## Inland Empire Industrial Construction Report

# COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE



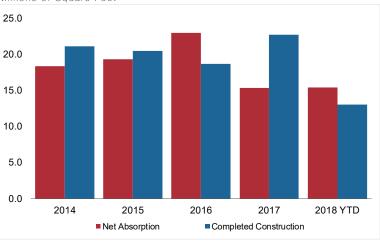
## **KEY STATISTICS MID-YEAR 2018**

| Market Size:                                   | 552,526,981 SF  |
|--|---|
| Existing Available Space:                      | 45,070,617 SF   |
| Space Under Construction:                      | 23,596,427 SF   |
| Completed Construction in 2018 YTD:            | 10,849,443 SF   |
| Largest Project Under<br>Construction in 2018: | First Nandina Logistics<br>Center; Moreno Valley;<br>Riverside County; 1.4M SF;<br>delivers 3Q 2018 |
| Largest Project<br>Completed in 2018:          | Modular Logistics Center;<br>Moreno Valley; Riverside<br>County; 1.1M SF; completed<br>2Q 2018      |

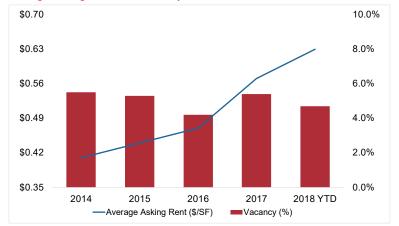
### **MARKET TRENDS**

- The average asking rent increased 53.7% from 2014
- The vacancy rate declined 80 basis points from 2014 due to strong e-commerce demand
- Net absorption totaled 73.1M SF since 2014
- Completed construction totaled more than 75.1M SF since 2014

Net Absorption and Completed Construction Millions of Square Feet



Source: NAI Capital Research, CoStar



#### Average Asking Rent\* and Vacancy Rate

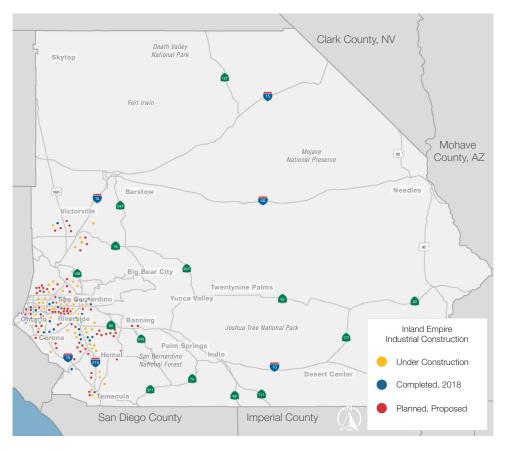
\*Rents reflect buildings of 10,000 SF or greater; quoted in \$/SF NNN on a monthly basis Source: NAI Capital Research, CoStar

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# Projects To Watch In 2018



- Optimus Logistics Center is a two-building 1.4M SF class A fulfillment and distribution campus project underway in Perris. The 1,039,898 SF Building 1 will deliver in 3Q 2018. Building 2 (406,650 SF) is located at 4150 Patterson Ave and will deliver at the end of 3Q 2018.
- Patterson Logistics Center is a 912,338 SF class A industrial distribution building in Perris developed by Western Realco on 41.8-acre site. The project delivers 4Q 2018.
- Agua Mansa Logistics Center is an 808,500 SF class C logistics warehouse in Colton developed by LBA Realty. The project is located within the FedEx Ground freight yard and will deliver fully leased 1Q 2019.
- 4323 Indian Avenue is a 656,695 SF class A state-of-the-art distribution facility in Perris developed by Duke Realty. The building is available for lease and delivers 4Q 2018.
- Arrow Route Distribution Center is a 611,573 SF class B industrial warehouse building in Rancho Cucamonga developed by Industrial Property Trust and Black Creek Group. The project will deliver 4Q 2018.



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