



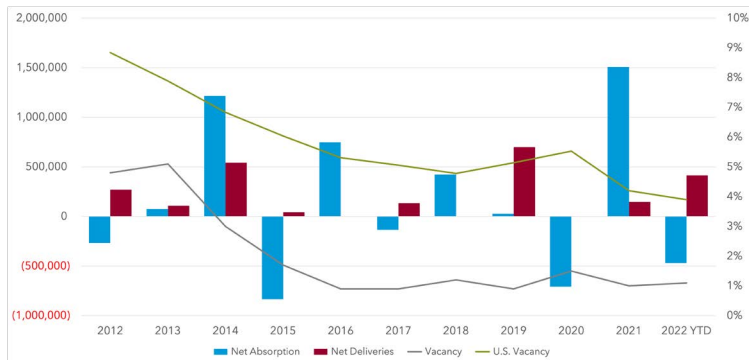
INDUSTRIAL MARKET OVERVIEW

DAVID BALES, *Principal*

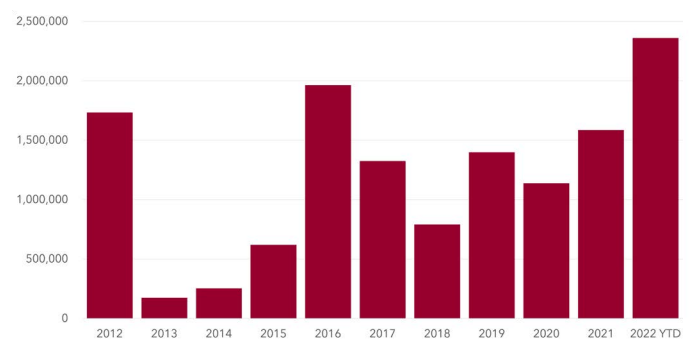
Intense demand for industrial and logistics space in Los Angeles' South Bay market continued to drive rents up another 10% to 20% from just the previous quarter. Vacancies are as low as 1% in some submarkets. Many tenants are priced out of the market or forced to renew their existing space at double or even triple their current rent. Developers are building new space as fast as possible but are hobbled by lengthy processing and permitting regimes. Looking forward, demand for warehouses should continue for the foreseeable future, even if the economy slows in the upcoming quarters.

MARKET INDICATORS	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
▼ 12 Mo. Net Absorption SF	(470,441)	293,889	92,943	2,143,985	1,507,752
▲ Vacancy Rate	1.1%	0.9%	0.8%	0.7%	1.0%
▲ Avg NNN Asking Rate PSF	\$1.57	\$1.42	\$1.27	\$1.21	\$1.16
▼ SF Under Construction	2,359,882	2,774,351	2,579,246	1,655,321	1,584,932
▲ Inventory SF	200,628,647	200,214,178	199,990,330	200,010,330	199,249,481

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
14527 San Pedro Gardena, CA	114,051 SF	\$49,105,000 \$430.53 PSF	Rexford City of Refuge Ministries	Class C
1010 Sandhill Carson, CA	85,259 SF	\$46,000,000 \$539.53 PSF	Carpenters Union Private Seller	Class C
1999 W. Walnut Compton, CA	57,751 SF	\$25,000,000 \$432.87 PSF	TAL 1999 Walnut Family Trust	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4444 Ayers Vernon, CA	219,555 SF	Link	Curacao	Ecommerce
20212 Racho Way Rancho Dominguez, CA	103,262 SF	Carson Companies	Don Wong	Third Party Logistics
19875 Pacific Gateway Los Angeles, CA	66,565 SF	Centerpoint Properties	Lotte Global Logistcs	Third Party Logistics

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