



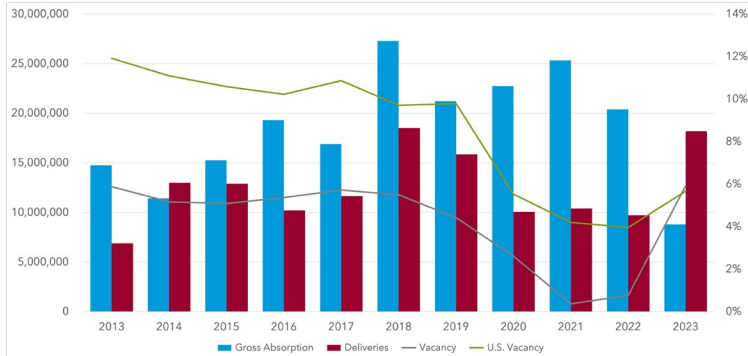
### INDUSTRIAL MARKET OVERVIEW

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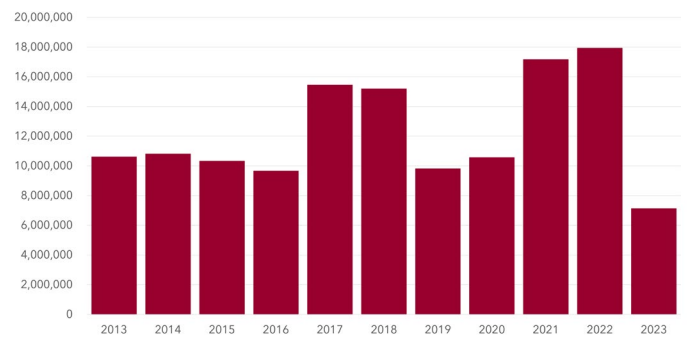
In 4Q2023, the industrial sector in the IE East continued its decline. Gross absorption for 2023 was down 43% from the 2022 activity. Year-over-year volume is down markedly in almost all size ranges and submarkets. Lease renewal activity has been strong, but overall activity has gradually slowed since mid-2022. Vacancy numbers are increasing as well as availability rates, which moves over time to vacancy. Availability is in the double digits and continues to rise driven by the increase in deliveries and space available for sublease.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▲ Gross Absorption SF	2,644,526	1,618,800	2,734,089	1,792,311	3,459,099
▲ Vacancy Rate	5.92%	3.41%	2.05%	1.86%	0.77%
▲ Avg GRS Asking Rate PSF	\$15.58	\$15.13	\$15.80	\$15.37	\$15.66
▼ SF Under Construction	7,143,141	11,606,513	13,109,194	15,136,063	17,944,921
▲ Inventory SF	283,798,797	282,856,013	280,392,698	279,326,974	277,669,509

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
400 E. Ellis Avenue Perris, CA	799,522 SF	\$184,000,000 \$230.14 PSF	Blackstone/Link IDI Logistics LLC	Class A
1425 Cooley Court San Bernardino, CA	76,869 SF	\$11,100,000 \$144.40 PSF	1425 Cooley Ct CA LLC SD Cooley Properties LLC	Class C
23711 Rider Street (Purchase Option) Perris, CA	63,880 SF	\$17,500,000 \$273.95 PSF	J-M Manufacturing Co. PWE Eagle, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
400 E. Ellis Avenue Perris, CA	799,522 SF	IDI Logistics LLC	Home Depot USA	Home Improvement
26881 Palmetto Avenue Redlands, CA (Renewal)	585,064 SF	Clarion Partners	Performance Team Freight	Logistics
26597 San Bernardino Avenue Redlands, CA (Sublease)	557,213 SF	XPO Logistics Supply Chain	Yita Logistics LLC	Logistics

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