



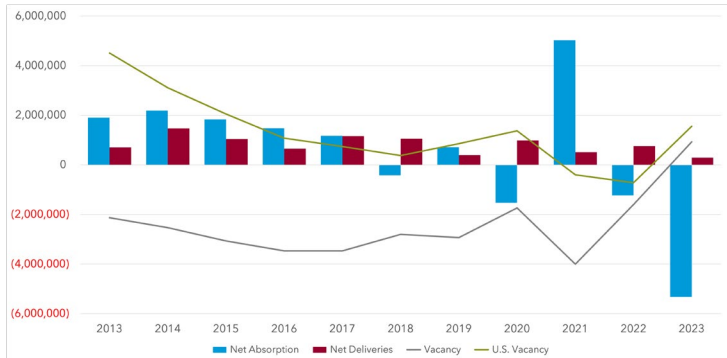
### INDUSTRIAL MARKET OVERVIEW

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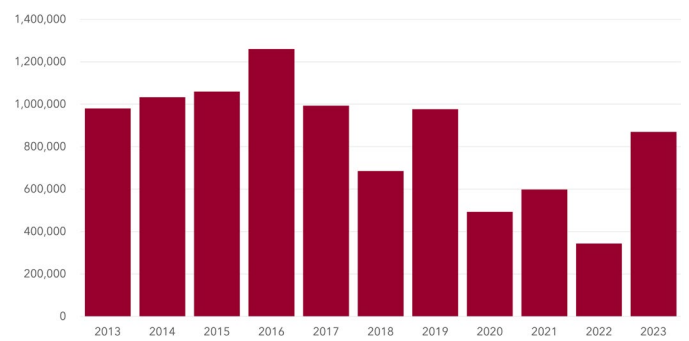
In the fourth quarter, Central Los Angeles continued to experience shifts in its market trends. The vacancy rate further increased to 5.2%, indicating a rise of 20 basis points from the previous quarter. Currently, there are developments in progress for 869,605 square feet of industrial space. Moreover, there was a slight decrease in triple net (NNN) lease rates, which concluded the quarter at \$19.32 per square foot. This decline may be indicative of the ongoing interplay between market supply and demand. Focusing on areas with high industrial activity, the Vernon and Commerce regions remain prominent. These areas are largely influenced by industries such as food production and apparel manufacturing, which significantly impact their commercial activities.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▲ 12 Mo. Net Absorption SF	(5,319,946)	(5,523,987)	(4,374,000)	(4,301,288)	(1,608,436)
▲ Vacancy Rate	5.2%	5.0%	4.7%	3.8%	3.2%
▼ Avg NNN Asking Rate PSF	\$19.32	\$19.56	\$19.64	\$20.28	\$20.16
▲ SF Under Construction	869,605	778,050	563,673	343,494	303,284
▼ Inventory SF	246,217,263	246,548,330	236,457,474	246,259,923	246,259,923

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7400 E. Slauson Commerce, CA	249,371 SF	\$50,000,000 \$200.50 PSF	Duke Realty GEHR Commerce	Class C
3268 E. Vernon Vernon, CA	35,103 SF	\$15,800,000 \$450.10 PSF	3268 Vernon Owner BSRep III CA	Class A
12508 Center Street South Gate, CA	33,821 SF	\$5,260,000 \$155.52 PSF	Arebiz LLC Harbor Furniture	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5530-5560 Ferguson Drive Commerce, CA	149,325 SF	La Kretz	Moreno Bathroom	Construction
2187 Garfield Avenue Commerce, CA	123,138 SF	Stanley Point Capital	LAX Freight	Logistics
4651 Bandini Vernon, CA	116,766 SF	Majestic Realty	Alpine Food	Distribution

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