

# MARKET TRENDS | ORANGE COUNTY INDUSTRIAL

**2ND QUARTER  
2020**

▼ VACANCY | ▲ ABSORPTION | ▲ RENTAL RATE | ▼ CONSTRUCTION DELIVERIES

## TOP SALE TRANSACTIONS FOR 2Q 2020

Property	Submarket	Square Feet	Sale Price	Price/SF	Buyer	Seller
17401 Eastman St	Irvine	43,109	\$10,346,500	\$240.01	Edwards Lifesciences Corp.	Min & Kay Pan
655 Tamarack	Brea/La Habra	38,439	\$9,225,500	\$240.00	Lotus Labels	Trico Realty
335 Fischer Ave	Costa Mesa	34,094	\$8,100,000	\$237.58	Dale Balough	John Mack
2206 Alton Pkwy	Irvine	30,600	\$7,904,000	\$258.30	B. Braun Medical Inc.	Katherine Stuart Trust
1601 E Saint Andrew Pl	Santa Ana	28,502	\$6,650,000	\$233.32	Reimagine Network	Goodwill Industries of Orange County

## TOP LEASE TRANSACTIONS FOR 2Q 2020

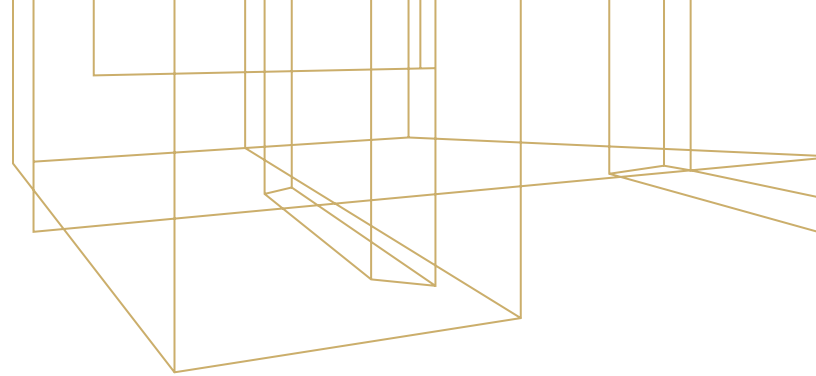
Property	Submarket	Square Feet	Date	Landlord	Tenant
1683 Sunflower Ave	Costa Mesa	197,000	June 2020	Sakura Paper, Inc.	Robinson Pharma
3001 Susan St	Santa Ana	93,955	June 2020	Alere Property Group	Undisclosed
701 S Sally Pl	Fullerton	85,172	May 2020	AEW Capital Management	Inmar
5757 Plaza Dr	Cypress	83,700	June 2020	DRA Advisors LLC	Undisclosed
709 Alton Ave	Santa Ana	72,232	May 2020	J.F. Shea Co., Inc.	Anduril

## TOP UNDER CONSTRUCTION

Property	Address	Submarket	Square Feet	Owner	Delivery Date
Briggs Corporate Center	265 Briggs Ave	Costa Mesa	19,079	Mark Moshayed	August 2020
Briggs Corporate Center	263 Briggs Ave	Costa Mesa	17,405	Mark Moshayed	August 2020
Briggs Corporate Center	261 Briggs Ave	Costa Mesa	15,455	Mark Moshayed	August 2020

## Market Breakdown

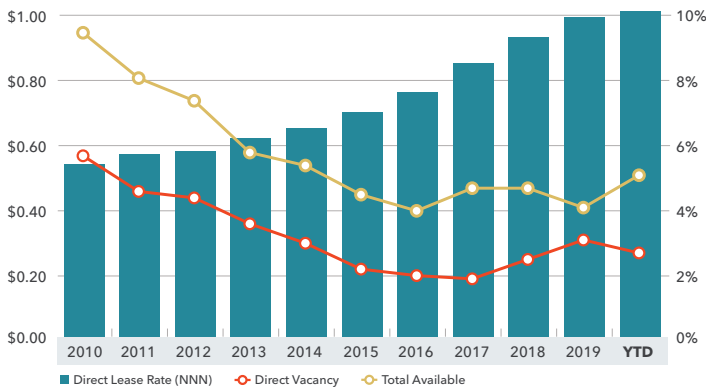
	2Q 2020	1Q 2020	2Q 2019	Annual % Change
Direct Vacancy Rate	2.6%	3.0%	3.0%	-11.81%
Total Availability Rate	5.0%	4.0%	4.6%	7.73%
Direct Asking Lease Rate	\$1.00	\$0.98	\$0.94	6.38%
Total Lease Transactions	1,404,420	3,778,757	2,969,371	-52.70%
Sale Transactions	383,572	1,068,818	1,411,858	-72.83%
Direct Net Absorption	379,980	469,636	(958,746)	N/A



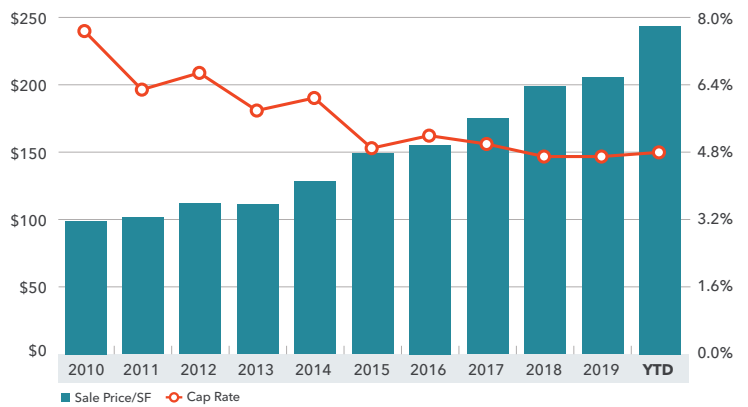
## ORANGE COUNTY SUBMARKET STATISTICS

Submarket	Total Inventory	Direct Vacancy Rate	Sublet Vacancy Rate	Total Vacancy Rate	Total Availability Rate	2Q Direct Net Absorption	YTD Direct Net Absorption	2Q Leasing Activity	YTD Leasing Activity	Average Rental Rate (NNN)
Costa Mesa	7,082,097	1.1%	0.1%	1.2%	9.3%	21,763	22,232	37,802	63,941	\$1.19
Fountain Valley	3,796,740	2.2%	0.1%	2.3%	6.6%	41,320	(35,720)	22,094	76,194	\$1.05
Irvine	11,451,770	1.7%	0.2%	1.8%	5.3%	12,756	163,952	75,174	135,460	\$1.00
Newport Beach	405,336	1.2%	0.0%	1.2%	1.4%	(2,000)	(5,000)	2,000	2,000	\$0.00
Santa Ana	30,277,148	4.9%	0.1%	5.0%	6.9%	636,473	650,741	395,233	738,637	\$0.98
Tustin	4,292,070	0.6%	0.0%	0.6%	1.5%	23,748	63,764	600	42,736	\$1.29
<b>Airport Area</b>	<b>57,305,161</b>	<b>3.2%</b>	<b>0.1%</b>	<b>3.3%</b>	<b>6.4%</b>	<b>734,060</b>	<b>859,969</b>	<b>532,903</b>	<b>1,058,968</b>	<b>\$1.03</b>
Anaheim	44,125,047	1.4%	0.5%	2.0%	2.8%	69,101	109,540	237,828	1,088,128	\$0.97
Brea/La Habra	15,327,327	1.6%	0.1%	1.6%	3.3%	(7,598)	(129,562)	70,928	193,237	\$0.94
Buena Park	13,285,333	2.6%	0.4%	3.1%	7.8%	(28,326)	1,005,110	12,111	389,105	\$0.74
Fullerton	19,135,493	4.1%	0.5%	4.6%	5.3%	(174,351)	(83,657)	183,052	570,377	\$0.95
Orange	13,239,175	1.3%	0.2%	1.5%	1.9%	27,927	(58,441)	87,929	215,182	\$1.05
Placentia/Yorba Linda	4,762,347	1.7%	0.3%	2.0%	4.6%	2,037	13,947	11,828	70,638	\$0.82
<b>North County</b>	<b>109,874,722</b>	<b>2.1%</b>	<b>0.4%</b>	<b>2.5%</b>	<b>3.9%</b>	<b>(111,210)</b>	<b>856,937</b>	<b>603,676</b>	<b>2,526,667</b>	<b>\$0.90</b>
Irvine Spectrum	9,772,052	7.8%	0.1%	7.9%	7.7%	(39,247)	78,299	40,808	119,781	\$1.14
Laguna Hills/Aliso Viejo	1,667,083	1.3%	1.1%	2.3%	3.3%	14,812	18,567	24,304	47,620	\$1.24
Laguna Niguel/Laguna Beach	334,079	3.0%	0.0%	3.0%	3.2%	0	0	0	0	\$2.30
Lake Forest/Foothill Ranch	9,321,305	0.9%	1.7%	2.7%	8.1%	14,456	11,961	6,892	92,582	\$1.19
Mission Viejo	486,294	1.3%	0.4%	1.7%	1.4%	7,516	6,330	1,437	9,872	\$1.80
Dana Point/San Juan/San Clemente	2,798,395	2.6%	0.1%	2.7%	2.9%	(41,978)	(52,786)	8,950	13,242	\$1.17
<b>South County</b>	<b>24,379,208</b>	<b>3.9%</b>	<b>0.8%</b>	<b>4.7%</b>	<b>6.8%</b>	<b>(44,441)</b>	<b>62,371</b>	<b>82,391</b>	<b>283,097</b>	<b>\$1.16</b>
Cypress	4,708,373	6.3%	0.3%	6.6%	8.9%	(70,701)	(121,553)	0	8,458	\$0.89
Garden Grove	11,638,574	3.6%	0.3%	3.9%	5.1%	(152,706)	(334,960)	128,663	278,000	\$0.82
Huntington Beach	12,504,647	1.8%	0.1%	2.0%	3.4%	28,139	(121,728)	46,824	586,387	\$0.87
La Palma	1,780,056	0.0%	0.0%	0.0%	13.7%	0	0	0	0	\$0.00
Los Alamitos/Stanton	3,816,223	0.6%	0.0%	0.6%	1.6%	2,281	12,380	0	26,573	\$0.97
Seal Beach	928,574	0.0%	0.0%	0.0%	0.0%	0	0	0	0	\$0.00
Westminster	2,254,774	1.3%	0.0%	1.3%	2.1%	(5,442)	(7,642)	9,963	92,453	\$1.00
<b>West County</b>	<b>37,631,221</b>	<b>2.6%</b>	<b>0.2%</b>	<b>2.8%</b>	<b>4.8%</b>	<b>(198,429)</b>	<b>(573,503)</b>	<b>185,450</b>	<b>991,871</b>	<b>\$0.86</b>
5,000 - 9,999	16,734,035	1.5%	0.2%	1.6%	2.5%	(73,123)	(66,346)	148,746	264,018	\$1.33
10,000 - 24,999	61,138,218	2.3%	0.2%	2.5%	3.9%	(132,189)	(348,881)	474,519	1,145,154	\$1.17
25,000 - 49,999	40,494,012	2.6%	0.2%	2.7%	4.9%	14,205	93,862	279,948	938,612	\$1.07
50,000 - 99,999	36,356,028	2.6%	0.2%	2.8%	5.2%	(60,888)	(246,934)	323,153	672,572	\$0.95
100,000 - 249,999	44,795,575	3.0%	0.4%	3.5%	5.8%	190,538	116,531	178,054	928,630	\$0.89
250,000 +	29,672,444	3.5%	1.0%	4.5%	7.1%	441,437	1,657,542	0	911,617	\$0.92
<b>Orange County Total</b>	<b>229,190,312</b>	<b>2.6%</b>	<b>0.3%</b>	<b>3.0%</b>	<b>5.0%</b>	<b>379,980</b>	<b>1,205,774</b>	<b>1,404,420</b>	<b>4,860,603</b>	<b>\$1.00</b>

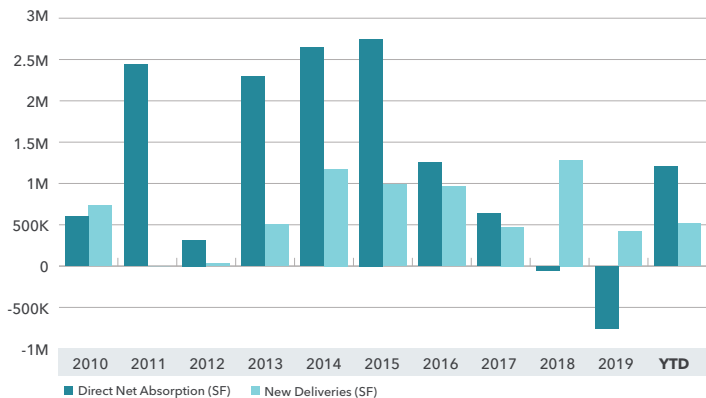
## LEASE RATE, VACANCY & AVAILABILITY



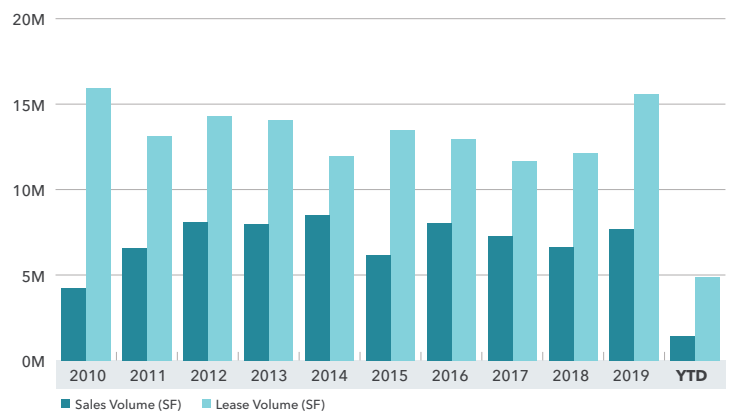
## AVERAGE SALES PRICE/SF & CAP RATES



## DIRECT NET ABSORPTION & NEW DELIVERIES



## SALE VOLUME & LEASE VOLUME



Kidder Mathews is the largest, independent commercial real estate firm on the West Coast, with 900 real estate professionals and staff in 22 offices in Washington, Oregon, California, Nevada, and Arizona. We offer a complete range of brokerage, appraisal, property management, consulting, project and construction management, and debt equity finance services for all property types.

The information in this report was composed by the Kidder Mathews Research Group.

**JOHN CHA**  
Director of Research  
206.248.7338  
[john.cha@kidder.com](mailto:john.cha@kidder.com)

**ROBERT THORNBURGH, SIO, CCIM**  
Regional President, Brokerage  
Southern California  
949.557.5000  
[robert.thornburgh@kidder.com](mailto:robert.thornburgh@kidder.com)  
LIC N° 01324961

[KIDDER.COM](http://KIDDER.COM)

### COMMERCIAL BROKERAGE

**27M**

**ANNUAL  
SALES SF**

**440+**

**NO. OF  
BROKERS**

**\$9.6B**

**ANNUAL  
TRANSACTION  
VOLUME**

**42M**

**ANNUAL  
LEASING SF**

### VALUATION ADVISORY

**1,680+**

**APPRAISALS  
ANNUALLY**

**38/24**

**TOTAL NO.  
APPRAISERS/MAI'S**

### PROPERTY MANAGEMENT

**70M+**

**MANAGEMENT  
PORTFOLIO SF**

**\$12B+**

**IN ASSETS UNDER  
MANAGEMENT**

This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material, including, but not limited to, statements of income and expenses. CONSULT YOUR ATTORNEY, ACCOUNTANT, OR OTHER PROFESSIONAL ADVISOR.