



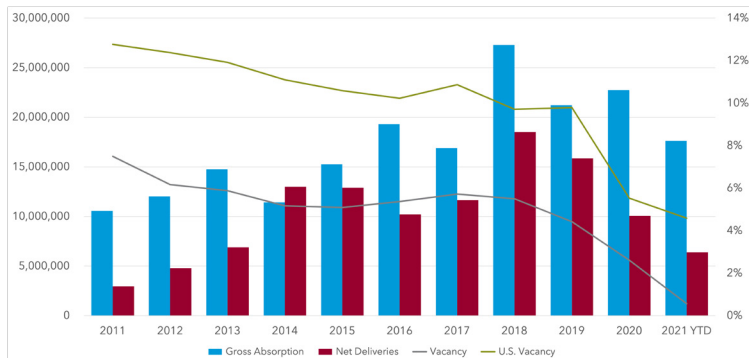
INDUSTRIAL MARKET OVERVIEW

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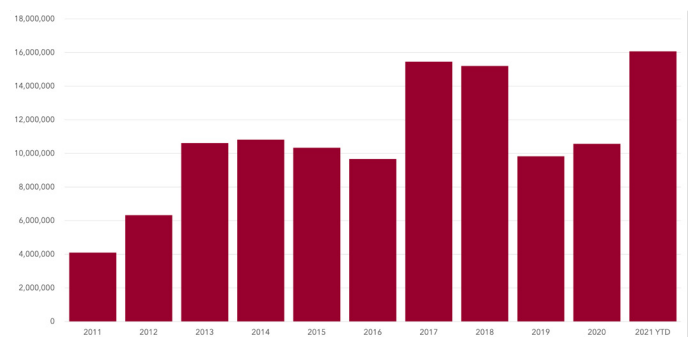
The industrial market continued its strong push in the third quarter of 2021 even with the lack of available warehouse and distribution inventory, demand for product in this sector continues to be extremely strong. Despite rising lease rates and sale prices, user buyers, tenants and investors find themselves competing for available industrial opportunities in the marketplace throughout the Inland Empire. As consumers continue to demand products through e-commerce and availability and inflationary pressures continue, companies are continuing to look for storage and distribution options; some even outside their desired geographical region.

| MARKET INDICATORS | Q3 2021 | Q2 2021 | Q1 2021 | Q4 2020 | Q3 2020 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ Gross Absorption SF | 8,622,243 | 3,978,980 | 5,021,897 | 4,268,213 | 8,159,297 |
| ▼ Vacancy Rate | 0.56% | 1.24% | 1.8% | 2.61% | 2.41% |
| ▲ Avg GRS Asking Rate PSF | \$12.48 | \$10.27 | \$10.25 | \$10.37 | \$9.43 |
| ▲ SF Under Construction | 16,071,753 | 14,260,772 | 13,762,784 | 10,577,449 | 10,039,637 |
| ▲ Inventory SF | 261,863,709 | 258,737,927 | 256,743,905 | 251,166,709 | 247,809,277 |

GROSS ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|--|--------------|-------------------------------|---|----------------|
| 1110 W. Merrill Avenue Rialto, CA | 1,106,124 SF | \$123,352,728 \$112.00 PSF | Pacific Investment Mgmt Square Mile Capital Mgmt | Class B |
| 864-998 W. Washington Avenue San Bernardino, CA | 574,984 SF | \$94,600,000 \$165.00 PSF | Principal Real Estate Investors Crow Holdings | Class A |
| 21500 Harvill Road Perris, CA | 333,572 SF | \$57,500,000 \$172.00 PSF | CH Realty Partners Rockefeller Group | Class A |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|--|--------------|-------------------------|-----------|-------------------|
| 728 W. Rider Street Perris, CA | 1,203,449 SF | Duke Realty Corporation | Lock Tech | Security Services |
| 36900 W. 4th Street Beaumont, CA | 1,000,170 SF | USAA Real State | Amazon | eCommerce |
| 2677 Alessandro Blvd. Riverside, CA | 709,081 | Crow Holdings | Unis 3PL | Logistics |

