

MARKET TRENDS

SAN DIEGO

RETAIL

↑ VACANCY	↓ UNEMPLOYMENT
↑ RENTAL RATES	↓ CONSTRUCTION DELIVERIES
Year-Over-Year Change	

SIGNIFICANT SALE TRANSACTIONS 2Q 2026

Property	Submarket	SF	Sale Price	\$/SF	Buyer	Seller
Poway Marketplace	Poway	79,853	\$26,483,197	\$331.65	Litwin Management	Fortress Investment Group Prism Places
Equinox	Carlsbad	30,800	\$26,242,164	\$852.02	11North Partners Bain Capital, LP	Asana Partners
Escondido Gateway	Escondido	69,552	\$22,061,281	\$317.19	Brixton Capital	Mountain Pacific Properties

SIGNIFICANT LEASE TRANSACTIONS 2Q 2026

Property	Submarket	SF	Transaction Date	Tenant
Rancho Bernardo Town Center	Carmel Mountain Ranch	15,430	April 2026	Gym
El Toreador Plaza	Imperial Bch/South SD	13,618	May 2026	AMVETS
Palomar Trolley Center	Chula Vista	12,000	April 2026	ULTA Beauty

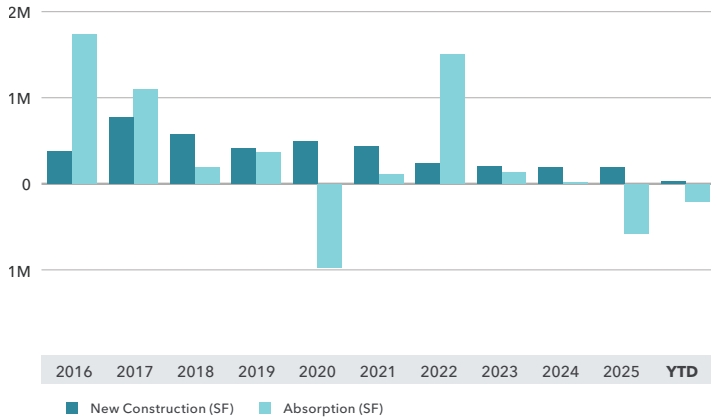
SIGNIFICANT UNDER CONSTRUCTION

Property	Submarket	SF	Delivery
1895 Camino Del Rio South	Mission Valley	106,688	3Q 2026
Alexandria Wellness Center	Miramar/M Mesa/S Rnch	45,000	3Q 2026
2013 4th Ave	Central San Diego	30,000	3Q 2026

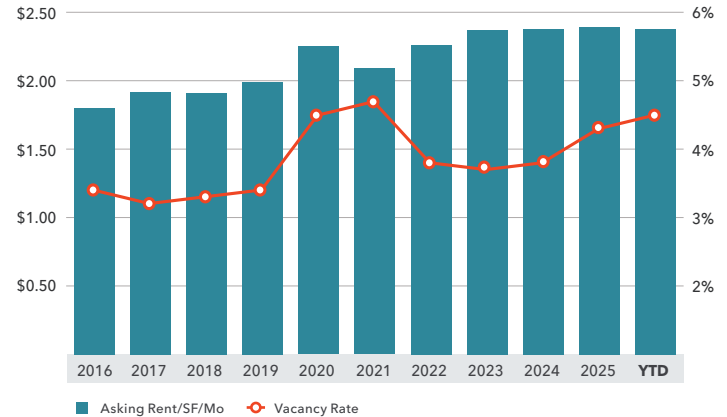
MARKET BREAKDOWN

	2Q26	1Q26	2Q25	YOY Change
Vacancy Rate	4.5%	4.5%	4.3%	20 bps
Average Asking Rents/SF/Mo	\$2.38	\$2.42	\$2.36	0.96%
Under Construction (SF)	290,191	292,403	346,465	-16.24%
Average Sales Price/SF	\$446	\$320	\$395	12.81%
Average Cap Rate	5.4%	6.1%	4.7%	70 bps
	2Q26	2026 YTD	2025 YTD	YOY Change
Construction Deliveries (SF)	26,597	33,208	81,970	-59.49%
Net Absorption (SF)	-22,131	-208,667	-559,493	N/A

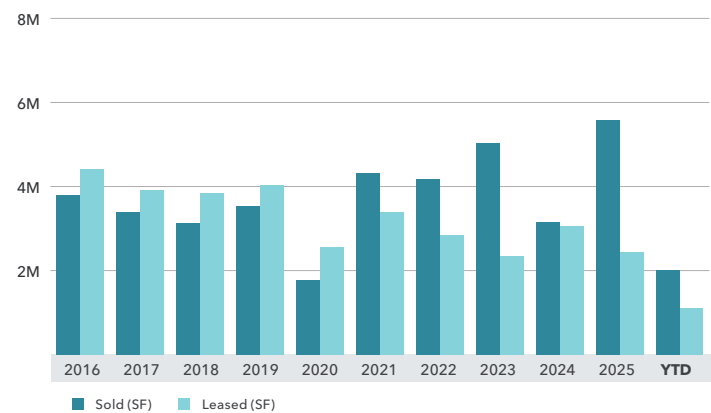
NEW CONSTRUCTION & ABSORPTION



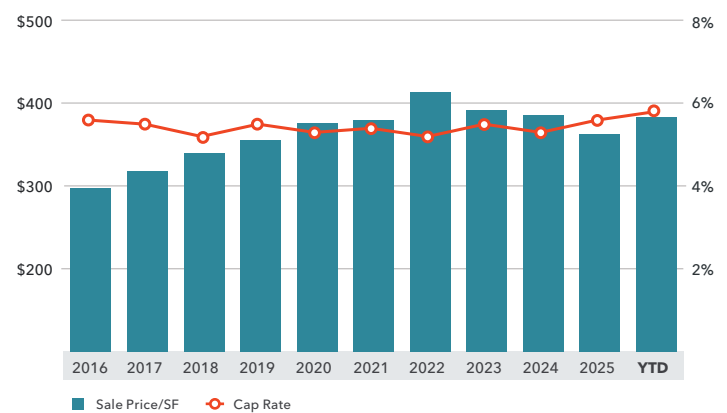
AVERAGE ASKING RENT/SF & VACANCY RATE



SALE VOLUME & LEASE VOLUME



AVERAGE SALE PRICE/SF & CAP RATES



Data Source: CoStar



Kidder Mathews is the largest fully independent commercial real estate firm in the Western U.S., with over 900 real estate professionals and staff in 19 offices in Washington, Oregon, California, Nevada, and Arizona. We offer a complete range of brokerage, appraisal, asset services, consulting, and debt & equity finance services for all property types.

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

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COMMERCIAL BROKERAGE

\$9B

AVERAGE ANNUAL TRANSACTION VOLUME

32.4M

ANNUAL SALES SF

32.5M

ANNUAL LEASING SF

ASSET SERVICES

54M SF

MANAGEMENT PORTFOLIO SIZE

800+

ASSETS UNDER MANAGEMENT

250+

CLIENTS SERVED

VALUATION ADVISORY

2,700+

AVERAGE ANNUAL ASSIGNMENTS

42

TOTAL APPRAISERS

23

WITH MAI DESIGNATIONS