Consistent asking lease rates and availability signal continued stability in the market

▶ 6.9%	▼ 1K	▼ 27K	▼ $1.69
Availability Rate	SF Net Absorption (000s)	SF Completed (000s)	Avg. Asking Rent (NNN)

Note: Arrows indicate change from previous quarter.
Source: CBRE Econometric Advisors, Q2 2026.

MARKET HIGHLIGHTS

–Availability held steady at 6.9% in Q2 2026 for the second consecutive quarter, as leasing activity kept pace with new supply, reflecting balanced market conditions.

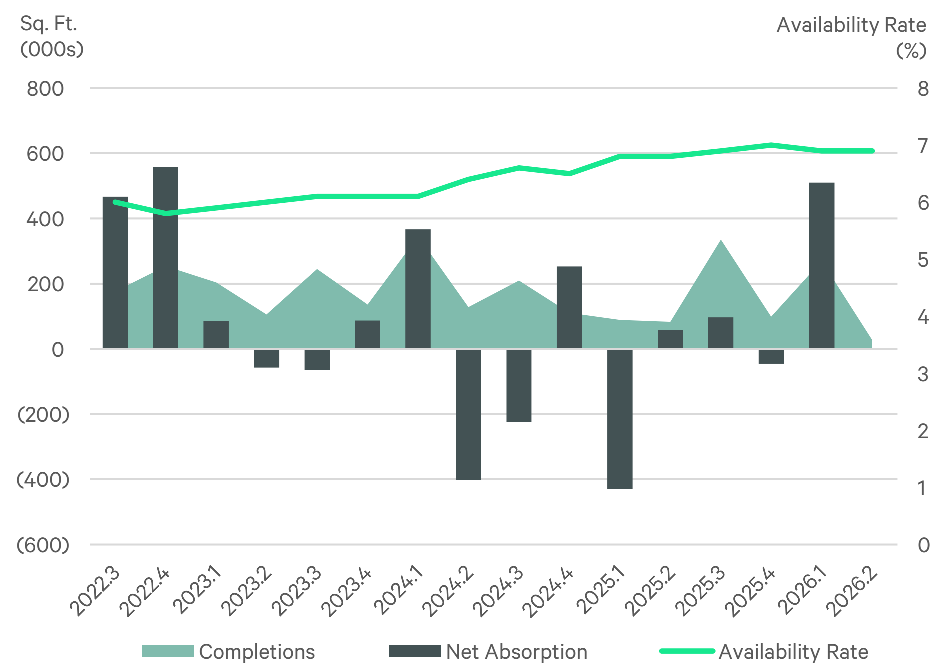
–Net absorption totaled 1,000 sq. ft. in Q2 2026, down from 510,000 sq. ft. in Q1 2026, as gains in neighborhood, community, and strip centers were largely offset by move-outs in lifestyle and mall properties following an outsized first quarter.

–Construction deliveries totaled 27,000 sq. ft. in Q2 2026, down from 269,000 sq. ft. in Q1 2026, as new projects continued to break ground to support sustained population growth.

–The average net asking rent held flat at $1.69 NNN per sq. ft. per month in Q2 2026 for the second consecutive quarter, as steady leasing activity and a growing inventory base kept market conditions balanced, limiting rent growth.

–Total retail investment sales reached $267.4 million in Q2 2026, down from $729.5 million in Q1 2026, as transaction volume normalized following the $530.9 million sale of Victoria Gardens, which significantly boosted investment activity in the prior quarter.

FIGURE 1: Completions, Net Absorption, and Availability Rate



Source: CBRE Econometric Advisors, Q2 2026.

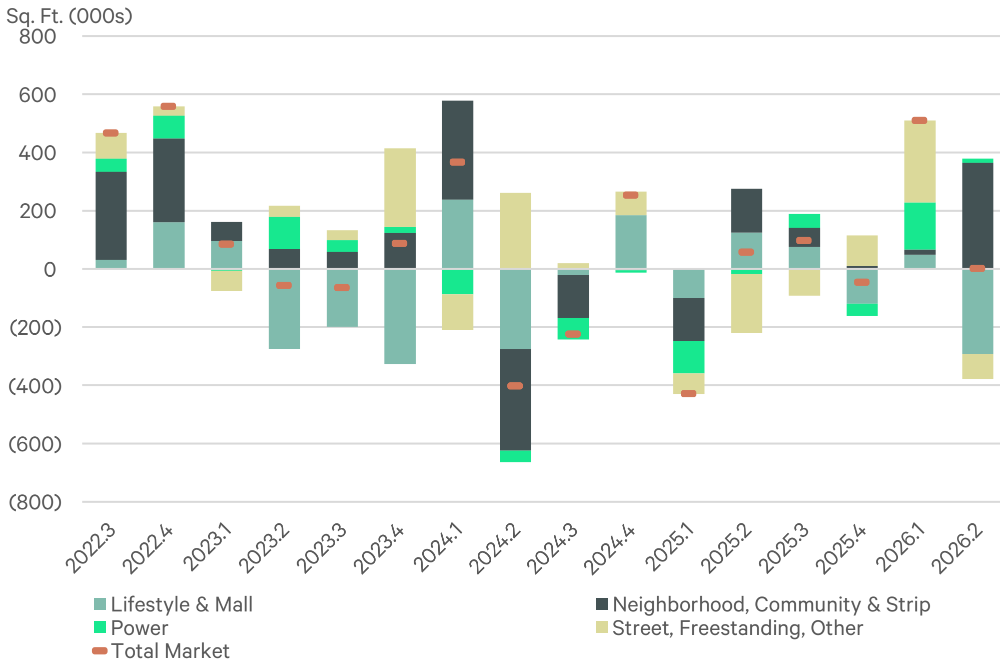
Market Overview

FIGURE 2: Market Statistics by Product Type

Market	Inventory (SF, 000s)	Availability Rate (%)	Net Absorption (SF 000s)	Completions (SF 000s)	Net Rent
Lifestyle & Mall	10,161	13.0	(292)	-	$1.82
Neighborhood, Community & Strip	87,280	8.6	365	7	$1.64
Power	18,158	5.2	14	-	$2.14
Street, Freestanding, Other	63,703	4.1	(86)	20	-
Total Market	179,302	6.9	1	27	$1.69

Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 3: Net Absorption by Center Type



Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 4: Market Statistics by Submarket

Market	Inventory (SF 000s)	Availability Rate (%)	Net Absorption (SF 000s)	Completions (SF 000s)	Net Rent
Total Market	179,302	6.9	1	27	$1.69
East End	72,217	6.2	376	5	$1.69
High Desert	17,259	5.9	124	6	$1.42
Low Desert	27,873	9.0	(169)	-	$1.65
Riverside Outlying	931	6.2	2	-	$1.14
San Bernardino Out	1,138	9.9	1	-	$1.38
South Riverside Co	17,453	6.6	20	13	$1.59
West End	42,431	7.1	(353)	3	$2.15

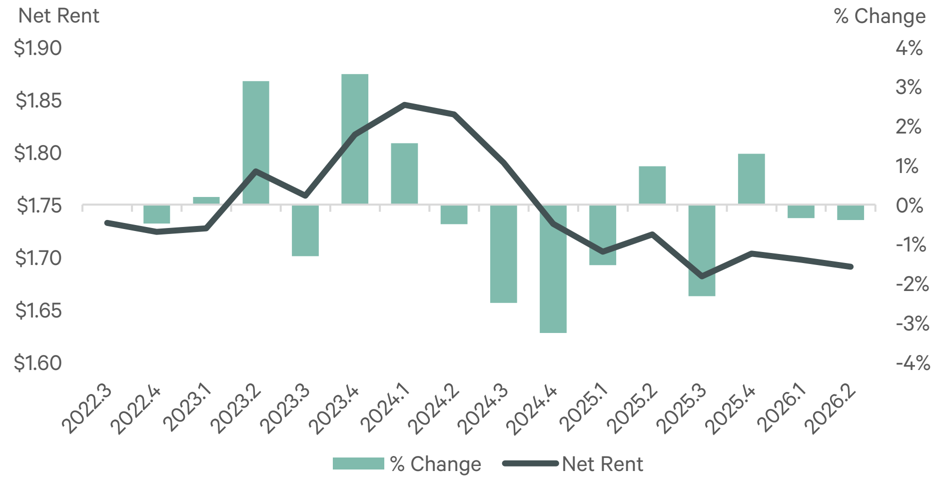
Source: CBRE Econometric Advisors, Q2 2026.

Asking Rents & Availability

FIGURE 5: Net Asking Rent and Availability Rate

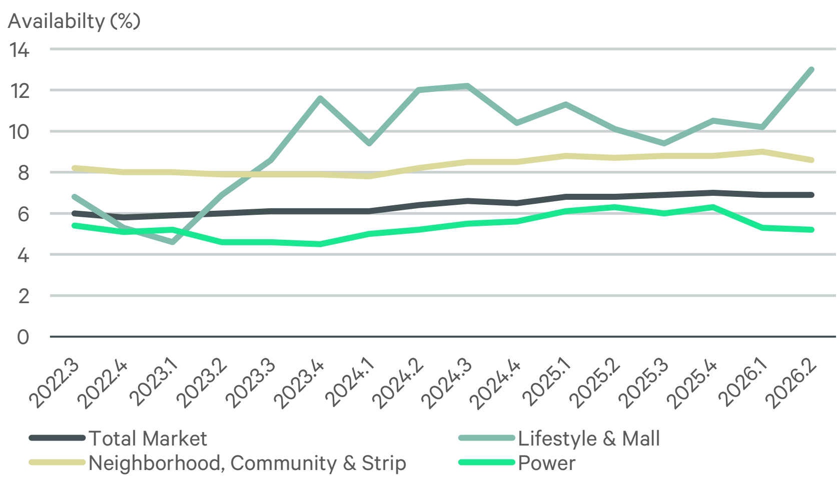
Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 6: Net Rent and % Change



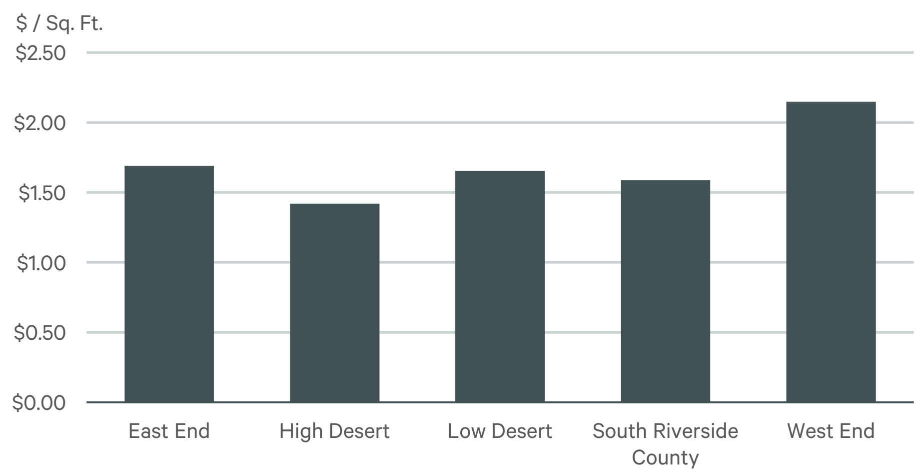
Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 7: Availability by Center Type



Source: CBRE Econometric Advisors, Q2 2026.

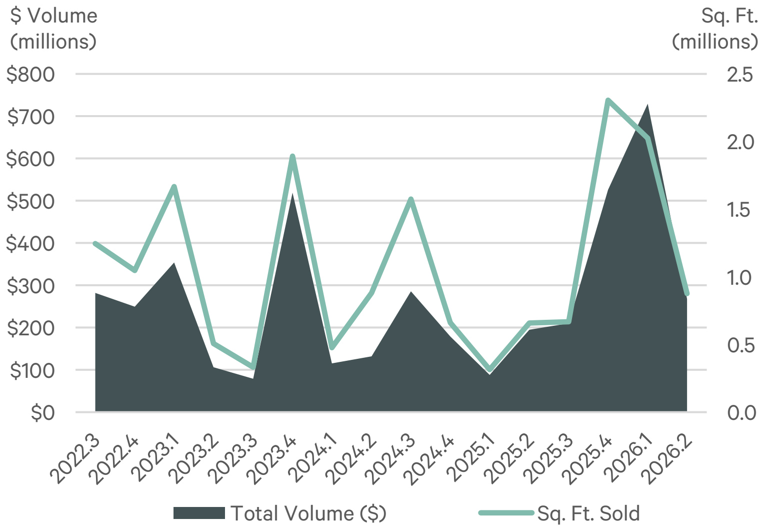
FIGURE 8: Top 5 Submarket by Net Rent



Source: CBRE Econometric Advisors, Q2 2026.

Investment Sales

FIGURE 9: Retail Investment Sale Volume



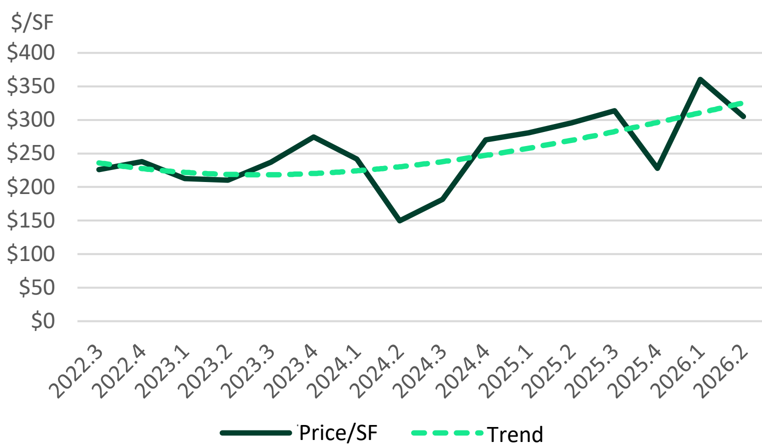
Source: MSCI Real Capital Analytics, Q2 2026.

FIGURE 11: Q2 2026 Sale Transactions

Buyer	Property Name	City	Building SF	Sale Price	Price / SF
DRA Advisors	Commons at Temecula	Temecula	292,661	$77,000,000	$263
Zags 26 LLC	14601 Valley Center Dr	Victorville	74,347	$14,099,500	$190
ABI Properties	Cardenas Market	Fontana	72,841	$33,250,000	$456
Five Rivers Capital (CA)	LA Fitness	Riverside	49,661	$16,550,000	$333
Jon T Mcgovern	Stagecoach Plaza	Banning	40,800	$13,202,880	$324
Fabio Conti	Canyon Plaza East	Cathedral City	35,865	$8,825,000	$246
Realty Income Corp	424 West Orange	San Bernardinc	35,167	$18,950,000	$539
Dayco Funding Corp	19 E Citrus Ave	Redlands	30,800	$4,100,000	$133
Charles S Lee	5454 Moreno Street	Montclair	27,600	$5,600,000	$203
Shu C Chan	5461 Holt Boulevard	Montclair	21,573	$4,600,000	$213
Agree Stores LLC	13720 Bear Valley Road	Victorville	19,300	$4,600,000	$238
Chartwell Properties	73151 El Paseo	Palm Desert	19,300	$6,383,000	$331

Source: MSCI Real Capital Analytics, Q2 2026.

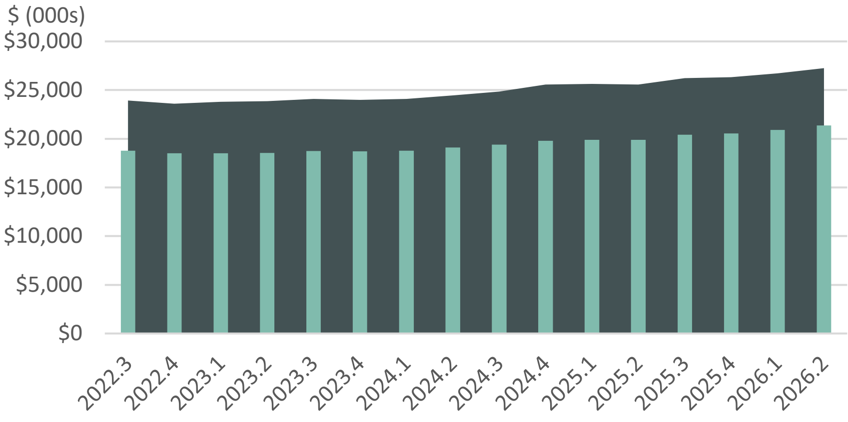
FIGURE 10: Retail Investment Sale Price Per Sq. Ft.



Source: MSCI Real Capital Analytics, Q2 2026.

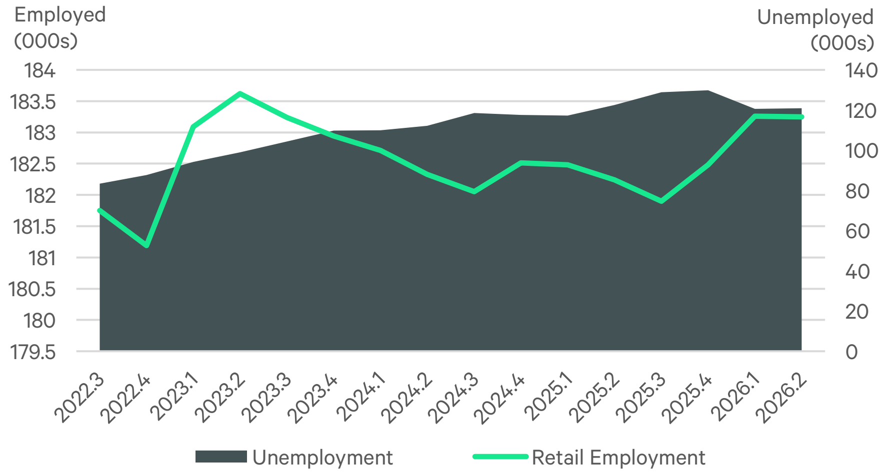
Economic Overview

FIGURE 12: Total Retail Sales



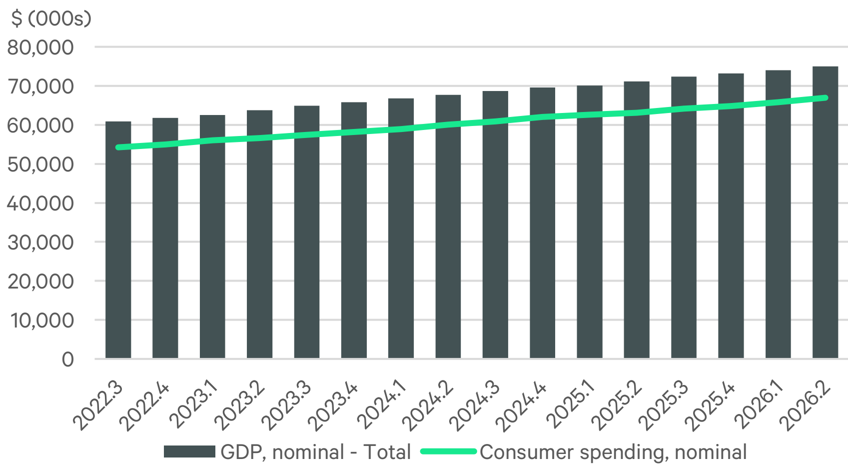
Source: Oxford Economics, Q2 2026.

FIGURE 13: Retail Employment vs. Unemployment



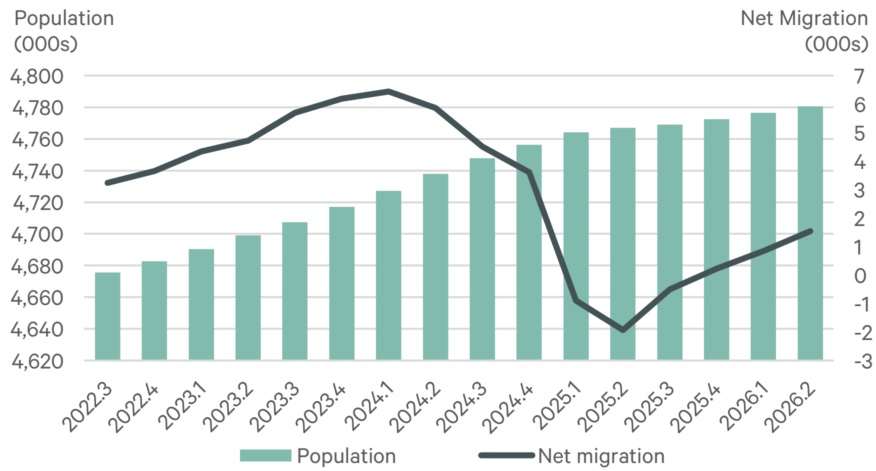
Source: Oxford Economics, Q2 2026.

FIGURE 14: GDP & Consumer Spending



Source: Oxford Economics, Q2 2026.

FIGURE 15: Total Population & Net Migration



Source: Oxford Economics, Q2 2026.

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Retail Definitions

Neighborhood, community and strip centers are groupings of buildings where there is most often an anchor property (except strip). Neighborhood properties are the largest ranging from 125,000 to 400,000 sq. ft., followed by community at 30,000 to 125,000 sq. ft., and strip with 30,000 or less sq. ft.

Lifestyle are upscale national-chain specialty stores with dining and entertainment in an outdoor setting. Lifestyle centers range from 150,000 to 500,000 sq. ft. Malls, including both regional and super regional malls, can provide a wide range of goods and services. Regional malls are built around full-line department stores and usually range over 300,000 sq. ft. Super regional malls are usually over 750,000 sq. ft. with more department stores.

Power Centers are category-dominant anchors, including discount department stores, off-price stores, and wholesale clubs, with only a few small tenants. They range from 250,000 to 600,000 sq. ft. and have multiple anchors.

Freestanding Retail are single-tenant occupied retail buildings. All other variables may vary.

Market Definition

The Inland Empire market consists of the submarket of Airport Area, Beaumont, Hemet, Chino, Chino Hills, Coachella Valley, Corona, Eastvale, Mojave River Valley, Moreno Valley, Perris, Redlands, Loma Linda, Riverside, San Bernardino, Twentynine, Palms, Upland, Montclair.