



Industrial Market Report

Los Angeles - CA (USA)

PREPARED BY

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INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF

5M

12 Mo Net Absorption in SF

(17.7M)

Vacancy Rate

4.6%

12 Mo Asking Rent Growth

3.0%

Los Angeles is at the center of the 2 billion-SF Southern California industrial market and is a key U.S. industrial hub. Demand draws from the 20 million Southern California residents and from goods entering the twin ports of Los Angeles and Long Beach, which combined 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 have started to rebound in the past three months compared to a year ago, the demand for industrial space is still trending lower. The vacancy rate has risen to 4.6% from 3.1% a year ago, as the market has had a sharper increase in vacancies than other major markets. Trade-dependent submarkets such as Vernon, Commerce, and City of Industry have experienced the steepest increase in vacancies. Logistics tenants have downsized as they shift their focus from growth to efficiency, often vacating older, less functional industrial properties in these submarkets.

Increasing available space is helping tenants negotiate new leases with friendlier terms. Excluding renewals, leasing volume from new leases in 2023 was 3% above 2019-levels, representing an increase in leasing volume of under 1 million SF. However, the amount of available

space has grown to 62.1 million SF from 50.1 million SF over the same period, causing landlords to hold rates steady to draw in demand. Year-over-year rent growth has decelerated to 2.9% compared to 11.1% one year ago. However, even these figures mask the true shift in momentum, as most of the market's most recent year-over-year rent gains were achieved in late 2022 and early 2023. Asking rents fell by 0.7% during the fourth quarter.

Development activity, while growing, remains low for a market of this size. Due to development challenges in entitlements and permitting, many projects breaking ground were planned years earlier, so developers are more likely to carry projects forward even as broader market conditions soften. Development has been nearly exclusive to submarkets in the San Gabriel Valley, where there is less neighborhood opposition compared to submarkets in the west.

While sales activity has slowed nationally since the start of 2023, investors have been more active in the Los Angeles industrial market. The steep rise in rents over the past five years has many investors looking for market-to-market opportunities, where investors are willing to accept low cap rates in exchange for future returns. These opportunities have helped prices from significantly deteriorating.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	647,016,856	5.1%	\$19	7.2%	(2,090,532)	0	5,296,632
Specialized Industrial	252,031,933	3.1%	\$17.81	4.2%	(476,312)	0	72,441
Flex	57,381,765	5.6%	\$25.72	8.3%	(26,132)	0	0
Market	956,430,554	4.6%	\$19.09	6.5%	(2,592,976)	0	5,369,073

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	2.2%	3.7%	4.5%	5.6%	2010 Q1	1.7%	2022 Q1
Net Absorption SF	(17.7M)	1,761,695	(1,858,942)	15,452,282	2021 Q4	(15,477,504)	2023 Q4
Deliveries SF	5M	5,423,515	2,307,601	13,618,965	2002 Q1	710,757	2011 Q1
Asking Rent Growth	3.0%	4.8%	4.9%	13.5%	2022 Q2	-4.3%	2009 Q4
Sales Volume	\$5.2B	\$3.8B	N/A	\$9.6B	2022 Q2	\$979.3M	2009 Q3

Market conditions have deteriorated in the Los Angeles industrial market in 2023. The vacancy rate has increased to 4.6% from 3.1% a year ago and a historic low of 1.7% in 22Q1. The availability rate is 6.5%, and many tenants have started to put space back on the market. The amount of sublet space available for lease has increased from 6.6 million SF a year ago to 10.2 million SF. Net absorption has been negative for six consecutive quarters, including 23Q3.

The steep decline in imports immediately impacted industrial demand in early 2023. The amount of loaded inbound containers handled at the ports from August to October has rebounded by 9% year over year, yet remains 11% below the same period in 2021. 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.

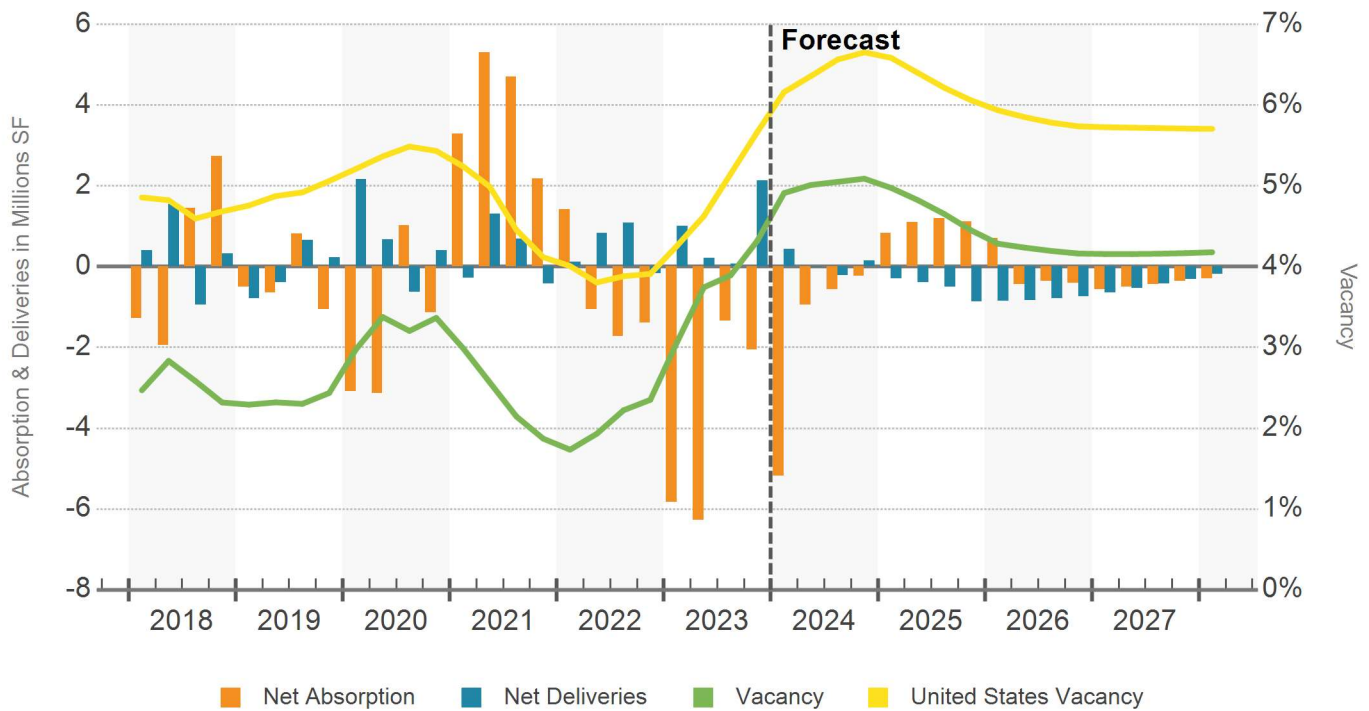
Submarkets that have endured the steepest correction have the strongest ties to port activity, such as Vernon, Santa Fe Springs/La Mirada, Carson, and City of Industry. At the same time, many properties in the San Fernando Valley have been vacated by firms that service the entertainment industry, such as firms that store stage props and costumes, due to the 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 in 23Q3 reached 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 23Q1 and vacated 690,000 SF of industrial space in Vernon after more than 90 years in business. Business closures are usually rapidly offset by business formation and expansions, but higher interest rates throughout 2023 have hampered activity.

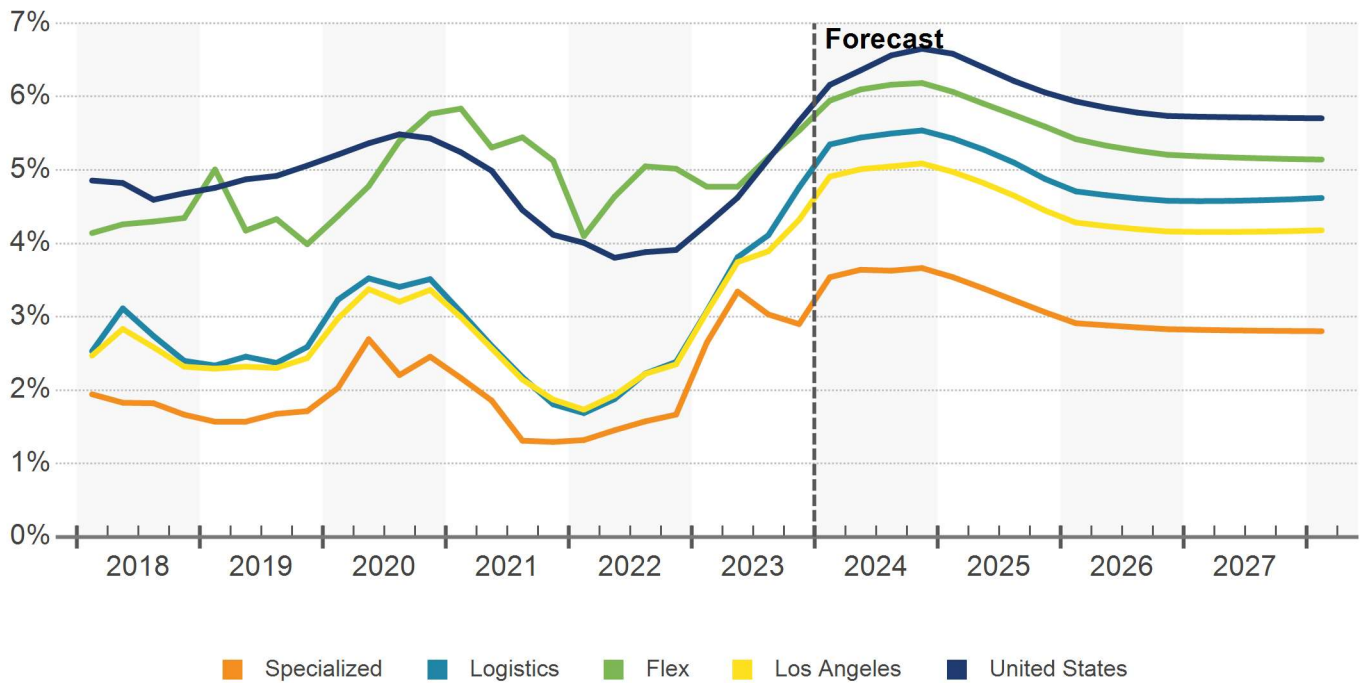
Leasing volume from new leases year-to-date is 3% above 2019-levels, representing an increase in leasing volume of under 1 million SF. Tenants that struggled to find adequate space one or two years ago have had more success recently, particularly in large spaces that were very rarely available a year ago. Among the largest leases signed recently, National Road Logistics committed to 442,000 SF in Torrance in September, Foot Locker committed to 360,000 SF in El Monte in September, and Js Tao International committed to 312,000 SF in Irwindale in August. In comparison, only three new leases executed in 2022 were for more than 300,000 SF.

Industrial conditions in L.A. are projected to rebound starting in 2025 in the base case scenario. The pullback in supply growth nationally is projected to create a scarcity of industrial space, causing the vacancy rate in Los Angeles to begin to decline.

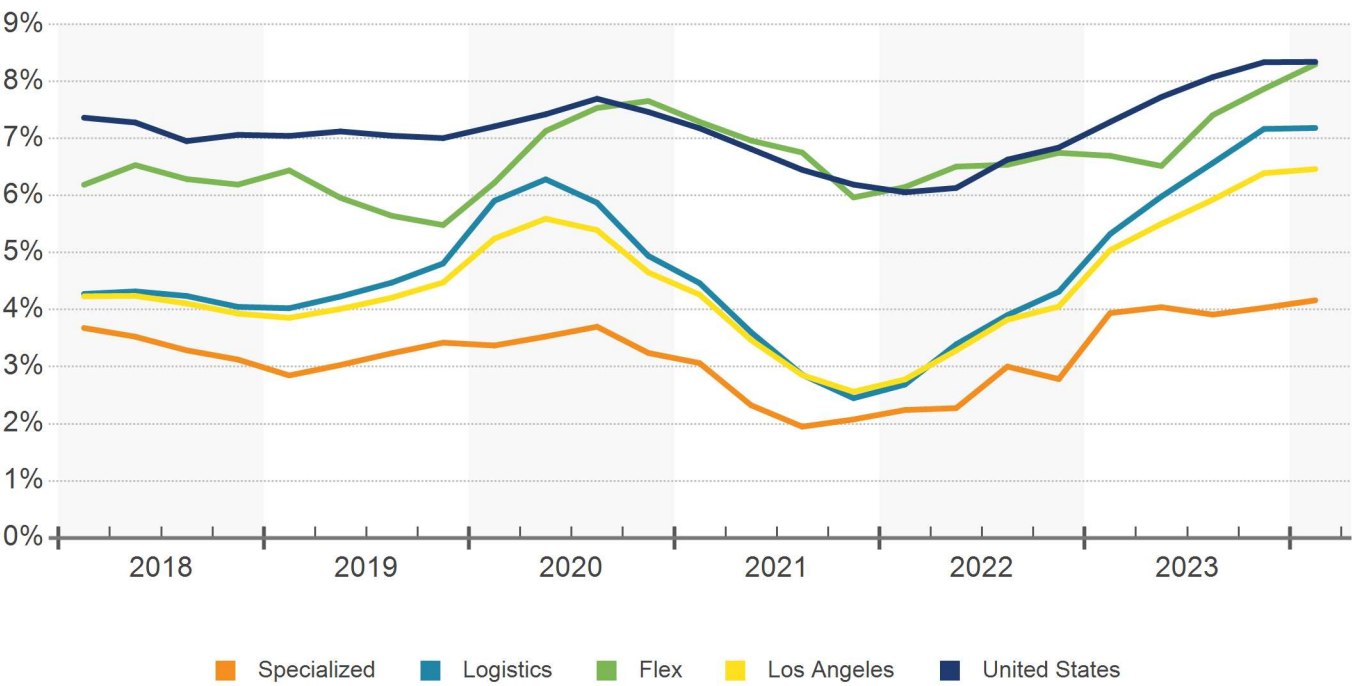
NET ABSORPTION, NET DELIVERIES & VACANCY



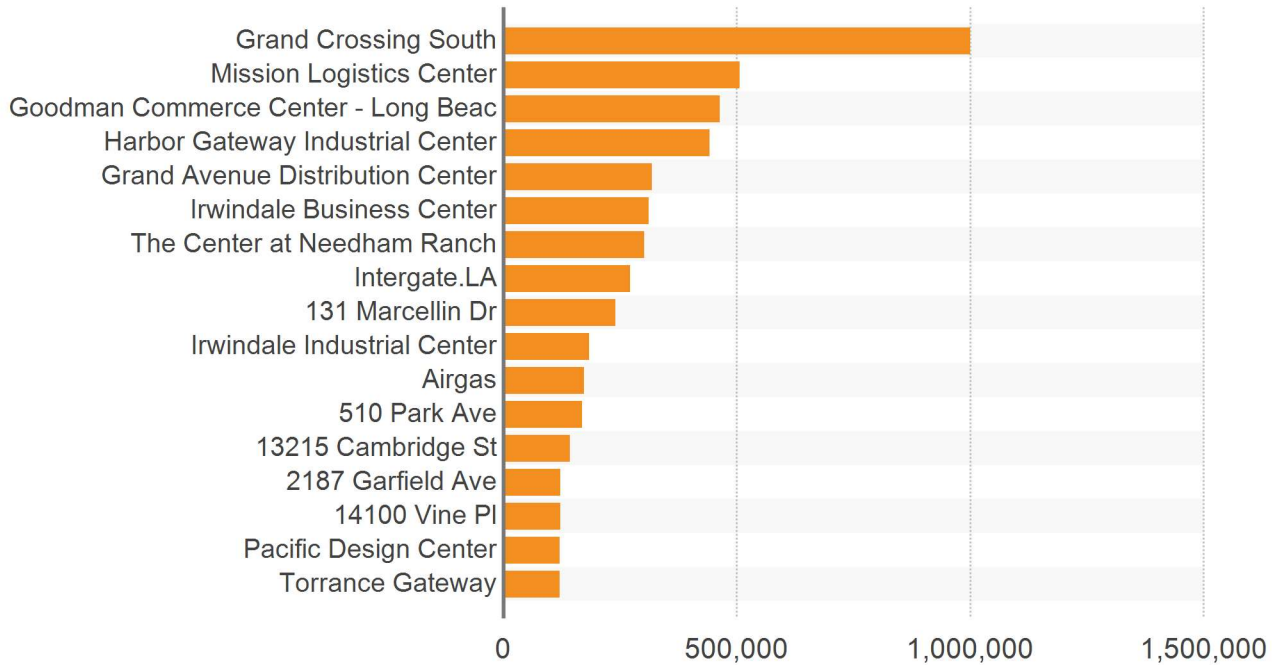
VACANCY RATE



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
Grand Avenue Distribution Center	City of Industry Ind	318,497	0	0	0	0	0	318,497
Irwindale Business Center	Upper San Gabriel V...	312,000	0	0	0	0	0	312,000
The Center at Needham Ranch	Santa Clarita Valley Ind	319,479	0	0	0	0	0	301,925
Intergate.LA	Gardena/Hawthorne...	288,000	0	0	0	0	0	272,176
131 Marcellin Dr	City of Industry Ind	240,500	0	0	0	0	0	240,500
Irwindale Industrial Center	Upper San Gabriel V...	184,879	0	0	0	0	0	184,879
Airgas	City of Industry Ind	217,775	44,000	0	0	0	0	173,775
510 Park Ave	East San Ferndo Villy...	168,676	0	0	0	0	0	168,676
13215 Cambridge St	Santa Fe Springs/La...	142,617	0	0	0	0	0	142,617
2187 Garfield Ave	Commerce Ind	244,489	0	0	0	0	0	123,138
14100 Vine Pl	Cerritos/Norwalk Ind	122,514	0	0	0	0	0	122,514
Pacific Design Center	Westside Ind	757,278	103,830	0	0	0	0	121,273
Torrance Gateway	Torrance Ind	123,700	0	0	0	0	0	120,548
Subtotal Primary Competitors		5,853,420	147,830	0	0	0	0	5,015,533
Remaining Los Angeles Market		950,737,423	43,784,057	(2,592,976)	0	0	0	(22,800,847)
Total Los Angeles Market		956,590,843	43,931,887	(2,592,976)	0	0	0	(17,785,314)

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	Q1 23	Furniture of America	Lee & Associates	Cushman & Wakefield
1452 W Knox St	Torrance	442,550	Q3 23	National Road Logistics	-	KBC Advisors;Prologis,...
3900 Arden Dr	Lower San Gabriel Valley	360,992	Q3 23	Foot Locker	-	JLL
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
12800 Culver Blvd	Westside	296,000	Q1 23	Direct TV	-	-
901 Live Oak	Upper San Gabriel Valley	291,673	Q1 23	-	-	Realty Advisory Group,...
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
21508 Ferrero Pky	City of Industry	274,474	Q1 23	Weida Freight System, Inc.	Avison Young	Colliers
905 Live Oak	Upper San Gabriel Valley	260,889	Q1 23	-	-	Realty Advisory Group,...
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	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 & Wakefield	Cushman & Wakefield
13409 Orden Dr *	Santa Fe Springs/La Mirada	219,759	Q3 23	Wismettac Asian Foods, Inc.	CBRE	Colliers
2225 Workman Mill Rd	City of Industry	217,775	Q2 23	-	-	Majestic Realty Co.
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
6501 Flotilla St	Commerce	171,388	Q1 23	De Well Container Shippi...	-	Lee & Associates;Lee...
18669 San Jose Ave	City of Industry	160,000	Q4 23	Cool Pai Inc	-	-
18669 San Jose Ave	City of Industry	160,000	Q3 23	-	-	Colliers
12065 Pike St *	Santa Fe Springs/La Mirada	158,831	Q3 23	Anheuser-Busch	CBRE	Thor Equities
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	-	-	JLL
13132 Lakeland Rd *	Santa Fe Springs/La Mirada	145,829	Q1 23	Votaw	-	-
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	-	Colliers	CBRE
29120 Commerce Center Dr	Santa Clarita Valley	135,258	Q4 23	-	-	CBRE
3000 E 12th St	Vernon	133,249	Q1 23	FlexHQ	-	FlexEtc
12012-12070 Burke St	Santa Fe Springs/La Mirada	129,578	Q3 23	Rebas Inc	interPres Commerci...	Lee & Associates
966 E Sandhill Ave	Carson	129,247	Q1 23	Arktura	-	CBRE;CIF Group
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

*Renewal

The increase in available space has impacted rents in 2023. While the market rent, which represents the average estimated rent of all industrial space in the metro, is 2.9% higher than 12 months ago, it declined by 0.7% in 23Q3. The average asking rent, based only on properties that are available for lease at the end of each quarter, has been relatively unchanged since 22Q4.

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 8.5% during the past five years, compared to 7.6% in the U.S. There are many examples of properties that have leased at multiples higher between lease signings. For example, a 224,000-SF warehouse in Wilmington had an asking rent of \$27/SF NNN annually when West Logistics leased it in June 2023. Ten years ago, the same property was leased with an asking rate of \$6.96/SF NNN, representing an annual growth rate of 14.5% over the nearly 10-year period. For a smaller property, a 16,600-SF manufacturing building in Bellflower was leased in July 2023 for \$18.60/SF NNN annually. The same building was listed in October 2010 at \$4.80/SF IG, representing an annual growth rate of

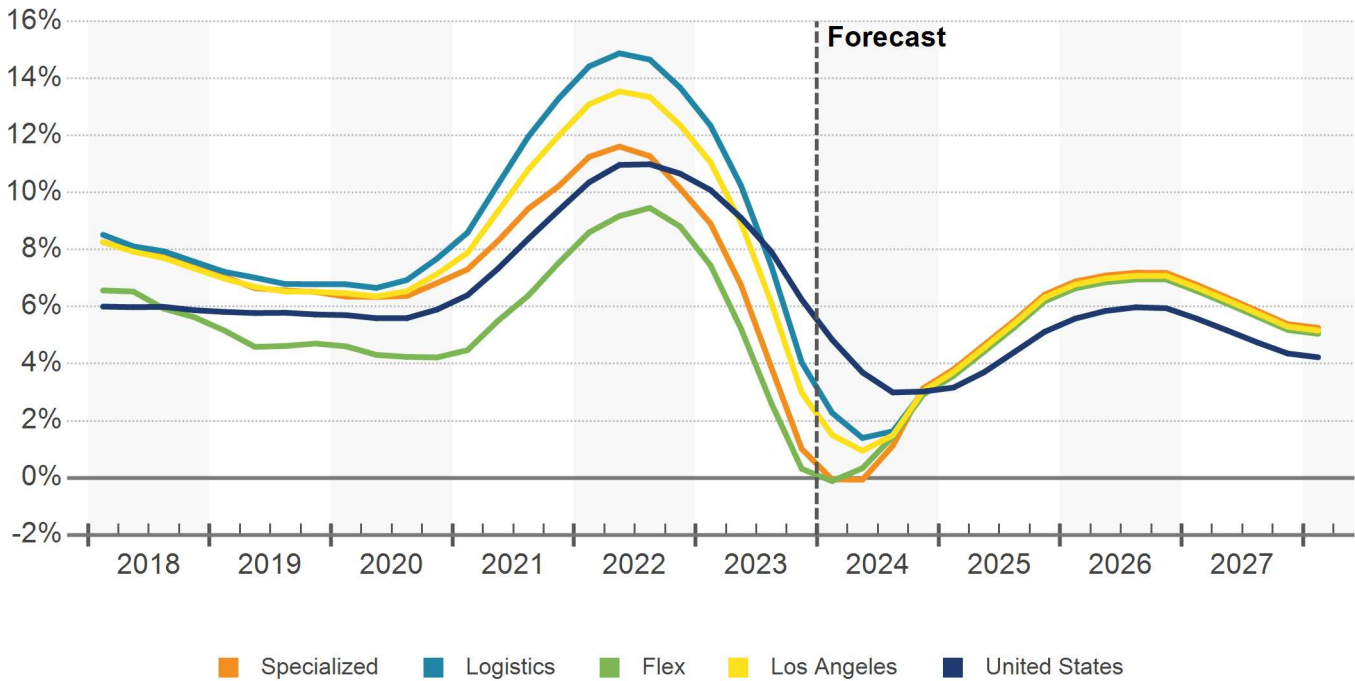
11% over the nearly 13-year period.

Apart from asking rents remaining steady, landlords are now frequently offering four to five months of free rent on a five-year lease deals, whereas concessions were extremely rare a year ago.

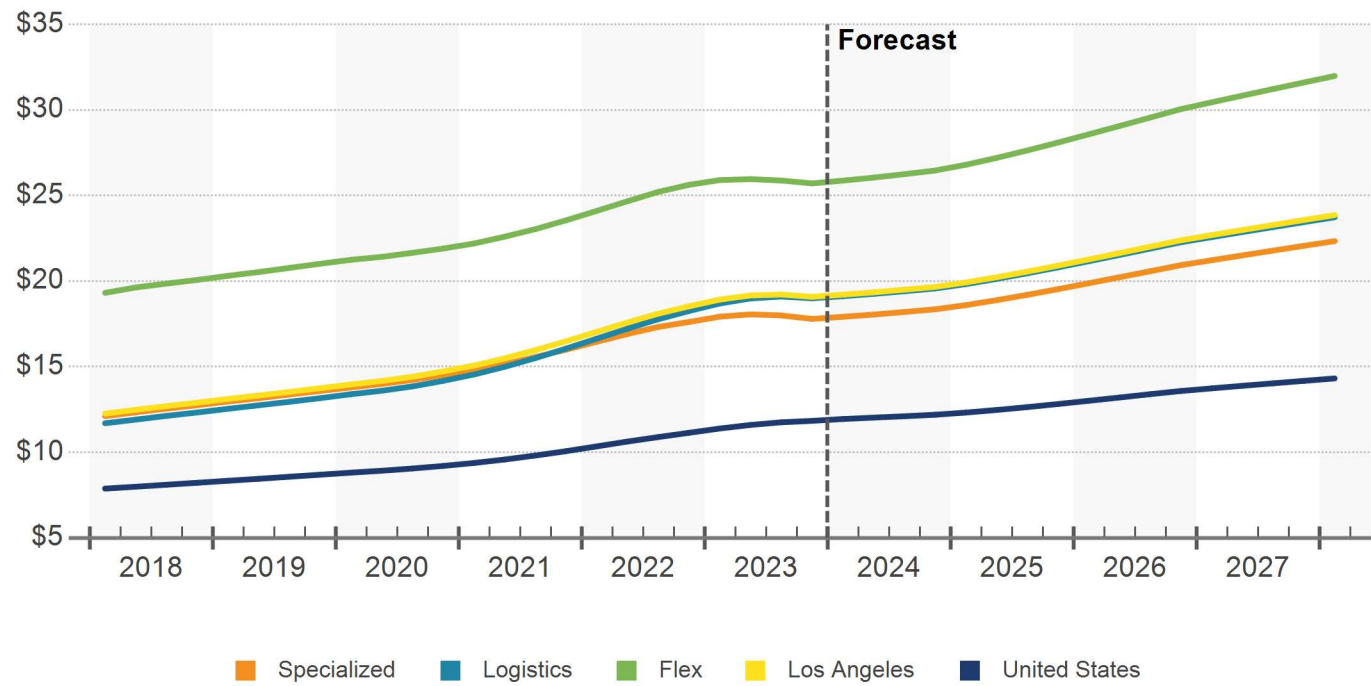
The moderation in rents is even more pronounced in specialized industrial and flex properties as opposed to logistics properties. Submarkets with the highest rental rates, including the Westside, Burbank, and Glendale, have had the sharpest pullback in rents. In contrast, South Bay submarkets, such as Carson, Compton, and Torrance, which have great proximity to the ports, have been the top performers during the past 12 months, despite the recent softening in demand that is tied to the ports.

Going forward, rents are anticipated to continue to rise based on CoStar's baseline scenario but at a slower pace during the short term. As economic conditions improve in about two years, rent growth in the forecast returns to its more robust form experienced from 2017 to 2019.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



Los Angeles is a mature industrial market that has only had trivial supply growth in recent years. 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 45.0 million SF of new industrial space completed during the past decade; however, during the same time, the market has seen 30.6 million SF of space removed from its inventory. As a percent of existing inventory, supply has expanded by less than 1% during this period.

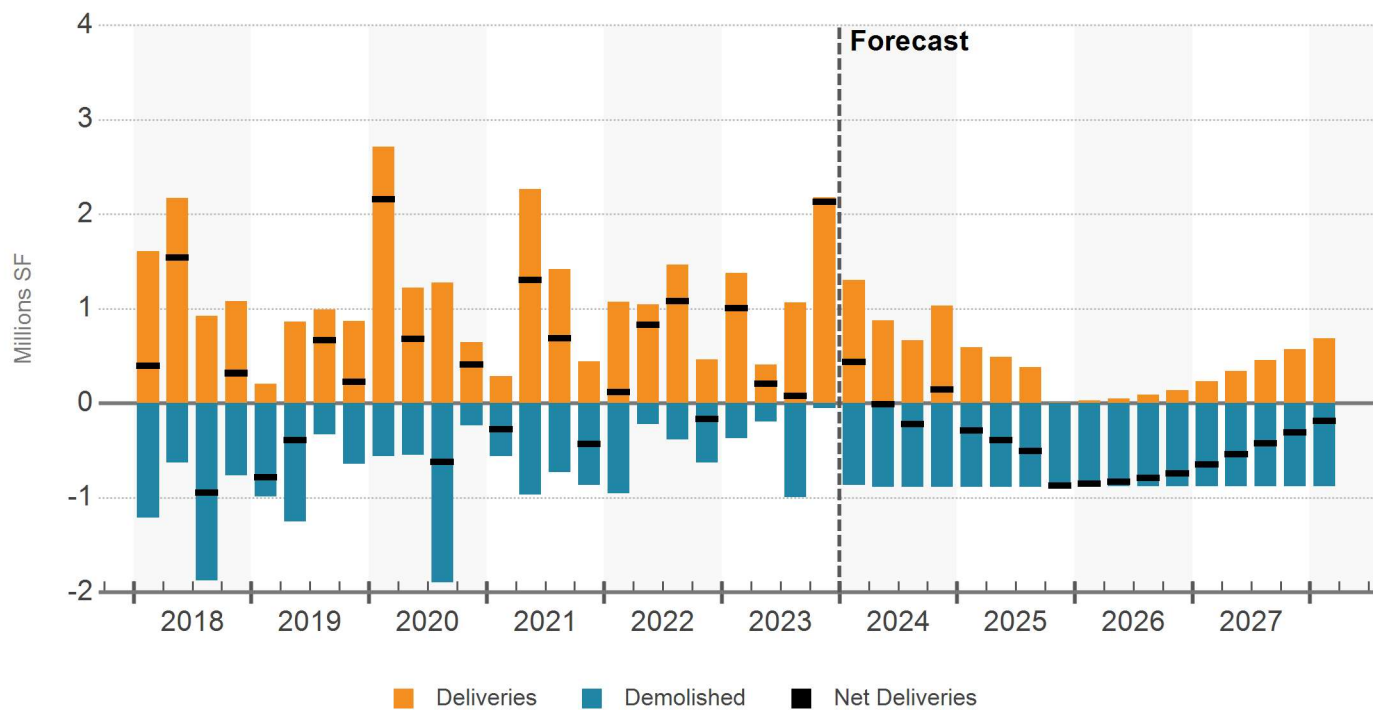
The bulk of new construction has been in the San Gabriel Valley, which is located on the eastern portion of the metro and has lower land values. Majestic Realty has been especially active here in recent years, adding to its Grand Crossing Industrial Park in the City of Industry. Last November, a 1 million-SF distribution center, that leased to Ryder Logistics in November 2022, completed construction, making it the largest industrial building developed since 2007, when Majestic Realty completed

the construction of a 1.2 million-SF distribution center, also in Grand Crossing. Three more warehouses are currently under construction in Grand Crossing, ranging from 240,000 SF to 700,000 SF.

In El Monte, another city within the San Gabriel Valley that has had several industrial developments completed since 2018, ARES Management is building a 360,000-SF distribution center that leased to Foot Locker in September 2023. Walmart previously owned the land, with plans to open a store that never materialized due to neighborhood opposition on the grounds of environmental impacts.

In total, the construction pipeline has 5.4 million SF of space under construction in the metro, representing just 0.6% of current inventory. Roughly three quarters of the space underway is available for lease, but there has been ample demand for new construction in the market. In contrast, demand for older industrial properties has been softening.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

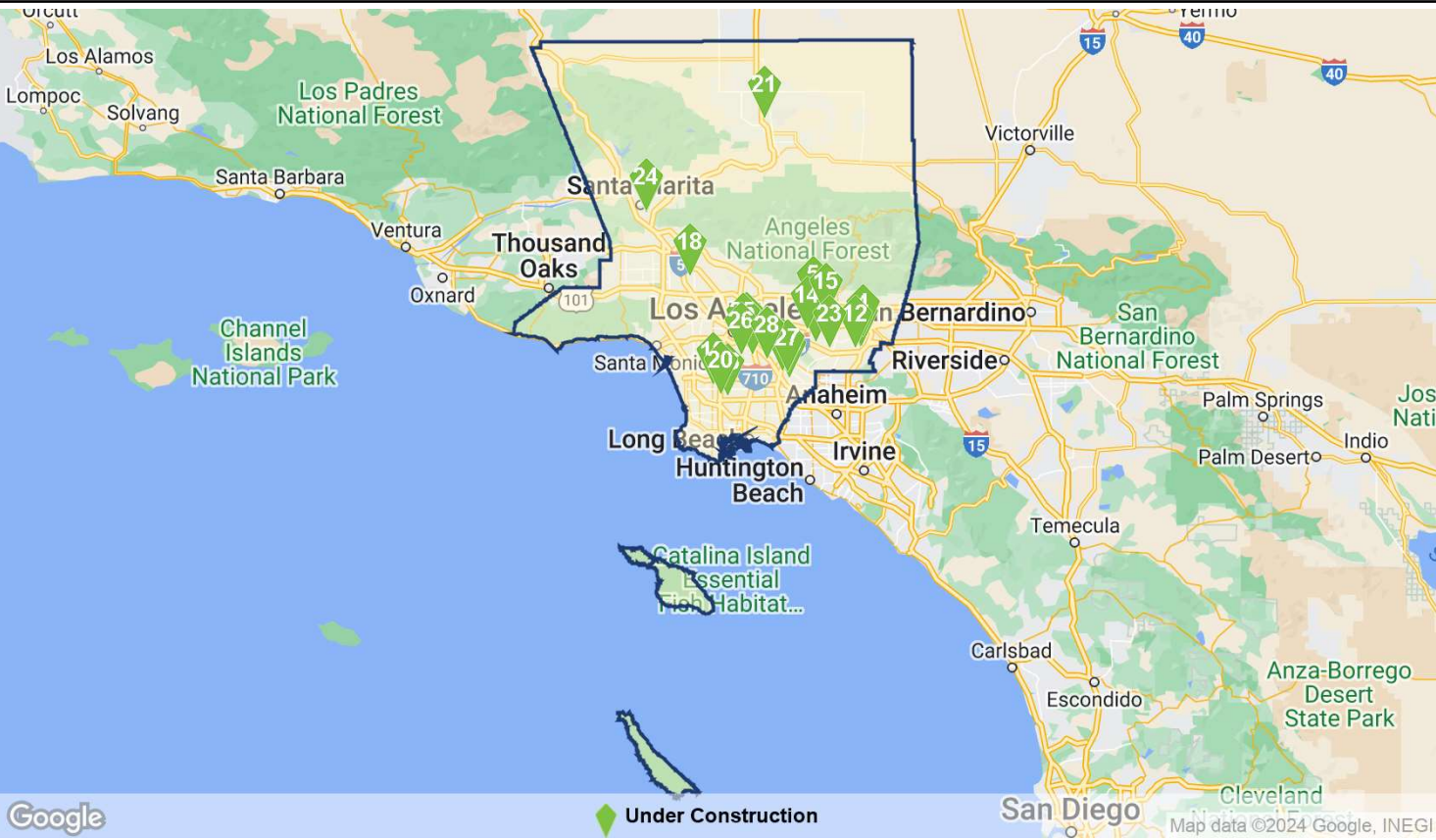
No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	City of Industry	8	2,197	87	4.0%	5	57,767	274,687	1
2	Upper San Gabriel Valley	3	683	553	80.9%	2	19,875	227,542	2
3	Santa Fe Springs/La Mira...	6	487	0	0%	6	35,798	81,243	9
4	Vernon	4	414	17	4.1%	4	36,592	103,388	8
5	Commerce	3	362	0	0%	6	49,213	120,637	6
6	Santa Clarita Valley	2	288	288	100%	1	37,096	144,115	3
7	West Rancho Dominguez	2	284	0	0%	6	25,937	141,957	4
8	Gardena/Hawthorne	2	221	0	0%	6	20,143	110,728	7
9	Antelope Valley	2	140	40	28.6%	3	25,568	69,927	10
10	Carson	1	128	0	0%	6	69,125	127,775	5
	All Other	5	165	58	35.4%		21,784	32,961	
Totals		38	5,369	1,043	19.4%		26,951	141,291	

Under Construction Properties

Los Angeles Industrial

Properties	Square Feet	Percent of Inventory	Released
39	5,431,672	0.6%	20.4%

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	Mar 2024	-
2 Building 5 151 Marcellin Dr	★★★★★	606,480	1	Jun 2023	Mar 2024	-
3 901 Live Oak	★★★★★	291,673	1	Aug 2022	Feb 2024	-
4 West Valley Logistics 4200 W Valley Blvd	★★★★★	269,780	2	Dec 2023	Oct 2024	CapRock Partners CapRock Partners
5 905 Live Oak	★★★★★	260,889	1	Aug 2022	Mar 2024	-
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	Bridge Point Vernon II 4885 E 52nd Pl	★ ★ ★ ★ ★	210,347	1	Apr 2023	Feb 2024	Bridge Industrial Bridge Industrial
9	Building 14 21700 Needham Ranch Pky	★ ★ ★ ★ ★	202,261	1	Dec 2023	Oct 2024	- Trammell Crow Company
10	1600 W 135th St	★ ★ ★ ★ ★	190,860	1	Aug 2023	Sep 2024	- -
11	112 W Alondra Blvd	★ ★ ★ ★ ★	181,831	2	Aug 2023	Oct 2024	- -
12	20922 Currier Rd	★ ★ ★ ★ ★	147,490	1	Jul 2022	Feb 2024	- -
13	11401 Greenstone Ave	★ ★ ★ ★ ★	144,434	1	Nov 2022	Feb 2024	- -
14	Industry West Logistics... 351 N Covina Ln	★ ★ ★ ★ ★	132,254	1	Jan 2023	Mar 2024	- -
15	4416 Azusa Canyon Rd	★ ★ ★ ★ ★	130,063	1	Mar 2023	Apr 2024	- -
16	1055 Sandhill Ave	★ ★ ★ ★ ★	127,775	1	Mar 2023	Apr 2024	- Rexford Industrial Realty, Inc.
17	Building 3 10251 Santa Fe Springs Rd	★ ★ ★ ★ ★	121,124	2	Dec 2023	Dec 2024	- -
18	6950 Tujunga Ave	★ ★ ★ ★ ★	106,526	1	Aug 2023	Apr 2024	Bridge Industrial Bridge Industrial
19	10000 Pioneer Blvd	★ ★ ★ ★ ★	104,667	1	Feb 2023	Feb 2024	- -
20	219 W Gardena Blvd	★ ★ ★ ★ ★	102,083	2	Aug 2023	Oct 2024	- -
21	40347 Legacy Ln	★ ★ ★ ★ ★	99,853	1	Aug 2023	Sep 2024	Transwestern Real Estate Services -
22	Building I 7400 Bandini Blvd	★ ★ ★ ★ ★	94,154	1	Jun 2023	Mar 2024	- -
23	886 Azusa Ave	★ ★ ★ ★ ★	86,950	1	Jun 2022	Oct 2024	- Harmoni International Spice Inc,...
24	Building 18 Needham Ranch Pky	★ ★ ★ ★ ★	85,968	1	Jan 2023	Apr 2024	- Trammell Crow Company
25	3270 E Washington Blvd	★ ★ ★ ★ ★	73,777	1	Aug 2023	Aug 2024	- Brenntag North America
26	3165 E Slauson Ave	★ ★ ★ ★ ★	69,522	1	Apr 2022	Feb 2024	- -
27	Building 2 12551 Telegraph Rd	★ ★ ★ ★ ★	58,463	2	Mar 2023	May 2024	- -
28	Building II 7421 E Slauson Ave	★ ★ ★ ★ ★	57,411	1	Jun 2023	Mar 2024	- -

Los Angeles Industrial has been an attractive asset type for institutional investors and public REITs for over a decade, as private owners, many of whom are entering retirement years, have been divesting. Sales volume has remained strong relative to the nation despite the rise in interest rates, both due to local policy changes and distress. The ULA transfer tax implemented in the city of L.A. raised transaction costs at the start of April, leading many investors to streamline sales that might have otherwise closed in 23Q2. For example, one of many trades that closed on the final days of 22Q1 is GI Partners' acquisition of DirectTV's two-property, 210,000-SF facility in Los Angeles for \$210 million (\$1,000/SF), which contained data center facilities. The deed was filed with the county on the last day of March.

Sales volume totaled \$5.2 billion in 2023, with another jolt in activity in 23Q3, this time driven by owner-user sales of companies that are facing financial challenges and could use the capital to increase liquidity. For example, in August, locally based 99 Cents Only Stores sold their 800,000-SF distribution building to Dart Warehouse Corporation for \$190 million (\$237/SF) in a sale-leaseback deal. The previous month, Yellow sold a 9.8-acre truck terminal, which included a 38,000-SF industrial building, for \$80 million.

Price discovery is underway after years of outsized rent growth paired with low interest rates drove robust appreciation. The market price has averaged 11.5% annual growth over the past five years and long-term holds continue to reflect these gains. 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

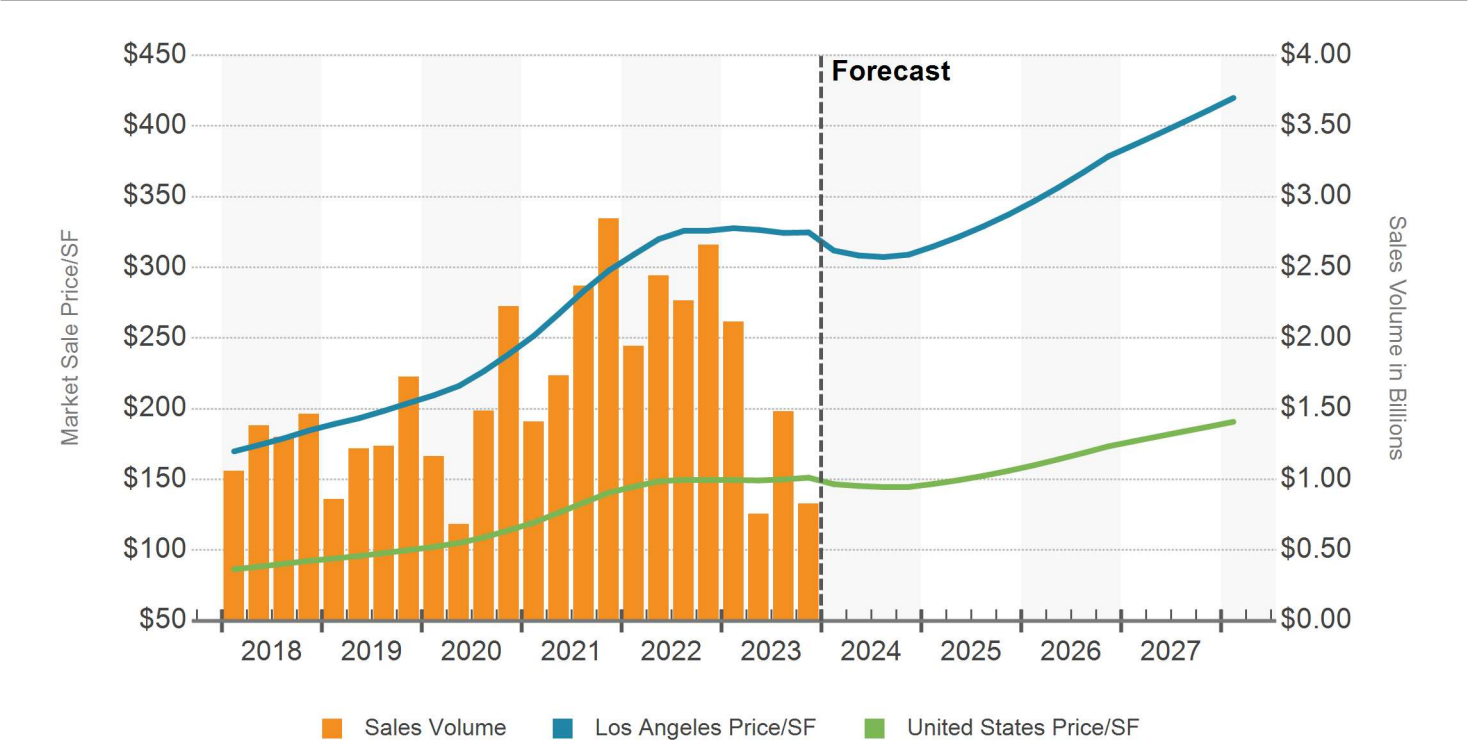
as the primary tenant, the property traded at a 5% cap rate. The seller, DWS Group, purchased the property in July 2015 for \$62.25 million, representing an annual appreciation return of 16.4%. Rexford was attracted to the property for its mark-to-market opportunity.

At the same time, nearly all sales of properties valued over \$5 million have sold for prices above their respective purchase price, including short-term holds. But some sellers are making concessions. For example, owner-user Sunset Olive Oil was asking for \$21.5 million for a 31,200-SF warehouse in Pico Rivera that they originally acquired in August 2020 for \$8.7 million. CapRock Partners, with plans to renovate and reposition the asset, was able to negotiate the price down to \$19.2 million (\$615/SF) when it sold in June 2023.

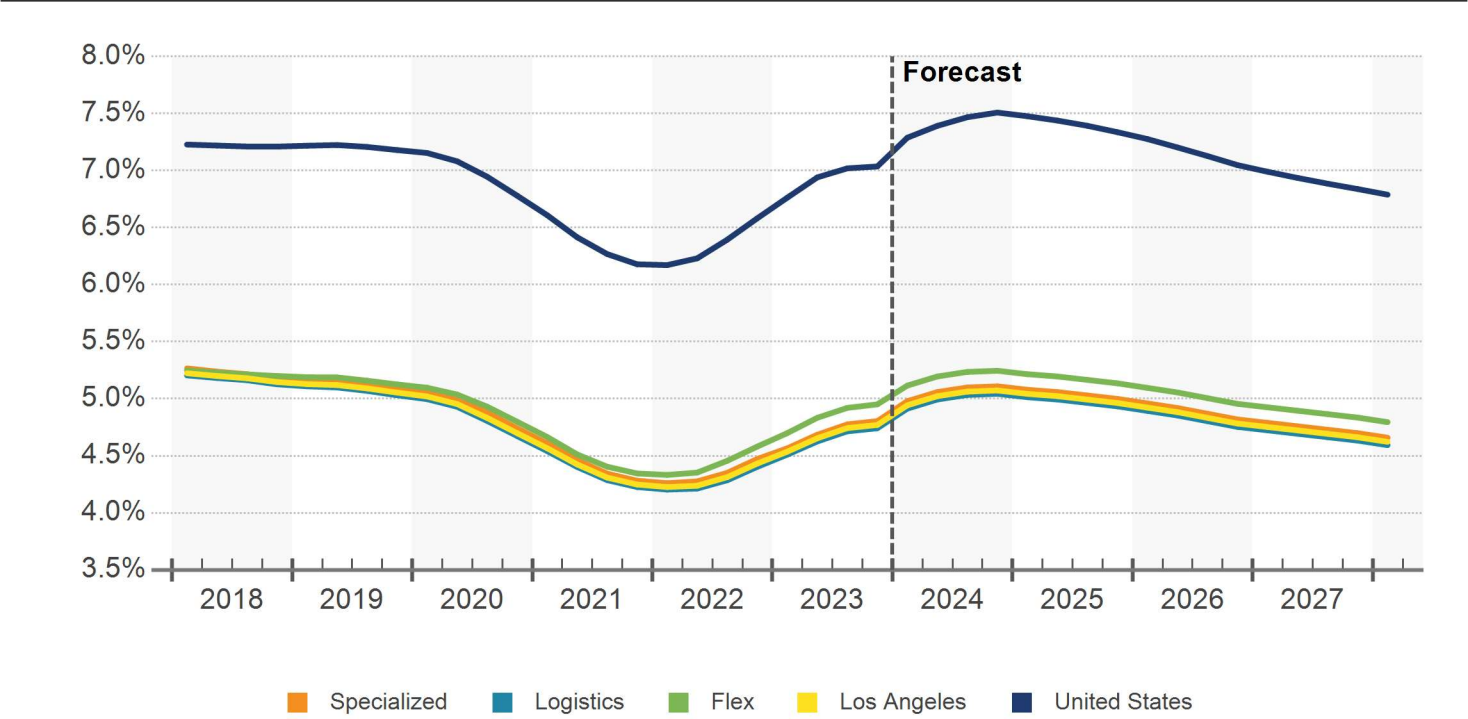
The premium for new construction is high due to its scarcity in the market. As an example, BeBella, an owner-user, recently acquired a 92,800-SF warehouse in Santa Fe Springs from Panattoni Development for \$53.6 million (\$578/SF) in September 2023. The market price for logistics properties in the Santa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

Cap rates have been rising from a trough in 22Q1. At that time, trades that resemble Rexford Industrial REIT 608,000-SF distribution center in Santa Fe Springs that traded for a 5% cap rate were trading in the 3.5% to 4% range. The impact of the steep increase in interest rates is expected to continue to affect pricing in the short term. In the Base Case scenario, cap rates continue to march higher over the next four to eight quarters, placing downward pressure on prices.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE

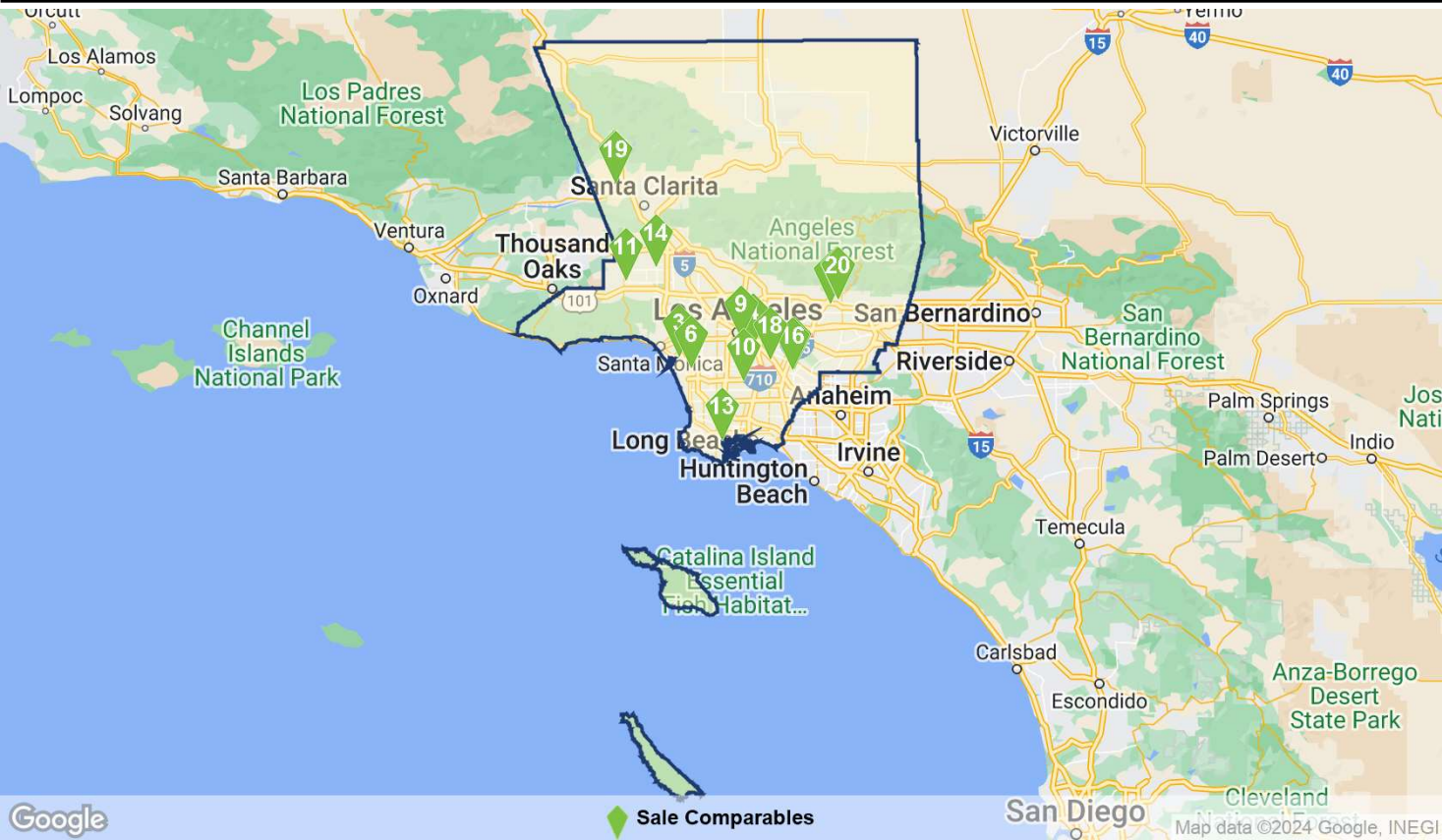


Sales Past 12 Months

Los Angeles Industrial

Sale Comparables	Avg. Cap Rate	Avg. Price/SF	Avg. Vacancy At Sale
739	4.9%	\$329	5.8%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$150,000	\$8,240,643	\$3,000,000	\$213,386,643
Price/SF	\$22	\$329	\$310	\$3,697
Cap Rate	2.0%	4.9%	5.2%	8.0%
Time Since Sale in Months	0.0	6.2	6.2	12.0
Property Attributes	Low	Average	Median	High
Building SF	600	29,314	10,120	993,142
Ceiling Height	9'	16'11"	16'	42'
Docks	0	3	0	129
Vacancy Rate At Sale	0%	5.8%	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
1 300 Westmont Dr	★★★★★	2001	759,851	0%	2/1/2023	\$213,386,643	\$573	-
2 SFS Logistics Center 9400-9500 Santa Fe Sprin...	★★★★★	1979	595,304	0%	7/21/2023	\$210,000,000	\$353	5.0%
3 12800 Culver Blvd	★★★★★	1968	296,000	0%	3/30/2023	\$194,537,989	\$657	-
4 99¢ Only Stores HQ 4000 Union Pacific Ave	★★★★★	1947	903,335	0%	8/30/2023	\$190,000,000	\$210	-
5 350-400 Westmont Dr	★★★★★	2001	512,700	0%	2/1/2023	\$152,034,669	\$605	-
6 Hertz 9000 Airport Blvd	★★★★★	1981	38,680	0%	3/28/2023	\$143,000,000	\$3,697	-
7 15801 E First St	★★★★★	1980	993,142	0%	10/26/2023	\$120,000,000	\$121	-
8 401 Westmont Ave	★★★★★	2001	340,659	0%	2/1/2023	\$107,011,577	\$641	-
9 2160 E 7th St	★★★★★	1986	75,163	0%	3/29/2023	\$85,000,000	\$1,131	-
10 575 E Weber Ave	★★★★★	1971	37,867	0%	7/13/2023	\$80,000,000	\$2,113	-
11 21200 Victory Blvd	★★★★★	1962	168,000	0%	2/8/2023	\$78,500,000	\$467	-
12 Bldg D 28355 Witherspoon Pky	★★★★★	1999	247,560	0%	8/28/2023	\$67,508,429	\$273	-
13 301 Westmont Dr	★★★★★	2001	207,282	0%	2/1/2023	\$66,567,111	\$655	-
14 II 8500 Balboa Blvd	★★★★★	1977	313,787	31.1%	3/30/2023	\$61,896,136	\$197	-
15 975-985 W 8th St	★★★★★	1987	200,000	0%	6/29/2023	\$58,593,602	\$293	-
16 12521 Los Nietos Rd	★★★★★	2022	92,771	0%	9/5/2023	\$53,600,000	\$578	-
17 Bldg C 28104-28114 Witherspoon...	★★★★★	1999	189,250	0%	8/28/2023	\$51,607,571	\$273	-
18 GEHR Bldg 7400 E Slauson Ave	★★★★★	1951	239,780	0%	12/13/2023	\$50,000,000	\$209	-
19 Bldg B 28305 W Livingston Ave	★★★★★	1999	167,990	0%	8/28/2023	\$48,358,666	\$288	-
20 823-829 W 8th St	★★★★★	1987	160,500	0%	6/29/2023	\$46,999,363	\$293	-

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 labor market is not as tight as other parts of the country and job growth lags due to population losses. 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 each dispute is occupation-specific, the disputes are further escalated by Los Angeles' high cost of living, which is due to the challenges of building more housing. Companies often cite the challenges in hiring as a motivating factor to relocate to other parts of the country.

The post-pandemic recovery in employment levels was slow relative to the nation due to an acceleration of population losses. Nonfarm payrolls recovered to their February 2020 levels in late 2022, whereas stronger population growth markets experienced more rapid recoveries. The composition of employment by sector has shifted. Most notably, transportation firms have grown payrolls by 12% since February 2020, while information, which includes motion picture and sound

recording, payrolls are 10% 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. However, the ports face several potential challenges and trade flows have sharply fallen. Some trade is being 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 also been declining since tariffs were imposed in 2018.

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.

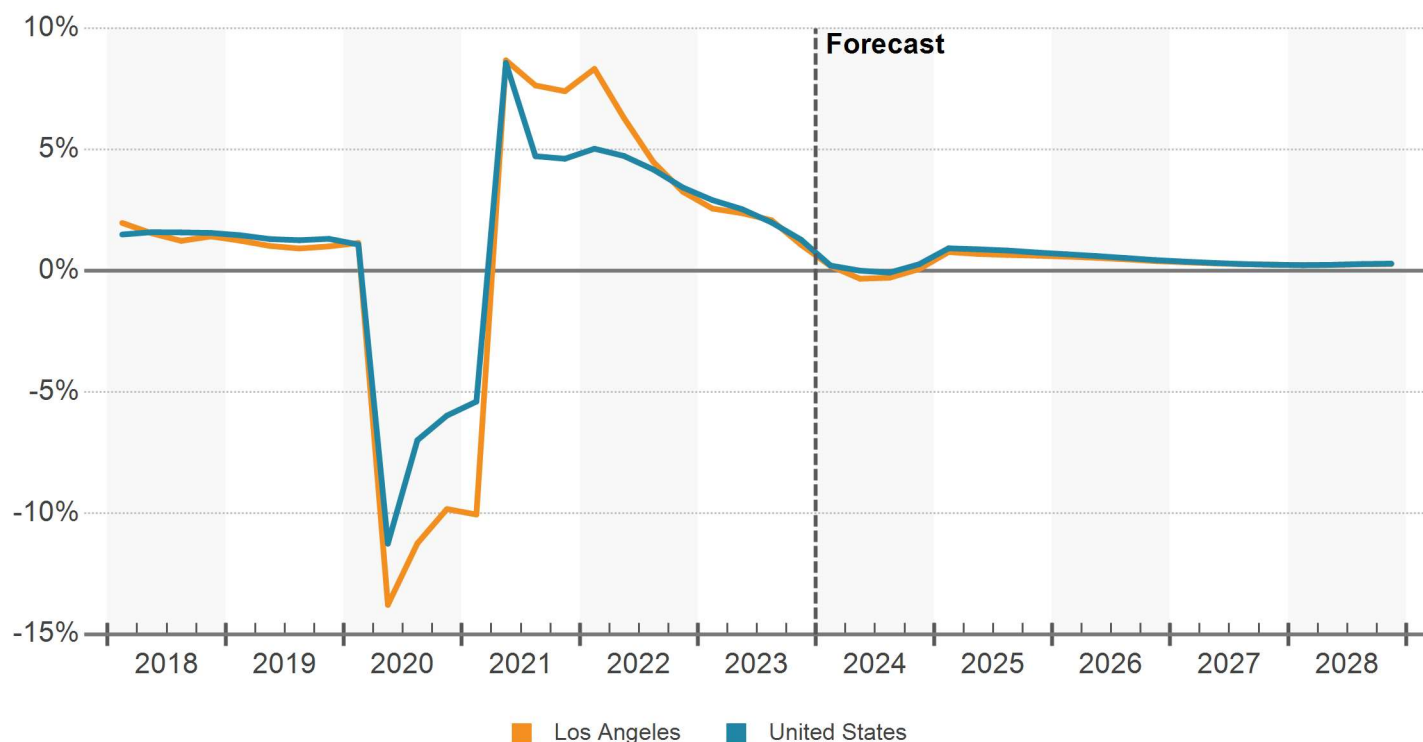
Tourism is also important for the local economy. Stores, restaurants, and lodging in tourist hotspots like Downtown L.A., Hollywood, Beverly Hills, and Santa Monica are dependent on tourists spending. Los Angeles has more than 50 million visitors per year, but hotel occupancy rates have yet to recover 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	318	0.8	-2.05%	-0.08%	-1.68%	0.71%	-0.71%	0.09%
Trade, Transportation and Utilities	843	1.0	0.68%	0.14%	0.62%	1.05%	-0.06%	0.14%
Retail Trade	414	0.9	1.68%	0.44%	0.12%	0.23%	-0.20%	0.10%
Financial Activities	218	0.8	0.12%	0.51%	0.29%	1.45%	0.03%	0.15%
Government	568	0.8	0.72%	1.49%	0.46%	0.37%	0.19%	0.41%
Natural Resources, Mining and Construction	150	0.6	-1.15%	1.36%	2.22%	2.33%	0.23%	0.29%
Education and Health Services	929	1.2	3.76%	2.96%	2.79%	1.87%	0.96%	0.67%
Professional and Business Services	678	1.0	0.43%	0.68%	1.30%	2.00%	-0.06%	0.52%
Information	220	2.4	-5.43%	-2.72%	0.91%	1.09%	0.77%	0.34%
Leisure and Hospitality	550	1.1	3.64%	2.88%	2.03%	1.48%	1.11%	0.82%
Other Services	159	0.9	1.37%	1.61%	0.63%	0.63%	0.09%	0.27%
Total Employment	4,635	1.0	1.03%	1.22%	1.12%	1.30%	0.33%	0.41%

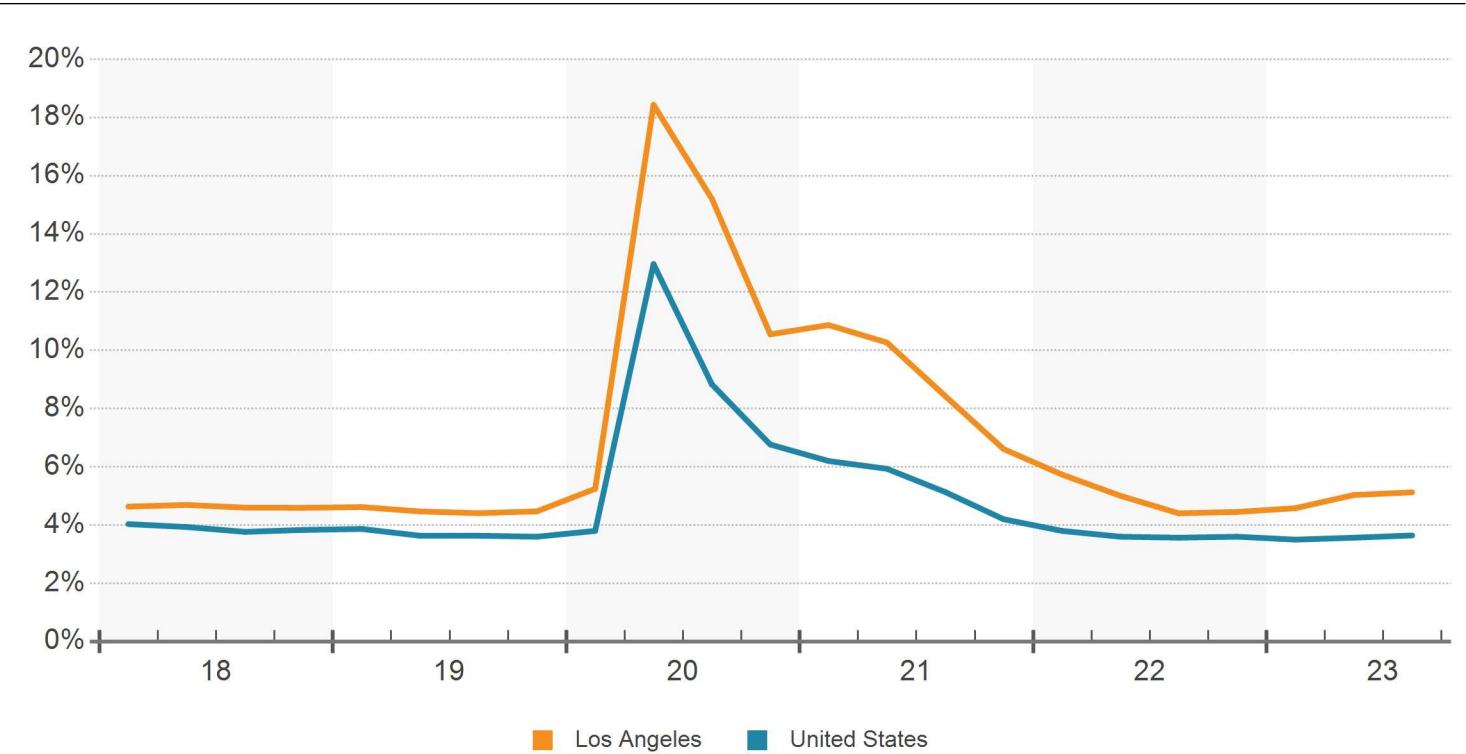
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

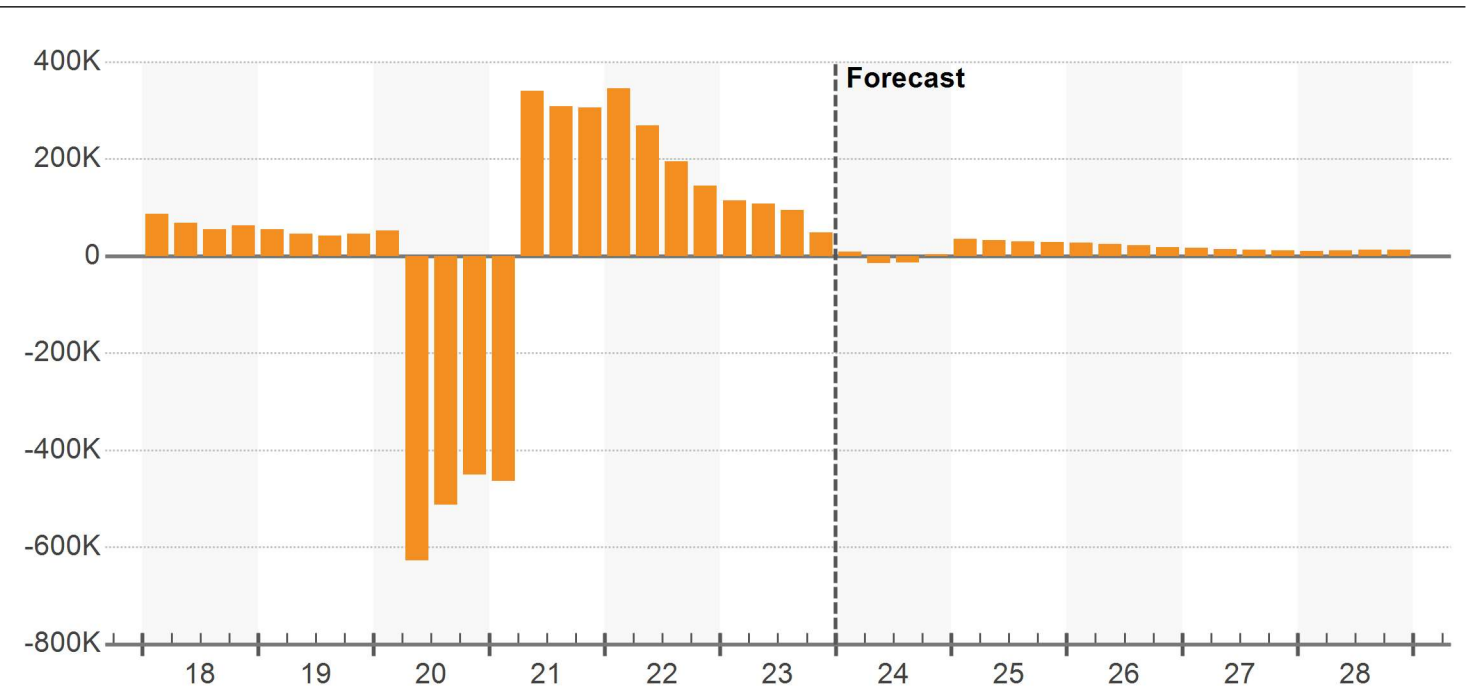


Source: Oxford Economics

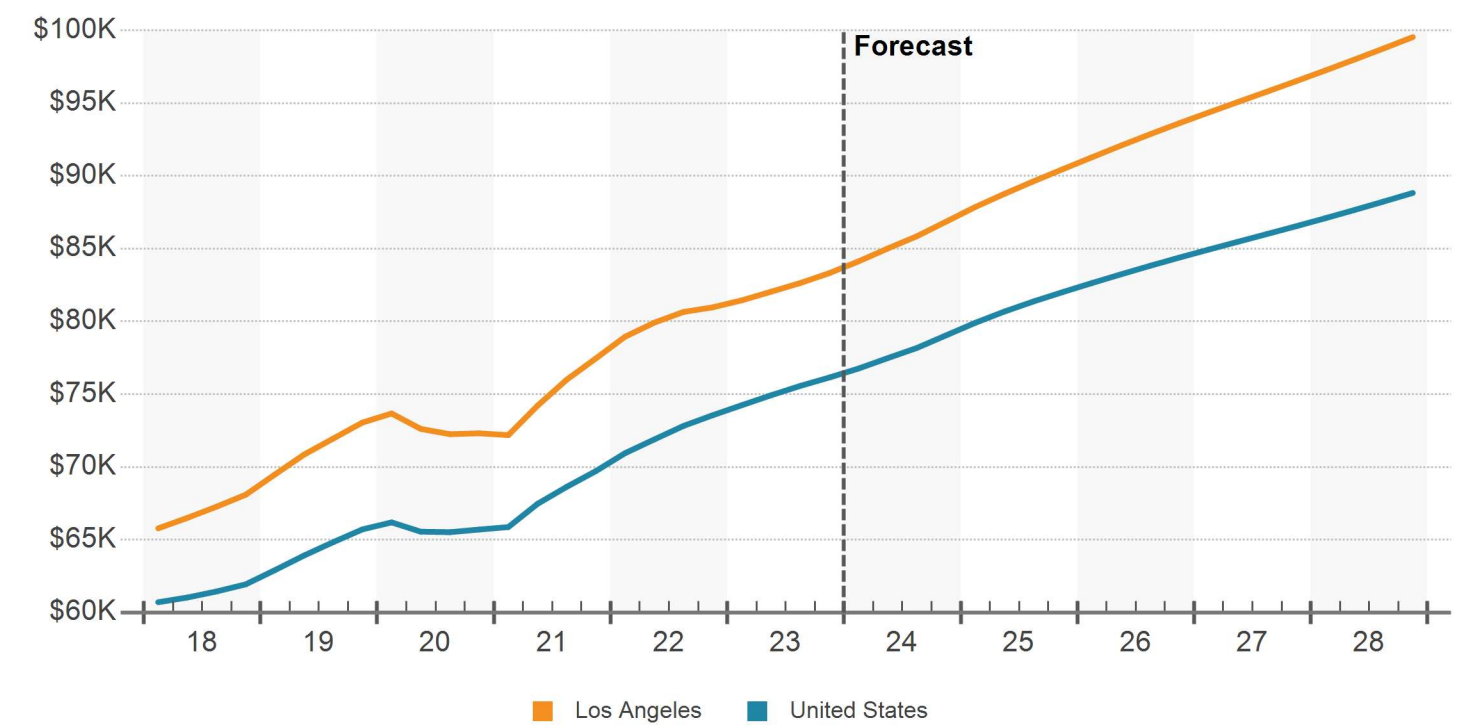
UNEMPLOYMENT RATE (%)



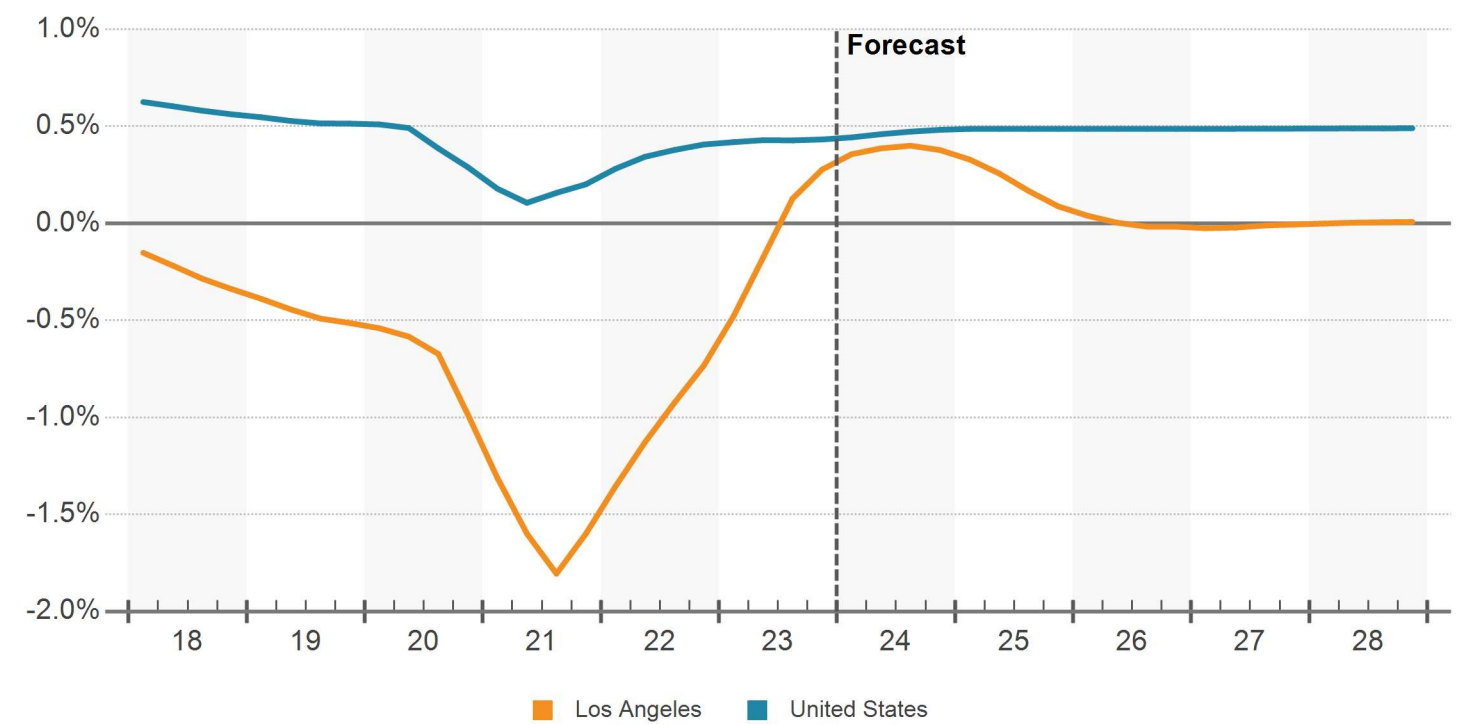
NET EMPLOYMENT CHANGE (YOY)



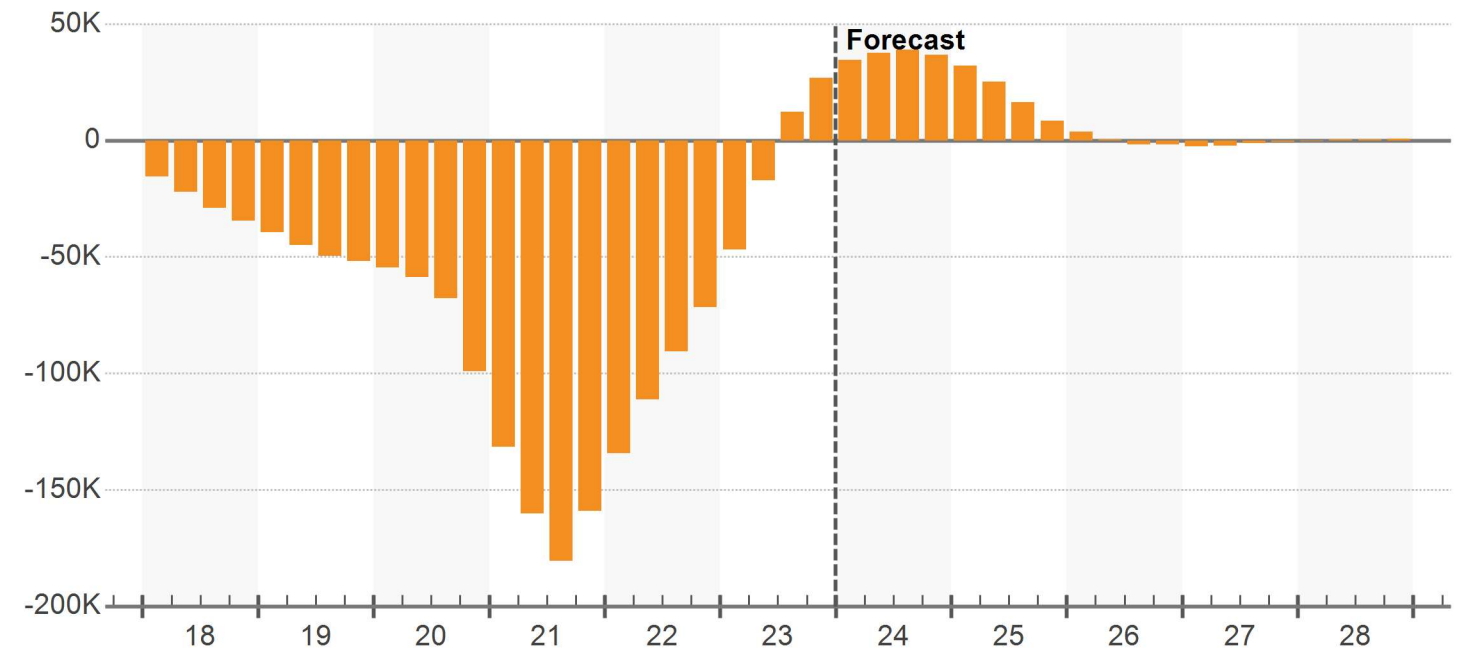
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



DEMOGRAPHIC TRENDS

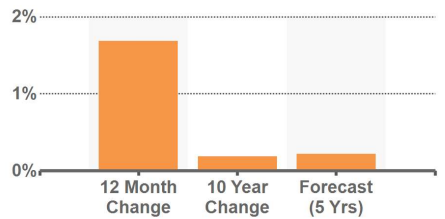
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	9,744,006	335,125,125	0.3%	0.4%	-0.3%	0.5%	0.1%	0.5%
Households	3,401,919	130,841,969	0.4%	0.6%	0.2%	0.9%	0.2%	0.6%
Median Household Income	\$83,361	\$76,178	2.9%	3.5%	4.3%	3.8%	3.6%	3.1%
Labor Force	5,039,725	167,589,109	1.7%	1.7%	0.2%	0.8%	0.2%	0.2%
Unemployment	5.1%	3.6%	0.7%	0%	-0.4%	-0.3%	-	-

Source: Oxford Economics

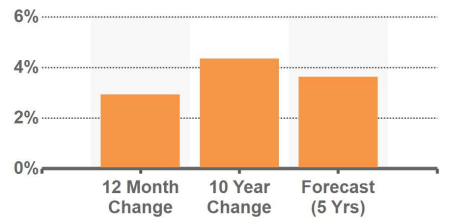
POPULATION GROWTH



LABOR FORCE GROWTH

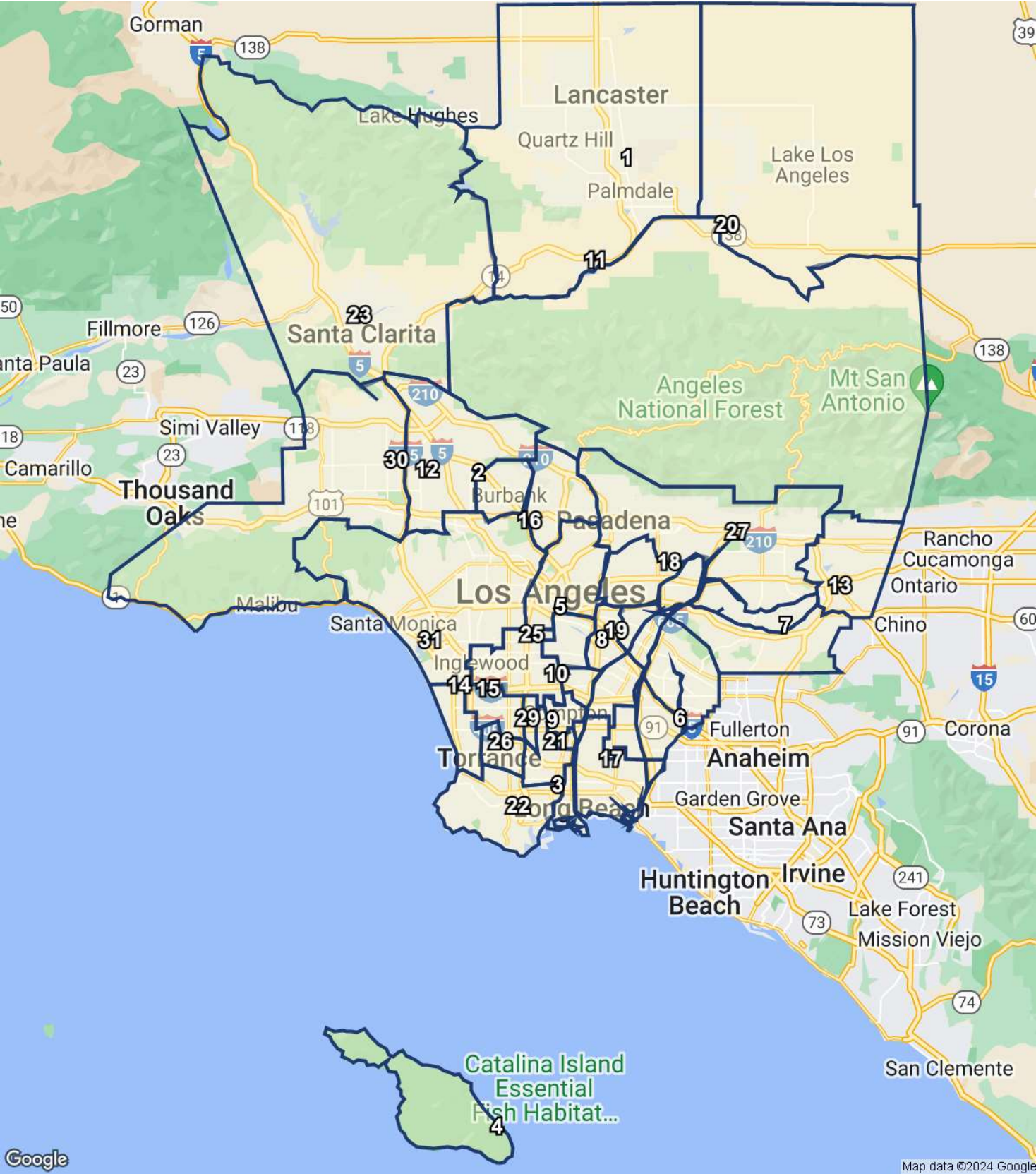


INCOME GROWTH



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	467	11,940	1.2%	27	2	50	0.4%	15	2	140	1.2%	9
2	Burbank	1,134	15,806	1.7%	24	0	0	0%	-	0	-	-	-
3	Carson	573	39,609	4.1%	9	3	277	0.7%	6	1	128	0.3%	10
4	Catalina Island	1	2	0%	31	0	0	0%	-	0	-	-	-
5	Central Los Angeles	3,672	66,732	7.0%	4	0	0	0%	-	0	-	-	-
6	Cerritos/Norwalk	597	21,601	2.3%	20	1	23	0.1%	18	0	-	-	-
7	City of Industry	1,537	88,788	9.3%	1	3	1,275	1.4%	1	8	2,197	2.5%	1
8	Commerce	1,027	50,542	5.3%	6	1	40	0.1%	16	3	362	0.7%	5
9	Compton	384	17,277	1.8%	23	0	0	0%	-	0	-	-	-
10	Downey/Paramount	967	21,931	2.3%	19	0	0	0%	-	0	-	-	-
11	East LA Cnty Outlying	4	28	0%	30	0	0	0%	-	0	-	-	-
12	East San Ferndo Vly	2,989	55,422	5.8%	5	5	285	0.5%	5	1	107	0.2%	11
13	East San Gabriel Valley	1,124	28,338	3.0%	13	2	119	0.4%	11	0	-	-	-
14	El Segundo/Beach Cities	368	12,121	1.3%	26	1	90	0.7%	14	1	32	0.3%	12
15	Gardena/Hawthorne	1,051	21,170	2.2%	21	0	0	0%	-	2	221	1.0%	8
16	Glendale	670	9,579	1.0%	28	0	0	0%	-	0	-	-	-
17	Long Beach	1,561	29,176	3.1%	11	2	94	0.3%	13	0	-	-	-
18	Lower San Gabriel Valley	2,078	30,871	3.2%	10	2	369	1.2%	4	2	17	0.1%	13
19	Montebello	584	26,078	2.7%	16	0	0	0%	-	0	-	-	-
20	NE LA Cnty Outlying	6	113	0%	29	0	0	0%	-	0	-	-	-
21	Rancho Dominguez	314	20,351	2.1%	22	1	205	1.0%	7	0	-	-	-
22	San Pedro	595	13,597	1.4%	25	0	0	0%	-	0	-	-	-
23	Santa Clarita Valley	715	26,524	2.8%	14	2	409	1.5%	3	2	288	1.1%	6
24	Santa Fe Springs/La Mira...	1,998	71,525	7.5%	3	1	27	0%	17	6	487	0.7%	3
25	South LA	1,151	23,248	2.4%	18	1	17	0.1%	19	0	-	-	-
26	Torrance	712	29,154	3.0%	12	8	1,027	3.5%	2	0	-	-	-
27	Upper San Gabriel Valley	2,136	42,453	4.4%	8	6	99	0.2%	12	3	683	1.6%	2
28	Vernon	2,275	83,247	8.7%	2	2	195	0.2%	8	4	414	0.5%	4
29	West Rancho Dominguez	1,007	26,118	2.7%	15	2	190	0.7%	9	2	284	1.1%	7
30	West San Fernando Valley	2,112	48,399	5.1%	7	3	148	0.3%	10	1	10	0%	14
31	Westside	1,682	24,779	2.6%	17	2	8	0%	20	0	-	-	-

Submarkets

Los Angeles Industrial

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	\$16.21	30	1.9%	30	7.2%	4
2	Burbank	\$26.73	3	2.6%	18	5.1%	13
3	Carson	\$18.74	15	5.5%	1	2.7%	26
4	Catalina Island	\$20.62	9	2.4%	22	7.4%	3
5	Central Los Angeles	\$21.33	7	2.3%	27	6.5%	9
6	Cerritos/Norwalk	\$17.21	23	3.8%	5	4.3%	21
7	City of Industry	\$17.34	22	3.8%	4	3.5%	24
8	Commerce	\$16.37	27	3.7%	7	4.0%	22
9	Compton	\$17.52	20	3.8%	6	2.3%	27
10	Downey/Paramount	\$16.79	26	2.8%	13	6.6%	7
11	East LA Cnty Outlying	\$21.48	6	2.4%	23	9.0%	1
12	East San Ferndo Vly	\$20.97	8	2.8%	14	4.3%	20
13	East San Gabriel Valley	\$15.83	31	3.1%	12	4.5%	19
14	El Segundo/Beach Cities	\$29.12	2	2.0%	28	6.6%	6
15	Gardena/Hawthorne	\$18.64	16	2.5%	20	5.0%	14
16	Glendale	\$24.35	4	2.3%	26	1.3%	30
17	Long Beach	\$20.43	10	2.4%	24	8.0%	2
18	Lower San Gabriel Valley	\$18.16	18	2.5%	21	6.6%	8
19	Montebello	\$16.35	29	3.5%	8	5.4%	11
20	NE LA Cnty Outlying	\$19.09	14	4.3%	2	3.7%	23
21	Rancho Dominguez	\$17.46	21	3.4%	9	4.8%	16
22	San Pedro	\$19.94	12	2.8%	15	4.8%	17
23	Santa Clarita Valley	\$18.11	19	2.6%	16	1.8%	28
24	Santa Fe Springs/La Mira...	\$16.85	24	3.2%	10	1.8%	29
25	South LA	\$18.60	17	2.6%	17	5.4%	12
26	Torrance	\$20.05	11	4.2%	3	3.5%	25
27	Upper San Gabriel Valley	\$19.43	13	2.5%	19	5.0%	15
28	Vernon	\$16.37	28	2.3%	25	7.0%	5
29	West Rancho Dominguez	\$16.80	25	3.2%	11	-1.2%	31
30	West San Fernando Valley	\$21.72	5	1.9%	29	5.9%	10
31	Westside	\$36.20	1	1.8%	31	4.5%	18

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Antelope Valley	317,125	2.7%	7	(4,162)	0%	7	-
2	Burbank	491,926	3.1%	11	(126,054)	-0.8%	11	-
3	Carson	2,343,957	5.9%	26	(1,844,907)	-4.7%	28	-
4	Catalina Island	-	-	-	0	0%	-	-
5	Central Los Angeles	3,563,723	5.3%	23	(285,742)	-0.4%	15	-
6	Cerritos/Norwalk	897,632	4.2%	17	(567,574)	-2.6%	22	-
7	City of Industry	5,650,295	6.4%	27	(2,454,556)	-2.8%	30	-
8	Commerce	2,020,845	4.0%	16	(1,535,851)	-3.0%	27	-
9	Compton	617,587	3.6%	14	(413,686)	-2.4%	21	-
10	Downey/Paramount	597,022	2.7%	8	(376,898)	-1.7%	19	-
11	East LA Cnty Outlying	-	-	-	0	0%	-	-
12	East San Ferndo Vly	1,417,947	2.6%	6	(305,602)	-0.6%	16	-
13	East San Gabriel Valley	716,043	2.5%	5	(331,632)	-1.2%	17	-
14	El Segundo/Beach Cities	189,119	1.6%	2	91,779	0.8%	2	1.0
15	Gardena/Hawthorne	735,763	3.5%	12	(168,784)	-0.8%	12	-
16	Glendale	157,648	1.6%	3	(36,543)	-0.4%	8	-
17	Long Beach	1,164,923	4.0%	15	(39,144)	-0.1%	9	-
18	Lower San Gabriel Valley	1,307,868	4.2%	19	(274,827)	-0.9%	14	-
19	Montebello	1,303,567	5.0%	21	(935,791)	-3.6%	26	-
20	NE LA Cnty Outlying	1,000	0.9%	1	2,400	2.1%	4	-
21	Rancho Dominguez	1,178,827	5.8%	25	(846,362)	-4.2%	24	-
22	San Pedro	410,087	3.0%	9	(180,138)	-1.3%	13	-
23	Santa Clarita Valley	625,319	2.4%	4	(74,499)	-0.3%	10	-
24	Santa Fe Springs/La Mira...	2,975,055	4.2%	18	(2,172,847)	-3.0%	29	-
25	South LA	1,052,115	4.5%	20	(413,084)	-1.8%	20	-
26	Torrance	1,634,192	5.6%	24	449,760	1.5%	1	1.1
27	Upper San Gabriel Valley	1,513,073	3.6%	13	56,905	0.1%	3	1.2
28	Vernon	6,039,641	7.3%	28	(2,974,412)	-3.6%	31	-
29	West Rancho Dominguez	1,384,997	5.3%	22	(875,586)	-3.4%	25	-
30	West San Fernando Valley	1,498,105	3.1%	10	(359,818)	-0.7%	18	-
31	Westside	2,124,260	8.6%	29	(785,437)	-3.2%	23	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	949,510,740	(59,614)	0%	(526,818)	-0.1%	-
2027	949,570,354	(1,918,837)	-0.2%	(1,880,207)	-0.2%	-
2026	951,489,191	(3,218,801)	-0.3%	(508,192)	-0.1%	-
2025	954,707,992	(2,065,434)	-0.2%	4,236,634	0.4%	-
2024	956,773,426	342,872	0%	(6,917,040)	-0.7%	-
YTD	956,430,554	0	0%	(2,592,976)	-0.3%	-
2023	956,430,554	3,412,781	0.4%	(15,477,504)	-1.6%	-
2022	953,017,773	1,870,026	0.2%	(2,761,208)	-0.3%	-
2021	951,147,747	1,281,200	0.1%	15,452,282	1.6%	0.1
2020	949,866,547	2,640,016	0.3%	(6,334,362)	-0.7%	-
2019	947,226,531	(245,262)	0%	(1,392,685)	-0.1%	-
2018	947,471,793	1,302,812	0.1%	948,452	0.1%	1.4
2017	946,168,981	4,853,786	0.5%	4,091,840	0.4%	1.2
2016	941,315,195	(1,269,611)	-0.1%	640,281	0.1%	-
2015	942,584,806	414,507	0%	7,631,454	0.8%	0.1
2014	942,170,299	149,223	0%	12,055,675	1.3%	0
2013	942,021,076	499,593	0.1%	5,318,761	0.6%	0.1
2012	941,521,483	(4,534,324)	-0.5%	(214,212)	0%	-

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	247,619,790	(823,825)	-0.3%	(776,788)	-0.3%	-
2027	248,443,615	(874,864)	-0.4%	(783,768)	-0.3%	-
2026	249,318,479	(911,870)	-0.4%	(328,768)	-0.1%	-
2025	250,230,349	(881,999)	-0.4%	677,473	0.3%	-
2024	251,112,348	(919,585)	-0.4%	(2,786,863)	-1.1%	-
YTD	252,031,933	0	0%	(476,312)	-0.2%	-
2023	252,031,933	(1,121,995)	-0.4%	(4,211,490)	-1.7%	-
2022	253,153,928	(329,496)	-0.1%	(1,269,639)	-0.5%	-
2021	253,483,424	(1,380,144)	-0.5%	1,598,372	0.6%	-
2020	254,863,568	(1,871,797)	-0.7%	(3,758,177)	-1.5%	-
2019	256,735,365	(1,005,925)	-0.4%	(1,112,756)	-0.4%	-
2018	257,741,290	(600,367)	-0.2%	264,528	0.1%	-
2017	258,341,657	(354,601)	-0.1%	(161,095)	-0.1%	-
2016	258,696,258	(1,996,493)	-0.8%	(1,211,917)	-0.5%	-
2015	260,692,751	(206,419)	-0.1%	679,505	0.3%	-
2014	260,899,170	(158,164)	-0.1%	3,128,710	1.2%	-
2013	261,057,334	(190,622)	-0.1%	2,129,676	0.8%	-
2012	261,247,956	(1,994,269)	-0.8%	(2,632,559)	-1.0%	-

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	645,470,028	911,031	0.1%	375,923	0.1%	2.4
2027	644,558,997	(862,012)	-0.1%	(958,951)	-0.1%	-
2026	645,421,009	(2,100,101)	-0.3%	(196,831)	0%	-
2025	647,521,110	(970,349)	-0.1%	3,414,479	0.5%	-
2024	648,491,459	1,474,603	0.2%	(3,566,589)	-0.5%	-
YTD	647,016,856	0	0%	(2,090,532)	-0.3%	-
2023	647,016,856	4,332,427	0.7%	(11,153,794)	-1.7%	-
2022	642,684,429	2,640,581	0.4%	(1,136,012)	-0.2%	-
2021	640,043,848	2,850,742	0.4%	13,664,622	2.1%	0.2
2020	637,193,106	4,467,955	0.7%	(1,591,085)	-0.2%	-
2019	632,725,151	1,335,434	0.2%	63,391	0%	21.1
2018	631,389,717	2,344,805	0.4%	1,291,711	0.2%	1.8
2017	629,044,912	5,053,680	0.8%	4,078,585	0.6%	1.2
2016	623,991,232	1,026,512	0.2%	1,908,049	0.3%	0.5
2015	622,964,720	814,878	0.1%	6,838,696	1.1%	0.1
2014	622,149,842	263,319	0%	8,139,510	1.3%	0
2013	621,886,523	547,264	0.1%	2,728,336	0.4%	0.2
2012	621,339,259	(2,417,446)	-0.4%	3,457,654	0.6%	-

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	56,420,922	(146,820)	-0.3%	(125,953)	-0.2%	-
2027	56,567,742	(181,961)	-0.3%	(137,488)	-0.2%	-
2026	56,749,703	(206,830)	-0.4%	17,407	0%	-
2025	56,956,533	(213,086)	-0.4%	144,682	0.3%	-
2024	57,169,619	(212,146)	-0.4%	(563,588)	-1.0%	-
YTD	57,381,765	0	0%	(26,132)	0%	-
2023	57,381,765	202,349	0.4%	(112,220)	-0.2%	-
2022	57,179,416	(441,059)	-0.8%	(355,557)	-0.6%	-
2021	57,620,475	(189,398)	-0.3%	189,288	0.3%	-
2020	57,809,873	43,858	0.1%	(985,100)	-1.7%	-
2019	57,766,015	(574,771)	-1.0%	(343,320)	-0.6%	-
2018	58,340,786	(441,626)	-0.8%	(607,787)	-1.0%	-
2017	58,782,412	154,707	0.3%	174,350	0.3%	0.9
2016	58,627,705	(299,630)	-0.5%	(55,851)	-0.1%	-
2015	58,927,335	(193,952)	-0.3%	113,253	0.2%	-
2014	59,121,287	44,068	0.1%	787,455	1.3%	0.1
2013	59,077,219	142,951	0.2%	460,749	0.8%	0.3
2012	58,934,268	(122,609)	-0.2%	(1,039,307)	-1.8%	-

OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$24.71	291	4.8%	29.5%	40,015,317	4.2%	0%
2027	\$23.57	278	5.3%	23.5%	39,543,240	4.2%	0%
2026	\$22.38	264	7.1%	17.3%	39,576,355	4.2%	-0.3%
2025	\$20.90	247	6.3%	9.6%	42,434,077	4.4%	-0.6%
2024	\$19.66	232	3.0%	3.0%	48,660,116	5.1%	0.8%
YTD	\$19.09	225	2.9%	0.1%	43,896,488	4.6%	0.3%
2023	\$19.08	225	3.0%	0%	41,303,512	4.3%	2.0%
2022	\$18.53	218	12.4%	-2.9%	22,417,707	2.4%	0.5%
2021	\$16.49	194	12.0%	-13.6%	17,805,249	1.9%	-1.5%
2020	\$14.72	174	7.1%	-22.8%	31,975,448	3.4%	0.9%
2019	\$13.74	162	6.5%	-28.0%	23,080,683	2.4%	0.1%
2018	\$12.90	152	7.3%	-32.4%	21,979,234	2.3%	0%
2017	\$12.02	142	8.3%	-37.0%	21,701,088	2.3%	0.1%
2016	\$11.09	131	8.1%	-41.9%	21,097,034	2.2%	-0.2%
2015	\$10.26	121	8.2%	-46.2%	22,926,971	2.4%	-0.8%
2014	\$9.48	112	7.1%	-50.3%	30,225,481	3.2%	-1.3%
2013	\$8.85	104	5.3%	-53.6%	42,213,947	4.5%	-0.5%
2012	\$8.40	99	3.7%	-56.0%	47,033,115	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	\$23.15	278	4.9%	30.1%	6,932,073	2.8%	0%
2027	\$22.06	265	5.4%	24.0%	6,973,245	2.8%	0%
2026	\$20.93	251	7.2%	17.7%	7,057,350	2.8%	-0.2%
2025	\$19.53	234	6.4%	9.8%	7,662,390	3.1%	-0.6%
2024	\$18.35	220	3.1%	3.1%	9,201,079	3.7%	0.8%
YTD	\$17.81	214	1.0%	0.1%	7,786,692	3.1%	0.2%
2023	\$17.79	213	1.0%	0%	7,310,380	2.9%	1.2%
2022	\$17.61	211	10.1%	-1.0%	4,220,885	1.7%	0.4%
2021	\$15.99	192	10.2%	-10.1%	3,280,742	1.3%	-1.2%
2020	\$14.51	174	6.8%	-18.5%	6,258,375	2.5%	0.7%
2019	\$13.58	163	6.5%	-23.7%	4,400,235	1.7%	0%
2018	\$12.75	153	7.4%	-28.3%	4,293,404	1.7%	-0.3%
2017	\$11.88	142	8.5%	-33.2%	5,158,299	2.0%	-0.1%
2016	\$10.95	131	8.1%	-38.5%	5,351,805	2.1%	-0.3%
2015	\$10.13	121	8.0%	-43.1%	6,137,989	2.4%	-0.3%
2014	\$9.38	112	7.0%	-47.3%	7,023,913	2.7%	-1.3%
2013	\$8.76	105	5.8%	-50.8%	10,392,801	4.0%	-0.9%
2012	\$8.28	99	3.8%	-53.5%	12,713,099	4.9%	0.3%

LOGISTICS RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$24.57	307	4.8%	29.4%	30,188,775	4.7%	0.1%
2027	\$23.45	293	5.3%	23.4%	29,656,775	4.6%	0%
2026	\$22.27	278	7.1%	17.2%	29,563,863	4.6%	-0.3%
2025	\$20.80	260	6.3%	9.5%	31,586,814	4.9%	-0.7%
2024	\$19.57	244	3.0%	3.0%	35,922,648	5.5%	0.8%
YTD	\$19	237	4.0%	0%	32,906,179	5.1%	0.3%
2023	\$18.99	237	4.0%	0%	30,815,647	4.8%	2.4%
2022	\$18.26	228	13.7%	-3.9%	15,327,906	2.4%	0.6%
2021	\$16.06	201	13.3%	-15.4%	11,570,089	1.8%	-1.7%
2020	\$14.18	177	7.7%	-25.4%	22,383,969	3.5%	0.9%
2019	\$13.16	164	6.8%	-30.7%	16,376,302	2.6%	0.2%
2018	\$12.33	154	7.6%	-35.1%	15,150,233	2.4%	0.1%
2017	\$11.46	143	8.5%	-39.7%	14,173,060	2.3%	0.1%
2016	\$10.56	132	8.4%	-44.4%	13,355,857	2.1%	-0.1%
2015	\$9.74	122	8.5%	-48.7%	14,237,394	2.3%	-1.0%
2014	\$8.97	112	7.3%	-52.8%	20,261,212	3.3%	-1.3%
2013	\$8.36	104	5.4%	-56.0%	28,137,403	4.5%	-0.4%
2012	\$7.93	99	3.7%	-58.2%	30,318,475	4.9%	-0.9%

FLEX RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$33.10	228	4.7%	28.8%	2,894,469	5.1%	0%
2027	\$31.60	218	5.2%	22.9%	2,913,220	5.1%	-0.1%
2026	\$30.05	207	7.0%	16.9%	2,955,142	5.2%	-0.4%
2025	\$28.09	194	6.2%	9.3%	3,184,873	5.6%	-0.6%
2024	\$26.46	182	2.9%	2.9%	3,536,389	6.2%	0.6%
YTD	\$25.72	177	0.3%	0.1%	3,203,617	5.6%	0%
2023	\$25.71	177	0.3%	0%	3,177,485	5.5%	0.5%
2022	\$25.63	177	8.8%	-0.3%	2,868,916	5.0%	-0.1%
2021	\$23.55	162	7.5%	-8.4%	2,954,418	5.1%	-0.6%
2020	\$21.90	151	4.2%	-14.8%	3,333,104	5.8%	1.8%
2019	\$21.01	145	4.7%	-18.3%	2,304,146	4.0%	-0.4%
2018	\$20.07	138	5.6%	-21.9%	2,535,597	4.3%	0.3%
2017	\$19	131	6.6%	-26.1%	2,369,729	4.0%	0%
2016	\$17.82	123	6.3%	-30.7%	2,389,372	4.1%	-0.3%
2015	\$16.77	116	6.9%	-34.8%	2,551,588	4.3%	-0.6%
2014	\$15.69	108	5.8%	-39.0%	2,940,356	5.0%	-1.3%
2013	\$14.83	102	3.8%	-42.3%	3,683,743	6.2%	-0.6%
2012	\$14.29	99	2.9%	-44.4%	4,001,541	6.8%	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	-	-	-	-	-	-	\$447.15	461	4.5%
2027	-	-	-	-	-	-	\$411.12	424	4.7%
2026	-	-	-	-	-	-	\$378.56	390	4.8%
2025	-	-	-	-	-	-	\$337.38	348	5.0%
2024	-	-	-	-	-	-	\$308.97	318	5.1%
YTD	5	\$3.8M	0%	\$1,258,333	\$539.13	-	\$324.82	335	4.8%
2023	737	\$5.2B	2.1%	\$7,809,932	\$312.72	4.9%	\$324.73	335	4.8%
2022	1,165	\$9.3B	3.5%	\$8,733,314	\$303.71	4.4%	\$325.96	336	4.4%
2021	1,381	\$8.4B	3.8%	\$6,329,611	\$249.73	4.7%	\$297.74	307	4.2%
2020	993	\$5.6B	2.9%	\$6,027,898	\$225.17	4.8%	\$238.67	246	4.7%
2019	1,248	\$5B	3.3%	\$5,522,566	\$212.78	4.6%	\$204.14	210	5.1%
2018	1,734	\$5.2B	3.7%	\$5,099,349	\$203.11	5.1%	\$184.64	190	5.1%
2017	1,952	\$4.8B	4.1%	\$4,164,759	\$156.95	5.0%	\$165.83	171	5.2%
2016	1,622	\$4.2B	3.8%	\$3,806,335	\$149.17	5.3%	\$158.02	163	5.1%
2015	1,895	\$4.4B	4.8%	\$3,551,556	\$136.60	5.7%	\$145.08	150	5.1%
2014	1,575	\$3.3B	3.6%	\$2,967,144	\$115.26	6.0%	\$125.40	129	5.5%
2013	1,397	\$2.6B	3.5%	\$2,564,321	\$95.95	6.9%	\$111.65	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	-	-	-	-	-	-	\$411.62	469	4.5%
2027	-	-	-	-	-	-	\$378.07	431	4.7%
2026	-	-	-	-	-	-	\$347.85	397	4.8%
2025	-	-	-	-	-	-	\$309.70	353	5.0%
2024	-	-	-	-	-	-	\$283.38	323	5.1%
YTD	2	\$2.9M	0%	\$1,435,000	\$573.77	-	\$297.91	340	4.8%
2023	183	\$1.2B	2.3%	\$7,161,345	\$276.38	5.3%	\$297.87	340	4.8%
2022	301	\$2.5B	3.5%	\$8,750,832	\$291.75	4.2%	\$298.25	340	4.5%
2021	337	\$2.1B	3.8%	\$6,441,629	\$228.29	4.7%	\$272.43	311	4.3%
2020	240	\$1.5B	3.3%	\$6,695,443	\$206.14	5.0%	\$217.76	248	4.7%
2019	342	\$1.3B	2.9%	\$5,307,901	\$218.64	4.6%	\$186.21	212	5.1%
2018	445	\$1.1B	3.7%	\$4,742,674	\$178.13	4.9%	\$168.63	192	5.2%
2017	522	\$1.1B	4.2%	\$3,921,180	\$148.83	5.7%	\$151.27	172	5.3%
2016	433	\$977.6M	3.6%	\$3,336,627	\$147.57	5.7%	\$143.47	164	5.1%
2015	474	\$1B	4.2%	\$3,190,360	\$122.91	6.4%	\$131.28	150	5.2%
2014	419	\$971.1M	4.2%	\$3,480,548	\$103.59	5.4%	\$113.44	129	5.6%
2013	336	\$778.8M	3.7%	\$3,042,282	\$93.97	6.9%	\$100.85	115	5.9%

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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
2028	-	-	-	-	-	-	\$448.27	465	4.5%
2027	-	-	-	-	-	-	\$412.19	427	4.6%
2026	-	-	-	-	-	-	\$379.58	393	4.8%
2025	-	-	-	-	-	-	\$338.31	351	4.9%
2024	-	-	-	-	-	-	\$309.86	321	5.0%
YTD	3	\$905K	0%	\$905,000	\$452.50	-	\$325.83	338	4.7%
2023	486	\$3.6B	2.0%	\$8,284,861	\$312.47	4.8%	\$325.74	338	4.7%
2022	728	\$6.2B	3.3%	\$9,096,876	\$314.29	4.3%	\$326.92	339	4.4%
2021	923	\$5.2B	3.6%	\$5,866,683	\$244.15	4.6%	\$297.76	309	4.2%
2020	661	\$3.7B	2.8%	\$5,994,947	\$230.69	4.5%	\$238.65	247	4.7%
2019	797	\$3.2B	3.4%	\$5,482,511	\$200.77	4.5%	\$203.68	211	5.0%
2018	1,156	\$3.4B	3.7%	\$4,964,843	\$200.51	5.1%	\$183.89	191	5.1%
2017	1,295	\$3.3B	4.1%	\$4,241,722	\$156.51	4.6%	\$164.94	171	5.2%
2016	1,058	\$2.6B	3.8%	\$3,790,570	\$144.06	5.0%	\$157.32	163	5.1%
2015	1,246	\$2.8B	5.0%	\$3,589,920	\$134.76	5.3%	\$144.57	150	5.1%
2014	1,018	\$2B	3.2%	\$2,703,618	\$117.96	6.0%	\$124.92	129	5.5%
2013	937	\$1.7B	3.5%	\$2,421,480	\$92.49	6.8%	\$111.18	115	5.8%

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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
2028	-	-	-	-	-	-	\$590.29	410	4.7%
2027	-	-	-	-	-	-	\$543.86	377	4.8%
2026	-	-	-	-	-	-	\$501.72	348	5.0%
2025	-	-	-	-	-	-	\$448.17	311	5.1%
2024	-	-	-	-	-	-	\$411.18	285	5.2%
YTD	-	-	-	-	-	-	\$431.39	299	4.9%
2023	68	\$392.4M	1.4%	\$6,229,334	\$524	4.8%	\$431.01	299	5.0%
2022	136	\$638.3M	5.6%	\$6,257,396	\$260.04	5.4%	\$436.57	303	4.6%
2021	121	\$1.1B	5.5%	\$9,522,672	\$349.35	5.4%	\$408.48	283	4.3%
2020	92	\$345M	2.3%	\$4,366,698	\$265.22	5.9%	\$330.64	229	4.8%
2019	109	\$535.1M	3.4%	\$6,446,944	\$299.56	6.1%	\$288.01	200	5.1%
2018	133	\$680.7M	4.6%	\$6,875,793	\$287.50	5.5%	\$263.33	183	5.2%
2017	135	\$349.9M	4.3%	\$4,429,332	\$197.55	5.8%	\$239.88	166	5.3%
2016	131	\$567M	5.6%	\$5,201,997	\$182.69	6.0%	\$229.79	159	5.1%
2015	175	\$479.1M	5.4%	\$4,355,297	\$202.40	6.2%	\$211.39	147	5.1%
2014	138	\$322.6M	4.8%	\$3,544,723	\$143.37	6.6%	\$183.28	127	5.5%
2013	124	\$194.3M	2.7%	\$2,233,268	\$161.76	7.7%	\$164.38	114	5.8%

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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.