

# COMMERCIAL REAL ESTATE UPDATE



**JOHNSTON PACIFIC**  
COMMERCIAL REAL ESTATE, INC.

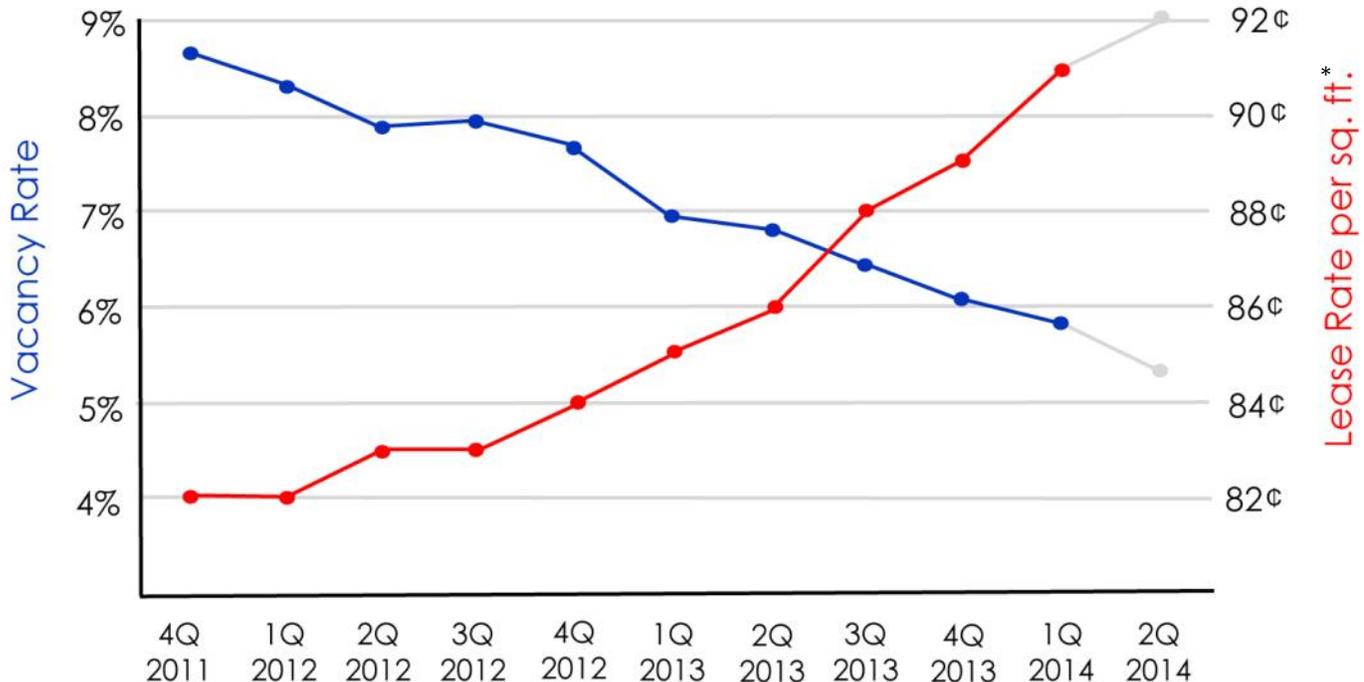
for South Orange County Businesses & Property Owners

## Vacancy Rates Are Low!

With vacancy rates below 6% in South OC, the pendulum has swung back in favor of the landlords. Rental rates dropped quickly at the beginning of the recession and remained stagnant for years. Rates have been on a gradual incline and have made up approximately half of the lost ground on the way back up to pre-recession rental rates. With little to no industrial building construction planned in South Orange County coupled with a tenuous economic recovery, rents are expected to continue their progressive climb.

Industrial building sale prices have rebounded even more significantly than lease rates in South Orange County. Distressed property inventory has been depleted and sellers who were patient through the recession have been rewarded with sale prices which are 20% higher than the lowest point of the recession average. Buyers are scrambling to find buildings that fit their criteria, anticipating an increase in interest rates.

South OC Industrial Market



\*Includes industrial properties of all sizes, based on average lease rates, including net, gross and modified gross rates. Source: CoStar Industrial Report

# Available Properties



**FOR SALE**  
45,724 sq. ft.  
Office/Warehouse/  
Distribution Building



**FOR LEASE**  
23,602 sq. ft.  
Freestanding Office  
Building on Private Lot



**FOR SALE**  
4,070 sq. ft.  
Office/Warehouse  
Condominium



**FOR LEASE**  
1,680 sq. ft.  
Office/Warehouse  
Unit

Please visit [www.johnston-pacific.com](http://www.johnston-pacific.com) for more information and to see all of our listings. For a custom report of properties that meet your needs, please call Johnston Pacific at 949-366-2020.

## La Pata Extension From San Juan Capistrano To San Clemente Has Begun!

The coastal foothills between San Juan Capistrano and San Clemente will come alive to the roar of bulldozers, plugging a gap in south Orange County's highway network.

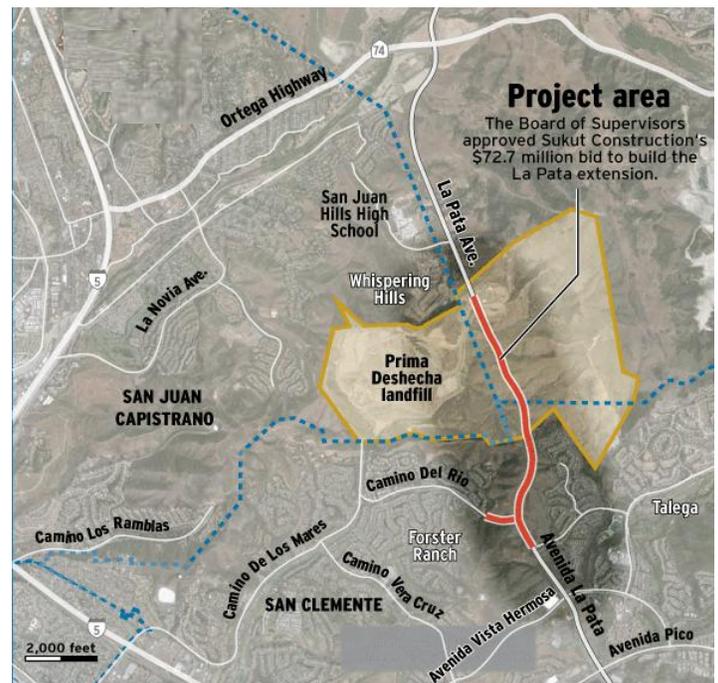
County supervisors this month hired Sukut Construction to build what county planners call the La Pata Gap Closure, connecting Ortega Highway and San Juan Capistrano with San Clemente, 4 miles away.

"This is the most significant arterial that will be completed in Orange County for the next five to ten years," Supervisor Patricia Bates said.

For San Clemente residents, it will provide a new way out of town and an alternative to I-5, whether for a daily commute, in an emergency evacuation or at times when the freeway is jammed, like it is with an overturned big rig.

For residents of San Juan Capistrano, Ladera Ranch and north along Antonio Parkway, La Pata will provide a direct route to San Clemente Business Parks, eliminating a long roundabout route between that part of San Juan Capistrano and San Clemente.

Source: *Orange County Register* and *San Clemente Patch*



# Just Sold or Leased



**SOLD**  
1,740 sq. ft.  
Office/Warehouse  
Condo



**SOLD**  
5,200 sq. ft.  
Office/Warehouse  
Building



**LEASED**  
6,412 sq. ft.  
Office/Warehouse  
Unit



**LEASED**  
2,850 sq. ft.  
Office Suite

For transaction details, please call Johnston Pacific at 949-366-2020.

## Spotlight on Pacific Lighting

Johnston Pacific asked local lighting expert, Jim Rodgers, President of Pacific Lighting Services in Lake Forest, to shed some light on energy efficient lighting solutions for business.

A big change in the lighting industry is the move to LED lighting, some of which is mandated by California's Energy Code known as "Title 24". Rodgers' advice to building owners is to replace old lights as needed with LED lights, when possible, rather than switching over all of the lights at the same time. His reasoning is that the technology for LED lighting continues to improve and the cost of the LED light is consistently dropping which will reduce the payback periods achieved by lowering energy consumption.

Pacific Lighting Services provides property managers and building owners with comprehensive lighting solutions and the highest level of service to maintain or improve lighting quality while reducing operating and maintenance costs. They currently maintain over 100 properties throughout Southern California and have been in business since 2003. Lighting maintenance is a highly competitive business which Pacific Lighting has an advantage in over its competitors by providing "strong" customer service. "Our job is make the property managers look good." says Rodgers.



## Vendor Recommendation

Johnston Pacific recommends Pacific Roofing Systems for premier Roofing, Sheet Metal and Waterproofing



contractor services. With 40 years combined roofing experience and knowledge, they are versed in all roofing applications and strive to be on the cutting edge of new roofing and green roofing technology.

*"Alan did a thorough roof inspection for one of my clients who entered escrow on an industrial building, and was able to find additional items needing repair that the general inspector missed. My client requested a credit for the repairs, which saved thousands of dollars on his purchase. Alan is a true professional and expert in his craft."*

-Xavier Nolasco  
Johnston Pacific Commercial Real Estate

## Financing Options From So Cal Edison

Southern California Edison offers zero interest financing for qualified energy efficient projects to existing SCE customers.



An EDISON INTERNATIONAL® Company

# What is Needed to Apply For a Commercial Loan?

1. Three years' tax returns for business(es)
2. Interim financials (from 01/01 to latest month end)
3. Three years' tax returns for individual(s)
4. Personal financial statement

**BANK OF THE WEST**  Small Business Lending



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SBA Preferred Lender. SBA loans from Bank of the West are in participation with the United States Small Business Administration. Loans are subject to approval in accordance with Bank and SBA eligibility and lending guidelines. Certain fees, conditions and restrictions may apply. Equal Housing Lender. Member FDIC.

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We welcome your input!  
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