

# San Diego

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Inventory	Y-0-Y CHANGE	Vacancy Rate	Y-0-Y CHANGE	Asking Rental Rate (Monthly)*	Y-0-Y CHANGE	Net Absorption	Y-0-Y CHANGE	Under Construction	Y-0-Y CHANGE	Deliveries	Y-0-Y CHANGE
<b>113.8</b> msf	↗	<b>6.3</b> %	↗	<b>\$1.31</b> psf (NNN)	↗	<b>-1.1</b> msf	↘	<b>1.6</b> msf	↘	<b>0.8</b> msf	↗
Q1 2023: 111.1 msf		Q1 2023: 2.7%		Q1 2023: \$1.21		Q1 2023: 0.2 msf		Q1 2023: 1.9 msf		Q1 2023: 0.2 msf	

\*Based on all classes of available inventory

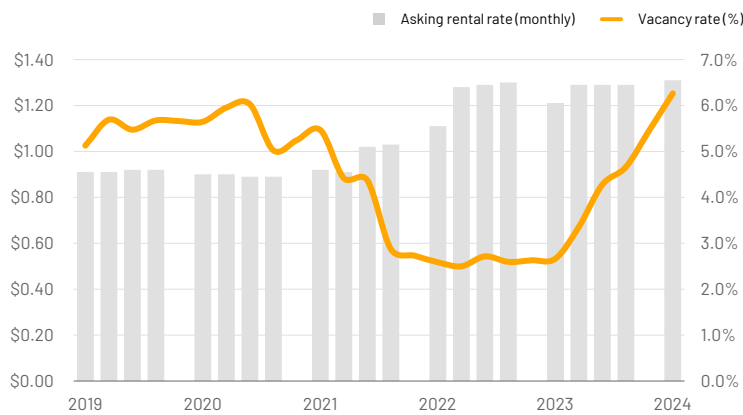
## Market Trends

**01** Vacancy in the San Diego market has continued to climb since early 2023, up 360 basis points (bps) from Q1 2023. Deliveries of new construction have provided the catalyst for higher vacancy, as buildings constructed in 2023 and 2024 are 22.0% leased.

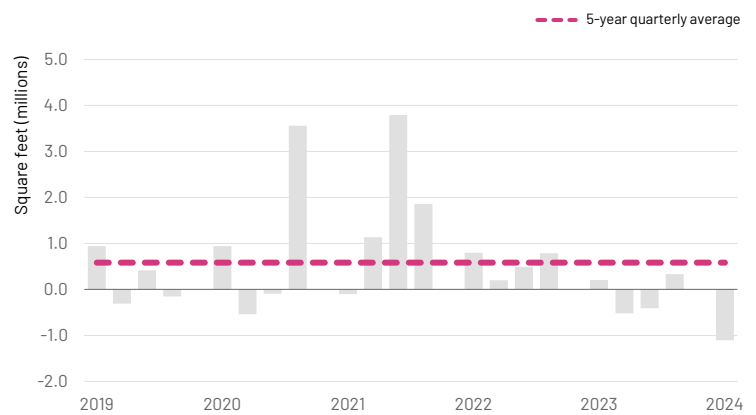
**02** The South County submarket leads in practically every metric, from highest vacancy to construction. The submarket makes up nearly 50% of the 1.6 million square foot (msf) construction pipeline and remains over 90% available.

**03** As of Q1 2024, site work for Phase I of Elevation Land Company's Otay Business Park was underway. Phase I of the master-planned development is set to deliver just shy of 1.0 msf of speculative warehouse product in the South County submarket.

## Asking Rent and Vacancy



## Net Absorption



## Top Transactions

Source: Savills Research

TENANT	SIZE (SF)	SUBMARKET	ADDRESS	TRANSACTION TYPE	INDUSTRY
Southland Envelope Company	153,166	South County	8830 Siempre Viva Road	New Lease	Paper & Packaging
Agorus	127,141	South County	755 Harvest Road - Bldg. B	New Lease	Construction Materials & Building Fixtures
JMC Global	91,753	South County	1462 Corporate Center Drive	New Lease	Logistics & Distribution/3PLs
SOMACIS	72,600	Central County	13500 Danielson Street	Renewal	Manufacturing
Rivulis Irrigation	51,409	Central County	7545 Carroll Road	Renewal	Industrial Machinery & Supplies

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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.

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