



# LEE & ASSOCIATES

COMMERCIAL REAL ESTATE SERVICES



## FEATURED MARKET REPORTS

## THE LEE ADVANTAGE

Every Lee & Associates office delivers world-class service to an array of regional, national, and international clients - from small businesses and local investors to major corporate users and institutional investors. Our professionals combine the latest technology, resources, and market intelligence with their experience, expertise, and commitment to superior service to optimize client results.

## WHAT SETS US APART?

Since 1979, Lee & Associates has reimagined the way that commercial real estate companies should be structured. Each Lee & Associates office is owned and operated by its professionals. As shareholders of the company, this separates us from our competition and creates one common goal; to provide seamless, consistent execution and value-driven market-to-market services to our clients.

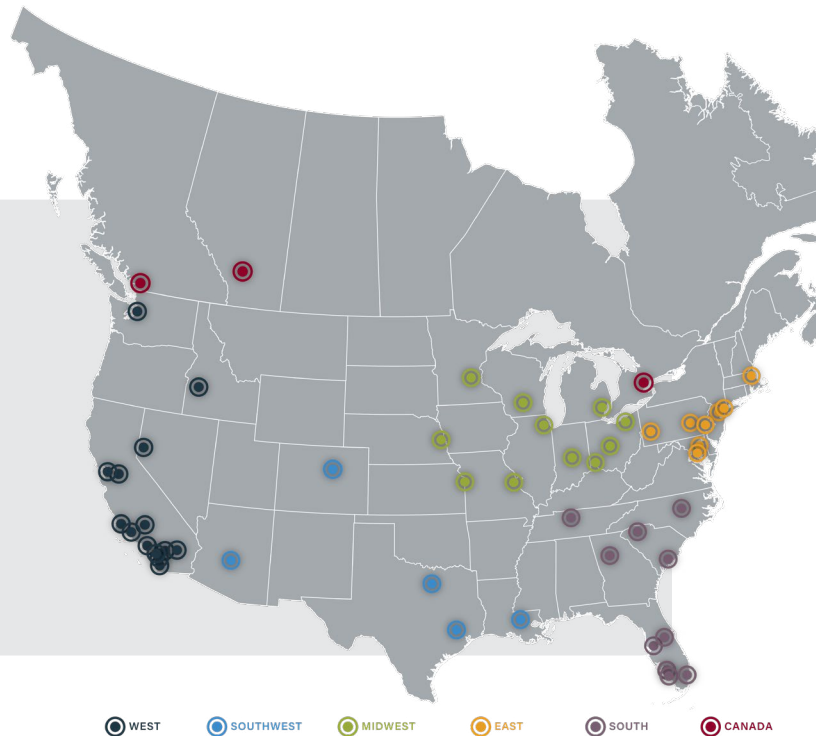
## SERVICES TO MEET THE NEEDS OF OUR CLIENTS

Lee & Associates' offices offer a broad array of real estate services tailored to meet the needs of the company's clients in each of the markets it operates, including commercial real estate brokerage, integrated services, and construction services.

With specialty practice groups in each of these disciplines, our professionals regularly collaborate to make sure they are providing their clients with the most advanced, up-to-date market technology and information.

## LOCAL EXPERTISE INTERNATIONAL REACH

With offices in 75+ markets across North America, Lee & Associates has the ability to deliver first-class services to our clients both locally and internationally.



## INDUSTRIAL OVERVIEW: ABSORPTION CONTINUES SLOWING, INVENTORIES TO SPIKE

Demand for industrial space remained positive in the United States and Canada in the third quarter, but growth this year has lost steam compared to strong net absorption totals of the last two years.

U.S. net growth in the third quarter totaled 29.9 million SF compared to 94 million SF for the same period last year. Year-to-date net absorption is 110.2 million SF, down 62% from the same period last year. There was 411.7 million SF of growth in 2022. The 524.7 million SF of net absorption in 2021 stands as the record, but the current pace of tenant expansion is the slowest since 2012 and comes as a quarterly record of new inventory is set for delivery.

Net absorption in Canada fell from 41.5 million SF in 2021 to 29.1 million in 2022 and totals 16.4 million through Q3. A quarterly record 12.5 million SF are set for delivery in Q4, and 32 million SF to be added next year should ease tight availability somewhat. Overall strong market fundamentals continue to attract investors who have shown an appetite for industrial properties despite higher interest rates and a deteriorating economic outlook.

In the U.S., nearly 200 million SF of new stock is slated for completion in Q4, a quarterly record. U.S. inventory is set to grow by more than 3% in 2023, marking the fastest pace of supply growth in more than three decades. The new supply due from the development pipeline will likely drive up the national vacancy rate in 2023 and 2024. Onshoring of high-tech manufacturing is set to be a key driver of demand from 2024-26. Across the 87 U.S. markets in Lee & Associates' survey, there are 527 million SF of projects underway. Most are unleased and set to complete within 12 months.

Construction starts have been dropping since last fall, with some developers growing anxious that higher interest rates may cause values of newly delivered projects to dip below replacement costs. Since peaking at 11.5% in mid-2022, year-over-year rent growth has been decelerating and stands at 7.4%. Further deceleration in rent growth seems unavoidable in 2024, given that landlords will be contending with a record tally of new space while high interest rates weigh on the economy.

The recent absorption slowdown was broad-based across most markets, but Los Angeles, the Inland Empire, and Seattle recorded outsized increases in space being listed as available for lease among existing properties. While imports have been declining at the national level since November, slowing has been most pronounced at major West Coast ports where cargo flows have been negatively impacted by a threatened strike by dockworkers. They recently reached tentative agreement on a new contract. Markets including Tampa, Jacksonville, Milwaukee and Detroit have bucked the national trend and recorded tightening availability rates year to date in 2023. Jacksonville and Tampa have been direct beneficiaries of rapid in-migration and the continued diversion of Asian imports through the Panama Canal to East Coast and Gulf Coast ports. Milwaukee and Detroit have benefitted from limited or fast-declining levels of speculative construction, coupled with continued expansions by manufacturing tenants and distributors.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / SF ANNUAL		HIGHEST MARKET SALE PRICE / SF	
ON, Toronto	1.3%	CA, San Diego	\$22.32	BC, Vancouver	\$360 CAD
BC, Vancouver	1.4%	FL, Miami	\$22.32	CA, Orange County	\$355
AB, Calgary	2.3%	CA, Orange County	\$19.80	CA, San Diego	\$341
NE, Omaha	2.3%	CA, Los Angeles	\$19.20	CA, Los Angeles	\$332
FL, Miami	2.5%	NY, New York	\$19.08	CA, East Bay	\$276
<b>U.S. Index</b>	5.2%	<b>U.S. Index</b>	\$11.76	<b>U.S. Index</b>	\$153
<b>Canada Index</b>	1.7%	<b>Canada Index</b>	\$12.48 CAD	<b>Canada Index</b>	\$225 CAD

MOST SF UNDER CONSTRUCTION SF		LARGEST INVENTORY BY SF		LOWEST MARKET CAP RATE	
TX, Dallas-Fort Worth	52,483,004	IL, Chicago	1,404,909,948	BC, Vancouver	4.1%
AZ, Phoenix	48,330,411	TX, Dallas-Fort Worth	1,128,654,944	CA, Inland Empire	4.2%
CA, Inland Empire	42,117,758	CA, Los Angeles	952,543,493	ON, Toronto	4.3%
ON, Toronto	26,294,708	NY, New York	869,714,381	CA, Los Angeles	4.6%
GA, Atlanta	25,456,651	ON, Toronto	865,882,587	CA, Orange County	4.8%
<b>U.S. Index</b>	527,455,563	<b>U.S. Index</b>	18,587,414,380	<b>U.S. Index</b>	6.9%
<b>Canada Index</b>	55,892,041	<b>Canada Index</b>	1,848,876,837	<b>Canada Index</b>	5.1%

\* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
<b>AB, Calgary **</b>	2.3%	\$0.69	\$122	8,643,703	180,934,148	6.9%
<b>AZ, Phoenix</b>	6.8%	\$1.09	\$177	48,330,411	435,594,922	6.2%
<b>BC, Vancouver **</b>	1.4%	\$1.29	\$360	7,432,564	272,349,550	4.1%
<b>CA, Bakersfield</b>	5.9%	\$0.83	\$111	2,468,190	61,938,029	6.8%
<b>CA, East Bay</b>	5.1%	\$1.38	\$276	4,508,588	276,687,004	5.3%
<b>CA, Fresno</b>	2.8%	\$0.71	\$90	487,867	86,144,003	7.0%
<b>CA, Inland Empire</b>	4.9%	\$1.18	\$276	42,117,758	737,286,025	4.2%
<b>CA, Los Angeles</b>	4.2%	\$1.60	\$332	7,690,238	952,543,493	4.6%
<b>CA, Orange County</b>	3.2%	\$1.65	\$355	2,487,180	303,002,634	4.8%
<b>CA, San Diego</b>	5.2%	\$1.86	\$341	5,049,564	207,568,223	5.5%
<b>CA, San Francisco</b>	9.0%	\$2.29	\$447	4,999,334	99,479,463	5.3%
<b>CA, San Luis Obispo</b>	2.5%	\$1.35	\$204	325,462	9,473,543	6.1%
<b>CA, Santa Barbara</b>	5.7%	\$1.50	\$230	29,966	19,611,062	6.2%
<b>CA, Stockton</b>	6.7%	\$0.79	\$127	5,410,097	147,250,740	5.9%
<b>CA, Ventura</b>	3.5%	\$1.20	\$200	659,763	75,220,121	5.9%
<b>CO, Denver</b>	6.9%	\$1.02	\$184	11,294,059	277,619,297	6.7%
<b>DC, Washington</b>	4.4%	\$1.33	\$225	9,238,230	291,436,618	6.7%
<b>FL, Fort Myers</b>	3.2%	\$1.01	\$129	3,479,109	38,771,558	7.9%
<b>FL, Miami</b>	2.5%	\$1.66	\$254	9,521,052	269,720,075	5.6%
<b>FL, Naples</b>	1.3%	\$1.34	\$171	7,800	14,502,906	7.3%
<b>FL, Orlando</b>	4.0%	\$1.11	\$152	10,412,165	196,232,572	6.3%
<b>GA, Atlanta</b>	4.8%	\$0.74	\$107	25,456,651	819,301,939	6.4%
<b>GA, Savannah</b>	8.2%	\$0.68	\$120	16,430,677	115,866,165	6.7%
<b>ID, Boise</b>	6.1%	\$0.85	\$126	6,576,494	56,231,193	7.2%
<b>IL, Chicago ***</b>	4.5%	\$0.75	\$92	22,277,366	1,404,909,948	7.5%
<b>IN, Indianapolis</b>	7.5%	\$0.61	\$73	11,828,831	413,783,816	8.0%
<b>KS, Lawrence</b>	3.3%	\$0.78	\$87	13,140	9,457,909	8.6%
<b>KS, Topeka</b>	2.7%	\$0.46	\$60	103,514	21,057,751	9.0%
<b>LA, Baton Rouge</b>	2.6%	\$0.79	\$70	2,152,500	42,416,457	9.2%
<b>MA, Boston</b>	5.0%	\$1.28	\$185	7,690,646	357,317,316	6.7%
<b>MD, Baltimore</b>	6.5%	\$0.89	\$131	1,371,234	263,279,269	7.2%
<b>MI, Detroit</b>	3.7%	\$0.70	\$70	5,495,398	618,829,083	9.9%
<b>MN, Minneapolis</b>	3.5%	\$0.68	\$89	8,620,615	418,595,974	8.5%
<b>MO, Kansas City *</b>	4.5%	\$0.57	\$64	12,702,515	356,817,275	8.7%
<b>United States Index</b>	5.2%	\$0.98	\$153	527,455,563	18,587,414,380	6.9%
<b>Canada Index</b>	1.7%	\$1.04**	\$225**	55,892,041	1,848,876,837	5.1%

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
MO, Saint Louis	4.3%	\$0.58	\$68	3,364,977	336,629,522	7.9%
NC, Durham	4.5%	\$0.93	\$127	2,866,136	50,048,211	7.0%
NC, Raleigh	4.6%	\$0.96	\$130	5,778,803	100,809,101	7.2%
NE, Lincoln	2.6%	\$0.58	\$79	292,502	32,018,072	8.8%
NE, Omaha	2.3%	\$0.65	\$81	5,594,875	104,779,540	8.3%
NJ, Atlantic City	4.8%	\$0.86	\$82	0	9,496,140	7.9%
NJ, Northern New Jersey *	4.2%	\$1.30	\$202	3,779,904	257,771,469	6.1%
NJ, Trenton	4.6%	\$0.83	\$162	1,114,451	43,957,966	6.3%
NJ, Vineland	6.1%	\$0.60	\$65	0	18,236,512	7.4%
NV, Reno	4.2%	\$0.76	\$127	6,190,677	114,126,774	5.9%
NY, Long Island	4.6%	\$1.51	\$197	1,525,714	184,060,572	7.8%
NY, New York *	5.5%	\$1.59	\$270	19,331,465	869,714,381	5.6%
OH, Cincinnati	4.3%	\$0.60	\$68	7,240,012	350,188,561	8.1%
OH, Cleveland	3.5%	\$0.53	\$50	3,126,992	353,219,926	9.7%
OH, Columbus	5.7%	\$0.66	\$80	13,442,149	358,473,921	7.0%
ON, Toronto **	1.3%	\$1.19	\$263	26,294,708	865,882,587	4.3%
PA, Harrisburg	4.3%	\$0.66	\$92	443,608	113,351,832	6.8%
PA, Lehigh Valley *	4.2%	\$0.70	\$118	3,962,651	164,221,997	6.5%
PA, Philadelphia *	6.3%	\$0.91	\$116	17,062,846	613,863,869	7.0%
PA, Pittsburgh	5.2%	\$0.69	\$71	3,022,950	222,381,875	7.9%
SC, Charleston	5.9%	\$0.83	\$101	10,453,635	105,007,309	7.4%
SC, Greenville	5.8%	\$0.55	\$58	1,124,009	144,004,250	8.7%
SC, Spartanburg	10.8%	\$0.52	\$66	6,931,687	114,249,408	8.2%
TN, Nashville	4.0%	\$0.90	\$107	9,928,426	273,359,209	6.4%
TX, Dallas-Fort Worth	7.7%	\$0.77	\$113	52,483,004	1,128,654,944	6.3%
TX, Houston	6.5%	\$0.73	\$98	22,667,867	799,427,079	7.3%
WA, Seattle	5.9%	\$1.23	\$247	6,787,358	352,264,175	5.3%
WI, Madison	2.9%	\$0.63	\$72	756,783	75,305,541	8.3%
<b>United States Index</b>	5.2%	\$0.98	\$153	527,455,563	18,587,414,380	6.9%
<b>Canada Index</b>	1.7%	\$1.04**	\$225**	55,892,041	1,848,876,837	5.1%

\* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

\*\* Numbers shown are in Canadian dollars (CAD)



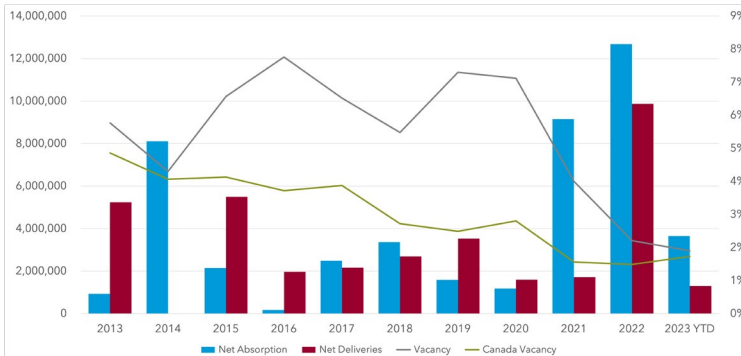
## INDUSTRIAL MARKET OVERVIEW

ELIAS TSOUGRIANIS, *Research Analyst*

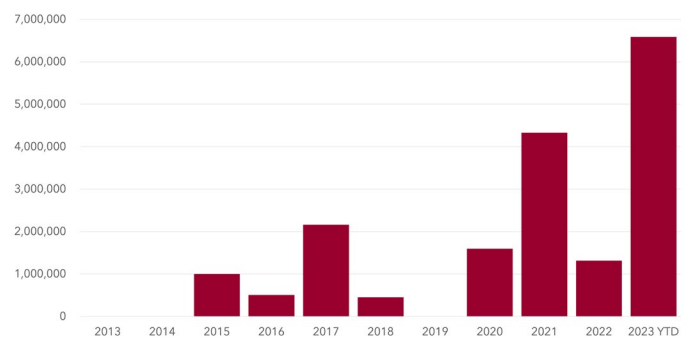
The Calgary industrial market remained stable in the third quarter of 2023. limited supply continued to pose an issue for prospective tenants, especially with regards to mid-size product. Absorption was positive and increased drastically from Q2, while the vacancy rate went down slightly in Q3, remaining below 2%. Sales volume continued to slow, following an identical trend seen in Q2 as the Bank of Canada's interest rate remained relatively high, reducing the viability of acquisitions for purchasers. The construction pipeline reached over 6,000,000 square feet in Q3, as several planned projects broke dirt towards the end of the quarter. These developments are largely concentrated in Balzac due to the lower tax scenario compared to properties within city limits.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ Qtrly Net Absorption SF	1,734,001	(199,137)	2,115,223	2,569,437	(230,369)
▼ Vacancy Rate	1.90%	1.96%	1.87%	2.21%	2.92%
◀ ▶ Avg NNN Asking Rate PSF	Not Tracked	Not Tracked	Not Tracked	Not Tracked	Not Tracked
▲ SF Under Construction	6,588,020	5,076,977	4,329,883	1,315,151	1,974,474
▲ Inventory SF	163,910,084	163,311,067	163,105,942	162,657,499	162,067,331

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2222 16th Avenue, NE Calgary, AB	90,976 SF	Undisclosed	Undisclosed Undisclosed	Class B
2916 21st Street, NE Calgary, AB	84,852 SF	\$12,400,000 \$146.14 PSF	Undisclosed Undisclosed	Class B
1301 Hastings Crescent, SE Calgary, AB	26,703 SF	\$3,200,000 \$119.84 PSF	Hastings Development, Inc. Griffin Glass Holdings Ltd.	Class B

\*\*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
60 Carmek Drive, SE Rockyview County, AB	291,542 SF	Undisclosed	Undisclosed	Undisclosed
5801 72nd Avenue, SE Calgary, AB	158,731 SF	Undisclosed	Walmart Canada	Distribution
5555 69th Avenue, SE Calgary, AB	67,608 SF	Undisclosed	OK Tire	Automotive



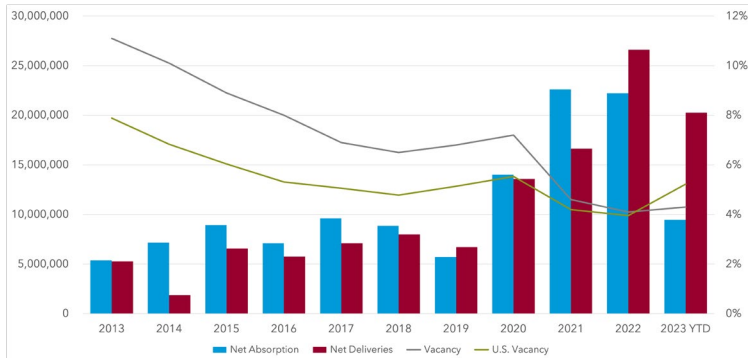
### INDUSTRIAL MARKET OVERVIEW

CHRIS MCCHESENEY, *Director of Research*

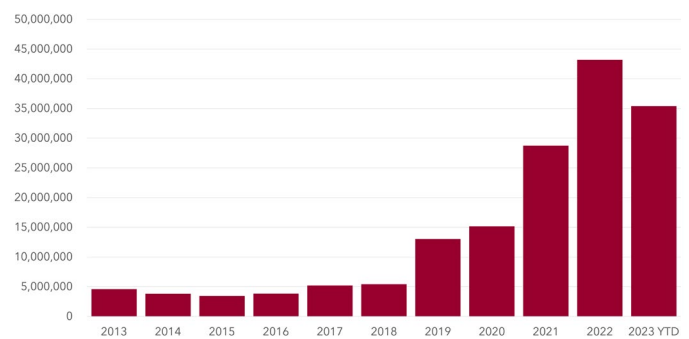
The Phoenix industrial market maintained its robust growth and strong user demand throughout the conclusion of the third quarter. During this quarter, there was net absorption of 2,480,199 square feet, bringing the total for the year to 9,465,232 square feet. While this figure is slightly lower than the previous two record-breaking years, it remains significantly above the ten-year average. The resilience of the Phoenix industrial market is projected to persist throughout 2024, despite a few developers temporarily halting projects due to prevailing economic challenges.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ Qtrly Net Absorption SF	2,480,199	2,173,140	4,508,489	4,525,312	3,525,026
▲ Vacancy Rate	4.3%	3.8%	4.0%	4.0%	3.9%
▲ Avg NNN Asking Rate PSF	\$12.60	\$12.24	\$11.88	\$10.56	\$10.08
▼ SF Under Construction	35,404,702	43,143,294	55,291,088	43,197,614	45,330,326
▲ Inventory SF	383,911,018	375,658,060	372,918,165	367,223,611	359,359,407

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6605 N. Sarival Avenue Goodyear, AZ	1,253,382 SF	\$105,000,000 \$83.77 PSF	EQT Exeter Hines	Class A
15101 & 15151 W. Hatcher Road Waddell, AZ	906,125 SF	\$92,719,745 \$102.33 PSF	Westcore Ryan Companies	Class A
6 Property Portfolio Phoenix, AZ	586,915 SF	\$105,500,000 \$179.75 PSF	ViaWest Group TA Realty	Multiple

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3815 N. Cotton Lane Goodyear, AZ	488,400 SF	Lexington/Merit	DHL/Figs	Wholesale
275 W. Pinnacle Peak Road Phoenix, AZ	207,984 SF	Marck Real Estate	Axon Enterprises	Technology
3265 S. Crismon Road Mesa, AZ	192,580 SF	Eisenberg Company	Paulo Solar Company	Solar



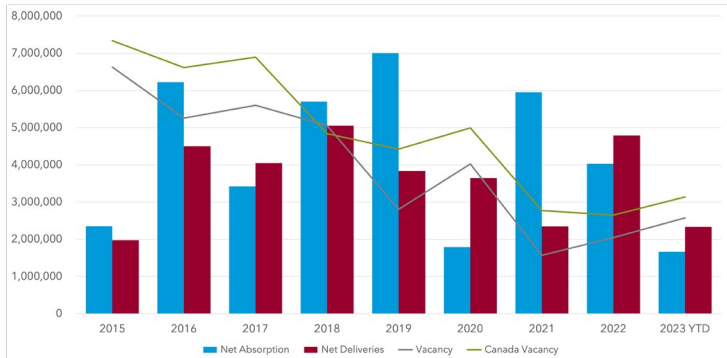
**INDUSTRIAL MARKET OVERVIEW**

MASON TAYKANDY, *Research Coordinator*

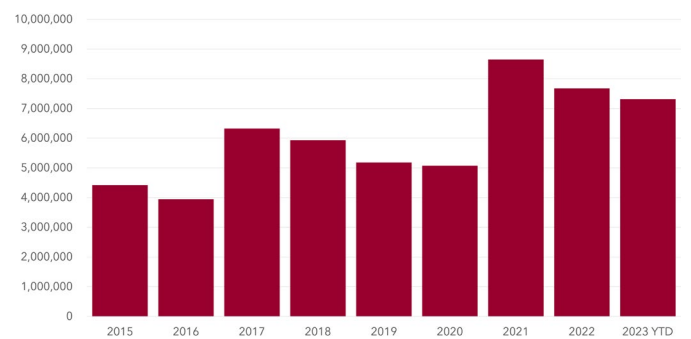
The industrial market in Vancouver continues to see a slowing trend, particularly in sales volume, after the Bank of Canada raised the policy rate to 5% this quarter. The shortage of developable land in Metro Vancouver is keeping vacancy low despite a slower market, hovering around 1.4%. Although there has been an increase in inventory over the past few quarters, demand remains strong. An example of this is Pet Valu leasing over 350,000 SF of space this quarter in Surrey. Well-maintained buildings in a desirable location will get transacted, but we are shifting into a market where the tenants/purchasers will see more opportunities.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	3,218,959	3,175,742	3,069,517	4,028,887	3,248,085
▲ Vacancy Rate	1.41%	1.11%	1.20%	1.15%	1.04%
▲ Avg NNN Asking Rate PSF	\$21.28	\$20.81	\$20.28	\$19.61	\$18.91
▼ SF Under Construction	7,412,217	8,450,652	7,991,744	7,676,987	9,144,431
▲ Inventory SF	272,371,864	271,004,603	270,493,585	269,965,976	268,119,737

**NET ABSORPTION, NET DELIVERIES, & VACANCY**



**UNDER CONSTRUCTION**



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3653 Wayburne Drive Burnaby, BC	48,818 SF	\$28,000,000 \$573.00 PSF	Qualifirst Foods Union Allied Capital Corporation	Class C
1308 Adanac Street Vancouver, BC	47,317 SF	\$37,500,000 \$792.00 PSF	Porte Communities Union Allied Capital Corporation	Class B
1312 Ketch Court Coquitlam, BC	18,316 SF	\$11,000,000 \$600.00 PSF	Atticus Financial, Inc. Undisclosed	Class C

\*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
18899 24th Avenue Surrey, BC	353,476 SF	Choice Properties	Pet Valu	Pet Care
1348 Derwent Way Delta, BC	159,614 SF	Grosvenor Americas	Urban Barn Ltd.	Furniture & Décor
13240 Worster Court Richmond, BC	126,540 SF	BentallGreenOak	Stryder Motorfreight Canada Ltd.	Freight & Logistics





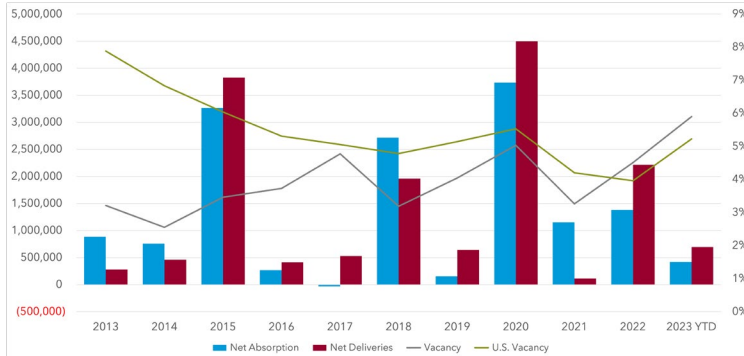
### INDUSTRIAL MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

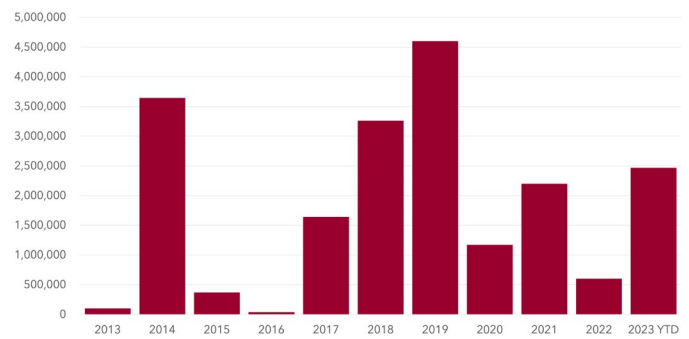
Bakersfield mainly attracts local and domestic investors, however the lack of trades in 2023 indicates a slower capital markets environment, but scarcity of available space continues to maintain investor interest. There has been a shift in 2023 from large single-building leases to smaller deals, one lease surpassing 100,000 SF, a 240,000 SF deal by Sunrise Brands in Q1. Vacancy has increased slightly to 5.9%, despite strong net absorption of 420,000 SF year-to-date. However, recent quarters slowed, with less than 200,000 SF leased in the 1st half of 2023. Development remains strong with 2.5M SF underway and 700K SF delivered in the past year, the risk of oversupply is low, as inventory is set to expand by 4.0%.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	418,000	356,875	1,600,000	320,760	1,712,725
▲ Vacancy Rate	5.9%	4.6%	5.3%	4.5%	5.6%
▲ Avg NNN Asking Rate PSF	\$9.96	\$9.84	\$9.72	\$9.60	\$9.36
▲ SF Under Construction	2,468,000	1,385,975	1,395,932	601,354	922,144
▲ Inventory SF	61,920,728	61,639,996	61,800,000	61,200,000	60,900,000

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3830 Saco Road Bakersfield, CA	168,000 SF	\$16,500,000 \$98.21 PSF	Four Star Fruit, Inc. Grapeman Farms	Class C
2624 Buck Owens Boulevard Bakersfield, CA	30,715 SF	\$2,200,000 \$71.63 PSF	Damian Poon Dennis Andre	Class C
3501 Fruitvale Avenue Bakersfield, CA	8,678 SF	\$2,100,000 \$241.99 PSF	Raghbir Singh Braich William C. Vigstrom	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1900 Norris Road Bakersfield, CA	80,000 SF	Meadows Field Industrial Park	Security Contractor Services	General Contracting
424-428 California Avenue Bakersfield, CA	68,000 SF	Sill Family Partnership	Goodwill Industries	Merchandise
100 Sycamore Road Bakersfield, CA	35,162 SF	S. Kuar / S. Singh	Undisclosed	Undisclosed



The Tri-Valley area includes the cities of Livermore, Dublin, and Pleasanton

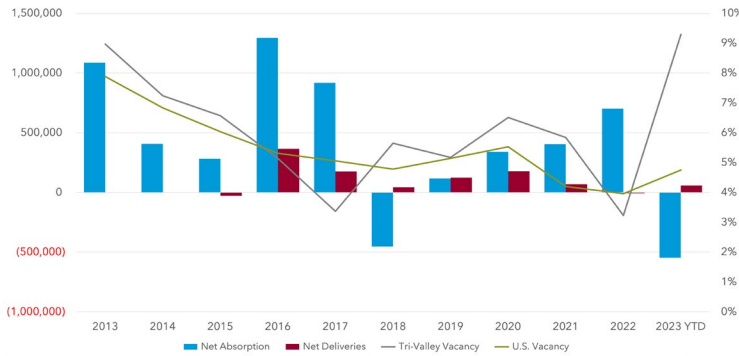
### INDUSTRIAL MARKET OVERVIEW

SEAN OFFERS, SIOR, *Principal*

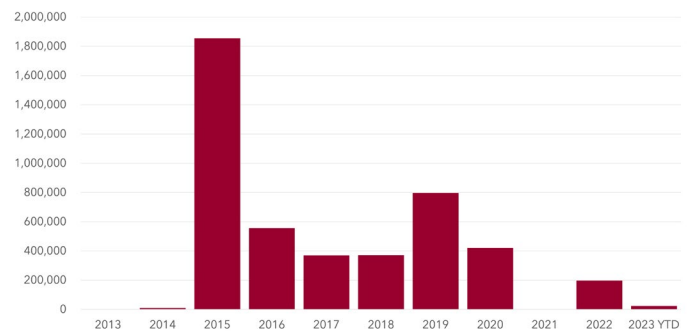
The Tri-Valley Industrial Market continued to move along during the 3rd Quarter of 2023. Activity across the board has remained stable despite the Fed continuing to raise interest rates. Sales continued to remain steady with pricing continuing to be relatively stable, but we have noticed a shift downward in Lease rates. There have been a handful of Subleases to hit the market and with more available options on the market, many Landlords have been amicable to slightly coming off of asking rents in order to attract a Tenant. With activity and demand remaining steady and if the Fed does halt raising interest rates, we believe that the remainder of the year will remain strong.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(449,793)	114,533	500,812	702,383	583,989
▲ Vacancy Rate	9.1%	6.8%	3.2%	3.3%	3.6%
▲ Avg NNN Asking Rate PSF	\$21.89	\$21.78	\$21.81	\$21.68	\$21.51
▼ SF Under Construction	23,400	187,400	197,400	197,400	186,000
▲ Inventory SF	29,400,000	29,200,000	29,200,000	29,200,000	29,200,000

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
201 Discovery Dr/800 Atlantis St/801 Challenger Street, Livermore, CA	1,296,908 SF	\$327,000,000 \$252.00 PSF	Westcore BentallGreenOak	Class A-
461 Mcgraw Avenue Livermore, CA	119,790 SF	\$4,800,000 \$40.07 PSF	CA ALA 002 Property LLC Jo Silver	Industrial Land
5162 Preston Avenue Livermore, CA	10,400 SF	\$4,500,000 \$432.69 PSF	Cement Masons Apprenticeship Training MFA Services LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6870 Koll Center Parkway Pleasanton, CA	34,997 SF	Ronald Tong	Vector Atomic	Transportation & Telecom
4771 Arroyo Vista Suites E,F,G Livermore, CA	31,554 SF	Black Mountain Properties	Premier Small Cell	Construction
6950 Preston Avenue Livermore, CA	28,552 SF	Cranbrook	Decorative Plumbing	Plumbing



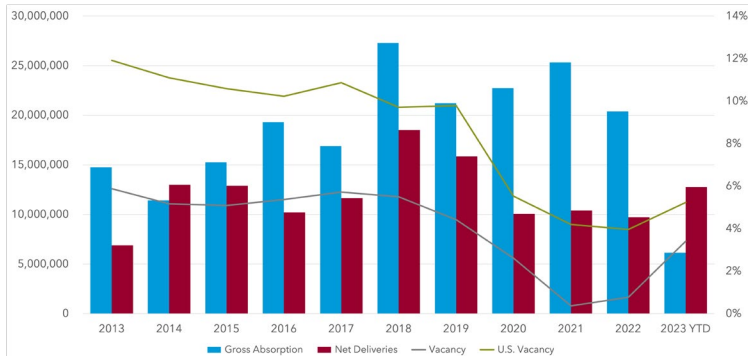
### INDUSTRIAL MARKET OVERVIEW

CAROLINE PAYAN, *Director of Marketing & Research*

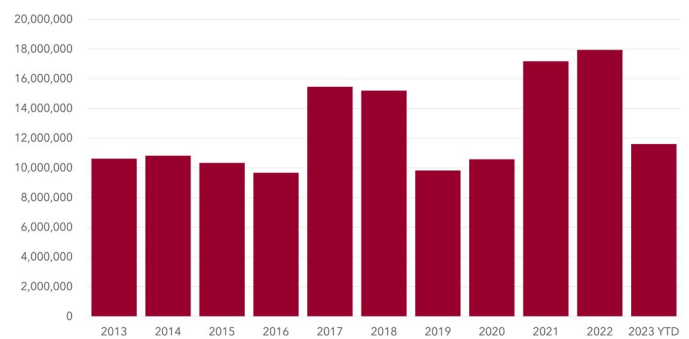
In the third quarter of 2023, the industrial sector in the Inland Empire East Valley continued to settle. Industrial development continues to plod along with numerous projects being delivered in the third quarter of the year. Between new inventory and numerous subleases hitting the market, vacancy rates continue to rise slowly in most submarkets. Still, vacancy is relatively low and quality, functional product remains hard to find. With industrial demand lasting and owners holding firm on prices and rates, we can expect more of the same throughout the remainder of 2023 and into 2024.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Gross Absorption SF	1,618,800	2,734,089	1,792,311	3,459,099	8,194,939
▲ Vacancy Rate	3.41%	2.05%	1.86%	0.77%	0.79%
▼ Avg GRS Asking Rate PSF	\$15.13	\$15.80	\$15.37	\$15.66	\$15.44
▼ SF Under Construction	11,606,513	13,109,194	15,136,063	17,944,921	19,712,800
▲ Inventory SF	282,856,013	280,392,698	279,326,974	277,669,509	275,895,042

GROSS ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1600 Agua Mansa Road Colton, CA	340,804 SF	\$109,000,000 \$319.83 PSF	Ponte Gadea USA LBA Realty Fund	Class A
21500 Harvill Road Perris, CA	333,572 SF	\$112,250,000 \$336.51 PSF	MDH Partner LLC Blumenfeld Development Corp	Class A
3255 S. Cactus Avenue Bloomington, CA	311,363 SF	\$96,600,000 \$310.25 PSF	ProLogis Trust Blackstone / Link	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1420 N. Tamarind Avenue (Sublease) Rialto, CA	677,224 SF	Keeco, LLC	US eLogistics Service Corporation	Logistics
2185 W. Lugonia Avenue (Renewal) Redlands, CA	500,602 SF	Nuveen Real Estate	Ashley Furniture Industries	Manufacturing
290 E. Markham Street (Sublease) Perris, CA	247,384 SF	TechStyle, Inc.	Uniqlo USA, Inc.	Apparel



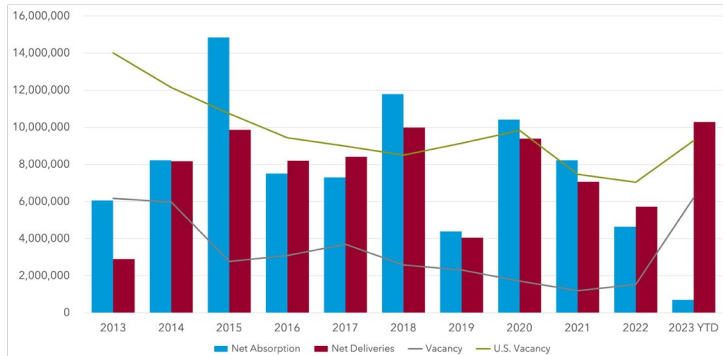
### INDUSTRIAL MARKET OVERVIEW

KARLY KAZANJIAN, *Director of Operations*

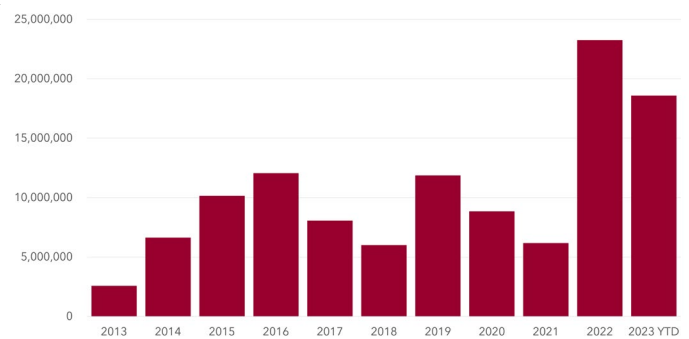
The Inland Empire West experienced a substantial amount of positive net absorption this past quarter directly correlated to the volume of industrial product completed and delivered in the past three months. In addition to the overall increase in availability, the increase in sublease space and its discounted pricing has begun to put downward pressure on asking rates. While still totaling over 18.5M square feet, the development pipeline has decelerated and begun its course to normal conditions. Fewer significant sales occurred, however, the three largest lease transactions totaled nearly 1.8M square feet signaling the strength, relevance, and longevity of the IEW industrial market.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ Qtrly Net Absorption SF	2,372,610	(1,327,177)	(341,964)	(781,096)	1,319,814
▲ Vacancy Rate	3.50%	3.09%	1.33%	0.86%	0.48%
▼ Avg NNN Asking Rate PSF	\$18.84	\$20.28	\$20.47	\$20.77	\$20.28
▼ SF Under Construction	18,587,253	20,988,000	25,562,676	23,259,548	20,254,257
▲ Inventory SF	361,829,546	359,917,966	359,568,117	356,133,149	352,235,614

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
16355 Slover Avenue Fontana, CA	95,813 SF	\$36,965,853 \$385.81 PSF	LBA Realty Newcastle Partners	Class A
5075 Edison Avenue Chino, CA	67,484 SF	\$20,500,000 \$303.78 PSF	Edison Properties LLC Darafeev Properties	Class B
8425 Almeria Avenue Fontana, CA	65,450 SF	\$19,900,000 \$304.05 PSF	TPA Group Sunearth, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
12415 6th Street Rancho Cucamonga, CA	745,595 SF	Bridge Development	Ceva Logistics	Logistics
11618 Mulberry Avenue Fontana, CA	633,953 SF	United Facilities	Armstrong Logistics	Logistics
14725 & 14875 Monte Vista Avenue Chino, CA	420,000 SF	Majestic Realty	Schneider Electric	Manufacturing



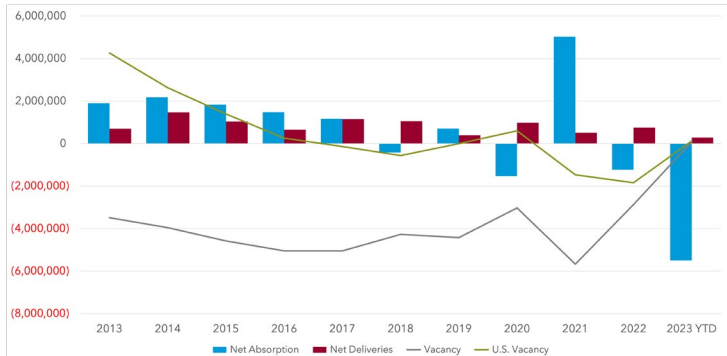
### INDUSTRIAL MARKET OVERVIEW

LEJO MAMMEN, *Director of Information Technology & Market Research*

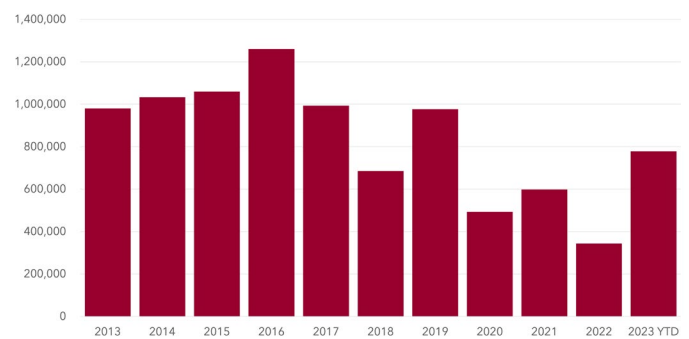
In the third quarter, Central Los Angeles saw a marked change in its market trends. The rate of vacancies climbed to 5%, a rise of 30 basis points from the prior quarter. As of now, development is underway for 778,050 square feet of industrial area. Additionally, there was a modest reduction in the triple net (NNN) lease rates, which ended the quarter at \$19.56 per square foot. This drop might be a reflection of market supply and demand dynamics. When zeroing in on areas of intense industrial activity, both the Vernon and Commerce regions are noteworthy. These regions are predominantly shaped by sectors like food production and apparel manufacturing, which dictate the commercial undertakings there.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(5,523,987)	(4,374,000)	(4,301,288)	(1,608,436)	(1,232,124)
▲ Vacancy Rate	5.0%	4.7%	3.8%	3.2%	2.4%
▼ Avg NNN Asking Rate PSF	\$19.56	\$19.64	\$20.28	\$20.16	\$19.20
▲ SF Under Construction	778,050	563,673	343,494	303,284	460,770
▲ Inventory SF	246,548,330	236,457,474	246,259,923	246,259,923	246,019,504

#### NET ABSORPTION, NET DELIVERIES, & VACANCY

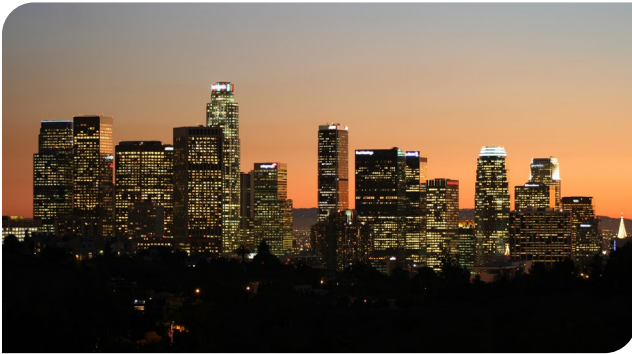


#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4000 Union Pacific Commerce, CA	884,851 SF	\$190,000,000 \$214.73 PSF	Dart Warehouse 99 Cent Only Stores	Class B
5200 Sheila Street Commerce, CA	107,802 SF	\$60,600,000 \$562.14 PSF	5200 Sheila Street GPT Sheila Street	Class B
3628 E. Olympic Los Angeles, CA	96,004 SF	\$8,250,000 \$85.93 PSF	Brite Olympic 1303-1421 Mirasol	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
740 111th Los Angeles, CA	145,200 SF	Watts Labor Community	SoLA	Administrative
2187 Garfield Avenue Commerce, CA	123,138 SF	BainCapital	Rolled Steel Products	Manufacturing
2730-2750 E. 37th Street Vernon, CA	74,217 SF	West Soto Street Partners	Food Properties	Food



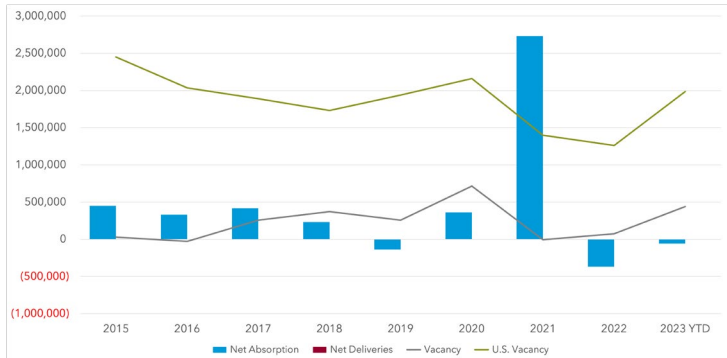
### INDUSTRIAL MARKET OVERVIEW

MIKE TINGUS, *President*

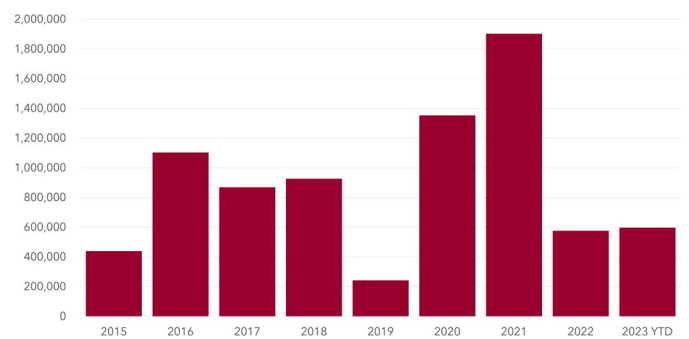
Bolstered by positive net absorption and the delivery of over half a million square feet of new construction, the market continues to demonstrate various upward trends that indicate sustained demand and competition for industrial spaces. Leasing activity in the market continues to surge, increasing by nearly 25% since Q2. Lease rates remain at \$1.65 psf. Vacancy levels now stand at 2.5% despite the increased leasing activity. 508,165 SF feet of new construction was delivered. There is still an additional 598,747 SF feet of new inventory set to be delivered in Q4. There were 17 sales for a median price of \$273 psf, remaining consistent with prices seen throughout the year.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	(57,001)	(479,469)	(404,977)	(369,633)	(321,696)
▲ Vacancy Rate	2.52%	2.30%	2.40%	1.88%	1.62%
▼ Avg NNN Asking Rate PSF	\$1.74	\$1.78	\$1.76	\$1.67	\$1.73
▼ SF Under Construction	597,966	771,645	791,694	576,875	626,924
▼ Inventory SF	166,214,709	166,489,820	166,017,467	165,924,843	165,850,047

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
9171 Gazette Avenue Chatsworth, CA	7,692 SF	\$3,069,107 \$399.00 PSF	Commercial Printer 9171 Gazette Avenue LLC	Class B
4027 E. 52nd Street Maywood, CA	5,200 SF	\$1,350,000 \$259.62 PSF	Marco Antonio Salazar Elias Shiber	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
20500 Prairie Street Chatsworth, CA	30,198 SF	Stratton Brothers LLC	California Dynamics Corp	Civil Engineers
19748 Dearborn Street Chatsworth, CA	28,350 SF	NBP Partners II LLC	Operation Gratitude, Inc.	Public Charity
7990 San Fernando Road Sun Valley, CA	27,860 SF	Alpha Companies	Ansett Aircraft Spares and Services, Inc.	Aircraft Support Company



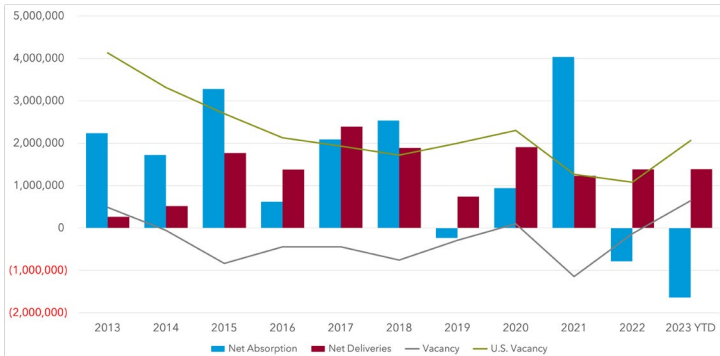
### INDUSTRIAL MARKET OVERVIEW

LEJO MAMMEN, *Director of Information Technology & Market Research*

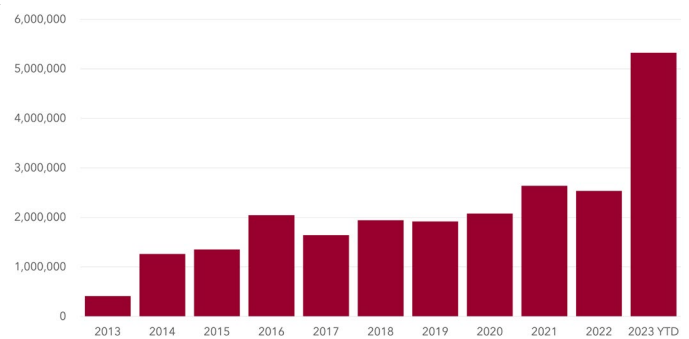
The industrial sector of San Gabriel Valley remains strong, though the vacancy rate has risen to 3.3%. From the previous quarter, the dip in rentals was slight, now at an annual rate of \$18.96 per square foot, NNN. Construction continues at a consistent pace, with 5.3M square feet currently underway. The City of Industry accounts for approximately 72% of SVG's industrial foundation and is the focal point for most of the new Class A warehouse and distribution space development. Both tenants and developers need to remain alert to market shifts and modify their strategies to capitalize on opportunities in the San Gabriel Valley's dynamic industrial landscape.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(1,810,425)	854,063	(1,412,887)	(1,114,741.00)	(476,921.00)
▲ Vacancy Rate	3.3%	2.6%	2.9%	2.0%	1.9%
▼ Avg NNN Asking Rate PSF	\$18.96	\$19.32	\$20.16	\$19.08	\$18.60
▲ SF Under Construction	5,325,820	4,927,600	4,049,747	3,376,415	1,277,735
◀ ▶ Inventory SF	173,779,698	173,779,698	173,700,322	173,658,656	173,747,136

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1201-1207 John Reed Court City of Industry, CA	276,600 SF	\$80,000,000 \$289.23 PSF	Longpoint Realty DWS	Class B
300 E. Arrow Highway San Dimas, CA	162,849 SF	\$34,511,000 \$211.92 PSF	CRP IV San Dimas Realty Associates	Class C
14400-14436 Valley Boulevard La Puente, CA	94,184 SF	\$19,500,000 \$207.04 PSF	CRP IV San Dimas Hunsaker Family Trust	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
21921-21931 Industry Way City of Industry, CA	1,000,720 SF	City of Industry	Ryder	Transportation
5307 Rivergrade Irwindale, CA	486,476 SF	LBA Realty	AP Express	Logistics
3900 Arden El Monte, CA	360,992 SF	Ares Management	Eurostar	Footwear



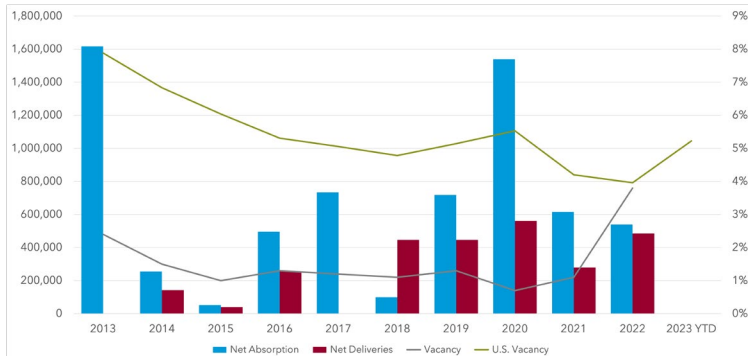
### INDUSTRIAL MARKET OVERVIEW

RYAN ENDRES, *Principal*

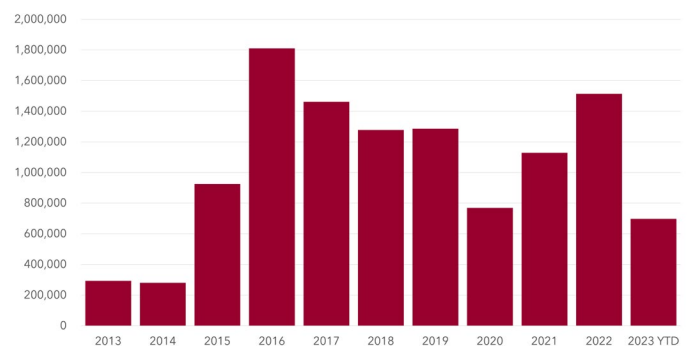
As Q3 closed, the vacancy rate increased slightly from 3.6% to 3.8% with over 7 Million SF vacant and available, compared to 2 Million SF this time last year. Average asking lease rates decreased from \$1.97 to \$1.89 PSF NNN, as more inexpensive sublease space hit the market. There were only 11 sales in Q3, the most notable was Universal Logistics' \$80 M (\$187 PLSF) off-market purchase of a 9.8 Acre Truck-Terminal from Yellow Corp (prior to bankruptcy) in Compton, CA. Through August 2023, Port of Los Angeles' total container volume is down -21% while Port of Long Beach is down -24.4% on the year.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	539,763	(2,084,123)	(1,976,404)	(129,305)	453,760
▲ Vacancy Rate	3.8%	3.6%	2.5%	1.3%	1.1%
▼ Avg NNN Asking Rate PSF	\$22.68	\$23.64	\$19.08	\$22.08	\$21.60
▼ SF Under Construction	697,032	912,921	1,020,654	1,827,018	1,621,583
▼ Inventory SF	187,270,641	202,421,138	202,313,405	201,379,111	201,379,111

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2500 E. Thompson Street Long Beach, CA	174,691 SF	\$20,300,000 \$116.21 PSF	Rexford Industrial Realty, Inc. Kirkhill Manufacturing Company	Class C
20100-20200 S. Western Avenue Torrance, CA	116,433 SF	\$88,000,000 \$755.80 PSF	Prologis, Inc. Blackstone, Inc.	Class B
1210 Kona Drive* Compton, CA	51,669 SF	\$21,714,433 \$420.26 PSF	Undisclosed Emery Investments	Class B

\*Part of a 3-property portfolio sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1452 W. Knox Street Torrance, CA	442,550 SF	Prologis	National Road Logistics	3PL
14001-14003 Orange Avenue Paramount, CA	282,000 SF	DREES	Castle Metals	Metals Manufacturer
1001 W. Walnut Street Compton, CA	100,000 SF	Alere	Pinto Express, Inc	3PL / Transportation





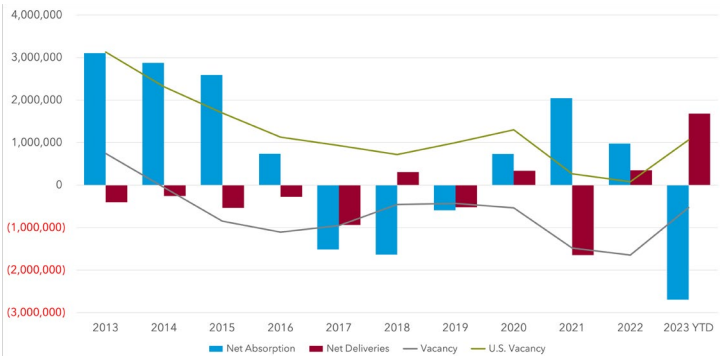
### INDUSTRIAL MARKET OVERVIEW

JACK HALEY, *Principal*

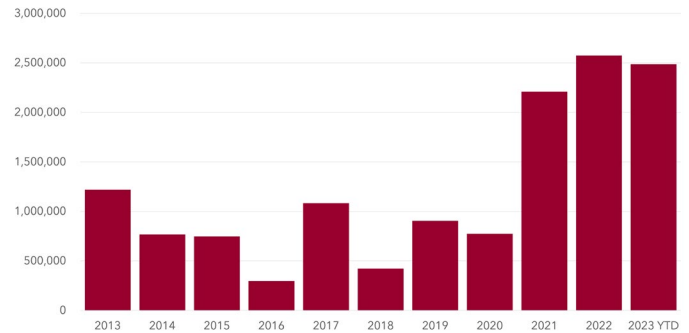
Tenant demand for industrial space continued easing in the third quarter as all four of the county's submarkets posted a combined 848,736 SF of negative net absorption, the most since Q1 2019. It also was the third straight quarterly contraction, bringing the negative total to 1.8 million SF this year. Countywide, the vacancy rate ticked up 40 basis points to 3% since June, the highest in 10 quarters. And although average rent is up 11% year over year, Lee & Associates' agents report that concessions on new leases and renewals increasingly are offered by landlords who sense weakening market interest. Although leasing activity may be easing, the market is active with prospective buyer-users that are undeterred by rising interest rates.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	(804,739)	(672,648)	(450,470)	1,116,537	258,736
▲ Vacancy Rate	2.9%	1.9%	1.7%	1.6%	1.8%
▲ Avg NNN Asking Rate PSF	\$20.52	\$20.16	\$19.68	\$18.96	\$18.48
▲ SF Under Construction	2,487,180	2,387,772	3,204,754	2,574,125	3,015,054
▲ Inventory SF	303,019,079	302,583,747	301,534,002	301,336,622	300,863,337

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Portfolio* Brea & Santa Fe Springs, CA	160,000 SF	\$54,000,000 \$339.00 PSF	Artisan Ventures Staley Pnt Capital & Bain Capital R.E.	Class B
5630 Cerritos Avenue Cypress, CA	76,032 SF	\$21,350,000 \$280.80 PSF	Rexford Industrial Realty, Inc. Penwood Real Estate Inv. Mgmt	Class B
1311 Valencia Avenue Tustin, CA	71,616 SF	\$26,500,000 \$370.03 PSF	K.T.I. Hydraulics, Inc. Stos Partners	Class B

\*331-333 Cliffwood Pk & 10907 Painter Ave

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9400 Jeronimo Road Irvine Spectrum, CA	146,482 SF	Arbonne International LLC	Bio-Rad Laboratories LLC	Life Sciences R&D
679 S. Placentia Avenue Fullerton, CA	127,375 SF	Bailard	Engineered Floors LLC	Construction
1204 N. Miller Street Anaheim, CA	106,067 SF	BentallGreenOak	Spotter Global	Manufacturing



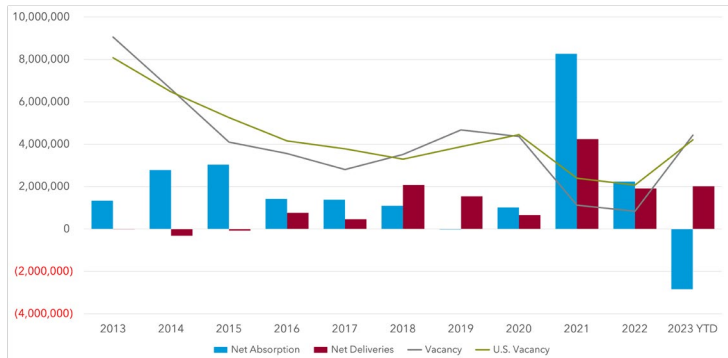
### INDUSTRIAL MARKET OVERVIEW

SPENCER DOK, *Associate*

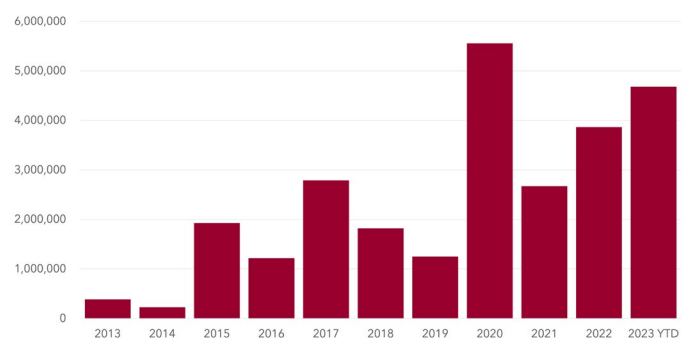
San Diego's industrial market faced challenges in the second and third quarters, with low leasing activity, negative net absorption, and rising availability rates. However, steady demand persisted for mid-sized traditional warehouse space, while the upcoming surge in smaller properties' demand is expected to boost the region. Although the sublet market contributed to surplus space, positive indicators, such as the growing demand for lab space and the sustained appeal of Otay Mesa for investors and users, highlight the market's resilience. Despite moderate rent growth, the area's strong fundamentals, including its labor pool and cross-border trade advantages, bode well for future recovery and growth.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(1,508,988)	(848,712)	429,504	2,239,688	3,842,665
▲ Vacancy Rate	5.0%	4.5%	3.8%	3.1%	3.5%
▲ Avg NNN Asking Rate PSF	\$1.87	\$1.84	\$1.81	\$1.78	\$1.74
▲ SF Under Construction	5,049,564	4,256,426	3,523,580	3,865,439	3,115,134
▲ Inventory SF	207,604,293	207,168,008	206,534,603	205,954,191	205,798,591

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
9040-9050 Airway Road San Diego, CA	200,000 SF	\$57,000,000 \$285.00 PSF	ARES Management Corporation Lincoln Property Company	Class B
10054 Old Grove Road San Diego, CA	85,824 SF	\$33,999,000 \$396.15 PSF	Carpenters Union Chandru Wadhvani	Class B
131 W. 33rd Street San Diego, CA	78,699 SF	\$20,300,000 \$258.00 PSF	Dean Factor Unilev Capital Corporation	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1756 Weld Boulevard San Diego, CA	160,000 SF	NPI	GKN Aerospace	Aerospace
2600 Melksee Street San Diego, CA	121,970 SF	LaSalle	CareFusion	Medical Devices
2020 Piper Ranch Road San Diego, CA	98,500 SF	LaSalle	Balboa Water Group	Distributor



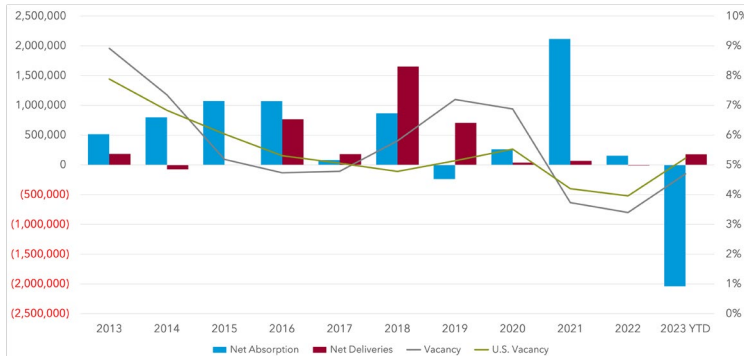
### INDUSTRIAL MARKET OVERVIEW

DANIEL KNOKE, *Principal*

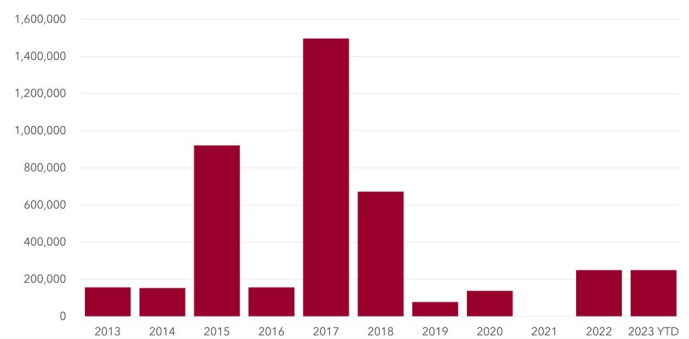
While sales and leasing volume in the north San Diego County area was lower than our historical norms, we saw a significant uptick in the last month of the quarter. Q3 saw a slowing of negative absorption from Q2, a trend we see continuing into the early weeks of Q4. Sales volume continued to decline in Q3 as more interest rate uncertainty spread malaise through the market. Investment Sales volume has decreased significantly as the pace of cap rates expansion does not match interest rate increases and previous underwriting metrics no longer apply. Pricing for owner-occupied buildings continues to remain stable with slight price increases.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	(790,367)	(926,910)	(444,723)	154,403	1,234,001
▲ Vacancy Rate	4.68%	3.23%	3.33%	3.44%	3.54%
▲ Avg NNN Asking Rate PSF	\$17.88	\$17.17	\$17.40	\$17.63	\$17.86
◀ ▶ SF Under Construction	249,015	249,015	249,015	249,015	0
◀ ▶ Inventory SF	58,246,239	58,246,239	58,246,239	58,246,239	58,246,239

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1545-1565 La Mirada Drive San Marcos, CA	61,264 SF	\$12,500,307 \$204.04 PSF	Street Properties, Inc. Stos Partners	Class B
2227 Enterprise Street Bldg B & 975 S. Andreasen Drive, Escondido, CA	38,616 SF	\$14,399,906 \$372.90 PSF	Boyd Watterson Asset Management Palomar Pomerado Health	Class B
1833 Diamond Street San Marcos, CA	17,569 SF	\$2,636,929 \$150.09 PSF	CFI Fireplaces Plus, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3210 Executive Ridge Vista, CA	67,476 SF	TDA Investment Group	VIP, Inc.	Manufacturing
480 N. Spruce Street Escondido, CA	48,796 SF	City of Escondido	Big & Bold Wholesale	Wholesaler
3809 Ocean Ranch, Suite 111 San Marcos, CA	23,490 SF	FR Oceanside LLC	Floral Trade Distributors LLC	Flower Distributor



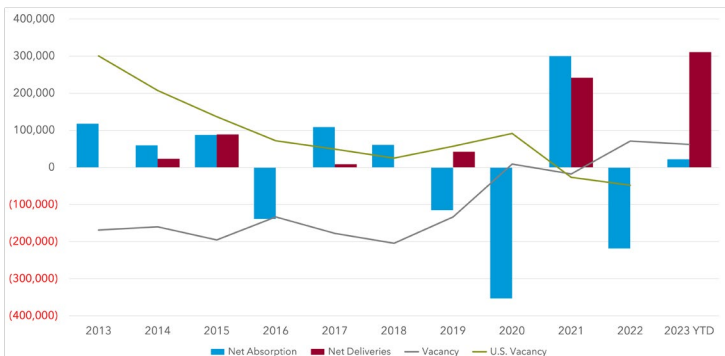
### INDUSTRIAL MARKET OVERVIEW

THOMAS NIU, *Senior Vice President*

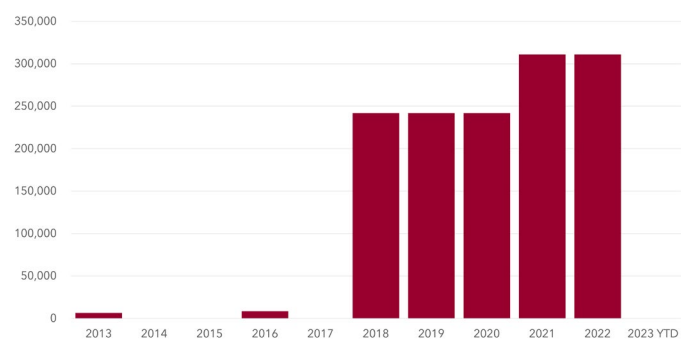
Leasing activity has been fairly muted during a relatively quiet summer. One of the largest leases totaled some 80,000 SF at the LaSalle Business Park by Grubmarket, a door-to-door meat and produce delivery service. Meanwhile, Amazon has renewed its efforts to develop a multi-story, 650,000-SF distribution center on 7th Street after expiration of an 18-month local moratorium on such facilities. The same apprehension was expressed previously by the city to last-mile delivery distribution centers when a Waymo indoor parking garage permit at 301 Toland was denied after an appeal over fears the garage would be used for parcel distribution.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	8,270	(291,044)	(308,520)	(218,210)	(148,232)
▼ Vacancy Rate	6.00%	6.14%	6.26%	5.35%	5.26%
▲ Avg NNN Asking Rate PSF	\$24.86	\$24.74	\$24.54	\$24.29	\$23.87
◀ ▶ SF Under Construction	0	0	0	310,971	310,971
◀ ▶ Inventory SF	21,137,183	21,137,183	21,137,183	20,895,183	20,895,183

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2225 Jerrold Avenue San Francisco, CA	125,968 SF	\$32,700,000 \$259.59 PSF	Tishman Speyer Academy of Art	Class C
2214 Quesada Avenue San Francisco, CA	3,032 SF	\$1,570,000 \$517.81 PSF	Fortunato & Maria Gonzalez Bar Forest Trust	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2050 McKinnon Avenue San Francisco, CA	112,400 SF	Prologis	Undisclosed	Undisclosed
180-200 Napoleon Street San Francisco, CA	105,000 SF	Goodman North America Management	US Postal Service (USPS)	Transportation and Warehousing
955-1055 Cesar Chavez Street San Francisco, CA	17,400 SF	William & Claire Spencer	Undisclosed	Undisclosed



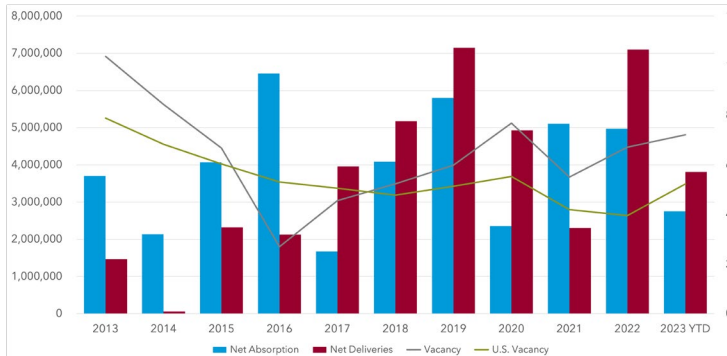
### INDUSTRIAL MARKET OVERVIEW

JIM MARTIN, SIOR Senior Vice President

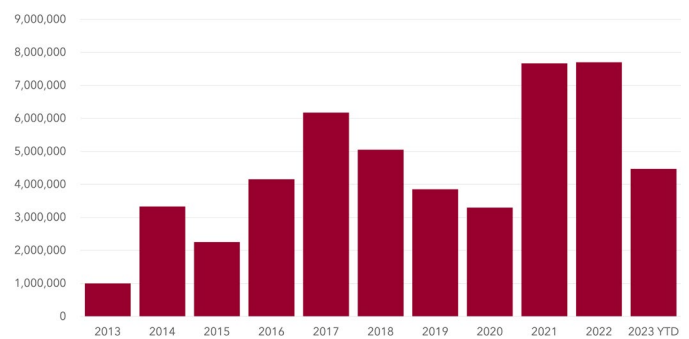
Sales and leasing activity is up across the Central Valley among owner/users and institutional investors. Requirements for spaces ranging from 100,000 to 200,000 SF have increased. Landlords show greater willingness to compete with free rent, TI packages, and moving/relocation incentives especially to help fill available remnants of larger buildings. The small buyer has definitely felt the effects of increased interest rates. SBA rates are near and at double digits. Functional buildings remain in short supply. Cash buyers continue to dominate the buying landscape with sellers showing increasing flexibility on terms.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	1,368,212	1,514,371	637,560	2,133,404	1,700,000
▲ Vacancy Rate	6.9%	5.9%	4.2%	5.5%	6.2%
◀ ▶ Avg NNN Asking Rate PSF	\$8.76	\$8.76	\$8.76	\$8.16	\$7.80
▼ SF Under Construction	5,994,767	6,466,750	8,278,460	5,500,000	8,201,466
◀ ▶ Inventory SF	196,450,000	196,450,000	195,375,600	194,670,000	193,856,220

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3458 Yosemite Avenue Lathrop, CA	381,555 SF	\$54,800,000 \$143.00 PSF	Clarion Phelan	Class A
1212 Performance Drive Stockton, CA	171,900 SF	\$28,800,000 \$167.00 PSF	Nearon CAL Sheets	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2820 N. Chrisman Road Tracy, CA	507,869 SF	Clarion/Seefried	Vertiv	Warehouse/ Distribution
400 Park Center Drive Patterson, CA	356,065 SF	Westcore	Trademango Solutions	Warehouse/ Distribution
4730 Fite Court Stockton, CA	143,888 SF	Link	Allen Distribution	3PL



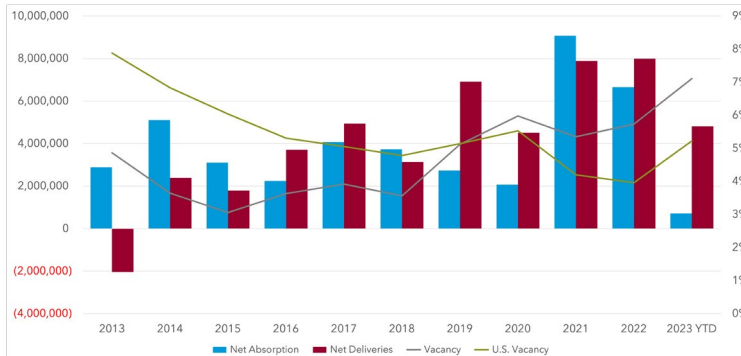
### INDUSTRIAL MARKET OVERVIEW

RON WEBERT, SIOR, *Principal*

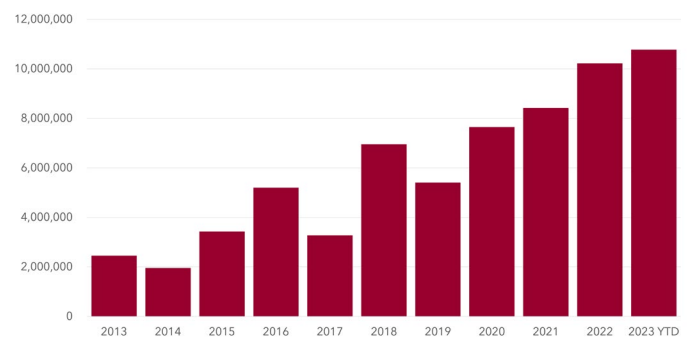
The Denver industrial market is a tale of differing markets. A high cube distribution market that has seen leasing volume levels drop while inventory continues to climb with approximately 11M SF under construction. Vacancy rate should continue to increase from its current level of 6.5% as projects get delivered. Another market that has seen continued low vacancy and increasing rents is the smaller distribution/manufacturing market, 10,000 SF - 50,000 SF. With demand still strong and inventory low, Landlords can continue to push rents to historic highs. Lastly, the industrial outdoor storage (IOS) market, is still very active from a tenant demand perspective. Properties with yards are still in high demand, and rents keep pushing upward.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	2,575,380	4,603,103	6,186,325	6,656,997	12,254,988
▲ Vacancy Rate	6.5%	6.2%	6.3%	5.7%	5.4%
▲ Avg NNN Asking Rate PSF	\$12.30	\$12.03	\$11.84	\$11.68	\$11.49
▼ SF Under Construction	11,294,059	11,596,807	12,241,315	10,222,672	8,952,861
▲ Inventory SF	277,584,839	276,284,047	275,125,876	273,218,499	271,634,556

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
17195 E. 85th Avenue Commerce City, CO	170,500 SF	\$26,500,000 \$155.43 PSF	Crescent Electric Supply Company Scout Cold Logistics	Class A
14101 E. Otero Avenue Englewood, CO	149,652 SF	\$29,750,000 \$198.79 PSF	Haleakala Ranch Company Westcore	Class A
5000 Moline Street Denver, CO	136,559 SF	\$13,000,000 \$95.00 PSF	Rovira, Inc. TA Realty	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
11175 E. 55th Avenue Denver, CO	187,200 SF	Stockbridge Capital Group LLC	Rexel Holdings USA	Wholesaler
403 S. Airport Boulevard Aurora, CO	118,916 SF	Global Village Academy	Mesa Moving & Storage	Transportation & Warehousing
10899 Havana Street Commerce City, CO	103,031 SF	Brennan Investment Group	Victrola	Consumer Goods



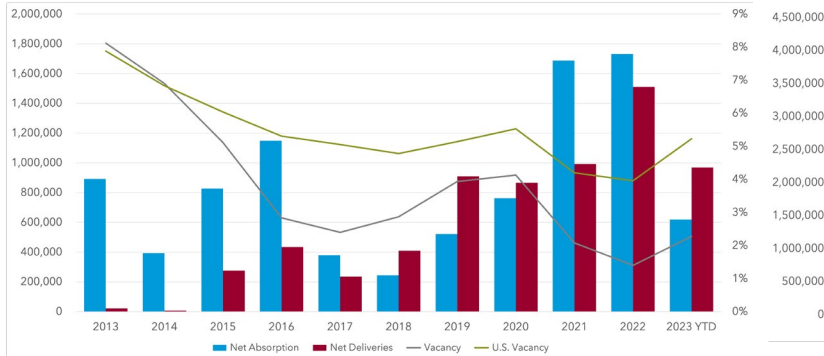
### INDUSTRIAL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

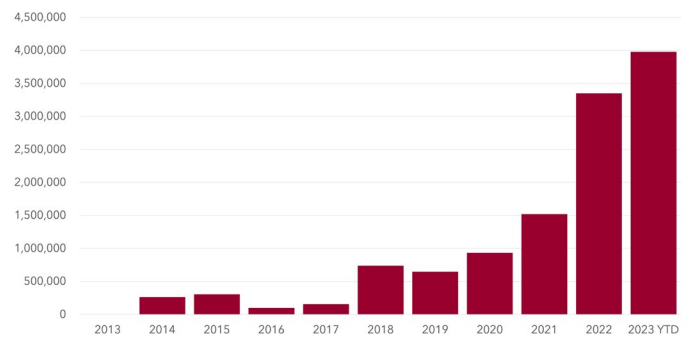
The industrial vacancy rate remained just below 2.0% over the past 12 months. Despite a cool-off in absorption and leasing activity, the market remained tight. Vacancy remained historically low and rents were elevated. Rates reached new heights with another 22% year-over-year (YOY) increase to \$12.88 psf for the market average. Lehigh was the only submarket that saw a drop in asking rent among the Lee County submarkets with significant industrial inventory. Five of the submarkets had double-digit rent growth-led by the City of Fort Myers and Bonita Springs-both having more than a 36% YOY jump. Industrial-related employment growth slowed, however YOY percent change was still positive in the construction, trade, transportation, warehousing, and utilities sectors.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	(5,230)	131,453	455,968	388,112	769,911
▲ Vacancy Rate	1.9%	1.2%	0.7%	0.7%	0.8%
▲ Avg NNN Asking Rate PSF	\$12.88	\$12.57	\$11.15	\$10.94	\$10.54
▼ SF Under Construction	3,977,883	4,217,094	4,207,674	3,349,388	2,607,196
▲ Inventory SF	38,283,786	37,930,697	37,603,453	37,314,785	36,966,733

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
12641 Corporate Lakes Drive Fort Myers, FL	52,864 SF	\$15,500,000 \$293.21 PSF	Fort Myers Broadcasting Company ElmTree Funds	Class B
3843 Ironbridge Boulevard Fort Myers, FL	35,000 SF	\$5,300,000 \$151.43 PSF	Leah Rae Light Westbury Park Developments LLC	Class B
8800 Business Park Drive Fort Myers, FL	15,200 SF	\$3,700,000 \$243.42 PSF	Trianon Properties. Inc. Kylar LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
16210 Airport Park Drive Fort Myers, FL	75,352 SF	Principal	Raymond Building Supply	Wholesaler
6195 Tri County Commerce Way Fort Myers, FL	52,866 SF	Glenstar Properties LLC	Coldest	Manufacturer
9381 Laredo Avenue Fort Myers, FL	34,415 SF	EastGroup Properties	Ally Building Solutions	Construction



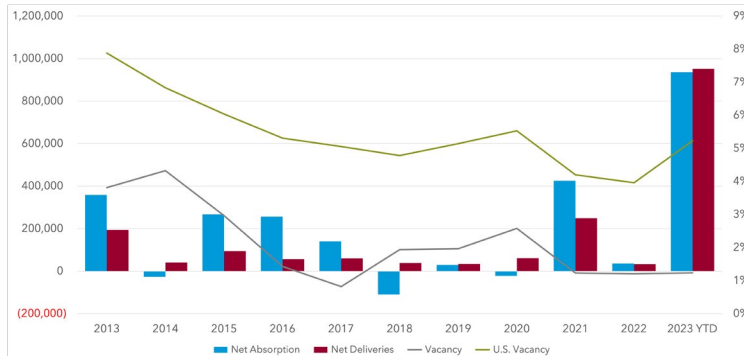
### INDUSTRIAL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

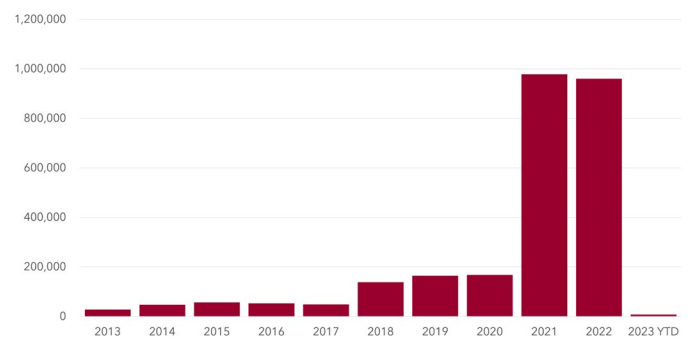
While there are a few proposed projects in the works, the Naples industrial market remained a supply-constrained trade area with elevated asking rents. High demand for industrial space pushed average NNN asking rents to \$20.61 per square foot at the close of the third quarter. The East Naples submarket set the record for rent growth in Southwest Florida with a 43.1% YOY increase to \$20.95 per square foot. Vacancy inched higher with a 10 bps increase from last year but remained historically low. YOY leasing activity was stronger than 12 months ago despite negative absorption. The average deal size remained modest in Naples at 2,877 square feet.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	(40,317)	947,965	16,886	(17,091)	31,801
▲ Vacancy Rate	1.2%	0.8%	1.0%	1.1%	1.1%
▲ Avg NNN Asking Rate PSF	\$20.61	\$19.21	\$18.50	\$15.03	\$14.42
▼ SF Under Construction	7,800	22,968	959,968	959,968	959,968
▲ Inventory SF	14,511,236	14,496,068	13,559,068	13,559,068	13,559,068

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4227 Enterprise Avenue Naples, FL	37,375 SF	\$7,550,000 \$202.01 PSF	4227 Enterprise Avenue Ltd. 4227 Enterprise Avenue, Inc.	Class C
5450 Shirley Street Naples, FL	21,300 SF	\$4,350,000 \$204.23 PSF	Jericho Drive LLC LRP General Partnership	Class C
1019 Collier Center Way Naples, FL	8,363 SF	\$2,175,000 \$260.07 PSF	Coconut Point St LLC AVL Pro	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4227 Enterprise Avenue Naples, FL	7,525 SF	4227 Enterprise Avenue Ltd.	Cusano's Bakery	Retail Bakery
6203 Janes Lane Naples, FL	7,200 SF	FMG Enterprises of Naples LLC	Undisclosed	Industrial
2975 S. Horseshoe Drive Naples, FL	7,200 SF	Adler Realty	DFO Management	Real Estate





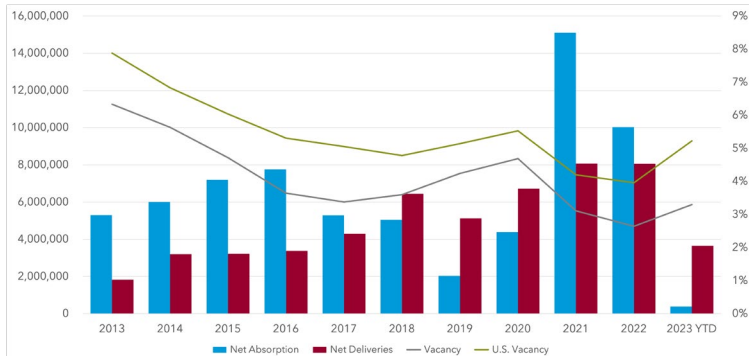
### INDUSTRIAL MARKET OVERVIEW

CONNER MILFORD, *Vice President*

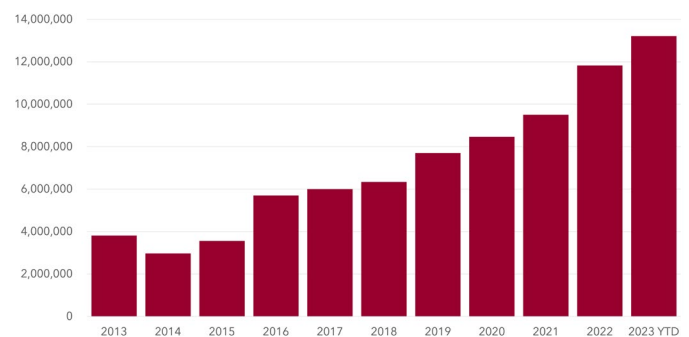
South Florida industrial rents continue to escalate even as absorption during the current year has slowed substantially. We are still seeing companies right-size their warehouse space which has resulted in more sublease and 2nd generation spaces hitting the market. This activity, along with the new inventory being delivered, has allowed the vacancy rate to rise above 3% again, yet still well below the national average. Tenants going out to market are finding they have more options than in previous years. However, landlords, led primarily by the institutions, are sticking with their asking rates. In order to entice tenants, landlords will look more towards offering concessions on almost any deal point other than rent.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	3,417,242	6,462,143	8,813,866	10,026,140	11,672,538
▲ Vacancy Rate	2.7%	2.4%	2.2%	2.3%	2.4%
▲ Avg NNN Asking Rate PSF	\$16.83	\$16.05	\$15.46	\$14.34	\$13.35
▲ SF Under Construction	13,210,270	13,129,337	13,064,277	11,825,330	11,182,487
▲ Inventory SF	480,676,748	480,073,171	478,466,327	477,032,006	475,148,989

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
20311 Sheridan Street Fort Lauderdale, FL	224,572 SF	\$39,844,000 \$177.42 PSF	Summit Real Estate Group Vital Pharmaceuticals, Inc.	Class A
720 S. Powerline Road Deerfield Beach, FL	158,086 SF	\$34,693,766 \$219.46 PSF	Link Logistics Real Estate PGIM Real Estate	Class B
740 S. Powerline Road Deerfield Beach, FL	152,613 SF	\$35,799,129 \$234.57 PSF	Link Logistics Real Estate PGIM Real Estate	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
20351 Sheridan Street Fort Lauderdale, FL	249,700 SF	EverWest Real Estate Investors LLC	Undisclosed	Undisclosed
12000 NW 39th Street Coral Springs, FL	216,317 SF	Foundry Commercial	CTS Engines	Aerospace
3400 NW 107th Avenue Doral, FL	132,000 SF	Bridge Development Partners LLC	Undisclosed	Undisclosed



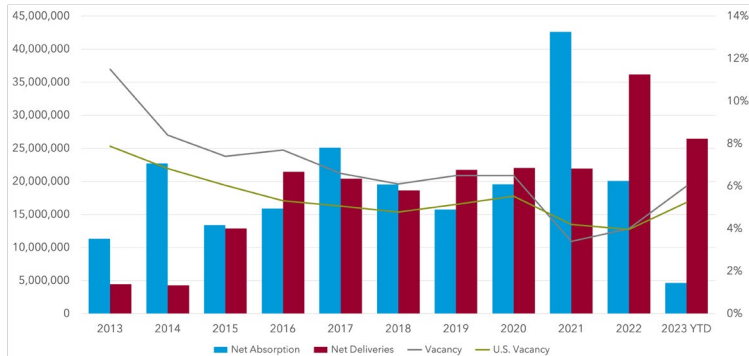
### INDUSTRIAL MARKET OVERVIEW

KATE HUNT, *Senior Research Analyst*

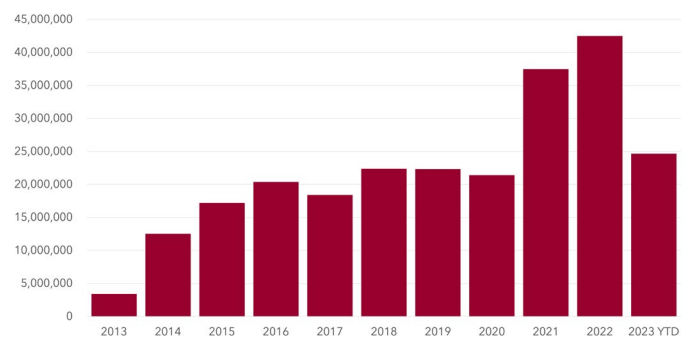
As expected, Atlanta's industrial market saw an uptick in vacancy in the third quarter as a record amount of inventory delivered. Still a healthy market, overall net absorption was back in the positive and surged in Q3 to 3.3 million SF. Overall leasing activity has dwindled quarter-over-quarter from record highs. However, sublease availability has begun to cool, rising only 8.9% since last quarter after rising 37% in the first half of the year. Industrial construction starts are down for the third quarter in a row, a sign that the development pipeline is rebalancing after two years of robust activity. This decline in groundbreakings will help ease supply pressures and allow Atlanta's industrial market to absorb pipeline completions.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	9,477,520	11,840,437	18,392,426	20,074,856	30,719,093
▲ Vacancy Rate	6.0%	5.1%	4.5%	4.0%	3.7%
▲ Avg NNN Asking Rate PSF	\$8.36	\$8.32	\$8.24	\$7.90	\$7.05
▼ SF Under Construction	24,649,378	36,225,608	33,690,764	42,488,685	44,038,314
▲ Inventory SF	823,097,931	808,883,501	803,675,642	794,460,904	785,752,196

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8095 McLarin Road Palmetto, GA	1,044,288 SF	\$72,400,000 \$69.33 PSF	FHR Capital LLC	Class B
2880 Gravel Springs Road, Bldgs 1 & 2 Buford, GA	970,450 SF	\$109,300,000 \$112.63 PSF	Sterling Investors	Class A
5000 Lanier Islands Parkway, Bldg 1* Buford, GA	815,563 SF	\$65,429,610 \$80.23 PSF	Blackstone, Inc.	Class A

\*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1181 Cass White Road White, GA	523,541 SF	Hines	Atkore International Holdings	Steel Shape Manufacturing
165 Greenwood Industrial Parkway McDonough, GA	485,091 SF Sublease	Big Lots	Dollar General	Retailer
6455 Best Friend Road Norcross, GA	452,600 SF	TPA Group	Toyota Southeast	Automobile Parts



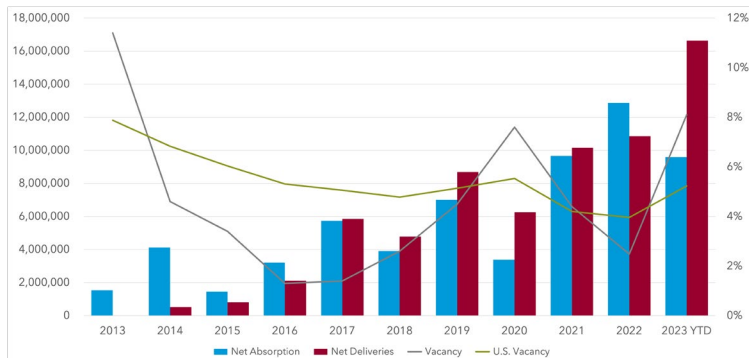
### INDUSTRIAL MARKET OVERVIEW

KATE HUNT, *Senior Research Analyst*

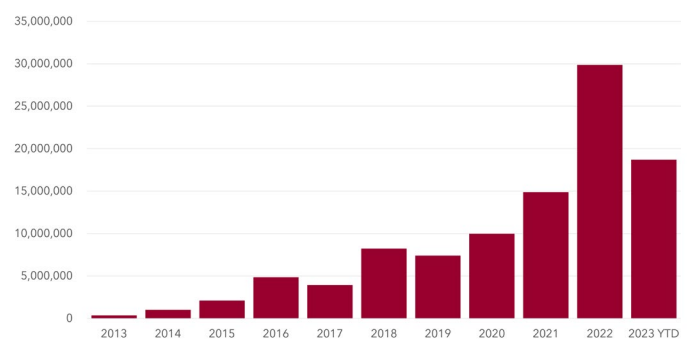
While Savannah's vacancy rate trended upward from record lows due to new industrial supply hitting the market this year, tenant demand rose with 2.4 million SF of deals signed in Q3, more than double the square footage leased last quarter. Net absorption increased to 3.3 million SF, bringing year-to-date 2023 net absorption to 9.6 million SF. With ongoing demand and continued growth at the Georgia Ports, Savannah sees no slowdown for additional development in the future. More than 16.6 million SF of new industrial product has delivered in 2023 year-to-date, a 14% expansion of total Savannah industrial inventory.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	13,046,332	12,793,350	16,019,597	12,870,855	12,298,282
▲ Vacancy Rate	8.1%	4.8%	2.7%	2.5%	2.7%
▲ Avg NNN Asking Rate PSF	\$7.78	\$7.12	\$6.01	\$5.94	\$5.94
▲ SF Under Construction	18,705,725	17,192,429	28,148,578	29,870,408	28,009,878
▲ Inventory SF	117,972,526	101,485,288	109,152,230	105,921,435	100,717,357

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
380 Fort Argyle Road, Bldg 2* Savannah, GA	1,004,400 SF	\$97,050,000 \$96.62 PSF	EQT Exeter McShane Development Company	Class A
394 Fort Argyle Road, Bldg 1* Savannah, GA	184,080 SF	\$23,350,000 \$126.85 PSF	EQT Exeter McShane Development Company	Class A
4833-4835 Old Louisville Road Savannah, GA	136,240 SF	\$74,672,222 \$548.09 PSF	JP Morgan Real Estate Income Trust Inlight Real Estate Partners LLC	Class A

\*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
95 Coleman Boulevard* Savannah, GA	507,096 SF	SunCap	GigaCloud Technologies	E-Commerce
1421 Sunbury Road Midway, GA	502,854 SF	LBA Logistics	PACTRA	Transportation Services
Prosperity Dr - Main Gate Logistics Garden City, GA	331,641 SF	McCraney Property Company	Open E Technologies	Software

\*Lee - Atlanta Transaction



## INDUSTRIAL MARKET OVERVIEW

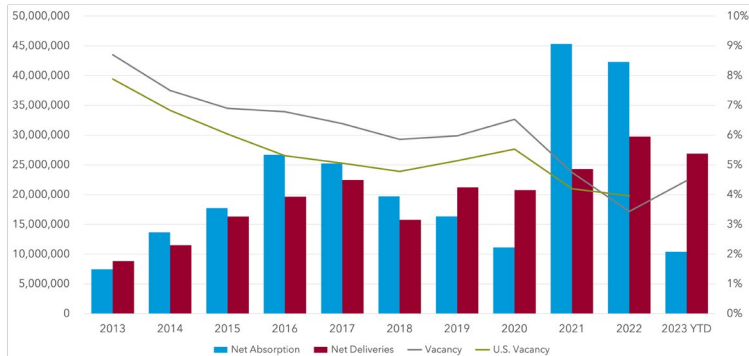
DIANA PEREZ, *Director of Research*

Chicago's vacancy rate rose by 80 basis points during Q3 2023 to 4.47%. Net absorption remained positive, totaling 919,000 square feet. This is the smallest net absorption tally since the second quarter of 2020 and brings the year-to-date net absorption total to 10.4 million square feet. This increase can be attributed to the completion of speculative developments combined with the increase in vacant sublease space totaling 7.4 million square feet. Chicago's industrial vacancy rate will continue to increase over the coming quarters as new speculative completions outpace demand. The pipeline of industrial product under construction will continue to drop and the balance between new supply and demand will return, and vacancy rate will stabilize.

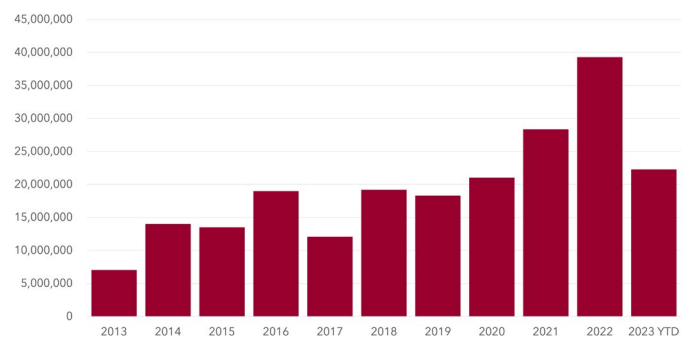
The data contained in this report includes: Chicago, IL, Racine, WI, and Rockford, IL

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	918,530	3,778,267	5,694,226	6,703,768	10,993,166
▲ Vacancy Rate	4.47%	3.68%	3.50%	3.43%	3.55%
▼ Avg NNN Asking Rate PSF	\$9.02	\$9.17	\$8.42	\$8.36	\$8.13
▼ SF Under Construction	22,277,366	32,941,173	33,862,269	39,279,715	34,635,639
▲ Inventory SF	1,404,909,948	1,392,339,813	1,383,943,717	1,377,061,055	1,371,789,943

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4 Building Portfolio Hodgkins, IL	562,617 SF	\$44,575,000 \$41.94 PSF	Fayez Sarofim & Company UBS Asset Management	Class B
3 Building Portfolio Elgin, Romeoville, Buffalo Grove, IL	541,283 SF	\$53,700,492 \$99.21 PSF	Venture One Real Estate Ares Management Corporation	Class A & B
537 Discovery Drive West Chicago, IL	400,088 SF	\$41,222,500 \$103.03 PSF	STAG Industrial, Inc. Midwest Industrial Funds	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1771 E. Gurler Road Dekalb, IL	775,000 SF	Trammel Crow Company	Kraft Heinz Company	Food
790 W. Taylor Road Romeoville, IL	672,080 SF	Florida State Board of Aministration	Geodis Logistics	Supply Chain
794-854 Golf Lane Bensenville, IL	352,119 SF	Prologis	The Bradford Exchange Ltd.	Wholesaler



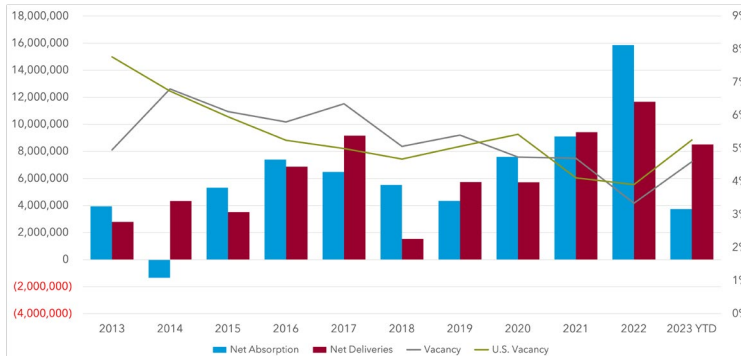
### INDUSTRIAL MARKET OVERVIEW

JOSH KOCH, *Senior Associate*

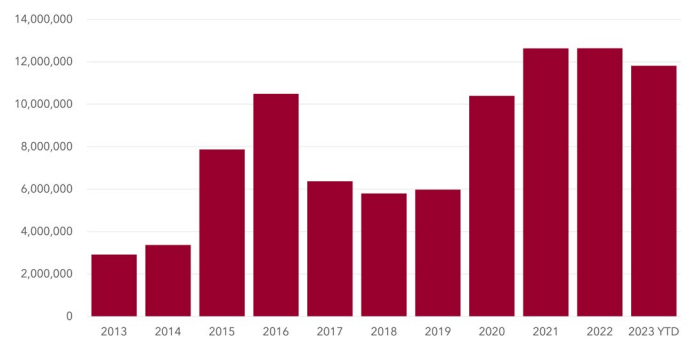
Kansas City's industrial market continues to show positive trends with asking lease rates growing \$0.08 per square foot in Q3 2023 and \$0.36 per square foot year-over-year, resulting in an average lease rate of \$6.87 per square foot. Vacancy rates continue to show a small decline due to the large amount of deliveries of modern bulk space in the market. However, tenant activity has remained strong with two large leases being executed this quarter, most notably Panasonic leasing 509,760 +/- square feet, directly north of their future plant in Desoto, KS.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	11,316,250	12,728,133	12,609,179	15,850,159	10,549,362
▲ Vacancy Rate	4.4%	3.9%	3.6%	3.3%	3.7%
▲ Avg NNN Asking Rate PSF	\$6.87	\$6.79	\$6.67	\$6.58	\$6.51
▼ SF Under Construction	12,627,515	14,627,876	13,535,859	12,635,438	18,091,855
▲ Inventory SF	356,818,203	353,466,900	350,295,994	349,116,898	342,428,284

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10960 Lakeview Avenue Lenexa, KS	102,428 SF	\$7,950,000 \$77.62 PSF	French Gerleman Electric Company Unisource	Class B
3225 Harvester Road Kansas City, KS	56,950 SF	Undisclosed	Lawless Group Hobart Associates	Class C
21945 W. 83rd Street Shawnee, KS	46,429 SF	\$3,960,000 \$85.29 PSF	Eleventen Systems MCS Precision Manufacturing	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Flint Commerce Center Desoto, KS	509,760 SF	Flint Development	Panasonic	Energy
159th & S. Clare Road New Century, KS	333,365 SF	VanTrust Development	C- Nano	Battery Manufacturing
2552 S. 98th Street Edwardsville, KS	280,000 SF	Industrial Logisitcs Property Trust	Veritiv	Wholesaler



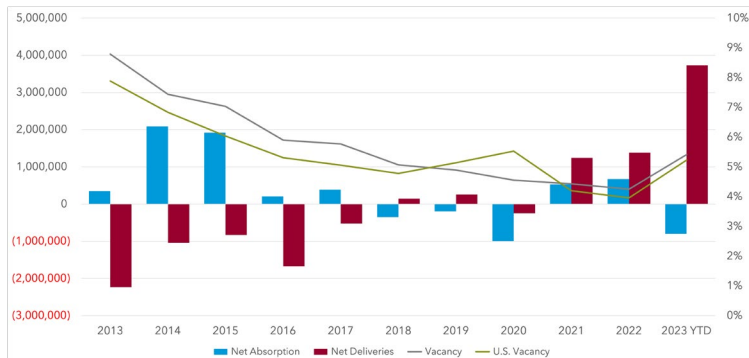
### INDUSTRIAL MARKET OVERVIEW

TY JANNEY, *Managing Principal*; ROBERT ELMER, *Managing Principal*

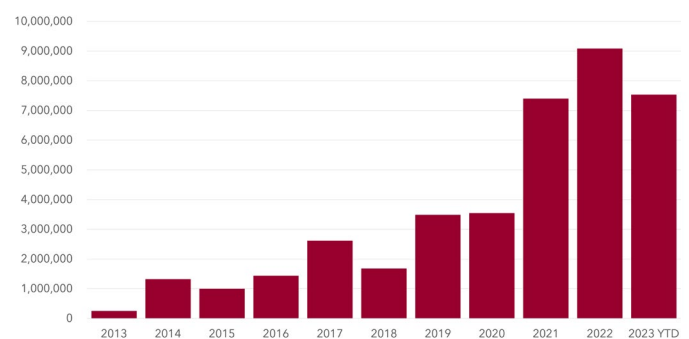
The Boston industrial market has seen a demand slowdown, pushing the vacancy rate from a historic low to 5.0%. The city is expected to add 6.8 million SF of new space this year. Leasing activity has normalized, with 4.2 million SF leased year-to-date, a 30% decrease from 2020-2022 levels. Leading in leasing activity, the Route 128 South, Route 128 North, and Route 495 South submarkets have experienced around 7% rent growth over the past year. Sales have also slowed due to rising interest rates, but the market remains relatively active, especially for sale-leaseback transactions.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	891,235	(1,501,925)	135,032	1,963,754	1,820,510
◀▶ Vacancy Rate	4.9%	4.9%	4.7%	4.3%	4.3%
▲ Avg NNN Asking Rate PSF	\$15.43	\$15.09	\$14.89	\$14.61	\$14.32
▼ SF Under Construction	7,651,446	8,445,684	8,775,244	9,084,755	8,696,145
▲ Inventory SF	356,980,181	356,096,855	355,431,635	354,354,326	353,975,688

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
40-44 Sturtevant Street Dorchester, MA	117,000 SF	\$26,785,714 \$228.94 PSF	Spirit Realty Capital, Inc. Keystoone Capital	Class B
571 E First Street Boston, MA	40,848 SF	\$23,500,000 \$575.30 PSF	A Yankee Line, Inc. Twenty Lake Management LLC	Class C
346 D Street South Boston, MA	39,580 SF	\$9,976,000 \$252.05 PSF	Oliver Street Capital Shaughnessy & Ahern	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
39 Jackson Road Devens, MA	101,000 SF	King 39 Jackson LLC	Ascend Elements	Environment Renewable Resources Manufacturer
480 E First Street Boston, MA	23,760 SF	Casey & Hayes	Karpp - New England Gypsum	Wholesaler
420 Pearl Street Malden, MA	23,055 SF	Van Stry Design	Undisclosed	Undisclosed



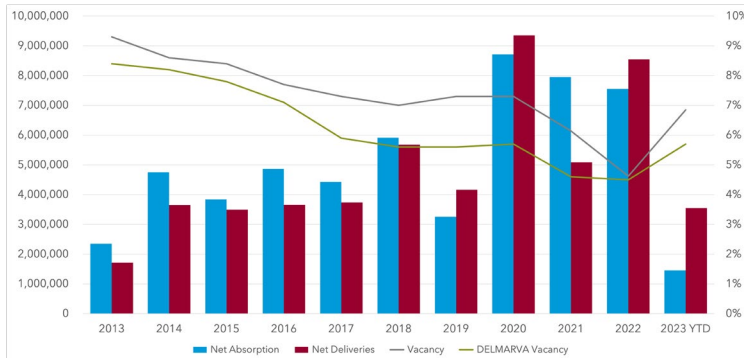
### INDUSTRIAL MARKET OVERVIEW

TOM WHELAN, *Principal*

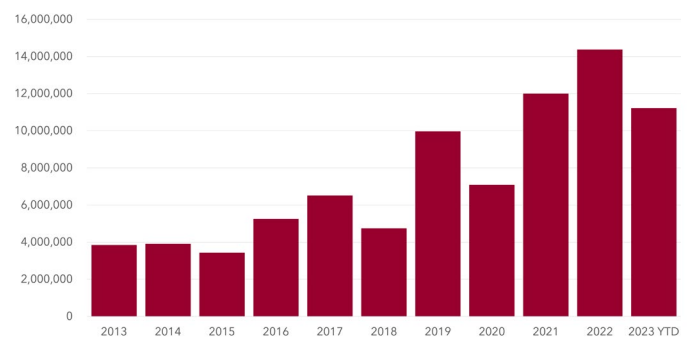
Economic concerns have continued to cause a slowdown in the industrial market. The vacancy rate once again increased and the average asking rate per square foot leveled out, especially in Class B and C products. Net absorption was buoyed by a 1 million SF pre-leased building delivery and another lease of 500,000 sf in Hagerstown. Outside of core infill markets, new construction starts have slowed considerably unless there is already a tenant in tow. Investment sales activity remains quiet, and we anticipate that to continue through the end of the year.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ Net Absorption SF	1,208,091	(215,737)	(1,071,216)	1,435,400	3,081,598
▲ Vacancy Rate	6.98%	6.14%	5.34%	4.62%	4.61%
▲ Avg NNN Asking Rate PSF	\$8.87	\$8.82	\$8.01	\$7.64	\$7.72
▼ SF Under Construction	11,218,209	14,580,644	14,478,784	14,373,868	12,890,943
▲ Inventory SF	275,966,560	272,344,238	270,050,807	269,146,203	267,264,616

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
700 Evelyn Avenue Linthicum, MD	180,118 SF	\$13,600,000 \$75.51 PSF	Camber Real Estate Partners GlenLine Investments	Class C
8230 Sandy Court Jessup, MD	142,098 SF	\$29,125,000 \$204.96 PSF	GID Investment Advisors TA Realty	Class B
103 Fulfillment Drive Edgewood, MD	140,240 SF	\$21,500,000 \$153.31 PSF	High Street Logistics TA Realty	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
521 Chelsea Road Aberdeen, MD	692,000 SF	CBREI	Electrolux	Manufacturing
1 Principio Parkway North East, MD	593,520 SF	Stewart Properties	Confidential	Confidential
18245 Showalter Road Hagerstown, MD	467,700 SF	Bowman	Volvo Powertrain	Manufacturing



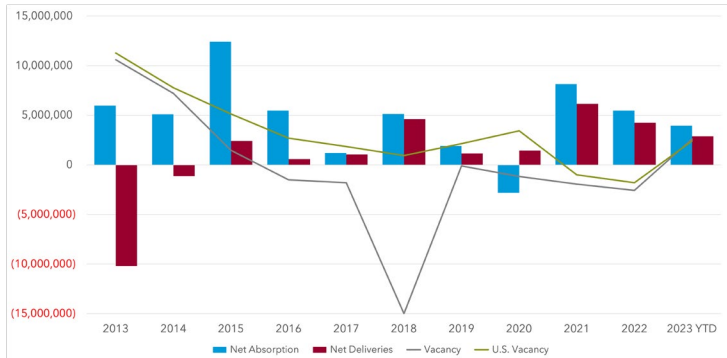
### INDUSTRIAL MARKET OVERVIEW

JON SAVOY, CCIM, SIOR, *President*

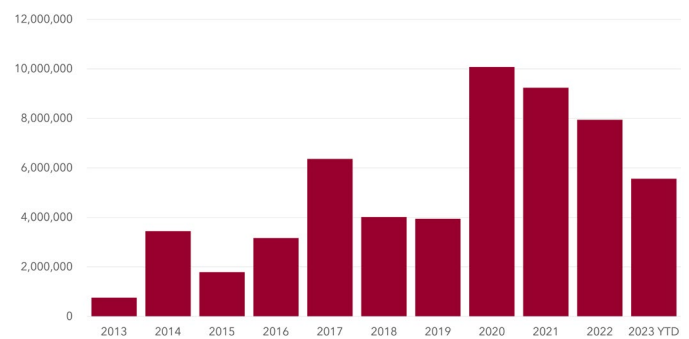
The Detroit industrial market currently has 2 million square feet of speculative construction underway. Kansas City-based, Northpoint Development, is currently developing 1 million square feet of speculative construction in Harper Woods. Auburn Hills-based, Fanuc Corporation, is currently under construction on a 1.5 million square foot facility in Auburn Hills. Detroit-based, Renaissance Global Logistics, expanded its footprint at the Wixom Assembly Park in Wixom. Despite the current interest rate environment, both rental rates and sale prices have increased, a result of lack of inventory. The United Automotive Worker's strike on the Big Three Automotive Companies has instilled some uncertainty, specifically with tier one and tier two automotive suppliers.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	7,734,333	5,914,393	4,892,983	5,472,449	2,705,234
◀▶ Vacancy Rate	3.7%	3.7%	3.9%	3.9%	4.2%
▲ Avg NNN Asking Rate PSF	\$8.40	\$8.37	\$8.26	\$8.19	\$8.09
▼ SF Under Construction	5,562,870	7,129,419	7,527,541	7,945,169	8,035,521
▲ Inventory SF	618,739,106	617,033,545	616,860,709	615,853,629	613,888,775

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
15100 W. 8 Mile Road Oak Park, MI	275,401 SF	\$29,000,000 \$105.30 PSF	Founders Properties The Opus Group	Class B
5090 Research Drive Canton, MI	45,000 SF	\$9,800,000 \$217.78 PSF	Undisclosed Agazzi Masonry	Class A
26111 Northline Road Taylor, MI	40,414 SF	\$2,950,000 \$72.99 PSF	Undisclosed Dongwoo Ltd.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
28802 Wixom Road Wixom, MI	306,280 SF	Flint Development	Renaissance Global Logistics	Transportation and Logistics
17550 Allen Road Brownstown, MI	301,100 SF	Ford Road Properties	Evans Distribution Systems	Transportation and Logistics
1199 Austin Court Howell, MI	112,500 SF	Commercial Financial Management	Armaly Brands	Manufacturing





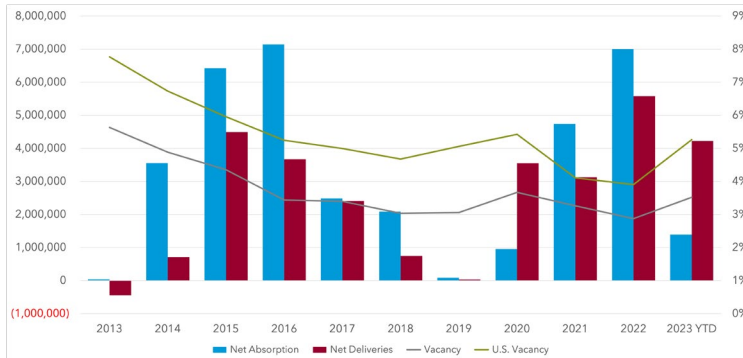
### INDUSTRIAL MARKET OVERVIEW

NATHAN ARNOLD, CCIM, *Principal*

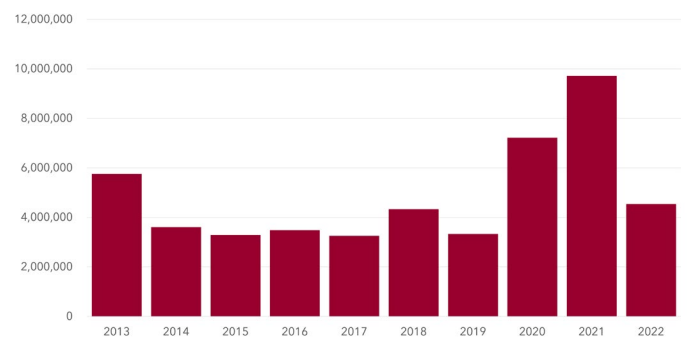
The Minneapolis, MN industrial market continues to make progress, albeit at a slightly slower pace. Vacancy rates in the area are holding steady, primarily because of the limited availability of industrial space. However, the rate of new construction has decelerated in response to higher interest rates, as developers are carefully assessing the financial feasibility of their projects. Despite this slower momentum, the Minneapolis industrial market remains resilient, driven by the region's strong economic fundamentals and its strategic location, which make it an attractive hub for logistics and distribution activities. As the market adapts to changing economic conditions, stakeholders are cautiously optimistic about its future prospects.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	3,678,457	5,856,935	8,280,019	7,003,218	7,049,746
▲ Vacancy Rate	3.5%	3.1%	2.9%	2.9%	2.7%
▲ Avg NNN Asking Rate PSF	\$8.25	\$8.13	\$8.00	\$7.83	\$7.64
▼ SF Under Construction	8,620,615	9,138,073	7,853,051	8,688,702	9,847,980
▲ Inventory SF	418,471,655	416,705,228	416,211,355	414,358,729	411,531,132

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2400 Xenium Lane, North Plymouth, MN	214,654 SF	\$21,600,000 \$100.63 PSF	Founders The Excelsior Group	Class B
600 Lakeview Point Drive New Brighton, MN	110,692 SF	\$13,800,000 \$124.67 PSF	Lakeview Point LLC Pioneer International	Class B
5005 Nathan Lane, North Plymouth, MN	87,707 SF	\$18,143,796 \$206.87 PSF	CF Moto Endeavor	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
10605 Fountain Drive Maple Grove, MN	149,316 SF	Endeavor	MAS HVAC	HVAC
10900 Fountain Drive Maple Grove, MN	100,543 SF	Endeavor	Caribou Coffee	Coffee
5005 Nathan Lane Plymouth, MN	89,707 SF	Endeavor	CFMoto	Motor parts



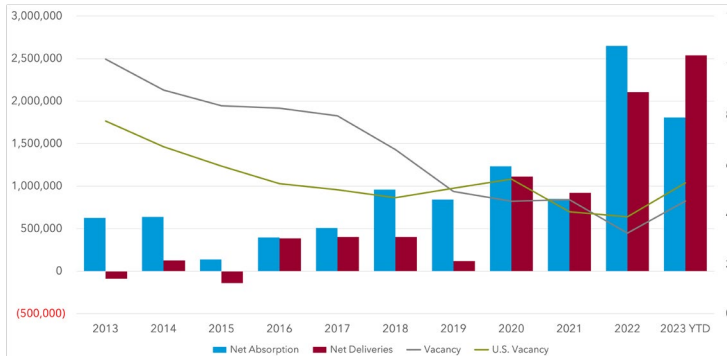
### INDUSTRIAL MARKET OVERVIEW

RYAN LAWLER, *Broker*

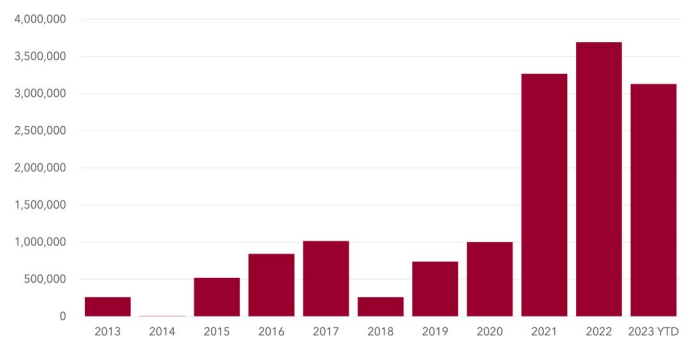
In Q3 2023, the Durham industrial market displayed strength in a national market that continues to show signs of softening. Marked by a 12-month net absorption that, while slightly lower than the previous quarter, reflects ongoing demand. The decreased vacancy rate, along with a modest uptick in the average NNN asking rate, indicates a healthier, competitive market. Additionally, the substantial increase in square footage under construction points to optimism for future supply. With the total inventory expanding, these stats collectively signify a resilient and evolving market, offering opportunities for growth and investment in Durham's industrial sector.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	2,091,808	2,387,435	2,721,719	2,650,255	2,589,396
▼ Vacancy Rate	4.23%	4.79%	4.95%	3.25%	3.30%
▲ Avg NNN Asking Rate PSF	\$11.14	\$11.01	\$10.77	\$10.48	\$10.23
▲ SF Under Construction	3,131,336	2,739,259	3,043,945	3,692,995	3,799,095
▲ Inventory SF	50,051,351	49,488,428	48,706,072	47,513,702	47,407,602

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
311 W. Corporation Street Durham, NC	7,170 SF	\$2,200,000 \$306.83 PSF	Hart Guerard Dillard, Jr Alliance Architecture	Class C
1129 E. Geer Street Durham, NC	7,000 SF	\$1,250,000 \$178.57 PSF	Prestige Home Solutions Larry Dwayne Sauls	Class C
917 Ellis Road Durham, NC	6,000 SF	\$1,600,000 \$266.67 PSF	Benjamin Everett James I. Anthony, Jr.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
000 W. Ten Road Mebane, NC	265,000 SF	MRE Propco LP	Mid-Atlantic Stihl, Inc.	Manufacturing
5511 W. Ten Road Mebane, NC	248,700 SF	The Carlyle Group	Undisclosed	Undisclosed
4900 Prospectus Drive Durham, NC	41,584 SF	Alidade Capital	Undisclosed	Undisclosed



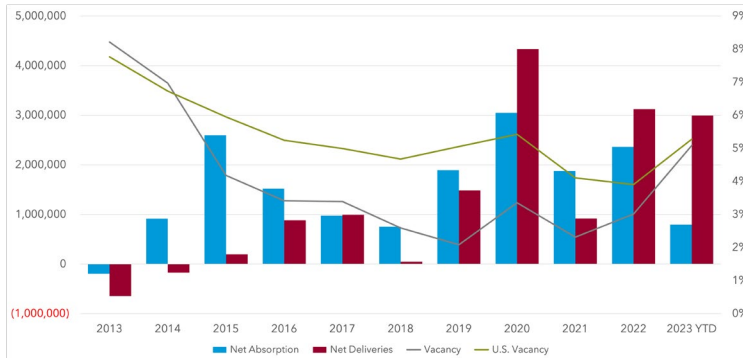
**INDUSTRIAL MARKET OVERVIEW**

RYAN LAWLER, *Broker*

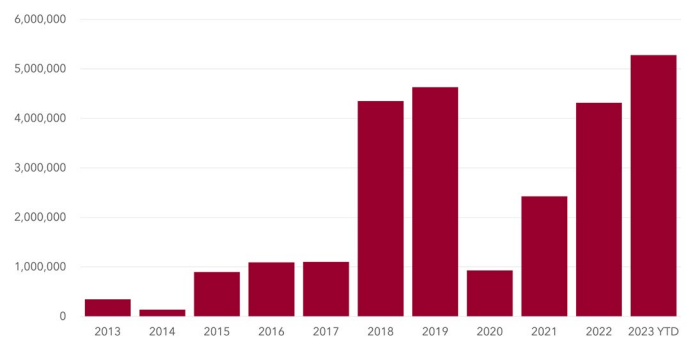
In Q3 2023, the Raleigh industrial market experienced a decrease in 12-month net absorption, with inventory totaling 1,371,410 square feet compared to the previous quarter's 2,776,544 square feet, indicating a slight slowdown in demand. The vacancy rate rose to 4.94% from 3.94% in Q2, signifying a more balanced market. The average NNN asking rate per square foot increased to \$11.54, up from \$11.40 in Q2. As some Tenants have shown caution through 2023, activity is constant as options remain limited resulting in a high renewal rate and compromises in space selection. Overall, our market remains optimistic for a strong close of 2023.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	1,371,410	2,776,544	2,515,714	2,364,359	2,624,582
▲ Vacancy Rate	4.94%	3.94%	4.40%	3.01%	2.65%
▲ Avg NNN Asking Rate PSF	\$11.54	\$11.40	\$11.16	\$10.87	\$10.60
▼ SF Under Construction	5,277,683	6,263,030	5,735,866	4,316,180	4,341,493
▲ Inventory SF	101,350,803	100,179,571	99,971,001	98,357,181	97,557,286

**NET ABSORPTION, NET DELIVERIES, & VACANCY**



**UNDER CONSTRUCTION**



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3301 Integrity Drive Garner, NC	60,000 SF	\$7,790,000 \$129.83 PSF	HCEB L&B Leasing II LLC CTR Properties LLC	Class B
400 Park Avenue Youngsville, NC	54,000 SF	\$6,450,000 \$119.44 PSF	Jay Pitcher Dino Radostas	Class B
606 Church Street Morrisville, NC	57,600 SF	\$4,810,000 \$83.51 PSF	Nystrom Family Caroline Components Group	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1901 Treygan Road Garner, NC	141,250 SF	RWN Real Estate Partners LLC	Undisclosed	Undisclosed
1251 Burma Apex, NC	129,944 SF	Apex Industrial Owner 3 LLC	Undisclosed	Undisclosed
400 Park Avenue Youngsville, NC	54,000 SF	Jay Pitcher	White Street Brewing Company	Breweries



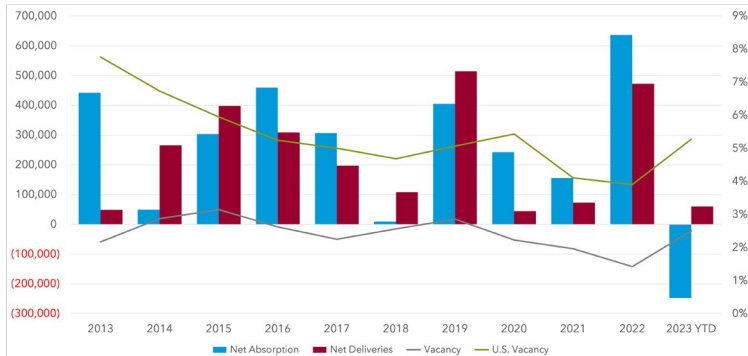
### INDUSTRIAL MARKET OVERVIEW

AMMAR ABU-HAMDA, Associate

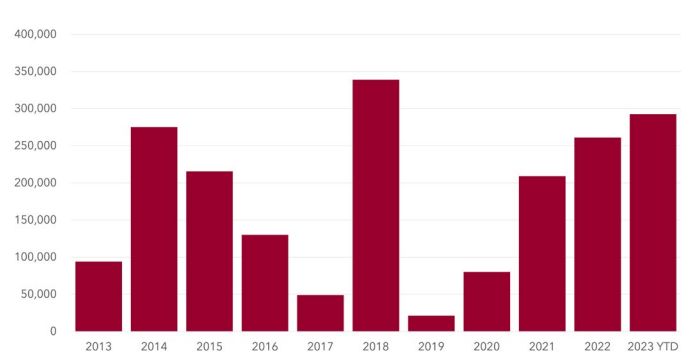
Vacancy in the Lincoln industrial market during Q3 2023 was 2.4% and increased 1.1% over the past 12 months. During Q3 2023, there was a net absorption of negative 24,547 SF, a net delivery of 34,000 SF and over 290,000 SF under construction, representing a 0.9% expansion of inventory. Rents increased 4.9% from last quarter and have increased a cumulative 19.3% in the past three years. The market cap rate for Lincoln was 8.8%, slightly above its trailing three-year average of 8.6%. Both employment and population have grown in the past year, the number of jobs has increased 1.8% in the past year, while the population has grown by 1.1%.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(37,564)	47,645	529,840	636,942	573,956
▲ Vacancy Rate	2.4%	2.3%	1.9%	1.4%	1.2%
▲ Avg NNN Asking Rate PSF	\$7.03	\$7.00	\$6.92	\$6.81	\$6.71
▼ SF Under Construction	292,502	303,902	303,302	261,050	385,140
▲ Inventory SF	32,194,662	32,183,262	32,171,862	32,134,362	31,861,122

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6940 Cornhusker Highway Lincoln, NE	188,604 SF	\$15,420,000 \$81.76 PSF	New Mountain Capital Cleaver Brooks	Class B
2821 W. P Circle Lincoln, NE	9,980 SF	\$1,253,000 \$125.55 PSF	Signature Ventures Fire Sprinkler System of Nebraska	Class B
5840 Colfax Avenue Lincoln, NE	9,552 SF	\$810,000 \$84.80 PSF	VIVID Property Company LLC Les L. HHorning	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3601 NW 15th Street Lincoln, NE	73,200 SF	Crete Carrier Corporation	BMS Logistics	Warehouse
3601 NW 15th Street Lincoln, NE	72,300 SF	Crete Carrier Corporation	BMS Logistics	Fulfilment
2255 NW 12th Street Lincoln, NE	45,000 SF	Steve Miers	Lincoln Trucking Company	Warehouse



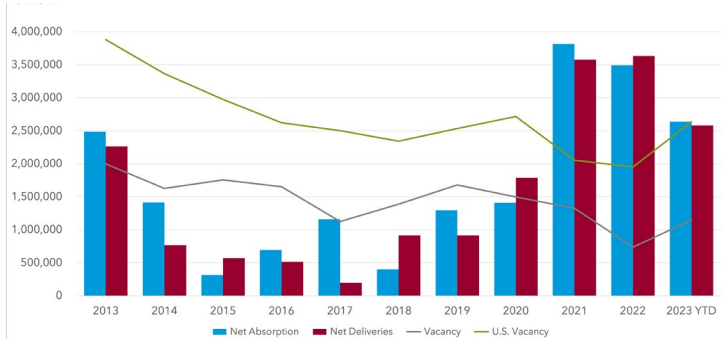
### INDUSTRIAL MARKET OVERVIEW

AMMAR ABU-HAMDA, Associate

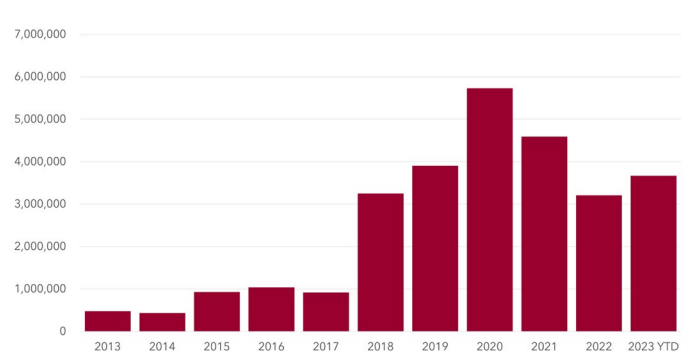
Vacancy in the Omaha industrial market during Q3 2023 was 2.3% and increased 0.5% over the past 12 months. During Q3 2023, there was a net absorption of 143,281 SF, a net delivery of 324,818 SF and over 3,668,875 SF under construction. Rents decreased 1.1% from last quarter and have increased a cumulative 19.4% in the past three years. The market cap rate for Lincoln was 8.5%, slightly above its trailing three-year average of 7.9%. Both employment and population have grown in the past year, the number of jobs has increased 1.3% in the past year, while the population has grown by 0.9%.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	2,003,987	2,951,192	4,436,020	3,492,601	5,557,042
▲ Vacancy Rate	2.3%	2.1%	2.1%	1.5%	1.8%
▲ Avg NNN Asking Rate PSF	\$7.77	\$7.72	\$7.63	\$7.50	\$7.38
▼ SF Under Construction	3,668,875	3,791,693	3,715,288	3,207,646	2,830,749
▲ Inventory SF	106,494,170	106,169,352	106,151,852	103,913,210	103,865,343

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8376 N. 72nd Street Omaha, NE	141,816 SF	\$54,500,288 \$404.53 PSF	Stonepeak Partners LLC Stonemont Financial Group	Class A
13308 Chandler Street Omaha, NE	19,160 SF	\$3,200,000 \$167.01 PSF	Vernco Roofing David Macfarlane	Class B
10720 Sapp Brothers Drive Omaha, NE	15,304 SF	\$4,975,000 \$325.08 PSF	Rowdy Investments LLC Ironmark Properties LLC	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9009 S. 135th Papillion, NE	148,229 SF	White Lotus Group	TryHard Logistics	Transportaion
7402 L Street Omaha, NE	56,600 SF	Ford Mercantile Warehouse Company	Bee Delivers LLC	Transportaion
14242 C Circle Omaha, NE	41,318 SF	Quality Glass & Mirror	Metropolitan Utilities District	Utilities



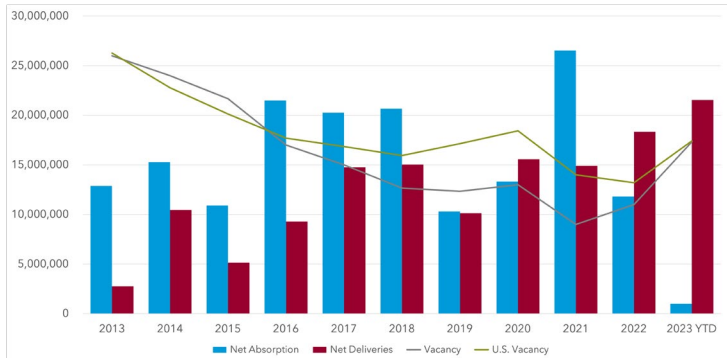
### INDUSTRIAL MARKET OVERVIEW

MICHAEL MALMSTONE, *Director of Research and Valuation*

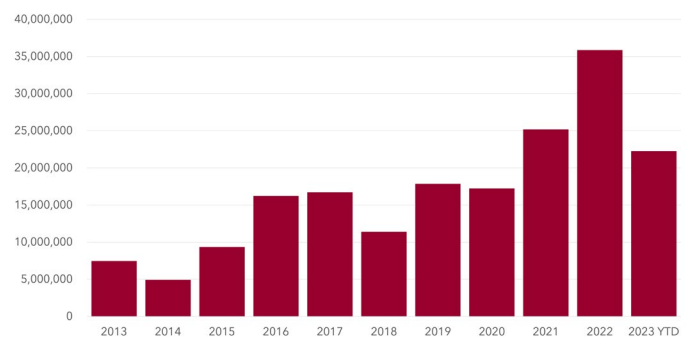
Q3 rental growth halted, with rents at \$13.49 PSF NNN. Rents are holding in core markets while tempering in secondary and tertiary markets, mainly in non-institutionally owned buildings. 6M SF was leased, the lowest since 2008 and 49% of the 5-year average. Leases averaged a record-breaking 4 months to be inked. There were 19 leases over 100,000 SF signed. Wise tenants are waiting longer to renew, if at all. Some are taking a short-term loss in subleasing their current spaces to find a fiscal opportunity to a better building in the long run, resulting in available sublet space at a 13-year high of 7.8M SF, more than doubling YoY. Net absorption dipped negative for the first time since 2015. Sales volume fell to \$354M, the lowest since 2014, 25% of the 5-year average. Cap rates fell 50 bps to 7.7%, as did pricing, down 29% to \$157 PSF.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	(2,670,295)	202,133	3,467,688	2,199,848	2,447,444
▲ Vacancy Rate	5.2%	4.1%	3.6%	3.3%	2.8%
◀▶ Avg NNN Asking Rate PSF	\$13.49	\$13.49	\$13.30	\$12.28	\$12.01
▼ SF Under Construction	22,259,690	29,425,374	33,027,968	35,866,653	38,075,169
▲ Inventory SF	1,037,894,578	1,029,086,305	1,023,094,762	1,016,355,506	1,008,805,452

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
571 Jersey Avenue New Brunswick, NJ	301,626 SF	\$64,000,000 \$212.18 PSF	B10 571 Jersey Owner LLC Principal Global Investors	Class B
34 Engelhard Drive Monroe, NJ	203,000 SF	\$53,750,000 \$264.78 PSF	GLP Capital Partners Clarion Partners	Class B
2572 Brunswick Pike Lawrence Township, NJ	195,550 SF	\$12,100,000 \$61.88 PSF	Velocity Venture Partners LLC Aurobindo Pharma USA	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
20 Sigle Lane Dayton, NJ	387,744 SF	Heller Industrial Parks	East Coast Logistics	Warehousing & Transportation
100-200 Saw Mill Pond Road Edison, NJ	269,362 SF	Heller Industrial Parks	Hall's Warehouse	Warehousing & Transportation
20-30 Corporation Row Edison, NJ	220,000 SF	Heller Industrial Parks	Adrie Express	Warehousing & Transportation



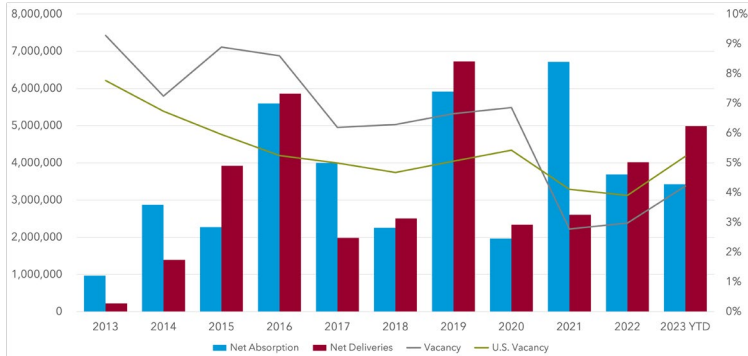
### INDUSTRIAL MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

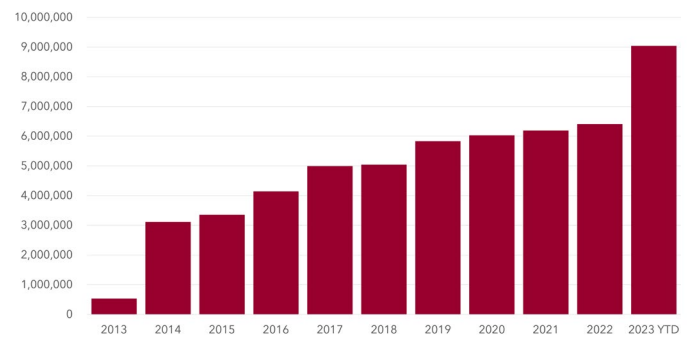
The rise in interest rates has yet to slow down construction in the Northern NV market. However, the preleased space for the under construction market has decreased and there seems to be a rise in the sublease market. All of these facts would indicate a slowing of this market, however, extremely recent activity would indicate otherwise. The activity in the purchase of raw land reflects the strength of this market along with the diminishing availability of property. Our location, as proximate to all parts of the West Coast, will not only support the strength of the market, but should keep it rising in the foreseeable future.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	4,283,322	5,282,614	5,491,393	3,689,315	5,096,337
▲ Vacancy Rate	4.0%	3.8%	3.2%	3.0%	3.1%
▲ Avg NNN Asking Rate PSF	\$9.17	\$9.13	\$9.04	\$8.92	\$8.74
▲ SF Under Construction	6,190,677	5,714,091	4,510,370	6,407,854	6,199,019
▲ Inventory SF	114,126,774	113,439,494	111,860,634	109,137,922	108,704,877

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
14291 Lear Boulevard Reno, NV	147,638 SF	\$15,000,000 \$101.60 PSF	Jensen Precast Russ McGrane	Class B
4775 Aircenter Circle Reno, NV	115,000 SF	\$15,686,000 \$136.40 PSF	New Mountain Capital Tessco Technologies	Class B
4835 Longley Lane Reno, NV	19,498 SF	\$5,300,000 \$271.82 PSF	Clark Buildings LLC James Belosic	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
905-1486 Southern Way Sparks, NV	95,200 SF	The Bendetti Company	Allstate	3PL
1910 S. McCarran Reno, NV	40,200 SF	Reno Land	Full Tilt	Logistics
800-890 E. Glendale Sparks, NV	35,886 SF	Selective Real Estate Investments	Undisclosed	Warehousing



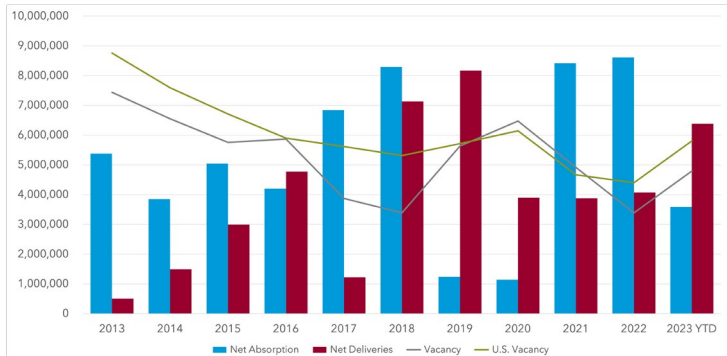
### INDUSTRIAL MARKET OVERVIEW

CHRIS VITORI, *Vice President*

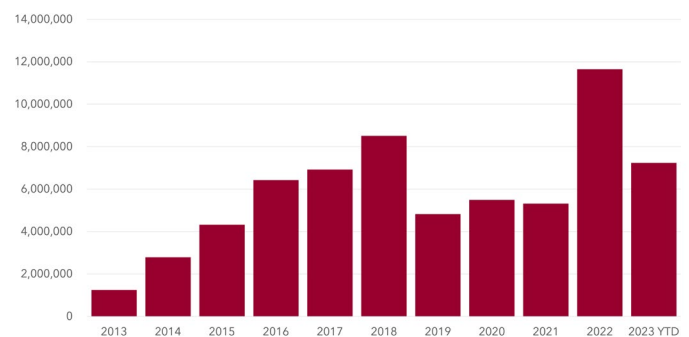
Vacancies increased from historical lows but remain below national figures. Strong deliveries in later 2023 and early 2024 coupled with negligible absorption will push vacancies higher into next year. Double-digit rent growth outpaces the national average; however, slowing demand and new supply will reduce rent growth next year more in line with declining national averages. Construction is beginning to slow and forecasted to decrease sharply later in 2024 and into 2025. Cincinnati is an attractive investment market with CAP rates well above national averages, low vacancies, and strong rent growth. Absorption will outpace slowing deliveries in late 2024 into 2025. Vacancies should return to current or near historical lows supporting stable to increased rent growth.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	10,262,533	8,608,005	7,165,518	3,905,364	3,953,613
▲ Vacancy Rate	4.23%	3.48%	3.46%	3.05%	3.21%
▲ Avg NNN Asking Rate PSF	\$7.18	\$6.96	\$6.82	\$6.62	\$6.41
▼ SF Under Construction	7,240,012	9,550,592	10,270,401	11,652,806	11,105,108
▲ Inventory SF	350,206,601	347,265,824	346,116,715	343,827,562	342,440,085

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
61 Logistics Boulevard Walton, KY	1,097,458 SF	\$86,700,000 \$79.00 PSF	EQT Exeter IDI Logistics	Class A
30 Transport Drive Walton, KY	589,297 SF	\$49,000,000 \$83.15 PSF	EQT Exeter IDI Logistics	Class A
375 Distribution Circle Fairfield, OH	449,930 SF	\$19,500,000 \$43.34 PSF	EIP-RC 375 Distribution Circle LLC Equity Industrial Partners	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
8778-8910 Le Saint Drive West Chester, OH	697,500 SF	Brookfield Property Group	Kao USA, Inc.	Manufacturing
4250 Port Union Road West Chester, OH	78,398 SF	Clarion Partners	S&S Tire	Warehouse
4670 Interstate Drive Cincinnati, OH	36,800 SF	TradeLane Properties	Fourwith Company	Transportation and Warehousing



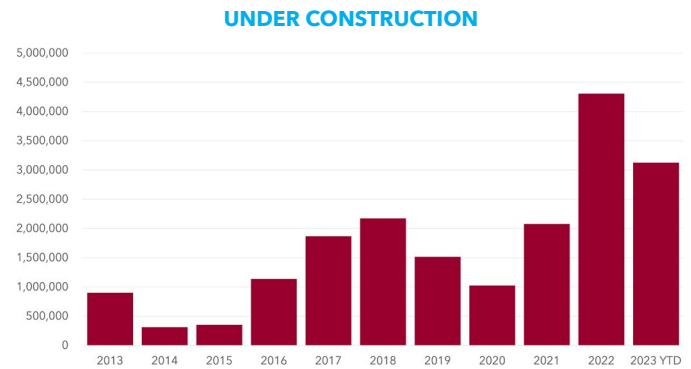
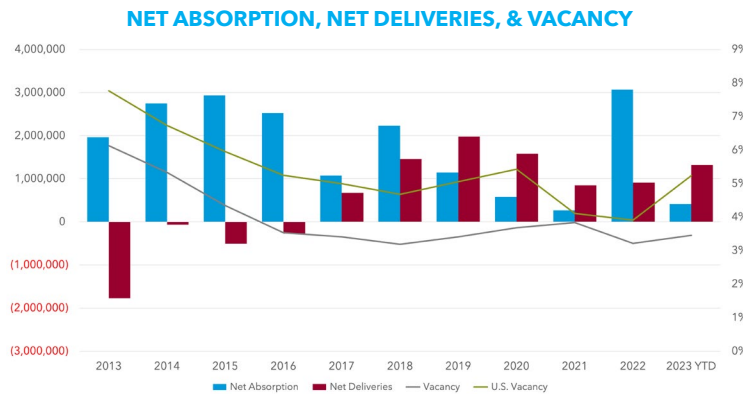


### INDUSTRIAL MARKET OVERVIEW

CONNOR KROUSE, Associate

Cleveland's industrial market differs from the national trend, maintaining balance due to limited deliveries. Vacancy tightened to 3.5%, lower than the national average of 5.2%. Demand from manufacturers and logistics tenants supports healthy activity, with 1.3 million SF absorbed annually, aligning with pre-pandemic figures. However, leasing activity is affected by the scarcity of modern industrial spaces, with a 5.0% availability rate versus the national benchmark of 8.1%. Quarterly leasing hit a four-year low, totaling under 1 million SF in 23Q2. Annually, 7.6 million SF is leased, surpassing pre-pandemic averages by 55%. Rent growth is slowing, but Cleveland outperforms the national market, with year-over-year gains of 5.4%. Sales volume is decreasing due to higher interest rates.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	1,344,603	632,910	3,868	804,819	644,000
▲ Vacancy Rate	3.50%	3.47%	4.05%	4.14%	4.19%
▲ Avg NNN Asking Rate PSF	\$6.28	\$5.88	\$5.41	\$4.99	\$5.14
▼ SF Under Construction	3,100,000	3,500,000	4,200,000	4,900,000	7,700,000
▲ Inventory SF	295,800,000	295,400,000	293,200,000	292,800,000	292,000,000



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7000 Denison Avenue Cleveland, OH	150,000 SF	\$11,650,000 \$77.66 PSF	Arctrust Industrial DST Cleveland Denison LLC	Class B
1350 Rockefeller Road Wickliffe, OH	109,000 SF	\$4,580,000 \$41.97 PSF	Saint Paul Properties Fund 14 LLC Cig OH WH LLC	Class C
4750 W. 160th Street Cleveland, OH	80,833 SF	\$4,000,000 \$49.48 PSF	OW Holdings LLC Kirby OH Propco3 LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4847 Gray Lane Stow, OH	254,474 SF	Ray Fogg Corporate Properties LLC	Haydon Corporation	Manufacturing/ Distribution
857 Oberlin Avenue, SW Massillon, OH	40,610 SF	Oberline Equities LLC	Weston and Associates LLC	Manufacturing
21550-21600 Alexander Road Walton Hills, OH	28,659 SF	GE Capital Corporation	Planet Aid	Services



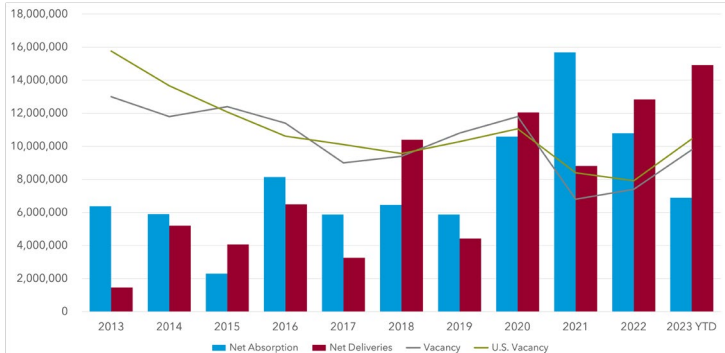
### INDUSTRIAL MARKET OVERVIEW

MIKE SPENCER, SIOR, *Principal, Broker*

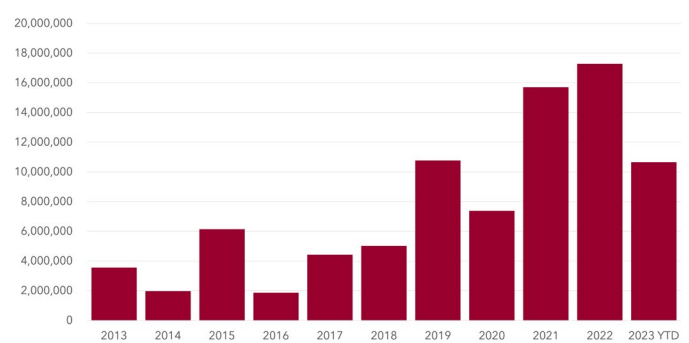
With new product being delivered, vacancy rates will tick up and rental rates may start to plateau, but expect upward pressure on rental rates with costs of construction and the current interest rate environment. As tenant demand moderates from recent highs due to retailers and 3PLs taking a breath on expanding their footprints, vacant space could remain on the market longer. Columbus has been consistently ranked as one of the lowest annual operating costs for bulk distribution in the US, benefitting from the I-70 corridor and an educated workforce. Columbus is positioned to outperform even with strong macro headwinds, and as speculative development slows and Intel starts to shed light on its needs, we could see historic low vacancy territory again this time next year.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	787,205	4,403,326	1,702,706	910,201	3,599,463
▲ Vacancy Rate	4.9%	4.3%	4.5%	3.7%	2.9%
▲ Avg NNN Asking Rate PSF	\$6.98	\$6.84	\$6.68	\$6.12	\$5.74
▼ SF Under Construction	10,654,210	11,543,682	11,476,922	17,279,345	20,879,308
▲ Inventory SF	344,386,016	338,642,668	335,957,966	328,446,646	323,727,464

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
9157 Mink Street Pataskala, OH	697,860 SF	\$67,099,239 \$96.15 PSF	Hines Core5	Class A
9756 Heartland Court Columbus, OH	590,004 SF	\$52,250,754 \$88.56 PSF	Longpoint Prologis	Class A
13101 Worthington Road New Albany, OH	445,830 SF	\$49,799,211 \$111.70 PSF	EQT Exeter VanTrust	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
New Albany Tech Park New Albany, OH	1,200,000 SF	VanTrust	DSV	3PL
200 Park West Drive West Jefferson, OH	371,500 SF	Ambrose	GXO Logistics	3PL
3495 Gantz Road Grove City, OH	183,528 SF	EQT Exeter	FST Logistics	3PL



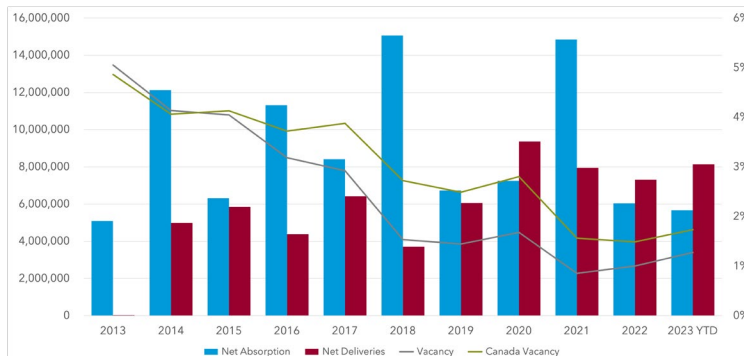
### INDUSTRIAL MARKET OVERVIEW

DANIEL SMITH, *Senior Vice President, Partner*

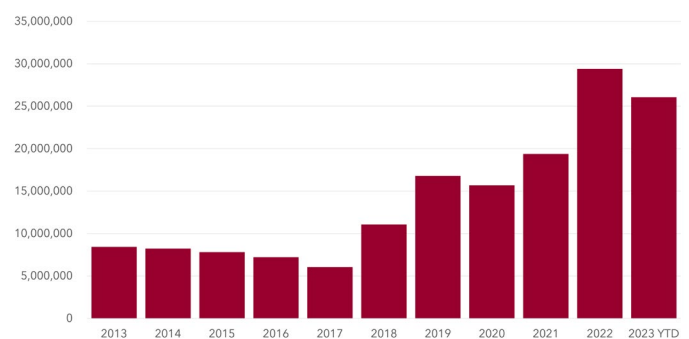
The Greater Toronto Area's thriving industrial sector is driven by its strategic location, robust transportation networks, and diverse economy which encompasses warehouses, distribution centers, manufacturing facilities, and flex spaces. Recent years have seen surging demand, fueled by population growth, e-commerce expansion, logistics needs, and increased manufacturing. The online retail boom has driven demand for large-scale warehouses and distribution centers, leading to limited property availability and rising lease rates. This trend is expected to continue unless more industrial space is developed. However, geographic constraints and zoning challenges may hinder growth.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	8,782,991	6,413,277	6,596,340	6,035,265	5,713,034
▼ Vacancy Rate	1.2%	1.3%	1.2%	1.0%	1.0%
▲ Avg NNN Asking Rate PSF	\$19.33	\$18.84	\$18.17	\$17.46	\$16.71
▼ SF Under Construction	26,295,185	27,317,395	28,343,583	29,618,433	28,989,980
▲ Inventory SF	865,876,482	863,377,068	860,924,569	857,738,330	855,506,964

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
81 Royal Group Crescent Vaughan, ON	281,265 SF	\$81,500,000 \$289.76 PSF	Newmar Alpha Lumber Group Oxford Properties Group	Class B
1840-1842 Clements Road Pickering, ON	170,107 SF	\$40,250,000 \$236.62 PSF	Groupe Mach KingSett Capital, Inc.	Class B
250 Chrysler Drive Brampton, ON	149,635 SF	\$4,400,000 \$294.05 PSF	Dream Industrial REIT BentallGreenOak	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1680 Thornton Road North Oshawa, ON	379,000 SF	Undisclosed	Lactalis Canada	Dairy Product Merchant Wholesalers
96 Inspire Boulevard Brampton, ON	162,500 SF	Eli Gibli	The ProLift Rigging Company Canada	Transportation and Warehousing
20 Graniteridge Road Vaughan, ON	142,402 SF	Sorbara Group of Companies	Sorbara Group of Companies	Land Subdivision



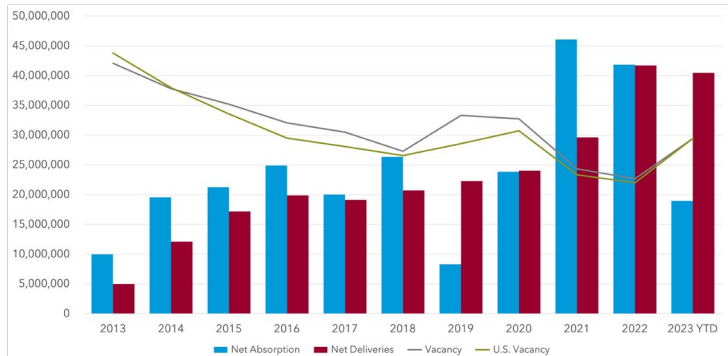
### INDUSTRIAL MARKET OVERVIEW

JOSHUA YURASITS, *Research Analyst*

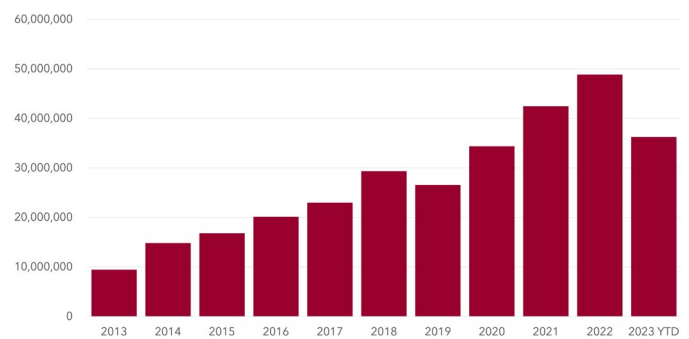
The industrial market in the Philadelphia region has witnessed a consecutive four-quarter increase in vacancy, primarily attributed to several key factors. This quarter, absorption amounted to 2.2 MSF, marking a significant decline from the modest 7.9 MSF absorbed in Q2 2023. Meanwhile, new construction deliveries remained steady at 13 MSF. Consequently, the vacancy rate increased 69 bps. Nevertheless, with a slowdown in construction activity coinciding with a sustained demand for industrial space, it's clear that the Philadelphia region is poised for an uptick in absorption in the near future. Overall, these trends underscore the enduring strength of the region's core industrial locations, reaffirming its trajectory of sustained growth in Q4 2023 and moving into 2024.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	29,349,344	37,746,335	42,548,591	41,833,344	40,698,118
▲ Vacancy Rate	5.30%	4.61%	4.19%	4.08%	3.90%
▼ Avg NNN Asking Rate PSF	\$8.56	\$8.86	\$8.65	\$8.26	\$8.04
▼ SF Under Construction	36,239,981	36,667,827	43,508,017	48,870,408	56,226,412
▼ Inventory SF	1,309,895,769	1,335,822,374	1,317,550,572	1,297,240,329	1,279,460,619

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
101 Commerce Drive Hazleton, PA	470,000 SF	\$51,000,000 \$108.51 PSF	Transwestern Investment Group Bluewater Property Group LLC	Class A
909 Katie Court Harrisburg, PA	280,000 SF	\$30,800,000 \$110.00 PSF	EQT Exeter Kohlberg Kravis Roberts & Co LP	Class A
1510 Gehman Road Harleysville, PA	152,625 SF	\$14,827,000 \$97.15 PSF	STAG Industrial Kohlberg Kravis Roberts & Co LP	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3379 Pocono Summit Road Mount Pocono, PA	1,204,494 SF	Newland capital Group	All Freight	3PL
Route 940 Lake Harmony, PA	921,356 SF	EQT Exeter	ID Logistics	3PL
River Road and West Saylor Avenue Jenkins Township, PA	868,000 SF	Mericle Commercial Real Estate Services	Undisclosed	Construction Materials



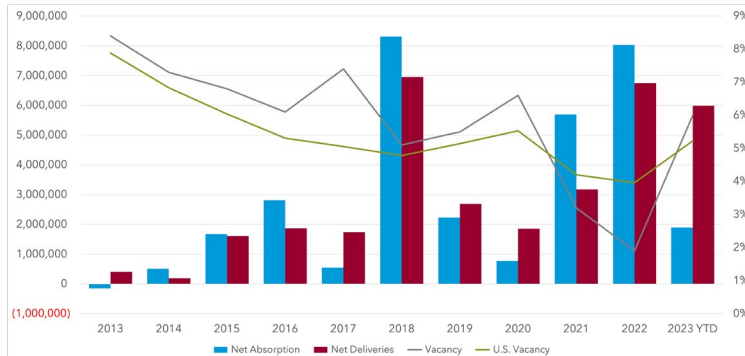
### INDUSTRIAL MARKET OVERVIEW

ALEX WHITTEMORE, *Associate*

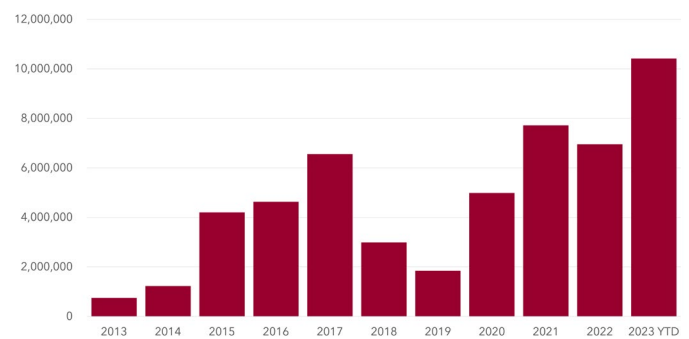
With the vast amount of new industrial product scheduled to deliver soon, vacancy rates in Charleston are climbing from historic lows and are expected to keep rising as more inventory hits the market. This positions Charleston as one of the fastest-growing industrial markets in the country, alongside nearby Savannah. Nearly three-fourths of the new construction is still available, which might ease the rise in rents as more spaces look to find tenants. Despite this, institutional-grade deals on fully leased new properties have continued to close here, indicating that investors remain bullish on Charleston's long-term potential.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	487,508	(222,154)	1,603,413	1,042,805	1,666,741
▲ Vacancy Rate	6.06%	5.18%	2.82%	1.91%	1.96%
▼ Avg NNN Asking Rate PSF	\$8.40	\$8.82	\$8.74	\$7.90	\$7.64
▲ SF Under Construction	10,419,531	9,896,759	9,007,609	6,955,359	1,597,972
▲ Inventory SF	96,658,431	95,248,059	93,164,301	90,671,813	89,648,104

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
168 Portside Park Drive Summerville, SC	204,004 SF	\$31,000,000 \$151.96 PSF	Premier Asset Management Randolph Development	Class A
0 Camp Hall Road Ridgeville, SC	157,500 SF	\$22,900,000 \$145.40 PSF	Stoltz Real Partners Lightstone Group	Class A
261 Seven Mile Road-1 Harleyville, SC	19,680 SF	\$750,000 \$38.11 PSF	Muckenfuss Land Holdings LLC M&B Properties LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
100 Omni Industrial Boulevard Summerville, SC	606,880 SF	Clarius Partners LLC	GXO Logistics	Supply Chain
1020 Northpointe Industrial Boulevard Hanahan, SC	305,423 SF	CenterPoint	GXO Logistics	Supply Chain
3191 Ashley Phosphate Road North Charleston, SC	246,735 SF	Dogwood Industrial Properties	Neil Brothers	Supply Chain



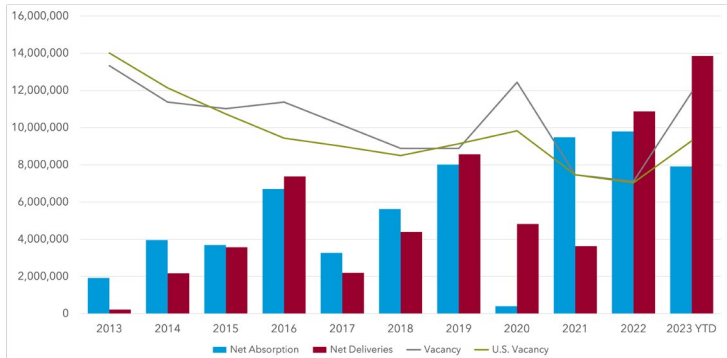
### INDUSTRIAL MARKET OVERVIEW

RANDALL BENTLEY, CCIM, SIOR, *President*

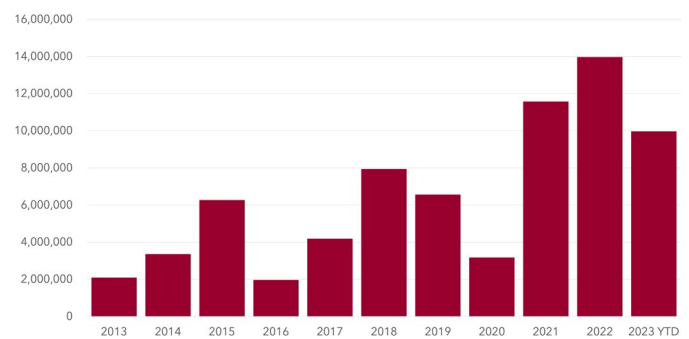
The Greenville/Spartanburg market showed continued positive momentum in the third quarter, with vacancy decreasing 60 basis points to 6.7%. While the first half of 2023 had an influx in delivered inventory causing vacancy to trickle upward, Q3 ended with 2.5 million SF of new development, with 23% of that being pre-leased at the time of delivery. However, groundbreakings soared in Q3 at nearly 10 million SF under construction. Net absorption increased to 2 million SF, bringing year-to-date 2023 net absorption to 7.9 million SF.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	10,773,895	10,781,392	12,471,173	9,799,521	11,111,180
▼ Vacancy Rate	6.7%	7.3%	5.0%	4.0%	2.7%
▲ Avg NNN Asking Rate PSF	\$4.90	\$4.67	\$4.57	\$4.60	\$4.39
▲ SF Under Construction	9,965,901	3,153,699	8,347,466	13,696,449	18,554,157
▼ Inventory SF	232,790,292	236,553,266	230,907,084	225,617,414	220,261,532

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
200 International Boulevard Fountain Inn, SC	320,122 SF	\$32,000,000 \$99.96 PSF	Lighstone Group Tectonic & Angelo Gordon	Class A
2930-2939 Greenville Highway Easley, SC	257,086 SF	\$15,750,000 \$61.26 PSF	NV LLC Digital Bridge Group, Inc.	Class B
10 Jack Casey Court Fountain Inn, SC	113,000 SF	\$10,600,000 \$93.81 PSF	BUC Packaging IPS Packaging	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
153 Gibbons Road Blacksburg, SC	423,000 SF	Weston, Inc.	Crown 3PL	Distribution
140 Smith Farms Parkway Greer, SC	304,884 SF	LPX Industrial Trust	Roger Cleveland	Manufacturing
170 Patriot Hill Drive. Bldg 3 Fountain Inn, SC	251,100 SF	Sudler Real Estate	Confidential	Automotive



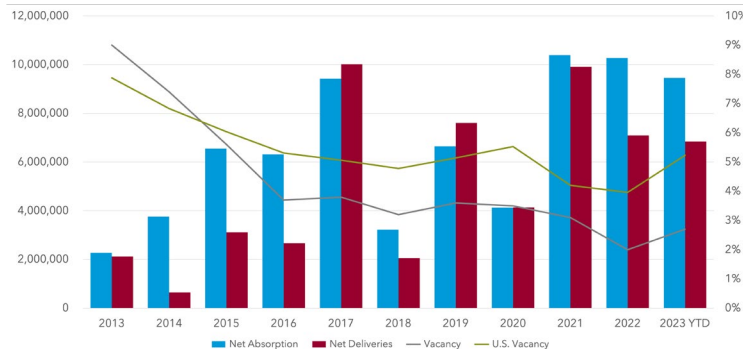
### INDUSTRIAL MARKET OVERVIEW

JIM RODRIGUES, SIOR, *President*

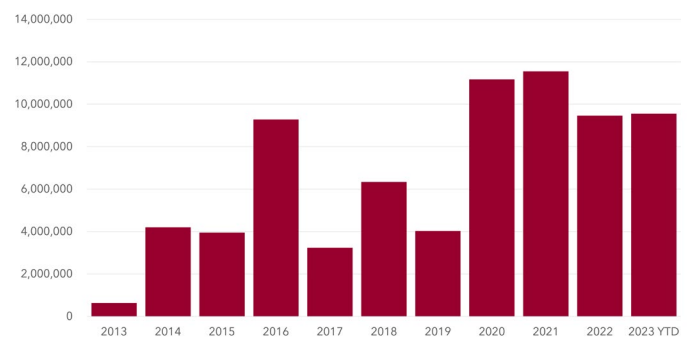
Nashville boasts a geographic region that allows businesses to reach over half of the country's population in a day's drive, which continues to attract various industrial users looking to expand or maintain operations in the region. In the third quarter, Nashville's industrial sector exhibited positive momentum and expansion, resulting in a 2.7% vacancy rate, 1.5M SF of new inventory and a notable net absorption of 3.6M SF. Although leasing activity has started to slow from the all-time highs in 2021, that slowing has still left recent levels of activity above pre-pandemic norms. Currently, there are approximately 9.6M SF under construction, with 7% of that being pre-leased.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	12,333,013	12,954,712	11,771,592	10,273,158	9,485,802
▲ Vacancy Rate	2.7%	2.4%	2.3%	2.0%	2.4%
▼ Avg NNN Asking Rate PSF	\$7.48	\$7.51	\$7.77	\$7.36	\$7.01
▼ SF Under Construction	9,553,208	12,830,559	11,771,364	9,459,843	11,113,261
▲ Inventory SF	260,190,193	257,689,488	254,961,264	249,068,024	248,077,701

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
315 & 303 Alligood Way* Lebanon, TN	410,370 SF	\$54,000,000 \$131.59 PSF	Pealmark Al Neyer	Class A
3650 Trousdale Drive Nashville, TN	165,000 SF	\$14,250,000 \$86.36 PSF	Hamilton Creek Partners Waller Bros Partnership	Class C
1299 Bridgestone Parkway La Vergne, TN	76,500 SF	\$12,400,000 \$162.09 PSF	Waller Brothers Partnership Nausbaum Realty	Class C

\*Lee - Nashville Transaction

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Prologis Southpark - 2020 Midway Ln, Bldg 7, Smyrna, TN	399,940 SF	Prologis	Pepsi	Soft Drink Manufacturing
840 Commerce Ctr - 255 Aldi Blvd Mount Juliet, TN	259,000 SF	Cabot Properties	Assurant	Electrical Repair
Prologis Southpark - 2020 Midway Ln, Bldg 9, Smyrna, TN	166,275 SF	Prologis	AISIN	Automotive Repair and Maintenance



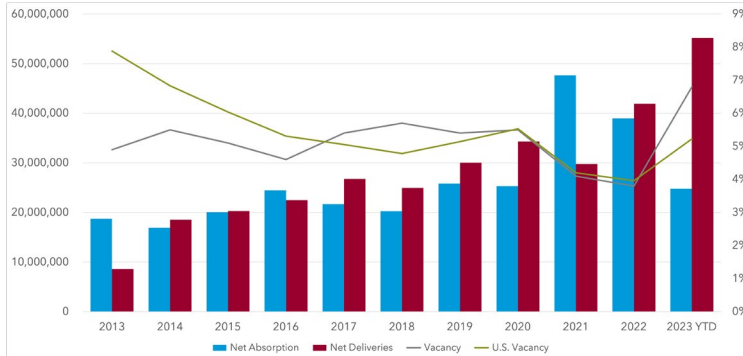
### INDUSTRIAL MARKET OVERVIEW

MICAH RABALAIS, *Director of Operations and Research*

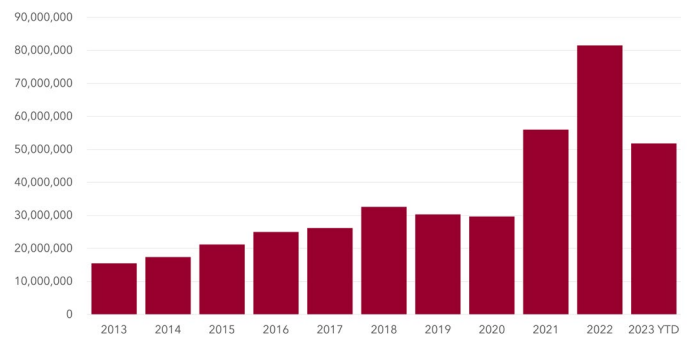
Dallas-Fort Worth (DFW) is witnessing a rise in vacancy rates as property deliveries, especially from large buildings, outpace demand through mid-2023. The industrial development pace is cooling due to fewer construction loans and rising costs. Rent growth is slowing, currently at 8.6%, down from 12.6% in mid-2022. This deceleration is expected to persist in the near term, with tenants gaining more bargaining power in outlying submarkets, while landlords maintain stronger control over rents in the core market. In all, the DFW industrial market will remain a key market due to its location, infrastructure, and supply, but we are likely past the largest boom period of recent years and pivoting into normalization.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	35,069,916	39,354,236	43,811,708	37,940,155	38,645,155
▲ Vacancy Rate	6.8%	6.2%	4.9%	3.8%	3.9%
▲ Avg NNN Asking Rate PSF	\$8.39	\$8.23	\$7.63	\$7.35	\$7.06
▼ SF Under Construction	51,815,202	63,982,929	63,997,825	77,732,461	75,480,107
▲ Inventory SF	992,943,074	973,374,851	957,213,438	938,168,677	928,477,187

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2201 Stonemont Way Fort Worth, TX	218,400 SF	\$29,350,000 \$134.39 PSF	OmniCable Stonemont Financial	Class A
1525 W. Frankford Road Carrollton, TX	187,424 SF	\$25,900,000 \$138.19 PSF	Cawley Partners Principal Financial Group, Inc.	Class A
525 Centre Park Boulevard Desoto, TX	106,700 SF	\$12,050,000 \$112.93 PSF	Solar Turbines Incorporated Acuity Specialty Products, Inc.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2900 S. Valley Parkway Lewisville, TX	799,460 SF	Majestic Realty Company	Flexport	Supply Chain Mgmt & Logistics
2900 N. State Highway 161 Irving, TX	523,260 SF	Perot Development/ Invesco	LKQ Corp	Auto Parts
13500 Independence Parkway Fort Worth, TX	413,508 SF	J.P. Morgan Investment Management, Inc.	FedEx	Global Shipping and Logistics





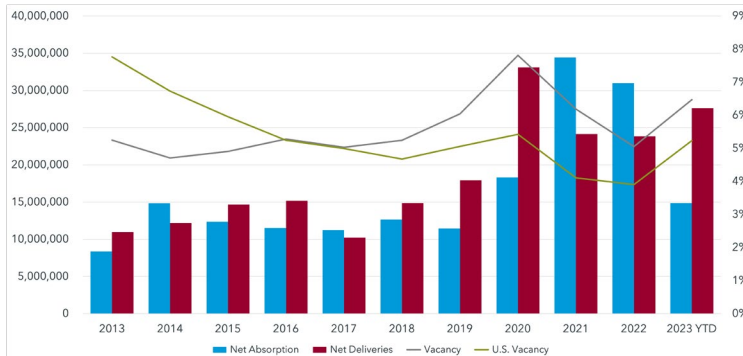
### INDUSTRIAL MARKET OVERVIEW

PRESTON YAGGI, SIOR, CCIM, *Principal*

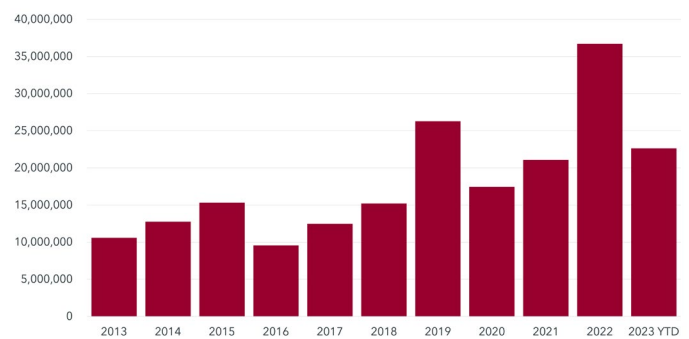
Consumer durables and 3PLs were at the top of the list for the most absorption of industrial distribution space. Notable lease transactions in Q3 2023, were Builder's First Source's 843K sf in the Northwest submarket, Cargill's 511K sf in the Southeast submarket, and Daikin's 500K sf in the Northwest submarket. We are anticipating demand to continue along the lines of the past 2 quarters for Q4 2024. Tenants will continue to remain cautious in the upcoming quarter and we may see some slight rate bumps as deliveries for new space slow down. Overall, the outlook for Houston remains healthy compared to some other major metros and we expect a bold finish to end the year.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	22,682,645	24,029,889	31,168,611	30,982,218	33,873,576
▲ Vacancy Rate	6.3%	6.1%	5.3%	5.1%	5.3%
▲ Avg NNN Asking Rate PSF	\$8.82	\$8.72	\$8.65	\$8.51	\$8.43
▼ SF Under Construction	22,667,867	30,813,479	35,100,409	36,713,148	33,381,423
▲ Inventory SF	799,475,749	790,308,718	780,395,845	771,888,655	766,782,862

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8718 Fairbanks North Houston* Houston, TX	1,012,037 SF	Undisclosed	Dalfen Industrial Investment & Development Ventures	Class A
10900 Cash Road Stafford, TX	231,822 SF	Undisclosed	Tribocor Technologies, Inc. Satakek USA, Inc.	Class A
581-599 Garden Oaks Boulevard Houston, TX	125,349 SF	Undisclosed	Undisclosed Undisclosed	Class B

\*Part of 4-property portfolio

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2701 Magnet Street Houston, TX	112,049 SF	Lone Star Investment Advisors	Undisclosed	Undisclosed
10415 Papalote Street Houston, TX	111,200 SF	Prologis, Inc.	Darryl Flood Relocation & Logistics	Logistics
9010 West Little York Street Houston, TX	91,200 SF	Norges Bank Investment Mgmt	Favorite Brands	Wholesaler



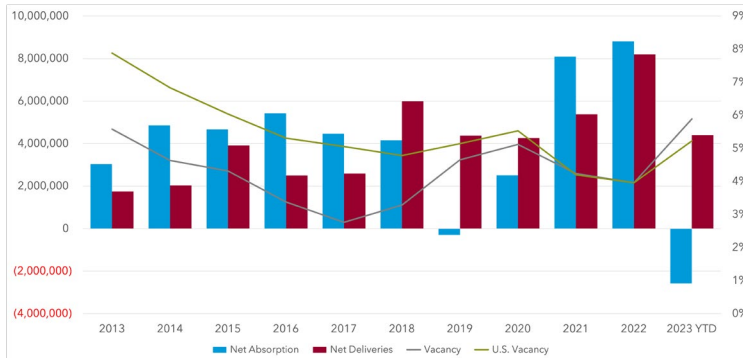
### INDUSTRIAL MARKET OVERVIEW

ANDREW HULL, Associate Vice President

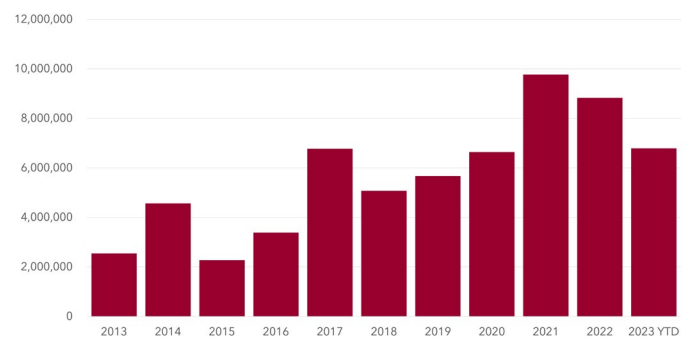
Leasing activity and market rent growth are cooling, while economic uncertainty and rising interest rates have decelerated the investment sales market. It's not all bad news, as owner-users and local investors now have an opportunity to outbid institutional buyers on purchase opportunities. Buyers and sellers remain in the price discovery stage, with cap rates trending upward and sale prices adjusting downward. Lease industrial inventory is plentiful and the market is shifting in favor of Tenants, giving flexibility with time and lease terms. 3PL occupiers capitalize sublease and short-term opportunities plus favorable rates to land contracts. Boeing leads leasing activity in the market, demonstrating the growth of the aerospace industry.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(692,294)	2,803,844	5,598,049	8,812,466	9,813,287
▲ Vacancy Rate	5.7%	5.3%	4.7%	4.0%	4.0%
▲ Avg NNN Asking Rate PSF	\$14.84	\$14.60	\$14.26	\$13.88	\$13.53
▼ SF Under Construction	6,787,358	8,634,108	7,060,446	8,829,551	7,524,285
▲ Inventory SF	352,343,906	350,487,030	349,231,583	347,875,814	346,862,180

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3200 35th Avenue, NE Everett, WA	110,698 SF	\$14,710,000 \$132.88 PSF	Scott Galvanizing Company Builders FirstSource, Inc.	Class C
1017-1045 Andover Park* Tukwila, WA	76,128 SF	\$14,404,151 \$189.21 PSF	Lift Partners Michael Smooke	Class B
4301 78th Street, SW Mukilteo, WA	67,595 SF	\$20,200,000 \$298.84 PSF	Kalani Packaging Mosaic Homes	Class A

\*Part of portfolio sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6616 S. 199th Place Kent, WA	111,062 SF	Dermody	Architectural Surfaces	Wholesale
2120 Milwaukee Way Tacoma, WA	131,588 SF	Port of Tacoma	TNT	Retailer
6605 Hardeson Road Everett, WA	111,172 SF	PGIM	Hogland Transfer	Transportation



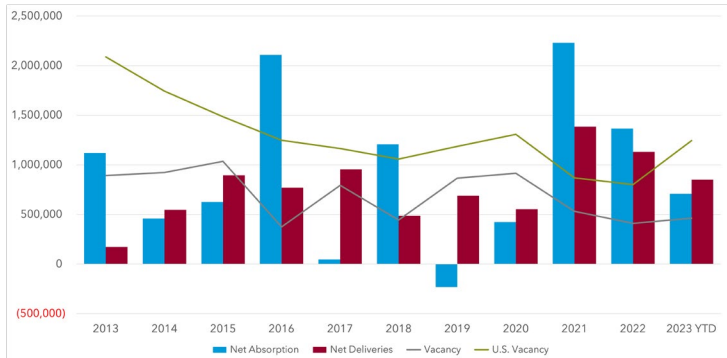
### INDUSTRIAL MARKET OVERVIEW

CAMP PERRET, *Vice President*

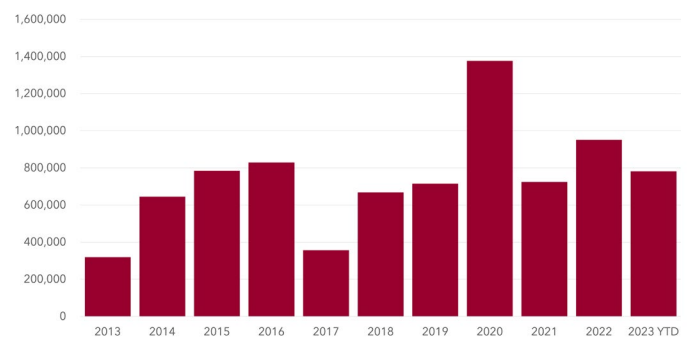
Madison industrial market demand remains strong driven by strong demographics, including above-average median household incomes, low unemployment rates and soaring population growth. While vacancy rates ticked up by a percentage, the rate of 2.9% is well below the national average of 5.1%. Rental rates have increased due to low supply. Construction starts are down primarily due to elevated interest rates. This trend will continue to apply upward pressure on lease rates as demand outpaces the rate of supply additions. Sales activity rose in Q3, while sale prices remained steady. A positive forecast for the Madison industrial market is expected into the foreseeable future.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	1,539,312	1,790,490	1,394,265	1,366,851	1,315,918
▲ Vacancy Rate	2.9%	2.8%	2.4%	2.7%	3.4%
▲ Avg NNN Asking Rate PSF	\$7.53	\$7.49	\$7.41	\$7.29	\$7.18
▼ SF Under Construction	781,775	1,436,819	1,209,827	951,477	950,081
▲ Inventory SF	75,305,541	74,625,505	74,519,014	74,454,064	74,090,781

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2235 Eagle Drive Middleton, WI	130,228 SF	\$11,835,069 \$90.88 PSF	General Capital Group SARA Investment Real Estate	Class B
8400 Fairway Place Middleton, WI	129,000 SF	\$8,972,245 \$69.55 PSF	General Capital Group SARA Investment Real Estate	Class B
2001 Fish Hatchery Road Madison, WI	48,000 SF	\$3,860,000 \$80.42 PSF	Undisclosed Madison Newspapers, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
505-507 Stokely Drive DeForest, WI	202,913 SF	STAG Industrial, Inc.	Placon Corporation	Manufacturing
1800 Williams Drive Stoughton, WI	120,000 SF	Undisclosed	Emmi Roth	Manufacturing
521 Verburg Street Cambridge, WI	52,500 SF	Steeltech Ltd.	Undisclosed	Undisclosed

## OFFICE OVERVIEW: MARKETS PLAGUED BY CHRONIC WEAK DEMAND

The general fear of Covid has long subsided and hospitalizations are 92% down from the peak. But remote work and hybrid schedules seem entrenched despite companies get-tough return-to-office measures. North American office occupancy remains stuck at roughly half the levels prior to Covid. Other downturns have shaken demand for office space but never so fundamentally as the fallout from the coronavirus lockdown.

In the United States, tenants shed 15.4 million SF of space in the third quarter bringing the year's negative net absorption total to 55 million SF. That is equal to record losses through September of the first year of the pandemic and was unexpected as this year's contraction follows two years of improved demand.

Canadian markets are mixed and less stressed. Vancouver posted more than 2 million SF of net absorption in the last 12 months, but Toronto office demand is in the red by one million SF. Vacancy rates are 5.5% in Vancouver and 9.2% in Toronto, the nation's largest office market.

Total occupancy in the United States is at its lowest level since 2017, despite a 12% increase in office-using workers. Leasing activity this year is 15% below pre-pandemic levels. New leases average 20% less space. Additionally, the quantity of occupied but available space is more than 50 million SF above its historical norm, having risen steadily since mid-2020. Calculated in the aggregate, today's users require about 440 million square feet less than current employment levels suggest. This has sent the ratio of needed space per worker plummeting to 8% below what it was entering 2020, accelerating a decade-long trend of shrinking space-per-worker requirements. Stagnant demand is likely to linger and space-per-worker requirements may shrink further, recent market dynamics suggest. This is consistent with two trends: Large tenants are reducing their footprints when existing leases fall in, and the flight to quality by many users skews the composition of the prospective tenant toward those with smaller requirements.

First-generation premium buildings have seen consistently positive net absorption. These typically offer unique benefits to tenants, including top-tier locations, designs and amenities, more natural light and better environmental performance. Since early 2020, these properties have seen an average of 14 million SF of positive net absorption per quarter. On the other hand, a similar number of older properties have found little appeal. Buildings representing only about 15% of leased, non-medical inventory account for over 120 million SF of negative net absorption just in the past 12 months.

There could be much more pain to come for landlords as the balance of pre-2020 leases - still a majority - approach expiration. Also, there are 215 million SF of sublease availability, a breathtaking amount that has risen more than 130% since the end of 2019. The current total is nearly 80% above its previous peak during the Great Recession.

This extreme polarization is prolonging uncertainty about the future of the sector. If tenant leasing behavior holds to its recent form, the fallout could be quite severe outside the narrow slice of inventory that is still attracting occupancy.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / SF ANNUAL		HIGHEST MARKET SALE PRICE / SF	
BC, Vancouver	5.5%	CA, San Francisco	\$56.16	CA, San Francisco	\$637
CA, Inland Empire	5.9%	NY, New York*	\$56.04	NY, New York*	\$589
FL, Orlando	8.7%	FL, Miami	\$47.88	BC, Vancouver	\$504 CAD
FL, Miami	8.9%	CA, Los Angeles	\$42.00	WA, Seattle	\$449
NY, Long Island	9.0%	MA, Boston	\$41.88	MA, Boston	\$423
<b>U.S. Index</b>	13.4%	<b>U.S. Index</b>	\$35.04	<b>U.S. Index</b>	\$298
<b>Canada Index</b>	8.9%	<b>Canada Index</b>	\$26.64 CAD	<b>Canada Index</b>	\$270 CAD

MOST SF UNDER CONSTRUCTION SF		LARGEST INVENTORY BY SF		LOWEST MARKET CAP RATE	
MA, Boston	16,895,942	NY, New York*	979,604,647	BC, Vancouver	4.0%
ON, Toronto	10,546,516	DC, Washington	523,120,941	CA, San Francisco	5.7%
WA, Seattle	9,934,383	IL, Chicago	512,231,086	ON, Toronto	5.8%
NY, New York*	9,713,554	CA, Los Angeles	439,418,063	NY, New York*	6.3%
TX, Dallas-Fort Worth	7,875,483	TX, Dallas-Fort Worth	423,704,877	CA, Los Angeles	6.5%
<b>U.S. Index</b>	114,664,588	<b>U.S. Index</b>	8,421,746,724	<b>U.S. Index</b>	8.0%
<b>Canada Index</b>	17,020,751	<b>Canada Index</b>	688,722,947	<b>Canada Index</b>	6.8%

\* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
<b>AB, Calgary **</b>	16.6%	\$1.73	\$131	495,190	98,822,877	11.0%
<b>AZ, Phoenix</b>	16.0%	\$2.44	\$221	1,033,834	197,327,910	8.0%
<b>BC, Vancouver **</b>	5.5%	\$2.76	\$504	4,477,879	97,083,508	4.0%
<b>CA, Bakersfield</b>	8.7%	\$2.00	\$161	13,993	16,077,728	9.5%
<b>CA, East Bay</b>	13.9%	\$3.20	\$312	53,730	115,658,402	6.7%
<b>CA, Fresno</b>	7.9%	\$1.78	\$183	188,793	28,872,348	9.1%
<b>CA, Inland Empire</b>	5.9%	\$2.13	\$202	254,540	77,529,742	8.1%
<b>CA, Los Angeles</b>	15.1%	\$3.50	\$394	3,376,237	439,418,063	6.5%
<b>CA, Orange County</b>	13.4%	\$2.58	\$287	200,396	158,754,870	7.1%
<b>CA, San Diego</b>	11.3%	\$3.19	\$337	3,688,308	119,616,732	7.1%
<b>CA, San Francisco</b>	20.5%	\$4.68	\$637	2,991,066	190,087,977	5.7%
<b>CA, San Luis Obispo</b>	4.0%	\$2.35	\$258	120,000	6,684,676	8.2%
<b>CA, Santa Barbara</b>	7.0%	\$2.76	\$358	165,641	12,837,949	6.9%
<b>CA, Stockton</b>	6.5%	\$1.82	\$169	0	12,981,167	8.7%
<b>CA, Ventura</b>	11.3%	\$2.32	\$228	0	21,943,631	8.4%
<b>CO, Denver</b>	16.2%	\$2.44	\$229	3,855,215	184,883,285	8.1%
<b>DC, Washington</b>	16.2%	\$3.24	\$329	4,056,445	523,120,941	8.2%
<b>FL, Fort Myers</b>	4.9%	\$2.03	\$177	31,000	21,621,029	8.2%
<b>FL, Miami</b>	8.9%	\$3.99	\$344	4,385,965	114,872,276	6.7%
<b>FL, Naples</b>	4.3%	\$2.74	\$245	117,348	10,300,673	8.0%
<b>FL, Orlando</b>	8.7%	\$2.34	\$189	1,174,662	104,340,198	8.5%
<b>GA, Atlanta</b>	15.0%	\$2.35	\$212	2,683,222	336,904,847	8.0%
<b>GA, Savannah</b>	1.7%	\$2.08	\$187	43,936	12,552,141	9.4%
<b>ID, Boise</b>	7.1%	\$1.80	\$156	242,592	34,595,209	9.6%
<b>IL, Chicago</b>	16.3%	\$2.48	\$197	1,704,753	512,231,086	8.7%
<b>IN, Indianapolis</b>	9.7%	\$1.80	\$124	1,677,256	109,545,279	9.8%
<b>KS, Lawrence</b>	12.8%	\$1.84	\$124	0	3,291,232	10.5%
<b>KS, Topeka</b>	6.6%	\$1.51	\$116	11,447	11,586,667	10.0%
<b>LA, Baton Rouge</b>	6.2%	\$1.67	\$110	23,871	28,004,293	11.4%
<b>MA, Boston</b>	11.2%	\$3.49	\$423	16,895,942	377,107,680	6.8%
<b>MD, Baltimore</b>	11.8%	\$2.05	\$156	1,323,529	152,405,626	9.5%
<b>MI, Detroit</b>	11.8%	\$1.80	\$120	1,544,445	200,647,896	10.2%
<b>MN, Minneapolis</b>	11.2%	\$2.23	\$161	797,880	201,246,353	8.8%
<b>MO, Kansas City*</b>	11.9%	\$1.82	\$128	1,227,585	128,271,116	9.4%
<b>United States Index</b>	13.4%	\$2.92	\$298	114,664,588	8,421,746,724	8.0%
<b>Canada Index</b>	8.9%	\$2.22**	\$270**	17,020,751	688,722,947	6.8%

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
MO, Saint Louis	10.8%	\$1.79	\$120	1,579,324	147,385,810	9.8%
NC, Durham	10.5%	\$2.29	\$229	201,159	36,872,035	8.1%
NC, Raleigh	10.3%	\$2.45	\$220	1,990,242	78,488,819	8.1%
NE, Lincoln	7.2%	\$1.59	\$120	153,932	18,603,637	10.0%
NE, Omaha	6.8%	\$2.03	\$135	1,316,935	48,700,126	10.4%
NJ, Atlantic City	6.1%	\$1.90	\$140	0	7,601,487	10.1%
NJ, Northern New Jersey *	14.2%	\$2.32	\$188	369,812	156,728,025	9.1%
NJ, Trenton	9.3%	\$2.42	\$161	38,000	31,470,117	9.7%
NJ, Vineland	4.4%	\$1.51	\$109	0	2,835,747	10.2%
NV, Reno	9.7%	\$2.03	\$195	257,786	17,548,814	8.6%
NY, Long Island	9.0%	\$2.61	\$187	147,478	99,438,338	8.9%
NY, New York *	13.5%	\$4.67	\$589	9,713,554	979,604,647	6.3%
OH, Cincinnati	10.1%	\$1.71	\$100	91,000	104,800,256	10.8%
OH, Cleveland	9.9%	\$1.61	\$98	1,353,099	112,807,646	11.5%
OH, Columbus	10.5%	\$1.82	\$115	1,209,669	118,989,765	9.9%
ON, Toronto **	9.2%	\$2.47	\$304	10,546,516	286,676,780	5.8%
PA, Harrisburg	8.3%	\$1.54	\$118	171,740	37,801,098	10.8%
PA, Lehigh Valley *	7.7%	\$1.82	\$105	157,575	31,949,472	11.3%
PA, Philadelphia *	11.1%	\$2.30	\$171	3,280,870	328,021,481	9.3%
PA, Pittsburgh	11.7%	\$1.85	\$117	721,821	142,045,377	10.0%
SC, Charleston	8.2%	\$2.57	\$198	486,723	33,561,137	8.9%
SC, Greenville	8.5%	\$1.89	\$137	477,800	35,065,162	9.4%
SC, Spartanburg	4.3%	\$1.74	\$117	3,200	7,792,490	10.3%
TN, Nashville	12.2%	\$2.60	\$227	3,773,862	102,155,473	7.8%
TX, Dallas-Fort Worth	17.9%	\$2.50	\$224	7,875,483	423,704,877	7.9%
TX, Houston	18.7%	\$2.44	\$206	4,679,773	354,660,915	8.9%
WA, Seattle	13.3%	\$3.15	\$449	9,934,383	231,784,664	6.5%
WI, Madison	6.3%	\$1.93	\$125	529,813	38,417,261	10.5%
<b>United States Index</b>	13.4%	\$2.92	\$298	114,664,588	8,421,746,724	8.0%
<b>Canada Index</b>	8.9%	\$2.22**	\$270**	17,020,751	688,722,947	6.8%

\* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

\*\* Numbers shown are in Canadian dollars (CAD)



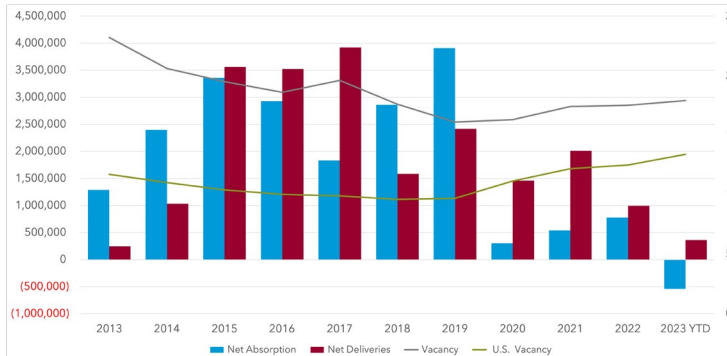
### OFFICE MARKET OVERVIEW

CHRIS MCCHESENEY, *Research Director*

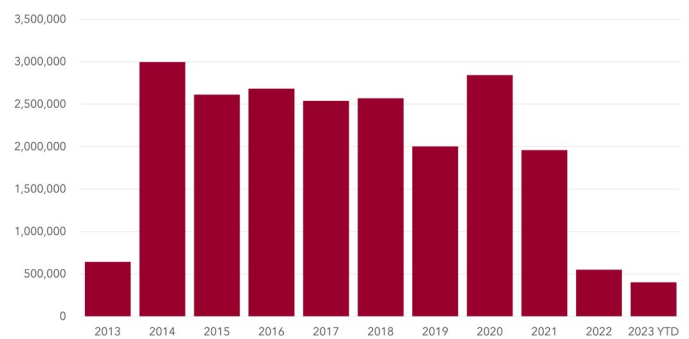
The Phoenix office market continued to experience an increase in vacancy, with a negative net absorption of 355,027 square feet in the third quarter. Phoenix has faced challenges in recovering from the economic downturn and the implementation of hybrid work schedules. Many individuals are still opting to work remotely, while those returning to in-person work have higher expectations for their office environments. The state has fostered a business-friendly environment characterized by advantageous tax policies, streamlined regulations, and incentives for companies to establish their operations.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	(355,027)	(137,097)	(127,468)	123,048	(81,621)
▲ Vacancy Rate	17.9%	17.7%	17.6%	17.5%	17.6%
▼ Avg NNN Asking Rate PSF	\$28.64	\$28.79	\$28.35	\$28.06	\$27.60
▼ SF Under Construction	402,194	552,194	689,000	551,054	732,548
▲ Inventory SF	108,988,962	108,838,962	108,795,619	108,349,479	108,199,479

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
400 E. Van Buren Street Phoenix, AZ	556,105 SF	\$27,000,000 \$48.55 PSF	Reliance Management Angel, Gordon & Company	Class A
3131 & 3133 E. Camelback Road Phoenix, AZ	297,680 SF	\$72,100,000 \$242.21 PSF	Reliance Management LPC West	Class A
14416 W. Meeker Boulevard Sun City, AZ	71,515 SF	\$33,250,000 \$464.94 PSF	Montecito Medical Real Estate Banner Health	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7350 N. Dobson Road Scottsdale, AZ	70,347 SF	Farallon Capital Management	Open Network Technologies	Technology
350 N. McClintock Drive Chandler, AZ	58,697 SF	Strategic Office Partners	Grand Canyon University	Education
1233 S. Spectrum Boulevard Chandler, AZ	46,225 SF	Douglas Allred Comp.	Northrop Grumman	Aerospace



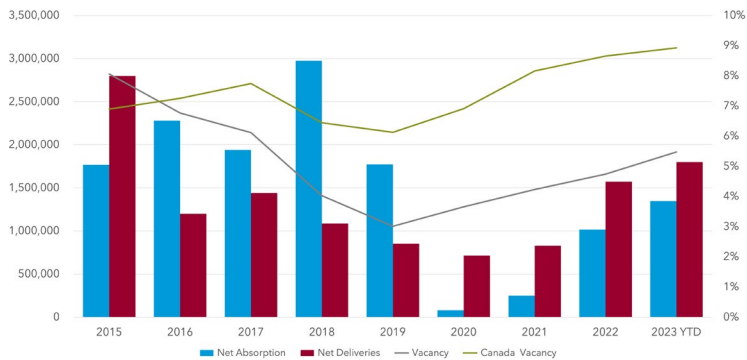
### OFFICE MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

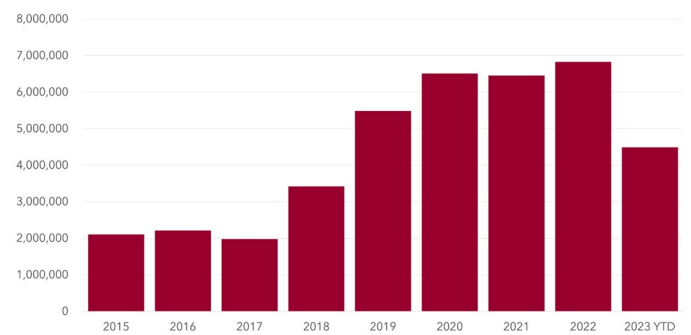
After hiking the policy interest rate in July to 5% and holding in September, another increase is possible from the Bank of Canada as inflation rose this quarter to 4%. Vacancy in Vancouver inched up again, reaching 12% in the downtown core. However, Vancouver remains much tighter than other major office markets in North America. This quarter, Amazon welcomed the first employees to the Post's South Tower. The Post is touted as the largest office building in Metro Vancouver, thus the occupation of it in this market is significant. Average lease rates ticked up in Q3, demonstrating that despite vacant inventory being up, landlords are reluctant to decrease rents and will often give concessions elsewhere.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	1,909,854	1,308,043	1,350,216	1,016,018	421,868
▲ Vacancy Rate	5.63%	5.40%	5.25%	4.74%	4.96%
▲ Avg NNN Asking Rate PSF	\$44.76	\$44.57	\$44.59	\$44.57	\$44.03
▼ SF Under Construction	4,493,191	5,325,258	5,591,917	6,830,011	6,953,683
▲ Inventory SF	97,078,037	96,174,595	96,082,132	94,672,772	94,378,317

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
211 Columbia St. and 80 Powell St. Vancouver, BC	26,826 SF	\$11,500,000 \$429.00 PSF	Pursuit Capital Cypria Developments Ltd.	Class C
896 Cambie St. and 111 Smithe St. Vancouver, BC	22,033 SF	\$17,000,000 \$772.00 PSF	Nonni Property Group Petrina Enterprises, Inc.	Class C
8419 160th Street Surrey, BC	15,410 SF	\$12,300,000 \$798.00 PSF	Sukhi Bath Motors Puglia Holdings Ltd.	Class C

\*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1055 Dunsmuir Street Vancouver, BC	17,667 SF	Hudson Pacific Properties	Undisclosed	Undisclosed
885 W. Georgia Street Vancouver, BC	14,889 SF	Cadillac Fairview	Charest Reporting	Legal
1133 Melville Street Vancouver, BC	13,948 SF	Oxford Properties	Cedar Coast	Real Estate





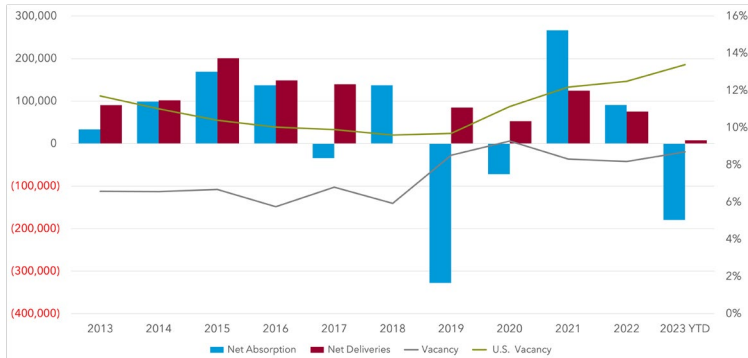
### OFFICE MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

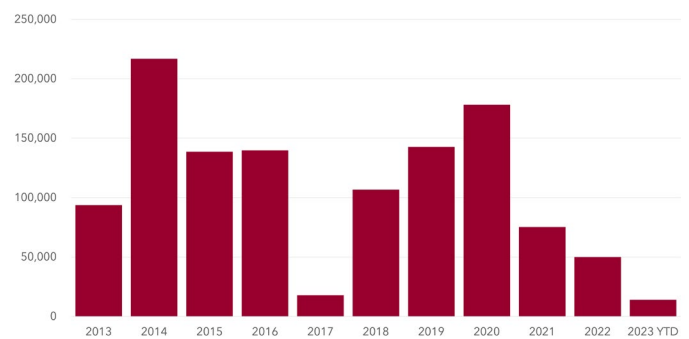
In the Bakersfield office market, vacancy stands at 8.7%, up 1.2% in the last year, matching the national average. Negative absorption reached 180,000 SF with 7,800 SF of new deliveries, resulting in total availability at 12.8% of inventory. Rents have risen 2.0% to \$24.00 per square foot over the past year, totaling a 14.6% increase in three years, however, still below the national average of \$35.00 per square foot. Construction amounts to 14,000 square feet, a 0.1% inventory expansion. In the last year, 57 sales averaged \$174 per square foot, valuing the market at \$160 per square foot. Over a three year period, 240 sales amounted to approximately \$316 million, with a market cap rate of 9.6%, moderately above the three-year average of 9.0%.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	(179,000)	(247,000)	(681,241)	(108,993)	(16,413)
▼ Vacancy Rate	8.70%	9.20%	14.06%	5.99%	6.34%
▼ Avg NNN Asking Rate PSF	\$24.12	\$24.36	\$23.64	\$23.64	\$23.64
▲ SF Under Construction	13,993	9,611	50,000	50,000	0
▲ Inventory SF	16,082,343	16,037,568	15,966,788	15,966,788	15,966,788

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1400 Forum Way Bakersfield, CA	45,306 SF	\$8,300,000 \$183.20 PSF	KC Electrical Jrnymn & App/Bellows Chevron	Class A
5558 California Ave (Catalina Bus Ctr) Bakersfield, CA	20,924 SF	\$3,000,000 \$143.38 PSF	Jose A. Terraquiz Big Sack Properties LLC	Class B
8501 Camino Media Bakersfield, CA	10,144 SF	\$3,250,000 \$320.39 PSF	Elmer F. Karpe, Inc. Bakersfield Land & Cattle	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
California Corporate Center Bakersfield, CA	19,757 SF	DP Cal Corporate Plaza LP	Undisclosed	Undisclosed
Seven Oaks Business Park Bakersfield, CA	14,914 SF	Bolthouse Properties	Undisclosed	Medical
Fountain Court Plaza Bakersfield, CA	10,750 SF	James C. Eckmann Living Family Trust	Undisclosed	Undisclosed



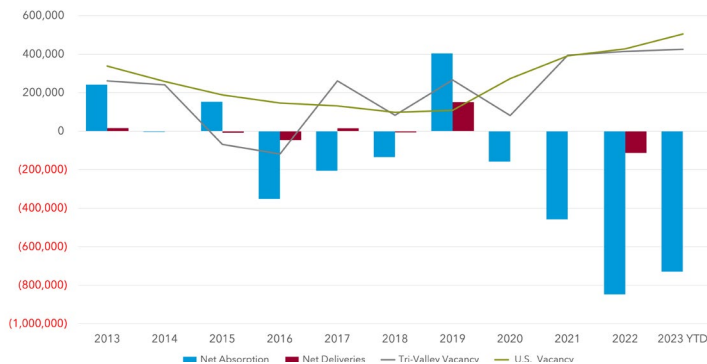
### OFFICE MARKET OVERVIEW

MARK RINKLE, *Principal*

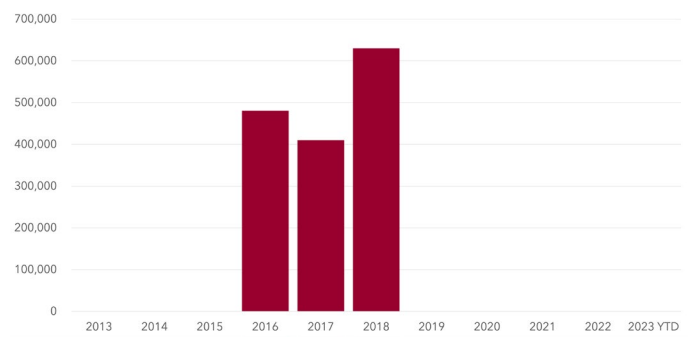
Leasing trends in the 3rd Quarter of 2023 remained sluggish within the Tri-Valley region. The persistent embrace of hybrid work models meant fewer new office entrants, and existing tenants either downsizing or foregoing renewals. This landscape nudged the vacancy rate to 15.0%, a modest recovery from Q2's annual peak of 15.6% but far from a healthy recovery. The current dip in market rent and the worrisome 12-month net absorption trend, most notably in the Bishop Ranch/San Ramon area, might prove to be difficult for the local office market in the forthcoming quarters.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(846,744)	(394,925)	(635,874)	(847,404)	(342,232)
▼ Vacancy Rate	15.0%	15.3%	14.2%	13.5%	13.3%
▼ Avg NNN Asking Rate PSF	\$35.37	\$35.39	\$35.28	\$35.27	\$35.71
◀ ▶ SF Under Construction	0	0	0	0	0
◀ ▶ Inventory SF	27,329,362	27,329,362	27,329,362	27,329,362	27,329,362

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2410 San Ramon Valley Boulevard San Ramon, CA	59,338 SF	\$11,177,000 \$188.00 PSF	The Misson Family Living Trust Bonway Investment LLC	Class B
9260 Alcosta Boulevard San Ramon, CA	7,700 SF	\$2,375,000 \$308.00 PSF	Lawrence Klenow Great Portland Estate	Class C
7041 Koll Center Parkway Pleasanton, CA	2,558 SF	\$1,999,000 \$781.00 PSF	Dr. Gagandeep K. Pandher Nicole Jamali	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3083 Independence Drive Livermore, CA	18,922 SF	Parley Livingston	Acosta	Advertising/Marketing
5735 W. Las Positas Boulevard Pleasanton, CA	12,542 SF	MV Las Positas LLC	PureRed	Advertising/Marketing
7901 Stoneridge Drive Pleasanton, CA	12,238 SF	ECI Four 7901 Stoneridge LLC	BKF Engineers	Engineering



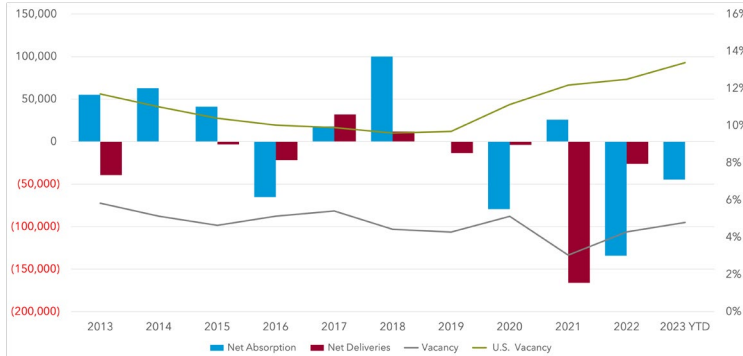
### OFFICE MARKET OVERVIEW

CHRISTOPHER LARIMORE, *Founding Principal*

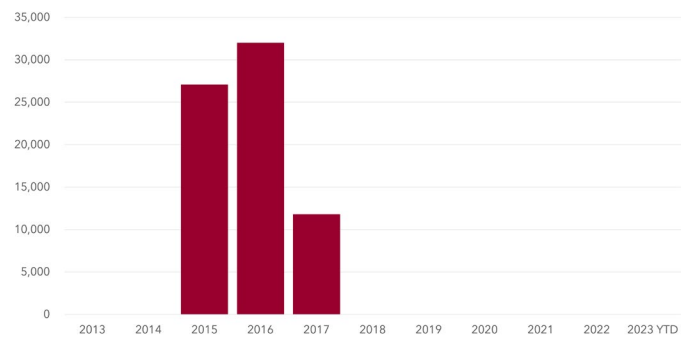
The office market in Mid-Cities continues to perform better than the larger LA metro area. In Q3, there was a positive net absorption, and the vacancy rate slightly decreased, which is almost 2/3 below the US average. However, no new inventory is expected to be added, and the overall asking rate decreased by 5 cents per square foot. The sales volume and per square foot have decreased due to each Federal Reserve interest rate increase. The Mid-Cities are still a low-cost option when compared to the LA Metro area, but the inventory is limited.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	29,484	(67,904)	(11,628)	(36,560)	(53,615)
▼ Vacancy Rate	4.9%	5.1%	4.3%	4.1%	3.7%
▼ Avg FSG Asking Rate PSF	\$25.04	\$26.40	\$26.27	\$26.05	\$26.37
◀ ▶ SF Under Construction	0	0	0	0	0
◀ ▶ Inventory SF	8,772,637	8,772,637	8,772,637	8,772,637	8,772,637

#### NET ABSORPTION, NET DELIVERIES, & VACANCY

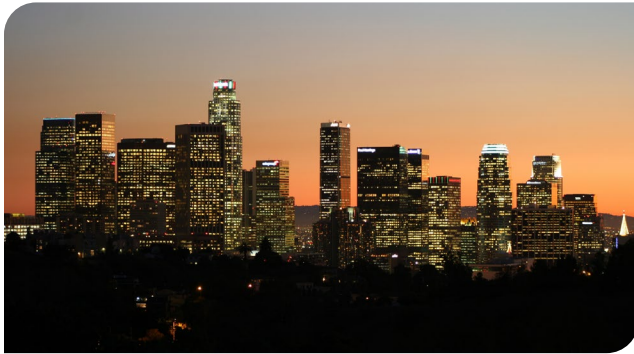


#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8416 Florence Avenue Downey, CA	3,858 SF	\$1,675,000 \$4 34.16 PSF	Jazayeri & Moarefi LLC FO Construction, Inc.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
12440 Firestone Boulevard Norwalk, CA	8,750 SF	Sunny Hills Management Co., Inc.	Undisclosed	Undisclosed
2675-2677 Zoe Avenue Huntington Park, CA	4,634 SF	Amidi Group	Prestige Career College	Education Institution
12501 Imperial Highway Norwalk, CA	3,891 SF	HPC	Undisclosed	Undisclosed



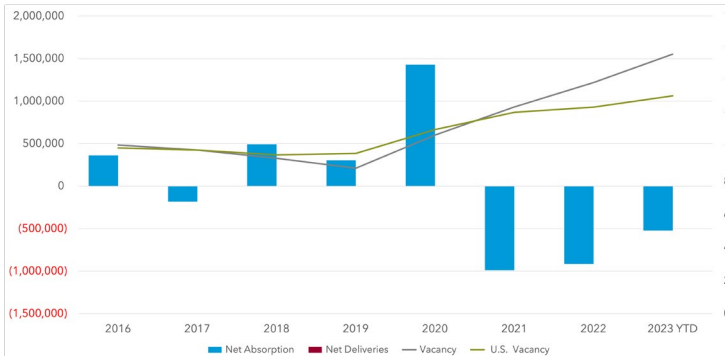
### OFFICE MARKET OVERVIEW

MIKE TINGUS, *President*

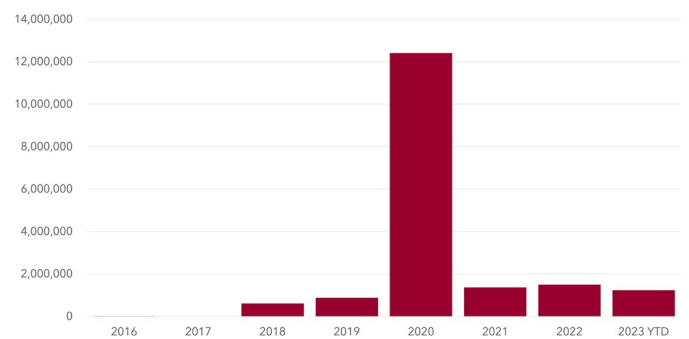
The market experienced a decrease in leasing with 837,665 SF leased in Q3. Consequently, vacancy rates continue to reach levels not seen since the previous decade, increasing by two basis points from last quarter to reach 15.9%. The trend of negative net absorption persists, with the market reporting 243,670 SF and bringing the total amount of unoccupied space to 545,481 SF to date. The West San Fernando Valley submarket continues to lead the market in positive net absorption, reporting 81,020 SF of space leased. 445,000 SF of new construction was delivered in the Burbank Media Center this quarter and 788,000 SF is still planned by the end of 2023 in Universal/Studio City, Tarzana/Woodland Hills.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(404,185)	(38,150)	(161,189)	(916,235)	(633,740)
▲ Vacancy Rate	13.79%	13.55%	13.35%	13.98%	12.49%
▼ Avg NNN Asking Rate PSF	\$2.87	\$2.89	\$2.90	\$2.99	\$3.03
▼ SF Under Construction	1,017,295	1,462,295	1,431,661	1,495,971	1,322,921
▲ Inventory SF	98,460,971	97,810,069	97,436,608	104,774,621	99,925,965

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
-----------------------------	------	------------	----------------	----------------

NONE TO REPORT

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
------------------------------	------	----------	--------	-----------------

19510 Ventura Blvd Ste 100, 175, 200 Tarzana, CA	20,327 SF	Tarzana Health Systems, LLC	United Medical Doctors	Medical Center
21031 Ventura Boulevard, Ste 800 Woodland Hills, CA	12,477 SF	Somerset West WHCC LLC	Hanger, Steinberg, Shapiro & Ash	Law Corporation
7800 Woodley Avenue Van Nuys, CA	11,522 SF	7800 Woodley LLC	Logistix People, Inc.	Logistics Company



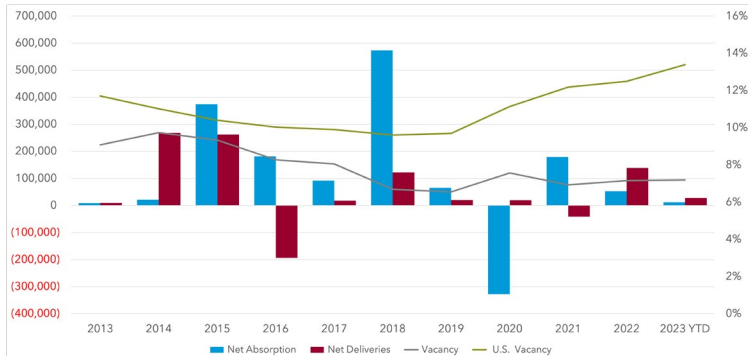
### OFFICE MARKET OVERVIEW

CHRISTOPHER LARIMORE, *Founding Principal*

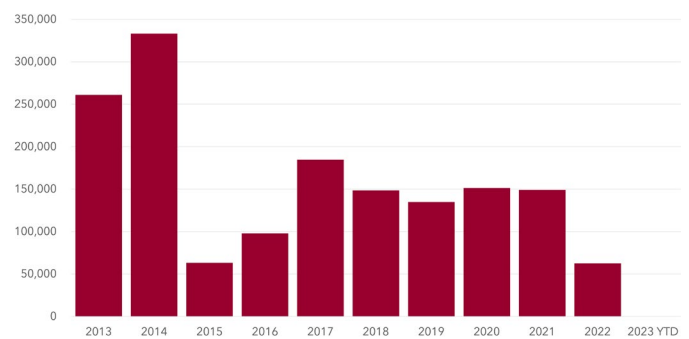
The affordability and maturity of the SGV office market have contributed to its positive leasing performance for Q3 2023. Net absorption is positive, vacancy rate declined but the rental rate has flatlined for 3 quarters. Landlords are offering more concessions as loan rates rise, and tenants are gaining confidence as more employees return to work. YoY sales volume and price PSF have decreased due to rising interest rates. No new construction projects are scheduled for this quarter as all new construction has been completed.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	88,001	(20,553)	(27,144)	(194,174)	88,107
▼ Vacancy Rate	6.5%	7.2%	7.2%	7.2%	6.5%
▼ Avg FSG Asking Rate PSF	\$27.02	\$27.12	\$27.01	\$26.67	\$26.62
▼ SF Under Construction	0	46,000	52,344	62,636	92,926
▲ Inventory SF	34,038,478	33,996,366	33,990,022	34,014,832	33,984,542

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
222 E. Huntington Drive Monrovia, CA	122,000 SF	\$25,000,000 \$204.92 PSF	IHL Capital Fund LLC Positive Investments, Inc.	Class A
101 E. Beverly Boulevard Montebello, CA	47,669 SF	\$8,001,000 \$167.84 PSF	Adventist Health Beverly Community Hospital	Class B
1200-1242 N. San Dimas Canyon Road San Dimas, CA	19,492 SF	\$3,775,000 \$193.67 PSF	Jesus & Delia Barba Birtcher Anderson & Davis	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3201 Temple Avenue Pomona, CA	6,254 SF	David A. Zaslow	Undisclosed	Undisclosed
3360 Flair Drive El Monte, CA	6,185 SF	NuAngle Investments	Undisclosed	Undisclosed
612 W. Duarte Road Arcadia, CA	5,919 SF	Sun's Management	Undisclosed	Undisclosed



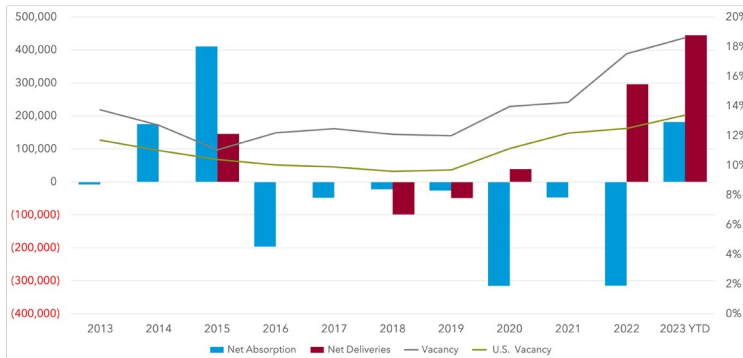
### OFFICE MARKET OVERVIEW

CHRISTOPHER LARIMORE, *Founding Principal*

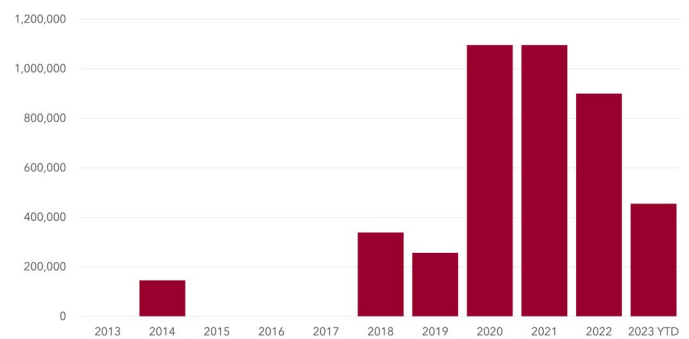
The Tri-Cities Class A office market continues to face challenging conditions with high vacancy rates at record levels of 17.9%. This is due to tenants leaving, leading to negative absorption. The asking rent has flatlined quarter-over-quarter, and it is expected to continue declining due to market weakness. The subletting shares have decreased slightly and now account for 14.4% of the available space. Additionally, new construction of almost half a million square feet has entered the market. There have been no sales for three consecutive quarters, which is well below the historical activity, providing less clarity on the impact on pricing.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(48,999)	364,156	(11,304)	9,079	(138,767)
▼ Vacancy Rate	17.9%	18.2%	18.2%	18.3	16.5
▼ Avg FSG Asking Rate PSF	\$41.28	\$41.40	\$41.04	\$41.28	\$41.28
◀ ▶ SF Under Construction	455,000	455,000	900,000	900,000	800,000
◀ ▶ Inventory SF	17,818,235	17,818,235	17,373,235	17,373,235	17,373,235

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
-----------------------------	------	------------	----------------	----------------

NONE TO REPORT

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
------------------------------	------	----------	--------	-----------------

625 Fair Oaks Avenue South Pasadena, CA	18,370 SF	Greenbridge Management Company	Pacific Clinics	Health Care and Social Assistance
301 N. Lake Avenue Pasadena, CA	10,848 SF	Barker Pacific Group	Undisclosed	Undisclosed
500 E. Colorado Street Glendale, CA	10,462 SF	ADE RealEstate	Undisclosed	Undisclosed



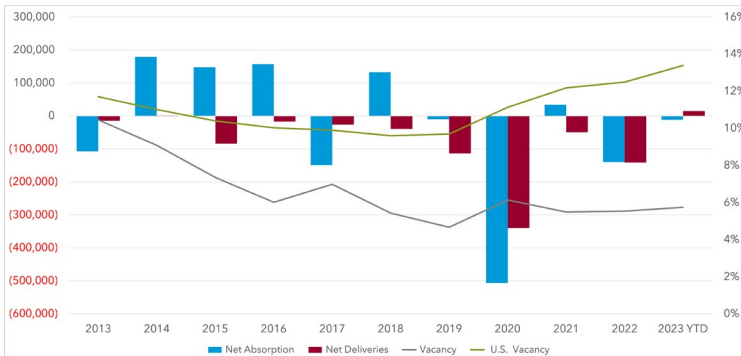
### OFFICE MARKET OVERVIEW

CHRISTOPHER MANASSERO, *Senior Associate*

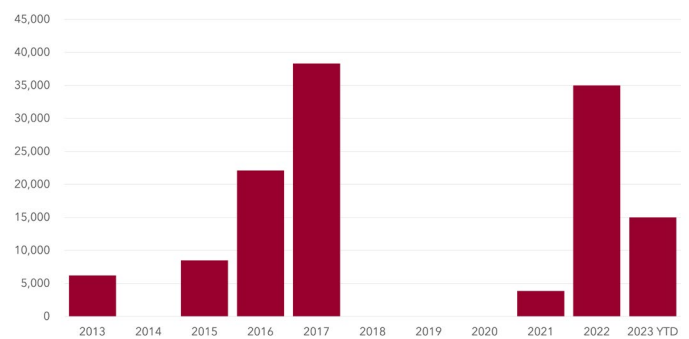
The North Orange County Office market experienced a modest uptick in vacancy rates and rental rates during Q3 2023. The development activity remains stagnant, hindered by persistently high construction costs and a gradual ascent in vacancy levels. Sales volume and market price per square foot have continued to decline since Q4 2022. Economic trends indicate further decline is ahead with a high interest rate environment and warnings of a looming recession.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(18,203)	45,744	(56,911)	69,294	(151,369)
▲ Vacancy Rate	5.9%	5.7%	6.0%	5.5%	6.8%
▲ Avg FSG Asking Rate PSF	\$25.68	\$25.57	\$25.50	\$25.42	\$25.58
◀ ▶ SF Under Construction	15,000	15,000	35,000	35,000	38,850
◀ ▶ Inventory SF	12,229,282	12,229,282	12,209,282	12,214,270	12,307,156

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1237 S. Euclid Street Anaheim, CA	5,328 SF	\$1,343,000 \$252.06 PSF	Luan H. Phan Clyde L. Edwards	Class C
745 S. Brea Boulevard Brea, CA	3,852 SF	\$1,180,000 \$306.33 PSF	Van Buu Le & Hang K Living Trust Sunwoo Merchant Marine America, Inc	Class C
611 S. Euclid Street Fullerton, CA	2,185 SF	\$1,500,000 \$686.50 PSF	Joon Kim Chiropractic Bee Investment, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2601 Saturn Street Brea, CA	8,454 SF	Shuyu Zheng	Undisclosed	Undisclosed
110 E. Wilshire Avenue Fullerton, CA	8,292 SF	BH Properties LLC	Undisclosed	Undisclosed
2190 Towne Centre Place Anaheim, CA	8,202 SF	Pendulum Property Partners	Undisclosed	Undisclosed



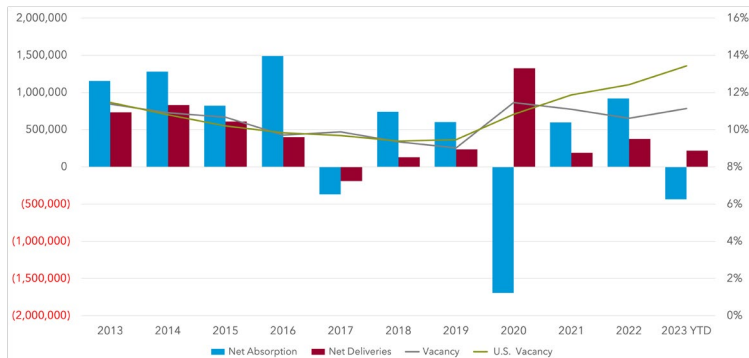
### OFFICE MARKET OVERVIEW

SPENCER DOK, *Associate*

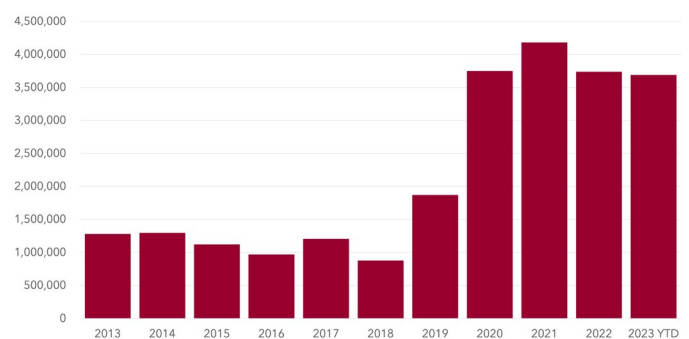
San Diego's office market faces challenges, with declining leasing sizes and volumes since pre-pandemic levels. Availability has surged to an all-time high, notably in Downtown, where upcoming supply additions are expected to exacerbate vacancy rates. The flight to quality trend and the increasing sublease market indicate diverse tenant needs. Older prime buildings experienced negative absorption, while newer constructions fared better. Rent concessions have led to decreasing effective rents, prompting landlords to resist higher tenant improvement allowances. With cautious investor sentiment due to rising interest rates, transaction activity has plummeted, leading to widespread pricing uncertainties.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	(434,354)	(750,525)	479,952	920,457	1,454,733
▲ Vacancy Rate	11.1%	10.9%	10.7%	10.6%	10.6%
◀ ▶ Avg NNN Asking Rate PSF	\$38.28	\$38.28	\$38.16	\$37.92	\$37.80
▼ SF Under Construction	3,688,308	3,788,004	3,736,580	3,736,580	3,901,438
▲ Inventory SF	119,632,860	119,365,164	119,389,351	1,194,152,228	119,487,239

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2127 W. Citracado Parkway Escondido, CA	75,000 SF	\$60,200,000 \$802.67 PSF	Harrison Street Capital JRM Real Estate	Class B
9555 Chesapeake Drive San Diego, CA	60,000 SF	\$17,752,500 \$295.88 PSF	SDUSD Sason Organization	Class B
3636 4th Avenue San Diego, CA	26,607 SF	\$6,675,500 \$250.89 PSF	Dorit Miller PSYD Artiano Shinoff	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
17089 Via Del Campo San Diego, CA	128,178 SF	Teradata	Northrop Grumman	Defense
401 B Street San Diego, CA	114,125 SF	Irvine Company	SANDAG	Government
1011 Union Street San Diego, CA	87,309 SF	Lowe/HPG	SANDAG	Government





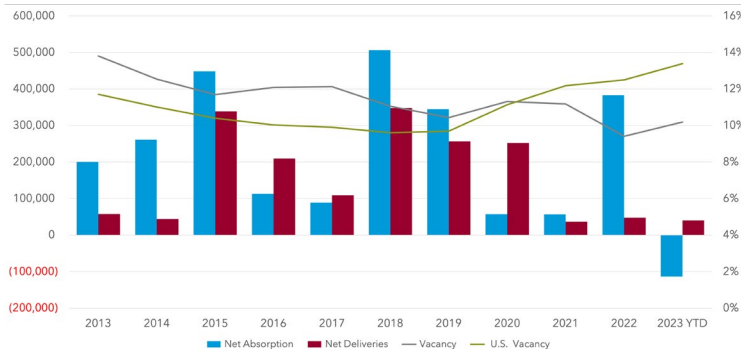
### OFFICE MARKET OVERVIEW

JAMES BENGALA, *Senior Associate*

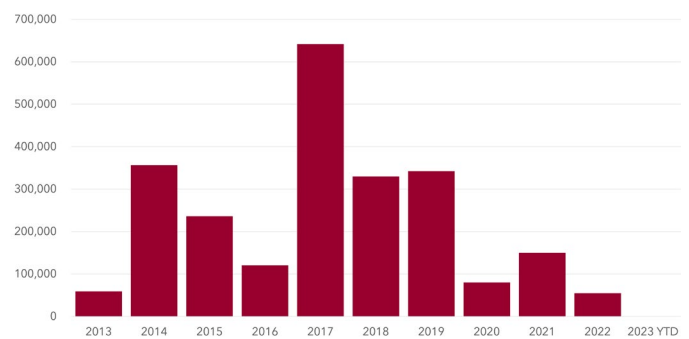
The North San Diego County office market is showing signs of resiliency, carried mostly by medical groups, and some software & tech companies. Well-positioned medical groups are absorbing vacancies as well as buying up office buildings with strong visibility and convenient accessibility. Deals are getting done albeit financial institutions remain the single biggest hurdle. Landlords of smaller, executive office spaces are enjoying the WFH era and may be nearly at full occupancy, or very close. Sublease space still remains high in the 5,000-15,000 SF range and professional office tenants certainly have the leverage. Although the market isn't completely dead at this time, it could certainly use a boost... maybe Santa has a few large tenants in his bag of gifts.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	54,845	38,406	(80,677)	(26,783)	120,957
▲ Vacancy Rate	10.2%	9.6%	9.8%	9.4%	8.9%
▼ Avg NNN Asking Rate PSF	\$32.16	\$32.52	\$32.28	\$33.00	\$32.40
▼ SF Under Construction	0	54,845	54,845	54,845	54,845
▲ Inventory SF	2,879,924	2,829,362	2,765,489	2,680,402	2,500,874

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2127 W. Citracado Parkway Escondido, CA	75,000 SF	\$60,200,000 \$802.67 PSF	Harrison Street Capital JRM Real Estate	Class B
3998 Vista Way Oceanside, CA	37,488 SF	\$12,500,000 \$333.44 PSF	TrueCare Robert E. Wailes	Class B
5958 Priestly Drive Carlsbad, CA	17,056 SF	\$4,359,840 \$255.62 PSF	Conjupro Biotherapeutics, Inc. Bobbi Marin	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5600 Avenida Encinas Carlsbad, CA	51,495 SF	Alexandria Real Estate Equities, Inc	Undisclosed	Undisclosed
5928 Pascal Court Carlsbad, CA	25,341 SF	S&A Properties	Capital Partner Services Corp	Finance and Insurance
1959 Palomar Oaks Way Carlsbad, CA	16,729 SF	MJL Properties	Undisclosed	Undisclosed



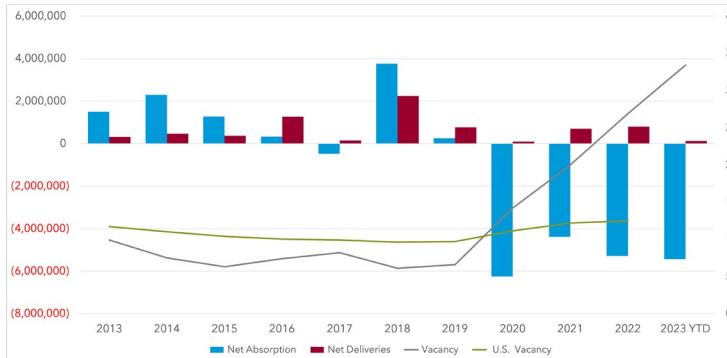
### OFFICE MARKET OVERVIEW

JEFF MOELLER, *President*

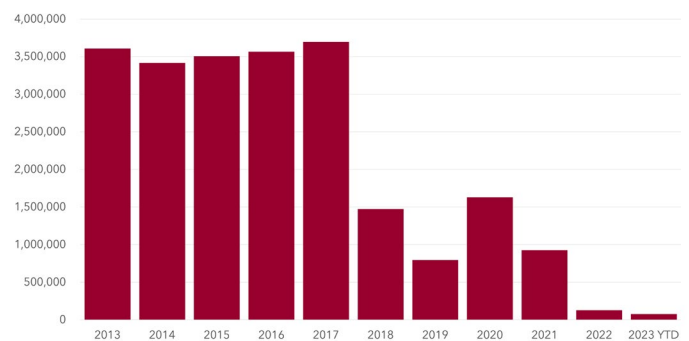
In the 3rd quarter of 2023, the San Francisco office market saw an uptick in interest from investors, tenants, and others looking to take advantage of low rents and distressed buildings. With 7 office buildings that have traded hands, we're beginning to see a thawing effect in the marketplace. But Vacancy continues to rise, peaking at 33.4%. The return to office agenda continues to make ripples, as BART ridership continues to rise month over month. While Artificial Intelligence groups take news headlines, it should be noted that many other sectors such as professional service groups continue to quietly take advantage of market conditions. Many in and out of market, will continue to keep a close eye on the San Francisco marketplace as the year comes to a close.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(6,725,586)	(6,433,623)	(5,229,745)	(5,282,092)	(4,561,599)
▲ Vacancy Rate	33.36%	30.95%	28.38%	26.93%	25.45%
▼ Avg NNN Asking Rate PSF	\$43.14	\$45.30	\$46.89	\$48.48	\$49.61
◀ ▶ SF Under Construction	76,179	76,179	202,961	126,782	126,782
◀ ▶ Inventory SF	85,917,078	85,917,078	85,790,296	85,790,296	85,790,296

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
350 California Street San Francisco, CA	297,642 SF	\$61,000,000 \$204.94 PSF	The Swig Company Mitsubishi UFJ Financial Group	Class A
60 Spear Street San Francisco, CA	157,436 SF	\$40,900,000 \$259.78 PSF	Presidio Bay Ventures Clarion Partners	Class A
550-554 Bryant Street San Francisco, CA	13,220 SF	\$4,968,000 \$375.79 PSF	Broad Spectrum First Person	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
460 Bryant Street San Francisco, CA	41,976 SF	Sierra Maestra	Hayden AI	Artificial Intelligence
350 Rhode Island Street San Francisco, CA	35,834 SF	Lincoln Property Company	Adept AI	Artificial Intelligence
680 Folsom Street San Francisco, CA	35,385 SF	Boston Properties	Yahoo	Technology



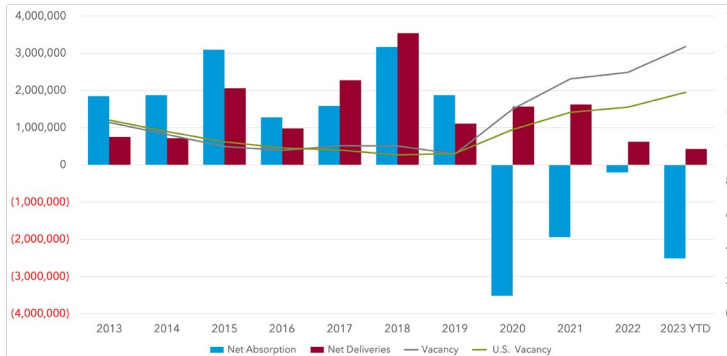
### OFFICE MARKET OVERVIEW

JR BITZER, *Principal*

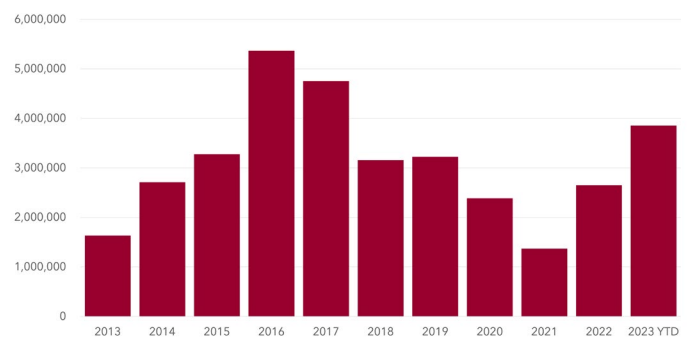
Unfortunately, it's more of the same for the Metro Denver Office Market. Even as office occupancy continues to rise, the market fundamentals are still moving in the wrong direction. Vacancy is up, absorption is negative, rates are flat and no new construction is planned for the foreseeable future. Market activity is relegated to a few small submarkets and mainly consists of small short-term leases. It's a weird dynamic as both the local and national economies continue to chug along, the future of the office space is still in flux and looking for its footing.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(2,157,339)	(1,597,896)	(1,837,371)	(202,780)	(642,668)
▲ Vacancy Rate	16.10%	15.40%	15.20%	14.60%	14.70%
▲ Avg NNN Asking Rate PSF	\$29.25	\$29.23	\$9.05	\$28.98	\$28.98
▼ SF Under Construction	3,855,215	3,890,450	3,944,827	2,650,591	2,410,824
▲ Inventory SF	184,900,348	184,823,633	184,499,485	184,472,691	184,346,894

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7100 E. Belleview Avenue Greenwood Village, CO	184,541 SF	Undisclosed	Voya Investment Management LLC Westport Capital Partners LLC	Class B
777 N. Grant Street Denver, CO	141,447 SF	\$8,341,000 \$58.97 PSF	Colorado Public Radio LCP Development	Class B
7400 S. Alton Court Englewood, CO	131,719 SF	Undisclosed	Undisclosed S&P Global	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
370 17th Street Denver, CO	73,924 SF	Brookfield Properties	City of Denver	Public Administration
1701 Platte Street Denver, CO	59,061 SF	Shorenstein Properties	Undisclosed	Undisclosed
1400 16th Street Denver, CO	34,509 SF	Lincoln Advisors	Undisclosed	Undisclosed



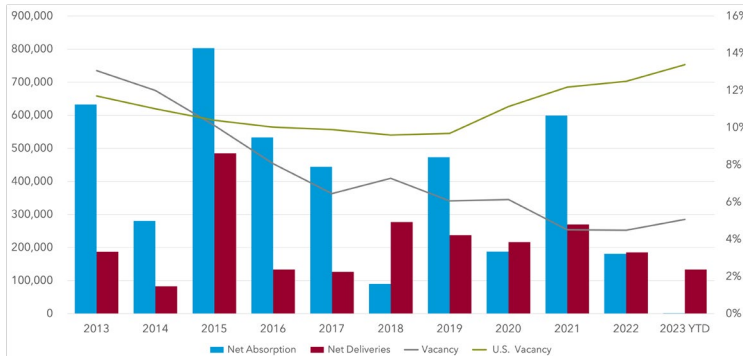
### OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

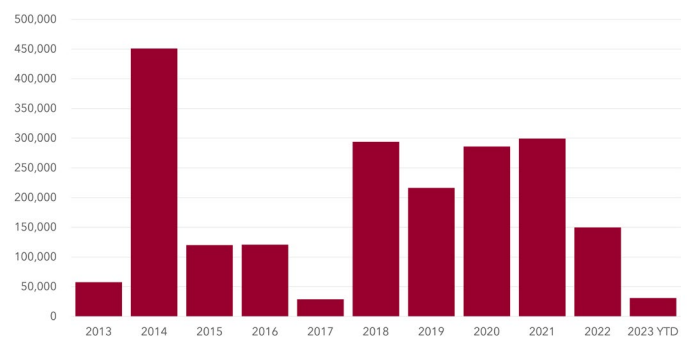
The office market remained healthy despite posting a slight giveback in space. Strong job growth increased landlords' confidence and supported continued demand. The average asking rent jumped 8.9% YOY to \$18.16 psf NNN. Overall, leasing activity was elevated, closing the quarter with nearly 160,000 square feet of newly leased space. The Cape Coral/Fort Myers MSA recorded an 8.6% increase in Professional and Business Services job growth; one of the fastest in the state. Employment in the Financial Activities sector was up 1.9% in the past 12 months. The largest leases for the quarter were in the Bonita Springs submarket of Lee County at the Bonita Bay Executive Center.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	(6,074)	122,049	43,542	86,521	13,779
▲ Vacancy Rate	4.1%	4.0%	4.1%	4.0%	4.7%
▼ Avg NNN Asking Rate PSF	\$18.16	\$18.27	\$17.78	\$17.59	\$16.67
◀ ▶ SF Under Construction	31,000	31,000	134,820	149,865	149,865
◀ ▶ Inventory SF	21,599,725	21,599,725	21,480,905	21,465,860	21,465,860

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3040 Del Prado Boulevard South Cape Coral, FL	7,452 SF	\$1,700,000 \$228.00 PSF	Renaissance Rejuvenating Medicine 10 West 90th Street LLC	Class C
9110 W. College Pointe Court Fort Myers, FL	7,000 SF	\$1,680,000 \$240.00 PSF	Specific Care Chiropractic Associates in Medicine & Surgery	Class C
3602 Colonial Court Fort Myers, FL	6,203 SF	\$1,650,000 \$266.00 PSF	Big Horn Equity LLC KR Florida Operations LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3451 Bonita Bay Boulevard Bonita Springs, FL	17,918 SF	Brookwood Financial Partners LLC	Bonita Bay Community Association	Real Estate
3451 Bonita Bay Boulevard Bonita Springs, FL	10,129 SF	Brookwood Financial Partners LLC	Designer Brands	Retailer
12701 Commonwealth Drive Fort Myers, FL	8,082 SF	Seagate Development Group	ADT Commercial, LLC	Commercial Security



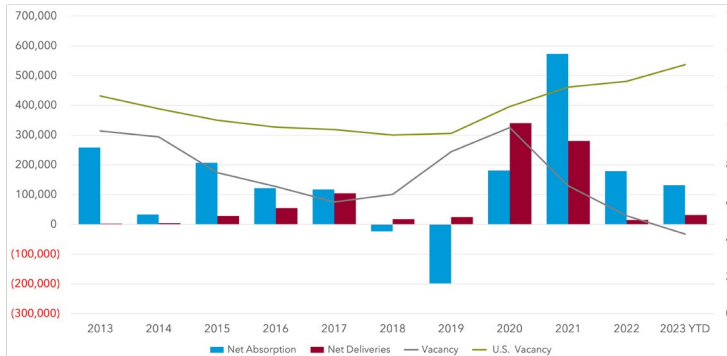
### OFFICE MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

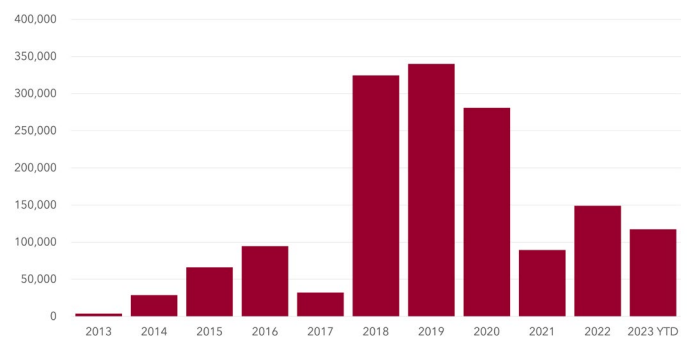
Office market fundamentals remained solid at the close of third quarter. Year-over-year (YOY) vacancy tightened by 170 basis points to 4.0%. Average asking rents remained elevated with an overall market average of \$25.55 PSF, NNN. The North Naples submarket edged out downtown Naples with the highest asking rent for the quarter at \$26.57 PSF. There has been little change in inventory with much of the current office pipeline including medical office space. Total net absorption remained relatively unchanged YOY, but ending the quarter in the black, nonetheless. One of the largest leases for the quarter was to banking and financial advisory firm, Charles Schwab.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	53,476	64,762	16,735	79,856	57,854
▼ Vacancy Rate	4.0%	4.6%	5.0%	4.9%	5.7%
▼ Avg NNN Asking Rate PSF	\$25.55	\$25.62	\$25.34	\$24.34	\$23.58
◀ ▶ SF Under Construction	117,348	117,348	123,204	149,060	149,060
◀ ▶ Inventory SF	10,300,673	10,300,673	10,294,817	10,268,961	10,268,961

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1845 Veterans Park Drive Naples, FL	14,905 SF	\$6,650,000 \$446.00 PSF	Collier Health Services, Inc. 1845 Veterans Park Drive LLC	Class B
125 Airport Pulling Road N Naples, FL	10,774 SF	\$3,800,000 \$353.00 PSF	Creighton Construction & Dev. The RED Group Trust	Class B
900 N. Collier Boulevard Naples, FL	10,454 SF	\$3,900,000 \$373.00 PSF	Collier 900 LLC 900 North Collier LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
600 5th Avenue Naples, FL	10,996 SF	Continental Realty Corporation	Charles Schwab	Finance and Insurance
4501 Tamiami Trail North Naples, FL	10,208 SF	Gregory Winter	Varnum LLP	Law Firm
6435 Naples Boulevard Naples, FL	6,876 SF	Snead Eye Group	Equity Realty	Real Estate



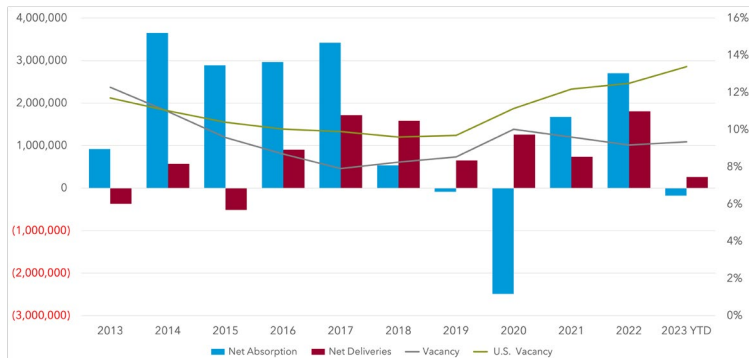
### OFFICE MARKET OVERVIEW

BERT CHECA, *Principal*

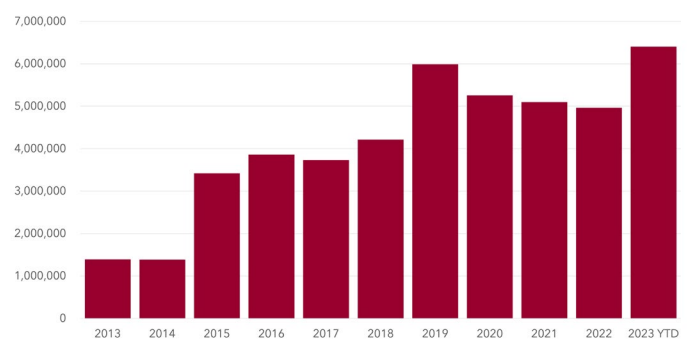
South Florida Class A and B office rental rates have peaked and are holding, and the vacancy rate has remained steady for the last few quarters despite absorption of new space showing a trending decline. Landlords and Asset managers are starting to shift their strategies from pushing office rates to concessions on a case-by-case basis designed to retain current Tenants. One of the largest lease transactions this quarter was a renewal by Greenberg Traurig LLP for their 128,450 square foot office space, located in Downtown Miami at the Wells Fargo Center where they have occupied space since 2010.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Net Absorption SF	547,965	1,037,467	2,246,636	2,701,349	3,002,638
▼ Vacancy Rate	8.6%	8.7%	8.6%	8.6%	8.6%
▲ Avg NNN Asking Rate PSF	\$36.64	\$36.39	\$36.46	\$36.11	\$35.63
▼ SF Under Construction	6,404,064	6,473,673	5,484,758	4,965,921	5,240,627
▲ Inventory SF	248,732,026	248,662,417	248,692,909	248,466,907	247,903,657

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
355 Alhambra Circle Coral Gables, FL	222,757 SF	\$90,000,000 \$404.03 PSF	Princeton Int'l Properties PGIM Real Estate	Class A
255 Alhambra Circle Coral Gables, FL	221,335 SF	\$54,395,400 \$245.76 PSF	Torose Equities / Terranova Corp +1 DWS Group	Class A
125 Worth Avenue Palm Beach, FL	50,000 SF	\$83,000,000 \$1,660.00 PSF	Citadel Frisbie Group/Dreyfuss Management	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
333 SE 2nd Avenue Miami, FL	128,450 SF	MetLife Real Estate Investments	Greenberg Traurig LLP	Legal Firm
545 NW 26th Street Miami, FL	38,409 SF	Sterling Bay / Knickpoint Ventures	PwC	Accounting Firm
1301 International Parkway Sunrise, FL	27,670 SF	Workspace Property Trust	Undisclosed	Undisclosed



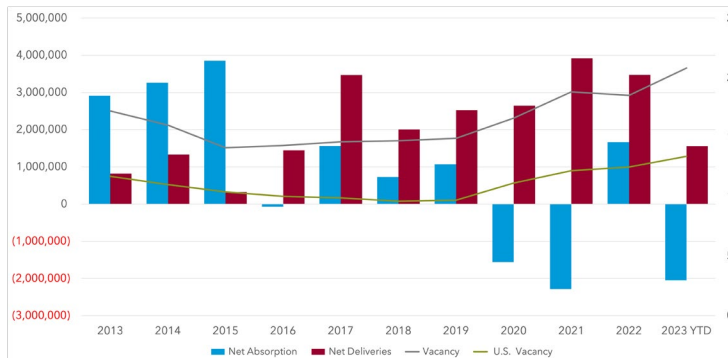
### OFFICE MARKET OVERVIEW

KATE HUNT, *Senior Research Analyst*

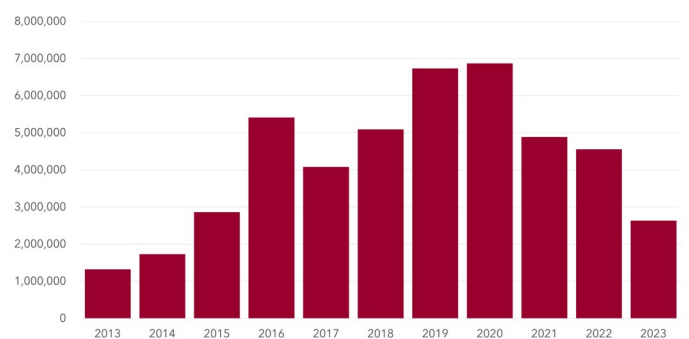
While Atlanta's vacancy and sublease availability inventory have continued to trend upward in recent quarters, leasing activity in the third quarter was at a year-to-date high at 2.1 million SF leased, with suburban submarket Northwest leading the way in tenant demand. Average lease sizes are shrinking as corporations reevaluate footprints and are often acquiring fewer square feet, but that comes with a price. Average asking rents increased \$0.20 per square foot from last quarter. Atlanta's development pipeline has slowed substantially in 2023, ending Q3 at 2.6 million SF under construction, the lowest since 2015, alleviating supply pressures.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(1,751,575)	(648,383)	2,322,843	1,666,507	1,509,888
▲ Vacancy Rate	20.8%	19.1%	18.4%	18.5%	19.0%
▲ Avg NNN Asking Rate PSF	\$30.54	\$30.34	\$30.11	\$29.96	\$30.02
▼ SF Under Construction	2,633,281	3,135,831	3,337,360	4,556,235	3,741,227
▼ Inventory SF	225,744,093	242,929,491	241,740,668	241,820,765	238,305,308

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3 Ravinia Drive Atlanta, GA	816,748 SF	\$175,000,000 \$214.26 PSF	Estein USA Blackstone Real Estate Income Trust	Class A
30 Technology Parkway South* Norcross, GA	126,398 SF	\$9,975,000 \$78.92 PSF	SF Partners TerraCap Management	Class B
35 Technology Parkway South* Norcross, GA	39,530 SF	\$6,750,000 \$170.76 PSF	SF Partners TerraCap Management	Class B

\* Part of portfolio sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1200 Bluegrass Lakes Parkway Alpharetta, GA	93,963 SF	Realty Income Corporation	Lonza America, Inc	Pharmaceutical Prep
600 Galleria Parkway, SE Atlanta, GA	51,442 SF	Piedmont Office Realty Trust	FirstKey Homes	Real Estate
2325 Lakeview Parkway Alpharetta, GA	42,921 SF	TPA Group	Century Communities	Real Estate



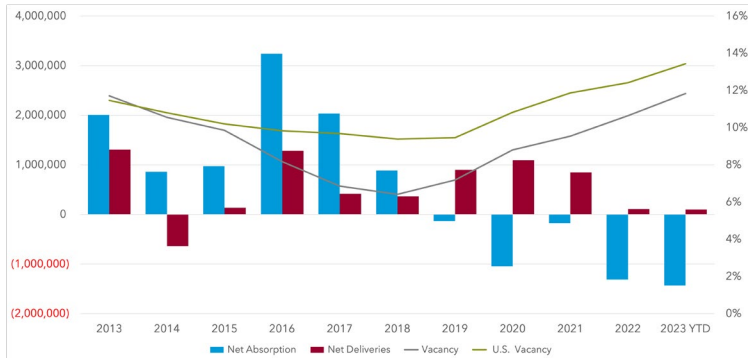
### OFFICE MARKET OVERVIEW

MAX LAPKE, *Senior Associate, Office Brokerage and Advisory*

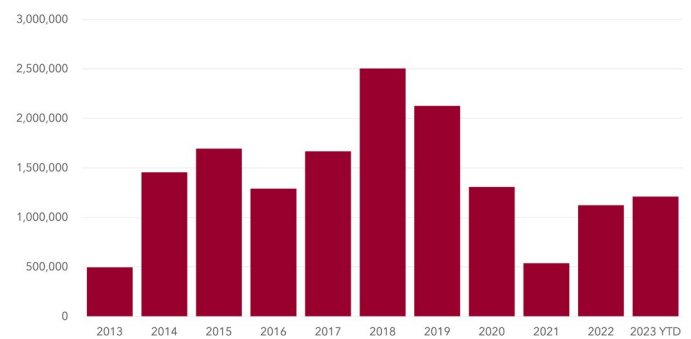
The office market in Kansas City continues to see an increase in availability as companies work to right-size their offices. There have been notably larger lease transactions in the 3rd quarter, the largest being FAA's lease of over 82,000 SF at 1100 Main Street. Rising sublease availability remains a constant topic of conversation with now over 2 million square feet available in the market. Conversions of office to multifamily is another topic that has seen marked success in some CBD properties, such as 500 E. Eighth St which is becoming 263 apartments. Asking rents for office properties continue to increase slightly this quarter, in part to counteract the steady climb of construction costs. Sales volume was significantly lower in Q3 due in part to higher availability rates across the market.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	(2,018,534.00)	(2,581,661.00)	(1,704,110.00)	(1,313,372.00)	(800,638.00)
◀ ▶ Vacancy Rate	11.8%	11.8%	11.3%	10.6%	10.1%
▲ Avg FSG Asking Rate PSF	\$21.76	\$21.71	\$21.52	\$21.45	\$21.47
▲ SF Under Construction	1,226,939	1,147,319	1,136,808	1,123,613	904,137
▲ Inventory SF	128,243,874	128,231,494	128,176,005	128,158,395	128,141,666

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4240 Blue Ridge Boulevard Kansas City, MO	101,469 SF	Undisclosed	Kassiah Skinner Platinum Realty	Class B
11225 College Boulevard Overland Park, KS	84,656 SF	\$8,000,000 \$94.50 PSF	National Cold Storage, Inc. StoneCreek Properties	Class A
221 W. Lexington Avenue Independence, MO	40,796 SF	Undisclosed	Kansas City Premium Partners LLC Country Club Homes II LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1100 Main Street Kansas City, MO	82,269 SF	Port KC	FAA	Public Administration
6330 Sprint Parkway Overland Park, KS	36,504 SF	Occidental Management	TruHome Solutions	Finance and Insurance
10801 Mastin Street Overland Park, KS	26,145 SF	Group RMC	Propio Language Services	Professional, Scientific, and Technical Services





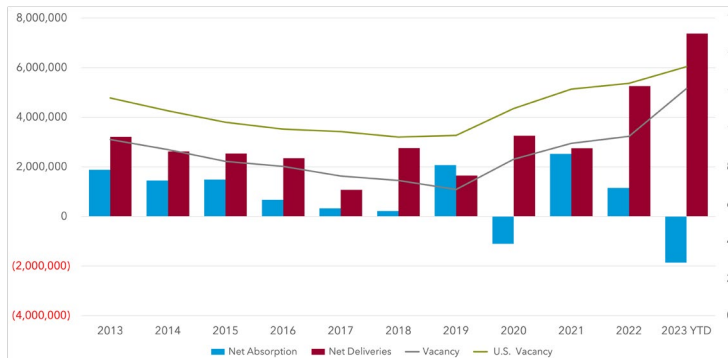
### OFFICE MARKET OVERVIEW

ERIC SOLEM, *Managing Principal, President*

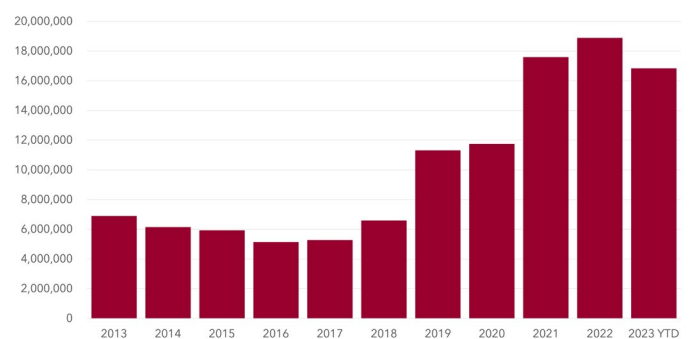
Boston's office market continues to experience weakening demand, with negative net absorption in the three quarters of 2023. Office vacancy rates have risen to a 10-year high at 11.2%, driven by new supply and expected space give-backs. Leasing activity has declined, and available sublease space has reached a record high of 13 million square feet, accounting for 3.5% of inventory. Despite these challenges, Boston's life science, education, and medical office users remain strong. Rising interest rates and tighter underwriting standards have hindered investment, with only \$1.3 billion in assets traded this year. Rent growth is stagnant, and the construction pipeline remains active, primarily driven by life sciences and lab sector development.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(116,384)	244,235	1,369,811	3,351,910	4,729,120
▲ Vacancy Rate	11.0%	10.4%	10.1%	9.6%	9.4%
▲ Avg NNN Asking Rate PSF	\$41.57	\$41.51	\$41.52	\$41.43	\$41.39
▼ SF Under Construction	16,839,942	18,462,282	19,500,956	18,892,536	19,020,468
▲ Inventory SF	377,445,224	375,491,454	374,447,705	373,009,619	370,794,369

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1 Liberty Square Boston, MA	157,467 SF	\$45,000,000 \$285.77 PSF	Synergy Investments Clarion Partners	Class A
70 Federal Street Boston, MA	64,246 SF	\$41,000,000 \$638.17 PSF	Azora Exan LLC/Radian Inv. Mgmt. Nuveen	Class A
33-41 West Street Boston, MA	34,300 SF	\$4,125,625 \$120.28 PSF	Kendall Realty LLC Bay Management Corporation	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
115 Federal Street Boston, MA	138,645 SF	Millenium Partners Management LLC	Deloitte	Finance & Insurance
101 Massachusetts Avenue Boston, MA	134,000 SF	Samuels & Associates Management LLC	LEGO	Professional, Scientific & Technical Services
333 Summer Street Boston, MA	117,801 SF	Lincoln Property Company	Toast, Inc.	Food Services



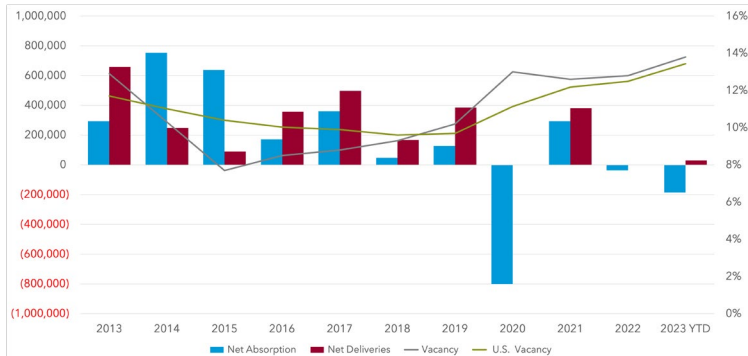
### OFFICE MARKET OVERVIEW

BILL HARRISON, *Senior Vice President*

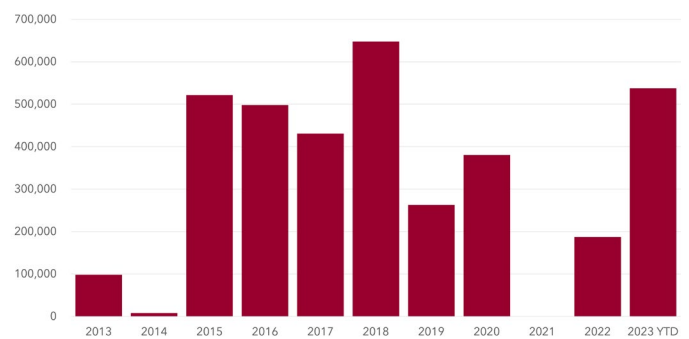
As we head into year-end it is time to examine some of the details of Q3. Direct net absorption for Q3 was negative (82,617 SF) with the vacancy rate increasing to 13.4% versus the 12.9% level seen in Q2 2023. The notable office leases completed in the quarter were 6950 Columbia Gateway Drive, 8955 Guilford and 10440 Little Patuxent. Its worth noting that two of those three leases were sublets. Asking rates decreased slightly to \$25.13 from \$25.47 in Q2. Medical and Government related tenants continue to be strong prospects in the market compared to generic office users.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Net Absorption SF	(82,617)	9,608	(45,333)	(24,372)	111,107
▲ Vacancy Rate	13.4%	12.9%	13.0%	12.8%	12.7%
▼ Avg Asking Rate PSF	\$25.13	\$25.47	\$25.53	\$25.43	\$25.25
▼ SF Under Construction	237,586	273,200	273,200	187,200	100,000
▲ Inventory SF	22,823,231	22,802,231	22,802,231	22,802,231	22,802,231

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
11055-11085 Stratfield Ct, Units 1,2,3 Marriottsville, MD	8,000 SF	\$1,800,000 \$225.00 PSF	ACE Services Corridor Mortgage Group	Class C
8894 Stanford Boulevard, Suite 301 Columbia, MD	3,393 SF	\$933,000 \$275.00 PSF	Akan Real Estate Group 2HB Holdings LLC	Class A
5513 Twin Knolls Rd, Units 216 & 218 Columbia, MD	2,697 SF	\$435,000 \$161.00 PSF	Howard County Chinese School Daniel Ball & Associates	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6950 Columbia Gateway Drive Columbia, MD	10,753 SF	COPT	iNovex	Engineering
8955 Guilford Road Columbia, MD	8,061 SF	Fernau LeBlanc	KasCon	Construction
10440 Little Patuxent Pkwy, Suite 700 Columbia, MD	7,841 SF	Howard Hughes	Undisclosed	Undisclosed



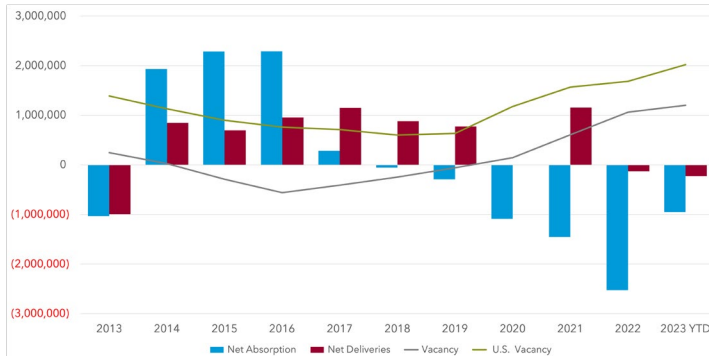
### OFFICE MARKET OVERVIEW

LUKE SCHAMMEL, Associate

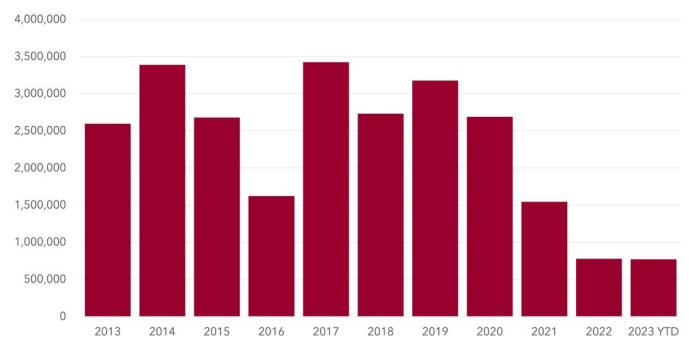
The net absorption trend in the Minneapolis office space market has been a source of concern, with a continuing decrease of 1,695,610 square feet in Q3 2023. This persistent negative absorption suggests a larger trend of occupiers downsizing as their leases expire. Companies that once occupied more extensive office spaces may be reconsidering their office needs, possibly driven by remote work arrangements and cost-saving measures. The downsizing trend is particularly noteworthy, as it impacts the overall demand for office spaces, contributing to the increased vacancy rate, which rose to 11.18% in the same period. This dynamic reflects a shift in how businesses perceive their office space requirements.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ Net Absorption SF	(1,695,610)	(1,736,446)	(2,324,206)	(2,526,131)	(1,792,249)
▲ Vacancy Rate	11.18%	10.84%	10.94%	10.83%	10.55%
▲ Avg Asking Rate PSF	\$26.75	\$26.69	\$26.48	\$26.30	\$26.30
▼ SF Under Construction	791,624	801,621	804,624	777,178	892,309
▲ Inventory SF	201,368,218	201,358,221	201,367,451	201,664,856	201,859,869

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
RBC Gateway 250 Nicollet Mall, Minneapolis, MN	532,000 SF	\$225,000,000 \$422.93 PSF	Spear Street Capital United Properties Investment LLC	Class A+
Landmark Towers 345 Saint Peter Street, St. Paul, MN	216,252 SF	\$8,150,000 \$37.69 PSF	Sherman Associates, Inc. U.S. Bancorp	Class A
Elliot Park LifeSciences Bldg 700 10th Ave S, Minneapolis, MN	66,084 SF	\$2,390,000 \$36.17 PSF	Alliance Housing Incorporated Excelen	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Steelman Exchange 241 5th Ave N, Minneapolis, MN	60,000 SF	NorthBay	NetSpi	Computer Security Service
Golden Hills Office Center 701 S. Xenia Ave., Golden Valley, MN	51,975 SF	Altus	WSB	Engineering Services
Crescent Ridge Two 10900 Wayzata Blvd, Minnetonka, MN	32,326 SF	Piedmont Office Realty Trust, Inc.	Alerus Financial	Financial Services



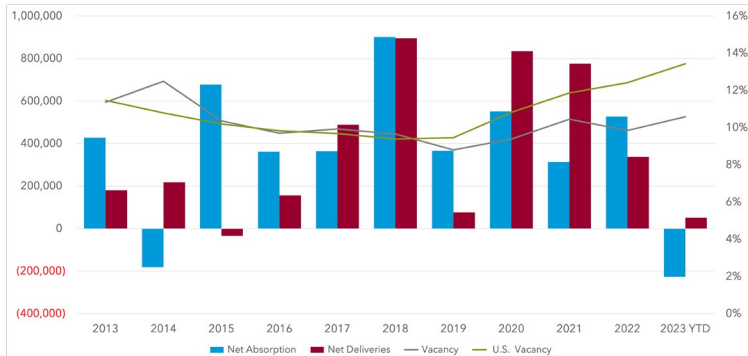
### OFFICE MARKET OVERVIEW

STONE ALEXANDER, CPA, *Broker*

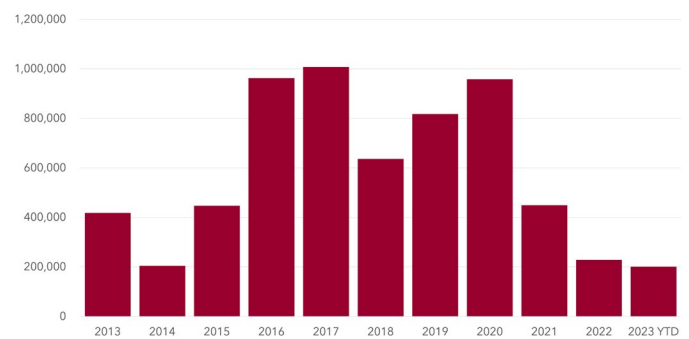
In Q3 2023, the Durham office market experienced a net absorption of -211,632 square feet, indicating a decrease in occupied space from the previous quarter, which saw a net absorption of 38,551 square feet. The vacancy rate in Q3 rose slightly to 10.44%, up from 10.28% in the previous quarter, pointing to a slightly greater availability of office properties. The average NNN asking rate per square foot per annum in Durham reached \$27.29, showing a minor increase from the previous quarter's rate of \$27.26. With 201,159 square feet of office space under construction, the Durham market is in a phase of ongoing development. The total office inventory remains consistent at 36,865,224 square feet.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(211,632)	38,551	120,564	527,280	493,397
▲ Vacancy Rate	10.44%	10.28%	10.40%	9.85%	9.74%
▲ Avg NNN Asking Rate PSF	\$27.29	\$27.26	\$27.20	\$27.20	\$26.88
◀ ▶ SF Under Construction	201,159	201,159	252,440	228,440	78,181
◀ ▶ Inventory SF	36,865,224	36,865,224	36,813,943	36,813,943	36,813,943

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4020 N. Roxboro Street Durham, NC	42,080 SF	\$6,207,000 \$147.50 PSF	Beacon Development Company Moonbeam Leasing & Mgmt LLC	Class B
930 Martin Luther King Jr Boulevard Chapel Hill, NC	18,000 SF	\$2,840,000 \$157.78 PSF	Dapo Afolabi Lucy Carol Davis	Class B
2222 Sedwick Road Durham, NC	17,074 SF	\$2,500,000 \$146.42 PSF	Undisclosed Eli Global	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6 Moore Drive Durham, NC	61,873 SF	Alexandria Real Estate Equities, Inc	Undisclosed	Undisclosed
240 Leigh Farm Road Durham, NC	25,626 SF	Innovatus Capital Partners LLC	Undisclosed	Undisclosed
3414 N. Duke Street Durham, NC	25,017 SF	Beacon Development Company	Durham Tech	Professional, Scientific, and Technical Services



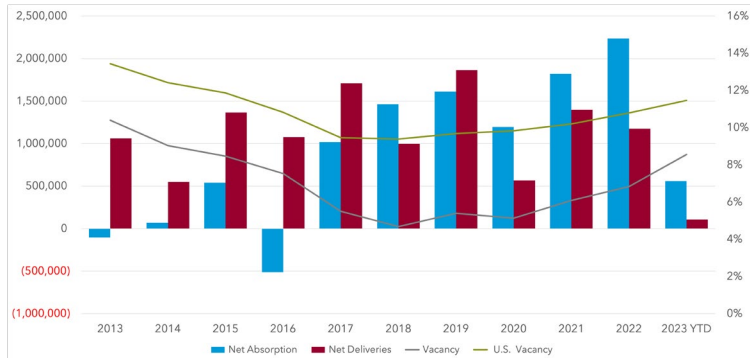
### OFFICE MARKET OVERVIEW

STONE ALEXANDER, CPA, *Broker*

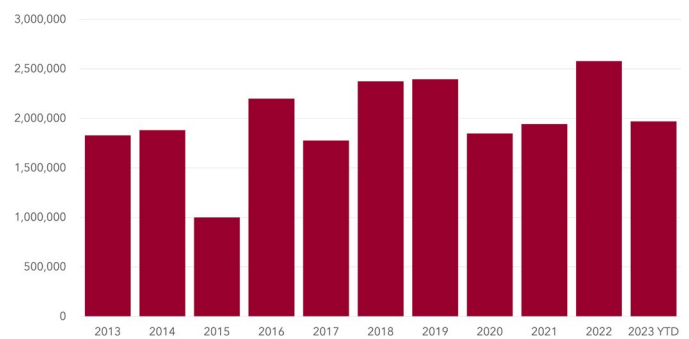
In Q3 2023, Raleigh's office market saw a slight increase in vacancy to 10.15%, indicating a small rise in available office properties. Net absorption amounted to approximately -138,840 square feet, reflecting a marginal reduction in occupied space. The average NNN lease asking rate held steady at \$29.41 per square foot. With almost 1,990,242 square feet of office space under construction, the market continues to grow. The total office inventory now stands at 78,469,282 square feet, emphasizing the significant availability of office spaces in the area.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	(138,840)	(619,749)	(582,253)	69,724	979,551
▲ Vacancy Rate	10.15%	9.71%	9.90%	9.03%	8.61%
▲ Avg NNN Asking Rate PSF	\$29.41	\$29.26	\$29.18	\$28.99	\$28.86
▼ SF Under Construction	1,990,242	2,784,786	2,729,156	2,578,440	2,190,247
▲ Inventory SF	78,469,382	77,562,290	77,502,920	77,427,000	77,298,368

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
500 Holly Springs Road Holly Springs, NC	14,734 SF	\$2,900,000 \$196.82 PSF	APA Ventures, Inc. Cape Fear Otolaryngology	Class B
3319 Heritage Trade Drive Wake Forest, NC	10,944 SF	\$2,830,000 \$258.59 PSF	Juan A. Ortiz Terry & Grace Register	Class B
10920 Cleveland Road Garner, NC	6,588 SF	\$1,600,000 \$242.87 PSF	Crescent Properties & Dev. LLC J. Wade Corbett	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
8529 Six Forks Road Raleigh, NC	31,845 SF	Highwoods Properties	Verona Pharma, Inc.	Professional, Scientific, and Technical Services
1501 Nowell Road Raleigh, NC	29,521 SF	Alidade Capital	Undisclosed	Undisclosed
223 S. West Street Raleigh, NC	26,817 SF	FCP	Undisclosed	Undisclosed



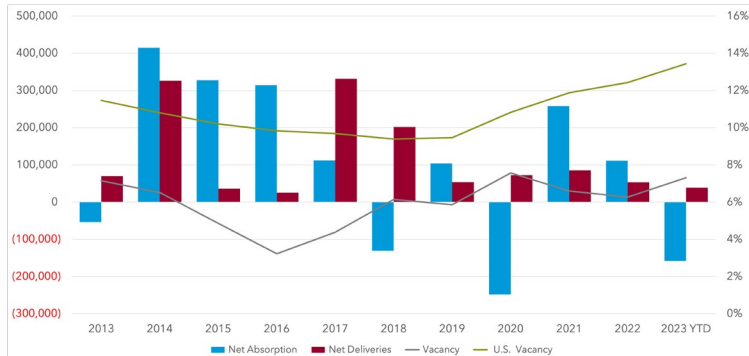
### OFFICE MARKET OVERVIEW

BENJAMIN PEARSON, *Principal*

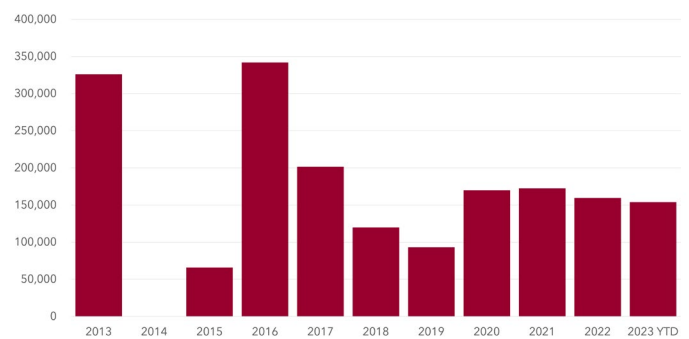
Vacancy in the Lincoln office market is 7.3% and has increased 1.1% over the past 12 months. Meanwhile, the national average increased by 1.2%. During this period, there has been 130,000 SF of negative absorption and 78,000 SF has been delivered. Total availability, which includes sublease space, is 9.0% of all inventory. Lee & Associates Nebraska recently opened our Lincoln office located at Telegraph District. Now located in Omaha and Lincoln, but transacting real estate throughout the country.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(102,466)	95,335	93,875	111,021	156,225
▲ Vacancy Rate	7.2%	6.4%	6.5%	6.3%	6.2%
▲ Avg NNN Asking Rate PSF	\$19.12	\$19.09	\$19.01	\$18.85	\$18.81
▼ SF Under Construction	153,932	162,932	192,932	159,512	204,512
▲ Inventory SF	18,603,637	18,594,637	18,564,637	18,564,637	18,519,637

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
475 Fallbrook Boulevard Lincoln, NE	72,750 SF	\$7,850,000 \$107.90 PSF	Nebco. Inc Ameritas Investment Partners	Class B
4911 N. 26th Street Lincoln, NE	13,402 SF	\$1,700,000 \$126.85 PSF	Saline Medical Carnegie Steel Company	Class B
7211 S. 27th Street Lincoln, NE	12,382 SF	\$2,250,000 \$181.72 PSF	Olympus Pines CIP Communities	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6940 O Street Lincoln, NE	11,368 SF	Ameritas Investments	Berry Law	Law Firm
206 S. 13th Street Lincoln, NE	9,396 SF	Infinite Systems	KSB School of Law	Law Firm
2077 N Street Lincoln, NE	6,752 SF	Speedway	Undisclosed	Law Firm



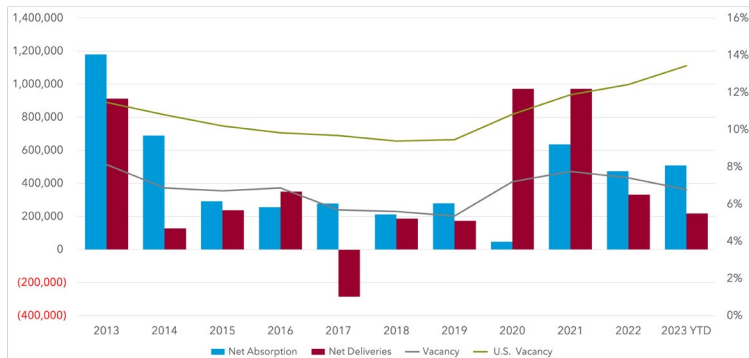
### OFFICE MARKET OVERVIEW

BENJAMIN PEARSON, *Principal*

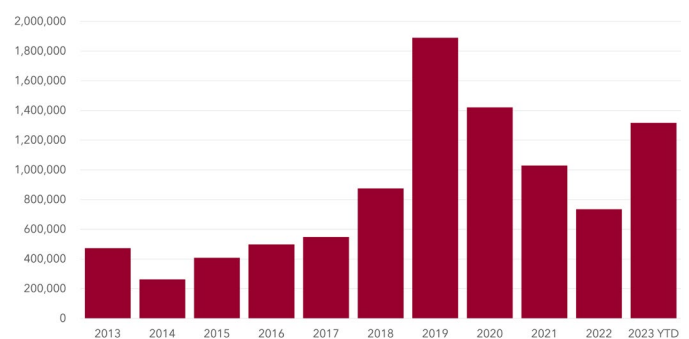
Omaha started the second half of the year strong with 138,000 SF leased in the third quarter. Omaha is ranked number 3 in the country for net absorption annually. The vacancy rate continues to drop to its current 6.7%. However, there is still a record amount of square footage available for sublease. The second largest lease transaction in the third quarter was brokered by Benjamin Pearson, Principal of Lee & Associates Nebraska, who represented the Tenant in an 18,400 SF lease at the Omaha Tower. Fourth quarter we expect to see continued leasing with our stabilizing market and office tenants bringing employees back to the office.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	594,857	534,971	578,240	473,867	736,932
▼ Vacancy Rate	6.7%	7.0%	7.1%	7.4%	7.2%
▲ Avg NNN Asking Rate PSF	\$24.41	\$24.38	\$24.32	\$24.25	\$24.23
▼ SF Under Construction	1,316,935	1,321,935	521,935	734,985	770,168
▲ Inventory SF	48,797,265	48,792,265	48,792,265	48,579,215	48,419,697

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10825, 10815, 10805 Old Mill Road* Omaha, NE	141,724 SF	\$14,000,000 \$101.97 PSF	Holt Properties Gordman Properties	Class B
11404 W. Dodge Road Omaha, NE	100,687 SF	\$9,500,000 \$94.35 PSF	Kirshenbaum Realty LLC First National Bank	Class B
2027 Dodge Street Omaha, NE	87,828 SF	\$6,850,000 \$77.99 PSF	Community Health Development Kentro Real Estate Group	Class B

\* Part of 3-property portfolio sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2525 N. 117th Avenue Omaha, NE	35,430 SF	CapRocw Core REIT	Horsepower Brands	Franchising
2120 S. 72nd Steet Omaha, NE	18,417 SF	2120 Tower LLC	North End Teleservices	Telecommunications
16850 Frances Street Omaha, NE	12,801 SF	Allen Hoohensee	Heartland Family First	Medical



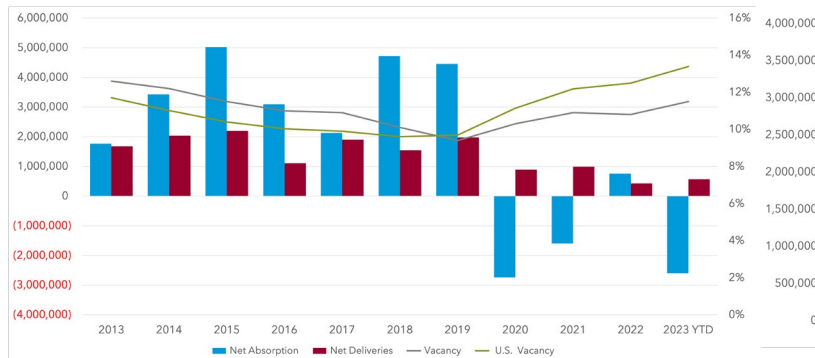
### OFFICE MARKET OVERVIEW

MICHAEL MALMSTONE, *Director of Research and Valuation*

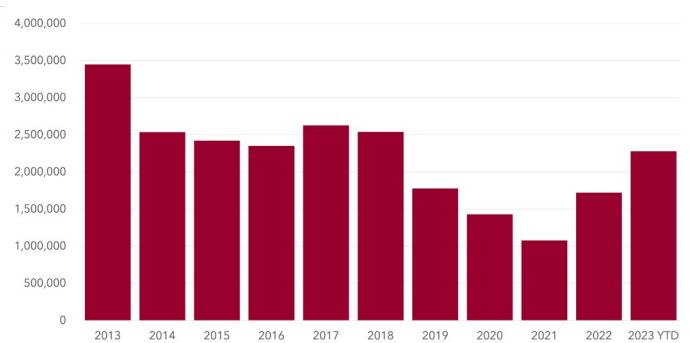
Q3 leasing decelerated to 2.3MM SF, 68% of the 5-year average, down 23% QoQ and 43% YoY. Lease-up time averaged 8.7 months. Rental rates gained \$0.26 PSF QoQ and \$0.52 PSF YoY, to \$28.19 PSF gross. 1.1MM SF of occupied space was vacated, marking a full four consecutive quarters of negative net absorption totaling (3.3MM) SF, and the lowest since Q1 2021. NJ unemployment rose 60 bps to 4.2% in August versus May, the highest monthly level since February 2022. Sales volume finished an anemic \$211MM, the lowest quarter since Q1 2012 and about 27% and 36% of the 10-year and 25-year averages respectively. Pricing fell 13% to \$161 PSF while cap rates remained flat at 7.5%. 16.2MM SF is approved, 950k SF being medical.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	(1,066,689)	(802,110)	(729,914)	(740,704)	893,908
▲ Vacancy Rate	11.5%	11.2%	11.0%	10.8%	10.6%
▲ Avg GRS Asking Rate PSF	\$28.19	\$27.93	\$27.90	\$27.64	\$27.67
▼ SF Under Construction	2,278,331	2,424,581	1,804,581	1,721,307	1,748,982
▲ Inventory SF	422,574,592	422,415,892	422,367,892	422,005,566	421,953,691

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
135 Greene Street Jersey City, NJ	245,364 SF	\$46,000,000 \$187.48 PSF	American Equity Partners, Inc. Veris Residential, Inc.	Class A
5 Paragon Drive Montvale, NJ	119,089 SF	\$14,750,000 \$123.86 PSF	Exclusive Management Nessel Development	Class A
399 Hoes Lane Piscataway, NJ	61,200 SF	\$3,800,000 \$62.09 PSF	Atrium Holding 399 LLC Hilton Head	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
600 College Road, East Princeton, NJ	60,000 SF	Nuveen	State Street	Finance and Insurance
600 College Road, East Princeton, NJ	53,000 SF	Nuveen	Dr. Reddy's Laboratories	Professional, Scientific, and Technical Services
221 River Street Hoboken, NJ	40,000 SF	SJP Properties / Mitsui Fudosan America, Inc.	Hain Celestial Group	Foodstuffs





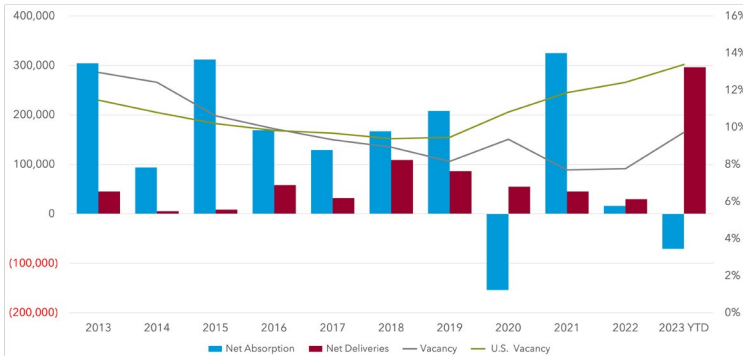
### OFFICE MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

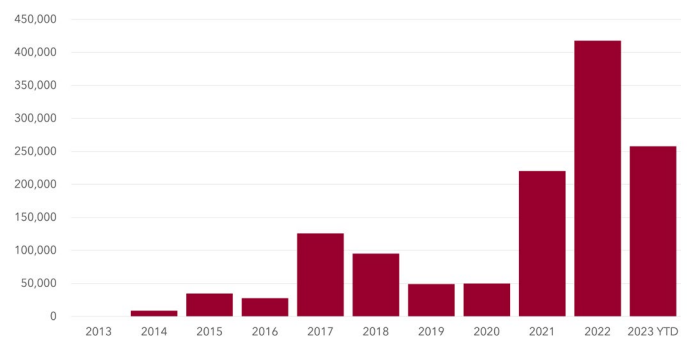
The increase in vacancy in our Northern Nevada office market is tied directly to the construction of new space. We have just been outpacing demand with new construction. As predicted, this has resulted in relatively bigger losses for older construction as users clamor for the new space. With more space under construction, I see this trend continuing until demand has some time to "catch up". Our location, lifestyle, and proximity to the outdoors, along with pricing much lower than much of the nation, should bring this market back into line, but owners should be prepared to have patience, and there might be some opportunities in this market on the purchase side in the coming months.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	(114,581)	(173,755)	(211,463)	16,425	119,296
▼ Vacancy Rate	9.7%	10.0%	10.2%	7.8%	7.4%
▼ Avg NNN Asking Rate PSF	\$24.41	\$24.46	\$24.33	\$24.07	\$23.83
▼ SF Under Construction	257,786	268,021	166,202	417,603	422,731
▲ Inventory SF	17,548,814	17,538,579	17,538,579	17,252,328	17,240,499

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6884 Sierra Center Parkway Reno, NV	45,231 SF	\$9,900,000 \$218.88 PSF	Ormat Technologies Max Haynes	Class B
275 Hill Street Reno, NV	17,916 SF	\$6,000,000 \$334.90 PSF	SVG Capital TDC Reno Ovvice	Class B
80 W. 1st Street (2nd Floor Condo) Reno, NV	6,674 SF	\$1,450,000 \$217.26 PSF	Dunham Trust 32nd Street Office LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9850 Double R Boulevard Reno, NV	11,641 SF	Paul Shirley	Harley Davidson Financial	Financing
9850 Double R Boulevard Reno, NV	10,718 SF	Paul Shirley	Gainwell	Technology and Health Services
94440 Double R Boulevard Reno, NV	5,621 SF	Peter Bosco	Cal Neva Towing	General Office



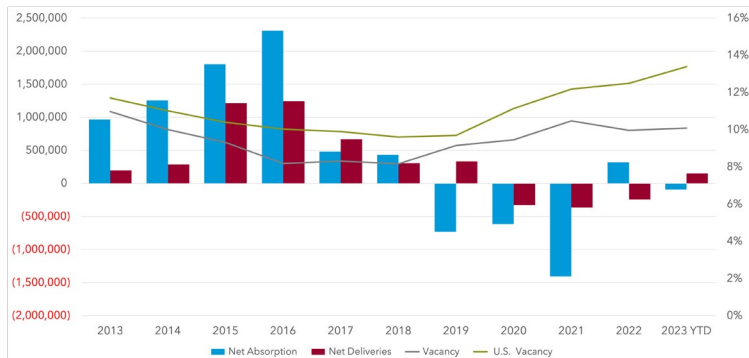
### OFFICE MARKET OVERVIEW

DAN MCDONALD, *Senior Vice President, Principal*

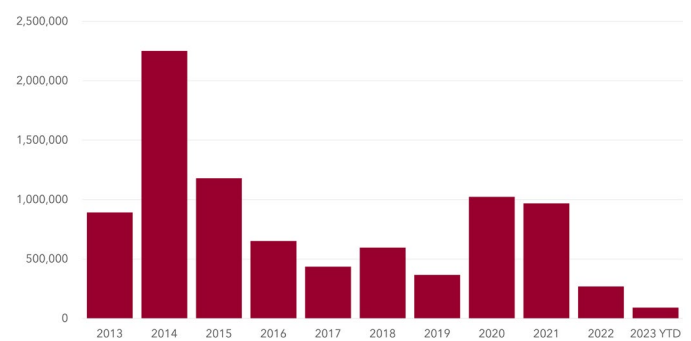
The market vacancy rate continues to increase in Cincinnati. Net absorption continues to be negative on a quarterly basis with new leases being limited in number and overall size. Class A Office has seen the most activity, with tenants seeking amenity-driven options and, in most cases, seeking a significant reduction in space previously occupied. The Central Business District (CBD) has seen little movement in the quarter, but there is an increase in demand, reflected by the number of active requirements and building tours. Outdated buildings have been repurposed for residential and hotel conversions, reflecting positively on the rest of the inventory.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	(40,181)	(211,343)	(262,281)	320,342	247,837
▼ Vacancy Rate	10.04%	10.19%	10.40%	9.96%	10.25%
▲ Avg NNN Asking Rate PSF	\$20.50	\$20.48	\$20.44	\$20.38	\$20.26
▼ SF Under Construction	91,000	169,364	216,522	270,022	275,022
▲ Inventory SF	104,987,035	104,873,671	104,826,513	104,835,634	105,276,076

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10475 Reading Road Evdale, OH	65,730 SF	\$11,900,000 \$181.04 PSF	Unity Medical Properties LLC American Healthcare REIT, Inc.	Class B
100 Commercial Drive Fairfield, OH	62,825 SF	\$1,030,000 \$16.39 PSF	Cincinnati Center for Autism SSP-PNG LLC	Class B
1280 Kemper Meadow Drive Forest Park, OH	42,836 SF	\$8,150,000 \$190.26 PSF	Caliber Commercial Properties LLC Vandercar Holdings LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9987 Carver Road Blue Ash, OH	21,525 SF	VanTrust Real Estate LLC	Element Materials	Services
4270-4300 Glendale Milford Road Cincinnati, OH	15,587 SF	Neyer Properties, Inc.	ElitAire	Services
4555 Lake Forest Drive Blue Ash, OH	12,456 SF	Apollo Management Holdings LP	Callibrity	Professional, Scientific, and Technical Services



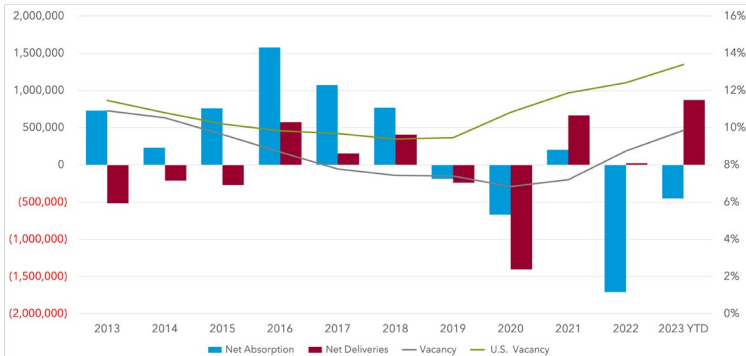
### OFFICE MARKET OVERVIEW

ABRAM SCHWARZ, SIOR, *Senior Vice President*

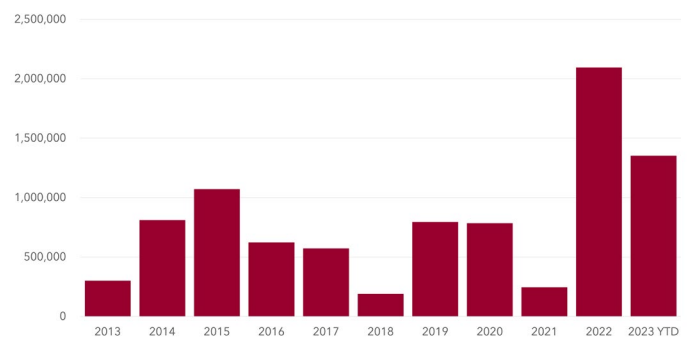
Much of Cleveland's Central Business District is either in foreclosure, receivership, or listed for sale. Some buildings are also actively working on loan extensions at lower market values to avoid a foreclosure. Certainly, this is a tremendously concerning sign as remote and hybrid work are now the norm, coupled with higher interest rates, and an exodus to the suburbs, the negative feelings toward Cleveland CBD begin to snowball. Conversely, the suburban office markets have a relatively positive outlook, with many companies relocating to the Rockside Road Corridor from the CBD to provide for a central location with less traffic, parking costs, and being closer to their employees' homes.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(1,035,899)	(848,071)	(2,464,056)	(1,709,930)	(889,085)
▲ Vacancy Rate	9.8%	9.2%	9.4%	8.8%	8.2%
▲ Avg NNN Asking Rate PSF	\$19.34	\$19.31	\$19.21	\$19.07	\$19.12
▼ SF Under Construction	1,353,099	1,942,625	2,048,072	2,094,763	2,113,893
▲ Inventory SF	112,807,646	112,218,120	111,980,420	111,935,319	111,916,189

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
28925 Fountain Parkway Solon, OH	100,000 SF	\$5,747,620 \$57.48 PSF	CLESolon LLC JP's Aquisitions LLC	Class B
21111 Chagrin Boulevard Beachwood, OH	32,083 SF	\$2,884,000 \$89.89 PSF	Dmitry Belkin Don Frankel	Class C
805 Columbia Road Westlake, OH	14,099 SF	\$2,425,000 \$172.00 PSF	CHCT Ohio LLC Columbia Westlake LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
24600 Center Ridge Road Westlake, OH	77,828 SF	Westlake KJ3 LLC	Receivables Management Partners	Financial Services
1500 W. Third Street Cleveland, OH	45,000 SF	K&D	Walter Haverfield	Legal
1001 Lakeside Avenue Cleveland, OH	10,110 SF	Hertz Investment Group	Stantec	Engineering



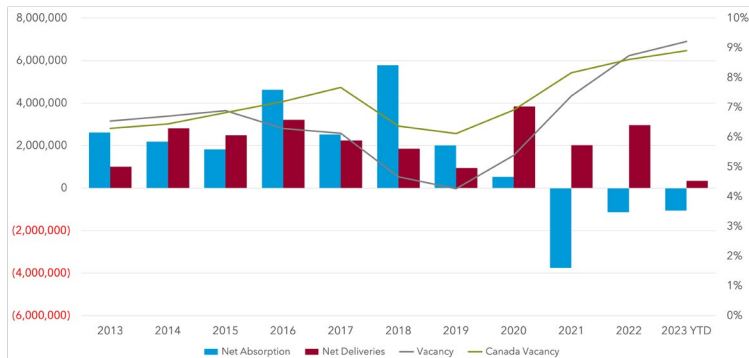
### OFFICE MARKET OVERVIEW

WILL GEHRING, *Senior Vice President*

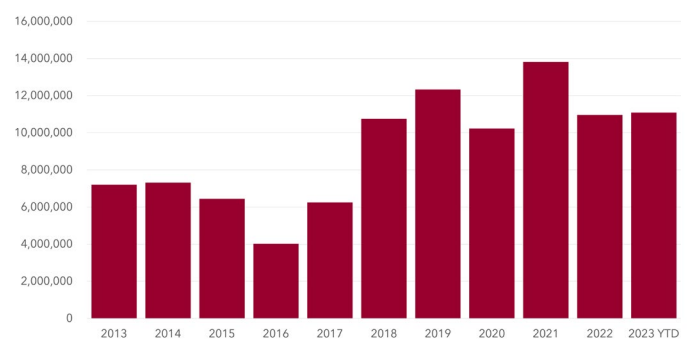
Toronto's office market remains in a state of flux, grappling with challenges akin to other North American cities. Despite employers summoning employees back to the office, downtown foot traffic is still below pre-pandemic levels. The GTA office market overall reflects the continuation of the reassessment of workspace requirements, negative office absorption predominantly in the downtown core and sublet space opportunities on the incline. The suburban office market on the other hand continue to show lower vacancy rates than downtown sub-markets where a substantial increase in new office supply has pushed vacancies higher.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	(1,064,338)	(1,259,182)	(1,372,654)	(1,132,770)	(2,557,522)
▼ Vacancy Rate	9.2%	9.5%	9.1%	8.7%	8.4%
▲ Avg NNN Asking Rate PSF	\$40.40	\$40.25	\$40.24	\$40.20	\$40.12
▲ SF Under Construction	10,546,516	10,227,580	10,153,373	10,465,669	11,657,833
▼ Inventory SF	40,364,823	40,461,764	39,287,925	37,204,712	35,054,793

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
250 Front Street West** Toronto, ON	1,282,769 SF	\$248,000,000 \$193.33 PSF	KDDI Canada, Inc. Allied Properties Real Estate Inv. Tr.	Class A
2235 Sheppard Avenue East*** Toronto, ON	342,781 SF	\$66,418,174 \$193.76 PSF	Groupe Mach Dorsay Development Corporation	Class A
2225 Sheppard Avenue East** Toronto, ON	328,927 SF	\$52,480,877 \$159.55 PSF	Groupe Mach Dorsay Development Corporation	Class A

\*All numbers shown are in Canadian dollars (CAD) \*\* Part of a 3-Property Portfolio

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
79 Wellington Street West Toronto, ON	164,187 SF	Cadillac Fairview, Ontario Pension Board	Torys	Offices of Lawyers
100 Commerce Valley Drive West Markham, ON	49,648 SF	100cvdw, Inc.	Undisclosed	Undisclosed
33 Green Belt Drive Toronto, ON	49,200 SF	OTT Financial Group	Undisclosed	Undisclosed



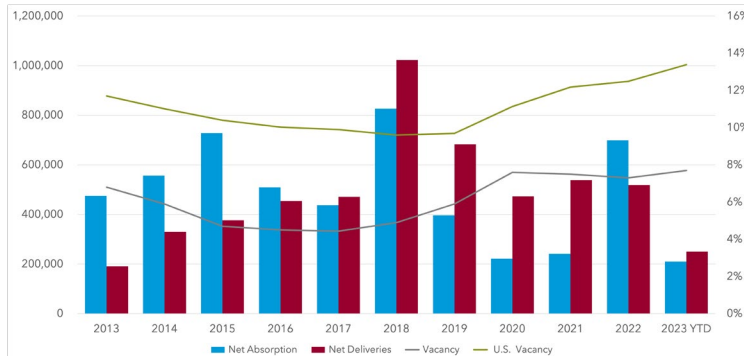
### OFFICE MARKET OVERVIEW

CAMERON YOST, CCIM, *Vice President*

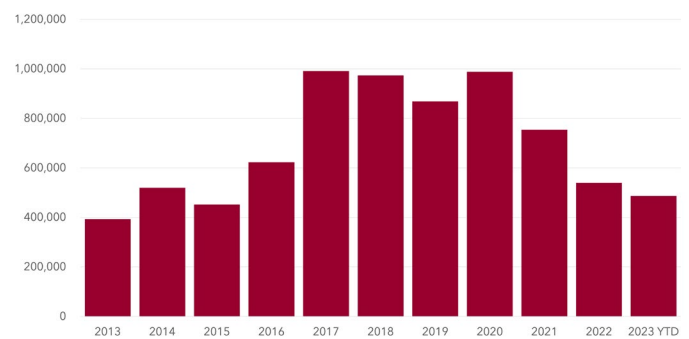
Charleston continues to outperform the greater US office market with a vacancy rate below the national average. While older, suburban product lags behind in leasing - modern, amenity rich buildings at newly delivered Class A offices are leasing at record rates Downtown. Due to limited supply of proposed new office construction, we anticipate an increase in occupancy throughout all classes and submarkets in 2024 and beyond. We are continuing to see a rise in sublease listings and a trend of Tenants downsizing as a result of hybrid and work from home remaining popular. Overall, Charleston office remains stable due to its smaller average tenant size resulting in more multi-tenanted offices throughout the region.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	158,054	78,769	36,172	247,578	(92,137)
▼ Vacancy Rate	6.5%	6.9%	7.0%	6.7%	7.0%
▲ Avg NNN Asking Rate PSF	\$32.02	\$28.73	\$21.75	\$22.16	\$21.92
▲ SF Under Construction	486,723	389,464	289,464	289,464	181,804
▲ Inventory SF	33,515,763	33,500,779	33,415,447	33,265,342	33,100,939

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2910 Tricom Street North Charleston, SC	26,256 SF	\$10,100,000 \$384.67 PSF	Skytree Ventures LLC Global Medical REIT	Class A
4 Maple Street Charleston, SC	7,468 SF	\$3,575,000 \$478.71 PSF	Pride One JJR Development LLC	Class B
112 W. 4th North Street Summerville, SC	6,880 SF	\$1,500,000 \$218.02 PSF	Ellie Holds LLC Master of Equity Dorchester County	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
100 Coastal Drive Charleston, SC	39,815 SF	Holder Properties	HCA South Atlantic	Medical
4969 Centre Pointe Drive North Charleston, SC	14,182 SF	CP Point LLC	Stantec Consulting	Professional, Scientific, and Technical Services
4400 Leeds Avenue North Charleston, SC	10,614 SF	Durlach Associates	HDR	Architectural Services



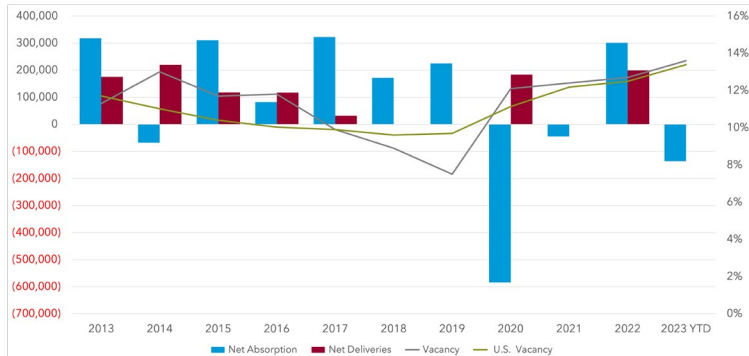
### OFFICE MARKET OVERVIEW

DARATH MACKIE, Associate Broker

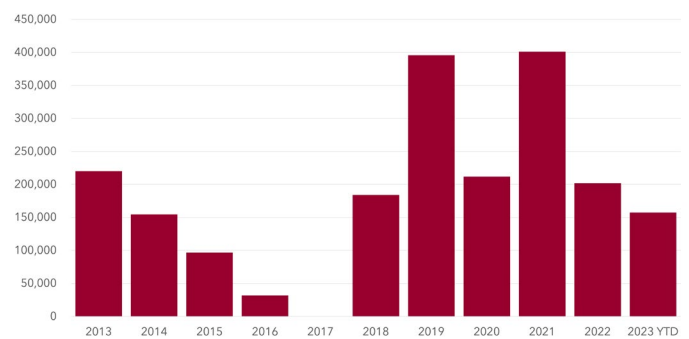
In the third quarter of 2023, the office space landscape in Greenville/Spartanburg experienced significant shifts. A negative net absorption of (142,376) square feet resulted in an increased vacancy rate of 13.6%. Average asking rents saw a marginal increase, reaching \$23.61 per square foot, compared to \$23.44 per square foot in Q2. Although office sales activity decreased by over 50% from 2022, prices have remained resilient, showing a modest decline of less than 7% over the same period. These trends highlight the evolving market conditions, emphasizing the need for strategic investment and development initiatives to meet the growing demands of Greenville's office space sector.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(186,988)	36,645	171,205	300,952	853,149
▲ Vacancy Rate	13.6%	12.4%	12.5%	12.7%	11.6%
▲ Avg NNN Asking Rate PSF	\$23.61	\$23.44	\$23.60	\$22.33	\$22.16
▲ SF Under Construction	157,300	57,300	54,532	201,795	201,795
▼ Inventory SF	16,020,373	16,553,004	16,380,596	16,372,346	16,358,918

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
310 Inglesby Parkway Duncan, SC	44,000 SF	\$4,350,000 \$98.86 PSF	The Southern Bank One Spartanburg, Inc.	Class A
25 Woods Lake Road (Bldg 6)* Greenville, SC	14,723 SF	\$1,610,075 \$109.36 PSF	Saddle Brook Properties LLC Winnebago Industries, Inc.	Class B
25 Woods Lake Road (Bldg 2)* Greenville, SC	13,256 SF	\$1,560,406 \$117.71 PSF	Saddle Brook Properties LLC Winnebago Industries, Inc.	Class B

\* Part of portfolio (\$11.5M)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
550 S Main Street Greenville, SC	12,928 SF	Hughes Development Corporation	Womble Bond Dickinson LLP	Professional, Scientific, and Technical Services
777 Lowndes Hill Road Greenville, SC	9,030 SF	Continental Capital Partners LLC	Aeronix Inc.	Professional, Scientific, and Technical Services
777 Lowndes Hill Road Greenville, SC	7,903 SF	Continental Capital Partners LLC	Shepherd Outsourcing LLC	Administrative and Support Services



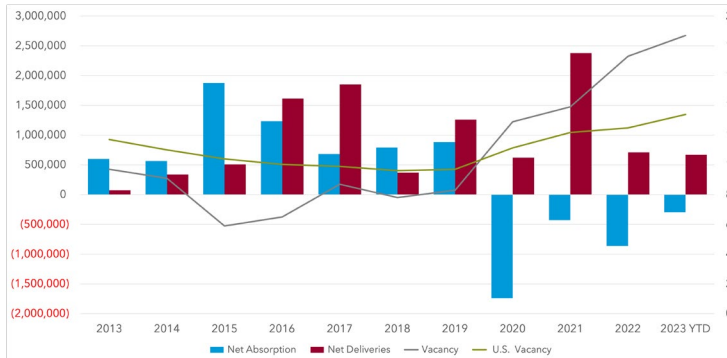
### OFFICE MARKET OVERVIEW

KYLE NEVEAU, Associate

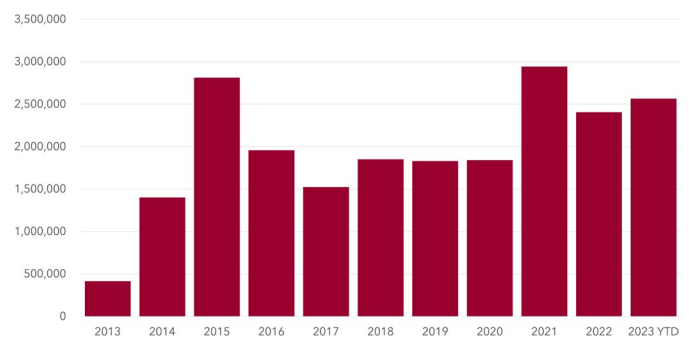
In the third quarter of the year, the Nashville office market experienced a negative net absorption of -129,341 square feet. This decline reflects the prevailing trend in office spaces, where occupiers are embracing hybrid work models and, in many instances, downsizing their footprints. Overall vacancy has surged to 18.7%, an almost 10% increase in just the past 4 quarters. New construction activity remains robust at 2.6 million square feet, with 2.1 million square feet concentrated in Downtown areas. Additionally, rental rates have seen a moderate uptick, rising by \$1.66 per square foot from \$28.01 in the second quarter of 2023 to \$29.67 in the third quarter.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(636,227)	(148,135)	(663,358)	(862,380)	(640,140)
▲ Vacancy Rate	18.7%	18.5%	18.0%	17.3%	16.8%
▲ Avg NNN Asking Rate PSF	\$29.67	\$28.01	\$28.08	\$27.89	\$27.96
▲ SF Under Construction	2,565,114	2,518,101	2,232,734	2,406,488	2,532,034
▲ Inventory SF	53,204,483	52,963,692	53,090,393	51,846,157	51,634,621

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2207 Crestmoor Road Nashville, TN	23,994 SF	\$7,250,000 \$302.16 PSF	Crestmoor MF, Inc. Gaston Realty Company	Class B
2319 Crestmoor Road Nashville, TN	6,195 SF	\$3,800,000 \$613.40 PSF	Howard & Mobley PLLC Private Owner	Class B
513 3rd Avenue Nashville, TN	4,726 SF	\$2,900,000 \$613.63 PSF	Private Buyer Private Owner	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1005 17th Avenue, South Nashville, TN	33,036 SF	Hall Emery	e spaces	Real Estate
2501 McGavock Pike Nashville, TN	22,694 SF	SmartSpace	State of Tennessee	Government
565 Marriott Drive Nashville, TN	18,181 SF	Innovatus Capital Partners LLC	Enbridge	Energy



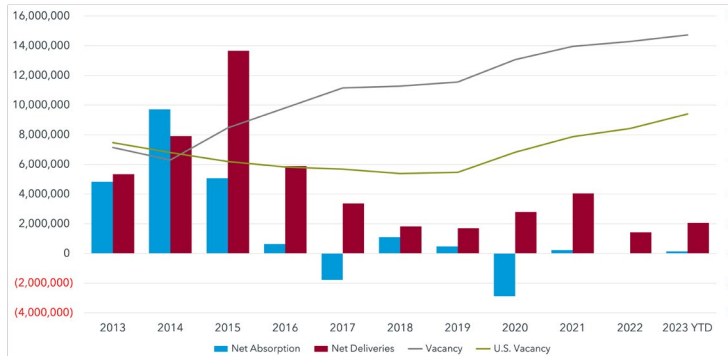
### OFFICE MARKET OVERVIEW

BILL INSULL, CCIM, *Senior Director*

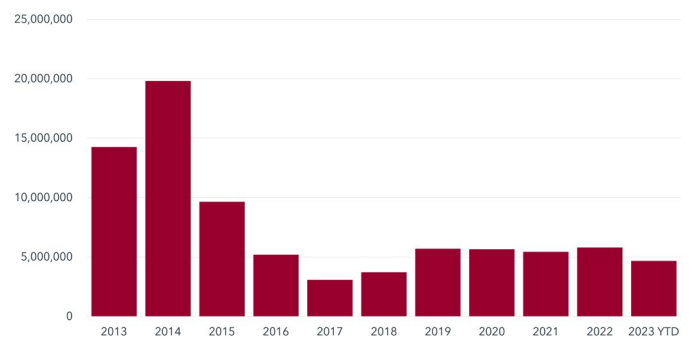
The primary indicators of the Houston office market health delivered a dose of mixed messages in Q3 2023 for occupiers and owners alike. With the key indicator of net absorption reverting to significant negative territory after slightly positive results in the first 2 quarters of 2023, overall leasing activity was less than half the average for the previous 4 quarters as occupiers are trying to sort out their true space needs and ability to attract qualified employees against a backdrop of some economic uncertainty. This situation affords owners the opportunity to differentiate their properties by offering amenities that are more attractive to occupiers in their efforts to gain favor with both potential and existing employees.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	(339,943)	(199,687)	(605,147)	10,067	749,579
▲ Vacancy Rate	18.7%	18.4%	18.3%	18.3%	18.0%
▲ Avg NNN Asking Rate PSF	\$29.30	\$29.23	\$29.22	\$29.10	\$29.04
▼ SF Under Construction	4,679,773	4,872,944	5,327,969	5,804,294	5,737,207
▲ Inventory SF	354,660,915	354,176,752	353,408,742	352,602,330	352,246,294

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2103 City West Boulevard* Houston, TX	2,715,238 SF	Undisclosed	Parkway Canada Pension Plan Investments	Class A
1002 Noble Energy Way Houston, TX	502,716 SF	Undisclosed	Undisclosed Undisclosed	Class A
9500 Lakeside Boulevard The Woodlands, TX	360,000 SF	Undisclosed	Chevron Phillips Chemical Co. LLC Warmack Investments	Class A

\* Part of 7-property portfolio

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1000 Louisiana Street Houston, TX	90,030 SF	MetLife Investment Management	NextDecade Corporation	Mining, Quarrying, Oil & Gas Extraction
1111 Bagby Street Houston, TX	57,000 SF	AEW Capital Management	Lime Rock Partners	Mining, Quarrying, Oil & Gas Extraction
4424 West Sam Houston Parkway N Houston, TX	50,024 SF	GIC Real Estate	Cobb, Fendley & Associates, Inc.	Professional, Scientific, and Technical Services





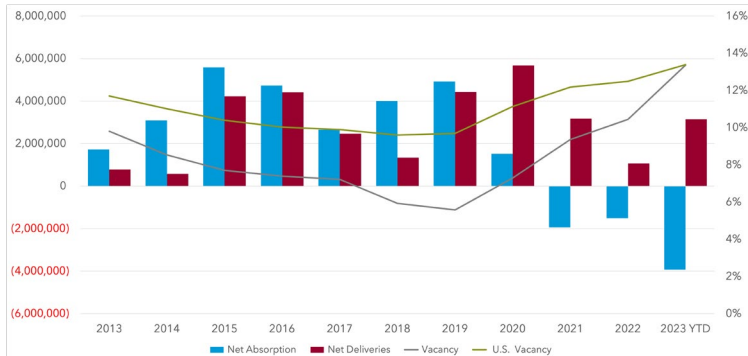
### OFFICE MARKET OVERVIEW

HARRISON LAIRD, *Principal*

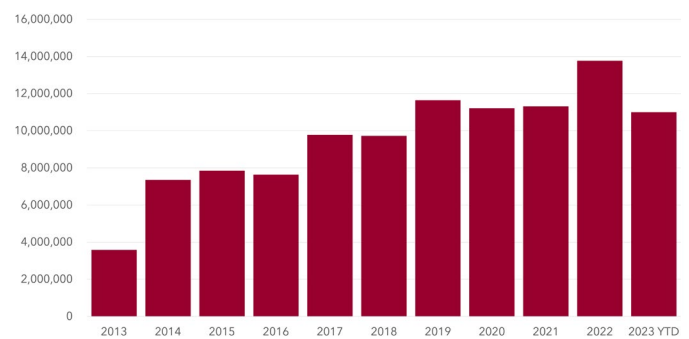
Bright spots persist amongst volatility in the market. Increasing interest rates and vacancy rates, combined with falling rents, continue to put pressure on landlords. Leasing activity, specifically office relocations, ticked up as pre-pandemic leases and mid-pandemic extensions expire. Tenants continue to reevaluate space utilization, and seek high-quality, amenity-rich spaces to attract their employees back into the office. This has created a dichotomy of activity between the best spaces in the market and the rest. Investment sales have nearly flatlined, though the flurry of tenants in the market has fueled owner-user sales. Lee & Associates represented Pierce County in their purchase of 1501 Market Street in Tacoma, in the region's largest owner-user office acquisition of 2023.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(3,275,860)	(2,540,673)	(2,039,847)	(1,508,850)	(477,969)
▲ Vacancy Rate	13.0%	12.2%	11.3%	10.4%	10.3%
▼ Avg NNN Asking Rate PSF	\$38.01	\$38.04	\$38.08	\$37.97	\$38.05
▼ SF Under Construction	10,998,383	12,310,015	12,988,774	13,769,150	12,424,453
▲ Inventory SF	230,667,505	229,368,334	228,348,085	227,517,965	227,401,339

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1501 Market Street Tacoma, WA	149,330 SF	\$27,271,000 \$182.62 PSF	Pierce County Regence	Class B
1498 Pacific Avenue Tacoma, WA	68,500 SF	\$6,900,000 \$100.73 PSF	John Hall Umpqua Bank	Class B
14841 179th Avenue, SE Monroe, WA	49,027 SF	\$21,000,000 \$428.34 PSF	Remedy Medical Properties Harrison Street Capital	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1220 Howell Street Seattle, WA	137,362 SF	Hudson Pacific Properties	Amazon	Retailer
2811 S. 102nd Street Tukwila, WA	52,978 SF	Sabey Corporation	Undisclosed	Undisclosed
2018 156th Avenue, NE Bellevue, WA	46,338 SF	Pacific Oak Capital Advisors	Regus	Real Estate



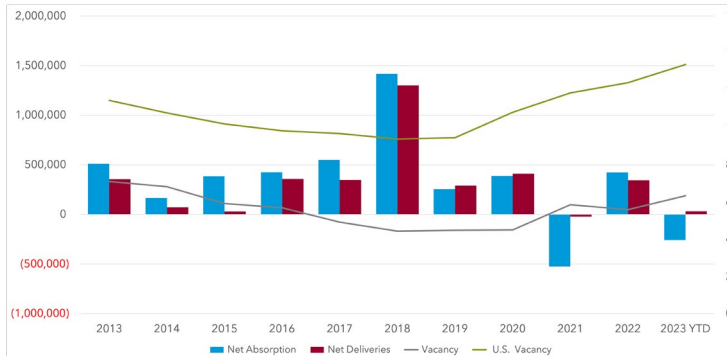
### OFFICE MARKET OVERVIEW

CAMP PERRET, *Vice President*

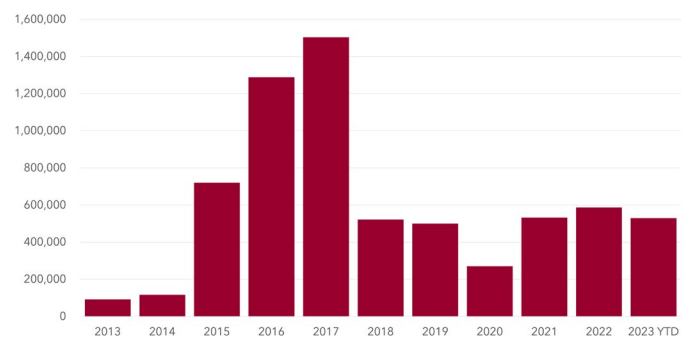
The Madison Office Market remains stable. The vacancy rate of 6.1% is less than half the national average of 13.9%. This rate is one of the lowest in the country among large and mid-sized markets. This stability is due in part to the number of solid employers such as the State of Wisconsin and the University of Wisconsin along with many healthcare and biotech firms. Additionally, the unemployment rate for Madison is one of the lowest in the country. Office lease rates are steady. Sales volumes are muted due in large part to increasing interest rates. While the market is stable, forecasts predict flat leasing and sales growth, as well as construction starts, in the near term.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(112,181)	(73,972)	174,677	424,637	477,950
▲ Vacancy Rate	6.1%	5.8%	5.7%	5.6%	5.7%
▲ Avg NNN Asking Rate PSF	\$23.16	\$23.13	\$23.06	\$22.81	\$22.56
▼ SF Under Construction	529,813	605,813	611,813	586,813	567,500
▲ Inventory SF	38,417,261	38,391,661	38,385,661	38,385,661	38,354,974

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2335 City View Drive Madison, WI	50,400 SF	\$6,733,500 \$133.60 PSF	Acadia Healthcare American Family Insurance	Class B
3002 Perry Street Madison, WI	33,460 SF	\$3,573,317 \$106.79 PSF	Auxiant General Heating & A/C, Inc.	Class B
2009 W. Beltline Highway Madison, WI	10,172 SF	\$1,300,000 \$127.80 PSF	Cliff Insurance Agency, Inc. Goldstein & Associates	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1600 Aspen Commons Middleton, WI	15,120 SF	Artis REIT	Northwestern Mutual	Insurance
918 Deming Way Madison, WI	14,573 SF	The Gialamas Company, Inc.	Undisclosed	Undisclosed
754 E. Washington Avenue Madison, WI	10,452 SF	Gebhardt Development	Undisclosed	Undisclosed

## RETAIL OVERVIEW: DEMAND CONTINUES; RECESSION POSTPONED AGAIN

Demand for retail space across North America has remained resilient through the first three quarters of 2023 with healthy economic growth in the United States and Canada confounding expectations of a recession.

Net absorption in the United States through Q3 is positive, albeit about 25% behind average growth of the last two years. Tenant demand in Canada through the third quarter nearly equals the healthy tenant growth that occurred in 2020-21. Overall vacancy rates fell to all-time lows across the United States and Canada in the third quarter, but some merchants looking to expand may receive relief soon. In the U.S., about 30 million SF are scheduled for completion by April. In Canada, a record volume of space is slated for delivery in the fourth quarter.

While moderating from the multi-decade high pace seen near the end of 2022, asking rents in the U.S. continue to rise at a healthy clip due to minimal availability and the significant boost in retail sales coming out of the pandemic. Asking rents for retail spaces in the U.S. are up an average of 3.5% over the past year to a record \$24 per SF. Rents average \$22 per SF in Canada, up 5.8% from a year ago.

As the supply of competitive available space has dwindled, stronger pricing power is being enjoyed by landlords who predictably are more selective with new tenant signings and holding firmer in lease negotiations. Economists have been warning of recession for more than a year as the Fed has raised interest rates to fight inflation. Most U.S. leasing activity remains concentrated in spaces smaller than 3,000 SF and overwhelmingly is driven by growth from quick-service restaurants. The food-and-beverage sector accounted for nearly 20% of all leasing activity over the past year. Starbucks, Crumbl Cookies, Yum Brands and Restaurant Brands International, which owns Burger King, Tim Hortons, Popeyes and Firehouse Subs, are among those opening the most locations this year.

Demand for medium to larger spaces has been primarily driven by discounters Dollar Tree, Dollar General and its pOpshelf concept, Philadelphia-based Five Below and others. TJ Maxx, Burlington, Ross and other off-price merchants also have been active. Demand for spaces larger than 10,000 SF increasingly have come from fitness and experiential tenants. The greatest uptick in demand for space has occurred in Sun Belt markets, which are experiencing growth in population and buying power. Leading the way in over the past year, as retail follows rooftops, were Phoenix, San Antonio, Austin, Fort Lauderdale and Kansas City.

Restoration of fundamental balance in retail markets has been due to the limited amount of construction activity. A near historic low of about 50 million SF of space was delivered in the past year. Deliveries primarily have consisted of build-to-suits, grocery-anchored centers or smaller retail spaces in large mixed-use projects. More than 16 million SF of retail space have been demolished in the last four quarters, resulting in net deliveries of 36.7 million SF, which is near the historic low. Developers and local municipalities have razed more than 150 million SF of retail space since 2016 with a significant portion of this stock consisting of vacant department store boxes and defunct malls.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / SF ANNUAL		HIGHEST MARKET SALE PRICE / SF	
BC, Vancouver	1.0%	NY, New York*	\$47.40	CA, San Francisco	\$620
ON, Toronto	1.6%	FL, Miami	\$44.40	BC, Vancouver	\$520 CAD
MA, Boston	2.4%	CA, Orange County	\$36.48	CA, Orange County	\$441
MN, Minneapolis	2.9%	CA, Los Angeles	\$35.64	NY, New York*	\$438
FL, Miami	3.0%	CA, San Diego	\$34.32	FL, Miami	\$432
<b>U.S. Index</b>	4.1%	<b>U.S. Index</b>	\$24.48	<b>U.S. Index</b>	\$247
<b>Canada Index</b>	1.7%	<b>Canada Index</b>	\$21.84 CAD	<b>Canada Index</b>	\$334 CAD

MOST SF UNDER CONSTRUCTION SF		LARGEST INVENTORY BY SF		LOWEST MARKET CAP RATE	
TX, Dallas-Fort Worth	5,156,273	NY, New York*	634,228,671	BC, Vancouver	4.1%
TX, Houston	4,247,367	IL, Chicago	585,896,916	ON, Toronto	4.5%
ON, Toronto	3,110,064	TX, Dallas-Fort Worth	462,444,126	CA, San Francisco	4.6%
NY, New York*	3,007,462	CA, Los Angeles	451,878,886	CA, Orange County	5.0%
AZ, Phoenix	2,143,496	TX, Houston	433,595,825	CA, Los Angeles	5.3%
<b>U.S. Index</b>	60,033,186	<b>U.S. Index</b>	11,976,225,816	<b>U.S. Index</b>	6.7%
<b>Canada Index</b>	9,738,495	<b>Canada Index</b>	812,590,239	<b>Canada Index</b>	5.1%

\* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
<b>AB, Calgary **</b>	2.4%	\$1.68	\$281	2,043,239	78,832,628	5.9%
<b>AZ, Phoenix</b>	4.6%	\$2.01	\$250	2,143,496	241,515,109	6.5%
<b>BC, Vancouver **</b>	1.0%	\$2.16	\$520	851,538	127,065,069	4.1%
<b>CA, Bakersfield</b>	4.2%	\$1.60	\$219	155,165	33,468,483	6.4%
<b>CA, East Bay</b>	5.5%	\$2.66	\$342	164,094	124,713,096	5.5%
<b>CA, Fresno</b>	4.7%	\$1.55	\$197	81,655	49,207,206	6.9%
<b>CA, Inland Empire</b>	5.8%	\$2.16	\$302	1,179,730	202,136,019	5.8%
<b>CA, Los Angeles</b>	5.4%	\$2.97	\$420	1,425,561	451,878,886	5.3%
<b>CA, Orange County</b>	4.4%	\$3.04	\$441	132,910	144,097,215	5.0%
<b>CA, San Diego</b>	4.1%	\$2.86	\$407	511,713	139,203,499	5.4%
<b>CA, San Francisco</b>	5.8%	\$3.65	\$620	217,500	83,121,222	4.6%
<b>CA, San Luis Obispo</b>	3.0%	\$2.30	\$315	191,002	15,461,015	5.9%
<b>CA, Santa Barbara</b>	4.2%	\$2.48	\$349	69,016	25,067,657	6.0%
<b>CA, Stockton</b>	4.6%	\$1.78	\$217	16,228	31,263,595	6.6%
<b>CA, Ventura</b>	5.2%	\$2.36	\$304	29,171	42,845,725	5.9%
<b>CO, Denver</b>	4.0%	\$2.07	\$270	1,086,961	161,167,802	6.2%
<b>DC, Washington</b>	4.3%	\$2.68	\$343	1,033,292	267,152,133	6.1%
<b>FL, Fort Myers</b>	3.2%	\$1.74	\$236	195,156	49,137,046	6.4%
<b>FL, Miami</b>	3.0%	\$3.70	\$432	2,043,953	144,427,752	5.4%
<b>FL, Naples</b>	3.9%	\$2.34	\$335	59,899	24,044,310	5.5%
<b>FL, Orlando</b>	3.3%	\$2.38	\$270	1,696,235	155,863,620	6.3%
<b>GA, Atlanta</b>	3.6%	\$1.80	\$212	1,834,051	371,403,561	6.9%
<b>GA, Savannah</b>	3.6%	\$1.95	\$221	80,240	28,197,373	7.4%
<b>ID, Boise</b>	3.5%	\$1.44	\$223	454,049	43,534,187	6.3%
<b>IL, Chicago</b>	5.0%	\$1.74	\$194	1,590,391	585,896,916	7.4%
<b>IN, Indianapolis</b>	3.3%	\$1.48	\$158	1,372,404	134,491,968	7.8%
<b>KS, Lawrence</b>	3.1%	\$1.36	\$188	7,405	6,733,561	7.4%
<b>KS, Topeka</b>	3.8%	\$0.90	\$133	21,729	13,532,885	8.8%
<b>LA, Baton Rouge</b>	1.8%	\$1.48	\$155	286,075	47,223,416	7.7%
<b>MA, Boston</b>	2.4%	\$2.21	\$269	677,543	248,325,859	6.2%
<b>MD, Baltimore</b>	5.4%	\$1.90	\$211	361,597	144,720,917	7.0%
<b>MI, Detroit</b>	5.2%	\$1.53	\$137	1,659,773	261,809,601	7.6%
<b>MN, Minneapolis</b>	2.9%	\$1.62	\$175	284,162	206,607,203	7.1%
<b>United States Index</b>	4.1%	\$2.04	\$247	60,033,186	11,976,225,816	6.7%
<b>Canada Index</b>	1.7%	\$1.82**	\$334**	9,738,495	812,590,239	5.1%

MARKET	VACANCY RATE	MARKET RENT / SF	MARKET SALE PRICE / SF	SF UNDER CONSTRUCTION	INVENTORY SF	MARKET CAP RATE
<b>MO, Kansas City*</b>	4.3%	\$1.47	\$168	613,379	132,307,097	7.1%
<b>MO, Saint Louis</b>	4.8%	\$1.37	\$142	860,951	174,396,979	8.2%
<b>NC, Durham</b>	2.3%	\$1.94	\$237	130,534	28,160,263	8.2%
<b>NC, Raleigh</b>	2.3%	\$2.11	\$254	1,086,163	75,826,206	6.4%
<b>NE, Lincoln</b>	3.1%	\$1.19	\$142	0	21,448,162	7.4%
<b>NE, Omaha</b>	4.6%	\$1.41	\$156	271,986	65,306,520	7.5%
<b>NJ, Atlantic City</b>	5.9%	\$1.43	\$158	13,835	18,376,727	7.4%
<b>NJ, Northern New Jersey *</b>	4.4%	\$2.02	\$219	405,904	136,093,296	6.9%
<b>NJ, Trenton</b>	4.2%	\$1.85	\$191	77,033	21,989,224	8.0%
<b>NJ, Vineland</b>	4.5%	\$1.24	\$168	0	8,378,111	7.2%
<b>NV, Reno</b>	4.9%	\$1.81	\$220	32,387	27,874,257	7.1%
<b>NY, Long Island</b>	4.1%	\$2.83	\$328	881,227	157,103,669	6.3%
<b>NY, New York *</b>	4.2%	\$3.95	\$438	3,007,462	634,228,671	5.9%
<b>OH, Cincinnati</b>	5.8%	\$1.30	\$130	728,946	134,118,229	7.9%
<b>OH, Cleveland</b>	4.4%	\$1.26	\$112	211,405	148,028,505	8.2%
<b>OH, Columbus</b>	3.7%	\$1.57	\$159	437,993	123,399,356	7.7%
<b>ON, Toronto **</b>	1.6%	\$2.14	\$395	3,110,064	303,915,735	4.5%
<b>PA, Harrisburg</b>	5.4%	\$1.41	\$142	134,499	36,523,295	7.7%
<b>PA, Lehigh Valley *</b>	4.3%	\$1.37	\$139	68,600	49,894,387	8.8%
<b>PA, Philadelphia *</b>	4.3%	\$1.82	\$192	1,780,427	341,992,887	7.0%
<b>PA, Pittsburgh</b>	4.2%	\$1.41	\$152	361,869	158,156,627	7.2%
<b>SC, Charleston</b>	3.5%	\$2.01	\$260	636,695	48,901,747	6.4%
<b>SC, Greenville</b>	3.3%	\$1.45	\$166	157,227	64,343,437	7.0%
<b>SC, Spartanburg</b>	3.1%	\$1.14	\$125	66,700	26,845,567	8.2%
<b>TN, Nashville</b>	3.3%	\$2.34	\$263	1,446,606	121,806,621	6.1%
<b>TX, Dallas-Fort Worth</b>	4.4%	\$1.91	\$269	5,156,273	462,444,126	6.4%
<b>TX, Houston</b>	4.9%	\$1.94	\$245	4,247,367	433,595,825	6.8%
<b>WA, Seattle</b>	3.0%	\$2.47	\$338	184,278	180,977,086	5.7%
<b>WI, Madison</b>	2.3%	\$1.41	\$158	167,000	41,334,598	7.2%
<b>United States Index</b>	4.1%	\$2.04	\$247	60,033,186	11,976,225,816	6.7%
<b>Canada Index</b>	1.7%	\$1.82**	\$334**	9,738,495	812,590,239	5.1%

\* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

\*\* Numbers shown are in Canadian dollars (CAD)



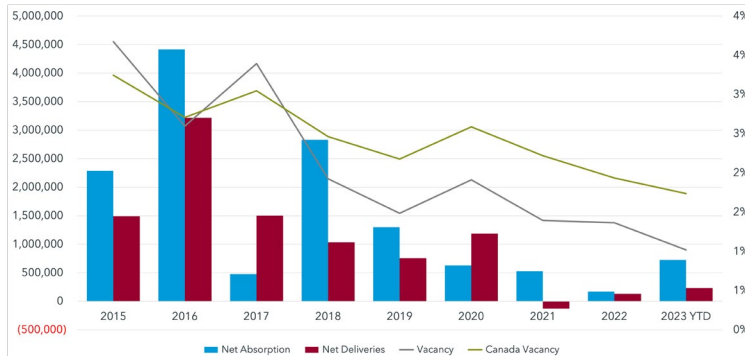
### RETAIL MARKET OVERVIEW

MACYN SCHOLZ, *Director of Research*

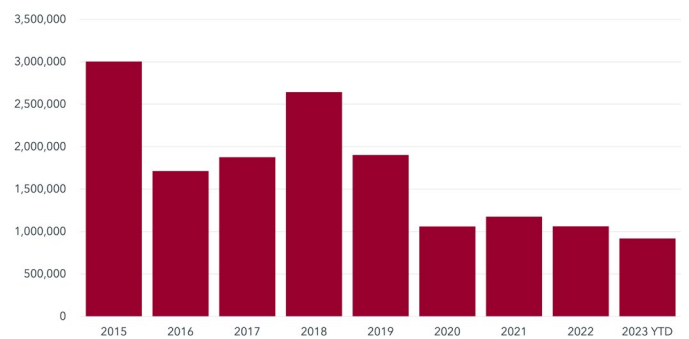
The Bank of Canada increased the policy interest rate this quarter to 5% and Canadian inflation was up to 4% in August. This quarter was also marked by more shocks to the economy including the port strike and wildfires, but most importantly consumer spending is down. Early estimates from Statistics Canada for this quarter suggest weak spending in the GDP numbers. With less disposable income due to high mortgage costs and wages not keeping up with inflation, consumers in Canada are cutting back on purchasing. Despite deceleration, the retail market in Metro Vancouver remains resilient. Robust demand for space paired with a vacancy of 1% keep Vancouver as one of North America's tightest leasing markets.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	799,655	555,884	482,748	170,181	263,816
◀ ▶ Vacancy Rate	1.00%	1.00%	1.10%	1.36%	1.29%
▲ Avg NNN Asking Rate PSF	\$35.27	\$33.68	\$34.28	\$34.45	\$34.42
▼ SF Under Construction	918,538	1,014,614	1,128,633	1,062,729	1,219,480
▲ Inventory SF	127,070,311	126,676,004	126,694,668	126,645,482	126,440,474

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2580 Capilano Road North Vancouver, BC	11,224 SF	\$14,000,000 \$1,247.00 PSF	1409174 BC Ltd. 1000813 BC Ltd.	Multi-Tenant
2-12 Powell Street Vancouver, BC	10,022 SF	\$10,200,000 \$1,108.00 PSF	Low Tide Properties Coment Industries Ltd.	Multi-Tenant
950-952 Brunette Avenue Coquitlam, BC	5,500 SF	\$4,800,000 \$873.00 PSF	952 Brunette Holdings Ltd. Q Special Ceramic Dental Lab Ltd.	Multi-Tenant

\*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1477 W. Broadway Vancouver, BC	22,000 SF	PCI Developments	Loblaws	Grocery
8250 Fraser Street Vancouver, BC	15,285 SF	Undisclosed	Nella Cutlery	F&B Supplies
4567 Lougheed Highway Burnaby, BC	5,000 SF	Shape Properties	Rivian Spaces	Automotive



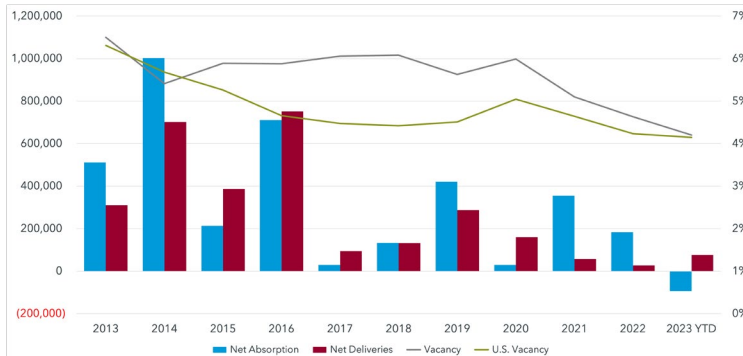
### RETAIL MARKET OVERVIEW

AMANDA BROCK, *Vice President - Retail Properties*

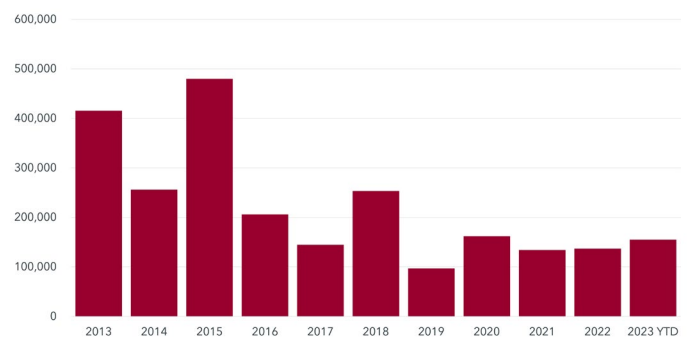
Bakersfield's 4.2% vacancy rate dropped by 0.5% in the past year. About 280,000 SF of retail space was removed, resulting in 93,000 SF of negative net absorption. Total available direct and sublease space accounts for 4.6% of inventory. General retail dominates the market with 18.1 million SF. Asking rents average \$19.30 per square foot, marking a 4.2% increase YOY and 12% gain in the past three years. About 160,000 SF of construction is underway. In the past year, there were 102 property trades, averaging \$184 per square foot. Since 2000, 439 sales totaled \$694 million. Bakersfield's market cap rate is 6.4%.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(93,100)	(38,200)	(141,882)	18,315	27,218
▼ Vacancy Rate	4.20%	4.90%	5.05%	4.63%	4.69%
▲ Avg NNN Asking Rate PSF	\$19.30	\$19.08	\$18.72	\$18.48	\$18.48
▼ SF Under Construction	155,165	155,382	156,334	137,071	141,216
▼ Inventory SF	33,459,546	33,739,059	33,686,169	33,686,169	33,689,024

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
240 Chester Ave (O'Reilly Auto Parts) Bakersfield, CA	30,244 SF	\$6,039,000 \$199.68 PSF	Beverly Hills Plaza LLC Beverly Hills Plaza LLC	Single-Tenant
258 Bernard Street (Dollar General) Bakersfield, CA	18,827 SF	\$4,086,087 \$217.03 PSF	Modiv Ince Cross Development Bakersfield LLC	Single-Tenant
5184 Stockdale Highway (CVS) Bakersfield, CA	12,900 SF	\$5,900,000 \$457.36 PSF	Butternut LLC Stockdale Plaza LLC	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1018-1020 18th Street Bakersfield, CA	4,000 SF	Blue Boar LLC	Brickyard	Restaurant
901-905 20th Street Bakersfield, CA	3,472 SF	Saguaro Investors LLC	Plants for Your Solie	Plant & Garden
7401 White Lane - Genesis Plaza Bakersfield, CA	3,300 SF	Sandhu Mukand S	Best Buy Furniture	Furniture Retailer



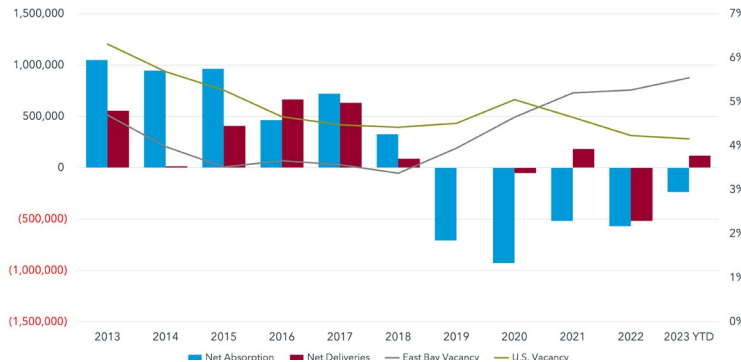
### RETAIL MARKET OVERVIEW

JESSICA MAUSER, *President*

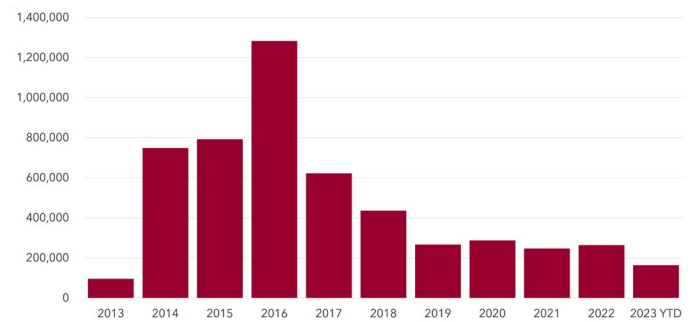
Retail saw negative absorption in San Francisco East Bay Area, with a slight increase in the vacancy rate to 5.5%. Despite these changes, the market remains stable and attractive due to thriving suburbs and lack of new inventory. The San Francisco Bay Area's retail investment market has seen a 62% year-over-year drop in sales volume. Retail assets maintain low cap rates of 4.5% to 6.2%, indicating investor confidence. Opportunities have grown to acquire secondary retail centers and mixed-use properties at discounted prices, allowing portfolio diversification and new buyers to enter a marketplace with a historically high barrier of entry. Rents will likely soften slightly in Q4 as we recede from the 2022 peak.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(147,377)	13,506	(331,386)	(570,304)	(627,455)
▲ Vacancy Rate	5.5%	5.1%	5.2%	5.3%	5.3%
▼ Avg NNN Asking Rate PSF	\$31.96	\$32.33	\$32.79	\$33.00	\$32.79
▼ SF Under Construction	164,094	246,608	268,565	264,005	170,395
▲ Inventory SF	124,716,634	124,630,620	124,609,547	124,600,102	124,579,517

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
170-230 Alamo Plaza Alamo, CA	119,886 SF	\$49,663,974 \$414.26 PSF	WC Properties Edens LLC DS Properties 17LP	Multi-Tenant
40525 Albrae Street Fremont, CA	79,664 SF	\$39,718,080 \$498.57 PSF	Ares Management Corporation Scannell Properties 483 LLC	Multi-Tenant
3585-3597 Mt. Diablo Boulevard Lafayette, CA	56,214 SF	\$42,275,176 \$752.04 PSF	Site Centers Cortese Investment Company	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6000-6050 El Cerrito Plaza El Cerrito, CA	30,000 SF	Regency Centersn Corporation	Marshalls	Retail
2515 Somersville Road Antioch, CA	28,375 SF	Leigh Chamberlain	99 Cents Only Store	Discount, Variety Store
14845 E. 14th Street San Leandro, CA	26,241 SF	Michael N. Musieh & Samar H. Musieh	Advanced AutoParts	Automotive





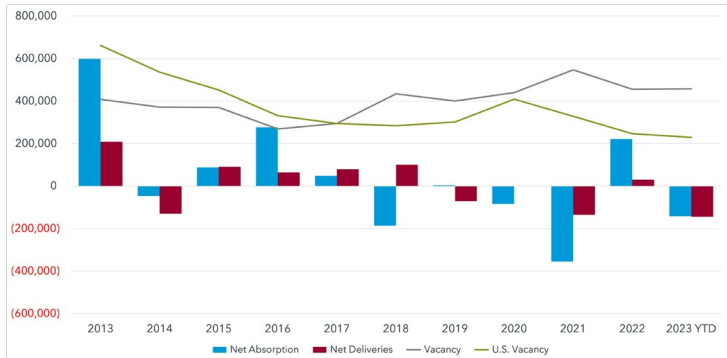
### RETAIL MARKET OVERVIEW

TREVOR GLEASON, *Senior Associate*

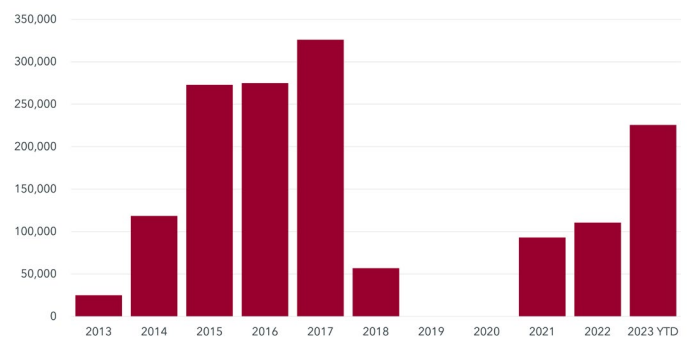
The San Gabriel Valley Retail market grew stronger in the third quarter of 2023. Vacancy rates have dropped, indicating a high demand for retail spaces. With interest rates causing buyers to take a step back, Landlords have slightly decreased rents and are experiencing strong activity on the leasing side. The trend of experiential retail continued to flourish, with innovative and immersive concepts gaining popularity among consumers. The outlook for the retail market in the San Gabriel Valley remains highly positive, presenting excellent opportunities for both investors and retailers alike.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	42,643	(121,301)	18,347	(120,694)	210,694
▼ Vacancy Rate	3.5%	4.8%	4.6%	4.8%	4.6%
▼ Avg NNN Asking Rate PSF	\$25.43	\$25.92	\$25.94	\$25.57	\$24.81
▼ SF Under Construction	265,373	268,875	264,320	135,907	135,907
▲ Inventory SF	65,972,005	65,811,531	65,019,208	65,163,208	65,163,208

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1005-1017 E. Amar Road West Covina, CA	10,880 SF	\$5,665,000 \$520.68 PSF	Undisclosed West Covina Stater Shops LLC	Undisclosed
4141 S. Nogales Street West Covina, CA	11,964 SF	\$1,370,000 \$575.15 PSF	Shaheen & Anees R. Mallick Skyview Investment LLC	Undisclosed
15850 Halliburton Road Hacienda Heights, CA	4,543 SF	\$1,200,000 \$264.14 PSF	Undisclosed BSL Hacienda LLC	Undisclosed

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2207 W. Commonwealth Avenue Alhambra, CA	157,019 SF	Kimco Realty Corporation	Costco	Retailer
6340 Rosemead Boulevard Temple City, CA	29,343 SF	6300 Rosemead LLC	Undisclosed	Undisclosed
304-350 W. Huntington Drive Monrovia, CA	15,750 SF	1997 Aner Iglesias Trust	Undisclosed	Undisclosed



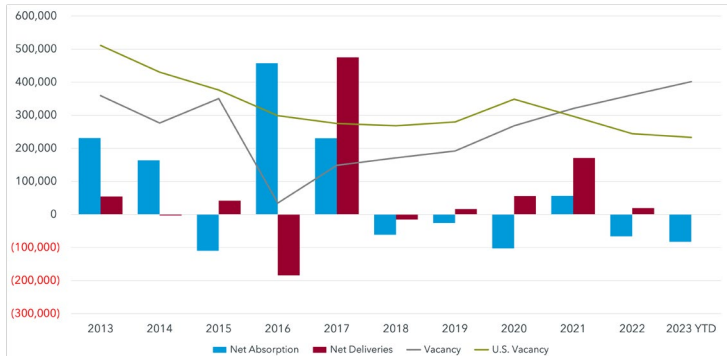
### RETAIL MARKET OVERVIEW

JODI SHOEMAKE, *Founding Principal*

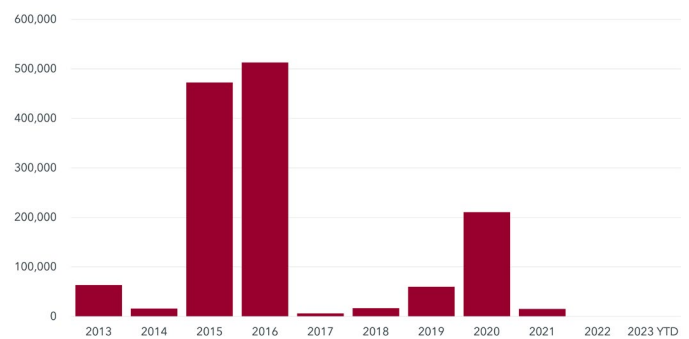
The 3Q of 2023 in the Tri-Cities submarket of Los Angeles saw a whopping 91,979 SF of new absorption and vacancy drop to 3.4%. Transaction volume in the retail sector continues to thrive and despite the difficult investment sale environment, owner/users and developers looking for opportunities to convert tired land uses to multi-family and mixed-use are finding them in the Tri-Cities. The City of Pasadena landed another electric vehicle showroom, Rivian on Colorado Boulevard in the high rent district. Rivian will open the new retail showroom before the end of 2023.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	91,979	26,533	(168,447)	(73,087)	(80,108)
▼ Vacancy Rate	3.4%	5.7%	5.9%	5.2%	4.9%
▲ Avg NNN Asking Rate PSF	\$37.09	\$34.80	\$35.44	\$35.58	\$40.35
◀ ▶ SF Under Construction	-	-	-	-	-
▲ Inventory SF	26,457,164	26,383,593	26,383,593	26,383,593	26,383,593

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
921 W. Riverside Drive Burbank, CA	106,464 SF	\$20,514,683 \$192.69 PSF	Pulte Home Company LLC Pickwick Investment LLC	Land Sale for Redevelopment
1294 E. Colorado Boulevard Pasadena, CA	26,669 SF	\$5,300,000 \$198.73 PSF	1294 E Colorado Blvd LLC Jun Yang	Single-Tenant
670 N. Lake Avenue Pasadena, CA	13,971 SF	\$8,796,000 \$629.59 PSF	H & Y Group LLC Five Star Enterprises LLC	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
10950 Sherman Way Burbank, CA	17,382 SF	Blackstone Real Estate Income Trust, Inc.	True Star Transit	Industrial
414 N. Central Avenue Glendale, CA	10,540 SF	HKJ Gold, Inc	Meta Wellness	Health Care and Social Assistance
169 W. Colorado Boulevard Pasadena, CA	5,500 SF	Lynne P. Holl	Rivian	EV Showroom



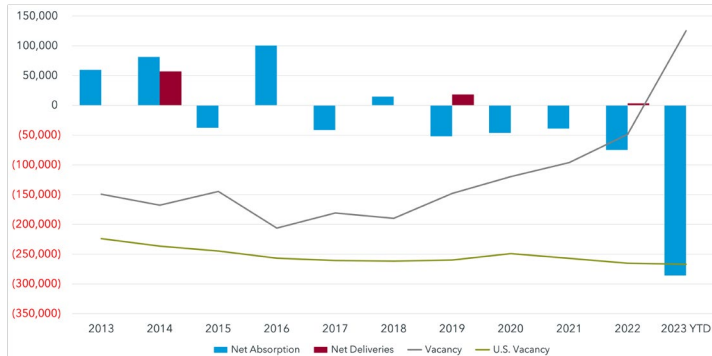
### RETAIL MARKET OVERVIEW

CHRISTOPHER MANASSERO, *Senior Associate*

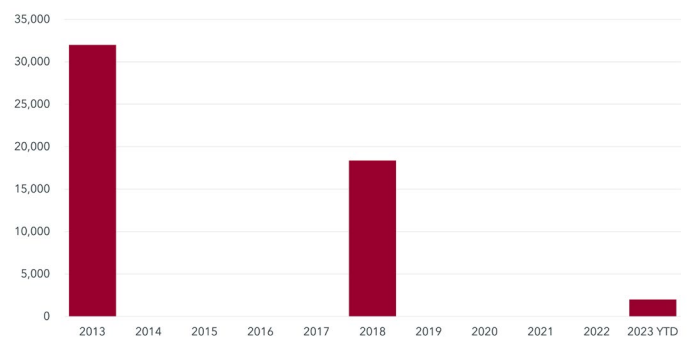
The retail market in North Orange County demonstrated stability with retail rents continuing to increase throughout the third quarter. While the market has seen retail rents continue to rise the past 12 months, North Orange County did experience a marginal uptick in its vacancy rates, which went from 3.3% to 3.8% in the third quarter of 2023. Furthermore, there has been a noticeable decline in the purchase and sale volumes within the North Orange County market. This reflects the cautious approach of investors in response to prevailing market conditions, including the influence of elevated interest rates, limited availability of properties on the market, and a current sense of market uncertainty.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(119,227)	(17,721)	(16,757)	61,427	74,932
▲ Vacancy Rate	3.8%	3.3%	3.2%	3.2%	3.4%
▲ Avg NNN Asking Rate PSF	\$28.66	\$27.27	\$26.64	\$26.03	\$25.96
▼ SF Under Construction	2,000	3,200	5,600	3,600	7,100
▲ Inventory SF	23,086,541	23,085,341	23,082,941	23,094,807	23,091,307

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
200 N. Via Cortez Anaheim, CA	31,990 SF	\$22,475,000 \$702.56 PSF	Gordon Anaheim Holdings LLC Ellas Properties Incorporated	Single-Tenant
2450 E. Chapman Avenue Fullerton, CA	16,500 SF	\$4,874,500 \$295.42 PSF	Wood Investments Companies 99 Cents Only Stores LLC	Single-Tenant
108-122 N. Tustin Avenue Anaheim, CA	9,498 SF	\$2,245,000 \$236.37 PSF	John D. & Valerie B. Gardner Trust Champion Recital LLC	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
207-235 W. Imperial Highway Brea, CA	4,200 SF	One Berry LLC	Undisclosed	Undisclosed
8102-8126 E. Santa Ana Canyon Road Anaheim, CA	3,923 SF	STRS Ohio CA Real Estate	Mattress Firm	Mattress Store
1832-1880 N. Tustin Street Orange, CA	2,640 SF	Behrouz S Samghabadi & Mitra Jafari	Undisclosed	Undisclosed



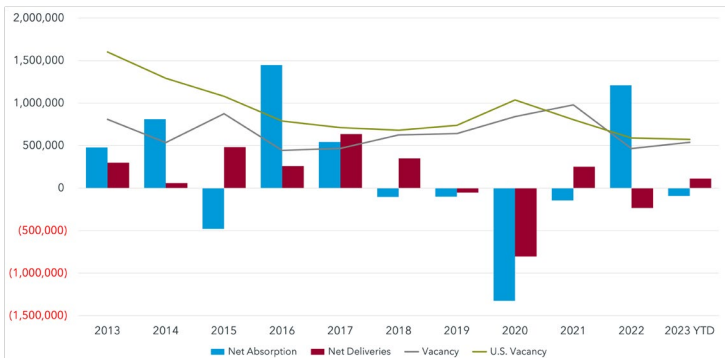
### RETAIL MARKET OVERVIEW

ERIK FAUCETT, *Vice President*

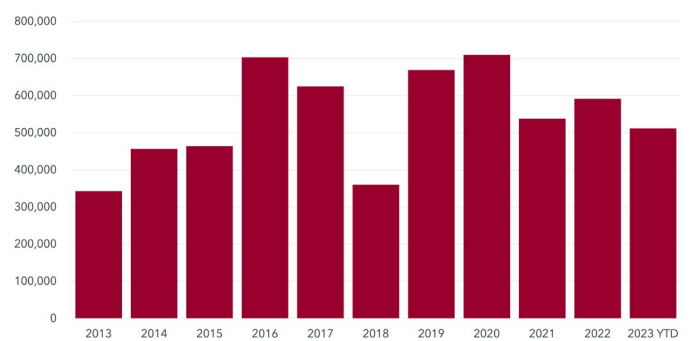
Retail tenants in San Diego are finding it increasingly difficult to find space as the availability of quality sites has diminished. There has been little new inventory added in recent years, combined with some of the big box sites and car dealerships that are being tapped for redevelopment into housing. Landlords are holding firm on their asking rates while offering little in the form of concessions. With the rise in interest rates, buyers are becoming more selective and cautious. The market is seeing more multifamily investors seeking to invest in retail properties as the cap rates are higher in the retail market.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	81,681	82,042	594,269	1,209,760	1,123,644
▼ Vacancy Rate	4.1%	4.2%	4.2%	3.9%	4.2%
▲ Avg NNN Asking Rate PSF	\$34.32	\$34.20	\$33.72	\$33.12	\$32.76
▼ SF Under Construction	511,713	533,378	570,187	591,315	541,348
▲ Inventory SF	139,271,386	139,249,721	139,205,114	139,155,268	139,310,450

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1640-1750 Camino Del Rio North San Diego, CA	474,324 SF	\$64,392,052 \$135.76 PSF	Real Capital Solutions Unibail-Rodamco-Westfield	Multi-Tenant
1702 Camino Del Rio North San Diego, CA	385,000 SF	\$52,265,835 \$135.76 PSF	Real Capital Solutions Unibail-Rodamco-Westfield	Multi-Tenant
1288 Camino Del Rio North San Diego, CA	199,774 SF	\$27,120,402 \$135.76 PSF	Real Capital Solutions Unibail-Rodamco-Westfield	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
10511-10543 S. Commons Drive San Diego, CA	27,045 SF	Regency Centers	RH Outlet	Home Furnishings
9340-9396 Mira Mesa Boulevard San Diego, CA	24,473 SF	Asset Management Group	Aldi	Grocer
1410 E. Plaza Drive National City, CA	15,780 SF	Blue Owl	Big Lots	Discount Retailer



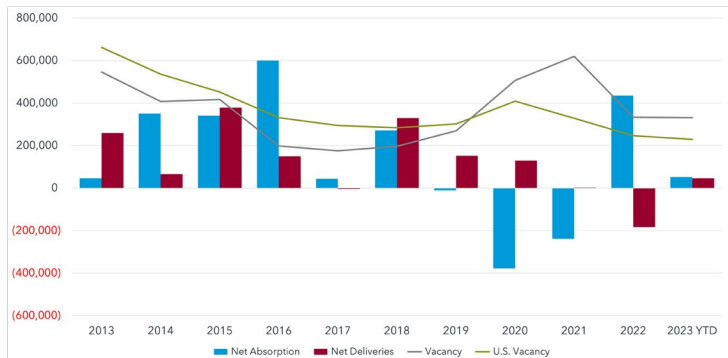
### RETAIL MARKET OVERVIEW

JAMES PIERI, JR, *Senior Vice President, Broker and Principal*

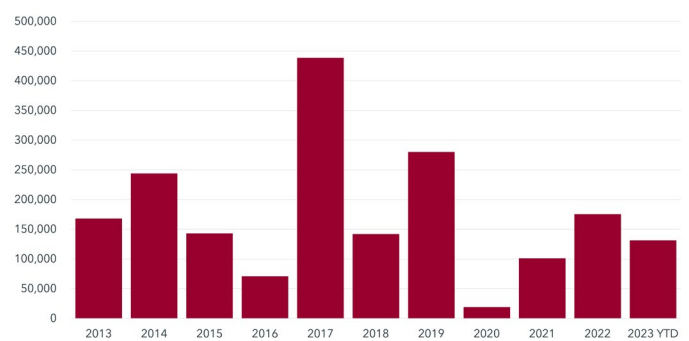
The San Diego North County retail trade areas continue to remain stable through Q3, 2023. Retail vacancy is down approximately 0.28% from Q2, 2023 and vacancy continues to hover at approximately 4.875% on average YTD 2023. In the same time period, North County retail rental rates have decreased by approximately 1.7% for a market average of approximately \$2.27/PSF plus NNN's. Projects under construction fell slightly by 4.3% from Q2 as well as inventory fell by 8% from Q2. The three largest lease transactions by SF in Q3 averaged 11,207 SF and the top sale transaction sold for \$24,960,275 in Escondido, CA. Purchase and sale volumes have continued to decrease due to increased interest rates, low supply to the market, lower buyer pool, and the uncertainty of the market futures.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	122,046	12,579	(115,055)	(15,586)	90,859
▼ Vacancy Rate	4.72%	5.00%	5.03%	4.74%	4.97%
▼ Avg NNN Asking Rate PSF	\$27.24	\$27.72	\$26.64	\$26.40	\$25.80
▼ SF Under Construction	131,432	137,382	139,082	172,044	143,339
▼ Inventory SF	2,043,799	2,221,630	2,090,880	2,000,307	1,951,688

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
620 W. Mission Avenue Escondido, CA	169,112 SF	\$24,960,275 \$147.60 PSF	Safeco Capital Corporation Mar & Associates	Multi-Tenant
1601-1649 S. Melrose Drive Vista, CA	122,953 SF	Undisclosed	Marlone Geier Management, Inc. Kimco Realty Corporation	Multi-Tenant
1717 Auto Park Way Escondido, CA	25,569 SF	\$18,400,000 \$719.62 PSF	Aaron Automotive Group Gosch Auto Group	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1529 E. Valley Parkway Escondido, CA	14,700 SF	Armony Family 1998 Trust	Indoor Baseball	Retailer
2355 E. Valley Parkway Escondido, CA	10,500 SF	Arileaus Capital	Childrens Choice	Professional, Scientific, and Technical Services
114-172 N. El Camino Real Encinitas, CA	8,421 SF	Kami Hoss	O'Reilly Auto Parts	Auto Retail



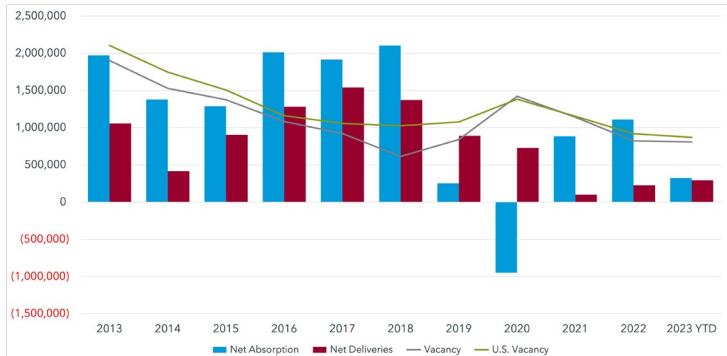
### RETAIL MARKET OVERVIEW

JEFF HALLBERG, *Principal*

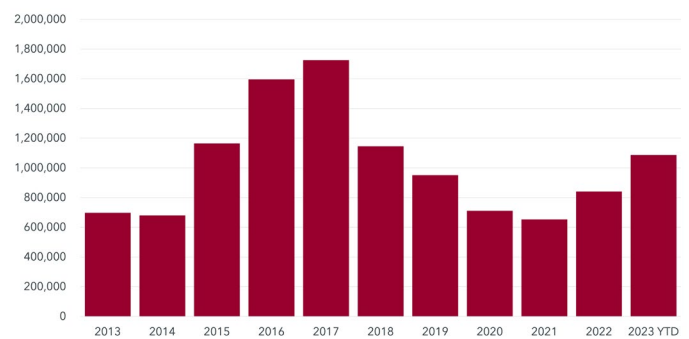
The Denver retail market has softened in recent months due to rising consumer debt, inflation, and high interest rates. The vacancy rate of 4.0% still remains very low compared to past years. Annual rents are up 0.8% but trailing the national average. Retail leasing activity slowed in the 2nd half of the year due to the lack of available space. Interest rates continue to put downward pressure on investment activity. There is roughly 1.1 million SF of retail space under construction which represents 0.7% of the total inventory with just 6% of this space available for lease. Strong pre-leasing activity is unlikely to put pressure on vacancies in 2024.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	1,063,484	1,204,152	1,472,706	1,110,206	931,996
▼ Vacancy Rate	4.0%	4.1%	3.9%	4.1%	4.4%
▼ Avg NNN Asking Rate PSF	\$24.88	\$24.93	\$25.04	\$24.88	\$24.67
▲ SF Under Construction	1,086,961	655,754	712,270	840,882	885,608
▼ Inventory SF	161,164,606	161,183,727	161,093,394	160,872,105	160,745,004

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
7225-7325 Wadsworth Parkway Westminster, CO	139,733 SF	\$3,919,488 \$28.05 PSF	Sidford Capital LLC TriGate Capital	Multi-Tenant
8501 W. Bowles Avenue Littleton, CO	138,219 SF	\$7,200,000 \$52.09 PSF	Undisclosed Macy's, Inc.	Single-Tenant
6805-7025 W. 88th Avenue Westminster, CO	100,683 SF	\$13,610,824 \$135.18 PSF	Sidford Capital LLC TriGate Capital	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
14401 E. Exposition Avenue Aurora, CO	55,350 SF	Heritage Christian Center, Inc.	Heritage Christian Center	Services - Religious Organizations
311 E. County Line Road Littleton, CO	50,457 SF	Prime Management	Undisclosed	Undisclosed
7360 W. 52nd Avenue Arvada, CO	41,909 SF	NewMark Merrill Companies	Conn's	Retailer



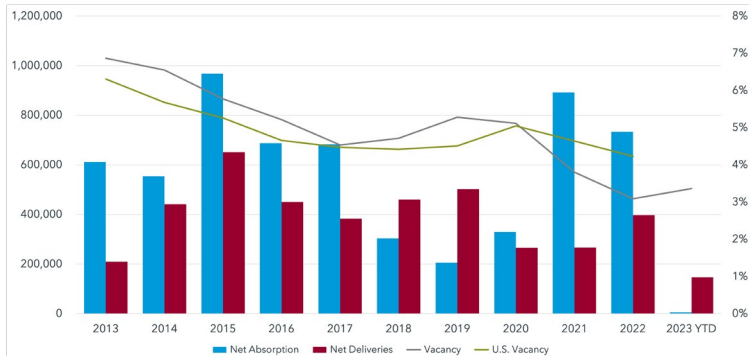
### RETAIL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

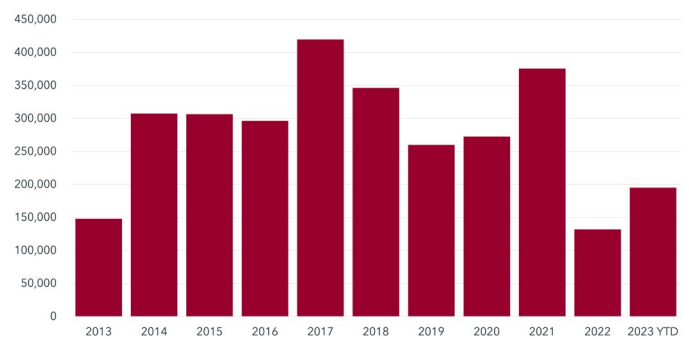
Retail leasing activity was strong in the third quarter of 2023. The Retail Trade industry added 1,000 jobs in 12 months for a 2.3% year-over-year (YOY) increase in employment. Net absorption was down for the market as a whole, however a few submarkets showed solid demand supporting new retail development. Two of the regions that experienced positive net absorption were Cape Coral and Estero where nearly 73% of the new construction pipeline was generated. One of the largest leases for the quarter was signed to a new-to-market tenant, popshelf, located at the northwest corner of Cypress Lake Drive and US-41 in Fort Myers.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	(52,815)	75,977	78,371	161,503	157,132
▲ Vacancy Rate	2.5%	2.3%	2.4%	2.4%	2.5%
▲ Avg NNN Asking Rate PSF	\$19.60	\$19.45	\$19.32	\$19.35	\$18.12
▼ SF Under Construction	195,156	229,611	251,780	131,937	203,040
▲ Inventory SF	49,121,348	49,082,093	49,042,155	48,974,411	48,880,650

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1519 & 1523 NE Pine Island Road Cape Coral, FL	23,786 SF	\$14,750,000 \$620.11 PSF	Fat Deer Key LLC Pine Island Cape Coral FL LLC	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
13300 S. Cleveland Avenue Fort Myers, FL	26,035 SF	David Lukes	Burlington Coat Factory	Department Store
931-935 Pondella Road North Fort Myers, FL	12,500 SF	Coral Gate Commons LLC	Fort Myers Baseball Academy	Recreation
13300 S. Cleveland Avenue Fort Myers, FL	11,553 SF	David Lukes	p°psshelf	Retailer



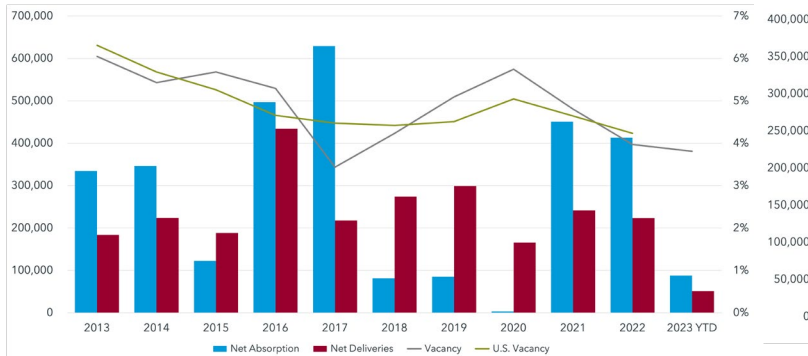
### RETAIL MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

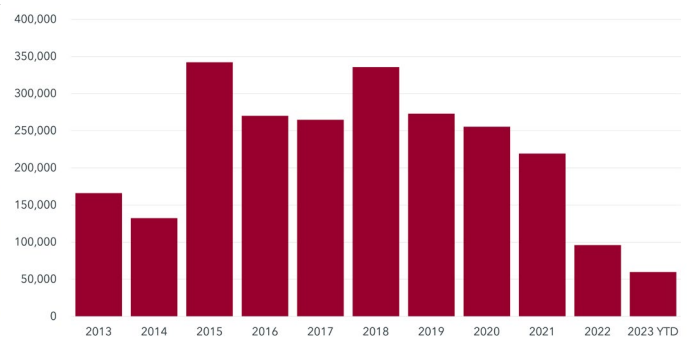
Seasonally adjusted tourist tax revenues increased 7% year-over-year (YOY) in Naples providing a solid base for retail market fundamentals. Overall, asking rents increased 5.5% YOY despite vacancy relatively unchanged and a moderation in demand. Average asking rents hovered near \$30.00 psf NNN. The market remained tight with the vacancy rate holding at 3.4%. The most significant retail transaction was the sale of The Gateway of Naples shopping center for \$29.25M, soon to be newly renamed and rebranded to Centre Pointe. The parcel is located at the northeast corner of Golden Gate Parkway and US-41 in Naples.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Qtrly Net Absorption SF	(35,455)	44,404	72,390	(9,734)	44,662
▲ Vacancy Rate	3.4%	3.2%	3.2%	3.4%	3.4%
▲ Avg NNN Asking Rate PSF	\$29.73	\$29.39	\$30.28	\$28.28	\$28.18
▼ SF Under Construction	59,899	69,899	88,628	96,010	104,210
▲ Inventory SF	24,042,002	24,032,002	23,998,174	23,990,792	23,982,592

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2100 & 2104-2184 Tamiami Trail North (2100 9th Street N.), Naples, FL	59,825 SF	\$29,250,000 \$488.93 PSF	Fareri Associates Continental Realty Corporation	Multi-Tenant
998 6th Avenue South Naples, FL	4,600 SF	\$4,825,000 \$1,048.91 PSF	John R. Wood Properties J&G Carpentry, Inc.	Single-Tenant
210 Tamiami Trail North Naples, FL	3,339 SF	\$6,000,000 \$1,796.95 PSF	Marissa Collections MGMC LLC	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
14700-14706 Tamiami Trail North Naples, FL	4,258 SF	Seabreeze Investors LLC	Undisclosed	Restaurant
82 9th Street Naples, FL	4,000 SF	Brookline Development	Circa Lighting	Lighting Store





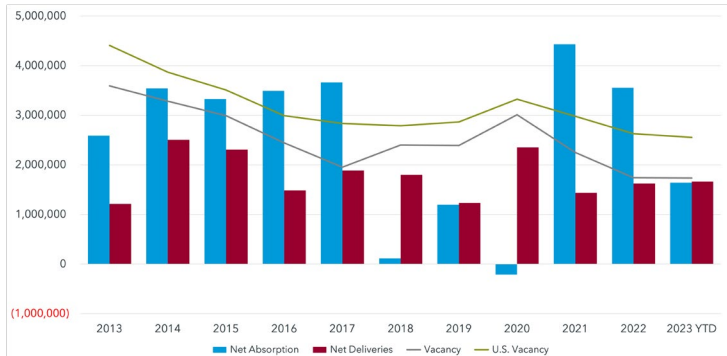
### RETAIL MARKET OVERVIEW

NICOLAS MORENO, *Associate*

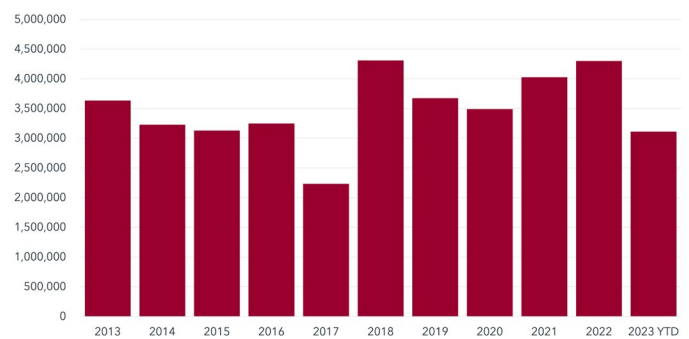
The South Florida retail market showcased promising trends in Q3. A steady vacancy rate and solid net absorption over the last year indicates a stable demand, consistent occupancy and interest. Significant lease transactions exemplify a continued appetite from major retailers, and sale transactions spotlight premium dealings with prices per square foot reaching as high as \$382.70. Given the performance and heightened activity from dominant brands, South Florida's retail landscape is buoyant. The region's appeal, bolstered by its growing population, attractiveness for business relocations, as and influence of international buyers, sets it apart and provides an added layer of demand stability.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	3,130,429	2,908,464	2,855,842	3,556,745	3,217,351
◀▶ Vacancy Rate	3.0%	3.0%	3.1%	3.1%	3.2%
▼ Avg NNN Asking Rate PSF	\$36.12	\$36.33	\$36.13	\$35.60	\$34.63
▼ SF Under Construction	3,110,716	3,681,031	4,185,248	4,299,355	4,895,408
▲ Inventory SF	340,175,935	339,408,322	338,786,803	338,512,616	337,598,556

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2801 Salzedo Street Coral Gables, FL	190,678 SF	\$45,000,000 \$236.00 PSF	Dream Motor Group Bill Ussery Motors, Inc.	Single-Tenant
10701 SW 211th Street Cutler Bay, FL	155,837 SF	\$45,000,000 \$288.76 PSF	Dream Motor Group Bill Ussery Motors, Inc.	Single-Tenant
300 Almeria Avenue Coral Gables, FL	143,716 SF	\$55,000,000 \$382.70 PSF	Dream Motor Group Bill Ussery Motors, Inc.	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
20940 Uptown Avenue Boca Raton, FL	37,500 SF	Cortland	Whole Foods	Grocery Stores
18325 S. Dixie Highway Miami, FL	36,496 SF	Blue Owl	Big Lots	Variety Stores
1600 NE 23rd Street Pompano Beach, FL	31,338 SF	Sterling Organization	Amped Fitness	Fitness Center



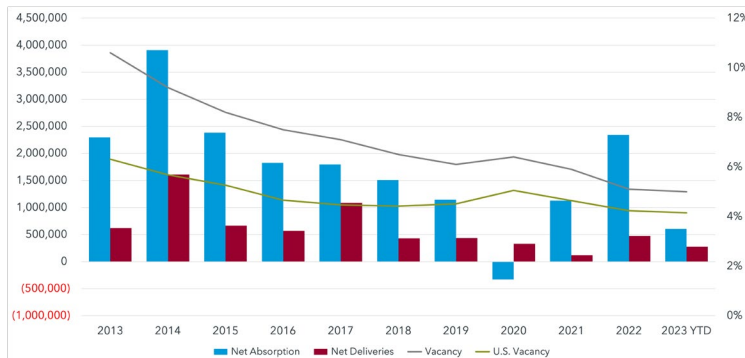
### RETAIL MARKET OVERVIEW

KATE HUNT, Senior Research Analyst

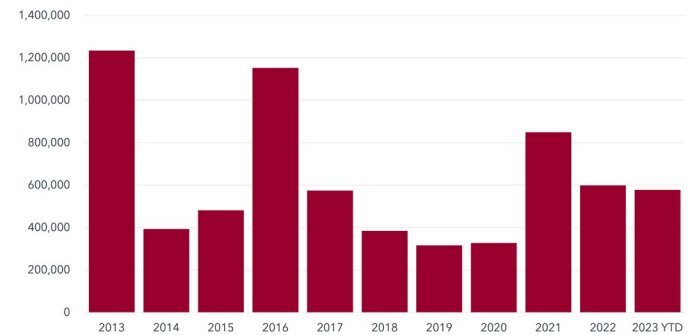
Thanks to the region's diverse economy, favorable demographic trends, and a lack of large-scale speculative supply, Atlanta's retail vacancy rate is as low as it has been this century at 5%. Retail absorption has been back in positive territory for nine quarters in a row heading into late 2023. The Atlanta metro is one of the top markets in the country in terms of trailing 12-month net absorption. Construction starts have halted in the second half of 2023, going from 727,125 SF under construction to 577,642 SF under construction.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	1,639,294	1,989,472	1,824,662	2,341,341	2,072,144
▼ Vacancy Rate	5.0%	5.1%	5.3%	5.1%	5.4%
▲ Avg NNN Asking Rate PSF	\$18.57	\$17.90	\$18.69	\$18.48	\$18.03
▼ SF Under Construction	577,642	727,125	650,187	599,056	491,325
▼ Inventory SF	185,893,809	208,461,554	208,381,554	208,328,484	208,220,009

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
6232-6242 Old Highway 5* Woodstock, GA	128,667 SF	\$22,776,981 \$177.02 PSF	First National Realty Partners Bandera Ventures	Multi-Tenant
6199 Highway 92* Acworth, GA	103,719 SF	\$15,123,019 \$145.81 PSF	First National Realty Partners Bandera Ventures	Multi-Tenant
7507-7535 Roswell Road Atlanta, GA	62,558 SF	\$11,450,000 \$183.03 PSF	Frostpoint Capital LLC InvenTrust Properties Corporation	Multi-Tenant

\*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3033 Johnson Ferry Road Marietta, GA	13,855 SF	Private Owner	Dollar Tree	General Merchandise Retailers
1355 Roswell Road Marietta, GA	12,000 SF	Stream Realty Partners	The Dog Stop	Animal Specialty Services
2979 N. Druid Hills Road NE Atlanta, GA	10,500 SF	EDENS	Chipotle Mexican Grill	Restaurant



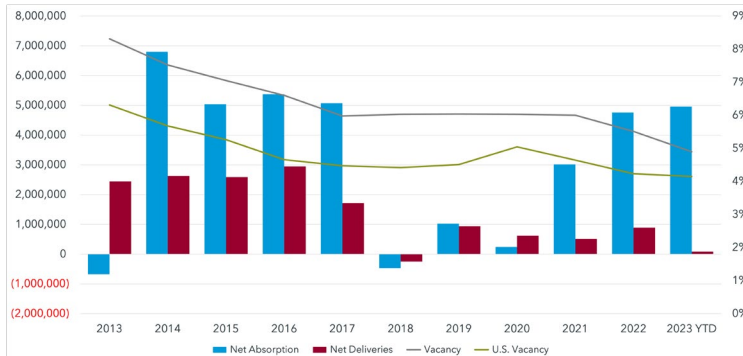
### RETAIL MARKET OVERVIEW

DIANA PEREZ, *Director of Research*

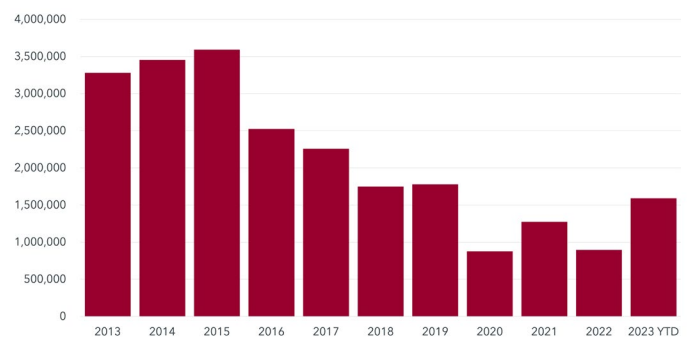
The overall availability rate of 6.3% is 170 basis points below the Chicago retail market's historical average. Availability rates are compressing across all property footprints and retail segments, recording the market's lowest availability rate since 2007. Leasing levels are 20% below the 10-year historic norm, and absorption, while positive, is registering an average 12-month move-in rate around 3.2 million SF. During 23Q3, 1.3 million SF was removed from the market through demolitions while construction starts and the under-construction supply levels are down nearly 15% and 50%, respectively, from their 10-year averages. Chicago's rental growth rate fell by almost 60% from the previous year-over-year rate. At 1.4%, it is well above the market's historic 0.5% growth rate.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	5,038,278	4,316,186	3,842,304	2,011,024	2,802,618
▼ Vacancy Rate	4.90%	5.10%	5.33%	5.51%	5.81%
▼ Avg NNN Asking Rate PSF	\$20.93	\$21.05	\$20.88	\$18.02	\$17.86
▲ SF Under Construction	1,590,391	1,559,628	2,918,547	897,320	1,259,987
▼ Inventory SF	585,896,916	586,276,688	584,486,216	582,647,663	582,305,048

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
424 W. Division Street Chicago, IL	87,123 SF	\$27,510,000 \$315.76 PSF	Regency Centers Corporation Principal	Multi-Tenant
14200 Chicago Road Dolton, IL	83,300 SF	\$775,000 \$9.30 PSF	American Assoc of Single Parents Evangelical Covenant Church	Multi-Tenant
799 Central Avenue Highland Park, IL	65,000 SF	\$9,600,000 \$147.69 PSF	Keshet KeyCorp	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7200 Woodward Avenue Woodridge, IL	110,552 SF	CTO Realty Growth, Inc.	The Home Depot	Home improvement
2367 W. Logan Boulevard Chicago, IL	50,019 SF	Windy City Fieldhouse	Exhibition Hub	Edutainment
50-180 Waukegan Road Deerfield, IL	47,000 SF	Mid-America Real Estate Corporation	Burlington	Home improvement



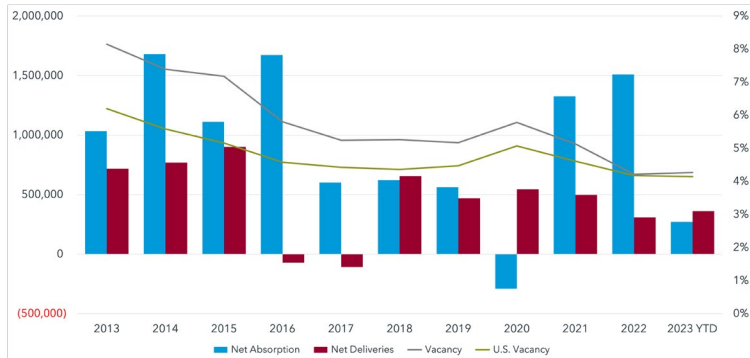
### RETAIL MARKET OVERVIEW

HUNTER SEABAUGH, *Senior Associate*

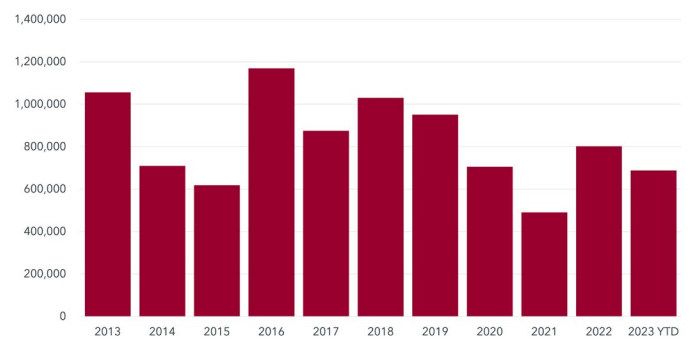
Vacancy remains low and steady. Interest rate increases are making new developments more difficult to pencil. Rising construction costs and supply chain issues have put second-generation restaurant spaces in high demand. Many operators are still struggling to find consistent labor. Coffee wars are heating up - Dutch, Caribou, 7Brew, Coffee 151 all vying for new sites. Automotive uses seem active. Lots of cash on the sidelines waiting for some opportunistic buying conditions (across all asset classes). So much for retail apocalypse! Things are looking good in this sector.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	504,206	1,035,878	1,231,956	1,509,355	1,755,235
▲ Vacancy Rate	4.3%	4.1%	4.2%	4.2%	4.3%
▲ Avg NNN Asking Rate PSF	\$17.64	\$17.54	\$17.34	\$17.12	\$16.95
▼ SF Under Construction	688,379	863,281	909,258	802,273	840,445
▲ Inventory SF	132,398,757	132,245,934	132,147,582	132,036,885	131,911,491

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
11611-16659 E. 23rd Street Independence, MO	151,023 SF	Undisclosed	Thai Cam William Wilburn & Rebecca Sherwood	Multi-Tenant
9107 Tomn Watson Parkway Parkville, MO	73,675 SF	Undisclosed	Rubenstein Real Estate Tifec	Multi-Tenant
6715 Blue Ridge Boulevard Raytown, MO	65,069 SF	Undisclosed	Gran Prix Extreme LB One LLC	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
122 US-169 Smithville, MO	40,000 SF	Tim Harris	NAPA Autoparts	Automotive
8111-8201 NW Roanridge Kansas City, MO	36,572 SF	Barrywood Holdings	Planted Tree	Retailer
612 W. 47th Kansas City, MO	24,000 SF	Port Authority of Kansas City	Puttery	Experiential



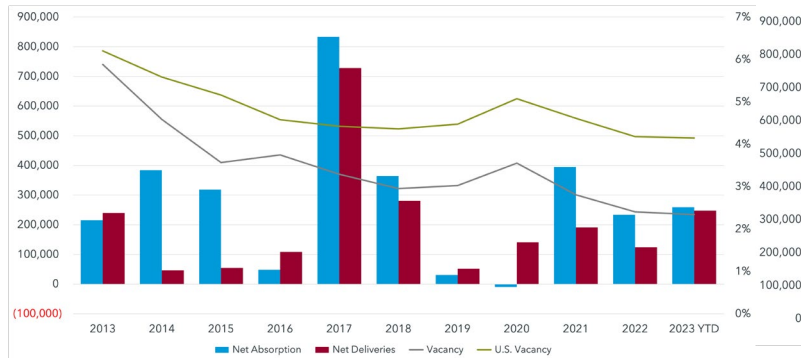
### RETAIL MARKET OVERVIEW

JAKE PLOTKIN, CCIM, *Vice President*

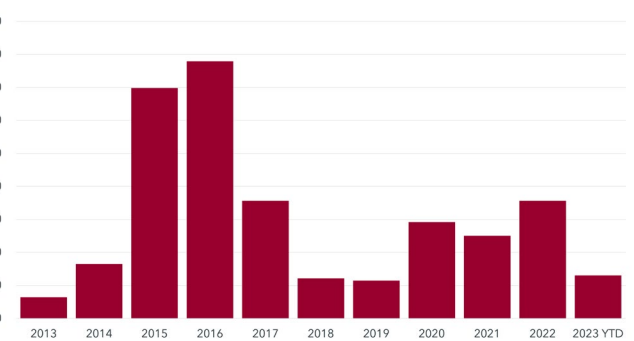
Durham's retail market saw robust growth in Q3 2023, boasting a net absorption of 295,998 square feet, outpacing Q2's 253,042 square feet. Additionally, the vacancy rate declined from 2.45% in Q2 to 2.31% in Q3, highlighting heightened demand for retail spaces. The average NNN asking rate per square foot per year also increased from \$23.06 to \$23.33. Notably, Q3 witnessed a reduction in square footage under construction, dropping to 130,534 square feet from Q2's 211,325 square feet. Despite this, the market remained stable, with the inventory at 28,161,334 square feet in Q3, consistent with Q2's 28,061,334 square feet. These figures collectively suggest a resilient and thriving retail market in Durham.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	295,998	253,042	258,720	233,567	201,436
▼ Vacancy Rate	2.31%	2.45%	2.47%	2.40%	2.32%
▲ Avg NNN Asking Rate PSF	\$23.33	\$23.06	\$22.80	\$22.52	\$22.24
▼ SF Under Construction	130,534	211,325	220,792	356,480	411,679
▲ Inventory SF	28,161,334	28,061,334	28,047,834	27,913,946	27,863,472

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
3825 S. Roxboro Street Durham, NC	114,972 SF	\$12,150,000 \$105.68 PSF	County of Durham BC Wood Properties	Undisclosed
321 East Street Pittsboro, NC	10,280 SF	\$4,154,000 \$404.09 PSF	DV Cat LLC Louise Garside	Undisclosed
725 Iredell Street Durham, NC	5,885 SF	\$1,850,000 \$314.36 PSF	Rea Morehead Juniper, Inc. 725 Iredell LLC	Undisclosed

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2223 E. NC Highway 54 Durham, NC	4,448 SF	Elmer Douglas Lucas	Undisclosed	Undisclosed
8030 Renaissance Parkway Durham, NC	4,000 SF	Brookfield Corporation	CO	Dine-In Restaurants
202 N. Corcoran Street Durham, NC	3,951 SF	Austin Lawrence Partners	Cheeni Indian Restaurant	Accommodation and Food Services



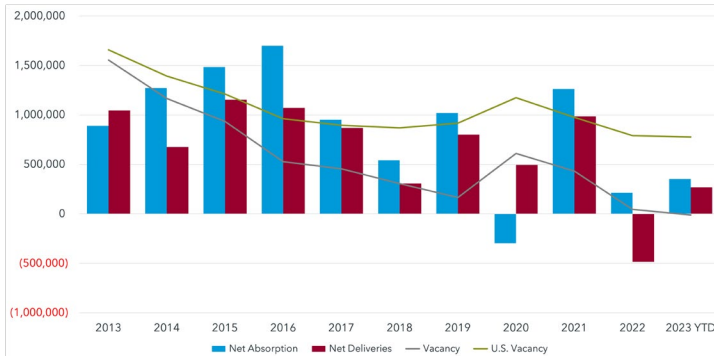
### RETAIL MARKET OVERVIEW

JAKE PLOTKIN, CCIM, *Vice President*

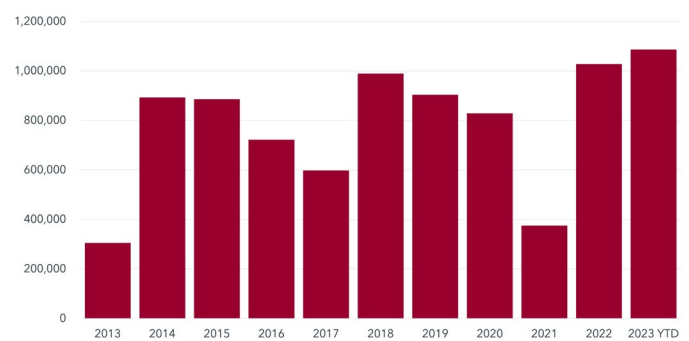
The Raleigh retail market demonstrated robust growth and encouraging signs during Q3 2023. Notably, net absorption surged to 576,500 square feet, exceeding the previous quarter's 461,654 square feet. Moreover, the vacancy rate saw a slight dip from 2.41% in Q2 to 2.32% in Q3, indicating heightened demand for retail properties. Additionally, the average NNN asking rate increased to \$25.39, up from \$24.86 in Q2. Despite a slight reduction in square footage under construction, with Q3 at 1,086,163 square feet compared to Q2's 1,094,392 square feet, Raleigh's retail market remains resilient. The overall inventory expanded to 75,852,836 square feet in Q3, as opposed to 75,811,283 square feet in Q2, underscoring the market's stability and growth.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	576,500	461,654	119,079	214,467	643,945
▼ Vacancy Rate	2.32%	2.41%	2.20%	2.44%	2.91%
▲ Avg NNN Asking Rate PSF	\$25.39	\$24.86	\$24.34	\$23.92	\$23.65
▼ SF Under Construction	1,086,163	1,094,392	1,179,963	1,027,512	1,019,029
▲ Inventory SF	75,852,836	75,811,283	75,701,449	75,584,184	75,701,474

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1905-1915 Poole Road Raleigh, NC	24,090 SF	\$3,200,000 \$132.84 PSF	Heba Issa Artesia Real Estate	Multi-Tenant
960 W. Market Street Smithfield, NC	23,203 SF	\$1,600,000 \$68.96 PSF	Whitley Townes LLC J&J Flowers Finch, Inc.	Single-Tenant
5560-5596 Highway 42 West Garner, NC	18,120 SF	\$1,850,000 \$102.10 PSF	Woodhaven Development Group GM & M Real Estate Services	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1 Junction Plaza Franklinton, NC	15,000 SF	Brassfield Commercial	Auto Zone	Automotive parts
404 E. Six Forks Road Raleigh, NC	12,455 SF	Tony Xie	Umami Sushi D/B/A Umiya	Accommodation and Food Services
4229 Louisburg Road Raleigh, NC	12,000 SF	SouthCoast Commercial LLC	David's Bridal	Women's Clothing Stores



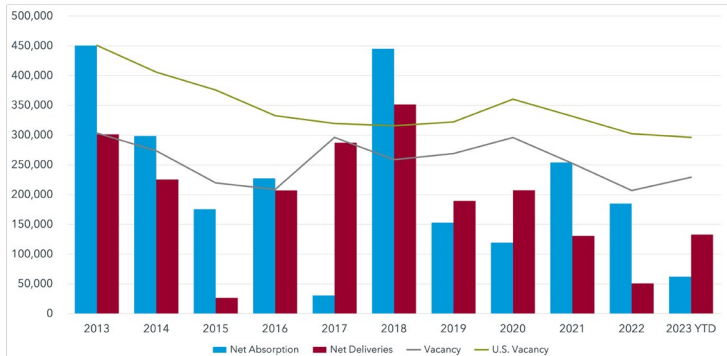
### RETAIL MARKET OVERVIEW

GRACE NEWTON, *Vice President*

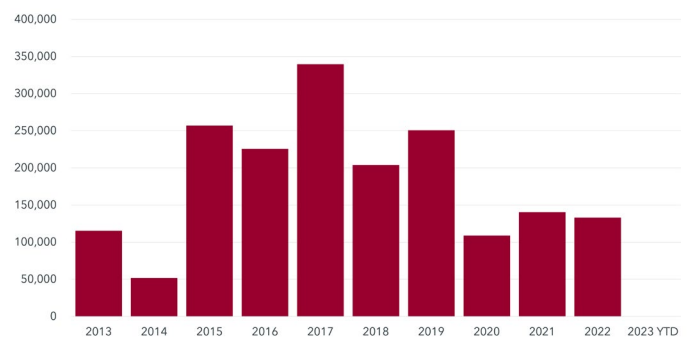
The Lincoln market continues to follow the trends seen in other Midwest retail markets. These trends include vacancy rates below 5%, in Lincoln's case its 3.2%, as well as increased rental rates. Lincoln has seen an 8% average rent increase since the start of 2019. Retail sales numbered 45 in the past year, which is the lowest in the past five years. This can be partially attributed to the gap between interest rate growth buyers face, and sellers having to wrestle with different expectations than what they were used to. The average sale price per square foot didn't significantly change within the last year. With many properties being reported as "under contract", and many retail lease deals intending to wrap up before year end, Q4 2023 is expected to be strong.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	74,780	118,366	107,522	185,158	282,897
▲ Vacancy Rate	3.1%	2.9%	3.0%	2.9%	2.9%
▲ Avg NNN Asking Rate PSF	\$14.30	\$14.25	\$14.11	\$14.10	\$14.03
▼ SF Under Construction	0	48,000	128,000	133,000	129,759
▲ Inventory SF	21,448,162	21,400,162	21,320,162	21,315,162	21,324,775

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
8300 Northern Lights Drive Lincoln, NE	14,736 SF	\$4,500,000 \$305.00 PSF	Rd Bentley Property LLC Village Development	Single-Tenant
2301 Highway 2 Lincoln, NE	8,500 SF	\$1,300,000 \$153.00 PSF	NNN Reit LP Lank LLC	Single-Tenant
333 S. 11th Street Lincoln, NE	6,346 SF	\$1,000,000 \$158.00 PSF	REV Development South Street Commercial	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3940 N. 26th Street Lincoln, NE	9,952 SF	Realty Income	Panda Express	Restaurant
5900 S. 85th Street Lincoln, NE	5,325 SF	J Victorian Development	Undisclosed	Undisclosed
2940 Pine Lake Road Lincoln, NE	4,350 SF	RED Development	KidStrong	Fitness



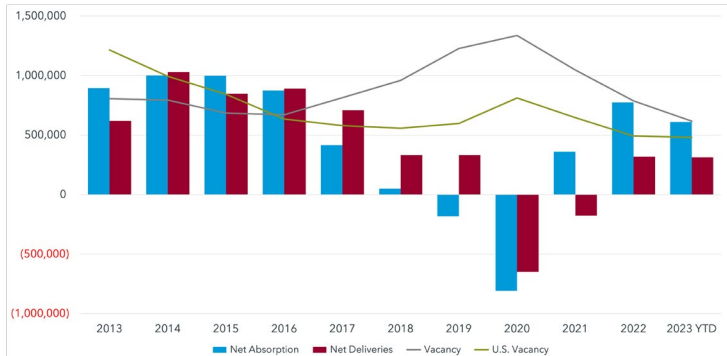
### RETAIL MARKET OVERVIEW

JORDAN POTTHOFF, *Senior Associate Broker*

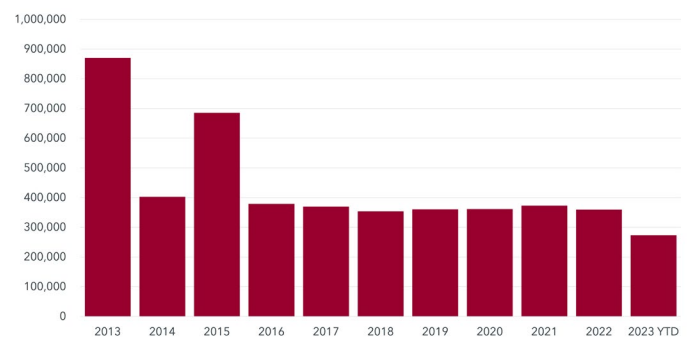
Omaha's retail vacancy rate continues to decrease, now at 4.7%. This lack of available space pushes rent growth to record highs. Especially on drive-thrus, endcaps and "move-in-ready" space. Stand-alone vacancies are in high demand for restaurateurs, QSR and banks. Interest rates and conservative lenders pose challenges for all parties. Buyers are being forced to explore seller financing, cash offers and portfolio acquisitions to make sense of the lending environment. Despite these matters, opportunity exists for creative consumers and brokers. Dan Goaley and Dan Dutton represented the buyer in Omaha's top retail sale transaction of the quarter. The transaction required creativity when construction was not yet completed on Tenant's bays.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	639,717	788,748	597,642	774,363	638,278
▼ Vacancy Rate	4.7%	4.8%	5.0%	5.0%	5.1%
▲ Avg NNN Asking Rate PSF	\$16.95	\$16.73	\$16.33	\$15.94	\$15.65
▼ SF Under Construction	273,537	325,875	437,921	359,845	336,298
▲ Inventory SF	65,398,257	65,286,858	65,129,215	65,084,683	65,019,383

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
5101-5125 S. 36th Street Omaha, NE	84,911 SF	\$7,000,000 \$82.44 PSF	Cutchall Management Company Gordman Properties Company	Multi-Tenant
10702 Browne Street Omaha, NE	19,000 SF	\$2,000,000 \$105.26 PSF	Jacob Christensen Thomas L. Koll	Single-Tenant
9421 Q Street Omaha, NE	16,200 SF	\$1,300,000 \$80.25 PSF	Larry & Diane Cochran Inter-Tech Collision	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7040-7050 N. 102nd Circle Omaha, NE	9,060 SF	Douglas Lenhoff Straub II	Explore The Evans Experience	Office
14933-14949 Evans Plaza Omaha, NE	8,000 SF	National Real Estate Management Corp	Comfortmade Mattress Factory	Retail
13808 W. Maple Road Omaha, NE	6,655 SF	Bear Properties	Stride Autism Centers	Clinic





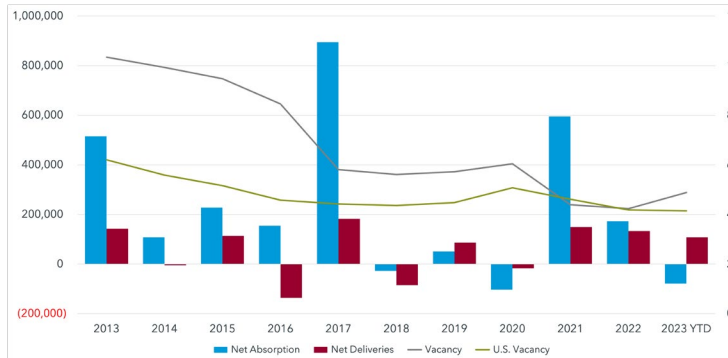
### RETAIL MARKET OVERVIEW

LYLE CHAMBERLAIN, CCIM, *President*

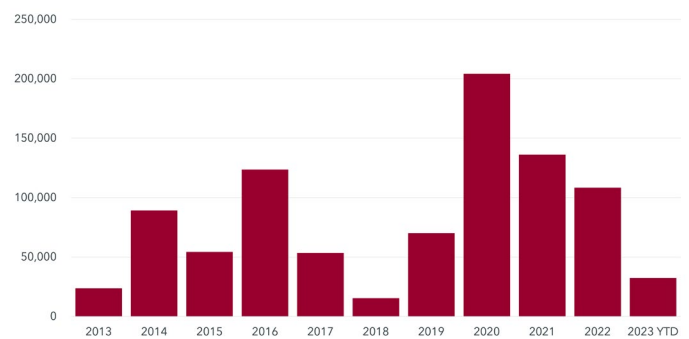
Regionally, the retail market has been and remains strong. This is a result of the population growth, the strong jobs market, good construction, rising housing prices, and almost no real growth in the under construction retail sector. The resultant environment has allowed the current retail sector to keep existing inventory relatively full while enjoying a moderate increase in pricing. We have been fortunate to be able to reconfigure the loss in certain big boxes in the area. Overall, rents are up a bit with food service remaining the strongest occupier. With only moderate construction on the books, I see this sector continued strong for the near future.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	71,298	301,044	69,998	172,955	249,281
▲ Vacancy Rate	4.8%	4.5%	4.4%	4.2%	4.6%
▲ Avg NNN Asking Rate PSF	\$21.76	\$21.62	\$21.27	\$20.92	\$20.74
▼ SF Under Construction	32,387	113,518	112,619	108,423	39,976
▲ Inventory SF	27,874,257	27,793,126	27,777,834	27,765,834	27,753,150

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2240 Oddie Boulevard Sparks, NV	65,067 SF	\$7,612,000 \$116.99 PSF	The Children's Cabinet Guardian Capital	Multi-Tenant
1360 Big Fish Drive Sparks, NV	7,000 SF	\$4,750,000 \$678.57 PSF	William Hunter RED Development LLC	Multi-Tenant
1370 Big Fish Drive Sparks, NV	6,047 SF	\$4,655,000 \$769.80 PSF	William Hunter RED Development LLC	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5069-5089 S. McCarran Reno, NV	35,086 SF	Pacific Castle	O'Reilly Auto Parts	Auto Parts
4879-4996 S. Virginia Reno, NV	12,859 SF	Kimco	Twin Peaks Restaurant	Restaurant
13921-13925 S. Virginia Reno, NV	6,584 SF	Rhino Investments	Burn Boot Camp	Recreation



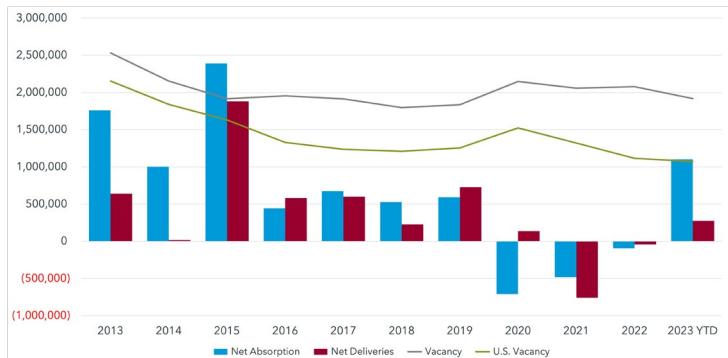
### RETAIL MARKET OVERVIEW

STAN FALK, *Senior Vice President*

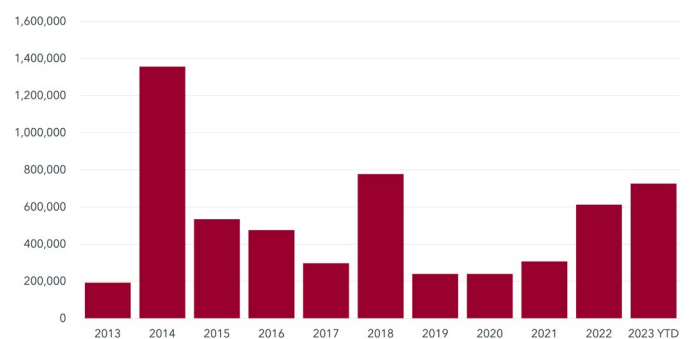
Landlords navigating the retail real estate sector are experiencing two opposing trends. Leasing has never been stronger, and centers are performing exceptionally well operationally. At the same time, a deterioration in the capital markets has presented significant challenges for landlords seeking to refinance or sell. We expect the robust conditions in the leasing market to remain durable. The capital markets are less predictable. Transaction volume will likely remain depressed in the near term, but landlords are in a good position to shore up their NOI's in the interim.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	1,185,891	610,516	207,853	(94,373)	(325,523)
▼ Vacancy Rate	5.78%	6.01%	6.09%	6.16%	6.47%
▲ Avg NNN Asking Rate PSF	\$15.55	\$15.47	\$14.95	\$14.62	\$14.39
▼ SF Under Construction	728,946	768,032	650,140	613,058	575,982
▲ Inventory SF	134,118,774	134,076,214	133,972,758	133,845,325	133,836,437

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
4601 Eastgate Boulevard Cincinnati, OH	431,034 SF	\$10,243,442 \$23.76 PSF	Hull Property Group Wells Fargo & Company	Multi-Tenant
1100 E. Kemper Road Springdale, OH	148,245 SF	\$12,000,000 \$80.95 PSF	Ditsch USA Costco Wholesale Corporation	Single-Tenant
545 W. Plane Street Bethel, OH	36,395 SF	\$1,600,000 \$43.96 PSF	Saver Group Munafo Seven, Inc.	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
10645-10689 Loveland Madeira Road Loveland, OH	18,850 SF	Baceline Investments LLC	Habitat For Humanity ReStore	Retailer
9550 S. Mason Montgomery Road Mason, OH	14,888 SF	Select Strategies Realty	Staples	Retailer
726 E. Main Street Lebanon, OH	10,318 SF	The Leathery Company	Family Dollar	Retailer



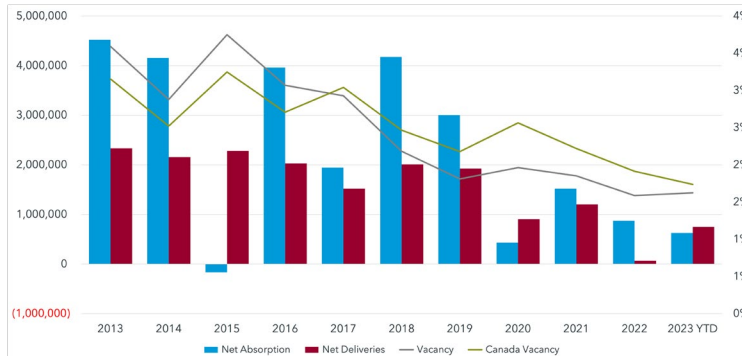
### RETAIL MARKET OVERVIEW

LUIS ALMEIDA, SIOR, *Executive Vice President, Partner*

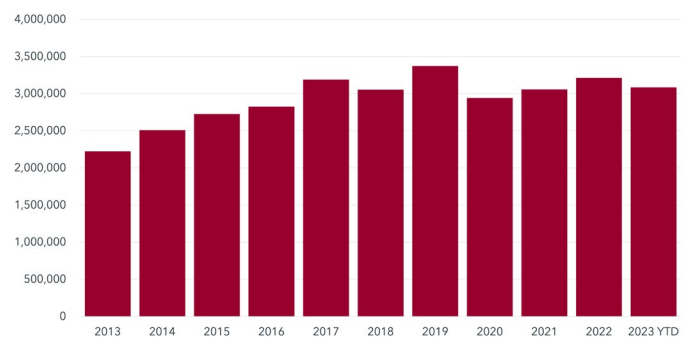
Toronto's retail market was on the path to recovery in Q3 2023, despite pandemic-induced economic uncertainties and shifting consumer behaviors. Challenges and shop closures were observed in both the downtown core and foot traffic-dependent storefronts. However, the gradual reopening of offices and the resurgence of tourism have begun to fill these spaces with restaurants, fitness centers, and wellness services. Limited available space is presenting challenges for tenants, especially those in need of mid-sized and prime corridor locations in the GTA. In addition, retail investments have slowed due to the impact of rising interest rates and high inflation on the sector's attractiveness, with expectations of increasing cap rates in the near future.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	922,228	856,255	1,078,665	874,670	650,571
▼ Vacancy Rate	1.6%	1.7%	1.7%	1.6%	1.7%
▼ Avg NNN Asking Rate PSF	\$34.87	\$34.89	\$34.50	\$34.25	\$33.90
▲ SF Under Construction	3,110,064	2,619,661	2,940,249	3,223,785	3,359,550
▲ Inventory SF	303,943,610	303,876,447	303,471,692	303,194,366	303,158,929

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1170 Martin Grove Road Toronto, ON	195,638 SF	\$49,475,000 \$252.89 PSF	Sun Commercial Real Estate Gistex, Inc.	Single-Tenant
1095 Kingston Road Pickering, ON	86,782 SF	\$27,000,000 \$311.12 PSF	Plazacorp Investments Ltd. Ontario Superior Court of Justice	Multi-Tenant
20 Maritime Ontario Boulevard Brampton, ON	64,234 SF	\$1,250,000 \$19.46 PSF	Shabnam Preetkaur Undisclosed	Multi-Tenant

\*All numbers shown are in Canadian dollars (CAD)

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
162 Queen Street North Toronto, ON	45,000 SF	SmartCentres Real Estate Investment Trust	Sport Chek	Sporting Goods
162 Queen Street North Toronto, ON	25,000 SF	SmartCentres Real Estate Investment Trust	Mark's	Apparel and Accessories
33 Yonge Street Toronto, ON	22,564 SF	GWL Realty Advisors	Undisclosed	Undisclosed



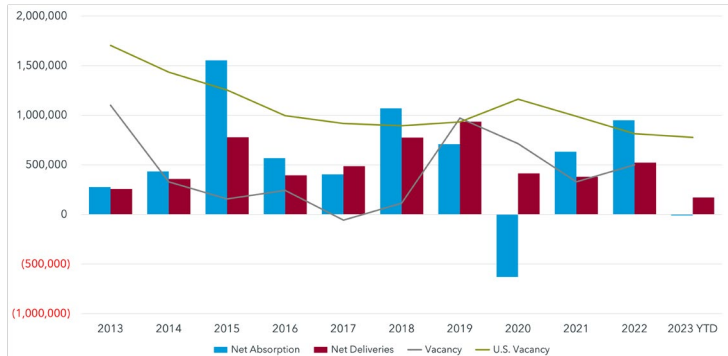
### RETAIL MARKET OVERVIEW

GUILLERMO GRANIER, Associate

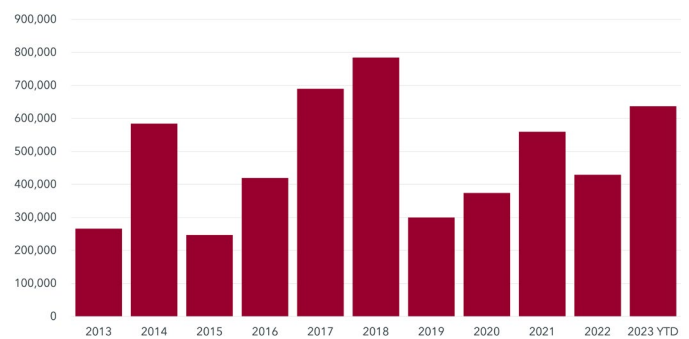
The Charleston retail market continues to show noteworthy strength in its current trajectory. Shopping centers in strategic locations, in particular, have a remarkable low vacancy rate of only 3.5%. Leasing activity is robust, with no imminent signs of weakening. Retail investment sales, on the other hand, move at a slower pace. Notable is the significant influx of 636,695 SF of retail space currently under development, with the majority of it coming from Berkley County and the developing Nexton area. This revolutionary trend highlights Charleston's retail landscape's notable geographic spread, beyond its traditional location around Downtown/King Street.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	62,079	69,600	(32,837)	275,434	321,481
▼ Vacancy Rate	3.5%	3.6%	3.4%	3.1%	3.3%
▲ Avg NNN Asking Rate PSF	\$26.75	\$26.19	\$26.21	\$27.00	\$24.71
▲ SF Under Construction	636,695	611,087	469,118	78,235	64,800
▲ Inventory SF	49,039,678	48,831,901	48,783,223	48,692,113	48,509,220

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
5660 Rivers Avenue North Charleston, SC	29,077 SF	\$4,000,000 \$137.57 PSF	Woodlock Capital Hudson Automotive Group	Single -Tenant
167 E. Bay Street Charleston, SC	13,210 SF	\$8,437,500 \$638.72 PSF	Pearce Development The Ardent Companies	Single -Tenant
891 Johnnie Dodds Boulevard Mount Pleasant, SC 29464	10,100 SF	\$3,380,000 \$334.65 PSF	BlueRibbon TX LLC Gateway Mount Pleasant	Single -Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7400 Rivers Avenue North Charleston, SC	25,574 SF	Phillips Edison & Company	Spirit Halloween Superstores	Festive Retailer
6893 Rivers Avenue Charleston, SC	4,420 SF	EP Realty SC LLC	Valvoline Oil	Auto
946 Orleans Road Charleston, SC	4,000 SF	Continental Realty Corporation	Appliances 4 Less	Appliances



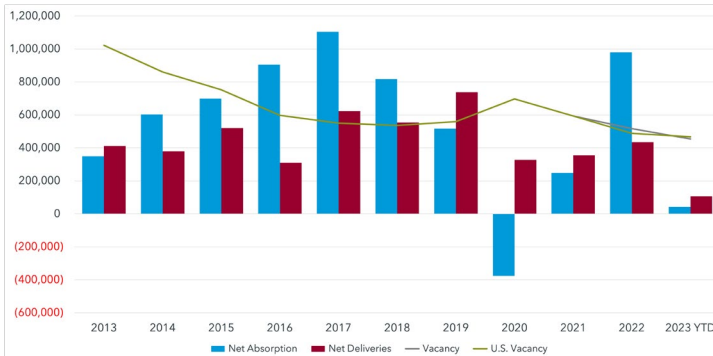
### RETAIL MARKET OVERVIEW

ANDREW HARRILL, *Broker Associate*

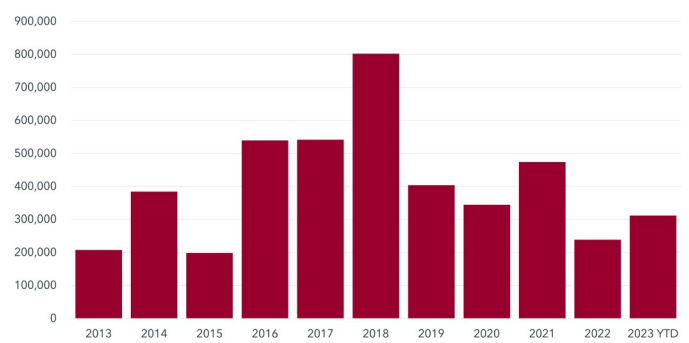
In the Greenville/Spartanburg retail sector, there has been a consistent strengthening trend over the past two years, marked by positive absorption rates, a decline in vacancies, and stable pricing. The third quarter witnessed a decrease in net absorption, dropping from 120,000 square feet to 874 square feet, but still in the positive. Average NNN asking rents experienced a minor decline, reaching \$12.37 per square foot. Overall vacancy decreased thirty basis points in Q3. This positive momentum can be attributed to the area's consistent annual population growth of 1.8%, which continues to drive heightened consumer activity.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	67,130	495,410	459,164	979,676	803,686
▼ Vacancy Rate	4.1%	4.4%	4.6%	4.5%	4.5%
▼ Avg NNN Asking Rate PSF	\$12.37	\$12.41	\$13.23	\$12.06	\$12.02
▼ SF Under Construction	311,719	315,772	166,240	168,368	199,345
▼ Inventory SF	67,873,080	67,940,269	67,353,638	67,198,404	66,871,399

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
955 E. Wade Hampton Boulevard Greer, SC	26,620 SF	\$9,425,000 \$354.06 PSF	Nowell Greer RE 2 LLC MCE Properties LLC	Single-Tenant
2424 Laurens Road* Greenville, SC	25,250 SF	\$9,500,000 \$376.24 PSF	Anderson Automotive Group Toyota of Greer	Single-Tenant
2600 Laurens Road Greenville, SC	20,000 SF	\$8,260,000 \$413.00 PSF	Classic Greenville Property IFN LLC Automotive Group	Single-Tenant

\*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
627 Congaree Road Greenville, SC	14,503 SF	XCXP Operating LP	Binelli	Motor Vehicles
410-420 N. Pleasantburg Drive Greenville, SC	10,130 SF	Wong Properties LP	Eastside Guitars and Drums	Music Accessories
2710-2712 Anderson Road Greenville, SC	7,800 SF	Garrett & Garrett Real Estate	Genuine Parts	Retailer



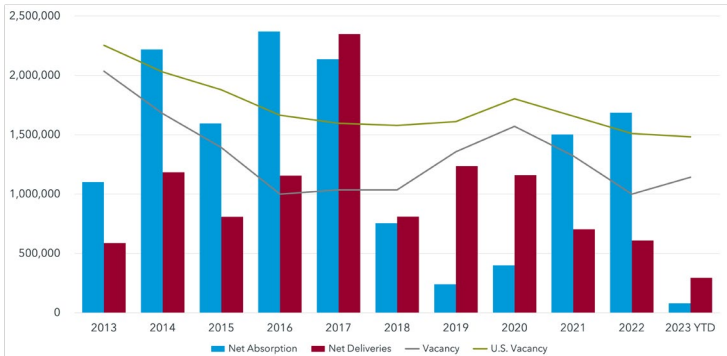
### RETAIL MARKET OVERVIEW

GAINES HANKS, *Associate*

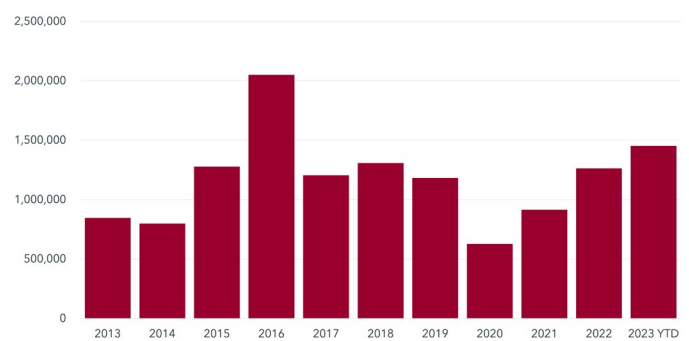
Above-average economic and population growth has helped boost Nashville's retail market over the past several years. Leasing activity, while not quite back to pre-pandemic levels, has still been enough to translate into consistently positive net absorption in recent quarters. Throughout 2023, vacancy rates have remained stable at 3.2%. Retail development has been minimal in Nashville over the past few years, however new groundbreakings in Q3 caused development activity to pick back up.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	795,314	735,027	1,006,045	1,686,450	1,287,670
◀▶ Vacancy Rate	3.2%	3.2%	3.2%	2.8%	3.3%
▼ Avg NNN Asking Rate PSF	\$23.65	\$23.71	\$23.89	\$23.01	\$23.08
▲ SF Under Construction	1,452,448	1,359,243	1,231,135	1,214,555	1,129,266
▲ Inventory SF	121,238,459	120,641,086	119,979,460	119,888,687	119,086,750

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
4500-4600 Harding Pike Nashville, TN	165,723 SF	\$63,319,403 \$382.08 PSF	AJ Capital Partners Private Owner	Multi-Tenant
4560 Harding Road Nashville, TN	45,454 SF	\$23,680,597 \$520.98 PSF	AJ Capital Partners Private Owner	Multi-Tenant
2203 NE Broad Street Nashville, TN	16,830 SF	\$4,000,000 \$237.67 PSF	Private Owner Private Owner	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3638-3675 Bell Road Nashville, TN	24,598 SF	GE Capital	Crunch Fitness	Physical Fitness
1400 3rd Avenue, South Nashville, TN	22,000 SF	Private Owner	Larks Entertainment	Amusement & Recreation
717 S. Mount Juliet Road Mount Juliet, TN	12,287 SF	Philips Edison & Co.	Five Below	General Merchandise



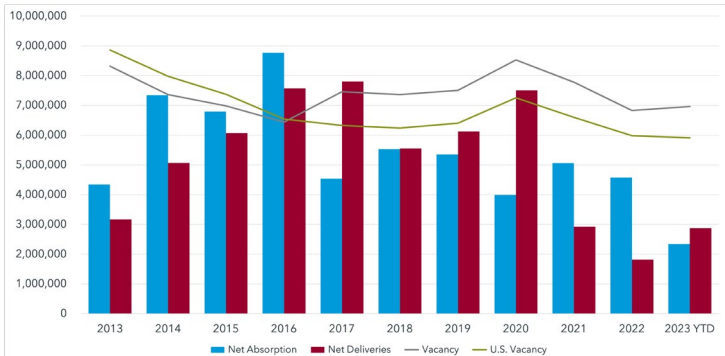
### RETAIL MARKET OVERVIEW

GRANT WALKER, *Senior Director*

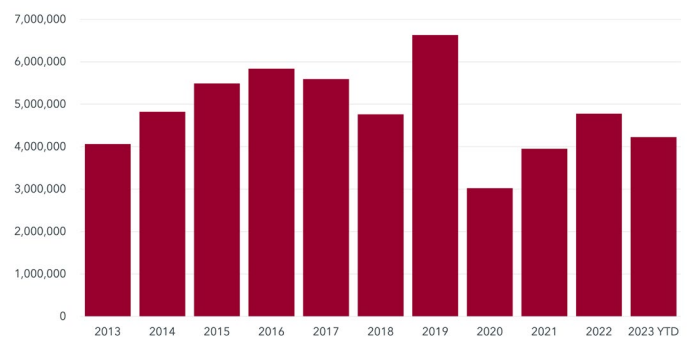
Houston's retail market slows as absorption slightly dips and net deliveries increase. Over the last year, Houston's retail absorption decreased from 5.3 msf in Q3 2022 to just above 3.3 msf in Q3 2023; while deliveries have dropped from 1.8 msf in 2022 to 2.8 msf in Q3 2023. This slight slowdown of absorption has not stopped large investors from acquiring retail centers. The largest sale transaction this quarter was an undisclosed buyer purchasing a 148,484 square foot retail center at 205 West Greens Road. Even with this slight dip in absorption, Houston's market remains strong as nearly 70% of Houston's under construction pipeline is pre-leased and/or build-to-suit while Houston's annual rate growth at 4.2% continues to outpace the metros historical average of 2.2%.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	3,325,578	3,562,139	4,346,011	4,575,859	5,315,065
◀ ▶ Vacancy Rate	4.9%	4.9%	4.8%	4.8%	5.0%
▲ Avg NNN Asking Rate PSF	\$23.25	\$23.02	\$22.90	\$22.66	\$22.32
▲ SF Under Construction	4,224,693	4,114,466	4,748,692	4,777,261	4,501,321
▲ Inventory SF	433,525,027	432,870,161	431,878,074	430,650,231	430,751,847

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
205 W. Greens Road Houston, TX	148,484 SF	Undisclosed	Undisclosed Undisclosed	Multi-Tenant
6700-6890 South Highway 6 Houston, TX	140,528 SF	Undisclosed	James E & Kristin D Boozer Big V Property Group	Multi-Tenant
17211 North Freeway Houston, TX	109,000 SF	Undisclosed	Dhanani Private Equity Group Silver Star Properties REIT, Inc.	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7015-7067 FM 1960 Road East Humble, TX	50,530 SF	KIMCO Realty	Dicks Sporting Goods	Power Center
1513-1549 W. Bay Area Boulevard Webster, TX	35,605 SF	WAFRA, Inc	PGA Superstore	Community Center
5608-5696 Fairmont Parkway Pasadena, TX	27,985 SF	KIMCO Realty	HomeGoods	Power Center



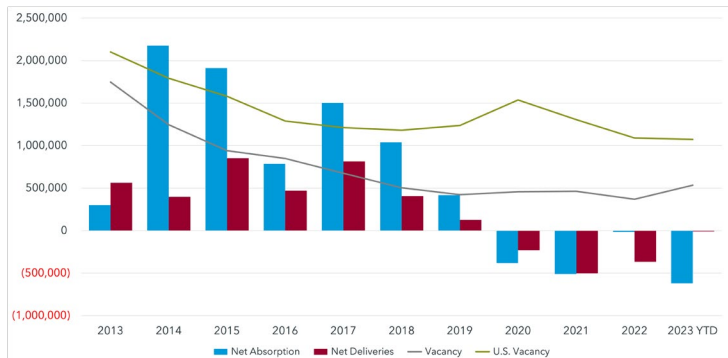
### RETAIL MARKET OVERVIEW

KYLE PROSSER, *Principal*

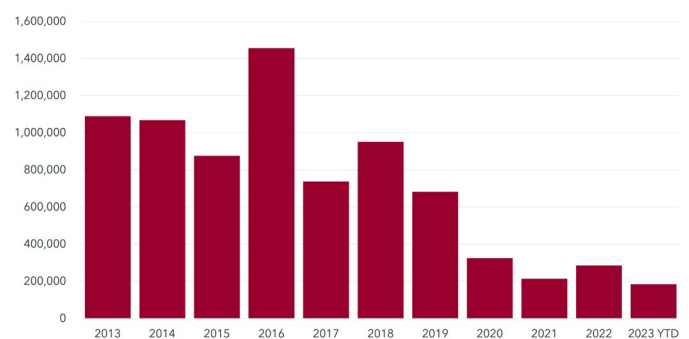
The greater Seattle area's retail real estate market subtly shifts, with vacancy rates gently ascending and retail rates steadfastly unmoving. The once reliable employee pool now presents unpredictability, prompting unexpected closures and a reshuffling of business hours. Banks, casting a more discerning eye, scrutinize projects from 2018-19, and a cautious resurgence of foreclosures emerges, unseen in recent years. The evolving economic landscape necessitates a delicate balancing act from stakeholders, who must navigate through these nuanced changes with strategic foresight and adaptability to maintain stability and foster future opportunities. Despite these challenges, consumer confidence surprisingly remains high, offering a glimmer of optimism as the holiday season approaches.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(358,344)	(163,407)	(564,459)	(14,586)	(408,809)
▲ Vacancy Rate	3.04%	3.01%	2.94%	2.74%	2.75%
▲ Avg NNN Asking Rate PSF	\$29.61	\$29.33	\$29.07	\$28.69	\$28.32
▼ SF Under Construction	184,278	329,347	338,965	285,178	456,839
▲ Inventory SF	180,990,477	180,963,268	181,026,841	181,000,864	180,827,026

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
20115 74th Avenue, NE Arlington, WA	64,375 SF	\$6,500,000 \$100.97 PSF	Undisclosed Merlone Geier Management	Single-Tenant
2616-2638 Bellevue Way NE Bellevue, WA	49,767 SF	\$14,500,000 \$291.36 PSF	Northstream Development Co. Azose Commercial Properties	Multi-Tenant
12505 Pacific Avenue, South Tacoma, WA	38,979 SF	\$4,030,000 \$103.39 PSF	Bowlero Corporation Gary A. Glein	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
303 91st Avenue, NE Lake Stevens, WA	24,875 SF	Saar Properties LLC	Planet Fitness	Recreation
19701-19723 Highway 99 Lynnwood, WA	21,636 SF	BlackRock, Inc.	ACE Hardware	Retailer
555 108th Avenue, NE Bellevue, WA	21,200 SF	Vulcan	Undisclosed	Undisclosed





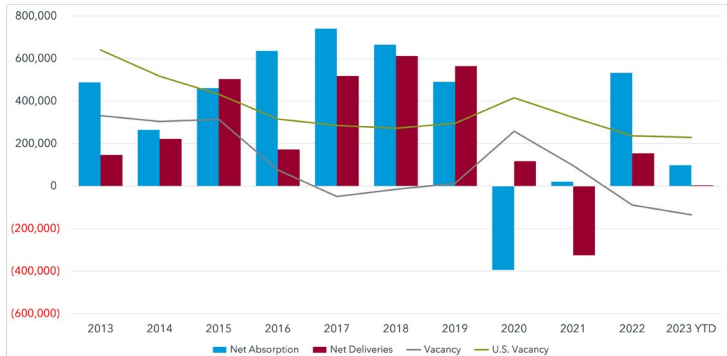
### RETAIL MARKET OVERVIEW

CAMP PERRET, *Vice President*

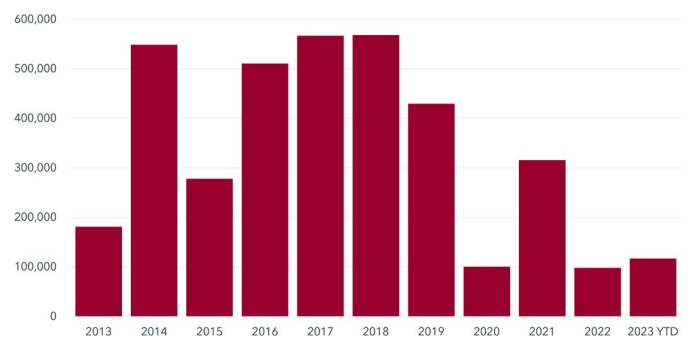
Demand in the Madison retail market remains solid due to strong demographics, including above-average median household incomes, low unemployment rates, and soaring population growth. Vacancy rates are compressed at 2.3% forcing market rents to inch up year-over-year. Square footage of retail under construction more than doubled in Q3. Sales volume dipped due in large part to increasing interest rates, yet average sales prices increased in Q3. Overall, the market is trending in a positive direction.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	363,980	406,292	547,976	532,316	338,926
◀▶ Vacancy Rate	2.3%	2.3%	2.4%	2.6%	2.9%
▲ Avg NNN Asking Rate PSF	\$16.89	\$16.85	\$16.65	\$16.65	\$16.57
▲ SF Under Construction	167,000	81,582	76,582	102,236	237,225
▲ Inventory SF	41,334,598	41,320,016	41,308,016	41,330,762	41,214,442

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
6655 McKee Road Madison, WI	54,718 SF	\$9,259,969 \$169.23 PSF	NETSTREIT Corporation Sandor Development Company	Single-Tenant
638-660 S. Gammon Road Madison, WI	26,883 SF	\$2,550,000 \$94.85 PSF	Gammon Rd LLC Gammon Place Investments LLC	Multi-Tenant
2127 E. Springs Drive Madison, WI	23,000 SF	\$3,800,000 \$165.22 PSF	Goodwill Industries 2127 Goodwill Springs LLC	Single Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5403 E. Park Boulevard Madison, WI	9,500 SF	Urban Land Interests	Undisclosed	Undisclosed
6654-6692 Odana Road Madison, WI	6,531 SF	Apex Property Management	Undisclosed	Undisclosed
2014-2018 S. Stoughton Road Madison, WI	6,088 SF	Facility Gateway Corporation	Undisclosed	Undisclosed

### MULTIFAMILY OVERVIEW: VACANCY, RENTS; NORTH AMERICA'S BIFURCATED MARKETS

Despite strong tenant demand in the United States for the second straight quarter, the surge of new apartments emerging from the development pipeline continues to outpace demand, resulting in a sharp increase in vacancies and the lowest rent growth on record.

The opposite is occurring across Canada. The vacancy rate remains near multi-year lows and year-over-year rent growth by most measures is in double digits. The tightest markets are Vancouver and Toronto – where apartment vacancies have been perennially below 2%.

More than 1 million multifamily units are under construction in the U.S., the most since the early 1970s. Even though 288,059 apartments have been leased this year – 22% more than the annual average in the decade prior to Covid – 401,344 new units have been completed and about 136,000 are set for delivery in Q4. More than 440,000 units are projected for delivery in 2024 and 334,849 units in 2025. Since mid-year 2021, the U. S. vacancy rate has increased from 4.6% to 7%. In the last six quarters rent growth has fallen from 10.9% to 0.9% at the end of Q3.

Construction starts have fallen dramatically this year, a result of higher interest rates, lower rents and what looks like overbuilding in several markets. The result is that fewer than 160,000 units are forecast for completion in 2026 and an estimated 194,000 in 2027.

Many markets are at risk of oversupply, especially in the Sun Belt, reflecting the significant acceleration of development activity in that region responding to strong in-migration during the pandemic. Since 2019, deliveries in Sun Belt markets have increased 64% while they are up by only 8% in the rest of the nation.

Mid- and high-rise buildings comprise the majority of new developments, a transition from earlier years when new multifamily developments were mostly garden-style apartments. Conversion of office buildings to multifamily units has been a trending topic in commercial real estate circles. Because older office buildings with smaller, rectangular floorplates are preferred, it is estimated that only some 15% of buildings are architecturally suitable candidates for conversion. About 10,000 converted units could be delivered this year. While this number may grow over the next few years, the overall impact will remain a small percentage of the bigger development picture.

Fifteen U.S. markets are projected to hit new record deliveries in 2023. Sun Belt locations dominate this list. Austin expects 19,000 new units to be delivered this year, more than in Atlanta but with half the inventory. But the added inventory combined with demand, put a number of these markets at risk of worsening supply/demand imbalances.

The top five rent growth leaders were Cincinnati, Northern New Jersey, Columbus, Indianapolis and Chicago. At the same time, Austin and Las Vegas anchor the bottom of the pack with year-over-year rents down by 3.4%. Palm Beach posted the steepest rent slowdown. Annual rent growth fell from 28% at the end of 2021 to 0% this year. In Las Vegas, rent growth slowed from 21% to 3.3% over the same period.

LOWEST VACANCY RATE		HIGHEST MARKET RENT / UNIT		HIGHEST 12 MO. SALES VOLUME	
BC, Vancouver	0.7%	CA, New York*	\$3,070	NY, New York*	\$7,590,126,104
ON, Toronto	0.9%	CA, San Francisco	\$3,021	CA, Los Angeles	\$5,894,507,201
NY, New York*	2.5%	MA, Boston	\$2,768	DC, Washington	\$4,298,274,420
CA, Orange County	3.9%	CA, Orange County	\$2,631	IL, Chicago	\$4,225,318,884
CA, San Diego	3.9%	CA, San Diego	\$2,416	GA, Atlanta	\$4,070,347,442
<b>U.S. Index</b>	7.0%	<b>U.S. Index</b>	\$1,668	<b>U.S. Index</b>	\$96,770,021,860
<b>Canada Index</b>	1.2%	<b>Canada Index</b>	\$1,478 CAD	<b>Canada Index</b>	\$3,316,627,076 CAD

MOST UNITS UNDER CONSTRUCTION		LARGEST INVENTORY BY UNITS		LOWEST MARKET CAP RATE	
NY, New York*	65,102	NY, New York*	1,545,872	BC, Vancouver	2.6%
TX, Dallas-Fort Worth	57,223	CA, Los Angeles	1,017,488	ON, Toronto	3.7%
GA, Atlanta	32,689	TX, Dallas-Fort Worth	842,026	CA, San Francisco	4.0%
AZ, Phoenix	32,252	TX, Houston	693,486	CA, Orange County	4.0%
FL, Miami	32,006	DC, Washington	559,489	CA, San Diego	4.3%
<b>U.S. Index</b>	982,369	<b>U.S. Index</b>	19,207,171	<b>U.S. Index</b>	5.6%
<b>Canada Index</b>	54,275	<b>Canada Index</b>	872,159	<b>Canada Index</b>	3.9%

\* Please note that the statistics represented in these tables are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

MARKET	VACANCY RATE	MARKET RENT / UNIT	MARKET SALE PRICE / UNIT	UNDER CONST. UNITS	INVENTORY UNITS	MARKET CAP RATE
<b>AB, Calgary **</b>	1.4%	\$1,300	\$198,530	6,849	62,520	4.9%
<b>AZ, Phoenix</b>	10.2%	\$1,561	\$274,111	32,252	375,700	4.4%
<b>BC, Vancouver **</b>	0.7%	\$1,683	\$430,223	10,974	127,861	2.6%
<b>CA, Bakersfield</b>	3.8%	\$1,313	\$129,540	0	24,958	6.5%
<b>CA, East Bay</b>	7.2%	\$2,393	\$390,809	4,221	189,168	4.7%
<b>CA, Fresno</b>	3.7%	\$1,380	\$155,626	385	54,987	5.9%
<b>CA, Inland Empire</b>	6.0%	\$1,993	\$275,771	6,722	171,101	4.8%
<b>CA, Los Angeles</b>	4.8%	\$2,230	\$383,576	23,351	1,017,488	4.5%
<b>CA, Orange County</b>	3.9%	\$2,631	\$478,828	4,881	250,296	4.0%
<b>CA, San Diego</b>	3.9%	\$2,416	\$416,602	8,122	275,864	4.3%
<b>CA, San Francisco</b>	6.6%	\$3,021	\$583,380	3,962	179,788	4.0%
<b>CA, San Luis Obispo</b>	9.6%	\$2,066	\$290,316	73	7,268	5.0%
<b>CA, Santa Barbara</b>	2.8%	\$2,379	\$369,872	180	19,652	4.3%
<b>CA, Stockton</b>	4.5%	\$1,602	\$173,650	409	29,068	6.3%
<b>CA, Ventura</b>	3.8%	\$2,507	\$375,506	504	35,556	4.4%
<b>CO, Denver</b>	7.8%	\$1,834	\$332,736	30,668	290,394	4.7%
<b>DC, Washington</b>	6.7%	\$2,123	\$314,267	31,042	559,489	5.2%
<b>FL, Fort Myers</b>	9.5%	\$1,869	\$236,563	7,684	30,079	5.1%
<b>FL, Miami</b>	5.0%	\$2,282	\$304,056	32,006	185,654	5.0%
<b>FL, Naples</b>	9.7%	\$2,276	\$283,122	1,819	13,177	4.8%
<b>FL, Orlando</b>	9.8%	\$1,760	\$244,071	21,870	206,904	4.8%
<b>GA, Atlanta</b>	11.0%	\$1,617	\$216,023	32,689	498,739	5.1%
<b>GA, Savannah</b>	10.7%	\$1,598	\$194,460	2,662	32,170	5.2%
<b>ID, Boise</b>	10.9%	\$1,510	\$250,240	2,832	37,505	4.6%
<b>IL, Chicago</b>	5.4%	\$1,699	\$225,552	13,070	551,266	6.3%
<b>IN, Indianapolis</b>	9.1%	\$1,220	\$124,643	8,341	165,010	6.2%
<b>KS, Lawrence</b>	3.1%	\$998	\$93,031	74	12,183	7.8%
<b>KS, Topeka</b>	8.4%	\$848	\$60,645	134	9,815	7.9%
<b>LA, Baton Rouge</b>	11.6%	\$1,122	\$119,897	1,392	39,646	6.8%
<b>MA, Boston</b>	5.3%	\$2,768	\$456,001	14,060	268,313	4.7%
<b>MD, Baltimore</b>	6.9%	\$1,621	\$188,072	4,814	207,160	5.9%
<b>MI, Detroit</b>	7.9%	\$1,233	\$105,253	5,891	228,069	6.8%
<b>MN, Minneapolis</b>	6.7%	\$1,456	\$180,543	13,687	268,243	6.0%
<b>United States Index</b>	7.0%	\$1,668	\$236,733	982,369	19,207,171	5.6%
<b>Canada Index</b>	1.2%	\$1,478**	\$267,999**	54,275	872,159	3.9%

MARKET	VACANCY RATE	MARKET RENT / UNIT	MARKET SALE PRICE / UNIT	UNDER CONST. UNITS	INVENTORY UNITS	MARKET CAP RATE
<b>MO, Kansas City*</b>	7.2%	\$1,241	\$147,651	7,199	171,908	6.0%
<b>MO, Saint Louis</b>	9.8%	\$1,187	\$134,880	3,626	144,104	6.7%
<b>NC, Durham</b>	9.3%	\$1,504	\$215,451	5,190	58,013	5.1%
<b>NC, Raleigh</b>	10.8%	\$1,547	\$241,389	15,396	121,509	4.8%
<b>NE, Lincoln</b>	5.4%	\$1,117	\$114,855	986	31,319	6.8%
<b>NE, Omaha</b>	6.0%	\$1,149	\$108,151	2,538	81,148	6.8%
<b>NJ, Atlantic City</b>	2.5%	\$1,595	\$135,914	208	10,270	6.6%
<b>NJ, Northern New Jersey *</b>	4.6%	\$2,055	\$239,582	14,411	161,502	5.7%
<b>NJ, Trenton</b>	2.5%	\$2,045	\$255,323	938	20,443	5.5%
<b>NJ, Vineland</b>	2.5%	\$1,263	\$107,468	0	3,183	6.4%
<b>NV, Reno</b>	8.9%	\$1,523	\$235,618	3,487	44,147	4.9%
<b>NY, Long Island</b>	4.7%	\$2,821	\$346,704	3,197	56,666	4.9%
<b>NY, New York *</b>	2.5%	\$3,070	\$398,999	65,102	1,545,872	4.8%
<b>OH, Cincinnati</b>	5.8%	\$1,212	\$104,483	4,960	138,733	7.3%
<b>OH, Cleveland</b>	7.1%	\$1,131	\$85,093	4,133	133,932	8.3%
<b>OH, Columbus</b>	7.6%	\$1,245	\$125,619	9,880	210,632	6.6%
<b>ON, Toronto **</b>	0.9%	\$1,609	\$275,295	21,219	386,727	3.7%
<b>PA, Harrisburg</b>	5.2%	\$1,289	\$128,665	1,079	31,442	6.4%
<b>PA, Lehigh Valley *</b>	3.3%	\$1,593	\$153,944	229	34,857	6.7%
<b>PA, Philadelphia *</b>	6.3%	\$1,692	\$206,734	20,784	354,346	5.8%
<b>PA, Pittsburgh</b>	5.7%	\$1,292	\$131,947	1,522	103,878	7.4%
<b>SC, Charleston</b>	8.7%	\$1,738	\$223,160	5,631	66,322	5.0%
<b>SC, Greenville</b>	10.5%	\$1,325	\$173,358	3,565	50,986	5.5%
<b>SC, Spartanburg</b>	14.5%	\$1,219	\$145,349	853	15,292	5.5%
<b>TN, Nashville</b>	10.8%	\$1,641	\$237,128	20,225	159,854	5.1%
<b>TX, Dallas-Fort Worth</b>	9.1%	\$1,524	\$179,308	57,223	842,026	5.3%
<b>TX, Houston</b>	10.0%	\$1,316	\$151,328	26,936	693,486	6.0%
<b>WA, Seattle</b>	6.5%	\$1,975	\$388,156	25,918	378,460	4.4%
<b>WI, Madison</b>	3.8%	\$1,490	\$169,382	3,482	70,876	6.1%
<b>United States Index</b>	7.0%	\$1,668	\$236,733	982,369	19,207,171	5.6%
<b>Canada Index</b>	1.2%	\$1,478**	\$267,999**	54,275	872,159	3.9%

\* Please note that the statistics represented in this table are based on CoStar defined market territories and may not all represent the geographic area the label depicts.

\*\* Numbers shown are in Canadian dollars (CAD)



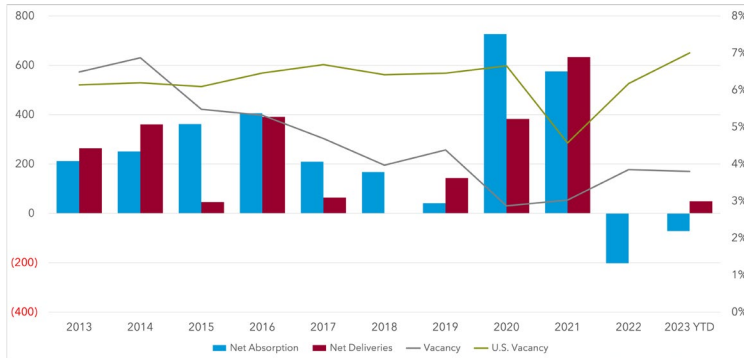
### MULTIFAMILY MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

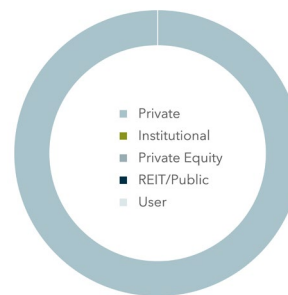
Bakersfield is primarily a single-family housing market with a small number of large apartment communities throughout the metro areas. Net absorption is relatively flat, with -72 units over the past year. Weak demand, not construction, has increased the vacancy rate slightly to 3.8%, but is trending down due to the high cost of housing and high mortgage rates. Average asking rents are \$1,320/month, making Bakersfield one of California's more affordable markets. Rent growth has moderated to 2.5% in 2023 from a high of 13.5% in 21Q4. Sales activity totaled \$41.0 million from 36 transactions YTD. Volume and values are declining as interest rates rise, and buyers seek discounts.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	(71)	(104)	(93)	(118)	(84)
▲ Vacancy Rate	3.8%	3.7%	4.2%	3.9%	3.4%
▲ Asking Rent/Unit (\$)	\$1,315	\$1,278	\$1,267	\$1,255	\$1,260
▼ Under Construction Units	0	5	49	49	49
▲ Inventory Units	24,958	24,704	24,615	24,615	24,615

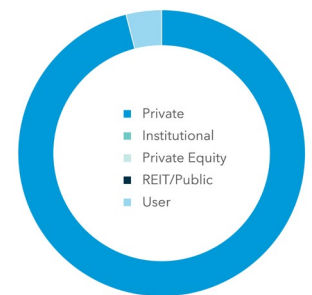
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE

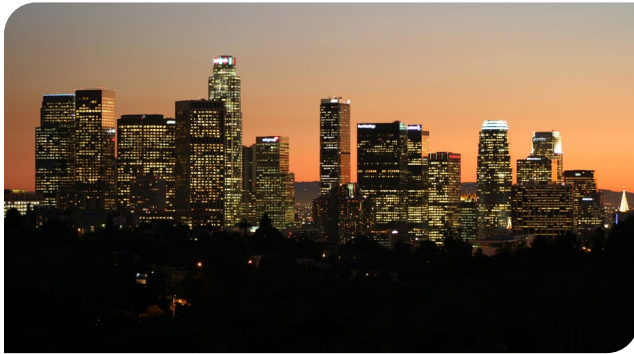


\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
3401 Actis Road - Blue Ridge Apts Bakersfield, CA	\$3,800,000 \$146,153.85 Per Unit	26	Michael Diep Jose & Gloria Reyes
1809 Lacey Street - Lacey Gardens Bakersfield, CA	\$2,500,000 \$131,578.95 Per Unit	19	Glen Barclay Christie Crawley
17443 Blackwell Village Drive Lost Hills, CA	\$2,000,000 \$71,428.57 Per Unit	28	Venaniaio Diaz Dethloff Family Trust

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
William & Ellen Morris	\$4,347,000
Jose & Gloria Reyes	\$3,800,000
Carlos Enriquez	\$3,325,000
Willi H. Coeler	\$3,024,999
Stefanie Coeler	\$3,024,999

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Xiangyu Wang	\$6,050,001
Swarantjit S. Nijjar	\$4,347,000
Michael Diep	\$3,800,000
Matthew Radmanesh	\$3,325,000
Glen Barclay	\$2,500,000



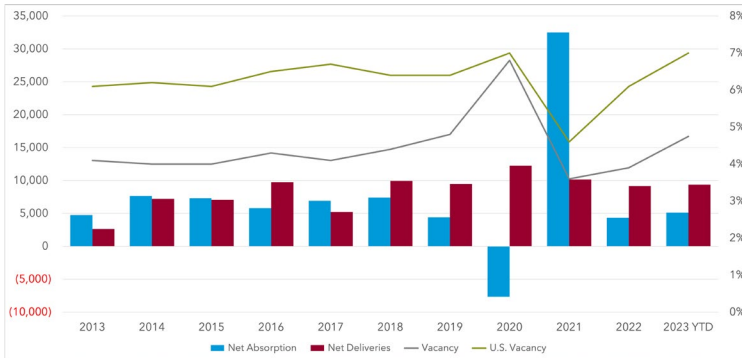
### MULTIFAMILY MARKET OVERVIEW

WARREN BERZACK, *National Director of Multifamily*

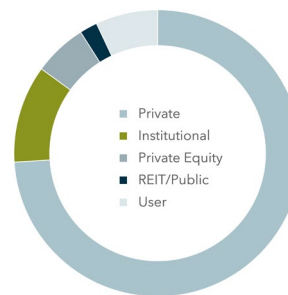
Cooler market conditions in Los Angeles persisted in Q3. Renters remain cautious in the face of economic uncertainty and demand has been insufficient to absorb the 12,000 new units added in the last 12 months. As a result, vacancy increased from 4.4% in Q2 to 4.8%. Modest renter demand served to restrain rent growth. Rents have seen gains of 0.5% during the past 12 months. With 23,000 units under construction, representing 2.3% of inventory, and moderate near-term tenant demand anticipated, vacancies are expected to rise further across the metropolitan area the rest of the year.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	4,944	883	3,134	7,861	13,184
▼ Vacancy Rate	4.8%	4.9%	4.3%	3.9%	3.5%
▼ Asking Rent/Unit (\$)	\$2,230	\$2,577	\$2,211	\$2,187	\$2,183
▼ Under Construction Units	23,351	23,479	26,910	28,040	27,560
▲ Inventory Units	1,017,488	1,013,023	1,008,705	1,004,511	997,905

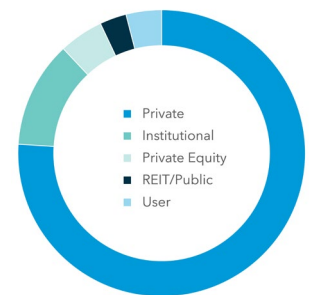
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
1011 Pine Avenue Long Beach, CA	\$75,000,000 \$375,000 Per Unit	200 (100% Affordable)	Redwood Housing Las Palmas Foundation
8121 Broadway Avenue Whittier, CA	\$31,250,000 \$226,449.28 Per Unit	138	Integrity Housing Multiple LLC's
13940 Paramount Boulevard Paramount, CA	\$22,450,000 \$222,277.23 Per Unit	101	Stratford Capital LLC Furman Properties LLC

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Carmel Partners	\$1,300,000,000	Positive Investments, Inc.	\$795,000,000
Holland Partner Group	\$640,000,000	Douglas Emmett Management	\$645,000,000
Greystar Real Estate Partners	\$550,000,000	Harbor Group International	\$605,000,000
Greenland Group	\$500,000,000	CA Statewide Communities	\$545,000,000
Sares-Regis Group	\$480,000,000	Clarion Partners	\$520,000,000



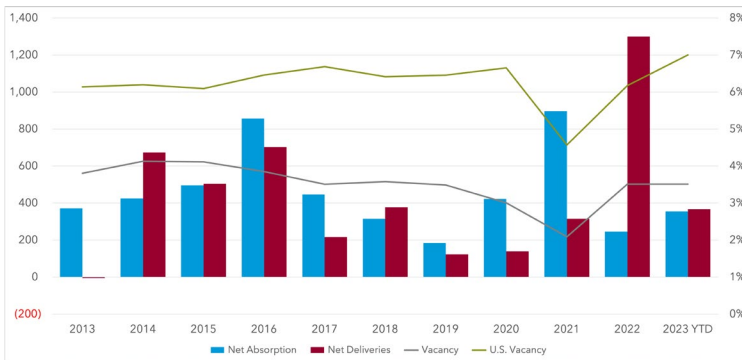
### MULTIFAMILY MARKET OVERVIEW

ROBERT LEVEEN, *Senior Vice President*

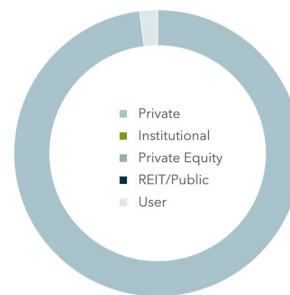
As of this writing, the 10 Year Treasury Note is 4.63%, an increase of over 60 bps since the last quarterly report. Sales activity has remained constrained due to rising interest rates and economic uncertainty. Multi-family interest rates are now in the mid-high six percent range. Nationally, there is now an over-supply of newly constructed units, the situation locally remains the same, a significant shortage of units. This will continue to drive demand for multi-family acquisitions as a prudent long term investment.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	130	120	105	(1)	35
▼ Vacancy Rate	3.5%	3.7%	3.4%	3.5%	3.0%
▲ Asking Rent/Unit (\$)	\$1,880	\$1,873	\$1,855	\$1,841	\$1,838
▲ Under Construction Units	2,626	2,029	2,296	1,996	1,906
◀ ▶ Inventory Units	72,761	72,761	72,404	72,394	72,015

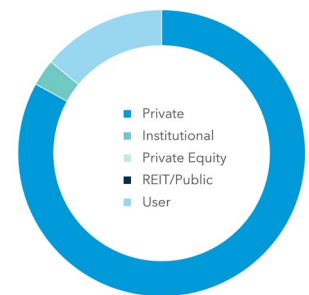
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
249 S. Acacia Street San Dimas, CA	\$19,940,000 \$398,800.00 Per Unit	50	Undisclosed Standard Communities
4251 E. Live Oak Avenue Arcadia, CA	\$7,705,000 \$592,692.31 Per Unit	13	AC Foothill LLC Avery Creek LLC
1404 Highland Avenue Duarte, CA	\$4,700,000 \$293,750.00 Per Unit	16	M B Equity LLC Lawrence W. Van Noy 1990 Trust

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Chateau Operating Corporation	\$125,000,000	Unity Prosper Management	\$125,000,000
NextGen Properties	\$38,250,000	Positive Investments, Inc.	\$41,627,676
Azusa Pacific University	\$20,127,676	HFH LTD	\$38,250,000
Goldrich Kest	\$19,940,000	Standard Communities	\$19,940,000
California Landmark Group, Inc.	\$17,615,000	Sirott Investments	\$19,800,000



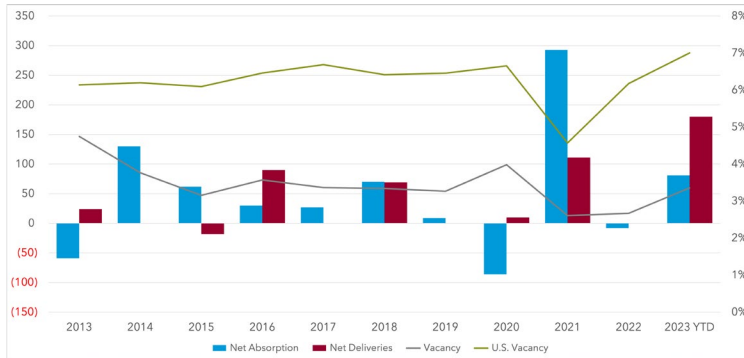
### MULTIFAMILY MARKET OVERVIEW

ROBERT LEVEEN, *Senior Vice President*

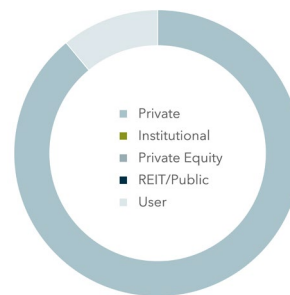
As of this writing, the 10 Year Treasury Note is 4.63%, an increase of over 60 bps since the last quarterly report. Sales activity has remained constrained due to rising interest rates and economic uncertainty. Multi-family interest rates are now in the mid-high six percent range. Nationally, there is now an over-supply of newly constructed units, the situation locally remains the same, a significant shortage of units. This will continue to drive demand for multi-family acquisitions as a prudent long term investment.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	400	44	33	(137)	55
▼ Vacancy Rate	3.5%	3.8%	3.4%	2.9%	2.6%
◀ ▶ Asking Rent/Unit (\$)	\$2,414	\$2,414	\$2,392	\$2,371	\$2,374
▼ Under Construction Units	1,362	1,657	1,747	2,041	2,041
▲ Inventory Units	58,028	57,571	57,524	57,159	57,159

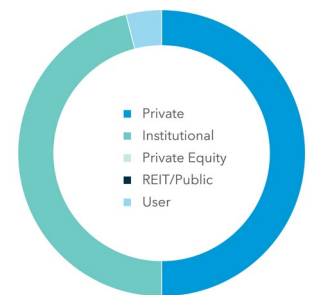
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
1340 Orange Grove Avenue Glendale, CA	\$10,785,000 SF \$317,205.88 Per Unit	34	GGF III LLC Jung Family 2003 Trust
1242-1250 N. Mentor Avenue Pasadena, CA	\$4,500,000 \$250,000.00 Per Unit	18	Alvaro & Blanca Garcia Trust Clarence R. & Nada L. Senger
4135 Warner Boulevard Burbank, CA	\$3,205,000 \$320,500.00 Per Unit	10	Gourjian Law Group Weedpatch One Ltd.

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
The Guardian Life Ins Company of America	\$38,000,000
Matthew Livingston Taylor	\$10,785,000
Jose Tam	\$10,270,000
Maxine Wagner Living Trust	\$4,725,000
Clarence & Nada Senger	\$4,500,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
HSR Management, Inc.	\$38,000,000
Gaska, Inc.	\$10,785,000
Sirott Investments	\$10,270,000
Caltech	\$7,500,000
Carneon Yadidi Brock	\$5,175,000





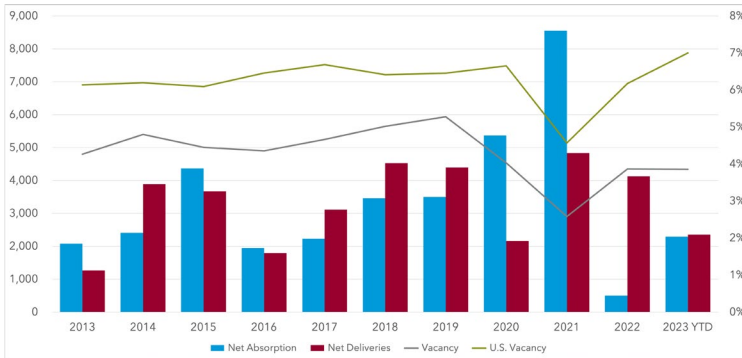
### MULTIFAMILY MARKET OVERVIEW

CONNOR MACOMBER, *Junior Associate*

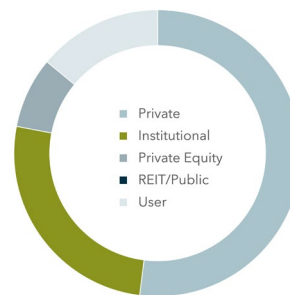
Asking rent has seen a decrease from \$2,440.93 in Q2 2023 to \$2,417.42 in Q3 2023. Inventory units are steadily increasing, and San Diego is now at 275,458 units. The market cap rate for San Diego has been increasing since Q1 2022 (3.748%) to now (4.300%). Vacancy in San Diego has increased in the last 2 quarters from 3.646% to now 3.872%. Population growth has been increasing as well from Q3 2022 (0.038%) to now (0.491%). The current average price per unit in San Diego is \$382,653 (the peak was Q4 2022 at \$436,575 per unit). The current average price per unit in the United States is at \$212,157.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	1,829	903	1,030	505	1,512
▲ Vacancy Rate	3.9%	3.7%	3.6%	3.9%	3.5%
▼ Asking Rent/Unit (\$)	\$2,417.42	\$2,440.93	\$2,396.04	\$2,356.18	\$2,383.18
▼ Under Construction Units	8,253	8,653	8,883	8,487	8,152
▲ Inventory Units	275,458	274,079	273,444	273,103	272,532

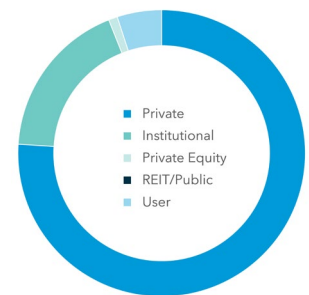
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
333 N. Emerald Drive Vista, CA	\$174,000,000 \$381,578.95 Per Unit	456	Vista Waterleaf Apartments LLC MG Waterleaf Apartments SHL LLC
5353 Baltimore Drive La Mesa, CA	\$141,000,000 \$347,290.64 Per Unit	406	WRPV XIV Veranda La Mesa LLC Pur Veranda LLC
3417 Lebon Drive San Diego, CA	\$177,300,000 \$443,250.00 Per Unit	400	Allina La Jolla LLC La Jolla International Gardens

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
The Premiere Residential Communities	\$342,800,000	MIG Capital	\$174,000,000
MG Pproperties	\$174,000,000	FPA Multifamily LLC	\$164,442,500
Gleich Properties	\$163,567,500	Holland Partner Group	\$148,250,250
Sekisui House	\$148,250,250	Pacific Life Insurance Company	\$148,250,250
Holland Partner Group	\$148,250,250	Waterton	\$141,000,000



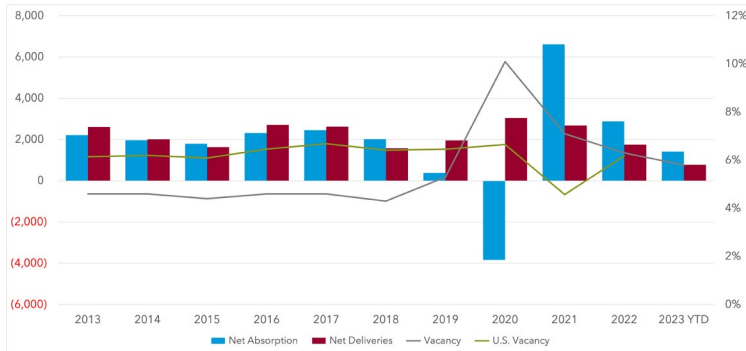
### MULTIFAMILY MARKET OVERVIEW

RYAN ABEL, *Vice President*

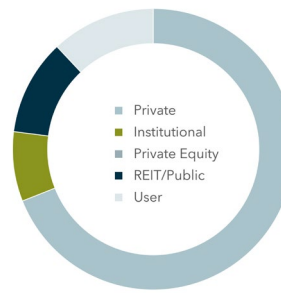
The third quarter has seen the lowest unit absorption rate so far this year and the highest vacancy rate of the year at 6.3%. The average rent price has also dropped to its lowest levels in 2023. The biggest transaction of this quarter was not a purchase of an apartment building specifically but of the outstanding debt of roughly 1 billion dollars of a Veritas portfolio consisting of 75 apartment buildings by an Investment group lead Ballast Investments. Given the remaining high interest rate levels and high vacancy rates, we expect the 4th quarter to follow the same trends we have seen in the 3rd quarter of low transaction volume, higher CAP rates and lower prices per door and per square foot.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Absorption Units	2,100	2,472	2,640	2,887	2,958
▲ Vacancy Rate	6.3%	5.9%	6.1%	6.3%	6.5%
▼ Asking Rent/Unit (\$)	\$2,875	\$2,908	\$2,897	\$2,891	\$2,928
▲ Under Construction Units	1,307	1,021	1,214	1,404	1,890
▲ Inventory Units	147,663	147,448	147,165	146,885	146,396

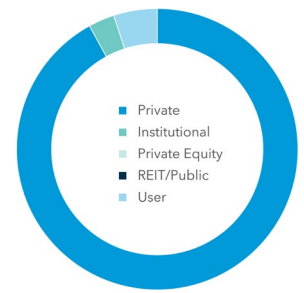
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
900 Van Ness Avenue San Francisco, CA	\$10,233,440 \$365,480.00 Per Unit	28	Undisclosed Molloy Construction Company
500-510 Larkin Street San Francisco, CA	\$7,800,000 \$147,169.81 Per Unit	53	Victor Tsang The Lembi Group
1026-1030 Pine Street San Francisco, CA	\$1,200,000 \$300,000 Per Unit	4	Undisclosed Warren Wong Leong

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
BUILD	\$49,565,752
J. Michael Doyle	\$33,100,000
Couch Survivor's Trust	\$18,350,000
Jamie Leigh Teiser/ Scott A Flaxman	\$15,625,000
The Lembi Group	\$15,125,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Veritas Investments	\$60,030,000
UDR, Inc	\$49,565,752
Ballast Investments	\$15,625,000
San Francisco Housing Authority	\$14,271,000
Starwood Capital Group	\$12,160,000



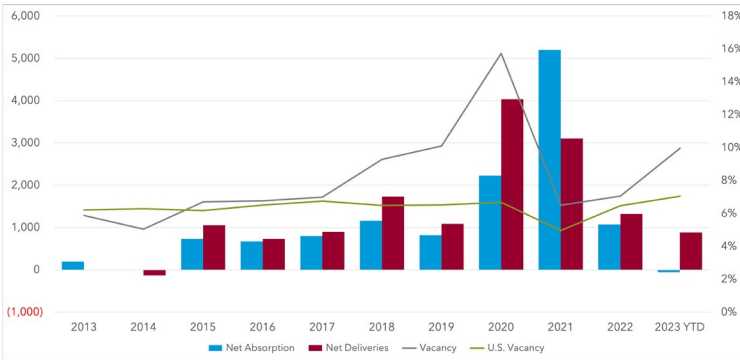
**MULTIFAMILY MARKET OVERVIEW**

CLAIRE SEARLS, *Director of Research*

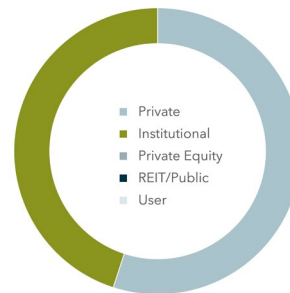
The number of units under construction in the Fort Myers market remained historically high at the end of third quarter. The construction pipeline was robust, slowly pushing vacancy upward and moderating rent growth. Demand seemingly tapered, although still ending the quarter with positive net absorption. The overall vacancy rate was the highest it has been in the past three years at 9.7%. One of the largest completions for the quarter was Town Treeline luxury apartments, a 396-unit community in the Arborwood/Gateway neighborhood of Fort Myers. Construction completions may outpace demand into 2025, pushing the vacancy rate even higher with more concessions being offered.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	415	234	505	1,073	1,391
▲ Vacancy Rate	9.7%	9.4%	8.9%	7.1%	7.3%
▼ Asking Rent/Unit (\$)	\$1,869	\$1,895	\$1,939	\$1,968	\$1,885
▲ Under Construction Units	7,684	7,422	7,130	6,172	5,060
▲ Inventory Units	30,079	29,683	29,683	29,294	28,844

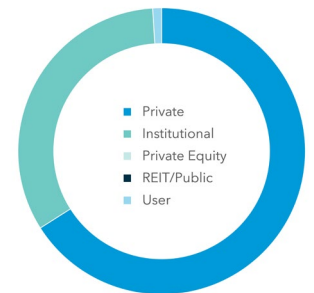
**NET ABSORPTION, NET DELIVERIES, & VACANCY**



**SALE BY BUYER TYPE**



**SALE BY SELLER TYPE**



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
5015 Mina Circle Fort Myers, FL	\$99,250,000 \$303,517 Per Unit	327	Cardone Capital LIV Development LLC
16700/1690 Slater Road North Fort Myers, FL	\$17,700,000 \$93,651 Per Unit	189	GMF Group LLC Fort Myers 21 LLC
130-136 Cape Coral Parkway Cape Coral, FL	\$2,050,000 \$170,833 Per Unit	12	Cape Parkway Apartments LLC Parkway Court Apartments LLC

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
TerraCap Management LLC	\$87,250,000
PASSCO Companies	\$78,800,000
BLD Group	\$72,185,528
Fogelman Properties	\$33,083,333
DRA Advisors	\$33,083,333

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Grant Cardone	\$99,250,000
The Praedium Group	\$87,250,000
ECI Group	\$78,800,000
JSB Capital Group LLC	\$72,185,528
American Mortgage & Equity Conslts.	\$2,750,000



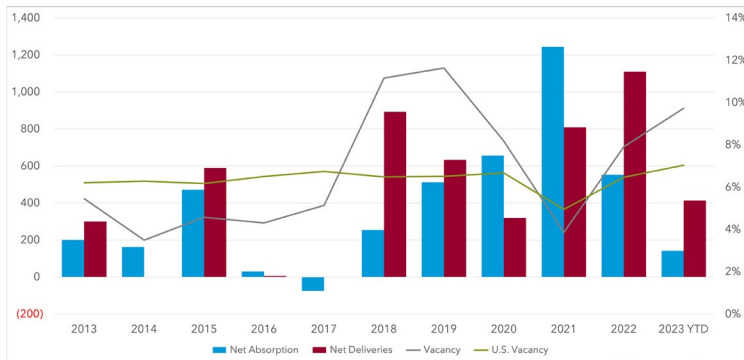
### MULTIFAMILY MARKET OVERVIEW

CLAIRE SEARLS, *Director of Research*

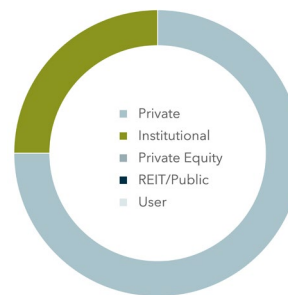
Overall apartment demand decreased. A slight drop in asking rent occurred as leasing activity also slowed. The softening in market fundamentals however, may be due to the seasonality of the market as summer tends to be a slower period for Southwest Florida. Overall vacancy increased year-over-year to 9.7%. Twelve-month absorption recorded 429 units, only a 16-unit difference when compared to last year. Sales volume slowed. No multifamily sales were transacted in third quarter. One of the largest projects expected to deliver this year is Everly, a 434-unit Richman Signature community in Naples.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Absorption Units	429	613	606	553	445
▼ Vacancy Rate	9.7%	10.7%	10.5%	7.9%	8.1%
▲ Asking Rent/Unit (\$)	\$2,280	\$2,269	\$2,365	\$2,409	\$2,308
◀ ▶ Under Construction Units	1,659	1,659	1,659	1,561	1,847
◀ ▶ Inventory Units	13,129	13,129	13,129	12,715	12,429

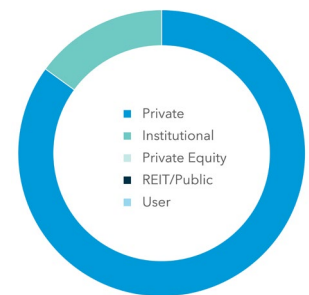
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
NONE TO REPORT			

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Davis Development	\$125,106,900
Phoenix Realty Group LLC	\$62,000,000
Andover Real Estate Partners	\$41,500,000
Atlas Real Estate Partners	\$41,500,000
US Industries Group, Inc.	\$30,200,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Beitel Group	\$125,106,900
Cardinal Capital Partners, Inc.	\$83,000,000
The Dolben Company, Inc.	\$62,000,000
James Birge	\$30,200,000
Four Corners Development Group	\$26,500,000



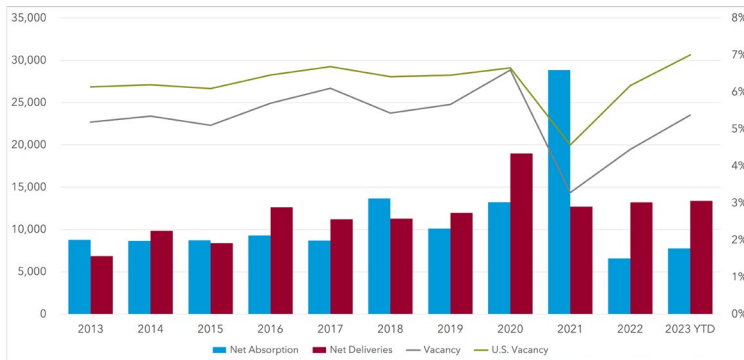
### MULTIFAMILY MARKET OVERVIEW

TODD COHEN, *Principal*

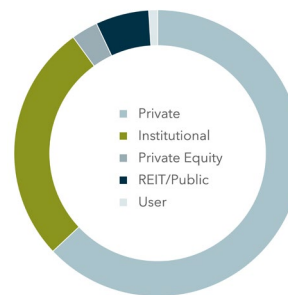
South Florida's white hot multifamily sector finally shows signs of cooling off in Q3. Vacancy rates remained at 5.4%, up from 4.6% in Q3 2022. Vacancy is far lower than the national average and Florida remains desirable on many fronts. Inventory is increasing much faster than absorption, with deliveries already above the 2022 annual total in only three quarters. Demographic trends bolstered by favorable taxes and overall lifestyle factors should continue to allay any fears in terms of net absorption, however. Rental rates remain strong, buoyed by higher interest rates and a lack of for-sale housing inventory making home ownership less tenable. Multifamily sales are still closing at record or near-record pricing on a price per door basis.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	10,306	7,530	7,040	6,593	6,719
◀▶ Vacancy Rate	5.4%	5.4%	4.9%	4.5%	4.6%
▼ Asking Rent/Unit (\$)	\$2,121	\$2,126	\$2,123	\$2,107	\$2,099
▼ Under Construction Units	53,121	54,185	54,605	52,361	43,231
▲ Inventory Units	545,349	541,385	536,965	531,961	529,961

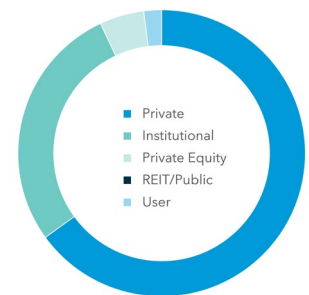
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
2750 Rio Vista Boulevard Palm Beach Gardens, FL	\$92,156,000 \$205,705.36 Per Unit	448	Greystar Real Estate Partners PGIM Real Estate / Carroll
7004 SW 40th Street Miami, FL	\$91,363,600 \$292,832.05 Per Unit	312	GID Investment Advisors LLC BBX Capital, Inc./Altman Management Co.
4142 Cocoplum Circle Coconut Creek, FL	\$70,403,700 \$195,565.83 Per Unit	360	Ashcroft Capital LLC Advenir, Inc. / Dome Equities

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Prudential Financial, Inc.	\$380,522,095
Bell Partners, Inc.	\$293,000,000
Gumenick Properties	\$271,058,000
Resia	\$188,000,000
The Carlyle Group	\$130,750,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Harbor Group International LLC	\$293,500,000
Pantzer Properties	\$272,500,000
Apartment Investment & Mgmt Co.	\$271,058,000
The Connor Group	\$259,000,000
Stockbridge Capital Group LLC	\$156,000,000



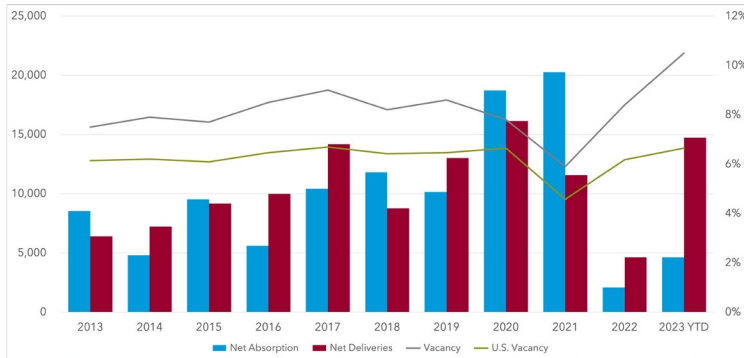
### MULTIFAMILY MARKET OVERVIEW

KATE HUNT, Senior Research Analyst

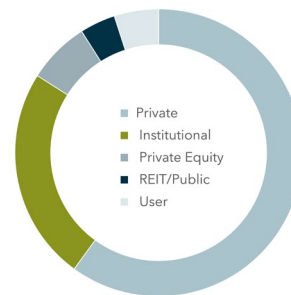
Apartment absorption has staged a slow but strong recovery in Atlanta throughout 2023. However, continued supply deliveries have kept vacancy on the rise. At the end of Q3, Atlanta's vacancy rate stood at 10.5%, up from record lows of 5.9% just two years ago, and a robust construction pipeline will continue to lift vacancies in the coming quarters. Roughly 36,000 units are under construction in Atlanta, representing a 6.5% expansion of inventory. While total sales volume has declined since rising interest rates began complicating the lending process, investors remain confident in Atlanta's long-term potential for population growth, job growth, and subsequent multifamily demand.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	4,332	3,583	4,747	2,076	4,525
▲ Vacancy Rate	10.5%	10.3%	9.0%	8.4%	7.4%
▲ Asking Rent/Unit (\$)	\$1,605	\$1,599	\$1,615	\$1,603	\$1,629
▼ Under Construction Units	35,997	40,022	40,605	39,214	34,747
▼ Inventory Units	550,339	588,392	538,740	534,614	536,389

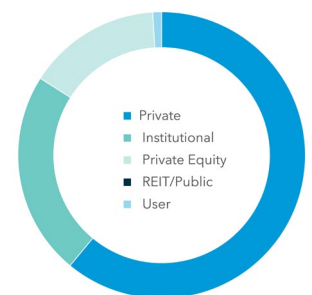
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
1290 Old Peachtree Road Duluth, GA	\$135,000,000 \$346,154 Per Unit	390	Weinstein Properties Brand Properties Real Estate Investments
7150 W. Peachtree Dunwoody Road NE Atlanta, GA	\$107,500,000 \$202,830 Per Unit	530	Tishman Speyer Harbor Group International LLC
2950 Richmond Row Drive Suwanee, GA	\$98,000,000 \$284,884 Per Unit	344	Equity Residential TPA Group

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Northwood Investors LLC	\$257,540,000
TPA Group LLC	\$222,425,000
The Goldman Sachs Group, Inc	\$194,750,000
Brand Real Estate Services, Inc.	\$173,686,720
RPM	\$117,400,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
HHHunt	\$257,540,000
Equity Residential	\$176,600,000
Waterfall Asset Management	\$135,884,000
Weinstein Properties	\$135,000,000
Blackstone, Inc.	\$133,000,000



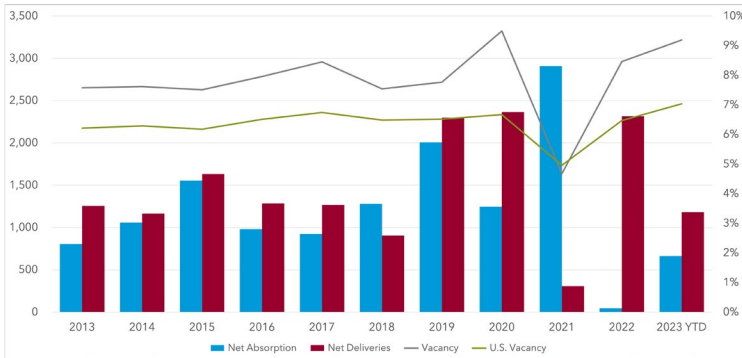
### MULTIFAMILY MARKET OVERVIEW

KYLE GROSS, *Senior Director*

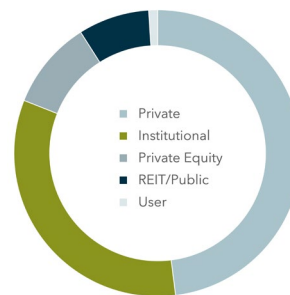
In Durham, multifamily vacancy rates declined slightly to 9.19% in Q3 from 10.46% in Q2 2023. Average market rent was \$1.59 PSF at the end of Q3, a slight decrease from the previous quarter. Modest rent growth is anticipated in the coming quarters. Net unit deliveries in Q3 were around 354 units, down from 690 in Q2. The development pipeline remains active, with approximately 1,350 units expected to be completed next quarter, potentially causing a rise in vacancy as these assets stabilize. Q3 sales volume stood at \$172.65 million, relatively steady compared to earlier quarters. The 10-year treasury rate rose from 3.85% in July 2023 to 4.6% by Q3-end, the highest since 2007, likely impacting multifamily investment pace; however, apartments with stable, long-term assumable debt remain appealing.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	519	(86)	79	46	183
▼ Vacancy Rate	9.19%	10.46%	8.77%	8.46%	7.73%
▼ Asking Rent/Unit (\$)	\$1,503.07	\$1,535.88	\$1,519.74	\$1,509.07	\$1,530.96
▼ Under Construction Units	5,190	5,234	4,696	3,807	3,127
▲ Inventory Units	58,013	57,659	57,049	56,830	56,537

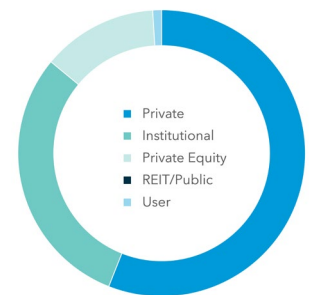
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
1108 Merrion Avenue Durham, NC	\$70,000,000 \$269,230.77 Per Unit	260	AIR Communities LivCor LLC
1122 Medlin Road Durham, NC	\$84,750,000 \$305,956.68 Per Unit	277	King Properties PGIM, Inc.
531 E. Carver Street Durham, NC	\$6,050,000 \$126,041.67 Per Unit	48	Housing for New Hope Kenwood Enterprises, Inc.

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Duck Pond Realty Management	\$174,292,000	The Connor Group	\$100,000,000
Northwestern Mutual Life Insurance Co.	\$100,000,000	Munich RE	\$89,000,000
Blackstone, Inc.	\$70,000,000	CWS Capital Partners LLC	\$85,292,000
PRG Real Estate Management, Inc.	\$43,600,000	King Properties	\$84,750,000
Prudential Financial, Inc.	\$42,375,000	Apartment Investment and Mgmt Co.	\$70,000,000



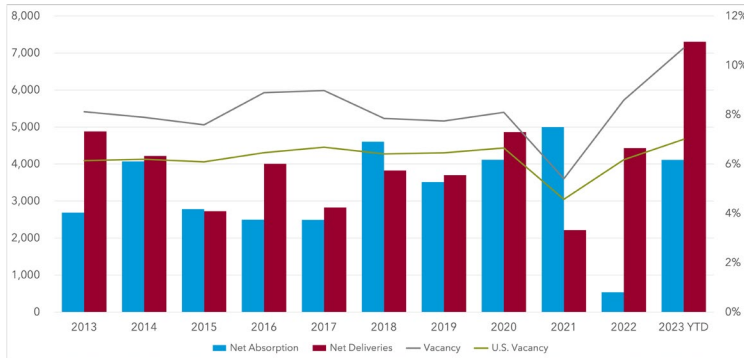
### MULTIFAMILY MARKET OVERVIEW

KYLE GROSS, *Senior Director*

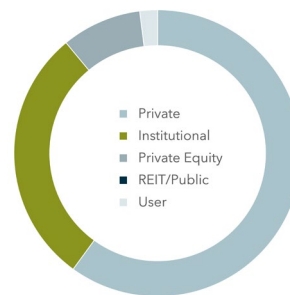
In Raleigh, multifamily vacancy rates rose from 10.16% in Q2 to 10.78% in Q3, while average rents dipped from \$1.67 PSF to about \$1.64 PSF. Net unit deliveries hit 1,744 in Q2 and 1,862 in Q3, the highest in consecutive quarters over the last five years. The 10-year treasury rate surged from around 3.85% in July 2023 to about 4.6% by the quarter's end, the highest since 2007. This spike is expected to slow down multifamily investment, but apartments with long-term, assumable debt remain appealing. Raleigh's Q3 sales volume was approximately \$205.4 million, a significant drop from the previous quarter's roughly \$930 million.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	3,495	1,754	1,083	540	1,006
▲ Vacancy Rate	10.78%	10.16%	9.40%	8.59%	7.70%
▼ Asking Rent/Unit (\$)	\$1,544.76	\$1,582.21	\$1,567.72	\$1,550.83	\$1,578.00
▼ Under Construction Units	14,940	15,979	16,304	16,586	14,232
▲ Inventory Units	121,509	118,938	116,454	114,468	113,672

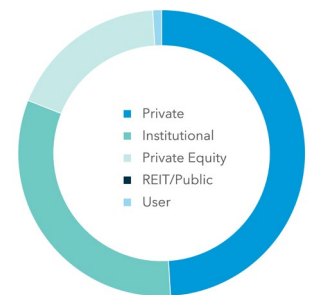
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
2605 Lowell Road Apex, NC	\$74,000,000 \$250,000.00 Per Unit	296	Olen Properties LivCor LLC
1331 Chester Avenue Raleigh, NC	\$114,500,000 \$363,492.06 Per Unit	315	TA Realty Terwilliger Pappas
900 E. Six Forks Road Raleigh, NC	\$74,250,000 \$249,161.07 Per Unit	298	Dinerstein Companies Waterton

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Terwilliger Pappas	\$114,500,000
The Halle Companies	\$84,500,000
Carter-Haston Real Estate Services, Inc.	\$79,925,000
TDK Development LLC	\$79,500,000
Northwood Investors LLC	\$74,500,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
The Connor Group	\$149,000,000
Mitsubishi Estate Company Ltd.	\$114,500,000
Westbrook Partners	\$93,250,000
Apartment Investment and Mgmt Co.	\$84,500,000
CBRE Investment Management	\$79,925,000





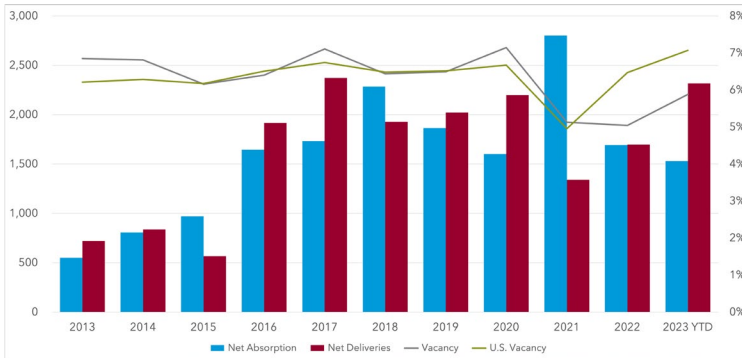
### MULTIFAMILY MARKET OVERVIEW

MO BARRY, *Vice President*

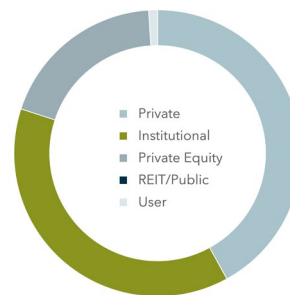
Omaha's multifamily housing sector continues to excel throughout 2023, achieving a 5.3% YoY rent growth in Q3. Omaha's resurgence is remarkable, transitioning from the bottom-ten to five consecutive top-ten quarters in rent growth. Omaha's stability is evident with rent growth slowing by less than 250 basis points over five quarters, the second lowest nationally. Omaha's success is attributed to modest development, a diverse economy, labor shortages, wage growth, and demand from various renters, drawn by single-family housing unaffordability. Despite a significant supply pipeline, ongoing development restrictions and strong demand are set to maintain low vacancy rates and robust rent growth, distinguishing Omaha nationally.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	1,712	1,577	1,650	1,693	1,773
▲ Vacancy Rate	6.0%	5.9%	5.4%	5.0%	5.1%
▼ Asking Rent/Unit (\$)	\$1,150.00	\$1,153.00	\$1,140.00	\$1,113.00	\$1,104.00
▼ Under Construction Units	2,538	2,758	3,388	4,292	3,296
▲ Inventory Units	81,159	80,564	79,908	78,842	78,659

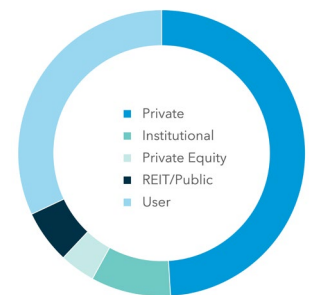
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
4310-4334 S. 25th Street Omaha, NE	\$2,600,000 \$47,272.73 Per Unit	55	Andrew Homes LLC Hong Zheng
5002 S. 2002nd Avenue Omaha, NE	\$2,347,000 \$7,823.33 Per Unit	300	Urquart Joy Woodsonia Real Estate
4648 Cuming Street Omaha, NE	\$1,360,000 \$56,666.67 Per Unit	24	Brian Mckernan Malybuilt Restoration

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Clermont LLC	\$55,000,000	Hamilton Point Investments	\$111,000,000
Greystone & Company, Inc.	\$55,000,000	Briar Capital Management LLC	\$55,100,000
Timberland Partners	\$33,050,000	Columbia Pacific Wealth Management	\$30,000,000



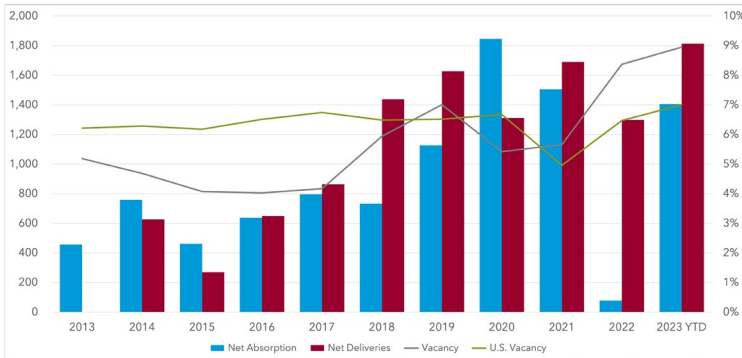
### MULTIFAMILY MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

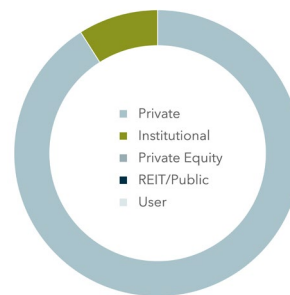
The construction of new units continues in the market, and the influx of new units outpaces demand causing a continued, albeit small, increase in the vacancy - up to 9%. This is increasing the competition for renters, resulting in a decrease in the average price per unit, keeping the Northern Nevada market very competitive as far as cost of living with the rest of the nation. The jobs market looks healthy, and the construction trades are all busy, so the surplus currently on the market should be absorbed with time. Even with more projected projects on the near horizon, the rise in interest rates should help occupancy as that will turn some buyers into renters as they come to the market. Look for a stable cost of rentals even as the construction continues.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	1,538	1,022	626	78	(234)
▲ Vacancy Rate	9.0%	8.9%	7.8%	8.4%	7.8%
▼ Asking Rent/Unit (\$)	\$1,521.37	\$1,544.00	\$1,531.44	\$1,515.42	\$1,541.55
▼ Under Construction Units	3,487	3,765	4,200	3,997	4,344
▲ Inventory Units	44,147	43,599	42,588	42,333	41,938

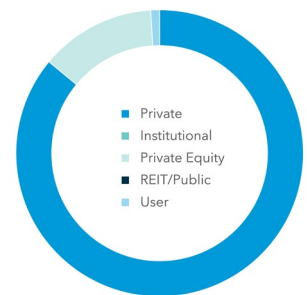
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
2300 Harvard Way Reno, NV	\$46,200,000 \$210,000 Per Unit	220	Northland Benedict Canyon Equities
570 Grand Canyon Reno, NV	\$2,330,000 \$179,230.77 Per Unit	13	J Plus Properties Bruce Brousfield
645 S. Virginia Reno, NV	\$3,000,000 \$200,000 Per Unit	15	Scott McGuire Daniel Pick

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Gerald D. Arthur, Sr.	\$76,000,000	Topanga Management Company	\$68,300,000
Ensemble Investments LLC	\$68,300,000	Capital Square	\$39,100,000
Benedict Canyon Equities, Inc.	\$46,200,000	Herzog Real Estate Development Svcs	\$38,000,000
D.R. Horton, Inc.	\$39,100,000	Tilden Properties	\$38,000,000
Prim Ventures, Inc.	\$28,250,000	Four Peaks Capital	\$28,250,000



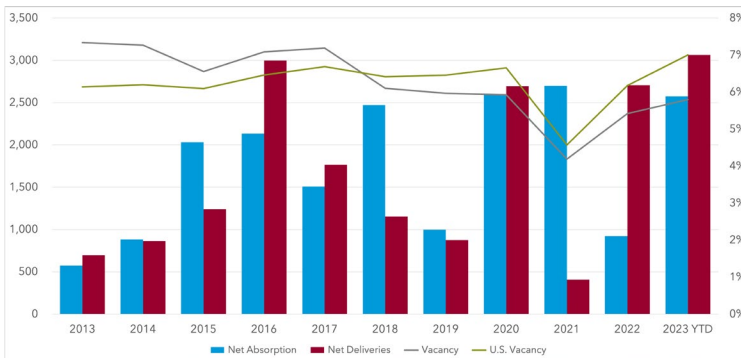
### MULTIFAMILY MARKET OVERVIEW

JOSH HARKAVY, *Vice President*

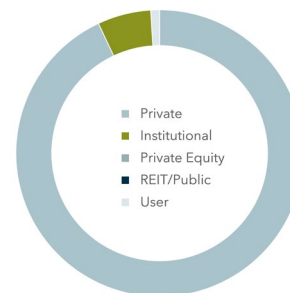
Third quarter 2023 Cincinnati multi-family vacancy edged up from 5.4% in Q2 to 5.8%. There are 5,800 units under construction. Rent growth is 3.5% YOY and continues to slow this year. While household incomes are at the national level, Cincinnati's rents are almost 30% lower. With the units under construction, slowing of household formations due to inflation and economic uncertainty, continued market softness expected. Sale prices may be moderating but that hasn't translated to increased sales volume, which remains below the national average. Cap rates on average are 100 basis points more than a year ago. Higher interest rates will continue, and with little willingness from owners to reduce prices, sales volume will remain weak.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	2,582	1,694	1,080	924	975
▲ Vacancy Rate	5.8%	5.7%	5.7%	5.4%	5.2%
▼ Asking Rent/Unit (\$)	\$1,210.60	\$1,211.08	\$1,196.71	\$1,174.09	\$1,170.43
▼ Under Construction Units	4,960	5,512	6,268	6,719	6,727
▲ Inventory Units	138,733	137,561	136,504	135,497	135,015

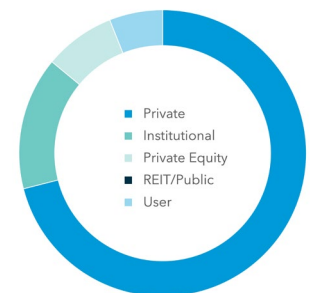
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
235 Mulberry Street Felicity, OH	\$1,400,000 \$23,333.33 Per Unit	60	The Loring Group Pointe Management LLC
218 W. 12th Street Cincinnati, OH	\$1,186,250 \$32,951.39 Per Unit	36	Cincinnati Center City Development Corp. Cincinnati Center City Development Corp.
126 Revere Avenue Cincinnati, OH	\$1,400,000 \$70,000.00 Per Unit	20	Joel Daniel Langebartels Gretchen N. Williams

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Nicol Investment Company	\$176,400,000	Crawford Hoying	\$176,400,000
The Gregel Group	\$116,225,000	Living Residential LLC	\$116,225,000
Coastal Ridge Real Estate	\$115,250,000	The Connor Group	\$115,250,000
Varia US Properties	\$61,250,000	Varia US Properties	\$62,000,000
Mendel Steiner	\$60,559,000	Mendel Steiner	\$60,559,000



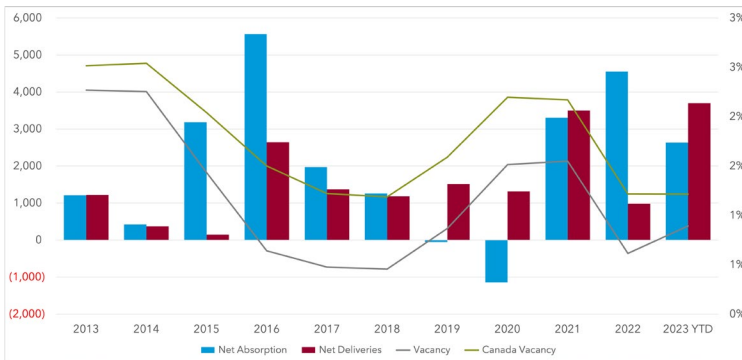
### MULTIFAMILY MARKET OVERVIEW

LUIS ALMEIDA, SIOR, *Executive Vice President, Partner*

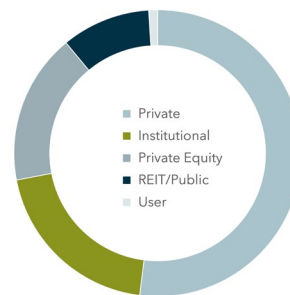
Toronto's multi-family sector shines as Canada's most resilient market. The surge in housing prices during the pandemic pushed many towards rentals, resulting in rapid growth in rentership that surpasses homeownership rates. This flourishing rental landscape caters to diverse tenants, including young professionals, newcomers, students, and those priced out of homeownership, with immigration flows gradually rebounding. This market offers a range of options, from affordable high-rises to luxurious purpose-built rentals. However, rising interest rates have added to housing unaffordability, making rentals increasingly attractive as homeownership remains elusive for many.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	2,824	2,552	3,318	4,554	5,595
▲ Vacancy Rate	0.9%	0.8%	0.7%	0.6%	0.7%
▲ Asking Rent/Unit (\$)	\$2,184	\$2,156	\$2,107	\$2,054	\$1,994
▲ Under Construction Units	21,219	19,934	16,978	17,434	16,684
▲ Inventory Units	386,727	385,180	383,868	383,030	383,045

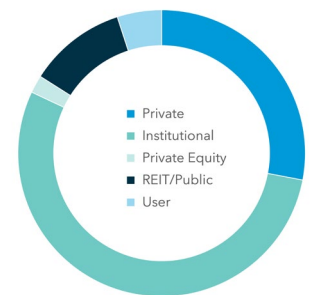
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
2 Anndale Toronto, ON	\$1,535,000 \$5,116.67 Per Unit	300	The Wireless Geek THMR Development, Inc.
7089 Yonge Street Markham, ON	\$7,240,547 \$31,480.64 Per Unit	230	Undisclosed Undisclosed
135 Tyndall Avenue* Toronto, ON	\$1,719,031 7,958.48 Per Unit	216	Fitzrovia Real Estate AIMCo

\*Part of a 2-Property Portfolio

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME	TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Power Corporation of Canada	\$185,500,000	Starlight Investments Ltd.	\$245,505,018
Roche Development Group, Inc.	\$170,180,018	Woodbourne Capital Mgmt Intn'l LP	\$149,000,000
First Capital REIT	\$149,000,000	Timbercreek Capital, Inc.	\$116,900,000
Golden Hauer Investments (1988)	\$94,500,000	Realstar Group	\$84,748,231
Alit Developments	\$84,748,231	InterRent Real Estate Investment Trust	\$61,833,333



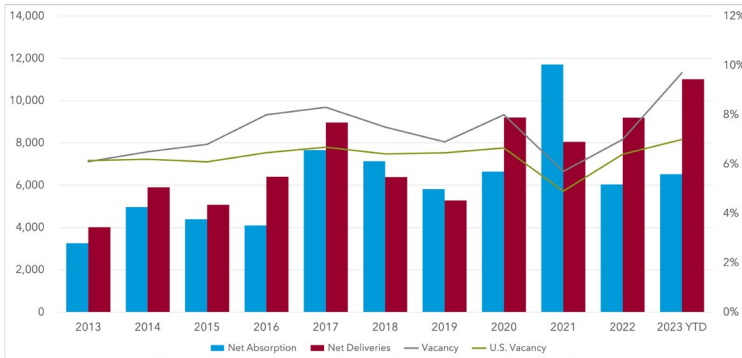
### MULTIFAMILY MARKET OVERVIEW

GAINES HANKS, Associate

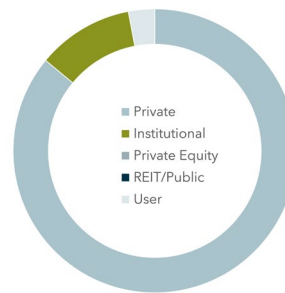
At the end of the third quarter, the Nashville Multifamily market exhibited stable activity. The vacancy rate held steady at 9.7% and 12-month net absorption bounced back from earlier 2023 lows. Rents have experienced a marginal decrease of \$7 per unit, settling at \$1,551 per unit. Development activity has cooled as fewer groundbreakings took place in the third quarter and 1,895 units were delivered, compared to the surge of units delivered in the first half of the year.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	6,643	4,733	3,360	6,039	6,817
◀▶ Vacancy Rate	9.7%	9.7%	9.0%	7.0%	6.2%
▼ Asking Rent/Unit (\$)	\$1,551	\$1,558	\$1,534	\$1,511	\$1,537
▼ Under Construction Units	21,117	24,574	24,493	23,591	22,273
▲ Inventory Units	209,013	206,539	201,524	197,626	195,511

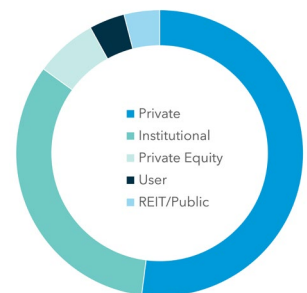
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
1104 Spring Path Lane Antioch, TN	\$5,425,000 \$417,308 Per Unit	33	American Realty Advisors Elmington Capital Group
210 Hillwood Boulevard Murfreesboro, TN	\$83,500,000 \$235,876 Per Unit	354	Covenant Capital Group Olympus Property
2411 Pulaski Highway Columbia, TN	\$19,529,000 \$109,000 Per Unit	179	Covenant Capital Group Heller Family Limited Partnership

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Wood Partners	\$289,120,000
Cantor Fitzgerald & Company	\$149,000,000
Blackstone, Inc.	\$100,700,000
Clarion Partners	\$96,500,000
Starwood Capital Group	\$92,420,412

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
HHHunt	\$192,620,000
Hamilton Zanze & Company	\$149,000,000
Covenant Capital Group	\$114,469,000
GVA Property Management	\$114,020,412
Weinstein Properties	\$96,500,000



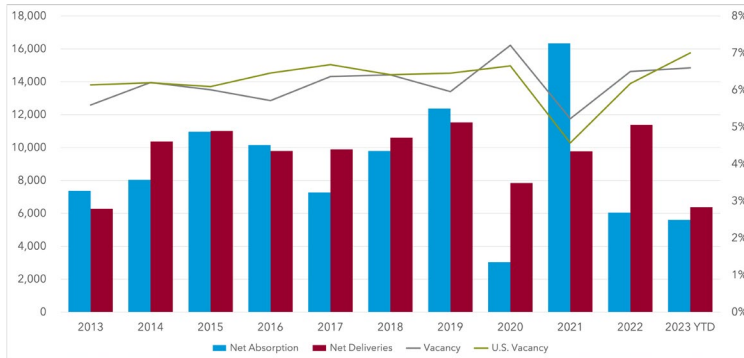
### MULTIFAMILY MARKET OVERVIEW

CANDICE CHEVAILLIER, CCIM, *Principal*

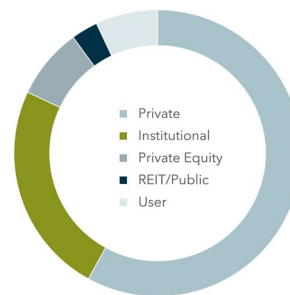
In Q3, there was a slight uptick in absorption from Q2 and Q1 of this year. The vacancy rate has increased by 40 bps and is expected to continue to rise slightly over the winter months, and trend back down by Q3 2024. Price per unit is down 11bps, reflective of a continued surge in interest rates putting downward pressure on pricing. Units under construction are trailing off as we near the end of an extended delivery cycle. Slow-to-advance future development projects will create opportunity in 2025 and 2026, as interest rates to float back down and rental demand from an anemic new unit pipeline converge, allowing rents and values to grow again.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Absorption Units	5,768	5,556	5,592	6,057	6,580
▲ Vacancy Rate	6.6%	6.2%	6.5%	6.5%	6.2%
▼ Asking Rent/Unit (\$)	\$1,975	\$1,992	\$1,964	\$1,939	\$1,981
▼ Under Construction Units	25,345	27,751	27,288	26,994	26,446
▲ Inventory Units	378,776	375,858	374,430	372,726	371,132

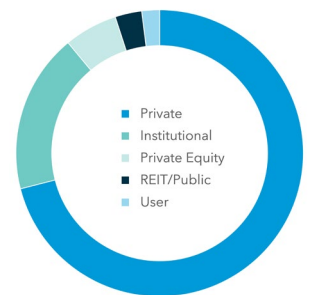
#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### SALE BY BUYER TYPE



#### SALE BY SELLER TYPE



\*\*'Sale by Buyer' and 'Sale by Seller' Data is comprised of data from the previous 12 months.

TOP SALE TRANSACTIONS	SALE PRICE	NUMBER OF UNITS	BUYER / SELLER
15808 Bear Creek Parkway Redmond, WA	\$125,000,000 \$347,222 Per Unit	360	Jackson Squire Properties Fairfield
1423 Rainier Ridge Boulevard, E Puyallup, WA	\$94,000,000 \$298,413 Per Unit	315	Undisclosed Equity Residential +1
2715 Sunset Lane, NE Renton, WA	\$44,000,000 \$407,407 Per Unit	108	Manmohan Dhillon +1 iCap Equity

TOP SELLERS (PAST 12 MONTHS)	SALES VOLUME
Greystar Real Estate Partners	\$1,094,877,135
Blackstone, Inc.	\$958,810,000
Security Properties, Inc.	\$786,220,000
Goodman Real Estate, Inc.	\$652,710,100
Kennedy Wilson, Inc.	\$620,700,000

TOP BUYERS (PAST 12 MONTHS)	SALES VOLUME
Marcus & Millchap	\$903,159,500
Security Properties, Inc.	\$817,025,000
Blackstone, Inc.	\$672,425,000
Acacia Capital Corporation	\$611,790,000
Rise Property Trust	\$594,694,766

## ABSORPTION

Refers to the change in occupancy over a given time period. Lease renewals are not factored into absorption unless the renewal includes the occupancy of additional space. (In that case, the additional space would be counted in absorption.) Pre-leasing of space in non-existing buildings (e.g., Proposed, Under Construction, Under Renovation) is not counted in absorption until the actual move-in date.

## CAP RATE

The income rate of return for a total property that reflects the relationship between one year's net operating income expectancy and the total price or value. Calculated by dividing the net operating income by the sale price or value.

## CLASS A OFFICE

In general, a class A building is an extremely desirable investment-grade property with the highest quality construction and workmanship, materials and systems, significant architectural features, the highest quality/expensive finish and trim, abundant amenities, first rate maintenance and management; usually occupied by prestigious tenants with above average rental rates and in an excellent location with exceptional accessibility. They are most eagerly sought by international and national investors willing to pay a premium for quality and are often designed by architects whose names are immediately recognizable. A building meeting this criteria is often considered to be a landmark, either historical, architectural or both. It may have been built within the last 5-10 years, but if it is older, it has been renovated to maintain its status and provide it many amenities. Buildings of this stature can be one-of-a-kind with unique shape and floor plans, notable architectural design, excellent and possibly outstanding location and a definite market presence.

## CLASS B OFFICE

In general, a class B building offers more utilitarian space without special attractions. It will typically have ordinary architectural design and structural features, with average interior finish, systems, and floor plans, adequate systems and overall condition. It will typically not have the abundant amenities and location that a class A building will have. This is generally considered to be more of a speculative investment. The maintenance, management and tenants are average to good, although, Class B buildings are less appealing to tenants and may be deficient in a number of respects including floor plans, condition and facilities. They therefore attract a wide range of users with average rents. They lack prestige and must depend chiefly on lower price to attract tenants and investors. Typical investors are some national but mostly local.

## CLASS C OFFICE

In general, a class C building is a no-frills, older building that offers basic space. The property has below-average maintenance and management, a mixed or low tenant prestige, and inferior elevators and mechanical/electrical systems. As with Class B buildings, they lack prestige and must depend chiefly on lower price to attract tenants and investors.

## GROSS ABSORPTION

For existing buildings, the measure of total square feet occupied (indicated as a Move-In) over a given period of time with no consideration for space vacated during the same time period. Sublet space and lease renewals are not factored into gross absorption. However, in a lease renewal that includes the leasing of additional space, that additional space is counted in gross absorption. Preleasing of space in non-existing buildings (Planned, Under Construction or Under Renovation) is not counted in gross absorption until actual move in, which by definition may not be any earlier than the delivery date.

## INDUSTRIAL GROSS RENT

A type of Modified Gross lease where the tenant pays one or more of the expenses in addition to the rent. Exact details must be confirmed for each lease.

## INVENTORY

Existing inventory refers to the total square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space that is either planned, or under construction.

## MODIFIED GROSS

Modified Gross is a general type of lease rate where typically the tenant will be responsible for their proportional share of one or more of the expenses. The Lessor (landlord) will pay the remaining expenses. For example: Plus Electric means the tenant pays rent plus their own electric expense, or Plus Janitorial means the tenant pays the rent plus their own janitorial expense. Both of these are types of Modified Gross Leases, which may vary from tenant to tenant.

## NET ABSORPTION

For existing buildings, the measure of total square feet occupied (indicated as a Move-In) less the total space vacated (indicated as a Move-Out) over a given

period of time. Lease renewals are not factored into net absorption. However, in a lease renewal that includes the leasing of additional space, that additional space is counted in net absorption. Pre-leasing of space in non-existing buildings (Planned, Under Construction or Under Renovation) is not counted in net absorption until actual move in, which by definition may not be any earlier than the delivery date.

## TRIPLE NET (NNN)

A lease in which the tenant is responsible for all expenses associated with their proportional share of occupancy of the building.

## UNDER CONSTRUCTION

Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building Under Construction, the site must have a concrete foundation in place.

## VACANCY RATE

Expressed as a percentage - it identifies the amount of New/Relet/Sublet space vacant divided by the existing RBA. Can be used for buildings or markets.

## COMMON LEASE TYPES MATRIX

LEASE TYPE	RESPONSIBILITY FOR EXPENSES	OTHER
Gross (full service)	Landlord pays all or most of the operating expenses and taxes.	Costs of operation must be disclosed in lease.
Modified Gross	Expenses are divided between tenant and landlord.	Costs can be double or triple net depending on terms of lease.
Net	Tenant pays all operating expenses.	Landlord must disclose tenant responsibility in lease.
Triple Net (Net-net-net, or NNN)	Tenant pays all operating expenses, taxes and insurance.	Landlord is responsible for structure, roof and maybe parking lot.



The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com