



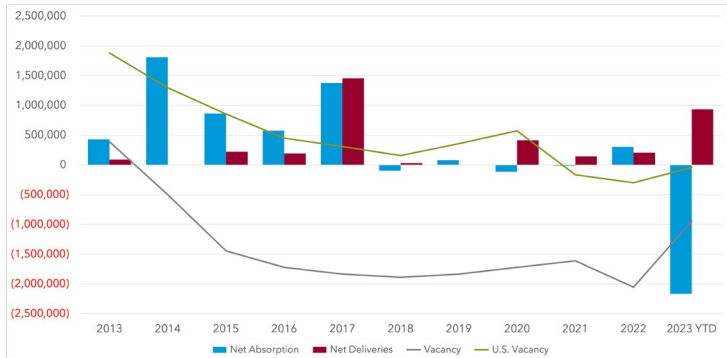
INDUSTRIAL MARKET OVERVIEW

RYAN ENDRES, *Principal*

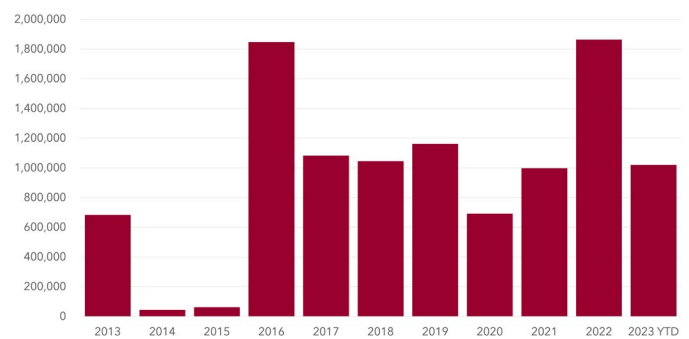
As Q1 closed, the vacancy rate doubled to 2.8%. Strong demand for port-adjacent warehouse space continues but tenants and buyers are more selective. Average asking lease rates decreased by nearly 13% for the quarter to \$1.56 per SF NNN while land lease rates for container parking have dropped roughly 25% in correlation with freight and drayage rates. The most notable sale was Blackstone's \$43-million purchase of the 14.2-acre former Alpine Village and swap meet site in Torrance. There have been seven straight months of decline in import volume through the Long Beach and Los Angeles port complex. Volumes are expected to improve later this year when labor issues are resolved with union dockworkers.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▼ 12 Mo. Net Absorption SF	(2,165,402)	(389,583)	517,128	(377,460)	303,589
▲ Vacancy Rate	2.80%	1.40%	1.20%	1.10%	0.80%
▼ Avg NNN Asking Rate PSF	\$1.56	\$1.79	\$1.75	\$1.57	\$1.42
▼ SF Under Construction	1,020,654	1,827,018	1,621,583	1,726,207	1,863,442
▲ Inventory SF	201,773,330	200,839,036	200,839,036	200,560,201	200,046,219

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
833 W Torrance Boulevard Torrance, CA	622,232 SF	\$43,000,000 \$69.11 PSF	Blackstone Alpine Village	Land
14805 S Maple Avenue Gardena, CA	51,000 SF	\$22,400,000 \$439.22 PSF	Terreno Realty Cosway Company	Class C
1355-1361 W 190th Street Gardena, CA	92,640 SF	\$22,700,000 \$245.03 PSF	Dunbar Real Estate Altemus Company	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2100 W 195th Street, Bldg 3 Torrance, CA	146,919 SF	SARES REGIS	ArcBest Company	Warehouse/ Distribution
1431 W. Via Plata Street Long Beach, CA	112,121 SF	Alltrade Tools	Pro Active Group	Warehouse/ Distribution
20639 S. Fordyce Avenue Carson, CA	101,910 SF	Brentwood Originals	Cosway Company Inc	Warehouse/ Distribution

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