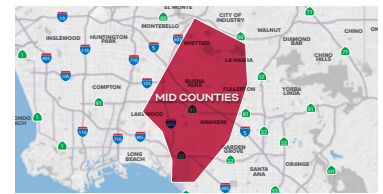


Q4 2023 INDUSTRIAL MARKET INSIGHT

MID-COUNTIES



DELIVERIES

0 SF

LEASE ACTIVITY

1,240,750 SF

SALE ACTIVITY

633,439 SF

INVENTORY

115,379,242 SF

DIRECT VACANCY

3.0%

AVAILABILITY

6.5%

NET ABSORPTION

-479,585 SF

UNDER CONSTRUCTION

515,221 SF

Mid-Countries continued to have the lowest direct vacancy rate of any major industrial submarket within Los Angeles at 3.0%. There is only about 3.5 MSF of direct vacant space on the market. As small as that number is, it represents an increase in vacancy for the submarket. Since Q4 2022, vacant space has increased by over 2.3 MSF.

No new building delivered this quarter, and seven buildings totaling over 515,221 SF are under construction. In contrast to other submarkets, overall asking rents increased

to \$1.65 NNN PSF, a year over-year increase of about 2.48% from Q4 2022's rate of \$1.61 PSF. Tenants with leases up for renewal should be prepared for sticker shock as rents have nearly tripled over the past 10 years.

Because of these tight conditions, tenants are opting to renew rather than relocate. Landlords, on the other hand, will either have to exercise patience in leasing their buildings or reduce lease rates to remain competitive. With that said, even with all

these challenges facing the Midcountries, its clear demand for Mid-Countries industrial space remains strong.

For any industrial tenant looking for an alternative to the South Bay, they will most likely turn to either the Inland Empire or Mid-countries.

DEMAND

-2.8%

12 MO NET ABSORPTION % OF INVENTORY

5.8M

12 MO LEASED SF

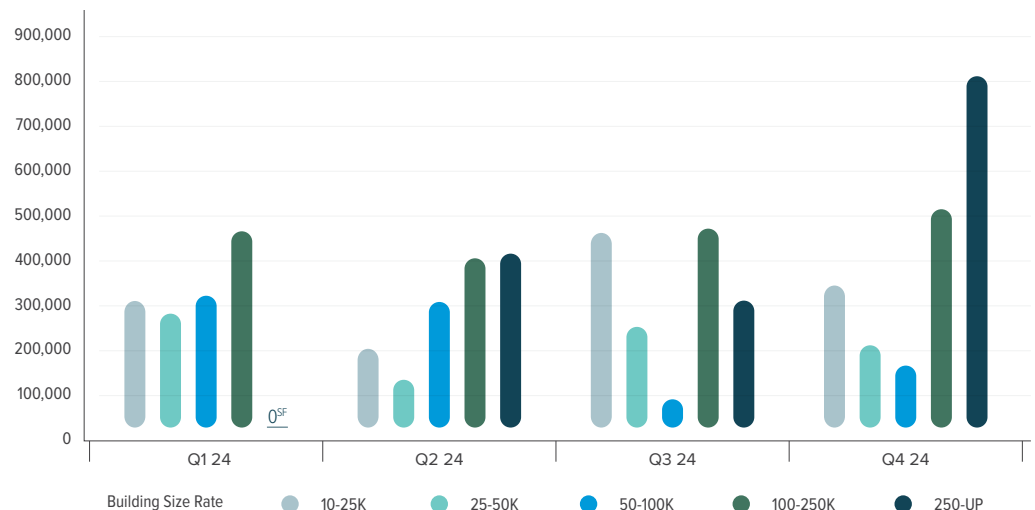
4.0

MONTHS ON MARKET

3.5

MONTHS ON VACANT

LEASE EXPIRATION FORECAST

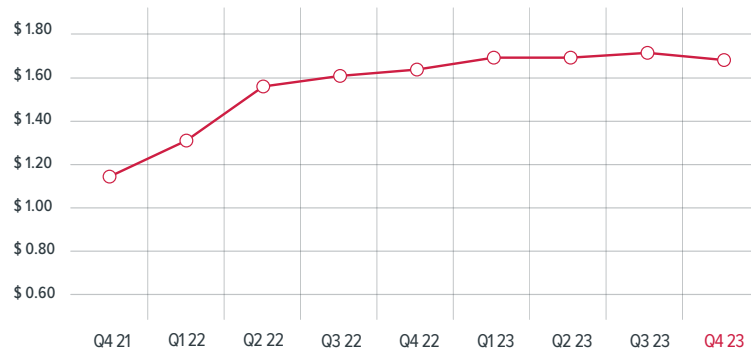


MID-COUNTIES CITY STATS

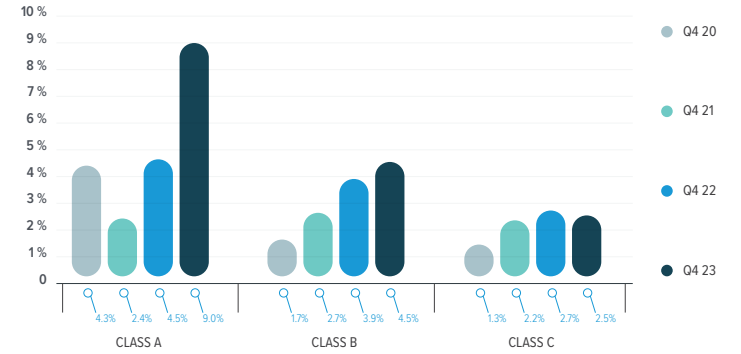
CITY	# OF BUILDING	INVENTORY (SF)	VACANCY (%)	AVAILABILITY (%)	NET ABSORPTION (SF)	GROSS ABSORPTION (SF)	ASKING RATE (\$F)	ASKING SALE RATE (\$F)
ARTESIA	27	313,400	-	2.6	8,083	8,083	-	\$374
BELLFLOWER	66	933,130	1	1	11,099	11,099	\$1.56	\$363
BUENA PARK	220	13,526,721	3.7	5.3	62,369	146,003	\$1.74	\$260
CERRITOS	250	14,746,120	6	7.4	-186,143	101,126	\$1.54	\$291
CYPRESS	87	4,675,375	7.8	7.2	-72,656	248,190	\$1.84	\$293
LA MIRADA	177	13,417,824	6.3	11.8	-278,242	83,377	\$1.59	\$282
LA PALMA	16	1,778,216	4.1	-	-	-	-	\$233
LOS ALAMITOS	91	2,204,728	0.4	1.4	6,601	8,548	-	\$312
NORWALK	90	2,919,603	3.3	3.6	-2,770	5,744	\$1.60	\$277
SANTA FE SPRINGS	1,345	53,815,784	3.2	6.2	-235,125	425,451	\$1.76	\$307
WHITTIER	162	4,339,467	1.6	2.2	144,367	185,311	\$1.38	\$282
DOWNEY	139	4,729,439	6.2	7.3	-180,157	8,379	\$1.18	\$291

Stats Consist of Buildings Over 5,000 Sq. Ft

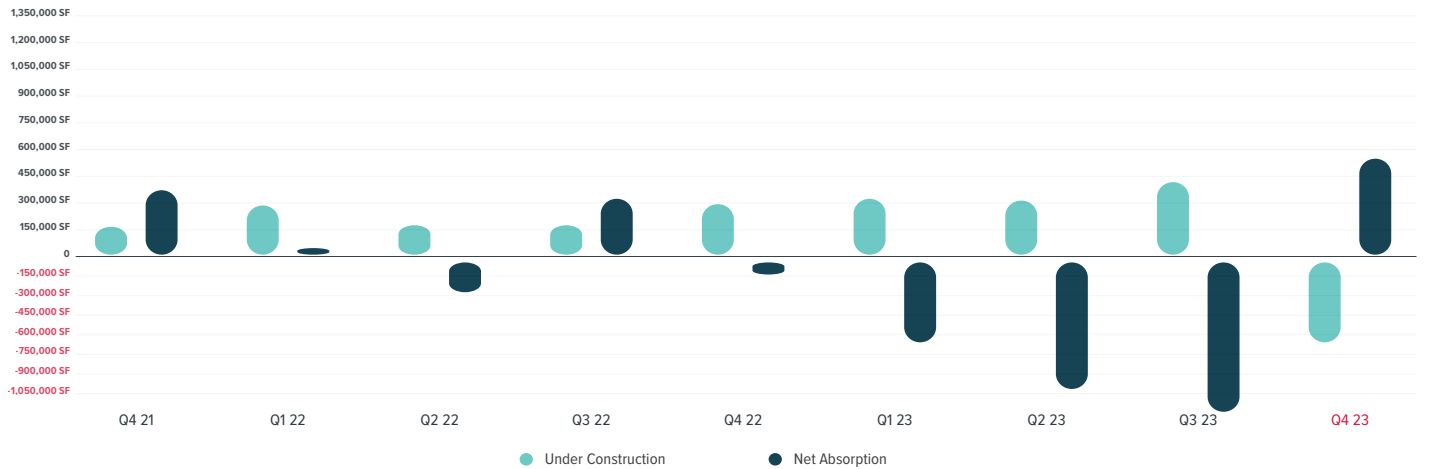
LEASE RATE TRENDS (DIRECT ASKING RATE)



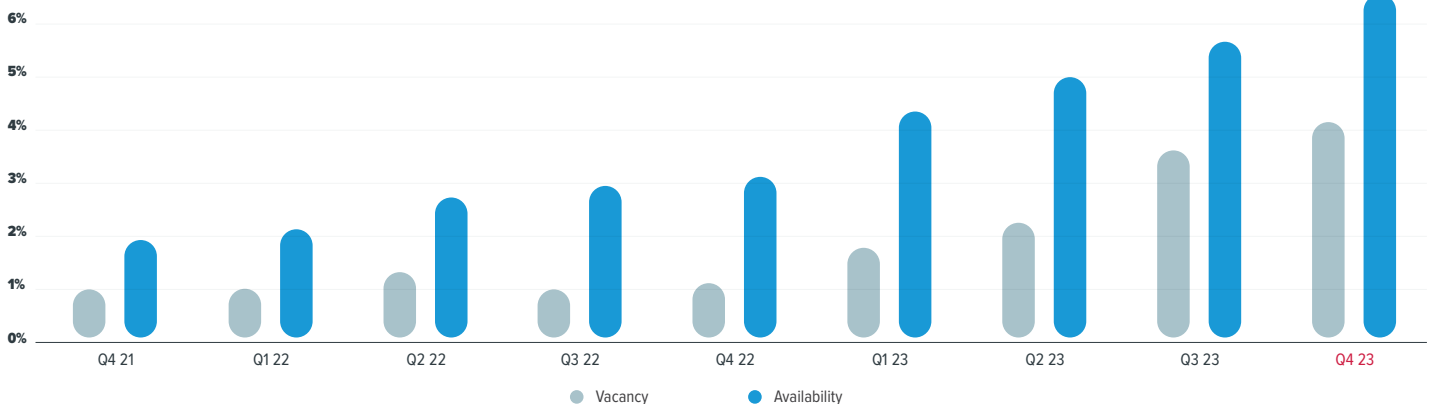
VACANCY BY BUILDING CLASS



UNDER CONSTRUCTION VS. NET ABSORPTION



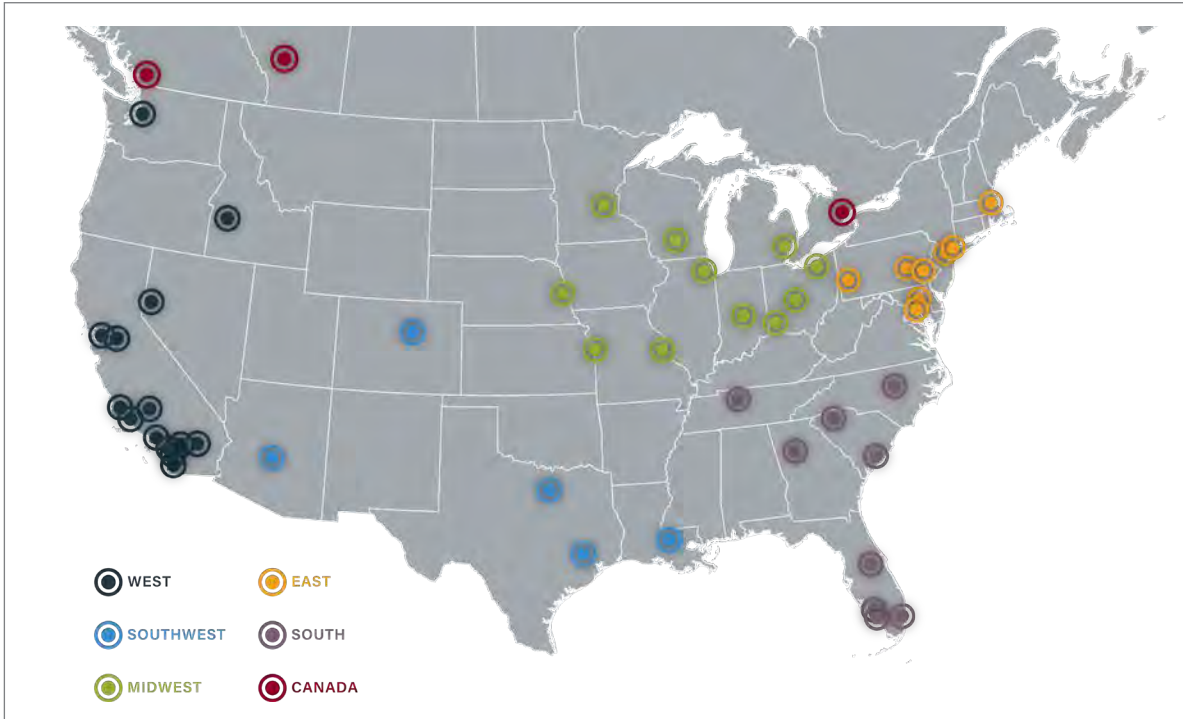
VACANCY VS. AVAILABILITY



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