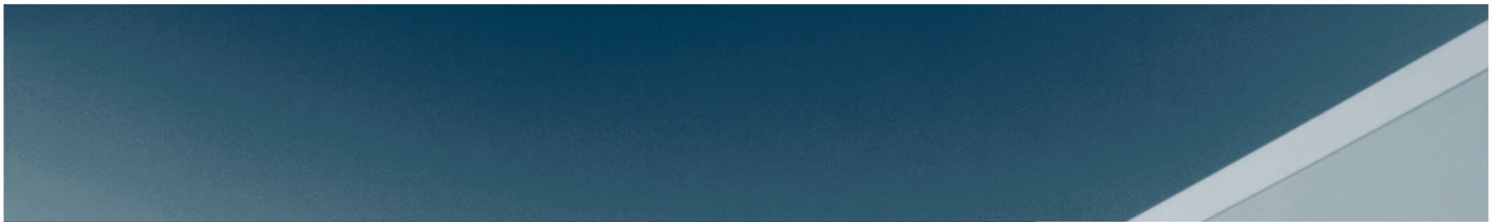


INDUSTRIAL

Metro: Los Angeles

INDUSTRIAL

Contents

INDUSTRIAL

Reis Observer

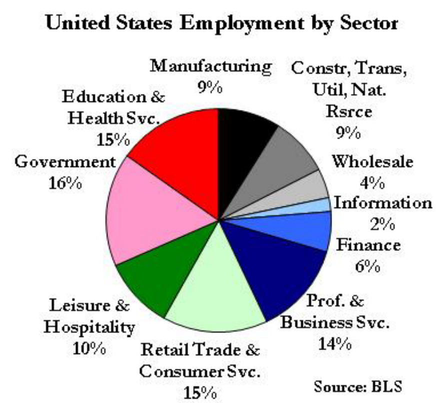
THE ECONOMY

With 2013 now well under way, Los Angeles is trying to find out where it stands economically. Some people aren't quite sure. According to a study conducted by the *Los Angeles Times* at the end of April, Southern California businesses were "split" on the state of the economy. "About 42% said the economy was recovering, and 48% said the nation was still in a recession, according to the U.S. Bank Small Business Annual Survey. More than two-thirds of the business owners said they were unlikely to make a capital expenditure in the next year. In Southern California, 64% of respondents characterized their financial health as 'good,' and 46% said they expect higher revenues in the next year." According to this source, about 54% of respondents said they don't expect higher revenues next year, according to the study. The survey polled about 3,200 owners of small businesses, including 201 in Southern California that pulled in $10 million or less in annual revenue during the first quarter of 2013.

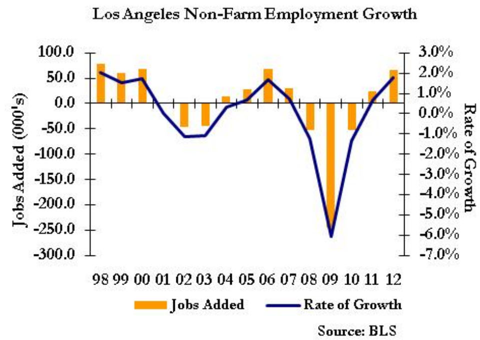
The latest data from the U.S. Department of Labor, Bureau of Labor Statistics (BLS) show the region has held on through the beginning of the year. As of February 2013, Current Employment Survey (CES) data from the BLS show a gain of 87,200 jobs (2.3%) over 12 months. Given that this metro sustained serious losses arising from the Great Recession in 2009 and 2010, the current increase is good news. According to CES data, total private employment increased by 97,200 jobs (3.0%) in that February-to-February time span. The employment picture, then, is picking up. According to the UCLA Anderson Forecast, "the forecast for California for 2013 and 2014 is not much different than December's prognostication, total employment growth for 2013, '14 and '15 is expected to be 1.6%, 2.2%, and 2.3% respectively; non-farm payroll employment will grow more slowly at 1.4%, 2.1%, and 2.3% for the same three," the study stated in its first quarterly report of 2013. In addition to the forecast reports, Anderson research notes that economist William Yu reports "Los Angeles has fallen behind other cities in terms of income and employment growth for several decades. Yu concludes that the low level of human capital is the main reason for Los Angeles's lag. He suggests that investing in early childhood education for disadvantaged children would be the most effective way to improve Los Angeles's competitiveness in the long run." Los Angeles is certainly a world competitor with its active ports and airport. According to the Kyser Center for Economic Research, "international trade continues to play an important role in the local economy, but activity levels depend on the health of both the national and global economies. The San Pedro Bay

Employment:

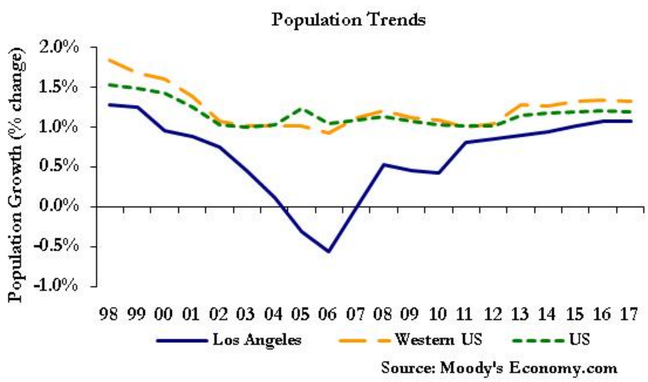
- *The BLS reports a seasonally unadjusted unemployment rate of 10.3% in February for the Los Angeles Metropolitan Division, down from 11.6% one year earlier.*
- *Total non-farm employment in Los Angeles was up 2.3% year-over-year in February, according the BLS.*
- *Moody's Economy.com reports a first quarter 2013 average household income of $133,245 for Los Angeles. Average household incomes of $125,227 and $128,537 are reported for the top metros in the nation and West region, respectively.*



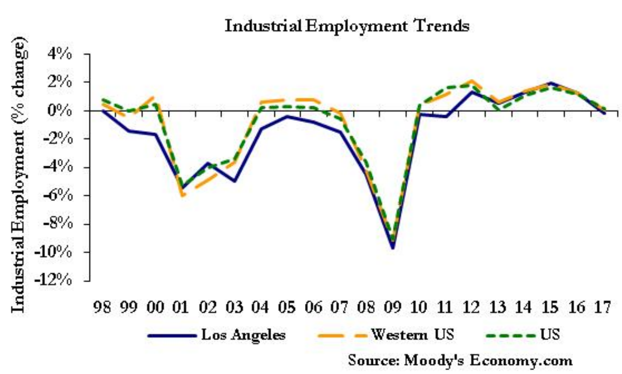
ports of Los Angeles and Long Beach are the two largest container ports in the nation. Much of the nation's imported consumer goods are from Asia and the Pacific."



CES data indicate that Wholesale and Retail Trade, employing 210,900 and 392,300, respectively, both posted employment gains of 3,700 through February 2013. The ever-important Motion Picture and Sound Recording Industries added 7,300 jobs (6.4%) through February. As the home of the American entertainment industry, this sector employs 122,000, according to CES data. Los Angeles is also a financial center, and Financial Activities employment increased by 5,900 (2.8%). Professional and Business Services employment increased by 25,400 (4.6%), indicating that the white collar sectors are doing well. The included Employment Services industry, which includes temporary employment, added 10,700 jobs (11.9%). The substantially government-funded Education and Health Services sector added 16,400 jobs (3.0%). It should be noted that Sequestration, a series of automatic budget cuts enacted with the failure of Congress and the President of the United States to reach a spending plan, is in effect as of this report date. Los Angeles has a sizeable government employment cohort, which can range from civilians working in regional military bases to employees at public colleges. Overall Government employment fell by 10,000 (1.8%) through February, a notable decline but more or less in keeping with this metro's great size; many markets are seeing drops in Government employment. Also, so far, Sequestration has not had a major impact on the Los Angeles economy.



OUTLOOK

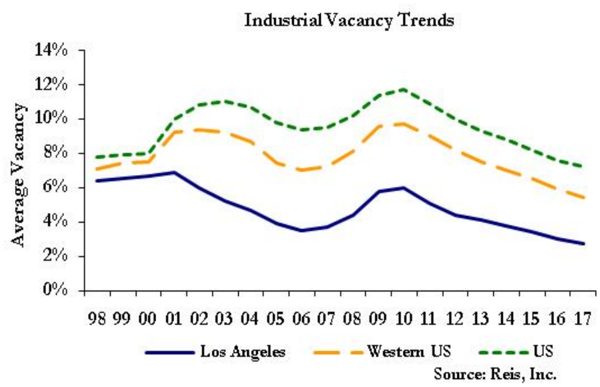


Moody's Economy.com reports that total employment, as defined by this source, increased by 81,370 from 2011 to 2012 and is forecast to increase by 44,310 in 2013. Office employment grew by 21,067 (1.9%) in 2012 and is forecast to grow by a smaller 6,453 (0.6%) in 2013. Population increased by 0.9% in 2012 and is forecast to increase by the same in 2013. All in all, while the national economy may be struggling, the Los Angeles economy has done fairly well so far in 2013.

THE REAL ESTATE MARKET

Flex/R&D and warehouse/distribution space finished 2012 in good shape and had a stable first quarter of 2013. Occupancy remained stable and rents increased, although somewhat unevenly. Daum Commercial Real Estate services notes an increase in first quarter vacancy but solid year-over-year rent growth.

OCCUPANCY



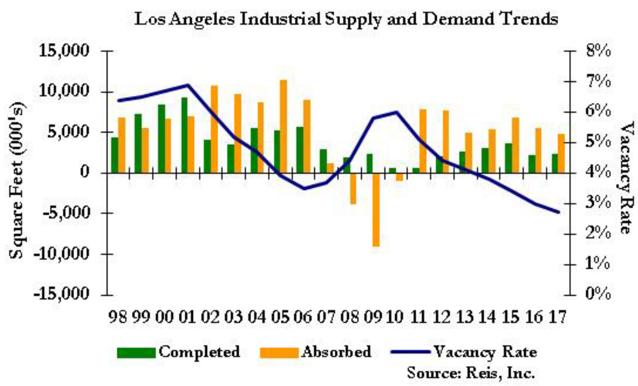
Reis reports a first quarter 2013 vacancy rate of 7.7% for 444.8 million square feet of multi-tenant, warehouse/distribution space in Los Angeles County, down 20 basis points from the prior quarter and 120 from the first quarter of 2012. The rate finished 2011 at 9.0% so occupancy here has been improving. For 38.7 million square feet of multi-tenant Flex/R&D space, Reis reports a vacancy rate of 5.2%, unchanged from the prior quarter but down 140 basis points year-over-year. This rate has also worked its way down from 2011, although by not as much, with 2011 vacancy finishing the year at 6.7%.

"The L.A. County industrial market witnessed a vacancy rate increase during the quarter, moving from 4.7% to 4.8%," according to Daum. According to this source, vacancy levels still remain near their lowest level since 2008. According to Newmark Grubb Knight Frank, "the vacancy rate for the Los Angeles industrial market started the year at 2.0% in the first quarter of 2013, down 10 basis points over the prior quarter and 90 basis points below the 2.9% registered in the first quarter of 2012." According to this source, "the vacancy rate for warehouse/distribution space has dropped to 2.3% as the vacancy rate for general industrial product has declined to 1.7% over the past year." Colliers, in their Greater Los Angeles Basin report, notes that "industrial space remains incredibly scarce within Los Angeles County as the region has a vacancy rate of 3.9%, a drop of 30 basis points over the quarter." Reis forecasts further declines in warehouse/distribution vacancy, to 7.3% in 2013, with Flex/R&D vacancy falling to 4.8%.

Special Real Estate Factors:

- *"New development and higher asking rental rates is the central story for Los Angeles. Under construction activity finished the quarter with 3.2 million square feet, up 43% when compared to one year ago, while average asking rental rates were $0.52 NNN/month, up $0.02 over the same timeline," Jones Lang LaSalle stated in the first quarter 2013 report on Los Angeles industrial property. The NNN (triple net) rate cited is $6.24 psf by Reis's measure. "Of new development, four warehouses in excess of 300,000 square feet were under way—buildings that will compete with active projects in the neighboring Inland Empire. 'Compete', though not struggle with: 50.0% of a given distributor's overhead is linked to transportation costs, while only 4.0% is associated with real estate costs. Los Angeles has the clear advantage here, particularly in the port-adjacent South Bay and port-near Central submarkets," according to Jones Lang LaSalle. "Sixteen projects totaling 3.2 million square feet are under construction throughout the Los Angeles industrial market. These projects range in size from 38,974 to 617,500 square feet. The majority of this activity is based in the Central and South Bay submarkets, with developers such as Sares Regis, KTR Capital Partners, and First Industrial. During the quarter, 369,750 square feet was delivered to the market. Approximately 47% of total*

SUPPLY AND DEMAND



Warehouse/distribution space posted 941,000 square feet of positive net absorption in the first quarter, continuing the active pace set in 2012. The total for that year was 6.5 million square feet of net absorption, so 2013 has big shoes to fill. For Flex/R&D space, first quarter net absorption was negative 1,000 square feet. This market managed to post 596,000 on the positive side in 2012, and 813,000 in 2011. There is little in the way of new construction for Flex/R&D space. According to Reis's latest construction data, only 25,000 square feet of such space completed in 2012, at Centron Industries in South Bay. Warehouse/distribution construction, however, has been more active. Reis' latest construction data indicate 1.7 million square feet of such space completing in 2012. In fact, so far in 2013, another 558,000 square feet have completed, including 427,000 square feet in the Xebec Commerce Center.

"During the quarter, gross absorption finished with 9.8 million square feet of activity, down 49% compared to the previous quarter, and lower by 22% compared to a year ago. Net absorption posted a loss of 715,000 square feet of occupied space during the quarter, after finishing 2012 with a gain of 6.2 million square feet. In 2011, the market gained 2.8 million square feet, after losing 830,000 square feet during 2010," according to Daum. This source reports 2 million square feet under construction. "Positive net absorption of 1.4 million square feet was posted this quarter, representing a 42.0% decline over the prior year—the result of a lack of available product," according to Newmark Grubb Knight Frank. This source reports 2.9 million square feet under construction. Colliers reports net absorption was positive 2,282,700 square feet and gross activity totaled 9,045,900 square feet in the first quarter. Development activity remains active with 3,031,000 square feet of space currently under construction. "Much of this space is for build-to-suits which will have no impact on the vacancy rate," according to Colliers. Reis forecasts another 980,000 square feet of warehouse/distribution space to complete in 2013.

Special Real Estate Factors:
Continued

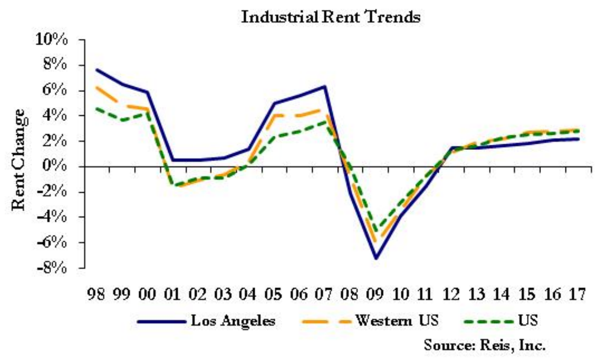
deliveries have been absorbed." Jones Lang LaSalle reports total vacancy for warehouse/distribution space at 5.3% and 6.1% for Manufacturing space.

- *Voit Real Estate Services reports a total vacancy rate of 4.61% in their Mid-1Q13 report. This rate is unchanged from the fourth quarter of 2012 but down from 4.85% in the first quarter of 2012. The average asking lease rate of $0.56 ($6.72 psf) is down one cent from the prior quarter. Net absorption is listed at negative 33,315 square feet. This source predicts that effective lease rates will stabilize.*

- *"The Los Angeles City approved a lease agreement with BNSF Railway Co. for the construction and operation of a controversial $500 million rail yard near the Port of Los Angeles," the Los Angeles Business Journal reported in early May. "The 11-2 vote in support of the 50-year lease agreement and related environmental certifications came despite opposition from community and environmental groups and the city of Long Beach. BNSF plans to turn 150 acres of Wilmington industrial space about four miles north of the Port of Los Angeles into a facility for loading port cargo onto trains from trucks. The aim is to speed the handling of cargo and move more cargo onto trains. That would take trucks off local freeways. The project would also boost BNSF's presence at the*

RENTS

Warehouse/distribution rents posted a solid quarterly rent gain in the first quarter of 2013, Reis reports. The average asking and effective rents rose 0.3% and 0.5%, respectively, to finish the quarter at $6.08 psf and $5.62 psf, up 1.7% and 2.4%, respectively, from 12 months earlier. For Flex/R&D space, the average asking and effective rents were both up 0.1% during the first quarter, to $11.04 psf and $9.91 psf. These are not great performances for either category of industrial space, but they are positive across the board. For a competitive market like Los Angeles, property owners can at least live with the current rental performance. Looking ahead, the outlook is for more of the same. Asking and effective rents for Flex/R&D space are forecast to increase by 1.0% and 1.3%, respectively, in 2103, with slightly higher gains to follow. Warehouse/distribution rents are forecast to post gains of 1.5% and 1.8% in 2013, with a gradual uptick in the years to come.



According to Daum, "standard industrial asking rental rates increased 3.7% year-over-year, moving from $0.54 NNN ($6.48 psf) to $0.56 NNN ($6.72 psf)." Daum reports that of the four major markets within Los Angeles County, the LA-North market ended the quarter with the highest standard industrial rental rate of $7.80 psf, followed by the LA-West/South market at $7.08 psf, the LA- Central/SE market at $6.12 psf, and the San Gabriel Valley market at $6.00 psf. "Average asking rents are trending higher and the time to lease space is moving lower," Daum reports. According to Newmark Grubb Knight Frank, "average asking rents are inching upward, albeit slowly. The average asking rents for warehouse/distribution space ended the quarter at $0.49 psf ($5.88 psf)—up one cent over the prior quarter and two cents over last year." As the economy picks up, this source notes, "a sudden uptick in demand for industrial space could lead to a spike in rents." Reporting on the Greater Los Angeles Basin, Colliers reports a triple net asking rental rate of $5.88 psf. For Los Angeles County, this source reports a rate of $6.36 psf.

Special Real Estate Factors:

Continued

ports of Los Angeles and Long Beach, helping the company compete with rival Union Pacific, which has a rail yard nearby. Supporters say the plan will be a boon to business and the ports of Los Angeles and Long Beach as they face increased competition. The lease would also bring an estimated $14 million in annual revenue to the Port of Los Angeles for the first five years and somewhat higher amounts after that. Opponents say the new facility isn't necessary and that it will increase the overall number of trucks and trains moving cargo from the port, thus increasing pollution and congestion."

- *"The buyers of a six-property industrial complex in Burbank have plans to turn the mid-century buildings into a creative campus," the San Fernando Valley Business Journal reported April 4th. "BV Empire LLC acquired the buildings, at 2405-2409 West Empire Ave., in March for $3 million. The 22,343-square-foot property will be renovated with a new roof and façade, exposed beams, track lighting, polished concrete floors, and upgraded electrical and handicapped access. Brett Warner, a principal at Lee & Associates' Sherman Oaks office who represented the buyer, said the owners hope to attract entertainment and other creative companies who do work for nearby studios."*

SUBMARKETS

The South Bay area is the home of the ports of Los Angeles and Long Beach, and the key to the region's economic prosperity, although distribution centers are located throughout the county and further inland, particularly in the Mid Cities submarket. The San Gabriel Valley contains more traditional manufacturing, along with high-tech and distribution space while the San Fernando Valley is more technology and local-market oriented. Labor-intensive light manufacturing, including apparel and toys, is clustered in the central areas.

San Fernando Valley

- Reis reports a vacancy rate of 16.6%, highest among eight submarkets, and an average asking rent of $8.66 psf, also the highest countywide, for 6.6 million square feet of warehouse/distribution space in the San Fernando Valley West submarket.

- The vacancy rate is down 450 basis points year-over-year and down 150 in the first quarter. Rents were up this quarter, with the average asking rent up 0.1% for the quarter and the average effective rent up 0.3% to $7.81 psf. The year-over-year increases are 0.8% and 1.3%, respectively.

- For 22.2 million square feet of warehouse/distribution space in the San Fernando Valley East submarket, Reis reports a vacancy rate of 6.8%, and an average asking rent of $7.27 psf.

- There the vacancy rate is down 40 basis points from the prior quarter and 120 from a year earlier. The average asking rent is up 0.1% from the prior quarter and up 1.0% year-over-year, while the average effective rent is up 0.1% for the quarter and up 1.2% year-over-year to $6.72 psf.

- Reis reports a vacancy rate of 9.7% and an average asking rent of $12.27 psf for 3.1 million square feet of Flex/R&D space in the San Fernando Valley West submarket.

- The vacancy rate is up 50 basis points from the prior quarter, and up 160 year-over-year. The asking average decreased 0.2% during the first quarter, with the average effective rent down 0.5% to $11.02 psf. Rents are down 1.0% and 1.7% over 12 months.

- The vacancy rate for 2.1 million square feet of Flex/R&D space in the San Fernando Valley East submarket is 4.5% according to Reis, while the average asking rent is $8.61 psf.

- Flex/R&D vacancy is down 300 basis points from a year earlier and down 110 from the prior quarter. The average asking rent and the average effective rent, at $7.74 psf, are both unchanged for the quarter, and unchanged and up 0.7%, respectively, over 12 months.

- For San Fernando Valley and Ventura County, "the market recorded positive absorption of 130,900 square feet (square feet), less than the 181,800 square feet of positive absorption recorded last quarter. The West San Fernando Valley submarket led the way with 233,900 square feet of positive absorption," according to Colliers. This source reports a San Fernando Valley and Ventura County vacancy rate of 4.4% and an average asking lease rate of $6.60 psf.

San Gabriel Valley

- In the San Gabriel Valley, Reis reports a first quarter vacancy rate of 8.2% and an asking rent of $6.25 psf for 16.1 million square feet of multi-tenant warehouse/distribution space.

- The vacancy rate is down 60 basis points over three months and down 160 year-over-year. The average asking rent and the average effective rent were up 0.3% and 0.7% over the quarter, the latter at $5.75 psf. Rents are up 0.6% and 1.1% from a year earlier.

- This is one of Los Angeles County's largest industrial markets according to other sources, but the Reis inventory is small. This implies that a large share of the space is single-tenant, owner-occupied or general industrial space.

- Moreover, Reis breaks out some of the more prominent industrial areas, such as City of Industry, in its separate and adjacent E. Los Angeles/Covina/Pomona Corridor submarket, which has 83.9 million square feet of warehouse/distribution space. Here Reis reports a vacancy rate of 7.3% and an average asking rent of $6.12 psf. The average effective rent is $5.60 psf. These rents are up 1.3% and 2.0% over 12 months.

- For 2.4 million square feet of Flex/R&D space in the San Gabriel Valley, Reis reports a vacancy rate of 6.9% and an average asking rent of $10.96 psf.

- The vacancy rate increased 70 basis points in the first quarter, and is up 30 from one year earlier. The average asking rent and the average effective rent both increased 0.1% in the first quarter, the latter to $9.87 psf. The year-over-year increases are 0.6% and 0.7%, respectively.

- For the San Gabriel Valley, Colliers reports total gross activity was 2,404,800 square feet in the first quarter. "The largest lease of the quarter was Port Logistics expanding into 775,000 square feet of space in the City of Industry. Other deals include Lovin Oven, LLC renewing on 115,500 square feet of space in Azusa, HOT Services, Inc. moving into 52,200 square feet of space in the City of Industry and Especial T HVAC Sheet Metal Fittings taking 39,600 square feet of space also in the City of Industry."

- Colliers reports vacancy in the San Gabriel Valley at 3.5% and the average asking lease rate at $5.40 psf.

South Bay

- The South Bay submarket is home to the Ports of Los Angeles and Long Beach. Reis reports a first quarter vacancy rate of 8.6%, and an asking rent of $6.54 psf for 101 million square feet of multi-tenant, warehouse/distribution space.

- The vacancy rate is down 30 basis points for the quarter and down 80 year-over-year.

- The average asking rent rose 0.8% during the first quarter as did the average effective rent, to $6.06 psf. The asking average is up 3.0% year-over-year, and the effective average is up 3.6%.

- Reis reports two Xebec Commerce Center buildings completed here in 2013.

- For 9.0 million square feet of Flex/R&D space in South Bay, the most among the submarkets, Reis reports a vacancy rate of 6.2% and an average asking rent of $10.47 psf.

- The vacancy rate increased 10 basis points in the first quarter on 13,000 square feet of negative net absorption, and is down 30 from a year earlier. The average asking rent is unchanged for the quarter and up 0.7% from a year earlier. The average effective rent increased 0.1% for the quarter and 1.0% for the year to $9.51 psf.

- "There is currently 623,300 square feet of space currently under construction. Of this space, two projects totaling 216,400 square feet have already been pre-leased. The first one is a 125,000-square foot build-to-suit for Turbo Air and the second is a 91,300-square foot building preleased to YS Garments. With quality industrial space becoming increasingly scarce, build-to-suit opportunities may be the best option for tenants who cannot find the space to meet their needs," Colliers reports for the South Bay submarket. Vacancy here is reported at 4.4% and the average asking lease rate is $7.20 psf.

Central Los Angeles

- In Central Los Angeles, the older but intensely-used industrial submarket surrounding Downtown Los Angeles, Reis reports a vacancy rate of 6.7%, lowest among the submarkets, and an average asking rent of $5.95 psf, for 77.3 million square feet of multi-tenant warehouse/distribution space.

- The vacancy rate is down 10 basis points for the first quarter and 110 from one year earlier on 55,000 square feet of positive net absorption for the quarter. The average asking rent is up 0.2% over three months and 1.5% over twelve months. The average effective rent is up 0.2% and 2.2%, respectively, to $5.53 psf.

- For 8.2 million square feet of multi-tenant Flex/R&D space, Reis reports a vacancy rate of 2.5%, and an average asking rent of $14.43 psf.

- The vacancy rate rose 30 basis points in the first quarter on 21,000 square feet of negative net absorption. The average asking rent increased 0.2% for the quarter, with the average effective rent also up 0.2% to $12.80 psf. The year-over-year gains are 0.9% and 2.0%, respectively.

- "The vacancy rate for the Central Los Angeles industrial market was 3.7%, unchanged from the previous quarter. Absorption was mostly concentrated in the smaller size ranges. The largest new deal of the quarter was Funjyun moving into 133,600 square feet of industrial space in Commerce. Other deals this quarter include Barrett Distribution taking 111,400 square feet of industrial space in Pico Rivera and A & A Global Imports moving into 22,600 square feet of space in Commerce," according to Colliers.

- This source reports vacancy at 4.4% in Central Los Angeles and an average asking lease rate of $7.20 psf.

OUTLOOK

Reis does not expect any large rent gains for warehouse/distribution or Flex/R&D space, but there will be modest gains in the coming years, nonetheless. Occupancy will be steady, with gradual drops in the vacancy rate the next few years.

For additional metro and submarket level information on the top 82 markets for the four principal property types, visit www.reis.com or call Reis at: (800) 366-REIS.

INDUSTRIAL

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Metro Trend Futures

Section 2 - Metro Data

Year	Qtr	Inventory SF/Units	Completions	Inventory Growth%	Vacant Stock	Vacancy Rate	Vacancy Change(BPS)	Occupied Stock	Net Absorption	Asking Rent	Ask Rent % Chg
2008	Y	809,200,000	1,900,000	0.2%	35,605,000	4.4%	70	773,595,000	-3,835,000	$ 6.65	- 2.1%
2009	Y	811,525,000	2,325,000	0.3%	47,068,000	5.8%	140	764,457,000	-9,138,000	$ 6.17	- 7.2%
2010	Y	812,180,000	655,000	0.1%	48,731,000	6.0%	20	763,449,000	-1,008,000	$ 5.93	- 3.9%
2011	Y	812,767,000	587,000	0.1%	41,451,000	5.1%	-90	771,316,000	7,867,000	$ 5.84	- 1.5%
2012	Y	814,878,000	2,111,000	0.3%	35,855,000	4.4%	-70	779,023,000	7,707,000	$ 5.93	1.5%
2013	Y	817,479,000	2,601,000	0.3%	33,517,000	4.1%	-30	783,962,000	4,939,000	$ 6.02	1.5%
2014	Y	820,535,000	3,056,000	0.4%	31,180,000	3.8%	-30	789,355,000	5,393,000	$ 6.12	1.7%
2015	Y	824,185,000	3,650,000	0.4%	28,022,000	3.4%	-40	796,163,000	6,808,000	$ 6.23	1.8%
2016	Y	826,418,000	2,233,000	0.3%	24,793,000	3.0%	-40	801,625,000	5,462,000	$ 6.36	2.1%
2017	Y	828,831,000	2,413,000	0.3%	22,378,000	2.7%	-30	806,453,000	4,828,000	$ 6.50	2.2%

Year	Qtr	Effective Rent	Eff Rent % Chg	Cons/Abs	Abs/Occ Stock%	Population	Pop% Chg	Employment	Emp% Chg	Households	HH% Chg	Avg HH Income	AHHI% Chg
2008	Y	$ 6.32	- 3.4%	-0.5	- 0.5%	9,762,540	0.5%	4,007,000	- 3.0%	3,223,500	0.6%	$127,957	0.6%
2009	Y	$ 5.77	- 8.7%	-0.3	- 1.2%	9,807,320	0.5%	3,761,800	- 6.1%	3,241,460	0.6%	$120,215	- 6.1%
2010	Y	$ 5.48	- 5.0%	-0.6	- 0.1%	9,849,130	0.4%	3,782,100	0.5%	3,266,540	0.8%	$125,562	4.4%
2011	Y	$ 5.43	- 0.9%	0.1	1.0%	9,929,250	0.8%	3,812,630	0.8%	3,299,580	1.0%	$127,501	1.5%
2012	Y	$ 5.53	1.8%	0.3	1.0%	10,014,440	0.9%	3,894,000	2.1%	3,332,660	1.0%	$134,369	5.4%
2013	Y	$ 5.63	1.8%	0.5	0.6%	10,104,380	0.9%	3,938,310	1.1%	3,369,050	1.1%	$137,760	2.5%
2014	Y	$ 5.74	2.0%	0.6	0.7%	10,199,220	0.9%	4,028,660	2.3%	3,411,530	1.3%	$145,134	5.4%
2015	Y	$ 5.87	2.3%	0.5	0.9%	10,301,960	1.0%	4,147,860	3.0%	3,459,220	1.4%	$152,853	5.3%
2016	Y	$ 6.00	2.2%	0.4	0.7%	10,411,860	1.1%	4,247,150	2.4%	3,505,650	1.3%	$159,657	4.5%
2017	Y	$ 6.15	2.5%	0.5	0.6%	10,523,010	1.1%	4,293,280	1.1%	3,549,500	1.3%	$164,844	3.2%

INDUSTRIAL

Sales Trend

	1Q 2013 Metro Statistics		Metro Statistics - 12 Month Rolling			
	Mean	Median	25th Percentile	Mean	Median	75th Percentile
Cap Rate	6.6%	4.4%	3.9%	6.3%	4.4%	6.9%
Sale Price	$2,418,409	$1,035,500	$742,875	$2,919,870	$1,500,000	$3,187,500
Number of Floors	1	1	1	1	1	1
Year Built	1965	1966	1953	1957	1966	1980

Most Recent Transactions

City, State	Property Type	Year Built	Floors	Price Per Sq Ft Range	Sale Date	Reis Sales Comparables Number
1. Carson, CA	General Light Industrial	1957	1	$50 - $74	Q2 2013	444622
2. Culver City, CA	Flex Office/R and D	n/a	1	$250 - $299	Q2 2013	441290
3. Burbank, CA	Flex Office/R and D	1960	1	$250 - $299	Q1 2013	441961
4. Los Angeles, CA	Light Manufacturing	1950	1	$50 - $74	Q1 2013	443951
5. Glendora, CA	General Light Industrial	1976	1	$25 - $49	Q1 2013	443924
6. Long Beach, CA	General Light Industrial	1940	1	$150 - $199	Q1 2013	444000
7. Los Angeles, CA	General Light Industrial	1964	1	$50 - $74	Q1 2013	440664
8. Burbank, CA	General Light Industrial	2005	1	$150 - $199	Q1 2013	439088
9. Glendora, CA	General Light Industrial	1963	1	$100 - $124	Q1 2013	441374
10. Torrance, CA	Warehouse	2007	1	$250 - $299	Q1 2013	440637
11. Commerce, CA	General Light Industrial	1947	1	$150 - $199	Q1 2013	438967
12. Burbank, CA	General Light Industrial	1969	1	$125 - $149	Q1 2013	439047
13. Monrovia, CA	General Light Industrial	1982	1	$150 - $199	Q1 2013	438934
14. Los Angeles, CA	General Light Industrial	1963	1	$300 - $374	Q1 2013	439865
15. Los Angeles, CA	General Light Industrial	1987	1	$250 - $299	Q1 2013	438013
16. Whittier, CA	Warehouse	1977	1	$125 - $149	Q1 2013	440850
17. Rosemead, CA	General Light Industrial	2006	1	$150 - $199	Q1 2013	438000
18. Signal Hill, CA	General Light Industrial	1947	1	$200 - $249	Q1 2013	438926
19. Sylmar, CA	General Light Industrial	1966	1	$250 - $299	Q1 2013	439083
20. Signal Hill, CA	General Light Industrial	1953	1	$125 - $149	Q1 2013	440671

For details on the transactions listed above, click on the Sales Comparables number link. For historical transactions or transactions in another Reis market, please go to the Sales Comparables section of the Reis website. www.Reis.com

Property Location and Physical Characteristics

Property Name		**Property Type**	General Light Industrial
Address	20100 S Western Ave	**Building Area (SF)**	116,223
City	Torrance	**No. of Bldgs./Floors**	1 / 1
State/ZIP/County	CA / 90501 / Los Angeles	**Year Built/Renovated**	2000 / --
Metro	Los Angeles	**Ceiling Height (Ft)**	--

Comments

Sale Details and Analysis

Sale Date 24 Jan 2013[Rec]
Sale Price $17,600,000
Sale Price PSF $151
Vacancy at Sale

Seller 1. Cornerstone Core Properties / (949) 852-1007 / 1920 Main St, Ste 400, Irvine, CA 92614

Buyer 1. MMB Management

Comments

12-Month Rolling Metro Cap Rate	8.7%	[Q1 2013]
Reported Cap Rate, This Sale	None	

Additional Details When Available

Seller's Broker
Buyer's Broker
Other Broker
Interest Purchased
Parcel Number 7351-021-038
Deed Reference
Time on Market
Financing Details

Lot Size 273,001 SF / 6.27 Acres
Key Tenants

Space Allocation

General Light Industrial	116,223 SF
Total	116,223 SF

Other:

Previously sold in December, 2006; see Reis Sales Comparables ID 146388.

Property Location and Physical Characteristics

Property Name		**Property Type**	Manufacturing
Address	3201 W Mission Rd	**Building Area (SF)**	503,595
City	Alhambra	**No. of Bldgs./Floors**	1 / 1
State/ZIP/County	CA / 91803 / Los Angeles	**Year Built/Renovated**	1966 / --
Metro	Los Angeles	**Ceiling Height (Ft)**	--

Comments

Sale Details and Analysis

Sale Date 24 Jan 2013
Sale Price $17,540,000 (Verified: Pub Rcrd)
Sale Price PSF $35
Vacancy at Sale

Seller 1. LBA Realty / (949) 833-0400 / 17901 Von Karman Ave, Ste 950, Irvine, CA 92614

Buyer 1. Arc Amahbca001 LLC

Comments

12-Month Rolling Metro Cap Rate 8.7% [Q1 2013]
Reported Cap Rate, This Sale None

Additional Details When Available

Seller's Broker

Buyer's Broker

Other Broker

Interest Purchased

Parcel Number 5342034048

Deed Reference 127981

Time on Market

Financing Details

Lot Size

Key Tenants

Space Allocation

Manufacturing	503,595 SF
Total	503,595 SF

Other:

Previously sold in January 2011; see Reis Sales Comparables ID 320909.

Property Location and Physical Characteristics

Property Name		**Property Type**	Warehouse
Address	1050 Stanford Ave	**Building Area (SF)**	175,000
City	Los Angeles	**No. of Bldgs./Floors**	1 / 1
State/ZIP/County	CA / 90021 / Los Angeles	**Year Built/Renovated**	1924 / --
Metro	Los Angeles	**Ceiling Height (Ft)**	--

Comments

Sale Details and Analysis

Sale Date 02 Jan 2013[Rec]
Sale Price $23,500,000
Sale Price PSF $134
Vacancy at Sale

Seller 1. Moutlon LLC

Buyer 1. Stanford 1050 LLC

Comments

12-Month Rolling Metro Cap Rate 8.7% [Q1 2013]
Reported Cap Rate, This Sale None

Additional Details When Available

Seller's Broker
Buyer's Broker
Other Broker
Interest Purchased
Parcel Number 5132-008-001
Deed Reference
Time on Market
Financing Details

Lot Size
Key Tenants

Space Allocation

Warehouse/Storage Space	175,000 SF
Total	175,000 SF

Other:

