

MARKET TRENDS

INLAND EMPIRE OFFICE

↔ VACANCY

↑ UNEMPLOYMENT

↑ RENTAL
RATES

↓ CONSTRUCTION
DELIVERIES

Year-Over-Year Change

TOP SALE TRANSACTIONS 2Q 2023

Property	Submarket	SF	Sale Price	\$/SF	Buyer	Seller
11000 Eucalyptus St	Inland Empire West	127,000	Not Disclosed	\$181.76	San Antonio Regional Hospital	Mercury Insurance
Highway 74 Lake Elsinore Portfolio	Inland Empire East	116,572	\$15,000,000	\$128.68	Prime Group Holdings LLC	Elsinore Storage LLC
Social Security Administration Building	Inland Empire East	44,719	\$11,760,000	\$262.98	Tep San Bernardino LLC	Hpi Gsa If LLC
Arrowhead Executive Suites	Inland Empire East	13,500	\$1,490,000	\$110.37	WH Property Holdings LLC	John & Lisa Carrier Living Trust
56300 29 Palms Hwy	Inland Empire East	12,580	\$1,300,000	\$103.34	Desert Ranger Construction, Inc.	Be & A LLC

TOP LEASE TRANSACTIONS 2Q 2023

Property	Submarket	SF	Transaction Date	Landlord	Tenant
Lakeshore Plaza Building	Inland Empire East	21,058	May 2023	Dos Lagos Office LLC	Undisclosed
Citrus Business Park	Inland Empire East	19,030	May 2023	Clumeck Family Trust	Undisclosed
Lakeshore Plaza Building	Inland Empire East	18,312	May 2023	Dos Lagos Office LLC	Undisclosed
82710 Highway 111	Inland Empire East	13,000	April 2023	Golden Star Investment Properties	Undisclosed

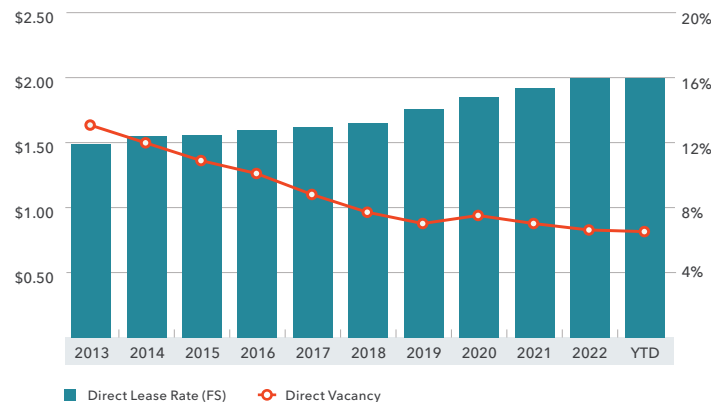
TOP UNDER CONSTRUCTION

Property	Address	Submarket	SF	Owner	Delivery Date
Makena Murrieta MOB	Baxter Rd - Phase I	Inland Empire East	60,000	Espray LLC	December 2023
North Murrieta Business Park	35070 Antelope Rd - Building A	Inland Empire East	58,000	Makena Murrieta	May 2023
California Eye Care	25258 Redlands Blvd	Inland Empire East	30,000	POZ LLC	July 2023
Medical Office Condo	5632 Philadelphia St	Inland Empire West	25,000	Chino Villa LLC	July 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

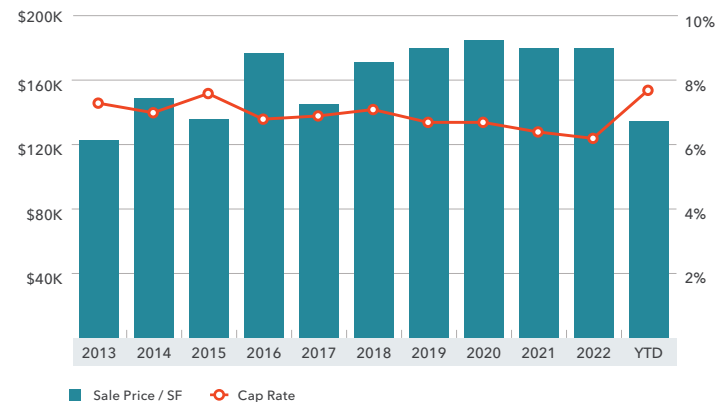
MARKET BREAKDOWN

	2Q23	1Q23	2Q22	Annual % Change
New Construction	0	42,982	41,092	-100.00%
Under Construction	219,471	219,471	237,453	-7.57%
Direct Vacancy Rate	6.5%	6.2%	6.6%	-1.52%
Direct Asking Leasing Rents	\$2.00	\$2.02	\$1.96	2.04%
Leased SF	\$134.07	\$134.24	\$175.09	-23.43%
Sold SF	8.0%	7.7%	5.7%	40.35%
Total Net Absorption	(145,211)	269,217	229,781	N/A

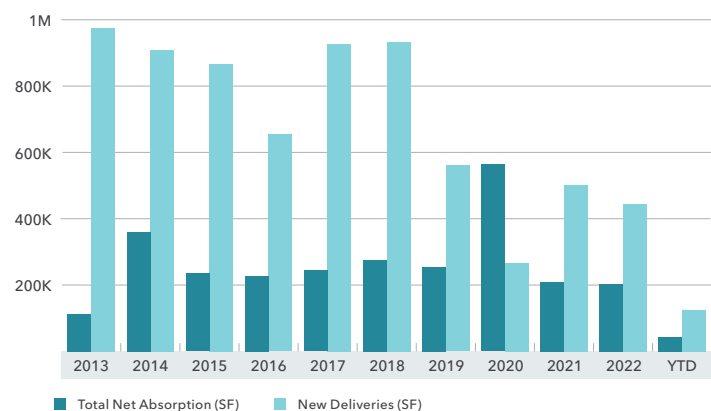
LEASE RATE & VACANCY



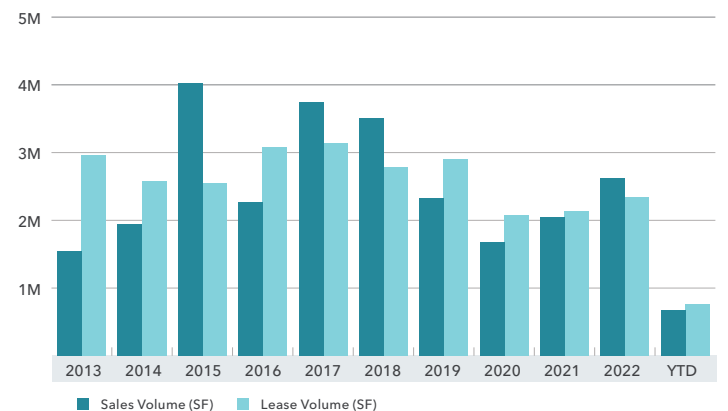
AVERAGE SALES PRICE/SF & CAP RATES



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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COMMERCIAL BROKERAGE

\$12B

TRANSACTION VOLUME ANNUALLY

32.1M

ANNUAL SALES SF

41.2M

ANNUAL LEASING SF

ASSET SERVICES

53M

MANAGEMENT PORTFOLIO SF

771+

ASSETS UNDER MANAGEMENT

250+

ASSET SERVICES CLIENTS

VALUATION ADVISORY

2,600+

ASSIGNMENTS ANNUALLY

46

TOTAL APPRAISERS

23

WITH MAI DESIGNATIONS

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