



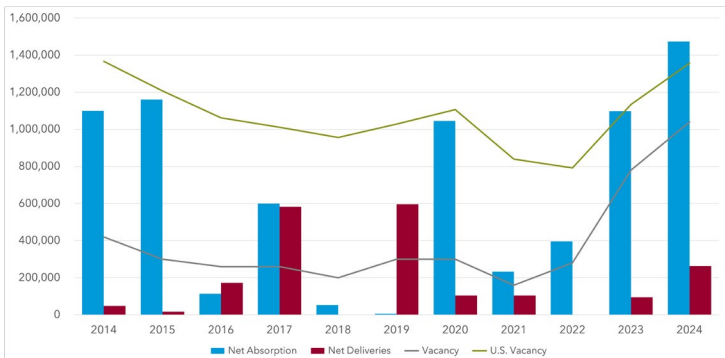
INDUSTRIAL MARKET OVERVIEW

BRANDON CARRILLO, *Principal*

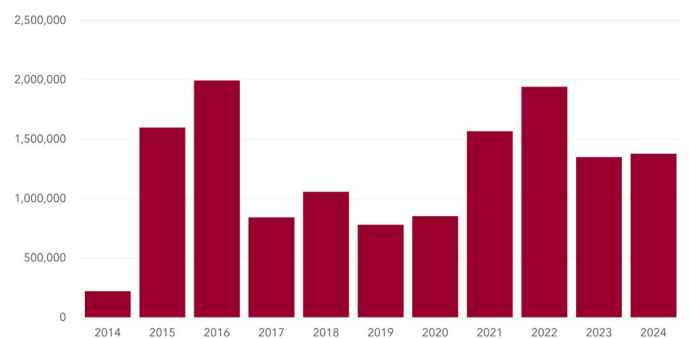
Average lease rates continued their downward trend from \$1.65 PSF NNN (3Q24) to \$1.63 PSF NNN(4Q24). Lease rates for industrial space have decreased since 2023 due to lower demand and rising vacancy rates. Landlord lease concessions, such as free rent and teaser rates have had minimal impact on vacancy rates. Absorption of industrial space picked up for the year end; however, deliveries of additional space outpaced consumption. The vacancy rate increased to 5.20% (4Q24) from 4.40% (3Q24) the previous quarter. Yet Sale prices jumped up from \$282 PSF (3Q2024) to \$387 PSF (4Q2024).

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▲ 12 Mo. Net Absorption SF	1,473,746	676,194	450,867	686,050	1,097,859
▲ Vacancy Rate	5.2%	4.4%	4.2%	4.5%	3.9%
▼ Avg NNN Asking Rate PSF	\$19.54	\$19.82	\$20.24	\$21.01	\$21.42
▲ Sale Price PSF	\$386.48	\$281.76	\$288.61	\$310.75	\$334.31
▲ Cap Rate	6.0%	4.4%	-	-	5.3%
▼ Under Construction SF	1,378,366	1,641,426	1,769,201	1,264,391	1,350,009
▲ Inventory SF	202,378,306	202,115,246	201,987,471	201,987,471	201,712,473

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2501 Rosecrans Avenue Los Angeles, CA	300,217 SF	\$137,200,000 \$457.00 PSF	Rexford Industrial Realty, Inc. Inland Empire Holdco, LLC	Class B
18500 Crenshaw Boulevard Torrance, CA	180,269 SF	\$55,000,000 \$305.10 PSF	Lift Lii Crenshaw, LLC GPJCO Properties, LLC	Class B
2550 El Presidio Street Carson, CA	130,055 SF	\$45,000,000 \$346.01 PSF	Caroline Tseng El Presidio 2550, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2027 Harpers Way Torrance, CA	559,000 SF	Prologis / Klabin Company*	Virco Manufacturing	Manufacturing
24760 S. Main Street Carson, CA	231,008 SF	Prologis, Inc.	All Ways	Transportation and Warehousing
250 W. Manville Street Compton, CA	206,483 SF	Prologis, Inc.	Kair Harbor Transport	Professional, Scientific, and Technical Services

*Represented both Sides: David Prior, Todd Taugner, Frank Schulz

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