

SUBMARKET STATISTICS

Submarket	Inventory	Under Construction	3Q 22 Deliveries	3Q 22 Direct Vacancy	3Q 22 Sublease Vacancy	3Q 22 Total Vacancy	2Q 22 Total Vacancy	3Q 22 Net Absorption	YTD Net Absorption	3Q 22 Avg Direct Asking Rent (NNN)
Bell/Bell Gardens/Cudahy	7,402,239	0	0	0.7%	0.0%	0.7%	1.4%	52,352	(8,363)	\$1.55
Commerce	60,089,755	0	55,000	1.4%	0.1%	1.5%	1.0%	(219,507)	(455,678)	\$1.74
Huntington Park	9,858,318	0	0	2.8%	0.2%	3.0%	1.6%	(133,953)	(189,476)	\$1.32
Lincoln Heights/City Terrace	9,767,357	0	0	12.7%	0.1%	12.8%	13.3%	48,925	(296,799)	\$1.15
Central Los Angeles	49,158,272	0	0	3.8%	0.2%	4.0%	3.3%	(361,760)	(288,855)	\$1.54
Maywood	796,355	0	0	1.6%	0.0%	1.6%	0.0%	(12,500)	(5,575)	\$1.25
Montebello	9,960,753	0	0	0.8%	0.0%	0.8%	0.9%	6,695	(78,805)	\$1.73
Pico Rivera	10,413,499	0	0	0.7%	0.1%	0.8%	0.8%	1,070	30,574	\$1.63
South Gate	9,922,053	0	0	0.4%	0.1%	0.5%	0.0%	(46,857)	(24,796)	\$1.38
Vernon	59,148,150	353,037	126,012	1.9%	0.2%	2.1%	1.4%	(271,405)	(606,762)	\$1.48
LA CENTRAL	226,516,751	353,037	181,012	2.5%	0.1%	2.6%	2.1%	(936,940)	(1,924,535)	\$1.60
Artesia	332,967	0	0	4.9%	0.0%	4.9%	5.8%	3,183	35,891	\$1.34
Bellflower	934,537	0	0	8.3%	0.0%	8.3%	3.6%	(44,552)	(45,512)	\$1.56
Buena Park	13,278,843	0	0	0.5%	0.1%	0.6%	0.8%	24,939	(36,604)	\$1.37
Cerritos	12,733,108	0	0	1.6%	0.6%	2.2%	2.1%	(9,164)	(222,498)	\$1.55
Cypress	4,622,357	0	0	0.9%	0.0%	0.9%	3.1%	98,637	37,658	\$1.36
Downey	4,593,991	44,162	0	0.5%	0.0%	0.5%	1.2%	30,568	(11,520)	\$1.68
La Mirada	13,495,438	0	0	0.4%	0.0%	0.4%	1.6%	169,340	229,397	\$1.61
La Palma	1,778,216	0	0	4.1%	0.0%	4.1%	4.1%	0	11,421	\$1.75
Los Alamitos	2,182,349	0	0	0.1%	0.0%	0.1%	0.0%	(1,620)	(19,802)	\$1.34
Norwalk	2,887,091	0	0	2.0%	0.0%	2.0%	0.1%	(53,381)	(54,053)	\$1.50
Santa Fe Springs	53,381,022	0	0	0.7%	0.1%	0.7%	0.9%	110,982	72,332	\$1.64
Whittier	9,060,499	28,332	0	0.4%	0.0%	0.4%	1.3%	84,816	(38,962)	\$1.56
MID-COUNTIES	119,280,418	72,494	0	0.8%	0.1%	0.9%	1.3%	413,748	(42,252)	\$1.60
City of Industry	78,872,386	1,182,299	216,716	1.3%	0.3%	1.6%	1.3%	(29,870)	(289,536)	\$1.45
East San Gabriel Valley	26,345,600	37,690	0	1.5%	0.0%	1.5%	0.8%	(196,954)	(246,492)	\$1.12
Lower San Gabriel Valley	25,805,869	0	0	1.8%	0.0%	1.8%	1.7%	(27,582)	(135,072)	\$1.54
Upper San Gabriel Valley	38,122,573	57,746	624,187	3.6%	0.3%	3.9%	2.3%	(8,061)	397,794	\$1.64
SAN GABRIEL VALLEY	169,146,428	1,277,735	840,903	1.9%	0.2%	2.1%	1.5%	(262,467)	(273,306)	\$1.54
Beach Cities/El Segundo	10,625,264	31,541	0	1.5%	0.0%	1.5%	1.4%	(18,290)	(89,639)	\$1.69
Carson	22,958,441	293,093	0	0.9%	0.0%	0.9%	1.0%	16,672	(17,890)	\$1.92
Compton/Rancho Dominguez	40,265,914	0	0	1.2%	0.1%	1.2%	1.4%	48,057	(241,369)	\$1.82
Gardena/Hawthorne/Inglewood/Lawndale	49,154,148	194,612	0	1.2%	0.2%	1.4%	1.4%	(21,527)	212,188	\$1.76
Harbor City/Lomita/San Pedro/Wilmington	9,276,077	0	0	1.2%	0.0%	1.2%	1.0%	(18,720)	35,205	\$2.23
Lakewood/Long Beach/Signal Hill	36,610,319	94,328	0	2.5%	0.0%	2.5%	2.8%	93,332	(365,148)	\$1.55
Lynwood/Paramount	13,586,382	0	0	0.9%	0.0%	0.9%	0.7%	(25,848)	(186,803)	\$1.45
Torrance	28,044,441	1,340,181	295,539	1.5%	0.1%	1.7%	2.2%	414,117	545,816	\$1.70
SOUTH BAY	210,520,986	1,953,755	295,539	1.4%	0.1%	1.5%	1.6%	487,793	(107,640)	\$1.76
LOS ANGELES TOTAL	725,464,583	3,657,021	1,317,454	1.8%	0.1%	1.9%	1.7%	(297,866)	(2,347,733)	\$1.66

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Q3 2022 LOS ANGELES INDUSTRIAL MARKET



MARKET SNAPSHOT

HIGHEST TOTAL SALE & LEASE ACTIVITY

LA CENTRAL

4,725,500 SF

HIGHEST AVERAGE DIRECT ASKING RATE (NNN)

SOUTH BAY

\$1.76 PSF

LOWEST TOTAL VACANCY

MID-COUNTIES

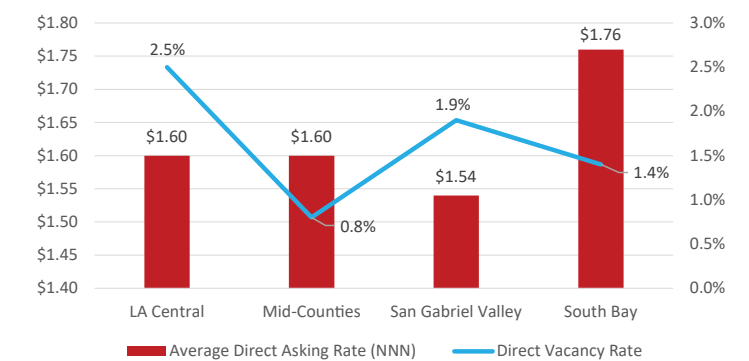
0.9%

MOST UNDER CONSTRUCTION DELIVERIES

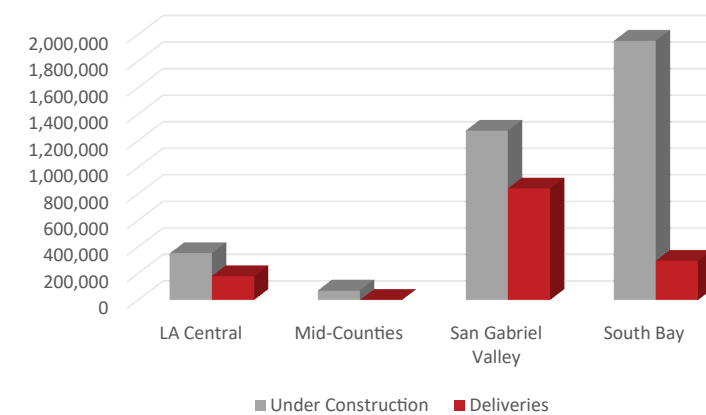
SAN GABRIEL VALLEY

840,903 SF

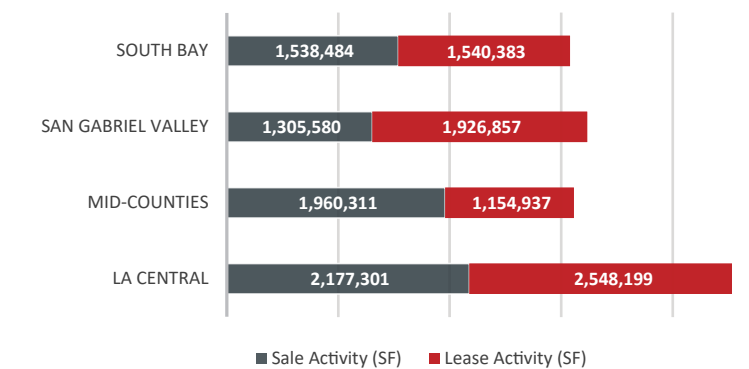
VACANCY AND ASKING RATE



UNDER CONSTRUCTION & DELIVERIES (SF)



SALE AND LEASE ACTIVITY (SF)



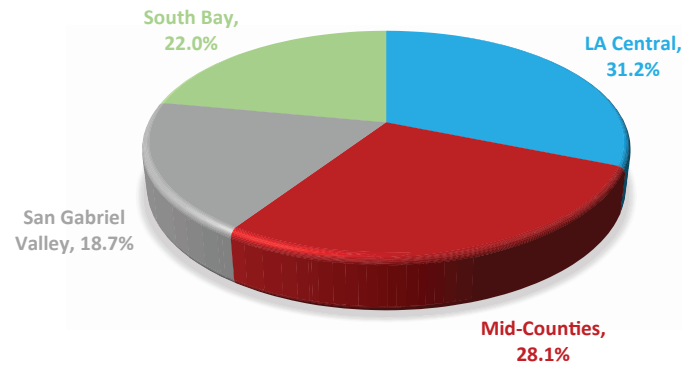
Maggie Kusumawathy, Research and Marketing

The Los Angeles Industrial market ended the quarter with a slight increase in total vacancy at 1.9%, up from 1.7% last quarter and 1.8% a year ago. Mid-Countries recorded the lowest vacancy of the quarter at 0.9%. LA Central submarket was the most active submarket, with a total of 4,725,500 SF sold and leased, about 50% more than the other submarkets. There was a negative 297K SF net absorption for the quarter, which reflects less demand, as buyers and tenants are more cautious in making decisions, due to the increase of interest rates. However, there are still a decent amount of owner/user demand for the limited inventory. Logistics companies leased 4 out of 5 top transactions, including renewal & expansion, averaging 200K SF of Warehouse/Distribution space. Over 1.3M SF was delivered, with almost 850K SF in San Gabriel Valley, and over 3.6M SF under construction in the pipeline. Average direct asking rate for the quarter was \$1.66 PSF NNN; doubled and tripled from 7 and 9 years ago, respectively. South Bay submarket had the highest average direct asking rate at \$1.76 PSF NNN, with San Pedro/Harbor City submarket going as high as \$2.23 PSF NNN. The average sale price PSF has also increased to \$296.43, doubled since 5 years ago.

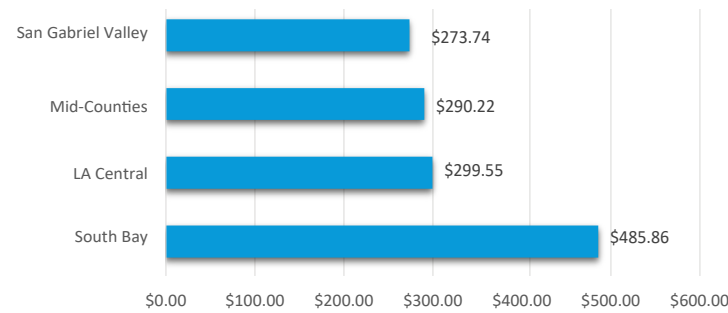
Q3 22

LOS ANGELES INDUSTRIAL MARKET

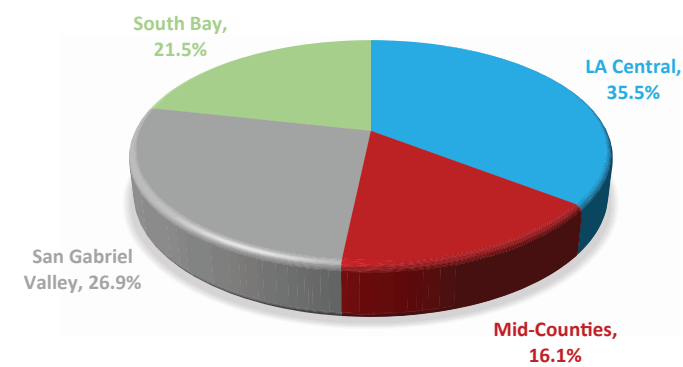
SALE ACTIVITY



AVERAGE SALE PRICE PSF



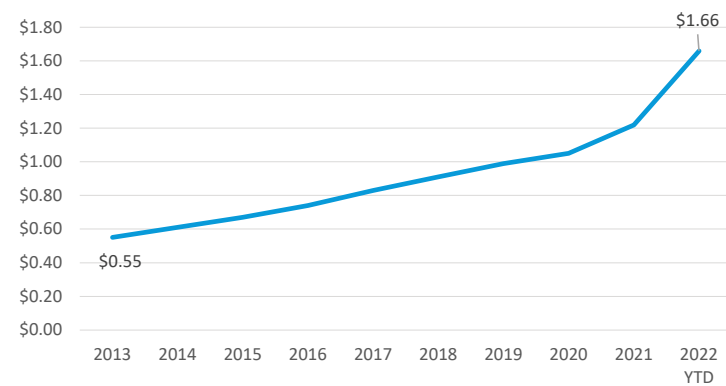
LEASE ACTIVITY



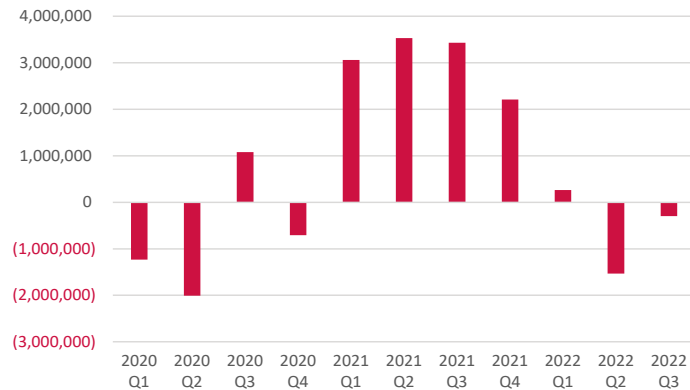
AVERAGE DIRECT ASKING RATE (NNN)



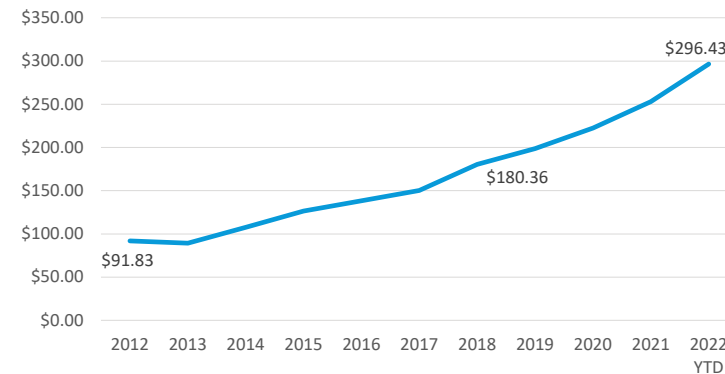
AVERAGE DIRECT ASKING RATE (NNN)



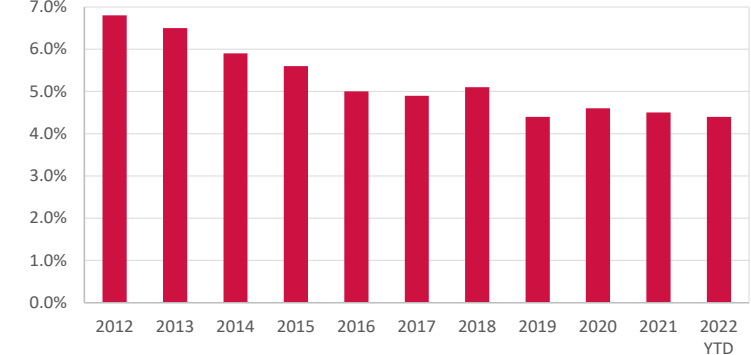
NET ABSORPTION (SF)



AVERAGE SALE PRICE PSF



AVERAGE CAP RATE



TOP SALE TRANSACTIONS

Address	Transaction Size (SF)	Buyer	Property Type	Sale Type	Sale Price	Market
2900 & 2901 Fruitland Ave, Vernon	855,470	UBS	Manufacturing	Sale Leaseback	\$181,000,000	LA Central
5801-5881 S 2nd St, Los Angeles	294,606	Bridge Industrial	Manufacturing	Investment	\$62,212,000	LA Central
11811-11831 E Florence Ave, Santa Fe Springs	288,000	Blackstone, Inc.	Warehouse/Distribution	Investment	\$79,158,749	Mid-Counties
8685 Bowers Ave, South Gate	196,500	Hines	Warehouse/Distribution	Investment	\$43,000,000	LA Central
159 San Antonio Ave, Pomona	182,275	EverWest Real Estate Investors, LLC	Warehouse/Distribution	Investment	\$45,900,000	San Gabriel Valley

TOP LEASE TRANSACTIONS

Address	Transaction Size	Tenant	Property Type	Lease Type	Tenant Type	Market
2900 & 2901 Fruitland Ave, Vernon	855,470	O-I Glass, Inc.	Manufacturing	Direct Lease	Glass Containers Manufacturer	LA Central
16532 S Avalon Blvd, Carson	210,710	JIT Transportation	Warehouse/Distribution	Direct Lease	Logistics	South Bay
7225 Rosemead Blvd, Pico Rivera	202,629	Pacific Logistics, LLC	Warehouse/Distribution	Direct Lease	Logistics	LA Central
601-605 W Walnut St, Compton	200,000	Great Central Transport, Inc.	Warehouse/Distribution	Direct Lease	Logistics	South Bay
18045 E Rowland St, City of Industry	200,000	Ryder Logistics	Warehouse/Distribution	Direct Lease	Logistics	San Gabriel Valley