



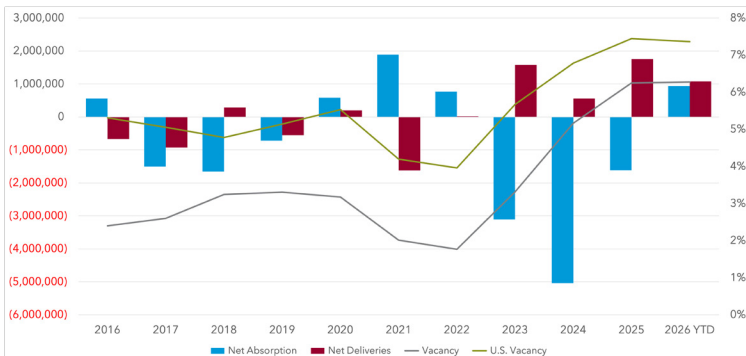
INDUSTRIAL MARKET OVERVIEW

JACK HALEY, *Principal*

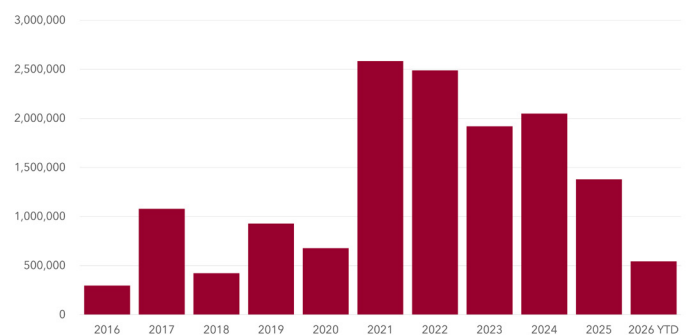
Strong countywide demand for industrial space returned in the third quarter with the most tenant growth for any three-month period since late 2022. A long slide in overall rents also came to a halt. Net absorption totaled 824,188 SF in Q3. There has been positive overall tenant expansion of 1,440,309 SF in three of the last four quarters – a relief for landlords following 11 straight negative quarters during which occupancy declined more than 9.5 million SF. There was healthy Q3 tenant expansion throughout most of the county. The overall vacancy rate ticked downward from 6.9% at midyear to settle at 6.7%. Three newly completed buildings totaling 304,230 SF boosted the county's inventory to 277.7 million SF.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▲ Qtrly Net Absorption SF	3,961,866	3,191,051	2,679,801	3,302,885	2,963,305
▼ Vacancy Rate	6.30%	6.50%	6.30%	6.20%	6.10%
▲ Avg NNN Asking Rate PSF	\$17.52	\$17.28	\$18.00	\$18.24	\$18.00
▲ Sale Price PSF	\$338.00	\$289.00	\$364.00	\$314.00	\$347.00
▼ Cap Rate	3.72%	5.40%	4.87%	6.01%	6.37%
▼ Under Construction SF	544,195	730,438	904,067	1,379,225	2,400,014
▼ Inventory SF	304,053,312	303,763,503	303,420,206	302,974,821	301,954,804

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2323 Main St Irvine, CA	263,988 SF	\$75,000,000 \$284.10 PSF	Robinson Pharma Inc. Starpointe Ventures	Class A
1500 S Raymond Ave Fullerton, CA	136,218 SF	\$50,224,500 \$368.71 PSF	Terra Universal Inc. Rexford Industrial Realty, Inc.	Class A
6635 Caballero Blvd Buena Park, CA	92,395 SF	\$28,181,000 \$305.01 PSF	GuruNanda Rexford Industrial Realty, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
18582 Teller Ave Irvine, CA	136,612 SF	BTC III Irvine Commerce Center LP	Unknown	Unknown
1101 Bell Ave Tustin, CA	134,004 SF	Dermody	Anduril	Manufacturing
3335 La Palma Ave Anaheim, CA	132,231 SF	BGO	Norman S Wright Climatec Mechan- ical Equipment LLC	Unknown

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