



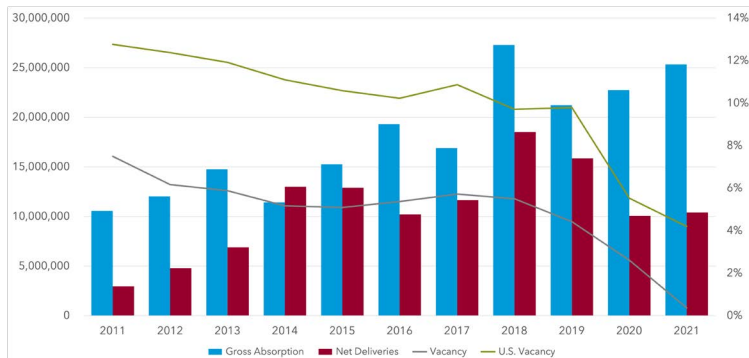
INDUSTRIAL MARKET OVERVIEW

CAROLINE PAYAN, *Director of Marketing & Research*

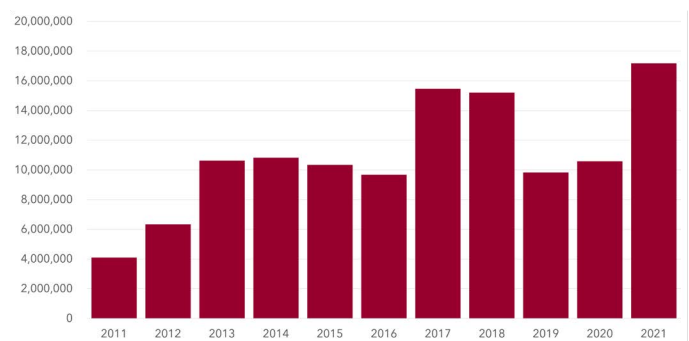
The market continued its unprecedented growth during the 4th quarter of 2021. Vacancy in every submarket and size segment is at all-time lows, and price and rent growth continue to outperform. Supply chain interruptions and extraordinary demand for goods through e-commerce have triggered the need for industrial space near major freeways connecting the ports with end-users. Manufacturers, retailers and distributors are all trying to keep more goods on hand to combat the delays and backlog of goods coming in from the ports. "Last mile" locations are being scooped up throughout the region. Expectations are for this growth to continue for the foreseeable future.

MARKET INDICATORS	Q4 2021	Q3 2021	Q2 2021	Q1 2020	Q4 2020
▼ Gross Absorption SF	7,704,277	8,622,243	3,978,980	5,021,897	4,268,213
▼ Vacancy Rate	0.37%	0.56%	1.24%	1.8%	2.61%
▼ Avg GRS Asking Rate PSF	\$11.87	\$12.48	\$10.27	\$10.25	\$10.37
▲ SF Under Construction	17,182,301	16,071,753	14,260,772	13,762,784	10,577,449
▲ Inventory SF	266,855,100	261,863,709	258,737,927	256,743,905	251,166,709

GROSS ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1645 & 1855 W. Renaissance Pky. & 1798 N. Linden Ave., Rialto, CA	540,427 SF	\$164,205,500 \$304.00 PSF	USCLP CA Rialto 2, LLC Dermody Properties, LLC	Class A
17783 Indian Street Moreno Valley, CA	436,350 SF	\$79,990,000 \$183.00 PSF	Oxford Properties Group KKR, LP	Class A
4150 Patterson Avenue Perris, CA	406,650 SF	\$82,030,000 \$202.00 PSF	Oxford Properties Group KKR, LP	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
SEQ Van Buren Blvd. & I-215 (2 Bldgs) Riverside, CA	2,185,618 SF	Stockbridge Capital Group	Target	Retail
6120 Clinker Drive Jurupa Valley, CA	1,026,000 SF	PGIM Real Estate	Bed Bath & Beyond	Retail
22305 Old Oleander Avenue Perris, CA	692,645 SF	Trammell Crow Company	Syncreon Technology USA	Logistics

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 2022 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com