

CoStar Industrial Statistics

First Quarter 2017

Los Angeles Industrial Market



CoStarTM
The knowledge market

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Methodology

The CoStar Industrial Statistics calculates Industrial statistics using CoStar Group's base of existing, under construction and under renovation Industrial buildings in each given metropolitan area. All Industrial building types are included, including warehouse, flex / research & development, distribution, manufacturing, industrial showroom, and service buildings, in both single-tenant and multi-tenant buildings, including owner-occupied buildings. CoStar Group's global database includes approximately 95.6 billion square feet of coverage in 4.4 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property.

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Terms & Definitions

Availability Rate: The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

Available Space: The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

Build-to-Suit: A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

Buyer: The individual, group, company, or entity that has purchased a commercial real estate asset.

Cap Rate: Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

CBD: Abbreviation for Central Business District. (See also: Central Business District)

Central Business District: The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

Class A: A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

Class B: A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Class C: A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Construction Starts: Buildings that began construction during a specific period of time. (See also: Deliveries)

Contiguous Blocks of Space: Space within a building that is, or is able to be joined together into a single contiguous space.

Deliveries: Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certi-

cate of occupancy must have been issued for the property.

Delivery Date: The date a building completes construction and receives a certificate of occupancy.

Developer: The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

Direct Space: Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

Existing Inventory: The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

Flex Building: A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

Full Service Rental Rate: Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

Gross Absorption: The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

Growth in Inventory: The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

Industrial Building: A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

Landlord Rep: (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

Leased Space: All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

Leasing Activity: The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

Market: Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

Multi-Tenant: Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different

tenant needs. (See also: Tenancy).

Net Absorption: The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

Net Rental Rate: A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

New Space: Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

Occupied Space: Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

Office Building: A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

Owner: The company, entity, or individual that holds title on a given building or property.

Planned/Proposed: The status of a building that has been announced for future development but not yet started construction.

Preleased Space: The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

Price/SF: Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

Property Manager: The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

Quoted Rental Rate: The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

RBA: Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

Region: Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

Relet Space: Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

Rentable Building Area: (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

Rental Rates: The annual costs of occupancy for a particular space quoted on a per square foot basis.

Sales Price: The total dollar amount paid for a particular property at a particular point in time.

Sales Volume: The sum of sales prices for a given group of buildings in a given time period.

Seller: The individual, group, company, or entity that sells a particular commercial real estate asset.

SF: Abbreviation for Square Feet.

Single-Tenant: Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

Sublease Space: Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

Submarkets: Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

Suburban: The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

Tenancy: A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

Tenant Rep: Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

Time On Market: A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

Under Construction: Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

Vacancy Rate: A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

Vacant Space: Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

Weighted Average Rental Rate: Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

Year Built: The year in which a building completed construction and was issued a certificate of occupancy.

YTD: Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

Los Angeles Industrial Market



Overview

Los Angeles's Vacancy Stays at 2.2% Net Absorption Positive 1,502,099 SF in the Quarter

The Los Angeles Industrial market ended the first quarter 2017 with a vacancy rate of 2.2%. The vacancy rate was unchanged over the previous quarter, with net absorption totaling positive 1,502,099 square feet in the first quarter. Vacant sublease space decreased in the quarter, ending the quarter at 1,299,714 square feet. Rental rates ended the first quarter at \$9.71, an increase over the previous quarter. A total of eight buildings delivered to the market in the quarter totaling 2,210,084 square feet, with 5,390,088 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Los Angeles Industrial market was positive 1,502,099 square feet in the first quarter 2017. That compares to positive 706,435 square feet in the fourth quarter 2016, positive 745,767 square feet in the third quarter 2016, and positive 1,444,627 square feet in the second quarter 2016.

Tenants moving out of large blocks of space in 2017 include: Schneider Resources moving out of (163,499) square feet at 2626 Vista Industria, Alltrade Tools moving out of (112,121) square feet at 1431 W Via Plata St, and Vault Logistics moving out of (94,904) square feet at 6055 E Randolph St.

Tenants moving into large blocks of space in 2017 include: UPS moving into 521,816 square feet at The Brickyard - Bldg A, Baker Commodities moving into 244,000 square feet at 1710 Pier B Street in Long Beach, and Vantec Hitachi moving into 197,685 square feet at 1589 E 9th Street.

The Flex building market recorded net absorption of positive 559,737 square feet in the first quarter 2017, compared to

positive 62,702 square feet in the fourth quarter 2016, positive 145,524 in the third quarter 2016, and positive 53,448 in the second quarter 2016.

The Warehouse building market recorded net absorption of positive 942,362 square feet in the first quarter 2017 compared to positive 643,733 square feet in the fourth quarter 2016, positive 600,243 in the third quarter 2016, and positive 1,391,179 in the second quarter 2016.

Vacancy

The Industrial vacancy rate in the Los Angeles market area remained at 2.2% at the end of the first quarter 2017. The vacancy rate has remained at 2.2% since the end of the second quarter 2016.

Flex projects reported a vacancy rate of 3.9% at the end of the first quarter 2017, 4.2% at the end of the fourth quarter 2016, 4.3% at the end of the third quarter 2016, and 4.5% at the end of the second quarter 2016.

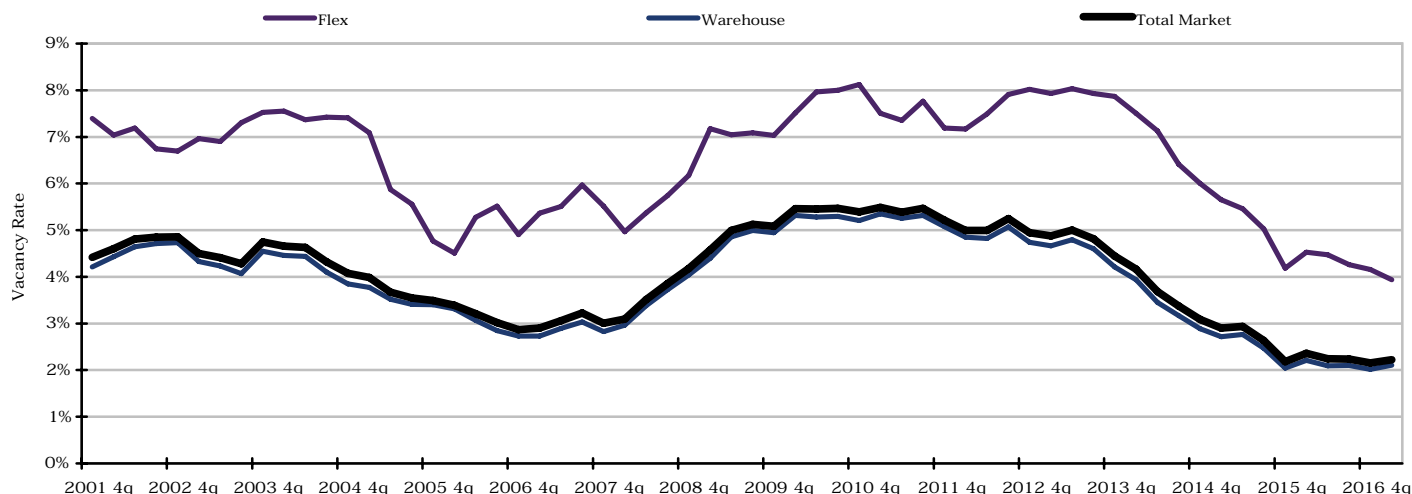
Warehouse projects reported a vacancy rate of 2.1% at the end of the first quarter 2017, 2.0% at the end of fourth quarter 2016, 2.1% at the end of the second and third quarter 2016.

Largest Lease Signings

The largest lease signings occurring in 2017 included: the 163,499-square-foot lease signed by CNR International at AMB Clipper Distribution Center in the Carson/Rancho Domingz market; the 112,000-square-foot deal signed by Fab Fit Fun at 2680 S Pellissier Pl in the Lower SGV market; and the 104,110-square-foot lease signed by Gavina Gourmet Coffee at 2726 Fruitland Ave in the Vernon Area market.

Vacancy Rates by Building Type

1998-2017



Source: CoStar Property®

Sublease Vacancy

The amount of vacant sublease space in the Los Angeles market decreased to 1,299,714 square feet by the end of the first quarter 2017, from 1,388,730 square feet at the end of the fourth quarter 2016. There was 1,299,050 square feet vacant at the end of the third quarter 2016 and 1,252,154 square feet at the end of the second quarter 2016.

Los Angeles's Flex projects reported vacant sublease space of 134,950 square feet at the end of first quarter 2017, down from the 280,085 square feet reported at the end of the fourth quarter 2016. There were 230,454 square feet of sublease space vacant at the end of the third quarter 2016, and 170,553 square feet at the end of the second quarter 2016.

Warehouse projects reported increased vacant sublease space from the fourth quarter 2016 to the first quarter 2017. Sublease vacancy went from 1,108,645 square feet to 1,164,764 square feet during that time. There was 1,068,596 square feet at the end of the third quarter 2016, and 1,081,601 square feet at the end of the second quarter 2016.

Rental Rates

The average quoted asking rental rate for available Industrial space was \$9.71 per square foot per year at the end of the first quarter 2017 in the Los Angeles market area. This represented a 1.6% increase in quoted rental rates from the end of the fourth quarter 2016, when rents were reported at \$9.56 per square foot.

The average quoted rate within the Flex sector was \$18.89 per square foot at the end of the first quarter 2017, while Warehouse rates stood at \$9.00. At the end of the fourth quarter 2016, Flex rates were \$18.85 per square foot, and Warehouse rates were \$8.85.

Deliveries and Construction

During the first quarter 2017, eight buildings totaling 2,210,084 square feet were completed in the Los Angeles mar-

ket area. This compares to 11 buildings totaling 672,056 square feet that were completed in the fourth quarter 2016, 10 buildings totaling 814,869 square feet completed in the third quarter 2016, and 374,121 square feet in eight buildings completed in the second quarter 2016.

There were 5,390,088 square feet of Industrial space under construction at the end of the first quarter 2017.

Some of the notable 2017 deliveries include: The Brickyard - Bldg A, a 521,816-square-foot facility that delivered in first quarter 2017 and is now 100% occupied, and The Brickyard - Bldg B, a 479,310-square-foot building that delivered in first quarter 2017 and is currently 0% occupied.

The largest projects underway at the end of first quarter 2017 were 825 Ajax Ave, a 429,840-square-foot building with 0% of its space pre-leased, and Goodman Logistics Center - Bldg 1, a 403,635-square-foot facility that is 0% pre-leased.

Inventory

Total Industrial inventory in the Los Angeles market area amounted to 990,783,878 square feet in 37,233 buildings as of the end of the first quarter 2017. The Flex sector consisted of 62,909,377 square feet in 2,859 projects. The Warehouse sector consisted of 927,874,501 square feet in 34,374 buildings. Within the Industrial market there were 4,909 owner-occupied buildings accounting for 193,148,080 square feet of Industrial space.

Sales Activity

Tallying industrial building sales of 15,000 square feet or larger, Los Angeles industrial sales figures fell during the fourth quarter 2016 in terms of dollar volume compared to the third quarter of 2016.

In the fourth quarter, 110 industrial transactions closed with a total volume of \$843,986,204. The 110 buildings totaled 5,812,580 square feet and the average price per square foot equated to \$145.20 per square foot. That compares to 103 transactions totaling \$1,089,087,864 in the third quarter. The total square footage was 8,348,712 for an average price per square foot of \$130.45.

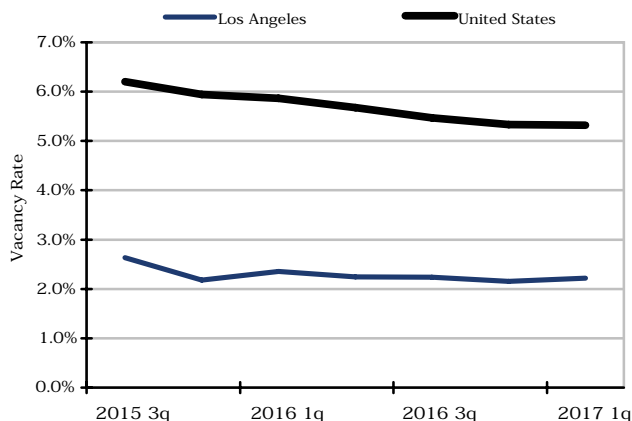
Total year-to-date industrial building sales activity in 2016 is up compared to the previous year. In the twelve months of 2016, the market saw 406 industrial sales transactions with a total volume of \$3,335,059,190. The price per square foot has averaged \$134.42 this year. In the twelve months of 2015, the market posted 464 transactions with a total volume of \$3,115,934,043. The price per square foot averaged \$127.71.

Cap rates have been lower in 2016, averaging 5.49%, compared to the twelve months of last year when they averaged 5.79%.

One of the largest transactions that has occurred within the last four quarters in the Los Angeles market is the sale of 10150 Lower Azusa Rd in El Monte. This 2,200,000-square-foot

U.S. Vacancy Comparison

Past 7 Quarters



Source: CoStar Property®

Los Angeles Industrial Market



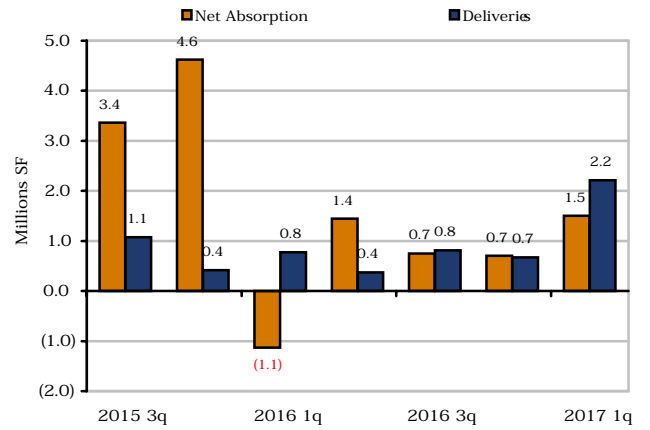
Overview

industrial building sold for \$240,000,000, or \$109.09 per square foot. The property sold on 5/26/2016.

Reports compiled by: Emily Chiu, Pharoeth Mendoza and Joyce Sisson, CoStar Research Managers.

Absorption & Deliveries

Past 7 Quarters



Source: CoStar Property®

CoStar Submarket Clusters & Submarkets

In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

| Submarket Clusters | Submarkets | | | | |
|----------------------------|---|--|---|---------------------------|--|
| Antelope Valley Ind | Antelope Valley Ind | | | | |
| Carson/Rancho Domingz Ind | Carson Central Ind Compton West Ind | Carson North Ind Rancho Dominguez Ind | Carson South Ind | Compton East Ind | |
| Central LA Ind | Central Los Angeles Ind | | | | |
| Commerce Area Ind | Commerce Ind | Montebello/Whittier Ind | | | |
| Conejo Valley Ind | Agoura/Wake V/T Oaks Ind | Moorpark/Simi Val Ind | | | |
| Eastern SGV Ind | Claremont Ind Pomona SE Ind | Diamond Bar Ind Pomona SW Ind | La Verne Ind San Dimas Ind | Pomona North Ind | |
| El Segundo/Hawthorne Ind | El Segundo Ind | Hawthorne Ind | Inglewood Ind | Lawndale Ind | |
| Gardena/110 Corridor Ind | Gardena Central Ind Gardena North Ind | Gardena East Ind Gardena NW Ind | Gardena NE Ind Gardena South Ind | Gardena North Central Ind | |
| Long Beach Area Ind | Lakewood Ind San Pedro Ind | Long Beach North Ind Signal Hill Ind | Long Beach SE Ind Wilmington Ind | Long Beach SW Ind | |
| Lower SGV Ind | City of Industry Cent Ind Industry/La Puente Ind | City of Industry East Ind Industry/Rowland St Ind | City of Industry West Ind West Covina/Walnut Ind | Industry/Hacienda Blv Ind | |
| Lynwood/Paramount Ind | Lynwood Ind | Paramount North Ind | Paramount South Ind | | |
| Mid Counties-LA Ind | Cerritos Ind Santa Fe Springs Ind | Downey Ind | La Mirada Ind | Norwalk/Bellflower Ind | |
| Northwest SGV Ind | Alhambra Ind Rosemead Ind | Arcadia/Sierra Madre Ind San Gabriel Ind | El Monte Ind Temple City Ind | Monrovia Ind | |
| SCV/Lancaster/Palmdale Ind | Santa Clarita/Lancstr Ind | | | | |
| SFV East Ind | Burbank Ind Pasadena Ind | East San Ferndo Villy Ind | Glendale Ind | North Hollywood Ind | |
| SFV West Ind | Canoga Park Ind Tarzana Ind | Chatsworth Ind Woodland Hills Ind | Encino Ind | Northridge Ind | |
| Southwest SGV Ind | South El Monte NE Ind | South El Monte NW Ind | South El Monte SE Ind | | |
| Torrance/Beach Cities Ind | Beach Cities Ind Torrance South Ind | Torrance Central Ind | Torrance NE Ind | Torrance NW Ind | |
| Upper SGV Ind | Azusa Ind Glendora Ind | Baldwin Park Ind Irwindale Ind | Covina Ind | Duarte Ind | |
| Ventura County Ind | Central Ventura Ind | Oxnard/Pt Hueneme Ind | Ventura Ind | | |
| Vernon Area Ind | Vernon Ind | | | | |
| Westside Ind | Topanga/Malibu Ind | Westside Ind | | | |

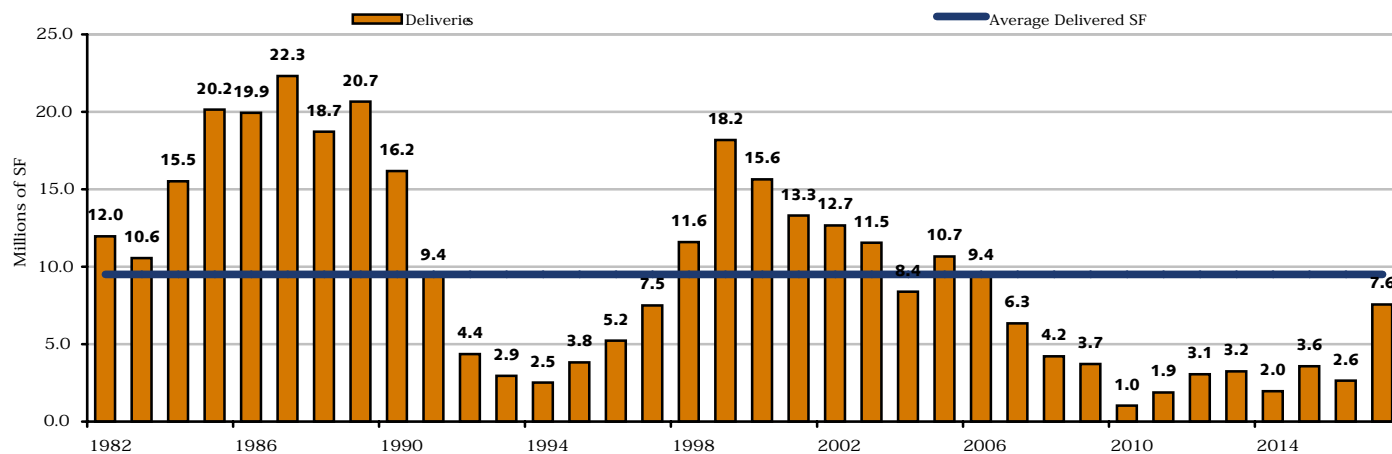
Los Angeles Industrial Market



Inventory & development

Historical Deliveries

1982 - 2017



Source: CoStar Property® * Future deliveries based on current under construction buildings.

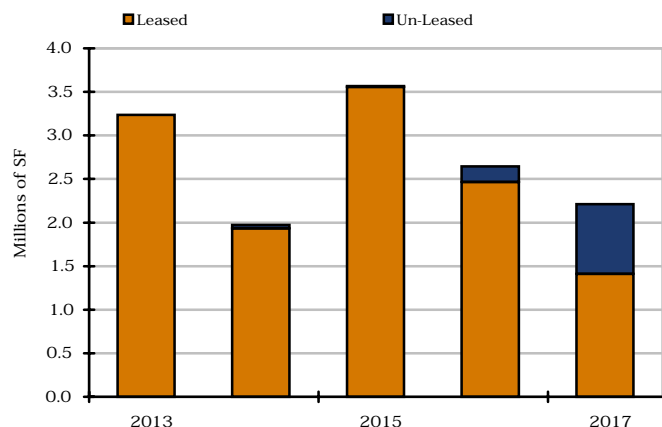
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

| Market | Under Construction Inventory | | | | Average Bldg Size | |
|----------------------------|------------------------------|------------------|----------------|--------------|-------------------|---------------|
| | # Bldgs | Total RBA | Preleased SF | Preleased % | All Existing | U/C |
| SCV/Lancaster/Palmdale Ind | 9 | 763,194 | 80,923 | 10.6% | 34,608 | 84,799 |
| Conejo Valley Ind | 16 | 698,834 | 90,580 | 13.0% | 28,503 | 43,677 |
| Mid Counties-LA Ind | 6 | 614,645 | 24,895 | 4.1% | 34,998 | 102,441 |
| Lower SGV Ind | 5 | 598,003 | 90,200 | 15.1% | 54,115 | 119,601 |
| Upper SGV Ind | 9 | 559,503 | 179,594 | 32.1% | 20,902 | 62,167 |
| Eastern SGV Ind | 6 | 433,485 | 0 | 0.0% | 25,109 | 72,247 |
| Long Beach Area Ind | 5 | 384,606 | 85,424 | 22.2% | 17,589 | 76,921 |
| SFV East Ind | 3 | 364,638 | 267,668 | 73.4% | 16,474 | 121,546 |
| Vernon Area Ind | 2 | 216,712 | 0 | 0.0% | 37,294 | 108,356 |
| Lynwood/Paramount Ind | 1 | 201,027 | 0 | 0.0% | 23,047 | 201,027 |
| All Other | 11 | 555,441 | 169,395 | 30.5% | 25,647 | 50,495 |
| Totals | 73 | 5,390,088 | 988,679 | 18.3% | 26,610 | 73,837 |

Source: CoStar Property®

Recent Deliveries

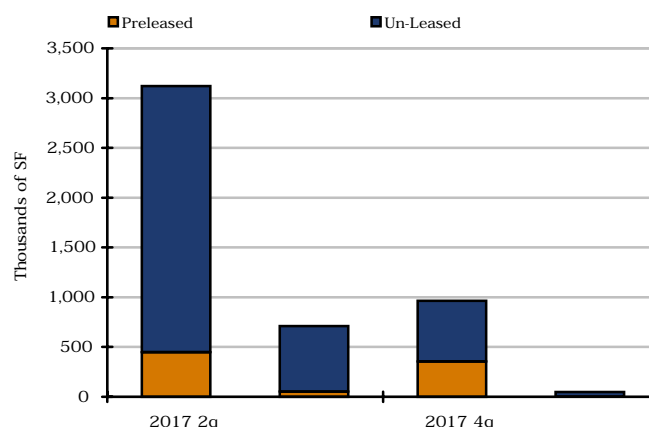
Leased & Un-Leased SF in Deliveries Since 2013



Source: CoStar Property®

Future Deliveries

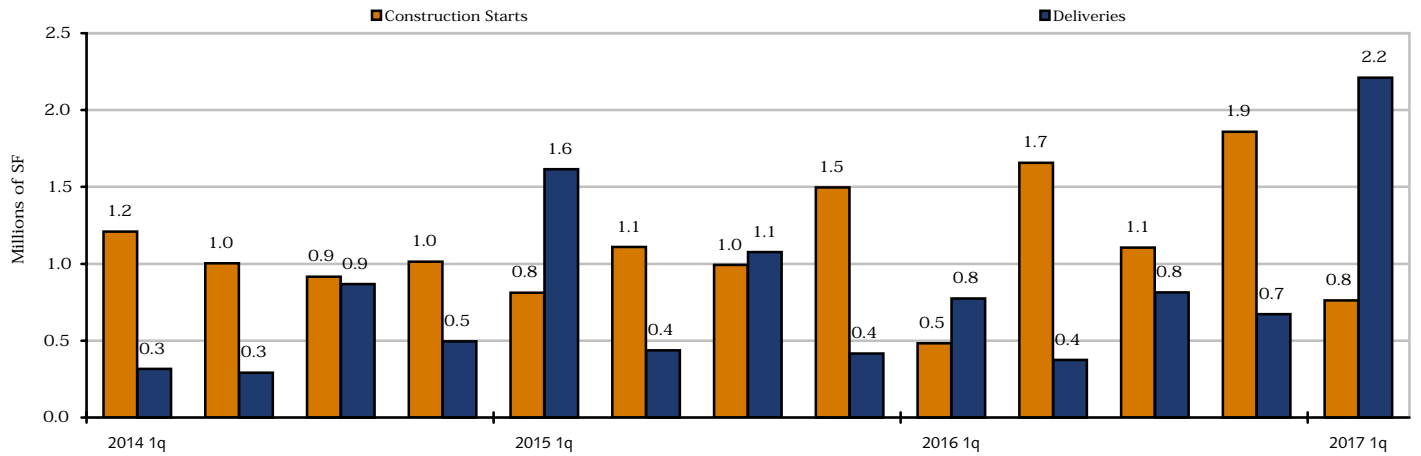
Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

| Building Size | # Bldgs | RBA | SF Leased | % Leased | Avg Rate | Single-Tenant | Multi-Tenant |
|-------------------------|---------|---------|-----------|----------|----------|---------------|--------------|
| < 50,000 SF | 1 | 36,656 | 36,289 | 99.0% | \$54.60 | 0 | 36,656 |
| 50,000 SF - 99,999 SF | 0 | 0 | 0 | 0.0% | \$0.00 | 0 | 0 |
| 100,000 SF - 249,999 SF | 4 | 772,302 | 454,000 | 58.8% | \$0.00 | 362,714 | 409,588 |
| 250,000 SF - 499,999 SF | 2 | 879,310 | 400,000 | 45.5% | \$0.00 | 879,310 | 0 |
| >= 500,000 SF | 1 | 521,816 | 521,816 | 100.0% | \$0.00 | 521,816 | 0 |

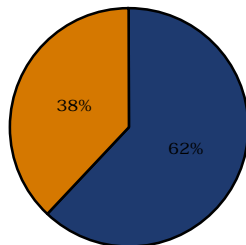
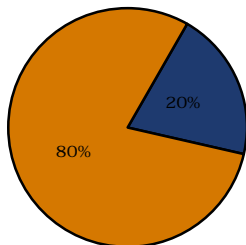
Source: CoStar Property®

Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2017 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

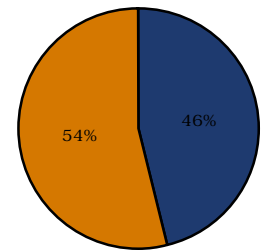
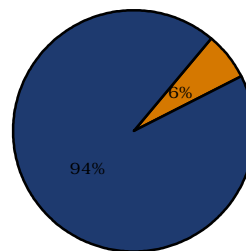
Source: CoStar Property®

Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

Los Angeles Industrial Market



Inventory & development

Select Year-to-Date Deliveries

Based on Project Square Footage

| | | |
|--|--|---|
| <p>1. The Brickyard - Bldg A</p> <p>Submarket: Central LA Industrial Market RBA: 521,816 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: CBRE Developer: Trammell Crow Company</p> | <p>2. The Brickyard - Bldg B</p> <p>Submarket: Central LA Industrial Market RBA: 479,310 Occupied: 0% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: CBRE Developer: Trammell Crow Company</p> | <p>3. Gilead Sciences</p> <p>Submarket: Eastern SGV Industrial Market RBA: 400,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: Gilead Developer: N/A</p> |
| <p>4. Lineage Logistics</p> <p>Submarket: Long Beach Area Industrial Market RBA: 244,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: Baker Commodities Inc. Developer: N/A</p> | <p>5. 17110 S Main St</p> <p>Submarket: Gardena/110 Corridor Industrial Market RBA: 210,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Colliers International Developer: N/A</p> | <p>6. 14445 Alondra Blvd</p> <p>Submarket: Mid Counties-LA Industrial Market RBA: 199,588 Occupied: 0% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2015 Deliv Date: First Quarter 2017 Leasing Co: JLL Developer: N/A</p> |
| <p>7. 5001 S Soto St</p> <p>Submarket: Vernon Area Industrial Market RBA: 118,714 Occupied: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Newmark Grubb Knight Frank Developer: N/A</p> | <p>8. 1700 Santa Fe Ave</p> <p>Submarket: Long Beach Area Industrial Market RBA: 36,656 Occupied: 99% Quoted Rate: \$54.60 Grnd Brk Date: First Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Long Beach Storage Center Developer: N/A</p> | |

Select Top Under Construction Properties

Based on Project Square Footage

| | | |
|--|---|--|
| <p>1. 825 Ajax Ave</p> <p>Submarket: Lower SGV Industrial Market RBA: 429,840 Preleased: 0% Quoted Rate: \$7.80 Grnd Brk Date: Third Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: Cushman & Wakefield Developer: N/A</p> | <p>2. Goodman Logistics Center - Bldg 1</p> <p>Submarket: Mid Counties-LA Industrial Market RBA: 403,635 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: CBRE Developer: Goodman Birtcher North America</p> | <p>3. Sun Valley Business Center - Bldg 2</p> <p>Submarket: SFV East Industrial Market RBA: 264,068 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2016 Deliv Date: Fourth Quarter 2017 Leasing Co: Colliers International Developer: Xebec Realty Partners</p> |
| <p>4. Boyle at 54th</p> <p>Submarket: Vernon Area Industrial Market RBA: 203,510 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: CBRE Developer: Xebec Development Co</p> | <p>5. 11600 Alameda St</p> <p>Submarket: Lynwood/Paramount Industrial Market RBA: 201,027 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2016 Deliv Date: Third Quarter 2017 Leasing Co: Cushman & Wakefield Developer: N/A</p> | <p>6. IAC Commerce Center - Building 1 - Phase 1</p> <p>Submarket: SCV/Lancaster/Palmdale Industrial Market RBA: 187,540 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2014 Deliv Date: Second Quarter 2017 Leasing Co: CBRE Developer: International Airport Centers, Inc.</p> |
| <p>7. 10th Street Center - Bldg 3</p> <p>Submarket: Upper SGV Industrial Market RBA: 179,100 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2015 Deliv Date: Second Quarter 2017 Leasing Co: JLL Developer: Xebec Realty Partners</p> | <p>8. 687 N Eucalyptus Ave</p> <p>Submarket: El Segundo/Hawthorne Industrial Market RBA: 149,040 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: JLL Developer: N/A</p> | <p>9. Mission Commerce Center - Building B</p> <p>Submarket: Eastern SGV Industrial Market RBA: 146,806 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: Cushman & Wakefield Developer: Crow Holdings</p> |
| <p>10. Pacific Pointe East - Bldg 9</p> <p>Submarket: Long Beach Area Industrial Market RBA: 140,430 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: CBRE Developer: N/A</p> | <p>11. IAC Commerce Center - Building 9 - Phase 1</p> <p>Submarket: SCV/Lancaster/Palmdale Industrial Market RBA: 116,795 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2014 Deliv Date: Second Quarter 2017 Leasing Co: CBRE Developer: International Airport Centers, Inc.</p> | <p>12. Pacific Pointe East - Bldg 10</p> <p>Submarket: Long Beach Area Industrial Market RBA: 110,940 Preleased: 77% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: CBRE Developer: N/A</p> |
| <p>13. CT Azusa Center - Bldg C</p> <p>Submarket: Upper SGV Industrial Market RBA: 107,402 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: CBRE Developer: N/A</p> | <p>14. Valencia Gateway V - Bldg 7</p> <p>Submarket: SCV/Lancaster/Palmdale Industrial Market RBA: 105,047 Preleased: 0% Quoted Rate: \$8.04 Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: CBRE Developer: N/A</p> | <p>15. 1720 W 135th St</p> <p>Submarket: Gardena/110 Corridor Industrial Market RBA: 100,580 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: JLL Developer: N/A</p> |

Los Angeles Industrial Market



Figures at a Glance

Flex Market Statistics

First Quarter 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|----------------------------|--------------------|-------------------|------------------|------------------|-------------|--------------------|----------------|----------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Antelope Valley Ind | 63 | 914,732 | 17,771 | 17,771 | 1.9% | (5,731) | 0 | 0 | \$10.89 |
| Carson/Rancho Domingz Ind | 42 | 1,460,751 | 40,436 | 40,436 | 2.8% | (6,869) | 0 | 0 | \$17.49 |
| Central LA Ind | 317 | 5,442,244 | 229,776 | 274,776 | 5.0% | (38,512) | 0 | 20,022 | \$20.43 |
| Commerce Area Ind | 65 | 1,237,373 | 65,335 | 69,645 | 5.6% | 22,471 | 0 | 0 | \$16.06 |
| Conejo Valley Ind | 175 | 5,706,234 | 141,697 | 160,730 | 2.8% | (11,470) | 0 | 0 | \$15.60 |
| Eastern SGV Ind | 49 | 1,320,129 | 8,369 | 8,369 | 0.6% | 401,902 | 400,000 | 0 | \$11.35 |
| El Segundo/Hawthorne Ind | 63 | 2,195,001 | 36,098 | 36,098 | 1.6% | 122,099 | 0 | 0 | \$22.01 |
| Gardena/110 Corridor Ind | 37 | 889,530 | 54,424 | 54,424 | 6.1% | (45,798) | 0 | 0 | \$20.25 |
| Long Beach Area Ind | 101 | 1,700,422 | 32,585 | 40,273 | 2.4% | 44,089 | 36,656 | 0 | \$14.72 |
| Lower SGV Ind | 47 | 1,277,805 | 22,402 | 22,402 | 1.8% | 11,966 | 0 | 0 | \$33.13 |
| Lynwood/Paramount Ind | 10 | 136,406 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Mid Counties-LA Ind | 175 | 3,970,907 | 122,074 | 123,974 | 3.1% | (13,095) | 0 | 0 | \$11.90 |
| Northwest SGV Ind | 118 | 2,546,713 | 123,873 | 132,023 | 5.2% | 9,018 | 0 | 0 | \$13.47 |
| SCV/Lancaster/Palmdale Ind | 125 | 3,301,830 | 184,905 | 184,905 | 5.6% | (67,880) | 0 | 0 | \$15.14 |
| SFV East Ind | 362 | 5,687,535 | 256,819 | 256,819 | 4.5% | (19,698) | 0 | 0 | \$19.48 |
| SFV West Ind | 360 | 8,799,229 | 276,215 | 276,215 | 3.1% | 32,538 | 0 | 0 | \$11.61 |
| Southwest SGV Ind | 21 | 241,393 | 500 | 500 | 0.2% | 1,940 | 0 | 0 | \$12.66 |
| Torrance/Beach Cities Ind | 198 | 4,960,270 | 216,614 | 247,283 | 5.0% | (56,616) | 0 | 0 | \$15.74 |
| Upper SGV Ind | 113 | 2,204,506 | 76,739 | 76,739 | 3.5% | 15,805 | 0 | 0 | \$12.52 |
| Ventura County Ind | 80 | 2,452,548 | 126,541 | 126,541 | 5.2% | 140,860 | 0 | 0 | \$10.40 |
| Vernon Area Ind | 27 | 463,485 | 16,423 | 20,423 | 4.4% | (5,133) | 0 | 0 | \$9.13 |
| Westside Ind | 311 | 6,000,334 | 291,189 | 305,389 | 5.1% | 27,851 | 0 | 0 | \$37.27 |
| Totals | 2,859 | 62,909,377 | 2,340,785 | 2,475,735 | 3.9% | 559,737 | 436,656 | 20,022 | \$18.89 |

Source: CoStar Property®

Warehouse Market Statistics

First Quarter 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|----------------------------|--------------------|--------------------|-------------------|-------------------|-------------|--------------------|------------------|------------------|---------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Antelope Valley Ind | 345 | 9,325,426 | 65,529 | 65,529 | 0.7% | 24,253 | 0 | 77,043 | \$8.06 |
| Carson/Rancho Domingz Ind | 1,198 | 73,602,723 | 1,121,642 | 1,219,602 | 1.7% | (25,981) | 0 | 120,486 | \$7.89 |
| Central LA Ind | 4,641 | 88,879,256 | 3,047,335 | 3,126,046 | 3.5% | 639,542 | 1,001,126 | 0 | \$12.75 |
| Commerce Area Ind | 1,627 | 75,039,750 | 1,246,543 | 1,323,671 | 1.8% | (93,354) | 0 | 0 | \$7.15 |
| Conejo Valley Ind | 663 | 18,179,223 | 400,393 | 400,393 | 2.2% | 275,115 | 0 | 698,834 | \$9.12 |
| Eastern SGV Ind | 1,047 | 26,199,230 | 294,801 | 301,226 | 1.1% | 214,848 | 0 | 433,485 | \$7.21 |
| El Segundo/Hawthorne Ind | 900 | 23,222,732 | 316,165 | 351,585 | 1.5% | (38,332) | 0 | 152,565 | \$13.47 |
| Gardena/110 Corridor Ind | 1,639 | 35,582,893 | 787,734 | 816,147 | 2.3% | 38,862 | 210,000 | 100,580 | \$8.48 |
| Long Beach Area Ind | 1,581 | 27,884,918 | 182,438 | 197,956 | 0.7% | 431,964 | 244,000 | 384,606 | \$10.01 |
| Lower SGV Ind | 1,495 | 82,167,899 | 1,525,321 | 1,839,362 | 2.2% | (94,065) | 0 | 598,003 | \$7.98 |
| Lynwood/Paramount Ind | 553 | 12,838,818 | 97,568 | 97,568 | 0.8% | 3,104 | 0 | 201,027 | \$7.97 |
| Mid Counties-LA Ind | 2,524 | 90,487,550 | 1,753,071 | 1,840,111 | 2.0% | (63,674) | 199,588 | 614,645 | \$8.04 |
| Northwest SGV Ind | 1,229 | 20,842,933 | 830,651 | 843,301 | 4.0% | 38,721 | 0 | 0 | \$9.67 |
| SCV/Lancaster/Palmdale Ind | 541 | 19,746,898 | 428,848 | 499,280 | 2.5% | (75,275) | 0 | 763,194 | \$8.13 |
| SFV East Ind | 4,628 | 76,518,034 | 1,092,624 | 1,117,124 | 1.5% | (72,055) | 0 | 364,638 | \$11.41 |
| SFV West Ind | 1,604 | 37,704,659 | 681,018 | 794,148 | 2.1% | (95,658) | 0 | 0 | \$9.73 |
| Southwest SGV Ind | 1,016 | 11,161,703 | 102,855 | 102,855 | 0.9% | (39,699) | 0 | 0 | \$10.02 |
| Torrance/Beach Cities Ind | 851 | 31,996,024 | 545,172 | 568,727 | 1.8% | 137,783 | 0 | 30,492 | \$8.98 |
| Upper SGV Ind | 1,145 | 24,090,656 | 428,280 | 538,446 | 2.2% | (160,635) | 0 | 559,503 | \$8.85 |
| Ventura County Ind | 2,088 | 47,450,931 | 1,518,356 | 1,535,122 | 3.2% | 2,035 | 0 | 54,253 | \$7.87 |
| Vernon Area Ind | 2,182 | 81,919,969 | 1,770,885 | 1,823,794 | 2.2% | (200,006) | 118,714 | 216,712 | \$7.79 |
| Westside Ind | 877 | 13,032,276 | 110,698 | 110,698 | 0.8% | 94,869 | 0 | 0 | \$20.56 |
| Totals | 34,374 | 927,874,501 | 18,347,927 | 19,512,691 | 2.1% | 942,362 | 1,773,428 | 5,370,066 | \$9.00 |

Source: CoStar Property®



Los Angeles Industrial Market

Figures at a Glance

Total Industrial Market Statistics

First Quarter 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|----------------------------|--------------------|--------------------|-------------------|-------------------|-------------|--------------------|------------------|------------------|---------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Antelope Valley Ind | 408 | 10,240,158 | 83,300 | 83,300 | 0.8% | 18,522 | 0 | 77,043 | \$8.20 |
| Carson/Rancho Domingz Ind | 1,240 | 75,063,474 | 1,162,078 | 1,260,038 | 1.7% | (32,850) | 0 | 120,486 | \$8.17 |
| Central LA Ind | 4,958 | 94,321,500 | 3,277,111 | 3,400,822 | 3.6% | 601,030 | 1,001,126 | 20,022 | \$13.68 |
| Commerce Area Ind | 1,692 | 76,277,123 | 1,311,878 | 1,393,316 | 1.8% | (70,883) | 0 | 0 | \$7.33 |
| Conejo Valley Ind | 838 | 23,885,457 | 542,090 | 561,123 | 2.3% | 263,645 | 0 | 698,834 | \$10.26 |
| Eastern SGV Ind | 1,096 | 27,519,359 | 303,170 | 309,595 | 1.1% | 616,750 | 400,000 | 433,485 | \$7.46 |
| El Segundo/Hawthorne Ind | 963 | 25,417,733 | 352,263 | 387,683 | 1.5% | 83,767 | 0 | 152,565 | \$15.10 |
| Gardena/110 Corridor Ind | 1,676 | 36,472,423 | 842,158 | 870,571 | 2.4% | (6,936) | 210,000 | 100,580 | \$8.81 |
| Long Beach Area Ind | 1,682 | 29,585,340 | 215,023 | 238,229 | 0.8% | 476,053 | 280,656 | 384,606 | \$10.28 |
| Lower SGV Ind | 1,542 | 83,445,704 | 1,547,723 | 1,861,764 | 2.2% | (82,099) | 0 | 598,003 | \$8.06 |
| Lynwood/Paramount Ind | 563 | 12,975,224 | 97,568 | 97,568 | 0.8% | 3,104 | 0 | 201,027 | \$7.97 |
| Mid Counties-LA Ind | 2,699 | 94,458,457 | 1,875,145 | 1,964,085 | 2.1% | (76,769) | 199,588 | 614,645 | \$8.15 |
| Northwest SGV Ind | 1,347 | 23,389,646 | 954,524 | 975,324 | 4.2% | 47,739 | 0 | 0 | \$10.14 |
| SCV/Lancaster/Palmdale Ind | 666 | 23,048,728 | 613,753 | 684,185 | 3.0% | (143,155) | 0 | 763,194 | \$8.69 |
| SFV East Ind | 4,990 | 82,205,569 | 1,349,443 | 1,373,943 | 1.7% | (91,753) | 0 | 364,638 | \$12.64 |
| SFV West Ind | 1,964 | 46,503,888 | 957,233 | 1,070,363 | 2.3% | (63,120) | 0 | 0 | \$9.95 |
| Southwest SGV Ind | 1,037 | 11,403,096 | 103,355 | 103,355 | 0.9% | (37,759) | 0 | 0 | \$10.04 |
| Torrance/Beach Cities Ind | 1,049 | 36,956,294 | 761,786 | 816,010 | 2.2% | 81,167 | 0 | 30,492 | \$9.71 |
| Upper SGV Ind | 1,258 | 26,295,162 | 505,019 | 615,185 | 2.3% | (144,830) | 0 | 559,503 | \$9.06 |
| Ventura County Ind | 2,168 | 49,903,479 | 1,644,897 | 1,661,663 | 3.3% | 142,895 | 0 | 54,253 | \$8.05 |
| Vernon Area Ind | 2,209 | 82,383,454 | 1,787,308 | 1,844,217 | 2.2% | (205,139) | 118,714 | 216,712 | \$7.81 |
| Westside Ind | 1,188 | 19,032,610 | 401,887 | 416,087 | 2.2% | 122,720 | 0 | 0 | \$28.48 |
| Totals | 37,233 | 990,783,878 | 20,688,712 | 21,988,426 | 2.2% | 1,502,099 | 2,210,084 | 5,390,088 | \$9.71 |

Source: CoStar Property®

Los Angeles Industrial Market



Figures at a Glance

Flex Submarket Statistics

First Quarter 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|------------------|--------------------|-----------|-----------|----------|-------|--------------------|----------------|----------------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Agoura/Wlake V. | 147 | 4,861,159 | 117,828 | 129,892 | 2.7% | (2,667) | 0 | 0 | \$18.27 |
| Alhambra Ind | 35 | 773,868 | 5,156 | 6,306 | 0.8% | (5,156) | 0 | 0 | \$9.98 |
| Antelope Valley. | 63 | 914,732 | 17,771 | 17,771 | 1.9% | (5,731) | 0 | 0 | \$10.89 |
| Arcadia/Sierra . | 22 | 259,395 | 1,700 | 1,700 | 0.7% | (1,700) | 0 | 0 | \$13.38 |
| Azusa Ind | 38 | 1,089,603 | 14,307 | 14,307 | 1.3% | (467) | 0 | 0 | \$12.99 |
| Baldwin Park In. | 24 | 361,046 | 6,961 | 6,961 | 1.9% | 16,272 | 0 | 0 | \$11.08 |
| Beach Cities In. | 24 | 689,606 | 24,187 | 24,187 | 3.5% | (12,610) | 0 | 0 | \$24.19 |
| Burbank Ind | 97 | 1,486,605 | 44,250 | 44,250 | 3.0% | (24,500) | 0 | 0 | \$20.88 |
| Canoga Park Inc | 49 | 594,717 | 14,026 | 14,026 | 2.4% | (12,670) | 0 | 0 | \$16.84 |
| Carson Central | 7 | 233,365 | 4,219 | 4,219 | 1.8% | 3,765 | 0 | 0 | \$21.04 |
| Carson North In | 2 | 62,395 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$9.00 |
| Carson South In | 19 | 597,969 | 17,680 | 17,680 | 3.0% | (475) | 0 | 0 | \$12.96 |
| Central Los Ang | 317 | 5,442,244 | 229,776 | 274,776 | 5.0% | (38,512) | 0 | 20,022 | \$20.43 |
| Central Ventura | 22 | 805,637 | 61,063 | 61,063 | 7.6% | 136,249 | 0 | 0 | \$8.23 |
| Cerritos Ind | 22 | 693,381 | 32,643 | 32,643 | 4.7% | (14,227) | 0 | 0 | \$11.28 |
| Chatsworth Ind | 160 | 4,315,835 | 107,823 | 107,823 | 2.5% | 51,720 | 0 | 0 | \$10.04 |
| City of Industr. | 5 | 75,291 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| City of Industr. | 10 | 135,286 | 4,201 | 4,201 | 3.1% | 4,428 | 0 | 0 | \$57.95 |
| City of Industr. | 2 | 147,758 | 14,998 | 14,998 | 10.2% | (2,233) | 0 | 0 | \$0.00 |
| Claremont Ind | 4 | 55,733 | 1,920 | 1,920 | 3.4% | (1,920) | 0 | 0 | \$12.60 |
| Commerce Ind | 40 | 800,514 | 48,680 | 48,680 | 6.1% | 7,111 | 0 | 0 | \$14.31 |
| Compton East Ir. | 2 | 5,920 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Compton West I. | 3 | 62,281 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Covina Ind | 30 | 338,897 | 31,131 | 31,131 | 9.2% | 0 | 0 | 0 | \$11.32 |
| Diamond Bar Inc | 0 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Downey Ind | 10 | 266,727 | 9,868 | 9,868 | 3.7% | 0 | 0 | 0 | \$15.90 |
| Duarte Ind | 4 | 56,950 | 24,340 | 24,340 | 42.7% | 0 | 0 | 0 | \$15.00 |
| East San Ferndo | 85 | 1,744,996 | 7,236 | 7,236 | 0.4% | (3,750) | 0 | 0 | \$14.94 |
| El Monte Ind | 25 | 882,305 | 114,547 | 121,547 | 13.8% | 3,567 | 0 | 0 | \$11.52 |
| El Segundo Ind | 33 | 1,475,299 | 20,822 | 20,822 | 1.4% | 129,327 | 0 | 0 | \$22.51 |
| Encino Ind | 0 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Gardena Central | 11 | 294,856 | 54,424 | 54,424 | 18.5% | (47,798) | 0 | 0 | \$20.56 |
| Gardena East In. | 1 | 8,723 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Gardena NE Ind | 0 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Gardena North C. | 5 | 83,298 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Gardena North I | 6 | 141,161 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Gardena NW Inc | 1 | 25,725 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Gardena South I | 13 | 335,767 | 0 | 0 | 0.0% | 2,000 | 0 | 0 | \$12.00 |
| Glendale Ind | 63 | 874,744 | 6,800 | 6,800 | 0.8% | (1,800) | 0 | 0 | \$14.34 |
| Glendora Ind | 13 | 186,851 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Hawthorne Ind | 10 | 424,086 | 947 | 947 | 0.2% | 0 | 0 | 0 | \$0.00 |
| Industry/Hacien | 9 | 476,610 | 3,203 | 3,203 | 0.7% | (1,563) | 0 | 0 | \$13.89 |
| Industry/La Pue | 2 | 46,616 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Industry/Rowlar. | 6 | 180,251 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Inglewood Ind | 16 | 263,061 | 9,038 | 9,038 | 3.4% | (8,688) | 0 | 0 | \$18.37 |
| Irwindale Ind | 4 | 171,159 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$7.80 |

Source: CoStar Property®



Los Angeles Industrial Market

Figures at a Glance

Flex Submarket Statistics

First Quarter 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|------------------|--------------------|-------------------|------------------|------------------|-------------|--------------------|----------------|----------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| La Mirada Ind | 10 | 191,800 | 16,529 | 16,529 | 8.6% | 0 | 0 | 0 | \$13.20 |
| La Verne Ind | 7 | 514,913 | 2,666 | 2,666 | 0.5% | 398,966 | 400,000 | 0 | \$12.36 |
| Lakewood Ind | 1 | 3,600 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Lawndale Ind | 4 | 32,555 | 5,291 | 5,291 | 16.3% | 1,460 | 0 | 0 | \$14.16 |
| Long Beach Nor | 24 | 583,809 | 14,292 | 14,292 | 2.4% | 9,582 | 0 | 0 | \$12.83 |
| Long Beach SE I | 21 | 350,942 | 0 | 1,744 | 0.5% | 1,800 | 0 | 0 | \$18.02 |
| Long Beach SW | 7 | 79,791 | 7,014 | 7,014 | 8.8% | 36,392 | 36,656 | 0 | \$54.60 |
| Lynwood Ind | 1 | 3,867 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Monrovia Ind | 28 | 397,056 | 2,470 | 2,470 | 0.6% | 12,307 | 0 | 0 | \$18.41 |
| Montebello/Whit | 25 | 436,859 | 16,655 | 20,965 | 4.8% | 15,360 | 0 | 0 | \$18.67 |
| Moorpark/Simi V | 28 | 845,075 | 23,869 | 30,838 | 3.6% | (8,803) | 0 | 0 | \$10.27 |
| North Hollywood | 18 | 236,895 | 0 | 0 | 0.0% | 1,582 | 0 | 0 | \$18.99 |
| Northridge Ind | 134 | 3,174,475 | 22,094 | 22,094 | 0.7% | (6,194) | 0 | 0 | \$13.60 |
| Norwalk/Bellflo | 8 | 136,484 | 2,073 | 2,073 | 1.5% | 0 | 0 | 0 | \$0.00 |
| Oxnard/Pt Huerne | 26 | 911,499 | 48,175 | 48,175 | 5.3% | 943 | 0 | 0 | \$15.78 |
| Paramount North | 4 | 51,711 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Paramount South | 5 | 80,828 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Pasadena Ind | 99 | 1,344,295 | 198,533 | 198,533 | 14.8% | 8,770 | 0 | 0 | \$21.88 |
| Pomona North Ind | 2 | 138,100 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$9.00 |
| Pomona SE Ind | 7 | 55,157 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Pomona SW Ind | 2 | 52,794 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Rancho Domingue | 9 | 498,821 | 18,537 | 18,537 | 3.7% | (10,159) | 0 | 0 | \$15.00 |
| Rosemead Ind | 1 | 180,000 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| San Dimas Ind | 27 | 503,432 | 3,783 | 3,783 | 0.8% | 4,856 | 0 | 0 | \$14.11 |
| San Gabriel Ind | 5 | 39,759 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| San Pedro Ind | 5 | 29,435 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$12.00 |
| Santa Clarita/L | 125 | 3,301,830 | 184,905 | 184,905 | 5.6% | (67,880) | 0 | 0 | \$15.14 |
| Santa Fe Spring | 125 | 2,682,515 | 60,961 | 62,861 | 2.3% | 1,132 | 0 | 0 | \$11.68 |
| Signal Hill Ind | 36 | 594,656 | 11,279 | 17,223 | 2.9% | (3,685) | 0 | 0 | \$13.48 |
| South El Monte | 10 | 98,068 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| South El Monte | 2 | 12,615 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| South El Monte | 9 | 130,710 | 500 | 500 | 0.4% | 1,940 | 0 | 0 | \$12.66 |
| Tarzana Ind | 4 | 110,534 | 13,658 | 13,658 | 12.4% | 5,099 | 0 | 0 | \$12.50 |
| Temple City Ind | 2 | 14,330 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Topanga/Malibu | 0 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Torrance Centra | 17 | 199,564 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$10.48 |
| Torrance NE Ind | 45 | 1,556,603 | 117,874 | 117,874 | 7.6% | (40,526) | 0 | 0 | \$14.75 |
| Torrance NW Ind | 87 | 1,996,527 | 65,189 | 95,858 | 4.8% | 5,034 | 0 | 0 | \$15.84 |
| Torrance South | 25 | 517,970 | 9,364 | 9,364 | 1.8% | (8,514) | 0 | 0 | \$15.98 |
| Ventura Ind | 32 | 735,412 | 17,303 | 17,303 | 2.4% | 3,668 | 0 | 0 | \$14.74 |
| Vernon Ind | 27 | 463,485 | 16,423 | 20,423 | 4.4% | (5,133) | 0 | 0 | \$9.13 |
| West Covina/Wal | 13 | 215,993 | 0 | 0 | 0.0% | 11,334 | 0 | 0 | \$24.00 |
| Westside Ind | 311 | 6,000,334 | 291,189 | 305,389 | 5.1% | 27,851 | 0 | 0 | \$37.27 |
| Wilmington Ind | 7 | 58,189 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$11.16 |
| Woodland Hills | 13 | 603,668 | 118,614 | 118,614 | 19.6% | (5,417) | 0 | 0 | \$17.23 |
| Totals | 2,859 | 62,909,377 | 2,340,785 | 2,475,735 | 3.9% | 559,737 | 436,656 | 20,022 | \$18.89 |

Source: CoStar Property®

Los Angeles Industrial Market



Figures at a Glance

Warehouse Submarket Statistics

First Quarter 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|------------------|--------------------|------------|-----------|-----------|-------|--------------------|----------------|----------------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Agoura/Wlake V. | 264 | 6,725,640 | 40,796 | 40,796 | 0.6% | 41,646 | 0 | 558,068 | \$11.46 |
| Alhambra Ind | 256 | 3,856,500 | 15,309 | 15,309 | 0.4% | 6,716 | 0 | 0 | \$9.29 |
| Antelope Valley. | 345 | 9,325,426 | 65,529 | 65,529 | 0.7% | 24,253 | 0 | 77,043 | \$8.06 |
| Arcadia/Sierra . | 125 | 1,390,506 | 32,108 | 32,108 | 2.3% | (10,808) | 0 | 0 | \$11.09 |
| Azusa Ind | 304 | 7,179,959 | 84,040 | 94,040 | 1.3% | (41,297) | 0 | 185,273 | \$7.39 |
| Baldwin Park In. | 290 | 4,087,031 | 218,795 | 218,795 | 5.4% | (92,882) | 0 | 195,130 | \$9.16 |
| Beach Cities In. | 67 | 2,140,899 | 7,421 | 7,421 | 0.3% | 69,003 | 0 | 0 | \$14.03 |
| Burbank Ind | 1,038 | 13,433,925 | 237,398 | 237,398 | 1.8% | (69,313) | 0 | 0 | \$14.28 |
| Canoga Park Inc | 321 | 5,461,795 | 107,323 | 118,723 | 2.2% | (4,807) | 0 | 0 | \$10.93 |
| Carson Central . | 263 | 20,151,508 | 169,409 | 227,369 | 1.1% | 191,536 | 0 | 0 | \$8.12 |
| Carson North In | 126 | 5,301,044 | 114,204 | 114,204 | 2.2% | (68,107) | 0 | 0 | \$9.13 |
| Carson South In | 150 | 11,628,760 | 227,819 | 227,819 | 2.0% | (114,579) | 0 | 120,486 | \$7.86 |
| Central Los Ang | 4,641 | 88,879,256 | 3,047,335 | 3,126,046 | 3.5% | 639,542 | 1,001,126 | 0 | \$12.75 |
| Central Ventura. | 494 | 13,398,789 | 472,199 | 472,199 | 3.5% | 175,529 | 0 | 54,253 | \$8.31 |
| Cerritos Ind | 328 | 13,487,007 | 312,583 | 312,583 | 2.3% | (72,588) | 0 | 0 | \$8.32 |
| Chatsworth Ind | 487 | 15,725,566 | 410,242 | 460,142 | 2.9% | (79,428) | 0 | 0 | \$8.87 |
| City of Industr. | 241 | 10,894,707 | 258,017 | 354,755 | 3.3% | (194,876) | 0 | 0 | \$7.15 |
| City of Industr. | 318 | 23,357,149 | 239,559 | 371,747 | 1.6% | (157,824) | 0 | 0 | \$7.48 |
| City of Industr. | 69 | 5,053,477 | 170,995 | 170,995 | 3.4% | (13,720) | 0 | 34,710 | \$8.27 |
| Claremont Ind | 23 | 613,703 | 0 | 0 | 0.0% | 1,489 | 0 | 0 | \$0.00 |
| Commerce Ind | 932 | 47,762,777 | 948,564 | 996,777 | 2.1% | (110,788) | 0 | 0 | \$6.85 |
| Compton East Ir. | 131 | 2,689,003 | 5,265 | 5,265 | 0.2% | 0 | 0 | 0 | \$9.31 |
| Compton West In. | 222 | 14,042,451 | 328,343 | 328,343 | 2.3% | 34,891 | 0 | 0 | \$7.64 |
| Covina Ind | 191 | 2,185,722 | 13,818 | 67,068 | 3.1% | 6,182 | 0 | 0 | \$8.75 |
| Diamond Bar Inc | 2 | 32,630 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Downey Ind | 285 | 7,146,554 | 103,243 | 126,283 | 1.8% | (4,020) | 0 | 0 | \$8.48 |
| Duarte Ind | 66 | 1,228,836 | 24,096 | 35,671 | 2.9% | 15,700 | 0 | 179,100 | \$9.38 |
| East San Ferndo | 2,378 | 45,113,879 | 464,940 | 482,840 | 1.1% | (39,567) | 0 | 364,638 | \$10.17 |
| El Monte Ind | 393 | 8,920,363 | 497,368 | 510,018 | 5.7% | (9,080) | 0 | 0 | \$9.52 |
| El Segundo Ind | 266 | 9,861,444 | 188,577 | 188,577 | 1.9% | (23,210) | 0 | 0 | \$17.54 |
| Encino Ind | 1 | 2,005 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Gardena Central | 463 | 9,504,594 | 123,218 | 127,187 | 1.3% | 102,984 | 210,000 | 0 | \$8.78 |
| Gardena East In. | 185 | 6,388,380 | 146,956 | 146,956 | 2.3% | (15,076) | 0 | 0 | \$8.71 |
| Gardena NE Ind | 250 | 6,409,613 | 270,770 | 289,270 | 4.5% | (65,415) | 0 | 0 | \$7.49 |
| Gardena North C. | 160 | 3,838,243 | 42,872 | 42,872 | 1.1% | (15,460) | 0 | 0 | \$9.04 |
| Gardena North I | 350 | 4,789,524 | 32,063 | 38,007 | 0.8% | (14,718) | 0 | 100,580 | \$9.34 |
| Gardena NW Inc | 10 | 91,087 | 9,232 | 9,232 | 10.1% | 0 | 0 | 0 | \$8.88 |
| Gardena South I | 221 | 4,561,452 | 162,623 | 162,623 | 3.6% | 46,547 | 0 | 0 | \$8.70 |
| Glendale Ind | 616 | 9,042,777 | 42,804 | 49,404 | 0.5% | 48,645 | 0 | 0 | \$14.32 |
| Glendora Ind | 52 | 728,394 | 12,592 | 12,592 | 1.7% | (1,056) | 0 | 0 | \$12.29 |
| Hawthorne Ind | 281 | 8,206,291 | 44,696 | 44,696 | 0.5% | (13,276) | 0 | 0 | \$9.35 |
| Industry/Hacien | 357 | 17,668,948 | 479,153 | 493,114 | 2.8% | 174,427 | 0 | 0 | \$8.15 |
| Industry/La Pue | 144 | 9,368,033 | 78,132 | 138,132 | 1.5% | 45,513 | 0 | 93,453 | \$7.06 |
| Industry/Rowlar. | 233 | 12,808,464 | 191,422 | 201,252 | 1.6% | 78,508 | 0 | 429,840 | \$9.29 |
| Inglewood Ind | 303 | 4,729,062 | 82,892 | 118,312 | 2.5% | (1,846) | 0 | 152,565 | \$13.98 |
| Irwindale Ind | 242 | 8,680,714 | 74,939 | 110,280 | 1.3% | (47,282) | 0 | 0 | \$9.60 |

Source: CoStar Property®



Los Angeles Industrial Market

Figures at a Glance

Warehouse Submarket Statistics

First Quarter 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|-----------------|--------------------|--------------------|-------------------|-------------------|-------------|--------------------|------------------|------------------|---------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| La Mirada Ind | 197 | 12,899,030 | 622,776 | 657,076 | 5.1% | (196,628) | 199,588 | 0 | \$7.71 |
| La Verne Ind | 144 | 2,937,387 | 19,506 | 25,931 | 0.9% | (19,506) | 0 | 0 | \$9.78 |
| Lakewood Ind | 17 | 257,537 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Lawndale Ind | 50 | 425,935 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$14.77 |
| Long Beach Nor | 274 | 6,279,943 | 13,460 | 13,460 | 0.2% | 57,130 | 0 | 0 | \$9.46 |
| Long Beach SE I | 301 | 7,078,022 | 83,524 | 83,524 | 1.2% | 59,001 | 0 | 381,370 | \$8.97 |
| Long Beach SW | 456 | 5,004,891 | 31,023 | 31,023 | 0.6% | 320,033 | 244,000 | 3,236 | \$11.10 |
| Lynwood Ind | 194 | 5,599,890 | 62,827 | 62,827 | 1.1% | 14,452 | 0 | 201,027 | \$7.06 |
| Monrovia Ind | 256 | 3,396,847 | 30,954 | 30,954 | 0.9% | 20,263 | 0 | 0 | \$11.17 |
| Montebello/Whi | 695 | 27,276,973 | 297,979 | 326,894 | 1.2% | 17,434 | 0 | 0 | \$8.11 |
| Moorpark/Simi V | 399 | 11,453,583 | 359,597 | 359,597 | 3.1% | 233,469 | 0 | 140,766 | \$7.73 |
| North Hollywood | 435 | 6,835,813 | 130,249 | 130,249 | 1.9% | (15,031) | 0 | 0 | \$11.15 |
| Northridge Ind | 754 | 14,950,849 | 140,816 | 192,646 | 1.3% | (6,731) | 0 | 0 | \$11.12 |
| Norwalk/Bellflo | 208 | 7,142,318 | 28,723 | 28,723 | 0.4% | (12,502) | 0 | 24,895 | \$8.18 |
| Oxnard/Pt Huer | 814 | 22,908,307 | 684,812 | 694,078 | 3.0% | (114,905) | 0 | 0 | \$7.51 |
| Paramount Nort | 95 | 2,504,979 | 1,800 | 1,800 | 0.1% | 1,400 | 0 | 0 | \$9.28 |
| Paramount Sout | 264 | 4,733,949 | 32,941 | 32,941 | 0.7% | (12,748) | 0 | 0 | \$10.05 |
| Pasadena Ind | 161 | 2,091,640 | 217,233 | 217,233 | 10.4% | 3,211 | 0 | 0 | \$13.13 |
| Pomona North In | 134 | 2,581,014 | 19,936 | 19,936 | 0.8% | (3,379) | 0 | 0 | \$7.38 |
| Pomona SE Ind | 438 | 11,626,807 | 149,582 | 149,582 | 1.3% | 232,528 | 0 | 0 | \$6.14 |
| Pomona SW Ind | 170 | 5,406,748 | 37,415 | 37,415 | 0.7% | (7,219) | 0 | 433,485 | \$8.36 |
| Rancho Domingue | 306 | 19,789,957 | 276,602 | 316,602 | 1.6% | (69,722) | 0 | 0 | \$7.40 |
| Rosemead Ind | 80 | 1,815,562 | 243,101 | 243,101 | 13.4% | 35,826 | 0 | 0 | \$7.42 |
| San Dimas Ind | 136 | 3,000,941 | 68,362 | 68,362 | 2.3% | 10,935 | 0 | 0 | \$9.63 |
| San Gabriel Ind | 93 | 1,157,419 | 11,811 | 11,811 | 1.0% | (7,196) | 0 | 0 | \$14.23 |
| San Pedro Ind | 40 | 1,584,054 | 8,942 | 8,942 | 0.6% | 100 | 0 | 0 | \$13.11 |
| Santa Clarita/L | 541 | 19,746,898 | 428,848 | 499,280 | 2.5% | (75,275) | 0 | 763,194 | \$8.13 |
| Santa Fe Spring | 1,506 | 49,812,641 | 685,746 | 715,446 | 1.4% | 222,064 | 0 | 589,750 | \$8.06 |
| Signal Hill Ind | 303 | 4,551,382 | 45,489 | 61,007 | 1.3% | (4,300) | 0 | 0 | \$11.61 |
| South El Monte | 569 | 6,278,307 | 40,954 | 40,954 | 0.7% | (25,000) | 0 | 0 | \$9.96 |
| South El Monte | 287 | 2,665,513 | 3,000 | 3,000 | 0.1% | 2,198 | 0 | 0 | \$10.48 |
| South El Monte | 160 | 2,217,883 | 58,901 | 58,901 | 2.7% | (16,897) | 0 | 0 | \$9.87 |
| Tarzana Ind | 20 | 397,607 | 0 | 0 | 0.0% | 2,145 | 0 | 0 | \$15.06 |
| Temple City Ind | 26 | 305,736 | 0 | 0 | 0.0% | 3,000 | 0 | 0 | \$9.79 |
| Topanga/Malibu | 1 | 2,271 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Torrance Centra | 160 | 2,759,106 | 16,383 | 22,383 | 0.8% | (8,553) | 0 | 0 | \$9.00 |
| Torrance NE Ind | 238 | 14,012,471 | 102,472 | 117,027 | 0.8% | 65,791 | 0 | 0 | \$8.46 |
| Torrance NW In | 126 | 6,048,765 | 326,511 | 329,511 | 5.4% | (3,000) | 0 | 30,492 | \$8.91 |
| Torrance South | 260 | 7,034,783 | 92,385 | 92,385 | 1.3% | 14,542 | 0 | 0 | \$10.21 |
| Ventura Ind | 780 | 11,143,835 | 361,345 | 368,845 | 3.3% | (58,589) | 0 | 0 | \$8.12 |
| Vernon Ind | 2,182 | 81,919,969 | 1,770,885 | 1,823,794 | 2.2% | (200,006) | 118,714 | 216,712 | \$7.79 |
| West Covina/Wal | 133 | 3,017,121 | 108,043 | 109,367 | 3.6% | (26,093) | 0 | 40,000 | \$12.15 |
| Westside Ind | 876 | 13,030,005 | 110,698 | 110,698 | 0.8% | 94,869 | 0 | 0 | \$20.56 |
| Wilmington Ind | 190 | 3,129,089 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$11.98 |
| Woodland Hills | 21 | 1,166,837 | 22,637 | 22,637 | 1.9% | (6,837) | 0 | 0 | \$14.53 |
| Totals | 34,374 | 927,874,501 | 18,347,927 | 19,512,691 | 2.1% | 942,362 | 1,773,428 | 5,370,066 | \$9.00 |

Source: CoStar Property®

Los Angeles Industrial Market



Figures at a Glance

Total Industrial Submarket Statistics

First Quarter 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|------------------|--------------------|------------|-----------|-----------|-------|--------------------|----------------|----------------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Agoura/Wlake V. | 411 | 11,586,799 | 158,624 | 170,688 | 1.5% | 38,979 | 0 | 558,068 | \$13.34 |
| Alhambra Ind | 291 | 4,630,368 | 20,465 | 21,615 | 0.5% | 1,560 | 0 | 0 | \$9.36 |
| Antelope Valley. | 408 | 10,240,158 | 83,300 | 83,300 | 0.8% | 18,522 | 0 | 77,043 | \$8.20 |
| Arcadia/Sierra . | 147 | 1,649,901 | 33,808 | 33,808 | 2.0% | (12,508) | 0 | 0 | \$12.03 |
| Azusa Ind | 342 | 8,269,562 | 98,347 | 108,347 | 1.3% | (41,764) | 0 | 185,273 | \$7.76 |
| Baldwin Park In. | 314 | 4,448,077 | 225,756 | 225,756 | 5.1% | (76,610) | 0 | 195,130 | \$9.27 |
| Beach Cities In. | 91 | 2,830,505 | 31,608 | 31,608 | 1.1% | 56,393 | 0 | 0 | \$17.29 |
| Burbank Ind | 1,135 | 14,920,530 | 281,648 | 281,648 | 1.9% | (93,813) | 0 | 0 | \$15.22 |
| Canoga Park Inc | 370 | 6,056,512 | 121,349 | 132,749 | 2.2% | (17,477) | 0 | 0 | \$11.04 |
| Carson Central . | 270 | 20,384,873 | 173,628 | 231,588 | 1.1% | 195,301 | 0 | 0 | \$8.85 |
| Carson North In | 128 | 5,363,439 | 114,204 | 114,204 | 2.1% | (68,107) | 0 | 0 | \$9.12 |
| Carson South In | 169 | 12,226,729 | 245,499 | 245,499 | 2.0% | (115,054) | 0 | 120,486 | \$8.00 |
| Central Los Ang | 4,958 | 94,321,500 | 3,277,111 | 3,400,822 | 3.6% | 601,030 | 1,001,126 | 20,022 | \$13.68 |
| Central Ventura. | 516 | 14,204,426 | 533,262 | 533,262 | 3.8% | 311,778 | 0 | 54,253 | \$8.30 |
| Cerritos Ind | 350 | 14,180,388 | 345,226 | 345,226 | 2.4% | (86,815) | 0 | 0 | \$8.41 |
| Chatsworth Ind | 647 | 20,041,401 | 518,065 | 567,965 | 2.8% | (27,708) | 0 | 0 | \$9.01 |
| City of Industr. | 246 | 10,969,998 | 258,017 | 354,755 | 3.2% | (194,876) | 0 | 0 | \$7.15 |
| City of Industr. | 328 | 23,492,435 | 243,760 | 375,948 | 1.6% | (153,396) | 0 | 0 | \$7.73 |
| City of Industr. | 71 | 5,201,235 | 185,993 | 185,993 | 3.6% | (15,953) | 0 | 34,710 | \$8.27 |
| Claremont Ind | 27 | 669,436 | 1,920 | 1,920 | 0.3% | (431) | 0 | 0 | \$12.60 |
| Commerce Ind | 972 | 48,563,291 | 997,244 | 1,045,457 | 2.2% | (103,677) | 0 | 0 | \$6.96 |
| Compton East Ir. | 133 | 2,694,923 | 5,265 | 5,265 | 0.2% | 0 | 0 | 0 | \$9.31 |
| Compton West In. | 225 | 14,104,732 | 328,343 | 328,343 | 2.3% | 34,891 | 0 | 0 | \$7.64 |
| Covina Ind | 221 | 2,524,619 | 44,949 | 98,199 | 3.9% | 6,182 | 0 | 0 | \$9.15 |
| Diamond Bar Inc | 2 | 32,630 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Downey Ind | 295 | 7,413,281 | 113,111 | 136,151 | 1.8% | (4,020) | 0 | 0 | \$8.72 |
| Duarte Ind | 70 | 1,285,786 | 48,436 | 60,011 | 4.7% | 15,700 | 0 | 179,100 | \$9.74 |
| East San Ferndo | 2,463 | 46,858,875 | 472,176 | 490,076 | 1.0% | (43,317) | 0 | 364,638 | \$10.47 |
| El Monte Ind | 418 | 9,802,668 | 611,915 | 631,565 | 6.4% | (5,513) | 0 | 0 | \$9.76 |
| El Segundo Ind | 299 | 11,336,743 | 209,399 | 209,399 | 1.8% | 106,117 | 0 | 0 | \$19.68 |
| Encino Ind | 1 | 2,005 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Gardena Central | 474 | 9,799,450 | 177,642 | 181,611 | 1.9% | 55,186 | 210,000 | 0 | \$10.21 |
| Gardena East In. | 186 | 6,397,103 | 146,956 | 146,956 | 2.3% | (15,076) | 0 | 0 | \$8.71 |
| Gardena NE Ind | 250 | 6,409,613 | 270,770 | 289,270 | 4.5% | (65,415) | 0 | 0 | \$7.49 |
| Gardena North C. | 165 | 3,921,541 | 42,872 | 42,872 | 1.1% | (15,460) | 0 | 0 | \$9.04 |
| Gardena North I | 356 | 4,930,685 | 32,063 | 38,007 | 0.8% | (14,718) | 0 | 100,580 | \$9.34 |
| Gardena NW Inc | 11 | 116,812 | 9,232 | 9,232 | 7.9% | 0 | 0 | 0 | \$8.88 |
| Gardena South I | 234 | 4,897,219 | 162,623 | 162,623 | 3.3% | 48,547 | 0 | 0 | \$8.72 |
| Glendale Ind | 679 | 9,917,521 | 49,604 | 56,204 | 0.6% | 46,845 | 0 | 0 | \$14.32 |
| Glendora Ind | 65 | 915,245 | 12,592 | 12,592 | 1.4% | (1,056) | 0 | 0 | \$12.29 |
| Hawthorne Ind | 291 | 8,630,377 | 45,643 | 45,643 | 0.5% | (13,276) | 0 | 0 | \$9.35 |
| Industry/Hacien | 366 | 18,145,558 | 482,356 | 496,317 | 2.7% | 172,864 | 0 | 0 | \$8.15 |
| Industry/La Pue | 146 | 9,414,649 | 78,132 | 138,132 | 1.5% | 45,513 | 0 | 93,453 | \$7.06 |
| Industry/Rowlar. | 239 | 12,988,715 | 191,422 | 201,252 | 1.5% | 78,508 | 0 | 429,840 | \$9.29 |
| Inglewood Ind | 319 | 4,992,123 | 91,930 | 127,350 | 2.6% | (10,534) | 0 | 152,565 | \$14.15 |
| Irwindale Ind | 246 | 8,851,873 | 74,939 | 110,280 | 1.2% | (47,282) | 0 | 0 | \$9.59 |

Source: CoStar Property®



Los Angeles Industrial Market

Figures at a Glance

Total Industrial Submarket Statistics

First Quarter 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|------------------|--------------------|--------------------|-------------------|-------------------|-------------|--------------------|------------------|------------------|---------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| La Mirada Ind | 207 | 13,090,830 | 639,305 | 673,605 | 5.1% | (196,628) | 199,588 | 0 | \$7.71 |
| La Verne Ind | 151 | 3,452,300 | 22,172 | 28,597 | 0.8% | 379,460 | 400,000 | 0 | \$9.93 |
| Lakewood Ind | 18 | 261,137 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Lawndale Ind | 54 | 458,490 | 5,291 | 5,291 | 1.2% | 1,460 | 0 | 0 | \$14.54 |
| Long Beach Nor | 298 | 6,863,752 | 27,752 | 27,752 | 0.4% | 66,712 | 0 | 0 | \$9.68 |
| Long Beach SE I | 322 | 7,428,964 | 83,524 | 85,268 | 1.1% | 60,801 | 0 | 381,370 | \$9.36 |
| Long Beach SW | 463 | 5,084,682 | 38,037 | 38,037 | 0.7% | 356,425 | 280,656 | 3,236 | \$11.16 |
| Lynwood Ind | 195 | 5,603,757 | 62,827 | 62,827 | 1.1% | 14,452 | 0 | 201,027 | \$7.06 |
| Monrovia Ind | 284 | 3,793,903 | 33,424 | 33,424 | 0.9% | 32,570 | 0 | 0 | \$12.17 |
| Montebello/Whi | 720 | 27,713,832 | 314,634 | 347,859 | 1.3% | 32,794 | 0 | 0 | \$8.44 |
| Moorpark/Simi V | 427 | 12,298,658 | 383,466 | 390,435 | 3.2% | 224,666 | 0 | 140,766 | \$7.99 |
| North Hollywood | 453 | 7,072,708 | 130,249 | 130,249 | 1.8% | (13,449) | 0 | 0 | \$11.24 |
| Northridge Ind | 888 | 18,125,324 | 162,910 | 214,740 | 1.2% | (12,925) | 0 | 0 | \$11.35 |
| Norwalk/Bellflo | 216 | 7,278,802 | 30,796 | 30,796 | 0.4% | (12,502) | 0 | 24,895 | \$8.18 |
| Oxnard/Pt Huerne | 840 | 23,819,806 | 732,987 | 742,253 | 3.1% | (113,962) | 0 | 0 | \$7.57 |
| Paramount North | 99 | 2,556,690 | 1,800 | 1,800 | 0.1% | 1,400 | 0 | 0 | \$9.28 |
| Paramount South | 269 | 4,814,777 | 32,941 | 32,941 | 0.7% | (12,748) | 0 | 0 | \$10.05 |
| Pasadena Ind | 260 | 3,435,935 | 415,766 | 415,766 | 12.1% | 11,981 | 0 | 0 | \$18.75 |
| Pomona North Ind | 136 | 2,719,114 | 19,936 | 19,936 | 0.7% | (3,379) | 0 | 0 | \$7.79 |
| Pomona SE Ind | 445 | 11,681,964 | 149,582 | 149,582 | 1.3% | 232,528 | 0 | 0 | \$6.14 |
| Pomona SW Ind | 172 | 5,459,542 | 37,415 | 37,415 | 0.7% | (7,219) | 0 | 433,485 | \$8.36 |
| Rancho Domingue | 315 | 20,288,778 | 295,139 | 335,139 | 1.7% | (79,881) | 0 | 0 | \$7.48 |
| Rosemead Ind | 81 | 1,995,562 | 243,101 | 243,101 | 12.2% | 35,826 | 0 | 0 | \$7.42 |
| San Dimas Ind | 163 | 3,504,373 | 72,145 | 72,145 | 2.1% | 15,791 | 0 | 0 | \$10.63 |
| San Gabriel Ind | 98 | 1,197,178 | 11,811 | 11,811 | 1.0% | (7,196) | 0 | 0 | \$14.23 |
| San Pedro Ind | 45 | 1,613,489 | 8,942 | 8,942 | 0.6% | 100 | 0 | 0 | \$13.05 |
| Santa Clarita/L | 666 | 23,048,728 | 613,753 | 684,185 | 3.0% | (143,155) | 0 | 763,194 | \$8.69 |
| Santa Fe Spring | 1,631 | 52,495,156 | 746,707 | 778,307 | 1.5% | 223,196 | 0 | 589,750 | \$8.25 |
| Signal Hill Ind | 339 | 5,146,038 | 56,768 | 78,230 | 1.5% | (7,985) | 0 | 0 | \$11.85 |
| South El Monte | 579 | 6,376,375 | 40,954 | 40,954 | 0.6% | (25,000) | 0 | 0 | \$9.96 |
| South El Monte | 289 | 2,678,128 | 3,000 | 3,000 | 0.1% | 2,198 | 0 | 0 | \$10.48 |
| South El Monte | 169 | 2,348,593 | 59,401 | 59,401 | 2.5% | (14,957) | 0 | 0 | \$9.93 |
| Tarzana Ind | 24 | 508,141 | 13,658 | 13,658 | 2.7% | 7,244 | 0 | 0 | \$13.97 |
| Temple City Ind | 28 | 320,066 | 0 | 0 | 0.0% | 3,000 | 0 | 0 | \$9.79 |
| Topanga/Malibu | 1 | 2,271 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Torrance Centra | 177 | 2,958,670 | 16,383 | 22,383 | 0.8% | (8,553) | 0 | 0 | \$9.03 |
| Torrance NE Ind | 283 | 15,569,074 | 220,346 | 234,901 | 1.5% | 25,265 | 0 | 0 | \$9.16 |
| Torrance NW Ind | 213 | 8,045,292 | 391,700 | 425,369 | 5.3% | 2,034 | 0 | 30,492 | \$10.21 |
| Torrance South | 285 | 7,552,753 | 101,749 | 101,749 | 1.3% | 6,028 | 0 | 0 | \$10.33 |
| Ventura Ind | 812 | 11,879,247 | 378,648 | 386,148 | 3.3% | (54,921) | 0 | 0 | \$8.76 |
| Vernon Ind | 2,209 | 82,383,454 | 1,787,308 | 1,844,217 | 2.2% | (205,139) | 118,714 | 216,712 | \$7.81 |
| West Covina/Wal | 146 | 3,233,114 | 108,043 | 109,367 | 3.4% | (14,759) | 0 | 40,000 | \$13.02 |
| Westside Ind | 1,187 | 19,030,339 | 401,887 | 416,087 | 2.2% | 122,720 | 0 | 0 | \$28.48 |
| Wilmington Ind | 197 | 3,187,278 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$11.73 |
| Woodland Hills | 34 | 1,770,505 | 141,251 | 141,251 | 8.0% | (12,254) | 0 | 0 | \$15.87 |
| Totals | 37,233 | 990,783,878 | 20,688,712 | 21,988,426 | 2.2% | 1,502,099 | 2,210,084 | 5,390,088 | \$9.71 |

Source: CoStar Property®

Los Angeles Industrial Market



Figures at a Glance

Flex Market Statistics

First Quarter 2017

| Period | Existing Inventory | | Vacancy | | | Net Absorption | Deliveries | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|-------|----------------|------------|-----------|--------------|-----------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | # Blds | Total RBA | # Blds | Total RBA | |
| 2017 1q | 2,859 | 62,909,377 | 2,340,785 | 2,475,735 | 3.9% | 559,737 | 2 | 436,656 | 1 | 20,022 | \$18.89 |
| 2016 4q | 2,857 | 62,472,721 | 2,318,731 | 2,598,816 | 4.2% | 62,702 | 0 | 0 | 3 | 456,678 | \$18.85 |
| 2016 3q | 2,857 | 62,472,721 | 2,431,064 | 2,661,518 | 4.3% | 145,524 | 1 | 12,945 | 3 | 456,678 | \$18.65 |
| 2016 2q | 2,856 | 62,459,776 | 2,623,544 | 2,794,097 | 4.5% | 53,448 | 2 | 23,000 | 4 | 469,623 | \$18.83 |
| 2016 1q | 2,855 | 62,440,276 | 2,639,713 | 2,828,045 | 4.5% | (229,840) | 0 | 0 | 5 | 472,601 | \$18.53 |
| 2015 | 2,856 | 62,455,758 | 2,436,604 | 2,613,687 | 4.2% | 702,994 | 1 | 6,500 | 4 | 435,945 | \$18.56 |
| 2014 | 2,859 | 62,916,287 | 3,619,644 | 3,777,210 | 6.0% | 1,200,493 | 3 | 45,918 | 1 | 6,500 | \$17.23 |
| 2013 | 2,858 | 62,888,302 | 4,824,349 | 4,949,718 | 7.9% | 284,441 | 2 | 163,584 | 2 | 14,654 | \$15.45 |
| 2012 | 2,854 | 62,679,811 | 4,834,762 | 5,025,668 | 8.0% | (493,879) | 5 | 98,867 | 3 | 167,984 | \$15.58 |
| 2011 | 2,852 | 62,652,894 | 4,444,825 | 4,504,872 | 7.2% | 472,720 | 3 | 54,021 | 4 | 230,386 | \$14.90 |
| 2010 | 2,851 | 62,773,225 | 5,004,460 | 5,097,923 | 8.1% | (637,908) | 4 | 78,239 | 3 | 54,021 | \$15.85 |
| 2009 | 2,847 | 62,721,214 | 4,055,554 | 4,408,004 | 7.0% | (912,437) | 10 | 233,585 | 5 | 96,529 | \$16.63 |
| 2008 | 2,838 | 63,122,689 | 3,513,521 | 3,897,042 | 6.2% | (528,753) | 6 | 48,780 | 11 | 239,393 | \$17.90 |
| 2007 | 2,827 | 63,242,523 | 3,142,093 | 3,488,123 | 5.5% | (36,484) | 32 | 494,983 | 7 | 59,686 | \$17.18 |
| 2006 | 2,797 | 62,873,116 | 2,694,872 | 3,082,232 | 4.9% | 251,946 | 10 | 363,013 | 32 | 479,991 | \$14.00 |
| 2005 | 2,788 | 62,519,803 | 2,762,975 | 2,980,865 | 4.8% | 2,035,775 | 26 | 419,702 | 7 | 292,868 | \$13.58 |

Source: CoStar Property®

Warehouse Market Statistics

First Quarter 2017

| Period | Existing Inventory | | Vacancy | | | Net Absorption | Deliveries | | UC Inventory | | Quoted Rates |
|---------|--------------------|-------------|------------|------------|-------|----------------|------------|-----------|--------------|-----------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | # Blds | Total RBA | # Blds | Total RBA | |
| 2017 1q | 34,374 | 927,874,501 | 18,347,927 | 19,512,691 | 2.1% | 942,362 | 6 | 1,773,428 | 72 | 5,370,066 | \$9.00 |
| 2016 4q | 34,368 | 926,101,073 | 17,572,980 | 18,681,625 | 2.0% | 643,733 | 11 | 672,056 | 62 | 6,381,576 | \$8.85 |
| 2016 3q | 34,363 | 926,238,967 | 18,394,656 | 19,463,252 | 2.1% | 600,243 | 9 | 801,924 | 44 | 5,193,894 | \$8.78 |
| 2016 2q | 34,357 | 925,567,219 | 18,310,146 | 19,391,747 | 2.1% | 1,391,179 | 6 | 351,121 | 45 | 4,890,781 | \$8.70 |
| 2016 1q | 34,351 | 925,237,494 | 19,033,599 | 20,453,201 | 2.2% | (898,050) | 11 | 774,178 | 33 | 3,604,036 | \$8.47 |
| 2015 | 34,342 | 924,580,296 | 17,927,100 | 18,897,953 | 2.0% | 10,104,608 | 43 | 3,538,031 | 39 | 3,931,780 | \$8.26 |
| 2014 | 34,325 | 922,221,732 | 25,397,361 | 26,643,997 | 2.9% | 13,347,484 | 31 | 1,925,196 | 34 | 3,495,176 | \$7.55 |
| 2013 | 34,324 | 921,026,634 | 37,400,624 | 38,796,383 | 4.2% | 6,713,737 | 23 | 2,942,091 | 21 | 1,315,467 | \$7.07 |
| 2012 | 34,326 | 919,079,321 | 41,671,860 | 43,562,807 | 4.7% | 3,700,865 | 33 | 2,854,677 | 18 | 1,367,455 | \$6.66 |
| 2011 | 34,328 | 918,466,693 | 44,469,721 | 46,651,044 | 5.1% | 1,415,199 | 18 | 1,794,310 | 20 | 1,777,963 | \$6.53 |
| 2010 | 34,330 | 918,212,094 | 44,642,355 | 47,811,644 | 5.2% | (2,462,828) | 28 | 865,955 | 13 | 1,583,447 | \$6.54 |
| 2009 | 34,330 | 918,300,599 | 42,404,062 | 45,437,321 | 4.9% | (6,931,605) | 77 | 3,228,987 | 27 | 598,717 | \$7.00 |
| 2008 | 34,284 | 916,864,533 | 34,131,002 | 37,069,650 | 4.0% | (8,489,089) | 103 | 3,603,461 | 69 | 2,791,346 | \$8.10 |
| 2007 | 34,208 | 914,146,775 | 23,863,910 | 25,862,803 | 2.8% | 1,797,527 | 124 | 4,859,155 | 97 | 3,976,295 | \$8.14 |
| 2006 | 34,105 | 911,345,169 | 23,335,384 | 24,858,724 | 2.7% | 12,758,749 | 175 | 7,429,007 | 120 | 5,082,965 | \$7.35 |
| 2005 | 33,934 | 904,510,638 | 29,646,297 | 30,782,942 | 3.4% | 11,927,302 | 162 | 7,736,061 | 172 | 7,099,461 | \$6.92 |

Source: CoStar Property®

Total Industrial Market Statistics

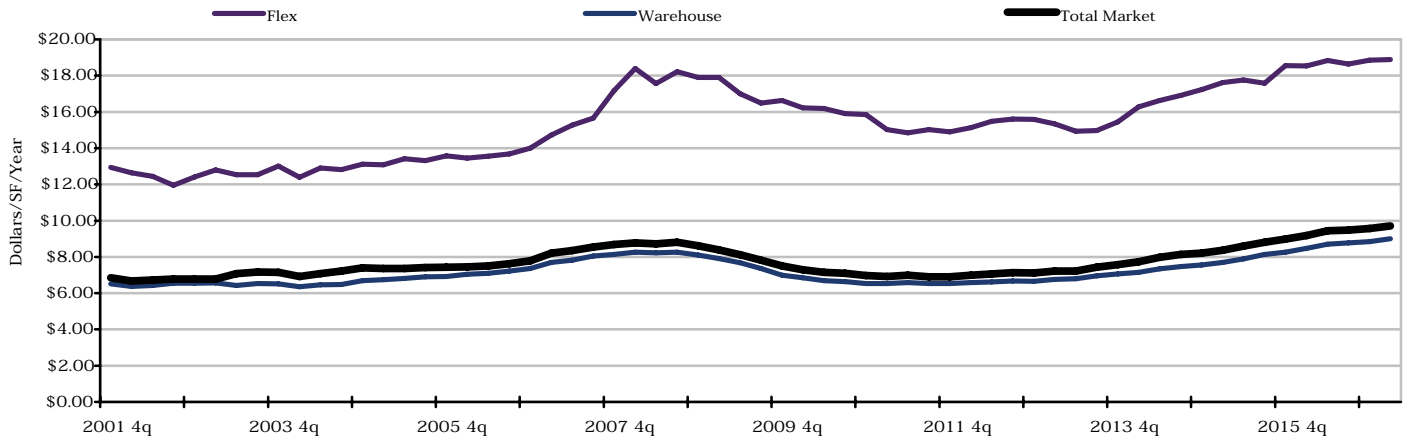
First Quarter 2017

| Period | Existing Inventory | | Vacancy | | | Net Absorption | Deliveries | | UC Inventory | | Quoted Rates |
|---------|--------------------|-------------|------------|------------|-------|----------------|------------|-----------|--------------|-----------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | # Blds | Total RBA | # Blds | Total RBA | |
| 2017 1q | 37,233 | 990,783,878 | 20,688,712 | 21,988,426 | 2.2% | 1,502,099 | 8 | 2,210,084 | 73 | 5,390,088 | \$9.71 |
| 2016 4q | 37,225 | 988,573,794 | 19,891,711 | 21,280,441 | 2.2% | 706,435 | 11 | 672,056 | 65 | 6,838,254 | \$9.56 |
| 2016 3q | 37,220 | 988,711,688 | 20,825,720 | 22,124,770 | 2.2% | 745,767 | 10 | 814,869 | 47 | 5,650,572 | \$9.48 |
| 2016 2q | 37,213 | 988,026,995 | 20,933,690 | 22,185,844 | 2.2% | 1,444,627 | 8 | 374,121 | 49 | 5,360,404 | \$9.45 |
| 2016 1q | 37,206 | 987,677,770 | 21,673,312 | 23,281,246 | 2.4% | (1,127,890) | 11 | 774,178 | 38 | 4,076,637 | \$9.17 |
| 2015 | 37,198 | 987,036,054 | 20,363,704 | 21,511,640 | 2.2% | 10,807,602 | 44 | 3,544,531 | 43 | 4,367,725 | \$8.99 |
| 2014 | 37,184 | 985,138,019 | 29,017,005 | 30,421,207 | 3.1% | 14,547,977 | 34 | 1,971,114 | 35 | 3,501,676 | \$8.21 |
| 2013 | 37,182 | 983,914,936 | 42,224,973 | 43,746,101 | 4.4% | 6,998,178 | 25 | 3,105,675 | 23 | 1,330,121 | \$7.57 |
| 2012 | 37,180 | 981,759,132 | 46,506,622 | 48,588,475 | 4.9% | 3,206,986 | 38 | 2,953,544 | 21 | 1,535,439 | \$7.11 |
| 2011 | 37,180 | 981,119,587 | 48,914,546 | 51,155,916 | 5.2% | 1,887,919 | 21 | 1,848,331 | 24 | 2,008,349 | \$6.89 |
| 2010 | 37,181 | 980,985,319 | 49,646,815 | 52,909,567 | 5.4% | (3,100,736) | 32 | 944,194 | 16 | 1,637,468 | \$6.97 |
| 2009 | 37,177 | 981,021,813 | 46,459,616 | 49,845,325 | 5.1% | (7,844,042) | 87 | 3,462,572 | 32 | 695,246 | \$7.50 |
| 2008 | 37,122 | 979,987,222 | 37,644,523 | 40,966,692 | 4.2% | (9,017,842) | 109 | 3,652,241 | 80 | 3,030,739 | \$8.62 |
| 2007 | 37,035 | 977,389,298 | 27,006,003 | 29,350,926 | 3.0% | 1,761,043 | 156 | 5,354,138 | 104 | 4,035,981 | \$8.69 |
| 2006 | 36,902 | 974,218,285 | 26,030,256 | 27,940,956 | 2.9% | 13,010,695 | 185 | 7,792,020 | 152 | 5,562,956 | \$7.78 |
| 2005 | 36,722 | 967,030,441 | 32,409,272 | 33,763,807 | 3.5% | 13,963,077 | 188 | 8,155,763 | 179 | 7,392,329 | \$7.42 |

Source: CoStar Property®

Historical Rental Rates

Based on Quoted Rental Rates



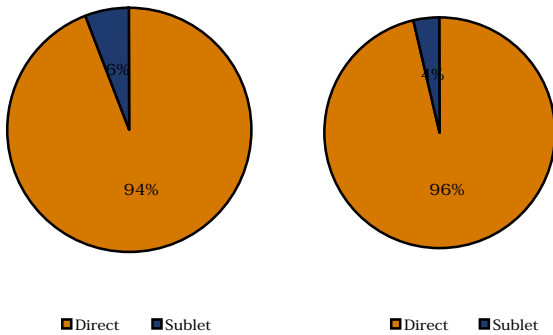
Source: CoStar Property®

Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Los Angeles

United States



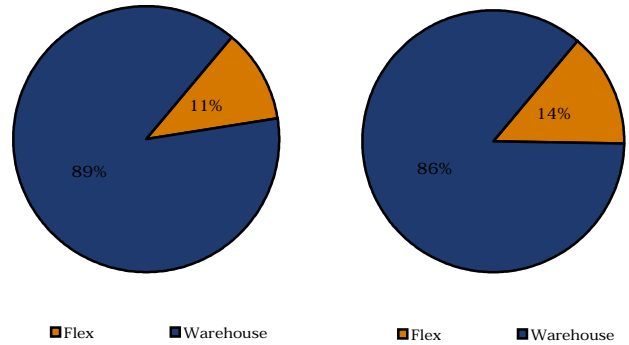
Source: CoStar Property®

Vacancy by Building Type

Percent of All Vacant Space by Building Type

Los Angeles

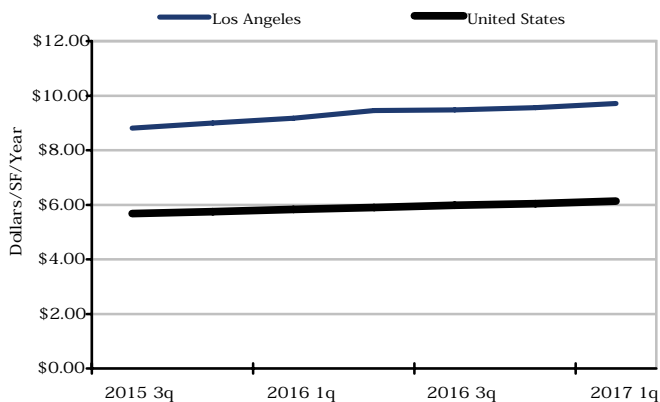
United States



Source: CoStar Property®

U.S. Rental Rate Comparison

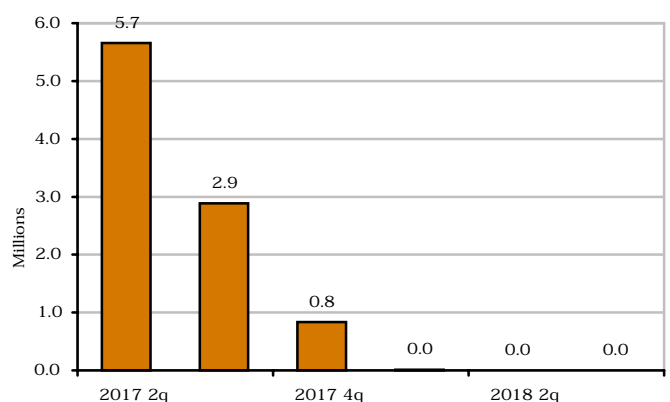
Based on Average Quoted Rental Rates



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*



Source: CoStar Property®

* Includes Under Construction Space

Los Angeles Industrial Market



Leasing Activity

Select Top Industrial Leases Based on Leased Square Footage For Deals Signed in 2017

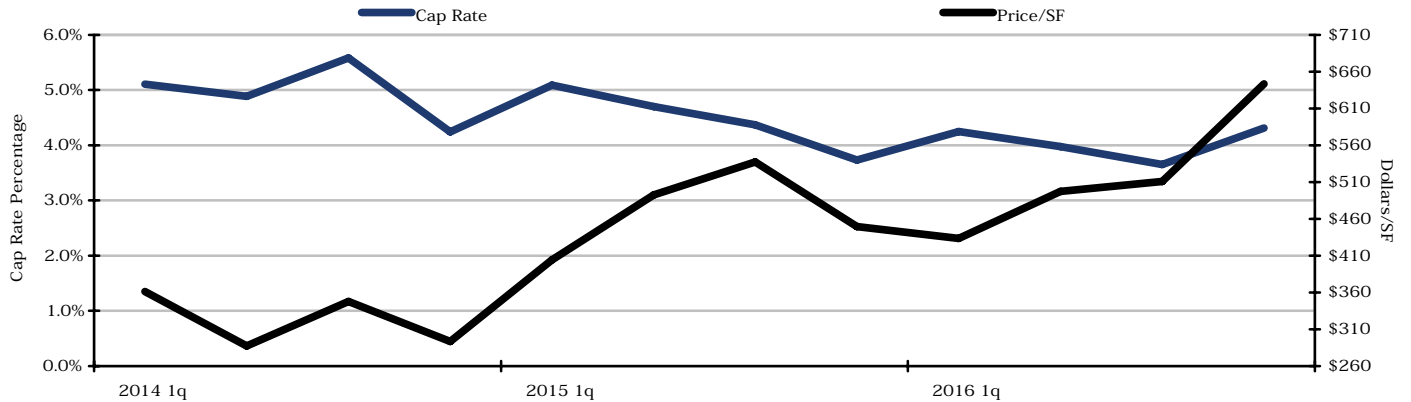
| Building | Submarket | SF | Qtr | Tenant Name | Tenant Rep Company | Landlord Rep Company | |
|----------|---|---------------------------|---------|-------------|-----------------------|-------------------------------------|-------------------------------------|
| 1 | Magellan Gateway - Bldg D | Rosemead Ind | 164,284 | 1st | N/A | N/A | Cushman & Wakefield |
| 2 | AMB Clipper Distribution Center | Rancho Dominguez Ind | 163,499 | 1st | CNR International | Lee & Associates | Newmark Grubb Knight Frank; CBRE |
| 3 | Alameda Street Industrial | Rancho Dominguez Ind | 158,357 | 1st | N/A | N/A | N/A |
| 4 | Harbor Gateway - Phase II - Bldg E | Torrance NE Ind | 123,345 | 1st | N/A | N/A | CBRE |
| 5 | 2680 S Pellissier Pl | City of Industry West Ind | 112,000 | 1st | Fab Fit Fun | N/A | Majestic Realty Co. |
| 6 | Pacific Pointe East - Bldg 10 | Long Beach SE Ind | 110,940 | 1st | N/A | Newmark Grubb Knight Frank | CBRE |
| 7 | 2726 Fruitland Ave | Vernon Ind | 104,110 | 1st | Gavina Gourmet Coffee | Lee & Associates Commercial Real Es | Lee & Associates Commercial Real Es |
| 8 | Fairway Business Center - Bldg 3* | City of Industry East Ind | 100,000 | 1st | Links Logistics | N/A | Majestic Realty Co. |
| 9 | Ind Lewis Commerce Center - Bldg 5 | Industry/Rowland St Ind | 95,493 | 1st | C & F Trucking | Colliers International | Lee & Associates |
| 10 | 701 W Ventura Blvd | Central Ventura Ind | 93,398 | 1st | N/A | N/A | CBRE |
| 11 | 6055 E Randolph St | Commerce Ind | 90,904 | 1st | N/A | N/A | Lee & Associates Commercial Real Es |
| 12 | 17120 S Kingsview Ave | Carson North Ind | 83,058 | 1st | N/A | N/A | CBRE |
| 13 | 255 W Victoria St | Compton West Ind | 79,009 | 1st | SSB Inc. | Lee & Associates Commercial Real Es | Cushman & Wakefield |
| 14 | American Export Lines | Gardena NE Ind | 78,885 | 1st | N/A | N/A | Colliers International |
| 15 | 15910 Valley View Ave | La Mirada Ind | 76,500 | 1st | Prompt Apparel | JLL | CBRE |
| 16 | 14515 E Don Julian Rd | Industry/Hacienda Blv Ind | 72,000 | 1st | Lee Kum Kee | Newmark Grubb Knight Frank | Majestic Realty Co. |
| 17 | 4000 Redondo Beach Ave | Beach Cities Ind | 71,164 | 1st | N/A | N/A | CBRE |
| 18 | 345 N Baldwin Park Blvd | Industry/La Puente Ind | 70,000 | 1st | Shein Fashion Group | RG Realty | Lee & Associates Commercial Real Es |
| 19 | 17908 S Figueroa St | Gardena South Ind | 67,334 | 1st | N/A | N/A | LAREM |
| 20 | 2325 Statham Blvd | Oxnard/Pt Hueneme Ind | 64,800 | 1st | Pratt | CBRE | CBRE |
| 21 | 17110 S Main St | Gardena Central Ind | 63,769 | 1st | N/A | N/A | Colliers International |
| 22 | Valencia Gateway V - Bldg 9 | Santa Clarita/Lanctr Ind | 60,923 | 1st | N/A | N/A | CBRE |
| 23 | Cheli Distribution Center - Building 11 | Commerce Ind | 60,480 | 1st | N/A | N/A | Cushman & Wakefield |
| 24 | 7142 E Slauson Ave | Commerce Ind | 60,000 | 1st | Eventco | Lee & Associates | CBRE |
| 25 | 801 Sentous St | City of Industry East Ind | 59,800 | 1st | N/A | N/A | Cushman & Wakefield |
| 26 | Vista Business Park - Bldg E | Santa Clarita/Lanctr Ind | 58,394 | 1st | Armen Living | N/A | NAI Capital, Inc.; NAI Capital |
| 27 | 1625 Perrino Pl | Vernon Ind | 54,264 | 1st | American Wire | Kidder Mathews | Majestic Realty Co. |
| 28 | 9380 San Fernando Rd | East San Ferndo Villy Ind | 53,597 | 1st | N/A | N/A | CBRE |
| 29 | 14535 Industry Cir | La Mirada Ind | 53,500 | 1st | N/A | N/A | Colliers International |
| 30 | 1815 S Soto St | Vernon Ind | 50,000 | 1st | N/A | N/A | Lee & Associates Commercial Real Es |
| 31 | Citadel Business Center - Bldg 2 | Commerce Ind | 41,614 | 1st | N/A | N/A | Savills Studley; JLL |
| 32 | Norwalk Distribution Ctr - Bldg B | Santa Fe Springs Ind | 40,909 | 1st | N/A | CBRE | Lee & Associates Commercial Real Es |
| 33 | 2009 E 223rd St | Carson South Ind | 40,488 | 1st | N/A | N/A | Cushman & Wakefield |
| 34 | 9935 Beverly Blvd | Montebello/Whittier Ind | 39,384 | 1st | N/A | N/A | Lee & Associates Commercial Real Es |
| 35 | 10900 Painter Ave | Santa Fe Springs Ind | 39,000 | 1st | N/A | N/A | Colliers International |
| 36 | 433 Cheryl Ln | City of Industry East Ind | 38,530 | 1st | N/A | N/A | Kander Pacific, Inc. |
| 37 | 2640 E Del Amo Blvd | Carson Central Ind | 37,960 | 1st | N/A | N/A | Colliers International |
| 38 | 16555 Gale Ave | City of Industry Cent Ind | 36,400 | 1st | N/A | N/A | Kander Pacific, Inc. |
| 39 | 150 Russell St | City of Industry Cent Ind | 35,000 | 1st | N/A | N/A | Lee & Associates; Colliers Internat |
| 40 | 5730 Buckingham Pky | Central Los Angeles Ind | 35,000 | 1st | N/A | N/A | Lee & Associates |

Source: CoStar Property®

* Renewal

The Optimist Sales Index

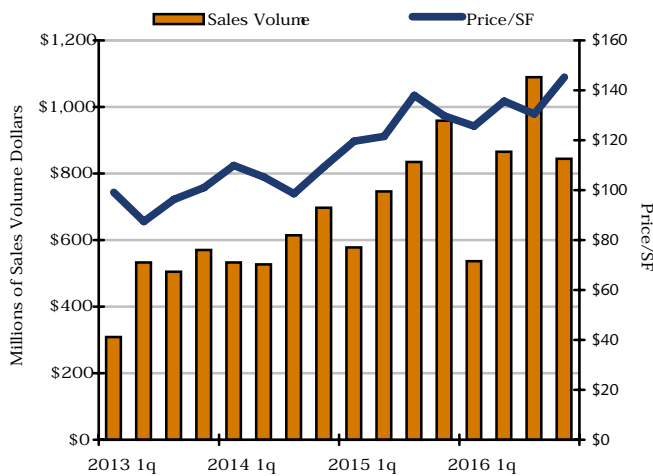
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

Sales Volume & Price

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

Sales Analysis by Building Size

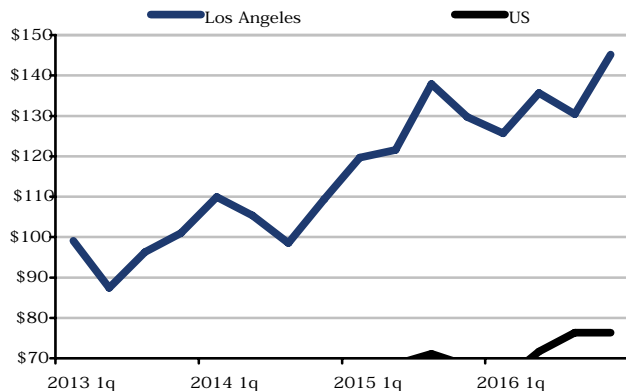
Based on Industrial Bldg Sales From Jan. 2016 - Dec. 2016

| Bldg Size | # | RBA | \$ Volume | Price/SF | Cap Rate |
|--------------|-----|-----------|-----------------|-----------|----------|
| < 25,000 SF | 715 | 7,011,240 | \$1,270,570,690 | \$ 181.22 | 5.12% |
| 25K-99K SF | 202 | 9,376,071 | \$1,392,821,657 | \$148.55 | 5.61% |
| 100K-249K SF | 36 | 5,021,216 | \$629,610,536 | \$125.39 | 5.80% |
| >250K SF | 13 | 7,402,215 | \$853,553,000 | \$ 115.3 | 5.22% |

Source: CoStar COMPS®

U.S. Price/SF Comparison

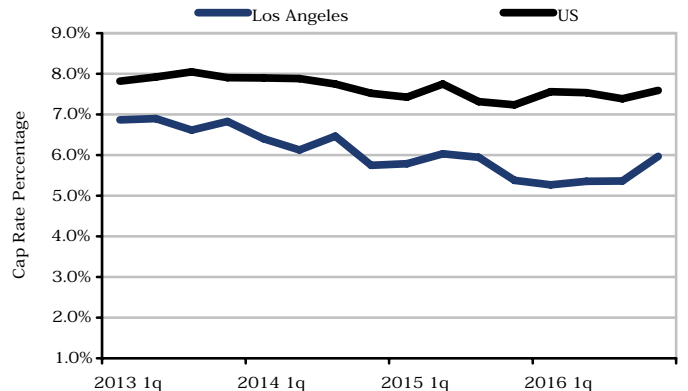
Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

U.S. Cap Rate Comparison

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

Los Angeles Industrial Market



Sales Activity

Select Top Sales

Based on Sales from January 2016 Through March 2017

1. 10150 Lower Azusa Rd



El Monte

Price: **\$240,000,000**
 Price/SF: **\$109.09**
 Cap Rate: **N/A**
 RBA: **2,200,000**
 Date: **5/26/2016**
 Year Built: **1956**
 Buyer: **Goodman Birtcher North America**
 Seller: **Albertsons Companies**

2. 2000 E 8th St



Los Angeles

Price: **\$120,000,000**
 Price/SF: **\$182.37**
 Cap Rate: **3.5%**
 RBA: **658,000**
 Date: **9/28/2016**
 Year Built: **1988**
 Buyer: **Harridge Development Group LLC**
 Seller: **Tribune Media Company**

3. 25045 Avenue Tibbitts



Valencia

Price: **\$64,500,000**
 Price/SF: **\$131.21**
 Cap Rate: **4.9%**
 RBA: **491,583**
 Date: **7/5/2016**
 Year Built: **1988**
 Buyer: **Jones Lang LaSalle Income Property Trust, Inc.**
 Seller: **Clarion Partners**

4. 2940 E Foothill Blvd



Pasadena

Price: **\$50,000,000**
 Price/SF: **\$141.52**
 Cap Rate: **N/A**
 RBA: **353,310**
 Date: **12/7/2016**
 Year Built: **1947**
 Buyer: **The Home Depot, Inc.**
 Seller: **Avon North America**

5. 1461-1471 Lawrence Dr



Thousand Oaks

Price: **\$38,000,000**
 Price/SF: **\$109.47**
 Cap Rate: **7%**
 RBA: **347,119**
 Date: **9/8/2016**
 Year Built: **2000**
 Buyer: **Majestic Asset Management, Inc.**
 Seller: **AIG Asset Management, LLC**

6. 6130 E Sheila St



Commerce

Price: **\$32,500,000**
 Price/SF: **\$175.89**
 Cap Rate: **N/A**
 RBA: **184,772**
 Date: **6/3/2016**
 Year Built: **2008**
 Buyer: **Church of Scientology International**
 Seller: **The Guardian Life Insurance Company of America**

7. 918 S Stimson Ave



City of Industry

Price: **\$31,940,000**
 Price/SF: **\$113.99**
 Cap Rate: **N/A**
 RBA: **280,204**
 Date: **9/28/2016**
 Year Built: **1982**
 Buyer: **LBA Realty**
 Seller: **Essendant, Co.**

8. 13110 Loudon Ln



City of Industry

Price: **\$29,000,000**
 Price/SF: **\$172.62**
 Cap Rate: **4.45%**
 RBA: **168,000**
 Date: **8/19/2016**
 Year Built: **2015**
 Buyer: **AFL-CIO Building Investment Trust**
 Seller: **CT Realty Investors**

9. 14585 Industry Cir



La Mirada

Price: **\$27,550,000**
 Price/SF: **\$135.15**
 Cap Rate: **4.75%**
 RBA: **203,850**
 Date: **9/15/2016**
 Year Built: **1967**
 Buyer: **IDI Gazeley**
 Seller: **TA Realty**

Source: CoStar COMPS®



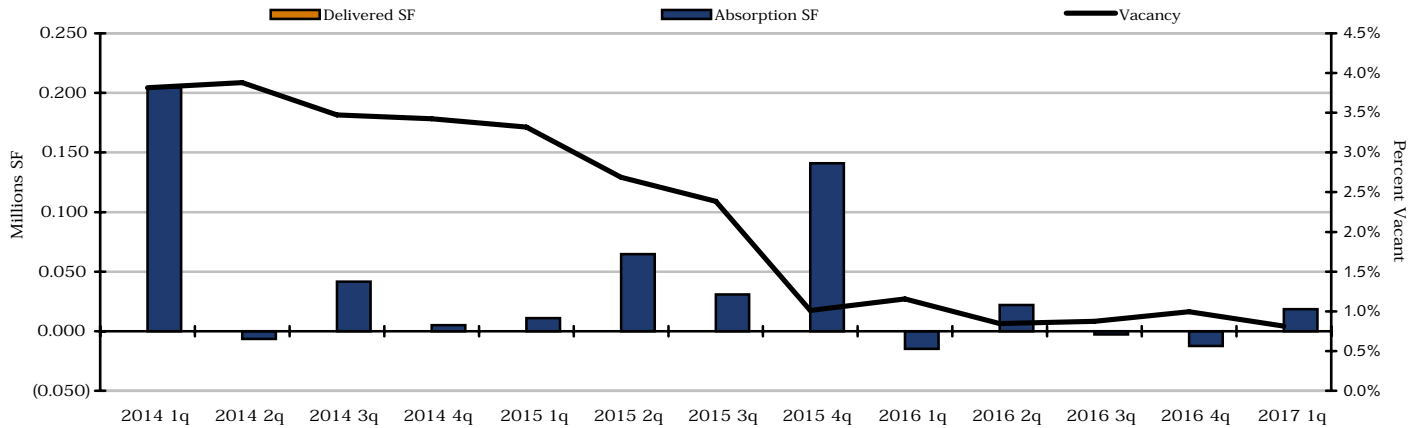
Los Angeles Industrial Market

Antelope Valley Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

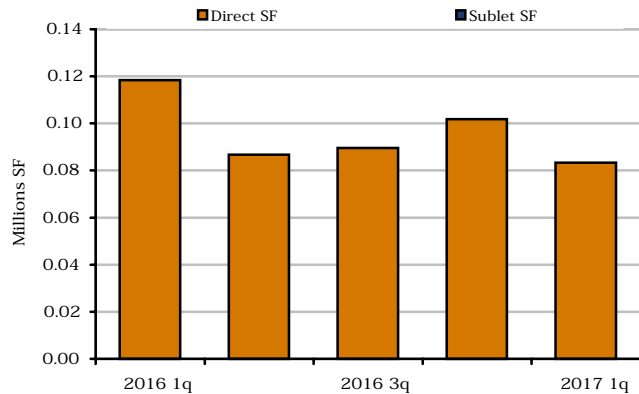
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

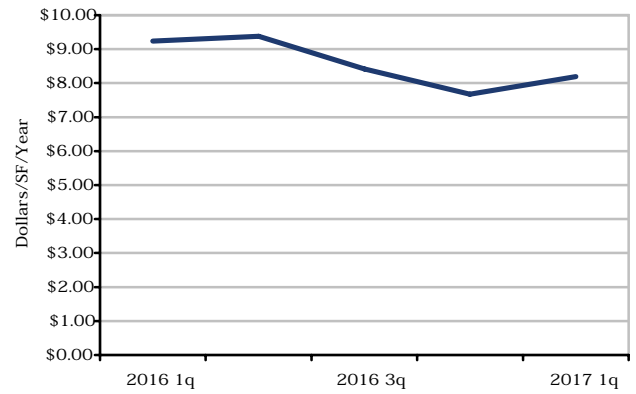
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 408 | 10,240,158 | 83,300 | 0.8% | 18,522 | 0 | 0 | 3 | 77,043 | \$8.20 |
| 2016 4q | 408 | 10,240,158 | 101,822 | 1.0% | (12,273) | 0 | 0 | 2 | 60,213 | \$7.67 |
| 2016 3q | 408 | 10,240,158 | 89,549 | 0.9% | (2,820) | 0 | 0 | 0 | 0 | \$8.42 |
| 2016 2q | 408 | 10,240,158 | 86,729 | 0.8% | 21,894 | 0 | 0 | 0 | 0 | \$9.38 |
| 2016 1q | 409 | 10,249,908 | 118,373 | 1.2% | (14,785) | 0 | 0 | 0 | 0 | \$9.24 |
| 2015 4q | 409 | 10,249,908 | 103,588 | 1.0% | 140,966 | 0 | 0 | 0 | 0 | \$7.99 |
| 2015 3q | 409 | 10,249,908 | 244,554 | 2.4% | 30,792 | 0 | 0 | 0 | 0 | \$6.88 |
| 2015 2q | 409 | 10,249,908 | 275,346 | 2.7% | 64,775 | 0 | 0 | 0 | 0 | \$6.36 |
| 2015 1q | 409 | 10,249,908 | 340,121 | 3.3% | 10,927 | 0 | 0 | 0 | 0 | \$6.32 |
| 2014 4q | 409 | 10,249,908 | 351,048 | 3.4% | 5,020 | 0 | 0 | 0 | 0 | \$6.33 |
| 2014 3q | 409 | 10,249,908 | 356,068 | 3.5% | 41,542 | 0 | 0 | 0 | 0 | \$6.27 |
| 2014 2q | 409 | 10,249,908 | 397,610 | 3.9% | (6,485) | 0 | 0 | 0 | 0 | \$6.28 |
| 2014 1q | 409 | 10,249,908 | 391,125 | 3.8% | 204,567 | 0 | 0 | 0 | 0 | \$6.18 |
| 2013 4q | 409 | 10,249,908 | 595,692 | 5.8% | (19,987) | 0 | 0 | 0 | 0 | \$6.86 |
| 2013 3q | 409 | 10,249,908 | 575,705 | 5.6% | 125,606 | 0 | 0 | 0 | 0 | \$6.59 |
| 2013 2q | 408 | 10,164,128 | 615,531 | 6.1% | (147,945) | 0 | 0 | 1 | 85,780 | \$6.70 |

Source: CoStar Property®

Los Angeles Industrial Market

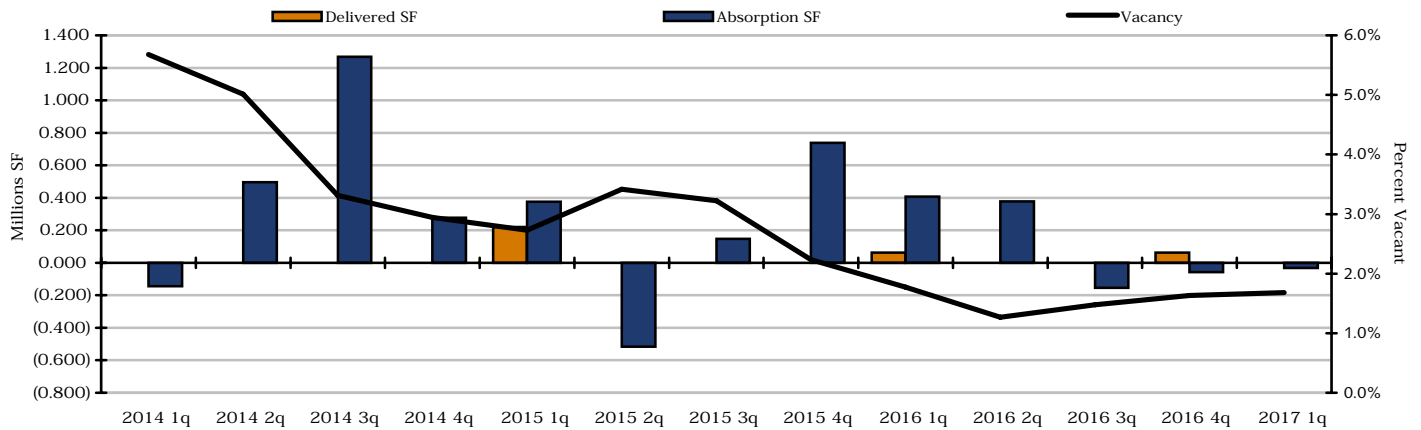


Carson / Rancho Dominguez Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

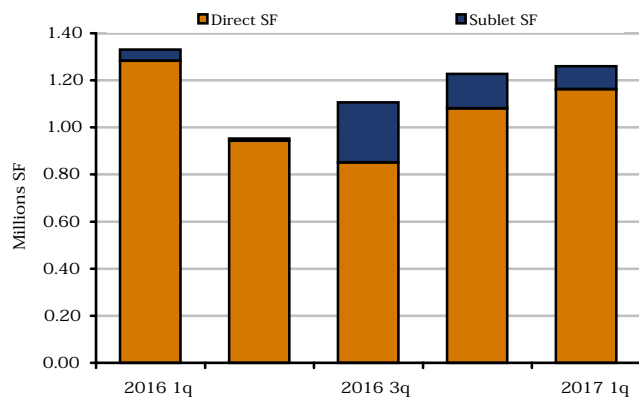
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

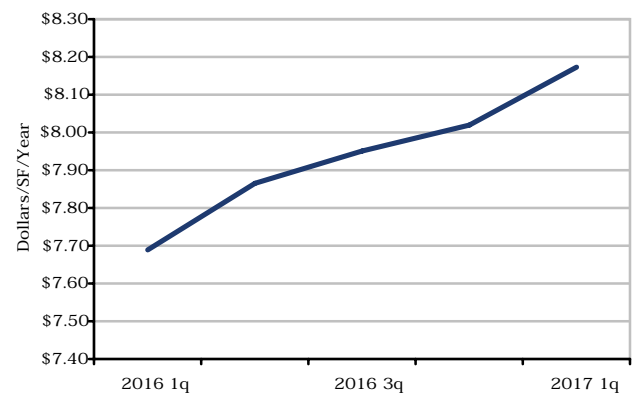
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,240 | 75,063,474 | 1,260,038 | 1.7% | (32,850) | 0 | 0 | 2 | 120,486 | \$8.17 |
| 2016 4q | 1,240 | 75,063,474 | 1,227,188 | 1.6% | (56,674) | 1 | 63,450 | 2 | 120,486 | \$8.02 |
| 2016 3q | 1,239 | 75,000,024 | 1,107,064 | 1.5% | (154,899) | 0 | 0 | 1 | 63,450 | \$7.95 |
| 2016 2q | 1,239 | 75,000,024 | 952,165 | 1.3% | 378,232 | 0 | 0 | 1 | 63,450 | \$7.87 |
| 2016 1q | 1,239 | 75,000,024 | 1,330,397 | 1.8% | 408,207 | 1 | 62,482 | 0 | 0 | \$7.69 |
| 2015 4q | 1,238 | 74,937,542 | 1,676,122 | 2.2% | 737,536 | 0 | 0 | 1 | 62,482 | \$7.52 |
| 2015 3q | 1,238 | 74,937,542 | 2,413,658 | 3.2% | 147,008 | 0 | 0 | 1 | 62,482 | \$7.42 |
| 2015 2q | 1,238 | 74,937,542 | 2,560,666 | 3.4% | (516,850) | 0 | 0 | 1 | 62,482 | \$7.28 |
| 2015 1q | 1,238 | 74,937,542 | 2,043,816 | 2.7% | 376,592 | 1 | 221,050 | 1 | 62,482 | \$7.25 |
| 2014 4q | 1,237 | 74,716,492 | 2,199,358 | 2.9% | 278,175 | 0 | 0 | 1 | 221,050 | \$7.11 |
| 2014 3q | 1,237 | 74,716,492 | 2,477,533 | 3.3% | 1,268,934 | 0 | 0 | 1 | 221,050 | \$6.97 |
| 2014 2q | 1,237 | 74,716,492 | 3,746,467 | 5.0% | 495,252 | 0 | 0 | 1 | 221,050 | \$6.81 |
| 2014 1q | 1,237 | 74,716,492 | 4,241,719 | 5.7% | (143,712) | 0 | 0 | 0 | 0 | \$6.54 |
| 2013 4q | 1,237 | 74,716,492 | 4,098,007 | 5.5% | (264,189) | 1 | 2,500 | 0 | 0 | \$6.48 |
| 2013 3q | 1,236 | 74,713,992 | 3,831,318 | 5.1% | 96,608 | 0 | 0 | 1 | 2,500 | \$6.51 |
| 2013 2q | 1,236 | 74,713,992 | 3,927,926 | 5.3% | (93,679) | 1 | 8,401 | 1 | 2,500 | \$6.47 |

Source: CoStar Property®



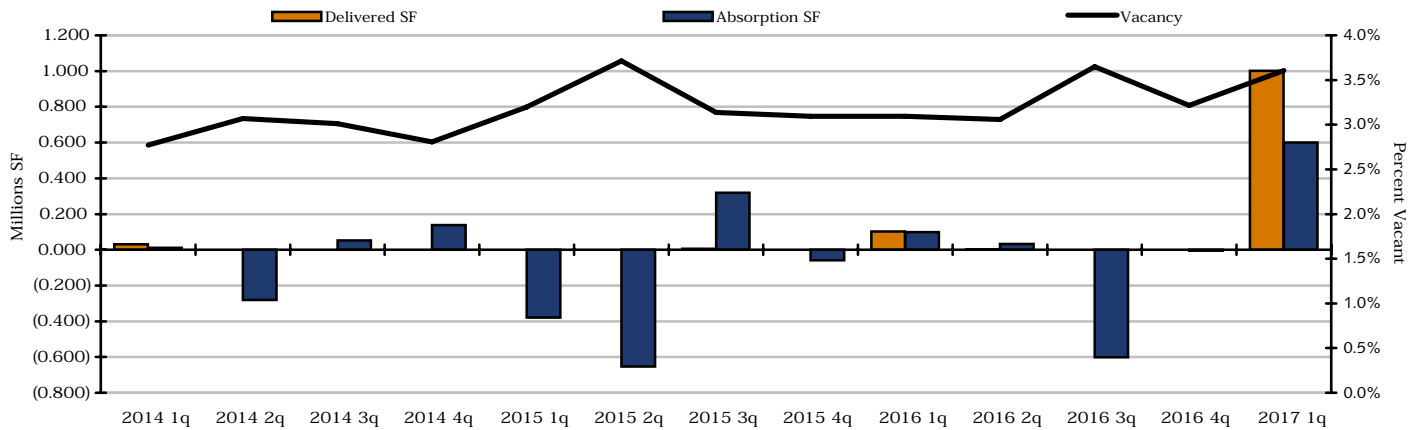
Los Angeles Industrial Market

Central LA Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

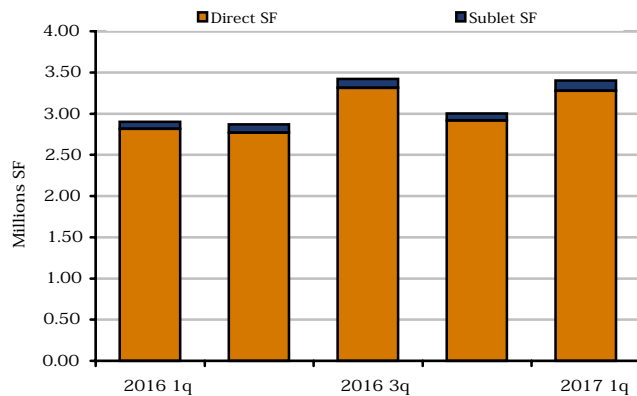
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

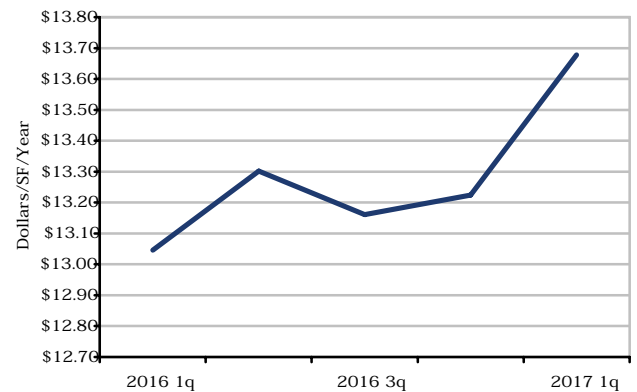
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 4,958 | 94,321,500 | 3,400,822 | 3.6% | 601,030 | 2 | 1,001,126 | 1 | 20,022 | \$13.68 |
| 2016 4q | 4,956 | 93,320,374 | 3,000,726 | 3.2% | (5,789) | 0 | 0 | 3 | 1,021,148 | \$13.22 |
| 2016 3q | 4,957 | 93,744,974 | 3,419,537 | 3.6% | (601,951) | 0 | 0 | 3 | 1,021,148 | \$13.16 |
| 2016 2q | 4,958 | 93,796,602 | 2,869,214 | 3.1% | 32,475 | 1 | 3,000 | 3 | 1,021,148 | \$13.30 |
| 2016 1q | 4,958 | 93,797,102 | 2,902,189 | 3.1% | 98,155 | 1 | 102,170 | 3 | 1,004,126 | \$13.05 |
| 2015 4q | 4,957 | 93,694,932 | 2,898,174 | 3.1% | (58,122) | 0 | 0 | 4 | 1,106,296 | \$12.36 |
| 2015 3q | 4,959 | 93,796,992 | 2,942,112 | 3.1% | 318,888 | 1 | 6,500 | 3 | 584,480 | \$11.99 |
| 2015 2q | 4,958 | 94,028,920 | 3,492,928 | 3.7% | (652,292) | 0 | 0 | 5 | 122,290 | \$10.83 |
| 2015 1q | 4,963 | 94,201,680 | 3,013,396 | 3.2% | (378,891) | 0 | 0 | 4 | 20,120 | \$10.29 |
| 2014 4q | 4,965 | 94,212,007 | 2,644,832 | 2.8% | 137,787 | 0 | 0 | 1 | 6,500 | \$10.14 |
| 2014 3q | 4,968 | 94,269,724 | 2,840,336 | 3.0% | 52,855 | 0 | 0 | 1 | 6,500 | \$10.12 |
| 2014 2q | 4,968 | 94,269,724 | 2,893,191 | 3.1% | (280,602) | 0 | 0 | 0 | 0 | \$10.18 |
| 2014 1q | 4,968 | 94,269,724 | 2,612,589 | 2.8% | 11,339 | 4 | 31,262 | 0 | 0 | \$9.65 |
| 2013 4q | 4,967 | 94,277,678 | 2,631,882 | 2.8% | (36,832) | 1 | 13,555 | 4 | 31,262 | \$9.59 |
| 2013 3q | 4,968 | 94,356,741 | 2,674,113 | 2.8% | 371,261 | 0 | 0 | 5 | 44,817 | \$9.49 |
| 2013 2q | 4,970 | 94,367,831 | 3,056,464 | 3.2% | 126,666 | 0 | 0 | 3 | 26,007 | \$9.16 |

Source: CoStar Property®

Los Angeles Industrial Market

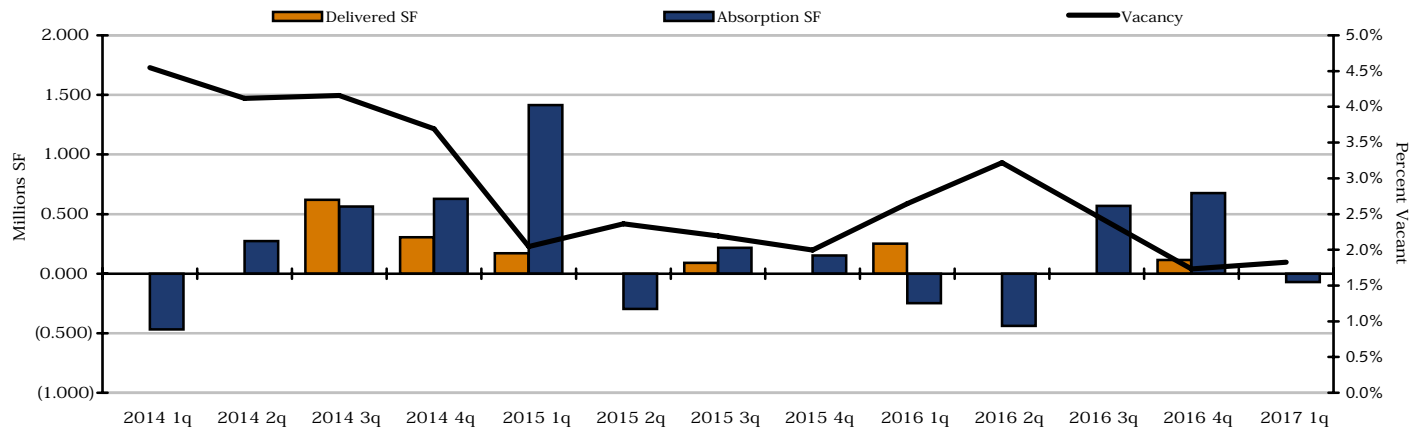


Commerce Area Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

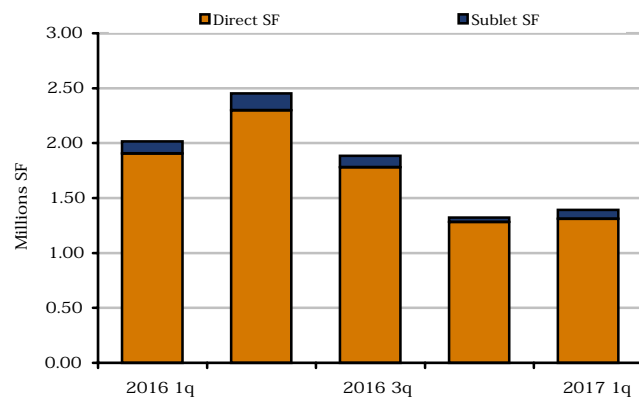
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

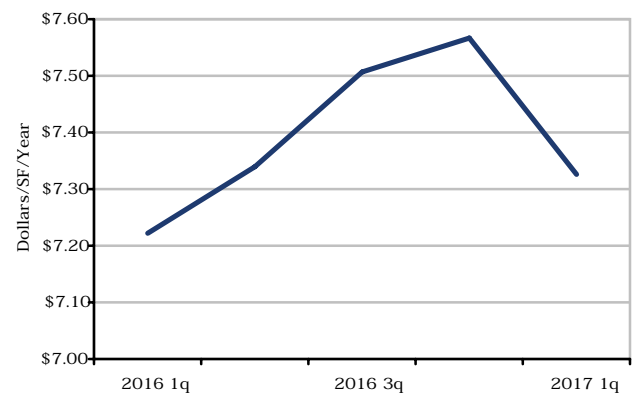
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,692 | 76,277,123 | 1,393,316 | 1.8% | (70,883) | 0 | 0 | 0 | 0 | \$7.33 |
| 2016 4q | 1,692 | 76,277,123 | 1,322,433 | 1.7% | 675,518 | 1 | 113,634 | 0 | 0 | \$7.57 |
| 2016 3q | 1,691 | 76,163,489 | 1,884,317 | 2.5% | 568,554 | 0 | 0 | 1 | 113,634 | \$7.51 |
| 2016 2q | 1,691 | 76,163,489 | 2,452,871 | 3.2% | (437,841) | 0 | 0 | 1 | 113,634 | \$7.34 |
| 2016 1q | 1,691 | 76,163,489 | 2,015,030 | 2.6% | (248,897) | 4 | 251,568 | 0 | 0 | \$7.22 |
| 2015 4q | 1,687 | 75,911,921 | 1,514,565 | 2.0% | 151,920 | 0 | 0 | 4 | 251,568 | \$6.89 |
| 2015 3q | 1,687 | 75,911,921 | 1,666,485 | 2.2% | 215,617 | 1 | 91,010 | 4 | 251,568 | \$6.84 |
| 2015 2q | 1,686 | 75,820,911 | 1,791,092 | 2.4% | (295,434) | 0 | 0 | 5 | 342,578 | \$6.69 |
| 2015 1q | 1,687 | 75,878,034 | 1,552,781 | 2.0% | 1,413,650 | 2 | 171,215 | 1 | 91,010 | \$6.55 |
| 2014 4q | 1,685 | 75,706,819 | 2,795,216 | 3.7% | 627,424 | 3 | 305,824 | 3 | 262,225 | \$6.52 |
| 2014 3q | 1,683 | 75,420,015 | 3,135,836 | 4.2% | 563,883 | 1 | 620,000 | 5 | 477,039 | \$6.41 |
| 2014 2q | 1,682 | 74,800,015 | 3,079,719 | 4.1% | 272,962 | 0 | 0 | 4 | 925,824 | \$6.42 |
| 2014 1q | 1,684 | 74,850,947 | 3,403,613 | 4.5% | (468,222) | 0 | 0 | 3 | 908,719 | \$6.22 |
| 2013 4q | 1,684 | 74,850,947 | 2,935,391 | 3.9% | 343,422 | 0 | 0 | 1 | 620,000 | \$6.06 |
| 2013 3q | 1,684 | 74,850,947 | 3,278,813 | 4.4% | 197,866 | 1 | 489,024 | 1 | 620,000 | \$5.94 |
| 2013 2q | 1,683 | 74,361,923 | 2,987,655 | 4.0% | (106,510) | 0 | 0 | 2 | 1,109,024 | \$5.73 |

Source: CoStar Property®



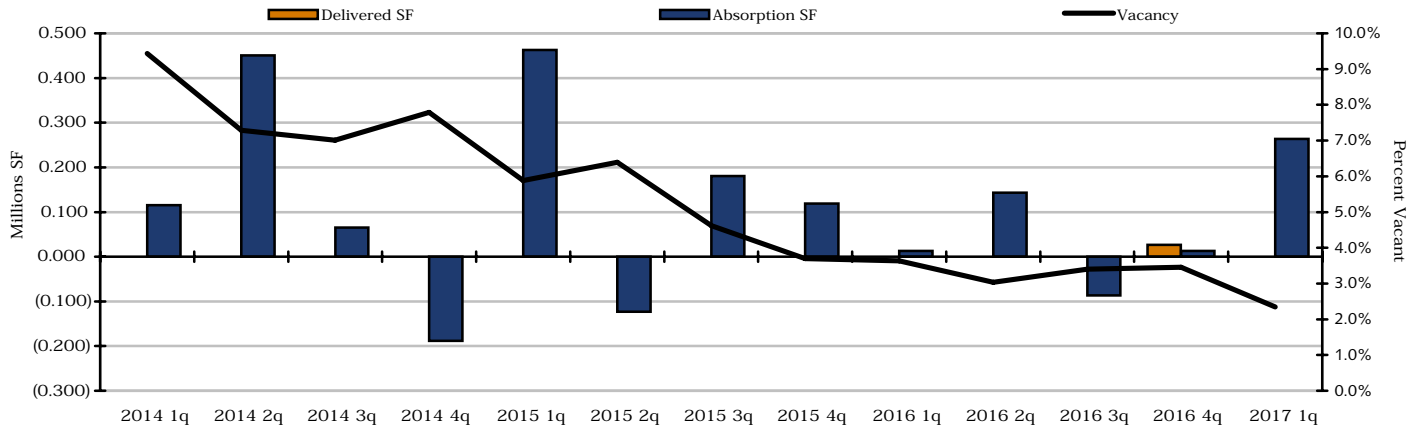
Los Angeles Industrial Market

Conejo Valley Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

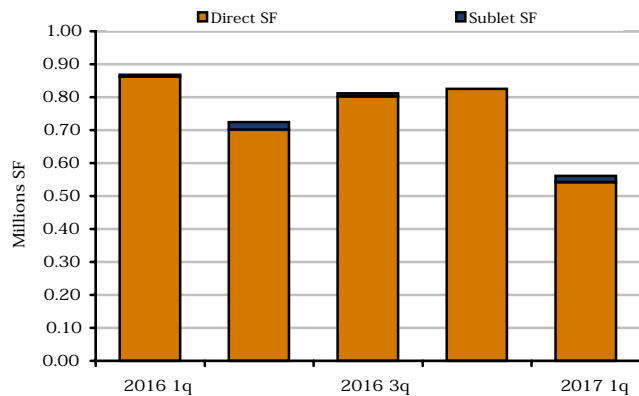
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

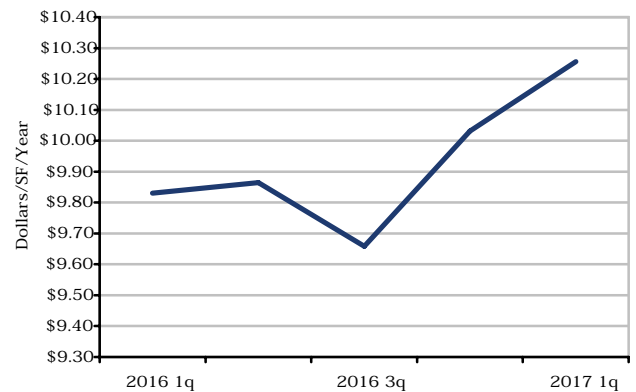
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 838 | 23,885,457 | 561,123 | 2.3% | 263,645 | 0 | 0 | 16 | 698,834 | \$10.26 |
| 2016 4q | 838 | 23,885,457 | 824,768 | 3.5% | 12,688 | 2 | 26,280 | 7 | 193,456 | \$10.03 |
| 2016 3q | 836 | 23,859,177 | 811,176 | 3.4% | (86,686) | 0 | 0 | 2 | 26,280 | \$9.66 |
| 2016 2q | 836 | 23,859,177 | 724,490 | 3.0% | 143,447 | 0 | 0 | 2 | 26,280 | \$9.86 |
| 2016 1q | 836 | 23,859,177 | 867,937 | 3.6% | 13,227 | 0 | 0 | 2 | 26,280 | \$9.83 |
| 2015 4q | 836 | 23,859,177 | 881,164 | 3.7% | 119,057 | 0 | 0 | 0 | 0 | \$9.61 |
| 2015 3q | 837 | 23,966,346 | 1,107,390 | 4.6% | 180,845 | 0 | 0 | 0 | 0 | \$10.14 |
| 2015 2q | 838 | 24,225,886 | 1,547,775 | 6.4% | (123,137) | 0 | 0 | 0 | 0 | \$10.43 |
| 2015 1q | 838 | 24,225,886 | 1,424,638 | 5.9% | 462,663 | 0 | 0 | 0 | 0 | \$10.26 |
| 2014 4q | 838 | 24,225,886 | 1,887,301 | 7.8% | (188,282) | 0 | 0 | 0 | 0 | \$9.40 |
| 2014 3q | 838 | 24,225,886 | 1,699,019 | 7.0% | 65,541 | 0 | 0 | 0 | 0 | \$9.08 |
| 2014 2q | 838 | 24,225,886 | 1,764,560 | 7.3% | 450,269 | 0 | 0 | 0 | 0 | \$9.19 |
| 2014 1q | 839 | 24,305,386 | 2,294,329 | 9.4% | 115,526 | 0 | 0 | 0 | 0 | \$8.68 |
| 2013 4q | 839 | 24,305,386 | 2,409,855 | 9.9% | 102,872 | 0 | 0 | 0 | 0 | \$8.59 |
| 2013 3q | 839 | 24,305,386 | 2,512,727 | 10.3% | (52,193) | 0 | 0 | 0 | 0 | \$8.78 |
| 2013 2q | 839 | 24,305,386 | 2,460,534 | 10.1% | (197,167) | 0 | 0 | 0 | 0 | \$9.45 |

Source: CoStar Property®

Los Angeles Industrial Market

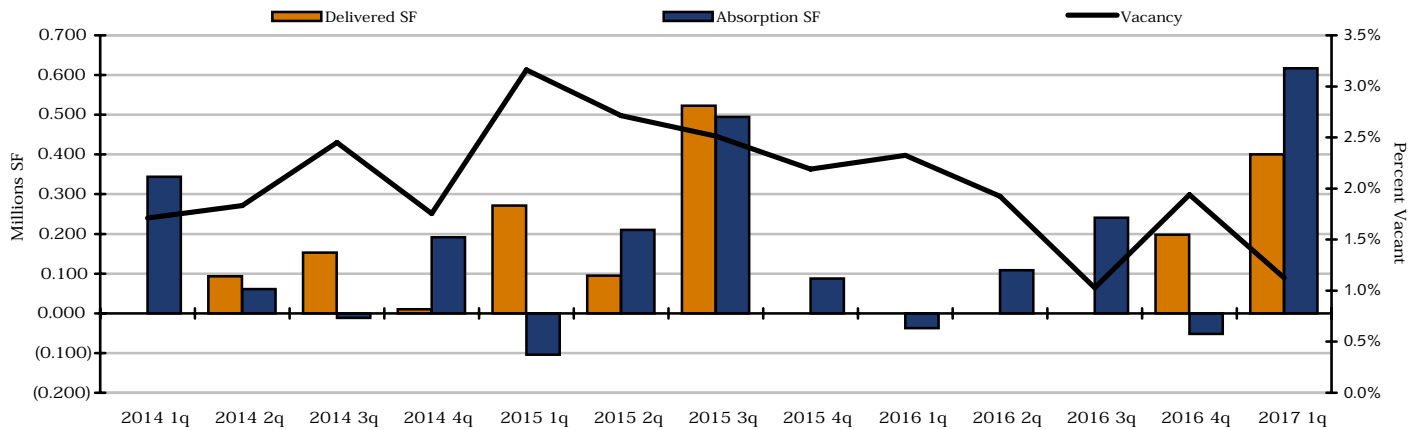


Eastern SGV Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

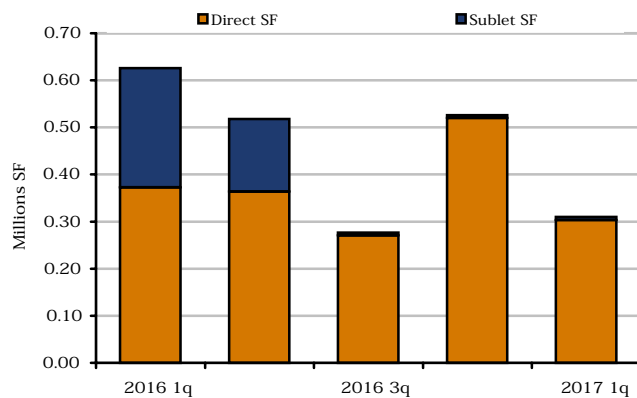
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

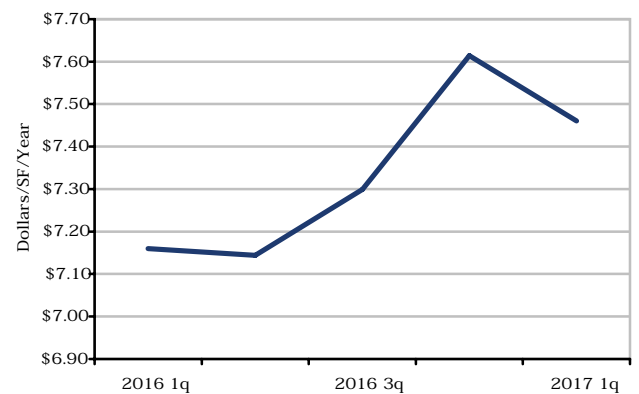
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,096 | 27,519,359 | 309,595 | 1.1% | 616,750 | 1 | 400,000 | 6 | 433,485 | \$7.46 |
| 2016 4q | 1,095 | 27,119,359 | 526,345 | 1.9% | (51,900) | 1 | 197,685 | 7 | 833,485 | \$7.61 |
| 2016 3q | 1,094 | 26,921,674 | 276,760 | 1.0% | 240,846 | 0 | 0 | 8 | 1,031,170 | \$7.30 |
| 2016 2q | 1,094 | 26,921,674 | 517,606 | 1.9% | 108,612 | 0 | 0 | 3 | 645,983 | \$7.14 |
| 2016 1q | 1,094 | 26,921,674 | 626,218 | 2.3% | (36,919) | 0 | 0 | 1 | 400,000 | \$7.16 |
| 2015 4q | 1,094 | 26,921,674 | 589,299 | 2.2% | 87,417 | 0 | 0 | 1 | 400,000 | \$7.04 |
| 2015 3q | 1,094 | 26,921,674 | 676,716 | 2.5% | 494,748 | 5 | 522,818 | 1 | 400,000 | \$6.95 |
| 2015 2q | 1,090 | 26,468,259 | 718,049 | 2.7% | 210,425 | 2 | 94,671 | 6 | 922,818 | \$6.73 |
| 2015 1q | 1,088 | 26,373,588 | 833,803 | 3.2% | (104,211) | 2 | 271,317 | 7 | 617,489 | \$6.82 |
| 2014 4q | 1,086 | 26,102,271 | 458,275 | 1.8% | 191,643 | 1 | 10,254 | 8 | 838,806 | \$6.51 |
| 2014 3q | 1,085 | 26,092,017 | 639,664 | 2.5% | (11,240) | 2 | 153,284 | 3 | 281,571 | \$6.64 |
| 2014 2q | 1,083 | 25,938,733 | 475,140 | 1.8% | 60,701 | 2 | 93,431 | 3 | 163,538 | \$6.14 |
| 2014 1q | 1,081 | 25,845,302 | 442,410 | 1.7% | 343,675 | 0 | 0 | 5 | 256,969 | \$6.02 |
| 2013 4q | 1,081 | 25,845,302 | 786,085 | 3.0% | 710,021 | 1 | 250,000 | 4 | 223,541 | \$5.91 |
| 2013 3q | 1,080 | 25,595,302 | 1,246,106 | 4.9% | 112,908 | 0 | 0 | 1 | 250,000 | \$5.83 |
| 2013 2q | 1,080 | 25,595,302 | 1,359,014 | 5.3% | 55,049 | 0 | 0 | 1 | 250,000 | \$5.58 |

Source: CoStar Property®



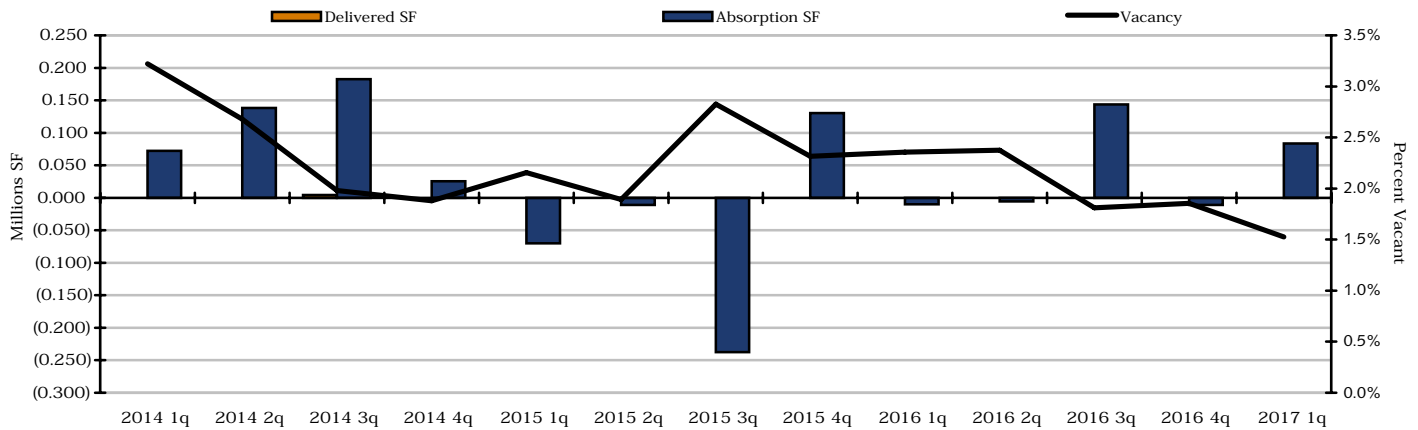
Los Angeles Industrial Market

El Segundo / Hawthorne Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

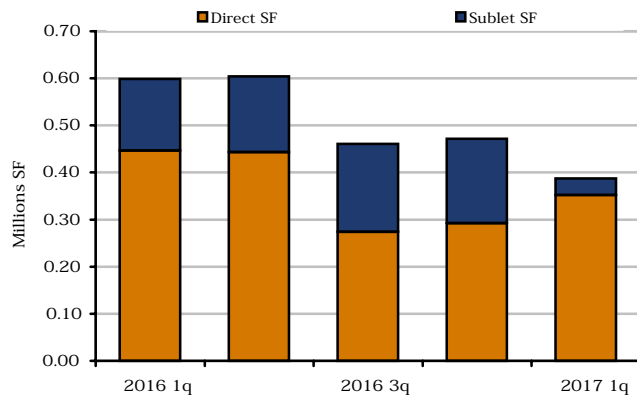
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

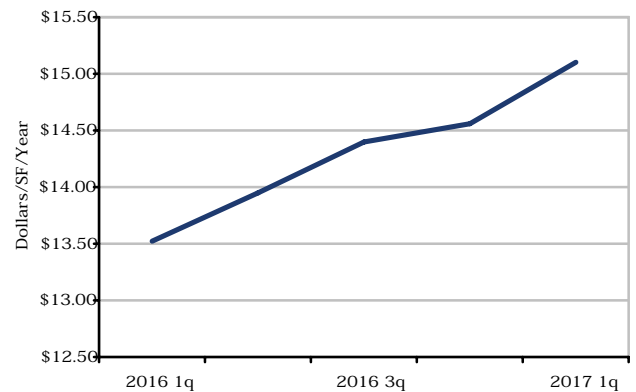
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 963 | 25,417,733 | 387,683 | 1.5% | 83,767 | 0 | 0 | 2 | 152,565 | \$15.10 |
| 2016 4q | 963 | 25,417,733 | 471,450 | 1.9% | (10,822) | 0 | 0 | 2 | 152,565 | \$14.56 |
| 2016 3q | 963 | 25,417,733 | 460,628 | 1.8% | 143,435 | 0 | 0 | 1 | 3,525 | \$14.40 |
| 2016 2q | 963 | 25,417,733 | 604,063 | 2.4% | (5,329) | 0 | 0 | 1 | 3,525 | \$13.95 |
| 2016 1q | 963 | 25,417,733 | 598,734 | 2.4% | (10,226) | 0 | 0 | 1 | 3,525 | \$13.52 |
| 2015 4q | 963 | 25,417,733 | 588,508 | 2.3% | 130,162 | 0 | 0 | 1 | 3,525 | \$12.79 |
| 2015 3q | 963 | 25,417,733 | 718,670 | 2.8% | (237,232) | 0 | 0 | 1 | 3,525 | \$11.47 |
| 2015 2q | 963 | 25,417,733 | 481,438 | 1.9% | (11,036) | 0 | 0 | 1 | 3,525 | \$11.28 |
| 2015 1q | 964 | 25,496,733 | 549,402 | 2.2% | (70,157) | 0 | 0 | 0 | 0 | \$10.82 |
| 2014 4q | 964 | 25,496,733 | 479,245 | 1.9% | 25,415 | 0 | 0 | 0 | 0 | \$9.80 |
| 2014 3q | 964 | 25,496,733 | 504,660 | 2.0% | 182,747 | 1 | 4,400 | 0 | 0 | \$9.81 |
| 2014 2q | 963 | 25,492,333 | 683,007 | 2.7% | 138,093 | 0 | 0 | 1 | 4,400 | \$9.51 |
| 2014 1q | 963 | 25,492,333 | 821,100 | 3.2% | 72,234 | 0 | 0 | 1 | 4,400 | \$8.89 |
| 2013 4q | 964 | 25,517,833 | 918,834 | 3.6% | 6,634 | 0 | 0 | 1 | 4,400 | \$9.19 |
| 2013 3q | 965 | 25,524,833 | 932,468 | 3.7% | 21,443 | 0 | 0 | 1 | 4,400 | \$9.25 |
| 2013 2q | 964 | 25,480,833 | 909,911 | 3.6% | 147,303 | 1 | 3,584 | 2 | 48,400 | \$9.11 |

Source: CoStar Property®

Los Angeles Industrial Market

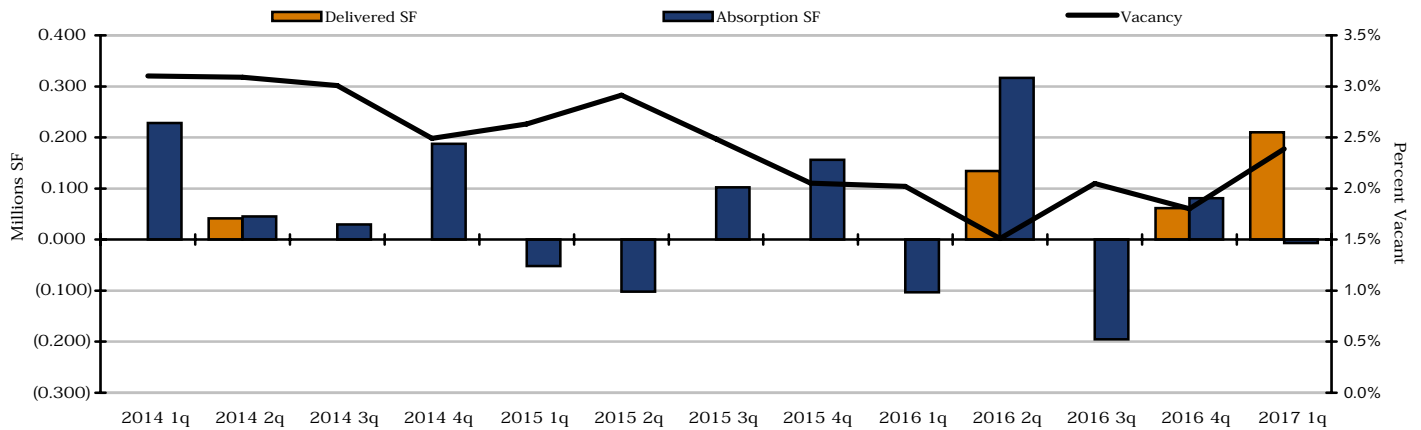


Gardena / 110 Corridor Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

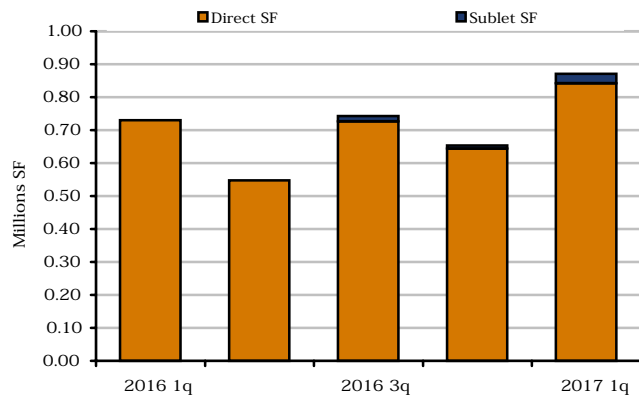
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

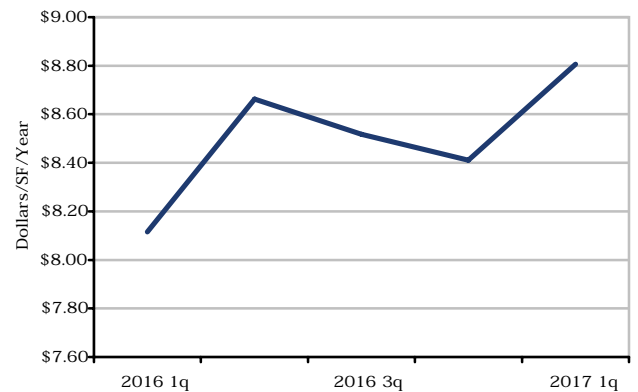
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,676 | 36,472,423 | 870,571 | 2.4% | (6,936) | 1 | 210,000 | 1 | 100,580 | \$8.81 |
| 2016 4q | 1,675 | 36,262,423 | 653,635 | 1.8% | 80,970 | 2 | 61,829 | 2 | 310,580 | \$8.41 |
| 2016 3q | 1,674 | 36,270,594 | 742,776 | 2.0% | (195,320) | 0 | 0 | 3 | 271,829 | \$8.52 |
| 2016 2q | 1,674 | 36,270,594 | 547,456 | 1.5% | 316,945 | 2 | 134,041 | 3 | 271,829 | \$8.66 |
| 2016 1q | 1,672 | 36,136,553 | 730,360 | 2.0% | (103,075) | 0 | 0 | 5 | 405,870 | \$8.12 |
| 2015 4q | 1,674 | 36,253,533 | 744,265 | 2.1% | 156,535 | 0 | 0 | 4 | 195,870 | \$7.96 |
| 2015 3q | 1,674 | 36,253,533 | 900,800 | 2.5% | 102,459 | 0 | 0 | 1 | 19,980 | \$7.73 |
| 2015 2q | 1,675 | 36,308,104 | 1,057,830 | 2.9% | (101,863) | 0 | 0 | 1 | 19,980 | \$7.37 |
| 2015 1q | 1,675 | 36,308,104 | 955,967 | 2.6% | (51,737) | 0 | 0 | 0 | 0 | \$7.18 |
| 2014 4q | 1,675 | 36,308,104 | 904,230 | 2.5% | 187,856 | 0 | 0 | 0 | 0 | \$7.07 |
| 2014 3q | 1,675 | 36,308,104 | 1,092,086 | 3.0% | 29,511 | 0 | 0 | 0 | 0 | \$7.04 |
| 2014 2q | 1,675 | 36,308,104 | 1,121,597 | 3.1% | 45,225 | 1 | 41,311 | 0 | 0 | \$6.91 |
| 2014 1q | 1,674 | 36,266,793 | 1,125,511 | 3.1% | 228,410 | 0 | 0 | 1 | 41,311 | \$6.97 |
| 2013 4q | 1,674 | 36,266,793 | 1,353,921 | 3.7% | 177,233 | 0 | 0 | 1 | 41,311 | \$6.77 |
| 2013 3q | 1,674 | 36,266,793 | 1,531,154 | 4.2% | (51,901) | 0 | 0 | 0 | 0 | \$6.61 |
| 2013 2q | 1,674 | 36,266,793 | 1,479,253 | 4.1% | 216,461 | 1 | 91,320 | 0 | 0 | \$6.56 |

Source: CoStar Property®



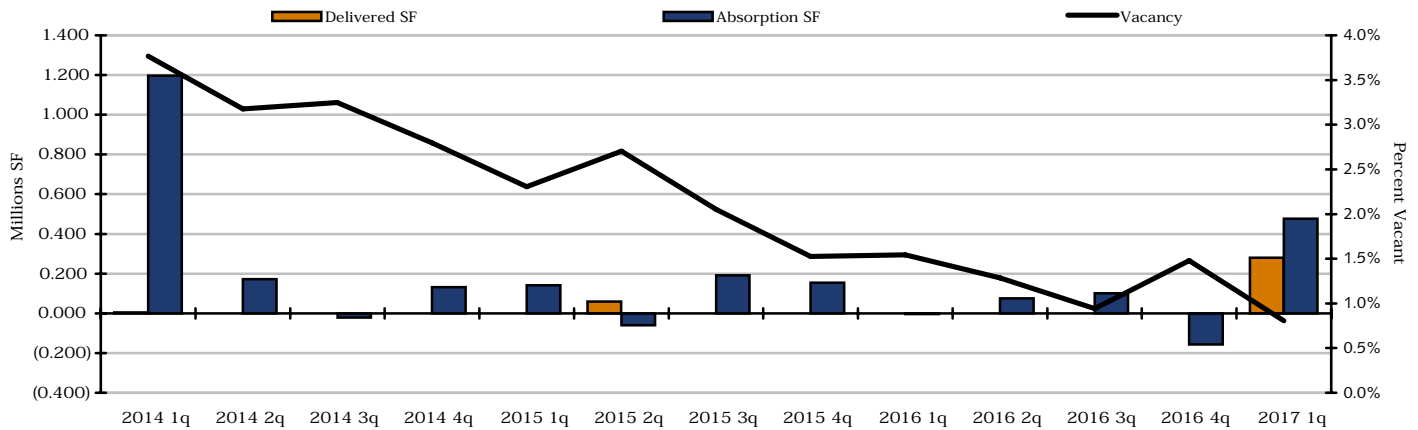
Los Angeles Industrial Market

Long Beach Area Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

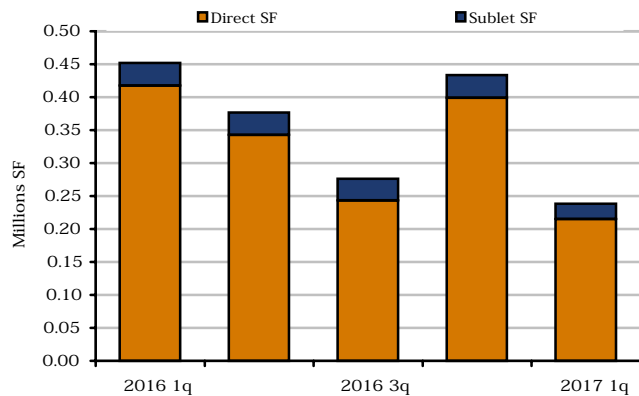
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

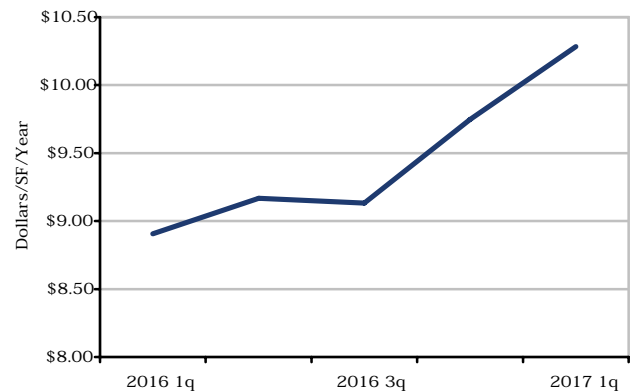
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,682 | 29,585,340 | 238,229 | 0.8% | 476,053 | 2 | 280,656 | 5 | 384,606 | \$10.28 |
| 2016 4q | 1,680 | 29,304,684 | 433,626 | 1.5% | (157,226) | 0 | 0 | 5 | 618,526 | \$9.75 |
| 2016 3q | 1,680 | 29,304,684 | 276,400 | 0.9% | 100,450 | 0 | 0 | 5 | 618,526 | \$9.13 |
| 2016 2q | 1,680 | 29,304,684 | 376,850 | 1.3% | 74,973 | 0 | 0 | 4 | 532,026 | \$9.17 |
| 2016 1q | 1,680 | 29,304,684 | 451,823 | 1.5% | (4,282) | 0 | 0 | 2 | 280,656 | \$8.91 |
| 2015 4q | 1,680 | 29,304,684 | 447,541 | 1.5% | 154,016 | 0 | 0 | 1 | 244,000 | \$8.83 |
| 2015 3q | 1,680 | 29,304,684 | 601,557 | 2.1% | 191,021 | 0 | 0 | 1 | 244,000 | \$8.68 |
| 2015 2q | 1,680 | 29,304,684 | 792,578 | 2.7% | (59,767) | 1 | 58,792 | 1 | 244,000 | \$8.50 |
| 2015 1q | 1,679 | 29,245,892 | 674,019 | 2.3% | 142,236 | 0 | 0 | 1 | 58,792 | \$8.35 |
| 2014 4q | 1,680 | 29,247,838 | 818,201 | 2.8% | 131,760 | 0 | 0 | 1 | 58,792 | \$8.11 |
| 2014 3q | 1,680 | 29,247,838 | 949,961 | 3.2% | (20,960) | 0 | 0 | 1 | 58,792 | \$8.16 |
| 2014 2q | 1,680 | 29,247,838 | 929,001 | 3.2% | 172,626 | 0 | 0 | 0 | 0 | \$7.95 |
| 2014 1q | 1,680 | 29,247,838 | 1,101,627 | 3.8% | 1,197,629 | 1 | 4,000 | 0 | 0 | \$8.03 |
| 2013 4q | 1,680 | 29,248,582 | 2,300,000 | 7.9% | 248,175 | 1 | 150,701 | 1 | 4,000 | \$7.88 |
| 2013 3q | 1,679 | 29,097,881 | 2,397,474 | 8.2% | 224,856 | 2 | 260,019 | 2 | 154,701 | \$7.80 |
| 2013 2q | 1,677 | 28,837,862 | 2,362,311 | 8.2% | (64,434) | 0 | 0 | 4 | 414,720 | \$7.12 |

Source: CoStar Property®

Los Angeles Industrial Market

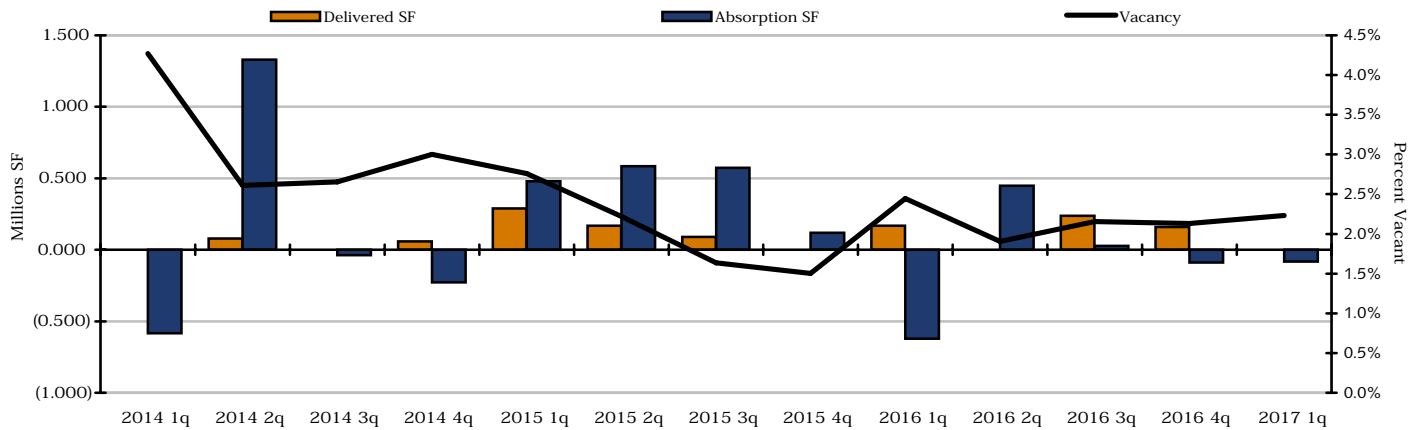


Lower SGV Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

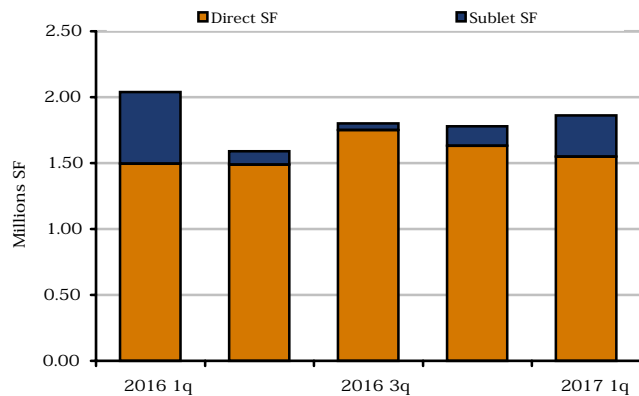
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

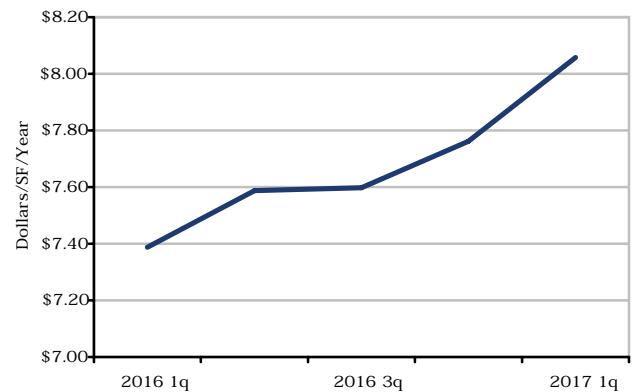
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,542 | 83,445,704 | 1,861,764 | 2.2% | (82,099) | 0 | 0 | 5 | 598,003 | \$8.06 |
| 2016 4q | 1,542 | 83,445,704 | 1,779,665 | 2.1% | (88,262) | 2 | 159,178 | 4 | 558,003 | \$7.76 |
| 2016 3q | 1,541 | 83,554,226 | 1,799,925 | 2.2% | 26,399 | 3 | 237,196 | 5 | 682,471 | \$7.60 |
| 2016 2q | 1,538 | 83,317,030 | 1,589,128 | 1.9% | 448,738 | 0 | 0 | 7 | 489,827 | \$7.59 |
| 2016 1q | 1,538 | 83,317,030 | 2,037,866 | 2.4% | (621,723) | 2 | 167,941 | 4 | 350,838 | \$7.39 |
| 2015 4q | 1,536 | 83,149,089 | 1,248,202 | 1.5% | 119,756 | 0 | 0 | 4 | 308,625 | \$7.13 |
| 2015 3q | 1,535 | 83,142,049 | 1,360,918 | 1.6% | 573,159 | 2 | 90,899 | 5 | 315,665 | \$6.99 |
| 2015 2q | 1,533 | 83,051,150 | 1,843,178 | 2.2% | 584,385 | 1 | 168,000 | 5 | 265,880 | \$6.81 |
| 2015 1q | 1,534 | 82,911,099 | 2,287,512 | 2.8% | 480,513 | 2 | 288,496 | 4 | 387,480 | \$6.82 |
| 2014 4q | 1,532 | 82,622,603 | 2,479,529 | 3.0% | (227,033) | 1 | 59,340 | 3 | 456,496 | \$6.79 |
| 2014 3q | 1,531 | 82,563,263 | 2,193,156 | 2.7% | (37,278) | 0 | 0 | 4 | 515,836 | \$6.70 |
| 2014 2q | 1,531 | 82,563,263 | 2,155,878 | 2.6% | 1,329,442 | 2 | 79,543 | 3 | 347,836 | \$6.63 |
| 2014 1q | 1,530 | 82,604,720 | 3,526,777 | 4.3% | (583,142) | 0 | 0 | 3 | 311,543 | \$6.47 |
| 2013 4q | 1,531 | 82,667,819 | 3,006,734 | 3.6% | 1,255,736 | 0 | 0 | 2 | 79,543 | \$6.32 |
| 2013 3q | 1,531 | 82,667,819 | 4,262,470 | 5.2% | 984,296 | 0 | 0 | 0 | 0 | \$6.21 |
| 2013 2q | 1,531 | 82,667,819 | 5,246,766 | 6.3% | (471,129) | 0 | 0 | 0 | 0 | \$6.09 |

Source: CoStar Property®



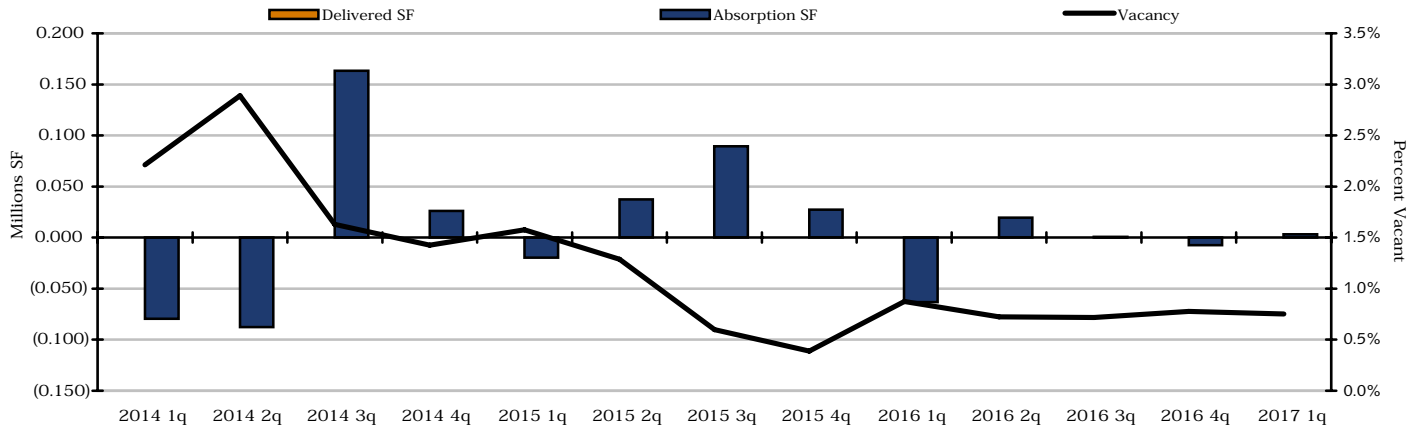
Los Angeles Industrial Market

Lynwood / Paramount Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

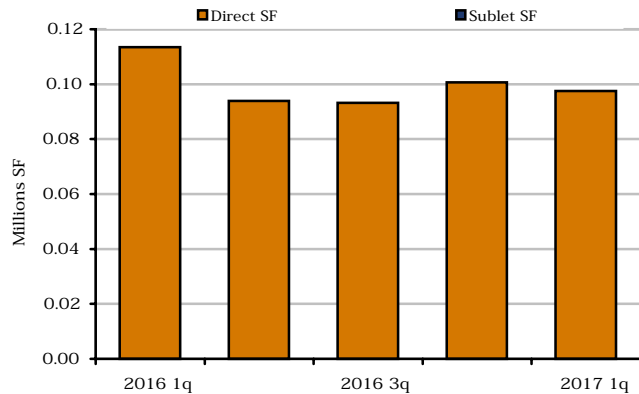
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

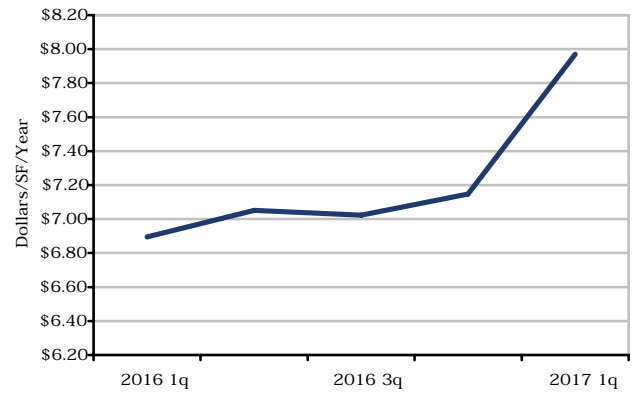
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 563 | 12,975,224 | 97,568 | 0.8% | 3,104 | 0 | 0 | 1 | 201,027 | \$7.97 |
| 2016 4q | 563 | 12,975,224 | 100,672 | 0.8% | (7,457) | 0 | 0 | 1 | 201,027 | \$7.15 |
| 2016 3q | 563 | 12,975,224 | 93,215 | 0.7% | 671 | 0 | 0 | 1 | 201,027 | \$7.02 |
| 2016 2q | 563 | 12,975,224 | 93,886 | 0.7% | 19,590 | 0 | 0 | 1 | 201,027 | \$7.05 |
| 2016 1q | 563 | 12,975,224 | 113,476 | 0.9% | (63,096) | 0 | 0 | 0 | 0 | \$6.89 |
| 2015 4q | 563 | 12,975,224 | 50,380 | 0.4% | 27,270 | 0 | 0 | 0 | 0 | \$7.64 |
| 2015 3q | 563 | 12,975,224 | 77,650 | 0.6% | 89,407 | 0 | 0 | 0 | 0 | \$7.60 |
| 2015 2q | 563 | 12,975,224 | 167,057 | 1.3% | 37,512 | 0 | 0 | 0 | 0 | \$7.43 |
| 2015 1q | 563 | 12,975,224 | 204,569 | 1.6% | (19,523) | 0 | 0 | 0 | 0 | \$7.22 |
| 2014 4q | 563 | 12,975,224 | 185,046 | 1.4% | 26,222 | 0 | 0 | 0 | 0 | \$6.86 |
| 2014 3q | 563 | 12,975,224 | 211,268 | 1.6% | 163,395 | 0 | 0 | 0 | 0 | \$6.86 |
| 2014 2q | 563 | 12,975,224 | 374,663 | 2.9% | (87,754) | 0 | 0 | 0 | 0 | \$6.70 |
| 2014 1q | 563 | 12,975,224 | 286,909 | 2.2% | (79,357) | 0 | 0 | 0 | 0 | \$6.41 |
| 2013 4q | 563 | 12,975,224 | 207,552 | 1.6% | (41,446) | 0 | 0 | 0 | 0 | \$6.49 |
| 2013 3q | 563 | 12,975,224 | 166,106 | 1.3% | 262,921 | 0 | 0 | 0 | 0 | \$6.70 |
| 2013 2q | 563 | 12,975,224 | 429,027 | 3.3% | 77,149 | 0 | 0 | 0 | 0 | \$6.69 |

Source: CoStar Property®

Los Angeles Industrial Market

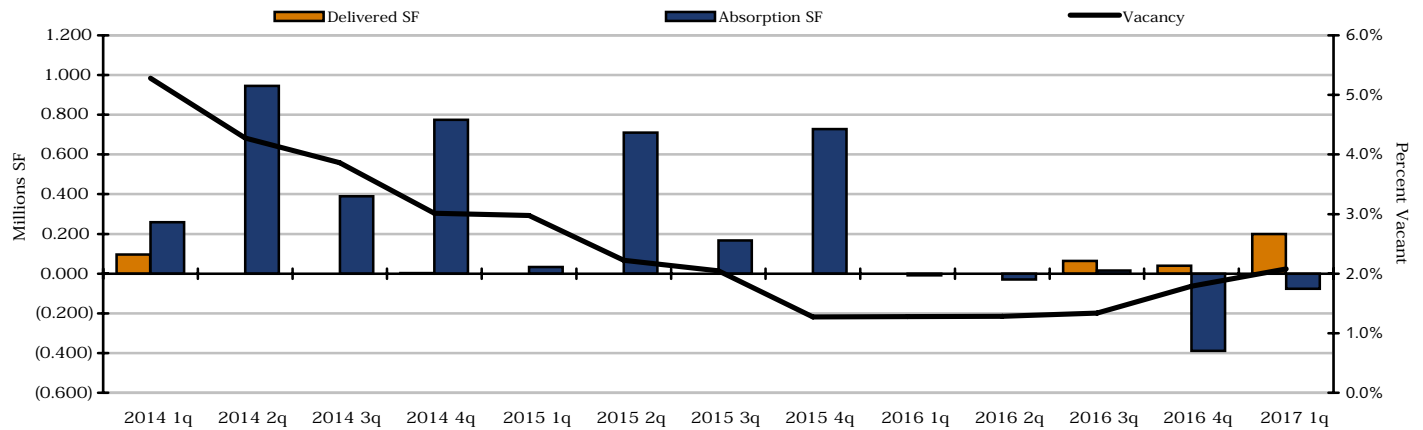


Mid Counties - LA Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

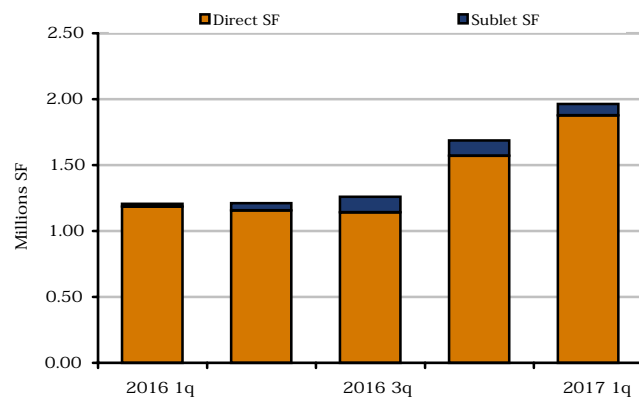
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

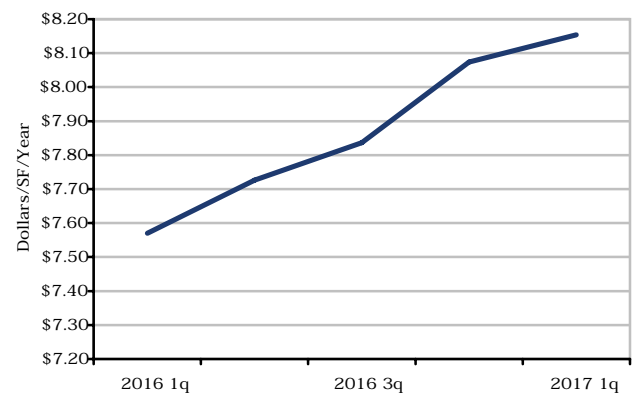
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 2,699 | 94,458,457 | 1,964,085 | 2.1% | (76,769) | 1 | 199,588 | 6 | 614,645 | \$8.15 |
| 2016 4q | 2,698 | 94,258,869 | 1,687,728 | 1.8% | (388,460) | 1 | 40,000 | 5 | 715,512 | \$8.07 |
| 2016 3q | 2,697 | 94,218,869 | 1,259,268 | 1.3% | 15,425 | 1 | 63,458 | 3 | 264,483 | \$7.84 |
| 2016 2q | 2,696 | 94,155,411 | 1,211,235 | 1.3% | (29,498) | 0 | 0 | 4 | 327,941 | \$7.73 |
| 2016 1q | 2,697 | 94,179,411 | 1,205,737 | 1.3% | (7,811) | 0 | 0 | 3 | 264,483 | \$7.57 |
| 2015 4q | 2,697 | 94,179,411 | 1,197,926 | 1.3% | 727,939 | 0 | 0 | 3 | 264,483 | \$7.42 |
| 2015 3q | 2,697 | 94,179,411 | 1,925,865 | 2.0% | 166,845 | 0 | 0 | 1 | 24,895 | \$7.28 |
| 2015 2q | 2,697 | 94,179,411 | 2,092,710 | 2.2% | 710,310 | 0 | 0 | 1 | 24,895 | \$7.11 |
| 2015 1q | 2,697 | 94,179,411 | 2,803,020 | 3.0% | 33,917 | 0 | 0 | 0 | 0 | \$6.92 |
| 2014 4q | 2,697 | 94,179,411 | 2,836,937 | 3.0% | 774,635 | 1 | 2,800 | 0 | 0 | \$6.81 |
| 2014 3q | 2,697 | 94,205,887 | 3,638,048 | 3.9% | 389,759 | 0 | 0 | 1 | 2,800 | \$6.75 |
| 2014 2q | 2,697 | 94,205,887 | 4,027,807 | 4.3% | 945,380 | 0 | 0 | 1 | 2,800 | \$6.58 |
| 2014 1q | 2,697 | 94,205,887 | 4,973,187 | 5.3% | 259,097 | 2 | 95,464 | 0 | 0 | \$6.47 |
| 2013 4q | 2,698 | 94,180,607 | 5,207,004 | 5.5% | 581,217 | 1 | 463,153 | 2 | 95,464 | \$6.44 |
| 2013 3q | 2,695 | 93,686,563 | 5,294,177 | 5.7% | 250,876 | 1 | 4,889 | 5 | 589,508 | \$6.32 |
| 2013 2q | 2,694 | 93,681,674 | 5,540,164 | 5.9% | (174,736) | 1 | 327,934 | 5 | 550,965 | \$6.19 |

Source: CoStar Property®



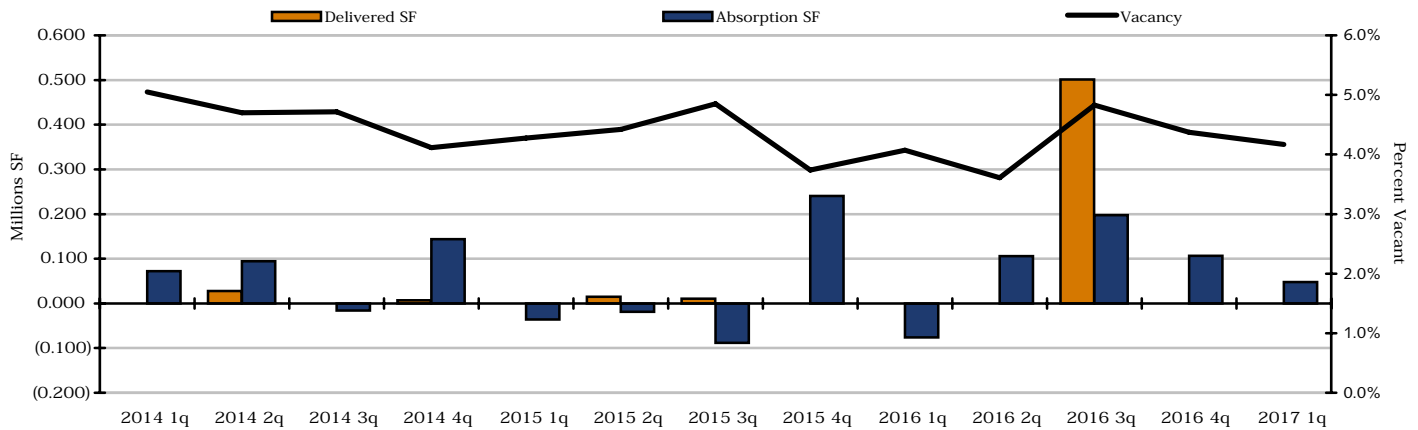
Los Angeles Industrial Market

Northwest SGV Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

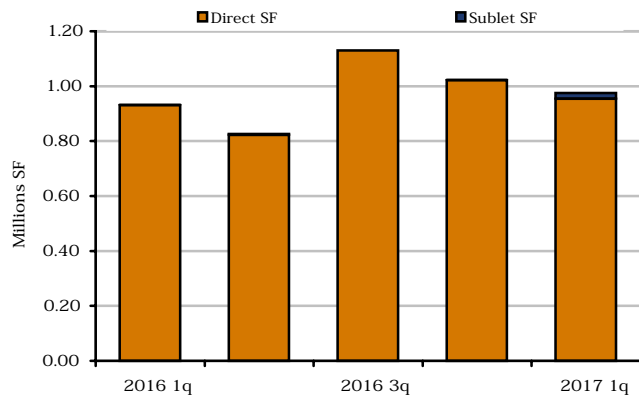
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

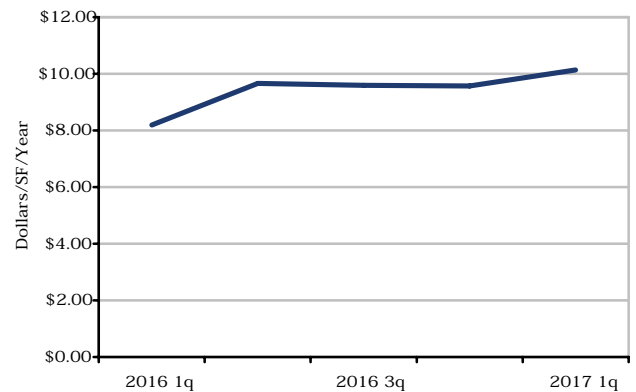
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,347 | 23,389,646 | 975,324 | 4.2% | 47,739 | 0 | 0 | 0 | 0 | \$10.14 |
| 2016 4q | 1,347 | 23,389,646 | 1,023,063 | 4.4% | 106,782 | 0 | 0 | 0 | 0 | \$9.57 |
| 2016 3q | 1,347 | 23,389,646 | 1,129,845 | 4.8% | 197,613 | 5 | 501,270 | 0 | 0 | \$9.60 |
| 2016 2q | 1,342 | 22,888,376 | 826,188 | 3.6% | 106,003 | 0 | 0 | 5 | 501,270 | \$9.66 |
| 2016 1q | 1,342 | 22,888,376 | 932,191 | 4.1% | (76,220) | 0 | 0 | 5 | 501,270 | \$8.19 |
| 2015 4q | 1,342 | 22,888,376 | 855,971 | 3.7% | 240,280 | 0 | 0 | 5 | 501,270 | \$8.47 |
| 2015 3q | 1,343 | 22,903,164 | 1,111,039 | 4.9% | (88,502) | 1 | 10,694 | 0 | 0 | \$8.24 |
| 2015 2q | 1,342 | 22,892,470 | 1,011,843 | 4.4% | (18,972) | 1 | 14,987 | 1 | 10,694 | \$7.79 |
| 2015 1q | 1,341 | 22,877,483 | 977,884 | 4.3% | (36,025) | 0 | 0 | 2 | 25,681 | \$7.62 |
| 2014 4q | 1,341 | 22,877,483 | 941,859 | 4.1% | 143,594 | 1 | 7,027 | 1 | 14,987 | \$7.94 |
| 2014 3q | 1,340 | 22,870,456 | 1,078,426 | 4.7% | (16,008) | 0 | 0 | 1 | 7,027 | \$7.67 |
| 2014 2q | 1,341 | 22,883,645 | 1,075,607 | 4.7% | 94,114 | 1 | 28,000 | 1 | 7,027 | \$7.50 |
| 2014 1q | 1,341 | 22,869,040 | 1,155,116 | 5.1% | 72,021 | 0 | 0 | 1 | 28,000 | \$7.68 |
| 2013 4q | 1,341 | 22,869,040 | 1,227,137 | 5.4% | 118,104 | 0 | 0 | 1 | 28,000 | \$7.60 |
| 2013 3q | 1,341 | 22,869,040 | 1,345,241 | 5.9% | (267,569) | 0 | 0 | 1 | 28,000 | \$7.50 |
| 2013 2q | 1,341 | 22,869,040 | 1,077,672 | 4.7% | (87,294) | 0 | 0 | 1 | 28,000 | \$7.14 |

Source: CoStar Property®

Los Angeles Industrial Market

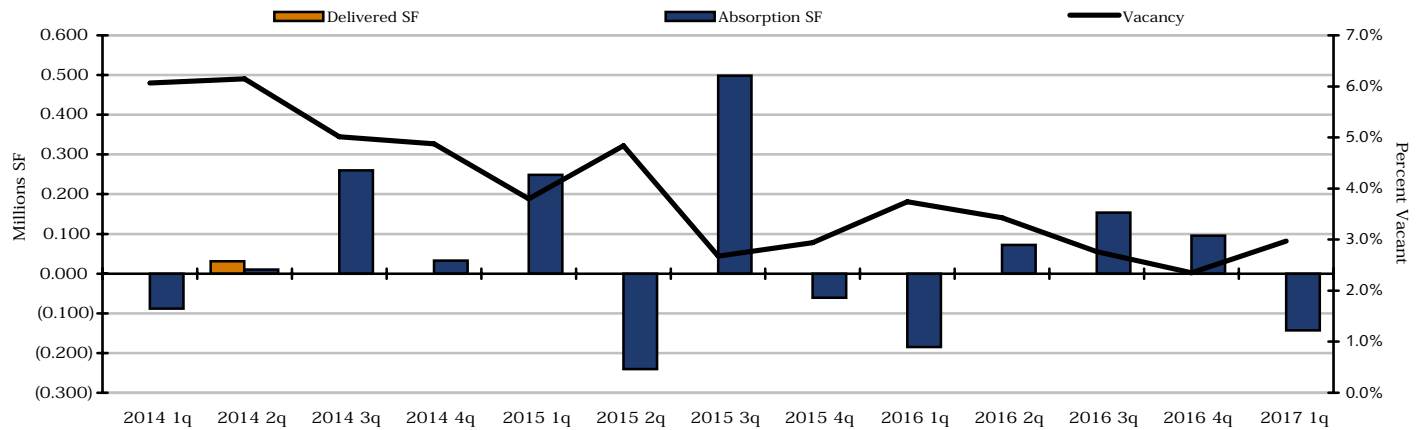


SCV/Lancaster/Palmdale Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

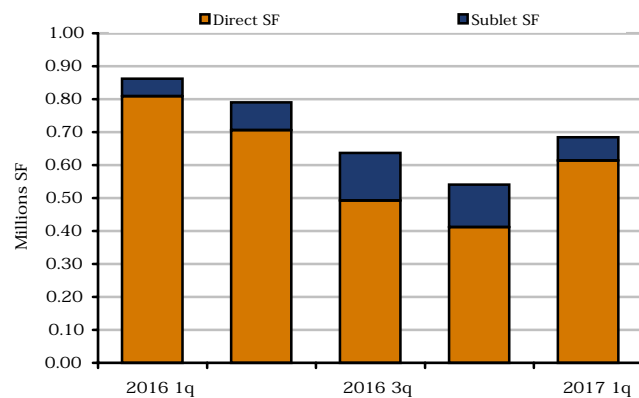
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

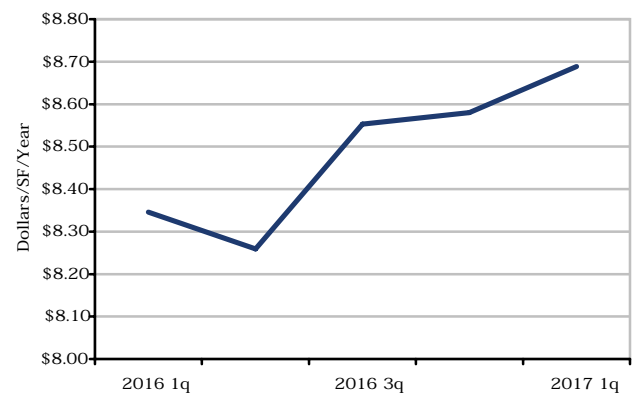
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 666 | 23,048,728 | 684,185 | 3.0% | (143,155) | 0 | 0 | 9 | 763,194 | \$8.69 |
| 2016 4q | 666 | 23,048,728 | 541,030 | 2.3% | 95,532 | 0 | 0 | 9 | 763,194 | \$8.58 |
| 2016 3q | 666 | 23,048,728 | 636,562 | 2.8% | 153,524 | 0 | 0 | 6 | 652,832 | \$8.55 |
| 2016 2q | 666 | 23,048,728 | 790,086 | 3.4% | 71,985 | 0 | 0 | 6 | 652,832 | \$8.26 |
| 2016 1q | 666 | 23,048,728 | 862,071 | 3.7% | (184,605) | 0 | 0 | 3 | 398,110 | \$8.35 |
| 2015 4q | 666 | 23,048,728 | 677,466 | 2.9% | (60,779) | 0 | 0 | 3 | 398,110 | \$7.98 |
| 2015 3q | 666 | 23,048,728 | 616,687 | 2.7% | 498,691 | 0 | 0 | 3 | 398,110 | \$8.03 |
| 2015 2q | 666 | 23,048,728 | 1,115,378 | 4.8% | (240,733) | 0 | 0 | 3 | 398,110 | \$8.10 |
| 2015 1q | 666 | 23,048,728 | 874,645 | 3.8% | 249,065 | 0 | 0 | 3 | 398,110 | \$8.05 |
| 2014 4q | 666 | 23,048,728 | 1,123,710 | 4.9% | 32,509 | 0 | 0 | 3 | 398,110 | \$7.86 |
| 2014 3q | 666 | 23,048,728 | 1,156,219 | 5.0% | 260,260 | 0 | 0 | 3 | 398,110 | \$7.75 |
| 2014 2q | 666 | 23,048,728 | 1,416,479 | 6.1% | 10,542 | 1 | 31,264 | 3 | 398,110 | \$7.51 |
| 2014 1q | 665 | 23,017,464 | 1,395,757 | 6.1% | (88,413) | 0 | 0 | 1 | 31,264 | \$7.29 |
| 2013 4q | 665 | 23,017,464 | 1,307,344 | 5.7% | (135,627) | 0 | 0 | 0 | 0 | \$7.23 |
| 2013 3q | 665 | 23,017,464 | 1,171,717 | 5.1% | (189,327) | 0 | 0 | 0 | 0 | \$7.27 |
| 2013 2q | 665 | 23,017,464 | 982,390 | 4.3% | 23,765 | 0 | 0 | 0 | 0 | \$7.15 |

Source: CoStar Property®



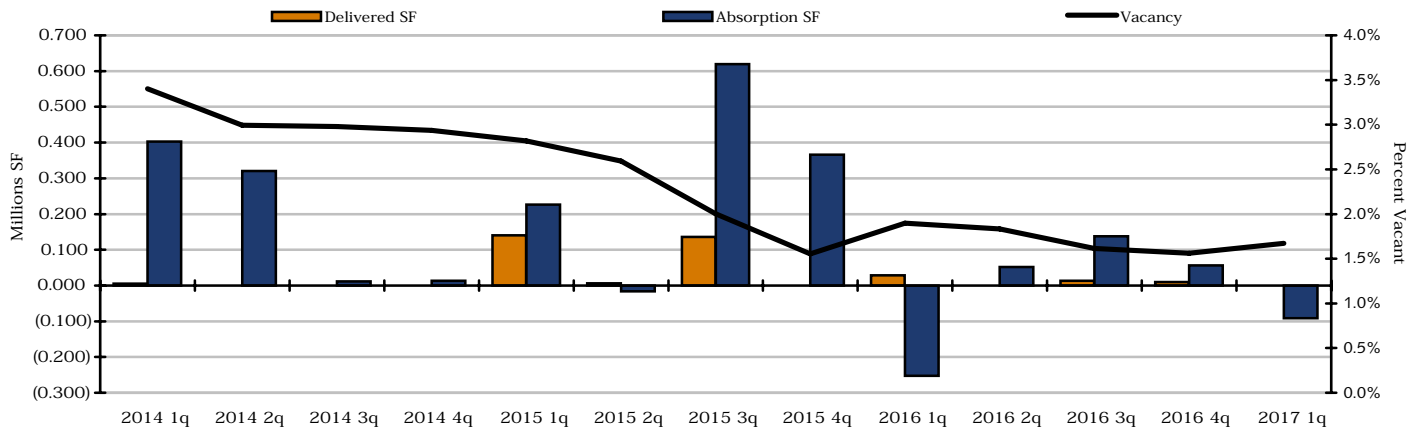
Los Angeles Industrial Market

SFV East Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

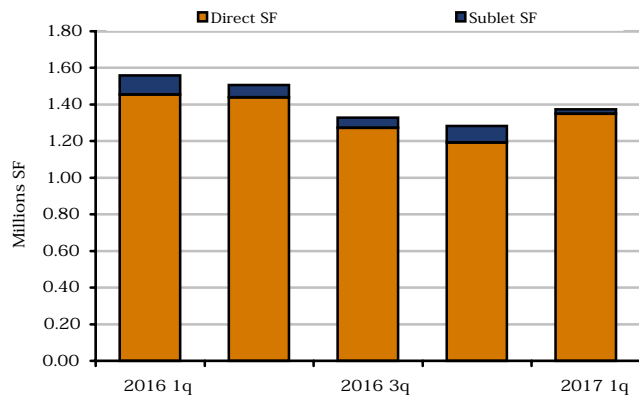
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

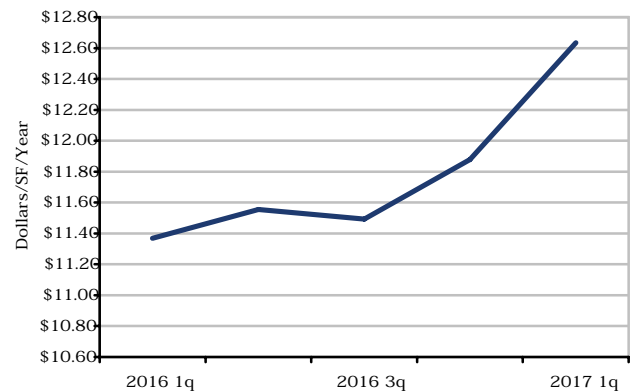
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 4,990 | 82,205,569 | 1,373,943 | 1.7% | (91,753) | 0 | 0 | 3 | 364,638 | \$12.64 |
| 2016 4q | 4,990 | 82,205,569 | 1,282,190 | 1.6% | 55,902 | 1 | 10,000 | 3 | 364,638 | \$11.88 |
| 2016 3q | 4,989 | 82,195,569 | 1,328,092 | 1.6% | 137,787 | 1 | 12,945 | 2 | 13,600 | \$11.49 |
| 2016 2q | 4,989 | 82,236,824 | 1,507,134 | 1.8% | 52,241 | 0 | 0 | 3 | 26,545 | \$11.56 |
| 2016 1q | 4,989 | 82,236,824 | 1,559,375 | 1.9% | (252,402) | 1 | 28,620 | 1 | 12,945 | \$11.37 |
| 2015 4q | 4,988 | 82,208,204 | 1,278,353 | 1.6% | 366,430 | 0 | 0 | 2 | 41,565 | \$11.16 |
| 2015 3q | 4,988 | 82,208,204 | 1,644,783 | 2.0% | 619,591 | 1 | 136,000 | 2 | 41,565 | \$11.06 |
| 2015 2q | 4,987 | 82,072,204 | 2,128,374 | 2.6% | (15,842) | 1 | 6,605 | 1 | 136,000 | \$10.97 |
| 2015 1q | 4,988 | 82,277,588 | 2,317,916 | 2.8% | 226,402 | 2 | 140,368 | 2 | 142,605 | \$10.53 |
| 2014 4q | 4,988 | 82,145,730 | 2,412,460 | 2.9% | 13,080 | 0 | 0 | 4 | 282,973 | \$10.38 |
| 2014 3q | 4,990 | 82,169,157 | 2,448,967 | 3.0% | 11,903 | 0 | 0 | 4 | 282,973 | \$10.23 |
| 2014 2q | 4,990 | 82,169,157 | 2,460,870 | 3.0% | 320,029 | 0 | 0 | 2 | 140,368 | \$10.09 |
| 2014 1q | 4,992 | 82,183,077 | 2,794,819 | 3.4% | 402,425 | 1 | 5,000 | 1 | 81,368 | \$9.83 |
| 2013 4q | 4,993 | 82,214,335 | 3,228,502 | 3.9% | 98,302 | 1 | 44,000 | 1 | 5,000 | \$9.43 |
| 2013 3q | 4,996 | 82,276,297 | 3,388,766 | 4.1% | 68,255 | 0 | 0 | 2 | 49,000 | \$9.23 |
| 2013 2q | 4,997 | 82,282,377 | 3,463,101 | 4.2% | (445,138) | 0 | 0 | 1 | 44,000 | \$8.89 |

Source: CoStar Property®

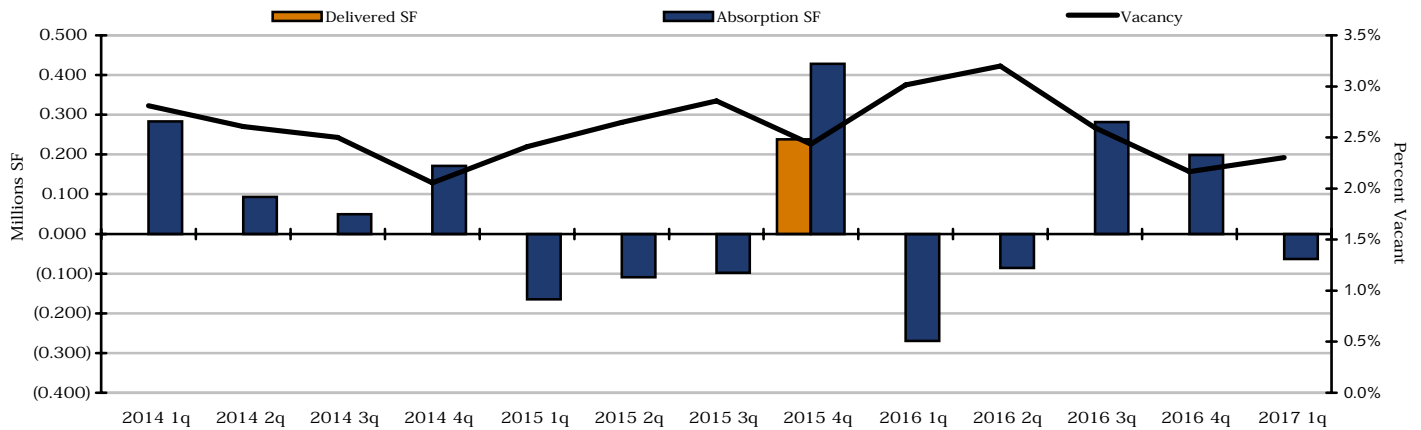
Los Angeles Industrial Market



SFV West Market
MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

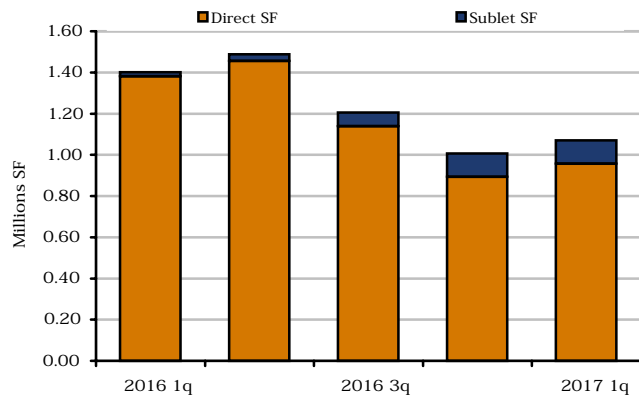
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

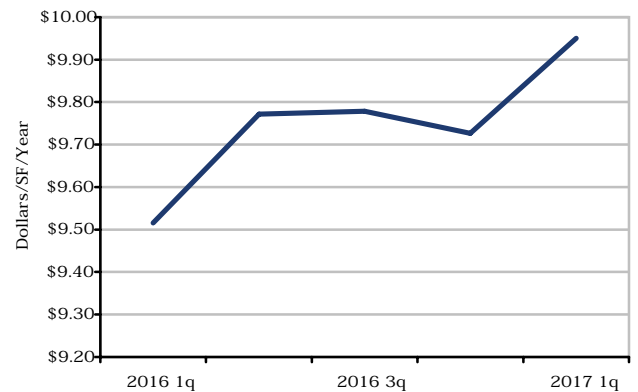
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,964 | 46,503,888 | 1,070,363 | 2.3% | (63,120) | 0 | 0 | 0 | 0 | \$9.95 |
| 2016 4q | 1,964 | 46,503,888 | 1,007,243 | 2.2% | 198,610 | 0 | 0 | 0 | 0 | \$9.73 |
| 2016 3q | 1,964 | 46,503,888 | 1,205,853 | 2.6% | 281,526 | 0 | 0 | 0 | 0 | \$9.78 |
| 2016 2q | 1,964 | 46,503,888 | 1,487,379 | 3.2% | (85,591) | 0 | 0 | 0 | 0 | \$9.77 |
| 2016 1q | 1,964 | 46,503,888 | 1,401,788 | 3.0% | (269,718) | 0 | 0 | 0 | 0 | \$9.52 |
| 2015 4q | 1,964 | 46,503,888 | 1,132,070 | 2.4% | 428,276 | 5 | 238,116 | 0 | 0 | \$9.36 |
| 2015 3q | 1,959 | 46,265,772 | 1,322,230 | 2.9% | (97,956) | 0 | 0 | 5 | 238,116 | \$9.46 |
| 2015 2q | 1,959 | 46,265,772 | 1,224,274 | 2.6% | (108,829) | 0 | 0 | 5 | 238,116 | \$9.52 |
| 2015 1q | 1,959 | 46,265,772 | 1,115,445 | 2.4% | (165,037) | 0 | 0 | 5 | 238,116 | \$9.43 |
| 2014 4q | 1,959 | 46,265,772 | 950,408 | 2.1% | 171,226 | 0 | 0 | 1 | 126,557 | \$9.17 |
| 2014 3q | 1,960 | 46,301,972 | 1,157,834 | 2.5% | 49,859 | 0 | 0 | 0 | 0 | \$8.93 |
| 2014 2q | 1,960 | 46,301,972 | 1,207,693 | 2.6% | 93,291 | 0 | 0 | 0 | 0 | \$8.79 |
| 2014 1q | 1,960 | 46,301,972 | 1,300,984 | 2.8% | 283,554 | 0 | 0 | 0 | 0 | \$8.57 |
| 2013 4q | 1,960 | 46,301,972 | 1,584,538 | 3.4% | 45,912 | 0 | 0 | 0 | 0 | \$8.15 |
| 2013 3q | 1,960 | 46,301,972 | 1,630,450 | 3.5% | 732,310 | 0 | 0 | 0 | 0 | \$8.00 |
| 2013 2q | 1,960 | 46,301,972 | 2,362,760 | 5.1% | 134,250 | 0 | 0 | 0 | 0 | \$7.96 |

Source: CoStar Property®



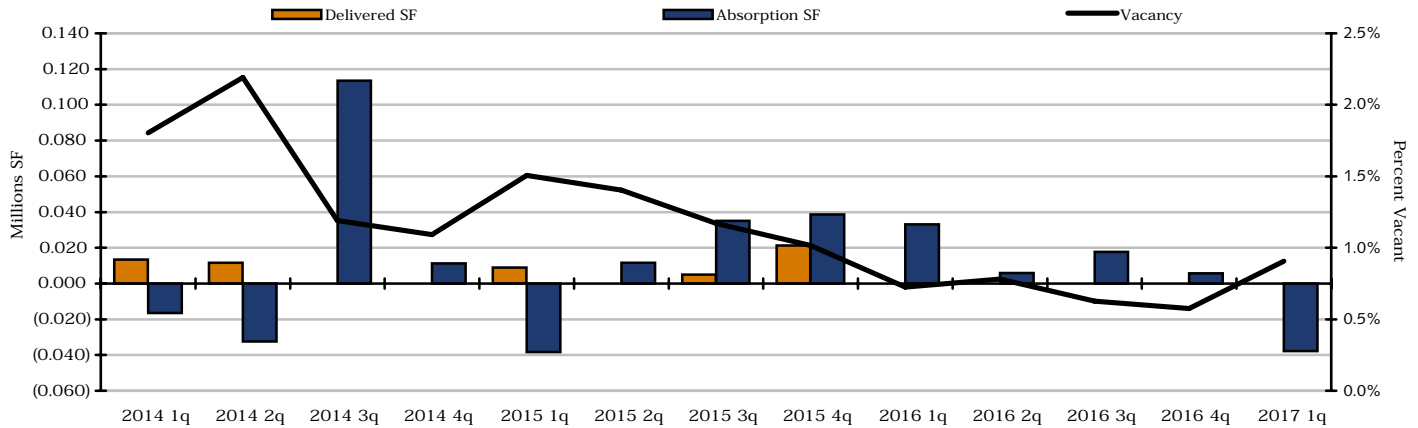
Los Angeles Industrial Market

Southwest SGV Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

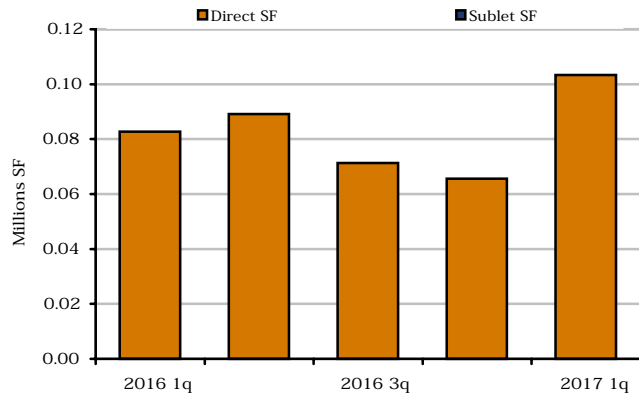
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

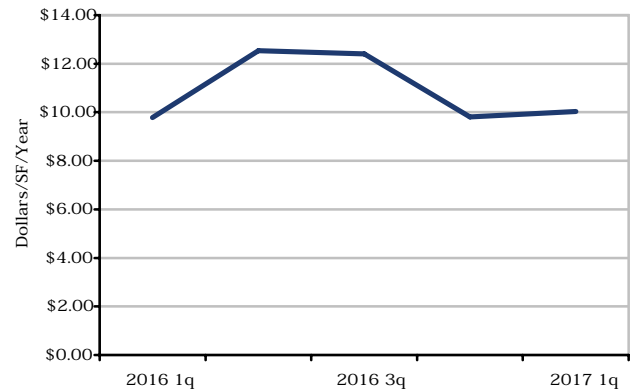
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,037 | 11,403,096 | 103,355 | 0.9% | (37,759) | 0 | 0 | 0 | 0 | \$10.04 |
| 2016 4q | 1,037 | 11,403,096 | 65,596 | 0.6% | 5,763 | 0 | 0 | 0 | 0 | \$9.81 |
| 2016 3q | 1,037 | 11,403,096 | 71,359 | 0.6% | 17,746 | 0 | 0 | 0 | 0 | \$12.40 |
| 2016 2q | 1,037 | 11,403,096 | 89,105 | 0.8% | 5,948 | 0 | 0 | 0 | 0 | \$12.54 |
| 2016 1q | 1,035 | 11,390,742 | 82,699 | 0.7% | 33,164 | 0 | 0 | 2 | 12,354 | \$9.79 |
| 2015 4q | 1,035 | 11,390,742 | 115,863 | 1.0% | 38,571 | 2 | 21,245 | 2 | 12,354 | \$9.49 |
| 2015 3q | 1,033 | 11,369,497 | 133,189 | 1.2% | 35,163 | 1 | 5,076 | 2 | 21,245 | \$9.39 |
| 2015 2q | 1,031 | 11,360,676 | 159,531 | 1.4% | 11,677 | 0 | 0 | 4 | 30,066 | \$9.35 |
| 2015 1q | 1,031 | 11,360,676 | 171,208 | 1.5% | (38,249) | 1 | 9,000 | 3 | 12,566 | \$8.56 |
| 2014 4q | 1,030 | 11,351,676 | 123,959 | 1.1% | 11,259 | 0 | 0 | 2 | 14,076 | \$8.07 |
| 2014 3q | 1,030 | 11,351,676 | 135,218 | 1.2% | 113,508 | 0 | 0 | 2 | 14,076 | \$7.77 |
| 2014 2q | 1,030 | 11,351,676 | 248,726 | 2.2% | (32,339) | 1 | 11,700 | 1 | 9,000 | \$7.86 |
| 2014 1q | 1,029 | 11,339,976 | 204,687 | 1.8% | (16,418) | 1 | 13,500 | 2 | 20,700 | \$7.87 |
| 2013 4q | 1,028 | 11,326,476 | 174,769 | 1.5% | 65,750 | 0 | 0 | 2 | 25,200 | \$7.83 |
| 2013 3q | 1,028 | 11,326,476 | 240,519 | 2.1% | 27,043 | 0 | 0 | 2 | 25,200 | \$7.57 |
| 2013 2q | 1,028 | 11,326,476 | 267,562 | 2.4% | 18,986 | 1 | 8,000 | 0 | 0 | \$7.47 |

Source: CoStar Property®

Los Angeles Industrial Market

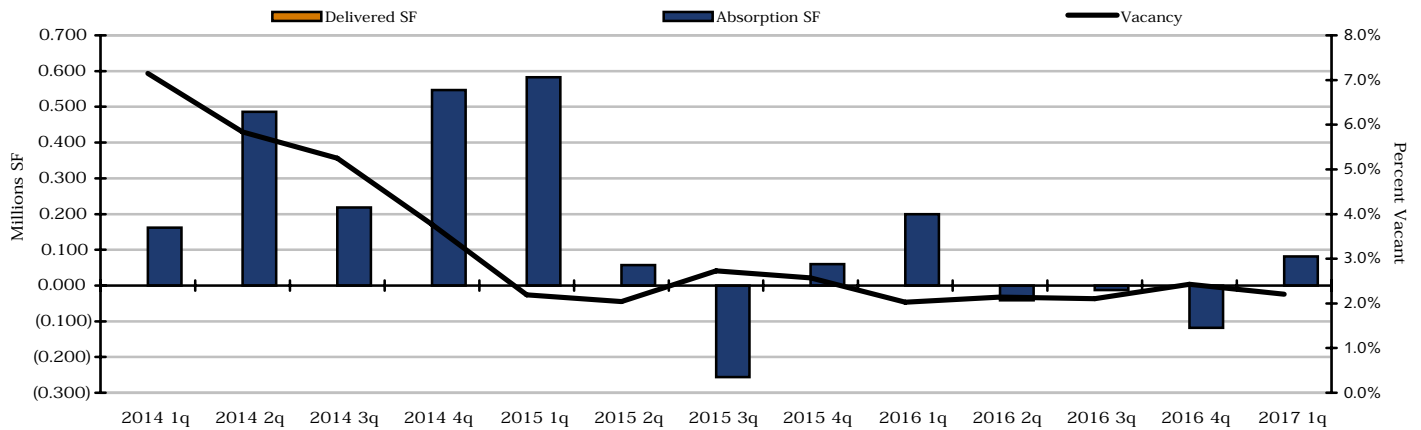


Torrance / Beach Cities Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

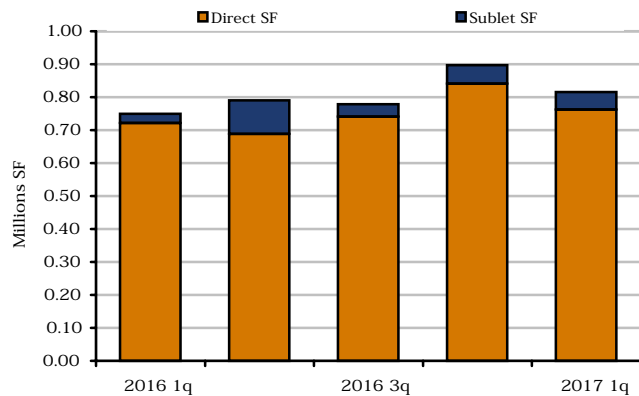
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

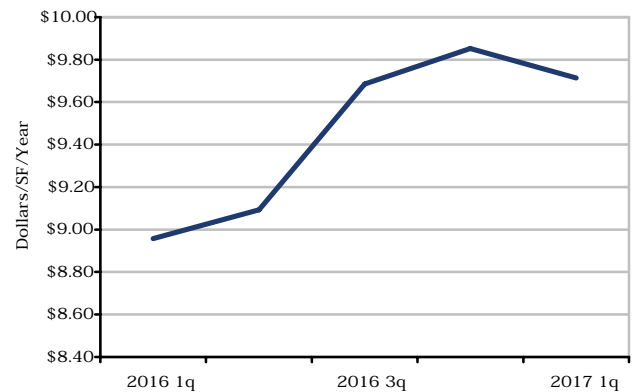
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,049 | 36,956,294 | 816,010 | 2.2% | 81,167 | 0 | 0 | 1 | 30,492 | \$9.71 |
| 2016 4q | 1,049 | 36,956,294 | 897,177 | 2.4% | (118,578) | 0 | 0 | 1 | 30,492 | \$9.85 |
| 2016 3q | 1,049 | 36,956,294 | 778,599 | 2.1% | (12,181) | 0 | 0 | 0 | 0 | \$9.69 |
| 2016 2q | 1,050 | 36,980,642 | 790,766 | 2.1% | (41,007) | 0 | 0 | 0 | 0 | \$9.09 |
| 2016 1q | 1,050 | 36,980,642 | 749,759 | 2.0% | 199,956 | 0 | 0 | 0 | 0 | \$8.96 |
| 2015 4q | 1,050 | 36,980,642 | 949,715 | 2.6% | 60,167 | 0 | 0 | 0 | 0 | \$8.81 |
| 2015 3q | 1,050 | 36,980,642 | 1,009,882 | 2.7% | (256,255) | 0 | 0 | 0 | 0 | \$8.48 |
| 2015 2q | 1,050 | 36,980,642 | 753,627 | 2.0% | 57,132 | 0 | 0 | 0 | 0 | \$8.44 |
| 2015 1q | 1,050 | 36,980,642 | 810,759 | 2.2% | 582,646 | 0 | 0 | 0 | 0 | \$8.30 |
| 2014 4q | 1,050 | 36,980,642 | 1,393,405 | 3.8% | 546,840 | 0 | 0 | 0 | 0 | \$8.26 |
| 2014 3q | 1,050 | 36,980,642 | 1,940,245 | 5.2% | 218,366 | 0 | 0 | 0 | 0 | \$8.12 |
| 2014 2q | 1,050 | 36,980,642 | 2,158,611 | 5.8% | 485,980 | 0 | 0 | 0 | 0 | \$8.08 |
| 2014 1q | 1,050 | 36,980,642 | 2,644,591 | 7.2% | 162,188 | 0 | 0 | 0 | 0 | \$8.01 |
| 2013 4q | 1,050 | 36,980,642 | 2,806,779 | 7.6% | 420,456 | 1 | 142,053 | 0 | 0 | \$8.12 |
| 2013 3q | 1,049 | 36,838,589 | 3,085,182 | 8.4% | (357,428) | 0 | 0 | 1 | 142,053 | \$8.11 |
| 2013 2q | 1,049 | 36,838,589 | 2,727,754 | 7.4% | 315,163 | 2 | 439,779 | 1 | 142,053 | \$8.02 |

Source: CoStar Property®



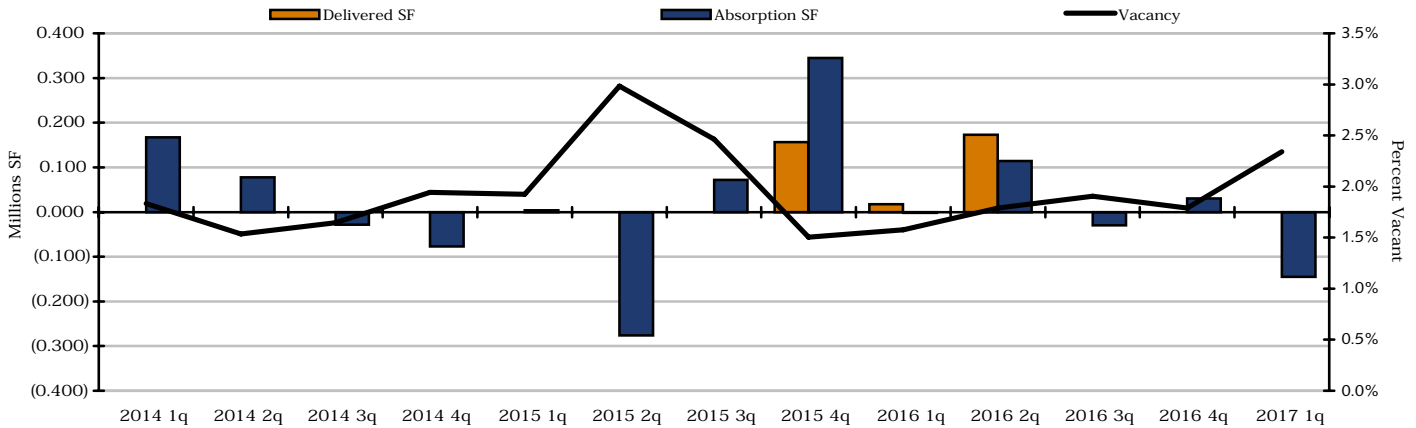
Los Angeles Industrial Market

Upper SGV Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

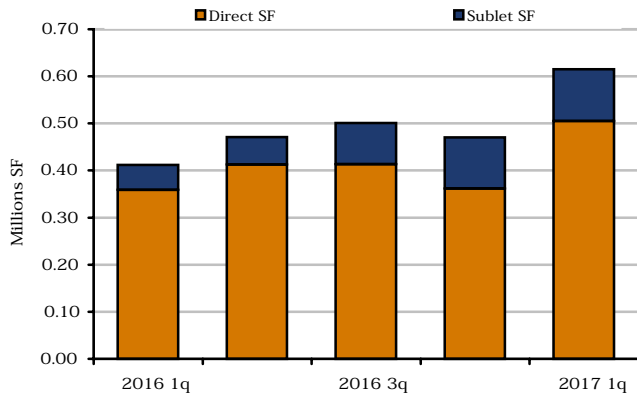
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

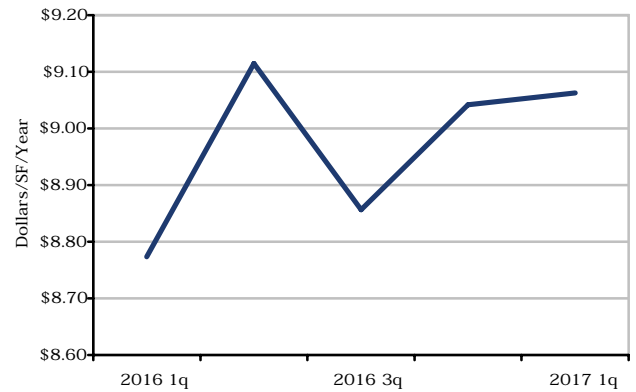
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,258 | 26,295,162 | 615,185 | 2.3% | (144,830) | 0 | 0 | 9 | 559,503 | \$9.06 |
| 2016 4q | 1,258 | 26,295,162 | 470,355 | 1.8% | 30,219 | 0 | 0 | 9 | 559,503 | \$9.04 |
| 2016 3q | 1,258 | 26,295,162 | 500,574 | 1.9% | (29,785) | 0 | 0 | 4 | 364,373 | \$8.86 |
| 2016 2q | 1,258 | 26,295,162 | 470,789 | 1.8% | 114,260 | 2 | 173,080 | 4 | 364,373 | \$9.11 |
| 2016 1q | 1,256 | 26,122,082 | 411,969 | 1.6% | (1,897) | 1 | 17,500 | 3 | 352,180 | \$8.77 |
| 2015 4q | 1,255 | 26,104,582 | 392,572 | 1.5% | 344,663 | 2 | 156,568 | 4 | 369,680 | \$8.67 |
| 2015 3q | 1,254 | 26,008,018 | 640,671 | 2.5% | 72,072 | 0 | 0 | 5 | 508,748 | \$8.53 |
| 2015 2q | 1,257 | 26,073,448 | 778,173 | 3.0% | (276,180) | 0 | 0 | 3 | 335,668 | \$8.17 |
| 2015 1q | 1,257 | 26,073,448 | 501,993 | 1.9% | 4,193 | 0 | 0 | 3 | 335,668 | \$8.04 |
| 2014 4q | 1,257 | 26,073,448 | 506,186 | 1.9% | (77,221) | 0 | 0 | 0 | 0 | \$7.90 |
| 2014 3q | 1,257 | 26,073,448 | 428,965 | 1.6% | (28,633) | 0 | 0 | 0 | 0 | \$7.44 |
| 2014 2q | 1,257 | 26,073,448 | 400,332 | 1.5% | 78,004 | 0 | 0 | 0 | 0 | \$7.29 |
| 2014 1q | 1,257 | 26,073,448 | 478,336 | 1.8% | 167,038 | 0 | 0 | 0 | 0 | \$7.16 |
| 2013 4q | 1,257 | 26,073,448 | 645,374 | 2.5% | 391,529 | 0 | 0 | 0 | 0 | \$7.24 |
| 2013 3q | 1,257 | 26,073,448 | 1,036,903 | 4.0% | 99,367 | 0 | 0 | 0 | 0 | \$6.90 |
| 2013 2q | 1,257 | 26,073,448 | 1,136,270 | 4.4% | 16,072 | 0 | 0 | 0 | 0 | \$6.81 |

Source: CoStar Property®

Los Angeles Industrial Market

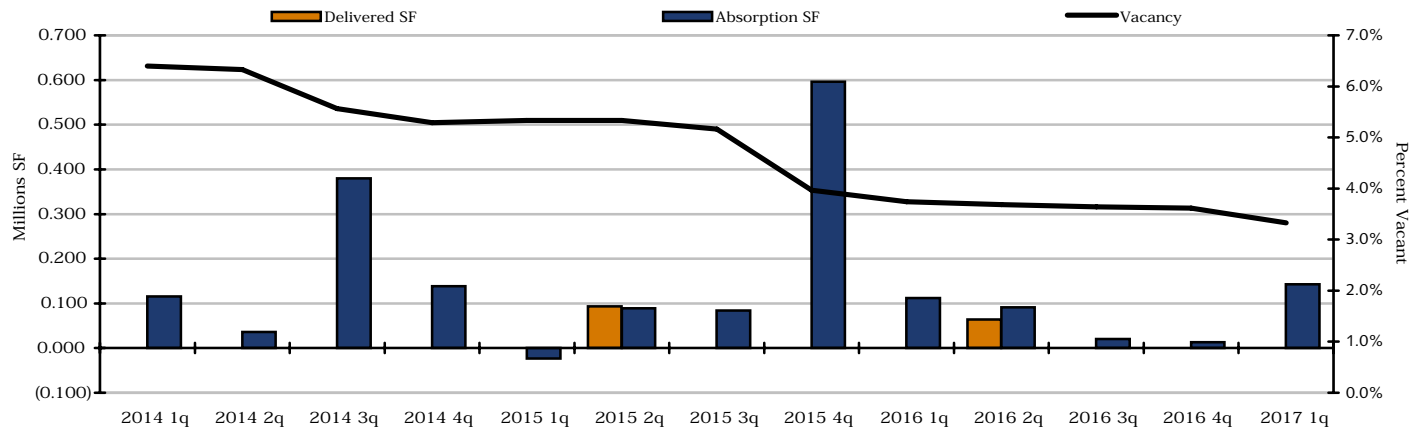


Ventura County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

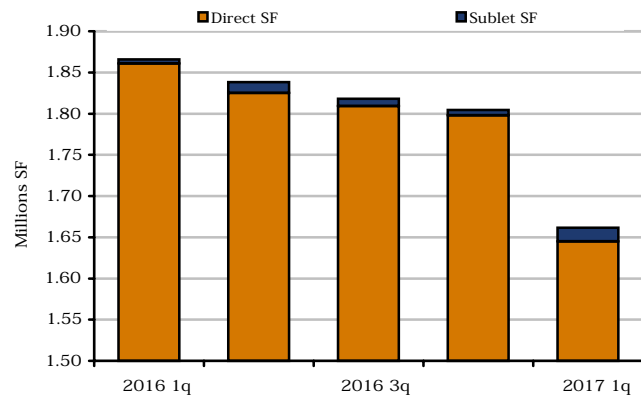
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

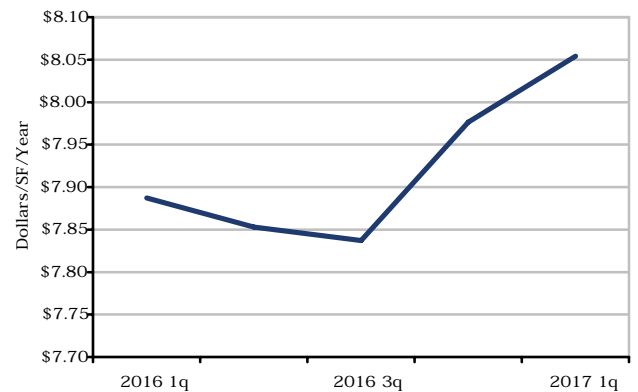
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 2,168 | 49,903,479 | 1,661,663 | 3.3% | 142,895 | 0 | 0 | 1 | 54,253 | \$8.05 |
| 2016 4q | 2,168 | 49,903,479 | 1,804,558 | 3.6% | 13,458 | 0 | 0 | 0 | 0 | \$7.98 |
| 2016 3q | 2,168 | 49,903,479 | 1,818,016 | 3.6% | 20,279 | 0 | 0 | 0 | 0 | \$7.84 |
| 2016 2q | 2,168 | 49,903,479 | 1,838,295 | 3.7% | 91,486 | 3 | 64,000 | 0 | 0 | \$7.85 |
| 2016 1q | 2,165 | 49,839,479 | 1,865,781 | 3.7% | 111,706 | 0 | 0 | 3 | 64,000 | \$7.89 |
| 2015 4q | 2,165 | 49,839,479 | 1,977,487 | 4.0% | 596,238 | 0 | 0 | 3 | 64,000 | \$7.74 |
| 2015 3q | 2,165 | 49,839,479 | 2,573,725 | 5.2% | 83,934 | 0 | 0 | 1 | 28,000 | \$7.61 |
| 2015 2q | 2,165 | 49,839,479 | 2,657,659 | 5.3% | 88,986 | 1 | 93,398 | 0 | 0 | \$7.61 |
| 2015 1q | 2,164 | 49,746,081 | 2,653,247 | 5.3% | (23,369) | 0 | 0 | 1 | 93,398 | \$7.64 |
| 2014 4q | 2,164 | 49,746,081 | 2,629,878 | 5.3% | 138,518 | 0 | 0 | 1 | 93,398 | \$7.75 |
| 2014 3q | 2,164 | 49,746,081 | 2,768,396 | 5.6% | 380,161 | 0 | 0 | 1 | 93,398 | \$7.65 |
| 2014 2q | 2,164 | 49,746,081 | 3,148,557 | 6.3% | 35,828 | 0 | 0 | 0 | 0 | \$7.63 |
| 2014 1q | 2,164 | 49,746,081 | 3,184,385 | 6.4% | 115,374 | 0 | 0 | 0 | 0 | \$7.46 |
| 2013 4q | 2,164 | 49,746,081 | 3,299,759 | 6.6% | 224,936 | 0 | 0 | 0 | 0 | \$7.36 |
| 2013 3q | 2,164 | 49,746,081 | 3,524,695 | 7.1% | (49,026) | 0 | 0 | 0 | 0 | \$7.30 |
| 2013 2q | 2,164 | 49,746,081 | 3,475,669 | 7.0% | 45,283 | 0 | 0 | 0 | 0 | \$7.36 |

Source: CoStar Property®



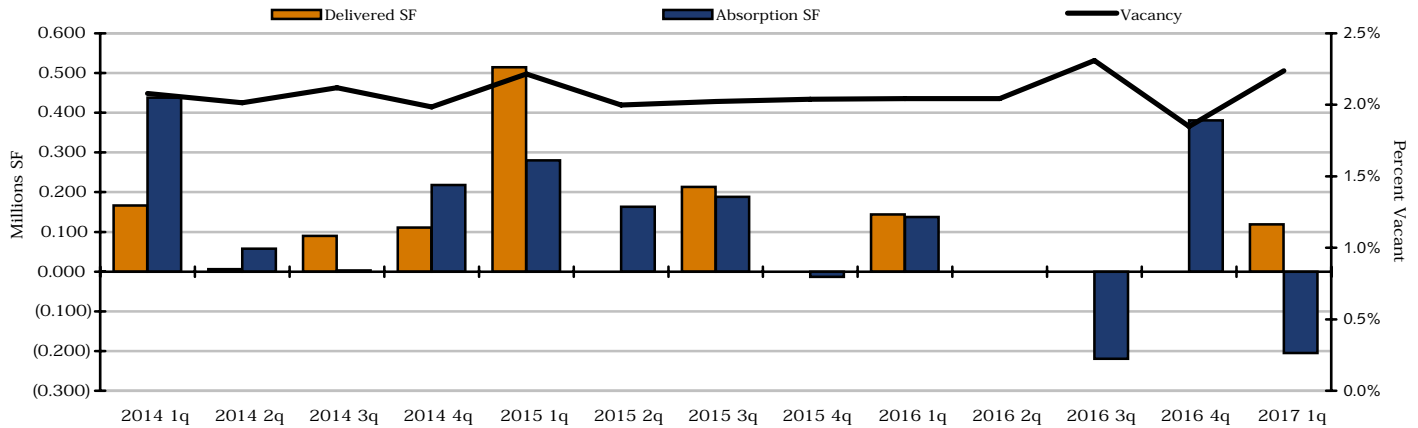
Los Angeles Industrial Market

Vernon Area Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

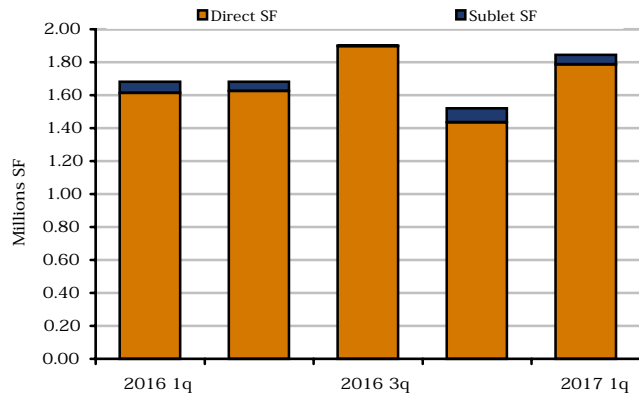
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

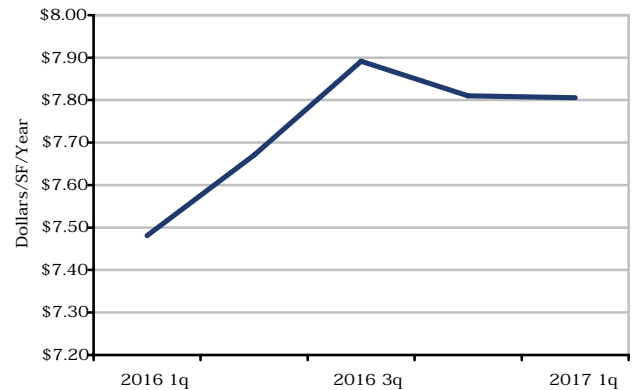
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 2,209 | 82,383,454 | 1,844,217 | 2.2% | (205,139) | 1 | 118,714 | 2 | 216,712 | \$7.81 |
| 2016 4q | 2,208 | 82,264,740 | 1,520,364 | 1.8% | 380,577 | 0 | 0 | 3 | 335,426 | \$7.81 |
| 2016 3q | 2,208 | 82,264,740 | 1,900,941 | 2.3% | (219,100) | 0 | 0 | 2 | 322,224 | \$7.89 |
| 2016 2q | 2,208 | 82,264,740 | 1,681,841 | 2.0% | (333) | 0 | 0 | 1 | 118,714 | \$7.67 |
| 2016 1q | 2,208 | 82,264,740 | 1,681,508 | 2.0% | 137,210 | 1 | 143,897 | 0 | 0 | \$7.48 |
| 2015 4q | 2,207 | 82,120,843 | 1,674,821 | 2.0% | (13,214) | 0 | 0 | 1 | 143,897 | \$7.42 |
| 2015 3q | 2,207 | 82,120,843 | 1,661,607 | 2.0% | 188,161 | 1 | 213,000 | 1 | 143,897 | \$7.69 |
| 2015 2q | 2,206 | 81,907,843 | 1,636,768 | 2.0% | 163,229 | 0 | 0 | 1 | 213,000 | \$7.43 |
| 2015 1q | 2,207 | 81,922,443 | 1,814,597 | 2.2% | 280,348 | 5 | 514,706 | 1 | 213,000 | \$7.04 |
| 2014 4q | 2,203 | 81,444,298 | 1,616,800 | 2.0% | 217,877 | 2 | 111,000 | 6 | 727,706 | \$6.86 |
| 2014 3q | 2,201 | 81,333,298 | 1,723,677 | 2.1% | 2,886 | 1 | 90,310 | 7 | 625,706 | \$6.87 |
| 2014 2q | 2,200 | 81,242,988 | 1,636,253 | 2.0% | 57,974 | 1 | 5,806 | 8 | 716,016 | \$6.74 |
| 2014 1q | 2,199 | 81,237,182 | 1,688,421 | 2.1% | 437,688 | 2 | 166,594 | 7 | 539,386 | \$6.36 |
| 2013 4q | 2,198 | 81,074,924 | 1,963,851 | 2.4% | 197,467 | 0 | 0 | 3 | 172,400 | \$6.49 |
| 2013 3q | 2,198 | 81,074,924 | 2,161,318 | 2.7% | 99,173 | 0 | 0 | 2 | 166,594 | \$6.18 |
| 2013 2q | 2,199 | 81,271,022 | 2,456,589 | 3.0% | 149,036 | 1 | 4,861 | 1 | 86,770 | \$5.96 |

Source: CoStar Property®

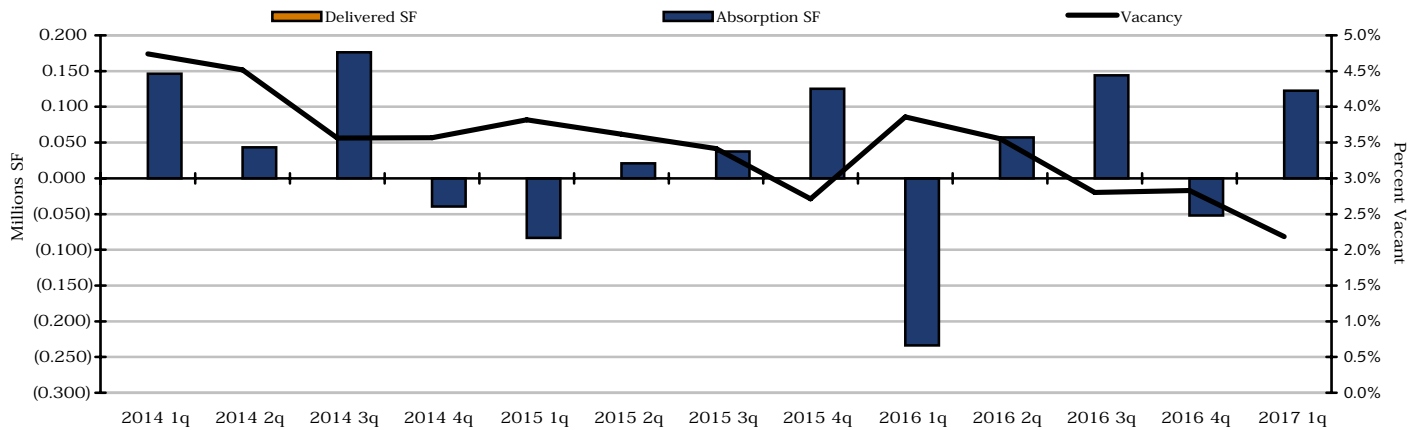
Los Angeles Industrial Market



Westside Market MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

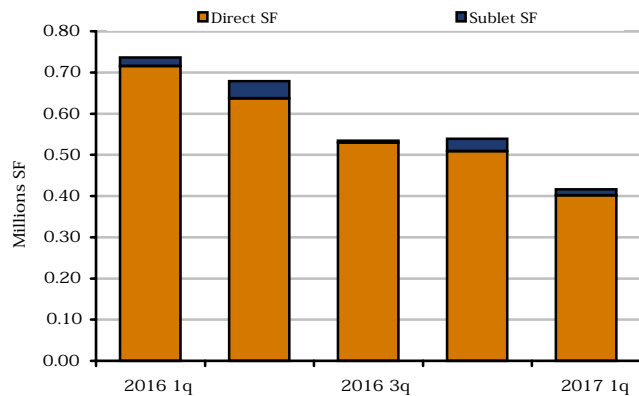
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

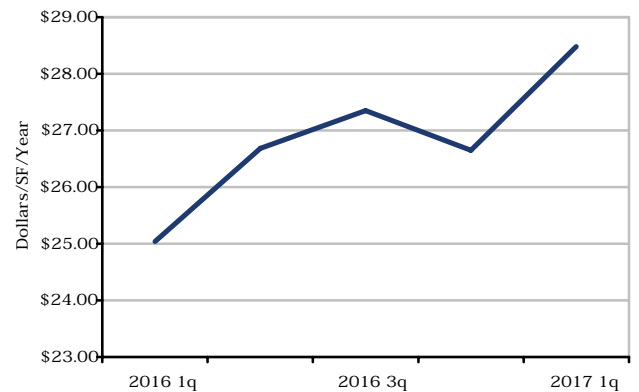
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 1q | 1,188 | 19,032,610 | 416,087 | 2.2% | 122,720 | 0 | 0 | 0 | 0 | \$28.48 |
| 2016 4q | 1,188 | 19,032,610 | 538,807 | 2.8% | (52,143) | 0 | 0 | 0 | 0 | \$26.65 |
| 2016 3q | 1,191 | 19,080,260 | 534,314 | 2.8% | 144,254 | 0 | 0 | 0 | 0 | \$27.35 |
| 2016 2q | 1,191 | 19,080,260 | 678,568 | 3.6% | 57,397 | 0 | 0 | 0 | 0 | \$26.68 |
| 2016 1q | 1,191 | 19,080,260 | 735,965 | 3.9% | (233,859) | 0 | 0 | 0 | 0 | \$25.04 |
| 2015 4q | 1,192 | 19,095,742 | 517,588 | 2.7% | 125,295 | 0 | 0 | 0 | 0 | \$24.39 |
| 2015 3q | 1,193 | 19,105,742 | 652,883 | 3.4% | 37,726 | 0 | 0 | 0 | 0 | \$23.56 |
| 2015 2q | 1,193 | 19,105,742 | 690,609 | 3.6% | 20,872 | 0 | 0 | 0 | 0 | \$22.55 |
| 2015 1q | 1,194 | 19,124,142 | 729,881 | 3.8% | (83,280) | 0 | 0 | 0 | 0 | \$22.58 |
| 2014 4q | 1,195 | 19,160,865 | 683,324 | 3.6% | (39,595) | 0 | 0 | 0 | 0 | \$22.77 |
| 2014 3q | 1,198 | 19,201,243 | 684,107 | 3.6% | 176,439 | 0 | 0 | 0 | 0 | \$22.20 |
| 2014 2q | 1,199 | 19,207,983 | 867,286 | 4.5% | 43,323 | 0 | 0 | 0 | 0 | \$21.21 |
| 2014 1q | 1,199 | 19,207,983 | 910,609 | 4.7% | 146,482 | 0 | 0 | 0 | 0 | \$20.42 |
| 2013 4q | 1,199 | 19,207,983 | 1,057,091 | 5.5% | (26,641) | 0 | 0 | 0 | 0 | \$19.24 |
| 2013 3q | 1,199 | 19,207,983 | 1,030,450 | 5.4% | (240,981) | 0 | 0 | 0 | 0 | \$18.77 |
| 2013 2q | 1,199 | 19,207,983 | 789,469 | 4.1% | (50,109) | 0 | 0 | 0 | 0 | \$18.58 |

Source: CoStar Property®