

# THE CoSTAR INDUSTRIAL REPORT

MID-YEAR 2013

## Los Angeles Industrial Market



# LOS ANGELES INDUSTRIAL MARKET



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## METHODOLOGY

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The CoStar Industrial Report calculates Industrial statistics using CoStar Group's base of existing, under construction and under renovation Industrial buildings in each given metropolitan area. All Industrial building types are included, including warehouse, flex / research & development, distribution, manufacturing, industrial showroom, and service buildings, 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 Industrial Report are calculated using the quoted rental rate for each property.

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# LOS ANGELES INDUSTRIAL MARKET



## TERMS & DEFINITIONS

**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.

**Build-to-Suit:** A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

**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).

**CBD:** Abbreviation for Central Business District. (See also: Central Business District)

**Central Business District:** The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

**Class A:** A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

**Class B:** A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

**Class C:** A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

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

**Contiguous Blocks of Space:** Space within a building that is, or is able to be joined together into a single contiguous space.

**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.

**Flex Building:** A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

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

**Gross Absorption:** The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing Activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

**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.

**Industrial Building:** A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

**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.

**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).

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

**Net Rental Rate:** A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

**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.

**Office Building:** A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

**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.

**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).

**Property Manager:** The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

**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)

**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.

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

**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).

**Suburban:** The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

**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.

**Time On Market:** A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

**Under Construction:** The status of a building that is in the process of being developed, assembled, built or constructed. A building is considered to be under construction after it has begun construction and until it receives a certificate of occupancy.

**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.

## LOS ANGELES INDUSTRIAL MARKET



OVERVIEW

## LOS ANGELES'S VACANCY INCREASES TO 5.2%

### Net Absorption Negative (1,728,314) SF in the Quarter

The Los Angeles Industrial market ended the second quarter 2013 with a vacancy rate of 5.2%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (1,728,314) square feet in the second quarter. Vacant sublease space increased in the quarter, ending the quarter at 2,544,350 square feet. Rental rates ended the second quarter at \$7.23, a slight increase over the previous quarter. A total of eight buildings delivered to the market in the quarter totaling 714,052 square feet, with 1,411,255 square feet still under construction at the end of the quarter.

#### Absorption

Net absorption for the overall Los Angeles Industrial market was negative (1,728,314) square feet in the second quarter 2013. That compares to positive 614,806 square feet in the first quarter 2013, positive 3,601,353 square feet in the fourth quarter 2012, and negative (2,357,312) square feet in the third quarter 2012.

Tenants moving out of large blocks of space in 2013 include: Hitechtronic moving out of (333,644) square feet at 1650 E Glenn Curtiss St, Pacific Sales, Inc. moving out of (304,708) square feet at Gateway Pointe - Phase II - Bldg C, and NFI Industries, Inc. moving out of (288,000) square feet at 11811 E Florence Ave.

Tenants moving into large blocks of space in 2013 include: Port Logistics Group moving into 350,000 square feet at 18215 E Rowland St, East Lion Corporations moving into 325,000 square feet at Grand Crossing - Bldg 16, and Space Exploration Technologies moving into 210,300 square feet at 2701 W El Segundo Blvd.

The Flex building market recorded net absorption of negative (229,586) square feet in the second quarter 2013, compared

to positive 190,477 square feet in the first quarter 2013, negative (2,086) in the fourth quarter 2012, and negative (300,649) in the third quarter 2012.

The Warehouse building market recorded net absorption of negative (1,498,728) square feet in the second quarter 2013 compared to positive 424,329 square feet in the first quarter 2013, positive 3,603,439 in the fourth quarter 2012, and negative (2,056,663) in the third quarter 2012.

#### Vacancy

The Industrial vacancy rate in the Los Angeles market area increased to 5.2% at the end of the second quarter 2013. The vacancy rate was 4.9% at the end of the first quarter 2013, 5.0% at the end of the fourth quarter 2012, and 5.3% at the end of the third quarter 2012.

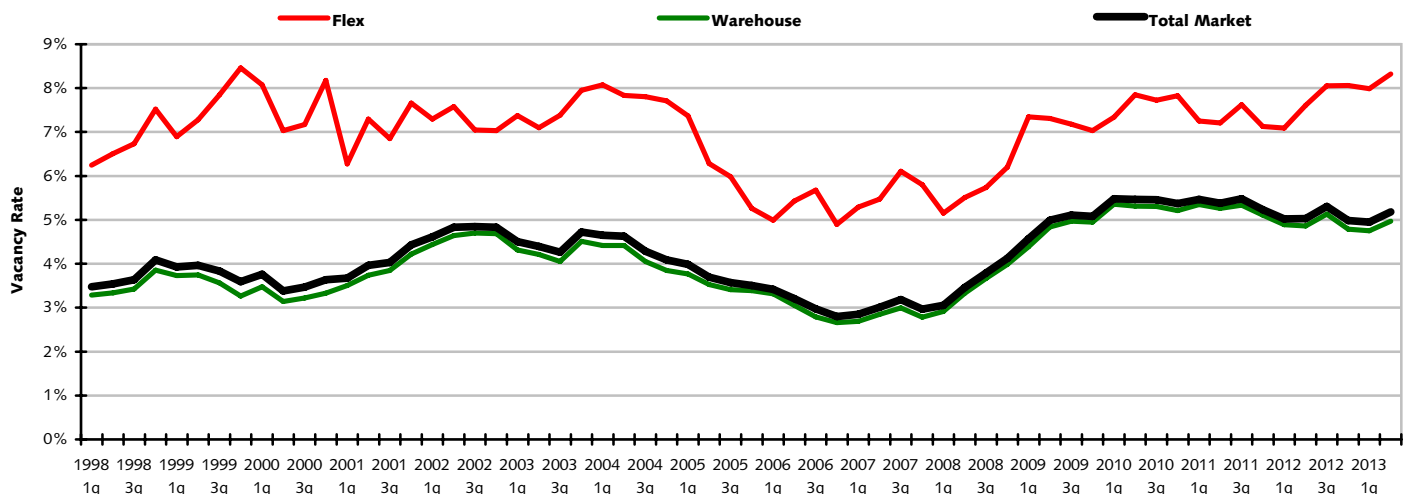
Flex projects reported a vacancy rate of 8.3% at the end of the second quarter 2013, 8.0% at the end of the first quarter 2013, 8.1% at the end of the fourth quarter 2012, and 8.1% at the end of the third quarter 2012.

Warehouse projects reported a vacancy rate of 5.0% at the end of the second quarter 2013, 4.8% at the end of first quarter 2013, 4.8% at the end of the fourth quarter 2012, and 5.1% at the end of the third quarter 2012.

#### Largest Lease Signings

The largest lease signings occurring in 2013 included: the 775,000-square-foot lease signed by Port Logistics Group at Grand Crossings - Bldg 18 in the Lower SGV market; the 297,310-square-foot deal signed by South Bay Freight Systems at The Plantation - Bldg 13 in the Lower SGV market; and the

### VACANCY RATES BY BUILDING TYPE 1998-2013



Source: CoStar Property®

258,678-square-foot lease signed by DAMCO at 771 Watson Center Rd in Carson/Rancho Domingz market.

### Sublease Vacancy

The amount of vacant sublease space in the Los Angeles market increased to 2,544,350 square feet by the end of the second quarter 2013, from 2,371,450 square feet at the end of the first quarter 2013. There were 2,202,705 square feet vacant at the end of the fourth quarter 2012 and 2,451,390 square feet at the end of the third quarter 2012.

Los Angeles's Flex projects reported vacant sublease space of 331,388 square feet at the end of second quarter 2013, up from the 192,056 square feet reported at the end of the first quarter 2013. There were 226,016 square feet of sublease space vacant at the end of the fourth quarter 2012, and 221,983 square feet at the end of the third quarter 2012.

Warehouse projects reported increased vacant sublease space from the first quarter 2013 to the second quarter 2013. Sublease vacancy went from 2,179,394 square feet to 2,212,962 square feet during that time. There were 1,976,689 square feet at the end of the fourth quarter 2012, and 2,229,407 square feet at the end of the third quarter 2012.

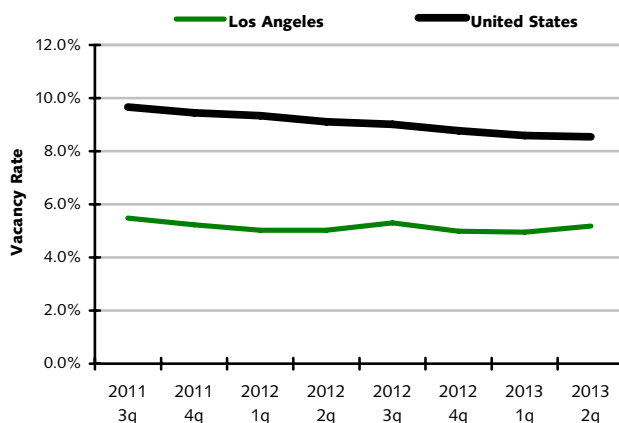
### Rental Rates

The average quoted asking rental rate for available Industrial space was \$7.23 per square foot per year at the end of the second quarter 2013 in the Los Angeles market area. This represented a 0.3% increase in quoted rental rates from the end of the first quarter 2013, when rents were reported at \$7.21 per square foot.

The average quoted rate within the Flex sector was \$14.69 per square foot at the end of the second quarter 2013, while Warehouse rates stood at \$6.82. At the end of the first quarter 2013, Flex rates were \$15.22 per square foot, and Warehouse rates were \$6.77.

## U.S. VACANCY COMPARISON

### Past 8 Quarters



Source: CoStar Property\*

### Deliveries and Construction

During the second quarter 2013, eight buildings totaling 714,052 square feet were completed in the Los Angeles market area. This compares to five buildings totaling 387,683 square feet that were completed in the first quarter 2013, 10 buildings totaling 1,270,817 square feet completed in the fourth quarter 2012, and 790,559 square feet in 13 buildings completed in the third quarter 2012.

There were 1,411,255 square feet of Industrial space under construction at the end of the second quarter 2013.

Some of the notable 2013 deliveries include: 11688 Greenstone Ave in the Mid Counties-LA market, a 328,378-square-foot facility that delivered in second quarter 2013 that is now 0% occupied, and 588 Crenshaw Blvd in the Torrance/Beach Cities market, a 265,418-square-foot building that delivered in second quarter 2013 and is now 0% occupied.

The largest projects underway at the end of second quarter 2013 were First Bandini Logistics Center, a 489,400-square-foot building with 0% of its space pre-leased, and 13833 Freeway Dr, a 448,060-square-foot facility that is 0% pre-leased.

### Inventory

Total Industrial inventory in the Los Angeles market area amounted to 986,835,007 square feet in 36,885 buildings as of the end of the second quarter 2013. The Flex sector consisted of 60,467,657 square feet in 2,803 projects. The Warehouse sector consisted of 926,367,350 square feet in 34,082 buildings. Within the Industrial market there were 4,829 owner-occupied buildings accounting for 194,842,171 square feet of Industrial space.

### Sales Activity

Tallying industrial building sales of 15,000 square feet or larger, Los Angeles industrial sales figures fell during the first quarter 2013 in terms of dollar volume compared to the fourth quarter of 2012.

In the first quarter, 69 industrial transactions closed with a total volume of \$298,009,029. The 69 buildings totaled 3,118,977 square feet and the average price per square foot equated to \$95.55 per square foot. That compares to 140 transactions totaling \$793,022,791 in the fourth quarter. The total square footage was 8,709,531 for an average price per square foot of \$91.05.

Total year-to-date industrial building sales activity in 2013 is down compared to the previous year. In the first three months of 2013, the market saw 69 industrial sales transactions with a total volume of \$298,009,029. The price per square foot has averaged \$95.55 this year. In the first three months of 2012, the market posted 100 transactions with a total volume of \$383,027,880. The price per square foot averaged \$78.29.

Cap rates have been lower in 2013, averaging 6.87%, compared to the first three months of last year when they averaged 7.05%.

# LOS ANGELES INDUSTRIAL MARKET



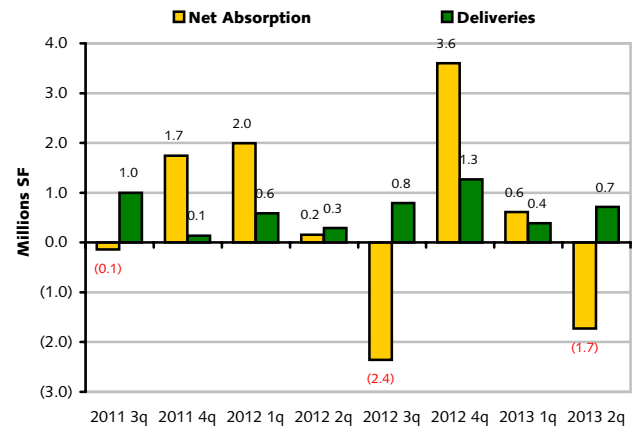
## OVERVIEW

One of the largest transactions that has occurred within the last four quarters in the Los Angeles market is the sale of 16501 Trojan Way in La Mirada. This 497,620-square-foot industrial building sold for \$63,200,000, or \$127.00 per square foot. The property sold on 6/14/2012, at a 6.30% cap rate.

Reports compiled by: Paula Bonner, David Blake, and Adam Jarrett, CoStar Research Managers.

## ABSORPTION & DELIVERIES

### Past 8 Quarters



Source: CoStar Property



## 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.

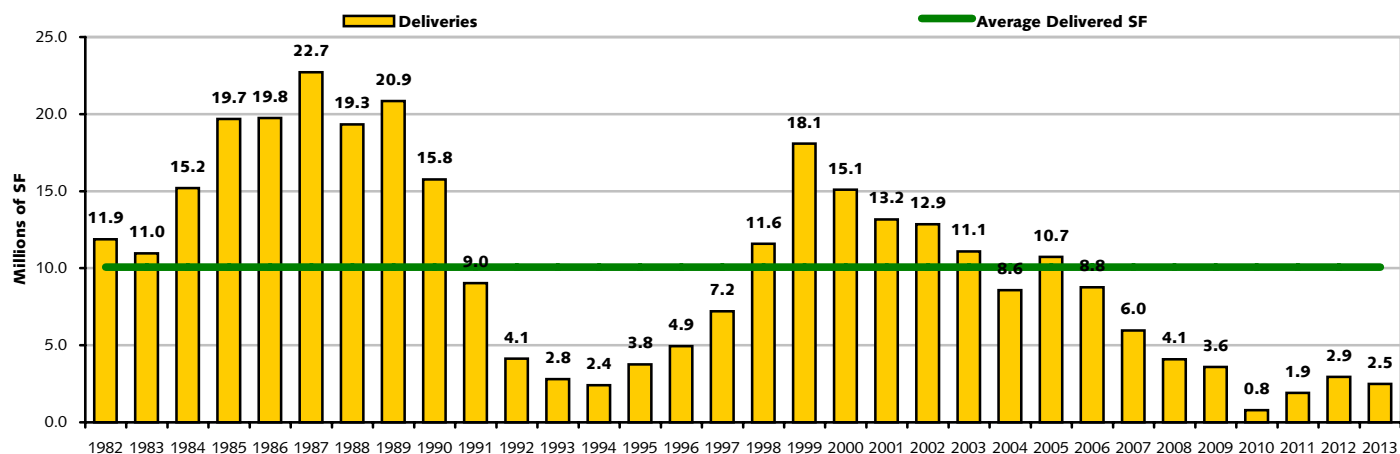
Submarket Clusters	Submarkets			
Antelope Valley Ind	Antelope Valley Ind			
Carson/Rancho Domingz Ind	Carson Central Ind Compton West Ind	Carson North Ind Rancho Dominguez Ind	Carson South Ind	Compton East Ind
Central LA Ind	Central Los Angeles Ind			
Commerce Area Ind	Commerce Ind	Montebello/Whittier Ind		
Conejo Valley Ind	Agoura/Wlake V/T Oaks Ind	Moorpark/Simi Val Ind		
Eastern SGV Ind	Claremont Ind Pomona SE Ind	Diamond Bar Ind Pomona SW Ind	La Verne Ind San Dimas Ind	Pomona North Ind
El Segundo/Hawthorne Ind	El Segundo Ind	Hawthorne Ind	Inglewood Ind	Lawndale Ind
Gardena/110 Corridor Ind	Gardena Central Ind Gardena North Ind	Gardena East Ind Gardena NW Ind	Gardena NE Ind Gardena South Ind	Gardena North Central Ind
Long Beach Area Ind	Lakewood Ind San Pedro Ind	Long Beach North Ind Signal Hill Ind	Long Beach SE Ind Wilmington Ind	Long Beach SW Ind
Lower SGV Ind	City of Industry Cent Ind Industry/La Puente Ind	City of Industry East Ind Industry/Rowland St Ind	City of Industry West Ind West Covina/Walnut Ind	Industry/Hacienda Blv Ind
Lynwood/Paramount Ind	Lynwood Ind	Paramount North Ind	Paramount South Ind	
Mid Counties-LA Ind	Cerritos Ind Santa Fe Springs Ind	Downey Ind	La Mirada Ind	Norwalk/Bellflower Ind
Northwest SGV Ind	Alhambra Ind Rosemead Ind	Arcadia/Sierra Madre Ind San Gabriel Ind	El Monte Ind Temple City Ind	Monrovia Ind
SCV/Lancaster/Palmdale Ind	Santa Clarita/Lancstr Ind			
SFV East Ind	Burbank Ind Pasadena Ind	East San Ferno Vly Ind	Glendale Ind	North Hollywood Ind
SFV West Ind	Canoga Park Ind Tarzana Ind	Chatsworth Ind Woodland Hills Ind	Encino Ind	Northridge Ind
Southwest SGV Ind	South El Monte NE Ind	South El Monte NW Ind	South El Monte SE Ind	
Torrance/Beach Cities Ind	Beach Cities Ind Torrance South Ind	Torrance Central Ind	Torrance NE Ind	Torrance NW Ind
Upper SGV Ind	Azusa Ind Glendora Ind	Baldwin Park Ind Irwindale Ind	Covina Ind	Duarte Ind
Ventura County Ind	Central Ventura Ind	Oxnard/Pt Hueneme Ind	Ventura Ind	
Vernon Area Ind	Vernon Ind			
Westside Ind	Topanga/Malibu Ind	Westside Ind		

# LOS ANGELES INDUSTRIAL MARKET



## INVENTORY & DEVELOPMENT

### HISTORICAL DELIVERIES 1982 - 2013



Source: CoStar Property® \* Future deliveries based on current under construction buildings.

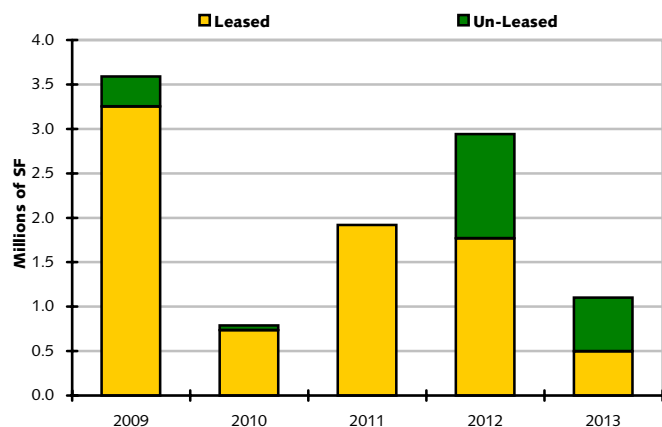
### CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Commerce Area Ind	1	489,400	0	0.0%	45,085	489,400
Mid Counties-LA Ind	1	448,060	0	0.0%	35,305	448,060
Long Beach Area Ind	4	413,010	129,000	31.2%	17,821	103,252
El Segundo/Hawthorne Ind	3	32,785	19,785	60.3%	26,551	10,928
Northwest SGV Ind	1	28,000	0	0.0%	17,325	28,000
Ventura County Ind	0	0	0	0.0%	23,066	0
Eastern SGV Ind	0	0	0	0.0%	23,584	0
Antelope Valley Ind	0	0	0	0.0%	25,907	0
Gardena/110 Corridor Ind	0	0	0	0.0%	21,618	0
Central LA Ind	0	0	0	0.0%	19,630	0
All Other	0	0	0	0.0%	28,369	0
<b>Totals</b>	<b>10</b>	<b>1,411,255</b>	<b>148,785</b>	<b>10.5%</b>	<b>26,754</b>	<b>141,125</b>

Source: CoStar Property®

### RECENT DELIVERIES

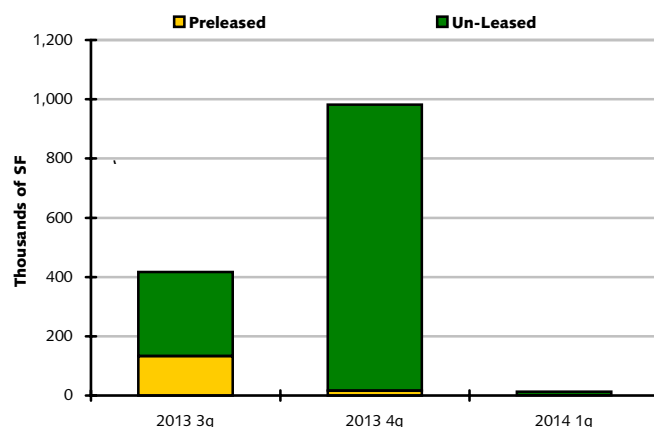
Leased & Un-Leased SF in Deliveries Since 2009



Source: CoStar Property®

### FUTURE DELIVERIES

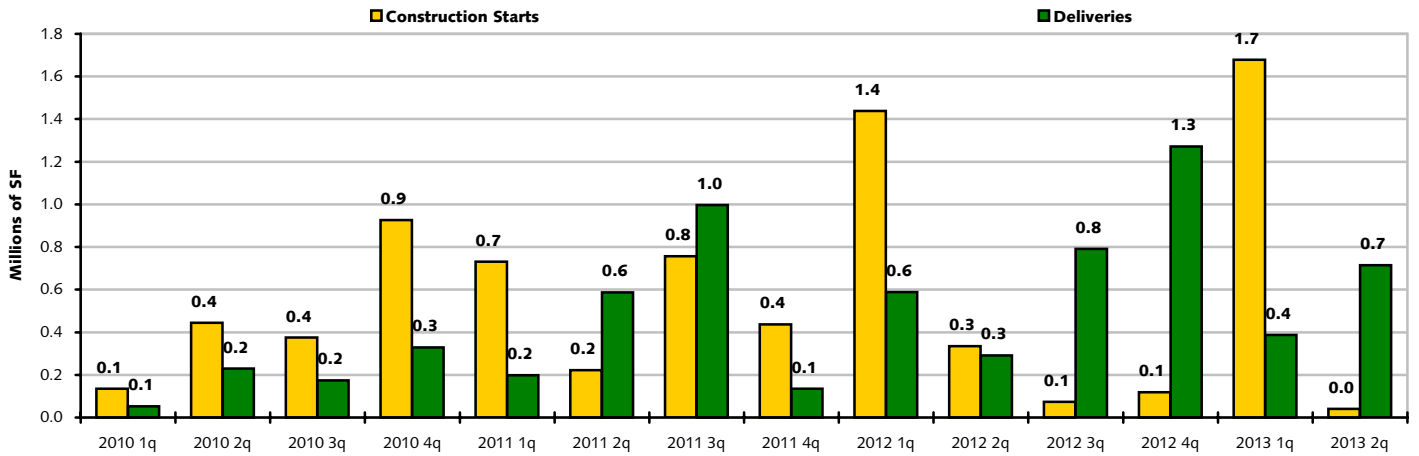
Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

## HISTORICAL CONSTRUCTION STARTS & DELIVERIES

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

## RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	7	70,047	57,186	81.6%	\$12.00	38,646	31,401
50,000 SF - 99,999 SF	3	277,892	277,892	100.0%	\$9.55	178,092	99,800
100,000 SF - 249,999 SF	1	160,000	160,000	100.0%	\$0.00	160,000	0
250,000 SF - 499,999 SF	2	593,796	0	0.0%	\$8.16	593,796	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

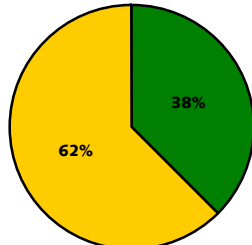
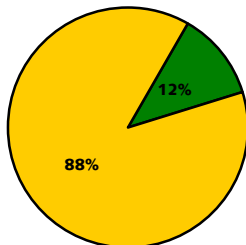
Source: CoStar Property®

## RECENT DEVELOPMENT BY TENANCY

Based on RBA Developed for Single & Multi-Tenant Use

2013 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

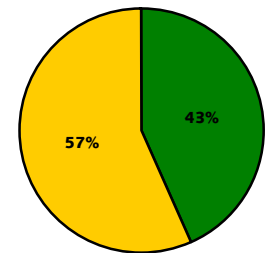
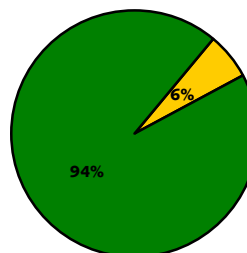
Source: CoStar Property®

## EXISTING INVENTORY COMPARISON

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

## LOS ANGELES INDUSTRIAL MARKET



## INVENTORY &amp; DEVELOPMENT

## SELECT YEAR-TO-DATE DELIVERIES

Based on Project Square Footage

- |   |   |  |
|---|---|--|
| <p><b>1. 11688 Greenstone Ave</b></p> <hr/> Submarket: <b>Mid Counties-LA Industrial Market</b><br>RBA: <b>328,378</b><br>Occupied: <b>0%</b><br>Quoted Rate: <b>Negotiable</b><br>Grnd Brk Date: <b>First Quarter 2013</b><br>Deliv Date: <b>Second Quarter 2013</b><br>Leasing Co: <b>Lee &amp; Associates</b><br>Developer: <b>N/A</b> | <p><b>2. 588 Crenshaw Blvd</b></p> <hr/> Submarket: <b>Torrance/Beach Cities Industrial Market</b><br>RBA: <b>265,418</b><br>Occupied: <b>0%</b><br>Quoted Rate: <b>\$8.16</b><br>Grnd Brk Date: <b>First Quarter 2012</b><br>Deliv Date: <b>Second Quarter 2013</b><br>Leasing Co: <b>CBRE</b><br>Developer: <b>N/A</b>                          | <p><b>3. 1800 Stewart St</b></p> <hr/> Submarket: <b>Westside Industrial Market</b><br>RBA: <b>160,000</b><br>Occupied: <b>100%</b><br>Quoted Rate: <b>N/A</b><br>Grnd Brk Date: <b>First Quarter 2011</b><br>Deliv Date: <b>First Quarter 2013</b><br>Leasing Co: <b>Agensys, Inc.</b><br>Developer: <b>N/A</b>                           |
| <p><b>4. Dynamic Spectrum - Bldg 3</b></p> <hr/> Submarket: <b>Central LA Industrial Market</b><br>RBA: <b>99,800</b><br>Occupied: <b>100%</b><br>Quoted Rate: <b>\$10.20</b><br>Grnd Brk Date: <b>Second Quarter 2012</b><br>Deliv Date: <b>First Quarter 2013</b><br>Leasing Co: <b>Dynamic Builders, Inc.</b><br>Developer: <b>N/A</b> | <p><b>5. 15730 S Figueroa St</b></p> <hr/> Submarket: <b>Gardena/110 Corridor Industrial Market</b><br>RBA: <b>91,320</b><br>Occupied: <b>100%</b><br>Quoted Rate: <b>\$7.44</b><br>Grnd Brk Date: <b>Fourth Quarter 2012</b><br>Deliv Date: <b>Second Quarter 2013</b><br>Leasing Co: <b>CBRE</b><br>Developer: <b>N/A</b>                       | <p><b>6. Pacific Pointe North @ Douglas Park - Bldg 4</b></p> <hr/> Submarket: <b>Long Beach Area Industrial Market</b><br>RBA: <b>86,772</b><br>Occupied: <b>100%</b><br>Quoted Rate: <b>N/A</b><br>Grnd Brk Date: <b>First Quarter 2012</b><br>Deliv Date: <b>First Quarter 2013</b><br>Leasing Co: <b>CBRE</b><br>Developer: <b>N/A</b> |
| <p><b>7. 1000 E Olympic Blvd</b></p> <hr/> Submarket: <b>Central LA Industrial Market</b><br>RBA: <b>23,000</b><br>Occupied: <b>100%</b><br>Quoted Rate: <b>\$12.00</b><br>Grnd Brk Date: <b>First Quarter 2012</b><br>Deliv Date: <b>First Quarter 2013</b><br>Leasing Co: <b>Secured Properties</b><br>Developer: <b>N/A</b>            | <p><b>8. 3301 Cover St</b></p> <hr/> Submarket: <b>Long Beach Area Industrial Market</b><br>RBA: <b>18,111</b><br>Occupied: <b>100%</b><br>Quoted Rate: <b>N/A</b><br>Grnd Brk Date: <b>First Quarter 2012</b><br>Deliv Date: <b>First Quarter 2013</b><br>Leasing Co: <b>Mcdonnell Douglas Corp.</b><br>Developer: <b>N/A</b>                    | <p><b>9. 130 Arena St</b></p> <hr/> Submarket: <b>El Segundo/Hawthorne Industrial Market</b><br>RBA: <b>16,260</b><br>Occupied: <b>100%</b><br>Quoted Rate: <b>N/A</b><br>Grnd Brk Date: <b>Fourth Quarter 2012</b><br>Deliv Date: <b>Fourth Quarter 2013</b><br>Leasing Co: <b>N/A</b><br>Developer: <b>N/A</b>                           |
| <p><b>10. 1900 E Carson St</b></p> <hr/> Submarket: <b>Carson/Rancho Domingz Industrial Market</b><br>RBA: <b>8,401</b><br>Occupied: <b>100%</b><br>Quoted Rate: <b>N/A</b><br>Grnd Brk Date: <b>Fourth Quarter 2012</b><br>Deliv Date: <b>Second Quarter 2013</b><br>Leasing Co: <b>N/A</b><br>Developer: <b>N/A</b>                     | <p><b>11. 1827 N Floradale Ave</b></p> <hr/> Submarket: <b>Southwest SGV Industrial Market</b><br>RBA: <b>8,000</b><br>Occupied: <b>0%</b><br>Quoted Rate: <b>Negotiable</b><br>Grnd Brk Date: <b>Second Quarter 2012</b><br>Deliv Date: <b>Second Quarter 2013</b><br>Leasing Co: <b>WPT, LLC - Property Management</b><br>Developer: <b>N/A</b> | <p><b>12. 2100 E 14th St</b></p> <hr/> Submarket: <b>Vernon Area Industrial Market</b><br>RBA: <b>4,861</b><br>Occupied: <b>0%</b><br>Quoted Rate: <b>Negotiable</b><br>Grnd Brk Date: <b>Third Quarter 2012</b><br>Deliv Date: <b>Second Quarter 2013</b><br>Leasing Co: <b>DAUM Commercial Real Estate</b><br>Developer: <b>N/A</b>      |

## SELECT TOP UNDER CONSTRUCTION PROPERTIES

**Based on Project Square Footage**

- |  |  |   |
|--|--|---|
| <p><b>1. First Bandini Logistics Center</b></p> <hr/> Submarket: <b>Commerce Area Industrial Market</b><br>RBA: <b>489,400</b><br>Preleased: <b>0%</b><br>Quoted Rate: <b>Negotiable</b><br>Grnd Brk Date: <b>First Quarter 2013</b><br>Deliv Date: <b>Fourth Quarter 2013</b><br>Leasing Co: <b>CBRE</b><br>Developer: <b>N/A</b>                   | <p><b>2. 13833 Freeway Dr</b></p> <hr/> Submarket: <b>Mid Counties-LA Industrial Market</b><br>RBA: <b>448,060</b><br>Preleased: <b>0%</b><br>Quoted Rate: <b>Negotiable</b><br>Grnd Brk Date: <b>First Quarter 2013</b><br>Deliv Date: <b>Fourth Quarter 2013</b><br>Leasing Co: <b>Colliers International</b><br>Developer: <b>N/A</b>     | <p><b>3. Pacific Pointe South @ Douglas Park - Bldg 6</b></p> <hr/> Submarket: <b>Long Beach Area Industrial Market</b><br>RBA: <b>150,701</b><br>Preleased: <b>0%</b><br>Quoted Rate: <b>\$8.16</b><br>Grnd Brk Date: <b>First Quarter 2013</b><br>Deliv Date: <b>Third Quarter 2013</b><br>Leasing Co: <b>CBRE</b><br>Developer: <b>N/A</b>     |
| <p><b>4. Pacific Pointe South @ Douglas Park - Bldg 5</b></p> <hr/> Submarket: <b>Long Beach Area Industrial Market</b><br>RBA: <b>133,309</b><br>Preleased: <b>0%</b><br>Quoted Rate: <b>Negotiable</b><br>Grnd Brk Date: <b>First Quarter 2013</b><br>Deliv Date: <b>Third Quarter 2013</b><br>Leasing Co: <b>CBRE</b><br>Developer: <b>N/A</b>    | <p><b>5. Pacific Pointe South @ Douglas Park - Bldg 7</b></p> <hr/> Submarket: <b>Long Beach Area Industrial Market</b><br>RBA: <b>125,000</b><br>Preleased: <b>100%</b><br>Quoted Rate: <b>N/A</b><br>Grnd Brk Date: <b>First Quarter 2013</b><br>Deliv Date: <b>Third Quarter 2013</b><br>Leasing Co: <b>CBRE</b><br>Developer: <b>N/A</b> | <p><b>6. 12346 Valley Blvd</b></p> <hr/> Submarket: <b>Northwest SGV Industrial Market</b><br>RBA: <b>28,000</b><br>Preleased: <b>0%</b><br>Quoted Rate: <b>Negotiable</b><br>Grnd Brk Date: <b>Second Quarter 2013</b><br>Deliv Date: <b>Fourth Quarter 2013</b><br>Leasing Co: <b>N/A</b><br>Developer: <b>N/A</b>                              |
| <p><b>7. Grand Kansas</b></p> <hr/> Submarket: <b>El Segundo/Hawthorne Industrial Market</b><br>RBA: <b>13,000</b><br>Preleased: <b>0%</b><br>Quoted Rate: <b>\$30.00</b><br>Grnd Brk Date: <b>Second Quarter 2013</b><br>Deliv Date: <b>First Quarter 2014</b><br>Leasing Co: <b>Colliers International</b><br>Developer: <b>Mar Ventures, Inc.</b> | <p><b>8. 1650 Seabright Ave</b></p> <hr/> Submarket: <b>Long Beach Area Industrial Market</b><br>RBA: <b>4,000</b><br>Preleased: <b>100%</b><br>Quoted Rate: <b>N/A</b><br>Grnd Brk Date: <b>Second Quarter 2012</b><br>Deliv Date: <b>Third Quarter 2013</b><br>Leasing Co: <b>Parker Diving Service, Inc.</b><br>Developer: <b>N/A</b>     | <p><b>9. 4717 W Imperial Hwy</b></p> <hr/> Submarket: <b>El Segundo/Hawthorne Industrial Market</b><br>RBA: <b>3,525</b><br>Preleased: <b>100%</b><br>Quoted Rate: <b>N/A</b><br>Grnd Brk Date: <b>First Quarter 2013</b><br>Deliv Date: <b>Third Quarter 2013</b><br>Leasing Co: <b>Real Estate Acquisition Leaders</b><br>Developer: <b>N/A</b> |

## LOS ANGELES INDUSTRIAL MARKET



FIGURES AT A GLANCE

## FLEX MARKET STATISTICS

Mid-Year 2013

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Antelope Valley Ind	66	1,080,202	242,429	242,429	22.4%	(175,944)	0	0	\$9.52
Carson/Rancho Domingz Ind	39	1,207,026	109,487	109,487	9.1%	(12,593)	0	0	\$11.05
Central LA Ind	334	5,800,535	424,057	424,057	7.3%	52,312	0	0	\$20.12
Commerce Area Ind	58	1,056,538	97,460	105,460	10.0%	1,086	0	0	\$14.10
Conejo Valley Ind	167	5,373,631	625,767	819,451	15.2%	(112,355)	0	0	\$13.58
Eastern SGV Ind	45	1,035,283	151,321	155,044	15.0%	10,939	0	0	\$7.46
El Segundo/Hawthorne Ind	61	2,174,862	79,165	81,489	3.7%	(16,097)	0	0	\$16.81
Gardena/110 Corridor Ind	35	784,220	33,083	34,683	4.4%	37,506	0	0	\$9.80
Long Beach Area Ind	99	1,630,029	161,096	165,596	10.2%	(3,170)	0	0	\$10.85
Lower SGV Ind	50	1,296,996	70,066	73,641	5.7%	27,604	0	0	\$12.26
Lynwood/Paramount Ind	10	136,044	11,200	11,200	8.2%	0	0	0	\$8.16
Mid Counties-LA Ind	188	4,180,598	274,137	276,637	6.6%	(5,913)	0	0	\$10.53
Northwest SGV Ind	115	2,380,140	88,964	109,964	4.6%	(10,177)	0	0	\$12.04
SCV/Lancaster/Palmdale Ind	124	3,365,457	270,130	279,693	8.3%	11,707	0	0	\$11.69
SFV East Ind	332	5,458,738	333,407	384,923	7.1%	(79,021)	0	0	\$14.85
SFV West Ind	358	8,172,059	657,301	657,301	8.0%	85,625	0	0	\$8.97
Southwest SGV Ind	21	243,480	20,284	20,284	8.3%	(14,225)	0	0	\$11.44
Torrance/Beach Cities Ind	188	4,715,788	187,323	192,573	4.1%	39,607	0	0	\$12.79
Upper SGV Ind	110	2,174,227	161,717	161,717	7.4%	10,616	0	0	\$8.92
Ventura County Ind	77	2,333,739	400,895	400,895	17.2%	(46,382)	0	0	\$10.97
Vernon Area Ind	27	366,601	38,056	38,056	10.4%	4,810	0	0	\$8.28
Westside Ind	299	5,501,464	262,274	286,427	5.2%	154,956	160,000	0	\$31.51
<b>Totals</b>	<b>2,803</b>	<b>60,467,657</b>	<b>4,699,619</b>	<b>5,031,007</b>	<b>8.3%</b>	<b>(39,109)</b>	<b>160,000</b>	<b>0</b>	<b>\$14.69</b>

Source: CoStar Property®

## WAREHOUSE MARKET STATISTICS

Mid-Year 2013

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Antelope Valley Ind	332	9,230,652	396,393	396,393	4.3%	18,277	0	0	\$6.69
Carson/Rancho Domingz Ind	1,210	74,232,401	4,056,729	4,109,126	5.5%	(540,707)	8,401	0	\$6.39
Central LA Ind	4,600	91,053,007	2,767,467	2,809,779	3.1%	273,398	122,800	0	\$8.22
Commerce Area Ind	1,584	72,972,621	2,886,142	3,117,019	4.3%	(178,314)	0	489,400	\$5.65
Conejo Valley Ind	674	19,105,119	1,418,503	1,478,703	7.7%	(99,882)	0	0	\$7.41
Eastern SGV Ind	1,043	24,623,767	1,158,343	1,168,343	4.7%	149,362	0	0	\$5.49
El Segundo/Hawthorne Ind	892	23,128,679	810,192	822,192	3.6%	145,200	0	32,785	\$9.00
Gardena/110 Corridor Ind	1,630	35,210,444	1,457,804	1,467,804	4.2%	311,188	91,320	0	\$6.40
Long Beach Area Ind	1,553	27,810,620	2,224,253	2,275,852	8.2%	512,553	104,883	413,010	\$7.05
Lower SGV Ind	1,479	79,829,083	4,846,787	4,989,572	6.3%	(1,077,297)	0	0	\$6.05
Lynwood/Paramount Ind	527	12,857,056	447,663	447,663	3.5%	53,630	0	0	\$6.68
Mid Counties-LA Ind	2,505	90,894,619	5,342,265	5,897,017	6.5%	(1,037,679)	333,096	448,060	\$6.12
Northwest SGV Ind	1,196	20,332,449	1,051,931	1,063,151	5.2%	34,184	0	28,000	\$6.55
SCV/Lancaster/Palmdale Ind	542	19,568,057	862,332	873,988	4.5%	44,527	0	0	\$6.63
SFV East Ind	4,638	78,524,566	2,796,530	3,216,020	4.1%	(666,716)	0	0	\$8.39
SFV West Ind	1,618	38,119,066	1,870,141	2,000,904	5.2%	340,584	0	0	\$7.65
Southwest SGV Ind	966	10,788,607	204,255	204,255	1.9%	32,966	8,000	0	\$7.28
Torrance/Beach Cities Ind	868	31,711,600	2,530,458	2,535,795	8.0%	404,215	265,418	0	\$7.77
Upper SGV Ind	1,140	23,820,842	979,633	1,001,210	4.2%	(196,873)	0	0	\$6.67
Ventura County Ind	2,092	47,697,121	3,059,107	3,175,506	6.7%	337,332	0	0	\$7.03
Vernon Area Ind	2,173	81,103,304	2,220,524	2,517,722	3.1%	34,653	4,861	0	\$5.98
Westside Ind	820	13,753,670	472,764	505,164	3.7%	31,000	2,956	0	\$13.68
<b>Totals</b>	<b>34,082</b>	<b>926,367,350</b>	<b>43,860,216</b>	<b>46,073,178</b>	<b>5.0%</b>	<b>(1,074,399)</b>	<b>941,735</b>	<b>1,411,255</b>	<b>\$6.82</b>

Source: CoStar Property®

# LOS ANGELES INDUSTRIAL MARKET

**FIGURES AT A GLANCE**

## TOTAL INDUSTRIAL MARKET STATISTICS

**Mid-Year 2013**

Market	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
	# Bldg	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
Antelope Valley Ind	398	10,310,854	638,822	638,822	6.2%	(157,667)	0	0	\$6.83
Carson/Rancho Domingz Ind	1,249	75,439,427	4,166,216	4,218,613	5.6%	(553,300)	8,401	0	\$6.47
Central LA Ind	4,934	96,853,542	3,191,524	3,233,836	3.3%	325,710	122,800	0	\$9.34
Commerce Area Ind	1,642	74,029,159	2,983,602	3,222,479	4.4%	(177,228)	0	489,400	\$5.73
Conejo Valley Ind	841	24,478,750	2,044,270	2,298,154	9.4%	(212,237)	0	0	\$8.77
Eastern SGV Ind	1,088	25,659,050	1,309,664	1,323,387	5.2%	160,301	0	0	\$5.57
El Segundo/Hawthorne Ind	953	25,303,541	889,357	903,681	3.6%	129,103	0	32,785	\$9.41
Gardena/110 Corridor Ind	1,665	35,994,664	1,490,887	1,502,487	4.2%	348,694	91,320	0	\$6.56
Long Beach Area Ind	1,652	29,440,649	2,385,349	2,441,448	8.3%	509,383	104,883	413,010	\$7.16
Lower SGV Ind	1,529	81,126,079	4,916,853	5,063,213	6.2%	(1,049,693)	0	0	\$6.09
Lynwood/Paramount Ind	537	12,993,100	458,863	458,863	3.5%	53,630	0	0	\$6.69
Mid Counties-LA Ind	2,693	95,075,217	5,616,402	6,173,654	6.5%	(1,043,592)	333,096	448,060	\$6.20
Northwest SGV Ind	1,311	22,712,589	1,140,895	1,173,115	5.2%	24,007	0	28,000	\$7.13
SCV/Lancaster/Palmdale Ind	666	22,933,514	1,132,462	1,153,681	5.0%	56,234	0	0	\$7.14
SFV East Ind	4,970	83,983,304	3,129,937	3,600,943	4.3%	(745,737)	0	0	\$8.88
SFV West Ind	1,976	46,291,125	2,527,442	2,658,205	5.7%	426,209	0	0	\$7.84
Southwest SGV Ind	987	11,032,087	224,539	224,539	2.0%	18,741	8,000	0	\$7.35
Torrance/Beach Cities Ind	1,056	36,427,388	2,717,781	2,728,368	7.5%	443,822	265,418	0	\$8.00
Upper SGV Ind	1,250	25,995,069	1,141,350	1,162,927	4.5%	(186,257)	0	0	\$6.77
Ventura County Ind	2,169	50,030,860	3,460,002	3,576,401	7.1%	290,950	0	0	\$7.31
Vernon Area Ind	2,200	81,469,905	2,258,580	2,555,778	3.1%	39,463	4,861	0	\$5.98
Westside Ind	1,119	19,255,134	735,038	791,591	4.1%	185,956	162,956	0	\$18.96
<b>Totals</b>	<b>36,885</b>	<b>986,835,007</b>	<b>48,559,835</b>	<b>51,104,185</b>	<b>5.2%</b>	<b>(1,113,508)</b>	<b>1,101,735</b>	<b>1,411,255</b>	<b>\$7.23</b>

Source: CoStar Property®

## LOS ANGELES INDUSTRIAL MARKET



FIGURES AT A GLANCE

## FLEX SUBMARKET STATISTICS

Mid-Year 2013

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Agoura/Wlake V	141	4,688,818	541,482	735,166	15.7%	(104,361)	0	0	\$13.45
Alhambra Ind	33	732,614	18,110	18,110	2.5%	(7,282)	0	0	\$9.30
Antelope Valley	66	1,080,202	242,429	242,429	22.4%	(175,944)	0	0	\$9.52
Arcadia/Sierra M	21	242,185	9,019	9,019	3.7%	(3,179)	0	0	\$16.01
Azusa Ind	33	1,060,991	5,088	5,088	0.5%	0	0	0	\$10.46
Baldwin Park Inc	25	376,987	64,305	64,305	17.1%	8,036	0	0	\$8.76
Beach Cities Ind	23	660,903	49,928	49,928	7.6%	2,373	0	0	\$14.62
Burbank Ind	91	1,443,618	79,684	79,684	5.5%	(43,636)	0	0	\$14.09
Canoga Park Inc	55	668,352	7,050	7,050	1.1%	48,719	0	0	\$6.10
Carson Central I	5	133,596	0	0	0.0%	7,925	0	0	\$7.20
Carson North In	2	60,547	0	0	0.0%	0	0	0	\$9.00
Carson South In	18	446,362	50,053	50,053	11.2%	(11,448)	0	0	\$8.83
Central Los Ang	334	5,800,535	424,057	424,057	7.3%	52,312	0	0	\$20.12
Central Ventura	17	613,264	259,291	259,291	42.3%	(59,497)	0	0	\$9.86
Cerritos Ind	25	792,891	54,914	54,914	6.9%	2,473	0	0	\$10.75
Chatsworth Ind	159	4,363,087	338,606	338,606	7.8%	26,077	0	0	\$8.83
City of Industry	7	126,208	18,500	18,500	14.7%	(3,200)	0	0	\$17.20
City of Industry	9	133,629	15,721	15,721	11.8%	7,169	0	0	\$8.53
City of Industry	2	184,197	5,389	5,389	2.9%	24,755	0	0	\$4.56
Claremont Ind	4	55,733	0	0	0.0%	3,552	0	0	\$0.00
Commerce Ind	38	746,029	87,100	87,100	11.7%	8,014	0	0	\$14.25
Compton East Ir	2	5,920	0	0	0.0%	0	0	0	\$0.00
Compton West	3	62,281	0	0	0.0%	0	0	0	\$0.00
Covina Ind	32	381,983	73,524	73,524	19.2%	(560)	0	0	\$7.37
Diamond Bar Inc	0	0	0	0	0.0%	0	0	0	\$0.00
Downey Ind	10	266,727	5,774	5,774	2.2%	2,714	0	0	\$16.51
Duarte Ind	3	32,610	0	0	0.0%	3,140	0	0	\$17.40
East San Ferndo	80	1,677,838	54,998	54,998	3.3%	(11,510)	0	0	\$10.92
El Monte Ind	23	755,372	19,257	39,157	5.2%	(14,143)	0	0	\$11.19
El Segundo Ind	31	1,454,042	44,600	44,600	3.1%	0	0	0	\$19.14
Encino Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Gardena Central	9	186,529	7,427	9,027	4.8%	(758)	0	0	\$10.76
Gardena East Inc	1	8,723	0	0	0.0%	0	0	0	\$0.00
Gardena NE Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Gardena North C	5	83,298	0	0	0.0%	0	0	0	\$0.00
Gardena North I	6	141,161	0	0	0.0%	22,964	0	0	\$0.00
Gardena NW Inc	1	25,725	0	0	0.0%	0	0	0	\$0.00
Gardena South I	13	338,784	25,656	25,656	7.6%	15,300	0	0	\$9.77
Glendale Ind	54	776,346	14,163	17,880	2.3%	(12,657)	0	0	\$11.62
Glendora Ind	14	182,637	0	0	0.0%	0	0	0	\$23.40
Hawthorne Ind	10	434,428	4,500	4,500	1.0%	(3,200)	0	0	\$11.40
Industry/Hacien	12	395,105	1,500	1,500	0.4%	(1,120)	0	0	\$14.16
Industry/La Pue	2	46,616	0	0	0.0%	0	0	0	\$0.00
Industry/Rowlar	6	196,091	3,490	3,490	1.8%	0	0	0	\$0.00
Inglewood Ind	16	251,008	26,215	28,539	11.4%	(9,047)	0	0	\$13.98
Irwindale Ind	3	139,019	18,800	18,800	13.5%	0	0	0	\$0.00

Source: CoStar Property®



## LOS ANGELES INDUSTRIAL MARKET

FIGURES AT A GLANCE

## FLEX SUBMARKET STATISTICS

Mid-Year 2013

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
La Mirada Ind	15	316,635	30,577	30,577	9.7%	3,196	0	0	\$13.78
La Verne Ind	5	94,880	4,032	4,032	4.2%	12,014	0	0	\$8.53
Lakewood Ind	1	3,600	0	0	0.0%	0	0	0	\$0.00
Lawndale Ind	4	35,384	3,850	3,850	10.9%	(3,850)	0	0	\$12.42
Long Beach Nor	25	594,114	94,645	94,645	15.9%	(8,153)	0	0	\$11.20
Long Beach SE I	18	333,328	34,114	34,114	10.2%	(16,918)	0	0	\$9.08
Long Beach SW	8	79,118	0	0	0.0%	5,863	0	0	\$10.20
Lynwood Ind	1	3,505	0	0	0.0%	0	0	0	\$0.00
Monrovia Ind	29	406,564	42,578	43,678	10.7%	12,927	0	0	\$19.12
Montebello/Wh	20	310,509	10,360	18,360	5.9%	(6,928)	0	0	\$13.54
Moorpark/Simi \	26	684,813	84,285	84,285	12.3%	(7,994)	0	0	\$15.19
North Hollywoo	16	216,905	6,151	6,151	2.8%	(6,151)	0	0	\$11.04
Northridge Ind	130	2,559,494	264,257	264,257	10.3%	13,217	0	0	\$8.74
Norwalk/Bellflo	8	126,007	14,245	14,245	11.3%	(4,102)	0	0	\$12.00
Oxnard/Pt Huer	26	896,397	84,013	84,013	9.4%	5,737	0	0	\$15.89
Paramount Nort	4	51,711	0	0	0.0%	0	0	0	\$0.00
Paramount Sout	5	80,828	11,200	11,200	13.9%	0	0	0	\$8.16
Pasadena Ind	91	1,344,031	178,411	226,210	16.8%	(5,067)	0	0	\$18.24
Pomona North I	3	167,076	66,776	66,776	40.0%	0	0	0	\$3.36
Pomona SE Ind	8	66,998	0	0	0.0%	0	0	0	\$0.00
Pomona SW Ind	3	114,830	0	0	0.0%	6,490	0	0	\$15.00
Rancho Doming	9	498,320	59,434	59,434	11.9%	(9,070)	0	0	\$14.67
Rosemead Ind	1	180,000	0	0	0.0%	0	0	0	\$0.00
San Dimas Ind	22	535,766	80,513	84,236	15.7%	(11,117)	0	0	\$11.93
San Gabriel Ind	5	39,389	0	0	0.0%	0	0	0	\$0.00
San Pedro Ind	5	31,107	0	0	0.0%	0	0	0	\$0.00
Santa Clarita/La	124	3,365,457	270,130	279,693	8.3%	11,707	0	0	\$11.69
Santa Fe Springs	130	2,678,338	168,627	171,127	6.4%	(10,194)	0	0	\$9.81
Signal Hill Ind	36	533,893	32,337	36,837	6.9%	15,138	0	0	\$11.40
South El Monte	10	100,155	5,305	5,305	5.3%	(2,980)	0	0	\$0.00
South El Monte	2	12,615	0	0	0.0%	0	0	0	\$0.00
South El Monte	9	130,710	14,979	14,979	11.5%	(11,245)	0	0	\$11.44
Tarzana Ind	2	35,246	12,700	12,700	36.0%	0	0	0	\$9.00
Temple City Ind	3	24,016	0	0	0.0%	1,500	0	0	\$0.00
Topanga/Malibu	0	0	0	0	0.0%	0	0	0	\$0.00
Torrance Centra	17	213,964	11,110	11,110	5.2%	(2,400)	0	0	\$11.01
Torrance NE Ind	43	1,530,148	31,948	31,948	2.1%	(3,903)	0	0	\$10.20
Torrance NW In	80	1,826,487	69,495	74,745	4.1%	16,941	0	0	\$12.48
Torrance South I	25	484,286	24,842	24,842	5.1%	26,596	0	0	\$14.32
Ventura Ind	34	824,078	57,591	57,591	7.0%	7,378	0	0	\$11.39
Vernon Ind	27	366,601	38,056	38,056	10.4%	4,810	0	0	\$8.28
West Covina/W	12	215,150	25,466	29,041	13.5%	0	0	0	\$16.19
Westside Ind	299	5,501,464	262,274	286,427	5.2%	154,956	160,000	0	\$31.51
Wilmington Ind	6	54,869	0	0	0.0%	900	0	0	\$12.00
Woodland Hills I	12	545,880	34,688	34,688	6.4%	(2,388)	0	0	\$13.83
<b>Totals</b>	<b>2,803</b>	<b>60,467,657</b>	<b>4,699,619</b>	<b>5,031,007</b>	<b>8.3%</b>	<b>(39,109)</b>	<b>160,000</b>	<b>0</b>	<b>\$14.69</b>

Source: CoStar Property®

## LOS ANGELES INDUSTRIAL MARKET



FIGURES AT A GLANCE

## WAREHOUSE SUBMARKET STATISTICS

Mid-Year 2013

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Agoura/Wlake V	274	7,500,634	230,028	230,028	3.1%	69,626	0	0	\$9.14
Alhambra Ind	255	3,819,440	171,279	171,279	4.5%	(45,172)	0	0	\$7.52
Antelope Valley	332	9,230,652	396,393	396,393	4.3%	18,277	0	0	\$6.69
Arcadia/Sierra M	121	1,323,724	50,857	50,857	3.8%	26,541	0	0	\$8.83
Azusa Ind	311	7,239,063	359,950	367,108	5.1%	(213,128)	0	0	\$6.04
Baldwin Park Inc	282	3,926,553	115,733	118,283	3.0%	23,564	0	0	\$7.48
Beach Cities Ind	68	2,238,296	105,975	105,975	4.7%	(9,945)	0	0	\$10.01
Burbank Ind	1,025	14,010,380	402,211	408,885	2.9%	(84,640)	0	0	\$11.10
Canoga Park Inc	319	5,322,972	185,359	185,359	3.5%	14,575	0	0	\$8.04
Carson Central I	266	20,121,881	603,269	641,626	3.2%	(187,362)	8,401	0	\$6.71
Carson North In	130	5,452,143	276,665	276,665	5.1%	73,848	0	0	\$6.68
Carson South In	152	11,854,417	985,820	985,820	8.3%	(767,245)	0	0	\$6.80
Central Los Ang	4,600	91,053,007	2,767,467	2,809,779	3.1%	273,398	122,800	0	\$8.22
Central Ventura	486	13,327,094	859,294	931,657	7.0%	139,089	0	0	\$7.09
Cerritos Ind	331	13,496,415	1,184,984	1,290,299	9.6%	(556,137)	0	0	\$5.84
Chatsworth Ind	492	15,784,505	969,430	1,025,462	6.5%	348,192	0	0	\$7.26
City of Industry	240	11,073,458	476,477	520,227	4.7%	(40,432)	0	0	\$6.12
City of Industry	316	22,771,350	1,536,214	1,558,768	6.8%	(229,765)	0	0	\$5.84
City of Industry	66	4,822,444	824,670	824,670	17.1%	(461,990)	0	0	\$6.29
Claremont Ind	23	557,766	8,300	8,300	1.5%	4,444	0	0	\$5.25
Commerce Ind	928	45,730,576	1,688,884	1,878,357	4.1%	(527)	0	489,400	\$5.72
Compton East Ir	129	2,712,490	21,463	21,463	0.8%	(990)	0	0	\$8.03
Compton West I	226	14,205,295	862,021	862,021	6.1%	312,820	0	0	\$6.08
Covina Ind	197	2,305,138	94,854	94,854	4.1%	42,873	0	0	\$8.09
Diamond Bar Inc	2	32,630	0	0	0.0%	0	0	0	\$0.00
Downey Ind	291	7,445,072	128,529	260,469	3.5%	(32,167)	0	0	\$6.35
Duarte Ind	61	1,081,979	99,720	111,589	10.3%	(14,075)	0	0	\$7.59
East San Ferndo	2,373	45,659,395	1,779,164	2,167,178	4.7%	(390,018)	0	0	\$7.38
El Monte Ind	379	8,824,242	693,861	705,081	8.0%	72,540	0	28,000	\$5.35
El Segundo Ind	271	10,606,978	262,738	271,738	2.6%	(5,634)	0	29,260	\$14.75
Encino Ind	1	2,005	0	0	0.0%	0	0	0	\$0.00
Gardena Central	465	9,412,000	448,174	448,174	4.8%	216,973	91,320	0	\$6.87
Gardena East Inc	182	6,136,726	148,196	148,196	2.4%	(14,795)	0	0	\$6.26
Gardena NE Ind	246	6,378,765	174,192	174,192	2.7%	106,833	0	0	\$6.09
Gardena North C	161	3,858,685	298,665	298,665	7.7%	(70,816)	0	0	\$6.63
Gardena North I	352	4,839,574	167,573	167,573	3.5%	68,731	0	0	\$6.71
Gardena NW Inc	11	124,016	0	0	0.0%	0	0	0	\$5.16
Gardena South I	213	4,460,678	221,004	231,004	5.2%	4,262	0	0	\$6.06
Glendale Ind	623	9,339,086	264,552	279,552	3.0%	(131,213)	0	0	\$9.70
Glendora Ind	53	830,344	109,370	109,370	13.2%	6,664	0	0	\$6.70
Hawthorne Ind	277	7,448,710	363,797	366,797	4.9%	109,264	0	0	\$7.41
Industry/Hacien	345	16,232,267	1,017,010	1,074,730	6.6%	(255,474)	0	0	\$6.23
Industry/La Pue	147	9,210,820	200,036	200,036	2.2%	73,405	0	0	\$5.20
Industry/Rowlar	234	12,833,182	708,905	727,666	5.7%	(147,469)	0	0	\$6.34
Inglewood Ind	296	4,652,669	182,657	182,657	3.9%	36,715	0	3,525	\$10.15
Irwindale Ind	236	8,437,765	200,006	200,006	2.4%	(42,771)	0	0	\$6.39

Source: CoStar Property®

## WAREHOUSE SUBMARKET STATISTICS

Mid-Year 2013

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
La Mirada Ind	208	13,708,908	1,092,079	1,337,879	9.8%	(335,310)	0	0	\$6.06
La Verne Ind	145	2,961,826	30,852	30,852	1.0%	152,262	0	0	\$6.28
Lakewood Ind	20	354,461	500	500	0.1%	18,790	0	0	\$4.77
Lawndale Ind	48	420,322	1,000	1,000	0.2%	4,855	0	0	\$12.82
Long Beach Nor	272	6,180,404	210,492	212,727	3.4%	235,179	0	0	\$6.94
Long Beach SE I	304	6,690,636	1,553,284	1,554,578	23.2%	173,194	104,883	409,010	\$6.96
Long Beach SW	453	4,921,767	231,705	231,705	4.7%	(129,530)	0	4,000	\$6.52
Lynwood Ind	180	5,555,171	192,021	192,021	3.5%	16,504	0	0	\$5.44
Monrovia Ind	260	3,511,291	64,962	64,962	1.9%	2,649	0	0	\$8.97
Montebello/Wh	656	27,242,045	1,197,258	1,238,662	4.5%	(177,787)	0	0	\$5.53
Moorpark/Simi \	400	11,604,485	1,188,475	1,248,675	10.8%	(169,508)	0	0	\$6.97
North Hollywoo	451	7,126,827	159,704	167,204	2.3%	(36,189)	0	0	\$8.14
Northridge Ind	762	15,348,522	686,273	761,004	5.0%	(23,703)	0	0	\$8.14
Norwalk/Bellflo	205	7,205,897	374,293	375,899	5.2%	(96,092)	4,718	0	\$7.18
Oxnard/Pt Huer	814	22,977,947	1,674,920	1,717,492	7.5%	153,447	0	0	\$6.68
Paramount Nort	94	2,501,763	96,253	96,253	3.8%	17,358	0	0	\$7.15
Paramount Sout	253	4,800,122	159,389	159,389	3.3%	19,768	0	0	\$7.80
Pasadena Ind	166	2,388,878	190,899	193,201	8.1%	(24,656)	0	0	\$11.52
Pomona North I	145	2,759,795	50,165	50,165	1.8%	(33,012)	0	0	\$5.71
Pomona SE Ind	424	10,796,156	860,944	870,944	8.1%	(22,238)	0	0	\$4.71
Pomona SW Ind	164	4,663,510	70,107	70,107	1.5%	16,407	0	0	\$6.73
Rancho Doming	307	19,886,175	1,307,491	1,321,531	6.6%	28,222	0	0	\$6.12
Rosemead Ind	73	1,370,714	41,357	41,357	3.0%	(32,993)	0	0	\$4.37
San Dimas Ind	140	2,852,084	137,975	137,975	4.8%	31,499	0	0	\$8.02
San Gabriel Ind	84	1,177,916	23,015	23,015	2.0%	9,619	0	0	\$6.73
San Pedro Ind	37	1,534,183	4,922	52,992	3.5%	(36,470)	0	0	\$10.14
Santa Clarita/La	542	19,568,057	862,332	873,988	4.5%	44,527	0	0	\$6.63
Santa Fe Springs	1,470	49,038,327	2,562,380	2,632,471	5.4%	(17,973)	328,378	448,060	\$6.09
Signal Hill Ind	288	4,894,027	96,664	96,664	2.0%	104,641	0	0	\$9.53
South El Monte	543	6,122,007	124,677	124,677	2.0%	20,775	0	0	\$7.26
South El Monte	275	2,569,372	53,495	53,495	2.1%	(25,520)	0	0	\$7.71
South El Monte	148	2,097,228	26,083	26,083	1.2%	37,711	8,000	0	\$6.96
Tarzana Ind	23	494,225	23,079	23,079	4.7%	1,520	0	0	\$11.85
Temple City Ind	24	305,122	6,600	6,600	2.2%	1,000	0	0	\$7.74
Topanga/Malibu	1	2,271	0	0	0.0%	0	0	0	\$0.00
Torrance Centra	161	2,815,296	147,670	150,007	5.3%	(46,752)	0	0	\$7.49
Torrance NE Ind	239	13,434,351	1,059,484	1,059,484	7.9%	143,033	0	0	\$7.77
Torrance NW In	134	6,436,124	659,052	659,052	10.2%	273,473	265,418	0	\$7.39
Torrance South I	266	6,787,533	558,277	561,277	8.3%	44,406	0	0	\$8.07
Ventura Ind	792	11,392,080	524,893	526,357	4.6%	44,796	0	0	\$8.09
Vernon Ind	2,173	81,103,304	2,220,524	2,517,722	3.1%	34,653	4,861	0	\$5.98
West Covina/W	131	2,885,562	83,475	83,475	2.9%	(15,572)	0	0	\$9.92
Westside Ind	819	13,751,399	472,764	505,164	3.7%	31,000	2,956	0	\$13.68
Wilmington Ind	179	3,235,142	126,686	126,686	3.9%	146,749	0	0	\$6.56
Woodland Hills I	21	1,166,837	6,000	6,000	0.5%	0	0	0	\$7.59
<b>Totals</b>	<b>34,082</b>	<b>926,367,350</b>	<b>43,860,216</b>	<b>46,073,178</b>	<b>5.0%</b>	<b>(1,074,399)</b>	<b>941,735</b>	<b>1,411,255</b>	<b>\$6.82</b>

Source: CoStar Property®

## LOS ANGELES INDUSTRIAL MARKET



FIGURES AT A GLANCE

## TOTAL INDUSTRIAL SUBMARKET STATISTICS

Mid-Year 2013

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Agoura/Wlake V	415	12,189,452	771,510	965,194	7.9%	(34,735)	0	0	\$11.55
Alhambra Ind	288	4,552,054	189,389	189,389	4.2%	(52,454)	0	0	\$7.99
Antelope Valley	398	10,310,854	638,822	638,822	6.2%	(157,667)	0	0	\$6.83
Arcadia/Sierra M	142	1,565,909	59,876	59,876	3.8%	23,362	0	0	\$9.02
Azusa Ind	344	8,300,054	365,038	372,196	4.5%	(213,128)	0	0	\$6.15
Baldwin Park Inc	307	4,303,540	180,038	182,588	4.2%	31,600	0	0	\$7.59
Beach Cities Ind	91	2,899,199	155,903	155,903	5.4%	(7,572)	0	0	\$10.78
Burbank Ind	1,116	15,453,998	481,895	488,569	3.2%	(128,276)	0	0	\$11.45
Canoga Park Inc	374	5,991,324	192,409	192,409	3.2%	63,294	0	0	\$7.88
Carson Central I	271	20,255,477	603,269	641,626	3.2%	(179,437)	8,401	0	\$6.72
Carson North In	132	5,512,690	276,665	276,665	5.0%	73,848	0	0	\$6.78
Carson South In	170	12,300,779	1,035,873	1,035,873	8.4%	(778,693)	0	0	\$6.88
Central Los Ang	4,934	96,853,542	3,191,524	3,233,836	3.3%	325,710	122,800	0	\$9.34
Central Ventura	503	13,940,358	1,118,585	1,190,948	8.5%	79,592	0	0	\$7.51
Cerritos Ind	356	14,289,306	1,239,898	1,345,213	9.4%	(553,664)	0	0	\$5.98
Chatsworth Ind	651	20,147,592	1,308,036	1,364,068	6.8%	374,269	0	0	\$7.46
City of Industry	247	11,199,666	494,977	538,727	4.8%	(43,632)	0	0	\$6.20
City of Industry	325	22,904,979	1,551,935	1,574,489	6.9%	(222,596)	0	0	\$5.87
City of Industry	68	5,006,641	830,059	830,059	16.6%	(437,235)	0	0	\$6.27
Claremont Ind	27	613,499	8,300	8,300	1.4%	7,996	0	0	\$5.25
Commerce Ind	966	46,476,605	1,775,984	1,965,457	4.2%	7,487	0	489,400	\$5.82
Compton East Ir	131	2,718,410	21,463	21,463	0.8%	(990)	0	0	\$8.03
Compton West I	229	14,267,576	862,021	862,021	6.0%	312,820	0	0	\$6.08
Covina Ind	229	2,687,121	168,378	168,378	6.3%	42,313	0	0	\$7.93
Diamond Bar Inc	2	32,630	0	0	0.0%	0	0	0	\$0.00
Downey Ind	301	7,711,799	134,303	266,243	3.5%	(29,453)	0	0	\$6.56
Duarte Ind	64	1,114,589	99,720	111,589	10.0%	(10,935)	0	0	\$7.74
East San Ferndo	2,453	47,337,233	1,834,162	2,222,176	4.7%	(401,528)	0	0	\$7.49
El Monte Ind	402	9,579,614	713,118	744,238	7.8%	58,397	0	28,000	\$5.68
El Segundo Ind	302	12,061,020	307,338	316,338	2.6%	(5,634)	0	29,260	\$15.70
Encino Ind	1	2,005	0	0	0.0%	0	0	0	\$0.00
Gardena Central	474	9,598,529	455,601	457,201	4.8%	216,215	91,320	0	\$6.91
Gardena East Inc	183	6,145,449	148,196	148,196	2.4%	(14,795)	0	0	\$6.26
Gardena NE Ind	246	6,378,765	174,192	174,192	2.7%	106,833	0	0	\$6.09
Gardena North C	166	3,941,983	298,665	298,665	7.6%	(70,816)	0	0	\$6.63
Gardena North I	358	4,980,735	167,573	167,573	3.4%	91,695	0	0	\$6.71
Gardena NW Inc	12	149,741	0	0	0.0%	0	0	0	\$5.16
Gardena South I	226	4,799,462	246,660	256,660	5.3%	19,562	0	0	\$7.02
Glendale Ind	677	10,115,432	278,715	297,432	2.9%	(143,870)	0	0	\$9.79
Glendora Ind	67	1,012,981	109,370	109,370	10.8%	6,664	0	0	\$6.87
Hawthorne Ind	287	7,883,138	368,297	371,297	4.7%	106,064	0	0	\$7.43
Industry/Hacien	357	16,627,372	1,018,510	1,076,230	6.5%	(256,594)	0	0	\$6.23
Industry/La Pue	149	9,257,436	200,036	200,036	2.2%	73,405	0	0	\$5.20
Industry/Rowlar	240	13,029,273	712,395	731,156	5.6%	(147,469)	0	0	\$6.34
Inglewood Ind	312	4,903,677	208,872	211,196	4.3%	27,668	0	3,525	\$10.39
Irwindale Ind	239	8,576,784	218,806	218,806	2.6%	(42,771)	0	0	\$6.39

Source: CoStar Property®

# LOS ANGELES INDUSTRIAL MARKET

**FIGURES AT A GLANCE**

## TOTAL INDUSTRIAL SUBMARKET STATISTICS

Mid-Year 2013

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
La Mirada Ind	223	14,025,543	1,122,656	1,368,456	9.8%	(332,114)	0	0	\$6.07
La Verne Ind	150	3,056,706	34,884	34,884	1.1%	164,276	0	0	\$6.47
Lakewood Ind	21	358,061	500	500	0.1%	18,790	0	0	\$4.77
Lawndale Ind	52	455,706	4,850	4,850	1.1%	1,005	0	0	\$12.72
Long Beach Nor	297	6,774,518	305,137	307,372	4.5%	227,026	0	0	\$7.21
Long Beach SE I	322	7,023,964	1,587,398	1,588,692	22.6%	156,276	104,883	409,010	\$6.98
Long Beach SW	461	5,000,885	231,705	231,705	4.6%	(123,667)	0	4,000	\$6.55
Lynwood Ind	181	5,558,676	192,021	192,021	3.5%	16,504	0	0	\$5.44
Monrovia Ind	289	3,917,855	107,540	108,640	2.8%	15,576	0	0	\$10.62
Montebello/Wh	676	27,552,554	1,207,618	1,257,022	4.6%	(184,715)	0	0	\$5.58
Moorpark/Simi \	426	12,289,298	1,272,760	1,332,960	10.8%	(177,502)	0	0	\$7.19
North Hollywoo	467	7,343,732	165,855	173,355	2.4%	(42,340)	0	0	\$8.18
Northridge Ind	892	17,908,016	950,530	1,025,261	5.7%	(10,486)	0	0	\$8.25
Norwalk/Bellflo	213	7,331,904	388,538	390,144	5.3%	(100,194)	4,718	0	\$7.19
Oxnard/Pt Huer	840	23,874,344	1,758,933	1,801,505	7.5%	159,184	0	0	\$6.86
Paramount Nort	98	2,553,474	96,253	96,253	3.8%	17,358	0	0	\$7.15
Paramount Sout	258	4,880,950	170,589	170,589	3.5%	19,768	0	0	\$7.81
Pasadena Ind	257	3,732,909	369,310	419,411	11.2%	(29,723)	0	0	\$14.71
Pomona North I	148	2,926,871	116,941	116,941	4.0%	(33,012)	0	0	\$5.51
Pomona SE Ind	432	10,863,154	860,944	870,944	8.0%	(22,238)	0	0	\$4.71
Pomona SW Ind	167	4,778,340	70,107	70,107	1.5%	22,897	0	0	\$6.94
Rancho Doming	316	20,384,495	1,366,925	1,380,965	6.8%	19,152	0	0	\$6.28
Rosemead Ind	74	1,550,714	41,357	41,357	2.7%	(32,993)	0	0	\$4.37
San Dimas Ind	162	3,387,850	218,488	222,211	6.6%	20,382	0	0	\$8.49
San Gabriel Ind	89	1,217,305	23,015	23,015	1.9%	9,619	0	0	\$6.73
San Pedro Ind	42	1,565,290	4,922	52,992	3.4%	(36,470)	0	0	\$10.14
Santa Clarita/La	666	22,933,514	1,132,462	1,153,681	5.0%	56,234	0	0	\$7.14
Santa Fe Springs	1,600	51,716,665	2,731,007	2,803,598	5.4%	(28,167)	328,378	448,060	\$6.18
Signal Hill Ind	324	5,427,920	129,001	133,501	2.5%	119,779	0	0	\$9.89
South El Monte	553	6,222,162	129,982	129,982	2.1%	17,795	0	0	\$7.26
South El Monte	277	2,581,987	53,495	53,495	2.1%	(25,520)	0	0	\$7.71
South El Monte	157	2,227,938	41,062	41,062	1.8%	26,466	8,000	0	\$7.34
Tarzana Ind	25	529,471	35,779	35,779	6.8%	1,520	0	0	\$11.46
Temple City Ind	27	329,138	6,600	6,600	2.0%	2,500	0	0	\$7.74
Topanga/Malibu	1	2,271	0	0	0.0%	0	0	0	\$0.00
Torrance Centra	178	3,029,260	158,780	161,117	5.3%	(49,152)	0	0	\$7.63
Torrance NE Ind	282	14,964,499	1,091,432	1,091,432	7.3%	139,130	0	0	\$7.80
Torrance NW In	214	8,262,611	728,547	733,797	8.9%	290,414	265,418	0	\$7.83
Torrance South I	291	7,271,819	583,119	586,119	8.1%	71,002	0	0	\$8.53
Ventura Ind	826	12,216,158	582,484	583,948	4.8%	52,174	0	0	\$8.34
Vernon Ind	2,200	81,469,905	2,258,580	2,555,778	3.1%	39,463	4,861	0	\$5.98
West Covina/W	143	3,100,712	108,941	112,516	3.6%	(15,572)	0	0	\$10.88
Westside Ind	1,118	19,252,863	735,038	791,591	4.1%	185,956	162,956	0	\$18.96
Wilmington Ind	185	3,290,011	126,686	126,686	3.9%	147,649	0	0	\$6.59
Woodland Hills I	33	1,712,717	40,688	40,688	2.4%	(2,388)	0	0	\$8.71
<b>Totals</b>	<b>36,885</b>	<b>986,835,007</b>	<b>48,559,835</b>	<b>51,104,185</b>	<b>5.2%</b>	<b>(1,113,508)</b>	<b>1,101,735</b>	<b>1,411,255</b>	<b>\$7.23</b>

Source: CoStar Property®

## LOS ANGELES INDUSTRIAL MARKET



FIGURES AT A GLANCE

## FLEX MARKET STATISTICS

Mid-Year 2013

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Bld	Total RBA	Direct SF	Total SF	Vac %		# Bld	Total RBA	# Bld	Total RBA	
2013 2q	2,803	60,467,657	4,699,619	5,031,007	8.3%	(229,586)	0	0	0	0	\$14.69
2013 1q	2,804	60,497,641	4,639,349	4,831,405	8.0%	190,477	1	160,000	0	0	\$15.22
2012 4q	2,803	60,337,641	4,635,866	4,861,882	8.1%	(2,086)	0	0	1	160,000	\$15.33
2012 3q	2,803	60,337,641	4,637,813	4,859,796	8.1%	(300,649)	0	0	1	160,000	\$15.41
2012 2q	2,804	60,373,731	4,469,621	4,595,237	7.6%	(323,291)	0	0	1	160,000	\$15.37
2012 1q	2,805	60,384,591	4,214,331	4,282,806	7.1%	62,332	1	45,262	1	160,000	\$15.15
2011	2,804	60,339,329	4,239,737	4,299,876	7.1%	279,165	2	24,997	2	205,262	\$15.11
2010	2,805	60,492,909	4,648,880	4,732,621	7.8%	(405,660)	5	90,624	2	24,997	\$16.05
2009	2,801	60,414,359	3,911,793	4,248,411	7.0%	(888,188)	10	234,758	3	55,919	\$16.50
2008	2,794	60,828,310	3,402,383	3,774,174	6.2%	(327,810)	10	120,047	9	226,917	\$17.71
2007	2,784	60,913,357	3,196,338	3,531,411	5.8%	(55,797)	34	649,437	8	102,620	\$16.49
2006	2,753	60,395,080	2,680,069	2,957,337	4.9%	362,175	8	160,582	29	611,794	\$13.89
2005	2,746	60,244,198	2,911,286	3,168,630	5.3%	1,861,108	25	458,375	5	100,979	\$13.39
2004	2,723	59,825,623	4,319,470	4,611,163	7.7%	179,353	11	226,577	23	430,647	\$12.97
2003	2,713	59,788,046	4,043,440	4,752,939	7.9%	(107,773)	14	486,671	10	217,347	\$12.93
2002	2,701	59,312,851	3,510,834	4,169,971	7.0%	1,194,240	24	1,075,729	8	167,078	\$12.48

Source: CoStar Property®

## WAREHOUSE MARKET STATISTICS

Mid-Year 2013

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Bld	Total RBA	Direct SF	Total SF	Vac %		# Bld	Total RBA	# Bld	Total RBA	
2013 2q	34,082	926,367,350	43,860,216	46,073,178	5.0%	(1,498,728)	8	714,052	10	1,411,255	\$6.82
2013 1q	34,082	925,865,873	41,812,574	43,991,968	4.8%	424,329	4	227,683	16	2,084,307	\$6.77
2012 4q	34,083	925,762,641	42,336,376	44,313,065	4.8%	3,603,439	10	1,270,817	13	633,617	\$6.68
2012 3q	34,080	925,293,617	45,218,073	47,447,480	5.1%	(2,056,663)	13	790,559	19	1,785,497	\$6.69
2012 2q	34,073	924,862,203	42,871,020	44,959,403	4.9%	481,933	5	291,823	30	2,502,816	\$6.63
2012 1q	34,070	924,599,038	43,200,414	45,178,171	4.9%	1,931,982	4	543,104	30	2,460,479	\$6.59
2011	34,073	924,729,537	45,051,606	47,240,652	5.1%	1,526,206	18	1,893,150	18	1,564,805	\$6.55
2010	34,074	924,081,170	44,955,107	48,118,491	5.2%	(2,676,228)	27	696,382	10	1,516,604	\$6.56
2009	34,080	924,384,216	42,717,172	45,745,309	4.9%	(7,458,993)	89	3,354,693	22	391,495	\$7.03
2008	34,026	922,906,486	33,807,648	36,808,586	4.0%	(8,592,281)	116	3,957,604	64	2,643,175	\$8.11
2007	33,950	920,282,991	23,590,578	25,592,810	2.8%	1,194,633	138	5,304,894	93	3,812,543	\$8.13
2006	33,859	917,940,077	22,915,514	24,444,654	2.7%	13,065,850	197	8,182,960	104	4,475,297	\$7.37
2005	33,692	911,339,841	29,742,727	30,910,282	3.4%	12,277,231	180	8,704,031	162	6,567,290	\$6.94
2004	33,529	902,878,414	32,871,734	34,725,827	3.8%	12,304,837	186	7,946,479	173	8,227,389	\$6.73
2003	33,353	896,292,920	38,239,269	40,420,347	4.5%	8,777,133	228	10,421,474	173	7,092,269	\$6.52
2002	33,141	888,724,313	38,190,955	41,636,010	4.7%	4,752,405	241	11,667,273	170	7,303,560	\$6.51

Source: CoStar Property®

## TOTAL INDUSTRIAL MARKET STATISTICS

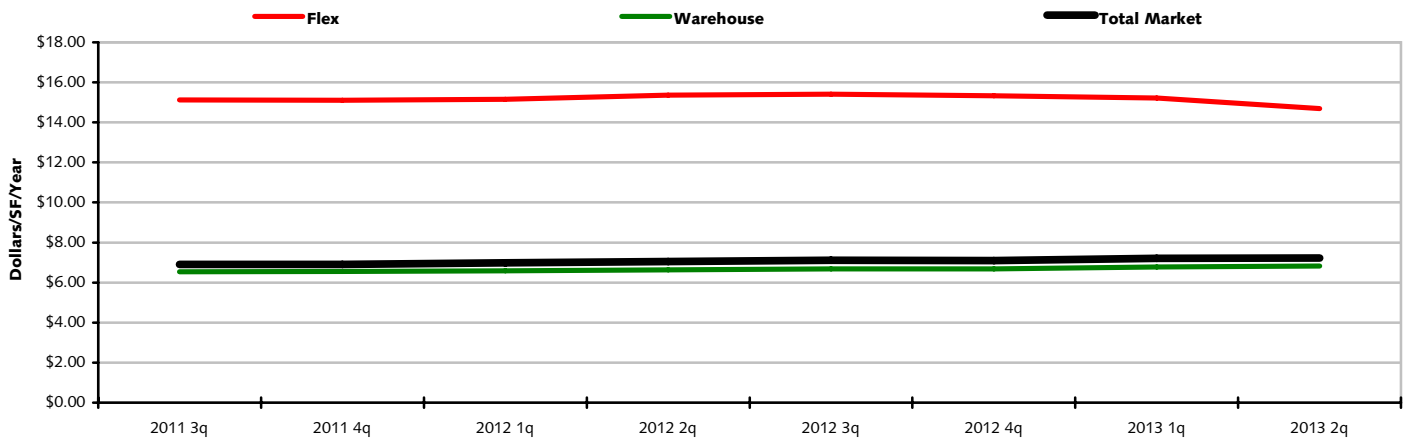
Mid-Year 2013

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Bld	Total RBA	Direct SF	Total SF	Vac %		# Bld	Total RBA	# Bld	Total RBA	
2013 2q	36,885	986,835,007	48,559,835	51,104,185	5.2%	(1,728,314)	8	714,052	10	1,411,255	\$7.23
2013 1q	36,886	986,363,514	46,451,923	48,823,373	4.9%	614,806	5	387,683	16	2,084,307	\$7.21
2012 4q	36,886	986,100,282	46,972,242	49,174,947	5.0%	3,601,353	10	1,270,817	14	793,617	\$7.10
2012 3q	36,883	985,631,258	49,855,886	52,307,276	5.3%	(2,357,312)	13	790,559	20	1,945,497	\$7.11
2012 2q	36,877	985,235,934	47,340,641	49,554,640	5.0%	158,642	5	291,823	31	2,662,816	\$7.04
2012 1q	36,875	984,983,629	47,414,745	49,460,977	5.0%	1,994,314	5	588,366	31	2,620,479	\$6.98
2011	36,877	985,068,866	49,291,343	51,540,528	5.2%	1,805,371	20	1,918,147	20	1,770,067	\$6.91
2010	36,879	984,574,079	49,603,987	52,851,112	5.4%	(3,081,888)	32	787,006	12	1,541,601	\$6.97
2009	36,881	984,798,575	46,628,965	49,993,720	5.1%	(8,347,181)	99	3,589,451	25	447,414	\$7.50
2008	36,820	983,734,796	37,210,031	40,582,760	4.1%	(8,920,091)	126	4,077,651	73	2,870,092	\$8.60
2007	36,734	981,196,348	26,786,916	29,124,221	3.0%	1,138,836	172	5,954,331	101	3,915,163	\$8.61
2006	36,612	978,335,157	25,595,583	27,401,991	2.8%	13,428,025	205	8,343,542	133	5,087,091	\$7.80
2005	36,438	971,584,039	32,654,013	34,078,912	3.5%	14,138,339	205	9,162,406	167	6,668,269	\$7.41
2004	36,252	962,704,037	37,191,204	39,336,990	4.1%	12,484,190	197	8,173,056	196	8,658,036	\$7.39
2003	36,066	956,080,966	42,282,709	45,173,286	4.7%	8,669,360	242	10,908,145	183	7,309,616	\$7.16
2002	35,842	948,037,164	41,701,789	45,805,981	4.8%	5,946,645	265	12,743,002	178	7,470,638	\$6.73

Source: CoStar Property®

## HISTORICAL RENTAL RATES

Based on Quoted Rental Rates



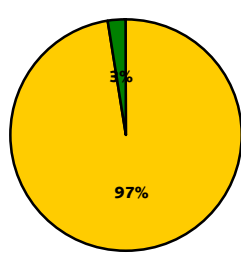
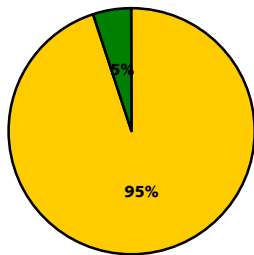
Source: CoStar Property®

## VACANCY BY AVAILABLE SPACE TYPE

Percent of All Vacant Space in Direct vs. Sublet

Los Angeles

United States



Direct Sublet

Direct Sublet

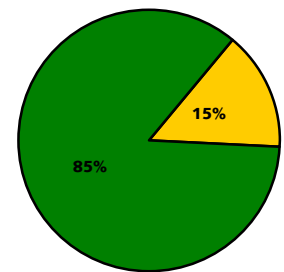
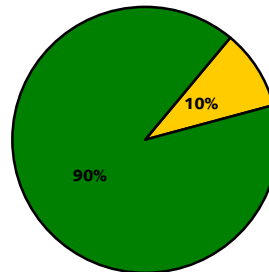
Source: CoStar Property®

## VACANCY BY BUILDING TYPE

Percent of All Vacant Space by Building Type

Los Angeles

United States



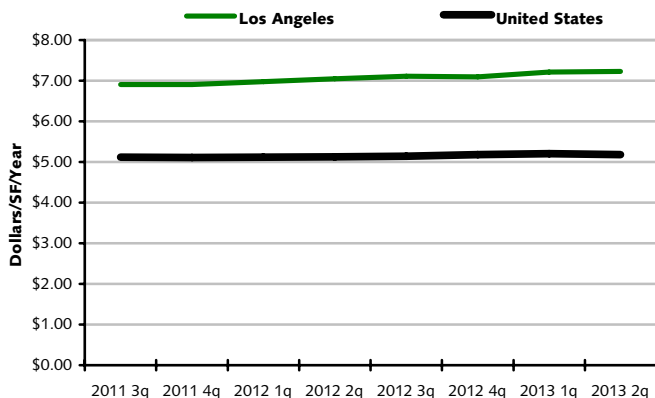
Flex Warehouse

Flex Warehouse

Source: CoStar Property®

## U.S. RENTAL RATE COMPARISON

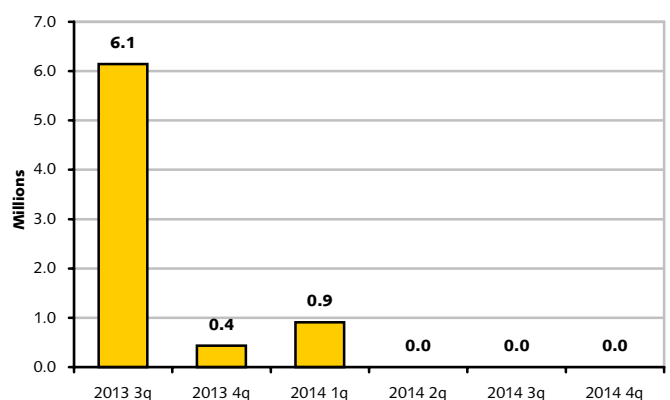
Based on Average Quoted Rental Rates



Source: CoStar Property®

## FUTURE SPACE AVAILABLE

Space Scheduled to be Available for Occupancy\*



Source: CoStar Property®

\* Includes Under Construction Space

## LOS ANGELES INDUSTRIAL MARKET



## LEASING ACTIVITY

## SELECT TOP INDUSTRIAL LEASES Based on Leased Square Footage For Deals Signed in 2013

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company
1 Grand Crossings - Bldg 18	City of Industry East Ind	775,000	1st	Port Logistics Group	N/A	Majestic Realty Co.
2 2501 W Rosecrans Ave	Central Los Angeles Ind	298,474	1st	N/A	N/A	CBRE
3 The Plantation - Bldg 13*	City of Industry East Ind	297,310	2nd	South Bay Freight Systems	N/A	Colliers International
4 12330 Lakeland Rd	Santa Fe Springs Ind	288,616	2nd	N/A	N/A	The Carson Companies
5 771 Watson Center Rd - Bldg 114	Carson South Ind	258,678	2nd	DAMCO	N/A	Watson Land Company
6 5801 Ayala*	Irwindale Ind	218,319	2nd	Nelson Nutraceutical LLC	Voit Real Estate Services	Direct Deal
7 Sorensen Distribution Center*	Santa Fe Springs Ind	200,223	1st	Tangram Interiors	Cresa	CBRE
8 9400 Santa Fe Springs Rd	Santa Fe Springs Ind	196,800	1st	Universal Logistics Group	Lee & Associates	Colliers International
9 2101 W Flotilla St*	Montebello/Whittier Ind	183,520	1st	Priority 1 Warehousing	The Saywitz Company	Transwestern Property Management
10 Legacy Bldg 207*	Carson Central Ind	177,400	2nd	Ozburn-Hessey Logistics, LLC	ProVenture	Direct Deal
11 Airport Business Park - Bldg 1	Northridge Ind	175,660	1st	Moulton Logistics	CBRE	CBRE
12 20642 S Fordyce Ave	Carson Central Ind	150,359	2nd	N/A	N/A	CBRE
13 Portous Fastner Company	Carson South Ind	148,808	1st	Floor & Decor	N/A	Direct Deal
14 14647 Northam St	La Mirada Ind	140,000	1st	N/A	N/A	Majestic Realty Co.
15 Harris Business Center 58	Commerce Ind	133,510	1st	Fungyun Inc	CBRE	Cushman & Wakefield, Inc.
16 18620 S Broadway St*	Gardena South Ind	129,499	2nd	PCA Aerostructures	The Saywitz Company	Prologis, Inc.
17 Pacific Pointe South @ Douglas Park - Bldg 7	Long Beach SE Ind	125,000	1st	Turbo Air Group	N/A	CBRE
18 Crossroads Business Park - Bldg 1	City of Industry West Ind	125,000	2nd	N/A	N/A	Majestic Realty Co.
19 7300 Flores Ave	Downey Ind	122,940	1st	N/A	N/A	Cushman & Wakefield, Inc.
20 19700 Business Pky	City of Industry East Ind	120,000	2nd	N/A	N/A	Majestic Realty Co.
21 1041 E 230th St	Carson South Ind	119,668	1st	Damco	N/A	Watson Land Company
22 16180 Ornelas St	Azusa Ind	115,576	2nd	N/A	N/A	Colliers International
23 14777 Don Julian Rd	Industry/Hacienda Blv Ind	113,000	1st	N/A	N/A	Majestic Realty Co.
24 2680 S Pellissier Pl	City of Industry West Ind	112,000	2nd	N/A	N/A	Majestic Realty Co.
25 Pico Rivera Business Ctr - Bldg 3	Montebello/Whittier Ind	111,384	1st	N/A	N/A	Majestic Realty Co.
26 2640 E Del Amo Blvd*	Carson Central Ind	110,720	2nd	Used Gym Equipment	N/A	N/A
27 20434 S Santa Fe Ave	Carson Central Ind	110,300	1st	Thunder Studios	Mohr Partners	ADG Commercial
28 875 S Azusa Ave	City of Industry Cent Ind	108,000	2nd	N/A	N/A	Colliers International
29 Living Spaces Building	La Mirada Ind	105,000	1st	N/A	N/A	CBRE
30 9425 Canoga Ave	Chatsworth Ind	99,702	1st	Pratt & Whitney	N/A	CBRE
31 Irwindale Bldg #23	Irwindale Ind	94,560	2nd	N/A	N/A	Cushman & Wakefield, Inc.
32 4940 Triggs St	Commerce Ind	92,235	1st	N/A	N/A	CBRE
33 Golden Springs Business Center - Bldg C	Santa Fe Springs Ind	91,489	1st	N/A	Cushman & Wakefield, Inc.	Colliers International
34 15730 S Figueroa St	Gardena Central Ind	91,320	1st	YS Garments Inc	N/A	CBRE
35 18201 S Central Ave*	Carson Central Ind	91,108	2nd	Two Chefs On A Roll	The Saywitz Company	Direct Deal
36 2958 E 54th St*	Vernon Ind	90,000	2nd	Sk Textile, Inc.	N/A	Colliers International
37 2601 Workman Mill Rd	City of Industry West Ind	90,000	1st	N/A	N/A	Majestic Realty Co.
38 11630 Pike St	Santa Fe Springs Ind	80,000	2nd	N/A	N/A	Inco Commercial Brokers
39 Vernon Business Park - Bldg 134	Vernon Ind	79,119	1st	A4	Jones Lang LaSalle	CBRE
40 760 S Vail Ave	Montebello/Whittier Ind	78,997	2nd	N/A	N/A	Lee & Associates

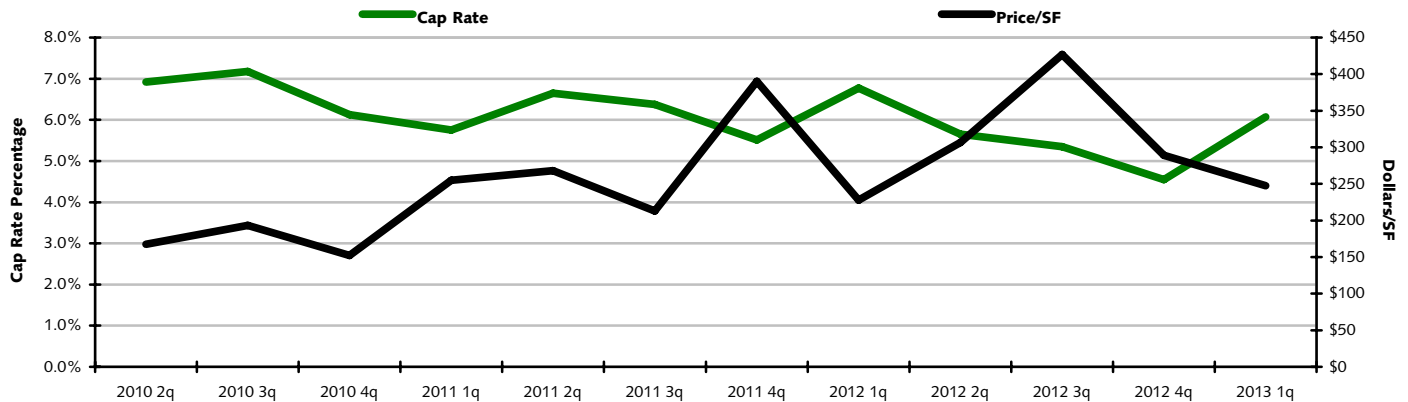
Source: CoStar Property®

\* Renewal



## THE OPTIMIST SALES INDEX

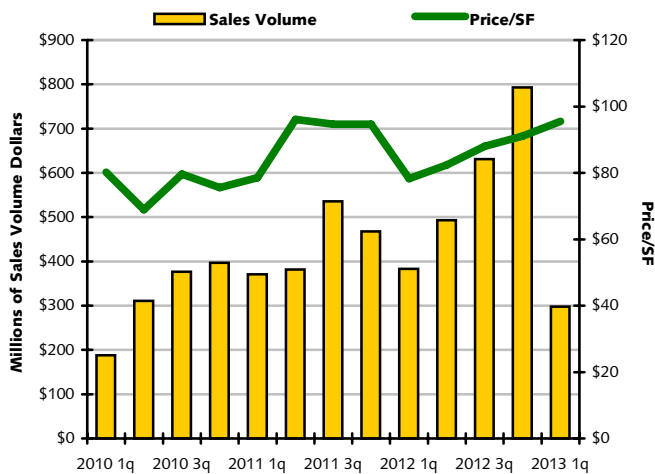
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

## SALES VOLUME & PRICE

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



Source: CoStar COMPS®

## SALES ANALYSIS BY BUILDING SIZE

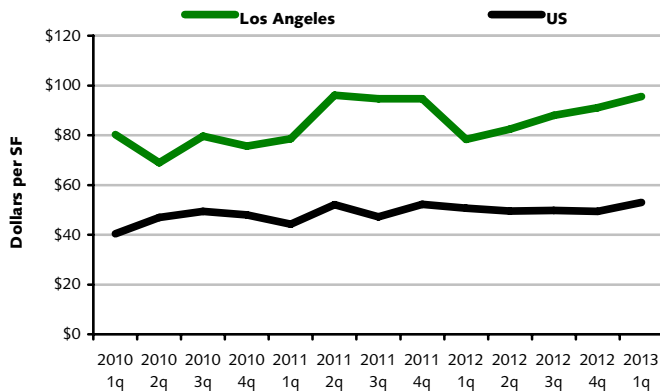
Based on Industrial Bldg Sales From April 2012 - March 2013

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	606	6,569,603	\$ 822,254,610	\$ 125.16	7.21%
25K-99K SF	203	9,592,027	\$ 870,346,991	\$ 90.74	8.19%
100K-249K SF	53	7,832,826	\$ 654,410,357	\$ 83.55	6.08%
>250K SF	9	4,744,786	\$ 385,165,698	\$ 81.18	6.35%

Source: CoStar COMPS®

## U.S. PRICE/SF COMPARISON

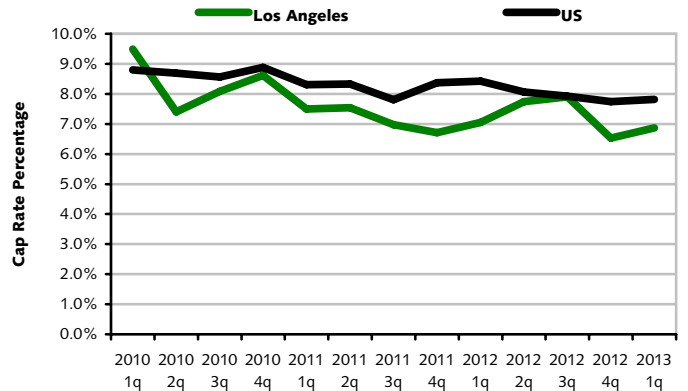
Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## U.S. CAP RATE COMPARISON

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



Source: CoStar COMPS®

## LOS ANGELES INDUSTRIAL MARKET



## SALES ACTIVITY

## SELECT TOP SALES

Based on Sales from April 2012 Through June 2013

## 1. 16501 Trojan Way



## La Mirada

Price: \$63,200,000  
 Price/SF: \$127.00  
 Cap Rate: 6.3%  
 RBA: 497,620  
 Date: 6/14/2012  
 Year Built: 2002  
 Buyer: Duke Realty Corporation  
 Seller: McGranahan Carlson & Company LLC

## 2. 3233 E Mission Oaks Blvd



## Camarillo

Price: \$59,100,000  
 Price/SF: \$49.73  
 Cap Rate: 8.4%  
 RBA: 1,188,315  
 Date: 6/29/2012  
 Year Built: 1982  
 Buyer: Rexford Industrial  
 Seller: Sandstone Properties

## 3. Pru Real Estate to Alere (9 Bldgs)



## Compton

Price: \$41,725,000  
 Price/SF: \$96.51  
 Cap Rate: 5.2%  
 RBA: 432,361  
 Date: 10/17/2012  
 Year Built: 1981  
 Buyer: Alere Property Group LLC  
 Seller: Prudential Real Estate Investors

## 4. 9306 Sorensen Ave



## Santa Fe Springs

Price: \$28,700,738  
 Price/SF: \$93.97  
 Cap Rate: N/A  
 RBA: 305,422  
 Date: 12/20/2012  
 Year Built: 2012  
 Buyer: Industrial Income Trust, Inc.  
 Seller: Sares-Regis Group

## 5. 1338 W Holt Ave



## Pomona

Price: \$28,412,960  
 Price/SF: \$80.00  
 Cap Rate: N/A  
 RBA: 355,162  
 Date: 12/19/2012  
 Year Built: 2000  
 Buyer: Crown Mark  
 Seller: Industrial Properties Corporation

## 6. 16325 S Avalon Blvd



## Carson

Price: \$26,340,000  
 Price/SF: \$125.01  
 Cap Rate: N/A  
 RBA: 210,710  
 Date: 12/21/2012  
 Year Built: 2012  
 Buyer: TIAA-CREF  
 Seller: Trammell Crow Company

## 7. 1580 Francisco St



## Torrance

Price: \$24,950,000  
 Price/SF: \$135.00  
 Cap Rate: 5.8%  
 RBA: 184,815  
 Date: 5/22/2012  
 Year Built: 2000  
 Buyer: Industrial Income Trust, Inc.  
 Seller: Sares-Regis Group

## 8. 29011 Commerce Center Dr



## Valencia

Price: \$21,745,000  
 Price/SF: \$131.68  
 Cap Rate: N/A  
 RBA: 165,141  
 Date: 3/14/2013  
 Year Built: 2000  
 Buyer: MMB Management LLC  
 Seller: Sares-Regis Group

## 9. TA Fund VII / IDS RE Group



## North Hollywood

Price: \$21,000,000  
 Price/SF: \$101.29  
 Cap Rate: N/A  
 RBA: 207,333  
 Date: 6/29/2012  
 Year Built: 1970  
 Buyer: IDS Real Estate Group  
 Seller: TA Associates Realty

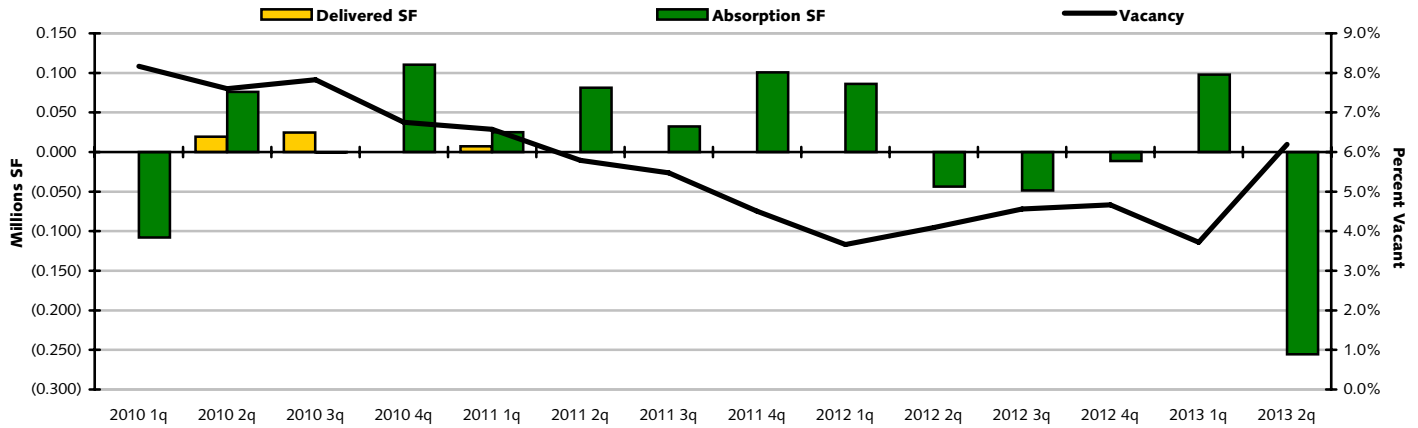


# LOS ANGELES INDUSTRIAL MARKET

## ANTELOPE VALLEY MARKET

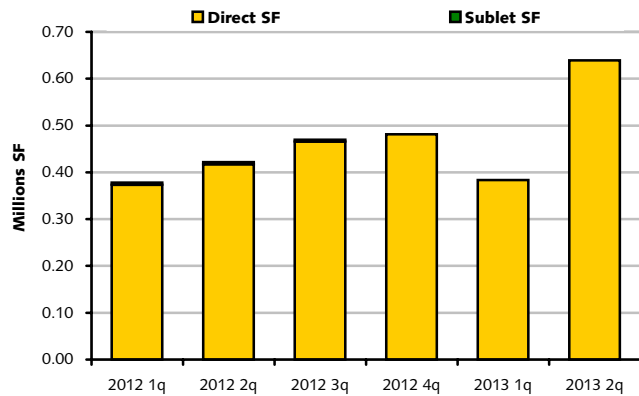
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

### DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



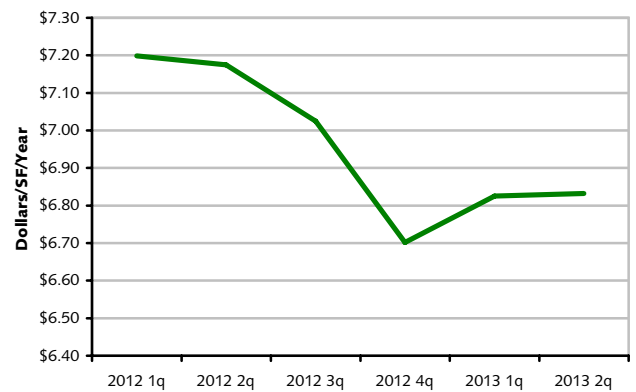
Source: CoStar Property®

### VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



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	
2013 2q	398	10,310,854	638,822	6.2%	(255,337)	0	0	0	0	\$6.83
2013 1q	398	10,310,854	383,485	3.7%	97,670	0	0	0	0	\$6.83
2012 4q	398	10,310,854	481,155	4.7%	(11,198)	0	0	0	0	\$6.70
2012 3q	398	10,310,854	469,957	4.6%	(48,448)	0	0	0	0	\$7.02
2012 2q	398	10,310,854	421,509	4.1%	(43,642)	0	0	0	0	\$7.17
2012 1q	398	10,310,854	377,867	3.7%	86,188	0	0	0	0	\$7.20
2011 4q	398	10,310,854	464,055	4.5%	100,639	0	0	0	0	\$7.22
2011 3q	398	10,310,854	564,694	5.5%	32,346	0	0	0	0	\$6.87
2011 2q	398	10,310,854	597,040	5.8%	81,070	0	0	0	0	\$6.96
2011 1q	398	10,310,854	678,110	6.6%	25,166	1	7,153	0	0	\$6.93
2010 4q	397	10,303,701	696,123	6.8%	110,579	0	0	1	7,153	\$7.01
2010 3q	397	10,303,701	806,702	7.8%	(579)	1	24,750	1	7,153	\$7.08
2010 2q	396	10,278,951	781,373	7.6%	75,892	1	19,588	1	24,750	\$7.10
2010 1q	395	10,259,363	837,677	8.2%	(107,888)	0	0	2	44,338	\$7.21
2009 4q	395	10,259,363	729,789	7.1%	(24,557)	2	66,537	2	44,338	\$6.61
2009 3q	393	10,192,826	638,695	6.3%	30,543	0	0	3	91,287	\$7.19

Source: CoStar Property®

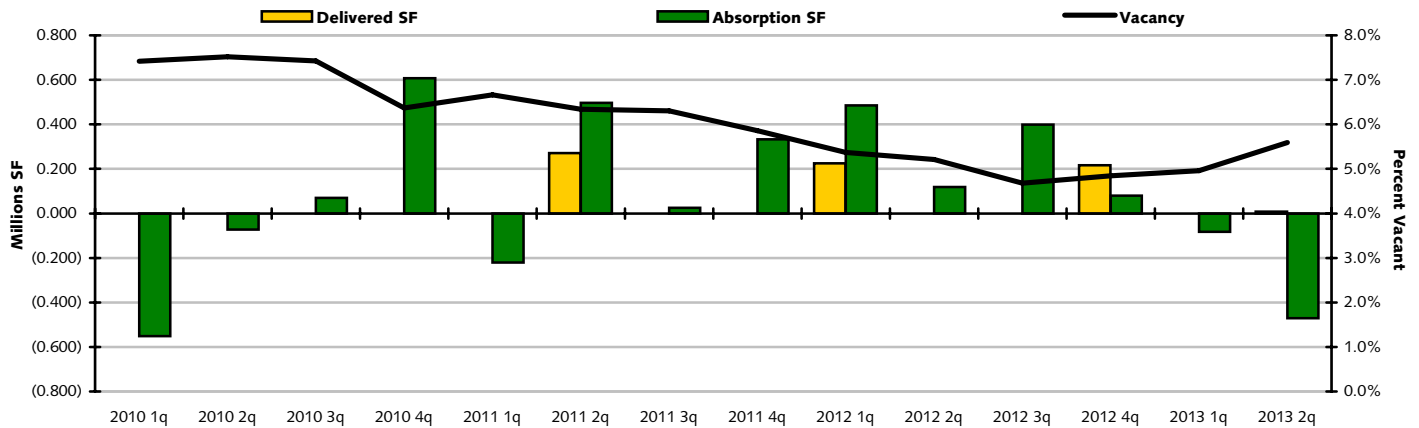
# LOS ANGELES INDUSTRIAL MARKET

## CARSON/RANCHO DOMINGO MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE



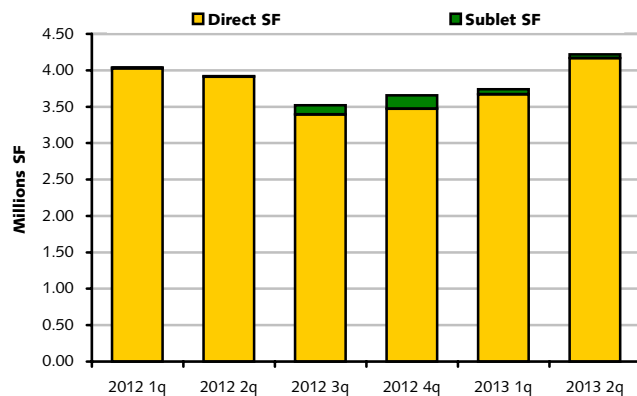
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

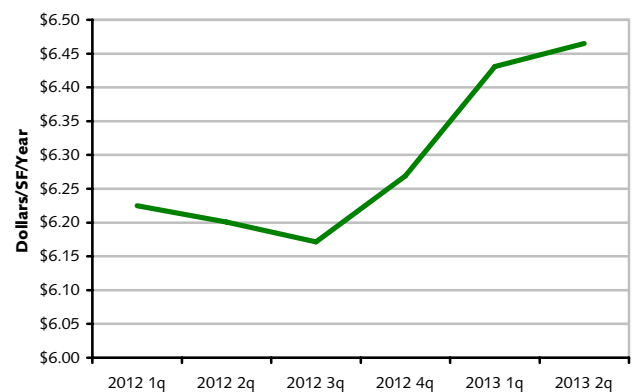
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	1,249	75,439,427	4,218,613	5.6%	(470,517)	1	8,401	0	0	\$6.47
2013 1q	1,248	75,431,026	3,739,695	5.0%	(82,783)	0	0	1	8,401	\$6.43
2012 4q	1,248	75,431,026	3,656,912	4.8%	79,221	1	216,407	1	8,401	\$6.27
2012 3q	1,247	75,214,619	3,519,726	4.7%	398,892	0	0	1	216,407	\$6.17
2012 2q	1,247	75,214,619	3,918,618	5.2%	118,578	0	0	1	216,407	\$6.20
2012 1q	1,247	75,214,619	4,037,196	5.4%	484,573	1	224,560	1	216,407	\$6.22
2011 4q	1,247	75,094,326	4,401,476	5.9%	332,131	0	0	1	224,560	\$6.17
2011 3q	1,247	75,094,326	4,733,607	6.3%	24,771	0	0	1	224,560	\$6.11
2011 2q	1,247	75,094,326	4,758,378	6.3%	496,484	1	270,764	0	0	\$6.24
2011 1q	1,246	74,823,562	4,984,098	6.7%	(220,733)	0	0	1	270,764	\$6.11
2010 4q	1,246	74,823,562	4,763,365	6.4%	607,441	0	0	1	270,764	\$6.10
2010 3q	1,247	75,022,746	5,569,990	7.4%	70,036	0	0	0	0	\$6.14
2010 2q	1,247	75,022,746	5,640,026	7.5%	(73,125)	0	0	0	0	\$6.31
2010 1q	1,247	75,022,746	5,566,901	7.4%	(551,262)	0	0	0	0	\$6.41
2009 4q	1,247	75,022,746	5,015,639	6.7%	(307,739)	1	148,725	0	0	\$6.62
2009 3q	1,246	74,874,021	4,559,175	6.1%	(288,383)	1	65,670	1	148,725	\$7.10

Source: CoStar Property®

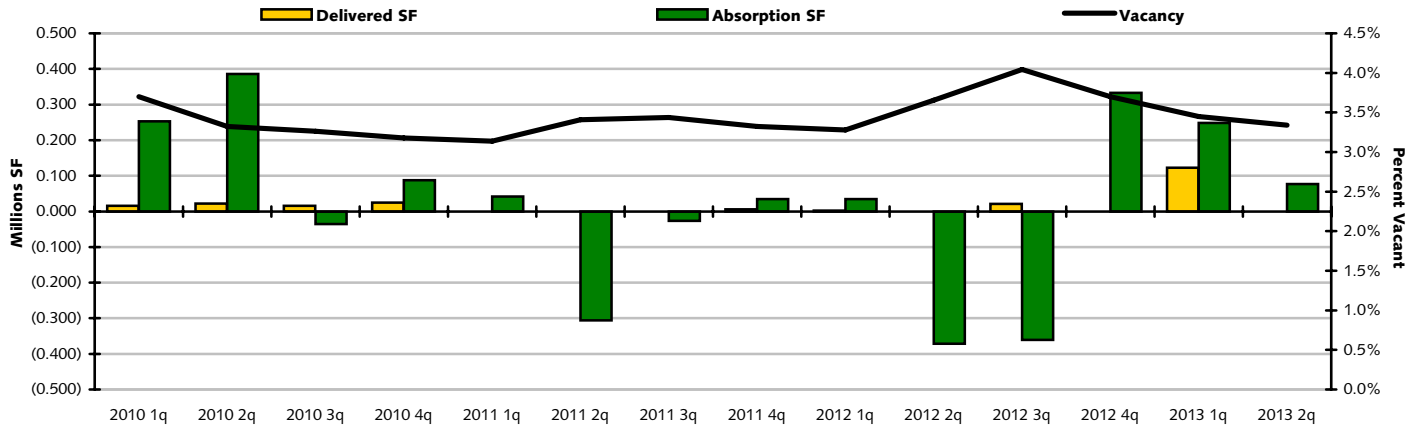


# LOS ANGELES INDUSTRIAL MARKET

## CENTRAL LA MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

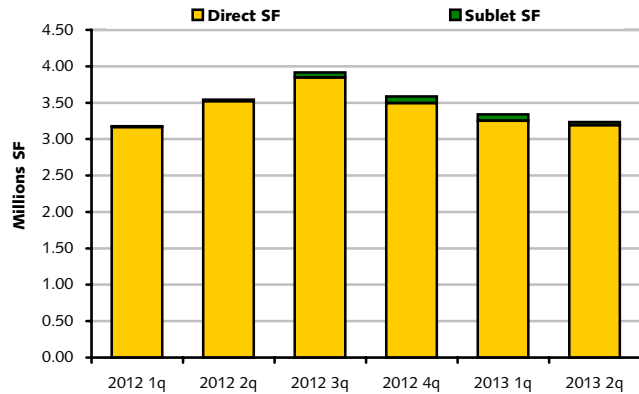
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

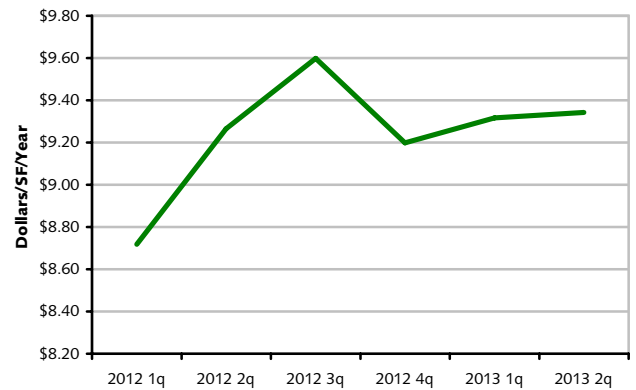
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	4,934	96,853,542	3,233,836	3.3%	76,981	0	0	0	0	\$9.34
2013 1q	4,935	96,883,526	3,340,801	3.4%	248,729	2	122,800	0	0	\$9.32
2012 4q	4,937	96,878,926	3,584,930	3.7%	332,599	0	0	2	122,800	\$9.20
2012 3q	4,937	96,878,926	3,917,529	4.0%	(361,148)	2	21,022	2	122,800	\$9.60
2012 2q	4,936	96,862,854	3,540,309	3.7%	(371,342)	0	0	4	143,822	\$9.27
2012 1q	4,937	96,869,177	3,175,290	3.3%	34,728	1	2,400	3	44,022	\$8.72
2011 4q	4,937	96,880,777	3,221,618	3.3%	34,735	1	6,048	2	8,400	\$8.32
2011 3q	4,938	96,956,229	3,331,805	3.4%	(26,336)	0	0	3	14,448	\$8.27
2011 2q	4,938	96,956,229	3,305,469	3.4%	(305,819)	0	0	3	14,448	\$8.05
2011 1q	4,939	96,999,479	3,042,900	3.1%	41,413	0	0	1	2,400	\$7.91
2010 4q	4,939	96,999,479	3,084,313	3.2%	87,158	2	24,615	0	0	\$7.74
2010 3q	4,939	96,994,648	3,166,640	3.3%	(35,423)	1	15,990	2	24,615	\$8.08
2010 2q	4,939	97,091,658	3,228,227	3.3%	386,100	2	22,390	3	40,605	\$8.17
2010 1q	4,937	97,069,268	3,591,937	3.7%	252,524	1	16,130	4	44,280	\$8.44
2009 4q	4,940	97,170,044	3,945,237	4.1%	175,734	3	155,243	4	44,420	\$8.75
2009 3q	4,938	97,026,801	3,977,728	4.1%	263,115	2	22,190	5	177,273	\$9.06

Source: CoStar Property®

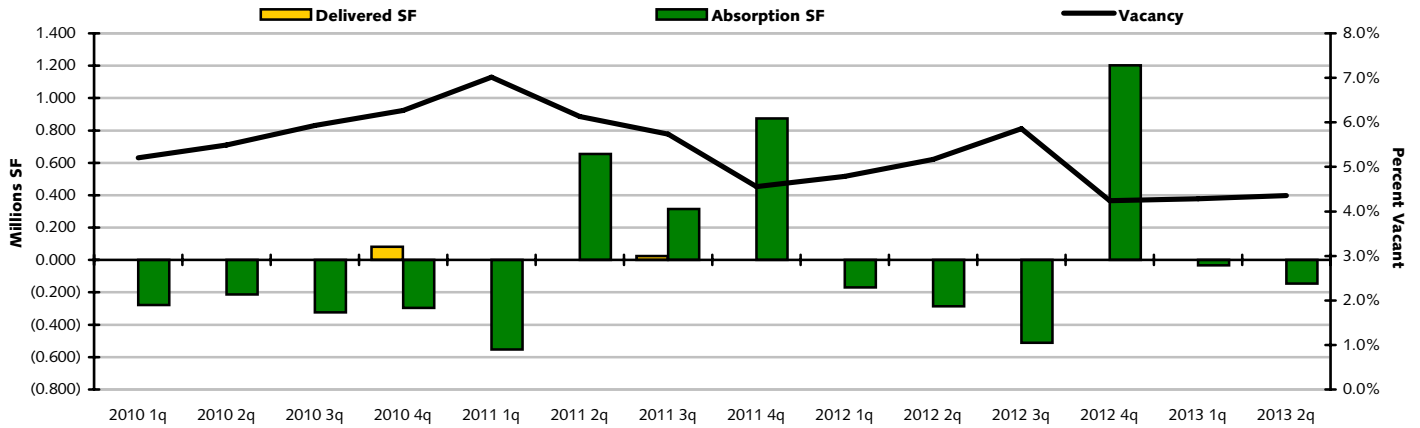
# LOS ANGELES INDUSTRIAL MARKET



## COMMERCE AREA MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

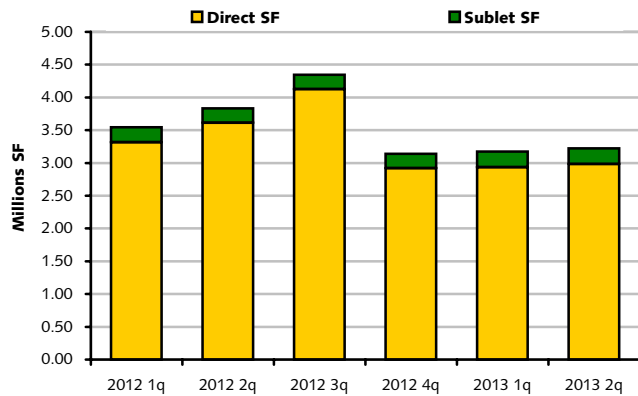
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

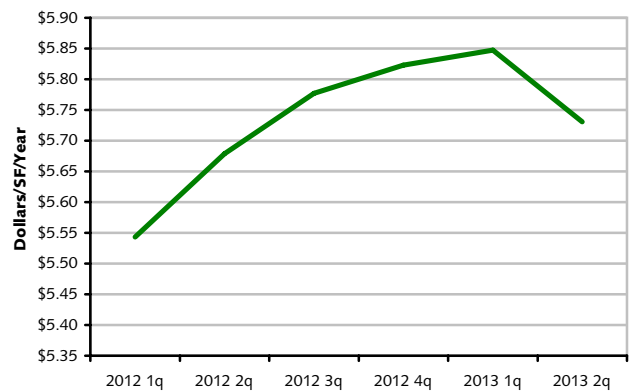
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	1,642	74,029,159	3,222,479	4.4%	(144,787)	0	0	1	489,400	\$5.73
2013 1q	1,643	74,125,763	3,174,296	4.3%	(32,441)	0	0	1	489,400	\$5.85
2012 4q	1,643	74,125,763	3,141,855	4.2%	1,201,572	0	0	0	0	\$5.82
2012 3q	1,643	74,125,763	4,343,427	5.9%	(511,093)	0	0	0	0	\$5.78
2012 2q	1,643	74,125,763	3,832,334	5.2%	(286,127)	0	0	0	0	\$5.68
2012 1q	1,643	74,125,763	3,546,207	4.8%	(169,533)	0	0	0	0	\$5.54
2011 4q	1,643	74,125,763	3,376,674	4.6%	873,799	0	0	0	0	\$5.42
2011 3q	1,643	74,125,763	4,250,473	5.7%	315,472	1	24,206	0	0	\$5.41
2011 2q	1,642	74,101,557	4,541,739	6.1%	655,322	0	0	1	24,206	\$5.31
2011 1q	1,642	74,101,557	5,197,061	7.0%	(551,951)	0	0	1	24,206	\$5.27
2010 4q	1,642	74,101,557	4,645,110	6.3%	(295,039)	1	80,955	0	0	\$5.28
2010 3q	1,646	74,145,697	4,394,211	5.9%	(323,963)	0	0	1	80,955	\$5.40
2010 2q	1,646	74,145,697	4,070,248	5.5%	(212,793)	0	0	1	80,955	\$5.58
2010 1q	1,646	74,145,697	3,857,455	5.2%	(277,187)	0	0	1	80,955	\$5.66
2009 4q	1,647	74,163,297	3,597,868	4.9%	205,357	0	0	0	0	\$5.78
2009 3q	1,648	74,181,073	3,821,001	5.2%	(301,568)	2	30,884	0	0	\$6.14

Source: CoStar Property®

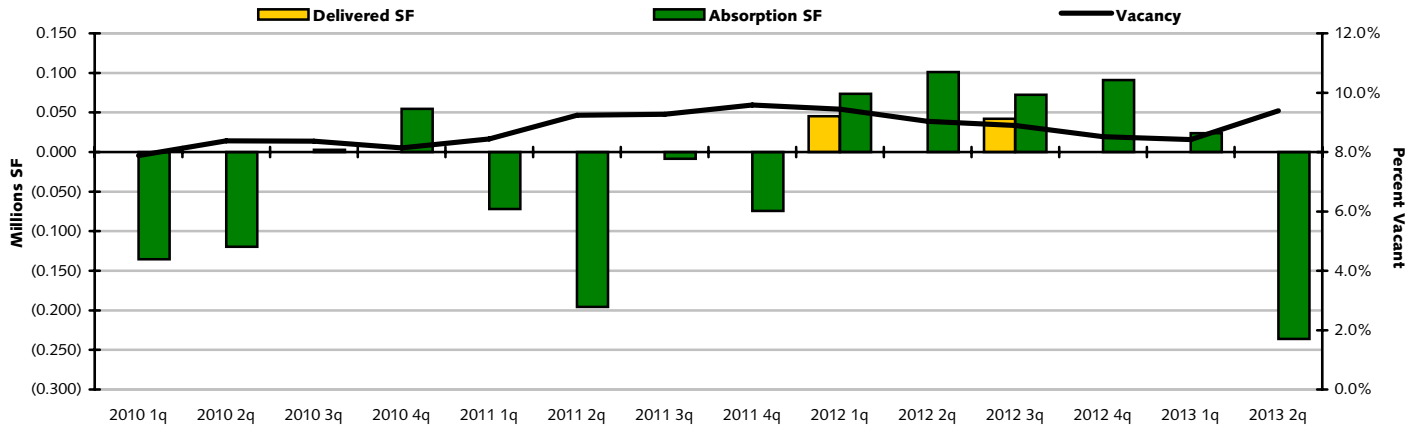


# LOS ANGELES INDUSTRIAL MARKET

## CONEJO VALLEY MARKET

MARKET HIGHLIGHTS - FLEX & WAREHOUSE

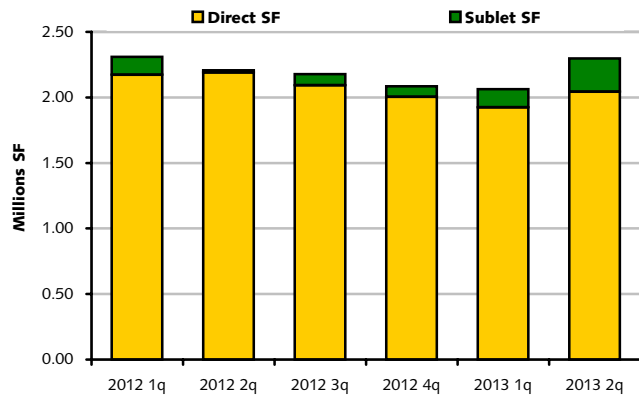
### DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### VACANT SPACE

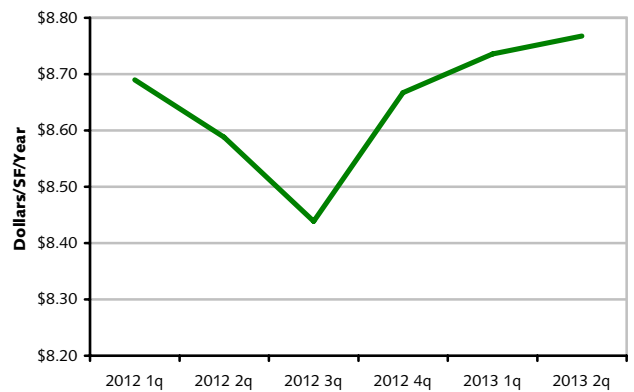
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### QUOTED RENTAL RATES

#### Historical Analysis, Flex and Warehouse



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	
2013 2q	841	24,478,750	2,298,154	9.4%	(236,193)	0	0	0	0	\$8.77
2013 1q	841	24,478,750	2,061,961	8.4%	23,956	0	0	0	0	\$8.74
2012 4q	841	24,478,750	2,085,917	8.5%	91,048	0	0	0	0	\$8.67
2012 3q	841	24,478,750	2,176,965	8.9%	72,452	3	41,962	0	0	\$8.44
2012 2q	838	24,436,788	2,207,455	9.0%	101,011	0	0	3	41,962	\$8.59
2012 1q	838	24,436,788	2,308,466	9.4%	73,429	1	45,262	2	30,312	\$8.69
2011 4q	837	24,391,526	2,336,633	9.6%	(74,255)	0	0	1	45,262	\$8.86
2011 3q	837	24,391,526	2,262,378	9.3%	(8,602)	0	0	1	45,262	\$8.75
2011 2q	837	24,391,526	2,253,776	9.2%	(195,780)	0	0	0	0	\$8.81
2011 1q	837	24,391,526	2,057,996	8.4%	(72,101)	0	0	0	0	\$9.40
2010 4q	837	24,391,526	1,985,895	8.1%	54,592	0	0	0	0	\$9.48
2010 3q	837	24,391,526	2,040,487	8.4%	2,966	0	0	0	0	\$9.97
2010 2q	837	24,391,526	2,043,453	8.4%	(119,771)	0	0	0	0	\$9.74
2010 1q	837	24,391,526	1,923,682	7.9%	(135,273)	0	0	0	0	\$9.85
2009 4q	837	24,391,526	1,788,409	7.3%	(3,445)	0	0	0	0	\$10.11
2009 3q	837	24,391,526	1,784,964	7.3%	(36,288)	0	0	0	0	\$10.52

Source: CoStar Property®

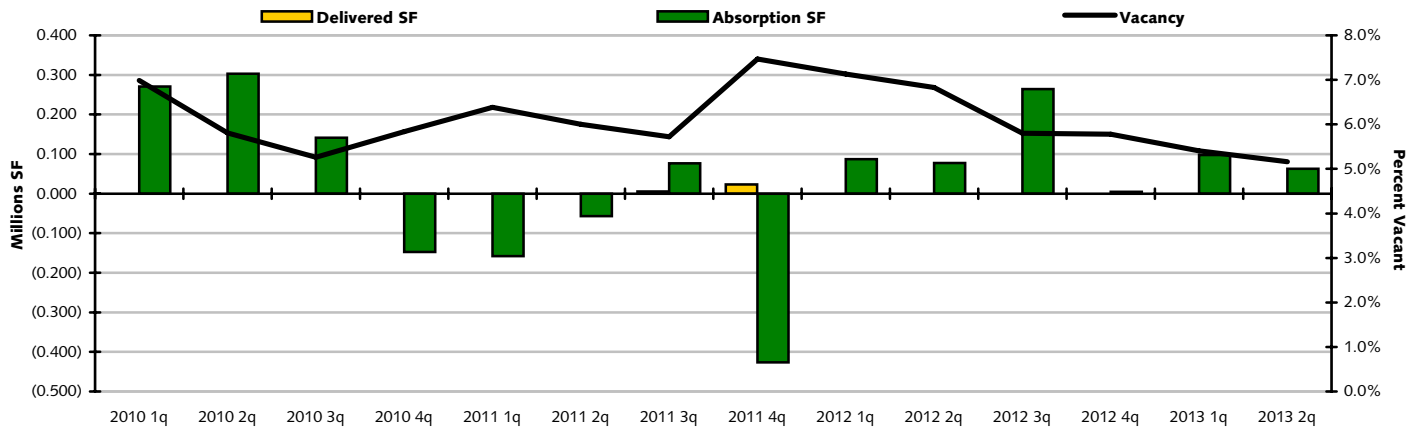
## LOS ANGELES INDUSTRIAL MARKET



## EASTERN SGV MARKET

## MARKET HIGHLIGHTS - FLEX &amp; WAREHOUSE

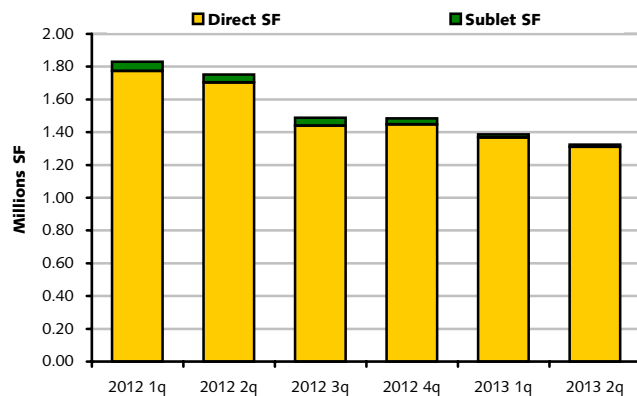
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

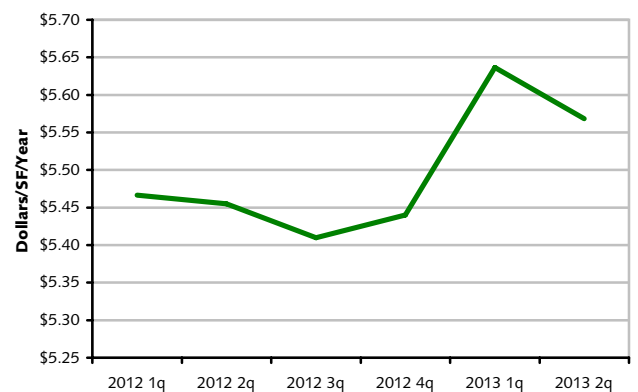
## Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

## Historical Analysis, Flex and Warehouse



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	
2013 2q	1,088	25,659,050	1,323,387	5.2%	62,949	0	0	0	0	\$5.57
2013 1q	1,088	25,659,050	1,386,336	5.4%	97,352	0	0	0	0	\$5.64
2012 4q	1,088	25,659,050	1,483,688	5.8%	4,848	0	0	0	0	\$5.44
2012 3q	1,088	25,659,050	1,488,536	5.8%	264,201	0	0	0	0	\$5.41
2012 2q	1,088	25,659,050	1,752,737	6.8%	77,236	0	0	0	0	\$5.46
2012 1q	1,088	25,659,050	1,829,973	7.1%	86,979	0	0	0	0	\$5.47
2011 4q	1,088	25,659,050	1,916,952	7.5%	(426,331)	1	22,953	0	0	\$5.54
2011 3q	1,087	25,636,097	1,467,668	5.7%	76,680	1	5,400	1	22,953	\$5.53
2011 2q	1,086	25,630,697	1,538,948	6.0%	(56,610)	0	0	2	28,353	\$5.72
2011 1q	1,087	25,794,249	1,645,890	6.4%	(158,279)	0	0	1	5,400	\$5.85
2010 4q	1,088	25,812,731	1,506,093	5.8%	(147,265)	0	0	0	0	\$6.04
2010 3q	1,088	25,812,731	1,358,828	5.3%	140,848	0	0	0	0	\$6.14
2010 2q	1,088	25,812,731	1,499,676	5.8%	303,155	0	0	0	0	\$6.08
2010 1q	1,088	25,812,731	1,802,831	7.0%	270,292	0	0	0	0	\$6.15
2009 4q	1,088	25,812,731	2,073,123	8.0%	(76,293)	0	0	0	0	\$6.27
2009 3q	1,088	25,812,731	1,996,830	7.7%	25,786	0	0	0	0	\$6.50

Source: CoStar Property®



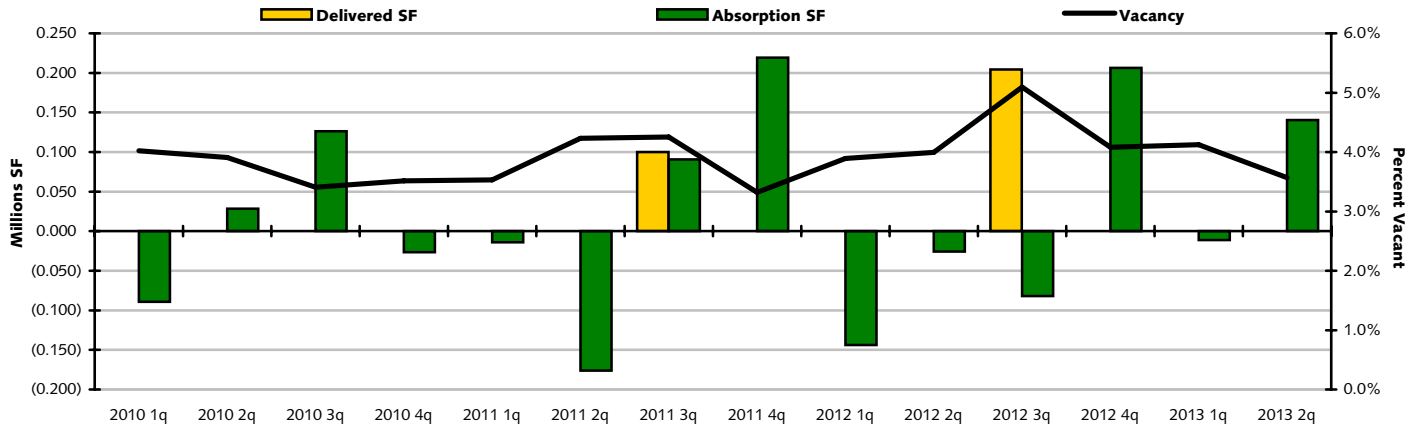


# LOS ANGELES INDUSTRIAL MARKET

## EL SEGUNDO / HAWTHORNE MARKET

MARKET HIGHLIGHTS - FLEX & WAREHOUSE

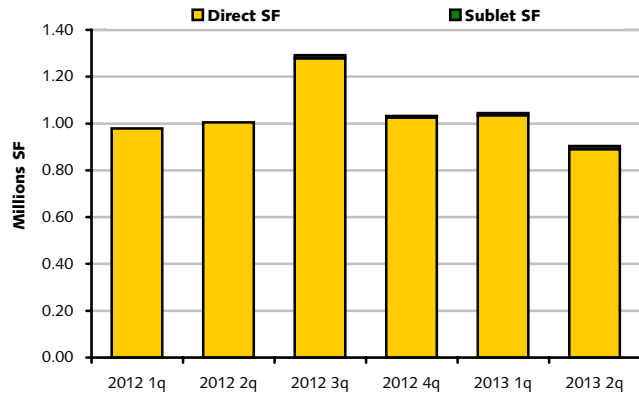
### DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### VACANT SPACE

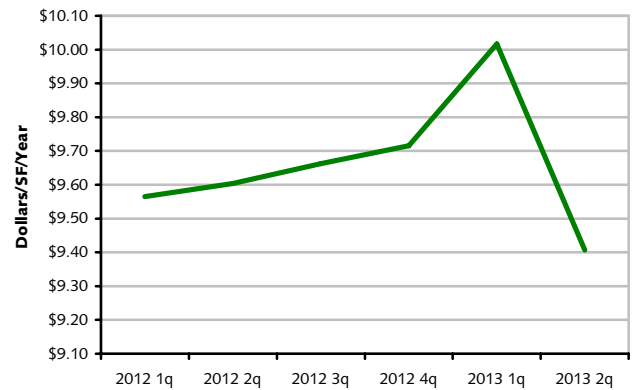
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### QUOTED RENTAL RATES

#### Historical Analysis, Flex and Warehouse



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	
2013 2q	953	25,303,541	903,681	3.6%	140,486	0	0	3	32,785	\$9.41
2013 1q	953	25,303,541	1,044,167	4.1%	(11,383)	0	0	2	19,785	\$10.02
2012 4q	953	25,303,541	1,032,784	4.1%	206,239	0	0	1	16,260	\$9.72
2012 3q	955	25,356,044	1,291,526	5.1%	(82,130)	1	204,117	0	0	\$9.66
2012 2q	954	25,151,927	1,005,279	4.0%	(25,888)	0	0	1	204,117	\$9.60
2012 1q	954	25,151,927	979,391	3.9%	(143,837)	0	0	1	204,117	\$9.56
2011 4q	954	25,151,927	835,554	3.3%	219,379	0	0	1	204,117	\$9.28
2011 3q	955	25,167,726	1,070,732	4.3%	90,737	1	100,000	0	0	\$9.10
2011 2q	954	25,067,726	1,061,469	4.2%	(175,968)	0	0	1	100,000	\$8.92
2011 1q	954	25,067,726	885,501	3.5%	(14,114)	0	0	1	100,000	\$8.37
2010 4q	956	25,077,426	881,087	3.5%	(26,507)	0	0	1	100,000	\$8.67
2010 3q	956	25,077,426	854,580	3.4%	126,182	0	0	1	100,000	\$9.20
2010 2q	956	25,077,426	980,762	3.9%	28,377	0	0	1	100,000	\$9.48
2010 1q	956	25,077,426	1,009,139	4.0%	(89,157)	0	0	0	0	\$9.72
2009 4q	956	25,077,426	919,982	3.7%	45,398	0	0	0	0	\$9.83
2009 3q	956	25,077,426	965,380	3.8%	51,260	0	0	0	0	\$10.35

Source: CoStar Property®

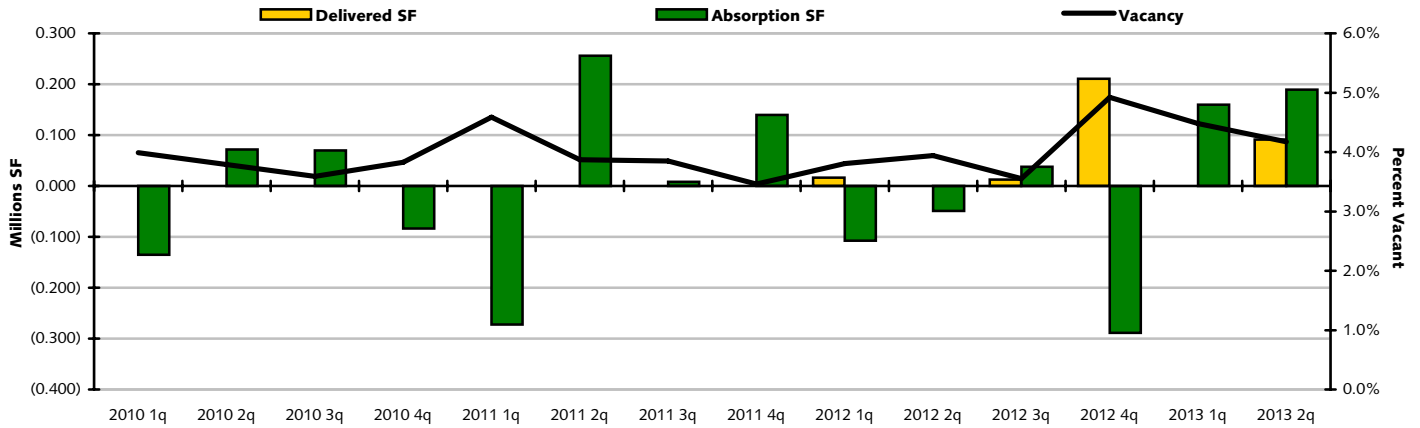
# LOS ANGELES INDUSTRIAL MARKET

## GARDENA / 110 CORRIDOR MARKET

MARKET HIGHLIGHTS - FLEX & WAREHOUSE

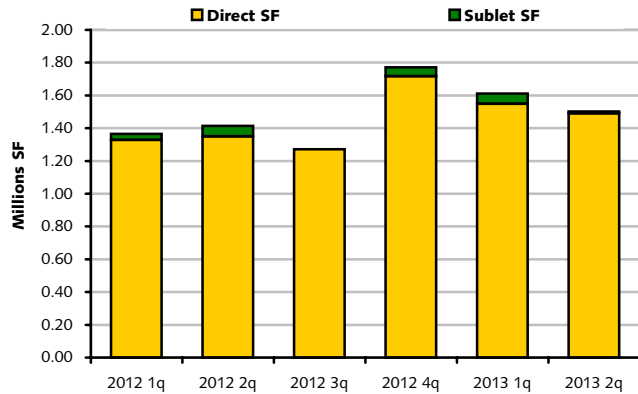


### DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



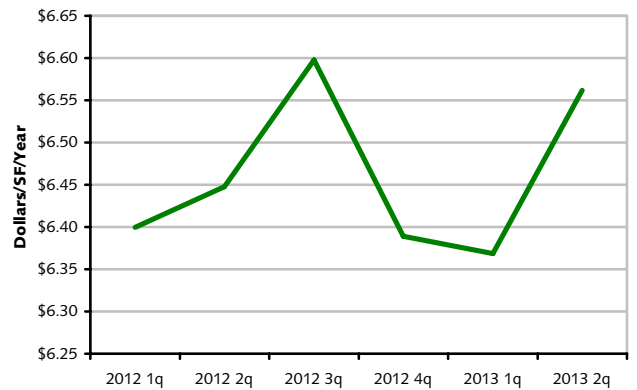
Source: CoStar Property®

### VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



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	
2013 2q	1,665	35,994,664	1,502,487	4.2%	189,178	1	91,320	0	0	\$6.56
2013 1q	1,667	35,981,777	1,611,595	4.5%	159,516	0	0	1	91,320	\$6.37
2012 4q	1,667	35,981,777	1,771,111	4.9%	(288,898)	1	210,710	1	91,320	\$6.39
2012 3q	1,666	35,771,067	1,271,503	3.6%	37,755	1	12,500	1	210,710	\$6.60
2012 2q	1,666	35,875,692	1,413,883	3.9%	(49,274)	0	0	2	223,210	\$6.45
2012 1q	1,666	35,875,692	1,364,609	3.8%	(107,615)	1	16,144	1	12,500	\$6.40
2011 4q	1,665	35,859,548	1,240,850	3.5%	139,436	0	0	1	16,144	\$6.43
2011 3q	1,665	35,859,548	1,380,286	3.8%	7,894	0	0	1	16,144	\$6.40
2011 2q	1,665	35,859,548	1,388,180	3.9%	255,966	0	0	0	0	\$6.49
2011 1q	1,665	35,859,548	1,644,146	4.6%	(272,019)	0	0	0	0	\$6.13
2010 4q	1,665	35,859,548	1,372,127	3.8%	(83,818)	0	0	0	0	\$6.19
2010 3q	1,665	35,859,548	1,288,309	3.6%	69,829	0	0	0	0	\$6.23
2010 2q	1,665	35,859,548	1,358,138	3.8%	71,817	0	0	0	0	\$6.16
2010 1q	1,665	35,859,548	1,429,955	4.0%	(135,386)	0	0	0	0	\$6.35
2009 4q	1,665	35,859,548	1,294,569	3.6%	234,839	1	14,968	0	0	\$6.55
2009 3q	1,664	35,844,580	1,514,440	4.2%	94,110	0	0	1	14,968	\$6.81

Source: CoStar Property®

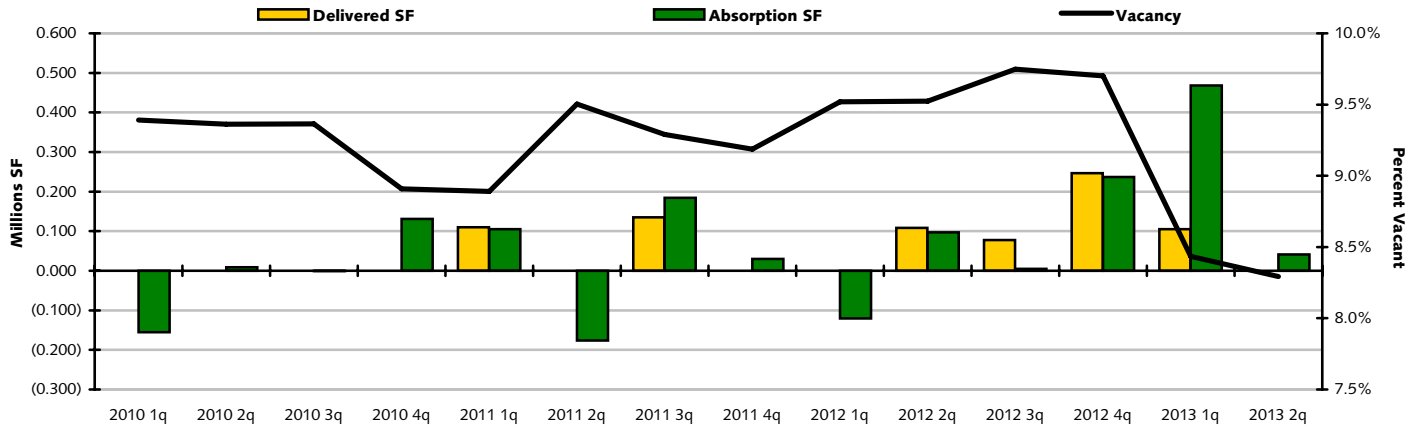


# LOS ANGELES INDUSTRIAL MARKET

## LONG BEACH AREA MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

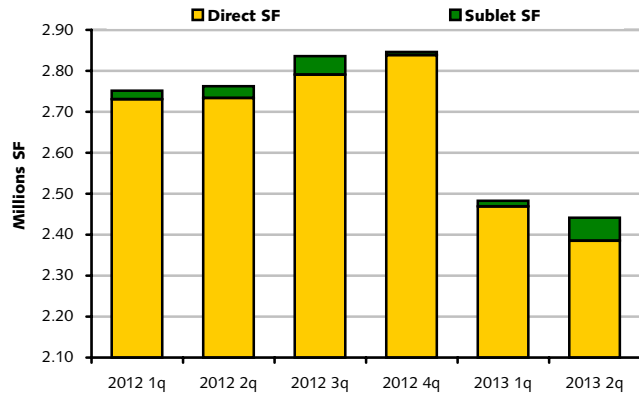
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

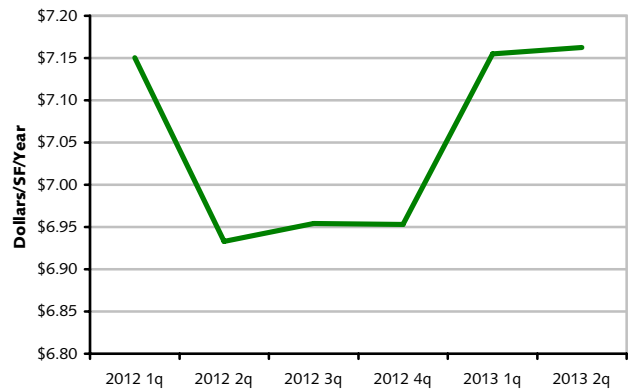
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	1,652	29,440,649	2,441,448	8.3%	41,558	0	0	4	413,010	\$7.16
2013 1q	1,652	29,440,649	2,483,006	8.4%	467,825	2	104,883	4	413,010	\$7.15
2012 4q	1,650	29,335,766	2,845,948	9.7%	236,532	4	246,730	3	108,883	\$6.95
2012 3q	1,646	29,089,036	2,835,750	9.7%	5,009	1	78,000	7	355,613	\$6.95
2012 2q	1,645	29,011,036	2,762,759	9.5%	97,300	1	108,721	7	365,234	\$6.93
2012 1q	1,644	28,902,315	2,751,338	9.5%	(120,240)	0	0	7	469,955	\$7.15
2011 4q	1,645	28,928,877	2,657,660	9.2%	29,900	0	0	2	186,721	\$7.23
2011 3q	1,645	28,928,877	2,687,560	9.3%	184,289	1	135,429	2	186,721	\$7.29
2011 2q	1,644	28,793,448	2,736,420	9.5%	(176,328)	0	0	2	213,429	\$7.20
2011 1q	1,644	28,793,448	2,560,092	8.9%	105,078	1	110,000	2	213,429	\$7.12
2010 4q	1,643	28,683,448	2,555,170	8.9%	131,036	0	0	1	110,000	\$7.14
2010 3q	1,643	28,683,448	2,686,206	9.4%	(787)	0	0	1	110,000	\$7.14
2010 2q	1,643	28,683,448	2,685,419	9.4%	8,512	0	0	1	110,000	\$7.17
2010 1q	1,643	28,683,448	2,693,931	9.4%	(155,587)	1	300	0	0	\$7.78
2009 4q	1,642	28,683,148	2,538,044	8.8%	12,387	0	0	1	300	\$8.02
2009 3q	1,642	28,683,148	2,550,431	8.9%	(44,970)	1	6,572	1	300	\$7.52

Source: CoStar Property®

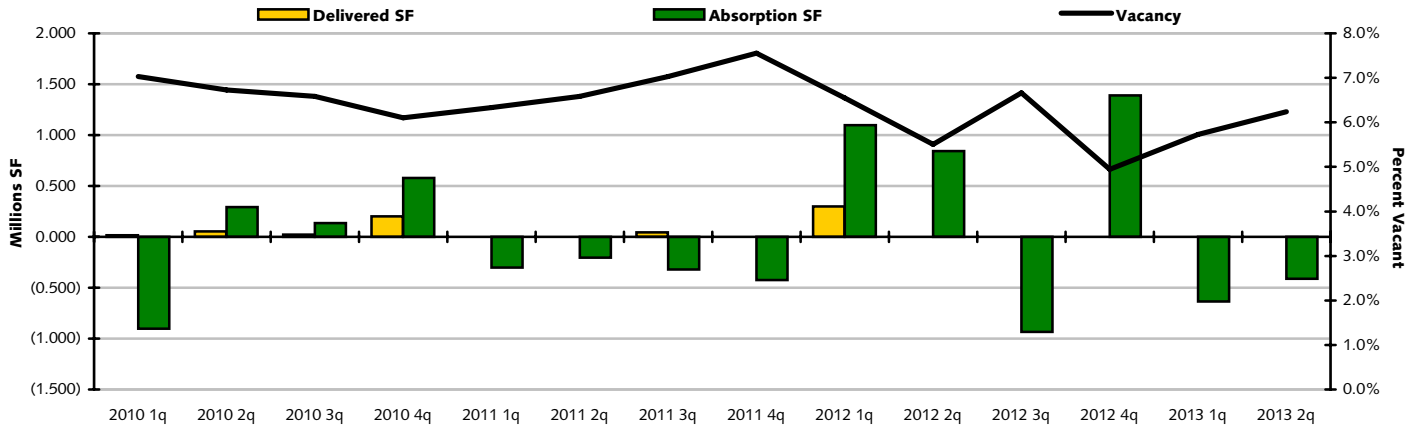
# LOS ANGELES INDUSTRIAL MARKET



## LOWER SGV MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

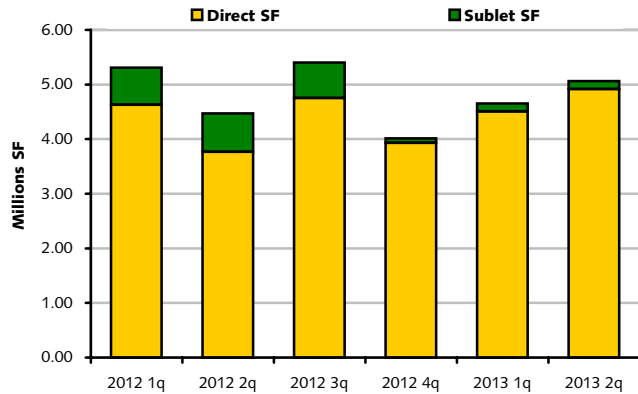
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

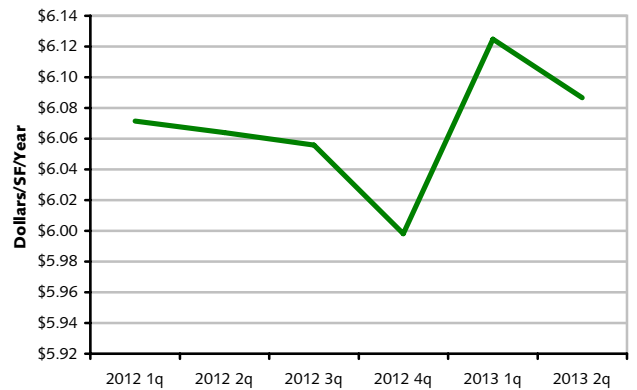
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	1,529	81,126,079	5,063,213	6.2%	(413,122)	0	0	0	0	\$6.09
2013 1q	1,529	81,126,079	4,650,091	5.7%	(636,571)	0	0	0	0	\$6.12
2012 4q	1,529	81,126,079	4,013,520	4.9%	1,389,624	0	0	0	0	\$6.00
2012 3q	1,529	81,126,079	5,403,144	6.7%	(934,784)	0	0	0	0	\$6.06
2012 2q	1,529	81,126,079	4,468,360	5.5%	841,878	0	0	0	0	\$6.06
2012 1q	1,529	81,126,079	5,310,238	6.5%	1,098,233	1	300,000	0	0	\$6.07
2011 4q	1,528	80,826,079	6,108,471	7.6%	(423,842)	0	0	1	300,000	\$6.03
2011 3q	1,528	80,826,079	5,684,629	7.0%	(320,312)	1	45,115	1	300,000	\$5.99
2011 2q	1,527	80,780,964	5,319,202	6.6%	(203,309)	0	0	1	45,115	\$6.25
2011 1q	1,527	80,780,964	5,115,893	6.3%	(303,047)	0	0	1	45,115	\$6.13
2010 4q	1,529	80,905,948	4,937,830	6.1%	578,432	1	200,000	0	0	\$6.13
2010 3q	1,528	80,705,948	5,316,262	6.6%	134,293	1	21,499	1	200,000	\$6.08
2010 2q	1,527	80,684,449	5,429,056	6.7%	293,453	1	53,687	2	221,499	\$6.05
2010 1q	1,526	80,630,762	5,668,822	7.0%	(901,653)	1	15,795	2	75,186	\$5.98
2009 4q	1,525	80,614,967	4,751,374	5.9%	877,432	0	0	3	90,981	\$6.04
2009 3q	1,525	80,614,967	5,628,806	7.0%	183,138	0	0	2	69,482	\$6.31

Source: CoStar Property®

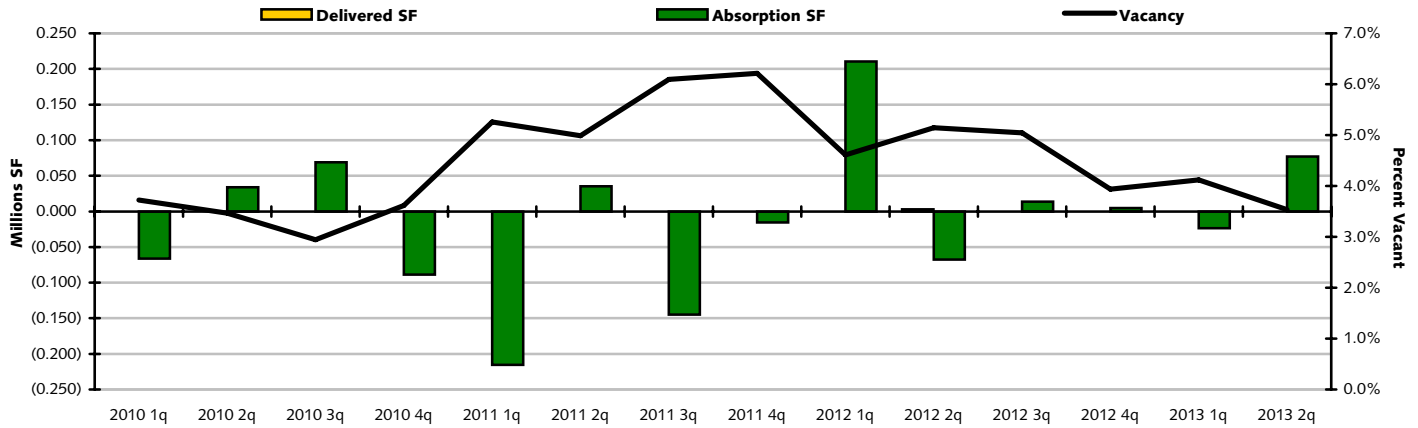


# LOS ANGELES INDUSTRIAL MARKET

## LYNWOOD / PARAMOUNT MARKET

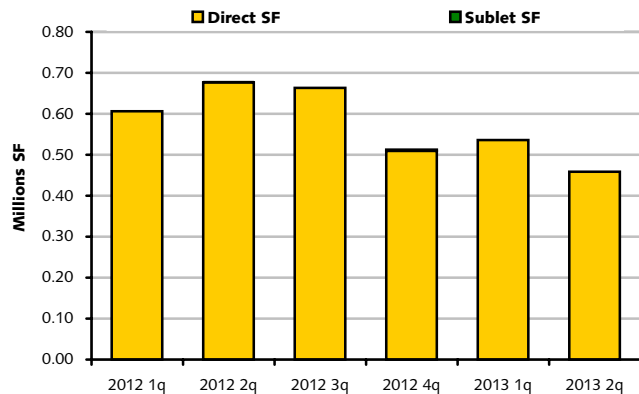
MARKET HIGHLIGHTS - FLEX & WAREHOUSE

### DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



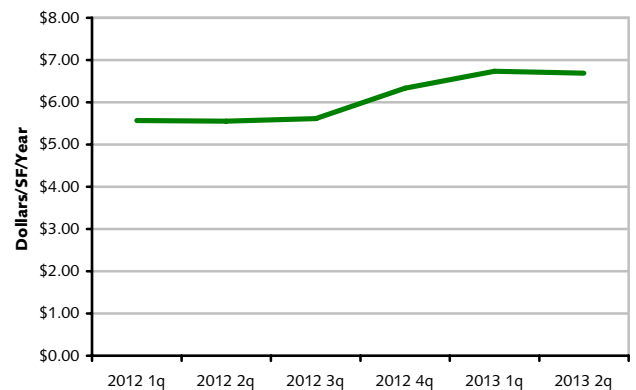
Source: CoStar Property®

### VACANT SPACE Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### QUOTED RENTAL RATES Historical Analysis, Flex and Warehouse



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	
2013 2q	537	12,993,100	458,863	3.5%	77,149	0	0	0	0	\$6.69
2013 1q	538	13,006,922	536,012	4.1%	(23,519)	0	0	0	0	\$6.73
2012 4q	538	13,006,922	512,493	3.9%	4,935	0	0	0	0	\$6.33
2012 3q	539	13,152,942	663,448	5.0%	13,555	0	0	0	0	\$5.62
2012 2q	539	13,152,942	677,003	5.1%	(67,482)	1	3,000	0	0	\$5.55
2012 1q	538	13,149,942	606,521	4.6%	210,336	0	0	1	3,000	\$5.57
2011 4q	538	13,149,942	816,857	6.2%	(15,540)	0	0	1	3,000	\$5.55
2011 3q	538	13,149,942	801,317	6.1%	(145,101)	0	0	0	0	\$5.53
2011 2q	538	13,149,942	656,216	5.0%	35,165	0	0	0	0	\$5.87
2011 1q	538	13,149,942	691,381	5.3%	(215,527)	0	0	0	0	\$5.74
2010 4q	538	13,149,942	475,854	3.6%	(88,749)	0	0	0	0	\$5.74
2010 3q	538	13,149,942	387,105	2.9%	68,915	0	0	0	0	\$5.89
2010 2q	538	13,149,942	456,020	3.5%	33,725	0	0	0	0	\$6.25
2010 1q	538	13,149,942	489,745	3.7%	(66,291)	0	0	0	0	\$6.42
2009 4q	539	13,169,612	443,124	3.4%	69,980	0	0	0	0	\$6.67
2009 3q	539	13,169,612	513,104	3.9%	19,551	0	0	0	0	\$6.83

Source: CoStar Property®

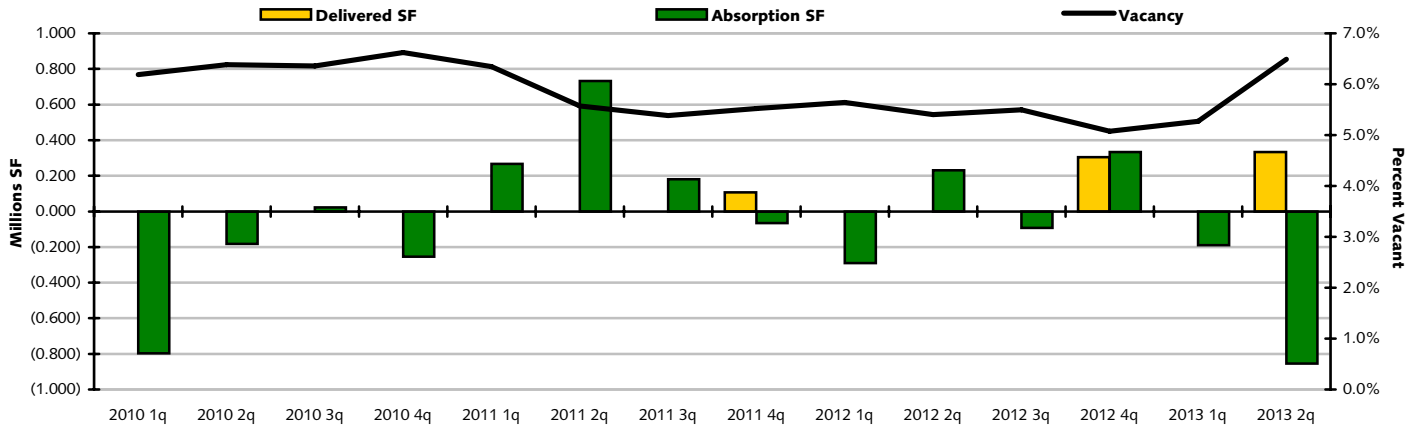
# LOS ANGELES INDUSTRIAL MARKET



## MID COUNTIES - LA MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

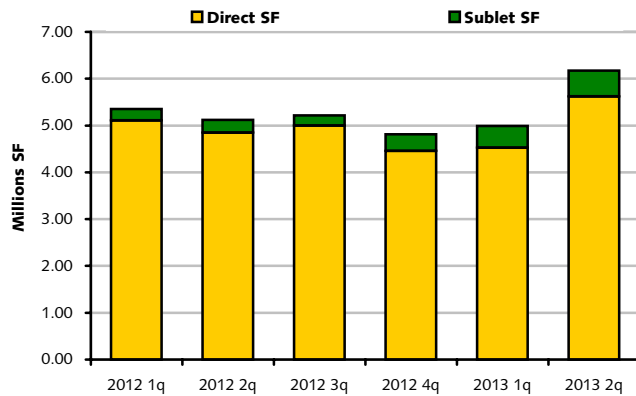
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

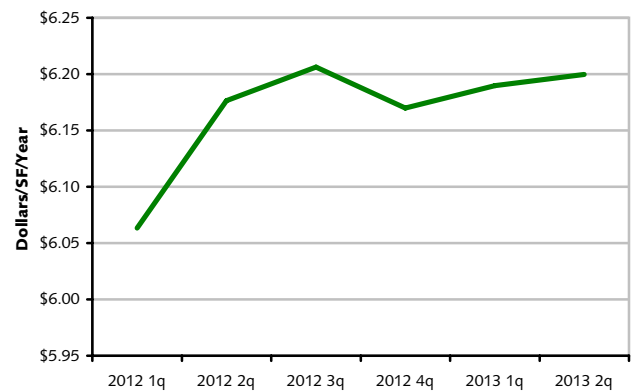
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	2,693	95,075,217	6,173,654	6.5%	(854,491)	2	333,096	1	448,060	\$6.20
2013 1q	2,692	94,748,337	4,992,283	5.3%	(189,101)	0	0	3	781,156	\$6.19
2012 4q	2,693	94,754,588	4,809,433	5.1%	332,535	1	305,422	1	4,718	\$6.17
2012 3q	2,694	94,827,036	5,214,416	5.5%	(93,335)	0	0	2	310,140	\$6.21
2012 2q	2,694	94,827,036	5,121,081	5.4%	230,312	0	0	2	310,140	\$6.18
2012 1q	2,694	94,827,036	5,351,393	5.6%	(289,404)	0	0	2	310,140	\$6.06
2011 4q	2,695	95,009,370	5,244,323	5.5%	(65,199)	1	106,100	0	0	\$6.10
2011 3q	2,695	94,940,086	5,109,840	5.4%	181,491	0	0	1	106,100	\$6.11
2011 2q	2,695	94,940,086	5,291,331	5.6%	731,520	0	0	1	106,100	\$6.11
2011 1q	2,695	94,940,086	6,022,851	6.3%	267,061	0	0	1	106,100	\$6.00
2010 4q	2,695	94,940,086	6,289,912	6.6%	(253,750)	0	0	0	0	\$5.88
2010 3q	2,695	94,940,086	6,036,162	6.4%	22,278	0	0	0	0	\$5.98
2010 2q	2,695	94,940,086	6,058,440	6.4%	(182,936)	0	0	0	0	\$6.05
2010 1q	2,695	94,940,086	5,875,504	6.2%	(797,349)	0	0	0	0	\$6.16
2009 4q	2,695	94,940,086	5,078,155	5.3%	(71,698)	2	16,944	0	0	\$6.43
2009 3q	2,693	94,923,142	4,989,513	5.3%	(236,662)	2	89,057	2	16,944	\$6.75

Source: CoStar Property®

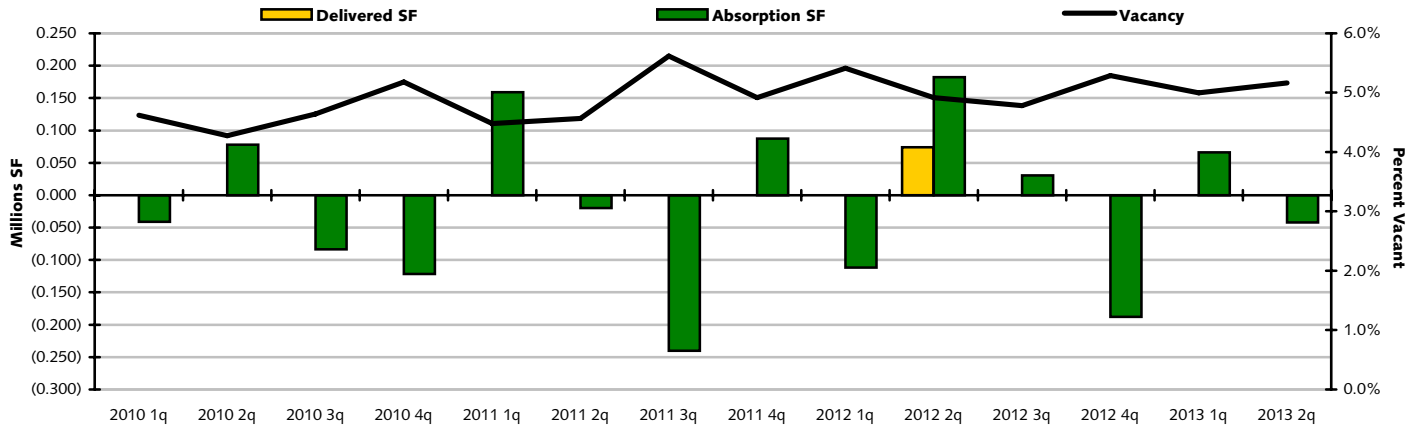


# LOS ANGELES INDUSTRIAL MARKET

## NORTHWEST SGV MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

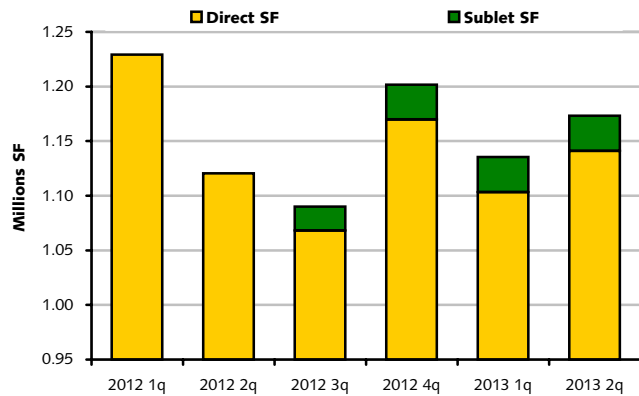
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

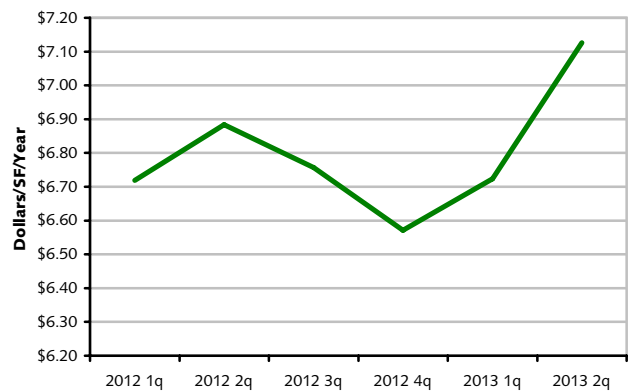
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	1,311	22,712,589	1,173,115	5.2%	(42,034)	0	0	1	28,000	\$7.13
2013 1q	1,312	22,717,089	1,135,581	5.0%	66,041	0	0	0	0	\$6.72
2012 4q	1,312	22,717,089	1,201,622	5.3%	(187,599)	0	0	0	0	\$6.57
2012 3q	1,313	22,793,089	1,090,023	4.8%	30,590	0	0	0	0	\$6.76
2012 2q	1,313	22,793,089	1,120,613	4.9%	182,532	1	74,051	0	0	\$6.88
2012 1q	1,312	22,719,038	1,229,094	5.4%	(111,941)	0	0	1	74,051	\$6.72
2011 4q	1,312	22,719,038	1,117,153	4.9%	87,486	0	0	1	74,051	\$6.76
2011 3q	1,313	22,795,386	1,280,987	5.6%	(240,097)	0	0	1	74,051	\$6.73
2011 2q	1,313	22,795,386	1,040,890	4.6%	(19,687)	0	0	1	74,051	\$7.36
2011 1q	1,313	22,795,386	1,021,203	4.5%	159,139	0	0	1	74,051	\$7.21
2010 4q	1,313	22,795,386	1,180,342	5.2%	(121,798)	0	0	0	0	\$7.17
2010 3q	1,313	22,795,386	1,058,544	4.6%	(83,677)	0	0	0	0	\$7.30
2010 2q	1,313	22,795,386	974,867	4.3%	77,934	0	0	0	0	\$7.36
2010 1q	1,313	22,795,386	1,052,801	4.6%	(41,087)	0	0	0	0	\$7.39
2009 4q	1,318	22,888,087	1,104,415	4.8%	(175,147)	1	9,526	0	0	\$8.19
2009 3q	1,317	22,878,561	919,742	4.0%	(141,718)	0	0	1	9,526	\$8.47

Source: CoStar Property®

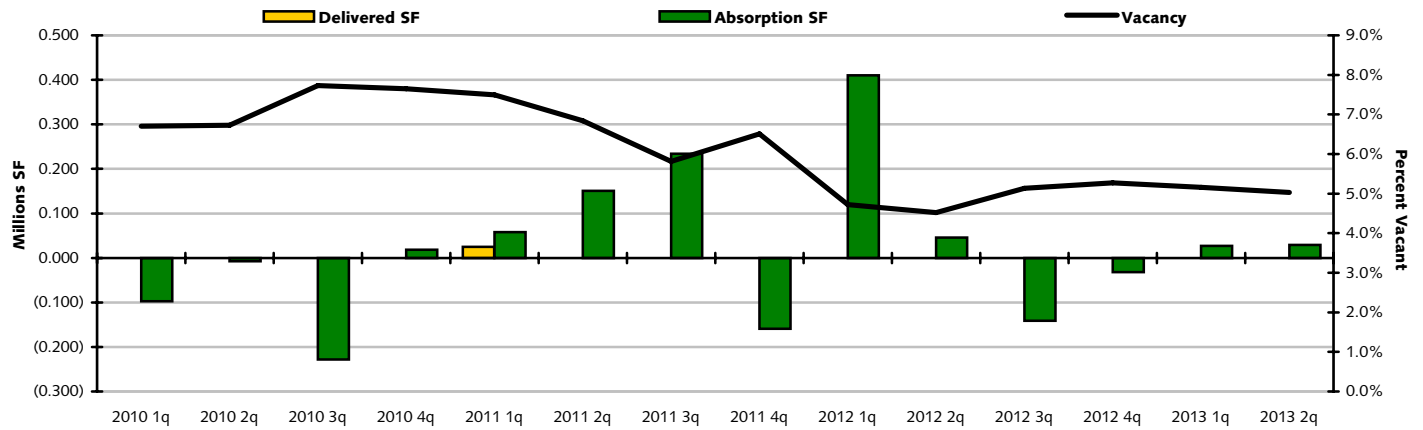
# LOS ANGELES INDUSTRIAL MARKET



## SCV/LANCASTER/PALMDALE MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

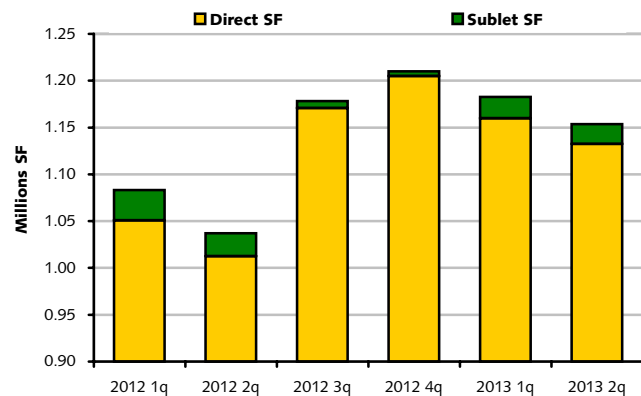
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

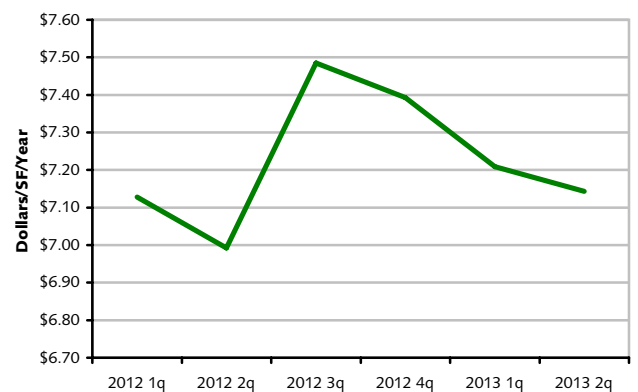
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	666	22,933,514	1,153,681	5.0%	29,039	0	0	0	0	\$7.14
2013 1q	666	22,933,514	1,182,720	5.2%	27,195	0	0	0	0	\$7.21
2012 4q	666	22,933,514	1,209,915	5.3%	(31,596)	0	0	0	0	\$7.39
2012 3q	666	22,933,514	1,178,319	5.1%	(141,125)	0	0	0	0	\$7.49
2012 2q	666	22,933,514	1,037,194	4.5%	45,918	0	0	0	0	\$6.99
2012 1q	666	22,933,514	1,083,112	4.7%	409,985	0	0	0	0	\$7.13
2011 4q	666	22,933,514	1,493,097	6.5%	(158,952)	0	0	0	0	\$6.82
2011 3q	666	22,933,514	1,334,145	5.8%	234,200	0	0	0	0	\$6.67
2011 2q	666	22,933,514	1,568,345	6.8%	150,814	0	0	0	0	\$6.36
2011 1q	666	22,933,514	1,719,159	7.5%	57,960	2	24,997	0	0	\$6.55
2010 4q	664	22,908,517	1,752,122	7.6%	18,408	0	0	2	24,997	\$6.55
2010 3q	664	22,908,517	1,770,530	7.7%	(228,450)	0	0	2	24,997	\$6.67
2010 2q	664	22,908,517	1,542,080	6.7%	(7,175)	0	0	0	0	\$7.01
2010 1q	664	22,908,517	1,534,905	6.7%	(97,191)	0	0	0	0	\$7.28
2009 4q	664	22,908,517	1,437,714	6.3%	44,730	1	13,535	0	0	\$7.47
2009 3q	663	22,894,982	1,468,909	6.4%	(24,815)	1	13,890	1	13,535	\$8.00

Source: CoStar Property®



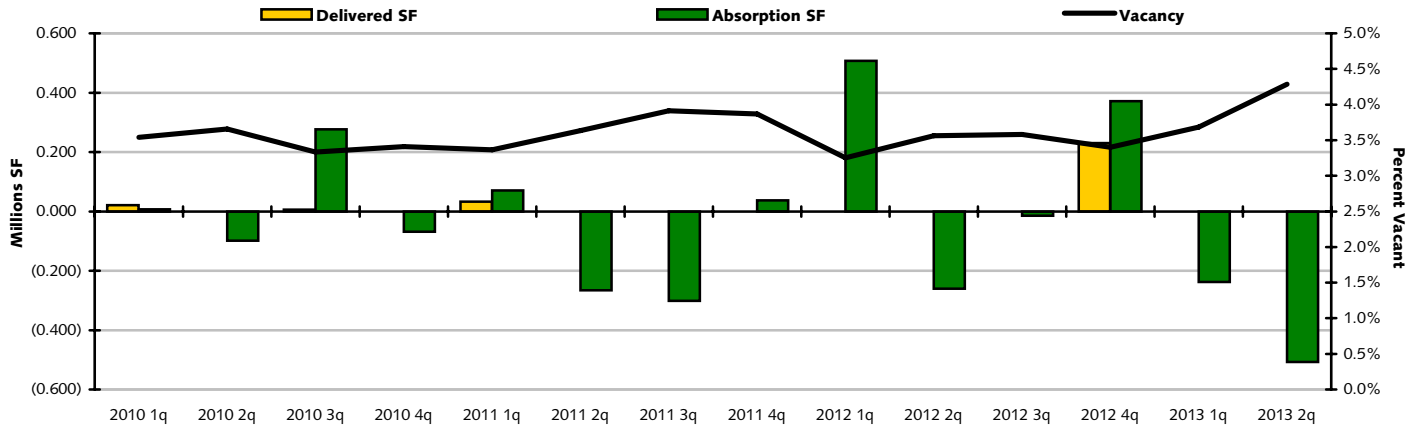


# LOS ANGELES INDUSTRIAL MARKET

## SFV EAST MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

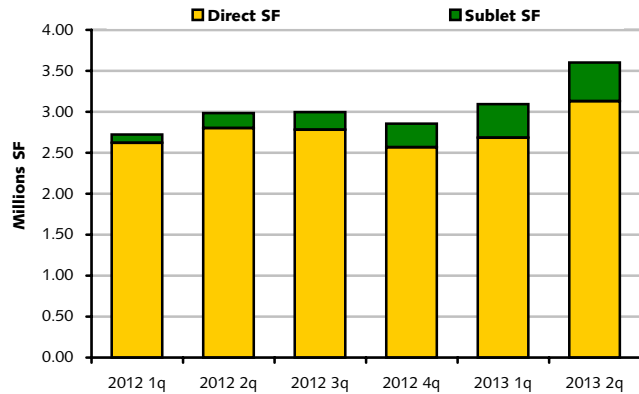
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

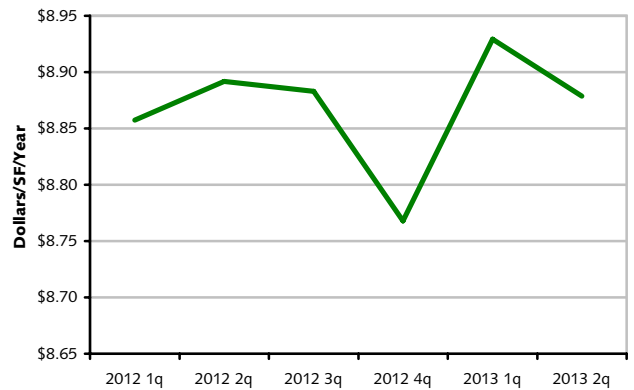
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	4,970	83,983,304	3,600,943	4.3%	(507,516)	0	0	0	0	\$8.88
2013 1q	4,970	83,983,304	3,093,427	3.7%	(238,221)	0	0	0	0	\$8.93
2012 4q	4,970	83,983,304	2,855,206	3.4%	371,909	1	230,000	0	0	\$8.77
2012 3q	4,969	83,753,304	2,997,115	3.6%	(14,665)	0	0	1	230,000	\$8.88
2012 2q	4,969	83,753,304	2,982,450	3.6%	(259,947)	0	0	1	230,000	\$8.89
2012 1q	4,969	83,753,304	2,722,503	3.3%	506,818	0	0	1	230,000	\$8.86
2011 4q	4,970	83,764,999	3,241,016	3.9%	37,464	0	0	1	230,000	\$8.77
2011 3q	4,970	83,764,999	3,278,480	3.9%	(301,135)	0	0	0	0	\$8.79
2011 2q	4,971	83,834,736	3,047,082	3.6%	(265,757)	0	0	0	0	\$8.89
2011 1q	4,972	83,875,836	2,822,425	3.4%	71,114	1	33,280	0	0	\$8.84
2010 4q	4,971	83,842,556	2,860,259	3.4%	(68,212)	0	0	1	33,280	\$8.91
2010 3q	4,973	83,847,036	2,796,527	3.3%	276,350	1	6,438	1	33,280	\$8.99
2010 2q	4,972	83,840,598	3,066,439	3.7%	(99,183)	0	0	1	6,438	\$9.07
2010 1q	4,972	83,840,598	2,967,256	3.5%	7,003	2	21,000	1	6,438	\$9.30
2009 4q	4,971	83,876,711	3,010,372	3.6%	(202,157)	1	20,846	3	27,438	\$9.40
2009 3q	4,973	83,989,394	2,920,898	3.5%	(292,767)	1	31,063	4	48,284	\$9.79

Source: CoStar Property®

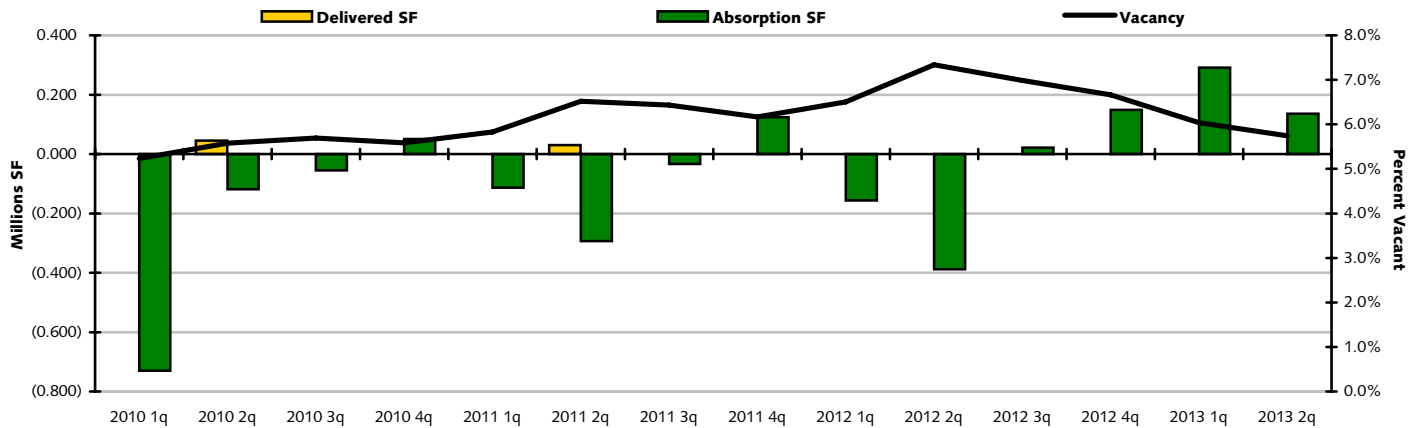
## LOS ANGELES INDUSTRIAL MARKET



## SFV WEST MARKET

## MARKET HIGHLIGHTS - FLEX &amp; WAREHOUSE

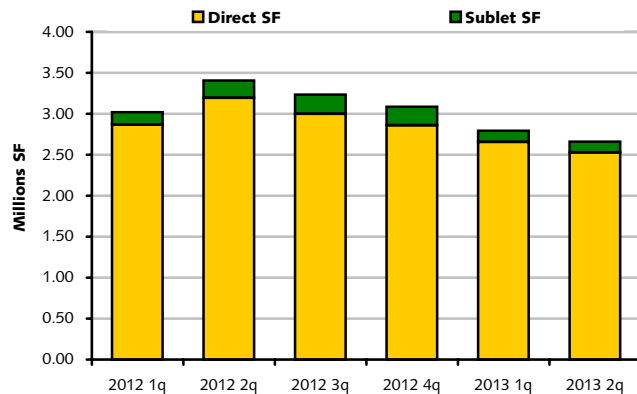
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

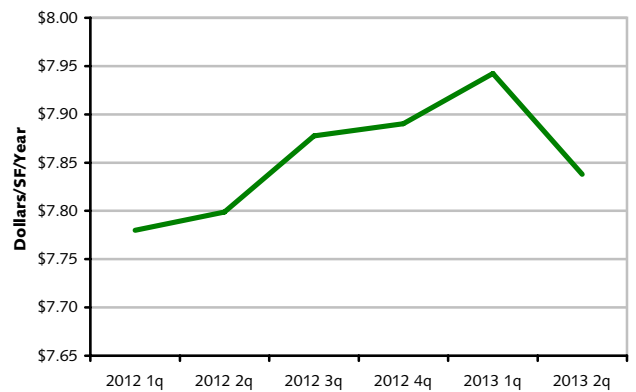
## Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

## Historical Analysis, Flex and Warehouse



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	
2013 2q	1,976	46,291,125	2,658,205	5.7%	135,500	0	0	0	0	\$7.84
2013 1q	1,976	46,291,125	2,793,705	6.0%	290,709	0	0	0	0	\$7.94
2012 4q	1,976	46,291,125	3,084,414	6.7%	148,632	0	0	0	0	\$7.89
2012 3q	1,976	46,291,125	3,233,046	7.0%	21,157	0	0	0	0	\$7.88
2012 2q	1,977	46,445,125	3,408,203	7.3%	(387,928)	0	0	0	0	\$7.80
2012 1q	1,977	46,445,125	3,020,275	6.5%	(155,985)	0	0	0	0	\$7.78
2011 4q	1,977	46,445,125	2,864,290	6.2%	123,827	0	0	0	0	\$7.65
2011 3q	1,977	46,445,125	2,988,117	6.4%	(32,977)	0	0	0	0	\$7.75
2011 2q	1,979	46,523,325	3,033,340	6.5%	(293,524)	1	29,901	0	0	\$7.71
2011 1q	1,978	46,493,424	2,709,915	5.8%	(113,026)	0	0	1	29,901	\$7.86
2010 4q	1,978	46,493,424	2,596,889	5.6%	51,062	0	0	1	29,901	\$7.97
2010 3q	1,978	46,493,424	2,647,951	5.7%	(54,549)	0	0	1	29,901	\$8.42
2010 2q	1,978	46,493,424	2,593,402	5.6%	(118,176)	3	45,101	1	29,901	\$8.62
2010 1q	1,975	46,448,323	2,430,125	5.2%	(729,695)	0	0	4	75,002	\$8.80
2009 4q	1,975	46,448,323	1,700,430	3.7%	(165,565)	5	175,306	3	45,101	\$9.05
2009 3q	1,970	46,273,017	1,359,559	2.9%	60,632	0	0	8	220,407	\$9.39

Source: CoStar Property®

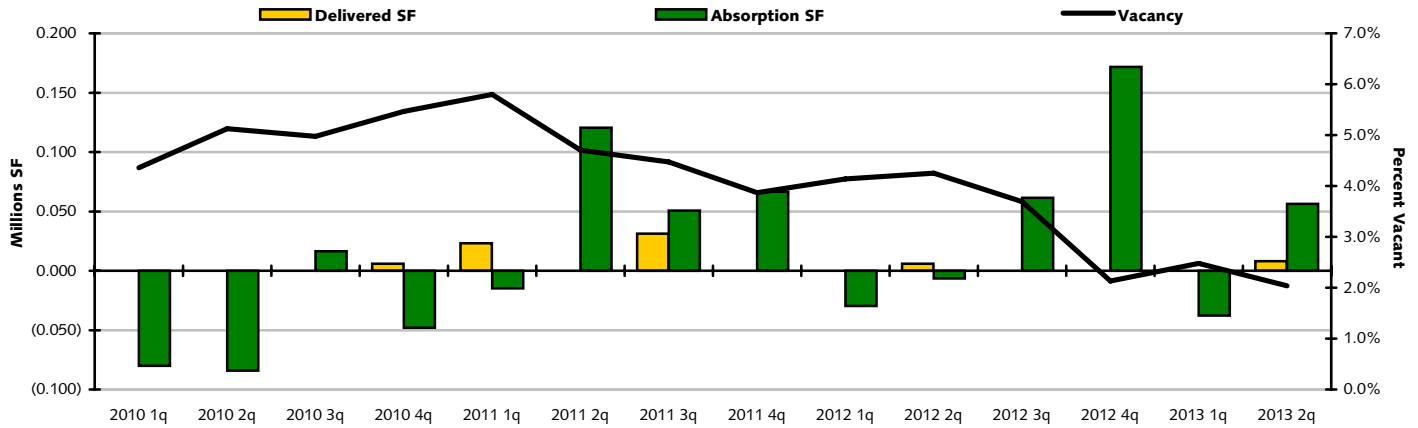


# LOS ANGELES INDUSTRIAL MARKET

## SOUTHWEST SGV MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

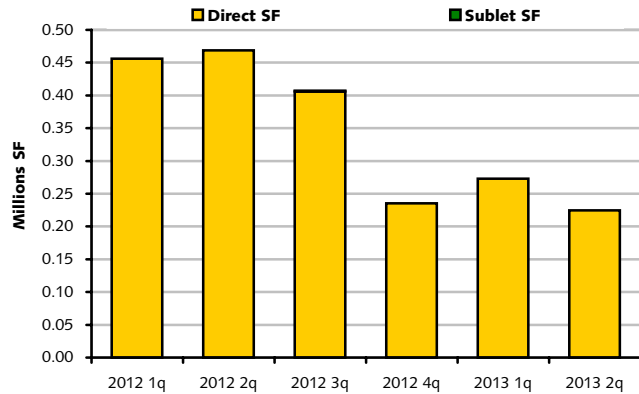
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

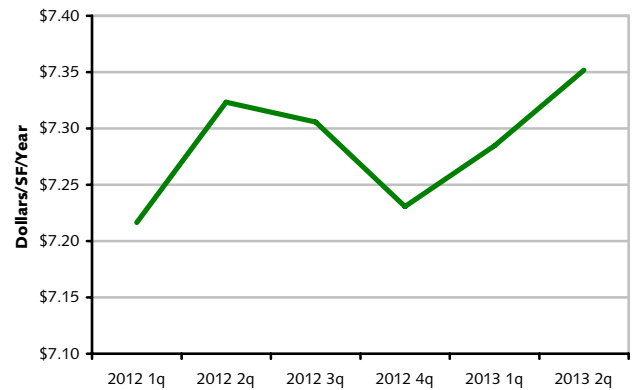
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	987	11,032,087	224,539	2.0%	56,446	1	8,000	0	0	\$7.35
2013 1q	986	11,024,087	272,985	2.5%	(37,705)	0	0	1	8,000	\$7.28
2012 4q	986	11,024,087	235,280	2.1%	171,729	0	0	1	8,000	\$7.23
2012 3q	986	11,024,087	407,009	3.7%	61,508	0	0	1	8,000	\$7.31
2012 2q	986	11,024,087	468,517	4.2%	(6,541)	1	6,051	1	8,000	\$7.32
2012 1q	985	11,018,036	455,925	4.1%	(29,776)	0	0	1	6,051	\$7.22
2011 4q	985	11,018,036	426,149	3.9%	66,632	0	0	1	6,051	\$7.14
2011 3q	985	11,018,036	492,781	4.5%	50,758	1	31,295	1	6,051	\$7.10
2011 2q	985	10,991,301	516,804	4.7%	120,388	0	0	2	37,346	\$7.04
2011 1q	985	10,991,301	637,192	5.8%	(14,932)	2	23,090	2	37,346	\$6.97
2010 4q	983	10,968,211	599,170	5.5%	(47,871)	1	5,950	2	23,090	\$6.82
2010 3q	982	10,962,261	545,349	5.0%	16,424	0	0	3	29,040	\$6.77
2010 2q	982	10,962,261	561,773	5.1%	(84,121)	0	0	1	5,950	\$6.83
2010 1q	982	10,962,261	477,652	4.4%	(80,078)	0	0	0	0	\$7.09
2009 4q	982	10,962,261	397,574	3.6%	99,789	0	0	0	0	\$7.33
2009 3q	982	10,962,261	497,363	4.5%	40,572	0	0	0	0	\$7.84

Source: CoStar Property®

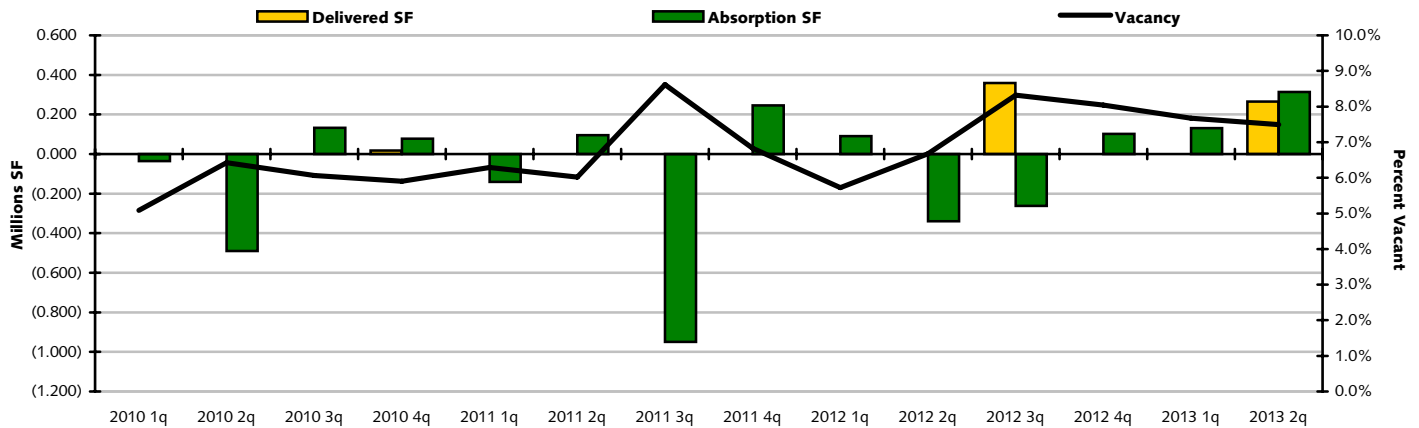
# LOS ANGELES INDUSTRIAL MARKET

## TORRANCE/BEACH CITIES MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE



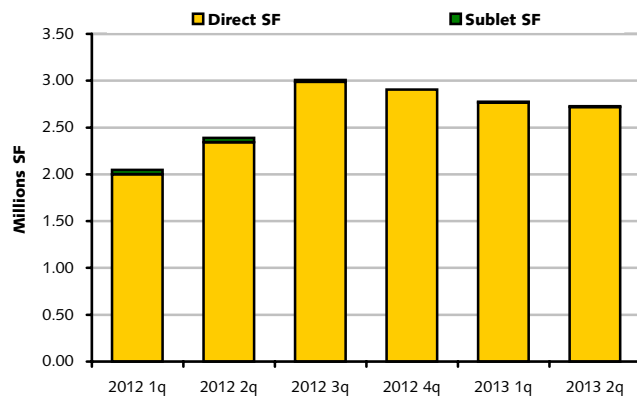
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

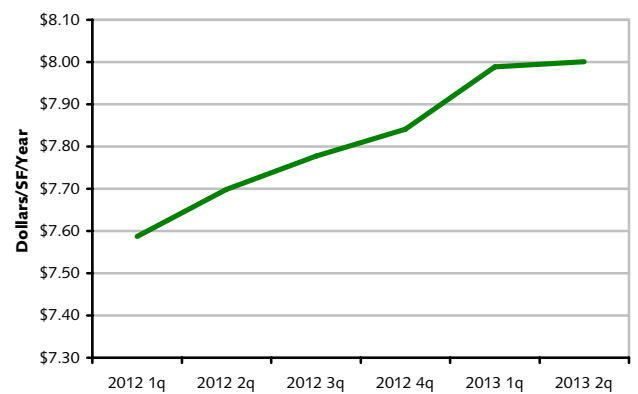
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	1,056	36,427,388	2,728,368	7.5%	313,166	1	265,418	0	0	\$8.00
2013 1q	1,055	36,161,970	2,776,116	7.7%	130,656	0	0	1	265,418	\$7.99
2012 4q	1,055	36,161,970	2,906,772	8.0%	102,625	0	0	1	265,418	\$7.84
2012 3q	1,055	36,161,970	3,009,397	8.3%	(261,638)	3	358,958	1	265,418	\$7.78
2012 2q	1,052	35,803,012	2,388,801	6.7%	(340,008)	0	0	4	624,376	\$7.70
2012 1q	1,052	35,803,012	2,048,793	5.7%	89,787	0	0	4	624,376	\$7.59
2011 4q	1,053	36,132,152	2,467,720	6.8%	245,433	0	0	2	86,713	\$7.32
2011 3q	1,054	36,570,823	3,151,824	8.6%	(949,011)	0	0	2	86,713	\$7.40
2011 2q	1,054	36,570,823	2,202,813	6.0%	96,056	0	0	2	86,713	\$7.54
2011 1q	1,054	36,570,823	2,298,869	6.3%	(141,148)	0	0	0	0	\$7.38
2010 4q	1,054	36,570,823	2,157,721	5.9%	77,315	2	17,982	0	0	\$7.39
2010 3q	1,052	36,552,841	2,217,054	6.1%	132,413	0	0	2	17,982	\$7.43
2010 2q	1,052	36,552,841	2,349,467	6.4%	(490,803)	0	0	2	17,982	\$7.54
2010 1q	1,052	36,552,841	1,858,664	5.1%	(35,245)	0	0	1	8,991	\$7.55
2009 4q	1,052	36,552,841	1,823,419	5.0%	49,734	0	0	0	0	\$7.80
2009 3q	1,052	36,552,841	1,873,153	5.1%	139,479	0	0	0	0	\$8.27

Source: CoStar Property®

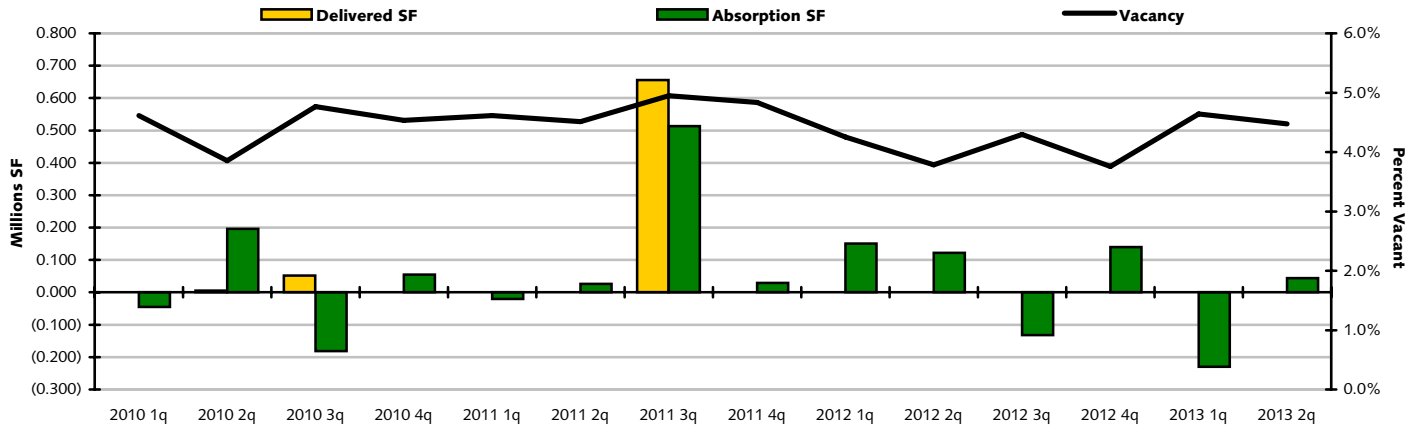


# LOS ANGELES INDUSTRIAL MARKET

## UPPER SGV MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

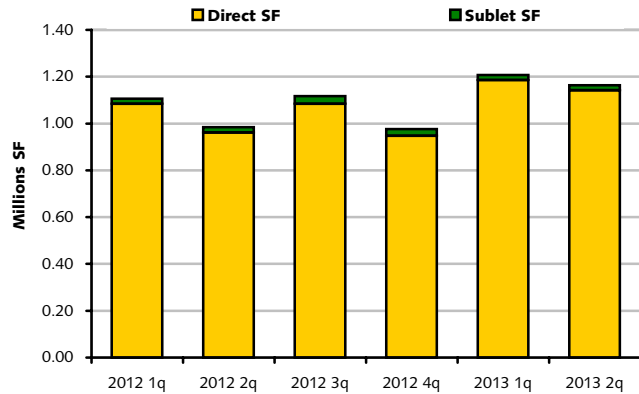
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

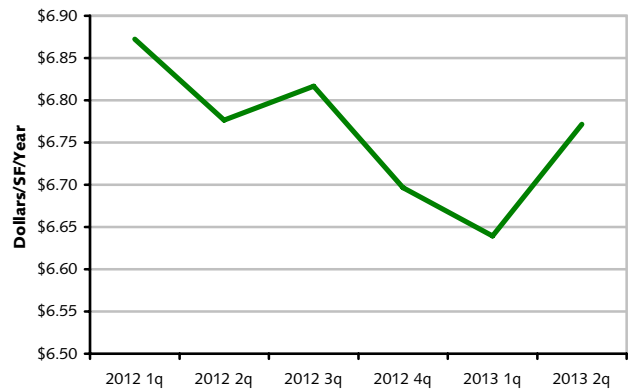
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	1,250	25,995,069	1,162,927	4.5%	43,966	0	0	0	0	\$6.77
2013 1q	1,250	25,995,069	1,206,893	4.6%	(230,223)	0	0	0	0	\$6.64
2012 4q	1,250	25,995,069	976,670	3.8%	140,003	0	0	0	0	\$6.70
2012 3q	1,250	25,995,069	1,116,673	4.3%	(132,358)	0	0	0	0	\$6.82
2012 2q	1,250	25,995,069	984,315	3.8%	122,037	0	0	0	0	\$6.78
2012 1q	1,250	25,995,069	1,106,352	4.3%	150,643	0	0	0	0	\$6.87
2011 4q	1,250	25,995,069	1,256,995	4.8%	29,189	0	0	0	0	\$6.77
2011 3q	1,250	25,995,069	1,286,184	4.9%	513,104	1	656,000	0	0	\$6.79
2011 2q	1,249	25,339,069	1,143,288	4.5%	25,907	0	0	1	656,000	\$6.70
2011 1q	1,249	25,339,069	1,169,195	4.6%	(20,443)	0	0	1	656,000	\$6.80
2010 4q	1,249	25,339,069	1,148,752	4.5%	54,328	0	0	1	656,000	\$6.87
2010 3q	1,250	25,344,035	1,208,046	4.8%	(181,124)	1	52,194	0	0	\$6.93
2010 2q	1,249	25,291,841	974,728	3.9%	196,414	1	4,900	1	52,194	\$6.84
2010 1q	1,248	25,286,941	1,166,242	4.6%	(45,191)	0	0	2	57,094	\$7.01
2009 4q	1,248	25,286,941	1,121,051	4.4%	296,350	1	8,000	2	57,094	\$7.00
2009 3q	1,247	25,278,941	1,409,401	5.6%	87,461	3	51,362	1	8,000	\$7.24

Source: CoStar Property®

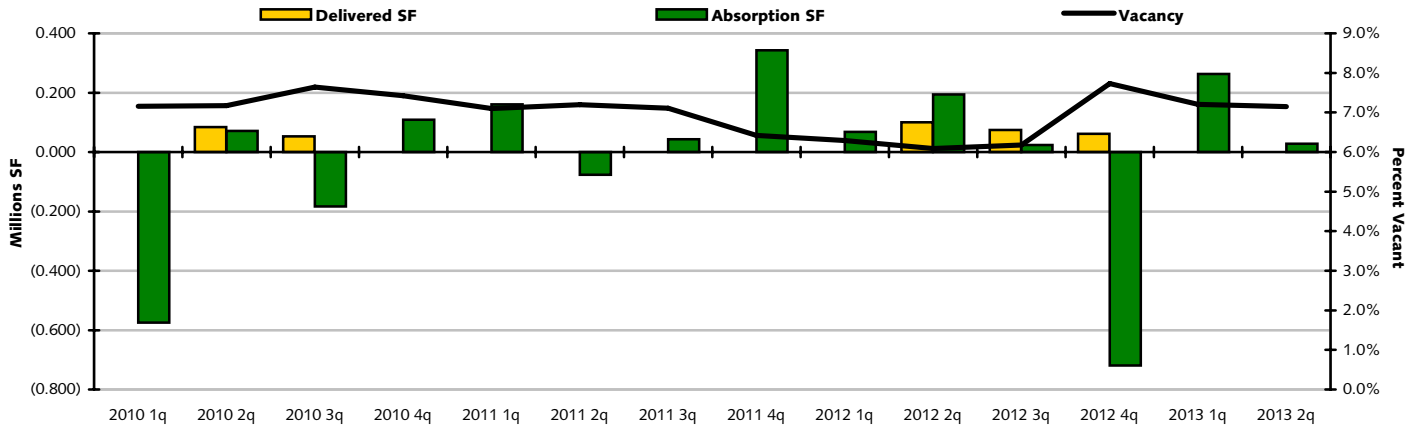
# LOS ANGELES INDUSTRIAL MARKET



## VENTURA COUNTY MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

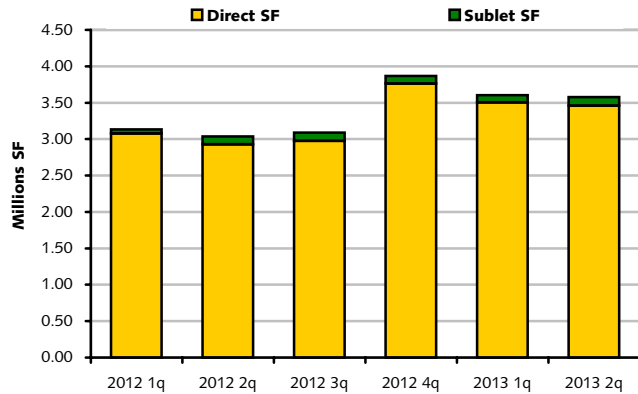
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

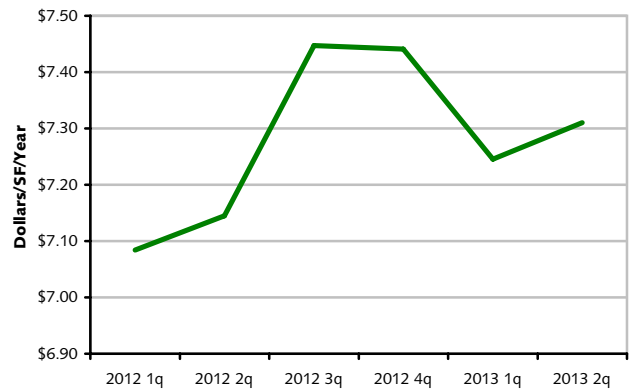
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	2,169	50,030,860	3,576,401	7.1%	28,220	0	0	0	0	\$7.31
2013 1q	2,169	50,030,860	3,604,621	7.2%	262,730	0	0	0	0	\$7.25
2012 4q	2,169	50,030,860	3,867,351	7.7%	(718,600)	2	61,548	0	0	\$7.44
2012 3q	2,167	49,969,312	3,087,203	6.2%	24,164	2	74,000	2	61,548	\$7.45
2012 2q	2,165	49,895,312	3,037,367	6.1%	193,942	1	100,000	4	135,548	\$7.14
2012 1q	2,164	49,795,312	3,131,309	6.3%	67,602	0	0	5	235,548	\$7.08
2011 4q	2,164	49,795,312	3,198,911	6.4%	342,319	0	0	4	225,048	\$7.13
2011 3q	2,164	49,795,312	3,541,230	7.1%	43,270	0	0	4	225,048	\$7.18
2011 2q	2,164	49,795,312	3,584,500	7.2%	(76,073)	0	0	2	163,500	\$7.01
2011 1q	2,165	49,824,012	3,537,127	7.1%	161,170	0	0	1	63,500	\$7.03
2010 4q	2,165	49,824,012	3,698,297	7.4%	109,051	0	0	0	0	\$7.13
2010 3q	2,165	49,824,012	3,807,348	7.6%	(183,807)	3	53,355	0	0	\$7.28
2010 2q	2,162	49,770,657	3,570,186	7.2%	71,535	4	84,387	3	53,355	\$7.44
2010 1q	2,158	49,686,270	3,557,334	7.2%	(574,668)	0	0	7	137,742	\$7.57
2009 4q	2,158	49,686,270	2,982,666	6.0%	20,180	4	171,671	7	137,742	\$7.56
2009 3q	2,154	49,514,599	2,831,175	5.7%	(196,779)	1	17,355	4	171,671	\$7.76

Source: CoStar Property®

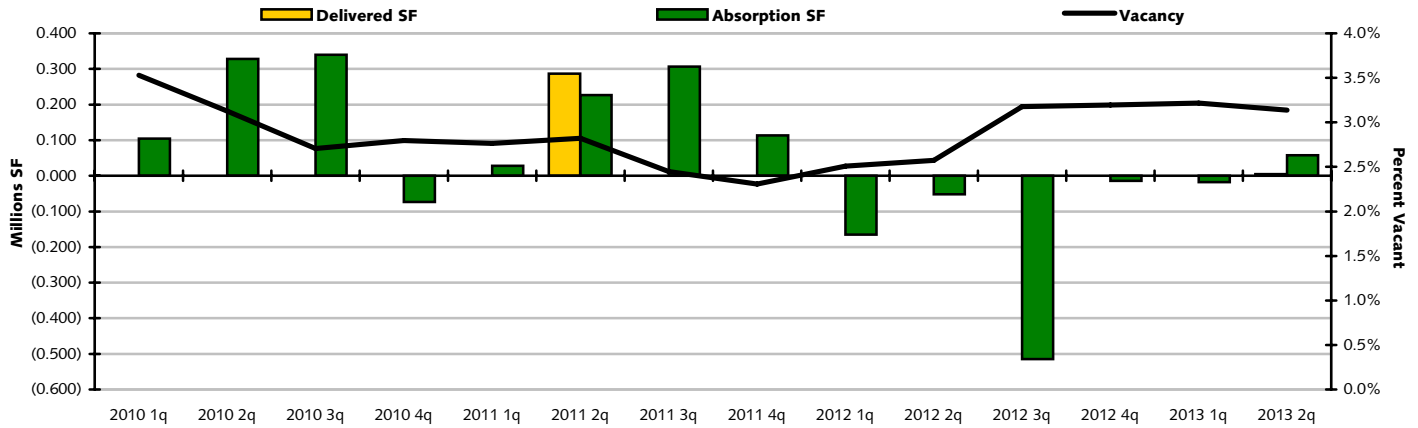


# LOS ANGELES INDUSTRIAL MARKET

## VERNON AREA MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

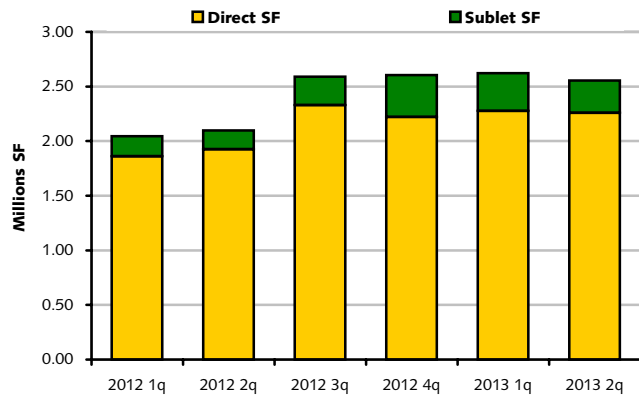
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

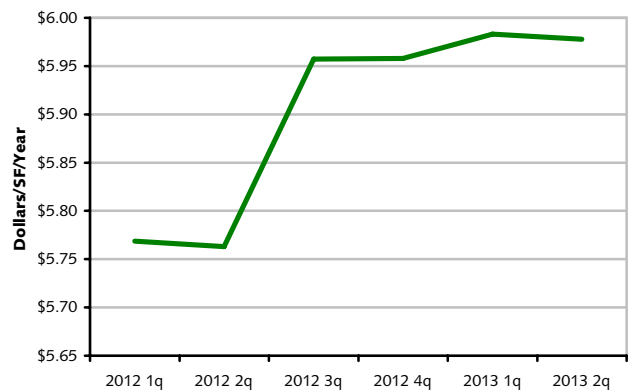
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse



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	
2013 2q	2,200	81,469,905	2,555,778	3.1%	57,404	1	4,861	0	0	\$5.98
2013 1q	2,200	81,478,044	2,621,321	3.2%	(17,941)	0	0	1	4,861	\$5.98
2012 4q	2,200	81,478,044	2,603,380	3.2%	(14,179)	0	0	1	4,861	\$5.96
2012 3q	2,200	81,478,044	2,589,201	3.2%	(515,032)	0	0	1	4,861	\$5.96
2012 2q	2,202	81,501,114	2,097,239	2.6%	(52,148)	0	0	0	0	\$5.76
2012 1q	2,202	81,501,114	2,045,091	2.5%	(165,048)	0	0	0	0	\$5.77
2011 4q	2,202	81,501,114	1,880,043	2.3%	113,491	0	0	0	0	\$5.79
2011 3q	2,202	81,501,114	1,993,534	2.4%	306,859	0	0	0	0	\$5.84
2011 2q	2,202	81,501,114	2,300,393	2.8%	226,549	1	286,416	0	0	\$5.93
2011 1q	2,202	81,217,898	2,243,726	2.8%	28,326	0	0	1	286,416	\$5.79
2010 4q	2,202	81,217,898	2,272,052	2.8%	(73,572)	0	0	1	286,416	\$5.79
2010 3q	2,202	81,217,898	2,198,480	2.7%	340,170	0	0	1	286,416	\$5.87
2010 2q	2,202	81,217,898	2,538,650	3.1%	328,299	0	0	0	0	\$5.74
2010 1q	2,202	81,217,898	2,866,949	3.5%	104,219	0	0	0	0	\$5.87
2009 4q	2,204	81,262,090	3,015,360	3.7%	(129,194)	1	22,111	0	0	\$5.93
2009 3q	2,203	81,239,979	2,864,055	3.5%	(147,665)	0	0	1	22,111	\$6.22

Source: CoStar Property®

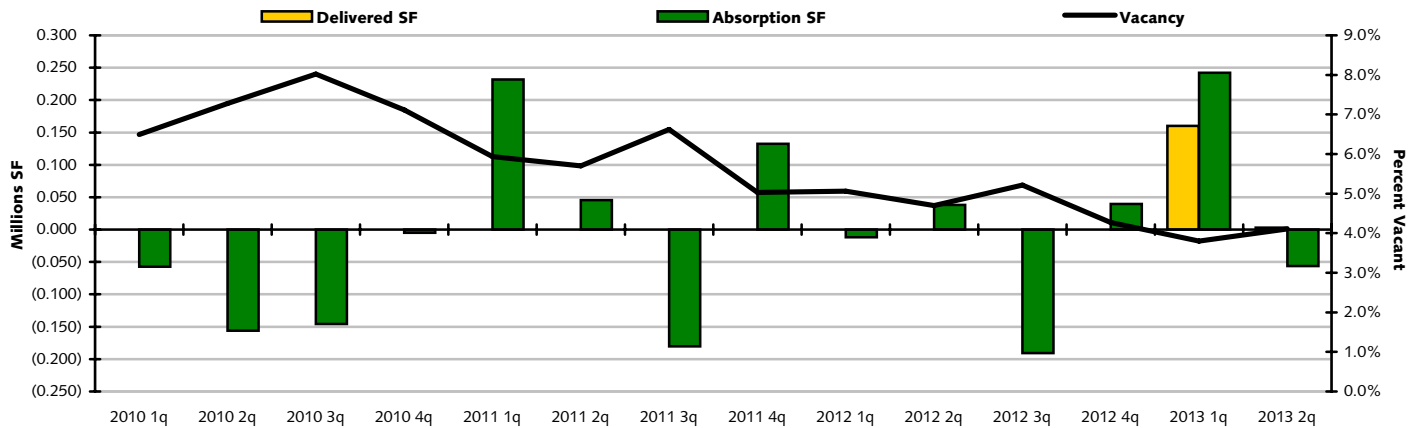
## LOS ANGELES INDUSTRIAL MARKET



## WESTSIDE MARKET

## MARKET HIGHLIGHTS - FLEX &amp; WAREHOUSE

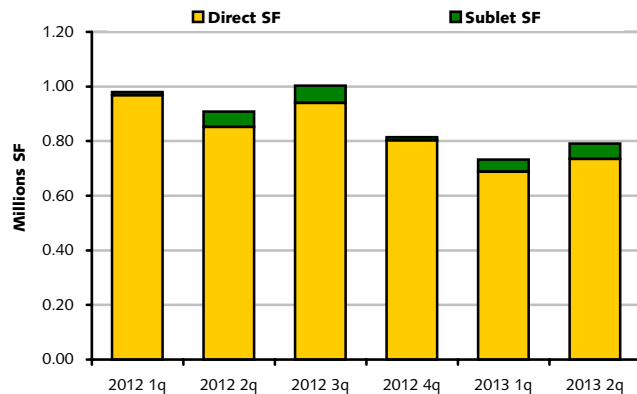
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

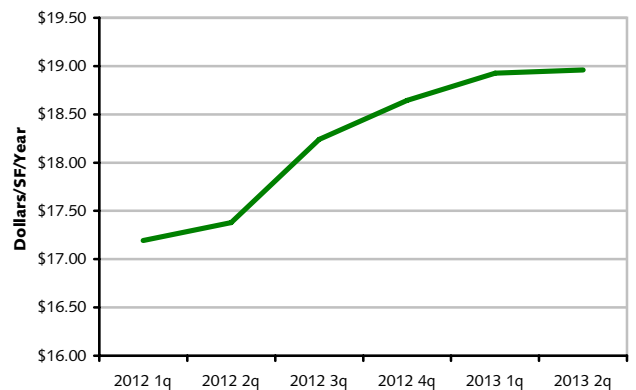
## Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

## Historical Analysis, Flex and Warehouse



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	
2013 2q	1,119	19,255,134	791,591	4.1%	(56,359)	1	2,956	0	0	\$18.96
2013 1q	1,118	19,252,178	732,276	3.8%	242,315	1	160,000	1	2,956	\$18.93
2012 4q	1,117	19,092,178	814,591	4.3%	39,372	0	0	2	162,956	\$18.64
2012 3q	1,118	19,241,578	1,003,363	5.2%	(190,839)	0	0	1	160,000	\$18.24
2012 2q	1,120	19,337,668	908,614	4.7%	38,225	0	0	1	160,000	\$17.38
2012 1q	1,122	19,370,863	980,034	5.1%	(11,608)	0	0	1	160,000	\$17.19
2011 4q	1,123	19,376,468	974,031	5.0%	132,596	0	0	1	160,000	\$17.01
2011 3q	1,125	19,565,229	1,295,388	6.6%	(180,275)	0	0	1	160,000	\$16.94
2011 2q	1,125	19,565,229	1,115,113	5.7%	45,683	0	0	1	160,000	\$15.95
2011 1q	1,125	19,565,229	1,160,796	5.9%	231,833	0	0	1	160,000	\$16.97
2010 4q	1,125	19,565,229	1,392,629	7.1%	(4,872)	0	0	0	0	\$18.72
2010 3q	1,133	19,762,040	1,584,568	8.0%	(145,895)	0	0	0	0	\$18.86
2010 2q	1,133	19,762,040	1,438,673	7.3%	(155,936)	0	0	0	0	\$19.16
2010 1q	1,133	19,762,040	1,282,737	6.5%	(57,331)	0	0	0	0	\$19.38
2009 4q	1,133	19,762,040	1,225,406	6.2%	(77,173)	0	0	0	0	\$19.64
2009 3q	1,134	19,808,267	1,194,460	6.0%	(156,335)	0	0	0	0	\$20.11

Source: CoStar Property®