

Retail Market Report

San Francisco - CA

PREPARED BY



RETAIL MARKET REPORT

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12 Mo Deliveries in SF

292K

12 Mo Net Absorption in SF

(270K)

Vacancy Rate

5.8%

12 Mo Rent Growth

0.3%

Any discussion of San Francisco's retail market in 2023 has to begin with the escalation in the challenges facing Union Square. In May 2023, Nordstrom announced the closure of both its 300,000-SF department store in the San Francisco Westfield Center and its nearby Nordstrom Rack outlet. A few weeks later, the owners of the Westfield Center halted payments on its \$560 million loan and began the process of transferring ownership to the lender.

These events are the latest in a series of setbacks for Union Square, traditionally home to major department stores and high-end fashion. The vitality of Union Square has deteriorated in recent years after visitor traffic fell during the extensive pandemic lockdowns and the weak return of both office workers and tourists. Additional well-publicized social problems also plague the neighborhood, keeping shoppers away, and leading many major retailers to close stores.

The deterioration of Union Square and the neighboring areas in downtown San Francisco have dragged down the key operating performance statistics for the metro area, which lags most other metros across the nation. Retail vacancy in San Francisco was one of the lowest in the nation in 2019, but is now one of the nation's highest, at 5.8%. Similarly, average market rent, which increased at an annual rate of 3.3% nationally over the past 12 months, increased by just 0.3% in San Francisco.

Across the nation, retail leasing has slowed in recent months, due in part to low levels of space availability and to slowing consumer demand. Availabilities are particularly tight in small centers and single tenant net lease spaces, but are trending higher in malls and lifestyle centers, as consumer shopping patterns shift away from these property types. Absorption, however, is positive, led by general retail and neighborhood centers. Quick service restaurant (QSR) tenants are the main takers of smaller spaces, while dollar stores, fitness and experiential retailers are showing the greatest interest in medium and large spaces.

The structure of San Francisco's retail market reflects both the high-income levels of its population and the supply-constrained nature of its densely populated geography. The City of San Francisco itself is characterized by general retailing along popular urban strips in heavily populated neighborhoods, such as Chestnut Street in the Marina District, Valencia Street in The Mission, and Hayes Street in Hayes Valley. These neighborhoods comprise eclectic mixes of eateries and independent boutiques and are typically subject to ordinances that restrict the presence of chain stores. In contrast to the current situation in downtown and Union Square, these retail zones are generally active and vibrant, with a healthy influx of new stores and restaurants.

In the outer parts of San Francisco and in San Mateo County, the retail structure has a greater representation of malls and shopping centers. The main regional malls include Stonestown Galleria in San Francisco, the Serramonte Center in Daly City, and Hillsdale Mall in San Mateo. Retail performance in San Mateo has been stable, with both vacancy and rent growth generally flat over the past year.

On the supply side, the market has a low amount of new construction, partly because of limited land availability and restrictive planning policies, but also because of weak demand.

In the investment market, transaction activity remains low amid the persistence of high interest rates and concerns about the viability of some San Francisco locations. Financial distress related to imminent loan maturities is also a growing concern. In downtown San Francisco, both the Westfield Center and the building formerly occupied by the Saks Fifth Avenue Men's Store have been transferred to lender ownership this year. Several other retail properties have loan maturities within the next two years, with the largest being Stonestown Galleria, where a \$165.5 million loan is scheduled to mature in October 2023.

KEY INDICATORS

| Current Quarter | RBA | Vacancy Rate | Market Rent | Availability Rate | Net Absorption SF | Deliveries SF | Under Construction |
|---------------------|-------------------|--------------|----------------|-------------------|-------------------|---------------|--------------------|
| Malls | 5,425,181 | 18.4% | \$46.21 | 2.6% | (428,318) | 0 | 0 |
| Power Center | 2,592,325 | 3.7% | \$43.01 | 4.3% | 16,970 | 0 | 0 |
| Neighborhood Center | 7,586,392 | 7.6% | \$43.80 | 8.3% | (40,544) | 0 | 0 |
| Strip Center | 1,806,676 | 4.4% | \$37.81 | 4.8% | 2,634 | 0 | 0 |
| General Retail | 64,522,311 | 4.7% | \$42.56 | 5.2% | 112,492 | 0 | 217,500 |
| Other | 1,025,917 | 7.2% | \$110.22 | 11.2% | 34,306 | 0 | 0 |
| Market | 82,958,802 | 5.8% | \$43.66 | 5.4% | (302,460) | 0 | 217,500 |

| Annual Trends | 12 Month | Historical Average | Forecast Average | Peak | When | Trough | When |
|----------------------|----------|--------------------|------------------|-----------|---------|-------------|---------|
| Vacancy Change (YOY) | 0.6% | 3.5% | 5.3% | 5.8% | 2023 Q3 | 2.1% | 2016 Q2 |
| Net Absorption SF | (270K) | 47,777 | 34,614 | 2,136,930 | 2007 Q2 | (1,323,210) | 2020 Q3 |
| Deliveries SF | 292K | 271,450 | 114,217 | 924,788 | 2007 Q2 | 16,713 | 2013 Q1 |
| Rent Growth | 0.3% | 1.8% | 3.0% | 5.6% | 2015 Q1 | -2.2% | 2009 Q4 |
| Sales Volume | \$254M | \$744M | N/A | \$1.7B | 2022 Q1 | \$165.4M | 2010 Q1 |

As of the third quarter of 2023, the San Francisco retail market continues to see growing vacancy and flat rents, with local centers and suburban locations faring better than downtown. Union Square's historic position as the preeminent retail center in Northern California has deteriorated in recent years, with the closure of many important retailers, including department stores and mainstream chain stores. Among the most recent examples, Nordstrom decided in May 2023 to close both its department store and its Nordstrom Rack store in downtown San Francisco. Soon after, the owner of the San Francisco Westfield Center walked away, transferring ownership of the mall to the lender. Nordstrom has shifted its focus away from downtowns to suburban locations, and is planning to open a Rack store at Bridgepointe Shopping Center in San Mateo.

The decline of Union Square began in 2019, with the closure of Barneys New York and Forever 21. The pandemic lockdown, followed by continued economic uncertainty and social problems in the downtown area, led to further closures, including Gap and H&M in 2020, Marshall's and Uniqlo in 2021, and DSW and Abercrombie & Fitch in 2022. In January 2023, the 30,000-SF flagship Banana Republic store was closed as the retailer moved to a smaller 9,250-SF space. Elsewhere in San Francisco, other retailers, including Walgreens and Starbucks, have cited rising crime as a reason for shuttering downtown stores.

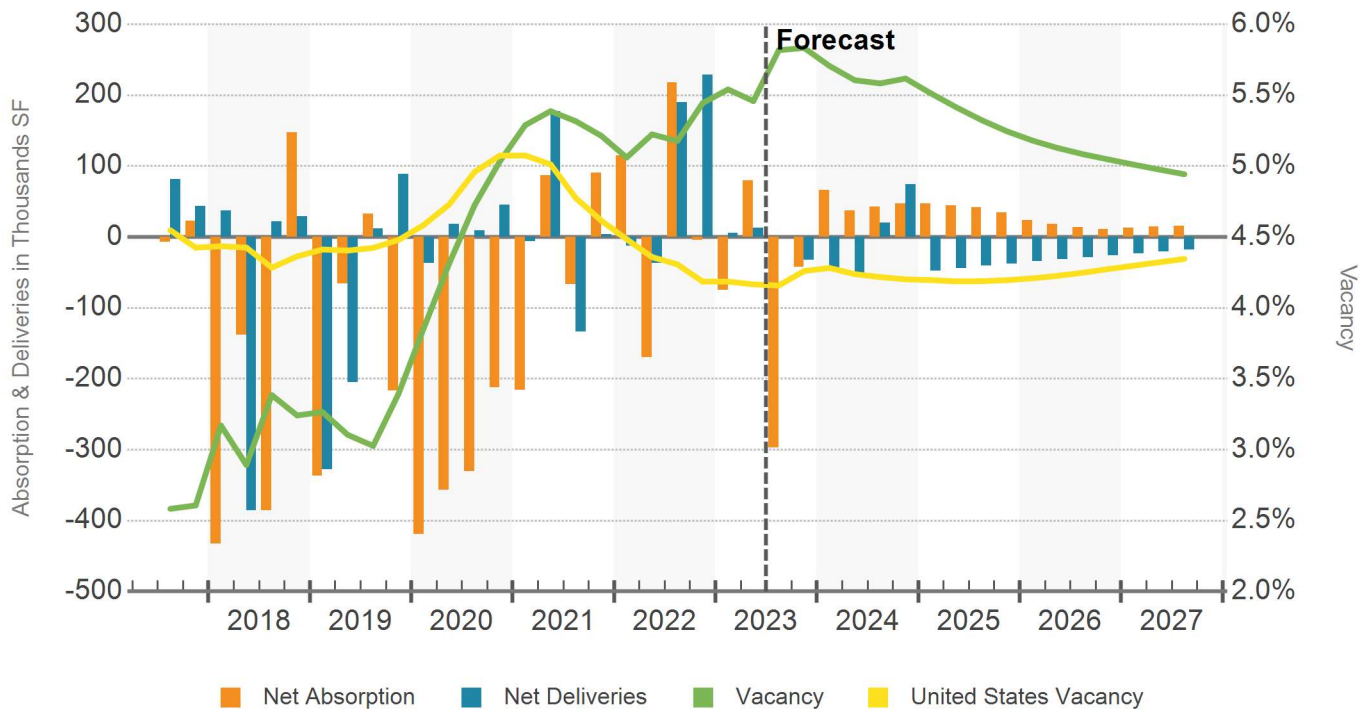
One positive note for downtown San Francisco is the opening of a small format Ikea store at 945 Market St. It is hoped that Ikea will be a catalyst to stem the loss of more retailers and attract new ones to the downtown area. Ikea's Ingka Centres purchased the property for \$198 million in 20Q3. The Ikea store is part of a larger project that will also include a gourmet food hall and an Industrious cowork facility.

Another positive point for downtown is the continued presence of a critical mass of high end fashion retailers, centered on Grant St. and Post St. These designer boutiques have maintained, and in some cases expanded, their presence in recent years, despite the drop in foreign tourism, which provides a large share of their income.

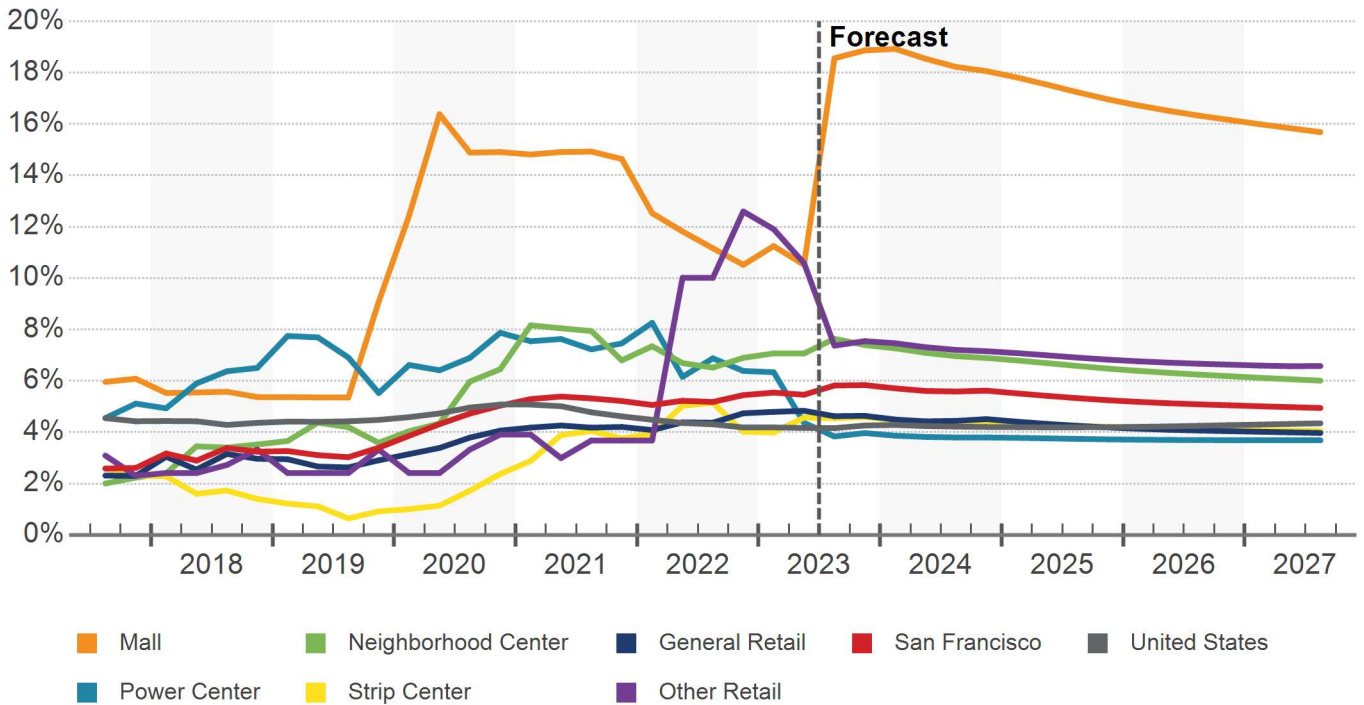
The market's largest mall, Stonestown Galleria, has also faced the loss of major anchor stores, with both Macy's and Nordstrom closing in recent years. The owners pivoted to replace these tenants with Target, Whole Foods, and Sports Basement, and it is currently planning to redevelop the mall as a mixed-use urban village, with the addition of 3,000 homes.

San Francisco's smaller retail centers and urban main street shopping districts have generally performed well in recent years, benefitting from the shift in working patterns that has led to people spending more time shopping closer to home in their local neighborhoods.

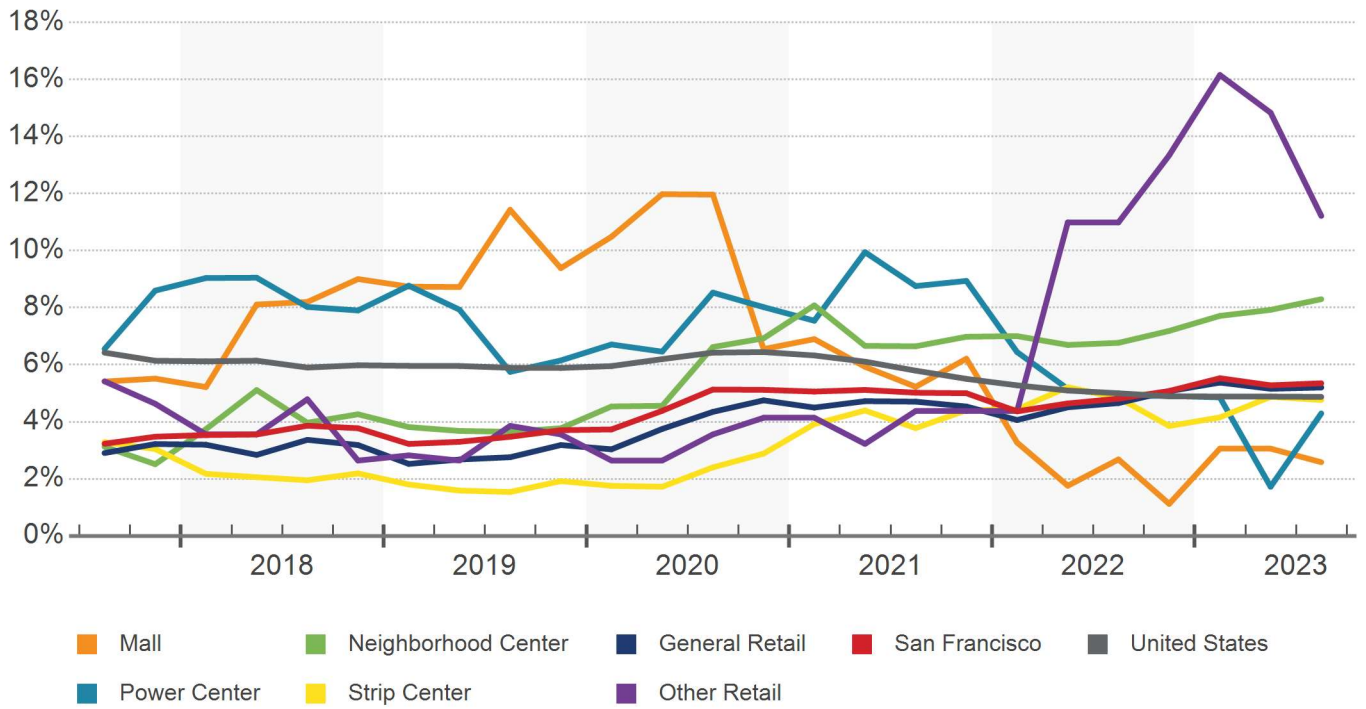
NET ABSORPTION, NET DELIVERIES & VACANCY



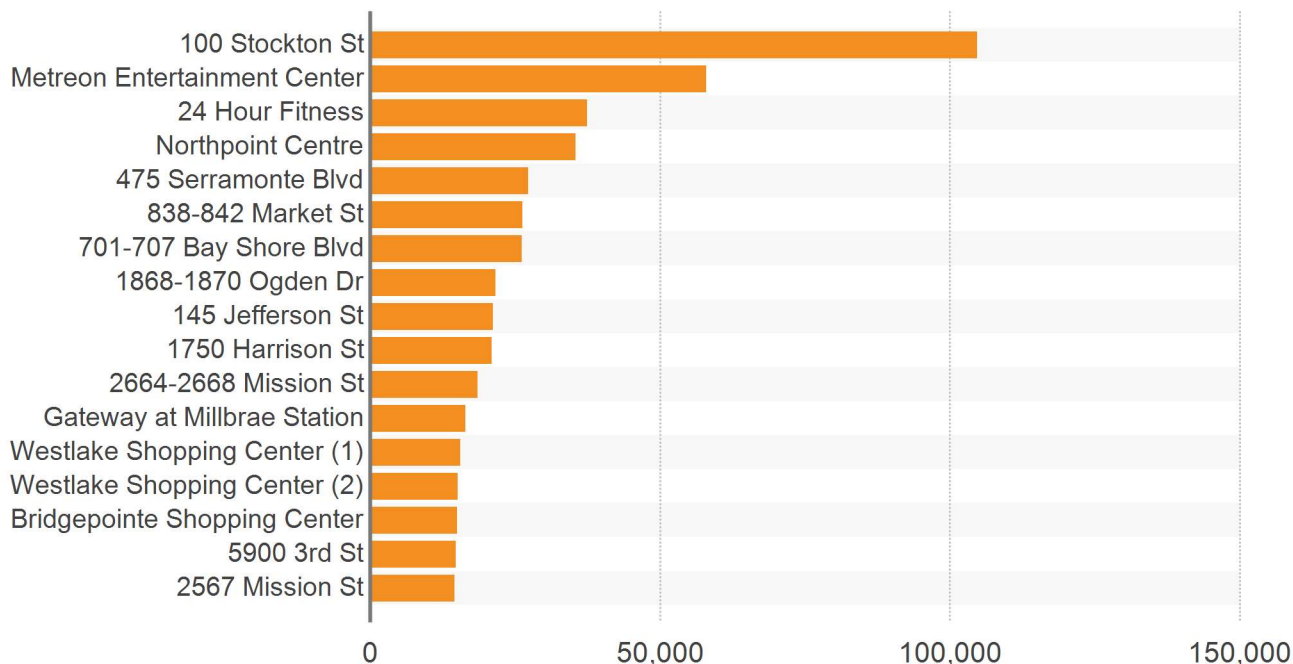
VACANCY RATE



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 |
| 100 Stockton St | Union Square | 242,631 | 137,966 | 0 | 61,401 | 0 | 0 | 104,665 |
| Metreon Entertainment Center | Yerba Buena | 360,000 | 7,024 | 0 | 17,033 | 40,922 | 0 | 57,955 |
| 24 Hour Fitness | Redwood City | 47,152 | 0 | 0 | 0 | 42,000 | 0 | 37,434 |
| Northpoint Centre | Waterfront/North Bea... | 80,000 | 8,571 | 0 | 35,439 | 0 | 0 | 35,439 |
| 475 Serramonte Blvd | Brisbane/Daly City | 27,276 | 0 | 27,276 | 0 | 0 | 0 | 27,276 |
| 838-842 Market St | Union Square | 57,535 | 0 | 0 | 26,305 | 0 | 0 | 26,305 |
| 701-707 Bay Shore Blvd | Mission/Potrero | 36,276 | 0 | 0 | 0 | 26,151 | 0 | 26,151 |
| 1868-1870 Ogden Dr | Burlingame | 25,924 | 0 | 22,466 | 0 | 0 | 0 | 21,585 |
| 145 Jefferson St | Waterfront/North Bea... | 105,636 | 3,000 | (3,000) | 0 | 0 | 0 | 21,211 |
| 1750 Harrison St | Mission/Potrero | 23,520 | 0 | 23,520 | 0 | 0 | 0 | 20,963 |
| 2664-2668 Mission St | Mission/Potrero | 18,500 | 0 | 0 | 18,500 | 0 | 0 | 18,500 |
| Gateway at Millbrae Station | San Bruno/Millbrae | 173,698 | 22,476 | 0 | 0 | 0 | 0 | 16,437 |
| Westlake Shopping Center (1) | Brisbane/Daly City | 66,158 | 0 | 0 | 15,549 | 0 | 0 | 15,549 |
| Westlake Shopping Center (2) | Brisbane/Daly City | 62,088 | 0 | 0 | 15,125 | 0 | 0 | 15,125 |
| Bridgepointe Shopping Center | San Mateo | 89,929 | 0 | 0 | 0 | 14,962 | 0 | 14,962 |
| 5900 3rd St | Bayview/Hunters Point | 29,439 | 0 | 0 | 14,735 | 0 | 0 | 14,735 |
| 2567 Mission St | Mission/Potrero | 14,605 | 0 | 14,605 | 0 | 0 | 0 | 14,605 |
| Subtotal Primary Competitors | | 1,460,367 | 179,037 | 84,867 | 204,087 | 124,035 | 0 | 488,897 |
| Remaining San Francisco Market | | 81,612,928 | 4,651,786 | (151,448) | (124,412) | (426,495) | 0 | (758,978) |
| Total San Francisco Market | | 83,073,295 | 4,830,823 | (66,581) | 79,675 | (302,460) | 0 | (270,081) |

TOP RETAIL LEASES PAST 12 MONTHS

| Building Name/Address | Submarket | Leased SF | Qtr | Tenant Name | Tenant Rep Company | Leasing Rep Company |
|------------------------------|--------------------------|-----------|-------|------------------------------|---------------------------|-----------------------------|
| 24 Hour Fitness * | Redwood City | 42,000 | Q2 23 | 24 Hour Fitness | - | JLL;Premier Property... |
| 825 Sansome St | Jackson Square | 38,550 | Q2 23 | Paradise Parking | - | Calco Commercial, Inc. |
| Bridgepointe Shopping Center | San Mateo | 35,500 | Q2 23 | Nordstrom Rack | - | CBRE |
| 2900 Alemany Blvd | Southern City | 34,000 | Q2 23 | Island Pacific Seafood Ma... | - | Poletti Realty |
| Hotel Zelos * | - | 26,448 | Q1 23 | - | - | - |
| 100 Stockton St | Union Square | 25,971 | Q4 22 | - | - | Blatteis & Schnur, Inc.;... |
| Bridgepointe Shopping Center | San Mateo | 18,200 | Q3 23 | Nazareth Ice Oasis | CBRE | Avison Young |
| Hotel Zelos * | - | 17,748 | Q1 23 | - | - | - |
| Ocean Dorado Center | Southern City | 17,334 | Q3 23 | - | Blatteis Realty Co., I... | Maven Commercial, Inc. |
| Bridgepointe Shopping Center | San Mateo | 14,962 | Q2 23 | The Container Store | - | CBRE |
| The Forderer Cornice Works * | Showplace Square | 13,341 | Q1 23 | Catharine Clark Gallery | - | Forderer Property Group |
| 3535 Geary Blvd | West of Van Ness | 12,119 | Q2 23 | The Floor Store | - | Touchstone Commerci... |
| Hotel Zelos | - | 12,000 | Q1 23 | - | - | - |
| Woodside Central Plaza * | Redwood City | 11,508 | Q4 22 | O'Reilly Auto Parts | - | - |
| 140 11th St | South of Market | 10,000 | Q1 23 | Amazon Collision and Tow | Calco Commercial, I... | Calco Commercial, Inc. |
| 220 Primrose Rd | Burlingame | 9,500 | Q4 22 | Sola Salon Studios | - | CBRE |
| 1081 Post St | Van Ness/Chinatown | 9,120 | Q4 22 | - | - | Avison Young |
| 152 Geary St | Union Square | 8,505 | Q1 23 | Banana Republic | Cushman & Wakefield | Thor Equities |
| Bridgepointe Shopping Center | San Mateo | 8,017 | Q2 23 | - | - | CBRE |
| One Market Plaza | South Financial District | 7,937 | Q2 23 | - | - | Cushman & Wakefield |
| 1310 El Camino Real | Belmont/San Carlos | 7,797 | Q2 23 | Best Price Furniture | - | Lockehouse Retail Group |
| Bridgepointe Shopping Center | San Mateo | 7,175 | Q2 23 | - | - | CBRE |
| 170 Maiden Ln | Union Square | 6,900 | Q4 22 | Kern's Fine Jewelry | Colliers;Richard J. B... | Colliers |
| 776-780 Valencia St | Mission/Potrero | 6,503 | Q2 23 | - | - | Maven Commercial, Inc. |
| 2306-2310 Fillmore St | West of Van Ness | 6,019 | Q1 23 | - | - | Maven Commercial, Inc. |
| Mosser Victorian Hotel | - | 6,000 | Q1 23 | - | - | - |
| The Mountain House | Peninsula Coastline | 5,800 | Q1 23 | The Mountain House Rest... | - | Maven Commercial, Inc. |
| 201 Arch St | Redwood City | 5,800 | Q1 23 | - | - | Kidder Mathews |
| 611 El Camino Real | San Bruno/Millbrae | 5,700 | Q3 23 | - | - | Poletti Realty |
| 655-685 Beach St | Waterfront/North Beach | 5,660 | Q2 23 | - | - | Compass |
| The Depot At Trestle | Belmont/San Carlos | 5,455 | Q3 22 | - | - | Cushman & Wakefield |
| 622 Laurel St | Belmont/San Carlos | 5,400 | Q2 23 | - | - | Kidder Mathews |
| Levi's Plaza | Waterfront/North Beach | 5,361 | Q1 23 | - | - | CBRE |
| M.J. Betten Court | Peninsula Coastline | 5,224 | Q1 23 | - | - | Kinghorn Commercial |
| 236 S B St | San Mateo | 5,155 | Q1 23 | - | - | Capital Realty Group, Inc. |
| 500 Sutter St | Union Square | 5,105 | Q2 23 | - | - | CBRE |
| Embarcadero Center | Financial District | 5,000 | Q2 23 | Don Ramon's Mexican Re... | - | Boston Properties, Inc. |
| 501 Pacific Ave | Jackson Square | 5,000 | Q3 23 | - | - | Kidder Mathews;Raise... |
| 98 Turk St | Union Square | 4,808 | Q4 22 | - | - | Maven Commercial, Inc. |
| Ghirardelli Square | Waterfront/North Beach | 4,747 | Q1 23 | - | - | CBRE |

*Renewal

The recent period has been one of positive rent growth across most of the nation, with landlords benefitting from low availability levels and robust consumer spending. However, in San Francisco, upward movement in retail rents has been more elusive. As of the third quarter, annual market rent growth, which currently stands at 3.3% nationally, was positive by just 0.3% in San Francisco.

This trend is widespread across San Francisco, with all submarkets experiencing anemic rent growth in 2021 and 2022. General retailing, which is the largest category in San Francisco and accounts for more than 75% of the retail market, lags the other subtypes, with positive change of 0.2% over the past year.

Across most U.S. markets, brick-and-mortar retailers benefited from a post-pandemic surge in spending by consumers, as pent-up demand during the pandemic and government stimulus funds combined to fuel increased consumer spending on retail goods and services. In San Francisco, however, this did not translate into rent growth, partly because rents are already among the highest in the nation, with average asking rent currently at \$44.00/SF. This compares to the US average of \$24.00/SF.

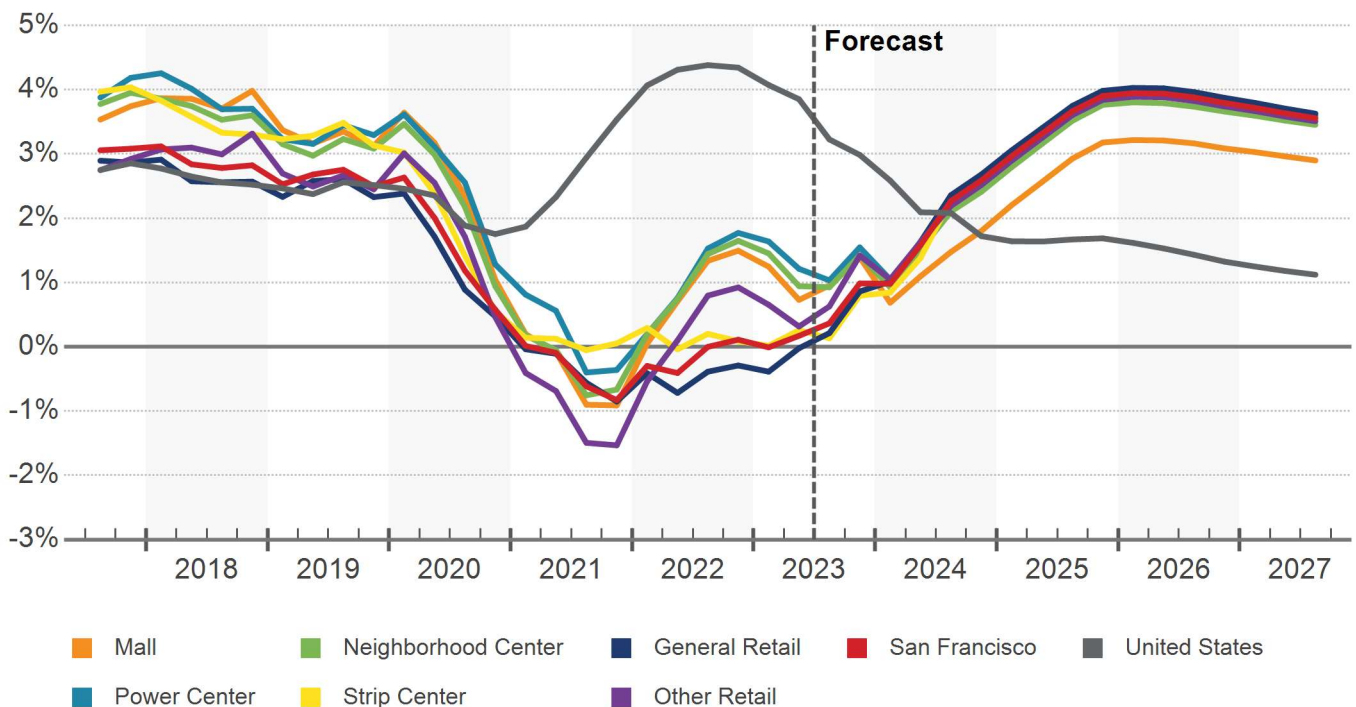
Another major drag on rents for San Francisco is the recent reduction in the size of the retail spending market, caused by a substantial fall in the resident population. According to estimates from the California Department of Finance, the population of San Francisco at the start of 2023 had fallen by around 90,000 people over the past five years.

An even bigger relative fall in daytime commuters has caused distress for retailers in the Financial District and South Financial District, where dozens of retail and restaurant businesses have shuttered in the past three years.

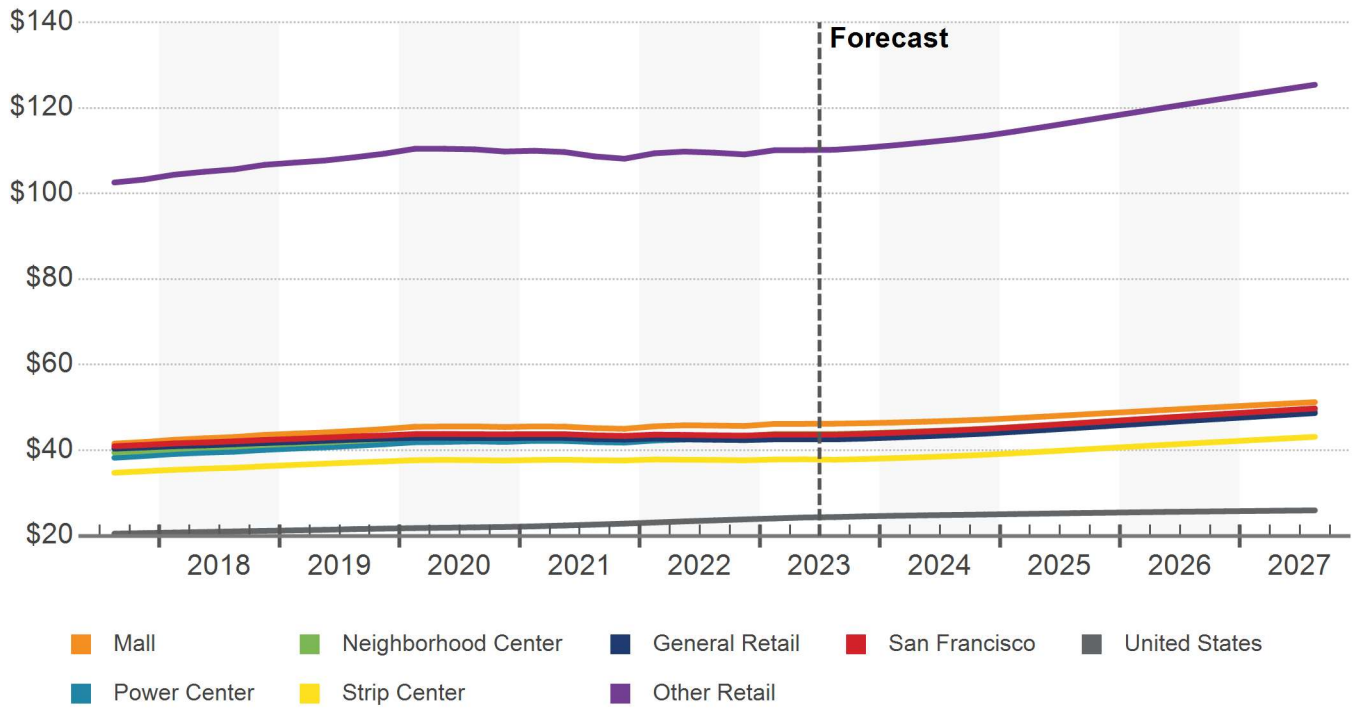
These trends have curtailed rent growth and are likely to continue to act as a constraint that will prevent many landlords from raising rents in the next few years.

Meanwhile, the Union Square Submarket continues to have a major image problem with shoppers. High levels of homelessness and crime are keeping customers away. The City of San Francisco and organizations such as the Union Square Alliance have announced strategies to turn around the fortunes of the submarket. Key steps include improvements to safety and security and greater flexibility in zoning that will broaden the economic base of the neighborhood.

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



As of the third quarter, construction activity in San Francisco is at an historically low level. The construction pipeline consists of a small number of mixed-use redevelopment projects and a single Safeway store, with a total volume of 220,000 SF underway. This compares to the five-year average of 520,000 SF.

The combination of a lack of developable sites and restrictive planning policies has limited the volume of new retail development. Historically, this has kept rents high and vacancies relatively low. However, population decline over the past several years has reduced demand and increased vacancies, thus reducing developer interest in new retail projects. Moreover, the current period of high interest rates has raised the cost of construction financing, thereby presenting an additional challenge to the feasibility of retail developments.

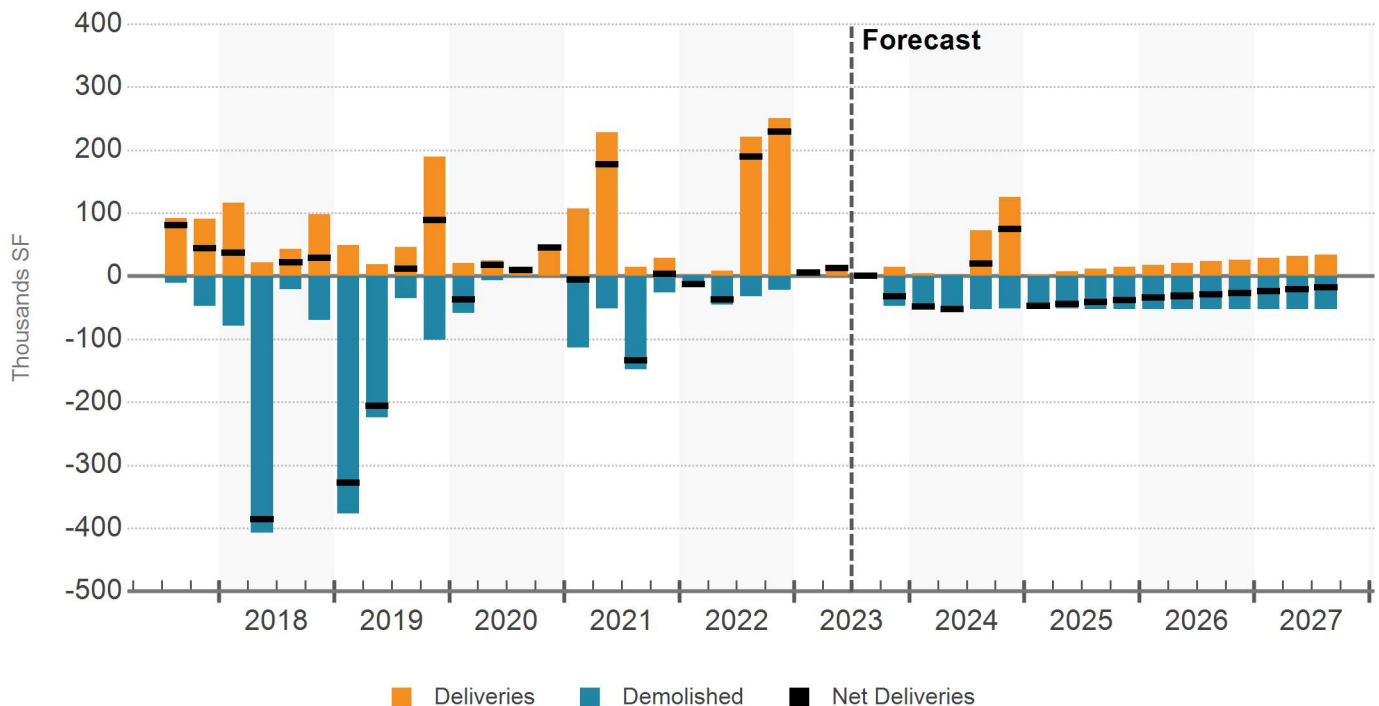
Over the longer term, the stock of shopping center space is falling as other uses become relatively more valuable. In Union Square, the renovation of the old Macy's Men's Store at 100 Stockton St. involves most of the 243,000-SF project being repositioned as office space, as evidenced by the 22Q4 commitment by co-working space provider Convene to take 65,000 SF. Another

building that was previously part of Macy's Union Square complex, at 233 Geary St., was sold for redevelopment in 2020. Plans for the site call for street level retail, several floors of office space, and residential condominiums on the upper levels.

Similarly, the proposals for 48 Stockton St., previously occupied by Barneys New York, include a change of use to office for the upper four floors. In the San Bruno/Millbrae Submarket, the Shops at Tanforan, a 50-year-old mall that was previously anchored by JCPenney and Sears, which had struggled for many years, was sold in 22Q1 for \$82.7 million, or \$142/SF. The buyer was Alexandria Real Estate, which plans to develop a mixed-use biotechnology campus on the site.

Redevelopment of brownfield sites is an additional source of new retail space; however, these projects tend to focus on other uses, such as apartments and office, with a smaller component of ancillary retail. For example, the Gateway at Millbrae Station is a large mixed-use project that includes residences, affordable housing, offices, and a hotel, together with 44,000 SF of street-level retail. The apartment buildings have recently completed and the retail space is in lease-up.

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 | Showplace Square | 1 | 125 | 125 | 100% | 1 | 37,858 | 125,000 | 1 |
| 2 | South San Francisco | 1 | 73 | 73 | 100% | 1 | 10,335 | 72,500 | 2 |
| 3 | Redwood City | 1 | 15 | 15 | 100% | 1 | 8,011 | 15,000 | 3 |
| 4 | Menlo Park | 1 | 5 | 5 | 100% | 1 | 8,329 | 5,000 | 4 |
| 5 | Bayview/Hunters Point | 0 | - | - | - | - | 5,730 | - | - |
| 6 | Belmont/San Carlos | 0 | - | - | - | - | 6,088 | - | - |
| 7 | Brisbane/Daly City | 0 | - | - | - | - | 12,074 | - | - |
| 8 | Burlingame | 0 | - | - | - | - | 8,634 | - | - |
| 9 | Civic Center | 0 | - | - | - | - | 7,506 | - | - |
| 10 | Financial District | 0 | - | - | - | - | 9,125 | - | - |
| | All Other | 0 | - | - | - | - | 7,501 | - | - |
| Totals | | 4 | 218 | 218 | 100% | | 7,860 | 54,375 | |

Under Construction Properties

San Francisco Retail

Properties

Square Feet

Percent of Inventory

Released

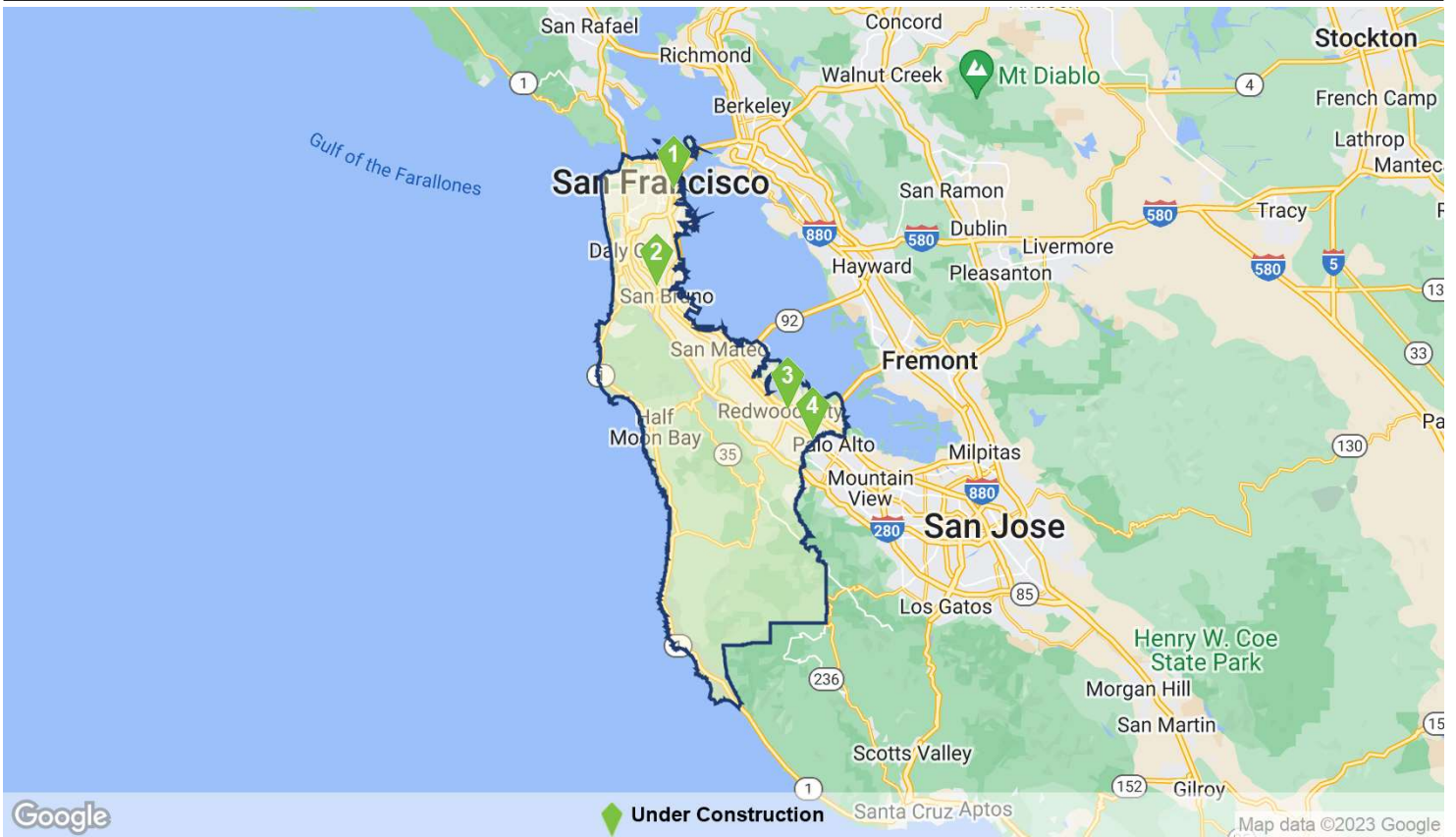
4

217,500

0.3%

100%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

| Property Name/Address | Rating | Bldg SF | Stories | Start | Complete | Developer/Owner |
|---------------------------------------|--------|---------|---------|----------|----------|--|
| 1 Flower Market 901 16th St | ★★★★☆ | 125,000 | 2 | Sep 2023 | Sep 2024 | Kilroy Realty Corporation Kilroy Realty Corporation |
| 2 190 El Camino Real | ★★★★☆ | 72,500 | 2 | Sep 2022 | Jun 2024 | - - |
| 3 CVS 2201 Bay Rd | ★★★★☆ | 15,000 | 1 | Jun 2022 | Oct 2023 | The Sobrato Organization CVS Health |
| 4 115 El Camino Real | ★★★★☆ | 5,000 | 3 | Aug 2022 | Jan 2024 | Via Builders - |

Over the past few quarters, the transaction markets have experienced a significant slowdown, tapping the brakes on sales activity. Faced with elevated interest rates and a slowdown in consumer spending, capital sources in the retail sector are undergoing a shift, with private investors taking the lead. Institutional and REIT investors have adopted a more-cautious stance, navigating the uncertainties ahead.

Retail investment activity in San Francisco typically comprises a large number of small deals, with almost all transactions involving individual retail stores in the general retail subtype. Total sales volume in the past year was \$264 million across 130 transactions. This compares with the 10-year annual average volume of \$929 million and 420 transactions. Sales activity has slowed primarily due to the impact that higher interest rates and weakness in operating performance are having on the availability of financing and investor confidence.

Most of the recent sales are of smaller 2 Star and 3 Star buildings, picked up by local private investors and owner-users. The average transaction price for sales that closed over the past year was \$460/SF, which is somewhat below the five year average of \$570/SF. In general, the resilience of the single-tenant net-lease space stands out. This niche attracts private capital, primarily composed of cash buyers with long-term investment horizons. Motivated by tax deferral and estate planning factors, these investors have experienced relatively modest increases of 25-50 basis points in cap rates over the past year. The reaction to higher interest

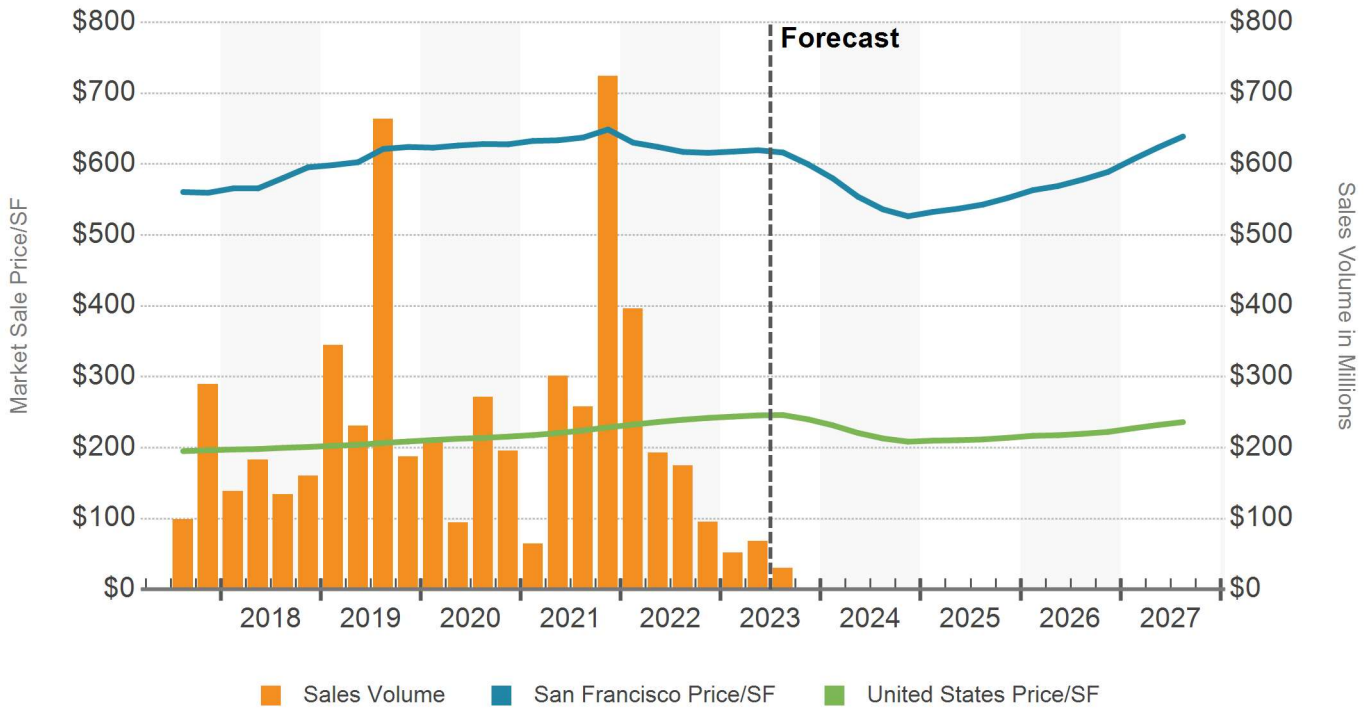
rates has been delayed in this space due to the lesser use of debt by trade buyers.

In downtown San Francisco, persistent levels of high vacancy have started to cause distress for over-leveraged owners. Most notably, the owner of the Westfield San Francisco Center elected to walk away from the property in 23Q2, transferring ownership of the mall, which had previously been valued at \$1.2 billion, to the lender of its \$560 million mortgage.

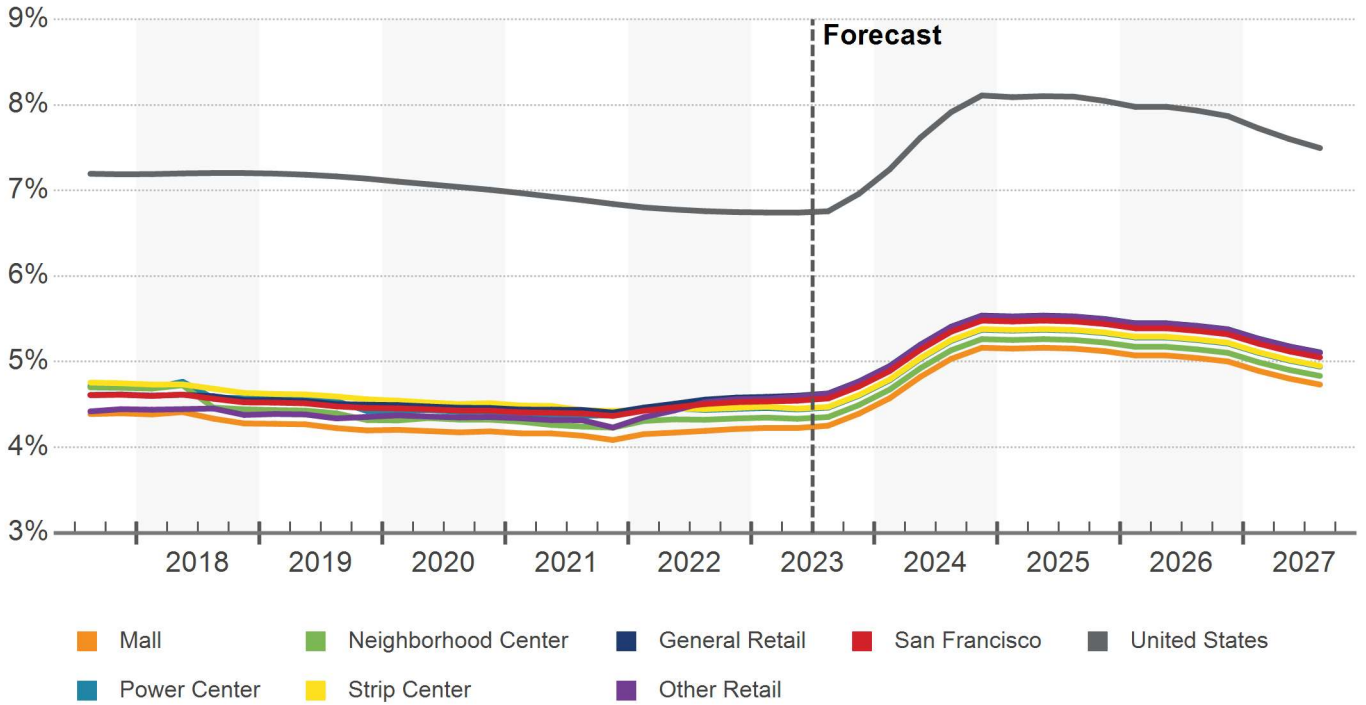
Further, in August 2023, the owner of 220 Post St., which has stood vacant since it was vacated by Saks Fifth Avenue in 2020, transferred the deed in lieu of foreclosure to the lender. The property had been acquired for \$73 million in 2016, and had a \$47.5 million outstanding loan amount.

Among the larger transactions, redevelopment plays featured heavily in sales of retail properties in recent years, and consequently the average transaction price in 23Q3 has dropped to \$390/SF. The largest of these transactions was the sale of the Shops at Tanforan in the San Bruno/Millbrae Submarket. This 50-year-old mall was previously anchored by JCPenney and Sears and had struggled with high vacancy for many years. The property was sold in 2022 for \$82.7 million, or \$142/SF. The buyer was Alexandria Real Estate Equities, which plans to develop a biotechnology campus on the site, comprising mainly life science office and residential components.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

San Francisco Retail

Sale Comparables

137

Avg. Cap Rate

5.3%

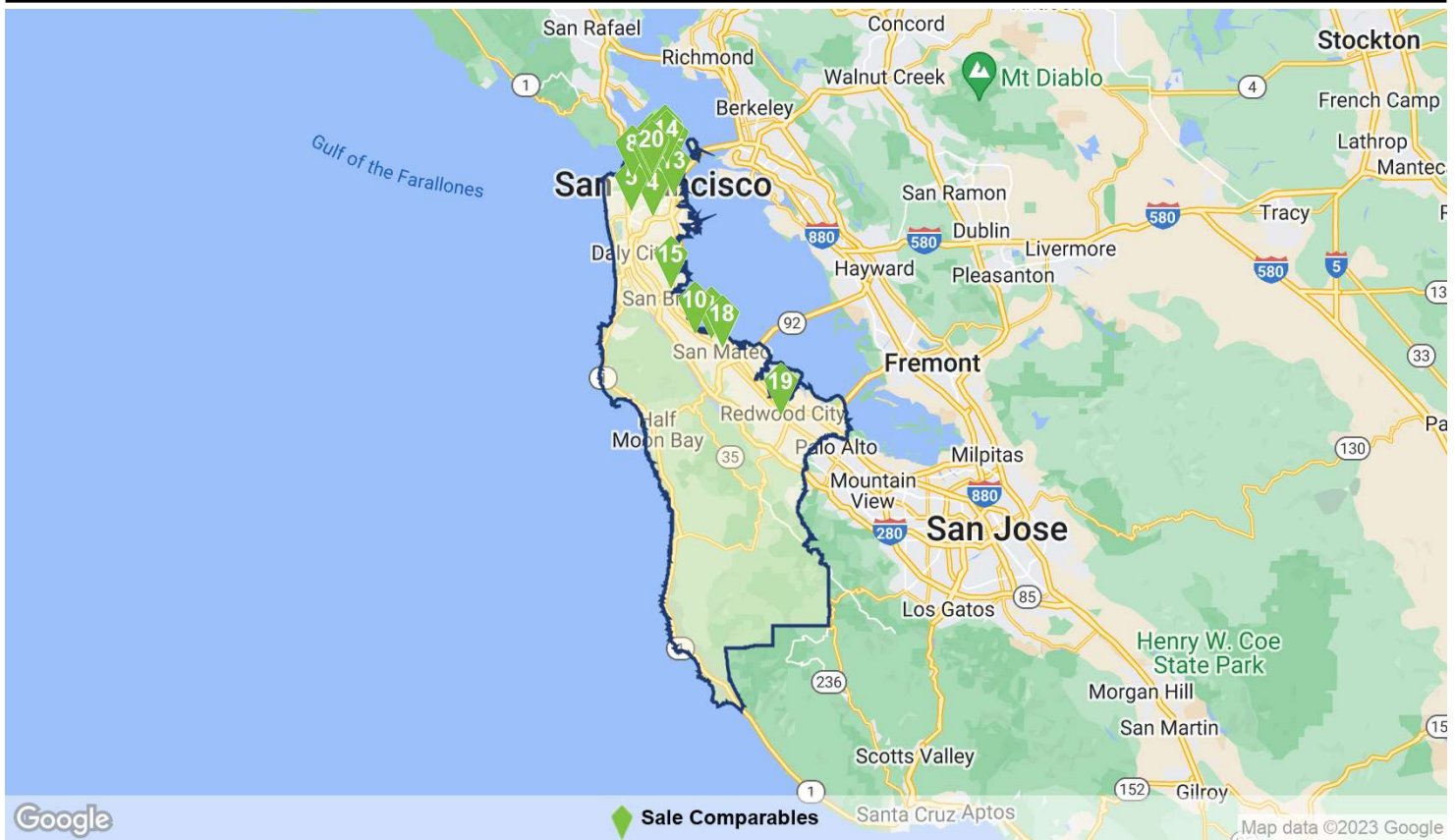
Avg. Price/SF

\$451

Avg. Vacancy At Sale

5.3%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

| Sales Attributes | Low | Average | Median | High |
|---------------------------|-----------|---------------|-------------|--------------|
| Sale Price | \$145,001 | \$2,182,805 | \$1,500,000 | \$13,500,000 |
| Price/SF | \$10 | \$451 | \$490 | \$4,750 |
| Cap Rate | 3.4% | 5.3% | 5.1% | 8.1% |
| Time Since Sale in Months | 0.4 | 6.5 | 6.7 | 12.0 |
| Property Attributes | Low | Average | Median | High |
| Building SF | 750 | 6,969 | 3,498 | 198,525 |
| Stories | 1 | 2 | 2 | 5 |
| Typical Floor SF | 1 | 3,317 | 1,970 | 39,705 |
| Vacancy Rate At Sale | 0% | 5.3% | 0% | 100% |
| Year Built | 1880 | 1935 | 1926 | 2021 |
| Star Rating | ★ ★ ★ ★ ★ | ★ ★ ★ ★ ★ 2.1 | ★ ★ ★ ★ ★ | ★ ★ ★ ★ ★ |

Sales Past 12 Months

San Francisco Retail

RECENT SIGNIFICANT SALES

| Property Name - Address | Property | | | | Sale | | | | |
|--|----------|----------|---------|---------|------------|--------------|----------|----------|--|
| | Rating | Yr Built | Bldg SF | Vacancy | Sale Date | Price | Price/SF | Cap Rate | |
| 1 925 Bayswater Ave | ★★★★★ | - | 15,570 | 0% | 4/4/2023 | \$13,500,000 | \$867 | - | |
| 2 2740-2750 Van Ness Ave | ★★★★★ | 1977 | 17,727 | 50.6% | 12/15/2022 | \$11,205,114 | \$632 | - | |
| 3 2567 Mission St | ★★★★★ | 1925 | 14,605 | 0% | 2/7/2023 | \$8,100,000 | \$555 | - | |
| 4 Gus's Community Market 2815-2825 Diamond St | ★★★★★ | 2006 | 7,793 | 0% | 12/27/2022 | \$6,650,000 | \$853 | - | |
| 5 98 W Portal Ave | ★★★★★ | - | 12,860 | 0% | 12/15/2022 | \$6,087,549 | \$473 | - | |
| 6 2172-2176 Union St | ★★★★★ | 1925 | 10,818 | 0% | 12/23/2022 | \$6,000,000 | \$555 | - | |
| 7 435 E 3rd Ave | ★★★★★ | 1960 | 1,200 | 0% | 11/17/2022 | \$5,700,000 | \$4,750 | - | |
| 8 601 Clement St | ★★★★★ | 1912 | 11,706 | 0% | 5/10/2023 | \$5,300,000 | \$453 | - | |
| 9 101 Jefferson St | ★★★★★ | 1946 | 3,280 | 100% | 1/20/2023 | \$5,200,000 | \$1,585 | - | |
| 10 1188 El Camino Real | ★★★★★ | 1981 | 6,090 | 0% | 12/15/2022 | \$5,128,171 | \$842 | - | |
| 11 1000-1010 Valencia St | ★★★★★ | 1978 | 11,777 | 20.0% | 3/1/2023 | \$4,900,000 | \$416 | 6.3% | |
| 12 38-42 Hotaling Pl | ★★★★★ | 1900 | 11,745 | 0% | 4/3/2023 | \$4,900,000 | \$417 | - | |
| 13 The Victoria Mews 1800 20th St | ★★★★★ | 1980 | 11,757 | 1.0% | 1/20/2023 | \$4,500,000 | \$383 | 6.6% | |
| 14 659 Columbus Ave | ★★★★★ | 1908 | 2,464 | 0% | 4/14/2023 | \$4,100,000 | \$1,664 | - | |
| 15 400 S Airport Blvd | ★★★★★ | 1965 | 5,343 | 0% | 6/9/2023 | \$4,100,000 | \$767 | - | |
| 16 661-663 Divisadero St | ★★★★★ | 1915 | 5,600 | 0% | 2/3/2023 | \$4,000,000 | \$714 | - | |
| 17 1550 Steiner St | ★★★★★ | 1966 | 8,668 | 0% | 11/11/2022 | \$3,850,000 | \$444 | 4.8% | |
| 18 108 South Claremont St | ★★★★★ | 1955 | 9,883 | 0% | 10/25/2022 | \$3,700,000 | \$374 | - | |
| 19 1402-1408 El Camino Real | ★★★★★ | 1950 | 6,084 | 0% | 5/17/2023 | \$3,500,000 | \$575 | 5.6% | |
| 20 1923-1961 Fillmore St | ★★★★★ | 1900 | 15,364 | 0% | 9/1/2023 | \$3,300,000 | \$215 | 6.1% | |

From Gold Rush to Dot-Com, the San Francisco economy has a long history of boom followed by bust. And the current iteration of this cycle may prove to be the most dramatic. The tech boom of the 2010s, fed by the world's appetite for new mobile technologies, brought tremendous demand from expanding tech companies for office space, and a growing workforce that needed housing. Real estate prices increased rapidly to among the highest in the nation, prompting a construction boom across the city. In 2020, the COVID-19 pandemic abruptly halted that pattern. Tech companies quickly adapted to remote working, while their workforce left the city in large numbers. Three years on, in the disrupted real estate markets, demand remains low and prices are adjusting.

San Francisco is one of three major markets—the others being the East Bay and San Jose—that together, comprise most of the San Francisco Bay Area. The Bay Area is one of the largest metropolitan areas in the U.S., with a total population of 9.5 million, and is a major gateway city and generator of economic growth. The San Francisco market comprises San Francisco and San Mateo counties and is home to 1.6 million people. The major center for business activity is the Financial District in Downtown San Francisco. Major industries include information and communications technology, professional and business services, and tourism.

The COVID-19 pandemic triggered an economic downturn that disrupted San Francisco's core economic base and impacted the performance of key commercial real estate sectors. Most notably, the slow pace of a return to in-office working in Downtown San Francisco has impacted the viability and value of downtown office properties and had negative impacts on local businesses. Data from office key card usage and transit activity on BART show that San Francisco has one of the lowest

return-to-office levels of any major market in the nation. Reflecting this fall in activity, office vacancy levels have escalated, particularly in the Financial District and South Financial District, which are the core submarkets that contain the bulk of San Francisco's 4 & 5 Star office space.

The high cost of living led to a decline in San Francisco's population prior to 2020, but the pandemic accelerated this trend, with the population falling by -5.1% at the height of the pandemic. Recently, some of these losses have been recovered. Nevertheless, the metro still has -110,000 fewer people than it did five years ago.

Total employment has recovered and is now slightly ahead of where it was pre-pandemic. However, employment growth has been constrained by outward migration and a fall in the labor market participation rate. After falling to a 10-year low of 2.3% in 2022, the unemployment rate has increased to 2.9% in 2023q3. Layoffs in the technology sector have improved liquidity in the tight employment market but have also contributed to some weakening of demand in residential and retail markets.

Innovation in life sciences and biotechnology has driven growth in areas such as South San Francisco, and prompted developers to move forward with a range of lab space, R&D space, and residential construction projects. That said, delivery of life science projects is occurring at a time when businesses are cutting back on capital commitments, as high interest rates impact company valuations and dampen interest from venture capital and other investors.

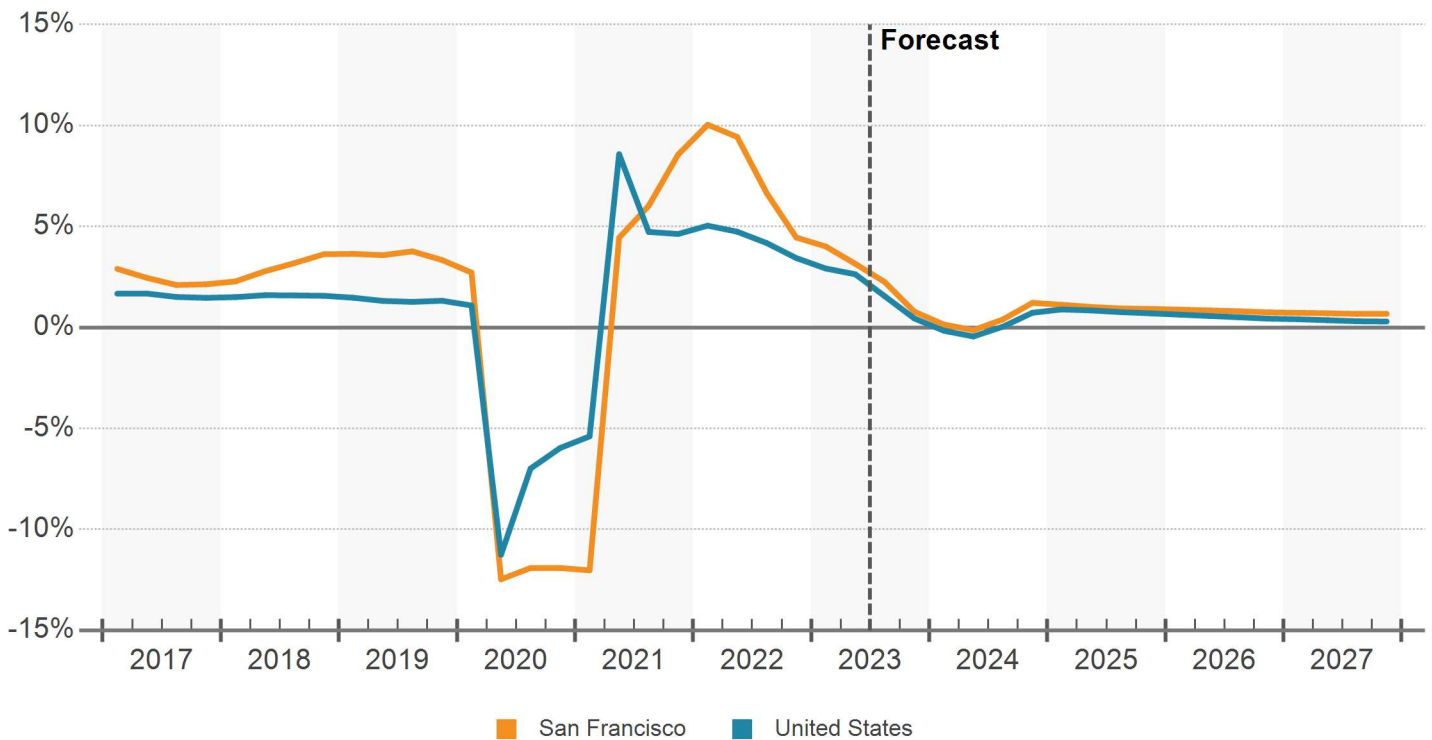
Future tech growth in new areas such as AI is expected to remain focused in the Bay Area, and is expected to drive the economy forward over the coming years.

SAN FRANCISCO 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 | 39 | 0.4 | -0.79% | 0.47% | 0.74% | 0.75% | 0.40% | 0.06% |
| Trade, Transportation and Utilities | 139 | 0.6 | 1.10% | 0.39% | 0.31% | 1.14% | -0.12% | 0.10% |
| Retail Trade | 67 | 0.6 | -0.66% | 0.24% | -1.48% | 0.30% | -0.20% | 0.09% |
| Financial Activities | 90 | 1.3 | 1.88% | 0.55% | 2.23% | 1.44% | 0.04% | 0.12% |
| Government | 136 | 0.8 | 0.62% | 1.46% | 1.55% | 0.32% | 0.47% | 0.42% |
| Natural Resources, Mining and Construction | 41 | 0.6 | -1.29% | 1.87% | 2.78% | 2.40% | 0.77% | 0.22% |
| Education and Health Services | 156 | 0.8 | 4.69% | 2.95% | 2.63% | 1.78% | 0.51% | 0.68% |
| Professional and Business Services | 317 | 1.8 | 2.46% | 1.34% | 3.44% | 2.09% | 0.69% | 0.36% |
| Information | 125 | 5.2 | -2.30% | -1.29% | 9.55% | 1.25% | 1.61% | 0.28% |
| Leisure and Hospitality | 131 | 1.0 | 9.78% | 4.41% | 0.38% | 1.52% | 1.61% | 0.89% |
| Other Services | 39 | 0.9 | 2.81% | 1.99% | 0.21% | 0.62% | 0.38% | 0.28% |
| Total Employment | 1,213 | 1.0 | 2.32% | 1.64% | 2.45% | 1.32% | 0.68% | 0.38% |

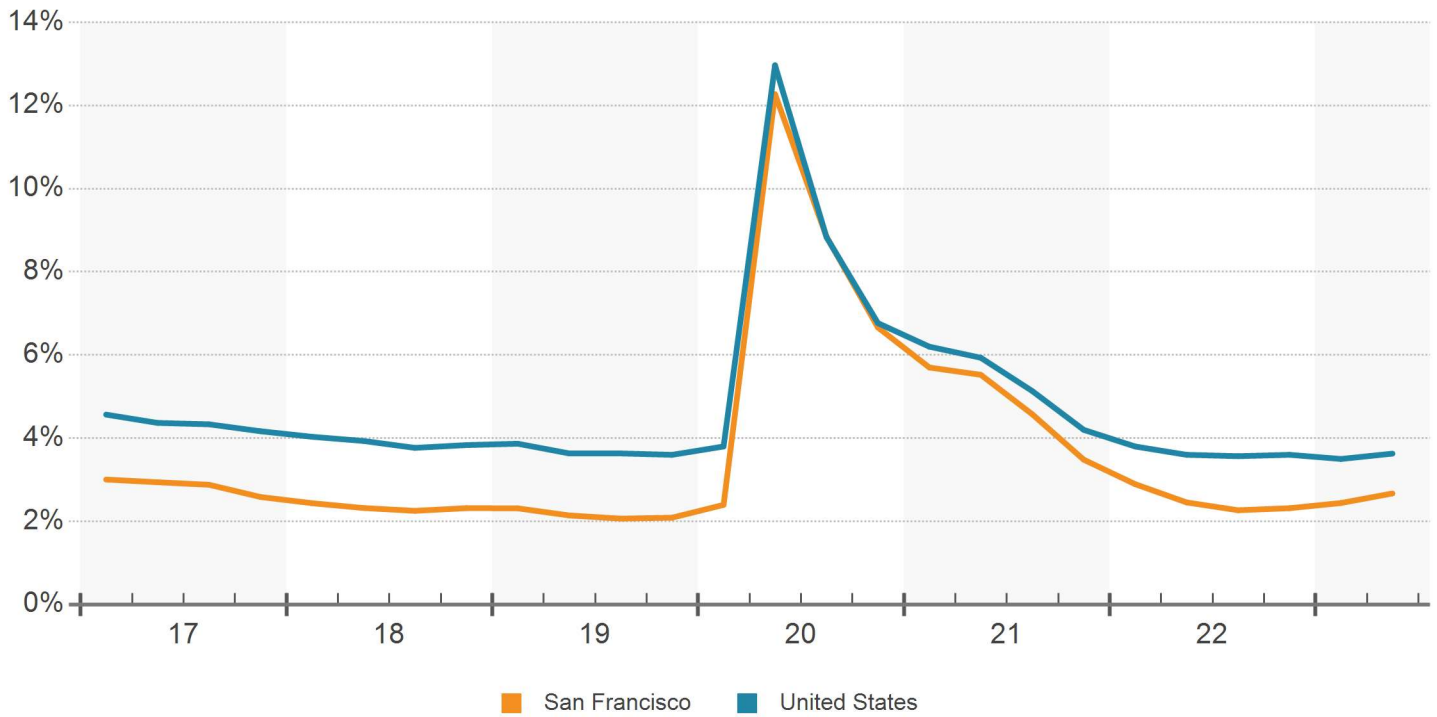
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

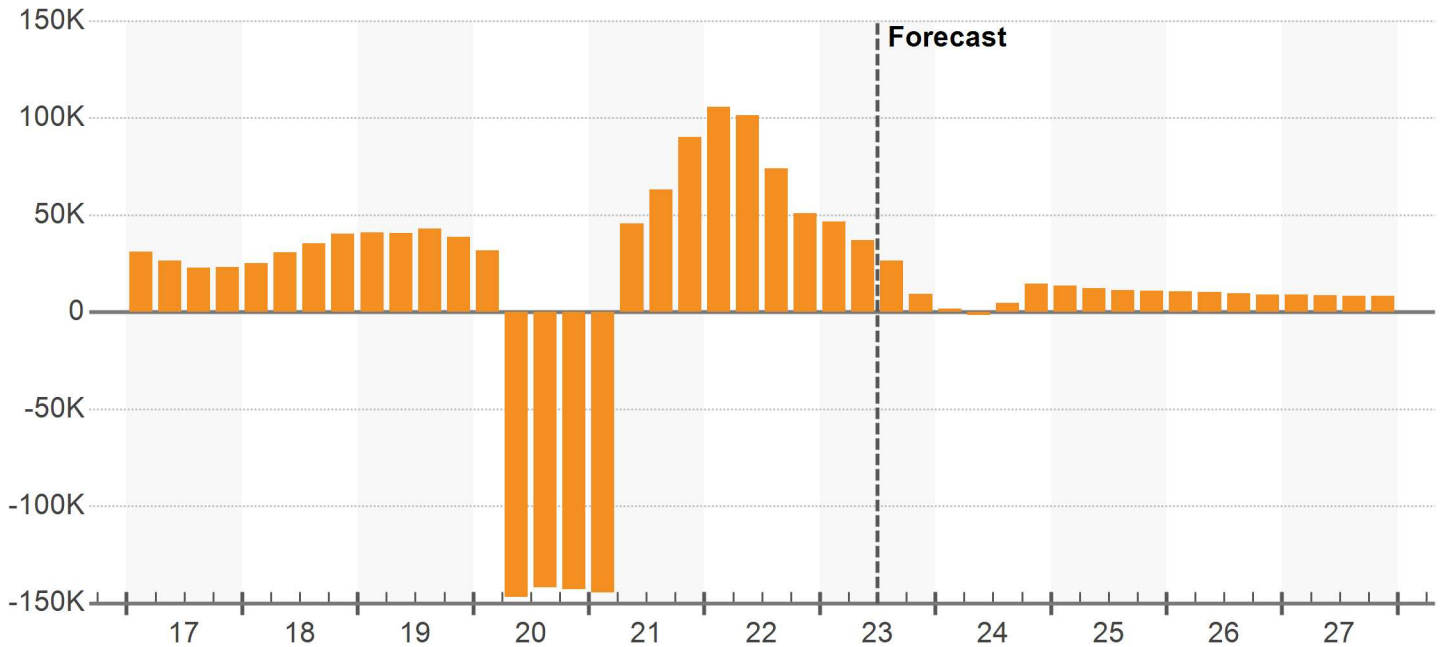


Source: Oxford Economics

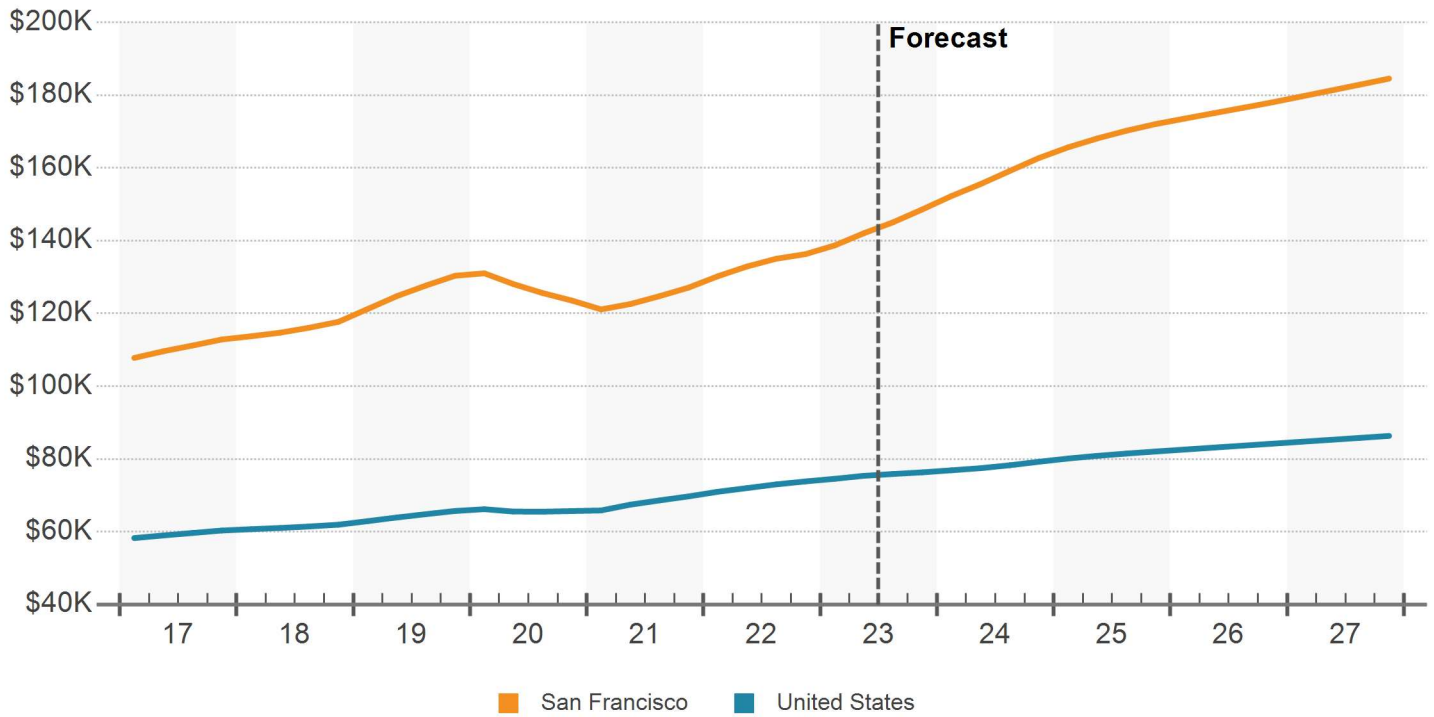
UNEMPLOYMENT RATE (%)



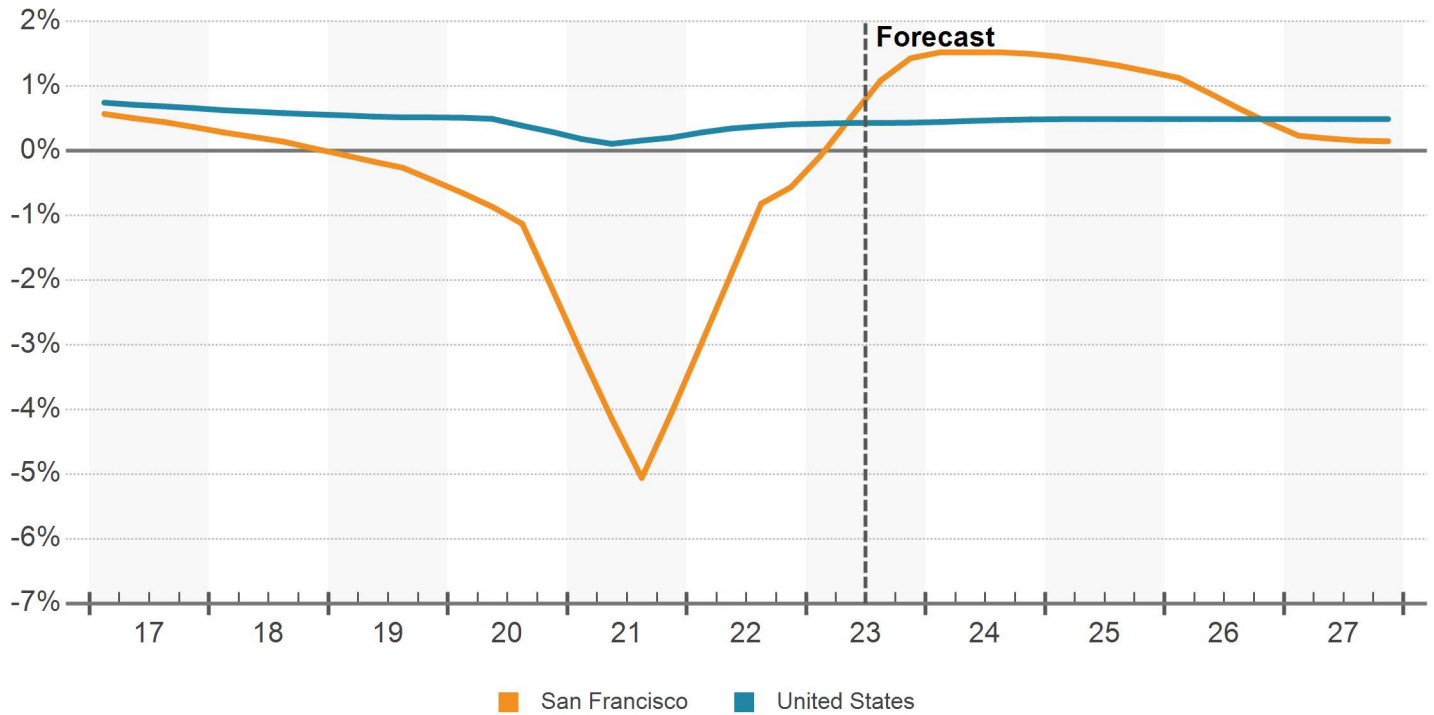
NET EMPLOYMENT CHANGE (YOY)



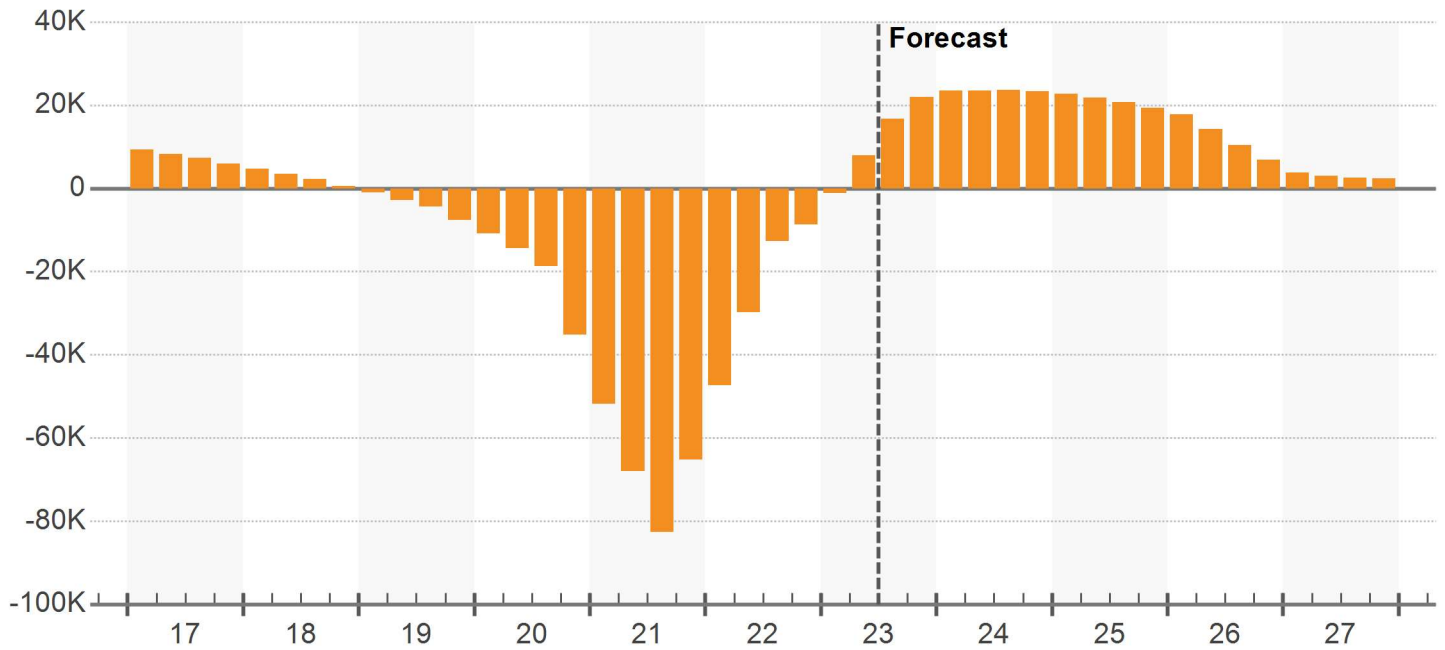
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

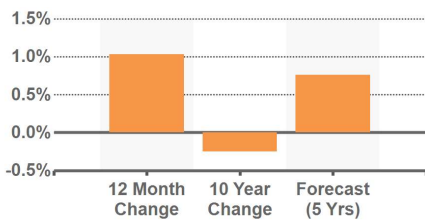


DEMOGRAPHIC TRENDS

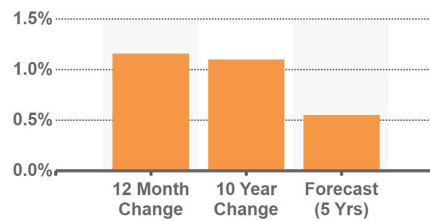
| Demographic Category | Current Level | | 12 Month Change | | 10 Year Change | | 5 Year Forecast | |
|-------------------------|---------------|-------------|-----------------|------|----------------|-------|-----------------|------|
| | Metro | US | Metro | US | Metro | US | Metro | US |
| Population | 1,553,835 | 334,695,844 | 1.0% | 0.4% | -0.3% | 0.6% | 0.8% | 0.5% |
| Households | 621,823 | 129,975,961 | 1.2% | 0.6% | -0.1% | 0.9% | 0.9% | 0.6% |
| Median Household Income | \$144,766 | \$75,823 | 7.4% | 4.0% | 5.6% | 3.8% | 5.5% | 3.0% |
| Labor Force | 1,037,626 | 165,913,797 | 1.2% | 0.9% | 1.1% | 0.6% | 0.5% | 0.4% |
| Unemployment | 2.7% | 3.6% | 0.4% | 0.1% | -0.3% | -0.4% | - | - |

Source: Oxford Economics

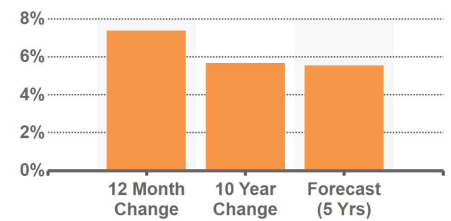
POPULATION GROWTH



LABOR FORCE GROWTH



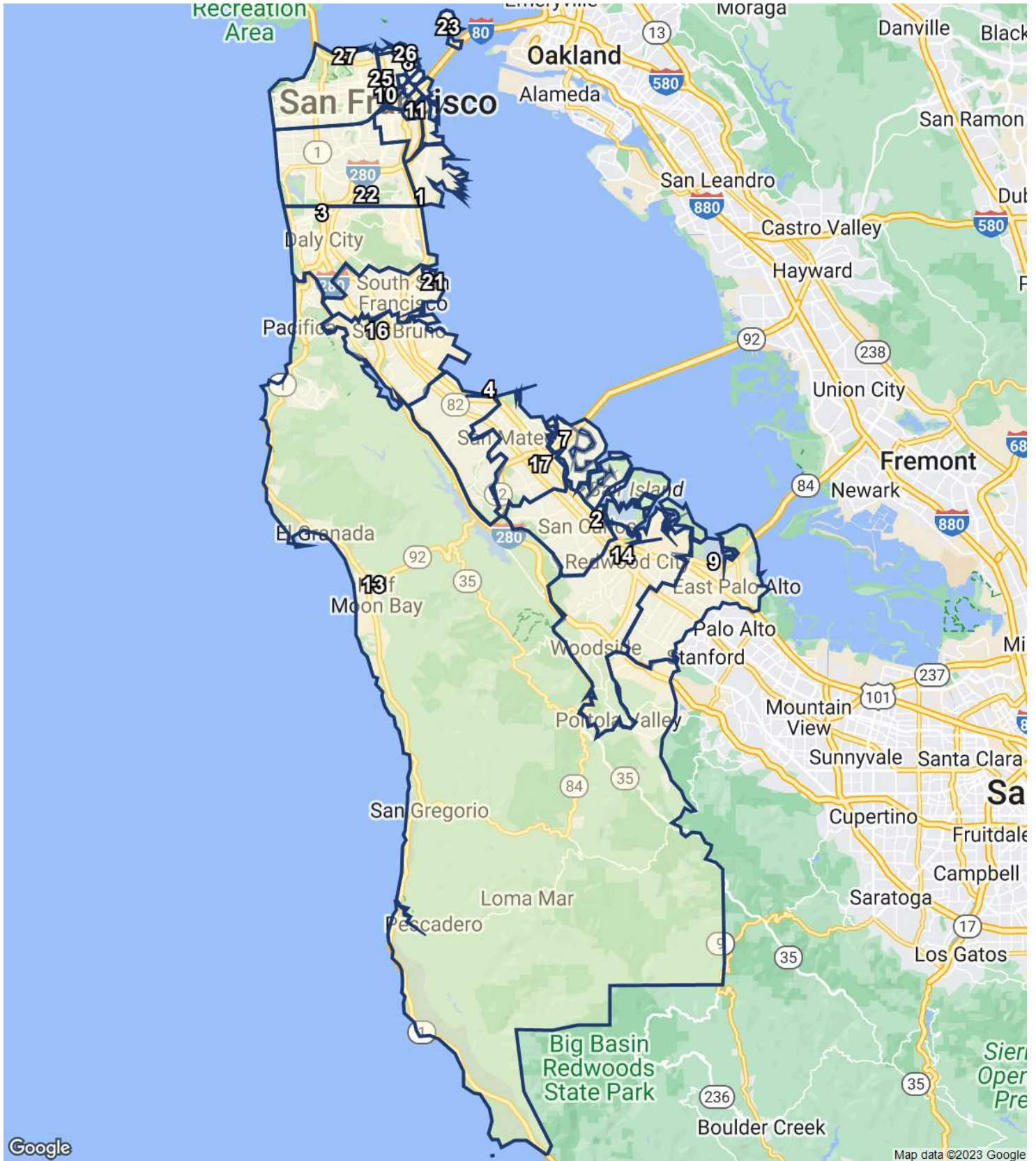
INCOME GROWTH



Source: Oxford Economics

Submarkets

SAN FRANCISCO SUBMARKETS



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 | Bayview/Hunters Point | 143 | 819 | 1.0% | 19 | 1 | 1 | 0.1% | 7 | 0 | - | - | - |
| 2 | Belmont/San Carlos | 377 | 2,295 | 2.8% | 14 | 0 | 0 | 0% | - | 0 | - | - | - |
| 3 | Brisbane/Daly City | 456 | 5,506 | 6.6% | 5 | 2 | 13 | 0.2% | 3 | 0 | - | - | - |
| 4 | Burlingame | 267 | 2,305 | 2.8% | 13 | 1 | 12 | 0.5% | 4 | 0 | - | - | - |
| 5 | Civic Center | 40 | 300 | 0.4% | 26 | 0 | 0 | 0% | - | 0 | - | - | - |
| 6 | Financial District | 73 | 666 | 0.8% | 21 | 0 | 0 | 0% | - | 0 | - | - | - |
| 7 | Foster City/Redwood Shrs | 35 | 771 | 0.9% | 20 | 0 | 0 | 0% | - | 0 | - | - | - |
| 8 | Jackson Square | 34 | 289 | 0.3% | 27 | 0 | 0 | 0% | - | 0 | - | - | - |
| 9 | Menlo Park | 224 | 1,866 | 2.2% | 16 | 0 | 0 | 0% | - | 1 | 5 | 0.3% | 4 |
| 10 | MidMarket | 39 | 607 | 0.7% | 22 | 0 | 0 | 0% | - | 0 | - | - | - |
| 11 | Mission Bay/China Basin | 31 | 568 | 0.7% | 23 | 0 | 0 | 0% | - | 0 | - | - | - |
| 12 | Mission/Potrero | 983 | 6,640 | 8.0% | 4 | 0 | 0 | 0% | - | 0 | - | - | - |
| 13 | Peninsula Coastline | 325 | 3,156 | 3.8% | 10 | 1 | 2 | 0.1% | 5 | 0 | - | - | - |
| 14 | Redwood City | 492 | 3,942 | 4.7% | 8 | 0 | 0 | 0% | - | 1 | 15 | 0.4% | 3 |
| 15 | Rincon/South Beach | 35 | 376 | 0.5% | 24 | 0 | 0 | 0% | - | 0 | - | - | - |
| 16 | San Bruno/Millbrae | 416 | 4,072 | 4.9% | 7 | 1 | 19 | 0.5% | 2 | 0 | - | - | - |
| 17 | San Mateo | 545 | 5,223 | 6.3% | 6 | 1 | 2 | 0% | 6 | 0 | - | - | - |
| 18 | Showplace Square | 30 | 1,136 | 1.4% | 18 | 0 | 0 | 0% | - | 1 | 125 | 11.0% | 1 |
| 19 | South Financial District | 23 | 329 | 0.4% | 25 | 0 | 0 | 0% | - | 0 | - | - | - |
| 20 | South of Market | 187 | 1,744 | 2.1% | 17 | 0 | 0 | 0% | - | 0 | - | - | - |
| 21 | South San Francisco | 256 | 2,646 | 3.2% | 12 | 0 | 0 | 0% | - | 1 | 73 | 2.7% | 2 |
| 22 | Southern City | 1,922 | 9,276 | 11.2% | 2 | 0 | 0 | 0% | - | 0 | - | - | - |
| 23 | Treasure/Yerba Buena Isl... | 2 | 55 | 0.1% | 28 | 0 | 0 | 0% | - | 0 | - | - | - |
| 24 | Union Square | 148 | 3,268 | 3.9% | 9 | 2 | 243 | 7.4% | 1 | 0 | - | - | - |
| 25 | Van Ness/Chinatown | 875 | 7,084 | 8.5% | 3 | 0 | 0 | 0% | - | 0 | - | - | - |
| 26 | Waterfront/North Beach | 255 | 2,706 | 3.3% | 11 | 0 | 0 | 0% | - | 0 | - | - | - |
| 27 | West of Van Ness | 2,321 | 13,220 | 15.9% | 1 | 0 | 0 | 0% | - | 0 | - | - | - |
| 28 | Yerba Buena | 35 | 2,209 | 2.7% | 15 | 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 | Bayview/Hunters Point | \$24.94 | 27 | 1.0% | 3 | -1.1% | 27 |
| 2 | Belmont/San Carlos | \$38.26 | 20 | 0.1% | 23 | -0.4% | 21 |
| 3 | Brisbane/Daly City | \$39.83 | 17 | 0.7% | 10 | -0.4% | 22 |
| 4 | Burlingame | \$47.51 | 10 | 0.1% | 22 | -0.4% | 19 |
| 5 | Civic Center | \$53.68 | 5 | 0.1% | 24 | -0.2% | 16 |
| 6 | Financial District | \$60.76 | 2 | 0.3% | 20 | -0.1% | 13 |
| 7 | Foster City/Redwood Shrs | \$44.27 | 12 | 3.9% | 1 | 10.0% | 1 |
| 8 | Jackson Square | \$50.66 | 7 | 0.5% | 14 | 0.1% | 11 |
| 9 | Menlo Park | \$48.67 | 9 | -0.1% | 27 | -0.4% | 23 |
| 10 | MidMarket | \$41.21 | 15 | 0.6% | 13 | 0.2% | 8 |
| 11 | Mission Bay/China Basin | \$40.91 | 16 | 0.9% | 4 | 0.2% | 9 |
| 12 | Mission/Potrero | \$43.20 | 13 | 0% | 25 | -0.2% | 17 |
| 13 | Peninsula Coastline | \$34.35 | 24 | 0.8% | 9 | -1.0% | 25 |
| 14 | Redwood City | \$37.06 | 23 | 0.4% | 18 | -1.1% | 26 |
| 15 | Rincon/South Beach | \$39.56 | 18 | 0.5% | 16 | 0% | 12 |
| 16 | San Bruno/Millbrae | \$38.01 | 22 | 0.8% | 8 | -0.9% | 24 |
| 17 | San Mateo | \$38.46 | 19 | 0.6% | 12 | 0.9% | 3 |
| 18 | Showplace Square | \$38.01 | 21 | 0.8% | 6 | 0.4% | 5 |
| 19 | South Financial District | \$53.87 | 4 | 0.7% | 11 | 0.2% | 6 |
| 20 | South of Market | \$30.51 | 25 | 0.4% | 19 | -0.1% | 15 |
| 21 | South San Francisco | \$30.24 | 26 | 0.5% | 17 | -1.6% | 28 |
| 22 | Southern City | \$41.27 | 14 | 0% | 26 | -0.3% | 18 |
| 23 | Treasure/Yerba Buena Isl... | \$5.54 | 28 | 1.1% | 2 | 1.3% | 2 |
| 24 | Union Square | \$56.29 | 3 | 0.8% | 7 | 0.2% | 7 |
| 25 | Van Ness/Chinatown | \$44.28 | 11 | 0.2% | 21 | -0.1% | 14 |
| 26 | Waterfront/North Beach | \$66.24 | 1 | 0.5% | 15 | 0.1% | 10 |
| 27 | West of Van Ness | \$49.99 | 8 | -0.1% | 28 | -0.4% | 20 |
| 28 | Yerba Buena | \$53.20 | 6 | 0.9% | 5 | 0.4% | 4 |

SUBMARKET VACANCY & NET ABSORPTION

| No. | Submarket | Vacancy | | | 12 Month Absorption | | | |
|-----|-----------------------------|---------|---------|------|---------------------|----------|------|-----------------|
| | | SF | Percent | Rank | SF | % of Inv | Rank | Construc. Ratio |
| 1 | Bayview/Hunters Point | 8,256 | 1.0% | 2 | 10,885 | 1.3% | 9 | 0.1 |
| 2 | Belmont/San Carlos | 60,019 | 2.6% | 9 | 15,814 | 0.7% | 6 | - |
| 3 | Brisbane/Daly City | 83,162 | 1.5% | 6 | 59,813 | 1.1% | 1 | - |
| 4 | Burlingame | 18,413 | 0.8% | 1 | 45,319 | 2.0% | 2 | 0.3 |
| 5 | Civic Center | 3,273 | 1.1% | 3 | 13,981 | 4.7% | 8 | - |
| 6 | Financial District | 21,752 | 3.3% | 11 | 3,329 | 0.5% | 15 | - |
| 7 | Foster City/Redwood Shrs | 119,476 | 15.5% | 23 | (6,746) | -0.9% | 20 | - |
| 8 | Jackson Square | 18,672 | 6.5% | 17 | (4,323) | -1.5% | 19 | - |
| 9 | Menlo Park | 42,424 | 2.3% | 7 | 4,349 | 0.2% | 13 | - |
| 10 | MidMarket | 130,215 | 21.5% | 25 | (29,326) | -4.8% | 26 | - |
| 11 | Mission Bay/China Basin | 8,426 | 1.5% | 5 | 1,350 | 0.2% | 16 | - |
| 12 | Mission/Potrero | 287,615 | 4.3% | 12 | (15,800) | -0.2% | 23 | - |
| 13 | Peninsula Coastline | 39,526 | 1.3% | 4 | 6,743 | 0.2% | 12 | 0.3 |
| 14 | Redwood City | 99,271 | 2.5% | 8 | 8,297 | 0.2% | 10 | - |
| 15 | Rincon/South Beach | 20,167 | 5.4% | 16 | 4,102 | 1.1% | 14 | - |
| 16 | San Bruno/Millbrae | 338,549 | 8.3% | 20 | 21,337 | 0.5% | 4 | - |
| 17 | San Mateo | 365,990 | 7.0% | 18 | 26,460 | 0.5% | 3 | - |
| 18 | Showplace Square | 306,264 | 27.0% | 27 | (7,232) | -0.6% | 21 | - |
| 19 | South Financial District | 24,620 | 7.5% | 19 | (1,422) | -0.4% | 18 | - |
| 20 | South of Market | 77,581 | 4.4% | 14 | (7,373) | -0.4% | 22 | - |
| 21 | South San Francisco | 222,972 | 8.4% | 21 | 14,148 | 0.5% | 7 | - |
| 22 | Southern City | 403,276 | 4.3% | 13 | (28,026) | -0.3% | 25 | - |
| 23 | Treasure/Yerba Buena Isl... | - | - | - | 0 | 0% | - | - |
| 24 | Union Square | 597,312 | 18.3% | 24 | 7,308 | 0.2% | 11 | 33.2 |
| 25 | Van Ness/Chinatown | 318,454 | 4.5% | 15 | (66,205) | -0.9% | 27 | - |
| 26 | Waterfront/North Beach | 336,240 | 12.4% | 22 | 18,083 | 0.7% | 5 | - |
| 27 | West of Van Ness | 375,762 | 2.8% | 10 | (18,596) | -0.1% | 24 | - |
| 28 | Yerba Buena | 503,136 | 22.8% | 26 | (346,349) | -15.7% | 28 | - |

Supply & Demand Trends

San Francisco Retail

OVERALL SUPPLY & DEMAND

| Year | Inventory | | | Net Absorption | | |
|------|------------|-----------|----------|----------------|----------|--------------------|
| | SF | SF Growth | % Growth | SF | % of Inv | Construction Ratio |
| 2027 | 82,550,048 | (78,355) | -0.1% | 58,717 | 0.1% | - |
| 2026 | 82,628,403 | (121,291) | -0.1% | 66,224 | 0.1% | - |
| 2025 | 82,749,694 | (170,384) | -0.2% | 166,816 | 0.2% | - |
| 2024 | 82,920,078 | (6,223) | 0% | 191,889 | 0.2% | - |
| 2023 | 82,926,301 | (14,865) | 0% | (335,014) | -0.4% | - |
| YTD | 82,958,802 | 17,636 | 0% | (297,648) | -0.4% | - |
| 2022 | 82,941,166 | 369,210 | 0.4% | 158,688 | 0.2% | 2.3 |
| 2021 | 82,571,956 | 41,099 | 0% | (106,811) | -0.1% | - |
| 2020 | 82,530,857 | 35,285 | 0% | (1,318,902) | -1.6% | - |
| 2019 | 82,495,572 | (433,250) | -0.5% | (587,655) | -0.7% | - |
| 2018 | 82,928,822 | (298,204) | -0.4% | (810,258) | -1.0% | - |
| 2017 | 83,227,026 | 437,129 | 0.5% | 122,114 | 0.1% | 3.6 |
| 2016 | 82,789,897 | 61,118 | 0.1% | (7,989) | 0% | - |
| 2015 | 82,728,779 | (263,074) | -0.3% | (301,056) | -0.4% | - |
| 2014 | 82,991,853 | (151,027) | -0.2% | 224,053 | 0.3% | - |
| 2013 | 83,142,880 | (173,429) | -0.2% | 287,776 | 0.3% | - |
| 2012 | 83,316,309 | (258,332) | -0.3% | (192,300) | -0.2% | - |
| 2011 | 83,574,641 | 50,691 | 0.1% | 16,063 | 0% | 3.2 |

MALLS SUPPLY & DEMAND

| Year | Inventory | | | Net Absorption | | |
|------|-----------|-----------|----------|----------------|----------|--------------------|
| | SF | SF Growth | % Growth | SF | % of Inv | Construction Ratio |
| 2027 | 5,368,921 | (13,207) | -0.2% | 22,316 | 0.4% | - |
| 2026 | 5,382,128 | (13,226) | -0.2% | 32,307 | 0.6% | - |
| 2025 | 5,395,354 | (13,247) | -0.2% | 48,418 | 0.9% | - |
| 2024 | 5,408,601 | (13,271) | -0.2% | 32,964 | 0.6% | - |
| 2023 | 5,421,872 | (3,309) | -0.1% | (455,673) | -8.4% | - |
| YTD | 5,425,181 | 0 | 0% | (428,318) | -7.9% | - |
| 2022 | 5,425,181 | 0 | 0% | 223,512 | 4.1% | 0 |
| 2021 | 5,425,181 | 311,433 | 6.1% | 279,628 | 5.2% | 1.1 |
| 2020 | 5,113,748 | 0 | 0% | (297,780) | -5.8% | - |
| 2019 | 5,113,748 | 91,485 | 1.8% | (103,428) | -2.0% | - |
| 2018 | 5,022,263 | 0 | 0% | 35,807 | 0.7% | 0 |
| 2017 | 5,022,263 | 421,313 | 9.2% | 187,694 | 3.7% | 2.2 |
| 2016 | 4,600,950 | 0 | 0% | (23,784) | -0.5% | - |
| 2015 | 4,600,950 | 0 | 0% | (10,202) | -0.2% | - |
| 2014 | 4,600,950 | 0 | 0% | 100,152 | 2.2% | 0 |
| 2013 | 4,600,950 | 0 | 0% | (46,606) | -1.0% | - |
| 2012 | 4,600,950 | 0 | 0% | 54,014 | 1.2% | 0 |
| 2011 | 4,600,950 | 0 | 0% | (102,450) | -2.2% | - |

Supply & Demand Trends

San Francisco Retail

POWER CENTER SUPPLY & DEMAND

| Year | Inventory | | | Net Absorption | | |
|------|-----------|-----------|----------|----------------|----------|--------------------|
| | SF | SF Growth | % Growth | SF | % of Inv | Construction Ratio |
| 2027 | 2,565,740 | (6,250) | -0.2% | (5,740) | -0.2% | - |
| 2026 | 2,571,990 | (6,253) | -0.2% | (5,096) | -0.2% | - |
| 2025 | 2,578,243 | (6,265) | -0.2% | (4,051) | -0.2% | - |
| 2024 | 2,584,508 | (6,275) | -0.2% | (1,453) | -0.1% | - |
| 2023 | 2,590,783 | (1,542) | -0.1% | 61,210 | 2.4% | - |
| YTD | 2,592,325 | 0 | 0% | 69,313 | 2.7% | 0 |
| 2022 | 2,592,325 | 0 | 0% | 27,797 | 1.1% | 0 |
| 2021 | 2,592,325 | (7,000) | -0.3% | 4,315 | 0.2% | - |
| 2020 | 2,599,325 | 0 | 0% | (60,971) | -2.3% | - |
| 2019 | 2,599,325 | 0 | 0% | 25,365 | 1.0% | 0 |
| 2018 | 2,599,325 | 14,492 | 0.6% | (22,383) | -0.9% | - |
| 2017 | 2,584,833 | 0 | 0% | 67,589 | 2.6% | 0 |
| 2016 | 2,584,833 | 0 | 0% | (166,733) | -6.5% | - |
| 2015 | 2,584,833 | 0 | 0% | (3,847) | -0.1% | - |
| 2014 | 2,584,833 | 0 | 0% | 10,334 | 0.4% | 0 |
| 2013 | 2,584,833 | 0 | 0% | 59,690 | 2.3% | 0 |
| 2012 | 2,584,833 | 0 | 0% | (37,882) | -1.5% | - |
| 2011 | 2,584,833 | 6,000 | 0.2% | 11,619 | 0.4% | 0.5 |

NEIGHBORHOOD CENTER SUPPLY & DEMAND

| Year | Inventory | | | Net Absorption | | |
|------|-----------|-----------|----------|----------------|----------|--------------------|
| | SF | SF Growth | % Growth | SF | % of Inv | Construction Ratio |
| 2027 | 7,508,845 | (18,225) | -0.2% | 378 | 0% | - |
| 2026 | 7,527,070 | (18,259) | -0.2% | 5,656 | 0.1% | - |
| 2025 | 7,545,329 | (18,280) | -0.2% | 14,719 | 0.2% | - |
| 2024 | 7,563,609 | (18,311) | -0.2% | 21,420 | 0.3% | - |
| 2023 | 7,581,920 | (4,472) | -0.1% | (41,760) | -0.6% | - |
| YTD | 7,586,392 | 0 | 0% | (53,466) | -0.7% | - |
| 2022 | 7,586,392 | 0 | 0% | (7,618) | -0.1% | - |
| 2021 | 7,586,392 | 0 | 0% | (25,994) | -0.3% | - |
| 2020 | 7,586,392 | 10,730 | 0.1% | (207,088) | -2.7% | - |
| 2019 | 7,575,662 | 7,209 | 0.1% | 1,985 | 0% | 3.6 |
| 2018 | 7,568,453 | 0 | 0% | (97,661) | -1.3% | - |
| 2017 | 7,568,453 | 0 | 0% | 43,780 | 0.6% | 0 |
| 2016 | 7,568,453 | 0 | 0% | 51,950 | 0.7% | 0 |
| 2015 | 7,568,453 | 11,135 | 0.1% | (3,535) | 0% | - |
| 2014 | 7,557,318 | 68,318 | 0.9% | 60,911 | 0.8% | 1.1 |
| 2013 | 7,489,000 | 0 | 0% | 14,040 | 0.2% | 0 |
| 2012 | 7,489,000 | 0 | 0% | 11,677 | 0.2% | 0 |
| 2011 | 7,489,000 | 76,741 | 1.0% | 127,191 | 1.7% | 0.6 |

Supply & Demand Trends

San Francisco Retail

STRIP CENTER SUPPLY & DEMAND

| Year | Inventory | | | Net Absorption | | |
|------|-----------|-----------|----------|----------------|----------|--------------------|
| | SF | SF Growth | % Growth | SF | % of Inv | Construction Ratio |
| 2027 | 1,788,181 | (4,363) | -0.2% | (2,522) | -0.1% | - |
| 2026 | 1,792,544 | (4,374) | -0.2% | (1,909) | -0.1% | - |
| 2025 | 1,796,918 | (4,373) | -0.2% | (1,185) | -0.1% | - |
| 2024 | 1,801,291 | (4,384) | -0.2% | 305 | 0% | - |
| 2023 | 1,805,675 | (1,001) | -0.1% | (11,138) | -0.6% | - |
| YTD | 1,806,676 | 0 | 0% | (7,348) | -0.4% | - |
| 2022 | 1,806,676 | (9,775) | -0.5% | (14,092) | -0.8% | - |
| 2021 | 1,816,451 | 0 | 0% | (25,131) | -1.4% | - |
| 2020 | 1,816,451 | 0 | 0% | (26,475) | -1.5% | - |
| 2019 | 1,816,451 | 0 | 0% | 8,798 | 0.5% | 0 |
| 2018 | 1,816,451 | 0 | 0% | 16,469 | 0.9% | 0 |
| 2017 | 1,816,451 | 11,661 | 0.6% | (14,128) | -0.8% | - |
| 2016 | 1,804,790 | 0 | 0% | 29,235 | 1.6% | 0 |
| 2015 | 1,804,790 | 9,700 | 0.5% | 2,903 | 0.2% | 3.3 |
| 2014 | 1,795,090 | 0 | 0% | 32,558 | 1.8% | 0 |
| 2013 | 1,795,090 | 2,403 | 0.1% | 25,038 | 1.4% | 0.1 |
| 2012 | 1,792,687 | 0 | 0% | 6,240 | 0.3% | 0 |
| 2011 | 1,792,687 | 0 | 0% | (4,027) | -0.2% | - |

GENERAL RETAIL SUPPLY & DEMAND

| Year | Inventory | | | Net Absorption | | |
|------|------------|-----------|----------|----------------|----------|--------------------|
| | SF | SF Growth | % Growth | SF | % of Inv | Construction Ratio |
| 2027 | 64,299,491 | (35,743) | -0.1% | 44,297 | 0.1% | - |
| 2026 | 64,335,234 | (77,946) | -0.1% | 34,394 | 0.1% | - |
| 2025 | 64,413,180 | (126,219) | -0.2% | 107,372 | 0.2% | - |
| 2024 | 64,539,399 | 38,614 | 0.1% | 137,012 | 0.2% | 0.3 |
| 2023 | 64,500,785 | (3,890) | 0% | 61,127 | 0.1% | - |
| YTD | 64,522,311 | 17,636 | 0% | 67,234 | 0.1% | 0.3 |
| 2022 | 64,504,675 | 378,985 | 0.6% | 20,585 | 0% | 18.4 |
| 2021 | 64,125,690 | (263,334) | -0.4% | (341,990) | -0.5% | - |
| 2020 | 64,389,024 | 24,555 | 0% | (720,599) | -1.1% | - |
| 2019 | 64,364,469 | (531,944) | -0.8% | (520,375) | -0.8% | - |
| 2018 | 64,896,413 | (312,696) | -0.5% | (731,998) | -1.1% | - |
| 2017 | 65,209,109 | 4,155 | 0% | (156,746) | -0.2% | - |
| 2016 | 65,204,954 | 61,118 | 0.1% | 96,938 | 0.1% | 0.6 |
| 2015 | 65,143,836 | (283,909) | -0.4% | (293,947) | -0.5% | - |
| 2014 | 65,427,745 | (219,345) | -0.3% | 15,082 | 0% | - |
| 2013 | 65,647,090 | (175,832) | -0.3% | 211,971 | 0.3% | - |
| 2012 | 65,822,922 | (258,332) | -0.4% | (241,870) | -0.4% | - |
| 2011 | 66,081,254 | (32,050) | 0% | (21,818) | 0% | - |

Supply & Demand Trends

San Francisco Retail

OTHER SUPPLY & DEMAND

| Year | Inventory | | | Net Absorption | | |
|------|-----------|-----------|----------|----------------|----------|--------------------|
| | SF | SF Growth | % Growth | SF | % of Inv | Construction Ratio |
| 2027 | 1,018,870 | (567) | -0.1% | (12) | 0% | - |
| 2026 | 1,019,437 | (1,233) | -0.1% | 872 | 0.1% | - |
| 2025 | 1,020,670 | (2,000) | -0.2% | 1,543 | 0.2% | - |
| 2024 | 1,022,670 | (2,596) | -0.3% | 1,641 | 0.2% | - |
| 2023 | 1,025,266 | (651) | -0.1% | 51,220 | 5.0% | - |
| YTD | 1,025,917 | 0 | 0% | 54,937 | 5.4% | 0 |
| 2022 | 1,025,917 | 0 | 0% | (91,496) | -8.9% | - |
| 2021 | 1,025,917 | 0 | 0% | 2,361 | 0.2% | 0 |
| 2020 | 1,025,917 | 0 | 0% | (5,989) | -0.6% | - |
| 2019 | 1,025,917 | 0 | 0% | 0 | 0% | - |
| 2018 | 1,025,917 | 0 | 0% | (10,492) | -1.0% | - |
| 2017 | 1,025,917 | 0 | 0% | (6,075) | -0.6% | - |
| 2016 | 1,025,917 | 0 | 0% | 4,405 | 0.4% | 0 |
| 2015 | 1,025,917 | 0 | 0% | 7,572 | 0.7% | 0 |
| 2014 | 1,025,917 | 0 | 0% | 5,016 | 0.5% | 0 |
| 2013 | 1,025,917 | 0 | 0% | 23,643 | 2.3% | 0 |
| 2012 | 1,025,917 | 0 | 0% | 15,521 | 1.5% | 0 |
| 2011 | 1,025,917 | 0 | 0% | 5,548 | 0.5% | 0 |

OVERALL RENT & VACANCY

| Year | Market Rent | | | | Vacancy | | |
|------|-------------|-------|----------|--------------|-----------|---------|----------|
| | Per SF | Index | % Growth | Vs Hist Peak | SF | Percent | Ppts Chg |
| 2027 | \$50.21 | 150 | 3.5% | 14.8% | 4,053,442 | 4.9% | -0.1% |
| 2026 | \$48.51 | 145 | 3.8% | 10.9% | 4,170,220 | 5.0% | -0.2% |
| 2025 | \$46.73 | 140 | 3.9% | 6.9% | 4,340,560 | 5.2% | -0.4% |
| 2024 | \$44.98 | 134 | 2.6% | 2.9% | 4,658,029 | 5.6% | -0.2% |
| 2023 | \$43.84 | 131 | 1.0% | 0.3% | 4,837,388 | 5.8% | 0.4% |
| YTD | \$43.66 | 131 | 0.3% | -0.2% | 4,830,823 | 5.8% | 0.4% |
| 2022 | \$43.42 | 130 | 0.1% | -0.7% | 4,515,539 | 5.4% | 0.2% |
| 2021 | \$43.37 | 130 | -0.8% | -0.8% | 4,305,017 | 5.2% | 0.2% |
| 2020 | \$43.73 | 131 | 0.6% | 0% | 4,154,294 | 5.0% | 1.6% |
| 2019 | \$43.48 | 130 | 2.5% | -0.6% | 2,800,107 | 3.4% | 0.2% |
| 2018 | \$42.42 | 127 | 2.8% | -3.0% | 2,688,520 | 3.2% | 0.6% |
| 2017 | \$41.26 | 123 | 3.1% | -5.7% | 2,169,771 | 2.6% | 0.4% |
| 2016 | \$40.02 | 120 | 3.4% | -8.5% | 1,853,686 | 2.2% | 0.1% |
| 2015 | \$38.71 | 116 | 4.9% | -11.5% | 1,772,099 | 2.1% | 0.1% |
| 2014 | \$36.91 | 110 | 4.9% | -15.6% | 1,734,117 | 2.1% | -0.4% |
| 2013 | \$35.18 | 105 | 3.8% | -19.6% | 2,109,197 | 2.5% | -0.5% |
| 2012 | \$33.88 | 101 | 2.4% | -22.5% | 2,570,402 | 3.1% | -0.1% |
| 2011 | \$33.08 | 99 | 0.7% | -24.4% | 2,636,412 | 3.2% | 0% |

MALLS RENT & VACANCY

| Year | Market Rent | | | | Vacancy | | |
|------|-------------|-------|----------|--------------|-----------|---------|----------|
| | Per SF | Index | % Growth | Vs Hist Peak | SF | Percent | Ppts Chg |
| 2027 | \$51.60 | 153 | 2.9% | 12.9% | 834,212 | 15.5% | -0.6% |
| 2026 | \$50.16 | 149 | 3.1% | 9.8% | 869,687 | 16.2% | -0.8% |
| 2025 | \$48.66 | 145 | 3.2% | 6.5% | 915,165 | 17.0% | -1.1% |
| 2024 | \$47.16 | 140 | 1.8% | 3.2% | 976,776 | 18.1% | -0.8% |
| 2023 | \$46.33 | 138 | 1.4% | 1.4% | 1,022,961 | 18.9% | 8.3% |
| YTD | \$46.21 | 137 | 0.9% | 1.1% | 998,902 | 18.4% | 7.9% |
| 2022 | \$45.69 | 136 | 1.5% | 0% | 570,584 | 10.5% | -4.1% |
| 2021 | \$45.02 | 134 | -0.9% | -1.5% | 794,096 | 14.6% | -0.3% |
| 2020 | \$45.43 | 135 | 1.0% | -0.6% | 762,291 | 14.9% | 5.8% |
| 2019 | \$44.97 | 134 | 3.1% | -1.6% | 464,511 | 9.1% | 3.7% |
| 2018 | \$43.60 | 130 | 4.0% | -4.6% | 269,598 | 5.4% | -0.7% |
| 2017 | \$41.94 | 125 | 3.7% | -8.2% | 305,405 | 6.1% | 4.5% |
| 2016 | \$40.42 | 120 | 3.3% | -11.5% | 71,786 | 1.6% | 0.8% |
| 2015 | \$39.15 | 116 | 5.0% | -14.3% | 36,502 | 0.8% | 0.2% |
| 2014 | \$37.29 | 111 | 5.0% | -18.4% | 26,300 | 0.6% | -2.2% |
| 2013 | \$35.53 | 106 | 3.9% | -22.3% | 126,452 | 2.7% | 1.0% |
| 2012 | \$34.21 | 102 | 2.8% | -25.1% | 79,846 | 1.7% | -1.2% |
| 2011 | \$33.28 | 99 | 0.3% | -27.2% | 133,860 | 2.9% | 2.2% |

POWER CENTER RENT & VACANCY

| Year | Market Rent | | | | Vacancy | | |
|------|-------------|-------|----------|--------------|---------|---------|----------|
| | Per SF | Index | % Growth | Vs Hist Peak | SF | Percent | Ppts Chg |
| 2027 | \$49.56 | 159 | 3.5% | 16.5% | 94,513 | 3.7% | 0% |
| 2026 | \$47.87 | 153 | 3.8% | 12.5% | 94,906 | 3.7% | 0% |
| 2025 | \$46.11 | 148 | 4.0% | 8.4% | 95,943 | 3.7% | -0.1% |
| 2024 | \$44.35 | 142 | 2.6% | 4.2% | 98,035 | 3.8% | -0.2% |
| 2023 | \$43.20 | 138 | 1.5% | 1.5% | 102,769 | 4.0% | -2.4% |
| YTD | \$43.01 | 138 | 1.0% | 1.1% | 96,186 | 3.7% | -2.7% |
| 2022 | \$42.54 | 136 | 1.8% | 0% | 165,499 | 6.4% | -1.1% |
| 2021 | \$41.80 | 134 | -0.4% | -1.7% | 193,296 | 7.5% | -0.4% |
| 2020 | \$41.95 | 134 | 1.3% | -1.4% | 204,611 | 7.9% | 2.3% |
| 2019 | \$41.42 | 133 | 3.3% | -2.6% | 143,640 | 5.5% | -1.0% |
| 2018 | \$40.10 | 128 | 3.7% | -5.7% | 169,005 | 6.5% | 1.4% |
| 2017 | \$38.67 | 124 | 4.2% | -9.1% | 132,130 | 5.1% | -2.6% |
| 2016 | \$37.12 | 119 | 3.4% | -12.8% | 199,719 | 7.7% | 6.5% |
| 2015 | \$35.91 | 115 | 5.0% | -15.6% | 32,986 | 1.3% | 0.1% |
| 2014 | \$34.20 | 109 | 5.1% | -19.6% | 29,139 | 1.1% | -0.4% |
| 2013 | \$32.56 | 104 | 3.7% | -23.5% | 39,473 | 1.5% | -2.3% |
| 2012 | \$31.40 | 100 | 2.4% | -26.2% | 99,163 | 3.8% | 1.5% |
| 2011 | \$30.67 | 98 | 0.4% | -27.9% | 61,281 | 2.4% | -0.2% |

NEIGHBORHOOD CENTER RENT & VACANCY

| Year | Market Rent | | | | Vacancy | | |
|------|-------------|-------|----------|--------------|---------|---------|----------|
| | Per SF | Index | % Growth | Vs Hist Peak | SF | Percent | Ppts Chg |
| 2027 | \$50.10 | 155 | 3.4% | 15.5% | 446,986 | 6.0% | -0.2% |
| 2026 | \$48.45 | 150 | 3.7% | 11.7% | 465,161 | 6.2% | -0.3% |
| 2025 | \$46.74 | 144 | 3.8% | 7.8% | 488,624 | 6.5% | -0.4% |
| 2024 | \$45.04 | 139 | 2.4% | 3.9% | 521,185 | 6.9% | -0.5% |
| 2023 | \$43.98 | 136 | 1.4% | 1.4% | 560,537 | 7.4% | 0.5% |
| YTD | \$43.80 | 135 | 0.9% | 1.0% | 576,617 | 7.6% | 0.7% |
| 2022 | \$43.36 | 134 | 1.6% | 0% | 523,151 | 6.9% | 0.1% |
| 2021 | \$42.66 | 132 | -0.7% | -1.6% | 515,533 | 6.8% | 0.3% |
| 2020 | \$42.95 | 133 | 0.9% | -1.0% | 489,539 | 6.5% | 2.9% |
| 2019 | \$42.55 | 131 | 3.1% | -1.9% | 271,721 | 3.6% | 0.1% |
| 2018 | \$41.27 | 127 | 3.6% | -4.8% | 266,497 | 3.5% | 1.3% |
| 2017 | \$39.84 | 123 | 4.0% | -8.1% | 168,836 | 2.2% | -0.6% |
| 2016 | \$38.33 | 118 | 3.2% | -11.6% | 211,546 | 2.8% | -0.7% |
| 2015 | \$37.13 | 115 | 4.9% | -14.4% | 263,496 | 3.5% | 0.2% |
| 2014 | \$35.39 | 109 | 4.7% | -18.4% | 248,826 | 3.3% | 0.1% |
| 2013 | \$33.79 | 104 | 3.6% | -22.1% | 241,419 | 3.2% | -0.2% |
| 2012 | \$32.60 | 101 | 2.4% | -24.8% | 255,459 | 3.4% | -0.2% |
| 2011 | \$31.83 | 98 | 0.4% | -26.6% | 267,136 | 3.6% | -0.7% |

STRIP CENTER RENT & VACANCY

| Year | Market Rent | | | | Vacancy | | |
|------|-------------|-------|----------|--------------|---------|---------|----------|
| | Per SF | Index | % Growth | Vs Hist Peak | SF | Percent | Ppts Chg |
| 2027 | \$43.50 | 152 | 3.5% | 15.5% | 72,069 | 4.0% | -0.1% |
| 2026 | \$42.02 | 147 | 3.8% | 11.6% | 73,538 | 4.1% | -0.1% |
| 2025 | \$40.49 | 142 | 3.9% | 7.5% | 75,615 | 4.2% | -0.1% |
| 2024 | \$38.95 | 136 | 2.6% | 3.4% | 78,427 | 4.4% | -0.2% |
| 2023 | \$37.96 | 133 | 0.8% | 0.8% | 82,763 | 4.6% | 0.6% |
| YTD | \$37.81 | 132 | 0.1% | 0.4% | 79,921 | 4.4% | 0.4% |
| 2022 | \$37.66 | 132 | 0.1% | 0% | 72,573 | 4.0% | 0.3% |
| 2021 | \$37.63 | 132 | 0.1% | -0.1% | 68,256 | 3.8% | 1.4% |
| 2020 | \$37.61 | 131 | 0.6% | -0.1% | 43,125 | 2.4% | 1.5% |
| 2019 | \$37.41 | 131 | 3.1% | -0.7% | 16,650 | 0.9% | -0.5% |
| 2018 | \$36.27 | 127 | 3.3% | -3.7% | 25,448 | 1.4% | -0.9% |
| 2017 | \$35.11 | 123 | 4.0% | -6.8% | 41,917 | 2.3% | 1.4% |
| 2016 | \$33.75 | 118 | 4.0% | -10.4% | 16,128 | 0.9% | -1.6% |
| 2015 | \$32.45 | 113 | 5.0% | -13.8% | 45,363 | 2.5% | 0.4% |
| 2014 | \$30.90 | 108 | 4.8% | -18.0% | 38,566 | 2.1% | -1.8% |
| 2013 | \$29.49 | 103 | 3.9% | -21.7% | 71,124 | 4.0% | -1.3% |
| 2012 | \$28.38 | 99 | 2.3% | -24.7% | 93,759 | 5.2% | -0.3% |
| 2011 | \$27.73 | 97 | 0.4% | -26.4% | 99,999 | 5.6% | 0.2% |

GENERAL RETAIL RENT & VACANCY

| Year | Market Rent | | | | Vacancy | | |
|------|-------------|-------|----------|--------------|-----------|---------|----------|
| | Per SF | Index | % Growth | Vs Hist Peak | SF | Percent | Ppts Chg |
| 2027 | \$49.11 | 149 | 3.6% | 14.5% | 2,538,592 | 3.9% | -0.1% |
| 2026 | \$47.41 | 144 | 3.9% | 10.6% | 2,599,348 | 4.0% | -0.1% |
| 2025 | \$45.64 | 139 | 4.0% | 6.5% | 2,695,560 | 4.2% | -0.3% |
| 2024 | \$43.90 | 133 | 2.7% | 2.4% | 2,910,451 | 4.5% | -0.1% |
| 2023 | \$42.75 | 130 | 0.9% | -0.3% | 2,990,995 | 4.6% | -0.1% |
| YTD | \$42.56 | 129 | 0.2% | -0.7% | 3,004,910 | 4.7% | -0.1% |
| 2022 | \$42.39 | 129 | -0.3% | -1.1% | 3,054,508 | 4.7% | 0.5% |
| 2021 | \$42.51 | 129 | -0.9% | -0.9% | 2,696,108 | 4.2% | 0.1% |
| 2020 | \$42.88 | 130 | 0.5% | 0% | 2,614,639 | 4.1% | 1.2% |
| 2019 | \$42.67 | 130 | 2.3% | -0.5% | 1,869,485 | 2.9% | -0.1% |
| 2018 | \$41.70 | 127 | 2.6% | -2.7% | 1,923,872 | 3.0% | 0.7% |
| 2017 | \$40.66 | 123 | 2.9% | -5.2% | 1,497,875 | 2.3% | 0.2% |
| 2016 | \$39.53 | 120 | 3.4% | -7.8% | 1,336,974 | 2.1% | -0.1% |
| 2015 | \$38.21 | 116 | 4.9% | -10.9% | 1,371,814 | 2.1% | 0% |
| 2014 | \$36.42 | 111 | 4.9% | -15.1% | 1,361,776 | 2.1% | -0.4% |
| 2013 | \$34.71 | 105 | 3.9% | -19.0% | 1,596,203 | 2.4% | -0.6% |
| 2012 | \$33.40 | 101 | 2.4% | -22.1% | 1,984,006 | 3.0% | 0% |
| 2011 | \$32.61 | 99 | 0.8% | -23.9% | 2,000,446 | 3.0% | 0% |

OTHER RENT & VACANCY

| Year | Market Rent | | | | Vacancy | | |
|------|-------------|-------|----------|--------------|---------|---------|----------|
| | Per SF | Index | % Growth | Vs Hist Peak | SF | Percent | Ppts Chg |
| 2027 | \$126.45 | 148 | 3.5% | 15.2% | 67,070 | 6.6% | 0% |
| 2026 | \$122.22 | 143 | 3.7% | 11.3% | 67,580 | 6.6% | -0.2% |
| 2025 | \$117.82 | 138 | 3.8% | 7.3% | 69,653 | 6.8% | -0.3% |
| 2024 | \$113.46 | 133 | 2.5% | 3.3% | 73,155 | 7.2% | -0.4% |
| 2023 | \$110.67 | 130 | 1.4% | 0.8% | 77,363 | 7.5% | -5.1% |
| YTD | \$110.22 | 129 | 0.6% | 0.4% | 74,287 | 7.2% | -5.4% |
| 2022 | \$109.13 | 128 | 0.9% | -0.6% | 129,224 | 12.6% | 8.9% |
| 2021 | \$108.13 | 127 | -1.5% | -1.5% | 37,728 | 3.7% | -0.2% |
| 2020 | \$109.81 | 129 | 0.5% | 0% | 40,089 | 3.9% | 0.6% |
| 2019 | \$109.31 | 128 | 2.4% | -0.5% | 34,100 | 3.3% | 0% |
| 2018 | \$106.69 | 125 | 3.3% | -2.8% | 34,100 | 3.3% | 1.0% |
| 2017 | \$103.27 | 121 | 2.9% | -6.0% | 23,608 | 2.3% | 0.6% |
| 2016 | \$100.34 | 118 | 2.5% | -8.6% | 17,533 | 1.7% | -0.4% |
| 2015 | \$97.86 | 115 | 4.1% | -10.9% | 21,938 | 2.1% | -0.7% |
| 2014 | \$93.97 | 110 | 4.6% | -14.4% | 29,510 | 2.9% | -0.5% |
| 2013 | \$89.83 | 105 | 2.8% | -18.2% | 34,526 | 3.4% | -2.3% |
| 2012 | \$87.39 | 102 | 1.6% | -20.4% | 58,169 | 5.7% | -1.5% |
| 2011 | \$86.05 | 101 | -0.3% | -21.6% | 73,690 | 7.2% | -0.5% |

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 | - | - | - | - | - | - | \$653.36 | 210 | 5.0% |
| 2026 | - | - | - | - | - | - | \$588.88 | 189 | 5.3% |
| 2025 | - | - | - | - | - | - | \$552.35 | 178 | 5.4% |
| 2024 | - | - | - | - | - | - | \$526.45 | 169 | 5.5% |
| 2023 | - | - | - | - | - | - | \$599.81 | 193 | 4.7% |
| YTD | 74 | \$150.1M | 0.7% | \$2,085,410 | \$464.41 | 5.4% | \$617.90 | 199 | 4.6% |
| 2022 | 230 | \$859.1M | 2.9% | \$4,052,268 | \$389.30 | 4.8% | \$615.89 | 198 | 4.5% |
| 2021 | 227 | \$1.3B | 3.0% | \$6,128,784 | \$613.76 | 5.1% | \$648.79 | 209 | 4.4% |
| 2020 | 160 | \$768.5M | 1.6% | \$4,895,152 | \$586.24 | 4.6% | \$627.90 | 202 | 4.4% |
| 2019 | 532 | \$1.4B | 4.1% | \$6,118,997 | \$648.39 | 4.6% | \$624.11 | 201 | 4.5% |
| 2018 | 545 | \$616.1M | 5.0% | \$3,065,024 | \$623.91 | 4.5% | \$595.49 | 191 | 4.5% |
| 2017 | 628 | \$1B | 5.7% | \$5,144,251 | \$588.47 | 4.8% | \$559.55 | 180 | 4.6% |
| 2016 | 414 | \$864.5M | 3.1% | \$4,097,304 | \$482.67 | 4.8% | \$546.78 | 176 | 4.6% |
| 2015 | 530 | \$1.3B | 4.8% | \$5,468,386 | \$517.77 | 4.6% | \$542.73 | 175 | 4.6% |
| 2014 | 463 | \$646.6M | 3.2% | \$2,682,968 | \$424.12 | 5.3% | \$471.41 | 152 | 4.9% |
| 2013 | 572 | \$588.5M | 3.7% | \$2,431,966 | \$385.97 | 5.7% | \$400.30 | 129 | 5.3% |
| 2012 | 707 | \$953.1M | 5.5% | \$4,162,028 | \$438.53 | 6.3% | \$374.79 | 121 | 5.4% |

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MALLS 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 | - | - | - | - | - | - | \$681.75 | 220 | 4.7% |
| 2026 | - | - | - | - | - | - | \$616.68 | 199 | 5.0% |
| 2025 | - | - | - | - | - | - | \$582.12 | 188 | 5.1% |
| 2024 | - | - | - | - | - | - | \$558.89 | 180 | 5.2% |
| 2023 | - | - | - | - | - | - | \$646.92 | 209 | 4.4% |
| YTD | - | - | - | - | - | - | \$668.90 | 216 | 4.2% |
| 2022 | 2 | \$93.4M | 12.3% | \$46,714,833 | \$140.57 | - | \$665.72 | 215 | 4.2% |
| 2021 | 11 | \$353.5M | 12.5% | \$32,135,743 | \$520.14 | - | \$693.05 | 223 | 4.1% |
| 2020 | 1 | \$198M | 5.0% | \$198,001,200 | \$774.15 | - | \$651.88 | 210 | 4.2% |
| 2019 | 1 | \$179M | 5.0% | \$179,000,000 | \$699.86 | - | \$653.30 | 211 | 4.2% |
| 2018 | 4 | \$0 | 31.5% | - | - | - | \$620.57 | 200 | 4.3% |
| 2017 | 2 | \$0 | 16.2% | - | - | - | \$571.43 | 184 | 4.4% |
| 2016 | - | - | - | - | - | - | \$557.54 | 180 | 4.4% |
| 2015 | 3 | \$174.4M | 17.6% | \$174,400,000 | \$298.96 | 6.5% | \$560.11 | 181 | 4.3% |
| 2014 | - | - | - | - | - | - | \$485.38 | 156 | 4.7% |
| 2013 | - | - | - | - | - | - | \$412.03 | 133 | 5.0% |
| 2012 | - | - | - | - | - | - | \$383.23 | 124 | 5.2% |

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POWER CENTER 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 | - | - | - | - | - | - | \$584.36 | 227 | 4.9% |
| 2026 | - | - | - | - | - | - | \$526.12 | 204 | 5.2% |
| 2025 | - | - | - | - | - | - | \$493.21 | 191 | 5.3% |
| 2024 | - | - | - | - | - | - | \$469.63 | 182 | 5.4% |
| 2023 | - | - | - | - | - | - | \$535.40 | 208 | 4.6% |
| YTD | - | - | - | - | - | - | \$551.58 | 214 | 4.5% |
| 2022 | - | - | - | - | - | - | \$543.19 | 211 | 4.4% |
| 2021 | 2 | \$103.6M | 5.7% | \$51,815,228 | \$698.37 | 6.0% | \$545.26 | 212 | 4.4% |
| 2020 | 2 | \$53.7M | 4.0% | \$26,828,500 | \$516.63 | - | \$531.16 | 206 | 4.4% |
| 2019 | - | - | - | - | - | - | \$532.51 | 207 | 4.4% |
| 2018 | - | - | - | - | - | - | \$493.43 | 192 | 4.6% |
| 2017 | 11 | \$124.1M | 17.7% | \$17,728,571 | \$539.03 | - | \$452.50 | 176 | 4.7% |
| 2016 | - | - | - | - | - | - | \$438.86 | 170 | 4.7% |
| 2015 | 5 | \$70.3M | 5.4% | \$14,059,728 | \$503.72 | - | \$428.01 | 166 | 4.7% |
| 2014 | - | - | - | - | - | - | \$379.87 | 147 | 5.0% |
| 2013 | 6 | \$95.2M | 7.5% | \$15,869,995 | \$493.54 | - | \$327.82 | 127 | 5.3% |
| 2012 | 4 | \$143.8M | 12.9% | \$35,937,500 | \$432.51 | 5.7% | \$319.02 | 124 | 5.4% |

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NEIGHBORHOOD CENTER 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 | - | - | - | - | - | - | \$610.67 | 234 | 4.8% |
| 2026 | - | - | - | - | - | - | \$549.49 | 210 | 5.1% |
| 2025 | - | - | - | - | - | - | \$515.50 | 197 | 5.2% |
| 2024 | - | - | - | - | - | - | \$491.69 | 188 | 5.3% |
| 2023 | - | - | - | - | - | - | \$563.97 | 216 | 4.5% |
| YTD | - | - | - | - | - | - | \$581.78 | 223 | 4.3% |
| 2022 | 9 | \$38.5M | 4.5% | \$12,833,333 | \$269.46 | - | \$574.02 | 220 | 4.3% |
| 2021 | 6 | \$117M | 2.2% | \$19,492,333 | \$703.58 | - | \$586.13 | 224 | 4.2% |
| 2020 | 4 | \$68.3M | 1.9% | \$17,084,375 | \$474.02 | - | \$557.22 | 213 | 4.3% |
| 2019 | 11 | \$186.5M | 5.3% | \$16,959,091 | \$463.23 | - | \$561.24 | 215 | 4.3% |
| 2018 | 2 | \$56M | 1.4% | \$28,000,000 | \$527.36 | 5.2% | \$525.47 | 201 | 4.4% |
| 2017 | 8 | \$182.7M | 3.5% | \$22,831,715 | \$683.52 | - | \$462.55 | 177 | 4.7% |
| 2016 | 4 | \$250.9M | 6.5% | \$62,733,788 | \$513.89 | - | \$450.59 | 173 | 4.7% |
| 2015 | 6 | \$145.9M | 4.0% | \$24,309,250 | \$482.45 | 5.0% | \$442.01 | 169 | 4.7% |
| 2014 | 8 | \$54.5M | 2.1% | \$7,789,137 | \$354.42 | - | \$386.91 | 148 | 5.0% |
| 2013 | 8 | \$66.5M | 1.9% | \$8,306,272 | \$461.09 | - | \$331.59 | 127 | 5.4% |
| 2012 | 7 | \$51.5M | 3.6% | \$12,884,063 | \$249.49 | 7.5% | \$315.23 | 121 | 5.5% |

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STRIP CENTER 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 | - | - | - | - | - | - | \$621.79 | 225 | 4.9% |
| 2026 | - | - | - | - | - | - | \$559.81 | 203 | 5.2% |
| 2025 | - | - | - | - | - | - | \$524.79 | 190 | 5.3% |
| 2024 | - | - | - | - | - | - | \$499.85 | 181 | 5.4% |
| 2023 | - | - | - | - | - | - | \$570.56 | 207 | 4.6% |
| YTD | - | - | - | - | - | - | \$588.11 | 213 | 4.5% |
| 2022 | 4 | \$24.2M | 1.5% | \$6,058,027 | \$916.60 | - | \$579.25 | 210 | 4.5% |
| 2021 | 1 | \$15.5M | 0.7% | \$15,500,000 | \$1,165.15 | 3.3% | \$572.88 | 208 | 4.4% |
| 2020 | 1 | \$30K | 0.1% | \$30,000 | \$30 | - | \$544.08 | 197 | 4.5% |
| 2019 | 8 | \$37.8M | 3.0% | \$6,304,167 | \$815.84 | 3.5% | \$536.41 | 194 | 4.6% |
| 2018 | 4 | \$11.5M | 1.5% | \$5,757,086 | \$872.02 | 4.0% | \$513.57 | 186 | 4.6% |
| 2017 | 3 | \$3.7M | 1.1% | \$1,850,000 | \$355.77 | 4.4% | \$477.46 | 173 | 4.7% |
| 2016 | 2 | \$8.5M | 0.9% | \$4,225,000 | \$547.03 | - | \$463.25 | 168 | 4.8% |
| 2015 | 6 | \$15M | 3.3% | \$5,008,333 | \$527.30 | 5.1% | \$452.57 | 164 | 4.7% |
| 2014 | 4 | \$15.9M | 2.1% | \$3,975,000 | \$419.53 | 7.6% | \$397.48 | 144 | 5.1% |
| 2013 | 14 | \$9.7M | 5.0% | \$1,619,167 | \$275.21 | - | \$340.12 | 123 | 5.4% |
| 2012 | 5 | \$8M | 3.0% | \$4,022,500 | \$372.99 | 6.5% | \$321.51 | 117 | 5.6% |

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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.

GENERAL RETAIL 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 | - | - | - | - | - | - | \$657.38 | 206 | 5.0% |
| 2026 | - | - | - | - | - | - | \$592.44 | 186 | 5.4% |
| 2025 | - | - | - | - | - | - | \$555.35 | 174 | 5.5% |
| 2024 | - | - | - | - | - | - | \$528.94 | 166 | 5.5% |
| 2023 | - | - | - | - | - | - | \$601.32 | 189 | 4.8% |
| YTD | 72 | \$150.1M | 0.5% | \$2,085,410 | \$464.41 | 5.4% | \$619.14 | 194 | 4.6% |
| 2022 | 215 | \$702.9M | 2.2% | \$3,462,655 | \$512.04 | 4.8% | \$618.26 | 194 | 4.6% |
| 2021 | 207 | \$758.8M | 2.3% | \$3,793,774 | \$637.98 | 5.1% | \$655.37 | 206 | 4.4% |
| 2020 | 152 | \$448.5M | 1.3% | \$3,010,155 | \$556.35 | 4.6% | \$637.42 | 200 | 4.5% |
| 2019 | 512 | \$1B | 4.2% | \$4,755,123 | \$684.30 | 4.7% | \$632.01 | 198 | 4.5% |
| 2018 | 535 | \$548.6M | 3.8% | \$2,784,546 | \$631.95 | 4.5% | \$604.82 | 190 | 4.6% |
| 2017 | 604 | \$723.5M | 4.9% | \$3,932,287 | \$579.19 | 4.8% | \$573.46 | 180 | 4.6% |
| 2016 | 408 | \$605.1M | 3.1% | \$2,951,931 | \$470.06 | 4.8% | \$560.74 | 176 | 4.6% |
| 2015 | 510 | \$874M | 4.1% | \$3,990,973 | \$616.52 | 4.5% | \$556.02 | 175 | 4.6% |
| 2014 | 451 | \$576.2M | 3.8% | \$2,505,092 | \$432.30 | 5.2% | \$482.48 | 151 | 4.9% |
| 2013 | 544 | \$417.2M | 4.1% | \$1,879,057 | \$361.96 | 5.7% | \$409.22 | 128 | 5.3% |
| 2012 | 690 | \$749.8M | 5.5% | \$3,423,622 | \$464.85 | 6.3% | \$382.46 | 120 | 5.4% |

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OTHER 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 | - | - | - | - | - | - | \$794.32 | 197 | 5.0% |
| 2026 | - | - | - | - | - | - | \$718.24 | 178 | 5.4% |
| 2025 | - | - | - | - | - | - | \$675.30 | 168 | 5.5% |
| 2024 | - | - | - | - | - | - | \$645.08 | 160 | 5.5% |
| 2023 | - | - | - | - | - | - | \$734.75 | 182 | 4.8% |
| YTD | 2 | \$0 | 25.2% | - | - | - | \$756.94 | 188 | 4.6% |
| 2022 | - | - | - | - | - | - | \$760.79 | 189 | 4.6% |
| 2021 | - | - | - | - | - | - | \$857.54 | 213 | 4.2% |
| 2020 | - | - | - | - | - | - | \$815.26 | 202 | 4.4% |
| 2019 | - | - | - | - | - | - | \$822.14 | 204 | 4.4% |
| 2018 | - | - | - | - | - | - | \$794.08 | 197 | 4.4% |
| 2017 | - | - | - | - | - | - | \$751.14 | 186 | 4.4% |
| 2016 | - | - | - | - | - | - | \$739.47 | 183 | 4.4% |
| 2015 | - | - | - | - | - | - | \$805.43 | 200 | 4.1% |
| 2014 | - | - | - | - | - | - | \$685.23 | 170 | 4.5% |
| 2013 | - | - | - | - | - | - | \$572.25 | 142 | 4.9% |
| 2012 | 1 | \$0 | 31.6% | - | - | - | \$521.16 | 129 | 5.1% |

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