



## Office Submarket Report

# Folsom

Sacramento - CA

### PREPARED BY



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**OFFICE SUBMARKET REPORT**

Submarket Key Statistics	1
Leasing	2
Rent	6
Construction	8
Sales	11
Sales Past 12 Months	13
Supply & Demand Trends	15
Rent & Vacancy	17
Sale Trends	19

12 Mo Deliveries in SF

0

12 Mo Net Absorption in SF

(47.9K)

Vacancy Rate

5.2%

12 Mo Rent Growth

0.8%

In recent years, available office space has been hard to come by in Folsom, and while demand is trending in negative territory, that dynamic has continued. The submarket is home to a diversified employment base and some of Sacramento's most notable corporate occupiers, including Intel, Kaiser Permanente, and Mercury Insurance. High-end inventory is abundant, resulting in an average asking rent that sits near the top of the metro.

Though vacancies have moved higher since the onset of the coronavirus pandemic and recession, they have remained among the tightest in the metro. Vacancies have typically fallen about in line with those of greater

Sacramento, but since 2016, they have been well below the metro norm. A lack of supply-driven pressure is one reason occupancy has been tight. Despite the lack of available space, large-scale construction was a rare sight this past cycle, particularly in its second half, and few projects of note are on the near-term horizon.

One of Sacramento's largest submarkets by inventory, Folsom typically sees a number of high-priced trades, resulting in annual sales volume that has historically averaged \$48.1 million. Before the halfway point of 2021, deal flow had matched last year's tepid number, though few deals of note had occurred.

## KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	2,083,058	3.0%	\$2.60	4.5%	0	0	0
3 Star	2,882,753	7.6%	\$2.33	12.8%	(9,712)	0	0
1 & 2 Star	724,132	2.0%	\$1.74	37.5%	(4,647)	0	0
<b>Submarket</b>	<b>5,689,943</b>	<b>5.2%</b>	<b>\$2.35</b>	<b>12.9%</b>	<b>(14,359)</b>	<b>0</b>	<b>0</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.8%	10.6%	5.3%	16.5%	2011 Q2	2.0%	1998 Q4
Net Absorption SF	(47.9K)	135,887	(1,924)	489,329	1999 Q4	(123,522)	2011 Q2
Deliveries SF	0	141,956	1,474	639,449	1999 Q4	0	2021 Q2
Rent Growth	0.8%	1.7%	2.0%	10.8%	2001 Q1	-9.4%	2009 Q3
Sales Volume	\$38.7M	\$48.9M	N/A	\$144.2M	2008 Q1	\$3.9M	2001 Q3



Folsom's office vacancy rate is among the tightest in Sacramento, recently trending about 500 basis points below the metro average. However, as of 21Q2, the mark had increased by approximately 100 basis points since the start of the pandemic. Year-to-date demand has been modest, after ending 2020 in the red for the first time in five years. That was due in large part to a move-out by Voxpro. The company, which was acquired by Vancouver, British Columbia-based Telus International in 2018, reportedly laid off most of its Folsom-based staff last year, and in turn vacated 255 Parkshore Dr., a 59,700-SF asset owned by Flyers Energy.

Vacancies have been similarly tight for some time, averaging only 6.0% over the past five years, but that has not always been the norm: From 2010–15, the average vacancy rate was almost 14%. However, in 2016, Folsom's net absorption soared to one of its highest marks on record because of several large move-ins, including those by PowerSchool (60,800 SF) and Voxpro (59,700 SF), as well as Verizon Wireless (57,400 SF).

The lack of available space is also attributable to the near absence of supply-driven pressure. While demand was positive in nearly every year this past cycle, Folsom has only gained 160,000 SF of new product over the past 10 years.

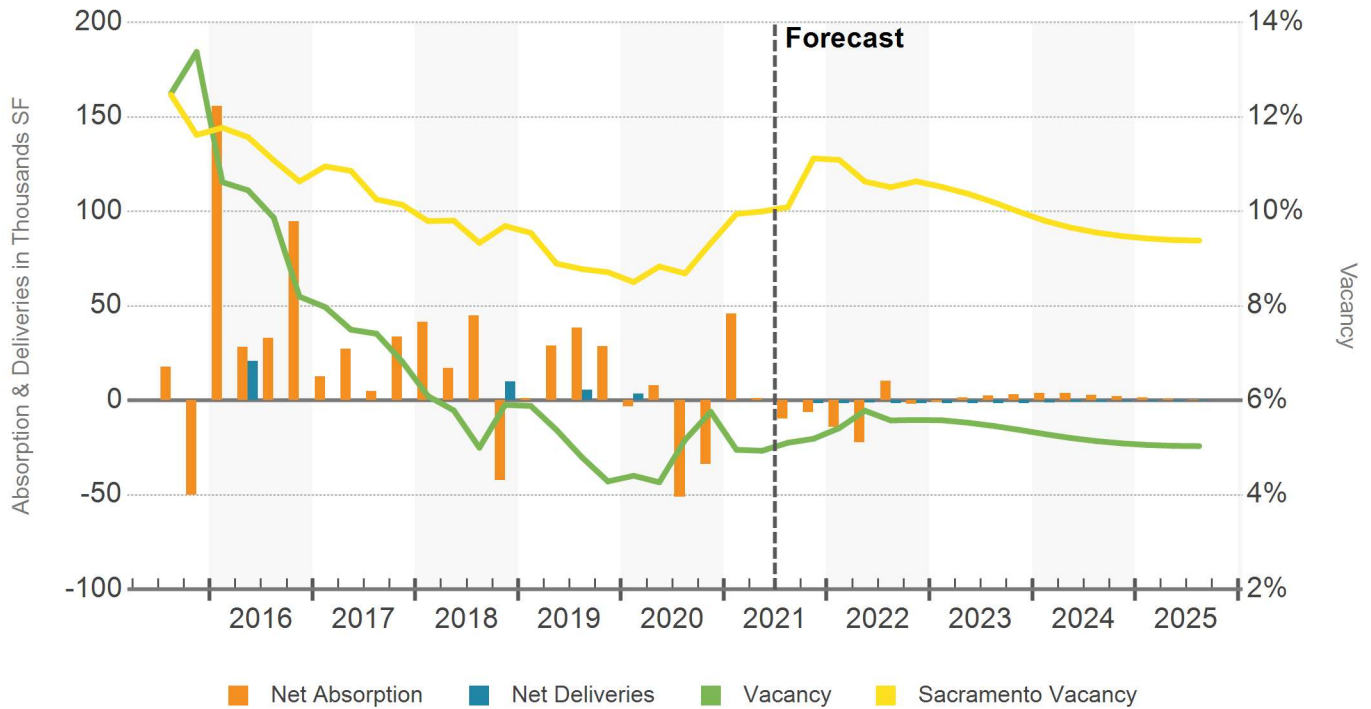
Employers choose this submarket for its abundance of housing options—it's one of the most affluent areas in the metro—and the number of retail choices. The strongest demand driver, however, may be Folsom's highly educated workforce: Nearly 50% of residents in the city of Folsom hold a bachelor's degree or higher.

Intel, despite shedding workers from its global workforce in recent years, including in Folsom, is home to more than 6,000 employees, making the firm one of Sacramento's largest employers. Other companies commanding major office footprints include Agilent Technologies, Kaiser Permanente, Mercury Insurance, and Micron Technology.

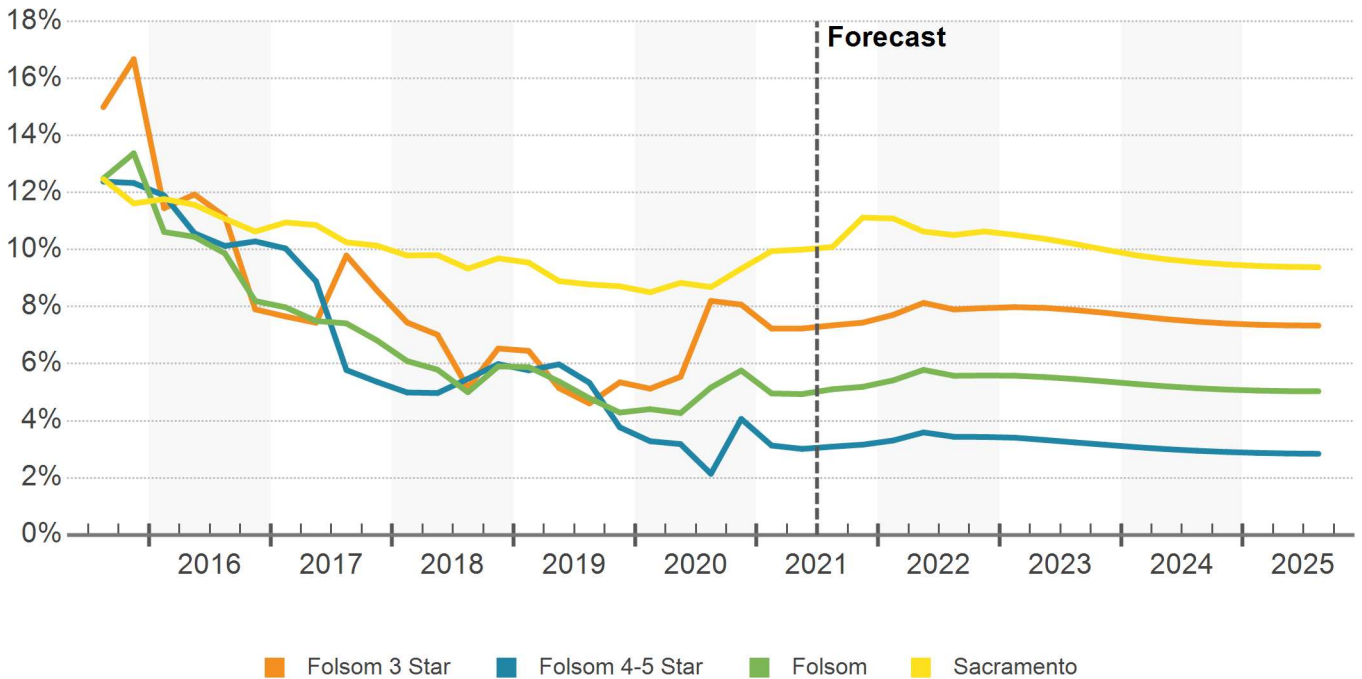
Few notable new leases have been signed here recently, but in 20Q1, the aforementioned education technology provider PowerSchool expanded its submarket presence, picking up 13,900 SF at 110 Woodmere Road, part of Lake Forest Tech Center.

With no large leases set to expire plus a limited development pipeline, it may be expected that vacancies will remain stable in the near-term. However, the recession and coronavirus pandemic persist, and while vacancies remained tight compared to the metro, the availability rate has increased by approximately 600 basis points since 20Q1. Local occupiers are clearly reconsidering their space needs, and the vacancy rate may inch higher in the near-term.

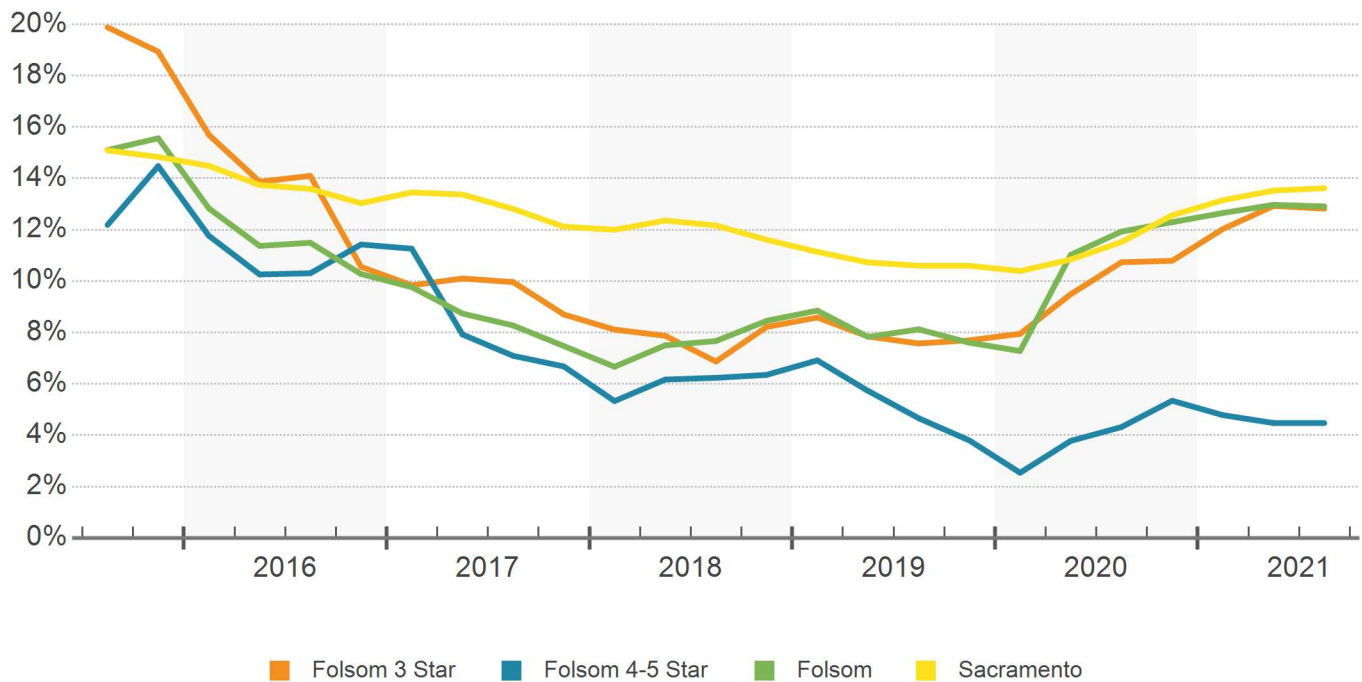
## NET ABSORPTION, NET DELIVERIES & VACANCY



## VACANCY RATE



## AVAILABILITY RATE



## 4 & 5 STAR MOST ACTIVE BUILDINGS IN SUBMARKET - PAST 12 MONTHS

Property Name/Address	Rating	RBA	Deals	Leased SF	12 Mo Vacancy	12 Mo Net Absorp SF
<b>Folsom Gateway Office</b> 2365 Iron Point Rd	★★★★★	150,351	2	9,470	10.9%	22,809
<b>Bldg C1</b> 600 Coolidge Dr	★★★★★	81,208	1	1,861	0.5%	8,577
<b>Broadstone Business Center</b> 80 Iron Point Cir	★★★★★	65,000	1	1,421	9.2%	(2,306)
<b>Bldg C2</b> 620 Coolidge Dr	★★★★★	77,748	2	3,823	14.5%	(2,582)
<b>Broadstone Business Center</b> 50 Iron Point Cir	★★★★★	48,567	2	5,502	18.8%	(6,332)
<b>Palladio At Broadstone</b> 340 Palladio Pky	★★★★★	80,000	1	1,656	7.4%	(10,390)

## 3 STAR MOST ACTIVE BUILDINGS IN SUBMARKET - PAST 12 MONTHS

Property Name/Address	Rating	RBA	Deals	Leased SF	12 Mo Vacancy	12 Mo Net Absorp SF
<b>400 Plaza Dr</b>	★ ★ ★ ★ ★	43,606	1	1,853	41.4%	31,065
<b>Bldg K</b> 1847 Iron Point Rd	★ ★ ★ ★ ★	7,890	2	5,464	41.0%	4,642
<b>161 Parkshore Dr</b>	★ ★ ★ ★ ★	4,130	1	4,130	40.0%	4,130
<b>Bldg L</b> 1849 Iron Point Rd	★ ★ ★ ★ ★	7,891	1	691	1.8%	2,076
<b>604 Sutter St</b>	★ ★ ★ ★ ★	28,500	1	1,114	0%	1,015
<b>503 Natoma St</b>	★ ★ ★ ★ ★	1,000	1	1,000	40.0%	1,000
<b>Bldg E</b> 1837 Iron Point Rd	★ ★ ★ ★ ★	5,208	1	923	7.1%	923
<b>Bldg 300</b> 13405 Folsom Blvd	★ ★ ★ ★ ★	4,000	1	200	0%	911
<b>1641 Creekside Drive</b> 1641 Creekside Dr	★ ★ ★ ★ ★	12,512	1	1,192	1.9%	106
<b>Creekside Professional Center</b> 1568 Creekside Dr	★ ★ ★ ★ ★	24,995	1	1,517	0%	0
<b>1900 Birkmont Dr</b>	★ ★ ★ ★ ★	24,000	1	24,000	0%	0
<b>Bldg A</b> 2515 E Bidwell St	★ ★ ★ ★ ★	5,200	1	5,200	0%	0
<b>1960 Birkmont Dr</b>	★ ★ ★ ★ ★	24,000	1	24,000	0%	0
<b>31 Natoma St</b>	★ ★ ★ ★ ★	8,148	2	1,815	18.2%	(69)
<b>2390 E Bidwell St</b>	★ ★ ★ ★ ★	8,141	1	1,111	8.2%	(1,111)
<b>300 Natoma St</b>	★ ★ ★ ★ ★	2,299	1	1,779	31.0%	(1,779)
<b>Lake Forest Tech Center</b> 80 Blue Ravine Rd	★ ★ ★ ★ ★	44,249	2	10,334	12.5%	(2,985)
<b>Business Central Folsom</b> 101 Parkshore Dr	★ ★ ★ ★ ★	56,214	1	1,315	11.9%	(3,195)
<b>College Business Center</b> 2600 E Bidwell St	★ ★ ★ ★ ★	40,000	2	2,935	10.8%	(7,491)
<b>2330 E Bidwell St</b>	★ ★ ★ ★ ★	40,000	6	13,143	22.1%	(9,757)

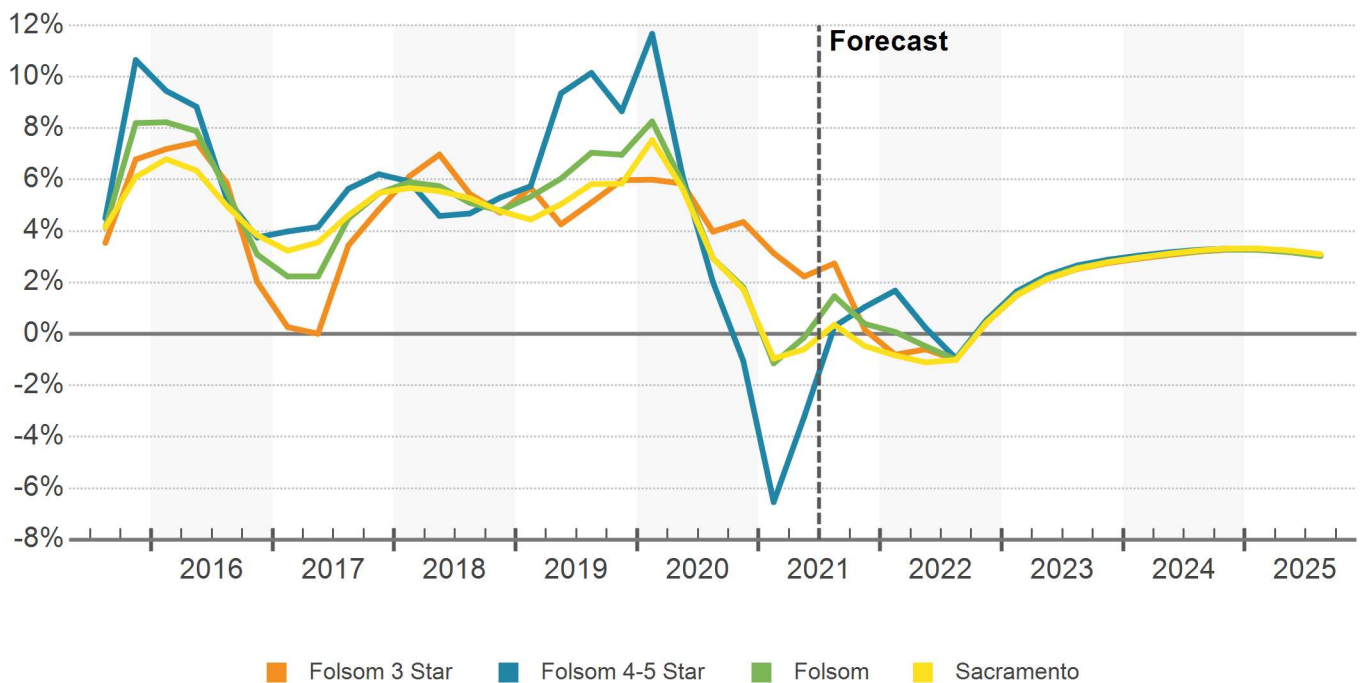
Folsom's lack of vacant space in recent years had given area landlords notable leverage, but as of 21Q2, rents, like in the wider metro, had declined over the past 12 months. In contrast, year-over-year rent growth averaged 4.2% over the prior five years. The largest declines were from the 4 & 5 Star slice, though vacancies in that category were below the submarket norm.

The average asking rent sits at \$28.26/SF, one of the

loftiest figures in Sacramento. This is largely due to the submarkets wealth of high-end space. Approximately 35% of inventory is 4 & 5 Star, and conversely, only about 15% of inventory is 1 & 2 Star. Rents outpaced the Sacramento norm as of late by approximately 5%.

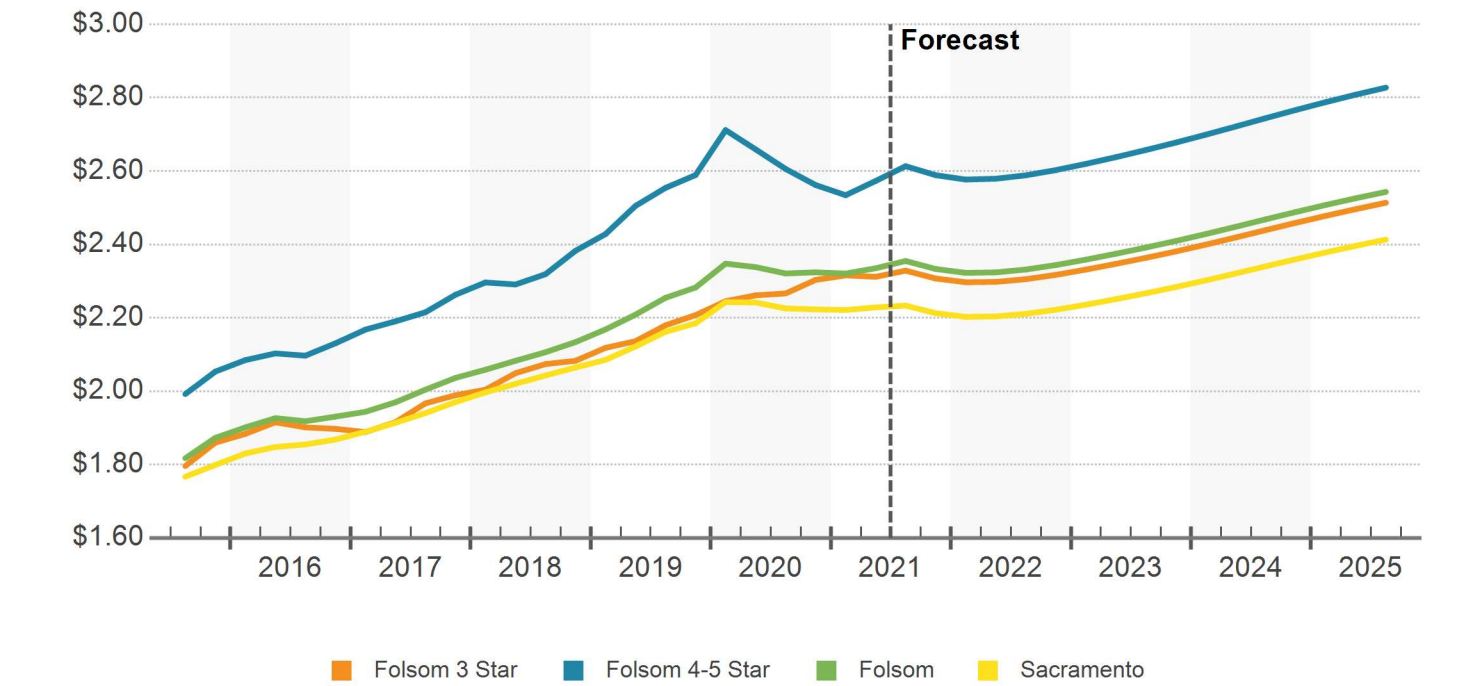
Compared to nearby submarkets, the average rent in Folsom exceeds those of Carmichael/Fair Oaks by roughly 45% and those of Citrus Heights/Orangevale by around 35%.

## MARKET RENT GROWTH (YOY)





MARKET RENT PER SQUARE FEET



No office projects were underway in Folsom as of 21Q2, but a large-scale build-to-suit could be on the horizon. Last March, Inductive Automation acquired more than six acres of land in Lake Forest Tech Center and plans to construct a 55,000-SF property on the site; the project could break ground this year.

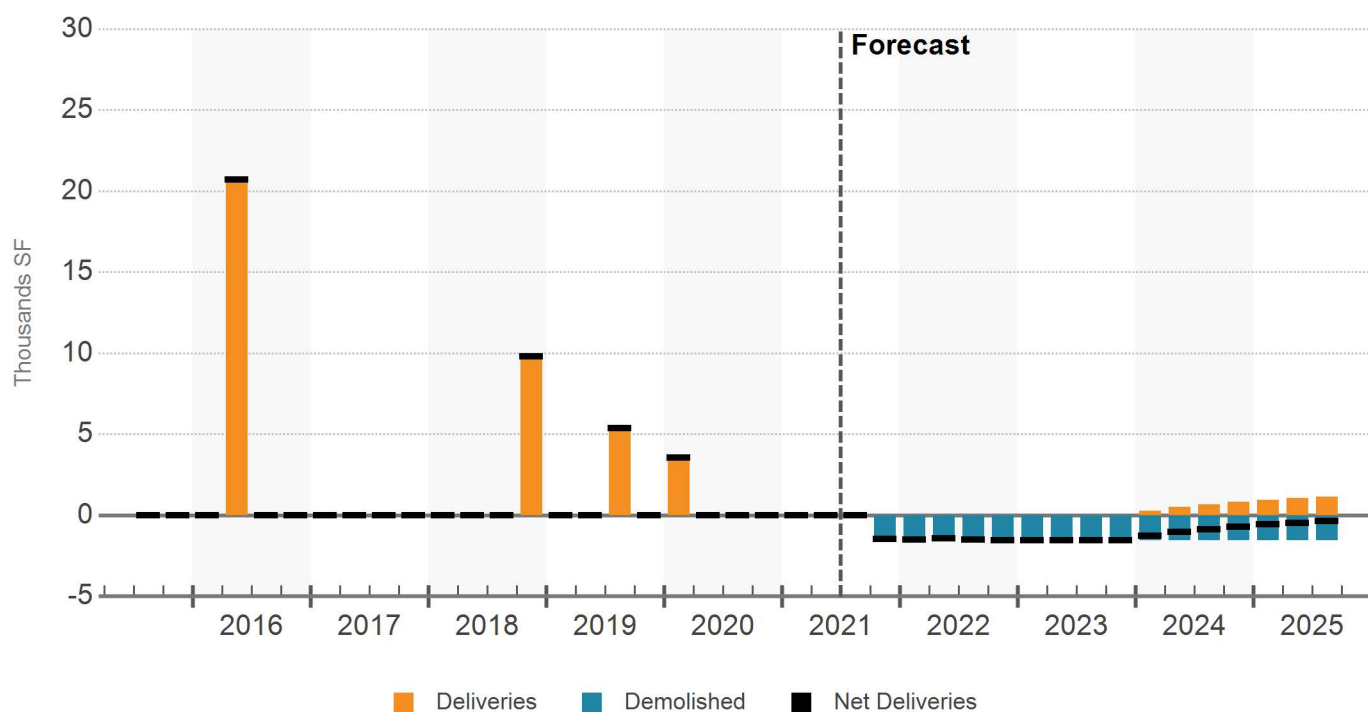
The most recent delivery here was 8135 Saratoga Way. Located in El Dorado Hills, the medical office building measures 3,600 SF and was fully leased at the time of its 20Q1 completion.

Folsom is one of Sacramento's largest office submarkets by square footage, and the area gained more new product this past cycle than most parts of the metro. Since 2010, supply has increased by approximately 10%, but that is largely due to one outsized property.

In 2010, 250 Outcropping Way, a 278,000-SF building, was completed for the California Independent System Operator. The asset is not only the largest to deliver in Folsom this past cycle, but the largest to deliver in metropolitan Sacramento. In contrast, most new submarket inventory in recent years centered on medical office buildings that measure less than 10,000 SF, such as 8135 Saratoga Way.

Given the submarkets lack of availabilities, the thin development pipeline may be surprising. However, little undeveloped land remains north of Highway 50, an area that makes up more than half of Folsom's land area. Vacant sites are plentiful south of Highway 50, but the City of Folsom's General Plan has earmarked this area for 11,000 new residential units, which will constrain office development. And with the nation in recession, inventory gains are expected to remain limited.

## DELIVERIES & DEMOLITIONS



All-Time Annual Avg. Square Feet

146,068

Delivered Square Feet Past 8 Qtrs

8,928

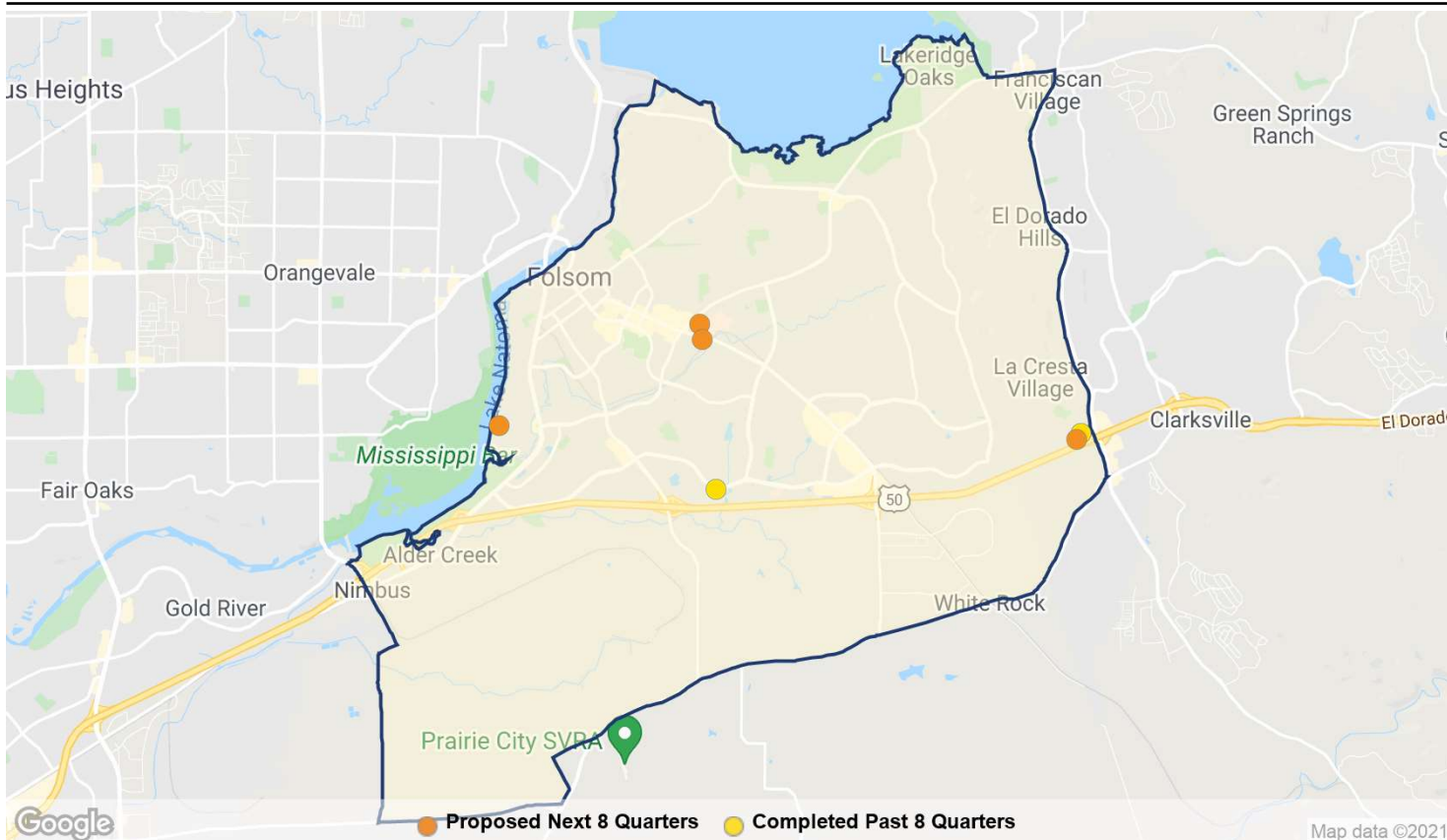
Delivered Square Feet Next 8 Qtrs

0

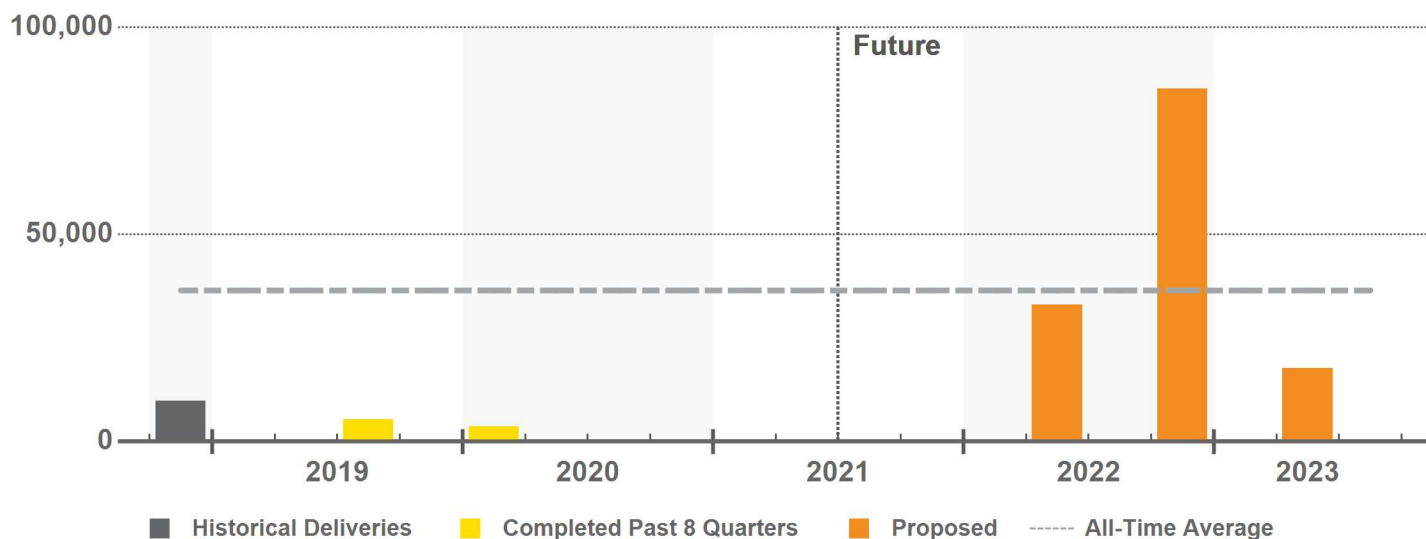
Proposed Square Feet Next 8 Qtrs

135,946

## PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



## PAST & FUTURE DELIVERIES IN SQUARE FEET



## RECENT DELIVERIES

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1	<a href="#">8135 Saratoga Way</a>	★ ★ ★ ★ ★	3,565	-	Jan 2018	Feb 2020	Parker Development Company -
2	<a href="#">Bldg A</a> 1851 Iron Point Rd	★ ★ ★ ★ ★	5,363	1	Jan 2018	Jul 2019	Silver Oak Ventures, LLC St Fozouni Of Moussavi Family Tru

## PROPOSED

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1	<a href="#">Woodmere Rd</a>	★ ★ ★ ★ ★	55,000	-	Dec 2021	Dec 2022	- Inductive Automation
2	<a href="#">8105 Saratoga Way</a>	★ ★ ★ ★ ★	33,000	2	Jul 2021	May 2022	- Kfg & Four Cs Llc
3	<a href="#">Building B</a> 1575 Creekside Dr	★ ★ ★ ★ ★	30,171	3	Dec 2021	Dec 2022	Crossroad Ventures Group William C. Cummings
4	<a href="#">1578 Creekside Rd</a>	★ ★ ★ ★ ★	17,775	-	Jun 2022	Jun 2023	- -

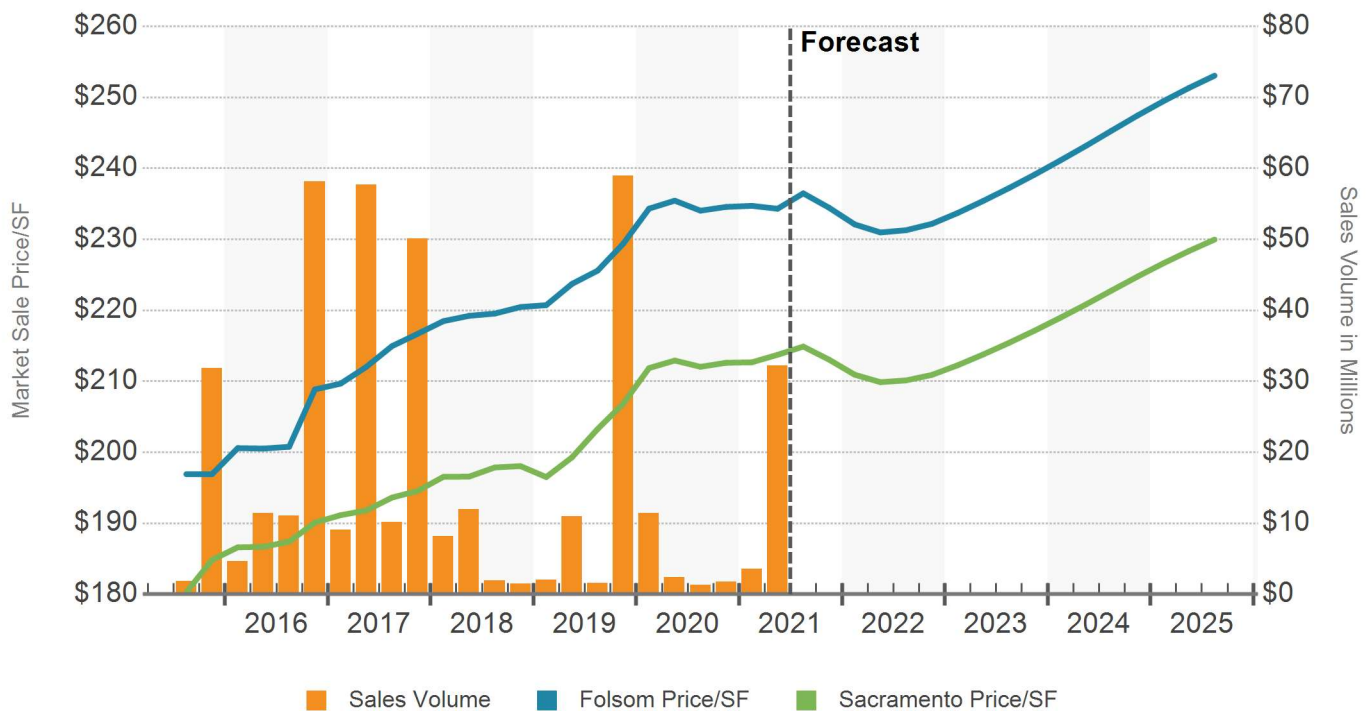
Activity in the local sales market has picked up. Only 10 properties changed hands last year, but in 2021, that number had been matched before the year's halfway point. Investment volume, however, was nowhere near on pace with the \$48.1 million annual historical average due to a lack of seven figure trades.

One of the largest, recent deals came before the onslaught of the virus, for 1561 Creekside Dr. Last March, an Oakland-based individual acquired the 30,000-SF medical office building for \$8.1 million (\$270/SF) at a reported cap rate of 6.8%. The property was 100% occupied at the time of sale by multiple tenants.

Folsom's average market price, which is based on the estimated price movement of all properties in the market, informed by actual transactions, is \$240/SF, compared to the metro average of \$220/SF. The average market cap rate is 7.2%.

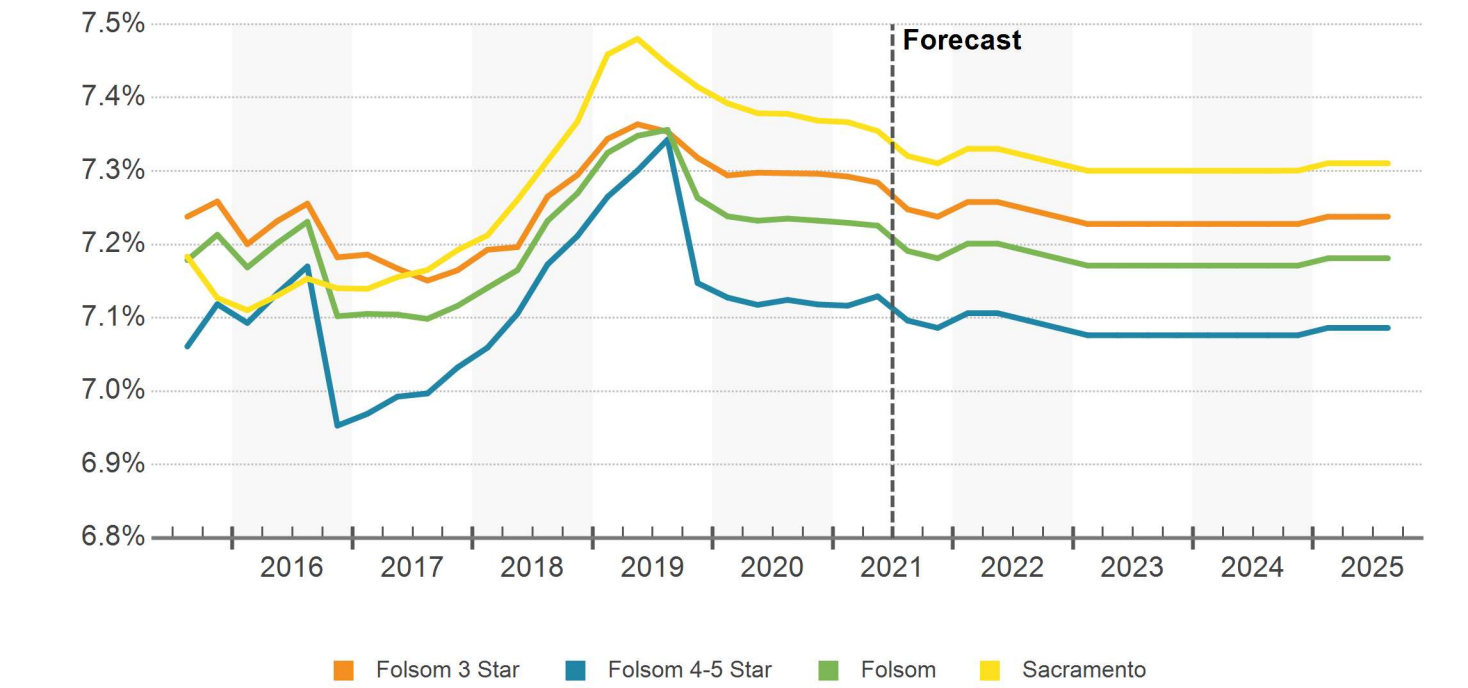
Because of Folsom's wealth of high-end assets, more than 40% of invested capital this past cycle originated from institutional concerns. Some of the most active buyers included Reno-based Basin Street Properties, San Francisco-located Swift Real Estate Partners, and Ridge Park Enterprises.

## SALES VOLUME & MARKET SALE PRICE PER SF





MARKET CAP RATE



# Sales Past 12 Months

Folsom Office

Sale Comparables

29

Avg. Cap Rate

6.1%

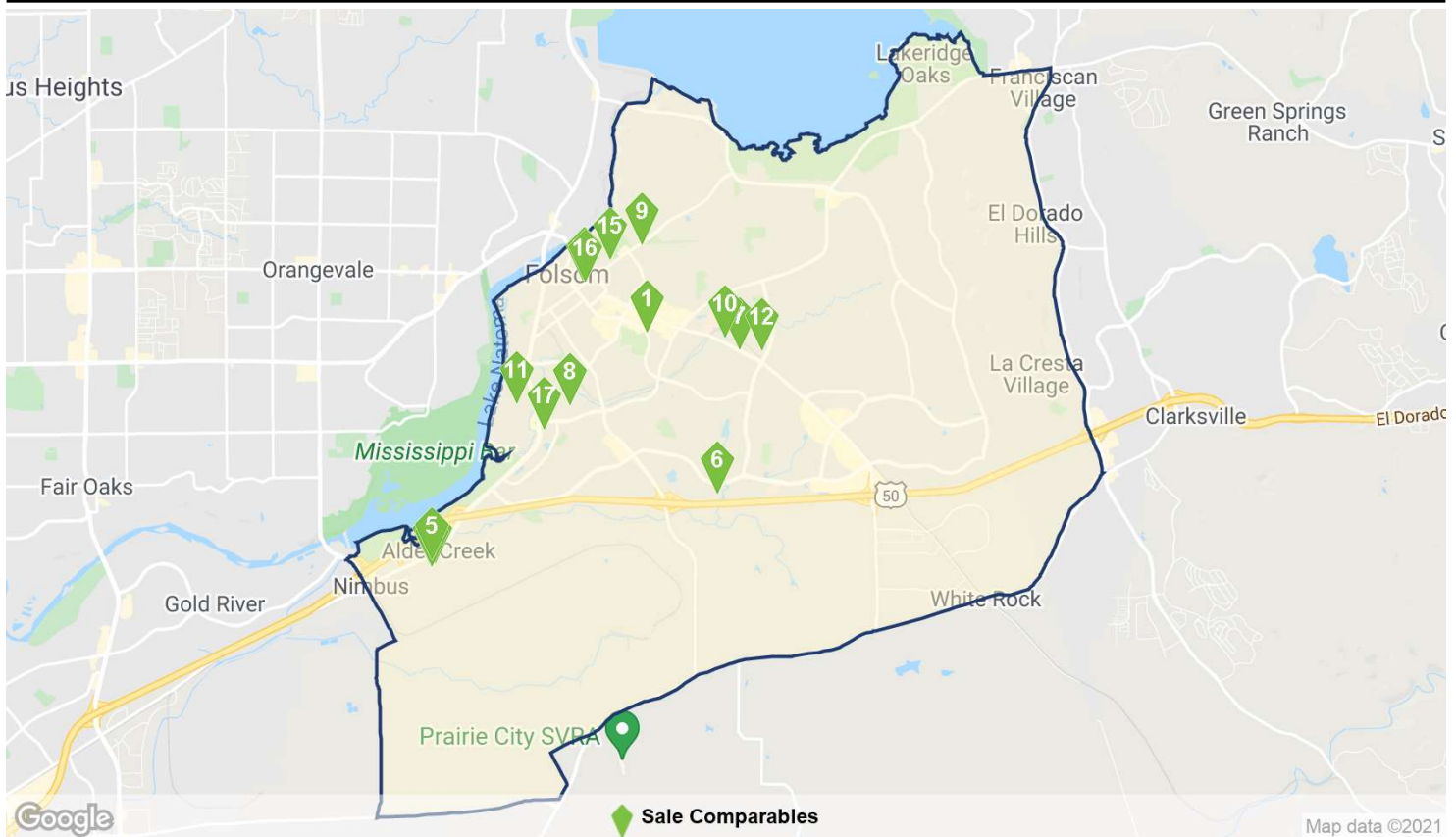
Avg. Price/SF

\$209

Avg. Vacancy At Sale

26.9%

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$520,500	\$2,521,239	\$1,200,750	\$7,100,000
Price/SF	\$96	\$209	\$218	\$521
Cap Rate	5.1%	6.1%	6.5%	6.7%
Time Since Sale in Months	0.3	3.6	3.4	9.7
Property Attributes	Low	Average	Median	High
Building SF	1,000	12,003	5,649	40,528
Stories	1	1	1	2
Typical Floor SF	1,000	10,555	5,649	24,000
Vacancy Rate At Sale	0%	26.9%	0%	100%
Year Built	1935	1980	1984	2014
Star Rating	★★★★★	★★★★★ 2.6	★★★★★	★★★★★

# Sales Past 12 Months

Folsom Office

## RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 Riley Professional Center 785 Orchard Dr	★★★★★	2000	40,528	9.5%	6/30/2021	\$7,100,000	\$175	6.7%
2 1900 Birkmont Dr	★★★★★	1984	24,000	0%	5/24/2021	\$4,922,005	\$205	-
3 1940 Birkmont Dr	★★★★★	1984	24,000	0%	5/24/2021	\$4,922,005	\$205	-
4 1960 Birkmont Dr	★★★★★	1984	24,000	0%	5/24/2021	\$4,922,005	\$205	-
5 1920 Birkmont Dr	★★★★★	1984	24,000	0%	5/24/2021	\$4,233,984	\$176	-
6 Bldg K 1847 Iron Point Rd	★★★★★	2014	7,890	0%	5/27/2021	\$2,485,350	\$315	5.1%
7 Pacific Gold Financial 2340 E Bidwell St	★★★★★	2001	4,174	100%	6/3/2021	\$1,419,000	\$340	-
8 400 Plaza Dr	★★★★★	1999	5,776	10.8%	6/4/2021	\$1,010,800	\$175	-
9 101 Natoma Street (E) 101 E Natoma St	★★★★★	1984	7,123	0%	2/15/2021	\$982,500	\$138	-
10 2200 E Bidwell St	★★★★★	2005	3,459	0%	12/9/2020	\$950,000	\$275	-
11 157 Parkshore Dr	★★★★★	2007	2,990	0%	3/26/2021	\$835,000	\$279	-
12 Bldg 2 750 Oak Avenue Pky	★★★★★	2006	1,932	0%	3/17/2021	\$720,000	\$373	-
13 508 Natoma St	★★★★★	1958	1,800	0%	3/11/2021	\$715,000	\$397	-
14 502 Natoma St	★★★★★	1940	1,647	100%	9/30/2020	\$650,000	\$395	-
15 102 Natoma St	★★★★★	1935	1,424	0%	4/14/2021	\$640,000	\$449	-
8 400 Plaza Dr	★★★★★	1999	2,795	82.1%	9/15/2020	\$632,000	\$226	-
16 503 Natoma St	★★★★★	1935	1,000	100%	12/17/2020	\$520,500	\$521	-
8 400 Plaza Dr	★★★★★	1999	2,380	10.8%	6/30/2021	\$499,800	\$210	6.5%
8 400 Plaza Dr	★★★★★	1999	2,000	54.8%	2/22/2021	\$324,500	\$162	-
17 Folsom Professional Ce... 193 Blue Ravine Rd	★★★★★	2005	2,448	5.4%	12/29/2020	\$235,000	\$96	-

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	5,670,754	(1,738)	0%	1,349	0%	-
2024	5,672,492	(3,863)	-0.1%	12,696	0.2%	-
2023	5,676,355	(6,147)	-0.1%	6,157	0.1%	-
2022	5,682,502	(5,978)	-0.1%	(28,069)	-0.5%	-
2021	5,688,480	(1,463)	0%	31,070	0.5%	-
YTD	5,689,943	0	0%	32,522	0.6%	0
2020	5,689,943	3,565	0.1%	(80,369)	-1.4%	-
2019	5,686,378	5,363	0.1%	97,029	1.7%	0.1
2018	5,681,015	9,816	0.2%	61,129	1.1%	0.2
2017	5,671,199	0	0%	78,043	1.4%	0
2016	5,671,199	20,704	0.4%	311,540	5.5%	0.1
2015	5,650,495	7,891	0.1%	(54,862)	-1.0%	-
2014	5,642,604	23,527	0.4%	10,149	0.2%	2.3
2013	5,619,077	5,636	0.1%	44,360	0.8%	0.1
2012	5,613,441	80,393	1.5%	146,457	2.6%	0.5
2011	5,533,048	5,208	0.1%	23,857	0.4%	0.2
2010	5,527,840	363,636	7.0%	300,867	5.4%	1.2
2009	5,164,204	128,586	2.6%	164,028	3.2%	0.8

## 4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	2,089,759	4,414	0.2%	5,450	0.3%	0.8
2024	2,085,345	2,285	0.1%	7,412	0.4%	0.3
2023	2,083,060	2	0%	5,735	0.3%	0
2022	2,083,058	0	0%	(5,606)	-0.3%	-
2021	2,083,058	0	0%	18,787	0.9%	0
YTD	2,083,058	0	0%	21,880	1.1%	0
2020	2,083,058	0	0%	(6,115)	-0.3%	-
2019	2,083,058	0	0%	46,129	2.2%	0
2018	2,083,058	0	0%	(12,903)	-0.6%	-
2017	2,083,058	0	0%	102,482	4.9%	0
2016	2,083,058	0	0%	42,650	2.0%	0
2015	2,083,058	0	0%	(97,891)	-4.7%	-
2014	2,083,058	0	0%	105,288	5.1%	0
2013	2,083,058	0	0%	(4,101)	-0.2%	-
2012	2,083,058	0	0%	28,491	1.4%	0
2011	2,083,058	0	0%	(34,987)	-1.7%	-
2010	2,083,058	80,000	4.0%	69,330	3.3%	1.2
2009	2,003,058	100,086	5.3%	80,091	4.0%	1.2

# Supply & Demand Trends

Folsom Office

## 3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	2,882,753	0	0%	1,918	0.1%	0
2024	2,882,753	0	0%	10,722	0.4%	0
2023	2,882,753	0	0%	4,848	0.2%	0
2022	2,882,753	0	0%	(14,667)	-0.5%	-
2021	2,882,753	0	0%	18,181	0.6%	0
YTD	2,882,753	0	0%	14,415	0.5%	0
2020	2,882,753	3,565	0.1%	(75,092)	-2.6%	-
2019	2,879,188	5,363	0.2%	39,116	1.4%	0.1
2018	2,873,825	9,816	0.3%	67,657	2.4%	0.1
2017	2,864,009	0	0%	(19,239)	-0.7%	-
2016	2,864,009	20,704	0.7%	268,323	9.4%	0.1
2015	2,843,305	7,891	0.3%	34,862	1.2%	0.2
2014	2,835,414	23,527	0.8%	(90,576)	-3.2%	-
2013	2,811,887	5,636	0.2%	37,120	1.3%	0.2
2012	2,806,251	80,393	2.9%	113,164	4.0%	0.7
2011	2,725,858	5,208	0.2%	13,420	0.5%	0.4
2010	2,720,650	283,636	11.6%	223,035	8.2%	1.3
2009	2,437,014	28,500	1.2%	77,877	3.2%	0.4

## 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	698,242	(6,152)	-0.9%	(6,019)	-0.9%	-
2024	704,394	(6,148)	-0.9%	(5,438)	-0.8%	-
2023	710,542	(6,149)	-0.9%	(4,426)	-0.6%	-
2022	716,691	(5,978)	-0.8%	(7,796)	-1.1%	-
2021	722,669	(1,463)	-0.2%	(5,898)	-0.8%	-
YTD	724,132	0	0%	(3,773)	-0.5%	-
2020	724,132	0	0%	838	0.1%	0
2019	724,132	0	0%	11,784	1.6%	0
2018	724,132	0	0%	6,375	0.9%	0
2017	724,132	0	0%	(5,200)	-0.7%	-
2016	724,132	0	0%	567	0.1%	0
2015	724,132	0	0%	8,167	1.1%	0
2014	724,132	0	0%	(4,563)	-0.6%	-
2013	724,132	0	0%	11,341	1.6%	0
2012	724,132	0	0%	4,802	0.7%	0
2011	724,132	0	0%	45,424	6.3%	0
2010	724,132	0	0%	8,502	1.2%	0
2009	724,132	0	0%	6,060	0.8%	0



## OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$2.56	120	2.9%	10.1%	285,827	5.0%	-0.1%
2024	\$2.49	117	3.3%	7.1%	288,804	5.1%	-0.3%
2023	\$2.41	113	2.8%	3.7%	305,253	5.4%	-0.2%
2022	\$2.34	110	0.5%	0.9%	317,446	5.6%	0.4%
2021	\$2.33	109	0.4%	0.4%	295,215	5.2%	-0.6%
YTD	\$2.35	110	1.3%	1.3%	295,216	5.2%	-0.6%
2020	\$2.32	109	1.8%	0%	327,738	5.8%	1.5%
2019	\$2.28	107	7.0%	-1.8%	243,804	4.3%	-1.6%
2018	\$2.13	100	4.8%	-8.2%	335,470	5.9%	-0.9%
2017	\$2.04	95	5.5%	-12.4%	386,783	6.8%	-1.4%
2016	\$1.93	91	3.1%	-16.9%	464,826	8.2%	-5.2%
2015	\$1.87	88	8.2%	-19.4%	755,662	13.4%	1.1%
2014	\$1.73	81	0.3%	-25.5%	692,909	12.3%	0.2%
2013	\$1.73	81	1.9%	-25.7%	679,531	12.1%	-0.7%
2012	\$1.69	79	-1.9%	-27.1%	718,255	12.8%	-1.4%
2011	\$1.73	81	-5.2%	-25.7%	784,319	14.2%	-0.4%
2010	\$1.82	85	-6.5%	-21.6%	802,968	14.5%	0.2%
2009	\$1.95	91	-8.7%	-16.2%	740,199	14.3%	-1.1%

## 4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$2.85	125	2.9%	9.9%	59,518	2.8%	-0.1%
2024	\$2.77	121	3.3%	6.9%	60,593	2.9%	-0.3%
2023	\$2.68	117	2.9%	3.4%	65,759	3.2%	-0.3%
2022	\$2.60	114	0.5%	0.5%	71,492	3.4%	0.3%
2021	\$2.59	113	1.0%	0%	65,886	3.2%	-0.9%
YTD	\$2.60	114	1.6%	0.6%	62,792	3.0%	-1.1%
2020	\$2.56	112	-1.0%	-1.0%	84,672	4.1%	0.3%
2019	\$2.59	113	8.7%	0%	78,557	3.8%	-2.2%
2018	\$2.38	104	5.3%	-8.0%	124,686	6.0%	0.6%
2017	\$2.26	99	6.2%	-12.6%	111,783	5.4%	-4.9%
2016	\$2.13	93	3.8%	-17.7%	214,265	10.3%	-2.0%
2015	\$2.05	90	10.7%	-20.7%	256,915	12.3%	4.7%
2014	\$1.86	81	-2.4%	-28.3%	159,024	7.6%	-5.1%
2013	\$1.90	83	3.3%	-26.5%	264,312	12.7%	0.2%
2012	\$1.84	81	-1.6%	-28.9%	260,211	12.5%	-1.4%
2011	\$1.87	82	-4.3%	-27.7%	288,702	13.9%	1.7%
2010	\$1.96	86	-5.7%	-24.5%	253,715	12.2%	0%
2009	\$2.07	91	-9.3%	-20.0%	243,045	12.1%	0.4%

## 3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$2.53	117	2.9%	9.8%	211,640	7.3%	-0.1%
2024	\$2.46	114	3.3%	6.8%	213,558	7.4%	-0.4%
2023	\$2.38	110	2.8%	3.4%	224,280	7.8%	-0.2%
2022	\$2.32	107	0.4%	0.6%	229,128	7.9%	0.5%
2021	\$2.31	107	0.2%	0.2%	214,461	7.4%	-0.6%
YTD	\$2.33	108	1.2%	1.2%	218,228	7.6%	-0.5%
2020	\$2.30	107	4.4%	0%	232,643	8.1%	2.7%
2019	\$2.21	102	6.0%	-4.2%	153,986	5.3%	-1.2%
2018	\$2.08	96	4.7%	-9.6%	187,739	6.5%	-2.0%
2017	\$1.99	92	4.8%	-13.6%	245,580	8.6%	0.7%
2016	\$1.90	88	2.0%	-17.6%	226,341	7.9%	-8.8%
2015	\$1.86	86	6.8%	-19.3%	473,960	16.7%	-1.0%
2014	\$1.74	81	1.9%	-24.4%	500,931	17.7%	3.9%
2013	\$1.71	79	1.6%	-25.8%	386,828	13.8%	-1.1%
2012	\$1.68	78	-2.6%	-26.9%	418,312	14.9%	-1.6%
2011	\$1.73	80	-6.6%	-25.0%	451,083	16.5%	-0.3%
2010	\$1.85	85	-6.9%	-19.8%	459,295	16.9%	0.5%
2009	\$1.99	92	-8.1%	-13.8%	398,694	16.4%	-2.2%

## 1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	\$1.85	117	2.7%	7.7%	14,669	2.1%	0%
2024	\$1.81	114	3.1%	4.9%	14,653	2.1%	-0.1%
2023	\$1.75	111	2.6%	1.7%	15,214	2.1%	-0.2%
2022	\$1.71	108	0.3%	-0.9%	16,826	2.3%	0.3%
2021	\$1.70	107	-1.2%	-1.2%	14,868	2.1%	0.6%
YTD	\$1.74	110	0.9%	0.9%	14,196	2.0%	0.5%
2020	\$1.72	109	1.3%	0%	10,423	1.4%	-0.1%
2019	\$1.70	107	4.9%	-1.2%	11,261	1.6%	-1.6%
2018	\$1.62	102	3.1%	-5.8%	23,045	3.2%	-0.9%
2017	\$1.57	99	5.6%	-8.7%	29,420	4.1%	0.7%
2016	\$1.49	94	5.9%	-13.5%	24,220	3.3%	-0.1%
2015	\$1.41	89	5.7%	-18.4%	24,787	3.4%	-1.1%
2014	\$1.33	84	3.0%	-22.8%	32,954	4.6%	0.6%
2013	\$1.29	82	-1.6%	-25.0%	28,391	3.9%	-1.6%
2012	\$1.31	83	0.7%	-23.8%	39,732	5.5%	-0.7%
2011	\$1.30	82	-2.1%	-24.4%	44,534	6.1%	-6.3%
2010	\$1.33	84	-7.2%	-22.7%	89,958	12.4%	-1.2%
2009	\$1.43	91	-9.5%	-16.7%	98,460	13.6%	-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
2025	-	-	-	-	-	-	\$254.64	135	7.2%
2024	-	-	-	-	-	-	\$247.43	131	7.2%
2023	-	-	-	-	-	-	\$239.12	127	7.2%
2022	-	-	-	-	-	-	\$232.18	123	7.2%
2021	-	-	-	-	-	-	\$234.46	124	7.2%
YTD	23	\$35.7M	3.4%	\$3,016,077	\$205.34	6.1%	\$236	125	7.2%
2020	10	\$16.8M	1.2%	\$2,584,415	\$259.09	5.9%	\$234.57	124	7.2%
2019	17	\$73.4M	6.4%	\$9,682,071	\$209.08	5.7%	\$229.40	121	7.3%
2018	18	\$23.5M	2.1%	\$2,150,650	\$210.52	7.0%	\$220.47	117	7.3%
2017	27	\$126.9M	11.9%	\$4,865,975	\$188.50	6.3%	\$216.69	115	7.1%
2016	18	\$85.2M	6.3%	\$4,970,022	\$238.59	5.9%	\$208.86	111	7.1%
2015	11	\$39.4M	5.3%	\$4,377,167	\$150.52	7.4%	\$196.92	104	7.2%
2014	12	\$25.6M	3.3%	\$2,617,667	\$136.19	7.4%	\$189.23	100	7.2%
2013	26	\$63M	7.4%	\$2,849,996	\$173.61	7.0%	\$183.61	97	7.3%
2012	11	\$8.3M	2.9%	\$1,304,417	\$119.35	-	\$177.06	94	7.5%
2011	14	\$59.6M	6.6%	\$4,875,590	\$162.01	8.3%	\$183.67	97	7.4%
2010	7	\$42M	2.8%	\$10,327,000	\$274.65	7.7%	\$174.22	92	7.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 4 & 5 STAR 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
2025	-	-	-	-	-	-	\$267.95	127	7.1%
2024	-	-	-	-	-	-	\$260.35	124	7.1%
2023	-	-	-	-	-	-	\$251.49	119	7.1%
2022	-	-	-	-	-	-	\$243.95	116	7.1%
2021	-	-	-	-	-	-	\$246.14	117	7.1%
YTD	-	-	-	-	-	-	\$246.82	117	7.1%
2020	-	-	-	-	-	-	\$245.45	116	7.1%
2019	2	\$55.6M	12.4%	\$27,800,000	\$215.36	6.3%	\$240.57	114	7.1%
2018	1	\$7.8M	2.3%	\$7,770,000	\$159.99	-	\$235.53	112	7.2%
2017	4	\$55.3M	16.3%	\$13,825,575	\$162.99	-	\$232.84	110	7.0%
2016	1	\$51.5M	5.8%	\$51,500,000	\$424.29	5.8%	\$228.79	109	7.0%
2015	1	\$28.1M	7.2%	\$28,100,000	\$186.90	7.8%	\$216.71	103	7.1%
2014	-	-	-	-	-	-	\$211.17	100	7.1%
2013	1	\$19.3M	4.8%	\$19,335,000	\$193.18	-	\$205.64	98	7.2%
2012	-	-	-	-	-	-	\$199.16	94	7.3%
2011	3	\$37.2M	10.4%	\$12,390,363	\$171.84	-	\$207.03	98	7.2%
2010	-	-	-	-	-	-	\$194.59	92	7.6%

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## 3 STAR 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
2025	-	-	-	-	-	-	\$252.06	138	7.2%
2024	-	-	-	-	-	-	\$244.84	134	7.2%
2023	-	-	-	-	-	-	\$236.60	130	7.2%
2022	-	-	-	-	-	-	\$229.81	126	7.2%
2021	-	-	-	-	-	-	\$232.13	127	7.2%
YTD	19	\$28.4M	5.3%	\$3,689,481	\$207.29	6.1%	\$233.72	128	7.3%
2020	9	\$16.1M	2.4%	\$2,971,298	\$255.56	5.9%	\$232.60	128	7.3%
2019	13	\$14.8M	3.0%	\$3,054,833	\$196.56	-	\$227.78	125	7.3%
2018	13	\$15.1M	2.1%	\$1,643,000	\$253.01	7.2%	\$215.93	118	7.3%
2017	19	\$65.2M	11.0%	\$3,602,670	\$206.75	6.4%	\$211.14	116	7.2%
2016	13	\$31.7M	7.5%	\$2,577,615	\$147.97	5.9%	\$201.75	111	7.2%
2015	6	\$9.2M	3.9%	\$1,840,900	\$95.01	7.0%	\$189.92	104	7.3%
2014	9	\$21.2M	6.0%	\$3,205,000	\$124.72	7.6%	\$182.86	100	7.2%
2013	19	\$34.7M	9.5%	\$2,148,744	\$158.18	7.0%	\$177.21	97	7.4%
2012	9	\$7.9M	5.0%	\$1,480,300	\$117.46	-	\$169.72	93	7.6%
2011	11	\$22.4M	5.6%	\$2,370,666	\$147.97	8.3%	\$175.68	96	7.5%
2010	7	\$42M	5.7%	\$10,327,000	\$274.65	7.7%	\$168.08	92	7.8%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 1 & 2 STAR 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
2025	-	-	-	-	-	-	\$226.64	149	7.2%
2024	-	-	-	-	-	-	\$220.60	145	7.2%
2023	-	-	-	-	-	-	\$213.55	140	7.2%
2022	-	-	-	-	-	-	\$207.73	136	7.2%
2021	-	-	-	-	-	-	\$210.13	138	7.2%
YTD	4	\$7.4M	5.1%	\$1,837,621	\$198.14	-	\$214	140	7.3%
2020	1	\$650K	0.2%	\$650,000	\$394.66	-	\$211.10	139	7.3%
2019	2	\$3M	2.4%	\$1,505,000	\$170.69	4.7%	\$203.74	134	7.4%
2018	4	\$592.5K	1.2%	\$592,500	\$185.16	6.5%	\$195.20	128	7.3%
2017	4	\$6.4M	2.5%	\$1,591,250	\$346.24	6.0%	\$192.33	126	7.2%
2016	4	\$2.1M	3.0%	\$514,750	\$94.27	6.4%	\$179.84	118	7.2%
2015	4	\$2.1M	5.3%	\$696,667	\$144.12	-	\$167.87	110	7.3%
2014	3	\$4.3M	2.4%	\$1,443,000	\$248.09	7.0%	\$151.48	99	7.5%
2013	6	\$9M	6.5%	\$1,797,000	\$206.40	-	\$145.68	96	7.7%
2012	2	\$425K	3.7%	\$425,000	\$170	-	\$142.70	94	7.8%
2011	-	-	-	-	-	-	\$148.26	97	7.7%
2010	-	-	-	-	-	-	\$140.08	92	8.1%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.