

# THE CoSTAR INDUSTRIAL REPORT

FIRST QUARTER 2014

## Los Angeles Industrial Market

### CoSTAR GROUP

## LOS ANGELES INDUSTRIAL MARKET

CoStar Group

## TABLE OF CONTENTS

Table of Contents .....	<b>A</b>
Methodology .....	<b>B</b>
Terms & Definitions .....	<b>C</b>
Market Highlights & Overview .....	<b>1</b>
CoStar Markets & Submarkets .....	<b>4</b>
Inventory & Development Analysis .....	<b>5</b>
Inventory & Development Analysis	
Select Top Deliveries	
Select Top Under Construction Properties	
Figures at a Glance .....	<b>9</b>
Figures at a Glance by Building Type & Market	
Figures at a Glance by Building Type & Submarket	
Historical Figures at a Glance	
Leasing Activity Analysis .....	<b>18</b>
Select Top Lease Transactions	
Sales Activity Analysis .....	<b>20</b>
Sales Activity Analysis	
Select Top Sales Transactions	
Analysis of Individual CoStar Submarket Clusters .....	<b>22</b>
Antelope Valley Market	
Carson/Rancho Domingz Market	
Central LA Market	
Commerce Area Market	
Conejo Valley Market	
Eastern SGV Market	
El Segundo/Hawthorne Market	
Gardena/110 Corridor Market	
Long Beach Area Market	
Lower SGV Market	
Lynwood/Paramount Market	
Mid Counties-LA Market	
Northwest SGV Market	
SCV/Lancaster/Palmdale Market	
SFV East Market	
SFV West Market	
Southwest SGV Market	
Torrance/Beach Cities Market	
Upper SGV Market	
Ventura County Market	
Vernon Area Market	
Westside Market	

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## METHODOLOGY

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The CoStar Industrial Report 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 national database includes approximately 80.7 billion square feet of coverage in 3.5 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property. The quoted rental rate is exclusive of the expense pass through associated with the rent.

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## LOS ANGELES INDUSTRIAL MARKET

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## TERMS &amp; 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 certificate 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:** The status of a building that is in the process of being developed, assembled, built or constructed. A building is considered to be under construction after it has begun construction and until it receives a certificate of occupancy.

**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

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## OVERVIEW

# LOS ANGELES'S VACANCY DECREASES TO 4.5%

## Net Absorption Positive 2,307,937 SF in the Quarter

The Los Angeles Industrial market ended the first quarter 2014 with a vacancy rate of 4.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 2,307,937 square feet in the first quarter. Vacant sublease space decreased in the quarter, ending the quarter at 1,965,802 square feet. Rental rates ended the first quarter at \$7.76, an increase over the previous quarter. A total of 8 buildings delivered to the market in the quarter totaling 296,008 square feet, with 1,802,544 square feet still under construction at the end of the quarter.

### Absorption

Net absorption for the overall Los Angeles Industrial market was positive 2,307,937 square feet in the first quarter 2014. That compares to positive 3,595,914 square feet in the fourth quarter 2013, positive 1,727,572 square feet in the third quarter 2013, and negative (491,998) square feet in the second quarter 2013.

Tenants moving out of large blocks of space in 2014 include: Phoenix Warehouse of California moving out of (290,000) square feet at Cerritos Distribution Ctr - Bldg 10, NBTY, Inc. moving out of (267,496) square feet at 901 E 233rd St - Bldg #156, and also moving out of (204,000) square feet at 810 E 233rd St.

Tenants moving into large blocks of space in 2014 include: Phoenix Warehouse moving into 305,422 square feet at 9306 Sorensen Ave, All-Ways Forwarding Int'l moving into 231,008 square feet at 24760 S Main St, and Jupiter Warehousing & Distribution, Inc. moving into 210,710 square feet at 16325 S Avalon Blvd.

The Flex building market recorded net absorption of positive 269,882 square feet in the first quarter 2014, compared to

negative (123,518) square feet in the fourth quarter 2013, positive 88,053 in the third quarter 2013, and negative (66,877) in the second quarter 2013.

The Warehouse building market recorded net absorption of positive 2,038,055 square feet in the first quarter 2014 compared to positive 3,719,432 square feet in the fourth quarter 2013, positive 1,639,519 in the third quarter 2013, and negative (425,121) in the second quarter 2013.

### Vacancy

The Industrial vacancy rate in the Los Angeles market area decreased to 4.5% at the end of the first quarter 2014. The vacancy rate was 4.7% at the end of the fourth quarter 2013, 5.0% at the end of the third quarter 2013, and 5.1% at the end of the second quarter 2013.

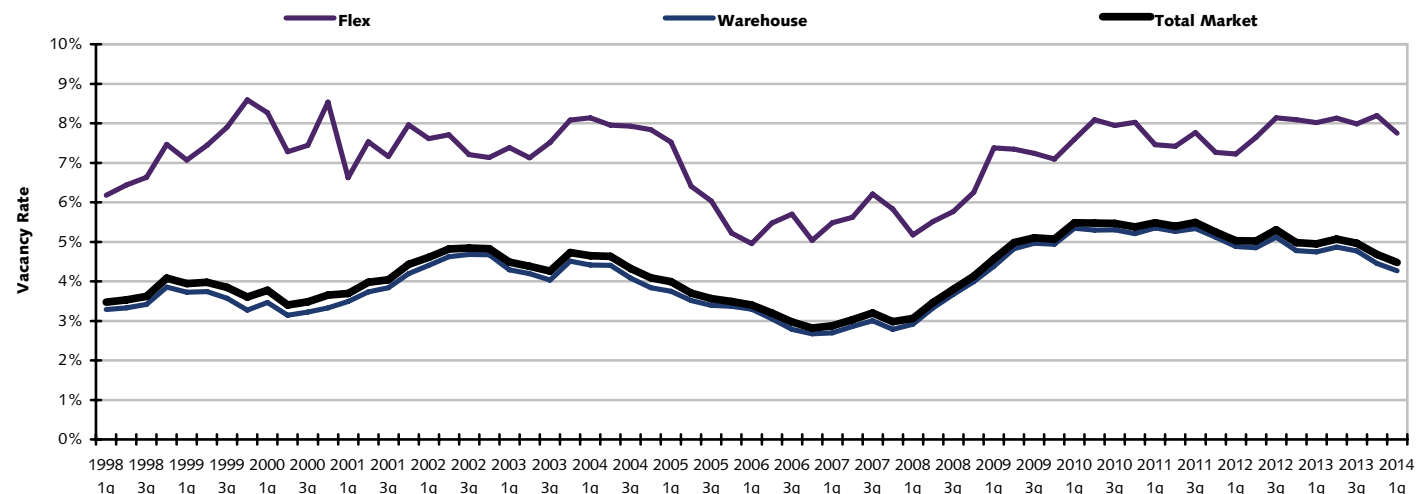
Flex projects reported a vacancy rate of 7.7% at the end of the first quarter 2014, 8.2% at the end of the fourth quarter 2013, 8.0% at the end of the third quarter 2013, and 8.1% at the end of the second quarter 2013.

Warehouse projects reported a vacancy rate of 4.3% at the end of the first quarter 2014, 4.4% at the end of fourth quarter 2013, 4.8% at the end of the third quarter 2013, and 4.9% at the end of the second quarter 2013.

### Largest Lease Signings

The largest lease signings occurring in 2014 included: the 210,710-square-foot lease signed by Jupiter Warehousing & Distribution, Inc. at 16325 S Avalon Blvd in the Gardena/110 Corridor market; the 161,610-square-foot deal signed by ACE World Class, Inc. at 12252 Whittier Blvd in the Commerce Area

## VACANCY RATES BY BUILDING TYPE 1998-2014



Source: CoStar Property®



market; and the 147,500-square-foot lease signed by Premier Transportation and Warehousing at Watson Ind Center South - Bldg 112 in the Carson/Rancho Domingz market.

### Sublease Vacancy

The amount of vacant sublease space in the Los Angeles market decreased to 1,965,802 square feet by the end of the first quarter 2014, from 1,980,121 square feet at the end of the fourth quarter 2013. There were 2,050,533 square feet vacant at the end of the third quarter 2013 and 2,493,403 square feet at the end of the second quarter 2013.

Los Angeles's Flex projects reported vacant sublease space of 141,390 square feet at the end of first quarter 2014, down from the 146,203 square feet reported at the end of the fourth quarter 2013. There were 119,881 square feet of sublease space vacant at the end of the third quarter 2013, and 331,388 square feet at the end of the second quarter 2013.

Warehouse projects reported decreased vacant sublease space from the fourth quarter 2013 to the first quarter 2014. Sublease vacancy went from 1,833,918 square feet to 1,824,412 square feet during that time. There were 1,930,652 square feet vacant at the end of the third quarter 2013, and 2,162,015 square feet at the end of the second quarter 2013.

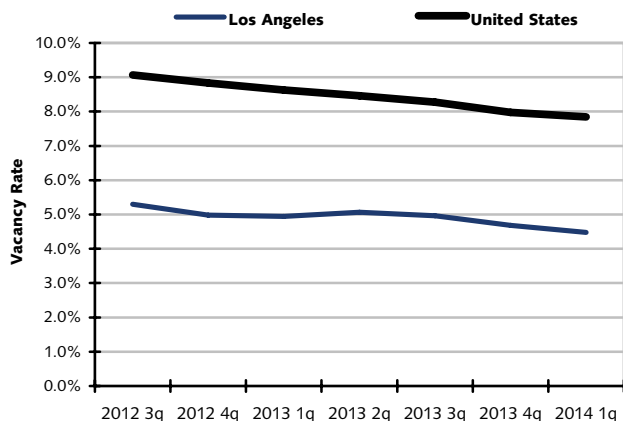
### Rental Rates

The average quoted asking rental rate for available Industrial space was \$7.76 per square foot per year at the end of the first quarter 2014 in the Los Angeles market area. This represented a 2.1% increase in quoted rental rates from the end of the fourth quarter 2013, when rents were reported at \$7.60 per square foot.

The average quoted rate within the Flex sector was \$16.54 per square foot at the end of the first quarter 2014, while Warehouse rates stood at \$7.16. At the end of the fourth quarter 2013, Flex rates were \$15.76 per square foot, and Warehouse rates were \$7.09.

## U.S. VACANCY COMPARISON

### Past 7 Quarters



Source: CoStar Property\*

### Deliveries and Construction

During the first quarter 2014, 8 buildings totaling 296,008 square feet were completed in the Los Angeles market area. This compares to eight buildings totaling 939,247 square feet that were completed in the fourth quarter 2013, four buildings totaling 754,137 square feet completed in the third quarter 2013, and 892,875 square feet in 10 buildings completed in the second quarter 2013.

There were 1,802,544 square feet of Industrial space under construction at the end of the first quarter 2014.

Some of the notable 2014 deliveries include: 2910 Ross St, an 86,770-square-foot facility that delivered in first quarter 2014 and is now 100% occupied, and 4550 Alcoa Ave, a 79,824-square-foot building that delivered in first quarter 2014 and is now 100% occupied.

The largest projects underway at the end of first quarter 2014 were 6100 Garfield Ave, a 620,000-square-foot building with 0% of its space pre-leased, and 300 N Baldwin Park Blvd, a 232,000-square-foot facility that is 100% pre-leased.

### Inventory

Total Industrial inventory in the Los Angeles market area amounted to 990,393,736 square feet in 36,972 buildings as of the end of the first quarter 2014. The Flex sector consisted of 61,076,522 square feet in 2,803 projects. The Warehouse sector consisted of 929,317,214 square feet in 34,169 buildings.

### Sales Activity

Tallying industrial building sales of 15,000 square feet or larger, Los Angeles industrial sales figures rose during the fourth quarter 2013 in terms of dollar volume compared to the third quarter of 2013.

In the fourth quarter, 116 industrial transactions closed with a total volume of \$561,540,043. The 116 buildings totaled 5,516,482 square feet and the average price per square foot equated to \$101.79 per square foot. That compares to 95 transactions totaling \$497,050,993 in the third quarter. The total square footage was 5,121,856 for an average price per square foot of \$97.05.

Total year-to-date industrial building sales activity in 2013 is down compared to the previous year. In the twelve months of 2013, the market saw 395 industrial sales transactions with a total volume of \$1,913,833,060. The price per square foot has averaged \$94.58 this year. In the twelve months of 2012, the market posted 443 transactions with a total volume of \$2,312,119,281. The price per square foot averaged \$86.57.

Cap rates have been lower in 2013, averaging 6.94%, compared to the twelve months of last year when they averaged 7.30%.

## LOS ANGELES INDUSTRIAL MARKET

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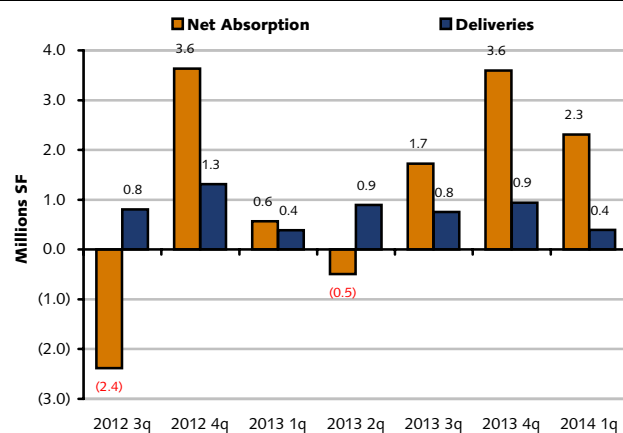
## OVERVIEW

One of the largest transactions that has occurred within the last four quarters in the Los Angeles market is the sale of 5959 Randolph St in Commerce. This 400,169-square-foot industrial building sold for \$53,800,000, or \$134.44 per square foot. The property sold on 1/14/2014, at a 4.30% cap rate.

Reports compiled by: Paula Bonner, David Blake, and Adam Jarrett, CoStar Research Managers.

## ABSORPTION &amp; DELIVERIES

## Past 7 Quarters



Source: CoStar Property•



## CoSTAR SUBMARKET CLUSTERS &amp; 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.

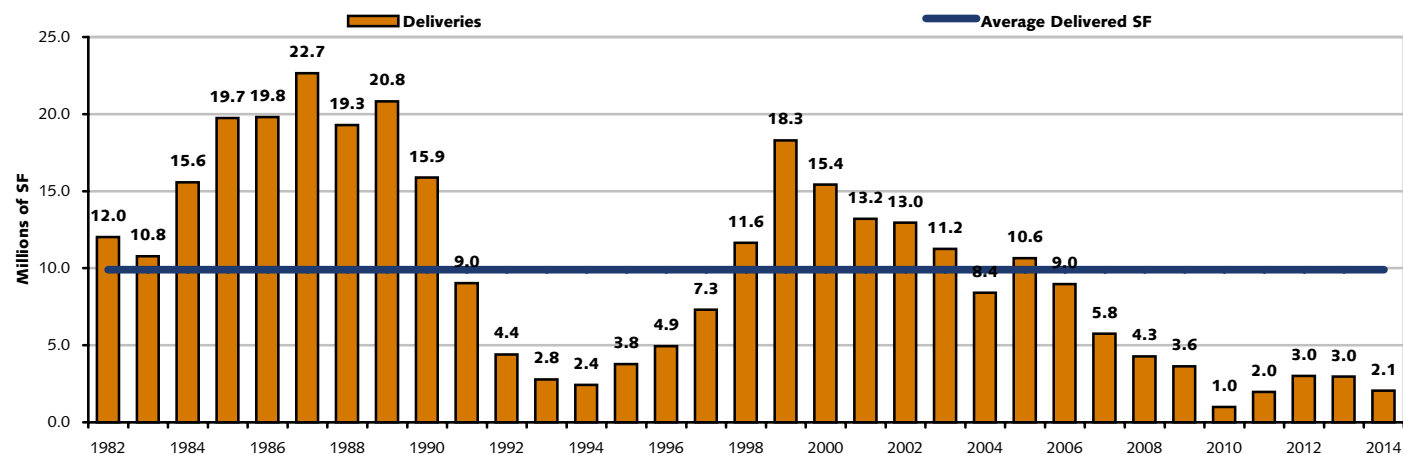
Submarket Clusters	Submarkets				
Antelope Valley Ind	Antelope Valley Ind				
Carson/Rancho Domingz Ind	Carson Central Ind Compton West Ind	Carson North Ind Rancho Dominguez Ind	Carson South Ind	Compton East Ind	
Central LA Ind	Central Los Angeles Ind				
Commerce Area Ind	Commerce Ind	Montebello/Whittier Ind			
Conejo Valley Ind	Agoura/Wlake 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 Vily 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

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## INVENTORY &amp; DEVELOPMENT

## HISTORICAL DELIVERIES 1982 - 2014



Source: CoStar Property®

\* Future deliveries based on current under construction buildings.

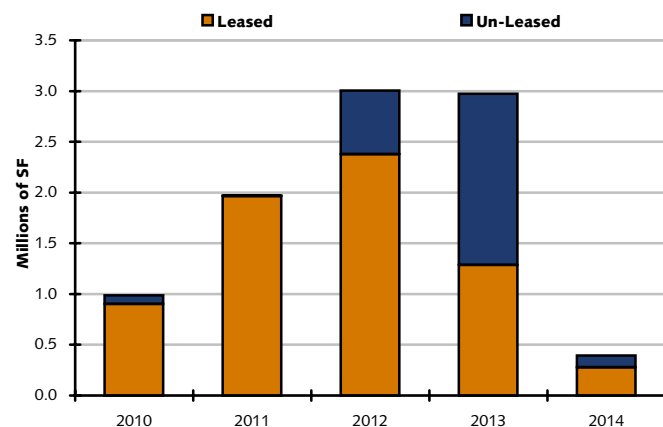
## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Commerce Area Ind	3	908,598	0	0.0%	44,823	302,866
Lower SGV Ind	3	311,543	232,000	74.5%	53,738	103,848
Vernon Area Ind	3	238,625	5,782	2.4%	37,087	79,542
Eastern SGV Ind	4	236,846	0	0.0%	23,778	59,211
Gardena/110 Corridor Ind	1	43,485	0	0.0%	21,597	43,485
Northwest SGV Ind	2	35,027	0	0.0%	17,360	17,513
Mid Counties-LA Ind	1	24,895	24,895	100.0%	35,210	24,895
El Segundo/Hawthorne Ind	1	3,525	3,525	100.0%	26,951	3,525
Ventura County Ind	0	0	0	0.0%	23,059	0
Long Beach Area Ind	0	0	0	0.0%	17,962	0
All Other	0	0	0	0.0%	23,297	0
<b>Totals</b>	<b>18</b>	<b>1,802,544</b>	<b>266,202</b>	<b>14.8%</b>	<b>26,788</b>	<b>100,141</b>

Source: CoStar Property®

## RECENT DELIVERIES

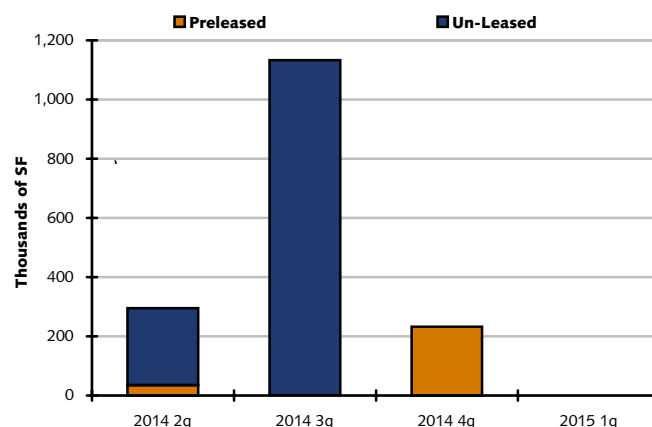
Leased &amp; Un-Leased SF in Deliveries Since 2010



Source: CoStar Property®

## FUTURE DELIVERIES

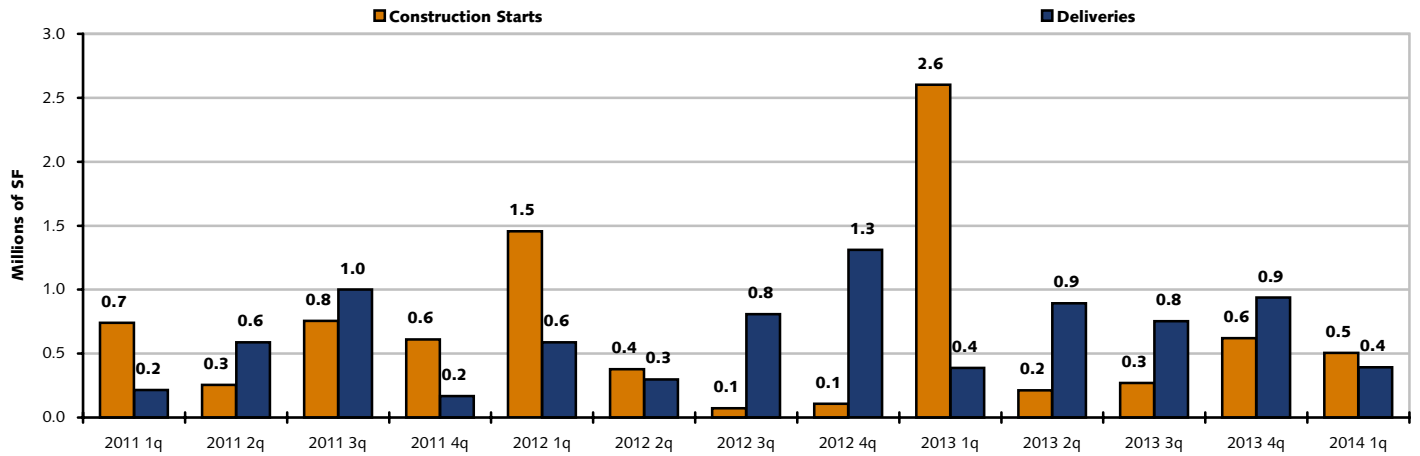
Preleased &amp; Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

## HISTORICAL CONSTRUCTION STARTS &amp; 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	9	175,221	59,132	33.7%	\$8.94	59,382	115,839
50,000 SF - 99,999 SF	3	218,626	218,626	100.0%	\$0.00	218,626	0
100,000 SF - 249,999 SF	0	0	0	0.0%	\$0.00	0	0
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

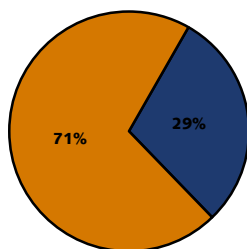
Source: CoStar Property®

## RECENT DEVELOPMENT BY TENANCY

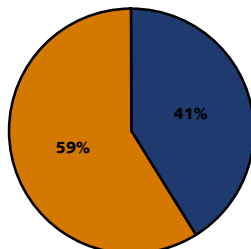
Based on RBA Developed for Single &amp; Multi-Tenant Use

2014 Deliveries

Currently Under Construction



■ Multi ■ Single



■ Multi ■ Single

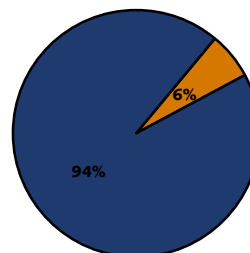
Source: CoStar Property®

## EXISTING INVENTORY COMPARISON

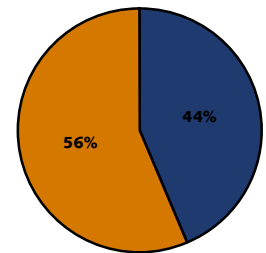
Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse



■ Multi ■ Single

Source: CoStar Property®

## LOS ANGELES INDUSTRIAL MARKET

CoSTAR GROUP

## INVENTORY &amp; DEVELOPMENT

## SELECT YEAR-TO-DATE DELIVERIES

Based on Project Square Footage

<b>1. 2910 Ross St</b> Submarket: <b>Vernon Area Industrial Market</b> RBA: <b>86,770</b> Occupied: <b>100%</b> Quoted Rate: <b>N/A</b> Grnd Brk Date: <b>Second Quarter 2013</b> Deliv Date: <b>First Quarter 2014</b> Leasing Co: <b>Heger Industrial</b> Developer: <b>Dedeaux Properties LLC</b>	<b>2. 4550 Alcoa Ave</b> Submarket: <b>Vernon Area Industrial Market</b> RBA: <b>79,824</b> Occupied: <b>100%</b> Quoted Rate: <b>N/A</b> Grnd Brk Date: <b>Third Quarter 2013</b> Deliv Date: <b>First Quarter 2014</b> Leasing Co: <b>Cushman &amp; Wakefield, Inc.</b> Developer: <b>N/A</b>	<b>3. 12011 Smith Ave</b> Submarket: <b>Mid Counties-LA Industrial Market</b> RBA: <b>52,032</b> Occupied: <b>100%</b> Quoted Rate: <b>N/A</b> Grnd Brk Date: <b>Second Quarter 2013</b> Deliv Date: <b>First Quarter 2014</b> Leasing Co: <b>N/A</b> Developer: <b>Western Realco</b>
<b>4. 12039 Smith Ave</b> Submarket: <b>Mid Counties-LA Industrial Market</b> RBA: <b>43,432</b> Occupied: <b>100%</b> Quoted Rate: <b>N/A</b> Grnd Brk Date: <b>Third Quarter 2013</b> Deliv Date: <b>First Quarter 2014</b> Leasing Co: <b>N/A</b> Developer: <b>Western Realco</b>	<b>5. 6800 Avalon Blvd - Building II</b> Submarket: <b>Central LA Industrial Market</b> RBA: <b>18,000</b> Occupied: <b>0%</b> Quoted Rate: <b>\$5.88</b> Grnd Brk Date: <b>Third Quarter 2013</b> Deliv Date: <b>First Quarter 2014</b> Leasing Co: <b>Pacific Center Place LLC</b> Developer: <b>N/A</b>	<b>6. 4013 W Jefferson Blvd</b> Submarket: <b>Central LA Industrial Market</b> RBA: <b>6,950</b> Occupied: <b>0%</b> Quoted Rate: <b>\$15.00</b> Grnd Brk Date: <b>First Quarter 2013</b> Deliv Date: <b>First Quarter 2014</b> Leasing Co: <b>Concord Real Estate Services</b> Developer: <b>N/A</b>
<b>7. 264 W Spazier Ave</b> Submarket: <b>SFV East Industrial Market</b> RBA: <b>5,000</b> Occupied: <b>0%</b> Quoted Rate: <b>\$12.00</b> Grnd Brk Date: <b>Third Quarter 2013</b> Deliv Date: <b>First Quarter 2014</b> Leasing Co: <b>Lee &amp; Associates</b> Developer: <b>N/A</b>	<b>8. 1600 Seabright Ave</b> Submarket: <b>Long Beach Area Industrial Market</b> RBA: <b>4,000</b> Occupied: <b>100%</b> Quoted Rate: <b>N/A</b> Grnd Brk Date: <b>Second Quarter 2012</b> Deliv Date: <b>First Quarter 2014</b> Leasing Co: <b>Parker Diving Service, Inc.</b> Developer: <b>N/A</b>	

## SELECT TOP UNDER CONSTRUCTION PROPERTIES

Based on Project Square Footage

<b>1. 6100 Garfield Ave</b> <hr/> Submarket: <b>Commerce Area Industrial Market</b> RBA: <b>620,000</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>First Quarter 2013</b> Deliv Date: <b>Third Quarter 2014</b> Leasing Co: <b>JLL</b> Developer: <b>N/A</b>	<b>2. 300 N Baldwin Park Blvd</b> <hr/> Submarket: <b>Lower SGV Industrial Market</b> RBA: <b>232,000</b> Preleased: <b>100%</b> Quoted Rate: <b>N/A</b> Grnd Brk Date: <b>First Quarter 2014</b> Deliv Date: <b>Fourth Quarter 2014</b> Leasing Co: <b>Jacmar</b> Developer: <b>N/A</b>	<b>3. Pacific Business Center - Bldg H</b> <hr/> Submarket: <b>Commerce Area Industrial Market</b> RBA: <b>218,598</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Fourth Quarter 2013</b> Deliv Date: <b>Third Quarter 2014</b> Leasing Co: <b>CBRE</b> Developer: <b>N/A</b>
<b>4. Mission 71 Business Park - Bldg N</b> <hr/> Submarket: <b>Eastern SGV Industrial Market</b> RBA: <b>109,987</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Fourth Quarter 2013</b> Deliv Date: <b>Second Quarter 2014</b> Leasing Co: <b>CBRE</b> Developer: <b>N/A</b>	<b>5. 3480 E 26th St</b> <hr/> Submarket: <b>Vernon Area Industrial Market</b> RBA: <b>90,407</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>First Quarter 2014</b> Deliv Date: <b>Third Quarter 2014</b> Leasing Co: <b>CBRE</b> Developer: <b>N/A</b>	<b>6. Pacific Business Center - Bldg G</b> <hr/> Submarket: <b>Commerce Area Industrial Market</b> RBA: <b>70,000</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Fourth Quarter 2013</b> Deliv Date: <b>Third Quarter 2014</b> Leasing Co: <b>CBRE</b> Developer: <b>N/A</b>
<b>7. Mission 71-Business Park Phase II - Bldg M</b> <hr/> Submarket: <b>Eastern SGV Industrial Market</b> RBA: <b>51,240</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Fourth Quarter 2013</b> Deliv Date: <b>Third Quarter 2014</b> Leasing Co: <b>CBRE</b> Developer: <b>Seventh Street Development, Inc.</b>	<b>8. Spec Building</b> <hr/> Submarket: <b>Gardena/110 Corridor Industrial Market</b> RBA: <b>43,485</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Fourth Quarter 2013</b> Deliv Date: <b>Second Quarter 2014</b> Leasing Co: <b>Commercial Property Group, Inc.</b> Developer: <b>N/A</b>	<b>9. Mission 71 Business Park - Bldg L</b> <hr/> Submarket: <b>Eastern SGV Industrial Market</b> RBA: <b>42,191</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Fourth Quarter 2013</b> Deliv Date: <b>Third Quarter 2014</b> Leasing Co: <b>CBRE</b> Developer: <b>N/A</b>
<b>10. OMP Don Julian Business Center - Building 2</b> <hr/> Submarket: <b>Lower SGV Industrial Market</b> RBA: <b>40,548</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Fourth Quarter 2013</b> Deliv Date: <b>Second Quarter 2014</b> Leasing Co: <b>Cushman &amp; Wakefield, Inc.</b> Developer: <b>N/A</b>	<b>11. OMP Don Julian Business Center - Building 1</b> <hr/> Submarket: <b>Lower SGV Industrial Market</b> RBA: <b>38,995</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Fourth Quarter 2013</b> Deliv Date: <b>Second Quarter 2014</b> Leasing Co: <b>Cushman &amp; Wakefield, Inc.</b> Developer: <b>N/A</b>	<b>12. 328 W Arrow Hwy</b> <hr/> Submarket: <b>Eastern SGV Industrial Market</b> RBA: <b>33,428</b> Preleased: <b>0%</b> Quoted Rate: <b>\$7.80</b> Grnd Brk Date: <b>First Quarter 2014</b> Deliv Date: <b>Fourth Quarter 2014</b> Leasing Co: <b>Newmark Grubb Knight Frank</b> Developer: <b>N/A</b>
<b>13. 12346 Valley Blvd</b> <hr/> Submarket: <b>Northwest SGV Industrial Market</b> RBA: <b>28,000</b> Preleased: <b>0%</b> Quoted Rate: <b>\$11.28</b> Grnd Brk Date: <b>Second Quarter 2013</b> Deliv Date: <b>Second Quarter 2014</b> Leasing Co: <b>Jenny Chen</b> Developer: <b>N/A</b>	<b>14. 11917 Front St</b> <hr/> Submarket: <b>Mid Counties-LA Industrial Market</b> RBA: <b>24,895</b> Preleased: <b>100%</b> Quoted Rate: <b>N/A</b> Grnd Brk Date: <b>Third Quarter 2013</b> Deliv Date: <b>Second Quarter 2014</b> Leasing Co: <b>Colliers International</b> Developer: <b>N/A</b>	<b>15. 2417 E 57th St</b> <hr/> Submarket: <b>Vernon Area Industrial Market</b> RBA: <b>5,782</b> Preleased: <b>100%</b> Quoted Rate: <b>N/A</b> Grnd Brk Date: <b>Fourth Quarter 2013</b> Deliv Date: <b>Second Quarter 2014</b> Leasing Co: <b>DAUM Commercial RE Services</b> Developer: <b>N/A</b>

## LOS ANGELES INDUSTRIAL MARKET

CoSTAR GROUP

FIGURES AT A GLANCE

## FLEX MARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
Antelope Valley Ind	65	944,402	52,028	52,028	5.5%	29,808	0	0	\$9.48
Carson/Rancho Domingz Ind	40	1,221,277	99,411	99,411	8.1%	(16,074)	0	0	\$10.74
Central LA Ind	310	5,045,532	427,626	427,626	8.5%	(50,043)	0	0	\$20.37
Commerce Area Ind	61	1,151,163	77,212	77,212	6.7%	17,858	0	0	\$13.58
Conejo Valley Ind	166	5,360,615	728,910	736,428	13.7%	76,882	0	0	\$12.79
Eastern SGV Ind	44	967,013	106,458	106,458	11.0%	(1,156)	0	0	\$18.16
El Segundo/Hawthorne Ind	64	2,274,905	132,595	132,595	5.8%	(18,602)	0	0	\$16.51
Gardena/110 Corridor Ind	35	781,220	22,723	22,723	2.9%	4,775	0	0	\$10.56
Long Beach Area Ind	99	1,686,118	167,636	171,136	10.1%	(37,075)	0	0	\$10.99
Lower SGV Ind	44	1,079,612	77,343	77,343	7.2%	(44,225)	0	0	\$12.90
Lynwood/Paramount Ind	10	136,406	11,200	11,200	8.2%	0	0	0	\$8.16
Mid Counties-LA Ind	187	4,158,233	216,301	218,801	5.3%	32,341	0	0	\$10.53
Northwest SGV Ind	115	2,364,068	71,513	92,513	3.9%	101,589	0	0	\$15.01
SCV/Lancaster/Palmdale Ind	125	3,327,510	306,727	316,290	9.5%	(37,154)	0	0	\$11.15
SFV East Ind	343	5,660,639	498,335	552,104	9.8%	(6,174)	0	0	\$17.23
SFV West Ind	360	8,711,854	414,557	414,557	4.8%	68,784	0	0	\$13.63
Southwest SGV Ind	21	239,059	6,570	6,570	2.7%	2,980	0	0	\$12.37
Torrance/Beach Cities Ind	190	4,730,013	190,684	198,134	4.2%	(69)	0	0	\$13.35
Upper SGV Ind	109	2,164,827	74,040	74,040	3.4%	20,734	0	0	\$8.95
Ventura County Ind	78	2,499,045	421,384	421,384	16.9%	58,608	0	0	\$12.45
Vernon Area Ind	29	524,938	56,873	56,873	10.8%	571	0	0	\$16.44
Westside Ind	308	6,048,073	431,559	467,649	7.7%	65,524	0	0	\$31.34
<b>Totals</b>	<b>2,803</b>	<b>61,076,522</b>	<b>4,591,685</b>	<b>4,733,075</b>	<b>7.7%</b>	<b>269,882</b>	<b>0</b>	<b>0</b>	<b>\$16.54</b>

Source: CoStar Property®

## WAREHOUSE MARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
Antelope Valley Ind	337	9,408,069	470,688	470,688	5.0%	68,559	0	0	\$6.18
Carson/Rancho Domingz Ind	1,204	74,040,994	4,054,987	4,520,988	6.1%	(158,192)	0	0	\$6.44
Central LA Ind	4,621	91,212,411	2,527,872	2,557,755	2.8%	32,835	24,950	0	\$8.75
Commerce Area Ind	1,603	73,434,673	3,436,382	3,517,451	4.8%	(508,561)	0	908,598	\$6.11
Conejo Valley Ind	674	19,085,062	1,316,592	1,411,089	7.4%	61,593	0	0	\$7.26
Eastern SGV Ind	1,042	24,856,291	458,965	468,965	1.9%	269,673	72,639	236,846	\$5.92
El Segundo/Hawthorne Ind	894	23,543,966	785,263	797,071	3.4%	(43,490)	0	3,525	\$8.55
Gardena/110 Corridor Ind	1,637	35,329,522	1,185,878	1,237,978	3.5%	198,855	0	43,485	\$6.64
Long Beach Area Ind	1,547	27,879,219	1,040,898	1,088,968	3.9%	1,184,745	4,000	0	\$7.92
Lower SGV Ind	1,487	81,193,014	3,037,365	3,064,762	3.8%	(217,015)	0	311,543	\$6.41
Lynwood/Paramount Ind	529	12,880,628	359,657	374,727	2.9%	(100,409)	0	0	\$6.40
Mid Counties-LA Ind	2,519	91,120,214	4,764,129	4,835,099	5.3%	482,339	95,464	24,895	\$6.35
Northwest SGV Ind	1,203	20,516,827	1,252,104	1,252,104	6.1%	68,403	0	35,027	\$6.86
SCV/Lancaster/Palmdale Ind	548	19,704,717	1,074,761	1,267,431	6.4%	54,714	0	0	\$6.69
SFV East Ind	4,618	78,222,926	2,377,727	2,788,311	3.6%	120,507	5,000	0	\$8.93
SFV West Ind	1,614	38,035,744	1,192,285	1,326,806	3.5%	61,506	0	0	\$7.74
Southwest SGV Ind	979	10,887,915	205,614	205,614	1.9%	(4,198)	25,200	0	\$7.76
Torrance/Beach Cities Ind	866	32,035,195	2,414,674	2,426,367	7.6%	25,340	0	0	\$7.71
Upper SGV Ind	1,151	23,981,936	440,920	480,194	2.0%	124,439	0	0	\$7.03
Ventura County Ind	2,093	47,561,347	2,916,671	2,928,676	6.2%	22,550	0	0	\$7.12
Vernon Area Ind	2,171	81,067,484	1,989,436	2,105,236	2.6%	272,189	166,594	238,625	\$6.28
Westside Ind	832	13,319,060	491,120	492,120	3.7%	21,673	0	0	\$14.85
<b>Totals</b>	<b>34,169</b>	<b>929,317,214</b>	<b>37,793,988</b>	<b>39,618,400</b>	<b>4.3%</b>	<b>2,038,055</b>	<b>393,847</b>	<b>1,802,544</b>	<b>\$7.16</b>

Source: CoStar Property®

## TOTAL INDUSTRIAL MARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
Antelope Valley Ind	402	10,352,471	522,716	522,716	5.0%	98,367	0	0	\$6.37
Carson/Rancho Domingz Ind	1,244	75,262,271	4,154,398	4,620,399	6.1%	(174,266)	0	0	\$6.51
Central LA Ind	4,931	96,257,943	2,955,498	2,985,381	3.1%	(17,208)	24,950	0	\$9.80
Commerce Area Ind	1,664	74,585,836	3,513,594	3,594,663	4.8%	(490,703)	0	908,598	\$6.22
Conejo Valley Ind	840	24,445,677	2,045,502	2,147,517	8.8%	138,475	0	0	\$8.46
Eastern SGV Ind	1,086	25,823,304	565,423	575,423	2.2%	268,517	72,639	236,846	\$6.45
El Segundo/Hawthorne Ind	958	25,818,871	917,858	929,666	3.6%	(62,092)	0	3,525	\$9.05
Gardena/110 Corridor Ind	1,672	36,110,742	1,208,601	1,260,701	3.5%	203,630	0	43,485	\$6.85
Long Beach Area Ind	1,646	29,565,337	1,208,534	1,260,104	4.3%	1,147,670	4,000	0	\$8.08
Lower SGV Ind	1,531	82,272,626	3,114,708	3,142,105	3.8%	(261,240)	0	311,543	\$6.46
Lynwood/Paramount Ind	539	13,017,034	370,857	385,927	3.0%	(100,409)	0	0	\$6.41
Mid Counties-LA Ind	2,706	95,278,447	4,980,430	5,053,900	5.3%	514,680	95,464	24,895	\$6.46
Northwest SGV Ind	1,318	22,880,895	1,323,617	1,344,617	5.9%	169,992	0	35,027	\$7.68
SCV/Lancaster/Palmdale Ind	673	23,032,227	1,381,488	1,583,721	6.9%	17,560	0	0	\$7.28
SFV East Ind	4,961	83,883,565	2,876,062	3,340,415	4.0%	114,333	5,000	0	\$9.92
SFV West Ind	1,974	46,747,598	1,606,842	1,741,363	3.7%	130,290	0	0	\$8.43
Southwest SGV Ind	1,000	11,126,974	212,184	212,184	1.9%	(1,218)	25,200	0	\$7.84
Torrance/Beach Cities Ind	1,056	36,765,208	2,605,358	2,624,501	7.1%	25,271	0	0	\$8.01
Upper SGV Ind	1,260	26,146,763	514,960	554,234	2.1%	145,173	0	0	\$7.14
Ventura County Ind	2,171	50,060,392	3,338,055	3,350,060	6.7%	81,158	0	0	\$7.46
Vernon Area Ind	2,200	81,592,422	2,046,309	2,162,109	2.6%	272,760	166,594	238,625	\$6.37
Westside Ind	1,140	19,367,133	922,679	959,769	5.0%	87,197	0	0	\$20.69
<b>Totals</b>	<b>36,972</b>	<b>990,393,736</b>	<b>42,385,673</b>	<b>44,351,475</b>	<b>4.5%</b>	<b>2,307,937</b>	<b>393,847</b>	<b>1,802,544</b>	<b>\$7.76</b>

Source: CoStar Property®



## LOS ANGELES INDUSTRIAL MARKET

CoSTAR GROUP

FIGURES AT A GLANCE

## FLEX SUBMARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Agoura/Wlake V	140	4,651,784	627,134	634,652	13.6%	72,515	0	0	\$12.89
Alhambra Ind	33	716,614	19,880	19,880	2.8%	(12,936)	0	0	\$14.05
Antelope Valley	65	944,402	52,028	52,028	5.5%	29,808	0	0	\$9.48
Arcadia/Sierra M	21	243,462	8,895	8,895	3.7%	6,877	0	0	\$17.17
Azusa Ind	34	1,061,591	0	0	0.0%	3,000	0	0	\$10.51
Baldwin Park Inc	24	344,847	41,793	41,793	12.1%	6,327	0	0	\$10.96
Beach Cities Ind	24	681,883	27,546	27,546	4.0%	(1,120)	0	0	\$14.60
Burbank Ind	91	1,447,921	74,663	80,633	5.6%	12,892	0	0	\$15.76
Canoga Park Inc	55	678,520	29,876	29,876	4.4%	23,406	0	0	\$9.63
Carson Central I	6	147,366	0	0	0.0%	1,559	0	0	\$12.24
Carson North In	2	60,527	0	0	0.0%	0	0	0	\$9.00
Carson South In	18	446,362	57,351	57,351	12.8%	(28,514)	0	0	\$9.40
Central Los Ang	310	5,045,532	427,626	427,626	8.5%	(50,043)	0	0	\$20.37
Central Ventura	19	798,231	341,951	341,951	42.8%	(18,241)	0	0	\$11.93
Cerritos Ind	25	792,241	49,370	49,370	6.2%	(1,888)	0	0	\$10.37
Chatsworth Ind	158	4,296,730	215,292	215,292	5.0%	12,693	0	0	\$9.93
City of Industry	6	107,943	5,000	5,000	4.6%	0	0	0	\$13.19
City of Industry	9	133,629	4,635	4,635	3.5%	919	0	0	\$11.57
City of Industry	2	147,758	40,533	40,533	27.4%	(35,144)	0	0	\$8.88
Claremont Ind	4	55,733	1,776	1,776	3.2%	(1,776)	0	0	\$11.04
Commerce Ind	39	755,729	72,450	72,450	9.6%	17,016	0	0	\$13.53
Compton East Ir	2	5,920	0	0	0.0%	0	0	0	\$0.00
Compton West	3	62,281	0	0	0.0%	0	0	0	\$0.00
Covina Ind	30	371,983	11,600	11,600	3.1%	9,600	0	0	\$7.37
Diamond Bar Inc	0	0	0	0	0.0%	0	0	0	\$0.00
Downey Ind	10	266,727	0	0	0.0%	0	0	0	\$13.17
Duarte Ind	3	32,610	0	0	0.0%	0	0	0	\$0.00
East San Ferndo	83	1,740,378	144,096	144,096	8.3%	(14,412)	0	0	\$11.38
El Monte Ind	23	753,305	18,823	38,723	5.1%	106,546	0	0	\$11.81
El Segundo Ind	33	1,541,726	72,872	72,872	4.7%	0	0	0	\$18.74
Encino Ind	0	0	0	0	0.0%	0	0	0	\$0.00
Gardena Centra	9	186,529	11,425	11,425	6.1%	(8,025)	0	0	\$15.98
Gardena East Inc	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%	14,000	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	335,784	11,298	11,298	3.4%	(1,200)	0	0	\$10.20
Glendale Ind	57	807,214	8,398	8,398	1.0%	10,080	0	0	\$13.58
Glendora Ind	14	182,637	0	0	0.0%	0	0	0	\$0.00
Hawthorne Ind	11	449,686	16,558	16,558	3.7%	(15,258)	0	0	\$13.44
Industry/Hacien	7	232,425	10,000	10,000	4.3%	(10,000)	0	0	\$15.36
Industry/La Pue	2	46,616	0	0	0.0%	0	0	0	\$0.00
Industry/Rowlar	6	196,091	0	0	0.0%	0	0	0	\$0.00
Inglewood Ind	16	250,938	32,765	32,765	13.1%	(3,344)	0	0	\$13.28
Irwindale Ind	4	171,159	20,647	20,647	12.1%	1,807	0	0	\$7.80

Source: CoStar Property®

## FLEX SUBMARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
La Mirada Ind	15	316,635	20,209	20,209	6.4%	(1,027)	0	0	\$12.22
La Verne Ind	5	94,880	4,032	4,032	4.2%	0	0	0	\$0.00
Lakewood Ind	1	3,600	0	0	0.0%	0	0	0	\$0.00
Lawndale Ind	4	32,555	10,400	10,400	31.9%	0	0	0	\$8.84
Long Beach Nor	25	594,114	95,656	95,656	16.1%	(11,981)	0	0	\$11.54
Long Beach SE I	18	333,827	42,566	42,566	12.8%	(18,148)	0	0	\$9.39
Long Beach SW	7	72,944	0	0	0.0%	0	0	0	\$0.00
Lynwood Ind	1	3,867	0	0	0.0%	0	0	0	\$0.00
Monrovia Ind	29	406,912	22,065	23,165	5.7%	2,952	0	0	\$19.73
Montebello/Wh	22	395,434	4,762	4,762	1.2%	842	0	0	\$13.78
Moorpark/Simi V	26	708,831	101,776	101,776	14.4%	4,367	0	0	\$12.17
North Hollywoo	18	238,454	5,877	5,877	2.5%	(5,877)	0	0	\$16.85
Northridge Ind	132	3,096,017	125,003	125,003	4.0%	25,935	0	0	\$12.45
Norwalk/Bellflo	9	151,777	14,918	14,918	9.8%	(1,959)	0	0	\$10.83
Oxnard/Pt Huer	26	895,882	31,431	31,431	3.5%	75,622	0	0	\$18.71
Paramount Nort	4	51,711	0	0	0.0%	0	0	0	\$0.00
Paramount Sout	5	80,828	11,200	11,200	13.9%	0	0	0	\$8.16
Pasadena Ind	94	1,426,672	265,301	313,100	21.9%	(8,857)	0	0	\$20.37
Pomona North I	3	204,876	66,776	66,776	32.6%	0	0	0	\$0.00
Pomona SE Ind	7	55,157	0	0	0.0%	0	0	0	\$0.00
Pomona SW Ind	3	114,830	17,036	17,036	14.8%	0	0	0	\$20.40
Rancho Doming	9	498,821	42,060	42,060	8.4%	10,881	0	0	\$12.23
Rosemead Ind	1	180,000	0	0	0.0%	0	0	0	\$0.00
San Dimas Ind	22	441,537	16,838	16,838	3.8%	620	0	0	\$13.23
San Gabriel Ind	5	39,759	1,850	1,850	4.7%	(1,850)	0	0	\$21.00
San Pedro Ind	5	31,107	0	0	0.0%	0	0	0	\$0.00
Santa Clarita/La	125	3,327,510	306,727	316,290	9.5%	(37,154)	0	0	\$11.15
Santa Fe Springs	128	2,630,853	131,804	134,304	5.1%	37,215	0	0	\$10.45
Signal Hill Ind	36	592,877	29,414	32,914	5.6%	(6,946)	0	0	\$11.45
South El Monte	10	95,734	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	6,570	6,570	5.0%	2,980	0	0	\$12.37
Tarzana Ind	2	35,246	12,700	12,700	36.0%	0	0	0	\$9.00
Temple City Ind	3	24,016	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	15,000	15,000	7.5%	2,490	0	0	\$12.25
Torrance NE Ind	44	1,536,248	27,250	27,250	1.8%	815	0	0	\$15.26
Torrance NW In	80	1,827,412	92,827	100,277	5.5%	(2,254)	0	0	\$13.51
Torrance South I	25	484,906	28,061	28,061	5.8%	0	0	0	\$11.05
Ventura Ind	33	804,932	48,002	48,002	6.0%	1,227	0	0	\$11.31
Vernon Ind	29	524,938	56,873	56,873	10.8%	571	0	0	\$16.44
West Covina/W	12	215,150	17,175	17,175	8.0%	0	0	0	\$17.00
Westside Ind	308	6,048,073	431,559	467,649	7.7%	65,524	0	0	\$31.34
Wilmington Ind	7	57,649	0	0	0.0%	0	0	0	\$14.28
Woodland Hills I	13	605,341	31,686	31,686	5.2%	6,750	0	0	\$19.41
<b>Totals</b>	<b>2,803</b>	<b>61,076,522</b>	<b>4,591,685</b>	<b>4,733,075</b>	<b>7.7%</b>	<b>269,882</b>	<b>0</b>	<b>0</b>	<b>\$16.54</b>

Source: CoStar Property®

## LOS ANGELES INDUSTRIAL MARKET

CoSTAR GROUP

FIGURES AT A GLANCE

## WAREHOUSE SUBMARKET STATISTICS

First Quarter 2014

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	273	7,379,305	213,189	213,189	2.9%	23,908	0	0	\$9.66
Alhambra Ind	255	3,855,983	105,607	105,607	2.7%	18,480	0	0	\$7.76
Antelope Valley	337	9,408,069	470,688	470,688	5.0%	68,559	0	0	\$6.18
Arcadia/Sierra M	122	1,323,451	32,398	32,398	2.4%	(1,400)	0	7,027	\$9.22
Azusa Ind	311	7,259,773	100,559	100,559	1.4%	28,500	0	0	\$6.22
Baldwin Park Inc	287	3,989,229	78,530	99,815	2.5%	46,826	0	0	\$7.90
Beach Cities Ind	69	2,238,546	81,219	81,219	3.6%	480	0	0	\$10.51
Burbank Ind	1,017	13,902,463	358,409	374,083	2.7%	6,157	5,000	0	\$11.19
Canoga Park Inc	321	5,382,233	325,949	325,949	6.1%	(122,700)	0	0	\$8.20
Carson Central I	265	20,068,743	1,067,943	1,106,621	5.5%	(205,361)	0	0	\$6.71
Carson North In	129	5,371,052	228,458	341,622	6.4%	(15,788)	0	0	\$6.98
Carson South In	152	11,851,639	474,785	600,157	5.1%	(75,184)	0	0	\$6.78
Central Los Ang	4,621	91,212,411	2,527,872	2,557,755	2.8%	32,835	24,950	0	\$8.75
Central Ventura	489	13,150,923	943,976	950,296	7.2%	(54,418)	0	0	\$7.56
Cerritos Ind	329	13,474,136	921,079	921,079	6.8%	70,007	0	0	\$6.14
Chatsworth Ind	491	15,827,559	473,605	537,896	3.4%	95,419	0	0	\$7.27
City of Industry	241	11,063,073	387,130	401,130	3.6%	10,384	0	0	\$6.16
City of Industry	315	22,758,267	386,685	390,383	1.7%	(80,863)	0	0	\$6.66
City of Industry	68	5,078,808	523,743	523,743	10.3%	72,936	0	0	\$6.30
Claremont Ind	23	557,766	12,677	12,677	2.3%	0	0	0	\$9.14
Commerce Ind	929	46,204,603	2,291,111	2,368,796	5.1%	(353,306)	0	908,598	\$6.12
Compton East Ir	129	2,689,836	14,469	14,469	0.5%	0	0	0	\$8.05
Compton West I	223	14,232,041	780,497	888,884	6.2%	10,782	0	0	\$6.26
Covina Ind	197	2,323,630	72,586	72,586	3.1%	60,146	0	0	\$7.99
Diamond Bar Inc	2	32,630	0	0	0.0%	0	0	0	\$0.00
Downey Ind	287	7,215,413	239,464	239,464	3.3%	(122,993)	0	0	\$6.86
Duarte Ind	65	1,104,728	35,991	47,860	4.3%	17,152	0	0	\$7.52
East San Ferndo	2,372	45,615,133	1,614,425	1,950,890	4.3%	114,211	0	0	\$7.85
El Monte Ind	385	8,990,071	1,025,041	1,025,041	11.4%	39,433	0	28,000	\$6.17
El Segundo Ind	269	10,544,274	253,200	261,308	2.5%	14,189	0	0	\$11.70
Encino Ind	1	2,005	0	0	0.0%	0	0	0	\$0.00
Gardena Central	468	9,396,216	218,299	225,499	2.4%	198,227	0	0	\$6.38
Gardena East Inc	185	6,233,986	80,368	80,368	1.3%	(31,636)	0	0	\$6.51
Gardena NE Ind	247	6,377,741	284,816	284,816	4.5%	8,775	0	43,485	\$6.62
Gardena North C	158	3,859,921	293,619	294,644	7.6%	13,973	0	0	\$6.64
Gardena North I	351	4,813,335	141,231	141,231	2.9%	244	0	0	\$7.53
Gardena NW Inc	10	99,026	0	0	0.0%	0	0	0	\$0.00
Gardena South I	218	4,549,297	167,545	211,420	4.6%	9,272	0	0	\$6.51
Glendale Ind	620	9,332,721	147,552	183,422	2.0%	(32,923)	0	0	\$9.76
Glendora Ind	54	850,012	101,770	101,770	12.0%	11,500	0	0	\$6.31
Hawthorne Ind	279	7,913,602	281,069	282,569	3.6%	2,335	0	0	\$6.80
Industry/Haciend	353	17,304,756	782,843	782,843	4.5%	(18,676)	0	79,543	\$6.78
Industry/La Pue	143	9,109,163	151,090	151,090	1.7%	(1,522)	0	232,000	\$5.05
Industry/Rowlan	234	12,895,894	756,382	766,081	5.9%	(189,168)	0	0	\$6.67
Inglewood Ind	297	4,661,432	248,494	250,694	5.4%	(60,014)	0	3,525	\$10.27
Irwindale Ind	237	8,454,564	51,484	57,604	0.7%	(39,685)	0	0	\$7.13

Source: CoStar Property®

## WAREHOUSE SUBMARKET STATISTICS

First Quarter 2014

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	13,421,704	830,484	870,484	6.5%	30,214	0	0	\$6.16
La Verne Ind	146	3,059,315	92,043	92,043	3.0%	(12,328)	72,639	0	\$6.25
Lakewood Ind	20	354,461	500	500	0.1%	0	0	0	\$7.80
Lawndale Ind	49	424,658	2,500	2,500	0.6%	0	0	0	\$13.07
Long Beach Nor	273	6,177,324	140,279	140,279	2.3%	(1,660)	0	0	\$6.50
Long Beach SE I	302	7,347,581	428,629	428,629	5.8%	1,169,419	0	0	\$8.43
Long Beach SW	447	4,780,079	182,746	182,746	3.8%	29,613	4,000	0	\$6.23
Lynwood Ind	179	5,548,297	195,307	195,307	3.5%	(132,142)	0	0	\$4.91
Monrovia Ind	259	3,506,928	56,269	56,269	1.6%	(11,024)	0	0	\$9.01
Montebello/Wh	674	27,230,070	1,145,271	1,148,655	4.2%	(155,255)	0	0	\$6.10
Moorpark/Simi V	401	11,705,757	1,103,403	1,197,900	10.2%	37,685	0	0	\$6.78
North Hollywoo	444	7,015,970	61,493	81,766	1.2%	16,668	0	0	\$8.86
Northridge Ind	757	15,164,215	377,256	437,886	2.9%	89,112	0	0	\$8.42
Norwalk/Bellflo	206	7,150,778	388,449	388,449	5.4%	(34,470)	0	24,895	\$6.86
Oxnard/Pt Huer	816	22,980,474	1,567,890	1,573,575	6.8%	70,180	0	0	\$6.72
Paramount Nort	95	2,614,137	40,041	40,041	1.5%	19,323	0	0	\$7.94
Paramount Sout	255	4,718,194	124,309	139,379	3.0%	12,410	0	0	\$7.85
Pasadena Ind	165	2,356,639	195,848	198,150	8.4%	16,394	0	0	\$13.77
Pomona North I	142	2,705,970	48,938	48,938	1.8%	7,490	0	0	\$5.89
Pomona SE Ind	424	10,937,789	197,088	207,088	1.9%	224,716	0	203,418	\$5.33
Pomona SW Ind	164	4,665,813	5,800	5,800	0.1%	(4,600)	0	0	\$6.56
Rancho Doming	306	19,827,683	1,488,835	1,569,235	7.9%	127,359	0	0	\$6.08
Rosemead Ind	74	1,363,604	10,778	10,778	0.8%	(3,589)	0	0	\$4.73
San Dimas Ind	141	2,897,008	102,419	102,419	3.5%	54,395	0	33,428	\$7.73
San Gabriel Ind	85	1,184,540	3,455	3,455	0.3%	25,503	0	0	\$7.60
San Pedro Ind	37	1,531,051	4,222	52,292	3.4%	0	0	0	\$9.20
Santa Clarita/La	548	19,704,717	1,074,761	1,267,431	6.4%	54,714	0	0	\$6.69
Santa Fe Springs	1,490	49,858,183	2,384,653	2,415,623	4.8%	539,581	95,464	0	\$6.40
Signal Hill Ind	284	4,430,220	142,984	142,984	3.2%	(8,335)	0	0	\$9.85
South El Monte	551	6,140,099	127,284	127,284	2.1%	19,892	0	0	\$7.95
South El Monte	276	2,571,947	13,970	13,970	0.5%	11,700	11,700	0	\$7.76
South El Monte	152	2,175,869	64,360	64,360	3.0%	(35,790)	13,500	0	\$7.35
Tarzana Ind	23	492,895	15,475	15,475	3.1%	(6,325)	0	0	\$12.22
Temple City Ind	23	292,250	18,556	18,556	6.3%	1,000	0	0	\$8.18
Topanga/Malibu	1	2,271	0	0	0.0%	0	0	0	\$0.00
Torrance Centra	156	2,653,471	42,907	42,907	1.6%	23,354	0	0	\$7.89
Torrance NE Ind	242	13,486,290	1,278,857	1,290,550	9.6%	(21,066)	0	0	\$7.41
Torrance NW In	135	6,423,650	547,520	547,520	8.5%	17,000	0	0	\$7.65
Torrance South I	264	7,233,238	464,171	464,171	6.4%	5,572	0	0	\$8.24
Ventura Ind	788	11,429,950	404,805	404,805	3.5%	6,788	0	0	\$7.97
Vernon Ind	2,171	81,067,484	1,989,436	2,105,236	2.6%	272,189	166,594	238,625	\$6.28
West Covina/W	133	2,983,053	49,492	49,492	1.7%	(10,106)	0	0	\$10.30
Westside Ind	831	13,316,789	491,120	492,120	3.7%	21,673	0	0	\$14.85
Wilmington Ind	184	3,258,503	141,538	141,538	4.3%	(4,292)	0	0	\$6.53
Woodland Hills I	21	1,166,837	0	9,600	0.8%	6,000	0	0	\$7.68
<b>Totals</b>	<b>34,169</b>	<b>929,317,214</b>	<b>37,793,988</b>	<b>39,618,400</b>	<b>4.3%</b>	<b>2,038,055</b>	<b>393,847</b>	<b>1,802,544</b>	<b>\$7.16</b>

Source: CoStar Property®

## LOS ANGELES INDUSTRIAL MARKET

CoSTAR GROUP

FIGURES AT A GLANCE

## TOTAL INDUSTRIAL SUBMARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Agoura/Wlake V	413	12,031,089	840,323	847,841	7.0%	96,423	0	0	\$11.57
Alhambra Ind	288	4,572,597	125,487	125,487	2.7%	5,544	0	0	\$9.34
Antelope Valley	402	10,352,471	522,716	522,716	5.0%	98,367	0	0	\$6.37
Arcadia/Sierra M	143	1,566,913	41,293	41,293	2.6%	5,477	0	7,027	\$9.64
Azusa Ind	345	8,321,364	100,559	100,559	1.2%	31,500	0	0	\$6.31
Baldwin Park Inc	311	4,334,076	120,323	141,608	3.3%	53,153	0	0	\$8.17
Beach Cities Ind	93	2,920,429	108,765	108,765	3.7%	(640)	0	0	\$11.60
Burbank Ind	1,108	15,350,384	433,072	454,716	3.0%	19,049	5,000	0	\$11.97
Canoga Park Inc	376	6,060,753	355,825	355,825	5.9%	(99,294)	0	0	\$8.33
Carson Central I	271	20,216,109	1,067,943	1,106,621	5.5%	(203,802)	0	0	\$6.75
Carson North In	131	5,431,579	228,458	341,622	6.3%	(15,788)	0	0	\$7.10
Carson South In	170	12,298,001	532,136	657,508	5.3%	(103,698)	0	0	\$6.86
Central Los Ang	4,931	96,257,943	2,955,498	2,985,381	3.1%	(17,208)	24,950	0	\$9.80
Central Ventura	508	13,949,154	1,285,927	1,292,247	9.3%	(72,659)	0	0	\$8.19
Cerritos Ind	354	14,266,377	970,449	970,449	6.8%	68,119	0	0	\$6.35
Chatsworth Ind	649	20,124,289	688,897	753,188	3.7%	108,112	0	0	\$7.47
City of Industry	247	11,171,016	392,130	406,130	3.6%	10,384	0	0	\$6.22
City of Industry	324	22,891,896	391,320	395,018	1.7%	(79,944)	0	0	\$6.70
City of Industry	70	5,226,566	564,276	564,276	10.8%	37,792	0	0	\$6.36
Claremont Ind	27	613,499	14,453	14,453	2.4%	(1,776)	0	0	\$9.53
Commerce Ind	968	46,960,332	2,363,561	2,441,246	5.2%	(336,290)	0	908,598	\$6.25
Compton East Ir	131	2,695,756	14,469	14,469	0.5%	0	0	0	\$8.05
Compton West I	226	14,294,322	780,497	888,884	6.2%	10,782	0	0	\$6.26
Covina Ind	227	2,695,613	84,186	84,186	3.1%	69,746	0	0	\$7.86
Diamond Bar Inc	2	32,630	0	0	0.0%	0	0	0	\$0.00
Downey Ind	297	7,482,140	239,464	239,464	3.2%	(122,993)	0	0	\$6.89
Duarte Ind	68	1,137,338	35,991	47,860	4.2%	17,152	0	0	\$7.52
East San Ferndo	2,455	47,355,511	1,758,521	2,094,986	4.4%	99,799	0	0	\$7.98
El Monte Ind	408	9,743,376	1,043,864	1,063,764	10.9%	145,979	0	28,000	\$6.38
El Segundo Ind	302	12,086,000	326,072	334,180	2.8%	14,189	0	0	\$13.47
Encino Ind	1	2,005	0	0	0.0%	0	0	0	\$0.00
Gardena Central	477	9,582,745	229,724	236,924	2.5%	190,202	0	0	\$6.54
Gardena East Inc	186	6,242,709	80,368	80,368	1.3%	(31,636)	0	0	\$6.51
Gardena NE Ind	247	6,377,741	284,816	284,816	4.5%	8,775	0	43,485	\$6.62
Gardena North C	163	3,943,219	293,619	294,644	7.5%	27,973	0	0	\$6.64
Gardena North I	357	4,954,496	141,231	141,231	2.9%	244	0	0	\$7.53
Gardena NW Inc	11	124,751	0	0	0.0%	0	0	0	\$0.00
Gardena South I	231	4,885,081	178,843	222,718	4.6%	8,072	0	0	\$7.63
Glendale Ind	677	10,139,935	155,950	191,820	1.9%	(22,843)	0	0	\$10.08
Glendora Ind	68	1,032,649	101,770	101,770	9.9%	11,500	0	0	\$6.31
Hawthorne Ind	290	8,363,288	297,627	299,127	3.6%	(12,923)	0	0	\$6.81
Industry/Hacien	360	17,537,181	792,843	792,843	4.5%	(28,676)	0	79,543	\$6.78
Industry/La Pue	145	9,155,779	151,090	151,090	1.7%	(1,522)	0	232,000	\$5.05
Industry/Rowlan	240	13,091,985	756,382	766,081	5.9%	(189,168)	0	0	\$6.67
Inglewood Ind	313	4,912,370	281,259	283,459	5.8%	(63,358)	0	3,525	\$10.46
Irwindale Ind	241	8,625,723	72,131	78,251	0.9%	(37,878)	0	0	\$7.13

Source: CoStar Property®

## TOTAL INDUSTRIAL SUBMARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
La Mirada Ind	222	13,738,339	850,693	890,693	6.5%	29,187	0	0	\$6.19
La Verne Ind	151	3,154,195	96,075	96,075	3.0%	(12,328)	72,639	0	\$6.25
Lakewood Ind	21	358,061	500	500	0.1%	0	0	0	\$7.80
Lawndale Ind	53	457,213	12,900	12,900	2.8%	0	0	0	\$11.27
Long Beach Nor	298	6,771,438	235,935	235,935	3.5%	(13,641)	0	0	\$7.00
Long Beach SE I	320	7,681,408	471,195	471,195	6.1%	1,151,271	0	0	\$8.46
Long Beach SW	454	4,853,023	182,746	182,746	3.8%	29,613	4,000	0	\$6.23
Lynwood Ind	180	5,552,164	195,307	195,307	3.5%	(132,142)	0	0	\$4.91
Monrovia Ind	288	3,913,840	78,334	79,434	2.0%	(8,072)	0	0	\$12.32
Montebello/Wh	696	27,625,504	1,150,033	1,153,417	4.2%	(154,413)	0	0	\$6.16
Moorpark/Simi V	427	12,414,588	1,205,179	1,299,676	10.5%	42,052	0	0	\$7.01
North Hollywoo	462	7,254,424	67,370	87,643	1.2%	10,791	0	0	\$9.13
Northridge Ind	889	18,260,232	502,259	562,889	3.1%	115,047	0	0	\$8.84
Norwalk/Bellflo	215	7,302,555	403,367	403,367	5.5%	(36,429)	0	24,895	\$6.90
Oxnard/Pt Huer	842	23,876,356	1,599,321	1,605,006	6.7%	145,802	0	0	\$6.85
Paramount Nort	99	2,665,848	40,041	40,041	1.5%	19,323	0	0	\$7.94
Paramount Sout	260	4,799,022	135,509	150,579	3.1%	12,410	0	0	\$7.85
Pasadena Ind	259	3,783,311	461,149	511,250	13.5%	7,537	0	0	\$17.55
Pomona North I	145	2,910,846	115,714	115,714	4.0%	7,490	0	0	\$5.89
Pomona SE Ind	431	10,992,946	197,088	207,088	1.9%	224,716	0	203,418	\$5.33
Pomona SW Ind	167	4,780,643	22,836	22,836	0.5%	(4,600)	0	0	\$10.61
Rancho Doming	315	20,326,504	1,530,895	1,611,295	7.9%	138,240	0	0	\$6.18
Rosemead Ind	75	1,543,604	10,778	10,778	0.7%	(3,589)	0	0	\$4.73
San Dimas Ind	163	3,338,545	119,257	119,257	3.6%	55,015	0	33,428	\$8.33
San Gabriel Ind	90	1,224,299	5,305	5,305	0.4%	23,653	0	0	\$8.08
San Pedro Ind	42	1,562,158	4,222	52,292	3.3%	0	0	0	\$9.20
Santa Clarita/La	673	23,032,227	1,381,488	1,583,721	6.9%	17,560	0	0	\$7.28
Santa Fe Springs	1,618	52,489,036	2,516,457	2,549,927	4.9%	576,796	95,464	0	\$6.56
Signal Hill Ind	320	5,023,097	172,398	175,898	3.5%	(15,281)	0	0	\$10.08
South El Monte	561	6,235,833	127,284	127,284	2.0%	19,892	0	0	\$7.95
South El Monte	278	2,584,562	13,970	13,970	0.5%	11,700	11,700	0	\$7.76
South El Monte	161	2,306,579	70,930	70,930	3.1%	(32,810)	13,500	0	\$7.66
Tarzana Ind	25	528,141	28,175	28,175	5.3%	(6,325)	0	0	\$11.70
Temple City Ind	26	316,266	18,556	18,556	5.9%	1,000	0	0	\$8.18
Topanga/Malibu	1	2,271	0	0	0.0%	0	0	0	\$0.00
Torrance Centra	173	2,853,035	57,907	57,907	2.0%	25,844	0	0	\$8.26
Torrance NE Ind	286	15,022,538	1,306,107	1,317,800	8.8%	(20,251)	0	0	\$7.51
Torrance NW In	215	8,251,062	640,347	647,797	7.9%	14,746	0	0	\$8.32
Torrance South I	289	7,718,144	492,232	492,232	6.4%	5,572	0	0	\$8.39
Ventura Ind	821	12,234,882	452,807	452,807	3.7%	8,015	0	0	\$8.35
Vernon Ind	2,200	81,592,422	2,046,309	2,162,109	2.6%	272,760	166,594	238,625	\$6.37
West Covina/W	145	3,198,203	66,667	66,667	2.1%	(10,106)	0	0	\$11.28
Westside Ind	1,139	19,364,862	922,679	959,769	5.0%	87,197	0	0	\$20.69
Wilmington Ind	191	3,316,152	141,538	141,538	4.3%	(4,292)	0	0	\$6.65
Woodland Hills I	34	1,772,178	31,686	41,286	2.3%	12,750	0	0	\$13.02
<b>Totals</b>	<b>36,972</b>	<b>990,393,736</b>	<b>42,385,673</b>	<b>44,351,475</b>	<b>4.5%</b>	<b>2,307,937</b>	<b>393,847</b>	<b>1,802,544</b>	<b>\$7.76</b>

Source: CoStar Property®



## LOS ANGELES INDUSTRIAL MARKET

CoSTAR GROUP

FIGURES AT A GLANCE

## FLEX MARKET STATISTICS

First Quarter 2014

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	
2014 1q	2,803	61,076,522	4,591,685	4,733,075	7.7%	269,882	0	0	0	0	\$16.54
2013 4q	2,803	61,076,522	4,856,754	5,002,957	8.2%	(123,518)	2	30,891	0	0	\$15.76
2013 3q	2,802	61,075,615	4,758,651	4,878,532	8.0%	88,053	0	0	2	30,891	\$15.14
2013 2q	2,802	61,075,615	4,635,197	4,966,585	8.1%	(66,877)	1	3,600	2	30,891	\$14.76
2013 1q	2,801	61,072,015	4,704,052	4,896,108	8.0%	190,810	1	160,000	1	3,600	\$15.25
2012	2,800	60,912,015	4,700,902	4,926,918	8.1%	(477,176)	3	73,743	2	163,600	\$15.32
2011	2,799	60,885,222	4,362,810	4,422,949	7.3%	349,761	4	58,246	2	205,262	\$14.97
2010	2,798	61,005,553	4,798,586	4,893,041	8.0%	(460,013)	5	123,565	2	24,997	\$15.76
2009	2,794	60,894,062	3,984,919	4,321,537	7.1%	(899,112)	11	240,566	4	88,860	\$16.40
2008	2,786	61,302,205	3,469,524	3,830,568	6.2%	(339,204)	10	120,047	10	232,725	\$17.59
2007	2,776	61,387,252	3,232,098	3,576,411	5.8%	(156,736)	34	477,516	8	102,620	\$16.46
2006	2,745	61,040,896	2,685,959	3,073,319	5.0%	430,950	9	340,997	29	439,873	\$13.87
2005	2,737	60,709,599	2,955,082	3,172,972	5.2%	1,916,966	25	398,314	6	281,394	\$13.43
2004	2,714	60,351,085	4,422,929	4,731,424	7.8%	177,056	11	225,922	23	370,586	\$13.11
2003	2,704	60,314,163	4,152,857	4,871,558	8.1%	(94,449)	15	485,604	10	216,692	\$12.92
2002	2,691	59,840,035	3,605,419	4,266,542	7.1%	1,307,597	23	1,066,999	9	202,450	\$12.04

Source: CoStar Property®

## WAREHOUSE MARKET STATISTICS

First Quarter 2014

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	
2014 1q	34,169	929,317,214	37,793,988	39,618,400	4.3%	2,038,055	12	393,847	18	1,802,544	\$7.16
2013 4q	34,162	928,999,651	39,504,974	41,338,892	4.4%	3,719,432	6	908,356	25	1,691,093	\$7.09
2013 3q	34,160	928,180,661	42,308,682	44,239,334	4.8%	1,639,519	4	754,137	22	1,978,623	\$6.99
2013 2q	34,159	927,443,694	42,979,871	45,141,886	4.9%	(425,121)	9	889,275	17	2,463,770	\$6.82
2013 1q	34,158	926,698,182	41,852,849	43,971,253	4.7%	377,014	4	227,683	21	3,170,648	\$6.77
2012	34,160	926,609,550	42,287,146	44,259,635	4.8%	4,105,215	33	2,930,450	14	797,298	\$6.68
2011	34,152	925,577,549	45,144,228	47,332,849	5.1%	1,459,935	20	1,913,884	19	1,745,015	\$6.54
2010	34,152	924,937,472	44,976,120	48,152,707	5.2%	(2,630,576)	29	863,579	11	1,533,378	\$6.56
2009	34,156	925,073,321	42,625,923	45,657,980	4.9%	(7,428,870)	90	3,393,556	24	554,961	\$7.02
2008	34,109	923,704,122	33,864,853	36,859,911	4.0%	(8,509,719)	119	4,139,108	65	2,681,853	\$8.10
2007	34,031	921,014,386	23,654,304	25,660,456	2.8%	1,176,244	140	5,272,995	95	3,869,640	\$8.13
2006	33,940	918,733,274	23,032,248	24,555,588	2.7%	12,813,959	199	8,191,189	106	4,415,548	\$7.39
2005	33,770	912,111,513	29,580,231	30,747,786	3.4%	12,325,468	181	8,691,929	163	6,583,358	\$6.94
2004	33,608	903,698,345	32,810,339	34,660,086	3.8%	12,172,837	189	7,761,895	172	8,176,765	\$6.72
2003	33,430	897,314,009	38,262,509	40,448,587	4.5%	8,817,257	229	10,586,968	174	6,812,445	\$6.53
2002	33,219	889,628,828	38,153,277	41,580,663	4.7%	4,725,621	245	11,781,011	171	7,462,723	\$6.52

Source: CoStar Property®

## TOTAL INDUSTRIAL MARKET STATISTICS

First Quarter 2014

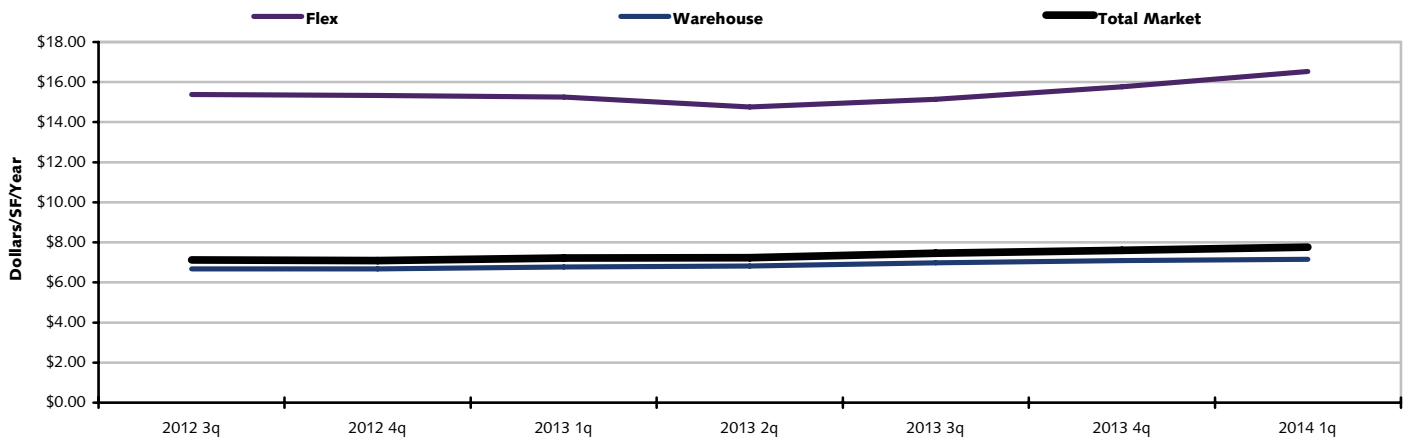
Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2014 1q	36,972	990,393,736	42,385,673	44,351,475	4.5%	2,307,937	12	393,847	18	1,802,544	\$7.76
2013 4q	36,965	990,076,173	44,361,728	46,341,849	4.7%	3,595,914	8	939,247	25	1,691,093	\$7.60
2013 3q	36,962	989,256,276	47,067,333	49,117,866	5.0%	1,727,572	4	754,137	24	2,009,514	\$7.46
2013 2q	36,961	988,519,309	47,615,068	50,108,471	5.1%	(491,998)	10	892,875	19	2,494,661	\$7.24
2013 1q	36,959	987,770,197	46,556,901	48,867,361	4.9%	567,824	5	387,683	22	3,174,248	\$7.22
2012	36,960	987,521,565	46,988,048	49,186,553	5.0%	3,628,039	36	3,004,193	16	960,898	\$7.10
2011	36,951	986,462,771	49,507,038	51,755,798	5.2%	1,809,696	24	1,972,130	21	1,950,277	\$6.90
2010	36,950	985,943,025	49,774,706	53,045,748	5.4%	(3,090,589)	34	987,144	13	1,558,375	\$6.97
2009	36,950	985,967,383	46,610,842	49,979,517	5.1%	(8,327,982)	101	3,634,122	28	643,821	\$7.50
2008	36,895	985,006,327	37,334,377	40,690,479	4.1%	(8,848,923)	129	4,259,155	75	2,914,578	\$8.59
2007	36,807	982,401,638	26,886,402	29,236,867	3.0%	1,019,508	174	5,750,511	103	3,972,260	\$8.62
2006	36,685	979,774,170	25,718,207	27,628,907	2.8%	13,244,909	208	8,532,186	135	4,855,421	\$7.82
2005	36,507	972,821,112	32,535,313	33,920,758	3.5%	14,242,434	206	9,090,243	169	6,864,752	\$7.43
2004	36,322	964,049,430	37,233,268	39,391,510	4.1%	12,349,893	200	7,987,817	195	8,547,351	\$7.42
2003	36,134	957,628,172	42,415,366	45,320,145	4.7%	8,722,808	244	11,072,572	184	7,029,137	\$7.17
2002	35,910	949,468,863	41,758,696	45,847,205	4.8%	6,033,218	268	12,848,010	180	7,665,173	\$6.75

Source: CoStar Property®



## HISTORICAL RENTAL RATES

Based on Quoted Rental Rates



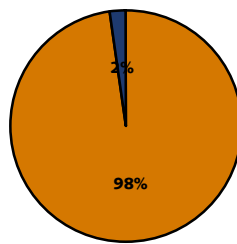
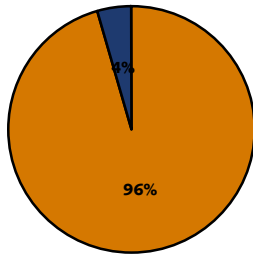
Source: CoStar Property®

## VACANCY BY AVAILABLE SPACE TYPE

Percent of All Vacant Space in Direct vs. Sublet

Los Angeles

United States



Direct Sublet

Direct Sublet

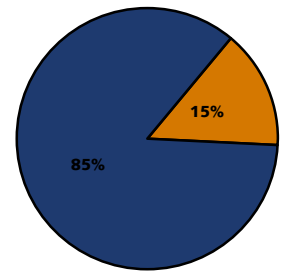
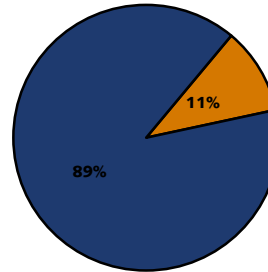
Source: CoStar Property®

## VACANCY BY BUILDING TYPE

Percent of All Vacant Space by Building Type

Los Angeles

United States



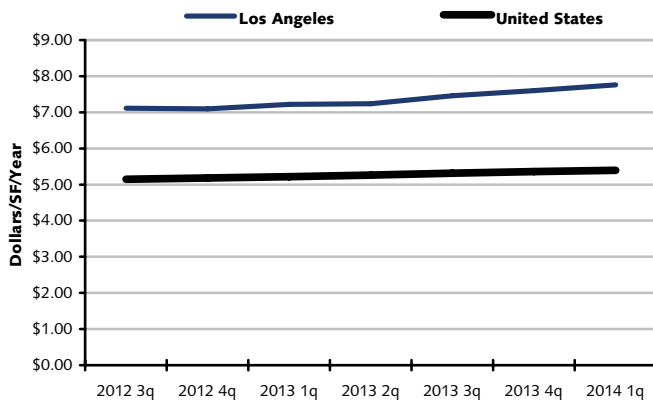
Flex Warehouse

Flex Warehouse

Source: CoStar Property®

## U.S. RENTAL RATE COMPARISON

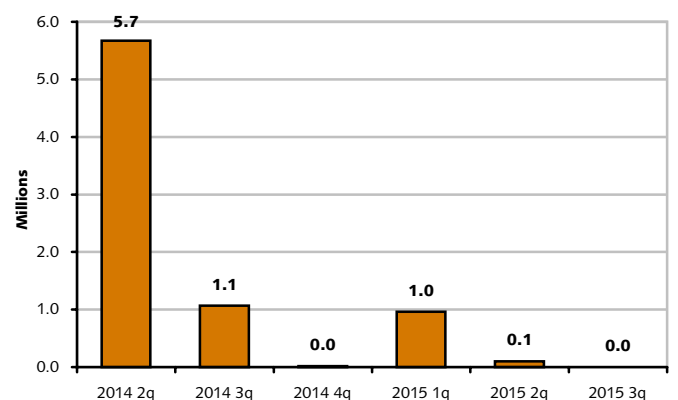
Based on Average Quoted Rental Rates



Source: CoStar Property®

## FUTURE SPACE AVAILABLE

Space Scheduled to be Available for Occupancy\*



Source: CoStar Property®

\* Includes Under Construction Space

## LOS ANGELES INDUSTRIAL MARKET

CoSTAR GROUP

## LEASING ACTIVITY

## SELECT TOP INDUSTRIAL LEASES Based on Leased Square Footage For Deals Signed in 2014

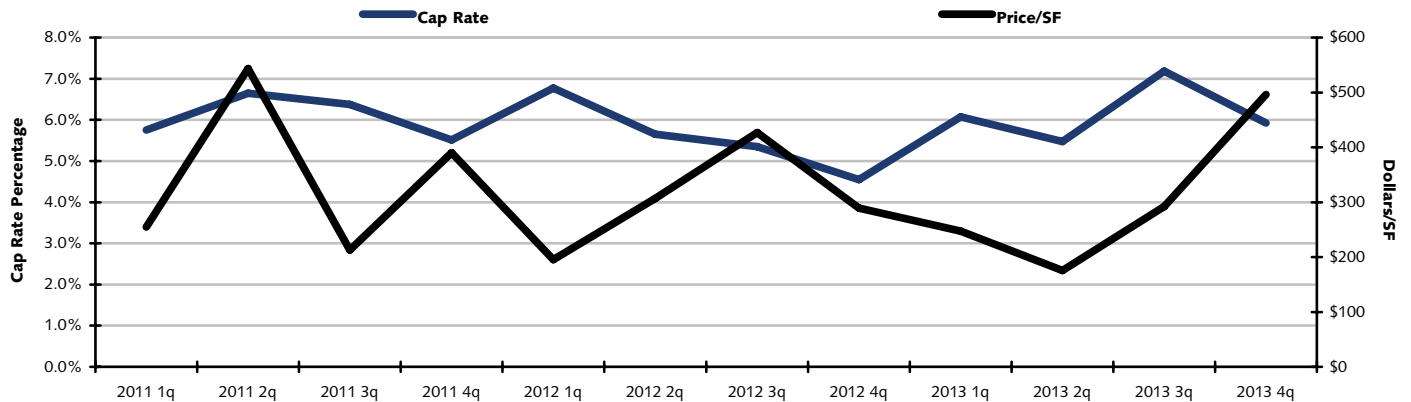
Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company
1 300 Westmont Ave	Torrance South Ind	338,899	1st	N/A	N/A	CBRE
2 16325 S Avalon Blvd	Gardena Central Ind	210,710	1st	Jupiter Warehousing & Distribution, Inc.	N/A	Colliers International
3 18501 E San Jose Ave	Industry/Rowland St Ind	200,000	1st	N/A	N/A	Majestic Realty Co.
4 12252 Whittier Blvd	Montebello/Whittier Ind	161,610	1st	ACE World Class, Inc.	CBRE	Realty Advisory Group, Inc.
5 12910 Mulberry Dr	Santa Fe Springs Ind	153,080	1st	N/A	N/A	CBRE
6 Watson Ind Center South - Bldg 112	Carson South Ind	147,500	1st	Premier Transportation and Warehousing	N/A	Watson Land Company
7 2839 El Presidio St	Carson Central Ind	135,781	1st	N/A	N/A	The Klabin Company
8 2601 Sequoia Dr	Lynwood Ind	132,642	1st	N/A	N/A	JLL
9 Sylmar Biomedical Park - Bldg 3*	East San Ferndo Villy Ind	118,674	1st	Quallion LLC	N/A	N/A
10 14221 Artesia Blvd*	La Mirada Ind	106,118	1st	N/A	N/A	CBRE
11 1400 Statham Pky	Oxnard/Pt Hueneme Ind	104,073	1st	Haas Automation, Inc.	N/A	DAUM Commercial RE Services
12 2425 Manhattan Beach Blvd*	Beach Cities Ind	103,200	1st	Northrop Grumman	N/A	N/A
13 201 W Carob St	Compton West Ind	100,280	1st	Great Central Transport, Inc.	Lee & Associates	Colliers International
14 Whittier Distribution Center - Bldg A	Santa Fe Springs Ind	87,286	1st	H Mart Logistics, Inc.	Studley	CBRE
15 1020 McFarland Ave	Wilmington Ind	85,085	1st	Ask Marine LLC	Direct Deal	Granger Company
16 Liberty Canyon Technology Center	Agoura/WakeV/Oaks Ind	83,838	1st	Spirent Communications	N/A	Lee & Associates
17 930 E 233rd St	Carson South Ind	82,471	1st	Trinity International Industries	N/A	Watson Land Company
18 4901 Alexander Rd	Commerce Ind	74,586	1st	Fungyun Inc	CBRE	CBRE
19 LAX Gateway Building	Westside Ind	73,948	1st	N/A	N/A	JLL
20 7110 Rosecrans Ave	Paramount North Ind	72,000	1st	McLane Manufacturing, Inc.	N/A	N/A
21 19440 S Dominguez Hills Dr	Rancho Dominguez Ind	71,868	1st	N/A	N/A	The Klabin Company
22 1935 Via Arado	Rancho Dominguez Ind	68,556	1st	N/A	N/A	Gateway Business Properties
23 5764 Alcoa Ave	Vernon Ind	66,000	1st	Douglas Steel Supply Co	N/A	N/A
24 1135 Aviation Pl	East San Ferndo Villy Ind	65,347	1st	Ricon	N/A	CBRE
25 Watson Ind Center South - Bldg 121*	Carson South Ind	63,795	1st	Custom Global Logistics LLC	N/A	Watson Land Company
26 3311 E Slauson Ave	Vernon Ind	63,720	1st	Douglas Steel Supply Co	N/A	N/A
27 1250 E Victoria St	Carson Central Ind	60,667	1st	N/A	N/A	CBRE
28 Dominguez Technology Ctr - Building 657.1	Rancho Dominguez Ind	55,788	1st	N/A	N/A	Watson Land Company
29 19300 S Susana Rd	Rancho Dominguez Ind	55,516	1st	N/A	N/A	DAUM Commercial RE Services
30 16017 E Valley Blvd	City of Industry Cent Ind	53,000	1st	N/A	N/A	Colliers International
31 13020 Pierce St	East San Ferndo Villy Ind	52,806	1st	N/A	N/A	N/A
32 Harris Business Center 56	Commerce Ind	49,462	1st	N/A	N/A	CBRE
33 12393 Slauson Ave	Santa Fe Springs Ind	48,790	1st	N/A	N/A	Lee & Associates
34 501 Flynn Rd	Central Ventura Ind	48,500	1st	N/A	N/A	CBRE
35 Reservoir Industrial Center - Bldg B	Pomona SE Ind	47,308	1st	Interstate Home Service And Corporation	InterPres Commercial Realty	CBRE
36 3 Minson Ave	Montebello/Whittier Ind	46,986	1st	N/A	N/A	JLL
37 14701 Industry Cir	La Mirada Ind	45,245	1st	N/A	N/A	Charles Dunn Company, Inc.
38 2130 E Del Amo Blvd	Carson Central Ind	45,028	1st	N/A	N/A	CBRE
39 Reservoir Industrial Center - Bldg A	Pomona SE Ind	43,800	1st	PSE Distribution	Lee & Associates	CBRE
40 4000 Medford St	Central Los Angeles Ind	43,576	1st	N/A	N/A	Lee & Associates

Source: CoStar Property®

\* Renewal

## THE OPTIMIST SALES INDEX

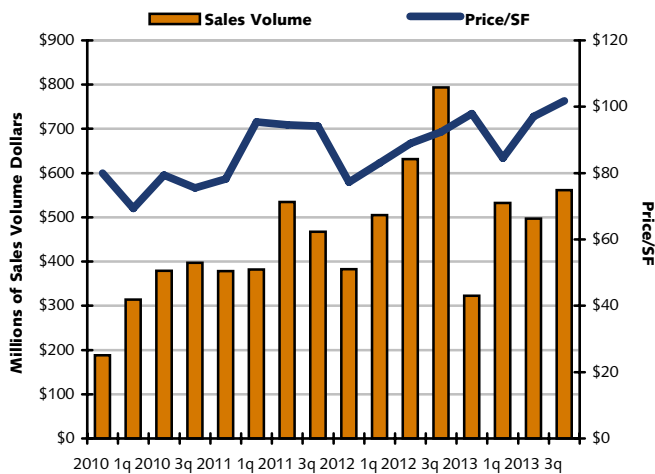
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

## SALES VOLUME &amp; PRICE

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



Source: CoStar COMPS®

## SALES ANALYSIS BY BUILDING SIZE

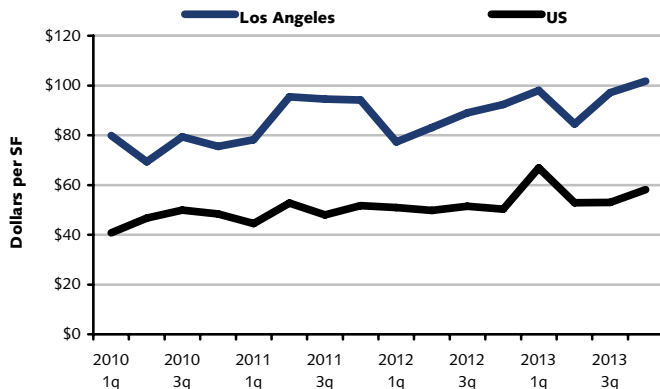
Based on Industrial Bldg Sales From Jan. 2013 - Dec. 2013

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	594	6,497,580	\$ 842,129,810	\$ 129.61	6.60%
25K-99K SF	196	9,059,089	\$ 845,302,870	\$ 93.31	7.14%
100K-249K SF	41	5,730,943	\$ 506,372,571	\$ 88.36	7.13%
>250K SF	8	2,570,319	\$ 227,275,000	\$ 88.42	5.63%

Source: CoStar COMPS®

## U.S. PRICE/SF COMPARISON

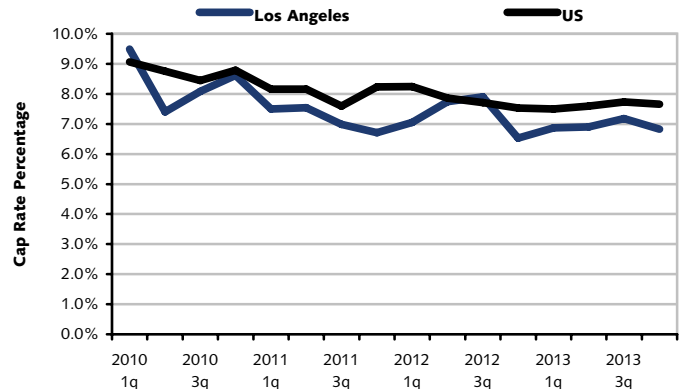
Based on Industrial Building Sales of 15,000 SF and Larger



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

CoSTAR GROUP

## SALES ACTIVITY

## SELECT TOP SALES

Based on Sales from January 2013 Through March 2014

## 1. 5959 Randolph St



## Commerce

Price: \$53,800,000  
 Price/SF: \$134.44  
 Cap Rate: 4.3%  
 RBA: 400,169  
 Date: 1/14/2014  
 Year Built: 2009  
 Buyer: Bentall Kennedy (US) LP  
 Seller: CIGNA

## 2. 588 Crenshaw Blvd



## Torrance

Price: \$33,700,000  
 Price/SF: \$126.97  
 Cap Rate: N/A  
 RBA: 265,418  
 Date: 8/30/2013  
 Year Built: 2013  
 Buyer: Industrial Income Trust, Inc.  
 Seller: Cornerstone Real Estate Advisers LLC

## 3. Appel Portfolio



## Commerce

Price: \$32,900,000  
 Price/SF: \$128.74  
 Cap Rate: 5.4%  
 RBA: 255,546  
 Date: 6/17/2013  
 Year Built: 2010  
 Buyer: KTR Capital Partners LP  
 Seller: Erwin & Essie Appel Trust of 1975

## 4. 2743 Thompson Creek Rd



## Pomona

Price: \$27,200,000  
 Price/SF: \$74.35  
 Cap Rate: 5.85%  
 RBA: 365,859  
 Date: 12/6/2013  
 Year Built: 1981  
 Buyer: Rexford Industrial  
 Seller: TA Associates Realty

## 5. Westside Business Park



## Culver City

Price: \$26,450,000  
 Price/SF: \$382.64  
 Cap Rate: 6.3%  
 RBA: 69,125  
 Date: 2/24/2014  
 Year Built: 2010  
 Buyer: The Lionstone Group  
 Seller: Alcion Ventures

## 6. 538 Crenshaw Blvd



## Torrance

Price: \$23,531,930  
 Price/SF: \$134.96  
 Cap Rate: N/A  
 RBA: 174,361  
 Date: 5/6/2013  
 Year Built: 2013  
 Buyer: Tansavatdi Family Trust  
 Seller: Cornerstone Real Estate Advisers LLC

## 7. 1911 Williams Dr



## Oxnard

Price: \$22,750,000  
 Price/SF: \$165.16  
 Cap Rate: N/A  
 RBA: 137,749  
 Date: 11/13/2013  
 Year Built: 1983  
 Buyer: County of Ventura  
 Seller: The Muller Company

## 8. Mission-71 Business Park - Bldg O



## Pomona

Price: \$22,500,000  
 Price/SF: \$90.00  
 Cap Rate: N/A  
 RBA: 250,000  
 Date: 12/20/2013  
 Year Built: 2013  
 Buyer: Kittrich Corporation  
 Seller: Seventh Street Development, Inc.

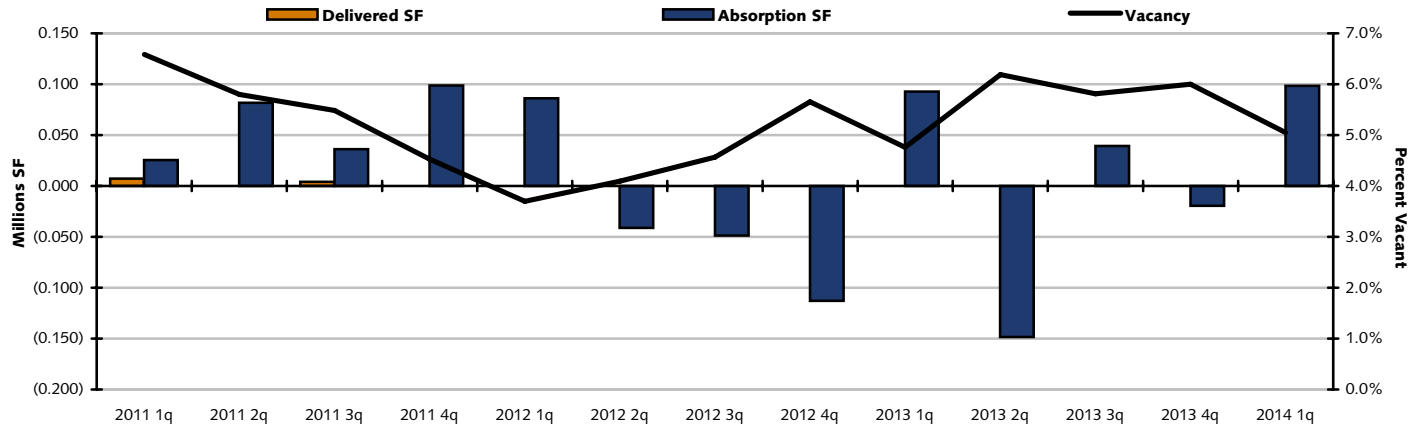
## 9. Pacific Pointe South @ Douglas Park



## Long Beach

Price: \$19,591,130  
 Price/SF: \$130.00  
 Cap Rate: N/A  
 RBA: 150,701  
 Date: 8/9/2013  
 Year Built: 2013  
 Buyer: Vogel Properties, Inc.  
 Seller: Sares-Regis Group

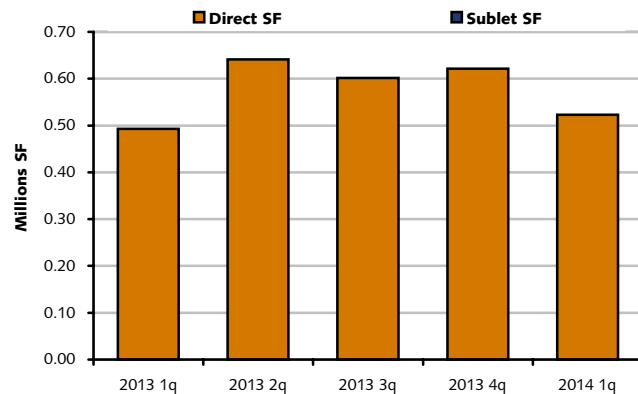
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

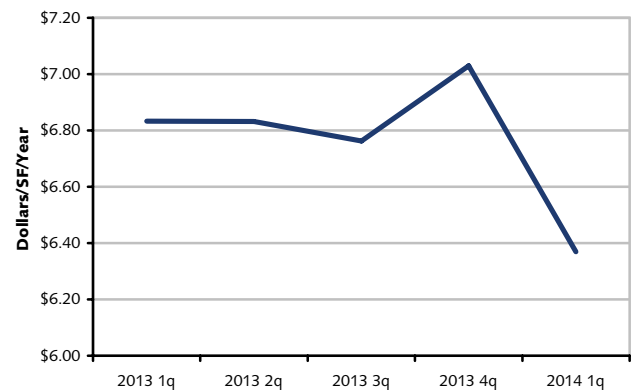
## Historical Analysis, Flex and Warehouse



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	
2014 1q	402	10,352,471	522,716	5.0%	98,367	0	0	0	0	\$6.37
2013 4q	402	10,352,471	621,083	6.0%	(19,587)	0	0	0	0	\$7.03
2013 3q	402	10,352,471	601,496	5.8%	39,426	0	0	0	0	\$6.76
2013 2q	402	10,352,471	640,922	6.2%	(148,337)	0	0	0	0	\$6.83
2013 1q	402	10,352,471	492,585	4.8%	92,663	0	0	0	0	\$6.83
2012 4q	402	10,352,471	585,248	5.7%	(112,791)	0	0	0	0	\$6.71
2012 3q	402	10,352,471	472,457	4.6%	(48,648)	0	0	0	0	\$7.03
2012 2q	402	10,352,471	423,809	4.1%	(41,142)	0	0	0	0	\$7.18
2012 1q	402	10,352,471	382,667	3.7%	86,188	0	0	0	0	\$7.21
2011 4q	402	10,352,471	468,855	4.5%	98,839	0	0	0	0	\$7.23
2011 3q	402	10,352,471	567,694	5.5%	36,306	1	3,960	0	0	\$6.87
2011 2q	401	10,348,511	600,040	5.8%	81,670	0	0	1	3,960	\$6.96
2011 1q	401	10,348,511	681,710	6.6%	25,366	1	7,153	1	3,960	\$6.93
2010 4q	400	10,341,358	699,923	6.8%	110,779	0	0	1	7,153	\$7.01
2010 3q	400	10,341,358	810,702	7.8%	(679)	1	24,750	1	7,153	\$7.08
2010 2q	399	10,316,608	785,273	7.6%	75,992	1	19,588	1	24,750	\$7.10

Source: CoStar Property®

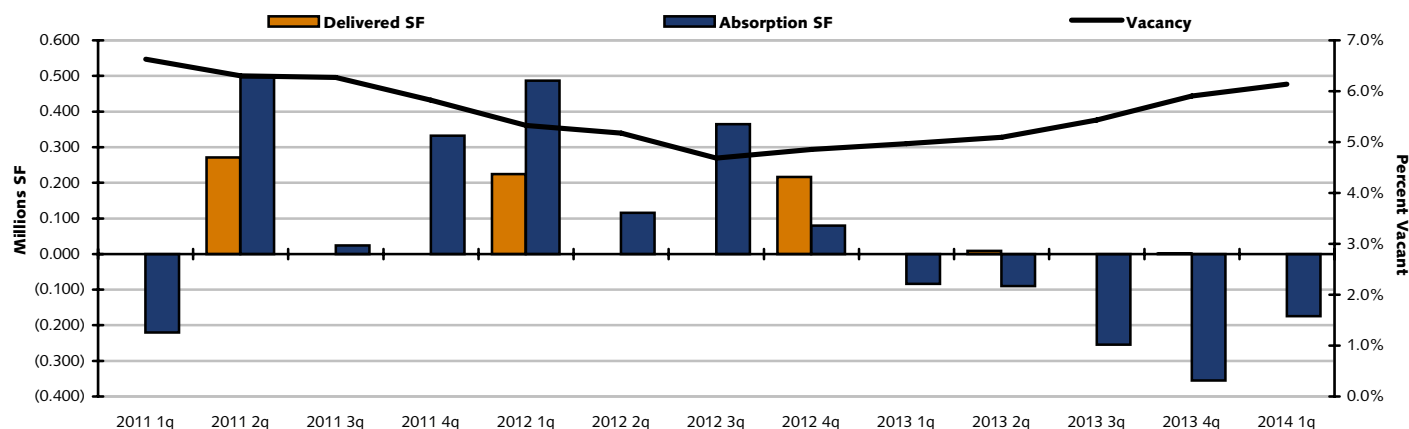
# LOS ANGELES INDUSTRIAL MARKET

## CARSON / RANCHO DOMINGO MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

CoStar GROUP

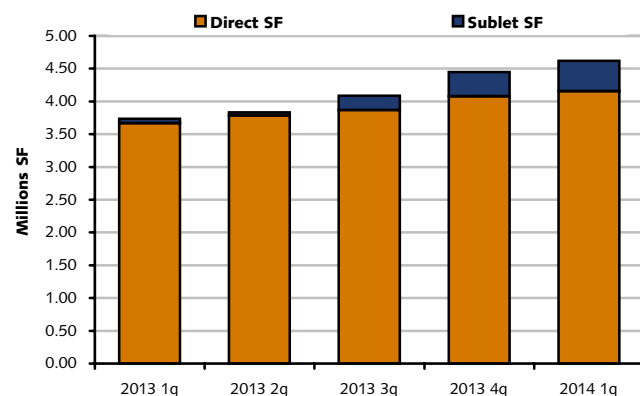
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

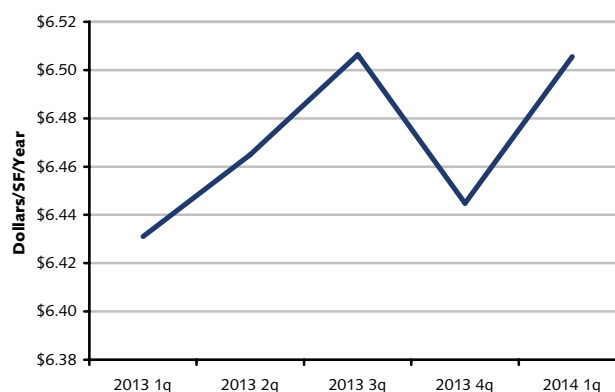
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse

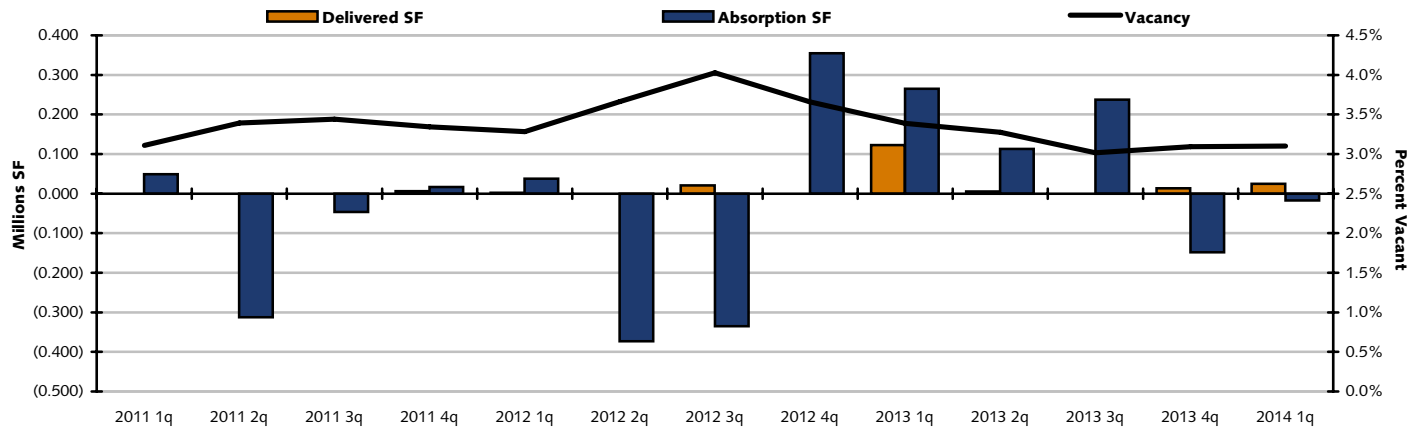


Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 1q	1,244	75,262,271	4,620,399	6.1%	(174,266)	0	0	0	0	\$6.51
2013 4q	1,244	75,262,271	4,446,133	5.9%	(354,916)	1	2,040	0	0	\$6.44
2013 3q	1,243	75,260,231	4,089,177	5.4%	(254,487)	0	0	1	2,040	\$6.51
2013 2q	1,243	75,260,231	3,834,690	5.1%	(89,739)	1	8,401	1	2,040	\$6.47
2013 1q	1,243	75,252,930	3,737,650	5.0%	(83,411)	0	0	1	8,401	\$6.43
2012 4q	1,243	75,252,930	3,654,239	4.9%	79,721	1	216,407	1	8,401	\$6.27
2012 3q	1,242	75,036,523	3,517,553	4.7%	364,157	0	0	1	216,407	\$6.17
2012 2q	1,242	75,036,523	3,881,710	5.2%	116,078	0	0	1	216,407	\$6.20
2012 1q	1,242	75,036,523	3,997,788	5.3%	487,073	1	224,560	1	216,407	\$6.22
2011 4q	1,242	74,916,230	4,364,568	5.8%	332,131	0	0	1	224,560	\$6.17
2011 3q	1,242	74,916,230	4,696,699	6.3%	23,771	0	0	1	224,560	\$6.11
2011 2q	1,242	74,916,230	4,720,470	6.3%	496,484	1	270,764	0	0	\$6.24
2011 1q	1,241	74,645,466	4,946,190	6.6%	(220,233)	0	0	1	270,764	\$6.11
2010 4q	1,241	74,645,466	4,725,957	6.3%	645,849	0	0	1	270,764	\$6.10
2010 3q	1,242	74,844,650	5,570,990	7.4%	61,934	0	0	0	0	\$6.14
2010 2q	1,242	74,844,650	5,632,924	7.5%	(65,023)	0	0	0	0	\$6.31

Source: CoStar Property®

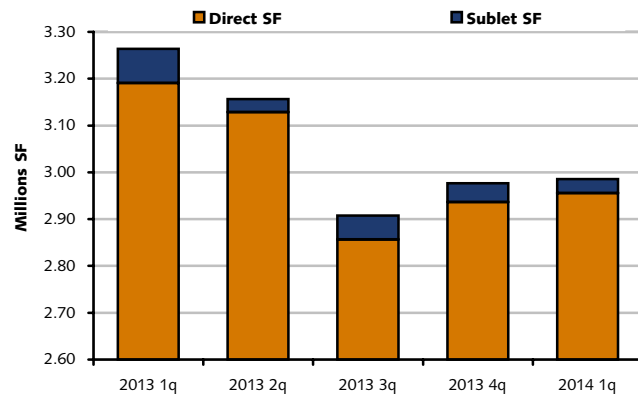
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

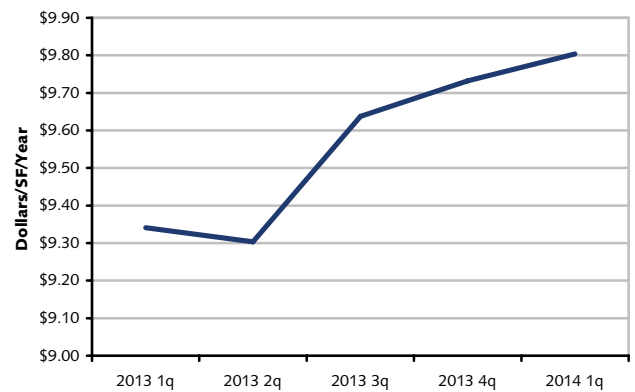
## Historical Analysis, Flex and Warehouse



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	
2014 1q	4,931	96,257,943	2,985,381	3.1%	(17,208)	2	24,950	0	0	\$9.80
2013 4q	4,931	96,266,593	2,976,823	3.1%	(148,313)	1	13,555	2	24,950	\$9.73
2013 3q	4,932	96,345,656	2,907,573	3.0%	237,741	0	0	3	38,505	\$9.64
2013 2q	4,934	96,356,746	3,156,404	3.3%	112,637	1	5,580	2	20,505	\$9.30
2013 1q	4,933	96,351,166	3,263,461	3.4%	265,239	2	122,800	2	12,530	\$9.34
2012 4q	4,935	96,346,566	3,524,100	3.7%	354,853	0	0	3	128,380	\$9.22
2012 3q	4,935	96,346,566	3,878,953	4.0%	(334,948)	2	21,000	2	122,800	\$9.58
2012 2q	4,934	96,330,516	3,527,955	3.7%	(372,642)	0	0	4	143,800	\$9.26
2012 1q	4,935	96,336,839	3,161,636	3.3%	38,128	1	2,400	3	44,000	\$8.71
2011 4q	4,936	96,360,889	3,223,814	3.3%	17,029	1	6,048	2	8,400	\$8.31
2011 3q	4,937	96,436,341	3,316,295	3.4%	(46,538)	0	0	3	14,448	\$8.26
2011 2q	4,937	96,436,341	3,269,757	3.4%	(312,419)	0	0	3	14,448	\$8.04
2011 1q	4,938	96,479,591	3,000,588	3.1%	48,769	0	0	1	2,400	\$7.88
2010 4q	4,938	96,479,591	3,049,357	3.2%	69,243	1	5,900	0	0	\$7.74
2010 3q	4,939	96,493,475	3,132,484	3.2%	(16,908)	1	34,705	1	5,900	\$7.98
2010 2q	4,939	96,571,770	3,193,871	3.3%	389,100	2	22,390	2	40,605	\$8.08

Source: CoStar Property®



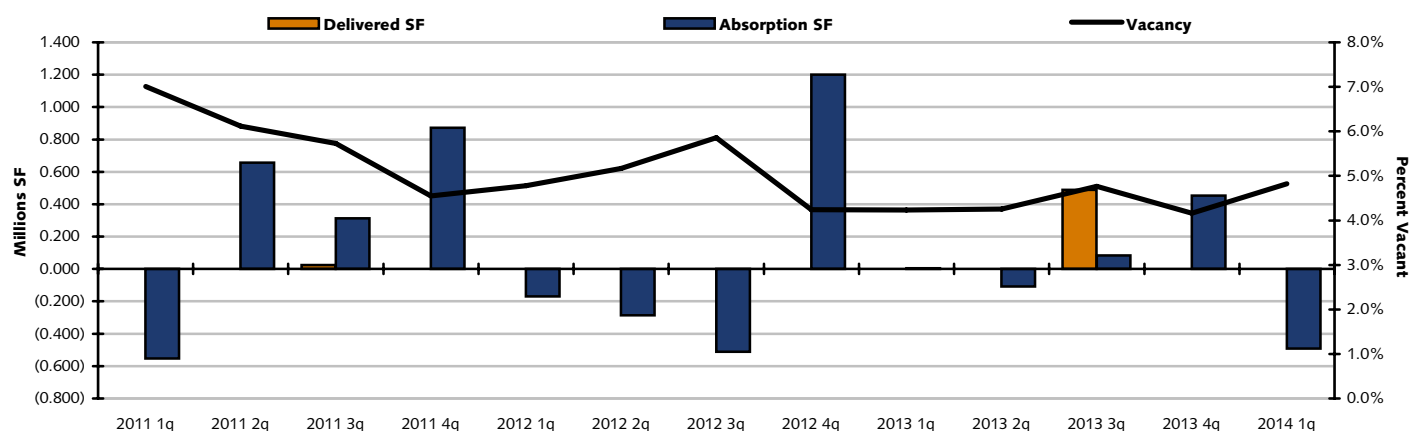
# LOS ANGELES INDUSTRIAL MARKET

CoStar Group

## COMMERCE AREA MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

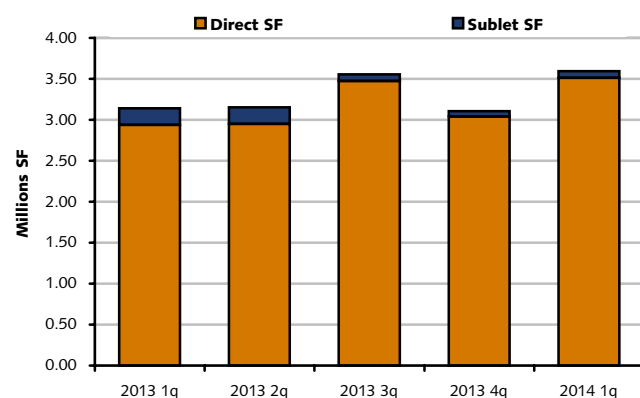
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

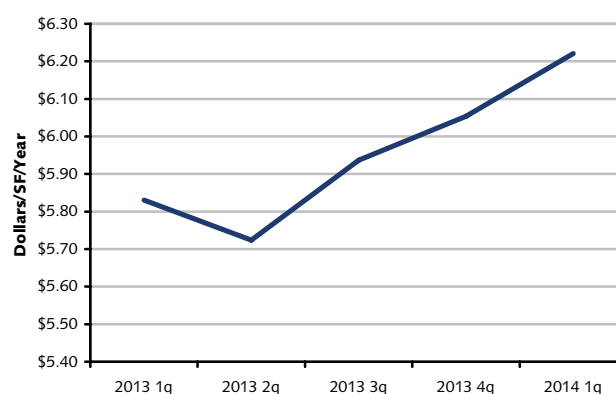
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse

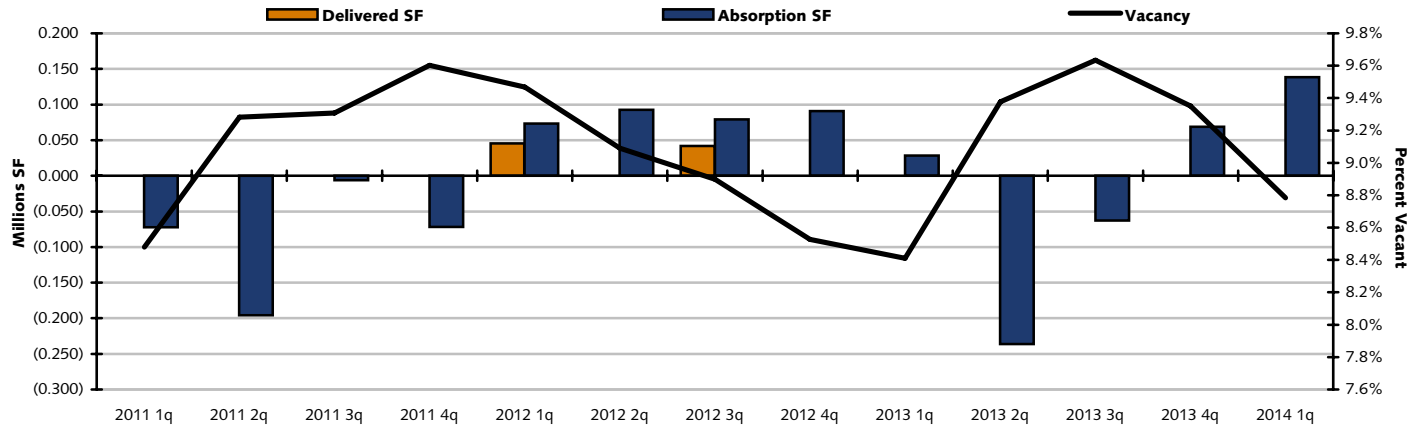


Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 1q	1,664	74,585,836	3,594,663	4.8%	(490,703)	0	0	3	908,598	\$6.22
2013 4q	1,664	74,585,836	3,103,960	4.2%	452,641	0	0	3	908,598	\$6.05
2013 3q	1,664	74,585,836	3,556,601	4.8%	84,011	1	489,400	1	620,000	\$5.94
2013 2q	1,663	74,096,436	3,151,212	4.3%	(108,510)	0	0	2	1,109,400	\$5.72
2013 1q	1,664	74,193,040	3,139,306	4.2%	4,549	0	0	2	1,109,400	\$5.83
2012 4q	1,664	74,193,040	3,143,855	4.2%	1,201,097	0	0	0	0	\$5.82
2012 3q	1,664	74,193,040	4,344,952	5.9%	(511,293)	0	0	0	0	\$5.78
2012 2q	1,664	74,193,040	3,833,659	5.2%	(286,027)	0	0	0	0	\$5.68
2012 1q	1,664	74,193,040	3,547,632	4.8%	(169,733)	0	0	0	0	\$5.54
2011 4q	1,664	74,193,040	3,377,899	4.6%	872,252	0	0	0	0	\$5.42
2011 3q	1,664	74,193,040	4,250,151	5.7%	313,047	1	24,206	0	0	\$5.41
2011 2q	1,663	74,168,834	4,538,992	6.1%	656,359	0	0	1	24,206	\$5.30
2011 1q	1,663	74,168,834	5,195,351	7.0%	(552,051)	0	0	1	24,206	\$5.26
2010 4q	1,663	74,168,834	4,643,300	6.3%	(287,714)	1	84,686	0	0	\$5.27
2010 3q	1,667	74,209,243	4,395,995	5.9%	(324,063)	0	0	1	84,686	\$5.39
2010 2q	1,667	74,209,243	4,071,932	5.5%	(218,383)	0	0	1	84,686	\$5.57

Source: CoStar Property®

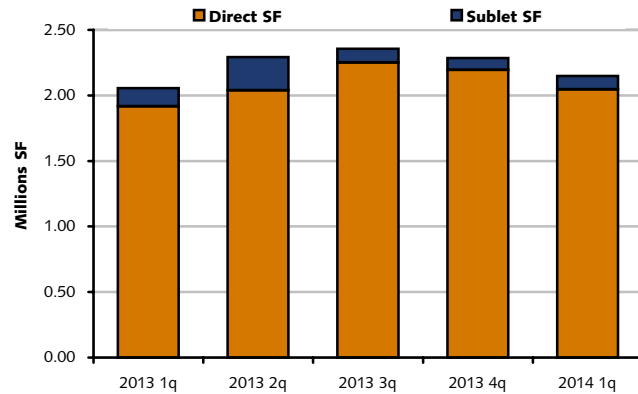
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

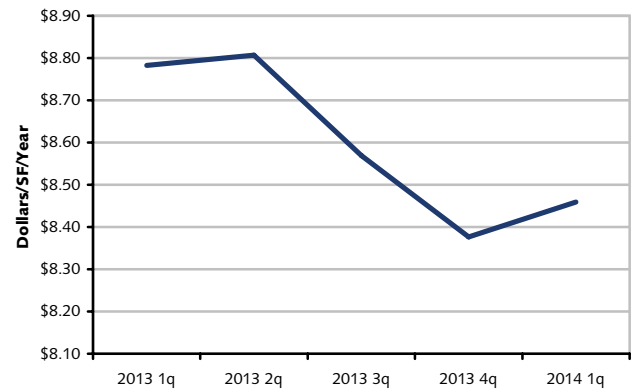
## Historical Analysis, Flex and Warehouse



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	
2014 1q	840	24,445,677	2,147,517	8.8%	138,475	0	0	0	0	\$8.46
2013 4q	840	24,445,677	2,285,992	9.4%	68,857	0	0	0	0	\$8.38
2013 3q	840	24,445,677	2,354,849	9.6%	(62,623)	0	0	0	0	\$8.57
2013 2q	840	24,445,677	2,292,226	9.4%	(236,193)	0	0	0	0	\$8.81
2013 1q	840	24,445,677	2,056,033	8.4%	28,434	0	0	0	0	\$8.78
2012 4q	840	24,445,677	2,084,467	8.5%	91,048	0	0	0	0	\$8.72
2012 3q	840	24,445,677	2,175,515	8.9%	79,152	3	41,962	0	0	\$8.48
2012 2q	838	24,409,715	2,218,705	9.1%	92,517	0	0	3	41,962	\$8.60
2012 1q	838	24,409,715	2,311,222	9.5%	73,429	1	45,262	2	30,312	\$8.70
2011 4q	837	24,364,453	2,339,389	9.6%	(71,761)	0	0	1	45,262	\$8.87
2011 3q	837	24,364,453	2,267,628	9.3%	(5,975)	0	0	1	45,262	\$8.77
2011 2q	837	24,364,453	2,261,653	9.3%	(195,780)	0	0	0	0	\$8.84
2011 1q	837	24,364,453	2,065,873	8.5%	(72,101)	0	0	0	0	\$9.43
2010 4q	837	24,364,453	1,993,772	8.2%	54,683	0	0	0	0	\$9.48
2010 3q	837	24,364,453	2,048,455	8.4%	5,591	0	0	0	0	\$9.98
2010 2q	837	24,364,453	2,054,046	8.4%	(125,114)	0	0	0	0	\$9.75

Source: CoStar Property®

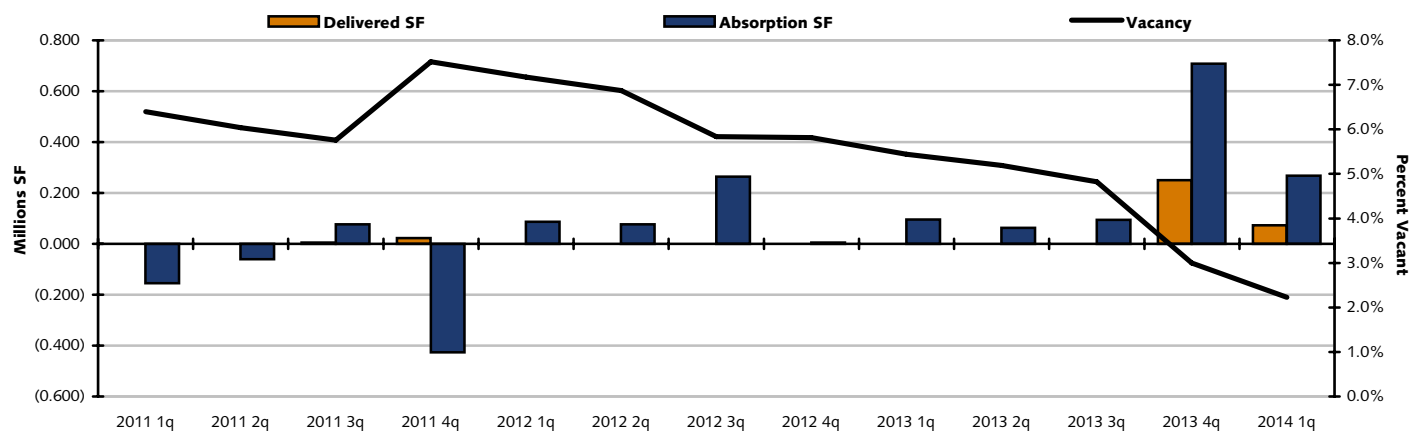
# LOS ANGELES INDUSTRIAL MARKET

CoStar Group

## EASTERN SGV MARKET

MARKET HIGHLIGHTS - FLEX &amp; WAREHOUSE

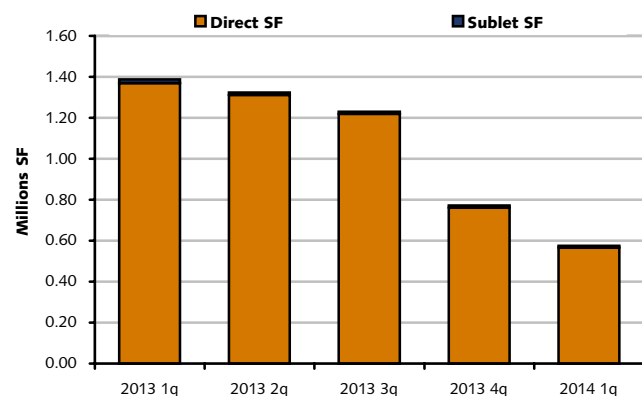
### DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### VACANT SPACE

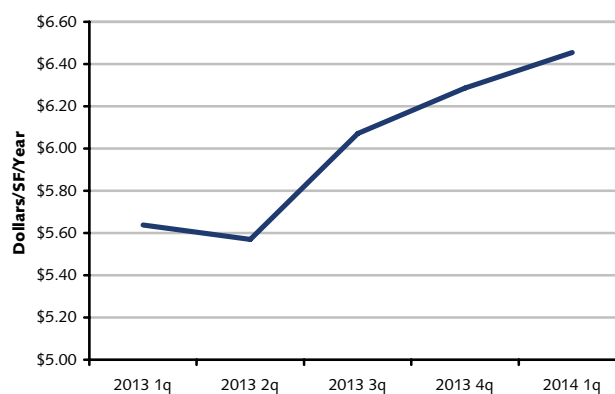
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### QUOTED RENTAL RATES

#### Historical Analysis, Flex and Warehouse

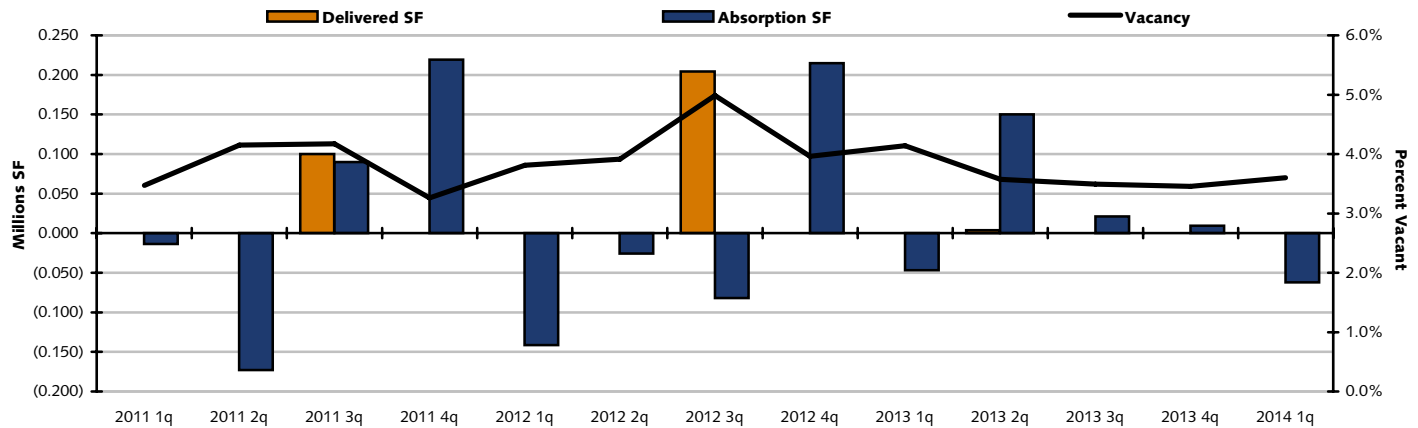


Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 1q	1,086	25,823,304	575,423	2.2%	268,517	2	72,639	4	236,846	\$6.45
2013 4q	1,084	25,750,665	771,301	3.0%	708,064	1	250,000	5	276,057	\$6.29
2013 3q	1,083	25,500,665	1,229,365	4.8%	94,822	0	0	3	322,639	\$6.07
2013 2q	1,083	25,500,665	1,324,187	5.2%	62,749	0	0	1	250,000	\$5.57
2013 1q	1,083	25,500,665	1,386,936	5.4%	95,852	0	0	1	250,000	\$5.64
2012 4q	1,083	25,500,665	1,482,788	5.8%	5,448	0	0	0	0	\$5.44
2012 3q	1,083	25,500,665	1,488,236	5.8%	264,501	0	0	0	0	\$5.41
2012 2q	1,083	25,500,665	1,752,737	6.9%	77,236	0	0	0	0	\$5.46
2012 1q	1,083	25,500,665	1,829,973	7.2%	86,579	0	0	0	0	\$5.47
2011 4q	1,083	25,500,665	1,916,552	7.5%	(426,831)	1	22,953	0	0	\$5.54
2011 3q	1,082	25,477,712	1,466,768	5.8%	76,480	1	5,400	1	22,953	\$5.53
2011 2q	1,081	25,472,312	1,537,848	6.0%	(60,743)	0	0	2	28,353	\$5.72
2011 1q	1,082	25,635,864	1,640,657	6.4%	(154,412)	0	0	1	5,400	\$5.86
2010 4q	1,083	25,654,346	1,504,727	5.9%	(142,899)	0	0	0	0	\$6.04
2010 3q	1,083	25,654,346	1,361,828	5.3%	140,748	0	0	0	0	\$6.15
2010 2q	1,083	25,654,346	1,502,576	5.9%	259,355	0	0	0	0	\$6.10

Source: CoStar Property®

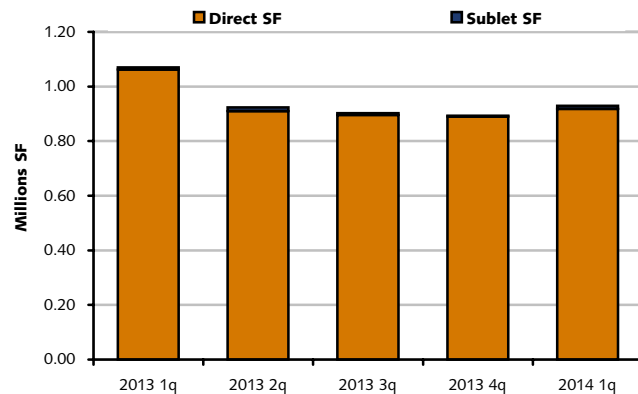
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

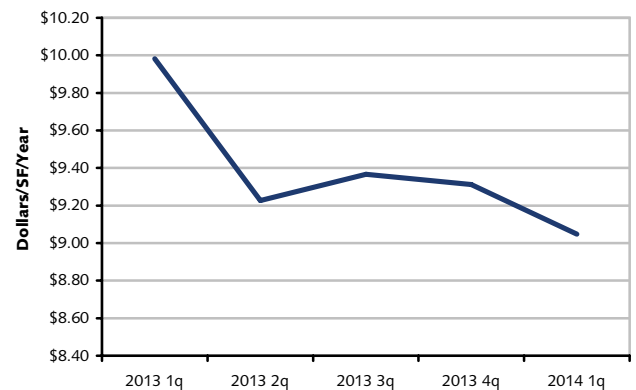
### Historical Analysis, Flex and Warehouse



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	
2014 1q	958	25,818,871	929,666	3.6%	(62,092)	0	0	1	3,525	\$9.05
2013 4q	959	25,844,371	893,074	3.5%	9,434	0	0	1	3,525	\$9.31
2013 3q	959	25,844,371	902,508	3.5%	21,223	0	0	1	3,525	\$9.37
2013 2q	959	25,844,371	923,731	3.6%	150,119	1	3,600	1	3,525	\$9.23
2013 1q	958	25,840,771	1,070,250	4.1%	(46,718)	0	0	2	7,125	\$9.98
2012 4q	958	25,840,771	1,023,532	4.0%	214,791	0	0	1	3,600	\$9.72
2012 3q	960	25,893,274	1,290,826	5.0%	(81,930)	1	204,117	1	3,600	\$9.66
2012 2q	959	25,689,157	1,004,779	3.9%	(25,688)	0	0	2	207,717	\$9.60
2012 1q	959	25,689,157	979,091	3.8%	(141,437)	0	0	1	204,117	\$9.56
2011 4q	959	25,689,157	837,654	3.3%	219,079	0	0	1	204,117	\$9.28
2011 3q	960	25,704,956	1,072,532	4.2%	89,837	1	100,000	0	0	\$9.10
2011 2q	959	25,604,956	1,062,369	4.1%	(172,968)	0	0	1	100,000	\$8.92
2011 1q	959	25,604,956	889,401	3.5%	(13,514)	0	0	1	100,000	\$8.37
2010 4q	961	25,614,656	885,587	3.5%	(26,507)	0	0	1	100,000	\$8.67
2010 3q	961	25,614,656	859,080	3.4%	112,639	0	0	1	100,000	\$9.19
2010 2q	961	25,614,656	971,719	3.8%	28,277	0	0	1	100,000	\$9.47

Source: CoStar Property®

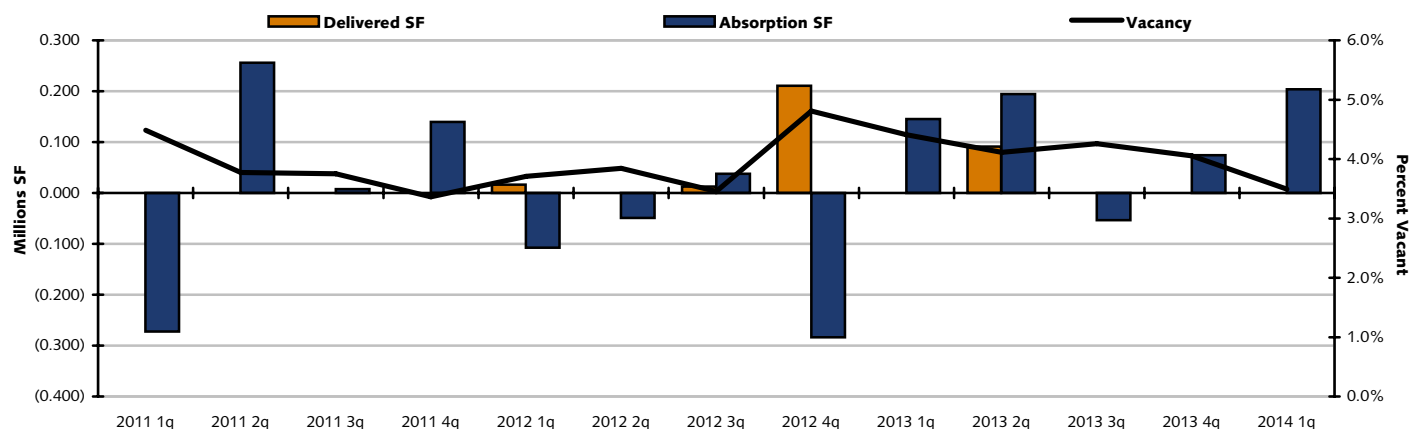
# LOS ANGELES INDUSTRIAL MARKET

## GARDENA / 110 CORRIDOR MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

CoStar GROUP

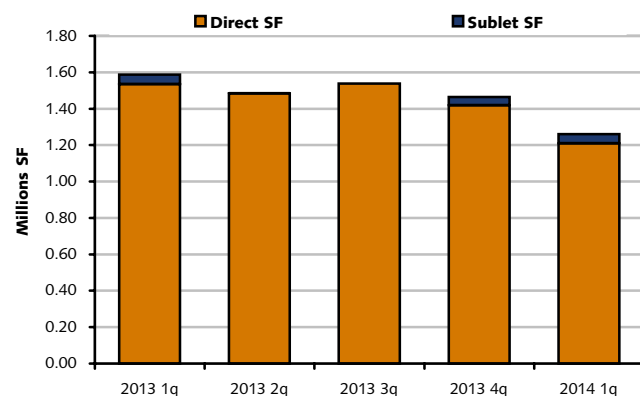
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

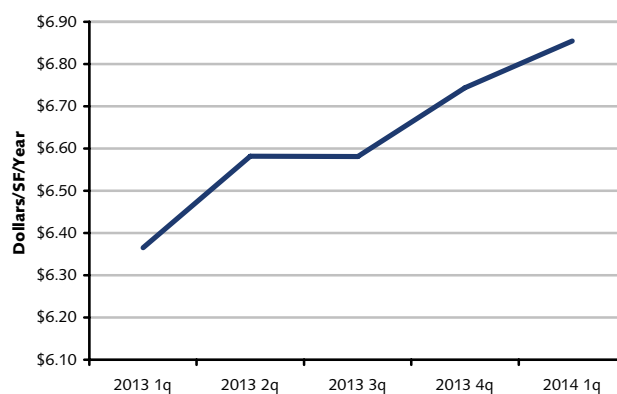
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse

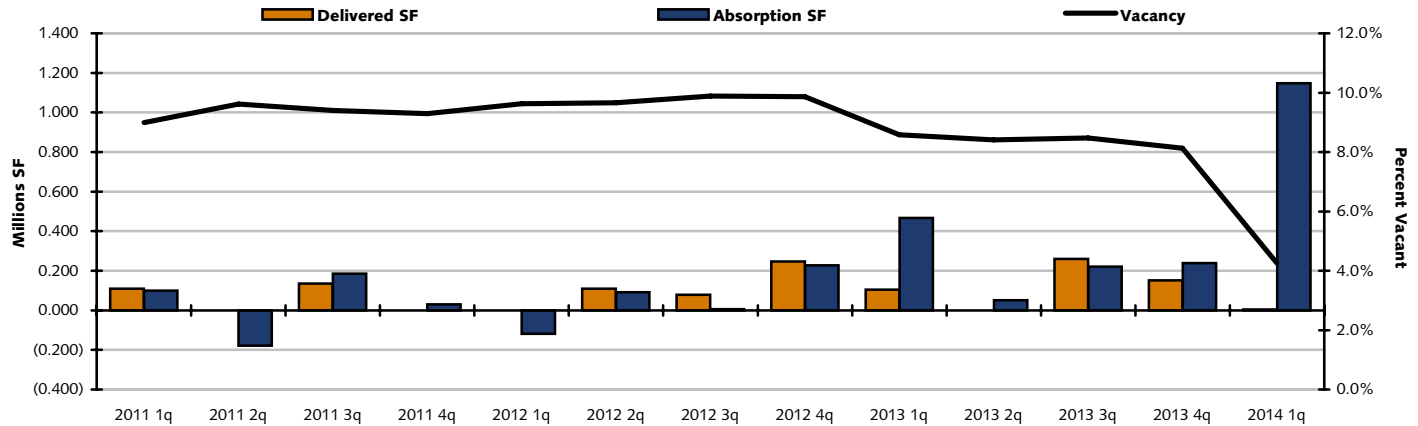


Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 1q	1,672	36,110,742	1,260,701	3.5%	203,630	0	0	1	43,485	\$6.85
2013 4q	1,672	36,110,742	1,464,331	4.1%	74,035	0	0	1	43,485	\$6.74
2013 3q	1,672	36,110,742	1,538,366	4.3%	(53,516)	0	0	0	0	\$6.58
2013 2q	1,672	36,110,742	1,484,850	4.1%	194,112	1	91,320	0	0	\$6.58
2013 1q	1,671	36,019,422	1,587,642	4.4%	145,116	0	0	1	91,320	\$6.37
2012 4q	1,671	36,019,422	1,732,758	4.8%	(283,930)	1	210,710	1	91,320	\$6.39
2012 3q	1,670	35,808,712	1,238,118	3.5%	37,755	1	12,500	1	210,710	\$6.60
2012 2q	1,670	35,913,337	1,380,498	3.8%	(49,174)	0	0	2	223,210	\$6.45
2012 1q	1,670	35,913,337	1,331,324	3.7%	(107,615)	1	16,144	1	12,500	\$6.40
2011 4q	1,669	35,897,193	1,207,565	3.4%	139,436	0	0	1	16,144	\$6.44
2011 3q	1,669	35,897,193	1,347,001	3.8%	7,794	0	0	1	16,144	\$6.40
2011 2q	1,669	35,897,193	1,354,795	3.8%	256,066	0	0	0	0	\$6.49
2011 1q	1,669	35,897,193	1,610,861	4.5%	(272,119)	0	0	0	0	\$6.13
2010 4q	1,669	35,897,193	1,338,742	3.7%	(83,818)	0	0	0	0	\$6.19
2010 3q	1,669	35,897,193	1,254,924	3.5%	103,704	0	0	0	0	\$6.23
2010 2q	1,669	35,897,193	1,358,628	3.8%	71,817	0	0	0	0	\$6.16

Source: CoStar Property®

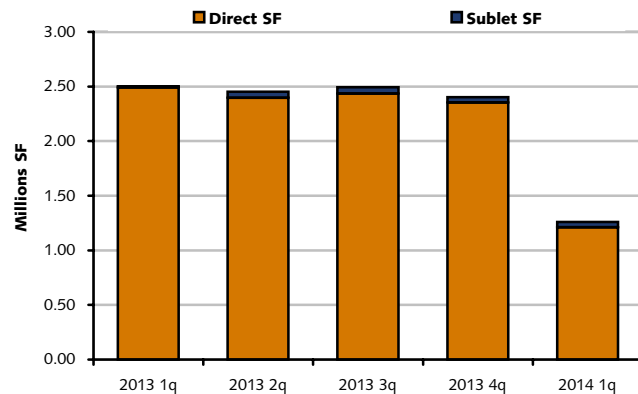
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

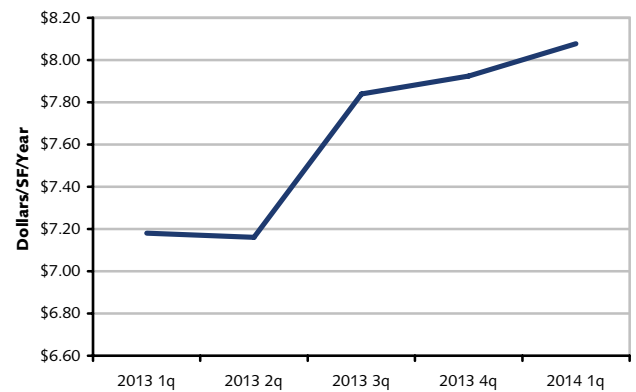
## Historical Analysis, Flex and Warehouse



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	
2014 1q	1,646	29,565,337	1,260,104	4.3%	1,147,670	1	4,000	0	0	\$8.08
2013 4q	1,645	29,561,337	2,403,774	8.1%	238,919	1	150,701	1	4,000	\$7.92
2013 3q	1,644	29,410,636	2,491,992	8.5%	220,410	2	260,019	2	154,701	\$7.84
2013 2q	1,642	29,150,617	2,452,383	8.4%	50,656	0	0	4	414,720	\$7.16
2013 1q	1,642	29,150,617	2,503,039	8.6%	467,125	2	104,883	4	414,720	\$7.18
2012 4q	1,640	29,045,734	2,865,281	9.9%	227,426	4	246,730	3	108,883	\$6.95
2012 3q	1,636	28,799,004	2,845,977	9.9%	5,364	1	78,000	7	355,613	\$6.95
2012 2q	1,635	28,721,004	2,773,341	9.7%	91,218	1	108,721	7	365,234	\$6.93
2012 1q	1,634	28,612,283	2,755,838	9.6%	(119,240)	0	0	7	469,955	\$7.15
2011 4q	1,635	28,638,845	2,663,160	9.3%	29,600	0	0	2	186,721	\$7.23
2011 3q	1,635	28,638,845	2,692,760	9.4%	184,689	1	135,429	2	186,721	\$7.28
2011 2q	1,634	28,503,416	2,742,020	9.6%	(178,228)	0	0	2	213,429	\$7.20
2011 1q	1,634	28,503,416	2,563,792	9.0%	100,296	1	110,000	2	213,429	\$7.12
2010 4q	1,633	28,393,416	2,554,088	9.0%	125,574	0	0	1	110,000	\$7.14
2010 3q	1,633	28,393,416	2,679,662	9.4%	(1,987)	0	0	1	110,000	\$7.14
2010 2q	1,633	28,393,416	2,677,675	9.4%	17,922	0	0	1	110,000	\$7.17

Source: CoStar Property®

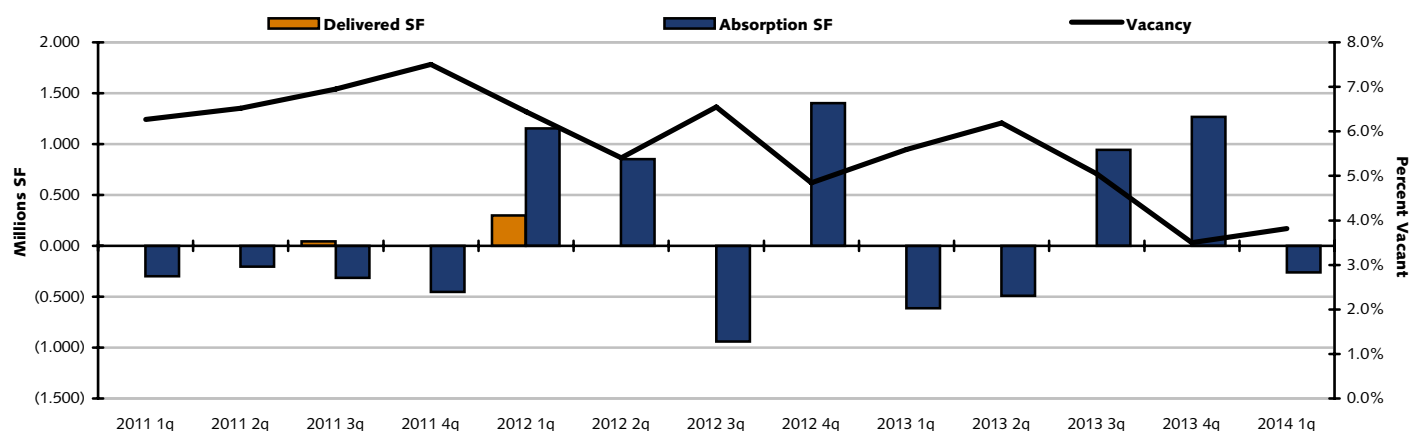
# LOS ANGELES INDUSTRIAL MARKET

CoStar Group

## LOWER SGV MARKET

MARKET HIGHLIGHTS - FLEX &amp; WAREHOUSE

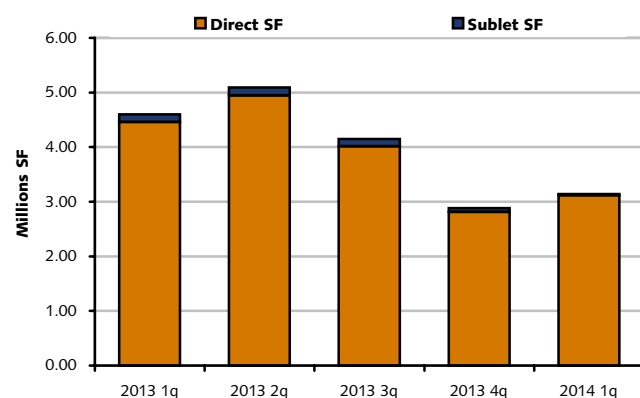
### DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### VACANT SPACE

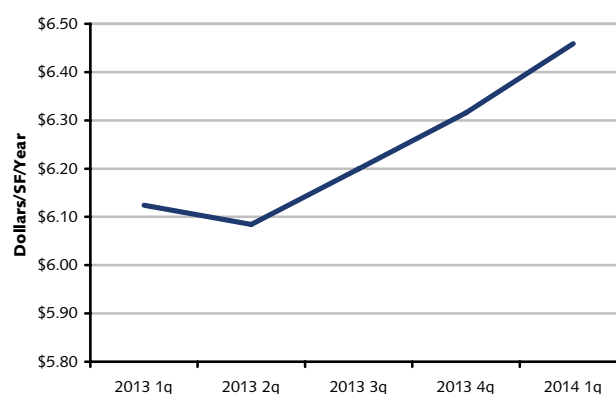
#### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### QUOTED RENTAL RATES

#### Historical Analysis, Flex and Warehouse



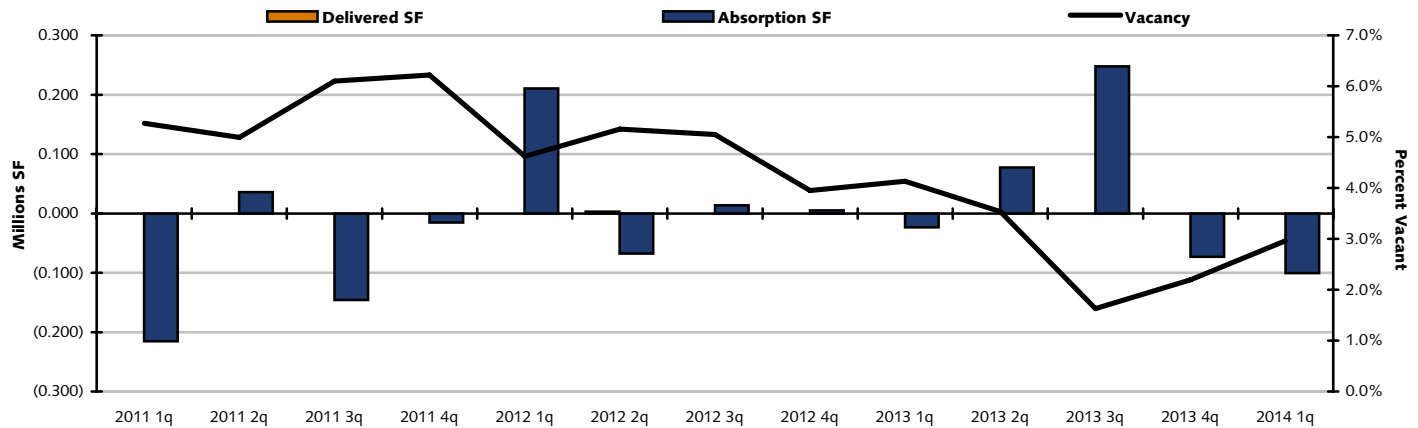
Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 1q	1,531	82,272,626	3,142,105	3.8%	(261,240)	0	0	3	311,543	\$6.46
2013 4q	1,531	82,272,626	2,880,865	3.5%	1,267,525	0	0	2	79,543	\$6.32
2013 3q	1,531	82,272,626	4,148,390	5.0%	942,272	0	0	0	0	\$6.20
2013 2q	1,531	82,272,626	5,090,662	6.2%	(490,477)	0	0	0	0	\$6.08
2013 1q	1,531	82,272,626	4,600,185	5.6%	(613,465)	0	0	0	0	\$6.12
2012 4q	1,531	82,272,626	3,986,720	4.8%	1,401,568	0	0	0	0	\$6.00
2012 3q	1,531	82,272,626	5,388,288	6.5%	(941,542)	0	0	0	0	\$6.06
2012 2q	1,531	82,272,626	4,446,746	5.4%	851,524	0	0	0	0	\$6.06
2012 1q	1,531	82,272,626	5,298,270	6.4%	1,154,561	1	300,000	0	0	\$6.07
2011 4q	1,530	81,972,626	6,152,831	7.5%	(453,442)	0	0	1	300,000	\$6.03
2011 3q	1,530	81,972,626	5,699,389	7.0%	(314,112)	1	45,115	1	300,000	\$5.99
2011 2q	1,529	81,927,511	5,340,162	6.5%	(203,869)	0	0	1	45,115	\$6.26
2011 1q	1,529	81,927,511	5,136,293	6.3%	(297,547)	0	0	1	45,115	\$6.13
2010 4q	1,531	82,052,495	4,963,730	6.0%	573,732	1	200,000	0	0	\$6.13
2010 3q	1,530	81,852,495	5,337,462	6.5%	135,593	1	21,499	1	200,000	\$6.08
2010 2q	1,529	81,830,996	5,451,556	6.7%	298,753	1	53,687	2	221,499	\$6.04

Source: CoStar Property®



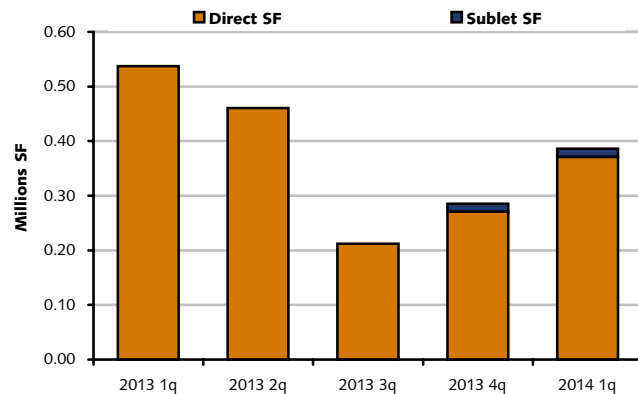
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

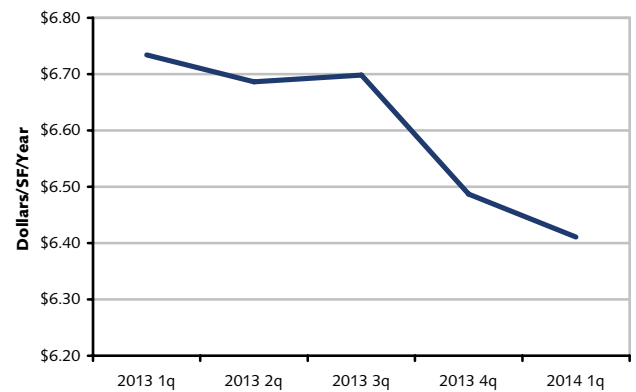
### Historical Analysis, Flex and Warehouse



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	
2014 1q	539	13,017,034	385,927	3.0%	(100,409)	0	0	0	0	\$6.41
2013 4q	539	13,017,034	285,518	2.2%	(73,116)	0	0	0	0	\$6.49
2013 3q	539	13,017,034	212,402	1.6%	247,961	0	0	0	0	\$6.70
2013 2q	539	13,017,034	460,363	3.5%	77,149	0	0	0	0	\$6.69
2013 1q	539	13,017,034	537,512	4.1%	(23,519)	0	0	0	0	\$6.73
2012 4q	539	13,017,034	513,993	3.9%	4,935	0	0	0	0	\$6.33
2012 3q	540	13,163,054	664,948	5.1%	13,555	0	0	0	0	\$5.62
2012 2q	540	13,163,054	678,503	5.2%	(67,482)	1	3,000	0	0	\$5.55
2012 1q	539	13,160,054	608,021	4.6%	210,336	0	0	1	3,000	\$5.57
2011 4q	539	13,160,054	818,357	6.2%	(15,540)	0	0	1	3,000	\$5.55
2011 3q	539	13,160,054	802,817	6.1%	(145,601)	0	0	0	0	\$5.53
2011 2q	539	13,160,054	657,216	5.0%	36,065	0	0	0	0	\$5.87
2011 1q	539	13,160,054	693,281	5.3%	(215,527)	0	0	0	0	\$5.74
2010 4q	539	13,160,054	477,754	3.6%	(88,649)	0	0	0	0	\$5.74
2010 3q	539	13,160,054	389,105	3.0%	68,915	0	0	0	0	\$5.89
2010 2q	539	13,160,054	458,020	3.5%	33,625	0	0	0	0	\$6.25

Source: CoStar Property®

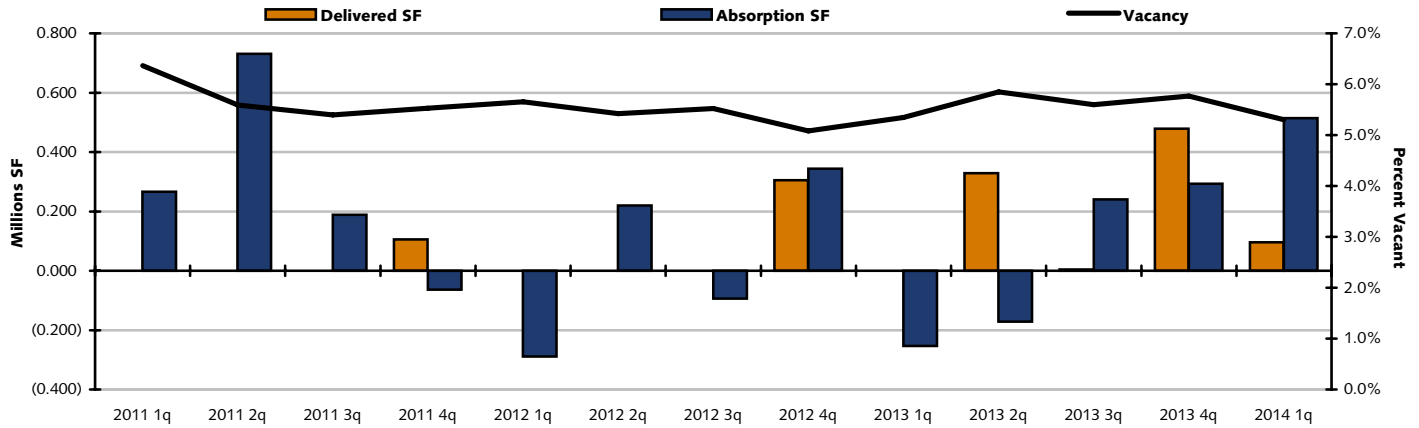
# LOS ANGELES INDUSTRIAL MARKET

CoStar GROUP

## MID COUNTIES - LA MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

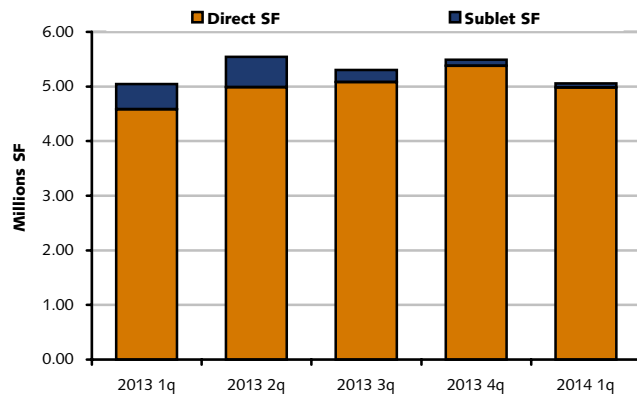
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

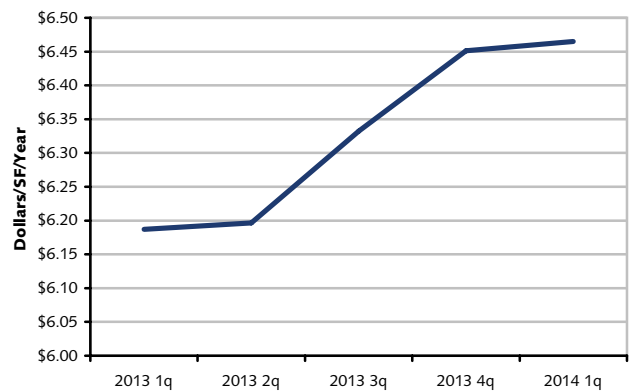
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse

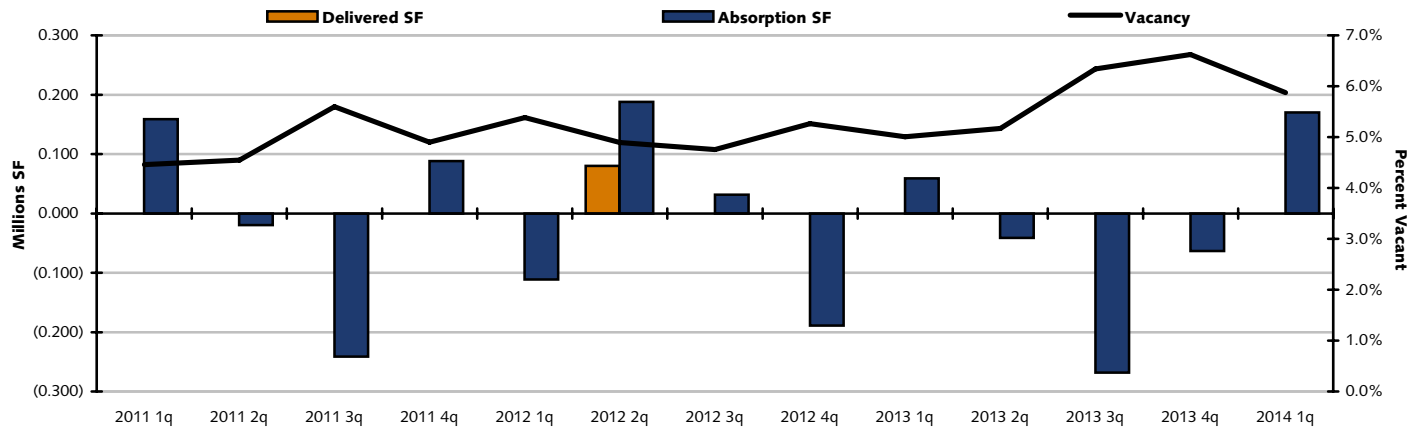


Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 1q	2,706	95,278,447	5,053,900	5.3%	514,680	2	95,464	1	24,895	\$6.46
2013 4q	2,706	95,200,167	5,490,300	5.8%	293,502	3	478,951	3	120,359	\$6.45
2013 3q	2,703	94,721,216	5,304,851	5.6%	240,771	1	4,718	6	599,310	\$6.33
2013 2q	2,702	94,716,498	5,540,904	5.8%	(171,620)	1	328,378	5	535,701	\$6.20
2013 1q	2,702	94,394,336	5,047,122	5.3%	(253,443)	0	0	3	781,156	\$6.19
2012 4q	2,703	94,400,587	4,799,930	5.1%	343,626	1	305,422	1	4,718	\$6.17
2012 3q	2,704	94,473,035	5,216,004	5.5%	(93,835)	0	0	2	310,140	\$6.20
2012 2q	2,704	94,473,035	5,122,169	5.4%	220,033	0	0	2	310,140	\$6.17
2012 1q	2,704	94,473,035	5,342,202	5.7%	(289,304)	0	0	2	310,140	\$6.06
2011 4q	2,705	94,655,369	5,235,232	5.5%	(63,552)	1	106,100	0	0	\$6.10
2011 3q	2,705	94,586,085	5,102,396	5.4%	188,450	0	0	1	106,100	\$6.12
2011 2q	2,705	94,586,085	5,290,846	5.6%	731,520	0	0	1	106,100	\$6.10
2011 1q	2,705	94,586,085	6,022,366	6.4%	266,561	0	0	1	106,100	\$5.99
2010 4q	2,705	94,586,085	6,288,927	6.6%	(256,844)	0	0	0	0	\$5.88
2010 3q	2,705	94,586,085	6,032,083	6.4%	22,137	0	0	0	0	\$5.98
2010 2q	2,705	94,586,085	6,054,220	6.4%	(185,740)	0	0	0	0	\$6.05

Source: CoStar Property®

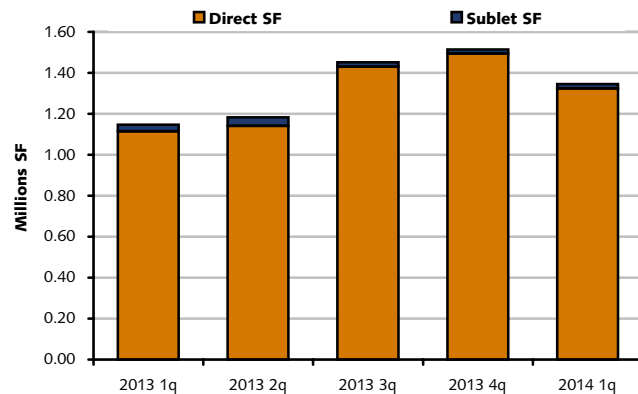
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

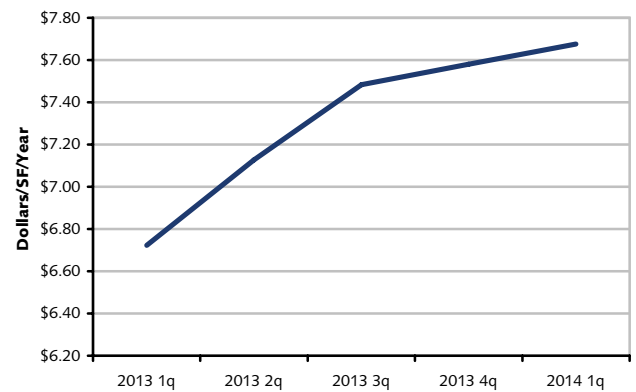
## Historical Analysis, Flex and Warehouse



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	
2014 1q	1,318	22,880,895	1,344,617	5.9%	169,992	0	0	2	35,027	\$7.68
2013 4q	1,318	22,880,895	1,514,609	6.6%	(63,543)	0	0	1	28,000	\$7.58
2013 3q	1,318	22,880,895	1,451,066	6.3%	(268,196)	0	0	1	28,000	\$7.48
2013 2q	1,318	22,880,895	1,182,870	5.2%	(41,220)	0	0	1	28,000	\$7.13
2013 1q	1,319	22,885,395	1,146,150	5.0%	58,997	0	0	0	0	\$6.72
2012 4q	1,319	22,885,395	1,205,147	5.3%	(188,999)	0	0	0	0	\$6.57
2012 3q	1,320	22,961,395	1,092,148	4.8%	31,690	0	0	0	0	\$6.76
2012 2q	1,320	22,961,395	1,123,838	4.9%	188,081	1	79,900	0	0	\$6.88
2012 1q	1,319	22,881,495	1,232,019	5.4%	(111,141)	0	0	1	79,900	\$6.72
2011 4q	1,319	22,881,495	1,120,878	4.9%	88,286	0	0	1	79,900	\$6.76
2011 3q	1,320	22,957,843	1,285,512	5.6%	(241,497)	0	0	1	79,900	\$6.73
2011 2q	1,320	22,957,843	1,044,015	4.5%	(19,687)	0	0	1	79,900	\$7.36
2011 1q	1,320	22,957,843	1,024,328	4.5%	158,939	0	0	1	79,900	\$7.21
2010 4q	1,320	22,957,843	1,183,267	5.2%	(121,698)	0	0	0	0	\$7.17
2010 3q	1,320	22,957,843	1,061,569	4.6%	(83,302)	0	0	0	0	\$7.30
2010 2q	1,320	22,957,843	978,267	4.3%	76,686	0	0	0	0	\$7.36

Source: CoStar Property®

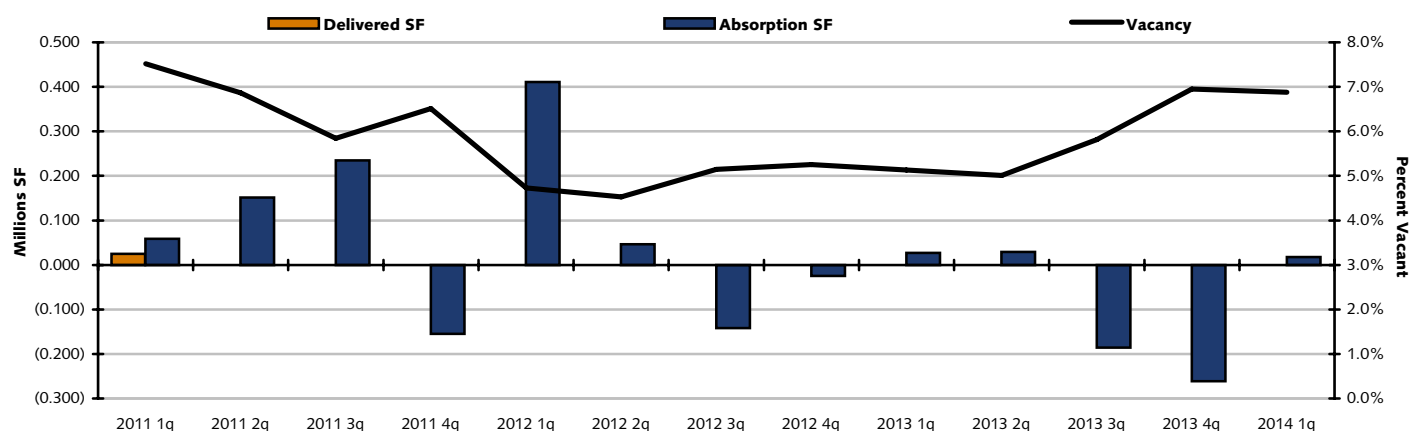
# LOS ANGELES INDUSTRIAL MARKET

## SCV/LANCASTER/PALMDALE MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

CoStar GROUP

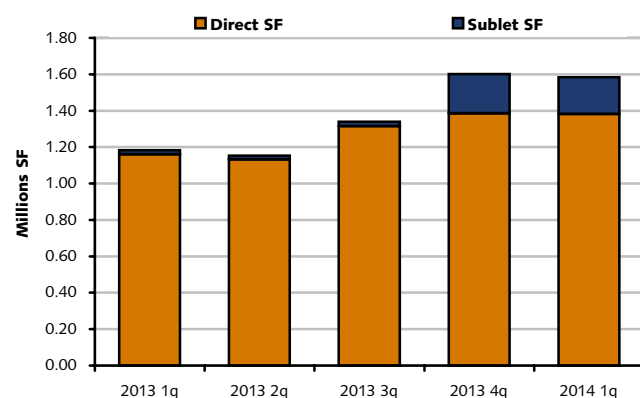
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

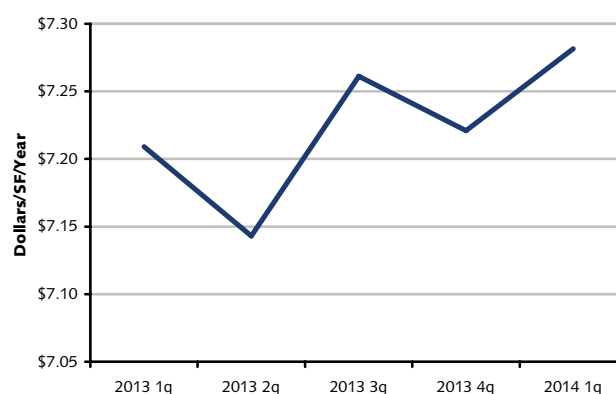
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse

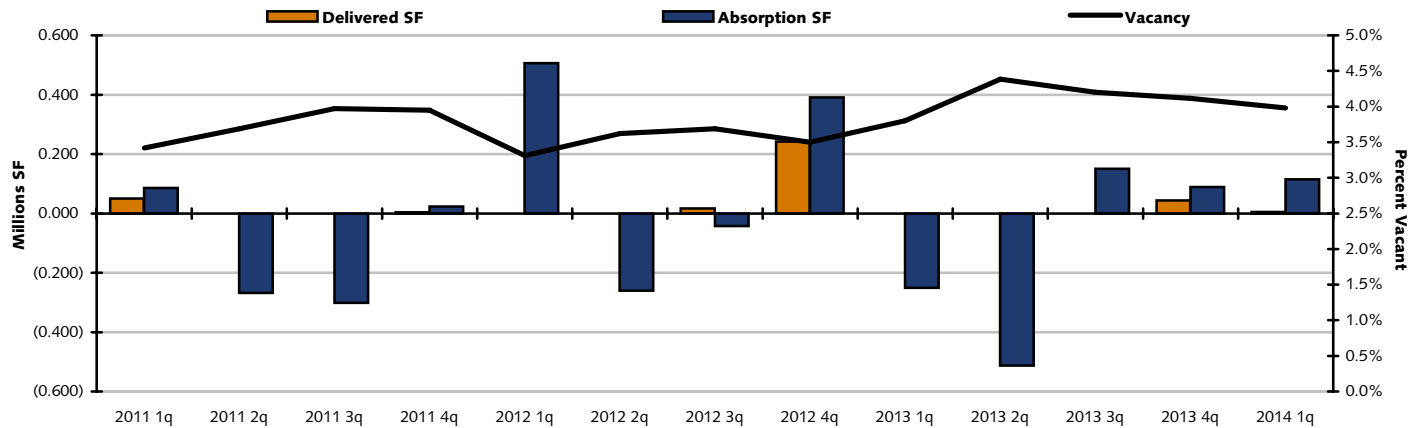


Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 1q	673	23,032,227	1,583,721	6.9%	17,560	0	0	0	0	\$7.28
2013 4q	673	23,032,227	1,601,281	7.0%	(261,536)	0	0	0	0	\$7.22
2013 3q	673	23,032,227	1,339,745	5.8%	(186,064)	0	0	0	0	\$7.26
2013 2q	673	23,032,227	1,153,681	5.0%	29,039	0	0	0	0	\$7.14
2013 1q	673	23,032,227	1,182,720	5.1%	27,195	0	0	0	0	\$7.21
2012 4q	673	23,032,227	1,209,915	5.3%	(24,996)	0	0	0	0	\$7.39
2012 3q	673	23,032,227	1,184,919	5.1%	(142,025)	0	0	0	0	\$7.49
2012 2q	673	23,032,227	1,042,894	4.5%	46,718	0	0	0	0	\$7.00
2012 1q	673	23,032,227	1,089,612	4.7%	410,981	0	0	0	0	\$7.13
2011 4q	673	23,032,227	1,500,593	6.5%	(154,853)	0	0	0	0	\$6.82
2011 3q	673	23,032,227	1,345,740	5.8%	234,904	0	0	0	0	\$6.68
2011 2q	673	23,032,227	1,580,644	6.9%	151,314	0	0	0	0	\$6.36
2011 1q	673	23,032,227	1,731,958	7.5%	58,360	2	24,997	0	0	\$6.55
2010 4q	671	23,007,230	1,765,321	7.7%	17,608	0	0	2	24,997	\$6.55
2010 3q	671	23,007,230	1,782,929	7.7%	(229,850)	0	0	2	24,997	\$6.67
2010 2q	671	23,007,230	1,553,079	6.8%	(6,975)	0	0	0	0	\$7.02

Source: CoStar Property®

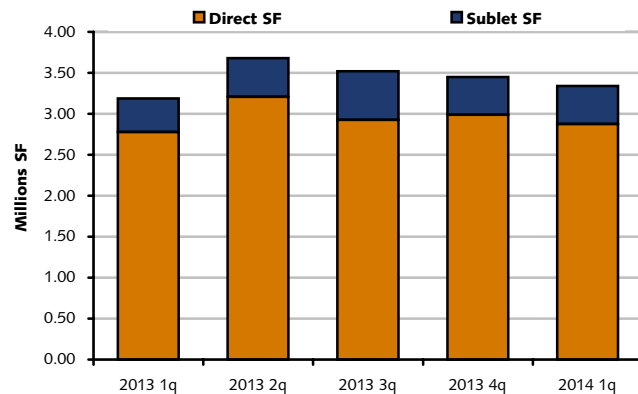
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

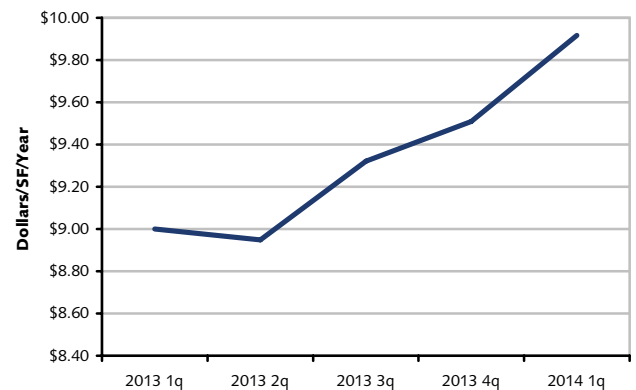
## Historical Analysis, Flex and Warehouse



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	
2014 1q	4,961	83,883,565	3,340,415	4.0%	114,333	1	5,000	0	0	\$9.92
2013 4q	4,960	83,878,565	3,449,748	4.1%	89,000	1	44,000	1	5,000	\$9.51
2013 3q	4,962	83,861,297	3,521,480	4.2%	150,714	0	0	2	49,000	\$9.32
2013 2q	4,963	83,867,377	3,678,274	4.4%	(512,371)	0	0	1	44,000	\$8.95
2013 1q	4,966	83,889,720	3,188,246	3.8%	(250,858)	0	0	1	44,000	\$9.00
2012 4q	4,966	83,889,720	2,937,388	3.5%	391,103	2	241,695	0	0	\$8.82
2012 3q	4,964	83,648,025	3,086,796	3.7%	(42,871)	1	16,786	2	241,695	\$8.94
2012 2q	4,963	83,631,239	3,027,139	3.6%	(259,985)	0	0	3	258,481	\$8.93
2012 1q	4,963	83,631,239	2,767,154	3.3%	506,018	0	0	2	246,786	\$8.90
2011 4q	4,965	83,659,734	3,301,667	3.9%	22,989	1	4,225	1	230,000	\$8.80
2011 3q	4,964	83,655,509	3,320,431	4.0%	(301,435)	0	0	1	4,225	\$8.83
2011 2q	4,965	83,725,246	3,088,733	3.7%	(267,757)	0	0	1	4,225	\$8.93
2011 1q	4,966	83,766,346	2,862,076	3.4%	85,388	2	50,054	0	0	\$8.88
2010 4q	4,964	83,716,292	2,897,410	3.5%	(79,012)	0	0	2	50,054	\$8.92
2010 3q	4,966	83,720,772	2,822,878	3.4%	254,299	1	6,438	2	50,054	\$9.00
2010 2q	4,965	83,714,334	3,070,739	3.7%	(79,188)	0	0	1	6,438	\$9.06

Source: CoStar Property®

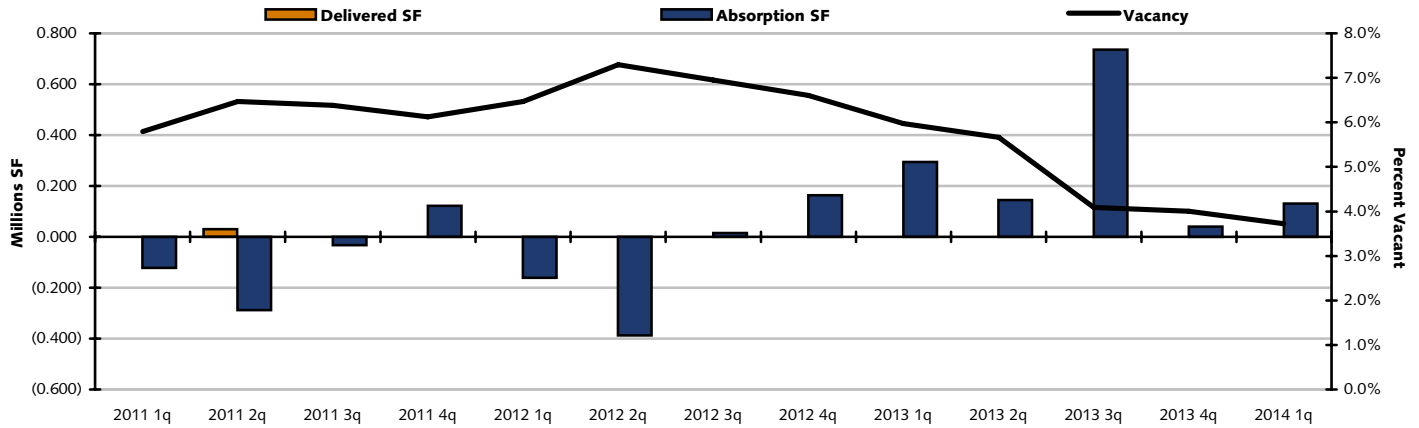
## LOS ANGELES INDUSTRIAL MARKET

CoSTAR GROUP

## SFV WEST MARKET

## MARKET HIGHLIGHTS - FLEX &amp; WAREHOUSE

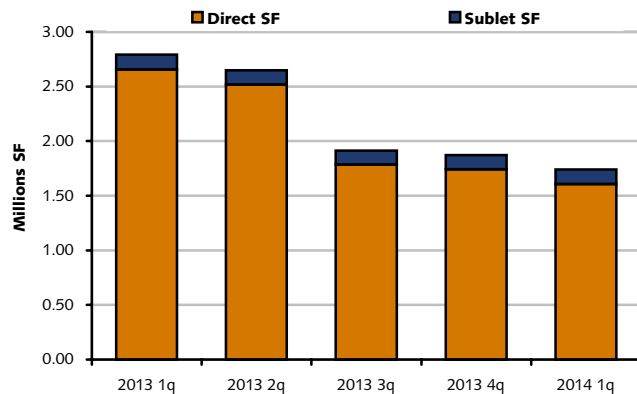
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

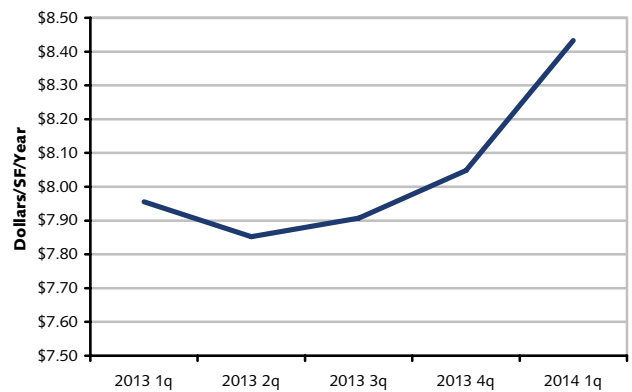
## Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

## Historical Analysis, Flex and Warehouse

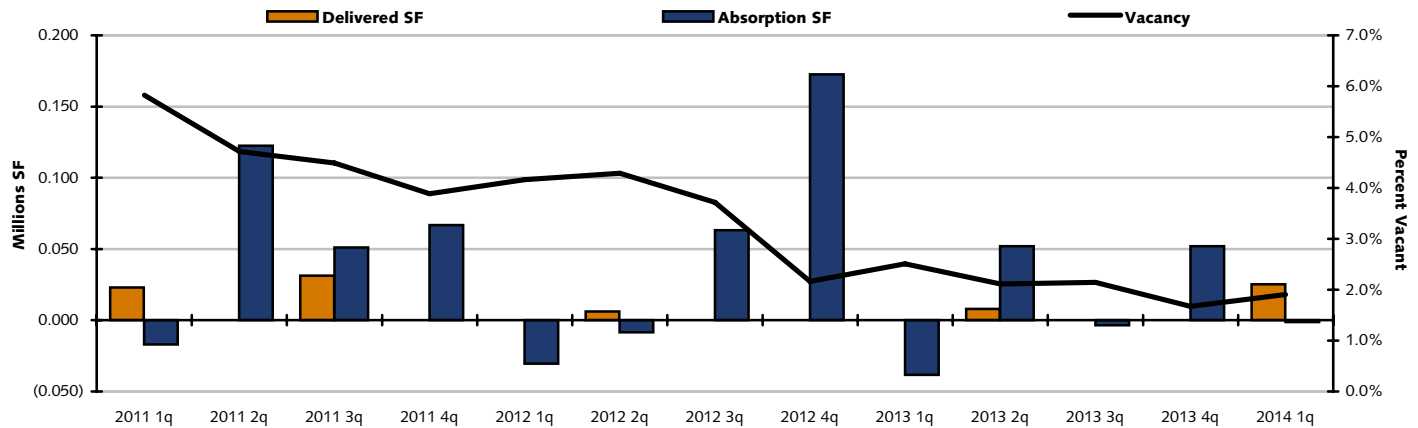


Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 1q	1,974	46,747,598	1,741,363	3.7%	130,290	0	0	0	0	\$8.43
2013 4q	1,974	46,747,598	1,871,653	4.0%	40,210	0	0	0	0	\$8.05
2013 3q	1,974	46,747,598	1,911,863	4.1%	736,345	0	0	0	0	\$7.91
2013 2q	1,974	46,747,598	2,648,208	5.7%	144,155	0	0	0	0	\$7.85
2013 1q	1,974	46,747,598	2,792,363	6.0%	294,804	0	0	0	0	\$7.96
2012 4q	1,974	46,747,598	3,087,167	6.6%	163,606	0	0	0	0	\$7.91
2012 3q	1,974	46,747,598	3,250,773	7.0%	15,328	0	0	0	0	\$7.88
2012 2q	1,975	46,901,598	3,420,101	7.3%	(387,583)	0	0	0	0	\$7.80
2012 1q	1,975	46,901,598	3,032,518	6.5%	(160,433)	0	0	0	0	\$7.78
2011 4q	1,975	46,901,598	2,872,085	6.1%	121,902	0	0	0	0	\$7.65
2011 3q	1,975	46,901,598	2,993,987	6.4%	(32,833)	0	0	0	0	\$7.74
2011 2q	1,977	46,979,798	3,039,354	6.5%	(288,474)	1	29,901	0	0	\$7.71
2011 1q	1,976	46,949,897	2,720,979	5.8%	(122,118)	0	0	1	29,901	\$7.86
2010 4q	1,976	46,949,897	2,598,861	5.5%	54,780	0	0	1	29,901	\$7.98
2010 3q	1,976	46,949,897	2,653,641	5.7%	(53,164)	0	0	1	29,901	\$8.42
2010 2q	1,976	46,949,897	2,600,477	5.5%	(114,751)	3	45,101	1	29,901	\$8.62

Source: CoStar Property®

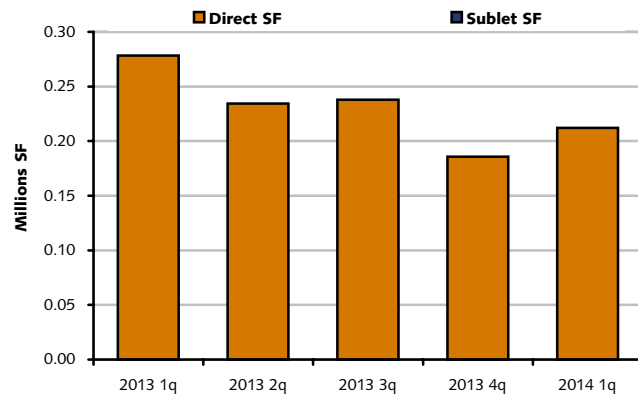
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

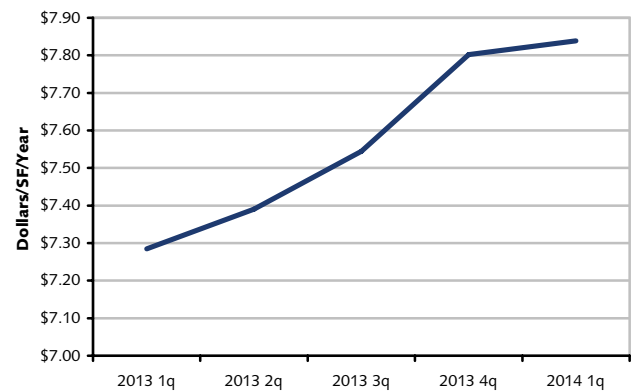
## Historical Analysis, Flex and Warehouse



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	
2014 1q	1,000	11,126,974	212,184	1.9%	(1,218)	2	25,200	0	0	\$7.84
2013 4q	998	11,101,774	185,766	1.7%	51,990	0	0	2	25,200	\$7.80
2013 3q	998	11,101,774	237,756	2.1%	(3,457)	0	0	2	25,200	\$7.54
2013 2q	998	11,101,774	234,299	2.1%	52,086	1	8,000	0	0	\$7.39
2013 1q	997	11,093,774	278,385	2.5%	(38,305)	0	0	1	8,000	\$7.28
2012 4q	997	11,093,774	240,080	2.2%	172,529	0	0	1	8,000	\$7.23
2012 3q	997	11,093,774	412,609	3.7%	63,208	0	0	1	8,000	\$7.31
2012 2q	997	11,093,774	475,817	4.3%	(8,441)	1	6,051	1	8,000	\$7.32
2012 1q	996	11,087,723	461,325	4.2%	(30,376)	0	0	1	6,051	\$7.22
2011 4q	996	11,087,723	430,949	3.9%	66,732	0	0	1	6,051	\$7.14
2011 3q	996	11,087,723	497,681	4.5%	51,058	1	31,295	1	6,051	\$7.10
2011 2q	996	11,060,988	522,004	4.7%	122,503	0	0	2	37,346	\$7.04
2011 1q	996	11,060,988	644,507	5.8%	(17,072)	2	23,090	2	37,346	\$6.97
2010 4q	994	11,037,898	604,345	5.5%	(47,971)	1	5,950	2	23,090	\$6.82
2010 3q	993	11,031,948	550,424	5.0%	16,324	0	0	3	29,040	\$6.77
2010 2q	993	11,031,948	566,748	5.1%	(84,121)	0	0	1	5,950	\$6.83

Source: CoStar Property®



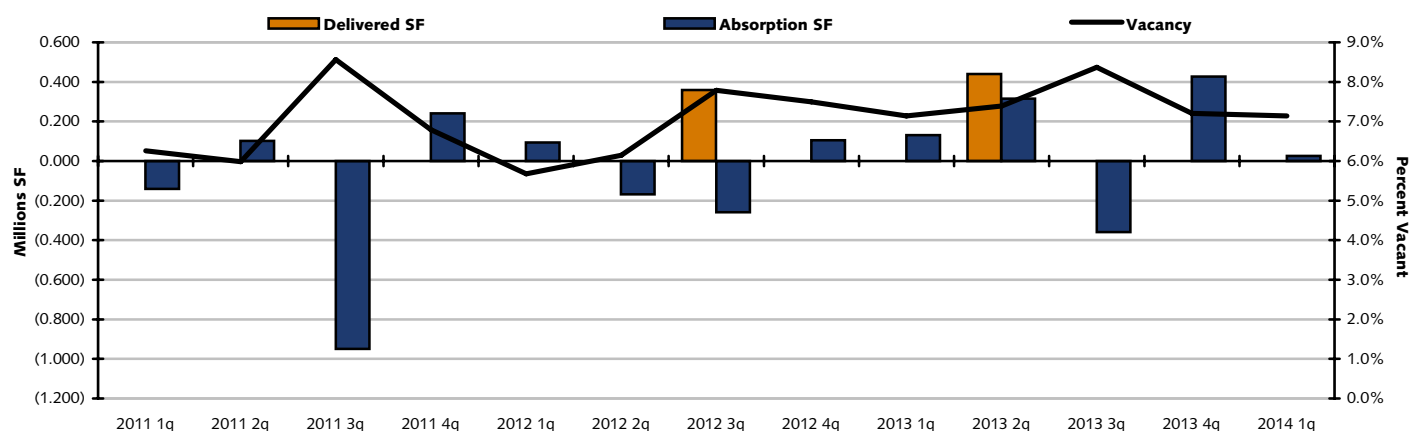
# LOS ANGELES INDUSTRIAL MARKET

## TORRANCE/BEACH CITIES MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

CoStar GROUP

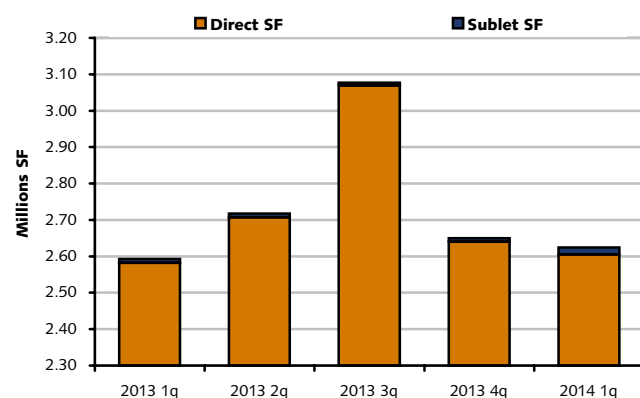
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

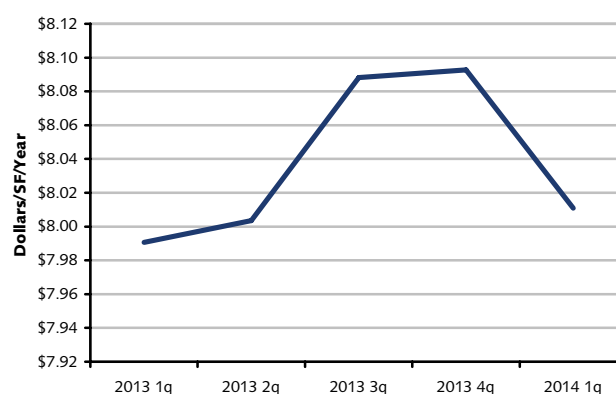
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse

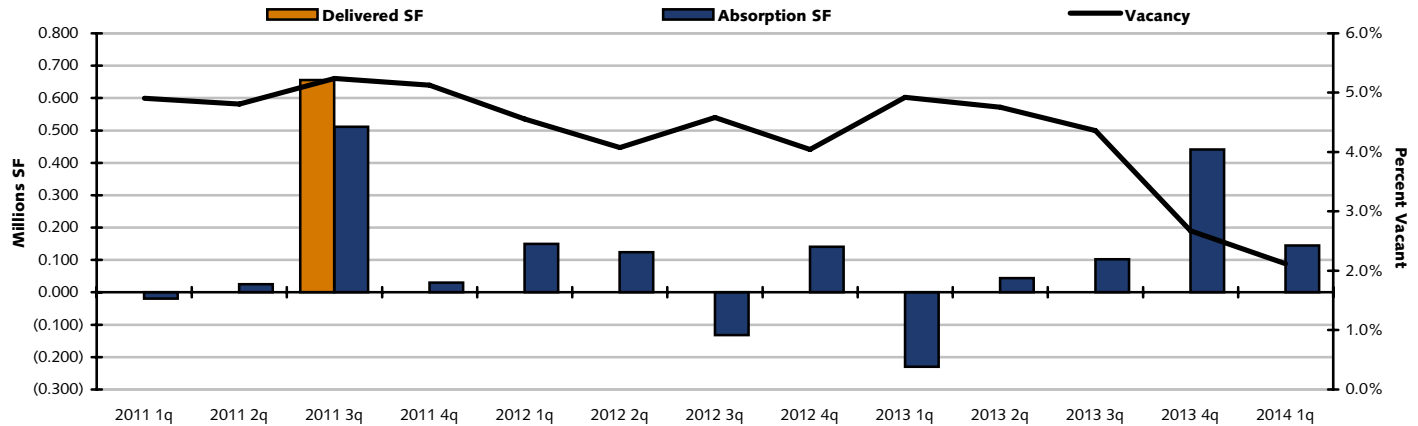


Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 1q	1,056	36,765,208	2,624,501	7.1%	25,271	0	0	0	0	\$8.01
2013 4q	1,056	36,765,208	2,649,772	7.2%	426,750	0	0	0	0	\$8.09
2013 3q	1,056	36,765,208	3,076,522	8.4%	(358,728)	0	0	0	0	\$8.09
2013 2q	1,056	36,765,208	2,717,794	7.4%	315,063	2	439,779	0	0	\$8.00
2013 1q	1,054	36,325,429	2,593,078	7.1%	130,756	0	0	2	439,779	\$7.99
2012 4q	1,054	36,325,429	2,723,834	7.5%	104,606	0	0	2	439,779	\$7.84
2012 3q	1,054	36,325,429	2,828,440	7.8%	(259,038)	3	358,958	2	439,779	\$7.77
2012 2q	1,051	35,966,471	2,210,444	6.1%	(167,679)	0	0	5	798,737	\$7.69
2012 1q	1,051	35,966,471	2,042,765	5.7%	93,897	0	0	5	798,737	\$7.58
2011 4q	1,052	36,295,611	2,465,802	6.8%	241,270	0	0	3	261,074	\$7.31
2011 3q	1,053	36,734,282	3,145,743	8.6%	(949,111)	0	0	2	86,713	\$7.39
2011 2q	1,053	36,734,282	2,196,632	6.0%	102,093	0	0	2	86,713	\$7.53
2011 1q	1,053	36,734,282	2,298,725	6.3%	(141,148)	0	0	0	0	\$7.38
2010 4q	1,053	36,734,282	2,157,577	5.9%	77,115	2	17,982	0	0	\$7.39
2010 3q	1,051	36,716,300	2,216,710	6.0%	132,013	0	0	2	17,982	\$7.43
2010 2q	1,051	36,716,300	2,348,723	6.4%	(490,803)	0	0	2	17,982	\$7.54

Source: CoStar Property®

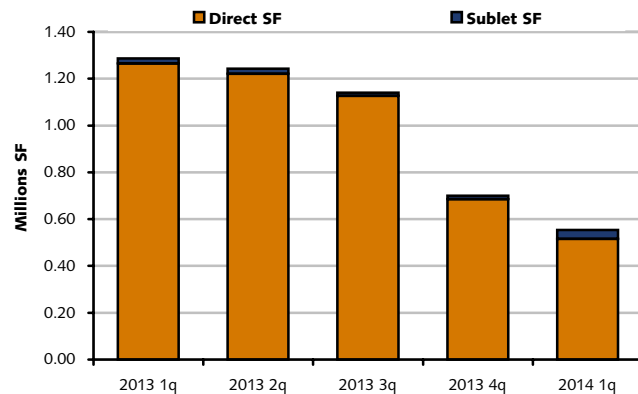
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

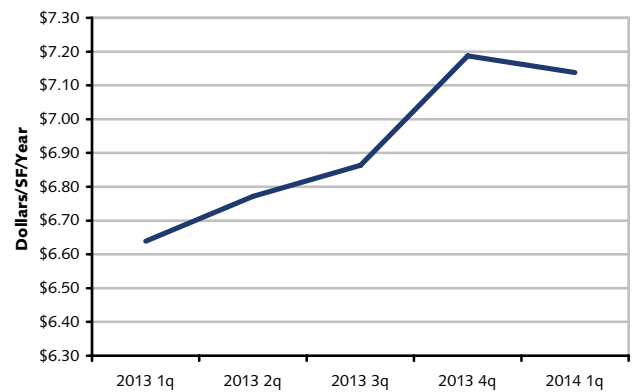
## Historical Analysis, Flex and Warehouse



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	
2014 1q	1,260	26,146,763	554,234	2.1%	145,173	0	0	0	0	\$7.14
2013 4q	1,260	26,146,763	699,407	2.7%	441,353	0	0	0	0	\$7.19
2013 3q	1,260	26,146,763	1,140,760	4.4%	102,167	0	0	0	0	\$6.86
2013 2q	1,260	26,146,763	1,242,927	4.8%	43,666	0	0	0	0	\$6.77
2013 1q	1,260	26,146,763	1,286,593	4.9%	(229,823)	0	0	0	0	\$6.64
2012 4q	1,260	26,146,763	1,056,770	4.0%	141,203	0	0	0	0	\$6.70
2012 3q	1,260	26,146,763	1,197,973	4.6%	(132,058)	0	0	0	0	\$6.82
2012 2q	1,260	26,146,763	1,065,915	4.1%	124,437	0	0	0	0	\$6.78
2012 1q	1,260	26,146,763	1,190,352	4.6%	150,043	0	0	0	0	\$6.87
2011 4q	1,260	26,146,763	1,340,395	5.1%	29,989	0	0	0	0	\$6.77
2011 3q	1,260	26,146,763	1,370,384	5.2%	511,504	1	656,000	0	0	\$6.79
2011 2q	1,259	25,490,763	1,225,888	4.8%	24,907	0	0	1	656,000	\$6.70
2011 1q	1,259	25,490,763	1,250,795	4.9%	(19,043)	0	0	1	656,000	\$6.80
2010 4q	1,259	25,490,763	1,231,752	4.8%	54,128	0	0	1	656,000	\$6.87
2010 3q	1,260	25,495,729	1,290,846	5.1%	(256,824)	1	52,194	0	0	\$6.95
2010 2q	1,259	25,443,535	981,828	3.9%	198,314	1	4,900	1	52,194	\$6.85

Source: CoStar Property®

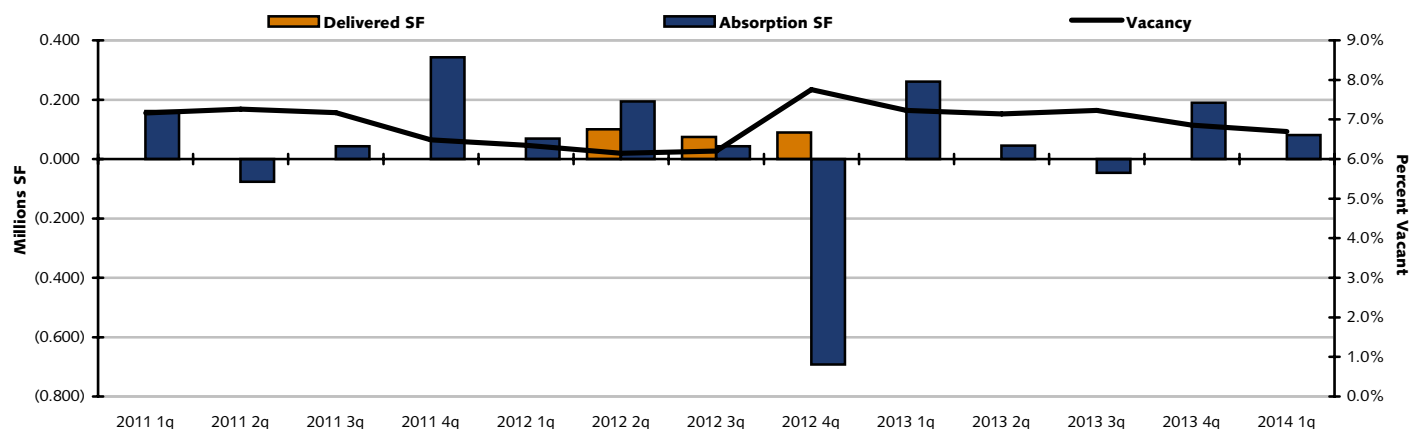
# LOS ANGELES INDUSTRIAL MARKET

CoStar Group

## VENTURA COUNTY MARKET

### MARKET HIGHLIGHTS - FLEX & WAREHOUSE

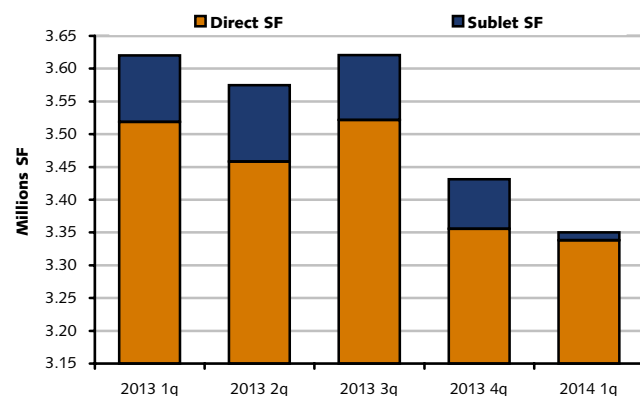
## DELIVERIES, ABSORPTION & VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

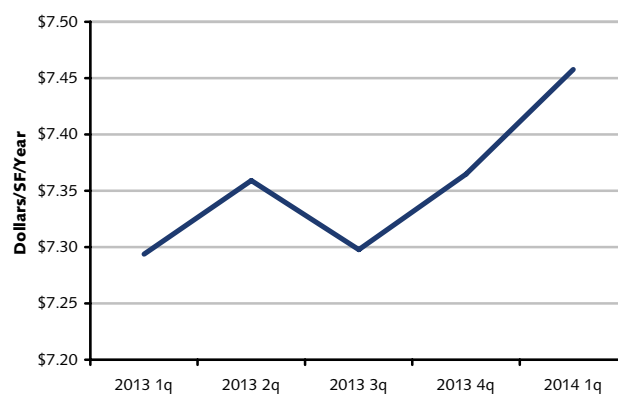
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## QUOTED RENTAL RATES

### Historical Analysis, Flex and Warehouse

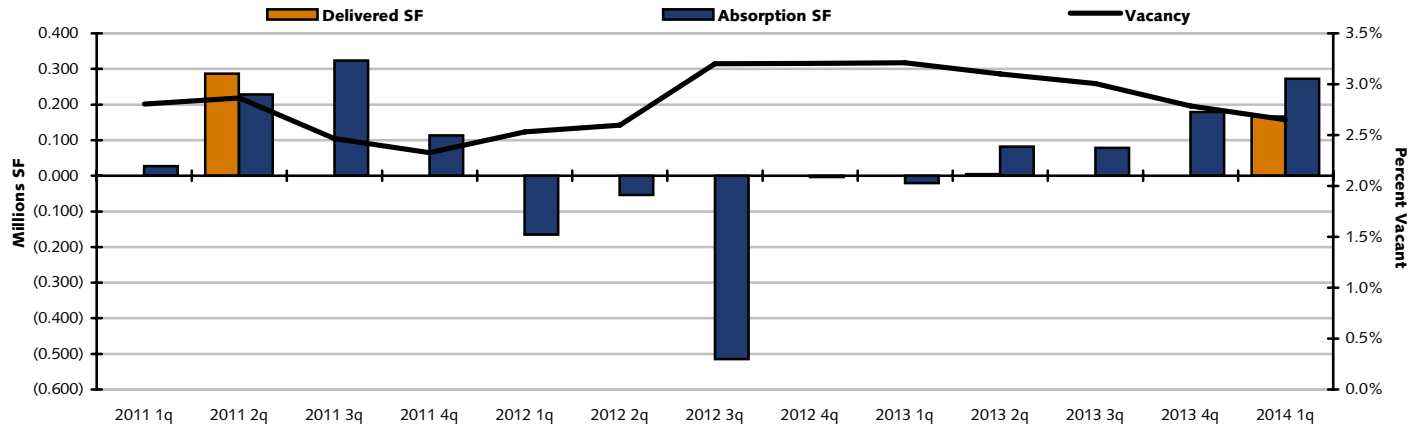


Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 1q	2,171	50,060,392	3,350,060	6.7%	81,158	0	0	0	0	\$7.46
2013 4q	2,171	50,060,392	3,431,218	6.9%	189,495	0	0	0	0	\$7.36
2013 3q	2,171	50,060,392	3,620,713	7.2%	(46,068)	0	0	0	0	\$7.30
2013 2q	2,171	50,060,392	3,574,645	7.1%	45,383	0	0	0	0	\$7.36
2013 1q	2,171	50,060,392	3,620,028	7.2%	261,097	0	0	0	0	\$7.29
2012 4q	2,171	50,060,392	3,881,125	7.8%	(692,180)	3	89,868	0	0	\$7.44
2012 3q	2,168	49,970,524	3,099,077	6.2%	42,935	2	74,000	3	89,868	\$7.50
2012 2q	2,166	49,896,524	3,068,012	6.1%	193,842	1	100,000	5	163,868	\$7.20
2012 1q	2,165	49,796,524	3,161,854	6.3%	68,628	0	0	5	235,548	\$7.14
2011 4q	2,165	49,796,524	3,230,482	6.5%	342,419	0	0	4	225,048	\$7.13
2011 3q	2,165	49,796,524	3,572,901	7.2%	43,570	0	0	4	225,048	\$7.24
2011 2q	2,165	49,796,524	3,616,471	7.3%	(76,273)	0	0	2	163,500	\$7.06
2011 1q	2,166	49,825,224	3,568,898	7.2%	161,270	0	0	1	63,500	\$7.08
2010 4q	2,166	49,825,224	3,730,168	7.5%	109,274	0	0	0	0	\$7.13
2010 3q	2,166	49,825,224	3,839,442	7.7%	(180,995)	3	53,355	0	0	\$7.33
2010 2q	2,163	49,771,869	3,605,092	7.2%	71,335	4	84,387	3	53,355	\$7.49

Source: CoStar Property®

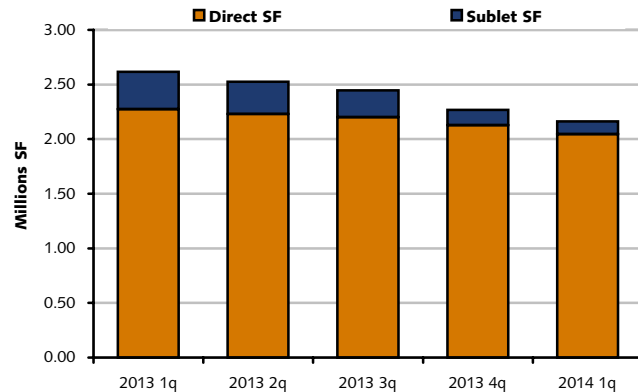
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

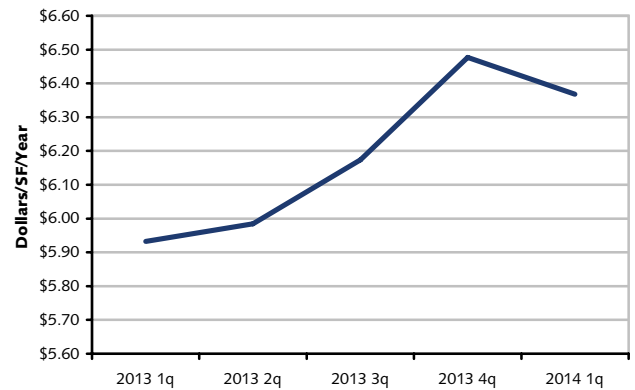
## Historical Analysis, Flex and Warehouse



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	
2014 1q	2,200	81,592,422	2,162,109	2.6%	272,760	2	166,594	3	238,625	\$6.37
2013 4q	2,198	81,425,828	2,268,275	2.8%	178,833	0	0	3	172,376	\$6.48
2013 3q	2,198	81,425,828	2,447,108	3.0%	78,201	0	0	2	166,594	\$6.17
2013 2q	2,198	81,425,828	2,525,309	3.1%	82,264	1	4,861	1	86,770	\$5.98
2013 1q	2,198	81,433,967	2,615,712	3.2%	(20,525)	0	0	1	4,861	\$5.93
2012 4q	2,199	81,448,567	2,609,787	3.2%	(3,179)	0	0	1	4,861	\$5.91
2012 3q	2,199	81,448,567	2,606,608	3.2%	(514,432)	0	0	1	4,861	\$5.91
2012 2q	2,201	81,471,637	2,115,246	2.6%	(53,720)	0	0	0	0	\$5.76
2012 1q	2,201	81,471,637	2,061,526	2.5%	(165,476)	0	0	0	0	\$5.71
2011 4q	2,201	81,471,637	1,896,050	2.3%	113,291	0	0	0	0	\$5.73
2011 3q	2,201	81,471,637	2,009,341	2.5%	323,466	0	0	0	0	\$5.77
2011 2q	2,201	81,471,637	2,332,807	2.9%	228,549	1	286,416	0	0	\$5.86
2011 1q	2,201	81,188,421	2,278,140	2.8%	27,226	0	0	1	286,416	\$5.73
2010 4q	2,201	81,188,421	2,305,366	2.8%	(88,945)	0	0	1	286,416	\$5.73
2010 3q	2,201	81,188,421	2,216,421	2.7%	334,696	0	0	1	286,416	\$5.82
2010 2q	2,201	81,188,421	2,551,117	3.1%	335,011	0	0	0	0	\$5.69

Source: CoStar Property®

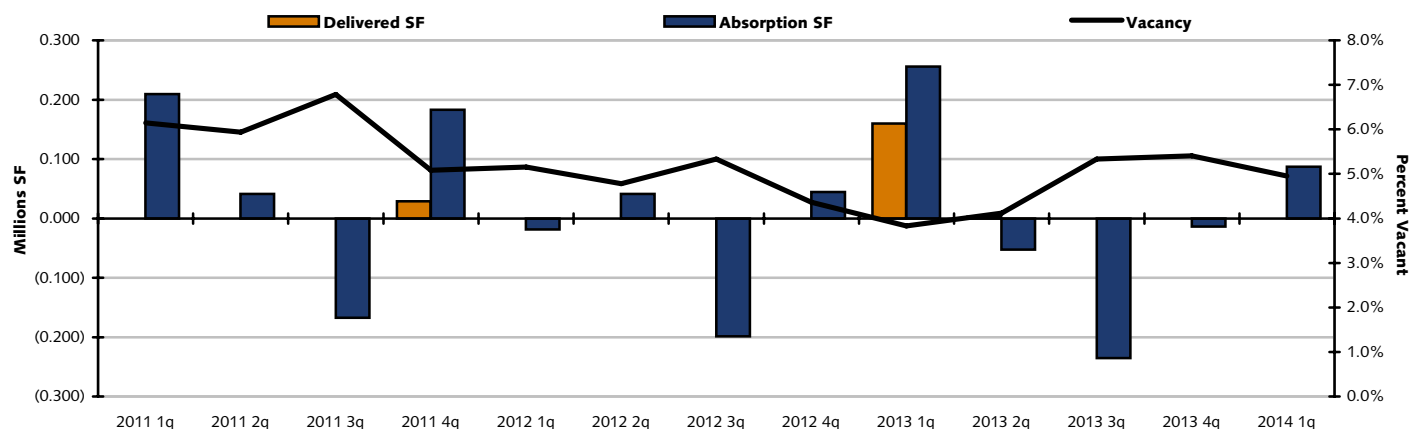
## LOS ANGELES INDUSTRIAL MARKET

CoSTAR GROUP

## WESTSIDE MARKET

MARKET HIGHLIGHTS - FLEX &amp; WAREHOUSE

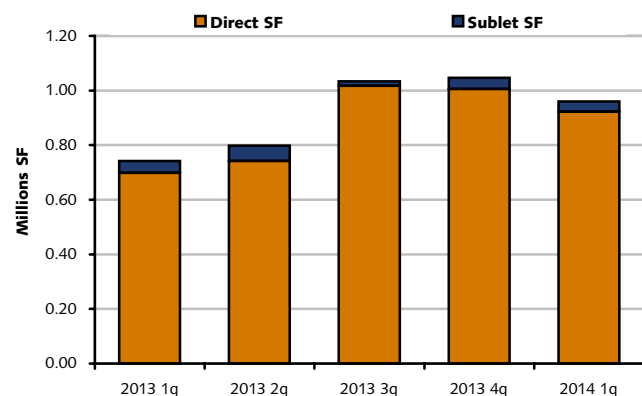
## DELIVERIES, ABSORPTION &amp; VACANCY Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## VACANT SPACE

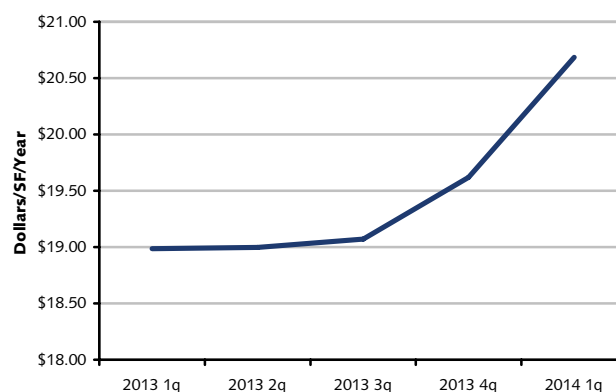
## Historical Analysis, Flex and Warehouse



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	
2014 1q	1,140	19,367,133	959,769	5.0%	87,197	0	0	0	0	\$20.69
2013 4q	1,140	19,367,133	1,046,966	5.4%	(13,683)	0	0	0	0	\$19.62
2013 3q	1,140	19,367,133	1,033,283	5.3%	(235,353)	0	0	0	0	\$19.07
2013 2q	1,140	19,367,133	797,930	4.1%	(52,609)	1	2,956	0	0	\$19.00
2013 1q	1,139	19,364,177	742,365	3.8%	256,064	1	160,000	1	2,956	\$18.99
2012 4q	1,138	19,204,177	838,429	4.4%	44,503	0	0	2	162,956	\$18.59
2012 3q	1,139	19,353,577	1,032,332	5.3%	(198,902)	0	0	1	160,000	\$18.22
2012 2q	1,141	19,449,667	929,520	4.8%	41,459	0	0	1	160,000	\$17.31
2012 1q	1,143	19,482,862	1,004,174	5.2%	(18,758)	0	0	1	160,000	\$17.13
2011 4q	1,144	19,488,467	991,021	5.1%	183,120	1	29,024	1	160,000	\$16.97
2011 3q	1,145	19,648,204	1,333,878	6.8%	(167,579)	0	0	2	189,024	\$16.91
2011 2q	1,145	19,648,204	1,166,299	5.9%	41,191	0	0	2	189,024	\$15.88
2011 1q	1,145	19,648,204	1,207,490	6.1%	209,303	0	0	1	160,000	\$16.90
2010 4q	1,146	19,677,228	1,445,817	7.3%	(31,696)	0	0	0	0	\$18.69
2010 3q	1,154	19,874,039	1,610,932	8.1%	(133,632)	0	0	0	0	\$18.73
2010 2q	1,154	19,874,039	1,477,300	7.4%	(180,850)	0	0	0	0	\$19.04

Source: CoStar Property®