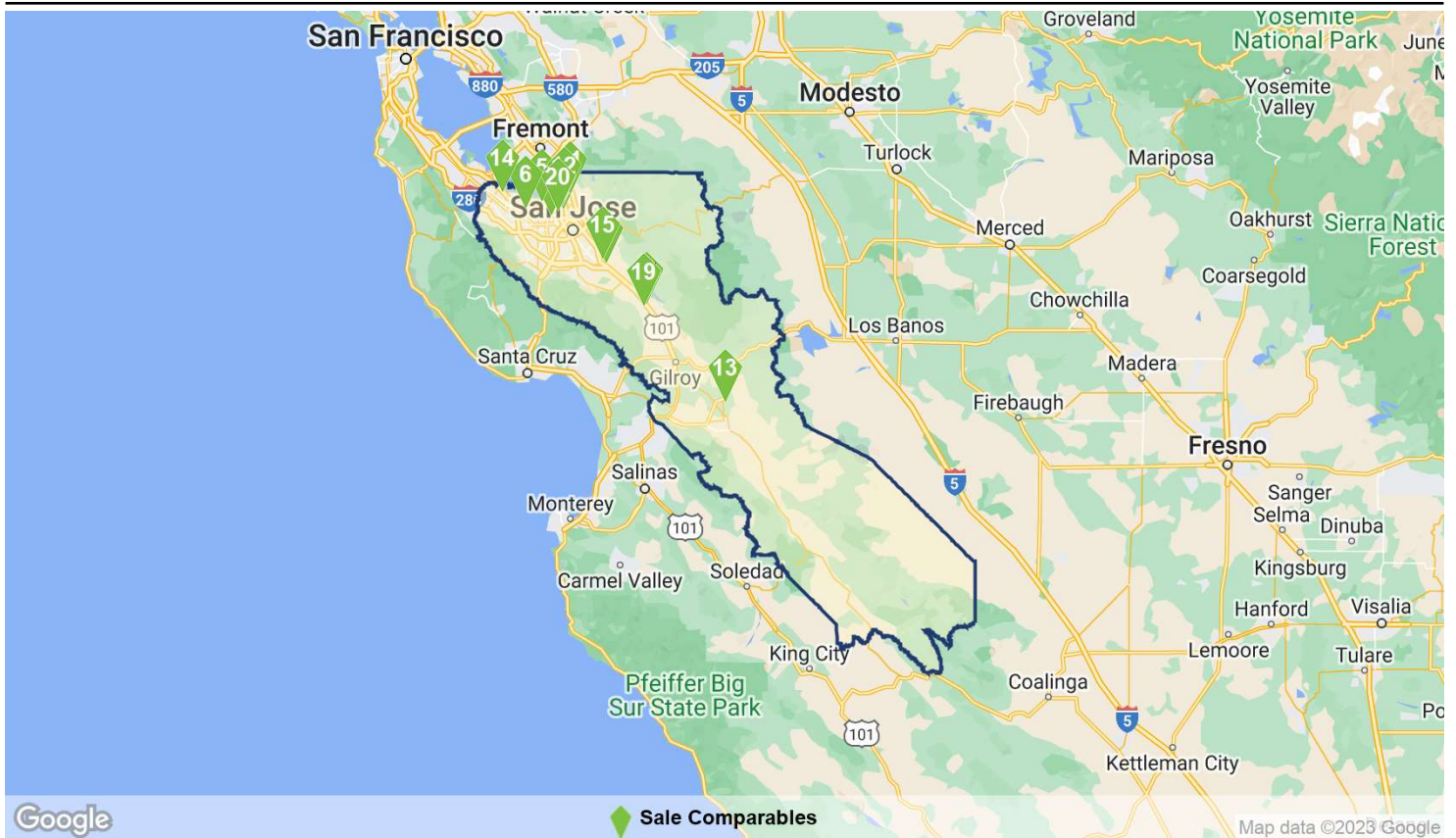
221

5.1%

\$335

8.9%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$160,000	\$14,224,108	\$5,890,000	\$237,761,000
Price/SF	\$33	\$335	\$374	\$2,301
Cap Rate	4.0%	5.1%	4.9%	6.1%
Time Since Sale in Months	0.2	8.1	9.7	12.0
Property Attributes	Low	Average	Median	High
Building SF	1,456	50,960	28,420	747,424
Ceiling Height	9'	18'8"	18'	42'
Docks	0	2	0	47
Vacancy Rate At Sale	0%	8.9%	0%	100%
Year Built	1900	1979	1979	2023
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.6	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

San Jose Industrial

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 960 Central Expy	★★★★☆	1947	747,424	0%	3/6/2023	\$237,761,000	\$318	-
2 5853 Rue Ferrari	★★★★☆	2023	302,775	100%	10/3/2022	\$69,906,715	\$231	-
3 525 Sycamore Dr	★★★★☆	1983	93,324	0%	10/3/2022	\$60,611,811	\$649	-
4 Amazon 2256 Junction Ave	★★★★☆	1968	141,270	0%	10/3/2022	\$56,283,626	\$398	-
5 Wedge 5201 Patrick Henry Dr	★★★★☆	1986	144,277	100%	9/14/2022	\$49,400,000	\$342	-
6 474 Potrero Ave	★★★★☆	1979	58,190	0%	9/14/2022	\$46,500,000	\$799	-
7 755 Jarvis Dr	★★★☆☆	1997	258,122	0%	6/28/2022	\$45,000,000	\$174	-
8 541-555 E Trimble Rd	★★★☆☆	1984	90,974	0%	11/10/2022	\$42,463,031	\$467	-
9 2540-2560 Junction Ave	★★★☆☆	1983	84,169	0%	11/10/2022	\$40,038,723	\$476	-
10 350 E Plumeria Dr	★★★☆☆	1984	142,700	0%	12/27/2022	\$37,932,000	\$521	-
11 275 S Hillview Dr	★★★☆☆	1988	127,574	100%	6/17/2022	\$32,800,000	\$257	-
12 475 Sycamore Dr	★★★☆☆	1983	50,374	0%	10/3/2022	\$32,716,765	\$649	-
13 2401 Bert Dr	★★★★☆	1998	175,325	0%	6/8/2022	\$29,510,000	\$168	5.1%
14 1066 E Meadow Cir	★★★☆☆	1969	36,321	0%	6/9/2022	\$28,300,000	\$779	-
15 5729 Fontanos Way	★★★★☆	2000	78,160	0%	7/6/2022	\$27,400,000	\$351	-
16 Building 4 18125 Butterfield Blvd	★★★★☆	2022	91,738	100%	6/17/2022	\$26,750,000	\$292	-
17 Building 1 18225 Butterfield Blvd	★★★★☆	2022	85,456	100%	6/17/2022	\$24,750,000	\$290	-
18 Building 2 18215 Butterfield Blvd	★★★★☆	2022	82,446	100%	6/17/2022	\$24,000,000	\$291	-
19 Building 3 18120 Butterfield Blvd	★★★★☆	2022	80,156	100%	6/17/2022	\$23,250,000	\$290	-
20 2590 Orchard Pky	★★★★☆	1999	64,512	0%	12/13/2022	\$22,077,378	\$342	-

As of the second quarter of 2023, the San Jose economy is facing headwinds, as rising interest rates force tech companies to cut costs and investors to reduce the amount of capital available for start-ups. Moreover, the collapse of Silicon Valley Bank has made investors nervous and disrupted the flow of financing to businesses.

This is a change from the past few years, during which time tech companies recorded strong earnings growth, and employment recovered from losses incurred during the pandemic. Growth in demand for tech products and services led tech companies to hire rapidly during 2020 and 2021. By the middle of 2022, however, with demand softening, and under pressure to manage costs, employers started to initiate hiring freezes, staff layoffs, and office space reductions. Similarly, softening demand is leading retail and industrial tenants to reconsider expansion plans.

Many people left the Bay Area during the pandemic, as their lives and work were impacted by lockdowns and health concerns. In 2023, the metro's population is once again growing but remains -37,000 short of the total population of three years ago.

The rate of unemployment declined to a historical low of just 2.2% in the past year, reflecting high demand for workers. More recently, tech layoffs across Silicon Valley have caused unemployment to rise again, and this should provide some much-needed liquidity to the metro's job market.

San Jose and, more broadly, the Bay Area, has firmly established itself as the nation's largest and most prestigious market for tech companies. Highly educated,

STEM-field graduates (science, technology, engineering, and mathematics) flock to San Jose and the greater San Francisco Bay Area in pursuit of employment at one of the many leading tech companies or startups headquartered in Silicon Valley. As a result, the market boasts one of the highest rates of educational attainment in the country, with over 50% of its working-age population possessing a college degree, more than 1.5 times the national rate.

Despite the current economic headwinds facing the market, San Jose is expected to retain its position as a leading center for innovation and economic growth. Over the past ten years, San Jose saw an average annual increase in GDP of 8.3%, the highest rate among the largest 20 metro areas in the nation, and twice the US average.

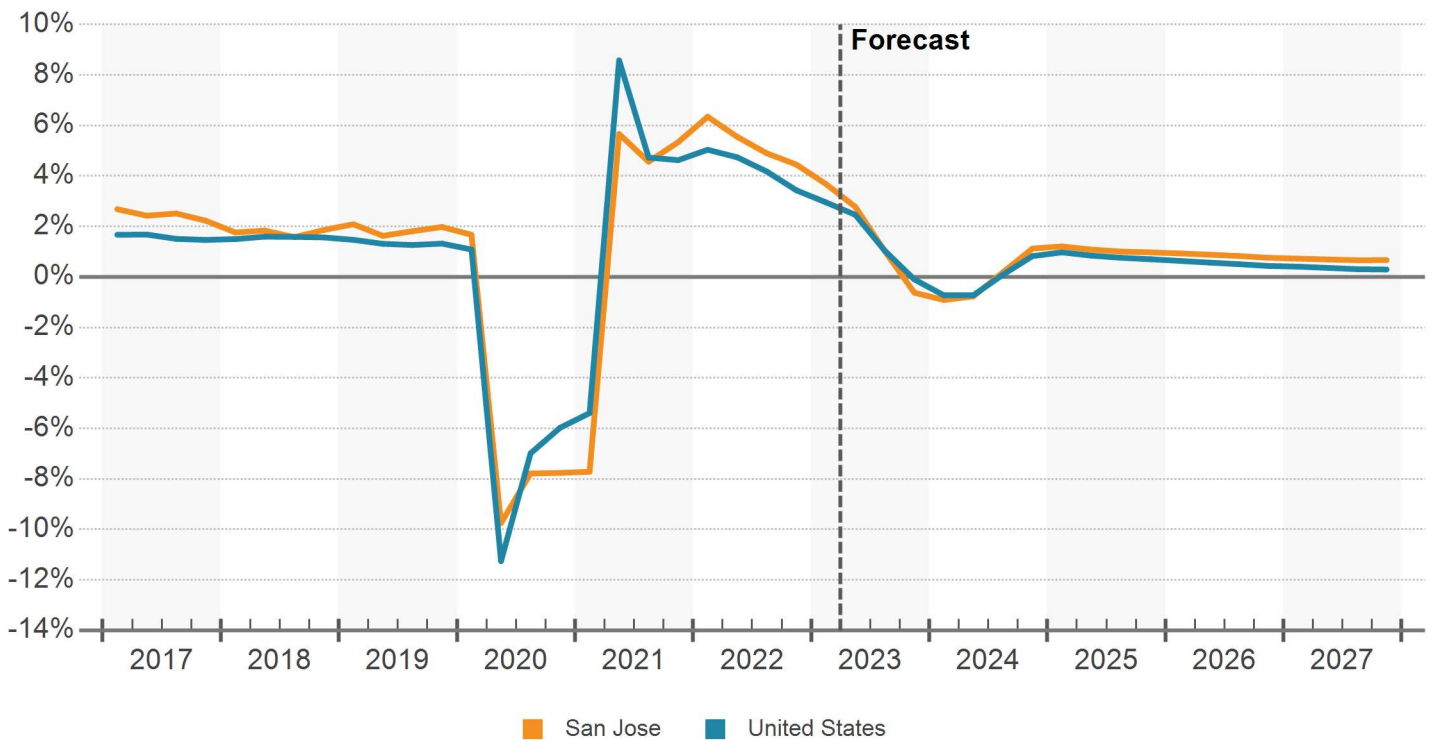
Several factors led to San Jose's prominence in technology. The market is home to one of the nation's premier educational institutions, Stanford University, as well as San Jose State and several other large universities. In conjunction with the culture of innovation that Stanford and Silicon Valley foster, venture capital investment is a key component of the market's success. Technological advancements incubated locally are funded by the nation's largest collection of venture capital firms, many of which are located along Sand Hill Road in Menlo Park. The relationship between tech and venture capitalists in San Jose is symbiotic, with between 30% and 40% of total U.S. venture capital funding typically going to Bay Area-based companies. Venture capital funding to San Jose-based businesses reached a record level in 2021, but deal count and investment value have pulled back in the past year in response to higher interest rates and global economic uncertainty.

SAN JOSE EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	183	1.9	3.60%	2.12%	1.51%	0.80%	-0.14%	-0.10%
Trade, Transportation and Utilities	123	0.6	1.36%	1.14%	-0.76%	1.22%	-0.24%	-0.01%
Retail Trade	74	0.6	0.72%	0.50%	-1.15%	0.42%	-0.07%	0.00%
Financial Activities	39	0.6	-0.17%	1.29%	1.44%	1.49%	-0.10%	-0.01%
Government	96	0.6	1.46%	1.83%	0.58%	0.29%	0.28%	0.44%
Natural Resources, Mining and Construction	56	0.9	5.47%	3.42%	4.19%	2.55%	0.78%	0.11%
Education and Health Services	194	1.0	4.86%	4.04%	3.08%	1.77%	1.14%	0.56%
Professional and Business Services	258	1.5	4.04%	2.48%	2.86%	2.19%	0.36%	0.24%
Information	103	4.4	-4.56%	0.81%	6.36%	1.26%	0.99%	0.00%
Leisure and Hospitality	104	0.8	10.66%	6.33%	1.76%	1.61%	1.49%	0.91%
Other Services	26	0.6	3.74%	3.24%	0.15%	0.68%	0.68%	0.21%
Total Employment	1,181	1.0	3.26%	2.72%	2.12%	1.37%	0.52%	0.29%

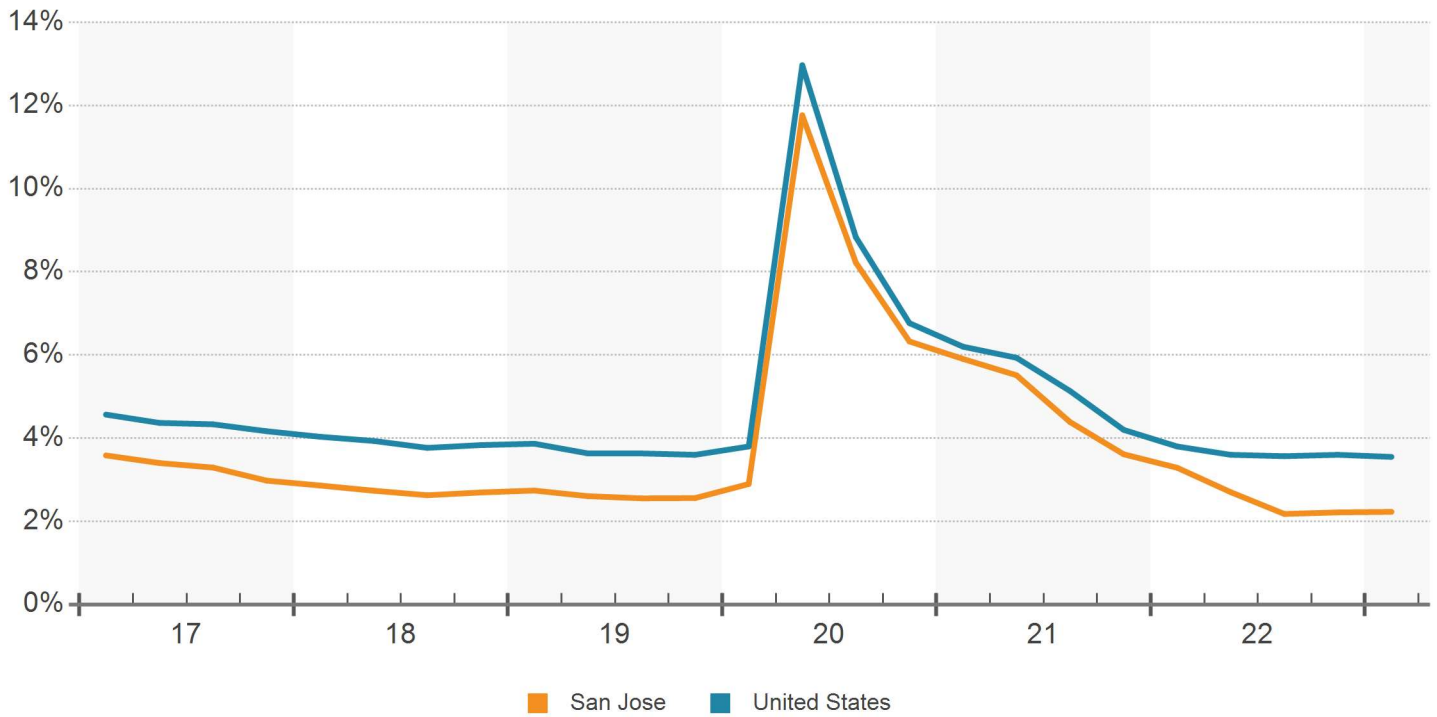
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

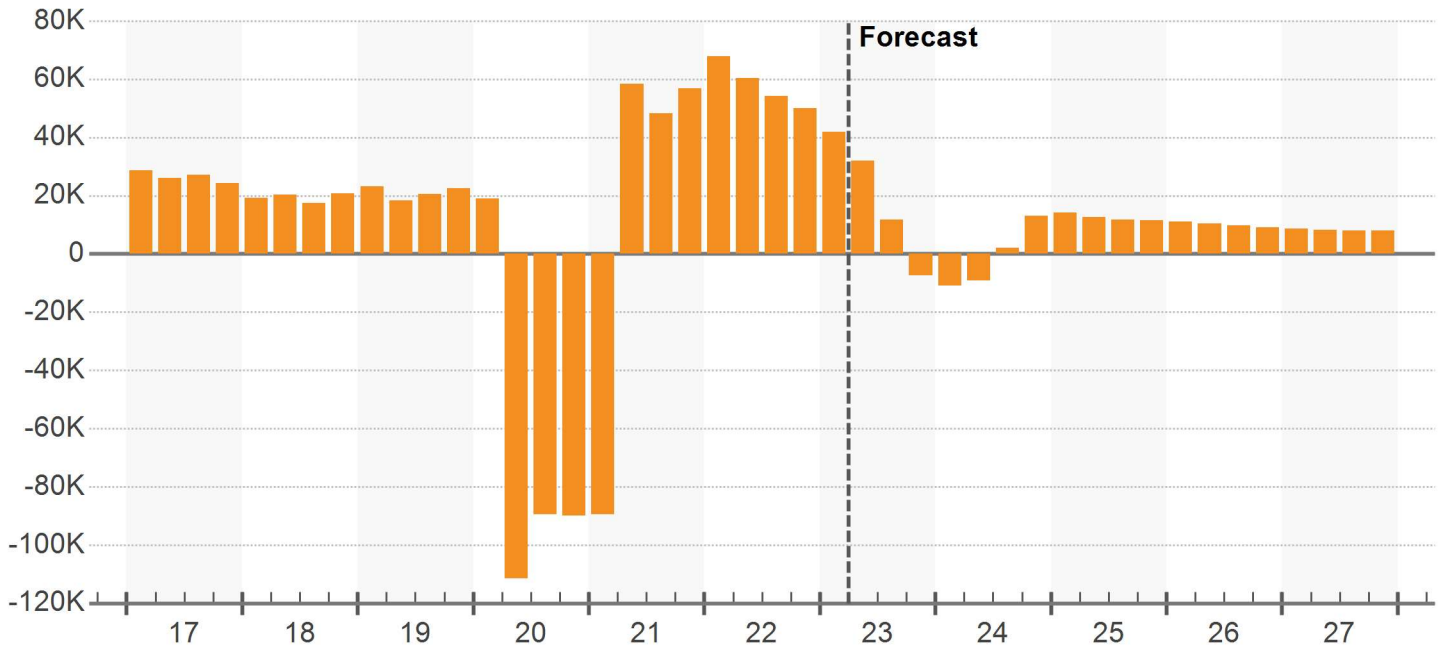


Source: Oxford Economics

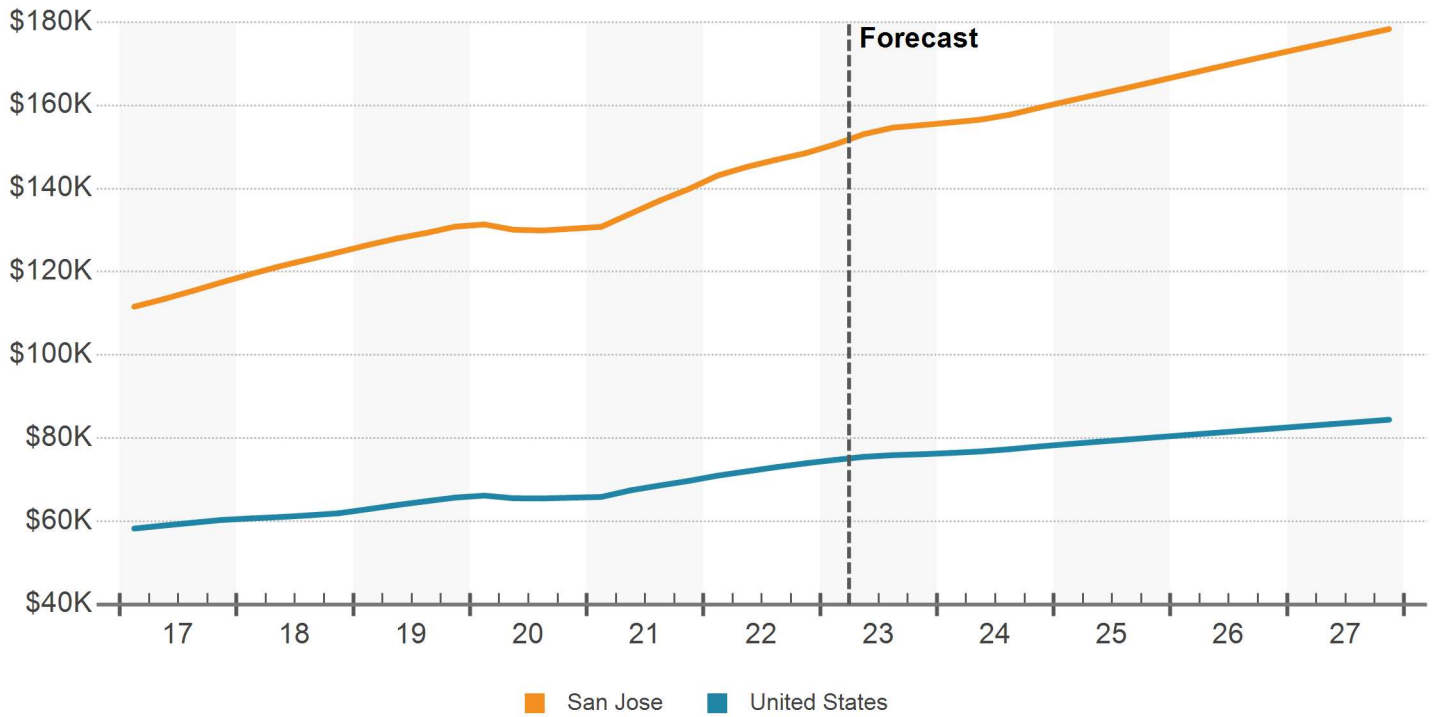
UNEMPLOYMENT RATE (%)



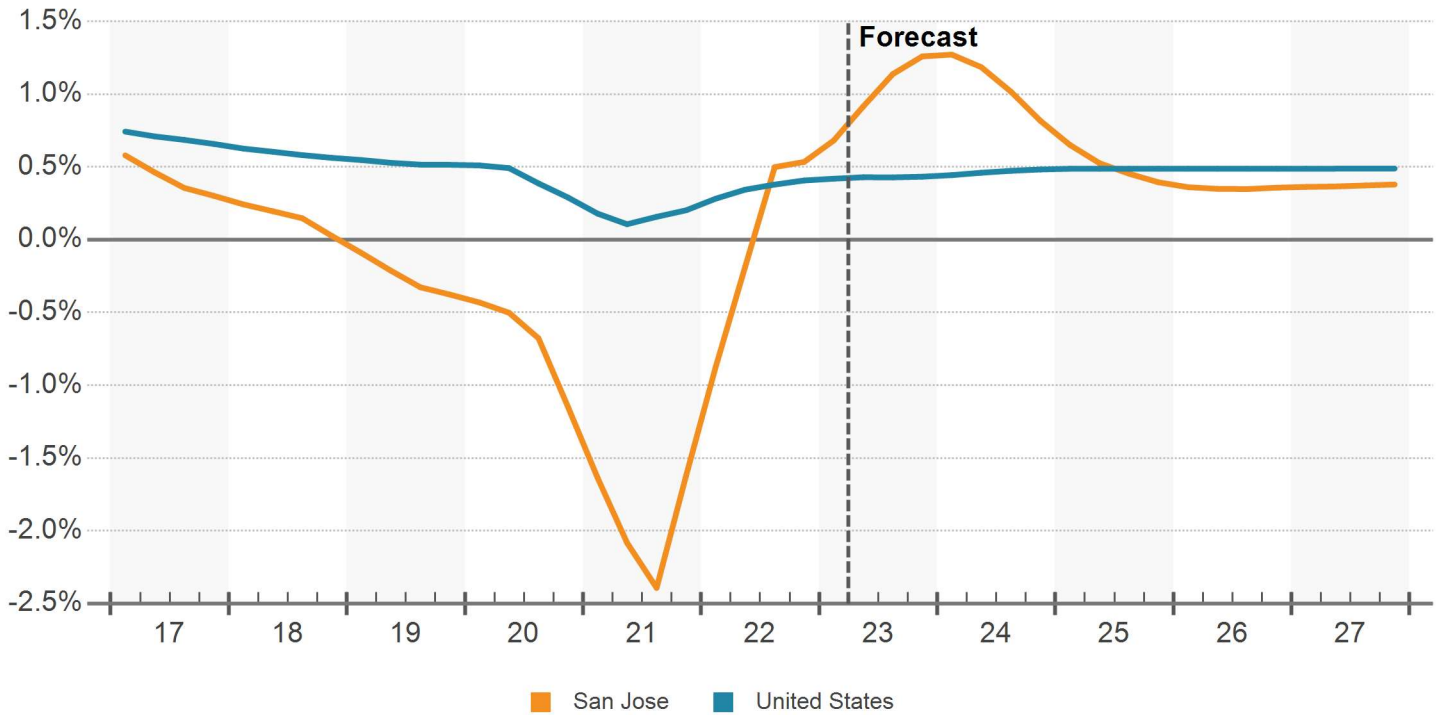
NET EMPLOYMENT CHANGE (YOY)



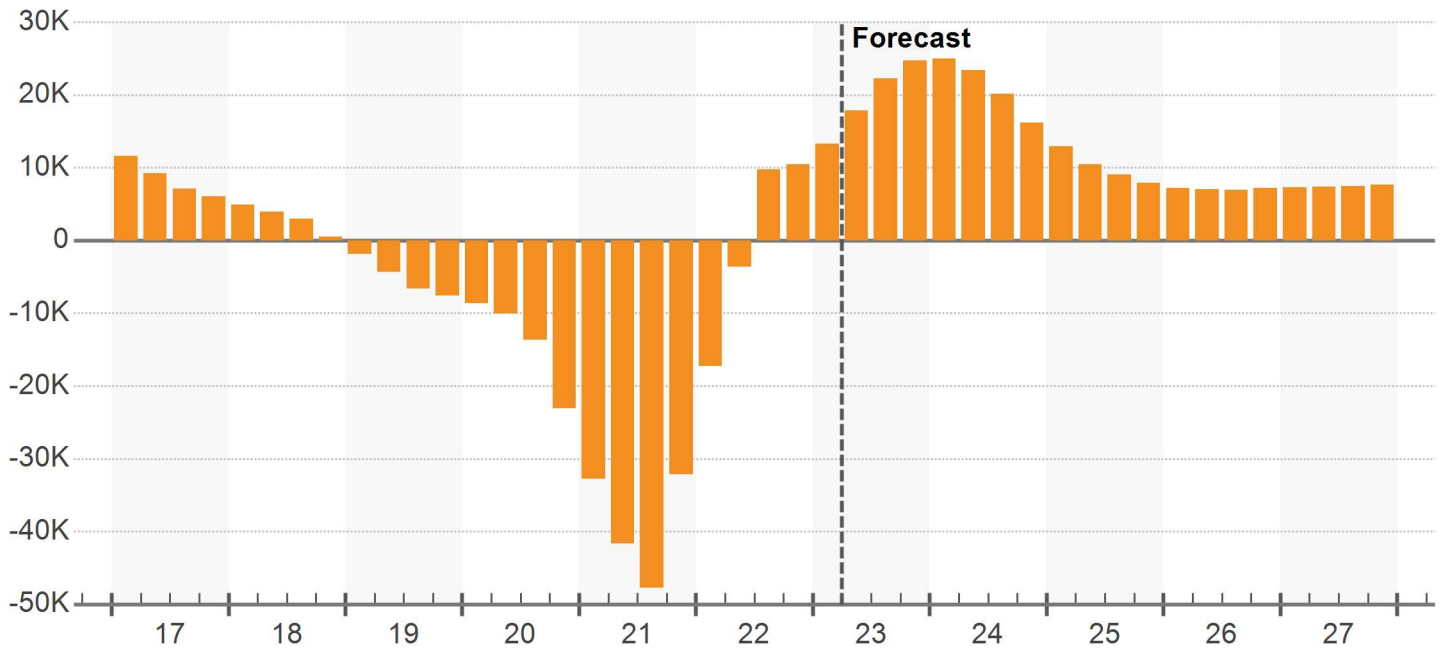
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

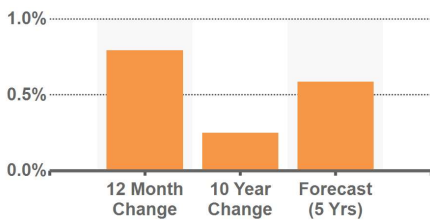


DEMOGRAPHIC TRENDS

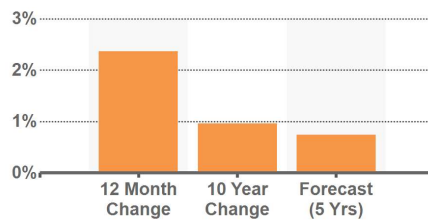
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	1,969,755	334,178,250	0.8%	0.4%	0.2%	0.6%	0.6%	0.5%
Households	683,760	129,700,297	1.2%	0.9%	0.6%	0.9%	0.7%	0.6%
Median Household Income	\$151,776	\$75,106	5.3%	5.1%	5.3%	3.8%	3.6%	2.6%
Labor Force	1,090,938	165,255,438	2.4%	0.8%	1.0%	0.6%	0.7%	0.4%
Unemployment	2.2%	3.5%	-0.8%	-0.2%	-0.5%	-0.4%	-	-

Source: Oxford Economics

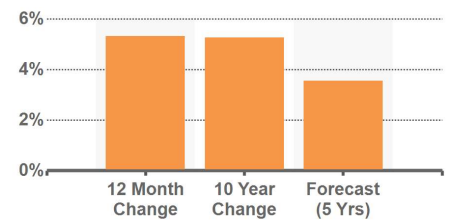
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

SAN JOSE SUBMARKETS



SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Campbell	280	3,502	1.8%	16	1	7	0.2%	7	0	-	-	-
2	Central Santa Clara	584	19,481	9.8%	2	0	0	0%	-	5	1,359	7.0%	1
3	Central Sunnyvale	0	-	0%	-	0	0	-	-	0	-	-	-
4	Cupertino	68	2,894	1.5%	17	0	0	0%	-	0	-	-	-
5	De La Cruz	0	-	0%	-	0	0	-	-	0	-	-	-
6	Downtown Mountain View	0	-	0%	-	0	0	-	-	0	-	-	-
7	Downtown Palo Alto	5	48	0%	23	0	0	0%	-	0	-	-	-
8	Downtown San Jose	345	3,531	1.8%	15	0	0	0%	-	0	-	-	-
9	East Arques Ave Corridor	0	-	0%	-	0	0	-	-	0	-	-	-
10	East San Jose-Willow Glen	634	15,380	7.7%	6	0	0	0%	-	0	-	-	-
11	Embarcadero/101	0	-	0%	-	0	0	-	-	0	-	-	-
12	Gilroy	238	6,764	3.4%	12	2	24	0.4%	5	2	383	5.7%	4
13	Los Altos	4	12	0%	24	0	0	0%	-	0	-	-	-
14	Los Gatos	0	-	0%	-	0	0	-	-	0	-	-	-
15	Los Gatos/Saratoga	33	463	0.2%	21	0	0	0%	-	0	-	-	-
16	Midtown San Jose	133	1,887	0.9%	18	0	0	0%	-	0	-	-	-
17	Milpitas	315	18,402	9.2%	3	0	0	0%	-	0	-	-	-
18	Moffett Park	79	5,911	3.0%	13	0	0	0%	-	0	-	-	-
19	Morgan Hill	226	7,629	3.8%	10	3	221	2.9%	1	5	500	6.6%	3
20	Mountain View	447	9,925	5.0%	9	0	0	0%	-	1	5	0.1%	7
21	N. San Jose - Brokaw	0	-	0%	-	0	0	-	-	0	-	-	-
22	N.E. Santa Clara	0	-	0%	-	0	0	-	-	0	-	-	-
23	North San Jose	663	33,223	16.7%	1	0	0	0%	-	0	-	-	-
24	North Santa Clara	378	11,216	5.6%	8	0	0	0%	-	1	353	3.1%	5
25	Oak Creek	0	-	0%	-	0	0	-	-	0	-	-	-
26	Outlying Santa Clara Cnty	13	526	0.3%	20	0	0	0%	-	0	-	-	-
27	Palo Alto	225	7,004	3.5%	11	1	22	0.3%	6	0	-	-	-
28	Peery Park	0	-	0%	-	0	0	-	-	0	-	-	-
29	Plumeria Drive	0	-	0%	-	0	0	-	-	0	-	-	-
30	San Benito County	198	4,864	2.4%	14	2	43	0.9%	4	0	-	-	-
31	San Jose East	1	7	0%	25	0	0	0%	-	0	-	-	-
32	San Jose, IBP East	0	-	0%	-	0	0	-	-	0	-	-	-
33	San Jose-Berryessa	561	18,160	9.1%	4	1	125	0.7%	3	1	213	1.2%	6
34	Scott Blvd Corridor	0	-	0%	-	0	0	-	-	0	-	-	-
35	Shoreline Corridor North	0	-	0%	-	0	0	-	-	0	-	-	-
36	Shoreline Corridor South	0	-	0%	-	0	0	-	-	0	-	-	-
37	South San Jose	178	11,339	5.7%	7	1	165	1.5%	2	0	-	-	-
38	South Santa Clara	31	1,139	0.6%	19	0	0	0%	-	0	-	-	-
39	Sunnyvale	480	15,783	7.9%	5	0	0	0%	-	1	847	5.4%	2
40	Sunnyvale Triangle	0	-	0%	-	0	0	-	-	0	-	-	-
41	West Mountain View	0	-	0%	-	0	0	-	-	0	-	-	-
42	West San Jose	4	53	0%	22	0	0	0%	-	0	-	-	-

SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Campbell	\$29.35	11	4.3%	21	-1.6%	7
2	Central Santa Clara	\$27.84	13	4.7%	12	-3.0%	16
3	Central Sunnyvale	-	-	-	-	-	-
4	Cupertino	\$46.63	3	5.0%	5	-3.8%	22
5	De La Cruz	-	-	-	-	-	-
6	Downtown Mountain View	-	-	-	-	-	-
7	Downtown Palo Alto	\$45.96	4	-0.9%	24	-22.0%	25
8	Downtown San Jose	\$20.56	19	4.6%	14	1.5%	1
9	East Arques Ave Corridor	-	-	-	-	-	-
10	East San Jose-Willow Glen	\$18.76	22	5.0%	7	-1.9%	8
11	Embarcadero/101	-	-	-	-	-	-
12	Gilroy	\$14.70	24	4.6%	15	0.4%	2
13	Los Altos	\$36.82	6	4.5%	17	-2.6%	14
14	Los Gatos	-	-	-	-	-	-
15	Los Gatos/Saratoga	\$32.21	9	4.0%	22	-2.5%	12
16	Midtown San Jose	\$19.96	20	-1.3%	25	-0.7%	4
17	Milpitas	\$21.35	18	5.3%	4	-3.4%	17
18	Moffett Park	\$31.10	10	4.8%	10	-2.2%	10
19	Morgan Hill	\$18.27	23	4.8%	11	-2.2%	9
20	Mountain View	\$42.24	5	4.3%	20	-3.6%	20
21	N. San Jose - Brokaw	-	-	-	-	-	-
22	N.E. Santa Clara	-	-	-	-	-	-
23	North San Jose	\$26.38	15	5.4%	3	-3.5%	19
24	North Santa Clara	\$27.33	14	4.3%	19	-2.8%	15
25	Oak Creek	-	-	-	-	-	-
26	Outlying Santa Clara Cnty	\$19.28	21	5.4%	2	-0.6%	3
27	Palo Alto	\$50.50	1	4.6%	13	-3.4%	18
28	Peery Park	-	-	-	-	-	-
29	Plumeria Drive	-	-	-	-	-	-
30	San Benito County	\$12.35	25	4.9%	9	-0.9%	6
31	San Jose East	\$49.81	2	2.8%	23	-0.9%	5
32	San Jose, IBP East	-	-	-	-	-	-
33	San Jose-Berryessa	\$21.35	17	4.9%	8	-2.3%	11
34	Scott Blvd Corridor	-	-	-	-	-	-
35	Shoreline Corridor North	-	-	-	-	-	-
36	Shoreline Corridor South	-	-	-	-	-	-
37	South San Jose	\$24.32	16	5.0%	6	-4.3%	24
38	South Santa Clara	\$28.21	12	5.9%	1	-3.8%	21
39	Sunnyvale	\$33.44	7	4.5%	18	-3.9%	23
40	Sunnyvale Triangle	-	-	-	-	-	-
41	West Mountain View	-	-	-	-	-	-
42	West San Jose	\$32.87	8	4.5%	16	-2.6%	13

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Campbell	243,025	6.9%	13	(40,360)	-1.2%	36	-
2	Central Santa Clara	784,391	4.0%	5	(133,974)	-0.7%	37	-
3	Central Sunnyvale	-	-	-	0	-	-	-
4	Cupertino	-	-	-	6,622	0.2%	8	-
5	De La Cruz	-	-	-	0	-	-	-
6	Downtown Mountain View	-	-	-	0	-	-	-
7	Downtown Palo Alto	3,082	6.4%	10	(1,660)	-3.5%	31	-
8	Downtown San Jose	41,052	1.2%	2	(15,964)	-0.5%	33	-
9	East Arques Ave Corridor	-	-	-	0	-	-	-
10	East San Jose-Willow Glen	743,701	4.8%	6	(136,239)	-0.9%	38	-
11	Embarcadero/101	-	-	-	0	-	-	-
12	Gilroy	212,178	3.1%	4	1,731	0%	9	14.1
13	Los Altos	-	-	-	0	0%	-	-
14	Los Gatos	-	-	-	0	-	-	-
15	Los Gatos/Saratoga	51,782	11.2%	20	(34,238)	-7.4%	35	-
16	Midtown San Jose	156,910	8.3%	17	48,566	2.6%	6	-
17	Milpitas	1,284,756	7.0%	14	196,170	1.1%	4	-
18	Moffett Park	365,214	6.2%	9	(156,960)	-2.7%	39	-
19	Morgan Hill	849,537	11.1%	19	(397,020)	-5.2%	41	-
20	Mountain View	728,299	7.3%	15	(12,152)	-0.1%	32	-
21	N. San Jose - Brokaw	-	-	-	0	-	-	-
22	N.E. Santa Clara	-	-	-	0	-	-	-
23	North San Jose	2,170,118	6.5%	11	821,574	2.5%	1	-
24	North Santa Clara	1,105,685	9.9%	18	299,766	2.7%	3	-
25	Oak Creek	-	-	-	0	-	-	-
26	Outlying Santa Clara Cnty	-	-	-	0	0%	-	-
27	Palo Alto	381,592	5.4%	8	41,119	0.6%	7	0.5
28	Peery Park	-	-	-	0	-	-	-
29	Plumeria Drive	-	-	-	0	-	-	-
30	San Benito County	65,271	1.3%	3	68,991	1.4%	5	0.6
31	San Jose East	-	-	-	0	0%	-	-
32	San Jose, IBP East	-	-	-	0	-	-	-
33	San Jose-Berryessa	954,887	5.3%	7	(521,512)	-2.9%	42	-
34	Scott Blvd Corridor	-	-	-	0	-	-	-
35	Shoreline Corridor North	-	-	-	0	-	-	-
36	Shoreline Corridor South	-	-	-	0	-	-	-
37	South San Jose	784,960	6.9%	12	358,022	3.2%	2	-
38	South Santa Clara	5,260	0.5%	1	(18,916)	-1.7%	34	-
39	Sunnyvale	1,300,359	8.2%	16	(188,125)	-1.2%	40	-
40	Sunnyvale Triangle	-	-	-	0	-	-	-
41	West Mountain View	-	-	-	0	-	-	-
42	West San Jose	-	-	-	0	0%	-	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	199,587,751	(183,235)	-0.1%	(647,107)	-0.3%	-
2026	199,770,986	(285,292)	-0.1%	(616,246)	-0.3%	-
2025	200,056,278	(656,886)	-0.3%	(154,898)	-0.1%	-
2024	200,713,164	575,214	0.3%	470,400	0.2%	1.2
2023	200,137,950	1,016,399	0.5%	(1,286,727)	-0.6%	-
YTD	199,128,553	7,002	0%	(910,652)	-0.5%	-
2022	199,121,551	(866,085)	-0.4%	1,904,259	1.0%	-
2021	199,987,636	1,071,136	0.5%	698,491	0.3%	1.5
2020	198,916,500	(614,140)	-0.3%	(2,351,204)	-1.2%	-
2019	199,530,640	(1,114,698)	-0.6%	1,363,046	0.7%	-
2018	200,645,338	(695,629)	-0.3%	(2,550,936)	-1.3%	-
2017	201,340,967	428,116	0.2%	524,766	0.3%	0.8
2016	200,912,851	(2,505,147)	-1.2%	(831,215)	-0.4%	-
2015	203,417,998	(2,086,163)	-1.0%	(12,562)	0%	-
2014	205,504,161	(3,892,400)	-1.9%	1,686,052	0.8%	-
2013	209,396,561	(2,829,791)	-1.3%	(3,763,392)	-1.8%	-
2012	212,226,352	(4,775,302)	-2.2%	(3,198,499)	-1.5%	-
2011	217,001,654	(3,016,100)	-1.4%	896,943	0.4%	-

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	42,993,502	19,340	0%	(65,267)	-0.2%	-
2026	42,974,162	(5,244)	0%	(60,743)	-0.1%	-
2025	42,979,406	(94,729)	-0.2%	33,897	0.1%	-
2024	43,074,135	(183,134)	-0.4%	(26,173)	-0.1%	-
2023	43,257,269	551,315	1.3%	414,856	1.0%	1.3
YTD	42,712,956	7,002	0%	69,244	0.2%	0.1
2022	42,705,954	172,122	0.4%	(351,361)	-0.8%	-
2021	42,533,832	214,120	0.5%	552,042	1.3%	0.4
2020	42,319,712	136,311	0.3%	(309,015)	-0.7%	-
2019	42,183,401	(98,464)	-0.2%	314,618	0.7%	-
2018	42,281,865	(270,385)	-0.6%	(112,938)	-0.3%	-
2017	42,552,250	(644,128)	-1.5%	(330,568)	-0.8%	-
2016	43,196,378	(450,270)	-1.0%	(675,311)	-1.6%	-
2015	43,646,648	(110,760)	-0.3%	(237,999)	-0.5%	-
2014	43,757,408	(677,018)	-1.5%	(112,949)	-0.3%	-
2013	44,434,426	(387,164)	-0.9%	(243,336)	-0.5%	-
2012	44,821,590	(302,298)	-0.7%	(376,511)	-0.8%	-
2011	45,123,888	(249,609)	-0.6%	(191,987)	-0.4%	-

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	54,297,178	52,427	0.1%	(97,361)	-0.2%	-
2026	54,244,751	14,383	0%	(88,626)	-0.2%	-
2025	54,230,368	(124,436)	-0.2%	77,898	0.1%	-
2024	54,354,804	497,037	0.9%	(74,495)	-0.1%	-
2023	53,857,767	(203,660)	-0.4%	(288,944)	-0.5%	-
YTD	54,061,427	0	0%	117,205	0.2%	0
2022	54,061,427	(64,572)	-0.1%	275,374	0.5%	-
2021	54,125,999	1,270,419	2.4%	1,447,448	2.7%	0.9
2020	52,855,580	(572,923)	-1.1%	(258,240)	-0.5%	-
2019	53,428,503	449,981	0.8%	116,430	0.2%	3.9
2018	52,978,522	331,312	0.6%	(222,261)	-0.4%	-
2017	52,647,210	465,325	0.9%	(477,157)	-0.9%	-
2016	52,181,885	(493,508)	-0.9%	1,455,077	2.8%	-
2015	52,675,393	(483,384)	-0.9%	(101,654)	-0.2%	-
2014	53,158,777	(301,677)	-0.6%	857,654	1.6%	-
2013	53,460,454	(610,953)	-1.1%	(933,531)	-1.7%	-
2012	54,071,407	(1,891,964)	-3.4%	(1,910,245)	-3.5%	-
2011	55,963,371	(1,438,983)	-2.5%	564,316	1.0%	-

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	102,297,071	(255,002)	-0.2%	(484,479)	-0.5%	-
2026	102,552,073	(294,431)	-0.3%	(466,877)	-0.5%	-
2025	102,846,504	(437,721)	-0.4%	(266,693)	-0.3%	-
2024	103,284,225	261,311	0.3%	571,068	0.6%	0.5
2023	103,022,914	668,744	0.7%	(1,412,639)	-1.4%	-
YTD	102,354,170	0	0%	(1,097,101)	-1.1%	-
2022	102,354,170	(973,635)	-0.9%	1,980,246	1.9%	-
2021	103,327,805	(413,403)	-0.4%	(1,300,999)	-1.3%	-
2020	103,741,208	(177,528)	-0.2%	(1,783,949)	-1.7%	-
2019	103,918,736	(1,466,215)	-1.4%	931,998	0.9%	-
2018	105,384,951	(756,556)	-0.7%	(2,215,737)	-2.1%	-
2017	106,141,507	606,919	0.6%	1,332,491	1.3%	0.5
2016	105,534,588	(1,561,369)	-1.5%	(1,610,981)	-1.5%	-
2015	107,095,957	(1,492,019)	-1.4%	327,091	0.3%	-
2014	108,587,976	(2,913,705)	-2.6%	941,347	0.9%	-
2013	111,501,681	(1,831,674)	-1.6%	(2,586,525)	-2.3%	-
2012	113,333,355	(2,581,040)	-2.2%	(911,743)	-0.8%	-
2011	115,914,395	(1,327,508)	-1.1%	524,614	0.5%	-

OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$32.78	269	4.8%	24.6%	14,063,932	7.0%	0.2%
2026	\$31.28	257	5.1%	19.0%	13,590,051	6.8%	0.2%
2025	\$29.75	244	4.9%	13.1%	13,248,205	6.6%	-0.2%
2024	\$28.37	233	3.9%	7.9%	13,739,152	6.8%	0%
2023	\$27.29	224	3.8%	3.8%	13,622,736	6.8%	1.1%
YTD	\$26.43	217	4.8%	0.5%	12,232,059	6.1%	0.5%
2022	\$26.30	216	7.1%	0%	11,314,405	5.7%	-1.3%
2021	\$24.56	202	4.6%	-6.6%	14,018,227	7.0%	0.1%
2020	\$23.48	193	3.3%	-10.7%	13,712,104	6.9%	0.9%
2019	\$22.73	187	5.3%	-13.6%	11,975,040	6.0%	-1.2%
2018	\$21.59	177	6.6%	-17.9%	14,452,784	7.2%	1.0%
2017	\$20.25	166	6.8%	-23.0%	12,584,098	6.3%	0%
2016	\$18.95	156	8.9%	-27.9%	12,544,307	6.2%	-0.7%
2015	\$17.41	143	10.8%	-33.8%	14,218,239	7.0%	-0.9%
2014	\$15.70	129	10.6%	-40.3%	16,137,753	7.9%	-2.5%
2013	\$14.20	117	9.3%	-46.0%	21,692,176	10.4%	0.6%
2012	\$12.99	107	8.6%	-50.6%	20,758,575	9.8%	-0.5%
2011	\$11.96	98	6.1%	-54.5%	22,335,378	10.3%	-1.6%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$25.69	251	5.0%	27.3%	1,277,890	3.0%	0.2%
2026	\$24.47	239	5.4%	21.2%	1,189,506	2.8%	0.1%
2025	\$23.21	227	5.2%	15.0%	1,130,319	2.6%	-0.3%
2024	\$22.08	216	4.2%	9.3%	1,255,444	2.9%	-0.3%
2023	\$21.18	207	4.9%	4.9%	1,408,574	3.3%	0.3%
YTD	\$20.40	199	4.2%	1.1%	1,208,242	2.8%	-0.1%
2022	\$20.19	197	5.9%	0%	1,270,484	3.0%	1.2%
2021	\$19.07	186	4.6%	-5.5%	747,001	1.8%	-0.8%
2020	\$18.23	178	5.2%	-9.7%	1,084,923	2.6%	1.0%
2019	\$17.33	169	6.2%	-14.2%	639,597	1.5%	-1.0%
2018	\$16.32	159	6.1%	-19.2%	1,052,679	2.5%	-0.4%
2017	\$15.38	150	6.7%	-23.8%	1,210,126	2.8%	-0.3%
2016	\$14.42	141	8.5%	-28.6%	1,373,866	3.2%	0.5%
2015	\$13.29	130	9.4%	-34.2%	1,148,825	2.6%	0.3%
2014	\$12.15	119	8.3%	-39.8%	1,021,586	2.3%	-1.2%
2013	\$11.22	110	6.7%	-44.4%	1,561,626	3.5%	-0.3%
2012	\$10.52	103	5.5%	-47.9%	1,705,454	3.8%	0.2%
2011	\$9.98	97	2.8%	-50.6%	1,631,241	3.6%	-0.1%

LOGISTICS RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$23.22	293	5.0%	24.1%	2,441,822	4.5%	0.3%
2026	\$22.12	279	5.3%	18.2%	2,288,376	4.2%	0.2%
2025	\$21	265	5.1%	12.3%	2,181,978	4.0%	-0.4%
2024	\$19.99	252	4.2%	6.8%	2,381,092	4.4%	1.0%
2023	\$19.18	242	2.5%	2.5%	1,805,997	3.4%	0.2%
YTD	\$18.55	234	5.4%	-0.9%	1,601,873	3.0%	-0.2%
2022	\$18.71	236	10.6%	0%	1,719,078	3.2%	-0.6%
2021	\$16.91	213	8.1%	-9.6%	2,059,024	3.8%	-0.4%
2020	\$15.65	197	3.9%	-16.3%	2,236,053	4.2%	-0.5%
2019	\$15.06	190	6.5%	-19.5%	2,550,736	4.8%	0.6%
2018	\$14.14	178	7.4%	-24.4%	2,217,185	4.2%	1.0%
2017	\$13.17	166	8.7%	-29.6%	1,663,612	3.2%	1.8%
2016	\$12.11	153	10.2%	-35.3%	721,130	1.4%	-3.7%
2015	\$10.99	139	11.5%	-41.3%	2,669,715	5.1%	-0.7%
2014	\$9.86	124	9.9%	-47.3%	3,051,445	5.7%	-2.1%
2013	\$8.97	113	7.8%	-52.1%	4,210,776	7.9%	0.7%
2012	\$8.31	105	5.8%	-55.6%	3,888,198	7.2%	0.3%
2011	\$7.86	99	3.8%	-58.0%	3,869,917	6.9%	-3.3%

FLEX RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$40.76	268	4.7%	24.1%	10,344,220	10.1%	0.3%
2026	\$38.95	256	5.0%	18.6%	10,112,169	9.9%	0.2%
2025	\$37.09	243	4.8%	12.9%	9,935,908	9.7%	-0.1%
2024	\$35.41	232	3.8%	7.8%	10,102,616	9.8%	-0.3%
2023	\$34.11	224	3.9%	3.9%	10,408,165	10.1%	2.0%
YTD	\$33.08	217	4.7%	0.8%	9,421,944	9.2%	1.1%
2022	\$32.84	216	6.4%	0%	8,324,843	8.1%	-2.7%
2021	\$30.87	203	3.7%	-6.0%	11,212,202	10.9%	0.8%
2020	\$29.79	196	2.7%	-9.3%	10,391,128	10.0%	1.6%
2019	\$29.01	190	4.7%	-11.6%	8,784,707	8.5%	-2.2%
2018	\$27.70	182	6.6%	-15.6%	11,182,920	10.6%	1.5%
2017	\$26	171	6.4%	-20.8%	9,710,360	9.1%	-0.8%
2016	\$24.43	160	8.6%	-25.6%	10,449,311	9.9%	0.2%
2015	\$22.50	148	11.0%	-31.5%	10,399,699	9.7%	-1.4%
2014	\$20.26	133	11.3%	-38.3%	12,064,722	11.1%	-3.2%
2013	\$18.20	119	10.4%	-44.6%	15,919,774	14.3%	0.9%
2012	\$16.48	108	10.2%	-49.8%	15,164,923	13.4%	-1.1%
2011	\$14.95	98	7.7%	-54.5%	16,834,220	14.5%	-1.4%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$494.57	388	5.2%
2026	-	-	-	-	-	-	\$475.42	373	5.2%
2025	-	-	-	-	-	-	\$455.44	357	5.2%
2024	-	-	-	-	-	-	\$439.87	345	5.1%
2023	-	-	-	-	-	-	\$432.12	339	5.0%
YTD	28	\$398.9M	0.9%	\$14,774,838	\$321.55	4.3%	\$438.68	344	4.8%
2022	292	\$2.2B	5.2%	\$11,205,331	\$345.31	5.0%	\$433.35	340	4.8%
2021	279	\$4.1B	5.9%	\$15,535,980	\$384.55	5.0%	\$399.24	313	4.7%
2020	220	\$2.2B	3.7%	\$11,170,908	\$332.01	5.4%	\$363.31	285	4.8%
2019	312	\$2.7B	5.4%	\$14,233,446	\$303.53	6.0%	\$336.39	264	4.9%
2018	343	\$3.1B	5.8%	\$14,665,469	\$329.80	5.9%	\$304.57	239	5.1%
2017	427	\$2.7B	6.5%	\$10,241,573	\$250.39	6.0%	\$273.99	215	5.2%
2016	409	\$2.6B	5.9%	\$9,056,394	\$267.37	6.0%	\$247.28	194	5.3%
2015	499	\$3.1B	8.0%	\$8,080,698	\$223.62	6.0%	\$217.89	171	5.6%
2014	455	\$2.8B	6.8%	\$7,130,571	\$215.17	6.7%	\$186.70	146	6.0%
2013	431	\$2.4B	6.8%	\$7,810,161	\$198.31	7.0%	\$159.10	125	6.5%
2012	528	\$1.5B	8.9%	\$5,842,598	\$157.56	7.1%	\$142.10	111	6.8%

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(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

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$459.38	414	5.1%
2026	-	-	-	-	-	-	\$440.72	397	5.1%
2025	-	-	-	-	-	-	\$421.33	379	5.1%
2024	-	-	-	-	-	-	\$406.11	366	5.0%
2023	-	-	-	-	-	-	\$398.21	359	4.9%
YTD	11	\$282.1M	3.4%	\$28,206,100	\$315.89	4.6%	\$402.81	363	4.7%
2022	80	\$507.7M	5.1%	\$7,577,728	\$305.80	5.4%	\$396.63	357	4.7%
2021	70	\$1.1B	5.2%	\$15,937,767	\$508.61	4.3%	\$365.88	329	4.6%
2020	54	\$316M	3.3%	\$6,449,561	\$225.70	6.1%	\$329.87	297	4.7%
2019	106	\$393M	6.2%	\$7,415,153	\$173.98	5.0%	\$304.12	274	4.8%
2018	113	\$282.5M	5.2%	\$6,568,656	\$256.47	5.2%	\$273.14	246	5.0%
2017	145	\$410.1M	7.1%	\$7,594,668	\$209.55	6.1%	\$242.92	219	5.1%
2016	127	\$178.9M	3.4%	\$3,374,911	\$175.13	6.3%	\$217.32	196	5.3%
2015	134	\$359.5M	6.4%	\$4,180,128	\$153.59	5.5%	\$189.21	170	5.6%
2014	103	\$201.7M	4.5%	\$2,653,862	\$113.19	6.0%	\$161.96	146	6.0%
2013	94	\$173.9M	3.8%	\$2,946,702	\$126.97	7.3%	\$137.64	124	6.5%
2012	135	\$129.6M	6.0%	\$2,355,466	\$104.81	6.5%	\$122.96	111	6.8%

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LOGISTICS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$396.66	398	5.2%
2026	-	-	-	-	-	-	\$380.70	382	5.2%
2025	-	-	-	-	-	-	\$364.11	365	5.2%
2024	-	-	-	-	-	-	\$351.06	352	5.1%
2023	-	-	-	-	-	-	\$344.18	345	5.0%
YTD	10	\$46M	0.3%	\$4,604,664	\$285.50	-	\$348.99	350	4.8%
2022	70	\$374.5M	4.9%	\$7,342,186	\$304.86	4.8%	\$344.76	346	4.7%
2021	60	\$710.6M	3.8%	\$12,043,679	\$351.34	4.8%	\$316	317	4.7%
2020	63	\$277M	2.3%	\$4,946,056	\$303.66	5.3%	\$285.27	286	4.8%
2019	83	\$317.3M	3.9%	\$7,933,285	\$228.06	5.9%	\$263.20	264	4.9%
2018	89	\$267.5M	2.9%	\$5,943,987	\$263.26	4.6%	\$237.73	238	5.1%
2017	106	\$332.2M	4.3%	\$5,931,428	\$208.33	6.0%	\$214	215	5.2%
2016	92	\$262.9M	4.9%	\$3,651,121	\$171.08	5.5%	\$191.94	192	5.4%
2015	115	\$425.3M	5.4%	\$4,778,128	\$178.20	5.7%	\$169.10	170	5.6%
2014	74	\$157.2M	2.9%	\$2,576,382	\$111.61	5.8%	\$145.05	145	6.1%
2013	98	\$172.3M	4.5%	\$3,250,644	\$105.37	7.4%	\$123.63	124	6.5%
2012	124	\$202.8M	5.6%	\$3,436,570	\$109.11	7.6%	\$110.77	111	6.9%

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FLEX SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$560.80	376	5.3%
2026	-	-	-	-	-	-	\$539.75	362	5.3%
2025	-	-	-	-	-	-	\$517.74	347	5.3%
2024	-	-	-	-	-	-	\$500.71	336	5.2%
2023	-	-	-	-	-	-	\$492.56	330	5.1%
YTD	7	\$70.8M	0.2%	\$10,116,143	\$379.83	4.0%	\$500.86	336	4.9%
2022	142	\$1.3B	5.5%	\$17,072,930	\$379.47	5.6%	\$495.30	332	4.8%
2021	149	\$2.3B	7.4%	\$16,828,172	\$353.90	6.0%	\$456.97	306	4.8%
2020	103	\$1.6B	4.6%	\$17,340,457	\$371.87	5.0%	\$418.33	281	4.8%
2019	123	\$2B	5.9%	\$20,429,162	\$377.82	6.1%	\$388.39	260	4.9%
2018	141	\$2.6B	7.5%	\$20,590,506	\$349.98	6.5%	\$352.86	237	5.1%
2017	176	\$2B	7.4%	\$12,753,345	\$270.80	6.1%	\$318.53	214	5.2%
2016	190	\$2.2B	7.3%	\$13,291,352	\$301.01	6.0%	\$288.91	194	5.3%
2015	250	\$2.3B	9.9%	\$11,181,080	\$254.11	6.5%	\$255.53	171	5.6%
2014	278	\$2.4B	9.6%	\$9,554,239	\$248.60	7.0%	\$218.94	147	6.0%
2013	239	\$2.1B	9.2%	\$10,479,850	\$225.43	6.8%	\$186.72	125	6.5%
2012	269	\$1.2B	11.7%	\$8,176,500	\$181.69	7.0%	\$166.58	112	6.8%

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