

Industrial Market Update

Los Angeles County

4th Quarter 2018

RECENT REPSTAD TRANSACTIONS

841 – 855 Washington Blvd, Montebello, CA
LEASED Q4, '18 | 54,958 SF | 24' Ceilings | 9 DH



24760 S Main St, Carson, CA
FOR LEASE | 231,008 SF | 30' Ceilings | 48 DH



2034 E 27th St, Vernon, CA
LEASED Q4, '18 | 54,290 SF | 24' Ceilings | 18 DH



Hickson Business Park, El Monte, CA
FOR LEASE | **NEW CONSTRUCTION** | Sizes from 16K – 61K SF



10668 Hickson St, El Monte, CA
LEASED Q4, '18 | New Construction | 32,162 SF | 27' Ceilings



7275 Sycamore Canyon Blvd, Riverside, CA
FOR SALE | **FORTUNE 500 NNN INVESTMENT** | 75,286 SF



SEE PAGES 2 AND 3
FOR MARKET DATA

(Pg. 1 OF 3)



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

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

Industrial Market Update

Los Angeles County

4th Quarter 2018

LOS ANGELES COUNTY INDUSTRIAL SUBMARKETS SNAPSHOT

Submarket	Total Building SF	Average Asking Lease Rate	Vacancy Rate	YTD Net Absorption SF	SF Under Construction	Sale Price PSF
Commerce	48,900,000	\$0.85	2.7%	-1,059,840	0	\$189
Vernon	82,200,000	\$0.89	3.3%	-570,164	346,000	\$196
Central LA	78,300,000	\$1.33	3.9%	-923,286	202,580	\$312
Santa Fe Springs	54,200,000	\$0.91	3.1%	-581,063	0	\$211
City of Industry	83,100,000	\$0.90	3.3%	-982,306	217,000	\$185
East San Fernando Valley	47,700,000	\$1.16	1.6%	-244,189	15,500	\$272
Carson	38,500,000	\$0.94	1.2%	62,000	412,000	\$191
Westside	19,700,000	\$2.26	4.3%	-426,000	0	\$488
Los Angeles County	930,000,000	\$1.06	2.6%	-2,100,000	5,600,000	\$240
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
3880 N Mission Rd, Los Angeles	Sale	2.1M	\$165M	Blackstone	Forever 21
1 Minson Wy, Montebello	Sale	282,000	\$136 PSF	Elite Lighting	Minson Corp
5804-5884 E Slauson, Vernon	Lease	631,264	\$0.38 NNN	Four Season GM	Clarion
11130 Bloomfield Ave, Santa Fe Springs	Lease	239,872	\$0.87 NNN	TA Industries	Alere



**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



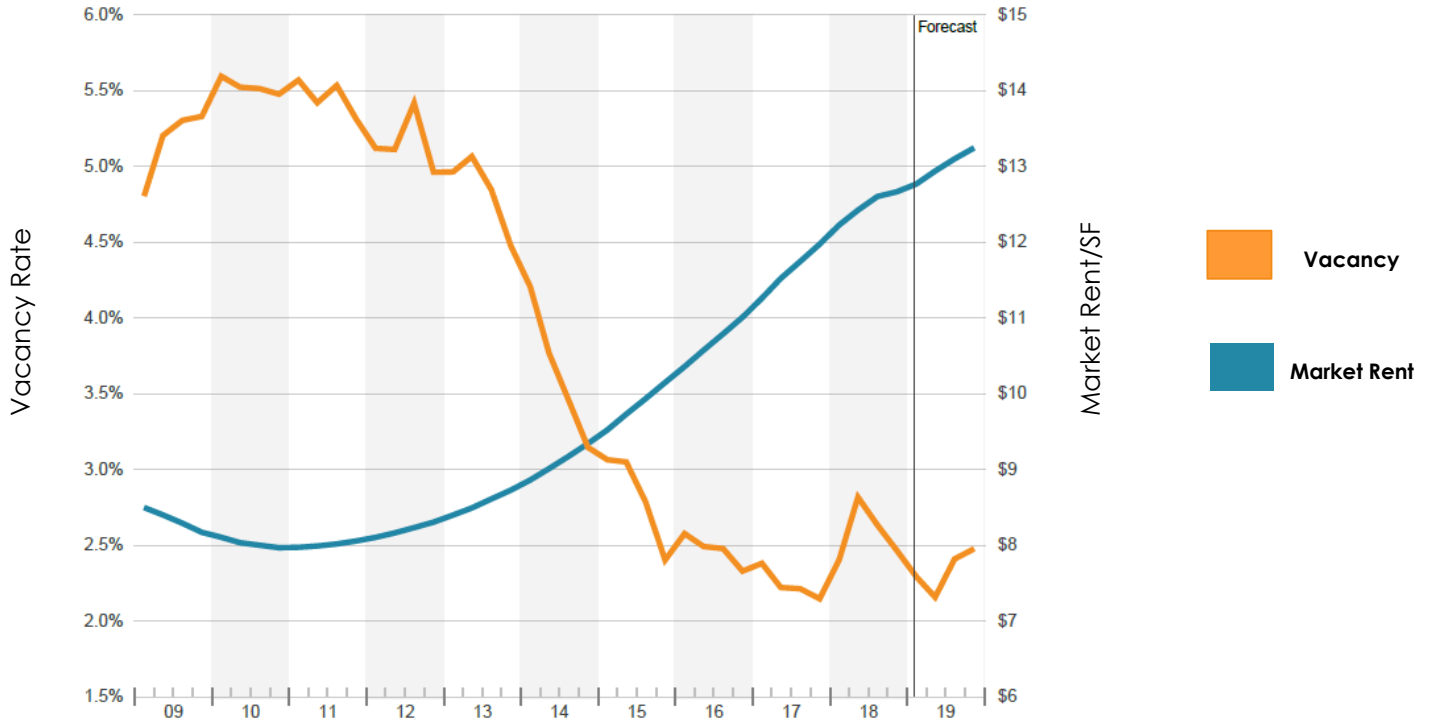
Market Overview

The Los Angeles Industrial market ended the 4th quarter 2018 with a vacancy rate of 2.6%. Meanwhile net absorption totaled -2,100,00 square feet in the quarter. Rental rates ended the fourth quarter at \$1.06 PSF, an increase of 4.81% over the previous year. A total of 4.5M SF were delivered to the market in the past 12 months, with 5.6M SF currently under construction. Sale values have averaged \$240 PSF in the last quarter up 10% from one year ago while cap rates ended the quarter at 5.4%.



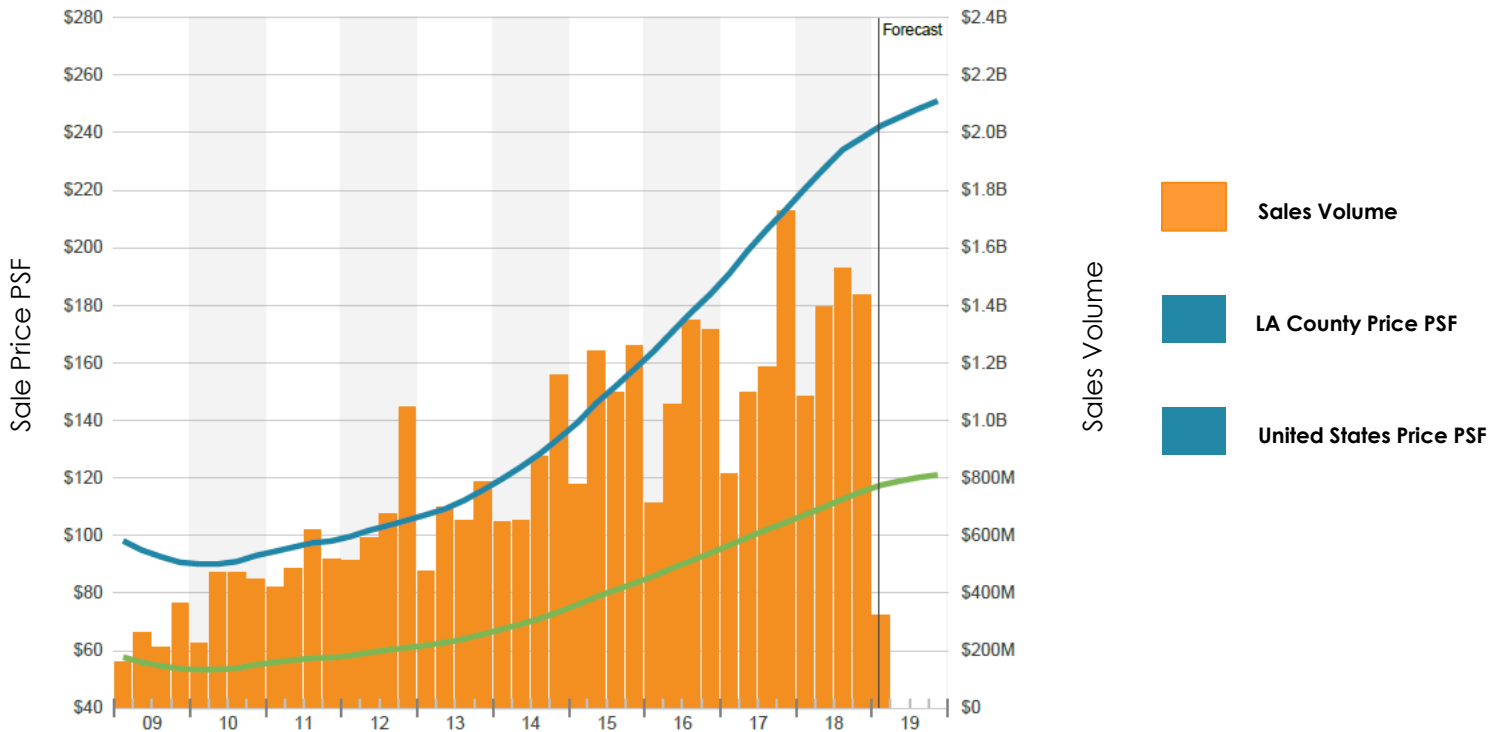
Vacancy & Market Rents

Industrial rents have averaged 7.8% annual growth over the past five years. Rent growth is projected to continue in the next 12 months but slow some. The vacancy rate has remained relatively steady at historical lows between 2 and 2.5%.



Sales Volume & Price PSF

Sales volume in the LA Industrial market in 2018 surpassed \$5.4 Billion or 7% of the total volume in the United States. Sale prices continued their rise almost uninterrupted over the last 10 years with continued growth projected for the next 12 months.



*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.

(Pg. 3 OF 3)