

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
114.4 msf	↗	7.2 %	↗	\$1.34 psf (NNN)	↗	-0.3 msf	↗	2.4 msf	↘	0.3 msf	↘
Q3 2023: 111.7 msf		Q3 2023: 4.3%		Q3 2023: \$1.29		Q3 2023: -0.4 msf		Q3 2023: 2.6 msf		Q3 2023: 0.6 msf	

*Based on all classes of available inventory

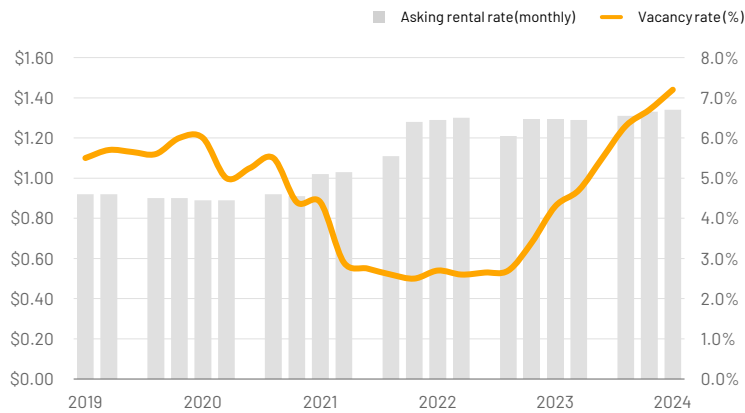
Market Trends

01 Year to date, San Diego has observed 1.6 million square feet (msf) of negative net absorption through Q3. These occupancy losses have led to a continued climb in vacancy, up 290 basis points (bps) from Q3 2023.

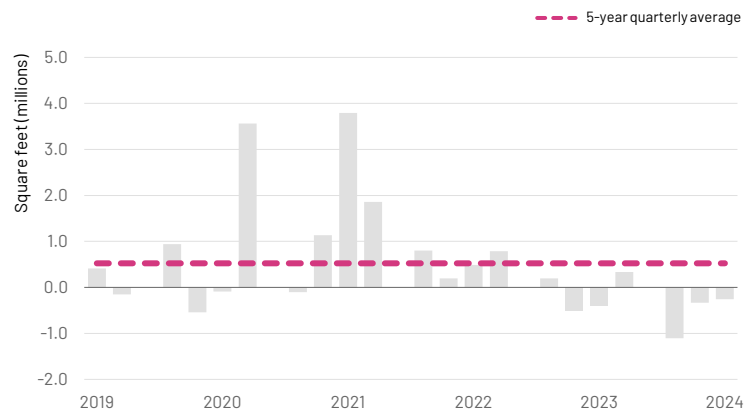
02 Sublease availability continues to climb throughout the market, reaching nearly 2.1 msf as occupiers such as Avanza and Kaiser Permanente have recently brought space to market in South and Central Counties.

03 South County boasts the highest submarket vacancy rate at 11.0%, following nearly 2.0 msf of construction deliveries over the last four quarters, and recently delivered projects such as the Otay Border Crossing remain available.

Asking Rent and Vacancy



Net Absorption



Top Transactions

Source: Savills Research

TENANT	SIZE (SF)	SUBMARKET	ADDRESS	TRANSACTION TYPE	INDUSTRY
Upper Deck Company	157,973	North County	2081 Faraday Avenue	New Lease	Consumer Goods
Foxx Development, Inc.	101,145	South County	7222 Airway Road	New Lease	Communications/Media/Tech
Ferguson Industries	93,662	North County	1445 Engineer Street - Bldg A	New Lease	Industrial Machinery & Supplies
Avis Budget Group	91,541	South County	901 Bay Marina Drive	New Lease	Automotive
Terry Town	90,538	South County	8851 Kerns Street	Renewal	Consumer Goods

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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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