



### INDUSTRIAL MARKET OVERVIEW

JACK HALEY, *Principal*

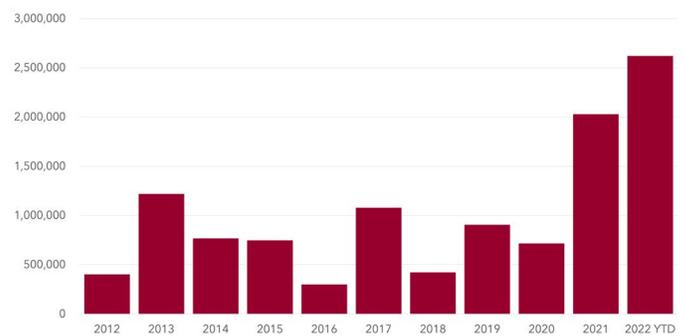
The Orange County Industrial Market has seen rental rates increase at levels without historical precedent and available space remains at an all-time low as healthy demand continued through the first half. Countywide, average asking rents climbed 20.6% year over year with the average industrial rent settling at \$1.46 per SF NNN at the end of Q2. Demand will stay strong for rental properties especially as the sale market activity starts to slow. With the increases of interest rates buyer demand should slow but sale prices will stay high until the end of 2022.

MARKET INDICATORS	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
▼ 12 Mo. Net Absorption SF	434,504	1,662,748	1,837,252	2,066,798	1,811,319
◀▶ Vacancy Rate	2.00%	2.00%	2.10%	2.70%	2.80%
▲ Avg NNN Asking Rate PSF	\$1.43	\$1.39	\$1.34	\$1.30	\$1.27
▲ SF Under Construction	2,620,833	2,294,428	2,028,935	1,988,097	391,897
▼ Inventory SF	299,731,159	299,936,167	299,921,057	301,348,987	301,600,030

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10521-10579 Dale Avenue Stanton, CA	118,059 SF	\$23,000,000 \$194.82 PSF	Dunbar Stanton LLC Burke Stanton, LLC	Class B
4 Studebaker Irvine, CA	91,723 SF	\$33,150,000 \$361.41 PSF	Aireit 4 Studebaker CC LP Alcone Marketing Group, Inc.	Class C
3000 Airway Avenue, Bldg C Costa Mesa, CA	82,823 SF	\$27,128,795 \$328.77 PSF	Aero Orange County LLC CPF Airway Associates, LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
14451 Myford Road Tustin, CA	219,827 SF	Panattoni Development	Rivian	Automotive
3441 W MacArthur Boulevard Santa Ana, CA	124,948 SF	Rexford Industrial Realty, Inc.	Woodbridge Glass Inc	Glass/Glazing work
114 S Berry Street Brea, CA	109,060 SF	IDI Logistics	Dr Squatch	Soap products

*The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.*

*The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©*

*© Copyright 2022 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com*