

THE SADDLEBACK CORRIDOR INDUSTRIAL MARKET REPORT

THE INDUSTRIAL REAL ESTATE MARKET TRENDS YOU NEED TO KNOW | Q1 2024



HERE'S WHAT IS INSIDE THIS ISSUE:

- 2024 is off to a great start, with large lease transactions.
- Lease rates remain stable, vacancy rates are down.
- Sale prices this quarter are deceptively low.
- A really big deal in commercial real estate news.
- Trends, charts, numbers, and graphs to make sense of it all!
- Big, beautiful industrial building available now in Aliso Viejo!



A BIG DEAL IN LOCAL COMMERCIAL REAL ESTATE.

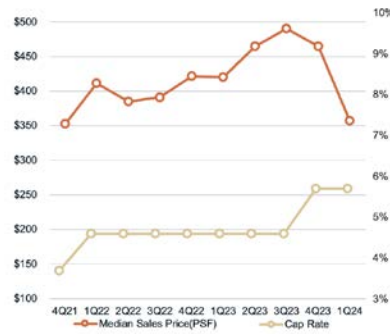
Global investment giant Blackstone has just sold a portfolio of 48 industrial buildings to Rexford Industrial Realty for \$1 billion. Most of the properties are located in LA and OC, totalling over 3 million sq. ft.

Lake Forest Business Center is included in the portfolio sale. The details of this deal are being researched, so look for more information coming soon from WynneCRE. Please note, this transaction is not included in the Q1 stats, due to the timing of the sale.

MARKET SUMMARY

1Q 2024: The Saddleback Corridor stats reflect two large leasing transactions in Foothill Ranch and three lease investment sales. The asking lease rate has not changed this quarter; however, slight increases are expected this year, as availability rates decrease. The \$1 billion portfolio sale is not included in these stats, due to the timing of the sale, which is being researched. Stay tuned for details!

AVERAGE SALE PRICE & CAP RATES



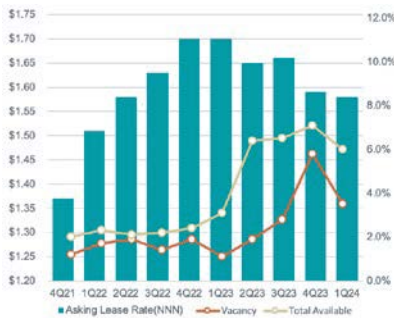
1Q 2024 MARKET HIGHLIGHTS

LOWER SALES PRICES are deceptive, lowered by a flurry of investor sales at prices significantly below what an owner-user would typically pay

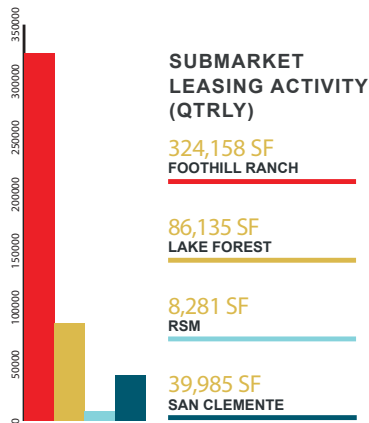
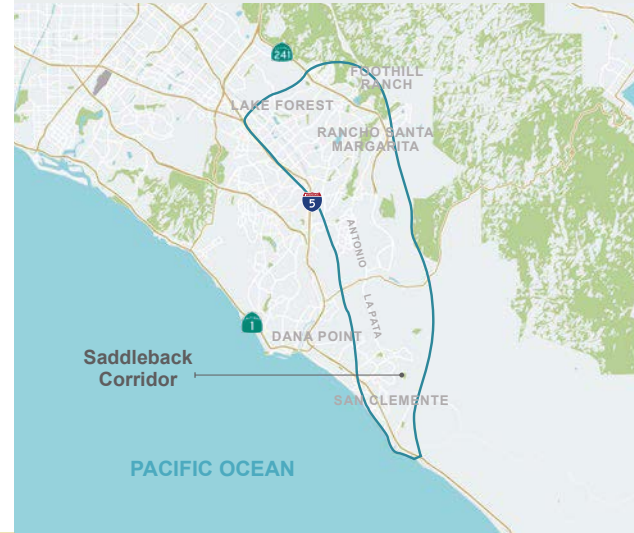
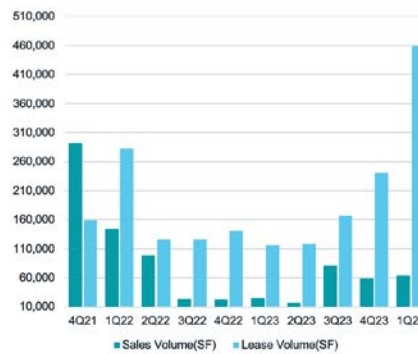
BIG VOLUME, 2 TRANSACTIONS, Foothill Ranch only had two lease deals, yet reached over 300ksf in industrial volume

LEASED INVESTMENTS ONLY, all regional quarter sales were investments

LEASE RATE, VACANCY & AVAILABILITY



SALES VOLUME VS. LEASE VOLUME



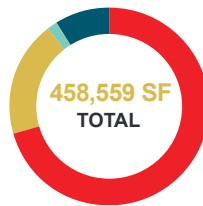
SUBMARKET LEASING ACTIVITY (QTRLY)

324,158 SF
FOOTHILL RANCH

86,135 SF
LAKE FOREST

8,281 SF
RSM

39,985 SF
SAN CLEMENTE



SUBMARKET LEASING ACTIVITY 2024 TOTAL

324,158 SF
FOOTHILL RANCH

86,135 SF
LAKE FOREST

8,281 SF
RSM

39,985 SF
SAN CLEMENTE

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Provided by:



QTR-OVER-QTR TRENDS SUMMARY

- ▼ VACANCY
- ▼ ASKING LEASE RATE
- ▼ AVAILABILITY RATE
- ▲ LEASE VOLUME
- ▼ SALE PRICE
- ▲ SALE VOLUME

MARKET BREAKDOWN FOOTHILL RANCH, LAKE FOREST, RSM, SAN CLEMENTE

	1Q24	4Q23	1Q23	% Change From A Year Ago
Vacancy	3.5%	5.8%	1.1%	218.18%
Availability Rate	6.0%	7.1%	3.1%	93.55%
Asking Lease Rate	\$1.58	\$1.59	\$1.70	-7.06%
Lease Volume (SF)	458,559	235,247	116,074	270.91%
Sale Volume (SF)	63,470	59,172	24,140	162.92%
Sale Price (SF)	\$357.17	\$464.38	\$420.27	-15.01%

MARKET STATISTICS

Submarket	Total Inventory	Total Vacancy Rate	Total Available Rate	QTR Total Leasing Activity	2024 Total Leasing Activity	Average Rental Rate NNN	QTR Total Sales Activity	2024 Total Sales Activity
Foothill Ranch	3,680,398	1.5%	3.6%	324,158	324,158	\$1.50	0	0
Lake Forest	6,145,550	6.0%	8.1%	86,135	86,135	\$1.60	39,295	39,295
Rancho Santa Margarita	3,338,343	0.9%	2.1%	8,281	8,281	\$1.67	20,157	20,157
San Clemente	3,636,405	3.9%	3.9%	39,985	39,985	\$1.70	0	0
Saddleback Corridor	16,800,696	3.5%	6.0%	458,559	458,559	\$1.58	63,470	63,470



AVAILABLE FOR SALE:
1 ARGONAUT, ALISO VIEJO, CA

32,300SF freestanding industrial building

\$12,920,000 asking sale value

24,300SF WAREHOUSE with 24ft clearance and 4 industrial doors

Exclusively Represented By:



JUST LEASED:
143 CALLE IGLESIA, SAN CLEMENTE, CA

8,015SF freestanding industrial building with yard area & loading dock

\$2.15 INDUSTRIAL GROSS per square foot lease rate

\$17,331.15 total monthly amount

Exclusively Represented By:



IN ESCROW:
1225 PUERTA DEL SOL #200, SAN CLEMENTE, CA

2,110SF freestanding industrial building

\$550 per square foot asking sale price

\$1,160,500 total asking sale price

Exclusively Represented By:



JUST LEASED:
20532 CRESCENT BAY DR, LAKE FOREST, CA

5,459SF industrial unit

\$1.75 NNN per square foot lease rate

\$0.41 NET CHARGES per square foot

\$11,791.44 total monthly amount

Exclusively Represented By:



JUST SOLD:
26845 VISTA TERRACE, LAKE FOREST, CA

35,277SF freestanding industrial building

\$357 per square foot asking sale price

\$12,600,000 total asking sale price

5.7% cap rate investment sale



JUST LEASED:
23282 ARROYO VISTA, RANCHO SANTA MARGARITA, CA

5,632SF industrial building

\$1.85 INDUSTRIAL GROSS per square foot asking lease rate

\$10,419.20 total monthly amount

ABOUT WYNNECRE ("WIN" C.R.E.)

Welcome to a commercial real estate experience that puts you first.

Ready for your business needs to be cared for with custom property solutions created specifically for you?

Your overwhelming success is our guiding goal.

At WynneCRE, you're the boss; we don't have a distant corporate board of directors clamoring for control in the background.

In fact, WynneCRE is locally based right here in South Orange County and actively participates in our local communities, both on and off the clock.

A new way of life deserves a new level of service. Welcome to the modern age

of commercial real estate.

We realized that other industries were using digital tools that were largely ignored by the real estate sector. This was leaving you, as a client, at a huge disadvantage. So we decided to do something about it.

Our company was founded on the principal of providing modern commercial real estate solutions by leveraging new tools, technology, and digital knowledge.

These new skills are fused together with the traditional expertise of brokerage activities like personal phone calls and face-to-face office visits.

This optimal combination has resulted in better pricing, faster transaction times, larger prospect groups, and ultimately

more money back to your bottom line.

At WynneCRE, old school knowledge meets new school methods, resulting in legacy client care paired with a faster, easier property transaction experience.

Dare we say it? It's actually fun now.

As a matter of fact, we killed boring business.

Gone the way of the dino are pagers, fax machines, and real estate brokers who think it's still 1991.

We provide you an experience that won't slow down your 2024 ambitions. It's a luxury that is guaranteed to ruin the way you used to do your real estate.

Once you taste the easy freedom of our team's platform, you'll wonder how you ever did a lease or sale any other way.

Also, we REALLY care about the South Orange County communities we live and conduct business in.

We think it's completely wrong when out-of-town brokers show up for a payday and then are impossible to reach after they complete a deal with you.

We are active town participants, members of the local Chamber of Commerce, regularly donate and support the area schools, oh and we built our platform on integrity before money – reporting on business news and happenings, telling you how it is during negotiations, and offering honest advice even when it ruffles feathers with the powers that be.

WynneCRE is your commercial real estate experience of the future.



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