



# Industrial Market Report

## Los Angeles - CA USA

PREPARED BY

**RE/MAX**<sup>®</sup>

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**INDUSTRIAL MARKET REPORT**

Market Key Statistics	1
Leasing	2
Rent	7
Construction	9
Under Construction Properties	11
Sales	13
Sales Past 12 Months	15
Economy	17
Market Submarkets	22
Supply & Demand Trends	26
Rent & Vacancy	28
Sale Trends	30

12 Mo Deliveries in SF

**6.6M**

12 Mo Net Absorption in SF

**(12.2M)**

Vacancy Rate

**5.4%**

Market Asking Rent Growth

**-1.3%**

Industrial vacancy in Los Angeles has increased in line with the national average over the past two years. However, while national vacancy expansion has been driven by supply growth, vacancy has increased in Los Angeles due to a contraction in occupancy, which has fallen below prepandemic levels. Net absorption is running negative for a ninth consecutive quarter, and speculative buildings are delivering vacant. Vacancy has reached 5.4% as of the third quarter of 2024, up from an all-time low of 1.7% at the beginning of 2022.

Of the more than 12 million SF of new industrial space completed since 2023 or currently under construction, more than 60% is still available for lease. Meanwhile, trailing 12-month net absorption of -12.2 million SF was weighed down by downsizing logistics tenants. U.S. businesses dialed back inventories last year, and worker shortages and labor negotiations hampered imports to Southern California ports. Vacancies 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 buildings in these submarkets.

However, both inventories and imports to Long Beach and Los Angeles are rising again, and inflation is subsiding, which could lead to stronger demand in the coming quarters. West Coast port workers have a new labor agreement in place through mid-2029. Meanwhile, East and Gulf port labor negotiations are set to begin in

May, and a potential delay in them would lead more cargo shippers to dock alternatively in Southern California. As a result, net absorption in Los Angeles could turn positive in the second half of 2024.

The majority of the 5.6 million SF currently under construction, which is over 90% available, will likely deliver vacant. However, the continual demolition of obsolete buildings will limit net supply growth, and a steep drop in construction starts since the end of last year foreshadows moderating supply additions in 2025, potentially as tenant demand reaccelerates. Vacancy does not rise substantially higher in the forecast. However, vacancies will continually expand until consumer spending growth, rising business inventories, and imports necessitate more industrial tenant expansions. For now, tenants are still unloading excess space.

Landlords have lowered weighted average asking rents by more than 10% from 2023 peaks, marking the first downturn in over a decade. Additionally, rising lease concessions in the market have lowered effective rental rates significantly. One to several months of free rent are common among new larger leases. Landlords will likely reduce asking rents further as vacancy elevates above historical averages. However, rents could rise again in 2025 as the minimal development on track to deliver a year from now signals the potential for market conditions to tighten even if tenant occupancy returns to pre-pandemic levels.

### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	654,456,722	5.9%	\$18.48	8.4%	(262,488)	0	5,408,911
Specialized Industrial	248,890,957	3.9%	\$17.87	4.9%	(221,210)	0	205,048
Flex	58,695,275	6.6%	\$25.60	9.4%	(6,960)	0	0
<b>Market</b>	<b>962,042,954</b>	<b>5.4%</b>	<b>\$18.76</b>	<b>7.6%</b>	<b>(490,658)</b>	<b>0</b>	<b>5,613,959</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.6%	3.7%	5.0%	5.5%	2010 Q1	1.7%	2022 Q1
Net Absorption SF	(12.2M)	1,410,031	(753,207)	14,956,205	2021 Q4	(15,749,758)	2023 Q4
Deliveries SF	6.6M	5,509,223	3,045,114	14,044,332	2002 Q1	761,275	2011 Q1
Market Asking Rent Growth	-1.3%	4.6%	3.9%	12.6%	2022 Q2	-4.2%	2009 Q4
Sales Volume	\$4.5B	\$3.8B	N/A	\$9.5B	2023 Q1	\$969.2M	2009 Q3



Occupancy loss continues to plague the Los Angeles industrial market in 2024. Net absorption has run negative in the last nine quarters, including the projected loss of over 3 million SF of occupancy in the second quarter of 2024. Over 25 million SF, close to 3% of market supply, has been vacated during the recent downturn.

Businesses dialed back inventories last year, and imports to Southern California remain below pre-pandemic levels. As a result, logistics-driven submarkets with strong ties to port activity, including Vernon, Commerce, Santa Fe Springs/La Mirada, Carson, and City of Industry, have endured the most severe occupancy losses.

Production-related companies vacated warehouses in the San Fernando Valley due to last year's writers' and actors' strikes. Meanwhile, vacancies on the Westside have soared to a new high of over 8%, as flex buildings have been vacated by businesses sticking to fully remote work.

Vacancy has increased to 5.4% as of the third quarter of 2024, now trending at levels last seen in the early 2010s. Vacancy among logistics inventory (including warehouse and distribution buildings) is near an all-time high at 5.9%, while flex building vacancy is still about 100 basis points below its high water mark at 6.6%. Largely comprised of manufacturing buildings, specialized

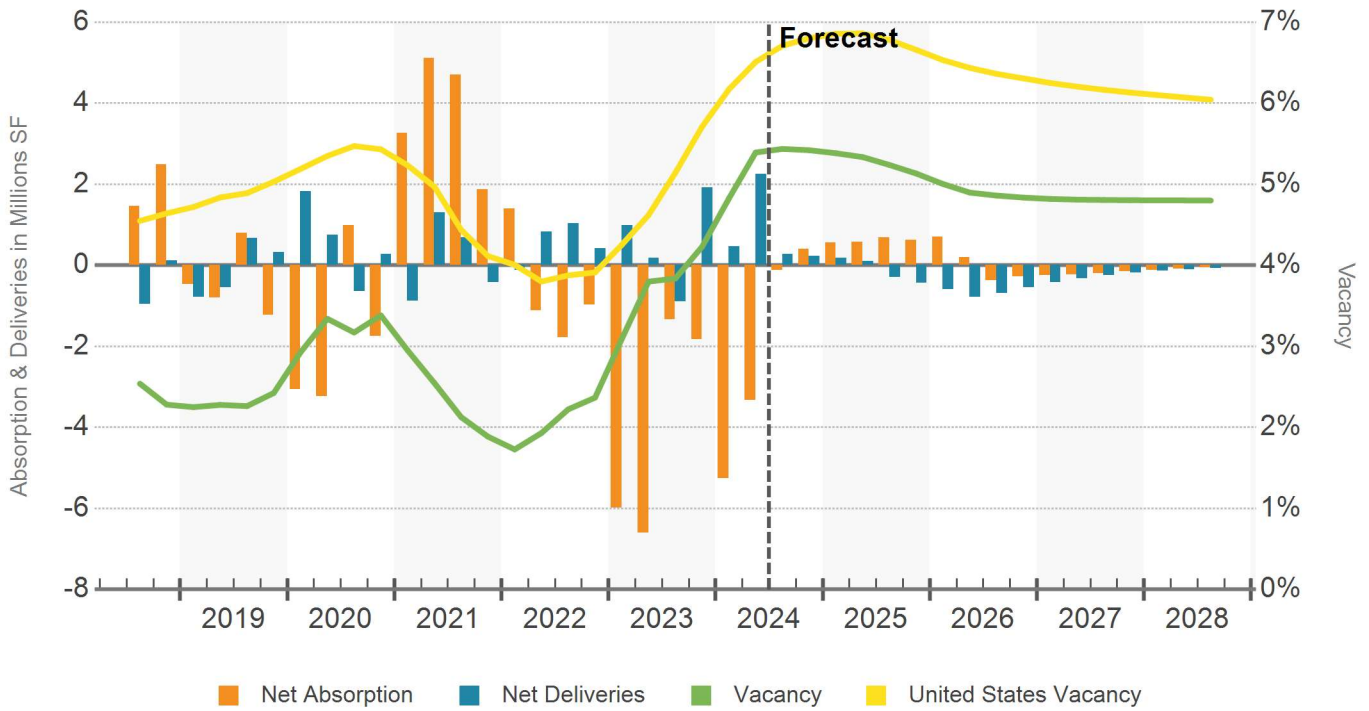
building vacancy is roughly 150 basis points below all-time highs at 3.9%.

Due to pressure from downsizing logistics tenants, properties in the 250,000-500,000-SF size range have experienced the sharpest expansion in vacancy and currently trend highest at 7.6%. Vacancy among buildings from 50,000-100,000-SF and 100,000-250,000-SF are both rising towards 6%. Rarer larger warehouses and distribution centers of over 500,000 SF are less than 5% vacant, and buildings smaller than 50,000 SF also remain in stronger demand, with vacancy increasing but still limited to the low 4% range.

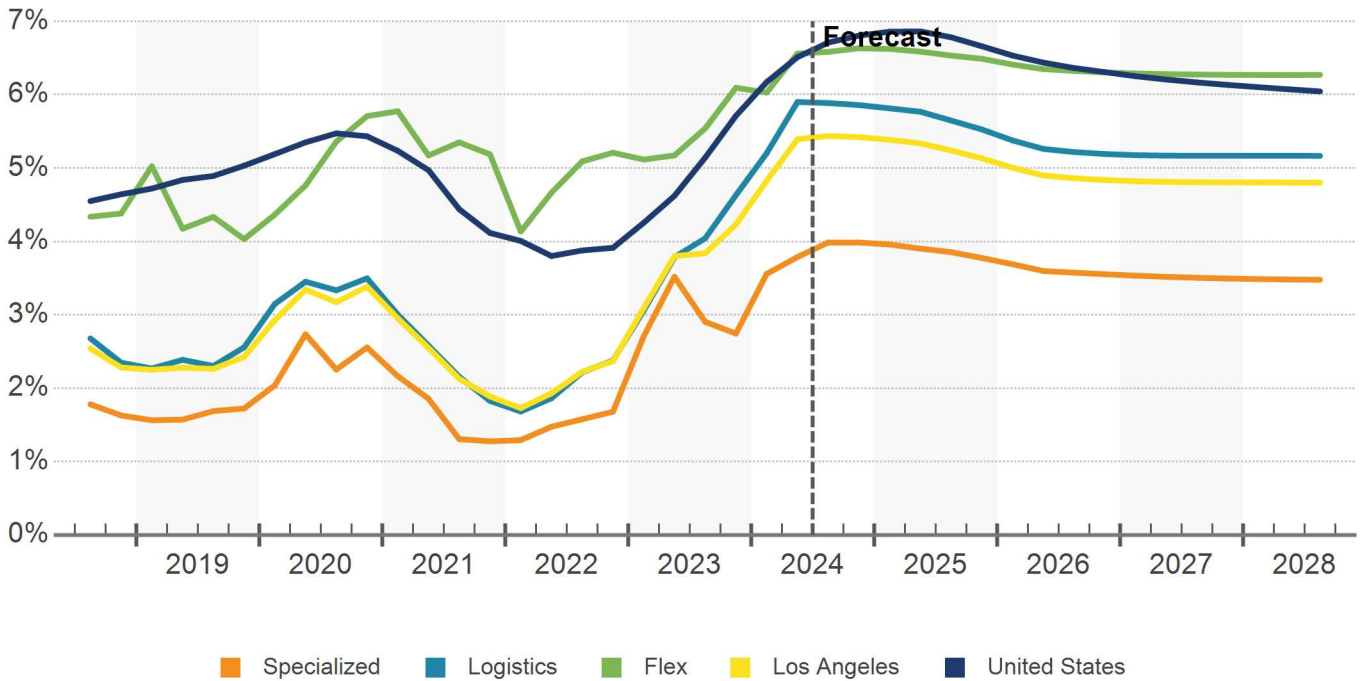
A more recent expansion of U.S. business inventories in 2024 and an ongoing rebound in imports to Southern California is yet to translate into stronger tenant demand for space. New leasing volume, a leading indicator of future net absorption, has remained consistent, running between 8 and 9 million SF per quarter over the past two years, about 5% to 10% below 2017-19 prepandemic levels.

However, stronger consumer spending portends ongoing inventory stockpiling and expansion among national retailers and logistics tenants, resulting in an inflection point in market vacancy in the quarters ahead. In addition, subsiding inflationary pressures could hedge move-outs from businesses unable to keep pace with rising costs.

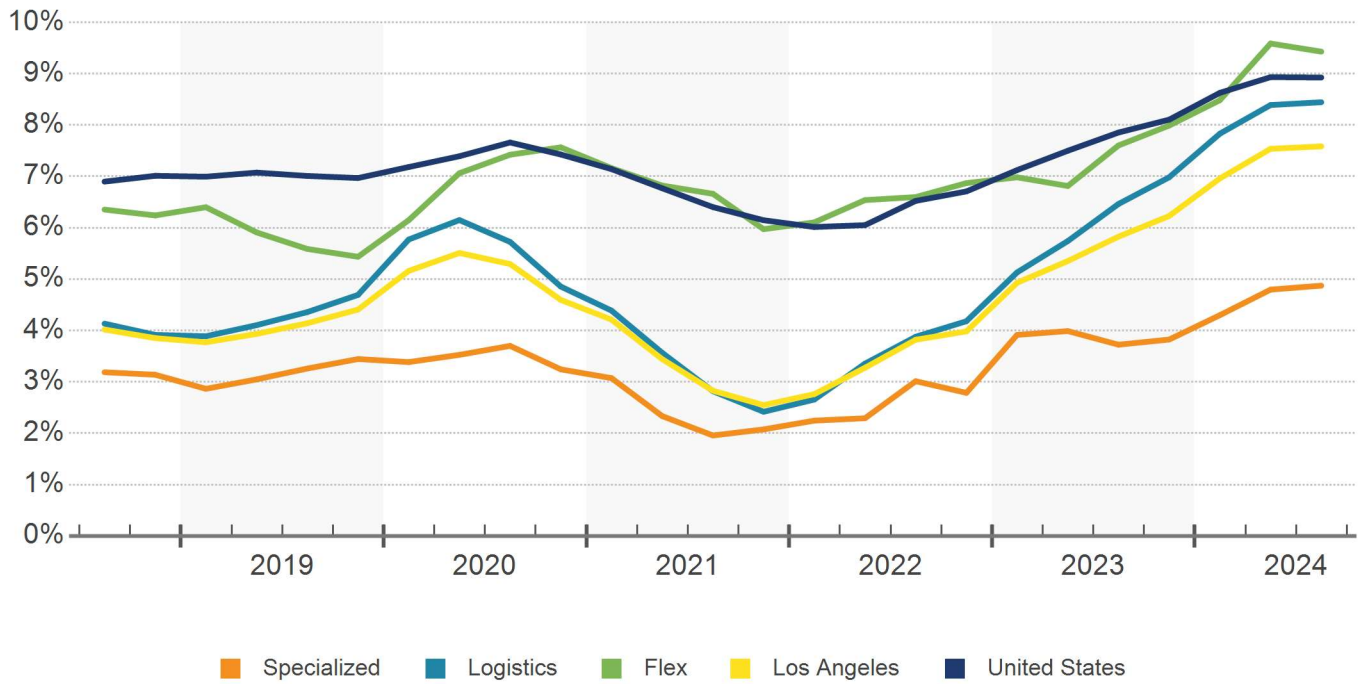
## NET ABSORPTION, NET DELIVERIES & VACANCY



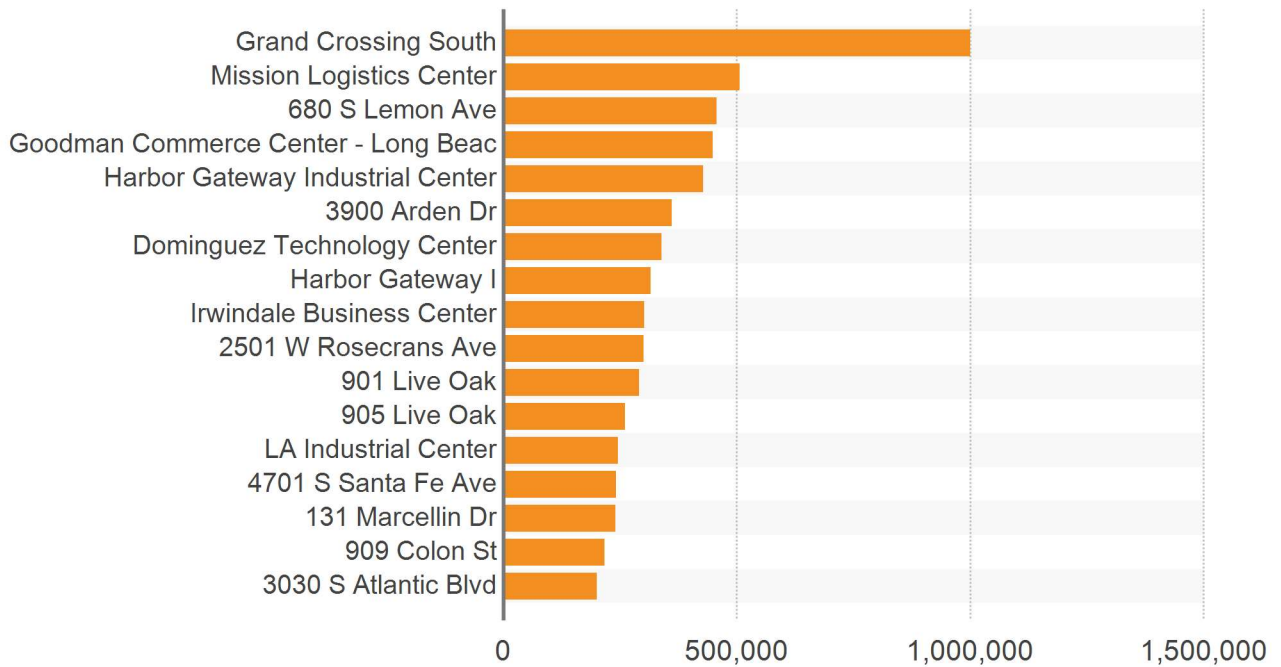
## VACANCY RATE



## 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
680 S Lemon Ave	City of Industry Ind	472,876	0	0	0	0	0	457,456
Goodman Commerce Center - L...	Long Beach Ind	883,971	0	0	0	0	0	448,406
Harbor Gateway Industrial Center	Torrance Ind	442,550	0	0	0	0	0	428,119
3900 Arden Dr	Lower San Gabriel V...	360,992	0	360,992	0	0	0	360,992
Dominguez Technology Center	Carson Ind	338,932	0	0	0	338,932	0	338,932
Harbor Gateway I	Torrance Ind	684,900	0	315,256	0	0	0	315,256
Irwindale Business Center	Upper San Gabriel V...	312,000	0	0	0	0	0	301,826
2501 W Rosecrans Ave	South LA Ind	300,217	0	0	0	300,217	0	300,217
901 Live Oak	Upper San Gabriel V...	291,673	0	0	291,673	0	0	291,673
905 Live Oak	Upper San Gabriel V...	260,889	0	260,889	0	0	0	260,889
LA Industrial Center	Compton Ind	253,584	0	0	0	0	0	245,315
4701 S Santa Fe Ave	Vernon Ind	242,495	0	0	242,495	0	0	242,495
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	216,565
3030 S Atlantic Blvd	Commerce Ind	200,683	0	200,683	0	0	0	200,683
<b>Subtotal Primary Competitors</b>		<b>7,017,072</b>	<b>0</b>	<b>1,137,820</b>	<b>534,168</b>	<b>639,149</b>	<b>0</b>	<b>6,156,269</b>
Remaining Los Angeles Market		955,095,399	52,377,813	(6,402,661)	(3,869,099)	(1,129,807)	0	(18,366,762)
<b>Total Los Angeles Market</b>		<b>962,112,471</b>	<b>52,377,813</b>	<b>(5,264,841)</b>	<b>(3,334,931)</b>	<b>(490,658)</b>	<b>0</b>	<b>(12,210,493)</b>

### TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
7400 E Slauson Ave	Commerce	479,560	Q4 23	Gehr Industries Inc	-	-
1452 W Knox St	Torrance	442,550	Q3 23	National Road Logistics, L...	-	KBC Advisors;Prologis,...
1650 S Central Ave *	Compton	418,344	Q1 24	St. George Warehouse, Inc.	JLL	-
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
1650 E Glenn Curtiss St	Carson	338,932	Q2 24	-	-	CBRE
22067 Ferrero *	City of Industry	324,925	Q3 23	Markwins Beauty Brands	-	-
19200-19270 S Western Ave	Torrance	315,256	Q4 23	National Road Logistics, L...	-	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	-
2501 W Rosecrans Ave	South LA	300,217	Q2 24	-	-	CBRE
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
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
14455-14525 E Clark Ave	City of Industry	232,000	Q1 24	ACL America	-	JLL
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
5801 S 2nd St	Vernon	185,089	Q2 24	-	-	Lee & Associates
17708 Rowland St	City of Industry	181,730	Q3 23	Action Sales	DAUM Commercial...	JLL
16501 Trojan Way	Santa Fe Springs/La Mirada	180,000	Q2 24	-	Lee & Associates	Newmark
29125 Avenue Paine	Santa Clarita Valley	176,107	Q4 23	-	-	CBRE
1355 Sepulveda Blvd	Torrance	174,211	Q2 24	K2 Aerospace	-	CBRE
4700 S Boyle Ave	Vernon	165,636	Q2 24	-	-	Lee & Associates;Lee...
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
1021 N Todd Ave	Upper San Gabriel Valley	150,000	Q4 23	HONG DA MA FOODS CO	-	JLL
20922 Currier Rd	City of Industry	147,490	Q2 24	-	-	Colliers
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
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
5401-5411 S Soto St	Vernon	131,639	Q2 24	Swat Fame	CBRE;Lee & Associ...	Lee & Associates;May...
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
111 N Baldwin Park Blvd	City of Industry	127,540	Q2 24	-	-	Colliers
2187 Garfield Ave	Commerce	123,138	Q3 23	LAX Freight Delivery	-	JLL
13220 Orden Dr	Santa Fe Springs/La Mirada	123,120	Q3 23	-	-	-

\*Renewal



Rents for industrial space in Los Angeles have decreased since mid-2023 due to contracting demand and rising vacancy. Weighted average asking rents are down more than 10% from their peak. Lease concessions, which were nearly nonexistent two years ago, have become common. Some landlords are now offering four to five months of free rent on a five-year lease deal, and market participants have noted that effective rents are down as much as 20% depending on building subtype, size, vintage, and location.

Rents for logistics buildings were increasing faster than specialized or flex building rents, leading to a sharper downturn recently. However, following a downturn this year, rents are forecast to rise in 2025 as more robust demand and a slowdown in completions prevent vacancies from climbing higher.

Flex buildings in the Westside command a premium, driving rents to the top of the market, followed by El Seguno/Beach Cities, Burbank, Glendale, and Central Los Angeles. Weighted average triple net asking rents in the Westside have declined by more than 12% from peak levels into the low \$30/SF range, as hybrid work

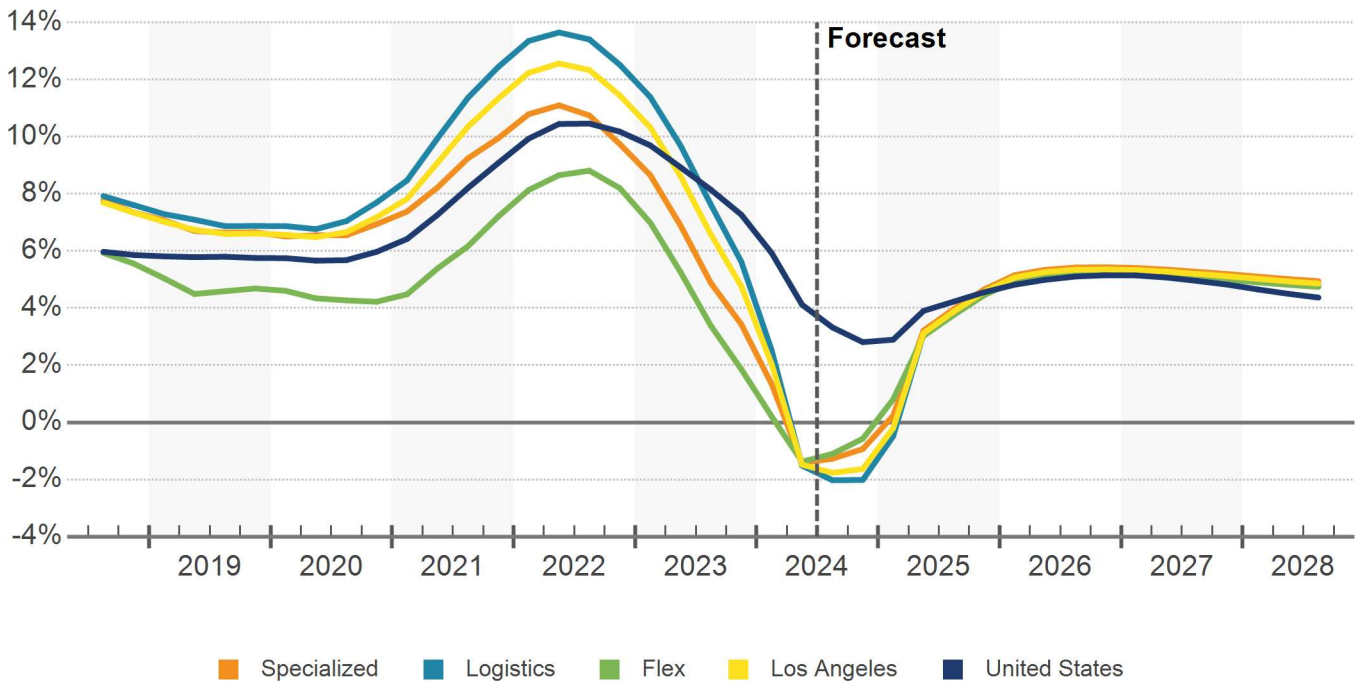
adoption has reduced demand for working on site. However, that represents a comparatively mild downturn across the market.

Asking rents in Central Los Angeles have fallen about 15%, and further north, in Burbank and Glendale, rents are down roughly 20%. Rents in South Bay submarkets close to the ports, including Long Beach, Carson, and Torrance are also down nearly 20% from peak levels reached in 2023, heading below \$20/SF on average.

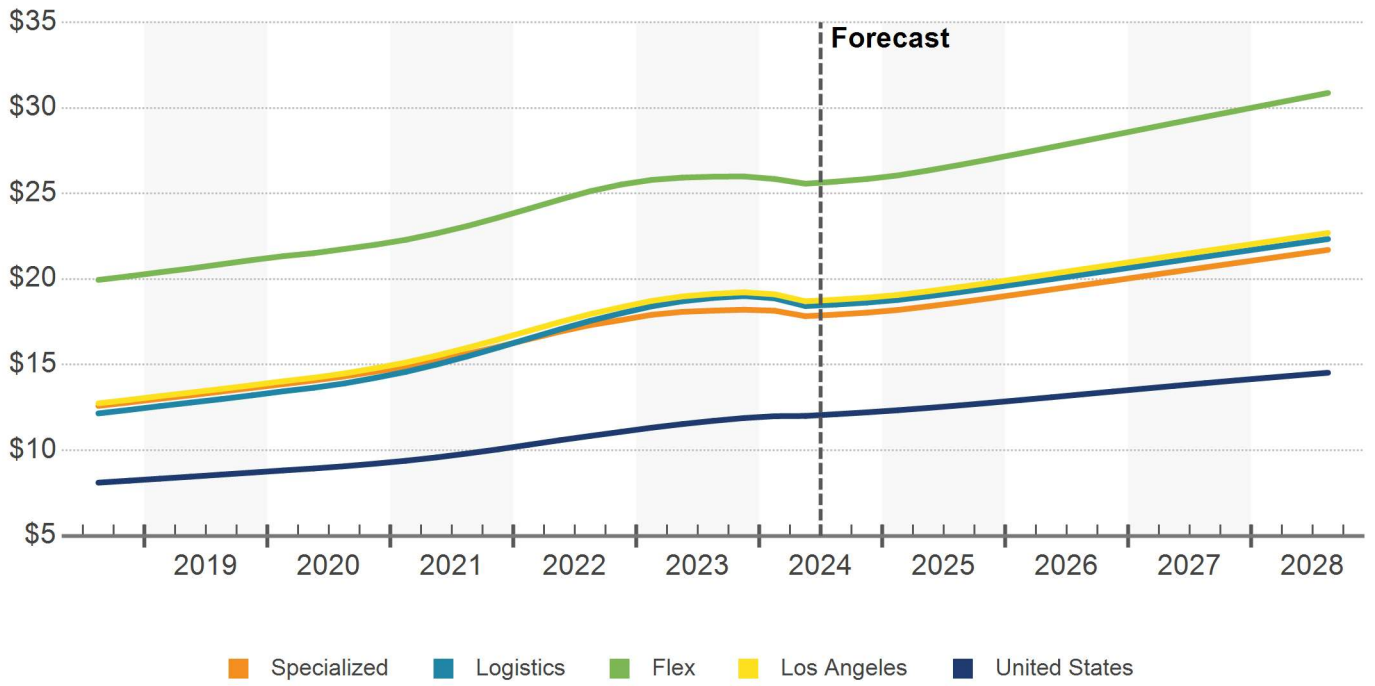
Outer submarkets in the San Gabriel, San Fernando, and Santa Clarita Valleys and the City of Industry, and which are more heavily occupied by distributors, have only seen a more moderate downturn of less than 10%. New inventory developed in those area's, which command a premium, have helped prevent a more severe decline.

Despite more building options, and greater negotiating leverage as rents in the market soften, most tenants will still face significant rent hikes upon lease expiration. Market rates are still up 40% in the past five years and have doubled over the past decade.

### MARKET ASKING RENT GROWTH (YOY)



### MARKET ASKING RENT PER SQUARE FEET



Los Angeles County is an infill market with high land values and restrictive development policies. Development of industrial buildings, particularly large logistics facilities, has been pushed East into the adjacent Inland Empire due to land constraints. Less than 5% of Los Angeles' industrial inventory was built in the past decade, trailing well behind the national total of over 17%. Furthermore, the delivery of 48.2 million SF in that period has been offset by the demolition of 32.9 million SF, leading to a less than 1% expansion in total supply.

The scarcity of new stock led tenants to prelease speculative developments while they were under construction several years ago. However, more buildings will reach completion vacant in 2024 amid weaker tenant demand conditions. For example, Ryder Logistics preleased a 1 million SF distribution center in Majestic Realty's Grand Crossing industrial park in the City of Industry a year before its delivery in November 2023 and Win.IT America preleased a 240,500-SF building in the development six months before its completion in December 2023. However, two buildings currently underway in Grand Crossing South, measuring over 600,000 SF and nearly 700,000 SF, respectively, are scheduled for completion in June 2024 and remain available for lease.

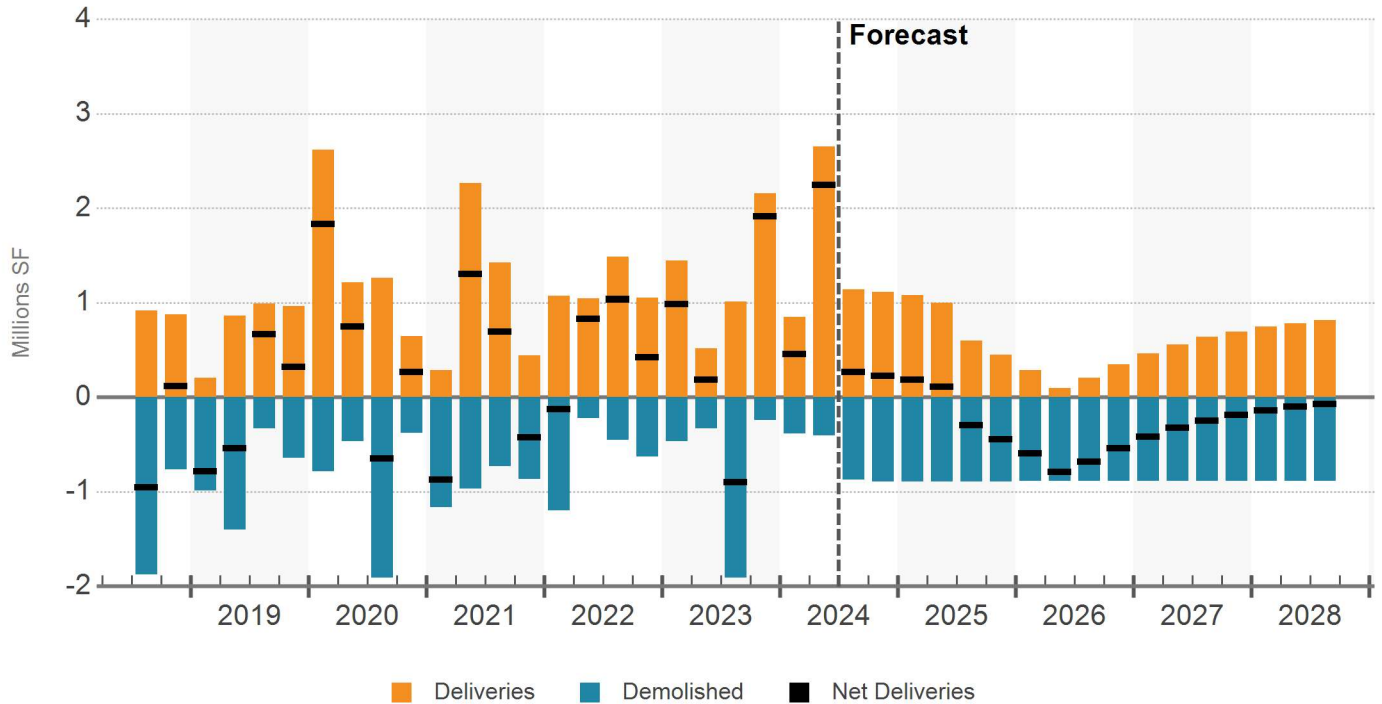
There is currently 5.6 million SF of inventory under construction in the market as of the third quarter of 2024. Construction activity, though measured, has been consistent over the past two and a half years, trending between 5.5 million SF and 7 million SF as construction starts balanced completions.

Despite rising market vacancy and declining rent potential, developers continue to break ground on construction projects in 2024. There is a scarcity of modern inventory with ample clear height and electric power near the ports, providing confidence to developers that new supply will lease as demand improves. The Goodman Commerce Center Long Beach, a 505,000 SF building with a 40' clear height at 2401 E Wardlow Road adjacent to the Airport, and several mid-sized buildings in Santa Clarita recently initiated construction. The City of Industry, Antelope Valley, Long Beach, and Santa Clarita are the leading submarkets for development in Los Angeles, accounting for more than 60% of the markets under construction supply.

Vacancy in the market will face upward pressure as the buildings currently under construction are completed. Excluding the largest building underway, a 1 million SF Trader Joe's owner-user development in the Antelope Valley city of Palmdale, less than 5% of the remaining speculative development is preleased.

Supply additions will be concentrated among mid-sized buildings. The Trader Joe's building, Goodman Commerce Center in Long Beach, and Grand Crossing South are the only under-construction buildings exceeding 500,000 SF. Competition from over 20 under-construction buildings in the 100,000-300,000 SF size range is stronger. Vacancy among the 70 buildings in the size range completed since 2000 remains elevated at 18%, with nearly 15 still available.

### 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	Antelope Valley	3	1,175	1,000	85.1%	1	29,774	391,618	1
2	Long Beach	7	892	132	14.8%	4	18,425	127,405	4
3	Santa Fe Springs/La Mira...	7	693	121	17.5%	3	35,678	99,003	9
4	City of Industry	4	618	307	49.7%	2	58,587	154,431	2
5	Vernon	4	414	17	4.1%	5	36,448	103,388	8
6	Santa Clarita Valley	3	378	0	0%	6	37,193	125,972	5
7	West Rancho Dominguez	2	284	0	0%	6	25,859	141,957	3
8	East San Ferndo Villy	2	250	0	0%	6	18,435	125,140	6
9	Gardena/Hawthorne	2	221	0	0%	6	19,870	110,728	7
10	Commerce	3	152	0	0%	6	49,486	50,517	10
	All Other	8	538	66	12.3%		23,601	67,232	
<b>Totals</b>		<b>45</b>	<b>5,614</b>	<b>1,644</b>	<b>29.3%</b>		<b>27,022</b>	<b>124,755</b>	



# Under Construction Properties

Los Angeles Industrial

Properties

Square Feet

Percent of Inventory

Released

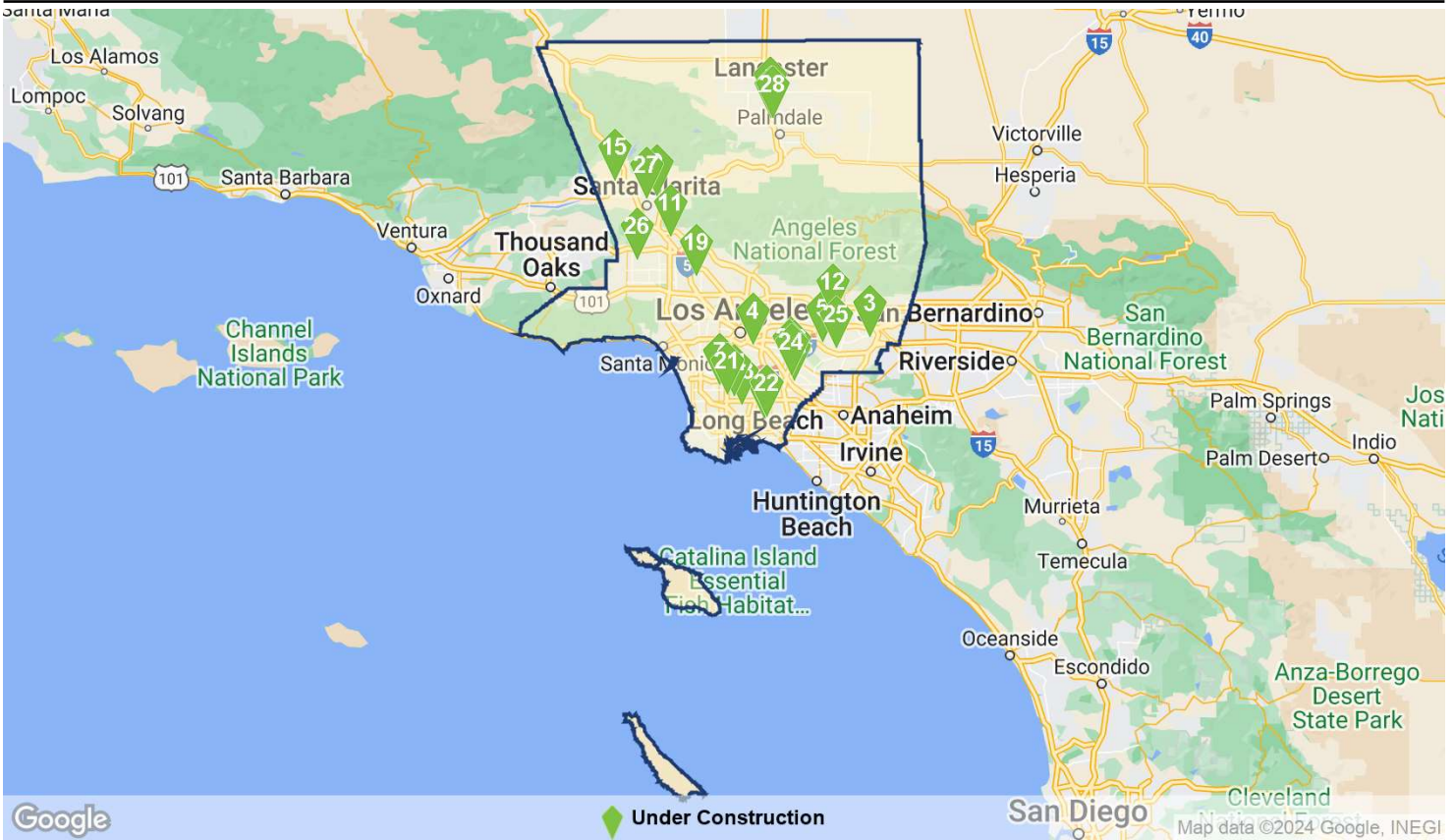
44

5,582,418

0.6%

28.9%

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 <b>Palmdale Trader Joe's Di...</b> 10th ST W & Avenue M	★★★★★	1,000,000	1	Apr 2024	Apr 2025	- Trader Joe's Company
2 <b>Goodman Commerce Ce...</b> 2401 E Wardlow Rd	★★★★☆	505,043	1	Apr 2024	Dec 2024	- Goodman North America Manage...
3 <b>West Valley Logistics</b> 4200 W Valley Blvd	★★★★☆	269,780	2	Dec 2023	Oct 2024	CapRock Partners CapRock Partners
4 <b>3690 Union Pacific Ave</b>	★★★★☆	253,318	1	Sep 2023	Oct 2024	- Real Estate Development Associ...
5 <b>15010 Don Julian Rd</b>	★★★★☆	219,242	1	Jun 2023	Sep 2024	-
6 <b>9615 Norwalk Blvd</b>	★★★★☆	201,571	1	May 2024	Mar 2025	- Rexford Industrial Realty, Inc.
7 <b>1600 W 135th St</b>	★★★★☆	190,860	1	Aug 2023	Sep 2024	-

# Under Construction Properties

Los Angeles Industrial

## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 112 W Alondra Blvd	★ ★ ★ ★ ☆	181,830	1	Aug 2023	Oct 2024	- Link Logistics Real Estate
9 26313 Golden Valley Rd	★ ★ ★ ★ ☆	172,843	1	Mar 2024	Mar 2025	Pacific Industrial -
10 Building 22 3590 Cover St	★ ★ ★ ★ ☆	150,096	1	Dec 2023	Dec 2024	Sares-Regis Group Sares-Regis Group
11 12772 San Fernando Rd	★ ★ ★ ★ ★	143,529	1	Jan 2024	Mar 2025	- Rexford Industrial Realty, Inc.
12 4416 Azusa Canyon Rd	★ ★ ★ ☆ ☆	129,619	1	Mar 2023	Nov 2024	- -
13 2001 E Cashdan St	★ ★ ★ ☆ ☆	128,822	1	Jan 2024	Oct 2024	- Prudential Private Capital
14 1055 Sandhill Ave	★ ★ ★ ★ ☆	127,775	1	Mar 2023	Aug 2024	- Rexford Industrial Realty, Inc.
15 29124 Ave Penn	★ ★ ★ ★ ☆	126,607	1	Mar 2024	Mar 2025	- -
16 Building 3 10251 Santa Fe Springs Rd	★ ★ ★ ★ ☆	121,124	2	Dec 2023	Dec 2024	- Centris Industrial
17 Building 23 3555 Conant St	★ ★ ★ ★ ☆	112,964	1	Dec 2023	Dec 2024	- Sares-Regis Group
18 12118 Bloomfield Ave	★ ★ ★ ★ ★	107,045	1	Apr 2024	Dec 2024	Rexford Industrial Realty, Inc. -
19 6950 Tujunga Ave	★ ★ ★ ★ ★	106,750	1	Aug 2023	Aug 2024	Bridge Industrial Bridge Industrial
20 10000 Pioneer Blvd	★ ★ ★ ★ ☆	104,667	1	Feb 2023	Aug 2024	- -
21 219 W Gardena Blvd	★ ★ ★ ☆ ☆	102,083	1	Aug 2023	Oct 2024	- Link Logistics Real Estate
22 Building 21 3715 Stineman	★ ★ ★ ★ ☆	101,472	1	Jul 2023	Mar 2025	Sares-Regis Group Sares-Regis Group
23 40347 Legacy Ln	★ ★ ★ ★ ☆	99,853	1	Aug 2023	Sep 2024	Transwestern Real Estate Services -
24 10840 Norwalk Blvd	★ ★ ★ ★ ☆	99,847	1	Apr 2024	Dec 2024	- Goodman Group
25 886 Azusa Ave	★ ★ ★ ★ ☆	87,803	1	Oct 2022	Oct 2024	- Harmoni International Spice Inc,...
26 19900 Plummer St	★ ★ ★ ★ ☆	79,539	1	Feb 2024	May 2025	- Rexford Industrial Realty, Inc.
27 Building 3 25485 Springbrook Ave	★ ★ ★ ★ ☆	78,467	1	Jun 2024	Feb 2026	Covington Group, Inc Covington Group, Inc
28 200 Grand Cypress Ave	★ ★ ★ ★ ☆	75,000	1	Jan 2024	Dec 2024	- -

Attracted to Los Angeles's robust historical rent growth and high barriers to entry, institutional investors and REITs have driven 40% of acquisition volume in the market over the past three years, up from 30% in the past decade. User acquisitions have fallen to 11% of sale volume in the past three years from 16% in the past decade, while private investors and private equity funds have also lost some market share, driving just under 50% of buyer volume.

Private owners and users have divested on net over the past decade, while institutional investors and REITs have expanded ownership in the market. Rexford Industrial Realty, Prologis, and CenterPoint Properties have been L.A.'s top industrial buyers in recent years, while Duke Realty Corporation, Blackstone, and BlackRock are the leading sellers.

Elevated capital costs, softer market fundamentals, and the recently enacted ULA transfer tax led to a 40% decline in sales volume in 2023, to \$5.3 billion from a record \$9.3 billion in 2022. Sales volume is on a slightly stronger trajectory in 2024, with \$1.6 billion trading in the first quarter. Deal flow could remain sluggish in the quarters ahead as interest rates remain elevated. Furthermore, if achievable rents in the market continue to fall, mark-to-market purchase opportunities will decline.

Over the past year, specialized properties have traded at an average of \$290/SF, logistics properties have traded for \$320/SF, and flex buildings have traded for \$420/SF.

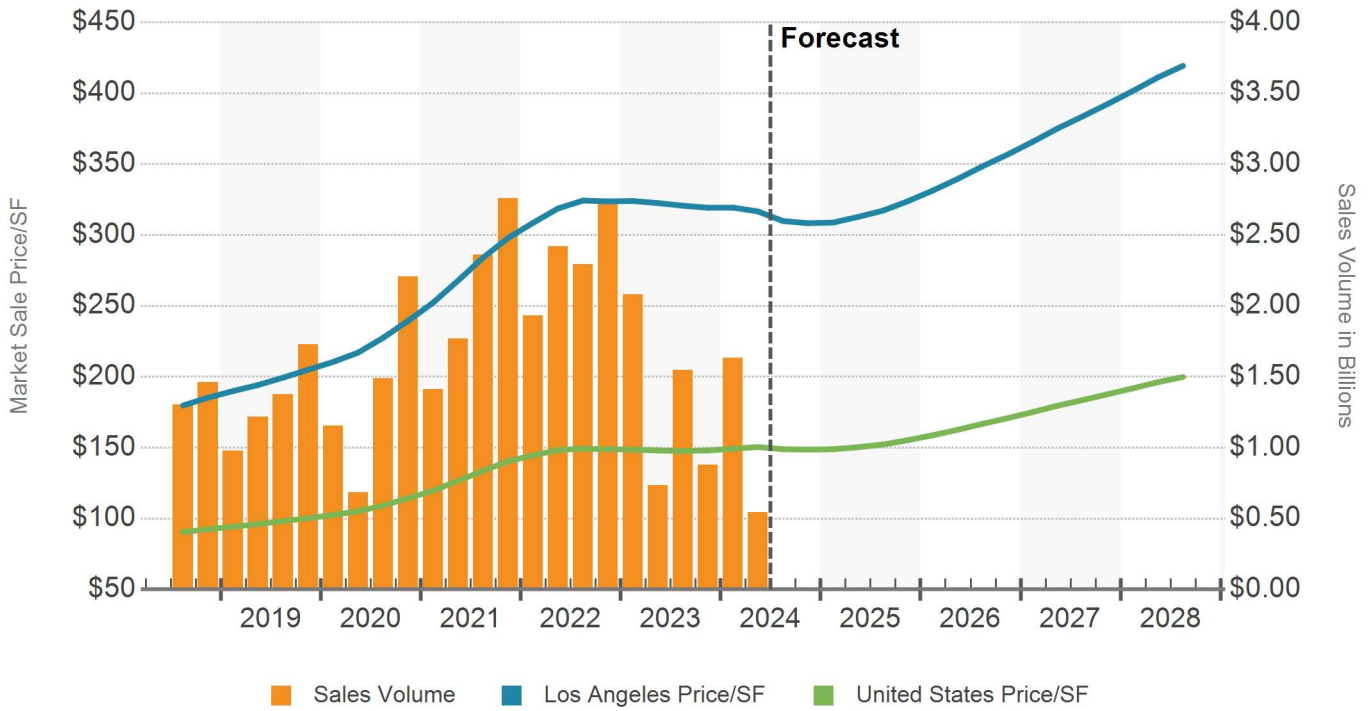
Pricing most often falls between \$300/SF and \$400/SF, followed by \$200/SF to \$300/SF. Deals over \$10 million for buildings developed since 2000 have traded an average of around \$335/SF in 2023-24, down from a peak of \$400/SF in 2022.

Valuations are under pressure as rents decline, but more so from rising cap rates, which have expanded by more than 100 basis points into the mid-5% range. For example, Dallas-based Invesco Advisers acquired 8901-8945 Canoga Avenue, a 1998-built, 154,000 SF building fully leased to Interamerican Motor Corporation, from AEW Capital Management in April 2024 for \$57 million, or \$369/SF, at a 5.4% cap rate.

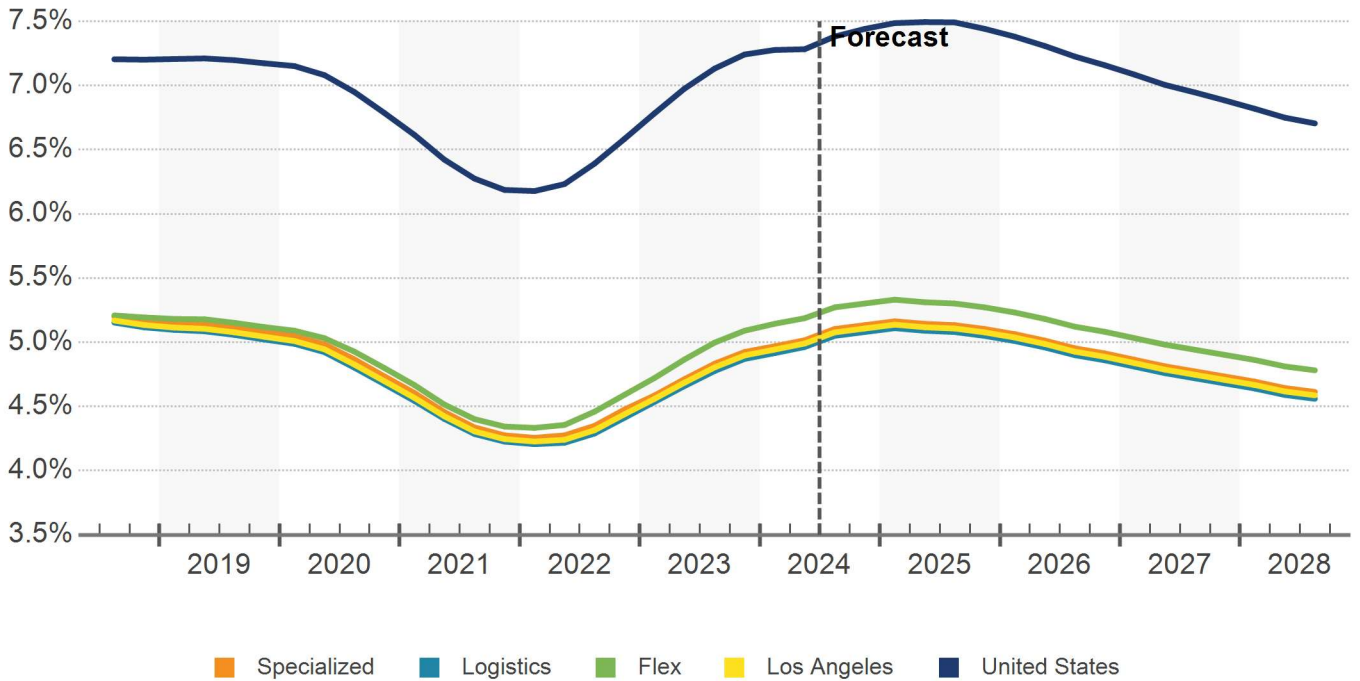
Some assets are still trading at lower cap rates on in-place income but will generate higher returns when leases at below-market rates expire. For example, Rexford acquired a 608,000-SF distribution center in Santa Fe Springs for \$210 million or \$345/SF in July 2023 at a 5% cap rate, projected to grow to 6.2% upon re-leasing.

Redevelopment opportunities have also driven some large recent deals. In August 2023, Dart Warehouse, a division of Dedeaux Properties, acquired 99 Cents Only Stores' 900,000-SF headquarters distribution building for \$190 million, or \$210/SF, with a short-term leaseback. The facility is aged but has an attractive location in Commerce, adjacent to the buyers' existing holdings and the intermodal railyard near downtown L.A.

## SALES VOLUME & MARKET SALE PRICE PER SF



## MARKET CAP RATE





# Sales Past 12 Months

Los Angeles Industrial

Sale Comparables

**699**

Avg. Cap Rate

**5.3%**

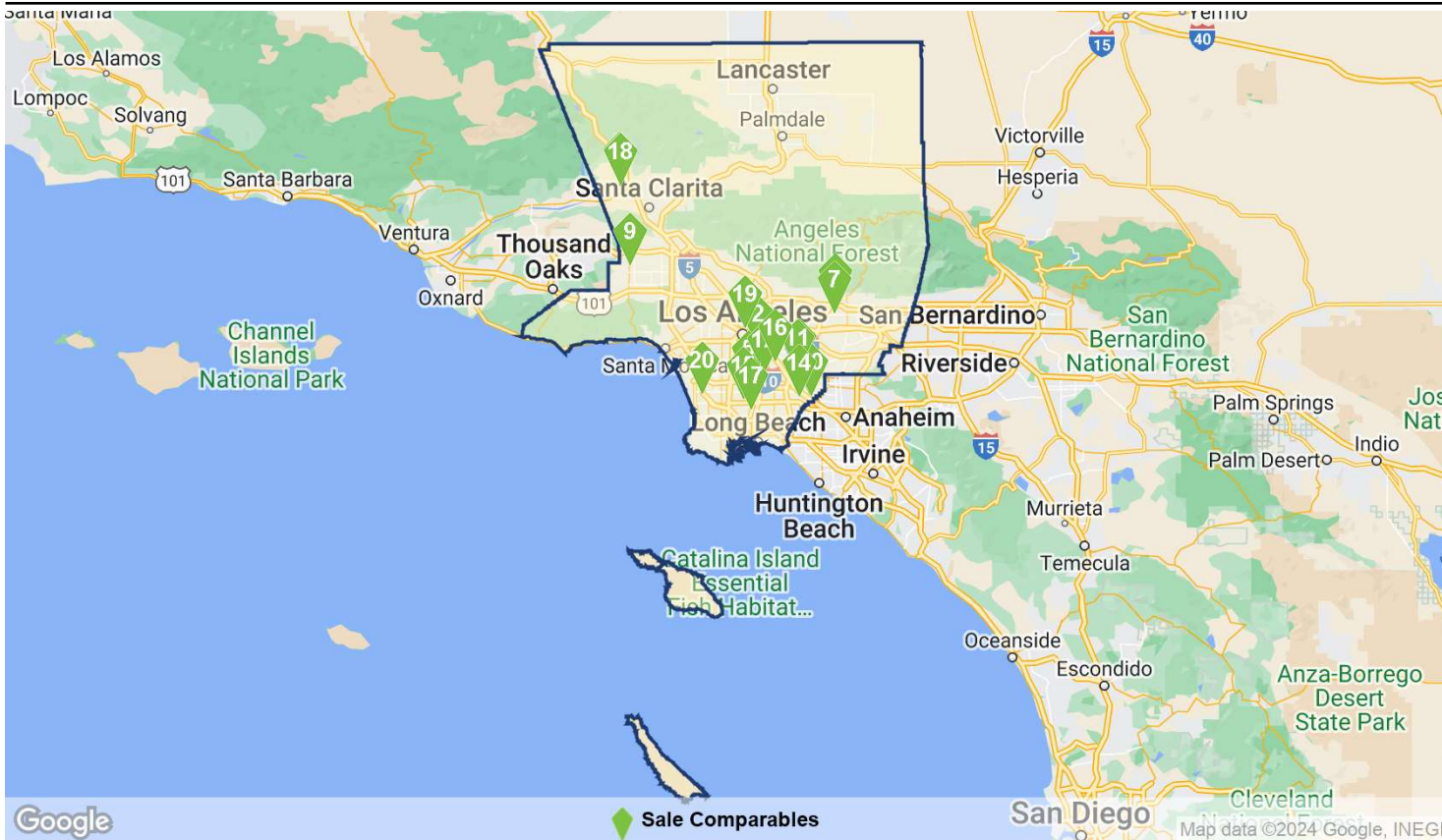
Avg. Price/SF

**\$302**

Avg. Vacancy At Sale

**5.2%**

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$145,000	\$7,544,639	\$3,200,000	\$210,000,000
Price/SF	\$22	\$302	\$315	\$7,593
Cap Rate	2.0%	5.3%	5.3%	9.5%
Time Since Sale in Months	0.0	6.1	6.2	11.9
Property Attributes	Low	Average	Median	High
Building SF	540	24,661	10,000	993,142
Ceiling Height	9'	17'3"	16'	32'
Docks	0	2	0	129
Vacancy Rate At Sale	0%	5.2%	0%	100%
Year Built	1900	1968	1968	2022
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.0	★ ★ ★ ★ ★	★ ★ ★ ★ ★

# 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	\$70,840,056	\$383	5.3%
<b>8</b> Bldg D 28355 Witherspoon Pky	★★★★★	1999	229,179	0%	8/28/2023	\$67,508,429	\$295	-
<b>9</b> 8901-8945 Canoga Ave	★★★★★	1998	154,328	0%	4/26/2024	\$57,000,000	\$369	5.4%
<b>10</b> 14647-14667 Northam St	★★★★★	1970	140,236	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	479,560	0%	12/13/2023	\$50,000,000	\$104	-
<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	165,624	0%	8/28/2023	\$48,358,666	\$292	-
<b>19</b> 1639 N Main St	★★★★★	1965	35,081	0%	1/9/2024	\$45,750,000	\$1,304	-
<b>20</b> 2411 Santa Fe Ave	★★★★★	1968	112,363	0%	10/11/2023	\$45,700,000	\$407	5.3%

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 business formation and self-employment levels. 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 supports 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 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 e-commerce operators. Much of the demand is drawn from the ports of Los Angeles and Long Beach, which rank first and second in the U.S. in terms of the 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 was facilitated by the expansion of the Panama Canal in 2016 and which allowed many items to be placed closer to their destination. U.S. imports from China, a significant place of origin for goods entering L.A.'s ports, have plateaued 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 content creation and social media boom over the past ten years. However, programming for the next 12 months will likely be affected by last year's writer's and actor's strikes.

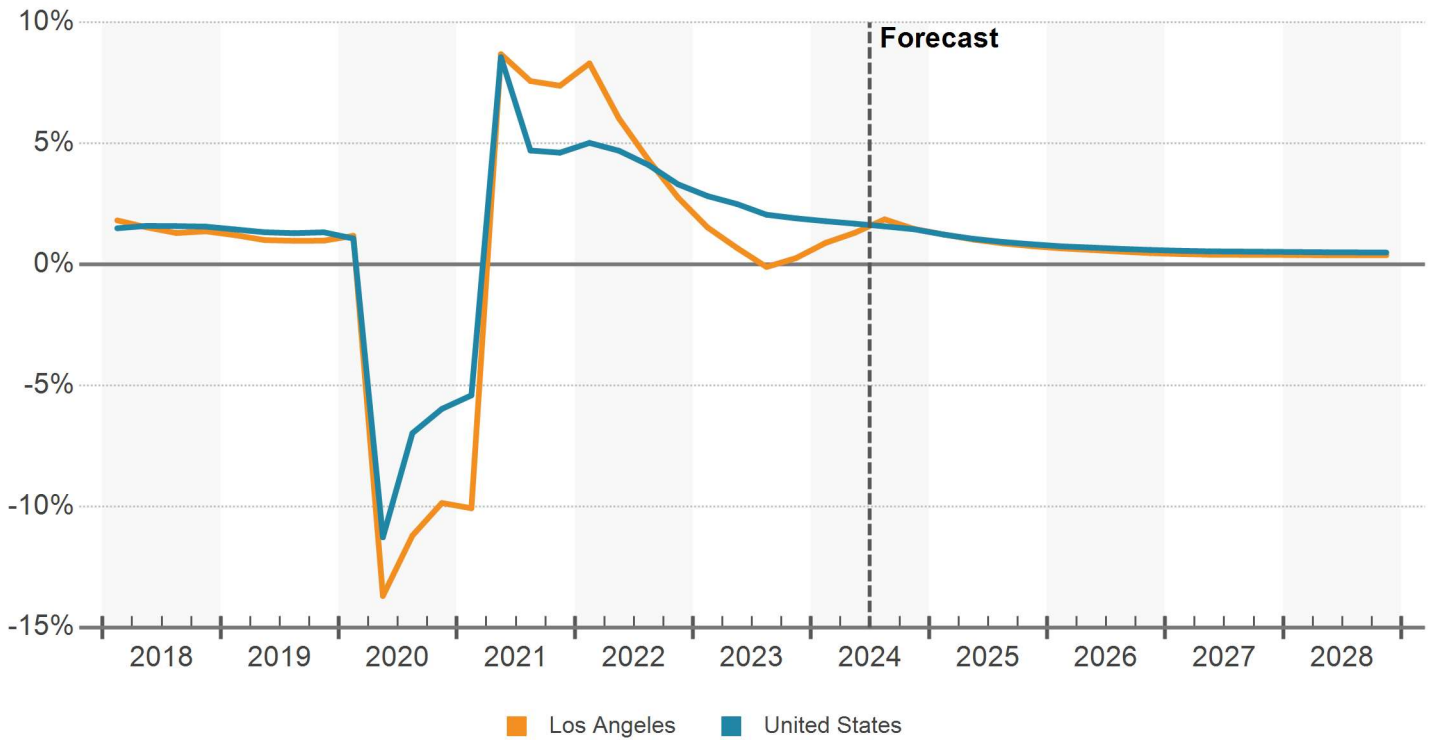
Tourism is also vital for the local economy. Stores, restaurants, and lodging in tourist hotspots like Downtown L.A., Hollywood, Beverly Hills, and Santa Monica depend on tourists spending. Los Angeles has more than 50 million visitors annually, but hotel occupancy rates are much lower than pre-pandemic 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	0.07%	0.48%	-1.48%	0.68%	-0.50%	0.44%
Trade, Transportation and Utilities	831	1.0	0.76%	0.35%	0.39%	1.01%	0.19%	0.37%
Retail Trade	411	0.9	0.47%	0.50%	0.00%	0.25%	0.18%	0.25%
Financial Activities	214	0.8	0.29%	0.59%	0.19%	1.52%	0.12%	0.37%
Government	591	0.9	1.78%	2.44%	0.82%	0.62%	0.50%	0.69%
Natural Resources, Mining and Construction	158	0.6	2.31%	2.48%	2.57%	2.36%	0.31%	0.86%
Education and Health Services	947	1.2	4.37%	3.71%	2.84%	2.04%	1.07%	0.80%
Professional and Business Services	654	1.0	-0.90%	0.67%	1.00%	1.88%	0.29%	0.73%
Information	186	2.1	-6.86%	-0.60%	-0.57%	1.08%	0.97%	0.65%
Leisure and Hospitality	552	1.1	3.00%	2.83%	1.79%	1.50%	1.29%	1.00%
Other Services	159	0.9	2.24%	1.58%	0.44%	0.59%	0.60%	0.55%
<b>Total Employment</b>	<b>4,612</b>	<b>1.0</b>	<b>1.33%</b>	<b>1.68%</b>	<b>1.02%</b>	<b>1.35%</b>	<b>0.56%</b>	<b>0.65%</b>

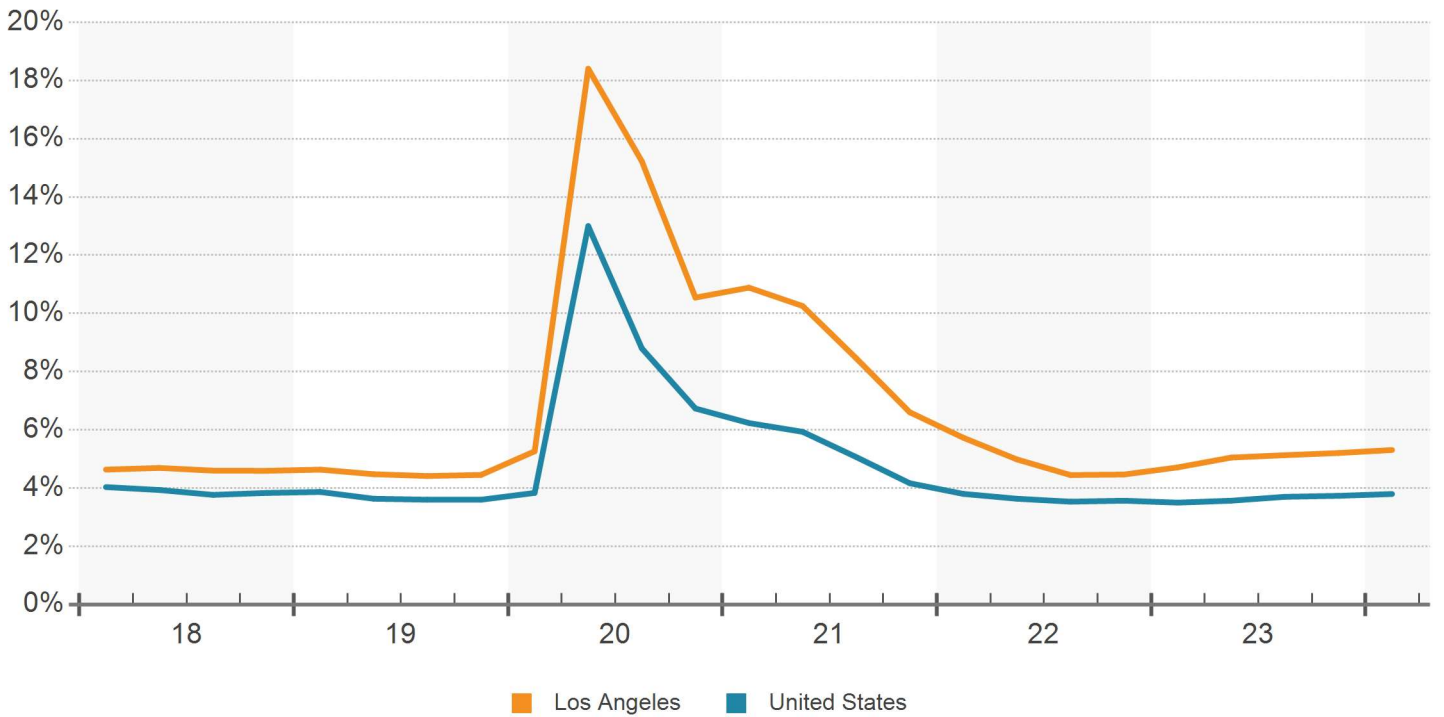
Source: Oxford Economics  
LQ = Location Quotient

## JOB GROWTH (YOY)



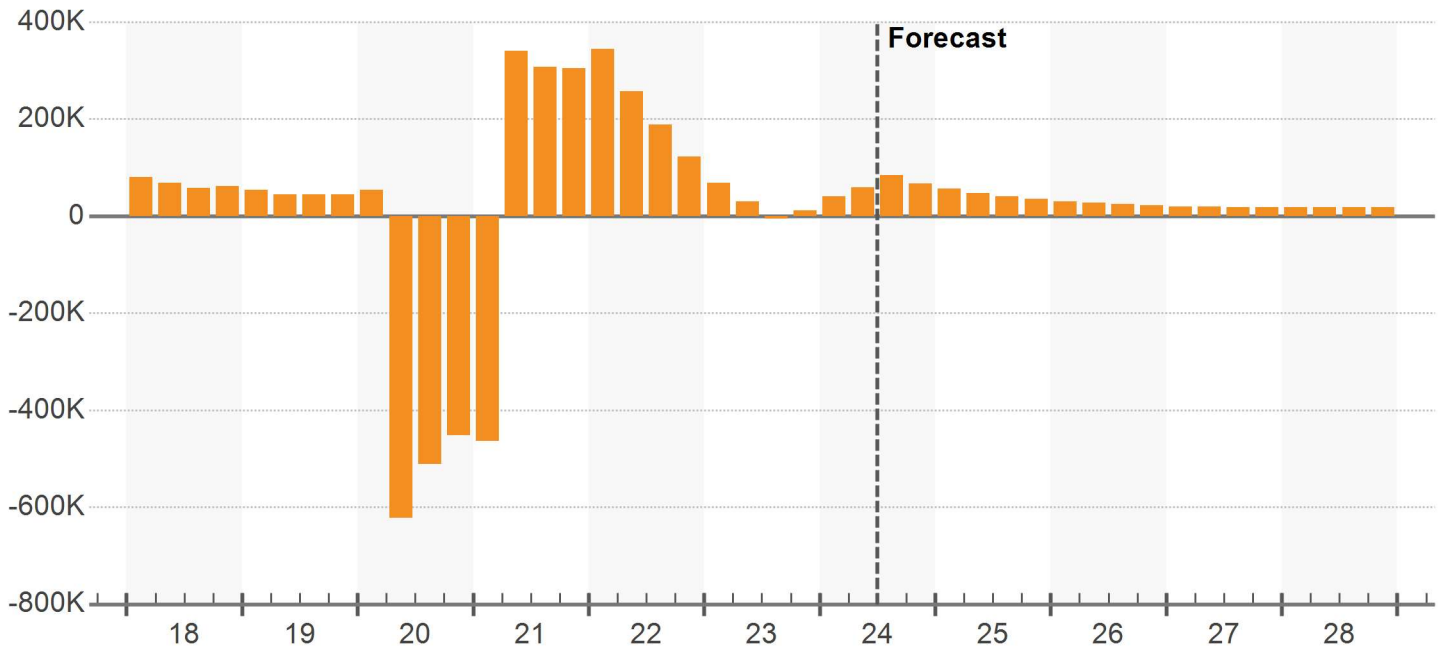
Source: Oxford Economics

## UNEMPLOYMENT RATE (%)

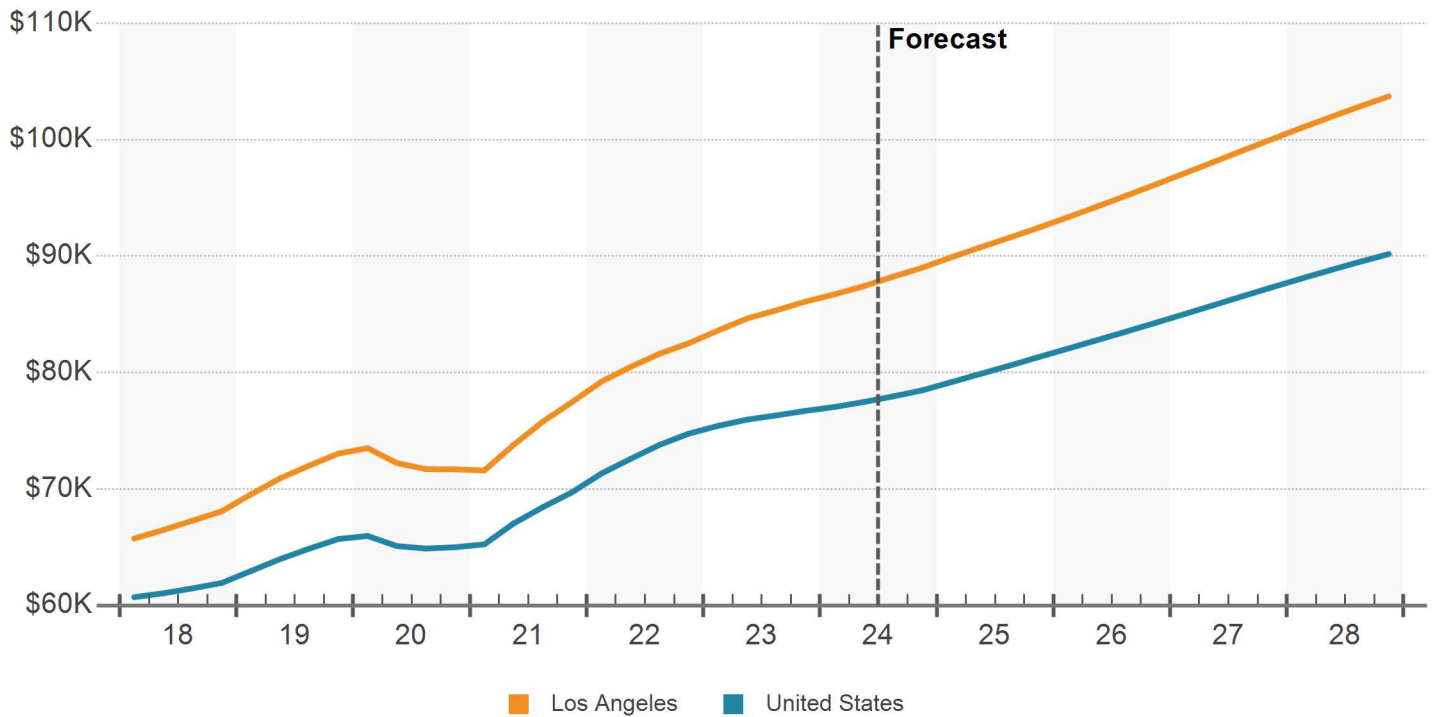




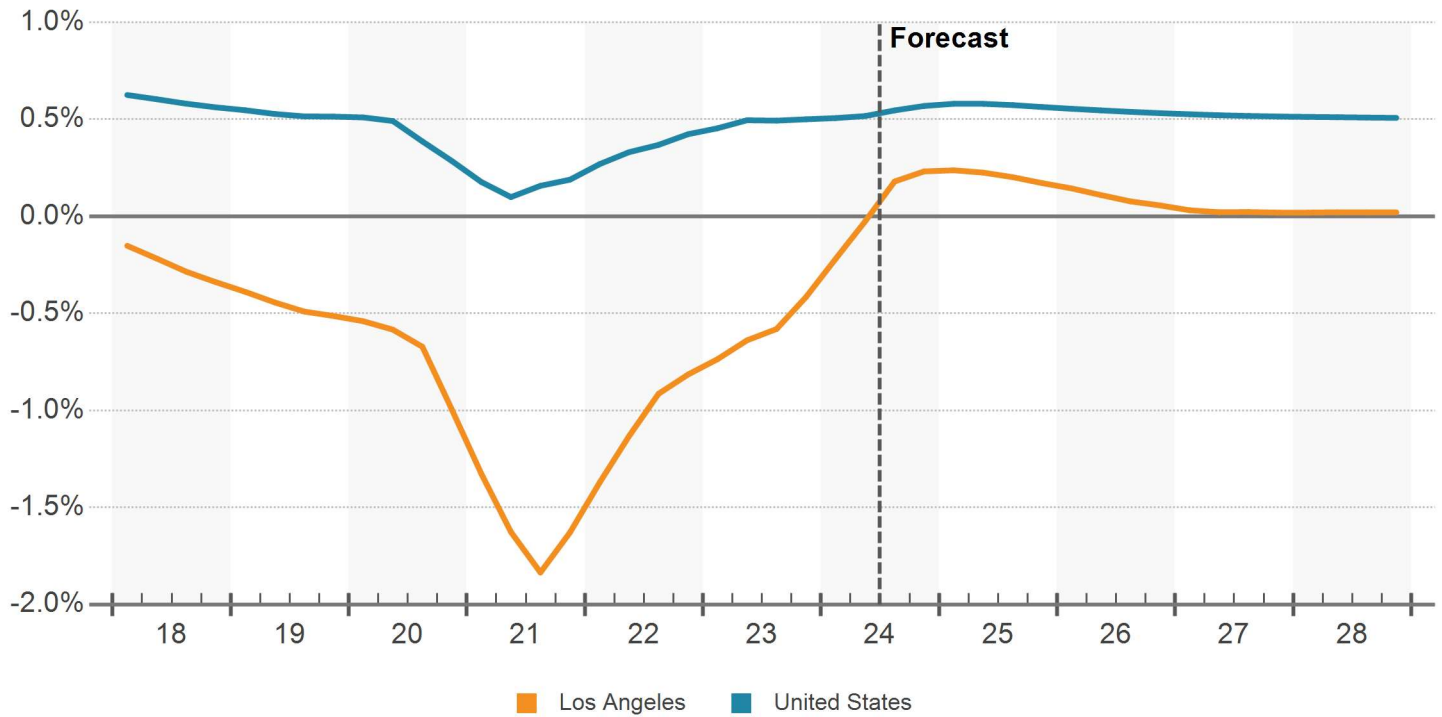
### NET EMPLOYMENT CHANGE (YOY)



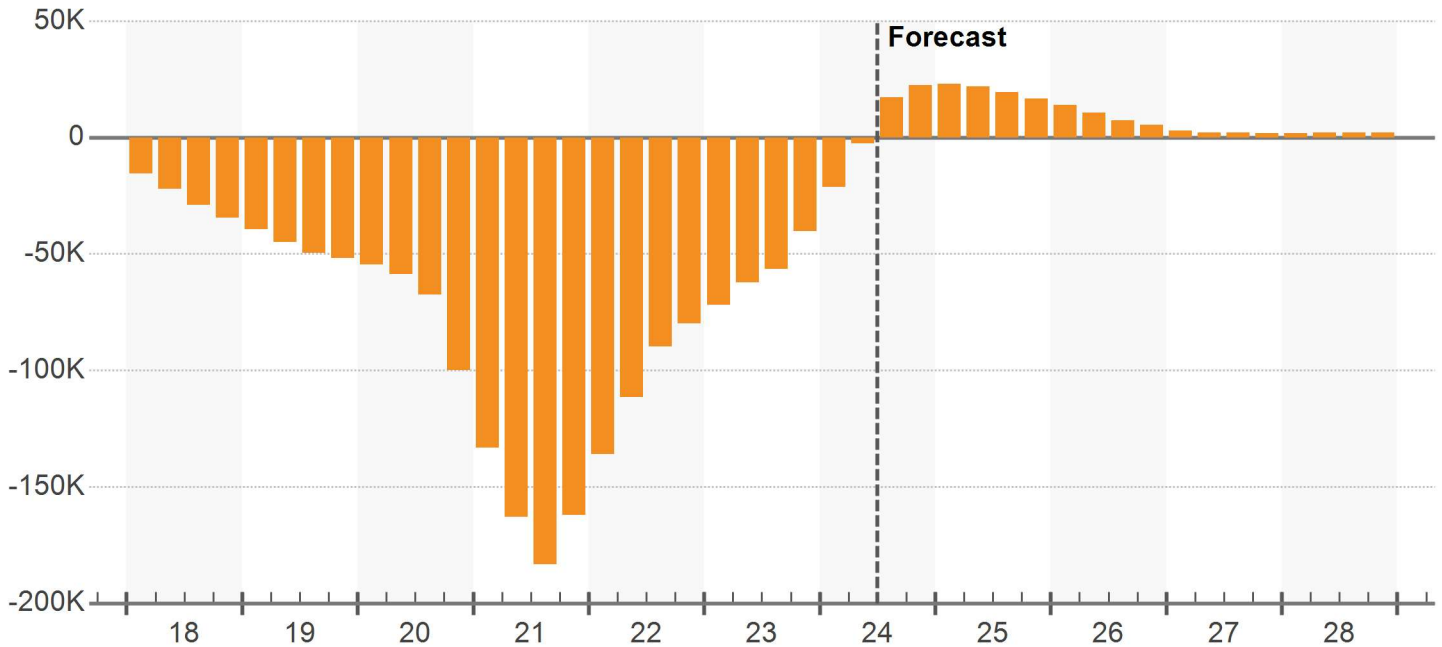
### MEDIAN HOUSEHOLD INCOME



## POPULATION GROWTH (YOY %)



## NET POPULATION CHANGE (YOY)

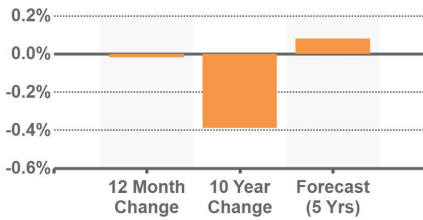


### DEMOGRAPHIC TRENDS

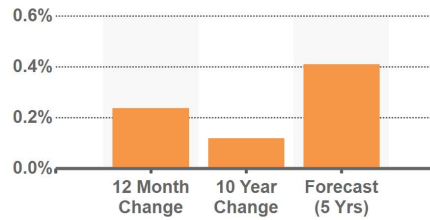
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	9,675,029	336,269,844	0%	0.5%	-0.4%	0.5%	0.1%	0.5%
Households	3,408,712	131,382,078	0.1%	0.7%	0.2%	0.9%	0.2%	0.6%
Median Household Income	\$87,445	\$77,490	3.3%	2.0%	4.7%	3.9%	3.8%	3.4%
Labor Force	5,022,180	167,887,766	0.2%	0.6%	0.1%	0.8%	0.4%	0.5%
Unemployment	5.3%	3.8%	0.3%	0.2%	-0.3%	-0.2%	-	-

Source: Oxford Economics

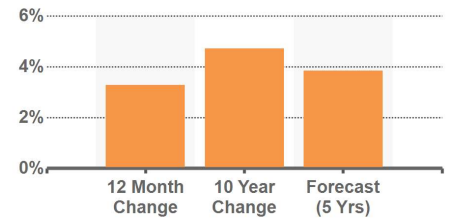
#### POPULATION GROWTH



#### 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	474	14,113	1.5%	25	1	20	0.1%	16	3	1,175	8.3%	1
2	Burbank	1,145	16,143	1.7%	24	0	0	0%	-	0	-	-	-
3	Carson	572	39,541	4.1%	9	0	0	0%	-	1	128	0.3%	13
4	Catalina Island	2	22	0%	32	0	0	0%	-	0	-	-	-
5	Central Los Angeles	3,690	66,562	6.9%	4	0	0	0%	-	1	6	0%	16
6	Cerritos/Norwalk	596	21,794	2.3%	19	1	22	0.1%	15	0	-	-	-
7	City of Industry	1,549	90,751	9.4%	1	7	2,827	3.1%	1	4	618	0.7%	4
8	Commerce	1,028	50,871	5.3%	6	3	343	0.7%	6	3	152	0.3%	10
9	Compton	384	17,161	1.8%	23	0	0	0%	-	0	-	-	-
10	Downey/Paramount	972	21,647	2.3%	20	0	0	0%	-	0	-	-	-
11	East LA Cnty Outlying	4	28	0%	31	0	0	0%	-	0	-	-	-
12	East San Ferndo Villy	2,990	55,122	5.7%	5	3	195	0.4%	9	2	250	0.5%	8
13	East San Gabriel Valley	1,131	28,432	3.0%	13	2	119	0.4%	13	0	-	-	-
14	El Segundo/Beach Cities	367	12,128	1.3%	27	0	0	0%	-	1	32	0.3%	15
15	Gardena/Hawthorne	1,054	20,943	2.2%	21	0	0	0%	-	2	221	1.1%	9
16	Glendale	664	9,155	1.0%	28	0	0	0%	-	0	-	-	-
17	Long Beach	1,565	28,835	3.0%	12	2	94	0.3%	14	7	892	3.1%	2
18	Lower San Gabriel Valley	2,079	30,688	3.2%	10	3	384	1.3%	5	1	5	0%	17
19	Montebello	584	26,027	2.7%	16	0	0	0%	-	0	-	-	-
20	NE LA Cnty Outlying	7	118	0%	29	0	0	0%	-	0	-	-	-
21	Rancho Dominguez	311	20,401	2.1%	22	2	275	1.3%	8	1	129	0.6%	12
22	San Pedro	601	13,859	1.4%	26	0	0	0%	-	0	-	-	-
23	Santa Clarita Valley	720	26,779	2.8%	14	3	396	1.5%	4	3	378	1.4%	6
24	Santa Fe Springs/La Mira...	2,002	71,427	7.4%	3	1	144	0.2%	10	7	693	1.0%	3
25	Signal Hill	1	32	0%	30	0	0	0%	-	0	-	-	-
26	South LA	1,153	23,204	2.4%	18	1	17	0.1%	17	0	-	-	-
27	Torrance	712	29,504	3.1%	11	6	623	2.1%	2	0	-	-	-
28	Upper San Gabriel Valley	2,141	43,394	4.5%	8	5	592	1.4%	3	1	130	0.3%	11
29	Vernon	2,281	83,139	8.6%	2	2	297	0.4%	7	4	414	0.5%	5
30	West Rancho Dominguez	1,008	26,065	2.7%	15	1	139	0.5%	11	2	284	1.1%	7
31	West San Fernando Valley	2,119	48,291	5.0%	7	3	138	0.3%	12	2	110	0.2%	14
32	Westside	1,696	25,871	2.7%	17	1	4	0%	18	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	\$15.17	32	-1.1%	15	25.8%	27
2	Burbank	\$26.49	3	-0.8%	7	27.0%	24
3	Carson	\$18.23	17	-1.7%	28	42.2%	3
4	Catalina Island	\$20.07	10	-0.8%	8	28.0%	21
5	Central Los Angeles	\$20.88	7	-1.1%	19	27.9%	23
6	Cerritos/Norwalk	\$16.86	23	-1.3%	23	32.1%	11
7	City of Industry	\$16.98	22	-1.4%	24	36.1%	8
8	Commerce	\$16	29	-1.8%	29	36.3%	7
9	Compton	\$17.20	20	-1.9%	32	39.0%	5
10	Downey/Paramount	\$16.47	26	-1.2%	21	43.7%	1
11	East LA Cnty Outlying	\$22.02	5	4.1%	1	-5.1%	32
12	East San Ferndo Villy	\$20.70	8	-0.8%	6	29.3%	16
13	East San Gabriel Valley	\$15.60	31	-1.0%	14	28.2%	19
14	El Segundo/Beach Cities	\$29.13	2	-1.0%	11	28.0%	20
15	Gardena/Hawthorne	\$18.43	15	-1.0%	12	30.5%	15
16	Glendale	\$24.18	4	-0.8%	4	28.8%	18
17	Long Beach	\$20.28	9	-0.9%	9	22.2%	31
18	Lower San Gabriel Valley	\$17.88	18	-0.8%	5	28.0%	22
19	Montebello	\$16.07	28	-1.6%	27	39.3%	4
20	NE LA Cnty Outlying	\$18.84	14	-1.1%	17	38.6%	6
21	Rancho Dominguez	\$17.06	21	-1.9%	30	42.3%	2
22	San Pedro	\$19.83	11	-1.0%	13	29.1%	17
23	Santa Clarita Valley	\$17.68	19	-1.5%	26	25.8%	26
24	Santa Fe Springs/La Mira...	\$16.62	24	-1.3%	22	31.0%	13
25	Signal Hill	\$16.20	27	-0.3%	2	25.6%	28
26	South LA	\$18.28	16	-1.1%	16	30.9%	14
27	Torrance	\$19.60	12	-1.5%	25	35.7%	9
28	Upper San Gabriel Valley	\$19.12	13	-0.9%	10	26.1%	25
29	Vernon	\$15.86	30	-1.9%	31	32.5%	10
30	West Rancho Dominguez	\$16.60	25	-0.5%	3	31.3%	12
31	West San Fernando Valley	\$21.41	6	-1.1%	18	23.9%	30
32	Westside	\$35.72	1	-1.2%	20	24.6%	29

### SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Antelope Valley	308,374	2.2%	1	(20,987)	-0.1%	10	-
2	Burbank	795,611	4.9%	19	(266,224)	-1.6%	16	-
3	Carson	1,911,694	4.8%	17	(32,435)	-0.1%	11	-
4	Catalina Island	-	-	-	0	0%	-	-
5	Central Los Angeles	4,110,736	6.2%	23	(392,258)	-0.6%	19	-
6	Cerritos/Norwalk	1,667,156	7.6%	28	(1,037,348)	-4.8%	29	-
7	City of Industry	7,302,160	8.0%	30	(1,646,193)	-1.8%	31	-
8	Commerce	2,675,555	5.3%	21	(680,029)	-1.3%	24	-
9	Compton	1,246,266	7.3%	25	(361,291)	-2.1%	17	-
10	Downey/Paramount	783,362	3.6%	7	(448,876)	-2.1%	22	-
11	East LA Cnty Outlying	1,200	4.3%	12	0	0%	-	-
12	East San Ferndo Villy	1,737,758	3.2%	4	(685,976)	-1.2%	25	-
13	East San Gabriel Valley	1,216,427	4.3%	11	(938,249)	-3.3%	28	-
14	El Segundo/Beach Cities	285,214	2.4%	2	(12,340)	-0.1%	8	-
15	Gardena/Hawthorne	728,174	3.5%	5	(424,654)	-2.0%	20	-
16	Glendale	239,060	2.6%	3	(66,547)	-0.7%	13	-
17	Long Beach	1,362,693	4.7%	15	(220,127)	-0.8%	15	-
18	Lower San Gabriel Valley	1,185,967	3.9%	9	(37,026)	-0.1%	12	-
19	Montebello	1,896,301	7.3%	26	(848,334)	-3.3%	27	-
20	NE LA Cnty Outlying	5,401	4.6%	13	(2,079)	-1.8%	7	-
21	Rancho Dominguez	866,628	4.2%	10	(427,503)	-2.1%	21	-
22	San Pedro	688,435	5.0%	20	(12,641)	-0.1%	9	-
23	Santa Clarita Valley	953,862	3.6%	6	75,666	0.3%	3	5.2
24	Santa Fe Springs/La Mira...	3,499,016	4.9%	18	(1,707,127)	-2.4%	32	-
25	Signal Hill	-	-	-	0	0%	-	-
26	South LA	889,512	3.8%	8	93,839	0.4%	2	0.2
27	Torrance	1,647,864	5.6%	22	1,067,281	3.6%	1	0.1
28	Upper San Gabriel Valley	2,057,906	4.7%	16	(166,202)	-0.4%	14	-
29	Vernon	6,274,598	7.5%	27	(1,265,318)	-1.5%	30	-
30	West Rancho Dominguez	1,717,631	6.6%	24	(613,798)	-2.4%	23	-
31	West San Fernando Valley	2,255,610	4.7%	14	(718,868)	-1.5%	26	-
32	Westside	2,039,402	7.9%	29	(386,605)	-1.5%	18	-

# Supply & Demand Trends

Los Angeles Industrial

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	957,938,641	(362,449)	0%	(295,894)	0%	-
2027	958,301,090	(1,185,894)	-0.1%	(820,262)	-0.1%	-
2026	959,486,984	(2,607,579)	-0.3%	246,350	0%	-
2025	962,094,563	(442,864)	0%	2,438,604	0.3%	-
2024	962,537,427	3,201,238	0.3%	(8,332,076)	-0.9%	-
YTD	962,042,954	2,706,765	0.3%	(9,092,656)	-0.9%	-
2023	959,336,189	2,180,307	0.2%	(15,749,758)	-1.6%	-
2022	957,155,882	2,173,989	0.2%	(2,479,887)	-0.3%	-
2021	954,981,893	691,215	0.1%	14,956,205	1.6%	0
2020	954,290,678	2,222,843	0.2%	(7,060,762)	-0.7%	-
2019	952,067,835	(296,150)	0%	(1,703,765)	-0.2%	-
2018	952,363,985	1,289,847	0.1%	842,195	0.1%	1.5
2017	951,074,138	4,758,569	0.5%	4,113,968	0.4%	1.2
2016	946,315,569	(1,400,569)	-0.1%	476,802	0.1%	-
2015	947,716,138	473,253	0%	7,743,980	0.8%	0.1
2014	947,242,885	(45,637)	0%	11,695,684	1.2%	-
2013	947,288,522	473,415	0.1%	5,282,469	0.6%	0.1
2012	946,815,107	(4,550,114)	-0.5%	(233,723)	0%	-

## SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	245,105,293	(834,042)	-0.3%	(753,649)	-0.3%	-
2027	245,939,335	(855,169)	-0.3%	(677,078)	-0.3%	-
2026	246,794,504	(851,049)	-0.3%	(293,429)	-0.1%	-
2025	247,645,553	(791,328)	-0.3%	(218,971)	-0.1%	-
2024	248,436,881	(495,745)	-0.2%	(3,547,970)	-1.4%	-
YTD	248,890,957	(41,669)	0%	(2,858,113)	-1.1%	-
2023	248,932,626	(2,002,944)	-0.8%	(4,620,481)	-1.9%	-
2022	250,935,570	(370,797)	-0.1%	(1,379,652)	-0.5%	-
2021	251,306,367	(1,617,380)	-0.6%	1,640,441	0.7%	-
2020	252,923,747	(1,907,091)	-0.7%	(4,005,028)	-1.6%	-
2019	254,830,838	(1,154,017)	-0.5%	(1,378,440)	-0.5%	-
2018	255,984,855	(543,897)	-0.2%	228,750	0.1%	-
2017	256,528,752	(430,601)	-0.2%	(42,514)	0%	-
2016	256,959,353	(1,954,786)	-0.8%	(1,260,270)	-0.5%	-
2015	258,914,139	(206,419)	-0.1%	763,694	0.3%	-
2014	259,120,558	(128,414)	0%	3,075,662	1.2%	-
2013	259,248,972	(190,622)	-0.1%	2,207,150	0.9%	-
2012	259,439,594	(1,994,269)	-0.8%	(2,681,200)	-1.0%	-

### LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	654,836,324	547,011	0.1%	529,662	0.1%	1.0
2027	654,289,313	(218,752)	0%	(59,500)	0%	-
2026	654,508,065	(1,570,340)	-0.2%	611,449	0.1%	-
2025	656,078,405	565,903	0.1%	2,770,449	0.4%	0.2
2024	655,512,502	3,767,247	0.6%	(4,408,514)	-0.7%	-
YTD	654,456,722	2,711,467	0.4%	(5,989,494)	-0.9%	-
2023	651,745,255	4,267,193	0.7%	(10,523,898)	-1.6%	-
2022	647,478,062	2,395,442	0.4%	(1,228,772)	-0.2%	-
2021	645,082,620	2,497,993	0.4%	13,189,000	2.0%	0.2
2020	642,584,627	4,086,076	0.6%	(2,112,318)	-0.3%	-
2019	638,498,551	1,432,638	0.2%	19,103	0%	75.0
2018	637,065,913	2,275,370	0.4%	1,205,552	0.2%	1.9
2017	634,790,543	5,034,463	0.8%	3,879,263	0.6%	1.3
2016	629,756,080	898,786	0.1%	1,827,003	0.3%	0.5
2015	628,857,294	873,624	0.1%	6,838,955	1.1%	0.1
2014	627,983,670	86,880	0%	7,887,172	1.3%	0
2013	627,896,790	521,086	0.1%	2,647,791	0.4%	0.2
2012	627,375,704	(2,417,446)	-0.4%	3,580,905	0.6%	-

### FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	57,997,024	(75,418)	-0.1%	(71,907)	-0.1%	-
2027	58,072,442	(111,973)	-0.2%	(83,684)	-0.1%	-
2026	58,184,415	(186,190)	-0.3%	(71,670)	-0.1%	-
2025	58,370,605	(217,439)	-0.4%	(112,874)	-0.2%	-
2024	58,588,044	(70,264)	-0.1%	(375,592)	-0.6%	-
YTD	58,695,275	36,967	0.1%	(245,049)	-0.4%	-
2023	58,658,308	(83,942)	-0.1%	(605,379)	-1.0%	-
2022	58,742,250	149,344	0.3%	128,537	0.2%	1.2
2021	58,592,906	(189,398)	-0.3%	126,764	0.2%	-
2020	58,782,304	43,858	0.1%	(943,416)	-1.6%	-
2019	58,738,446	(574,771)	-1.0%	(344,428)	-0.6%	-
2018	59,313,217	(441,626)	-0.7%	(592,107)	-1.0%	-
2017	59,754,843	154,707	0.3%	277,219	0.5%	0.6
2016	59,600,136	(344,569)	-0.6%	(89,931)	-0.2%	-
2015	59,944,705	(193,952)	-0.3%	141,331	0.2%	-
2014	60,138,657	(4,103)	0%	732,850	1.2%	-
2013	60,142,760	142,951	0.2%	427,528	0.7%	0.3
2012	59,999,809	(138,399)	-0.2%	(1,133,428)	-1.9%	-

### OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$22.96	269	4.8%	19.4%	45,971,665	4.8%	0%
2027	\$21.91	257	5.1%	13.9%	46,044,899	4.8%	0%
2026	\$20.84	244	5.4%	8.4%	46,409,755	4.8%	-0.3%
2025	\$19.78	232	4.6%	2.9%	49,388,939	5.1%	-0.3%
2024	\$18.92	222	-1.6%	-1.6%	52,184,940	5.4%	1.2%
YTD	\$18.76	220	-1.3%	-2.5%	52,376,613	5.4%	1.2%
2023	\$19.23	225	4.8%	0%	40,589,618	4.2%	1.9%
2022	\$18.36	215	11.4%	-4.5%	22,664,033	2.4%	0.5%
2021	\$16.47	193	11.3%	-14.3%	18,021,381	1.9%	-1.5%
2020	\$14.79	173	7.2%	-23.1%	32,285,488	3.4%	1.0%
2019	\$13.80	162	6.6%	-28.2%	23,081,002	2.4%	0.1%
2018	\$12.95	152	7.3%	-32.7%	21,719,361	2.3%	0%
2017	\$12.06	141	8.2%	-37.3%	21,347,923	2.2%	0%
2016	\$11.14	130	8.0%	-42.1%	20,861,214	2.2%	-0.2%
2015	\$10.32	121	8.1%	-46.4%	22,658,630	2.4%	-0.8%
2014	\$9.54	112	7.0%	-50.4%	30,010,920	3.2%	-1.2%
2013	\$8.92	104	5.3%	-53.6%	41,834,255	4.4%	-0.5%
2012	\$8.47	99	3.6%	-55.9%	46,643,309	4.9%	-0.4%

### SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$21.96	263	4.9%	20.6%	8,518,176	3.5%	0%
2027	\$20.94	251	5.2%	15.0%	8,593,568	3.5%	-0.1%
2026	\$19.91	238	5.4%	9.3%	8,767,143	3.6%	-0.2%
2025	\$18.88	226	4.7%	3.7%	9,347,187	3.8%	-0.2%
2024	\$18.04	216	-0.9%	-0.9%	9,898,453	4.0%	1.2%
YTD	\$17.87	214	-1.2%	-1.9%	9,647,145	3.9%	1.1%
2023	\$18.21	218	3.4%	0%	6,830,701	2.7%	1.1%
2022	\$17.61	211	9.7%	-3.3%	4,213,164	1.7%	0.4%
2021	\$16.04	192	9.9%	-11.9%	3,204,309	1.3%	-1.3%
2020	\$14.59	175	6.9%	-19.9%	6,461,247	2.6%	0.8%
2019	\$13.65	163	6.6%	-25.1%	4,391,056	1.7%	0.1%
2018	\$12.80	153	7.3%	-29.7%	4,166,633	1.6%	-0.3%
2017	\$11.92	143	8.4%	-34.5%	4,939,280	1.9%	-0.1%
2016	\$10.99	132	8.1%	-39.6%	5,327,367	2.1%	-0.3%
2015	\$10.17	122	7.9%	-44.2%	6,023,491	2.3%	-0.4%
2014	\$9.42	113	7.1%	-48.3%	6,993,604	2.7%	-1.3%
2013	\$8.80	105	5.8%	-51.7%	10,279,694	4.0%	-0.9%
2012	\$8.32	100	3.9%	-54.3%	12,677,466	4.9%	0.3%



### LOGISTICS RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$22.60	280	4.8%	18.9%	33,815,399	5.2%	0%
2027	\$21.57	267	5.1%	13.4%	33,810,060	5.2%	0%
2026	\$20.52	254	5.3%	7.9%	33,975,265	5.2%	-0.3%
2025	\$19.48	241	4.6%	2.5%	36,254,075	5.5%	-0.3%
2024	\$18.63	231	-2.0%	-2.0%	38,400,913	5.9%	1.2%
YTD	\$18.48	229	-1.3%	-2.8%	38,872,450	5.9%	1.3%
2023	\$19.01	236	5.6%	0%	30,183,915	4.6%	2.3%
2022	\$18	223	12.5%	-5.3%	15,391,304	2.4%	0.6%
2021	\$16	198	12.4%	-15.9%	11,778,314	1.8%	-1.7%
2020	\$14.23	176	7.7%	-25.2%	22,469,321	3.5%	0.9%
2019	\$13.21	164	6.9%	-30.5%	16,322,300	2.6%	0.2%
2018	\$12.36	153	7.6%	-35.0%	14,954,739	2.3%	0.1%
2017	\$11.49	142	8.4%	-39.6%	13,960,842	2.2%	0.1%
2016	\$10.60	131	8.3%	-44.3%	12,963,534	2.1%	-0.2%
2015	\$9.79	121	8.4%	-48.5%	13,891,751	2.2%	-1.0%
2014	\$9.03	112	7.1%	-52.5%	19,857,082	3.2%	-1.2%
2013	\$8.43	104	5.3%	-55.7%	27,657,374	4.4%	-0.3%
2012	\$8	99	3.7%	-57.9%	29,784,079	4.7%	-0.9%

### FLEX RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$31.22	213	4.7%	20.1%	3,638,090	6.3%	0%
2027	\$29.82	204	5.0%	14.7%	3,641,271	6.3%	0%
2026	\$28.41	194	5.2%	9.3%	3,667,347	6.3%	-0.2%
2025	\$27	185	4.5%	3.9%	3,787,677	6.5%	-0.1%
2024	\$25.85	177	-0.6%	-0.6%	3,885,574	6.6%	0.5%
YTD	\$25.60	175	-1.3%	-1.5%	3,857,018	6.6%	0.5%
2023	\$26	178	1.9%	0%	3,575,002	6.1%	0.9%
2022	\$25.52	174	8.2%	-1.8%	3,059,565	5.2%	0%
2021	\$23.59	161	7.2%	-9.3%	3,038,758	5.2%	-0.5%
2020	\$22	150	4.2%	-15.4%	3,354,920	5.7%	1.7%
2019	\$21.11	144	4.7%	-18.8%	2,367,646	4.0%	-0.3%
2018	\$20.17	138	5.6%	-22.4%	2,597,989	4.4%	0.3%
2017	\$19.11	131	6.6%	-26.5%	2,447,801	4.1%	-0.2%
2016	\$17.92	122	6.2%	-31.1%	2,570,313	4.3%	-0.3%
2015	\$16.88	115	6.8%	-35.1%	2,743,388	4.6%	-0.7%
2014	\$15.80	108	5.7%	-39.2%	3,160,234	5.3%	-1.2%
2013	\$14.95	102	3.7%	-42.5%	3,897,187	6.5%	-0.5%
2012	\$14.42	99	2.9%	-44.5%	4,181,764	7.0%	1.7%

### OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$427.58	441	4.6%
2027	-	-	-	-	-	-	\$392.50	404	4.7%
2026	-	-	-	-	-	-	\$356.87	368	4.9%
2025	-	-	-	-	-	-	\$323.85	334	5.1%
2024	-	-	-	-	-	-	\$308.32	318	5.1%
YTD	335	\$2.2B	0.7%	\$7,204,561	\$337.84	5.1%	\$316.61	326	5.0%
2023	763	\$5.2B	2.1%	\$7,745,713	\$313.60	5.3%	\$319.23	329	4.9%
2022	1,167	\$9.4B	3.5%	\$8,813,857	\$305.91	4.4%	\$323.71	334	4.4%
2021	1,379	\$8.3B	4.1%	\$6,336,015	\$224.12	4.7%	\$297.90	307	4.2%
2020	989	\$5.5B	2.9%	\$6,012,934	\$226.06	4.8%	\$239.46	247	4.7%
2019	1,252	\$5.3B	3.3%	\$5,692,924	\$206.61	4.6%	\$204.98	211	5.0%
2018	1,732	\$5.2B	3.7%	\$5,107,749	\$201.72	5.1%	\$185.32	191	5.1%
2017	1,957	\$4.8B	4.1%	\$4,165,615	\$156.57	5.0%	\$166.27	171	5.2%
2016	1,613	\$4.2B	3.8%	\$3,809,190	\$149.23	5.3%	\$158.40	163	5.1%
2015	1,890	\$4.4B	4.8%	\$3,543,701	\$136.52	5.7%	\$145.43	150	5.1%
2014	1,571	\$3.3B	3.5%	\$2,975,455	\$115.73	6.0%	\$125.72	130	5.5%
2013	1,395	\$2.7B	3.4%	\$2,566,713	\$97.18	6.9%	\$111.92	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	-	-	-	-	-	-	\$398.26	452	4.6%
2027	-	-	-	-	-	-	\$365.23	414	4.7%
2026	-	-	-	-	-	-	\$331.77	376	4.9%
2025	-	-	-	-	-	-	\$300.80	341	5.1%
2024	-	-	-	-	-	-	\$286.16	324	5.1%
YTD	70	\$419.1M	0.6%	\$6,349,918	\$321.49	5.6%	\$293.69	333	5.0%
2023	188	\$1.1B	2.3%	\$6,700,581	\$282.61	5.4%	\$296.05	336	4.9%
2022	303	\$2.6B	3.6%	\$8,962,042	\$298.49	4.2%	\$298.62	339	4.5%
2021	336	\$2.1B	3.7%	\$6,354,999	\$235.77	4.7%	\$274.86	312	4.3%
2020	239	\$1.5B	3.3%	\$6,675,475	\$207.73	5.0%	\$220.15	250	4.7%
2019	343	\$1.4B	3.0%	\$5,396,024	\$218.43	4.6%	\$188.34	214	5.1%
2018	446	\$1.1B	3.6%	\$4,748,742	\$182.07	4.9%	\$170.51	193	5.2%
2017	525	\$1.1B	4.2%	\$3,878,771	\$148.18	5.7%	\$152.68	173	5.3%
2016	432	\$979M	3.5%	\$3,341,197	\$150.09	5.7%	\$144.75	164	5.1%
2015	476	\$1B	4.2%	\$3,151,962	\$123.37	6.4%	\$132.40	150	5.2%
2014	420	\$961.8M	4.3%	\$3,434,965	\$102.48	5.4%	\$114.38	130	5.6%
2013	331	\$770.3M	3.7%	\$3,044,801	\$93.42	6.9%	\$101.63	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	-	-	-	-	-	-	\$427.14	444	4.5%
2027	-	-	-	-	-	-	\$392.12	407	4.7%
2026	-	-	-	-	-	-	\$356.52	370	4.9%
2025	-	-	-	-	-	-	\$323.54	336	5.0%
2024	-	-	-	-	-	-	\$308.06	320	5.1%
YTD	233	\$1.7B	0.8%	\$7,957,210	\$344.25	5.1%	\$316.48	329	5.0%
2023	505	\$3.7B	2.1%	\$8,282,646	\$310.69	5.3%	\$319.11	332	4.9%
2022	726	\$6.2B	3.2%	\$9,141,560	\$314.41	4.3%	\$323.71	336	4.4%
2021	924	\$5.1B	4.2%	\$5,889,455	\$205.37	4.5%	\$297.01	309	4.2%
2020	659	\$3.7B	2.8%	\$5,972,439	\$231.29	4.5%	\$238.74	248	4.7%
2019	800	\$3.4B	3.5%	\$5,769,051	\$194.51	4.5%	\$203.93	212	5.0%
2018	1,151	\$3.4B	3.6%	\$4,957,860	\$198.67	5.1%	\$184.06	191	5.1%
2017	1,290	\$3.3B	4.1%	\$4,257,118	\$156.30	4.6%	\$164.94	171	5.2%
2016	1,050	\$2.6B	3.7%	\$3,772,461	\$143.74	5.0%	\$157.29	163	5.0%
2015	1,240	\$2.8B	5.0%	\$3,581,227	\$134.71	5.3%	\$144.55	150	5.1%
2014	1,013	\$2B	3.1%	\$2,698,368	\$117.86	6.0%	\$124.92	130	5.5%
2013	939	\$1.7B	3.4%	\$2,436,158	\$94.51	6.8%	\$111.16	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	-	-	-	-	-	-	\$556.87	388	4.8%
2027	-	-	-	-	-	-	\$512.47	357	4.9%
2026	-	-	-	-	-	-	\$467.25	325	5.1%
2025	-	-	-	-	-	-	\$425.17	296	5.3%
2024	-	-	-	-	-	-	\$405.32	282	5.3%
YTD	32	\$92.9M	0.6%	\$3,439,744	\$305.73	-	\$415.40	289	5.2%
2023	70	\$436.4M	1.6%	\$6,714,557	\$487.69	4.5%	\$418.90	292	5.1%
2022	138	\$652.9M	5.5%	\$6,277,708	\$264.01	5.4%	\$430.17	299	4.6%
2021	119	\$1.1B	5.7%	\$9,693,770	\$335.23	5.3%	\$405.61	282	4.3%
2020	91	\$343.5M	2.3%	\$4,404,058	\$265.28	5.9%	\$329.52	229	4.8%
2019	109	\$496.2M	3.2%	\$6,051,105	\$288.25	6.1%	\$287.31	200	5.1%
2018	135	\$702M	5.0%	\$6,950,147	\$267.07	5.5%	\$262.40	183	5.2%
2017	142	\$365.7M	4.4%	\$4,353,082	\$193.94	5.8%	\$238.80	166	5.3%
2016	131	\$577.6M	5.7%	\$5,299,350	\$178.07	6.0%	\$228.85	159	5.1%
2015	174	\$486.3M	5.6%	\$4,461,309	\$196.89	6.2%	\$210.59	147	5.1%
2014	138	\$347.1M	4.7%	\$3,814,803	\$155.21	6.6%	\$182.91	127	5.5%
2013	125	\$200.4M	2.7%	\$2,226,578	\$159.72	7.7%	\$164.06	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.