

# GLOBAL SPOTLIGHT

## Orange County, California



## Orange County has been one of the hottest markets in the nation for commercial real estate in the last three years.

- The economy in Orange County is supported by a cross-section of industries, port activity, international trade and a combination of old-economy business and new high-tech businesses.
- Office space continued to be in demand in 2006. The overall office vacancy rate dropped from 8.3% to 6.8% and lease rates rose nearly 3%. New office developments are prepared to come on line in 2007.
- The industrial market is strong with historic low vacancy rates. Manufacturing and warehouse sectors are currently at a 3.8% vacancy rate.
- The retail market witnessed lower vacancy and higher lease rates throughout the market. Vacancy rates are 3.5%.
- The prices for land for residential development increased significantly over the year with the lows jumping from \$35 per square foot in 2005 to \$40 per square foot in 2006. Residential land prices in some parts of Orange County exceeded \$80 per foot.
- Development is under way on the City of Anaheim's Platinum Triangle. This will include a 24-hour, high density, mixed-use, urban environment unique to Orange County that could include up to 9,175 dwelling units, five million square feet of office space and over two million square feet of commercial uses. This introduction of mixed use opportunities will begin to hit the market in 2007.

**For further information on doing business in this market, please contact Patricia Faulkner, Vice President, Global Solutions, by email at [pfaulkner@naiglobal.com](mailto:pfaulkner@naiglobal.com) or call +1 732 238 3322.**

## Orange County At A Glance

Population	2,988,072
Location	Southern California, United States
GDP	\$1.5 trillion USD
Inflation	2.5%
Interest	4.76% (US 10yr Treasury Note)
Unemployment	3.2% (OC) 4.6% (US)

Property	Rent/M2/Month Low	Rent/M2/Month High	Effective Avg.
Suburban Office Class A (Prime)	\$30.00	\$51.00	\$33.60
Industrial Warehouse	\$8.40	\$15.00	\$10.20
Retail Neighborhood Service Centers	\$26.40	\$48.00	\$33.00

NAI has an office in Orange County:

- Newport Beach

## About NAI Global:

NAI Global is one of the world's leading providers of commercial real estate services. We bring together people and resources wherever needed to deliver outstanding results for our clients.

### At A Glance

350	Offices
45	Countries
5,000	Professionals
\$40 billion	Annual Transaction Volume
200	MSF of Property Management

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