

## MARKET TRENDS

# EAST BAY INDUSTRIAL

|                       |                           |
|-----------------------|---------------------------|
| ↑ VACANCY             | ↓ ABSORPTION              |
| ↓ RENTAL RATES        | ↑ CONSTRUCTION DELIVERIES |
| Year-Over-Year Change |                           |

### SIGNIFICANT SALE TRANSACTIONS 1Q 2024

| Property                  | Submarket  | SF      | Sale Price   | \$/SF    | Buyer                        | Seller                       |
|---------------------------|------------|---------|--------------|----------|------------------------------|------------------------------|
| 5901 San Leandro Street   | Oakland    | 130,513 | \$31,700,000 | \$242.89 | 5901 San Leandro Street, LLC | Centerpoint Properties Trust |
| 40737 Encyclopedia Circle | Fremont    | 81,485  | \$25,250,000 | \$309.87 | Arc Capital Partners         | Nuveen                       |
| 1528-1550 Atlantic Street | Union City | 53,960  | \$14,750,000 | \$273.35 | Fortinet, Inc                | Northwood Holdings LLC       |
| 2225 Campbell Street      | Oakland    | 44,250  | \$8,250,000  | \$186.44 | United Bridge Transport      | KS Proeperties One LLC       |
| 9201 San Leandro Street   | Oakland    | 61,930  | \$7,937,984  | \$128.18 | Nick Stephens                | Madison White Enterprises    |

### SIGNIFICANT LEASE TRANSACTIONS 1Q 2024

| Property                   | Submarket | SF      | Transaction Date | Landlord                          | Tenant                         |
|----------------------------|-----------|---------|------------------|-----------------------------------|--------------------------------|
| 4211 Starboard Drive       | Fremont   | 129,808 | January 2024     | LaSalle Investment Management     | SMS Infocomm                   |
| 41707-42001 Christy Street | Fremont   | 120,960 | March 2024       | AFL-CIO Building Investment Trust | Quanta Computer USA            |
| 31908 Hayman Street        | Hayward   | 53,000  | January 2024     | Affinity Investment, LLC          | Warehouse Cutera (Cutera, Inc) |
| 31918 Hayman Street        | Hayward   | 50,045  | January 2024     | Primo Industrial, Inc             | Beeline Corporation            |
| 4601 Malat Street          | Oakland   | 42,428  | February 2024    | CenterPoint Properties            | VT Inc                         |

### SIGNIFICANT DEVELOPMENT PROJECTS

| Property                      | Project Name                         | SF      | Owner                   | Delivery Date |
|-------------------------------|--------------------------------------|---------|-------------------------|---------------|
| 800 Dwight Way, Berkeley      | Bayer Campus Expansion               | 918,000 | Bayer Healthcare, LLC   | Q4 2025       |
| 600 Addison Street, Berkeley  | Berkeley Commons - Addison Building  | 304,791 | Beacon Capital Partners | Q2 2024       |
| 601 Bancroft Street, Berkeley | Berkeley Commons - Bancroft Building | 234,034 | Beacon Capital Partners | Q2 2024       |
| 3636 Enterprise Ave, Hayward  | LogistiCenter at Enterprise          | 219,582 | Dermody Properties      | Q2 2024       |
| 47020 Kato Rd, Fremont        | Frontier Elm Business Center         | 209,916 | Link Logistics          | Q2 2024       |

### MARKET BREAKDOWN

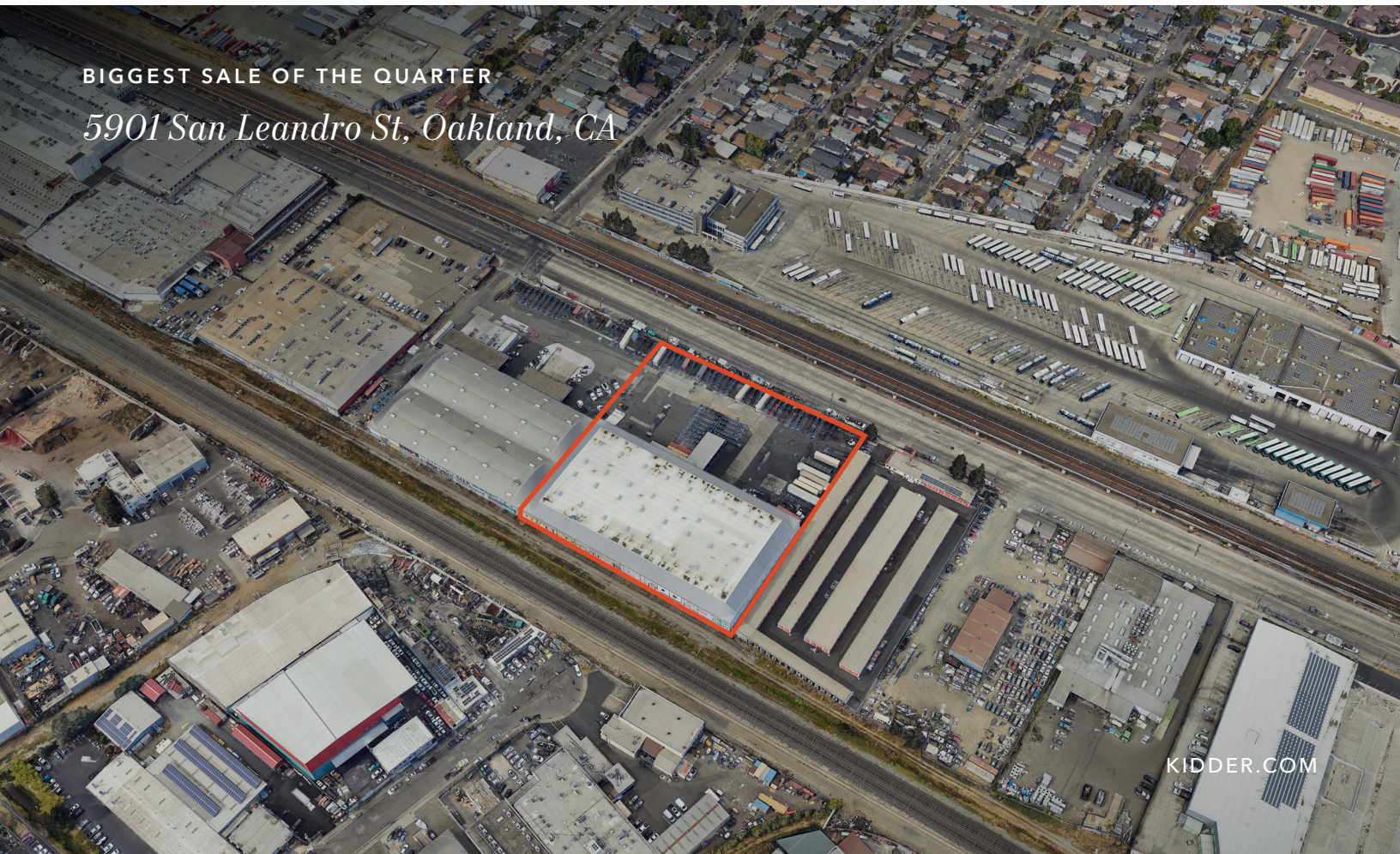
|                         | 1Q24      | 4Q23       | 1Q23      | YOY Change    |
|-------------------------|-----------|------------|-----------|---------------|
| Direct Vacancy Rate     | 5.3%      | 4.7%       | 3.3%      | <b>60.6%</b>  |
| Availability Rate       | 8.7%      | 7.9%       | 6.3%      | <b>38.1%</b>  |
| Asking Lease Rate       | \$1.60    | \$1.55     | \$1.78    | <b>-10.5%</b> |
|                         | 1Q24      | 2023 Total | 1Q23      | YOY Change    |
| Construction Deliveries | 1,328,214 | 539,367    | 292,901   | <b>353.5%</b> |
| Under Construction      | 1,496,649 | 3,742,863  | 4,768,299 | <b>-68.6%</b> |
| Leased Activity (SF)    | 922,372   | 2,170,394  | 1,519,725 | <b>-39.3%</b> |
| Sales Volume (SF)       | 1,043,309 | 1,233,480  | 2,092,428 | <b>-50.1%</b> |
| Direct Net Absorption   | 14,588    | (663,675)  | 676,430   | <b>-97.8%</b> |



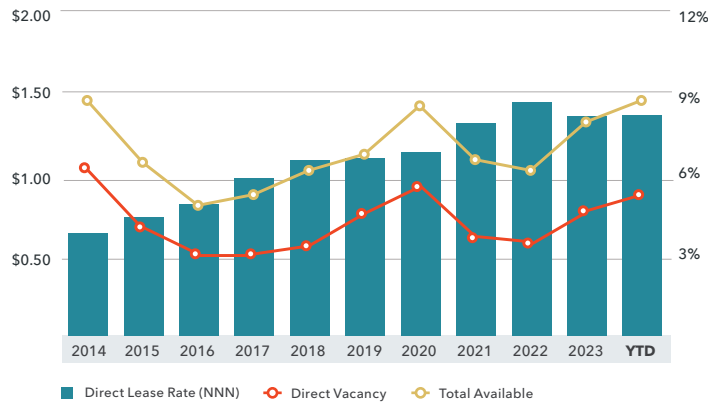
SUBMARKET STATISTICS

| Submarket               | Total Inventory    | SF Under Construction | Direct Vacancy Rate | Sublet Vacancy Rate | Total Vacancy Rate | Total Availability Rate | 1Q24 Direct Net Absorption | YTD Direct Net Absorption | 1Q24 Leasing Activity | YTD Leasing Activity | Direct Rental Rate |
|-------------------------|--------------------|-----------------------|---------------------|---------------------|--------------------|-------------------------|----------------------------|---------------------------|-----------------------|----------------------|--------------------|
| Richmond                | 18,465,864         | 133,200               | 4.7%                | 0.9%                | 5.6%               | 5.8%                    | 191,414                    | 191,414                   | 48,724                | 48,724               | \$1.26             |
| Berkeley/Albany         | 7,889,879          | 1,456,825             | 7.4%                | 1.2%                | 8.6%               | 16.7%                   | -93,389                    | -93,389                   | 8,242                 | 8,242                | \$1.20             |
| Emeryville              | 5,538,655          | 0                     | 18.9%               | 2.6%                | 21.5%              | 28.8%                   | -75,720                    | -75,720                   | 47,679                | 47,679               | \$1.66             |
| Oakland                 | 35,899,835         | 0                     | 5.6%                | 1.3%                | 6.9%               | 10.3%                   | -182,804                   | -182,804                  | 90,340                | 90,340               | \$1.27             |
| Alameda                 | 7,072,411          | 0                     | 8.3%                | 0.1%                | 8.4%               | 6.9%                    | -113,827                   | -113,827                  | 0                     | 0                    | \$1.17             |
| San Leandro/San Lorenzo | 24,212,316         | 0                     | 6.8%                | 0.4%                | 7.2%               | 8.2%                    | -300,496                   | -300,496                  | 129,607               | 129,607              | \$1.24             |
| Hayward                 | 43,098,109         | 219,583               | 4.2%                | 1.3%                | 5.6%               | 8.0%                    | 172,533                    | 172,533                   | 271,513               | 271,513              | \$1.21             |
| Union City              | 14,200,417         | 0                     | 3.4%                | 1.0%                | 4.5%               | 6.6%                    | -124,267                   | -124,267                  | 41,815                | 41,815               | \$1.42             |
| Fremont/Newark          | 58,951,084         | 605,041               | 4.1%                | 1.5%                | 5.5%               | 7.8%                    | 541,144                    | 541,144                   | 284,452               | 284,452              | \$1.68             |
| <b>East Bay Totals</b>  | <b>215,328,570</b> | <b>2,414,649</b>      | <b>5.3%</b>         | <b>1.2%</b>         | <b>6.5%</b>        | <b>0.0%</b>             | <b>14,588</b>              | <b>14,588</b>             | <b>922,372</b>        | <b>922,372</b>       | <b>\$1.41</b>      |
| General Industrial      | 42,962,697         | 439,699               | 3.6%                | 0.2%                | 3.9%               | 5.5%                    | -247,338                   | -247,338                  | 168,592               | 168,592              | \$1.27             |
| Warehouse/Distribution  | 128,300,220        | 190,503               | 4.6%                | 1.2%                | 5.8%               | 7.9%                    | -285,228                   | -285,228                  | 496,029               | 496,029              | \$1.25             |
| Flex                    | 43,772,552         | 1,503,664             | 8.4%                | 2.0%                | 10.4%              | 14.6%                   | 420,795                    | 420,795                   | 271,939               | 271,939              | \$2.47             |
| 5,000-24,999 SF         | 38,326,688         | 0                     | 3.6%                | 0.3%                | 3.9%               | 5.6%                    | -143,984                   | -143,984                  | 114,302               | 114,302              | \$1.54             |
| 25,000-49,999 SF        | 37,350,031         | 0                     | 5.6%                | 0.8%                | 6.4%               | 8.1%                    | -162,044                   | -162,044                  | 109,502               | 109,502              | \$1.67             |
| 50,000-99,999 SF        | 46,146,372         | 0                     | 6.3%                | 1.0%                | 7.3%               | 8.7%                    | 40,316                     | 40,316                    | 205,854               | 205,854              | \$1.55             |
| 100,000-199,999 SF      | 43,518,659         | 337,822               | 5.7%                | 1.4%                | 7.1%               | 11.1%                   | 7,149                      | 7,149                     | 336,136               | 336,136              | \$1.63             |
| 200,000+ SF             | 49,986,820         | 2,076,827             | 5.1%                | 2.2%                | 7.3%               | 10.2%                   | 273,151                    | 273,151                   | 156,578               | 156,578              | \$1.55             |

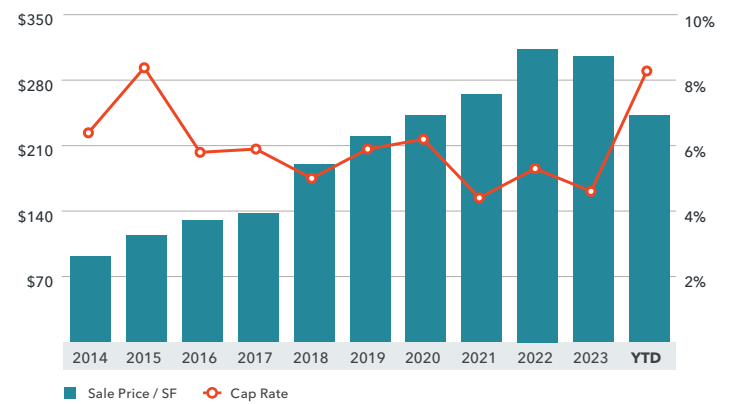
BIGGEST SALE OF THE QUARTER  
*5901 San Leandro St, Oakland, CA*



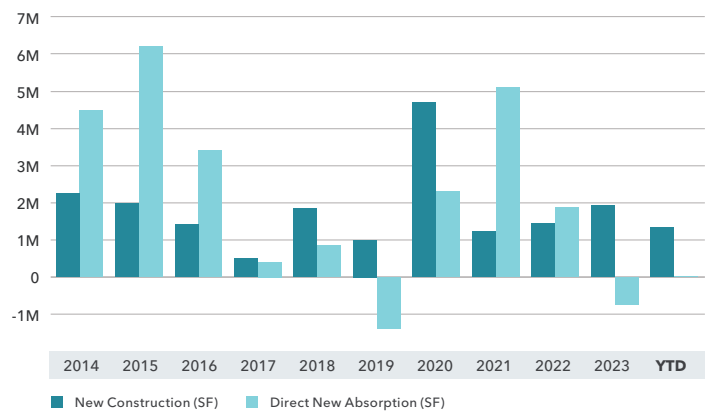
LEASE RATE, VACANCY & AVAILABILITY



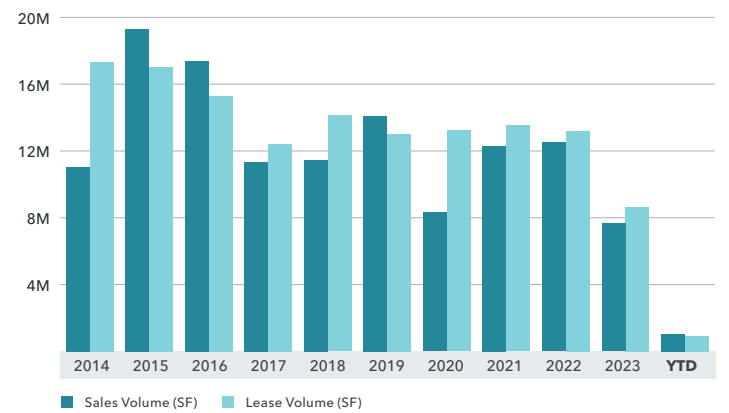
AVERAGE SALES PRICE/SF & CAP RATES



NEW CONSTRUCTION & ABSORPTION



SALE VOLUME & LEASE VOLUME



Data Source: CoStar



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The information in this report was composed by the Kidder Mathews Research Group.

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|                             |   |  |                                    |
|-----------------------------|---|--|------------------------------------|
| <b>COMMERCIAL BROKERAGE</b> | <i>\$10B</i><br>3-YEAR AVERAGE TRANSACTION VOLUME | <i>31.7M</i><br>ANNUAL SALES SF        | <i>42.4M</i><br>ANNUAL LEASING SF  |
| <b>ASSET SERVICES</b>       | <i>51M SF</i><br>MANAGEMENT PORTFOLIO SIZE        | <i>750+</i><br>ASSETS UNDER MANAGEMENT | <i>250+</i><br>CLIENTS SERVED      |
| <b>VALUATION ADVISORY</b>   | <i>2,600+</i><br>3-YEAR AVERAGE ASSIGNMENTS       | <i>43</i><br>TOTAL APPRAISERS          | <i>25</i><br>WITH MAI DESIGNATIONS |

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