

THE SADDLEBACK CORRIDOR INDUSTRIAL MARKET REPORT

THE INDUSTRIAL REAL ESTATE MARKET TRENDS YOU NEED TO KNOW | Q4 2023

HERE'S WHAT IS INSIDE THIS ISSUE:

- The final sale numbers from the end of 2023 are all tallied up.
- Finally some good news for 2024: data trends are normalizing!
- Majority of cities missed out on Q4 sales activity. Only one city stole the transaction spotlight and didn't share with any neighbors!
- Prices are going down and vacancy is going up? Is the feeding frenzy over after years-long stretch of blood in the water?
- Sale and lease comps; see what the chart data looks like in real life.
- New for lease property with yard in Rancho Santa Margarita. See below.
- Trends, charts, numbers, and graphs with everything you need to know about the industrial real estate in your backyard. Open now!



WAREHOUSE PROPERTY WITH GATED YARD AVAILABLE NOW; FOR LEASE IN RANCHO SANTA MARGARITA

11,030sf Freestanding Industrial Building With Fenced Yard | Another Exclusive Listing By WynneCRE!

30032 AVENTURA | RANCHO SANTA MARGARITA, CA 92688

MARKET SUMMARY

4Q 2023: Normalization and optimism ahead in the Saddleback Corridor. Reviewing the end of 2023, the industrial market in South OC exhibits reassuring signs of stabilization. Sales activity remains thin, with only San Clemente seeing transactions to end the year. The slight decrease in sale prices this quarter signals a healthy market adjustment, aligning with buyer expectations. Vacancy rates, while slightly elevated, indicate a balanced market environment between owners and tenants. This quarter's performance, marked by stability and thoughtful adjustments, sets a positive tone for the upcoming year in the industrial sector.

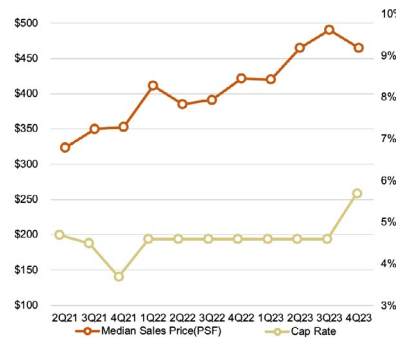
4Q 2023 MARKET HIGHLIGHTS

LACK OF SUPPLY dampened sale volume compared to the previous quarter

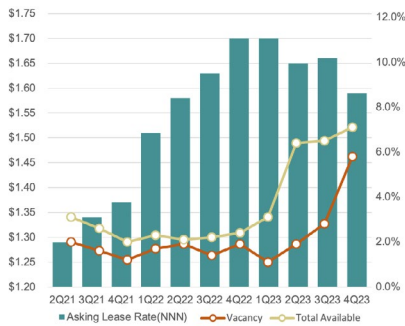
MARKET NORMALIZING overall, with stats across the board stabilizing after radical previous movements

ONLY THREE SALES occurred at the end of 2023, all of which were only in San Clemente - no industrial buildings sold in other submarkets in Saddleback Corridor

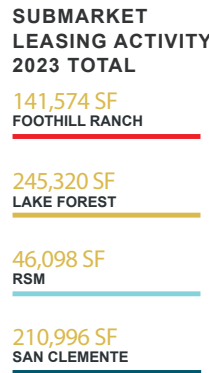
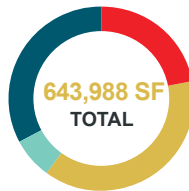
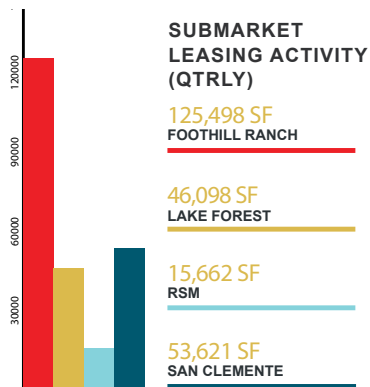
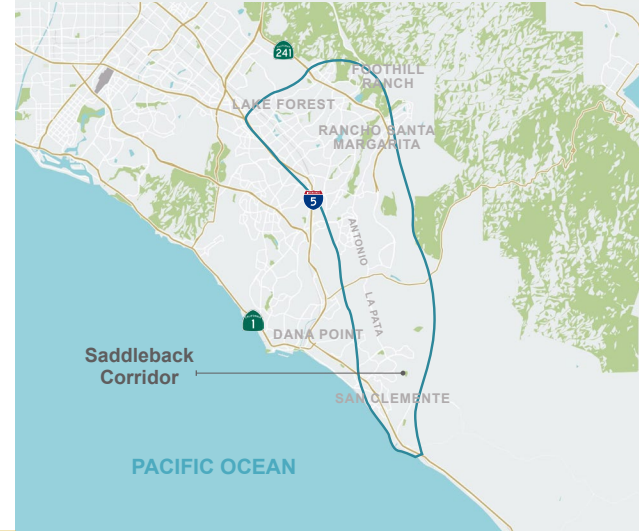
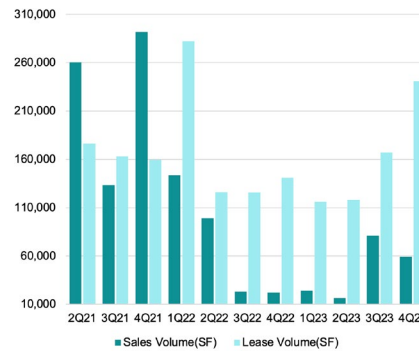
AVERAGE SALE PRICE & CAP RATES



LEASE RATE, VACANCY & AVAILABILITY



SALES VOLUME VS. LEASE VOLUME



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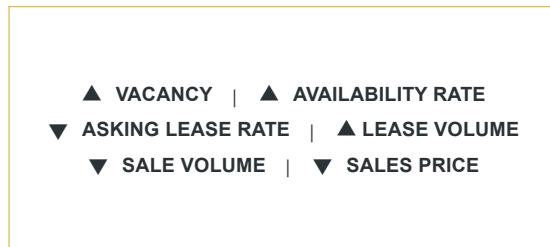
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Provided by:



QTR-OVER-QTR TRENDS SUMMARY



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

	4Q23	3Q23	4Q22	% Change From A Year Ago
Vacancy	5.8%	2.8%	1.9%	205.26%
Availability Rate	7.1%	6.5%	2.4%	195.83%
Asking Lease Rate	\$1.59	\$1.66	\$1.70	-6.47%
Lease Volume (SF)	189,013	167,121	141,171	33.89%
Sale Volume (SF)	59,172	80,847	22,251	165.93%
Sales Price (SF)	\$464.38	\$490.20	\$421.55	10.16%

MARKET STATISTICS

Submarket	Total Inventory	Total Vacancy Rate	Total Available Rate	QTR Total Leasing Activity	2023 Total Leasing Activity	Average Rental Rate NNN	QTR Total Sales Activity	2023 Total Sales Activity
Foothill Ranch	3,778,108	8.5%	8.5%	125,498	141,574	\$1.50	0	4,383
Lake Forest	6,192,759	6.0%	9.0%	46,098	245,320	\$1.60	0	39,793
Rancho Santa Margarita	3,338,343	1.2%	2.1%	15,662	46,098	\$1.67	0	26,049
San Clemente	3,634,467	3.5%	3.5%	53,621	210,996	\$1.70	59,172	68,930
Saddleback Corridor	16,943,677	4.8%	5.8%	240,879	643,988	\$1.62	59,172	139,155



AVAILABLE FOR SALE:
1 ARGONAUT, ALISO VIEJO, CA

32,300SF freestanding industrial building

\$13,404,500 asking sale value

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

Exclusively Represented By:



AVAILABLE TO LEASE:
143 CALLE IGLESIA, SAN CLEMENTE, CA

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

\$2.15 GROSS per square foot asking lease rate

TWO INDUSTRIAL DOORS ground-level and dock-high access

Exclusively Represented By:



JUST SOLD:
1000 CALLE NEGOCIO, SAN CLEMENTE, CA

7,944SF freestanding industrial building

\$464.38 per square foot sale price

\$3,700,000 total price property sold



JUST SOLD:
229 AVENIDA FABRICANTE, SAN CLEMENTE, CA

40,728SF massive flex office/warehouse building

\$336.38 per square foot sale price

\$13,700,000 total price property sold

LEASED INVESTMENT sale, tenant will remain the same

5.69% capitalization rate on investment



JUST LEASED:
29702 AVE DE LAS BANDERAS, RANCHO SANTA MARGARITA, CA

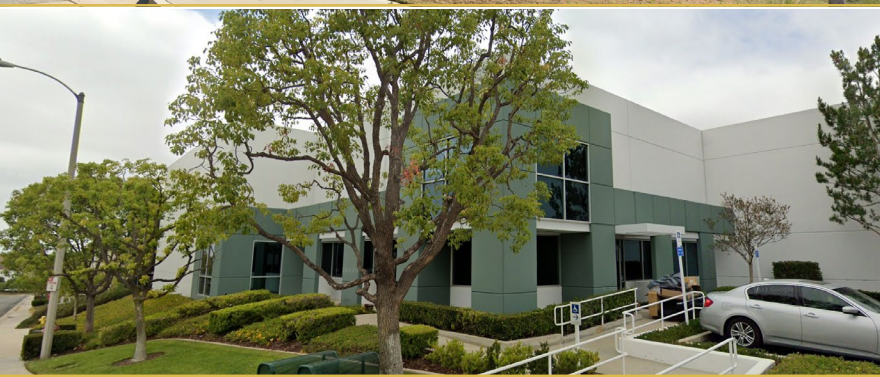
10,030F freestanding industrial building

\$1.55 NNN per square foot lease rate

\$0.22 NET CHARGES per square foot

\$15,456.00 total monthly amount

Exclusively Represented By:



JUST LEASED:
25541 ARCTIC OCEAN DR, LAKE FOREST, CA

21,297SF freestanding industrial building

\$1.65 INDUSTRIAL GROSS per square foot asking lease rate

\$35,140.05 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 2023 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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