



INDUSTRIAL MARKET OVERVIEW

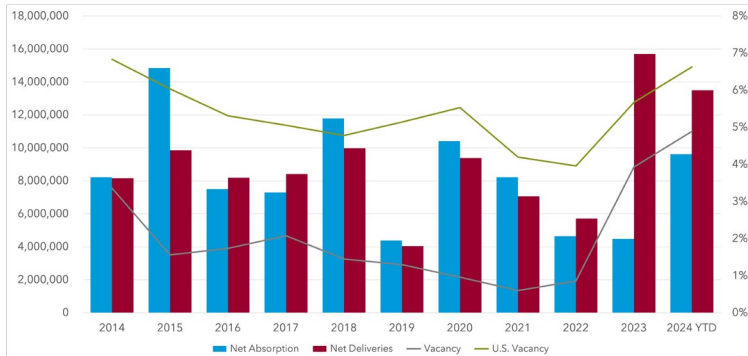
KIMBERLY ROMANIELLO, *Director of Marketing & Research*

The Inland Empire West submarket stalled in terms of net activity throughout Q3, as subleases and renewals comprised the top lease transactions in the West. Vacancy increased minimally, while Availability trended down. Pricing remained steady, however, concessions not reflected in rates, such as free rent, tenant improvements, etc., have increased and are now expected by Tenants. The amount of industrial product actively under construction continues its abrupt halt, as the development pipeline is only 43% of what it was year-over-year. Institutional interest continues to mount in the I.E. industrial market, as a Class-A industrial facility sold for nearly \$77M in Q3.

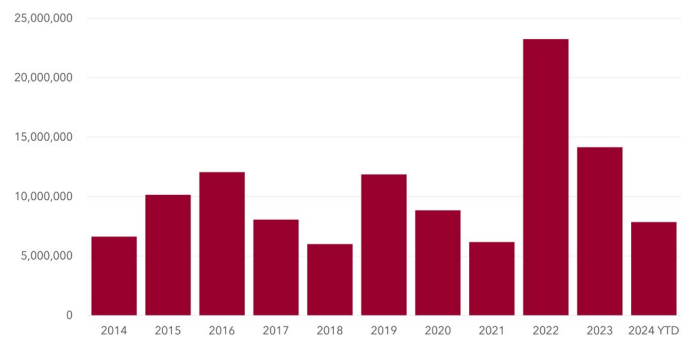
**Please contact Lee & Associates Ontario for Cap Rate Information*

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	(41,391)	6,144,222	3,518,076	3,782,953	2,372,610
▲ Vacancy Rate	4.89%	4.56%	4.26%	3.93%	3.50%
▲ Avg NNN Asking Rate PSF	\$15.11	\$14.58	\$16.20	\$17.27	\$18.84
▼ Sale Price PSF	\$322.00	\$333.91	\$336.85	\$340.24	\$325.82
◀▶ Cap Rate	*	*	*	*	*
▼ Under Construction SF	7,861,560	9,052,807	11,497,705	14,152,366	18,587,253
▲ Inventory SF	371,566,444	371,172,563	365,894,032	363,615,462	361,829,546

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
8432 Almeria Avenue Fontana, CA	236,129 SF	\$76,800,000 \$325.25 PSF	Cabot Industrial Properties Transwestern Development Co.	Class A
14339 Whittram Avenue Fontana, CA	209,700 SF	\$58,716,000 \$280.00 PSF	Warehouse Specialists, Inc. Oakmont Development	Class A
13170 Marlay Avenue Fontana, CA	153,104 SF	\$35,000,000 \$228.60 PSF	Schutz Container Marlary Partners LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
17820 Slover Avenue Fontana, CA	651,815 SF	Distribution Alternatives, Inc.	eFulfill, Inc.	Logistics
1500 Dupont Street Ontario, CA	450,000 SF	Majestic Realty Co.	Staples	Retailer
3355 E. Cedar Street Ontario, CA	436,945 SF	Henkel US Operations	Trans Knights	Logistics

