



Industrial Market Report

San Jose - CA USA

PREPARED BY

COMPASS
COMMERCIAL

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INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	Market Asking Rent Growth
2.1M	(924K)	8.7%	-0.7%

In the third quarter of 2025, San Jose's industrial market remains under pressure due to weak demand. Although the market saw positive net absorption in 2024, this was largely due to tenants taking occupancy of pre-leased new spaces, such as Amazon's 1 million SF distribution center in Hollister. In 2025, net absorption is trending negatively, with cyclical low levels of leasing outweighed by tenant move-outs.

Low leasing stems from tenants' reluctance to pursue expansion plans amidst lackluster consumer markets, soft employment figures, and uncertainties regarding the impact of tariffs.

The past year has seen a slowdown in leasing activity, particularly for larger spaces. Very few leases exceeding 100,000 SF have been made, aside from a couple of notable exceptions, such as PsiQuantum's lease of 128,000 SF of advanced manufacturing space at 275 S Hillview Dr. in Milpitas in December 2024.

The vacancy rate currently stands at 8.7%, representing an increase of approximately 90 basis points over the past year and remaining above the historical average. Within San Jose, the flex inventory experiences an even higher vacancy rate of 11.7%, which contrasts with the logistics market, which has some supply constraints and has a lower aggregate vacancy rate of 6.3%.

Although development activity has decreased over the last year, there is still a healthy amount of industrial space under construction, totaling 4.8 million SF. This figure represents 2.4% of the market's current inventory, surpassing the national average of 1.6%. A diverse range of new projects is in progress, including advanced manufacturing facilities in South San Jose, distribution spaces in the southern region near Gilroy and Morgan Hill, and data centers in Santa Clara.

Due to strong demand and limited supply, industrial rents in San Jose are among the highest in the nation, trailing only San Francisco. However, the rent growth rate is currently one of the lowest in the country, averaging -0.7% over the past 12 months. In the logistics sector, year-over-year rent growth is below the national trend at -0.1%, while the flex sector is experiencing a negative annual growth rate of -1.3%.

Looking ahead, demand is expected to rise as the economy improves and tenants pursue expansion. With several new construction projects slated for completion in the latter half of 2025, the overall vacancy rate is likely to increase, although the effects will vary by location. Supply-constrained submarkets are expected to remain much tighter, facilitating higher rent growth.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	55,545,976	6.3%	\$19.43	8.8%	(511,378)	0	2,004,326
Specialized Industrial	43,651,420	4.6%	\$21.46	5.7%	(87,174)	0	1,369,023
Flex	101,346,504	11.7%	\$30.41	12.6%	(420,955)	0	1,463,600
Market	200,543,900	8.7%	\$25.37	10.0%	(1,019,507)	0	4,836,949

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	1.1% (YOY)	8.7%	8.6%	15.7%	2003 Q3	2.0%	2000 Q2
Net Absorption SF	(924K)	(308,644)	158,330	13,108,941	2000 Q2	(12,282,718)	2002 Q1
Deliveries SF	2.1M	1,557,423	1,609,027	6,510,184	1999 Q2	14,745	2013 Q2
Market Asking Rent Growth	-0.7%	2.7%	2.3%	10.5%	2015 Q3	-11.2%	2003 Q2
Sales Volume	\$1.1B	\$1.7B	N/A	\$4.3B	2022 Q3	\$167.9M	2009 Q4

Leasing activity remains moderate, with tenants of logistics and flex properties taking a more conservative stance regarding expansion plans. According to owners and brokers, a combination of factors, including tariff uncertainties and an expected slowdown in consumer demand, is causing tenants to focus on cost savings, which results in lower leasing activity and weak job growth.

Leasing in the logistics segment totaled 3 million SF in 2024, the lowest amount since 2008. In the first five months of 2025, leasing volume is on a similar track, with very few new leases signed for large warehouse or distribution facilities.

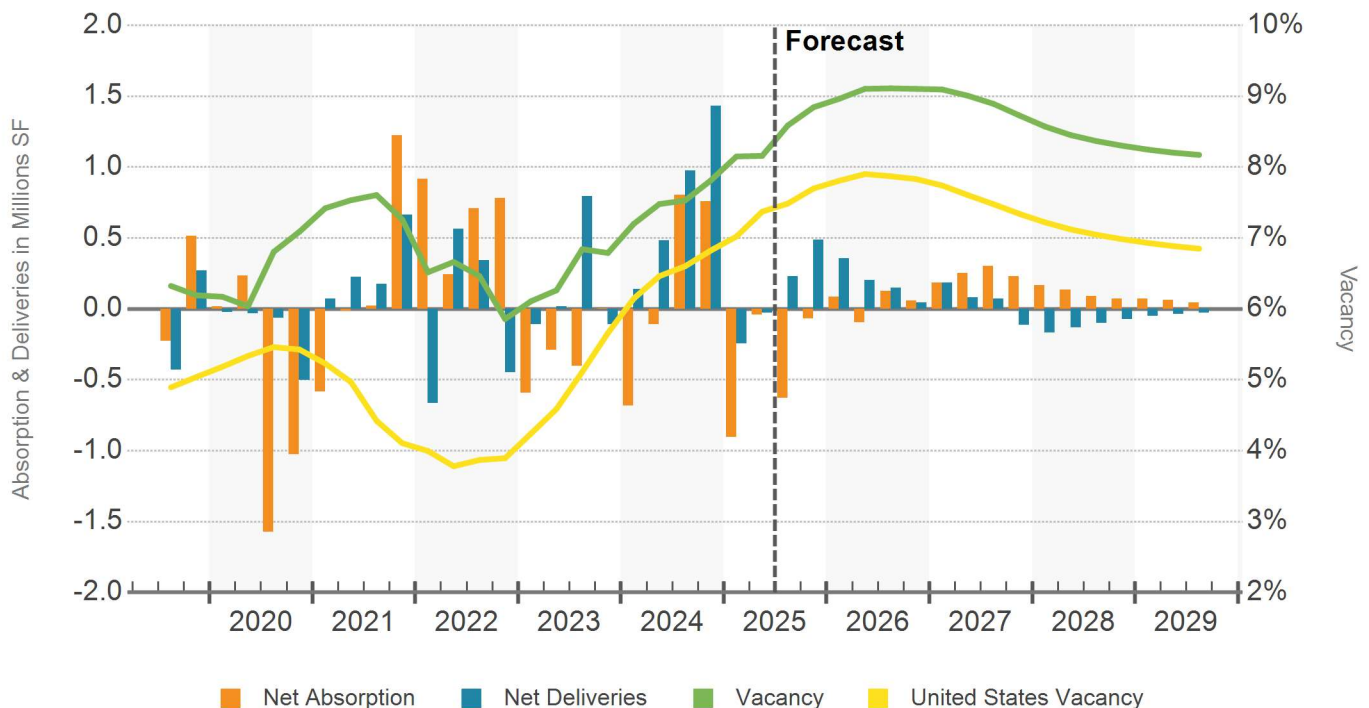
Only one industrial lease greater than 100,000 SF has been signed so far in 2025. Intuitive Surgical leased 200,000 SF at McCarthy Business Park, a newly constructed distribution facility in Gilroy. The 11-year lease had a starting rent of around \$22/SF industrial gross.

The logistics segment saw strong positive absorption of 2 million SF in 2024, as tenants took occupancy of newly built space. However, the past three quarters have produced negative net absorption, with tenant move-outs dominating activity.

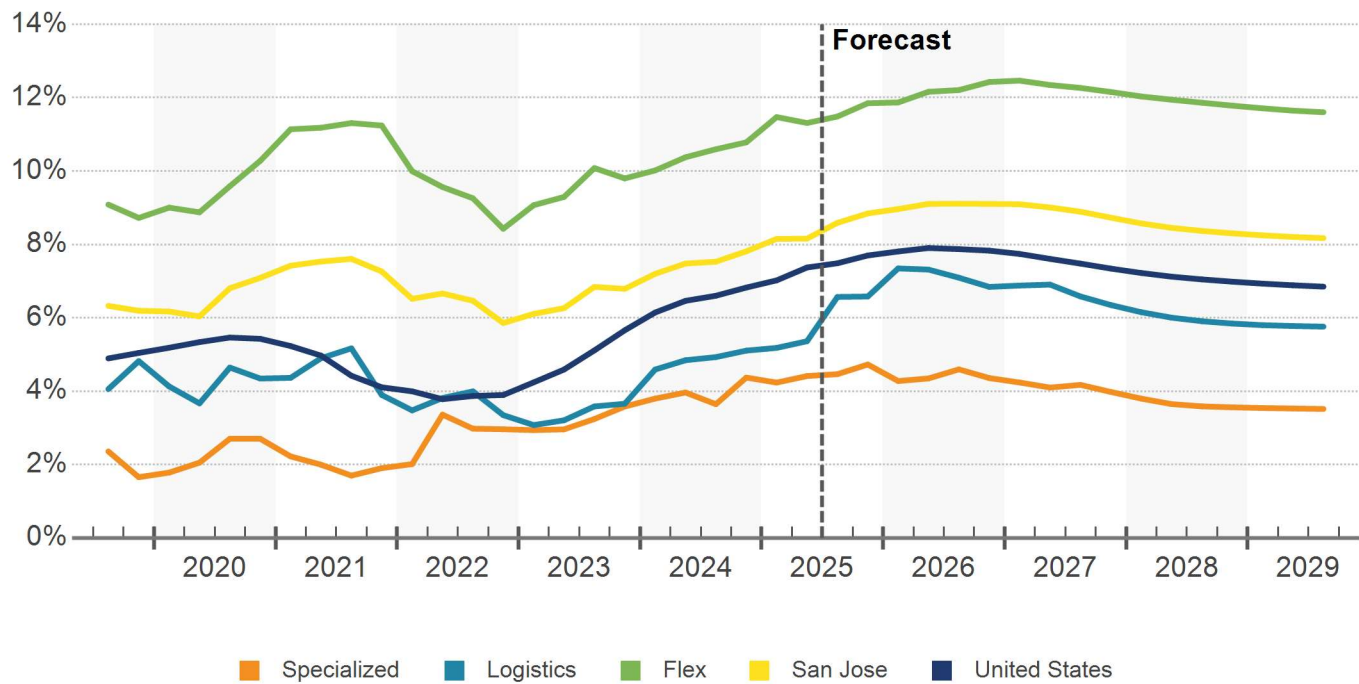
In the flex segment, 2024's leased space of 2.9 million SF was the lowest annual total of the past 20 years. In the first months of 2025, leasing activity increased moderately, led by the autonomous vehicle segment. For example, in April, Applied Intuition, a maker of software for self-driving vehicles, leased 110,000 SF in two flex buildings in Sunnyvale.

The market's vacancy rate increased by 90 basis points over the past year, now standing at 8.7%, the highest rate in the last decade. Flex space has the highest vacancy at 11.7%, while logistics vacancy is lower at 6.3%. Both segments have seen vacancies moving higher in the past few quarters.

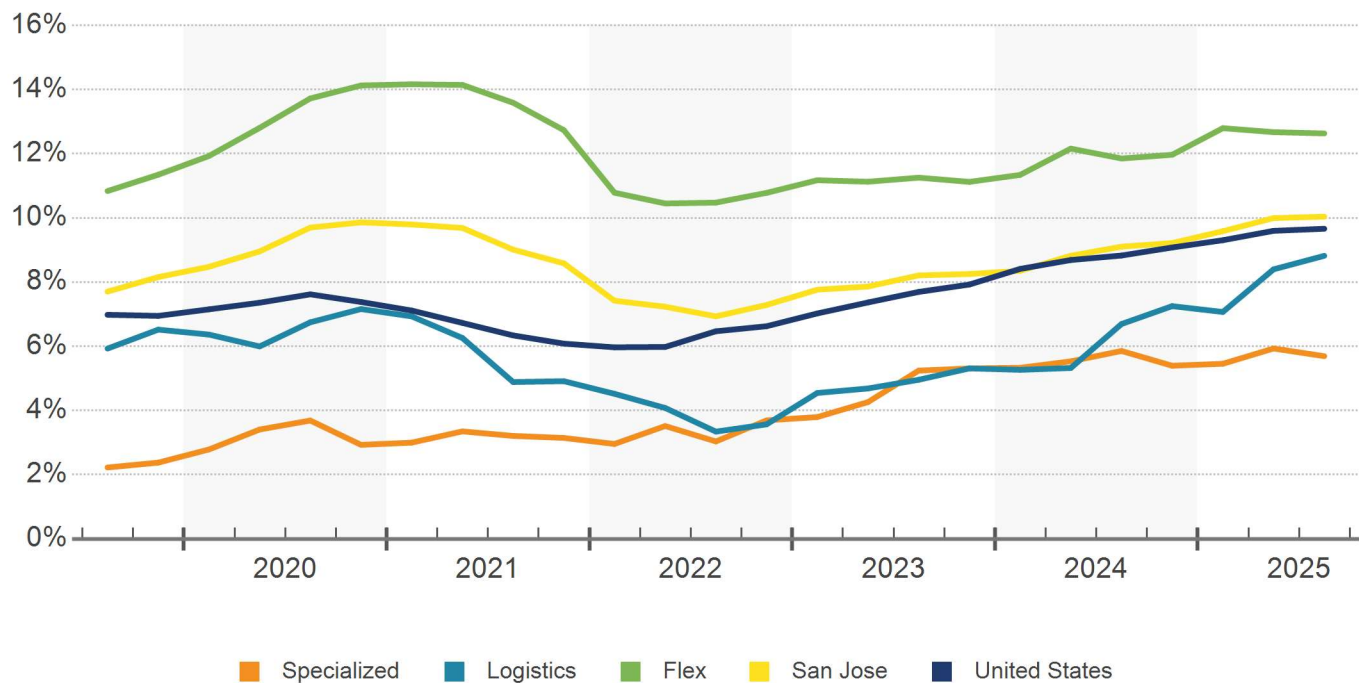
NET ABSORPTION, NET DELIVERIES & VACANCY



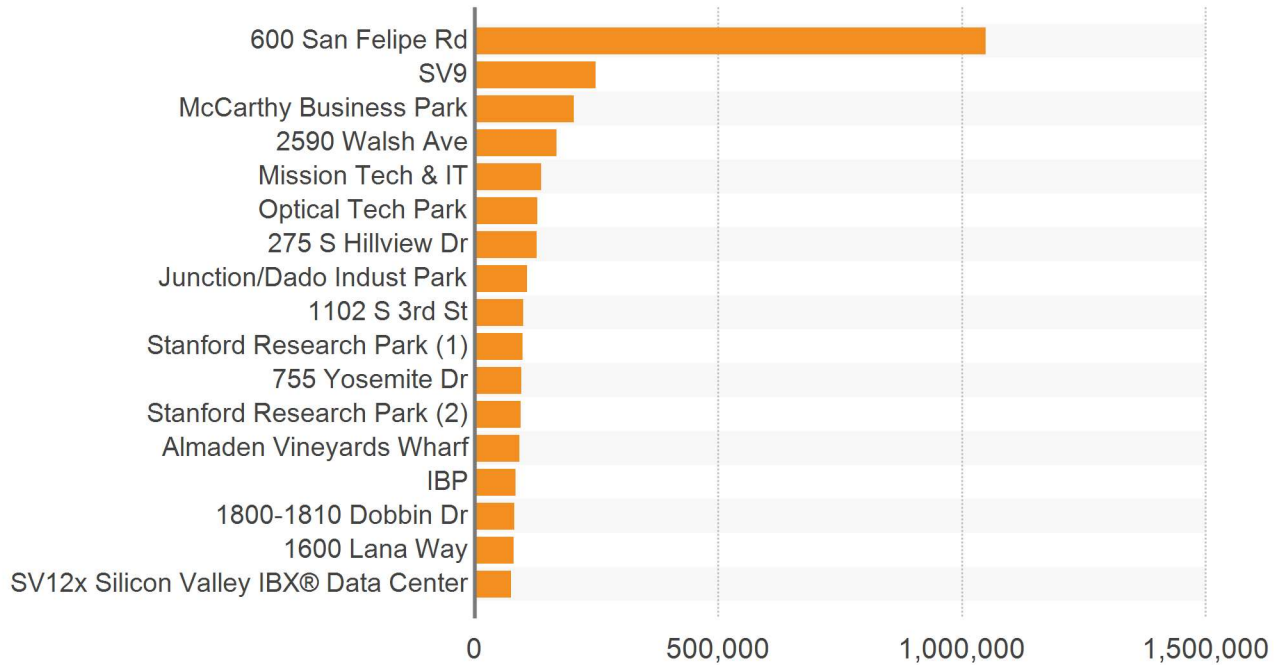
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
600 San Felipe Rd	San Benito County	1,049,760	0	0	0	0	0	1,049,760
SV9	Central Santa Clara	249,271	0	249,271	0	0	0	249,271
McCarthy Business Park	Gilroy	211,800	0	198,965	0	0	0	203,569
2590 Walsh Ave	Central Santa Clara	469,467	0	0	0	0	0	168,395
Mission Tech & IT	North Santa Clara	136,700	0	0	0	0	0	136,700
Optical Tech Park	South San Jose	129,221	0	129,221	0	0	0	129,221
275 S Hillview Dr	Milpitas	127,574	0	127,574	0	0	0	127,574
Junction/Dado Indust Park	North San Jose	107,710	0	0	0	0	0	107,710
1102 S 3rd St	East San Jose-Willo...	99,740	0	0	0	0	0	99,740
Stanford Research Park (1)	Palo Alto	98,626	0	0	0	0	0	98,626
755 Yosemite Dr	Milpitas	96,250	0	0	96,250	0	0	96,250
Stanford Research Park (2)	Palo Alto	95,737	0	0	0	0	0	95,737
Almaden Vineyards Wharf	East San Jose-Willo...	457,750	0	0	0	0	0	93,074
IBP	San Jose-Berryessa	84,208	0	0	84,208	0	0	84,208
1800-1810 Dobbin Dr	San Jose-Berryessa	81,525	0	56,475	0	25,050	0	81,525
1600 Lana Way	San Benito County	110,140	0	24,460	0	85,680	0	80,183
SV12x Silicon Valley IBX® Data...	South San Jose	76,000	0	0	0	0	0	76,000
Subtotal Primary Competitors		3,681,479	0	785,966	180,458	110,730	0	2,977,543
Remaining San Jose Market		196,930,444	17,367,695	(1,692,224)	(222,225)	(1,130,237)	0	(3,901,652)
Total San Jose Market		200,611,923	17,367,695	(906,258)	(41,767)	(1,019,507)	0	(924,109)

TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
6503 Cameron Blvd	Gilroy	198,695	Q1 25	Intuitive Surgical, Inc	JLL	CBRE;Colliers
275 S Hillview Dr	Milpitas	127,574	Q4 24	PsiQuantum	-	-
650 N King Rd	San Jose-Berryessa	110,119	Q3 25	-	-	CBRE
755 Yosemite Dr	Milpitas	96,250	Q2 25	Rivian	-	Cushman & Wakefield
250 Stockton Ave	Midtown San Jose	92,500	Q4 24	Lucid Motors	CBRE	Colliers
3660 Thomas Rd	North Santa Clara	65,069	Q3 25	-	-	CBRE
3100 Molinaro St *	North Santa Clara	64,900	Q1 25	Nuro	Cushman & Wakefield	-
18120 Sutter Blvd	Morgan Hill	47,659	Q3 25	-	-	CBRE
901-927 Wrigley Way	Milpitas	46,027	Q3 25	-	-	Newmark
1911-1931 Lundy Ave	San Jose-Berryessa	45,000	Q2 25	-	-	CBRE
2450 Zanker Rd	North San Jose	43,882	Q1 25	Tecan.	-	CBRE;Newmark
6341-6371 San Ignacio Ave *	South San Jose	43,182	Q3 24	Applied Engineering	Cushman & Wakefield	-
201-221 Yamane Dr	Gilroy	41,654	Q2 25	-	-	Colliers
3828 Canada Rd	Outlying Santa Clara Cnty	40,000	Q1 25	GrubMarket	-	-
3660 Thomas Rd *	North Santa Clara	35,065	Q3 25	Archer Aviation	-	-
1700 Montague Expy	San Jose-Berryessa	33,452	Q2 25	DHE Express	-	CBRE;Mark IV Capital,...
2222 Ronald St	Central Santa Clara	32,000	Q4 24	-	-	Portisi LLC
420 Oakmead Pky	Sunnyvale	31,068	Q1 25	MMRI	-	-
3660 Thomas Rd	North Santa Clara	30,004	Q3 25	-	-	CBRE
870 Commercial St	San Jose-Berryessa	27,800	Q1 25	Therma	JLL	Kelly Commercial
876 S Milpitas Blvd	Milpitas	27,684	Q3 25	-	-	CBRE
1030 Commercial St	San Jose-Berryessa	26,492	Q3 25	-	-	Colliers;Kidder Mathew...
2365 Lafayette St	Central Santa Clara	26,454	Q1 25	-	-	JR Commercial Real E...
3200-3408 Hillcap Ave	East San Jose-Willow Glen	26,250	Q2 25	-	-	Sequoia Realty Services
2290 De La Cruz Blvd	Central Santa Clara	25,600	Q4 24	-	-	Kidder Mathews
1070 Commercial St	San Jose-Berryessa	25,208	Q2 25	-	-	Colliers;Orchard Comm...
1800-1810 Dobbin Dr	San Jose-Berryessa	25,050	Q1 25	Rivian	Cushman & Wakefield	CBRE
1600 Lana Way	San Benito County	24,460	Q1 25	-	-	Compass Commercial
835-865 Sinclair Frontage Rd	Milpitas	24,177	Q3 25	-	-	Cushman & Wakefield
1180-1260 Ames Ave *	Milpitas	22,000	Q4 24	7g Recycling Inc	-	Cushman & Wakefield
1276 Reamwood Ave	Sunnyvale	21,413	Q1 25	Derr and Grunewald Cons...	CBRE;Cushman &...	JLL
556-568 S Milpitas Blvd	Milpitas	20,750	Q1 25	AlloGroove	-	CBRE
775 Commercial St	San Jose-Berryessa	20,000	Q1 25	Duro Flooring	-	Cushman & Wakefield
1855-1865 S 10th St	East San Jose-Willow Glen	20,000	Q3 25	-	-	CBRE
205 DuPont St	Midtown San Jose	19,866	Q2 25	TMI	-	Global Commercial
550 Monterey Rd	South San Jose	19,500	Q3 25	Saifan USA	-	Colliers
1919 Monterey Rd	East San Jose-Willow Glen	19,460	Q2 25	-	-	JLL
16470 Vineyard Blvd	Morgan Hill	19,400	Q1 25	-	-	Colliers
925 Morse Ave	Sunnyvale	18,700	Q1 25	-	-	CBRE;Cushman & Wa...
480 Gianni St *	North Santa Clara	16,800	Q1 25	Nuro	Cushman & Wakefield	Cushman & Wakefield

*Renewal

Rent growth in San Jose has mirrored the nationwide trend affecting industrial markets. Following a substantial surge during the post-pandemic boom, fueled by strong demand from companies expanding their distribution networks, rent growth has slowed significantly over the past two years. Local brokers attribute the shift to weakened demand and increased supply, giving tenants more leverage in lease negotiations.

In the current quarter, average asking rents in San Jose have changed by -0.7% year over year, standing at \$25.00/SF.

Rental rates in the San Jose market are roughly double the national average. While rents for flex properties have declined, the logistics segment has shown more resilience in rent growth. Currently, flex properties average \$30.00/SF, reflecting a -1.3% decrease over the past year. In contrast, logistics properties rent for \$19.40/SF, marking a -0.1% increase from the previous year.

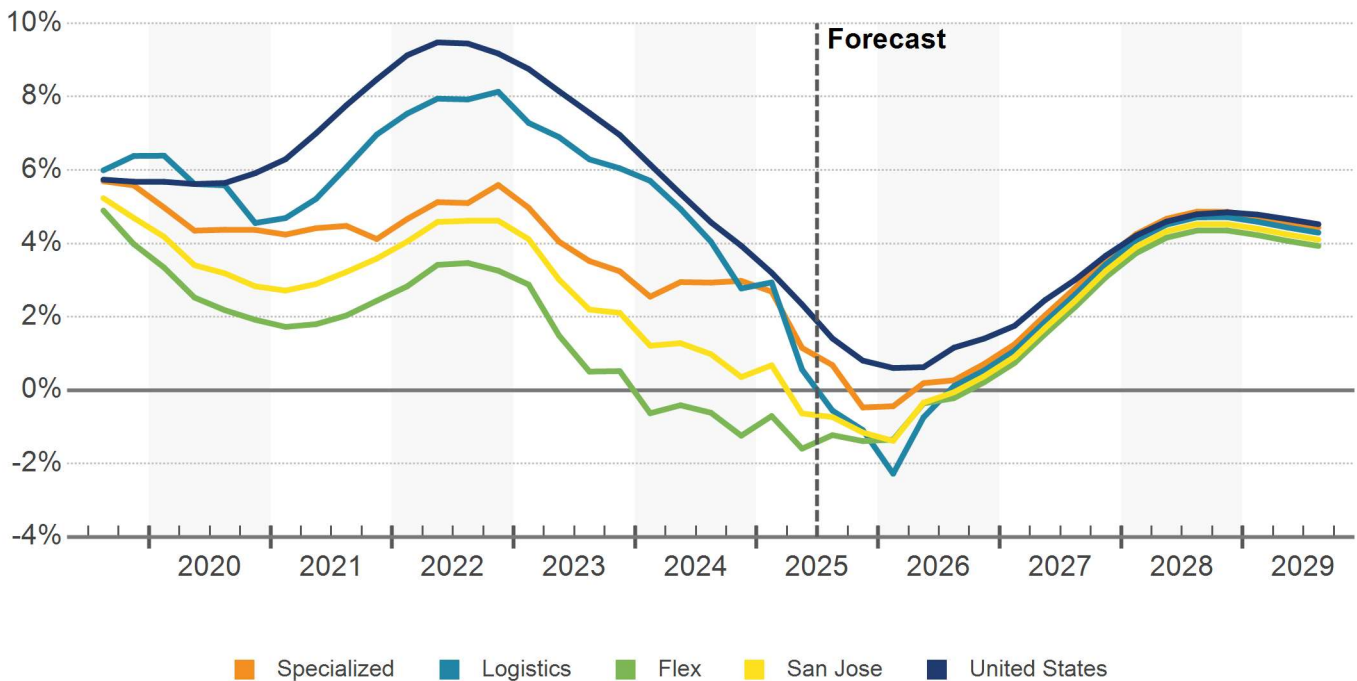
Rents vary significantly across different property types and locations. The highest average rents are found in the supply-constrained submarkets at the heart of Silicon Valley, including Cupertino, Mountain View, and Palo Alto, which have a high concentration of flex properties.

In contrast, the outskirts of San Jose feature the lowest average rents and the greatest availability of distribution and light industrial spaces. For example, in May 2025, a 23,200 SF warehouse space at 1030 Commercial St. in San Jose was leased with a triple net starting rent of \$15.50/SF.

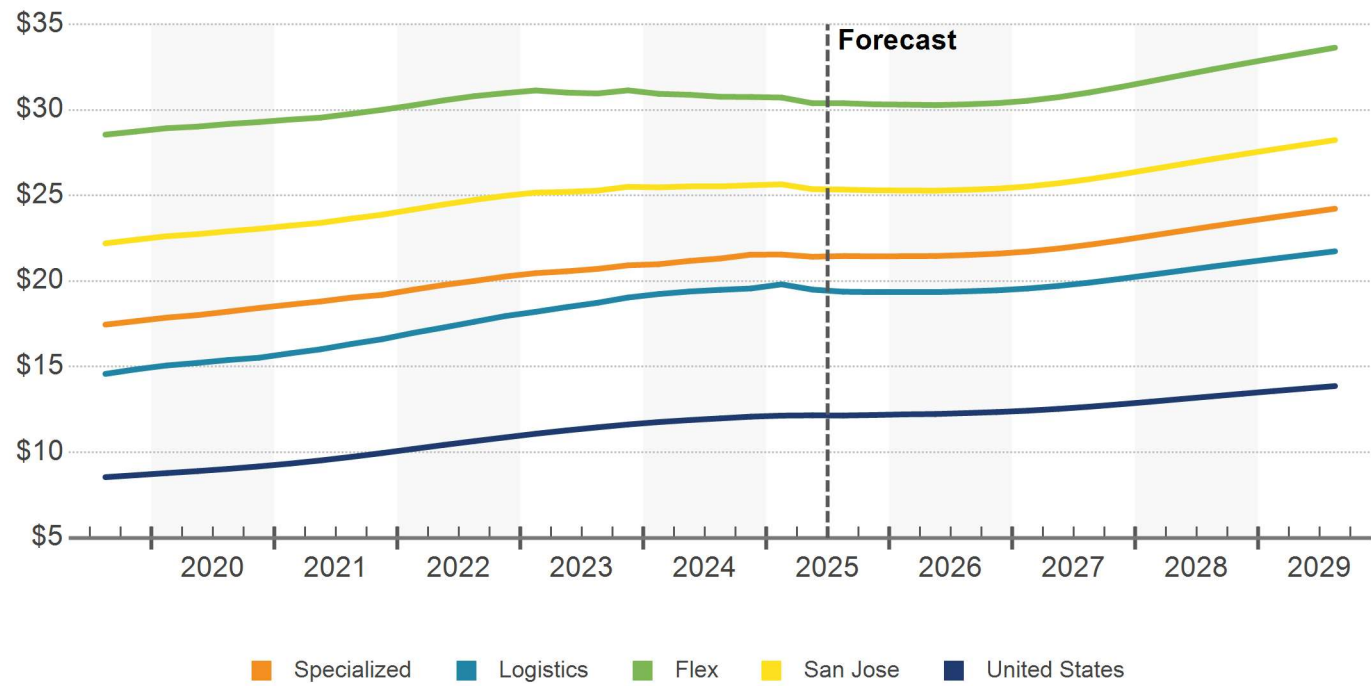
Premium rents are attainable for R&D spaces situated in highly desirable locations. For example, in April 2025, Applied Intuition, a maker of software for self-driving vehicles, leased 110,000 SF in two flex buildings on W California St. in Sunnyvale. The asking rent was \$59/SF.

Rent growth is anticipated to rise in 2026 as decreasing interest rates boost demand in the San Jose market.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



The construction of new industrial buildings remains at a high level but has recently begun to decrease from a 20-year peak. In the second quarter of 2025, approximately 4.8 million SF of new projects are in progress, significantly above the 10-year average of 2.4 million SF. Prior to the recent economic downturn, robust demand and rising rents had encouraged developers to initiate new projects.

Currently, around 1.5 million SF of flex space is under construction, predominantly in the R&D sector. The largest project in this area is a 847,000-square-foot manufacturing and research facility for Intuitive Surgical, being built at 932 Kifer Road in Sunnyvale.

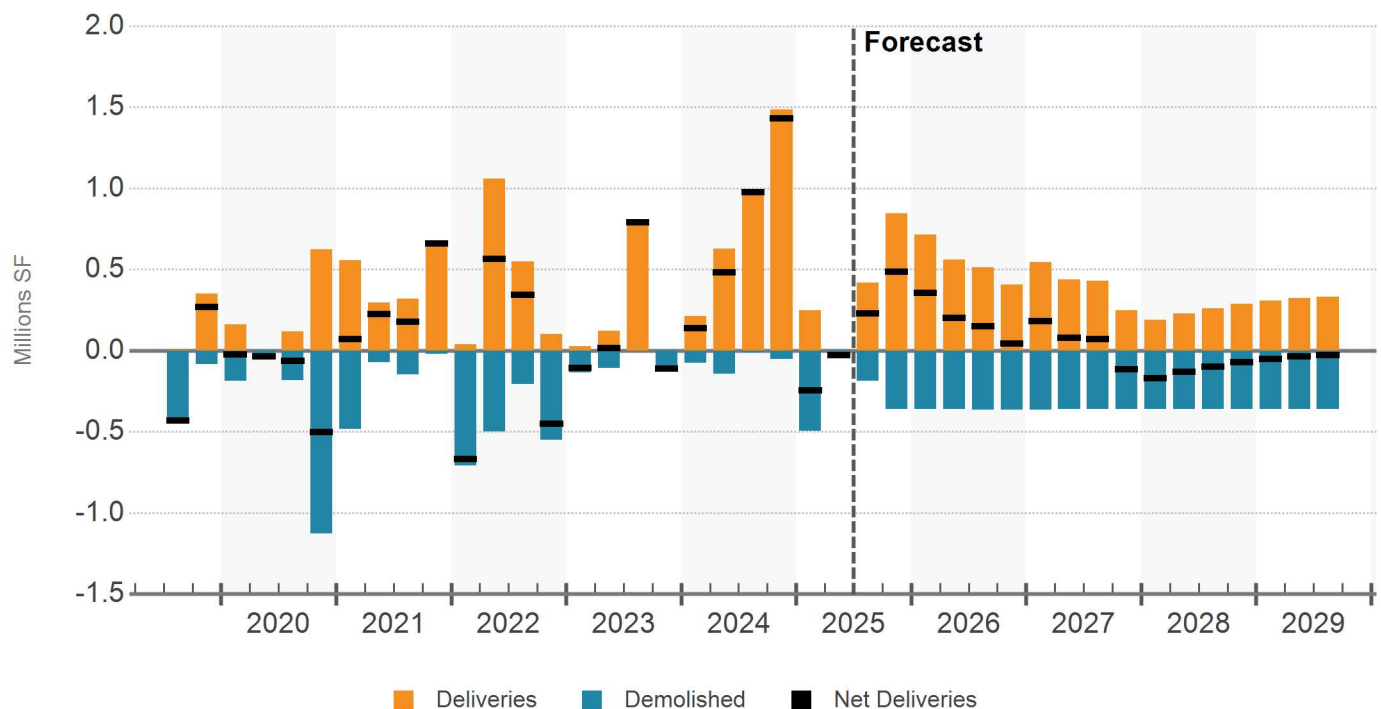
In the specialized construction segment, approximately 1.4 million SF is being developed, particularly driven by active data center developers. Several leading owner-operators have recently completed projects in Santa Clara, an area notable for its cluster of data center properties, largely due to competitive electricity rates

provided by the city-owned utility. However, the availability of power for future projects is severely limited, making it less likely that many new data centers will begin construction in the near term.

Logistics-related construction totals 2.0 million SF, representing 3.6% of the existing inventory in San Jose, compared to a national average of 1.6%. Many of the recently completed logistics properties are situated in the southern San Jose market, specifically in Gilroy and Martinez. In August 2023, Amazon leased the largest of these developments, a 1 million SF distribution center in Hollister, which was delivered in 2024.

In 2024, Hines commenced construction on the Edenvale Industrial Park in South San Jose. The development will consist of three buildings tailored for advanced manufacturing and industrial purposes. It will feature market-ready offices, 36-foot clear heights, and dock and grade loading options.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

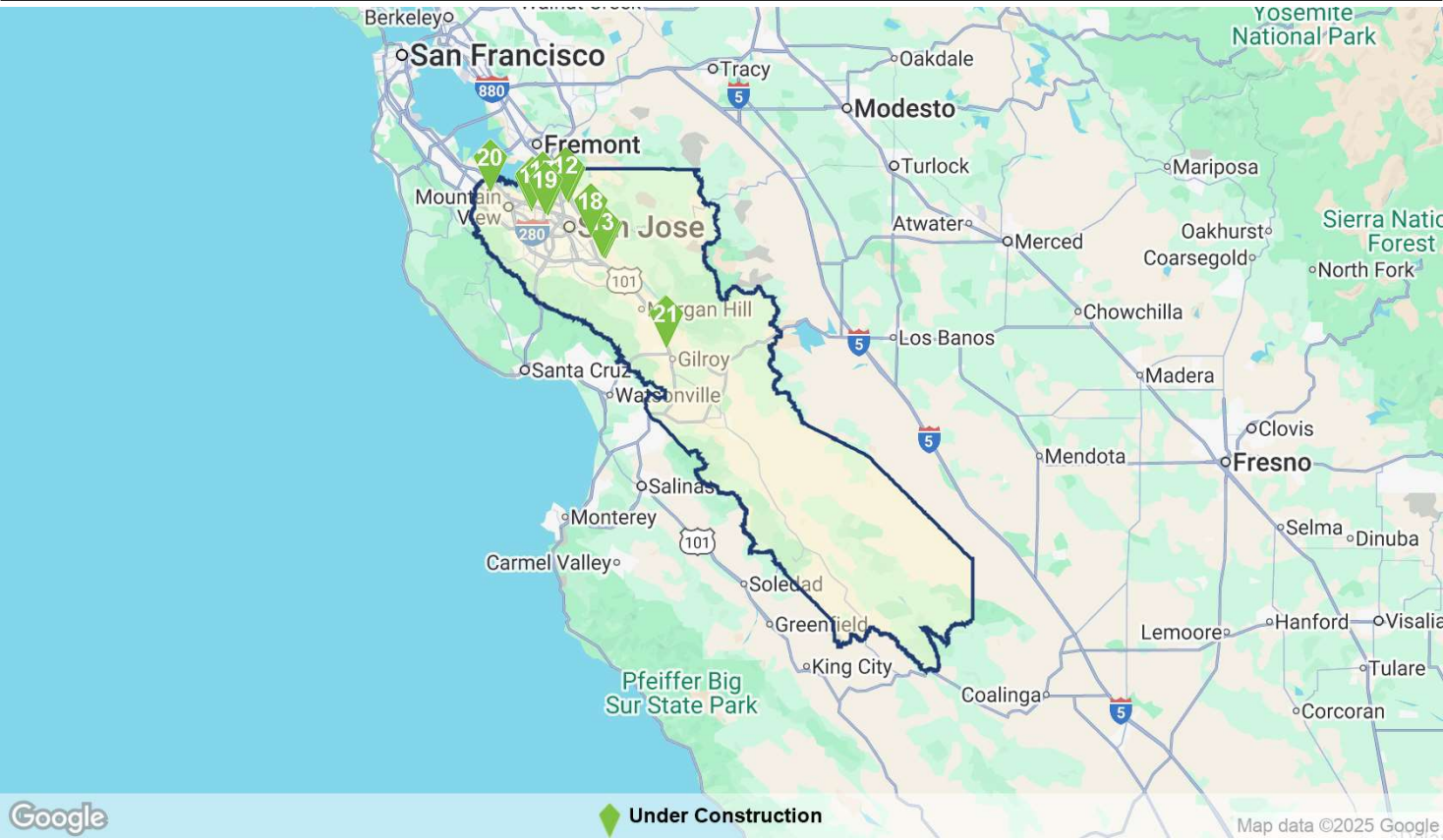
No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Sunnyvale	3	1,155	1,155	100%	1	32,427	384,833	2
2	San Jose-Berryessa	2	851	5	0.6%	6	32,952	425,546	1
3	North Santa Clara	5	844	844	100%	1	30,620	168,899	5
4	South San Jose	4	770	0	0%	7	65,247	192,606	4
5	Central Santa Clara	2	640	640	100%	1	35,013	319,970	3
6	Palo Alto	2	274	274	100%	1	32,055	136,934	6
7	Gilroy	2	213	92	43.1%	5	30,510	106,325	7
8	East San Jose-Willow Glen	1	90	0	0%	7	23,578	89,984	8
9	Campbell	0	0	0	-	-	12,565	-	-
10	Central Sunnyvale	0	0	0	-	-	-	-	-
	All Other	0	-	-	-		35,891	-	
Totals		21	4,837	3,009	62.2%		33,082	230,331	

Under Construction Properties

San Jose Industrial

Properties	Square Feet	Percent of Inventory	Released
21	4,836,949	4.9%	62.2%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1	South Site 950 Kifer Rd	★★★★★	847,000	-	Dec 2021	Nov 2025	Build Group Intuitive
2	Bridge Point San Jose 2350 Qume Dr	★★★★★	714,491	1	Apr 2025	Feb 2026	Bridge Industrial Bridge Industrial
3	SVY02A Data Center 1200 Memorex Dr	★★★★★	560,440	6	Jun 2022	Jan 2026	Skybox Datacenters Blue Owl
4	Edgecore Laurelwood C... 2201 Laurelwood Rd	★★★★★	289,296	4	Apr 2025	Sep 2026	EdgeCore Digital Infrastructure EdgeCore Digital Infrastructure
5	Building 1 550 Piercy Rd	★★★★★	255,254	1	Aug 2024	Sep 2025	Hines Hines
6	Edgecore Laurelwood C... 2201 Laurelwood Rd	★★★★★	255,198	3	Jan 2024	Jun 2026	EdgeCore Digital Infrastructure EdgeCore Digital Infrastructure
7	336 Portage Ave	★★★★★	222,868	1	May 2024	May 2026	- -

Under Construction Properties

San Jose Industrial

UNDER CONSTRUCTION

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8	Building 3 650 Piercy Rd	★ ★ ★ ★ ★	209,172	1	Aug 2024	Sep 2025	Hines Hines
9	EPIC Center 970 E Arques Ave	★ ★ ★ ★ ★	180,000	1	May 2025	May 2026	- -
10	Building 2 6480 Hellyer Ave	★ ★ ★ ★ ★	171,407	1	Aug 2024	Oct 2025	Hines Hines
11	E&P Logistics Center 201-221 Yamane Dr	★ ★ ★ ★ ★	162,650	1	Oct 2024	Sep 2025	- E & P Properties, Inc.
12	2000 Trade Zone Blvd	★ ★ ★ ★ ★	136,600	4	Jun 2024	Sep 2025	Blue Rise Ventures -
13	5920 Hellyer Ave	★ ★ ★ ★ ★	134,589	1	Jan 2025	Sep 2025	- Xebec
14	978 East Arques Avenue	★ ★ ★ ★ ★	127,500	5	Jan 2025	Jan 2026	- -
15	Sutter East Santa Clara... 2435 Mission College Blvd	★ ★ ★ ★ ★	100,000	5	Apr 2025	Apr 2026	- -
16	Sutter East Santa Clara... 2431 Mission College Blvd	★ ★ ★ ★ ★	100,000	5	Apr 2025	Apr 2026	- -
17	Sutter East Santa Clara... 2441 Mission College Blvd	★ ★ ★ ★ ★	100,000	5	Apr 2025	Apr 2026	- -
18	2925 S King Rd	★ ★ ★ ★ ★	89,984	1	Nov 2024	Oct 2025	- -
19	2215 Martin Ave	★ ★ ★ ★ ★	79,500	3	Sep 2024	Dec 2025	Prime Data Centers Prime Data Centers
20	320 Portage Ave	★ ★ ★ ★ ★	51,000	1	Jan 2025	Jan 2026	- -
21	8805 Forest Street	★ ★ ★ ★ ★	50,000	1	Jan 2025	Sep 2025	- Dylan Holler

Following an increase in sales volume during the first half of 2024, activity slowed in the latter part of the year. The early surge was primarily attributed to several significant portfolio transactions, as institutional investors and owner-users seized the opportunity to expand their holdings, while many other participants opted to remain on the sidelines.

Recently, however, sales activity has declined, resulting in low annual transaction volumes. As of the current quarter, approximately \$1.1 billion in industrial property sales occurred over the past year, significantly lower than the average annual sales volume of \$2.4 billion recorded over the previous five years.

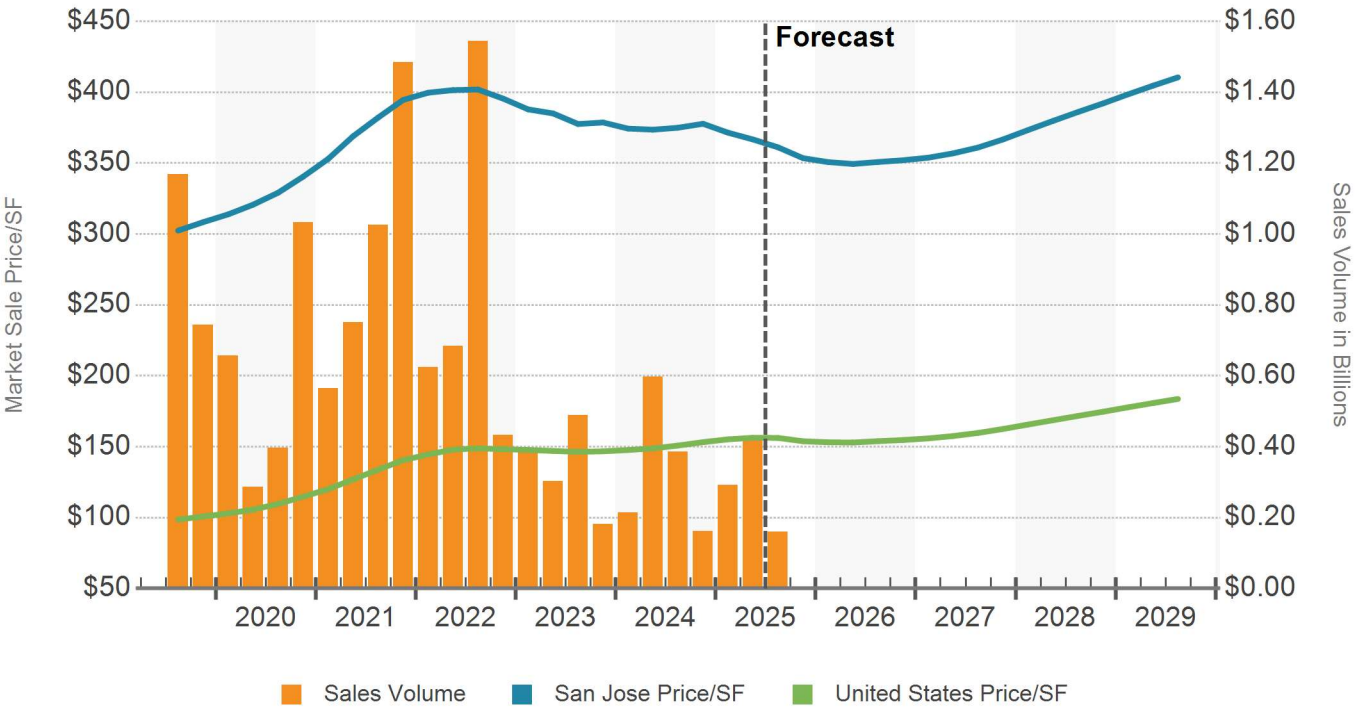
Institutional investors, along with user buyers and private investors, have been the main players in the largest deals over the past year. Notably, in January 2025, iPhone maker Foxconn purchased a portfolio of six flex buildings in Sunnyvale, paying \$128 million, or \$407/SF.

Private investors are also active, acquiring smaller properties at relatively low prices compared to recent history. For instance, in December 2024, Dollinger Properties purchased three flex and industrial properties for \$16.6 million, or \$290/SF, encompassing a total of 57,000 SF.

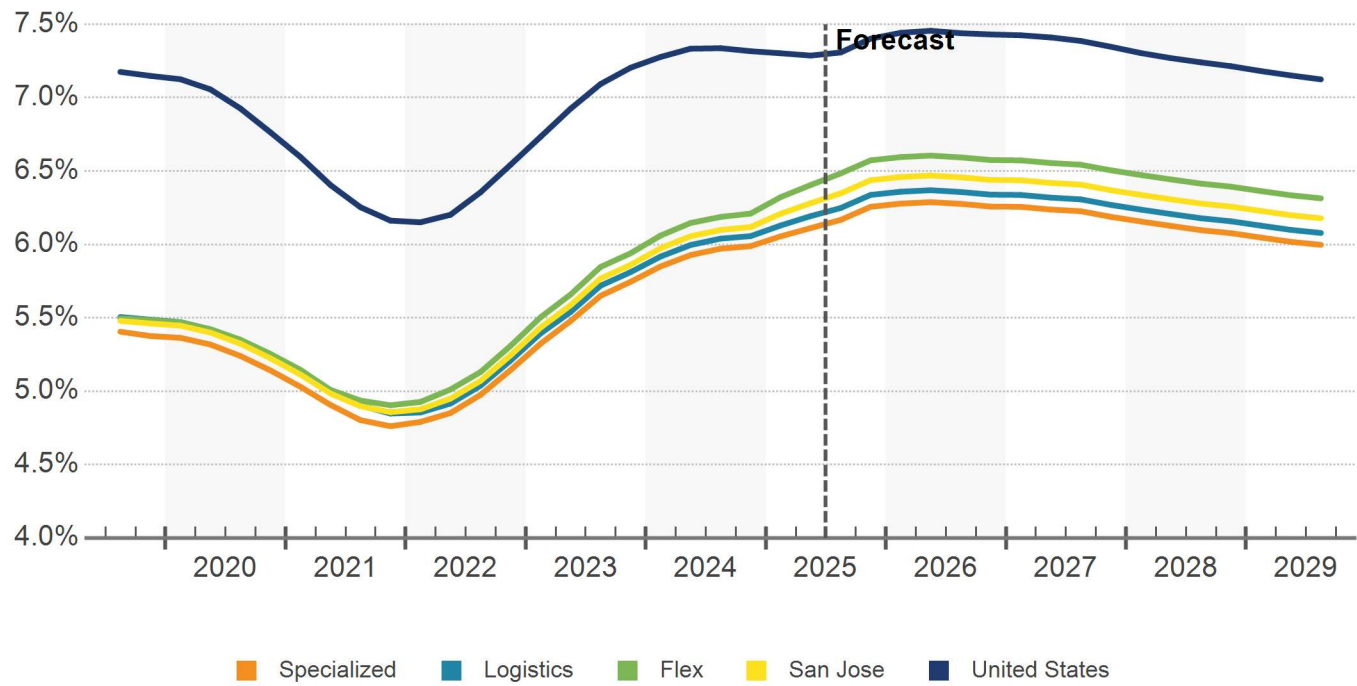
San Jose remains one of the priciest industrial markets in the country. Over the past year, the average transaction price reached \$300/SF, far exceeding the national average of \$148.

Looking forward, market participants anticipate a growing trend in owner/user acquisitions. A recent illustration of this is SuperMicro Computer's purchase of a 293,000-SF industrial showroom located at 550-600 E Brokaw Road in North San Jose. Just four months prior to the acquisition, SuperMicro had secured a five-year lease for the property. With this acquisition, the company now has control over a site that comes with discretionary approvals for significant future development.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE

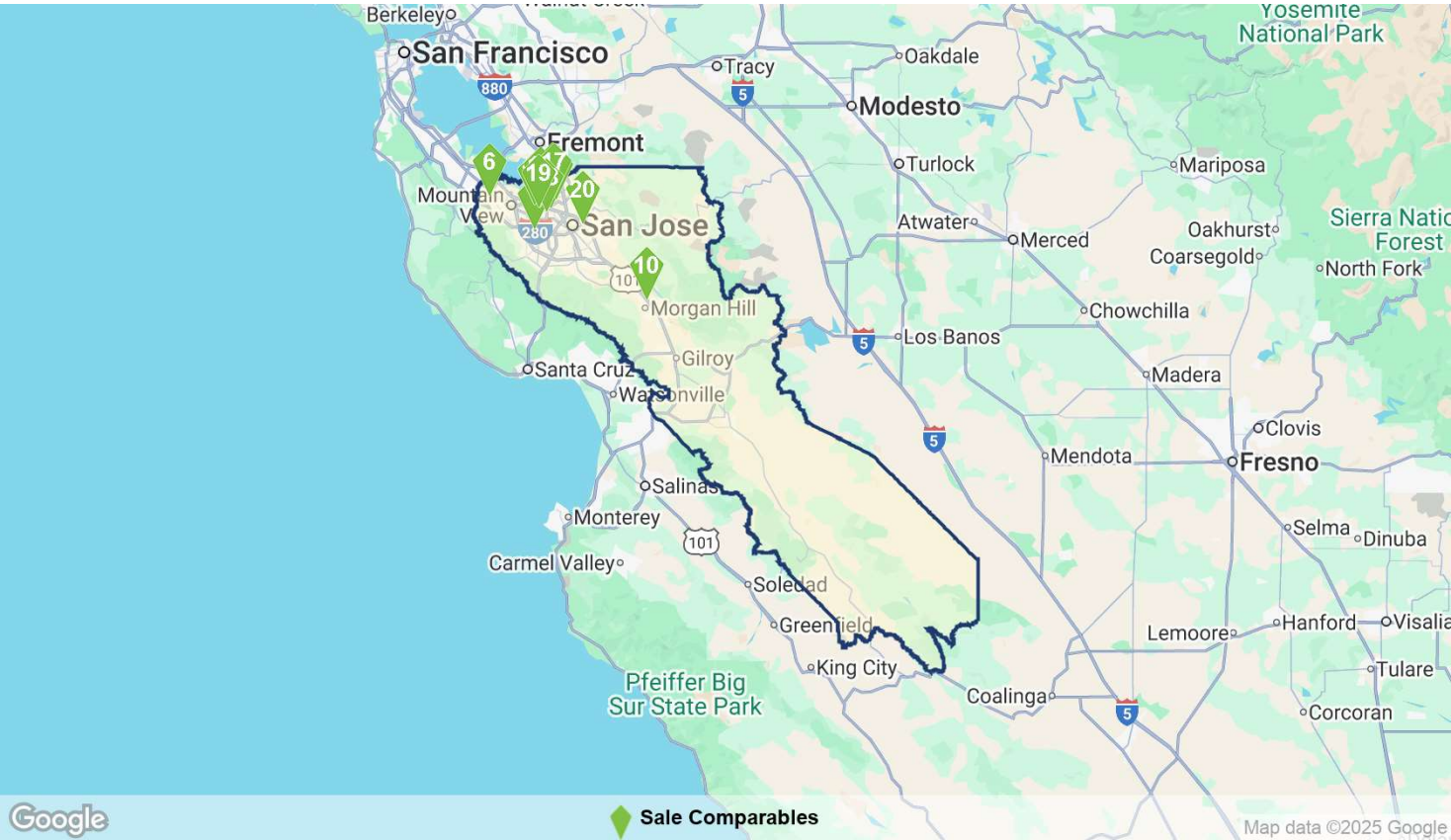


Sales Past 12 Months

San Jose Industrial

Sale Comparables	Avg. Cap Rate	Avg. Price/SF	Avg. Vacancy At Sale
146	6.4%	\$297	27.2%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$207,841	\$9,102,155	\$5,836,726	\$121,248,376
Price/SF	\$6.24	\$297	\$338	\$1,736
Cap Rate	4.9%	6.4%	6.2%	7.9%
Time Since Sale in Months	0.0	5.9	5.9	12.0
Property Attributes	Low	Average	Median	High
Building SF	896	30,302	19,742	258,122
Ceiling Height	10'	16'10"	16'	30'
Docks	0	1	0	8
Vacancy Rate At Sale	0%	27.2%	0%	100%
Year Built	1925	1976	1977	2023
Star Rating	★★★★★	★★★★★ 2.4	★★★★★	★★★★★

Sales Past 12 Months

San Jose Industrial

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 10100-10200 N Tantau Ave	★★★★★	1991	161,375	0%	6/24/2025	\$121,248,376	\$751	-
2 3060 Raymond St	★★★★★	1974	29,058	0%	4/29/2025	\$37,200,000	\$1,280	-
3 3725 N 1st St	★★★★★	1970	70,656	0%	2/27/2025	\$27,000,000	\$382	-
4 East Arques Avenue 1230 1230 E Arques Ave	★★★★★	1977	60,000	0%	1/16/2025	\$25,481,252	\$425	-
5 Santa Clara Commerce P... 2320-2328 Walsh Ave	★★★★★	1977	40,267	0%	5/1/2025	\$24,822,798	\$616	-
6 Lockheed Martin Resear... 3176 Porter Dr	★★★★★	1991	42,899	0%	12/11/2024	\$24,800,000	\$578	-
7 3200 N 1st St	★★★★★	1997	85,017	0%	6/30/2025	\$22,723,000	\$267	-
8 Building 6 950 DeGuigne Dr	★★★★★	1990	71,390	100%	9/23/2024	\$22,519,393	\$315	-
9 Building 4 920 DeGuigne Dr	★★★★★	1990	58,169	0%	9/23/2024	\$22,297,510	\$383	-
10 755 Jarvis Dr	★★★★★	1997	258,122	100%	4/11/2025	\$22,000,000	\$85	-
11 1260 E Arques Ave	★★★★★	1974	50,000	0%	1/16/2025	\$21,474,845	\$429	-
12 1270 E Arques Ave	★★★★★	1974	50,000	0%	1/16/2025	\$21,459,342	\$429	-
13 1280 E Arques Ave	★★★★★	1972	50,000	40.0%	1/16/2025	\$21,175,049	\$424	-
14 Building 5 930 DeGuigne Dr	★★★★★	1990	45,000	100%	9/23/2024	\$20,183,097	\$449	-
15 Bldg A Annex 1250 E Arques Ave	★★★★★	1977	50,000	0%	1/16/2025	\$20,117,396	\$402	-
16 4750 Patrick Henry Dr	★★★★★	1979	65,360	100%	6/13/2025	\$19,850,000	\$304	-
17 3550 N 1st St	★★★★★	2000	76,690	100%	2/14/2025	\$18,530,000	\$242	-
18 Bldg G 2330-2338 Walsh Ave	★★★★★	1977	33,299	0%	5/1/2025	\$18,310,068	\$550	-
19 Bldg H 1240 E Arques Ave	★★★★★	1978	54,400	0%	1/16/2025	\$18,292,116	\$336	-
20 1130-1170 Olinder Ct	★★★★★	1980	64,595	0%	7/29/2025	\$18,000,000	\$279	-

As of the third quarter of 2025, the San Jose economy faces the same economic headwinds slowing growth across much of the nation. In Silicon Valley, high interest rates have forced tech companies to cut costs and investors to reduce the capital available for startups.

During the pandemic, growth in demand for cloud computing products and services led tech companies to hire rapidly during 2020 and 2021. By the middle of 2022, however, rising interest rates softened demand, and under pressure to manage costs, employers started to initiate hiring freezes, layoffs, and office space reductions. Information sector layoffs have continued into the third quarter of 2025, and weaker demand has also led retail and industrial tenants to reconsider their expansion plans.

The pandemic also caused many people to leave San Jose, as lockdowns and health concerns impacted their lives and work. In the past year, the metro area's population has started to grow again but remains around -50,000 short of the total population of five years ago.

The unemployment rate declined to a historic low of just 2.5% in 2022, reflecting high worker demand. More recently, a slowing economy and tech layoffs across

Silicon Valley have caused unemployment to rise above 4%, moving it above the national average for the first time since 2011. After two decades of strong growth, employment in the metro's information sector has seen negative growth for most of the past 18 months.

San Jose remains the nation's largest and most prestigious market for tech companies. Highly educated graduates flock to the region, seeking employment at one of Silicon Valley's leading tech companies or startups. The market has one of the highest educational attainment rates in the country, with over 50% of its working-age population possessing a college degree.

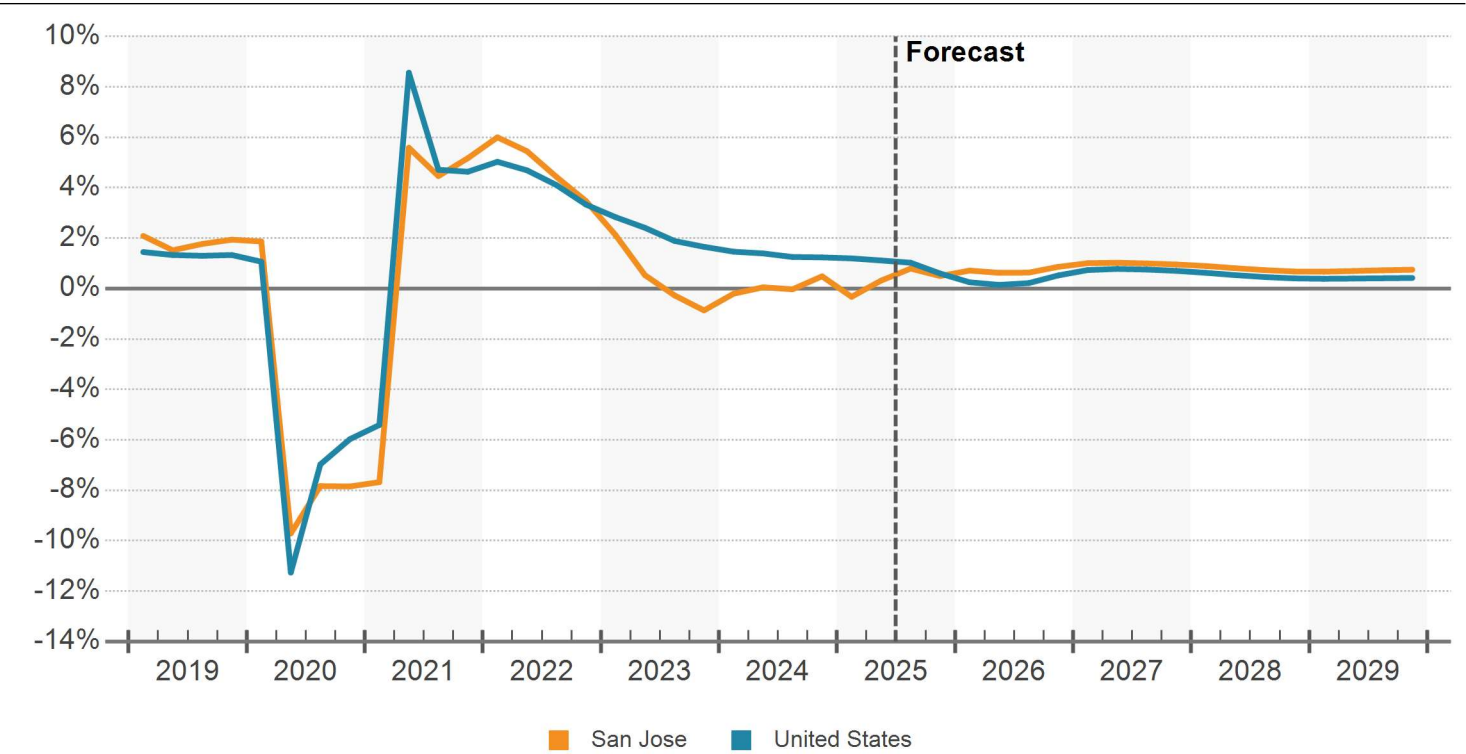
Despite the market's current economic headwinds, San Jose is expected to remain a leading innovation and economic growth center. Over the past 10 years, San Jose saw an average annual increase in GDP of 8.3%, the highest rate among the largest 20 metro areas in the nation and twice the U.S. average. The metro is expected to continue to lead the nation in key measures, such as venture capital investment and new information technology patents. The current surge of growth in AI has led to massive capital injections for Silicon Valley-based companies such as Nvidia.

SAN JOSE EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	123	1.3	-1.92%	-0.81%	-1.36%	0.32%	-0.36%	0.07%
Trade, Transportation and Utilities	118	0.6	1.26%	0.62%	-1.36%	0.84%	-0.01%	0.24%
Retail Trade	73	0.6	1.46%	0.45%	-1.60%	0.02%	0.09%	0.17%
Financial Activities	36	0.5	-1.06%	0.97%	0.56%	1.31%	0.33%	0.29%
Government	101	0.6	1.10%	0.83%	0.95%	0.68%	0.31%	0.22%
Natural Resources, Mining and Construction	53	0.8	-0.31%	1.19%	1.78%	2.10%	0.89%	0.60%
Education and Health Services	220	1.1	4.22%	3.38%	3.26%	2.21%	1.23%	0.74%
Professional and Business Services	281	1.7	-1.25%	-0.02%	1.28%	1.34%	0.93%	0.66%
Information	95	4.4	1.26%	0.12%	3.34%	0.67%	1.64%	0.35%
Leisure and Hospitality	104	0.8	0.87%	1.40%	0.74%	1.17%	1.29%	0.80%
Other Services	27	0.6	0.91%	1.18%	0.17%	0.73%	0.65%	0.23%
Total Employment	1,159	1.0	0.63%	1.05%	1.02%	1.19%	0.77%	0.45%

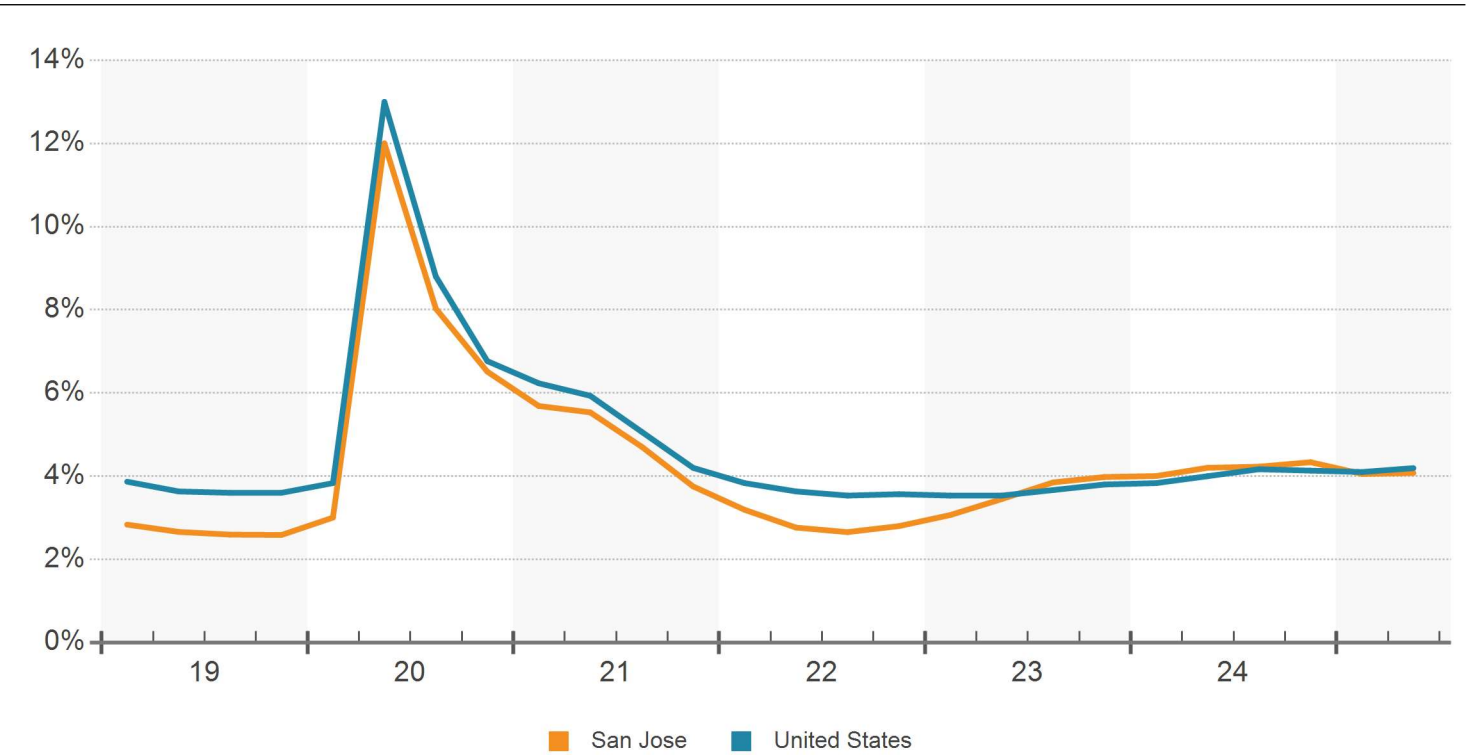
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

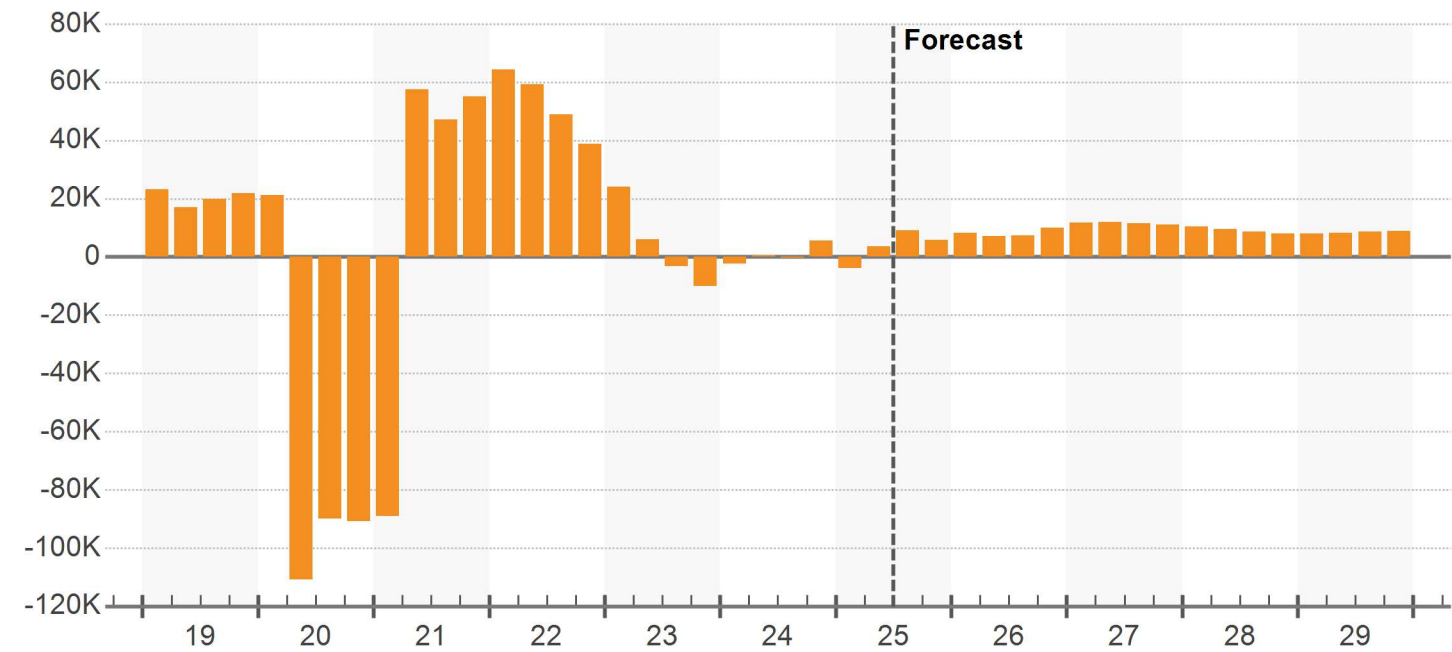


Source: Oxford Economics

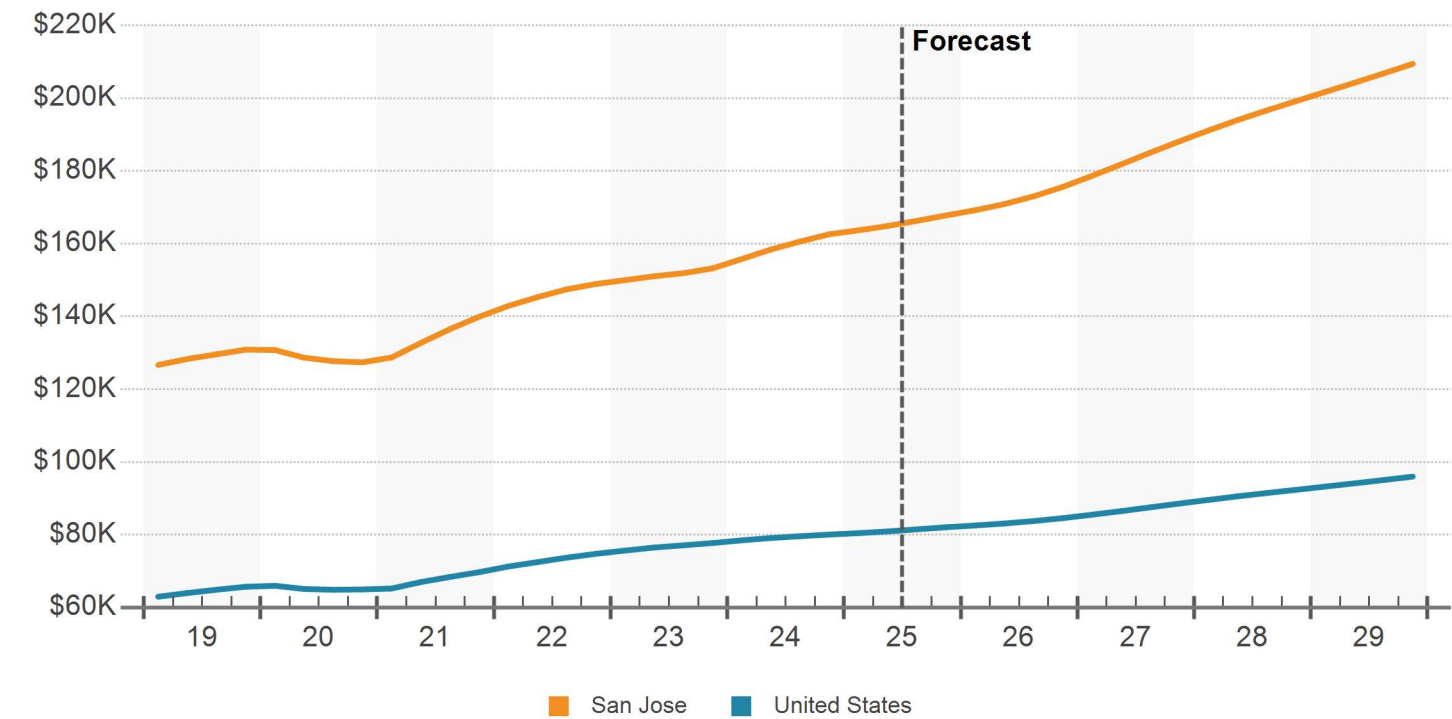
UNEMPLOYMENT RATE (%)



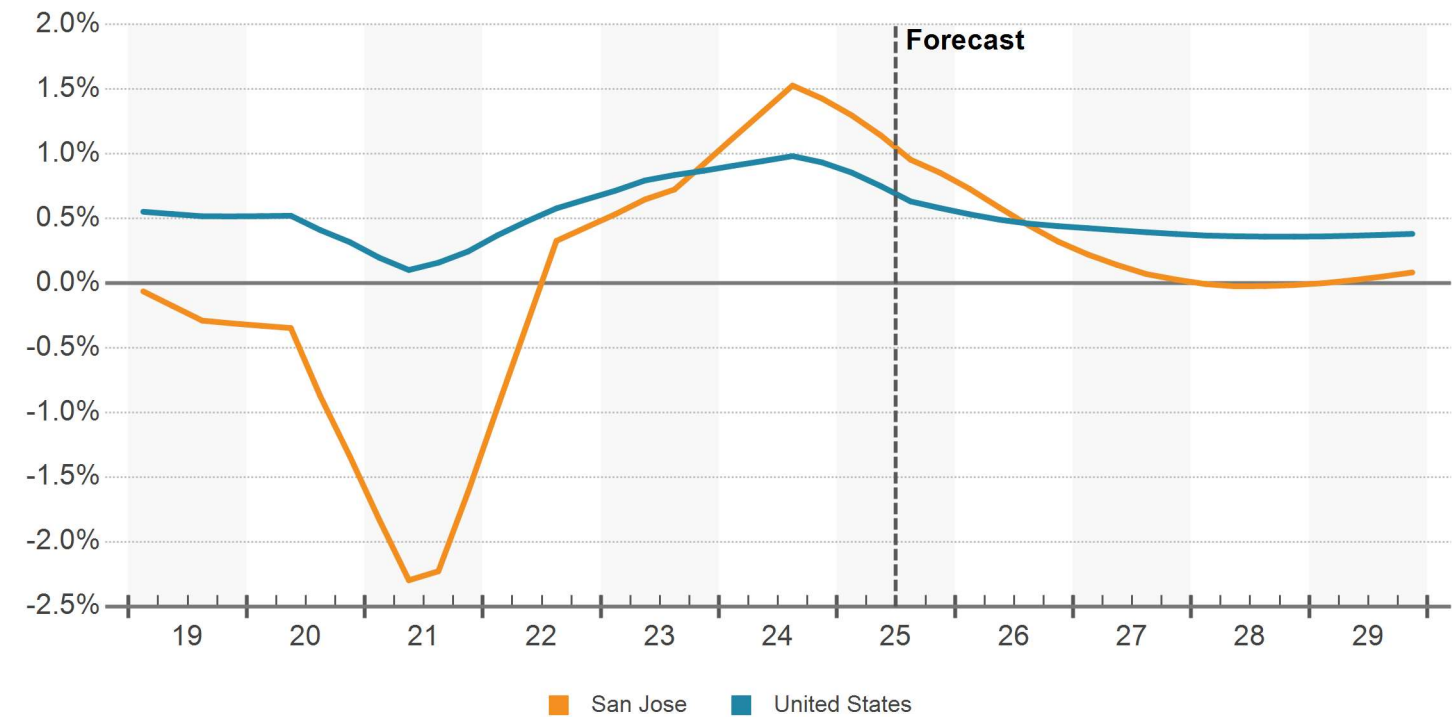
NET EMPLOYMENT CHANGE (YOY)



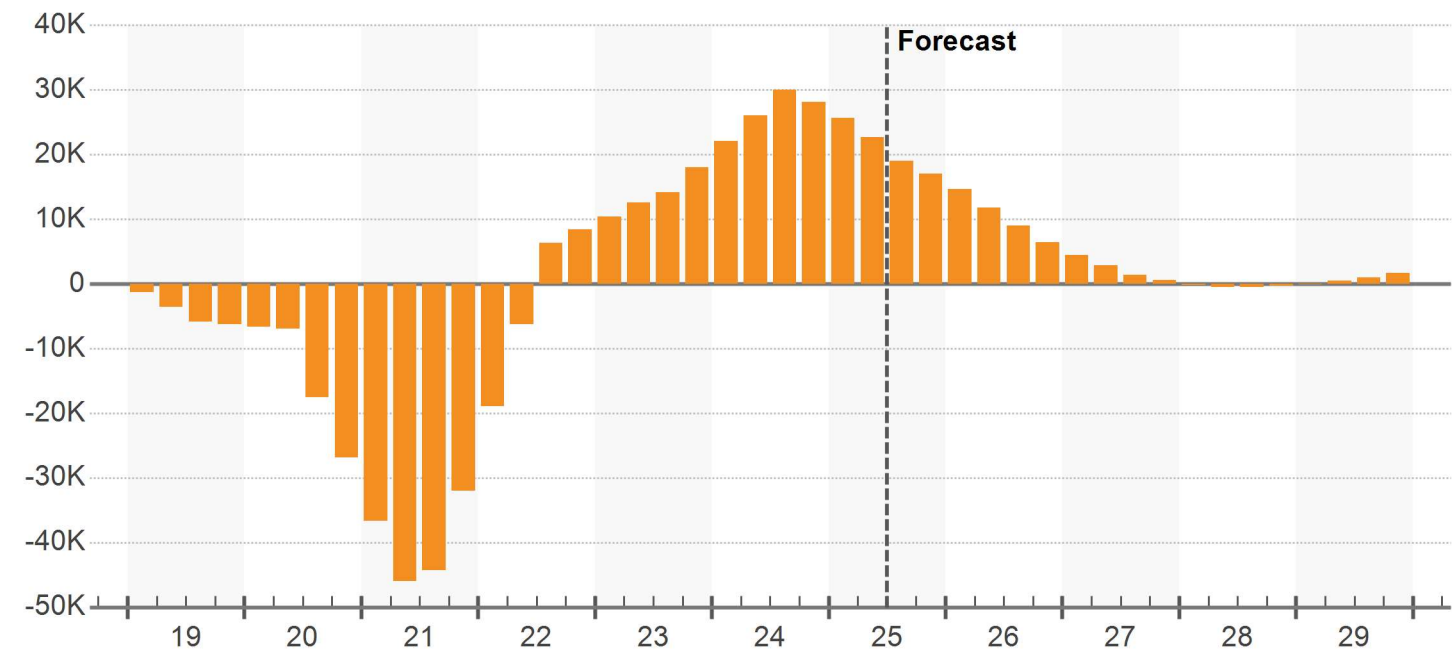
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

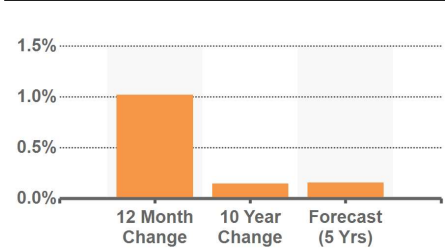


DEMOGRAPHIC TRENDS

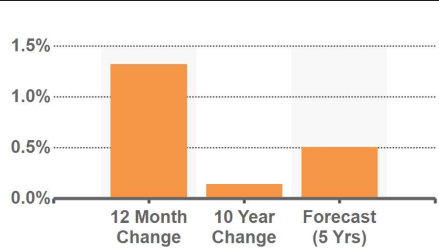
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	2,013,143	342,100,031	1.0%	0.7%	0.1%	0.6%	0.2%	0.4%
Households	711,434	134,503,203	1.2%	0.8%	0.7%	1.0%	0.2%	0.5%
Median Household Income	\$165,791	\$81,294	3.7%	2.3%	5.1%	4.0%	5.5%	3.9%
Labor Force	1,062,274	170,822,391	1.3%	1.5%	0.1%	0.8%	0.5%	0.3%
Unemployment	4.1%	4.2%	-0.1%	0.1%	0%	-0.1%	-	-

Source: Oxford Economics

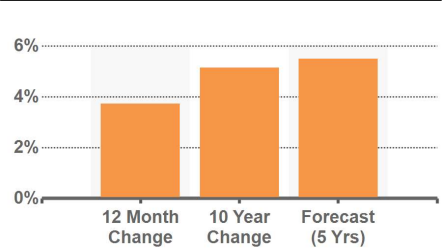
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

SAN JOSE SUBMARKETS



SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Campbell	281	3,531	1.8%	16	0	0	0%	-	0	0	0%	-
2	Central Santa Clara	580	20,308	10.1%	2	2	418	2.1%	2	2	640	3.2%	5
3	Central Sunnyvale	0	-	0%	-	0	0	-	-	0	0	-	-
4	Cupertino	67	2,769	1.4%	17	0	0	0%	-	0	0	0%	-
5	De La Cruz	0	-	0%	-	0	0	-	-	0	0	-	-
6	Downtown Mountain View	0	-	0%	-	0	0	-	-	0	0	-	-
7	Downtown Palo Alto	4	36	0%	23	0	0	0%	-	0	0	0%	-
8	Downtown San Jose	349	3,606	1.8%	15	0	0	0%	-	0	0	0%	-
9	East Arques Ave Corridor	0	-	0%	-	0	0	-	-	0	0	-	-
10	East San Jose-Willow Glen	638	15,043	7.5%	5	0	0	0%	-	1	90	0.6%	8
11	Embarcadero/101	0	-	0%	-	0	0	-	-	0	0	-	-
12	Gilroy	241	7,353	3.7%	11	1	142	1.9%	4	2	213	2.9%	7
13	Los Altos	3	10	0%	24	0	0	0%	-	0	0	0%	-
14	Los Gatos	0	-	0%	-	0	0	-	-	0	0	-	-
15	Los Gatos/Saratoga	32	459	0.2%	21	0	0	0%	-	0	0	0%	-
16	Midtown San Jose	131	1,712	0.9%	18	0	0	0%	-	0	0	0%	-
17	Milpitas	308	18,238	9.1%	3	0	0	0%	-	0	0	0%	-
18	Moffett Park	78	5,872	2.9%	14	0	0	0%	-	0	0	0%	-
19	Morgan Hill	232	8,277	4.1%	10	1	22	0.3%	6	0	0	0%	-
20	Mountain View	428	9,643	4.8%	9	0	0	0%	-	0	0	0%	-
21	N. San Jose - Brokaw	0	-	0%	-	0	0	-	-	0	0	-	-
22	N.E. Santa Clara	0	-	0%	-	0	0	-	-	0	0	-	-
23	North San Jose	660	32,908	16.4%	1	0	0	0%	-	0	0	0%	-
24	North Santa Clara	371	11,360	5.7%	8	1	56	0.5%	5	5	844	7.4%	3
25	Oak Creek	0	-	0%	-	0	0	-	-	0	0	-	-
26	Outlying Santa Clara Cnty	18	583	0.3%	20	0	0	0%	-	0	0	0%	-
27	Palo Alto	227	7,276	3.6%	12	0	0	0%	-	2	274	3.8%	6
28	Peery Park	0	-	0%	-	0	0	-	-	0	0	-	-
29	Plumeria Drive	0	-	0%	-	0	0	-	-	0	0	-	-
30	San Benito County	198	5,994	3.0%	13	2	1,072	17.9%	1	0	0	0%	-
31	San Jose East	0	-	0%	-	0	0	-	-	0	0	-	-
32	San Jose, IBP East	0	-	0%	-	0	0	-	-	0	0	-	-
33	San Jose-Berryessa	548	18,057	9.0%	4	0	0	0%	-	2	851	4.7%	2
34	Scott Blvd Corridor	0	-	0%	-	0	0	-	-	0	0	-	-
35	Shoreline Corridor North	0	-	0%	-	0	0	-	-	0	0	-	-
36	Shoreline Corridor South	0	-	0%	-	0	0	-	-	0	0	-	-
37	South San Jose	178	11,614	5.8%	7	2	379	3.3%	3	4	770	6.6%	4
38	South Santa Clara	25	898	0.4%	19	0	0	0%	-	0	0	0%	-
39	Sunnyvale	463	15,014	7.5%	6	0	0	0%	-	3	1,155	7.7%	1
40	Sunnyvale Triangle	0	-	0%	-	0	0	-	-	0	0	-	-
41	West Mountain View	0	-	0%	-	0	0	-	-	0	0	-	-
42	West San Jose	4	53	0%	22	0	0	0%	-	0	0	0%	-

Submarkets

San Jose Industrial

SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Campbell	\$28.47	10	-0.4%	12	0.3%	8
2	Central Santa Clara	\$27.16	11	-0.5%	15	0.1%	11
3	Central Sunnyvale	-	-	-	-	-	-
4	Cupertino	\$42.40	3	-1.0%	20	0.4%	4
5	De La Cruz	-	-	-	-	-	-
6	Downtown Mountain View	-	-	-	-	-	-
7	Downtown Palo Alto	\$48.10	2	0%	5	0.5%	3
8	Downtown San Jose	\$21.40	16	0.5%	3	-0.5%	18
9	East Arques Ave Corridor	-	-	-	-	-	-
10	East San Jose-Willow Glen	\$19.41	21	0.2%	4	-1.2%	22
11	Embarcadero/101	-	-	-	-	-	-
12	Gilroy	\$15.56	23	0.9%	1	0.6%	2
13	Los Altos	\$37.23	5	-0.6%	16	0.3%	9
14	Los Gatos	-	-	-	-	-	-
15	Los Gatos/Saratoga	\$31.26	7	-0.3%	9	0.4%	6
16	Midtown San Jose	\$20.36	20	-0.2%	7	0%	14
17	Milpitas	\$21.02	17	-0.4%	10	-0.2%	17
18	Moffett Park	\$28.68	9	-1.5%	23	0.4%	5
19	Morgan Hill	\$17.81	22	-0.2%	8	-0.5%	19
20	Mountain View	\$39.38	4	-0.9%	19	-0.2%	16
21	N. San Jose - Brokaw	-	-	-	-	-	-
22	N.E. Santa Clara	-	-	-	-	-	-
23	North San Jose	\$25.55	14	-0.5%	14	-0.6%	20
24	North Santa Clara	\$25.94	13	-0.1%	6	0.8%	1
25	Oak Creek	-	-	-	-	-	-
26	Outlying Santa Clara Cnty	\$20.49	19	0.6%	2	-1.3%	23
27	Palo Alto	\$48.55	1	-1.3%	21	0%	12
28	Peery Park	-	-	-	-	-	-
29	Plumeria Drive	-	-	-	-	-	-
30	San Benito County	\$12.83	24	-0.8%	18	-2.0%	24
31	San Jose East	-	-	-	-	-	-
32	San Jose, IBP East	-	-	-	-	-	-
33	San Jose-Berryessa	\$21	18	-0.6%	17	0%	13
34	Scott Blvd Corridor	-	-	-	-	-	-
35	Shoreline Corridor North	-	-	-	-	-	-
36	Shoreline Corridor South	-	-	-	-	-	-
37	South San Jose	\$22.33	15	-1.6%	24	-0.1%	15
38	South Santa Clara	\$26.69	12	-0.5%	13	-0.9%	21
39	Sunnyvale	\$30.59	8	-1.3%	22	0.4%	7
40	Sunnyvale Triangle	-	-	-	-	-	-
41	West Mountain View	-	-	-	-	-	-
42	West San Jose	\$31.65	6	-0.4%	11	0.1%	10

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Campbell	157,188	4.5%	4	(83,567)	-2.4%	34	-
2	Central Santa Clara	1,086,844	5.4%	6	325,745	1.6%	2	0.8
3	Central Sunnyvale	-	-	-	0	-	-	-
4	Cupertino	40,300	1.5%	1	36	0%	8	-
5	De La Cruz	-	-	-	0	-	-	-
6	Downtown Mountain View	-	-	-	0	-	-	-
7	Downtown Palo Alto	-	-	-	1,949	5.4%	7	-
8	Downtown San Jose	93,910	2.6%	3	(160,941)	-4.5%	38	-
9	East Arques Ave Corridor	-	-	-	0	-	-	-
10	East San Jose-Willow Glen	1,070,655	7.1%	10	(407,324)	-2.7%	40	-
11	Embarcadero/101	-	-	-	0	-	-	-
12	Gilroy	328,236	4.5%	5	194,575	2.6%	4	-
13	Los Altos	-	-	-	0	0%	-	-
14	Los Gatos	-	-	-	0	-	-	-
15	Los Gatos/Saratoga	30,010	6.5%	8	(11,282)	-2.5%	29	-
16	Midtown San Jose	41,842	2.4%	2	88,746	5.2%	5	-
17	Milpitas	1,597,004	8.8%	15	(44,542)	-0.2%	31	-
18	Moffett Park	356,250	6.1%	7	(52,232)	-0.9%	32	-
19	Morgan Hill	1,302,611	15.7%	20	(108,441)	-1.3%	35	-
20	Mountain View	1,263,518	13.1%	18	(289,576)	-3.0%	39	-
21	N. San Jose - Brokaw	-	-	-	0	-	-	-
22	N.E. Santa Clara	-	-	-	0	-	-	-
23	North San Jose	3,415,637	10.4%	16	(716,883)	-2.2%	42	-
24	North Santa Clara	1,434,809	12.6%	17	(144,995)	-1.3%	36	-
25	Oak Creek	-	-	-	0	-	-	-
26	Outlying Santa Clara Cnty	43,860	7.5%	12	(38,860)	-6.7%	30	-
27	Palo Alto	481,081	6.6%	9	200,059	2.7%	3	-
28	Peery Park	-	-	-	0	-	-	-
29	Plumeria Drive	-	-	-	0	-	-	-
30	San Benito County	464,325	7.7%	13	931,081	15.5%	1	1.1
31	San Jose East	-	-	-	0	-	-	-
32	San Jose, IBP East	-	-	-	0	-	-	-
33	San Jose-Berryessa	1,324,600	7.3%	11	(424,527)	-2.4%	41	-
34	Scott Blvd Corridor	-	-	-	0	-	-	-
35	Shoreline Corridor North	-	-	-	0	-	-	-
36	Shoreline Corridor South	-	-	-	0	-	-	-
37	South San Jose	1,531,240	13.2%	19	(61,437)	-0.5%	33	-
38	South Santa Clara	-	-	-	26,111	2.9%	6	-
39	Sunnyvale	1,303,775	8.7%	14	(147,803)	-1.0%	37	-
40	Sunnyvale Triangle	-	-	-	0	-	-	-
41	West Mountain View	-	-	-	0	-	-	-
42	West San Jose	-	-	-	0	0%	-	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	201,631,215	(141,616)	-0.1%	194,597	0.1%	-
2028	201,772,831	(473,692)	-0.2%	460,018	0.2%	-
2027	202,246,523	216,998	0.1%	966,103	0.5%	0.2
2026	202,029,525	747,591	0.4%	170,333	0.1%	4.4
2025	201,281,934	444,347	0.2%	(1,648,399)	-0.8%	-
YTD	200,543,900	(293,687)	-0.1%	(1,970,412)	-1.0%	-
2024	200,837,587	3,027,754	1.5%	770,494	0.4%	3.9
2023	197,809,833	589,257	0.3%	(1,290,161)	-0.7%	-
2022	197,220,576	(211,731)	-0.1%	2,641,378	1.3%	-
2021	197,432,307	1,132,221	0.6%	645,109	0.3%	1.8
2020	196,300,086	(626,938)	-0.3%	(2,350,386)	-1.2%	-
2019	196,927,024	(1,312,090)	-0.7%	1,003,262	0.5%	-
2018	198,239,114	(355,524)	-0.2%	(2,140,079)	-1.1%	-
2017	198,594,638	269,249	0.1%	159,173	0.1%	1.7
2016	198,325,389	(2,430,252)	-1.2%	(873,695)	-0.4%	-
2015	200,755,641	(1,331,097)	-0.7%	660,240	0.3%	-
2014	202,086,738	(3,982,592)	-1.9%	1,316,704	0.7%	-
2013	206,069,330	(3,015,627)	-1.4%	(3,798,702)	-1.8%	-

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	44,488,636	89,227	0.2%	117,818	0.3%	0.8
2028	44,399,409	(8,492)	0%	182,333	0.4%	-
2027	44,407,901	308,471	0.7%	466,829	1.1%	0.7
2026	44,099,430	555,028	1.3%	696,273	1.6%	0.8
2025	43,544,402	(168,958)	-0.4%	(296,729)	-0.7%	-
YTD	43,651,420	(61,940)	-0.1%	(164,855)	-0.4%	-
2024	43,713,360	1,292,474	3.0%	901,304	2.1%	1.4
2023	42,420,886	(5,422)	0%	(268,051)	-0.6%	-
2022	42,426,308	481,121	1.1%	22,305	0.1%	21.6
2021	41,945,187	740,599	1.8%	1,056,096	2.5%	0.7
2020	41,204,588	231,311	0.6%	(203,725)	-0.5%	-
2019	40,973,277	(263,738)	-0.6%	133,645	0.3%	-
2018	41,237,015	(270,385)	-0.7%	(190,531)	-0.5%	-
2017	41,507,400	(660,486)	-1.6%	(292,878)	-0.7%	-
2016	42,167,886	(529,302)	-1.2%	(756,622)	-1.8%	-
2015	42,697,188	(118,600)	-0.3%	(250,519)	-0.6%	-
2014	42,815,788	(684,603)	-1.6%	(111,154)	-0.3%	-
2013	43,500,391	(387,164)	-0.9%	(275,604)	-0.6%	-

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	56,795,347	125,113	0.2%	178,179	0.3%	0.7
2028	56,670,234	(12,858)	0%	282,726	0.5%	-
2027	56,683,092	260,631	0.5%	525,694	0.9%	0.5
2026	56,422,461	610,431	1.1%	425,893	0.8%	1.4
2025	55,812,030	145,077	0.3%	(684,495)	-1.2%	-
YTD	55,545,976	(120,977)	-0.2%	(768,708)	-1.4%	-
2024	55,666,953	1,733,967	3.2%	864,773	1.6%	2.0
2023	53,932,986	(97,035)	-0.2%	(261,466)	-0.5%	-
2022	54,030,021	478,828	0.9%	757,039	1.4%	0.6
2021	53,551,193	746,048	1.4%	953,734	1.8%	0.8
2020	52,805,145	(594,882)	-1.1%	(315,082)	-0.6%	-
2019	53,400,027	417,863	0.8%	132,902	0.2%	3.1
2018	52,982,164	266,922	0.5%	(347,557)	-0.7%	-
2017	52,715,242	349,168	0.7%	(598,260)	-1.1%	-
2016	52,366,074	(649,147)	-1.2%	1,295,640	2.5%	-
2015	53,015,221	341,146	0.6%	610,202	1.2%	0.6
2014	52,674,075	(344,578)	-0.6%	812,066	1.5%	-
2013	53,018,653	(580,346)	-1.1%	(859,018)	-1.6%	-

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	100,347,232	(355,956)	-0.4%	(101,400)	-0.1%	-
2028	100,703,188	(452,342)	-0.4%	(5,041)	0%	-
2027	101,155,530	(352,104)	-0.3%	(26,420)	0%	-
2026	101,507,634	(417,868)	-0.4%	(951,833)	-0.9%	-
2025	101,925,502	468,228	0.5%	(667,175)	-0.7%	-
YTD	101,346,504	(110,770)	-0.1%	(1,036,849)	-1.0%	-
2024	101,457,274	1,313	0%	(995,583)	-1.0%	-
2023	101,455,961	691,714	0.7%	(760,644)	-0.7%	-
2022	100,764,247	(1,171,680)	-1.1%	1,862,034	1.8%	-
2021	101,935,927	(354,426)	-0.3%	(1,364,721)	-1.3%	-
2020	102,290,353	(263,367)	-0.3%	(1,831,579)	-1.8%	-
2019	102,553,720	(1,466,215)	-1.4%	736,715	0.7%	-
2018	104,019,935	(352,061)	-0.3%	(1,601,991)	-1.5%	-
2017	104,371,996	580,567	0.6%	1,050,311	1.0%	0.6
2016	103,791,429	(1,251,803)	-1.2%	(1,412,713)	-1.4%	-
2015	105,043,232	(1,553,643)	-1.5%	300,557	0.3%	-
2014	106,596,875	(2,953,411)	-2.7%	615,792	0.6%	-
2013	109,550,286	(2,048,117)	-1.8%	(2,664,080)	-2.4%	-

OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	\$28.51	227	4.0%	11.4%	16,439,946	8.2%	-0.2%
2028	\$27.41	219	4.5%	7.1%	16,755,764	8.3%	-0.4%
2027	\$26.23	209	3.2%	2.4%	17,659,800	8.7%	-0.4%
2026	\$25.40	203	0.4%	-0.8%	18,396,315	9.1%	0.3%
2025	\$25.30	202	-1.2%	-1.2%	17,807,269	8.8%	1.0%
YTD	\$25.37	202	-0.7%	-0.9%	17,367,695	8.7%	0.8%
2024	\$25.60	204	0.4%	0%	15,690,970	7.8%	1.0%
2023	\$25.51	204	2.1%	-0.4%	13,433,710	6.8%	0.9%
2022	\$24.98	199	4.6%	-2.4%	11,554,292	5.9%	-1.4%
2021	\$23.88	191	3.6%	-6.7%	14,340,879	7.3%	0.2%
2020	\$23.05	184	2.8%	-10.0%	13,920,289	7.1%	0.9%
2019	\$22.42	179	4.7%	-12.4%	12,196,841	6.2%	-1.1%
2018	\$21.41	171	6.1%	-16.4%	14,512,193	7.3%	0.9%
2017	\$20.17	161	6.4%	-21.2%	12,697,259	6.4%	0.1%
2016	\$18.96	151	8.2%	-25.9%	12,467,742	6.3%	-0.7%
2015	\$17.52	140	10.2%	-31.6%	14,024,299	7.0%	-0.9%
2014	\$15.90	127	9.9%	-37.9%	15,861,549	7.8%	-2.4%
2013	\$14.48	116	8.8%	-43.5%	21,136,816	10.3%	0.5%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	\$24.48	237	4.3%	13.6%	1,555,713	3.5%	-0.1%
2028	\$23.46	227	4.9%	8.9%	1,580,494	3.6%	-0.4%
2027	\$22.38	216	3.6%	3.9%	1,766,851	4.0%	-0.4%
2026	\$21.60	209	0.7%	0.2%	1,921,176	4.4%	-0.4%
2025	\$21.44	207	-0.5%	-0.5%	2,058,218	4.7%	0.4%
YTD	\$21.46	208	0.9%	-0.4%	2,013,289	4.6%	0.2%
2024	\$21.55	208	3.0%	0%	1,910,374	4.4%	0.8%
2023	\$20.92	202	3.2%	-2.9%	1,519,204	3.6%	0.6%
2022	\$20.27	196	5.6%	-5.9%	1,256,575	3.0%	1.1%
2021	\$19.19	186	4.1%	-10.9%	797,759	1.9%	-0.8%
2020	\$18.43	178	4.4%	-14.4%	1,113,256	2.7%	1.0%
2019	\$17.66	171	5.6%	-18.0%	678,220	1.7%	-1.0%
2018	\$16.73	162	6.0%	-22.4%	1,075,603	2.6%	-0.2%
2017	\$15.78	153	6.5%	-26.8%	1,155,457	2.8%	-0.5%
2016	\$14.81	143	8.2%	-31.3%	1,373,245	3.3%	0.6%
2015	\$13.69	132	9.2%	-36.4%	1,145,925	2.7%	0.3%
2014	\$12.54	121	8.6%	-41.8%	1,014,006	2.4%	-1.2%
2013	\$11.54	112	7.2%	-46.4%	1,563,426	3.6%	-0.2%

LOGISTICS RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	\$21.96	272	4.2%	12.2%	3,261,916	5.7%	-0.1%
2028	\$21.08	261	4.7%	7.7%	3,310,815	5.8%	-0.5%
2027	\$20.13	250	3.4%	2.9%	3,598,215	6.3%	-0.5%
2026	\$19.46	241	0.5%	-0.6%	3,860,354	6.8%	0.3%
2025	\$19.36	240	-1.1%	-1.1%	3,672,697	6.6%	1.5%
YTD	\$19.43	241	-0.1%	-0.7%	3,489,369	6.3%	1.2%
2024	\$19.57	243	2.8%	0%	2,841,638	5.1%	1.4%
2023	\$19.04	236	6.0%	-2.7%	1,972,444	3.7%	0.3%
2022	\$17.96	223	8.1%	-8.2%	1,808,013	3.3%	-0.5%
2021	\$16.61	206	7.0%	-15.1%	2,086,224	3.9%	-0.4%
2020	\$15.52	192	4.6%	-20.7%	2,293,910	4.3%	-0.5%
2019	\$14.85	184	6.4%	-24.1%	2,573,710	4.8%	0.5%
2018	\$13.96	173	7.2%	-28.7%	2,288,749	4.3%	1.1%
2017	\$13.02	161	8.4%	-33.5%	1,674,270	3.2%	1.8%
2016	\$12.01	149	9.6%	-38.6%	726,842	1.4%	-3.7%
2015	\$10.96	136	10.7%	-44.0%	2,671,629	5.0%	-0.5%
2014	\$9.90	123	9.3%	-49.4%	2,940,685	5.6%	-2.1%
2013	\$9.06	112	7.4%	-53.7%	4,097,329	7.7%	0.6%

FLEX RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	\$33.95	212	3.8%	9.0%	11,622,317	11.6%	-0.2%
2028	\$32.69	204	4.4%	5.0%	11,864,455	11.8%	-0.4%
2027	\$31.33	196	3.1%	0.6%	12,294,734	12.2%	-0.3%
2026	\$30.39	190	0.2%	-2.4%	12,614,785	12.4%	0.6%
2025	\$30.33	190	-1.4%	-2.6%	12,076,354	11.8%	1.1%
YTD	\$30.41	190	-1.3%	-2.4%	11,865,037	11.7%	0.9%
2024	\$30.75	192	-1.2%	-1.2%	10,938,958	10.8%	1.0%
2023	\$31.14	195	0.5%	0%	9,942,062	9.8%	1.4%
2022	\$30.98	194	3.3%	-0.5%	8,489,704	8.4%	-2.8%
2021	\$30	188	2.4%	-3.7%	11,456,896	11.2%	1.0%
2020	\$29.29	183	1.9%	-5.9%	10,513,123	10.3%	1.6%
2019	\$28.74	180	4.0%	-7.7%	8,944,911	8.7%	-2.0%
2018	\$27.64	173	5.9%	-11.2%	11,147,841	10.7%	1.3%
2017	\$26.11	163	5.9%	-16.2%	9,867,532	9.5%	-0.5%
2016	\$24.66	154	7.8%	-20.8%	10,367,655	10.0%	0.3%
2015	\$22.87	143	10.3%	-26.5%	10,206,745	9.7%	-1.5%
2014	\$20.74	130	10.4%	-33.4%	11,906,858	11.2%	-3.0%
2013	\$18.79	118	9.6%	-39.7%	15,476,061	14.1%	0.8%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	0	-	-	-	-	-	\$416.17	322	6.2%
2028	0	-	-	-	-	-	\$392.08	304	6.3%
2027	0	-	-	-	-	-	\$366.70	284	6.4%
2026	0	-	-	-	-	-	\$352.03	273	6.4%
2025	-	-	-	-	-	-	\$353.49	274	6.4%
YTD	97	\$872.8M	1.4%	\$9,383,012	\$301.14	4.9%	\$364.18	282	6.3%
2024	159	\$1.4B	2.0%	\$8,928,732	\$340.78	5.3%	\$377.75	293	6.1%
2023	125	\$1.4B	2.1%	\$10,906,232	\$326.20	5.5%	\$378.67	293	5.9%
2022	287	\$3.3B	5.2%	\$12,585,640	\$363.53	5.0%	\$395.51	306	5.2%
2021	275	\$3.8B	6.0%	\$15,174,489	\$383.41	4.8%	\$394.55	306	4.9%
2020	222	\$2.4B	3.8%	\$11,082,739	\$323.85	5.4%	\$340.43	264	5.2%
2019	308	\$3.2B	5.6%	\$14,926,628	\$314.06	6.0%	\$308.36	239	5.5%
2018	336	\$3.2B	5.8%	\$14,850,503	\$328.64	5.9%	\$284.99	221	5.5%
2017	428	\$2.8B	6.5%	\$10,652,195	\$267.92	6.0%	\$258.71	200	5.6%
2016	410	\$2.8B	6.0%	\$9,411,524	\$261.49	6.0%	\$246.04	191	5.4%
2015	502	\$3.2B	8.1%	\$7,900,124	\$225.43	6.0%	\$223.09	173	5.5%
2014	451	\$2.8B	6.9%	\$7,140,555	\$211.15	6.7%	\$189.29	147	6.0%

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SPECIALIZED INDUSTRIAL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	-	-	-	-	-	-	\$405.73	347	6.0%
2028	-	-	-	-	-	-	\$381	326	6.1%
2027	-	-	-	-	-	-	\$355.17	304	6.2%
2026	-	-	-	-	-	-	\$339.80	291	6.3%
2025	-	-	-	-	-	-	\$340.19	291	6.3%
YTD	17	\$71.6M	0.5%	\$4,213,558	\$343.22	-	\$350.16	299	6.1%
2024	40	\$195.4M	1.6%	\$5,143,382	\$275.19	6.5%	\$359.46	307	6.0%
2023	35	\$417.7M	3.4%	\$12,285,407	\$293.18	7.5%	\$358.11	306	5.7%
2022	79	\$675.1M	5.2%	\$8,767,064	\$330.01	5.4%	\$371.20	317	5.1%
2021	68	\$1.1B	5.4%	\$16,592,203	\$534.38	4.3%	\$371.61	318	4.8%
2020	56	\$358.1M	3.7%	\$6,757,523	\$237.31	6.1%	\$317.90	272	5.1%
2019	105	\$442.1M	6.3%	\$7,755,837	\$192.59	5.0%	\$287.41	246	5.4%
2018	109	\$283M	5.3%	\$6,432,867	\$253.06	5.2%	\$263.91	226	5.4%
2017	145	\$405M	6.3%	\$7,642,212	\$267.79	6.1%	\$236.81	203	5.5%
2016	127	\$178.4M	3.6%	\$3,365,305	\$171.82	6.5%	\$222.85	191	5.4%
2015	131	\$361.4M	6.3%	\$4,302,807	\$156.07	5.5%	\$200.30	171	5.5%
2014	102	\$201.7M	4.6%	\$2,688,914	\$113	6.0%	\$170.03	145	6.0%

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LOGISTICS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	-	-	-	-	-	-	\$344.51	338	6.1%
2028	-	-	-	-	-	-	\$324.03	318	6.2%
2027	-	-	-	-	-	-	\$302.57	297	6.3%
2026	-	-	-	-	-	-	\$289.99	285	6.3%
2025	-	-	-	-	-	-	\$290.74	285	6.3%
YTD	23	\$83.4M	0.5%	\$3,791,700	\$304.85	4.9%	\$299.87	294	6.2%
2024	36	\$267.5M	1.6%	\$7,429,526	\$308.13	6.2%	\$309.03	303	6.1%
2023	43	\$255M	1.5%	\$6,071,851	\$321.68	4.1%	\$308.05	302	5.8%
2022	74	\$948.9M	4.9%	\$12,823,373	\$360.06	4.8%	\$319.72	314	5.2%
2021	63	\$650.8M	3.8%	\$10,668,351	\$333.27	4.1%	\$316.05	310	4.8%
2020	63	\$316.4M	2.3%	\$5,187,451	\$263.27	5.3%	\$269.91	265	5.2%
2019	83	\$444.5M	3.9%	\$9,456,910	\$254.53	5.9%	\$243.23	239	5.5%
2018	88	\$297.5M	2.9%	\$6,611,754	\$263.63	4.6%	\$224.54	220	5.5%
2017	108	\$320.5M	4.1%	\$5,828,165	\$221.77	5.8%	\$204.72	201	5.6%
2016	92	\$402.8M	4.8%	\$5,443,687	\$178.37	5.1%	\$191.80	188	5.5%
2015	125	\$438.3M	5.7%	\$4,382,938	\$176.52	5.7%	\$174.75	172	5.6%
2014	73	\$152.7M	2.9%	\$2,545,220	\$109.50	5.8%	\$148.58	146	6.1%

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FLEX SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	0	-	-	-	-	-	\$460.90	308	6.3%
2028	0	-	-	-	-	-	\$435.06	291	6.4%
2027	0	-	-	-	-	-	\$407.69	272	6.5%
2026	0	-	-	-	-	-	\$392.14	262	6.6%
2025	-	-	-	-	-	-	\$394.47	264	6.6%
YTD	57	\$717.8M	2.4%	\$13,291,764	\$297.08	-	\$406.36	271	6.5%
2024	83	\$894.3M	2.4%	\$11,464,818	\$371.95	3.2%	\$424.25	283	6.2%
2023	47	\$687M	1.9%	\$14,617,245	\$352.15	4.4%	\$427.25	285	5.9%
2022	134	\$1.7B	5.3%	\$15,291,877	\$381.49	5.6%	\$448.63	300	5.3%
2021	144	\$2.1B	7.5%	\$16,624,931	\$348	6.0%	\$448.58	300	4.9%
2020	103	\$1.7B	4.7%	\$16,971,230	\$367.95	5.0%	\$389.82	260	5.3%
2019	120	\$2.3B	6.1%	\$21,315,256	\$376.01	6.1%	\$354.03	236	5.5%
2018	139	\$2.6B	7.6%	\$20,827,276	\$350.04	6.5%	\$328.09	219	5.5%
2017	175	\$2B	7.7%	\$13,447,266	\$276.99	6.1%	\$298.55	199	5.6%
2016	191	\$2.2B	7.6%	\$12,981,695	\$299.10	6.0%	\$286.58	191	5.4%
2015	246	\$2.4B	10.1%	\$10,941,488	\$256.14	6.5%	\$260.17	174	5.5%
2014	276	\$2.5B	9.7%	\$9,503,320	\$242.50	7.0%	\$220.54	147	6.0%

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