



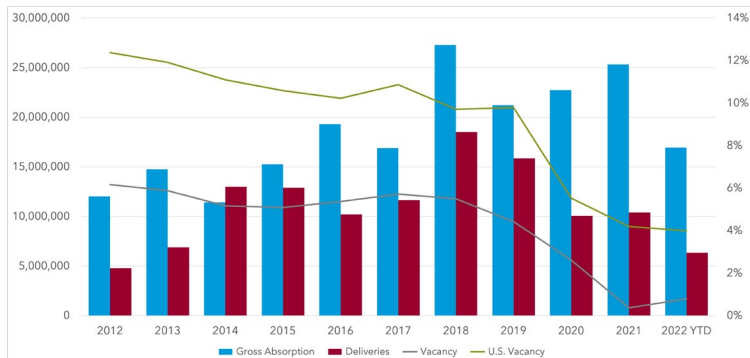
INDUSTRIAL MARKET OVERVIEW

CAROLINE PAYAN, *Director of Marketing & Research*

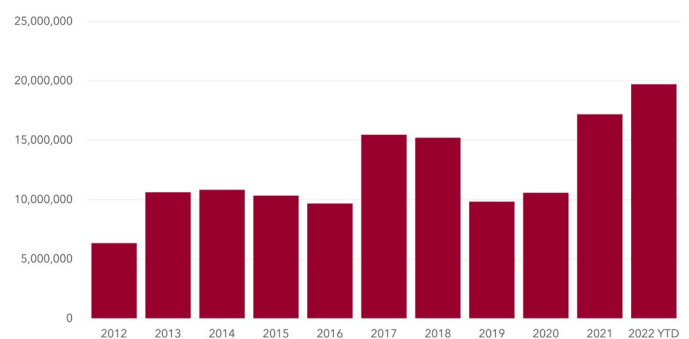
The IE East industrial sector was steady throughout the 3Q2022. Vacancy rates continue to be at record low levels despite record high prices & lease rates. Even with the delivery of several new projects, occupancy is expected to remain unchanged as the new space is absorbed almost immediately by surging demand. Winds of change are swirling in the media and industry circles, mainly centered around inflation and interest rates, but it has yet to have a negative effect on industrial real estate. Activity continues to charge ahead despite market challenges and changes in the debt markets. Experts predict 4Q2022 to be more of the same. Overall the outlook is still very good in industrial real estate as we approach year end 2022.

MARKET INDICATORS	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
▲ Gross Absorption SF	8,194,939	3,975,366	4,765,076	7,704,277	8,622,243
▲ Vacancy Rate	0.79%	0.41%	0.56%	0.37%	0.56%
▲ Avg GRS Asking Rate PSF	\$15.44	\$15.05	\$14.47	\$11.87	\$12.48
▼ SF Under Construction	19,712,800	22,365,124	17,179,286	17,182,301	16,071,753
▲ Inventory SF	275,895,042	275,150,149	269,073,857	266,855,100	261,863,709

GROSS ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3900 Indian Avenue Perris, CA	579,708 SF	\$158,000,000 \$273 PSF	GLP Capital Partners Clarion Partners	Class A
17783 Indian Street Moreno Valley, CA	436,350 SF	\$125,407,500 \$287 PSF	RREEF Real Estate Oxford Properties Group	Class A
100 Walnut Avenue Perris, CA	205,830 SF	\$41,118,000 \$200 PSF	2253 Apparel, Inc. Stockbridge Capital Group	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5400 El Rivino Road Jurupa Valley, CA	1,186,950 SF	PGIM Real Estate	Target Corporation	General Merchandise
19115 Harvill Avenue Perris, CA	1,138,800 SF	Clarion Partners	Home Depot USA	Home Improvement
2615 E. 3rd Street San Bernardino, CA	1,080,144 SF	San Manuel Band of Mission Indians	Shopify	Information Technology

