



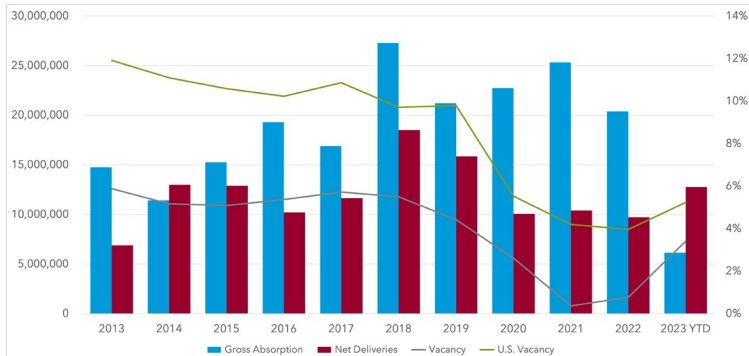
INDUSTRIAL MARKET OVERVIEW

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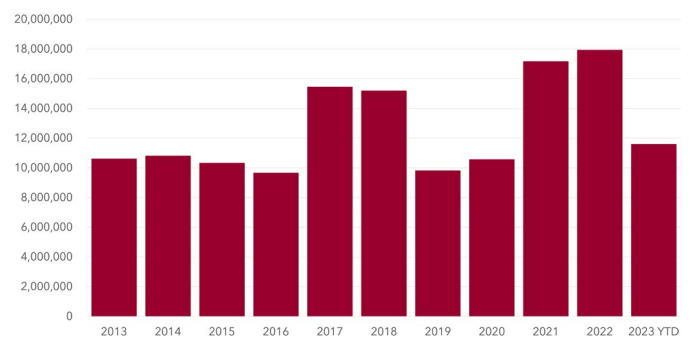
In the third quarter of 2023, the industrial sector in the Inland Empire East Valley continued to settle. Industrial development continues to plod along with numerous projects being delivered in the third quarter of the year. Between new inventory and numerous subleases hitting the market, vacancy rates continue to rise slowly in most submarkets. Still, vacancy is relatively low and quality, functional product remains hard to find. With industrial demand lasting and owners holding firm on prices and rates, we can expect more of the same throughout the remainder of 2023 and into 2024.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Gross Absorption SF	1,618,800	2,734,089	1,792,311	3,459,099	8,194,939
▲ Vacancy Rate	3.41%	2.05%	1.86%	0.77%	0.79%
▼ Avg GRS Asking Rate PSF	\$15.13	\$15.80	\$15.37	\$15.66	\$15.44
▼ SF Under Construction	11,606,513	13,109,194	15,136,063	17,944,921	19,712,800
▲ Inventory SF	282,856,013	280,392,698	279,326,974	277,669,509	275,895,042

GROSS ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1600 Agua Mansa Road Colton, CA	340,804 SF	\$109,000,000 \$319.83 PSF	Ponte Gadea USA LBA Realty Fund	Class A
21500 Harvill Road Perris, CA	333,572 SF	\$112,250,000 \$336.51 PSF	MDH Partner LLC Blumenfeld Development Corp	Class A
3255 S. Cactus Avenue Bloomington, CA	311,363 SF	\$96,600,000 \$310.25 PSF	ProLogis Trust Blackstone / Link	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1420 N. Tamarind Avenue (Sublease) Rialto, CA	677,224 SF	Keeco, LLC	US eLogistics Service Corporation	Logistics
2185 W. Lugonia Avenue (Renewal) Redlands, CA	500,602 SF	Nuveen Real Estate	Ashley Furniture Industries	Manufacturing
290 E. Markham Street (Sublease) Perris, CA	247,384 SF	TechStyle, Inc.	Uniqlo USA, Inc.	Apparel

