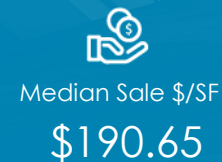


MARKET ACTIVITY



KEY TAKE AWAYS

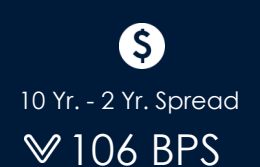
MARKET

- **Vacancy Rate:** Slight increase of 30 BPS from Q2.
- **Asking Rents:** Increased by \$0.13 PSF since Q2 to \$1.06 PSF.
- **Industrial Supply:** Construction activity increased to over 1.4M SF.
- **Sale:** Volume had totaled \$85.4M in Q3. On pace to exceed Q2 levels. The median price PSF is \$190.65. The largest sale in Q3 is a two property portfolio in Baldwin Park that was purchased by In-N-Out Burgers for \$30.9M

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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