

# CoStar Industrial Statistics

Third Quarter 2018

## Fresno Industrial Market



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## **IMPORTANT FEATURE ANNOUNCEMENT**

### **New Market Reports Now Available**

#### **Market Reports have received a major upgrade.**

The new reports are dynamic: You can now run a report anytime.  
They also incorporate many more markets and submarkets,  
and include five-year forecasts for several KPIs.

These new reports can be found at the Markets & Submarkets  
link on CoStar.com under the Analytics menu.

**The final publication of this legacy report will be Year-End 2018.**



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## Methodology

The CoStar Industrial Statistics calculates Industrial statistics using CoStar Group's base of existing, under construction and under renovation Industrial buildings in each given metropolitan area. All Industrial building types are included, including warehouse, flex / research & development, distribution, manufacturing, industrial showroom, and service buildings, in both single-tenant and multi-tenant buildings, including owner-occupied buildings. CoStar Group's global database includes approximately 119 billion square feet of coverage in 5.4 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property.

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## Terms & Definitions

**Availability Rate:** The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

**Available Space:** The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

**Build-to-Suit:** A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

**Buyer:** The individual, group, company, or entity that has purchased a commercial real estate asset.

**Cap Rate:** Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

**CBD:** Abbreviation for Central Business District. (See also: Central Business District)

**Central Business District:** The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

**Class A:** A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

**Class B:** A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

**Class C:** A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

**Construction Starts:** Buildings that began construction during a specific period of time. (See also: Deliveries)

**Contiguous Blocks of Space:** Space within a building that is, or is able to be joined together into a single contiguous space.

**Deliveries:** Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certi-

cate of occupancy must have been issued for the property.

**Delivery Date:** The date a building completes construction and receives a certificate of occupancy.

**Developer:** The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

**Direct Space:** Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

**Existing Inventory:** The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

**Flex Building:** A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

**Full Service Rental Rate:** Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

**Gross Absorption:** The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

**Growth in Inventory:** The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

**Industrial Building:** A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

**Landlord Rep:** (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

**Leased Space:** All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

**Leasing Activity:** The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

**Market:** Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

**Multi-Tenant:** Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different

tenant needs. (See also: Tenancy).

**Net Absorption:** The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

**Net Rental Rate:** A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

**New Space:** Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

**Occupied Space:** Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

**Office Building:** A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

**Owner:** The company, entity, or individual that holds title on a given building or property.

**Planned/Proposed:** The status of a building that has been announced for future development but not yet started construction.

**Preleased Space:** The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

**Price/SF:** Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

**Property Manager:** The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

**Quoted Rental Rate:** The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

**RBA:** Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

**Region:** Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

**Relet Space:** Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

**Rentable Building Area:** (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

**Rental Rates:** The annual costs of occupancy for a particular space quoted on a per square foot basis.

**Sales Price:** The total dollar amount paid for a particular property at a particular point in time.

**Sales Volume:** The sum of sales prices for a given group of buildings in a given time period.

**Seller:** The individual, group, company, or entity that sells a particular commercial real estate asset.

**SF:** Abbreviation for Square Feet.

**Single-Tenant:** Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

**Sublease Space:** Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

**Submarkets:** Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

**Suburban:** The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

**Tenancy:** A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

**Tenant Rep:** Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

**Time On Market:** A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

**Under Construction:** Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

**Vacancy Rate:** A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

**Vacant Space:** Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

**Weighted Average Rental Rate:** Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

**Year Built:** The year in which a building completed construction and was issued a certificate of occupancy.

**YTD:** Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

## Fresno's Vacancy Stays at 3.9%

### Net Absorption Negative (29,789) SF in the Quarter

The Fresno Industrial market ended the third quarter 2018 with a vacancy rate of 3.9%. The vacancy rate was unchanged over the previous quarter, with net absorption totaling negative (29,789) square feet in the third quarter. Vacant sublease space decreased in the quarter, ending the quarter at 0 square feet. Rental rates ended the third quarter at \$5.70, an increase over the previous quarter. A total of one building delivered to the market in the quarter totaling 4,907 square feet, with 818,278 square feet still under construction at the end of the quarter.

#### Absorption

Net absorption for the overall Fresno Industrial market was negative (29,789) square feet in the third quarter 2018. That compares to positive 763,136 square feet in the second quarter 2018, positive 931,259 square feet in the first quarter 2018, and positive 83,152 square feet in the fourth quarter 2017.

Tenants moving into large blocks of space in 2018 include: Faraday Future moving into 1,000,000 square feet at Cal-Central Business Park and ULTA moving into 670,782 square feet at 850 E Central Ave.

The Flex building market recorded net absorption of negative (16,788) square feet in the third quarter 2018, compared to negative (12,926) square feet in the second quarter 2018, positive 43,820 in the first quarter 2018, and positive 18,792 in the fourth quarter 2017.

The Warehouse building market recorded net absorption of negative (13,001) square feet in the third quarter 2018 compared to positive 776,062 square feet in the second quarter

2018, positive 887,439 in the first quarter 2018, and positive 64,360 in the fourth quarter 2017.

#### Vacancy

The Industrial vacancy rate in the Fresno market area remained at 3.9% at the end of the third quarter 2018. The vacancy rate was 3.9% at the end of the second quarter 2018, 3.8% at the end of the first quarter 2018, and 3.8% at the end of the fourth quarter 2017.

Flex projects reported a vacancy rate of 5.3% at the end of the third quarter 2018, 4.4% at the end of the second quarter 2018, 3.8% at the end of the first quarter 2018, and 5.9% at the end of the fourth quarter 2017.

Warehouse projects reported a vacancy rate of 3.9% at the end of the third quarter 2018, 3.9% at the end of second quarter 2018, 3.8% at the end of the first quarter 2018, and 3.8% at the end of the fourth quarter 2017.

#### Largest Lease Signings

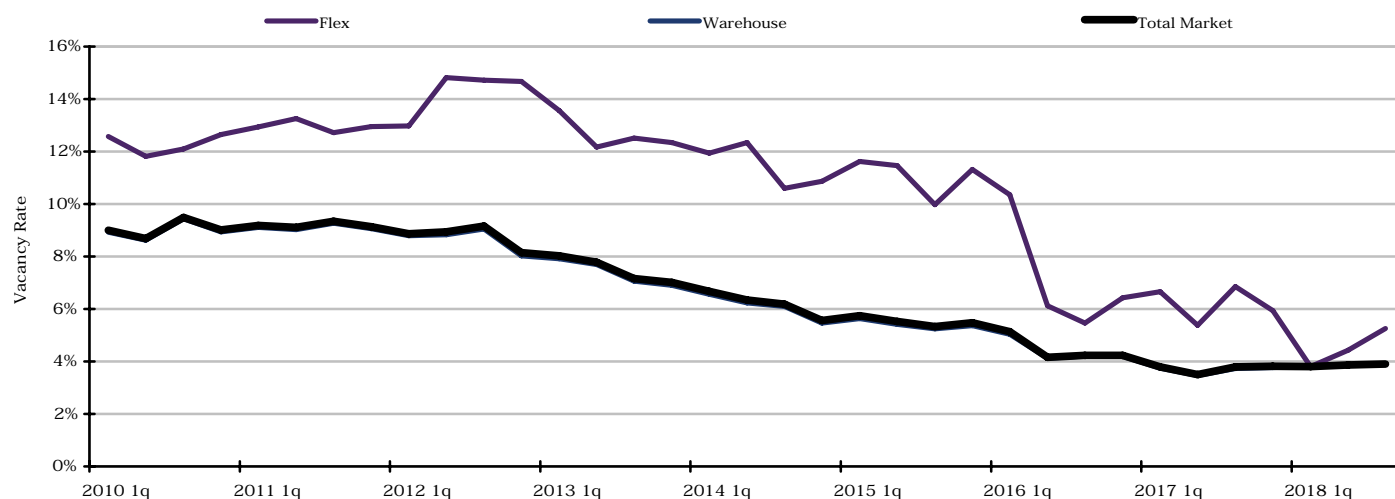
The largest lease signings occurring in 2018 included: the 113,600-square-foot lease signed by Duncan Ceramics at 480 E North Ave in the Fresno County market; the 33,600-square-foot deal signed by Bermad Inc. at 3816 s Willow Ave in the Fresno County market; and the 18,000-square-foot lease signed by Eura Hardwood at 4734 E Jensen Ave in the Fresno County market.

#### Sublease Vacancy

The amount of vacant sublease space in the Fresno market decreased to 0 square feet by the end of the third quarter 2018, from 6,000 square feet at the end of the second quarter

## Vacancy Rates by Building Type

2007-2018



Source: CoStar Property®

2018. There was 6,000 square feet vacant at the end of the first quarter 2018 and 7,616 square feet at the end of the fourth quarter 2017.

Fresno's Flex projects reported vacant sublease space of 0 square feet at the end of first, second and third quarter 2018. There was 1,616 square feet at the end of the fourth quarter 2017.

Warehouse projects reported decreased vacant sublease space from the second quarter 2018 to the third quarter 2018. Sublease vacancy went from 6,000 square feet to 0 square feet during that time. There was 6,000 square feet at the end of the first quarter 2018, and 6,000 square feet at the end of the fourth quarter 2017.

## Rental Rates

The average quoted asking rental rate for available Industrial space was \$5.70 per square foot per year at the end of the third quarter 2018 in the Fresno market area. This represented a 2.2% increase in quoted rental rates from the end of the second quarter 2018, when rents were reported at \$5.58 per square foot.

The average quoted rate within the Flex sector was \$9.00 per square foot at the end of the third quarter 2018, while Warehouse rates stood at \$5.57. At the end of the second quarter 2018, Flex rates were \$10.73 per square foot, and Warehouse rates were \$5.43.

## Deliveries and Construction

During the third quarter 2018, one building totaling 4,907 square feet were completed in the Fresno market area. This compares to three buildings totaling 869,492 square feet that were completed in the second quarter 2018, 10 buildings totaling 954,630 square feet completed in the first quarter 2018, and 111,032 square feet in three buildings completed in the fourth quarter 2017.

There were 818,278 square feet of Industrial space under

construction at the end of the third quarter 2018.

Some of the notable 2018 deliveries include: FAT1 Amazon, an 855,000-square-foot facility that delivered in second quarter 2018 and is now 100% occupied, and Ulta Beauty, a 670,782-square-foot building that delivered in first quarter 2018 and is now 100% occupied.

The largest projects underway at the end of third quarter 2018 were DDG-512, a 186,900-square-foot building with 0% of its space pre-leased, and DDG-170, a 170,280-square-foot facility that is 0% pre-leased.

## Inventory

Total Industrial inventory in the Fresno market area amounted to 111,179,899 square feet in 4,005 buildings as of the end of the third quarter 2018. The Flex sector consisted of 2,047,039 square feet in 120 projects. The Warehouse sector consisted of 109,132,860 square feet in 3,885 buildings.

## Sales Activity

Tallying industrial building sales of 15,000 square feet or larger, Fresno industrial sales figures rose during the second quarter 2018 in terms of dollar volume compared to the first quarter of 2018.

In the second quarter, six industrial transactions closed with a total volume of \$74,348,800. The six buildings totaled 1,293,226 square feet and the average price per square foot equated to \$57.49 per square foot. That compares to three transactions totaling \$5,450,000 in the first quarter. The total square footage was 104,408 for an average price per square foot of \$52.20.

Total year-to-date industrial building sales activity in 2018 is up compared to the previous year. In the first six months of 2018, the market saw nine industrial sales transactions with a total volume of \$79,798,800. The price per square foot has averaged \$57.10 this year. In the first six months of 2017, the market posted 13 transactions with a total volume of \$29,766,000. The price per square foot averaged \$23.94.

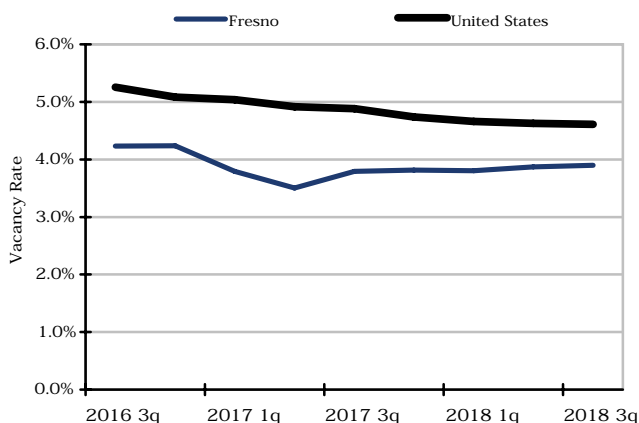
Cap rates have been lower in 2018, averaging 6.15%, compared to the first six months of last year when they averaged 6.83%.

One of the largest transactions that has occurred within the last four quarters in the Fresno market is the sale of Ulta Beauty in Fresno. This 670,782-square-foot industrial building sold for \$48,688,800, or \$72.59 per square foot. The property sold on 4/16/2018.

*Reports compiled by: Joyce Sisson, CoStar Research Manager*

## U.S. Vacancy Comparison

Past 9 Quarters



Source: CoStar Property®



# Fresno Industrial Market



Markets

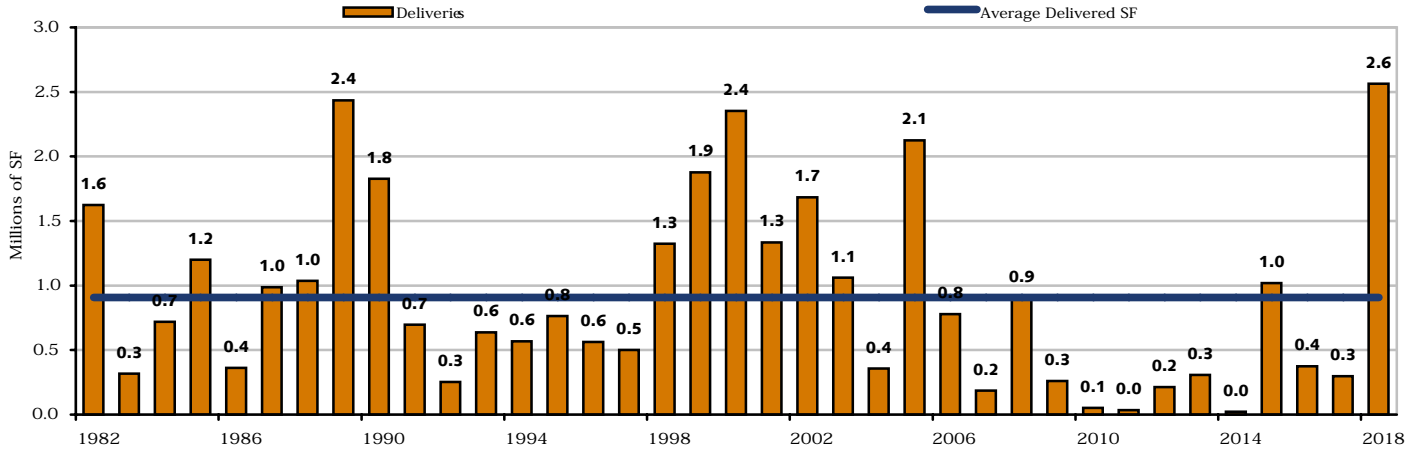
## CoStar Submarkets

In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

Submarket Clusters
Atwater/Winton Ind
Chowchilla Ind
Coalinga Ind
Downtown Ind
Hanford/Armona Ind
Lemoore Ind
Los Banos Ind
Madera Ind
Merced Ind
Northeast Fresno Ind
Northwest Fresno Ind
Outlying Fresno Cnty Ind
Outlying Kings County Ind
Outlying Madera Cnty Ind
Outlying Merced Cnty Ind
Reedley Ind
S Fresno/Hwy 99 Corr Ind
Sanger Ind
Southeast Fresno Ind
Southwest Fresno Ind

## Historical Deliveries

1982 - 2018



Source: CoStar Property® \* Future deliveries based on current under construction buildings.

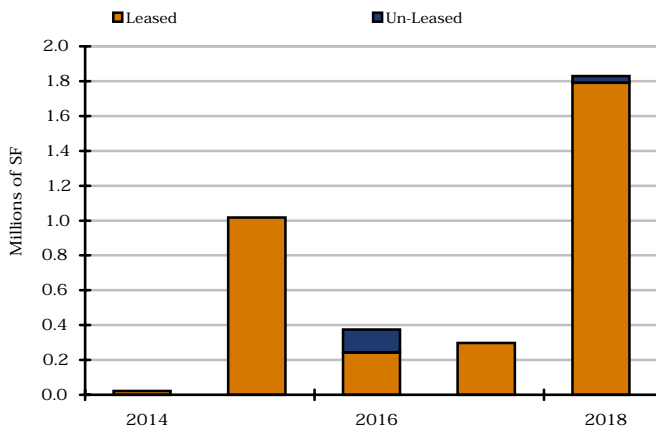
## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Southeast Fresno Ind	4	522,380	0	0.0%	40,147	130,595
Outlying Fresno Cnty Ind	2	88,109	76,000	86.3%	48,005	44,054
Lemoore Ind	2	65,395	65,395	100.0%	48,471	32,697
S Fresno/Hwy 99 Corr Ind	3	52,400	30,000	57.3%	31,639	17,467
Northeast Fresno Ind	4	40,724	0	0.0%	17,162	10,181
Merced Ind	1	21,309	21,309	100.0%	24,974	21,309
Outlying Merced Cnty Ind	1	13,157	13,157	100.0%	35,680	13,157
Atwater/Winton Ind	2	7,800	7,800	100.0%	17,528	3,900
Northwest Fresno Ind	1	7,004	0	0.0%	15,004	7,004
Coalinga Ind	0	0	0	0.0%	4,570	0
All Other	0	0	0	0.0%	34,397	0
<b>Totals</b>	<b>20</b>	<b>818,278</b>	<b>213,661</b>	<b>26.1%</b>	<b>27,760</b>	<b>40,914</b>

Source: CoStar Property®

## Recent Deliveries

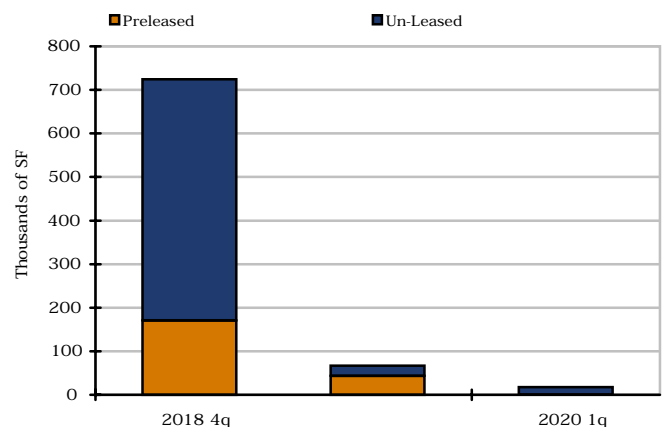
Leased & Un-Leased SF in Deliveries Since 2014



Source: CoStar Property®

## Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

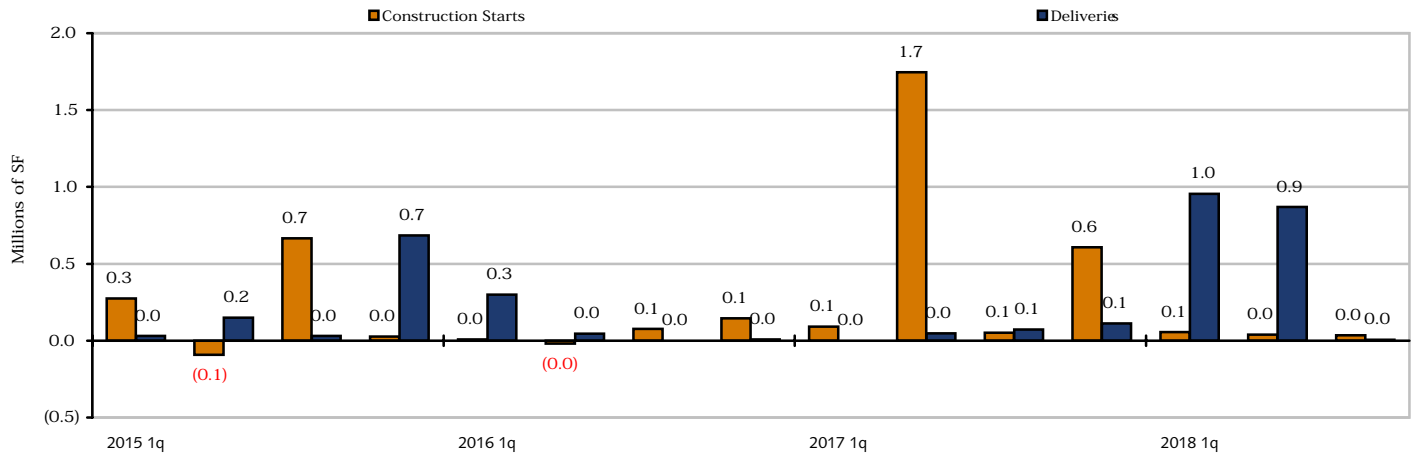
# Fresno Industrial Market



Inventory & development

## Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

## RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	11	181,247	143,227	79.0%	\$7.39	32,600	148,647
50,000 SF - 99,999 SF	0	0	0	0.0%	\$0.00	0	0
100,000 SF - 249,999 SF	1	122,000	122,000	100.0%	\$0.00	0	122,000
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	2	1,525,782	1,525,782	100.0%	\$0.00	1,525,782	0

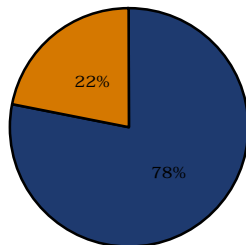
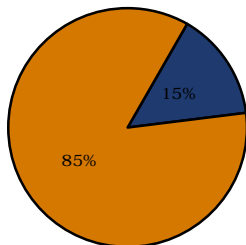
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2018 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

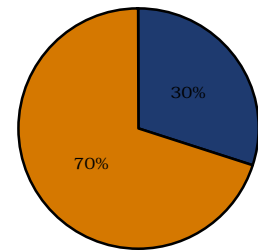
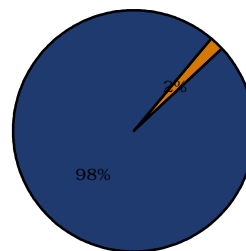
Source: CoStar Property®

## Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®



# Fresno Industrial Market

Inventory &amp; development

## Select Year-to-Date Deliveries

Based on Project Square Footage

<p><b>1. FAT 1 Amazon</b></p> <p>Submarket: <b>Southeast Fresno Industrial Market</b>  RBA: <b>855,000</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Second Quarter 2017</b>  Deliv Date: <b>Second Quarter 2018</b>  Leasing Co: <b>Amazon.com, Inc.</b>  Developer: <b>N/A</b></p>	<p><b>2. 850 E Central Ave-Ulta Beauty</b></p> <p>Submarket: <b>Southeast Fresno Industrial Market</b>  RBA: <b>670,782</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Second Quarter 2017</b>  Deliv Date: <b>First Quarter 2018</b>  Leasing Co: <b>N/A</b>  Developer: <b>Clayco Inc</b></p>	<p><b>3. North Pointe Business Park - Bldg 5</b></p> <p>Submarket: <b>Southeast Fresno Industrial Market</b>  RBA: <b>122,000</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>N/A</b>  Deliv Date: <b>First Quarter 2018</b>  Leasing Co: <b>Newmark Pearson Commercial</b>  Developer: <b>N/A</b></p>
<p><b>4. Elm Avenue Industrial Park - Phase III</b></p> <p>Submarket: <b>Southwest Fresno Industrial Market</b>  RBA: <b>37,620</b>  Occupied: <b>29%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Fourth Quarter 2016</b>  Deliv Date: <b>First Quarter 2018</b>  Leasing Co: <b>Newmark Pearson Commercial</b>  Developer: <b>Buzz Oates</b></p>	<p><b>5. 1500 Enterprise Dr</b></p> <p>Submarket: <b>Lemoore Industrial Market</b>  RBA: <b>33,600</b>  Occupied: <b>86%</b>  Quoted Rate: <b>\$7.80</b>  Grnd Brk Date: <b>N/A</b>  Deliv Date: <b>2018</b>  Leasing Co: <b>Eric Beard</b>  Developer: <b>N/A</b></p>	<p><b>6. 651 N Armstrong Ave</b></p> <p>Submarket: <b>Outlying Fresno Cnty Industrial Market</b>  RBA: <b>29,000</b>  Occupied: <b>61%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Third Quarter 2017</b>  Deliv Date: <b>First Quarter 2018</b>  Leasing Co: <b>Newmark Pearson Commercial</b>  Developer: <b>N/A</b></p>
<p><b>7. Merced Airport Industrial Park</b></p> <p>Submarket: <b>Merced Industrial Market</b>  RBA: <b>22,000</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Fourth Quarter 2017</b>  Deliv Date: <b>First Quarter 2018</b>  Leasing Co: <b>N/A</b>  Developer: <b>N/A</b></p>	<p><b>8. North Fresno Collision Center</b></p> <p>Submarket: <b>Northwest Fresno Industrial Market</b>  RBA: <b>20,300</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>First Quarter 2017</b>  Deliv Date: <b>First Quarter 2018</b>  Leasing Co: <b>Dana M &amp; Marina Bridges</b>  Developer: <b>N/A</b></p>	<p><b>9. 34 W Palo Alto Ave</b></p> <p>Submarket: <b>Northeast Fresno Industrial Market</b>  RBA: <b>11,520</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Third Quarter 2017</b>  Deliv Date: <b>First Quarter 2018</b>  Leasing Co: <b>Spalding Wathen</b>  Developer: <b>N/A</b></p>
<p><b>10. 1028 Valleyview Ct</b></p> <p>Submarket: <b>S Fresno/Hwy 99 Corr Industrial Market</b>  RBA: <b>10,000</b>  Occupied: <b>100%</b>  Quoted Rate: <b>\$7.20</b>  Grnd Brk Date: <b>Second Quarter 2017</b>  Deliv Date: <b>Second Quarter 2018</b>  Leasing Co: <b>Colliers International</b>  Developer: <b>N/A</b></p>	<p><b>11. 7066 N Harrison Ave</b></p> <p>Submarket: <b>Northwest Fresno Industrial Market</b>  RBA: <b>4,907</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>First Quarter 2018</b>  Deliv Date: <b>Third Quarter 2018</b>  Leasing Co: <b>Doug &amp; Esther Lock</b>  Developer: <b>N/A</b></p>	<p><b>12. Clovis 168 Industrial Park - #10</b></p> <p>Submarket: <b>Northeast Fresno Industrial Market</b>  RBA: <b>4,608</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Third Quarter 2017</b>  Deliv Date: <b>First Quarter 2018</b>  Leasing Co: <b>Spalding Wathen</b>  Developer: <b>N/A</b></p>
<p><b>13. Clovis 168 Business Park - #7</b></p> <p>Submarket: <b>Northeast Fresno Industrial Market</b>  RBA: <b>4,492</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Third Quarter 2017</b>  Deliv Date: <b>Second Quarter 2018</b>  Leasing Co: <b>Spalding Wathen</b>  Developer: <b>N/A</b></p>	<p><b>14. Clovis 168 Industrial Park - #8</b></p> <p>Submarket: <b>Northeast Fresno Industrial Market</b>  RBA: <b>3,200</b>  Occupied: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Third Quarter 2017</b>  Deliv Date: <b>First Quarter 2018</b>  Leasing Co: <b>Spalding Wathen</b>  Developer: <b>N/A</b></p>	

# Fresno Industrial Market



Inventory &amp; development

## Select Top Under Construction Properties

Based on Project Square Footage

<p><b>1. 3460 S East Ave-DDG-512</b></p> <p>Submarket: <b>Southeast Fresno Industrial Market</b>  RBA: <b>186,900</b>  Preleased: <b>0%</b>  Quoted Rate: <b>\$4.92</b>  Grnd Brk Date: <b>Fourth Quarter 2017</b>  Deliv Date: <b>Fourth Quarter 2018</b>  Leasing Co: <b>Diversified Development Group</b>  Developer: <b>N/A</b></p>	<p><b>2. 3480 S East Ave-DDG-170</b></p> <p>Submarket: <b>Southeast Fresno Industrial Market</b>  RBA: <b>170,280</b>  Preleased: <b>0%</b>  Quoted Rate: <b>\$6.00</b>  Grnd Brk Date: <b>Fourth Quarter 2017</b>  Deliv Date: <b>Fourth Quarter 2018</b>  Leasing Co: <b>Diversified Development Group</b>  Developer: <b>N/A</b></p>	<p><b>3. 3440 S East Ave-DDG-155</b></p> <p>Submarket: <b>Southeast Fresno Industrial Market</b>  RBA: <b>155,200</b>  Preleased: <b>0%</b>  Quoted Rate: <b>\$4.80</b>  Grnd Brk Date: <b>Fourth Quarter 2017</b>  Deliv Date: <b>Fourth Quarter 2018</b>  Leasing Co: <b>Diversified Development Group</b>  Developer: <b>N/A</b></p>
<p><b>4. 6395 E Floradora Ave</b></p> <p>Submarket: <b>Outlying Fresno Cnty Industrial Market</b>  RBA: <b>76,000</b>  Preleased: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Third Quarter 2016</b>  Deliv Date: <b>Fourth Quarter 2018</b>  Leasing Co: <b>Fresno City Manager</b>  Developer: <b>Cosco Fire Protection</b></p>	<p><b>5. S Commerce Ave</b></p> <p>Submarket: <b>Lemoore Industrial Market</b>  RBA: <b>52,395</b>  Preleased: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Fourth Quarter 2017</b>  Deliv Date: <b>Fourth Quarter 2018</b>  Leasing Co: <b>Enterprise &amp; Commerce LLC</b>  Developer: <b>N/A</b></p>	<p><b>6. 14441 S Golden State Blvd</b></p> <p>Submarket: <b>S Fresno/Hwy 99 Corr Industrial Market</b>  RBA: <b>30,000</b>  Preleased: <b>100%</b>  Quoted Rate: <b>\$4.39</b>  Grnd Brk Date: <b>First Quarter 2018</b>  Deliv Date: <b>First Quarter 2019</b>  Leasing Co: <b>Darold Jackson</b>  Developer: <b>N/A</b></p>
<p><b>7. Olive Industrial Building</b></p> <p>Submarket: <b>Northeast Fresno Industrial Market</b>  RBA: <b>23,444</b>  Preleased: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Third Quarter 2018</b>  Deliv Date: <b>First Quarter 2019</b>  Leasing Co: <b>DeMera &amp; Mitchell Properties</b>  Developer: <b>N/A</b></p>	<p><b>8. 2000 Wardrobe Ave</b></p> <p>Submarket: <b>Merced Industrial Market</b>  RBA: <b>21,309</b>  Preleased: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Fourth Quarter 2017</b>  Deliv Date: <b>Fourth Quarter 2018</b>  Leasing Co: <b>Transit Joint Powers Authority For</b>  Developer: <b>N/A</b></p>	<p><b>9. 400 Industrial Dr</b></p> <p>Submarket: <b>Outlying Merced Cnty Industrial Market</b>  RBA: <b>13,157</b>  Preleased: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>First Quarter 2018</b>  Deliv Date: <b>First Quarter 2019</b>  Leasing Co: <b>Espinoza Family 2009 Trust</b>  Developer: <b>N/A</b></p>
<p><b>10. Enterprise Dr</b></p> <p>Submarket: <b>Lemoore Industrial Market</b>  RBA: <b>13,000</b>  Preleased: <b>100%</b>  Quoted Rate: <b>N/A</b>  Grnd Brk Date: <b>Third Quarter 2017</b>  Deliv Date: <b>Fourth Quarter 2018</b>  Leasing Co: <b>Pacific Gas &amp; Electric Co</b>  Developer: <b>N/A</b></p>	<p><b>11. 4370 E Absolut</b></p> <p>Submarket: <b>S Fresno/Hwy 99 Corr Industrial Market</b>  RBA: <b>12,400</b>  Preleased: <b>0%</b>  Quoted Rate: <b>\$7.20</b>  Grnd Brk Date: <b>Second Quarter 2018</b>  Deliv Date: <b>Fourth Quarter 2018</b>  Leasing Co: <b>Colliers International</b>  Developer: <b>N/A</b></p>	<p><b>12. 2988 N Burl Ave</b></p> <p>Submarket: <b>Outlying Fresno Cnty Industrial Market</b>  RBA: <b>12,109</b>  Preleased: <b>0%</b>  Quoted Rate: <b>\$7.88</b>  Grnd Brk Date: <b>Third Quarter 2018</b>  Deliv Date: <b>Fourth Quarter 2018</b>  Leasing Co: <b>John Starkel</b>  Developer: <b>N/A</b></p>
<p><b>13. 2931 E Annadale Ave</b></p> <p>Submarket: <b>Southeast Fresno Industrial Market</b>  RBA: <b>10,000</b>  Preleased: <b>0%</b>  Quoted Rate: <b>Negotiable</b>  Grnd Brk Date: <b>Third Quarter 2017</b>  Deliv Date: <b>Third Quarter 2018</b>  Leasing Co: <b>Newmark Pearson Commercial</b>  Developer: <b>N/A</b></p>	<p><b>14. 4355 E Absolut Ave</b></p> <p>Submarket: <b>S Fresno/Hwy 99 Corr Industrial Market</b>  RBA: <b>10,000</b>  Preleased: <b>0%</b>  Quoted Rate: <b>\$9.60</b>  Grnd Brk Date: <b>Second Quarter 2018</b>  Deliv Date: <b>Fourth Quarter 2018</b>  Leasing Co: <b>Colliers International</b>  Developer: <b>N/A</b></p>	<p><b>15. N Marty Ave</b></p> <p>Submarket: <b>Northwest Fresno Industrial Market</b>  RBA: <b>7,004</b>  Preleased: <b>0%</b>  Quoted Rate: <b>\$11.40</b>  Grnd Brk Date: <b>First Quarter 2018</b>  Deliv Date: <b>Fourth Quarter 2018</b>  Leasing Co: <b>Colliers International</b>  Developer: <b>N/A</b></p>



# Fresno Industrial Market

Figures at a Glance

## Flex Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atwater/Winton Ind	1	17,400	0	0	0.0%	0	0	0	\$0.00
Chowchilla Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Coalinga Ind	1	9,040	0	0	0.0%	0	0	0	\$0.00
Downtown Ind	6	81,800	0	0	0.0%	2,850	0	0	\$8.28
Hanford/Armona Ind	1	5,465	0	0	0.0%	0	0	0	\$0.00
Lemoore Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Los Banos Ind	7	77,331	0	0	0.0%	0	0	0	\$0.00
Madera Ind	1	14,563	0	0	0.0%	0	0	0	\$0.00
Merced Ind	3	16,034	0	0	0.0%	0	0	0	\$0.00
Northeast Fresno Ind	39	888,592	44,737	44,737	5.0%	11,101	0	0	\$7.04
Northwest Fresno Ind	54	890,051	55,383	55,383	6.2%	1,555	0	0	\$10.94
Outlying Fresno Cnty Ind	1	2,000	1,400	1,400	70.0%	(1,400)	0	0	\$0.00
Outlying Kings County Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Outlying Madera Cnty Ind	3	30,763	0	0	0.0%	0	0	0	\$0.00
Outlying Merced Cnty Ind	1	5,000	0	0	0.0%	0	0	0	\$0.00
Reedley Ind	0	0	0	0	0.0%	0	0	0	\$0.00
S Fresno/Hwy 99 Corr Ind	1	6,000	6,000	6,000	100.0%	0	0	0	\$5.40
Sanger Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Southeast Fresno Ind	1	3,000	0	0	0.0%	0	0	0	\$0.00
Southwest Fresno Ind	0	0	0	0	0.0%	0	0	0	\$0.00
<b>Totals</b>	<b>120</b>	<b>2,047,039</b>	<b>107,520</b>	<b>107,520</b>	<b>5.3%</b>	<b>14,106</b>	<b>0</b>	<b>0</b>	<b>\$9.00</b>

Source: CoStar Property®

## Warehouse Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atwater/Winton Ind	114	1,998,303	5,000	5,000	0.3%	120,221	0	7,800	\$5.21
Chowchilla Ind	24	725,839	31,000	31,000	4.3%	(31,000)	0	0	\$2.88
Coalinga Ind	10	41,230	12,100	12,100	29.3%	0	0	0	\$28.46
Downtown Ind	158	3,238,431	95,700	95,700	3.0%	26,050	0	0	\$19.33
Hanford/Armona Ind	129	6,331,034	24,000	24,000	0.4%	45,193	0	0	\$2.98
Lemoore Ind	28	1,357,194	0	0	0.0%	42,500	33,600	65,395	\$5.02
Los Banos Ind	24	490,773	14,000	14,000	2.9%	0	0	0	\$6.00
Madera Ind	148	5,081,291	9,580	9,580	0.2%	7,000	0	0	\$6.00
Merced Ind	202	5,103,579	369,943	369,943	7.2%	353,641	22,000	21,309	\$4.15
Northeast Fresno Ind	801	13,527,252	201,529	201,529	1.5%	102,454	23,820	40,724	\$6.76
Northwest Fresno Ind	681	10,138,195	266,978	266,978	2.6%	34,162	25,207	7,004	\$7.21
Outlying Fresno Cnty Ind	170	8,206,771	294,300	294,300	3.6%	(44,800)	29,000	88,109	\$9.06
Outlying Kings County Ind	31	951,545	15,500	15,500	1.6%	(15,500)	0	0	\$0.00
Outlying Madera Cnty Ind	84	3,131,934	29,061	29,061	0.9%	5,039	0	0	\$8.58
Outlying Merced Cnty Ind	94	3,384,561	20,000	20,000	0.6%	98,600	0	13,157	\$1.07
Reedley Ind	50	2,199,645	94,650	94,650	4.3%	17,000	0	0	\$5.31
S Fresno/Hwy 99 Corr Ind	224	7,112,751	393,058	393,058	5.5%	42,566	10,000	52,400	\$4.90
Sanger Ind	45	2,206,238	0	0	0.0%	0	0	0	\$0.00
Southeast Fresno Ind	717	28,822,447	1,847,564	1,847,564	6.4%	1,142,182	1,647,782	522,380	\$4.45
Southwest Fresno Ind	151	5,083,847	504,259	504,259	9.9%	(294,808)	37,620	0	\$4.92
<b>Totals</b>	<b>3,885</b>	<b>109,132,860</b>	<b>4,228,222</b>	<b>4,228,222</b>	<b>3.9%</b>	<b>1,650,500</b>	<b>1,829,029</b>	<b>818,278</b>	<b>\$5.57</b>

Source: CoStar Property®

## Fresno Industrial Market



Figures at a Glance

## Total Industrial Market Statistics

Third Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atwater/Winton Ind	115	2,015,703	5,000	5,000	0.2%	120,221	0	7,800	\$5.21
Chowchilla Ind	24	725,839	31,000	31,000	4.3%	(31,000)	0	0	\$2.88
Coalinga Ind	11	50,270	12,100	12,100	24.1%	0	0	0	\$28.46
Downtown Ind	164	3,320,231	95,700	95,700	2.9%	28,900	0	0	\$19.03
Hanford/Armona Ind	130	6,336,499	24,000	24,000	0.4%	45,193	0	0	\$2.98
Lemoore Ind	28	1,357,194	0	0	0.0%	42,500	33,600	65,395	\$5.02
Los Banos Ind	31	568,104	14,000	14,000	2.5%	0	0	0	\$6.00
Madera Ind	149	5,095,854	9,580	9,580	0.2%	7,000	0	0	\$6.00
Merced Ind	205	5,119,613	369,943	369,943	7.2%	353,641	22,000	21,309	\$4.15
Northeast Fresno Ind	840	14,415,844	246,266	246,266	1.7%	113,555	23,820	40,724	\$6.82
Northwest Fresno Ind	735	11,028,246	322,361	322,361	2.9%	35,717	25,207	7,004	\$7.78
Outlying Fresno Cnty Ind	171	8,208,771	295,700	295,700	3.6%	(46,200)	29,000	88,109	\$9.06
Outlying Kings County Ind	31	951,545	15,500	15,500	1.6%	(15,500)	0	0	\$0.00
Outlying Madera Cnty Ind	87	3,162,697	29,061	29,061	0.9%	5,039	0	0	\$8.58
Outlying Merced Cnty Ind	95	3,389,561	20,000	20,000	0.6%	98,600	0	13,157	\$1.07
Reedley Ind	50	2,199,645	94,650	94,650	4.3%	17,000	0	0	\$5.31
S Fresno/Hwy 99 Corr Ind	225	7,118,751	399,058	399,058	5.6%	42,566	10,000	52,400	\$4.91
Sanger Ind	45	2,206,238	0	0	0.0%	0	0	0	\$0.00
Southeast Fresno Ind	718	28,825,447	1,847,564	1,847,564	6.4%	1,142,182	1,647,782	522,380	\$4.45
Southwest Fresno Ind	151	5,083,847	504,259	504,259	9.9%	(294,808)	37,620	0	\$4.92
<b>Totals</b>	<b>4,005</b>	<b>111,179,895</b>	<b>4,335,742</b>	<b>4,335,742</b>	<b>3.9%</b>	<b>1,664,606</b>	<b>1,829,029</b>	<b>818,278</b>	<b>\$5.70</b>

Source: CoStar Property®



# Fresno Industrial Market

Figures at a Glance

## Flex Market Statistics

Third Quarter 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2018 3q	120	2,047,039	107,520	107,520	5.3%	(16,788)	0	0	0	0	\$9.00
2018 2q	120	2,047,039	90,732	90,732	4.4%	(12,926)	0	0	0	0	\$10.73
2018 1q	120	2,047,039	77,806	77,806	3.8%	43,820	0	0	0	0	\$11.16
2017 4q	120	2,047,039	120,010	121,626	5.9%	18,792	0	0	0	0	\$10.34
2017 3q	120	2,047,039	139,038	140,418	6.9%	(30,324)	0	0	0	0	\$11.25
2017 2q	120	2,047,039	110,094	110,094	5.4%	26,254	0	0	0	0	\$11.03
2017 1q	120	2,047,039	136,348	136,348	6.7%	(4,797)	0	0	0	0	\$10.33
2016	120	2,047,039	131,551	131,551	6.4%	100,029	0	0	0	0	\$8.99
2015	120	2,047,039	227,080	231,580	11.3%	(9,225)	0	0	0	0	\$7.66
2014	120	2,047,039	214,855	222,355	10.9%	30,253	0	0	0	0	\$7.39
2013	120	2,047,039	252,608	252,608	12.3%	47,701	0	0	0	0	\$6.99
2012	120	2,047,039	298,223	300,309	14.7%	(35,225)	0	0	0	0	\$7.32
2011	120	2,047,039	265,084	265,084	12.9%	(6,093)	0	0	0	0	\$7.50
2010	120	2,047,039	258,991	258,991	12.7%	29,478	0	0	0	0	\$8.05
2009	120	2,047,039	286,261	288,469	14.1%	(53,859)	1	5,465	0	0	\$7.40
2008	119	2,041,574	229,145	229,145	11.2%	(64,133)	0	0	1	5,465	\$10.64

Source: CoStar Property®

## Warehouse Market Statistics

Third Quarter 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2018 3q	3,885	109,132,860	4,228,222	4,228,222	3.9%	(13,001)	1	4,907	20	818,278	\$5.57
2018 2q	3,884	109,127,953	4,204,314	4,210,314	3.9%	776,062	3	869,492	19	787,632	\$5.43
2018 1q	3,881	108,258,461	4,110,884	4,116,884	3.8%	887,439	10	954,630	17	1,617,444	\$5.43
2017 4q	3,871	107,303,831	4,043,693	4,049,693	3.8%	64,360	3	111,032	23	2,517,006	\$4.48
2017 3q	3,868	107,192,799	3,991,021	4,003,021	3.7%	(151,621)	3	72,738	20	2,019,954	\$4.44
2017 2q	3,861	107,054,080	3,706,681	3,712,681	3.5%	337,624	2	48,010	17	2,041,453	\$4.41
2017 1q	3,859	107,006,070	3,998,613	4,002,295	3.7%	485,627	0	0	13	343,681	\$4.36
2016	3,858	107,004,170	4,484,240	4,487,922	4.2%	1,377,450	14	353,447	7	252,104	\$4.13
2015	3,845	106,878,095	5,739,297	5,739,297	5.4%	1,088,092	12	894,557	15	395,947	\$4.19
2014	3,828	105,827,483	5,556,856	5,776,777	5.5%	1,531,209	2	21,285	9	415,975	\$4.07
2013	3,827	105,827,898	7,121,711	7,308,401	6.9%	1,461,343	4	302,340	2	21,285	\$3.84
2012	3,822	105,520,603	8,444,209	8,462,449	8.0%	567,870	7	129,408	1	5,000	\$3.59
2011	3,815	106,109,668	9,582,194	9,619,384	9.1%	(185,330)	3	18,450	5	113,358	\$3.56
2010	3,812	106,164,315	9,369,684	9,488,701	8.9%	189,123	7	38,924	3	18,450	\$3.28
2009	3,804	106,481,016	9,675,372	9,994,525	9.4%	(3,244,942)	17	192,923	3	18,872	\$3.65
2008	3,779	106,225,937	6,197,677	6,494,504	6.1%	866,118	25	620,828	19	215,117	\$4.50

Source: CoStar Property®

## Total Industrial Market Statistics

Third Quarter 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2018 3q	4,005	111,179,899	4,335,742	4,335,742	3.9%	(29,789)	1	4,907	20	818,278	\$5.70
2018 2q	4,004	111,174,992	4,295,046	4,301,046	3.9%	763,136	3	869,492	19	787,632	\$5.58
2018 1q	4,001	110,305,500	4,188,690	4,194,690	3.8%	931,259	10	954,630	17	1,617,444	\$5.57
2017 4q	3,991	109,350,870	4,163,703	4,171,319	3.8%	83,152	3	111,032	23	2,517,006	\$4.63
2017 3q	3,988	109,239,838	4,130,059	4,143,439	3.8%	(181,945)	3	72,738	20	2,019,954	\$4.62
2017 2q	3,981	109,101,119	3,816,775	3,822,775	3.5%	363,878	2	48,010	17	2,041,453	\$4.56
2017 1q	3,979	109,053,109	4,134,961	4,138,643	3.8%	480,830	0	0	13	343,681	\$4.51
2016	3,978	109,051,209	4,615,791	4,619,473	4.2%	1,477,479	14	353,447	7	252,104	\$4.28
2015	3,965	108,925,134	5,966,377	5,970,877	5.5%	1,078,867	12	894,557	15	395,947	\$4.28
2014	3,948	107,874,522	5,771,711	5,999,132	5.6%	1,561,462	2	21,285	9	415,975	\$4.15
2013	3,947	107,874,937	7,374,319	7,561,009	7.0%	1,509,044	4	302,340	2	21,285	\$3.92
2012	3,942	107,567,642	8,742,432	8,762,758	8.1%	532,645	7	129,408	1	5,000	\$3.68
2011	3,935	108,156,707	9,847,278	9,884,468	9.1%	(191,423)	3	18,450	5	113,358	\$3.63
2010	3,932	108,211,354	9,628,675	9,747,692	9.0%	218,601	7	38,924	3	18,450	\$3.34
2009	3,924	108,528,055	9,961,633	10,282,994	9.5%	(3,298,801)	18	198,388	3	18,872	\$3.71
2008	3,898	108,267,511	6,426,822	6,723,649	6.2%	801,985	25	620,828	20	220,582	\$4.72

Source: CoStar Property®



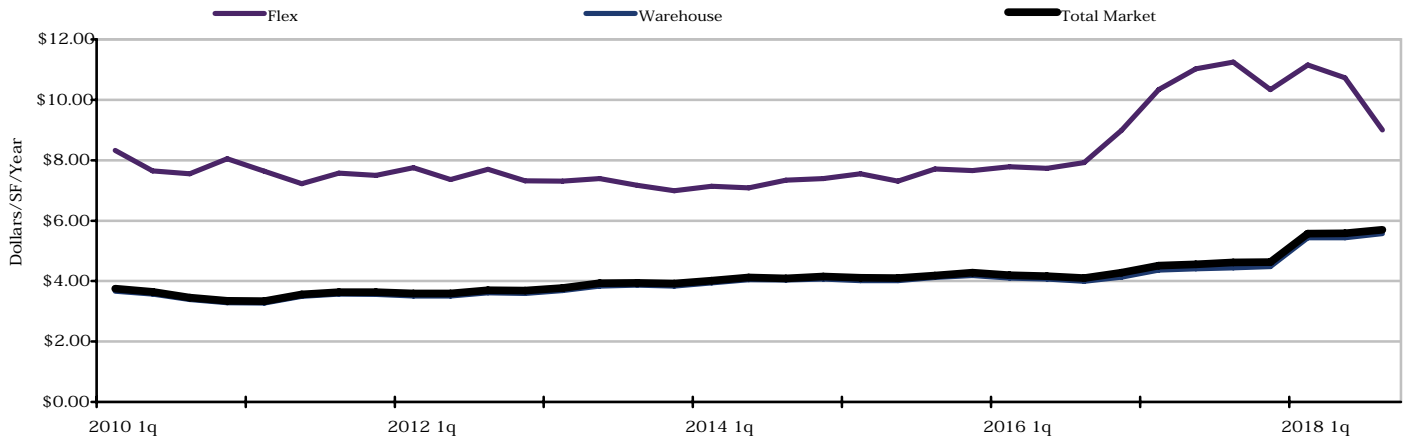
# Fresno Industrial Market



Leasing Activity

## Historical Rental Rates

Based on Quoted Rental Rates

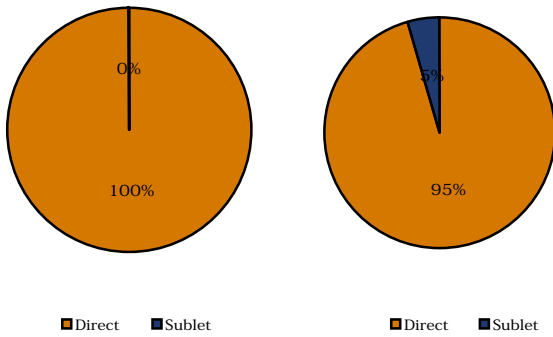


Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Fresno United States

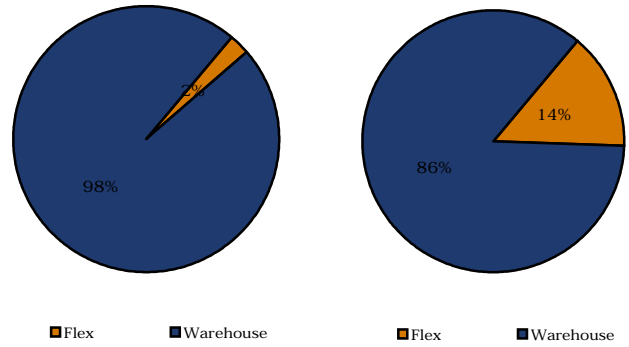


Source: CoStar Property®

## Vacancy by Building Type

Percent of All Vacant Space by Building Type

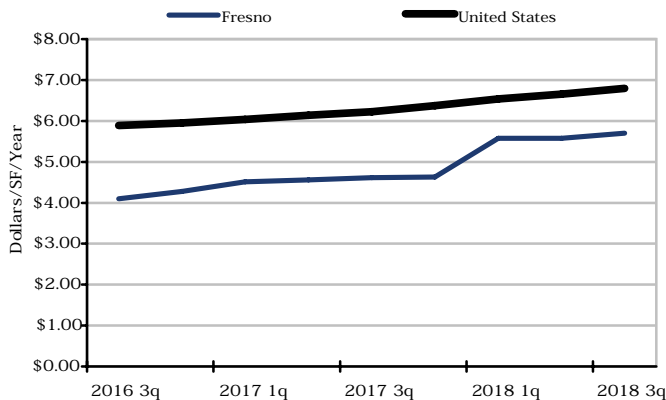
Fresno United States



Source: CoStar Property®

## U.S. Rental Rate Comparison

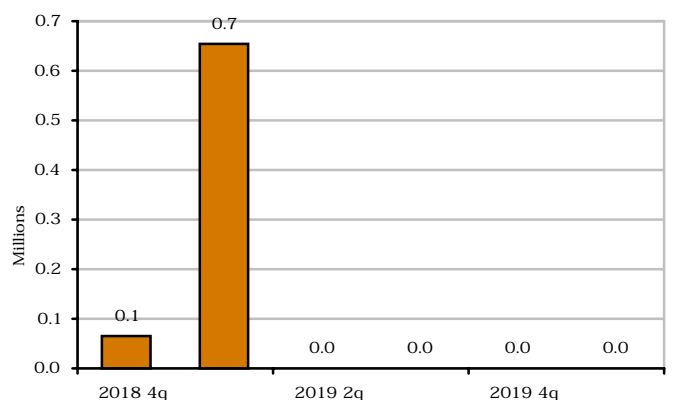
Based on Average Quoted Rental Rates



Source: CoStar Property®

## Future Space Available

Space Scheduled to be Available for Occupancy\*



Source: CoStar Property®

\* Includes Under Construction Space



# Fresno Industrial Market

Leasing Activity

## Select Top Industrial Leases Based on Leased Square Footage For Deals Signed in 2018

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company	
1	North Pointe Business Park - Bldg 5	Southeast Fresno Ind	122,000	1st	N/A	N/A	Newmark Pearson Commercial
2	480 E North Ave-DDG-384	Southeast Fresno Ind	113,600	1st	Duncan Ceramics	N/A	Diversified Development Group
3	Oates Annadale Industrial Park	Southwest Fresno Ind	81,225	1st	N/A	N/A	Newmark Pearson Commercial
4	2875 S East Ave	Southeast Fresno Ind	53,700	1st	N/A	N/A	Diversified Development Group
5	3816 s Willow Ave-DDG122N	Southeast Fresno Ind	42,900	1st	N/A	N/A	Diversified Development Group
6	3816 S Willow Ave-DDG122N	Southeast Fresno Ind	33,600	1st	Bermad, Inc.	N/A	Diversified Development Group
7	2724 E Annadale Ave	Southeast Fresno Ind	30,000	3rd	N/A	N/A	Ritchie Trucking Svc
8	2771 E Malaga Ave	S Fresno/Hwy 99 Corr Ind	29,000	3rd	N/A	N/A	Colliers International
9	333 S Teilman Ave	Southwest Fresno Ind	24,411	3rd	N/A	N/A	Cushman&Wakefield Pacific Comm
10	3131 S Willow Ave-DDG-92	Southeast Fresno Ind	23,542	2nd	N/A	N/A	Diversified Development Group
11	2929 S Angus Ave	Southeast Fresno Ind	23,196	3rd	N/A	N/A	Newmark Pearson Commercial
12	Chestnut Diagonal Business Park	Northeast Fresno Ind	23,055	3rd	N/A	N/A	Don Pickett & Associates
13	Merced Airport Industrial Park	Merced Ind	22,000	1st	N/A	N/A	N/A
14	3688 E Central Ave	Southeast Fresno Ind	21,600	1st	N/A	N/A	Colliers International
15	3688 E Central Ave	Southeast Fresno Ind	21,600	1st	N/A	N/A	Colliers International
16	4603 N Brawley Ave	Northwest Fresno Ind	20,000	3rd	N/A	N/A	Cushman&Wakefield Pacific Comm
17	3620 N Valentine Ave	Northwest Fresno Ind	19,200	2nd	N/A	N/A	Robert Ellis Leasing & Investment
18	4734 E Jensen Ave	Southeast Fresno Ind	18,000	2nd	Eura Hardwood	Direct Deal	Cliff Ohman & Associates
19	1320 E Fortune Ave	Southeast Fresno Ind	16,745	3rd	N/A	N/A	Newmark Pearson Commercial
20	1731 w 16th Street	Merced Ind	12,000	2nd	N/A	N/A	Tinetti Realty Group
21	7622 N Maroa Avenue	Northwest Fresno Ind	11,652	2nd	N/A	N/A	Colliers International
22	34 W Palo Alto Ave	Northeast Fresno Ind	11,520	2nd	N/A	N/A	Spalding Wathen
23	4907 E Lansing Way	Northeast Fresno Ind	11,500	3rd	Cash & Carry	N/A	KW Commercial
24	1028 Valleyview Ct	S Fresno/Hwy 99 Corr Ind	10,000	1st	N/A	N/A	Colliers International
25	5391 E. Home Ave.	Northeast Fresno Ind	10,000	1st	N/A	N/A	Don Pickett & Associates
26	4054 W Ashcroft Ave	Northwest Fresno Ind	9,955	1st	Atlas Environmental	N/A	Newmark Pearson Commercial
27	5724 E Fountain Way	Northeast Fresno Ind	9,800	1st	N/A	N/A	Newmark Pearson Commercial
28	5477 E Hedges Ave	Northeast Fresno Ind	9,800	2nd	N/A	N/A	DeMera & Mitchell Properties
29	847 Champion St	Lemoore Ind	9,000	3rd	N/A	N/A	KW Commercial
30	5617 W San Madele Ave	Northwest Fresno Ind	8,640	1st	N/A	N/A	Commercial California Real Estate
31	5920 E. Shields Ave	Northeast Fresno Ind	8,040	1st	N/A	N/A	Colonial Real Estate
32	4025 W Ashcroft Avenue	Northwest Fresno Ind	7,936	1st	N/A	N/A	Newmark Pearson Commercial
33	3454 E Date Ave	Southeast Fresno Ind	7,700	1st	Valley Truck Repair LLC	N/A	Newmark Pearson Commercial
34	2383 S Cherry	Southeast Fresno Ind	7,500	1st	N/A	N/A	Maroot Properties
35	2877 E Jensen Ave	Southeast Fresno Ind	7,500	3rd	N/A	N/A	Colliers International
36	14566 Highway 41	Outlying Madera Cnty Ind	6,000	3rd	N/A	N/A	Colliers International
37	4355 E Absolut Ave	S Fresno/Hwy 99 Corr Ind	6,000	1st	N/A	N/A	Colliers International
38	3504 Atwater Blvd	Atwater/Winton Ind	6,000	2nd	N/A	N/A	Coldwell Banker Commercial Gonella
39	Clovis 168 Industrial Park	Northeast Fresno Ind	5,760	2nd	N/A	N/A	Spalding Wathen
40	4317 N Golden State Blvd	Northwest Fresno Ind	5,400	3rd	N/A	N/A	Fortune Associates

Source: CoStar Property®

\* Renewal

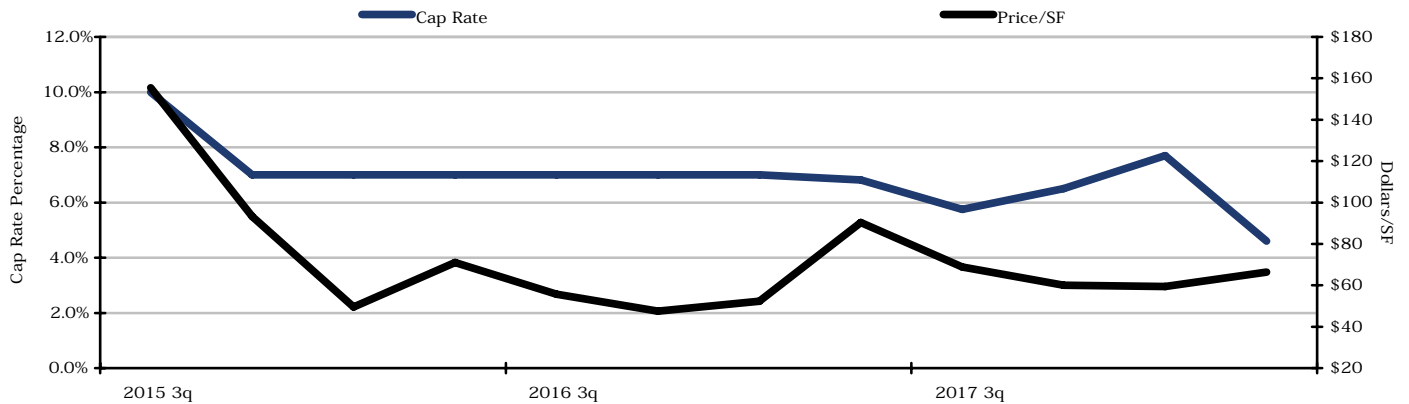
# Fresno Industrial Market



Sales Activity

## The Optimist Sales Index

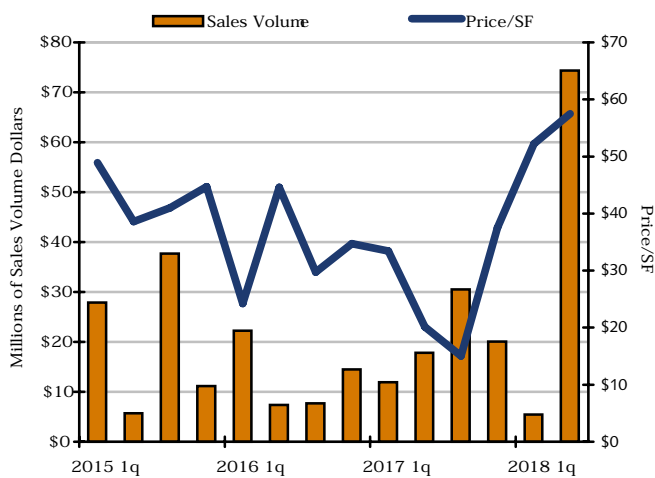
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

## Sales Volume & Price

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## Sales Analysis by Building Size

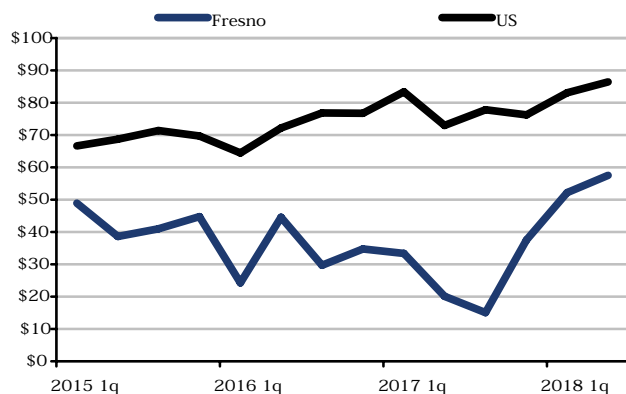
Based on Industrial Bldg Sales From July 2017 - June 2018

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	12	155,477	\$12,755,028	\$ 82.04	6.20%
25K-99K SF	7	322,152	\$13,880,000	\$ 43.09	7.70%
100K-249K SF	8	1,215,828	\$53,060,000	\$ 43.64	5.18%
>250K SF	2	2,356,082	\$59,688,800	\$ 25.33	-

Source: CoStar COMPS®

## U.S. Price/SF Comparison

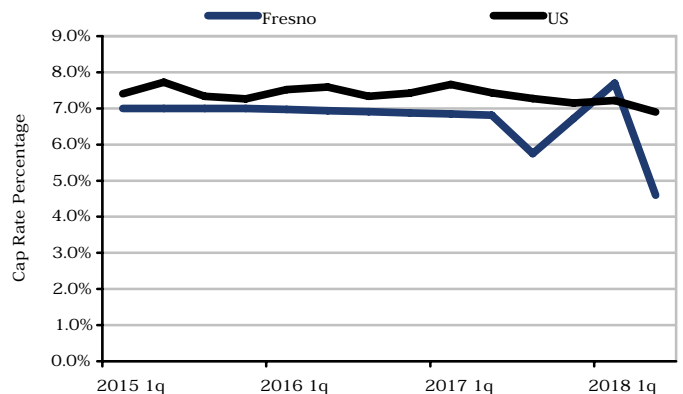
Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## U.S. Cap Rate Comparison

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## Select Top Sales

Based on Sales from July 2017 Through September 2018

1. Ulta Beauty



Fresno

Price: **\$48,688,800**  
 Price/SF: **\$72.59**  
 Cap Rate: **N/A**  
 RBA: **670,782**  
 Date: **4/16/2018**  
 Year Built: **2018**  
 Buyer: **Realty Income Corporation**  
 Seller: **Prologis**

2. American Tire Distributors



Fresno

Price: **\$11,800,000**  
 Price/SF: **\$79.82**  
 Cap Rate: **5.75%**  
 RBA: **147,840**  
 Date: **7/11/2017**  
 Year Built: **2000**  
 Buyer: **Ernest & Marie V. Spada**  
 Seller: **Diversified Development Group**

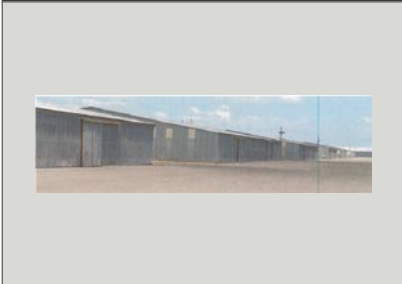
3. 200 W Pontiac Way



Clovis

Price: **\$11,600,000**  
 Price/SF: **\$60.04**  
 Cap Rate: **N/A**  
 RBA: **193,216**  
 Date: **6/29/2018**  
 Year Built: **2000**  
 Buyer: **Cook Land Company**  
 Seller: **Pelco, Inc.**

4. 10210 Idaho Ave



Hanford

Price: **\$11,000,000**  
 Price/SF: **\$6.53**  
 Cap Rate: **N/A**  
 RBA: **1,685,300**  
 Date: **9/21/2017**  
 Year Built: **1979**  
 Buyer: **Fred Fagundes**  
 Seller: **Calcot, Ltd.**

5. 205 & 300 W Pontiac Way



Clovis

Price: **\$10,000,000**  
 Price/SF: **\$63.36**  
 Cap Rate: **N/A**  
 RBA: **157,816**  
 Date: **11/27/2017**  
 Year Built: **1991**  
 Buyer: **Cook Land Company**  
 Seller: **Pelco, Inc.**

6. 2945-2965 S Angus Ave



Fresno

Price: **\$7,500,000**  
 Price/SF: **\$52.08**  
 Cap Rate: **7.11%**  
 RBA: **144,000**  
 Date: **7/9/2018**  
 Year Built: **1988**  
 Buyer: **Industrial Commercial Properties**  
 Seller: **Mark Slotkin**

7. 3500 Pelco Way



Clovis

Price: **\$6,501,000**  
 Price/SF: **\$59.62**  
 Cap Rate: **N/A**  
 RBA: **109,033**  
 Date: **8/31/2018**  
 Year Built: **1994**  
 Buyer: **Cook Land Company**  
 Seller: **Pelco, Inc.**

8. Valley Wide Distribution



Fresno

Price: **\$6,300,000**  
 Price/SF: **\$54.79**  
 Cap Rate: **N/A**  
 RBA: **114,978**  
 Date: **12/13/2017**  
 Year Built: **1997**  
 Buyer: **Valley Wide Beverage Co**  
 Seller: **John Cornish**

# Fresno Industrial Market

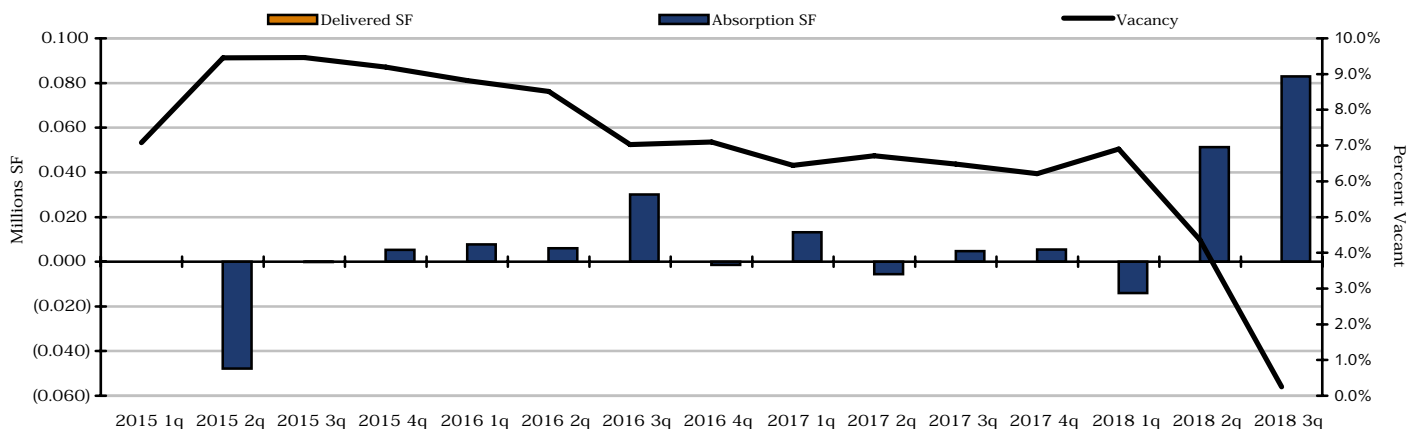


## Atwater/Winton Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

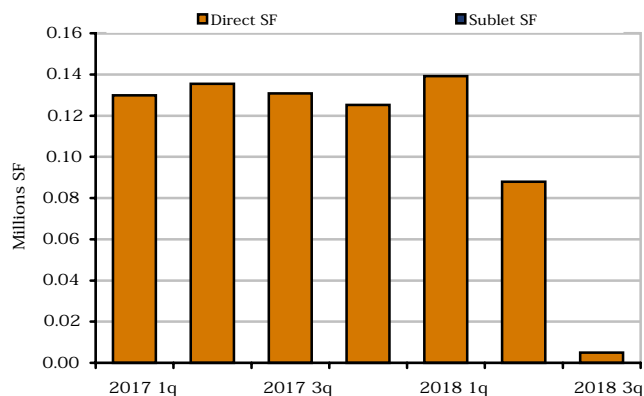
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

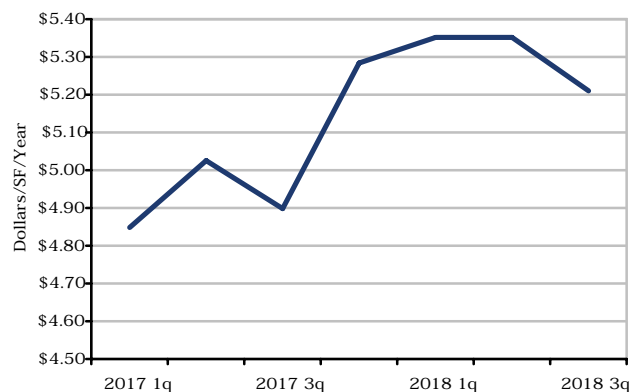
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	115	2,015,703	5,000	0.2%	82,900	0	0	2	7,800	\$5.21
2018 2q	115	2,015,703	87,900	4.4%	51,287	0	0	2	7,800	\$5.35
2018 1q	115	2,015,703	139,187	6.9%	(13,966)	0	0	2	7,800	\$5.35
2017 4q	115	2,015,703	125,221	6.2%	5,500	0	0	2	7,800	\$5.28
2017 3q	115	2,015,703	130,721	6.5%	4,700	0	0	2	7,800	\$4.90
2017 2q	115	2,015,703	135,421	6.7%	(5,500)	0	0	0	0	\$5.03
2017 1q	115	2,015,703	129,921	6.4%	13,188	0	0	0	0	\$4.85
2016 4q	115	2,015,703	143,109	7.1%	(1,480)	0	0	0	0	\$5.02
2016 3q	115	2,015,703	141,629	7.0%	30,040	0	0	0	0	\$5.14
2016 2q	115	2,015,703	171,669	8.5%	6,000	0	0	0	0	\$5.10
2016 1q	115	2,015,703	177,669	8.8%	7,700	0	0	0	0	\$4.87
2015 4q	115	2,015,703	185,369	9.2%	5,300	0	0	0	0	\$4.87
2015 3q	115	2,015,703	190,669	9.5%	(58)	0	0	0	0	\$4.87
2015 2q	115	2,015,703	190,611	9.5%	(47,870)	0	0	0	0	\$4.87
2015 1q	115	2,015,703	142,741	7.1%	0	0	0	0	0	\$4.87
2014 4q	115	2,015,703	142,741	7.1%	(4,600)	0	0	0	0	\$4.59

Source: CoStar Property®



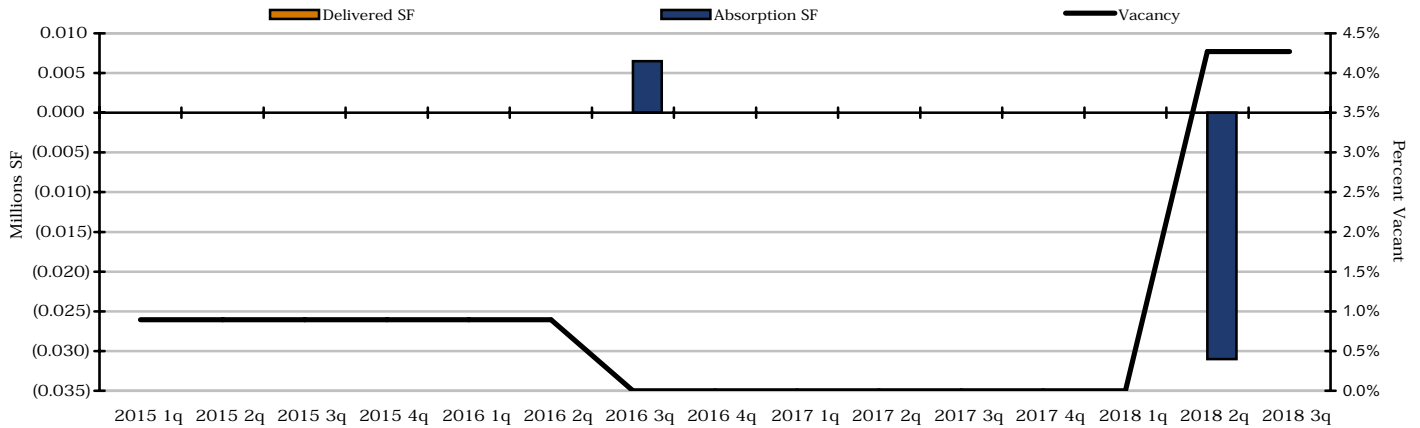
# Fresno Industrial Market

## Chowchilla Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

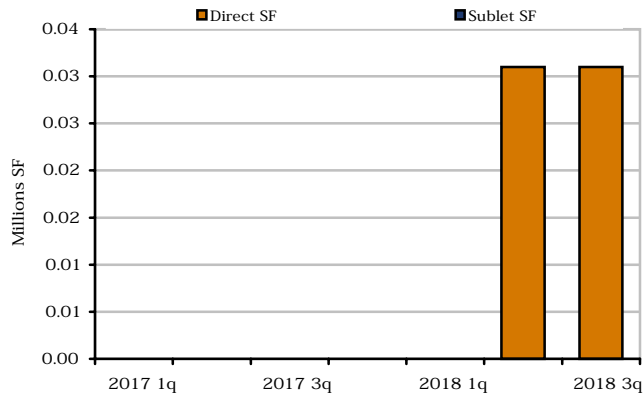
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

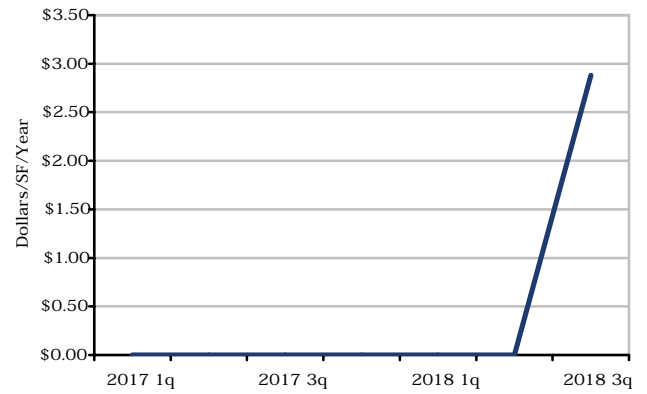
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	24	725,839	31,000	4.3%	0	0	0	0	0	\$2.88
2018 2q	24	725,839	31,000	4.3%	(31,000)	0	0	0	0	\$0.00
2018 1q	24	725,839	0	0.0%	0	0	0	0	0	\$0.00
2017 4q	24	725,839	0	0.0%	0	0	0	0	0	\$0.00
2017 3q	24	725,839	0	0.0%	0	0	0	0	0	\$0.00
2017 2q	24	725,839	0	0.0%	0	0	0	0	0	\$0.00
2017 1q	24	725,839	0	0.0%	0	0	0	0	0	\$0.00
2016 4q	24	725,839	0	0.0%	0	0	0	0	0	\$0.00
2016 3q	24	725,839	0	0.0%	6,500	0	0	0	0	\$0.00
2016 2q	24	725,839	6,500	0.9%	0	0	0	0	0	\$0.00
2016 1q	24	725,839	6,500	0.9%	0	0	0	0	0	\$0.00
2015 4q	24	725,839	6,500	0.9%	0	0	0	0	0	\$0.00
2015 3q	24	725,839	6,500	0.9%	0	0	0	0	0	\$0.00
2015 2q	24	725,839	6,500	0.9%	0	0	0	0	0	\$0.00
2015 1q	24	725,839	6,500	0.9%	0	0	0	0	0	\$0.00
2014 4q	24	725,839	6,500	0.9%	0	0	0	0	0	\$0.00

Source: CoStar Property®

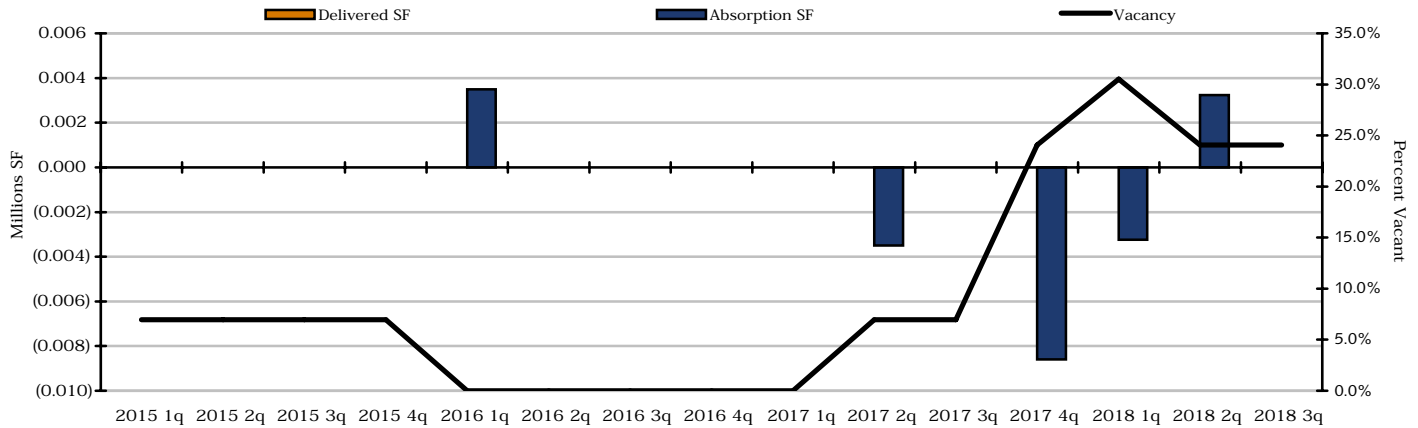
# Fresno Industrial Market



## Coalinga Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

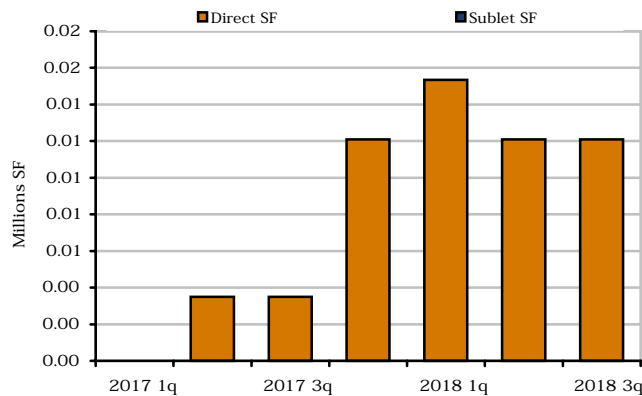
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

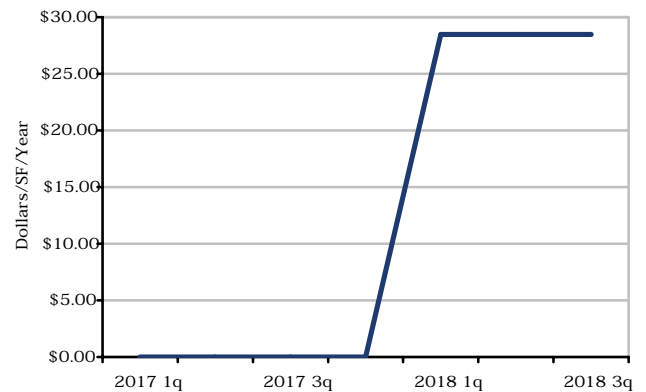
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	11	50,270	12,100	24.1%	0	0	0	0	0	\$28.46
2018 2q	11	50,270	12,100	24.1%	3,240	0	0	0	0	\$28.46
2018 1q	11	50,270	15,340	30.5%	(3,240)	0	0	0	0	\$28.46
2017 4q	11	50,270	12,100	24.1%	(8,600)	0	0	0	0	\$0.00
2017 3q	11	50,270	3,500	7.0%	0	0	0	0	0	\$0.00
2017 2q	11	50,270	3,500	7.0%	(3,500)	0	0	0	0	\$0.00
2017 1q	11	50,270	0	0.0%	0	0	0	0	0	\$0.00
2016 4q	11	50,270	0	0.0%	0	0	0	0	0	\$0.00
2016 3q	11	50,270	0	0.0%	0	0	0	0	0	\$0.00
2016 2q	11	50,270	0	0.0%	0	0	0	0	0	\$0.00
2016 1q	11	50,270	0	0.0%	3,500	0	0	0	0	\$0.00
2015 4q	11	50,270	3,500	7.0%	0	0	0	0	0	\$0.00
2015 3q	11	50,270	3,500	7.0%	0	0	0	0	0	\$0.00
2015 2q	11	50,270	3,500	7.0%	0	0	0	0	0	\$0.00
2015 1q	11	50,270	3,500	7.0%	0	0	0	0	0	\$0.00
2014 4q	11	50,270	3,500	7.0%	0	0	0	0	0	\$0.00

Source: CoStar Property®



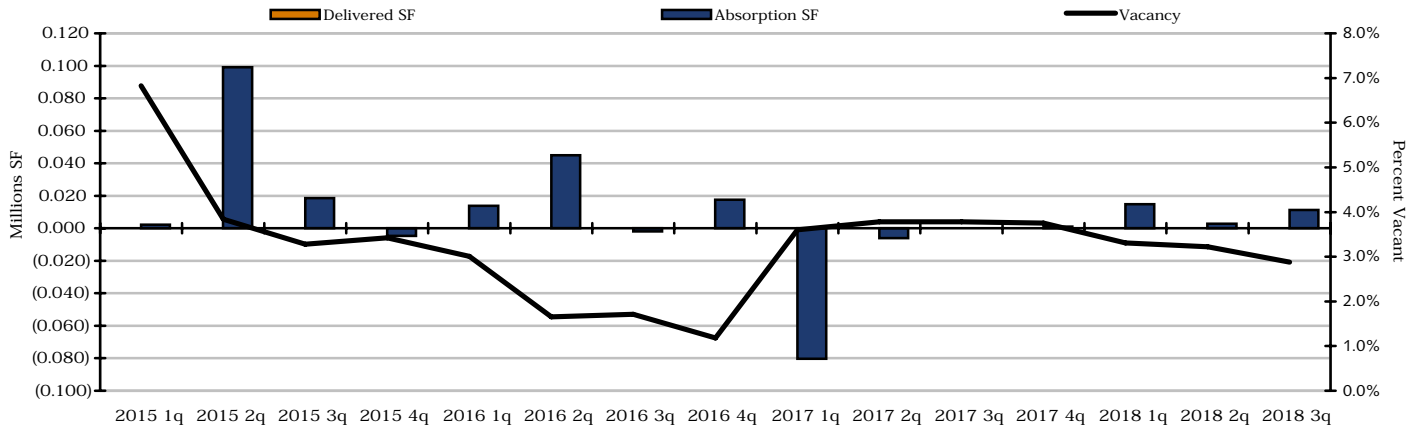
# Fresno Industrial Market

## Downtown Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

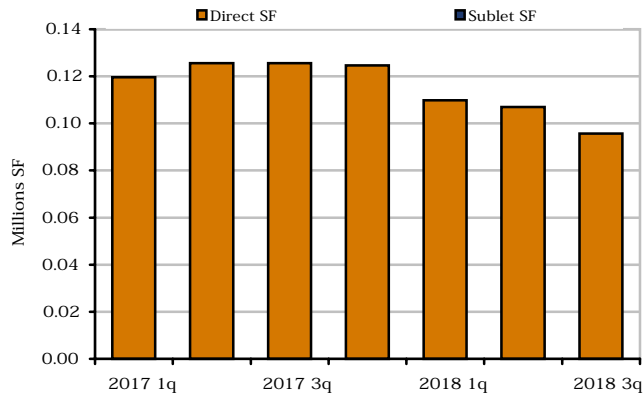
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

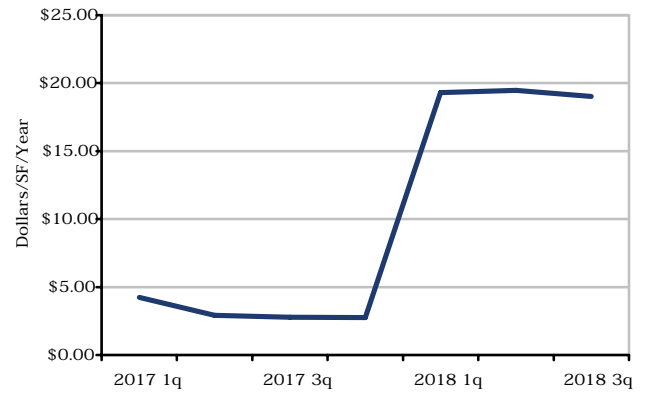
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	164	3,320,231	95,700	2.9%	11,250	0	0	0	0	\$19.03
2018 2q	164	3,320,231	106,950	3.2%	2,850	0	0	0	0	\$19.48
2018 1q	164	3,320,231	109,800	3.3%	14,800	0	0	0	0	\$19.31
2017 4q	164	3,320,231	124,600	3.8%	967	0	0	0	0	\$2.76
2017 3q	164	3,320,231	125,567	3.8%	0	0	0	0	0	\$2.78
2017 2q	164	3,320,231	125,567	3.8%	(6,000)	0	0	0	0	\$2.91
2017 1q	164	3,320,231	119,567	3.6%	(80,398)	0	0	0	0	\$4.25
2016 4q	164	3,320,231	39,169	1.2%	17,588	0	0	0	0	\$4.10
2016 3q	164	3,320,231	56,757	1.7%	(1,852)	0	0	0	0	\$4.26
2016 2q	164	3,320,231	54,905	1.7%	44,999	0	0	0	0	\$4.23
2016 1q	164	3,320,231	99,904	3.0%	13,750	0	0	0	0	\$4.51
2015 4q	164	3,320,231	113,654	3.4%	(4,750)	0	0	0	0	\$4.51
2015 3q	164	3,320,231	108,904	3.3%	18,598	0	0	0	0	\$4.51
2015 2q	164	3,320,231	127,502	3.8%	99,100	0	0	0	0	\$5.11
2015 1q	164	3,320,231	226,602	6.8%	2,291	0	0	0	0	\$4.55
2014 4q	164	3,320,231	228,893	6.9%	35,454	0	0	0	0	\$4.55

Source: CoStar Property®



# Fresno Industrial Market

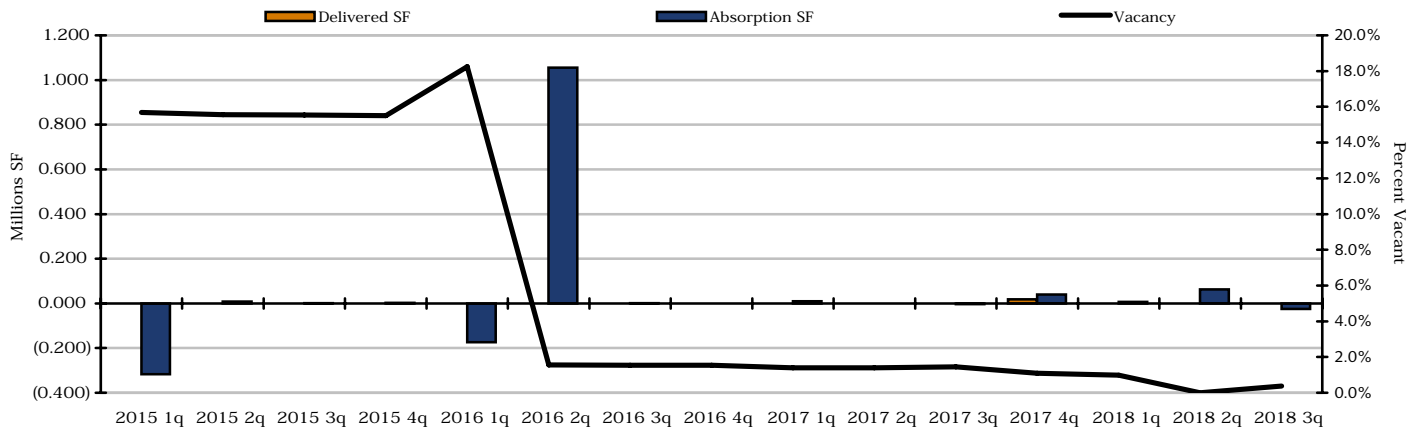


## Hanford / Armona Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

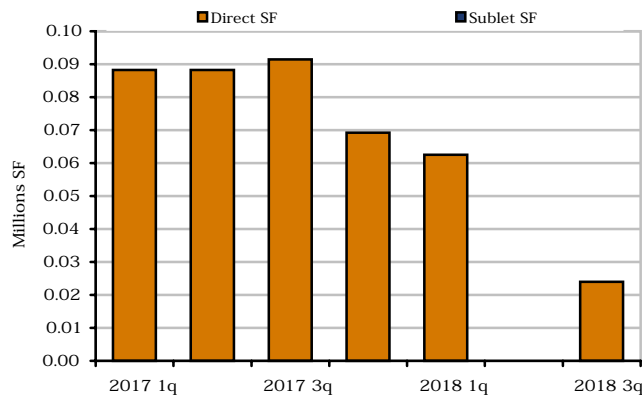
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

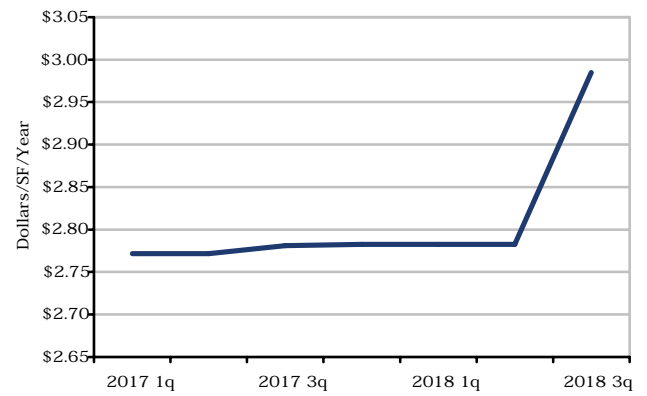
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	130	6,336,499	24,000	0.4%	(24,000)	0	0	0	0	\$2.98
2018 2q	130	6,336,499	0	0.0%	62,505	0	0	0	0	\$2.78
2018 1q	130	6,336,499	62,505	1.0%	6,688	0	0	0	0	\$2.78
2017 4q	130	6,336,499	69,193	1.1%	39,877	1	17,582	0	0	\$2.78
2017 3q	129	6,318,917	91,488	1.4%	(3,188)	0	0	1	17,582	\$2.78
2017 2q	129	6,318,917	88,300	1.4%	0	0	0	1	17,582	\$2.77
2017 1q	129	6,318,917	88,300	1.4%	9,100	0	0	1	17,582	\$2.77
2016 4q	129	6,318,917	97,400	1.5%	0	0	0	0	0	\$2.83
2016 3q	129	6,318,917	97,400	1.5%	1,200	0	0	0	0	\$2.83
2016 2q	129	6,318,917	98,600	1.6%	1,054,846	0	0	0	0	\$2.83
2016 1q	129	6,318,917	1,153,446	18.3%	(173,600)	0	0	0	0	\$2.83
2015 4q	129	6,318,917	979,846	15.5%	2,310	0	0	0	0	\$2.81
2015 3q	129	6,318,917	982,156	15.5%	850	0	0	0	0	\$2.84
2015 2q	129	6,318,917	983,006	15.6%	8,450	0	0	0	0	\$2.84
2015 1q	129	6,318,917	991,456	15.7%	(317,000)	0	0	0	0	\$2.83
2014 4q	129	6,318,917	674,456	10.7%	4,900	0	0	0	0	\$2.61

Source: CoStar Property®

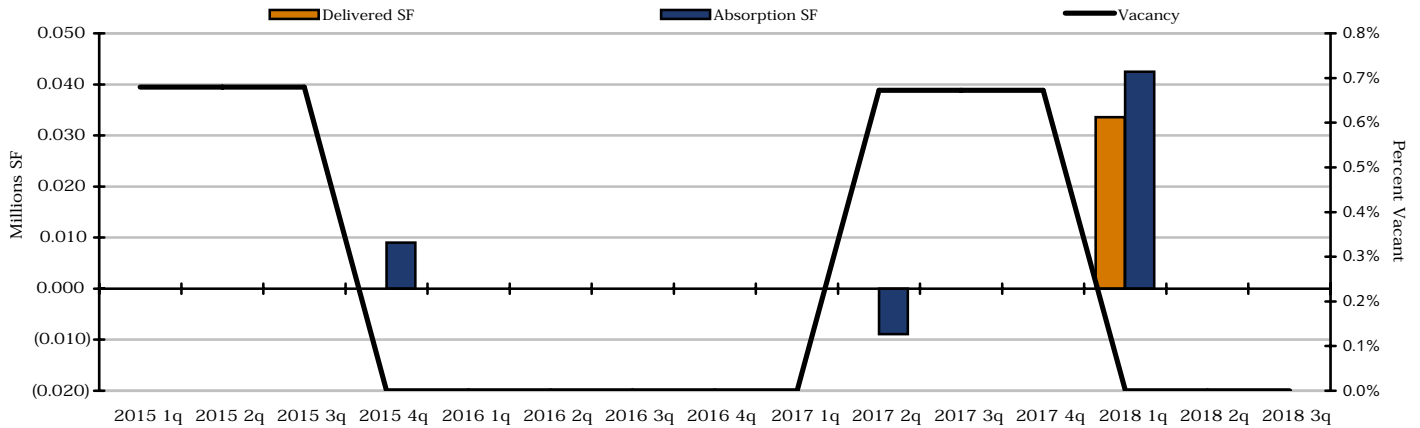


# Fresno Industrial Market

## Lemoore Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

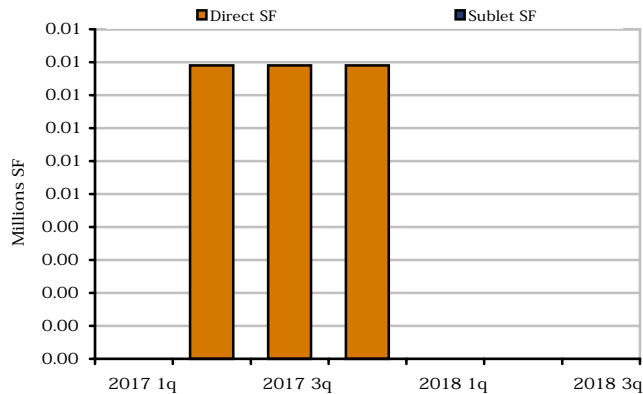
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

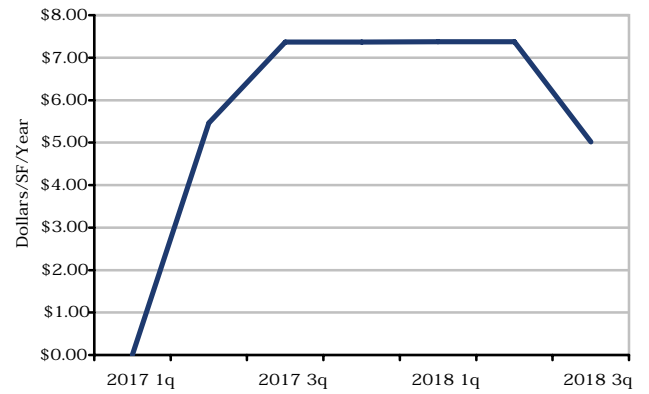
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	28	1,357,194	0	0.0%	0	0	0	2	65,395	\$5.02
2018 2q	28	1,357,194	0	0.0%	0	0	0	2	65,395	\$7.37
2018 1q	28	1,357,194	0	0.0%	42,500	1	33,600	2	65,395	\$7.37
2017 4q	27	1,323,594	8,900	0.7%	0	0	0	3	98,995	\$7.37
2017 3q	27	1,323,594	8,900	0.7%	0	0	0	2	46,600	\$7.37
2017 2q	27	1,323,594	8,900	0.7%	(8,900)	0	0	0	0	\$5.46
2017 1q	27	1,323,594	0	0.0%	0	0	0	0	0	\$0.00
2016 4q	27	1,323,594	0	0.0%	0	0	0	0	0	\$0.00
2016 3q	27	1,323,594	0	0.0%	0	0	0	0	0	\$0.00
2016 2q	27	1,323,594	0	0.0%	0	0	0	0	0	\$0.00
2016 1q	27	1,323,594	0	0.0%	0	0	0	0	0	\$0.00
2015 4q	27	1,323,594	0	0.0%	9,000	0	0	0	0	\$0.00
2015 3q	27	1,323,594	9,000	0.7%	0	0	0	0	0	\$0.00
2015 2q	27	1,323,594	9,000	0.7%	0	0	0	0	0	\$0.00
2015 1q	27	1,323,594	9,000	0.7%	0	0	0	0	0	\$0.00
2014 4q	27	1,323,594	9,000	0.7%	0	0	0	0	0	\$0.00

Source: CoStar Property®

# Fresno Industrial Market

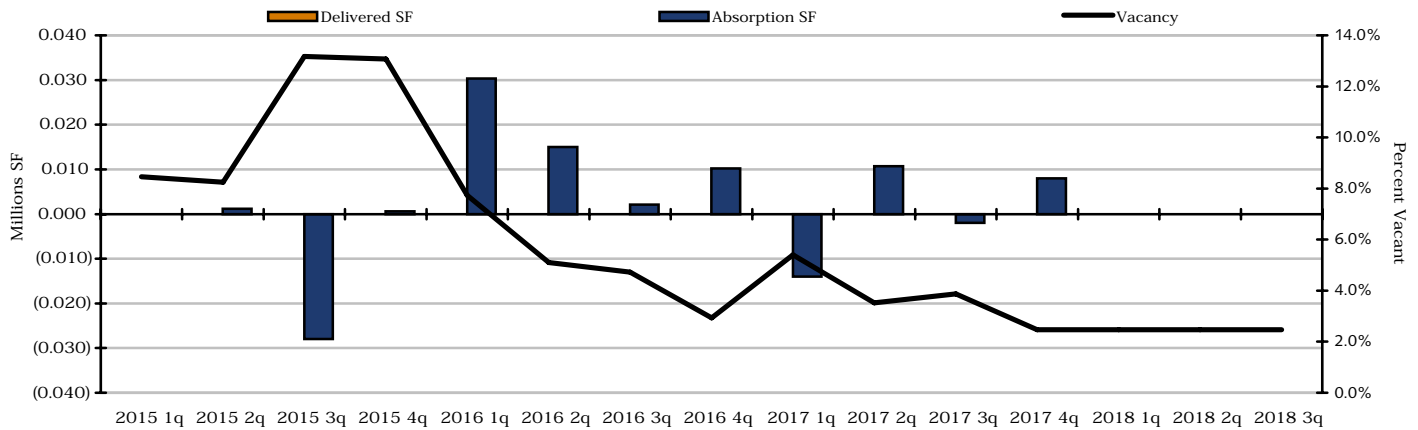


## Los Banos Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

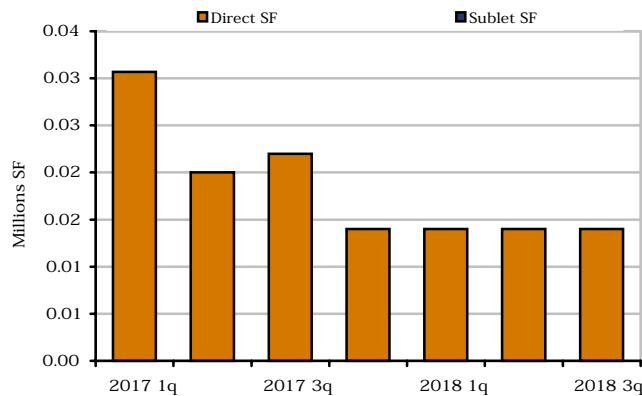
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

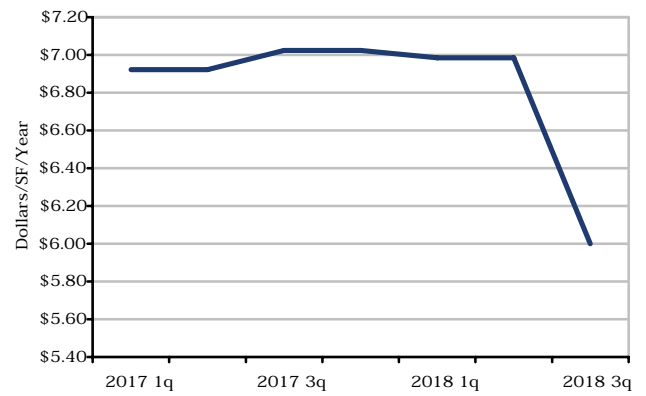
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	31	568,104	14,000	2.5%	0	0	0	0	0	\$6.00
2018 2q	31	568,104	14,000	2.5%	0	0	0	0	0	\$6.98
2018 1q	31	568,104	14,000	2.5%	0	0	0	0	0	\$6.98
2017 4q	31	568,104	14,000	2.5%	8,000	0	0	0	0	\$7.02
2017 3q	31	568,104	22,000	3.9%	(2,000)	0	0	0	0	\$7.02
2017 2q	31	568,104	20,000	3.5%	10,679	0	0	0	0	\$6.92
2017 1q	31	568,104	30,679	5.4%	(14,000)	0	0	0	0	\$6.92
2016 4q	31	568,104	16,679	2.9%	10,200	0	0	0	0	\$4.44
2016 3q	31	568,104	26,879	4.7%	2,079	0	0	0	0	\$5.17
2016 2q	31	568,104	28,958	5.1%	14,982	0	0	0	0	\$5.17
2016 1q	31	568,104	43,940	7.7%	30,300	0	0	0	0	\$5.17
2015 4q	31	568,104	74,240	13.1%	600	0	0	0	0	\$5.15
2015 3q	31	568,104	74,840	13.2%	(28,000)	0	0	0	0	\$5.40
2015 2q	31	568,104	46,840	8.2%	1,200	0	0	0	0	\$5.40
2015 1q	31	568,104	48,040	8.5%	0	0	0	0	0	\$5.40
2014 4q	31	568,104	48,040	8.5%	5,000	0	0	0	0	\$5.40

Source: CoStar Property®

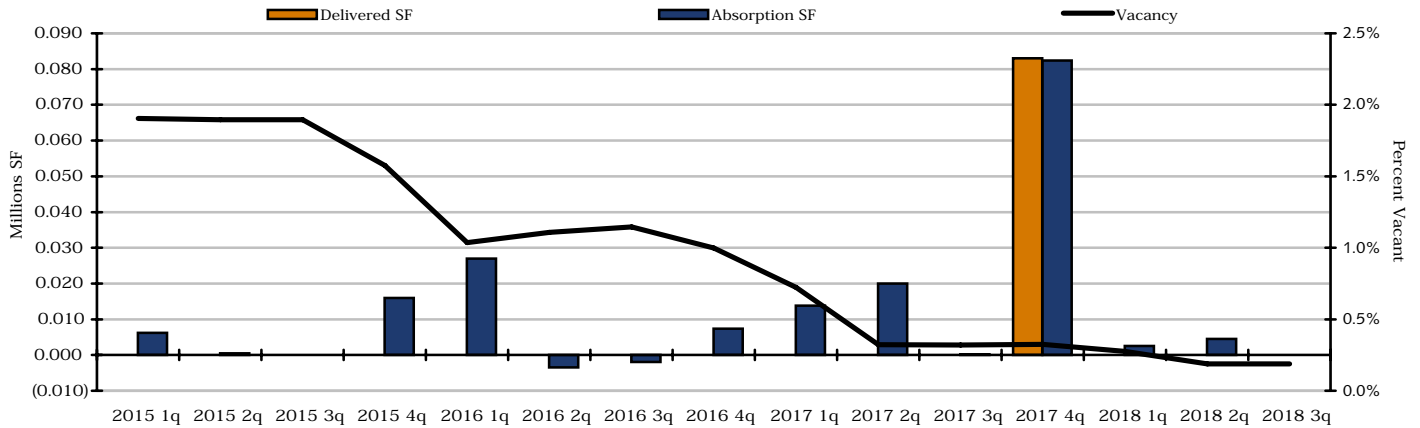


# Fresno Industrial Market

Madera Market  
MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

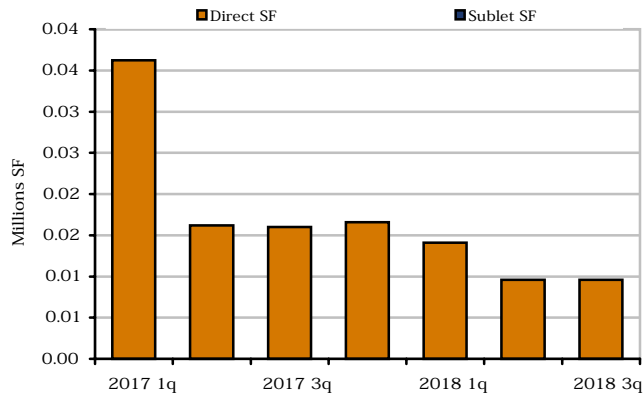
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

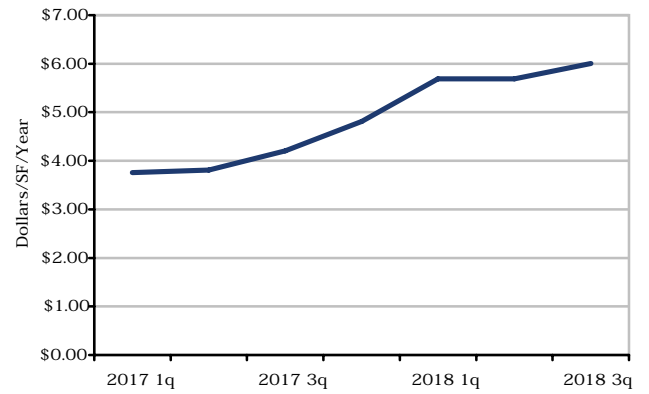
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	149	5,095,854	9,580	0.2%	0	0	0	0	0	\$6.00
2018 2q	149	5,095,854	9,580	0.2%	4,500	0	0	0	0	\$5.69
2018 1q	149	5,095,854	14,080	0.3%	2,500	0	0	0	0	\$5.69
2017 4q	149	5,095,854	16,580	0.3%	82,425	1	83,000	0	0	\$4.81
2017 3q	148	5,012,854	16,005	0.3%	200	0	0	1	83,000	\$4.20
2017 2q	148	5,012,854	16,205	0.3%	20,016	0	0	1	83,000	\$3.81
2017 1q	148	5,012,854	36,221	0.7%	13,853	0	0	0	0	\$3.76
2016 4q	148	5,012,854	50,074	1.0%	7,400	0	0	0	0	\$3.65
2016 3q	148	5,012,854	57,474	1.1%	(1,974)	0	0	0	0	\$3.35
2016 2q	148	5,012,854	55,500	1.1%	(3,500)	0	0	0	0	\$3.35
2016 1q	148	5,012,854	52,000	1.0%	27,000	0	0	0	0	\$3.78
2015 4q	148	5,012,854	79,000	1.6%	16,000	0	0	0	0	\$3.78
2015 3q	148	5,012,854	95,000	1.9%	0	0	0	0	0	\$3.87
2015 2q	148	5,012,854	95,000	1.9%	500	0	0	0	0	\$3.87
2015 1q	148	5,012,854	95,500	1.9%	6,183	0	0	0	0	\$3.87
2014 4q	148	5,012,854	101,683	2.0%	0	0	0	0	0	\$3.87

Source: CoStar Property®

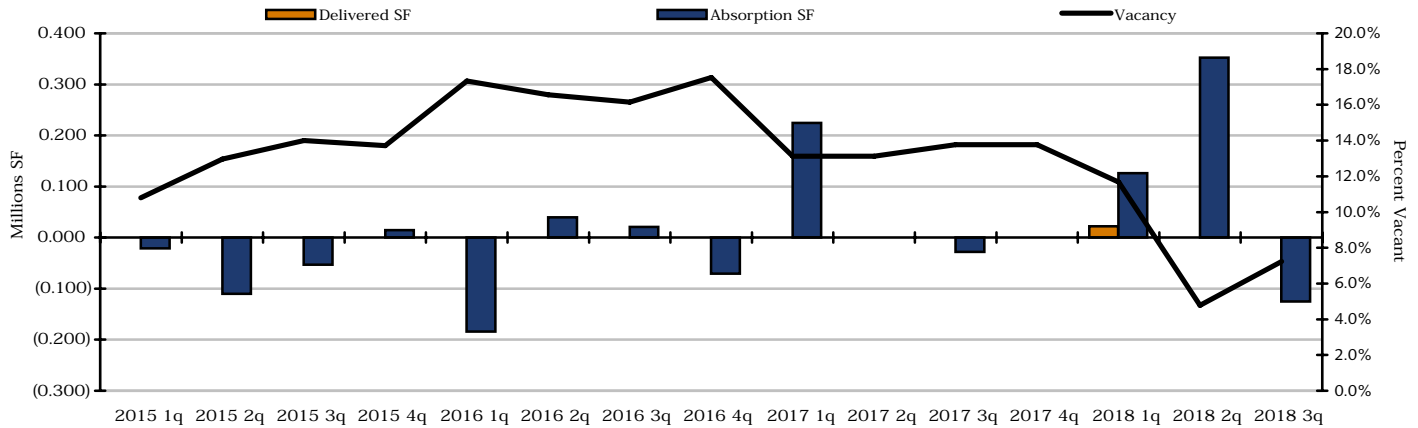
# Fresno Industrial Market



## Merced Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

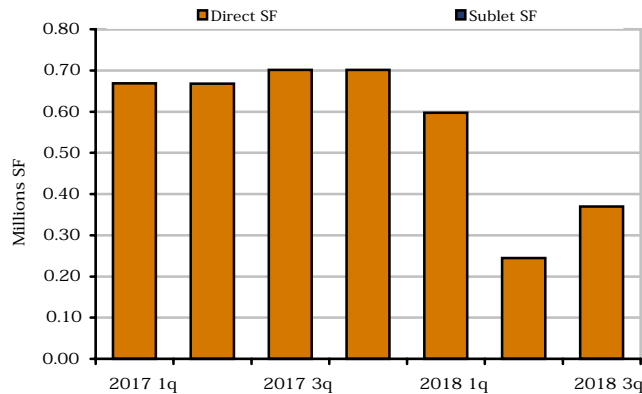
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

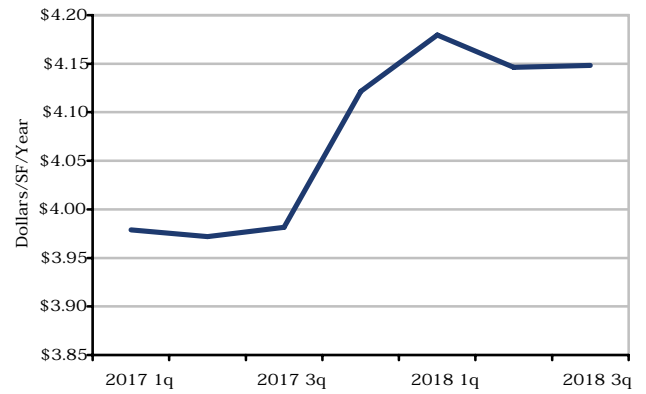
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	205	5,119,613	369,943	7.2%	(125,118)	0	0	1	21,309	\$4.15
2018 2q	205	5,119,613	244,825	4.8%	352,515	0	0	1	21,309	\$4.15
2018 1q	205	5,119,613	597,340	11.7%	126,244	1	22,000	1	21,309	\$4.18
2017 4q	204	5,097,613	701,584	13.8%	0	0	0	2	43,309	\$4.12
2017 3q	204	5,097,613	701,584	13.8%	(27,757)	0	0	0	0	\$3.98
2017 2q	203	5,091,770	667,984	13.1%	475	0	0	1	5,843	\$3.97
2017 1q	203	5,091,770	668,459	13.1%	224,341	0	0	1	5,843	\$3.98
2016 4q	203	5,091,770	892,800	17.5%	(70,542)	0	0	0	0	\$4.02
2016 3q	203	5,091,770	822,258	16.1%	20,911	0	0	0	0	\$3.90
2016 2q	203	5,091,770	843,169	16.6%	39,427	0	0	0	0	\$4.51
2016 1q	203	5,091,770	882,596	17.3%	(183,850)	0	0	0	0	\$4.49
2015 4q	203	5,091,770	698,746	13.7%	14,300	0	0	0	0	\$4.46
2015 3q	203	5,091,770	713,046	14.0%	(53,265)	0	0	0	0	\$4.50
2015 2q	203	5,091,770	659,781	13.0%	(110,182)	0	0	0	0	\$4.21
2015 1q	203	5,091,770	549,599	10.8%	(21,167)	0	0	0	0	\$4.11
2014 4q	203	5,091,770	528,432	10.4%	6,450	0	0	0	0	\$3.97

Source: CoStar Property®



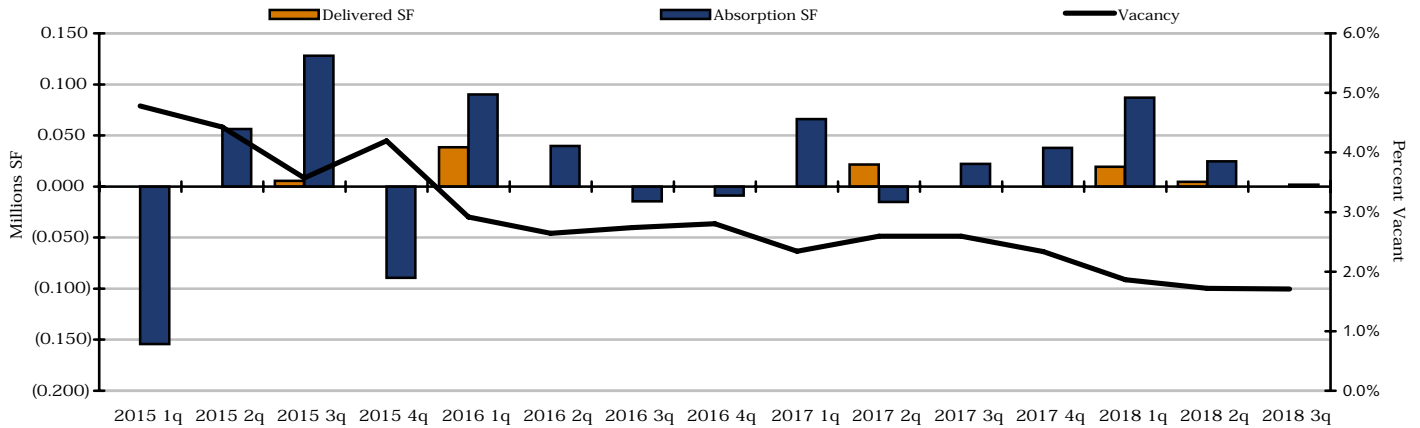
# Fresno Industrial Market

## Northeast Fresno Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

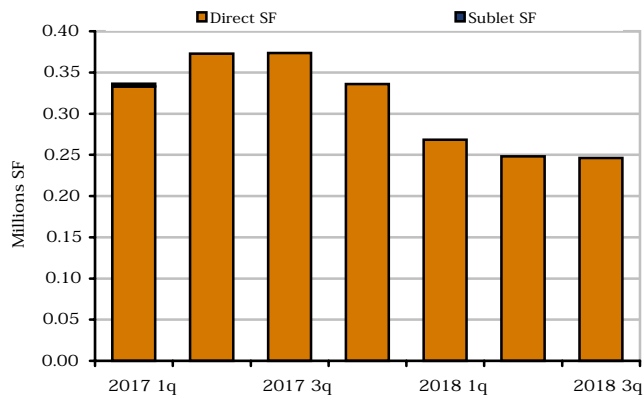
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

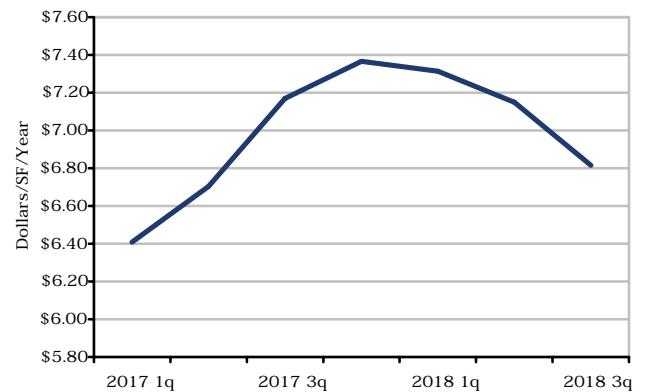
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	840	14,415,844	246,266	1.7%	1,764	0	0	4	40,724	\$6.82
2018 2q	840	14,415,844	248,030	1.7%	24,802	1	4,492	3	17,280	\$7.15
2018 1q	839	14,411,352	268,340	1.9%	86,989	3	19,328	1	4,492	\$7.31
2017 4q	836	14,392,024	336,001	2.3%	37,765	0	0	4	23,820	\$7.37
2017 3q	836	14,392,024	373,766	2.6%	22,251	0	0	4	23,820	\$7.17
2017 2q	835	14,368,969	372,962	2.6%	(15,244)	1	21,400	1	23,055	\$6.70
2017 1q	834	14,347,569	336,318	2.3%	65,903	0	0	2	44,455	\$6.41
2016 4q	834	14,347,569	402,221	2.8%	(8,842)	0	0	1	21,400	\$5.63
2016 3q	834	14,347,569	393,379	2.7%	(14,458)	0	0	0	0	\$5.48
2016 2q	834	14,347,569	378,921	2.6%	39,745	0	0	0	0	\$5.44
2016 1q	834	14,347,569	418,666	2.9%	90,259	3	38,505	0	0	\$5.60
2015 4q	832	14,444,516	605,872	4.2%	(89,536)	0	0	3	38,505	\$5.55
2015 3q	832	14,444,516	516,336	3.6%	128,057	1	5,460	3	38,505	\$5.65
2015 2q	831	14,439,056	638,933	4.4%	56,203	0	0	2	33,045	\$5.51
2015 1q	830	14,434,056	690,136	4.8%	(154,372)	0	0	3	38,045	\$6.07
2014 4q	830	14,434,056	535,764	3.7%	16,561	0	0	3	38,045	\$6.08

Source: CoStar Property®

# Fresno Industrial Market

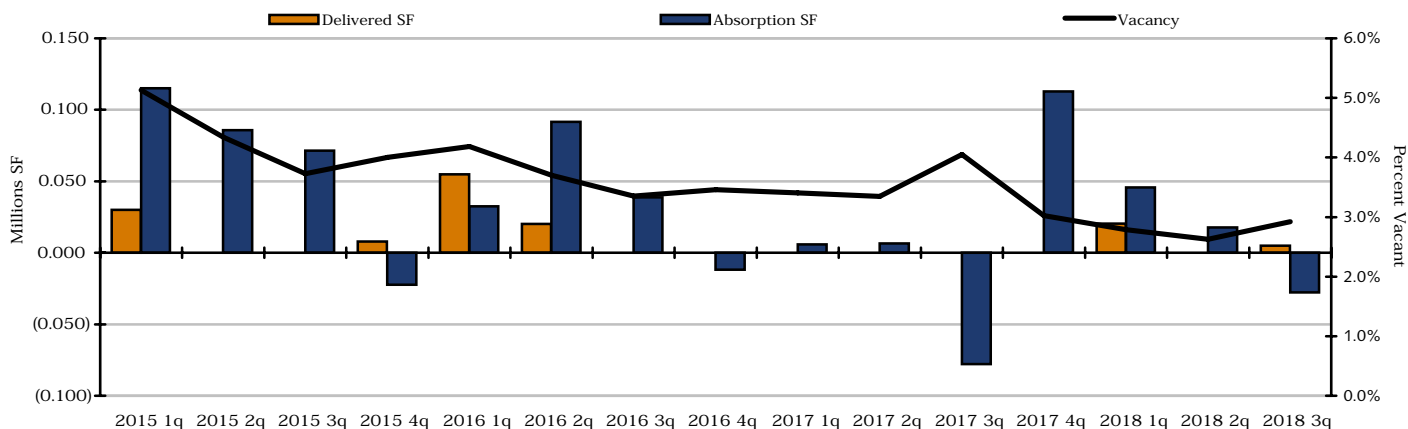


## Northwest Fresno Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

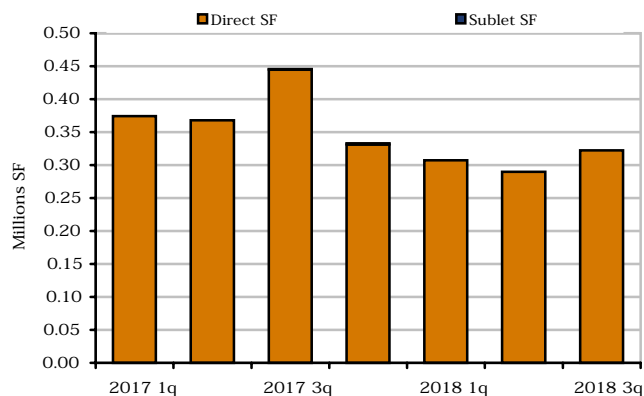
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

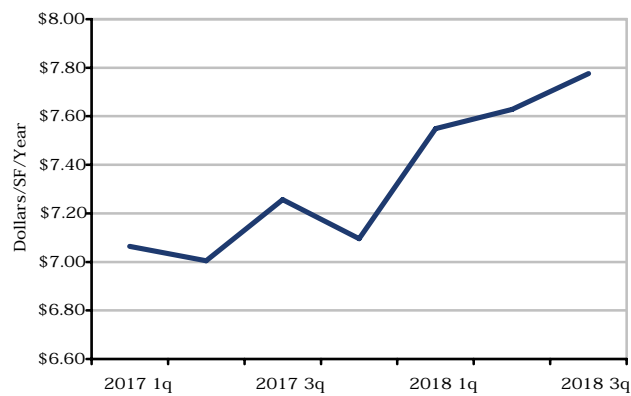
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	735	11,028,246	322,361	2.9%	(27,783)	1	4,907	1	7,004	\$7.78
2018 2q	734	11,023,339	289,671	2.6%	17,760	0	0	2	11,911	\$7.63
2018 1q	734	11,023,339	307,431	2.8%	45,740	1	20,300	2	11,911	\$7.55
2017 4q	733	11,003,039	332,871	3.0%	112,929	0	0	1	20,300	\$7.10
2017 3q	733	11,003,039	445,800	4.1%	(77,755)	0	0	1	20,300	\$7.26
2017 2q	733	11,003,039	368,045	3.3%	6,429	0	0	1	20,300	\$7.00
2017 1q	733	11,003,039	374,474	3.4%	5,900	0	0	1	20,300	\$7.06
2016 4q	732	11,001,139	380,374	3.5%	(11,758)	0	0	0	0	\$6.76
2016 3q	732	11,001,139	368,616	3.4%	38,796	0	0	0	0	\$6.47
2016 2q	732	11,001,139	407,412	3.7%	91,655	1	20,173	0	0	\$6.46
2016 1q	730	10,960,966	458,894	4.2%	32,608	6	54,775	2	40,173	\$6.52
2015 4q	724	10,906,191	436,727	4.0%	(22,333)	1	7,936	8	94,948	\$6.63
2015 3q	723	10,898,255	406,458	3.7%	71,543	0	0	9	102,884	\$6.41
2015 2q	722	10,893,300	473,046	4.3%	85,835	0	0	7	52,666	\$6.00
2015 1q	722	10,893,300	558,881	5.1%	115,171	1	30,000	1	4,955	\$5.94
2014 4q	721	10,863,300	644,052	5.9%	98,436	0	0	1	30,000	\$5.85

Source: CoStar Property®



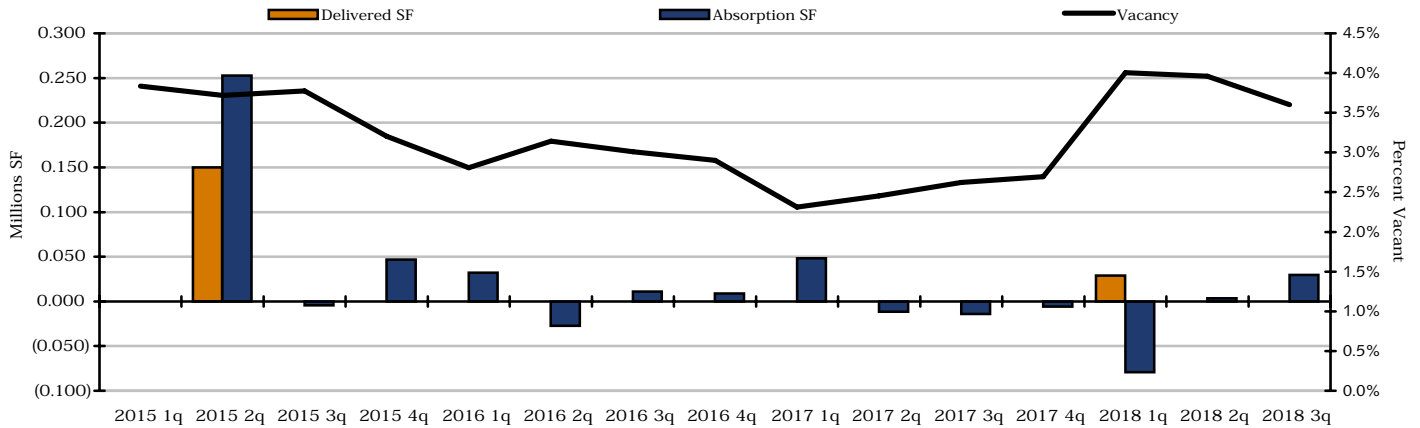
# Fresno Industrial Market

Outlying Fresno Cnty Market

MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

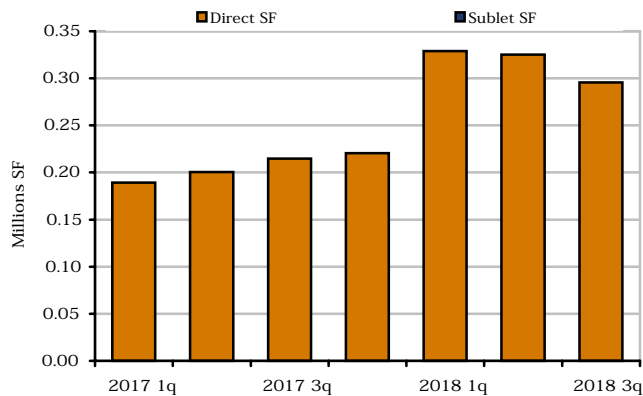
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

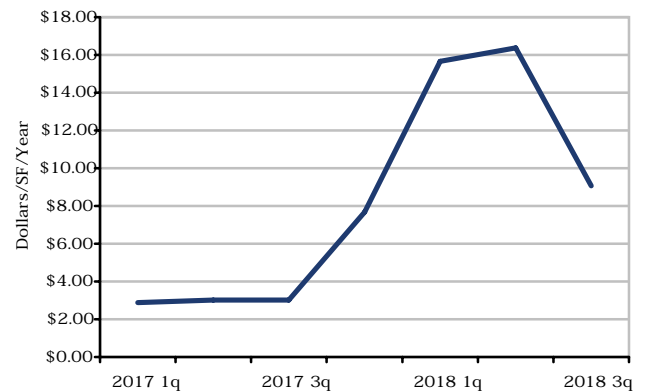
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	171	8,208,771	295,700	3.6%	29,500	0	0	2	88,109	\$9.06
2018 2q	171	8,208,771	325,200	4.0%	3,600	0	0	1	76,000	\$16.37
2018 1q	171	8,208,771	328,800	4.0%	(79,300)	1	29,000	1	76,000	\$15.66
2017 4q	170	8,179,771	220,500	2.7%	(5,854)	0	0	2	105,000	\$7.68
2017 3q	170	8,179,771	214,646	2.6%	(14,020)	0	0	2	105,000	\$3.01
2017 2q	170	8,179,771	200,626	2.5%	(11,480)	0	0	1	76,000	\$3.03
2017 1q	170	8,179,771	189,146	2.3%	48,100	0	0	1	76,000	\$2.89
2016 4q	170	8,179,771	237,246	2.9%	8,950	0	0	1	76,000	\$2.53
2016 3q	170	8,179,771	246,196	3.0%	10,865	0	0	1	76,000	\$2.53
2016 2q	170	8,179,771	257,061	3.1%	(27,310)	0	0	0	0	\$2.59
2016 1q	170	8,179,771	229,751	2.8%	32,195	0	0	0	0	\$2.67
2015 4q	170	8,179,771	261,946	3.2%	46,714	0	0	0	0	\$2.50
2015 3q	170	8,179,771	308,660	3.8%	(4,500)	0	0	0	0	\$2.50
2015 2q	170	8,179,771	304,160	3.7%	252,750	1	150,000	0	0	\$2.50
2015 1q	168	7,927,021	304,160	3.8%	0	0	0	2	252,750	\$2.50
2014 4q	168	7,927,021	304,160	3.8%	255,700	0	0	2	252,750	\$2.50

Source: CoStar Property®



# Fresno Industrial Market

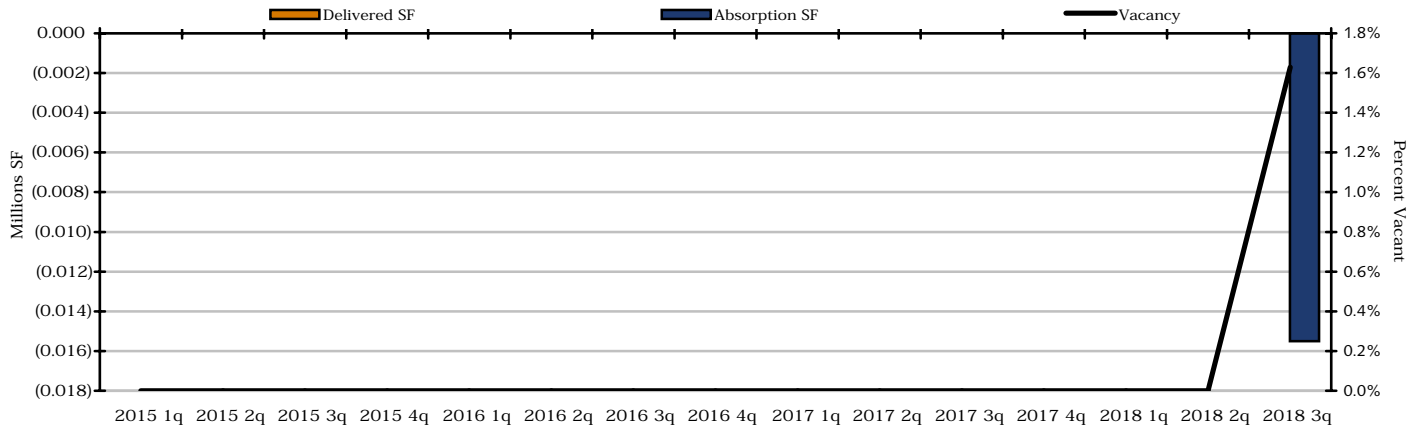


## Outlying Kings County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

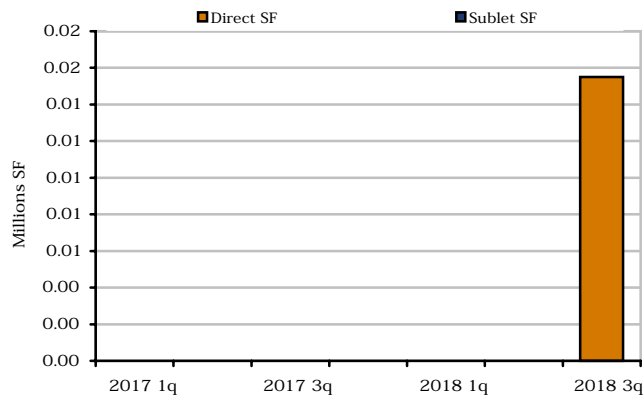
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

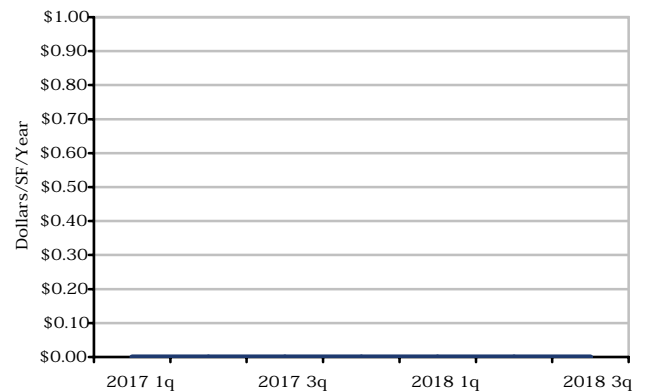
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	31	951,545	15,500	1.6%	(15,500)	0	0	0	0	\$0.00
2018 2q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2018 1q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2017 4q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2017 3q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2017 2q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2017 1q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2016 4q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2016 3q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2016 2q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2016 1q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2015 4q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2015 3q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2015 2q	31	951,545	0	0.0%	0	0	0	0	0	\$0.00
2015 1q	31	951,545	0	0.0%	0	0	0	0	0	\$1.80
2014 4q	31	951,545	0	0.0%	20,000	0	0	0	0	\$1.80

Source: CoStar Property®



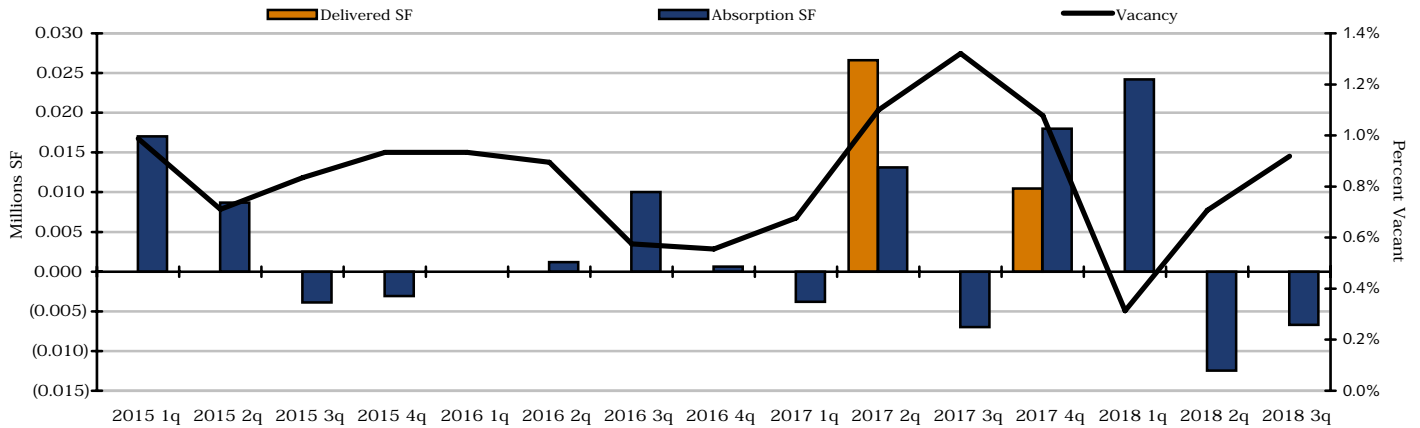
# Fresno Industrial Market

Outlying Madera Cnty Market

MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

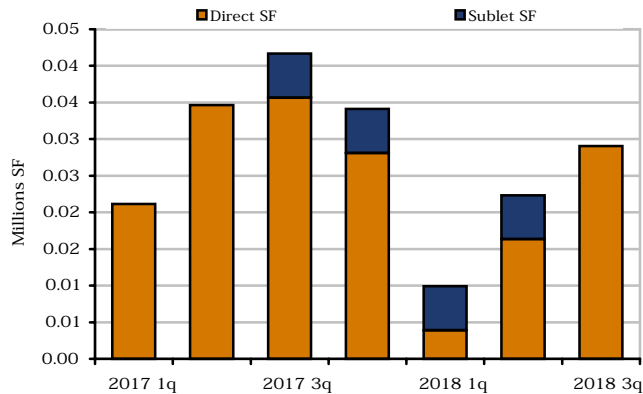
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

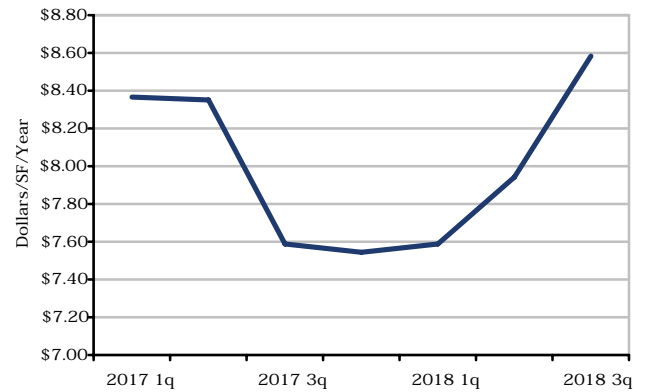
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	87	3,162,697	29,061	0.9%	(6,716)	0	0	0	0	\$8.58
2018 2q	87	3,162,697	22,345	0.7%	(12,445)	0	0	0	0	\$7.94
2018 1q	87	3,162,697	9,900	0.3%	24,200	0	0	0	0	\$7.59
2017 4q	87	3,162,697	34,100	1.1%	18,011	1	10,450	0	0	\$7.54
2017 3q	86	3,152,247	41,661	1.3%	(7,000)	0	0	1	10,450	\$7.59
2017 2q	86	3,152,247	34,661	1.1%	13,110	1	26,610	1	10,450	\$8.35
2017 1q	85	3,125,637	21,161	0.7%	(3,800)	0	0	2	37,060	\$8.37
2016 4q	85	3,125,637	17,361	0.6%	612	0	0	1	26,610	\$6.95
2016 3q	85	3,125,637	17,973	0.6%	10,006	0	0	0	0	\$6.92
2016 2q	85	3,125,637	27,979	0.9%	1,206	0	0	0	0	\$7.19
2016 1q	85	3,125,637	29,185	0.9%	0	0	0	0	0	\$7.04
2015 4q	85	3,125,637	29,185	0.9%	(3,086)	0	0	0	0	\$6.96
2015 3q	85	3,125,637	26,099	0.8%	(3,900)	0	0	0	0	\$6.83
2015 2q	85	3,125,637	22,199	0.7%	8,670	0	0	0	0	\$6.22
2015 1q	85	3,125,637	30,869	1.0%	17,010	0	0	0	0	\$4.65
2014 4q	85	3,125,637	47,879	1.5%	(4,120)	0	0	0	0	\$4.44

Source: CoStar Property®

# Fresno Industrial Market

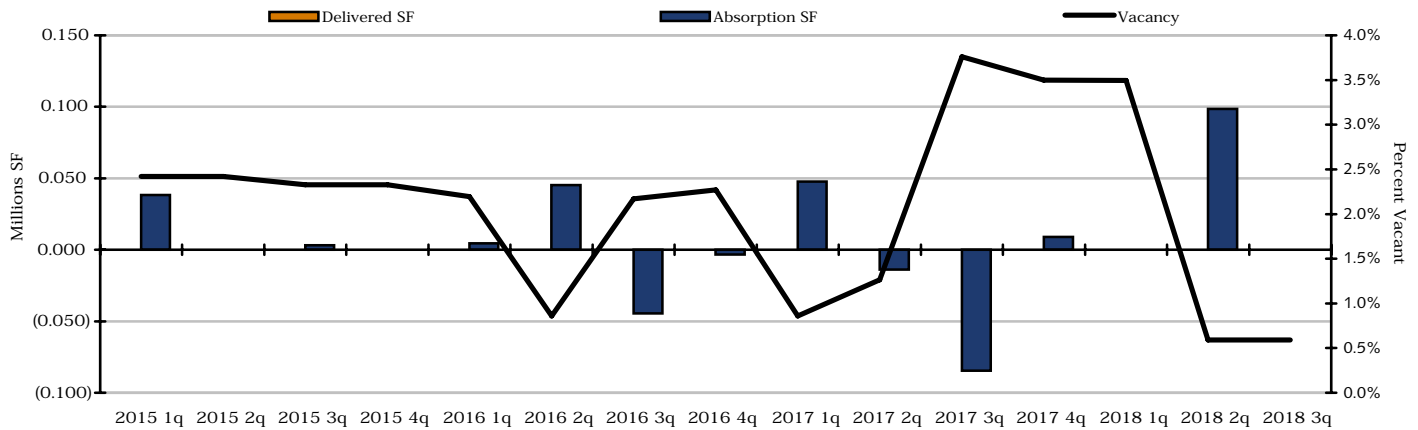


## Outlying Merced Cnty Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

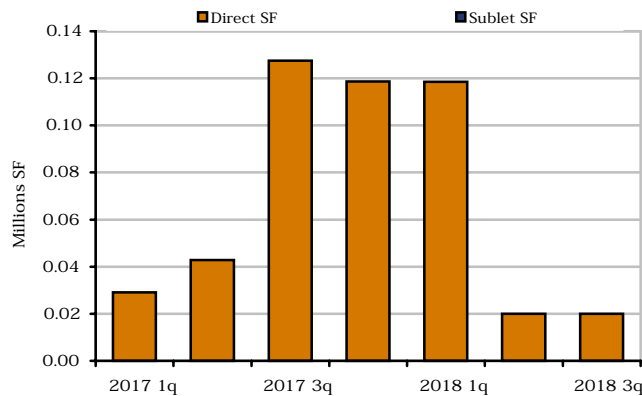
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

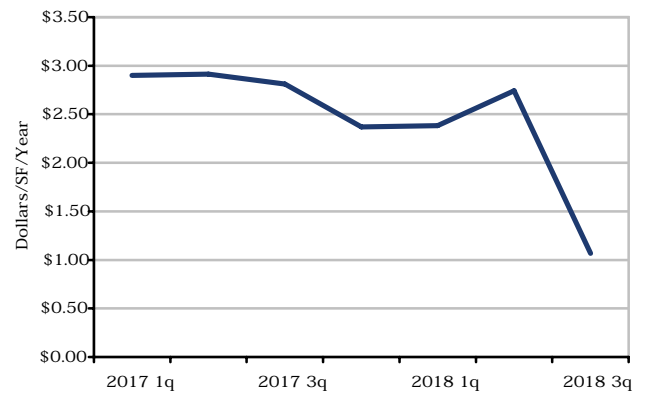
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	95	3,389,561	20,000	0.6%	0	0	0	1	13,157	\$1.07
2018 2q	95	3,389,561	20,000	0.6%	98,500	0	0	1	13,157	\$2.74
2018 1q	95	3,389,561	118,500	3.5%	100	0	0	1	13,157	\$2.38
2017 4q	95	3,389,561	118,600	3.5%	8,900	0	0	0	0	\$2.37
2017 3q	95	3,389,561	127,500	3.8%	(84,624)	0	0	0	0	\$2.81
2017 2q	95	3,389,561	42,876	1.3%	(13,776)	0	0	0	0	\$2.91
2017 1q	95	3,389,561	29,100	0.9%	47,800	0	0	0	0	\$2.90
2016 4q	95	3,389,561	76,900	2.3%	(3,400)	0	0	0	0	\$2.73
2016 3q	95	3,389,561	73,500	2.2%	(44,400)	0	0	0	0	\$2.89
2016 2q	95	3,389,561	29,100	0.9%	45,280	0	0	0	0	\$3.85
2016 1q	95	3,389,561	74,380	2.2%	4,500	0	0	0	0	\$3.85
2015 4q	95	3,389,561	78,880	2.3%	0	0	0	0	0	\$3.84
2015 3q	95	3,389,561	78,880	2.3%	3,185	0	0	0	0	\$3.84
2015 2q	95	3,389,561	82,065	2.4%	0	0	0	0	0	\$3.84
2015 1q	95	3,389,561	82,065	2.4%	38,415	0	0	0	0	\$3.72
2014 4q	95	3,389,561	120,480	3.6%	(3,400)	0	0	0	0	\$4.36

Source: CoStar Property®

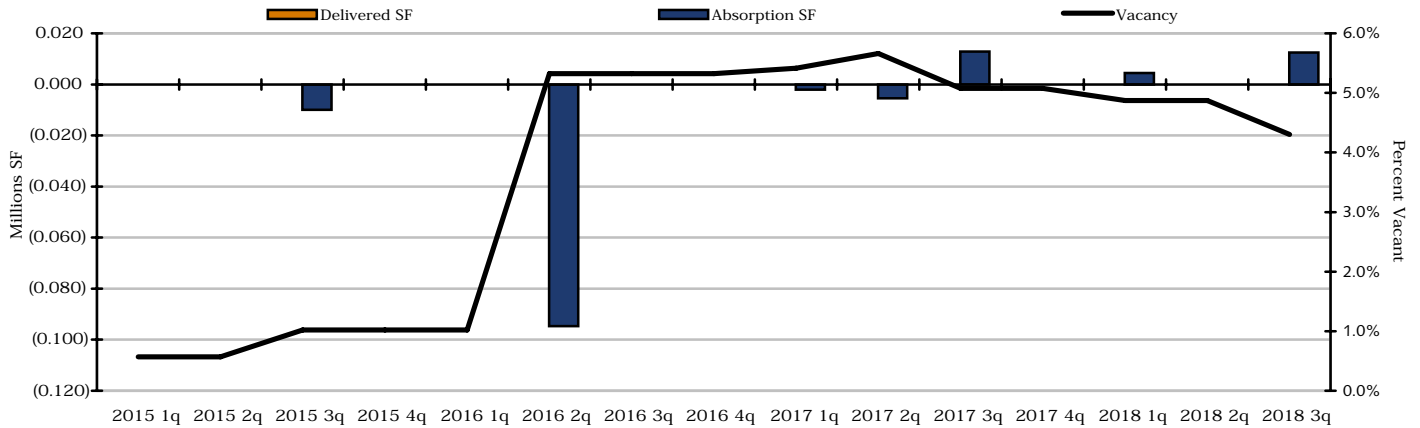


# Fresno Industrial Market

## Reedley Market MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

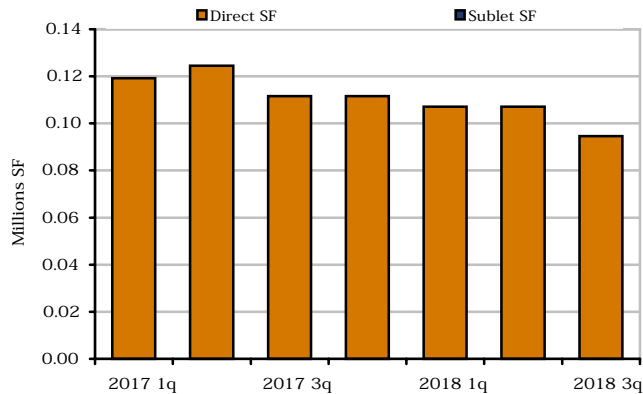
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

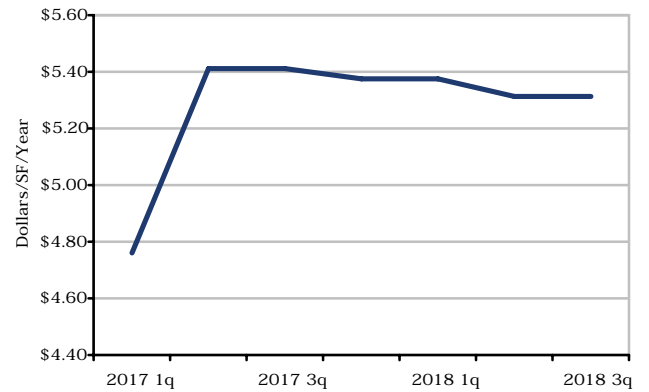
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	50	2,199,645	94,650	4.3%	12,500	0	0	0	0	\$5.31
2018 2q	50	2,199,645	107,150	4.9%	0	0	0	0	0	\$5.31
2018 1q	50	2,199,645	107,150	4.9%	4,500	0	0	0	0	\$5.37
2017 4q	50	2,199,645	111,650	5.1%	0	0	0	0	0	\$5.37
2017 3q	50	2,199,645	111,650	5.1%	12,900	0	0	0	0	\$5.41
2017 2q	50	2,199,645	124,550	5.7%	(5,400)	0	0	0	0	\$5.41
2017 1q	50	2,199,645	119,150	5.4%	(2,000)	0	0	0	0	\$4.76
2016 4q	50	2,199,645	117,150	5.3%	0	0	0	0	0	\$4.76
2016 3q	50	2,199,645	117,150	5.3%	0	0	0	0	0	\$5.40
2016 2q	50	2,199,645	117,150	5.3%	(94,650)	0	0	0	0	\$5.68
2016 1q	50	2,199,645	22,500	1.0%	0	0	0	0	0	\$6.53
2015 4q	50	2,199,645	22,500	1.0%	0	0	0	0	0	\$6.53
2015 3q	50	2,199,645	22,500	1.0%	(10,000)	0	0	0	0	\$6.53
2015 2q	50	2,199,645	12,500	0.6%	0	0	0	0	0	\$5.86
2015 1q	50	2,199,645	12,500	0.6%	0	0	0	0	0	\$5.86
2014 4q	50	2,199,645	12,500	0.6%	0	0	0	0	0	\$5.86

Source: CoStar Property®

# Fresno Industrial Market

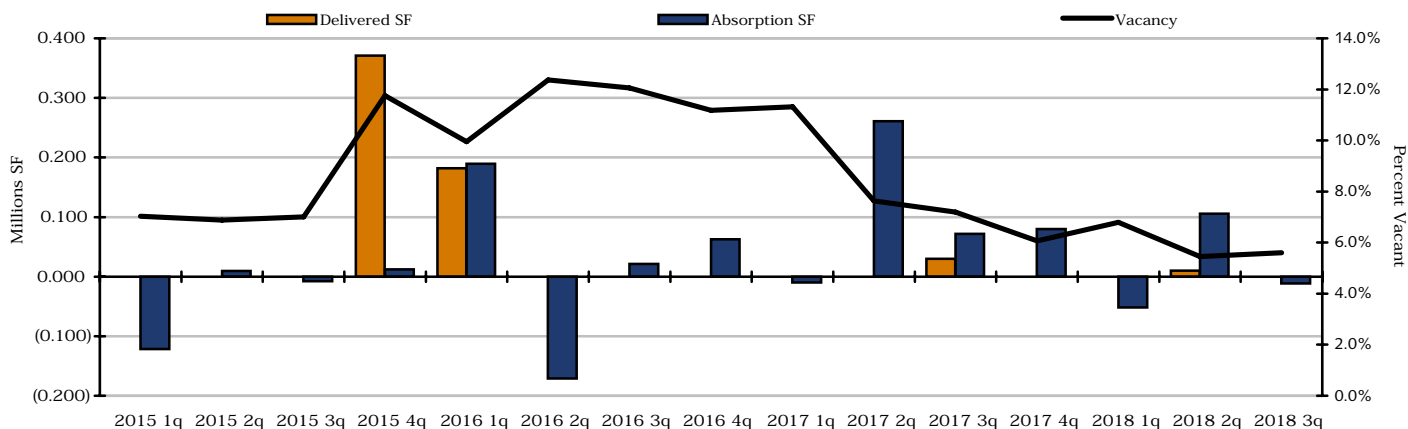


## S Fresno / Hwy 99 Corr Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

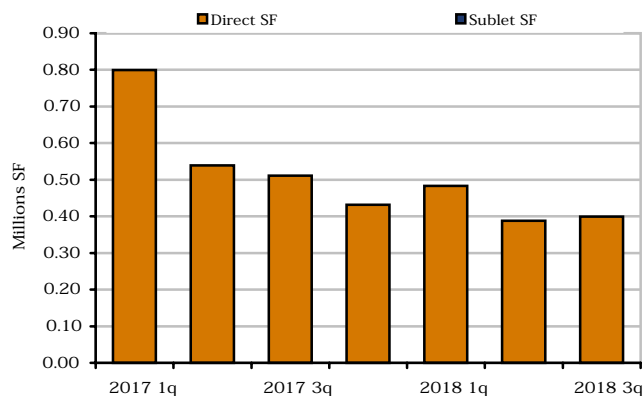
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

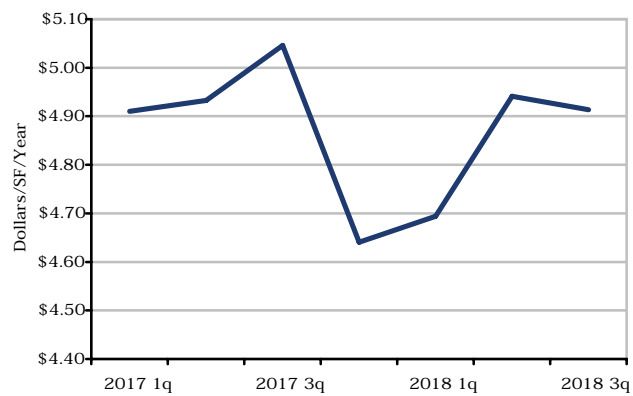
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	225	7,118,751	399,058	5.6%	(11,320)	0	0	3	52,400	\$4.91
2018 2q	225	7,118,751	387,738	5.4%	105,456	1	10,000	3	52,400	\$4.94
2018 1q	224	7,108,751	483,194	6.8%	(51,570)	0	0	2	40,000	\$4.69
2017 4q	224	7,108,751	431,624	6.1%	79,935	0	0	1	10,000	\$4.64
2017 3q	224	7,108,751	511,559	7.2%	71,847	1	30,000	1	10,000	\$5.05
2017 2q	222	7,064,404	539,059	7.6%	260,747	0	0	3	54,347	\$4.93
2017 1q	222	7,064,404	799,806	11.3%	(10,100)	0	0	2	44,347	\$4.91
2016 4q	222	7,064,404	789,706	11.2%	62,475	0	0	1	30,000	\$5.32
2016 3q	222	7,064,404	852,181	12.1%	21,400	0	0	1	30,000	\$4.53
2016 2q	222	7,064,404	873,581	12.4%	(170,750)	0	0	1	30,000	\$4.44
2016 1q	222	7,064,404	702,831	9.9%	189,580	1	181,800	1	30,000	\$4.41
2015 4q	222	6,994,524	822,531	11.8%	12,080	2	370,800	2	211,800	\$4.39
2015 3q	220	6,623,724	463,811	7.0%	(7,768)	0	0	4	582,600	\$4.47
2015 2q	220	6,623,724	456,043	6.9%	9,326	0	0	0	0	\$5.21
2015 1q	220	6,623,724	465,369	7.0%	(121,382)	0	0	0	0	\$5.35
2014 4q	220	6,623,724	343,987	5.2%	30,068	0	0	0	0	\$5.51

Source: CoStar Property®



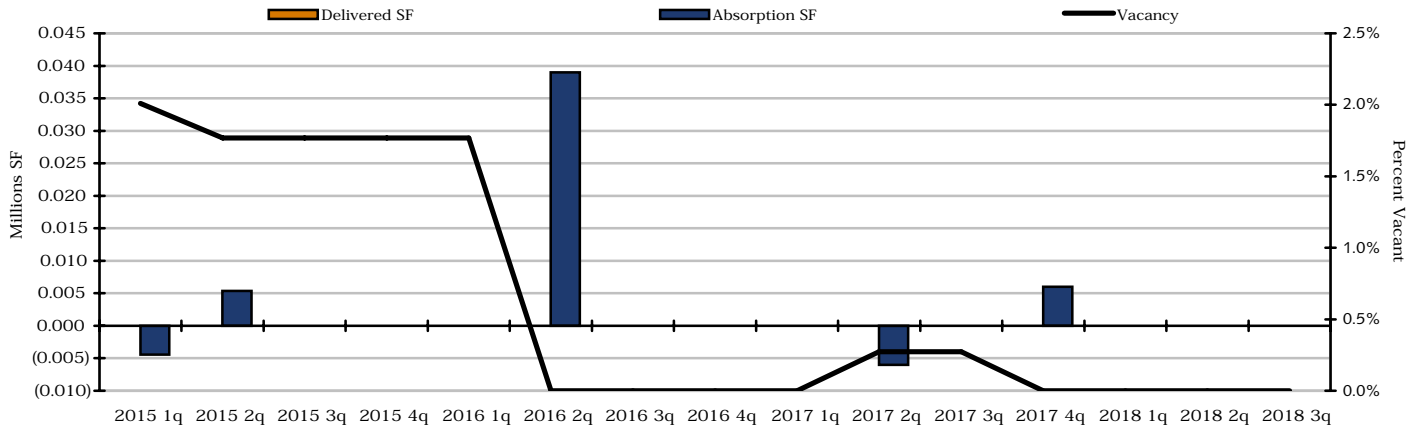
# Fresno Industrial Market

## Sanger Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

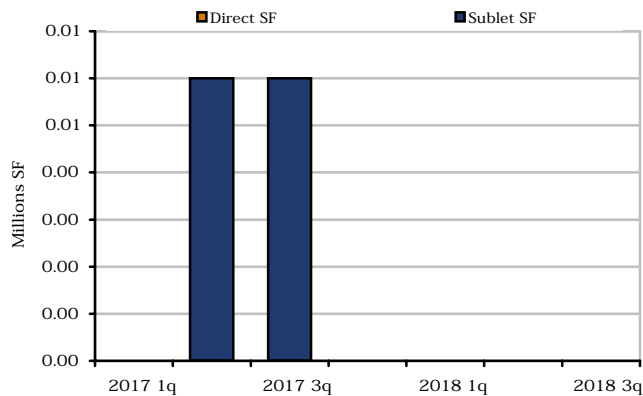
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

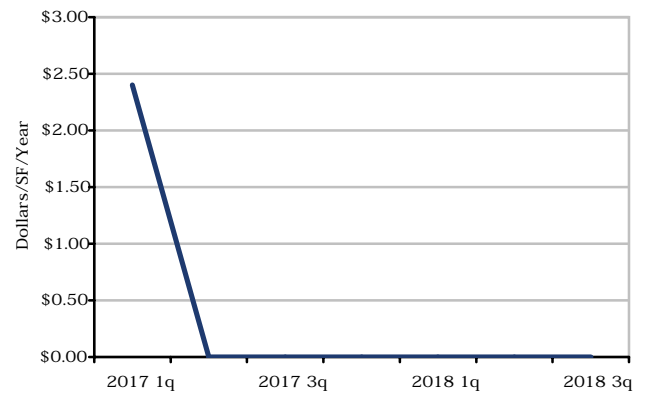
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	45	2,206,238	0	0.0%	0	0	0	0	0	\$0.00
2018 2q	45	2,206,238	0	0.0%	0	0	0	0	0	\$0.00
2018 1q	45	2,206,238	0	0.0%	0	0	0	0	0	\$0.00
2017 4q	45	2,206,238	0	0.0%	6,000	0	0	0	0	\$0.00
2017 3q	45	2,206,238	6,000	0.3%	0	0	0	0	0	\$0.00
2017 2q	45	2,206,238	6,000	0.3%	(6,000)	0	0	0	0	\$0.00
2017 1q	45	2,206,238	0	0.0%	0	0	0	0	0	\$2.40
2016 4q	45	2,206,238	0	0.0%	0	0	0	0	0	\$2.40
2016 3q	45	2,206,238	0	0.0%	0	0	0	0	0	\$2.40
2016 2q	45	2,206,238	0	0.0%	39,000	0	0	0	0	\$2.40
2016 1q	45	2,206,238	39,000	1.8%	0	0	0	0	0	\$2.40
2015 4q	45	2,206,238	39,000	1.8%	0	0	0	0	0	\$2.40
2015 3q	45	2,206,238	39,000	1.8%	0	0	0	0	0	\$2.40
2015 2q	45	2,206,238	39,000	1.8%	5,360	0	0	0	0	\$2.40
2015 1q	45	2,206,238	44,360	2.0%	(4,460)	0	0	0	0	\$2.40
2014 4q	45	2,206,238	39,900	1.8%	0	0	0	0	0	\$2.40

Source: CoStar Property®

# Fresno Industrial Market

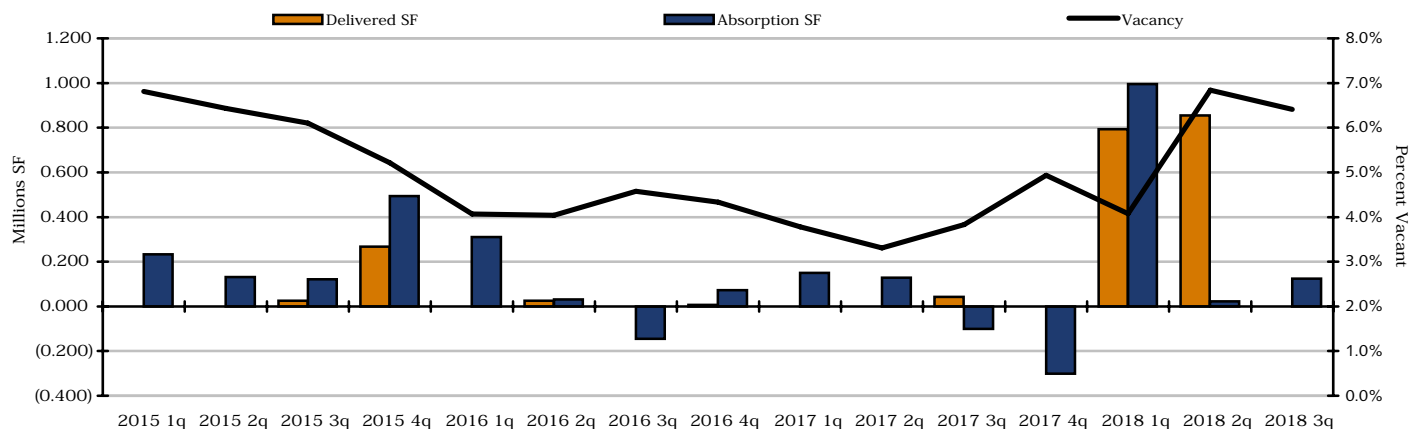


## Southeast Fresno Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

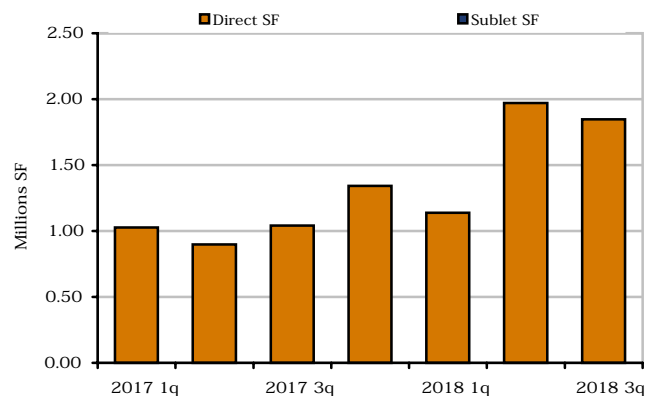
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

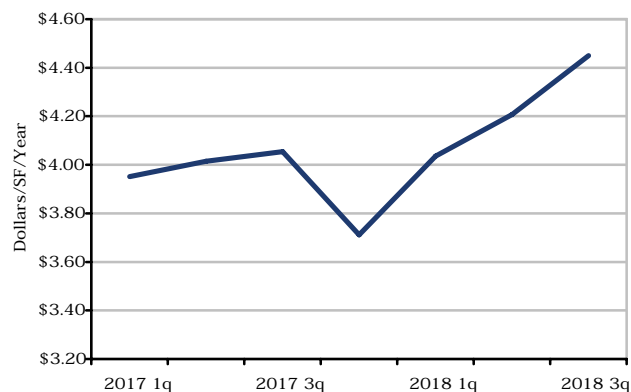
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	718	28,825,447	1,847,564	6.4%	124,039	0	0	4	522,380	\$4.45
2018 2q	718	28,825,447	1,971,603	6.8%	22,552	1	855,000	4	522,380	\$4.21
2018 1q	717	27,970,447	1,139,155	4.1%	995,591	2	792,782	5	1,377,380	\$4.04
2017 4q	715	27,177,665	1,341,964	4.9%	(301,196)	0	0	7	2,170,162	\$3.71
2017 3q	715	27,177,665	1,040,768	3.8%	(100,235)	2	42,738	4	1,657,782	\$4.05
2017 2q	713	27,134,927	897,795	3.3%	128,222	0	0	5	1,690,520	\$4.01
2017 1q	713	27,134,927	1,026,017	3.8%	150,017	0	0	1	37,738	\$3.95
2016 4q	713	27,134,927	1,176,034	4.3%	72,849	1	7,500	1	37,738	\$3.79
2016 3q	712	27,127,427	1,241,383	4.6%	(145,127)	0	0	1	7,500	\$3.49
2016 2q	712	27,127,427	1,096,256	4.0%	31,402	1	25,634	1	7,500	\$3.54
2016 1q	711	27,101,793	1,102,024	4.1%	310,532	0	0	2	33,134	\$3.55
2015 4q	711	27,101,793	1,412,556	5.2%	493,452	3	267,772	1	25,634	\$3.67
2015 3q	708	26,834,021	1,638,236	6.1%	121,787	2	24,969	3	267,772	\$3.69
2015 2q	705	26,798,202	1,724,204	6.4%	130,849	0	0	5	270,101	\$3.55
2015 1q	704	26,765,702	1,822,553	6.8%	233,674	0	0	6	302,601	\$3.55
2014 4q	704	26,765,702	2,056,227	7.7%	(29,394)	0	0	1	32,500	\$3.58

Source: CoStar Property®



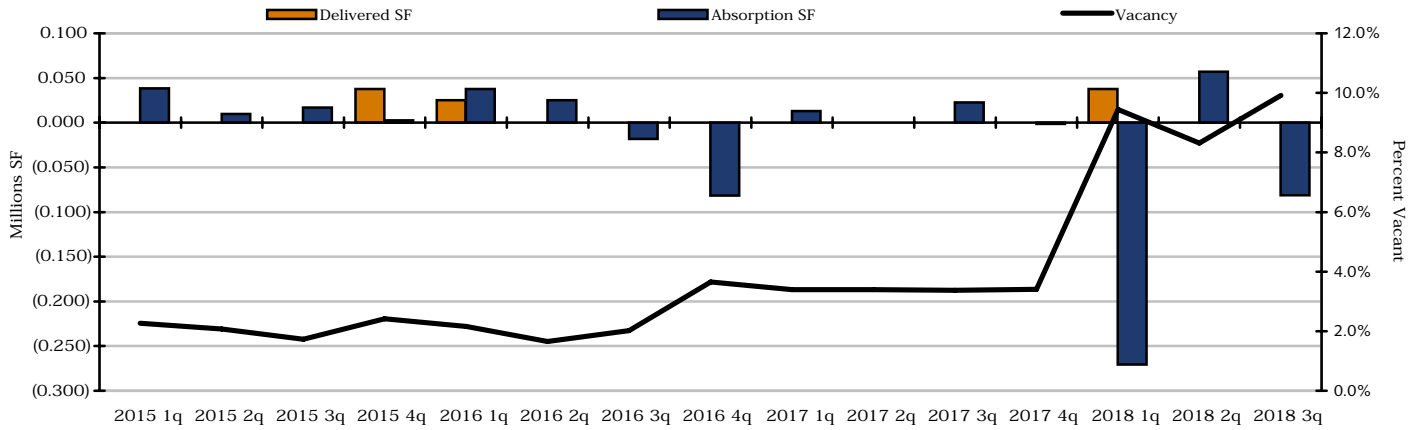
# Fresno Industrial Market

Southwest Fresno Market

MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

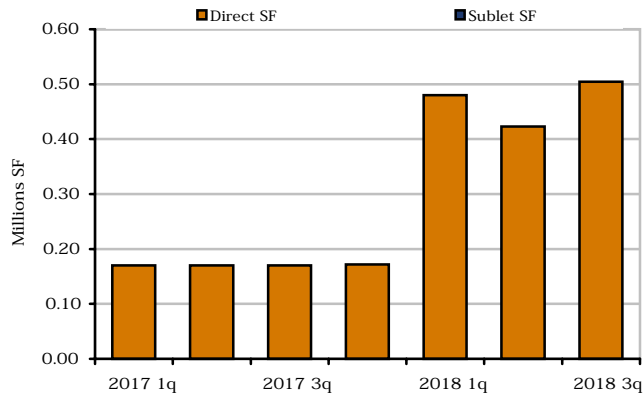
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

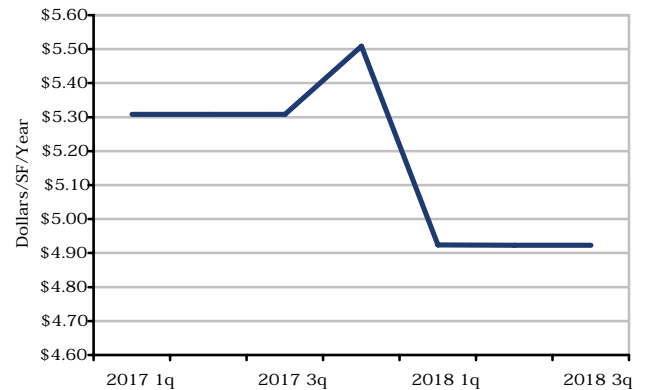
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2018 3q	151	5,083,847	504,259	9.9%	(81,305)	0	0	0	0	\$4.92
2018 2q	151	5,083,847	422,954	8.3%	57,014	0	0	0	0	\$4.92
2018 1q	151	5,083,847	479,968	9.4%	(270,517)	1	37,620	0	0	\$4.92
2017 4q	150	5,046,227	171,831	3.4%	(1,507)	0	0	1	37,620	\$5.51
2017 3q	150	5,046,227	170,324	3.4%	22,736	0	0	1	37,620	\$5.31
2017 2q	149	5,023,491	170,324	3.4%	0	0	0	2	60,356	\$5.31
2017 1q	149	5,023,491	170,324	3.4%	12,926	0	0	2	60,356	\$5.31
2016 4q	149	5,023,491	183,250	3.6%	(81,725)	0	0	2	60,356	\$5.25
2016 3q	149	5,023,491	101,525	2.0%	(18,320)	0	0	0	0	\$5.25
2016 2q	149	5,023,491	83,205	1.7%	25,060	0	0	0	0	\$5.25
2016 1q	149	5,023,491	108,265	2.2%	37,620	1	25,060	0	0	\$5.18
2015 4q	148	4,998,431	120,825	2.4%	2,460	1	37,620	1	25,060	\$5.19
2015 3q	147	4,960,811	85,665	1.7%	16,927	0	0	2	62,680	\$4.05
2015 2q	147	4,960,811	102,592	2.1%	9,796	0	0	2	62,680	\$4.02
2015 1q	147	4,960,811	112,388	2.3%	38,550	0	0	2	62,680	\$4.02
2014 4q	147	4,960,811	150,938	3.0%	233,921	0	0	2	62,680	\$3.81

Source: CoStar Property®