

MARKET ACTIVITY



KEY TAKE AWAYS

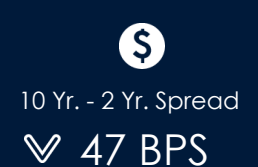
MARKET

- **Vacancy Rate:** Increased by 35 BPS from Q4.
- **Asking Rents:** Increased by \$0.04 PSF or 3.7% since the end of Q4 to \$1.12 PSF.
- **Industrial Supply:** 234K SF has been delivered thus far in Q1. Construction activity is now at 1.27M SF.
- **Sale:** Volume had totaled over \$261.7M in Q1. On pace to exceed Q4 levels. The median price PSF is \$252.01. Two transactions in have sold for over \$50M thus far into Q1.

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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