

O.C. COMMERCIAL REAL ESTATE UPDATES

FIRST QUARTER 2018

Don't Be Deceived by Unknown Lease Rates!

REDUCE YOUR EFFECTIVE RATE

While unpublished or advertised lease rates offered by landlords seem deceptive, don't despair! By using an experienced commercial real estate professional who understands leasing economics, tenants can dramatically reduce their overall effective rate.

Allow our experienced team to negotiate more landlord concessions and lower start rates while reducing risk!

ORANGE COUNTY LEASING STATS



VACANCY RATES



(DIRECT)

11.46%

AVG. ASKING
LEASE RATE



\$2.65

UNEMPLOYMENT RATE



3.1%

USE COMPS AS YOUR COMPASS!

Reviewing comparables (comps) for recently completed office leases in your building is one way to learn what terms (*lease rate, TI allowance, free rent, etc.*) you can expect from your landlord.

However, there are many other ways in which a landlord can increase your occupancy costs (expense pass-throughs, holdover, etc.), which is why you should always use a knowledgeable broker to negotiate on your behalf.

Whether you are planning to renew, expand, or sign a new lease, our experienced team will use its market knowledge and the latest intelligence to negotiate the best terms!

Check out the back page to see if your building comps are listed or call us to get your own!

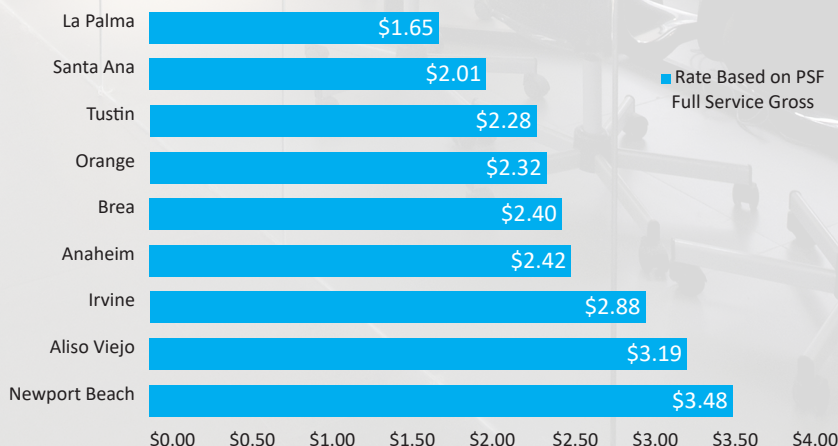
OFFICE LEASING STATS - ORANGE COUNTY

Direct vacancy rates in the office market rose slightly from 10.84% for the Fourth Quarter 2017 to 11.46% at the end of the First Quarter 2018. We expect vacancy to trend downward in 2018 based on steady job growth and continued consumer confidence.

MARKET OVERVIEW

The business community is increasingly optimistic that current economic expansion will continue beyond 2018, fueling growth for the foreseeable future.

Average Rental Rates Across Orange County (Per Square Foot)



FIRST QUARTER 2018 OFFICE LEASE COMPS NEAR YOU!



1

Address: 1 City Boulevard
City: Orange, CA
Suite Size: 1,800 SF
Eff. Lease Rate: \$2.70 Full Service Gross
Free Rent: 3 months



2

Address: 1221 East Dyer Road
City: Santa Ana, CA
Suite Size: 2,500 SF
Eff. Lease Rate: \$2.37 Full Service Gross
Free Rent: 0 months



3

Address: 4100 Newport Place Drive
City: Newport Beach, CA
Suite Size: 3,000 SF
Eff. Lease Rate: \$3.02 Full Service Gross
Free Rent: 3 months



4

Address: 1851 East 1st Street
City: Santa Ana, CA
Suite Size: 5,100 SF
Eff. Lease Rate: \$2.40 Full Service Gross
Free Rent: 3 months



5

Address: 4 Park Place
City: Irvine, CA
Suite Size: 7,300 SF
Eff. Lease Rate: \$3.10 Full Service Gross
Free Rent: 0 months



6

Address: 770 The City Drive
City: Orange, CA
Suite Size: 8,100 SF
Eff. Lease Rate: \$2.75 Full Service Gross
Free Rent: 4 months



7

Address: 18300 Von Karman Avenue
City: Irvine, CA
Suite Size: 16,400 SF
Eff. Lease Rate: \$2.82 Full Service Gross
Free Rent: 3 months



8

Address: 5515 East La Palma Avenue
City: Anaheim, CA
Suite Size: 28,500 SF
Eff. Lease Rate: \$1.80 NNN
Free Rent: 5 months



Patrick McCredie
ASSOCIATE
949.263.5321
pmccredie@voitco.com
Lic. #02014408

Patrick McCredie is dedicated to providing thoughtful market analysis and a personalized approach to every client leasing and sales requirement. His methodical approach to problem-solving and ability to effectively translate client needs into satisfactory results distinguishes Patrick as a superior real estate professional. Patrick is well versed in leasing analysis and reporting requirements for institutional owners to help achieve the strongest possible economic terms for clients. Patrick is a member of CORFAC international and has completed a certificate in Real Estate Investments from UCLA.



Liz Hurley
SENIOR VICE PRESIDENT
949.263.5325
lhurley@voitco.com
Lic. #00931852

Liz is a 30-year veteran, specializing in the leasing and disposition of commercial real estate for small and large clients. Prior to joining Voit Real Estate Services, Liz served as Senior Managing Vice President at Transwestern overseeing the tenant service advisory lines in Orange County. Liz was also a Senior Director at Cushman & Wakefield where she focused on institutional agency leasing. Liz helps clients focus on what is most important to their business: saving time, money and mitigating risk in their office renewals, expansions and moves. Her strong business ethics have earned Liz countless years of repeat business from loyal clients.