

FIGURES | ORANGE COUNTY INDUSTRIAL | Q3 2024

Development and deliveries halt as market continues to adjust

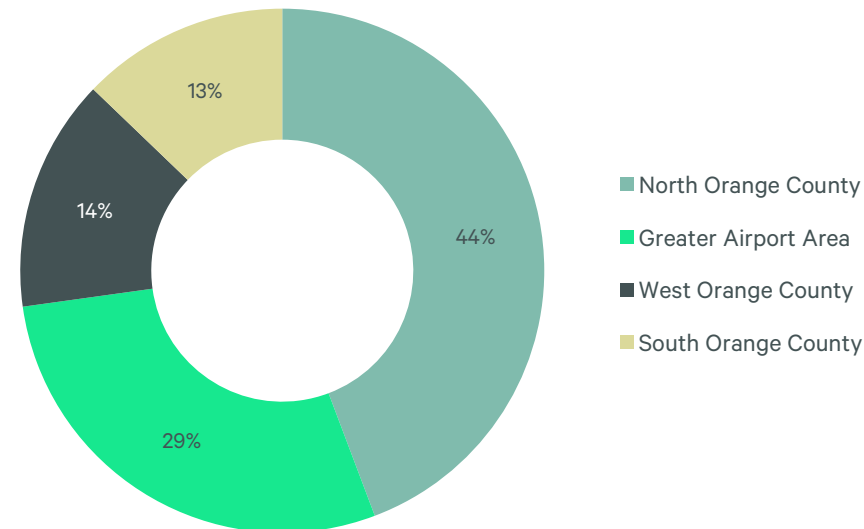


Note: Arrows indicate change from previous quarter.

Executive Summary

- Asking rates continued to drop in Q3 2024. The average asking rate was \$1.67 NNN per sq. ft. per month, a 4.5% decrease from the prior quarter. This was also the same decline year-over-year.
- The vacancy rate increased from 2.1% in Q2 2024 to 2.9% in Q3 2024, marking the eighth consecutive quarter of increases. The 2.9% vacancy rate came in above 15-year average of 2.3%. Vacancy rates rose from the all-time low in Q4 2022 at 0.7% as companies re-evaluate space needs and remove excess space held from the pandemic.
- Leasing activity over 100,000 sq. ft. was predominantly renewals, accounting for 62% of all overall leases. Decision-makers were hesitant to sign leases in new buildings due to economic uncertainty.

FIGURE 1: Available Space Distribution



Source: CBRE Research, Q3 2024.

Market Overview

The Orange County (OC) industrial market continued to remain sluggish in Q3 2024, following the national trend. Large leases over 100,000 were almost nonexistent as decision-makers were fearful of commitment due to uncertainty and possibly securing a better priced deal in the future. Quarter-over-quarter, vacancy rates increased 80 basis points (bps) to 2.9% and availability increased to 5.7%. Gross activity increased slightly from 1.8 million sq. ft. in Q2 2024 to 1.9 million sq. ft. in Q3 2024. Deals under 100,000 sq. ft. largely attributed to the increase.

Ending the summer cycle, activity was continuously slow and there was no longer an urgency to complete deals. Tenants no longer faced urgency to find space due to the variety of options available on the market. TEU volume for the Port of Los Angeles was up 17% year-over-year as of August 2024 and is expected to grow. Despite the increase in vacancy, industrial fundamentals remain strong due to port proximity and consistent gross activity.

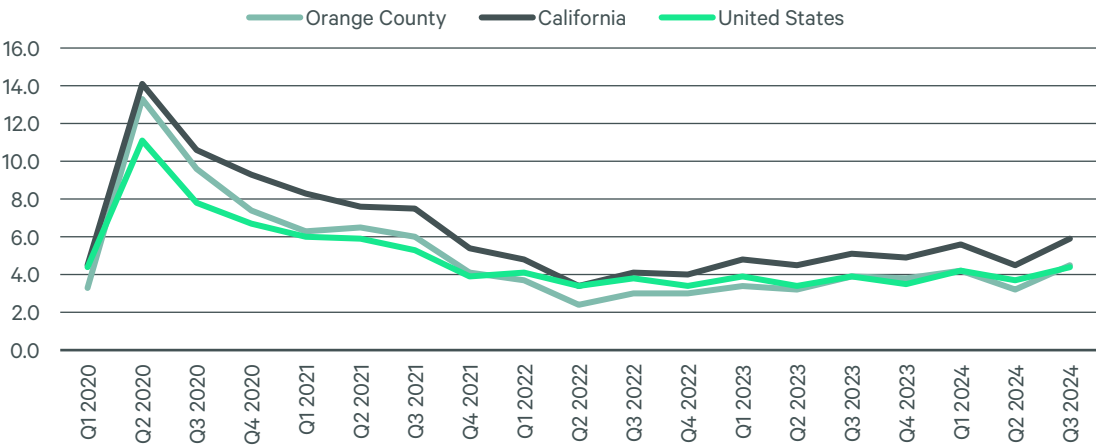
UNEMPLOYMENT

The unemployment rate in Orange County was 4.5% in August 2024, up from a revised 4.4% in July 2024, and above the year-ago estimate of 4.0%. California’s unadjusted unemployment rate was 5.9%, while the unemployment rate for the nation was 4.4% in the same period. Manufacturing jobs decreased 3,700 from August 2023, but only decreased by 700 month-over-month. Trade, transportation, and utilities jobs increased 1,500 from a year ago.

LEASE RATE ANALYSIS

The average asking lease rate decreased 4.5% from Q2 2024 to \$1.67 NNN per sq. ft. per month in Q3 2024 and had the same 4.5% decrease year-over-year. Quarter-over-quarter, all submarket rents decreased. West OC rates dropped \$0.10 to \$1.59 NNN, making it the largest drop and lowest submarket rate in the county. Increasing vacancy and economic uncertainty caused rates to decline and concessions to increase.

FIGURE 2: Unemployment Rate (%)



Source: U.S. Bureau of Labor Statistics, Q3 2024.

FIGURE 3: Average Asking Lease Rate (\$PSF/MO/NNN)



Source: CBRE Research, Q3 2024.

VACANCY & AVAILABILITY

The overall vacancy rate increased 80 bps from the prior quarter to 2.9%. This marked a new high in the county since Q3 2013, surpassing the pre-pandemic quarterly average. The South OC submarket had the lowest vacancy rate of all submarkets at 1.2%, increasing 50 bps quarter-over-quarter, while the Airport Area submarket had the highest vacancy rate, increasing slightly to 3.7%. New developments drove vacancy up as they delivered without a tenant in place.

Availability rates increased to 5.7%, a 50 bps increase quarter-over-quarter. 6700 Artesia Blvd in Buena Park added nearly 275,000 sq. ft. and 458-486 E Lambert in Fullerton added another 245,000 sq. ft. of availability. With large spaces being added to the market, availability is expected to continue increasing in the near-term.

NET ABSORPTION & ACTIVITY

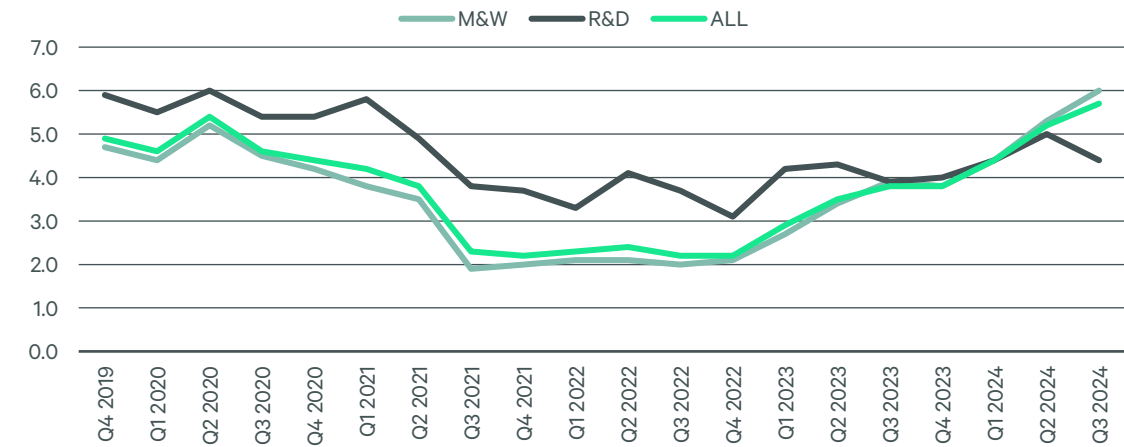
Gross activity increased slightly in Q3 2024 to 1.9 million sq. ft., which was a 100,000 sq. ft. increase quarter-over-quarter. Class A activity continued to see less activity, with only three new leases over 100,000 sq. ft. Most deals signed in Q3 2024 were in the 10,000-50,000 sq. ft. size range. The largest lease for Q3 2024 was a renewal for KDP, a 352,000 sq. ft. space at 1300 W Taft Ave in Orange.

Net absorption totaled negative 1.6 million sq. ft. in Q3 2024. North OC and the Greater Airport Area submarkets continued to experience negative net absorption. IDC Logistics moved out of 447,000 sq. ft. on 6700 Artesia Blvd in Buena Park, making it the largest vacancy in OC. Tenants continued to focus on a flight to economy, focused on removing excess space.

DEVELOPMENT

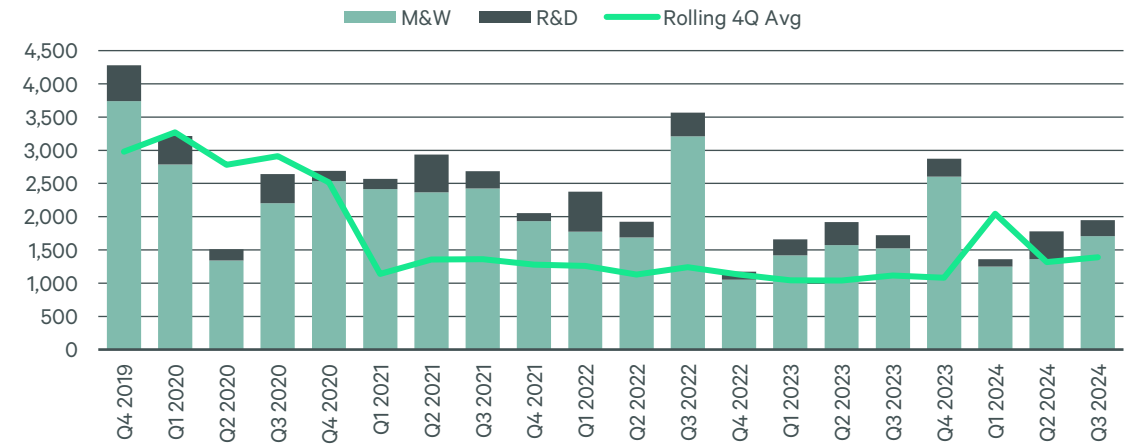
No industrial buildings completed construction in Q3 2024. The largest development project in Orange County is the Goodman Commerce Center in Cypress totaling 390,000 sq. ft. Overall, development remained stagnant at 1.6 million sq. ft. Developers have been finding it difficult to quantify new construction in the region due to economic uncertainty.

FIGURE 4: Available (%)



Source: CBRE Research, Q3 2024.

FIGURE 5: Gross Activity (MSF)



Source: CBRE Research, Q3 2024.

MACROECONOMIC OUTLOOK

Soft landings are rare, but recent data suggest that this outcome for the economy is increasingly likely. Business investment is holding its own and consumer distress is confined to a few vulnerable segments. Discretionary spending, such as travel, is generally on a par with last year although many signs indicate the post-pandemic spending boom is over. The key threat to consumption is a rollover in the labor market although the recent bump in unemployment appears benign, mainly driven by an increase in participation. A reason for concern is the decline in the share of private industries that are creating jobs. On the other hand, companies are not shedding workers at a particularly high rate. The labor market has slowed, but it is not slumping.

While many are focused on November’s election the most consequential policy lever has already been pulled via the FOMC’s 50 bps September cut and signaling another 50 by year-end. This easing of financial conditions combined with continued economic growth should support modest hiring and consumption that precedes tighter commercial space market fundamentals. This backdrop will breathe fresh wind into real estate transactions markets and coincides with other signals that cap rates have peaked and may be starting to fall in some sectors.

FIGURE 6: Market Statistics

Submarket	Bldg. Sq. Ft.	Overall Vacancy (%)	Availability (%)	Q2 2024 Net Absorption (SF)	Q2 2024 Gross Activity (SF)	Under Construction (SF)	Deliveries (SF)	Avg. Asking Lease Rates (\$PSF/MO)
North Orange County	113,118,466	3.1	5.7	-967,766	753,733	539,479	0	\$1.61
West Orange County	41,976,316	2.5	4.9	48,688	285,536	390,268	0	\$1.59
Greater Airport Area	66,782,376	3.7	6.2	-453,590	605,277	319,288	0	\$1.82
South Orange County	34,079,558	1.1	5.6	-128,492	302,417	245,720	0	\$1.69
Orange County Total	255,956,716	2.9	5.7	-1,501,160	1,946,963	1,494,755	0	\$1.67

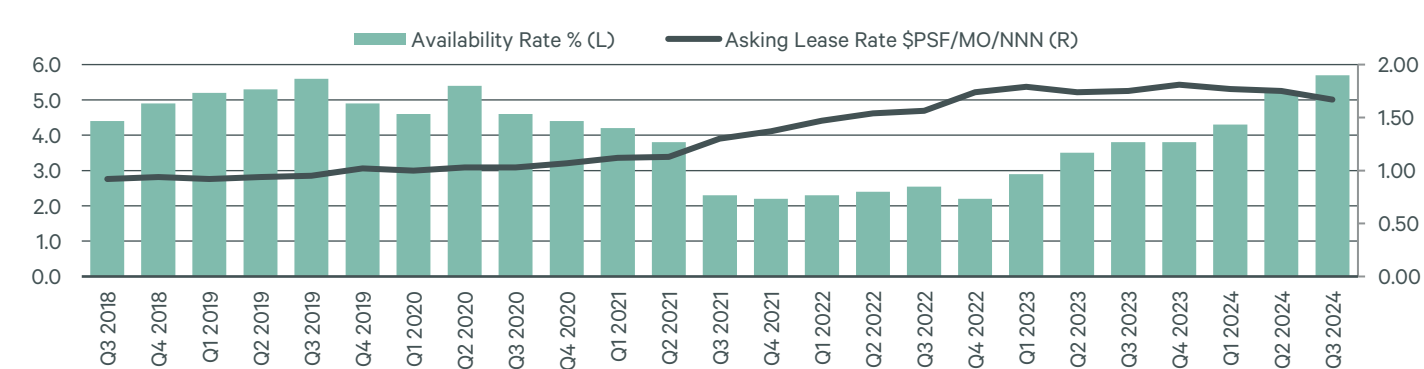
Source: CBRE Research, Q3 2024.

FIGURE 7: Key Transactions

Occupier	Industry Sector	Location	Total Sq. Ft.
L3 Technologies	Manufacturing	Yorba Linda	141,863
KDP*	Food Manufacturing	Orange	120,000
Confidential*	Confidential	Santa Ana	113,499
James Glidewell Dental Ceramics*	Manufacturing	Irvine	112,272
Big D Flooring	Manufacturing	Garden Grove	108,981

*Indicates Renewal.
Source: CBRE Research, Q3 2024.

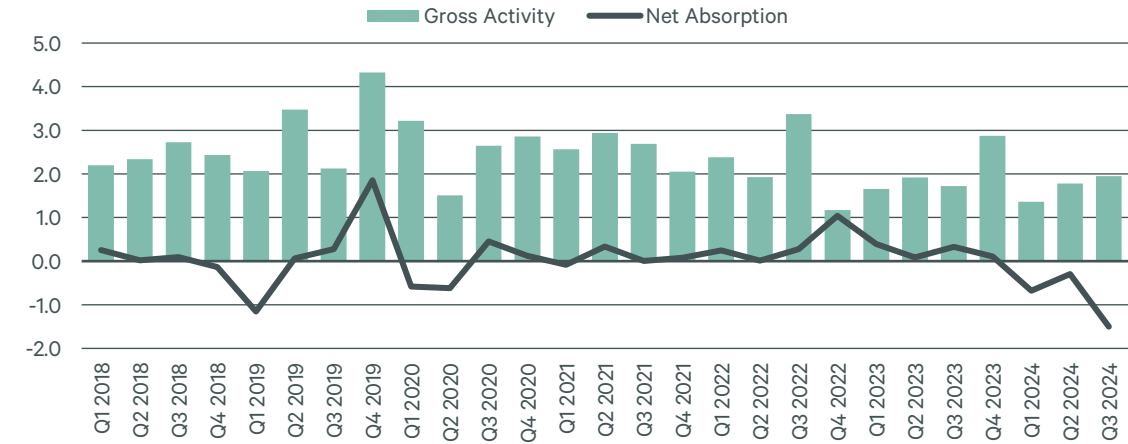
FIGURE Availability Rate and Asking Lease Rate (\$PSF/MO/NNN)



Source: CBRE Research, Q3 2024.

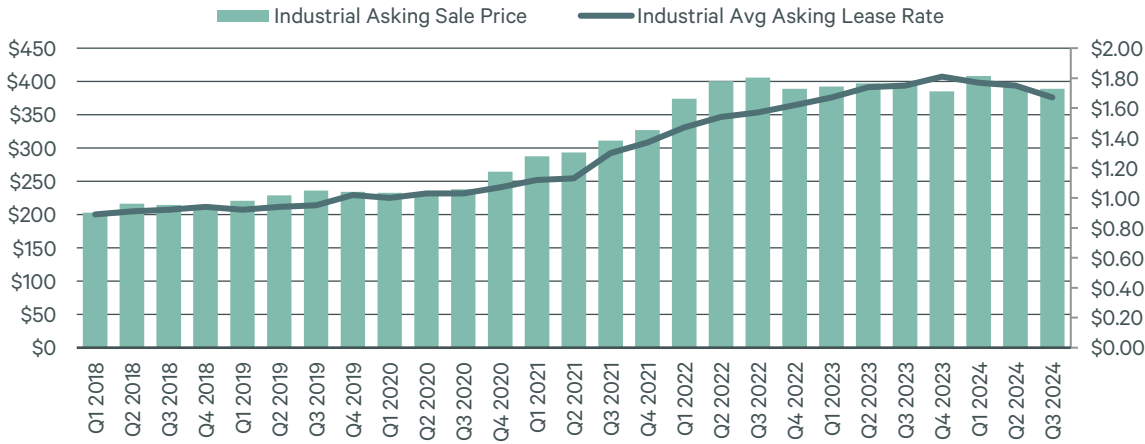
FIGURES INSERT | ORANGE COUNTY INDUSTRIAL | Q3 2023

FIGURE 1: Total Activity & Net Absorption (MSF)



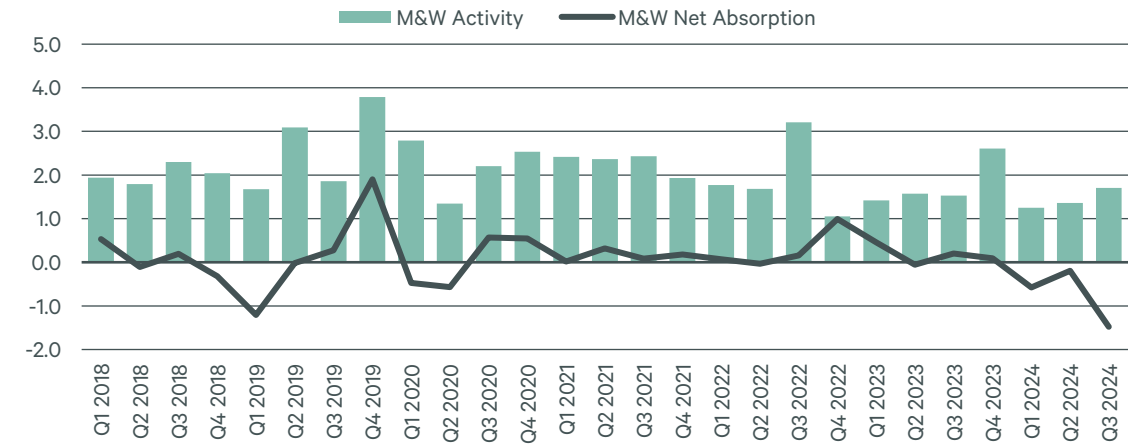
Source: CBRE Research, Q3 2024.

FIGURE 2: Industrial Asking Prices (\$PSF/MO)



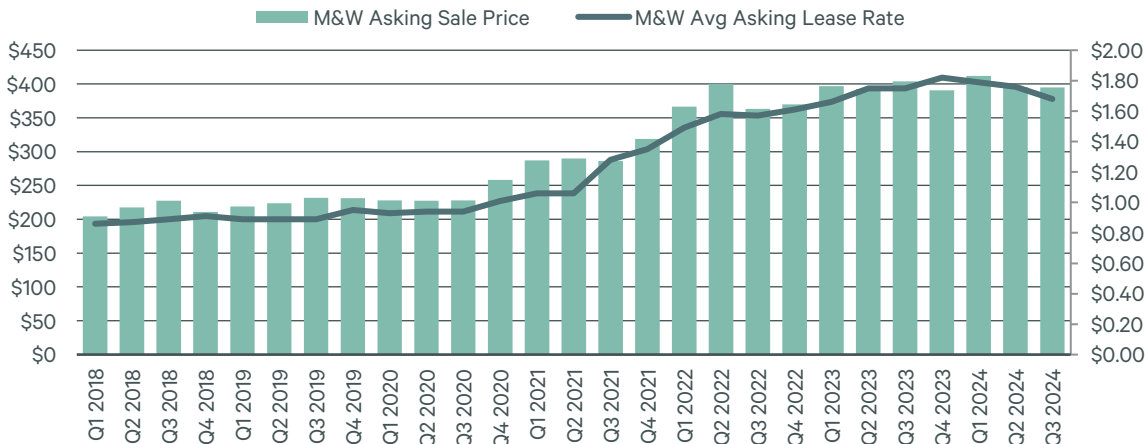
Source: CBRE Research, Q3 2024.

FIGURE 3: M&W Activity & Net Absorption (MSF)



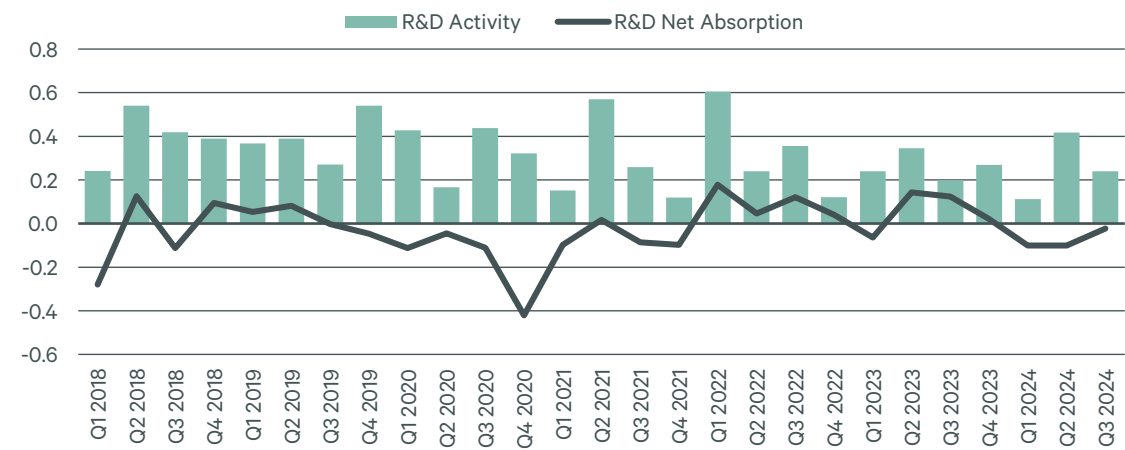
Source: CBRE Research, Q3 2024.

FIGURE 4: M&W Asking Prices (\$PSF/MO)



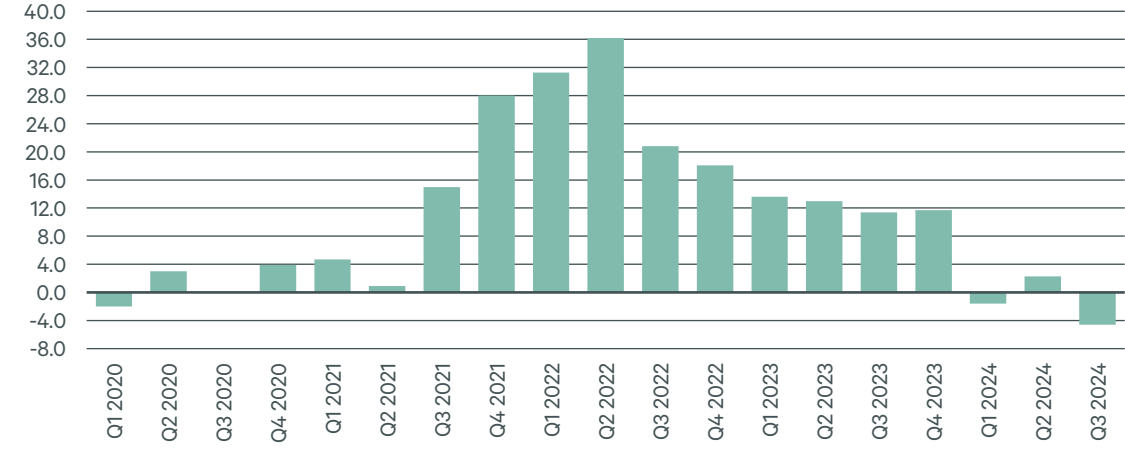
Source: CBRE Research, Q3 2024.

FIGURE 5: R&D Activity & Net Absorption (MSF)



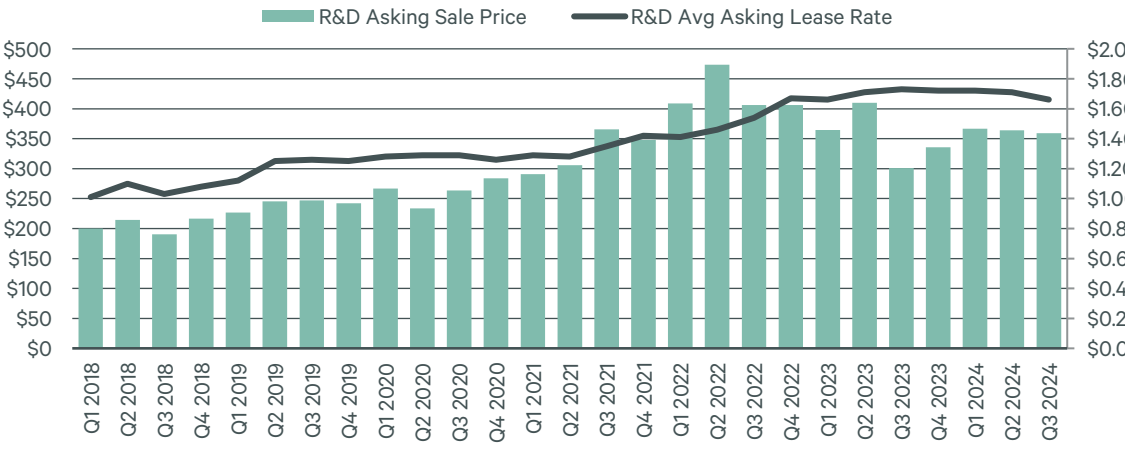
Source: CBRE Research, Q3 2024.

FIGURE 7: Year Over Year Rent Growth (%)



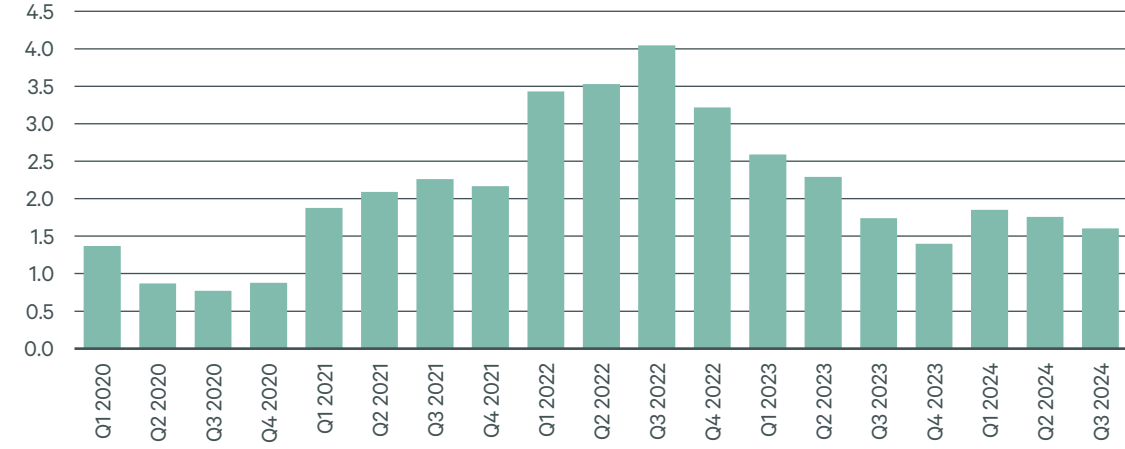
Source: CBRE Research, Q3 2024.

FIGURE 6: R&D Asking Prices (\$PSF/MO)



Source: CBRE Research, Q3 2024.

FIGURE 8: Under Construction (SF in Millions)



Source: CBRE Research, Q3 2024.

FIGURE 9: Total Combined M/W & R&D Market Statistics

	Bldg. Count	Bldg. Sq. Ft.	Under Construction (SF)	Sq. Ft. Sold	Sq. Ft. Leased	Gross Activity	Net Absorption	Vacant Sq. Ft.	Vacancy Rate (%)	Available Sq. Ft.	Availability Rate (%)
NORTH ORANGE COUNTY											
Anaheim	1,340	47,281,444	375,973	51,062	128,675	179,737	(242,543)	1,566,387	3.3	2,932,810	6.2
Brea	219	11,378,182	0	0	167,578	167,578	(1,621)	275,490	2.4	563,346	5.0
Buena Park	186	13,958,601	27,765	15,000	62,812	77,812	(513,822)	868,773	6.2	1,313,870	9.4
Fullerton	286	20,134,442	135,741	0	105,112	105,112	(171,584)	493,317	2.5	1,235,357	6.1
La Habra	59	2,515,623	0	0	10,708	10,708	11,959	22,867	0.9	22,867	0.9
Orange	456	12,444,502	0	0	57,112	57,112	(77,958)	129,142	1.0	232,465	1.9
Placentia	144	3,678,652	0	0	13,811	13,811	(114,060)	131,948	3.6	166,315	4.5
Yorba Linda	55	1,727,020	0	0	141,863	141,863	141,863	0	0.0	0	0.0
NORTH ORANGE COUNTY TOTAL	2,745	113,118,466	539,479	66,062	687,671	753,733	(967,766)	3,487,924	3.1	6,467,030	5.7
WEST ORANGE COUNTY											
Cypress	94	5,737,361	390,268	0	0	0	(98,786)	324,191	5.7	379,634	6.2
Garden Grove	317	12,144,976	0	32,680	219,184	251,864	401,843	263,233	2.2	672,014	5.5
Huntington Beach	452	15,307,923	0	0	33,672	33,672	(169,315)	238,643	1.6	644,879	4.2
La Palma	25	2,637,948	0	0	0	0	84,321	2,446	0.1	2,446	0.1
Los Alamitos	88	2,251,618	0	0	0	0	(84,393)	113,723	5.1	155,138	6.9
Seal Beach	12	972,051	0	0	0	0	0	0	0.0	0	0.0
Stanton	53	1,072,081	0	0	0	0	(14,172)	14,172	1.3	60,832	5.7
Westminster	65	1,852,358	0	0	0	0	(70,810)	96,374	5.2	184,991	10.0
WEST ORANGE COUNTY TOTAL	1,106	41,976,316	390,268	32,680	252,856	285,536	48,688	1,052,782	2.5	2,099,934	4.9
AIRPORT AREA											
Costa Mesa	279	8,596,048	0	70,456	63,270	133,726	(82,127)	282,620	3.3	404,469	4.7
Fountain Valley	160	4,194,163	0	0	62,778	62,778	(11,500)	73,771	1.8	139,539	3.3
Irvine	509	18,148,611	0	13,643	226,977	240,620	35,846	585,586	3.2	1,113,238	6.1
Newport Beach	30	734,354	0	0	0	0	0	0	0.0	0	0.0
Santa Ana	879	27,609,339	319,288	30,342	100,219	130,561	(172,893)	990,441	3.6	1,792,854	6.5
Tustin	150	7,499,861	0	0	37,592	37,592	(222,916)	534,686	7.1	709,293	9.5
AIRPORT AREA TOTAL	2,007	66,782,376	319,288	114,441	490,836	605,277	(453,590)	2,467,104	3.7	4,159,393	6.2
SOUTH ORANGE COUNTY											
Aliso Viejo	48	1,341,205	0	0	0	0	(41,519)	41,519	3.1	82,125	6.1
Foothill Ranch	46	3,164,459	0	0	12,180	12,180	0	12,003	0.4	572,209	18.1
Irvine Spectrum	388	16,956,101	224,920	0	117,894	117,894	(14,604)	120,242	0.7	941,851	5.5
Laguna Hills	62	1,105,229	0	0	0	0	0	0	0.0	0	0.0
Laguna Niguel	26	563,917	0	0	0	0	0	0	0.0	0	0.0
Lake Forest	142	4,239,185	0	25,789	102,144	127,933	(101,561)	162,215	3.8	192,415	4.5
Mission Viejo	34	952,065	0	0	0	0	0	0	0.0	0	0.0
San Clemente	105	2,391,633	0	0	0	0	(46,308)	46,308	1.9	73,838	3.1
San Juan Capistrano	40	904,246	136,308	19,206	13,204	32,410	0	0	0.0	0	0.0
Santa Margarita	76	2,461,518	0	0	12,000	12,000	75,500	0	0.0	63,500	2.4
SOUTH ORANGE COUNTY TOTAL	967	34,079,558	245,730	44,995	257,422	302,417	(128,492)	382,287	1.1	1,925,938	5.6
ORANGE COUNTY TOTAL	6,825	255,956,716	1,494,755	258,178	1,688,785	1,946,963	(1,501,160)	7,390,097	2.9	14,652,295	5.7

Source: CBRE Research, Q3 2024.

FIGURE 10: Total Combined M/W & R&D Availability Statistics by Size

Submarket	Available		Vacant		New to Market		Gross Activity		Average Asking PSF	
	# of Bldgs.	Sq. Ft.	# of Bldgs.	Sq. Ft.	# of Bldgs.	Sq. Ft.	# of Bldgs.	Sq. Ft.	NNN Lease Rate	Sale Price
10,000-19,999	20	233,135	9	91,934	9	132,673	22	307,888	\$1.72	\$353
20,000-29,999	14	278,824	10	189,315	5	119,429	1	22,710	\$1.66	\$340
30,000-49,999	14	438,254	11	345,975	2	66,792	2	66,269	\$1.60	\$353
50,000-69,999	14	763,345	8	435,962	5	264,995	2	118,812	\$1.58	\$436
70,000-99,999	13	599,582	5	133,222	3	225,246	1	96,191	\$1.41	\$214
100,000 and greater	34	4,153,890	19	2,291,516	3	490,050	1	141,863	\$1.66	\$226
NORTH ORANGE COUNTY TOTAL	109	6,467,030	62	3,487,924	27	1,299,185	29	753,733	\$1.61	\$355
10,000-19,999	19	263,654	10	144,698	6	93,658	4	57,979	\$1.54	\$410
20,000-29,999	10	204,020	5	113,849	1	22,142	1	20,680	\$1.38	\$522
30,000-49,999	7	239,951	3	131,165	1	30,000	0	0	\$1.55	\$306
50,000-69,999	7	351,196	3	128,958	1	50,182	0	0	\$1.71	\$339
70,000-99,999	5	238,089	4	208,089	0	0	1	97,896	\$1.64	\$0
100,000 and greater	6	803,024	4	326,023	1	125,773	1	108,981	\$1.58	\$0
WEST ORANGE COUNTY TOTAL	54	2,099,934	29	1,052,782	10	321,755	7	285,536	\$1.59	\$389
10,000-19,999	20	263,835	8	110,894	10	151,933	15	195,867	\$1.86	\$450
20,000-29,999	17	334,813	6	113,836	7	170,483	2	45,731	\$1.83	\$374
30,000-49,999	20	567,214	13	392,759	3	127,082	7	243,679	\$1.60	\$368
50,000-69,999	8	308,112	4	197,166	1	60,110	0	0	\$1.56	\$389
70,000-99,999	11	668,613	6	452,926	3	246,314	0	0	\$1.91	\$0
100,000 and greater	17	2,016,806	9	1,199,523	3	367,748	1	120,000	\$1.86	\$0
AIRPORT AREA TOTAL	93	4,159,393	46	2,467,104	27	1,123,670	25	605,277	\$1.82	\$410
10,000-19,999	5	74,561	1	13,458	3	44,464	7	99,493	\$1.58	\$457
20,000-29,999	14	323,366	5	107,425	7	179,098	4	98,661	\$1.63	\$389
30,000-49,999	9	315,587	3	108,174	3	120,854	3	104,263	\$1.74	\$362
50,000-69,999	3	122,185	0	0	1	53,600	0	0	\$1.80	\$0
70,000-99,999	6	274,636	3	84,966	0	0	0	0	\$1.73	\$0
100,000 and greater	8	815,603	1	68,264	0	0	0	0	\$1.67	\$0
SOUTH ORANGE COUNTY TOTAL	45	1,925,938	13	382,287	14	398,016	14	302,417	\$1.69	\$412
ORANGE COUNTY TOTAL	301	14,652,295	150	7,390,097	78	3,142,626	75	1,946,963	\$1.67	\$389

Source: CBRE Research, Q3 2024.

FIGURE 11: Research and Development Market Statistics

	Bldg. Count	Bldg. Sq. Ft.	Under Construction (SF)	Sq. Ft. Sold	Sq. Ft. Leased	Gross Activity	Net Absorption	Vacant Sq. Ft.	Vacancy Rate (%)	Available Sq. Ft.	Availability Rate (%)
NORTH ORANGE COUNTY											
Anaheim	95	4,187,240	0	0	0	0	19,334	1,767	0.0	201,515	4.8
Brea	12	536,984	0	0	0	0	(29,780)	29,780	5.5	29,780	5.5
Buena Park	9	410,190	0	0	0	0	0	46,843	11.4	46,843	11.4
Fullerton	22	1,979,105	0	0	0	0	(26,500)	26,500	1.3	26,500	1.3
La Habra	5	251,165	0	0	0	0	1,251	8,855	3.5	8,855	3.5
Orange	28	756,452	0	0	0	0	0	0	0.0	0	0.0
Placentia	2	25,528	0	0	0	0	0	0	0.0	0	0.0
Yorba Linda	21	896,887	0	0	141,863	141,863	141,863	0	0.0	0	0.0
NORTH ORANGE COUNTY TOTAL	194	9,043,551	0	0	141,863	141,863	106,168	113,745	1.3	313,493	3.5
WEST ORANGE COUNTY											
Cypress	43	1,956,406	0	0	0	0	(53,208)	259,192	13.2	314,635	16.1
Garden Grove	29	1,242,893	0	0	0	0	0	0	0.0	0	0.0
Huntington Beach	21	799,887	0	0	0	0	0	0	0.0	0	0.0
La Palma	6	292,437	0	0	0	0	0	0	0.0	0	0.0
Los Alamitos	16	428,788	0	0	0	0	0	11,148	2.6	11,148	2.6
Seal Beach	0	0	0	0	0	0	0	0	0.0	0	0.0
Stanton	0	0	0	0	0	0	0	0	0.0	0	0.0
Westminster	1	20,892	0	0	0	0	0	0	0.0	0	0.0
WEST ORANGE COUNTY TOTAL	116	4,741,303	0	0	0	0	(53,208)	270,340	5.7	325,783	6.9
AIRPORT AREA											
Costa Mesa	83	2,919,908	0	0	24,063	24,063	(55,693)	95,320	3.3	186,383	6.4
Fountain Valley	18	686,706	0	0	0	0	0	0	0.0	0	0.0
Irvine	163	4,929,234	0	0	15,762	15,762	35,394	45,239	0.9	75,263	1.5
Newport Beach	15	496,102	0	0	0	0	0	0	0.0	0	0.0
Santa Ana	96	3,497,830	0	0	10,200	10,200	(36,225)	36,225	1.0	96,335	2.8
Tustin	42	1,806,061	0	0	0	0	(37,592)	37,592	2.1	37,592	2.1
AIRPORT AREA TOTAL	417	14,335,841	0	0	50,025	50,025	(94,116)	214,376	1.5	395,573	2.8
SOUTH ORANGE COUNTY											
Aliso Viejo	25	660,750	0	0	0	0	(41,519)	41,519	6.3	82,125	12.4
Foothill Ranch	3	61,920	0	0	0	0	0	0	0.0	0	0.0
Irvine Spectrum	237	9,020,106	0	0	35,286	35,286	(1,787)	96,281	1.1	605,692	6.7
Laguna Hills	4	68,029	0	0	0	0	0	0	0.0	0	0.0
Laguna Niguel	9	196,795	0	0	0	0	0	0	0.0	0	0.0
Lake Forest	18	543,951	0	0	0	0	0	0	0.0	0	0.0
Mission Viejo	15	622,727	0	0	0	0	0	0	0.0	0	0.0
San Clemente	40	882,405	0	0	0	0	(13,458)	13,458	1.5	40,988	4.6
San Juan Capistrano	9	263,711	0	0	0	0	0	0	0.0	0	0.0
Santa Margarita	29	1,084,731	0	0	12,000	12,000	75,500	0	0.0	63,500	5.9
SOUTH ORANGE COUNTY TOTAL	389	13,405,125	0	0	47,286	47,286	18,736	151,258	1.1	792,305	5.9
ORANGE COUNTY TOTAL	1,116	41,525,820	0	0	239,174	239,174	(22,420)	749,719	1.8	1,827,154	4.4

Source: CBRE Research, Q3 2024.

FIGURE 12: Research and Development Availability Statistics by Size

Submarket	Available		Vacant		New to Market		Gross Activity		Average Asking PSF	
	# of Bldgs.	Sq. Ft.	# of Bldgs.	Sq. Ft.	# of Bldgs.	Sq. Ft.	# of Bldgs.	Sq. Ft.	NNN Lease Rate	Sale Price
10,000-19,999	2	16,389	2	10,622	0	0	0	0	\$1.77	\$380
20,000-29,999	0	0	0	0	0	0	0	0	\$0.00	\$340
30,000-49,999	2	73,343	2	73,343	0	0	0	0	\$0.00	\$0
50,000-69,999	0	0	0	0	0	0	0	0	\$0.00	\$0
70,000-99,999	2	93,295	1	29,780	0	0	0	0	\$1.75	\$0
100,000 and greater	1	130,466	0	0	0	0	1	141,863	\$0.00	\$0
NORTH ORANGE COUNTY TOTAL	7	313,493	5	113,745	0	0	1	141,863	\$1.75	\$360
10,000-19,999	1	11,148	1	11,148	2	34,491	0	0	\$1.65	\$0
20,000-29,999	2	34,491	0	0	0	0	0	0	\$1.45	\$0
30,000-49,999	1	20,952	0	0	0	0	0	0	\$1.60	\$0
50,000-69,999	1	53,208	1	53,208	0	0	0	0	\$1.45	\$0
70,000-99,999	1	77,760	1	77,760	0	0	0	0	\$1.55	\$0
100,000 and greater	1	128,224	1	128,224	0	0	0	0	\$1.50	\$0
WEST ORANGE COUNTY TOTAL	7	325,783	4	270,340	2	34,491	0	0	\$1.51	\$0
10,000-19,999	3	39,225	1	4,742	1	16,149	4	50,025	\$2.16	\$0
20,000-29,999	2	15,749	0	0	1	25,878	0	0	\$1.93	\$307
30,000-49,999	5	154,022	4	124,464	0	0	0	0	\$1.70	\$429
50,000-69,999	3	100,589	2	85,170	1	60,110	0	0	\$1.60	\$0
70,000-99,999	2	85,988	0	0	0	0	0	0	\$0.00	\$0
100,000 and greater	0	0	0	0	0	0	0	0	\$0.00	\$0
AIRPORT AREA TOTAL	15	395,573	7	214,376	3	102,137	4	50,025	\$1.75	\$368
10,000-19,999	4	56,372	1	13,458	1	13,458	2	26,753	\$1.49	\$0
20,000-29,999	12	288,222	4	96,281	4	103,500	1	20,533	\$1.62	\$369
30,000-49,999	5	162,368	1	41,519	1	38,589	0	0	\$1.79	\$310
50,000-69,999	3	122,185	0	0	1	53,600	0	0	\$1.80	\$0
70,000-99,999	2	163,158	0	0	0	0	0	0	\$1.80	\$0
100,000 and greater	0	0	0	0	0	0	0	0	\$0.00	\$0
SOUTH ORANGE COUNTY TOTAL	26	792,305	6	151,258	7	209,147	3	47,286	\$1.71	\$354
ORANGE COUNTY TOTAL	55	1,827,154	22	749,719	12	345,775	8	239,174	\$1.66	\$359

Source: CBRE Research, Q3 2024.

FIGURE 13: Manufacturing and Warehouse Market Statistics

	Bldg. Count	Bldg. Sq. Ft.	Under Construction (SF)	Sq. Ft. Sold	Sq. Ft. Leased	Gross Activity	Net Absorption	Vacant Sq. Ft.	Vacancy Rate (%)	Available Sq. Ft.	Availability Rate (%)
NORTH ORANGE COUNTY											
Anaheim	1,245	43,094,204	375,973	51,062	128,675	179,737	(261,877)	1,564,620	3.6	2,731,295	6.3
Brea	207	10,841,198	0	0	167,578	167,578	28,159	245,710	2.3	533,566	4.9
Buena Park	177	13,548,411	27,765	15,000	62,812	77,812	(513,822)	821,930	6.1	1,267,027	9.4
Fullerton	264	18,155,337	135,741	0	105,112	105,112	(145,084)	466,817	2.6	1,208,857	6.7
La Habra	54	2,264,458	0	0	10,708	10,708	10,708	14,012	0.6	14,012	0.6
Orange	428	11,688,050	0	0	57,112	57,112	(77,958)	129,142	1.1	232,465	2.0
Placentia	142	3,653,124	0	0	13,811	13,811	(114,060)	131,948	3.6	166,315	4.6
Yorba Linda	34	830,133	0	0	0	0	0	0	0.0	0	0.0
NORTH ORANGE COUNTY TOTAL	2,551	104,074,915	539,479	66,062	545,808	611,870	(1,073,934)	3,374,179	3.2	6,153,537	5.9
WEST ORANGE COUNTY											
Cypress	51	3,780,955	390,268	0	0	0	(45,578)	64,999	1.7	64,999	1.7
Garden Grove	288	10,902,083	0	32,680	219,184	251,864	401,843	263,233	2.4	672,014	6.2
Huntington Beach	431	14,508,036	0	0	33,672	33,672	(169,315)	238,643	1.6	644,879	4.4
La Palma	19	2,345,511	0	0	0	0	84,321	2,446	0.1	2,446	0.1
Los Alamitos	72	1,822,830	0	0	0	0	(84,393)	102,575	5.6	143,990	7.9
Seal Beach	12	972,051	0	0	0	0	0	0	0.0	0	0.0
Stanton	53	1,072,081	0	0	0	0	(14,172)	14,172	1.3	60,832	5.7
Westminster	64	1,831,466	0	0	0	0	(70,810)	96,374	5.3	184,991	10.1
WEST ORANGE COUNTY TOTAL	990	37,235,013	390,268	32,680	252,856	285,536	101,896	782,442	2.1	1,774,151	4.8
AIRPORT AREA											
Costa Mesa	196	5,676,140	0	70,456	39,207	109,663	(26,434)	187,300	3.3	218,086	3.8
Fountain Valley	142	3,507,457	0	0	62,778	62,778	(11,500)	73,771	2.1	139,539	4.0
Irvine	346	13,219,377	0	13,643	211,215	224,858	452	540,347	4.1	1,037,975	7.9
Newport Beach	15	238,252	0	0	0	0	0	0	0.0	0	0.0
Santa Ana	783	24,111,509	319,288	30,342	90,019	120,361	(136,668)	954,216	4.0	1,696,519	7.0
Tustin	108	5,693,800	0	0	37,592	37,592	(185,324)	497,094	8.7	671,701	11.8
AIRPORT AREA TOTAL	1,590	52,446,535	319,288	114,441	440,811	555,252	(359,474)	2,252,728	4.3	3,763,820	7.2
SOUTH ORANGE COUNTY											
Aliso Viejo	23	680,455	0	0	0	0	0	0	0.0	0	0.0
Foothill Ranch	43	3,102,539	0	0	12,180	12,180	0	12,003	0.4	572,209	18.4
Irvine Spectrum	151	7,935,995	224,920	0	82,608	82,608	(12,817)	23,961	0.3	336,159	4.2
Laguna Hills	58	1,037,200	0	0	0	0	0	0	0.0	0	0.0
Laguna Niguel	17	367,122	0	0	0	0	0	0	0.0	0	0.0
Lake Forest	124	3,695,234	0	25,789	102,144	127,933	(101,561)	162,215	4.4	192,415	5.2
Mission Viejo	19	329,338	0	0	0	0	0	0	0.0	0	0.0
San Clemente	65	1,509,228	0	0	0	0	(32,850)	32,850	2.2	32,850	2.2
San Juan Capistrano	31	640,535	136,308	19,206	13,204	32,410	0	0	0.0	0	0.0
Santa Margarita	47	1,376,787	0	0	0	0	0	0	0.0	0	0.0
SOUTH ORANGE COUNTY TOTAL	578	20,674,433	245,730	44,995	210,136	255,131	(147,228)	231,029	1.1	1,133,633	5.5
ORANGE COUNTY TOTAL	5,751	214,430,896	1,494,755	258,178	1,449,611	1,707,789	(1,478,740)	6,640,378	3.1	12,825,141	6.0

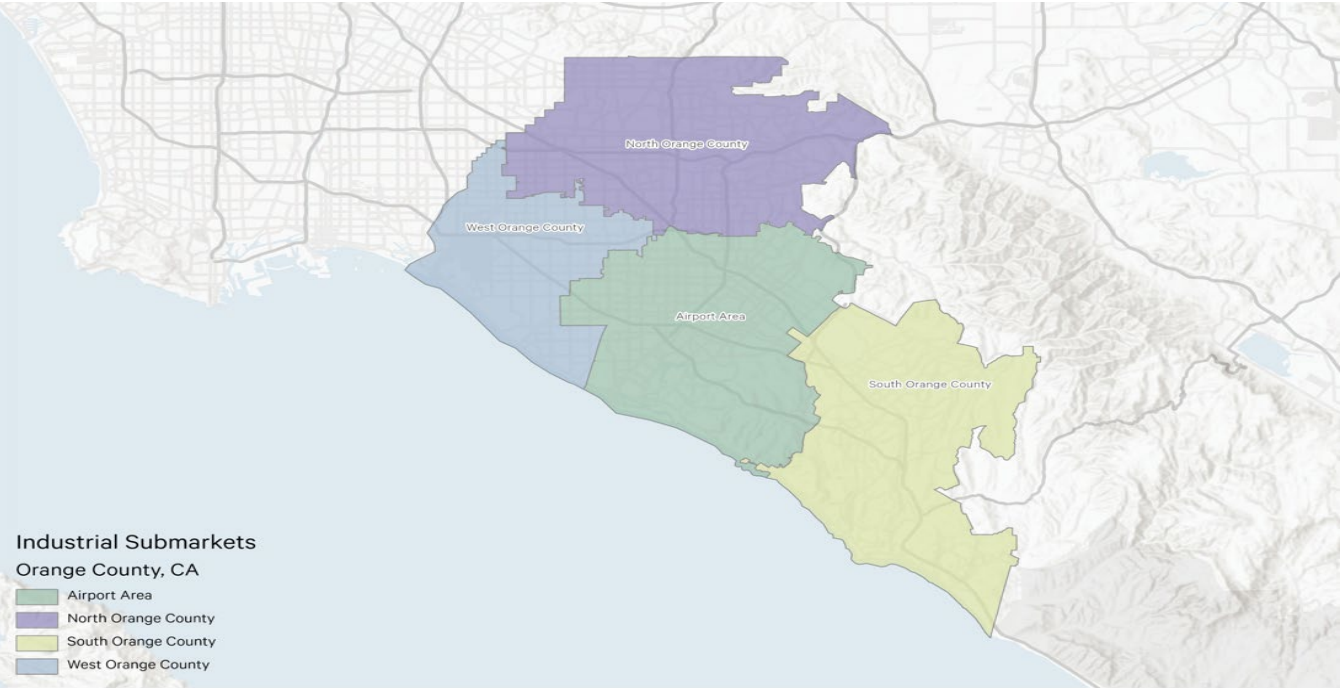
Source: CBRE Research, Q3 2024.

FIGURE 14: Manufacturing and Warehouse Availability Statistics by Building Size

Submarket by Building Size	Available		Vacant		New to Market		Gross Activity		Average Asking PSF	
	# of Bldgs.	Sq. Ft.	# of Bldgs.	Sq. Ft.	# of Bldgs.	Sq. Ft.	# of Bldgs.	Sq. Ft.	NNN Lease Rate	Sale Price
10,000-19,999	18	216,746	7	81,312	9	132,673	22	307,888	\$1.71	\$351
20,000-29,999	14	278,824	10	189,315	5	119,429	1	22,710	\$1.66	\$341
30,000-49,999	12	364,911	9	272,632	2	66,792	2	66,269	\$1.60	\$385
50,000-69,999	14	763,345	8	435,962	5	264,995	2	118,812	\$1.58	\$436
70,000-99,999	11	506,287	4	103,442	3	225,246	1	96,191	\$1.36	\$214
100,000 and greater	33	4,023,424	19	2,291,516	3	490,050	0	0	\$1.66	\$226
NORTH ORANGE COUNTY TOTAL	102	6,153,537	57	3,374,179	27	1,299,185	28	611,870	\$1.61	\$356
10,000-19,999	18	252,506	9	133,550	4	59,167	4	57,979	\$1.54	\$430
20,000-29,999	8	169,529	5	113,849	1	22,142	1	20,680	\$1.36	\$522
30,000-49,999	6	218,999	3	131,165	1	30,000	0	0	\$1.61	\$306
50,000-69,999	6	297,988	2	75,750	1	50,182	0	0	\$1.76	\$339
70,000-99,999	4	160,329	3	130,329	0	0	1	97,896	\$1.68	\$0
100,000 and greater	5	674,800	3	197,799	1	125,773	1	108,981	\$1.62	\$0
WEST ORANGE COUNTY TOTAL	47	1,774,151	25	782,442	8	287,264	7	285,536	\$1.61	\$395
10,000-19,999	17	224,610	7	106,152	9	135,784	11	145,842	\$1.81	\$465
20,000-29,999	15	319,064	6	113,836	6	144,605	2	45,731	\$1.82	\$387
30,000-49,999	15	413,192	9	268,295	3	127,082	7	243,679	\$1.55	\$337
50,000-69,999	5	207,523	2	111,996	0	0	0	0	\$1.53	\$389
70,000-99,999	9	582,625	6	452,926	3	246,314	0	0	\$1.91	\$0
100,000 and greater	17	2,016,806	9	1,199,523	3	367,748	1	120,000	\$1.86	\$0
AIRPORT AREA TOTAL	78	3,763,820	39	2,252,728	24	1,021,533	21	555,252	\$1.82	\$417
10,000-19,999	1	18,189	0	0	2	31,006	5	72,740	\$1.70	\$0
20,000-29,999	2	35,144	1	11,144	3	75,598	3	78,128	\$1.72	\$457
30,000-49,999	4	153,219	2	66,655	2	82,265	3	104,263	\$1.62	\$404
50,000-69,999	0	0	0	0	0	0	0	0	\$0.00	\$415
70,000-99,999	4	111,478	3	84,966	0	0	0	0	\$1.64	\$0
100,000 and greater	8	815,603	1	68,264	0	0	0	0	\$1.67	\$0
SOUTH ORANGE COUNTY TOTAL	19	1,133,633	7	231,029	7	188,869	11	255,131	\$1.66	\$434
ORANGE COUNTY TOTAL	246	12,825,141	128	6,640,378	66	2,796,851	67	1,707,789	\$1.68	\$395

Source: CBRE Research, Q3 2024.

Market Area Overview



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Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. **Availability Rate:** Total Available Sq. Ft. divided by the total Building Area. **Average Asking Lease Rate:** A calculated average that includes net and gross lease rates, weighted by their corresponding available square footage. **Building Area:** The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. **Gross Activity:** All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. **Net Absorption:** The change in Occupied Sq. Ft. from one period to the next. **Net Lease Rate:** Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. **Occupied Sq. Ft.:** Building Area not considered vacant. **Vacancy Rate:** Total Vacant Sq. Ft. divided by the total Building Area. **Vacant Sq. Ft.:** Space that can be occupied within 30 days. **Normalization:** Due to a reclassification of the market and updating demolished buildings in prior quarters, the base, number and sq. ft. of buildings for previous quarters have been adjusted to match the current base. Availability and vacancy amounts for these buildings have also been adjusted in previous quarters.

Survey Criteria

Includes all industrial buildings 10,000 sq. ft. and greater in size in the Orange County. Buildings which have begun construction as evidenced by site excavation or foundation work.