### MID-COUNTIES

# REPORT

Compared to last quarter:

# VACANCY



AVAILABILITY



# ABSORPTION



**LEASE RATES** 



**CONSTRUCTION** 



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FOURTH QUARTER

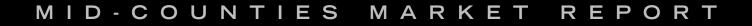
2003

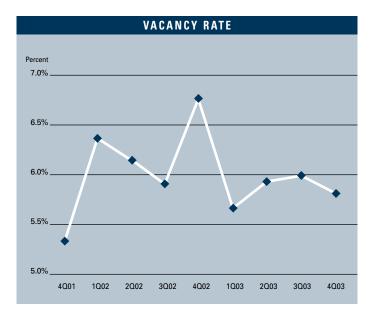
# MARKET HIGHLIGHTS

- Unemployment in the fourth quarter of 2003 in Los Angeles County is 6.5%, which down 0.3% from the third quarter of 2003 and up 0.7% since the fourth quarter of 2002.
- According to Los Angeles County Economic Development Corporation it is estimated that Los Angeles County gained 17,200 nonfarm jobs in 2003, and they are forecasting 47,700 new jobs with a 4.2% increase in total personal income for 2004.
- Total new construction added to the Mid-Counties Industrial market in 2003 was 1,933,308 square feet, which is more than last year's figure of 1,245,948 square feet. This is expected to slow down due to the lack of available land for development.
- Currently there is 521,191 square feet of construction under way; this is down from last quarter when there was 1,505,322 square feet under construction.
- Planned construction for this area is down compared to last year. Currently there is 2,263,647 square feet on the slate as being planned, compared to last year's figure of 2,340,923.
- The Industrial availability rate checked in at 8.24%, which is 1.23% higher then it was a year ago when it was 8.14%. Flat supply with more sublease space, coupled with a slower economy, would explain the flat rental rates since the fourth quarter of 2002. Rental rates should improve in 2004.
- The Industrial vacancy rate checked in at a low 5.81%. This represents a decrease in vacant space of about 14% compared to this same time last year.

#### MID-COUNTIES MARKET STATISTICS

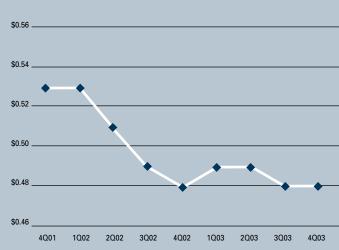
|                      | 402003    | 302003    | 402002    | % CHANGE VS. 4002 |
|----------------------|-----------|-----------|-----------|-------------------|
| Under Construction   | 521,191   | 1,505,322 | 715,854   | -27.19%           |
| Planned Construction | 2,263,647 | 1,418,108 | 2,340,923 | -3.30%            |
| Vacancy              | 5.81%     | 6.00%     | 6.75%     | -13.93%           |
| Availability         | 8.24%     | 8.45%     | 8.14%     | 1.23%             |
| Pricing              | \$0.48    | \$0.48    | \$0.48    | 0.00%             |
| Net Absorption       | -570,320  | 521,595   | -577,490  | -1.24%            |

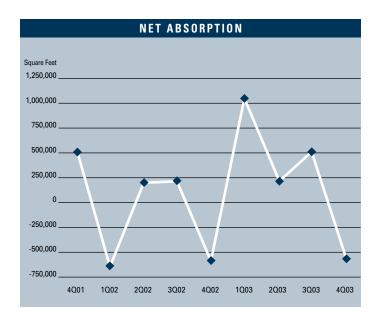




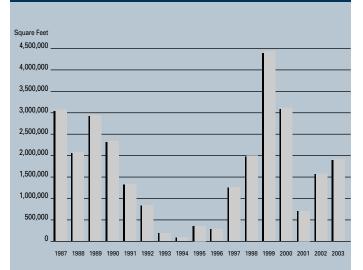


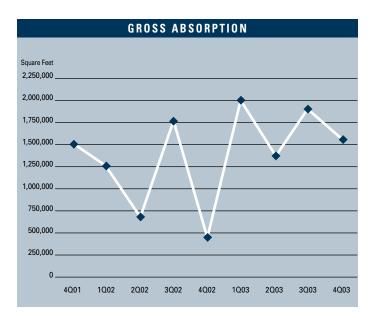
AVERAGE ASKING TRIPLE NET LEASE RATE





ANNUAL INDUSTRIAL NEW CONSTRUCTION





FOURTH QUARTER 2003

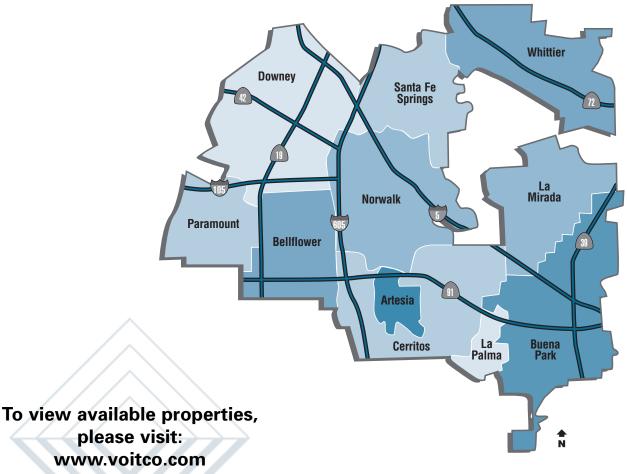
**VOIT COMMERCIAL BROKERAGE** 

# FOURTH QUARTER 2003

#### MID-COUNTIES

|   | INVENTORY                              |  |  |   | VACANCY & RENT   |   |  |  | ABSORPTION   |  |   |   |   |
|---|--|--|--|---|--|---|--|--|--|--|---|---|---|
|   | Number<br>Of<br>Bldgs.                 | Net<br>Rentable<br>Square Feet   | Square<br>Feet<br>U / C                      | Square<br>Feet<br>Planned                                 | Square<br>Feet<br>Vacant   | Vacancy<br>Rate<br>402003                             | Square<br>Feet<br>Available  | Availability<br>Rate<br>402003                         | Average<br>Asking<br>Lease Rate                          | Net<br>Absorption<br>402003                                      | Net<br>Absorption<br>2003                                     | Net<br>Absorption<br>2002   | Net<br>Absorption<br>2001                                 |
| Artesia / Cerritos  |  | 11   |  |   |  |   |  |  |  |  |   |   | I   |
| 10,000 - 29,999<br>30,000 - 49,999<br>50,000 - 99,999<br>100,000 - 199,999<br>200,000 - 299,999<br>300,000+                       | 95<br>60<br>52<br>31<br>4<br>0         | 1,787,969<br>2,381,054<br>3,547,125<br>4,309,940<br>979,948<br>0                 | 0<br>0<br>0<br>0<br>0                        | 0<br>0<br>0<br>0<br>0<br>0                                | 70,055<br>126,341<br>104,200<br>57,369<br>0<br>0                   | 3.92%<br>5.31%<br>2.94%<br>1.33%<br>0.00%<br>0.00%    | 187,012<br>126,341<br>170,813<br>153,372<br>0<br>0                       | 10.46%<br>5.31%<br>4.82%<br>3.56%<br>0.00%<br>0.00%    | \$0.46<br>\$0.48<br>\$0.46<br>\$0.47<br>\$0.00<br>\$0.00 | (11,350)<br>(35,852)<br>43,109<br>(48,390)<br>0<br>0             | 58,817<br>68,008<br>14,633<br>333,611<br>3,080<br>0           | (56,801)<br>(11,774)<br>83,343<br>(123,366)<br>(3,080)<br>0       | 4,830<br>(60,053)<br>13,926<br>168,765<br>0<br>0          |
| Artesia / Cerritos Total  | 242                                    | 13,006,036   | 0  | 0   | 357,965  | 2.75%   | 637,538  | 4.90%  | \$0.46   | (52,483)   | 478,149   | (111,678)   | 127,468   |
| Bellflower / Downey   |  |  |  |   |  |   |  |  |  |  |   |   |   |
| 10,000 - 29,999<br>30,000 - 49,999<br>50,000 - 99,999<br>100,000 - 199,999<br>200,000 - 299,999<br>300,000+                       | 93<br>17<br>17<br>8<br>2<br>3          | 1,579,500<br>652,164<br>1,154,565<br>1,037,272<br>528,153<br>1,582,630           | 0<br>0<br>0<br>0<br>0<br>0                   | 0<br>0<br>0<br>0<br>500,000                               | 25,708<br>37,986<br>76,782<br>0<br>0<br>0                          | 1.63%<br>5.82%<br>6.65%<br>0.00%<br>0.00%             | 110,995<br>82,250<br>76,782<br>145,000<br>0<br>0                         | 7.03%<br>12.61%<br>6.65%<br>13.98%<br>0.00%<br>0.00%   | \$0.65<br>\$0.59<br>\$0.49<br>\$0.00<br>\$0.00<br>\$0.00 | 37,138<br>6,265<br>12,040<br>0<br>0<br>0                         | 7,952<br>(37,986)<br>101,800<br>0<br>0                        | 17,327<br>44,355<br>(113,016)<br>0<br>0<br>0                      | 60,353<br>(31,825)<br>9,676<br>0<br>0<br>0                |
| Bellflower / Downey Total   | 140                                    | 6,534,284  | 0  | 500,000   | 140,476  | 2.15%   | 415,027  | 6.35%  | \$0.59   | 55,443   | 71,766  | (51,334)  | 38,204  |
| Buena Park / La Palma   |  | 1 500 007  | 20.000                                       |   | 27.000   | 0.400/  | 40 407   | 0.040/   | ¢0.00  | 10.040   | (10.000)  | 00.754  | 60.005  |
| 10,000 - 29,999<br>30,000 - 49,999<br>50,000 - 99,999<br>100,000 - 199,999<br>200,000 - 299,999<br>300,000+                       | 86<br>29<br>34<br>19<br>11<br>10       | 1,586,227<br>1,094,638<br>2,349,364<br>2,422,635<br>2,865,827<br>5,037,358       | 20,000<br>0<br>0<br>0<br>0<br>0<br>0         | 0<br>0<br>0<br>0<br>0<br>0                                | 37,996<br>123,112<br>268,753<br>177,465<br>133,241<br>695,440      | 2.40%<br>11.25%<br>11.44%<br>7.33%<br>4.65%<br>13.81% | 46,167<br>123,112<br>268,753<br>493,945<br>264,521<br>695,440            | 2.91%<br>11.25%<br>11.44%<br>20.39%<br>9.23%<br>13.81% | \$0.60<br>\$0.50<br>\$0.54<br>\$0.45<br>\$0.49<br>\$0.46 | 16,348<br>0<br>0<br>(133,241)<br>(555,440)                       | (13,090)<br>1,080<br>0<br>155,060<br>(133,241)<br>(34,040)    | 26,754<br>41,265<br>6,070<br>56,120<br>189,445<br>(661,400)       | 63,695<br>(77,063)<br>3,370<br>(71,120)<br>(30,665)<br>0  |
| Buena Park / La Palma Total   | 189                                    | 15,356,049   | 20,000                                       | 0   | 1,436,007  | 9.35%   | 1,891,938  | 12.32%   | \$0.60   | (672,333)  | (24,231)  | (341,746)   | (111,783)   |
| La Mirada   |  | 000.000  | •  |   | 10.051   | 1.049/  | 00.450   | 0.000/   | ¢0.50  |  | (10.051)  | 00 700  | (00.004)  |
| 10,000 - 29,999<br>30,000 - 49,999<br>50,000 - 99,999<br>100,000 - 199,999<br>200,000 - 299,999<br>300,000+                       | 56<br>33<br>34<br>29<br>12<br>1        | 996,832<br>1,247,354<br>2,448,790<br>3,806,315<br>2,774,717<br>498,630           | 0<br>74,640<br>0<br>0<br>0<br>0              | 0<br>0<br>53,770<br>0<br>0<br>0                           | 19,351<br>39,460<br>188,432<br>178,400<br>0<br>180,969             | 1.94%<br>3.16%<br>7.69%<br>4.69%<br>0.00%<br>36.29%   | 32,150<br>39,460<br>262,112<br>424,983<br>0<br>180,969                   | 3.23%<br>3.16%<br>10.70%<br>11.17%<br>0.00%<br>36.29%  | \$0.58<br>\$0.48<br>\$0.47<br>\$0.45<br>\$0.00<br>\$0.00 | 14,414<br>(38,092)<br>(22,419)<br>30,622<br>0<br>0               | (19,351)<br>(23,211)<br>(13,416)<br>20,328<br>243,184<br>0    | 23,722<br>34,269<br>(79,844)<br>(218,600)<br>43,805<br>317,661    | (20,224)<br>39,094<br>310,273<br>131,632<br>42,548<br>0   |
| La Mirada Total   | 165                                    | 11,772,638   | 74,640                                       | 53,770  | 606,612  | 5.15%   | 939,674  | 7.98%  | \$0.47   | (15,475)   | 207,534   | 121,013   | 503,323   |
| Norwalk   |  |  |  |   |  |   |  |  |  |  |   |   |   |
| 10,000 - 29,999<br>30,000 - 49,999<br>50,000 - 99,999<br>100,000 - 199,999<br>200,000 - 299,999<br>300,000+                       | 29<br>5<br>12<br>9<br>0<br>0           | 499,956<br>201,985<br>805,833<br>1,175,104<br>0<br>0                             | 0<br>0<br>0<br>0<br>0                        | 0<br>0<br>0<br>0<br>0                                     | 28,073<br>48,000<br>0<br>0<br>0<br>0                               | 5.62%<br>23.76%<br>0.00%<br>0.00%<br>0.00%<br>0.00%   | 86,162<br>83,200<br>53,527<br>0<br>0<br>0                                | 17.23%<br>41.19%<br>6.64%<br>0.00%<br>0.00%<br>0.00%   | \$0.50<br>\$0.49<br>\$0.00<br>\$0.00<br>\$0.00<br>\$0.00 | (47,264)<br>0<br>0<br>0<br>0<br>0                                | (33,557)<br>(48,000)<br>49,100<br>0<br>0                      | (17,780)<br>0<br>33,747<br>0<br>0                                 | 0<br>0<br>70,415<br>0<br>0                                |
| Norwalk Total   | 55                                     | 2,682,878  | 0  | 0   | 76,073   | 2.84%   | 222,889  | 8.31%  | \$0.60   | (47,264)   | (32,457)  | 15,967  | 70,415  |
| Paramount   |  |  |  |   |  |   |  |  |  |  | (   |   |   |
| 10,000 - 29,999<br>30,000 - 49,999<br>50,000 - 99,999<br>100,000 - 199,999<br>200,000 - 299,999<br>300,000+                       | 217<br>44<br>18<br>5<br>2<br>1         | 3,744,435<br>1,678,783<br>1,289,309<br>771,592<br>513,568<br>323,008             | 0<br>0<br>0<br>0<br>0<br>0                   | 0<br>0<br>0<br>0<br>0<br>0                                | 103,246<br>36,000<br>7,006<br>0<br>0<br>0                          | 2.76%<br>2.14%<br>0.54%<br>0.00%<br>0.00%             | 198,759<br>36,000<br>7,006<br>0<br>118,981<br>0                          | 5.31%<br>2.14%<br>0.54%<br>0.00%<br>23.17%<br>0.00%    | \$0.54<br>\$0.55<br>\$0.00<br>\$0.00<br>\$0.45<br>\$0.00 | (41,511)<br>(28,000)<br>7,006<br>0<br>0<br>0                     | (60,287)<br>37,689<br>77,434<br>0<br>0<br>0                   | 47,690<br>(70,169)<br>(77,434)<br>0<br>0<br>0                     | 25,050<br>(3,520)<br>0<br>0<br>0<br>0                     |
| Paramount Total Santa Fe Springs  | 287                                    | 8,320,695  | 0  | 0   | 146,252  | 1.76%   | 360,746  | 4.34%  | \$0.45   | (62,505)   | 54,836  | (99,913)  | 21,530  |
| 10,000 - 29,999<br>30,000 - 49,999<br>50,000 - 99,999<br>100,000 - 199,999<br>200,000 - 299,999<br>300,000+                       | 523<br>167<br>138<br>84<br>26<br>8     | 9,027,975<br>6,525,168<br>9,486,050<br>10,902,637<br>6,414,630<br>3,872,815      | 214,017<br>31,203<br>0<br>181,331<br>0<br>0  | 55,650<br>186,074<br>267,764<br>248,908<br>0<br>0         | 334,579<br>357,917<br>555,928<br>1,416,934<br>568,624<br>0         | 3.71%<br>5.49%<br>5.86%<br>13.00%<br>8.86%<br>0.00%   | 467,438<br>370,751<br>739,413<br>1,416,934<br>673,894<br>395,126         | 5.18%<br>5.68%<br>7.79%<br>13.00%<br>10.51%<br>10.20%  | \$0.54<br>\$0.51<br>\$0.48<br>\$0.50<br>\$0.53<br>\$0.49 | (67,132)<br>51,431<br>(9,117)<br>(119,942)<br>516,639<br>0       | 211,987<br>219,674<br>69,456<br>(356,858)<br>664,944<br>0     | (1,998)<br>(247,888)<br>192,188<br>(138,883)<br>54,434<br>396,095 | 46,852<br>655<br>(82,270)<br>70,584<br>711,558<br>0       |
| Santa Fe Springs Total  | 946                                    | 46,229,275   | 426,551                                      | 758,396   | 3,233,982  | 7.00%   | 4,063,556  | 8.79%  | \$0.50   | 371,879  | 809,203   | 253,948   | 747,379   |
| Whittier  |  |  |  |   |  |   |  |  |  |  |   |   |   |
| 10,000 - 29,999<br>30,000 - 49,999<br>50,000 - 99,999<br>100,000 - 199,999<br>200,000 - 299,999<br>300,000+                       | 40<br>14<br>7<br>4<br>4<br>0           | 665,164<br>548,007<br>476,897<br>480,828<br>915,823<br>0                         | 0<br>0<br>0<br>0<br>0                        | 0<br>0<br>0<br>0<br>951,481                               | 21,030<br>0<br>96,366<br>97,920<br>0<br>0                          | 3.16%<br>0.00%<br>20.21%<br>20.36%<br>0.00%<br>0.00%  | 21,030<br>70,080<br>96,366<br>97,920<br>0<br>0                           | 3.16%<br>12.79%<br>20.21%<br>20.36%<br>0.00%           | \$0.45<br>\$0.49<br>\$0.00<br>\$0.39<br>\$0.00<br>\$0.00 | (78,122)<br>(35,040)<br>0<br>(34,420)<br>0<br>0                  | (74,166)<br>(31,328)<br>(26,741)<br>(34,420)<br>0<br>0        | 9,874<br>5,820<br>8,781<br>(70,700)<br>0<br>0                     | (10,800)<br>32,580<br>0<br>181,925<br>0<br>0              |
| Whittier Total  | 69                                     | 3,086,719  | 0  | 951,481   | 215,316  | 6.98%   | 285,396  | 9.25%  | \$0.46   | (147,582)  | (166,655)   | (46,225)  | 203,705   |
| Mid Counties Total<br>10,000 - 29,999<br>30,000 - 49,999<br>50,000 - 99,999<br>100,000 - 199,999<br>200,000 - 299,999<br>300,000+ | 1,139<br>369<br>312<br>189<br>61<br>23 | 19,888,058<br>14,329,153<br>21,557,933<br>24,906,323<br>14,992,666<br>11,314,441 | 234,017<br>105,843<br>0<br>181,331<br>0<br>0 | 55,650<br>186,074<br>321,534<br>248,908<br>0<br>1,451,481 | 640,038<br>768,816<br>1,297,467<br>1,928,088<br>701,865<br>876,409 | 3.22%<br>5.37%<br>6.02%<br>7.74%<br>4.68%<br>7.75%    | 1,149,713<br>931,194<br>1,674,772<br>2,732,154<br>1,057,396<br>1,271,535 | 5.78%<br>6.50%<br>7.77%<br>10.97%<br>7.05%<br>11.24%   | \$0.52<br>\$0.52<br>\$0.47<br>\$0.48<br>\$0.47<br>\$0.47 | -177,479<br>-79,288<br>30,619<br>-172,130<br>383,398<br>-555,440 | 78,305<br>185,926<br>272,266<br>117,721<br>777,967<br>-34,040 | 48,788<br>-204,122<br>20,088<br>-461,682<br>284,604<br>52,356     | 169,756<br>-100,132<br>254,975<br>552,201<br>723,441<br>0 |
| Total   | 2,093                                  | 106,988,574  | 521,191                                      | 2,263,647   | 6,212,683  | 5.81%   | 8,816,764  | 8.24%  | \$0.48   | (570,320)  | 1,398,145   | (259,968)   | 1,600,241   |







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# Real People. Real Solutions.

This survey consists of properties 10,000 square feet and larger in size, representing both single tenant and multi-tenant buildings. The lease rates are based on a triple net basis. The information contained in this report is gathered from sources that are deemed reliable but no guarantees are made as to its accuracy. This information is for Voit Commercial Brokerage use only, and cannot legally be reproduced without prior written consent from the management of Voit Commercial Brokerage.