



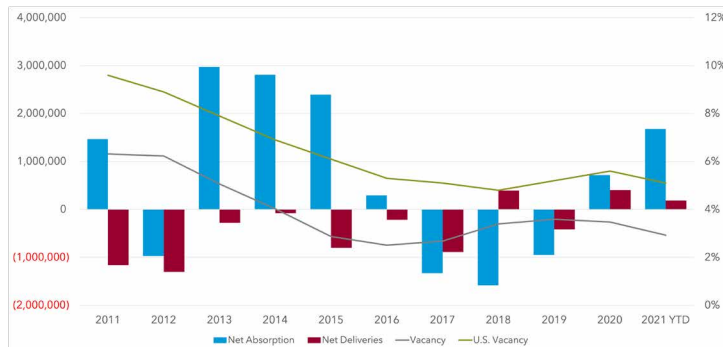
### INDUSTRIAL MARKET OVERVIEW

JACK HALEY, *Principal*

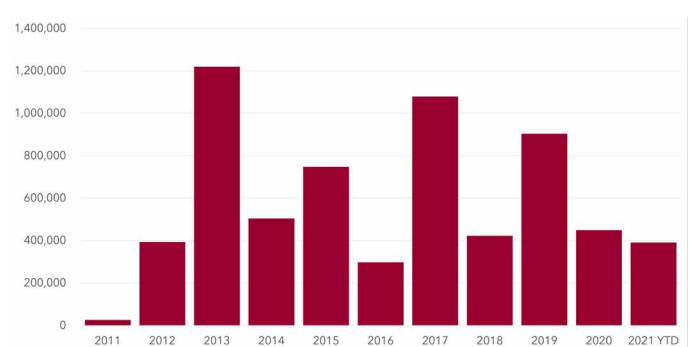
Q2 industrial demand in Orange County is the strongest we have seen in six years. The strong economy has most local companies in a growth mode. Net absorption totaled more than 1.1 million SF in Q2. It has been more than 23 quarters since absorption topped 1 million SF. The vacancy rate has dropped below 3% which puts us in record low territory. Countywide rents grew 9% year over year. When looking to relocate, many business owners are finding a short supply of quality industrial space.

MARKET INDICATORS	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
▲ Net Absorption SF	1,112,630	482,333	483,898	(130,092)	(321,110)
▼ Vacancy Rate	3.0%	3.40%	3.50%	3.70%	3.60%
▲ Avg NNN Asking Rate PSF	\$1.21	\$1.16	\$1.14	\$1.12	\$1.11
▼ SF Under Construction	421,853	539,323	449,153	513,576	553,694
▼ Inventory SF	275,485,932	275,574,407	275,297,374	275,394,221	275,369,207

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
17871 Von Karman Avenue Irvine, CA	395,673 SF	\$180,750,000 \$456.82 PSF	CPUS Irvine Crossing LP Von Karman Income Holding Co	Class B
1062 McGaw Avenue Irvine, CA	107,600 SF	\$23,000,000 \$213.75 PSF	1062 Mcgaw APG LLC Ricoh Development of California	Class B
331-333 Cliffwood Park Street Brea, CA	99,552 SF	\$20,925,000 \$210.19 PSF	SCIND Cliffwood Point LLC 12th Capital, LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
15800 Alton Pkwy Irvine, CA	210,000 SF	Irvine Company	Alcon Research LTD	Pharmaceutical Prep
58 Discovery Irvine, CA	127,030 SF	Irvine Company	Masimo	Medical Technology
11251-11261 Warland Drive Cypress, CA	121,983 SF	Cypress Land Company	Gerber Plumbing & Fixtures	Plumbing Fixtures

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