



### INDUSTRIAL MARKET OVERVIEW

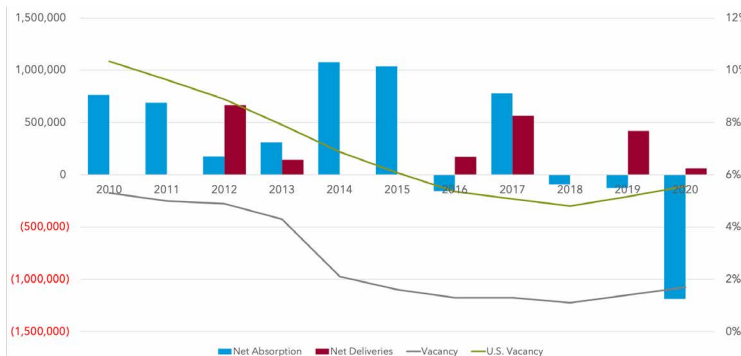
DAVID BALES, *Principal*

The Ports of Los Angeles - Long Beach, which handle a third of the nation's container traffic, posted cargo handling records in 2020. By early 2021, however, a flotilla of more than 40 container ships was at anchor and awaiting berths as dockworkers and warehouse space are at capacity. Pandemic-fueled e-commerce spending mainly on consumer goods is driving the activity. Port officials say imports include enormous quantities of medical supplies, furniture, appliances, construction material, hot tubs and anything to do with outdoors. The ripple effect from surge is driving demand for warehouse space. Vacancy remains at 2% or less near the ports.

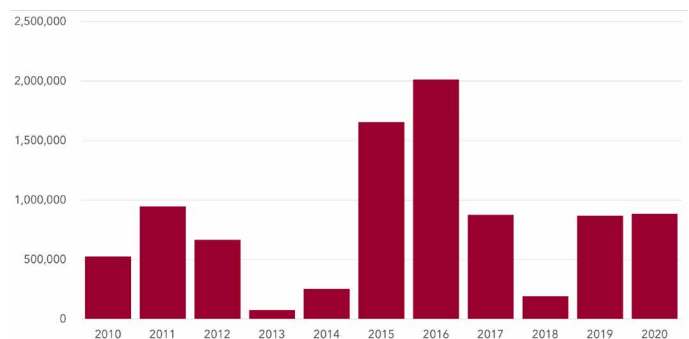
MARKET INDICATORS	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
▼ Net Absorption	(1,187,199) SF	33,052 SF	(87,235) SF	(378,711) SF	(126,955) SF
◀▶ Vacancy Rate	1.7%	1.7%	1.6%	1.5%	1.4%
◀▶ Avg NNN Asking Rate	\$1.11 PSF	\$1.11 PSF	\$1.09 PFS	\$1.08 PSF	\$1.08 PSF
▼ Under Construction	883,923 SF	946,613 SF	977,413 SF	562,253 SF	868,453 SF
▲ Inventory	198,569,143 SF	198,522,173 SF	198,217,318 SF	198,280,478 SF	197,842,496 SF

\* COSTAR REPORTED Q2 UNDER CONSTRUCTION AS 1,185,722 SF

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5 Bldgs (Rosecrans, San Pedro, Maple) Unincorporated LA, CA	329,326 SF	\$67,913,000.00 \$206.22 PSF	CenterPoint Properties Trust Nygard, Inc.	Class B
15100 S San Pedro Street Gardena, CA	112,075 SF	\$37,324,000.00 \$333.03 PSF	Sherman St 15100 San Pedro, LLC Dominguez S San Pedro LLC	Class C
15505 + 15601 S Avalon Blvd Los Angeles, CA	62,077 SF	\$15,500,000.00 \$249.69 PSF	Rexford Ind 15601 Avalon, LLC Hawaiian Host Candies of LA Inc	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
19270 S Western Avenue Torrance, CA	370,641 SF	DWS	Freight Horse	Freight Transportation
13344 S Main Street Los Angeles, CA	290,303 SF	Duke Realty Corporation	Reyes Distribution	Distribution
588 Crenshaw Blvd Torrance, CA	265,418 SF	The Backstone Group LP	Next Level Apparel	Clothing

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