

Report



THIRD
QUARTER
2003



Market Highlights

- Unemployment in the third quarter of 2003 in Los Angeles County is 6.8%, which is up 0.5% from the third quarter of 2002 and up 0.1% since the third quarter of 2003.
- According to Los Angeles County Economic Development Corporation it is estimated that Los Angeles County lost 26,600 nonfarm jobs in 2002, and they are forecasting 39,500 new jobs with a 3.9% increase in total personal income for 2003.
- Total new construction added to the Mid-Counties Industrial market in 2002 was 1,245,948 square feet, which is almost double 2001's figure of 649,496 square feet. This is expected to slow down due to the lack of available land for development.
- Currently there is 1,505,322 square feet of construction under way; this is down from last quarter when there was 1,644,974 square feet under construction.
- Planned construction for this area is down compared to last year. Currently there is 1,418,108 square feet on the slate as being planned, compared to last year's figure of 2,521,562.
- The Industrial availability rate checked in at 8.45%, which is 11% higher than it was a year ago when it was 7.61%. Flat demand with more sublease space, coupled with a slower economy, would explain the 2% decrease in rental rates since the third quarter of 2002.
- The Industrial vacancy rate checked in at a low 6.00%. This represents an increase in vacant space of about 1.69% compared to this same time last year.

Compared to last quarter:

Vacancy



Availability



Absorption



Lease Rates



Construction



Mid-Counties

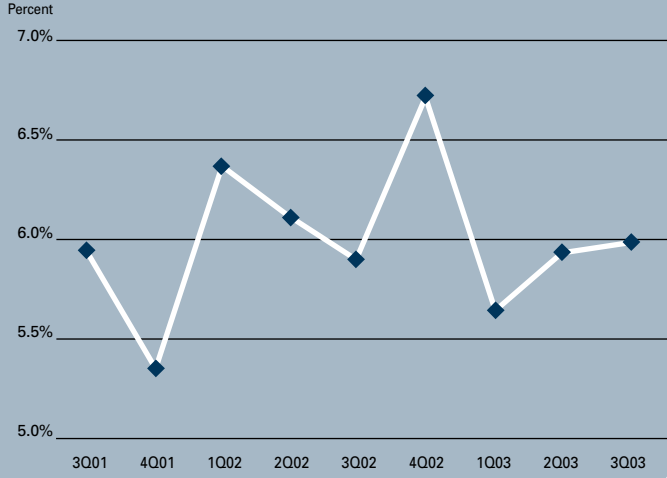
MID-COUNTIES MARKET STATISTICS

	3Q2003	2Q2003	3Q2002	% CHANGE VS. 3Q02
Under Construction	1,505,322	1,644,974	728,782	106.55%
Planned Construction	1,418,108	1,645,197	2,521,562	-43.76%
Vacancy	6.00%	5.93%	5.90%	1.69%
Availability	8.45%	7.36%	7.61%	11.04%
Pricing	\$0.48	\$0.49	\$0.49	-2.04%
Net Absorption	521,595	220,742	220,580	136.47%

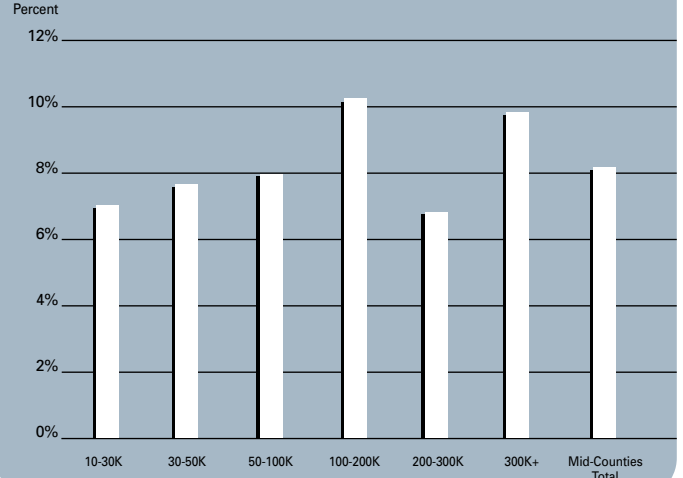
Prepared by:
Jerry J. Holdner, Jr.
Vice President
of Market Research
e-mail: jholdner@voitco.com

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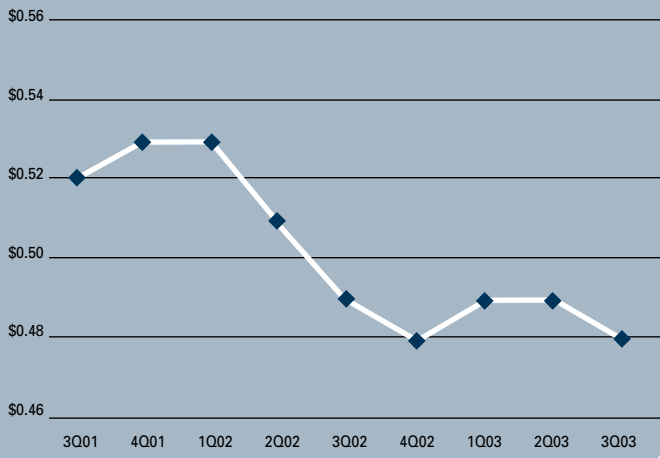
VACANCY RATE



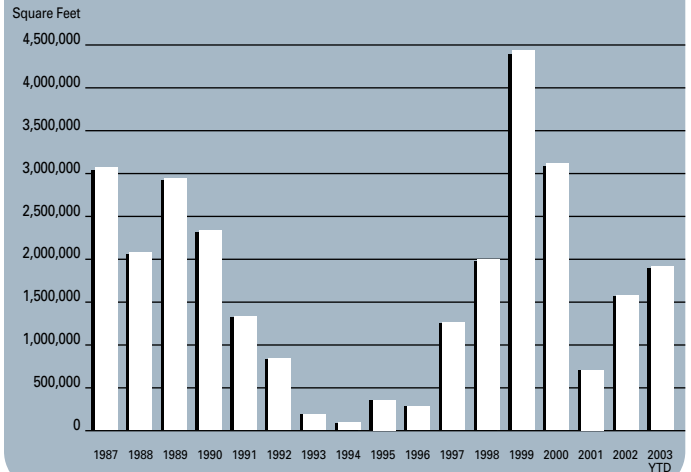
AVAILABILITY RATE BY SIZE



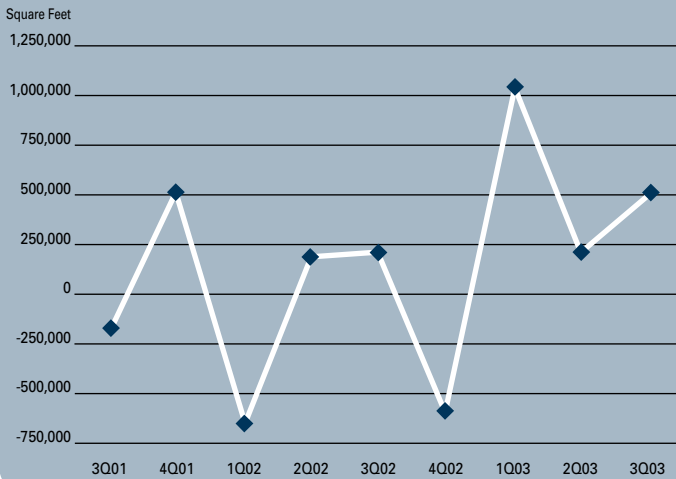
AVERAGE ASKING TRIPLE NET LEASE RATE



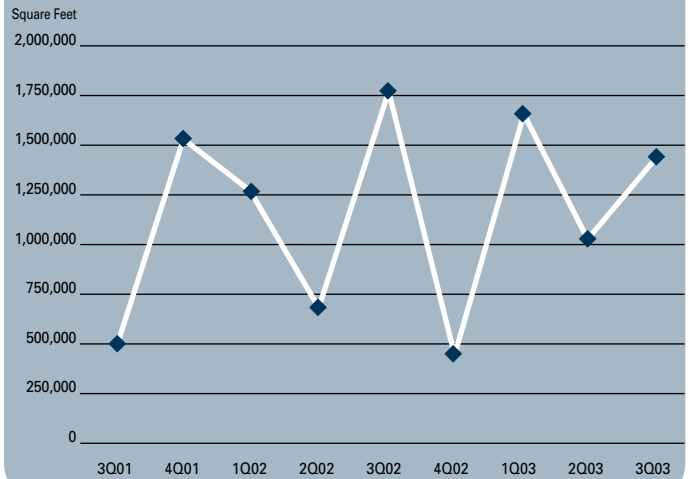
ANNUAL INDUSTRIAL NEW CONSTRUCTION



NET ABSORPTION



GROSS ABSORPTION



T H I R D Q U A R T E R 2 0 0 3

M I D - C O U N T I E S

INVENTORY

VACANCY & RENT

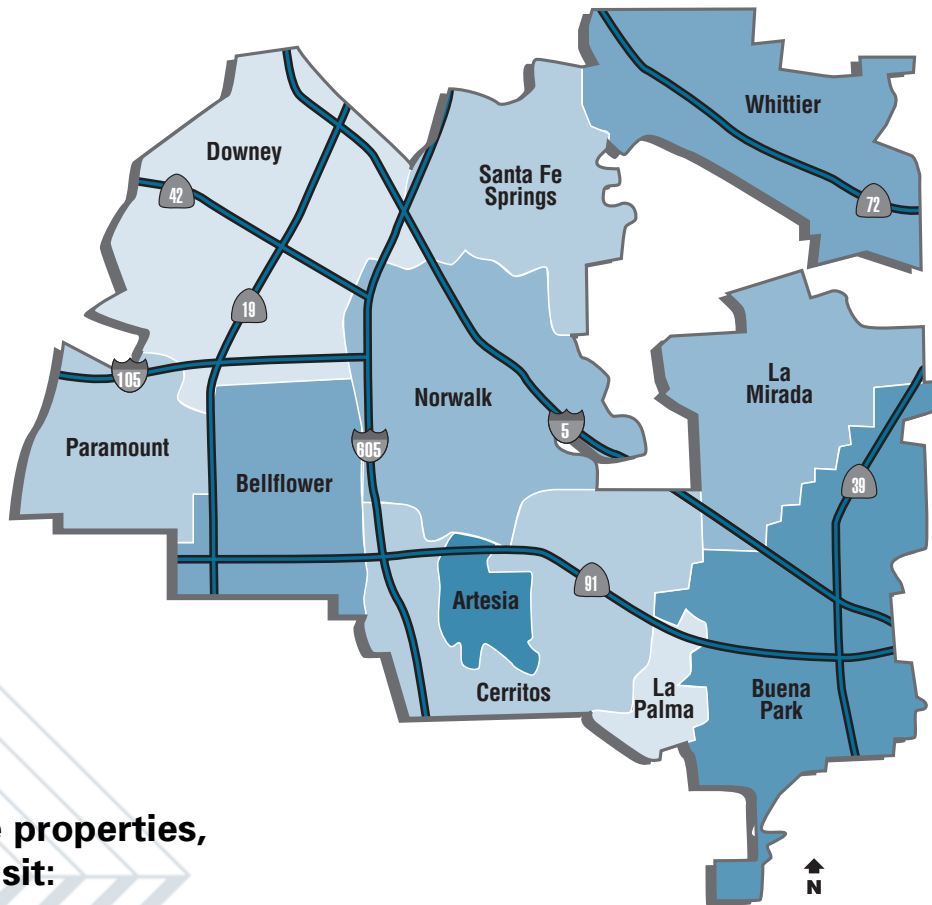
ABSORPTION

	Number Of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate 3Q2003	Square Feet Available	Availability Rate 3Q2003	Average Asking Lease Rate	Net Absorption 3Q2003	Net Absorption 2003	Net Absorption 2002	Net Absorption 2001
Artesia / Cerritos													
10,000 - 29,999	94	1,773,870	0	0	93,414	5.27%	189,719	10.70%	\$0.48	24,491	85,951	(56,801)	4,830
30,000 - 49,999	60	2,381,054	0	0	118,275	4.97%	131,573	5.53%	\$0.46	97,257	37,556	(11,774)	(60,053)
50,000 - 99,999	52	3,547,125	0	0	135,996	3.83%	213,922	6.03%	\$0.50	141,730	(28,476)	83,343	13,926
100,000 - 199,999	31	4,309,940	0	0	8,979	0.21%	94,066	2.18%	\$0.48	217,050	333,611	(123,366)	168,765
200,000 - 299,999	4	979,948	0	0	0	0.00%	75,400	7.69%	\$0.48	0	3,080	(3,080)	0
300,000+	1	320,000	0	0	0	0.00%	0	0.00%	\$0.00	0	0	0	0
Artesia / Cerritos Total	242	13,311,937	0	0	356,664	2.68%	704,680	5.29%	\$0.49	480,528	431,722	(111,678)	127,468
Bellflower / Downey													
10,000 - 29,999	93	1,587,711	0	0	62,846	3.96%	95,653	6.02%	\$0.52	(4,424)	(29,186)	17,327	60,353
30,000 - 49,999	17	652,164	0	0	88,515	13.57%	94,780	14.53%	\$0.48	(6,265)	(44,251)	44,355	(31,825)
50,000 - 99,999	17	1,154,565	0	0	88,822	7.69%	88,822	7.69%	\$0.49	0	89,760	(113,016)	9,676
100,000 - 199,999	8	1,037,272	0	0	0	0.00%	145,000	13.98%	\$0.00	0	0	0	0
200,000 - 299,999	2	528,153	0	0	0	0.00%	0	0.00%	\$0.00	0	0	0	0
300,000+	3	1,582,630	0	500,000	0	0.00%	0	0.00%	\$0.00	0	0	0	0
Bellflower / Downey Total	140	6,542,495	0	500,000	240,183	3.67%	424,255	6.48%	\$0.50	(10,689)	16,323	(51,334)	38,204
Buena Park / La Palma													
10,000 - 29,999	87	1,605,587	0	0	96,479	6.01%	104,900	6.53%	\$0.60	(1,777)	(11,118)	26,754	63,695
30,000 - 49,999	26	985,631	155,302	0	57,210	5.80%	57,210	5.80%	\$0.48	0	(13,500)	41,265	(77,063)
50,000 - 99,999	31	2,147,901	255,463	0	143,998	6.70%	215,145	10.02%	\$0.00	0	0	6,070	3,370
100,000 - 199,999	17	2,164,530	262,210	0	0	0.00%	185,200	8.56%	\$0.45	0	15,000	56,120	(71,120)
200,000 - 299,999	11	2,865,827	0	0	0	0.00%	213,402	7.45%	\$0.39	0	0	189,445	(30,665)
300,000+	10	5,037,358	0	0	140,000	2.78%	572,440	11.36%	\$0.46	(140,000)	521,400	(661,400)	0
Buena Park / La Palma Total	182	14,806,834	672,975	0	437,687	2.96%	1,348,297	9.11%	\$0.45	(141,777)	511,782	(341,746)	(111,783)
La Mirada													
10,000 - 29,999	56	996,832	0	0	59,100	5.93%	80,631	8.09%	\$0.58	(17,019)	(18,185)	23,722	(20,224)
30,000 - 49,999	34	1,288,854	74,640	0	76,008	5.90%	110,308	8.56%	\$0.48	7,039	1,798	34,269	39,094
50,000 - 99,999	38	2,676,190	0	53,770	181,520	6.78%	313,887	11.73%	\$0.47	(90,800)	(30,890)	(79,844)	310,273
100,000 - 199,999	29	3,806,315	0	0	178,400	4.68%	246,588	6.48%	\$0.44	0	40,200	(218,600)	131,632
200,000 - 299,999	12	2,774,717	0	0	0	0.00%	0	0.00%	\$0.00	231,925	231,925	43,805	42,548
300,000+	1	498,630	0	0	180,969	36.29%	180,969	36.29%	\$0.00	0	0	317,661	0
La Mirada Total	170	12,041,538	74,640	53,770	675,997	5.61%	932,383	7.74%	\$0.49	131,145	224,848	121,013	503,323
Norwalk													
10,000 - 29,999	28	475,956	0	0	44,073	9.26%	102,162	21.46%	\$0.53	(550)	13,707	(17,780)	0
30,000 - 49,999	5	201,985	0	0	48,000	23.76%	48,000	23.76%	\$0.49	0	(8,000)	0	0
50,000 - 99,999	12	805,833	0	0	60,000	7.45%	60,000	7.45%	\$0.00	0	49,100	0	0
100,000 - 199,999	9	1,175,104	0	0	0	0.00%	0	0.00%	\$0.00	0	0	33,747	70,415
200,000 - 299,999	0	0	0	0	0	0.00%	0	0.00%	\$0.00	0	0	0	0
300,000+	0	0	0	0	0	0.00%	0	0.00%	\$0.00	0	0	0	0
Norwalk Total	54	2,658,878	0	0	152,073	5.72%	210,162	7.90%	\$0.50	(550)	54,807	15,967	70,415
Paramount													
10,000 - 29,999	217	3,738,999	0	0	165,045	4.41%	211,525	5.66%	\$0.56	(16,000)	(32,634)	47,690	25,050
30,000 - 49,999	45	1,708,783	0	0	88,400	5.17%	80,400	4.71%	\$0.00	28,756	61,289	(70,169)	(3,520)
50,000 - 99,999	18	1,289,309	0	0	7,006	0.54%	7,006	0.54%	\$0.59	0	21,968	(77,434)	0
100,000 - 199,999	5	771,592	0	0	118,000	15.29%	118,000	15.29%	\$0.00	0	0	0	0
200,000 - 299,999	2	513,568	0	0	0	0.00%	0	0.00%	\$0.00	0	0	0	0
300,000+	1	323,008	0	0	0	0.00%	0	0.00%	\$0.00	0	0	0	0
Paramount Total	288	8,345,259	0	0	378,451	4.53%	416,931	5.00%	\$0.61	12,756	50,623	(99,913)	21,530
Santa Fe Springs													
10,000 - 29,999	519	8,910,054	315,927	130,389	468,234	5.26%	606,211	6.80%	\$0.54	144,740	240,408	(1,998)	46,852
30,000 - 49,999	166	6,485,647	71,583	217,277	468,107	7.22%	534,468	8.24%	\$0.48	151,894	91,279	(247,888)	655
50,000 - 99,999	140	9,585,568	71,225	267,764	602,869	6.29%	700,101	7.30%	\$0.50	12,539	90,198	192,188	(82,270)
100,000 - 199,999	81	10,530,295	298,972	248,908	1,625,353	15.44%	1,705,264	16.19%	\$0.48	(272,011)	(228,704)	(138,883)	70,584
200,000 - 299,999	24	5,908,054	0	0	729,617	12.35%	729,617	12.35%	\$0.53	0	148,305	54,434	711,558
300,000+	8	3,872,815	0	0	0	0.00%	395,126	10.20%	\$0.49	0	0	396,095	0
Santa Fe Springs Total	938	45,292,433	757,707	864,338	3,894,180	8.60%	4,670,787	10.31%	\$0.50	37,162	341,486	253,948	747,379
Whittier													
10,000 - 29,999	39	638,665	0	0	21,030	3.29%	21,030	3.29%	\$0.48	0	3,956	9,874	(10,800)
30,000 - 49,999	17	676,037	0	0	0	0.00%	35,040	5.18%	\$0.49	0	3,712	5,820	32,580
50,000 - 99,999	8	540,397	0	0	159,866	29.58%	159,866	29.58%	\$0.52	0	(26,741)	8,781	0
100,000 - 199,999	5	584,563	0	0	63,500	10.86%	63,500	10.86%	\$0.47	13,020	7,200	(70,700)	181,925
200,000 - 299,999	4	915,823	0	0	0	0.00%	0	0.00%	\$0.00	0	0	0	0
300,000+	0	0	0	0	0	0.00%	0	0.00%	\$0.00	0	0	0	0
Whittier Total	73	3,355,485	0	0	244,396	7.28%	279,436	8.33%	\$0.46	13,020	(11,873)	(46,225)	203,705
Mid Counties Total													
10,000 - 29,999	1,133	19,727,674	315,927	130,389	1,010,221	5.12%	1,411,831	7.16%	\$0.53	129,461	252,899	48,788	169,756
30,000 - 49,999	370	14,380,155	301,525	301,525	944,515	6.57%	1,091,779	7.59%	\$0.48	129,681	129,883	-204,122	-100,132
50,000 - 99,999	316	21,746,888	326,688	321,534	1,380,077	6.35%	1,758,749	8.09%	\$0.50	63,469	164,919	20,088	254,975
100,000 - 199,999	185	24,379,611	561,182	248,908	1,994,232	8.18%	2,557,618	10.49%	\$0.47	-41,941	167,307	-461,682	552,201
200,000 - 299,999	59	14,486,090	0	0	729,617	5.04%	1,018,419	7.03%	\$0.48	231,925	383,310	284,604	723,441
300,000+	24	11,634,441	0	500,000	320,969	2.76%	1,148,535	9.87%	\$0.47	-140,000	521,400	52,356	0
Total	2,087	106,354,859	1,505,322	1,418,108	6,379,631	6.00%	8,986,931	8.45%	\$0.48	521,595	1,619,718	(259,968)	1,600,241



MID-COUNTIES
MARKET
Report

3RD QUARTER 2003



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ANAHEIM METRO OFFICE

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Orange, California 92868-1642
TEL: 714.978.7880
FAX: 714.978.9431

IRVINE OFFICE

18500 Von Karman Ave., Suite 150
Irvine, California 92612-0508
TEL: 949.851.5100
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