



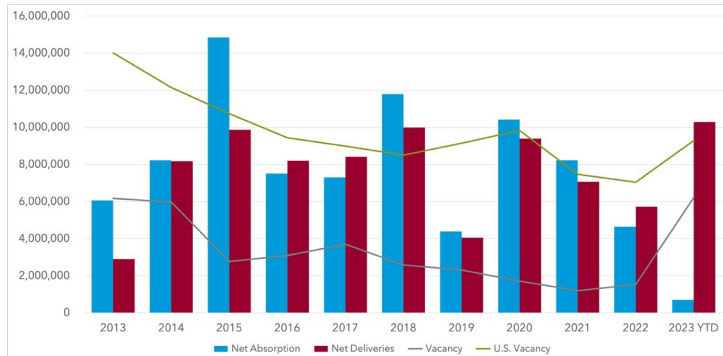
INDUSTRIAL MARKET OVERVIEW

KARLY KAZANJIAN, *Director of Operations*

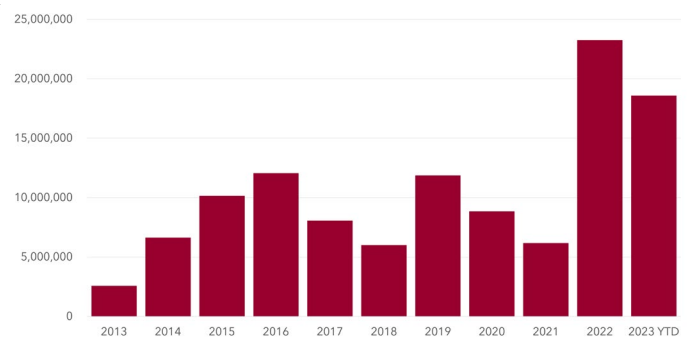
The Inland Empire West experienced a substantial amount of positive net absorption this past quarter directly correlated to the volume of industrial product completed and delivered in the past three months. In addition to the overall increase in availability, the increase in sublease space and its discounted pricing has begun to put downward pressure on asking rates. While still totaling over 18.5M square feet, the development pipeline has decelerated and begun its course to normal conditions. Fewer significant sales occurred, however, the three largest lease transactions totaled nearly 1.8M square feet signaling the strength, relevance, and longevity of the IEW industrial market.

| MARKET INDICATORS | Q3 2023 | Q2 2023 | Q1 2023 | Q4 2022 | Q3 2022 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ Qtrly Net Absorption SF | 2,372,610 | (1,327,177) | (341,964) | (781,096) | 1,319,814 |
| ▲ Vacancy Rate | 3.50% | 3.09% | 1.33% | 0.86% | 0.48% |
| ▼ Avg NNN Asking Rate PSF | \$18.84 | \$20.28 | \$20.47 | \$20.77 | \$20.28 |
| ▼ SF Under Construction | 18,587,253 | 20,988,000 | 25,562,676 | 23,259,548 | 20,254,257 |
| ▲ Inventory SF | 361,829,546 | 359,917,966 | 359,568,117 | 356,133,149 | 352,235,614 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|------------------------------------|-----------|------------------------------|--|----------------|
| 16355 Slover Avenue Fontana, CA | 95,813 SF | \$36,965,853 \$385.81 PSF | LBA Realty Newcastle Partners | Class A |
| 5075 Edison Avenue Chino, CA | 67,484 SF | \$20,500,000 \$303.78 PSF | Edison Properties LLC Darafeev Properties | Class B |
| 8425 Almeria Avenue Fontana, CA | 65,450 SF | \$19,900,000 \$304.05 PSF | TPA Group Sunearth, Inc. | Class B |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|---|------------|--------------------|---------------------|-----------------|
| 12415 6th Street Rancho Cucamonga, CA | 745,595 SF | Bridge Development | Ceva Logistics | Logistics |
| 11618 Mulberry Avenue Fontana, CA | 633,953 SF | United Facilities | Armstrong Logistics | Logistics |
| 14725 & 14875 Monte Vista Avenue Chino, CA | 420,000 SF | Majestic Realty | Schneider Electric | Manufacturing |

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