SOUTHWEST REGION

2024

QUARTER 4

SOUTHWEST REGION

PREPARED BY :

SVN COMMERCIAL REAL ESTATE ADVISORS

TABLE OF CONTENTS

THE SVN® BRAND

www.svn.com
svninternationalcorp
@SVNic
www.facebook.com/SVNIC
www.linkedin.com/company/svnic/

The SVN brand was founded in 1987 out of a desire to improve the commercial real estate industry for all stakeholders through cooperation and organized competition.

The SVN organization is comprised of over 2,000 Advisors and staff in 200+ offices across the globe. Geographic coverage and amplified outreach to traditional, cross-market, and emerging buyers and tenants is the only way to achieve maximum value for our clients.

Our proactive promotion of properties and fee sharing with the entire commercial real estate industry is our way of putting clients' needs first. This is our unique Shared Value Network® and just one of the many ways that SVN Advisors create amazing value with our clients, colleagues, and communities.

Our robust global platform, combined with the entrepreneurial drive of our business owners and their dedicated SVN Advisors, assures representation that creates maximum value for our clients.

This is the SVN Difference.

ABOUT SVN

We believe in the power of COLLECTIVE STRENGTH to accelerate growth in commercial real estate. Our global coverage and amplified outreach to traditional, cross-market, and emerging buyers and tenants allows us to drive outsized success for our clients, colleagues, and communities. Our unique business model is built on the power of collaboration and transparency and supported by our open, inclusive culture. By proactively promoting properties and sharing fees with the entire industry, we build lasting connections, create superior wealth for our clients, and prosper together.

SVN® BY THE NUMBERS

200+
Offices Owners Nationwide

5
Global Offices & Expanding

7+7
Core Services & Specialty Practice Areas

2,200+
Advisors & Staff

$14.9B
Total Value of Sales & Lease Transactions in 2023

57M+
SF in Properties Managed

SOUTHWEST
Region Offices

The SVN Southwest Region Quarterly newsletter will keep you informed and equipped with the latest trends, opportunities, and expert analysis in this thriving region. Our team of experienced professionals understands the dynamic nature of the Southwest's commercial real estate landscape. We are committed to delivering valuable content, including market indicators, investment opportunities, regulatory updates, and localized insights.

Southern California

www.lasvn.com

@svn.richinvestmentpartners

@SvnRichPartners

www.linkedin.com/company/svn-los-angeles-3021325a

Los Angeles

As the second-largest city in the U.S., Los Angeles serves as a major center for industries such as entertainment, technology, fashion, and aerospace. Additionally, LA's diverse population fosters innovation and creativity, attracting talent and investment for the commercial real estate sphere and beyond. Its status as a global cultural capital further enhances its appeal for commercial development, making it a prime destination for businesses and investors alike. Notable commercial real estate developments (planned or under construction) in Los Angeles include:

- ***L.A. Convention Center***
- ***Onni Times Square***
- ***Hard Rock Hotel Long Beach***
- ***LAX/Metro Transit Center Station***

TOP TRANSACTIONS

SOLD
$3,900,000
±14,539 SF | Retail
Josh Snyder

SOLD
$1,000,000
±20 AC | Land
Shiva Monify

SOLD
$1,100,000
±10,000 SF | Office
Michael Chang

LEASED
$1,900,000
±3,200 SF | Office
Alejandro Hinostroza

SOLD
$1,100,000
± 3,991 SF | Multifamily
David Cendejas

SOLD
$900,000
±2,114 SF | Office
Tricia McCarroll,
Cameron Jones, SIOR

ON MARKET

FOR SALE
$20,000,000
±18,807 SF | Retail/Office
Allen Afshar

FOR SALE
$3,100,000
±11,016 SF | Retail
Michael Chang

FOR SALE
$3,100,000
±7,148 SF | Multifamily
Michael Chang

FOR SALE
$1,450,000
±3,123 SF | Retail
Mark Spohn

FOR SALE
$7,500,000
±30,300 SF | Retail
Michael Chang & Louis Chavez

FOR SALE
$871,000
±1,467 SF | Office
Catherine House, Michael Chang,
Christian Hayes

Los Angeles

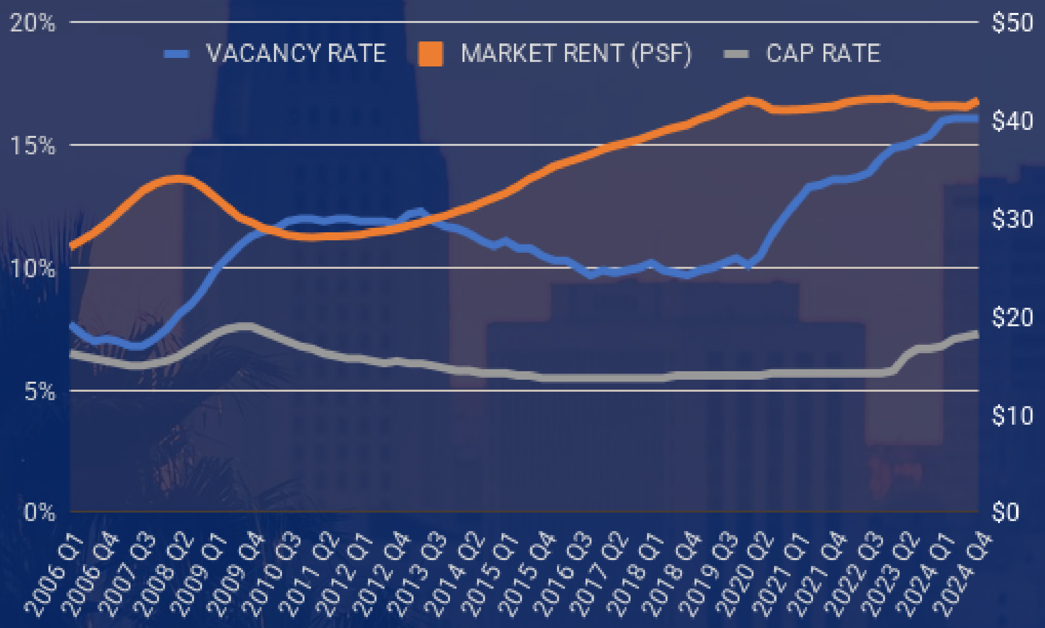
OFFICE

Headwinds endure in Los Angeles' office market in the fourth quarter, with fundamentals at their worst position in decades. Vacancy, 16.1%, continues to rise from around 10% in early 2020, reaching new heights. While most office markets nationally have also weakened during the past several years, Los Angeles has endured more significant occupancy losses than most metros. A higher proportion of leases executed pre-pandemic have expired compared to most U.S. markets, which has resulted in the market facing more adverse impacts from the trend seen nationally of many firms downsizing. Also, the area's elevated unemployment rate and recent job losses in the entertainment and tech sectors have restrained tenant demand.

16.1%
VACANCY RATE

$42.10
MARKET RENT

7.3%
CAP RATE



D D

Los Angeles

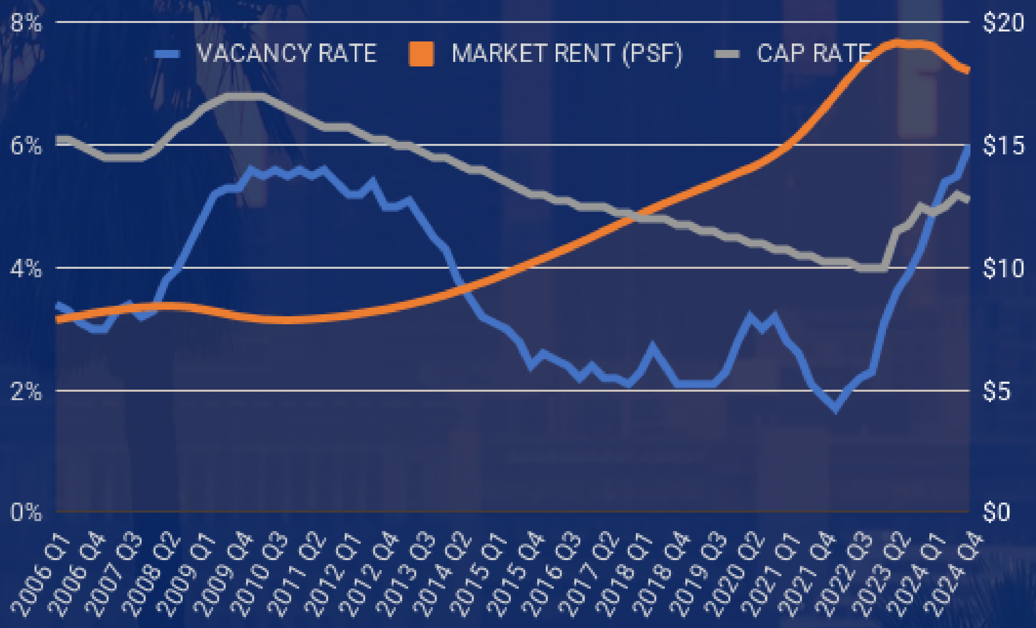
INDUSTRIAL

Industrial vacancy in Los Angeles has increased in line with the national average over the past two years. However, while national vacancy expansion has been driven by supply growth, LA's has been driven by a contraction in occupancy, which has fallen below prepandemic levels. Net absorption ran negative for the 11th consecutive quarter at the close of 2024, and spec developments are delivering vacant. Vacancy has reached 6.0% as of the fourth quarter of 2024, up from an all-time low of 1.7% at the beginning of 2022. Of the nearly 11 million SF of new industrial space completed since 2023, roughly 37% remains vacant.

6.0%
VACANCY RATE

$18.05
MARKET RENT

5.1%
CAP RATE



D D

Los Angeles

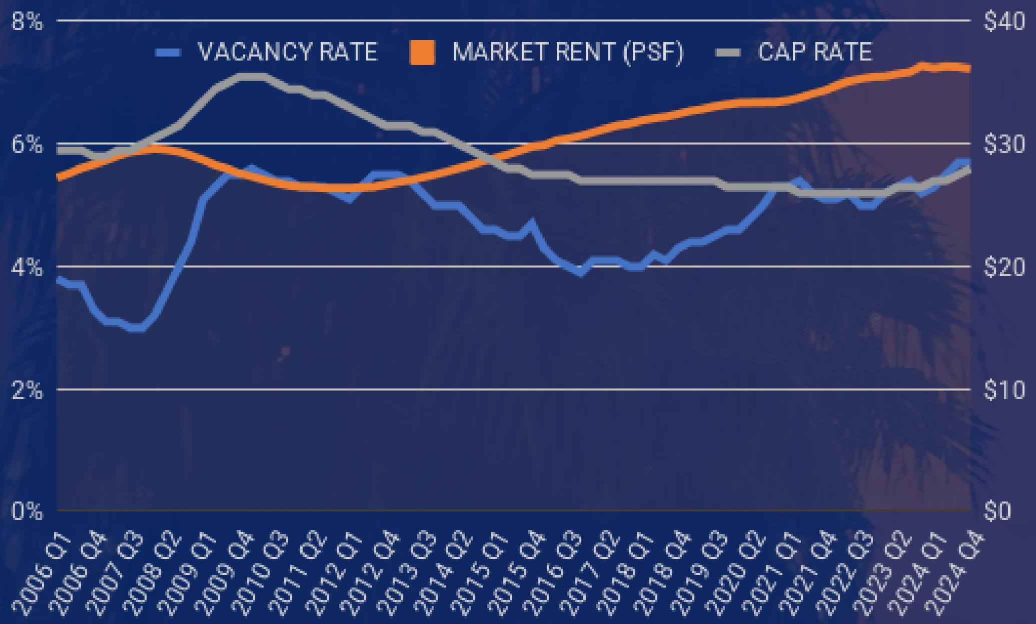
RETAIL

The Los Angeles retail market continues to witness the softest demand formation among major U.S. markets in the fourth quarter, with -2.2 million SF of net absorption during the past 12 months. The market has had to grapple with multiple headwinds to include population losses in recent years and meager population gains that have stymied household formation and consumption growth. Fortunately for landlords, retail construction has had a limited impact on the market's softness; total retail space in the market largely held steady during the past year. Additionally, over the past decade, total retail space has only increased by 1% as the market continues to rightsize and remove obsolete inventory.

5.7%
VACANCY RATE

$36.16
MARKET RENT

5.6%
CAP RATE



Los Angeles

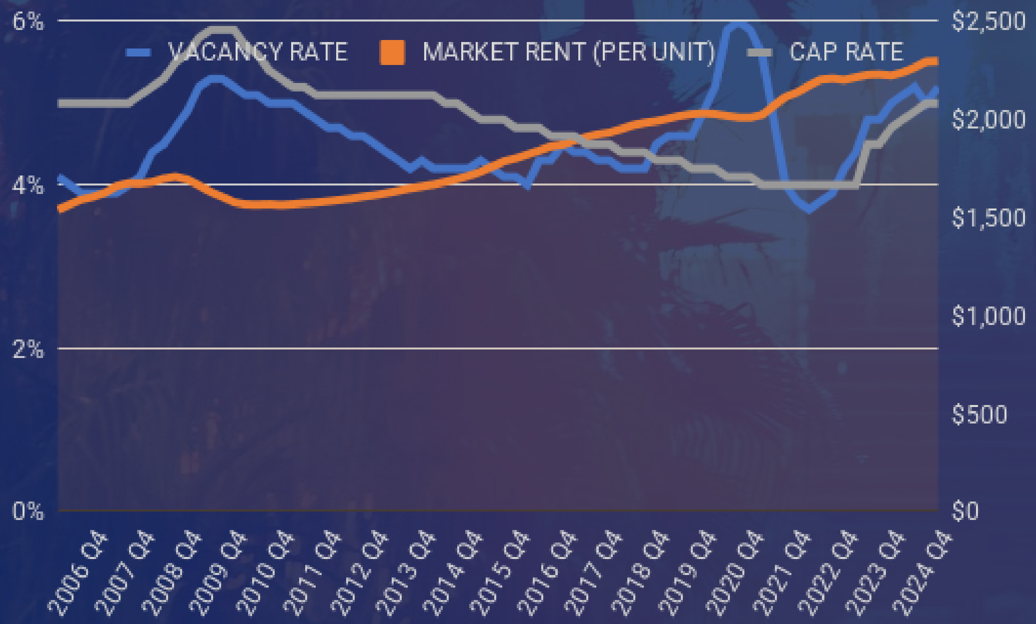
MULTIFAMILY

Los Angeles apartment market conditions remain stable. Vacancy has held in a narrow range since the first half of 2023, and renter demand has improved. Presently 5.2%, vacancy has held largely steady since the first half of 2023. However, stronger activity compared to 2022 and 2023 still represents the most modest renter demand, relative to market size, recently seen among major U.S. metros. The market has had the saving grace of one of the most measured completion schedules nationally. Relative economic softness, particularly job losses in the entertainment and tech sectors, and outmigration by residents continue to weigh on overall conditions.

5.2%
VACANCY RATE

$2,299
MARKET RENT

5.0%
CAP RATE



SVN VANGUARD
COMMERCIAL REAL ESTATE ADVISORS

Southern California

www.svnvanguard.com
@svn.vanguard
@SVNVanguard
www.facebook.com/svnvanguard/
www.linkedin.com/company//svnvanguard/

Orange County

Orange County's proximity to major markets like Los Angeles and San Diego enhances business opportunities, while its desirable quality of life attracts a skilled workforce. Limited land availability drives up property values, and strong rental demand leads to high occupancy rates. Ongoing infrastructure improvements and a vibrant tourism industry further boost the attractiveness of the area. Additionally, tax incentives support business growth, making Orange County a prime location for commercial real estate investments. Notable commercial real estate developments (planned or under construction) in Orange County include:

- ***Anaheim Convention Center Expansion***
- ***Platinum Triangle***
- ***MainPlace Mall Transformation Project***
- ***The Village Santa Ana Specific Plan***

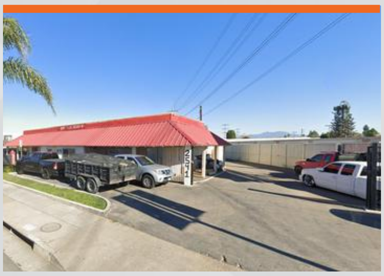
TOP TRANSACTIONS

SOLD
$6,000,000
±60,000 SF | Office
Jon Davis

SOLD
$2,750,000
±2,212 SF | Retail
Kim Calabrano

SOLD
$2,664,000
±2,800 SF | Retail
Kim Calabrano

SOLD
$1,773,505
±4,123 SF | Industrial
Cameron Jones, SIOR



SOLD
$1,700,000
±12,621 SF |Office
Ashley Hutchinson,
Cameron Irons

SVN VANGUARD
COMMERCIAL REAL ESTATE ADVISORS

SOLD
$1,700,000
±47,605 SF | Land
Jon Davis

ON MARKET

FOR SALE
$6,950,000
±1,700 SF | Marina
Cameron Irons

FOR SALE
$5,999,999
±14,000 SF | Industrial
Cameron Jones, SIOR

FOR SALE
$5,750,000
±1,666 SF | Retail
Fernando Crisantos,
Alec Wansikehian

FOR SALE
$3,250,000
±5,430 SF | Retail
Clervil Heraux

FOR SALE
$2,915,250
±2,700 SF | Retail
Sharon Browning

FOR SALE
$2,290,000
±7,102 SF | Industrial
Sophia Mehr

Orange County

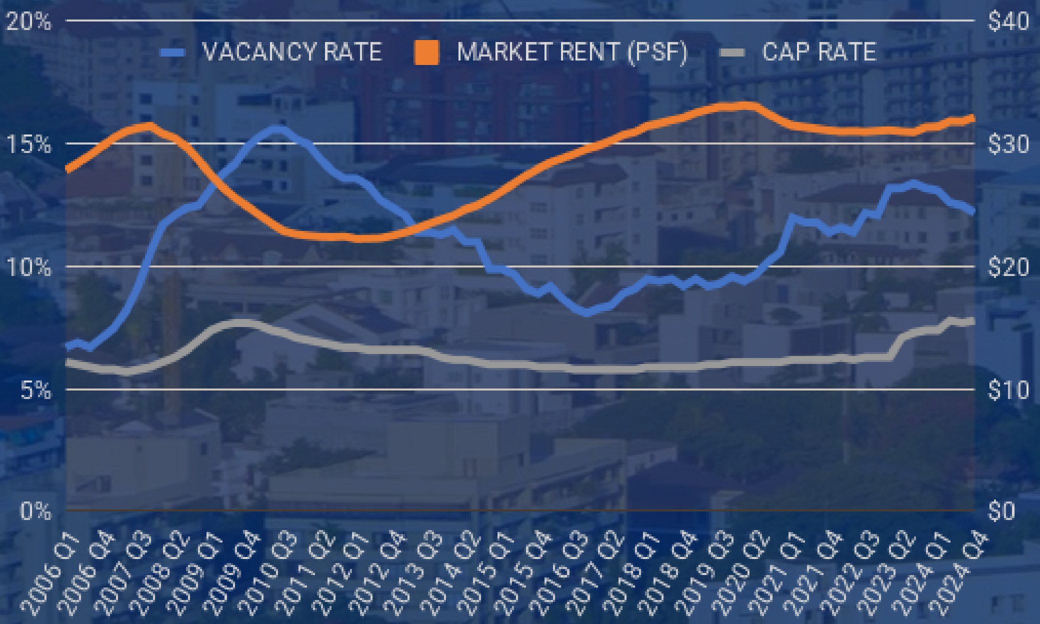
OFFICE

Counter to national trends, supply-demand fundamentals in Orange County's office market improved in 2024. Vacancy increased slightly in the fourth quarter of 2024, preliminarily. However, since peaking a little over a year ago, vacancy has declined 100 basis points to 12.2% as of the fourth quarter of 2024. Net absorption was slightly negative in the fourth quarter of 2024 but ended the year up over 800,000 SF. Compared to urban downtowns like LA, Orange County's suburban environment lends to higher office utilization, reflected in public transit use that is trending above precovid levels, well ahead of the national average.

12.2% VACANCY RATE

$32.18 MARKET RENT

7.8% CAP RATE



D D

Orange County

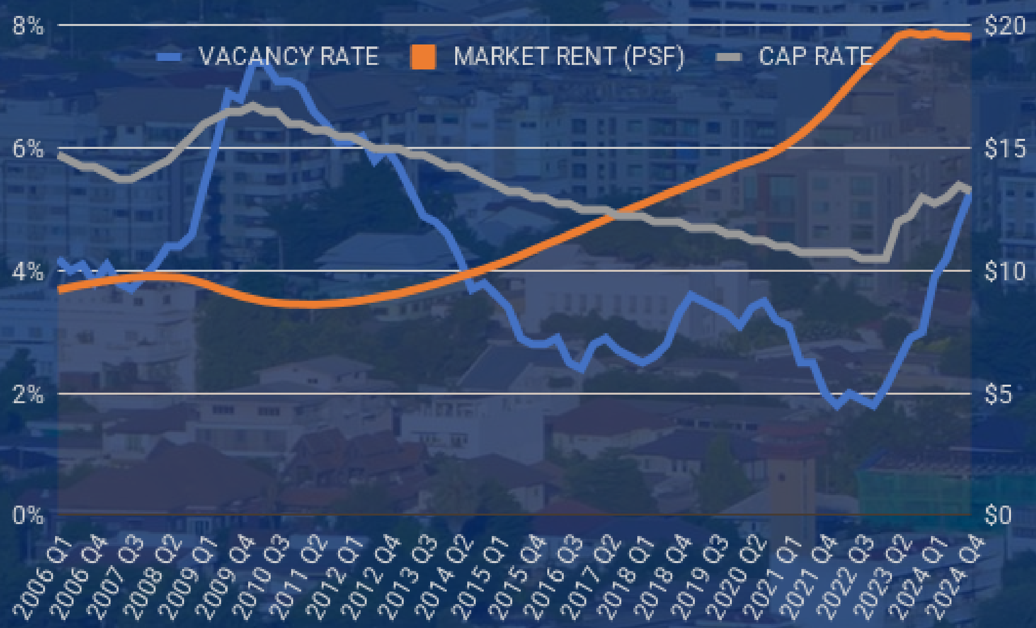
INDUSTRIAL

Demand for industrial space in Orange County has softened since the beginning of 2023, with occupancy losses accelerating in 2024. Vacancy has increased to 5.3% as of the fourth quarter of 2024, which still ranks OC in the bottom five of the nation's largest 20 industrial markets and well below the national average of 6.8%. Space availability, which includes under-construction inventory and sublease listings, has expanded over 400 basis points since the beginning of 2023 to 7.8%. Tenant competition has cooled, with available spaces leasing at a median of over three months, up from nearly two months in 2022.

5.3%
VACANCY RATE

$19.55
MARKET RENT

5.3%
CAP RATE



D D

Orange County

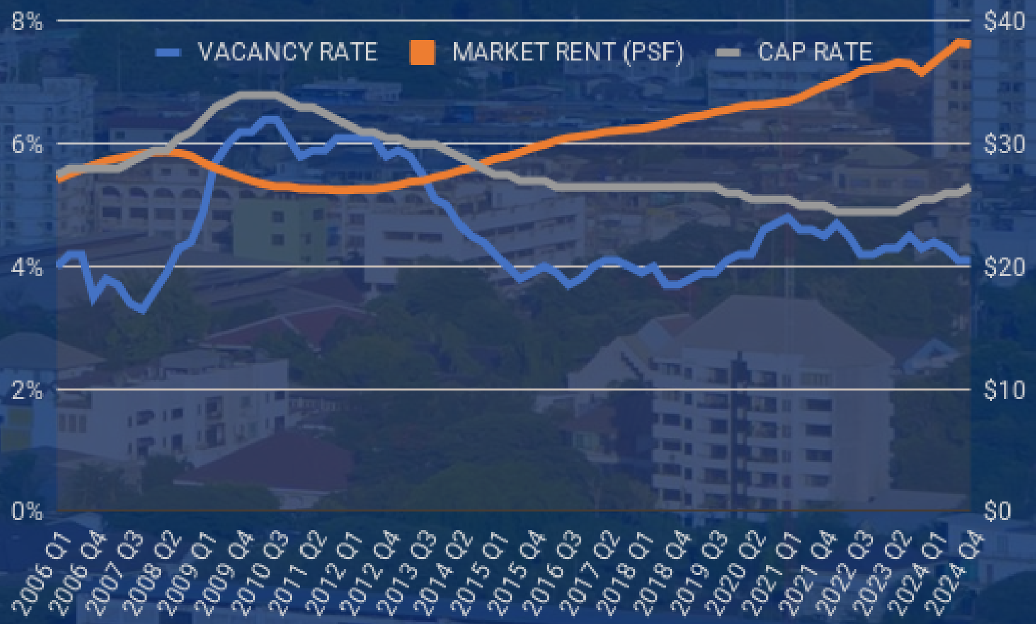
RETAIL

Already boasting strong fundamentals, Orange County's retail market tightened further at the end of 2024. A jump in new leasing volume in the fourth quarter, up to a multiyear high of over 750,000 SF, sent availability below 4%. Availability has fallen to a new cyclical low, reaching levels reached more than 16 years ago, just before the global financial crisis in 2007-08. Discount retailers and grocery stores drove big-box leasing in 2024, while experiential retailers like Defy Trampoline Parks are also opening. Expanding retailers have reduced the number of institutional-quality spaces available across the market, with most prime corridors at or near full occupancy.

4.1%
VACANCY RATE

$38.14
MARKET RENT

5.3%
CAP RATE



Orange County

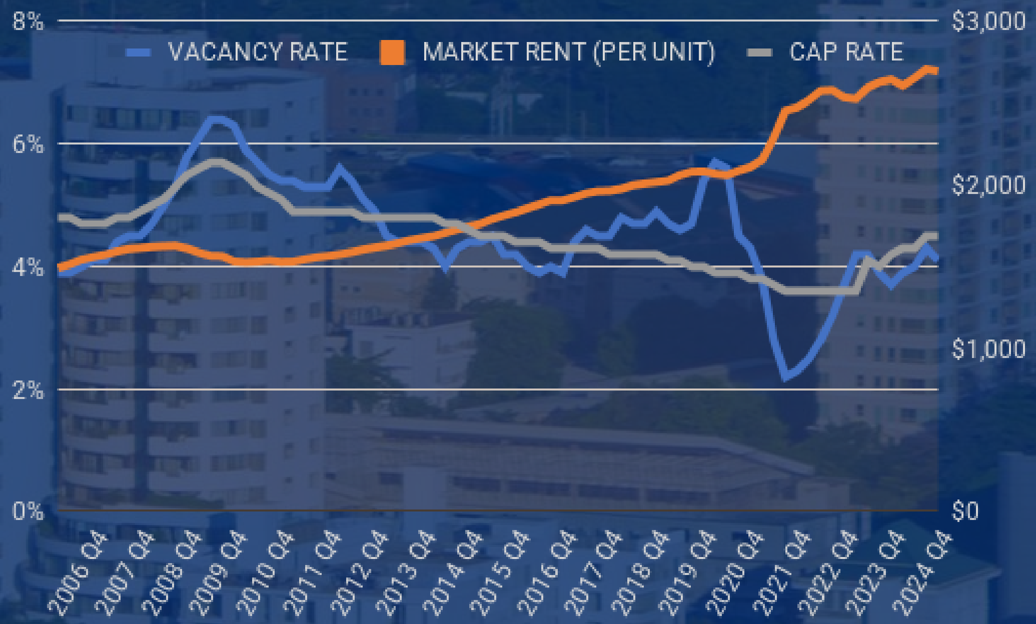
MULTIFAMILY

A housing shortage in Coastal California fosters high occupancy across Orange County apartments. While the national vacancy rate has increased significantly since 2023 to 8.0%, vacancy in OC has remained compressed at just 4.1% as of the fourth quarter of 2024. Vacancy in OC ranks second lowest among the nation's largest 50 markets. Although it still compares favorably to other markets, vacancies across all quality segments have expanded slightly over the trailing year. Annual rent growth measures a moderate 0.1% as of the fourth quarter of 2024 as operators focus on maintaining nearly full occupancies.

4.1%
VACANCY RATE

$2,697
MARKET RENT

4.5%
CAP RATE



SVN INSIGHT
COMMERCIAL REAL ESTATE ADVISORS

www.svninsight.com

@svninsight

@SVNInsight

www.facebook.com/svninsight/

www.linkedin.com/company/svninsight/

Inland Empire

The Inland Empire's strategic location offers easy access to major transportation hubs, including ports, highways, and railways, making it a logistics and distribution powerhouse. The region's affordable real estate compared to neighboring areas like Los Angeles and Orange County provides businesses with cost-effective opportunities for expansion and development. The area also boasts a growing, diverse workforce, ensuring businesses have access to a wide range of talent and skill sets. Notable commercial real estate developments (planned or under construction) in Inland Empire include:

- ***Brightline West Rail Service***
- ***Fontana Auto Club Speedway Transformation***
- ***World Logistics Center in Moreno Valley***
- ***The Mark Mixed-Use Project in Downtown Riverside***

TOP TRANSACTIONS

SOLD
$1,300,000
±3,700 SF | Medical Office
Brett Larson, JD, CCIM

SOLD
$2,200,000
±4,500 SF | Retail
Janet F. Kramer, JD, CCIM

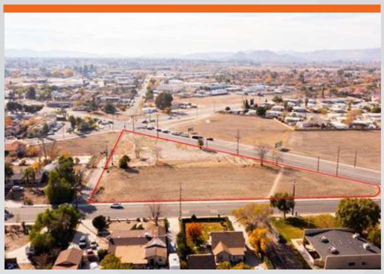
LEASED
$2,352,000
±209,088 SF | Industrial
Francisco Sanchez

SOLD
$1,171,000
±4,419 SF | Office
Brett Larson, JD, CCIM

LEASED
$1,300,000
±3,700 SF | Medical Office
Brett Larson, JD, CCIM

SOLD
$900,000
±2.0 AC | Land
Steve Castellanos

ON MARKET



FOR SALE
$1,049,000
±2.23 AC | Retail
Gabriela Devine

FOR LEASE
Negotiable
Up To ±24,000 SF | Retail
Janet F. Kramer, JD, CCIM,
Steve Castellanos

FOR LEASE
$2.25/PSF/NNN
±2,225 - 8,260 SF | Retail
Janet F. Kramer, JD, CCIM,
Steve Castellanos

FOR LEASE
$2.50/PSF/NNN
±2,195 - 2,600 SF | Retail
Janet F. Kramer, JD, CCIM,
Steve Castellanos

FOR SALE
$40,000,000
±160 AC | Land
John Goga

FOR SALE
$1,950,000
±0.95 AC | Land
Robert Kirkpatrick

Inland Empire

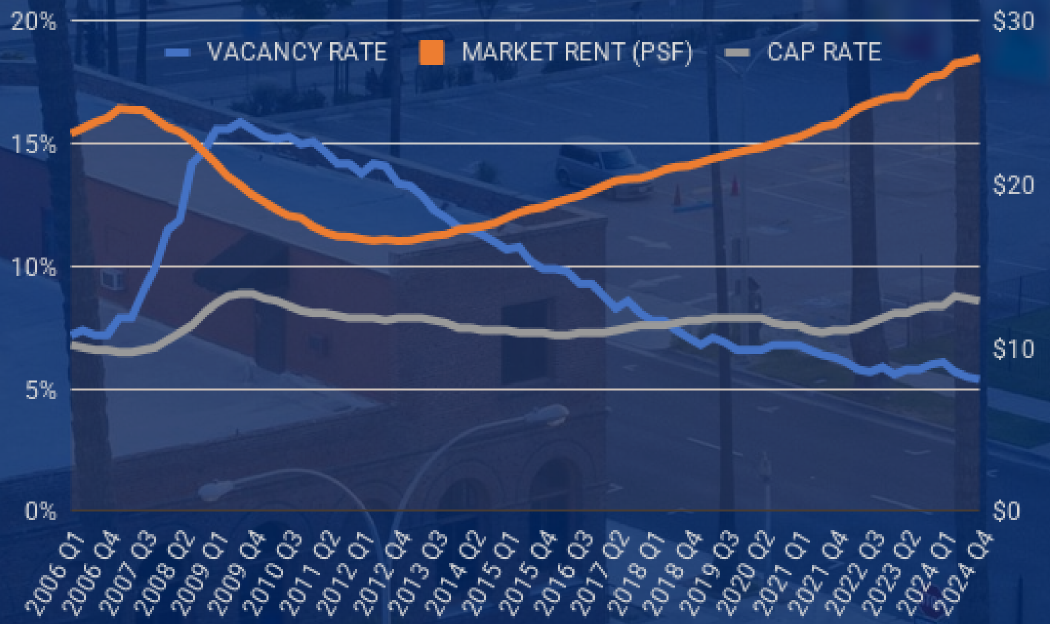
OFFICE

Demand for office space in the Inland Empire has ramped up recently, and occupancy levels are rising into record-breaking territory. Net absorption reached a postpandemic high of nearly 300,000 SF in the second quarter of 2024, followed by nearly 200,000 SF in the third quarter. Roughly a third of market's trailing-year net absorption, which measures 440,000 SF, stems from medical office buildings. As a result of expanding occupancy and limited supply growth, vacancy has fallen to 5.4% as of the fourth quarter of 2024, down from 6.1% in the first quarter of 2024 and a pre-pandemic rate of 6.6%. Few Inland Empire office tenants relinquished space during the pandemic, outside of government entities.

5.4%
VACANCY RATE

$27.79
MARKET RENT

8.6%
CAP RATE



Inland Empire

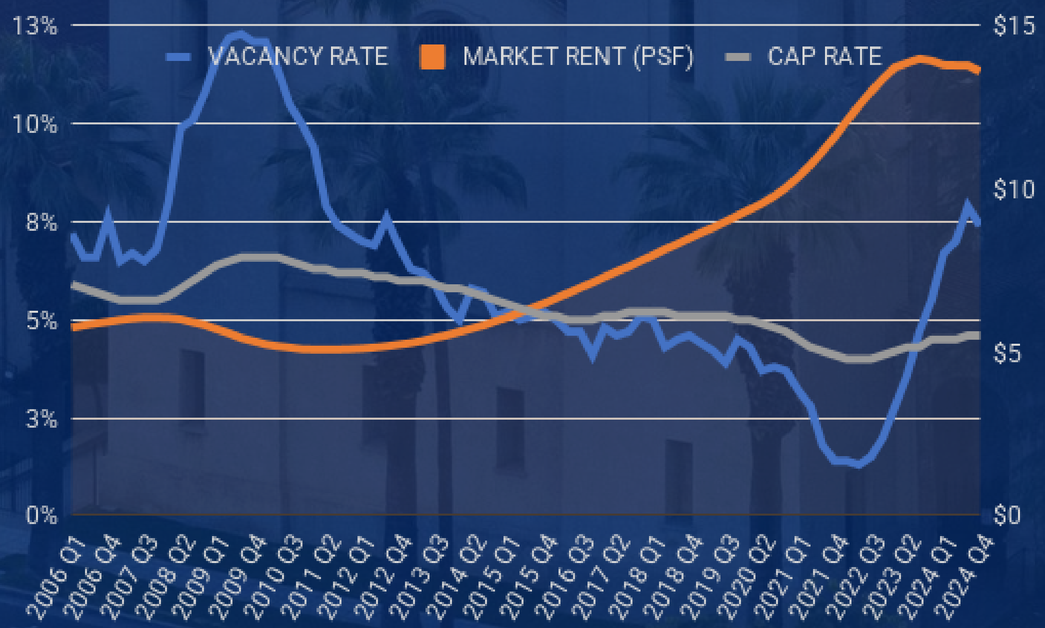
INDUSTRIAL

Industrial vacancy in the Inland Empire increased by more than 100 basis points in the first three quarters of 2024. Vacancy measures 7.4% as of the fourth quarter of 2024, uncharacteristically trending higher than the national average. A wave of new supply has pressured vacancies higher. Nearly 60 million SF of new industrial space has been completed since 2023, over 30% of which is still available for lease. However, with consumer spending growth ramping back up, new industrial leasing volume jumped to a record level of over 16M SF in the second quarter and likely also surpassed 15M SF in the third quarter of 2024 for a 2nd consecutive quarter.

7.4%
VACANCY RATE

$13.61
MARKET RENT

4.6%
CAP RATE



D D

Inland Empire

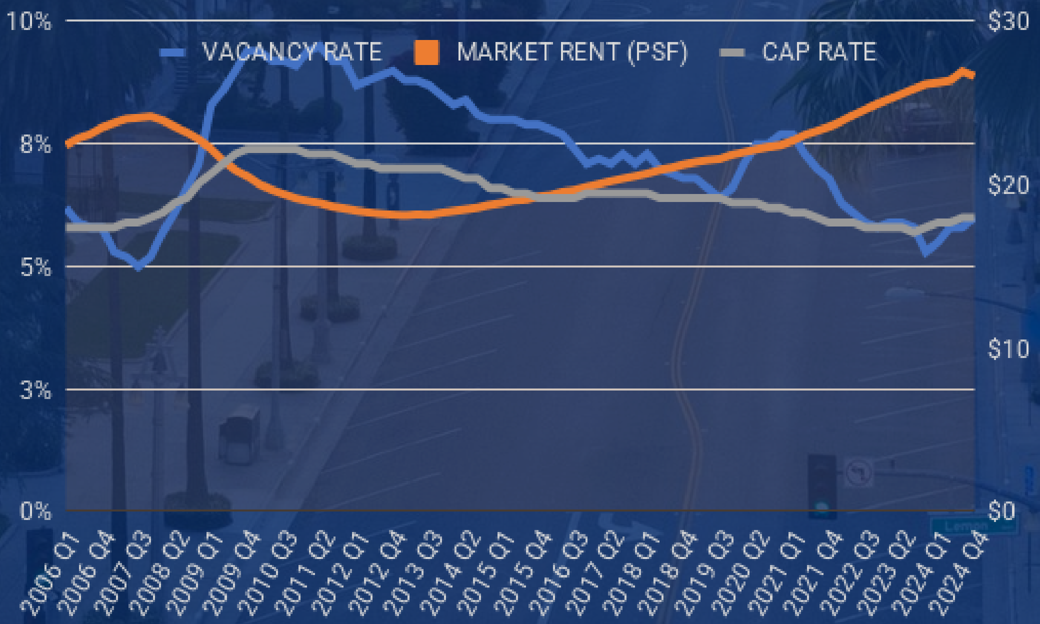
RETAIL

Retail market fundamentals in the Inland Empire remain tight from a historical perspective but have softened a touch. Space availability has expanded 70 basis points from a decade's-plus low, reaching 6.4% as of the fourth quarter of 2024. Nevertheless, availability is still down substantially from an early pandemic-era peak of 8.1%. Retailers expanded in the market to meet a rise in resident buying power driven by higher-income households moving into the area for its affordability. Assuming the economy continues to expand at a slow pace, availability in the market will remain compressed.

6.0%
VACANCY RATE

$26.66
MARKET RENT

6.0%
CAP RATE



Inland Empire

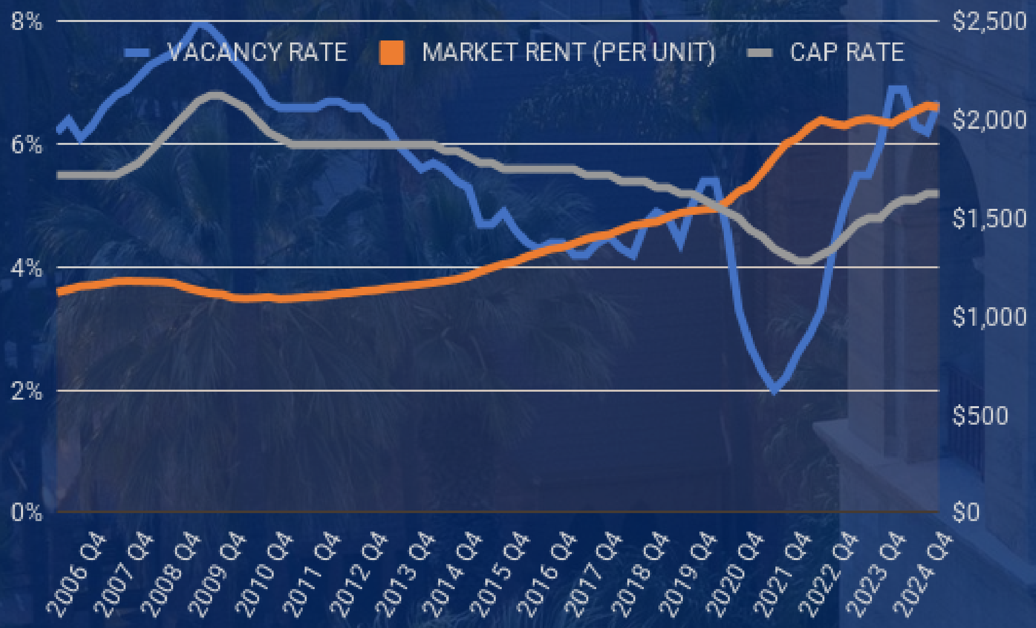
MULTIFAMILY

Demand for apartments in the Inland Empire has ramped back up. Absorption has outpaced deliveries in 2024, breaking a two-and-a-half-year trend of rising vacancy. Vacancy rose quickly from a historic low of 2.0% in mid-2021, peaking just below 7% at the end of 2023, trending lower to 6.7% as of the fourth quarter of 2024. Absorption has rebounded over the past year due to job and population growth. Also, affordability is improving as rising incomes catch up to higher rent levels. Absorption recently rose above historical averages, boosted by the lease-up of recently delivered high-quality apartment complexes, which have added capacity for more renters in the growing market.

6.7%
VACANCY RATE

$2,064
MARKET RENT

5.2%
CAP RATE



D D

SVN VANGUARD
COMMERCIAL REAL ESTATE ADVISORS

Southern California

www.svnvanguardsd.com

@svn.vanguardsd

@SVNVanguardSD

www.facebook.com/SVNVanguardinSanDiego

www.linkedin.com/company/svn-vanguard-sandiego/

San Diego

San Diego, often called "America's Finest City," is known for its stunning coastline, year-round mild climate, and vibrant cultural scene. The city offers a mix of urban sophistication and laid-back beach town vibes, with attractions ranging from Balboa Park and the San Diego Zoo to historic Old Town and lively Gaslamp Quarter. Its diverse neighborhoods, thriving culinary scene, and outdoor recreation opportunities make it a favorite destination for both residents and visitors. Notable commercial real estate developments (planned or under construction) in San Diego include:

- ***Seaport Village and Central Embarcadero Redevelopment***
- ***Midway Rising Project***
- ***Chula Vista Bayfront Master Plan***
- ***Purple Line Commuter Rail***

TOP TRANSACTIONS

SOLD
$2,870,000
±7,250 SF |Retail
Jorge Jimenez

SOLD
$970,000
±2,000 SF | Commercial
Jorge Jimenez

SOLD
$900,000
±2,400 SF | Industrial
Daniel Bonin, Pedro Ferreira

SOLD
$788,888
±1,174 SF | Retail
Jorge Jimenez

SOLD
$657,500
±1,080 SF | Retail
Adam Wiegand

LEASED
$1,441,513
±28,522 SF | Retail
Jamie Cachuela

ON MARKET

FOR SALE
$3,000,000
±5,500 SF | Multifamily
Adam Wiegand, Nadeem Haddad

FOR SALE
$2,760,000
±3,334 SF | Office
Joshua J. Smith

FOR SALE
$2,899,000
±7,529 SF | Industrial
Jorge Jimenez

FOR SALE
$2,950,000
±7,343 SF | Industrial
Jorge Jimenez

FOR SALE
$4,000,000
±10,458 SF | Business Property Sale
Adam Wiegand, Nadeem Haddad

FOR LEASE
$3.75/SF/Month/NNN
±1,500 SF | Retail
Adam Wiegand

San Diego

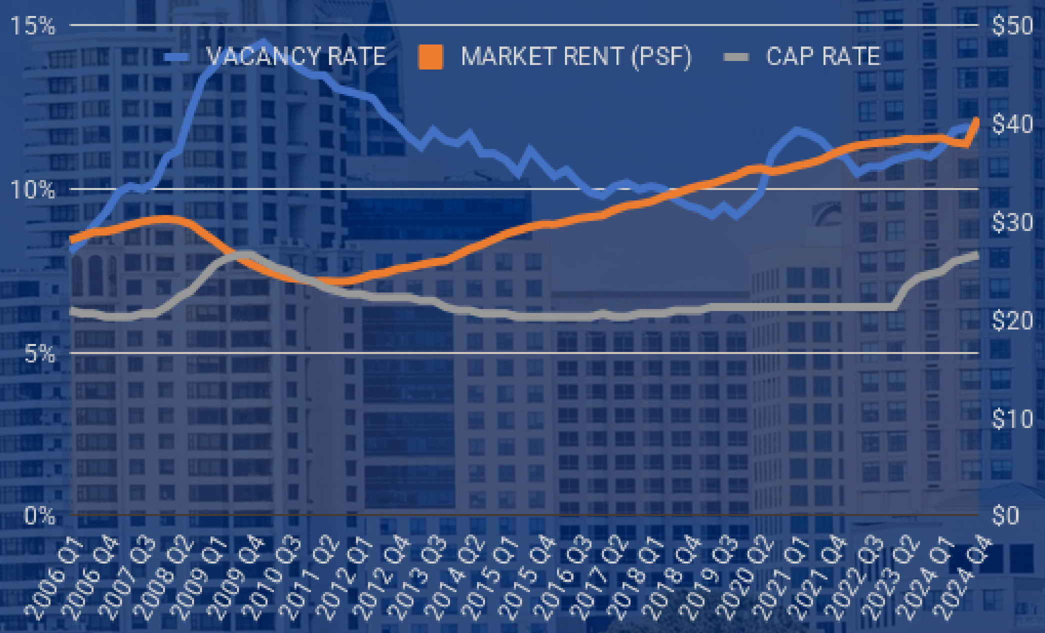
OFFICE

The occupancy losses that have spread across the major office markets in the U.S. since 2020 have not been nearly as dramatic in San Diego. The region's core industries, which are tied to the innovation and military economies, have helped the region sidestep some of those concerns. Even so, there is widespread belief among market participants that leasing volume will remain below pre-pandemic trends, it has settled in at about 17% below that period, and rent growth will further stagnate while confronting the largest speculative delivery schedule in 20 years. Vacancy has increased by ~300 basis points since the start of the pandemic. Yet, vacancy is heading toward a peak that could approach 14% following the completion of Campus at Horton and RaDD Downtown.

11.8%
VACANCY RATE

$40.63
MARKET RENT

8.0%
CAP RATE



San Diego

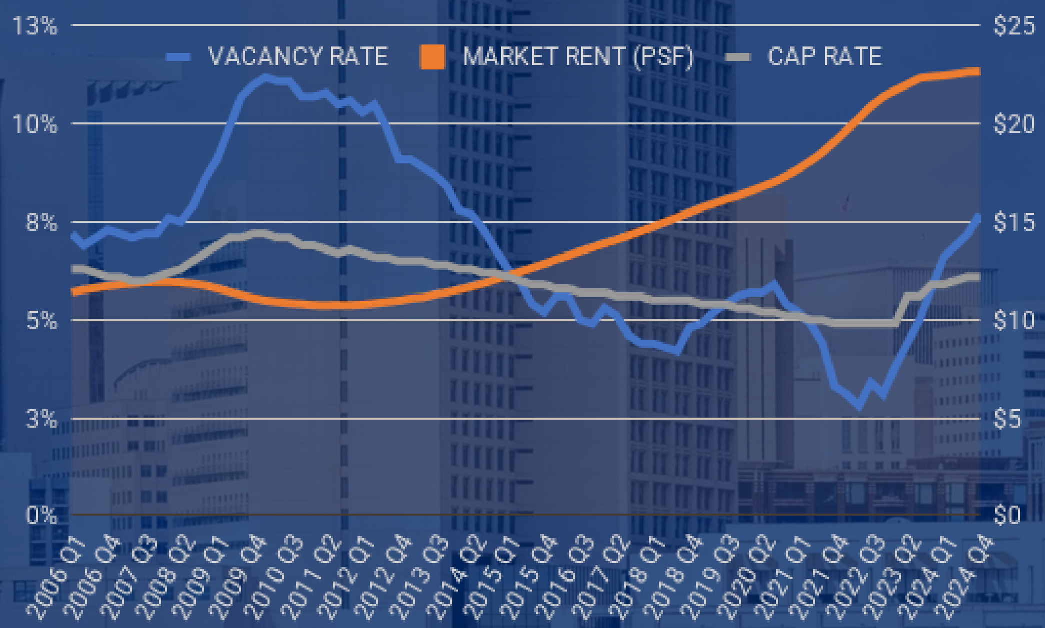
INDUSTRIAL

Occupancy losses spread further during 24Q3 after absorption was negative for the seventh straight quarter. That has been the longest stretch since the height of the Great Recession. Vacancies tied to the defense industry and biotech sector in North County and to distributors in South County have led to vacancy rising to 7.7%, which is the highest level in nearly 10 years. While new leasing volume rose during 24Q3, leasing for spaces above 50,000 SF has still not returned to recent norms. Only about 10 new leases were signed above that size during the past two quarters, and those represented less than 25% of new leasing volume.

7.7%
VACANCY RATE

$22.69
MARKET RENT

6.1%
CAP RATE



D D

San Diego

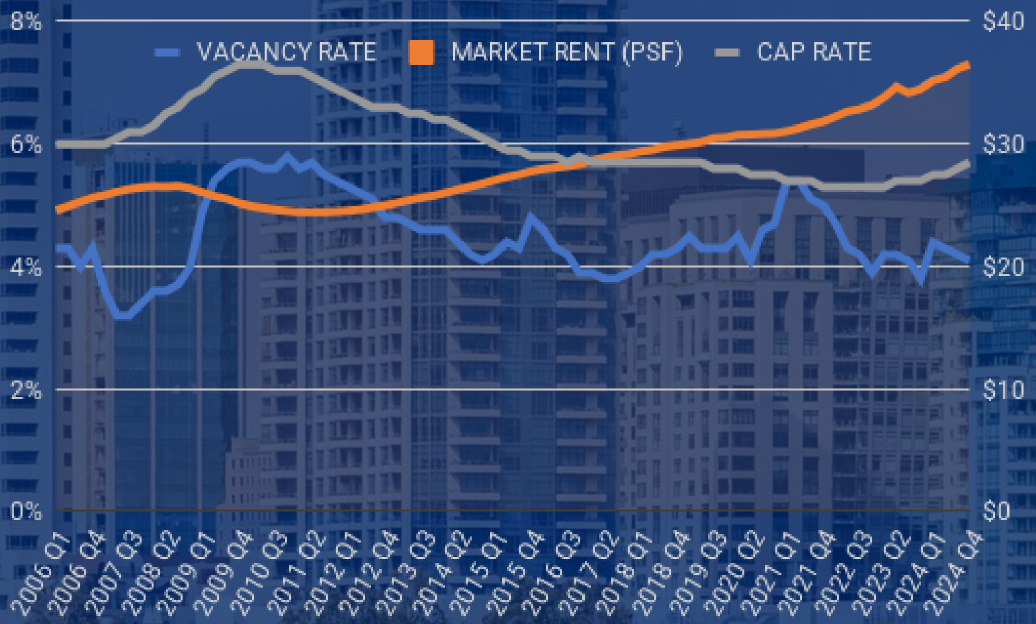
RETAIL

San Diego's retail market is in one of its strongest positions in years. The availability rate held steady quarter-over-quarter through 24Q3 and is largely unchanged in the past year. With the exception of malls, most retail sub-types are trending near historically low availability rates. During 24Q3, leasing volume fell roughly 30% below the pre-pandemic trend between 2015 and 2019. That level has been consistent over the past two years, with 24Q2 an exception. That was when Dollar Tree acquired a dozen 99 Cents Only locations across the region after the discount retailer shuttered its stores.

4.1%
VACANCY RATE

$36.51
MARKET RENT

5.7%
CAP RATE



San Diego

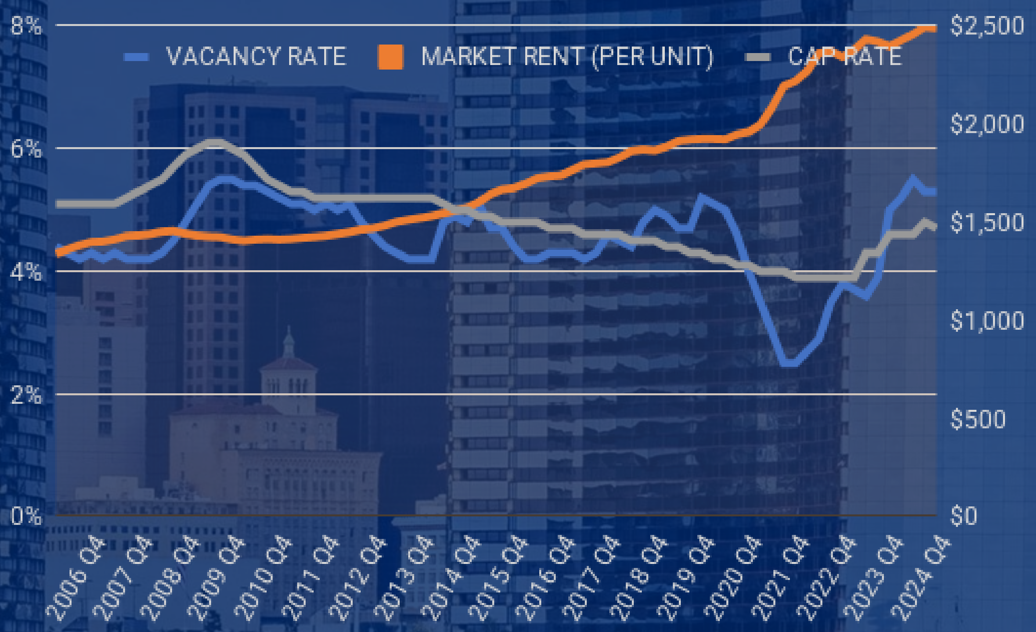
MULTIFAMILY

Although it came a quarter later than the national trend, demand rebounded during 24Q3. Net absorption reached its highest level since 2021. Yet, it was not necessarily a result of rising consumer confidence or diminishing recessionary fears, but much stronger backdoor demand. According to local property managers, renewals stabilized during 24Q3, which reinforced higher occupancy rates and led to vacancy falling quarter-overquarter in 2 and 3 Star properties. Landlords have employed concessions to secure renewals, including free rent or no rent increases. Vacancy is still trending above the long-term average in every property class during the fourth quarter.

5.3%
VACANCY RATE

$2,490
MARKET RENT

4.7%
CAP RATE



SVN THE EQUITY GROUP

Southern Nevada

www.svn-theequitygroup.com
@svnteg
@SVNTEG
www.facebook.com/SVNTEG
www.linkedin.com/company/svn-thequitygroup/

Las Vegas

Las Vegas, once known primarily for its entertainment and hospitality, has transformed into a thriving hub for businesses and individuals alike. With no state income tax, a favorable business climate, and strategic access to key Western markets, the city attracts industries ranging from tech startups to global corporations. Companies benefit from low operational costs, and affordable real estate, while individuals are drawn to its high quality of life, affordable housing, and endless entertainment options. Las Vegas offers a unique blend of opportunity, innovation, and vibrant living. Notable commercial real estate developments (planned or under construction) in Las Vegas include:

- ***Brightline High-Speed Rail - $3B***
- ***Haas Automation Plant - $327M***
- ***Summerlin Studios - $1.8B***
- ***A's Stadium - $1.5B***

TOP TRANSACTIONS

SOLD
$3,375,000
±13,788 SF | Office
David Livingston,
Fabian Lechuga

SOLD
$1,810,000
±6,283 SF | Office
Pete Janemark, CCIM,
Eric Rogosch

SOLD
$1,500,000
±7,853 SF | Office
Pete Janemark, CCIM

LEASED
$348,773
±2,965 SF | Retail
Eric Rogosch

LEASED
$338,909
±2,200 SF | Retail
Amelia Henry, CCIM,
Fabian Lechuga

LEASED
$353,160
±2,160 SF | Medical Office
David Livingston

ON MARKET

FOR SALE
$15,500,000
±25,000 SF | Retail
Al Barbagallo

FOR SALE
$8,550,000
±31,500 SF | Industrial
Lisa Hauger

FOR SALE
$13,000,000
±44,014 SF | Office
David Livingston,
Fabian Lechuga

FOR SALE
$3,360,000
±6,500 SF | Retail
Nolan Julseth-White, CCIM, Eric Rogosch, Zechariah Levi, CCIM, Michael Chang

FOR LEASE
Call For Price
±15,618 SF | Retail
Amelia Henry, CCIM

FOR LEASE
$1.95/SF/MO (NNN)
±3,680 - 7,741 SF | Office
Pete Janemark, CCIM

Las Vegas

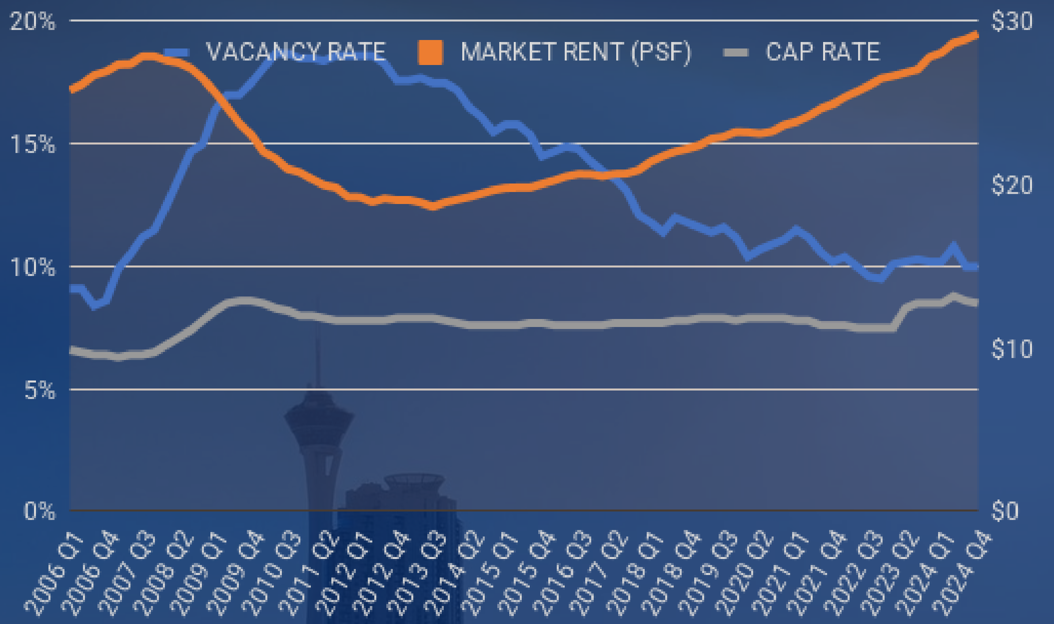
OFFICE

The current office vacancy rate of 10.0% remains below the historical average of 13.4%. However, on a submarket level, there are clear winners and losers. In these conditions, the pace of rent growth has decelerated. The average office rent is still growing by 3.3% year-over-year and mirrors the annual trend of the past two years. The forecast calls for more downward pressure on rents in the near term as the market grapples with upward pressure on vacancy rates. Tenant improvement allowances can vary widely depending on location, class, and user type, but tenants gained more leverage as the market softens. Outside of medical service providers, most tenants are hesitant to be locked into more than a 5-year lease term and value flexibility over rent concessions.

10.0%
VACANCY RATE

$29.25
MARKET RENT

8.5%
CAP RATE



Las Vegas

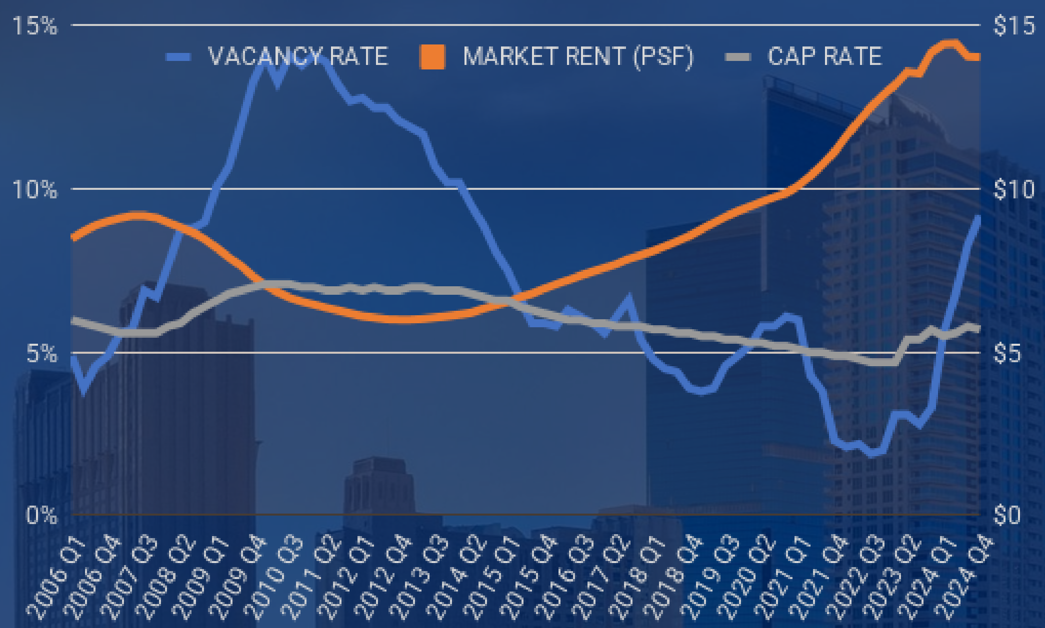
INDUSTRIAL

Unrelenting supply pressure is the most prominent factor driving the rising industrial vacancy rate in Las Vegas. About 14.2 million square feet of industrial space delivered in the past 12 months, an all-time high on an annual basis. At about 9.2%, the vacancy rate has continued to rise since mid-2022 and is above the historical average of 7.2%. A glut of speculative construction in the pipeline could continue the trend of rising vacancy, which is forecasted to eclipse 8% by 2025. There is currently 8.0 million SF of space under construction marketwide, about 70% of which is available for lease.

9.2%
VACANCY RATE

$14.05
MARKET RENT

5.7%
CAP RATE



Las Vegas

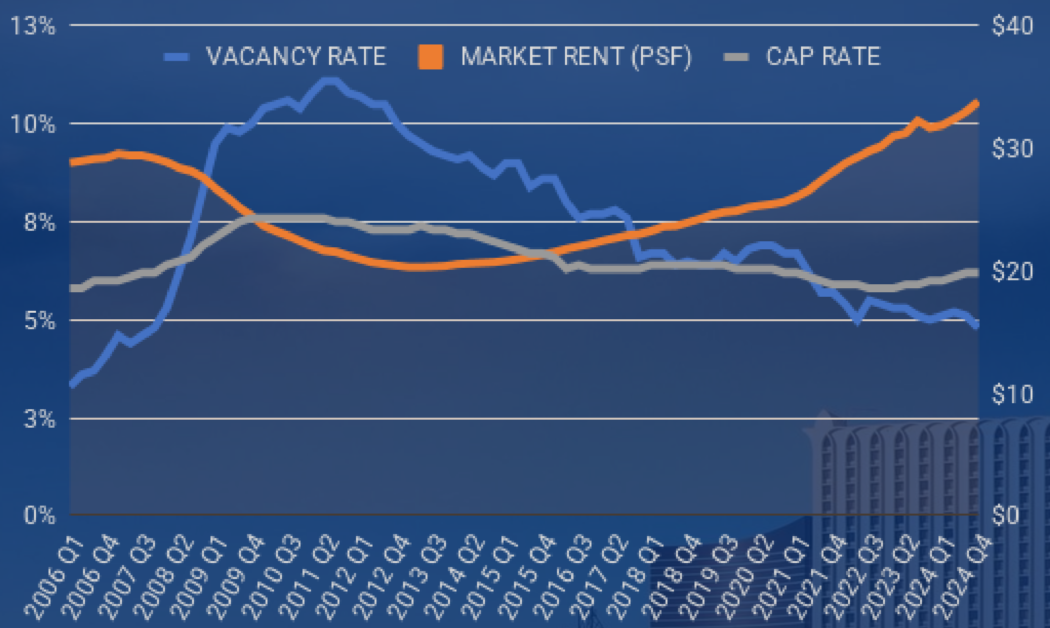
RETAIL

The Las Vegas retail market is as competitive as it has been in nearly two decades for tenants seeking space. The availability rate is 5.3% and the vacancy rate is 4.8%, both 17-year lows, as demand has consistently nullified supply pressure. Leasing activity has decelerated primarily due to the lack of available space that meets tenant requirements. The roughly 2.6 million SF of leased space last year was the lowest in 15 years, and Las Vegas is on pace to post similar numbers this year. While retail space under construction is at a five-year high, the majority is concentrated in one project with strong preleasing and will only expand inventory by about 1% once current projects finish.

4.8%
VACANCY RATE

$33.83
MARKET RENT

6.2%
CAP RATE



Las Vegas

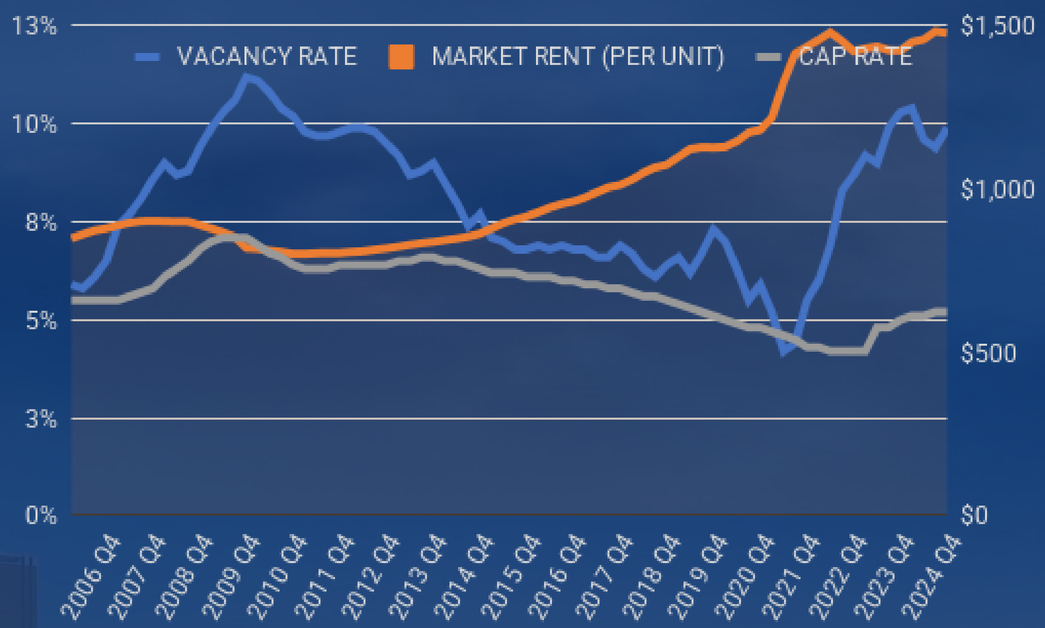
MULTIFAMILY

Las Vegas apartment demand improved considerably and now exceeds the pace of deliveries, compressing the vacancy rate to 9.9%. High-income households are keeping occupancy more stable at the top of the market. On average, 4 & 5 Star assets built before 2023 have a vacancy rate below 8%. Supply-side pressure will continue to be a significant factor in the near term. Roughly 5,200 units are under construction, which would expand Las Vegas apartment inventory by 2.7% once all projects in the pipeline are complete. On the positive side, construction has slowed considerably in recent quarters and could ease supply concerns in the long run.

9.9%
VACANCY RATE

$1,479
MARKET RENT

5.2%
CAP RATE



Arizona

www.svndesertcommercial.com

@svndca

@SVNDCA

www.facebook.com/SVNDCA/

www.linkedin.com/company/svn-desert-commercial-advisors/

Phoenix

The Phoenix Metropolitan Area, home to around 4.9 million residents, is one of the fastest-growing regions in the United States, driven by its warm climate and affordable housing. Key industries include real estate, healthcare, technology, manufacturing, and retail, supporting a diverse and expanding economy. Major educational institutions like Arizona State University contribute to a vibrant innovation sector. Notable commercial real estate developments (planned or under construction) in Phoenix include:

- ***Taiwan Semiconductor Manufacturing Company (TSMC)***
- ***Nestle is currently building a $675 million, 150 Acre plant in Glendale, AZ***
- ***VAI Resort and Mattel Adventure Park***
- ***The Phoenix Metro Apartments***

TOP TRANSACTIONS

SOLD
$5,000,000
±12,846 SF | Office
Jonathan Levy, Elijah Stephens

SOLD
$1,925,000
±4,551 SF | Office
Jonathan Levy

SOLD
$1,743,028
±21,672 SF | Office
Justin Horwitz, Richard Lewis, Sean Alderman

SOLD
$1,400,000
±14,254 SF | Industrial
Jonathan Levy, Elijah Stephens

SOLD
$1,390,000
±5,040 SF | Office
Justin Horwitz, Richard Lewis, Sean Alderman

SOLD
$1,215,000
±3,124 SF | Office
Justin Horwitz, Richard Lewis, Sean Alderman

ON MARKET

FOR SALE
Subject To Offer
±73,959 SF | Office
Justin Horwitz, Richard Lewis, Sean Alderman

FOR SALE
$7,840,000
±9,551 SF | NNN Retail
Justin Horwitz, Richard Lewis, Sean Alderman

FOR SALE
$7,792,500
±16,392 SF | NNN Office
Justin Horwitz, Richard Lewis, Sean Alderman

FOR SALE
$6,500,000
±13.81 AC | Land
Carrick Sears, Patrick Baker

FOR SALE
$3,610,800
±15,300 SF | Industrial
Jonathan Levy, Elijah Stephens

FOR SALE
$3,375,000
±27 Units | Multifamily
Danny Lee, Brady Zinn

Phoenix

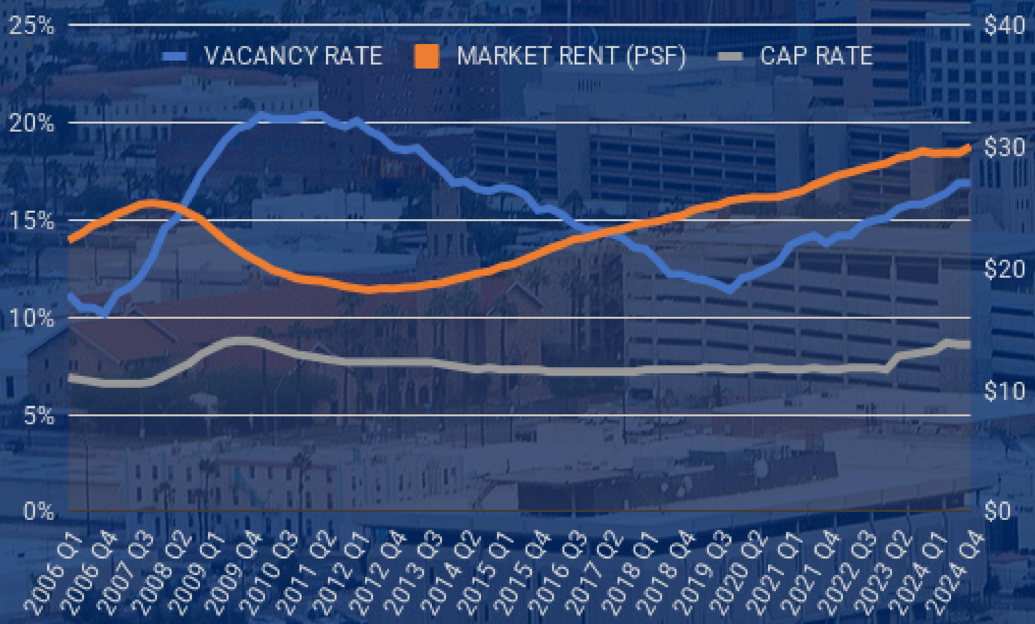
OFFICE

The steady rise in office vacancy remains unabated in Phoenix as the end of the year approaches. Many users are scrutinizing the effective use of their footprints, often resulting in space reductions or closures. This lowering of underlying space demand caused vacancy to climb more than 550 basis points since 19Q4, and expectations are for further increases over the midterm as pre-pandemic leases expire. The net amount of space vacated since the onset of COVID is nearing -5.5 million SF, well outpacing the total occupancy loss seen during the worst of the Great Recession. More than half of the space givebacks occurred in the past 18 months, and empty space is accumulating more quickly in larger suites and single-tenant buildings than in smaller ones.

16.9%
VACANCY RATE

$30.05
MARKET RENT

8.6%
CAP RATE



Phoenix

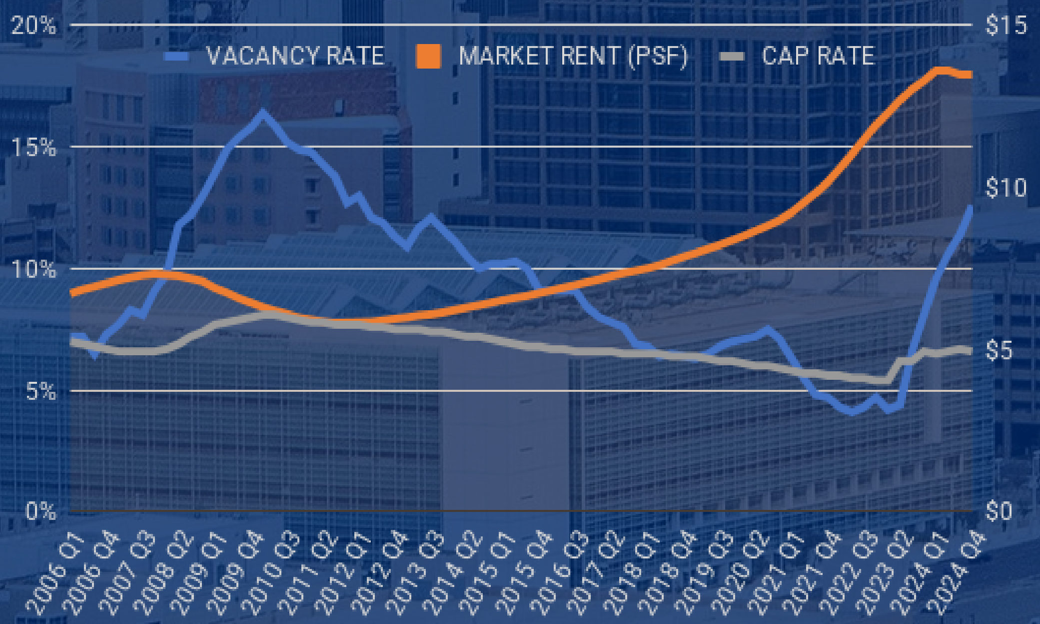
INDUSTRIAL

A deluge of new development completions continues to drive Phoenix's industrial vacancy rate higher, a condition that could persist into 2025. Builders delivered an unprecedented 37.6 million SF of net new industrial space over the past 12 months, driving a normalization of market conditions. The wave of construction overshadows a resilient demand picture. While demand has eased, leasing volume is 20% above 2019 levels as occupiers related to logistics, construction, and manufacturing continue to expand. Tenant demand has not been enough to absorb the remarkable pace of deliveries, as vacancy is at 12.6% as of 24Q4, and further increases are likely.

12.6%
VACANCY RATE

$13.49
MARKET RENT

6.6%
CAP RATE



Phoenix

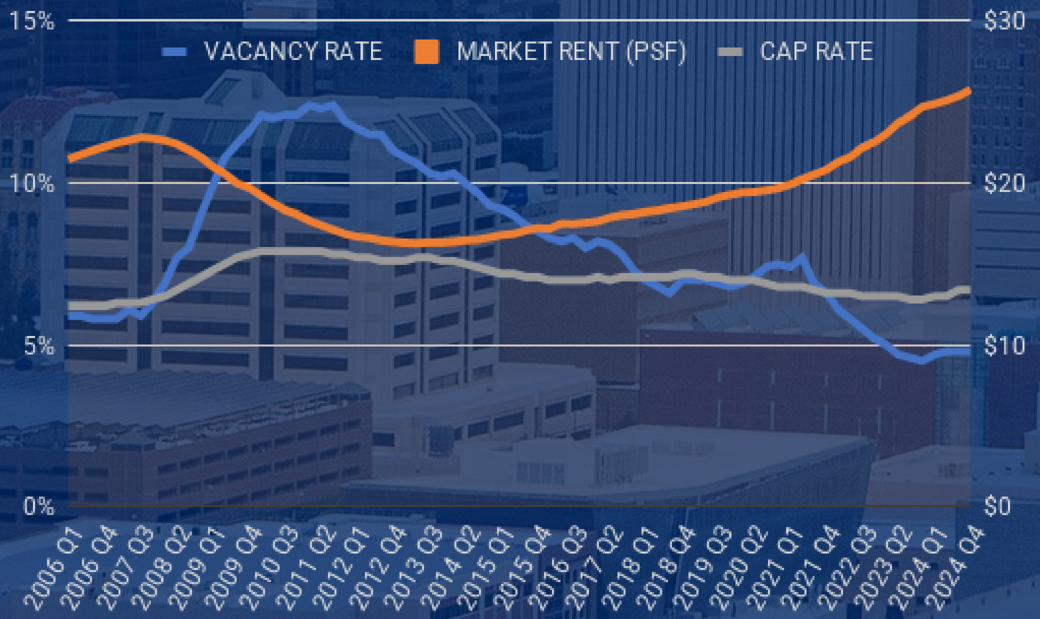
RETAIL

Though a pick-up in store closures caused net absorption to decelerate swiftly this year, fundamental tightness in the Phoenix retail market persists as 2024 nears its close. Strong demographics, continued income growth, and healthy job gains fuel robust underlying tenant demand. These stout demand drivers, coupled with the modest construction pipeline, have kept availability low and rent growth elevated. The availability rate has risen to 4.9% thus far in 2024, up from 4.3% in late 2023. Additionally, local market participants report that competition for space is elevated and tenant retention is healthy.

4.8%
VACANCY RATE

$25.78
MARKET RENT

6.7%
CAP RATE



D D

Phoenix

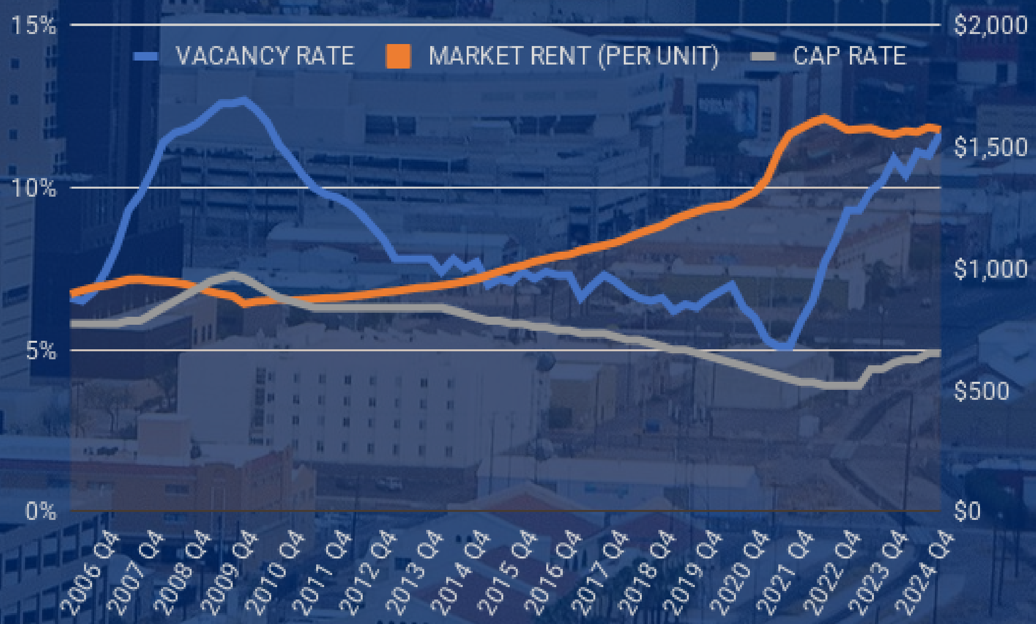
MULTIFAMILY

The Phoenix multifamily market took another step toward recovery in 24Q3. Easing inflation and rising consumer confidence have unlocked renter household formation, driving a rebound in underlying tenant demand. New supply additions continue to outpace leasing activity, the rate of decline in occupancy has begun to flatten out, indicating the start of a recovery in property performance could happen next year. The Valley recorded 20K units of net absorption over the past 12 months, outpacing the pre-COVID five-year annual average of 7K units. These healthy demand figures caused metrowide vacancy to rise modestly since the end of 2023, reaching 11.7% today.

11.7% VACANCY RATE

$1,572 MARKET RENT

4.9% CAP RATE



Data Source: CoStar

SVN DENVER COMMERCIAL

Colorado

www.svncolo.com

@svn_denver_commercial

@SVN_Denver

www.facebook.com/svncolorado/

www.linkedin.com/company/svndenvercommercial/

Denver

Denver, CO, is a dynamic city that combines a thriving economy with an exceptional quality of life, making it a prime destination for businesses and residents alike. With a diverse industry base—including technology, aerospace, and renewable energy—alongside a vibrant cultural scene, outdoor recreation, and strong community appeal, Denver offers the best of both worlds. Its central location, highly skilled workforce, and access to the Rocky Mountains contribute to its continued growth, attracting companies, talent, and visitors seeking opportunity and adventure. There are several notable CRE projects currently underway in the city:

- ***RidgeGate Expansion***
- ***Belleview Station***
- ***Chapel Hills Mall Redevelopment***
- ***Hotel Polaris***

TOP TRANSACTIONS

SOLD
$4,700,000
±16,000 SF | Retail
Troy Meyer, Kevin Matthews

LEASED
$3,175,760
±12,354 SF | Office
Brian McCririe

SOLD
$1,975,000
±3,552 SF | Retail
Kevin Matthews, Troy Meyer

SOLD
$1,954,901
±68,593 SF | Land
Kevin Matthews, Troy Meyer

SOLD
$1,310,000
±1,665 SF | Retail
Kevin Matthews, Troy Meyer

LEASED
Tenant: Line-X
±11,200 SF |Industrial
Ryan Bengford

ON MARKET

FOR SALE
$13,900,000
±171,189 SF | Office
Troy Meyer, Kevin Matthews

FOR SALE
$7,125,000
±46,614 SF | Retail
Kevin Matthews, Troy Meyer

FOR SALE
$5,000,000
±9,100 SF | Retail
Kevin Matthews, Troy Meyer

FOR LEASE
Negotiable
±562 SF - 12,516 SF | Office
Brian McCririe, Elizabeth Leder

FOR SALE
$1,450,000
±0.52 AC | Land
Oxana Eremiants

FOR LEASE
$9.00 - $15.00/SF/Year
±1,156 - 4,066 SF | Industrial
Ryan Bengford

Denver

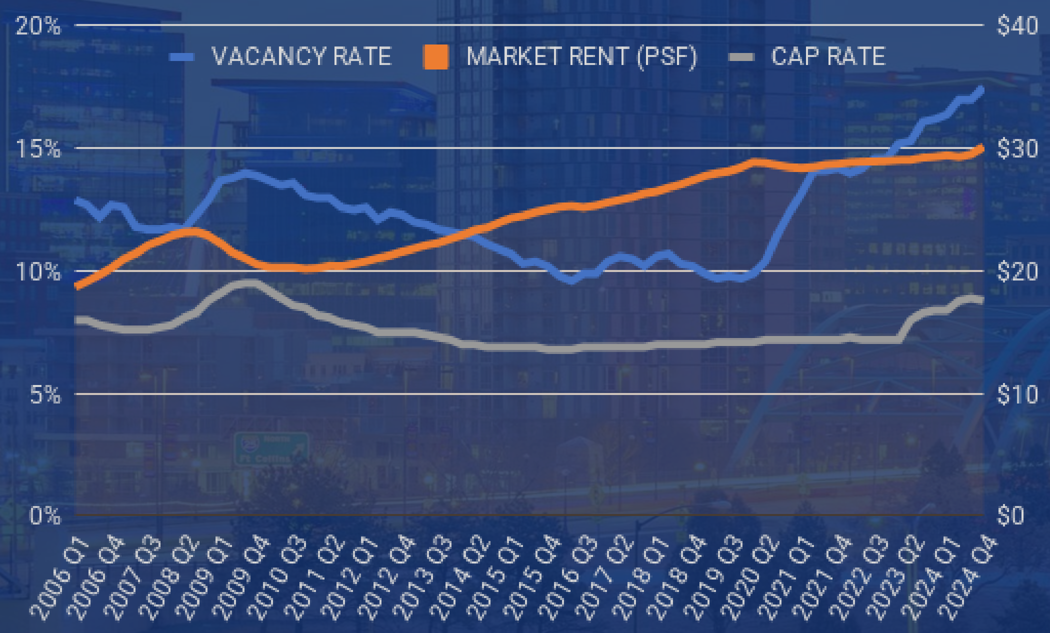
OFFICE

At 17.5% as of 24Q4, Denver has one of the highest vacancy rates among major U.S. markets. Low office utilization has plagued nearly every market across the nation, but Denver is more susceptible than most due to the market's high exposure to tech sector workers who have led the way in adopting flexible workplace arrangements. Office availability is likely to remain elevated in Denver for some time, as current leasing trends suggest that companies are adjusting their footprints to lower spaceper-worker requirements when their leases expire. Leases signed in the third quarter averaged about 3,200 SF, representing a 42% decrease in average lease size since its peak in 2015.

17.5%
VACANCY RATE

$30.15
MARKET RENT

8.8%
CAP RATE



Data Source: CoStar

Denver

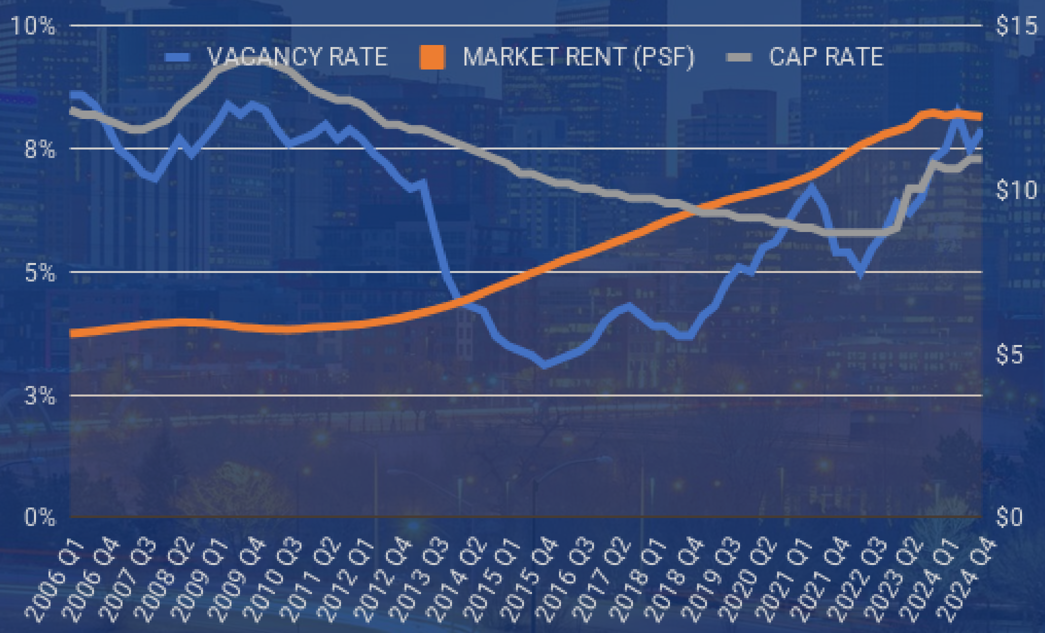
INDUSTRIAL

The construction boom that caused vacancies to spike over the past two years is fading, indicating that Denver's industrial market may be in the beginning stages of a return to balanced fundamentals. Even so, a challenging environment persists. While the vacancy rate is not expected to rise much higher, at 7.9%, it is among the highest of any major U.S. market and will likely remain elevated through the end of the year as the final wave of projects from the building boom is scheduled to deliver. Tenant demand accelerated in the past year, coinciding with key positive economic data, including an uptick in consumer confidence and wage growth rising above inflation.

7.9%
VACANCY RATE

$12.24
MARKET RENT

7.3%
CAP RATE



Data Source: CoStar

Denver

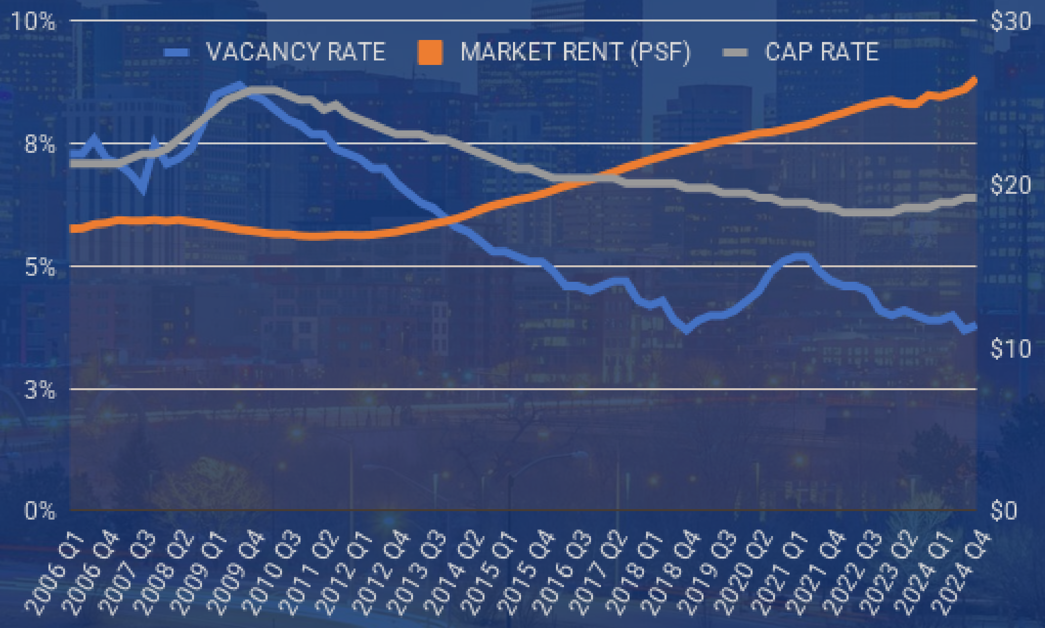
RETAIL

As of 24Q4, Denver's retail market continues to benefit from an exceptionally low availability rate, limited new construction, and a resilient consumer base. This comes despite longstanding concerns of a softening economy and Denver's slower population growth. Retail availability has hit a record low of 4.8%, coming in below the 10-year average of 5.4%. Low availability is beginning to impact leasing activity as tenants face challenges securing the right type of space. On the smaller end of the market, national chains, including quick-service restaurants, convenience stores, and banks, are driving leasing activity. In larger formats, experiential tenants were key drivers of demand.

3.8%
VACANCY RATE

$26.53
MARKET RENT

6.4%
CAP RATE



Data Source: CoStar

Denver

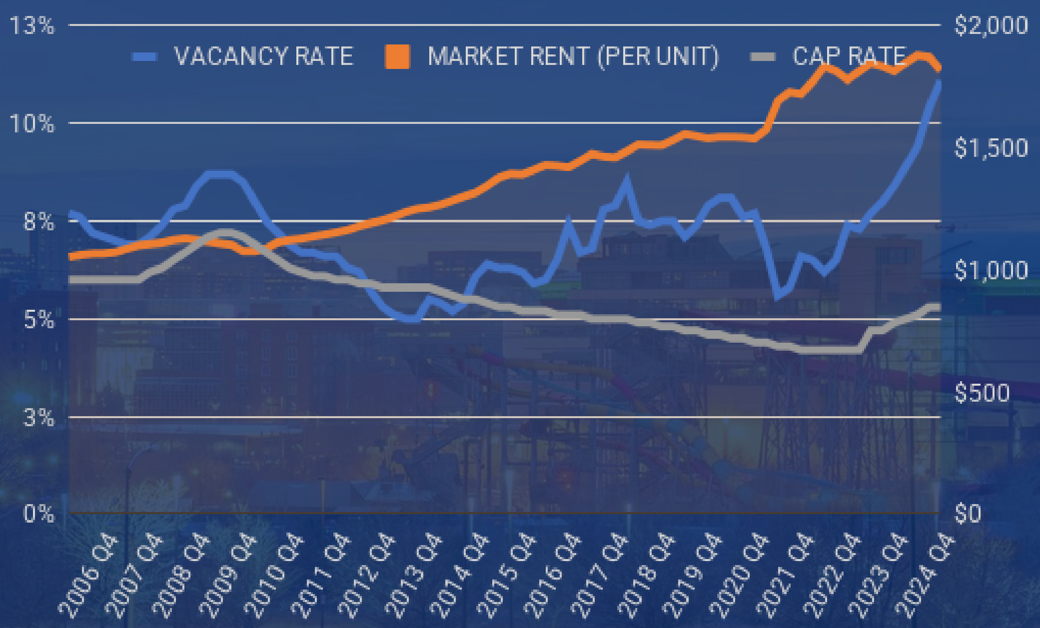
MULTIFAMILY

Demand for Denver apartments has returned, but the market is facing one of the most active pipelines in the country that has put significant upward pressure on the vacancy rate to 11.1% in 24Q4. Rents have moved by -2.7% in the past year, placing Denver in the bottom half of major markets across the country. The supply and demand imbalance will likely continue to suppress rent growth into 2025, particularly in areas of the metro where scheduled net deliveries as a percentage of inventory runs high. In an encouraging sign for owners and property managers, demand has returned in the middle-tier segment, which was hit hardest by rising rent and inflation.

11.1%
VACANCY RATE

$1,818
MARKET RENT

5.3%
CAP RATE



Data Source: CoStar

Northern Colorado

SVN DENVER COMMERCIAL

www.svncolo.com

@svn_denver_commercial

@SVN_Denver

www.facebook.com/svncolorado/

www.linkedin.com/company/svndenvercommercial/

Fort Collins

Northern Colorado is a rapidly growing region that blends economic opportunity with an outstanding quality of life, making it an attractive destination for businesses and residents alike. Anchored by cities like Fort Collins, Loveland, and Greeley, the region boasts a strong economy driven by industries such as technology, agriculture, manufacturing, and renewable energy. With scenic landscapes, vibrant communities, and access to outdoor recreation in the Rocky Mountains, Northern Colorado offers a unique mix of innovation, affordability, and lifestyle appeal that continues to draw talent, businesses, and visitors. Notable commercial real estate developments (planned or under construction) in Northern Colorado include:

- ***The Brands at The Ranch***
- ***Montava***
- ***Downtown Windsor Revitalization***

TOP TRANSACTIONS

SOLD
$9,400,000
±57,600 SF | Industrial
Industrial Team

SOLD
$1,790,000
±9,000 SF | Industrial
Cobey Wess, Wesley Perry

SOLD
$1,565,000
±8,313 SF | Industrial
Industrial Team

SOLD
$950,000
±4,100 SF | Office
Cobey Wess, Wesley Perry

LEASED
$730,200
±3,651 SF | Office
Cobey Wess

SOLD
$426,875
±1,875 SF | Industrial
Corey Murray

ON MARKET

FOR SALE
$3,593,981
±2,308 SF | Retail
Kevin Matthews, Troy Meyer

FOR SALE
$3,223,440
±74.04 AC | Land
Wesley Perry, Dan Leuschen

FOR LEASE
$18/SF/YR
±14.85 AC | Land
Wesley Perry, Cobey Wess,
Dan Leuschen

FOR SALE
$2,600,000
±18,147 SF | Office
Bill Reilly

FOR SALE
$775,000
±3,400 SF |Retail
Cobey Wess, Wesley Perry

FOR LEASE
$19.00 - $19.50/SF/Year
±826 - 4,162 SF | Office
Cobey Wess

Fort Collins

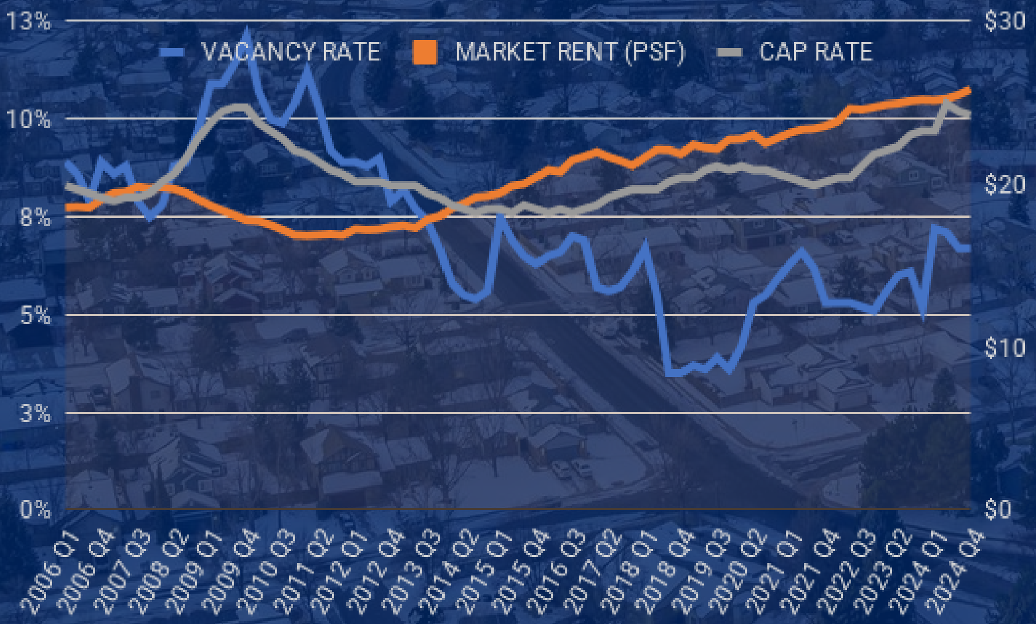
OFFICE

While markets across the country grapple with demand challenges stemming from low office utilization, the Fort Collins office market has remained relatively resilient. The vacancy rate has ticked up by about one percentage point from the previous year, but at 6.7%, still remains just above the long-term average of 5.7%. Comparatively, the U.S. average vacancy rate of 13.8% is more than double the vacancy observed in Fort Collins. Roughly 250K SF was leased in 24Q3, a record high for the Fort Collins market. Technology, government, and health care companies primarily drove the uptick in leasing activity. An improvement in leasing activity is also behind the drop in vacancy, particularly in 4 and 5 Star properties.

6.7%
VACANCY RATE

$25.84
MARKET RENT

10.1%
CAP RATE



Data Source: CoStar

Fort Collins

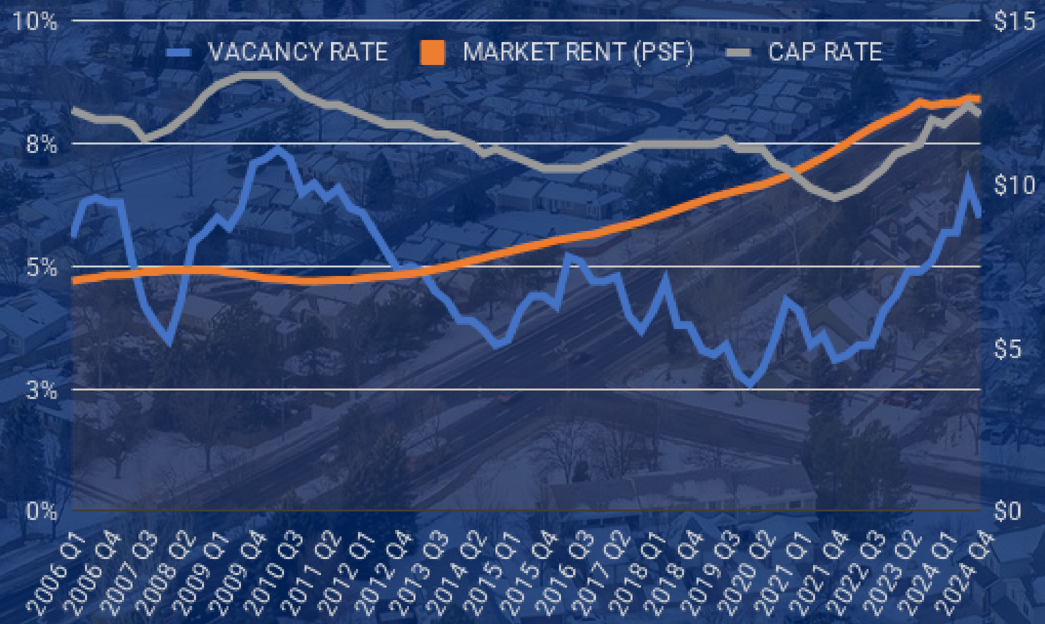
INDUSTRIAL

As of the fourth quarter of 2024, the Fort Collins industrial market continues to cool. Decelerating net absorption combined with a steady stream of industrial project completions have pushed the vacancy rate up to 6.0%. Annual rent growth is decelerating, averaging 1.2%, which is down from the 7.3% gains achieved in mid-2022. Developers were especially active in the area surrounding the Northern Colorado Regional Airport. Amazon completed construction of its 3.8 million-SF distribution center on 150 acres located on the northern border of the airport in 2023. The expansion is projected to generate ~1,000 jobs.

6.0%
VACANCY RATE

$12.63
MARKET RENT

8.1%
CAP RATE



Fort Collins

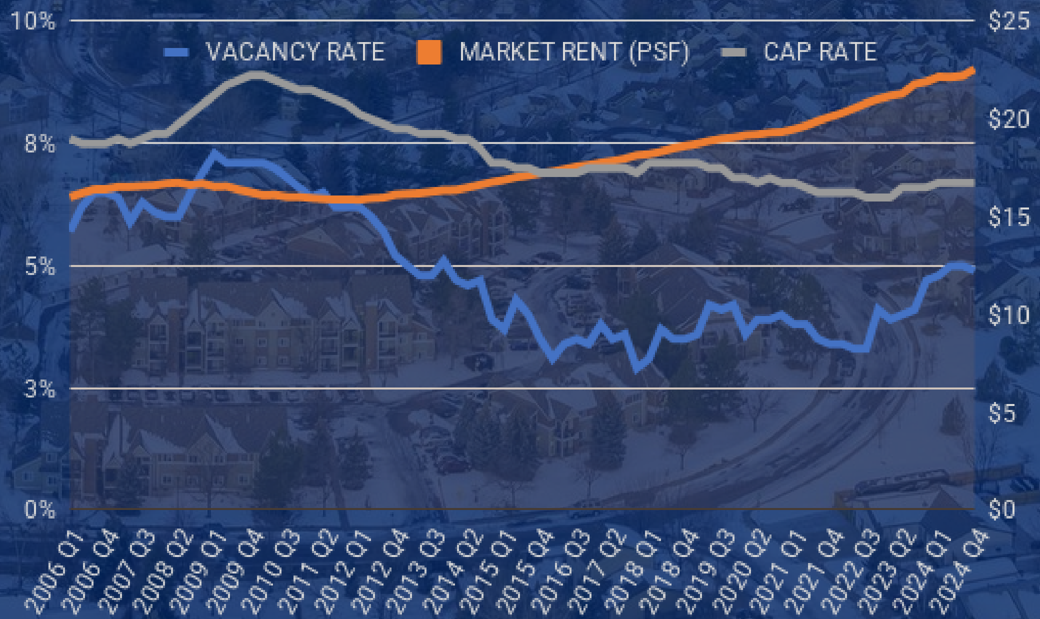
RETAIL

Retail fundamentals have improved, supported by a lift in consumer spending. The Fort Collins retail market logged negative annual net absorption, amounting to -33,000 SF in the past year, causing vacancies to rise. However, the majority of the negative net absorption was the result of a renovation that is changing tenancy. The Outlets at Loveland are under new ownership and are now Loveland Yards. The existing tenants vacated last year and will be replaced once the renovations are complete. Vacancies now register 4.9%, slightly above the national average of 4.1%.

4.9%
VACANCY RATE

$22.56
MARKET RENT

6.7%
CAP RATE



Fort Collins

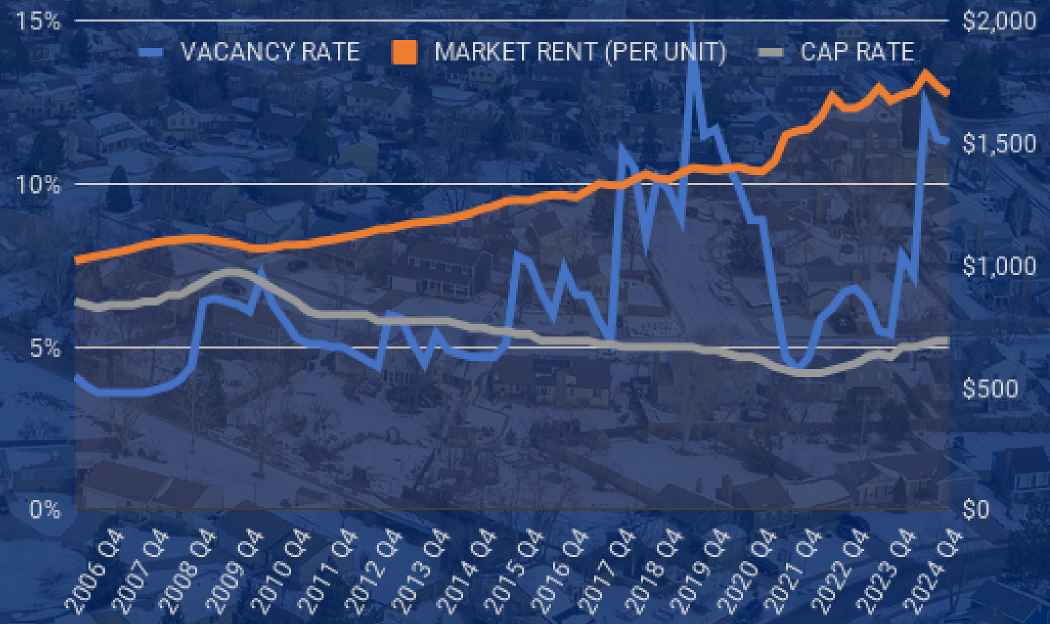
MULTIFAMILY

Fort Collins apartment demand has rebounded in 2024, with trailing 12-month net absorption amounting to 1,500 units. Located in the foothills of the Rocky Mountains, the local market continues to attract new renters due to its high quality of life and relative affordability. New inventory delivering to the market drove vacancies higher in the past year. Most of the construction boom wrapped up in 2024, which increased the vacancy rate by over 4 percentage points in the past year to 11.3%.

11.3%
VACANCY RATE

$1,700
MARKET RENT

5.2%
CAP RATE



SVN
WALT ARNOLD COMMERCIAL
BROKERAGE, INC.

www.waltarnold.com

@svnwaltarnold

@svnwaltarnold

www.facebook.com/svnwaltarnold

www.linkedin.com/company/svnwaltarnold/

New Mexico

Albuquerque

The Albuquerque commercial real estate market remains stable, with steady demand in industrial and multifamily sectors, while office space continues to face challenges due to remote work trends. Retail is experiencing mixed results, with well-located centers performing well but weaker demand in secondary locations. Despite economic headwinds, Albuquerque's commercial real estate market benefits from a relatively low cost of living and business-friendly environment, which continue to attract investors and tenants. Notable commercial real estate developments (planned or under construction) in Albuquerque include:

- ***Albuquerque Rail Yards Redevelopment***
- ***SOMOS Project***
- ***Highlands Central Market and Residence Inn***
- ***Garfield Avenue Townhomes***

TOP TRANSACTIONS

LEASED
$2,330,315
±34,163 SF | Office
Joel White, Hunter Greene, Lauren Landavazo

LEASED
$1,910,193
±8,770 SF | Office
Walt Arnold SIOR, CCIM, Kelly Schmidt, SIOR, MiCP

SOLD
$1,455,000
±2.0 AC | Land
Walt Arnold SIOR, CCIM, Kelly Schmidt, SIOR, MiCP

LEASED
$11,554,498
±53,560 SF |Office
Walt Arnold SIOR, CCIM, Kelly Schmidt, SIOR, MiCP

LEASED
$1,593,719
±3,434 SF | Retail
Steve Lyon, Angela Izquierdo

SVN
WALT ARNOLD COMMERCIAL BROKERAGE, INC.

LEASED
$4,529,162
±43,900 SF | Retail
Steve Lyon

ON MARKET

FOR SALE
$1,200,000
±7,516 SF | Industrial
Kyle Kinney

FOR SALE
$5,728,165
±7.64 AC| Land
Walt Arnold SIOR, CCIM, Kelly Schmidt, SIOR, MiCP

FOR SALE
$3,704,551
±10.55 AC | Land
Walt Arnold SIOR, CCIM, Kelly Schmidt, SIOR, MiCP

FOR SALE
$1,750,000
±15,785 SF | Hospitality
Katrina Flores

FOR SALE
$2,900,000
±1,872 SF | Retail
Kyle Kinney

FOR SALE
$1,443,000
±1.44 AC | Land
Steve Lyon

Albuquerque

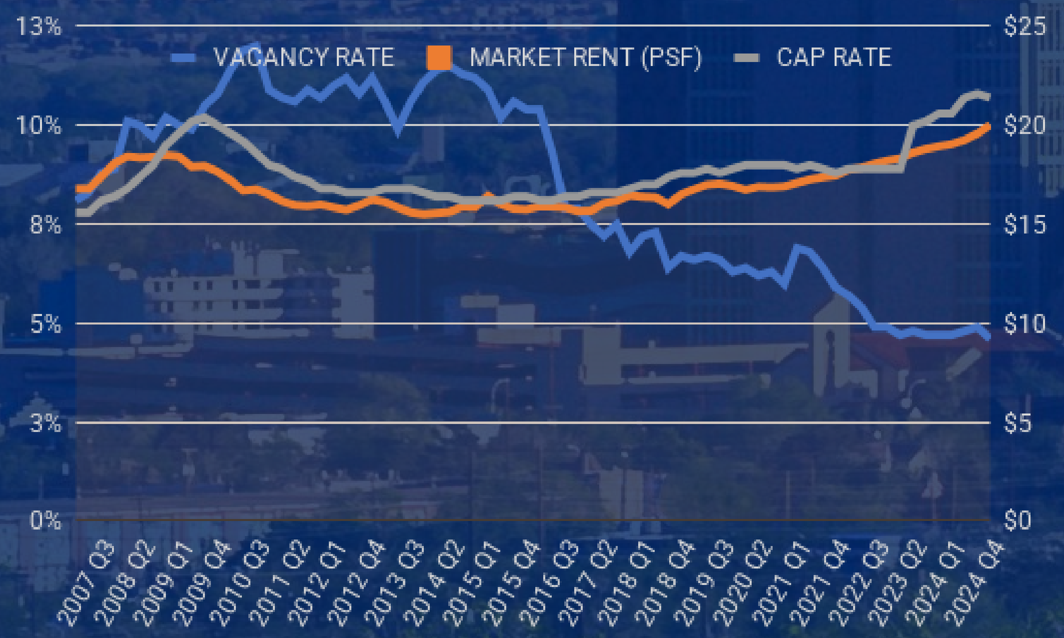
OFFICE

Unlike other parts of the country that have seen conditions deteriorate since the the pandemic, fundamentals in the Albuquerque office market have been pretty stable. Vacancy has plateaued near 4.6% for several quarters and remains below the low-6% range seen in 2019. Though a weakening of underlying tenant demand drove 53,000 SF of net absorption over the past 12 months, a near total lack of supply-side pressure helped avoid a more meaningful imbalance. The market recorded just 130K SF of net deliveries over the past five years. Additionally, just 38K SF is underway, and given the increased cost and caution for new construction financing, current supply picture is unlikely to change dramatically over the near term.

4.6%
VACANCY RATE

$20.03
MARKET RENT

10.7%
CAP RATE



Albuquerque

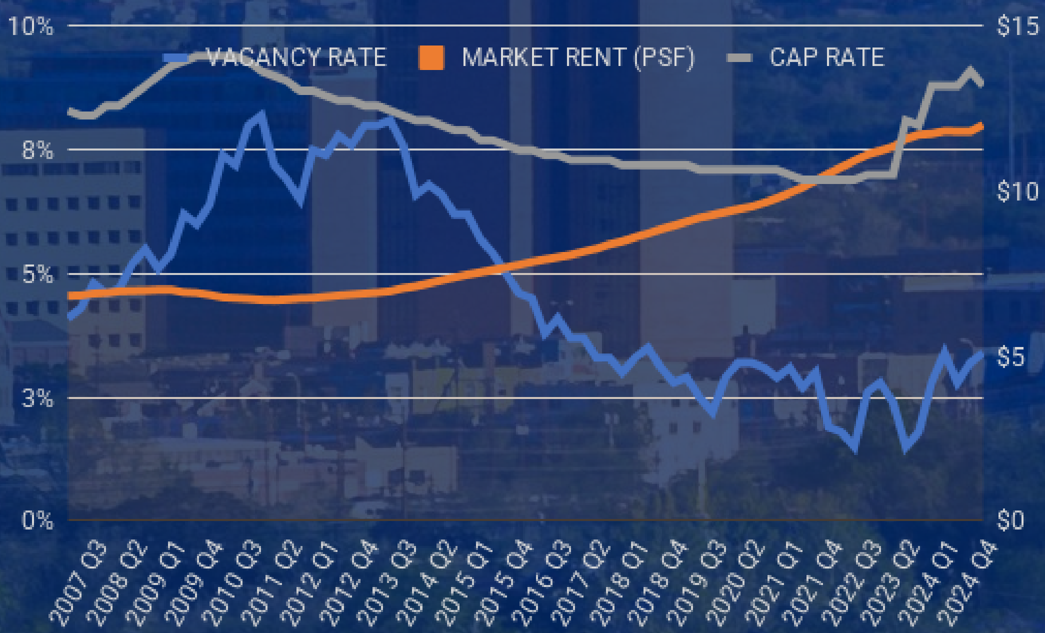
INDUSTRIAL

Unlike other metros in the Southwestern United States, the Albuquerque industrial market does not face the same level of supply-side pressure that has plagued other areas. Albuquerque carries a structurally low vacancy rate, and though conditions have oscillated quarter to quarter, the fundamental balance between supply and demand remains healthy. The market-wide vacancy rate has reached 3.4% today, about half the overall U.S. level of 6.8%. Limited construction activity has supported these tight conditions. Over the past three years, developers delivered about 2.2 million SF of net new industrial space, growing inventory by just 3.6%.

3.4%
VACANCY RATE

$12.02
MARKET RENT

8.8%
CAP RATE



Albuquerque

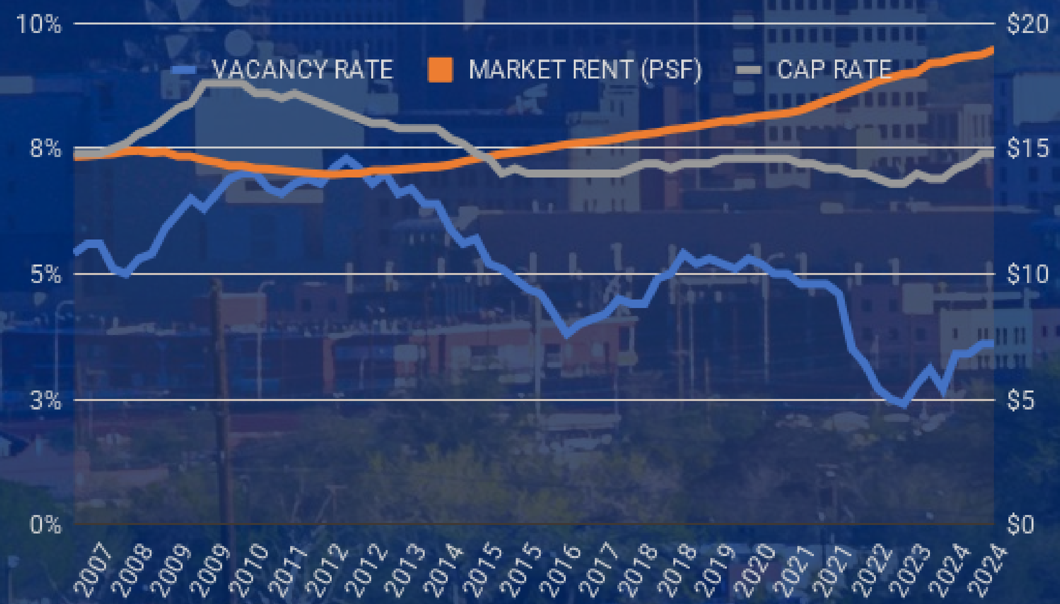
RETAIL

Overall, market conditions in the Albuquerque retail market remain balanced, though normalization is clearly underway. Vacancy remains below the long-term average, and rent growth is positive. Over the past 12 months, however, a string of tenant move-outs contributed to -260,000 SF of net absorption, driving vacancy from 2.3% in early 2023 to 3.6% today. The modest construction pipeline has helped keep vacancies in check with the current rate below the longterm average as well as the national level of 4.1%. With the bulk of the projects underway either build-to-suits or preleased, the 160,000 SF under construction is likely to have a minimal effect on conditions.

3.6%
VACANCY RATE

$18.97
MARKET RENT

7.4%
CAP RATE



Albuquerque

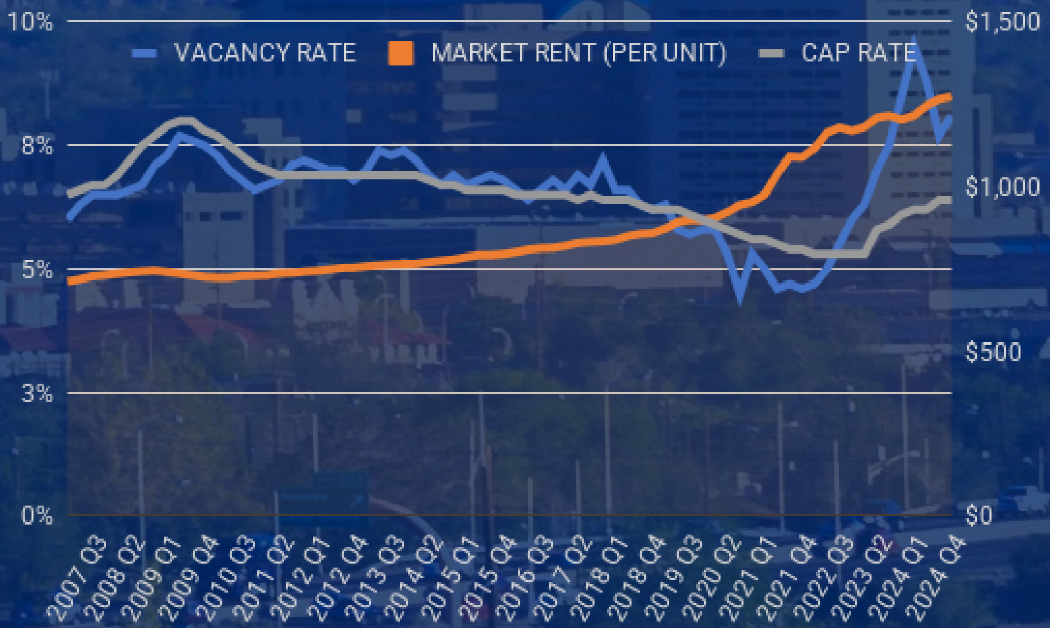
MULTIFAMILY

Demand for Albuquerque apartments has returned, but the market still faces an active pipeline that has weighed on occupancy considerably. Roughly 1,200 units have delivered in the past year, and another 1,600 units are in the pipeline. This puts Albuquerque on track to expand its inventory by 2.8% once these units come online. While that pace of inventory growth is rapid by Albuquerque standards, it lags the national level. Vacancy has increased in the past year to 8.1%, as the market takes time to digest recent deliveries. New construction is concentrated in the top end of the market, with over 80% of the current construction pipeline comprising 4 & 5 Star luxury projects.

8.1%
VACANCY RATE

$1,274
MARKET RENT

6.4%
CAP RATE



SVN
J. BEARD REAL ESTATE
GREATER HOUSTON

www.jbeardcompany.com

@svnjbeardhtx

@JBeardCo

www.facebook.com/JBeardCo

www.linkedin.com/company/svn-j-beard-real-estate-greater-houston/

Texas

Houston

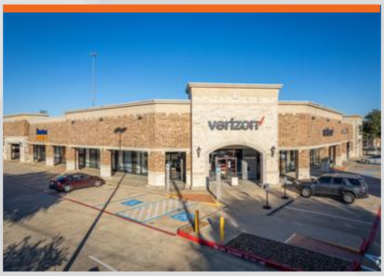
Houston, Texas, boasts a diverse economy driven by energy, particularly oil and gas, along with strong sectors in aerospace, healthcare, and manufacturing. The city is a major hub for international trade and has a robust business environment supported by its port, one of the busiest in the United States. Notable commercial real estate developments (planned or under construction) in Houston include:

- ***Ritz-Carlton Residence, The Woodlands***
- ***Main Street 2.0***
- ***One Bridgeland Green***
- ***Park Eight Place***

TOP TRANSACTIONS

SOLD
Undisclosed
±27 AC | Improved Land
Joe Burke, Robert Whitaker

SOLD
Buyer: The Human Bean
±600 SF | Retail
Jackson Cain



LEASED
Tenant: Wells Fargo
±45,000 SF | Retail - Ground Lease
Jeff Tinsley

LEASED
Tenant: Primoris Services Corp.
±7,664 SF | Office
Lisa Hughes

LEASED
Tenant: Bayou City Steel
±6,705 SF | Office
Linda Crumley

SOLD
Undisclosed
±12,000 SF | Industrial
Robert Noack

ON MARKET

FOR SALE
Call For Pricing
±22,142 SF | Office
Matt Knagg

FOR LEASE
Call For Pricing
±3,968 SF | Retail
Jackson Cain, Ethan Dellmore

FOR SALE
Call For Pricing
±63,600 SF | Office
Jeff Beard

FOR SALE
$3,051,953
±17.5 AC |Land
Robert Whitaker, Joe Burke

FOR SALE
Call For Pricing
±56,045 SF | Medical
Brandi Sikes

FOR LEASE
$10 - $16/SF/YR (NNN)
±425 - 3,975 SF | Industrial
Neal King

Houston

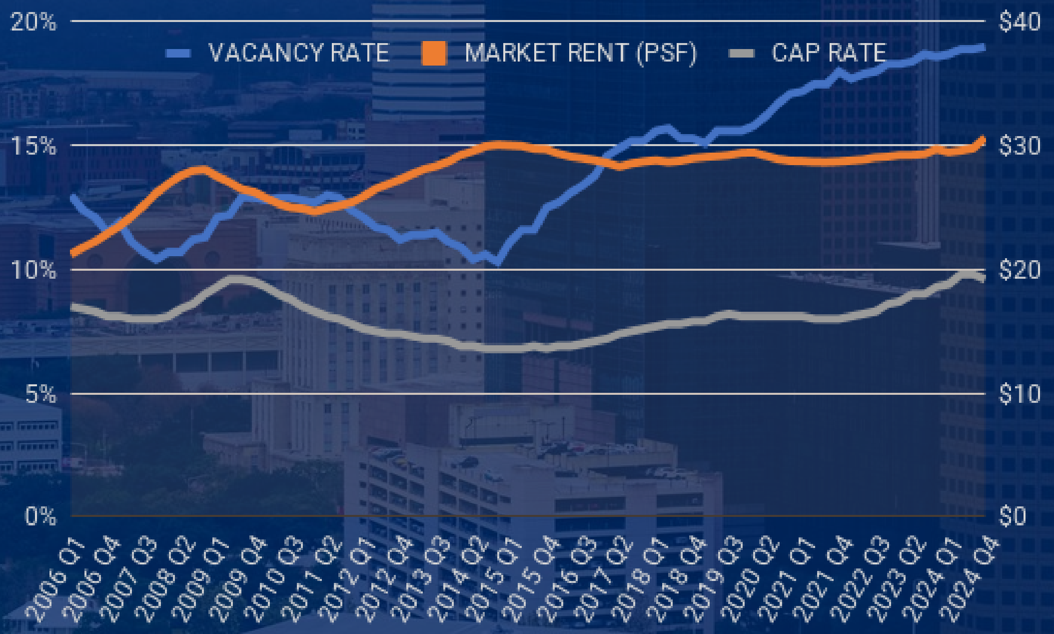
OFFICE

A slowdown in moveouts and new supply, paired with a string of large leases during the first half of 2024 have kept vacancies in Houston's office market stable. Still, at 19.0%, as of the fourth quarter of 2024, the rate is the second highest in the country, behind San Francisco. This is not a recent trend, as Houston has historically carried a high vacancy rate due to overbuilding in the 1980s and, more recently, in the mid-2010s, at the height of the shale boom. The market is not immune to the trends shaping most office markets today, but they seem to be less pronounced here than elsewhere. According to market monitor Placer.ai, office attendance, while below prepandemic levels, ranks among the top five in the country across major markets.

19.0%
VACANCY RATE

$30.66
MARKET RENT

9.6%
CAP RATE



Houston

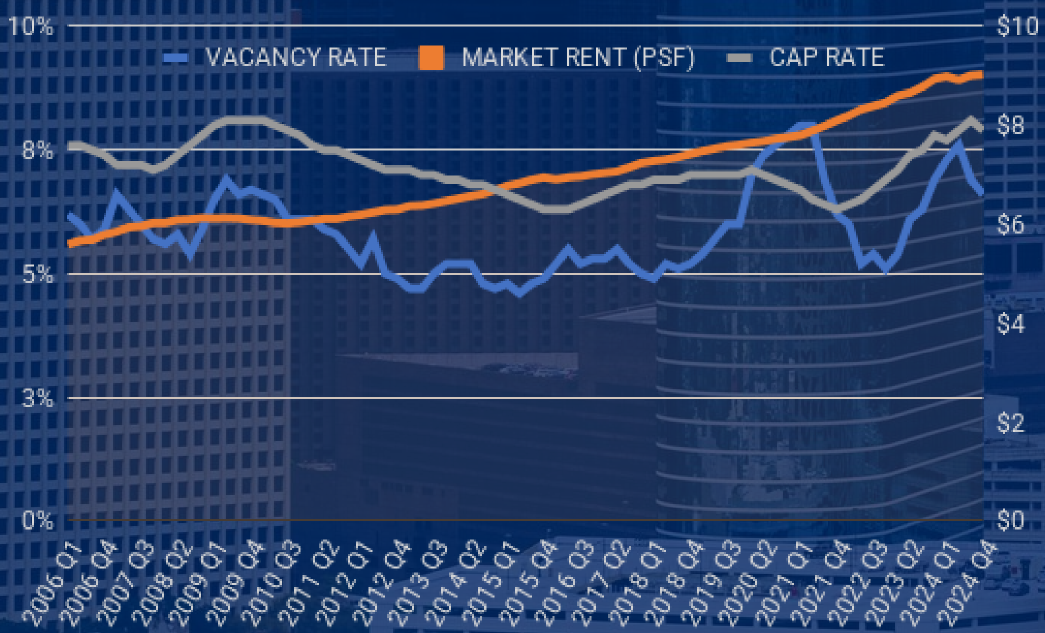
INDUSTRIAL

Houston's industrial market has turned a corner heading into the final months of 2024. Absorption exceeded new supply in 24Q3 for the first time since late 2022 and the vacancy rate is finally edging down after trending upward for the past 18 months. Similar to other fast-growing Sun Belt markets such as D-FW and Phoenix, Houston recently received a record amount of speculative new supply. But the strength of tenant demand in Houston cannot be overlooked. Absorption rates have remained much stronger than most major U.S. markets and the recent record levels of new construction completions are beginning to tail off.

6.6%
VACANCY RATE

$9.03
MARKET RENT

7.9%
CAP RATE



Houston

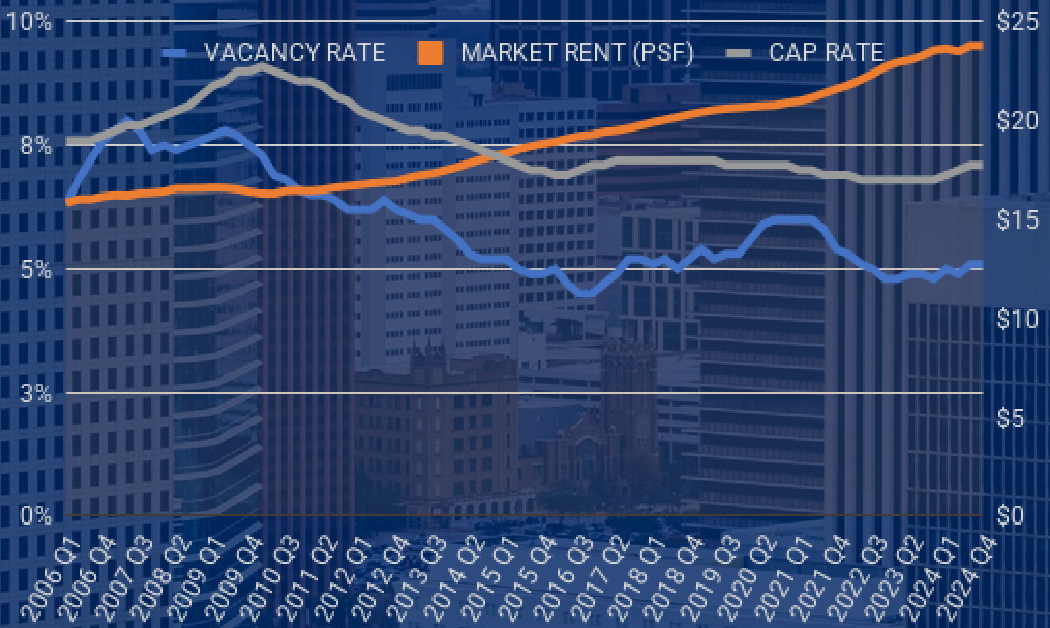
RETAIL

Houston's retail market is softening but remains in equilibrium as 2024 draws to a close. Net deliveries have exceeded demand over the past two years and moveouts during the first three quarters of the year were up 20% year-over-year. These dynamics have pushed the overall availability rate higher. While 50% of the 3.4 million SF under construction is available for lease, it will provide little relief to tenants searching for first generation space. Construction starts are at historic lows in response to higher construction and borrowing costs, and supply-side pressure is expected to be much lighter next year. New supply is anticipated to total less than 2 million SF in 2025, a record low.

5.1%
VACANCY RATE

$23.81
MARKET RENT

7.1%
CAP RATE



Houston

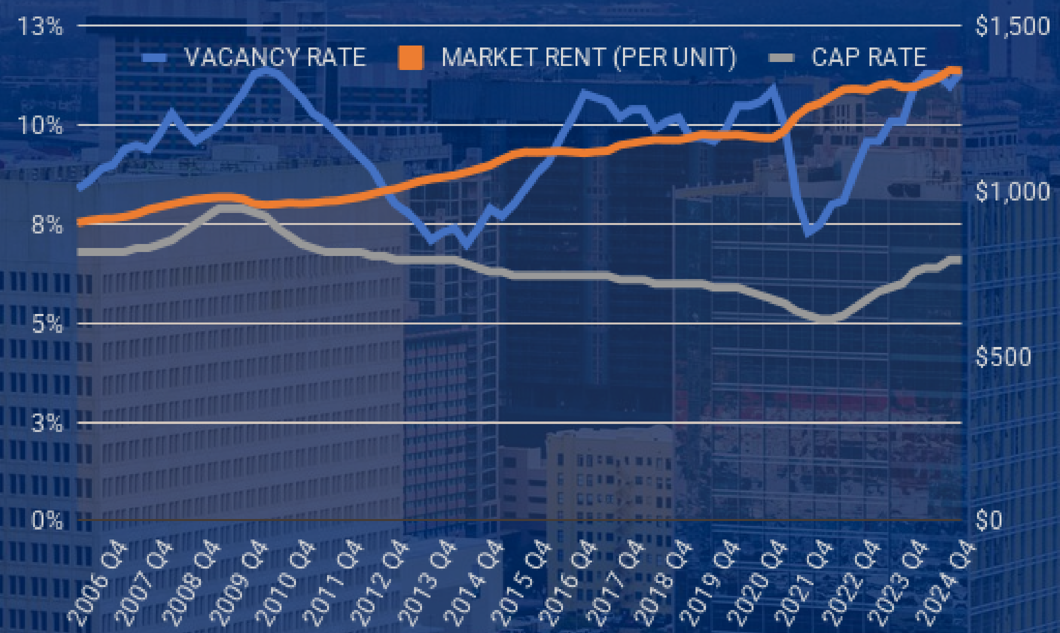
MULTIFAMILY

A strong surge in demand during the first half of 2024 in Houston's multifamily market helped narrow the supplydemand mismatch caused by last year's multi-decade high of new supply. Quarterly absorption in 24Q2 reached its highest mark in nearly three years and marked the first quarter since 21Q3 where absorption exceeded supply. Over the past 12 months, 19,000 units were absorbed—about 10% above the 2015-2019 annual average—versus the 23,000 units that delivered. Though newly delivered luxury properties drove the bulk of absorption, a rebound among 3 Star properties has been noteworthy.

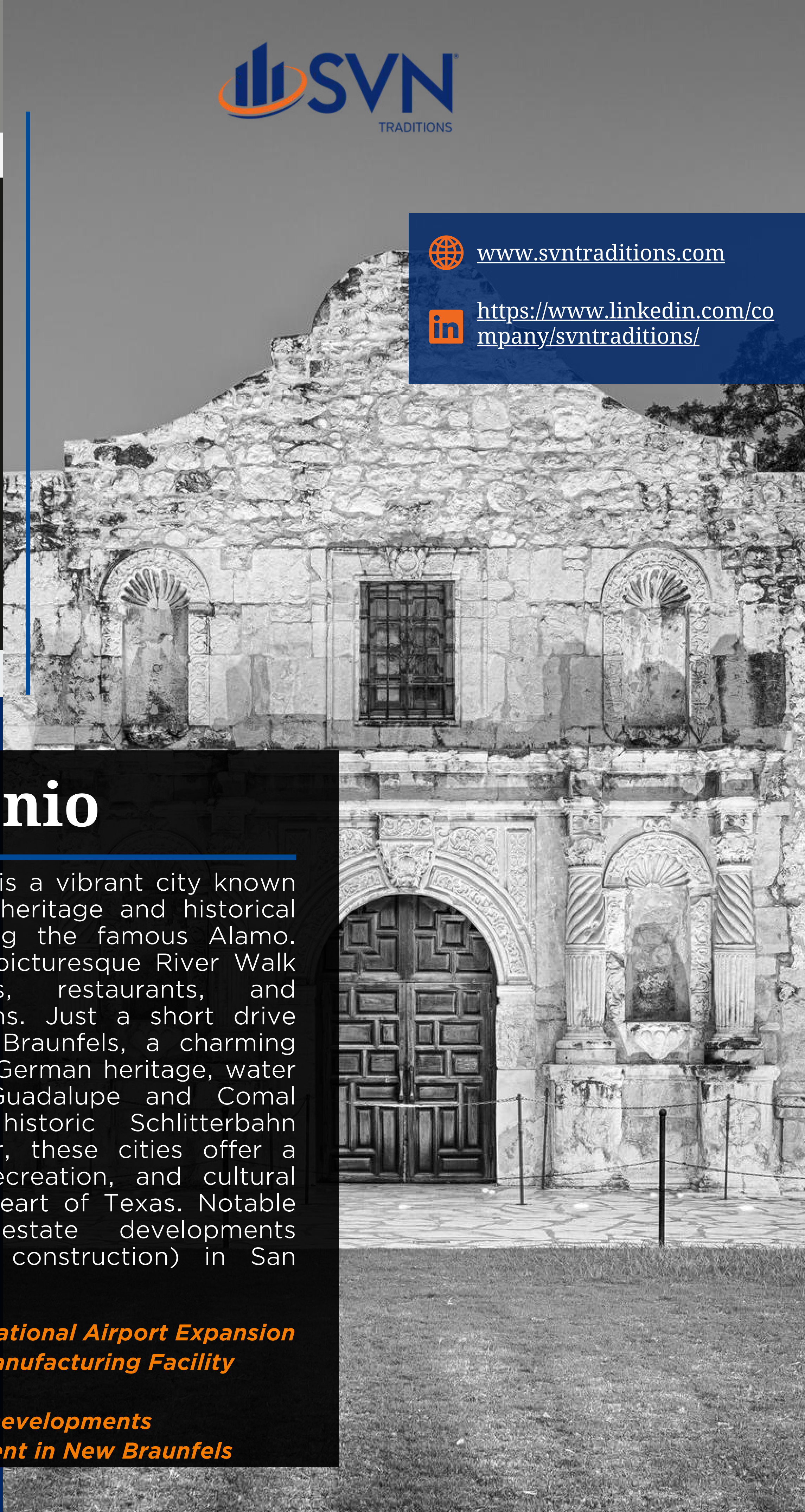
11.4%
VACANCY RATE

$1,366
MARKET RENT

6.6%
CAP RATE



Texas



www.svntraditions.com

https://www.linkedin.com/company/svntraditions/

San Antonio

San Antonio, Texas, is a vibrant city known for its rich cultural heritage and historical significance, including the famous Alamo. The city features a picturesque River Walk lined with shops, restaurants, and entertainment options. Just a short drive northeast lies New Braunfels, a charming town famous for its German heritage, water activities on the Guadalupe and Comal Rivers, and the historic Schlitterbahn Waterpark. Together, these cities offer a blend of history, recreation, and cultural experiences in the heart of Texas. Notable commercial real estate developments (planned or under construction) in San Antonio include:

- ***San Antonio International Airport Expansion***
- ***Toyota's Tundra Manufacturing Facility Expansion***
- ***Port San Antonio Developments***
- ***Mayfair Development in New Braunfels***

TOP TRANSACTIONS

SOLD
Undisclosed
±3,250 SF | Office
Jay Dabbs

LEASED
Undisclosed
±12,245 SF | Industrial
Jay Dabbs

LEASED
Undisclosed
±4,364 SF | Office/Retail
Steve Rodgers

LEASED
Undisclosed
±2,162 SF | Medical Office
Steve Rodgers

LEASED
Undisclosed
±5,136 SF | Office/Warehouse
Steve Rodgers

LEASED
Undisclosed
±1,283 SF | Retail
Steve Rodgers

ON MARKET

FOR SALE
$5,750,000
±18,535 SF / ±6 AC | Office
Jay Dabbs

FOR SALE
$1,200,000
±5,000 SF | Office
Travis Taylor

FOR SALE
$900,000
±3,520 SF | Office
Jay Dabbs

FOR LEASE
$26/SF/YR (NNN)
±3,500 SF | Office/Retail
Steve Rodgers

FOR LEASE
$24/SF/YR (NNN)
±2,385 SF | Retail
Steve Rodgers

FOR LEASE
$2/SF/YR (NNN)
±2,295 SF | Office
Jay Dabbs, Steve Rodgers

San Antonio

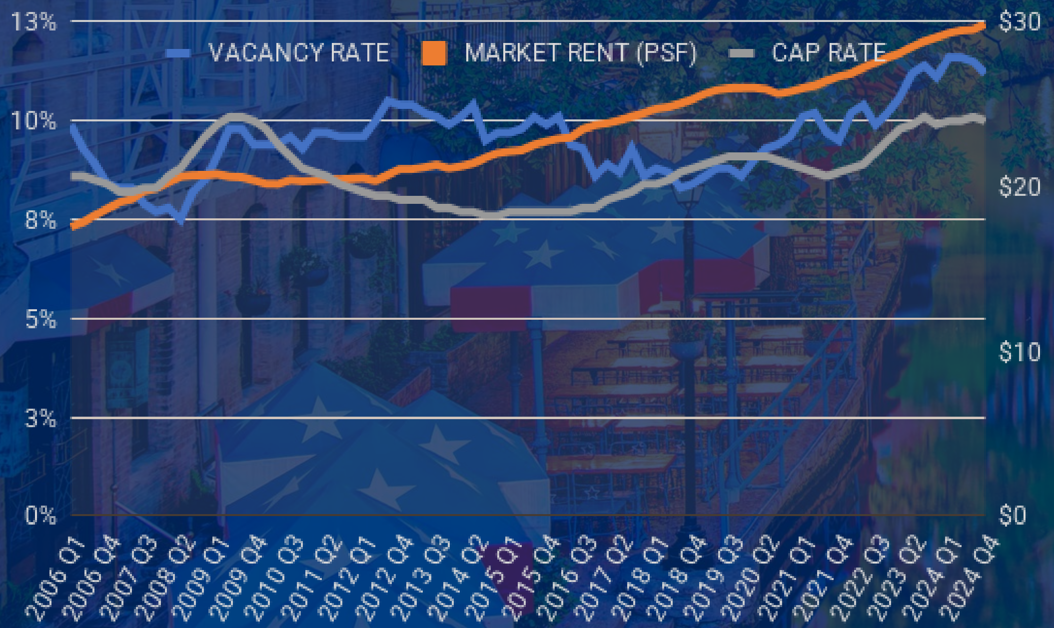
OFFICE

As 2024 presses into the cooler months of the year, San Antonio stands as one of the nation's healthiest major office markets on a relative basis. Tailwinds from outsized job and population growth have supported office demand and rent growth. Among the nation's 60-largest office markets, San Antonio is one of the leading markets for rent growth outside of Florida. A small construction pipeline has supported this relatively healthy dynamic. "San Antonio has a disciplined development pipeline," the market contact noted. "We don't tend to overbuild here. That's why Austin and Dallas boom and bust." San Antonio's office vacancy rate stood more than 200 basis points below the national average in early November.

11.2%
VACANCY RATE

$29.89
MARKET RENT

10.0%
CAP RATE



San Antonio

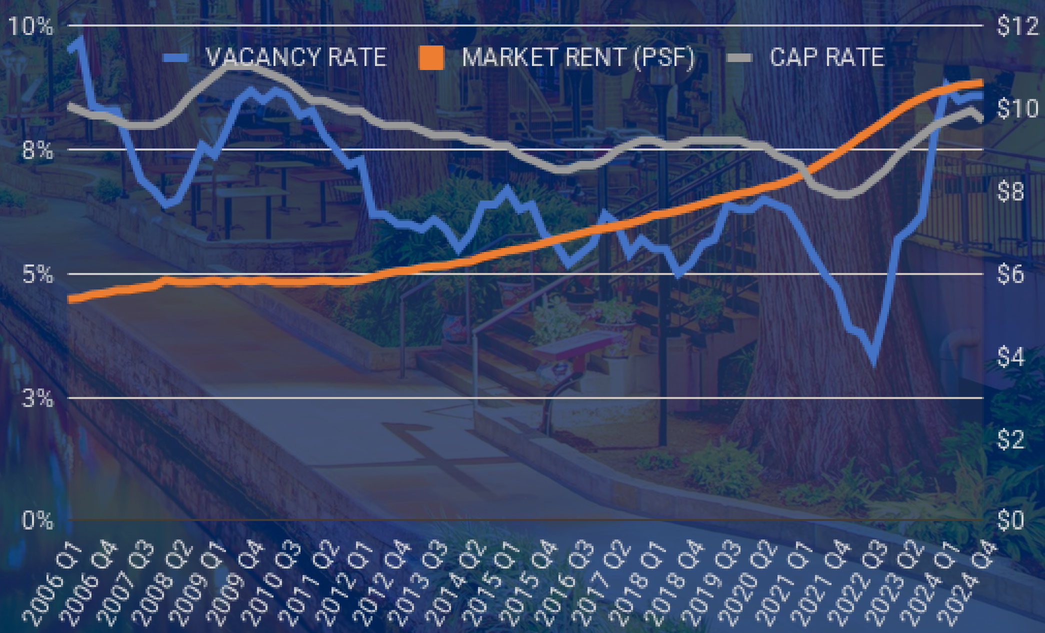
INDUSTRIAL

As San Antonio moves through the fall months, the industrial market has undoubtedly cooled across several key metrics in 2024. Vacancy reached a post-2010 high at the end of Q3 as a wave of deliveries contrasted strongly with negative absorption this year. This has thrown the market's imbalance between supply and demand into stark relief. Recent move-outs from large and diverse tenants have shown the extent to which demand has faltered across multiple industries. Though new leasing volume is now close to its 2019 average, suggesting a market-wide normalization, this trend masks a relatively high volume of move-outs that are tipping demand into the red.

8.6%
VACANCY RATE

$10.64
MARKET RENT

8.1%
CAP RATE



San Antonio

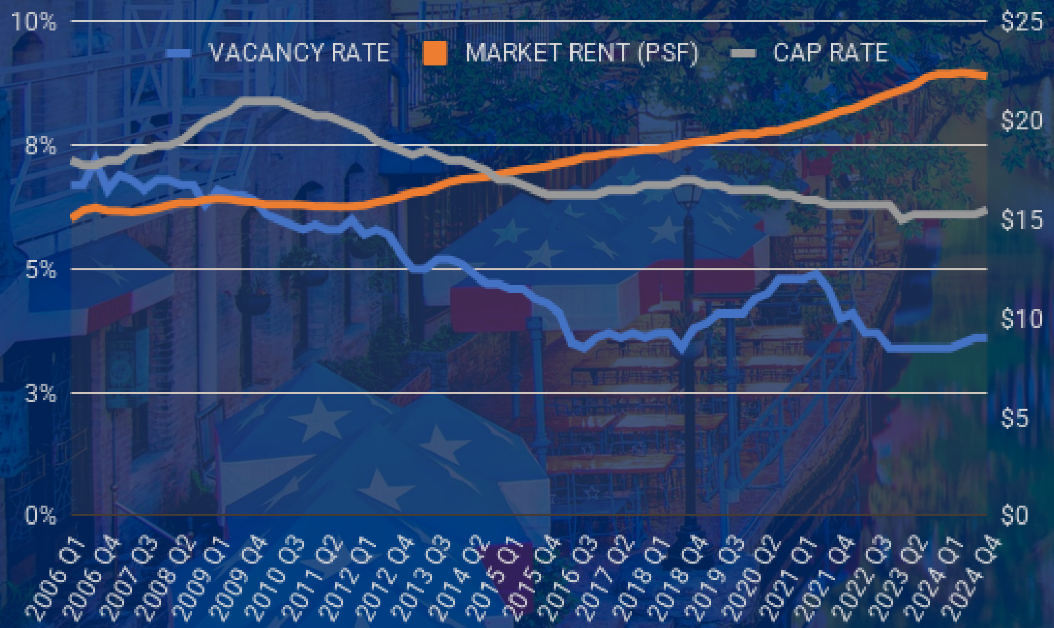
RETAIL

As the nation's leading major market for population growth from domestic migration last year, the San Antonio retail market is enjoying significant demographic momentum as it moves through the fall of 2024. More than 100,000 Americans have moved to San Antonio since 2020, bringing both their purchasing power and tailwinds for retail real estate. Demand has generally outstripped supply over the past four years, even if the past 12 months have featured more moderate levels of absorption. On a net basis, absorption has been positive for 15 of the past 16 quarters now, driving availabilities to 5.0% today, near a record low for the market.

3.6%
VACANCY RATE

$22.26
MARKET RENT

6.2%
CAP RATE



San Antonio

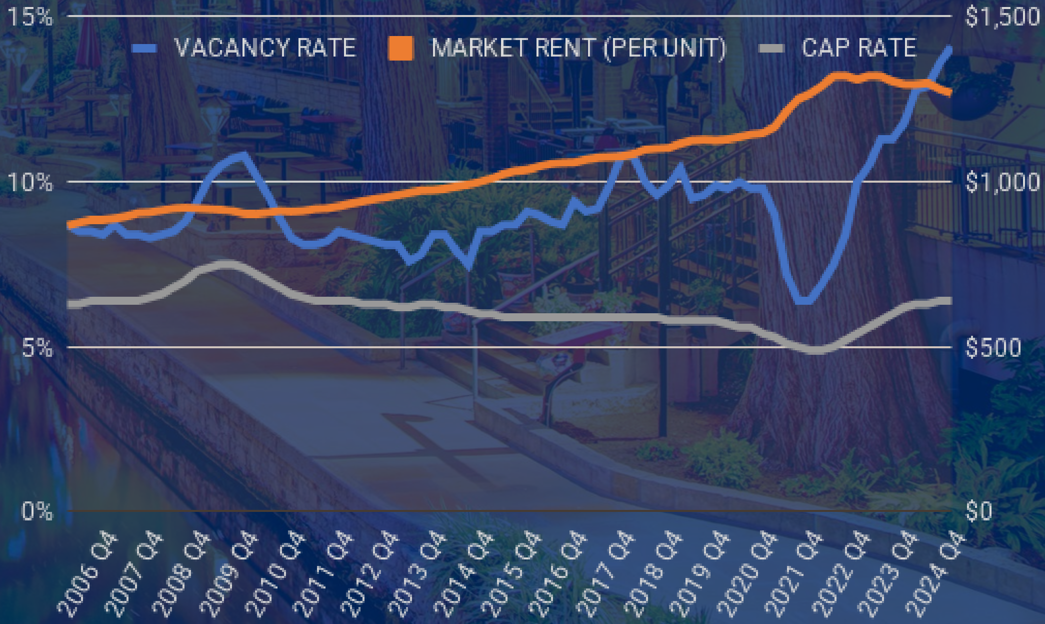
MULTIFAMILY

The largest wave of multifamily development on record continues to bring new apartments online throughout San Antonio. New properties opening their doors will weigh on several key performance indicators as leasing activity likely slows during winter. Leasing continued its positive trajectory through the first three quarters of 2024, but absorption was unable to match the pace of deliveries. Fortunately for owners of stabilized properties, a better balance between supply and demand is on the horizon. Construction starts have fallen to their lowest levels with less than 2,000 apartments breaking ground during 2024.

14.1%
VACANCY RATE

$1,269
MARKET RENT

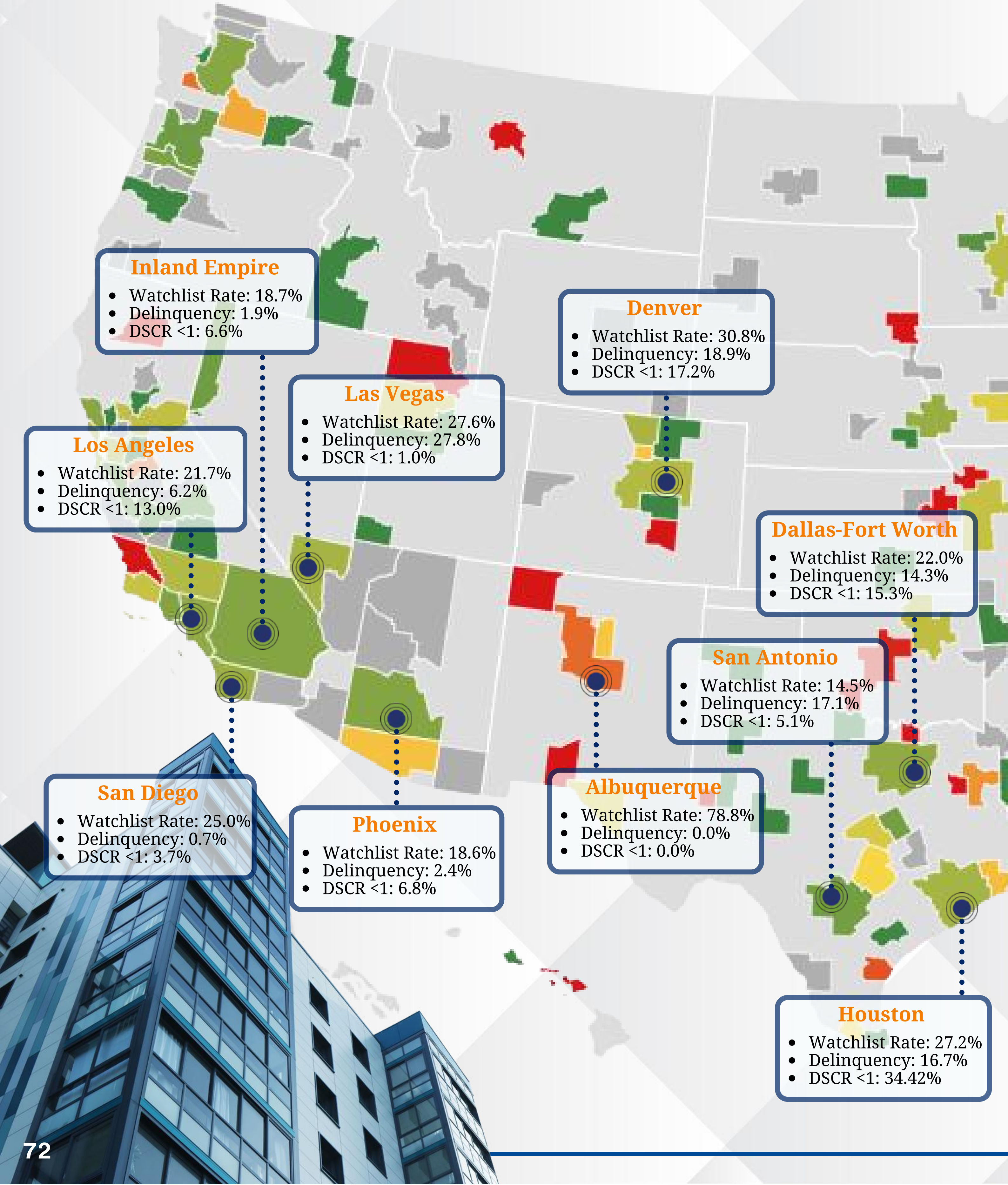
6.4%
CAP RATE

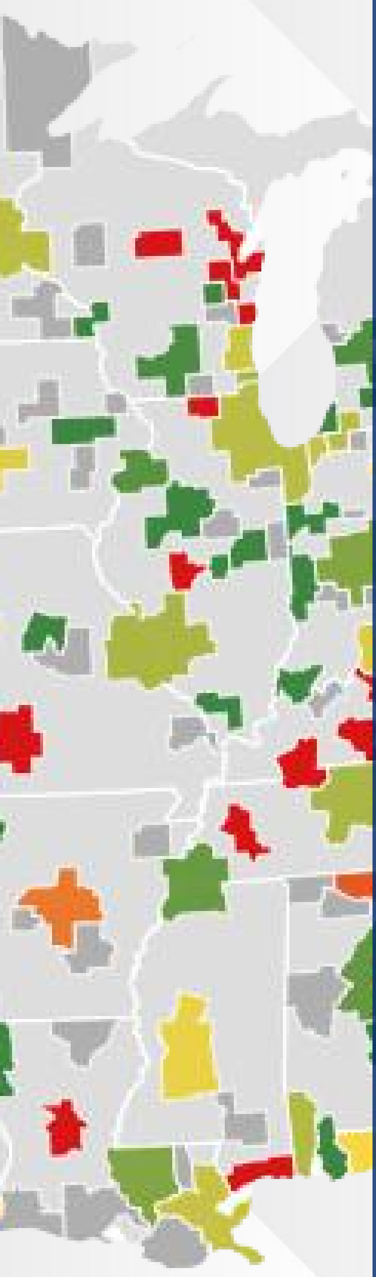


Data Source: CoStar

Southwest Office Market

DISTRESS TRACKER





Distress MSA Ranking

Office Watchlist % For Top 25 MSAs

1	Baltimore, MD	41.13%
2	Minneapolis, MN	33.07%
3	San Francisco, CA	32.91%
4	Charlotte, NC	32.74%
5	Chicago, IL	32.67%
6	Denver, CO	30.82%
7	St. Louis, MO	28.75%
8	Washington, DC	27.32%
9	Houston, TX	27.25%
10	San Diego, CA	24.99%
11	New York, NY	24.71%
12	Dallas-Fort Worth, TX	22.02%
13	Los Angeles-OC, CA	21.73%
14	Detroit, MI	21.51%
15	Miami, FL	21.48%
16	Atlanta, GA	19.84%
17	Seattle, WA	19.25%
18	Riverside, CA	18.71%
19	Phoenix, AZ	18.62%
20	Pittsburgh, PA	18.57%
21	Tampa, FL	16.38%
22	Philadelphia, PA	14.56%
23	San Antonio, TX	14.46%
24	Portland, OR	12.73%
25	Boston, MA	12.04%

Data Source: Trepp

SOUTHWEST REGION

TEAM ROSTERS

SOUTHERN CA - LOS ANGELES

SVN RICH INVESTMENT REAL ESTATE PARTNERS | WWW.LASVN.COM

Allen Afshar
EXECUTIVE VICE PRESIDENT
LIC. 00797725

Daniel Baird
MANAGING PARTNER
LIC. 01249675

James Bean
VICE PRESIDENT
LIC. 01970580

Michael Chang
VICE PRESIDENT
LIC. 01880895

Mark Haworth
BROKER / PRINCIPAL
LIC. 00801075

Christian Hayes
SENIOR VICE PRESIDENT
LIC. 01115674

Rich Helmonds
SENIOR VICE PRESIDENT
LIC. 00635045

Alejandro Hinostroza
ADVISOR
LIC. 01853793

Shiva Monify
SENIOR VICE PRESIDENT
LIC. 01728143

Michael Mottahedan
VICE PRESIDENT
LIC. 01137290

Anil Rana
VICE PRESIDENT
LIC. 01328872

David Rich
MANAGING PARTNER
LIC. 00952850

Manoj Shah
EXECUTIVE VICE PRESIDENT
LIC. 01325787

Josh Snyder
SENIOR ADVISOR
LIC. 01940165

Mark Spohn
VICE PRESIDENT
LIC. 0043221

Kanna Sunkara
SENIOR ADVISOR
LIC. 01375427

SOUTHERN CA - ORANGE COUNTY

SVN VANGUARD | WWW.SVNVANGUARD.COM

CORP DRE 01840569

Cameron Irons
MANAGING DIRECTOR
LIC. 01176224

Nicole Astorga
SENIOR VICE PRESIDENT
LIC. 01970401

Sharon Browning
SENIOR ADVISOR
LIC. 00854083

Kevin Burger
VICE PRESIDENT
LIC. 01441685

Kim Calabrano
VICE PRESIDENT
LIC. 01249976

David Cendejas
SENIOR ADVISOR
LIC. 01782706

Ansel Chujing
ADVISOR
LIC. 02227106

Fernando Crisantos
VICE PRESIDENT
LIC. 01972227

Jon Davis
SENIOR VICE PRESIDENT
LIC. 01885959

Ryley Edwards
ADVISOR
LIC. 02236527

Alan Gutierrez
ADVISOR
LIC. 02242413

Clervil Heraux
ADVISOR
LIC. 01473077

Ashley Hutchinson
ADVISOR
LIC. 02005679

Cameron Jones, SIOR
SENIOR VICE PRESIDENT
LIC. 01770606

Steve Lin
ADVISOR
LIC. 01884862

Tricia McCarroll
ADVISOR
LIC. 02038733

Sophia Mehr
ADVISOR
LIC. 02024106

Jay No
ADVISOR
LIC. 02052695

Melissa Palmieri
ADVISOR
LIC. 01951902

Edward Park
ADVISOR
LIC. 01106917

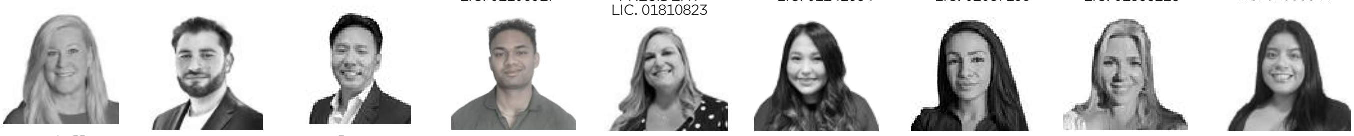
Juve Pinedo
SENIOR VICE PRESIDENT
LIC. 01810823

Nick Rivera
ADVISOR
LIC. 02241654

Brock Smith
ADVISOR
LIC. 02087199

Leonardo Villasenor
ADVISOR
LIC. 01835228

Leland Wilson
ADVISOR
LIC. 01006544



Danielle Willard
ADVISOR
LIC. 01940764

Alec Wansikehian
ADVISOR
LIC. 02213650

Anthony Ying
SENIOR ADVISOR
LIC. 02052345

Noah Brown
PROPERTY MANAGEMENT ASSISTANT

Denise Hance
OPERATIONS DIRECTOR
LIC.02105304

Laura Perez
ADMINISTRATIVE ASSISTANT

Mina Saeid
MARKETING SPECIALIST
LIC. 02136984

Mary "Gina" Schade
PROPERTY MANAGER

Stephanie Suarez
ADMINISTRATIVE ASSISTANT

SOUTHERN CA - INLAND EMPIRE

SVN INSIGHT COMMERCIAL RE ADVISORS | WWW.SVNINSIGHT.COM CORP DRE 02075327

Brett Larson, CCIM
MANAGING DIRECTOR
LIC. 01947115

Janet F. Kramer, CCIM
MANAGING PARTNER
LIC. 01351570

Steve Castellanos
SENIOR ADVISOR
LIC. 01922901

Robert Kirkpatrick
SENIOR ADVISOR
LIC. 00575633

Gary Washburn
SENIOR ADVISOR
LIC. 00705913

John Goga
ADVISOR
LIC. 01156272

Francisco Sanchez
ASSOCIATE ADVISOR
LIC.02180617

Gabriela Devine
ASSOCIATE ADVISOR
LIC. 01156276

SOUTHERN CA - SAN DIEGO

SVN VANGUARD | WWW.SVNVANGUARDSD.COM CORP DRE 02075327

Joe Bonin
MANAGING DIRECTOR BROKERAGE
LIC. 00801397

Patrick Millay
MANAGING DIRECTOR PROPERTY MGMT
LIC. 02038104

Tony Yousif
DIRECTOR - NATIONAL ACCOUNTS
LIC. 01773885

Michael Watson
ASSOC. DIR - NATIONAL ACCOUNTS
LIC. 02050062

Jorge Jimenez
SVP DIRECTOR
LIC. 01413353

Ryan Ward
SENIOR VICE PRESIDENT
LIC. 02046458

Joshua Smith
VICE PRESIDENT
LIC. 01476024

Adam Wiegand
SENIOR ADVISOR
LIC. 02152602

Mohit Uppal
SENIOR ADVISOR
LIC. 02053595

Daniel Bonin
ADVISOR
LIC. 02021065

Jamie Cachuela
ADVISOR
LIC. 02068445

Dillan Patel
ADVISOR
LIC. 02208225

Amir Hamideh
ADVISOR
LIC. 02063972

Nadeem Haddad
ADVISOR
LIC. 01394574

Pouya Rostampour
ADVISOR
LIC. 02117973

Matt Abawi
ADVISOR
LIC. 02048797

Pedro Ferreira
ADVISOR
LIC. 02233827

Gilbert Betancourt
ADVISOR
LIC. 02200477

Mike McKinnon
ADVISOR
LIC. 02230732

Lori Sheker
SENIOR PROPERTY MANAGER
LIC. 01193849

Helen Armell
ASST. PROPERTY MANAGER
LIC. 02197033

Priscilla Marshall
ASST. PROPERTY MANAGER

Brett Bradley
PROPERTY ACCOUNTANT

Carolyn Akkari
OFFICE MANAGER

SOUTHERN NV - LAS VEGAS

SVN THE EQUITY GROUP | WWW.SVN-THEEQUITYGROUP.COM

Scott Godino
CEO
LIC. B.20457.CORP

Nolan Julseth-White, CCIM
MANAGING DIRECTOR
LIC. BS.146060.LLC

Deshone Brunswick
DIRECTOR OF OPERATIONS
LIC. S.196144

Heather Lambert
SR DIRECTOR OF PROPERTY MANAGEMENT
LIC. BS.143470

Ali Godino
DIRECTOR

Al Barbagallo
SENIOR VICE PRESIDENT
LIC. BS.20613

Art Farmanali, SIOR
SENIOR VICE PRESIDENT
LIC. S.37529

Lisa Hauger
SENIOR VICE PRESIDENT
LIC. BS.37600.LLC

Pete Janemark, CCIM
SENIOR VICE PRESIDENT
LIC. S.76731

Amelia Henry, CCIM
VICE PRESIDENT
LIC. BS.144825

David Livingston
VICE PRESIDENT
LIC. BS.146519

Eric Rogosch
VICE PRESIDENT
LIC. S.52003

Zechariah Levi, CCIM
ADVISOR
LIC. S.189634.LLC

Layne McDonald
ADVISOR
LIC. S.189805.LLC

Alexis Henry
ASSOCIATE ADVISOR
LIC. BS.146632.LLC

Fabian Lechuga
ASSOCIATE ADVISOR
LIC. S.201673

Richelle Pride
ASSOCIATE ADVISOR
LIC. S.201503

Nora Murphy
SENIOR PROPERTY MANAGER
LIC. S.186798

Megan Lopez
SENIOR PROPERTY MANAGER
LIC. S.177962

Joy Grant
PROPERTY MANAGER
LIC. S.78033

Karen Hammer
PROPERTY MANAGER
LIC. S.183678

Clay Thames
ASST. PROPERTY MANAGER
LIC. S.198083

PHOENIX

SVN DESERT COMMERCIAL ADVISORS | WWW.SVNDESERTCOMMERCIAL.COM

Perry Laufenberg
MANAGING DIRECTOR
LIC. BR548198000

Danny Lee
VICE PRESIDENT
LIC. SA523262000

Mike Gallegos
DIRECTOR

Sean Alderman
ASSOCIATE ADVISOR
LIC. SA703529000

Patrick Baker
SENIOR ADVISOR
LIC. BR113657000

James Bean
SENIOR ADVISOR
LIC. SA524945000

Taylor Gibbons
SENIOR ADVISOR
LIC. SA699328000

Reed Grey
ADVISOR
LIC. SA684583000

Justin Horwitz
SENIOR ADVISOR
LIC. SA562459000

Judy Jones
SENIOR ADVISOR
LIC. BR006560000

Jonathan Levy
SENIOR ADVISOR
LIC. SA648012000

Richard Lewis
SENIOR ADVISOR
LIC. SA674245000

Carrick Sears
SENIOR ADVISOR
LIC. BR633405000

Elijah Stephens
ADVISOR
LIC. SA693314000

Maddox Herreid
ASSOCIATE ADVISOR
LIC. SA707602000

Alyxandria Carter
MARKETING & OPERATIONS MANAGER

Jillian Moyer
ADMINISTRATIVE ASSISTANT

Taylor Martin
ADMINISTRATIVE ASSISTANT

Claudia Grey
ADMINISTRATIVE ASSISTANT

DENVER | FORT COLLINS

SVN DENVER COMMERCIAL | WWW.SVNCOLO.COM

Steve Kawulok
EXECUTIVE DIRECTOR
LIC. EA40002842

Brian McCririe, MCR
MANAGING DIRECTOR
LIC. ER100031562

Troy Meyer
MANAGING DIRECTOR
LIC. EA.040031211

Kevin Matthews
MANAGING DIRECTOR
LIC. FA.100037845

Albert M. Lindeman
SENIOR VICE PRESIDENT
LIC. IA.100086731

Bill Reilly
SENIOR ADVISOR
LIC. IA100007601

Cobey Wess
VICE PRESIDENT
LIC. FA100024581

Corey Murray
SENIOR ADVISOR
LIC. FA100019516

Dan Leuschen
SENIOR ADVISOR
LIC. FA100001240

Doug Carter
INVESTMENT SALES
LIC. EA222121

Elizabeth Leder
VICE PRESIDENT

Robert Hau
SENIOR ADVISOR
LIC. FA40018859

John Lutkewitte
SENIOR ADVISOR
LIC. FA100076953

Jori Hayes
ADVISOR
LIC. FA100092291

Ryan Bengford
ADVISOR
LIC. FA100074613

Oxana Eremiants
ADVISOR
LIC. FA100031690

Peter O'Bryan
ADVISOR
LIC. FA100098951

Wesley Perry
ADVISOR
LIC. FA100091594

Caitlin Stepan
DIR OF MARKETING

Brienne Stepan Wiles
DATA ADMINISTRATOR

ALBUQUERQUE

SVN | WALT ARNOLD COMMERCIAL BROKERAGE | WWW.WALTARNOLD.COM

Walt Arnold
MANAGING DIRECTOR
LIC. 9117

Betty Beachum
SENIOR ADVISOR
LIC. 19847

Paul Cook
SENIOR ADVISOR
LIC. 13024

Nicholas Eveleigh
ADVISOR
LIC. REC-2022-0900

Katrina Flores
ADVISOR
LIC. 50117

Reese Good-Aumell
ASSOCIATE ADVISOR
LIC. 54359

Hunter Greene
SENIOR ADVISOR
LIC. 33022

Bill Hackett
ASSOCIATE ADVISOR
LIC. REC-2022-1257

Janet Horton
ASSOCIATE ADVISOR
LIC. 55004

Larry Ilfeld
SENIOR ADVISOR
LIC. 15408

Angela Izquierdo
ASSOCIATE ADVISOR
LIC. 54863

Kyle Kinney
ADVISOR
LIC. 52685

Lauren Landavazo
ADVISOR
LIC. REC-2022-0891

Courtney Lewis
ADVISOR
LIC. 55106

Tim Luten
SENIOR ADVISOR
LIC. 2469

Steve Lyon
SENIOR ADVISOR
LIC. 15729

Michele Reyna
ADVISOR
LIC. 54206

Kelly Schmidt
SENIOR ADVISOR
LIC. 48053

Joel T White
SENIOR ADVISOR
LIC. 33465

William Yun
ASSOCIATE ADVISOR
LIC. REC-2024-0379

Kathleen Tero
PM ACCOUNTING

GREATER HOUSTON

SVN J. BEARD REAL ESTATE | WWW.JBEARDCOMPANY.COM

Jeff Beard | Brandi Sikes | Jackson Cain | Linda Crumley | Rosa Dye | Diana Gaines | Joan Gee | Dana Grace | Brigham Hedges | Joe Burke

Linda Hornbeck | Scott Hill | Lisa Hughes | Mark Whitley | Misty Kelly | Neal King | Matt Knagg | Kyle Kretsinger | John Grimsley | Kelly Manning

Nichole Moore | Bonnie Pfrenger | Rahul Samuel | Deborah Sargeant | Marshall Davidson | Jeff Tinsley | Robert Noack | Cathy Young | Salvador De La Cruz | Michelle Alioto

Ernest Barrera | Liz Westcott | Robert Whitaker | Rigo Rodriguez | Altaf Akbari | Shelby Beard | Jackie Prosch | Pamela Russell | Harry Schumaker | Tony Roubik

Tyler Beard | Danielle Gwosdz | Michael Dinh | Elizabeth East | Christian Gallego | Corey Sanchez | Crystal May | Alex Castro | JoAnne Moya | Nathaniel Olivares

SAN ANTONIO

SVN TRADITIONS | WWW.SVNTRADITIONS.COM

Steve Rodgers, CPM, CCIM
MANAGING DIRECTOR

Travis Taylor, MAI, CCIM
MANAGING DIRECTOR

Jay Dabbs, CCIM
SENIOR ADVISOR

Lyndsay Krom, CPM, RPA
DIRECTOR OF PROPERTY MANAGEMENT

Amber Lucio
ASSISTANT PROPERTY MANAGER

Ashley Trevino
ADMIN & MARKETING COORDINATOR

SOUTHWEST REGION

www.svn.com

@svninternationalcorp

@SVNic

www.facebook.com/SVNIC

www.linkedin.com/company/svnic/