

Industrial Market Outlook

Inland Empire Q1 2025

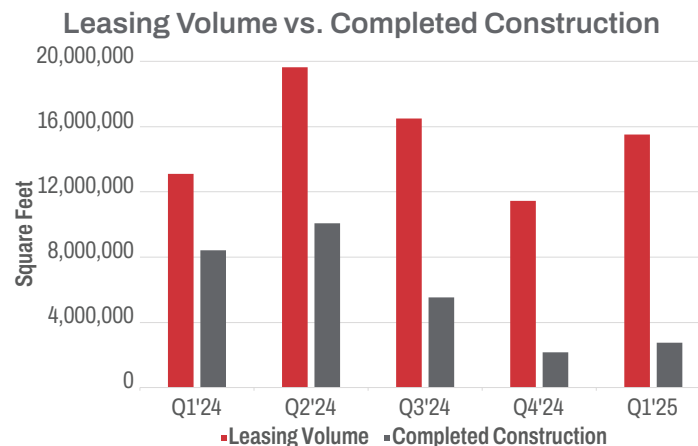
MARKET STATISTICS*

Submarket	Existing Total RBA (SF)	Under Construction (SF)	Total Available (%)	Total Vacancy (%)	Leasing Volume (SF)	YTD Leasing Volume (SF)	Sales Volume (SF)	YTD Sales Volume (SF)	Average Asking Rent (\$/SF NNN)	Average Sale Price (\$/SF)
East	322,430,500	4,799,351	14.5%	9.2%	5,971,094	5,971,094	1,234,507	1,234,507	\$0.95	\$279
High Desert	30,480,406	1,530,400	15.4%	11.5%	109,189	109,189	48,646	48,646	\$1.05	\$158
South	23,513,141	162,317	9.5%	5.1%	381,087	381,087	29,148	29,148	\$1.27	\$209
West	368,862,763	6,022,603	9.9%	5.7%	9,057,280	9,057,280	1,132,359	1,132,359	\$1.08	\$319
Inland Empire	745,286,810	12,514,671	12.1%	7.4%	15,518,650	15,518,650	2,444,660	2,444,660	\$1.03	\$272

* RBA includes industrial buildings of all sizes. Rents reflect buildings of 10,000 square feet or greater.

LEASING TRENDS

Leasing volume increased 35.7% in Q1 compared to Q4 2024, and was up 18.4% year-over-year. Only 2.7 million square feet of new space was added this quarter—a 67.3% decline from the same time last year—highlighting the broader slowdown in completed construction. Over the past five quarters, 28.9 million square feet has been delivered.



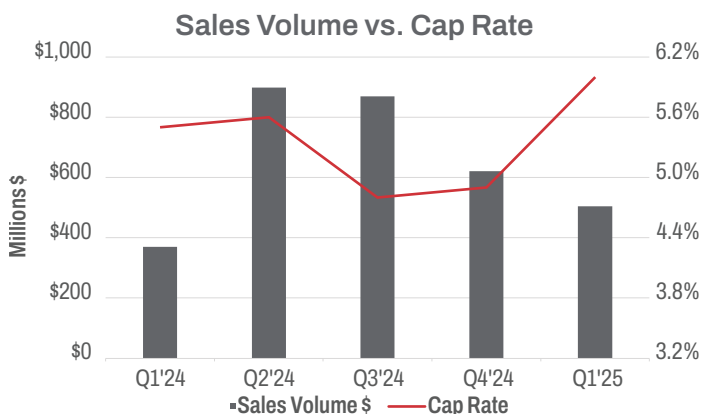
Select Lease Transactions

Address	City	Submarket	Square Feet
0 Dale Evans Pky	Apple Valle	High Desert	1,207,135*
3690 Webster Av	Perris	East	855,330
450 E Rider St	Perris	East	804,803
5750 Francis St	Ontario	West	800,526
375 Markham St	Perris	East	456,652

* Preleased

SALES TRENDS

In Q1 2025, sales volume declined 18.2% from the previous quarter, while total sales rose 34.2% year-over-year—reflecting mixed demand and ongoing pricing adjustments between buyers and sellers. The average cap rate increased by 110 basis points from the prior quarter and was up 50 basis points year-over-year, reaching 6.0%.



Select Sales Transactions

Address	City	Submarket	Square Feet
21600 Cactus Ave	Riverside	East	889,445
1932 S Bon View Ave	Ontario	West	174,494
5733 W Whittier Ave	Hemet	South	140,000
13203-13215 Marlay Ave	Fontana	West	60,800
346 S I St	San Bernardino	East	48,000