

Industrial Market Update

Los Angeles County

4th Quarter 2017

LOS ANGELES COUNTY INDUSTRIAL SUBMARKETS SNAPSHOT

Submarket	Total Building SF	Average Asking Lease Rate	Vacancy Rate	YTD Net Absorption SF	SF Under Construction
Commerce	76,537,715	\$0.696	0.92%	407,956	0
Vernon	82,773,903	\$0.733	2.29%	-99,360	212,269
Central LA	94,799,000	\$1.225	2.78%	1,278,540	156,707
Mid-Counties	94,667,049	\$0.820	1.80%	382,867	2,010,537
San Gabriel Valley	175,363,732	\$0.859	1.93%	2,486,937	790,669
San Fernando Valley	129,176,330	\$1.166	1.80%	293,966	0
South Bay	217,339,773	\$0.939	1.78%	1,348,390	805,601
Westside	22,793,603	\$2.386	2.58%	290,769	0
Los Angeles County	893,451,105	\$0.971	1.91%	3,617,647	3,975,783
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
825 Ajax Ave, City of Industry	Sale	432,463	\$154 PSF	Duke	Bridge Dev.
1855 W 139 th St, Gardena	Sale	231,000	\$163 PSF	Terreno	Zeiden Properties
16325 S Avalon Blvd, Carson	Sale	210,710	\$220 PSF	Liberty PT	TIAA-CREF
687 N Eucalyptus Ave, Inglewood	Sale	143,436	\$376 PSF	Rexford	Panattoni



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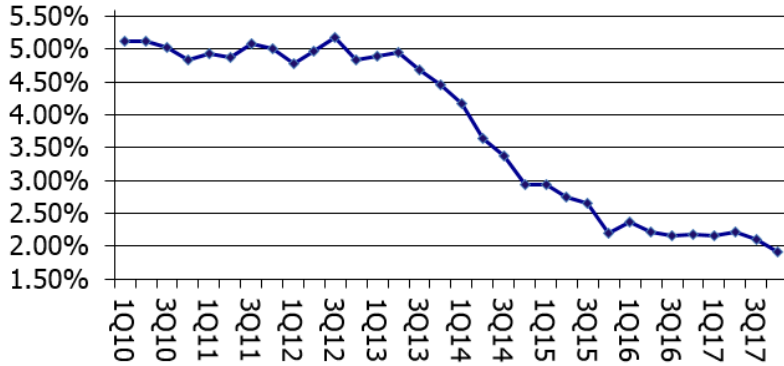
Market Overview

The Los Angeles Industrial market ended the 4th quarter 2017 with a vacancy rate of 1.91%. Meanwhile net absorption totaled 6,232,325 square feet in the fourth quarter. Vacant sublease space decreased by 5.59 % in the quarter, ending at 1,485,612 square feet. Rental rates ended the fourth quarter at \$0.971 PSF, an increase of 11.23% over the previous quarter. A total of 11 buildings were delivered to the market in the quarter totaling 1,519,976 square feet, with 3,975,783 square feet under construction. Sale values have averaged \$137 PSF in the last quarter.



Vacancy The Industrial vacancy rate in the Los Angeles market area is at 1.91%.

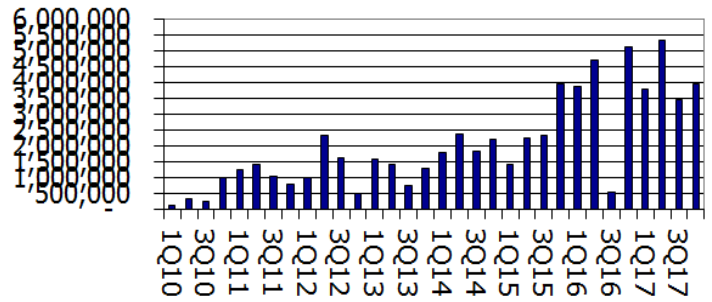
Vacancy Rates



Deliveries & Construction

There were 3,975,783 SF under construction at the end of the fourth quarter.

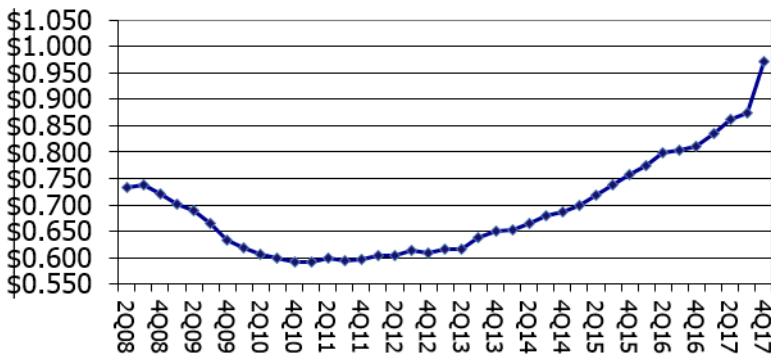
SF Under Construction



Lease Rates

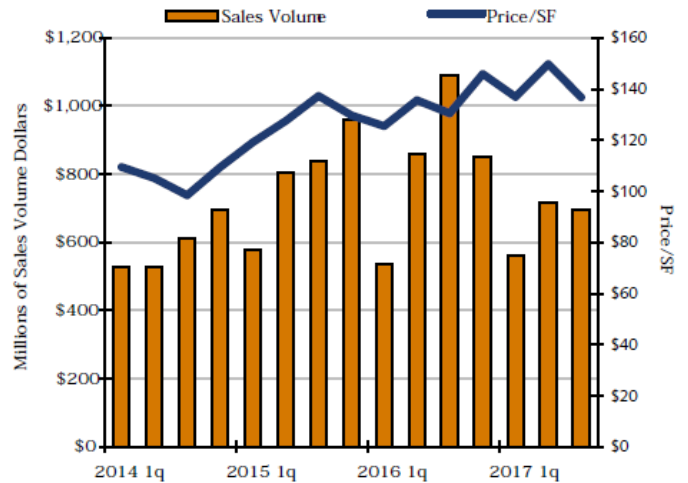
The average quoted asking rate for available Industrial space is now at \$0.971 PSF, and has increased for **20** straight quarters.

Asking Lease Rate



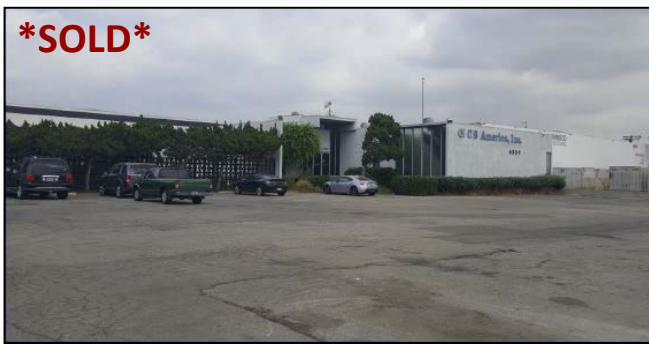
Sales Activity

Sale values have continued their steady increase and are now at \$137 PSF.



Featured Deals:

4309 Exchange Ave, Vernon



We represented the buyer in the purchase of this 44,285 SF Industrial building in Vernon to an owner/user. The property features 18' Ceilings, 5 DH and 7,332 SF of office.

732 S Alameda St, Los Angeles



We sold this 15,757 SF distribution facility located in the Arts District as a Leased Investment. The property features 30' Ceilings, 3 DH and 4,850 SF of refrigerated storage space.

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