

MARKET TRENDS | **SAN DIEGO**

INDUSTRIAL

3RD QUARTER
2020

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

Year-over-year change

TOP SALE TRANSACTIONS FOR 3Q 2020

Property	Submarket	Square Feet	Sale Price	Price/SF	Buyer	Seller
One Technology Place	Rancho Bernardo	137,695	\$39,000,000	\$283.23	Dollinger Properties	Menlo Equities
10054 Old Grove Rd	Scripps Ranch	85,824	\$22,714,500	\$264.66	Padma Laxmi, LLC	CapRock Partners
6059 Cornerstone Ct W	Sorrento Mesa	51,690	\$20,600,000	\$398.53	Timothy Mullahey	Buchanan Street Partners
6060 Business Center Ct	Otay Mesa	134,776	\$20,215,000	\$149.99	Cabot Properties, Inc.	TREPCO West Company
395 Bay Blvd	Chula Vista	300,000	\$19,163,000	\$63.88	Wohl Property Group	Collins Aerospace

TOP LEASE TRANSACTIONS FOR 3Q 2020

Property	Address	Square Feet	Date	Landlord	Tenant
RB Vista	Rancho Bernardo	141,518	August 2020	Sunstone Group LP	Amazon
7995 Armour St	Kearny Mesa	116,000	August 2020	Crow Holdings Industrial	Ecommerce Tenant
Siempre Viva Business Park	Otay Mesa	112,000	September 2020	IDS Real Estate Group	Bose
The Campus	Otay Mesa	111,491	September 2020	Murphy Development Company	Hillebrand Logistics
Mesa Tech Center	Sorrento Mesa	106,412	September 2020	Rexford Industrial	Quidel

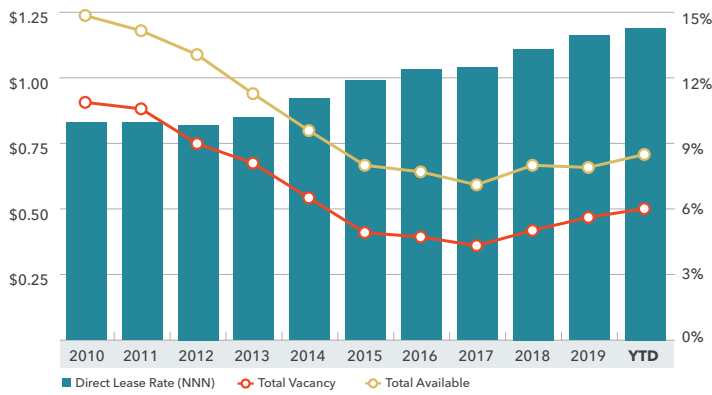
Market Breakdown

	3Q 2020	2Q 2020	3Q 2019	Annual % Change
Vacancy Rate	6.00%	5.90%	5.50%	7.41%
Availability Rate	8.50%	8.00%	7.70%	2.50%
Asking Lease Rate	\$1.19	\$1.17	\$1.14	4.46%
Leased SF	2,412,683	2,631,651	3,336,638	-29.92%
Sold SF	1,360,164	1,211,149	3,428,979	-49.18%
Net Absorption	542,206	-78,759	213,470	N/A

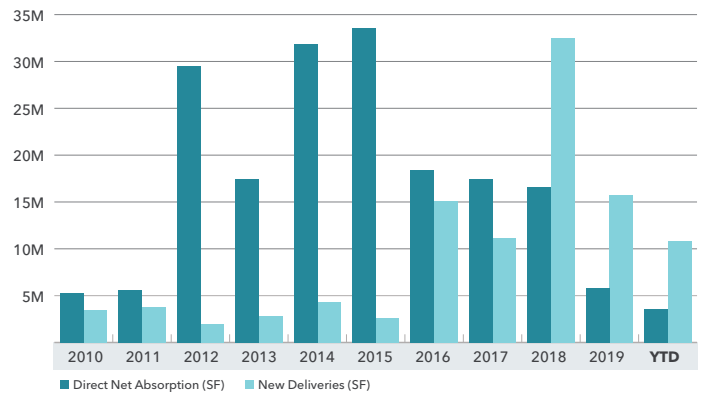
SAN DIEGO SUBMARKET STATISTICS

Submarket	Total Inventory	Direct Vacancy Rate	Total Vacancy Rate	3Q Direct Net Absorption	YTD Direct Net Absorption	3Q Leasing Activity	YTD Leasing Activity	SF Under Construction	YTD Construction Completions	Avg NNN Rental Rate
Carlsbad	15,488,541	10.4%	10.6%	(15,616)	273,102	222,221	686,497	0	50,150	\$1.16
Escondido	7,561,330	3.0%	3.3%	(38,420)	(11,936)	64,321	183,864	0	0	\$0.97
North Beach Cities	347,865	0.8%	0.8%	240	2,951	0	2,771	0	0	-
Oceanside	10,228,421	2.9%	3.3%	117,211	46,176	155,084	261,058	0	0	\$0.92
San Marcos	8,864,651	9.9%	9.9%	75,679	(137,249)	136,397	458,040	0	18,624	\$0.91
Vista	14,117,753	8.8%	9.7%	(146,826)	(226,281)	240,362	679,057	0	0	\$0.93
North County	56,608,561	7.5%	7.9%	(7,732)	(53,237)	818,385	2,271,287	0	68,774	\$0.99
Kearny Mesa	15,486,393	4.2%	5.0%	(45,966)	(100,289)	136,218	357,070	0	0	\$1.56
Mira Mesa/ Miramar	17,649,396	4.2%	5.0%	(734)	(96,495)	238,477	767,485	0	0	\$1.48
PB/Rose Canyon/ Morena	2,750,281	6.0%	6.5%	(37,455)	(121,568)	28,950	140,894	0	0	\$1.08
Sorrento Mesa	10,300,189	10.6%	11.0%	75,196	(69,016)	272,567	868,523	28,000	0	\$2.05
Sorrento Valley	3,287,261	9.2%	9.5%	(47,952)	(40,178)	62,630	176,300	0	0	\$1.94
Sports Arena/ Airport	2,875,098	3.7%	4.2%	39,380	(5,590)	25,430	42,120	0	0	\$1.30
Torrey Pines	3,847,854	5.5%	6.4%	(4,064)	(15,349)	42,239	212,907	195,826	0	\$2.50
UTC	2,492,065	7.1%	7.1%	(44,806)	(23,319)	0	723,380	0	98,000	\$2.20
Central County	58,688,537	5.9%	6.5%	(66,401)	(471,804)	806,511	3,288,679	223,826	98,000	\$1.27
Mission Gorge	1,894,984	5.2%	5.4%	(3,769)	(59,949)	8,051	36,094	0	0	\$1.57
Poway	9,697,985	1.0%	1.7%	525,612	611,177	50,787	683,815	0	533,950	\$1.11
Rancho Bernardo	7,968,449	3.5%	3.7%	(24,821)	366,885	150,326	246,777	0	141,518	\$1.58
Scripps Ranch	1,467,849	1.9%	1.9%	69,544	65,519	1,275	130,048	0	0	\$1.24
I-15 Corridor	21,029,267	2.4%	2.8%	566,566	983,632	210,439	1,096,734	0	675,468	\$1.34
Chula Vista	9,940,644	6.5%	6.8%	42,339	(241,161)	75,631	255,161	163,000	0	\$1.04
Downtown	1,786,534	2.1%	2.1%	7,062	17,815	0	0	0	0	-
National City	3,741,199	0.9%	0.9%	(2,260)	(15,651)	27,047	60,188	0	0	\$1.01
Otay Mesa	16,405,683	6.7%	7.8%	8,198	154,094	298,451	409,962	4,602,157	237,631	\$0.77
San Ysidro/ Imp Beach	1,364,568	0.8%	1.1%	(1,140)	7,870	5,200	52,918	0	0	\$1.01
South County	33,238,628	5.5%	6.1%	54,199	(77,033)	406,329	778,229	4,765,157	237,631	\$0.85
East City	914,729	0.0%	0.0%	0	0	0	0	0	0	-
El Cajon	9,744,899	3.6%	3.7%	(120,187)	(178,716)	66,176	180,880	0	0	\$1.04
La Mesa/ Spring Valley	2,485,692	3.3%	3.3%	69,429	144,722	52,017	203,939	0	0	\$0.88
Santee	4,042,328	3.4%	3.4%	(854)	(16,387)	24,490	67,226	110,119	7,413	\$1.07
Southeast San Diego	4,079,566	1.8%	2.0%	47,132	37,395	19,332	79,959	0	0	\$1.13
East County	21,267,214	3.1%	3.1%	(4,480)	(12,986)	162,015	532,004	110,119	7,413	\$1.00
Outlying SD County North	982,004	1.2%	1.2%	2,044	1,706	1,094	8,580	0	0	\$1.30
Outlying SD County South	801,777	1.3%	1.3%	(1,990)	(10,220)	3,110	6,110	0	0	-
Outlying East San Diego Cty	1,783,781	1.2%	1.2%	54	(8,514)	4,204	14,690	0	0	\$1.30
San Diego Total	192,615,988	5.6%	6.0%	542,206	360,058	2,407,883	7,981,623	5,099,102	1,087,286	\$1.19

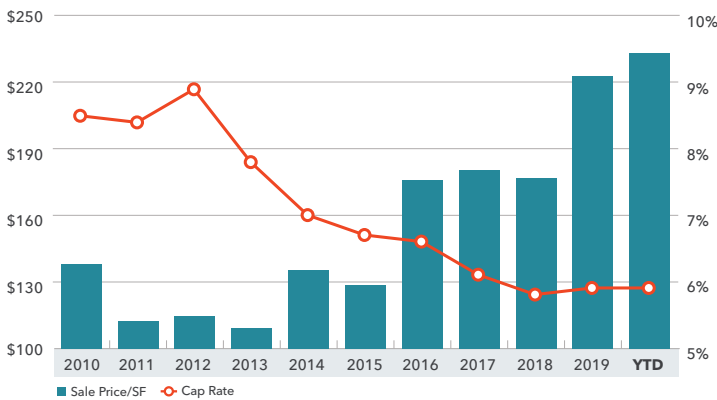
LEASE RATE, VACANCY & AVAILABILITY



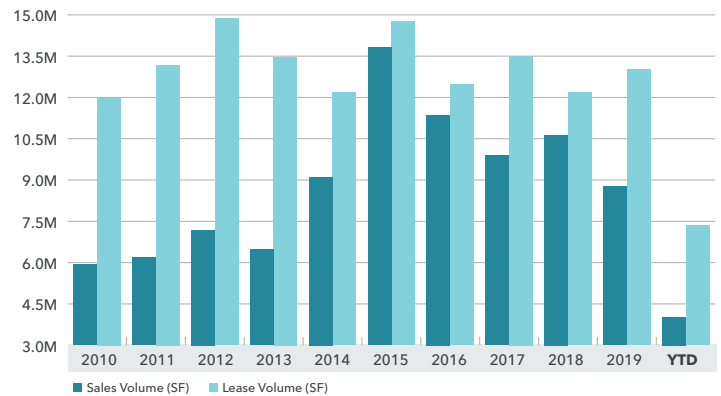
DIRECT NET ABSORPTION & NEW DELIVERIES



AVERAGE SALES PRICE/SF & CAP RATES



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.

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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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