

MIDQUARTER SNAPSHOT

Office Q3 2021 Inland Empire



MARKET ACTIVITY

KEY TAKE AWAYS

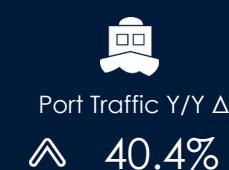
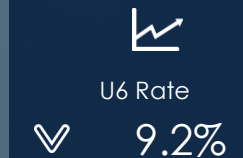
ECONOMIC OUTLOOK

MARKET

- **Vacancy Rate:** Increased by 30 BPS since Q2.
- **Net Absorption:** Has totaled -109K SF so far in Q3.
- **Sales:** The median price PSF in Q3 is \$223.56. Volume in Q3 is already at 85% of the total reached in Q2.
- **Asking Rents:** Increased by \$0.05 PSF since 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.



EXPERIENCE IN A CHANGING MARKET

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