



# Industrial Market Report

## Los Angeles - CA (USA)

PREPARED BY

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**RE/MAX**

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**INDUSTRIAL MARKET REPORT**

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12 Mo Deliveries in SF

**4.5M**

12 Mo Net Absorption in SF

**(14.4M)**

Vacancy Rate

**4.9%**

Market Asking Rent Growth

**1.1%**

Los Angeles is one of the nation's key industrial hubs. Demand draws from the 20 million Southern California residents and from goods entering the twin ports of Los Angeles and Long Beach, which handle nearly a third of all imports to the United States.

Since reaching record-high occupancy levels and rent growth in early 2021, demand for industrial properties has softened due to a slowing in domestic spending on consumer goods and a decline in imports entering the ports from Asia. While imports started to rebound in late 2023, demand for industrial space is still trending lower. The vacancy rate has risen to 4.9% as of 24Q1, up from 1.7% in 22Q1, and the market has had a sharper increase in vacancies than other major markets. Vacancy rates have grown the most in Vernon, Commerce, and City of Industry, where ties to port activity are stronger. Logistics tenants have downsized as they shift their focus from growth to efficiency, often vacating older, less functional industrial properties in these submarkets.

The amount of available space has grown to 68.9 million SF from 52.8 million SF since early 2023, and increasing available space is helping tenants negotiate new leases with friendlier terms. Year-over-year rent growth has decelerated to 1.1% compared to 8.8% one year ago and asking rents have been flat since the second half of 2023.

Development activity, while growing, remains scarce for a market of this size. Many projects now underway were planned years earlier due to development challenges in entitlements and permitting, so developers are more likely to carry projects forward even as broader market conditions soften. Development has been concentrated in submarkets within the San Gabriel Valley, where there is less neighborhood opposition compared to submarkets in the west. Many industrial developments outside of the San Gabriel Valley are limited by space constraints and generally replace aged industrial properties. Construction starts, meanwhile, have noticeably slowed, suggesting that there will be even less supply growth in 2025 and 2026.

Sales activity has slowed in the past six months, whereas investors, including Rexford Industrial and Prologis, had remained active in mid-2023 relative to national trends. One popular play at the time was mark-to-market opportunities, where investors were willing to accept low cap rates in exchange for future returns. For example, Cap Rock acquired a 165,000-SF warehouse in August 2023 for \$34.5 million (\$209/SF) at a 3.5% cap rate. The long-term single tenant had less than two years remaining on their lease with rents that were 55% below market. While these opportunities helped prices from significantly deteriorating at a time when interest rates were rising rapidly, there have been fewer investors willing to take on such risk in early 2024.

### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	651,006,185	5.3%	\$18.93	8.0%	(574,012)	85,968	5,843,866
Specialized Industrial	249,680,006	3.5%	\$17.94	4.4%	127,471	0	72,441
Flex	58,533,416	6.4%	\$25.75	9.1%	(3,040)	0	0
<b>Market</b>	<b>959,219,607</b>	<b>4.9%</b>	<b>\$19.09</b>	<b>7.1%</b>	<b>(449,581)</b>	<b>85,968</b>	<b>5,916,307</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.8%	3.7%	4.7%	5.6%	2010 Q1	1.7%	2022 Q1
Net Absorption SF	(14.4M)	1,594,109	(961,119)	15,088,350	2021 Q4	(15,388,270)	2023 Q4
Deliveries SF	4.5M	5,471,960	3,268,714	14,055,166	2002 Q1	763,960	2011 Q1
Market Asking Rent Growth	1.1%	4.5%	4.7%	13.1%	2022 Q2	-4.1%	2009 Q4
Sales Volume	\$4.7B	\$3.8B	N/A	\$9.6B	2022 Q2	\$979.2M	2009 Q3

Market conditions have deteriorated in the Los Angeles industrial market. The vacancy rate has increased to 4.9% from a historic low of 1.7% in 22Q1. The availability rate is 7.1%, and many tenants have started to put space back on the market. The amount of sublet space available for lease has increased from 7.9 million SF a year ago to 11.8 million SF, the most sublet space available since 2013.

The steep decline in imports immediately impacted industrial demand in 2023. The amount of loaded inbound containers handled at the ports in 23Q4 remained 7% below 21Q4 levels, despite rebounding by 20% year over year. Consumers nationally are trimming spending on goods and are expected to continue that trend in 2024, causing the short-term outlook for demand in the market to remain suppressed.

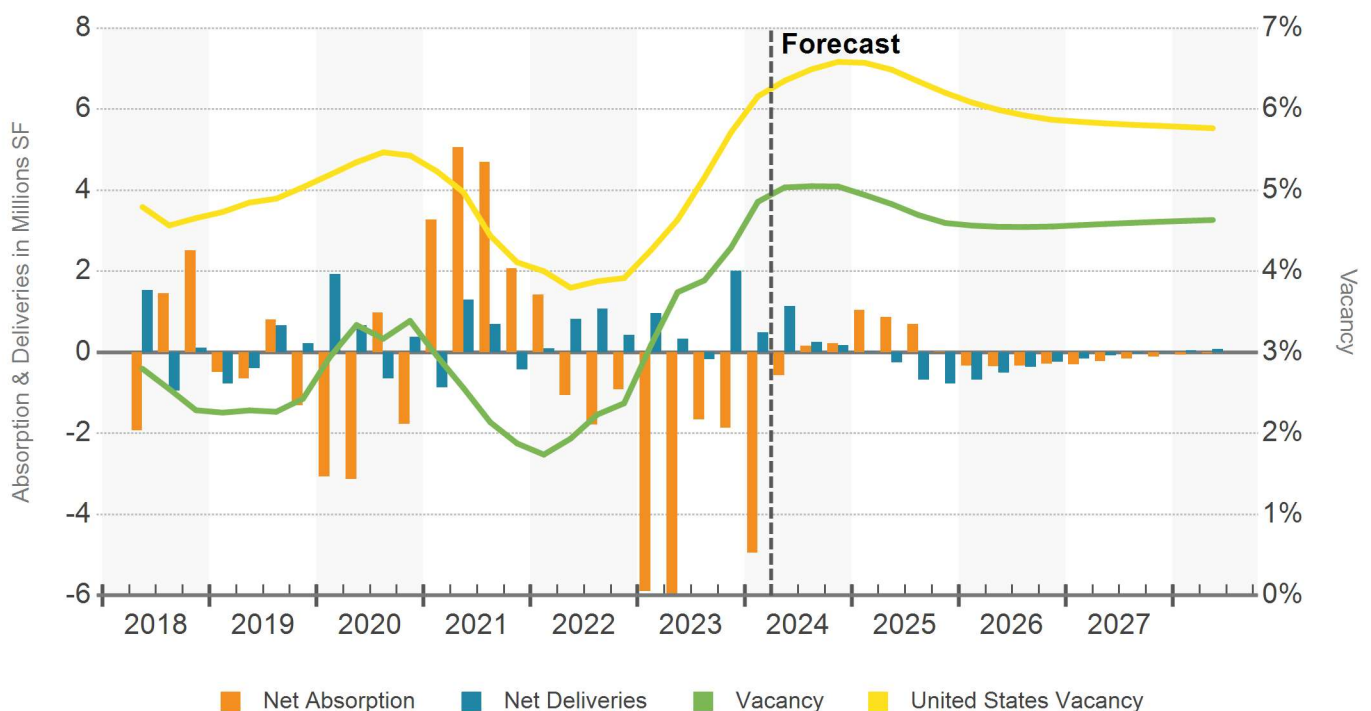
Submarkets that have endured the steepest correction have the strongest ties to port activity, such as Vernon, Commerce, Santa Fe Springs/La Mirada, Carson, and City of Industry. At the same time, many properties in the San Fernando Valley have been vacated by firms that service the entertainment industry, such as firms that store stage props and costumes, due to last year's writers' and actors' strikes. On the Westside, where flex accounts for almost a third of industrial space, trends have traditionally mirrored the office market and the vacancy rate is at a more than 20-year high.

Business closures are not uncommon, even when the economy is booming, due to the combination of businesses reaching the end of their lifecycle and the entrepreneurial nature of the local logistics industry. For example, Farmer John closed its operations in Vernon in early 2023 after more than 90 years in business, vacating 690,000 SF of industrial space. Lower-profile business closures are usually rapidly offset by business formation and expansions, but higher interest rates have hampered activity.

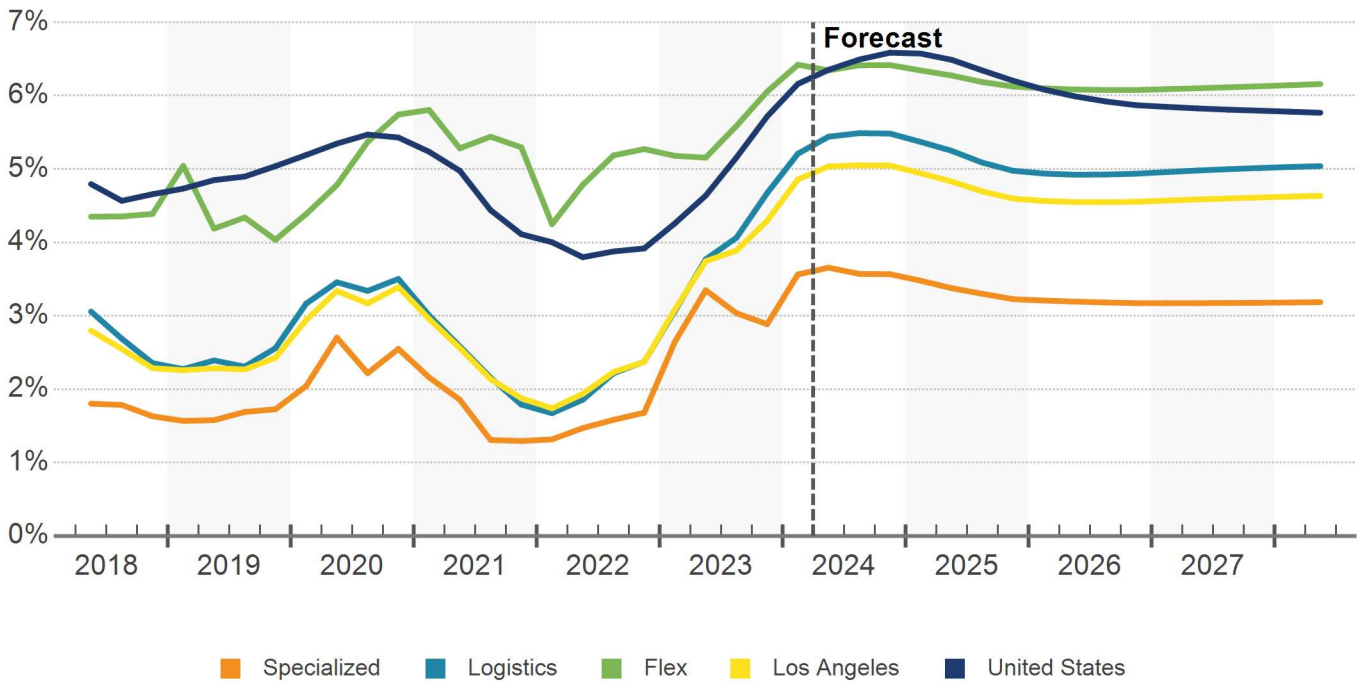
Leasing volume from new leases in 2023 was 3% above 2019 levels, representing an increase in leasing volume of under 1 million SF. Tenants that struggled to find adequate space two or three years ago have had more success recently, particularly in large spaces that were very rarely available then. More than 20 new leases were executed in 2023 of more than 200,000 SF, including Classic Concepts (233,000 SF) in Irwindale in November, National Road Logistics (443,000 SF) in Torrance in September, and Foot Locker (360,000 SF) in El Monte. In comparison, only three new leases executed in 2022 were for more than 200,000 SF.

Demand for industrial space in Los Angeles is projected to remain low over the next 12 months as businesses continue to cope with lower consumer spending on goods.

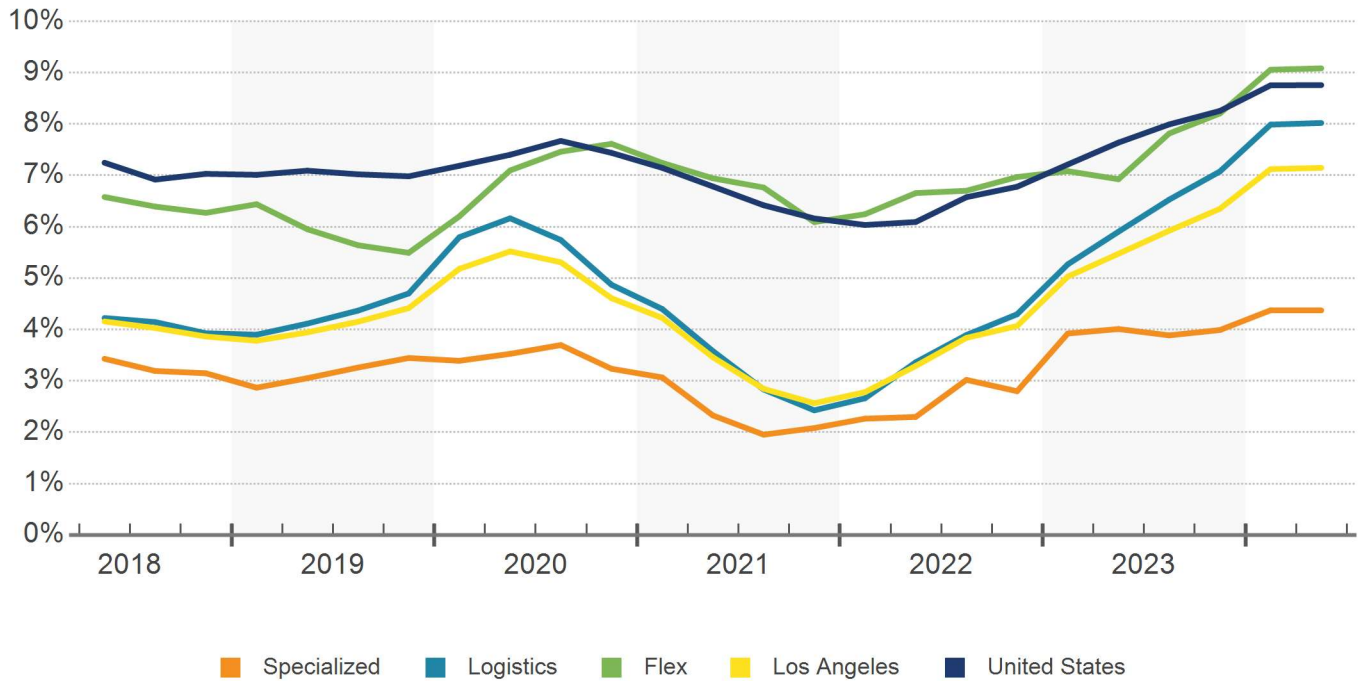
### NET ABSORPTION, NET DELIVERIES & VACANCY



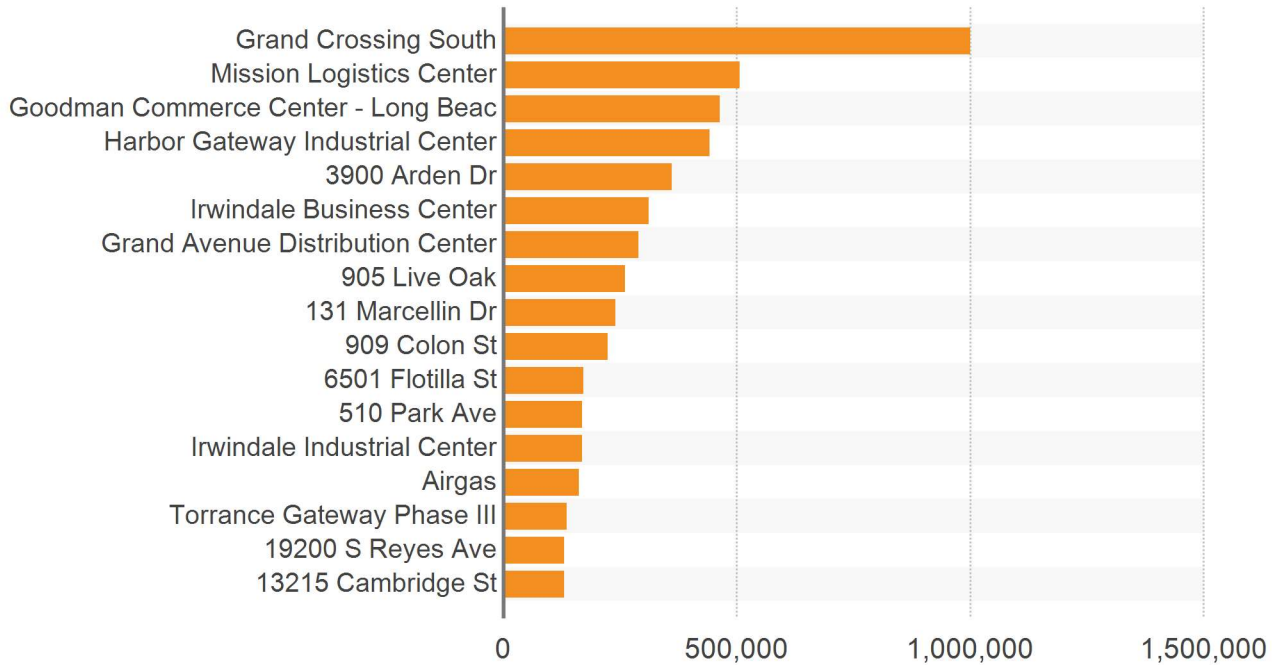
## VACANCY RATE



## 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
Grand Crossing South	City of Industry Ind	1,000,720	0	0	0	0	0	1,000,720
Mission Logistics Center	Central Los Angeles...	506,225	0	0	0	0	0	506,225
Goodman Commerce Center - L...	Long Beach Ind	463,521	0	0	0	0	0	463,521
Harbor Gateway Industrial Center	Torrance Ind	442,550	0	0	0	0	0	442,550
3900 Arden Dr	Lower San Gabriel V...	360,992	0	360,992	0	0	0	360,992
Irwindale Business Center	Upper San Gabriel V...	312,000	0	0	0	0	0	312,000
Grand Avenue Distribution Center	City of Industry Ind	318,497	0	0	0	0	0	290,497
905 Live Oak	Upper San Gabriel V...	260,889	0	260,889	0	0	0	260,889
131 Marcellin Dr	City of Industry Ind	240,500	0	0	0	0	0	240,500
909 Colon St	San Pedro Ind	223,865	0	0	0	0	0	223,865
6501 Flotilla St	Commerce Ind	171,388	0	0	0	0	0	171,388
510 Park Ave	East San Ferndo Vily...	168,676	0	0	0	0	0	168,676
Irwindale Industrial Center	Upper San Gabriel V...	184,879	0	0	0	0	0	168,626
Airgas	City of Industry Ind	217,775	40,000	4,000	0	0	0	162,498
Torrance Gateway Phase III	Torrance Ind	136,388	0	136,388	0	0	0	136,388
19200 S Reyes Ave	Rancho Dominguez Ind	143,035	0	0	0	0	0	130,460
13215 Cambridge St	Santa Fe Springs/La...	146,617	0	0	0	0	0	130,079
<b>Subtotal Primary Competitors</b>		<b>5,298,517</b>	<b>40,000</b>	<b>762,269</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,169,874</b>
Remaining Los Angeles Market		954,016,542	47,105,147	(5,706,837)	(449,581)	0	0	(19,533,604)
<b>Total Los Angeles Market</b>		<b>959,315,059</b>	<b>47,145,147</b>	<b>(4,944,568)</b>	<b>(449,581)</b>	<b>0</b>	<b>0</b>	<b>(14,363,730)</b>

### TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
680 S Lemon Ave	City of Industry	472,876	Q2 23	Furniture of America	-	-
1452 W Knox St	Torrance	442,550	Q3 23	National Road Logistics	-	KBC Advisors;Prologis,...
4231 Liberty Blvd	Vernon	369,383	Q1 24	Key Container Company	-	Kidder Mathews
3900 Arden Dr	Lower San Gabriel Valley	360,992	Q3 23	Foot Locker	-	JLL
22067 Ferrero *	City of Industry	324,925	Q3 23	Markwins Beauty Brands	-	-
21558 Ferrero Pky	City of Industry	318,497	Q2 23	D Element Group	Colliers	Colliers
19200-19270 S Western Ave	Torrance	315,256	Q4 23	-	-	CBRE
4889 4th St	Upper San Gabriel Valley	312,000	Q3 23	Js Tao International	-	JLL
15015 Valley View Ave *	Santa Fe Springs/La Mirada	302,850	Q1 24	United Natural Foods	Newmark	-
15015 Valley View Ave *	Santa Fe Springs/La Mirada	302,850	Q2 23	United Natural Foods	-	-
11854 Alameda St *	Downey/Paramount	287,936	Q3 23	Midas Express Inc.	-	-
14001-14003 Orange Ave *	Downey/Paramount	282,000	Q3 23	Castle Metals	-	The Klabin Company
400 W Artesia Blvd	Compton	253,584	Q2 23	Speedup Logistics	-	Lee & Associates
131 Marcellin Dr	City of Industry	240,500	Q2 23	Win.IT America	Avison Young;Cush...	Majestic Realty Co.
601 W Carob St	Compton	234,600	Q4 23	Lincoln Transportation Co...	Cresa	Colliers
5091 4th St	Upper San Gabriel Valley	233,342	Q4 23	Classic Concepts	Voit Real Estate Ser...	Cushman & Wakefield
909 Colon St	San Pedro	223,865	Q2 23	West Logistics	Cushman & Wakefie...	Cushman & Wakefield;...
13409 Orden Dr *	Santa Fe Springs/La Mirada	219,759	Q3 23	Wismettac Asian Foods, Inc.	CBRE	Colliers
19635-19777 E Walnut Dr N	City of Industry	200,435	Q3 23	Continent Solution Syste...	DAUM Commercial...	CBRE
5010 Azusa Canyon Rd	Upper San Gabriel Valley	184,879	Q2 23	Irwindale Brew Yard	DNB Commercial	CBRE
17708 Rowland St	City of Industry	181,730	Q3 23	Action Sales	DAUM Commercial...	JLL
29125 Avenue Paine	Santa Clarita Valley	176,107	Q4 23	-	-	CBRE
18669 San Jose Ave	City of Industry	160,000	Q4 23	Cool Pai Inc	-	-
18305 San Jose Ave	City of Industry	160,000	Q1 24	8 Net	-	Savills
12065 Pike St *	Santa Fe Springs/La Mirada	158,831	Q3 23	Anheuser-Busch	CBRE	Thor Equities
14455-14525 E Clark Ave	City of Industry	157,000	Q1 24	ACL America	-	JLL
12910 Mulberry Dr	Santa Fe Springs/La Mirada	153,080	Q2 23	-	DAUM Commercial...	JLL
1021 N Todd Ave	Upper San Gabriel Valley	150,000	Q4 23	HONG DA MA FOODS CO	-	JLL
5500 Ferguson Dr	Commerce	147,162	Q4 23	Moreno Bath	JLL	JLL
740 111th	South LA	145,200	Q3 23	SoLA	-	Major Properties
740 E 111th Pl	South LA	145,000	Q3 23	Marine Truck Service	-	Major Properties
13215 Cambridge St	Santa Fe Springs/La Mirada	142,617	Q2 23	Weee! Inc.	JLL	CBRE
14659 Alondra Blvd	Santa Fe Springs/La Mirada	142,560	Q1 24	MEI Rigging & Crating	Colliers	CBRE
5525 S Soto St	Vernon	138,100	Q1 24	Popular 21	Lee & Associates Lo...	Savills
29120 Commerce Center Dr	Santa Clarita Valley	135,258	Q4 23	-	-	CBRE
9830 Atlantic Ave	Mid-Cities	130,408	Q3 23	Go Store It	-	-
12012-12070 Burke St	Santa Fe Springs/La Mirada	129,578	Q3 23	Rebas Inc	interPres Commerci...	Lee & Associates
26801 Agoura Rd	West San Fernando Valley	128,700	Q2 23	ResMed Motor Technolog...	-	Lee & Associates
24700 S Main St *	Carson	127,496	Q2 23	W8 Shipping	-	Lee & Associates
220-240 S 6th Ave	City of Industry	124,435	Q2 23	YS Express	JLL	JLL

\*Renewal

The increase in available space has impacted rents in the past 12 months. The market rent, which represents the average estimated rent of all industrial space in the metro, is 1.1% higher than 12 months ago. The average asking rent, based only on properties that are available for lease at the end of each quarter, has declined by approximately 7% since reaching a peak in 23Q2.

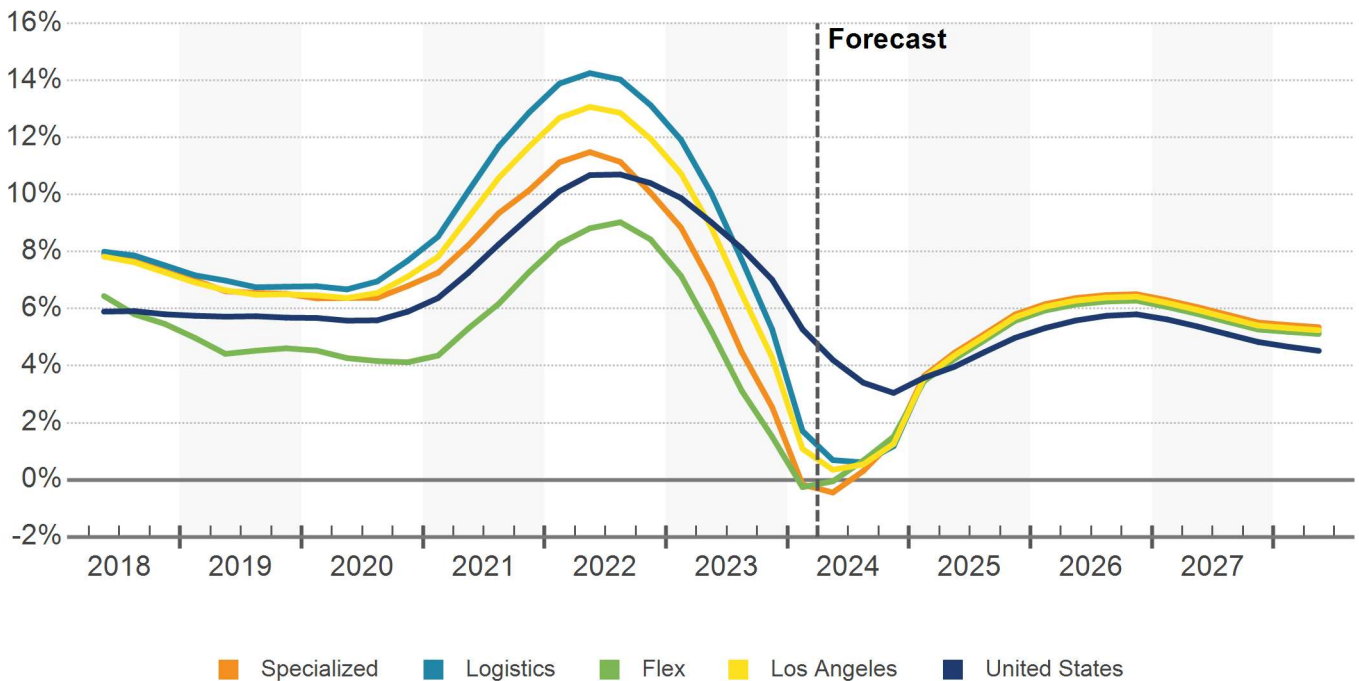
Current leasing conditions are a dire change from the recent years, where ample demand resulted in outsized rent gains. Rent growth in Los Angeles has averaged 8.0% during the past five years, compared to 7.5% in the U.S. There are many examples of properties that have leased at multiples higher between lease signings, such as a 224,000-SF warehouse in Wilmington that had an asking rent of \$27/SF NNN annually when it leased to West Logistics in June 2023. Ten years ago, the same property had an asking rate of \$7/SF NNN. For a smaller property, a 16,600-SF manufacturing building in Bellflower leased in July 2023 for \$18.60/SF NNN annually. The same building was listed in October 2010 at \$4.80/SF IG.

In many cases, concessions have become more common where as they were nearly nonexistent two years ago. Some landlords are now offering four to five months of free rent on a five-year lease deal.

The moderation in rents is even more pronounced in specialized industrial and flex properties as opposed to logistics properties. Submarkets with the highest rental rates, including the Westside, Burbank, and Glendale, have had the sharpest pullback in rents. In some cases, these properties tend to mirror trends in the office market, where growth in hybrid work schedules has reduced space needs. In contrast, South Bay submarkets, such as Carson and Torrance, which have great proximity to the ports, have been the top performers during the past 12 months.

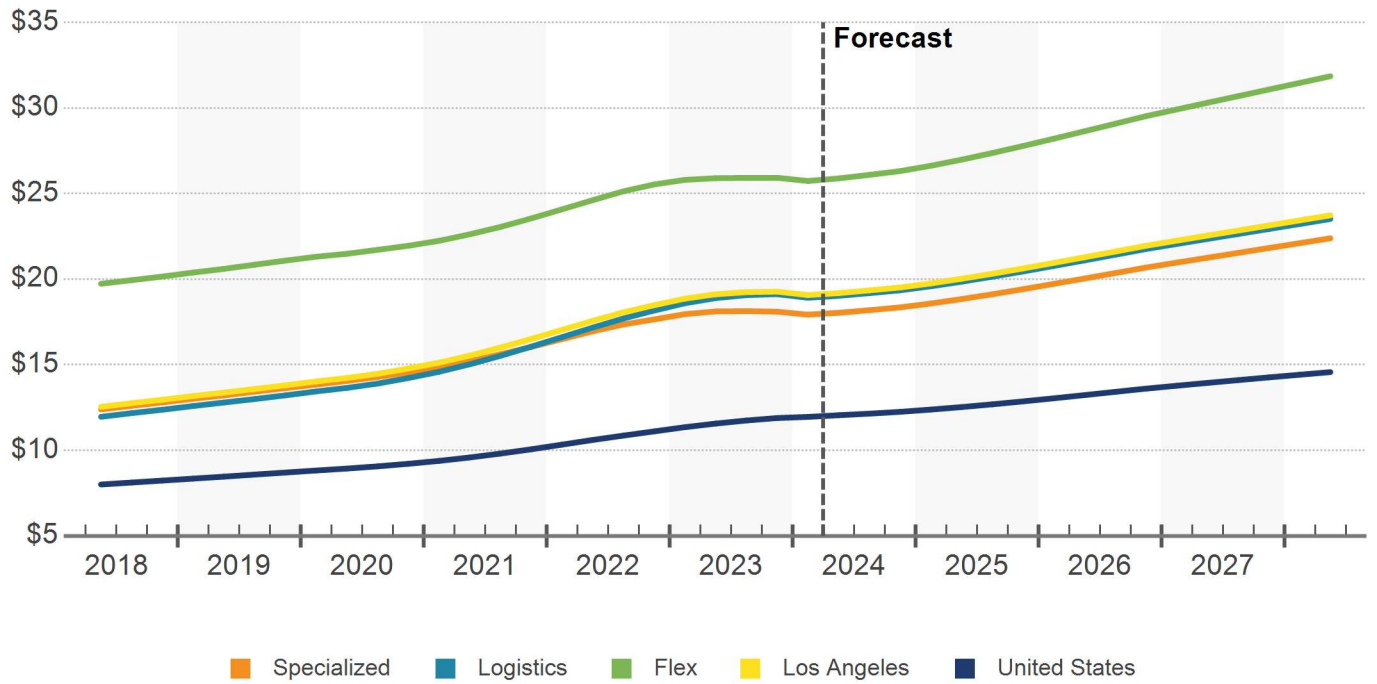
The factors that have contributed to softer demand for industrial space, including a decline in imports and durable goods spending, are expected to subside after 2024, causing rent growth to accelerate towards levels seen in prepandemic years.

### MARKET ASKING RENT GROWTH (YOY)





### MARKET ASKING RENT PER SQUARE FEET



Los Angeles is a mature industrial market with limited growth in supply over the past decade. Most inventory was built before 2000 and designed for manufacturing purposes. The built-out nature of the metro, relatively high land values, restrictive development policies, and neighborhood opposition drive many developers east to the Inland Empire. A total of 45.8 million SF of new industrial space completed during the past decade; however, during the same time, the market has had 32.0 million SF of space removed from its inventory. As a percent of existing inventory, supply has expanded by less than 1% during this period.

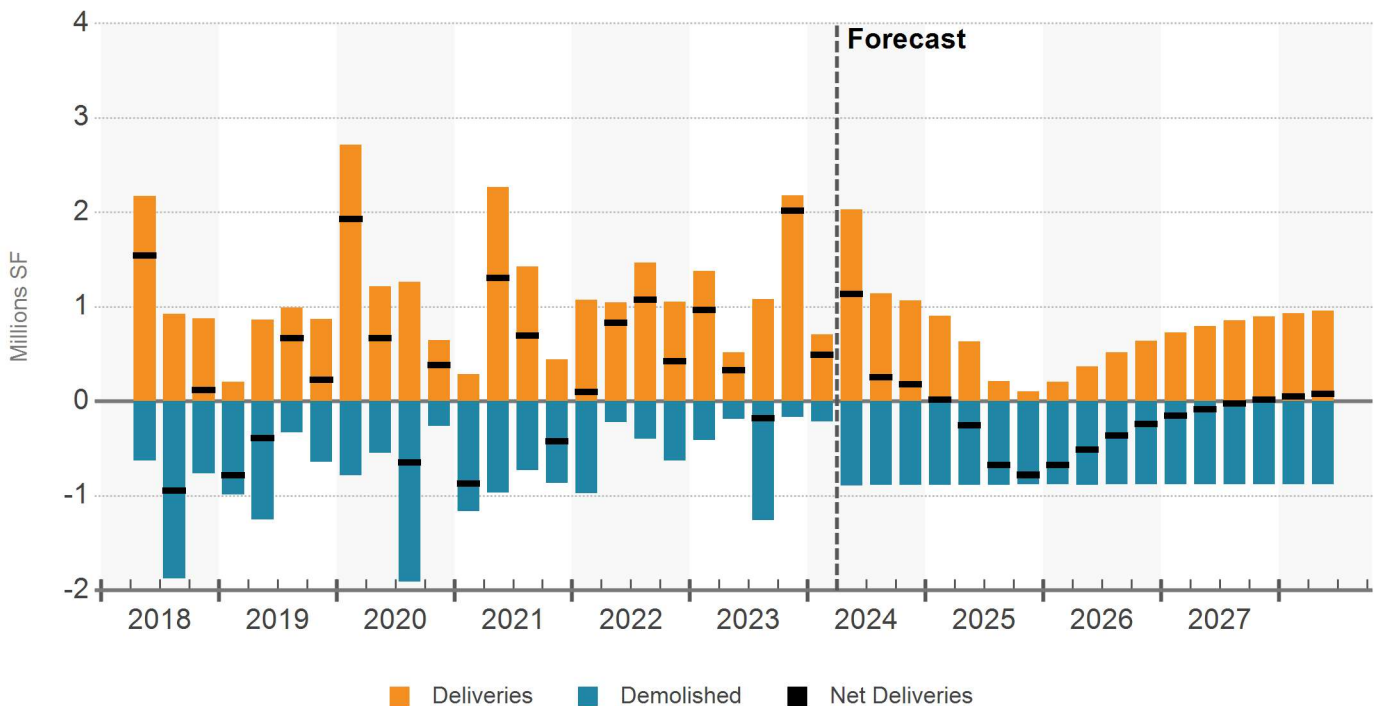
The scarcity of new construction has led many speculative projects to prelease while under construction. For example, for over a decade, Majestic Realty has been adding to its Grand Crossing Industrial Park in the City of Industry. In November 2023, the firm completed the construction of a 1 million SF distribution center, making it the largest industrial building developed since Majestic Realty built a 1.2 million SF distribution center in 2007 (also in Grand Crossing). With spaces this size rarely available in late 2022, Ryder Logistics leased the entire building twelve months before construction was

completed. Similarly, Majestic Realty completed construction on a 240,500-SF warehouse in December 2023 that was preleased to Win.IT America in June.

In El Monte, which, like the City of Industry, is located within the San Gabriel Valley and has had several industrial developments completed since 2018, ARES Management completed construction on a 360,000-SF distribution center in December 2023. Foot Locker preleased this property in September 2023.

In recent months, however, industrial users have been less willing to commit to new space over the past six months. Two industrial buildings are underway in Grand Crossing, measuring 600,000 SF to 700,000 SF, respectively. Both are expected to complete construction in the coming months and remain available for lease. In all, there is 5.9 million SF of space under construction in the metro, and roughly 80% is available for lease. These properties will compete with properties built within the past three years, where the vacancy rate has risen to 14% compared to a vacancy rate of 6% in properties that were less than three years of age at the time.

## 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	City of Industry	7	2,050	87	4.2%	4	57,605	292,858	1
2	Carson	2	557	0	0%	6	69,146	278,444	2
3	Commerce	5	456	0	0%	6	48,936	91,210	8
4	Upper San Gabriel Valley	2	421	292	69.2%	1	20,205	210,646	3
5	Vernon	4	414	17	4.1%	5	36,543	103,388	7
6	Santa Clarita Valley	2	375	202	53.9%	2	36,981	187,552	4
7	Santa Fe Springs/La Mira...	5	343	0	0%	6	35,684	68,604	10
8	West Rancho Dominguez	2	284	0	0%	6	25,858	141,957	5
9	Long Beach	3	269	119	44.3%	3	18,744	89,757	9
10	Gardena/Hawthorne	2	221	0	0%	6	19,852	110,728	6
	All Other	9	526	165	31.4%		22,162	58,417	
<b>Totals</b>		<b>43</b>	<b>5,916</b>	<b>882</b>	<b>14.9%</b>		<b>26,980</b>	<b>137,589</b>	

# Under Construction Properties

Los Angeles Industrial

Properties

Square Feet

Percent of Inventory

Released

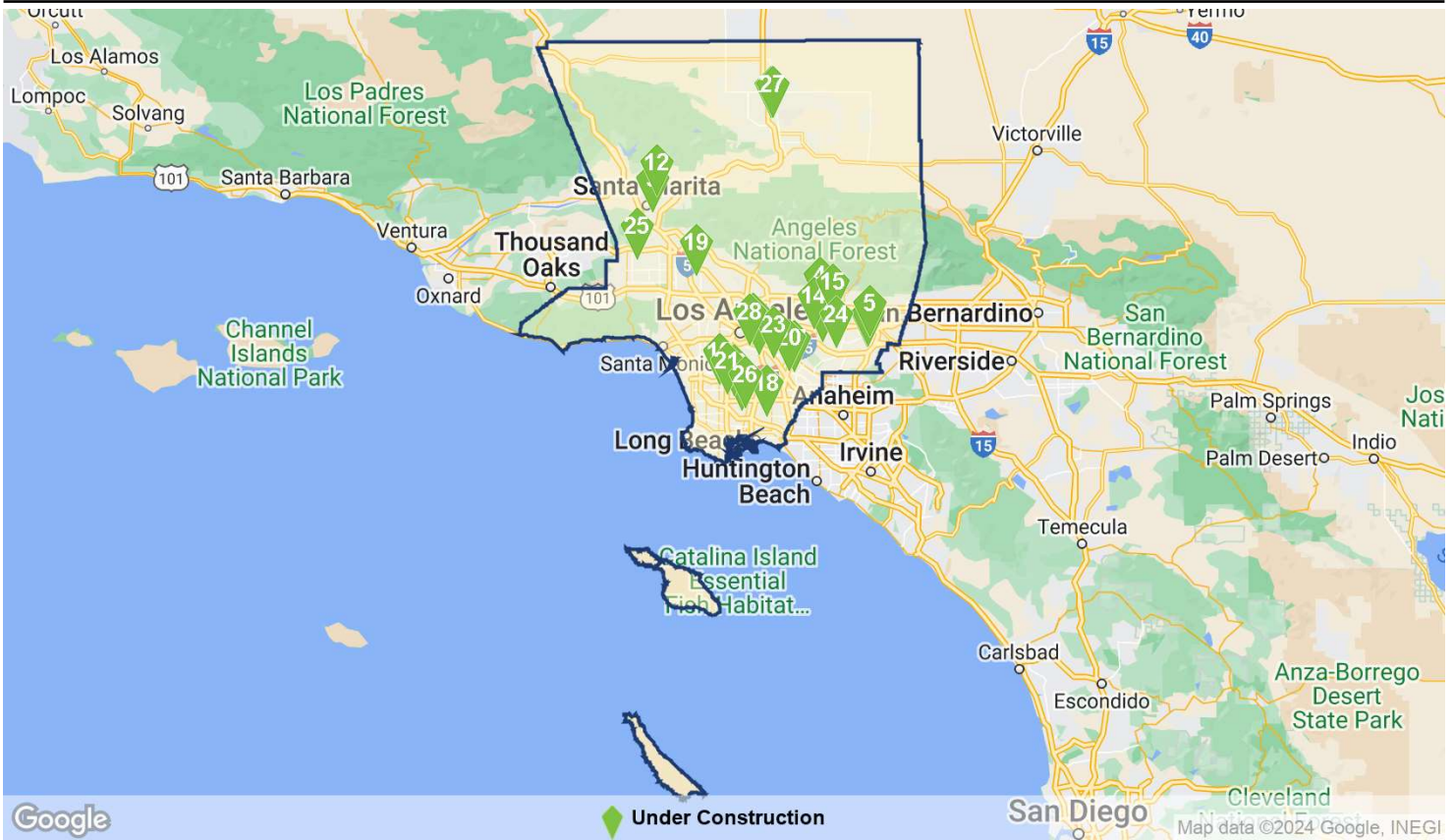
42

5,884,766

0.7%

14.4%

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 171 Marcellin Dr	★★★★☆	694,400	1	Dec 2022	Jun 2024	-
2 Building 5 151 Marcellin Dr	★★★★★	606,480	1	Jun 2023	May 2024	-
3 Dominguez Commerce C... 2001 E Dominguez St	★★★★☆	429,112	1	Dec 2023	Oct 2024	- Brookfield Property Group
4 901 Live Oak	★★★★☆	291,673	1	Aug 2022	May 2024	Oltmans Construction Co Jeffrey Yellen
5 West Valley Logistics 4200 W Valley Blvd	★★★★☆	269,780	2	Dec 2023	Oct 2024	CapRock Partners CapRock Partners
6 3690 Union Pacific Ave	★★★★☆	253,318	1	Sep 2023	Oct 2024	- Real Estate Development Associ...
7 15010 Don Julian Rd	★★★★☆	219,242	1	Jun 2023	Sep 2024	-

# Under Construction Properties

Los Angeles Industrial

## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 <b>Bridge Point Vernon II</b> 4885 E 52nd Pl	★ ★ ★ ★ ★	210,347	1	Apr 2023	May 2024	Bridge Industrial Bridge Industrial
9 <b>21700 Needham Ranch P...</b>	★ ★ ★ ★ ★	202,261	1	Dec 2023	Oct 2024	- Trammell Crow Company
10 <b>1600 W 135th St</b>	★ ★ ★ ★ ★	190,860	1	Aug 2023	Sep 2024	- -
11 <b>112 W Alondra Blvd</b>	★ ★ ★ ★ ★	181,831	2	Aug 2023	Oct 2024	- -
12 <b>26313 Golden Valley Rd</b>	★ ★ ★ ★ ★	172,843	1	Mar 2024	Mar 2025	- -
13 <b>Building 22</b> 3590 Cover St	★ ★ ★ ★ ★	150,051	1	Dec 2023	Dec 2024	- Sares-Regis Group
14 <b>Industry West Logistics...</b> 351 N Covina Ln	★ ★ ★ ★ ★	132,254	1	Jan 2023	May 2024	- -
15 <b>4416 Azusa Canyon Rd</b>	★ ★ ★ ★ ★	129,619	1	Mar 2023	Nov 2024	- -
16 <b>1055 Sandhill Ave</b>	★ ★ ★ ★ ★	127,775	1	Mar 2023	May 2024	- Rexford Industrial Realty, Inc.
17 <b>Building 3</b> 10251 Santa Fe Springs Rd	★ ★ ★ ★ ★	121,124	2	Dec 2023	Dec 2024	- -
18 <b>Building 23</b> 3555 Conant St	★ ★ ★ ★ ★	112,964	1	Dec 2023	Dec 2024	- Sares-Regis Group
19 <b>6950 Tujunga Ave</b>	★ ★ ★ ★ ★	106,526	1	Aug 2023	May 2024	Bridge Industrial Bridge Industrial
20 <b>10000 Pioneer Blvd</b>	★ ★ ★ ★ ★	104,667	1	Feb 2023	Jul 2024	- -
21 <b>219 W Gardena Blvd</b>	★ ★ ★ ★ ★	102,083	2	Aug 2023	Oct 2024	- -
22 <b>40347 Legacy Ln</b>	★ ★ ★ ★ ★	99,853	1	Aug 2023	Sep 2024	Transwestern Real Estate Services -
23 <b>Building I</b> 7400 Bandini Blvd	★ ★ ★ ★ ★	94,154	1	Jun 2023	May 2024	- -
24 <b>886 Azusa Ave</b>	★ ★ ★ ★ ★	86,950	1	Jun 2022	Oct 2024	- Harmoni International Spice Inc,...
25 <b>19900 Plummer St</b>	★ ★ ★ ★ ★	79,539	1	Feb 2024	Dec 2024	- -
26 <b>2398 E Pacifica Pl</b>	★ ★ ★ ★ ★	76,553	1	Nov 2023	Dec 2024	- -
27 <b>200 Grand Cypress Ave</b>	★ ★ ★ ★ ★	75,000	1	Jan 2024	Dec 2024	- -
28 <b>3270 E Washington Blvd</b>	★ ★ ★ ★ ★	73,777	1	Aug 2023	Aug 2024	- Brenntag North America

Los Angeles industrial properties are an attractive asset type for institutional investors and public REITs because private owners, many of whom are entering retirement years, have been divesting well-located assets for more than a decade. However, higher interest rates, weaker market fundamentals, and ULA transfer tax led to a 40% decline in sales volume in 2023, and investors remain cautious in 2024.

Some of the few large sales that closed in recent months with assets valued over \$50 million have comprised properties with a combination of ample remaining lease-term at an attractive cap rate and future redevelopment opportunities. For example, Rexford Industrial REIT acquired a 1 million-SF brewery in Irwindale from Pabst Brewing Company for \$120 million (\$120/SF) in October 2023. The tenant is committed to the property for eight years with long-term extension options; however, Rexford was attracted to the potential of future redevelopment into modern logistics. As part of the deal, Rexford also loaned \$125 million to the seller to develop an adjacent 150-acre land site into industrial properties. Rexford reported a 6.8% cap rate for both the sale of the property and the loan.

In a similar deal, Dart Warehouse acquired 99 Cents Only Stores' 900,000-SF distribution building and headquarters for \$190 million (\$210/SF) in August 2023. The facility is aged but has an attractive location in Commerce, adjacent to the intermodal railyard, and near downtown L.A. The sale included a leaseback agreement for an undisclosed short term.

Shifting market conditions has led to an extended period of price discovery. The market price averaged approximately 12% annual growth from 2012 to 2022, but recent trades show softer conditions. The shift in

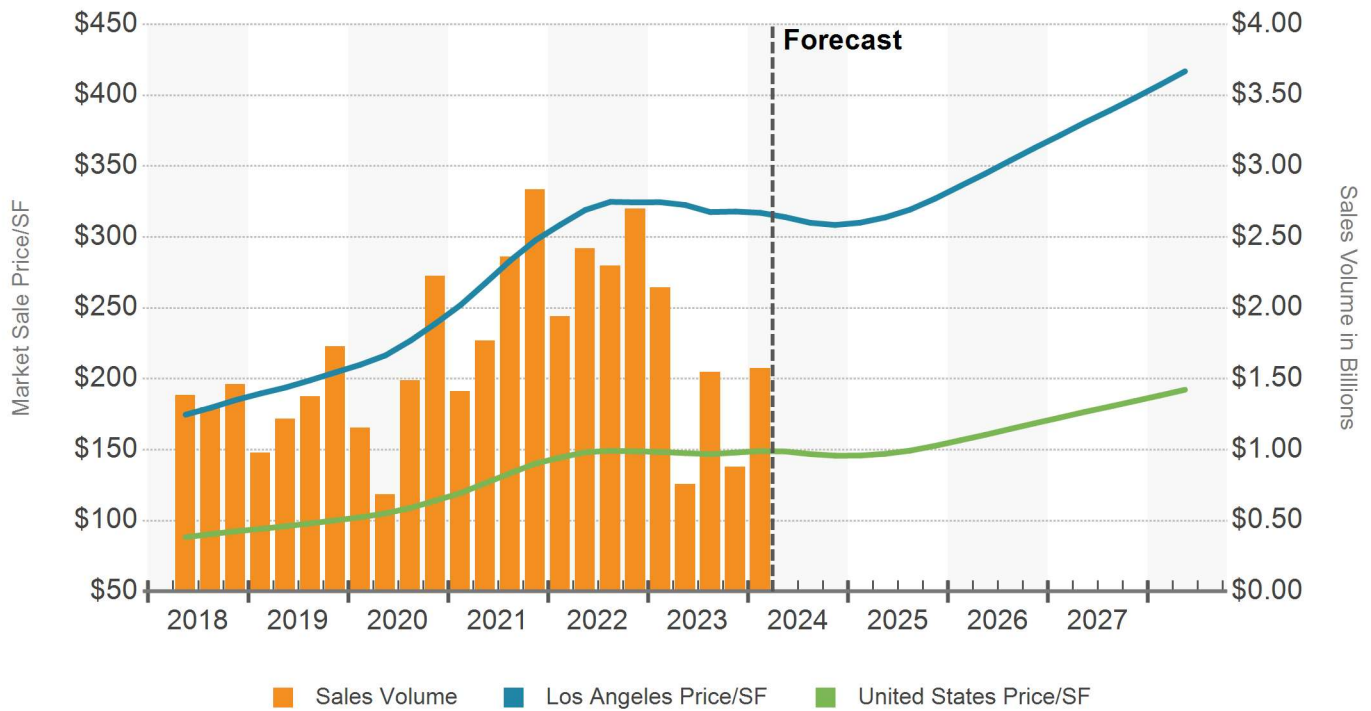
pricing is mainly visible in the delta between asking prices and sale prices. For example, Greater Los Angeles County Vector Control District acquired a 38,000-SF warehouse in Pacoima in December 2023 for \$13 million that had an asking price of \$14.5 million. The AIDS Healthcare Foundation acquired a 54,000-SF warehouse in Gardena for \$20 million in October 2023 that had an asking price of \$22.1 million.

The premium for new construction is high due to its scarcity in the market. As an example, BeBella, an owner/user, recently acquired a 92,800-SF warehouse in Santa Fe Springs from Panattoni Development for \$53.6 million (\$578/SF) in September 2023. The market price for logistics properties in the Santa Fe Springs/La Mirada Submarket at the time of sale was \$314/SF.

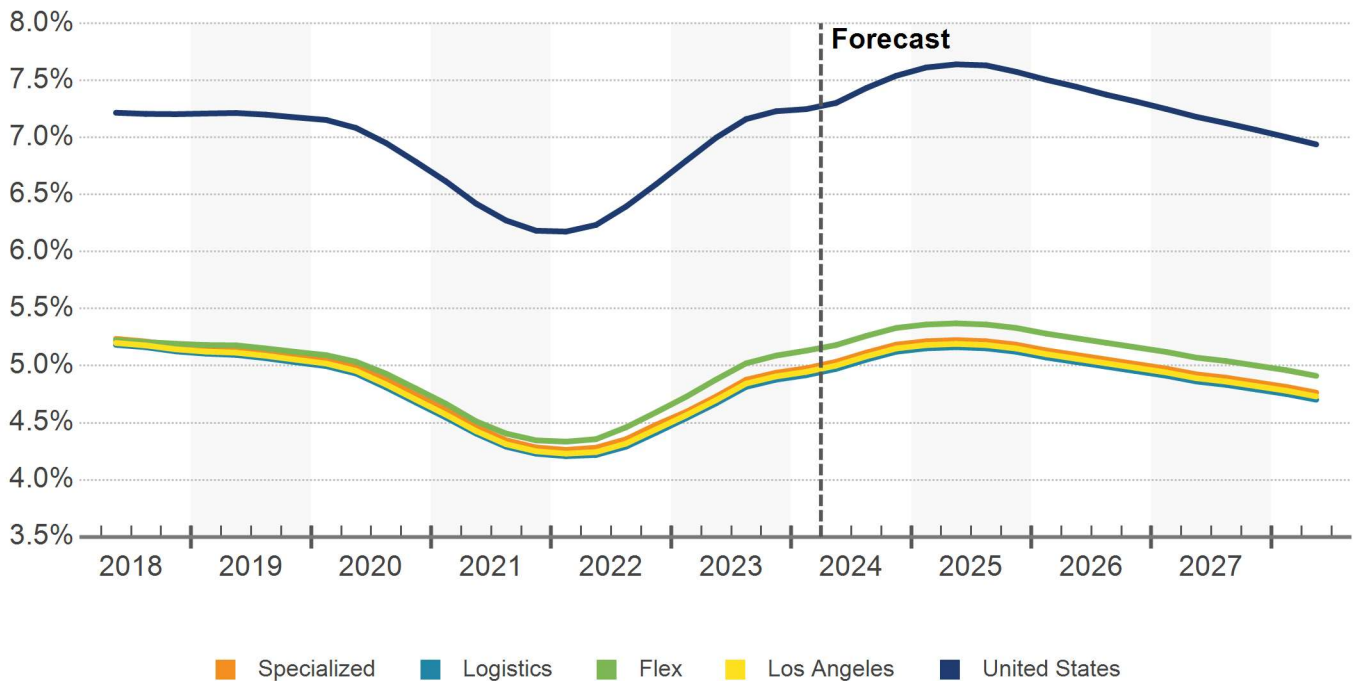
Cap rates have been rising in tandem to interest rates. However, some properties trade at lower-than-expected cap rates because of their mark-to-market opportunity. For example, Rexford Industrial REIT acquired a 608,000-SF distribution center in Santa Fe Springs for \$210 million (\$345/SF) in July 2023. Fully leased with GXO Logistics as the primary tenant, the property traded at a 5% cap rate. In early 2022, properties like these were trading at cap rates in the 3.5% to 4% range. While some of the cap rate expansion is captured in the deal, Rexford expects the annual return to yield 6.2% upon re-leasing at market rates.

Transaction activity may remain stifled in 2024, as interest rates have remained elevated, and there is growing uncertainty around the implementation of the ULA transfer tax. Rent growth has also started to slow, and if that continues, there will be fewer potential mark-to-market opportunities.

## SALES VOLUME & MARKET SALE PRICE PER SF



## MARKET CAP RATE



# Sales Past 12 Months

Sale Comparables

**703**

Avg. Cap Rate

**5.1%**

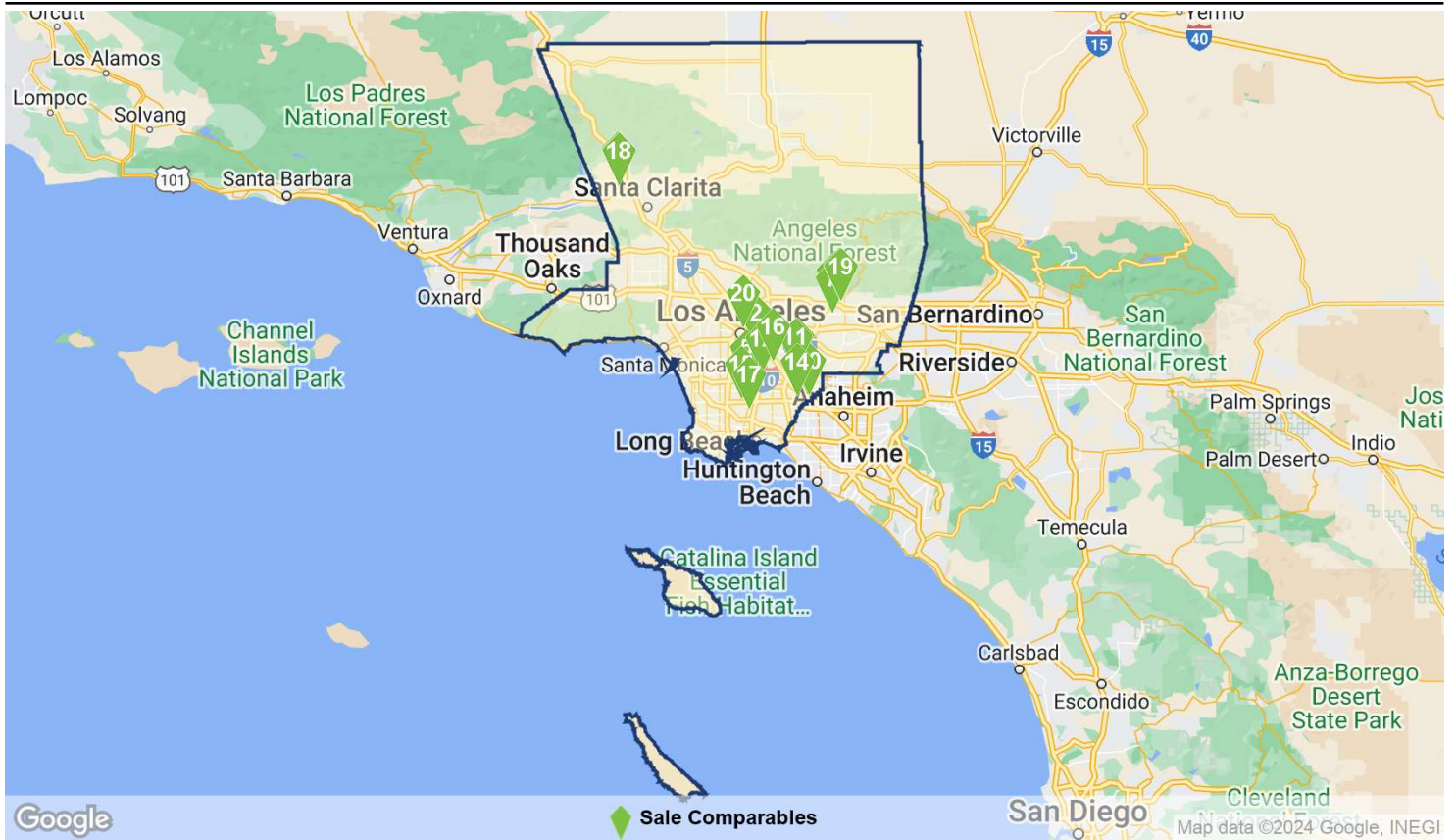
Avg. Price/SF

**\$303**

Avg. Vacancy At Sale

**5.7%**

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$150,000	\$7,900,067	\$3,388,257	\$210,000,000
Price/SF	\$22	\$303	\$317	\$7,593
Cap Rate	2.0%	5.1%	5.2%	9.5%
Time Since Sale in Months	0.2	5.9	6.0	11.9
Property Attributes	Low	Average	Median	High
Building SF	540	27,445	10,500	993,142
Ceiling Height	9'	17'5"	16'	36'
Docks	0	3	0	129
Vacancy Rate At Sale	0%	5.7%	0%	100%
Year Built	1900	1969	1969	2023
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.1	★ ★ ★ ★ ★	★ ★ ★ ★ ★



# 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
<b>1</b> SFS Logistics Center 9400-9500 Santa Fe Sprin...	★★★★★	1979	595,304	0%	7/21/2023	\$210,000,000	\$353	5.0%
<b>2</b> 99c Only Stores HQ 4000 Union Pacific Ave	★★★★★	1947	903,335	0%	8/30/2023	\$190,000,000	\$210	-
<b>3</b> 15801 E First St	★★★★★	1980	993,142	0%	10/26/2023	\$120,000,000	\$121	-
<b>4</b> 1620 S Wilmington Ave	★★★★★	1970	202,219	0%	2/22/2024	\$86,051,500	\$426	-
<b>5</b> 575 E Weber Ave	★★★★★	1971	37,867	0%	7/13/2023	\$80,000,000	\$2,113	-
<b>6</b> 14407 Alondra Blvd	★★★★★	1976	221,415	0%	3/29/2024	\$72,500,000	\$327	-
<b>7</b> Building 1 5010 Azusa Canyon Rd	★★★★★	2022	184,879	0%	2/1/2024	\$70,749,686	\$383	-
<b>8</b> Bldg D 28355 Witherspoon Pky	★★★★★	1999	247,560	0%	8/28/2023	\$67,508,429	\$273	-
<b>9</b> 975-985 W 8th St	★★★★★	1987	200,000	0%	6/29/2023	\$58,593,602	\$293	-
<b>10</b> 14647-14667 Northam St	★★★★★	1970	140,049	0%	3/29/2024	\$55,045,000	\$393	-
<b>11</b> 12521 Los Nietos Rd	★★★★★	2022	92,771	0%	9/5/2023	\$53,600,000	\$578	-
<b>12</b> 5625 Southern Ave	★★★★★	1972	105,586	0%	7/14/2023	\$53,106,096	\$503	-
<b>13</b> Bldg C 28104-28114 Witherspoon...	★★★★★	1999	189,250	0%	8/28/2023	\$51,607,571	\$273	-
<b>14</b> 12928-12958 Midway Pl	★★★★★	1980	161,517	0%	3/29/2024	\$50,782,500	\$314	-
<b>15</b> 711 W Walnut St	★★★★★	1970	157,320	0%	2/22/2024	\$50,750,000	\$323	-
<b>16</b> 7400 E Slauson Ave	★★★★★	1951	239,780	0%	12/13/2023	\$50,000,000	\$209	-
<b>17</b> 2910 E Pacific Commerc...	★★★★★	1988	150,000	0%	3/29/2024	\$49,874,500	\$332	-
<b>18</b> Bldg B 28305 W Livingston Ave	★★★★★	1999	167,990	0%	8/28/2023	\$48,358,666	\$288	-
<b>19</b> 823-829 W 8th St	★★★★★	1987	160,500	0%	6/29/2023	\$46,999,363	\$293	-
<b>20</b> 1639 N Main St	★★★★★	1965	35,081	0%	1/9/2024	\$45,750,000	\$1,304	-

The Los Angeles economy is vast and comprises substantial portions of the national entertainment, tourism, international trade, fashion, and aerospace industries. An abundance of creative workers and entrepreneurship lends itself to elevated levels of business formation and self-employment. The demographics are diverse in racial and ethnic composition, educational attainment, income, and wealth. L.A. has several major talent generators, including top-tier universities such as USC, UCLA, and Cal Tech that support a growing tech ecosystem.

The economy grows through productivity and innovation, whereas population losses reduce the size of the labor force. Disputes between workers and employers have arisen across various industries, including writers and actors in entertainment, dockworkers and delivery drivers in transportation, and hotel staff in hospitality. While these disputes revolve around wages, the root cause is Los Angeles' high cost of living, which is due to the challenges of building more housing.

The composition of employment by sector has shifted in the past four years. Most notably, transportation firms have grown payrolls by 14% since February 2020, while information, which includes motion picture and sound recording, payrolls are 9% lower.

The transportation sector sustained growth through the pandemic, as warehousing demands increased by

retailers and ecommerce operators. Much of the demand draws from the ports of Los Angeles and Long Beach, which rank first and second in the U.S. in terms of annual containers (TEUs) handled. The twin ports handled 19 million containers in 2022, which if combined, would make them the fifth-busiest port in the world. The ports faced several potential challenges and trade flows fell sharply in 2023. Some trade was diverted to the East Coast, which has been facilitated by the expansion of the Panama Canal in 2016 and which can place many items closer to their destination. U.S. imports from China, a significant place of origin for goods entering through L.A.'s ports, have struggled to grow since tariffs were imposed in 2018. Port activity began to rebound near the end of 2023.

The entertainment business is vital to the Los Angeles economy. Los Angeles has benefited from the boom in content creation and social media over the past 10 years. However, programming for the next 12 months will likely be affected by the writer's and actor's strikes.

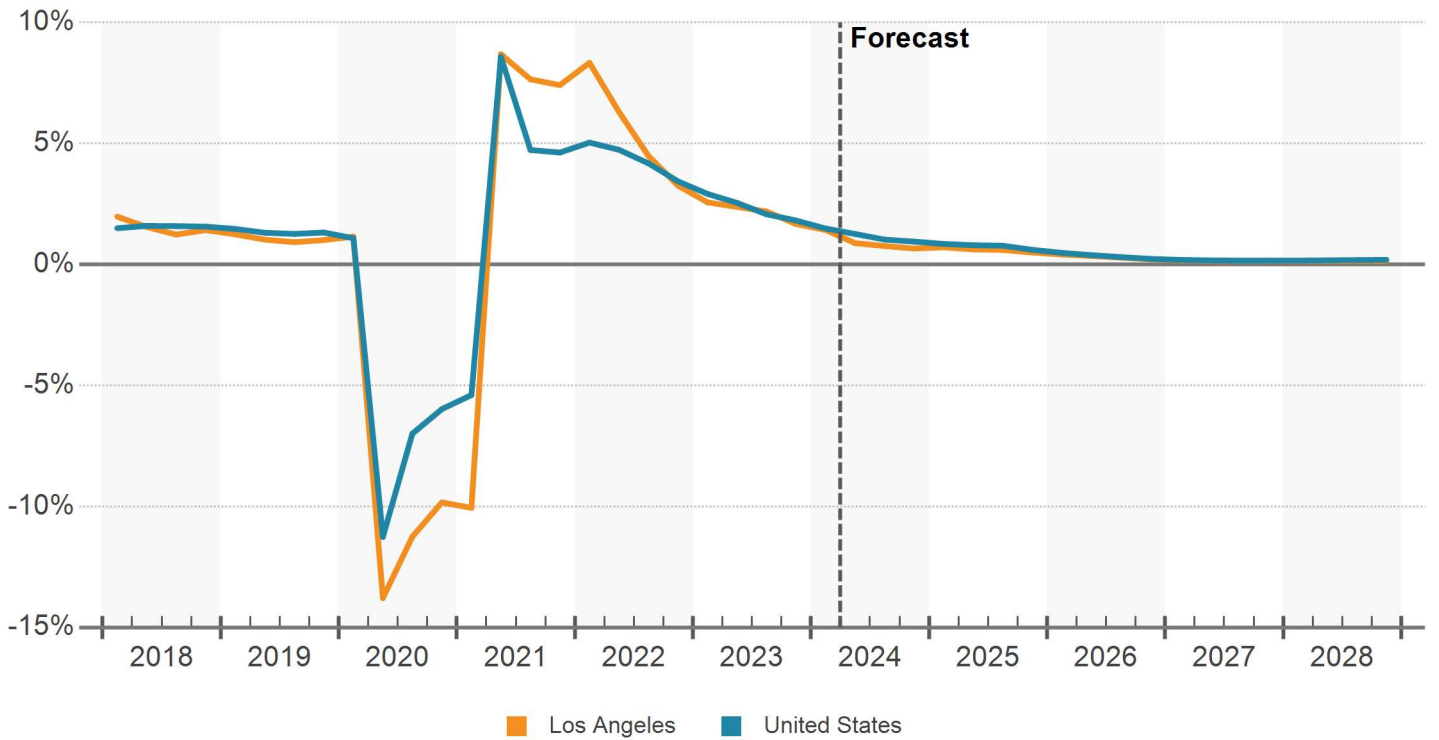
Tourism is also important for the local economy. Stores, restaurants, and lodging in tourist hotspots like Downtown L.A., Hollywood, Beverly Hills, and Santa Monica are dependent on tourists spending. Los Angeles has more than 50 million visitors per year, but hotel occupancy rates have yet to recover to pre-pandemic levels.

### LOS ANGELES EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	320	0.8	-0.25%	0.04%	-1.53%	0.71%	-0.62%	0.13%
Trade, Transportation and Utilities	845	1.0	0.51%	0.07%	0.61%	1.04%	-0.03%	0.14%
Retail Trade	413	0.9	0.62%	-0.16%	0.11%	0.19%	-0.05%	0.13%
Financial Activities	218	0.8	0.50%	0.59%	0.34%	1.45%	0.07%	0.18%
Government	575	0.8	0.75%	2.37%	0.58%	0.55%	0.15%	0.33%
Natural Resources, Mining and Construction	153	0.6	3.86%	2.19%	2.33%	2.37%	0.21%	0.25%
Education and Health Services	949	1.2	4.67%	3.41%	2.90%	1.98%	0.88%	0.64%
Professional and Business Services	676	1.0	-0.40%	0.73%	1.24%	1.98%	-0.04%	0.48%
Information	214	2.4	-3.95%	-1.79%	0.78%	1.10%	0.74%	0.22%
Leisure and Hospitality	559	1.1	2.66%	2.56%	2.00%	1.52%	1.02%	0.70%
Other Services	160	0.9	2.29%	1.50%	0.56%	0.66%	0.11%	0.27%
<b>Total Employment</b>	<b>4,669</b>	<b>1.0</b>	<b>1.38%</b>	<b>1.46%</b>	<b>1.15%</b>	<b>1.35%</b>	<b>0.32%</b>	<b>0.37%</b>

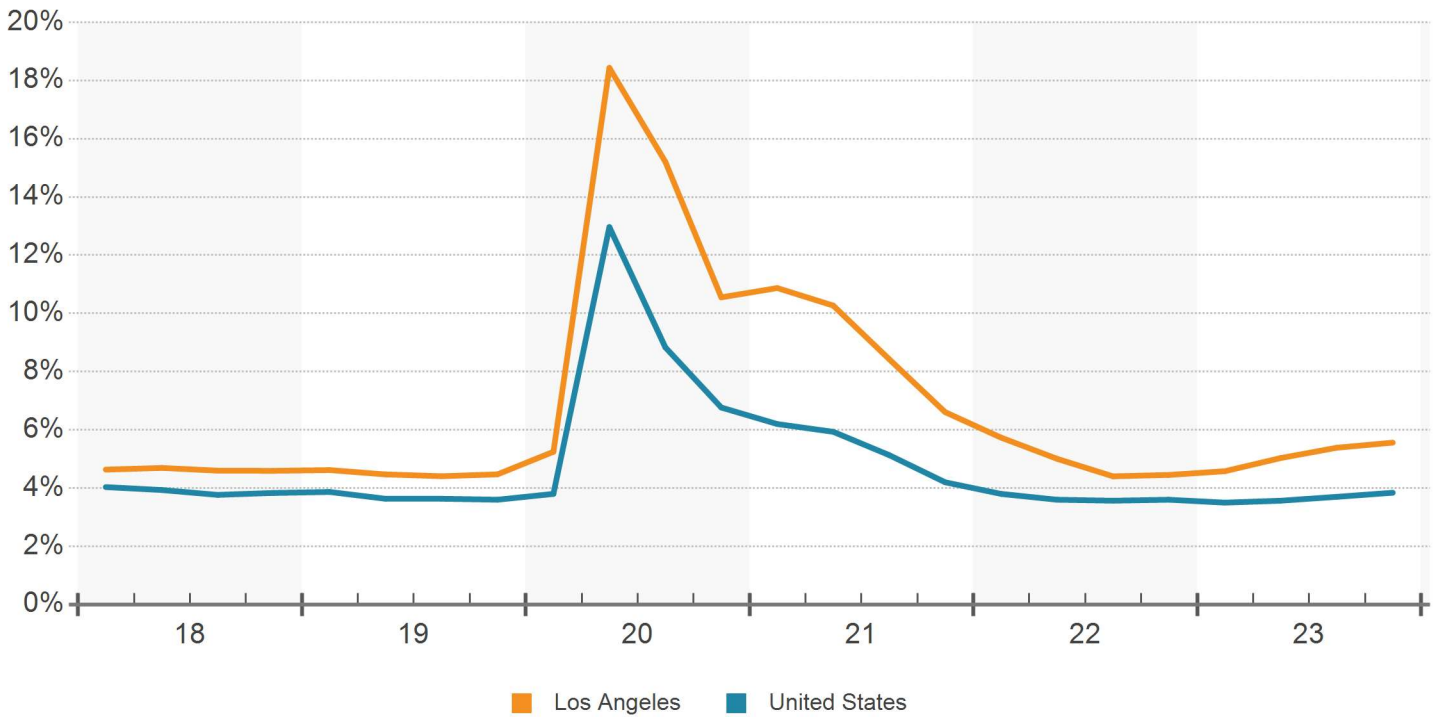
Source: Oxford Economics  
LQ = Location Quotient

### JOB GROWTH (YOY)

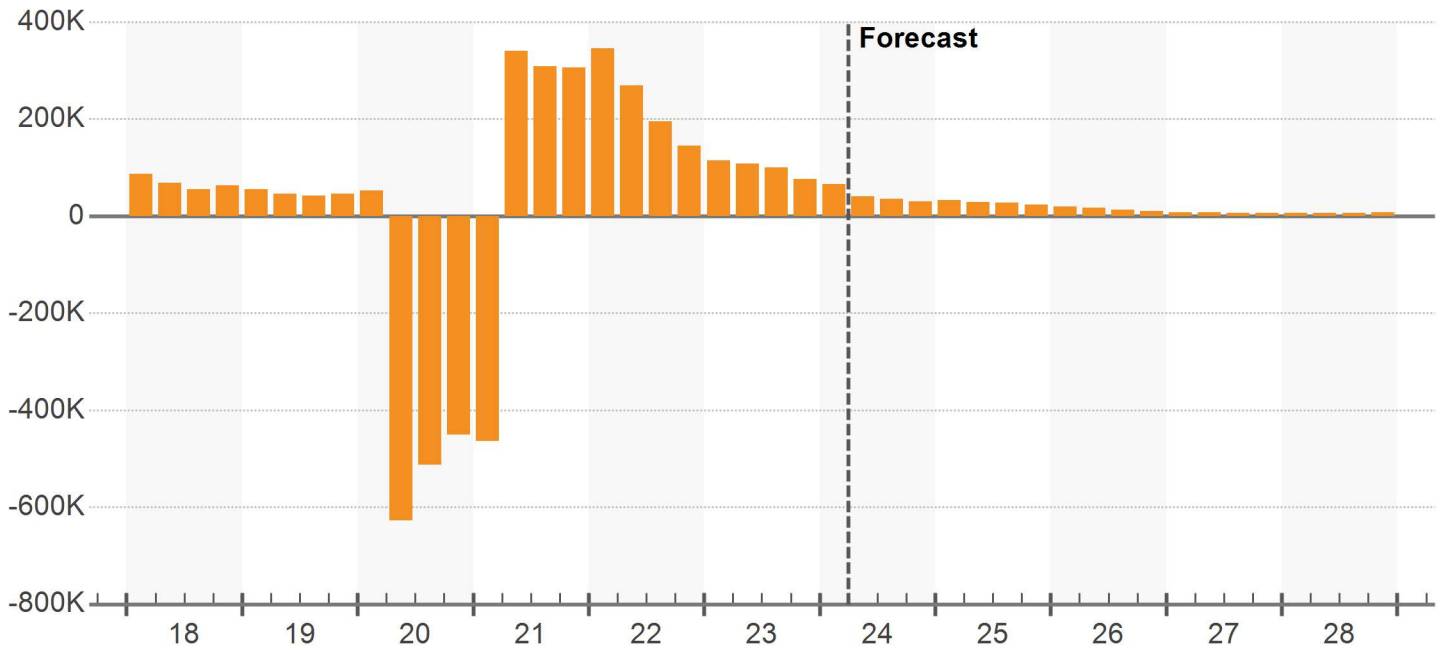


Source: Oxford Economics

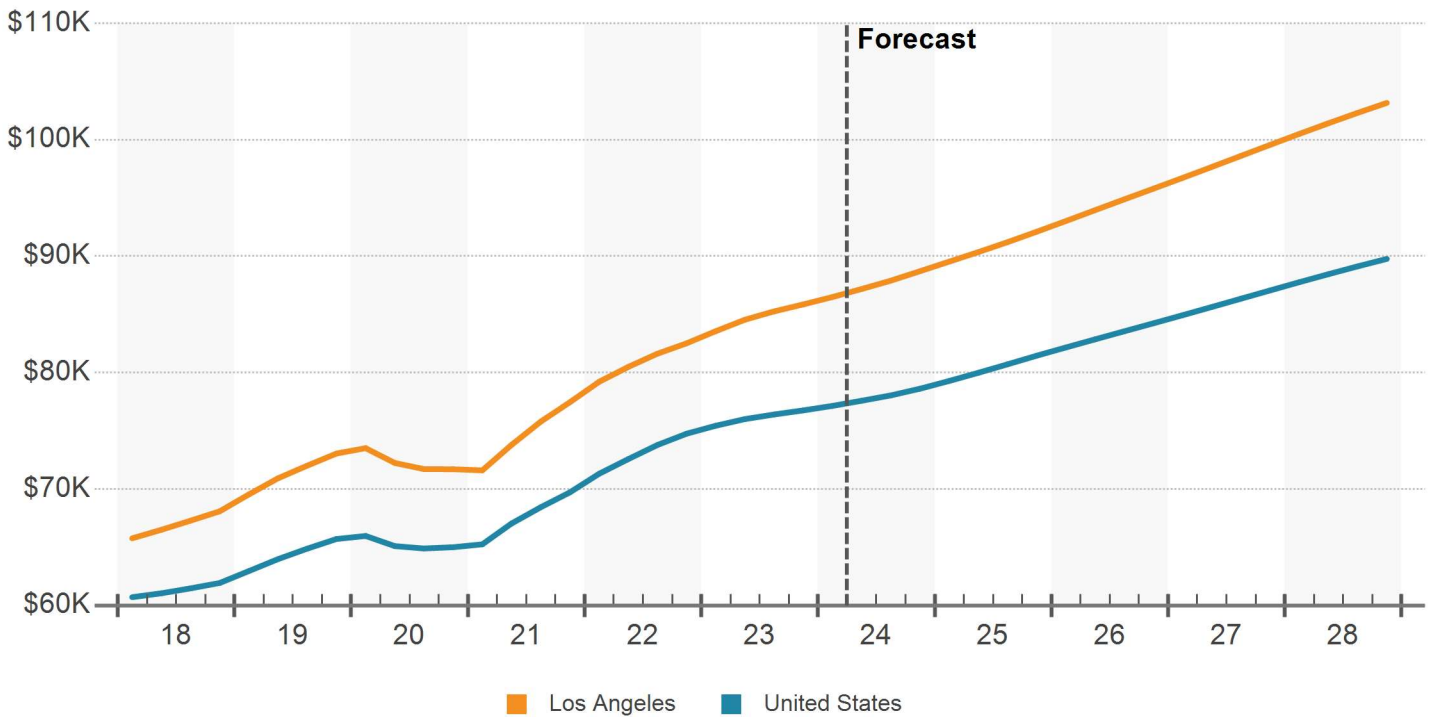
### UNEMPLOYMENT RATE (%)



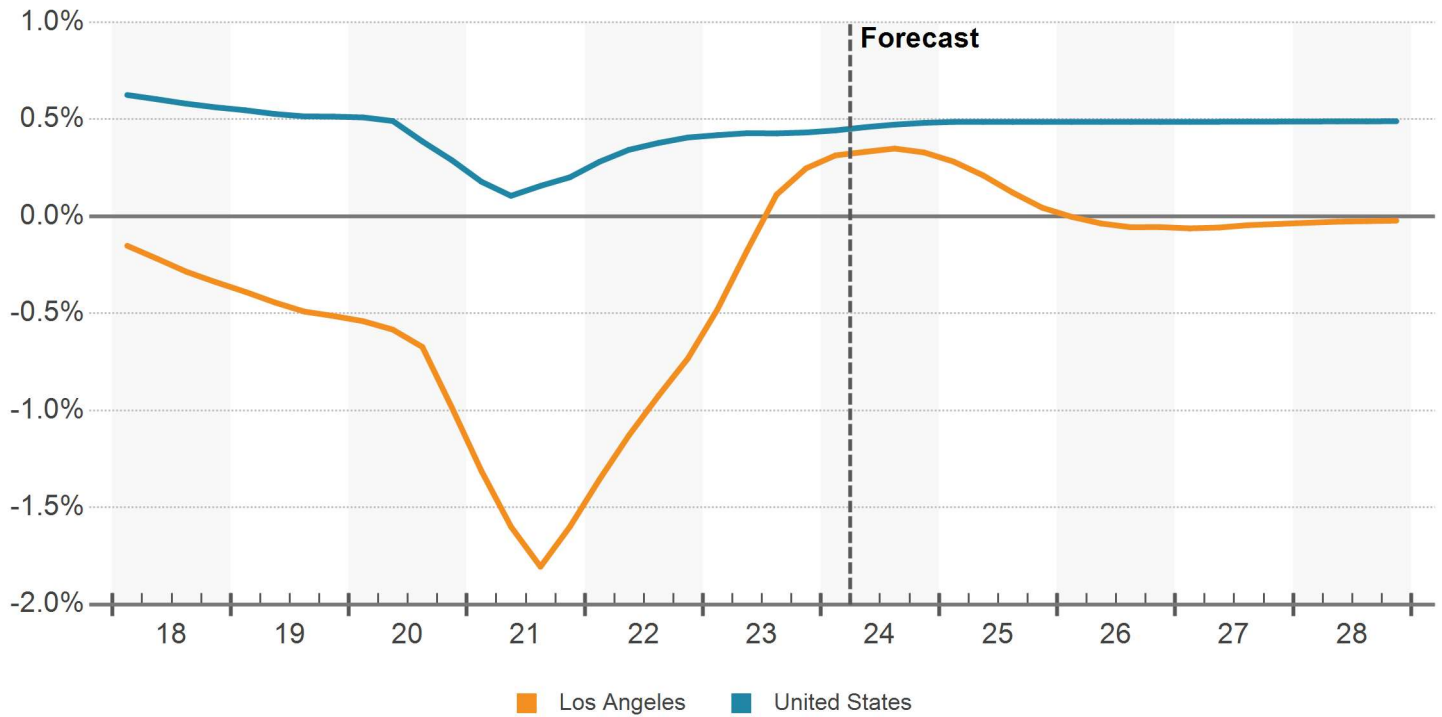
### NET EMPLOYMENT CHANGE (YOY)



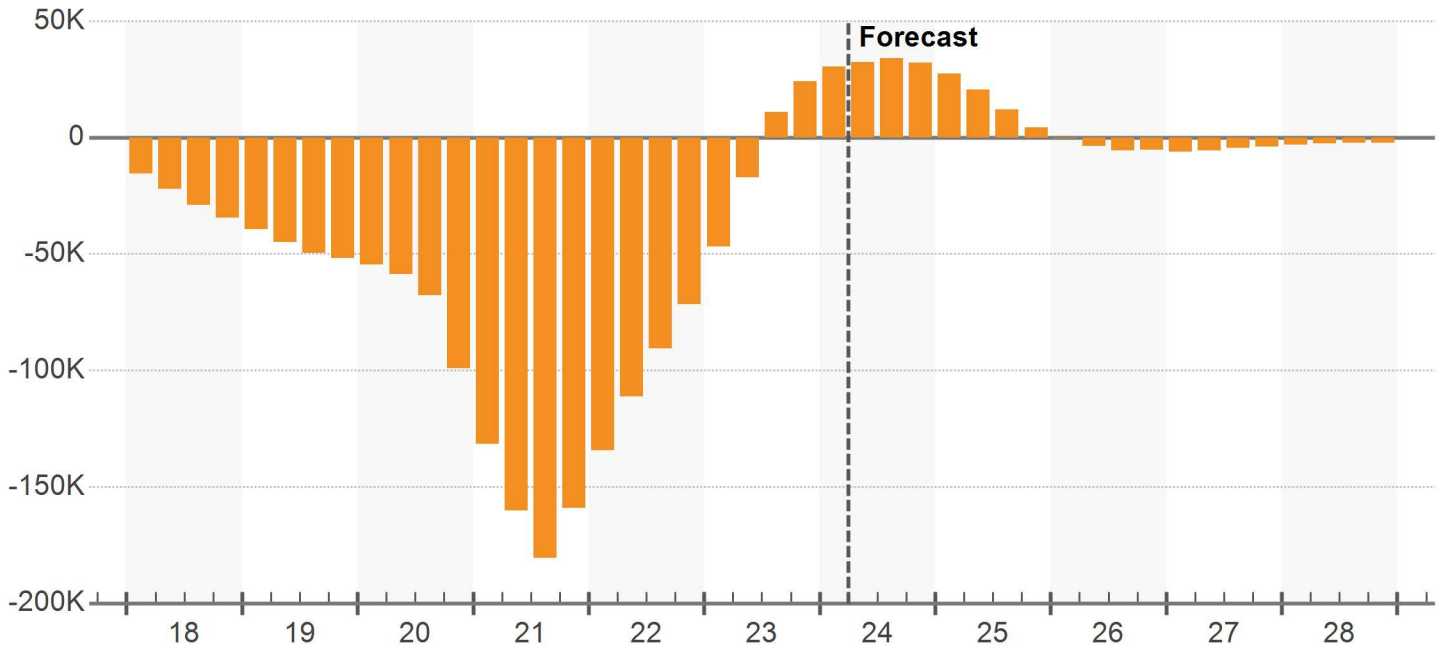
### MEDIAN HOUSEHOLD INCOME



## POPULATION GROWTH (YOY %)



## NET POPULATION CHANGE (YOY)

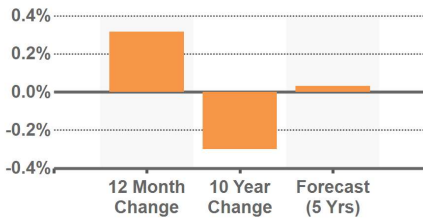


### DEMOGRAPHIC TRENDS

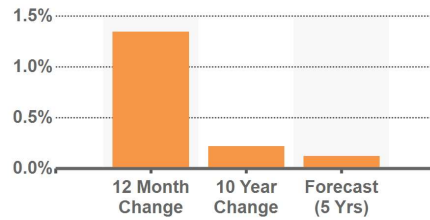
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	9,749,974	335,530,313	0.3%	0.4%	-0.3%	0.5%	0%	0.5%
Households	3,434,207	131,048,547	0.5%	0.6%	0.3%	0.9%	0.1%	0.6%
Median Household Income	\$86,553	\$77,183	3.5%	2.2%	4.6%	3.9%	3.8%	3.2%
Labor Force	5,063,907	169,046,313	1.3%	1.6%	0.2%	0.8%	0.1%	0.1%
Unemployment	5.6%	3.8%	0.9%	0.3%	-0.3%	-0.3%	-	-

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	471	13,996	1.5%	25	1	20	0.1%	17	3	215	1.5%	11
2	Burbank	1,145	16,138	1.7%	24	0	0	0%	-	0	-	-	-
3	Carson	572	39,551	4.1%	9	0	0	0%	-	2	557	1.4%	2
4	Catalina Island	2	22	0%	31	0	0	0%	-	0	-	-	-
5	Central Los Angeles	3,674	66,374	6.9%	4	0	0	0%	-	0	-	-	-
6	Cerritos/Norwalk	597	21,760	2.3%	19	1	23	0.1%	16	0	-	-	-
7	City of Industry	1,544	88,942	9.3%	1	4	1,420	1.6%	1	7	2,050	2.3%	1
8	Commerce	1,028	50,306	5.2%	6	1	40	0.1%	15	5	456	0.9%	3
9	Compton	385	17,164	1.8%	23	0	0	0%	-	0	-	-	-
10	Downey/Paramount	968	21,601	2.3%	20	0	0	0%	-	0	-	-	-
11	East LA Cnty Outlying	4	28	0%	30	0	0	0%	-	0	-	-	-
12	East San Ferndo Villy	2,990	55,479	5.8%	5	4	269	0.5%	5	1	107	0.2%	12
13	East San Gabriel Valley	1,126	28,397	3.0%	13	2	119	0.4%	12	0	-	-	-
14	El Segundo/Beach Cities	369	12,122	1.3%	27	1	82	0.7%	14	1	32	0.3%	15
15	Gardena/Hawthorne	1,055	20,944	2.2%	21	0	0	0%	-	2	221	1.1%	10
16	Glendale	665	9,172	1.0%	28	0	0	0%	-	0	-	-	-
17	Long Beach	1,566	29,353	3.1%	11	2	94	0.3%	13	3	269	0.9%	9
18	Lower San Gabriel Valley	2,077	30,737	3.2%	10	2	374	1.2%	3	2	17	0.1%	16
19	Montebello	585	26,090	2.7%	15	0	0	0%	-	0	-	-	-
20	NE LA Cnty Outlying	6	113	0%	29	0	0	0%	-	0	-	-	-
21	Rancho Dominguez	313	20,563	2.1%	22	1	205	1.0%	6	1	77	0.4%	14
22	San Pedro	597	13,646	1.4%	26	0	0	0%	-	0	-	-	-
23	Santa Clarita Valley	716	26,479	2.8%	14	2	193	0.7%	8	2	375	1.4%	6
24	Santa Fe Springs/La Mira...	2,001	71,404	7.4%	3	1	144	0.2%	11	5	343	0.5%	7
25	South LA	1,153	23,258	2.4%	18	1	17	0.1%	18	0	-	-	-
26	Torrance	713	29,141	3.0%	12	6	639	2.2%	2	0	-	-	-
27	Upper San Gabriel Valley	2,139	43,218	4.5%	8	6	332	0.8%	4	2	421	1.0%	4
28	Vernon	2,278	83,245	8.7%	2	2	183	0.2%	9	4	414	0.5%	5
29	West Rancho Dominguez	1,006	26,013	2.7%	16	2	202	0.8%	7	2	284	1.1%	8
30	West San Fernando Valley	2,119	48,358	5.0%	7	4	156	0.3%	10	1	80	0.2%	13
31	Westside	1,690	25,631	2.7%	17	1	5	0%	19	0	-	-	-



### SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Antelope Valley	\$15.54	31	1.0%	17	5.4%	8
2	Burbank	\$26.82	3	1.0%	20	3.2%	25
3	Carson	\$18.72	15	2.9%	1	5.5%	6
4	Catalina Island	\$20.15	10	0.3%	30	5.5%	7
5	Central Los Angeles	\$21.23	7	0.8%	24	1.6%	29
6	Cerritos/Norwalk	\$17.22	23	1.6%	5	3.6%	24
7	City of Industry	\$17.40	22	1.7%	4	3.0%	27
8	Commerce	\$16.41	27	1.3%	8	5.2%	10
9	Compton	\$17.52	20	1.2%	11	4.6%	18
10	Downey/Paramount	\$16.78	26	1.0%	18	5.1%	12
11	East LA Cnty Outlying	\$21.47	6	1.3%	9	1.1%	30
12	East San Ferndo Villy	\$20.96	8	1.1%	14	4.8%	15
13	East San Gabriel Valley	\$15.84	30	1.3%	10	5.7%	5
14	El Segundo/Beach Cities	\$29.23	2	0.7%	26	3.2%	26
15	Gardena/Hawthorne	\$18.67	16	0.9%	21	2.9%	28
16	Glendale	\$24.51	4	1.0%	19	4.6%	19
17	Long Beach	\$20.36	9	0.7%	25	8.3%	1
18	Lower San Gabriel Valley	\$18.13	18	0.9%	22	4.5%	20
19	Montebello	\$16.31	28	1.3%	7	4.4%	21
20	NE LA Cnty Outlying	\$19.07	14	2.1%	2	6.4%	2
21	Rancho Dominguez	\$17.50	21	1.2%	12	-10.1%	31
22	San Pedro	\$20.04	11	1.1%	15	5.4%	9
23	Santa Clarita Valley	\$18.01	19	0.6%	27	6.1%	3
24	Santa Fe Springs/La Mira...	\$16.86	24	1.1%	13	5.0%	13
25	South LA	\$18.54	17	0.8%	23	5.0%	14
26	Torrance	\$20.03	12	2.1%	3	4.7%	17
27	Upper San Gabriel Valley	\$19.46	13	1.1%	16	4.0%	23
28	Vernon	\$16.29	29	0%	31	6.0%	4
29	West Rancho Dominguez	\$16.81	25	1.6%	6	4.3%	22
30	West San Fernando Valley	\$21.65	5	0.5%	28	4.7%	16
31	Westside	\$36.21	1	0.4%	29	5.2%	11

### SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Antelope Valley	316,271	2.3%	3	(2,772)	0%	10	-
2	Burbank	776,595	4.8%	18	(240,175)	-1.5%	13	-
3	Carson	2,395,580	6.1%	25	(1,400,271)	-3.5%	28	-
4	Catalina Island	-	-	-	0	0%	-	-
5	Central Los Angeles	3,601,363	5.4%	21	219,054	0.3%	3	-
6	Cerritos/Norwalk	791,008	3.6%	11	(411,516)	-1.9%	19	-
7	City of Industry	5,356,771	6.0%	24	(1,727,668)	-1.9%	29	-
8	Commerce	2,197,853	4.4%	16	(598,270)	-1.2%	22	-
9	Compton	1,160,227	6.8%	27	(871,937)	-5.1%	26	-
10	Downey/Paramount	726,010	3.4%	9	(316,987)	-1.5%	18	-
11	East LA Cnty Outlying	1,200	4.3%	15	(1,095)	-4.0%	9	-
12	East San Ferndo Villy	1,447,448	2.6%	4	(310,110)	-0.6%	16	-
13	East San Gabriel Valley	794,993	2.8%	7	(264,844)	-0.9%	14	-
14	El Segundo/Beach Cities	184,241	1.5%	2	140,443	1.2%	4	-
15	Gardena/Hawthorne	734,299	3.5%	10	(421,731)	-2.0%	20	-
16	Glendale	240,342	2.6%	5	50,207	0.5%	6	-
17	Long Beach	1,296,757	4.4%	17	(3,354)	0%	11	-
18	Lower San Gabriel Valley	1,204,834	3.9%	12	(175,442)	-0.6%	12	-
19	Montebello	1,878,836	7.2%	29	(1,326,995)	-5.1%	27	-
20	NE LA Cnty Outlying	1,000	0.9%	1	2,400	2.1%	7	-
21	Rancho Dominguez	1,291,643	6.3%	26	(792,306)	-3.9%	25	-
22	San Pedro	431,454	3.2%	8	246,721	1.8%	2	-
23	Santa Clarita Valley	702,582	2.7%	6	(312,634)	-1.2%	17	-
24	Santa Fe Springs/La Mira...	3,541,921	5.0%	19	(2,251,049)	-3.2%	31	-
25	South LA	1,196,322	5.1%	20	(290,345)	-1.2%	15	-
26	Torrance	1,660,938	5.7%	23	578,020	2.0%	1	1.1
27	Upper San Gabriel Valley	1,772,007	4.1%	13	63,116	0.1%	5	5.1
28	Vernon	5,801,980	7.0%	28	(2,081,274)	-2.5%	30	-
29	West Rancho Dominguez	1,414,835	5.4%	22	(546,854)	-2.1%	21	-
30	West San Fernando Valley	2,021,084	4.2%	14	(661,612)	-1.4%	24	-
31	Westside	2,176,513	8.5%	30	(626,219)	-2.4%	23	-

### OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	957,327,903	345,328	0%	(73,792)	0%	-
2027	956,982,575	(250,763)	0%	(800,832)	-0.1%	-
2026	957,233,338	(1,796,977)	-0.2%	(1,304,551)	-0.1%	-
2025	959,030,315	(1,698,327)	-0.2%	2,622,319	0.3%	-
2024	960,728,642	2,053,063	0.2%	(5,141,442)	-0.5%	-
YTD	959,219,607	544,028	0.1%	(5,392,014)	-0.6%	-
2023	958,675,579	3,121,746	0.3%	(15,388,270)	-1.6%	-
2022	955,553,833	2,432,161	0.3%	(2,355,888)	-0.2%	-
2021	953,121,672	691,215	0.1%	15,088,350	1.6%	0
2020	952,430,457	2,345,639	0.2%	(6,963,592)	-0.7%	-
2019	950,084,818	(245,262)	0%	(1,615,014)	-0.2%	-
2018	950,330,080	1,102,534	0.1%	747,889	0.1%	1.5
2017	949,227,546	4,766,587	0.5%	4,129,020	0.4%	1.2
2016	944,460,959	(1,430,296)	-0.2%	472,820	0.1%	-
2015	945,891,255	473,253	0.1%	7,746,479	0.8%	0.1
2014	945,418,002	(12,066)	0%	11,757,625	1.2%	-
2013	945,430,068	491,784	0.1%	5,279,940	0.6%	0.1
2012	944,938,284	(4,552,244)	-0.5%	(242,349)	0%	-

### SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	245,625,239	(807,778)	-0.3%	(824,658)	-0.3%	-
2027	246,433,017	(824,444)	-0.3%	(804,711)	-0.3%	-
2026	247,257,461	(866,423)	-0.3%	(703,217)	-0.3%	-
2025	248,123,884	(870,612)	-0.3%	(5,414)	0%	-
2024	248,994,496	(777,437)	-0.3%	(2,399,939)	-1.0%	-
YTD	249,680,006	(91,927)	0%	(1,626,689)	-0.7%	-
2023	249,771,933	(1,390,445)	-0.6%	(4,380,068)	-1.8%	-
2022	251,162,378	(327,992)	-0.1%	(1,292,126)	-0.5%	-
2021	251,490,370	(1,617,380)	-0.6%	1,580,381	0.6%	-
2020	253,107,750	(1,877,091)	-0.7%	(3,983,343)	-1.6%	-
2019	254,984,841	(1,005,925)	-0.4%	(1,232,166)	-0.5%	-
2018	255,990,766	(600,367)	-0.2%	279,720	0.1%	-
2017	256,591,133	(430,601)	-0.2%	(137,393)	-0.1%	-
2016	257,021,734	(1,996,493)	-0.8%	(1,266,706)	-0.5%	-
2015	259,018,227	(206,419)	-0.1%	728,294	0.3%	-
2014	259,224,646	(109,993)	0%	3,177,381	1.2%	-
2013	259,334,639	(190,622)	-0.1%	2,105,792	0.8%	-
2012	259,525,261	(1,994,269)	-0.8%	(2,704,123)	-1.0%	-

### LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	653,740,101	1,174,852	0.2%	805,888	0.1%	1.5
2027	652,565,249	625,095	0.1%	80,472	0%	7.8
2026	651,940,154	(802,307)	-0.1%	(509,123)	-0.1%	-
2025	652,742,461	(618,150)	-0.1%	2,657,585	0.4%	-
2024	653,360,611	3,067,087	0.5%	(2,314,953)	-0.4%	-
YTD	651,006,185	712,661	0.1%	(3,475,766)	-0.5%	-
2023	650,293,524	4,434,844	0.7%	(10,616,350)	-1.6%	-
2022	645,858,680	2,610,809	0.4%	(1,219,425)	-0.2%	-
2021	643,247,871	2,497,993	0.4%	13,426,042	2.1%	0.2
2020	640,749,878	4,178,872	0.7%	(2,023,105)	-0.3%	-
2019	636,571,006	1,335,434	0.2%	(39,343)	0%	-
2018	635,235,572	2,144,527	0.3%	1,052,817	0.2%	2.0
2017	633,091,045	5,042,481	0.8%	3,978,189	0.6%	1.3
2016	628,048,564	910,766	0.1%	1,839,636	0.3%	0.5
2015	627,137,798	873,624	0.1%	6,894,190	1.1%	0.1
2014	626,264,174	102,030	0%	7,845,099	1.3%	0
2013	626,162,144	539,455	0.1%	2,730,736	0.4%	0.2
2012	625,622,689	(2,417,446)	-0.4%	3,564,169	0.6%	-

### FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	57,962,563	(21,746)	0%	(55,022)	-0.1%	-
2027	57,984,309	(51,414)	-0.1%	(76,593)	-0.1%	-
2026	58,035,723	(128,247)	-0.2%	(92,211)	-0.2%	-
2025	58,163,970	(209,565)	-0.4%	(29,852)	-0.1%	-
2024	58,373,535	(236,587)	-0.4%	(426,550)	-0.7%	-
YTD	58,533,416	(76,706)	-0.1%	(289,559)	-0.5%	-
2023	58,610,122	77,347	0.1%	(391,852)	-0.7%	-
2022	58,532,775	149,344	0.3%	155,663	0.3%	1.0
2021	58,383,431	(189,398)	-0.3%	81,927	0.1%	-
2020	58,572,829	43,858	0.1%	(957,144)	-1.6%	-
2019	58,528,971	(574,771)	-1.0%	(343,505)	-0.6%	-
2018	59,103,742	(441,626)	-0.7%	(584,648)	-1.0%	-
2017	59,545,368	154,707	0.3%	288,224	0.5%	0.5
2016	59,390,661	(344,569)	-0.6%	(100,110)	-0.2%	-
2015	59,735,230	(193,952)	-0.3%	123,995	0.2%	-
2014	59,929,182	(4,103)	0%	735,145	1.2%	-
2013	59,933,285	142,951	0.2%	443,412	0.7%	0.3
2012	59,790,334	(140,529)	-0.2%	(1,102,395)	-1.8%	-

### OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$24.32	283	5.1%	26.2%	44,520,438	4.7%	0%
2027	\$23.13	269	5.4%	20.1%	44,101,200	4.6%	0.1%
2026	\$21.95	255	6.4%	13.9%	43,556,452	4.6%	0%
2025	\$20.62	240	5.7%	7.0%	44,051,220	4.6%	-0.4%
2024	\$19.51	227	1.3%	1.3%	48,451,495	5.0%	0.8%
YTD	\$19.09	222	1.1%	-0.9%	47,103,311	4.9%	0.6%
2023	\$19.27	224	4.3%	0%	41,139,069	4.3%	1.9%
2022	\$18.48	215	11.9%	-4.1%	22,635,053	2.4%	0.5%
2021	\$16.50	192	11.7%	-14.3%	17,858,228	1.9%	-1.5%
2020	\$14.78	172	7.1%	-23.3%	32,254,480	3.4%	1.0%
2019	\$13.80	160	6.5%	-28.4%	23,054,368	2.4%	0.1%
2018	\$12.95	150	7.3%	-32.8%	21,730,590	2.3%	0%
2017	\$12.08	140	8.2%	-37.3%	21,452,159	2.3%	0%
2016	\$11.16	130	7.9%	-42.1%	20,972,484	2.2%	-0.2%
2015	\$10.34	120	8.0%	-46.3%	22,795,645	2.4%	-0.8%
2014	\$9.57	111	6.8%	-50.3%	30,150,434	3.2%	-1.3%
2013	\$8.96	104	5.1%	-53.5%	42,002,139	4.4%	-0.5%
2012	\$8.52	99	3.5%	-55.8%	46,790,295	5.0%	-0.4%

### SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$22.96	272	5.2%	26.9%	7,850,779	3.2%	0%
2027	\$21.81	259	5.5%	20.5%	7,829,578	3.2%	0%
2026	\$20.67	245	6.5%	14.2%	7,845,263	3.2%	-0.1%
2025	\$19.41	230	5.8%	7.3%	8,005,715	3.2%	-0.3%
2024	\$18.35	218	1.4%	1.4%	8,882,057	3.6%	0.7%
YTD	\$17.94	213	-0.2%	-0.9%	8,771,682	3.5%	0.6%
2023	\$18.10	215	2.5%	0%	7,206,920	2.9%	1.2%
2022	\$17.65	209	10.1%	-2.5%	4,217,297	1.7%	0.4%
2021	\$16.04	190	10.1%	-11.4%	3,253,163	1.3%	-1.3%
2020	\$14.56	173	6.8%	-19.6%	6,450,041	2.5%	0.8%
2019	\$13.63	162	6.5%	-24.7%	4,401,535	1.7%	0.1%
2018	\$12.80	152	7.3%	-29.3%	4,175,294	1.6%	-0.3%
2017	\$11.93	142	8.4%	-34.1%	5,055,381	2.0%	-0.1%
2016	\$11.01	131	8.0%	-39.2%	5,348,589	2.1%	-0.3%
2015	\$10.19	121	7.8%	-43.7%	6,079,984	2.3%	-0.4%
2014	\$9.45	112	6.9%	-47.8%	7,014,697	2.7%	-1.3%
2013	\$8.84	105	5.7%	-51.1%	10,384,085	4.0%	-0.9%
2012	\$8.37	99	3.6%	-53.8%	12,680,499	4.9%	0.3%

### LOGISTICS RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$24.10	296	5.1%	26.0%	33,082,157	5.1%	0%
2027	\$22.93	282	5.4%	19.9%	32,718,699	5.0%	0.1%
2026	\$21.75	267	6.4%	13.8%	32,184,298	4.9%	0%
2025	\$20.45	251	5.7%	6.9%	32,483,331	5.0%	-0.5%
2024	\$19.35	238	1.2%	1.2%	35,824,116	5.5%	0.8%
YTD	\$18.93	233	1.7%	-1.0%	34,569,827	5.3%	0.6%
2023	\$19.12	235	5.3%	0%	30,383,200	4.7%	2.3%
2022	\$18.16	223	13.1%	-5.0%	15,332,006	2.4%	0.6%
2021	\$16.06	197	12.9%	-16.0%	11,512,996	1.8%	-1.7%
2020	\$14.22	175	7.7%	-25.6%	22,441,045	3.5%	0.9%
2019	\$13.21	162	6.8%	-30.9%	16,290,441	2.6%	0.2%
2018	\$12.37	152	7.5%	-35.3%	14,961,638	2.4%	0.2%
2017	\$11.51	141	8.4%	-39.8%	13,945,849	2.2%	0.1%
2016	\$10.62	131	8.2%	-44.5%	13,039,449	2.1%	-0.2%
2015	\$9.81	121	8.3%	-48.7%	13,968,319	2.2%	-1.0%
2014	\$9.06	111	7.0%	-52.6%	19,988,885	3.2%	-1.2%
2013	\$8.47	104	5.1%	-55.7%	27,731,954	4.4%	-0.4%
2012	\$8.05	99	3.5%	-57.9%	29,923,235	4.8%	-0.9%

### FLEX RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$32.63	222	5.0%	25.9%	3,587,502	6.2%	0.1%
2027	\$31.07	212	5.3%	19.9%	3,552,923	6.1%	0.1%
2026	\$29.52	201	6.3%	13.9%	3,526,891	6.1%	0%
2025	\$27.77	189	5.6%	7.2%	3,562,174	6.1%	-0.3%
2024	\$26.31	179	1.5%	1.5%	3,745,322	6.4%	0.4%
YTD	\$25.75	175	-0.2%	-0.7%	3,761,802	6.4%	0.4%
2023	\$25.92	177	1.5%	0%	3,548,949	6.1%	0.8%
2022	\$25.53	174	8.4%	-1.5%	3,085,750	5.3%	0%
2021	\$23.55	160	7.3%	-9.1%	3,092,069	5.3%	-0.4%
2020	\$21.95	149	4.1%	-15.3%	3,363,394	5.7%	1.7%
2019	\$21.08	144	4.6%	-18.7%	2,362,392	4.0%	-0.4%
2018	\$20.15	137	5.5%	-22.2%	2,593,658	4.4%	0.3%
2017	\$19.11	130	6.6%	-26.3%	2,450,929	4.1%	-0.2%
2016	\$17.92	122	6.2%	-30.8%	2,584,446	4.4%	-0.2%
2015	\$16.88	115	6.8%	-34.9%	2,747,342	4.6%	-0.7%
2014	\$15.81	108	5.6%	-39.0%	3,146,852	5.3%	-1.2%
2013	\$14.97	102	3.6%	-42.2%	3,886,100	6.5%	-0.5%
2012	\$14.45	98	2.8%	-44.2%	4,186,561	7.0%	1.6%

### 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
2028	-	-	-	-	-	-	\$433.94	446	4.7%
2027	-	-	-	-	-	-	\$398.12	410	4.8%
2026	-	-	-	-	-	-	\$362.96	373	5.0%
2025	-	-	-	-	-	-	\$327.07	336	5.2%
2024	-	-	-	-	-	-	\$308.47	317	5.2%
YTD	178	\$1.6B	0.5%	\$9,854,622	\$337.72	5.2%	\$317.22	326	4.9%
2023	764	\$5.3B	2.1%	\$7,812,039	\$315.50	5.2%	\$317.95	327	4.9%
2022	1,167	\$9.4B	3.5%	\$8,758,632	\$304.92	4.4%	\$324.40	334	4.4%
2021	1,381	\$8.4B	4.1%	\$6,339,615	\$224.59	4.7%	\$297.62	306	4.3%
2020	992	\$5.6B	2.9%	\$6,016,726	\$225.64	4.8%	\$238.99	246	4.7%
2019	1,251	\$5.3B	3.3%	\$5,691,709	\$206.58	4.6%	\$204.55	210	5.1%
2018	1,728	\$5.2B	3.7%	\$5,098,221	\$202.64	5.1%	\$185	190	5.1%
2017	1,952	\$4.8B	4.1%	\$4,171,226	\$156.50	5.0%	\$166.11	171	5.2%
2016	1,616	\$4.2B	3.8%	\$3,802,441	\$149.12	5.3%	\$158.29	163	5.1%
2015	1,892	\$4.4B	4.8%	\$3,548,446	\$136.58	5.7%	\$145.35	150	5.1%
2014	1,573	\$3.3B	3.5%	\$2,965,183	\$115.07	6.0%	\$125.70	129	5.5%
2013	1,398	\$2.7B	3.4%	\$2,564,826	\$97.21	6.9%	\$111.96	115	5.8%

(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
2028	-	-	-	-	-	-	\$401.94	456	4.7%
2027	-	-	-	-	-	-	\$368.35	418	4.9%
2026	-	-	-	-	-	-	\$335.46	380	5.0%
2025	-	-	-	-	-	-	\$302.02	342	5.2%
2024	-	-	-	-	-	-	\$284.60	323	5.2%
YTD	38	\$319.3M	0.5%	\$9,677,075	\$294.63	5.3%	\$292.58	332	5.0%
2023	190	\$1.2B	2.3%	\$6,996,291	\$276.51	5.4%	\$293.37	333	4.9%
2022	302	\$2.5B	3.6%	\$8,837,687	\$294.08	4.2%	\$298.07	338	4.5%
2021	335	\$2.1B	3.8%	\$6,389,629	\$232.27	4.7%	\$273.43	310	4.3%
2020	239	\$1.5B	3.3%	\$6,696,574	\$208.29	5.0%	\$218.82	248	4.7%
2019	342	\$1.3B	3.0%	\$5,255,449	\$214.11	4.6%	\$187.30	212	5.1%
2018	446	\$1.1B	3.7%	\$4,745,742	\$178.26	4.9%	\$169.64	192	5.2%
2017	523	\$1.1B	4.2%	\$3,891,823	\$148.13	5.7%	\$152.12	172	5.3%
2016	432	\$976M	3.6%	\$3,331,163	\$147.27	5.7%	\$144.29	164	5.1%
2015	476	\$1.1B	4.2%	\$3,174,745	\$123.83	6.4%	\$132.05	150	5.2%
2014	418	\$970.9M	4.3%	\$3,480,103	\$103.49	5.4%	\$114.16	129	5.6%
2013	335	\$774.6M	3.7%	\$3,037,738	\$93.39	6.9%	\$101.52	115	5.9%

(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.

### 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
2028	-	-	-	-	-	-	\$434.13	450	4.6%
2027	-	-	-	-	-	-	\$398.33	413	4.8%
2026	-	-	-	-	-	-	\$363.18	376	5.0%
2025	-	-	-	-	-	-	\$327.27	339	5.1%
2024	-	-	-	-	-	-	\$308.71	320	5.1%
YTD	127	\$1.2B	0.5%	\$10,649,626	\$354.29	5.1%	\$317.56	329	4.9%
2023	504	\$3.7B	2.1%	\$8,277,177	\$316.48	5.2%	\$318.29	330	4.9%
2022	728	\$6.2B	3.2%	\$9,095,332	\$314.95	4.3%	\$324.89	337	4.4%
2021	926	\$5.2B	4.2%	\$5,903,298	\$205.90	4.5%	\$297.21	308	4.2%
2020	661	\$3.7B	2.8%	\$5,986,030	\$230.64	4.5%	\$238.64	247	4.7%
2019	799	\$3.4B	3.5%	\$5,768,668	\$194.63	4.5%	\$203.77	211	5.0%
2018	1,152	\$3.4B	3.7%	\$4,976,925	\$199.95	5.1%	\$183.94	191	5.1%
2017	1,289	\$3.3B	4.1%	\$4,258,369	\$156.42	4.6%	\$164.93	171	5.2%
2016	1,054	\$2.6B	3.7%	\$3,795,196	\$143.93	5.0%	\$157.30	163	5.1%
2015	1,241	\$2.8B	5.0%	\$3,582,507	\$134.67	5.3%	\$144.59	150	5.1%
2014	1,017	\$2B	3.1%	\$2,709,023	\$117.81	6.0%	\$125	130	5.5%
2013	936	\$1.7B	3.4%	\$2,436,616	\$94.59	6.8%	\$111.30	115	5.8%

(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.

### 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
2028	-	-	-	-	-	-	\$568.37	396	4.9%
2027	-	-	-	-	-	-	\$522.80	364	5.0%
2026	-	-	-	-	-	-	\$477.80	333	5.2%
2025	-	-	-	-	-	-	\$431.65	300	5.3%
2024	-	-	-	-	-	-	\$407.58	284	5.3%
YTD	13	\$43.3M	0.3%	\$3,333,747	\$274.03	-	\$418.57	291	5.1%
2023	70	\$436.4M	1.6%	\$6,714,557	\$488.07	4.5%	\$418.91	292	5.1%
2022	137	\$650.4M	5.6%	\$6,314,516	\$262.59	5.4%	\$431.16	300	4.6%
2021	120	\$1.1B	5.3%	\$9,545,070	\$355.40	5.3%	\$405.41	282	4.3%
2020	92	\$339.9M	2.3%	\$4,302,971	\$261.35	5.9%	\$328.97	229	4.8%
2019	110	\$536M	3.3%	\$6,457,453	\$298.49	6.1%	\$286.89	200	5.1%
2018	130	\$678.6M	4.6%	\$6,924,682	\$285.88	5.5%	\$262.45	183	5.2%
2017	140	\$358.8M	4.4%	\$4,375,532	\$192.03	5.8%	\$239.02	166	5.3%
2016	130	\$557.3M	5.3%	\$5,160,295	\$184.58	6.0%	\$229.07	159	5.1%
2015	175	\$487.1M	5.6%	\$4,428,024	\$196.51	6.2%	\$210.61	147	5.1%
2014	138	\$316.2M	4.7%	\$3,475,159	\$143.08	6.6%	\$182.81	127	5.5%
2013	127	\$201.3M	2.7%	\$2,211,781	\$159.29	7.7%	\$164	114	5.8%

(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.