



North San Diego County Quarterly Report

INDUSTRIAL MARKET

THIRD QUARTER 2018



We continue to see ongoing strengthening in all sectors with tremendous tenant and investor demand in the industrial product sector. North County has become San Diego Region's Hottest Industrial Market. Attracted by a business-friendly environment and desirable quality of life, growing startups are playing a leading role in the growth and prosperity of North San Diego County. Many of these startups, which include tech/digital, life science/biotech, action sports and cleantech R&D and manufacturing, are putting their production or research and corporate headquarters under one roof, setting off a boom in development of speculative industrial-flex projects, with a combination of warehouse features, creative office space and amenities for workers. (Source: Biznow)

The San Diego Industrial market ended the third quarter 2018 with a vacancy rate of 4.4%. The total vacancy was down below the previous quarter (5.3%). Net absorption totalling positive 445,304 square feet in the third quarter. Rental rates ended the third quarter at \$1.14 per square foot, an increase over the previous quarter (\$0.90). (Source: CoStar)

At Lee & Associates North San Diego County, we are dedicated to providing our customers with unparalleled representation by providing real estate solutions with accuracy and efficiency. We appreciate your business and invite you to contact us with any questions you might have regarding commercial properties in North San Diego County.

MARKET SNAPSHOT

North County totals are based on the 5 major cities of Lee & Associates NSDC (Carlsbad, Escondido, Oceanside, San Marcos and Vista)

San Diego County

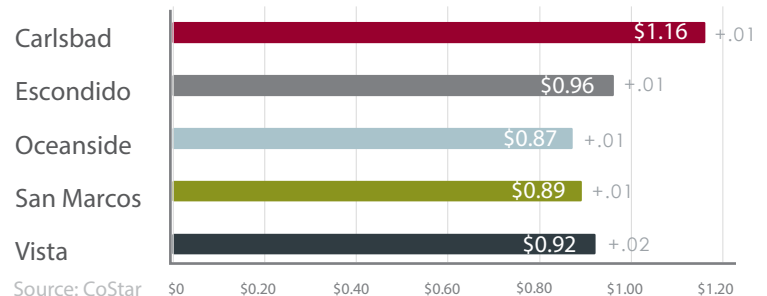
San Diego Inventory:	193,799,290
San Diego Availability:	8,540,841
San Diego Availability Rate:	4.4%
San Diego Absorption:	1,316,820
San Diego Rental Rates:	\$1.14

North County

North County Inventory:	55,853,609
North County Availability:	2,277,412
North County Availability Rate:	5.0%
North County Absorption:	518,104
North County Rental Rates:	\$0.96

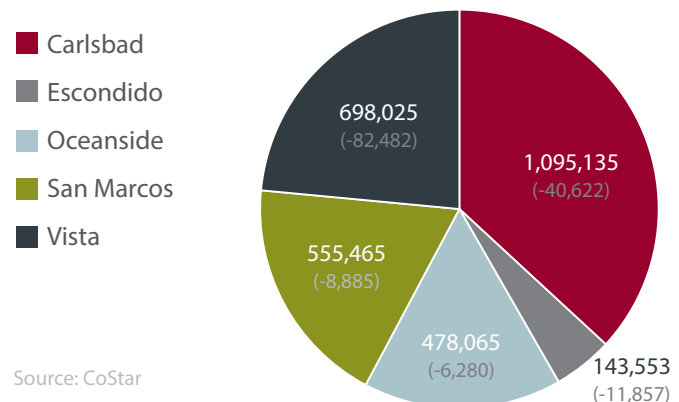
Source: CoStar

RENTAL RATES BY SUBMARKET



TOTAL AVAILABLE SF BY SUBMARKET

(compared to previous quarter)

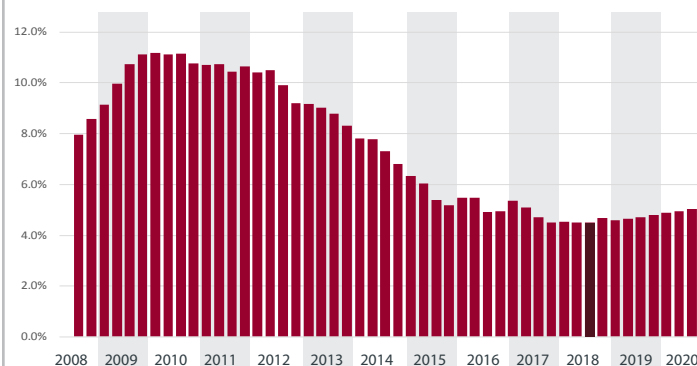


Lee & Associates - NSDC maintains an up-to-date database of all available properties and sold/leased properties.

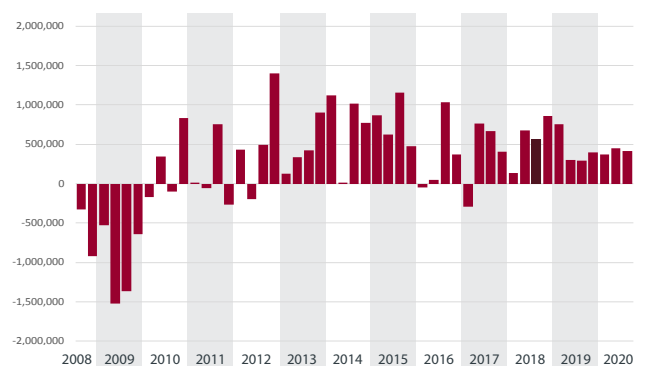
SUBMARKET STATISTICS

MARKET	INVENTORY		AVAILABILITY			AVAILABILITY RATE	
	Buildings	Total SF	Direct SF	Sublease SF	Available SF	Direct	Total
CARLSBAD							
Industrial/Warehouse	234	8,325,326	657,841	2,796	660,637	7.90%	7.94%
Flex/R&D	253	6,233,710	413,497	21,001	434,498	6.63%	6.97%
TOTAL	487	14,559,036	1,071,338	23,797	1,095,135	7.36%	7.52%
ESCONDIDO							
Industrial/Warehouse	630	7,564,066	105,599	21,546	127,145	1.40%	1.68%
Flex/R&D	79	748,951	16,408	0	16,408	2.19%	2.19%
TOTAL	709	8,313,017	122,007	21,546	143,553	1.47%	1.73%
OCEANSIDE							
Industrial/Warehouse	404	9,055,092	459,914	4,098	464,012	5.08%	5.12%
Flex/R&D	33	985,977	14,053	0	14,053	1.40%	1.40%
TOTAL	437	10,041,069	473,967	4,098	478,065	4.72%	4.76%
SAN MARCOS							
Industrial/Warehouse	468	7,722,931	492,246	1,200	493,446	6.37%	6.39%
Flex/R&D	60	1,059,862	55,852	6,167	62,019	5.27%	5.85%
TOTAL	528	8,782,793	548,098	7,367	555,465	6.24%	6.32%
VISTA							
Industrial/Warehouse	527	12,764,000	579,661	59,953	639,614	4.54%	5.01%
Flex/R&D	62	1,393,694	46,341	12,070	58,411	3.33%	4.19%
TOTAL	589	14,157,694	626,002	72,023	698,025	4.42%	4.93%

Source: CoStar

HISTORICAL AVAILABILITY / ABSORPTION RATES

SAN DIEGO AVAILABILITY



SAN DIEGO ABSORPTION

Source: CoStar

TOP DELIVERIES & CONSTRUCTION

INDUSTRIAL MARKET Q3 2018

TOP DELIVERIES



Exeter Industrial Park
1925 & 2005 Harmony Grove Rd
Distribution/Wholesale/Warehouse

Size: 212,088 SF
Developer: Badiee
Delivery Date: Q3 2018
Occupied: 100%



HM Electronics
2848 Whiptail Loop West
Flex R&D Building

Size: 140,000 SF
Developer: Hamann Companies
Delivery Date: Q1 2018
Occupied: 100%



2856 Whiptail Loop - Lot 17
Flex R&D Building

Size: 128,402 SF
Developer: N/A
Delivery Date: Q4 2017
Occupied: 0%



Pacific Coast Collection - Phase 1
1319 Rocky Point Drive
Class B Industrial Distribution

Size: 124,581 SF
Developer: McDonald Property Group
Delivery Date: Q1 2018
Occupied: 0%



2820 Loker Avenue E
Flex R&D Building

Size: 63,900 SF
Developer: N/A
Delivery Date: Q2 2017
Occupied: 0%



TOP CONSTRUCTION



Pacific Vista Commerce Center
Class A 5-Star Industrial
Warehouse

Size: 411,000 SF
Developer: Badiee
Delivery Date: Q1 2019



Pacific Vista Commerce Center
2800 Whiptail Loop

Size: 214,716 SF
Developer: Ryan Companies US, Inc.
Delivery Date: Q4 2018



dis.trib.ute - Lot 15
3266 Lionshead Avenue
Creative Industrial

Size: 175,259 SF
Developer: RAF Pacifica Group
Delivery Date: Q4 2018



create
2827 Whiptail Loop
Creative Industrial

Size: 175,259 SF
Developer: RAF Pacifica Group
Delivery Date: Q4 2018



Pacific Vista Commerce Center
2820 Whiptail Loop

Size: 121,093 SF
Developer: Ryan Companies US, Inc.
Delivery Date: Q1 2019

TOP INDUSTRIAL SALES IN NORTH SAN DIEGO COUNTY



2819 Loker Ave, Suite E
Carlsbad, CA

Size: 166,310 SF
Price: \$40,000,000
(\$240.51/SF)



3266 Lionshead Ave
Carlsbad, CA

Size: 175,259 SF
Price: \$33,438,741
(\$190.80/SF)



2091 Rutherford Road
Carlsbad, CA

Size: 110,881 SF
Price: \$22,238,035
(\$200.56/SF)



260 S Pacific Street
San Marcos, CA

Size: 170,822 SF
Price: \$21,600,000
(\$126.45/SF)



4039 Calle Platino
Oceanside, CA

Size: 143,274 SF
Price: \$20,000,000
(\$139.59/SF)



1319 Rocky Point Drive
Oceanside, CA

Size: 124,581 SF
Price: \$19,932,960
(\$160.00/SF)



3261 Lionshead Avenue
Carlsbad, CA

Size: 102,092 SF
Price: \$19,478,759
(\$190.80/SF)



1395 Park Center Drive
Vista, CA

Size: 157,176 SF
Price: \$18,440,000
(\$117.32/SF)



3817 Ocean Ranch Blvd
Oceanside, CA

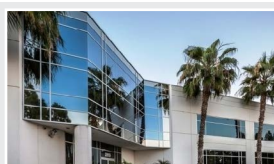
Size: 104,895 SF
Price: \$17,012,632
(\$162.19/SF)



2946 Norman Strasse Rd
San Marcos, CA

Size: 94,172 SF
Price: \$14,345,864
(\$152.34/SF)

TOP INDUSTRIAL LEASES IN NORTH SAN DIEGO COUNTY



2819 Loker Ave, Suite E
Carlsbad, CA

Size: 166,310 SF
Tenant: Acushnet Company



2820 Whiptail Loop
Carlsbad, CA

Size: 121,093 SF
Tenant: Pods



Palomar Corporate Center
Vista, CA

Size: 67,476 SF
Tenant: Earthlite



1905 Aston Avenue
Carlsbad, CA

Size: 48,282 SF
Tenant: Full Swing Golf



Oak Ridge Business Center
Vista, CA

Size: 45,360 SF
Tenant: N/A



2793 Loker Ave W
Carlsbad, CA

Size: 42,268 SF
Tenant: Heat Factory



2843 Benet Road
Carlsbad, CA

Size: 35,000 SF
Tenant: Arctic Glacier, Inc.



1969 Kellogg Avenue
Carlsbad, CA

Size: 34,413 SF
Tenant: Mayesh



2425 Auto Park Way
Escondido, CA

Size: 33,690 SF
Tenant: N/A



1880 Diamond Street
San Marcos, CA

Size: 31,246 SF
Tenant: Hollywood Chairs

Source: CoStar

FOR SALE!

Oceanside
2604 Temple Heights Drive



Industrial/Manufacturing

Building Size: 25,208 SF
Lot Size: 1.2 Acres (52,272 SF)

Lee & Associates - NSDC Agents:
Isaac Little | Marko Dragovic
TJ Donnelly

FOR SALE!

Vista
2345 La Mirada Drive



Industrial Building

Building Size: 13,295 SF
Land Size: 12.65 Acres

Lee & Associates - NSDC Agents:
Chris Roth | Rusty Williams, SIOR

FOR SALE!

San Marcos
1566-1570 Cherokee Street



Industrial Condo

Building Size: 9,452 SF
Lot Size: 1 Acre

Lee & Associates - NSDC Agents:
Peter Merz | Daniel Knoke

FOR SALE!

San Diego
7964 Arjons Drive, Suite B



Industrial Condo

Building Size: 7,520 SF
Lot Size: 2 Acres

Lee & Associates - NSDC Agent:
Tim Gosselin

FOR SALE!

San Marcos
1255 Stone Drive



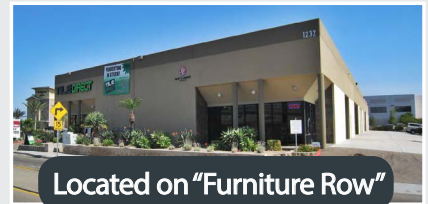
Industrial Building

Building Size: 6,571 SF
Lot Size: 0.45 Acres

Lee & Associates - NSDC Agents:
Chris Roth | Rusty Williams, SIOR

FOR LEASE!

San Marcos
1232 Los Vallecitos Blvd



Located on "Furniture Row"

Suite Size: 1,260 SF
Signage Opportunity to Over 120,000 CPD

Lee & Associates - NSDC Agents:
Steve Crockett

FOR LEASE!

San Marcos
1600 Grand Avenue



Industrial/Flex Building

Building Size: 2,470 SF
Close Proximity to Hwy-78

Lee & Associates - NSDC Agents:
Isaac Little | Marko Dragovic
Michael Golden

FOR LEASE!

San Marcos
1709 La Costa Meadows Dr



New Warehouse/Flex

Rentable SF: 31,246 SF
Lot Size: 1.77 Acres

Lee & Associates - NSDC Agent:
Isaac Little | Rusty Williams, SIOR
Daniel Knoke | Peter Merz

FOR SUBLEASE!

Escondido
221 N Vinewood St, Ste A



Industrial/Automotive

Building Size: 2,050 SF
With Two Car Lifts

Lee & Associates - NSDC Agents:
Peter Merz | Daniel Knoke

Lee & Associates - NSDC maintains an up-to-date database of all available properties and sold/leased properties. For more information, log on to our website and click on the properties link.

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ABOUT LEE & ASSOCIATES

Lee & Associates, founded in 1979, is one of the largest regional commercial real estate providers in the United States.

Since 1979, our seasoned, motivated shareholders and professionals have been offering comprehensive quality service nationally and locally in a pro-active manner. We develop customized solutions for all your real estate needs through our market-to-market knowledge in all property types. Our unique business model and extensive experience has helped us become one of the largest commercial real estate providers in the United States.



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