

# Industrial Market Update

Los Angeles County

1<sup>st</sup> Quarter 2013

## LOS ANGELES COUNTY INDUSTRIAL SUBMARKETS SNAPSHOT

Submarket	Total Building SF	Average Asking Lease Rate	Vacancy Rate	YTD Net Absorption SF	SF Under Construction
Commerce	74,457,521	\$0.483	4.55%	-166,697	0
Vernon	81,803,510	\$0.497	3.43%	-110,372	0
Central LA	97,599,235	\$0.779	3.55%	189,045	0
Mid-Counties	94,518,105	\$0.515	5.14%	-158,776	781,156
San Gabriel Valley	167,058,315	\$0.520	5.36%	-1,011,508	8,000
San Fernando Valley	131,884,309	\$0.716	4.72%	-133,388	0
South Bay	218,138,970	\$0.598	5.87%	10,781	789,314
Westside	20,337,517	\$1.563	4.15%	141,641	2,956
<b>Los Angeles County</b>	<b>885,797,482</b>	<b>\$0.615</b>	<b>4.89%</b>	<b>-1,239,274</b>	<b>1,581,426</b>
<b>Change from Last Qtr.</b>		↑	↑	↓	↑
<b>Change from Last Year</b>		↑	↑	↓	↑

## Market Movers – Significant Transactions in LA County in The 1<sup>st</sup> Quarter

Property Address	Trans. Type	Size SF	Price / Rate	Buyer/Lessee	Seller/Lessor
2501 W Rosecrans Ave, Compton	Lease	298,474	\$0.58 PSF	American Logistics	JP Morgan
5361 Alexander St, Commerce	Lease	133,625	\$0.43 PSF	Fungyun, Inc.	Prologis
20250 S Alameda St, Compton	Sale	115,376	\$106 PSF	Centerpoint	3Plus Logistics Co
4880 W Rosecrans Ave, Hawthorne	Sale	83,154	\$131 PSF	Public Storage, Inc.	Penwood RE



REALTY ADVISORY GROUP, INC.

Greater Los Angeles  
545 S. Figueroa Street, Ste. 1209  
Los Angeles, CA 90017  
T: (213) 892-8881 F: (213) 627-6526

Valencia/Santa Clarita Valley  
28338 Constellation Road, Unit 950,  
Valencia, CA 91355  
T: (661) 702-8880 F: (661) 702-8882

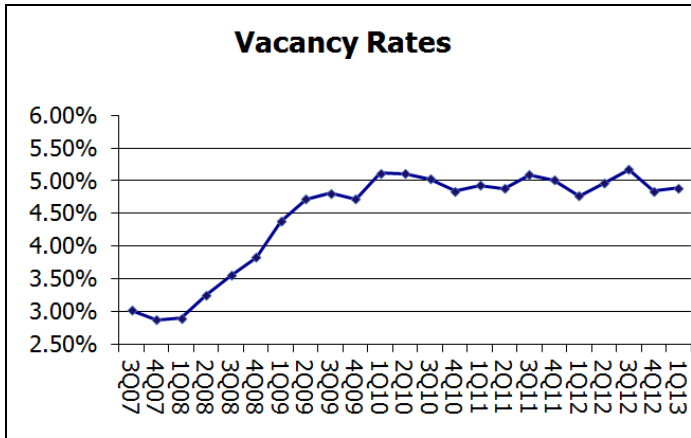


## Market Overview

The Los Angeles Industrial market ended the first quarter 2013 with a vacancy rate of 4.89%, which represents an increase of 1.0% from the previous quarter. Meanwhile net absorption totaled negative 1,239,274 square feet in the first quarter. Vacant sublease space decreased by 26.0% in the quarter, ending at 1,982,177 square feet. Rental rates ended the first quarter at \$0.615 PSF, which was an increase of 0.8% over the previous quarter. A total of four buildings were delivered to the market in the quarter totaling 364,683 square feet, with 1,586,287 square feet under construction at the end of the quarter.

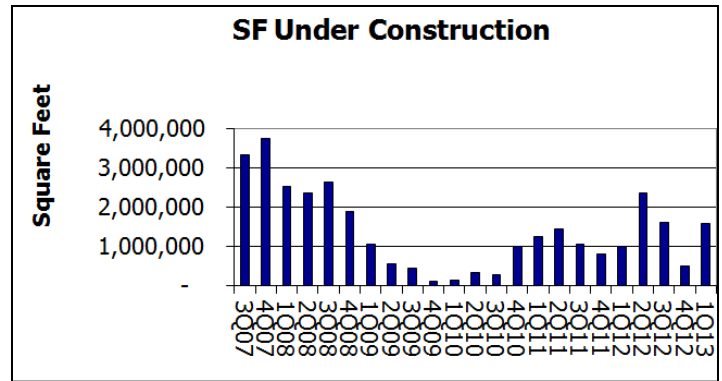


**Vacancy** The Industrial vacancy rate in the Los Angeles market area has increased to 4.89%.



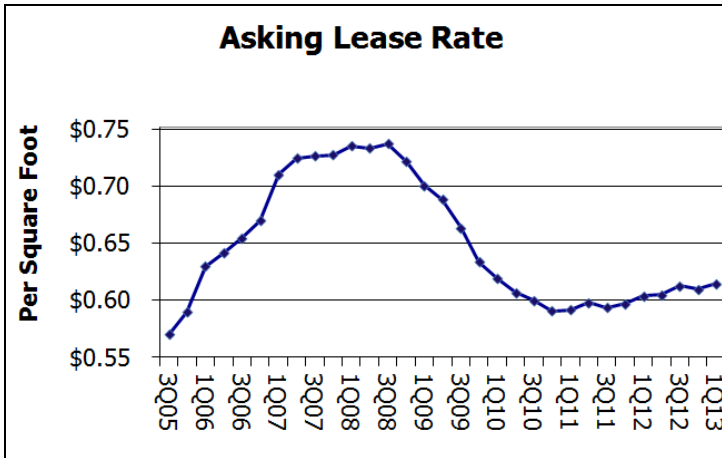
## Deliveries & Construction

There were 1,581,426 SF under construction at the end of the first quarter, an increase of over 300% from last quarter.



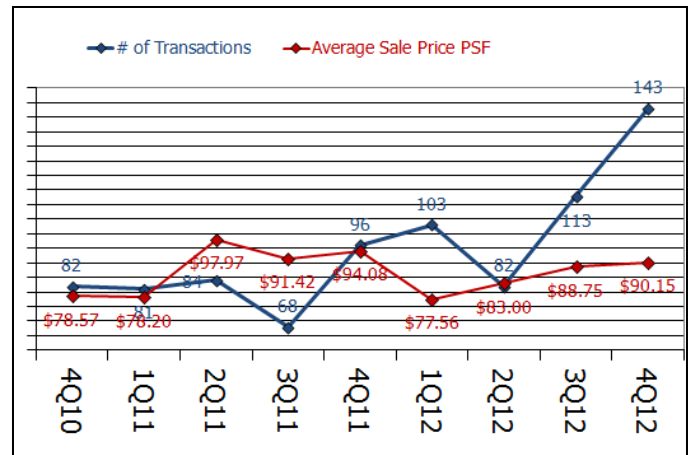
## Lease Rates

The average quoted asking rate for available Industrial space is now at \$0.615 PSF and has increased five of the last six quarters.



## Sales Activity

Los Angeles industrial sales have increased 16% in terms of average sale price, and 39% in terms of deal volume in the last year. Cap rates have averaged 7.54%.



## Featured Deals:



24760 S Main St, Carson



4950 E 49th St, Vernon

We are currently marketing this 231,008 SF distribution facility in the South Bay. The property is available for Lease and is located just 5 Miles from the Ports of Los Angeles and Long Beach. Features include 48 DH doors and 30' ceilings.

We sold this remodeled facility in the desirable Vernon submarket. The 20,600 SF Property sits on 45,738 SF of land and features Dock High Loading with over 4,500 SF of image office space and is located in the Central region.

The Los Angeles County  
Industrial Market  
Update is Prepared by:

John Repstad  
ID# 01322897  
(213) 892-8881 x 269  
jrepstad@raginc.com

Mark Repstad  
ID# 01492673  
(213) 892-8881 x 369  
mrepstad@raginc.com