

Industrial Market Update

Los Angeles County

1st 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	76,277,123	\$0.611	1.83%	-70,883	0
Vernon	82,383,454	\$0.651	2.24%	-205,139	216,712
Central LA	94,321,500	\$1.140	3.61%	601,030	20,022
Mid-Counties	94,458,457	\$0.679	2.08%	-76,769	614,645
San Gabriel Valley	172,052,967	\$0.711	2.25%	399,801	1,590,991
San Fernando Valley	128,709,457	\$0.972	1.90%	-154,873	364,638
South Bay	216,470,488	\$0.803	1.70%	604,305	989,756
Westside	19,032,610	\$2.373	2.19%	122,720	0
Los Angeles County	883,706,056	\$0.835	2.15%	1,220,192	3,796,764
Change from Last Qtr.		↑	↓	↓	↓
Change from Last Year		↑	↓	↑	↓

Market Movers – Significant Transactions in LA County in the 1st Quarter

Property Address	Trans. Type	Size SF	Price / Rate	Buyer/Lessee	Seller/Lessor
4187 Temple City Blvd, El Monte	Lease	164,284	TBD	Amazon	Magellan
28903 Commerce Center, Valencia	Sale	146,000	\$117 PSF	Rexford	Mannkind Corp
15000 Nelson Ave, City of Industry	Sale	125,494	\$150 PSF	Nguyen Vi	Dedeaux Properties
18554 S Susana Rd, Rancho Dominguez	Sale	104,339	\$115 PSF	IPT	Ahmadinia/Oroumi



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



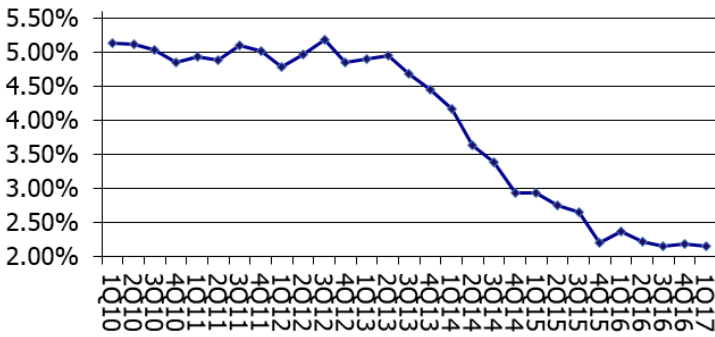
Market Overview

The Los Angeles Industrial market ended the 1st quarter 2017 with a vacancy rate of 2.15%. Meanwhile net absorption totaled 1,220,192 square feet in the first quarter. Vacant sublease space decreased by 16% in the quarter, ending at 1,193,482 square feet. Rental rates ended the first quarter at \$0.835 PSF, an increase of 3.1% over the previous quarter. A total of eight buildings were delivered to the market in the quarter totaling 2,210,084 square feet, with 3,796,764 square feet under construction. Sale values have averaged \$145 PSF in the last quarter and are up 11% in the same period.



Vacancy The Industrial vacancy rate in the Los Angeles market area is at 2.15%.

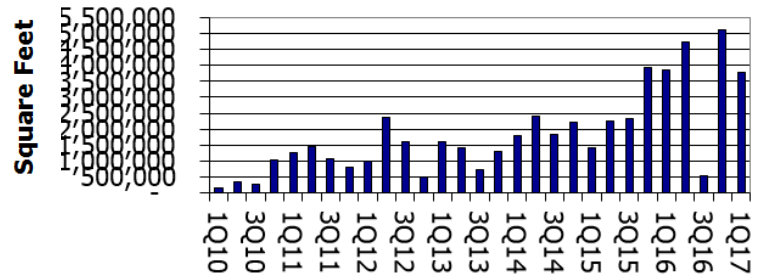
Vacancy Rates



Deliveries & Construction

There were 3,796,764 SF under construction at the end of the first quarter.

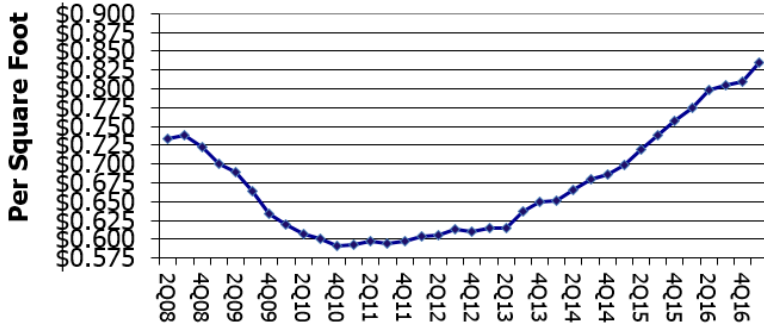
SF Under Construction



Lease Rates

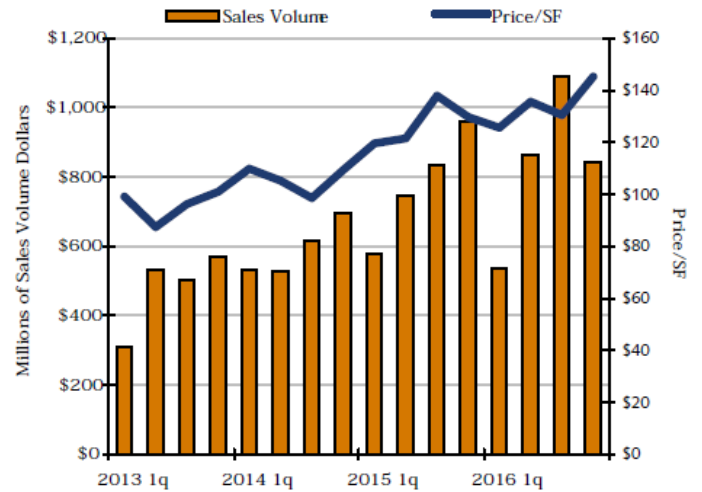
The average quoted asking rate for available Industrial space is now at \$0.835 PSF, and has increased for **17** straight quarters.

Asking Lease Rate



Sales Activity

Sale values have risen 6% in the last 12 months for buildings over 15,000 SF and are now at \$145 PSF.



Featured Deals:

583 Monterey Pass Rd, Monterey Park



We are offering this 23,094 SF Office/Industrial building in Monterey Park for Sale. Ideal for an owner/user the property offers flexibility as it divides into three units.

12252 Whittier Blvd, Whittier



We are offering this 161,610 SF Class "A" Industrial building for Sale. The property features 30' Ceilings, 21 DH and 4,000 Amps.

The Los Angeles County Industrial Market Update is Prepared by:

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

Dana Son
ID# 02011195
(213) 892-8881 x 216
danas@raginc.com

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