



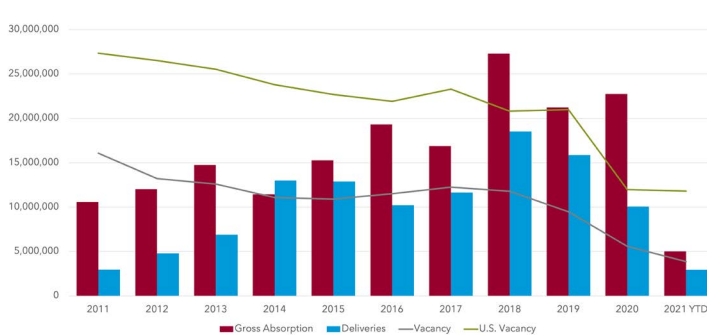
### INDUSTRIAL MARKET OVERVIEW

CAROLINE PAYAN, *Director of Marketing & Research*

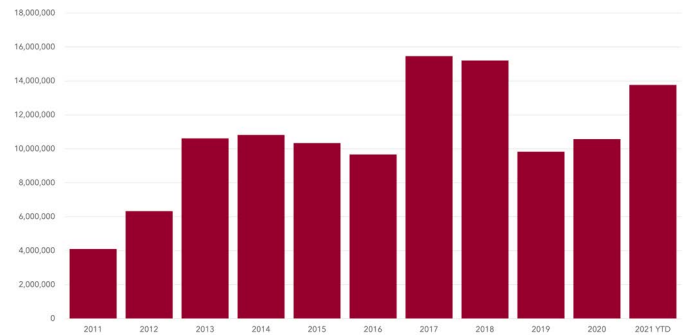
The industrial market continued its growth in 1Q21 due to continued demand for space. Logistics has gone through a fundamental shift due to the expansion of e-commerce. Companies need more product on hand, both in large distribution facilities as well as smaller short haul locations targeting specific demographic submarkets. This growth has been seen by large companies, like Amazon & large 3PLs, as well as smaller manufacturers/distributors who need to meet increased demands of consumers. Experts expect this growth to continue throughout 2021. The challenge is the lack of available product; despite numerous developments underway, it's unlikely new buildings will meet expanding demands of Inland Empire companies.

MARKET INDICATORS	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
▲ Gross Absorption SF	5,021,897	4,268,213	8,159,297	4,935,772	5,377,415
▼ Vacancy Rate	1.8%	2.61%	2.41%	3.14%	4.28%
▼ Avg GRS Asking Rate	\$10.25 PSF	\$10.37 PSF	\$9.43 PSF	\$9.21 PSF	\$8.84 PSF
▲ SF Under Construction	13,762,784	10,577,449	10,039,637	11,690,924	10,810,933
▲ Inventory SF	256,743,905	251,166,709	247,809,277	246,690,828	244,164,072

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2036-2170 Miguel Bustamante Pky Colton, CA	743,381 SF	\$125,000,000 \$168.00 PSF	Heitman Capital Management Black Creek	Class A
20123 Harvill Avenue Perris, CA	423,665 SF	\$60,160,430 \$142.00 PSF	Black Creek Harvill Business Center, LLC	Class A
21803-21807 Authority Way Riverside, CA	375,385 SF	\$55,500,700 \$148.00 PSF	Principal RE Investors Crow Holdings	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1895 Marigold Street Redlands, CA	699,350 SF	ProLogis	Amazon	E-commerce
22150 Goldencrest Drive Moreno Valley, CA	613,174 SF	Buckhead Cactus Commerce	UNFI (Renewal)	Food Wholesale/ Distribution
26950 San Bernardino Avenue Redlands, CA	418,435 SF	Trammell Crow	Prime-Line Products (Renewal)	Hardware Mfg/Supply

*The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.*

*The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©*

*© Copyright 2021 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com*