

MARKET TRENDS | ORANGE COUNTY

INDUSTRIAL

3RD QUARTER
2020

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

Year-over-year change

TOP SALE TRANSACTIONS FOR 3Q 2020

| Property | Submarket | Square Feet | Sale Price | Price/SF | Buyer | Seller |
|-------------------------|---------------|-------------|--------------|----------|-------------------------------------|-------------------------------|
| 6550 Katella Ave. | Cypress | 339,117 | \$60,281,256 | \$177.76 | LBA Realty | Stockbridge Capital Group LLC |
| 11130 Holder St. | Cypress | 204,314 | \$36,318,744 | \$177.76 | LBA Realty | Stockbridge Capital Group LLC |
| 3400 W. Segerstrom Ave. | Santa Ana | 56,920 | \$16,400,000 | \$288.12 | Bothers International Desserts Inc. | Bridge Development Partners |
| 17731-17741 Cowan | Irvine | 57,890 | \$12,560,000 | \$216.96 | Sun Surgery Center Inc. | Jansma Kim Trust |
| 660 N. Puente St. | Brea/La Habra | 51,567 | \$11,000,000 | \$213.31 | Triyar Companies | James & Mary Savage |

TOP LEASE TRANSACTIONS FOR 3Q 2020

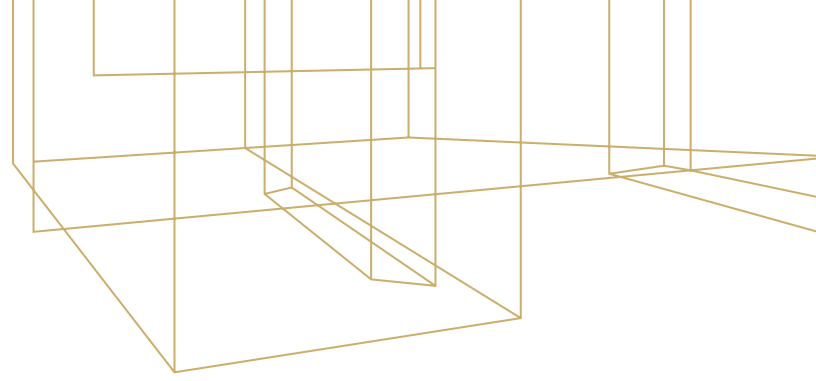
| Property | Submarket | Square Feet | Date | Landlord | Tenant |
|--------------------------|-----------|-------------|----------------|---------------------|--------------------|
| 14000-14030 E. 183rd St. | La Palma | 170,692 | September 2020 | Oltman Construction | Americhine |
| 4260 N. Harbor | Fullerton | 141,616 | August 2020 | Prologis | Sun Valley Tech |
| 14192 Franklin Ave. | Tustin | 95,736 | July 2020 | EBS Realty Partners | Rivian |
| 5757 Plaza Dr. | Cypress | 83,700 | July 2020 | DRA Advisors LLC | Bar Bakers, LLC |
| 2906 Tech Center Dr. | Santa Ana | 79,128 | July 2020 | J.F. Shea Co., Inc. | Vit-Best Nutrition |

TOP UNDER CONSTRUCTION

| Property | Address | Submarket | Square Feet | Owner | Delivery Date |
|---------------------------|---------------------------------|------------|-------------|--------------------------------|---------------|
| Lakeview Loop Way | 718 Lakeview Loop Way(2 Bldgs.) | Placentia | 93,382 | AJAX Lakeview Dev, LLC | March 2021 |
| Briggs Corporate Center | 261-265 Briggs Ave.(3 Bldgs.) | Costa Mesa | 51,939 | Mark Moshayed | October 2020 |
| 1213-1227 S. Claudina St. | 1213-1227 S. Claudina St. | Anaheim | 9,500 | Anaheim Transportation Network | June 2022 |

Market Breakdown

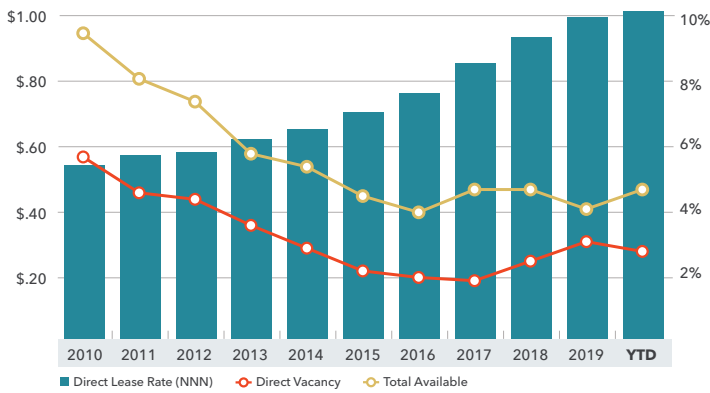
| | 3Q 2020 | 2Q 2020 | 3Q 2019 | Annual % Change |
|---------------------|-----------|-----------|-----------|-----------------|
| Direct Vacancy Rate | 2.7% | 2.7% | 3.1% | -12.74% |
| Availability Rate | 4.6% | 4.8% | 4.7% | -1.73% |
| Asking Lease Rate | \$1.00 | \$1.00 | \$0.95 | 5.26% |
| Lease Transactions | 2,616,409 | 2,643,818 | 4,181,034 | -37.42% |
| Sale Transactions | 1,161,087 | 447,419 | 4,693,534 | -75.26% |
| Net Absorption | (110,310) | (58,631) | 321,409 | N/A |



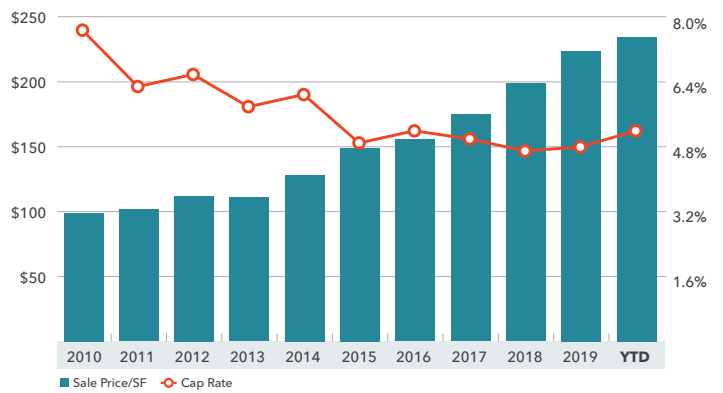
ORANGE COUNTY SUBMARKET STATISTICS

| Submarket | Total Inventory | Direct Vacancy Rate | Sublet Vacancy Rate | Total Vacancy Rate | Total Availability Rate | 3Q Direct Net Absorption | YTD Direct Net Absorption | 3Q Leasing Activity | YTD Leasing Activity | Average Rental Rate (NNN) |
|-----------------------------------|--------------------|---------------------|---------------------|--------------------|-------------------------|--------------------------|---------------------------|---------------------|----------------------|---------------------------|
| Costa Mesa | 7,120,977 | 2.5% | 0.0% | 2.5% | 6.4% | (102,213) | (76,681) | 64,125 | 376,966 | \$1.24 |
| Fountain Valley | 3,805,194 | 3.4% | 0.0% | 3.4% | 5.8% | (51,248) | (83,888) | 56,566 | 136,340 | \$1.05 |
| Irvine | 11,629,396 | 2.1% | 0.2% | 2.3% | 5.8% | (59,272) | 111,243 | 96,927 | 232,387 | \$1.07 |
| Newport Beach | 405,336 | 0.7% | 0.0% | 0.7% | 0.0% | 2,000 | (3,000) | 5,500 | 7,500 | \$0.00 |
| Santa Ana | 30,360,819 | 4.7% | 0.2% | 4.9% | 6.4% | 57,024 | 701,908 | 339,080 | 1,100,092 | \$0.98 |
| Tustin | 4,295,735 | 1.3% | 0.0% | 1.3% | 3.2% | (30,181) | 33,583 | 0 | 42,736 | \$1.32 |
| Airport Area | 57,617,457 | 3.5% | 0.1% | 3.7% | 5.9% | (183,890) | 683,165 | 562,198 | 1,896,021 | \$1.04 |
| Anaheim | 44,079,279 | 1.6% | 0.4% | 2.0% | 2.7% | (85,248) | 29,242 | 371,414 | 2,229,989 | \$1.00 |
| Brea/La Habra | 15,336,067 | 2.1% | 0.0% | 2.1% | 2.2% | (68,469) | (201,930) | 262,738 | 507,694 | \$0.96 |
| Buena Park | 13,277,926 | 2.1% | 0.4% | 2.6% | 7.3% | 67,486 | 1,074,300 | 186,190 | 575,295 | \$0.75 |
| Fullerton | 19,159,526 | 2.6% | 0.7% | 3.2% | 7.2% | 288,766 | 210,109 | 94,777 | 828,270 | \$0.88 |
| Orange | 13,317,459 | 1.0% | 0.4% | 1.4% | 1.9% | 46,674 | (14,906) | 119,353 | 337,572 | \$1.20 |
| Placentia/Yorba Linda | 4,762,247 | 2.3% | 0.1% | 2.5% | 5.7% | (31,146) | (17,199) | 60,347 | 143,706 | \$0.82 |
| North County | 109,932,504 | 1.9% | 0.4% | 2.3% | 4.0% | 218,063 | 1,079,616 | 1,094,819 | 4,622,526 | \$0.88 |
| Irvine Spectrum | 9,795,684 | 6.6% | 0.3% | 6.8% | 6.6% | 118,191 | 196,490 | 139,815 | 305,296 | \$1.10 |
| Laguna Hills/Aliso Viejo | 1,667,083 | 1.1% | 1.1% | 2.2% | 2.5% | 1,317 | 21,324 | 26,099 | 75,759 | \$1.27 |
| Laguna Niguel/Laguna Beach | 328,581 | 1.4% | 0.0% | 1.4% | 1.6% | 6,970 | 5,470 | 0 | 0 | \$2.30 |
| Lake Forest/Foothill Ranch | 9,331,976 | 2.1% | 2.2% | 4.3% | 5.9% | (86,755) | (92,964) | 209,669 | 316,422 | \$1.19 |
| Mission Viejo | 430,642 | 0.0% | 0.0% | 0.0% | 0.0% | 2,356 | 5,069 | 2,755 | 4,192 | \$1.75 |
| Dana Point/San Juan/ San Clemente | 2,804,130 | 3.5% | 0.0% | 3.5% | 3.0% | (21,945) | (78,170) | 36,493 | 49,735 | \$1.14 |
| South County | 24,358,096 | 3.9% | 1.0% | 5.0% | 5.5% | 20,134 | 57,219 | 414,831 | 751,404 | \$1.14 |
| Cypress | 4,707,882 | 5.1% | 0.3% | 5.4% | 6.0% | 55,981 | (65,572) | 81,175 | 176,933 | \$0.90 |
| Garden Grove | 11,636,690 | 3.7% | 0.8% | 4.5% | 4.6% | (14,158) | (351,243) | 137,242 | 446,263 | \$0.82 |
| Huntington Beach | 12,480,924 | 1.5% | 0.2% | 1.7% | 2.6% | 56,415 | (74,785) | 111,532 | 706,919 | \$0.85 |
| La Palma | 1,780,056 | 13.7% | 0.0% | 13.7% | 4.1% | (243,592) | (243,592) | 170,692 | 170,692 | \$0.00 |
| Los Alamitos/Stanton | 3,821,923 | 0.5% | 0.0% | 0.5% | 1.7% | 7,369 | 16,249 | 19,471 | 49,231 | \$0.97 |
| Seal Beach | 928,574 | 0.0% | 9.5% | 9.5% | 9.5% | 0 | 0 | 0 | 0 | \$0.00 |
| Westminster | 2,255,156 | 2.5% | 0.0% | 2.5% | 2.9% | (26,632) | (34,274) | 24,449 | 110,778 | \$1.01 |
| West County | 37,611,205 | 3.1% | 0.6% | 3.7% | 3.8% | (164,617) | (753,217) | 544,561 | 1,660,816 | \$0.86 |
| 5,000 - 9,999 | 16,785,284 | 1.7% | 0.2% | 1.9% | 2.5% | (26,980) | (104,730) | 176,251 | 450,487 | \$1.40 |
| 10,000 - 24,999 | 61,211,852 | 2.7% | 0.2% | 2.9% | 3.6% | (228,863) | (567,499) | 962,461 | 2,145,300 | \$1.18 |
| 25,000 - 49,999 | 40,573,005 | 2.9% | 0.3% | 3.1% | 4.7% | (87,945) | (21,605) | 483,230 | 1,436,466 | \$1.04 |
| 50,000 - 99,999 | 36,342,812 | 2.7% | 0.6% | 3.3% | 4.2% | (27,156) | (274,090) | 431,839 | 1,307,798 | \$0.97 |
| 100,000 - 249,999 | 44,930,349 | 3.0% | 0.7% | 3.7% | 5.1% | 7,250 | 123,781 | 273,913 | 1,409,584 | \$0.89 |
| 250,000 Plus | 29,675,960 | 2.6% | 0.6% | 3.2% | 7.8% | 253,384 | 1,910,926 | 288,715 | 2,181,132 | \$0.91 |
| Orange County Total | 229,519,262 | 2.7% | 0.4% | 3.1% | 4.6% | (110,310) | 1,066,783 | 2,616,409 | 8,930,767 | \$1.00 |

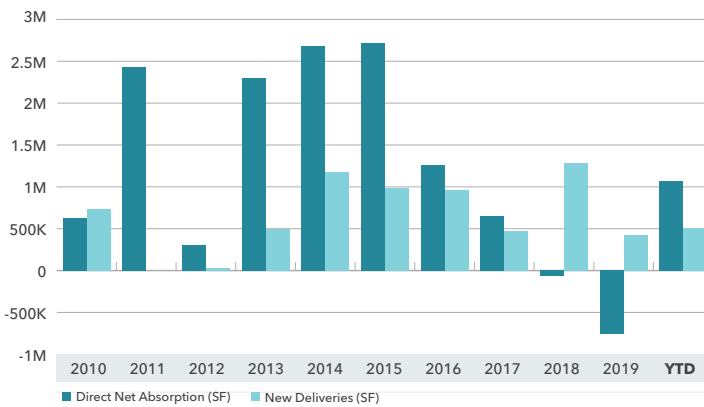
LEASE RATE, VACANCY & AVAILABILITY



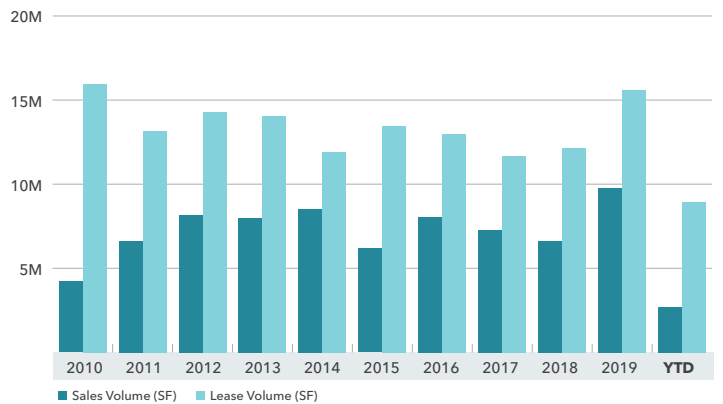
AVERAGE SALES PRICE/SF & CAP RATES



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 21 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.

GARY BARAGONA
 Director of Research
 415.229.8925
gary.baragona@kidder.com

BRIAN HATCHER
 President & COO
 949.557.5000
brian.hatcher@kidder.com

Designated Broker
 Mark Read | LIC N° 00572743

KIDDER.COM

COMMERCIAL BROKERAGE

27M ANNUAL SALES SF **450+** NO. OF BROKERS
\$9.6B ANNUAL TRANSACTION VOLUME **42M** ANNUAL LEASING SF

VALUATION ADVISORY

1,680+ APPRAISALS ANNUALLY **37/23** TOTAL NO. APPRAISERS/MAI'S

PROPERTY MANAGEMENT

70M+ MANAGEMENT PORTFOLIO SF **\$12B+** IN ASSETS UNDER MANAGEMENT

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