



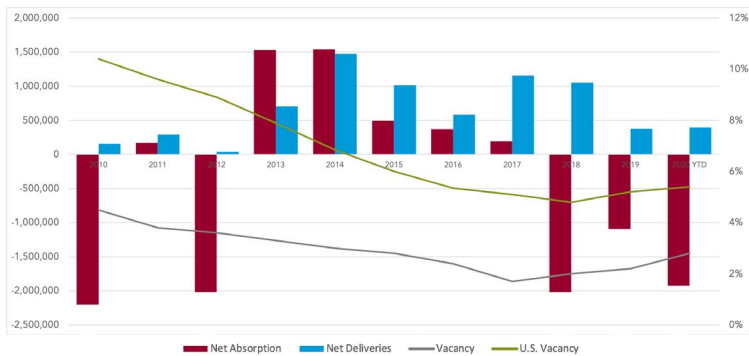
INDUSTRIAL MARKET OVERVIEW

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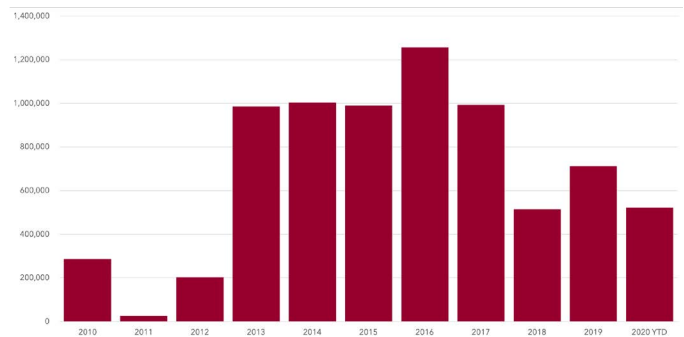
The vacancy rate in the Central Market has increased slightly over the last several quarters currently at a low 2.8%. There remains 521,000 square feet under construction, which may lead to a slight uptick in the vacancy rate in future quarters. The demand for new inventory is there, but land to build it is not, and that has pushed the bulk of the region's construction activity into other parts of Southern California. Investors love the potential for rent growth and low vacancy in tight markets and they have been aggressively securing deals with a willingness to accept lower returns for the stability and upside potential of the Los Angeles market.

MARKET INDICATORS	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
▼ Net Absorption	(1,278,464) SF	(482,805) SF	474,659 SF	(613,277) SF	(470,680) SF
▲ Vacancy Rate	3.40%	2.89%	2.85%	2.98%	2.70%
▼ Avg NNN Asking Rate	\$15.24/SF	\$15.36/SF	\$15.36/SF	\$14.64/SF	\$14.52/SF
▼ Under Construction	521,666 SF	712,711 SF	774,917 SF	888,581 SF	871,503 SF
▲ Inventory	266,691,901 SF	266,522,520 SF	266,498,901 SF	266,600,622 SF	267,012,815 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4224 District Vernon, CA	117,360 SF	\$14,025,000 \$119.50/SF	Winix Global Bridge Development	Class A
3800 N. Mission Rd Los Angeles, CA	94,940 SF	\$16,250,000 \$171.16/SF	Mission 2020 LLC Forever 21	Class C
5807 Smithway Commerce, CA	74,050 SF	\$17,150,000 \$231.60/SF	5807 Smithway, LLC Zion Property Group	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2200 Saybrook Ave Commerce, CA	122,432 SF	Atlas Carpet Mills Inc	Enriquez Materials	Manufacturing
2929 E. 54th St Vernon, CA	113,952 SF	AMB	XPO	Business Services
7344 Bandini Commerce, CA	86,930 SF	Milstein Family Foundation	CA Liquidators	Business Services