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# **Industrial Market Report**

Compared to the Previous Quarter:

**Vacancy** 



**Net Absorption** 



Sales Price



**Lease Rates** 



**Transactions** 



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## Market Highlights

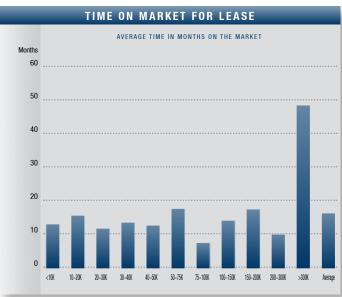
- Encouraging Numbers The Orange County industrial market continued its path to recovery, posting a modest 4.50% vacancy rate. Both vacancy and availability continued their downward trend and displayed double-digit percentage drops compared to the third quarter of 2011. Lease rates continued their upward trend, with the first quarter of 2011 marking the lowest rates of the recession. Net absorption posted nearly 5 million square feet of positive absorption from the second quarter of 2010 to the third quarter of 2012. While these are positive indicators, we are keeping a close eye on demand, which, being ultimately influenced by employment and overall economic stability, will need to be sustained in coming quarters for the Orange County industrial market to continue its pace of recovery.
- Vacancy Direct/sublease space (unoccupied) finished the quarter at 4.50%, one of the lowest figures seen since the first quarter of 2009 and a decrease of 10.54% when compared to the third quarter of 2011. The Airport Area submarket presented the lowest vacancy rate in the county at 4.01%. We are forecasting that vacancy will continue its downward trend in 2012, ending the year at around 4.25%.
- Availability Direct/sublease space being marketed came in at 7.68% for the third quarter of 2012, a slight drop from the 7.69% seen in the previous quarter and a decrease of over 10.5% from 2011's third quarter rate of 8.59%.
- Lease Rates The average asking triple-net lease rate checked in at \$.56 per square foot per month, one cent higher than the previous quarter and two cents higher than the \$.54 seen in the third quarter of 2011. The South County submarket posted the highest average asking lease rate in the county at \$.69. The record high rate of \$.80 was established in the first and second quarters of 2008. We are forecasting that lease rates will continue to rises, ending the year at \$.57.
- Sales Pricing The average asking sales price in the third quarter of 2012 was \$137.96 per square foot, a 20.20% increase from the previous year's price of \$114.78 and a slight decrease from 2012's second quarter price of \$138.66. The annual increase can be attributed to a lack of supply of product for sale in many size ranges; currently, only around 3% of the inventory in the Orange County industrial market is available for sale. This lack of supply will put upward pressure on pricing going forward. The

- record high asking rate of \$181.23 was established in the third quarter of 2007.
- Absorption The Orange County industrial market posted 619,671 square feet of positive net absorption for the third quarter of 2012, giving the industrial market nearly 5 million square feet of positive absorption since the second quarter of 2010. We are forecasting that net absorption will continue its positive trend in 2012, giving the year a total of around two million square feet.
- Transaction Activity Leasing activity for this quarter checked in at 1.8 million square feet, a decrease from the prior year's third quarter number of 3.9 million square feet. Sales activity decreased, posting 1.1 million square feet for the third quarter of 2012 compared to the 2.5 million square feet we saw in the same quarter of 2011. This drop in activity can be contributed to the lack of supply in some size ranges, which is putting upward pressure on pricing. Details of the largest transactions from the quarter can be found on the back page of this report.
- Employment The unemployment rate in Orange County was 7.7% in August 2012 down from a revised 7.9% in July 2012 and below the previous year's estimate of 9.0%. This compares with an unadjusted unemployment rate of 10.4% for California and 8.2% for the nation during the same period. According to the State of California Employment Development Department, Orange County saw a net increase of 29,000 payroll jobs from August 2011 to August 2012. The largest gains were 10,600 in professional & business services and 9,100 in leisure & hospitality; however, Orange County lost 1,900 government jobs during that same period.
- Overall We are seeing a continued decrease in vacancy and a subsequent increase in net occupancy, which is contributing to an increase in asking lease rates. A lack of product available for sale in many size ranges (particularly in the 30,000 to 100,000 square-foot range) is causing an increase in sale prices and a drop in transaction volume. While these are certainly positive indicators, cautious optimism still prevails, as job creation will need to continue in order to drive the demand needed to sustain growth in the Orange County industrial market.

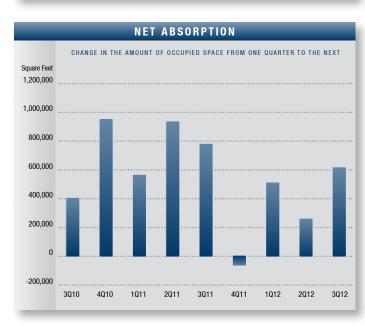
IND	USTRIAL	MARKET	OVERVI	E W
	3Q12	2Q12	3Q11	% of Change vs. 3Q11
Vacancy Rate	4.50%	4.75%	5.03%	(10.54%)
Availability Rate	7.68%	7.69%	8.59%	(10.59%)
Average Asking Lease Rate	\$0.56	\$0.55	\$0.54	3.70%
Average Asking Sale Price	\$137.96	\$138.66	\$114.78	20.20%
Sale & Lease Transactions	2,934,287	4,668,940	6,363,770	(53.89%)
Gross Absorption	3,189,579	2,904,237	3,029,872	5.27%
Net Absorption	619,671	256,553	771,819	N/A













		INVEN	TORY		V	ACANC	/ & LEAS	E RATES	5			ABSOF	PTION	
	Number of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate 3Q2012	Square Feet Available	Availability Rate 3Q2012	Average Asking Lease Rate	Average Asking Sales Price	Net Absorption 3Q2012	Net Absorption 2012	Gross Absorption 3Q2012	Gross Absorption 2012
North County														
Anaheim	1,864	44,645,008	0	449,778	1,572,027	3.52%	3,128,800	7.01%	\$0.48	\$125.89	240,713	427,707	562,640	1,761,551
Brea	339	12,101,869	84,350	0	308,171	2.55%	671,713	5.55%	\$0.50	\$122.75	199,068	179,717	258,769	384,568
Buena Park	254	13,805,772	0	0	539,291	3.91%	571,625	4.14%	\$0.53	\$121.40	(65,658)	(170,236)	144,203	273,387
Fullerton	474	17,442,551	0	100.000	784.239	4.50%	1,664,353	9.54%	\$0.49	\$121.59	23,883	503,689	242.698	1,049,119
La Habra	216	4,511,092	0	0	752,829	16.69%	856,723	18.99%	\$0.55	\$128.01	4,309	(1,042)	31,673	73,494
Orange	788	14,923,277	0	0	521,995	3.50%	751,828	5.04%	\$0.49	\$131.40	11,941	74,807	77,923	398,364
Placentia	225	4,287,784	0	0	382,478	8.92%	547,837	12.78%	\$0.53	\$154.80	(3,889)	14,855	37,130	143,907
Yorba Linda	56	1,044,095	0	0	36,374	3.48%	102,233	9.79%	\$0.00	\$125.00	443	550	13,412	32,031
North County Total	4,216	112,761,448	84,350	549,778	4,897,404	4.34%	8,295,112	7.36%	\$0.49	\$124.79	410,810	1,030,047	1,368,448	4,116,421
West County	,	, ,	,	,	, ,		, ,				,	, ,	, ,	, ,
Cypress	102	4,207,460	0	0	865,836	20.58%	915,161	21.75%	\$0.61	\$167.30	(253,524)	(581,706)	8,142	137,571
Garden Grove	485	12,283,859	0	0	508,608	4.14%	963,168	7.84%	\$0.46	\$128.21	(5,120)	(45,222)	175,549	450,747
Huntington Beach	697	15,484,581	5.225	44.000	373,585	2.41%	1,526,029	9.86%	\$0.60	\$152.29	184,637	75,027	253,336	488,514
La Palma	16	1,777,797	0,220	0	43,219	2.43%	0	0.00%	\$0.00	\$0.00	(43,219)	88,061	0	131,280
Los Alamitos	99	2,561,317	0	0	86,945	3.39%	224,020	8.75%	\$0.65	\$212.31	24,096	(35,962)	37,616	64,204
Seal Beach	14	1,037,459	0	0	76,161	7.34%	76,161	7.34%	\$0.64	\$131.00	(76,161)	(76,161)	07,010	0 1,20 1
Stanton	188	2,269,333	0	0	28,342	1.25%	29,092	1.28%	\$0.75	\$135.29	6,156	40,141	14,156	91,377
Westminster	167	2,873,549	0	0	48,692	1.69%	323,409	11.25%	\$0.49	\$216.59	27,725	77,306	59,710	128,489
West County Total	1,768	42,495,355	5,225	44,000	2,031,388	4.78%	4,057,040	9.55%	\$0.56	\$141.95	(135,410)	(458,516)	548,509	1,492,182
Airport Area	.,	,,	-,	,	_,,		,,,		¥2	***************************************	(,)	(1,-1-)	,	.,,
Costa Mesa	462	8,699,265	0	0	211,283	2.43%	512,911	5.90%	\$0.89	\$193.10	(78,466)	(25,567)	74.393	315,916
Fountain Valley	181	3,591,394	0	256,800	77,362	2.45%	236,193	6.58%	\$0.63	\$142.38	43,972	90,143	57,364	221,515
Irvine	423	15,492,652	26,000	33,250	889,332	5.74%	1,401,733	9.05%	\$0.58	\$139.77	35,806	384,670	149,733	830,404
Newport Beach	70	1,284,439	0	00,200	3,000	0.23%	3,000	0.23%	\$0.00	\$0.00	4,500	3,000	4,500	19,120
Santa Ana	1.630	32.060.095	0	0	1.299.600	4.05%	1,873,954	5.85%	\$0.59	\$114.70	111.676	164,458	452,514	1,254,446
Tustin	122	4,984,622	0	0	169,750	3.41%	350,812	7.04%	\$0.53	\$167.90	(9,292)	136,562	15,100	164,745
Airport Area Total	2,888	66,112,467	26,000	290,050	2,650,327	4.01%	4,378,603	6.62%	\$0.59	\$136.80	108,196	753,266	753,604	2,806,146
South County	_,	,,	,		_,,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		<b>V</b>	<b>T</b>	,	,	,	_,,
Aliso Viejo	23	1.015.540	0	0	23.189	2.28%	23,189	2.28%	\$0.77	\$149.00	(17,748)	(18,619)	1,932	25,497
Foothill Ranch	67	3,648,152	0	0	132,325	3.63%	167,935	4.60%	\$0.77	\$161.63	63,325	74,665	103,000	114,340
Irvine Spectrum	165	8,016,680	0	0	677,858	8.46%	838,799	10.46%	\$0.59	\$151.87	93,772	(104,340)	129,241	444,879
Laguna Hills	101	1,513,734	0	7,000	82,127	5.43%	117,335	7.75%	\$0.04	\$155.00	10,428	(104,540)	37,123	84,293
Laguna Niguel	29	600,745	0	7,000	24,730	4.12%	24,730	4.12%	\$0.90	\$0.00	24,000	(10,001)	24,000	24,000
Lake Forest	215	5,057,097	0	0	295.185	5.84%	611,327	12.09%	\$0.71	\$155.75	4,335	(11,256)	113,657	285,838
Mission Viejo	38	722,510	0	0	16,420	2.27%	22,184	3.07%	\$0.00	\$176.67	36,966	1,134	43,704	62,405
Rancho Santa Margarita	106	1,708,693	0	0	37,457	2.19%	75,517	4.42%	\$0.84	\$164.56	(10,258)	47,525	0	123,791
San Clemente	167	2,097,432	0	0	197,465	9.41%	276,024	13.16%	\$0.74	\$157.25	12,387	53,552	44,678	172,903
San Juan Capistrano	50	1,168,153	0	0	43,315	3.71%	70,866	6.07%	\$0.84	\$215.00	18,868	32,911	21,683	74,796
South County Total	961	25,548,736	0	7,000	1,530,071	5.99%	2,227,906	8.72%	\$0.69	\$155.66	236,075	64,911	519,018	1,412,742
Total	9,833	246,918,006	115,575	890,828	11,109,190	4.50%	18,958,661	7.68%	\$0.56	\$137.96	619,671	1,389,708	3,189,579	9,827,491
Less than 9,999	3,513	21,099,820	5,225	7,000	600,186	2.84%	1,025,706	4.86%	\$0.90	\$179.09	(15,155)	91,047	254,115	833,432
10,000-19,999	3,222	44,481,534	0	0	1,987,706	4.47%	3,022,866	6.80%	\$0.76	\$151.83	106,428	165,187	683,162	2,174,256
20,000-29,999	1,221	29,073,353	26,000	0	1,369,758	4.71%	2,407,087	8.28%	\$0.60	\$146.82	111,154	244,019	517,096	1,685,939
30,000-39,999	514	17,465,960	0	68,250	425,078	2.43%	1,005,780	5.76%	\$0.72	\$143.79	144,199	202,162	372,697	846,637
40,000-49,999	323	14,195,085	0	90,300	685,450	4.83%	1,130,885	7.97%	\$0.56	\$129.71	22,893	(17,938)	153,000	547,136
50,000-74,999	446	26,897,805	0	118,800	1,083,537	4.03%	1,708,958	6.35%	\$0.56	\$126.53	14,827	(169,792)	215,010	699,379
75,000-99,999	208	17,828,736	84,350	75,200	1,049,870	5.89%	1,514,835	8.50%	\$0.57	\$133.61	(216,665)	(133,775)	29,600	495,225
100,000-149,999	198	23,242,806	0	321,800	966,148	4.16%	2,444,687	10.52%	\$0.56	\$109.31	143,159	323,494	364,254	1,171,916
150,000-199,999	68	11,644,303	0	0	870,716	7.48%	1,314,320	11.29%	\$0.53	\$98.98	405,776	357,662	405,776	516,175
200,000-299,999	68	16,367,777	0	209,478	851,740	5.20%	1,581,584	9.66%	\$0.45	\$0.00	(268,720)	84,034	23,094	440,821
300,000 Plus	52	24,620,827	0	0	1,219,001	4.95%	1,801,953	7.32%	\$0.57	\$98.19	171,775	243,608	171,775	416,575
Total	9,833	246,918,006	115,575	890,828	11,109,190	4.50%	18,958,661	7.68%	\$0.56	\$137.96	619,671	1,389,708	3,189,579	9,827,491

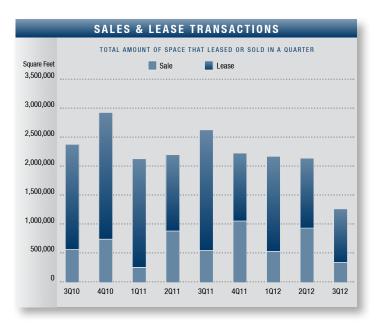
Lease rates are on a triple-net basis.

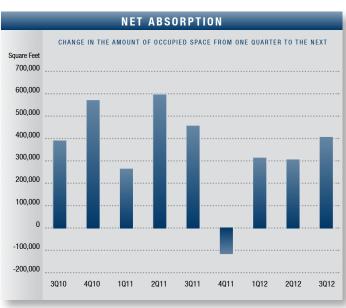


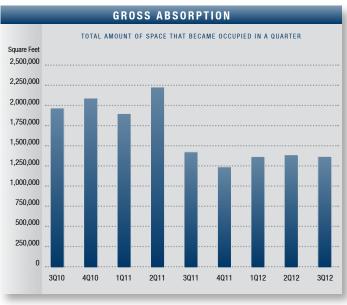
#### **NORTH ORANGE COUNTY**

In the third quarter of 2012, the North Orange County industrial market consisted of 4,216 buildings totaling 112,761,448 square feet and had an availability rate of 7.36%, which shows a decrease from the previous quarter's figure of 7.56%.







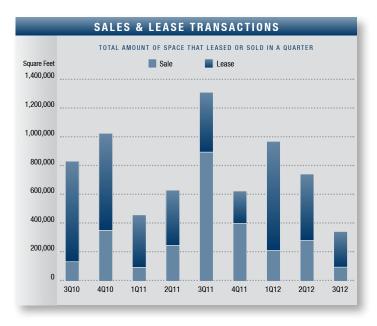


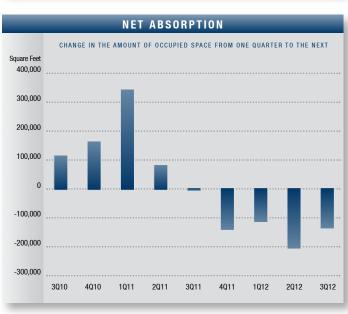
	INVENTORY VACANCY & LEASE RATES							ABSORPTION						
		INVENTORI				VAUANUT & LLASE HATES				ADSORT HON				
	Number of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate 3Q2012	Square Feet Available	Availability Rate 3Q2012	Average Asking Lease Rate	Average Asking Sales Price	Net Absorption 3Q2012	Net Absorption 2012	Gross Absorption 3Q2012	Gross Absorption 2012
North Totals														
Less than 9,999	1,409	8,683,061	0	0	238,581	2.75%	374,544	4.31%	\$0.68	\$159.03	(37,254)	37,782	85,383	310,679
10,000-19,999	1,424	19,635,085	0	0	916,566	4.67%	1,242,327	6.33%	\$0.69	\$135.92	39,789	2,330	285,027	832,356
20,000-29,999	538	12,785,680	0	0	479,284	3.75%	929,445	7.27%	\$0.60	\$118.77	64,973	140,257	178,169	646,609
30,000-39,999	234	7,916,175	0	0	205,811	2.60%	438,260	5.54%	\$0.62	\$133.32	2,226	25,071	88,557	186,014
40,000-49,999	136	5,969,052	0	46,300	268,042	4.49%	525,021	8.80%	\$0.54	\$113.03	(4,738)	12,683	65,460	184,011
50,000-74,999	199	12,003,596	0	118,800	412,978	3.44%	731,798	6.10%	\$0.51	\$108.41	(3,836)	(117,241)	71,094	322,040
75,000-99,999	88	7,521,557	84,350	75,200	143,819	1.91%	359,676	4.78%	\$0.47	\$135.36	7,000	142,780	7,000	169,800
100,000-149,999	94	11,101,504	0	100,000	299,365	2.70%	1,198,344	10.79%	\$0.49	\$101.44	85,472	251,907	121,374	525,175
150,000-199,999	32	5,508,971	0	0	431,938	7.84%	557,106	10.11%	\$0.49	\$0.00	294,609	271,523	294,609	294,609
200,000-299,999	36	8,713,532	0	209,478	727,253	8.35%	1,187,791	13.63%	\$0.44	\$0.00	(209,206)	19,347	0	228,553
300,000 Plus	26	12,923,235	0	0	773,767	5.99%	750,800	5.81%	\$0.00	\$0.00	171,775	243,608	171,775	416,575
Total	4,216	112,761,448	84,350	549,778	4,897,404	4.34%	8,295,112	7.36%	\$0.49	\$124.79	410,810	1,030,047	1,368,448	4,116,421

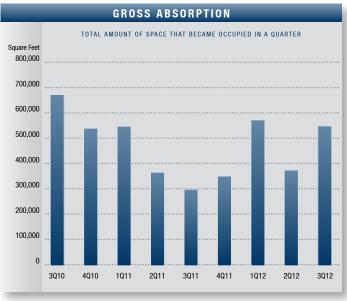
#### **WEST ORANGE COUNTY**

In the third quarter of 2012, the West Orange County industrial market consisted of 1,768 buildings totaling 42,495,355 square feet and had an availability rate of 9.55%, which shows an increase from the previous quarter's figure of 8.53%.







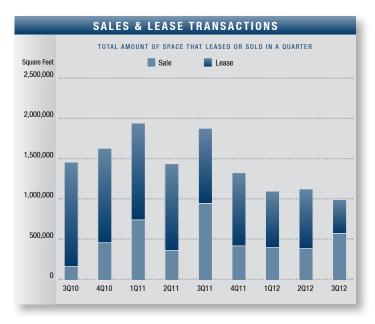


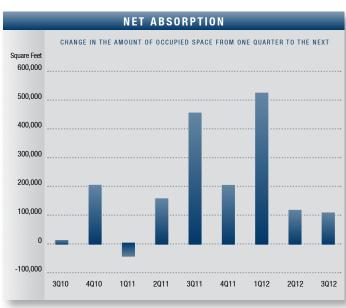
	INVENTORY VACANCY & LEASE RATES							ABSORPTION						
	Number of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate 3Q2012	Square Feet Available	Availability Rate 3Q2012	Average Asking Lease Rate	Average Asking Sales Price	Net Absorption 3Q2012	Net Absorption 2012	Gross Absorption 3Q2012	Gross Absorption 2012
West Totals														
Less than 9,999	728	4,219,960	5,225	0	97,430	2.31%	174,525	4.14%	\$0.81	\$187.58	25,504	53,249	49,388	153,982
10,000-19,999	554	7,339,276	0	0	269,181	3.67%	473,408	6.45%	\$0.87	\$155.64	9,439	99,284	79,834	345,776
20,000-29,999	182	4,338,692	0	0	237,052	5.46%	326,490	7.53%	\$0.54	\$181.38	(43,562)	(62,453)	37,410	174,486
30,000-39,999	63	2,192,698	0	0	20,596	0.94%	13,684	0.62%	\$0.58	\$153.75	62,193	(5,472)	105,455	135,945
40,000-49,999	55	2,411,988	0	44,000	112,709	4.67%	157,018	6.51%	\$0.50	\$148.11	(43,219)	(46,529)	0	0
50,000-74,999	84	5,060,126	0	0	251,377	4.97%	236,186	4.67%	\$0.62	\$110.75	(5,606)	(147,271)	59,162	99,192
75,000-99,999	37	3,177,470	0	0	430,286	13.54%	512,809	16.14%	\$0.66	\$129.90	(124,295)	(342,232)	1,200	91,195
100,000-149,999	29	3,431,752	0	0	499,919	14.57%	999,595	29.13%	\$0.58	\$117.48	(9,436)	(129,944)	139,880	284,146
150,000-199,999	16	2,707,436	0	0	30,230	1.12%	328,892	12.15%	\$0.54	\$0.00	76,180	74,180	76,180	76,180
200,000-299,999	12	2,902,255	0	0	82,608	2.85%	341,114	11.75%	\$0.47	\$0.00	(82,608)	48,672	0	131,280
300,000 Plus	8	4,713,702	0	0	0	0.00%	493,319	10.47%	\$0.00	\$0.00	0	0	0	0
Total	1,768	42,495,355	5,225	44,000	2,031,388	4.78%	4,057,040	9.55%	\$0.56	\$141.95	(135,410)	(458,516)	548,509	1,492,182

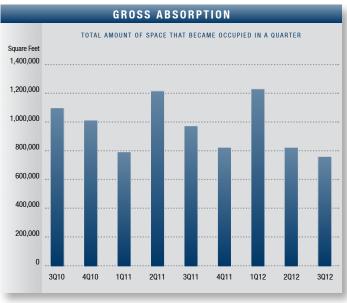
#### **AIRPORT AREA**

In the third quarter of 2012, the Airport Orange County industrial market consisted of 2,888 buildings totaling 66,112,467 square feet and had an availability rate of 6.62%, which shows a decrease from the previous quarter's figure of 6.84%.







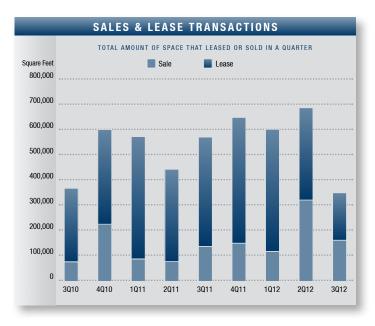


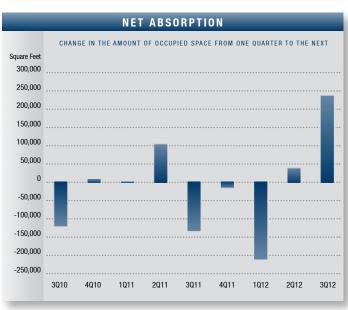
	•	INVEN		V	VACANCY & LEASE RATES				ABSORPTION					
	Number of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate 3Q2012	Square Feet Available	Availability Rate 3Q2012	Average Asking Lease Rate	Average Asking Sales Price	Net Absorption 3Q2012	Net Absorption 2012	Gross Absorption 3Q2012	Gross Absorption 2012
Airport Totals														
Less than 9,999	1,018	5,752,146	0	0	156,230	2.72%	283,284	4.92%	\$1.43	\$182.43	(16,326)	(24,688)	69,406	223,630
10,000-19,999	950	13,308,713	0	0	475,576	3.57%	831,600	6.25%	\$0.77	\$172.48	60,525	107,674	215,168	695,364
20,000-29,999	379	9,062,241	26,000	0	445,083	4.91%	758,190	8.37%	\$0.54	\$126.89	19,642	78,829	188,597	581,734
30,000-39,999	171	5,816,273	0	68,250	121,490	2.09%	485,216	8.34%	\$0.73	\$143.93	33,985	142,557	128,755	455,759
40,000-49,999	99	4,336,494	0	0	207,294	4.78%	251,977	5.81%	\$0.47	\$136.27	44,819	(760)	61,509	187,368
50,000-74,999	121	7,278,596	0	0	234,836	3.23%	452,327	6.21%	\$0.55	\$118.50	23,816	121,339	55,182	170,625
75,000-99,999	61	5,250,225	0	0	421,547	8.03%	555,504	10.58%	\$0.59	\$135.99	(93,252)	71,795	0	200,159
100,000-149,999	52	5,986,625	0	221,800	0	0.00%	49,834	0.83%	\$0.59	\$129.00	0	146,121	0	146,121
150,000-199,999	13	2,243,005	0	0	221,642	9.88%	231,442	10.32%	\$0.56	\$0.00	34,987	110,399	34,987	145,386
200,000-299,999	13	3,213,133	0	0	0	0.00%	0	0.00%	\$0.00	\$0.00	0	0	0	0
300,000 Plus	11	3,865,016	0	0	366,629	9.49%	479,229	12.40%	\$0.57	\$98.19	0	0	0	0
Total	2,888	66,112,467	26,000	290,050	2,650,327	4.01%	4,378,603	6.62%	\$0.59	\$136.80	108,196	753,266	753,604	2,806,146

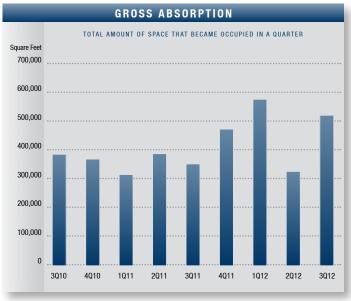
#### **SOUTH ORANGE COUNTY**

In the third quarter of 2012, the South Orange County industrial market consisted of 961 buildings totaling 25,548,736 square feet and had an availability rate of 8.72%, which shows a decrease from the previous quarter's figure of 9.10%.









		INVEN		V	ACANCY	/ & LEAS	E RATES	5	ABSORPTION					
	Number of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate 3Q2012	Square Feet Available	Availability Rate 3Q2012	Average Asking Lease Rate	Average Asking Sales Price	Net Absorption 3Q2012	Net Absorption 2012	Gross Absorption 3Q2012	Gross Absorption 2012
South Totals														
Less than 9,999	358	2,444,653	0	7,000	107,945	4.42%	193,353	7.91%	\$0.88	\$189.14	12,921	24,704	49,938	145,141
10,000-19,999	294	4,198,460	0	0	326,383	7.77%	475,531	11.33%	\$0.82	\$161.08	(3,325)	(44,101)	103,133	300,760
20,000-29,999	122	2,886,740	0	0	208,339	7.22%	392,962	13.61%	\$0.69	\$179.64	70,101	87,386	112,920	283,110
30,000-39,999	46	1,540,814	0	0	77,181	5.01%	68,620	4.45%	\$0.83	\$0.00	45,795	40,006	49,930	68,919
40,000-49,999	33	1,477,551	0	0	97,405	6.59%	196,869	13.32%	\$0.76	\$142.44	26,031	16,668	26,031	175,757
50,000-74,999	42	2,555,487	0	0	184,346	7.21%	288,647	11.30%	\$0.63	\$199.04	453	(26,619)	29,572	107,522
75,000-99,999	22	1,879,484	0	0	54,218	2.88%	86,846	4.62%	\$0.59	\$131.85	(6,118)	(6,118)	21,400	34,071
100,000-149,999	23	2,722,925	0	0	166,864	6.13%	196,914	7.23%	\$0.63	\$99.00	67,123	55,410	103,000	216,474
150,000-199,999	7	1,184,891	0	0	186,906	15.77%	196,880	16.62%	\$0.63	\$98.98	0	(98,440)	0	0
200,000-299,999	7	1,538,857	0	0	41,879	2.72%	52,679	3.42%	\$0.53	\$0.00	23,094	16,015	23,094	80,988
300,000 Plus	7	3,118,874	0	0	78,605	2.52%	78,605	2.52%	\$0.00	\$0.00	0	0	0	0
Total	961	25,548,736	0	7,000	1,530,071	5.99%	2,227,906	8.72%	\$0.69	\$155.66	236,075	64,911	519,018	1,412,742

#### ORANGE COUNTY / INDUSTRIAL MARKET REPORT / THIRD QUARTER 2012

		RECEI	NT TRANSACTIONS		
Sales Transactions Property Address	City	Square Feet	Sale Price Per SF	Buyer	Seller
19511 Pauling	Foothill Ranch	110,108	\$110.00	Star Furniture	Innovage, LLC
378 E. Orangethorpe Ave.	Placentia	77,788	\$76.17	Classic Performance Products	MNC Brothers
17152 Daimler St. – 2 Properties	Irvine	75,524	\$103.28	17152–17192 Daimler, LLC	Hope Qvale
1301 S. State College Blvd.	Anaheim	51,497	\$169.14	Thrifty Oil Company	Weingart Foundation
211 Avenida Fabricante	San Clemente	40,658	\$88.78	CRP Properties	California Reconveyance Company
401 W. Dyer Rd.	Santa Ana	38,568	\$80.75	John N Kallab	Lawrence Pasternack
Lease Transactions					
Property Address	City	Square Feet	Transaction Date	Tenant	Owner
1123 E. Warner Ave. – Renewal	Tustin	500,625	Jul-12	Ricoh	Bedrosian Tustin, LLC
11240 Warland Dr.	Cypress	85,773	Jul-12	C & D Zodiac	Warland Drive Two, LLC
16542 Millikan Ave. – Renewal	Irvine	59,230	Jul-12	Smarthome	Rossmore
501 Burning Tree Rd. – Renewal	Fullerton	55,740	Aug-12	Berger Transfer & Storage	SFERS Real Estate Corporation

Jul-12

Jul-12

### Submarkets

1500 E. Valencia Dr.

1580 Sunflower Ave. - Renewal

#### **NORTH**

Anaheim, Brea, Buena Park, Fullerton, La Habra, Orange, Placentia and Yorba Linda

Costa Mesa

Fullerton

51,900

40,320

#### WEST

Cypress, Garden Grove, Huntington Beach, La Palma, Los Alamitos, Seal Beach, Stanton and Westminster

### **AIRPORT**

Costa Mesa, Fountain Valley, Irvine, Newport Beach, Santa Ana and Tustin

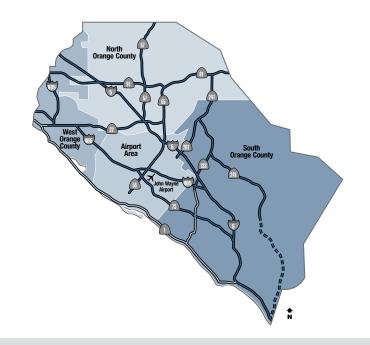
#### SOUTH

Aliso Viejo, Foothill Ranch, Irvine Spectrum, Laguna Hills, Laguna Niguel, Lake Forest, Mission Viejo, Rancho Santa Margarita, San Clemente and San Juan Capistrano

## **Product Type**

#### MFG./DIST.

Manufacturing/Distribution/Warehouse facilities with up to 29.9% office space.



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