



Voit
REAL ESTATE SERVICES


**THE ZEHNER
DAVENPORT**
INDUSTRIAL GROUP



ANOTHER AMAZING YEAR

“Wow. What a year 2020 was.” That is how we started our annual message to you this time last year. We were amazed at how resilient the industrial real estate market was despite the pandemic disruption to our national and local economies.

This time around we are truly astounded, and frankly, surprised by just how much momentum the market maintained throughout 2021. Vacancy fell by half to just over 1% overall, with many submarkets approaching 0%. As we began the new year, not a single building was under construction in Orange County, and with demand for space hitting a new high in 2021, that means there’s no relief in sight for tenants and prospective owner/users.

With scarcity comes even higher lease rates and sales prices, both of which spiked in the second half of the year. The statistics show average asking lease rates and sales prices, respectively, but actual prices were much higher after intense tenant and buyer competition bid final pricing much higher than asking. NNN lease rates are now \$1.30 or more by the time deals are done, and we broke the \$400-per-square-foot barrier for many owner/user buildings, many of which were sold off-market. Assuming we don’t experience another “Black Swan” event, we don’t see the current pricing trajectory to flatten anytime soon.

Speaking of Black Swans, we avoided one late in 2021 when proposed tax hikes on capital gains, along with limitations on 1031 exchanges and the elimination of the “step-up” rule, stalled in the US Senate. While there was no discernible slowing of demand while those changes were being contemplated, those of us in the industry breathed a heavy sigh of relief when we got the news. Thankfully, that threat is in the rear view mirror for now.

But, it’s not all clear sailing as we look ahead. Inflation is now the issue of the day, and it does present a legitimate threat to the industrial property market. Having hit a 40-year high in December of 2021, the Fed made clear its intention to put the brakes on its easy money policies. By March of 2022, our central bank will no longer be purchasing sovereign debt and mortgage-backed securities, and is poised to begin a series of hikes in its benchmark Fed Funds Rate. This will definitely impact industrial mortgage rates, which could cool demand for acquisitions. We will be following things closely throughout the year, and will keep you informed.

As always, we sincerely appreciate the confidence you have shown in us as your real estate advisors and want you to know that we are here to help in any way possible. We look forward to staying in touch throughout the year.

THE ZEHNER DAVENPORT INDUSTRIAL



COVERAGE

OWNER USER SALES

INVESTMENT SALES

LANDLORD & TENANT REPRESENTATION

DEVELOPMENT SERVICES

CONSULTING & DUE DILIGENCE

MARKET RESEARCH

FINANCIAL ANALYSIS

VALUATION

GROUP



TEAM STATS



OVER

90 M

SQUARE FEET



OVER

\$5.8 B

CONSIDERATION



OVER

5,000

TRANSACTIONS

ZEHNER DAVENPORT INDUSTRIAL



MITCH ZEHNER
EXECUTIVE VICE PRESIDENT

Mitch's reputation as a tireless advocate is well-known and well-deserved. He approaches every transaction as if he is standing in the shoes of his client, and that has earned him the loyalty and respect of everyone he works with. He is driven by competitive spirit and the fierce desire to do things right and do them well. He has sold and leased over 47 million square feet of industrial space in 4,600 transactions with \$4.3 billion in total consideration.



SETH DAVENPORT
EXECUTIVE VICE PRESIDENT

Never satisfied with the status quo and an innovator by nature, Seth created a comprehensive commercial property marketing platform that has set a new standard for the industry. Whether the client is a local business owner looking to lease, purchase or sell, or an institutional investor who wants to acquire or dispose of a large portfolio, Seth delivers the same high level of service, which is based on superior market knowledge and a desire to outperform his clients' expectations.



SABAS VARGAS
EXECUTIVE CLIENT COORDINATOR

Sabas just celebrated 22 years working with the Zehner Davenport Industrial Group. Sabas acts as a liaison between the team and its many clients. He is the team's go-to resource for so many things, but is primarily involved in aggregating market data, developing digital and print marketing collateral, and managing the team's massive proprietary database.



JENNIFER ELLISON
EXECUTIVE CLIENT COORDINATOR

Her broad knowledge base, practical experience and focus on quality is essential to the team's operating efficiency. She is also known for her abilities as a multi-tasker, a good thing since she is responsible for maintaining the team's listings, drafting lease and sale documentation, coordinating with escrow officers, fielding client calls, coordinating property tours and keeping the team's massive proprietary database up to date.



ADAM HILL
SENIOR VICE PRESIDENT

Adam's entrepreneurial roots date back to his childhood years helping his parents run their industrial business in Orange, California. There, he developed his problem-solving skills and ability to quickly and efficiently deal with the challenge of managing complex operations. That, along with his own experience as a business executive, makes him a natural fit for the commercial real estate business.

GROUP TEAM



MICHAEL ZEHNER

VICE PRESIDENT

Known for his diligence, integrity and attention to detail, Michael's clients rely on him to provide all the information they need to move forward with confidence. He represents numerous industrial business park owners and proactively markets their space through street canvassing and use of the team's state-of-the-digital marketing platform. Now a 10-year veteran in the industry, he is known for his proactive approach in handling even the most complex issues to ensure optimum results.



SEAN MCDONALD

VICE PRESIDENT

From his first day on the job, Sean has focused on industrial properties, primarily distribution facilities, container yards, cold storage space and leased investments for those product types in the Central Los Angeles, South Bay and Orange County markets. His efforts have resulted in several accolades from Voit, including the company's Rising Star Award in 2016 and Largest Deal of the Year award in 2018. In 2021, he was invited to join the Zehner Davenport Industrial Group, the company's premier brokerage team.



CHRIS DRZYZGA

VICE PRESIDENT

An entrepreneur at heart, Chris built and sold his own company while attending Loyola Marymount University where he earned his Bachelor of Arts degree in Business Administration in 2012. He used the proceeds of that sale to get his start in the commercial real estate business. Ever since, Chris has applied what he learned as a business owner to gain a better understanding of what his clients' need to make informed decisions about their facilities and investments.



ERIK SIKES

ASSOCIATE

Erik Sikes joined the Zehner Davenport Industrial Group after graduating from Brigham Young University. His interest in industrial real estate developed after a college summer internship program at Cushman & Wakefield where he learned the dynamics of the industry from first-hand experiences. Due to his strong work ethic, success in a team environment and constant motivation to accomplish personal goals, Erik joined Voit and the Zehner Davenport team to serve the North Orange County Industrial Market



REED RUTTER

RUNNER

Reed joined the Zehner Davenport Industrial Group in 2022 after an internship at Voit where he gained valuable market knowledge and a passion for Industrial Real Estate in Orange County. Using past experiences in the sports marketing industry, he excels in building and maintaining relationships, putting all his effort and resources into clients' best interests. Utilizing his market knowledge to consult with business owners in making educated real estate decisions, Reed is always willing to assist you in any way he can.

THE ZEHNER DAVENPORT INDUSTRIAL

“ In my opinion, when it comes to having stellar brokerage capabilities, the buck stops with the Zehner Davenport Industrial Group. As an owner of property we are always trying to push the market to achieve the highest prices that we possibly can for our investors. Often in that pursuit, the brokerage community will hesitate to commit to the execution of an aggressive strategy. The Zehner Davenport Industrial Group does not hesitate, they deliver. ”

KENT TURNER
TURNER REAL ESTATE INVESTMENTS

“ Through the selection process, the Voit team had positively differentiated their team above all of the rest. Through clear-eyed analysis and very informed marketing plan, they presented an innovative approach that prompted us to shift our strategy. We selected Voit, and we could not be happier that we did so. They were relentless in marketing the property and were diligent in informing and advising us along the way. ”

RICHARD TAIT
TAIT & ASSOCIATES, INC.

“ I wanted to take a moment and say Thank You for all your incredible work helping me sell our building. Your guidance was incredibly valuable with both transactions we have done over the last few years, but the sale of my building was difficult for all the reasons you are aware of, yet through it all, the one constant I knew I could depend on was you. You have a client for life and I'm looking forward to our next transaction. ”

JEFFREY CLARK
J-SQUARED



GROUP TESTIMONIALS

“ Over the past 20 years we have purchased and/or sold buildings from 5,000sf to 25,000sf with Seth Davenport and his team. He always responds timely, asks the hard questions, and put us in the optimum position to succeed. He sees any upcoming challenges and is very proactive in overcoming them. He and his team have great integrity and everyone is helpful and professional. ”

SCOTT MEYER
MEYER CONSTRUCTION SERVICES

“ We have found these gentlemen to be extremely professional, knowledgeable, hard-working, and skillful in all facets of industrial real estate. They went above and beyond for UAC and operated with passion and integrity on our behalf, demonstrating an impressive skillset and eagerness go the extra mile for our company. ”

MELISSA LINDH
MICHAEL COLT
UNIVERSAL ALLOY CORPORATION

“ Mitch and his team are true real estate professionals. Mitch looked outside the typically parameters and found a terrific long-term real estate solution for his client, at terms that worked for Alere. We can't thank Mitch enough for helping Alere secure its first build-to-suit with his client, Minka Lighting. ”

DANIEL WEBB
ALERE PROPERTY GROUP



NOTABLE TRANSACTIONS

INDUSTRIAL LEASE
REPRESENTED LANDLORD
\$20,279,898



BECKMAN BUSINESS CENTER
210 LAMBERT ROAD
Fullerton, California
309,439 SQ. FT. INDUSTRIAL BUILDINGS

INVESTMENT SALE
REPRESENTED BUYER & SELLER
\$12,625,000



1868-1878 MAIN STREET
1868-1878 MAIN STREET
Orange, California
68,910 SQ. FT. INDUSTRIAL BUILDING

INDUSTRIAL LEASE
REPRESENTED LANDLORD & TENANT
\$8,280,616



1205 N. MILLER STREET
1205 N. MILLER STREET
Anaheim, California
74,313 SQ. FT. INDUSTRIAL BUILDING

INDUSTRIAL LEASE
REPRESENTED TENANT
\$6,330,189



3125 E. CORONADO STREET
3125 E. CORONADO STREET
Anaheim, California
144,000 SQ. FT. INDUSTRIAL BUILDING

INVESTMENT LAND SALE
REPRESENTED SELLER & BUYER
\$30,780,000



2871 E. LA MESA STREET
2871 E. LA MESA STREET
Anaheim, California
383,764 SQ. FT. OF LAND

INDUSTRIAL LAND LEASE
REPRESENTED TENANT
\$5,034,830



7015 KNOTT AVENUE
7015 KNOTT AVENUE
Buena Park, California
192,448 SQ. FT. OF LAND

INDUSTRIAL LEASE
REPRESENTED LANDLORD & TENANT
\$7,820,664



3191 E. LA PALMA AVENUE
3191 E. LA PALMA AVENUE
Anaheim, California
76,824 SQ. FT. INDUSTRIAL BUILDING

INDUSTRIAL SALE
REPRESENTED SELLER & BUYER
\$123,650,000



BECKMAN BUSINESS CENTER
210 E. LAMBERT / 4278 & 4260 N. HARBOR
Fullerton, California
663,257 SQ. FT. INDUSTRIAL BUILDING

INDUSTRIAL LAND SALE
REPRESENTED BUYER
\$18,000,000



5510 E. LA PALMA AVENUE
5510 E. LA PALMA AVENUE
Fullerton, California
220,109 SQ. FT. OF LAND

INDUSTRIAL LEASE
REPRESENTED LANDLORD
\$5,476,377



14233-14263 GANNET STREET
14233-14263 GANNET STREET
La Mirada, California
71,632 SQ. FT. INDUSTRIAL BUILDING

INDUSTRIAL LAND SALE
REPRESENTED BUYER
\$24,000,000



1200 & 1204 S. PHOENIX CLUB DRIVE
1200 & 1204 S. PHOENIX CLUB DRIVE
Anaheim, California
789,307 SQ. FT. OF LAND

INDUSTRIAL SALE
REPRESENTED SELLER & BUYER
\$22,650,000



STADIUM LANDING
2020, 2100-2120 E. HOWELL AVENUE
Anaheim, California
348,480 SQ. FT. OF LAND

THE ZEHNER DAVENPORT INDUSTRIAL GROUP

TEAM REPORT

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REAL ESTATE SERVICES



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