



# Office Market Report

## East Bay - CA

PREPARED BY



**OFFICE MARKET REPORT**

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12 Mo Deliveries in SF

**81.5K**

12 Mo Net Absorption in SF

**(2.4M)**

Vacancy Rate

**14.0%**

12 Mo Rent Growth

**-1.0%**

The East Bay office market has been hit hard over the past several years. The vacancy rate has risen dramatically over the past three years as leasing activity cooled and numerous tenant moveouts resulted in substantial occupancy losses. The increases have pushed the vacancy rate to 14.0%, the highest point since the previous peak set in 11Q1.

Increasing available inventory is driven by persistent negative demand, which has fallen to -2.4 million SF over the past year, with negative demand in every quarter but three, going back to the start of 2020. Oakland is facing headwinds on two fronts. First, the tech tenants spilling over from San Francisco have entirely dried up. Many of these firms have pivoted to differing real estate strategies, primarily looking to reduce their real estate costs either through a reduction in space, relocation or both.

Prolonged periods of negative demand have put downward pressure on lease rates, which have fallen by

-1.0% over the past year and -3.1% over the past three years. Property owners are increasingly concerned with maintaining occupancy and are willing to offer discounts as well as concessions in order to achieve it. Rents are down the most in 4 & 5 Star properties, falling by -2.9% over the past year.

Unsurprisingly, poor demand, high vacancy, and falling rents have led to almost a complete pullback in construction activity. Currently, there is only 54,000 SF underway. The two projects are both build-to-suit and will not affect market availability today.

Recent sales activity has slowed significantly in recent months totaling \$217 million from 110 transactions, a far sight from the average over the past five years of \$1.7 billion. Office assets are declining in value from elevating vacancy rates, falling rents, and rising interest rates. Value erosion is prevalent in the office sector, and the East Bay has been particularly hard hit with little relief expected in the near to medium term.

### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	33,555,325	22.1%	\$44.40	26.2%	47,613	0	53,730
3 Star	44,842,005	12.2%	\$36.67	15.0%	(60,042)	0	0
1 & 2 Star	37,219,499	8.7%	\$33.54	10.0%	(118,010)	0	0
<b>Market</b>	<b>115,616,829</b>	<b>14.0%</b>	<b>\$37.91</b>	<b>16.7%</b>	<b>(130,439)</b>	<b>0</b>	<b>53,730</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	2.1%	9.8%	19.0%	14.0%	2023 Q4	2.8%	2000 Q2
Net Absorption SF	(2.4M)	414,134	(1,973,225)	5,530,950	2000 Q2	(3,621,255)	2021 Q1
Deliveries SF	81.5K	993,789	18,276	3,963,296	2001 Q4	8,171	2015 Q2
Rent Growth	-1.0%	3.1%	-2.4%	27.8%	2001 Q1	-13.2%	2002 Q4
Sales Volume	\$227M	\$1.1B	N/A	\$2.6B	2019 Q2	\$153.9M	1997 Q4

Market vacancy in the East Bay, currently 14.0%, the highest point since 11Q1. Sourcing tenants has become extremely difficult, and net absorption has fallen to -2.4 million, with negative activity concentrated in 4 & 5 Star properties. Oakland has not been not immune to the downsizing and relocating that is prevalent across the nation. Tenants are taking the opportunity to reevaluate their space requirements. As a result, many occupiers are giving back between one-third and one-half of their space and relocating within the market. Additionally, the demand from tech tenants spilling over from San Francisco has completely dried up, leaving few options to fill the void.

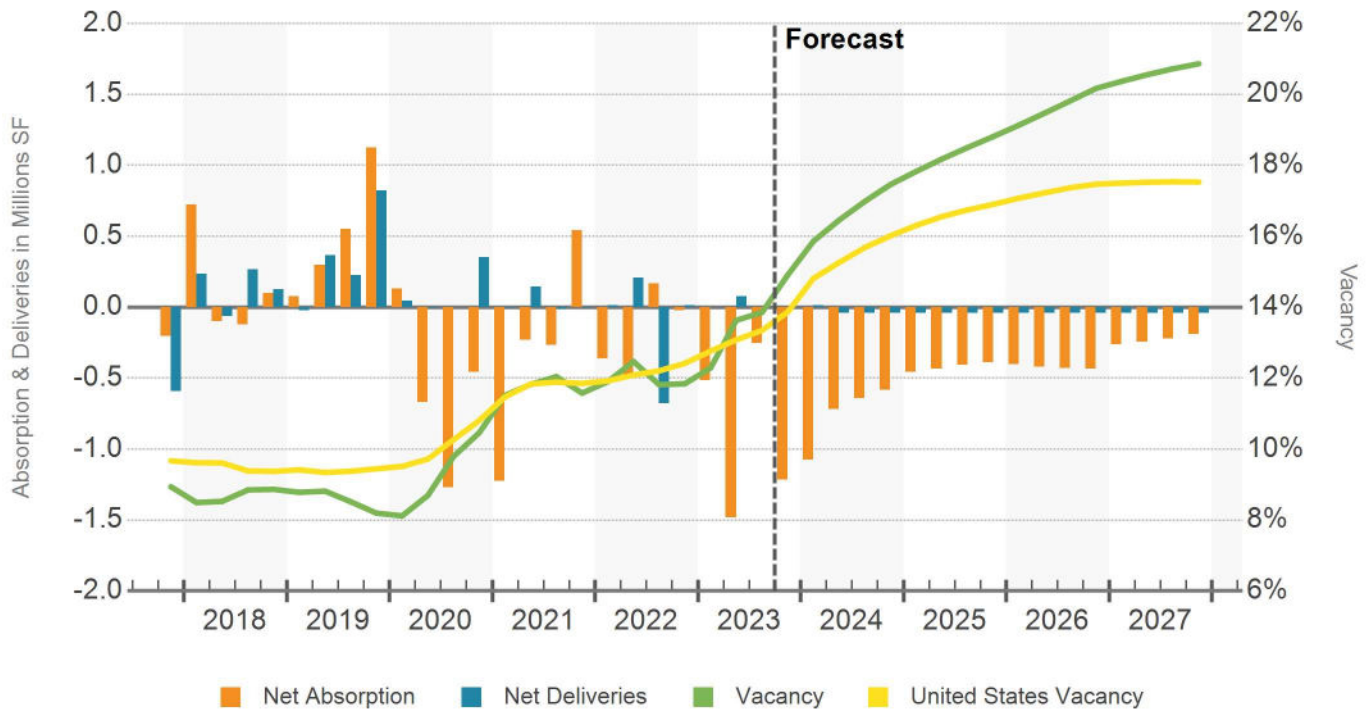
Leases have been noticeably smaller in 2023. Since the start of the year, only five leases have signed for 25,000 SF or more, the largest of which was for 50,000 SF. The staffing firm VACO signed that deal in May at 2623 Camino Ramon in San Ramon. Two of the remaining large leases were to medical tenants as UCSF took 31,000 SF at 3100 San Pablo Ave. in Berkeley and Delta

Dental leased 25,000 SF at 1333 Broadway in Downtown Oakland.

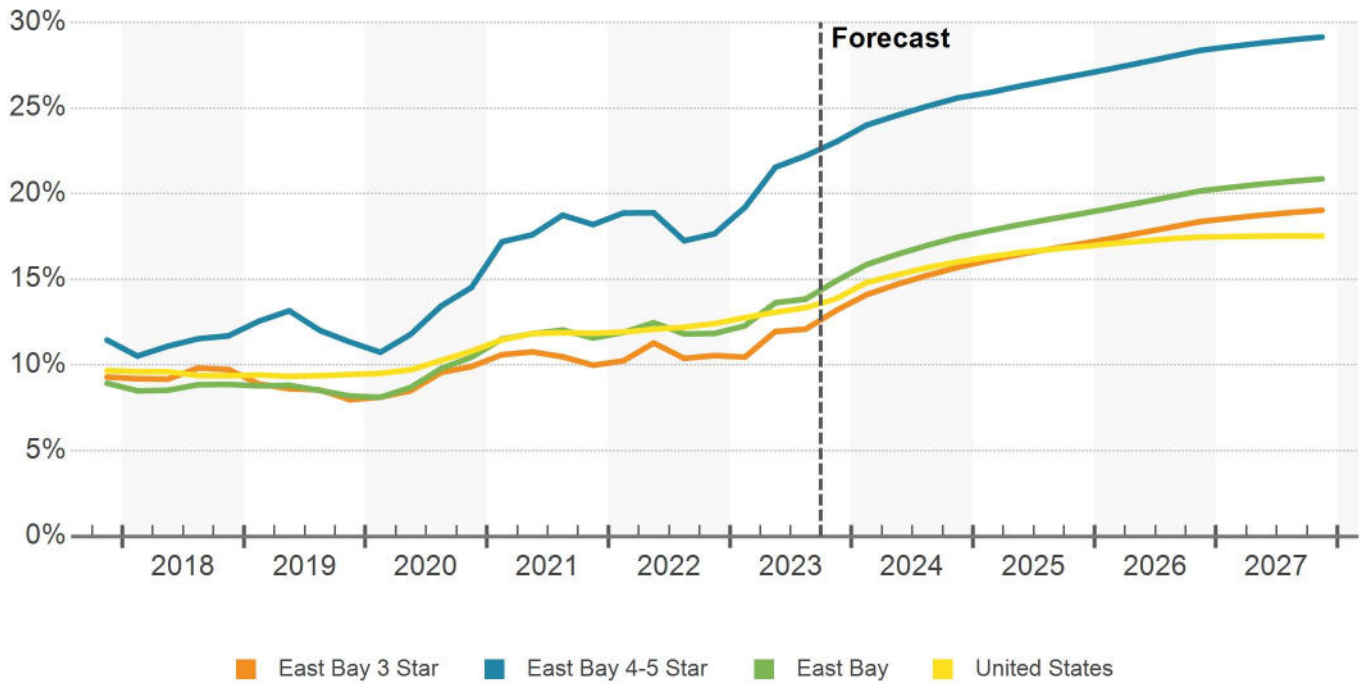
Sublease availability rests at 2.7%, slightly ahead of to the national figure of 2.5%. Most of the space currently hitting the market is direct, as the sublease is comparable to levels in early 2021. More than forty buildings are in the market with at least 100,000 SF available. The large blocks of space are a result of the large tenants that had previously occupied the market, a downside of the market's reliance on the tech sector for occupancy, and the 1.6 million SF added to the market over the past five years.

There is little reason to think there is much change coming in the near term. Office tenants will likely continue reducing their office footprint until the end of 2024. Five-year leases signed in 2019 will not expire until then, meaning occupancy levels are expected to contract at least until then.

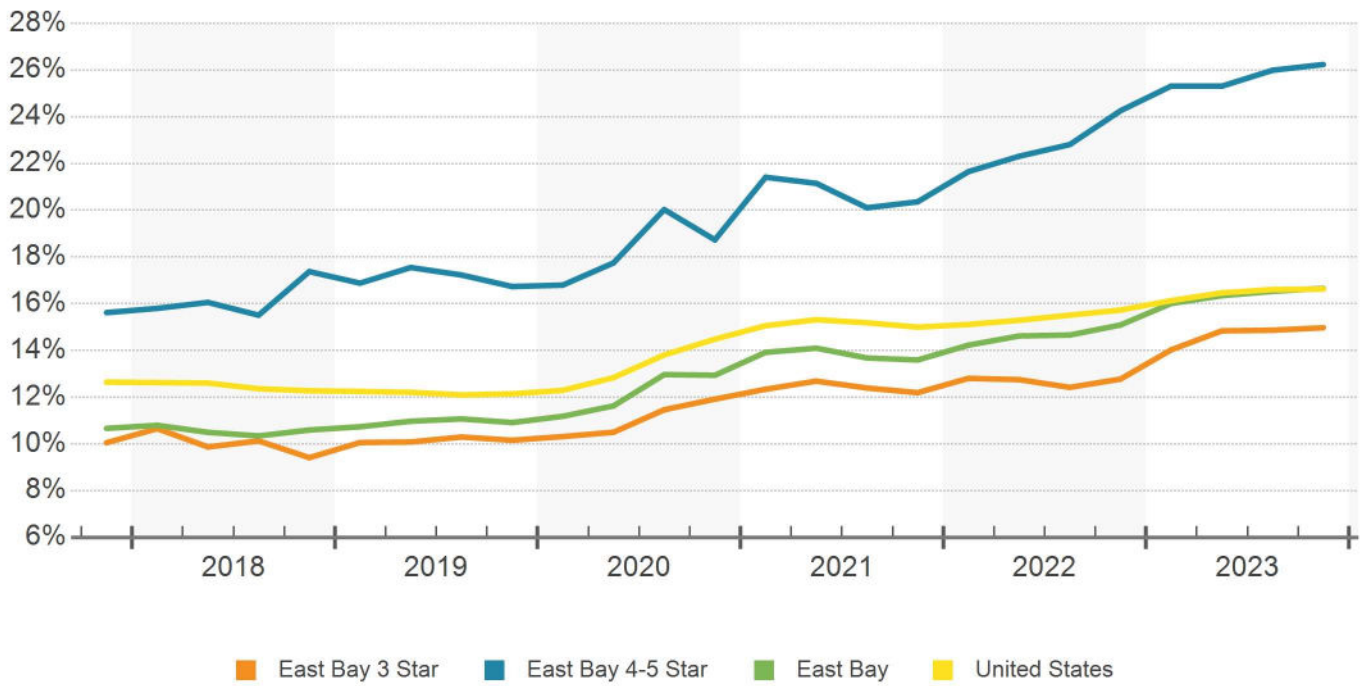
## NET ABSORPTION, NET DELIVERIES & VACANCY



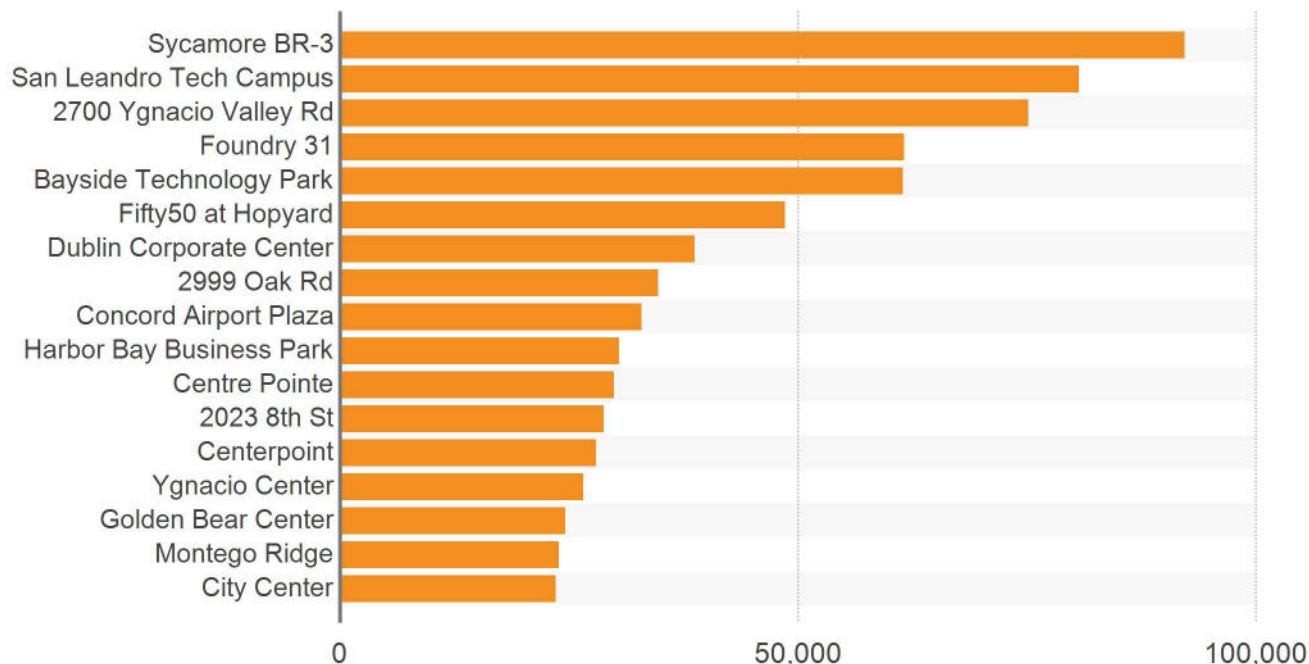
## VACANCY RATE



## 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
Sycamore BR-3	Bishop Ranch	256,210	141,419	0	46,434	(6,000)	51,821	92,255
San Leandro Tech Campus	San Leandro	132,000	22,000	0	0	80,700	0	80,700
2700 Ygnacio Valley Rd	Walnut Creek-Shade...	107,146	9,827	(467)	(9,827)	78,701	6,769	75,176
Foundry 31	Berkeley	402,700	31,073	61,615	0	0	0	61,571
Bayside Technology Park	Fremont	61,454	0	61,454	0	0	0	61,454
Fifty50 at Hopyard	Pleasanton	135,021	62,251	48,597	(72,770)	0	72,770	48,597
Dublin Corporate Center	Dublin	153,004	38,704	38,721	0	0	0	38,721
2999 Oak Rd	Walnut Creek-BART...	206,000	19,837	4,911	5,532	23,950	2,132	34,727
Concord Airport Plaza	Concord/Pleasant Hill	177,822	29,703	11,177	13,794	1,336	6,640	32,947
Harbor Bay Business Park	Alameda	50,000	0	0	0	25,864	0	30,489
Centre Pointe	Walnut Creek-Shade...	29,909	0	0	0	29,909	0	29,909
2023 8th St	Berkeley	28,800	0	28,800	0	0	0	28,800
Centerpoint	San Ramon	54,078	0	(1,289)	0	26,821	0	27,949
Ygnacio Center	Walnut Creek-BART...	191,199	103,097	8,878	19,628	0	0	26,546
Golden Bear Center	Berkeley	171,000	0	16,608	0	22,397	0	24,590
Montego Ridge	Walnut Creek-BART...	31,258	7,345	0	0	23,913	0	23,913
City Center	Oakland-Downtown	320,209	116,710	(39,292)	3,565	2,637	0	23,566
<b>Subtotal Primary Competitors</b>		<b>2,507,810</b>	<b>581,966</b>	<b>239,713</b>	<b>6,356</b>	<b>310,228</b>	<b>140,132</b>	<b>741,910</b>
Remaining East Bay Market		113,109,019	15,563,072	(756,106)	(1,491,497)	(565,424)	(270,571)	(3,138,265)
<b>Total East Bay Market</b>		<b>115,616,829</b>	<b>16,145,038</b>	<b>(516,393)</b>	<b>(1,485,141)</b>	<b>(255,196)</b>	<b>(130,439)</b>	<b>(2,396,355)</b>

### TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
EmeryStation West Transit Center	Emeryville	76,000	Q4 22	Metagenomi	-	-
Sycamore BR-3	Bishop Ranch	50,000	Q2 23	Vaco	Savills	Sunset Development C...
The Towers Emeryville *	Emeryville	40,146	Q4 22	BeiGene	-	-
Foundry 31	Berkeley	39,384	Q4 22	-	-	Newmark
Pacific Commons South	Fremont	35,109	Q2 23	HYC USA Corporation	-	CBRE
Toda America	Dublin	33,037	Q4 22	Tailored Brands	Northmarq	Recreate Commercial...
Old Oakland	Oakland-Downtown	30,106	Q4 22	College Track	Cushman & Wakefield	CBRE
California Plaza	Walnut Creek-BART/DT	28,000	Q1 23	-	Cushman & Wakefield	Newmark
2999 Glascock St	Oakland-South/Airport	25,342	Q1 23	California Rowing Club	-	-
Harbor Bay Business Park	Alameda	25,109	Q4 22	Discovery Life Sciences	Cushman & Wakefield	CBRE
Oakland City Center *	Oakland-Downtown	25,000	Q3 23	Delta Dental Plans Associ...	Avison Young	CBRE
Center Twenty One *	Oakland-Downtown	24,467	Q4 22	Turnitin	JLL	-
Oakland Tower *	Oakland-Downtown	24,317	Q4 22	Fennemore Wendel	Cushman & Wakefield	Cushman & Wakefield
Lake Merritt Plaza	Oakland-Downtown	20,755	Q1 23	East Bay Community Ene...	-	-
N Canyons Business Center	Livermore	18,922	Q3 23	-	-	Colliers
2175 Monarch St	Alameda	16,890	Q4 22	-	-	Cushman & Wakefield
Ygnacio Center	Walnut Creek-BART/DT	16,785	Q2 23	-	-	Bellwether Asset Mana...
2100 Powell	Emeryville	16,765	Q1 23	Eko Health	JLL	Avison Young
Stone Valley West	Danville/Alamo	15,000	Q2 23	Discovery Builders	Newmark	Newmark
Hookston Square *	Concord/Pleasant Hill	14,090	Q2 23	Pacific Workplaces	-	Newmark
Eastmont Town Center	Oakland-South/Airport	12,577	Q2 23	Building Opportunities for...	Funding One Mortga...	Cushman & Wakefield
Diablo Technology Center *	Pleasanton	12,542	Q3 23	PureRed	EOP Realty, Inc.	Metrovation
Stoneridge Place	Pleasanton	12,238	Q3 23	BKF Engineers	CBRE	Kidder Mathews
Shepherd's Glen BR-15	Bishop Ranch	12,042	Q3 23	-	-	Sunset Development C...
Contra Costa Centre	Walnut Creek-BART/DT	12,000	Q1 23	-	-	Cushman & Wakefield
Centre Pointe Plaza	Fremont	10,603	Q2 23	Foxit Software Incorporation	-	-
Fremont Office Center	Fremont	10,586	Q4 23	-	-	Cushman & Wakefield
Oakland Iron Works	Oakland-Port/Jack London	10,447	Q1 23	Metrovation	-	-
Hacienda Terrace	Pleasanton	10,436	Q4 23	-	-	Colliers
Hacienda Terrace	Pleasanton	10,436	Q4 23	-	-	Colliers
Sycamore BR-3	Bishop Ranch	10,281	Q3 23	-	-	Sunset Development C...
The Vineyard Business Park	Livermore	9,514	Q1 23	-	-	Kidder Mathews
Oakland City Center	Oakland-Downtown	9,480	Q4 22	-	-	CBRE
2162 Mountain Blvd *	Oakland-North	9,401	Q2 23	Academia De Mi Abuela	-	Silverstone Commercial
Bernal Corporate Park *	Pleasanton	9,217	Q1 23	Deltatrak	-	-
The Towers Emeryville	Emeryville	9,213	Q4 22	-	-	Cushman & Wakefield
Oakland Tower	Oakland-Downtown	9,168	Q1 23	Ramboll	Colliers	Cushman & Wakefield
2036 Bancroft Way	Berkeley	9,000	Q1 23	Far Labs	Colliers	Colliers
7677 Oakport St	Oakland-South/Airport	8,825	Q2 23	Optumserve Health Servic...	-	Cranbrook Group, Inc.
Mount Diablo Plaza	Walnut Creek-BART/DT	8,340	Q4 22	Matson Logistics	Colliers	CBRE

Renewal

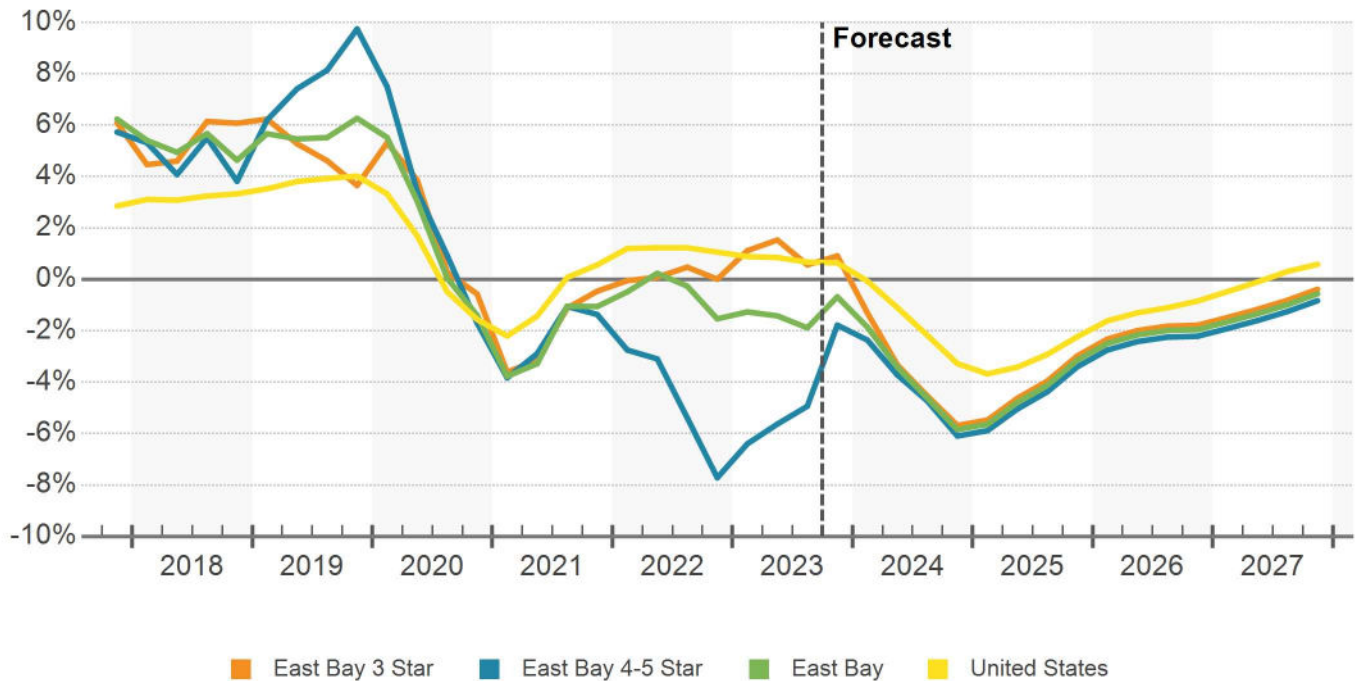
Rents in the East Bay are down year over year, falling by -1.0%. Office rents have been falling consistently over the past few years as tech tenants have closed offices and other users have reduced their office footprints and relocated. At the same time, concessions and lease terms have become increasingly generous for tenants, reaching as high as month of free rent per year of term and turn-key TI packages in some cases.

Before the pandemic, the East Bay was ranked among the country's strongest metros in rent growth. Vacancy rates were historically low, with robust demand from tenants. The East Bay saw average annual rent growth of 4.6% over the past decade, well above the national average of 2.7%, a far cry from the current state of the market.

Leases in downtown Oakland still command a sizeable premium over the balance of the market. In January, Ramboll signed for 9,200 SF at the 5 Star office building located at 1111 Broadway for \$6.00/SF per month on a full-service gross basis. This is a significant premium over the market average of \$38.00/SF, a 10% premium over the national average. The deal was for seven years and was signed after the space sat on the market for 44 months.

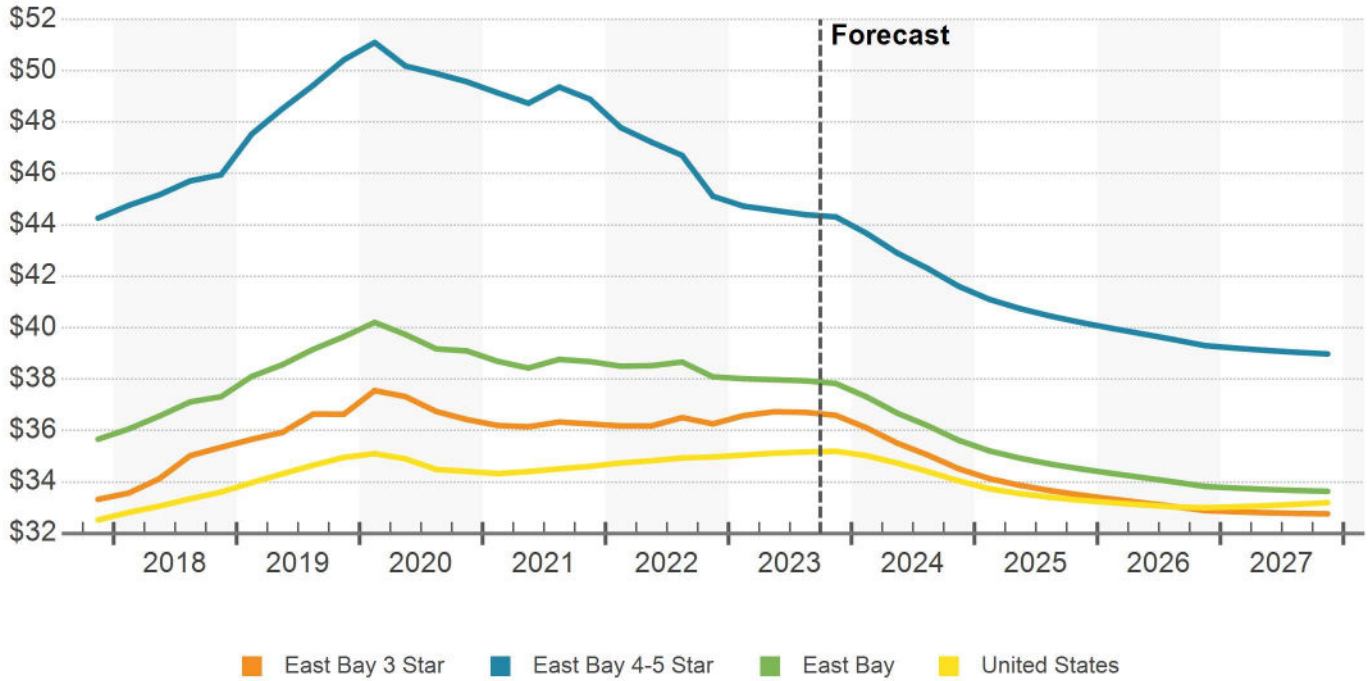
In contrast, NCE leased 7,000 SF at 1003 W Cutting Blvd. in Richmond in April. The Reno-based engineering firm signed at the 3 Star building for a seven-year term at \$2.60/SF per month on a full-service gross basis.

## MARKET RENT GROWTH (YOY)





## MARKET RENT PER SQUARE FEET



### 4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>East Bay</b>	\$1.09	\$1.81	\$0.97	\$4.67	\$4.85	<b>\$13.39</b>
680 Corridor North	\$0.65	\$1.54	\$1.03	\$6.02	\$5.25	<b>\$14.49</b>
680 Corridor South	\$0.56	\$1.52	\$0.86	\$4.06	\$3.73	<b>\$10.73</b>
80 Corridor	\$2.20	\$1.74	\$1.28	\$4.44	\$6.31	<b>\$15.97</b>
880 Corridor	\$2.73	\$1.16	\$1.02	\$3.99	\$1.72	<b>\$10.62</b>
Highway 4	\$2.16	\$1.70	\$1.25	\$3.35	\$6.20	<b>\$14.66</b>
Oakland	\$0.96	\$2.83	\$0.85	\$4.77	\$6.62	<b>\$16.03</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

### 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>East Bay</b>	\$0.69	\$1.33	\$0.35	\$4.06	\$3.75	<b>\$10.18</b>
680 Corridor North	\$0.60	\$1.34	\$0.38	\$4.02	\$4.03	<b>\$10.37</b>
680 Corridor South	\$0.57	\$1.30	\$0.37	\$4.39	\$3.87	<b>\$10.50</b>
80 Corridor	\$0.78	\$1.36	\$0.17	\$4.47	\$3.98	<b>\$10.76</b>
880 Corridor	\$0.75	\$1.10	\$0.37	\$3.96	\$2.12	<b>\$8.30</b>
Highway 4	\$0.73	\$1.27	\$0.16	\$3.37	\$3.31	<b>\$8.84</b>
Oakland	\$0.78	\$1.57	\$0.50	\$3.87	\$4.74	<b>\$11.46</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

## 1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>East Bay</b>	\$0.65	\$1.21	\$0.31	\$4.20	\$1.99	<b>\$8.36</b>
680 Corridor North	\$0.59	\$1.23	\$0.35	\$4.12	\$3.42	<b>\$9.71</b>
680 Corridor South	\$0.50	\$1.03	\$0.35	\$4.52	\$3.60	<b>\$10</b>
80 Corridor	\$0.74	\$1.29	\$0.16	\$4.85	\$0	<b>\$7.04</b>
880 Corridor	\$0.61	\$1.05	\$0.35	\$4.16	\$2.01	<b>\$8.18</b>
Highway 4	\$0.73	\$1.27	\$0.16	\$2.84	\$0.10	<b>\$5.10</b>
Oakland	\$0.73	\$1.38	\$0.37	\$4.26	\$2.52	<b>\$9.26</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

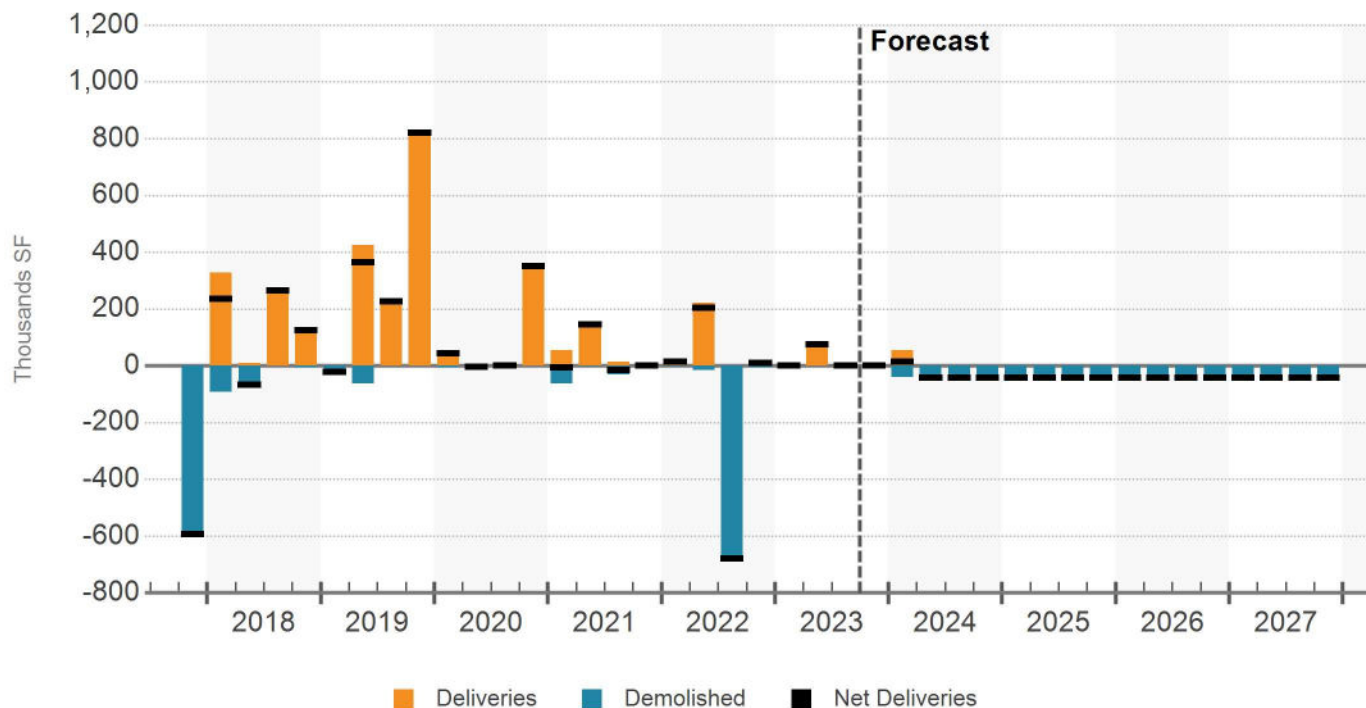
Despite relatively healthy fundamentals over the past decade, developers have been measured in adding new office inventory to the East Bay market. In the years prior to the pandemic, builders preferred projects in San Francisco and San Jose, where demand and rent growth have been more robust. As a result, East Bay has only added around 4.5 million SF of new office space since 2010. Even adding in the few projects currently under construction, the East Bay has increased its total inventory by just over 4% over the past decade.

As expected, there is only 54,000 SF under construction. This is comprised of two buildings, the largest of which is the Fremont Bank building, a 35,000 SF 4 Star property that is expected to complete before the end of 2023. Both of the buildings will be fully occupied upon completion, not impacting the market's vacancy or availability rates.

The most recent completion of note was The Key at 12th, a glass tower totaling 320,000 SF, which broke ground in 2018 and was delivered in 20Q4. Ellis Partners and Intercontinental Real Estate purchased the development site in March 2017. University of California's Office of the President preleased 130,000 SF, and Credit Karma has preleased 160,000 SF. Today, the property remains near full occupancy, with only ground-floor retail available for lease.

Office construction will be rare for some time, except for the occasional build-to-suit property. The East Bay market has never been known for large-scale speculative construction, and the vacancy rate of 14.0% is far too high to justify adding inventory to the market anytime soon. Additionally, construction financing costs have risen with interest rates necessitating higher lease rates than those in 2019, during a time when office rents have compressed.

## DELIVERIES & DEMOLITIONS



## SUBMARKET CONSTRUCTION

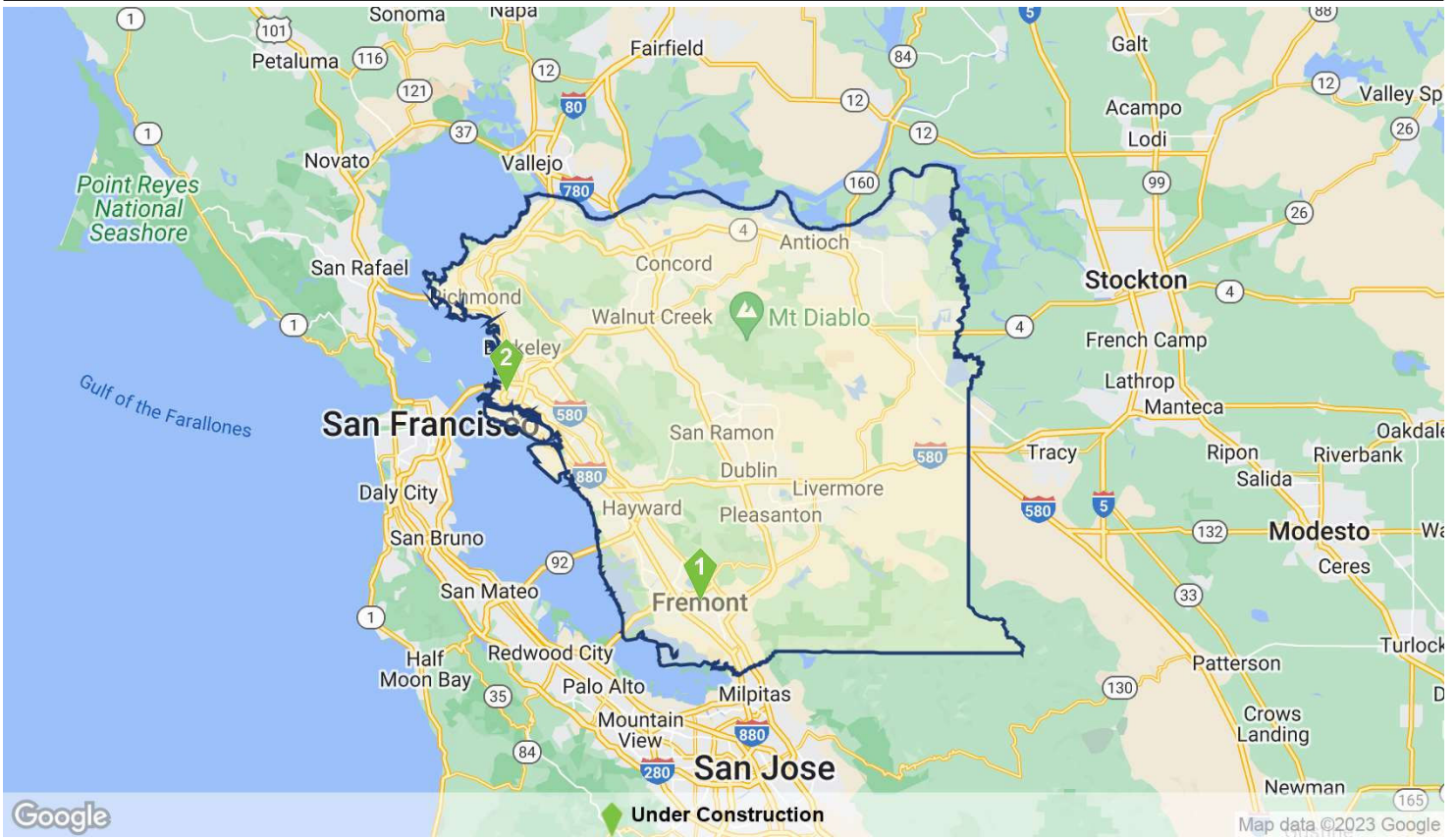
No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Fremont	1	35	35	100%	1	20,412	34,905	1
2	Oakland-West	1	19	19	100%	1	14,144	18,825	2
3	Alameda	0	-	-	-	-	20,697	-	-
4	Antioch/Pittsburg	0	-	-	-	-	8,580	-	-
5	Berkeley	0	-	-	-	-	13,590	-	-
6	Bishop Ranch	0	-	-	-	-	284,823	-	-
7	Concord/Pleasant Hill	0	-	-	-	-	20,031	-	-
8	Danville/Alamo	0	-	-	-	-	9,716	-	-
9	Dublin	0	-	-	-	-	47,468	-	-
10	Emeryville	0	-	-	-	-	63,983	-	-
	All Other	0	-	-	-	-	21,855	-	-
<b>Totals</b>		<b>2</b>	<b>54</b>	<b>54</b>	<b>100%</b>		<b>21,671</b>	<b>26,865</b>	

# Under Construction Properties

East Bay Office

Properties	Square Feet	Percent of Inventory	Released
<b>2</b>	<b>53,730</b>	<b>0%</b>	<b>100%</b>

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 <b>Fremont Bank</b> 39150 Fremont Blvd	★ ★ ★ ★ ☆	34,905	6	Oct 2021	Dec 2023	- MIG Real Estate, LLC
2 <b>1680 14th St</b>	★ ★ ★ ★ ☆	18,825	1	Mar 2023	Dec 2023	-

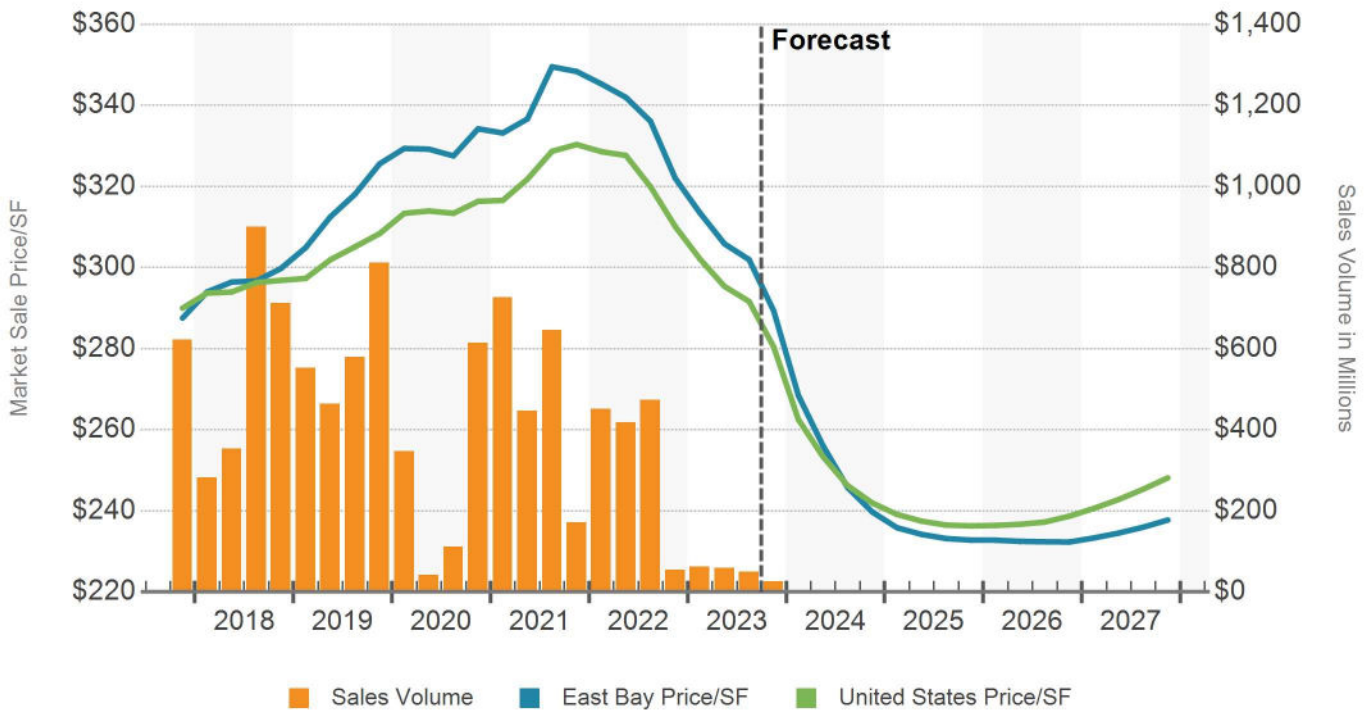
Office transaction volume during the past 12 months in the East Bay, at \$217 million from 110 transactions, far below the market's 10-year annual average of \$1.7 billion, demonstrating investors are less willing to take positions in the market and the threat of foreclosures have begun to drive market activity.

The largest transaction of 2023 by far was the \$33.2 million (\$278/SF) acquisition of Plaza 360 in Downtown Oakland. The property was sold in lieu of foreclosure. Despite renovations in 2008, the property was only 40% leased at the time of sale and was unable to service its debt. The balance of activity has been much smaller. Only two other sales have exceeded \$10 million, neither of which reached \$15 million.

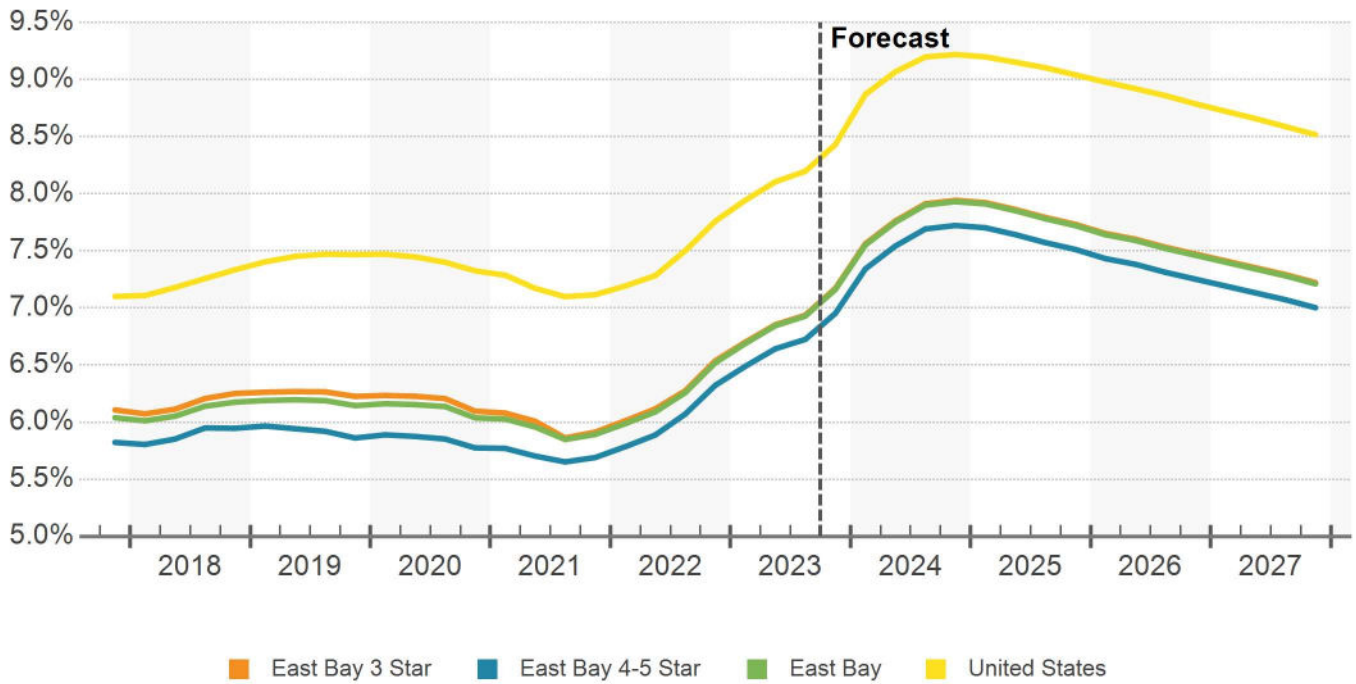
The East Bay saw robust asset price growth from

2013–2019, but since early 2020, pricing has faltered. Values are discounted compared to both the San Francisco and San Jose office markets. However, rising interest rates, higher vacancy rates, and will hamper sales, reducing buyers' willingness to pay for an already high-risk asset class, resulting in some trades below \$80/SF, an unheard-of price just a few years ago. More pricing erosion is likely in the coming periods. The lending environment is significantly more expensive and difficult to navigate. In addition to interest rates going up, lenders are wary of transacting on office properties. The trades that are closing require significantly more equity. The office sector has by far been the hardest hit out of all commercial real estate property types. Leasing will likely remain depressed through the end of 2024, resulting in a prolonged recovery for property values.

**SALES VOLUME & MARKET SALE PRICE PER SF**



## MARKET CAP RATE



# Sales Past 12 Months

East Bay Office

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

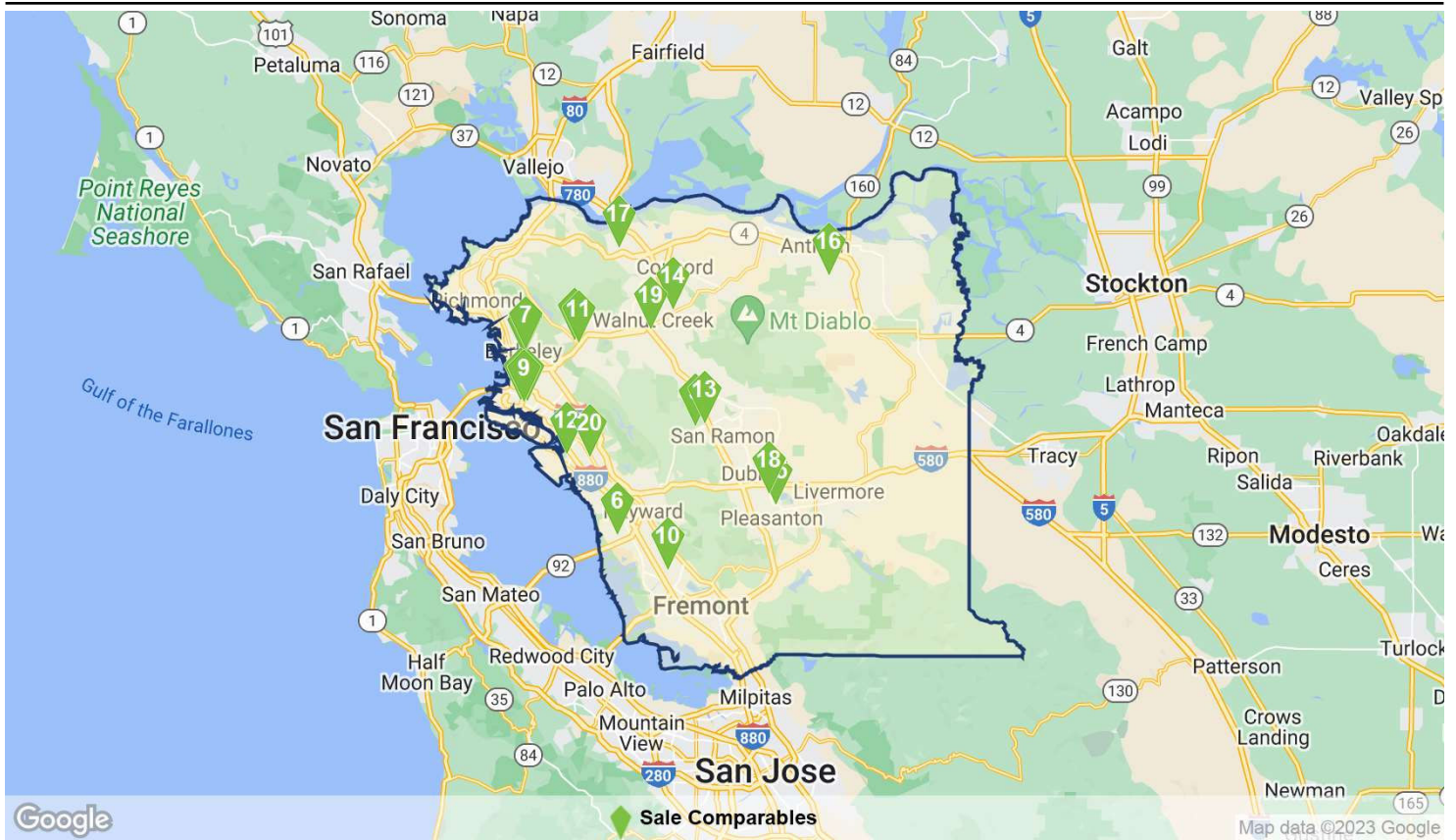
128

6.2%

\$340

19.7%

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$200,000	\$2,665,572	\$1,500,000	\$13,200,000
Price/SF	\$69	\$340	\$392	\$1,580
Cap Rate	4.0%	6.2%	6.5%	7.8%
Time Since Sale in Months	0.2	6.6	7.0	11.9
Property Attributes	Low	Average	Median	High
Building SF	1,066	13,011	4,651	364,165
Stories	1	2	1	15
Typical Floor SF	949	5,530	3,184	27,138
Vacancy Rate At Sale	0%	19.7%	0%	100%
Year Built	1887	1962	1969	2002
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.1	★ ★ ★ ★ ★	★ ★ ★ ★ ★



# Sales Past 12 Months

East Bay Office

## RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 <b>Berkeley's Masonic Tem...</b> 2105-2107 Bancroft Way	★★★★★	1906	34,118	0%	5/30/2023	\$13,200,000	\$387	-
2 <b>Orinda Office Building</b> 25 Orinda Way	★★★★★	1974	28,931	7.0%	3/17/2023	\$12,800,000	\$442	6.0%
3 <b>2481 Deerwood Dr</b>	★★★★★	1988	50,835	78.7%	11/3/2023	\$11,500,000	\$226	-
4 <b>201 19th St</b>	★★★★★	1957	10,302	0%	12/7/2022	\$11,333,000	\$1,100	-
5 <b>2016 Dwight Way</b>	★★★★★	-	6,329	0%	12/15/2022	\$10,000,000	\$1,580	-
6 <b>South Bldg</b> 3101 Diablo Ave	★★★★★	1983	35,130	0%	5/31/2023	\$9,250,000	\$263	-
7 <b>2039 Shattuck Ave</b>	★★★★★	1907	20,670	0%	4/14/2023	\$8,000,000	\$387	4.0%
8 <b>624 14th St</b>	★★★★★	1997	16,784	0%	7/3/2023	\$6,750,000	\$402	-
9 <b>401 15th St</b>	★★★★★	1916	14,400	0%	7/11/2023	\$6,100,000	\$424	-
10 <b>Banner Plaza</b> 2600 Central Ave	★★★★★	1980	22,791	0%	3/31/2023	\$6,098,000	\$268	-
11 <b>51 Moraga Way</b>	★★★★★	1984	11,152	0%	9/8/2023	\$5,400,000	\$484	7.0%
12 <b>8201 Edgewater Dr</b>	★★★★★	1969	27,665	0%	1/31/2023	\$4,650,000	\$168	-
13 <b>Creekside Oaks</b> 2600 Old Crow Canyon Rd	★★★★★	2001	9,528	0%	4/13/2023	\$4,400,000	\$462	-
14 <b>Ygnacio Adobe</b> 2161 Ygnacio Valley Rd	★★★★★	1981	12,818	0%	3/9/2023	\$4,225,000	\$330	-
15 <b>1020 Serpentine Ln</b>	★★★★★	1986	18,032	26.4%	9/21/2023	\$4,050,000	\$225	-
16 <b>5065 Deer Valley Rd</b>	★★★★★	1991	54,276	100%	12/19/2022	\$3,734,550	\$69	-
17 <b>2860 Howe Rd</b>	★★★★★	1987	16,776	0%	8/21/2023	\$3,413,750	\$203	-
18 <b>Bldg 5</b> 4495 Stoneridge Dr	★★★★★	1986	7,488	0%	10/11/2023	\$3,100,000	\$414	-
19 <b>1148 Alpine Rd</b>	★★★★★	1978	10,000	0%	8/1/2023	\$3,055,000	\$306	-
20 <b>198 E 14th St</b>	★★★★★	1994	6,890	0%	11/2/2023	\$2,942,550	\$427	-

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

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

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

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

Outside of the tech sector, the East Bay is home to the Port of Oakland, one of the busiest ports in the U.S. and a central economic force in the metro. The East Bay is

also the largest Bay Area industrial market, and major distribution tenants like Amazon and UPS have been expanding in the metro recently. The continued rise of e-commerce and the need for warehouse space and last-mile distribution facilities should benefit the East Bay economy and employment market.

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

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

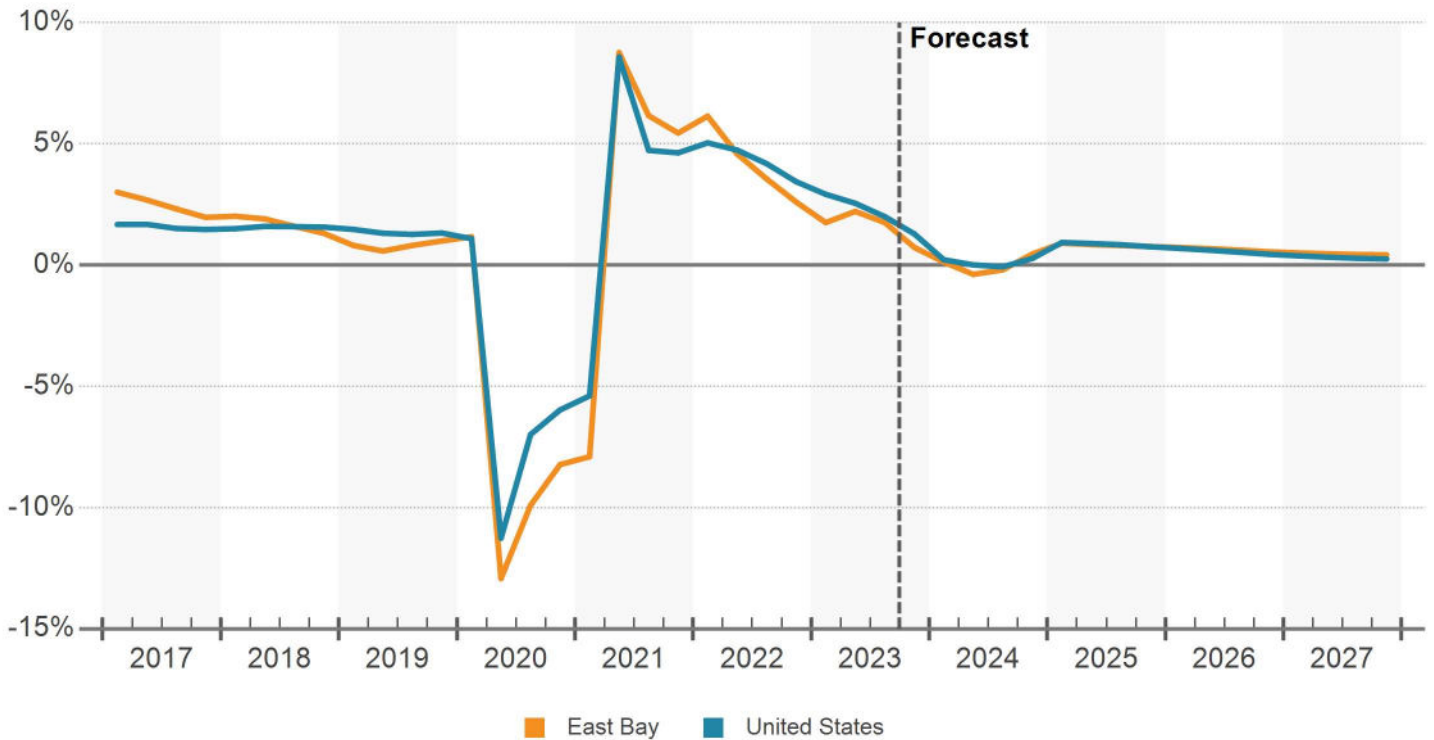
BART's ongoing extension from the East Bay to San Jose is significantly expanding the number of commuting options for East Bay residents. Job centers in San Francisco, Downtown Oakland, and Pleasanton are becoming even more accessible from the southern portion of the East Bay. And once BART reaches San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

## EAST BAY 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	115	1.2	0.79%	0.26%	3.52%	0.74%	0.83%	0.06%
Trade, Transportation and Utilities	203	0.9	-0.60%	0.24%	0.82%	1.08%	-0.08%	0.13%
Retail Trade	105	0.9	-1.52%	0.42%	-0.34%	0.26%	-0.16%	0.10%
Financial Activities	52	0.7	0.76%	0.72%	-0.08%	1.47%	0.04%	0.13%
Government	163	0.9	1.59%	1.73%	0.04%	0.37%	0.20%	0.39%
Natural Resources, Mining and Construction	79	1.2	3.98%	1.92%	3.19%	2.39%	0.93%	0.24%
Education and Health Services	214	1.1	3.27%	3.43%	2.42%	1.88%	0.76%	0.65%
Professional and Business Services	192	1.1	-1.91%	0.94%	1.02%	2.04%	0.13%	0.49%
Information	24	1.0	-5.34%	-2.42%	0.36%	1.14%	0.66%	0.30%
Leisure and Hospitality	117	0.9	4.71%	3.43%	1.62%	1.50%	1.54%	0.84%
Other Services	40	0.9	0.82%	2.00%	0.56%	0.65%	0.01%	0.26%
<b>Total Employment</b>	<b>1,197</b>	<b>1.0</b>	<b>1.09%</b>	<b>1.54%</b>	<b>1.40%</b>	<b>1.33%</b>	<b>0.48%</b>	<b>0.39%</b>

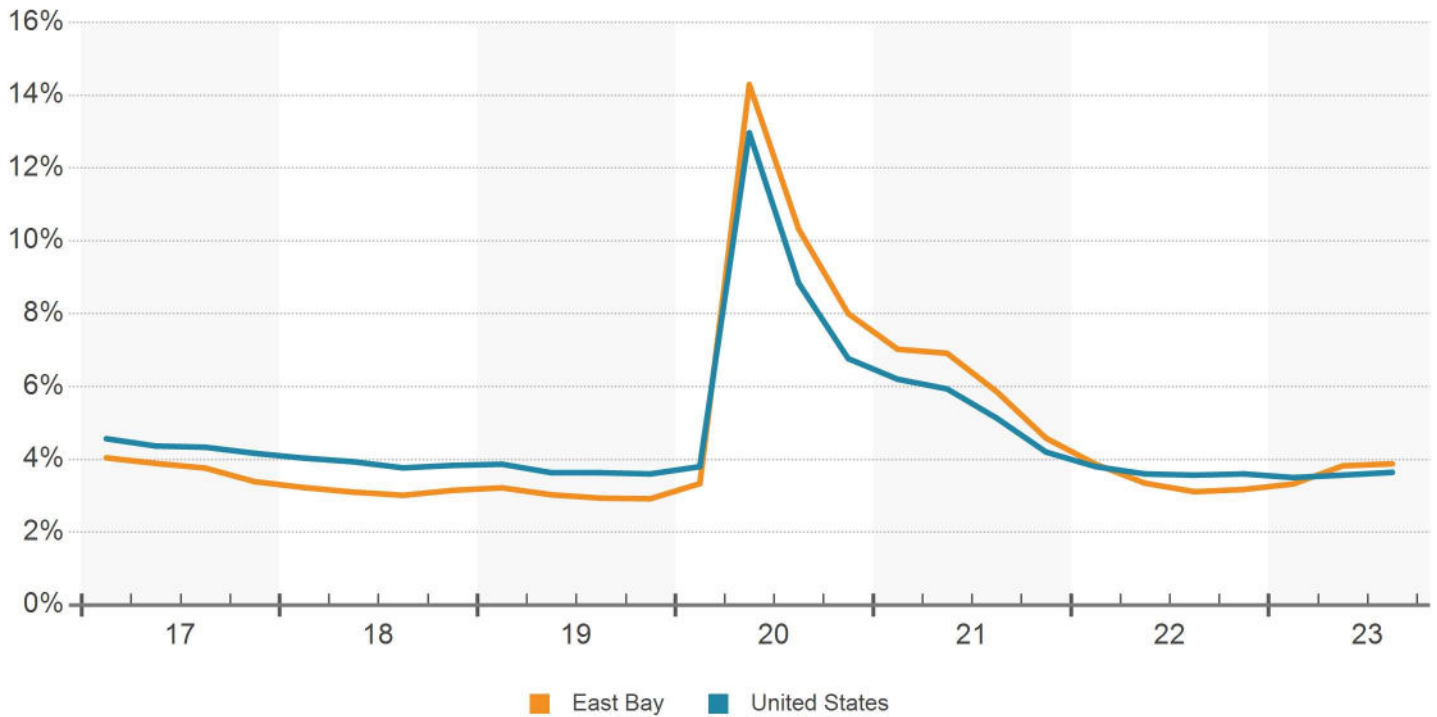
Source: Oxford Economics  
LQ = Location Quotient

## JOB GROWTH (YOY)

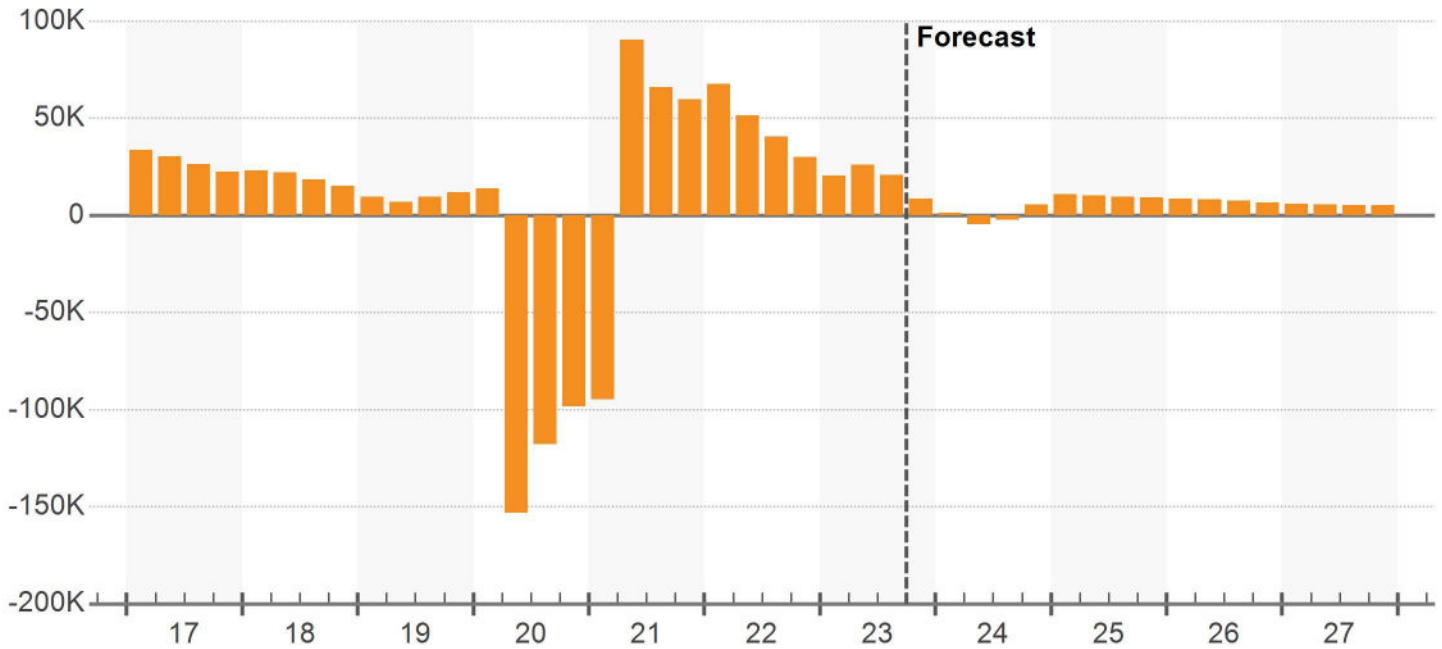


Source: Oxford Economics

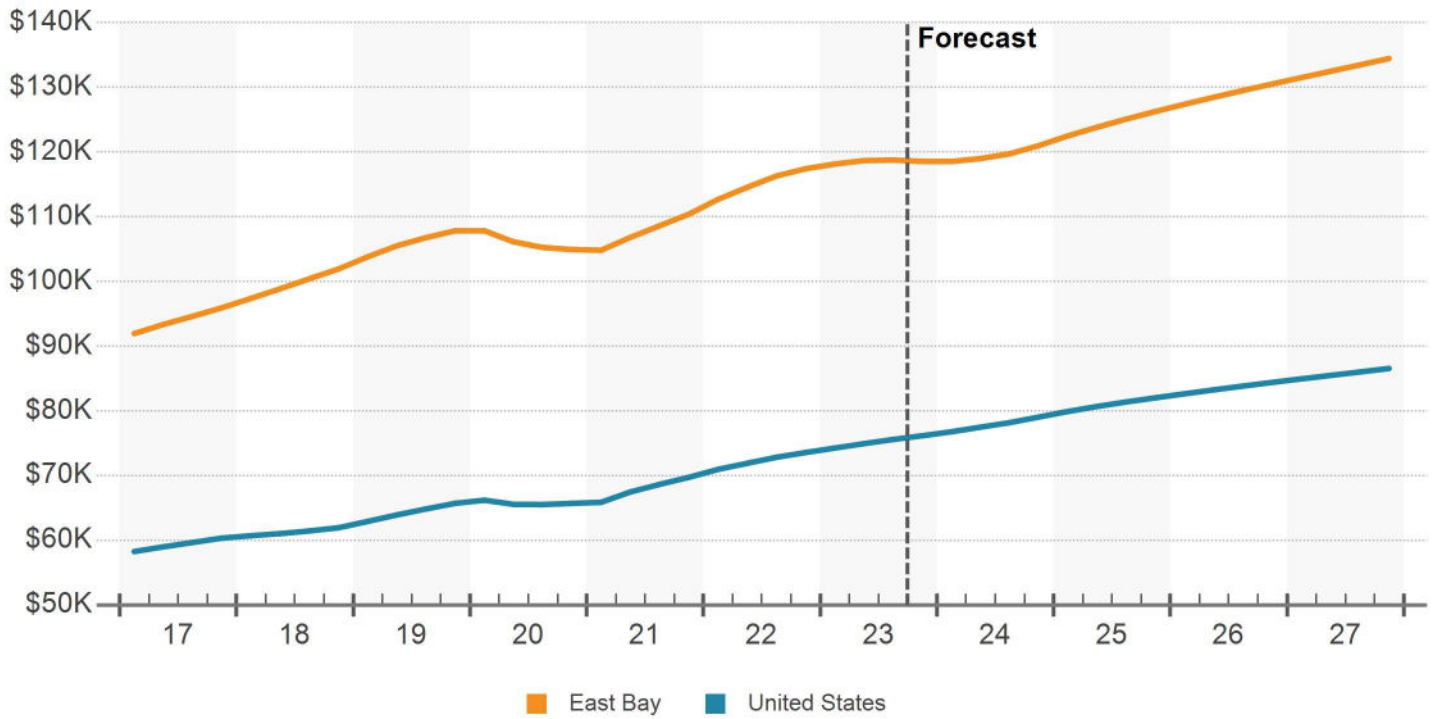
## UNEMPLOYMENT RATE (%)



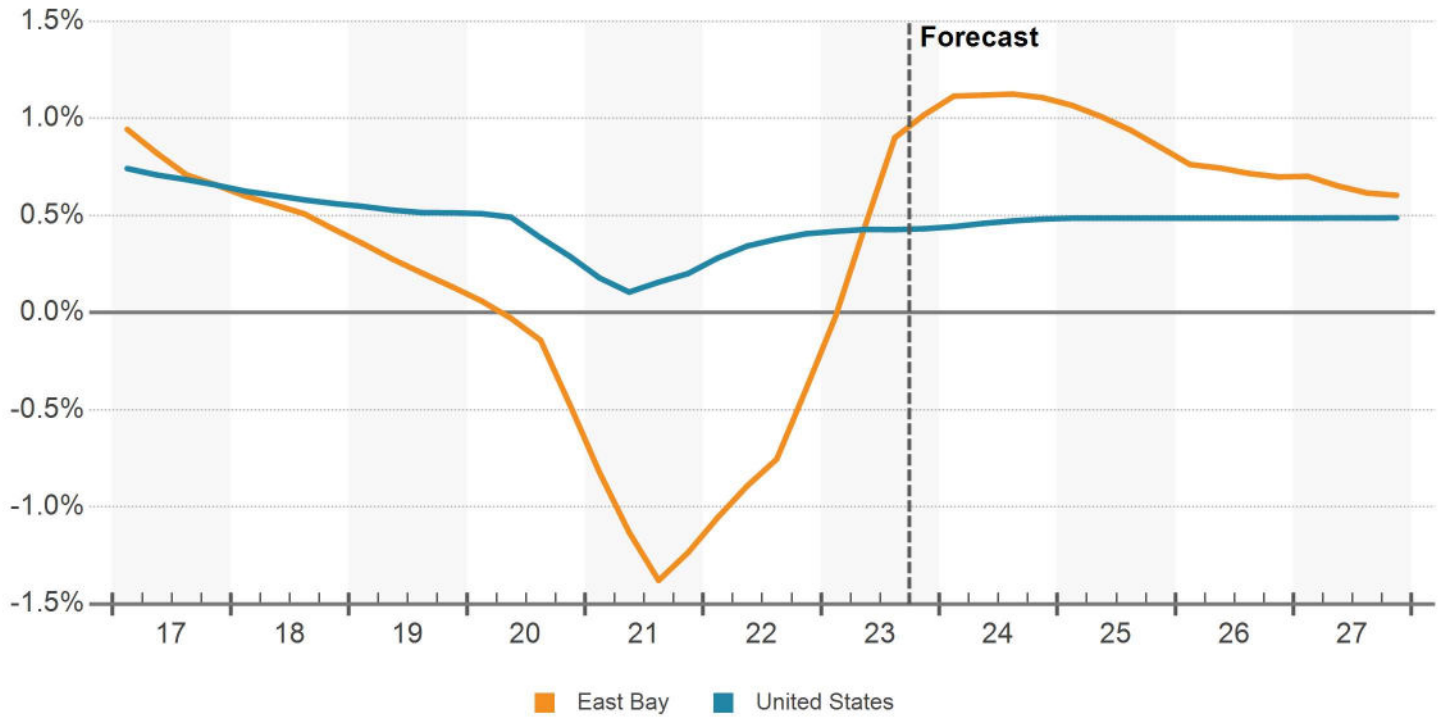
## NET EMPLOYMENT CHANGE (YOY)



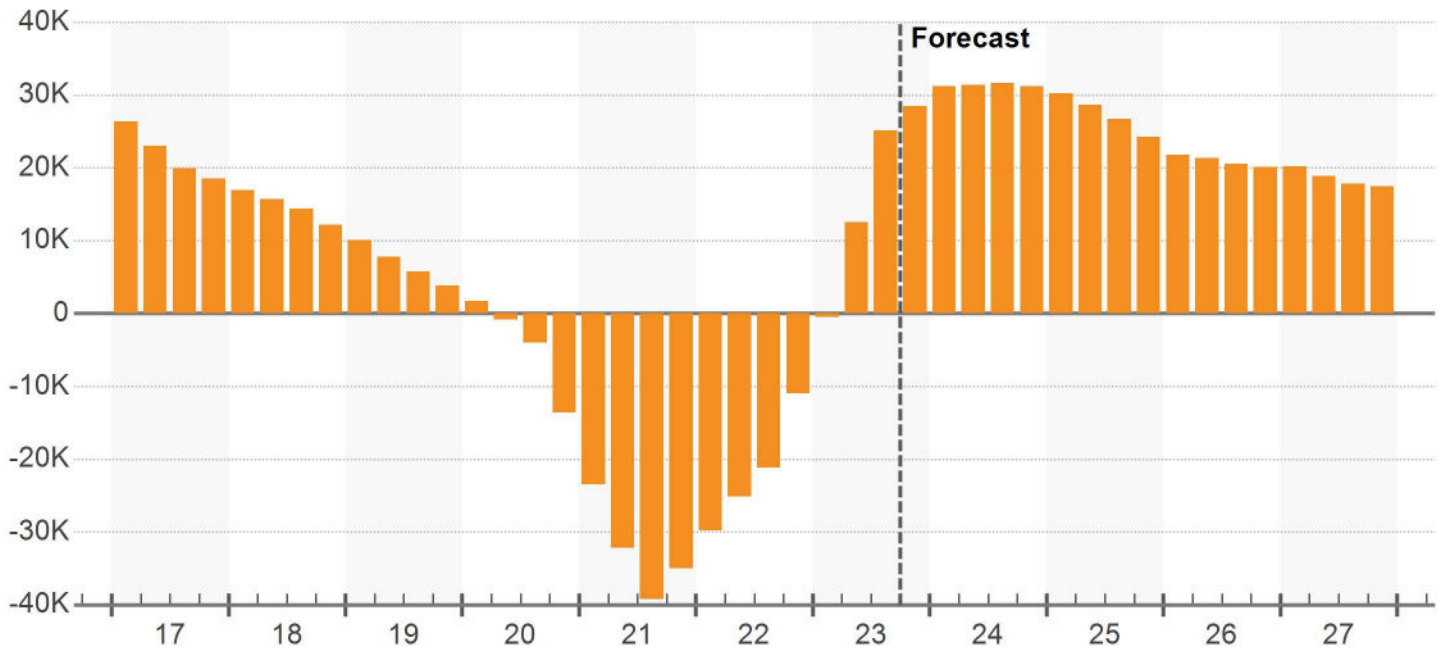
## MEDIAN HOUSEHOLD INCOME



## 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	2,816,226	334,969,969	1.0%	0.4%	0.4%	0.5%	0.8%	0.5%
Households	1,019,511	130,762,383	1.1%	0.6%	0.6%	0.9%	0.9%	0.6%
Median Household Income	\$118,594	\$75,938	1.4%	3.6%	4.7%	3.8%	3.1%	3.1%
Labor Force	1,387,117	167,555,109	0.7%	1.8%	0.4%	0.8%	0%	0.2%
Unemployment	3.9%	3.6%	0.7%	0.1%	-0.3%	-0.3%	-	-

Source: Oxford Economics

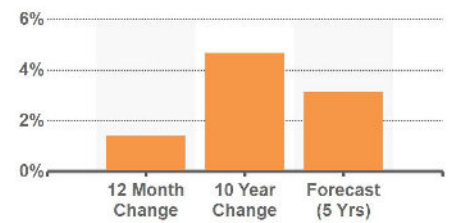
### POPULATION GROWTH



### LABOR FORCE GROWTH



### INCOME GROWTH



Source: Oxford Economics



## 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	Alameda	218	4,512	3.9%	9	0	0	0%	-	0	-	-	-
2	Antioch/Pittsburg	303	2,600	2.2%	16	0	0	0%	-	0	-	-	-
3	Berkeley	486	6,605	5.7%	6	0	0	0%	-	0	-	-	-
4	Bishop Ranch	24	6,836	5.9%	5	0	0	0%	-	0	-	-	-
5	Concord/Pleasant Hill	386	7,732	6.7%	4	0	0	0%	-	0	-	-	-
6	Danville/Alamo	154	1,496	1.3%	22	0	0	0%	-	0	-	-	-
7	Dublin	59	2,801	2.4%	14	0	0	0%	-	0	-	-	-
8	Emeryville	69	4,415	3.8%	10	1	75	1.7%	1	0	-	-	-
9	Fremont	249	5,083	4.4%	7	0	0	0%	-	1	35	0.7%	1
10	Hayward/Castro Valley	329	3,885	3.4%	11	0	0	0%	-	0	-	-	-
11	Lamorinda	209	1,813	1.6%	21	1	6	0.3%	2	0	-	-	-
12	Livermore	175	2,132	1.8%	19	0	0	0%	-	0	-	-	-
13	Martinez/Pacheco/Hercules	205	1,839	1.6%	20	0	0	0%	-	0	-	-	-
14	Newark	49	1,127	1.0%	24	0	0	0%	-	0	-	-	-
15	Oakland-Downtown	288	21,299	18.4%	1	0	0	0%	-	0	-	-	-
16	Oakland-North	352	3,281	2.8%	12	0	0	0%	-	0	-	-	-
17	Oakland-Port/Jack London	59	1,429	1.2%	23	0	0	0%	-	0	-	-	-
18	Oakland-South/Airport	305	4,939	4.3%	8	0	0	0%	-	0	-	-	-
19	Oakland-West	63	891	0.8%	25	0	0	0%	-	1	19	2.1%	2
20	Pleasanton	247	11,674	10.1%	2	0	0	0%	-	0	-	-	-
21	Richmond/San Pablo	301	2,994	2.6%	13	0	0	0%	-	0	-	-	-
22	San Leandro	288	2,625	2.3%	15	0	0	0%	-	0	-	-	-
23	San Ramon	113	2,375	2.1%	18	0	0	0%	-	0	-	-	-
24	Union City	30	259	0.2%	26	0	0	0%	-	0	-	-	-
25	Walnut Creek-BART/DT	296	8,578	7.4%	3	0	0	0%	-	0	-	-	-
26	Walnut Creek-Shadelands	78	2,398	2.1%	17	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	Alameda	\$33.66	13	0.4%	5	-0.5%	6
2	Antioch/Pittsburg	\$30.36	24	0%	10	-0.6%	16
3	Berkeley	\$40.77	4	-0.4%	11	-0.5%	9
4	Bishop Ranch	\$38.37	8	-0.9%	18	0.1%	1
5	Concord/Pleasant Hill	\$31.16	23	-0.5%	12	-0.5%	7
6	Danville/Alamo	\$38.39	7	0.3%	9	0.1%	2
7	Dublin	\$33.44	14	-1.9%	21	-1.5%	25
8	Emeryville	\$44.80	2	-1.0%	19	-0.1%	3
9	Fremont	\$33.73	12	0.3%	8	-0.5%	11
10	Hayward/Castro Valley	\$31.30	22	0.6%	4	-0.7%	23
11	Lamorinda	\$39.90	6	0.6%	3	-0.7%	20
12	Livermore	\$32.81	19	0.3%	7	-0.3%	5
13	Martinez/Pacheco/Hercules	\$28.14	26	-0.6%	13	-0.7%	19
14	Newark	\$38.28	9	-1.1%	20	-6.5%	26
15	Oakland-Downtown	\$48.75	1	-2.2%	23	-0.3%	4
16	Oakland-North	\$37.55	10	-3.1%	25	-0.5%	12
17	Oakland-Port/Jack London	\$42.43	3	-2.6%	24	-0.5%	8
18	Oakland-South/Airport	\$29.71	25	-2.2%	22	-0.6%	18
19	Oakland-West	\$33.25	16	-3.6%	26	-0.6%	14
20	Pleasanton	\$34.93	11	-0.7%	16	-0.5%	10
21	Richmond/San Pablo	\$33.43	15	-0.7%	15	-0.6%	13
22	San Leandro	\$32.92	18	0.3%	6	-0.8%	24
23	San Ramon	\$33.03	17	-0.7%	14	-0.6%	15
24	Union City	\$31.99	20	1.1%	1	-0.6%	17
25	Walnut Creek-BART/DT	\$40.18	5	-0.7%	17	-0.7%	21
26	Walnut Creek-Shadelands	\$31.78	21	0.9%	2	-0.7%	22

## SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Alameda	299,969	6.6%	6	(20,407)	-0.5%	15	-
2	Antioch/Pittsburg	174,814	6.7%	7	(8,586)	-0.3%	10	-
3	Berkeley	509,302	7.7%	11	64,582	1.0%	2	-
4	Bishop Ranch	1,696,895	24.8%	25	(591,196)	-8.6%	25	-
5	Concord/Pleasant Hill	1,595,422	20.6%	22	(551,446)	-7.1%	24	-
6	Danville/Alamo	133,455	8.9%	12	(11,526)	-0.8%	12	-
7	Dublin	395,331	14.1%	18	7,519	0.3%	6	-
8	Emeryville	993,591	22.5%	24	(65,215)	-1.5%	20	-
9	Fremont	453,620	8.9%	13	(90,192)	-1.8%	21	-
10	Hayward/Castro Valley	190,514	4.9%	4	(6,523)	-0.2%	9	-
11	Lamorinda	135,890	7.5%	10	(14,043)	-0.8%	13	-
12	Livermore	303,186	14.2%	19	845	0%	8	-
13	Martinez/Pacheco/Hercules	72,508	3.9%	2	(18,978)	-1.0%	14	-
14	Newark	317,805	28.2%	26	(176,464)	-15.7%	23	-
15	Oakland-Downtown	3,797,014	17.8%	21	(897,415)	-4.2%	26	-
16	Oakland-North	302,888	9.2%	14	(28,254)	-0.9%	17	-
17	Oakland-Port/Jack London	197,496	13.8%	17	(33,567)	-2.3%	18	-
18	Oakland-South/Airport	343,044	6.9%	9	32,488	0.7%	4	-
19	Oakland-West	61,497	6.9%	8	(21,292)	-2.4%	16	-
20	Pleasanton	1,411,281	12.1%	15	(45,327)	-0.4%	19	-
21	Richmond/San Pablo	171,565	5.7%	5	(9,902)	-0.3%	11	-
22	San Leandro	108,377	4.1%	3	57,485	2.2%	3	-
23	San Ramon	368,356	15.5%	20	3,875	0.2%	7	-
24	Union City	2,601	1.0%	1	12,562	4.9%	5	-
25	Walnut Creek-BART/DT	1,802,099	21.0%	23	(120,689)	-1.4%	22	-
26	Walnut Creek-Shadelands	306,518	12.8%	16	135,313	5.6%	1	-

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	115,004,832	(166,550)	-0.1%	(923,438)	-0.8%	-
2026	115,171,382	(166,824)	-0.1%	(1,691,293)	-1.5%	-
2025	115,338,206	(167,034)	-0.1%	(1,688,999)	-1.5%	-
2024	115,505,240	(111,589)	-0.1%	(3,022,060)	-2.6%	-
2023	115,616,829	75,240	0.1%	(3,473,937)	-3.0%	-
YTD	115,616,829	75,240	0.1%	(2,387,169)	-2.1%	-
2022	115,541,589	(451,637)	-0.4%	(705,308)	-0.6%	-
2021	115,993,226	121,510	0.1%	(1,185,366)	-1.0%	-
2020	115,871,716	398,170	0.3%	(2,268,558)	-2.0%	-
2019	115,473,546	1,387,809	1.2%	2,043,305	1.8%	0.7
2018	114,085,737	558,847	0.5%	591,661	0.5%	0.9
2017	113,526,890	(975,685)	-0.9%	(1,630,042)	-1.4%	-
2016	114,502,575	(497)	0%	1,027,646	0.9%	-
2015	114,503,072	138,242	0.1%	1,883,962	1.6%	0.1
2014	114,364,830	183,295	0.2%	496,983	0.4%	0.4
2013	114,181,535	128,226	0.1%	1,292,992	1.1%	0.1
2012	114,053,309	(84,600)	-0.1%	1,000,360	0.9%	-
2011	114,137,909	(297,984)	-0.3%	518,053	0.5%	-

## 4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	33,609,055	0	0%	(260,525)	-0.8%	-
2026	33,609,055	0	0%	(483,013)	-1.4%	-
2025	33,609,055	0	0%	(450,681)	-1.3%	-
2024	33,609,055	53,730	0.2%	(818,916)	-2.4%	-
2023	33,555,325	75,240	0.2%	(1,737,975)	-5.2%	-
YTD	33,555,325	75,240	0.2%	(1,418,870)	-4.2%	-
2022	33,480,085	7,306	0%	186,858	0.6%	0
2021	33,472,779	163,996	0.5%	(1,087,014)	-3.2%	-
2020	33,308,783	351,400	1.1%	(750,814)	-2.3%	-
2019	32,957,383	1,177,791	3.7%	1,159,268	3.5%	1.0
2018	31,779,592	722,000	2.3%	560,683	1.8%	1.3
2017	31,057,592	(465,711)	-1.5%	(1,289,343)	-4.2%	-
2016	31,523,303	132,725	0.4%	407,270	1.3%	0.3
2015	31,390,578	310,890	1.0%	965,145	3.1%	0.3
2014	31,079,688	0	0%	(209,639)	-0.7%	-
2013	31,079,688	68,640	0.2%	278,571	0.9%	0.2
2012	31,011,048	178,000	0.6%	514,907	1.7%	0.3
2011	30,833,048	(81,560)	-0.3%	653,040	2.1%	-

# Supply & Demand Trends

East Bay Office

## 3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	44,801,958	(9,982)	0%	(303,125)	-0.7%	-
2026	44,811,940	(10,004)	0%	(598,659)	-1.3%	-
2025	44,821,944	(10,024)	0%	(616,168)	-1.4%	-
2024	44,831,968	(10,037)	0%	(1,128,891)	-2.5%	-
2023	44,842,005	0	0%	(1,177,822)	-2.6%	-
YTD	44,842,005	0	0%	(751,679)	-1.7%	-
2022	44,842,005	(433,794)	-1.0%	(643,102)	-1.4%	-
2021	45,275,799	3,493	0%	(31,971)	-0.1%	-
2020	45,272,306	49,843	0.1%	(830,981)	-1.8%	-
2019	45,222,463	272,038	0.6%	1,046,962	2.3%	0.3
2018	44,950,425	(118,495)	-0.3%	(305,795)	-0.7%	-
2017	45,068,920	(391,637)	-0.9%	(272,913)	-0.6%	-
2016	45,460,557	(72,510)	-0.2%	325,039	0.7%	-
2015	45,533,067	(99,980)	-0.2%	501,922	1.1%	-
2014	45,633,047	405,658	0.9%	529,323	1.2%	0.8
2013	45,227,389	72,006	0.2%	416,985	0.9%	0.2
2012	45,155,383	(17,992)	0%	633,074	1.4%	-
2011	45,173,375	(84,817)	-0.2%	37,334	0.1%	-

## 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	36,593,819	(156,568)	-0.4%	(359,788)	-1.0%	-
2026	36,750,387	(156,820)	-0.4%	(609,621)	-1.7%	-
2025	36,907,207	(157,010)	-0.4%	(622,150)	-1.7%	-
2024	37,064,217	(155,282)	-0.4%	(1,074,253)	-2.9%	-
2023	37,219,499	0	0%	(558,140)	-1.5%	-
YTD	37,219,499	0	0%	(216,620)	-0.6%	-
2022	37,219,499	(25,149)	-0.1%	(249,064)	-0.7%	-
2021	37,244,648	(45,979)	-0.1%	(66,381)	-0.2%	-
2020	37,290,627	(3,073)	0%	(686,763)	-1.8%	-
2019	37,293,700	(62,020)	-0.2%	(162,925)	-0.4%	-
2018	37,355,720	(44,658)	-0.1%	336,773	0.9%	-
2017	37,400,378	(118,337)	-0.3%	(67,786)	-0.2%	-
2016	37,518,715	(60,712)	-0.2%	295,337	0.8%	-
2015	37,579,427	(72,668)	-0.2%	416,895	1.1%	-
2014	37,652,095	(222,363)	-0.6%	177,299	0.5%	-
2013	37,874,458	(12,420)	0%	597,436	1.6%	-
2012	37,886,878	(244,608)	-0.6%	(147,621)	-0.4%	-
2011	38,131,486	(131,607)	-0.3%	(172,321)	-0.5%	-

### OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$33.64	130	-0.6%	-15.2%	23,990,135	20.9%	0.7%
2026	\$33.83	131	-2.0%	-14.7%	23,225,310	20.2%	1.4%
2025	\$34.50	134	-3.1%	-13.0%	21,692,938	18.8%	1.4%
2024	\$35.62	138	-5.8%	-10.2%	20,162,935	17.5%	2.6%
2023	\$37.83	146	-0.7%	-4.6%	17,231,889	14.9%	3.1%
YTD	\$37.91	147	-1.0%	-4.4%	16,145,038	14.0%	2.1%
2022	\$38.09	147	-1.5%	-3.9%	13,682,629	11.8%	0.3%
2021	\$38.68	150	-1.1%	-2.4%	13,428,958	11.6%	1.1%
2020	\$39.10	151	-1.4%	-1.4%	12,123,199	10.5%	2.3%
2019	\$39.65	153	6.3%	0%	9,462,471	8.2%	-0.7%
2018	\$37.32	144	4.6%	-5.9%	10,113,643	8.9%	-0.1%
2017	\$35.66	138	6.2%	-10.1%	10,146,457	8.9%	0.6%
2016	\$33.57	130	12.5%	-15.3%	9,497,561	8.3%	-0.9%
2015	\$29.85	116	10.8%	-24.7%	10,527,101	9.2%	-1.5%
2014	\$26.95	104	7.7%	-32.0%	12,272,086	10.7%	-0.3%
2013	\$25.02	97	6.1%	-36.9%	12,585,774	11.0%	-1.0%
2012	\$23.58	91	2.6%	-40.5%	13,750,540	12.1%	-0.9%
2011	\$22.97	89	0.7%	-42.1%	14,836,259	13.0%	-0.7%

### 4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$38.98	134	-0.8%	-22.7%	9,793,515	29.1%	0.8%
2026	\$39.31	135	-2.2%	-22.1%	9,532,990	28.4%	1.4%
2025	\$40.20	138	-3.4%	-20.3%	9,049,977	26.9%	1.3%
2024	\$41.61	143	-6.1%	-17.5%	8,599,296	25.6%	2.6%
2023	\$44.31	152	-1.8%	-12.1%	7,724,595	23.0%	5.4%
YTD	\$44.40	152	-2.9%	-12.0%	7,405,485	22.1%	4.4%
2022	\$45.12	155	-7.7%	-10.5%	5,911,375	17.7%	-0.5%
2021	\$48.89	168	-1.4%	-3.0%	6,090,927	18.2%	3.7%
2020	\$49.57	170	-1.7%	-1.7%	4,839,917	14.5%	3.2%
2019	\$50.43	173	9.7%	0%	3,737,703	11.3%	-0.4%
2018	\$45.95	158	3.8%	-8.9%	3,719,180	11.7%	0.2%
2017	\$44.26	152	5.7%	-12.2%	3,557,863	11.5%	2.8%
2016	\$41.86	144	12.9%	-17.0%	2,739,691	8.7%	-0.9%
2015	\$37.10	127	9.8%	-26.4%	3,014,236	9.6%	-2.2%
2014	\$33.80	116	10.8%	-33.0%	3,667,756	11.8%	0.7%
2013	\$30.51	105	5.2%	-39.5%	3,458,117	11.1%	-0.7%
2012	\$29.01	99	3.0%	-42.5%	3,668,048	11.8%	-1.2%
2011	\$28.15	97	4.1%	-44.2%	4,004,955	13.0%	-2.4%

### 3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$32.76	134	-0.4%	-10.6%	8,526,614	19.0%	0.7%
2026	\$32.89	135	-1.8%	-10.2%	8,233,456	18.4%	1.3%
2025	\$33.49	137	-3.0%	-8.6%	7,644,782	17.1%	1.4%
2024	\$34.51	141	-5.7%	-5.8%	7,038,622	15.7%	2.5%
2023	\$36.59	150	0.9%	-0.1%	5,909,467	13.2%	2.6%
YTD	\$36.67	150	0.9%	0.1%	5,483,298	12.2%	1.7%
2022	\$36.26	148	0%	-1.0%	4,731,619	10.6%	0.6%
2021	\$36.26	148	-0.5%	-1.0%	4,522,311	10.0%	0.1%
2020	\$36.43	149	-0.6%	-0.6%	4,486,847	9.9%	1.9%
2019	\$36.64	150	3.7%	0%	3,606,023	8.0%	-1.8%
2018	\$35.35	145	6.1%	-3.5%	4,376,523	9.7%	0.4%
2017	\$33.32	136	6.1%	-9.0%	4,189,223	9.3%	-0.2%
2016	\$31.41	129	13.3%	-14.3%	4,307,948	9.5%	-0.9%
2015	\$27.73	114	11.2%	-24.3%	4,706,894	10.3%	-1.3%
2014	\$24.93	102	6.5%	-32.0%	5,308,796	11.6%	-0.4%
2013	\$23.41	96	6.2%	-36.1%	5,432,461	12.0%	-0.8%
2012	\$22.05	90	4.6%	-39.8%	5,777,440	12.8%	-1.4%
2011	\$21.07	86	-0.3%	-42.5%	6,429,265	14.2%	-0.2%

### 1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$29.87	122	-0.5%	-12.0%	5,670,006	15.5%	0.6%
2026	\$30.01	122	-1.9%	-11.6%	5,458,864	14.9%	1.3%
2025	\$30.58	125	-3.1%	-9.9%	4,998,179	13.5%	1.3%
2024	\$31.54	129	-5.8%	-7.1%	4,525,017	12.2%	2.5%
2023	\$33.47	136	-1.4%	-1.4%	3,597,827	9.7%	1.5%
YTD	\$33.54	137	-1.3%	-1.2%	3,256,255	8.7%	0.6%
2022	\$33.95	138	4.8%	0%	3,039,635	8.2%	0.6%
2021	\$32.39	132	-1.4%	-4.6%	2,815,720	7.6%	0.1%
2020	\$32.86	134	-2.1%	-3.2%	2,796,435	7.5%	1.8%
2019	\$33.56	137	5.2%	-1.1%	2,118,745	5.7%	0.3%
2018	\$31.89	130	3.8%	-6.1%	2,017,940	5.4%	-1.0%
2017	\$30.72	125	7.1%	-9.5%	2,399,371	6.4%	-0.1%
2016	\$28.68	117	10.9%	-15.5%	2,449,922	6.5%	-0.9%
2015	\$25.85	105	11.5%	-23.8%	2,805,971	7.5%	-1.3%
2014	\$23.20	95	5.4%	-31.7%	3,295,534	8.8%	-1.0%
2013	\$22.01	90	7.3%	-35.2%	3,695,196	9.8%	-1.6%
2012	\$20.52	84	-0.3%	-39.5%	4,305,052	11.4%	-0.2%
2011	\$20.59	84	-1.9%	-39.4%	4,402,039	11.5%	0.1%

## 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	-	-	-	-	-	-	\$237.77	138	7.2%
2026	-	-	-	-	-	-	\$232.34	135	7.5%
2025	-	-	-	-	-	-	\$232.82	135	7.7%
2024	-	-	-	-	-	-	\$239.74	139	7.9%
2023	-	-	-	-	-	-	\$289.32	168	7.2%
YTD	103	\$197.1M	0.9%	\$2,214,377	\$336.32	5.8%	\$300.39	174	6.9%
2022	215	\$1.4B	4.9%	\$6,953,764	\$250.53	5.3%	\$322.05	187	6.5%
2021	225	\$2B	4.5%	\$10,360,373	\$408.29	5.6%	\$348.36	202	5.9%
2020	122	\$1.1B	2.5%	\$9,695,184	\$384.56	5.4%	\$334.24	194	6.0%
2019	306	\$2.4B	6.4%	\$11,978,514	\$348.97	6.3%	\$325.58	189	6.1%
2018	318	\$2.2B	7.3%	\$9,992,339	\$288.75	5.5%	\$299.82	174	6.2%
2017	353	\$1.8B	6.6%	\$8,983,692	\$263.75	6.3%	\$287.57	167	6.0%
2016	337	\$2.5B	8.4%	\$10,519,663	\$276.32	5.7%	\$279.78	162	5.8%
2015	290	\$1.5B	6.8%	\$6,643,454	\$229.40	5.8%	\$252.31	146	6.0%
2014	252	\$1.4B	6.5%	\$6,899,314	\$196.57	6.4%	\$225.14	130	6.2%
2013	274	\$1.2B	5.4%	\$6,829,370	\$247.56	7.2%	\$204.88	119	6.5%
2012	317	\$1.1B	6.2%	\$5,662,482	\$171.54	7.5%	\$188.80	109	6.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 4 & 5 STAR 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	-	-	-	-	-	-	\$267.11	129	7.0%
2026	-	-	-	-	-	-	\$261.54	126	7.3%
2025	-	-	-	-	-	-	\$262.61	127	7.5%
2024	-	-	-	-	-	-	\$271.02	131	7.7%
2023	-	-	-	-	-	-	\$328.85	159	7.0%
YTD	1	\$0	1.1%	-	-	-	\$341.35	165	6.7%
2022	4	\$257.3M	1.6%	\$64,329,951	\$480	-	\$366.95	177	6.3%
2021	11	\$458.3M	2.8%	\$114,568,375	\$547.75	6.0%	\$401.06	194	5.7%
2020	2	\$431.4M	3.5%	\$215,714,603	\$371.80	-	\$392.48	190	5.8%
2019	12	\$1.1B	8.6%	\$93,582,748	\$397.91	6.5%	\$384.03	186	5.9%
2018	18	\$1.2B	11.8%	\$68,031,332	\$325.70	3.8%	\$347.80	168	5.9%
2017	18	\$801.8M	9.8%	\$47,163,717	\$262.41	6.4%	\$331.85	160	5.8%
2016	16	\$1.2B	11.4%	\$74,922,702	\$332.33	5.3%	\$322.40	156	5.6%
2015	11	\$581.5M	9.1%	\$58,147,995	\$276.02	6.6%	\$295.50	143	5.7%
2014	16	\$815.4M	11.1%	\$50,962,522	\$236.06	5.8%	\$264.62	128	5.9%
2013	11	\$855M	9.7%	\$85,502,450	\$294.54	6.1%	\$242.10	117	6.2%
2012	11	\$344.6M	6.4%	\$34,463,161	\$192.27	-	\$223.82	108	6.5%

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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.

### 3 STAR 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	-	-	-	-	-	-	\$235.94	142	7.2%
2026	-	-	-	-	-	-	\$230.16	139	7.5%
2025	-	-	-	-	-	-	\$230.25	139	7.7%
2024	-	-	-	-	-	-	\$236.69	143	7.9%
2023	-	-	-	-	-	-	\$284.81	172	7.2%
YTD	30	\$66.8M	0.5%	\$3,036,418	\$378	5.3%	\$295.75	178	7.0%
2022	56	\$677.6M	7.5%	\$13,829,055	\$201.29	6.6%	\$315.84	190	6.5%
2021	77	\$1.2B	6.9%	\$18,604,087	\$403.38	5.4%	\$340.58	205	5.9%
2020	39	\$430.9M	2.0%	\$12,672,449	\$473.41	4.8%	\$321.71	194	6.1%
2019	112	\$1B	6.9%	\$11,447,867	\$349.87	6.2%	\$311.11	187	6.2%
2018	70	\$566.1M	5.3%	\$10,293,541	\$256.92	5.9%	\$287.66	173	6.3%
2017	78	\$720.3M	6.1%	\$11,618,343	\$271.89	6.8%	\$276.98	167	6.1%
2016	78	\$809.7M	8.1%	\$11,245,635	\$233.72	5.5%	\$270.70	163	5.9%
2015	54	\$611.2M	6.1%	\$11,984,122	\$223.33	5.8%	\$243.35	147	6.1%
2014	62	\$328.7M	4.9%	\$5,975,898	\$160.52	6.8%	\$218.02	131	6.3%
2013	71	\$186M	4.1%	\$4,894,920	\$214.99	8.3%	\$198.90	120	6.6%
2012	109	\$508.5M	6.9%	\$6,053,913	\$171.27	6.2%	\$184.07	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.

### 1 & 2 STAR 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	-	-	-	-	-	-	\$213.48	143	7.4%
2026	-	-	-	-	-	-	\$208.60	139	7.6%
2025	-	-	-	-	-	-	\$209.01	140	7.9%
2024	-	-	-	-	-	-	\$215.17	144	8.1%
2023	-	-	-	-	-	-	\$259.06	173	7.3%
YTD	72	\$130.3M	1.2%	\$1,944,453	\$318.33	7.1%	\$269	180	7.1%
2022	155	\$462.8M	4.8%	\$3,126,778	\$276.04	5.1%	\$288.99	193	6.7%
2021	137	\$340.3M	3.2%	\$2,744,005	\$313.99	5.7%	\$310.16	207	6.1%
2020	81	\$252.7M	2.2%	\$3,198,148	\$304.85	5.5%	\$296.74	198	6.2%
2019	182	\$254.4M	3.8%	\$2,569,499	\$224.65	6.4%	\$290.25	194	6.3%
2018	230	\$457.6M	5.8%	\$3,010,313	\$251.01	5.3%	\$271.15	181	6.3%
2017	257	\$301.6M	4.5%	\$2,432,008	\$249.32	5.9%	\$260.35	174	6.2%
2016	243	\$495.2M	6.2%	\$3,301,539	\$248.95	6.0%	\$252.26	169	6.0%
2015	225	\$328.7M	5.7%	\$1,956,433	\$183.77	5.8%	\$224.14	150	6.2%
2014	174	\$242.7M	4.7%	\$1,866,826	\$156.26	6.3%	\$198.06	132	6.4%
2013	192	\$154.1M	3.4%	\$1,213,451	\$145.45	7.0%	\$178.47	119	6.8%
2012	197	\$211.4M	5.3%	\$2,248,789	\$146.38	8.3%	\$162.89	109	7.1%

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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.