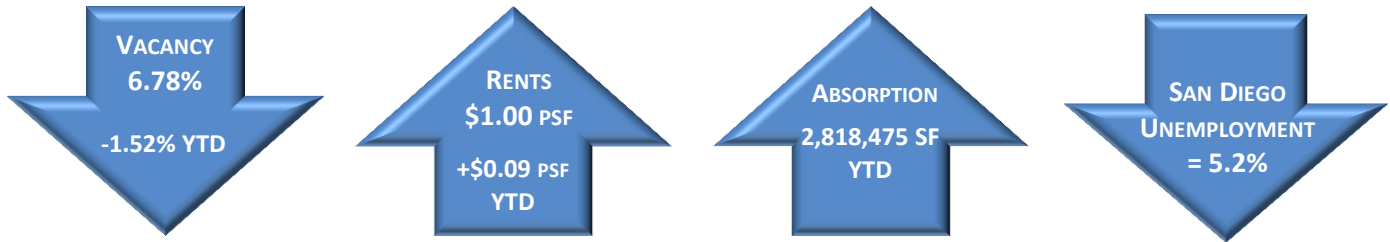
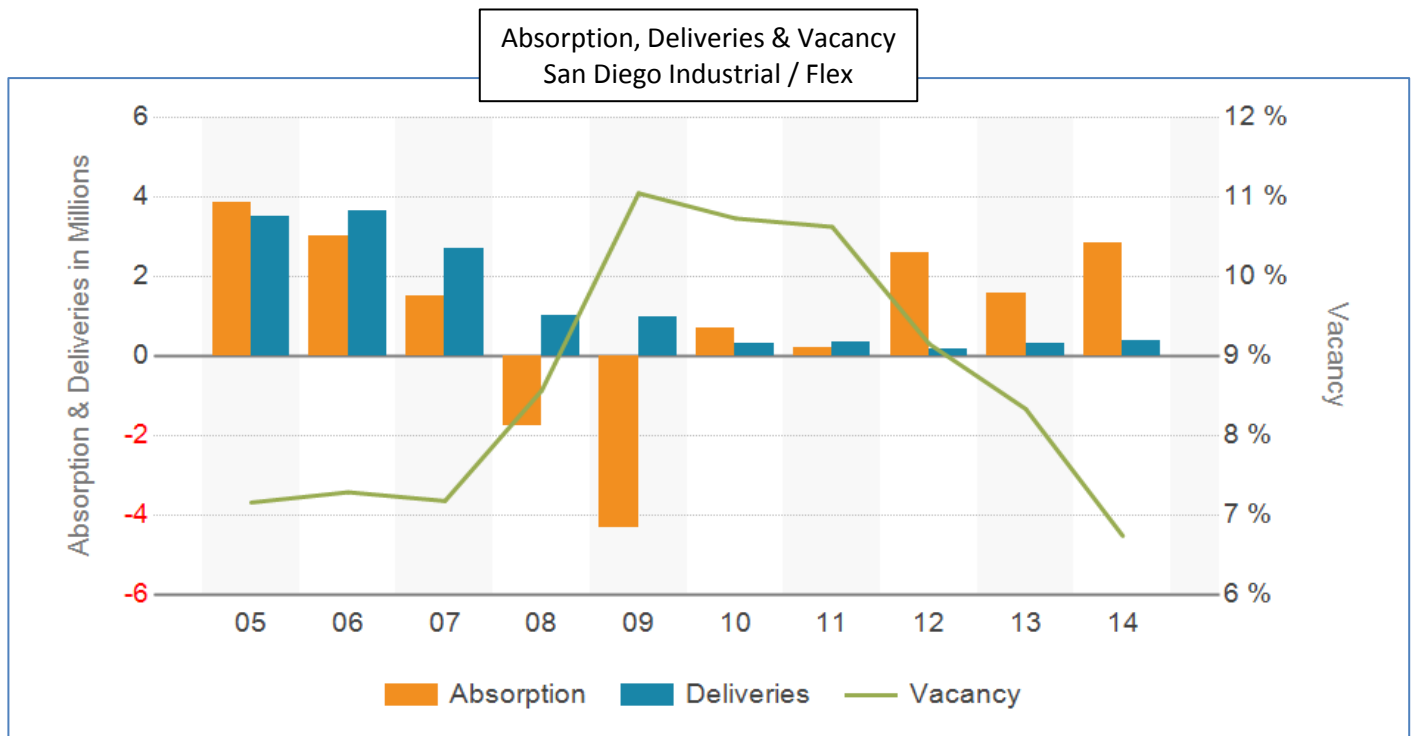




4Q'14
Industrial Market Update



Market	Total SF	Direct Vacant SF	Sublease Vacant SF	Total Vacant SF	Vacancy Rate	YTD Net Absorption	Under Constr.	Quoted Rent
North County	46,098,388	3,638,803	75,444	3,714,247	8.06%	726,846	29,824	\$0.82
Golden Triangle	18,756,057	1,651,446	210,171	1,861,617	9.93%	181,730	618,000	\$1.90
Central San Diego	43,295,122	2,147,673	22,334	2,170,007	5.01%	596,192	0	\$1.03
I-15 Corridor	26,404,378	1,811,025	15,345	1,826,370	6.92%	326,022	0	\$1.10
East County	24,008,759	818,305	17,200	835,505	3.48%	236,067	0	\$0.78
South Bay	30,965,127	2,415,154	34,908	2,450,062	7.91%	751,618	0	\$0.60
Total - San Diego County	189,527,831	12,482,406	375,402	12,857,808	6.78%	2,818,475	647,824	\$1.00



By the Numbers

Market	Total SF	Direct Vacant SF	Sublease Vacant SF	Total Vacant SF	Vacancy Rate	YTD Net Absorption	Under Constr.	Quoted Rent
Carlsbad Ind	13,565,228	1,482,871	6,018	1,488,889	10.98%	3,603	29,824	\$0.95
North Beach Cities	498,646	1,677	0	1,677	0.34%	(1,677)	0	\$2.10
Oceanside Ind	8,984,441	806,829	2,500	809,329	9.01%	227,843	0	\$0.70
San Marcos Ind	9,285,640	613,591	3,461	617,052	6.65%	115,700	0	\$0.79
Vista Ind	13,764,433	733,835	63,465	797,300	5.79%	381,377	0	\$0.71
Subtotal - North County	46,098,388	3,638,803	75,444	3,714,247	8.06%	726,846	29,824	\$0.82
Sorrento Mesa Ind	10,086,653	807,468	78,845	886,313	8.79%	(20,797)	618,000	\$1.34
Sorrento Valley Ind	3,604,957	299,673	17,942	317,615	8.81%	(6,708)	0	\$1.81
Torrey Pines Ind	3,430,499	407,493	2,699	410,192	11.96%	183,603	0	\$2.92
UTC Ind	1,633,948	136,812	110,685	247,497	15.15%	25,632	0	\$2.35
Subtotal - Golden Triangle	18,756,057	1,651,446	210,171	1,861,617	9.93%	181,730	618,000	\$1.90
Central San Diego Ind	2,860,847	131,997	0	131,997	4.61%	11,988	0	\$0.93
Kearny Mesa Ind	15,537,689	805,649	6,571	812,220	5.23%	66,947	0	\$1.17
Mira Mesa/Miramar Ind	17,867,234	1,071,732	11,000	1,082,732	6.06%	422,347	0	\$0.93
PB/Rose Canyon/Morena	3,311,927	68,621	4,763	73,384	2.22%	33,269	0	\$1.01
Sports Arena/Airport	3,717,425	69,674	0	69,674	1.87%	61,641	0	\$1.01
Subtotal - Central San Diego	43,295,122	2,147,673	22,334	2,170,007	5.01%	596,192	0	\$1.03
Escondido Ind	8,033,071	264,464	0	264,464	3.29%	110,135	0	\$0.78
Poway Ind	8,599,926	387,420	0	387,420	4.50%	119,132	0	\$0.87
Rancho Bernardo Ind	8,190,154	1,020,959	13,300	1,034,259	12.63%	73,814	0	\$1.27
Scripps Ranch Ind	1,581,227	138,182	2,045	140,227	8.87%	22,941	0	\$1.05
Subtotal - I-15 Corridor	26,404,378	1,811,025	15,345	1,826,370	6.92%	326,022	0	\$1.10
East City Ind	1,016,355	1,100	0	1,100	0.11%	0	0	\$0.65
El Cajon Ind	9,878,412	285,390	5,920	291,310	2.95%	(22,201)	0	\$0.79
La Mesa/Spring Valley	3,005,333	162,948	9,600	172,548	5.74%	(9,256)	0	\$0.79
Mission Gorge Ind	2,128,468	76,945	0	76,945	3.62%	115,768	0	\$0.89
Santee Ind	4,245,739	88,894	0	88,894	2.09%	91,618	0	\$0.83
Southeast San Diego	3,734,452	203,028	1,680	204,708	5.48%	60,138	0	\$0.68
Subtotal - East County	24,008,759	818,305	17,200	835,505	3.48%	236,067	0	\$0.78
Chula Vista Ind	10,219,424	517,744	15,501	533,245	5.22%	67,709	0	\$0.86
National City Ind	3,803,402	90,237	0	90,237	2.37%	36,972	0	\$0.83
Otay Mesa Ind	15,332,299	1,628,061	19,407	1,647,468	10.75%	698,120	0	\$0.50
San Ysidro/Imp Beach	1,610,002	179,112	0	179,112	11.12%	(51,183)	0	\$0.56
Subtotal - South Bay	30,965,127	2,415,154	34,908	2,450,062	7.91%	751,618	0	\$0.60
Total - San Diego County	189,527,831	12,482,406	375,402	12,857,808	6.78%	2,818,475	647,824	\$1.00

Methodology The data used in the NAI San Diego Industrial Update is based on industrial and flex buildings of all sizes, in all classes (including owner-user buildings). We have divided San Diego County into six markets for industrial / flex properties: North County, Golden Triangle, Central San Diego, I-15 Corridor, South Bay and East County. Rental rates are based on quoted rents for available space on a monthly, per square foot, NNN basis. Average rents are weighted based on available square footage. The information contained in this report is sourced from NAI San Diego, CoStar, the California Employment Development Department and other sources deemed to be reliable, but no warranty is made as to the accuracy of the data nor its usefulness for any particular purpose.

4Q'14

Industrial Market Update

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