

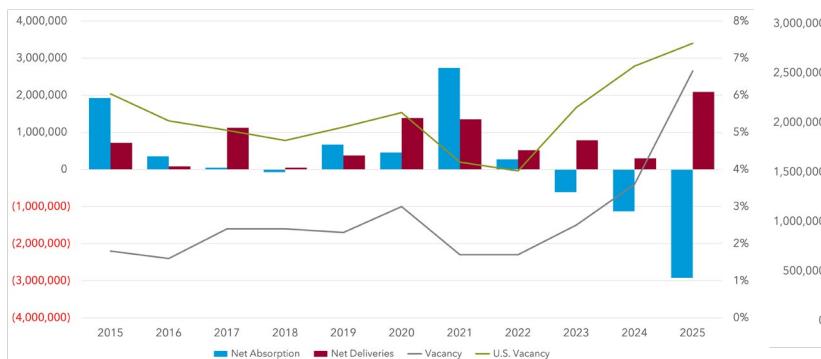
INDUSTRIAL MARKET OVERVIEW

LA NORTH INDUSTRIAL TEAM

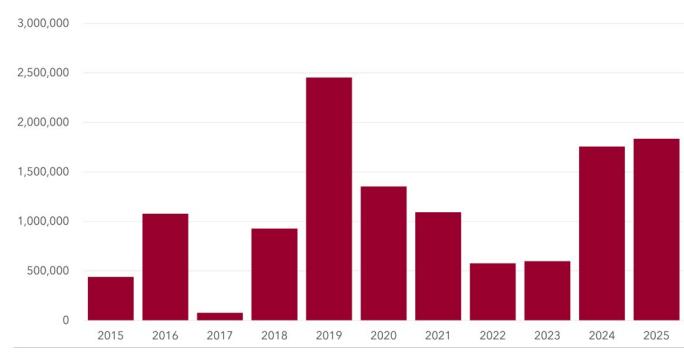
The LA North industrial market continued to soften through 2025, reflecting slower tenant demand and a more cautious expansion environment. Vacancy trended upward as move-outs outpaced new leasing, giving occupiers additional leverage in negotiations. Asking rents remained relatively stable, signaling that landlords are prioritizing occupancy over aggressive rent growth. Sales activity persisted but at more measured pricing, with investors remaining selective amid higher financing costs. Construction deliveries have tapered from prior peaks, which should help limit longer-term oversupply. Overall, the market is transitioning toward balance, with near-term headwinds but improving fundamentals expected as supply moderates.

| MARKET INDICATORS | Q4 2025 | Q3 2025 | Q2 2025 | Q1 2025 | Q4 2024 |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (2,922,613) | (2,503,166) | (2,531,947) | (2,897,244) | (3,044,255) |
| ▲ Vacancy Rate | 6.65% | 5.69% | 4.69% | 4.24% | 4.25% |
| ▲ Avg NNN Asking Rate PSF | \$1.51 | \$1.47 | \$1.46 | \$1.46 | \$1.50 |
| ▲ Sale Price PSF | \$273.33 | \$253.00 | \$269.28 | \$326.17 | \$289.16 |
| ▼ Cap Rate | 5.20% | 5.40% | 5.40% | 4.90% | 5.24% |
| ▲ Under Construction SF | 1,835,423 | 1,553,488 | 2,210,311 | 3,302,832 | 2,675,252 |
| ▲ Inventory SF | 142,843,304 | 142,348,936 | 141,960,565 | 141,578,148 | 141,101,099 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|---|-----------|------------------------------|---|----------------|
| 12100 Dronfield Avenue San Fernando, CA | 81,200 SF | \$31,736,500 \$390.84 PSF | BLT Enterprises PepsiCo, Inc. | Class C |
| 20640 Nordhoff Street Chatsworth, CA | 51,745 SF | \$15,000,000 \$289.88 PSF | Electro Adapter, Inc. Xebec | Class B |
| 13333-13345 Saticoy Street North Hollywood, CA | 36,650 SF | \$8,225,000 \$224.42 PSF | Tanya Roofian Shepard G. & Ronnie J. Goodman | Class B |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|---------------------------------------|------------|--|----------------------|-----------------|
| 25045 Avenue Tibbitts Valencia, CA | 142,392 SF | JLL Income Property Trust | LA North Studios LLC | Information |
| 16620 Stagg Street Van Nuys, CA | 79,744 SF | Prologis, Inc. | Undisclosed | Undisclosed |
| 7700 Balboa Boulevard Van Nuys, CA | 43,160 SF | Occidental Entertain- ment Grp Holdings, Inc. | Undisclosed | Undisclosed |



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