Orange County

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Inventory	Y-O-Y CHANGE	Vacancy Rate	Y-O-Y CHANGE	Asking Rental Rate (Monthly)*	Y-O-Y CHANGE	Net Absorption	Y-O-Y CHANGE	Under Construction	Y-O-Y CHANGE	Deliveries	Y-O-Y CHANGE
146.0 msf	↗	**3.8** %	↗	**$1.76** psf (NNN)	↗	**-0.6** msf	↘	**1.4** msf	↘	**0.5** msf	↘
Q4 2022: 141.6 msf		Q4 2022: 2.2%		Q4 2022: $1.53		Q4 2022: 1.7 msf		Q4 2022: 2.2 msf		Q4 2022: 1.4 msf	

*Based on all classes of available inventory

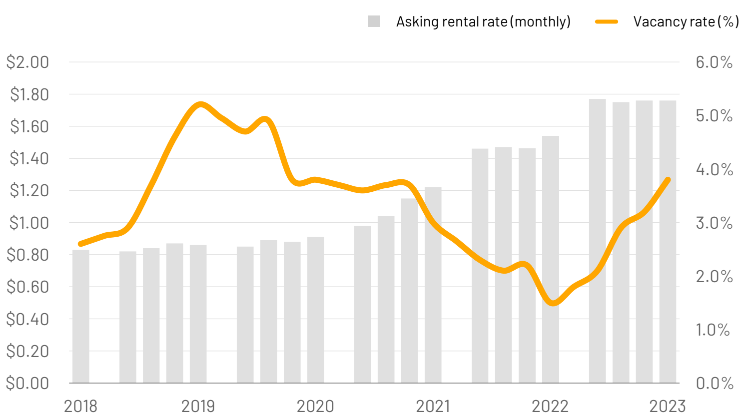
Market Trends

01 Vacancy increased by 90 basis points (bps) in the fourth quarter to 3.8%, while net absorption was negative for the fourth consecutive quarter tallying -672,175 square feet (sf). Much of this negative movement stemmed from the South County.

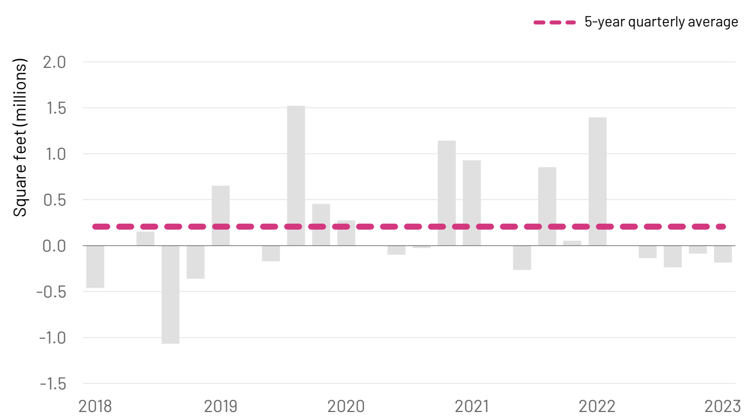
02 Despite 2023 economic challenges and an additional 4.4 million square feet (msf) of space being added to inventory, Orange County industrial has one of the lowest vacancies in Southern California.

03 As market conditions have plateaued, asking rental rate for industrial space have held at a historical high recording $1.76 NNN in Q4, a 1.0% decrease from one quarter ago and a 14.6% increase from last year.

Asking Rent and Vacancy



Net Absorption



Top Transactions

Source: Savills Research

TENANT	SIZE (SF)	SUBMARKET	ADDRESS	TRANSACTION TYPE	INDUSTRY
3PL Global, LLC	229,422	North County	2501 E Orangethorpe Avenue	New Lease	Logistics & Distribution/3PLs
Exemplis	218,000	North County	6280 Artesia Boulevard	Renewal	Consumer Goods
Raymond West Intralogistics	215,000	West County	5560 Katella Avenue	New Lease	Logistics & Distribution/3PLs
Safety Zone	143,970	North County	6250 Caballero Boulevard	Sublease	Manufacturing
Logistics Plus	126,681	North County	1225 W Imperial Highway	Sublease	Logistics & Distribution/3PLs

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Unless otherwise noted, all rents quoted throughout this report are average asking net (NNN) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory.

The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research.