

## MARKET TRENDS

# INLAND EMPIRE OFFICE

↓ VACANCY      ↑ UNEMPLOYMENT  
↑ RENTAL RATES      ↓ CONSTRUCTION DELIVERIES

Year-Over-Year Change

### TOP SALE TRANSACTIONS 4Q 2022

Property	Submarket	SF	Sale Price	\$/SF	Buyer	Seller
Tri-City Corporate Centre	Inland Empire East	177,905	\$34,175,000	\$192.10	Carnegie San Bernardino LLC	Tri-City Property LLC
Silverhawk Corporate Center	Inland Empire East	80,200	\$19,200,000	\$239.40	Meadowbrook Silverhawk LLC	CEI Office Fund 9 LLC
Haven Park	Inland Empire West	75,000	\$18,250,000	\$243.33	National Community Renaissance	MGR Real Estate
MGR Center	Inland Empire West	78,303	\$17,770,000	\$226.94	Reyes Holdings LLC	MGR Real Estate
Corona Westgate Center	Inland Empire East	62,228	\$15,200,000	\$244.26	Westgate Corona LLC	Sagewood Community Association

### TOP LEASE TRANSACTIONS 4Q 2022

Property	Submarket	SF	Transaction Date	Landlord	Tenant
451 E Vanderbilt Way	Inland Empire East	23,484	November 2022	Tri-City Property LLC	Undisclosed
Tri-City Corporate Ctr.	Inland Empire West	21,197	November 2022	1801 Holt Owners LLC	Undisclosed (Sublease Space)
Inland Terrace Corp. Ctr.	Inland Empire East	15,908	December 2022	Mike Realty	The Mortgage Law Firm
Empire Towers IV	Inland Empire West	12,843	November 2022	MGR Real Estate	Undisclosed
Citrus Park Business Ctr.	Inland Empire East	11,047/11,047	October 2022/November 2022	Crowsnest Prop., LLC	Undisclosed (Sublease & Direct Spaces)

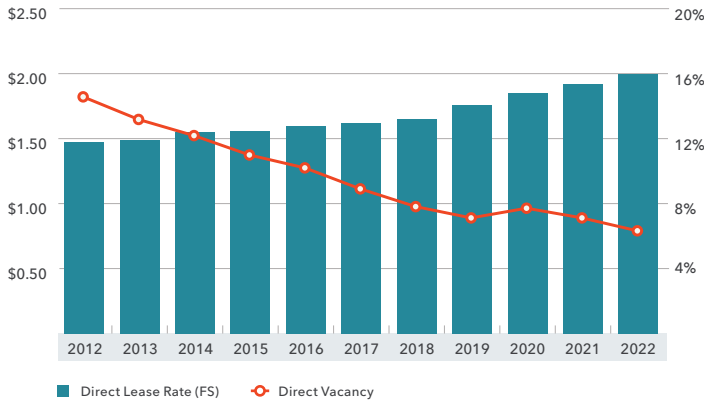
### TOP UNDER CONSTRUCTION

Property	Address	Submarket	SF	Owner	Delivery Date
North Murrieta Business Park	35070 Antelope Rd - Building A	Inland Empire East	58,000	Makena Murrieta	March 2023
California Eye Care	25258 Redlands Blvd	Inland Empire East	30,000	POZ LLC	December 2022
Medical Office Condo	5632 Philadelphia St	Inland Empire West	25,000	Chino Villa LLC	March 2023
12490 Business Center Dr	12490 Business Center Dr	Inland Empire North	19,830	Nayyar Family Partnership	October 2023
Sundance Corporate Center	1588 E Eighth St	Inland Empire East	15,493	Beaumont Sundance LLC	June 2023

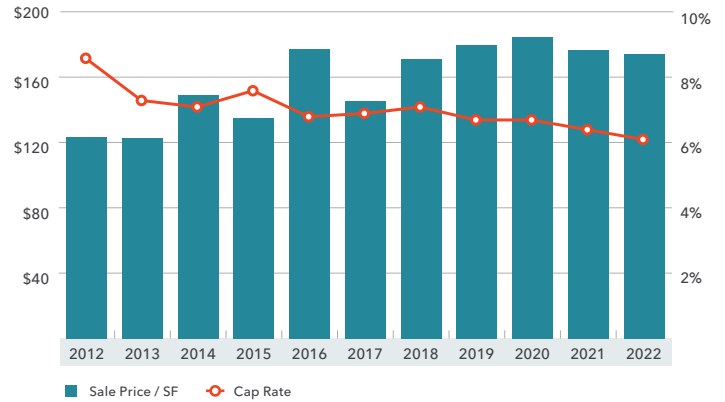
### MARKET BREAKDOWN

	4Q22	3Q22	4Q21	Annual % Change
New Construction	93,000	0	75,258	<b>23.57%</b>
Under Construction	159,471	252,471	214,542	<b>-25.67%</b>
Direct Vacancy Rate	6.3%	6.4%	7.1%	<b>-11.27%</b>
Direct Asking Leasing Rents	\$2.00	\$1.98	\$1.92	<b>4.17%</b>
Leased SF	\$172.91	\$179.89	\$155.47	<b>11.22%</b>
Sold SF	6.3%	5.5%	6.1%	<b>3.28%</b>
Total Net Absorption	187,079	125,995	145,465	<b>N/A</b>

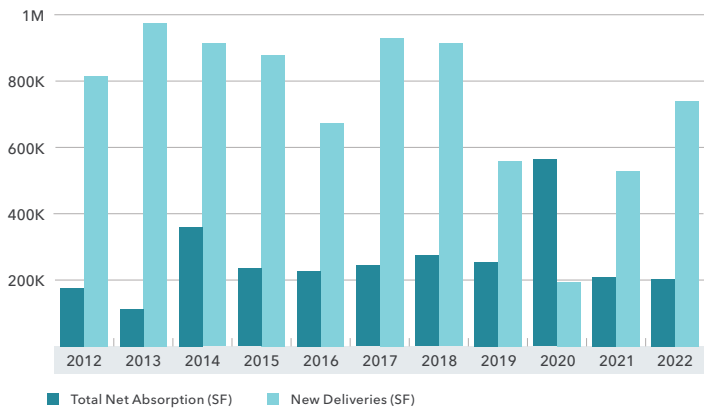
LEASE RATE & VACANCY



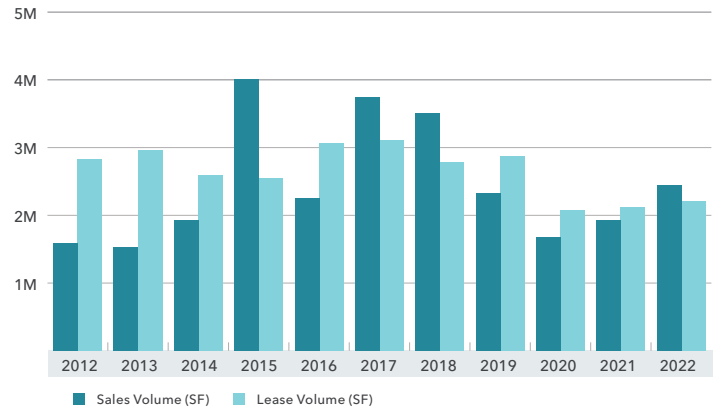
AVERAGE SALES PRICE/SF & CAP RATES



NET ABSORPTION & NEW DELIVERIES



SALE VOLUME & LEASE VOLUME



Data Source: CoStar



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The information in this report was composed by the Kidder Mathews Research Group.

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<b>COMMERCIAL BROKERAGE</b>	<i>\$10.9B</i> TRANSACTION VOLUME ANNUALLY	<i>49.7M</i> ANNUAL SALES SF	<i>43.7M</i> ANNUAL LEASING SF
<b>ASSET SERVICES</b>	<i>52M</i> MANAGEMENT PORTFOLIO SF	<i>875+</i> ASSETS UNDER MANAGEMENT	<i>240+</i> ASSET SERVICES CLIENTS
<b>VALUATION ADVISORY</b>	<i>2,600+</i> ASSIGNMENTS ANNUALLY	<i>48</i> TOTAL APPRAISERS	<i>25</i> WITH MAI DESIGNATIONS

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