

MARKET TRENDS | ORANGE COUNTY

OFFICE

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
Five Point Gateway(2 Bldgs.)	Irvine Spectrum	660,893	\$355,000,000	\$537.15	PRP Real Estate Investment Mgmt.	FIVEPOINT Holdings, LLC
111 Pacifica	Irvine Spectrum	68,427	\$26,150,000	\$382.16	Toda America, Inc.	Scott Wessler
51 Columbia	Laguna Hills/Aliso Viejo	34,299	\$16,850,000	\$491.27	KB Property Advisors	John Pomer
Civic Center Plaza	Laguna Niguel/Laguna Beach	42,074	\$10,600,000	\$251.94	Anilam Singh	PASSCO Companies
3050 Pullman	Costa Mesa	28,402	\$8,390,000	\$295.40	A&B Home Group, Inc.	Forma Designs

TOP LEASE TRANSACTIONS FOR 3Q 2020

Property	Submarket	Square Feet	Date	Landlord	Tenant
1241 E. Dyer Rd.	Santa Ana	66,885	August 2020	Greenlaw Partners	Executive Office for Immigration Review
16815 Von Karman Ave.	Irvine/Tustin Legacy	26,047	August 2020	The Blackstone Group	Beckam Funding Corp.
1550 Scenic Ave.	Costa Mesa	23,793	August 2020	CJ Segerstrom & Sons	Spectrum Group Intl.
680 Newport Center Dr.	Newport Beach	22,370	August 2020	The Irvine Company	Undisclosed

TOP UNDER CONSTRUCTION

Property	Address	Submarket	Square Feet	Owner	Delivery Date
The Press	1375 Sunflower Dr.	The Press	380,856	Invesco Real Estate	January 2021
15332 Newport Ave.	15332 Newport Ave.	Tustin	180,000	SchoolsFirst Federal Credit Union	January 2021
Spectrum Terrace	17500 Laguna Canyon Rd.	Irvine Spectrum	114,875	The Irvine Company	December 2020
Spectrum Terrace	17600 Laguna Canyon Rd.	Irvine Spectrum	114,875	The Irvine Company	February 2021
Spectrum Terrace	17400 Laguna Canyon Rd.	Irvine Spectrum	114,603	The Irvine Company	February 2021

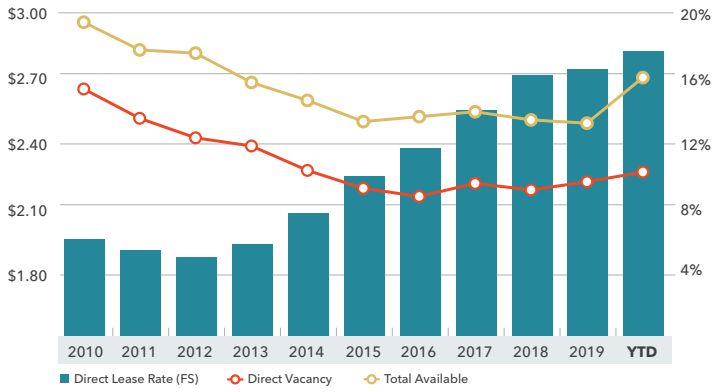
Market Breakdown

	3Q20	2Q20	3Q19	Annual % Change
Direct Vacancy Rate	10.0%	9.4%	9.3%	7.06%
Availability Rate	15.8%	14.1%	13.1%	20.29%
Asking Lease Rate	\$2.80	\$2.80	\$2.71	3.32%
Lease Volume(SF)	1,090,042	1,717,036	2,572,965	-57.63%
Sale Volume(SF)	1,106,751	658,234	2,414,072	-54.15%
Net Absorption	(777,078)	(255,301)	46,032	N/A

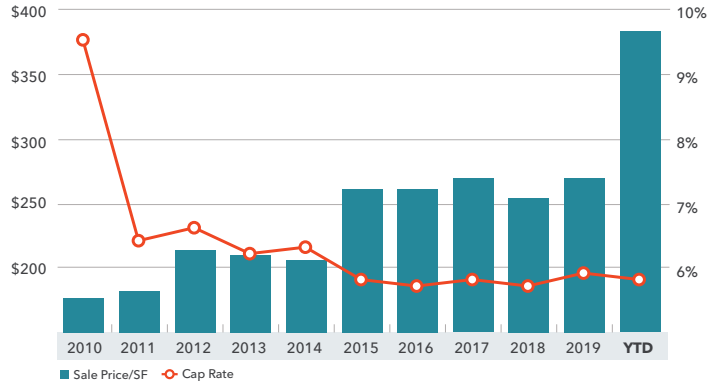
ORANGE COUNTY SUBMARKET STATISTICS

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 (FSG)
Costa Mesa	8,660,049	12.9%	3.0%	15.9%	23.6%	(172,052)	(204,704)	64,272	208,499	\$3.20
Irvine/Tustin Legacy	27,694,157	12.7%	1.6%	14.3%	19.0%	(269,312)	(139,914)	261,844	1,302,082	\$2.86
Newport Beach	13,034,700	8.7%	1.1%	9.8%	14.0%	(77,238)	(187,025)	183,862	395,749	\$3.39
South Santa Ana	2,484,012	15.2%	1.6%	16.8%	22.7%	(46,802)	(89,207)	3,835	128,026	\$2.74
Class A	26,653,288	14.3%	2.6%	16.9%	23.3%	(351,472)	(334,986)	232,063	1,224,243	\$3.29
Class B	23,074,432	9.6%	0.9%	10.5%	14.3%	(187,726)	(252,654)	253,080	752,343	\$2.97
Class C	2,145,198	5.5%	0.1%	5.6%	7.4%	(26,206)	(33,210)	28,670	57,770	\$2.85
Airport	51,872,918	11.8%	1.7%	13.6%	18.7%	(565,404)	(620,850)	513,813	2,034,356	\$3.06
Civic Center Area	5,521,244	10.3%	0.0%	10.3%	11.5%	(10,807)	(67,860)	18,604	55,961	\$2.20
East Orange	2,055,957	6.1%	0.1%	6.2%	16.2%	(22,899)	(48,310)	11,911	42,168	\$2.71
Main Place	3,198,508	10.9%	0.2%	11.1%	12.5%	1,121	59,068	47,814	205,094	\$2.69
Parkcenter	5,089,822	12.9%	0.3%	13.2%	17.1%	(92,070)	(177,314)	48,210	143,852	\$2.30
Santa Ana	5,051,704	13.6%	2.2%	15.8%	20.3%	(37,759)	(39,104)	86,830	290,235	\$2.43
Stadium Area	3,582,629	13.9%	0.6%	14.4%	18.8%	(55,882)	(75,704)	18,366	161,452	\$2.44
The City	2,648,686	12.9%	1.3%	14.2%	23.7%	29,812	101,669	24,860	216,462	\$2.28
Tustin	1,929,977	1.6%	0.0%	1.6%	5.8%	7,325	7,456	4,010	80,932	\$3.14
Class A	7,353,901	14.9%	0.7%	15.6%	24.1%	(27,604)	78,206	95,421	515,117	\$2.84
Class B	17,288,120	10.6%	0.8%	11.4%	14.4%	(92,376)	(243,178)	142,518	613,333	\$2.35
Class C	4,436,506	7.4%	0.0%	7.4%	9.4%	(61,179)	(75,127)	22,666	67,706	\$2.00
Central	29,078,527	11.2%	0.7%	11.9%	16.1%	(181,159)	(240,099)	260,605	1,196,156	\$2.45
Anaheim Hills	1,421,605	8.7%	0.6%	9.3%	9.7%	59,897	(23,355)	8,720	34,175	\$2.06
Brea/La Habra	4,739,442	4.9%	0.8%	5.7%	11.9%	(4,333)	(23,366)	11,525	103,038	\$2.50
Buena Park/La Palma	2,094,598	8.7%	0.1%	8.8%	6.8%	6,674	12,666	3,244	119,633	\$2.20
Fullerton	3,086,913	5.2%	0.1%	5.3%	6.2%	14,525	12,410	19,008	93,773	\$2.19
North/East Anaheim	6,329,618	6.0%	0.2%	6.2%	8.1%	(32,779)	(36,851)	13,025	76,783	\$2.30
Placentia/Yorba Linda	870,011	6.4%	1.5%	7.9%	10.8%	44,922	47,489	0	30,883	\$3.10
Class A	3,282,778	7.4%	1.5%	8.9%	13.1%	3,116	(37,486)	2,811	56,813	\$2.67
Class B	13,114,176	6.2%	0.2%	6.4%	8.3%	92,502	36,666	44,731	369,373	\$2.38
Class C	2,145,233	3.7%	0.0%	3.7%	5.6%	(6,712)	(10,187)	7,980	32,099	\$2.03
North	18,542,187	6.1%	0.4%	6.6%	8.9%	88,906	(11,007)	55,522	458,285	\$2.40
Irvine Spectrum	14,583,279	9.1%	1.2%	10.4%	20.4%	(43,084)	93,293	101,144	656,680	\$3.14
Laguna Hills/Aliso Viejo	6,001,592	13.4%	1.8%	15.1%	22.0%	(5,933)	(2,597)	29,466	200,231	\$2.93
Laguna Niguel/Laguna Beach	2,271,989	4.9%	0.8%	5.7%	7.5%	(6,078)	2,753	3,817	28,435	\$2.73
Lake Forest/Foothill Ranch	3,852,957	9.7%	0.6%	10.3%	19.0%	(30,768)	(12,397)	16,731	92,971	\$2.36
Mission Viejo	2,345,532	12.8%	0.5%	13.3%	13.4%	(29,798)	27,049	20,051	60,581	\$2.75
Dana Point/San Juan/ San Clemente	2,935,792	5.6%	0.3%	5.9%	8.7%	1,860	(15,144)	19,388	66,586	\$2.80
Class A	10,527,930	10.8%	2.4%	13.2%	22.2%	24,483	260,914	74,558	410,694	\$3.40
Class B	20,147,522	9.3%	0.4%	9.8%	16.4%	(128,492)	(146,529)	102,678	659,954	\$2.83
Class C	1,315,689	6.0%	0.0%	6.0%	9.3%	(9,792)	(21,428)	13,361	34,836	\$2.27
South	31,991,141	9.7%	1.1%	10.7%	18.0%	(113,801)	92,957	190,597	1,105,484	\$2.98
Cypress	1,989,435	8.8%	0.0%	8.8%	9.3%	12,850	(60,742)	16,013	50,517	\$2.28
Fountain Valley	2,326,800	4.7%	0.5%	5.2%	5.7%	1,900	23,535	11,996	40,382	\$1.99
Garden Grove	2,183,073	4.6%	0.1%	4.7%	4.6%	10,225	5,744	3,793	17,622	\$1.96
Huntington Beach	3,969,530	7.2%	0.6%	7.7%	10.5%	(18,514)	(44,008)	19,637	131,784	\$2.38
Los Alamitos/Stanton	1,298,664	5.6%	0.1%	5.7%	7.4%	(14,858)	130,308	17,274	25,562	\$2.36
Seal Beach	574,594	4.2%	2.4%	6.6%	10.3%	1,985	2,368	0	0	\$3.42
Westminster	919,445	2.4%	0.0%	2.4%	5.3%	792	14,612	792	1,523	\$2.42
Class A	1,724,188	11.2%	1.1%	12.4%	16.8%	17,382	(16,615)	9,404	87,406	\$2.50
Class B	8,770,536	6.1%	0.3%	6.5%	7.9%	(36,682)	74,996	50,133	151,187	\$2.32
Class C	2,766,817	2.0%	0.1%	2.1%	2.0%	13,680	13,436	9,968	28,797	\$1.92
West	13,261,541	5.9%	0.4%	6.3%	7.8%	(5,620)	71,817	69,505	267,390	\$2.34
Class A	49,525,085	13.1%	2.1%	15.2%	22.3%	(334,095)	(49,967)	414,257	2,294,273	\$3.18
Class B	82,411,786	8.8%	0.6%	9.4%	13.2%	(352,774)	(530,699)	593,140	2,546,190	\$2.70
Class C	12,809,443	5.1%	0.0%	5.2%	6.8%	(90,209)	(126,516)	82,645	221,208	\$2.28
Orange County Total	144,746,314	10.0%	1.1%	11.0%	15.8%	(777,078)	(707,182)	1,090,042	5,061,671	\$2.80

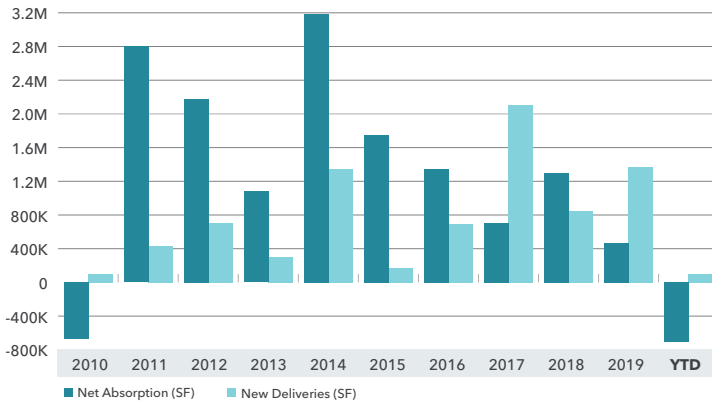
LEASE RATE, VACANCY & AVAILABILITY



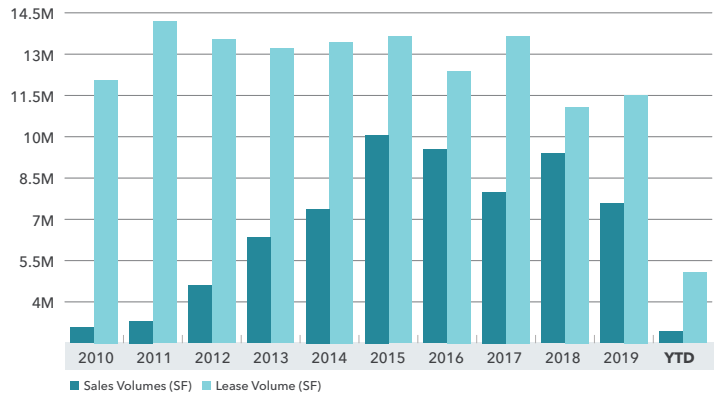
AVERAGE SALES PRICE/SF & CAP RATES



NET ABSORPTION & NEW DELIVERIES



SALE VOLUME & LEASE VOLUME



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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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