

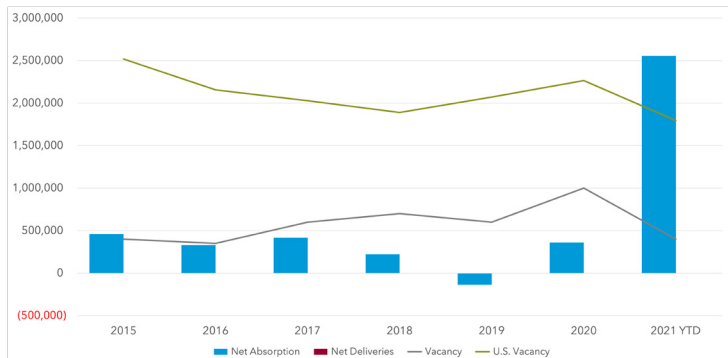
INDUSTRIAL MARKET OVERVIEW

MIKE TINGUS, *President*

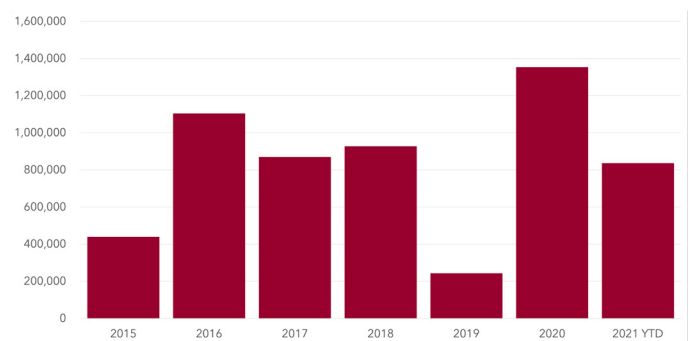
Q3 revealed the gap between high demand and low supply is getting even wider for the LA North Industrial market. The vacancy rate of 1.8%, a full point lower than Q2's 2.8%, was by far the largest quarter-over-quarter fluctuation ever recorded in the market. While new inventory combined with decreasing reliance on e-commerce would seemingly stabilize market momentum, inventory continues to be absorbed almost as soon as it's available. There appears to be plenty of demand for the 836,311 SF of new space currently under construction and scheduled for delivery between now and the end of Q1 2022. For the foreseeable future, prospective tenants will continue to find it challenging to compete for new space.

MARKET INDICATORS	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
▲ 12 Mo. Net Absorption SF	3,289,299	2,140,470	556,873	32,089	12,496
▼ Vacancy Rate	1.24%	2.97%	2.8%	2.9%	3.3%
▲ Avg NNN Asking Rate PSF	\$8.52	\$8.21	\$7.95	\$13.63	\$12.60
▲ SF Under Construction	976,771	963,624	1,510,875	1,361,406	1,606,443
▲ Inventory SF	165,288,308	165,244,550	164,111,944	160,251,304	135,040,179

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
904-906 N Lake Street Burbank, CA	21,735 SF	\$6,425,000 \$295.61 PSF	Forgiato/Gento Inc Tracy Canfield	Class C
20644 Superior Street Chatsworth, CA	20,005 SF	\$2,913,000 \$145.61 PSF	Van Nuys Capital, LLC Eugene Bliley & Betty Jean Bliley Tr	Class C
20915 Plummer Street Chatsworth, CA	9,023 SF	\$1,175,000 \$130.22 PSF	Van Nuys Capital, LLC Eugene Bliley & Betty Jean Bliley Tr	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
21100 Lassen Street Chatsworth, CA	35,000 SF	Lainer Investments	Alpine Training Service	Production Company and Set Shop
28732 Witherspoon Pkwy Valencia, CA	27,818 SF	GEMS Property, LLC	Curve Toys, LLC	Adult Novelties
1100 Chestnut Street Burbank, CA	19,600	Integrated Facilities, LLC	US Air Conditioning Distributors	Distributors

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2021 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com