

DALE EVANS PARKWAY

LAND DEVELOPMENT OPPORTUNITY

NORTHEAST OF QUARRY ROAD AND DALE EVANS PARKWAY

2 BUILDING DEVELOPMENT IN APPLE VALLEY, CALIFORNIA
±77.23 ACRES | ±1,422,295 SF



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2 BUILDING, ±1,422,295 SF DEVELOPMENT
APPLE VALLEY, CALIFORNIA

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MARKET OVERVIEW



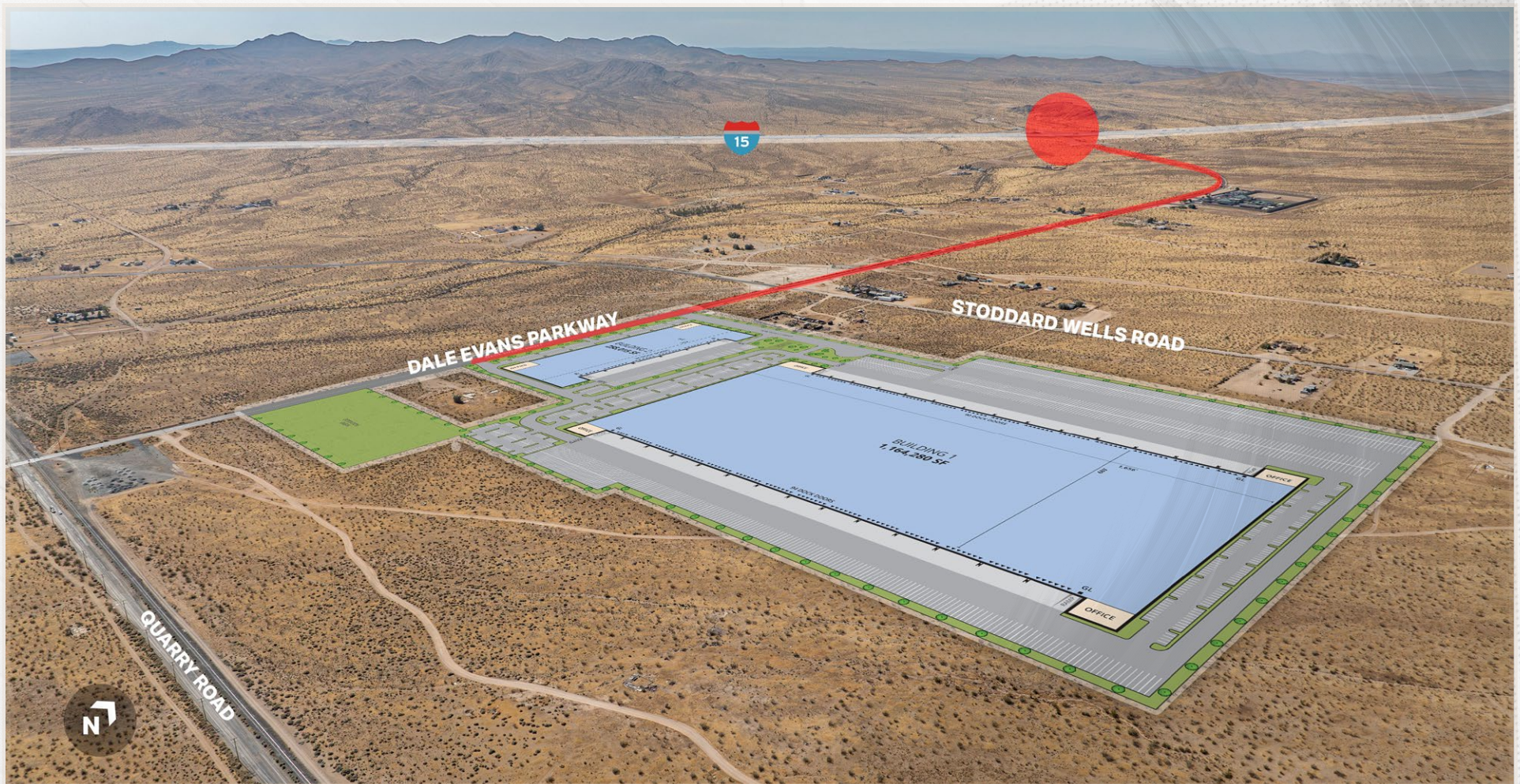
OFFERING SUMMARY

DEVELOPMENT INFO, HIGHLIGHTS, SITE PLANS


THE OFFERING

JLL, as the exclusive advisor, is pleased to present the opportunity to acquire the 100% fee simple interest in **±77.23 acres** along I-15, Northeast of Quarry Road & Dale Evans Parkway, located in Apple Valley, CA. This is a rare critical mass, large scale project adjacent to abundant labor resources in the largest industrial market in the nation with high sustained tenant demand supported by unprecedented growth in eCommerce. The Property features 2 buildings totaling **±1,422,295 SF** and features with prime access to the growing Southern California Logistics Airport area, as well as the North Apple Valley Industrial Center.

The Inland Empire market continues to benefit from the booming eCommerce demand and tenant migration from the LA Basin to the eastern markets due to supply constraints and lower occupancy costs. The Inland Empire is recognized by investors as a core location, high growth market with a development pipeline at historic low growth, strategic logistics location positioned adjacent to the largest port complex in the nation with direct access to 11 western states through an expansive freeway network system. The site benefits from a historically low development pipeline, which will limit future supply competition.



DEVELOPMENT HIGHLIGHTS



Total Site Size	±77.23 Acres
Building Sizes	Building 1 - 1,164,280 SF Building 2 - 258,015 SF
Dock High Doors	Building 1 - 184 DH Building 2 - 34 DH
Grade Level Doors	Building 1 - 4 GL Building 2 - 2 GL
Auto Parking	Building 1 - 563 Building 2 - 155
Trailer Parking	Building 1 - 768 Building 2 - 56
Clear Height	42' Minimum
Fire Sprinkler	ESFR System

SITE OVERVIEW

Zoned O-P/Office Professional with a portion of it situated in the 6,220 acre North Apple Valley Industrial Specific Plan

Zone change from O-P via a General Plan Amendment is possible

Streamline entitlement process with low cost fee structure

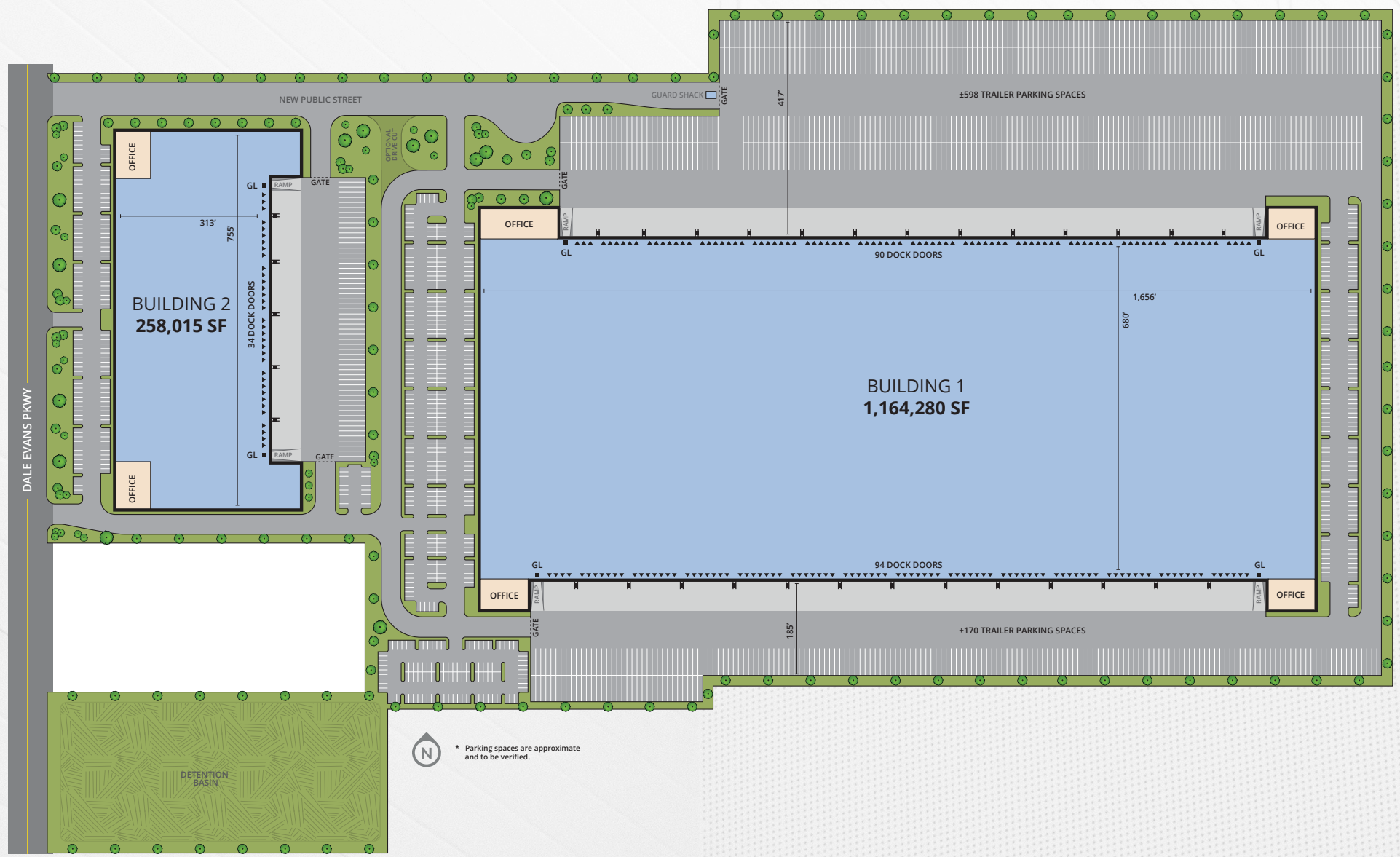
15" sewer interceptor located at the corner of Stoddard Wells Road & Dale Evans Pkwy

16" water main located in Dale Evans Pkwy. Between Colusa Rd. & Morro Rd.

2" high pressure gas line located in Dale Evans Pkwy.

Power supplied by Southern California Edison

PROPOSED SITE PLAN



SITE CONTEXT





LOCATION HIGHLIGHTS

BENEFICIAL APPLE VALLEY LOCATION

THE IE NORTH ADVANTAGE

5th FASTEST

Growing county in the U.S.

20 MILLION

Customers within 2-hour drive from project

LABOR

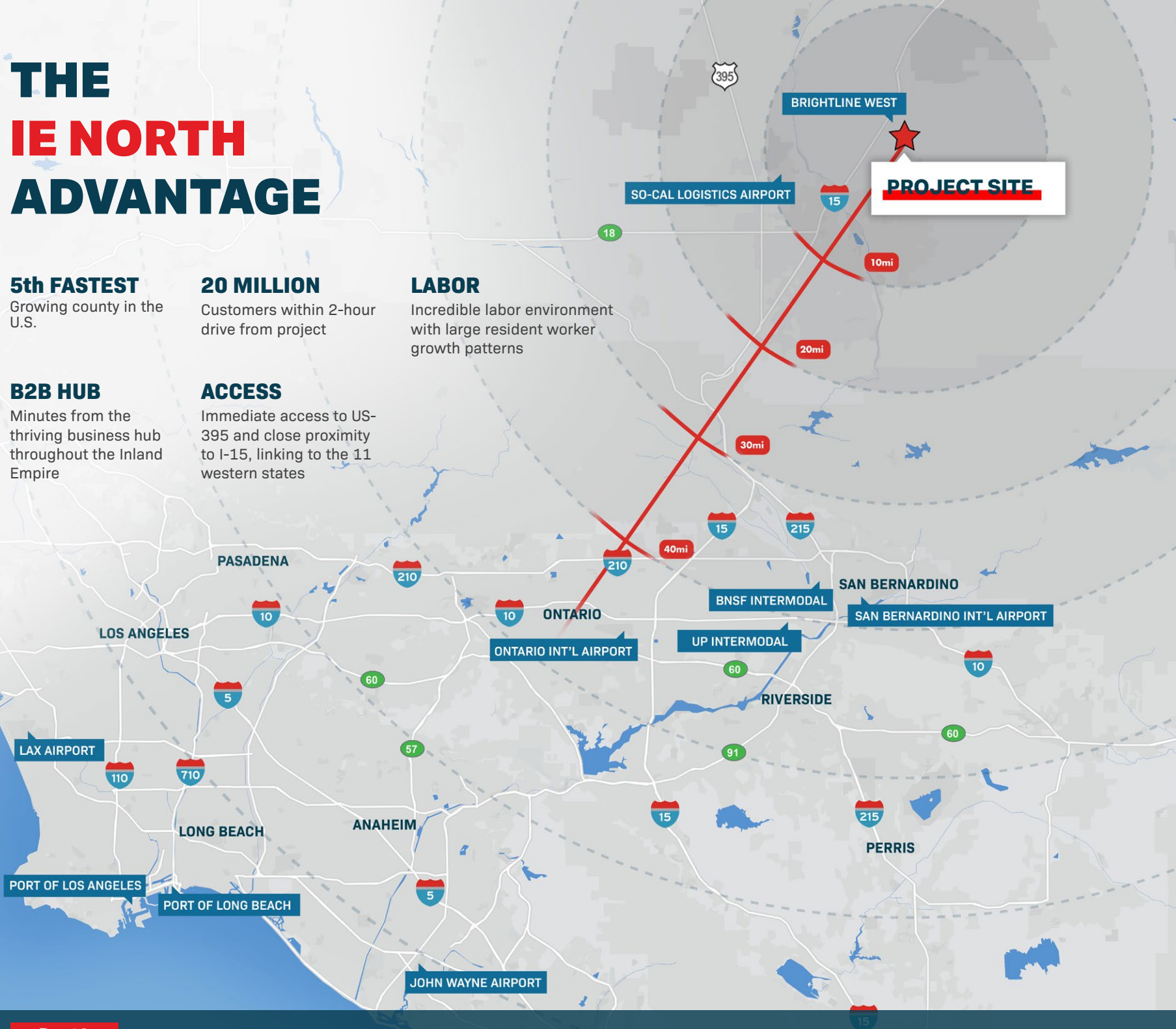
Incredible labor environment with large resident worker growth patterns

B2B HUB

Minutes from the thriving business hub throughout the Inland Empire

ACCESS

Immediate access to US-395 and close proximity to I-15, linking to the 11 western states



16.8 MILES
to So-Cal
Logistics Airport



51.2 MILES
to BNSF San
Bernardino



53.2 MILES
to San Bernardino
Int'l Airport



54.8 MILES
to Ontario Int'l
Airport



112 MILES
to Ports of LA &
Long Beach

AREA HIGHLIGHTS

IMMEDIATE ACCESS TO KEY INFRASTRUCTURE

Dale Evans Parkway is directly situated within the growing Inland Empire North submarket, boasting immediated access to the I-15 Freeway and close proximity to the Southern California Logistics Airport.



1.6 MILES
to future Brightline
Station



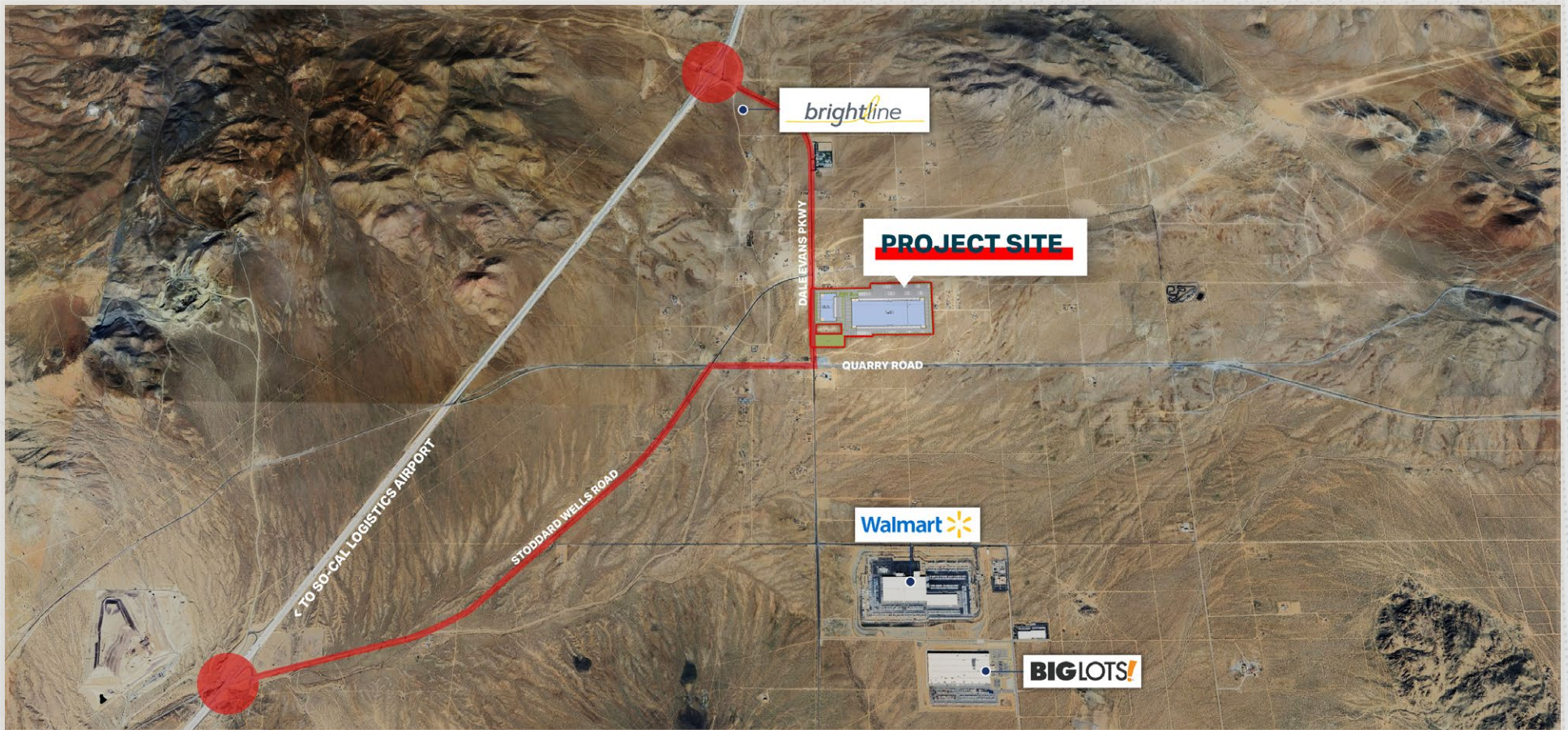
1.8 MILES
to I-15 Freeway



16.8 MILES
to So-Cal
Logistics Airport



24 MILES
to I-40 Freeway





PROJECT SITE

EVERYTHING YOU NEED AT YOUR DOORSTEP

Minutes from thriving retail & consumer hubs, logistics infrastructure, and blue chip corporate tenants.

AREA HIGHLIGHTS



50 MILLION

POPULATION LOCATED
WITHIN 500 MILES



25%

OF THE U.S. POPULATION
WITHIN A 12 HOUR DRIVE



6 | 11

DIRECT ACCESS TO
6 FREEWAYS & 11 STATES



PORT ACCESS

LOCATED WITHIN 112 MILES
OF THE SAN PEDRO PORT
COMPLEX

FIRST TO MARKET

Exceptional opportunity to develop within one of the most prolific industrial sub-markets, while benefiting from being an early developer in a currently underutilized immediate area.

STRATEGIC LOCATION

IE North Logistics Center is strategically located with direct access to Southern California's massive transportation network, with ease of access to six major freeways (I-215, I-10, I-15, CA 91, CA 60 and CA 210) leading to 11 western states and proximity to the nation's busiest port complex. Close proximity to Ontario Airport, UPS & Fed Ex Ground Hubs and BNSF Inter-modal Yard.

LARGE POPULATION CONCENTRATION

Access to the growing population of Southern California of over **25 million people** and direct link to nearly 25% of the US population within a one day drive.

BLUE CHIP CORPORATE NEIGHBORS

The Inland Empire North submarket has highest concentration of institutional quality, **Class "A" distribution and warehouse space**, with significant representation from retail, logistics, automotive, consumer products and food and beverage manufacturing companies.

ABUNDANT LOCAL WORKFORCE

The Inland Empire market boasts an ample and well-educated blue-collar workforce to support the transportation and logistics industries as well as an affordable cost of living. Employment in the Inland Empire grew 22% in the last five years, best among 51 U.S. regions with populations above 1 million.

STRATEGIC LOCATION

- **E-Commerce Fulfillment** – Proximity to large customer base, availability of seasonal workforce, and proximity to small parcel hubs make Fontana an excellent location for e-commerce fulfillment operations.
- **Strategic Access to Major Transportation Corridors and Critical Distribution and Logistics Hubs** –
 - **Surface** – The Property boasts exceptional access to all points throughout the Inland Empire, Los Angeles and the greater southwestern United States via I-15 (<1 mile) and SR- 395 (10mi)
 - **Ports** – 112 miles from the Port of Los Angeles and the Port of Long Beach, the nation's largest and busiest container port complex where 32% of cargo from overseas enters the United States.
 - **Intermodal Rail** – 51 miles from the San Bernardino B.N.S.F Intermodal Yard, and 55 miles from Colton Union Pacific Yard.
 - **Airports** – 17 miles to Southern California Logistics Airport, 53 miles to San Bernardino Airport, 54 miles to Ontario Airport, 105 miles from Long Beach Airport, and 111 miles from Los Angeles International Airport.

EXCELLENT LOCATION FOR TRUCKING

Large cluster of shippers' facilities in area enable trucking companies to provide quality services at competitive rate levels.

Los Angeles, CA	94 miles
San Diego, CA	156 miles
Las Vegas, NV	180 miles
Phoenix, AZ	355 miles
San Francisco, CA	429 miles
Sacramento, CA	431 miles
Reno, NV	440 miles
Salt Lake City, UT	598 miles
Boise, ID	799 miles
Denver, CO	926 miles
Portland, OR	1,003 miles
Seattle, WA	1,176 miles

FedEx
34 MILES to San Bernardino Depot





BRIGHTLINE WEST

Welcome Aboard!

Brightline West will connect Las Vegas and Southern California with the first true high-speed passenger rail system in the nation. This 218-mile, all-electric high-speed rail service will feature three full-service stations: the Las Vegas station and the Victor Valley and Rancho Cucamonga stations in Southern California.

Brightline West will be America's first true high-speed rail system linking two of America's most iconic destinations: Las Vegas and Southern California. The \$12 billion project will lay the foundation for a new high-speed rail industry and establish the blueprint for how to connect city pairs that are too short to fly and too far to drive.

Brightline West officially broke ground in April 2024!

THE VICTOR VALLEY STATION IS LOCATED JUST 1.6 MILES FROM THE PROPERTY!





**4-Year Construction (2028 opening)
3 Full-Service Stations**

[Visit Website](#)

FAST FACTS



~2 hrs

travel time from
Las Vegas to Southern
California.



2x

faster than the normal
drive time.



200 mph

top speeds.

American Made

10,000+ union jobs during construction and
1,000 permanent operations and
maintenance jobs.

Faster

Significantly reduced travel time versus car
and air travel.

Greener

Reduction in 400,000+ metric tons of CO₂
each year.

1st true high-speed rail system in the United States.

BROKE GROUND APRIL 2024



VICTOR VALLEY STATION

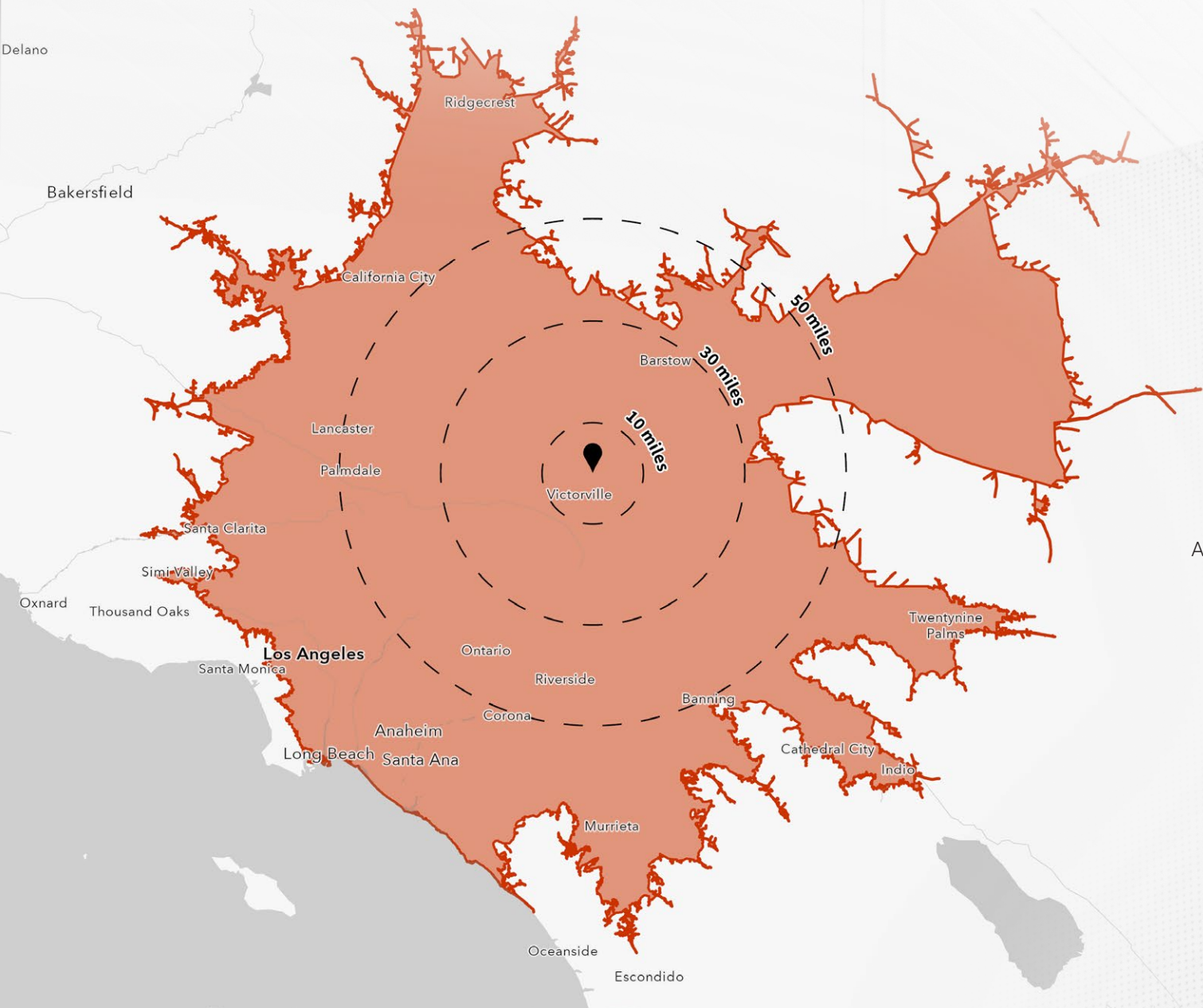




MARKET OVERVIEW

KEY INVESTMENT FIGURES

AREA DEMOGRAPHICS



WITHIN 120 MILES



±16,358,539
Total Population



9,764,258
Working Population



\$82,000
Average Household
Income



2,103,814
Blue Collar
Workers



484,245
Workers in
Production



1,615,371
Workers in
Services

SAN PEDRO PORT COMPLEX

PORT UPDATE

Another impressive quarter saw the ports process 4.6M total TEUs, 8% more than last year, capped off by a 17% YoY gain in the month of June. Notably, Long Beach saw its highest YoY gain in loaded import volumes since March 2021. Retailers and e-commerce outlets have restocked back-to-school items and fall fashion, and holiday goods are moving through the supply chain. Strong labor and wage data, along with softening inflation, is buoying consumer confidence. However, rebel activity in the Red Sea is pushing shipping lines around the African cape, driving costs up. Domestically, unresolved labor discussions at East and Gulf Coast ports is shifting cargo west, and the upcoming election is driving some importers to get ahead of possible tariff increases. July volumes are expected to be strong with all systems go in SoCal.

PORT STATISTICS - Q2 2024

4,639,794

Total TEUs

+8%

YoY Change

2,365,979

Loaded Import TEUs

+11%

YoY Change

3.1:1

Ratio of imports to
exports, down from 6.2:1
during the pandemic

+17%

Increase in number of ships
sailing from Asia to SoCal
during month of July
compared to historic norms

~90%

Percentage of Trans-
Pacific cargo business
conducted on a
contract basis, leaving
10% to spot market

+21%

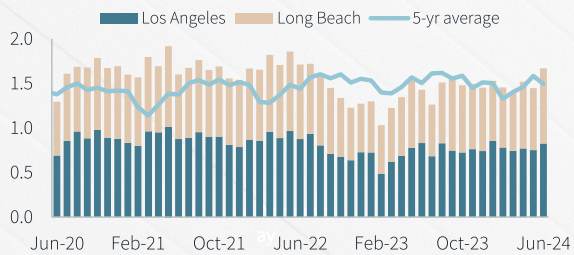
Number of US-made
electric cargo top
handlers added to
Port of LA fleet, the first
of their kind in the nation



PORT HIGHLIGHTS

June 2024 recorded a 12% increase over the 5-year average, the largest spread in 2 years

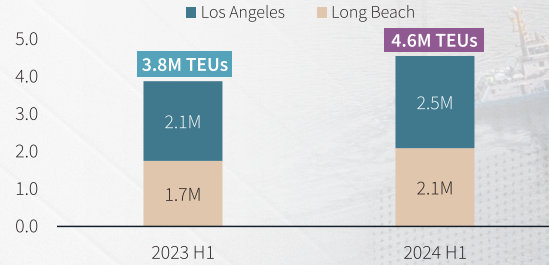
Total monthly TEUs (millions)



Source: Port of LA, Port of LB

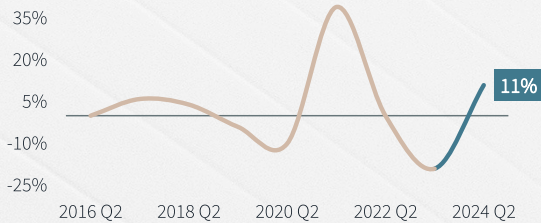
Loaded imports during H1 came in 3rd highest on record behind 2021 and 2022, up 18% YoY

Loaded imports TEUs (millions)



Source: Port of LA, Port of LB

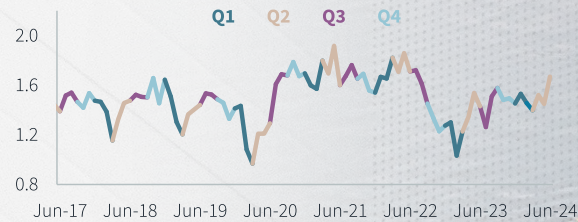
Q2 2024 saw the 2nd highest YoY increase in loaded import volumes among all Q2's on record



Source: Port of LA, Port of LB

Recent quarterly volumes are resembling pre-COVID seasonal patterns, signs of normalization at the ports

Total TEUs by quarter (millions)



Source: Port of LA, Port of LB

Loaded exports leaving San Pedro Bay have been rising, leading to a 50% decrease in the import to export ratio since the height of the pandemic



1,362,100

Loaded Exports TEUs (H1 2024)

7%

YoY increase

Source: Port of LA, Port of LB

Q3-2024 MARKET UPDATE

The third quarter exhibited strong positive absorption, reaching nearly 5.5 million s.f., mainly driven by Asian 3PL and e-commerce companies executing leases with immediate start dates and occupancy. Total vacancy decreased by 40 bps, while total availability dropped by 10 bps QoQ. This marks the first vacancy decrease in three years, hopefully signaling that rent and vacancy stabilization are on the horizon. The reduction in vacancy rate can also be attributed to a decrease in new construction completions, which declined by six million s.f. from the previous quarter and even more significantly, by over 10 million s.f. YoY. Leasing velocity rose by five million s.f. in comparison to the third quarter of last year with the bulk of activity in Q3'24 concentrated in the 200,000 to 500,000 s.f. size segment in the Western half of the market.

MARKET OUTLOOK

Outlook The West submarket is showing more positive indicators compared to its counterpart in the East. This quarter alone saw 56 more leases signed in the West, representing 4.9 million s.f. of activity. Historically, occupiers looking for more favorable leasing economics would focus on the East submarket, however with falling rental rates in the West, this advantage has diminished. While the IE East submarket has experienced a 5% QoQ decrease in asking lease rates, further rental rate corrections will be necessary to enhance tenant attraction and competitiveness in this area.

The San Pedro port complex continues to have robust volume with August having the second highest total imported TEUs recorded after May of 2021. The sustained high levels of activity at the ports could be attributed to shippers front-loading ahead of potential tariff hikes. Tenant interest from international 3PLs and new users continue to remain high as they look to expand their industrial footprint.

KEY TAKEAWAYS

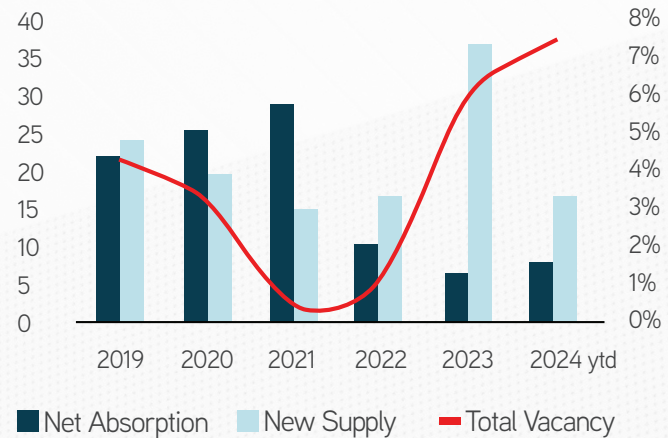
- *Total vacancy dropped by 40 bps from the previous quarter, the first vacancy rate reduction in three years.*
- *Robust leasing activity, characterized by rapid move-ins from Asian 3PL companies, drove significant positive net absorption.*
- *The IE West submarket significantly outperformed the East with 56 more leases signed in the quarter.*
- *The San Pedro port complex continues to thrive amidst the imminent east coast port strike.*

INLAND EMPIRE RENT & VACANCY

Fundamentals	Forecast
YTD net absorption	8,015,856 s.f. ▲
Under construction	13,198,538 s.f. ▼
Preleased	53% ▲
YTD deliveries	16,660,927 s.f. ▲
Total Vacancy	7.4% ▼
Total Availability	11.8% ▼
Average asking rent	\$1.24 p.s.f. ▼
Concessions	Rising ▲

Historical Supply & Demand Trends

(s.f. millions)



	Inventory (s.f.)	Quarterly total net absorption (s.f.)	YTD total net absorption (s.f.)	YTD total net absorption (% of stock)	Total vacancy (%)	Total availability (%)	Average total asking rent (\$ p.s.f.)	Quarterly Completions (s.f.)	YTD Completions (s.f.)	Under construction (s.f.)
Inland Empire total										
Warehouse & Distribution	625,138,446	5,755,016	7,891,071	1.3%	7.8%	12.1%	\$1.24	3,144,831	16,608,458	13,137,588
Manufacturing	54,656,013	-304,550	124,785	0.2%	3.3%	7.3%	\$1.34	0	52,469	60,950
Overall Total	679,794,459	5,450,466	8,015,856	1.2%	7.4%	11.8%	\$1.24	3,144,831	16,660,927	13,198,538
Inland Empire East										
Warehouse & Distribution	273,838,129	1,935,133	-1,659,981	-0.6%	9.0%	12.8%	\$1.15	1,396,349	4,649,775	5,341,809
Manufacturing	28,577,039	-211,058	-135,113	-0.5%	3.3%	7.7%	\$1.40	0	52,469	60,950
Overall Total	302,415,168	1,724,075	-1,795,094	-0.6%	8.4%	12.4%	\$1.15	1,396,349	4,702,244	5,402,759
Inland Empire North										
Warehouse & Distribution	21,788,432	433,996	407,351	1.9%	10.7%	11.9%	\$0.86	471,389	494,969	1,530,400
Manufacturing	1,833,627	0	354,500	19.3%	2.0%	11.7%	\$0.00	0	0	0
Overall Total	23,622,059	433,996	761,851	3.2%	10.0%	11.9%	\$0.86	471,389	494,969	1,530,400
Inland Empire West										
Warehouse & Distribution	329,511,885	3,385,887	9,143,701	2.8%	6.6%	11.6%	\$1.35	1,277,093	11,463,714	6,265,379
Manufacturing	24,245,347	-93,492	-94,602	-0.4%	3.5%	6.4%	\$1.30	0	0	0
Overall Total	353,757,232	3,292,395	9,049,099	2.6%	6.4%	11.2%	\$1.35	1,277,093	11,463,714	6,265,379

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