

2020

ANNUAL
REPORT



WE ARE GLAD 2020 IS OVER! WELCOME 2021!

Voit
REAL ESTATE SERVICES


THE ZEHNER
DAVENPORT
INDUSTRIAL GROUP



2020

REDEFINING RESILIENCE

Wow. What a year 2020 turned out to be. It started out how the last year ended and we were looking ahead to another year of the same general market conditions: low vacancy, rising lease rates and sales prices and thin supply of product for Southern California's growing industrial sector. Then came March and the first of the pandemic lockdowns. All bets were off. Business owners were faced with one of the biggest challenges of their careers with no history to help guide their decision making.

Some employees were sent home to work while others were just sent home to wait for their jobs to come back. No one knew what would happen next and things got pretty quiet as the second quarter got underway. Tenants were looking for rent relief and building owners were looking for mortgage relief. For a short time there, things were looking pretty bleak.

But then entrepreneurial spirit began to reassert itself just as the federal government stepped in with massive stimulus programs for both businesses and their employees. The initial lockdowns were lifted and sale and lease activity picked back up to pre-pandemic levels. We remain awed by the courage and resilience of the business community that simply refused to sit on its hands, and instead took on the pandemic as a problem that had a workable and near-term solution.

While some business sectors are still having a tough go of it, the rebound in business activity has been simply amazing. All major market metrics rebounded in Q2 and continued to plow through even the second lockdown without appearing to skip a beat. Vacancy fell in the final three quarters, net absorption remained in positive territory and lease rates and sales prices broke more records. If you just looked at our quarterly market reports not knowing there was a once-in-a-century pandemic, you would not have noticed any significant change in market dynamics.

The new year comes with a new president and a reset of power in the US Congress. The balance of power has shifted and a new political agenda is now in play. Political party affiliation aside, the new administration's platform of tax proposals could present an even greater threat to the commercial real estate market than the pandemic. Eliminating tax deferred exchanges, taxing capital gains at ordinary rates and doing away with the step-up rule may soon be front and center issues in Washington DC. Any one of those proposals would be enough to roil the market, and the combination of two or all three present a clear and present danger to real estate market fundamentals. We encourage all of you to follow these topics closely, as they could be game-changers, especially for those whose investment strategies involve the sale or exchange of real property in the next few years.

Thankfully, mortgage interest rates remain at an historic low point and the SBA has ramped up programs to encourage the acquisition of industrial buildings by owner/users. This has kept demand at a high point and the market on the same trajectory it's been on for the last ten years. Business is good and getting better, the federal government is injecting more stimulus money into the economy and great strides have been made to put the pandemic crisis in the rear view mirror.

2021 is certain to be another interesting year, if for other reasons than 2020. Without the threat of major threats to the tax code, we are optimistic that the commercial real estate market will continue to thrive. We will keep you informed throughout the year as the new administration's intention comes into focus.

In the meantime, our heartfelt thanks to all of you have shown the confidence and trust in us to be your real estate advisors. We truly appreciate your business.



COVERAGE

OWNER USER SALES
INVESTMENT SALES
LANDLORD & TENANT REPRESENTATION
DEVELOPMENT SERVICES
CONSULTING & DUE DILIGENCE
MARKET RESEARCH
FINANCIAL ANALYSIS
VALUATION

RECAP

90

TRANSACTIONS

12

SALES

70

LEASES

8

REFERRALS

2,776,044

SQUARE FEET

\$153,387,870

CONSIDERATION



THE ZEHNER DAVENPORT GROUP



MITCH ZEHNER
EXECUTIVE VICE PRESIDENT

Mitch began his career in 1984. 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.



SETH DAVENPORT
EXECUTIVE VICE PRESIDENT

Seth brings over a decade of industrial experience and an impressive transaction record to the team. A character in so many respects, Seth has risen to the top of the commercial real estate heap in record time. He brings to his clients a unique blend of hard work, market intelligence, communication skill and sense of humor that produces superior results.



ADAM HILL
SENIOR VICE PRESIDENT

As a former Vice President of Sales and Marketing, Adam has over 17 years of business and sales experience, having built a start-up company from the ground up, into a market-leader. His successes stem from his ability to connect with business owners, understanding their core needs and building relationships that add value. He has a reputation for being a passionate, reliable, and trust worthy business advisor that is willing to go the extra mile and always has his client's best interests at heart.



MICHAEL ZEHNER
VICE PRESIDENT

Mike joined the Zehner Davenport Team after spending two summers under an internship program while attending college at University of San Diego. Mike's interest in real estate began early, having been surrounded by it all of his life. He brings a healthy, mature balance to the team, promoting team cooperation, communication, and the integration of technology into the marketing for the team.



ERIK SIKES
ASSOCIATE

Erik Sikes joined the Zehner Davenport Industrial Group after graduating from Brigham Young University in 2019. 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 focus on serving the needs of owner-users and tenants in the North Orange County Market.



SABAS VARGAS
EXECUTIVE CLIENT COORDINATOR

Sabas has been with the Zehner Davenport Industrial Group for over 20 years. He has been described by his Managing Director as the “world’s greatest employee” and his teammates agree.

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.



JENNIFER ELLISON
EXECUTIVE CLIENT COORDINATOR

Now in her 21st year in commercial real estate, Jennifer’s broad knowledge base, practical experience and focus on quality is essential to the team’s operating efficiency.

As Executive Client coordinator, the team counts on her to keep things moving relative to all team listings, transactions in progress and marketing programs.

We thank you for your continued support of our efforts. We continue to expand our platform of tools and resources, so that you remain confident in your decision to choose us as your real estate advisor. If we haven’t had that the opportunity to serve you yet, we certainly look forward to doing so soon.

PARTIAL CLIENT LIST





BLACKROCK



This team brings a blend of market knowledge, strategy, and honesty to every transaction. There is a reason they are market leaders. We chose to only work with the best, and we recommend The Zehner Davenport Group.

Mitch Payton, Owner & President - Pro Circuit Racing International



NOTABLE 2020 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 TENANT
\$3,813,456



1650 N. KRAEMER BLVD.
1650 N. KRAEMER BLVD.
Anaheim, California
68,601 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

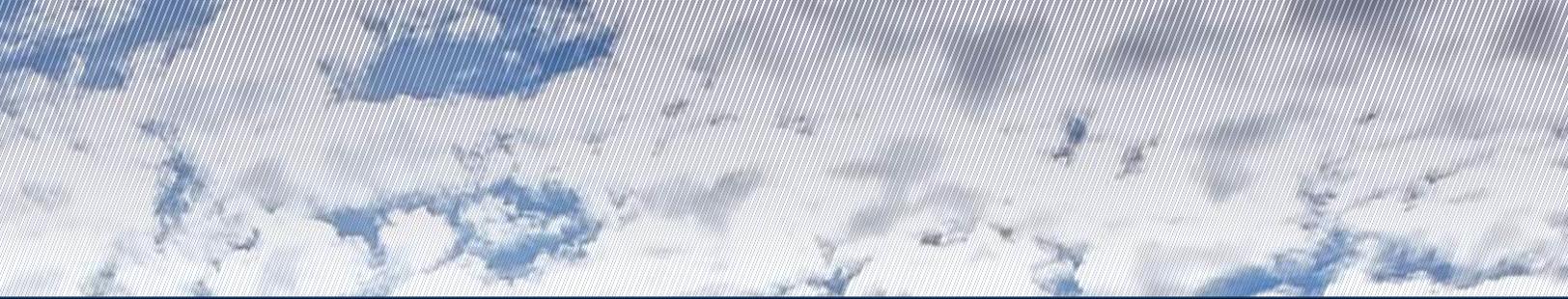


2871 E. LA MESA STREET
2871 E. LA MESA STREET
Anaheim, California
191,500 SQ. FT. INDUSTRIAL BUILDING

INDUSTRIAL SALE
REPRESENTED SELLER
\$5,388,217



3700 E. MIRALOMA AVENUE
3700 E. MIRALOMA AVENUE
Anaheim, California
21,467 SQ. FT. INDUSTRIAL BUILDING



INDUSTRIAL LEASE
REPRESENTED LANDLORD
\$2,872,035



725 COLUMBIA
725 COLUMBIA
Brea, California
34,995 SQ. FT. INDUSTRIAL BUILDING

INDUSTRIAL LEASE
REPRESENTED TENANT
\$4,934,506



14830 CARMENITA
14830 CARMENITA & 13555 EXCELSIOR DR.
Norwalk, California
93,900 SQ. FT. INDUSTRIAL BUILDING

INDUSTRIAL LEASE
REPRESENTED LANDLORD & TENANT
\$8,006,904



BECKMAN BUSINESS CENTER
4260 N. HARBOR BLVD.
Fullerton, California
141,616 SQ. FT. INDUSTRIAL BUILDING

INDUSTRIAL SALE
REPRESENTED SELLER
\$7,647,250



1435 PIONEER STREET
1435 PIONEER STREET
Brea, California
30,589 SQ. FT. INDUSTRIAL BUILDING

INDUSTRIAL LEASE
REPRESENTED LANDLORD
\$9,216,645



2009 RAYMER AVENUE
2009 RAYMER AVENUE
Fullerton, California
123,972 SQ. FT. INDUSTRIAL BUILDING

INDUSTRIAL SALE
REPRESENTED SELLER
\$2,210,000



1125 S. LAS BRISAS PLACE
1125 S. LAS BRISAS PLACE
Placentia, California
7,865 SQ. FT. INDUSTRIAL BUILDING



Voit

REAL ESTATE SERVICES



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