



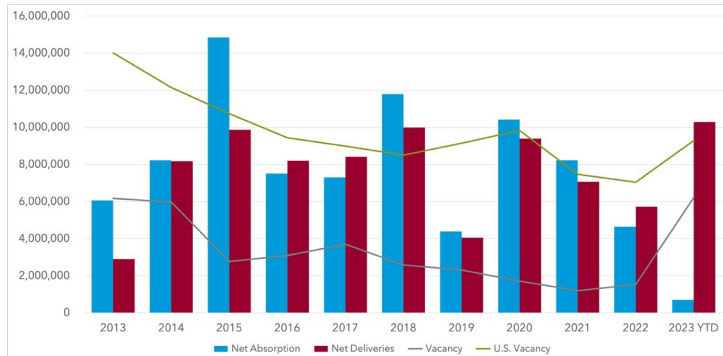
INDUSTRIAL MARKET OVERVIEW

KARLY KAZANJIAN, *Director of Operations*

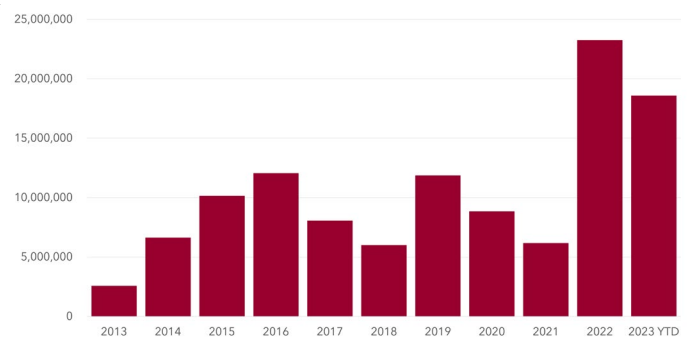
The Inland Empire West experienced a substantial amount of positive net absorption this past quarter directly correlated to the volume of industrial product completed and delivered in the past three months. In addition to the overall increase in availability, the increase in sublease space and its discounted 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

