



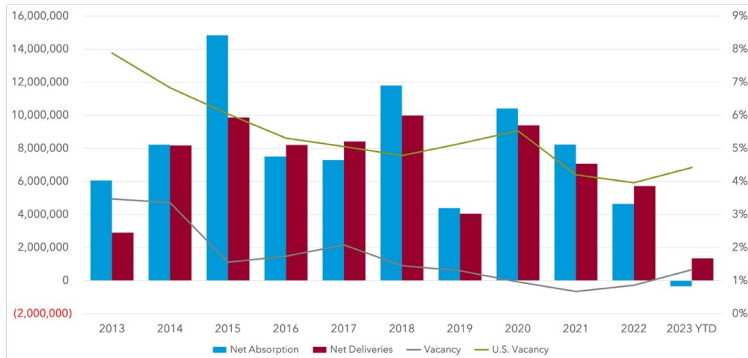
INDUSTRIAL MARKET OVERVIEW

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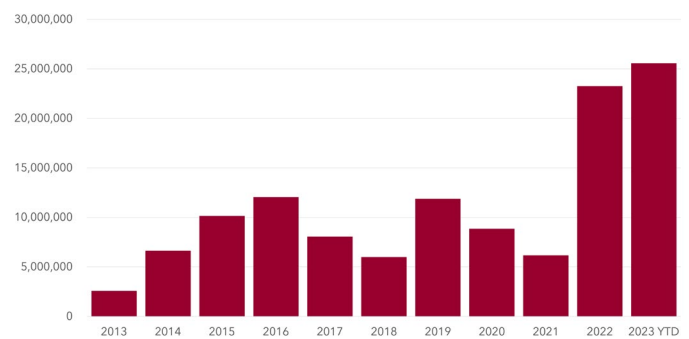
The Inland Empire West submarket remains one of the top industrial markets in the nation, despite its healthy course of correction. A lack of positive net absorption, in conjunction with the many completed constructions last quarter, caused a bump in vacant space. This increase, however, is relative as the vacancy rate is still under 1.5%. Any market fundamental shifts happening in the IEW has not disrupted institutional or credit tenant interest. This past quarter, the top three leases were over 1M square feet, and the top three sales were all nine-figure transactions. Despite the development pipeline being fuller than ever, lease rates remain competitive and historically strong.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▲ 12 Mo. Net Absorption SF	(341,964)	(781,096)	1,319,814	1,367,935	2,738,816
▲ Vacancy Rate	1.33%	0.86%	0.48%	0.33%	0.25%
▼ Avg NNN Asking Rate PSF	\$20.47	\$20.77	\$20.28	\$15.66	\$14.28
▲ SF Under Construction	25,562,676	23,259,548	20,254,257	18,663,661	12,490,629
▲ Inventory SF	359,568,117	356,133,149	352,235,614	350,261,015	342,836,362

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10545 Production Avenue Fontana, CA	1,101,840 SF	\$365,000,000 \$331.26 PSF	Rexford Industrial Realty Tireco, Inc.	Class A
1800 S. Wineville Avenue Ontario, CA	446,624 SF	\$125,000,000 \$279.88 PSF	Link Logistics JP Morgan	Class B
13204-13250 Philadelphia Street Fontana, CA	380,650 SF	\$127,000,000 \$333.64 PSF	BentallGreenOak MetLife	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3413 Manitou Court Jurupa Valley, CA	1,379,287 SF	Link Logistics	Crown & Court / Constellation Brands, Inc.	Beverage Company
4705 Grove Avenue Ontario, CA	1,186,414 SF	Prologis	Home Depot	Retailer
4801 Grove Avenue Ontario, CA	1,055,100 SF	Prologis	Home Depot	Retailer

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