



Office Market Report

Inland Empire - CA

PREPARED BY



COUNTY OF RIVERSIDE
CALIFORNIA

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OFFICE MARKET REPORT

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12 Mo Deliveries in SF

175K

12 Mo Net Absorption in SF

413K

Vacancy Rate

5.7%

12 Mo Rent Growth

4.5%

The Inland Empire's office tenant base primarily serves the local population, and recent leasing is driven by local firms, healthcare providers, and government establishments. As a result, the wide-scale increases in vacancy and availability that are seen in many urban metropolitan areas due to the growing prevalence of remote work are having a more limited impact on local fundamentals.

Inland Empire offers an affordable alternative in rents and labor costs to neighboring coastal communities, an attractive proposition for back-office operations. Rents average \$25.00/SF — about 40% less than rents in Los Angeles. Yet these low rents make it difficult to justify

development costs, which is why apart from medical office buildings, development activity has been rare for over ten years.

Sales activity has grown for two consecutive years after 2022 sales volume reached \$765 million. Most investors are private individuals and firms and few offices sell for over \$25 million. It took thirteen years for the market price to recover from its 2007 peak, whereas prices recovered in six years in the national index. Recent gains have been relatively robust, however, with the market price in the Inland Empire outpacing the national index by 180 basis points per year during the past five years.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	8,883,070	5.9%	\$2.70	9.4%	(6,414)	0	52,630
3 Star	36,768,389	6.4%	\$2.20	9.1%	(65,689)	0	187,829
1 & 2 Star	31,699,554	5.0%	\$1.82	6.6%	(17,038)	0	0
Market	77,351,013	5.7%	\$2.10	8.1%	(89,141)	0	240,459

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-0.3%	9.4%	6.4%	15.9%	2009 Q3	5.6%	2023 Q1
Net Absorption SF	413K	1,010,642	163,167	2,919,931	2006 Q2	44,689	2008 Q4
Deliveries SF	175K	1,098,367	419,557	4,600,728	2007 Q4	121,972	2017 Q2
Rent Growth	4.5%	2.6%	3.0%	10.5%	2001 Q2	-12.0%	2009 Q4
Sales Volume	\$603M	\$413.1M	N/A	\$765M	2022 Q4	\$102.9M	2009 Q4

Large-scale leases are relatively rare and most leases in the market are for spaces under 10,000 SF. Few office tenants allow for a hybrid work strategy because many occupiers require client access, such as government offices, accountants, insurance, and real estate firms.

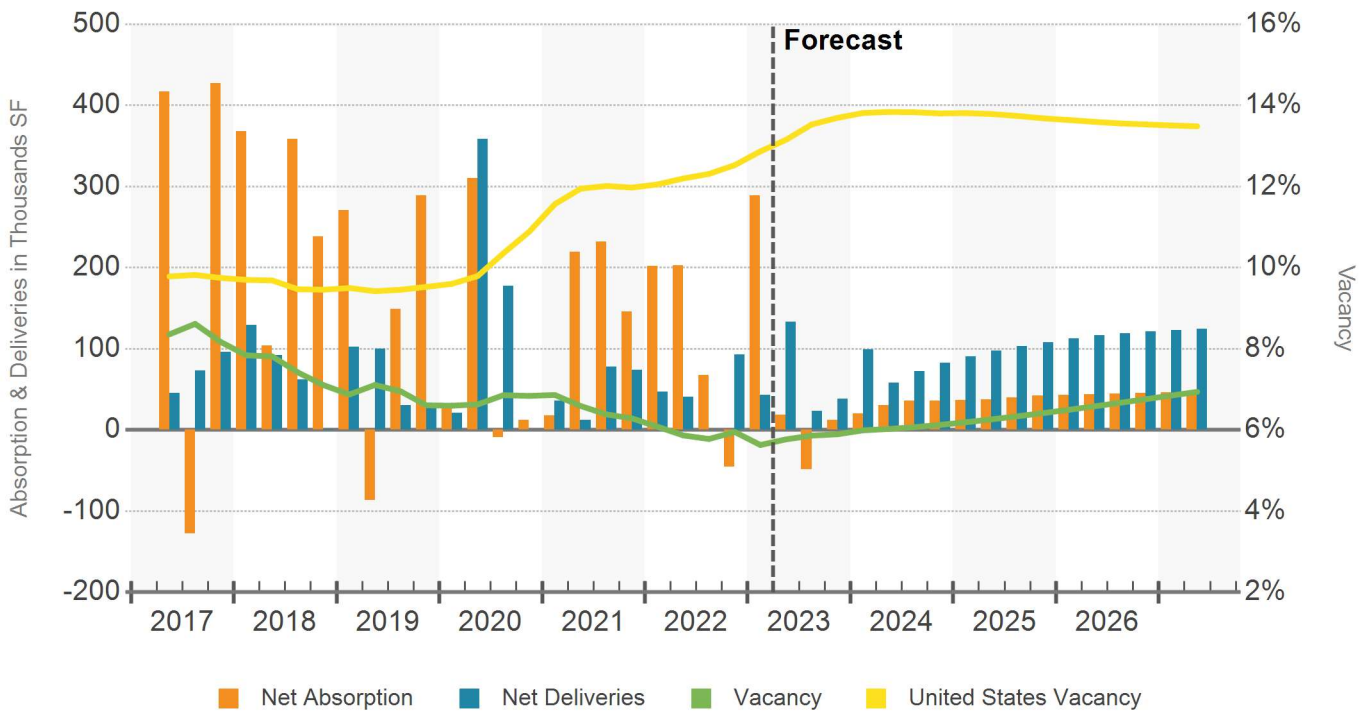
The largest lease signed since the start of 2022, as measured by square feet, came from CIRCOR Aerospace through a sale-leaseback deal, involving the entire 77,100 SF office in Corona that they sold in September.

Leasing activity in the 10,000 SF to 20,000 SF picked up towards the end of 2022. For example, The Mortgage Law Firm committed to 15,900 SF in Temecula's

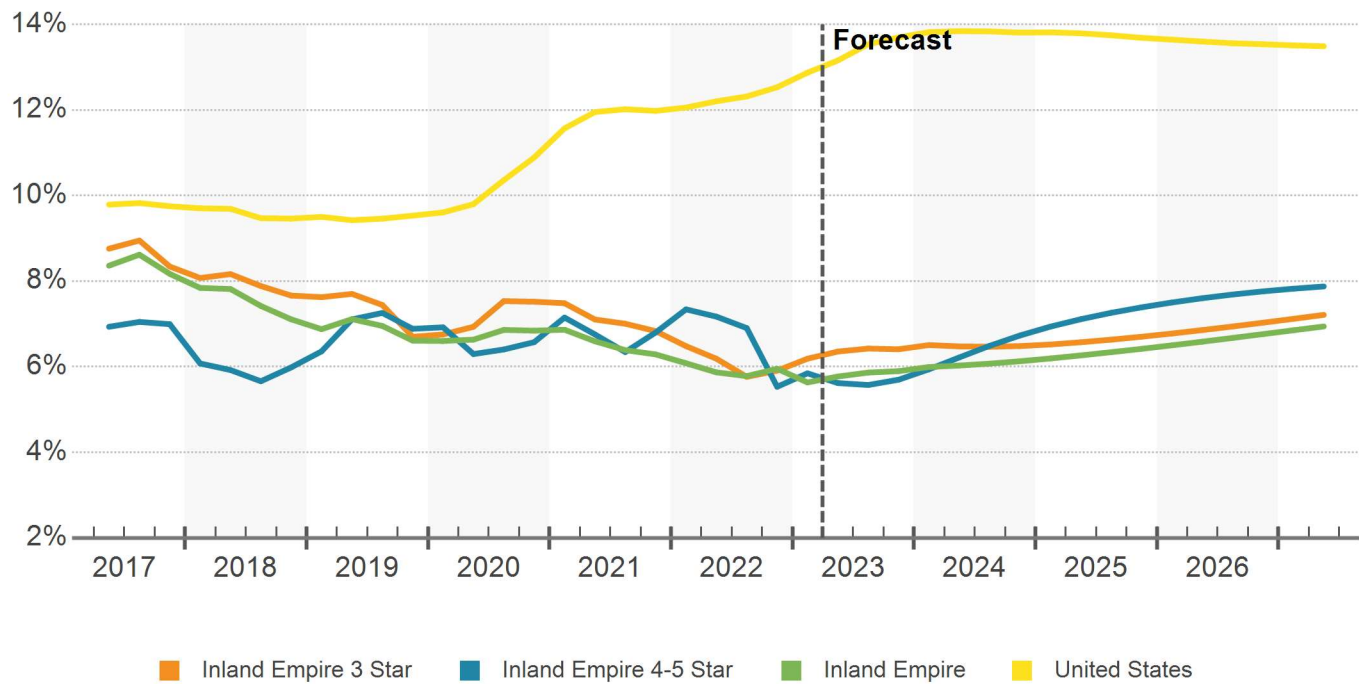
Westside Business Centre in December, located at 27368 Via Industria. The State of California's Department of Food and Agriculture leased 12,800 SF at the Empire Towers in Ontario. Opendoor, an iBuyer, meanwhile, committed to 11,000 SF in Riverside's Citrus Park Business Center.

Vacancies in the Inland Empire have held steady during the past year, in large contrast to troubles plaguing most urban markets across the nation. Net absorption was slightly negative in 22Q4, but this mostly reflects the limited availability given the market's long drought of office development.

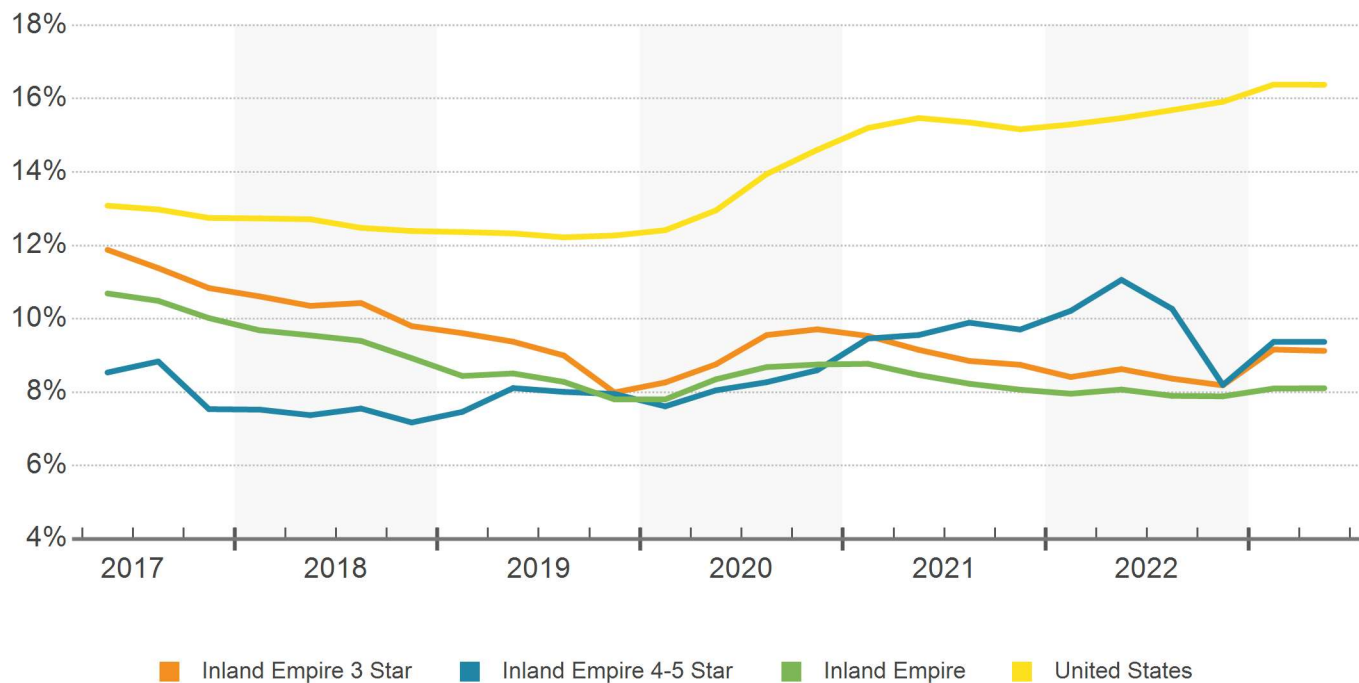
NET ABSORPTION, NET DELIVERIES & VACANCY



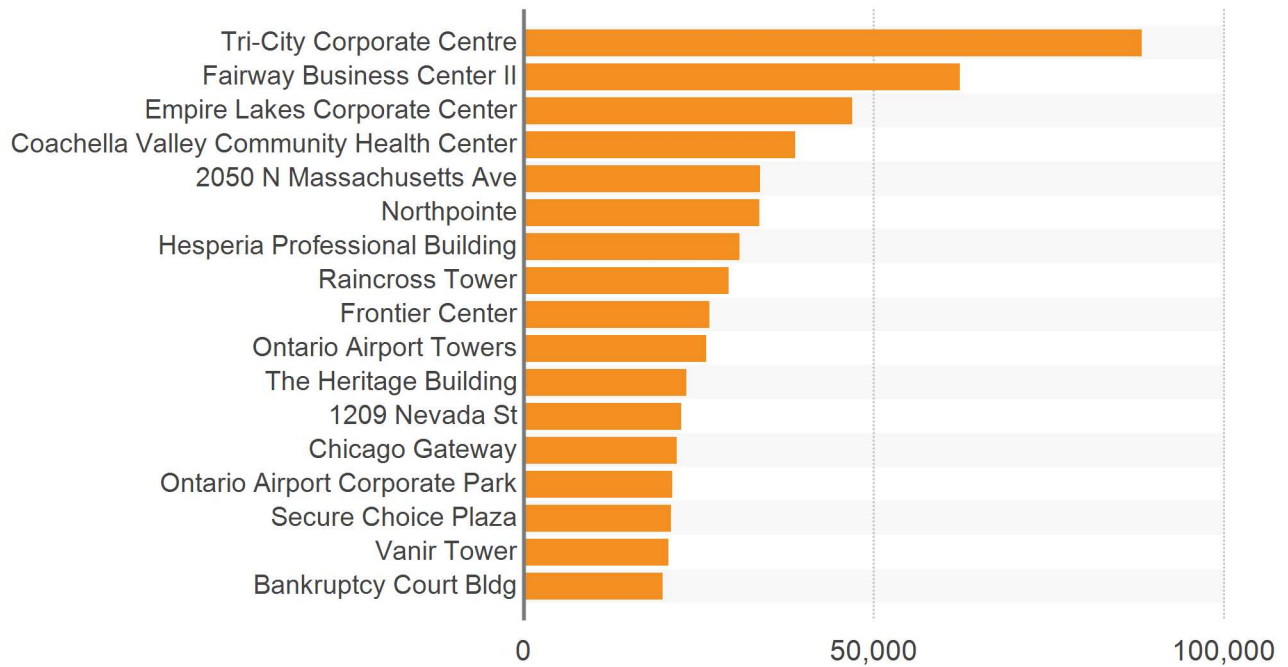
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
Tri-City Corporate Centre	San Bernardino	115,520	27,276	29,582	0	0	0	88,244
Fairway Business Center II	Airport Area	62,339	0	0	0	0	0	62,339
Empire Lakes Corporate Center	Airport Area	241,292	0	0	0	0	0	46,936
Coachella Valley Community He...	Coachella Valley	41,092	0	0	0	0	0	38,834
2050 N Massachusetts Ave	San Bernardino	33,792	0	0	0	0	0	33,792
Northpointe	San Bernardino	280,173	0	33,654	0	0	0	33,654
Hesperia Professional Building	Mojave River Valley	30,843	0	30,843	0	0	0	30,843
Raincross Tower	Riverside	140,245	57,215	5,284	0	0	0	29,243
Frontier Center	Airport Area	35,150	0	1,363	0	0	0	26,544
Ontario Airport Towers	Airport Area	147,732	11,318	(11,318)	0	0	0	26,121
The Heritage Building	San Bernardino	23,235	0	23,235	0	0	0	23,235
1209 Nevada St	Redlands/Loma Linda	45,362	0	0	0	0	0	22,539
Chicago Gateway	Riverside	26,120	0	0	0	0	0	21,859
Ontario Airport Corporate Park	Airport Area	34,860	0	0	0	0	0	21,197
Secure Choice Plaza	Riverside	58,312	0	0	9,979	0	0	21,041
Vanir Tower	San Bernardino	132,482	8,613	0	0	0	0	20,688
Bankruptcy Court Bldg	San Bernardino	38,788	11,800	(11,800)	0	0	0	19,900
Subtotal Primary Competitors		1,487,337	116,222	100,843	9,979	0	0	567,009
Remaining Inland Empire Market		75,863,676	4,329,208	187,640	(99,120)	0	0	(154,226)
Total Inland Empire Market		77,351,013	4,445,430	288,483	(89,141)	0	0	412,783

TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
2301 Wardlow Cir	Corona/Eastvale	77,118	Q3 22	CIRCOR Aerospace, Inc.	Colliers	Colliers
550 Monica Cir	Corona/Eastvale	64,314	Q2 22	-	-	DAUM Commercial Re...
Tri-City Corporate Centre	San Bernardino	23,573	Q3 22	-	-	CBRE
Tri-City Corporate Centre	San Bernardino	23,484	Q4 22	Fidelity National Title	-	CBRE
1209 Nevada St	Redlands/Loma Linda	22,823	Q3 22	-	-	CBRE
1209 Nevada St	Redlands/Loma Linda	22,539	Q3 22	-	-	CBRE
Ontario Airport Corporate Park	Airport Area	21,197	Q4 22	-	-	Pinnacle Real Estate G...
The Marketplace at Dinah Shore	Coachella Valley	21,000	Q2 22	California Nurses Educati...	-	Retail Insite
1605 N Sierra Way	San Bernardino	16,844	Q1 23	First Church of Nazarene	-	Kidder Mathews
Tri-City Corporate Centre	San Bernardino	16,642	Q1 23	-	-	CBRE
22835 Calle San Juan De Los Lag	Moreno Valley/Perris	16,180	Q2 22	-	-	CBRE
Westside Business Centre	South Riverside	15,908	Q4 22	The Mortgage Law Firm	Lee & Associates C...	Lee & Associates Com...
Club Center	San Bernardino	15,324	Q1 23	-	-	CBRE
11255 S Central Ave	Upland/Montclair	15,000	Q1 23	-	-	Lee & Associates;Lee...
Ontario Airport Towers	Airport Area	13,082	Q3 22	Gold Star Foods	JLL	JLL
Empire Towers	Airport Area	12,843	Q4 22	State of CA Food & Agric...	-	MGR Real Estate
Rancho Tech Center	Airport Area	12,430	Q2 22	Konnect Church	-	Delmar Commercial R....
Redlands Corporate Plaza	Redlands/Loma Linda	12,305	Q1 23	-	-	Lee & Associates
Citrus Park Business Center	Riverside	11,047	Q4 22	Opendoor	Cresa	Kennedy-Wilson Prope...
Garrett Corporate Center	South Riverside	10,877	Q1 23	-	Lee & Associates C...	Lee & Associates Com...
Redlands Corporate Plaza *	Redlands/Loma Linda	10,459	Q3 22	Lindsey Financial Group	-	-
Village Professional Plaza	Coachella Valley	10,000	Q3 22	-	Spinello Commercial...	Lee & Assoc
Deep Canyon @ 111	Coachella Valley	10,000	Q3 22	-	-	The Firm Brokerage
28030 Del Rio Rd	South Riverside	10,000	Q2 22	Southwest Christian Church	-	Rancho Land Associates
Summit Business Center	Riverside	9,943	Q4 22	-	-	CBRE
Silver Hawk Business Park	South Riverside	9,782	Q1 23	-	Lee & Associates C...	Lee & Associates Com...
Airport Corp Centre III	Airport Area	9,500	Q4 22	Foster Family Care	Lee & Associates C...	-
Silver Hawk Business Park	South Riverside	9,424	Q1 23	-	Lee & Associates C...	Lee & Associates Com...
Citrus Tower	Riverside	9,293	Q3 22	-	-	Lee & Associates;Lee...
Wildrose Business Park	South Riverside	9,000	Q4 22	-	-	RE/MAX One
Tri-City Corporate Centre	San Bernardino	8,862	Q4 22	-	-	CBRE
Secure Choice Plaza	Riverside	8,802	Q3 22	-	EXP Realty	Lee & Associates
Raincross Tower	Riverside	8,673	Q3 22	-	-	CBRE
Waterside Center *	Airport Area	8,508	Q4 22	United States of America,...	-	MGR Real Estate
Tri-City Corporate Centre	San Bernardino	8,431	Q4 22	-	-	CBRE
Shelby Office Park	Airport Area	8,298	Q3 22	A Greater Love Foster Fa...	First Team Commer...	KW Commercial
7690 Archibald Ave	Airport Area	8,100	Q2 22	-	-	Kidder Mathews
Ontario Airport Towers *	Airport Area	8,000	Q1 23	Best Best & Krieger LLP	-	-
26770 Ynez Ct	South Riverside	8,000	Q2 22	-	-	Tobias Commercial
College Business Park *	Upland/Montclair	7,989	Q4 22	PAR Electrical Contractor...	JLL	-

Renewal

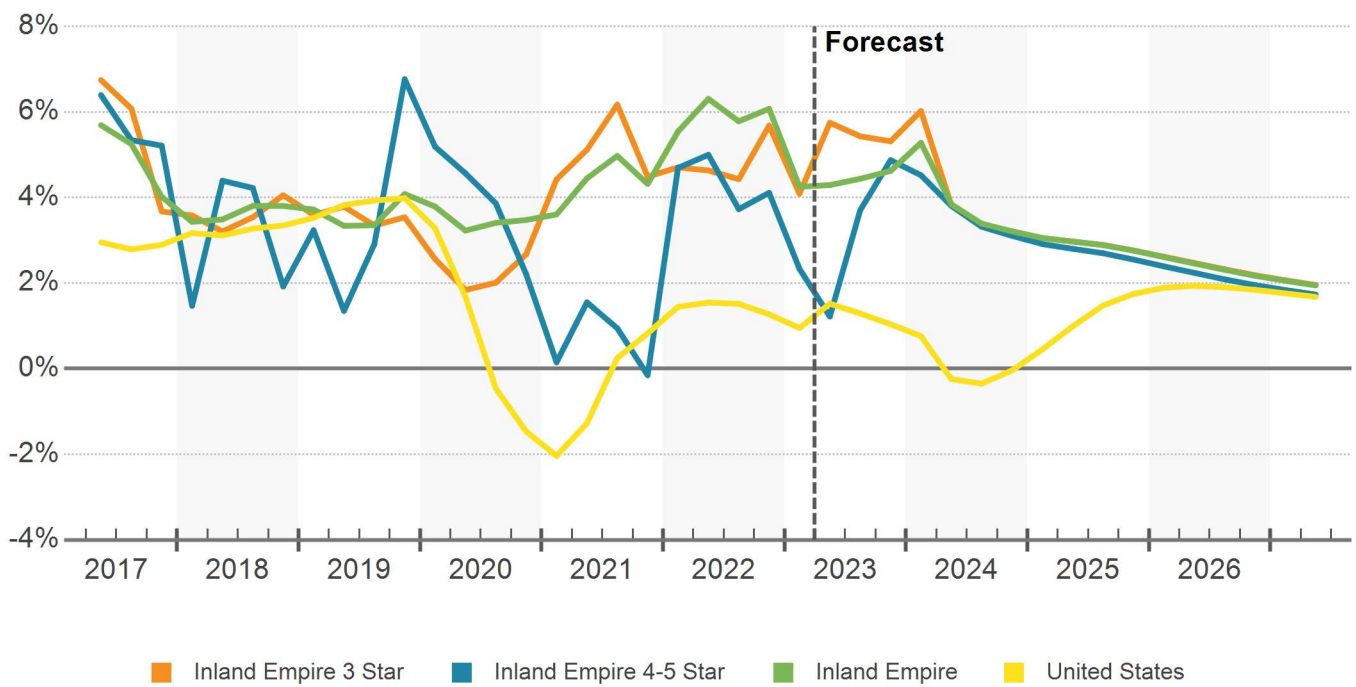
The overall market rent in Inland Empire is \$25.00/SF gross. Rents have grown by 4.5% over the past 12 months and average 4.3% annual growth over the past five years. Inland Empire has some of the strongest rent gains of any major office market in the country. A high concentration of medical office space has helped lead to low vacancies and strong rent growth.

More pronounced growth was evident in 4 & 5 Star offices before the pandemic, but year-over-year rent gains for high-end assets have slowed to 2.2%. While

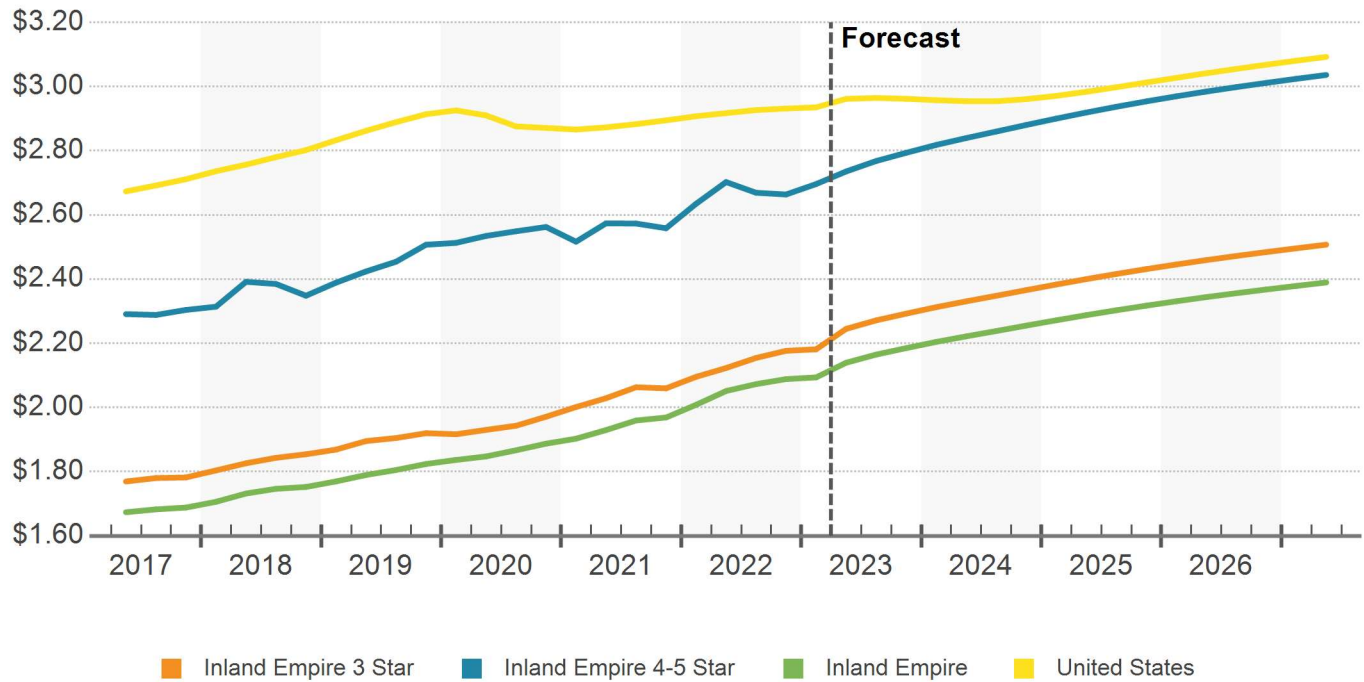
relatively low within the market, many California markets have displayed falling rents in 4 & 5 Star assets over the past 12 months.

Asking rates have diverged between the western and eastern parts of the metro over the past few years, with the western areas asking the highest rates in the market. The largest year-over-year gains are in areas with good freeway access to neighboring areas in Los Angeles and Orange counties such as the Upland/Montclair Submarket.

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Inland Empire	\$0.76	\$1.44	\$0.58	\$2.74	\$2.67	\$8.19
Inland Empire East	\$0.83	\$1.47	\$0.61	\$2.92	\$2.62	\$8.45
Inland Empire North	\$0.59	\$1.45	\$0.49	\$3.41	\$2.75	\$8.69
Inland Empire West	\$0.68	\$1.41	\$0.53	\$2.41	\$2.74	\$7.77

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Inland Empire	\$0.68	\$1.04	\$0.33	\$2.88	\$2.08	\$7.01
Inland Empire East	\$0.73	\$1.01	\$0.34	\$2.94	\$1.83	\$6.85
Inland Empire North	\$0.54	\$1.10	\$0.31	\$2.44	\$2.42	\$6.81
Inland Empire West	\$0.61	\$1.08	\$0.30	\$2.95	\$2.63	\$7.57

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Inland Empire	\$0.61	\$0.89	\$0.27	\$2.29	\$2.08	\$6.14
Inland Empire East	\$0.62	\$0.90	\$0.28	\$2.36	\$1.80	\$5.96
Inland Empire North	\$0.55	\$0.84	\$0.30	\$1.49	\$2.66	\$5.84
Inland Empire West	\$0.61	\$0.91	\$0.24	\$2.70	\$2.75	\$7.21

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

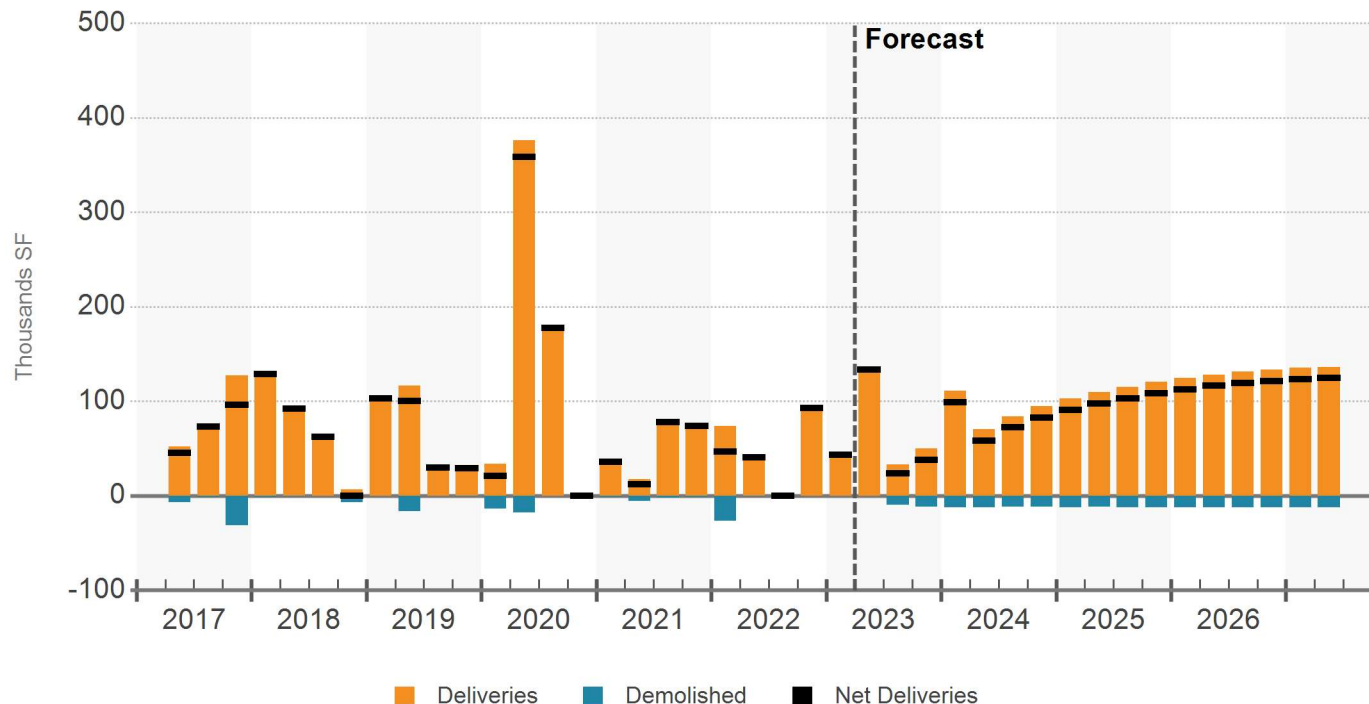
The amount of office construction never quite recovered to levels seen before the Great Financial Crisis. Part of the reason development has stagnated is a flattening of rent growth during that period. In addition, construction costs have increased, and vacant buildings sell at a discount to replacement costs.

Roughly 170,000 SF delivered over the past year, and a large proportion consisted of medical office buildings. A 32,000-SF at Corona Regional Medical Campus opened in early 2022 fully leased to City of Hope. In addition, the 35,000-SF medical office for the Riverside University Health System opened in Palm Springs. The health system signed a 30-year lease in 2020 at an effective rate of \$28.20/SF annually on a triple-net basis.

Only a few projects are underway, totaling 240,000 SF under construction and mostly comprising medical offices. Among the largest developments, a 58,000-SF project is underway in the North Murrieta Business Park with an estimated completion date in early 2023. The multitenant medical office building is fully leased.

Overall, there is very little traditional office being developed as many potential occupiers have embraced a remote workforce, even if only on a part-time basis. The lack of a clear future for office space and how much inventory will be needed long-term has left developers understandably hesitant to invest in new projects.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

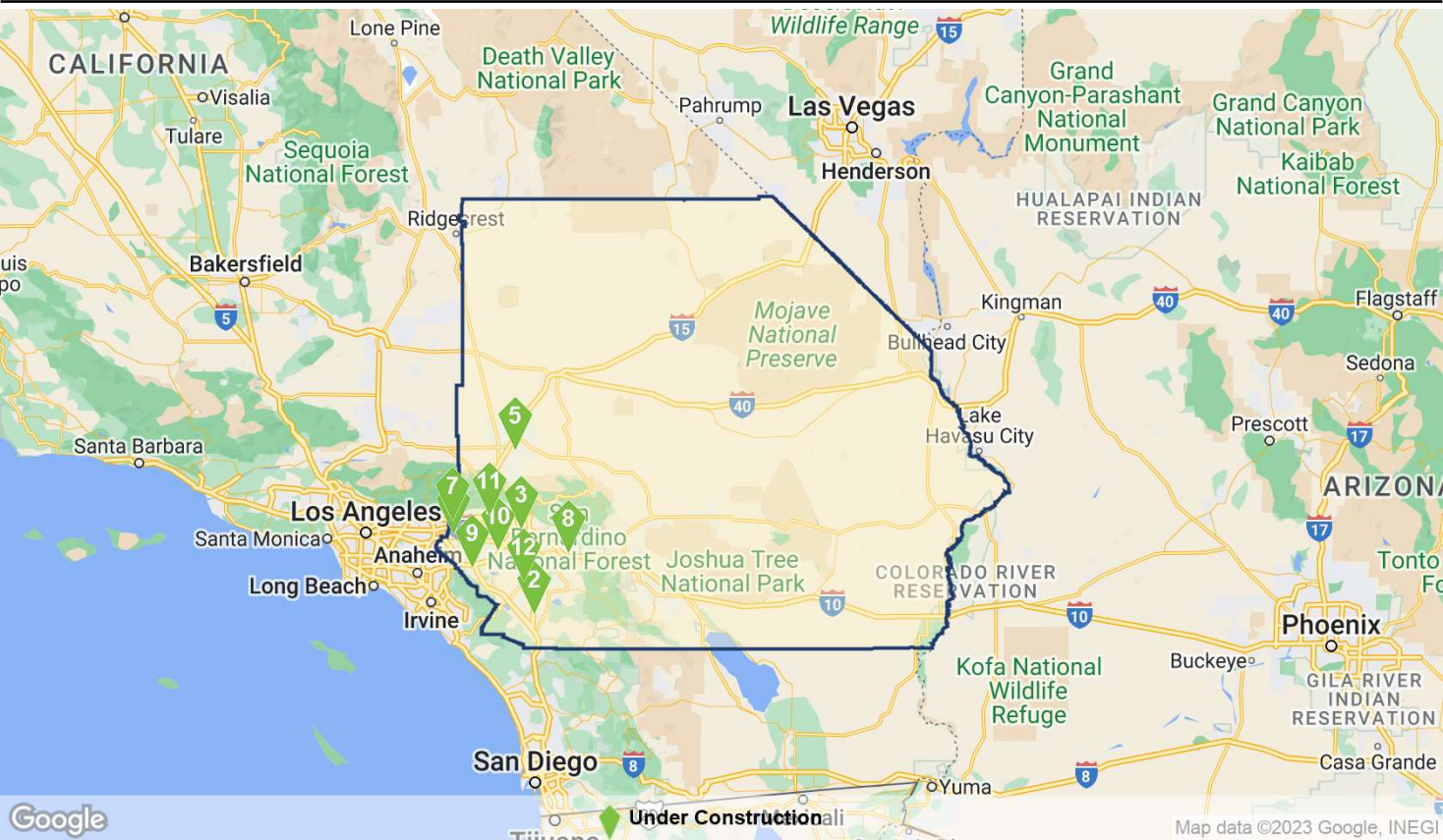
No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	South Riverside	2	118	58	49.2%	8	14,936	59,000	1
2	Redlands/Loma Linda	1	30	0	0%	10	8,223	30,000	2
3	Chino/Chino Hills	1	25	9	37.1%	9	10,565	25,000	3
4	Beaumont/Hemet	2	22	22	100%	1	6,176	11,247	5
5	Mojave River Valley	1	20	20	100%	1	6,378	19,830	4
6	Upland/Montclair	1	11	11	100%	1	9,836	11,148	6
7	Corona/Eastvale	1	6	6	100%	1	15,779	5,517	7
8	Riverside	1	4	4	100%	1	14,499	3,850	8
9	Airport Area	1	3	3	100%	1	17,392	2,800	9
10	Moreno Valley/Perris	1	2	2	100%	1	17,269	1,821	10
	All Other	0	-	-	-		11,607	-	
Totals		12	240	135	56.0%		11,856	20,038	

Under Construction Properties

Inland Empire Office

Properties	Square Feet	Percent of Inventory	Released
12	240,459	0.3%	56.0%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Phase I Baxter Rd	★★★★☆	60,000	3	Jan 2023	Dec 2023	-
2 Building A 35070 Antelope Rd	★★★★☆	58,000	2	Aug 2022	May 2023	Makena Murrieta
3 California Eye Care 25258 Redlands Blvd	★★★★☆	30,000	2	Mar 2022	May 2023	Joseph M Perez
4 5632 Philadelphia St	★★★★☆	25,000	3	Jan 2022	May 2023	-
5 12490 Business Center Dr	★★★★☆	19,830	1	Mar 2022	Oct 2023	-
6 1588 E Eighth St	★★★★☆	15,493	1	Jun 2022	Jun 2023	-
7 961 N Central Ave	★★★★☆	11,148	2	Dec 2018	May 2023	-

Under Construction Properties

Inland Empire Office

UNDER CONSTRUCTION

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8	845 N Highland Springs...	★ ★ ★ ★ ★	7,000	1	Jun 2022	Jun 2023	-
9	2222 Vesper Cir	★ ★ ★ ★ ★	5,517	1	Dec 2021	May 2023	DOSH Construction Inc
10	Tibbetts Office Building 3785 Tibbetts St	★ ★ ★ ★ ★	3,850	1	Aug 2022	May 2023	-
11	Carbon Health NEC of Citrus Ave & Highl...	★ ★ ★ ★ ★	2,800	1	Aug 2022	Jun 2023	-
12	378 W 4th St	★ ★ ★ ★ ★	1,821	1	Mar 2023	Jul 2023	-

Sales activity in the Inland Empire's office market consists primarily of local and domestic private individuals, while institutional investors show limited interest. Sales activity grew for two consecutive years after 2022 sales volume reached \$765 million.

Sales of large office towers have become more common in recent months, whereas few traded from 2020 to the first half of 2022. One of the first such trades after the long spell closed in September 2022 when EQT Exeter acquired the 77,800-SF 2301 Wardlow Circle in Corona for \$30 million (\$386/SF) from CIRCOR International in a sale-leaseback deal. CIRCOR agreed to lease the property for 5 years, providing a 5.3% cap rate. Soon after and also in Corona, Topline acquired the 66,300-SF Corona Westgate Center for \$15.2 million (\$2.44/SF). With D.R. Horton as the largest occupant in the multitenant office, the property traded at a 7.2% cap rate.

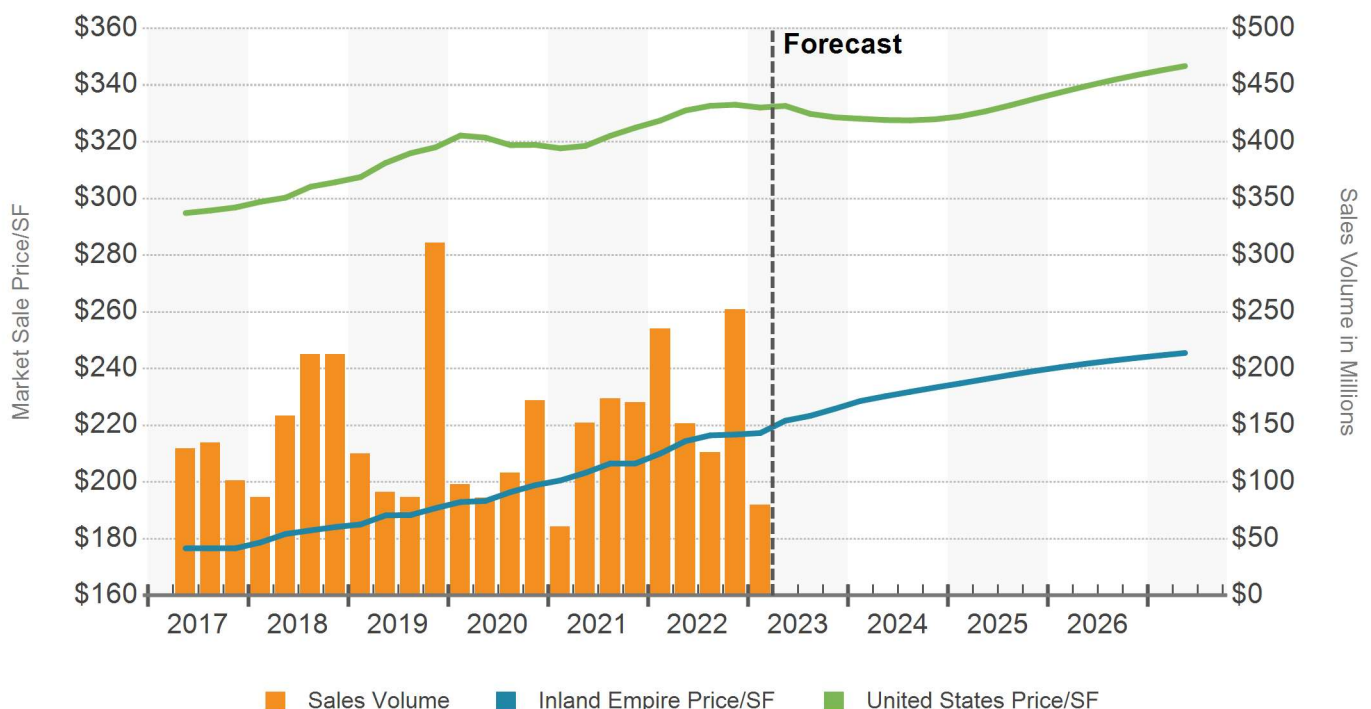
In the Airport Area, where many of the largest and highest valued offices are located, several large office towers have traded since the beginning of 22Q4. In

November, National Community Renaissance (National CORE) acquired Building E in Haven Park for \$18.25 million (\$243/SF) from owner-user Co-Op Financial Services. The seller, who will continue to occupy some space in the building, acquired the property in December 2008, near the peak of the Great Financial Crisis, for \$22.5 million.

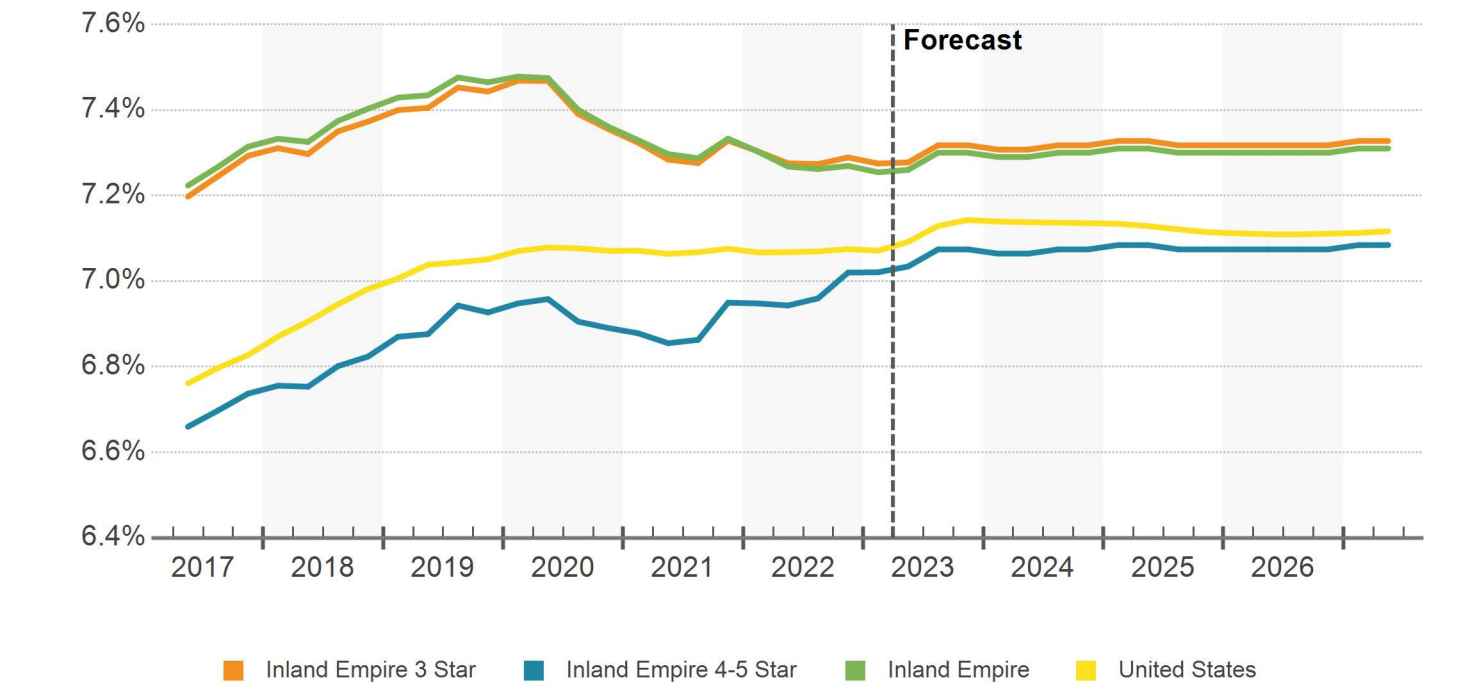
Another large Airport Area deal involves the 147,700-SF Building 1 in the Ontario Airport Towers, which was acquired by MGR Real Estate in December 2022 for \$38.5 million (\$261/SF). The property was 89% leased at the time of sale and traded at a 6.9% cap rate.

The average cap rate of all offices in the Inland Empire is 7.2% and market cap rates appear relatively steady over the past two years. However, rising borrowing costs are weighing on investors. Meanwhile, prices on closed sales have grown steadily. Annual price appreciation has outpaced the national index by roughly 180 basis points during the past five years.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE

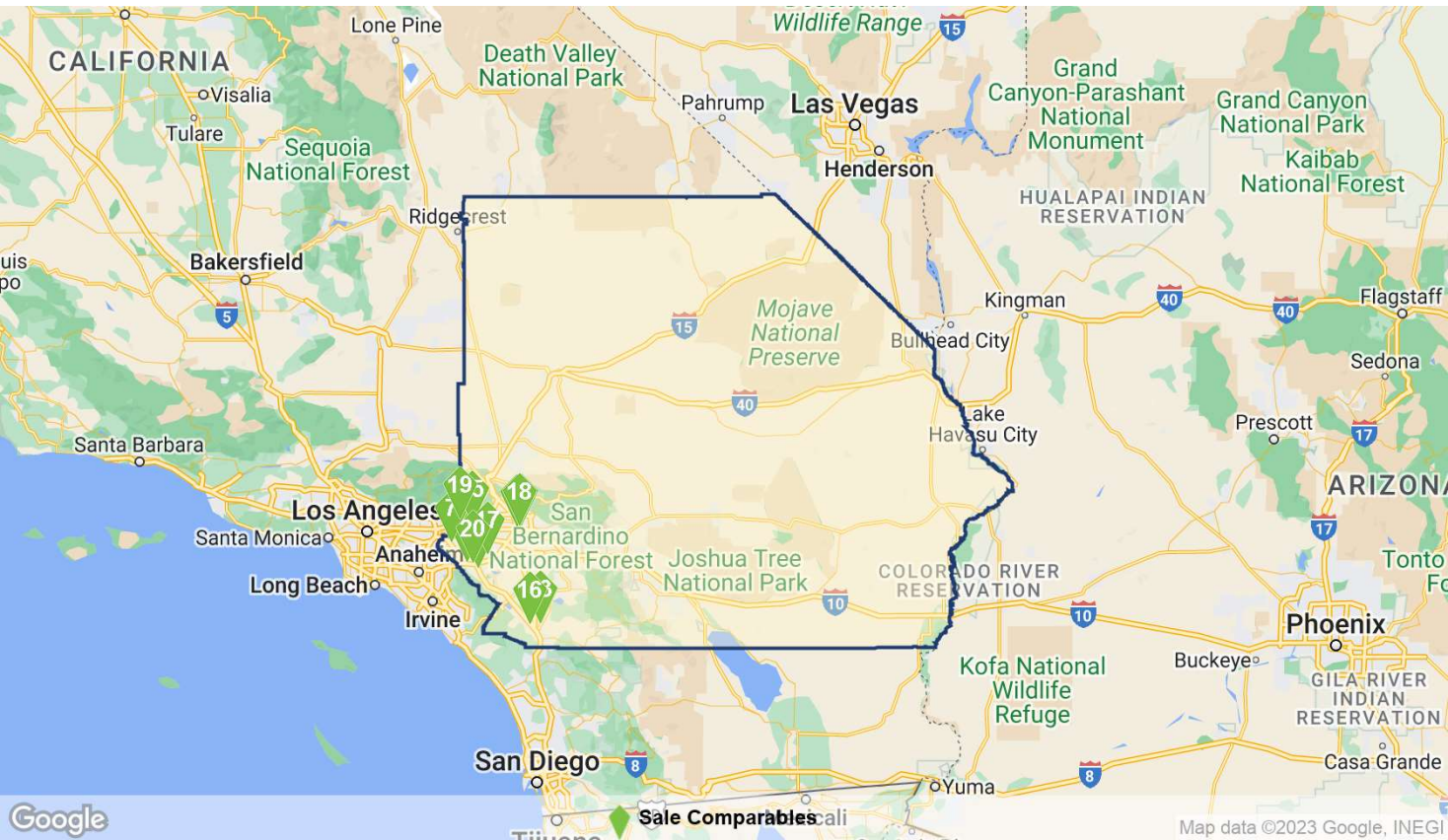


Sales Past 12 Months

Inland Empire Office

Sale Comparables	Avg. Cap Rate	Avg. Price/SF	Avg. Vacancy At Sale
313	5.8%	\$190	6.3%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$86,038	\$2,355,008	\$1,100,000	\$38,500,000
Price/SF	\$3.78	\$190	\$220	\$866
Cap Rate	2.0%	5.8%	5.9%	8.1%
Time Since Sale in Months	0.2	6.5	6.6	12.0
Property Attributes	Low	Average	Median	High
Building SF	407	12,319	4,975	280,173
Stories	1	1	1	6
Typical Floor SF	407	7,398	4,125	77,755
Vacancy Rate At Sale	0%	6.3%	0%	100%
Year Built	1894	1980	1984	2020
Star Rating	★★★★★	★★★★★ 2.3	★★★★★	★★★★★

Sales Past 12 Months

Inland Empire Office

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 Bldg 1 2855 E Guasti Rd	★★★★★	2008	147,732	0%	12/21/2022	\$38,500,000	\$261	6.9%
2 Northpointe 1003 E Brier Dr	★★★★★	2007	280,173	0%	1/27/2023	\$35,250,000	\$126	-
3 2301 Wardlow Cir	★★★★★	1980	77,755	0%	9/7/2022	\$30,000,000	\$386	5.3%
4 Co-Op Financial Service... 9692 Haven Ave	★★★★★	2007	75,000	0%	11/22/2022	\$18,250,000	\$243	-
5 Corona Westgate Center 2280 Wardlow Cir	★★★★★	1989	62,228	10.9%	11/2/2022	\$15,200,000	\$244	7.2%
6 1181 California Ave	★★★★★	2001	84,330	19.7%	10/25/2022	\$15,100,000	\$179	-
7 Chino Corporate Center 14726 Ramona Ave	★★★★★	1990	58,573	6.6%	5/20/2022	\$15,100,000	\$258	-
8 One Carnegie Plaza, Bld... 625 E Carnegie Dr	★★★★★	1989	68,579	14.7%	11/9/2022	\$13,683,268	\$200	-
9 Two Carnegie Plaza 685 E Carnegie Dr	★★★★★	1988	69,688	11.6%	11/9/2022	\$13,009,451	\$187	-
10 The Hospitality Lane Pro... 412 W Hospitality Ln	★★★★★	1981	51,410	0%	4/11/2022	\$12,800,000	\$249	5.9%
11 9227 Haven Ave	★★★★★	1989	44,655	0%	10/6/2022	\$10,133,951	\$227	-
12 South Plaza 38977 Sky Canyon Dr	★★★★★	2007	40,115	0%	10/25/2022	\$9,624,142	\$240	-
13 Silverhawk Corporate Ce... 38975 Sky Canyon Dr	★★★★★	2008	40,085	11.5%	10/25/2022	\$9,575,858	\$239	-
14 2115 Compton Ave	★★★★★	2007	44,799	0%	4/12/2022	\$9,100,000	\$203	6.5%
15 9267 Haven Ave	★★★★★	1988	33,648	0%	10/6/2022	\$7,636,049	\$227	-
16 Ivy Place 41856 Ivy St	★★★★★	2011	37,369	0%	5/12/2022	\$7,630,000	\$204	6.0%
17 10769 Hole Ave	★★★★★	1984	57,198	21.1%	5/18/2022	\$7,500,000	\$131	-
18 One Carnegie Plaza, Bld... 621 E Carnegie Dr	★★★★★	1989	39,638	16.3%	11/9/2022	\$7,482,281	\$189	-
19 Magnolia Plaza 299 W Foothill Blvd	★★★★★	1986	36,870	15.3%	9/27/2022	\$6,680,000	\$181	-
20 Medical Art Building 760 S Washburn Ave	★★★★★	1970	42,345	17.2%	8/16/2022	\$5,491,000	\$130	-

The Inland Empire is one of the largest and fastest-growing logistics hubs in the United States due to its proximity to the southern California ports and its relatively affordable land. Nearly a third of all U.S. imports come through the two Los Angeles ports, and much of that cargo's eventual destination is farther inland, making the metro's rail and highway connections extremely valuable.

Housing is also affordable by southern California standards. Many residents commute west and south to job nodes in Los Angeles, Orange County, and San Diego because there are limited opportunities for high-wage workers. Median household income in Inland Empire is \$79,000, well below coastal metros, but higher than the national median of \$73,000.

Jobs in transportation and warehousing have persistently grown for over 10 years and account for 75% of job

growth since February 2020. Amazon is a major employer in the Inland Empire, with over three dozen facilities in the metro, and third-party logistics companies have been growing over the past decade. Many retailers have manufacturing and distribution facilities in the Inland Empire, as well.

The metropolitan area comprises two counties, Riverside and San Bernardino, as well as 52 incorporated cities. Riverside County has one of the fastest-growing populations in the state, and retirement communities are scattered throughout the metro. As a result, there is outsized demand for health care and education services and employment in the industry expands every year.

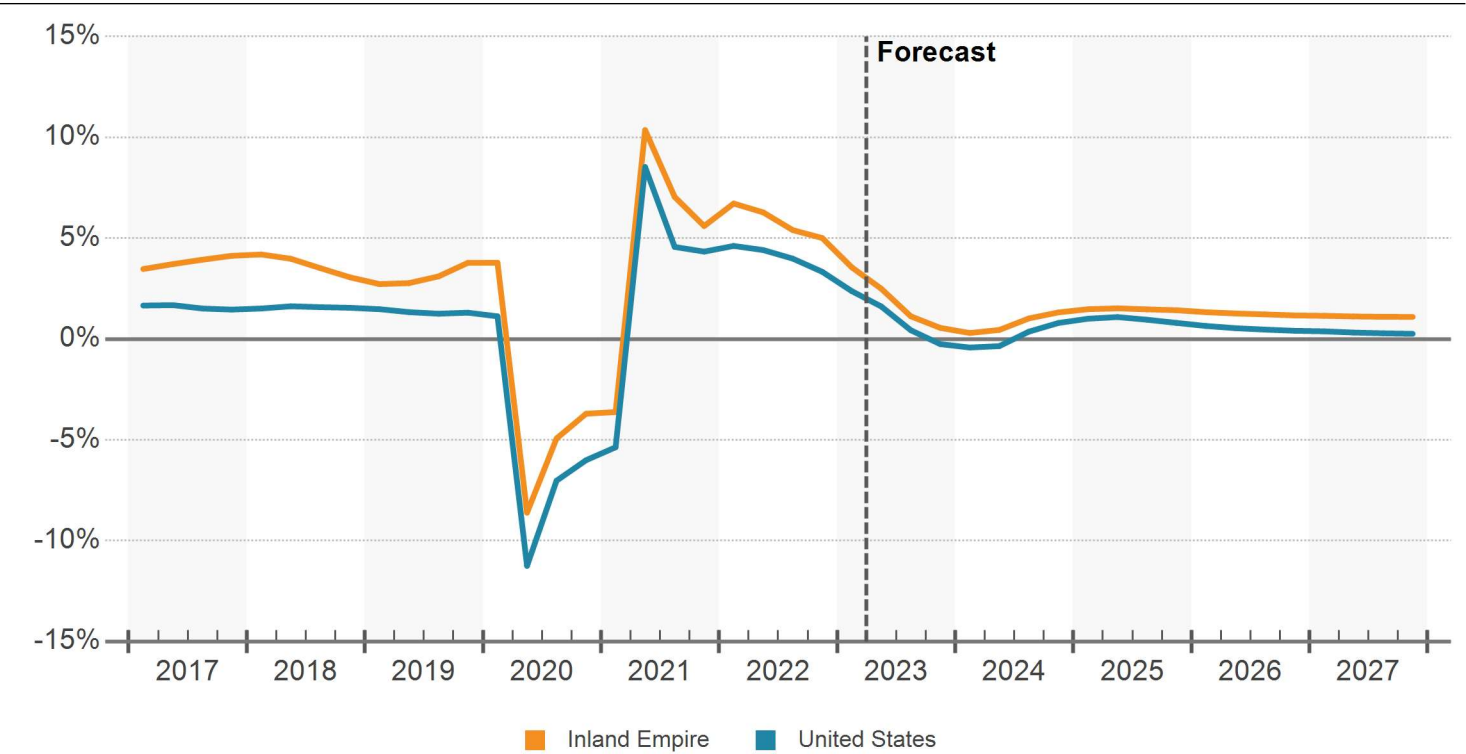
Tourism is vibrant in Palm Springs, Big Bear, and Temecula, primarily attracting in-state travelers. Payrolls in the leisure and hospitality sector have returned to pre-pandemic levels.

INLAND EMPIRE EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	101	0.7	4.08%	2.49%	1.64%	0.78%	0.05%	-0.03%
Trade, Transportation and Utilities	479	1.5	1.91%	0.87%	4.96%	1.17%	1.34%	0.07%
Retail Trade	187	1.1	1.22%	-0.03%	1.37%	0.54%	0.31%	0.08%
Financial Activities	47	0.5	1.36%	1.38%	1.33%	1.39%	0.09%	0.08%
Government	259	1.0	2.99%	1.18%	1.57%	0.25%	1.26%	0.55%
Natural Resources, Mining and Construction	113	1.2	1.82%	2.64%	4.96%	2.40%	0.64%	0.21%
Education and Health Services	274	1.0	4.82%	3.36%	4.04%	1.72%	1.44%	0.53%
Professional and Business Services	178	0.7	4.60%	2.39%	3.22%	2.07%	0.43%	0.33%
Information	11	0.3	8.85%	4.61%	-1.12%	1.31%	1.20%	0.21%
Leisure and Hospitality	185	1.0	7.46%	4.73%	3.31%	1.35%	1.21%	1.03%
Other Services	45	0.7	-0.33%	2.55%	0.90%	0.59%	0.40%	0.30%
Total Employment	1,692	1.0	3.49%	2.33%	3.37%	1.28%	1.05%	0.37%

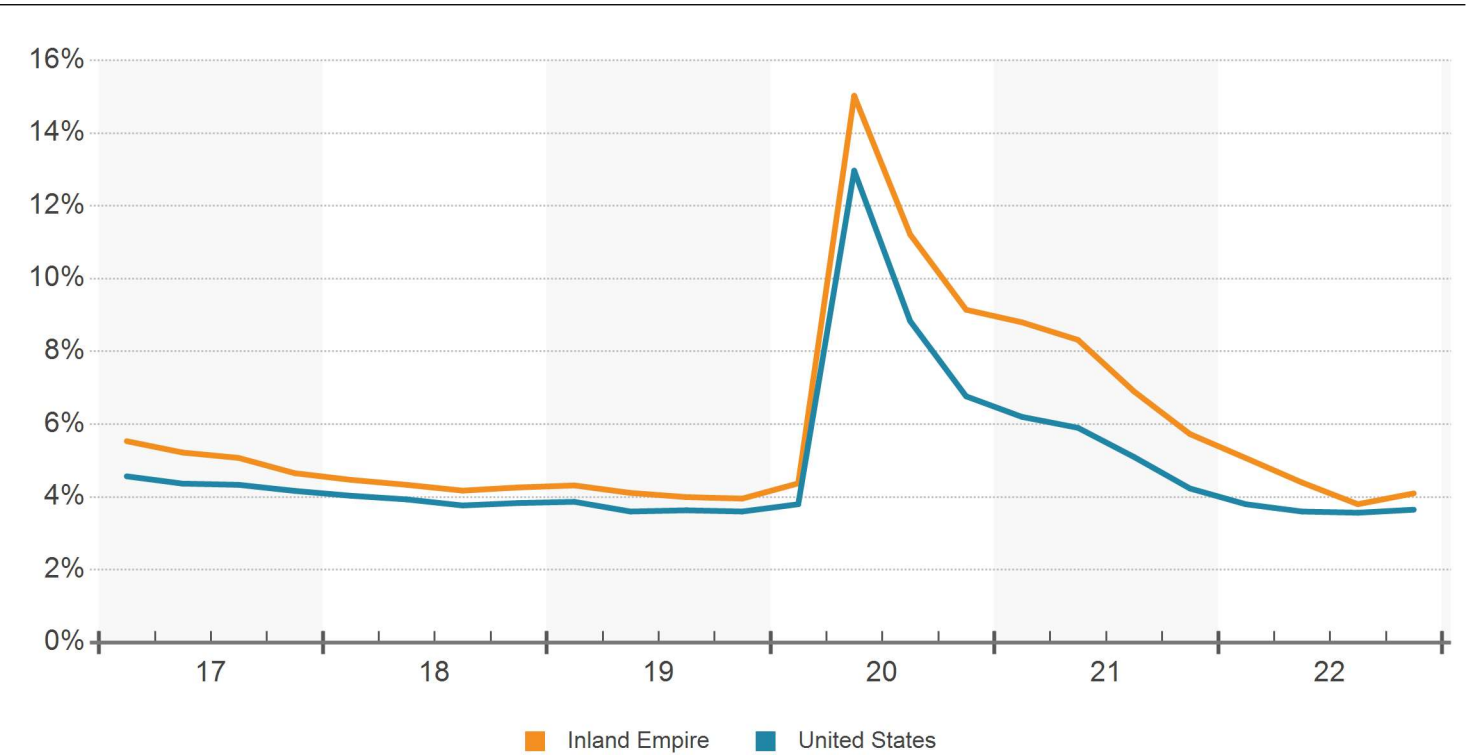
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

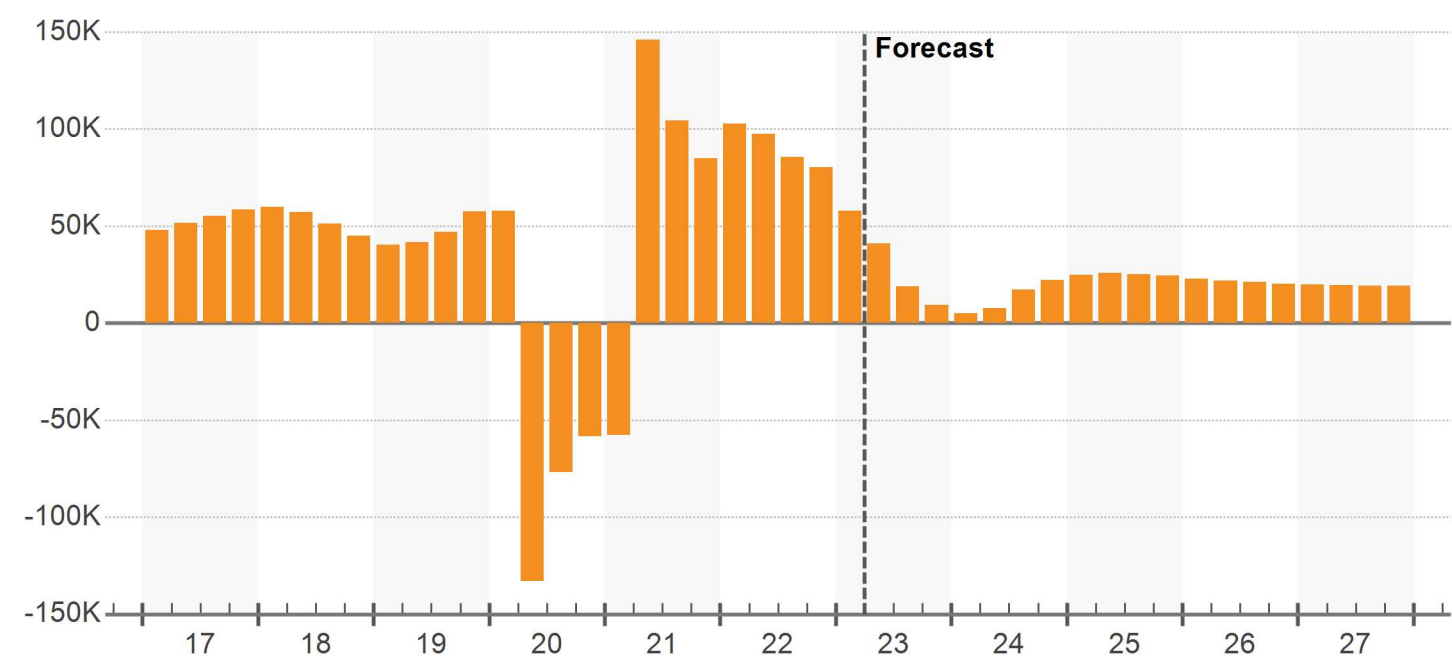


Source: Oxford Economics

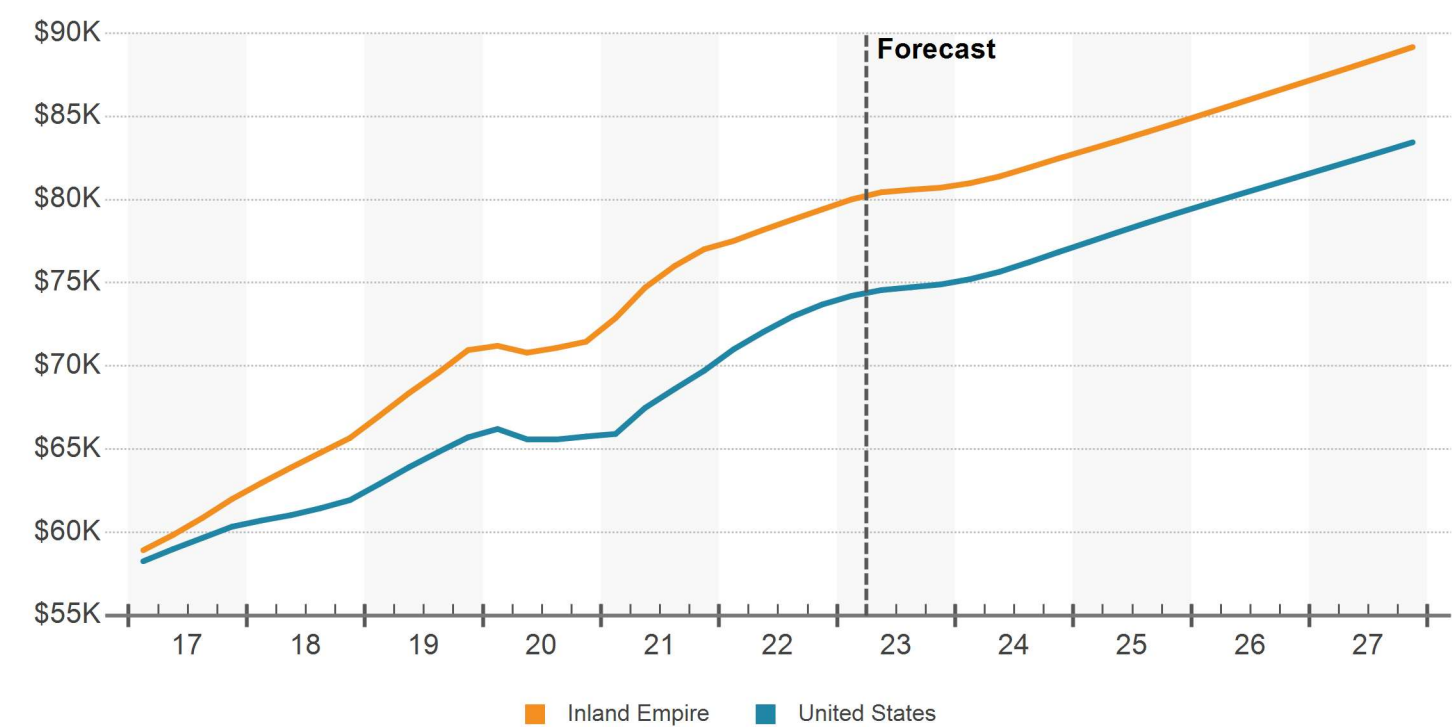
UNEMPLOYMENT RATE (%)



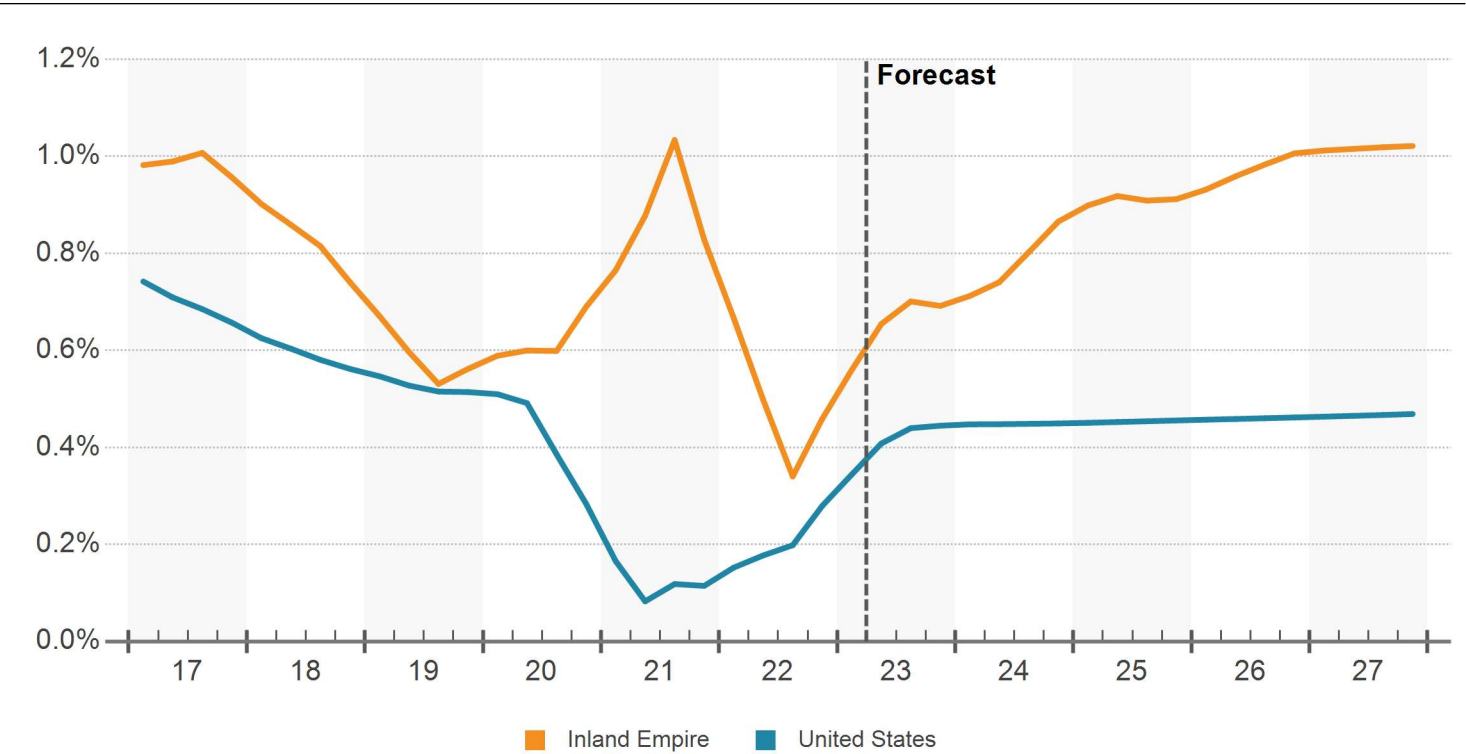
NET EMPLOYMENT CHANGE (YOY)



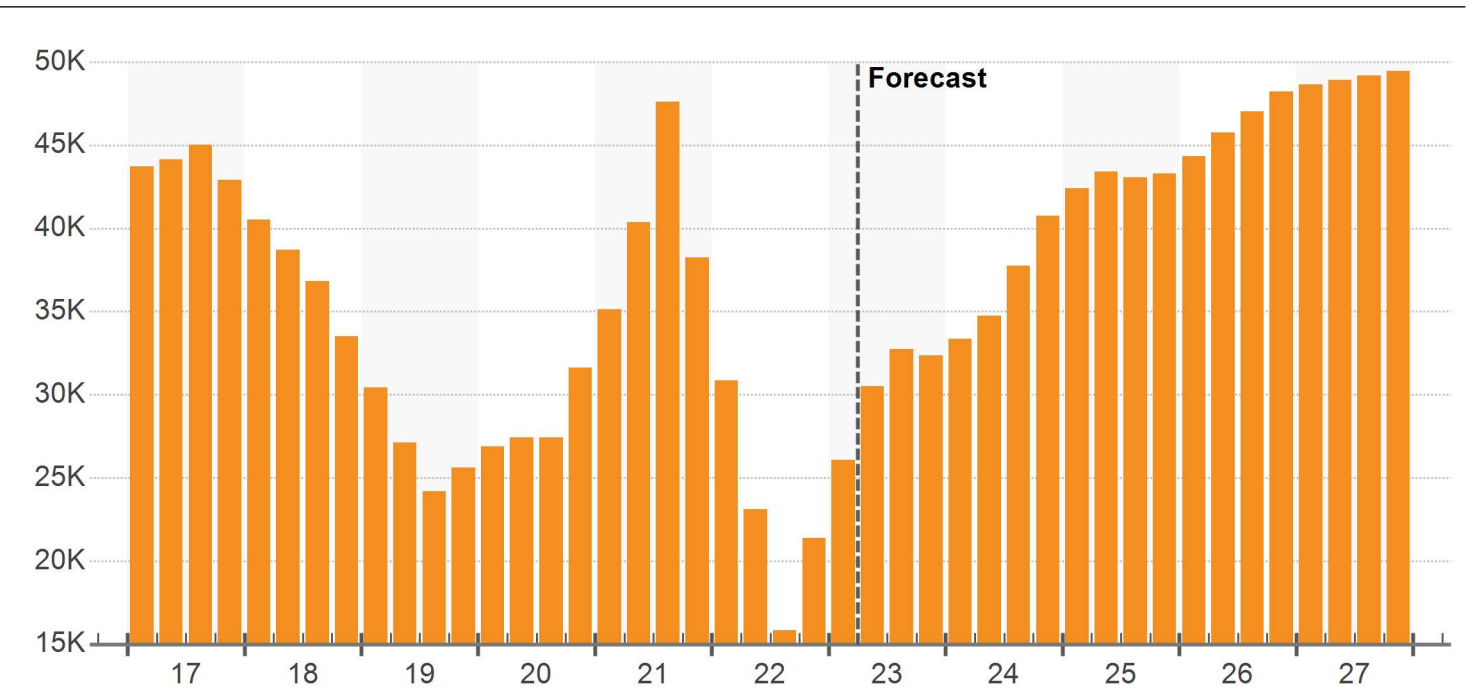
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

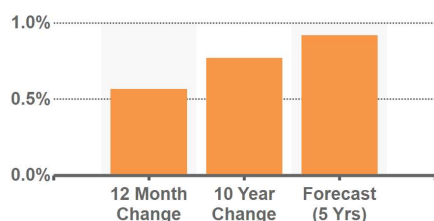


DEMOGRAPHIC TRENDS

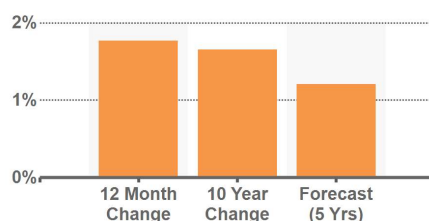
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	4,686,018	333,317,250	0.6%	0.3%	0.8%	0.5%	0.9%	0.5%
Households	1,466,273	129,345,070	1.1%	0.9%	0.7%	0.8%	1.0%	0.6%
Median Household Income	\$80,040	\$74,237	3.2%	4.5%	4.4%	3.7%	2.3%	2.5%
Labor Force	2,200,342	165,154,781	1.8%	0.7%	1.6%	0.6%	1.2%	0.4%
Unemployment	4.1%	3.7%	-0.9%	-0.1%	-0.6%	-0.4%	-	-

Source: Oxford Economics

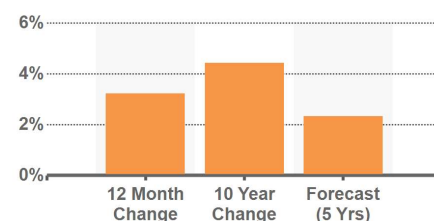
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH

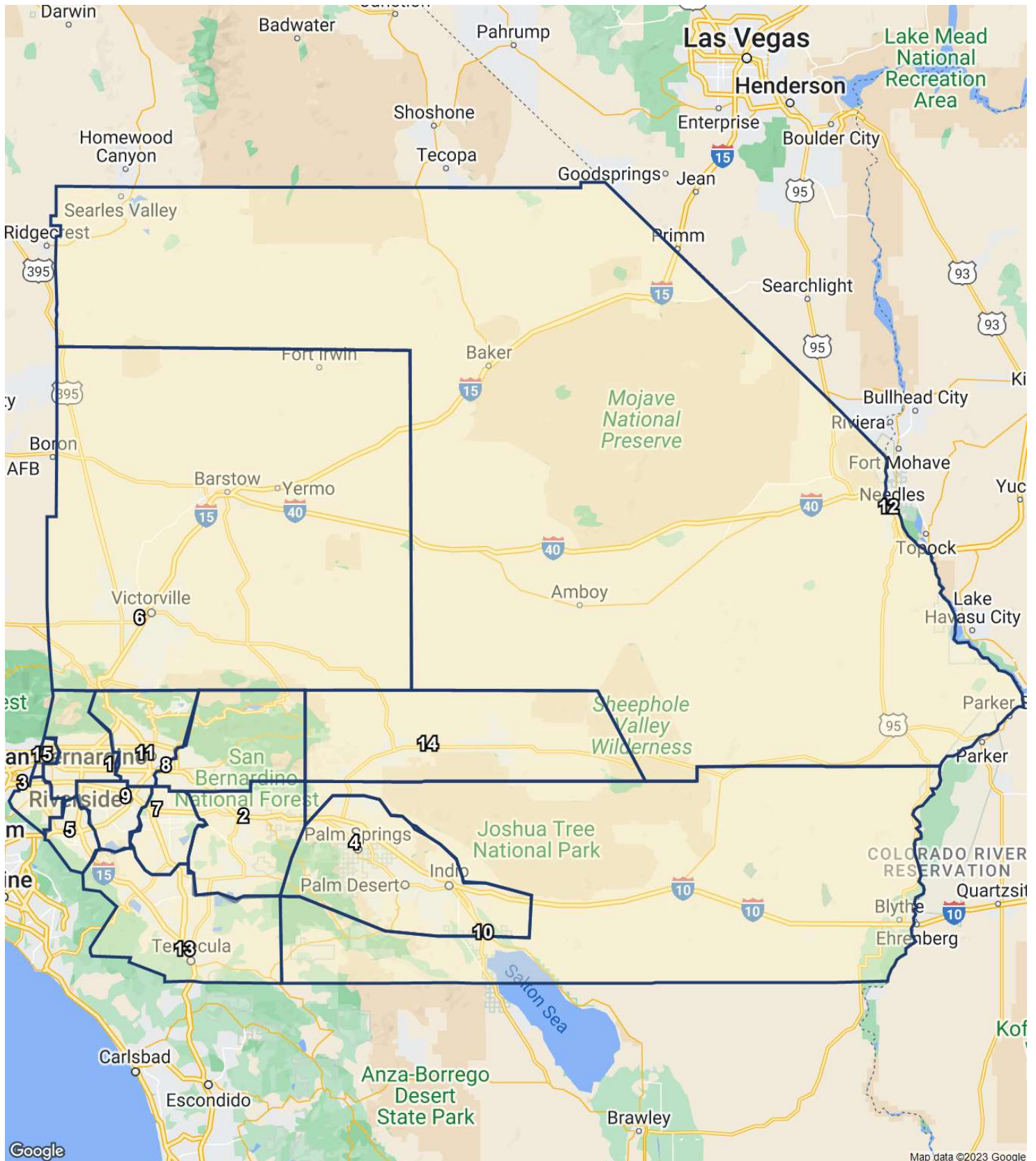


Source: Oxford Economics

Submarkets

Inland Empire Office

INLAND EMPIRE SUBMARKETS



SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Airport Area	780	13,566	17.5%	1	0	0	0%	-	1	3	0%	9
2	Beaumont/Hemet	381	2,353	3.0%	11	0	0	0%	-	2	22	1.0%	4
3	Chino/Chino Hills	156	1,648	2.1%	12	0	0	0%	-	1	25	1.5%	3
4	Coachella Valley	825	8,285	10.7%	4	1	39	0.5%	3	0	-	-	-
5	Corona/Eastvale	298	4,702	6.1%	7	0	0	0%	-	1	6	0.1%	7
6	Mojave River Valley	870	5,549	7.2%	6	0	0	0%	-	1	20	0.4%	5
7	Moreno Valley/Perris	186	3,212	4.2%	9	1	75	2.3%	1	1	2	0.1%	10
8	Redlands/Loma Linda	501	4,120	5.3%	8	1	43	1.0%	2	1	30	0.7%	2
9	Riverside	780	11,310	14.6%	3	1	18	0.2%	4	1	4	0%	8
10	Riverside Outlying	29	157	0.2%	14	0	0	0%	-	0	-	-	-
11	San Bernardino	886	12,544	16.2%	2	0	0	0%	-	0	-	-	-
12	San Bernardino Outlying	10	133	0.2%	15	0	0	0%	-	0	-	-	-
13	South Riverside	450	6,721	8.7%	5	0	0	0%	-	2	118	1.8%	1
14	Twentynine Palms	112	494	0.6%	13	0	0	0%	-	0	-	-	-
15	Upland/Montclair	260	2,557	3.3%	10	0	0	0%	-	1	11	0.4%	6

SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Airport Area	\$2.27	3	3.6%	15	26.6%	9
2	Beaumont/Hemet	\$1.84	13	4.9%	8	16.3%	14
3	Chino/Chino Hills	\$2.40	1	3.8%	14	30.3%	5
4	Coachella Valley	\$2.12	7	4.9%	9	28.7%	7
5	Corona/Eastvale	\$2.24	4	4.4%	12	32.7%	4
6	Mojave River Valley	\$1.71	15	5.3%	3	21.6%	12
7	Moreno Valley/Perris	\$2.05	10	4.6%	11	27.1%	8
8	Redlands/Loma Linda	\$2.12	8	5.3%	4	29.4%	6
9	Riverside	\$2.20	6	4.1%	13	17.2%	13
10	Riverside Outlying	\$1.89	11	5.1%	5	13.9%	15
11	San Bernardino	\$1.89	12	4.7%	10	23.2%	11
12	San Bernardino Outlying	\$1.81	14	5.3%	2	33.8%	3
13	South Riverside	\$2.21	5	5.0%	7	39.9%	1
14	Twentynine Palms	\$2.39	2	5.3%	1	37.2%	2
15	Upland/Montclair	\$2.11	9	5.1%	6	26.3%	10

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Airport Area	843,726	6.2%	11	95,193	0.7%	3	-
2	Beaumont/Hemet	76,314	3.2%	4	3,109	0.1%	7	-
3	Chino/Chino Hills	59,579	3.6%	5	(15,279)	-0.9%	13	-
4	Coachella Valley	562,947	6.8%	13	69,216	0.8%	4	-
5	Corona/Eastvale	433,035	9.2%	14	(102,203)	-2.2%	15	-
6	Mojave River Valley	161,279	2.9%	3	12,158	0.2%	6	-
7	Moreno Valley/Perris	177,775	5.5%	9	(12,119)	-0.4%	12	-
8	Redlands/Loma Linda	113,018	2.7%	2	43,052	1.0%	5	1.0
9	Riverside	695,675	6.2%	10	110,570	1.0%	2	0.2
10	Riverside Outlying	6,000	3.8%	6	(6,000)	-3.8%	11	-
11	San Bernardino	814,208	6.5%	12	271,748	2.2%	1	-
12	San Bernardino Outlying	-	-	-	0	0%	-	-
13	South Riverside	362,475	5.4%	8	(60,086)	-0.9%	14	-
14	Twentynine Palms	6,844	1.4%	1	2,473	0.5%	8	-
15	Upland/Montclair	132,555	5.2%	7	953	0%	9	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	79,224,255	498,048	0.6%	194,096	0.2%	2.6
2026	78,726,207	469,311	0.6%	176,162	0.2%	2.7
2025	78,256,896	399,154	0.5%	156,744	0.2%	2.5
2024	77,857,742	311,914	0.4%	121,813	0.2%	2.6
2023	77,545,828	237,797	0.3%	270,073	0.3%	0.9
YTD	77,351,013	42,982	0.1%	199,342	0.3%	0.2
2022	77,308,031	179,863	0.2%	426,614	0.6%	0.4
2021	77,128,168	199,260	0.3%	615,033	0.8%	0.3
2020	76,928,908	556,886	0.7%	339,648	0.4%	1.6
2019	76,372,022	261,828	0.3%	622,677	0.8%	0.4
2018	76,110,194	282,261	0.4%	1,068,347	1.4%	0.3
2017	75,827,933	205,643	0.3%	1,033,430	1.4%	0.2
2016	75,622,290	197,550	0.3%	667,727	0.9%	0.3
2015	75,424,740	137,773	0.2%	906,984	1.2%	0.2
2014	75,286,967	309,117	0.4%	1,020,722	1.4%	0.3
2013	74,977,850	98,948	0.1%	1,173,616	1.6%	0.1
2012	74,878,902	60,425	0.1%	643,129	0.9%	0.1
2011	74,818,477	238,558	0.3%	789,569	1.1%	0.3

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	10,752,448	537,440	5.3%	475,295	4.4%	1.1
2026	10,215,008	508,996	5.2%	433,059	4.2%	1.2
2025	9,706,012	439,821	4.7%	346,307	3.6%	1.3
2024	9,266,191	294,945	3.3%	182,107	2.0%	1.6
2023	8,971,246	131,158	1.5%	109,013	1.2%	1.2
YTD	8,883,070	42,982	0.5%	6,229	0.1%	6.9
2022	8,840,088	89,594	1.0%	195,622	2.2%	0.5
2021	8,750,494	0	0%	(19,728)	-0.2%	-
2020	8,750,494	231,726	2.7%	242,970	2.8%	1.0
2019	8,518,768	0	0%	(77,110)	-0.9%	-
2018	8,518,768	38,500	0.5%	121,877	1.4%	0.3
2017	8,480,268	147,024	1.8%	206,622	2.4%	0.7
2016	8,333,244	11,780	0.1%	184,464	2.2%	0.1
2015	8,321,464	25,408	0.3%	(9,479)	-0.1%	-
2014	8,296,056	135,289	1.7%	453,875	5.5%	0.3
2013	8,160,767	0	0%	273,689	3.4%	0
2012	8,160,767	137,122	1.7%	209,690	2.6%	0.7
2011	8,023,645	152,797	1.9%	270,483	3.4%	0.6

Supply & Demand Trends

Inland Empire Office

3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	36,986,716	9,031	0%	(126,231)	-0.3%	-
2026	36,977,685	8,551	0%	(113,447)	-0.3%	-
2025	36,969,134	7,392	0%	(73,898)	-0.2%	-
2024	36,961,742	64,951	0.2%	33,140	0.1%	2.0
2023	36,896,791	128,402	0.3%	(63,562)	-0.2%	-
YTD	36,768,389	0	0%	(168,503)	-0.5%	-
2022	36,768,389	117,310	0.3%	448,895	1.2%	0.3
2021	36,651,079	209,759	0.6%	445,873	1.2%	0.5
2020	36,441,320	342,814	0.9%	21,123	0.1%	16.2
2019	36,098,506	271,670	0.8%	598,259	1.7%	0.5
2018	35,826,836	251,906	0.7%	474,322	1.3%	0.5
2017	35,574,930	110,603	0.3%	592,507	1.7%	0.2
2016	35,464,327	218,498	0.6%	363,430	1.0%	0.6
2015	35,245,829	165,411	0.5%	620,060	1.8%	0.3
2014	35,080,418	182,262	0.5%	534,661	1.5%	0.3
2013	34,898,156	154,967	0.4%	672,043	1.9%	0.2
2012	34,743,189	(42,048)	-0.1%	550,463	1.6%	-
2011	34,785,237	130,582	0.4%	744,580	2.1%	0.2

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	31,485,091	(48,423)	-0.2%	(154,968)	-0.5%	-
2026	31,533,514	(48,236)	-0.2%	(143,450)	-0.5%	-
2025	31,581,750	(48,059)	-0.2%	(115,665)	-0.4%	-
2024	31,629,809	(47,982)	-0.2%	(93,434)	-0.3%	-
2023	31,677,791	(21,763)	-0.1%	224,622	0.7%	-
YTD	31,699,554	0	0%	361,616	1.1%	0
2022	31,699,554	(27,041)	-0.1%	(217,903)	-0.7%	-
2021	31,726,595	(10,499)	0%	188,888	0.6%	-
2020	31,737,094	(17,654)	-0.1%	75,555	0.2%	-
2019	31,754,748	(9,842)	0%	101,528	0.3%	-
2018	31,764,590	(8,145)	0%	472,148	1.5%	-
2017	31,772,735	(51,984)	-0.2%	234,301	0.7%	-
2016	31,824,719	(32,728)	-0.1%	119,833	0.4%	-
2015	31,857,447	(53,046)	-0.2%	296,403	0.9%	-
2014	31,910,493	(8,434)	0%	32,186	0.1%	-
2013	31,918,927	(56,019)	-0.2%	227,884	0.7%	-
2012	31,974,946	(34,649)	-0.1%	(117,024)	-0.4%	-
2011	32,009,595	(44,821)	-0.1%	(225,494)	-0.7%	-

OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$2.41	132	1.8%	15.4%	5,635,450	7.1%	0.4%
2026	\$2.37	130	2.2%	13.4%	5,323,318	6.8%	0.3%
2025	\$2.32	127	2.8%	11.0%	5,021,816	6.4%	0.3%
2024	\$2.26	124	3.2%	8.0%	4,771,025	6.1%	0.2%
2023	\$2.18	120	4.6%	4.6%	4,572,220	5.9%	-0.1%
YTD	\$2.10	115	4.5%	0.6%	4,445,430	5.7%	-0.2%
2022	\$2.09	115	6.1%	0%	4,601,790	6.0%	-0.3%
2021	\$1.97	108	4.3%	-5.7%	4,849,355	6.3%	-0.6%
2020	\$1.89	104	3.5%	-9.6%	5,263,571	6.8%	0.2%
2019	\$1.82	100	4.1%	-12.7%	5,047,890	6.6%	-0.5%
2018	\$1.75	96	3.8%	-16.1%	5,408,585	7.1%	-1.1%
2017	\$1.69	93	4.0%	-19.2%	6,194,671	8.2%	-1.1%
2016	\$1.62	89	5.2%	-22.3%	7,032,395	9.3%	-0.6%
2015	\$1.54	85	5.5%	-26.1%	7,502,572	9.9%	-1.0%
2014	\$1.46	80	4.1%	-30.0%	8,271,783	11.0%	-1.0%
2013	\$1.40	77	2.5%	-32.8%	8,995,193	12.0%	-1.5%
2012	\$1.37	75	-1.7%	-34.5%	10,069,836	13.4%	-0.8%
2011	\$1.39	76	-6.4%	-33.4%	10,652,565	14.2%	-0.8%

4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$3.06	134	1.6%	14.8%	854,698	7.9%	0.2%
2026	\$3.01	132	2.0%	13.0%	792,749	7.8%	0.4%
2025	\$2.95	129	2.5%	10.9%	716,997	7.4%	0.7%
2024	\$2.88	126	3.1%	8.1%	623,658	6.7%	1.0%
2023	\$2.79	122	4.9%	4.9%	511,010	5.7%	0.2%
YTD	\$2.70	118	2.2%	1.2%	525,707	5.9%	0.4%
2022	\$2.66	117	4.1%	0%	488,954	5.5%	-1.3%
2021	\$2.56	112	-0.2%	-3.9%	594,982	6.8%	0.2%
2020	\$2.56	112	2.2%	-3.8%	575,254	6.6%	-0.3%
2019	\$2.51	110	6.8%	-5.9%	586,498	6.9%	0.9%
2018	\$2.35	103	1.9%	-11.8%	509,734	6.0%	-1.0%
2017	\$2.30	101	5.2%	-13.5%	593,111	7.0%	-0.8%
2016	\$2.19	96	6.2%	-17.8%	652,709	7.8%	-2.1%
2015	\$2.06	90	3.7%	-22.6%	825,393	9.9%	0.4%
2014	\$1.99	87	6.0%	-25.3%	790,506	9.5%	-4.2%
2013	\$1.88	82	2.0%	-29.6%	1,121,074	13.7%	-3.4%
2012	\$1.84	81	0.8%	-31.0%	1,394,763	17.1%	-1.2%
2011	\$1.82	80	-8.4%	-31.6%	1,467,331	18.3%	-1.9%

3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$2.53	132	1.8%	16.2%	2,734,080	7.4%	0.4%
2026	\$2.48	129	2.2%	14.1%	2,598,927	7.0%	0.3%
2025	\$2.43	127	2.8%	11.7%	2,477,040	6.7%	0.2%
2024	\$2.37	123	3.2%	8.7%	2,395,874	6.5%	0.1%
2023	\$2.29	119	5.3%	5.3%	2,364,169	6.4%	0.5%
YTD	\$2.20	114	4.8%	0.9%	2,340,731	6.4%	0.5%
2022	\$2.18	113	5.7%	0%	2,172,228	5.9%	-0.9%
2021	\$2.06	107	4.5%	-5.4%	2,503,813	6.8%	-0.7%
2020	\$1.97	103	2.7%	-9.4%	2,739,927	7.5%	0.8%
2019	\$1.92	100	3.5%	-11.8%	2,418,236	6.7%	-1.0%
2018	\$1.85	97	4.1%	-14.8%	2,744,825	7.7%	-0.7%
2017	\$1.78	93	3.7%	-18.1%	2,967,241	8.3%	-1.4%
2016	\$1.72	90	5.9%	-21.0%	3,459,082	9.8%	-0.5%
2015	\$1.62	85	5.7%	-25.4%	3,604,014	10.2%	-1.3%
2014	\$1.54	80	4.4%	-29.5%	4,058,663	11.6%	-1.1%
2013	\$1.47	77	2.2%	-32.5%	4,411,062	12.6%	-1.5%
2012	\$1.44	75	-0.3%	-33.9%	4,928,113	14.2%	-1.7%
2011	\$1.44	75	-6.3%	-33.7%	5,520,649	15.9%	-1.8%

1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$2.09	133	1.9%	14.5%	2,046,672	6.5%	0.4%
2026	\$2.05	130	2.2%	12.4%	1,931,642	6.1%	0.3%
2025	\$2.01	127	2.8%	10.0%	1,827,779	5.8%	0.2%
2024	\$1.95	124	3.3%	6.9%	1,751,493	5.5%	0.2%
2023	\$1.89	120	3.6%	3.6%	1,697,041	5.4%	-0.8%
YTD	\$1.82	116	5.1%	-0.1%	1,578,992	5.0%	-1.1%
2022	\$1.82	116	7.5%	0%	1,940,608	6.1%	0.6%
2021	\$1.70	108	6.1%	-6.9%	1,750,560	5.5%	-0.6%
2020	\$1.60	102	5.2%	-12.3%	1,948,390	6.1%	-0.3%
2019	\$1.52	96	3.7%	-16.7%	2,043,156	6.4%	-0.3%
2018	\$1.47	93	4.3%	-19.6%	2,154,026	6.8%	-1.5%
2017	\$1.41	89	4.0%	-22.9%	2,634,319	8.3%	-0.9%
2016	\$1.35	86	3.8%	-25.9%	2,920,604	9.2%	-0.5%
2015	\$1.30	83	6.1%	-28.6%	3,073,165	9.6%	-1.1%
2014	\$1.23	78	2.9%	-32.7%	3,422,614	10.7%	-0.1%
2013	\$1.19	76	3.2%	-34.6%	3,463,057	10.8%	-0.9%
2012	\$1.16	73	-4.6%	-36.7%	3,746,960	11.7%	0.3%
2011	\$1.21	77	-5.8%	-33.6%	3,664,585	11.4%	0.6%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$247.16	168	7.3%
2026	-	-	-	-	-	-	\$243.73	166	7.3%
2025	-	-	-	-	-	-	\$239.19	163	7.3%
2024	-	-	-	-	-	-	\$233.34	159	7.3%
2023	-	-	-	-	-	-	\$225.88	154	7.3%
YTD	56	\$80.1M	0.8%	\$1,779,123	\$145.81	5.6%	\$218.78	149	7.2%
2022	357	\$765M	5.0%	\$2,368,493	\$208.41	5.9%	\$216.75	148	7.3%
2021	354	\$556.3M	3.8%	\$1,738,383	\$196.43	6.2%	\$206.56	141	7.3%
2020	291	\$463.7M	3.3%	\$1,825,418	\$190.67	6.7%	\$198.92	136	7.4%
2019	444	\$613.5M	5.3%	\$2,175,611	\$180.49	6.7%	\$190.80	130	7.5%
2018	477	\$669.8M	6.7%	\$2,508,784	\$177.57	6.9%	\$184.16	126	7.4%
2017	526	\$532.9M	7.3%	\$1,876,238	\$156.96	6.6%	\$176.68	120	7.3%
2016	400	\$479.9M	4.7%	\$1,838,752	\$166.65	6.8%	\$171.74	117	7.3%
2015	451	\$680.3M	7.2%	\$2,166,638	\$141.78	7.3%	\$162.02	110	7.3%
2014	403	\$392.6M	4.7%	\$1,564,128	\$134.51	7.8%	\$151.64	103	7.4%
2013	386	\$409.1M	5.6%	\$1,649,471	\$124.96	8.0%	\$140.20	96	7.7%
2012	350	\$289.5M	5.2%	\$1,683,268	\$113.62	8.8%	\$133.67	91	7.9%

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4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$325.32	169	7.1%
2026	-	-	-	-	-	-	\$321.40	167	7.1%
2025	-	-	-	-	-	-	\$316.04	164	7.1%
2024	-	-	-	-	-	-	\$308.89	160	7.1%
2023	-	-	-	-	-	-	\$299.28	155	7.1%
YTD	3	\$37.5M	3.2%	\$12,503,333	\$131.48	-	\$290.83	151	7.0%
2022	6	\$59.4M	2.6%	\$9,904,444	\$256.89	5.4%	\$290.48	151	7.0%
2021	8	\$30.8M	2.7%	\$3,846,563	\$130.87	5.7%	\$290.15	151	6.9%
2020	6	\$26.9M	1.0%	\$6,737,125	\$319.35	6.6%	\$287.09	149	6.9%
2019	11	\$92.9M	4.7%	\$13,270,643	\$236.63	6.8%	\$281.26	146	6.9%
2018	43	\$144.1M	12.5%	\$14,407,651	\$224.08	6.4%	\$276.07	143	6.8%
2017	17	\$91.7M	13.3%	\$13,098,599	\$184.93	8.0%	\$264.64	137	6.7%
2016	6	\$63.8M	5.3%	\$15,938,077	\$203.76	-	\$258.53	134	6.7%
2015	10	\$146.1M	9.4%	\$14,610,559	\$186.73	7.0%	\$242.95	126	6.8%
2014	5	\$55.9M	4.2%	\$11,173,198	\$162.11	5.7%	\$218.84	114	7.0%
2013	7	\$55.8M	4.8%	\$11,150,321	\$175.38	8.0%	\$203.61	106	7.2%
2012	13	\$90M	11.7%	\$10,000,180	\$118.31	-	\$193.41	100	7.4%

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Sale Trends

Inland Empire Office

3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$257.34	166	7.3%
2026	-	-	-	-	-	-	\$253.76	164	7.3%
2025	-	-	-	-	-	-	\$249	161	7.3%
2024	-	-	-	-	-	-	\$242.91	157	7.3%
2023	-	-	-	-	-	-	\$235.18	152	7.3%
YTD	14	\$17.5M	0.2%	\$1,454,500	\$214.57	5.1%	\$227.01	146	7.3%
2022	123	\$408.4M	5.0%	\$3,747,077	\$228.65	6.2%	\$224.54	145	7.3%
2021	147	\$339.8M	4.3%	\$2,696,655	\$227.71	6.1%	\$214.58	138	7.3%
2020	117	\$295.7M	4.0%	\$2,789,538	\$207.24	6.6%	\$206.25	133	7.4%
2019	168	\$362.9M	6.1%	\$3,023,756	\$186.62	6.6%	\$198.45	128	7.4%
2018	178	\$385M	7.0%	\$3,406,764	\$184.77	7.2%	\$191.65	124	7.4%
2017	202	\$269.7M	6.6%	\$2,140,719	\$178.45	6.7%	\$183.79	119	7.3%
2016	135	\$249.1M	4.1%	\$2,541,796	\$198.14	6.7%	\$179.01	116	7.2%
2015	185	\$348.5M	7.6%	\$2,419,944	\$139.46	7.2%	\$168.90	109	7.3%
2014	140	\$207.6M	4.3%	\$2,118,002	\$158.42	7.3%	\$159.88	103	7.4%
2013	177	\$247M	6.7%	\$2,185,804	\$128.89	7.1%	\$147.80	95	7.7%
2012	157	\$145.9M	5.8%	\$1,823,132	\$115.30	7.0%	\$141.54	91	7.9%

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1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$213.25	172	7.4%
2026	-	-	-	-	-	-	\$210.14	169	7.3%
2025	-	-	-	-	-	-	\$206.08	166	7.3%
2024	-	-	-	-	-	-	\$200.89	162	7.3%
2023	-	-	-	-	-	-	\$194.35	157	7.3%
YTD	39	\$25.1M	0.8%	\$836,552	\$137.55	6.1%	\$188.87	152	7.3%
2022	228	\$297.2M	5.6%	\$1,428,679	\$179.75	5.6%	\$186.89	151	7.3%
2021	199	\$185.7M	3.6%	\$998,557	\$168.14	6.5%	\$173.66	140	7.4%
2020	168	\$141M	3.1%	\$979,282	\$153.18	6.8%	\$165.53	133	7.5%
2019	265	\$157.8M	4.5%	\$1,017,916	\$148.53	6.8%	\$156.37	126	7.6%
2018	256	\$140.8M	4.6%	\$977,808	\$134.64	6.7%	\$149.51	121	7.6%
2017	307	\$171.4M	6.3%	\$1,135,305	\$123.55	6.4%	\$143.59	116	7.5%
2016	259	\$167.1M	5.2%	\$1,050,730	\$127.56	6.9%	\$138.80	112	7.5%
2015	256	\$185.7M	6.2%	\$1,160,917	\$122.43	7.4%	\$131.19	106	7.5%
2014	258	\$129.2M	5.4%	\$872,743	\$102.20	8.3%	\$123.10	99	7.6%
2013	202	\$106.3M	4.6%	\$817,856	\$102.29	8.6%	\$113.46	91	7.9%
2012	180	\$53.7M	2.9%	\$646,625	\$102.72	10.1%	\$107.65	87	8.2%

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