



Industrial Market Report

San Francisco - CA USA

PREPARED BY



INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF

2.2M

12 Mo Net Absorption in SF

(2.3M)

Vacancy Rate

12.0%

Market Asking Rent Growth

0.1%

In the second quarter of 2024, the San Francisco industrial market is seeing a continuation of the trends that characterized the past year, with low levels of leasing, vacancy rising, and moderate rent growth. However, the two leading industrial market segments are on different tracks. The flex market has been weakened by falling demand and historically high levels of new supply, while the logistics segment has remained tighter.

In recent years, the booming life sciences sector led to a surge in demand by biotech companies for flex/R&D space. Developers responded by constructing new facilities, primarily in South San Francisco but also in other Peninsular employment centers and parts of the City of San Francisco. With continued new development, flex properties now account for over 30% of total industrial space in San Francisco, a much higher share than the 10%-12% typically seen in other markets.

The economic headwinds of the past 18 months reduced tenant demand. Higher interest rates and banking turmoil slashed venture capital funding for the biotech sector, while the slowing economy has also caused logistics property users to decrease leasing activity. Total industrial leasing volume in 2023 was the lowest since the Great Recession, and activity remains weak in the second quarter of 2024. Several life sciences tenants have made blocks of space available for sublease. For

example, in November, Charles River Labs made available half of the space it occupies at 225 Gateway Blvd. in South San Francisco. Accordingly, annual net absorption for the past 12 months is -2.3 million SF, of which flex space accounts for -680,000 SF.

Construction activity in the flex segment is at an all-time high, with 24 projects comprising 4.3 million SF of new flex space underway and set to deliver over the next three years. Most of this space is speculative, and pre-delivery marketing has pushed the flex availability rate to 28.5% in the second quarter. In contrast, no logistics space is under construction.

Vacancy has increased and currently stands at 12.0%. The increase is driven by flex space, where vacancy has increased to 21.0%, whereas vacancy in the logistics sector remains close to its long-term average at 7.7%.

Reflecting high land and operating costs, industrial rents, at \$27.00/SF, are the highest in the nation. However, the rate of rent growth is one of the lowest. In the past year, rents grew by 0.1%, compared to 3.8% nationally.

The continuing weakness in demand and ongoing supply expansion will result in higher flex vacancies and limited scope for rent growth in the year ahead.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	49,049,544	7.7%	\$22.38	9.9%	(179,196)	0	0
Specialized Industrial	17,360,070	6.1%	\$23.09	5.8%	(23,673)	0	0
Flex	34,349,372	21.1%	\$35.79	28.6%	(157,105)	0	4,315,663
Market	100,758,986	12.0%	\$27.43	16.1%	(359,974)	0	4,315,663

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	4.2%	5.8%	11.5%	12.0%	2024 Q3	1.1%	2000 Q2
Net Absorption SF	(2.3M)	(405,047)	551,291	2,206,548	2000 Q2	(4,733,165)	2001 Q4
Deliveries SF	2.2M	541,524	1,171,493	2,259,568	2024 Q2	0	2010 Q4
Market Asking Rent Growth	0.1%	3.0%	4.9%	10.6%	1998 Q1	-4.6%	2002 Q3
Sales Volume	\$396M	\$638M	N/A	\$2.5B	2021 Q3	\$102.1M	2010 Q1

The slowdown in leasing activity that began more than a year ago is still shaping activity in the third quarter of 2024. At 3.2 million SF, total industrial leasing volume in 2023 was the lowest since the Great Recession.

The leasing slowdown has come about as higher interest rates and economic uncertainty reduced demand for industrial space. Moreover, the demand from biotech companies for R&D space has diminished as venture capital funding dried up. Coming at a time that coincides with a spike in the delivery of newly constructed flex R&D space, the result has been a sharp increase in vacancy for that segment of the industrial market.

Flex vacancy increased by 7.4% in the past year and stands at 21.0% in the third quarter. By comparison, logistics space vacancy remains close to its long-term average at 7.7%. Overall market vacancy ticked up to its current rate of 12.0%.

The construction of flex space for life sciences tenants is at record levels, most of which is speculative. As a result, availability in the flex sector has increased substantially to its current level of 28.5%. Also contributing to this total

is an increase in sublet space. For example, in September, FibroGen made 230,000 SF of R&D space available for sublet in Mission Bay.

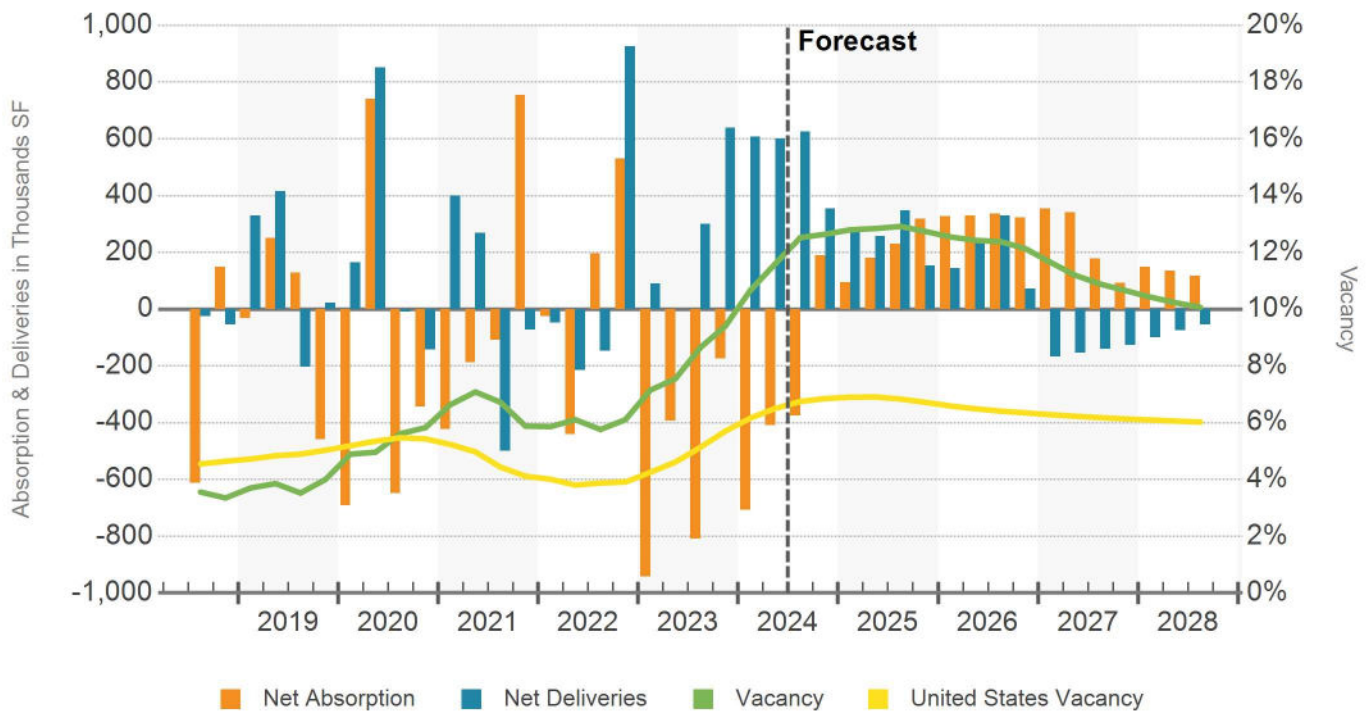
Cargo Therapeutics signed the largest new lease in November, taking 100,000 SF at 835 Industrial Road in Belmont. However, the tenant subsequently made half of the space available for sublease.

Some sublease space has found tenants. For example, Harpoon Therapeutics took 35,000 SF of sublet space in June at 131 Oyster Point Blvd. in South San Francisco.

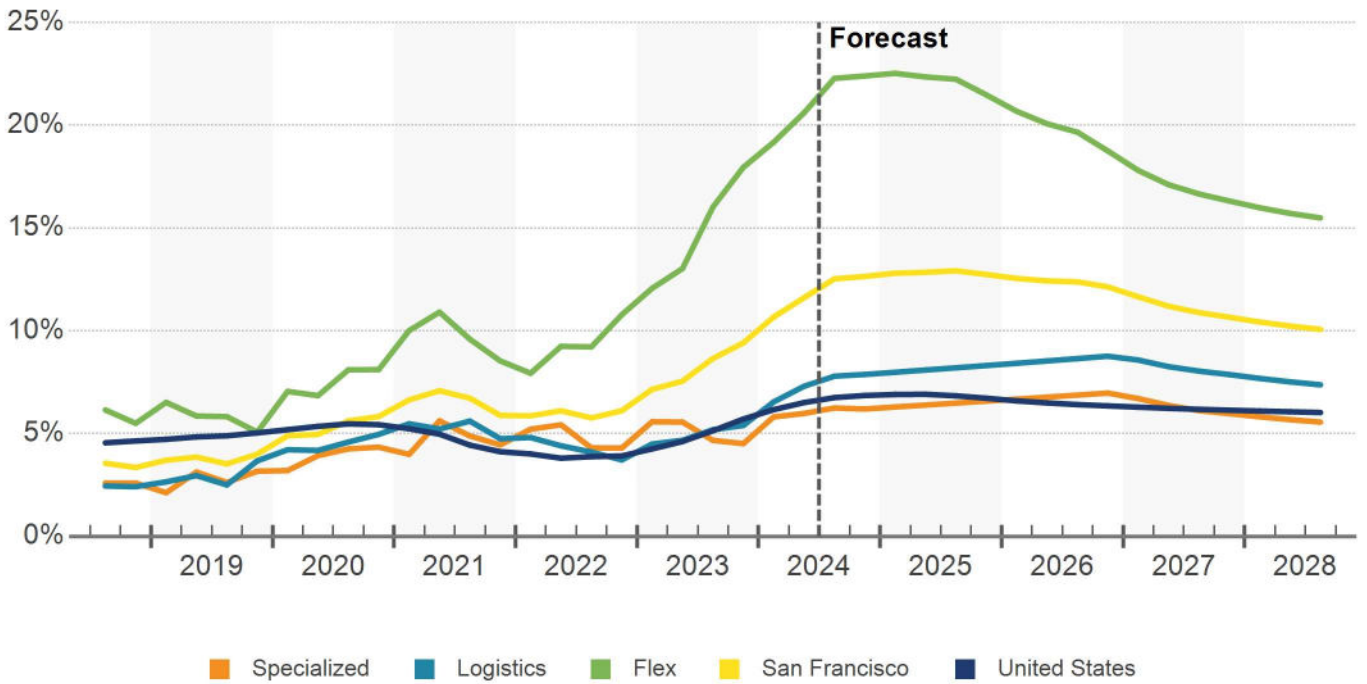
Several larger leases have been signed in the logistics segment. TriMark renewed its lease for a 120,000-SF distribution warehouse in Brisbane in June 2023. The seven-year renewal has a starting monthly rent of \$1.80/SF.

Continued economic uncertainty and deliveries of speculative flex space in the months ahead are projected to cause vacancy to rise further in the coming quarters. Of the 4.3 million SF currently under construction, 3.5 million SF is available for lease.

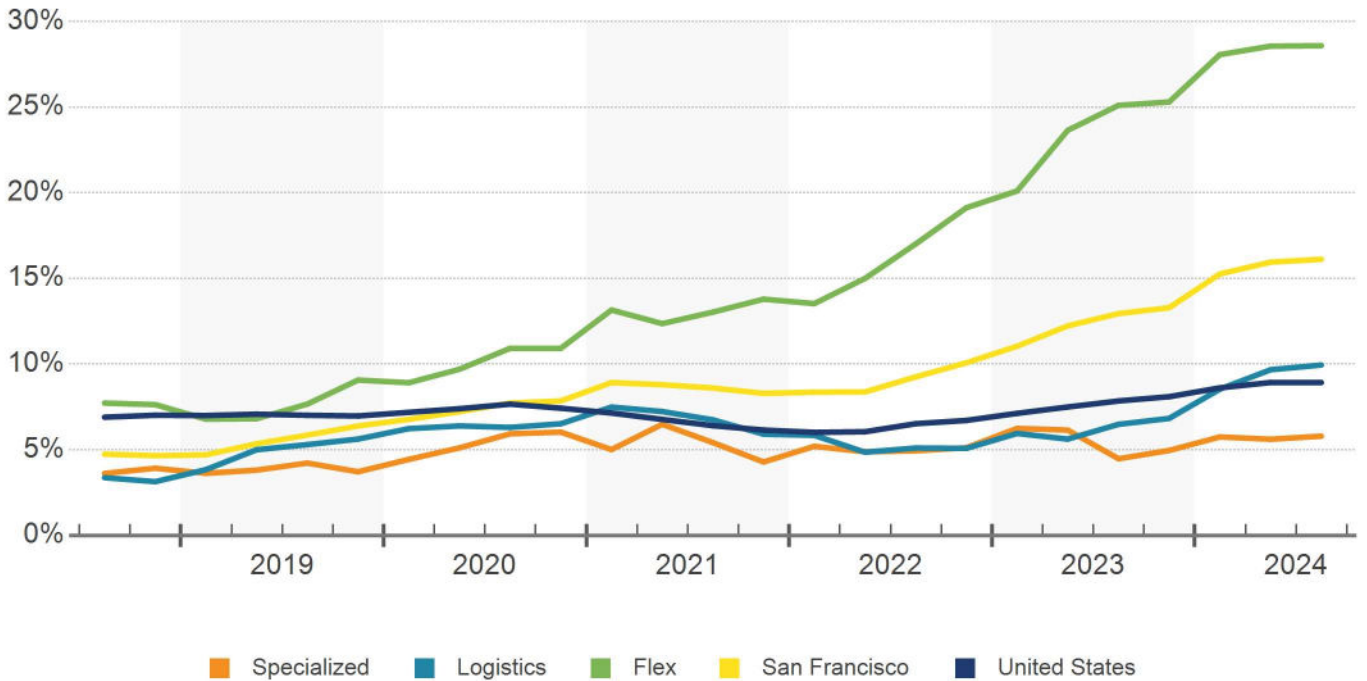
NET ABSORPTION, NET DELIVERIES & VACANCY



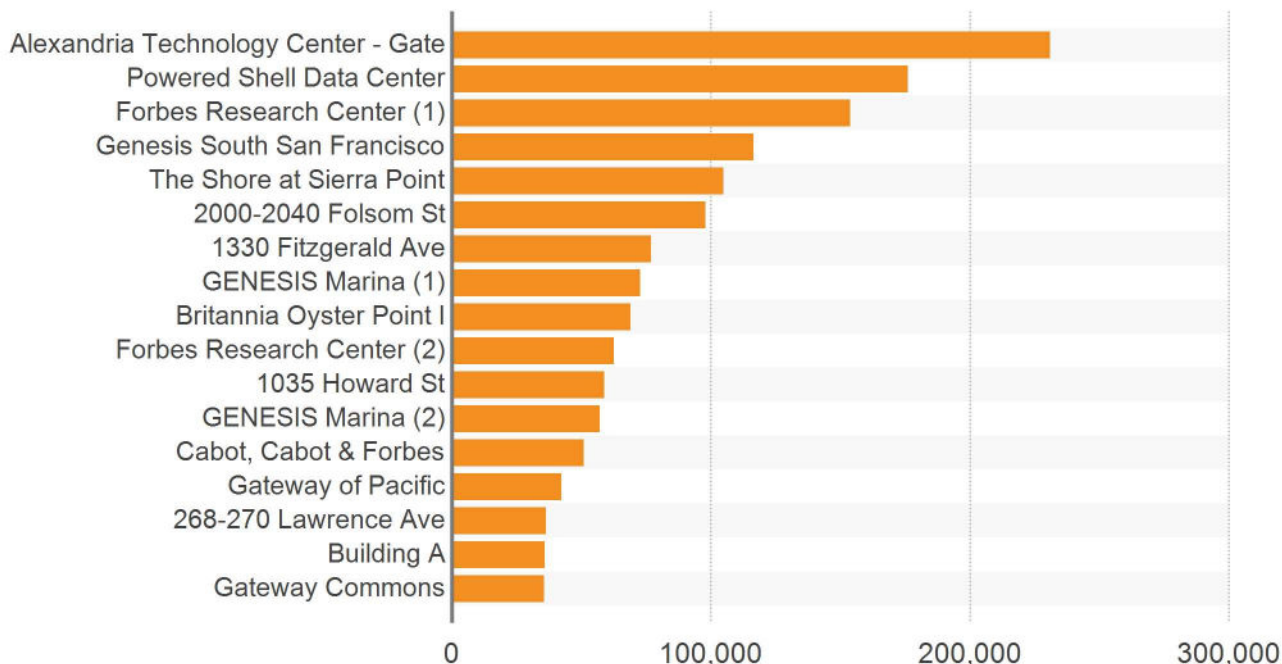
VACANCY RATE



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
Alexandria Technology Center - ...	South San Francisco...	231,000	0	231,000	0	0	0	231,000
Powered Shell Data Center	Bayview/Hunters Poi...	242,000	55,585	0	0	0	0	176,252
Forbes Research Center (1)	South San Francisco...	154,000	0	0	0	0	0	154,000
Genesis South San Francisco	South San Francisco...	336,360	14,209	(14,209)	0	0	0	116,574
The Shore at Sierra Point	Brisbane/Daly City Ind	109,237	0	105,000	0	0	0	105,000
2000-2040 Folsom St	Mission/Potrero Ind	98,000	0	98,000	0	0	0	98,000
1330 Fitzgerald Ave	Bayview/Hunters Poi...	94,304	0	0	0	0	0	76,878
GENESIS Marina (1)	Brisbane/Daly City Ind	198,000	125,241	8,759	64,000	0	0	72,759
Britannia Oyster Point I	South San Francisco...	69,058	0	69,058	0	0	0	69,058
Forbes Research Center (2)	South San Francisco...	188,000	125,334	31,333	31,333	0	0	62,666
1035 Howard St	South of Market Ind	58,918	0	0	0	0	0	58,918
GENESIS Marina (2)	Brisbane/Daly City Ind	225,117	167,876	57,241	0	0	0	57,241
Cabot, Cabot & Forbes	South San Francisco...	356,743	0	0	0	0	0	51,048
Gateway of Pacific	South San Francisco...	160,000	117,600	0	42,400	0	0	42,400
268-270 Lawrence Ave	South San Francisco...	44,000	0	0	36,542	0	0	36,542
Building A	Foster City/Redwood...	149,892	57,473	0	0	7,527	0	35,923
Gateway Commons	South San Francisco...	327,000	286,603	22,364	0	(22,365)	0	35,610
Subtotal Primary Competitors		3,041,629	949,921	608,546	174,275	(14,838)	0	1,479,869
Remaining San Francisco Market		97,717,357	11,103,644	(1,316,881)	(583,370)	(345,136)	0	(3,791,649)
Total San Francisco Market		100,758,986	12,053,565	(708,335)	(409,095)	(359,974)	0	(2,311,780)

TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name
220 Shaw Rd	South San Francisco	70,328	Q4 23	Sixt Rent A Car
1575 Burke Ave	Bayview/Hunters Point	38,811	Q4 23	Keller Supply
100 Paul Ave	Bayview/Hunters Point	37,500	Q1 24	San Francisco Supply Ma...
268-270 Lawrence Ave	South San Francisco	36,542	Q2 24	Accelerated Global Soluti...
231 S Maple Ave	South San Francisco	27,360	Q3 23	Mina Metals Co
111 S Maple Ave	South San Francisco	27,355	Q1 24	Ebb Carbon
550-554 Eccles Ave	South San Francisco	25,797	Q3 23	Golden City Padel Inc
2177 Jerrold Ave	Mission/Potrero	24,591	Q1 24	City and County of San Fr...
540 Barneveld Ave	Mission/Potrero	21,750	Q2 24	Conrad Imports Inc
865 Hinckley Rd	Burlingame	20,822	Q2 24	-
1660 Gilbreth Rd	Burlingame	20,700	Q2 24	Caccia Plumbing
405 Allerton Ave	South San Francisco	20,000	Q3 23	Decker Electric
306-310 S Maple Ave	South San Francisco	18,900	Q4 23	-
1201 Main St	Redwood City	17,685	Q2 24	Devcon Construction, Inc.
451-455 Eccles Ave *	South San Francisco	17,461	Q2 24	Mountain View Staging
425-439 Littlefield Ave	South San Francisco	16,000	Q3 23	-
850 Mitten Rd	Burlingame	15,597	Q2 24	TransPak
35 N Amphlett Blvd	San Mateo	15,000	Q4 23	UCS Worldwide Transport...
1955 Carroll Ave	Bayview/Hunters Point	14,200	Q1 24	East Star
1465 N Carolan Ave	Burlingame	13,585	Q1 24	Academy of Volleyball
630 Tennessee St	Mission Bay/China Basin	11,840	Q4 23	Fyusion
929 Washington St	Belmont/San Carlos	11,300	Q3 24	-
929 Washington St	Belmont/San Carlos	11,300	Q3 24	-
350 Harbor Way	South San Francisco	11,200	Q1 24	-
1850 Donner Ave	Bayview/Hunters Point	10,400	Q3 23	Mint Staging
1221 Whitehorn Way	Burlingame	10,000	Q1 24	Ek Construction
1004-1094 Revere Ave *	Bayview/Hunters Point	10,000	Q1 24	Advanced Technical Sewing
2566 Bay Rd	Redwood City	9,866	Q2 24	Circularity Fuels
145 Barneveld Ave	Mission/Potrero	9,600	Q4 23	White Harmony Design &...
274 Shotwell St	Mission/Potrero	8,955	Q2 24	-
535-555 Minnesota St	Mission Bay/China Basin	8,235	Q2 24	-
955-959 Terminal Way	Belmont/San Carlos	8,060	Q2 24	-
390 Industrial Rd *	Belmont/San Carlos	8,000	Q3 23	Dishcraft
1051-1099 Sneath Ln	San Bruno/Millbrae	7,890	Q4 23	Gentle Giant Moving Com...
2398 Jerrold Ave	Mission/Potrero	7,500	Q3 23	-
2070 Newcomb Ave	Bayview/Hunters Point	7,500	Q2 24	Phoenix Boring
867-871 Kaynyne St	Redwood City	7,300	Q3 23	-
390 Swift Ave	South San Francisco	7,200	Q4 23	-
5835 3rd St	Bayview/Hunters Point	7,000	Q2 24	Richard Liu
2472 3rd St	Mission Bay/China Basin	6,500	Q4 23	Northern Lights Film and...

*Renewal

Rent levels for industrial properties in San Francisco are the highest nationwide. A tight market and competition with other land uses for scarce space have discouraged using sites for large-scale industrial facilities. Over the years, repurposing industrial buildings for other uses has kept industrial supply low and rents high.

With a limited supply of large industrial buildings available for lease in and around the denser parts of the urban center, available spaces usually find tenants at rents above the market average. For example, in November, Keller Supply leased 38,800 SF at 1575 Burke Avenue in San Francisco on an industrial gross lease with a starting rent of \$25.56/SF. The 40-year-old single-tenant building has a clear height of 22 feet and is well-located close to San Francisco's Central Waterfront, giving it good access to I-280 and Highway 101.

In Brisbane, large space availability includes 142,000 SF at 425-427 Valley Drive, a 32-dock warehouse building with 26 feet of clear height, currently asking \$24/SF.

With abundant flex space available, pricing is competitive. For example, fully equipped lab space

previously occupied by 23 and Me is being marketed in South San Francisco. The 32,000 SF sublease is available for \$51/ SF NNN on a lease that runs through 2028. Higher-end R&D space, like that at Phase 3's Genesis Station in Daly City, is available on a direct lease for \$75 NNN.

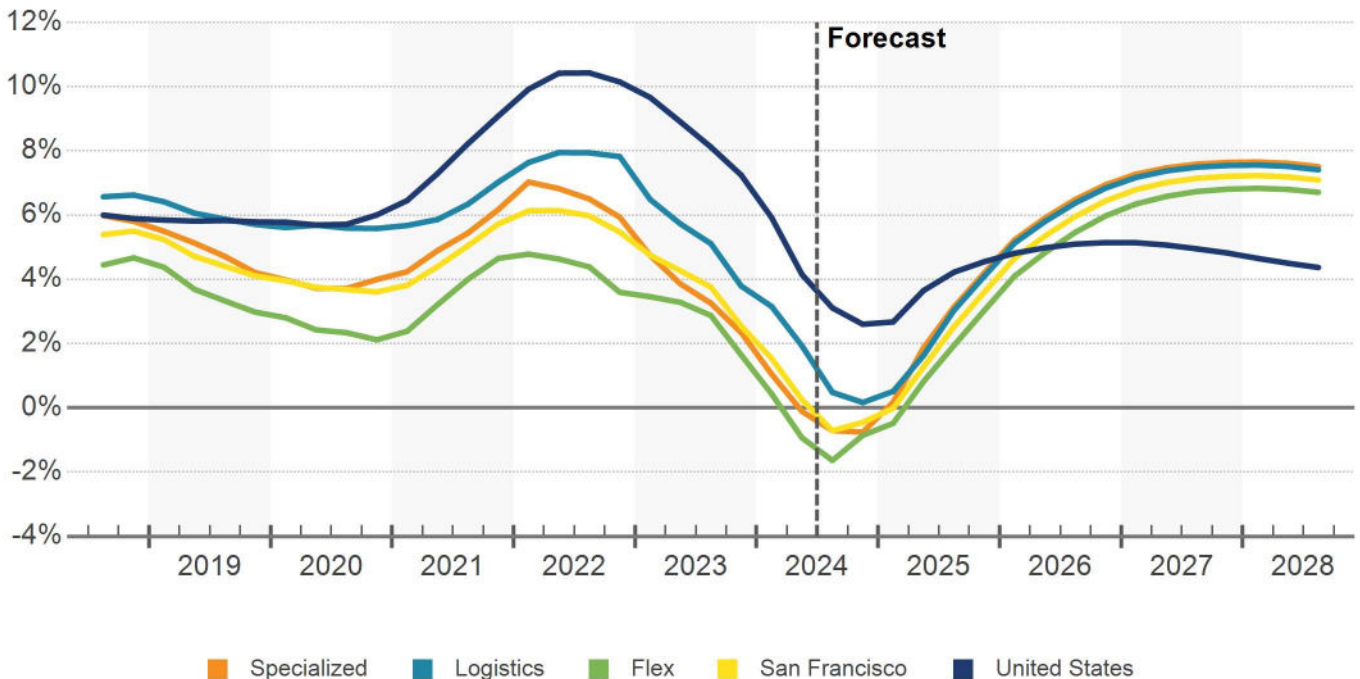
In recent years, rent growth has been notably lower in San Francisco than in other markets. The spike in industrial rents in early 2022 that saw an average annual increase across the nation of 10.4%, registered just 6.1% at its peak in San Francisco.

The third quarter of 2024 finds asking rents in San Francisco 0.1% higher than they were a year ago. This is below the national average increase over this period of 3.8%.

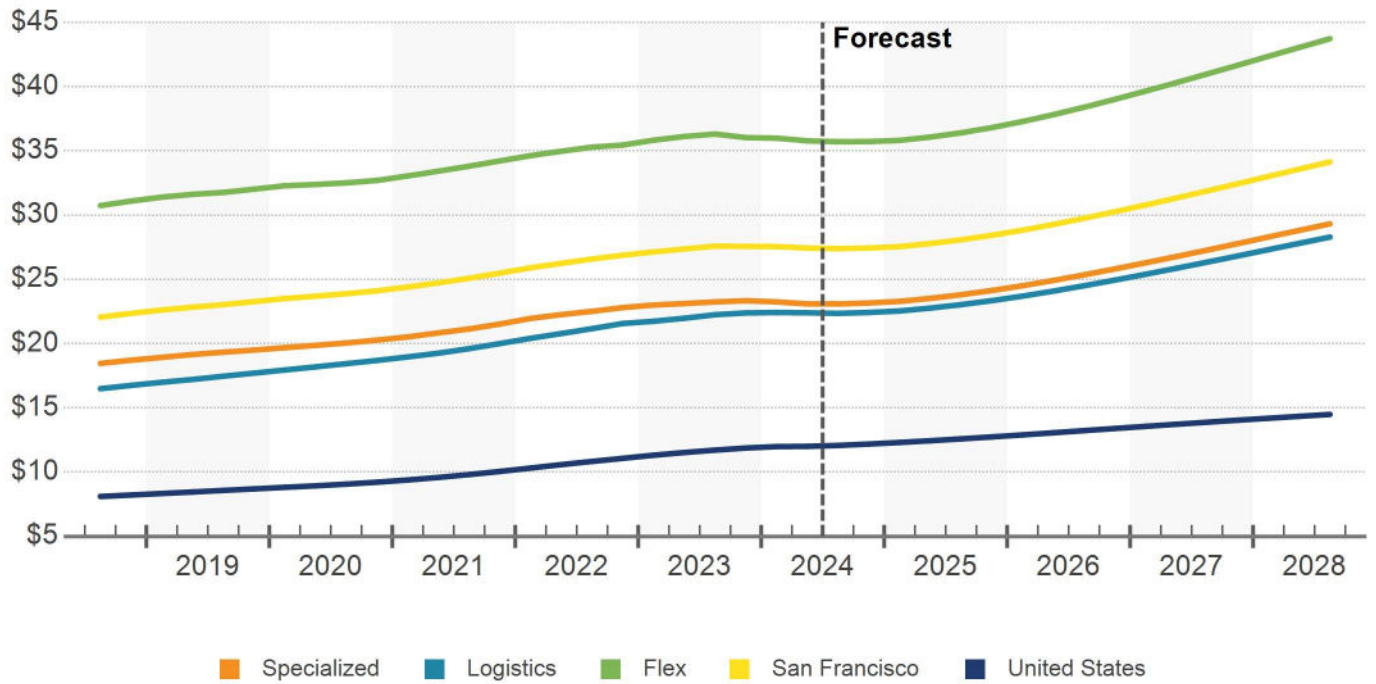
Flex properties saw the sharpest slowdown in rent growth over the past two years. Asking rent growth was -1.0% over the past year, with growth constrained by the elevated availability levels in this sector.

With demand suppressed, rent growth will be flat or marginally negative for the remainder of 2024.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



San Francisco's industrial market is seeing a historically high level of development, with around 2.1 million SF delivered in the past year and 4.3 million SF of space currently under construction. These projects are all flex buildings that are predominantly aimed at providing R&D space for the life science/biotech industry. This sector has seen high levels of growth and occupier demand in recent years. However, in the past 18 months, tenants have reigned in their expansion plans after interest rate hikes curbed funding for biotech businesses.

The geographic focus for new flex space is South San Francisco. However, new construction is disbursed throughout the metro area, with sizable projects also taking shape in the southern part of Downtown San Francisco and several Peninsula employment centers, including Millbrae, San Carlos, Belmont, and Redwood City.

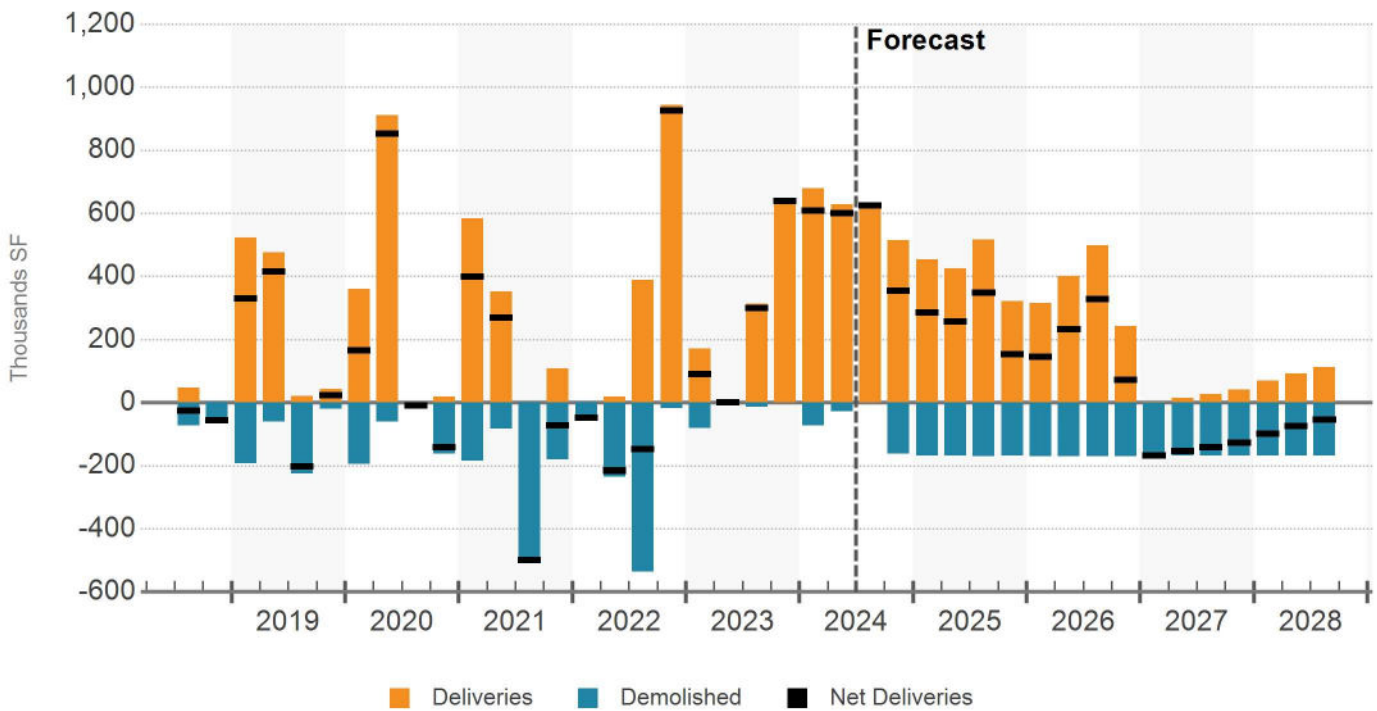
Most of the 4.6 million SF of flex space currently under construction is speculative, and around 75% of that total is available. Moreover, the vacancy rate in flex buildings completed since 2022 sits at around 50% as of the second quarter of 2024.

In the build to suit segment, new buildings were completed in South San Francisco in the past year for Graphite Bio and Genentech.

Speculative deliveries account for a majority of the new space. In South San Francisco, Kilroy Realty's Oyster Point development has delivered the first of three Phase 2 life science and R&D buildings. As of the second quarter, the entire building remains available for lease. In total, Oyster Point has 860,000 SF set to deliver in 2024. Phases III and IV have not yet broken ground but are planned to deliver another 1 million SF over the next five years.

In addition to new construction, some owners are seeking to repurpose office buildings as flex or lab space. For example, BioMed Realty is planning to transform part of the old Oracle campus at Island Park in Foster City for biotech users. Two buildings of 90,000 SF each are currently being marketed as spec lab suites. The owner is also pursuing entitlements to convert a further 630,000 SF at the campus.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

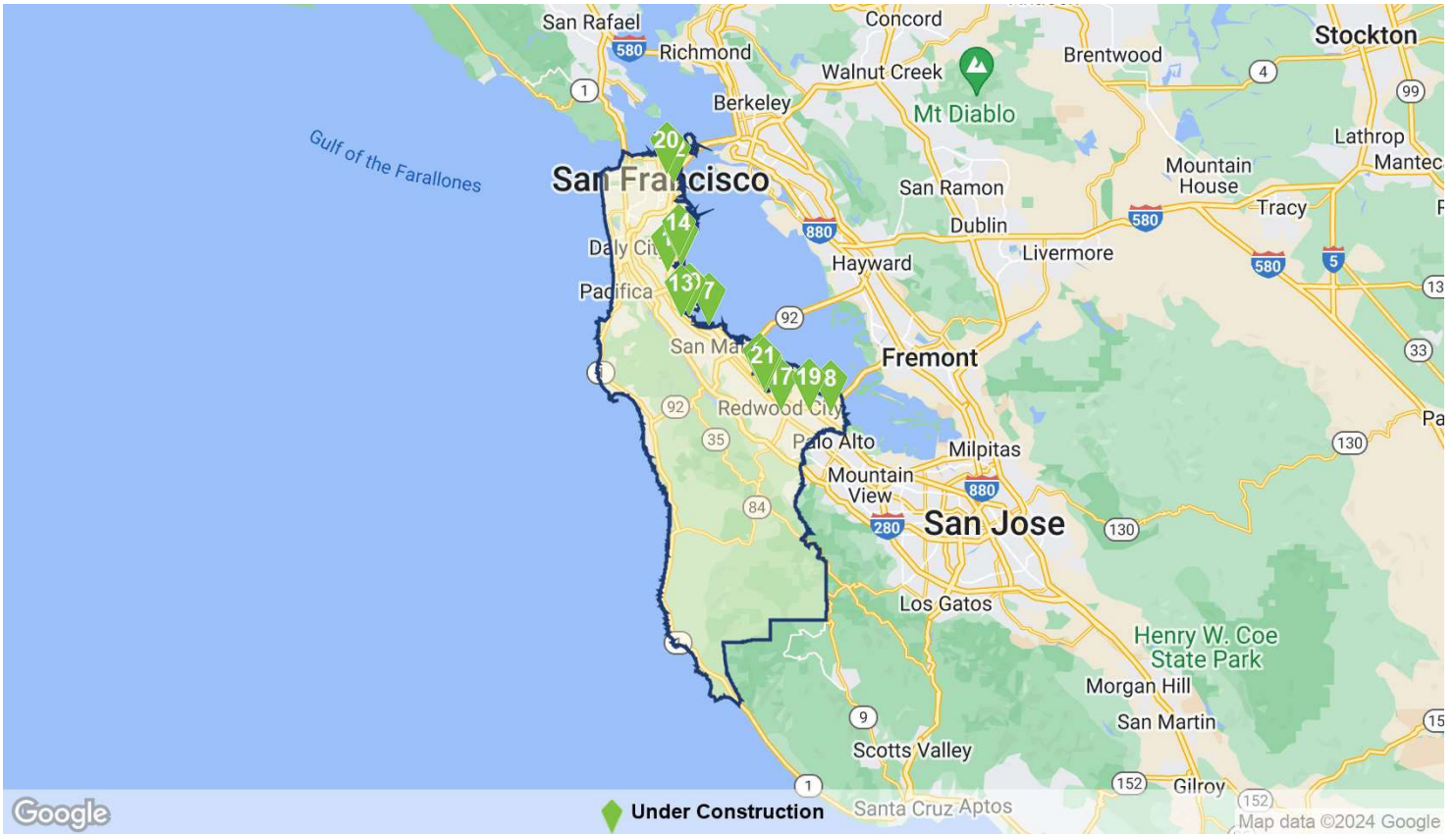
No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	South San Francisco	3	917	0	0%	8	45,867	305,585	1
2	Burlingame	3	810	260	32.1%	5	22,908	270,085	2
3	San Bruno/Millbrae	3	800	285	35.7%	4	16,006	266,782	3
4	Redwood City	3	555	38	6.8%	7	14,643	185,100	6
5	Belmont/San Carlos	4	500	76	15.2%	6	15,763	125,029	8
6	Menlo Park	2	293	255	87.1%	3	29,166	146,403	7
7	Mission Bay/China Basin	1	213	0	0%	9	35,104	212,796	4
8	Brisbane/Daly City	1	198	198	100%	1	40,772	198,000	5
9	South of Market	1	29	29	100%	1	12,994	29,290	9
10	Bayview/Hunters Point	0	-	-	-	-	21,102	-	-
	All Other	0	-	-	-		20,354	-	
Totals		21	4,316	1,141	26.4%		23,341	205,508	

Under Construction Properties

San Francisco Industrial

Properties	Square Feet	Percent of Inventory	Released
21	4,315,663	6.5%	26.4%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 580 Dubuque Ave	★★★★☆	339,993	9	Oct 2022	Sep 2024	- IQHQ
2 1699 Bayshore Hwy	★★★★☆	322,000	7	Jun 2023	Oct 2025	-
3 210 Adrian Rd	★★★★☆	315,000	6	Oct 2022	Oct 2025	- Longfellow Real Estate Partners
4 Phase II - Building F 365 Oyster Point Blvd	★★★★☆	288,384	7	Aug 2021	Oct 2024	Kilroy Realty Corporation Kilroy Realty Corporation
5 Phase II - Building E 369 Oyster Point Blvd	★★★★☆	288,379	7	Aug 2021	Oct 2024	Kilroy Realty Corporation Kilroy Realty Corporation
6 230 Harriet Tubman Way	★★★★☆	285,346	6	Jan 2022	Sep 2024	Alexandria Real Estate Equities, I... Alexandria Real Estate Equities, I...
7 Bay Park Plaza 3 579 Airport Blvd	★★★★☆	260,255	8	Apr 2022	Aug 2024	- Barings



Under Construction Properties

San Francisco Industrial

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 1350 Adams Ct	★ ★ ★ ★ ★	255,000	5	Oct 2023	Sep 2024	Tarleton Properties, Inc. Principal Real Estate Investors
9 405 Industrial Rd	★ ★ ★ ★ ★	240,000	6	Sep 2023	Oct 2024	- Beacon Capital Partners
10 1701 Bayshore Hwy	★ ★ ★ ★ ★	228,000	6	Jun 2023	Oct 2025	- -
11 The Shop 1300 Main St	★ ★ ★ ★ ★	227,600	4	Jul 2023	May 2025	IQHQ -
12 1450 Owens St	★ ★ ★ ★ ★	212,796	7	Jul 2022	Oct 2024	Alexandria Real Estate Equities, I... Alexandria Real Estate Equities, I...
13 30 Rollins Rd	★ ★ ★ ★ ★	200,000	6	Aug 2022	Jan 2025	- -
14 3300 Marina Blvd	★ ★ ★ ★ ★	198,000	5	Feb 2021	Aug 2024	Phase 3 Real Estate Partners, Inc. Phase 3 Real Estate Partners, Inc.
15 Brittan West 1091 Industrial Rd	★ ★ ★ ★ ★	173,731	3	Jul 2021	Aug 2024	Premia Capital Prince Street Partners
16 The Mill 1401 Main St	★ ★ ★ ★ ★	172,000	2	Jan 2024	Jan 2025	Greystar Real Estate Partners -
17 The Loft 1301 Main St	★ ★ ★ ★ ★	155,700	3	Apr 2023	Jun 2025	IQHQ -
18 1030 Brittan Ave	★ ★ ★ ★ ★	75,780	3	Mar 2023	Aug 2024	- MBC BioLabs
19 4055 Bohannon Dr	★ ★ ★ ★ ★	37,806	1	Mar 2024	Aug 2024	Helios -
20 952-960 Howard St	★ ★ ★ ★ ★	29,290	3	Sep 2022	Aug 2024	- oWOW
21 800 Industrial Rd	★ ★ ★ ★ ★	10,603	1	Aug 2023	Aug 2024	- -

Investment demand for San Francisco's industrial and flex properties has slowed in the past year, reflecting both the negative effects of rising interest rates on acquisition financing and the impact of weakening demand on the growth prospects for rents and occupancy.

Only 70 transactions have closed in the past 12 months, compared to the 10-year annual average of 220 transactions. Most of the properties have traded in the past year were smaller 2 and 3 Star industrial properties, bought by owner/users and local private investors, with sale prices generally below \$15 million.

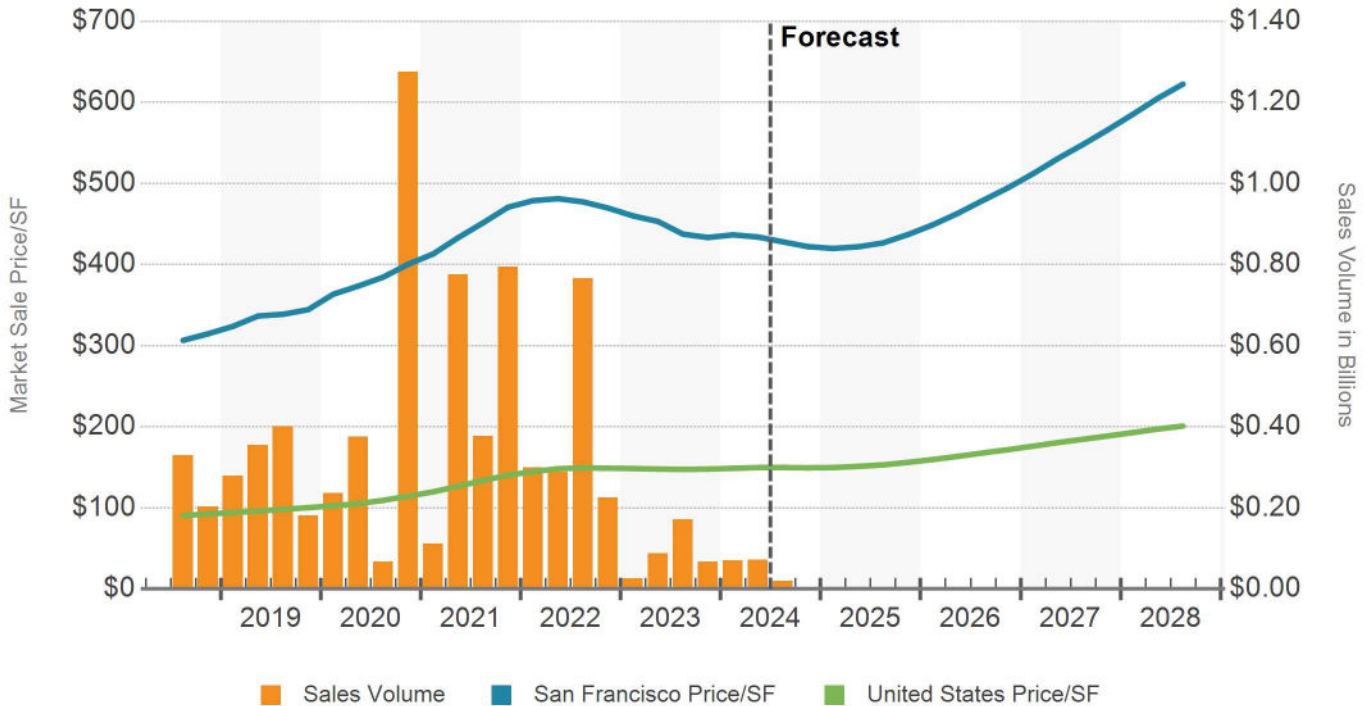
Average pricing has also receded in the past year, although this is partly a function of the type of buildings that are trading. Smaller and older properties account for most sales, with fewer sales of flex properties or newer industrial buildings. The average transaction price over the past year was \$400/SF, which is below the five-year

average of \$580/SF.

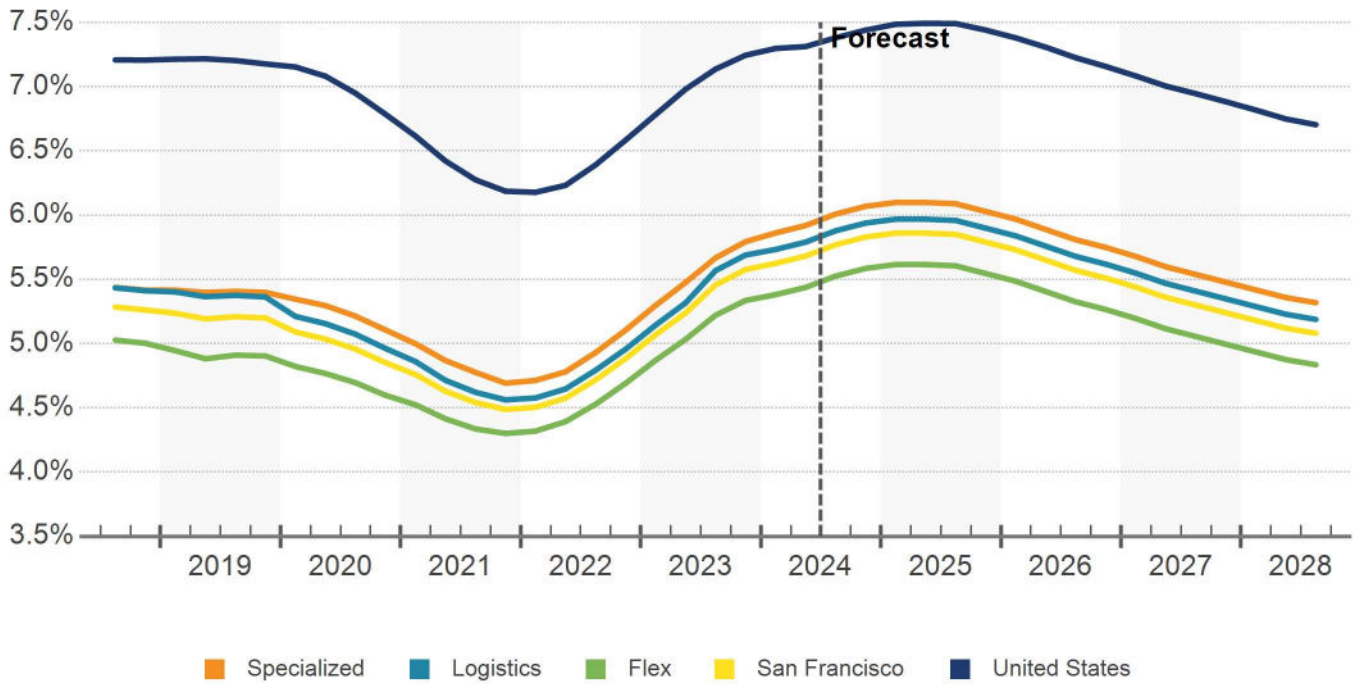
Developers and national buyers continue to be active, picking up opportunistic acquisitions when they come along. For example, Tishman Speyer acquired a 126,000-SF warehouse in the Mission/Potrero Submarket in July, paying \$32.7 million, or \$260/SF. The 40-year-old building, located at 2225 Jerrold Ave., is one of the few larger distribution buildings close to San Francisco's densely populated urban core. The single-tenant space remains vacant and available as of the third quarter.

Recently, owner/users have stepped up their acquisition activity. As of the second quarter of 2024, owner/users accounted for 54% of acquisitions in the past six months. For example, in March, Genentech bought the 31,700 SF warehouse at 525 Dna Way, paying \$36.5 million, or \$1,152/SF.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

San Francisco Industrial

Sale Comparables

71

Avg. Cap Rate

4.7%

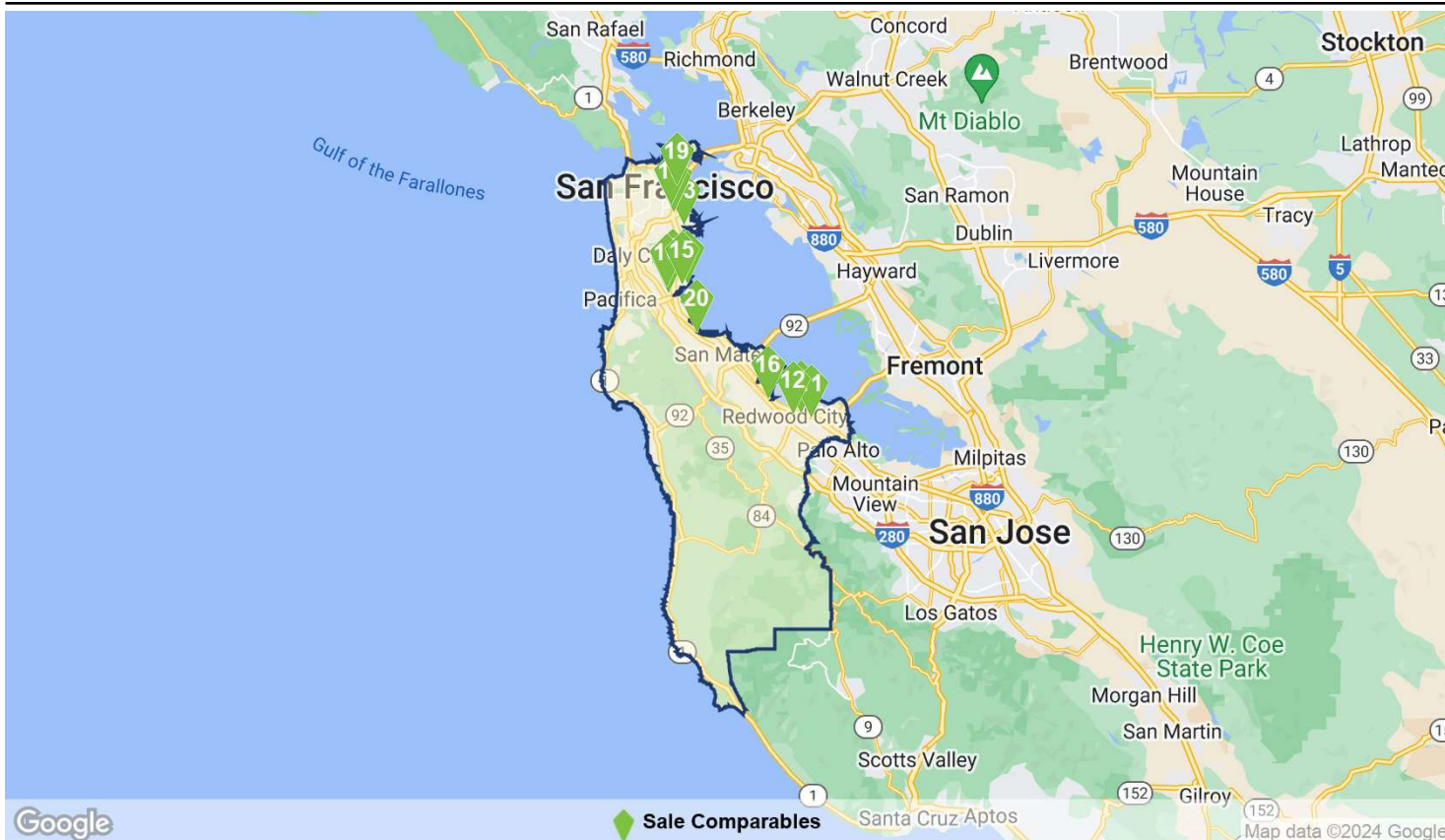
Avg. Price/SF

\$400

Avg. Vacancy At Sale

1.7%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$150,000	\$6,270,864	\$2,700,000	\$36,500,000
Price/SF	\$27	\$400	\$429	\$3,444
Cap Rate	3.1%	4.7%	5.0%	5.9%
Time Since Sale in Months	0.5	6.5	6.6	11.9
Property Attributes	Low	Average	Median	High
Building SF	1,800	15,571	7,478	125,968
Ceiling Height	10'	18'6"	18'3"	28'
Docks	0	1	0	13
Vacancy Rate At Sale	0%	1.7%	0%	37.3%
Year Built	1900	1963	1963	2015
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 1.9	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

San Francisco Industrial

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 525 Dna Way	★★★★★	-	33,356	0%	3/28/2024	\$36,500,000	\$1,094	-
2 2225 Jerrold Ave	★★★★★	1982	125,968	0%	7/20/2023	\$32,700,000	\$260	-
3 145 Sylvester Rd	★★★★★	1957	38,346	0%	9/15/2023	\$26,260,000	\$685	-
4 333 Point San Bruno Blvd	★★★★★	-	40,000	0%	11/15/2023	\$25,000,000	\$625	-
5 1200-1210 San Mateo Ave	★★★★★	1973	55,655	0%	5/2/2024	\$21,528,466	\$387	-
6 2575 E Bayshore Rd	★★★★★	1973	43,250	0%	7/1/2024	\$19,270,000	\$446	5.9%
7 120 E Grand Ave	★★★★★	-	15,000	0%	9/15/2023	\$17,380,000	\$1,159	-
8 130 E Grand Ave	★★★★★	1959	19,782	0%	9/15/2023	\$16,925,000	\$856	-
9 1220 San Mateo Ave	★★★★★	1990	29,656	0%	5/2/2024	\$11,471,534	\$387	-
10 131 S Maple Ave	★★★★★	2003	32,748	0%	7/25/2023	\$10,730,000	\$328	-
11 1200 Marsh Rd	★★★★★	1986	15,490	0%	9/29/2023	\$9,600,000	\$620	-
12 939 Broadway	★★★★★	1960	10,160	0%	9/6/2023	\$9,500,000	\$935	-
13 2089 Ingalls St	★★★★★	1982	2,475	0%	7/25/2023	\$8,522,727	\$3,444	-
14 222 Napoleon St	★★★★★	1963	30,035	0%	12/28/2023	\$8,200,000	\$273	-
15 352-362 E Grand Ave	★★★★★	1973	23,000	0%	3/1/2024	\$7,200,000	\$313	-
16 929 Bransten Rd	★★★★★	1960	15,000	0%	7/28/2023	\$6,525,000	\$435	-
17 335 Barneveld Ave	★★★★★	1963	14,961	0%	11/1/2023	\$6,320,000	\$422	-
18 1300 Potrero Ave	★★★★★	1987	11,945	0%	10/6/2023	\$6,300,000	\$527	-
19 53-69 Bluxome St	★★★★★	1917	34,901	37.3%	2/29/2024	\$6,050,000	\$173	-
20 1335 Rollins Rd	★★★★★	1974	13,680	0%	11/7/2023	\$5,800,000	\$424	-



The San Francisco Bay Area is the global leader in innovation and development of information technology. Home to several of the world's largest companies, including Apple, Alphabet, and Meta, San Francisco and San Jose lead the nation with the highest economic growth rates at the metropolitan level, translating into high wages and nation-leading household income growth. In turn, San Francisco has some of the nation's highest rents and prices across all real estate asset classes.

However, growth in the technology sector tends to be volatile, with innovation happening in bursts. This does not sit well with the slow-moving world of real estate, with the result that San Francisco's real estate markets have a long history of boom followed by bust, causing volatility in rents, prices, and vacancy.

The current boom-bust cycle began with the tech boom of the 2010s, which comprised a large expansion of cloud computing and mobile technologies. San Francisco was the hub for leading companies that built global businesses around mobile applications that disrupted traditional industries. Real estate demand surged, prompting nation-leading rates of growth in rents and prices and a surge in the construction of office and residential towers in downtown San Francisco.

The cycle abruptly turned downwards in early 2020. By

then, affordability had become a problem, causing businesses and people to relocate from San Francisco to less expensive parts of the country. The COVID-19 pandemic and associated lockdowns triggered a surge in this exodus. Tech companies adopted distributed workforce models, and employees left the city in large numbers. While the outward migration has now abated, San Francisco's resident population has yet to recover from the tens of thousands who moved away.

Starting in 2022, cyclical economic pressures have also been at work after the Fed began raising interest rates to slow the economy and reduce inflation. Locally, the most visible impacts have been layoffs in the tech sector and a large decline in real estate investment sales activity.

Downtown San Francisco has suffered the most, where the exodus of tech workers is part of a broader narrative that involves population decline and an increase in crime, homelessness, and drug abuse. Low economic activity and social problems have impacted the viability of retailers, restaurants, and hotels.

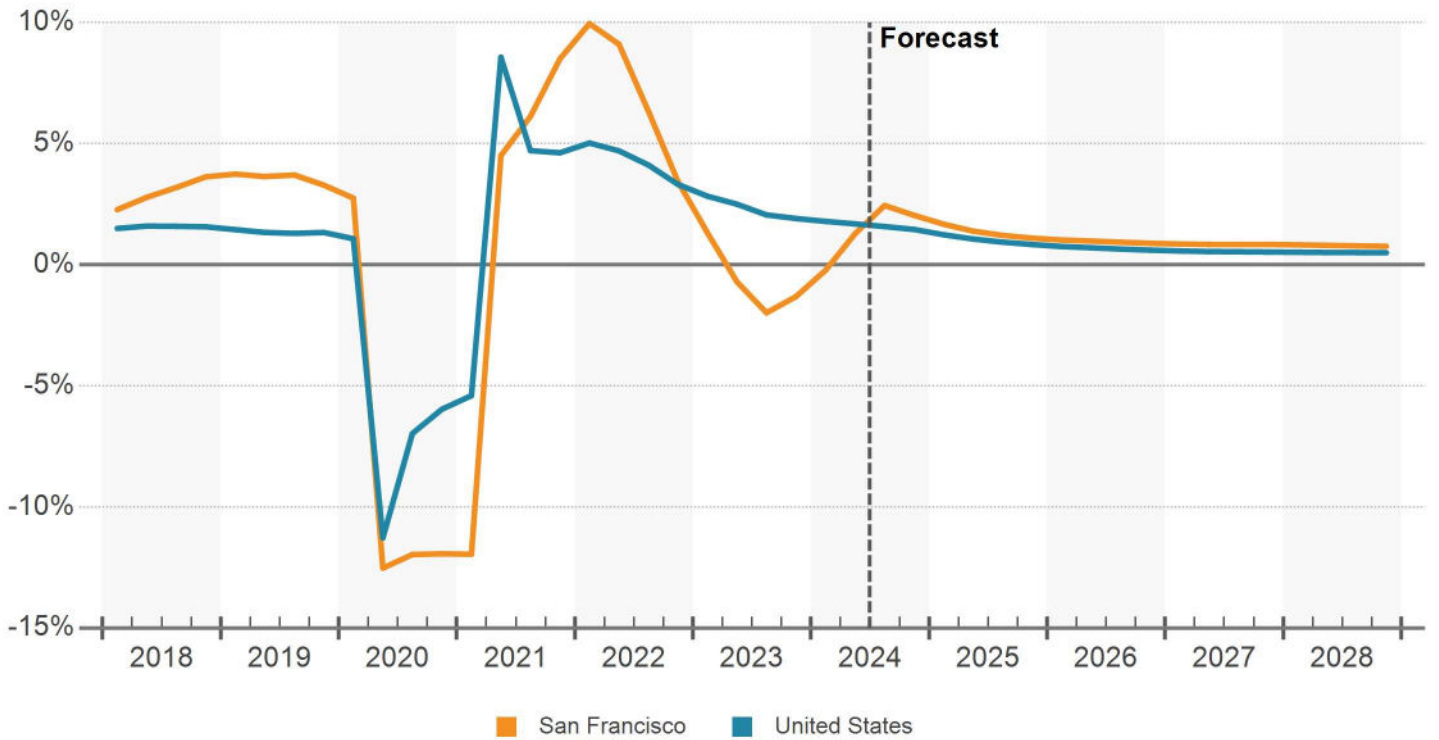
Total employment is now slightly ahead of where it was pre-pandemic. However, with the increase in flexible working practices, it is unclear how many of those employed by San Francisco businesses live in the metro area. After falling to a 10-year low of 2.3% in 2022, the unemployment rate has increased to almost 3.5%.

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	36	0.4	-0.13%	0.50%	-0.37%	0.67%	0.60%	0.44%
Trade, Transportation and Utilities	131	0.6	-0.09%	0.38%	-0.47%	1.01%	0.09%	0.36%
Retail Trade	65	0.6	-0.18%	0.52%	-2.11%	0.25%	0.00%	0.25%
Financial Activities	82	1.2	-0.16%	0.57%	1.21%	1.51%	0.12%	0.37%
Government	142	0.8	1.61%	2.39%	1.79%	0.63%	0.80%	0.68%
Natural Resources, Mining and Construction	43	0.6	3.34%	2.42%	2.52%	2.34%	1.05%	0.85%
Education and Health Services	158	0.8	3.91%	3.59%	2.55%	2.03%	0.76%	0.80%
Professional and Business Services	302	1.8	0.65%	0.72%	2.39%	1.87%	1.23%	0.72%
Information	119	5.3	-1.03%	-0.35%	8.01%	1.08%	1.94%	0.64%
Leisure and Hospitality	132	1.0	5.39%	2.81%	0.02%	1.50%	1.17%	0.99%
Other Services	38	0.9	1.96%	1.55%	-0.44%	0.59%	0.78%	0.54%
Total Employment	1,183	1.0	1.50%	1.66%	1.82%	1.34%	0.94%	0.65%

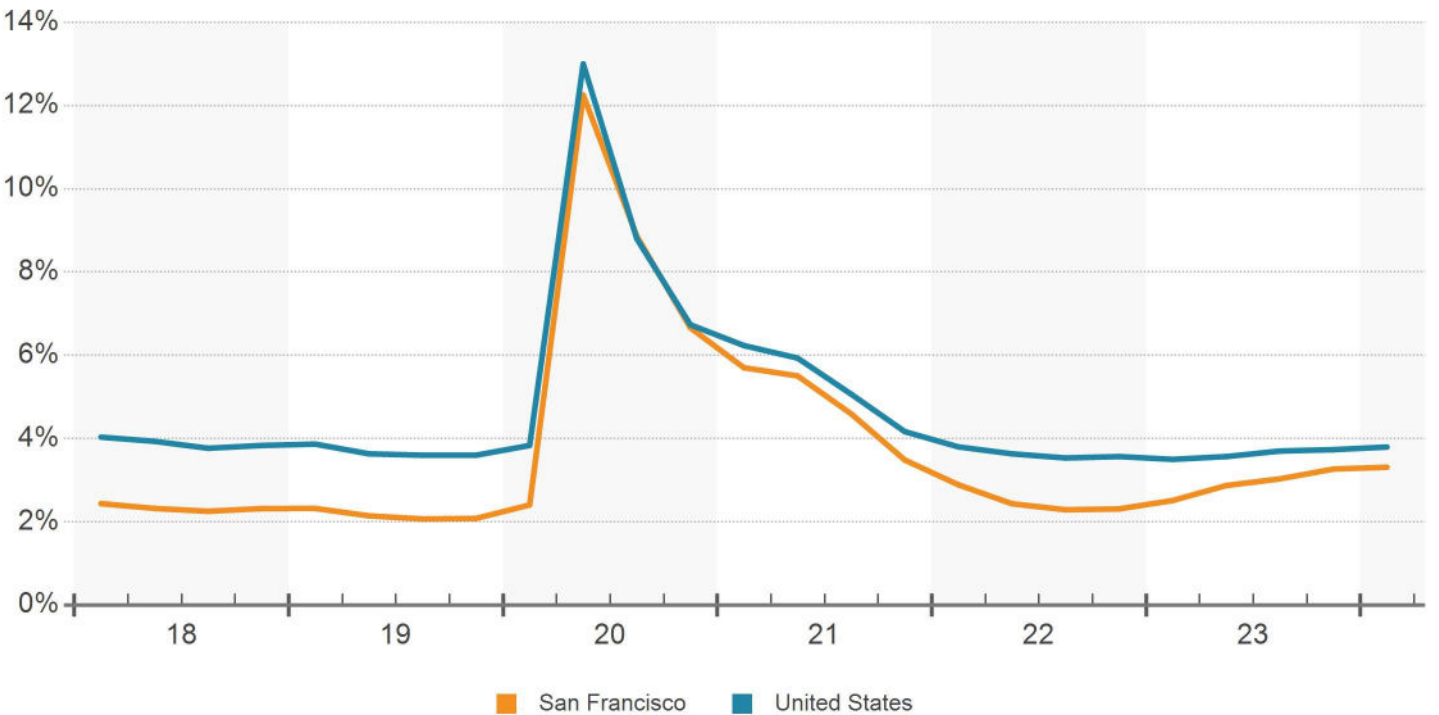
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

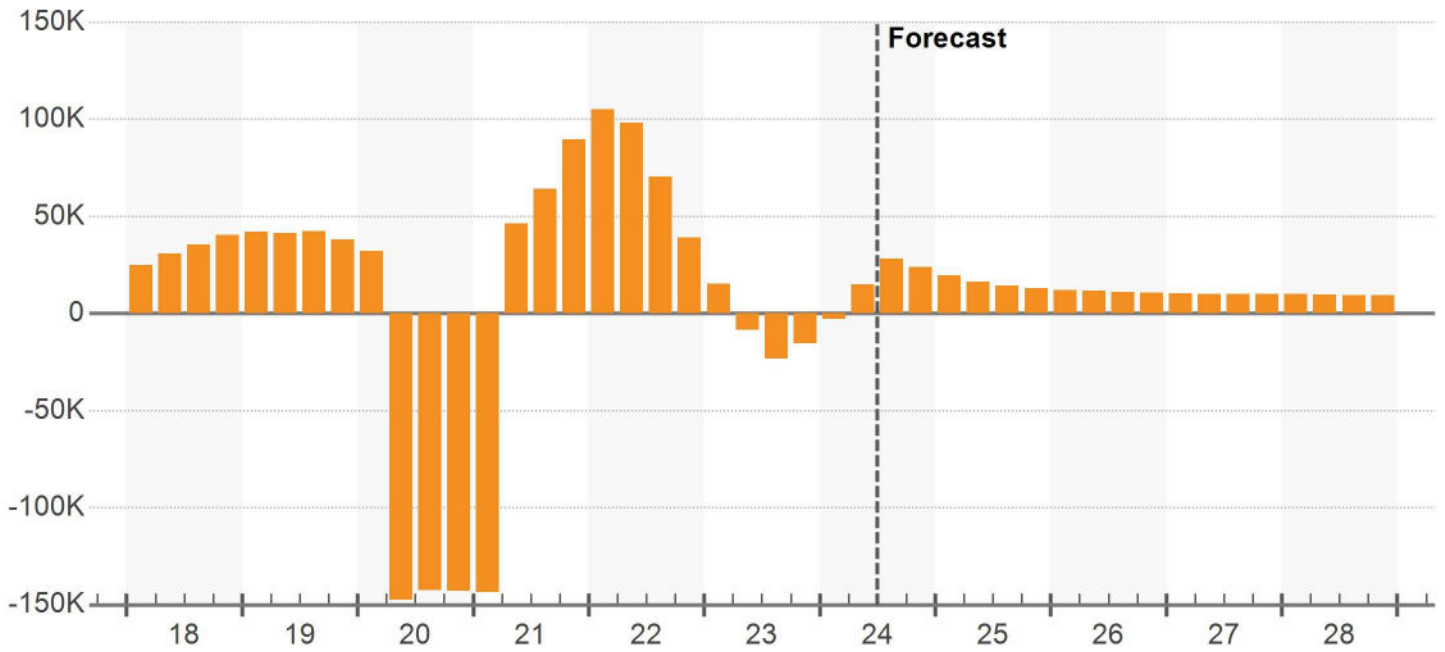


Source: Oxford Economics

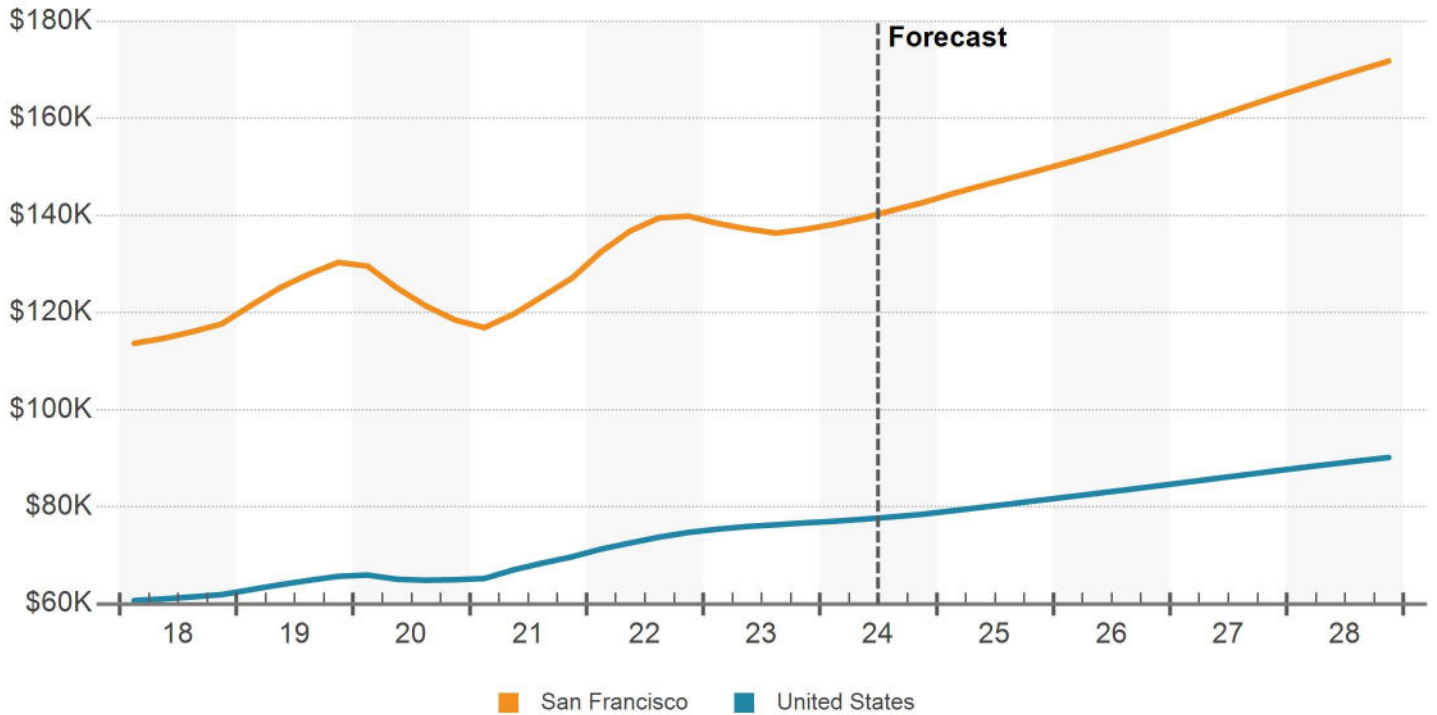
UNEMPLOYMENT RATE (%)



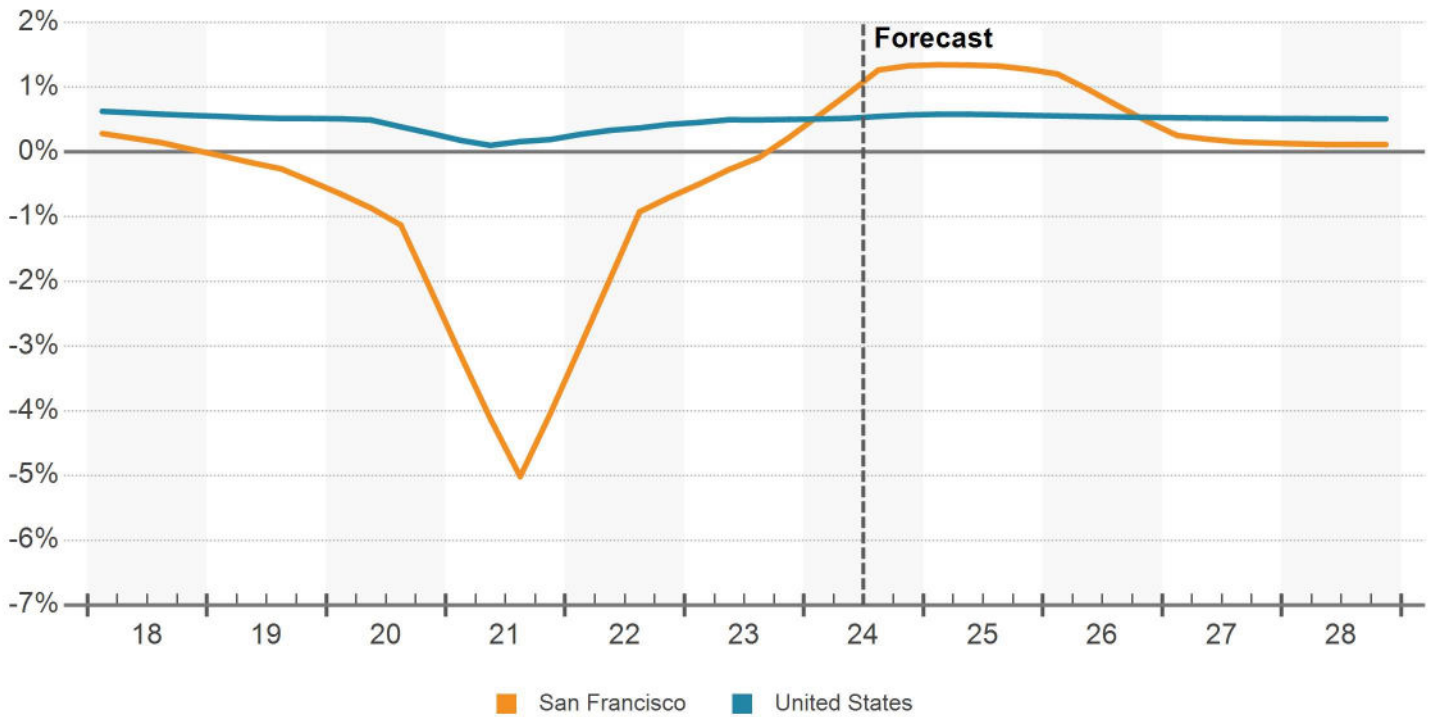
NET EMPLOYMENT CHANGE (YOY)



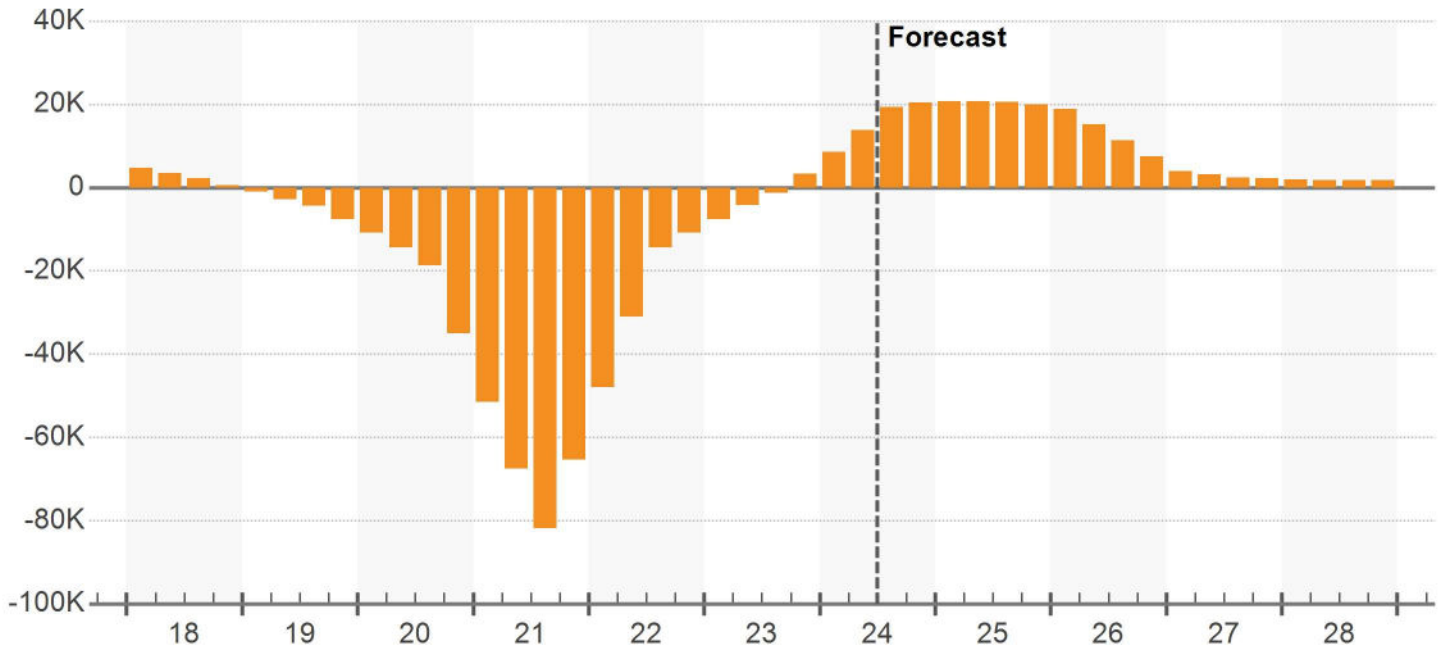
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

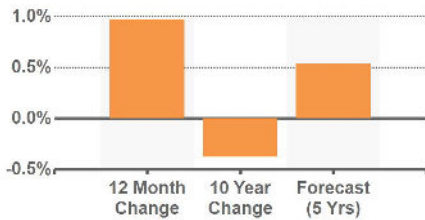


DEMOGRAPHIC TRENDS

Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	1,550,507	336,346,094	1.0%	0.5%	-0.4%	0.5%	0.5%	0.5%
Households	630,939	131,419,313	1.1%	0.7%	0.1%	0.9%	0.6%	0.6%
Median Household Income	\$139,835	\$77,565	2.0%	2.0%	4.8%	3.9%	4.7%	3.4%
Labor Force	1,039,145	167,938,938	-0.1%	0.6%	0.9%	0.8%	0.7%	0.5%
Unemployment	3.3%	3.8%	0.4%	0.2%	-0.1%	-0.2%	-	-

Source: Oxford Economics

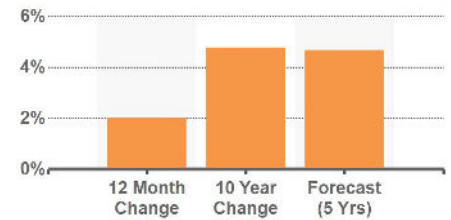
POPULATION GROWTH



LABOR FORCE GROWTH

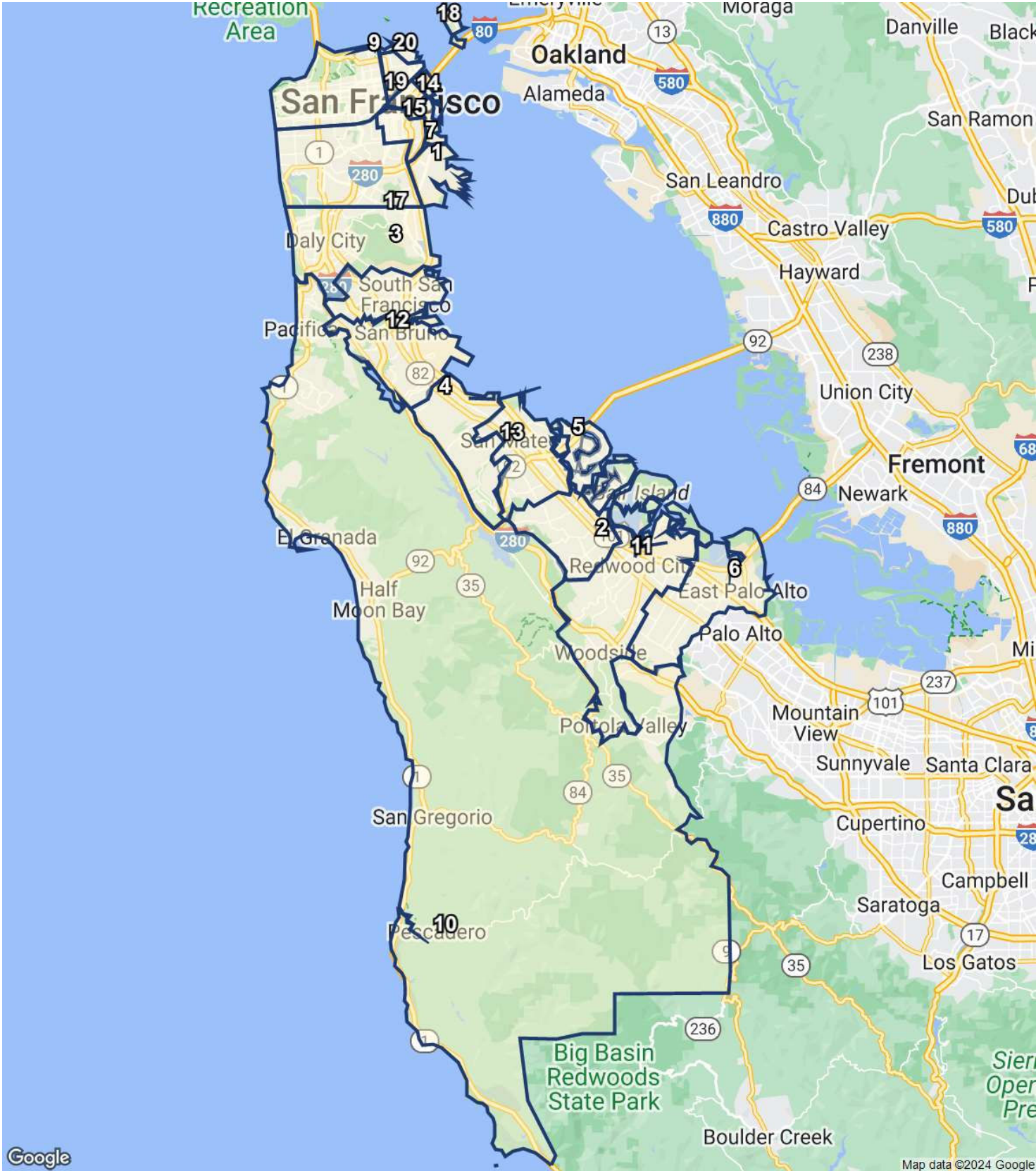


INCOME GROWTH



Source: Oxford Economics

SAN FRANCISCO 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	364	7,681	8.1%	3	0	0	0%	-	0	-	-	-
2	Belmont/San Carlos	476	7,503	7.9%	5	1	127	1.7%	5	4	500	6.7%	5
3	Brisbane/Daly City	177	7,217	7.6%	6	2	423	5.9%	2	1	198	2.7%	8
4	Burlingame	230	5,269	5.6%	8	1	20	0.4%	8	3	810	15.4%	2
5	Foster City/Redwood Shrs	52	1,877	2.0%	12	0	0	0%	-	0	-	-	-
6	Menlo Park	151	4,404	4.6%	10	0	0	0%	-	2	293	6.6%	6
7	Mission Bay/China Basin	149	5,230	5.5%	9	1	26	0.5%	7	1	213	4.1%	7
8	Mission/Potrero	476	10,298	10.9%	2	0	0	0%	-	0	-	-	-
9	Northwest San Francisco	38	540	0.6%	17	0	0	0%	-	0	-	-	-
10	Peninsula Coastline	33	473	0.5%	18	0	0	0%	-	0	-	-	-
11	Redwood City	413	6,048	6.4%	7	2	51	0.8%	6	3	555	9.2%	4
12	San Bruno/Millbrae	66	1,056	1.1%	15	1	18	1.7%	9	3	800	75.8%	3
13	San Mateo	183	1,947	2.1%	11	2	257	13.2%	3	0	-	-	-
14	South Financial District/S...	51	1,459	1.5%	13	0	0	0%	-	0	-	-	-
15	South of Market	584	7,588	8.0%	4	1	152	2.0%	4	1	29	0.4%	9
16	South San Francisco	520	23,851	25.1%	1	6	1,128	4.7%	1	3	917	3.8%	1
17	Southwest San Francisco	40	398	0.4%	19	0	0	0%	-	0	-	-	-
18	Treasure/Yerba Buena Isl...	6	319	0.3%	20	0	0	0%	-	0	-	-	-
19	Van Ness/Downtown	41	564	0.6%	16	0	0	0%	-	0	-	-	-
20	Waterfront/North Beach	14	1,134	1.2%	14	0	0	0%	-	0	-	-	-

SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Bayview/Hunters Point	\$21.68	17	0.6%	6	-1.6%	19
2	Belmont/San Carlos	\$26.32	11	0%	15	0.3%	4
3	Brisbane/Daly City	\$24.99	14	2.1%	1	-0.4%	14
4	Burlingame	\$23.14	16	0.5%	10	-0.5%	17
5	Foster City/Redwood Shrs	\$35.66	2	-0.4%	17	0.5%	2
6	Menlo Park	\$26.16	12	0.8%	3	-9.5%	20
7	Mission Bay/China Basin	\$28.82	5	0.3%	13	-0.2%	9
8	Mission/Potrero	\$26	13	0.8%	5	-0.2%	11
9	Northwest San Francisco	\$26.49	10	0.5%	8	-0.3%	12
10	Peninsula Coastline	\$17.31	19	0.4%	11	0.1%	6
11	Redwood City	\$28.87	4	-0.3%	16	-0.4%	15
12	San Bruno/Millbrae	\$28.49	7	0.4%	12	0.1%	7
13	San Mateo	\$27.36	9	0%	14	-0.1%	8
14	South Financial District/S...	\$46.78	1	0.5%	7	-0.2%	10
15	South of Market	\$34	3	-1.2%	19	-0.4%	16
16	South San Francisco	\$28.46	8	-0.5%	18	1.8%	1
17	Southwest San Francisco	\$23.93	15	0.8%	4	0.2%	5
18	Treasure/Yerba Buena Isl...	\$10.55	20	0.8%	2	-1.4%	18
19	Van Ness/Downtown	\$19.81	18	-3.2%	20	0.5%	3
20	Waterfront/North Beach	\$28.69	6	0.5%	9	-0.3%	13

Submarkets

San Francisco Industrial

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Bayview/Hunters Point	495,071	6.4%	2	47,913	0.6%	1	-
2	Belmont/San Carlos	837,077	11.2%	8	(398,725)	-5.3%	19	-
3	Brisbane/Daly City	1,031,220	14.3%	12	(150,856)	-2.1%	13	-
4	Burlingame	401,655	7.6%	4	(186,869)	-3.5%	15	-
5	Foster City/Redwood Shrs	262,286	14.0%	10	(75,049)	-4.0%	11	-
6	Menlo Park	318,992	7.2%	3	(123,788)	-2.8%	12	-
7	Mission Bay/China Basin	606,550	11.6%	9	(251,220)	-4.8%	17	-
8	Mission/Potrero	1,066,131	10.4%	7	(203,145)	-2.0%	16	-
9	Northwest San Francisco	75,553	14.0%	11	(14,804)	-2.7%	9	-
10	Peninsula Coastline	144,700	30.6%	18	20,156	4.3%	3	-
11	Redwood City	571,980	9.5%	6	(48,210)	-0.8%	10	-
12	San Bruno/Millbrae	301,521	28.5%	16	(9,736)	-0.9%	7	-
13	San Mateo	563,169	28.9%	17	(174,581)	-9.0%	14	-
14	South Financial District/S...	111,355	7.6%	5	23,280	1.6%	2	-
15	South of Market	1,460,314	19.2%	14	(330,656)	-4.4%	18	-
16	South San Francisco	3,456,825	14.5%	13	(435,291)	-1.8%	20	-
17	Southwest San Francisco	-	-	-	0	0%	-	-
18	Treasure/Yerba Buena Isl...	-	-	-	0	0%	-	-
19	Van Ness/Downtown	150,404	26.7%	15	744	0.1%	4	-
20	Waterfront/North Beach	33,889	3.0%	1	(10,454)	-0.9%	8	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	102,701,083	(266,665)	-0.3%	507,477	0.5%	-
2027	102,967,748	(589,889)	-0.6%	964,333	0.9%	-
2026	103,557,637	776,678	0.8%	1,315,248	1.3%	0.6
2025	102,780,959	1,042,900	1.0%	821,969	0.8%	1.3
2024	101,738,059	2,187,780	2.2%	(1,304,496)	-1.3%	-
YTD	100,758,986	1,208,707	1.2%	(1,477,404)	-1.5%	-
2023	99,550,279	1,028,155	1.0%	(2,321,415)	-2.3%	-
2022	98,522,124	514,020	0.5%	259,047	0.3%	2.0
2021	98,008,104	93,531	0.1%	35,823	0%	2.6
2020	97,914,573	864,907	0.9%	(944,762)	-1.0%	-
2019	97,049,666	564,164	0.6%	(113,901)	-0.1%	-
2018	96,485,502	(315,649)	-0.3%	(224,063)	-0.2%	-
2017	96,801,151	(880,023)	-0.9%	(277,555)	-0.3%	-
2016	97,681,174	(271,762)	-0.3%	(762,948)	-0.8%	-
2015	97,952,936	(1,040,060)	-1.1%	(208,254)	-0.2%	-
2014	98,992,996	(539,658)	-0.5%	1,106,772	1.1%	-
2013	99,532,654	(1,128,760)	-1.1%	911,682	0.9%	-
2012	100,661,414	(723,856)	-0.7%	(1,000,257)	-1.0%	-

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	16,938,214	(99,047)	-0.6%	(4,177)	0%	-
2027	17,037,261	(99,625)	-0.6%	74,736	0.4%	-
2026	17,136,886	(100,254)	-0.6%	(157,959)	-0.9%	-
2025	17,237,140	(99,467)	-0.6%	(156,152)	-0.9%	-
2024	17,336,607	(37,066)	-0.2%	(327,477)	-1.9%	-
YTD	17,360,070	(13,603)	-0.1%	(291,918)	-1.7%	-
2023	17,373,673	0	0%	(37,153)	-0.2%	-
2022	17,373,673	(183,721)	-1.0%	(148,727)	-0.9%	-
2021	17,557,394	92,829	0.5%	68,985	0.4%	1.3
2020	17,464,565	(51,672)	-0.3%	(253,839)	-1.5%	-
2019	17,516,237	(92,018)	-0.5%	(190,491)	-1.1%	-
2018	17,608,255	(155,998)	-0.9%	(268,580)	-1.5%	-
2017	17,764,253	(188,736)	-1.1%	(211,491)	-1.2%	-
2016	17,952,989	(249,856)	-1.4%	207,447	1.2%	-
2015	18,202,845	(295,443)	-1.6%	(346,173)	-1.9%	-
2014	18,498,288	(286,943)	-1.5%	(170,555)	-0.9%	-
2013	18,785,231	(164,005)	-0.9%	(145,878)	-0.8%	-
2012	18,949,236	(49,152)	-0.3%	(55,731)	-0.3%	-

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	47,799,105	(292,851)	-0.6%	25,683	0.1%	-
2027	48,091,956	(295,066)	-0.6%	147,791	0.3%	-
2026	48,387,022	(297,182)	-0.6%	(487,430)	-1.0%	-
2025	48,684,204	(294,955)	-0.6%	(477,614)	-1.0%	-
2024	48,979,159	(115,396)	-0.2%	(1,324,167)	-2.7%	-
YTD	49,049,544	(45,011)	-0.1%	(1,157,764)	-2.4%	-
2023	49,094,555	(93,776)	-0.2%	(913,082)	-1.9%	-
2022	49,188,331	(541,082)	-1.1%	(7,998)	0%	-
2021	49,729,413	(342,803)	-0.7%	(219,167)	-0.4%	-
2020	50,072,216	(288,918)	-0.6%	(927,229)	-1.9%	-
2019	50,361,134	(303,903)	-0.6%	(929,563)	-1.8%	-
2018	50,665,037	(157,844)	-0.3%	(150,847)	-0.3%	-
2017	50,822,881	(335,505)	-0.7%	(16,073)	0%	-
2016	51,158,386	(181,673)	-0.4%	(229,029)	-0.4%	-
2015	51,340,059	(605,623)	-1.2%	(295,622)	-0.6%	-
2014	51,945,682	(169,950)	-0.3%	611,498	1.2%	-
2013	52,115,632	(941,691)	-1.8%	550,772	1.1%	-
2012	53,057,323	(630,707)	-1.2%	(972,537)	-1.8%	-

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	37,963,764	125,233	0.3%	485,971	1.3%	0.3
2027	37,838,531	(195,198)	-0.5%	741,806	2.0%	-
2026	38,033,729	1,174,114	3.2%	1,960,637	5.2%	0.6
2025	36,859,615	1,437,322	4.1%	1,455,735	3.9%	1.0
2024	35,422,293	2,340,242	7.1%	347,148	1.0%	6.7
YTD	34,349,372	1,267,321	3.8%	(27,722)	-0.1%	-
2023	33,082,051	1,121,931	3.5%	(1,371,180)	-4.1%	-
2022	31,960,120	1,238,823	4.0%	415,772	1.3%	3.0
2021	30,721,297	343,505	1.1%	186,005	0.6%	1.8
2020	30,377,792	1,205,497	4.1%	236,306	0.8%	5.1
2019	29,172,295	960,085	3.4%	1,006,153	3.4%	1.0
2018	28,212,210	(1,807)	0%	195,364	0.7%	-
2017	28,214,017	(355,782)	-1.2%	(49,991)	-0.2%	-
2016	28,569,799	159,767	0.6%	(741,366)	-2.6%	-
2015	28,410,032	(138,994)	-0.5%	433,541	1.5%	-
2014	28,549,026	(82,765)	-0.3%	665,829	2.3%	-
2013	28,631,791	(23,064)	-0.1%	506,788	1.8%	-
2012	28,654,855	(43,997)	-0.2%	28,011	0.1%	-

OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$34.69	207	6.9%	25.9%	10,198,518	9.9%	-0.7%
2027	\$32.44	194	7.2%	17.7%	10,972,956	10.7%	-1.5%
2026	\$30.26	181	6.4%	9.8%	12,562,710	12.1%	-0.6%
2025	\$28.43	170	3.6%	3.1%	13,091,729	12.7%	0.1%
2024	\$27.44	164	-0.5%	-0.5%	12,861,474	12.6%	3.2%
YTD	\$27.43	164	0.1%	-0.5%	12,053,565	12.0%	2.6%
2023	\$27.56	164	2.5%	0%	9,367,454	9.4%	3.3%
2022	\$26.88	160	5.5%	-2.5%	6,019,109	6.1%	0.2%
2021	\$25.49	152	5.7%	-7.5%	5,764,136	5.9%	0.1%
2020	\$24.11	144	3.6%	-12.5%	5,706,428	5.8%	1.8%
2019	\$23.27	139	4.1%	-15.6%	3,884,086	4.0%	0.7%
2018	\$22.35	133	5.5%	-18.9%	3,231,194	3.3%	-0.1%
2017	\$21.18	126	5.3%	-23.1%	3,316,305	3.4%	-0.6%
2016	\$20.11	120	6.2%	-27.0%	3,918,773	4.0%	0.5%
2015	\$18.93	113	6.3%	-31.3%	3,427,587	3.5%	-0.8%
2014	\$17.82	106	5.9%	-35.4%	4,256,385	4.3%	-1.6%
2013	\$16.82	100	4.1%	-39.0%	5,902,815	5.9%	-2.0%
2012	\$16.16	96	1.7%	-41.4%	7,943,257	7.9%	0.3%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$29.82	216	7.3%	27.8%	923,511	5.5%	-0.5%
2027	\$27.78	201	7.6%	19.0%	1,017,085	6.0%	-1.0%
2026	\$25.81	187	6.9%	10.6%	1,194,146	7.0%	0.4%
2025	\$24.13	174	4.2%	3.4%	1,133,701	6.6%	0.4%
2024	\$23.16	167	-0.8%	-0.8%	1,074,140	6.2%	1.7%
YTD	\$23.09	167	-0.2%	-1.0%	1,061,654	6.1%	1.6%
2023	\$23.34	169	2.3%	0%	783,339	4.5%	0.2%
2022	\$22.80	165	5.9%	-2.3%	746,186	4.3%	-0.2%
2021	\$21.53	156	6.2%	-7.8%	781,180	4.4%	0.1%
2020	\$20.27	147	4.0%	-13.1%	757,336	4.3%	1.2%
2019	\$19.50	141	4.2%	-16.5%	555,169	3.2%	0.6%
2018	\$18.71	135	5.8%	-19.8%	456,696	2.6%	0.7%
2017	\$17.68	128	6.2%	-24.2%	344,114	1.9%	0.1%
2016	\$16.65	120	6.3%	-28.7%	321,359	1.8%	-2.5%
2015	\$15.66	113	6.2%	-32.9%	778,662	4.3%	0.4%
2014	\$14.74	107	6.0%	-36.8%	724,924	3.9%	-0.6%
2013	\$13.91	101	3.9%	-40.4%	841,312	4.5%	-0.1%
2012	\$13.39	97	1.6%	-42.6%	859,439	4.5%	0%

LOGISTICS RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$28.77	230	7.3%	28.5%	3,465,969	7.3%	-0.6%
2027	\$26.82	214	7.5%	19.8%	3,784,304	7.9%	-0.9%
2026	\$24.94	199	6.8%	11.4%	4,238,940	8.8%	0.5%
2025	\$23.34	186	4.1%	4.3%	4,043,793	8.3%	0.4%
2024	\$22.42	179	0.2%	0.2%	3,856,340	7.9%	2.5%
YTD	\$22.38	179	1.6%	0%	3,759,373	7.7%	2.3%
2023	\$22.39	179	3.8%	0%	2,646,620	5.4%	1.7%
2022	\$21.57	172	7.8%	-3.7%	1,828,539	3.7%	-1.0%
2021	\$20	160	7.0%	-10.6%	2,361,623	4.7%	-0.2%
2020	\$18.69	149	5.6%	-16.5%	2,485,259	5.0%	1.3%
2019	\$17.70	141	5.7%	-20.9%	1,849,448	3.7%	1.3%
2018	\$16.75	134	6.6%	-25.2%	1,223,788	2.4%	0%
2017	\$15.71	125	6.4%	-29.8%	1,230,785	2.4%	-0.6%
2016	\$14.76	118	6.4%	-34.1%	1,550,217	3.0%	0.1%
2015	\$13.86	111	6.7%	-38.1%	1,502,861	2.9%	-0.6%
2014	\$12.99	104	6.0%	-42.0%	1,812,862	3.5%	-1.5%
2013	\$12.26	98	4.3%	-45.2%	2,594,310	5.0%	-2.7%
2012	\$11.76	94	1.0%	-47.5%	4,086,773	7.7%	0.7%

FLEX RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$44.40	189	6.6%	23.2%	5,809,038	15.3%	-1.0%
2027	\$41.66	178	6.8%	15.6%	6,171,567	16.3%	-2.4%
2026	\$39.01	166	6.0%	8.3%	7,129,624	18.7%	-2.7%
2025	\$36.81	157	3.0%	2.2%	7,914,235	21.5%	-0.9%
2024	\$35.72	152	-0.9%	-0.9%	7,930,994	22.4%	4.4%
YTD	\$35.79	153	-1.0%	-0.7%	7,232,538	21.1%	3.1%
2023	\$36.03	154	1.6%	0%	5,937,495	17.9%	7.2%
2022	\$35.45	151	3.6%	-1.6%	3,444,384	10.8%	2.2%
2021	\$34.22	146	4.7%	-5.0%	2,621,333	8.5%	0.4%
2020	\$32.70	139	2.1%	-9.3%	2,463,833	8.1%	3.0%
2019	\$32.02	137	3.0%	-11.1%	1,479,469	5.1%	-0.4%
2018	\$31.09	133	4.7%	-13.7%	1,550,710	5.5%	-0.7%
2017	\$29.71	127	4.4%	-17.6%	1,741,406	6.2%	-1.0%
2016	\$28.47	121	6.1%	-21.0%	2,047,197	7.2%	3.1%
2015	\$26.83	114	6.0%	-25.5%	1,146,064	4.0%	-2.0%
2014	\$25.32	108	5.8%	-29.7%	1,718,599	6.0%	-2.6%
2013	\$23.92	102	4.1%	-33.6%	2,467,193	8.6%	-1.8%
2012	\$22.99	98	2.2%	-36.2%	2,997,045	10.5%	-0.2%

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
2028	-	-	-	-	-	-	\$640.27	370	5.0%
2027	-	-	-	-	-	-	\$566.36	327	5.2%
2026	-	-	-	-	-	-	\$494.69	286	5.5%
2025	-	-	-	-	-	-	\$437.08	252	5.8%
2024	-	-	-	-	-	-	\$422.15	244	5.8%
YTD	36	\$161.2M	0.5%	\$4,605,471	\$353.33	5.9%	\$435.88	252	5.7%
2023	75	\$353.2M	0.9%	\$5,433,383	\$412.52	4.1%	\$433.47	250	5.6%
2022	158	\$1.6B	2.5%	\$11,034,733	\$655.98	4.3%	\$469.75	271	4.9%
2021	153	\$2.1B	3.6%	\$13,900,355	\$601.26	4.3%	\$470.80	272	4.5%
2020	98	\$2B	2.6%	\$20,789,832	\$794.79	5.1%	\$400.44	231	4.9%
2019	272	\$1.2B	3.9%	\$8,444,984	\$479.42	4.1%	\$344.44	199	5.2%
2018	272	\$1.1B	5.0%	\$9,472,976	\$400.09	4.6%	\$314.72	182	5.3%
2017	270	\$535.9M	3.9%	\$4,871,467	\$335.72	5.4%	\$282.04	163	5.4%
2016	281	\$751.4M	4.5%	\$4,976,438	\$296.74	3.6%	\$277.81	160	5.1%
2015	330	\$1.4B	7.3%	\$6,774,712	\$297.08	4.6%	\$253.37	146	5.2%
2014	326	\$831.4M	7.1%	\$4,470,060	\$177.12	6.3%	\$217.34	126	5.6%
2013	280	\$486.6M	4.2%	\$3,180,271	\$173.80	6.7%	\$193.48	112	5.9%

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SPECIALIZED INDUSTRIAL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$563.30	352	5.3%
2027	-	-	-	-	-	-	\$497.59	311	5.5%
2026	-	-	-	-	-	-	\$434.07	271	5.7%
2025	-	-	-	-	-	-	\$382.81	239	6.0%
2024	-	-	-	-	-	-	\$368.27	230	6.1%
YTD	4	\$10.1M	0.3%	\$2,522,000	\$217.20	-	\$379.19	237	5.9%
2023	21	\$93.3M	1.6%	\$4,663,255	\$374	5.0%	\$380.11	237	5.8%
2022	28	\$124.5M	1.9%	\$4,447,581	\$375.85	3.9%	\$409.34	256	5.1%
2021	33	\$249.2M	2.1%	\$7,551,871	\$684.57	3.2%	\$408.12	255	4.7%
2020	24	\$106.9M	1.5%	\$4,454,887	\$417.55	4.3%	\$341.14	213	5.1%
2019	69	\$79.9M	3.4%	\$3,071,422	\$413.89	3.8%	\$298.93	187	5.4%
2018	93	\$178.6M	4.6%	\$5,253,680	\$359.94	3.4%	\$277.87	173	5.4%
2017	83	\$133.4M	4.4%	\$4,043,711	\$418.15	7.0%	\$254.27	159	5.5%
2016	86	\$123.4M	5.1%	\$3,525,917	\$260.42	2.4%	\$248.54	155	5.2%
2015	88	\$170.7M	5.1%	\$3,282,935	\$265.86	4.2%	\$229.72	143	5.3%
2014	87	\$86.7M	4.2%	\$2,407,333	\$247.04	6.0%	\$198.69	124	5.7%
2013	87	\$75.4M	4.5%	\$2,095,228	\$137.88	5.1%	\$177.07	111	6.0%

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LOGISTICS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$543.58	373	5.1%
2027	-	-	-	-	-	-	\$480.10	330	5.3%
2026	-	-	-	-	-	-	\$418.67	287	5.6%
2025	-	-	-	-	-	-	\$369.18	253	5.9%
2024	-	-	-	-	-	-	\$355.42	244	5.9%
YTD	24	\$136M	0.8%	\$5,912,804	\$362.06	5.9%	\$366.50	252	5.8%
2023	40	\$216.1M	1.1%	\$6,752,493	\$426.09	3.8%	\$363.69	250	5.7%
2022	95	\$446.8M	2.0%	\$5,585,535	\$471.50	4.8%	\$398.61	274	5.0%
2021	86	\$812.9M	4.0%	\$9,677,374	\$416.67	4.6%	\$397.59	273	4.6%
2020	48	\$477.4M	2.0%	\$10,158,003	\$495.08	5.7%	\$331.88	228	5.0%
2019	139	\$449.9M	3.4%	\$5,695,408	\$373.91	3.8%	\$279.07	192	5.4%
2018	122	\$247.1M	4.1%	\$5,147,820	\$358.95	4.8%	\$256.74	176	5.4%
2017	136	\$189.9M	3.7%	\$3,875,776	\$234.02	-	\$232.70	160	5.5%
2016	138	\$231.6M	4.2%	\$3,262,412	\$214.53	3.5%	\$227.85	156	5.2%
2015	150	\$425.3M	7.2%	\$5,003,461	\$217.11	-	\$210.51	145	5.3%
2014	160	\$258.9M	5.8%	\$3,010,850	\$170.11	7.0%	\$180.21	124	5.8%
2013	128	\$261.2M	3.8%	\$3,841,126	\$196.40	7.0%	\$160.84	110	6.0%

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FLEX SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$797.50	373	4.8%
2027	-	-	-	-	-	-	\$706.69	331	5.0%
2026	-	-	-	-	-	-	\$618.35	289	5.3%
2025	-	-	-	-	-	-	\$547.58	256	5.5%
2024	-	-	-	-	-	-	\$531	248	5.6%
YTD	8	\$15.1M	0.1%	\$1,888,625	\$442.38	-	\$549.34	257	5.4%
2023	14	\$43.8M	0.3%	\$3,371,154	\$439.90	-	\$545.94	255	5.3%
2022	35	\$1B	3.5%	\$28,759,765	\$893.60	4.8%	\$587.13	275	4.7%
2021	34	\$995.1M	4.0%	\$32,101,334	\$899.29	5.0%	\$591.82	277	4.3%
2020	26	\$1.4B	4.1%	\$59,560,905	\$1,106.18	5.0%	\$514.05	240	4.6%
2019	64	\$686.3M	5.2%	\$17,597,014	\$601.85	4.9%	\$447.82	209	4.9%
2018	57	\$682.6M	6.7%	\$19,503,362	\$430.53	5.4%	\$404.83	189	5.0%
2017	51	\$212.5M	4.0%	\$7,589,494	\$456.51	4.9%	\$357.11	167	5.1%
2016	57	\$396.4M	4.6%	\$8,808,973	\$405.03	4.9%	\$354.32	166	4.9%
2015	92	\$813.1M	8.9%	\$11,452,582	\$379.57	5.0%	\$318.35	149	5.0%
2014	79	\$485.8M	11.3%	\$7,591,158	\$172.21	5.7%	\$272.80	128	5.4%
2013	65	\$150M	4.9%	\$3,060,342	\$162.52	6.7%	\$242.24	113	5.7%

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