



Industrial Market Report

Los Angeles Market

PREPARED BY



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INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF

2.6 M

12 Mo Net Absorption in SF

708 K

Vacancy Rate

2.6%

12 Mo Rent Growth

4.1%

With vacancies below 3%, Los Angeles remains the tightest major industrial market in the country. Net absorption has been soft in recent quarters, but that is largely a function of the low vacancy rate; there just isn't much vacant space left to be absorbed. Demand for industrial product in LA rarely wanes, thanks to the presence of both the nation's largest manufacturing sector and busiest ports of entry.

Despite persistent demand, the development pipeline here tends to be very light. A paucity of developable land and an onerous permitting process combine to keep a lid on new construction even during periods of peak demand growth. Net deliveries reached a recent high of 4.4 million SF in 2017 but fell to 1.8 million SF in 2018, and even less is expected to deliver in 2019. In comparison, the Inland Empire, which is two-thirds the size of LA as measured by existing inventory, will likely have about 25 million SF of net deliveries per year from 2017 to 2019.

Rock-bottom vacancies drove explosive rent growth for much of this cycle. From 2014 to 2018, industrial rents in LA grew at an average of more than 8% annually, often outpacing gains in the National Industrial Index by 150 to 200 basis points. While the vacancy rate remains steady, growth decelerated sharply in recent quarters. Rents still grew by 4.1% over the past year—a healthy rate by historical terms—but annual gains here now trail those of the National Index for the first time this cycle.

Investors, drawn by the extremely tight fundamentals, continue to accept low returns in exchange for stability and liquidity. Roughly \$5.4 billion in industrial sales were recorded here last year, an all-time high, and much of that momentum has carried over into 2019. While modern industrial assets are in high demand, one key motivating factor for investors is the potential for adaptive reuse. In some of LA's emerging job hubs, the potential for creative office conversion is adding value to older, less functional industrial product.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	619,426,940	2.5%	\$12.49	4.8%	(437,384)	0	5,015,756
Specialized Industrial	254,544,703	2.0%	\$12.59	3.6%	(319,972)	0	100,000
Flex	57,677,635	5.7%	\$20.55	7.1%	(105,000)	0	0
Market	931,649,278	2.6%	\$13.01	4.6%	(862,356)	0	5,115,756
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-0.2%	4.0%	2.7%	5.6%	2010 Q1	2.2%	2017 Q4
Net Absorption SF	708 K	3,374,496	1,244,342	14,244,772	2014 Q3	(12,412,903)	2009 Q1
Deliveries SF	2.6 M	5,475,527	4,817,983	13,350,695	2002 Q1	779,694	2011 Q1
Rent Growth	4.1%	3.7%	2.5%	9.1%	2017 Q2	-4.9%	2009 Q4
Sales Volume	\$5.2 B	\$3.0B	N/A	\$5.7B	2018 Q3	\$976.8M	2009 Q3



LA is one of the largest industrial markets in the nation—with over 930 million SF of inventory. Yet available industrial space is scarce in LA, particularly newer and larger buildings suitable for modern-day logistics companies. Few buildings have delivered this cycle, and many of those were build-to-suit and preleased. The effects of supply constraints on this market cannot be overemphasized: with few developable sites, vacancies in LA remain the lowest of any major US industrial hub.

The largest leases as of late have been from third-party logistics companies attracted to infill properties and manufacturing companies that establish local production/distribution services. While LA ports are the busiest in the nation, the outlook for the industrial market does not fully hinge on future trade flows or changes to national trade policies, because LA has a diverse tenant base. Manufacturing remains a cornerstone of the local economy, even with job counts shrinking since the early 1990s. Aerospace, apparel, food processing and packaging, electronics and computers, and metals are all important components of the local manufacturing sector.

In the first half of 2019, major new leases included Mutual Trading Co., a Japanese food & beverage supplier, inking a deal for about 300,000 SF at the Goodman Logistics Center in Santa Fe Springs. That accounts for a little under 50% of the Center's 663k SF Building 2, which was built on a speculative basis and is expected to deliver in late 2019. Other notable deals include furniture manufacturer Article taking 300,000 SF in Carson, and discount retailer Shims Bargain Inc renewing a 267,000 SF warehouse lease in Commerce.

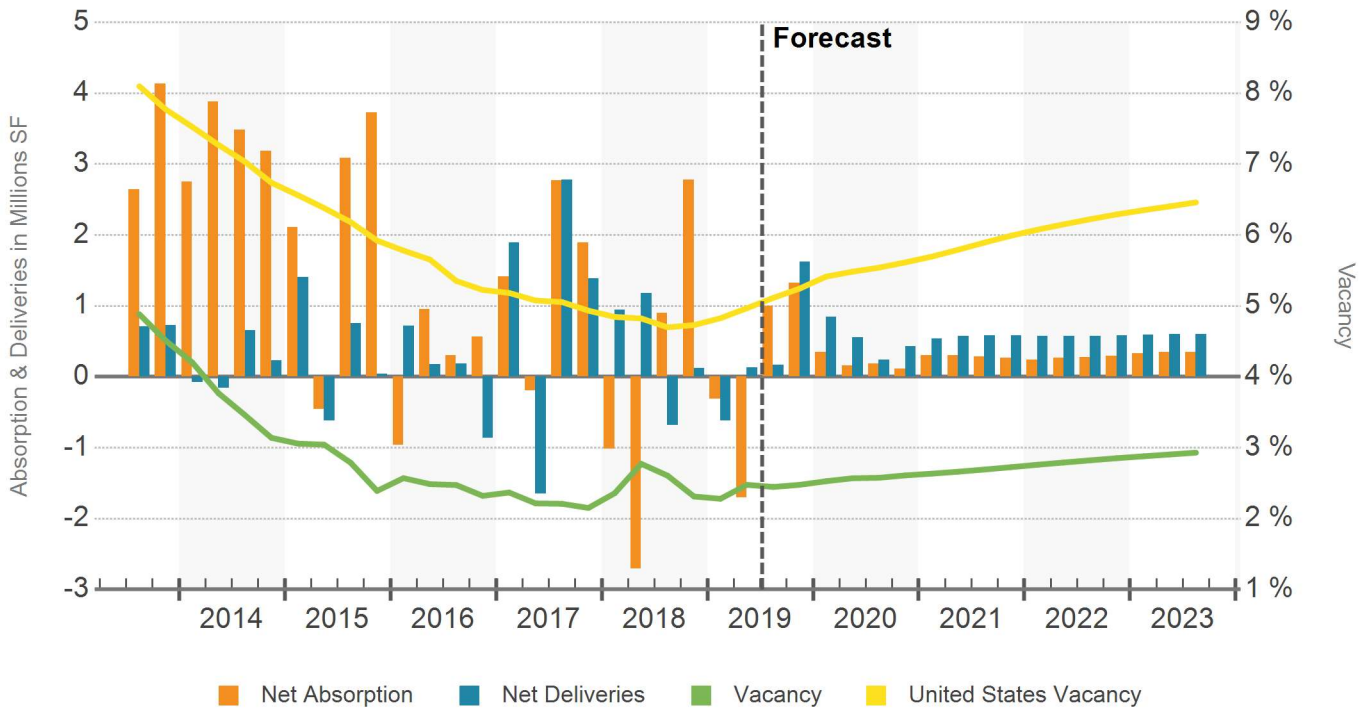
The top leases over the first half of 2019 were, on average, smaller than those signed last year. Damco Logistics Services leased nearly one million SF at the Goodman Gateway in Santa Fe Springs in 2018 for ten years. Properties this large rarely become available in L.A, but Albertsons' acquisition of Safeway and Vons in

2015, who occupied the six-building property, prompted changes in the company's logistics operations. Also in 2018, Champion Logistics Group leased 635,000 SF in the LA Regional Distribution Center in Irwindale. A large portion of the center was long occupied by Warnaco, who closed down after the textile/clothing company was sold to the PVH Corporation in 2013; Charlie's Produce, a food produce wholesaler, moved out of the rest of the building.

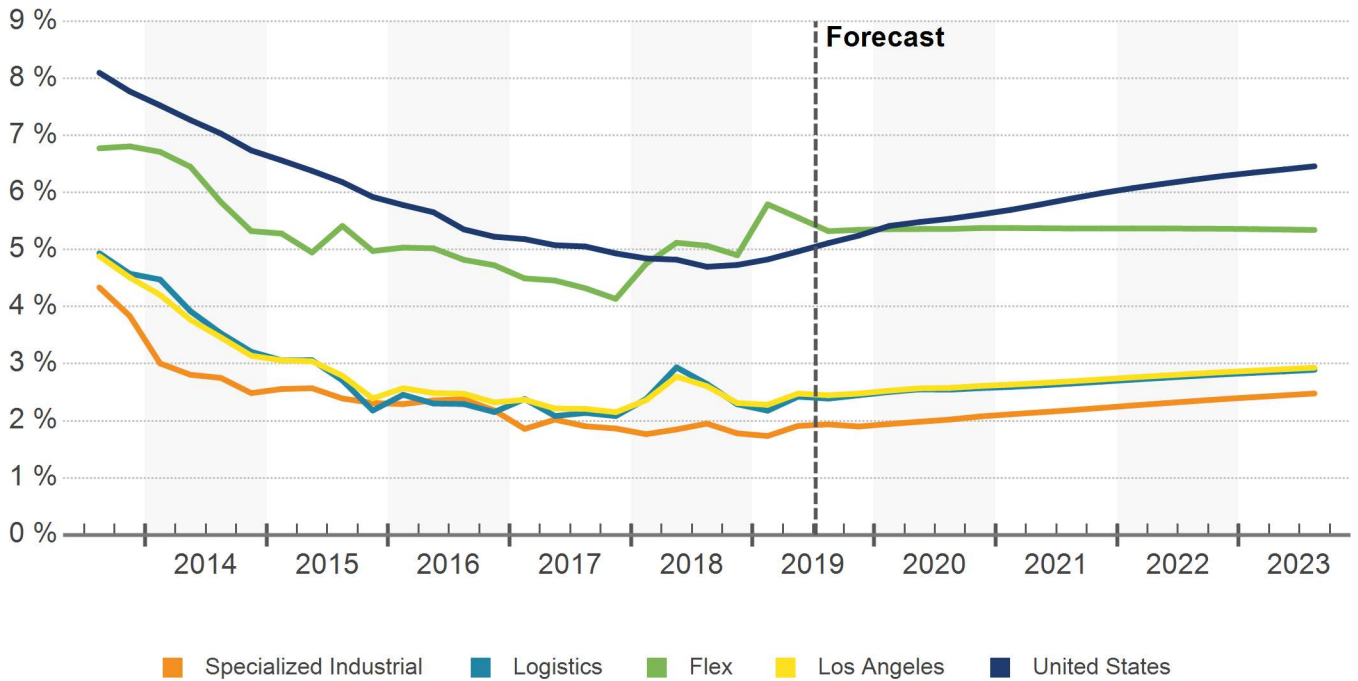
While leasing has come from a broad range of industries, the apparel industry appears to be making strides to regain its footprint in LA. It should be noted, however, that some local apparel companies still import many of their products and local facilities are used for distribution, design, and administrative operations. Rather than concentrating in the downtown apparel district, apparel companies are signing large leases south of downtown with more feasible access to the ports. Some of the major recent apparel leases include Revolve (280,000 SF) in Santa Fe Springs, Prompt Apparel (241,000 SF) in City of Industry, and Puma (206,000 SF) in Torrance. Locally-based Fashion Nova recently expanded from its 121,000 SF headquarters in Vernon to 403,000 SF in Santa Fe Springs, while Windsor Fashions recently renewed its 181,000 SF lease in Santa Fe Springs for five years.

LA is the primary point of entry for goods manufactured in Asia and shipped to the United States, and demand for its industrial space, and particularly logistics inventory, correlates with international trade trends. The ports of LA and Long Beach are expected to stay busy with imports from Asia; however, possible changes in trade policy with China and the expansion of the Panama Canal pose a threat to the market. Still, persistent industrial demand stemming both from port activities and manufacturing, coupled with the difficulty of bringing new industrial product to market, should ensure that LA fundamentals remain among the strongest in the nation.

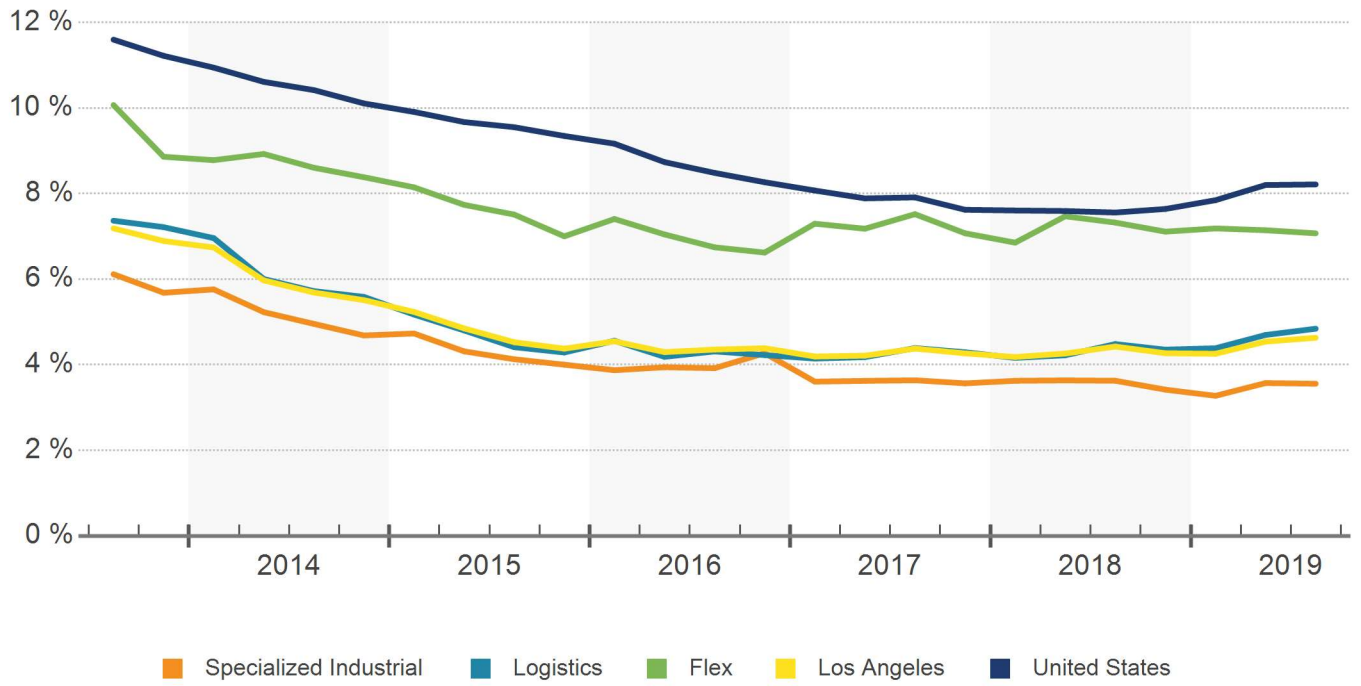
NET ABSORPTION, NET DELIVERIES & VACANCY



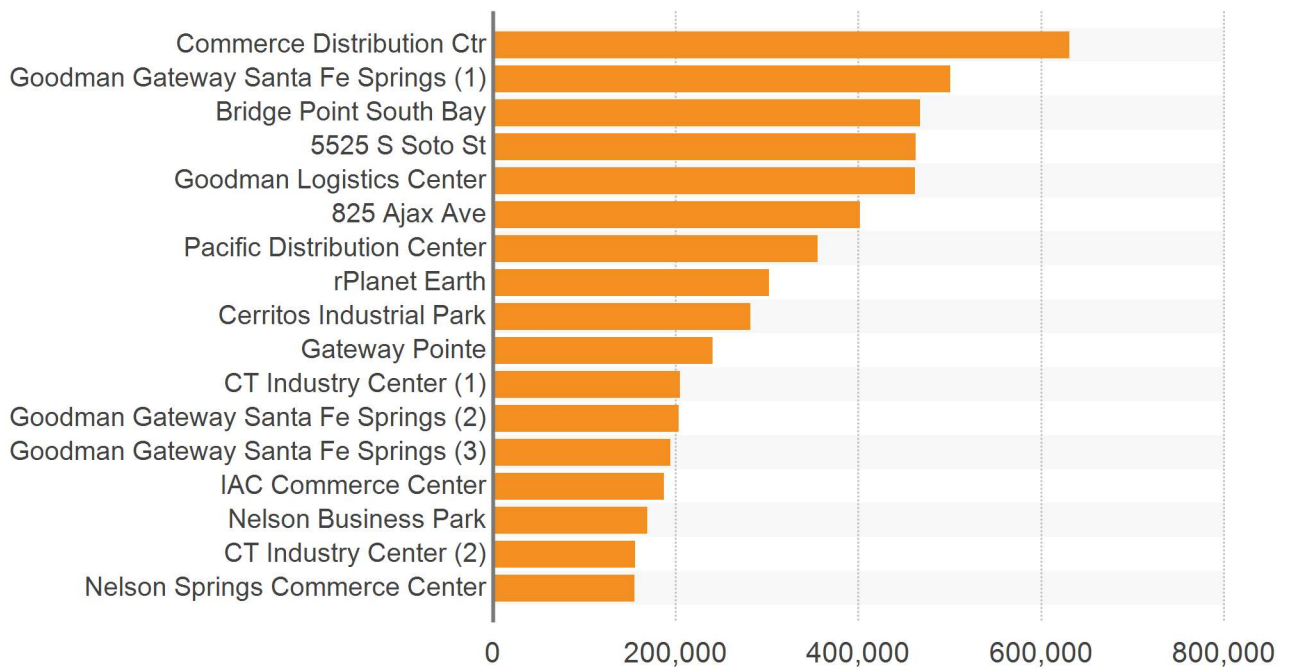
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
Commerce Distribution Ctr	Commerce Ind	757,566	0	631,264	0	0	0	631,264
Goodman Gateway Santa Fe Sp...	Norwalk/Bellflower Ind	500,685	0	0	0	0	0	500,685
Bridge Point South Bay	Torrance Ind	512,490	0	0	0	0	0	467,925
5525 S Soto St	Vernon Ind	506,580	0	0	0	0	0	462,529
Goodman Logistics Center	Santa Fe Springs Ind	506,465	0	0	0	0	0	462,424
825 Ajax Ave	City of Industry Ind	430,078	0	0	0	0	0	401,575
Pacific Distribution Center	Santa Fe Springs Ind	355,590	0	0	0	0	0	355,590
rPlanet Earth	Vernon Ind	302,000	0	0	0	0	0	302,000
Cerritos Industrial Park	Cerritos/Lakewood Ind	281,776	0	281,776	0	0	0	281,776
Gateway Pointe	City of Industry Ind	346,381	0	0	0	0	0	240,959
CT Industry Center (1)	City of Industry Ind	224,116	0	0	0	0	0	204,627
Goodman Gateway Santa Fe Sp...	Norwalk/Bellflower Ind	203,465	0	0	0	0	0	203,465
Goodman Gateway Santa Fe Sp...	Norwalk/Bellflower Ind	194,470	0	0	0	0	0	194,470
IAC Commerce Center	Santa Clarita Valley Ind	187,540	0	187,540	0	0	0	187,540
Nelson Business Park	City of Industry Ind	168,913	0	168,913	0	0	0	168,913
CT Industry Center (2)	City of Industry Ind	155,600	0	0	0	0	0	155,600
Nelson Springs Commerce Center	City of Industry Ind	159,140	0	0	12,000	0	0	155,254
Subtotal Primary Competitors		5,792,855	0	1,269,493	12,000	0	0	5,376,596
Remaining Los Angeles Market		925,856,423	23,936,093	(1,586,235)	(1,718,586)	(862,356)	0	(4,668,200)
Total Los Angeles Market		931,649,278	23,936,093	(316,742)	(1,706,586)	(862,356)	0	708,396

TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
5804-5884 E Slauson Ave	Commerce	631,264	Q4 18	Four Season General Mer...	Lee & Associates	Cushman & Wakefield
11204 Norwalk Blvd	Santa Fe Springs	355,590	Q3 18	Reyes Holdings	JLL	Colliers International
18175 E Rowland St *	City ofustry	350,000	Q3 18	Port Logistics Group	Savills	JLL
13060 E Temple Ave *	City ofustry	320,000	Q4 18	California Cartage Co LLC	-	-
6666 E Washington Blvd *	Commerce	309,300	Q3 18	EDS Distribution Svc LLC	Savills	-
4250 Shirley Ave	El Monte	299,786	Q2 19	Mutual Trading	-	JLL
18120 Bishop Ave	Carson	284,885	Q1 19	Article.com	-	-
12889 Moore St	Cerritos/Lakewood	281,776	Q3 18	Revolve	CBRE	Carpenter & Associates
7026-7030 E Slauson Ave *	Commerce	267,500	Q1 19	Shims Bargain Inc	-	-
14455-14525 E Clark Ave *	City ofustry	246,212	Q4 18	Dacor	-	-
11130-11290 Bloomfield Ave	Santa Fe Springs	239,872	Q4 18	TRUaire	Colliers International	Newmark Knight Frank
909 Colon St	Wilmington	223,865	Q2 19	Potential Industries	-	DAUM Commercial Re...
1500-1550 E Glenn Curtiss St *	Carson	216,920	Q3 18	Monogram Systems	-	CBRE
500 W Victoria St *	Rancho Dominguez	207,919	Q3 18	National Retail Transporta...	-	Cushman & Wakefield
14585-14589 Industry Cir	La Mirada	203,850	Q3 18	Living Spaces	-	JLL
1901 W Pacific Coast Hwy	Long Beach SW	193,379	Q4 18	-	CBRE	Cushman & Wakefield
15700 S Main St	West Rancho Dominguez	193,000	Q4 18	Avid Logistics	-	L2 Companies
20525 Nordhoff St	Chatsworth	181,484	Q1 19	-	-	CBRE
14736 Nelson Ave	City ofustry	168,913	Q1 19	Soho Logistics	CBRE	Lee & Associates
28305 W Livingston Ave	Santa Clarita Valley	167,990	Q2 19	Valencia Pipe Co.	CBRE	IDS Real Estate Group;...
4615 Alcoa Ave *	Vernon	165,636	Q4 18	Channel Control	Lee & Associates	Lee & Associates
303-335 W Artesia Blvd	Compton	159,084	Q1 19	AFC Worldwide Express, I...	-	Newmark Knight Frank;...
14001-14003 Orange Ave *	Paramount	155,568	Q3 18	Castle Metals Aerospace	Fischer & Company	-
12910 Mulberry Dr	Santa Fe Springs	153,080	Q2 19	Shift Technologies	Kidder Mathews	JLL
2615 S Bonnie Beach Pl	Vernon	148,092	Q4 18	-	-	Cushman & Wakefield
2201 E Carson St	Carson	145,150	Q3 18	FitzMark Inc	Lee & Associates	Cushman & Wakefield
200 E Alondra Blvd	West Rancho Dominguez	145,103	Q2 19	D.B. Group America	-	LAREM
25045 Avenue Tibbitts	Santa Clarita Valley	142,392	Q1 19	Triscenic Studios LLC	CBRE	JLL
4350 Conant St	Long Beach SE	140,430	Q4 18	Spinlauch Inc	-	CBRE
1452 W Knox St	Torrance	130,826	Q4 18	JR286, Inc.	-	Lee & Associates;The...
15025 Proctor Ave *	City ofustry	128,581	Q4 18	Soho Apparel Group Inc	-	-
19400 Harbortgate Way	Torrance	127,608	Q1 19	-	-	Lee & Associates;The...
2034-2040 E 27th St	Vernon	126,451	Q3 18	Great Buy Products	-	DAUM Commercial Re...
675 W Manville St *	Compton	123,148	Q4 18	Mariak Industries	Cushman & Wakefield	Cushman & Wakefield
13217 S Figueroa St	West Rancho Dominguez	122,718	Q2 19	Hunch Studios	-	CBRE
505-525 S 7th Ave	City ofustry	120,000	Q3 18	Smurfit Kappa	-	Majestic Realty Co.
3040 E Ana St	Rancho Dominguez	115,814	Q4 18	Grand Life, Inc	Coreland Companies	Savills
16180 Ornelas St	Azusa	115,756	Q2 19	-	-	Lee & Associates
15530 E Salt Lake Ave	City ofustry	114,168	Q3 18	U.S Pride Furniture	Lee & Associates	JLL
1118 E 223rd St *	Carson	112,600	Q4 18	EDS Distribution	-	Cushman & Wakefield

*Renewal

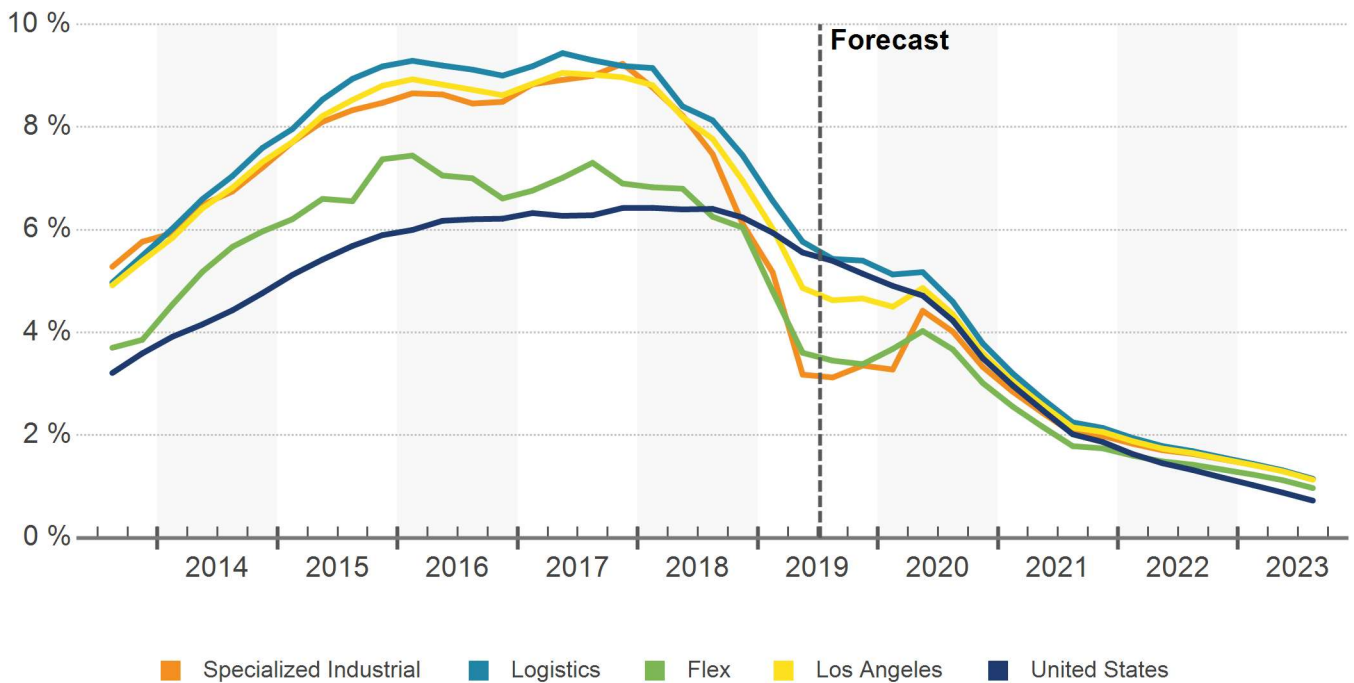


After industrial rents averaged more than 8% annual growth over the past five years, the pace of gains decelerated sharply in recent quarters. Growth stands at 4.1% year-over-year, which is above LA's historical rate of growth but well off the highs posted earlier this cycle. Similarly, while rent growth in LA dramatically outpaced that of the National Industrial Index for several years, annual gains now slightly trail those of the wider US market. Given that industrial vacancies remain extremely

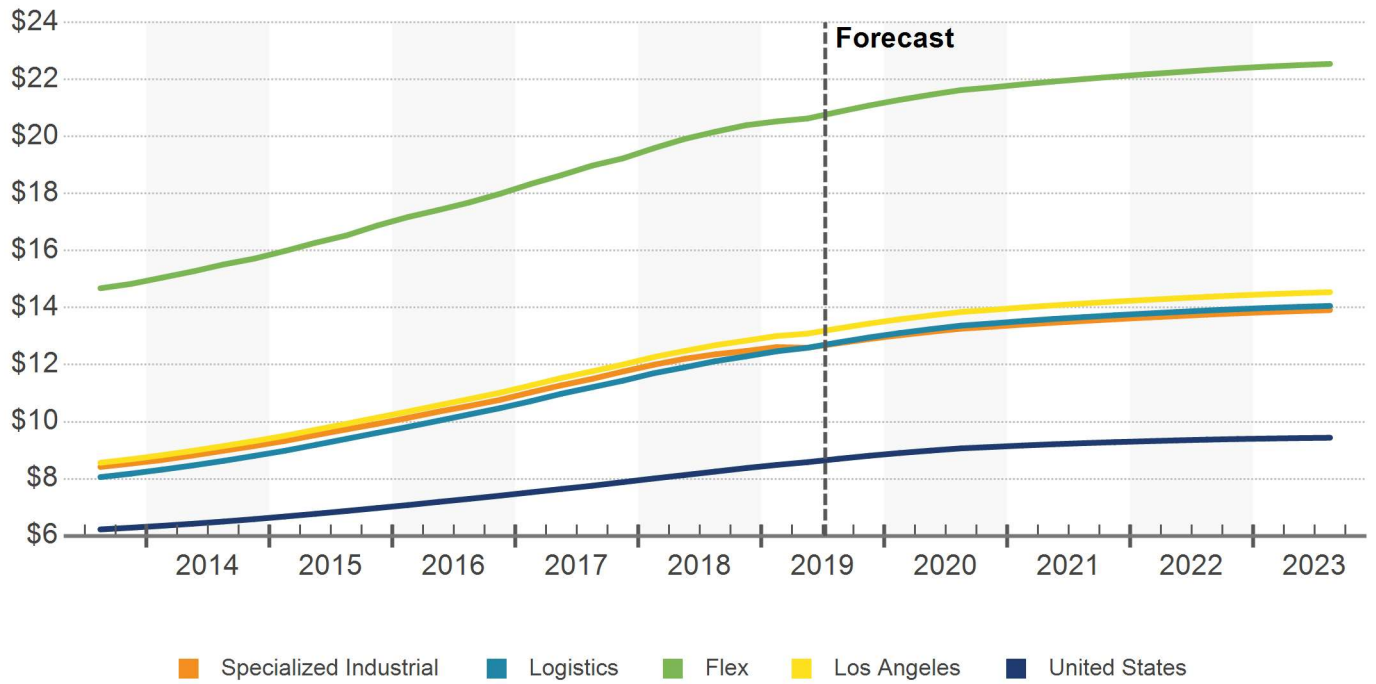
low, softening rent growth is likely an indication that years of outsized rent gains have pushed costs about as high as the market will bear.

The slowdown in growth appears to be a broad-based phenomenon, not concentrated in any specific industrial sector. Logistics, specialized industrial, and flex rents are all growing at less than half the rates they posted earlier in the cycle.

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FOOT



Industrial construction in LA remains very limited. High construction costs and a dearth of buildable land combine to stifle development. What few large buildable parcels exist are more likely to sprout apartments or office buildings than they are industrial assets. About 4.4 million SF of new product delivered in 2017, the heaviest year of new deliveries this cycle, and that only grew local inventory by about .5%. About 1.8 million SF of new product completed in 2018, and this year's pipeline is expected to be even lighter.

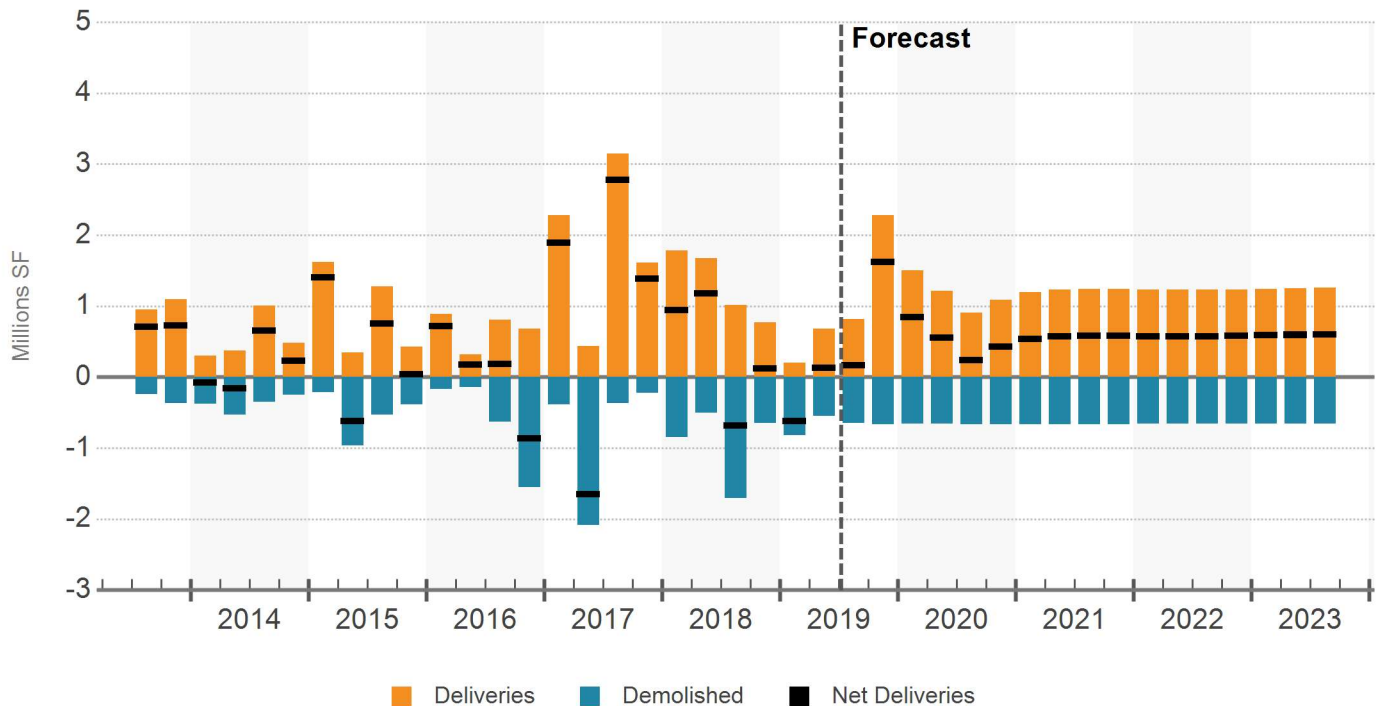
Due to the difficulty in developing new, modern supply, much of LA's industrial inventory tends to be in properties that are smaller and older than might be considered normal for such a prominent national distribution market. Only about 20% of the metro's industrial space is in buildings of 250,000 SF or more, well below the percentage in other large industrial markets. For example, in Atlanta, Dallas-Fort Worth, and Chicago, buildings of that size comprise at least a third of inventory.

The few recent large developments are unique opportunities often formed out of external circumstances.

For example, an 81-acre site in Arcadia had been used to mine rock and sand for 40 years. After a ten-year reclamation process, Yellow Iron Investments was able to develop the Arcadia Logistics Center on the property, which delivered in early 2018 with 1.1 million SF across four buildings. Not surprisingly, the spec development leased before it delivered, with FedEx as the largest tenant. Similarly, Goodman purchased a 1.2 million SF industrial campus in El Monte formerly occupied by Vons in 2016. The acquisition was made possible by Albertsons' acquisition of Vons in 2015. Goodman recently broke ground on a two-building industrial facility to replace the aged stock with a total of 1.2 million SF.

Supply constraints in coastal Southern California metros have pushed the bulk of industrial development east to the Inland Empire. Land prices are much lower in IE than in the coastal markets, and the rail and highway corridors linking the Ports of LA and Long Beach to midwest transportation hubs like Dallas and Chicago run through the area. More new industrial product was built in the Inland Empire just last year than has delivered in Los Angeles over the past decade.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	El Monte	4	1,328	300	22.6%	2	19,358	331,977	2
2	Santa Clarita Valley	9	1,054	184	17.4%	3	34,928	117,087	6
3	Long Beach SE	7	817	105	12.9%	4	27,116	116,708	7
4	Vernon	3	464	0	0%	5	36,337	154,718	5
5	Carson	1	412	0	0%	5	68,435	412,000	1
6	Central Los Angeles	1	203	0	0%	5	17,820	202,580	3
7	Long Beach SW	1	193	193	100%	1	10,807	193,379	4
8	Montebello/Whittier	2	160	0	0%	5	38,468	80,127	10
9	West Rancho Dominguez	1	112	0	0%	5	25,361	112,000	8
10	South Central LA	1	95	0	0%	5	24,781	94,875	9
	All Other	7	278	182	65.6%		26,412	39,695	
Totals		37	5,116	964	18.8%		26,729	138,264	

Under Construction Properties

Los Angeles Industrial

Properties

37

Square Feet

5,115,756

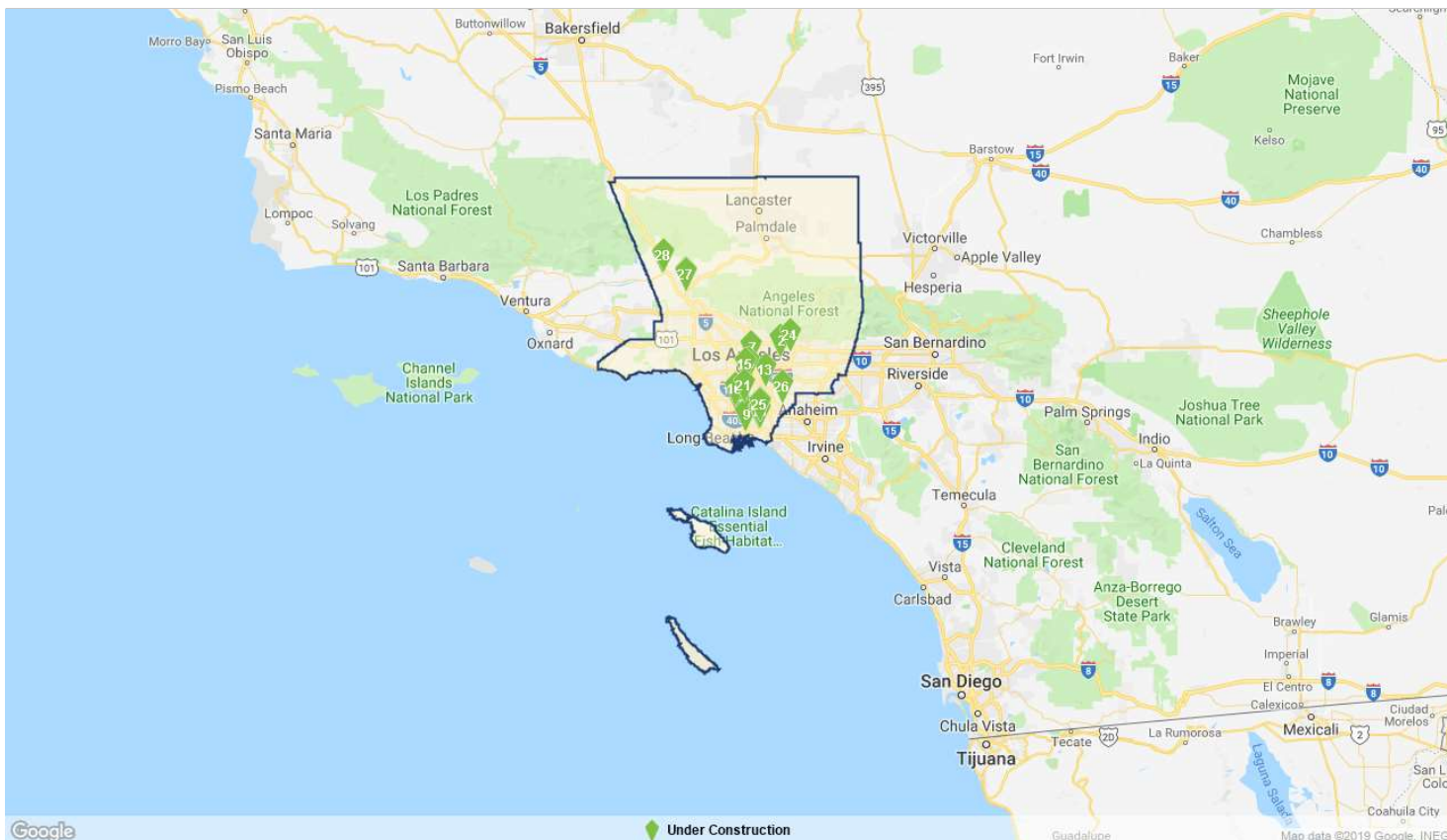
Percent of Inventory

0.6%

Released

18.8%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Goodman Logistics Cent... 4250 Shirley Ave	★★★★★	663,203	1	Jul-2018	Sep-2019	Goodman North America Goodman North America
2 Goodman Logistics Cent... 4300 Shirley Ave	★★★★★	572,240	1	Jul-2018	Oct-2019	Goodman North America Goodman North America
3 South Bay Ports Logistic... 21900 S Wilmington Ave	★★★★☆	412,000	1	Jun-2018	Aug-2019	Millie & Severson Alpert & Alpert
4 Prologis Vernon Busines... 5215 S Boyle Ave	★★★★★	232,229	1	Jan-2019	Dec-2019	Prologis Prologis, Inc.
5 Bldg 3 21380 Needham Ranch Pky	★★★★☆	212,236	1	Aug-2018	Jan-2020	Trammell Crow Company Trammell Crow Company
6 Building 1 2300 Redondo Ave	★★★★☆	204,936	1	Jul-2018	Sep-2019	Pacific Industrial LLC Pacific Industrial LLC
7 3301 Medford St	★★★★☆	202,580	1	Aug-2018	Mar-2020	- Randall Kendrick



Under Construction Properties

Los Angeles Industrial

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 Building 4 23015 Pine St	★ ★ ★ ★ ★	194,188	1	Apr-2019	Apr-2020	Trammell Crow Company Trammell Crow Company
9 Phase 2 1901 W Pacific Coast Hwy	★ ★ ★ ★ ★	193,379	-	May-2019	Jan-2020	Prologis, Inc. California State University Long B...
10 Bldg 2 21375 Needham Ranch Pky	★ ★ ★ ★ ★	172,324	1	Aug-2018	Jan-2020	Trammell Crow Company Trammell Crow Company
11 Bldg. 16 4001 Worsham Ave	★ ★ ★ ★ ★	138,413	2	Oct-2018	Sep-2019	- Urbana Development
12 Building 5 21401 Needham Ranch Pky	★ ★ ★ ★ ★	126,439	1	Apr-2019	Apr-2020	Trammell Crow Company Trammell Crow Company
13 7875 Telegraph Rd	★ ★ ★ ★ ★	118,664	1	Dec-2018	Oct-2019	- -
14 4224 District Blvd	★ ★ ★ ★ ★	117,360	1	May-2019	Feb-2020	Bridge Development Partners, LLC Bridge Development Partners
15 Prologis Vernon Busines... 5215 S Boyle Ave	★ ★ ★ ★ ★	114,565	1	Jan-2019	Jan-2020	Prologis Prologis, Inc.
16 15100 S San Pedro St	★ ★ ★ ★ ★	112,000	1	Sep-2017	Aug-2019	- Mobile Storage Group, Inc.
17 Building 2 3200 E Burnett Ave	★ ★ ★ ★ ★	111,752	1	Jul-2018	Sep-2019	- Pacific Industrial LLC
18 Building 3 3600 E Burnett Ave	★ ★ ★ ★ ★	105,004	1	Jul-2018	Sep-2019	- Pacific Industrial LLC
19 27949 Hancock Pky	★ ★ ★ ★ ★	100,000	2	Dec-2017	Aug-2019	Keane Constructors, Inc. Keane Constructors, Inc.
20 Building 6 21420 Needham Ranch Pky	★ ★ ★ ★ ★	97,357	1	Apr-2019	Apr-2020	Trammell Crow Company Trammell Crow Company
21 126 E Oris St	★ ★ ★ ★ ★	94,875	1	Aug-2018	Dec-2019	- Westcore Properties
22 Bldg 15 3881 McGowen Ave	★ ★ ★ ★ ★	94,525	1	Oct-2018	Sep-2019	- Sares-Regis Group
23 Bldg 14 3550 Carson St	★ ★ ★ ★ ★	87,605	1	Oct-2018	Sep-2019	- Urbana Development
24 242 Live Oak Ave	★ ★ ★ ★ ★	75,807	1	Aug-2018	Sep-2019	- RSG
25 Bldg 17 3861 Worsham Ave	★ ★ ★ ★ ★	74,723	1	Oct-2018	Sep-2019	- Urbana Development
26 14013 Marquardt Ave	★ ★ ★ ★ ★	71,743	1	Apr-2018	Aug-2019	- -
27 Bldg 1 21335 Needham Ranch Pky	★ ★ ★ ★ ★	67,639	1	Aug-2018	Jan-2020	Trammell Crow Company Trammell Crow Company
28 27788 Hancock Parkway	★ ★ ★ ★ ★	50,930	1	Oct-2018	Aug-2019	- -



Given the extremely tight fundamentals and inherent supply constraints, its no surprise investors are extremely bullish on the LA industrial market. The roughly \$5.4 billion in sales recorded here in 2018 ranked first among US markets and accounted for about 7% of industrial sales activity nationwide. That momentum carried over into 2019, with around \$2 billion in sales recorded over the first half of the year. Outsized rent growth in LA's industrial market has led to increased liquidity, driving rapid cap rate compression and price gains. Average cap rates now stand around 5%.

Major institutional investors continue to expand their industrial holding in the area. Both Rexford Industrial Realty and The Blackstone Group L.P. have acquired more than \$1 billion in LA industrial assets over the past five years, and Prologis is not far behind with around \$700 million in acquisitions.

The largest individual trade over the first half of 2019 came when Robertson Property Group acquired a 255,000 SF warehouse facility in La Mirada for about \$53 million, or roughly \$208/SF. The asset was built in 1999 and was fully leased to logistics company All-Ways Pacific, with about 7 years remaining on the lease. The property traded at a very low 3.67% cap rate, evidence that investors are willing to trade lower yields for the stability & growth potential offered by the LA industrial market.

Expansion is one motivating factor for recent sales. For example, Kite Pharma purchased a 160,000 SF flex building in Santa Monica for \$130 million (\$815/SF) from

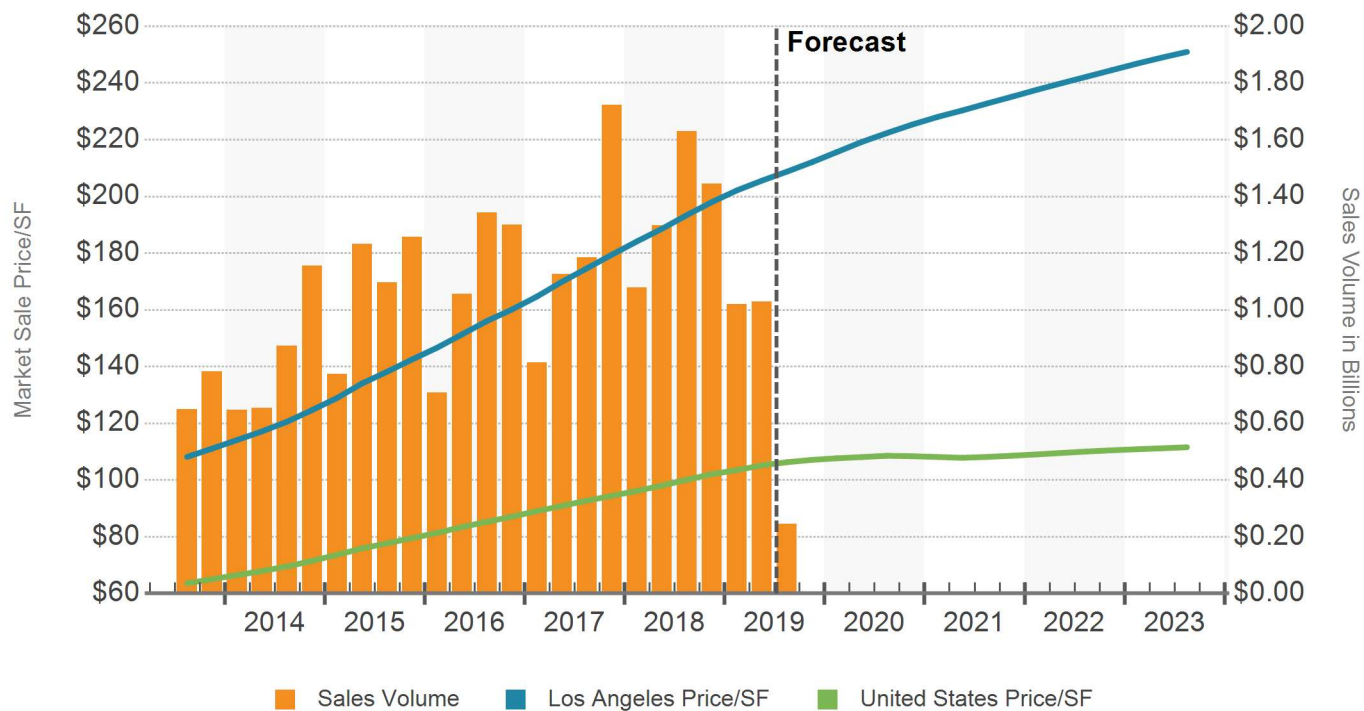
Agensys in April 2018. Gilead Sciences, the parent company of Kite Pharma, has been expanding throughout the world, and Kite Pharma will occupy the entire three-story building, which is located near its Santa Monica headquarters. The price paid for this facility is a record high for the market for a building this size, and continued expansion of the biotech industry in LA could bode well for other flex properties.

Another motivating factor is the ability to secure a tenant. For example, Morgan Stanley purchased a new 500,000 SF distribution center in Torrance for \$102 million (\$200/SF), sold and developed by Bridge Development Partners. Morgan Stanley valued the asset's prime location near the ports. While the property was vacant at the time of sale, Morgan Stanley was able to secure Nordstrom as a tenant soon after closing.

One unique sale involves a 94,000 SF warehouse in El Segundo. NantHealth purchased the warehouse for \$50 million (\$531/SF). NantHealth is affiliated with the LA Times, who recently moved its operations to the neighboring building. While redevelopment efforts have not been disclosed, the high price for this building signals that it will likely no longer be used as a warehouse.

A more common motivation involves steady cash flow. Rexford Industrial, for example, purchased a 700,000 SF distribution building in Commerce for \$121 million (\$174/SF), sold and occupied by Supervalu. Supervalu, a high-quality and credit tenant, has the building leased for the next 20 years on a triple-net basis.

SALES VOLUME & MARKET SALE PRICE PER SF



Sales Past 12 Months

Los Angeles Industrial

Sale Comparables

1,605

Avg. Cap Rate

4.9%

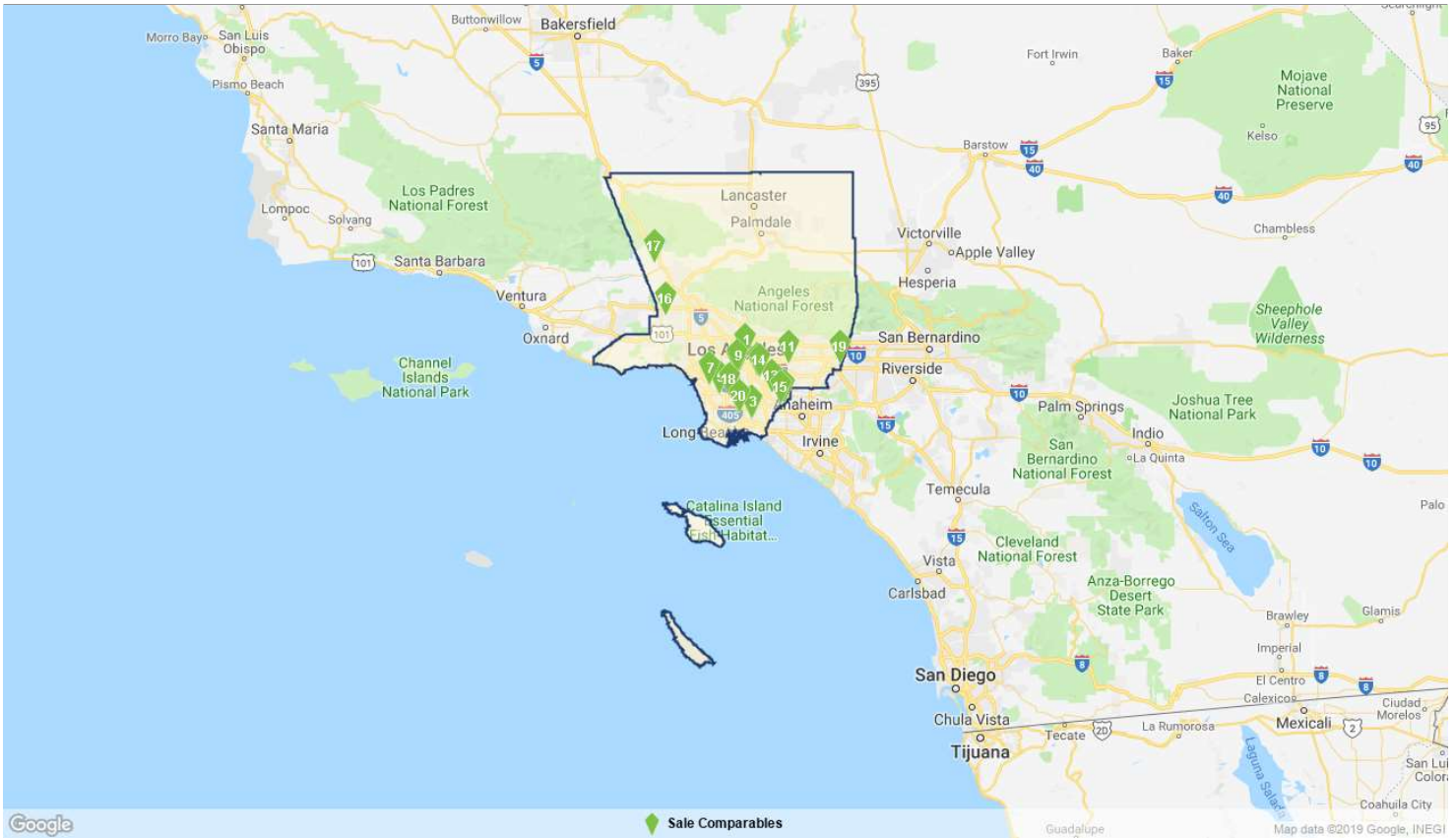
Avg. Price/SF

\$197

Avg. Vacancy At Sale

6.9%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$154,323	\$5,823,918	\$2,500,000	\$165,660,000
Price Per SF	\$11	\$197	\$215	\$6,796
Cap Rate	1.3%	4.9%	4.6%	9.5%
Time Since Sale in Months	0.0	6.7	6.9	12.0
Property Attributes	Low	Average	Median	High
Building SF	162	22,700	8,973	2,117,123
Ceiling Height	8'	16'4"	15'	45'
Docks	0	2	0	95
Vacancy Rate At Sale	0%	6.9%	0%	100%
Year Built	1799	1965	1964	2019
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 1.8	★ ★ ★ ★ ★	★ ★ ★ ★ ★



Sales Past 12 Months

Los Angeles Industrial

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale				
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate	
1 3880 N Mission Rd	★★★★☆	1954	2,117,123	0%	12/18/2018	\$165,660,000	\$78	-	
2 2400 E Wardlow Rd	★★★★☆	1970	906,852	0%	7/1/2019	\$140,443,571	\$155	-	
3 2401 E Wardlow Rd	★★★★☆	1967	539,182	0%	7/1/2019	\$99,556,429	\$185	-	
4 Bldg 6 2815 W El Segundo Blvd	★★★★☆	2004	215,411	0%	8/22/2018	\$94,130,212	\$437	4.6%	
5 Bldg 5 2805 W El Segundo Blvd	★★★★★	2004	160,987	0%	8/22/2018	\$70,348,034	\$437	4.6%	
6 2200 E 55th St	★★★★☆	2011	286,416	0%	9/21/2018	\$63,083,303	\$220	-	
7 901 Hillcrest Blvd	★★★★☆	1994	121,454	0%	8/22/2018	\$53,072,920	\$437	4.6%	
8 15300 Desman Rd	★★★★☆	1999	254,718	0%	4/10/2019	\$52,886,500	\$208	3.7%	
9 Sheffield Chair Company 2100 E 38th St	★★★★☆	1977	264,000	0%	9/21/2018	\$45,047,791	\$171	-	
10 20488-20490 Reeves Ave	★★★★☆	1983	180,068	0%	11/30/2018	\$42,368,056	\$235	-	
11 13890 E Nelson Ave	★★★★☆	1982	256,993	0%	4/15/2019	\$41,800,000	\$163	-	
12 2420 Yates Ave	★★★★☆	1957	78,636	0%	6/20/2019	\$41,350,000	\$526	-	
13 11680 Bloomfield Ave	★★★★☆	1967	57,612	0%	4/9/2019	\$40,061,096	\$695	-	
14 1 Minson Way	★★★★☆	1956	282,000	0%	11/15/2018	\$38,295,000	\$136	-	
15 14585-14589 Industry Cir	★★★★☆	1967	203,850	100%	11/30/2018	\$38,001,544	\$186	-	
16 20730 Prairie St	★★★★☆	1975	222,335	0%	12/28/2018	\$37,000,000	\$166	-	
17 IAC Commerce Center, B... 29125 Avenue Valley View	★★★★★	2017	187,540	0%	2/5/2019	\$37,000,000	\$197	-	
18 13344 S Main St	★★★★☆	1973	256,000	0%	10/15/2018	\$36,510,000	\$143	-	
19 1400 E Phillips Blvd	★★★★☆	-	49,795	0%	1/9/2019	\$32,026,500	\$643	5.2%	
20 RREEF Carson/ Del Amo... 20444 Reeves Ave	★★★★☆	1984	131,289	0%	11/30/2018	\$30,890,884	\$235	-	



LA's labor market has been extremely tight since mid-2016 and the unemployment rate reached 4.6% in March 2019—creating challenges for many firms trying to expand. The pace of job growth in LA has been slightly below the national rate for much of this cycle, with the health care, leisure and hospitality, and construction sectors expanding the most over the past five years. Over the same period, manufacturing jobs have continued to decrease and payrolls in retail trade have hardly changed.

Expectations for job growth in LA could be curbed because the prohibitive cost of housing has been driving lower-income households east, to places like the Inland Empire, Arizona, and Texas. The U.S. Census estimates that LA experienced slight population losses in 2017 and 2018, and altogether has averaged only 0.4% annual population growth over the last ten years. Still, LA remains an entry point for international migration and also an attractive destination for younger tech, entertainment, and professional workers—which often fall into the HENRY category (high earners, not rich yet). These two demographics help to reliably drive apartment demand.

After years of subpar wage growth from 2010 to 2014 (average 1.8%), LA County's wages began to accelerate in 2015 and continued to expand in 2018, with average four-quarter wage growing by 4.2% in 18Q3 year-over-year, compared to 3.6% in the nation. Competition for a dwindling pool of skilled workers should boost wages as well. Businesses in the cities of LA, Santa Monica, Pasadena, and unincorporated portions of the county will see an increase in the minimum wage over the next three years that will outpace the statewide mandate. Wage growth has been translating into income growth,

as the annual median household income was about \$69,000 in 2018. While income has hardly kept up with the growth of home prices, it has spurred growth in online spending, at dining establishments and, to a lesser extent, at traditional brick and mortar retail stores.

The population's rate of educational attainment may make it more challenging for businesses looking for highly skilled, tech-savvy workers. Only 30% of residents hold a bachelor's degree, compared to 40% in the largest 10 metros across the nation. But this proportion is growing. While recent job growth has favored many lower-paying sectors, such as health services and leisure and hospitality, businesses across many sectors have been transitioning to a higher proportion of high-skilled occupations. Computer and mathematical occupations, such as software developers and engineers, are among the most in-demand occupations based on both employment and wage growth in recent years. Much of the hiring for these workers is happening in the Westside submarkets synonymous with Silicon Beach, where companies like Hulu, Snapchat, and Electronic Arts have major operations and startup activity is prevalent.

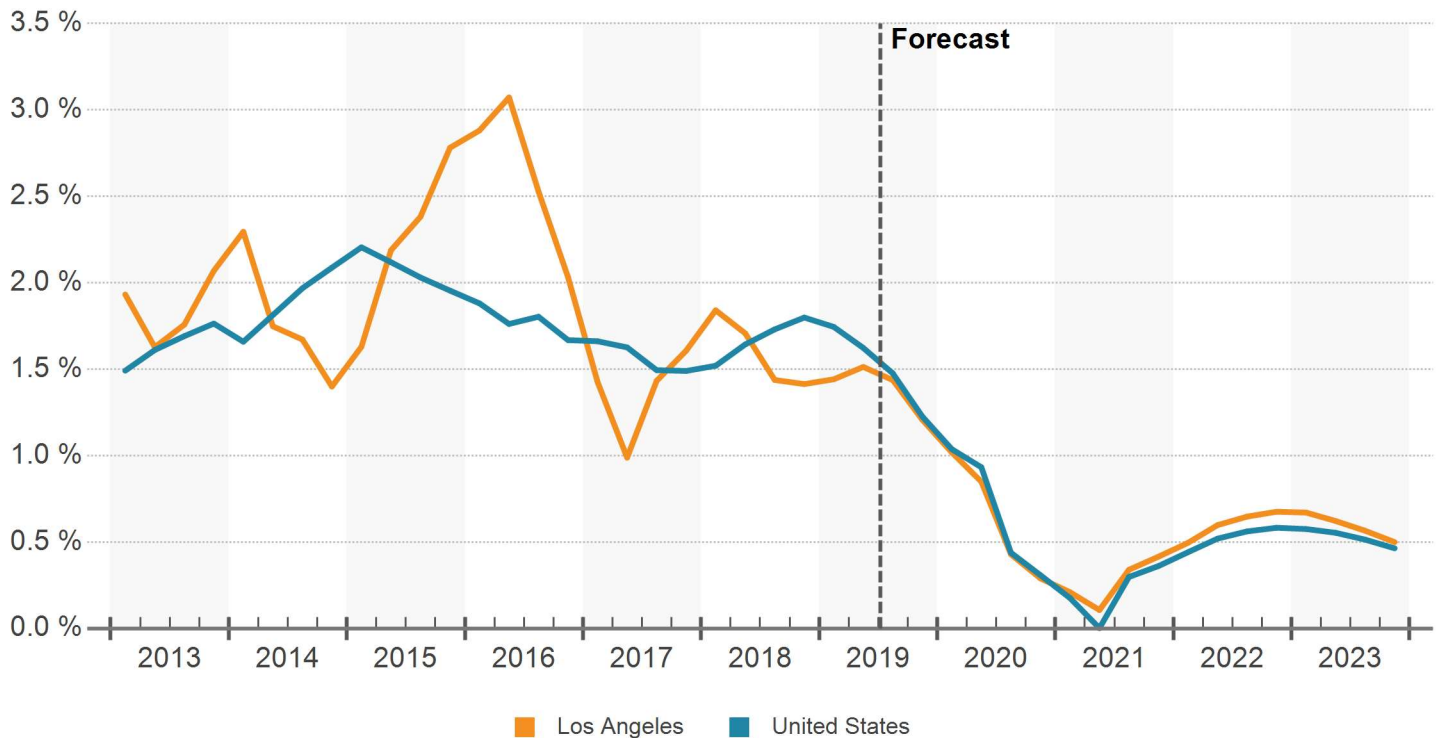
Logistics and transportation companies are not exempt from difficulties in finding highly skilled workers. Furthermore, demand for these workers and warehouse space will continue to rise as the rate of goods entering and exiting through the twin ports of LA continues to grow. Loaded TEU's reached an all-time high in 2018 and have not slowed so far through 2019. However, uncertainty in trade negotiations between the United States and its major trading partners could negatively impact trade flows.

LOS ANGELES EMPLOYMENT BY INDUSTRY IN THOUSANDS

NAICS Industry	Current Jobs		Current Growth		10 Yr Historical		5 Yr Forecast	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	344	0.9	-0.37%	1.39%	-1.49%	0.80%	-0.33%	0.13%
Trade, Transportation and Utilities	859	1.0	1.13%	1.20%	1.36%	1.17%	0.65%	0.42%
Retail Trade	425	0.9	-0.32%	0.14%	0.91%	0.87%	0.58%	0.31%
Financial Activities	227	0.9	0.73%	1.27%	0.24%	1.01%	0.06%	0.40%
Government	589	0.9	1.26%	0.55%	-0.10%	-0.02%	0.67%	0.76%
Natural Resources, Mining and Construction	155	0.6	4.17%	3.27%	2.39%	2.02%	0.37%	0.26%
Education and Health Services	838	1.2	1.57%	1.93%	2.26%	2.08%	0.72%	0.32%
Professional and Business Services	635	1.0	2.12%	2.47%	2.01%	2.62%	0.59%	0.86%
Information	218	2.6	3.55%	-0.10%	1.29%	0.07%	0.55%	0.43%
Leisure and Hospitality	548	1.1	1.48%	2.24%	3.54%	2.46%	0.60%	0.39%
Other Services	164	0.9	1.74%	0.99%	1.51%	0.95%	-0.11%	0.21%
Total Employment	4,577	1.0	1.51%	1.61%	1.36%	1.42%	0.51%	0.47%

Source: Oxford Economics
LQ = Location Quotient

YEAR OVER YEAR JOB GROWTH



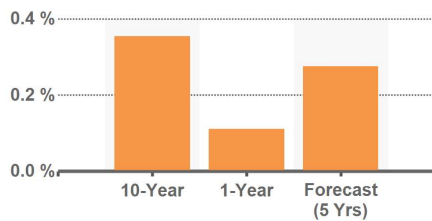
Source: Oxford Economics

DEMOGRAPHIC TRENDS

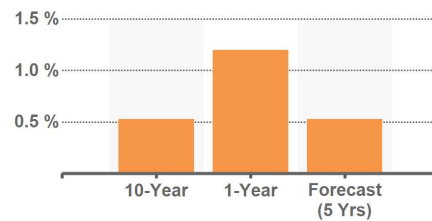
Demographic Category	Current Level		Current Change		10-Year Change		Forecast Change (5 Yrs)	
	Metro	U.S.	Metro	U.S.	Metro	U.S.	Metro	U.S.
Population	10,136,452	329,292,031	0.1%	0.7%	0.4%	0.7%	0.3%	0.7%
Households	3,294,498	121,278,906	0%	0.6%	0.4%	0.7%	0.2%	0.6%
Median Household Income	\$70,146	\$64,028	4.6%	3.6%	2.4%	2.3%	4.8%	4.3%
Labor Force	5,218,984	163,710,063	1.2%	1.2%	0.5%	0.6%	0.5%	0.5%
Unemployment	4.7%	3.8%	0.2%	-0.1%	-0.7%	-0.6%	-	-

Source: Oxford Economics

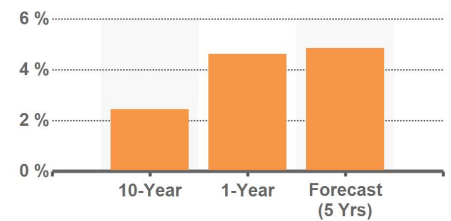
POPULATION GROWTH



LABOR FORCE GROWTH

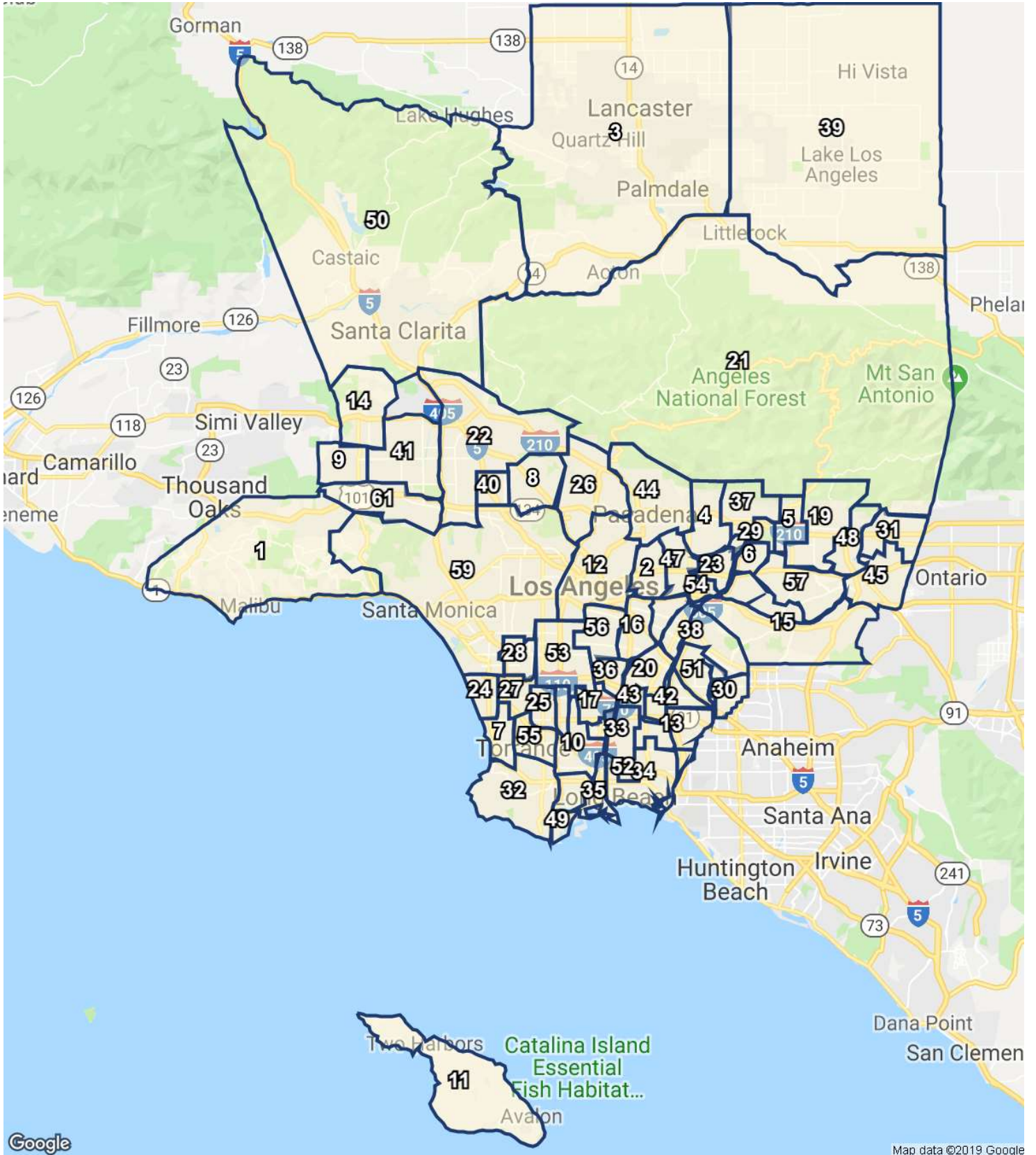


INCOME GROWTH



Source: Oxford Economics

LOS ANGELES SUBMARKETS



SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Antelope Valley	434	10,507	0.6%	49	2	60	0.6%	10	0	-	-	-
2	Azusa	351	8,595	0.5%	59	1	148	1.7%	5	0	-	-	-
3	Burbank	1,138	15,152	0.8%	37	1	40	0.3%	12	0	-	-	-
4	Carson	564	38,597	2.1%	13	0	0	0%	-	1	412	1.1%	5
5	Central Los Angeles	4,342	77,373	4.2%	5	1	18	0%	13	1	203	0.3%	6
6	Cerritos/Lakewood	365	14,415	0.8%	39	1	71	0.5%	9	0	-	-	-
7	Chatsworth	650	19,796	1.1%	27	0	0	0%	-	0	-	-	-
8	City of Industry	1,420	82,976	4.5%	1	4	545	0.7%	1	0	-	-	-
9	Commerce	991	48,917	2.6%	9	0	0	0%	-	0	-	-	-
10	Compton	359	16,696	0.9%	33	0	0	0%	-	0	-	-	-
11	East San Ferndo Vly	2,494	47,696	2.6%	11	1	16	0%	14	0	-	-	-
12	El Monte	431	8,343	0.4%	61	4	114	1.4%	6	4	1,328	15.9%	1
13	El Segundo	285	10,668	0.6%	47	0	0	0%	-	0	-	-	-
14	Gardena	688	11,219	0.6%	45	0	0	0%	-	0	-	-	-
15	Glendale	679	9,986	0.5%	53	0	0	0%	-	0	-	-	-
16	Hawthorne	356	9,202	0.5%	55	0	0	0%	-	0	-	-	-
17	Irwindale	254	10,130	0.5%	51	1	80	0.8%	7	1	76	0.7%	11
18	La Mirada	209	13,569	0.7%	41	0	0	0%	-	0	-	-	-
19	Long Beach SE	336	9,111	0.5%	57	0	0	0%	-	7	817	9.0%	3
20	Montebello/Whittier	726	27,928	1.5%	15	0	0	0%	-	2	160	0.6%	7
21	Northridge	890	17,917	1.0%	31	0	0	0%	-	0	-	-	-
22	Pomona	768	20,163	1.1%	25	1	74	0.4%	8	2	67	0.3%	12
23	Rancho Dominguez	316	20,358	1.1%	23	0	0	0%	-	0	-	-	-
24	Santa Clarita Valley	681	23,786	1.3%	21	1	216	0.9%	4	9	1,054	4.4%	2
25	Santa Fe Springs	1,649	54,187	2.9%	7	1	462	0.9%	3	2	89	0.2%	10
26	South Central LA	644	15,959	0.9%	35	0	0	0%	-	1	95	0.6%	9
27	South El Monte	1,061	11,701	0.6%	43	1	48	0.4%	11	0	-	-	-
28	Torrance	686	26,288	1.4%	17	0	0	0%	-	1	35	0.1%	13
29	Vernon	2,250	81,758	4.4%	3	4	466	0.6%	2	3	464	0.6%	4
30	West Rancho Dominguez	999	25,335	1.4%	19	0	0	0%	-	1	112	0.4%	8
31	Westside	1,201	19,609	1.1%	29	0	0	0%	-	0	-	-	-

SUBMARKET RENT

No.	Submarket	Asking Rent		12 Month Asking Rent		Annualized Quarterly Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Antelope Valley	\$11.01	22	3.5%	30	-31.8%	22
2	Azusa	\$12.13	15	3.6%	29	-28.0%	18
3	Burbank	\$18.67	3	4.0%	23	-22.4%	13
4	Carson	\$11.65	17	4.9%	1	-39.1%	31
5	Central Los Angeles	\$16.34	5	3.7%	28	-20.6%	7
6	Cerritos/Lakewood	\$10.66	27	4.5%	8	-29.3%	21
7	Chatsworth	\$13.84	9	4.6%	7	-23.1%	14
8	City of Industry	\$11.08	21	4.8%	2	-33.6%	24
9	Commerce	\$10.50	29	4.6%	6	-33.4%	23
10	Compton	\$10.71	26	4.8%	3	-35.9%	27
11	East San Ferndo Vly	\$14.29	7	4.3%	12	-21.9%	12
12	El Monte	\$12.67	12	4.1%	17	-21.6%	10
13	El Segundo	\$21.06	2	3.4%	31	-11.7%	3
14	Gardena	\$11.69	16	3.8%	26	-20.7%	8
15	Glendale	\$16.78	4	3.9%	25	-20.4%	6
16	Hawthorne	\$13.93	8	4.0%	22	-38.2%	30
17	Irwindale	\$11.21	19	4.7%	4	-33.7%	25
18	La Mirada	\$10.22	30	4.6%	5	-37.2%	28
19	Long Beach SE	\$13.11	11	4.1%	15	-9.6%	2
20	Montebello/Whittier	\$10.57	28	4.0%	20	-26.1%	16
21	Northridge	\$15.99	6	4.0%	19	-6.1%	1
22	Pomona	\$9.90	31	4.4%	10	-28.7%	19
23	Rancho Dominguez	\$10.82	25	4.5%	9	-38.1%	29
24	Santa Clarita Valley	\$12.65	13	4.0%	21	-23.5%	15
25	Santa Fe Springs	\$11.23	18	4.1%	13	-29.0%	20
26	South Central LA	\$10.88	24	4.1%	18	-21.7%	11
27	South El Monte	\$12.38	14	3.9%	24	-15.2%	4
28	Torrance	\$13.26	10	4.1%	16	-35.0%	26
29	Vernon	\$10.94	23	4.1%	14	-26.4%	17
30	West Rancho Dominguez	\$11.21	20	4.4%	11	-21.5%	9
31	Westside	\$27.76	1	3.8%	27	-17.5%	5

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Net Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construct. Ratio
1	Antelope Valley	260,562	2.5%	16	(17,077)	-0.2%	17	-
2	Azusa	396,876	4.6%	30	(152,165)	-1.8%	25	-
3	Burbank	164,984	1.1%	2	29,438	0.2%	13	1.4
4	Carson	381,717	1.0%	1	(83,756)	-0.2%	22	-
5	Central Los Angeles	3,184,616	4.1%	27	(1,496,214)	-1.9%	31	-
6	Cerritos/Lakewood	590,657	4.1%	26	134,870	0.9%	7	0.5
7	Chatsworth	535,426	2.7%	18	302,888	1.5%	4	-
8	City of Industry	1,596,644	1.9%	6	922,734	1.1%	1	0.2
9	Commerce	1,085,233	2.2%	11	70,197	0.1%	11	-
10	Compton	362,319	2.2%	10	(253,028)	-1.5%	27	-
11	East San Ferndo Villy	537,608	1.1%	4	21,637	0%	15	0.1
12	El Monte	301,626	3.6%	24	71,795	0.9%	10	1.3
13	El Segundo	548,195	5.1%	31	44,265	0.4%	12	-
14	Gardena	379,962	3.4%	22	(173,919)	-1.6%	26	-
15	Glendale	193,265	1.9%	8	(33,370)	-0.3%	19	-
16	Hawthorne	209,132	2.3%	13	(74,277)	-0.8%	21	-
17	Irwindale	296,621	2.9%	20	23,541	0.2%	14	3.4
18	La Mirada	481,449	3.5%	23	(96,237)	-0.7%	23	-
19	Long Beach SE	256,707	2.8%	19	132,313	1.5%	8	-
20	Montebello/Whittier	539,628	1.9%	7	(98,288)	-0.4%	24	-
21	Northridge	222,923	1.2%	5	(60,733)	-0.3%	20	-
22	Pomona	224,267	1.1%	3	130,701	0.6%	9	0.5
23	Rancho Dominguez	749,521	3.7%	25	(263,507)	-1.3%	28	-
24	Santa Clarita Valley	1,079,945	4.5%	29	768,565	3.2%	2	0.3
25	Santa Fe Springs	1,224,323	2.3%	12	547,091	1.0%	3	-
26	South Central LA	321,539	2.0%	9	145,795	0.9%	6	0.3
27	South El Monte	312,569	2.7%	17	(22,657)	-0.2%	18	-
28	Torrance	643,838	2.4%	15	171,695	0.7%	5	-
29	Vernon	2,399,642	2.9%	21	(437,776)	-0.5%	30	-
30	West Rancho Dominguez	618,612	2.4%	14	1,294	0%	16	-
31	Westside	865,598	4.4%	28	(298,523)	-1.5%	29	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2023	942,452,177	2,392,274	0.3%	1,459,700	0.2%	1.6
2022	940,059,903	2,296,749	0.2%	1,064,520	0.1%	2.2
2021	937,763,154	2,261,654	0.2%	1,150,194	0.1%	2.0
2020	935,501,500	2,067,064	0.2%	790,542	0.1%	2.6
2019	933,434,436	1,430,804	0.2%	293,989	0%	4.9
YTD	931,649,278	(354,354)	0%	(2,885,684)	-0.3%	-
2018	932,003,632	1,552,294	0.2%	(56,280)	0%	-
2017	930,451,338	4,409,351	0.5%	5,888,017	0.6%	0.7
2016	926,041,987	213,040	0%	851,327	0.1%	0.3
2015	925,828,947	1,582,221	0.2%	8,463,032	0.9%	0.2
2014	924,246,726	652,738	0.1%	13,296,431	1.4%	0
2013	923,593,988	1,431,976	0.2%	5,794,199	0.6%	0.2
2012	922,162,012	(1,151,684)	-0.1%	2,133,108	0.2%	-
2011	923,313,696	(1,321,717)	-0.1%	291,488	0%	-
2010	924,635,413	(1,829,651)	-0.2%	(3,092,845)	-0.3%	-
2009	926,465,064	326,115	0%	(8,001,191)	-0.9%	-
2008	926,138,949	1,713,574	0.2%	(9,695,135)	-1.0%	-
2007	924,425,375	1,537,411	0.2%	374,593	0%	4.1

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2023	254,824,942	74,746	0%	(233,989)	-0.1%	-
2022	254,750,196	72,265	0%	(321,760)	-0.1%	-
2021	254,677,931	72,105	0%	(309,612)	-0.1%	-
2020	254,605,826	2,293	0%	(445,250)	-0.2%	-
2019	254,603,533	(244,043)	-0.1%	(4,232)	0%	-
YTD	254,544,703	(302,873)	-0.1%	(950,253)	-0.4%	-
2018	254,847,576	(1,273,008)	-0.5%	(1,031,700)	-0.4%	-
2017	256,120,584	46,986	0%	857,629	0.3%	0.1
2016	256,073,598	(1,228,822)	-0.5%	(865,578)	-0.3%	-
2015	257,302,420	244,479	0.1%	682,312	0.3%	0.4
2014	257,057,941	(70,498)	0%	3,408,343	1.3%	-
2013	257,128,439	(92,827)	0%	2,150,697	0.8%	-
2012	257,221,266	(1,364,032)	-0.5%	(2,572,945)	-1.0%	-
2011	258,585,298	(671,091)	-0.3%	(240,443)	-0.1%	-
2010	259,256,389	(137,437)	-0.1%	(427,932)	-0.2%	-
2009	259,393,826	(12,897)	0%	(1,095,758)	-0.4%	-
2008	259,406,723	183,767	0.1%	(2,603,340)	-1.0%	-
2007	259,222,956	(1,310,499)	-0.5%	(1,989,810)	-0.8%	-

Supply & Demand Trends

Los Angeles Industrial

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2023	629,931,276	2,309,910	0.4%	1,664,068	0.3%	1.4
2022	627,621,366	2,217,121	0.4%	1,376,453	0.2%	1.6
2021	625,404,245	2,182,216	0.4%	1,448,065	0.2%	1.5
2020	623,222,029	2,064,551	0.3%	1,253,524	0.2%	1.6
2019	621,157,478	1,843,434	0.3%	714,995	0.1%	2.6
YTD	619,426,940	112,896	0%	(1,293,989)	-0.2%	-
2018	619,314,044	3,007,597	0.5%	1,592,456	0.3%	1.9
2017	616,306,447	4,005,520	0.7%	4,348,726	0.7%	0.9
2016	612,300,927	1,427,008	0.2%	1,559,224	0.3%	0.9
2015	610,873,919	1,528,471	0.3%	7,759,791	1.3%	0.2
2014	609,345,448	686,997	0.1%	8,995,676	1.5%	0.1
2013	608,658,451	1,326,122	0.2%	3,440,671	0.6%	0.4
2012	607,332,329	230,693	0%	5,375,217	0.9%	0
2011	607,101,636	(359,022)	-0.1%	(136,979)	0%	-
2010	607,460,658	(1,665,571)	-0.3%	(2,312,254)	-0.4%	-
2009	609,126,229	823,547	0.1%	(5,941,450)	-1.0%	-
2008	608,302,682	1,677,611	0.3%	(6,663,233)	-1.1%	-
2007	606,625,071	2,605,537	0.4%	2,522,514	0.4%	1.0

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2023	57,695,959	7,618	0%	29,621	0.1%	0.3
2022	57,688,341	7,363	0%	9,827	0%	0.7
2021	57,680,978	7,333	0%	11,741	0%	0.6
2020	57,673,645	220	0%	(17,732)	0%	-
2019	57,673,425	(168,587)	-0.3%	(416,774)	-0.7%	-
YTD	57,677,635	(164,377)	-0.3%	(641,442)	-1.1%	-
2018	57,842,012	(182,295)	-0.3%	(617,036)	-1.1%	-
2017	58,024,307	356,845	0.6%	681,662	1.2%	0.5
2016	57,667,462	14,854	0%	157,681	0.3%	0.1
2015	57,652,608	(190,729)	-0.3%	20,929	0%	-
2014	57,843,337	36,239	0.1%	892,412	1.5%	0
2013	57,807,098	198,681	0.3%	202,831	0.4%	1.0
2012	57,608,417	(18,345)	0%	(669,164)	-1.2%	-
2011	57,626,762	(291,604)	-0.5%	668,910	1.2%	-
2010	57,918,366	(26,643)	0%	(352,659)	-0.6%	-
2009	57,945,009	(484,535)	-0.8%	(963,983)	-1.7%	-
2008	58,429,544	(147,804)	-0.3%	(428,562)	-0.7%	-
2007	58,577,348	242,373	0.4%	(158,111)	-0.3%	-



OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2023	\$14.57	172	1.0%	13.4%	27,771,816	2.9%	0.1%
2022	\$14.43	171	1.5%	12.4%	26,815,534	2.9%	0.1%
2021	\$14.21	168	2.1%	10.7%	25,559,095	2.7%	0.1%
2020	\$13.92	165	3.6%	8.4%	24,416,091	2.6%	0.1%
2019	\$13.44	159	4.7%	4.7%	23,117,331	2.5%	0.2%
YTD	\$13.01	154	1.3%	1.3%	23,936,093	2.6%	0.3%
2018	\$12.84	152	7.0%	0%	21,544,456	2.3%	0.2%
2017	\$12.01	142	9.0%	-6.5%	20,011,221	2.2%	-0.2%
2016	\$11.02	130	8.6%	-14.2%	21,497,107	2.3%	-0.1%
2015	\$10.14	120	8.8%	-21.0%	22,135,394	2.4%	-0.7%
2014	\$9.32	110	7.3%	-27.4%	29,016,205	3.1%	-1.4%
2013	\$8.69	103	5.4%	-32.3%	41,659,898	4.5%	-0.5%
2012	\$8.24	97	3.4%	-35.8%	46,022,121	5.0%	-0.3%
2011	\$7.97	94	1.4%	-37.9%	49,306,913	5.3%	-0.2%
2010	\$7.86	93	-2.3%	-38.8%	50,920,118	5.5%	0.1%
2009	\$8.05	95	-4.9%	-37.3%	49,656,924	5.4%	0.9%
2008	\$8.46	100	-0.1%	-34.1%	41,329,618	4.5%	1.2%
2007	\$8.47	100	3.0%	-34.0%	29,920,909	3.2%	0.1%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2023	\$13.94	168	1.0%	11.7%	6,373,680	2.5%	0.1%
2022	\$13.80	166	1.5%	10.6%	6,064,291	2.4%	0.2%
2021	\$13.59	164	2.0%	8.9%	5,669,534	2.2%	0.2%
2020	\$13.33	160	3.3%	6.8%	5,285,378	2.1%	0.2%
2019	\$12.90	155	3.4%	3.4%	4,835,499	1.9%	0.1%
YTD	\$12.59	152	0.9%	0.9%	5,182,095	2.0%	0.3%
2018	\$12.48	150	6.1%	0%	4,534,715	1.8%	-0.1%
2017	\$11.76	142	9.2%	-5.8%	4,776,023	1.9%	-0.3%
2016	\$10.77	130	8.5%	-13.7%	5,586,666	2.2%	-0.1%
2015	\$9.92	119	8.5%	-20.5%	5,949,910	2.3%	-0.2%
2014	\$9.15	110	7.2%	-26.7%	6,387,743	2.5%	-1.4%
2013	\$8.53	103	5.8%	-31.6%	9,866,584	3.8%	-0.9%
2012	\$8.07	97	3.5%	-35.3%	12,110,108	4.7%	0.5%
2011	\$7.80	94	1.3%	-37.5%	10,901,195	4.2%	-0.2%
2010	\$7.70	93	-2.7%	-38.3%	11,331,843	4.4%	0.1%
2009	\$7.91	95	-4.8%	-36.6%	11,041,348	4.3%	0.4%
2008	\$8.31	100	-0.7%	-33.4%	9,958,487	3.8%	1.1%
2007	\$8.37	101	2.7%	-33.0%	7,171,380	2.8%	0.3%



LOGISTICS RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2023	\$14.09	177	1.0%	14.6%	18,324,964	2.9%	0.1%
2022	\$13.95	175	1.6%	13.5%	17,656,323	2.8%	0.1%
2021	\$13.73	173	2.1%	11.7%	16,792,428	2.7%	0.1%
2020	\$13.45	169	3.8%	9.4%	16,029,423	2.6%	0.1%
2019	\$12.96	163	5.4%	5.4%	15,198,617	2.4%	0.2%
YTD	\$12.49	157	1.6%	1.6%	15,442,088	2.5%	0.2%
2018	\$12.29	155	7.4%	0%	14,174,896	2.3%	0.2%
2017	\$11.44	144	9.2%	-6.9%	12,835,094	2.1%	-0.1%
2016	\$10.48	132	9.0%	-14.8%	13,185,520	2.2%	0%
2015	\$9.61	121	9.2%	-21.8%	13,317,736	2.2%	-1.0%
2014	\$8.80	111	7.6%	-28.4%	19,549,056	3.2%	-1.4%
2013	\$8.18	103	5.5%	-33.4%	27,857,735	4.6%	-0.4%
2012	\$7.76	98	3.5%	-36.9%	29,972,284	4.9%	-0.8%
2011	\$7.49	94	1.6%	-39.1%	35,116,808	5.8%	0%
2010	\$7.37	93	-2.2%	-40.0%	35,338,851	5.8%	0.1%
2009	\$7.54	95	-5.2%	-38.7%	34,692,168	5.7%	1.1%
2008	\$7.95	100	-0.2%	-35.3%	27,927,171	4.6%	1.4%
2007	\$7.96	100	2.8%	-35.2%	19,586,327	3.2%	0%

FLEX RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2023	\$22.57	154	0.8%	10.7%	3,073,172	5.3%	0%
2022	\$22.39	153	1.3%	9.8%	3,094,920	5.4%	0%
2021	\$22.10	151	1.7%	8.4%	3,097,133	5.4%	0%
2020	\$21.72	149	3.0%	6.5%	3,101,290	5.4%	0%
2019	\$21.08	144	3.4%	3.4%	3,083,215	5.3%	0.4%
YTD	\$20.55	141	0.8%	0.8%	3,311,910	5.7%	0.8%
2018	\$20.39	139	6.0%	0%	2,834,845	4.9%	0.8%
2017	\$19.23	132	6.9%	-5.7%	2,400,104	4.1%	-0.6%
2016	\$17.99	123	6.6%	-11.8%	2,724,921	4.7%	-0.2%
2015	\$16.87	115	7.4%	-17.3%	2,867,748	5.0%	-0.3%
2014	\$15.72	107	6.0%	-22.9%	3,079,406	5.3%	-1.5%
2013	\$14.83	101	3.9%	-27.3%	3,935,579	6.8%	0%
2012	\$14.28	98	2.7%	-30.0%	3,939,729	6.8%	1.1%
2011	\$13.91	95	0.5%	-31.8%	3,288,910	5.7%	-1.6%
2010	\$13.83	95	-2.2%	-32.2%	4,249,424	7.3%	0.6%
2009	\$14.14	97	-3.3%	-30.7%	3,923,408	6.8%	0.9%
2008	\$14.62	100	1.4%	-28.3%	3,443,960	5.9%	0.5%
2007	\$14.42	99	4.3%	-29.3%	3,163,202	5.4%	0.7%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2023	-	-	-	-	-	-	\$252.82	256	4.9%
2022	-	-	-	-	-	-	\$244.54	247	4.9%
2021	-	-	-	-	-	-	\$235.16	238	4.9%
2020	-	-	-	-	-	-	\$225.31	228	4.8%
2019	-	-	-	-	-	-	\$212.08	214	4.8%
YTD	703	\$2,293 M	1.6%	\$5,528,196	\$203.09	5.0%	\$204.06	206	4.8%
2018	1,739	\$5,450 M	3.8%	\$5,466,337	\$194.60	5.1%	\$198.04	200	4.8%
2017	1,953	\$4,848 M	4.2%	\$4,282,214	\$159.39	5.0%	\$179.51	182	4.9%
2016	1,613	\$4,406 M	3.8%	\$4,153,881	\$147.54	5.5%	\$160.15	162	5.0%
2015	1,905	\$4,357 M	4.8%	\$3,688,204	\$138.88	5.7%	\$142.52	144	5.3%
2014	1,570	\$3,328 M	3.5%	\$3,070,608	\$119.44	6.1%	\$124.68	126	5.6%
2013	1,394	\$2,608 M	3.5%	\$2,659,779	\$96.69	6.6%	\$111.10	112	5.9%
2012	1,684	\$2,883 M	4.3%	\$3,003,886	\$99.57	6.8%	\$102.95	104	6.1%
2011	1,241	\$2,034 M	3.0%	\$3,043,510	\$98.58	7.2%	\$96.81	98	6.3%
2010	867	\$1,611 M	2.9%	\$2,679,052	\$78.81	8.2%	\$91.92	93	6.6%
2009	646	\$990.2 M	1.5%	\$2,279,323	\$94.86	7.5%	\$88.67	90	6.8%
2008	1,012	\$2,344 M	2.4%	\$3,048,887	\$124.24	5.8%	\$98.90	100	6.4%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

SPECIALIZED INDUSTRIAL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2023	-	-	-	-	-	-	\$233.73	256	4.9%
2022	-	-	-	-	-	-	\$226.02	248	4.9%
2021	-	-	-	-	-	-	\$217.34	238	4.9%
2020	-	-	-	-	-	-	\$208.34	228	4.9%
2019	-	-	-	-	-	-	\$196.51	215	4.8%
YTD	192	\$776.0 M	1.8%	\$6,698,523	\$203.00	5.2%	\$189.66	208	4.8%
2018	459	\$1,246 M	3.6%	\$5,086,569	\$182.35	5.3%	\$184.26	202	4.8%
2017	523	\$1,128 M	4.2%	\$3,780,263	\$147.55	5.7%	\$166.71	183	4.9%
2016	434	\$963.7 M	3.3%	\$3,347,555	\$150.83	5.6%	\$148.27	162	5.1%
2015	481	\$1,055 M	4.4%	\$3,247,836	\$120.85	6.0%	\$131.62	144	5.3%
2014	417	\$939.3 M	3.9%	\$3,457,006	\$109.06	6.5%	\$115.14	126	5.6%
2013	336	\$697.3 M	3.4%	\$2,844,131	\$95.09	6.7%	\$102.54	112	5.9%
2012	467	\$669.8 M	4.2%	\$2,670,538	\$92.74	7.4%	\$94.95	104	6.1%
2011	344	\$505.4 M	3.0%	\$2,868,558	\$92.47	7.3%	\$89.14	98	6.4%
2010	230	\$404.1 M	3.1%	\$2,411,159	\$69.78	7.4%	\$84.74	93	6.6%
2009	191	\$300.1 M	1.6%	\$2,449,399	\$86.48	9.3%	\$81.78	90	6.9%
2008	269	\$655.7 M	2.7%	\$3,071,994	\$112.52	5.9%	\$91.28	100	6.5%

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LOGISTICS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2023	-	-	-	-	-	-	\$249.66	257	4.9%
2022	-	-	-	-	-	-	\$241.47	249	4.9%
2021	-	-	-	-	-	-	\$232.15	239	4.9%
2020	-	-	-	-	-	-	\$222.30	229	4.8%
2019	-	-	-	-	-	-	\$208.95	215	4.8%
YTD	443	\$1,346 M	1.5%	\$5,176,807	\$196.47	4.6%	\$200.66	207	4.7%
2018	1,152	\$3,651 M	3.9%	\$5,463,689	\$189.35	4.9%	\$194.51	201	4.8%
2017	1,298	\$3,336 M	4.2%	\$4,398,763	\$158.91	4.6%	\$176.22	182	4.8%
2016	1,041	\$2,884 M	3.9%	\$4,225,220	\$141.72	5.4%	\$157.30	162	5.0%
2015	1,252	\$2,844 M	5.0%	\$3,716,206	\$138.47	5.6%	\$140.04	144	5.2%
2014	1,013	\$2,024 M	3.2%	\$2,809,090	\$118.68	5.9%	\$122.42	126	5.6%
2013	933	\$1,700 M	3.6%	\$2,587,897	\$92.89	6.5%	\$109.02	112	5.9%
2012	1,077	\$2,036 M	4.5%	\$3,168,887	\$99.56	6.5%	\$101.01	104	6.1%
2011	800	\$1,332 M	3.0%	\$3,040,847	\$96.30	7.1%	\$95.02	98	6.3%
2010	573	\$1,007 M	2.9%	\$2,531,074	\$73.49	8.2%	\$90.12	93	6.6%
2009	403	\$627.1 M	1.6%	\$2,223,497	\$97.88	6.8%	\$86.92	90	6.8%
2008	607	\$1,469 M	2.3%	\$2,972,271	\$124.38	5.7%	\$96.99	100	6.4%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

FLEX SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2023	-	-	-	-	-	-	\$370.11	242	4.9%
2022	-	-	-	-	-	-	\$358.43	235	4.9%
2021	-	-	-	-	-	-	\$345.27	226	4.9%
2020	-	-	-	-	-	-	\$331.67	217	4.9%
2019	-	-	-	-	-	-	\$313.71	205	4.8%
YTD	68	\$170.9 M	1.9%	\$4,362,917	\$277.01	5.7%	\$304.24	199	4.8%
2018	128	\$552.4 M	3.8%	\$6,646,574	\$292.52	6.1%	\$296.11	194	4.8%
2017	132	\$384.3 M	4.1%	\$5,123,296	\$216.07	5.6%	\$270.69	177	4.8%
2016	138	\$558.9 M	5.8%	\$6,216,452	\$178.64	6.0%	\$242.65	159	5.0%
2015	172	\$457.4 M	4.6%	\$5,043,580	\$217.74	6.0%	\$216.76	142	5.2%
2014	140	\$364.5 M	4.4%	\$3,997,805	\$166.13	6.0%	\$190.55	125	5.5%
2013	125	\$209.8 M	2.8%	\$2,682,457	\$157.98	6.8%	\$170.76	112	5.8%
2012	140	\$177.7 M	3.4%	\$2,666,271	\$138.17	8.2%	\$158.68	104	6.0%
2011	97	\$196.3 M	2.8%	\$3,657,632	\$147.21	7.1%	\$149.60	98	6.2%
2010	64	\$200.6 M	1.9%	\$5,645,223	\$209.90	8.8%	\$142.50	93	6.5%
2009	52	\$63.0 M	1.2%	\$2,082,671	\$112.09	-	\$137.51	90	6.7%
2008	136	\$220.0 M	2.4%	\$3,640,488	\$178.28	6.4%	\$152.67	100	6.3%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

