

Another quality project by SHOPOFF REALTY INVESTMENTS

1,061,090 SF

Class AAA Distribution Center Desert Hot Springs, CA

FREEWAY FRONTAGE



PROPERTY INFORMATION

Colliers and Stream Realty are pleased to present TradeWay Logistics, a Class AAA distribution facility totaling +/- 1,061,090 square feet on 55.54 acres of land. The project will be built next door to Amazon's Fulfillment Center which is coming in 2026. TradeWay Logistics is located directly off the I-10 Freeway in Desert Hot Springs and provides direct, strategic access to significant locations in Southern California and all throughout the Southwest.

This Net Zero building is designed with state-of-the-art features including 42' clear height, ESFR sprinklers, and superflat floors. TradeWay Logistics is positioned as a major west coast logistic hub with access to the largest ports in the United States and substantial population centers in Southern California, Nevada, and Arizona. Immediate access to the I-10 Freeway grants the Property a crucial East-West interstate connection that can service the entire Southern United States. The Project's strategic line of access to Mexico positions it well to benefit from the rapid rise in nearshoring with Mexican imports to the US increasing 59% in the last 5 years to \$550B in value.

TradeWay Logistics is estimated to have a construction start of Q4 2024 and a completion date of Q4 2025.

INLAND EMPIRE MARKET

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55.54 Acres (Net) Land Acreage

Two 240' Concrete Truck Courts

±1,061,090 SF Total Rentable Area

498 Trailer | 586 Auto Parking Stalls

Build-to-Suit Office Area

168 DH | 4 GL **Loading Doors**

Cross Dock Property Type

ESFR Sprinklers

42' Warehouse Clearance Superflat Floor Slab

720' x 1.453' **Building Dimensions**

EV Pathway for Charging Stations for Trucks and Vehicles

Net Zero Including Solar on Roof Adjacent to Amazon Fulfillment Center

TradeWay Logistics



SITE PLAN



55.54 AC

Land Acreage



42' CLEAR

Warehouse Height



1,061,090 SF

Building Size



NET ZERO

Including Solar on Roof





CENTRALIZED NEARSHORING DISTRIBUTION HUB

Nearshoring and reshoring trends have accelerated

Annual Imports from Mexico have seen significant growth

- 1. Rising Wages in China: As wages in China have increased significantly in recent years, it has become more expensive for companies to produce goods there, especially in low-margin industries.
- 2. Dwindling Labor Skill Gap Between Mexico and China: While China has long been a global manufacturing powerhouse, countries like Mexico have made strides in improving their manufacturing capabilities. Mexico, due to its proximity to the U.S. market, offers a more cost-effective alternative, with similar levels of skilled labor available for many industries, including automotive, electronics, and consumer goods.
- 3. Supply Chain Fragility Exposed by COVID-19: The COVID-19 pandemic exposed vulnerabilities in global supply chains, highlighting the risks associated with long, complex supply chains reliant on far-flung countries like China.
- 4. Geopolitical Tensions: Escalating trade tensions between the U.S. and China, as well as concerns over economic decoupling, have also pushed companies to reassess their reliance on Chinese manufacturing. Businesses are diversifying their supply chains to mitigate risks associated with geopolitical instability.
- **5.** Technological Advancements: In parallel, advancements in automation and robotics have made reshoring more feasible, as manufacturers are now able to offset higher labor costs with increased efficiency.

- 1. Annual Imports from Mexico to the U.S. (2018–2023)
 - Imports in 2018: U.S. imports from Mexico were approximately \$346 billion in 2018.
 - Imports in 2023: By 2023, U.S. imports from Mexico had risen to about \$550 billion (based on data for 2023)
- 2. Percentage Increase (2018–2023): From 2018 to 2023, U.S. imports from Mexico grew by roughly 59%. This sharp increase reflects the accelerating trend of nearshoring, as companies increasingly move production to Mexico to reduce supply chain risks and take advantage of Mexico's proximity to the U.S. and lower labor costs compared to China.
- 3. Projected Imports from Mexico (2023–2028)
 - Projection for 2028: Some forecasts suggest that U.S. imports from Mexico could reach approximately \$700 billion by 2028, driven by continued shifts in manufacturing, especially in sectors like automotive, electronics, and consumer goods.
- 4. Expected Growth: This would represent a potential increase of around 27% over the next five years, from an estimated \$550 billion in 2023 to \$700 billion in 2028.

INLAND EMPIRE 900,000+ SF MARKET

There are currently 119 existing industrial buildings above 900,000 SF in the Inland Empire Market today with a total base of 129,547,156 Square Feet. While the industrial base for the largest buildings has doubled since 2017, historical vacancy hovers between 1.5% and 2%.

The Eastern edge of the market has experienced a significant transformation in recent years into a now thriving hub for various industrial and commercial activities. The area's strategic location, along Interstate 10 has attracted numerous businesses seeking convenient access to key markets in Southern California, Phoenix and beyond.

Factors also contributing to the area's industrial growth are its favorable business climate, availability of labor, and access to the Ports of Los Angeles and Long Beach. The Coachella Valley specifically has actively encouraged the establishment of manufacturing and warehousing facilities, resulting in a diversified industrial landscape that ranges from pharmaceutical companies to distribution centers. The area has become an integral part of the regional supply chain, offering employment opportunities and economic benefits to both its residents and the broader community.

FORTUNE 500 OCCUPANCY

- With the purchase of the adjacent site, Amazon has demonstrated long-term commitment to Desert Hot Springs. Historically, Amazon and Fortune 500 occupancy have paved the way for the institutionalization of comparable submarkets.
- The Banning and Beaumont region nearby followed a similar path for exponential growth following the introduction of Amazon, with both areas seeing a doubling of inventory and leased square footage.
- This growth saw large investments including Shopoff Realty Investments' development of a 1.8 MSF campus in Calimesa completed in 2022. The campus was pre-sold to Brookfield Logistics and preleased to SHEIN Fashion Group. Shopoff's involvement helped propel the region's status from secondary to an institutionalized market attractive to tenants. Other large occupants such as United Legwear have since taken Big Box facilities in the local region further cementing its institutional landscape.
- Amazon's Fulfillment Center adjacent to TradeWay Logistics is coming to Desert Hot Springs in 2026.

TradeWay Logistics 6

INLAND EMPIRE 900,000+ SF



INVENTORY & LEASES SIGNED | BANNING & BEAUMONT



DEMOGRAPHICS click for report

Overview	25 Miles	50 Miles	100 Miles
Population	530,477	2,539,502	16,034,986
Annual Population Growth Rate (2010-2020) Desert Hot Springs (2010-2023) = 21.6%	0.70%	0.94%	0.51%
Daytime Residents Population	314,324	1,436,860	8,476,222

DRIVE DISTANCE



FWY Interchanges





±0.5 Miles

±28 Miles





±46 Miles

±57 Miles



Ports

Port of Los Angeles & Long Beach

±118 Miles



Airports

Palm	Springs
Airpo	ort

±11 Miles

Ontario Airport

±68 Miles

John Wayne Airport

±92 Miles

San Bernardino Airport

±52 Miles

Los Angeles Airport

±120 Miles

Long Beach Airport

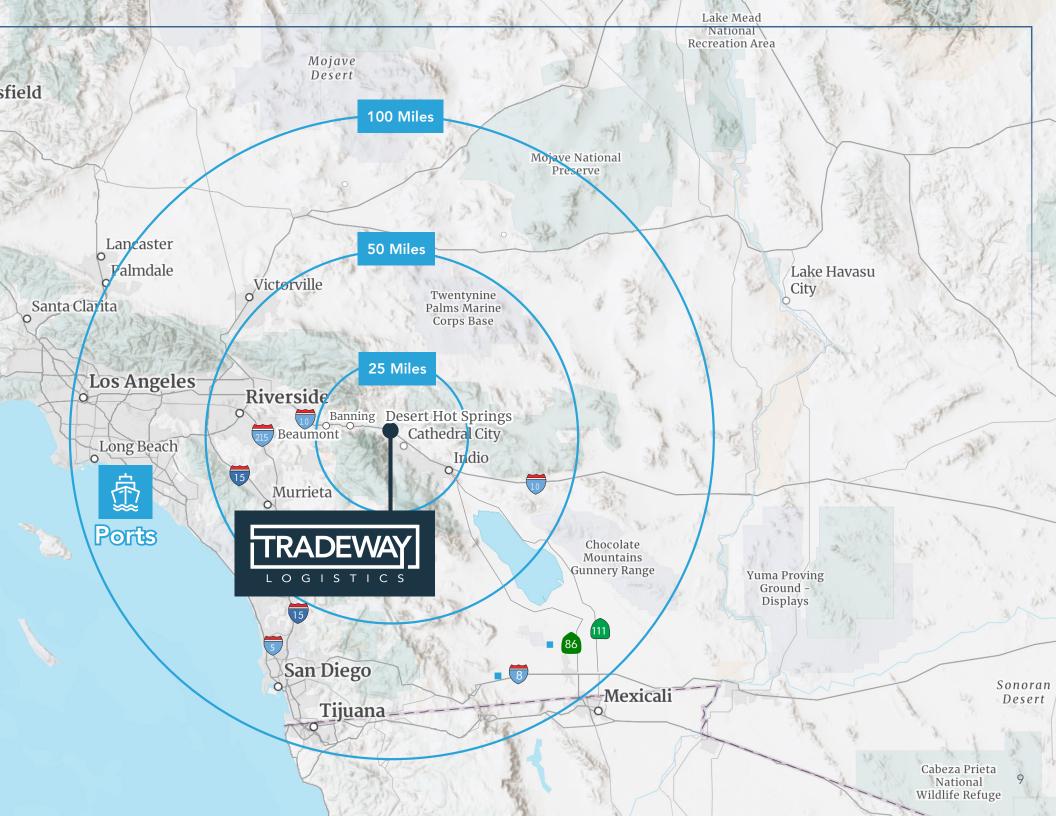
±106 Miles

Santa Barbara
Oxnard
Oxnard

Bakers

l Islands nal Park

TradeWay Logistics



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LOGISTICS

1,061,090 SF

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