

MARKET ACTIVITY



KEY TAKE AWAYS

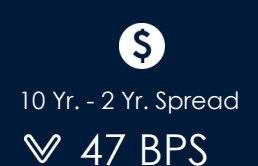
MARKET

- **Vacancy Rate:** Increased by 22 BPS since Q4.
- **Net Absorption:** Has totaled over 3.0M SF Q1.
- **Sales:** The median price PSF in Q1 is \$157.07. Halfway into Q1 volume has totaled over \$454.2M. The largest sale being \$130M for the Landing 3. A newly constructed 7 property industrial park.
- **Industrial Supply:** In Q1, over 4M SF has already been delivered. Under construction continues to expand now sitting at 37.5M SF in Q1. Representing 9.9% of current inventory.

ECONOMIC OUTLOOK

- **GDP:** The U.S. economy in Q4 grew at a rate of 6.9%.
- **Inflation:** The latest January CPI showed an increase of 7.53%. This represents the highest inflation rate since 1982.
- **Interest Rates:** The 10-Year Treasury has increased 53 BPS since the end of 2021. The 10 Yr. - 2 Yr. spread has fallen to the lowest level since Aug. 2020.
- **Supply Chain:** The historic backlog off the Ports of LA & Long Beach continues to ease in Q1. Since the close of Q4, shipping rates have increased 8% according to the Freightos Baltic Index. The cost to ship a container from China/East Asia to North America West Coast is now \$15,218 per container.

ECONOMIC OUTLOOK



EXPERIENCE IN A CHANGING MARKET

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