



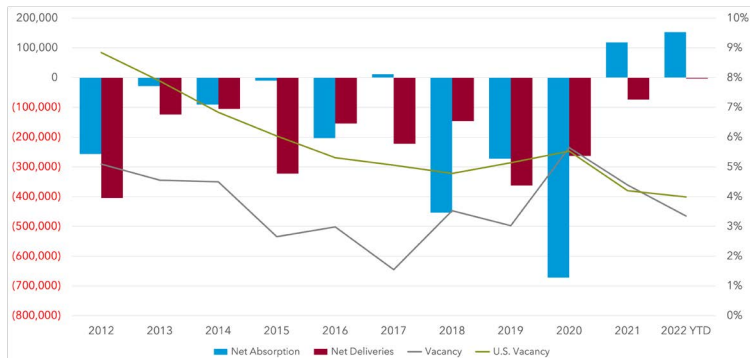
### INDUSTRIAL MARKET OVERVIEW

DOUGLAS MARSHALL, SIOR, *Principal*

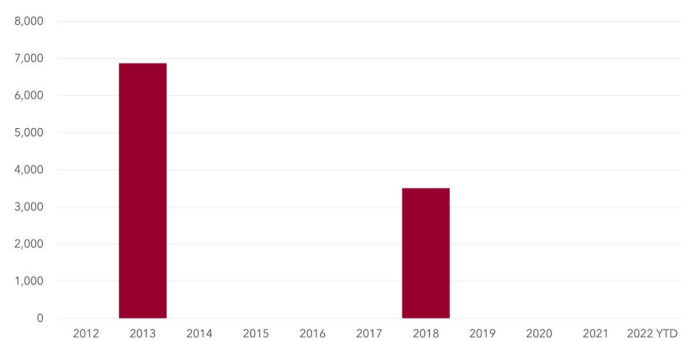
The industrial marketplace remains tight in the Westside of Los Angeles. Lease deals are taking longer and are harder to make. Tenants want short-term leases and lower rents. Tenant demand is softening due to the high prices. Lease prices are softening but sale prices are firm. It remains a Landlords' market. In the past several decades, the industrial base has substantially decreased. Properties have been converted to creative space with industrial tenants migrating southward. Remaining buildings often have clear height, parking, or loading deficiencies. Demand comes from companies needing last-mile distribution space to serve nearby high-end residential customers. Gross asking rents range from about \$2.25 per SF to \$3.00 per SF for industrial space/flex space.

MARKET INDICATORS	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
▼ 12 Mo. Net Absorption SF	(14,537)	73,562	131,108	3,775	120,348
▲ Vacancy Rate	3.1%	3.0%	3.5%	4.4%	4.5%
▲ Avg NNN Asking Rate PSF	\$2.83	\$2.77	\$2.63	\$2.40	\$2.45
◀ ▶ SF Under Construction	-	-	-	-	-
▼ Inventory SF	14,965,933	14,969,173	14,969,173	14,969,173	14,984,173

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5950-5978 Bowcroft Street Los Angeles, CA	73,550 SF	\$49,650,000 \$675.05 PSF	The Ratkovich Company South Jefferson Industrial Center	Class C
1838-1842 Flower Street Glendale, CA	12,867 SF	\$7,000,000 \$544.03 PSF	Castex Rentals Dume Trust/Anthony M Reed Trust	Class B
3539 Howard Way Costa Mesa, CA	12,620 SF	\$23,250,000 \$1,842.31 PSF	BLT Enterprises Fortress Investment Group	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3960-3962 Landmark Street Culver City, CA	34,049 SF	Witeby Enterprises	Member Hubs Culver City, LLC	Automotive
1202-1210 Mateo Street Los Angeles, CA	21,124 SF	1202 South Mateo Street, LLC	Olive Ateliers, Inc	Manufacturing & Distribution
1369 W Washington Boulevard Los Angeles, CA	10,086 SF	Peneer Washington LLC	AC Pro, Inc.	Construction and Service

