

Orange County

Industrial market snapshot | Q1 2024

The Orange County industrial market has cooled just like neighboring Los Angeles and Inland Empire markets. Leasing activity remains quiet, vacancies are trending up, and rental rates have seen a slight decline as of late. Despite these challenges, the industrial market remains tight when compared to neighboring markets. Additionally, there have been significant new developments that are underway, with over 1.3 msf currently under construction, indicating ongoing investment and development activity in the region.

-0.2%

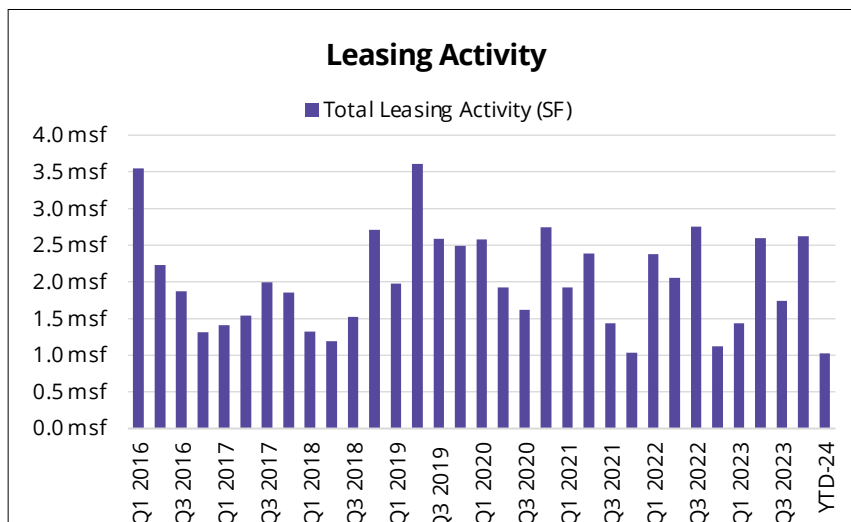
Net absorption reported negative in Q1 as the market continues to soften and many occupiers have decided to relinquish any unused space.

\$1.73

Average asking rates have declined slightly. Landlords are no longer pushing rents higher due to the decline in activity.

4.4%

Total vacancies continue to pick up in Orange County. Vacancies may continue to rise as new developments reach completion in 2024.

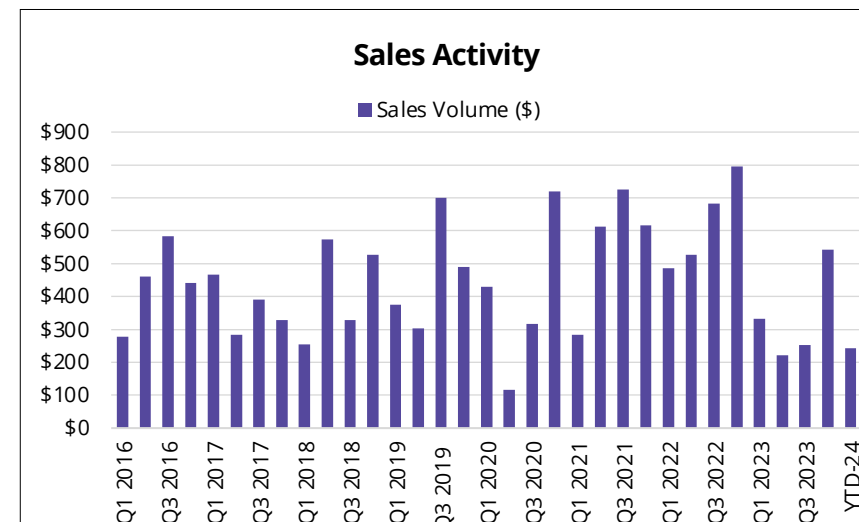


Leasing activities declined in Q1 2024. Many occupiers have made decisions to shed any unused space that may have been acquired during the pandemic. Additionally, high rents have deterred some occupiers, leading to a wait-and-see approach until rent levels decrease.

Note 1: Survey based on industrial/flex buildings 50K+

Note 2:

Source: Costar, AVANT by Avison Young

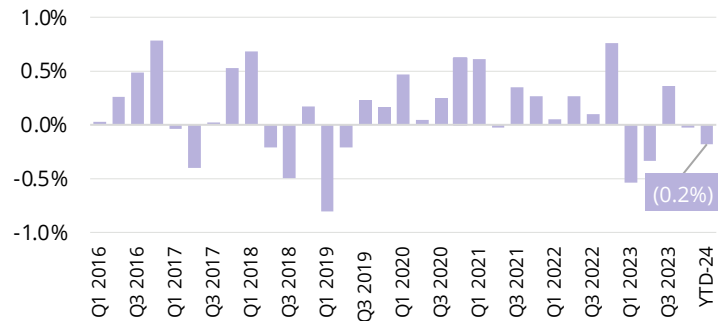


Rexford industrial purchased a 48-property portfolio from Blackstone in Q1 2024. The portfolio is spread throughout Los Angeles and Orange County, totaling 3.0 msf at \$332/SF. The portfolio was 98% leased at the time of sale.

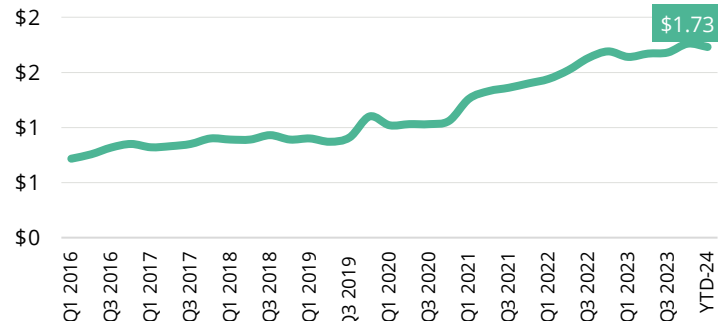
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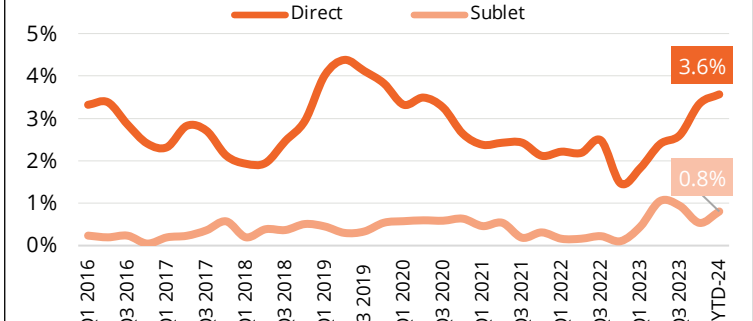
Net absorption as a % of inventory



Direct asking rents (psf/NNN)



Vacancy



Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Hampton Products	50 Icon, Foothill Ranch	307,781	Direct	Renewal
Northgate	2450 White Rd., Irvine	106,862	Direct	Sublease
Little Buddy Toys	270 E Palais Rd., Anaheim	95,178	Direct	New
CED	1000 E Valencia Dr., Fullerton	57,424	Direct	New

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Rexford (48 Property Portfolio)	200 Boysenberry Ln	\$65,082,572	\$328	Blackstone
Rexford (48 Property Portfolio)	20472 Crescent Bay Dr	\$62,541,384	\$342	Blackstone
Rexford (48 Property Portfolio)	1217 E Saint Gertrude Pl	\$34,343,984	\$322	Blackstone
Rexford (48 Property Portfolio)	4141 N Palm St	\$31,332,183	\$313	Blackstone

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Get in touch

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	Existing inventory sf	Deliveries sf	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Net absorption % of inventory	Direct asking rent psf NNN
North County	62,385,855	165,850	760,601	3.3%	1.0%	4.3%	(0.6%)	\$1.72
Airport Area	29,163,193	257,268	191,786	2.8%	0.8%	3.6%	0.0%	\$1.75
West County	22,032,831	0	237,499	6.1%	0.8%	6.9%	(0.7%)	\$1.68
South County	20,332,250	0	195,703	2.8%	0.3%	3.1%	1.3%	\$1.79
Market total	133,914,129	423,118	1,385,589	3.6%	0.8%	4.4%	(0.2%)	\$1.73

	Existing inventory sf	Deliveries sf	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Net absorption % of inventory	Direct asking rent psf NNN
Class A	14,932,768	423,118	1,047,589	6.9%	0.1%	7.0%	2.0%	\$1.85
Class B	70,215,671	0	338,000	3.3%	1.3%	4.6%	(0.3%)	\$1.69
Class C	48,765,690	0	0	2.9%	0.3%	3.2%	(0.6%)	\$1.54
Market total	133,914,129	423,118	1,385,589	3.6%	0.8%	4.4%	(0.2%)	\$1.73

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