



### INDUSTRIAL MARKET OVERVIEW

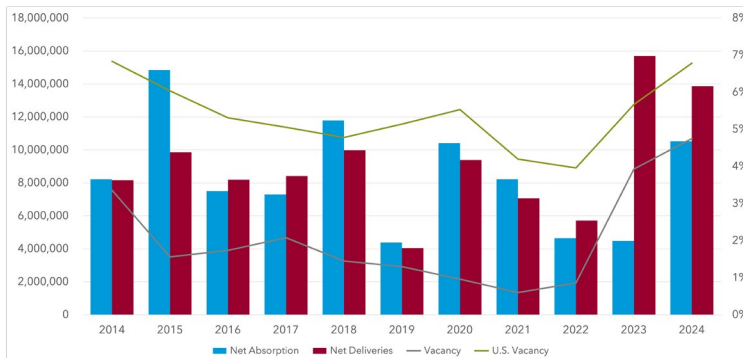
KARLY KAZANJIAN, *Director of Operations*

Q4 saw a robust pick up in activity, as the Inland Empire West submarket posted nearly 1M square feet of net absorption this last quarter. More than twenty big-box lease transactions crossed the finish line before the year-end, in addition to ten significant sales, all trading to investors. Logistics remains the primary driver of demand for industrial space in the region, as evidenced by the top three lease transactions, all of which were secured by logistics companies. Although rental rates have corrected, demand in the West continues to strengthen. Coupled with a slowdown in both the development pipeline and overall available supply, the market has begun to stabilize.

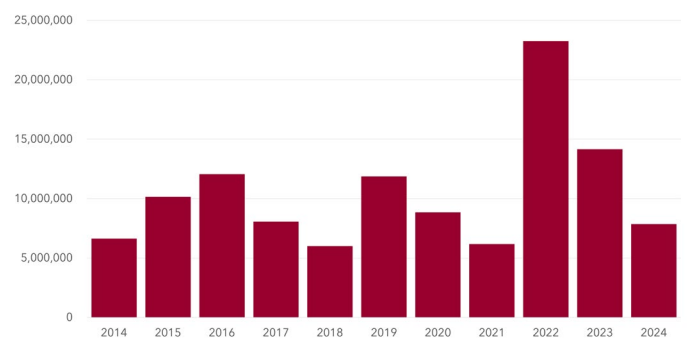
MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▲ 12 Mo. Net Absorption SF	906,006	(41,391)	6,144,222	3,518,076	3,782,953
▼ Vacancy Rate	4.75%	4.89%	4.56%	4.26%	3.93%
▼ Avg NNN Asking Rate PSF	\$14.84	\$15.11	\$14.58	\$16.20	\$17.27
▼ Sale Price PSF	\$287.78	\$322.00	\$333.91	\$336.85	\$340.24
◀▶ Cap Rate	*	*	*	*	*
▼ Under Construction SF	7,526,236	7,861,560	9,052,807	11,497,705	14,152,366
▼ Inventory SF	371,040,486	371,566,444	371,172,563	365,894,032	363,615,462

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

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
16604 Slover Avenue Fontana, CA	690,967 SF	\$240,637,500 \$348.26 PSF	BentallGreenOak Panattoni Development	Class A
13201 Dahlia Street Fontana, CA	278,650 SF	\$70,100,000 \$251.57 PSF	Rexford Industrial Cabot Properties	Class B
1670 S. Champagne Avenue Ontario, CA	263,670 SF	\$73,952,835 \$280.47 PSF	Cabot Industrial Blackstone Capital	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Merrill & Bon View (BTS) Ontario, CA	680,000 SF	Clarion Partners	McLane Distribution	Logistics
8900 Merrill Avenue Ontario, CA	600,000 SF	Lululemon	US Elogistics Services	Logistics
3412 Manitou Court Jurupa Valley, CA	560,025 SF	Link Logistics	White Horse Logistics	Logistics

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