

## MARKET TRENDS

# INLAND EMPIRE OFFICE

↔ VACANCY      ↑ UNEMPLOYMENT  
 ↑ RENTAL RATES      ↓ CONSTRUCTION DELIVERIES

Year-Over-Year Change

### TOP SALE TRANSACTIONS 4Q 2023

Property	Submarket	SF	Sale Price	\$/SF	Buyer	Seller
400 N Mountain Ave	Inland Empire West	47,850	\$9,000,000	\$188.09	Upland Mountain Properties LLC	The Magellan Group, Inc.
29620 Bradley Rd	Inland Empire East	29,574	\$6,175,000	\$208.80	29620 Bradley LLC	St. Mary Sun City Partners LLC
303 W 5th St	Inland Empire East	26,553	\$5,250,000	\$197.72	San Bernardino County	Eagle Construction
1614 E Holt Blvd	Inland Empire West	22,614	\$4,000,000	\$176.88	Foremost Holdings LLC	Thomas G & Judith L Matlock Trust
590 N D St	Inland Empire East	14,894	\$3,850,000	\$258.49	590 North D Street LLC	Drp Holdings LLC
607 Donna Way	Inland Empire East	16,192	\$1,750,000	\$108.08	Soboba Band Of Luiseno Indians	Riverside-San Bern County Indian H
28924 Old Town Front St	Inland Empire East	11,000	\$1,400,000	\$127.27	Churchill Plaza LLC	LJB Management, Inc

### TOP LEASE TRANSACTIONS 4Q 2023

Property	Submarket	SF	Transaction Date	Landlord	Tenant
9494 Haven Ave	Inland Empire West	28,688	October 2023	W.P. Carey Inc.	Crown Castle USA, Inc.
1250 Corona Pointe Ct	Inland Empire East	26,910	October 2023	Rexco Development	Tri Pointe Homes
303 W 5th St	Inland Empire East	26,553	November 2023	San Bernardino County	Department of Corrections and Rehabilitation
7880 Mission Grove Pky	Inland Empire East	24,807	November 2023	Regional Properties, Inc.	Undisclosed

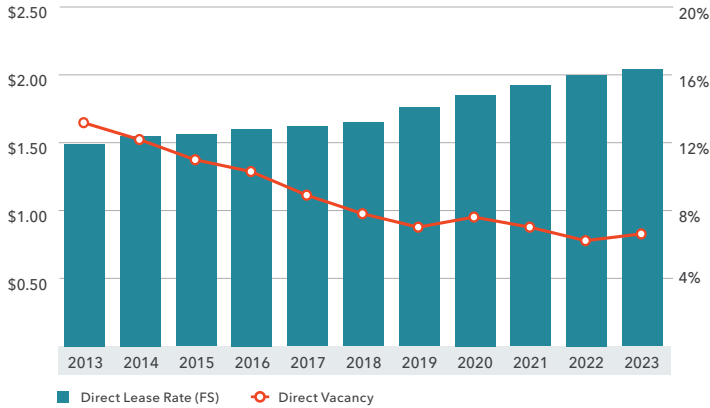
### TOP UNDER CONSTRUCTION

Property	Address	Submarket	SF	Owner	Delivery Date
Makena Murrieta MOB	Baxter Rd - Phase I	Inland Empire East	60,000	Espray LLC	January 2024
Sycamore Canyon Business Center	6575 Sycamore Canyon Blvd	Inland Empire East	44,081	Wagner Zemming Christensen, LLP	June 2024
Medical Office Condo	5632 Philadelphia St	Inland Empire West	25,000	KSA Investment Group LLC	January 2024
12490 Business Center Dr	12490 Business Center Dr	Inland Empire North	19,830	Nayyar Family Partnership	December 2023
Sundance Corporate Center	1588 E Eighth St	Inland Empire East	15,493	Beaumont Sundance LLC	December 2023

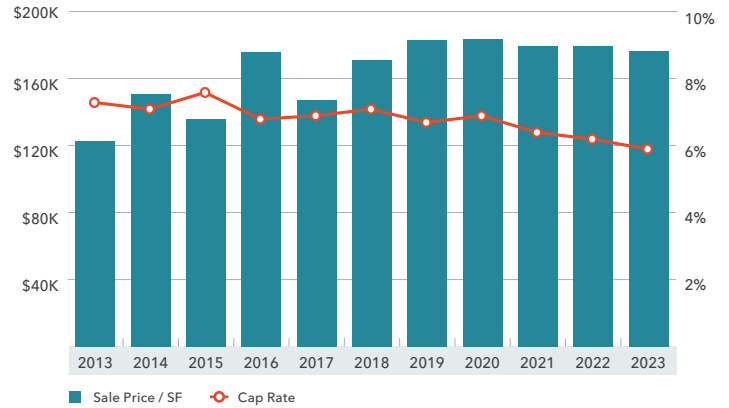
### MARKET BREAKDOWN

	4Q23	3Q23	4Q22	Annual % Change
New Construction	58,000	30,000	93,000	<b>-37.63%</b>
Under Construction	175,552	233,552	229,562	<b>-23.53%</b>
Vacancy Rate	6.6%	6.4%	6.2%	<b>6.45%</b>
Average Asking Rents	\$2.04	\$2.02	\$2.00	<b>2.00%</b>
Average Sales Price/SF	\$194.42	\$221.91	\$188.67	<b>3.05%</b>
Cap Rates	2.3%	7.1%	6.7%	<b>-65.67%</b>
Net Absorption	(35,618)	51,750	245,916	<b>N/A</b>

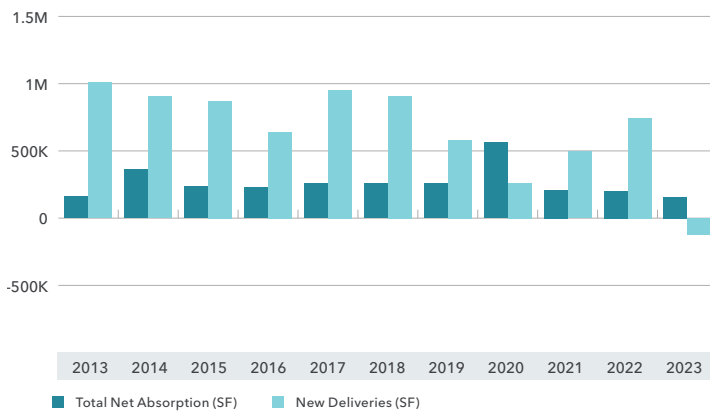
LEASE RATE & VACANCY



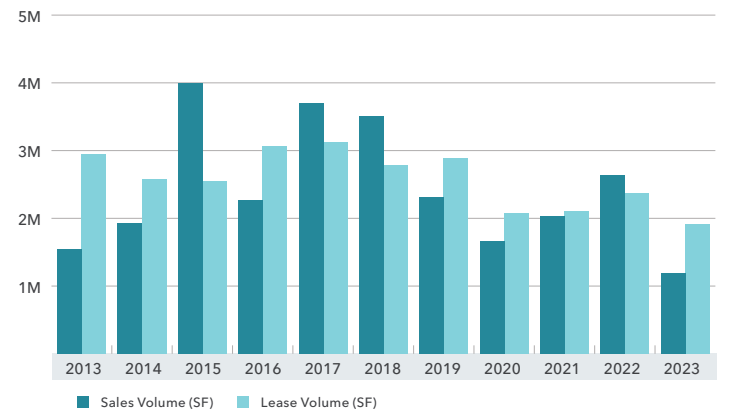
AVERAGE SALES PRICE/SF & CAP RATES



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>\$12B</i> TRANSACTION VOLUME ANNUALLY	<i>32.1M</i> ANNUAL SALES SF	<i>41.2M</i> ANNUAL LEASING SF
<b>ASSET SERVICES</b>	<i>53M</i> MANAGEMENT PORTFOLIO SF	<i>771+</i> ASSETS UNDER MANAGEMENT	<i>250+</i> ASSET SERVICES CLIENTS
<b>VALUATION ADVISORY</b>	<i>2,800+</i> ASSIGNMENTS ANNUALLY	<i>42</i> TOTAL APPRAISERS	<i>23</i> WITH MAI DESIGNATIONS

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