

Industrial Market Update

Los Angeles County

4th Quarter 2012

LOS ANGELES COUNTY INDUSTRIAL SUBMARKETS SNAPSHOT

Submarket	Total Building SF	Average Asking Lease Rate	Vacancy Rate	YTD Net Absorption SF	SF Under Construction
Commerce	74,565,921	\$0.483	4.33%	139,869	0
Vernon	81,946,475	\$0.497	3.30%	-831,887	0
Central LA	97,413,245	\$0.771	3.63%	-304,470	99,800
Mid-Counties	94,865,868	\$0.513	5.11%	491,769	0
San Gabriel Valley	165,903,098	\$0.515	5.41%	2,145,610	8,000
San Fernando Valley	132,693,911	\$0.708	4.60%	234,481	0
South Bay	218,081,290	\$0.589	5.79%	584,435	373,783
Westside	20,476,092	\$1.545	3.98%	254,940	2,956
Los Angeles County	885,945,900	\$0.610	4.84%	2,714,747	484,539
Change from Last Qtr.		↓	↓	↑	↓
Change from Last Year		↑	↓	↑	↓

Market Movers – Significant Transactions in LA County in The 4th Quarter

Property Address	Trans. Type	Size SF	Price / Rate	Buyer/Lessee	Seller/Lessor
18175 & 18215 E Rowland St, Industry	Lease	700,000	Confidential	Port Logistics Group	Majestic Realty
2805 W El Segundo Blvd, Hawthorne	Sale	563,000	\$152 PSF	DCT Industrial	MP Cargo LAX
1338 W Holt Ave, Pomona	Sale	355,000	\$80 PSF	Crown Mark	CH Realty
9306 Sorenson Ave, Santa Fe Springs	Sale	305,000	\$94 PSF	IIT, Inc.	Sares-Regis



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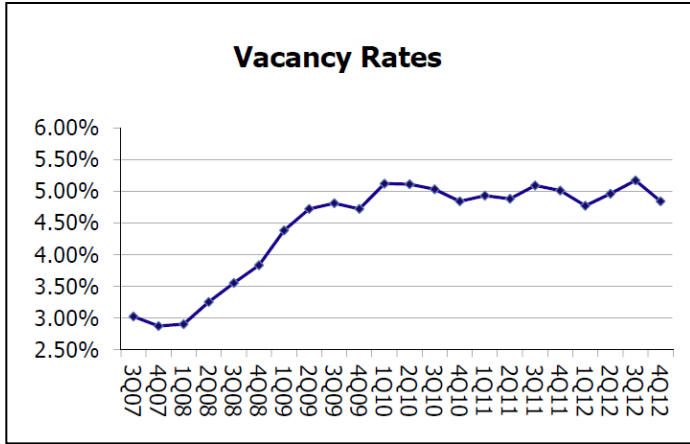
Market Overview

The Los Angeles Industrial market ended the fourth quarter 2012 with a vacancy rate of 4.84%, which represents a decrease of 3.4% from the previous quarter. Meanwhile net absorption totaled positive 2,938,136 square feet in the fourth quarter. Vacant sublease space increased by 5.3% in the quarter, ending at 2,676,813 square feet. Rental rates ended the fourth quarter at \$0.610 PSF, which was a decrease of 0.5% over the previous quarter. A total of twelve buildings were delivered to the market in the quarter totaling 1,457,796 square feet, with 484,539 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.

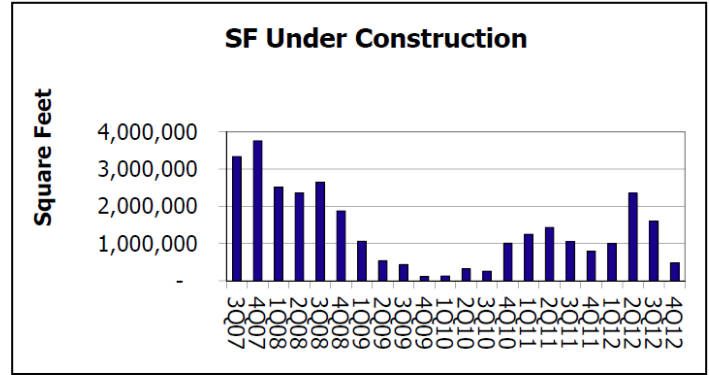


Vacancy The Industrial vacancy rate in the Los Angeles market area has increased to 4.84%.

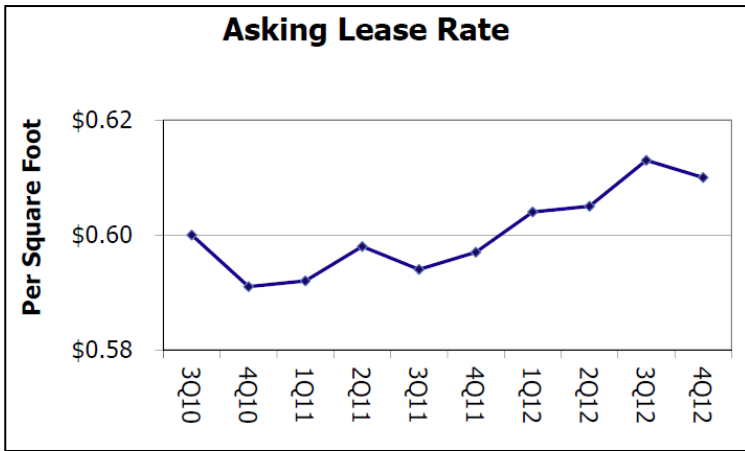


Deliveries & Construction

There were 484,539 SF under construction at the end of the fourth quarter, the lowest level in two years.

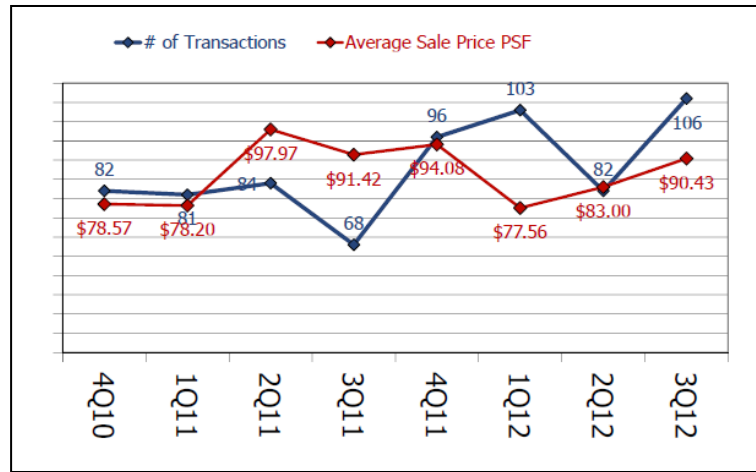


The average quoted asking rate for available Industrial space is now at \$0.610 PSF and has increased four of the last five quarters.



Sales Activity

Los Angeles industrial sales rose 9% in terms of average sale price, and 29% fell in terms of deal volume in the last quarter. Cap rates have increased to 7.82%.



Featured Deals:



24760 S Main St, Carson

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.



2122 W Flotilla St, Montebello 4433 Pacific Blvd, Vernon

We represented the Buyers of these Class "A" facilities in the Central region. 34,980 SF and 33,338 SF respectively, these properties were built in the last 10 years and featured 24' + ceiling heights and 4+ DH doors.

The Los Angeles County
Industrial Market
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