Q4 OFFICE

market report

2024 | GALLELLI REAL ESTATE

Gallelli Real Estate
3005 Douglas Blvd #200
Roseville, CA 95661
P 916 784 2700
GallelliRE.com

market overview

Market Report produced in collaboration with The Osborne Group | OSBORNE GROUP

Q4 24

16.8%	Direct Vacancy Rate
(±235,000) SF	Quarterly Net Absorption
(±893,000) SF	Annual Net Absorption
$2.08 PSF	Average Asking Rate (FSG)
±819,000 SF	Under Construction
4.4%	Sacramento Unemployment *(November 2024)*
4.1%	United States Unemployment *(December 2024)*

**To provide the most accurate snapshot of market conditions, we revise our historical data in cases where new information is uncovered after the fact.*

As of the close of Q4 2024, Sacramento's office vacancy stood at 16.8%, up from Q3's reading of 16.4% and the 15.5% mark recorded one year ago. Since Q1 2020, when the Covid-19 pandemic first hit, vacancy has climbed in 16 of 20 quarters and posted modest declines only twice (it remained flat in two other quarters). During that time, office occupancy in the region has fallen by more than 3.0 million square feet (MSF), with net absorption trends mirroring those of rising vacancy: absorption of office space has been in negative territory in 16 of the past 20 quarters. In Q4 2024, the market recorded -235,000 square feet (SF) of negative net absorption, closing out a year that saw a total of 893,000 SF of space returned to market (there were no deliveries of new space to market during this time) and four consecutive quarters of rising vacancy.

But while the space givebacks of 2020 through 2023 were almost exclusively the result of space users downsizing in the wake of hybrid and remote work trends, those the Sacramento market experienced in 2024 were markedly different. Though we continue to see some private sector users downsizing, that trend is largely behind us.

Most of 2024's negative net absorption has come because of long-planned moves from the region's largest single office user, the State of California. In 2019, the California Department of General Services launched a plan to relocate much of their local leased real estate into state-owned new construction.

The first project, delivered in 2021, was an 838,000 SF office tower at 715 P Street that now houses multiple state agencies including the California Natural Resources Agency, the California Energy Commission, the Departments of Fish & Wildlife, Conservation, Parks & Recreation and more.

GALLELLI REAL ESTATE

Sacramento Office Market
All Classes of Product
Q4 2024

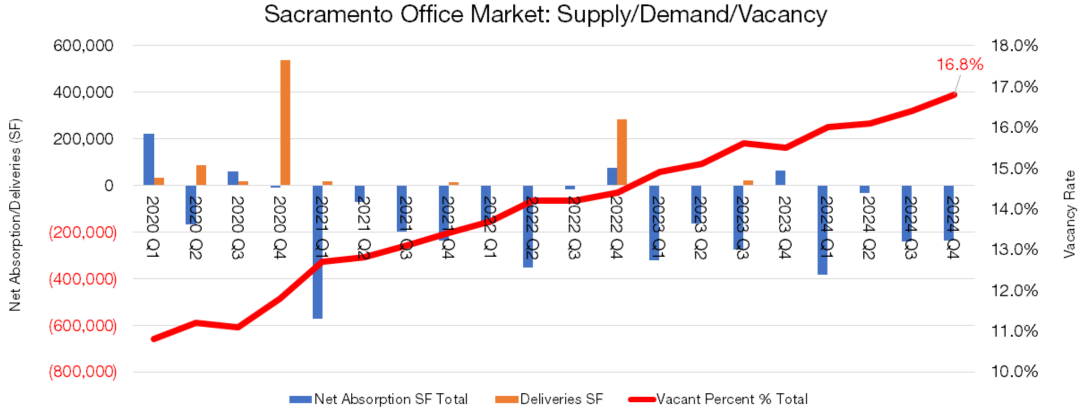
Source: Galleli Real Estate; Costar Group

The delivery of the 1.25 MSF May S. Lee Office Complex at 651 Bannon Street in Q2 2024 was the second phase of that plan. Multiple departments including the Department of Tax and Fee Administration, the Department of Health Care Access and Information, the Department of Housing and Community Development, the state's Civil Rights Department, the Department of Real Estate and others relocated out of leased space elsewhere. The moves were part of California's Department of General Services' plan to consolidate space across 40 departments and 132 leases to cut 1.16 MSF of leased space from budgets in 2024. Most of that was realized in 2024, but the State's moves are not over.

Work continues at the historic State Resources Building at 1416 9th Street in Downtown Sacramento. The 657,000 SF 17-story building (once the tallest in Sacramento) has been undergoing extensive renovations since 2022. That project is expected to be completed in Q4 2025, at which point there will be an additional wave of governmental relocations.

But the news is not all challenging for local landlords. Take moves by the State of California out of the equation and 2024 would have been a year of flat to extremely modest occupancy growth driven by the private sector—something we have not seen since 2019. That said, small leases still dominate the landscape—with deals under 5,000 SF accounting for roughly half of all the deals transacted in the past year. Larger leases have been few and far between and dominated by healthcare users. Medical and small professional office users continue to drive local leasing activity.

Sacramento Office Market
All Classes of Product
Q4 2024



Source: Gallelli Real Estate; Costar Group

If there is a bright spot for the local office market it is medical office. Two of the region's largest medical providers alone, Sutter Health and the University of California, Davis Healthcare System, accounted for nearly 500,000 SF of leasing activity in 2024. The largest new deal was Sutter's 59,000 SF deal at 2801 K Street in Q2 2024, though the healthcare giant's 141,000 SF renewal at 1625 Stockton Boulevard in Q4 ranks as the year's largest lease.

SUBMARKET REVIEW

Not every local submarket recorded negative net absorption in 2024. Four of the Sacramento region's 12 distinct submarkets posted positive net absorption growth over the past year, but that growth was modest at best. All but one of the markets that posted occupancy growth share one common factor; they have a strong presence of medical and smaller, professional user tenants.

The Arden/Howe/Watt trade area is home to 7.8 MSF of office product and closed the year with overall vacancy 16.1% and roughly 9,000 SF in occupancy gains—mostly from a mix of smaller professional office deals inked in the Campus Commons neighborhood of this submarket. Gains were largely limited to Class B projects which recorded 52,000 SF of occupancy growth compared to flat activity from this submarket's small Class A contingent and -44,000 SF of negative net absorption from Class C projects.

With 3.7 MSF of inventory, Folsom is the largest of the region's trade areas to boast vacancy in the 10.0% range. Vacancy here fell from 10.7% to 10.1% over the course of the year, with the market closing 2024 with total positive net absorption of 20,000 SF. Again, Class B projects drove growth, accounting for over 25,000 SF of overall totals while Class C inventory was flat, and Class A projects were in modestly negative territory.

The Northeast submarket also posted gains. This trade area, which largely consists of Class B and C product along the I-80 corridor and includes the communities of Citrus Heights, Fair Oaks and Orangevale, posted total occupancy growth of 38,000 SF as its vacancy rate fell from 13.2% to 11.9%. Medical and dental leases accounted for virtually all this total.

The one exception of the group is the Highway 50 Corridor, the region's largest in terms of total inventory. Highway 50 is home to 12.6 MSF of office product and has traditionally been the go-to market for corporate users seeking large floorplates. In recent years it has been home to a mix of space users ranging from governmental departments to insurance companies and back-office operations for a mix of industries from food production to healthcare. This trade area has been particularly hard hit by the rise of remote and hybrid work with major local space users like Vision Services Plan having significantly reduced their office footprints in recent years.

Highway 50 was already dealing with the region's highest vacancy rate of 15.5% as of Q1 2020 when the pandemic hit, and overall Sacramento region office vacancy stood at 13.1%. That number has since climbed to 24.7% (surpassing the post-GFC peak of 23.4% reached in Q2 2012). However, that number has stayed in place over the past year, with the submarket recording modest occupancy growth on the year of roughly 5,000 SF. It is too soon to state that the vacancy levels in this challenged trade area have fully peaked, though we believe it most likely has.

While the current overall asking lease rate for office space in the Sacramento region now stands at per square foot and has held steady in most submarkets until recently, that metric stands at just $1.71 PSF in the Highway 50 submarket, or roughly 20% below the market average. More than any other local trade area, asking rents in the Highway 50 Corridor have moved backwards—they had peaked at $1.80 PSF as of the end of 2020. This has been a major factor in spurring deal activity in 2024, an otherwise soft year for leasing in the region.

Highway 50 was home to some of the larger leases of 2024, including Gainwell Technologies' lease of 55,000 SF at 11971 Foundation Place, California Northstate University's (CNU) lease of 45,000 SF for the CNU Community Counseling and Psychiatry training clinic at 2920 Prospect Park Drive, Prime Therapeutics deal for 28,000 SF at 11090 White Rock Road and GEI Consultant's backfilling of 22,000 SF at 11010 White Rock Road.

All other Sacramento region trade areas posted negative net absorption over the course of 2024. Modest declines were reported in the Auburn/Lincoln (-24,000 SF), Elk Grove/South Sacramento (-40,000 SF), and Midtown/East Sacramento submarkets (-87,000 SF). The El Dorado Hills trade area recorded (-79,000 SF) of negative net absorption, an amount that is considerable given that this is one of the region's smaller submarkets with just 1.4 MSF of total inventory.

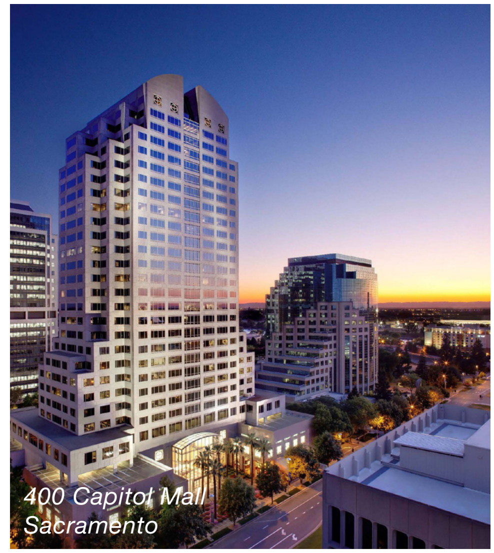
Office Condos for Sale
2260 Douglas Blvd.
Roseville, CA

The Natomas (-186,000 SF), Roseville/Rocklin (-178,000 SF) and Yolo County submarkets (-132,000 SF) all recorded negative net absorption for the year, though most of this took place earlier in 2024. Roseville/Rocklin led all local submarkets in terms of Q4 occupancy growth with 88,000 SF of positive net absorption over the final three months of the year. Arden/Howe Watt followed with 48,000 SF of gains while the Northeast (+1,000 SF) and Yolo County (+3,000 SF) trade areas posted negligible occupancy growth.

Perhaps not surprisingly, the submarket that recorded the greatest occupancy decline over the past year has been Sacramento's Downtown office market. With 11.9 MSF of total product, Downtown is the region's second largest trade area in terms of inventory. But it also had the greatest concentration of State of California office users and has been most impacted by moves to consolidate into owned space. The Downtown submarket posted positive net absorption through the first half of 2024, driven by private sector tenants. But it closed the year in the red to the tune of -240,000 SF of occupancy with vacancy climbing over the course of 2024 from 16.5% to the current rate of 16.9%.

While the region's overall average asking rent of $2.08 PSF has remained relatively stable over the past 12 months, we are starting to see rates soften in multiple submarkets. Downtown is where we have seen the most notable movement. While the overall asking rate of $2.89 PSF is down -4.0% from the recorded level of $3.01 PSF one year ago, all classes of product have posted declines. Class C product has led the way in terms of discounting—the current average asking rate for Downtown Class C space is $1.93 PSF, down -14.2% year-over-year.

We anticipate this trend will continue heading into 2025, particularly with recent office investment activity overwhelmingly dominated by distress. One early distress deal to occur in 2024 was Chavez Management Group's acquisition of 2020 W. El Camino and 2555 Natomas Park Drive from Bannon Investors in March 2024 for a reported $44.5 million, or $110 PSF. While 2020 W. El Camino was 100% occupied at the time of sale, 2555 Natomas Park Drive had been vacant since its delivery in 2020 and had a reported construction price tag of $400 PSF. But there are two major office investment sales over the final half of 2024 that we think will prove to be more reliable bellwethers for office investment activity in 2025.

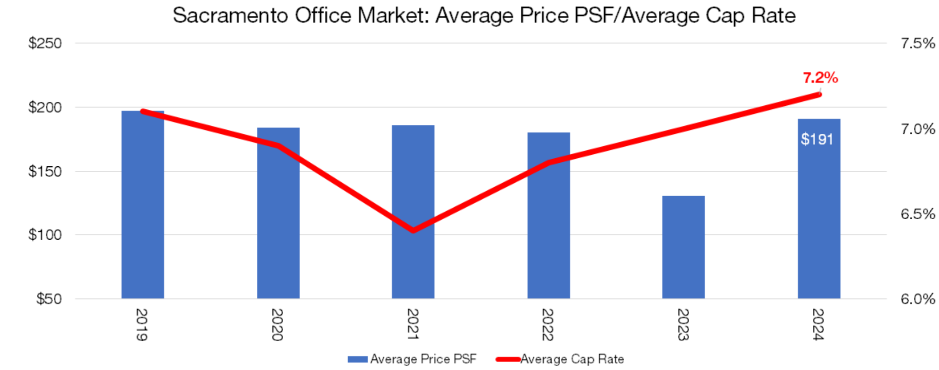

400 Capitol Mall
Sacramento

The first is the September 2024 purchase of 770 L Street by Ethan Conrad Properties from New York Life for a reported $22.5 million. Today, this project is 75% occupied, but it was 98% occupied when New York Life purchased this property in February 2018 for $44.5 million, or nearly double that price. The second is the October 2024 sale of the Wells Fargo Center at 400 Capitol Mall from Manulife US Real Estate Investment Trust to local developer Buzz Oates for $117 million. This reflects a reduction of roughly 40% from the $198.8 million that Manulife paid for the building in 2019 even though occupancy at this project has not significantly changed. It was 95% occupied in 2019 and remains 90% occupied today.

Uncertainty surrounding the structural impacts of remote and hybrid work remain though the worst is over. While the worst of the space givebacks around this trend are over, there remains no clear picture as to the levels of organic growth that will emerge ahead. Meanwhile, weak fundamentals (high vacancy) and the price of debt will remain challenges in the near-term. Still, many local market participants believe that the 40% discount represented in the sale of the Wells Fargo Center likely represents a market bottom.

We anticipate trades to pick up heading into 2024, but discounted sale pricing will inevitably lead new owners to lower rents on their recent acquisitions to address occupancy issues. This will inevitably create additional headwinds for rental rate growth in the near term. Overall economic performance in 2025 will ultimately determine the rate of the local office market's recovery but we are anticipating increased private sector demand and greater leasing velocity barring any unforeseen economic disasters.

Sacramento Office Market
All Product Types
Q4 2024



*The impact of interest rate hikes with uncertainty over leasing fundamentals has resulted in near record low levels of office investment activity in the first half of 2023. There have not been enough sale transactions to serve as truly reliable indicators.

Source: Gallelli Real Estate; Costar Group

LOOKING AHEAD

Heading into 2025, the US economy appears poised for growth. The Federal Reserve appears to have (for now) pulled off what many economists thought nearly impossible; a soft landing for the economy in their battle to contain inflation. Inflation, though still elevated from the Fed's target of 2.0%, has been in the mid-2.0% range throughout most of Q3 and Q4 2024. But as recent developments in the bond market demonstrate, that battle may not yet be over.

Unemployment as of December 2024 stood at just 4.1% with that month's job creation of 256,000 new positions ranking as the second highest of the year. Meanwhile, the latest Job Openings and Labor Turnover Survey (JOLTS) from the Bureau of Labor Statistics indicates that as of November 2024, there were 8.1 million available jobs in the US. While this is down from the post-pandemic (and all time) peak of 11.5 million in December 2021, these numbers remain far above historical averages. From 2015 through 2019, this metric averaged 6.4 million. In other words, the early indicators suggest strong employment growth ahead.

Retail sales have remained strong with early holiday sales projections showing a 3.5% annual increase. Meanwhile, the National Federation of Independent Businesses reports that as of December 2024, their Small Business Optimism Index had increased 3.4 points to 105.1 in December, its highest reading in six years. All of these are extremely positive signs for business growth in the coming year.

But not all the indicators are rosy. Though retail sales have remained in positive territory throughout the past couple of years of heightened inflation, this is largely because Americans have taken on massive amounts of new debt. In 2021, Americans owed roughly $800 billion on their credit cards. That number is now approaching $1.2 trillion. Worse yet, the average interest rate on that debt in 2021 was 16.5%. Today the average interest rate on US credit card debt is nearly 24.0%. Against the backdrop of a recent wave of notable retail bankruptcies, that sector may prove to be the canary in the coalmine in 2025.

Meanwhile, bond yields have spiked globally with the 10-year Treasury up half a percentage point in December alone. Modest upticks in the October and November 2024 inflation readings plus the unexpected strength of recent jobs reports have been factors suggesting that the economy may still be too hot and that the battle with inflation may not be over. Adding to these concerns are investor nervousness over policy uncertainty, global unrest, and the potential impacts of tariffs. We think that much of this uncertainty will lift over the first six months of the new administration, but for now, the impacts of recent bond market spikes have been real and felt primarily by the real estate sector.

Despite three consecutive drops in the federal funds rate by the Central Bank over the final months of 2024 (from a range of 5.25% to 5.50% in September to 4.25% to 4.50% in December), mortgage rates are now higher than they were a few months ago. At the start of 2024, the average rate on a 30-year, fixed rate mortgage stood at 6.62%. This number fell to a low of 6.09% in September but has since climbed to 7.01% as of January 15, 2025. This is because while the Federal Reserve's monetary policy is one of the top factors impacting interest rates, ***it is not the only factor***. Fiscal policy, trade policy and the strength of the US economy are also factors that influence the rates passed on to consumers.

All these factors will be center stage for the new Trump administration as it takes power in January with the bond market playing the potential role of spoiler. Expected tax cuts and deregulation from the new administration will assuredly spur business growth and economic output in 2025. However, major tax cuts without significant reductions in government spending will increase the deficit—another concern that could further rile the bond market.

Lastly, promised "across-the-board" tariffs of 20% to 60% would certainly have an inflationary impact if enacted in 2025 though it remains to be seen how much of Trump's rhetoric may be a negotiation tactic for revisiting trade deals. As this report went to press, Bloomberg was reporting that senior Trump advisors were looking at the possibility of gradual or incremental tariffs to avoid inflation spikes. Whether this proves to be the case or not, we see this as a positive development and signs that incoming policymakers will be keeping a close eye on the real-time impacts of policy. Whether that will translate into the ability to change course quickly, if necessary, remains to be seen. But given the negative political impacts that inflation had for the outgoing Biden administration we struggle to see any new administration not taking inflationary spikes extremely seriously quickly.

We believe much of the current uncertainty regarding policy shifts will dissipate over the first three months of the new administration with the impacts of those policy shifts becoming clearer by the midyear mark.

In the meantime, we anticipate green shoots to emerge over the first half of 2025. While we are not expecting robust growth, we think occupancy growth trends will return to modestly positive territory in the first half of the year though most of the action will continue to be driven by the private sector with smaller professional services and medical users leading the way. Should the overall economy cooperate, we think 2025 will be the year in which Sacramento's office market first begins to feel a recovery in leasing fundamentals following the challenges of the last few years. Lastly, we expect investment activity to pick up in 2025, though it will remain well below pre-pandemic levels and most trades outside of projects with heavy medical components will reflect some levels of distress or discounting.

Select Sacramento Region Office Leases Past Six Months (Q3 2024/Q4 2024)				
Address	**Project Name**	**Submarket**	**SF Footage**	**Tenant**
1625 Stockton Boulevard	1625 Stockton Boulevard	Midtown/East Sacramento	141,210	Sutter Health
4151 & 4191 E. Commerce Way	4151 & 4191 E. Commerce Way	Natomas	118,934	Alta Regional
840 Stillwater Road	Riverside Office Centre	Yolo County	71,982	Clear Blue Commercial
10860 Gold Center Drive	White Rock Corporate Campus	Highway 50	67,333	California Department of Technology
11971 Foundation Place	Gold Pointe Corporate Center	Highway 50	54,517	Gainwell Technologies
620 Roseville Parkway	Roseville Innovation Center	Roseville/Rocklin	50,000	Gainwell Technologies
2890 Gateway Oaks Drive	Gateway Oaks Corporate Campus	Natomas	29,856	Fortune School of Education
980 Fulton Avenue	980 Fulton Avenue	Arden/Howe/Watt	17,505	Cardiovascular Institute of San Diego
930 G Street	930 G Street	Downtown	16,372	Regus
630 K Street	630 K Street	Downtown	15,622	S+B James Construction
2882 Prospect Park Drive	Prospect West Business Park	Highway 50	13,633	Samuel Hale
1478 Stone Point Drive	Stone Point Corporate Center	Roseville/Rocklin	10,592	Sims, Lawrence & Broghammer
8880 Cal Center Drive	8880 Cal Center Drive	Arden/Howe/Watt	10,459	County of Sacramento Workers Compensation Services
3010 Lava Ridge Court	Lava Ridge Business Center	Roseville/Rocklin	10,336	Scansource
1651 Response Road	1651 Response Road	Arden/Howe/Watt	10,194	SitelogIQ
9300 Tech Center Drive	9300 Tech Center Drive	Highway 50	9,787	Sacramento County Department of Child, Family and Adult Services
1601 Response Road	1601 Response Road	Arden/Howe/Watt	9,254	Trauma Education Support Services
2020 I Street	2020 I Street	Midtown	9,360	NORR Architecture
9310 Tech Center Drive	9310 Tech Center Drive	Highway 50	7,734	County of Sacramento Risk Management Department
770 L Street	770 L Street	Downtown	7,276	Wilshire Law

GALLELLI REAL ESTATE

OFFICE MARKET STATISTICS: *Criteria based on: 10,000 SF and above, does not include owner occupied, Existing, Under Construction, Proposed, Final Planning*

Submarket	Total Number of Buildings	Inventory	Vacant Space				Net Absorption		Current Avg Asking Rent PSF	Avg Asking Rent PSF One Year Ago	Average Asking Rent % Change Annually
			Vacancy SF	Vacancy %	Vacancy Last Quarter	Vacancy One Year Ago	Total Quarterly	Total Last Four Quarters			
Arden/Howe Watt											
Class A	-	-	-	-	-	-	-	-	-	-	-
Class B	31	686,890	40,461	5.9%	5.5%	1.1%	(3,000)	(32,987)	$1.51	$1.75	(13.7%)
Class C	26	458,638	26,865	5.9%	6.2%	7.9%	1,475	9,393	$1.65	$1.49	10.7%
Total	**57**	**1,145,528**	**67,326**	**5.9%**	**5.7%**	**3.8%**	**(1,525)**	**(23,594)**	**$1.56**	**$1.58**	**(1.3%)**
Auburn/Lincoln											
Class A	5	501,038	47,205	9.4%	10.1%	9.7%	3,555	1,412	$2.11	$2.22	(5.0%)
Class B	86	4,562,676	879,145	19.3%	20.1%	20.4%	37,024	51,615	$1.82	$1.82	0.0%
Class C	95	2,740,127	332,475	12.1%	12.4%	10.5%	7,204	(43,549)	$1.84	$1.80	2.2%
Total	**186**	**7,803,841**	**1,258,825**	**16.1%**	**16.7%**	**15.2%**	**47,783**	**9,478**	**$1.84**	**$1.83**	**0.5%**
Downtown Sacramento											
Class A	23	5,474,974	1,308,046	23.9%	21.6%	20.8%	(122,772)	(167,361)	$3.24	$3.33	(2.7%)
Class B	60	3,896,236	703,749	18.1%	17.7%	17.7%	(15,459)	(13,159)	$2.45	$2.56	(4.3%)
Class C	87	2,506,525	189,206	7.5%	5.2%	5.2%	(58,533)	(59,148)	$1.93	$2.25	(14.2%)
Total	**170**	**11,877,735**	**2,201,001**	**18.5%**	**16.9%**	**16.5%**	**(196,764)**	**(239,668)**	**$2.89**	**$3.01**	**(4.0%)**
El Dorado Hills											
Class A	1	28,564	4,567	16.0%	20.6%	32.3%	1,305	4,660	$2.60	$2.50	4.0%
Class B	36	933,579	164,986	17.7%	17.8%	12.0%	1,326	(53,171)	$2.22	$2.01	10.4%
Class C	26	474,461	84,622	17.8%	16.9%	11.4%	(4,469)	(30,584)	$1.51	$1.44	4.9%
Total	**63**	**1,436,604**	**254,175**	**17.7%**	**17.6%**	**12.2%**	**(1,838)**	**(79,095)**	**$2.01**	**$1.90**	**5.8%**
Elk Grove/South Sacramento											
Class A	1	75,080	-	-	-	-	-	-	N/A	N/A	N/A
Class B	78	2,492,775	165,744	6.6%	6.6%	5.1%	(1,075)	(39,019)	$2.32	$2.35	(1.3%)
Class C	53	1,260,934	54,911	4.4%	3.9%	4.2%	(5,394)	(1,452)	$1.66	$1.70	(2.4%)
Total	**132**	**3,828,789**	**220,655**	**5.8%**	**5.6%**	**4.7%**	**(6,469)**	**(40,471)**	**$2.03**	**$2.08**	**(2.4%)**
Folsom											
Class A	8	626,686	85,998	13.7%	11.2%	12.6%	(15,577)	(6,893)	$2.31	$2.36	(2.1%)
Class B	64	2,608,127	281,303	10.8%	10.4%	11.8%	(9,253)	25,383	$2.32	$2.32	0.0%
Class C	15	445,997	5,792	1.3%	2.7%	1.6%	6,137	1,550	$1.92	$1.95	(1.5%)
Total	**87**	**3,680,810**	**373,093**	**10.1%**	**9.6%**	**10.7%**	**(18,693)**	**20,040**	**$2.31**	**$2.33**	**(0.9%)**
Highway 50/Rancho Cordova											
Class A	22	2,503,641	897,138	35.8%	35.2%	36.5%	(16,226)	16,901	$1.94	$2.05	(5.4%)
Class B	149	8,246,661	2,039,440	24.7%	23.9%	25.0%	(71,253)	22,717	$1.66	$1.65	0.6%
Class C	69	1,862,971	177,072	9.5%	7.6%	7.6%	(34,757)	(34,788)	$1.23	$1.23	0.0%
Total	**240**	**12,613,273**	**3,113,650**	**24.7%**	**23.7%**	**24.7%**	**(122,236)**	**4,830**	**$1.71**	**$1.71**	**0.0%**
Midtown/East Sacramento											
Class A	3	358,312	-	-	-	-	-	-	$3.34	$3.00	11.3%
Class B	55	3,201,341	306,654	9.6%	9.2%	7.2%	(13,523)	(77,290)	$2.55	$2.46	3.7%
Class C	41	766,652	148,344	19.3%	19.4%	18.1%	456	(9,830)	$1.95	$2.07	(5.8%)
Total	**99**	**4,326,305**	**454,998**	**10.5%**	**10.2%**	**8.5%**	**(13,067)**	**(87,120)**	**$2.55**	**$2.37**	**7.6%**
Natomas											
Class A	31	3,270,137	743,871	22.7%	22.5%	16.5%	(7,123)	(204,659)	$2.42	$2.23	8.5%
Class B	55	2,600,839	466,540	17.9%	17.7%	18.6%	(7,022)	18,389	$1.84	$1.86	(1.1%)
Class C	18	597,039	82,776	13.9%	13.9%	13.9%	-	-	$1.42	$1.45	(2.1%)
Total	**104**	**6,468,015**	**1,293,187**	**20.0%**	**19.8%**	**17.1%**	**(14,145)**	**(186,270)**	**$2.17**	**$2.01**	**8.0%**
Northeast Sacramento											
Class A	1	90,909	-	-	-	-	-	-	N/A	N/A	N/A
Class B	39	1,269,622	179,384	14.1%	13.4%	14.2%	(9,604)	744	$1.57	$1.67	(6.0%)
Class C	63	1,472,401	157,846	10.7%	11.4%	13.3%	10,594	37,289	$1.36	$1.39	(2.2%)
Total	**103**	**2,832,932**	**337,230**	**11.9%**	**11.9%**	**13.2%**	**990**	**38,033**	**$1.46**	**$1.49**	**(2.0%)**
Roseville/Rocklin											
Class A	39	3,348,894	795,725	23.8%	25.5%	18.2%	59,651	(187,889)	$2.31	$2.33	(0.9%)
Class B	148	4,838,279	648,237	13.4%	13.6%	12.6%	8,466	(38,953)	$1.63	$1.71	(4.7%)
Class C	52	1,409,490	137,592	9.8%	11.3%	13.3%	22,084	49,825	$1.47	$1.44	2.1%
Total	**238**	**9,527,543**	**1,579,804**	**16.6%**	**17.5%**	**14.7%**	**87,668**	**(177,560)**	**$1.87**	**$1.92**	**(2.6%)**
Yolo County											
Class A	7	746,152	212,711	28.5%	28.3%	11.2%	(1,865)	(129,160)	$3.03	$3.24	(6.5%)
Class B	44	2,016,658	177,435	8.8%	8.7%	8.1%	(2,761)	(13,266)	$2.14	$2.14	0.0%
Class C	41	889,646	59,411	6.7%	7.5%	7.9%	7,742	10,533	$2.03	$2.03	0.0%
Total	**92**	**3,652,456**	**449,557**	**12.3%**	**12.4%**	**8.7%**	**3,116**	**(131,893)**	**$2.49**	**$2.60**	**(4.2%)**
Totals	**1,571**	**69,193,831**	**11,603,501**	**16.8%**	**16.4%**	**15.5%**	**(235,180)**	**(893,290)**	**$2.08**	**$2.07**	**0.5%**
Class A	**141**	**17,024,387**	**4,095,261**	**24.1%**	**23.5%**	**20.1%**	**(99,052)**	**(672,989)**	**$2.55**	**$2.60**	**(1.9%)**
Class B	**844**	**37,284,563**	**6,051,328**	**16.2%**	**16.0%**	**15.8%**	**(88,667)**	**(149,540)**	**$1.89**	**$1.88**	**0.5%**
Class C	**586**	**14,884,881**	**1,456,912**	**9.8%**	**9.5%**	**9.3%**	**(47,461)**	**(70,761)**	**$1.64**	**$1.68**	**(2.4%)**

GALLELLI REAL ESTATE

GALLELLI BROKER TEAMS

INVESTMENT

Gary Gallelli
Partner
gary@gallellire.com

Pat Ronan
Vice President
pat@gallellire.com

Aman Bains
Associate Vice President
abains@gallellire.com

Adam Rainey
Associate Vice President
arainey@gallellire.com

RETAIL

Kevin Soares
Executive Vice President | Partner
ksoares@gallellire.com

Bob Berndt
Executive Vice President | Partner
bberndt@gallellire.com

Jeff Hagan
Senior Vice President | Partner
jhagan@gallellire.com

Phillip Kyle
Senior Vice President
pkyle@gallellire.com

Matt Goldstein
Vice President
mgoldstein@gallellire.com

Kurt Conley
Senior Associate
kconley@gallellire.com

OFFICE

Robb Osborne
Executive Vice President
rosborne@gallellire.com

Brandon Sessions
Senior Vice President
bsessions@gallellire.com

Kannon Kuhn
Associate
kkuhn@gallellire.com

CAPITAL MARKETS

Kristopher Krise
Capital Markets Advisor
kkrise@gallellire.com

RESEARCH

Garrick Brown
VP, Real Estate Intelligence & Business Development
gbrown@gallellire.com

JKG GALLELLI REAL ESTATE

Gallelli Real Estate
3005 Douglas Blvd #200
Roseville, CA 95661
P 916 784 2700
GallelliRE.com