

The CoStar Retail Report

Year-End 2015

San Diego Retail Market



CoStarTM
The knowledge market

San Diego Retail Market



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Methodology

The CoStar Retail Report calculates Retail statistics using CoStar Group's base of existing, under construction and under renovation Retail buildings in each given metropolitan area. All Retail building types are included, including Community Center, Freestanding Retail, Neighborhood Center, Power Center, Regional Mall, Specialty Center and Unanchored Strip Center, in both single-tenant and multi-tenant buildings, including owner-occupied buildings. CoStar Group's national database includes approximately 80.7 billion square feet of coverage in 3.5 million properties. All rental rates reported in the CoStar Retail Report are calculated using Triple Net (NNN) rental rates.

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San Diego Retail Market



Terms & Definitions

Anchor Tenant: A large national or regional retailer that serves as a primary draw for a shopping center; a store strategically located in a retail property in order to enhance, bring attention to, or increase traffic at the property. Sometimes called a “destination” tenant, usually these tenants lease at least 25,000 SF.

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.

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).

Community Center: A shopping center development that has a total square footage between 100,000 – 350,000 SF. Generally will have 2-3 large anchored tenants, but not department store anchors. Community Center typically offers a wider range of apparel and other soft goods than the Neighborhood Center. Among the more common anchors are supermarkets and super drugstores. Community Center tenants sometime contain retailers selling such items as apparel, home improvement/furnishings, toys, electronics or sporting goods. The center is usually configured as a strip, in a straight line, or an “L” or “U” shape.

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

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

Freestanding Retail: Single tenant building with a retail tenant. Examples include video stores, fast food restaurant, etc.

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

General Retail: Typically are single tenant freestanding general-purpose commercial buildings with parking. Many single retail buildings fall into this use code, especially when they don’t meet any of the more detailed use code descriptions.

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.

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.

Lifestyle Center: An upscale, specialty retail, main street concept shopping center. An open center, usually without anchors, about 300,000 SF GLA or larger, located near affluent neighborhoods, includes upscale retail, trendy restaurants and entertainment retail. Nicely landscaped with convenient parking located close to the stores.

Mall: The combined retail center types of Lifestyle Center, Regional Mall and Super Regional Mall.

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).

Neighborhood Center: Provides for the sales of convenience goods (food, drugs, etc.) and personal services (laundry, dry cleaning, etc.) for day-to-day living needs of the immediate neighborhood with a supermarket being the principal tenant. In theory, the typical GLA is 50,000 square feet. In practice, the GLA may range from 30,000 to 100,000 square feet.

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

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.

Outlet Center: Usually located in a rural or occasionally in a tourist location, an Outlet Center consists of manufacturer’s outlet stores selling their own brands at a discount. 50,000–500,000 SF. An Outlet Center does not have to be anchored. A strip configuration is most common, although some are enclosed malls and others can be arranged in a village cluster.

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.

Power Center: The center typically consists of several freestanding (unconnected) anchors and only a minimum amount of small specialty tenants. 250,000–600,000 SF. A Power Center is dominated by several large anchors, including discount department stores, off-price stores, warehouse clubs, or “category killers,” i.e., stores that offer tremendous selection in a particular merchandise category at low prices.

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).

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)

Regional Mall: Provides shopping goods, general merchandise, apparel, and furniture, and home furnishings in full depth and variety. It is built around the full-line department store with a minimum GLA of 100,000 square feet, as the major drawing power. For even greater comparative shopping, two, three, or more department stores may be included. In theory a regional center has a GLA of 400,000 square feet, and may range from 300,000 to more than 1,000,000 square feet. Regional centers in excess of 750,000 square feet GLA with three or more department stores are considered Super Regional. (See also: Super Regional Mall).

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.

Shopping Center: The combined retail center types of Community Center, Neighborhood Center and Strip Center.

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

Specialty Center: The combined retail center types of Airport Retail, Outlet Center and Theme/Festival Center.

Sports & Entertainment: A facility suited for recreational activities, including: Amusement Facility, Aquatic Facility/Swimming Pool, Bowling Alley, Casino/Gaming Facility, Equestrian Center/Stable, Fitness, Court and Spa Facility, Golf Related, Racetrack, Skating Rink, Ski Resort, Sports Arena/Stadium, and Theatre/Performing Art Facility.

Strip Center: A strip center is an attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores. Open canopies may connect the storefronts, but a strip center does not have enclosed walkways linking the stores. A strip center may be configured in a straight line, or have an "L" or "U" shape.

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).

Super Regional Mall: Similar to a regional mall, but because of its larger size, a super regional mall has more anchors, a deeper selection of merchandise, and draws from a larger population base. As with regional malls, the typical configuration is as an enclosed mall, frequently with multiple levels (See also: Regional Mall).

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.

Theme/Festival Center: These centers typically employ a unifying theme that is carried out by the individual shops in their architectural design and, to an extent, in their merchandise. Sometimes the biggest appeal of these centers is to tourists; they can be anchored by restaurants and entertainment facilities. These centers, generally located in urban areas, tend to be adapted from older, sometimes historic, buildings, and can be part of mixed-use projects. 80,000 –250,000 SF.

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.

San Diego Retail Market



Overview

San Diego's Vacancy Increases to 4.8%

Net Absorption Negative (648,248) SF in the Quarter

The San Diego retail market experienced a moderate decline in market conditions in the fourth quarter 2015.

The vacancy rate went from 4.2% in the previous quarter to 4.8% in the current quarter. Net absorption was negative (648,248) square feet, and vacant sublease space increased by 1,035,727 square feet. Quoted rental rates increased from third quarter 2015 levels, ending at \$21.82 per square foot per year. A total of 4 retail buildings with 169,227 square feet of retail space were delivered to the market in the quarter, with 395,013 square feet still under construction at the end of the quarter.

Net Absorption

Retail net absorption was largely negative in San Diego fourth quarter 2015, with negative (648,248) square feet absorbed in the quarter. In third quarter 2015, net absorption was positive 247,535 square feet, while in second quarter 2015, absorption came in at negative (187,077) square feet. In first quarter 2015, positive 102,352 square feet was absorbed in the market.

Tenants moving out of large blocks of space in 2015 include: Krikorian Premiere Theatres moving out of 69,654 square feet at Vista Village; Albertsons moving out of 57,580 square feet at Penasquitos Village; and Albertsons moving out of 55,489 square feet at Mira Mesa Marketplace.

Tenants moving into large blocks of space in 2015 include: WinCo moving into 91,554 square feet at Creekside Marketplace; Cineapolis Vista moving into 69,654 square feet at Vista Village; and Hobby Lobby moving into 58,000 square feet at Creekside Marketplace.

Vacancy

San Diego's retail vacancy rate increased in the fourth quarter 2015, ending the quarter at 4.8%. Over the past four quarters, the market has seen an overall increase in the vacancy rate, with the rate going from 4.2% in the first quarter 2015, to 4.4% at the end of the second quarter 2015, 4.2% at the end of the third quarter 2015, to 4.8% in the current quarter.

The amount of vacant sublease space in the San Diego market has trended up over the past four quarters. At the end of the first quarter 2015, there were 161,533 square feet of vacant sublease space. Currently, there are 1,215,136 square feet vacant in the market.

Largest Lease Signings

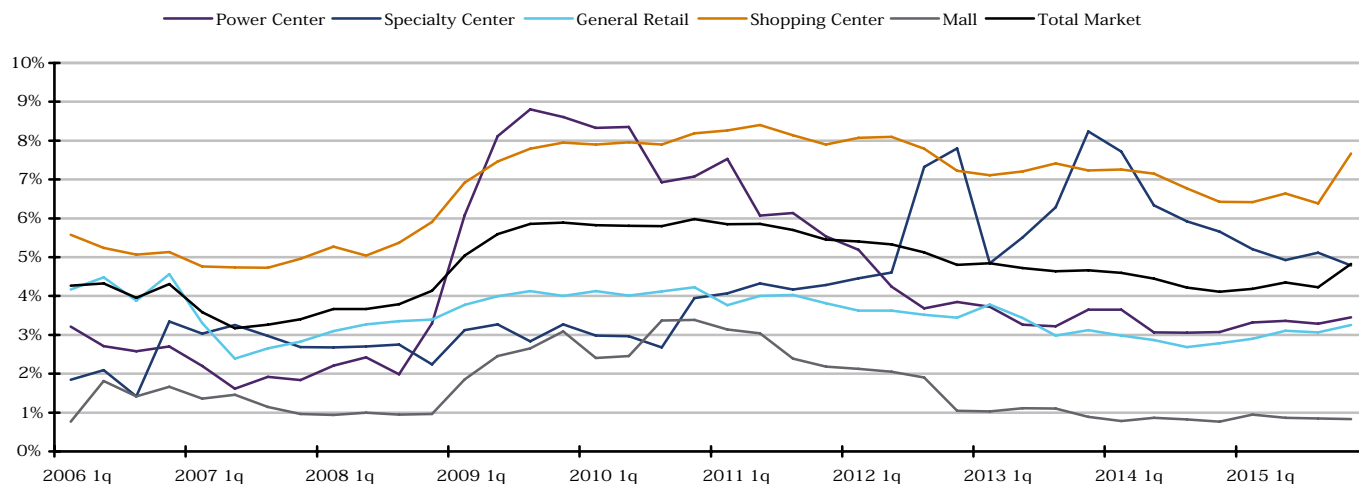
The largest lease signings occurring in 2015 included: the 57,580-square-foot-lease signed by Haggen Food and Pharmacy at Penasquitos Village; the 55,489-square-foot-deal signed by Haggen Food and Pharmacy at Mira Mesa Marketplace; and the 53,500-square-foot-lease signed by Haggen Food and Pharmacy at Poinsettia Plaza.

Rental Rates

Average quoted asking rental rates in the San Diego retail market are up over previous quarter levels, and down from their levels four quarters ago. Quoted rents ended the fourth quarter 2015 at \$21.82 per square foot per year. That compares to \$21.49 per square foot in the third quarter 2015, and \$22.66 per square foot at the end of the first quarter 2015. This represents a 1.5% increase in rental rates in the current quarter, and a 3.85% decrease from four quarters ago.

Vacancy Rates by Building Type

2006-2015



Source: CoStar Property®

Inventory & Construction

During the fourth quarter 2015, four buildings totaling 169,227 square feet were completed in the San Diego retail market. Over the past four quarters, a total of 693,486 square feet of retail space has been built in San Diego. In addition to the current quarter, 10 buildings with 191,951 square feet were completed in third quarter 2015, 11 buildings totaling 106,082 square feet completed in second quarter 2015, and 226,226 square feet in nine buildings completed in first quarter 2015.

There were 395,013 square feet of retail space under construction at the end of the fourth quarter 2015.

Some of the notable 2015 deliveries include: Del Sur Town Center - Target, a 142,987-square-foot facility that delivered in fourth quarter 2015 and is now 100% occupied, and The Outlets at the Border, a 140,000-square-foot building that delivered in first quarter 2015 and is now 94% occupied.

Total retail inventory in the San Diego market area amounted to 134,471,254 square feet in 12,878 buildings and 1324 centers as of the end of the fourth quarter 2015.

Shopping Center

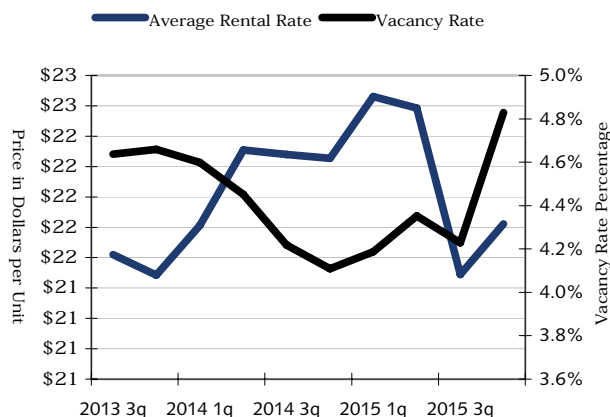
The Shopping Center market in San Diego currently consists of 1270 projects with 54,504,533 square feet of retail space in 3,417 buildings. In this report the Shopping Center market is comprised of all Community Center, Neighborhood Center, and Strip Centers.

After absorbing (558,890) square feet and delivering 146,587 square feet in the current quarter, the Shopping Center sector saw the vacancy rate go from 6.4% at the end of the third quarter 2015 to 7.7% this quarter.

Over the past four quarters, the Shopping Center vacancy rate has gone from 6.4% at the end of the first quarter 2015, to 6.6% at the end of the second quarter 2015, to 6.4% at the end of the third quarter 2015, and finally to 7.7% at the end of the current quarter.

VACANCY & RENT

Past 10 Quarters



Source: CoStar Property®

Rental rates ended the fourth quarter 2015 at \$21.30 per square foot, up from the \$21.19 they were at the end of third quarter 2015. Rental rates have trended down over the past year, going from \$21.36 per square foot a year ago to their current levels.

Net absorption in the Shopping Center sector has totaled (391,677) square feet over the past four quarters. In addition to the negative (558,890) square feet absorbed this quarter, positive 141,665 square feet was absorbed in the third quarter 2015, negative (34,636) square feet was absorbed in the second quarter 2015, and positive 60,184 square feet was absorbed in the first quarter 2015.

Power Centers

The Power Center average vacancy rate was 3.5% in the fourth quarter 2015. With negative (19,857) square feet of net absorption and no new deliveries, the vacancy rate went from 3.3% at the end of last quarter to 3.5% at the end of the fourth quarter.

In the third quarter 2015, Power Centers absorbed positive 43,014 square feet, delivered 35,002 square feet, and the vacancy rate went from 3.4% to 3.3% over the course of the quarter. Rental started the quarter at \$30.28 per square foot and ended the quarter at \$29.22 per square foot.

A year ago, in fourth quarter 2014, the vacancy rate was 3.1%. Over the past four quarters, Power Centers have absorbed a cumulative (1,447) square feet of space and delivered cumulative 45,502 square feet of space. Vacant sublease space has gone from 2,008 square feet to 188,568 square feet over that time period, and rental rates have gone from \$30.31 to \$30.11.

At the end of the fourth quarter 2015, there was no space under construction in the San Diego market. The total stock of Power Center space in San Diego currently sits at 11,953,916 square feet in 28 centers comprised of 376 buildings.

No space was under construction at the end of the fourth quarter 2015.

General Retail Properties

The General Retail sector of the market, which includes all freestanding retail buildings, except those contained within a center, reported a vacancy rate of 3.2% at the end of fourth quarter 2015. There was a total of 1,703,598 square feet vacant at that time. The General Retail sector in San Diego currently has average rental rates of \$22.45 per square foot per year. There are 369,201 square feet of space under construction in this sector, with 22,640 square feet having been completed in the fourth quarter. In all, there are a total of 8,893 buildings with 52,419,825 square feet of General Retail space in San Diego.

San Diego Retail Market



Overview

Specialty Centers

There are currently 13 Specialty Centers in the San Diego market, making up 1,756,240 square feet of retail space. In this report the Specialty Center market is comprised of Outlet Center, Airport Retail and Theme/Festival Centers.

Specialty Centers in the San Diego market have experienced positive 147,473 square feet of net absorption in 2015. The vacancy rate currently stands at 4.8%, and rental rates average \$25.57 per square foot.

Malls

Malls recorded net absorption of positive 1,488 square feet in the fourth quarter 2015. This net absorption number, combined with no new space that was built in the quarter, caused the vacancy rate to go from 0.8% a quarter ago to 0.8% at the end of the fourth quarter 2015. Rental rates remained negotiable during that time. In this report the Mall market is comprised of 13 Lifestyle Center, Regional Mall and Super Regional Malls.

Sales Activity

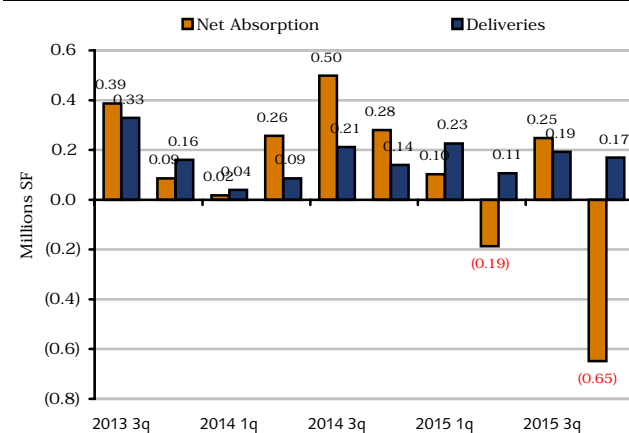
Tallying retail building sales of 15,000 square feet or larger, San Diego retail sales figures fell during the third quarter 2015 in terms of dollar volume compared to the second quarter of 2015.

In the third quarter, nine retail transactions closed with a total volume of \$121,995,000. The nine buildings totaled 503,235 square feet and the average price per square foot equated to \$242.42 per square foot. That compares to 14 transactions totaling \$276,390,000 in the second quarter 2015. The total square footage in the second quarter was 912,653 square feet for an average price per square foot of \$302.84.

Total retail center sales activity in 2015 was up compared to 2014. In the first nine months of 2015, the market saw 34

ABSORPTION & DELIVERIES

Past 10 Quarters



Source: CoStar Property®

retail sales transactions with a total volume of \$509,616,000. The price per square foot averaged \$275.67. In the same first nine months of 2014, the market posted 38 transactions with a total volume of \$268,039,000. The price per square foot averaged \$170.95.

Cap rates have been lower in 2015, averaging 6.57% compared to the same period in 2014 when they averaged 6.68%.

One of the largest transactions that has occurred within the last four quarters in the San Diego market is the sale of Westfield Carlsbad in Carlsbad. This 967,603 square foot retail center sold 11/11/2015 for \$170,000,000, or \$175.69 per square foot.

Reports compiled by: Ken Baker CoStar Research Manager.

CoStar Submarket Clusters & 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.

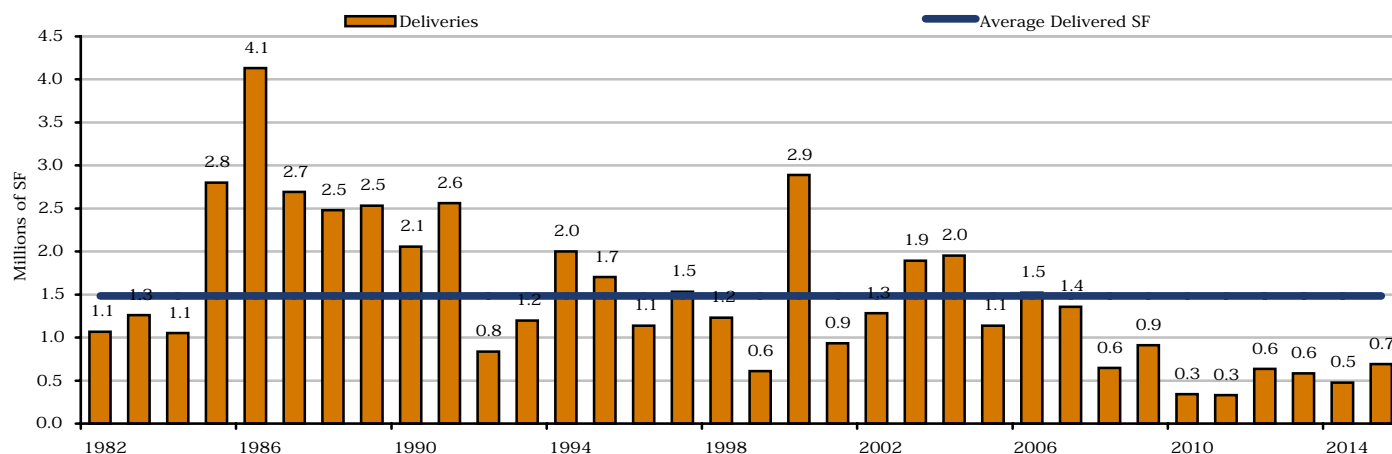
Submarket Clusters	Submarkets
Central San Diego Ret	Central San Diego Ret Clarmnt./KM/Tierrasnta Ret Coronado Ret Downtown Ret M Gorge/A Grdns/D Cer Ret Mid City/SE San Diego Ret Mission Valley Ret Pacific Beach/Morena Ret Pt Loma/Sports Arena Ret
East County Ret	El Cajon Ret La Mesa Ret Lakeside Ret Lemon Grv/Spring Vly Ret Santee Ret
I-15 Corridor Ret	Carmel Mountain Ranch Ret Poway Ret Rancho Bernardo Ret Rancho Peñasquitos Ret
North County Ret	Carlsbad Ret Escondido Ret Oceanside Ret San Marcos Ret Vista Ret
North San Diego Ret	Cardiff/Encinitas Ret Del Mar/S Bch/Rho SF Ret La Jolla/Torrey Pines Ret Miramar/M Mesa/S Rnch Ret UTC Ret
South Bay Ret	Chula Vista Ret Eastlake Ret Imperial Bch/South SD Ret National City Ret

San Diego Retail Market



Inventory & development

Historical Deliveries 1982 - 2015



Source: CoStar Property®

* Future deliveries based on current under construction buildings.

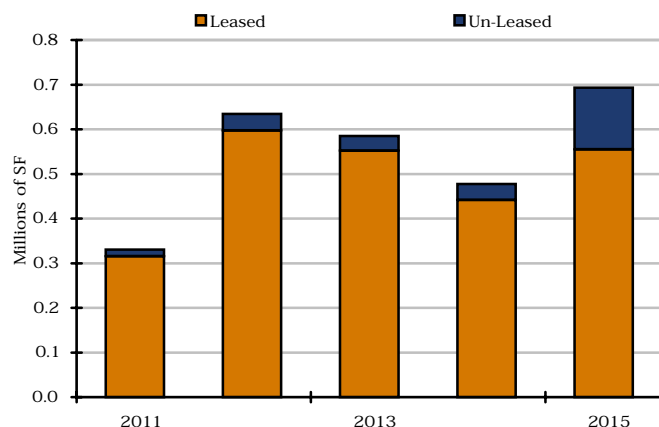
Construction Activity Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total GLA	Preleased SF	Preleased %	All Existing	U/C
North San Diego Ret	5	197,839	155,563	78.6%	12,560	39,568
South Bay Ret	1	118,000	51,920	44.0%	10,978	118,000
I-15 Corridor Ret	7	37,504	17,720	47.2%	13,621	5,358
North County Ret	6	31,460	2,107	6.7%	12,020	5,243
Central San Diego Ret	2	10,210	2,310	22.6%	8,628	5,105
East County Ret	0	0	0	0.0%	9,714	0
Totals	21	395,013	229,620	58.1%	10,442	18,810

Source: CoStar Property®

Recent Deliveries

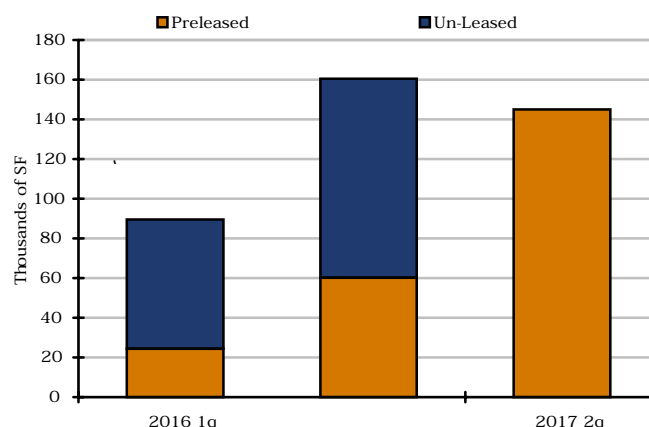
Leased & Un-Leased SF in Deliveries Since 2011



Source: CoStar Property®

Future Deliveries

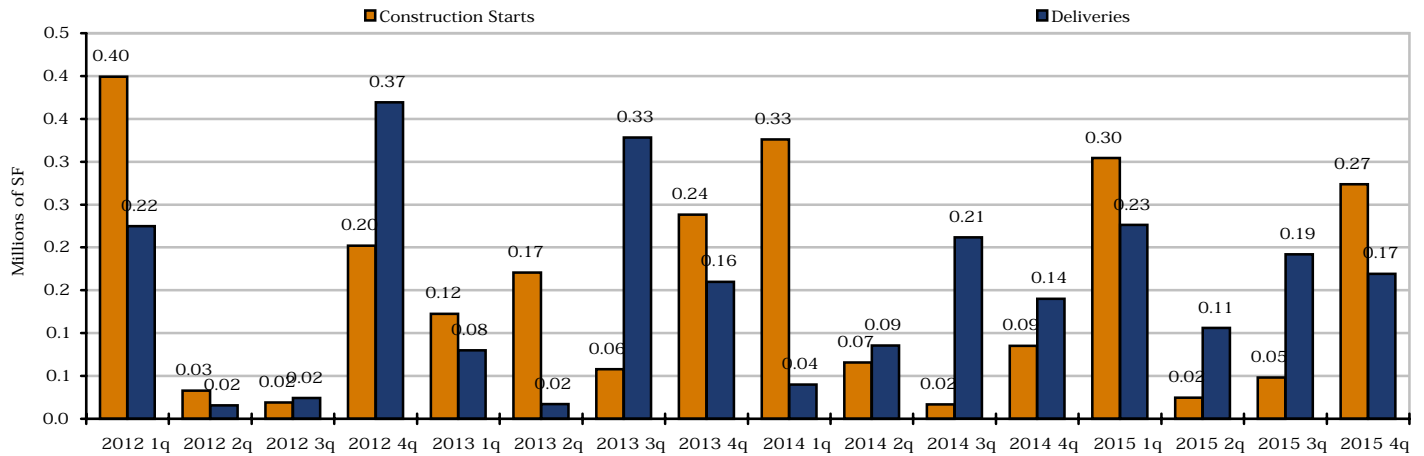
Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

Recent Deliveries by Project Size of Year-to-Date Development

Building Size	# Bldgs	GLA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	31	349,659	213,716	61.1%	\$37.82	178,165	171,494
50,000 SF - 99,999 SF	1	60,840	60,840	100.0%	\$0.00	0	60,840
100,000 SF - 249,999 SF	2	282,987	280,187	99.0%	\$0.00	282,987	0
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

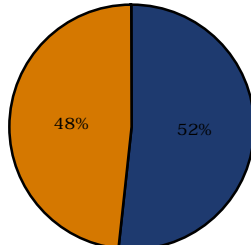
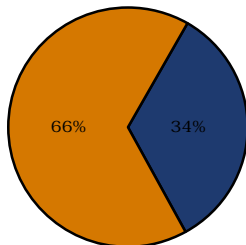
Source: CoStar Property®

Recent Development by Tenancy

Based on GLA Developed for Single & Multi Tenant Use

2015 Deliveries

Currently Under Construction



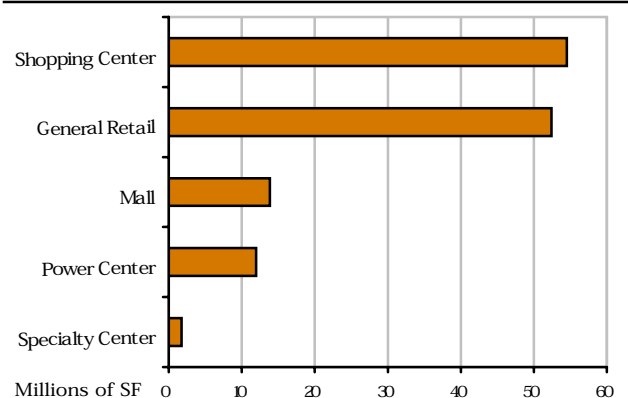
■ Multi ■ Single

■ Multi ■ Single

Source: CoStar Property®

Existing Inventory Comparison

Based on Total GLA



Source: CoStar Property®

San Diego Retail Market



Inventory & development

Select Year-to-Date Deliveries

Based on Project Square Footage

1. Del Sur Town Center – Target Submarket: I-15 Corridor Retail Market RBA: 142,987 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2015 Deliv Date: Fourth Quarter 2015 Leasing Co: Flocke & Avoyer Commercial Real Est Developer: Shea Properties Management Company,	2. The Outlets at the Border Submarket: South Bay Retail Market RBA: 140,000 Occupied: 94% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2013 Deliv Date: First Quarter 2015 Leasing Co: Flocke & Avoyer Commercial Real Est Developer: The Shamrock Group, LLC	3. 1640 Garnet Ave Submarket: Central San Diego Retail Market RBA: 60,840 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2015 Deliv Date: Third Quarter 2015 Leasing Co: Pacific Realty Associates, L.P. Developer: N/A
4. 13450-13480 E Highlands Pl Submarket: North San Diego Retail Market RBA: 44,673 Occupied: 44% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2014 Deliv Date: First Quarter 2015 Leasing Co: CBRE Developer: Coast Income Properties, Inc.	5. 6025 E Village Center Loop Submarket: North San Diego Retail Market RBA: 38,800 Occupied: 0% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2014 Deliv Date: Second Quarter 2015 Leasing Co: CBRE Developer: Coast Income Properties, Inc.	6. 3285 Sports Arena Blvd Submarket: Central San Diego Retail Market RBA: 35,002 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2015 Deliv Date: Third Quarter 2015 Leasing Co: Morris & Campbell Developer: N/A
7. Coastera Submarket: Central San Diego Retail Market RBA: 28,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2014 Deliv Date: Third Quarter 2015 Leasing Co: Cohn Restaurant Group Developer: Cohn Restaurant Group	8. The Lot Luxury Cinema & Restaurant Submarket: North San Diego Retail Market RBA: 23,720 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2014 Deliv Date: Third Quarter 2015 Leasing Co: Dallo Enterprises Developer: N/A	9. 99 Cents Only Submarket: North San Diego Retail Market RBA: 15,625 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2015 Deliv Date: Fourth Quarter 2015 Leasing Co: Mira Mesa Shopping Center West L L Developer: N/A
10. NW Village Creek – Walgreens Submarket: Central San Diego Retail Market RBA: 14,490 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2014 Deliv Date: Second Quarter 2015 Leasing Co: Jacobs Center For Neighborhood Inno Developer: N/A	11. Unicorn Bldg Submarket: Central San Diego Retail Market RBA: 12,400 Occupied: 0% Quoted Rate: \$39.00 Grnd Brk Date: Third Quarter 2014 Deliv Date: Third Quarter 2015 Leasing Co: Colliers International Developer: N/A	12. 7150 Rancho Santa Fe Rd Submarket: North County Retail Market RBA: 12,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2015 Deliv Date: Third Quarter 2015 Leasing Co: Colliers International Developer: N/A
13. 2267 S El Camino Real Submarket: North County Retail Market RBA: 10,500 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2014 Deliv Date: First Quarter 2015 Leasing Co: Cushman & Wakefield Developer: Milan Properties, Inc.	14. Waterpoint Submarket: Central San Diego Retail Market RBA: 10,000 Occupied: 25% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2014 Deliv Date: First Quarter 2015 Leasing Co: Retail Insite Developer: N/A	15. Five Star Plaza Submarket: East County Retail Market RBA: 9,950 Occupied: 100% Quoted Rate: \$24.00 Grnd Brk Date: First Quarter 2014 Deliv Date: Second Quarter 2015 Leasing Co: The Heritage Group Developer: N/A



San Diego Retail Market

Inventory & development

Select Top Under Construction Properties

Based on Project Square Footage

1. UTC Nordstrom Future Relocation

Submarket: **North San Diego Retail Market**
 RBA: **145,000**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Fourth Quarter 2015**
 Deliv Date: **Second Quarter 2017**
 Leasing Co: **Westfield Group**
 Developer: **N/A**

2. 1030 3rd Ave

Submarket: **South Bay Retail Market**
 RBA: **118,000**
 Preleased: **44%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Fourth Quarter 2015**
 Deliv Date: **Second Quarter 2016**
 Leasing Co: **Morris & Campbell**
 Developer: **N/A**

3. Merge Carmel Valley

Submarket: **North San Diego Retail Market**
 RBA: **34,240**
 Preleased: **0%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Third Quarter 2015**
 Deliv Date: **Second Quarter 2016**
 Leasing Co: **Cushman & Wakefield**
 Developer: **Sea Breeze Properties**

4. Block C Retail

Submarket: **North County Retail Market**
 RBA: **10,709**
 Preleased: **0%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Fourth Quarter 2014**
 Deliv Date: **First Quarter 2016**
 Leasing Co: **Cushman & Wakefield**
 Developer: **N/A**

5. 1430 S Melrose Dr

Submarket: **North County Retail Market**
 RBA: **9,673**
 Preleased: **13%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Fourth Quarter 2014**
 Deliv Date: **First Quarter 2016**
 Leasing Co: **CBRE**
 Developer: **N/A**

6. Red O

Submarket: **North San Diego Retail Market**
 RBA: **8,300**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Second Quarter 2015**
 Deliv Date: **Second Quarter 2016**
 Leasing Co: **The Irvine Company Retail**
 Developer: **Propertie N/A**

7. 3498 Pacific Hwy

Submarket: **Central San Diego Retail Market**
 RBA: **7,900**
 Preleased: **0%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Third Quarter 2013**
 Deliv Date: **First Quarter 2016**
 Leasing Co: **Location Matters**
 Developer: **N/A**

8. Del Sur Town Center - Building B

Submarket: **I-15 Corridor Retail Market**
 RBA: **7,748**
 Preleased: **0%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **First Quarter 2015**
 Deliv Date: **First Quarter 2016**
 Leasing Co: **Flocke & Avoyer Commercial Real Est**
 Developer: **Shea Properties Management Company,**

9. Phil's BBQ

Submarket: **I-15 Corridor Retail Market**
 RBA: **7,720**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Third Quarter 2015**
 Deliv Date: **First Quarter 2016**
 Leasing Co: **N/A**
 Developer: **N/A**

10. Del Sur Town Center - Building A

Submarket: **I-15 Corridor Retail Market**
 RBA: **6,750**
 Preleased: **0%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **First Quarter 2015**
 Deliv Date: **First Quarter 2016**
 Leasing Co: **Flocke & Avoyer Commercial Real Est**
 Developer: **N/A**

11. Del Sur Town Center - Building C

Submarket: **I-15 Corridor Retail Market**
 RBA: **5,286**
 Preleased: **0%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **First Quarter 2015**
 Deliv Date: **First Quarter 2016**
 Leasing Co: **Flocke & Avoyer Commercial Real Est**
 Developer: **Shea Properties Management Company,**

12. Palma De La Reina Bldg A

Submarket: **North San Diego Retail Market**
 RBA: **5,172**
 Preleased: **15%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Second Quarter 2015**
 Deliv Date: **First Quarter 2016**
 Leasing Co: **Lee & Associates**
 Developer: **Newport Pacific, Inc.**

13. Palma De La Reina Bldg B

Submarket: **North San Diego Retail Market**
 RBA: **5,127**
 Preleased: **29%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Second Quarter 2015**
 Deliv Date: **First Quarter 2016**
 Leasing Co: **Lee & Associates**
 Developer: **Newport Pacific, Inc.**

14. 400 Brotherton Rd

Submarket: **North County Retail Market**
 RBA: **4,200**
 Preleased: **0%**
 Quoted Rate: **Negotiable**
 Grnd Brk Date: **Fourth Quarter 2014**
 Deliv Date: **First Quarter 2016**
 Leasing Co: **Voit Real Estate Services**
 Developer: **N/A**

15. Dove Canyon Rd - Pad A

Submarket: **I-15 Corridor Retail Market**
 RBA: **3,500**
 Preleased: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Fourth Quarter 2015**
 Deliv Date: **First Quarter 2016**
 Leasing Co: **Flocke & Avoyer Commercial Real Est**
 Developer: **N/A**

San Diego Retail Market



Figures at a Glance

General Retail Market Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Central San Diego Ret	3,651	19,455,641	584,348	639,616	3.3%	(4,210)	130,202	10,210	\$27.07
East County Ret	1,429	7,217,596	131,917	182,524	2.5%	(48,312)	0	0	\$16.20
I-15 Corridor Ret	164	1,613,942	11,921	11,921	0.7%	(18,511)	0	17,720	\$40.48
North County Ret	1,681	11,316,717	371,849	371,849	3.3%	20,226	24,510	25,432	\$11.77
North San Diego Ret	864	7,144,339	213,666	213,666	3.0%	(83,855)	43,820	197,839	\$42.80
South Bay Ret	1,104	5,671,590	252,938	284,022	5.0%	(95,730)	5,090	118,000	\$16.76
Totals	8,893	52,419,825	1,566,639	1,703,598	3.2%	(230,392)	203,622	369,201	\$22.45

Source: CoStar Property®

Mall Market Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Central San Diego Ret	4	4,408,874	35,288	35,288	0.8%	1,027	0	0	\$0.00
East County Ret	2	2,742,077	6,939	6,939	0.3%	(60)	0	0	\$0.00
I-15 Corridor Ret	0	0	0	0	0.0%	0	0	0	\$0.00
North County Ret	3	3,176,626	2,331	2,331	0.1%	6,950	0	0	\$0.00
North San Diego Ret	1	1,102,034	0	0	0.0%	0	0	0	\$0.00
South Bay Ret	3	2,407,129	70,907	70,907	2.9%	(17,312)	0	0	\$0.00
Totals	13	13,836,740	115,465	115,465	0.8%	(9,395)	0	0	\$0.00

Source: CoStar Property®

Power Center Market Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Central San Diego Ret	8	3,521,522	42,976	89,976	2.6%	7,257	35,002	0	\$0.00
East County Ret	4	1,674,668	7,743	7,743	0.5%	21,406	0	0	\$30.08
I-15 Corridor Ret	1	559,185	7,314	7,314	1.3%	(7,314)	0	0	\$0.00
North County Ret	8	3,087,743	126,667	212,746	6.9%	42,607	10,500	0	\$30.11
North San Diego Ret	5	2,087,645	24,300	79,789	3.8%	(50,483)	0	0	\$0.00
South Bay Ret	2	1,023,153	14,920	14,920	1.5%	(14,920)	0	0	\$0.00
Totals	28	11,953,916	223,920	412,488	3.5%	(1,447)	45,502	0	\$30.11

Source: CoStar Property®

Shopping Center Market Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Central San Diego Ret	370	11,144,842	459,670	525,214	4.7%	(27,172)	17,290	0	\$22.20
East County Ret	243	8,292,613	497,553	754,723	9.1%	(180,188)	9,950	0	\$18.71
I-15 Corridor Ret	66	4,215,347	185,248	388,215	9.2%	(79,499)	142,987	19,784	\$31.21
North County Ret	290	15,177,334	1,337,017	1,458,434	9.6%	(35,510)	21,832	6,028	\$19.16
North San Diego Ret	119	6,627,505	347,148	397,509	6.0%	(22,840)	112,303	0	\$29.06
South Bay Ret	182	9,046,892	461,581	653,731	7.2%	(46,468)	0	0	\$20.44
Totals	1,270	54,504,533	3,288,217	4,177,826	7.7%	(391,677)	304,362	25,812	\$21.30

Source: CoStar Property®



San Diego Retail Market

Figures at a Glance

Specialty Center Market Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Central San Diego Ret	5	313,886	25,966	25,966	8.3%	(4,085)	0	0	\$0.00
East County Ret	1	75,112	0	0	0.0%	0	0	0	\$0.00
I-15 Corridor Ret	0	0	0	0	0.0%	0	0	0	\$0.00
North County Ret	2	367,735	0	0	0.0%	0	0	0	\$37.50
North San Diego Ret	2	232,667	45,167	45,167	19.4%	12,501	0	0	\$19.11
South Bay Ret	3	766,840	12,858	12,858	1.7%	139,057	140,000	0	\$14.12
Totals	13	1,756,240	83,991	83,991	4.8%	147,473	140,000	0	\$25.57

Source: CoStar Property®

Total Retail Market Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Central San Diego Ret	4,502	38,844,765	1,148,248	1,316,060	3.4%	(27,183)	182,494	10,210	\$24.69
East County Ret	2,059	20,002,066	644,152	951,929	4.8%	(207,154)	9,950	0	\$18.15
I-15 Corridor Ret	469	6,388,474	204,483	407,450	6.4%	(105,324)	142,987	37,504	\$32.14
North County Ret	2,756	33,126,155	1,837,864	2,045,360	6.2%	34,273	56,842	31,460	\$17.44
North San Diego Ret	1,369	17,194,190	630,281	736,131	4.3%	(144,677)	156,123	197,839	\$35.87
South Bay Ret	1,723	18,915,604	813,204	1,036,438	5.5%	(35,373)	145,090	118,000	\$19.18
Totals	12,878	134,471,254	5,278,232	6,493,368	4.8%	(485,438)	693,486	395,013	\$21.82

Source: CoStar Property®

San Diego Retail Market



Figures at a Glance

General Retail Submarket Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Cardiff/Encinitas Re.	306	3,301,199	9,860	9,860	0.3%	3,276	0	0	\$30.94
Carlsbad Ret	201	1,512,362	16,237	16,237	1.1%	20,495	20,480	0	\$28.03
Carmel Mountain Ranc.	27	235,609	8,971	8,971	3.8%	(8,971)	0	0	\$48.24
Central San Diego Re.	995	4,276,626	136,563	190,931	4.5%	(107,808)	5,000	0	\$31.44
Chula Vista Ret	494	2,620,584	130,503	130,503	5.0%	(31,163)	0	118,000	\$17.13
Clarmnt/KM/Tierrasnt.	240	2,002,916	70,403	70,403	3.5%	20,919	0	2,310	\$14.71
Coronado Ret	80	411,767	5,280	5,280	1.3%	2,488	0	0	\$33.00
Del Mar/S Bch/Rho SF.	199	1,069,003	12,068	12,068	1.1%	1,672	4,475	44,539	\$40.45
Downtown Ret	409	3,524,306	150,936	151,836	4.3%	18,652	13,150	0	\$31.70
Eastlake Ret	4	106,777	0	0	0.0%	0	0	0	\$0.00
El Cajon Ret	572	3,235,161	74,362	124,969	3.9%	(44,085)	0	0	\$16.27
Escondido Ret	578	4,056,177	165,862	165,862	4.1%	(10,630)	0	4,200	\$15.17
Imperial Bch/South S.	281	1,019,776	17,550	17,550	1.7%	(673)	2,940	0	\$22.70
La Jolla/Torrey Pine.	256	1,634,815	122,247	122,247	7.5%	(11,625)	23,720	0	\$49.81
La Mesa Ret	357	1,803,976	36,610	36,610	2.0%	(9,577)	0	0	\$16.52
Lakeside Ret	105	358,243	1,785	1,785	0.5%	1,670	0	0	\$15.00
Lemon Grv/Spring Vly.	295	1,111,913	8,000	8,000	0.7%	4,200	0	0	\$12.00
M Gorge/A Grdns/D Ce	53	433,769	0	0	0.0%	0	0	0	\$16.20
Mid City/SE San Dieg.	996	3,851,036	84,196	84,196	2.2%	5,562	0	0	\$18.26
Miramar/M Mesa/S Rnc.	90	968,541	37,491	37,491	3.9%	(7,678)	15,625	0	\$18.35
Mission Valley Ret	46	662,222	10,830	10,830	1.6%	(33,722)	0	0	\$31.81
National City Ret	325	1,924,453	104,885	135,969	7.1%	(63,894)	2,150	0	\$14.90
Oceanside Ret	424	2,351,491	79,320	79,320	3.4%	(5,934)	0	850	\$16.95
Pacific Beach/Morena.	438	2,277,662	77,404	77,404	3.4%	49,362	60,840	0	\$31.17
Poway Ret	114	1,230,511	1,350	1,350	0.1%	(1,350)	0	0	\$21.75
Pt Loma/Sports Arena.	394	2,015,337	48,736	48,736	2.4%	40,337	51,212	7,900	\$21.22
Rancho Bernardo Ret	5	64,858	0	0	0.0%	(6,590)	0	17,720	\$0.00
Rancho Pe asquitos R.	18	82,964	1,600	1,600	1.9%	(1,600)	0	0	\$37.20
San Marcos Ret	119	1,398,709	56,764	56,764	4.1%	(5,921)	0	10,709	\$6.12
Santee Ret	100	708,303	11,160	11,160	1.6%	(520)	0	0	\$0.00
UTC Ret	13	170,781	32,000	32,000	18.7%	(69,500)	0	153,300	\$0.00
Vista Ret	359	1,997,978	53,666	53,666	2.7%	22,216	4,030	9,673	\$19.74
Totals	8,893	52,419,825	1,566,639	1,703,598	3.2%	(230,392)	203,622	369,201	\$22.45

Source: CoStar Property®



San Diego Retail Market

Figures at a Glance

Mall Submarket Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Cardiff/Encinitas Re.	0	0	0	0	0.0%	0	0	0	\$0.00
Carlsbad Ret	2	1,552,080	2,331	2,331	0.2%	6,950	0	0	\$0.00
Carmel Mountain Ranc.	0	0	0	0	0.0%	0	0	0	\$0.00
Central San Diego Re.	0	0	0	0	0.0%	0	0	0	\$0.00
Chula Vista Ret	2	1,703,769	3,200	3,200	0.2%	0	0	0	\$0.00
Clarmnt/KM/Tierrasnt.	0	0	0	0	0.0%	0	0	0	\$0.00
Coronado Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Del Mar/S Bch/Rho SF.	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown Ret	1	751,241	0	0	0.0%	0	0	0	\$0.00
Eastlake Ret	1	703,360	67,707	67,707	9.6%	(17,312)	0	0	\$0.00
El Cajon Ret	1	1,817,360	0	0	0.0%	0	0	0	\$0.00
Escondido Ret	1	1,624,546	0	0	0.0%	0	0	0	\$0.00
Imperial Bch/South S.	0	0	0	0	0.0%	0	0	0	\$0.00
La Jolla/Torrey Pine.	0	0	0	0	0.0%	0	0	0	\$0.00
La Mesa Ret	1	924,717	6,939	6,939	0.8%	(60)	0	0	\$0.00
Lakeside Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Lemon Grv/Spring Vly.	0	0	0	0	0.0%	0	0	0	\$0.00
M Gorge/A Grdns/D Ce	0	0	0	0	0.0%	0	0	0	\$0.00
Mid City/SE San Dieg.	0	0	0	0	0.0%	0	0	0	\$0.00
Miramar/M Mesa/S Rnc.	0	0	0	0	0.0%	0	0	0	\$0.00
Mission Valley Ret	2	3,401,889	606	606	0.0%	0	0	0	\$0.00
National City Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Oceanside Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Pacific Beach/Morena.	0	0	0	0	0.0%	0	0	0	\$0.00
Poway Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Pt Loma/Sports Arena.	1	255,744	34,682	34,682	13.6%	1,027	0	0	\$0.00
Rancho Bernardo Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Rancho Peñasquitos R.	0	0	0	0	0.0%	0	0	0	\$0.00
San Marcos Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Santee Ret	0	0	0	0	0.0%	0	0	0	\$0.00
UTC Ret	1	1,102,034	0	0	0.0%	0	0	0	\$0.00
Vista Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Totals	13	13,836,740	115,465	115,465	0.8%	(9,395)	0	0	\$0.00

Source: CoStar Property®

San Diego Retail Market


Figures at a Glance

Power Center Submarket Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Cardiff/Encinitas Re.	1	498,370	0	0	0.0%	8,468	0	0	\$0.00
Carlsbad Ret	1	177,995	0	0	0.0%	0	0	0	\$0.00
Carmel Mountain Ranc.	1	559,185	7,314	7,314	1.3%	(7,314)	0	0	\$0.00
Central San Diego Re.	0	0	0	0	0.0%	0	0	0	\$0.00
Chula Vista Ret	1	531,203	14,920	14,920	2.8%	(14,920)	0	0	\$0.00
Clarmnt/KM/Tierrasnt.	4	1,667,551	21,159	68,159	4.1%	(38,089)	0	0	\$0.00
Coronado Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Del Mar/S Bch/Rho SF.	1	271,859	1,147	1,147	0.4%	(1,147)	0	0	\$0.00
Downtown Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Eastlake Ret	0	0	0	0	0.0%	0	0	0	\$0.00
El Cajon Ret	1	432,102	0	0	0.0%	0	0	0	\$0.00
Escondido Ret	1	399,560	6,198	6,198	1.6%	0	0	0	\$0.00
Imperial Bch/South S.	1	491,950	0	0	0.0%	0	0	0	\$0.00
La Jolla/Torrey Pine.	1	416,334	6,644	6,644	1.6%	0	0	0	\$0.00
La Mesa Ret	1	234,753	0	0	0.0%	0	0	0	\$0.00
Lakeside Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Lemon Grv/Spring Vly.	0	0	0	0	0.0%	0	0	0	\$0.00
M Gorge/A Grdns/D Ce	0	0	0	0	0.0%	0	0	0	\$0.00
Mid City/SE San Dieg.	1	591,648	20,017	20,017	3.4%	8,544	0	0	\$0.00
Miramar/M Mesa/S Rnc.	2	901,082	16,509	71,998	8.0%	(57,804)	0	0	\$0.00
Mission Valley Ret	2	767,320	1,800	1,800	0.2%	(1,800)	0	0	\$0.00
National City Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Oceanside Ret	4	1,529,381	45,032	131,111	8.6%	38,483	10,500	0	\$28.91
Pacific Beach/Morena.	0	0	0	0	0.0%	0	0	0	\$0.00
Poway Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Pt Loma/Sports Arena.	1	495,003	0	0	0.0%	38,602	35,002	0	\$0.00
Rancho Bernardo Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Rancho Peñasquitos R.	0	0	0	0	0.0%	0	0	0	\$0.00
San Marcos Ret	1	357,701	12,098	12,098	3.4%	4,124	0	0	\$34.94
Santee Ret	2	1,007,813	7,743	7,743	0.8%	21,406	0	0	\$30.08
UTC Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Vista Ret	1	623,106	63,339	63,339	10.2%	0	0	0	\$0.00
Totals	28	11,953,916	223,920	412,488	3.5%	(1,447)	45,502	0	\$30.11

Source: CoStar Property®



San Diego Retail Market

Figures at a Glance

Shopping Center Submarket Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Cardiff/Encinitas Re.	37	1,711,424	65,530	65,530	3.8%	(7,277)	0	0	\$32.94
Carlsbad Ret	29	2,068,497	142,522	240,681	11.6%	(61,110)	14,815	0	\$34.32
Carmel Mountain Ranc.	25	1,458,746	67,753	117,943	8.1%	(53,171)	0	0	\$38.25
Central San Diego Re.	52	661,071	22,131	24,131	3.7%	6,300	0	0	\$30.61
Chula Vista Ret	87	3,955,476	224,032	320,174	8.1%	(76,657)	0	0	\$24.87
Clarmnt/KM/Tierrasnt.	86	3,446,042	137,064	172,772	5.0%	(8,813)	0	0	\$19.86
Coronado Ret	5	143,747	2,780	28,060	19.5%	(28,060)	0	0	\$0.00
Del Mar/S Bch/Rho SF.	19	1,687,763	141,155	188,636	11.2%	(18,797)	112,303	0	\$41.66
Downtown Ret	4	115,196	26,989	26,989	23.4%	(6,449)	0	0	\$31.82
Eastlake Ret	8	1,639,621	38,810	92,746	5.7%	20,522	0	0	\$15.73
El Cajon Ret	97	3,413,575	249,047	395,349	11.6%	(108,894)	0	0	\$19.16
Escondido Ret	85	4,076,209	304,319	319,017	7.8%	64,170	0	0	\$20.15
Imperial Bch/South S.	53	1,924,627	125,556	167,628	8.7%	(31,897)	0	0	\$17.42
La Jolla/Torrey Pine.	17	357,300	13,006	15,886	4.4%	(119)	0	0	\$46.48
La Mesa Ret	61	2,220,111	98,143	142,295	6.4%	(14,022)	0	0	\$17.52
Lakeside Ret	17	275,449	44,916	58,866	21.4%	(10,927)	0	0	\$19.51
Lemon Grv/Spring Vly.	41	1,442,403	40,662	49,223	3.4%	(17,093)	0	0	\$17.82
M Gorge/A Grdns/D Ce	17	596,276	42,038	44,594	7.5%	(22,963)	0	0	\$21.52
Mid City/SE San Dieg.	122	2,788,754	142,174	142,174	5.1%	(4,580)	17,290	0	\$15.07
Miramar/M Mesa/S Rnc.	41	2,301,898	112,908	112,908	4.9%	3,034	0	0	\$22.39
Mission Valley Ret	9	928,324	10,548	10,548	1.1%	(616)	0	0	\$27.00
National City Ret	34	1,527,168	73,183	73,183	4.8%	41,564	0	0	\$16.81
Oceanside Ret	63	3,675,083	328,973	334,973	9.1%	(38,954)	0	0	\$20.05
Pacific Beach/Morena.	30	741,560	11,442	11,442	1.5%	6,370	0	0	\$28.50
Poway Ret	27	1,571,097	89,010	133,696	8.5%	(67,200)	0	0	\$24.39
Pt Loma/Sports Arena.	45	1,723,872	64,504	64,504	3.7%	31,639	0	0	\$26.13
Rancho Bernardo Ret	6	549,310	21,569	21,569	3.9%	135,228	142,987	19,784	\$0.00
Rancho Peñasquitos R.	8	636,194	6,916	115,007	18.1%	(94,356)	0	0	\$34.25
San Marcos Ret	50	2,811,317	310,393	310,393	11.0%	15,382	7,017	6,028	\$17.15
Santee Ret	27	941,075	64,785	108,990	11.6%	(29,252)	9,950	0	\$18.97
UTC Ret	5	569,120	14,549	14,549	2.6%	319	0	0	\$30.57
Vista Ret	63	2,546,228	250,810	253,370	10.0%	(14,998)	0	0	\$16.20
Totals	1,270	54,504,533	3,288,217	4,177,826	7.7%	(391,677)	304,362	25,812	\$21.30

Source: CoStar Property®

San Diego Retail Market



Figures at a Glance

Specialty Center Submarket Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Cardiff/Encinitas Re.	1	44,099	3,400	3,400	7.7%	(3,400)	0	0	\$21.75
Carlsbad Ret	1	287,931	0	0	0.0%	0	0	0	\$0.00
Carmel Mountain Ranc.	0	0	0	0	0.0%	0	0	0	\$0.00
Central San Diego Re.	1	40,000	0	0	0.0%	0	0	0	\$0.00
Chula Vista Ret	1	92,350	1,925	1,925	2.1%	1,990	0	0	\$14.12
Clarmnt/KM/Tierrasnt.	0	0	0	0	0.0%	0	0	0	\$0.00
Coronado Ret	1	39,603	0	0	0.0%	0	0	0	\$0.00
Del Mar/S Bch/Rho SF.	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown Ret	2	216,634	25,966	25,966	12.0%	(4,085)	0	0	\$0.00
Eastlake Ret	0	0	0	0	0.0%	0	0	0	\$0.00
El Cajon Ret	1	75,112	0	0	0.0%	0	0	0	\$0.00
Escondido Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Imperial Bch/South S.	2	674,490	10,933	10,933	1.6%	137,067	140,000	0	\$0.00
La Jolla/Torrey Pine.	0	0	0	0	0.0%	0	0	0	\$0.00
La Mesa Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Lakeside Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Lemon Grv/Spring Vly.	0	0	0	0	0.0%	0	0	0	\$0.00
M Gorge/A Grdns/D Ce	0	0	0	0	0.0%	0	0	0	\$0.00
Mid City/SE San Dieg.	0	0	0	0	0.0%	0	0	0	\$0.00
Miramar/M Mesa/S Rnc.	1	188,568	41,767	41,767	22.1%	15,901	0	0	\$18.00
Mission Valley Ret	0	0	0	0	0.0%	0	0	0	\$0.00
National City Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Oceanside Ret	1	79,804	0	0	0.0%	0	0	0	\$37.50
Pacific Beach/Morena.	0	0	0	0	0.0%	0	0	0	\$0.00
Poway Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Pt Loma/Sports Arena.	1	17,649	0	0	0.0%	0	0	0	\$0.00
Rancho Bernardo Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Rancho Peñasquitos R.	0	0	0	0	0.0%	0	0	0	\$0.00
San Marcos Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Santee Ret	0	0	0	0	0.0%	0	0	0	\$0.00
UTC Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Vista Ret	0	0	0	0	0.0%	0	0	0	\$0.00
Totals	13	1,756,240	83,991	83,991	4.8%	147,473	140,000	0	\$25.57

Source: CoStar Property®



San Diego Retail Market

Figures at a Glance

Total Retail Submarket Statistics

Year-End 2015

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Cardiff/Encinitas Re.	433	5,555,092	78,790	78,790	1.4%	1,067	0	0	\$31.31
Carlsbad Ret	368	5,598,865	161,090	259,249	4.6%	(33,665)	35,295	0	\$32.81
Carmel Mountain Ranc.	143	2,253,540	84,038	134,228	6.0%	(69,456)	0	0	\$39.69
Central San Diego Re.	1,065	4,977,697	158,694	215,062	4.3%	(101,508)	5,000	0	\$31.19
Chula Vista Ret	744	8,903,382	374,580	470,722	5.3%	(120,750)	0	118,000	\$21.87
Clarmnt/KM/Tierrasnt.	494	7,116,509	228,626	311,334	4.4%	(25,983)	0	2,310	\$18.49
Coronado Ret	88	595,117	8,060	33,340	5.6%	(25,572)	0	0	\$33.00
Del Mar/S Bch/Rho SF.	307	3,028,625	154,370	201,851	6.7%	(18,272)	116,778	44,539	\$41.04
Downtown Ret	424	4,607,377	203,891	204,791	4.4%	8,118	13,150	0	\$31.72
Eastlake Ret	97	2,449,758	106,517	160,453	6.5%	3,210	0	0	\$15.73
El Cajon Ret	837	8,973,310	323,409	520,318	5.8%	(152,979)	0	0	\$18.01
Escondido Ret	843	10,156,492	476,379	491,077	4.8%	53,540	0	4,200	\$18.30
Imperial Bch/South S.	454	4,110,843	154,039	196,111	4.8%	104,497	142,940	0	\$19.01
La Jolla/Torrey Pine.	286	2,408,449	141,897	144,777	6.0%	(11,744)	23,720	0	\$49.65
La Mesa Ret	498	5,183,557	141,692	185,844	3.6%	(23,659)	0	0	\$17.20
Lakeside Ret	134	633,692	46,701	60,651	9.6%	(9,257)	0	0	\$19.34
Lemon Grv/Spring Vly.	383	2,554,316	48,662	57,223	2.2%	(12,893)	0	0	\$17.40
M Gorge/A Grdns/D Ce	89	1,030,045	42,038	44,594	4.3%	(22,963)	0	0	\$19.57
Mid City/SE San Dieg.	1,228	7,231,438	246,387	246,387	3.4%	9,526	17,290	0	\$16.20
Miramar/M Mesa/S Rnc.	283	4,360,089	208,675	264,164	6.1%	(46,547)	15,625	0	\$21.12
Mission Valley Ret	110	5,759,755	23,784	23,784	0.4%	(36,138)	0	0	\$29.62
National City Ret	428	3,451,621	178,068	209,152	6.1%	(22,330)	2,150	0	\$16.08
Oceanside Ret	703	7,635,759	453,325	545,404	7.1%	(6,405)	10,500	850	\$20.71
Pacific Beach/Morena.	475	3,019,222	88,846	88,846	2.9%	55,732	60,840	0	\$30.63
Poway Ret	226	2,801,608	90,360	135,046	4.8%	(68,550)	0	0	\$24.25
Pt Loma/Sports Arena.	529	4,507,605	147,922	147,922	3.3%	111,605	86,214	7,900	\$24.79
Rancho Bernardo Ret	36	614,168	21,569	21,569	3.5%	128,638	142,987	37,504	\$0.00
Rancho Peñasquitos R.	64	719,158	8,516	116,607	16.2%	(95,956)	0	0	\$34.57
San Marcos Ret	302	4,567,727	379,255	379,255	8.3%	13,585	7,017	16,737	\$12.63
Santee Ret	207	2,657,191	83,688	127,893	4.8%	(8,366)	9,950	0	\$20.81
UTC Ret	60	1,841,935	46,549	46,549	2.5%	(69,181)	0	153,300	\$30.57
Vista Ret	540	5,167,312	367,815	370,375	7.2%	7,218	4,030	9,673	\$16.40
Totals	12,878	134,471,254	5,278,232	6,493,368	4.8%	(485,438)	693,486	395,013	\$21.82

Source: CoStar Property®

San Diego Retail Market


Figures at a Glance

General Retail Market Statistics

Year-End 2015

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2015 4q	8,893	52,419,825	1,566,639	1,703,598	3.2%	(76,860)	2	22,640	16	369,201	\$22.45
2015 3q	8,892	52,399,758	1,562,510	1,606,671	3.1%	63,301	8	152,449	12	117,991	\$21.82
2015 2q	8,895	52,354,487	1,609,793	1,624,701	3.1%	(164,317)	3	11,180	18	228,480	\$25.03
2015 1q	8,895	52,412,792	1,503,983	1,518,689	2.9%	(52,516)	4	17,353	17	218,751	\$24.94
2014 4q	8,895	52,406,121	1,441,914	1,459,502	2.8%	78,933	4	136,140	16	132,144	\$23.66
2014 3q	8,891	52,269,981	1,373,788	1,402,295	2.7%	86,879	2	6,940	11	197,513	\$24.03
2014 2q	8,893	52,280,697	1,480,295	1,499,890	2.9%	92,812	4	58,663	11	187,578	\$23.84
2014 1q	8,891	52,244,699	1,519,124	1,556,704	3.0%	(11,624)	5	19,249	9	184,441	\$22.87
2013	8,894	52,332,528	1,599,803	1,632,909	3.1%	(10,318)	14	167,549	10	83,236	\$22.76
2012	8,903	52,518,412	1,724,414	1,808,475	3.4%	222,920	11	107,272	7	41,253	\$21.17
2011	8,907	52,487,425	1,955,374	2,000,408	3.8%	88,177	9	222,952	7	97,459	\$20.94
2010	8,915	52,620,597	2,153,669	2,221,757	4.2%	(109,228)	10	142,112	6	193,675	\$22.01
2009	8,922	52,614,446	2,021,300	2,106,378	4.0%	270,309	26	667,497	8	121,112	\$23.48
2008	8,908	52,001,612	1,706,661	1,763,853	3.4%	(155,934)	29	244,370	19	667,387	\$24.04
2007	8,898	51,858,572	1,389,203	1,464,879	2.8%	709,177	13	264,566	19	130,671	\$25.06
2006	8,903	52,060,287	2,355,082	2,375,771	4.6%	(380,522)	20	216,479	11	110,075	\$25.07

Source: CoStar Property®

Mall Market Statistics

Year-End 2015

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2015 4q	13	13,836,740	115,465	115,465	0.8%	1,488	0	0	0	0	\$0.00
2015 3q	13	13,836,740	116,953	116,953	0.8%	2,955	0	0	0	0	\$0.00
2015 2q	13	13,836,740	119,908	119,908	0.9%	11,584	0	0	0	0	\$18.15
2015 1q	13	13,836,740	131,492	131,492	1.0%	(25,422)	0	0	0	0	\$22.65
2014 4q	13	13,836,740	106,070	106,070	0.8%	7,749	0	0	0	0	\$22.65
2014 3q	13	13,836,740	113,819	113,819	0.8%	6,323	0	0	0	0	\$22.65
2014 2q	13	13,836,740	120,142	120,142	0.9%	(11,832)	0	0	0	0	\$28.46
2014 1q	13	13,836,740	108,310	108,310	0.8%	14,909	0	0	0	0	\$0.00
2013	13	13,836,740	123,219	123,219	0.9%	20,977	0	0	0	0	\$0.00
2012	13	13,836,740	144,196	144,196	1.0%	456,558	2	304,936	0	0	\$23.04
2011	13	13,531,804	295,818	295,818	2.2%	162,428	0	0	1	144,936	\$22.50
2010	13	13,531,804	458,246	458,246	3.4%	(31,712)	1	8,500	0	0	\$28.50
2009	13	13,523,304	418,034	418,034	3.1%	(287,533)	0	0	1	8,500	\$31.44
2008	13	13,523,304	130,501	130,501	1.0%	(15)	0	0	0	0	\$52.09
2007	13	13,523,304	127,843	130,486	1.0%	262,205	2	170,800	0	0	\$27.06
2006	13	13,352,504	205,031	221,891	1.7%	398,669	28	567,560	1	135,800	\$28.01

Source: CoStar Property®

Power Center Market Statistics

Year-End 2015

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2015 4q	28	11,953,916	223,920	412,488	3.5%	(19,857)	0	0	0	0	\$30.11
2015 3q	28	11,953,916	390,623	392,631	3.3%	43,014	1	35,002	0	0	\$29.22
2015 2q	28	11,918,914	398,635	400,643	3.4%	(4,710)	0	0	1	35,002	\$30.28
2015 1q	28	11,918,914	393,925	395,933	3.3%	(19,894)	1	10,500	1	35,002	\$30.24
2014 4q	28	11,908,414	363,531	365,539	3.1%	2,082	1	4,000	1	10,500	\$30.31
2014 3q	28	11,904,414	361,613	363,621	3.1%	913	0	0	2	14,500	\$29.40
2014 2q	28	11,904,414	362,526	364,534	3.1%	69,682	0	0	2	14,500	\$29.32
2014 1q	28	11,904,414	432,208	434,216	3.6%	5,511	1	5,600	1	10,500	\$27.98
2013	28	11,898,814	432,119	434,127	3.6%	29,211	1	6,000	1	5,600	\$26.31
2012	28	11,892,814	448,138	457,338	3.8%	200,533	0	0	0	0	\$24.02
2011	28	11,892,814	536,015	657,871	5.5%	237,346	1	57,531	0	0	\$25.08
2010	28	11,835,283	722,590	837,686	7.1%	244,035	3	68,440	0	0	\$23.44
2009	28	11,766,843	796,665	1,013,281	8.6%	(625,639)	0	0	2	59,000	\$23.07
2008	28	11,766,843	318,487	387,642	3.3%	(170,786)	1	798	1	4,000	\$26.98
2007	28	11,766,045	214,658	216,058	1.8%	102,044	0	0	1	4,000	\$25.06
2006	28	11,766,045	310,775	318,102	2.7%	356,503	11	378,001	1	4,000	\$28.26

Source: CoStar Property®



San Diego Retail Market

Figures at a Glance

Shopping Center Market Statistics

Year-End 2015

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2015 4q	1,270	54,504,533	3,288,217	4,177,826	7.7%	(558,890)	2	146,587	5	25,812	\$21.30
2015 3q	1,269	54,357,946	3,339,109	3,472,349	6.4%	141,665	1	4,500	7	172,399	\$21.19
2015 2q	1,269	54,353,446	3,512,817	3,609,514	6.6%	(34,636)	8	94,902	6	170,871	\$21.24
2015 1q	1,267	54,258,544	3,335,157	3,479,976	6.4%	60,184	3	58,373	13	262,173	\$21.30
2014 4q	1,266	54,200,171	3,340,902	3,481,787	6.4%	187,055	0	0	11	154,975	\$21.36
2014 3q	1,266	54,200,171	3,529,977	3,668,842	6.8%	397,260	11	204,715	9	140,743	\$21.22
2014 2q	1,266	53,995,456	3,576,996	3,861,387	7.2%	83,395	5	26,918	20	345,458	\$21.37
2014 1q	1,265	53,968,538	3,627,837	3,917,864	7.3%	871	2	15,062	25	372,376	\$21.16
2013	1,264	53,953,476	3,718,359	3,903,673	7.2%	267,970	13	296,643	9	192,237	\$20.79
2012	1,261	53,656,833	3,687,192	3,875,000	7.2%	570,229	13	222,066	9	260,881	\$20.52
2011	1,258	53,434,767	4,022,042	4,223,163	7.9%	197,721	7	49,921	6	156,022	\$20.91
2010	1,257	53,384,846	4,116,453	4,370,963	8.2%	(15,461)	14	123,417	5	39,749	\$21.36
2009	1,253	53,261,429	3,873,559	4,232,085	7.9%	(857,132)	26	242,446	9	54,829	\$22.58
2008	1,248	53,018,983	2,912,689	3,132,507	5.9%	(120,660)	32	402,734	19	170,591	\$24.78
2007	1,240	52,616,249	2,488,625	2,609,113	5.0%	966,852	56	923,277	21	258,391	\$24.22
2006	1,226	51,692,972	2,540,212	2,652,688	5.1%	108,870	23	358,909	55	740,201	\$23.77

Source: CoStar Property®

Specialty Center Market Statistics

Year-End 2015

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2015 4q	13	1,756,240	83,991	83,991	4.8%	5,871	0	0	0	0	\$25.57
2015 3q	13	1,756,240	89,862	89,862	5.1%	(3,400)	0	0	0	0	\$18.10
2015 2q	13	1,756,240	86,462	86,462	4.9%	5,002	0	0	0	0	\$18.07
2015 1q	13	1,756,240	91,464	91,464	5.2%	140,000	1	140,000	0	0	\$17.83
2014 4q	12	1,616,240	91,464	91,464	5.7%	4,194	0	0	1	140,000	\$18.57
2014 3q	12	1,616,240	95,658	95,658	5.9%	6,674	0	0	1	140,000	\$18.60
2014 2q	12	1,616,240	100,358	102,332	6.3%	22,474	0	0	1	140,000	\$18.55
2014 1q	12	1,616,240	119,994	124,806	7.7%	8,265	0	0	1	140,000	\$19.56
2013	12	1,616,240	128,259	133,071	8.2%	99,028	1	115,000	1	140,000	\$20.38
2012	11	1,501,240	114,983	117,099	7.8%	(52,854)	0	0	1	115,000	\$17.88
2011	11	1,501,240	62,129	64,245	4.3%	(5,040)	0	0	0	0	\$12.00
2010	11	1,501,240	56,705	59,205	3.9%	(10,109)	0	0	0	0	\$22.00
2009	11	1,501,240	49,096	49,096	3.3%	(15,448)	0	0	0	0	\$18.18
2008	11	1,501,240	33,648	33,648	2.2%	6,718	0	0	0	0	\$21.78
2007	11	1,501,240	37,866	40,366	2.7%	9,848	0	0	0	0	\$17.37
2006	11	1,501,240	43,961	50,214	3.3%	(17,819)	0	0	0	0	\$20.75

Source: CoStar Property®

Total Retail Market Statistics

Year-End 2015

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %		# Blds	Total GLA	# Blds	Total GLA	
2015 4q	12,878	134,471,254	5,278,232	6,493,368	4.8%	(648,248)	4	169,227	21	395,013	\$21.82
2015 3q	12,875	134,304,600	5,499,057	5,678,466	4.2%	247,535	10	191,951	19	290,390	\$21.49
2015 2q	12,876	134,219,827	5,727,615	5,841,228	4.4%	(187,077)	11	106,082	25	434,353	\$22.58
2015 1q	12,868	134,183,230	5,456,021	5,617,554	4.2%	102,352	9	226,226	31	515,926	\$22.66
2014 4q	12,863	133,967,686	5,343,881	5,504,362	4.1%	280,013	5	140,140	29	437,619	\$22.25
2014 3q	12,858	133,827,546	5,474,855	5,644,235	4.2%	498,049	13	211,655	23	492,756	\$22.28
2014 2q	12,849	133,633,547	5,640,317	5,948,285	4.5%	256,531	9	85,581	34	687,536	\$22.31
2014 1q	12,842	133,570,631	5,807,473	6,141,900	4.6%	17,932	8	39,911	36	707,317	\$21.81
2013	12,842	133,637,798	6,001,759	6,226,999	4.7%	406,868	29	585,192	21	421,073	\$21.48
2012	12,836	133,406,039	6,118,923	6,402,108	4.8%	1,397,386	26	634,274	17	417,134	\$20.83
2011	12,825	132,848,050	6,871,378	7,241,505	5.5%	680,632	17	330,404	14	398,417	\$21.07
2010	12,825	132,873,770	7,507,663	7,947,857	6.0%	77,525	28	342,469	11	233,424	\$21.71
2009	12,814	132,667,262	7,158,654	7,818,874	5.9%	(1,515,443)	52	909,943	20	243,441	\$22.88
2008	12,774	131,811,982	5,101,986	5,448,151	4.1%	(440,677)	62	647,902	39	841,978	\$24.76
2007	12,731	131,265,410	4,258,195	4,460,902	3.4%	2,050,126	71	1,358,643	41	393,062	\$24.47
2006	12,678	130,373,048	5,455,061	5,618,666	4.3%	465,701	82	1,520,949	68	990,076	\$24.31

Source: CoStar Property®

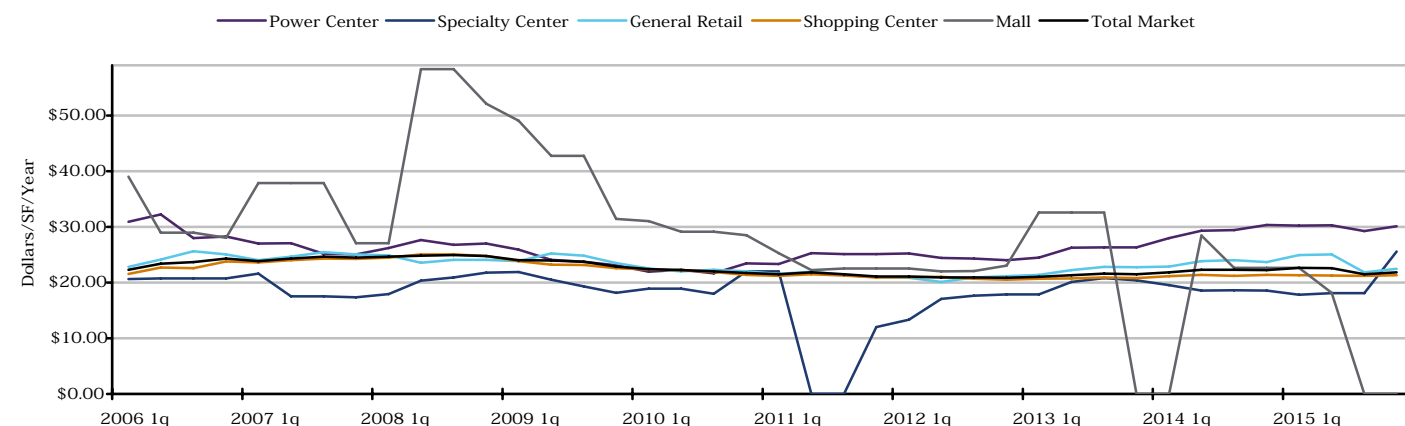
San Diego Retail Market



Leasing Activity

Historical Rental Rates

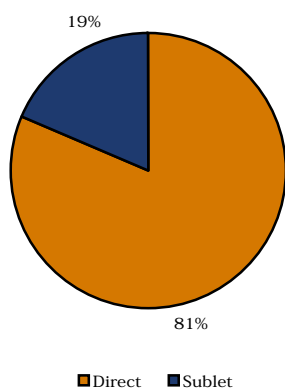
Based on NNN Rental Rates



Source: CoStar Property®

Vacancy by Available Space Type

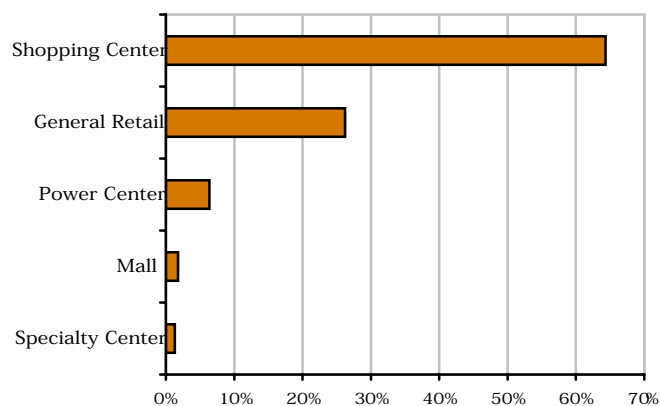
Percent of All Vacant Space in Direct vs. Sublet



Source: CoStar Property®

Vacancy by Building Type

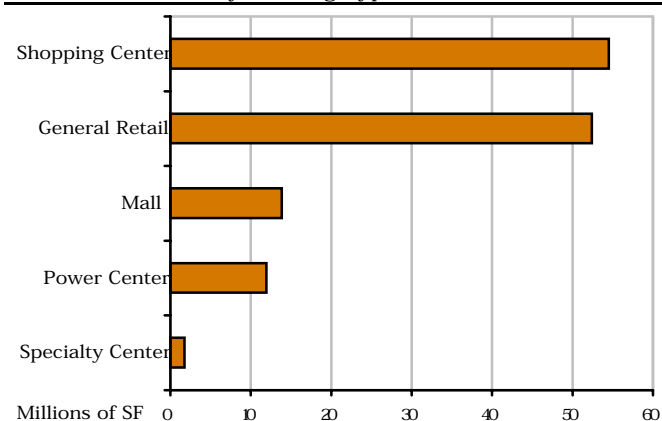
Percent of All Vacant Space by Building Type



Source: CoStar Property®

GLA By Building Type

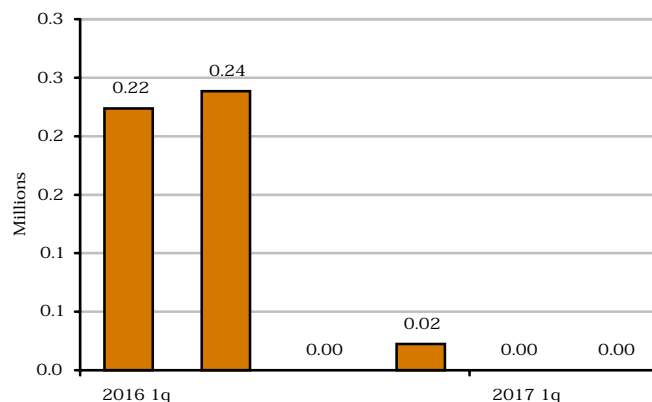
Ratio of Total GLA by Building Type



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*



* Includes Under Construction Spaces

Source: CoStar Property®



San Diego Retail Market

Leasing Activity

Select Top Retail Leases Based on Leased Square Footage For Deals Signed in 2015

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company
1 Haggen	Rancho Peñasquitos Ret	57,580	1st	Haggen Food and Pharmacy	N/A	N/A
2 Haggen	Miramar/MMesa/SRnchRet	55,489	1st	Haggen Food and Pharmacy	N/A	N/A
3 Poinsettia Plaza	Carlsbad Ret	53,500	1st	Haggen Food and Pharmacy	N/A	N/A
4 Haggen	El Cajon Ret	50,607	1st	Haggen Food and Pharmacy	N/A	N/A
5 12457 Rancho Bernardo Rd	Carmel Mountain Ranch Ret	50,190	1st	Haggen Food and Pharmacy	N/A	N/A
6 2646 Fletcher Pky	El Cajon Ret	50,000	1st	Haggen Food and Pharmacy	N/A	N/A
7 40 N 4th Ave	Chula Vista Ret	50,000	4th	Hobby Lobby	N/A	Retail Insite
8 621 S Rancho Santa Fe Rd	San Marcos Ret	48,580	1st	Haggen Food and Pharmacy	N/A	N/A
9 2707 Via De La Valle	Del Mar/SBch/Rho SF Ret	47,481	1st	Haggen Food and Pharmacy	N/A	N/A
10 2707 Via De La Valle	Del Mar/SBch/Rho SF Ret	47,481	3rd	Gelson's Market	N/A	N/A
11 Haggen	Clarmnt/KM/Tierrasanta Ret	47,000	2nd	Haggen Food and Pharmacy	N/A	N/A
12 Santana Village	Santee Ret	44,205	2nd	Haggen Food and Pharmacy	N/A	N/A
13 1262 E Main St*	El Cajon Ret	41,462	4th	Dixieline Lumber & Home Centers	N/A	The Heritage Group
14 Rancho San Diego Village - 1-36	El Cajon Ret	39,777	1st	Haggen Food and Pharmacy	N/A	N/A
15 Solana Beach Towne Centre*	Del Mar/SBch/Rho SF Ret	39,295	2nd	Marshalls	N/A	N/A
16 Tierrasanta Town Center	Clarmnt/KM/Tierrasanta Ret	34,408	1st	Haggen Food and Pharmacy	N/A	N/A
17 San Carlos Village	La Mesa Ret	33,958	4th	Orchard Supply Hardware	N/A	Cushman & Wakefield
18 Future Nordstrom Rack	La Jolla/Torrey Pines Ret	32,000	1st	Nordstrom Rack	N/A	N/A
19 Equinox	Carlsbad Ret	30,800	3rd	Equinox	N/A	Retail Insite
20 4611 Mercury St	Clarmnt/KM/Tierrasanta Ret	29,158	2nd	Ferrari & Maserati of San Diego	N/A	Voit Real Estate Services
21 North County Square	Vista Ret	28,799	2nd	ALDI	N/A	CBRE
22 1208 Broadway	Chula Vista Ret	24,950	2nd	N/A	N/A	N/A
23 3416 College Ave	Mid City/SE San Diego Ret	24,289	2nd	Sam Ash Music Store	N/A	Cushman & Wakefield
24 The Lot Luxury Cinema & Restaurant	La Jolla/Torrey Pines Ret	23,720	1st	The Lot	N/A	Dallo Enterprises
25 Plaza de Cuyamaca	Santee Ret	21,440	3rd	Grocery Outlet	N/A	CBRE
26 Target Express	Central San Diego Ret	20,000	1st	Target	N/A	N/A
27 1310 E Valley Pky	Escondido Ret	18,088	3rd	Aldi	N/A	Retail Insite
28 Haggen	Central San Diego Ret	17,660	1st	Haggen Food and Pharmacy	N/A	N/A
29 Haggen*	La Jolla/Torrey Pines Ret	17,507	2nd	Haggen Food and Pharmacy	N/A	Direct Deal
30 Mission Square Shopping Center	Oceanside Ret	16,875	1st	N/A	N/A	N/A
31 1640 Garnet Ave	Pacific Beach/Morena Ret	16,790	1st	Staples	N/A	N/A
32 Breakwater - Bldg A	Imperial Bch/South SD Ret	16,000	3rd	Grocery Outlet	N/A	Retail Insite
33 1035 S Harbison Ave	National City Ret	15,500	3rd	N/A	Direct Deal	SouthCal Realty & Investments
34 40 N 4th Ave	Chula Vista Ret	14,900	4th	Party City	N/A	Retail Insite
35 India Street Design Center	Downtown Ret	14,000	1st	N/A	N/A	Urban California
36 4210 Bonita Rd	Chula Vista Ret	13,820	2nd	DollarTree	N/A	Coldwell Banker Commercial Sudweeks
37 970 Broadway*	Chula Vista Ret	13,375	2nd	California Hair Design Academy	N/A	N/A
38 6975 Jackson Dr	La Mesa Ret	13,125	4th	San Carlos Hardware	N/A	JLL
39 1640 Garnet Ave	Pacific Beach/Morena Ret	13,071	1st	Trader Joe's	N/A	N/A
40 1640 Garnet Ave	Pacific Beach/Morena Ret	12,940	1st	PetSmart	N/A	N/A

Source: CoStar Property®

* Renewal

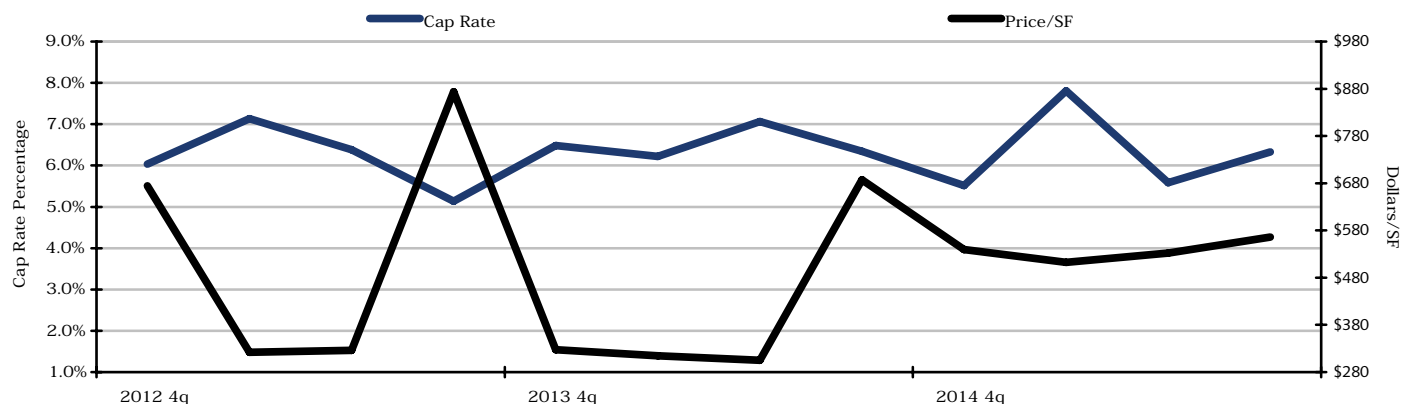
San Diego Retail Market



Sales Activity

The Optimist Sales Index

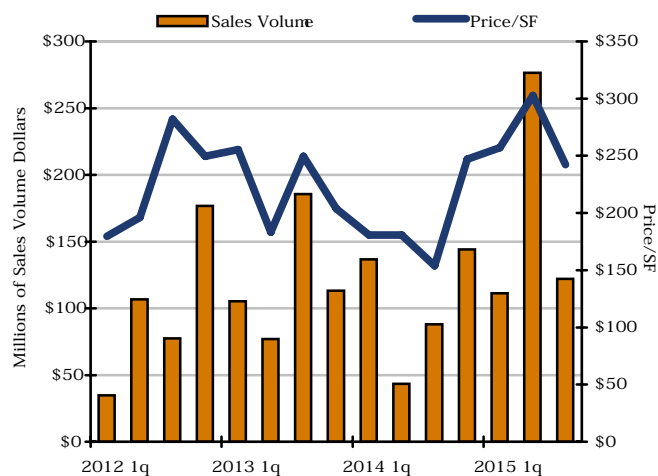
Average of Two Highest Price/SF's and Two Lowest Cap Rates



Source: CoStar COMPS®

Sales Volume & Price

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



Source: CoStar COMPS®

Sales Analysis by Building Size

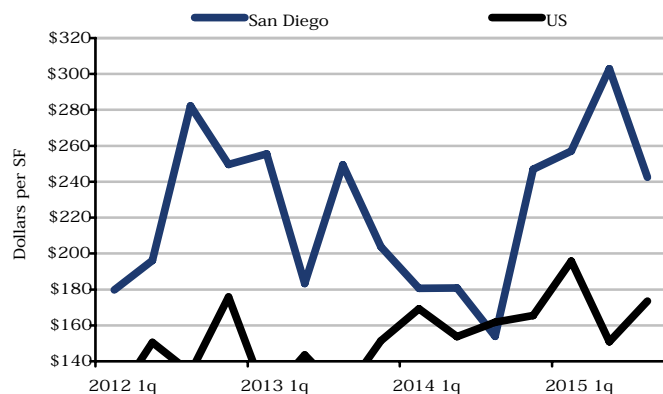
Based on Retail Building Sales From Oct. 2014 - Sept. 2015

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	245	1,513,541	\$459,074,644	\$ 303.31	5.65%
25K-99K SF	19	953,589	\$257,981,000	\$ 270.54	6.89%
100K-249K SF	4	538,414	\$107,750,000	\$ 200.12	6.16%
>250K SF	1	539,960	\$183,250,000	\$ 339.38	-

Source: CoStar COMPS®

U.S. Price/SF Comparison

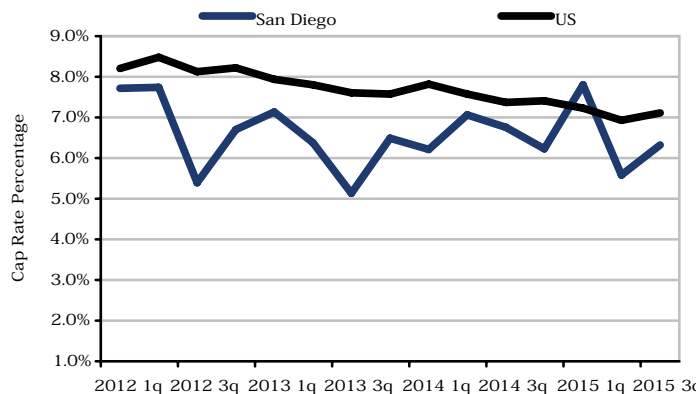
Based on Retail Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

U.S. Cap Rate Comparison

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



Source: CoStar COMPS®

Select Top Sales

Based on Sales from October 2014 Through December 2015

1. Westfield Carlsbad



Carlsbad

Price: **\$170,000,000**
 Price/SF: **\$175.69**
 Cap Rate: **N/A**
 RBA: **967,603**
 Date: **11/11/2015**
 Year Built: **1969**
 Buyer: **Rouse Properties, Inc.**
 Seller: **Westfield Group**

2. Campus Marketplace



San Marcos

Price: **\$56,350,000**
 Price/SF: **\$390.54**
 Cap Rate: **5.5%**
 RBA: **144,286**
 Date: **12/30/2014**
 Year Built: **2000**
 Buyer: **Emerald Interests Corp.**
 Seller: **InvenTrust Properties Corp.**

3. 7833-7851 Girard Ave



La Jolla

Price: **\$26,500,000**
 Price/SF: **\$721.19**
 Cap Rate: **N/A**
 RBA: **36,745**
 Date: **1/15/2015**
 Year Built: **1958**
 Buyer: **Coppel Corporation**
 Seller: **ColRich**

4. Sorrento Court



San Diego

Price: **\$23,100,000**
 Price/SF: **\$412.47**
 Cap Rate: **5.8%**
 RBA: **56,004**
 Date: **8/7/2015**
 Year Built: **1986**
 Buyer: **The Festival Companies**
 Seller: **AVP Advisors LLC**

5. Terra Nova Plaza



Chula Vista

Price: **\$21,900,000**
 Price/SF: **\$227.85**
 Cap Rate: **5.64%**
 RBA: **96,114**
 Date: **10/2/2014**
 Year Built: **1986**
 Buyer: **RREEF Property Trust, Inc.**
 Seller: **R&V Management Corporation**

6. 10541-10549 Scripps Poway Pky



San Diego

Price: **\$20,450,000**
 Price/SF: **\$714.21**
 Cap Rate: **5%**
 RBA: **28,633**
 Date: **8/25/2015**
 Year Built: **2000**
 Buyer: **Bessemer Trust Company, N.A.**
 Seller: **R&V Management Corporation**

7. Paseo Corners - Kmart



Chula Vista

Price: **\$19,250,000**
 Price/SF: **\$154.24**
 Cap Rate: **8.1%**
 RBA: **124,809**
 Date: **9/30/2015**
 Year Built: **1994**
 Buyer: **LBG Real Estate Companies LLC**
 Seller: **Mark C Frost**

8. 1090 3rd Ave



Chula Vista

Price: **\$18,500,000**
 Price/SF: **\$230.54**
 Cap Rate: **8.1%**
 RBA: **80,248**
 Date: **2/2/2015**
 Year Built: **1984**
 Buyer: **Milan Capital Management**
 Seller: **Cardone Investments, Inc.**

9. Pavilion Shopping Center



Vista

Price: **\$18,400,000**
 Price/SF: **\$162.56**
 Cap Rate: **N/A**
 RBA: **113,187**
 Date: **8/14/2015**
 Year Built: **1989**
 Buyer: **Westcore Properties**
 Seller: **Sovereign Capital Management**

San Diego Retail Market

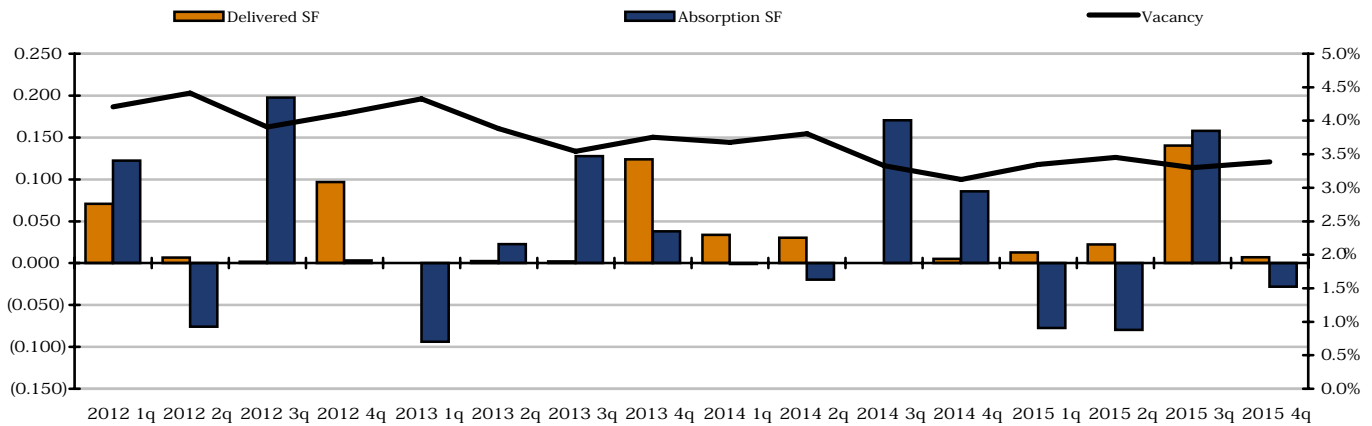


Central San Diego Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

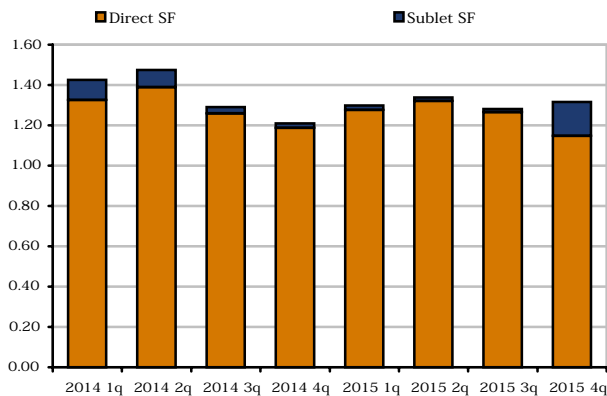
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

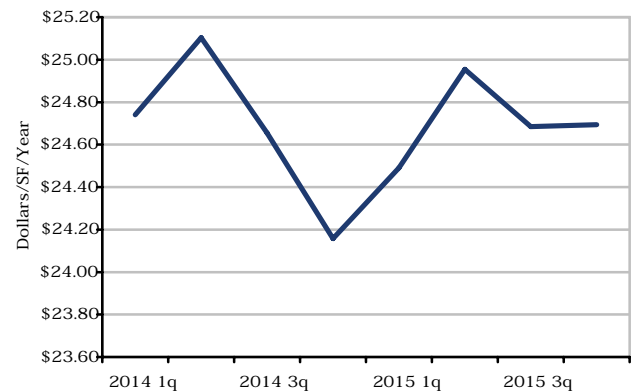
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	
2015 4q	4,502	38,844,765	1,316,060	3.4%	(27,954)	1	7,015	2	10,210	\$24.69
2015 3q	4,501	38,837,750	1,281,091	3.3%	157,803	5	140,311	3	17,225	\$24.68
2015 2q	4,501	38,736,897	1,338,041	3.5%	(79,609)	3	22,290	8	157,536	\$24.95
2015 1q	4,500	38,777,502	1,299,037	3.3%	(77,423)	3	12,878	10	177,516	\$24.49
2014 4q	4,499	38,766,104	1,210,216	3.1%	85,613	1	5,300	9	84,737	\$24.16
2014 3q	4,498	38,760,804	1,290,529	3.3%	170,655	0	0	7	52,968	\$24.66
2014 2q	4,501	38,774,660	1,475,040	3.8%	(19,880)	4	30,312	6	40,568	\$25.10
2014 1q	4,498	38,745,013	1,425,513	3.7%	(1,036)	6	33,611	8	55,580	\$24.74
2013 4q	4,497	38,776,636	1,456,100	3.8%	38,086	2	124,000	12	73,951	\$24.57
2013 3q	4,495	38,652,636	1,370,186	3.5%	127,665	1	2,188	9	168,192	\$24.57
2013 2q	4,496	38,656,499	1,501,714	3.9%	22,670	1	2,455	8	160,615	\$24.68
2013 1q	4,501	38,812,211	1,680,096	4.3%	(93,858)	0	0	3	124,876	\$23.52
2012 4q	4,504	38,819,941	1,593,968	4.1%	3,142	5	96,851	2	117,455	\$22.94
2012 3q	4,502	38,736,090	1,513,259	3.9%	197,526	1	1,500	7	214,306	\$22.54
2012 2q	4,501	38,734,590	1,709,285	4.4%	(75,878)	1	6,500	8	215,806	\$21.96
2012 1q	4,501	38,731,124	1,629,941	4.2%	122,397	2	71,009	7	211,285	\$22.50

Source: CoStar Property®



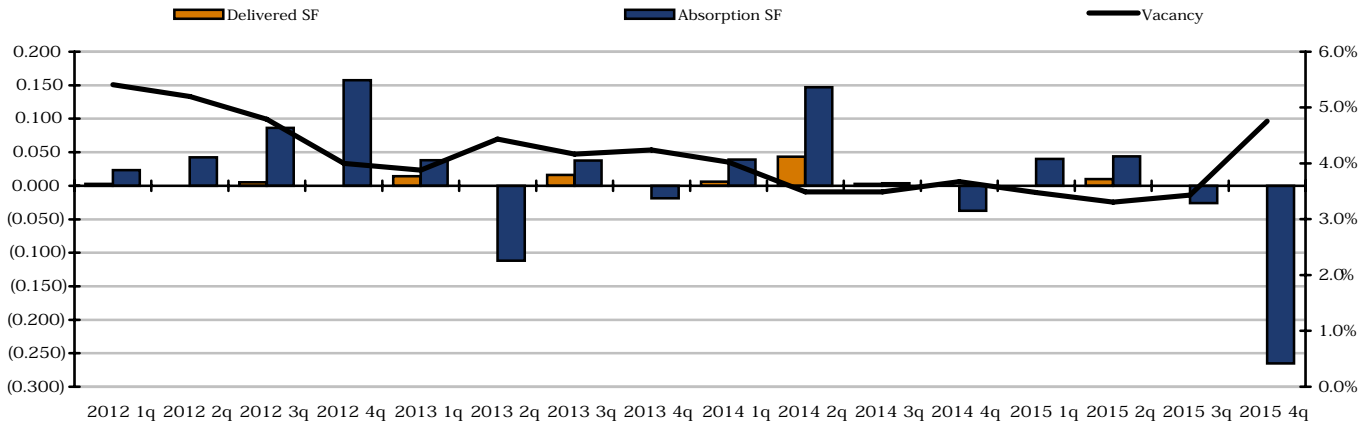
San Diego Retail Market

East County Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

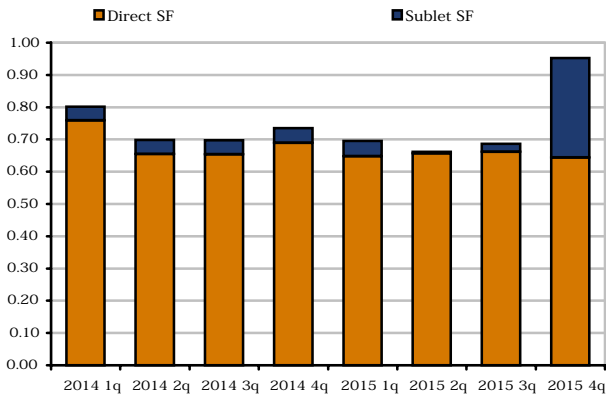
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

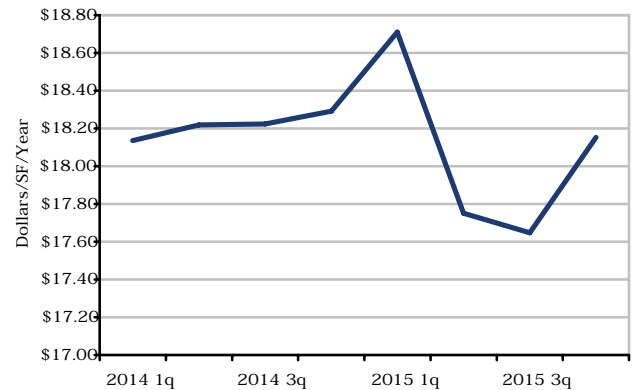
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	
2015 4q	2,059	20,002,066	951,929	4.8%	(265,057)	0	0	0	0	\$18.15
2015 3q	2,059	20,002,066	686,872	3.4%	(25,661)	0	0	0	0	\$17.65
2015 2q	2,059	20,002,066	661,211	3.3%	43,749	1	9,950	0	0	\$17.75
2015 1q	2,058	19,992,116	695,010	3.5%	39,815	0	0	1	9,950	\$18.71
2014 4q	2,058	19,992,116	734,825	3.7%	(37,432)	0	0	1	9,950	\$18.29
2014 3q	2,058	19,992,116	697,393	3.5%	3,579	1	2,940	1	9,950	\$18.22
2014 2q	2,057	19,989,176	698,032	3.5%	147,175	2	43,200	2	12,890	\$18.22
2014 1q	2,055	19,945,976	802,007	4.0%	39,130	2	6,300	3	53,150	\$18.14
2013 4q	2,055	19,951,256	846,417	4.2%	(18,619)	0	0	4	49,500	\$17.95
2013 3q	2,057	19,954,790	831,332	4.2%	37,514	3	16,142	3	47,100	\$17.80
2013 2q	2,057	19,972,378	886,434	4.4%	(111,909)	0	0	4	20,042	\$17.63
2013 1q	2,057	19,972,378	774,525	3.9%	38,084	1	14,408	3	18,400	\$16.76
2012 4q	2,056	19,957,970	798,201	4.0%	157,461	0	0	1	14,408	\$16.74
2012 3q	2,056	19,957,970	955,662	4.8%	86,495	1	5,000	1	14,408	\$16.80
2012 2q	2,055	19,952,970	1,037,157	5.2%	42,584	0	0	2	19,408	\$16.87
2012 1q	2,055	19,952,970	1,079,741	5.4%	23,521	1	2,900	2	19,408	\$16.65

Source: CoStar Property®

San Diego Retail Market

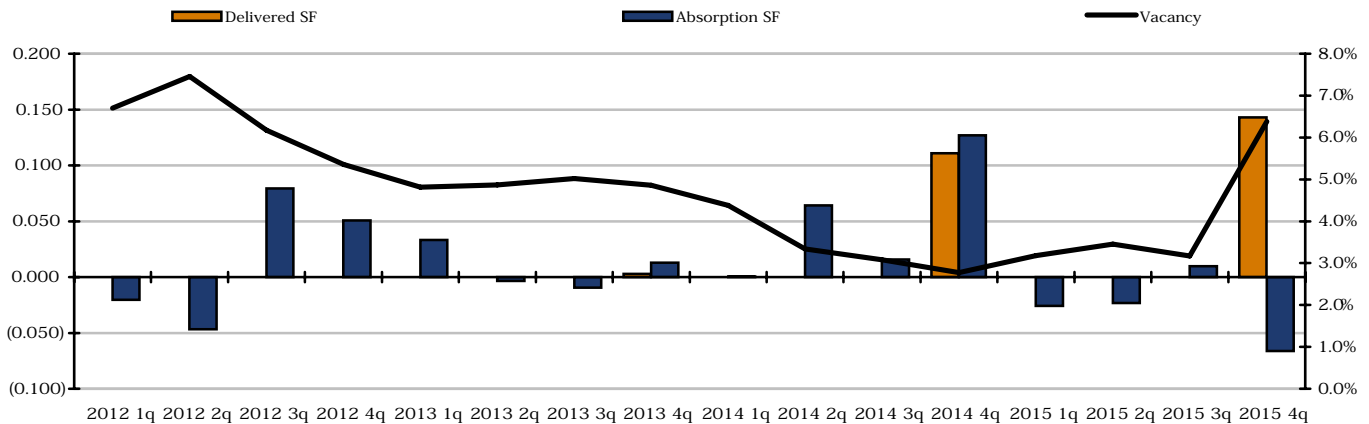


I - 15 Corridor Market

Market Highlights – Class "A, B & C"

Deliveries, Absorption & Vacancy

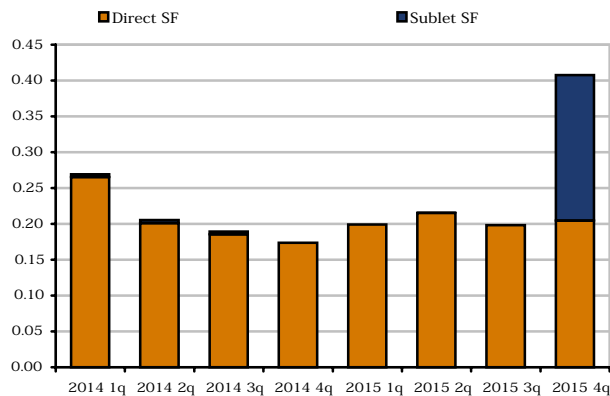
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

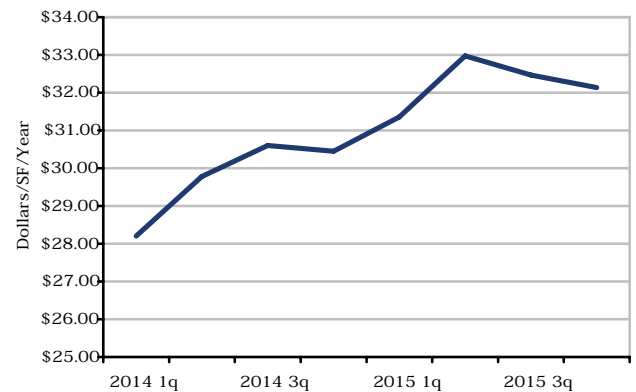
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	
2015 4q	469	6,388,474	407,450	6.4%	(66,222)	1	142,987	7	37,504	\$32.14
2015 3q	468	6,245,487	198,241	3.2%	9,843	0	0	5	170,491	\$32.46
2015 2q	469	6,253,207	215,804	3.5%	(23,289)	0	0	4	162,771	\$32.97
2015 1q	470	6,259,797	199,105	3.2%	(25,656)	0	0	4	162,771	\$31.36
2014 4q	470	6,259,797	173,449	2.8%	126,877	1	111,000	0	0	\$30.45
2014 3q	469	6,148,797	189,326	3.1%	15,850	0	0	1	111,000	\$30.60
2014 2q	469	6,148,797	205,176	3.3%	64,198	0	0	1	111,000	\$29.78
2014 1q	469	6,148,797	269,374	4.4%	628	0	0	1	111,000	\$28.20
2013 4q	470	6,179,061	300,266	4.9%	12,907	1	2,945	0	0	\$28.03
2013 3q	469	6,176,116	310,228	5.0%	(9,521)	0	0	1	2,945	\$26.02
2013 2q	469	6,176,116	300,707	4.9%	(3,322)	0	0	1	2,945	\$25.57
2013 1q	469	6,176,116	297,385	4.8%	33,254	0	0	0	0	\$25.32
2012 4q	469	6,176,116	330,639	5.4%	50,723	0	0	0	0	\$25.31
2012 3q	469	6,176,116	381,362	6.2%	79,249	0	0	0	0	\$25.55
2012 2q	469	6,176,116	460,611	7.5%	(46,676)	0	0	0	0	\$25.90
2012 1q	469	6,176,116	413,935	6.7%	(20,433)	0	0	0	0	\$24.35

Source: CoStar Property®



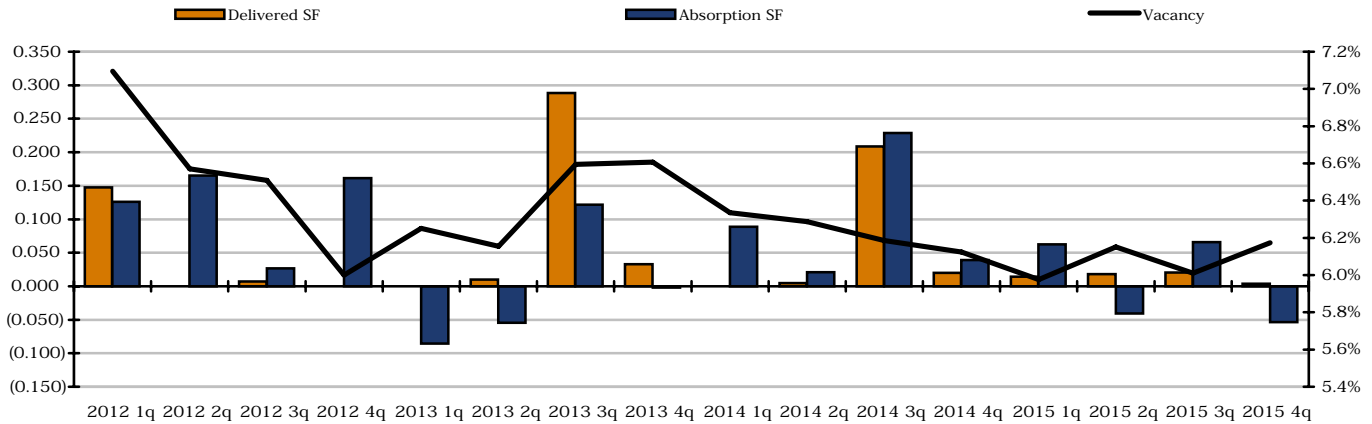
San Diego Retail Market

North County Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

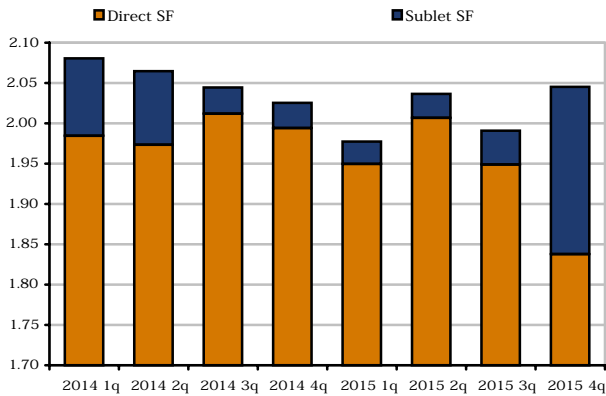
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

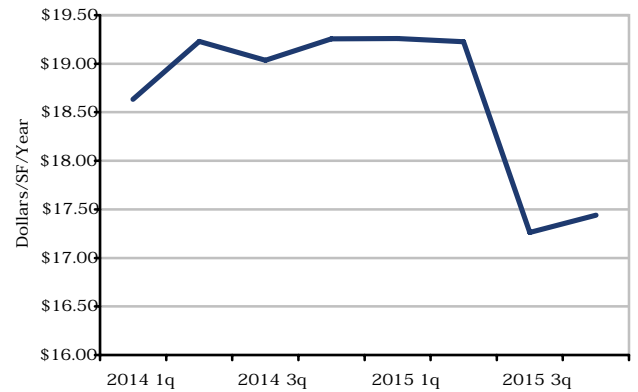
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	
2015 4q	2,756	33,126,155	2,045,360	6.2%	(53,594)	1	3,600	6	31,460	\$17.44
2015 3q	2,756	33,125,128	1,990,739	6.0%	66,072	2	20,480	6	34,210	\$17.26
2015 2q	2,754	33,104,648	2,036,331	6.2%	(40,620)	3	18,262	6	48,662	\$19.23
2015 1q	2,751	33,086,386	1,977,449	6.0%	62,415	2	14,500	8	63,324	\$19.26
2014 4q	2,749	33,071,886	2,025,364	6.1%	39,107	2	20,000	8	57,344	\$19.26
2014 3q	2,747	33,051,886	2,044,471	6.2%	228,857	12	208,715	4	34,500	\$19.03
2014 2q	2,735	32,843,171	2,064,613	6.3%	20,911	1	4,915	16	243,215	\$19.23
2014 1q	2,734	32,838,256	2,080,609	6.3%	88,880	0	0	15	228,130	\$18.63
2013 4q	2,734	32,838,256	2,169,489	6.6%	(2,185)	3	32,817	4	157,622	\$17.94
2013 3q	2,732	32,836,316	2,165,364	6.6%	121,946	9	288,263	5	124,312	\$18.00
2013 2q	2,724	32,552,668	2,003,662	6.2%	(54,548)	1	9,777	13	407,660	\$18.06
2013 1q	2,725	32,644,390	2,040,836	6.3%	(85,316)	0	0	9	289,720	\$18.51
2012 4q	2,726	32,647,665	1,958,795	6.0%	161,295	0	0	8	203,140	\$18.44
2012 3q	2,727	32,652,665	2,125,090	6.5%	26,886	1	6,975	2	17,822	\$18.74
2012 2q	2,726	32,645,690	2,145,001	6.6%	164,949	0	0	2	15,020	\$18.90
2012 1q	2,727	32,652,740	2,317,000	7.1%	126,231	2	147,336	0	0	\$19.50

Source: CoStar Property®

San Diego Retail Market

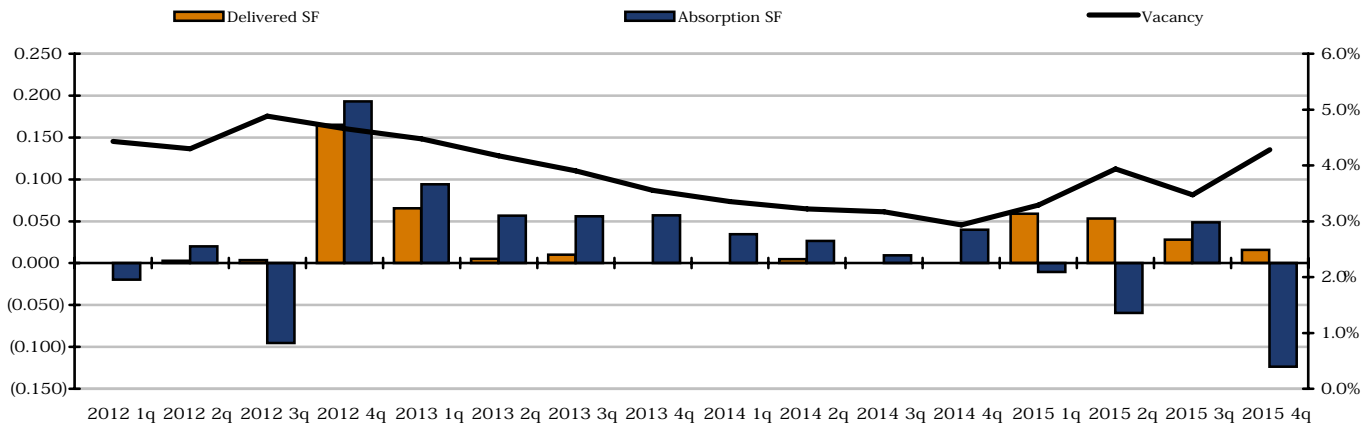


North San Diego Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

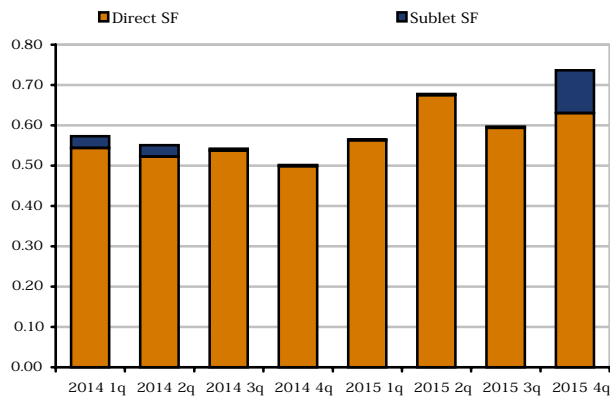
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

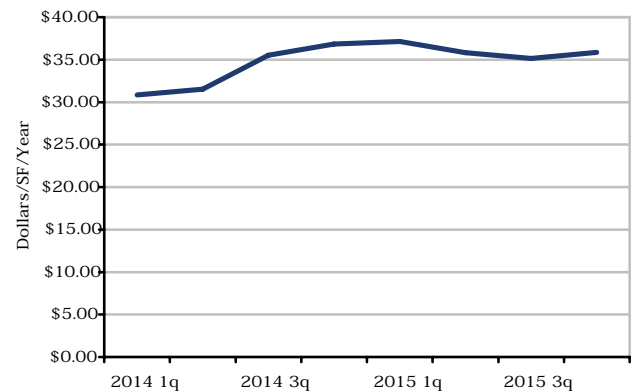
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	
2015 4q	1,369	17,194,190	736,131	4.3%	(123,526)	1	15,625	5	197,839	\$35.87
2015 3q	1,368	17,178,565	596,980	3.5%	48,676	2	28,220	5	68,464	\$35.15
2015 2q	1,371	17,210,345	677,436	3.9%	(59,276)	3	53,430	6	62,444	\$35.81
2015 1q	1,368	17,156,915	564,730	3.3%	(10,551)	3	58,848	6	97,275	\$37.15
2014 4q	1,366	17,104,549	501,813	2.9%	39,942	0	0	8	140,498	\$36.85
2014 3q	1,366	17,104,549	541,755	3.2%	9,364	0	0	8	140,498	\$35.52
2014 2q	1,366	17,104,549	551,119	3.2%	26,363	1	4,704	7	136,023	\$31.53
2014 1q	1,365	17,099,845	572,778	3.3%	34,439	0	0	7	117,007	\$30.86
2013 4q	1,365	17,099,845	607,217	3.6%	57,185	0	0	0	0	\$29.71
2013 3q	1,366	17,102,624	667,181	3.9%	55,825	1	10,066	0	0	\$30.70
2013 2q	1,365	17,092,558	712,940	4.2%	56,632	1	5,000	1	10,066	\$28.34
2013 1q	1,364	17,087,558	764,572	4.5%	94,142	3	65,509	2	15,066	\$27.81
2012 4q	1,361	17,022,049	793,205	4.7%	192,890	2	165,200	4	70,509	\$26.90
2012 3q	1,360	16,859,349	823,395	4.9%	(95,417)	1	3,610	5	230,709	\$26.96
2012 2q	1,359	16,855,739	724,368	4.3%	19,890	1	2,886	6	234,319	\$28.19
2012 1q	1,360	16,858,753	747,272	4.4%	(19,569)	0	0	4	230,437	\$27.66

Source: CoStar Property®



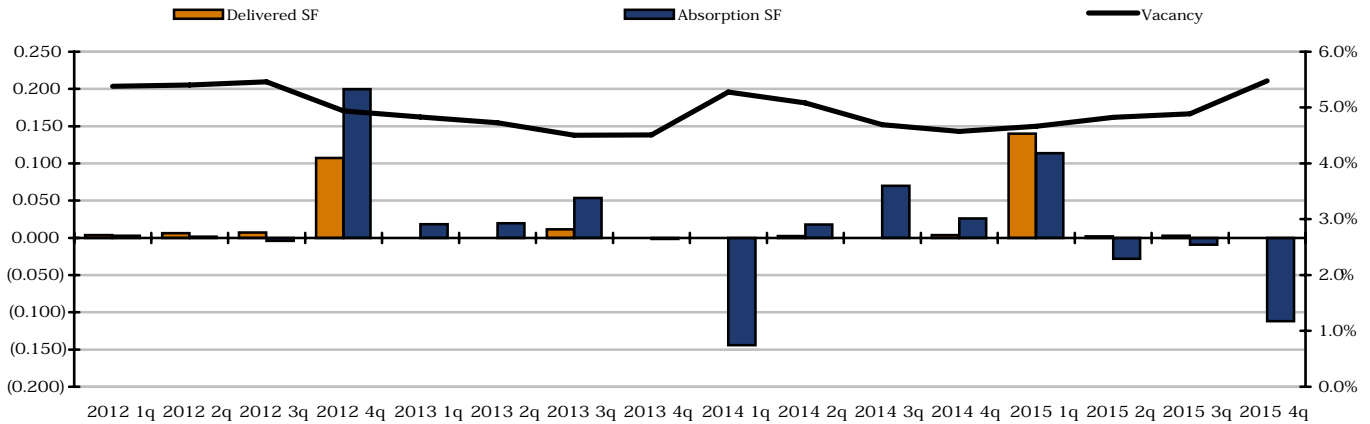
San Diego Retail Market

South Bay Market

Market Highlights – Class “A, B & C”

Deliveries, Absorption & Vacancy

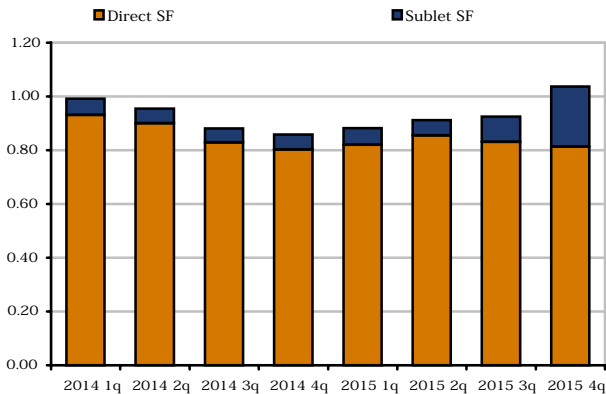
Historical Analysis, All Classes



Source: CoStar Property®

Vacant Space

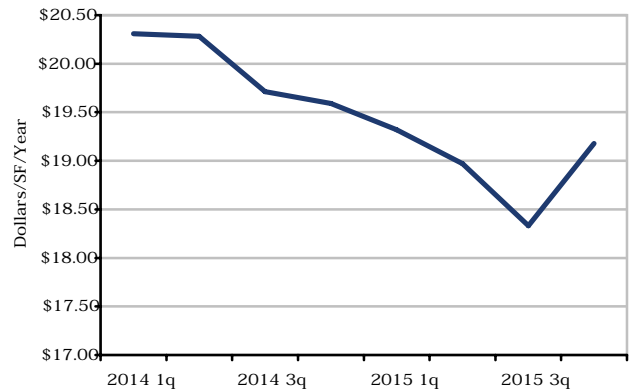
Historical Analysis, All Classes



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, All Classes



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	
2015 4q	1,723	18,915,604	1,036,438	5.5%	(111,895)	0	0	1	118,000	\$19.18
2015 3q	1,723	18,915,604	924,543	4.9%	(9,198)	1	2,940	0	0	\$18.33
2015 2q	1,722	18,912,664	912,405	4.8%	(28,032)	1	2,150	1	2,940	\$18.97
2015 1q	1,721	18,910,514	882,223	4.7%	113,752	1	140,000	2	5,090	\$19.32
2014 4q	1,721	18,773,234	858,695	4.6%	25,906	1	3,840	3	145,090	\$19.59
2014 3q	1,720	18,769,394	880,761	4.7%	69,744	0	0	2	143,840	\$19.71
2014 2q	1,721	18,773,194	954,305	5.1%	17,764	1	2,450	2	143,840	\$20.28
2014 1q	1,721	18,792,744	991,619	5.3%	(144,109)	0	0	2	142,450	\$20.31
2013 4q	1,721	18,792,744	847,510	4.5%	(1,363)	0	0	1	140,000	\$19.99
2013 3q	1,721	18,792,744	846,147	4.5%	53,753	2	11,622	0	0	\$19.70
2013 2q	1,719	18,781,122	888,278	4.7%	19,535	0	0	2	11,622	\$19.65
2013 1q	1,719	18,781,122	907,813	4.8%	18,311	0	0	2	11,622	\$19.84
2012 4q	1,720	18,782,298	927,300	4.9%	199,601	4	107,329	2	11,622	\$20.26
2012 3q	1,716	18,674,969	1,019,572	5.5%	(4,043)	1	7,071	4	107,329	\$20.47
2012 2q	1,715	18,667,898	1,008,458	5.4%	1,739	2	6,356	3	105,190	\$20.64
2012 1q	1,713	18,661,542	1,003,841	5.4%	2,823	1	3,751	5	111,546	\$20.55

Source: CoStar Property®