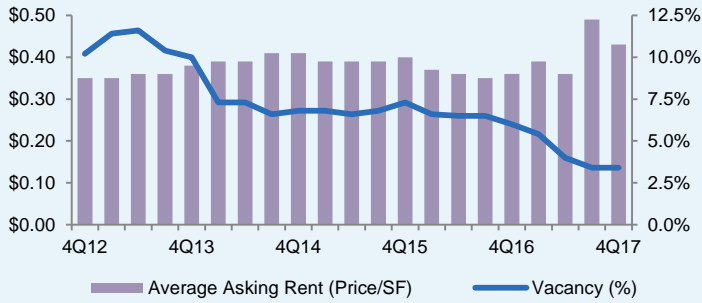




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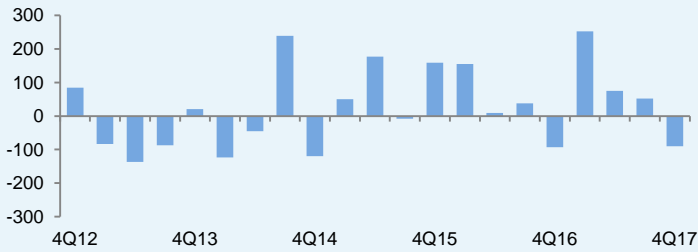
Market Analysis

Asking Rent and Vacancy



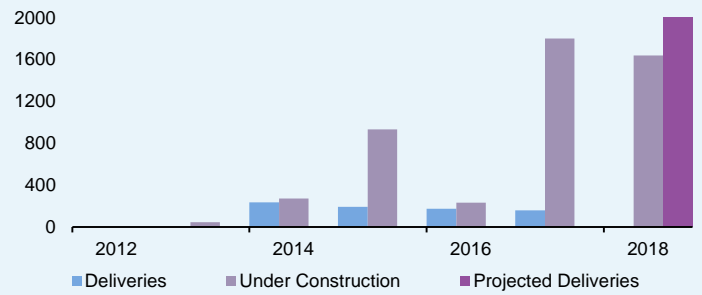
Net Absorption

Square Feet, Thousands



Construction and Deliveries

Square Feet, Thousands



Market Summary

	Current Quarter	Prior Quarter	Year Ago Period	12 Month Forecast
Total Inventory	65MSF	65MSF	65MSF	↑
Vacancy Rate	3.4%	3.4%	5.8%	↓
Quarterly Net Absorption	-89,753	57,210	86,445	↑
Average Asking Rent	\$0.43	\$0.49	\$0.37	↔
Under Construction	1,636,700	1,798,743	229,633	↑
Deliveries	147,910	5,000	0	↑

Lease/User Transactions

Tenant	Building	Submarket	Type	Square Feet
Bermad	3816 S. Willow Avenue	Southeast	Direct	33,600
AT&T/Direct TV	3595 E. Wawona Avenue	Southeast	Direct	27,600
Goodman Distribution	2620 E. Byrd Avenue	Southeast	Direct	27,000
N/A	2010 E. Tyler Avenue	Northwest	Renewal	22,000
KAO Logistics, Inc.	2933 S. Elm Avenue	Southwest	Direct	10,973

Select Sales Transactions

Building	Submarket	Sale Price	Price/SF	Square Feet
300 & 205 Pontiac Way	Northeast	\$10,000,000	\$64	157,816
4010 E. Hardy Avenue	Northeast	\$6,300,000	\$55	114,978
272 N. Palm Avenue	Southwest	\$1,400,000	\$127	11,030
4315 & 4339 W Santa Ana Avenue	Northwest	\$1,360,000	\$57	24,000
4451 N. Brawley Avenue	Northeast	\$820,000	\$47	17,617

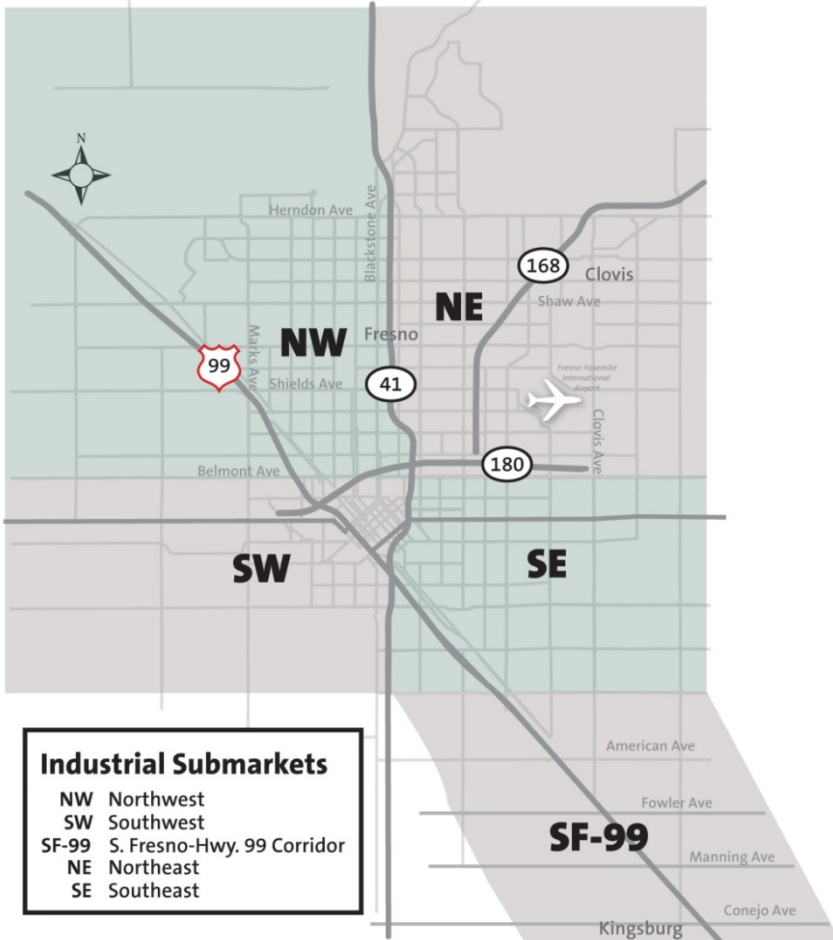


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Submarket Statistics

	Total Inventory (SF)	Under Construction (SF)	Total Vacancy Rate	Qtr Absorption (SF)	YTD Absorption (SF)	WH/Dist Asking Rent (Price/SF)	R&D/Flex Asking Rent (Price/SF)	Total Asking Rent (Price/SF)
Northeast	13,497,064	-	1.7%	68,253	234,671	\$0.59	\$0.50	\$0.61
Northwest	8,718,488	-	3.6%	-41,759	203,128	\$0.50	\$1.06	\$0.66
S. Fresno-Hwy.99 Corridor	6,117,903	-	4.8%	1,500	191,616	\$0.25	-	\$0.28
Southeast	29,102,743	904,000	3.9%	-117,747	403,240	\$0.22	-	\$0.30
Southwest	7,515,857	732,700	2.9%	-	203,524	\$0.39	\$1.45	\$0.46
Totals	64,952,055	1,636,700	3.4%	-89,5753	1,236,6179	\$0.32	\$1.05	\$0.43

Industrial inventory includes all multi-tenant and single tenant buildings as well as owner-occupied properties.



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Newmark Grubb Knight Frank has implemented a proprietary database and our tracking methodology has been revised. With this expansion and refinement in our data, there may be adjustments in historical statistics including availability, asking rents, absorption and effective rents.

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