

Industrial Market Update

Los Angeles County

2nd 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	74,029,159	\$0.478	4.35%	-177,228	489,400
Vernon	81,469,905	\$0.498	3.14%	39,463	0
Central LA	96,853,542	\$0.778	3.34%	325,710	0
Mid-Counties	95,075,217	\$0.517	6.49%	-1,043,592	448,060
San Gabriel Valley	166,524,874	\$0.528	5.37%	-1,032,901	28,000
San Fernando Valley	130,274,429	\$0.709	4.80%	-319,528	0
South Bay	215,598,769	\$0.600	5.68%	931,332	445,795
Westside	19,255,134	\$1.580	4.11%	185,956	0
Los Angeles County	879,081,029	\$0.615	4.94%	-1,090,788	1,411,255
Change from Last Qtr.		↑	↑	↑	↓
Change from Last Year		↑	↓	↓	↓

Market Movers – Significant Transactions in LA County in The 2nd Quarter

Property Address	Trans. Type	Size SF	Price / Rate	Buyer/Lessee	Seller/Lessor
1807-1925 Olympic Blvd, Los Angeles	Sale	420,000	\$63 PSF	Uni Hosiery	Forever 21
3000 E Washington Blvd, Los Angeles	Sale	290,620	\$120 PSF	TA Associates	Bank of America
61 st Street, Commerce	Sale	255,546	\$129 PSF	KTR Capital	Sheldon Appel
771 Watsoncenter Rd, Carson	Lease	254,411	\$0.53 PSF	DAMCO	Watson Land Co.



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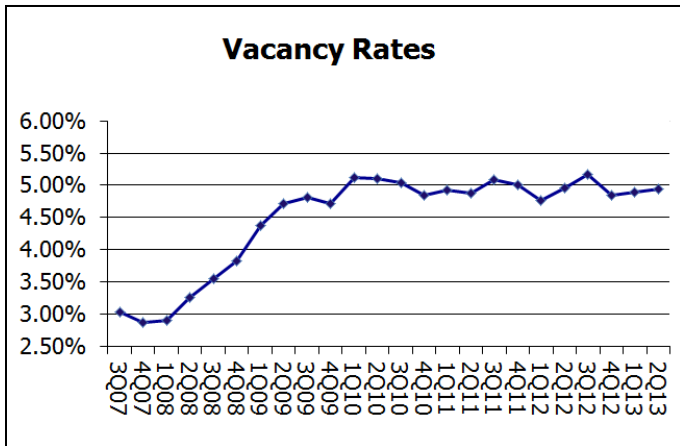
Market Overview

The Los Angeles Industrial market ended the second quarter 2013 with a vacancy rate of 4.94%, which represents an increase of 1.0% from the previous quarter. Meanwhile net absorption totaled negative 1,090,788 square feet in the second quarter. Vacant sublease space increased by 8.6% in the quarter, ending at 2,152,848 square feet. Rental rates ended the second quarter at \$0.615 PSF, which was a small increase over the previous quarter. A total of eight buildings were delivered to the market in the quarter totaling 714,052 square feet, with 1,411,255 square feet under construction at the end of the quarter.

*Statistics compiled with the support of the CoStar Group. While the information herein has been obtained from sources we deem reliable, no representation or warranty of any kind is made with respect to its accuracy, completeness or suitability for use in any transaction.

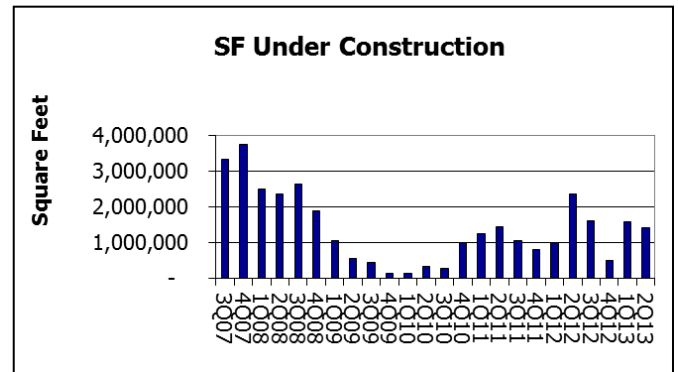


Vacancy The Industrial vacancy rate in the Los Angeles market area has increased slightly to 4.94%.



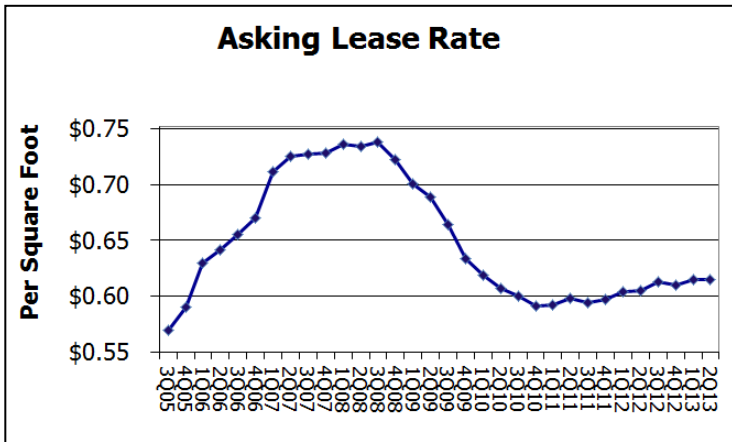
Deliveries & Construction

There were 1,411,255 SF under construction at the end of the second quarter.



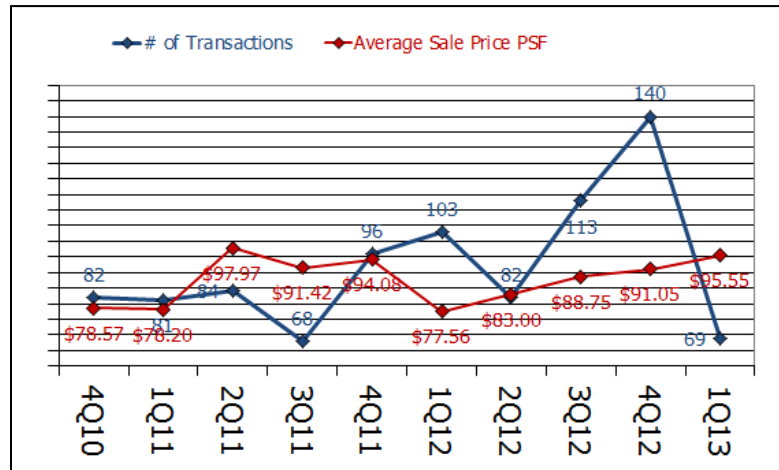
Lease Rates

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



Sales Activity

Sale values have increased 23% in the last year. Cap rates are now averaging under 7% for the first time in 2 years and are at 6.87%.



Featured Deals:



Available

12252 Whittier Blvd, Whittier

We are currently marketing this 161,610 SF distribution facility that is 21 Miles from the Ports. The property is available for Lease. Features include 21 DH doors, ESFR sprinklers, large concrete truck courts and 30' ceilings.



Leased

19855 Quiroz Ct, City of Industry

We assisted our client in their leasing of this warehouse facility in the desirable Shea Industrial Park. The 19,460 SF freestanding building sits on 54,450 SF of land and features 3 Dock High Loading positions and has immediate access to the 60 freeway.

The Los Angeles County
Industrial Market
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