MIDQUARTER SNAPSHOT

Industrial Q3 2021 Los Angeles North







i = 2.0%

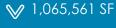


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Under Construction



Median Sale \$/SF \$264.91



Net Absorption





Gross Absorption

∧ 1,626,521 SF

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Rental Rates (NNN)

\$1.24

Deal Volume

\$290.6M

KEY TAKE AWAYS

MARKET

- Vacancy Rate: Down 30 BPS from Q2.
- Net Absorption: Has totaled 618K thus far in Q3.
 Slightly below pace to match levels in Q2.
- Industrial Supply: After 1M SF was delivered in Q2, UC remains above 1M SF in Q3...
- Asking Rents: Increased by \$0.04 PSF since Q2.
- Sales: The median price PSF half-way through Q3 is \$264.91. Volume has totaled \$290.6M thus far into Q3 and on pace to outperform Q2.

ECONOMIC OUTLOOK

- **GDP**: The U.S. economy grew at a rate of 6.5% in Q2. Concerns over the "delta" variant have slightly weakened the growth trajectory, with forecasted increase of 6.0% in Q3.
- Inflation: Concerns over inflation grow louder as the latest CPI showed an increase of 5.28%. Due to this, the FOMC indicated rate hikes are likely to occur sooner than previously anticipated.
- Infrastructure: The Senate has passed a \$1T infrastructure package. The timeline of this legislation passing in the House is uncertain.

ECONOMIC OUTLOOK



EXPERIENCE IN A CHANGING MARKET

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