



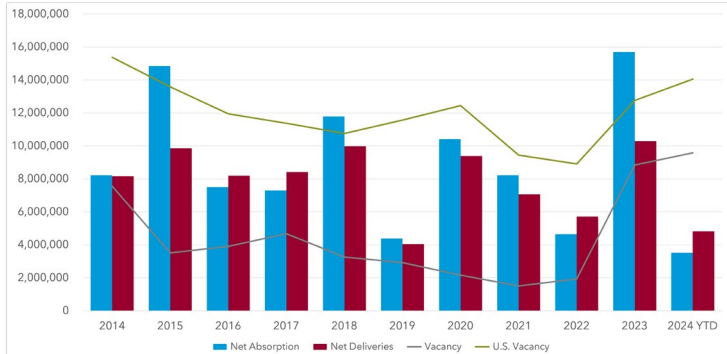
INDUSTRIAL MARKET OVERVIEW

KARLY KAZANJIAN, *Director of Operations*

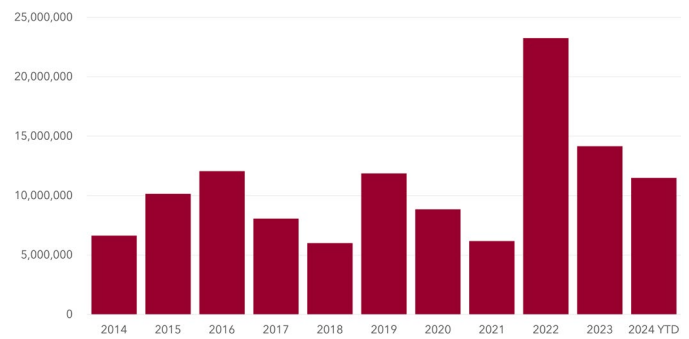
The Inland Empire West submarket saw extraordinary Tenant activity given overall current market conditions. Three lease transactions over 1M square feet were executed in the first quarter of this supposedly tumultuous year. These substantial deals heavily contributed to the positive net absorption seen in Q1. Vacancy continues to tick up as the development pipeline trends down. A few prominent investment sales occurred, with a Class A building trading hands at completion and Goodyear Tire completing a Sale-Leaseback. Asking rates are compressing largely due to the substantial amount of discounted sublease space available.

| MARKET INDICATORS | Q1 2024 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Qtrly Net Absorption SF | 3,518,076 | 3,782,953 | 2,372,610 | (1,327,177) | (341,964) |
| ▲ Vacancy Rate | 4.26% | 3.93% | 3.50% | 3.09% | 1.33% |
| ▼ Avg NNN Asking Rate PSF | \$16.20 | \$17.27 | \$18.84 | \$20.28 | \$20.47 |
| ▼ SF Under Construction | 11,497,705 | 14,152,366 | 18,587,253 | 20,988,000 | 25,562,676 |
| ▲ Inventory SF | 365,894,032 | 363,615,462 | 361,829,546 | 359,917,966 | 359,568,117 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 13600 Napa Street Fontana, CA | 118,984 SF | \$75,000,000 \$630.34 PSF | Up Trucking & Logistics Solutions McLeod Properties Fontana LLC | Class B |
| 8545 Pecan Avenue Rancho Cucamonga, CA | 98,685 SF | \$33,750,270 \$342.00 PSF | Pecan Ave LLC Xebec Realty Partners | Class A |
| 13351 12th Street Chino, CA | 67,315 SF | \$25,000,000 \$371.39 PSF | First Industrial Realty Goodyear Tires | Class C |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|---|--------------|----------------------|------------|-----------------|
| 6120 Clinker Drive Jurupa Valley, CA | 1,025,132 SF | CT Realty / PGIM | Amazon | E-Commerce |
| 4000 S. Hamner Avenue Ontario, CA | 1,003,918 SF | Dermody Properties | Amazon | E-Commerce |
| 11281 Citrus Avenue Fontana, CA | 1,003,592 SF | Alere Property Group | eLogistics | Logistics |

