

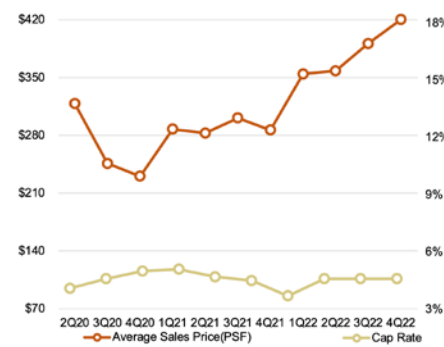
# THE SADDLEBACK CORRIDOR INDUSTRIAL MARKET REPORT

THE INDUSTRIAL MARKET TRENDS YOU NEED TO KNOW | 4TH QUARTER 2022

## MARKET SUMMARY

4Q 2022: Only two sales occurred across the entire Saddleback Corridor in the 4th quarter of 2022. Both transactions were off-market and were never publicly listed for sale. The extreme lack of inventory and tumultuous economic conditions increased lease rates and sales pricing substantially: the average sales price rose to over \$420/sf, and lease rates are up 25% from last year. Together, these mounting challenges have produced the lowest back-to-back quarterly sales volumes in the previous ten quarters, with only a tiny sliver of square footage changing hands.

## AVERAGE SALE PRICE & CAP RATES



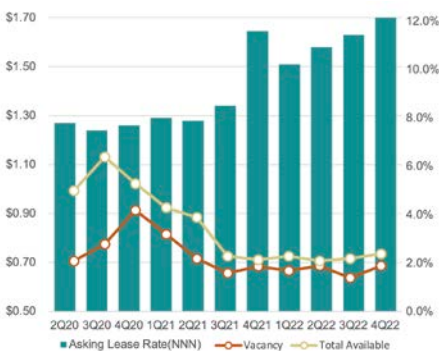
## 4Q 2022 MARKET HIGHLIGHTS

**ASKING LEASE RATE** up 25% from 12 months ago

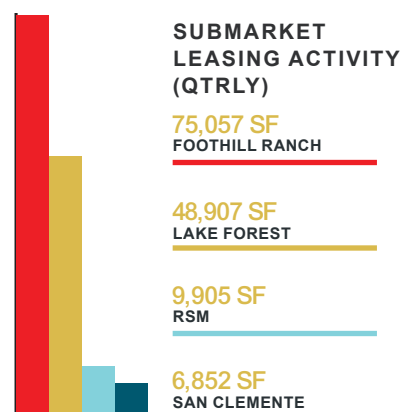
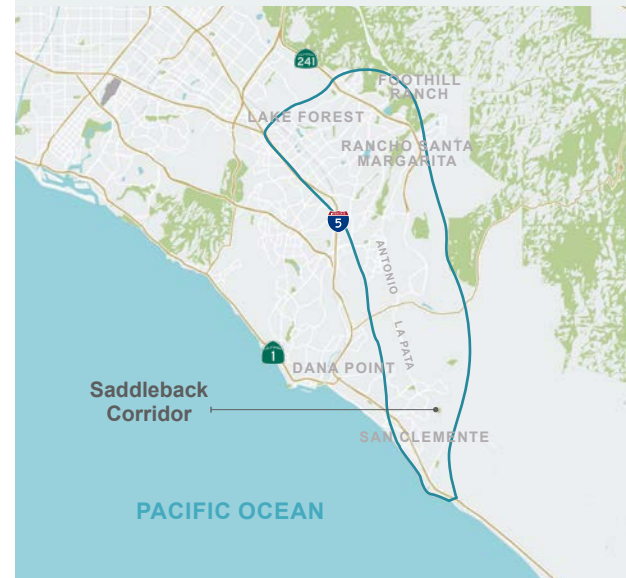
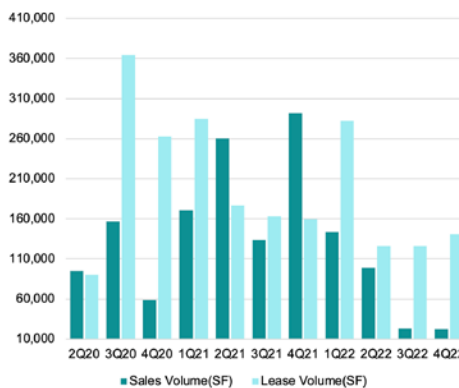
**AVERAGE SALES PRICE** increased significantly to \$420.27 per square foot

**SALES VOLUME** consisted of only two off-market transactions

## LEASE RATE, VACANCY & AVAILABILITY



## SALES VOLUME VS. LEASE VOLUME



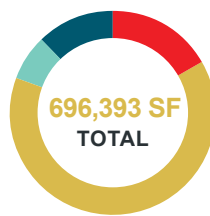
### SUBMARKET LEASING ACTIVITY (QTRLY)

75,057 SF  
FOOTHILL RANCH

48,907 SF  
LAKE FOREST

9,905 SF  
RSM

6,852 SF  
SAN CLEMENTE



### SUBMARKET LEASING ACTIVITY 2022 TOTAL

116,651 SF  
FOOTHILL RANCH

444,895 SF  
LAKE FOREST

49,842 SF  
RSM

85,005 SF  
SAN CLEMENTE

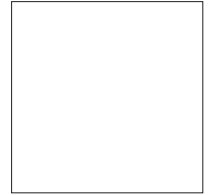
Provided by:

JIM WYNNE  
President  
949.374.2052  
Jim@wynnecre.com  
wynnecre.com  
LIC N° 01242705

# WYNNECRE'S SADDLEBACK CORRIDOR INDUSTRIAL MARKET UPDATE



501 N El Camino Real, Suite 200  
San Clemente, CA 92672



- ▲ VACANCY | ▼ AVAILABILITY RATE
- ▲ ASKING LEASE RATE | ▼ LEASE VOLUME
- ▼ SALE VOLUME | ▼ NET ABSORPTION

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

	4Q22	3Q22	4Q21	% Change From A Year Ago
Vacancy	1.9%	1.4%	1.2%	58.33%
Availability Rate	1.4%	2.2%	2.0%	-30.00%
Asking Lease Rate	\$1.70	\$1.63	\$1.37	24.09%
Lease Volume (SF)	61,628	125,996	159,573	-61.38%
Sale Volume (SF)	22,251	23,296	261,906	-91.50%
Net Absorption	-89,047	90,733	58,599	-251.96%

## MARKET STATISTICS

Submarket	Total Inventory	Total Vacancy Rate	Total Available Rate	QTR Net Absorption	2022 Total Net Absorption	QTR Total Leasing Activity	2022 Total Leasing Activity	Average Rental Rate NNN
Foothill Ranch	3,776,046	3.7%	1.3%	-98,692	-140,834	75,057	116,651	\$1.55
Lake Forest	6,066,897	1.3%	3.9%	12,557	9,176	48,907	444,895	\$1.77
Rancho Santa Margarita	3,334,669	0.3%	0.7%	-2,200	651	9,905	49,842	\$1.63
San Clemente	3,587,492	2.2%	2.7%	-712	15,154	6,852	85,005	\$1.63
<b>Saddleback Corridor</b>	<b>16,765,104</b>	<b>1.9%</b>	<b>2.2%</b>	<b>-89,047</b>	<b>-115,853</b>	<b>140,721</b>	<b>696,393</b>	<b>\$1.65</b>



## ABOUT JIM WYNNE

James "Jim" Wynne is a three-decade expert in the commercial real estate industry.

His real, honest connections with his clients have allowed hundreds of completed transactions to be achieved under his helpful guidance. Jim's expertise has spanned from construction management to commercial brokerage. He provides service for all office and industrial space needs in South Orange County, from Irvine to San Clemente.

What makes Jim special is his focus on people first and business second. Jim understands that his clients are real people seeking meaningful property advice that will apply to their specific situations. This has resulted in tremendous respect and admiration for Jim from both his fellow agents and his happy clients.

WynneCRE is locally based in South Orange County and provides modern commercial real estate solutions to property owners and business owners looking to buy, sell, or lease commercial space in beautiful Southern California.

JIM WYNNE  
President  
949.374.2052  
jim@wynnecre.com  
wynnecre.com  
LIC N° 01242705

**CALL ME IF YOU'RE THINKING OF BUYING, SELLING,  
OR LEASING INDUSTRIAL PROPERTY: 949-374-2052**

