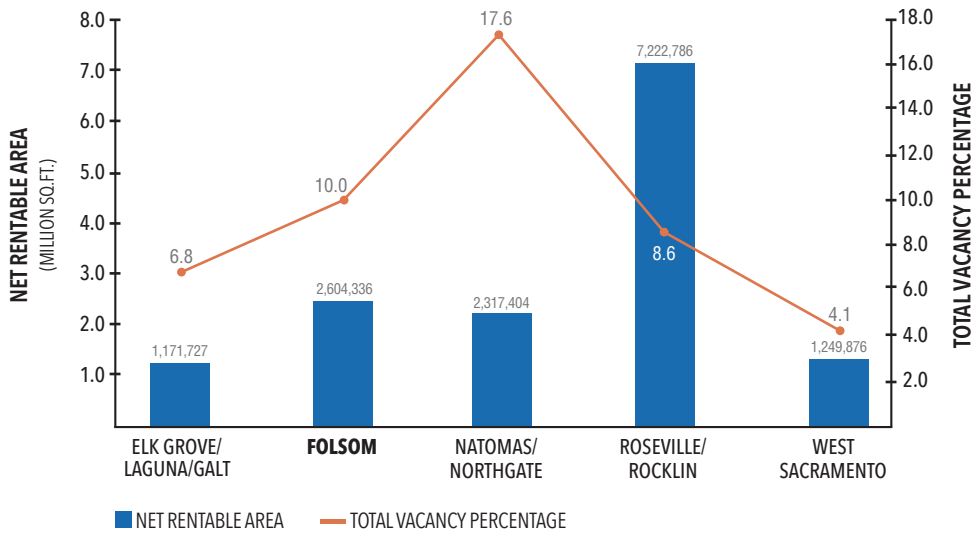


NET RENTABLE AREA + TOTAL VACANCY PERCENTAGE



Source: CBRE

OFFICE

Fourth Quarter Highlights

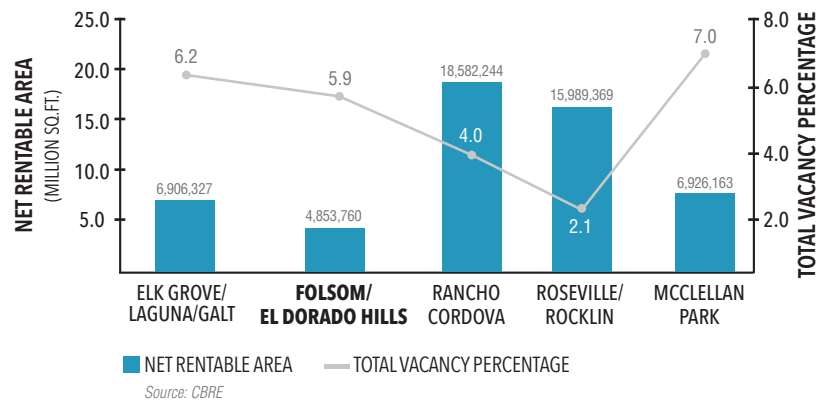
- The Sacramento Region Office Market closed 2018 with the largest year-over-year occupancy gains since 2005
- Across the region, government, business services and healthcare industries are leading the way in new office leases
- Companies in the market are looking for more flexible and creative workplaces
- Despite strong absorption numbers, rent growth and decreasing vacancy, there is minimal speculative construction underway or planned across the region

INDUSTRIAL

Fourth Quarter Highlights

- There was a 24% increase in year-over-year lease rates in the Sacramento Region Industrial Market
- The Sacramento Region has been deemed one of the top global industrial markets for forecasted rent growth due to strong demand, according to CBRE
- Brokers report that most active requirements are companies relocating or expanding from the San Francisco Bay Area
- The region has experienced twenty-one consecutive quarters of occupancy gains

NET RENTABLE AREA + TOTAL VACANCY PERCENTAGE



Source: CBRE