



### INDUSTRIAL MARKET OVERVIEW

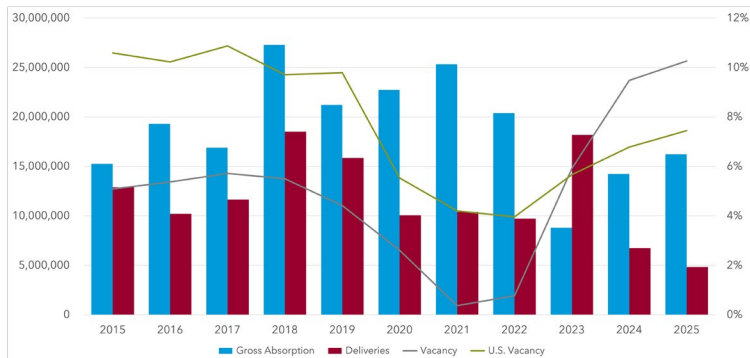
JENNIFER YINGST, *Director of Marketing and Research*

Absorption slowed this quarter as leasing activity normalized, resulting in relatively stable net absorption. Vacancy edged up with new deliveries coming online, though levels remain healthy. Average asking rates held firm, supported by construction costs and limited quality space, while the under-construction pipeline reflects continued developer confidence despite potential short-term pressure on vacancy.

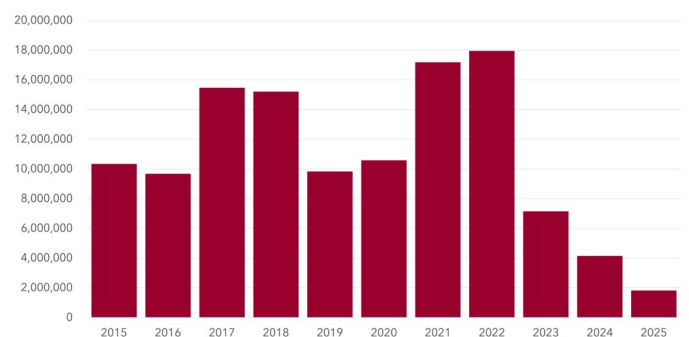
MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ Gross Absorption SF	4,102,197	4,307,405	2,428,599	5,396,724	2,173,745
▲ Vacancy Rate	10.26%	10.20%	10.04%	9.39%	9.48%
▲ Avg NNN Asking Rate PSF	\$12.16	\$11.87	\$12.58	\$12.63	\$12.95
▼ Sale Price PSF	\$226.33	\$267.07	\$262.82	\$262.55	\$262.67
◀▶ Cap Rate	*	*	*	*	*
▼ Under Construction SF	1,811,818	2,186,618	3,494,711	3,192,367	4,142,725
▲ Inventory SF	289,376,312	289,223,567	289,086,505	288,525,678	288,490,063

\*Please contact Lee & Associates Riverside for Cap Rate Information

#### GROSS ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
890 E. Mill Street San Bernardino, CA	525,756 SF	\$123,000,000 \$233.95 PSF	890 E. Mill Street LLC Brookfield Asset Management	Class B
255 Pepper Avenue San Bernardino, CA	78,351 SF	\$24,000,000 \$306.31 PSF	Southern California Edison Forest River, Inc.	Class B
4795 Troy Court Jurupa Valley, CA	62,619 SF	\$16,907,500 \$270.01 PSF	Troy Court Industrial Owner LLC Birtcher Anderson & Davis Assoc.	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4323 Indian Avenue Perris, CA	656,695 SF	Duke Realty Corporation	Undisclosed	Undisclosed
701 S. Arrowhead Avenue San Bernardino, CA	592,710 SF	Alere Property Group LLC	Kohler Company	Distribution/ Warehouse
22750 Cactus Avenue Moreno Valley, CA	522,772 SF	Prologis	Undisclosed	Undisclosed

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