

MARKET TRENDS | SACRAMENTO

OFFICE

2ND QUARTER
2020

▼ ABSORPTION | ▲ RENTAL RATE | ▲ VACANCY | ▲ CONSTRUCTION DELIVERIES

TOP SALE TRANSACTIONS FOR 2Q 2020

Property	Submarket	Square Feet	Sale Price	Price/SF	Buyer	Seller
11150 International Dr	Highway 50 Corridor	90,111	\$21,650,000	\$240.26	The Wonderful Company	Rohit Kumar & Nidhi Tull
11120 International Dr	Highway 50 Corridor	100,967	\$18,750,000	\$185.70	The Wonderful Company	DWS
3310 El Camino Ave	Howe Ave/Fulton Ave/Watt Ave	128,285	\$17,700,000	\$137.97	Rohit Kumar & Nidhi Tull	Positive Investments, Inc.

TOP LEASE TRANSACTIONS FOR 2Q 2020

Property	Submarket	Square Feet	Date	Landlord	Tenant
9815 Goethe Rd	Highway 50 Corridor	80,000	June 20	Office Properties Income Trust	CA Employment Development Department
10951 White Rock Rd Suite 200	Highway 50 Corridor	35,950	May 2020	Basin Street Properties	Undisclosed
10951 White Rock Rd Suite 100	Highway 50 Corridor	17,157	May 2020	Basin Street Properties	Undisclosed

TOP UNDER CONSTRUCTION

Property	Address	Submarket	Square Feet	Owner	Delivery Date
California Natural Resources Agency	P St	Downtown	838,000	State of California	April 2022
Capitol Annex Expansion	1021 O St	Downtown	472,000	Dreyfuss & Blackford Architects	October 2021
California Department of General Services	1215 O St	Downtown	360,000	State of California	February 2022

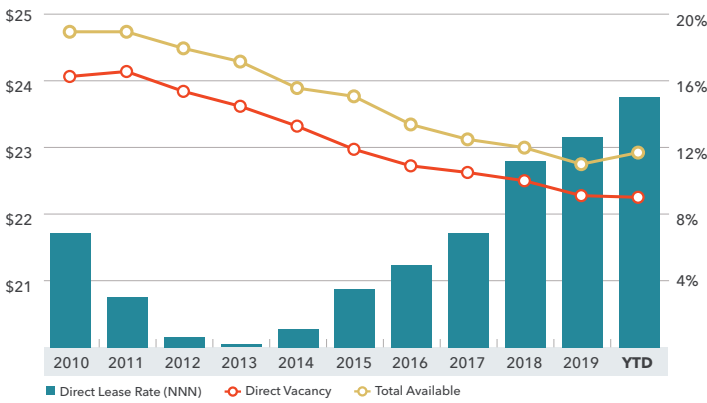
Market Breakdown

	2Q 2020	1Q 2020	2Q 2019	Annual % Change
Vacancy Rate	9.0%	8.8%	9.2%	-2.42%
Availability Rate	11.7%	10.7%	11.1%	5.60%
Asking Lease Rate	\$23.76	\$23.52	\$23.04	3.13%
Leased SF	500,368	1,112,578	830,592	-39.76%
Sold SF	840,733	2,094,190	1,519,884	-44.68%
Direct Net Absorption	(94,624)	343,514	883,704	N/A

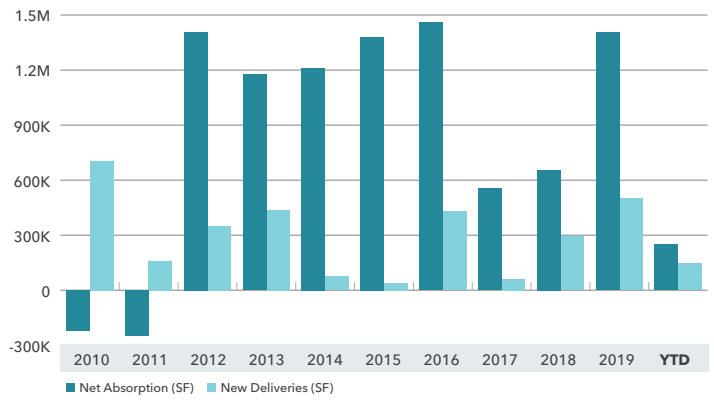
SACRAMENTO SUBMARKET STATISTICS

Submarket	Total Inventory	Direct Vacancy Rate	Total Vacancy Rate	Total Available Rate	2Q20 Direct Net Absorption	YTD Direct Net Absorption	2Q20 Leasing Activity	YTD Leasing Activity	Rental Rate (Office Base Rent Direct)
Downtown	20,662,987	6.7%	6.7%	7.4%	(23,865)	6,705	22,316	89,671	\$33.84
Auburn/Lincoln	1,727,281	4.7%	4.7%	7.1%	14,428	(11,755)	2,886	8,984	\$23.88
Campus Commons	1,768,013	14.7%	15.6%	18.3%	(13,672)	6,222	23,065	46,619	\$26.64
Carmichael/Fair Oaks	1,563,730	15.0%	15.1%	18.2%	(8,683)	7,014	5,224	17,085	\$16.56
Citrus Heights/Orangevale	1,865,079	9.4%	9.4%	12.4%	(3,165)	(9,746)	7,711	25,438	\$19.08
Davis/Woodland	2,679,331	4.7%	5.3%	6.2%	27,560	14,907	11,465	15,912	\$23.64
East Sacramento	2,617,647	0.9%	1.0%	2.0%	(7,311)	(265)	0	6,465	\$31.44
El Dorado	2,154,956	11.5%	11.5%	16.2%	(17,172)	47,382	5,588	17,675	\$22.56
Elk Grove	2,210,975	3.7%	4.1%	6.1%	(2,625)	14,521	11,831	17,852	\$28.56
Folsom	5,373,806	3.9%	4.1%	11.3%	13,086	19,681	36,866	93,088	\$25.80
Highway 50 Corridor	17,886,917	10.6%	11.1%	13.4%	71,181	608	193,791	684,320	\$21.60
Howe Ave/Fulton Ave/Watt	5,298,482	15.1%	15.2%	15.4%	3,052	53,653	14,645	29,115	\$18.72
Midtown	4,352,708	8.6%	8.8%	11.1%	(41,574)	(1,966)	2,200	27,004	\$28.68
North Natomas	3,069,040	10.6%	10.9%	17.1%	56,180	69,856	24,369	64,954	\$19.56
Point West	2,897,531	10.8%	12.2%	17.0%	(14,516)	35,344	11,899	89,746	\$24.60
Rio Linda/N Highlands	1,145,109	22.2%	22.2%	28.6%	(34,318)	(42,446)	9,946	10,844	\$20.40
Roseville/Rocklin	12,556,967	9.0%	9.3%	12.7%	(90,311)	(4,561)	84,431	196,066	\$23.64
South Natomas	3,787,368	11.4%	11.5%	16.2%	(25,480)	(46,360)	31,429	131,653	\$27.48
South Sacramento	3,658,682	5.8%	5.8%	8.0%	3,572	38,326	706	16,781	\$18.96
West Sacramento	2,193,926	5.3%	5.4%	14.1%	(991)	51,770	0	23,674	\$21.96
Sacramento Total	99,470,535	8.7%	9.0%	11.7%	(94,624)	248,890	500,368	1,612,946	\$23.76
Class A	26,527,223	6.2%	6.6%	9.3%	(149,249)	51,146	106,447	459,586	\$29.16
Class B	47,582,151	10.8%	11.1%	13.9%	(23,371)	38,544	331,216	965,266	\$23.28
Class C	25,361,161	7.4%	7.5%	10.2%	77,996	159,200	62,705	188,094	\$19.68

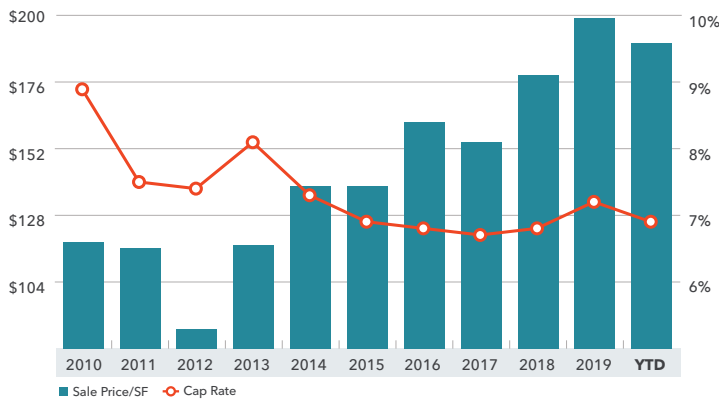
LEASE RATE, VACANCY & AVAILABILITY



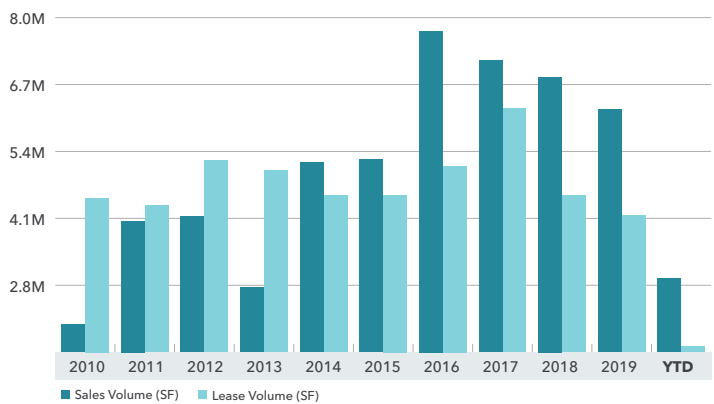
NET ABSORPTION & NEW DELIVERIES



AVERAGE SALES PRICE/SF & CAP RATES



SALE VOLUME & LEASE VOLUME



Kidder Mathews is the largest, independent commercial real estate firm on the West Coast, with 900 real estate professionals and staff in 22 offices in Washington, Oregon, California, Nevada, and Arizona. We offer a complete range of brokerage, appraisal, property management, consulting, project and construction management, and debt equity finance services for all property types.

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COMMERCIAL BROKERAGE

27M	ANNUAL SALES SF	450+	NO. OF BROKERS
\$9.6B	ANNUAL TRANSACTION VOLUME	42M	ANNUAL LEASING SF

VALUATION ADVISORY

1,680+	APPRAISALS ANNUALLY	37/23	TOTAL NO. APPRAISERS/MAI'S
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PROPERTY MANAGEMENT

70M+	MANAGEMENT PORTFOLIO SF	\$12B+	IN ASSETS UNDER MANAGEMENT
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