



2024

# San Diego

**America's Finest City,  
Biotech Beach, and  
the Golden Triangle Region**



# Spotlight: San Diego

America's Finest City



## 1 Metro area overview

**#3** Largest Life Science cluster in Country  
Source: JLL, Fiercebiotech.com, 4<sup>th</sup> on PWC.

**#5** Largest Population County  
Source: ESRI.

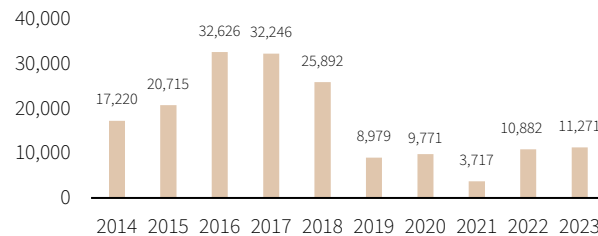
**#1** Concentration of military/defense assets  
Source: San Diego Military Advisory Council.

## 2 Population

### Net migration

The positive annual population net change has once again experienced a substantial increase compared to peak pandemic figures, surpassing the performance of other coastal markets.

Net population change (thou.)



San Diego MSA has added

**45k**

Net new residents over the last 5 years

Source: Lightcast

## 3 Demographics

Age, education, diversity and income

People are drawn to San Diego for a variety of reasons. Its desirable climate, stunning beaches, and outdoor recreational activities make it an attractive destination. Additionally, San Diego offers a thriving job market, renowned educational institutions and a vibrant cultural scene.



Median age

**36.7**



Median HHI

**\$95,879**



Unemployment rate

**4.1%**



2010-present population growth

**7.5%**



25-44 aged population growth

**29.5%**



Average annual pay change

**3.1%**



Bachelor's degree or higher

**43.2%**



Average commute time (minutes)

**26.1**

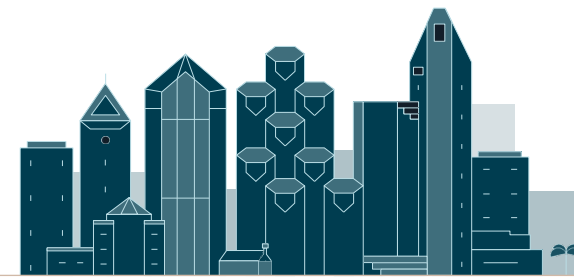


Average annual pay

**\$78,240**

# Spotlight: San Diego

America's Finest City

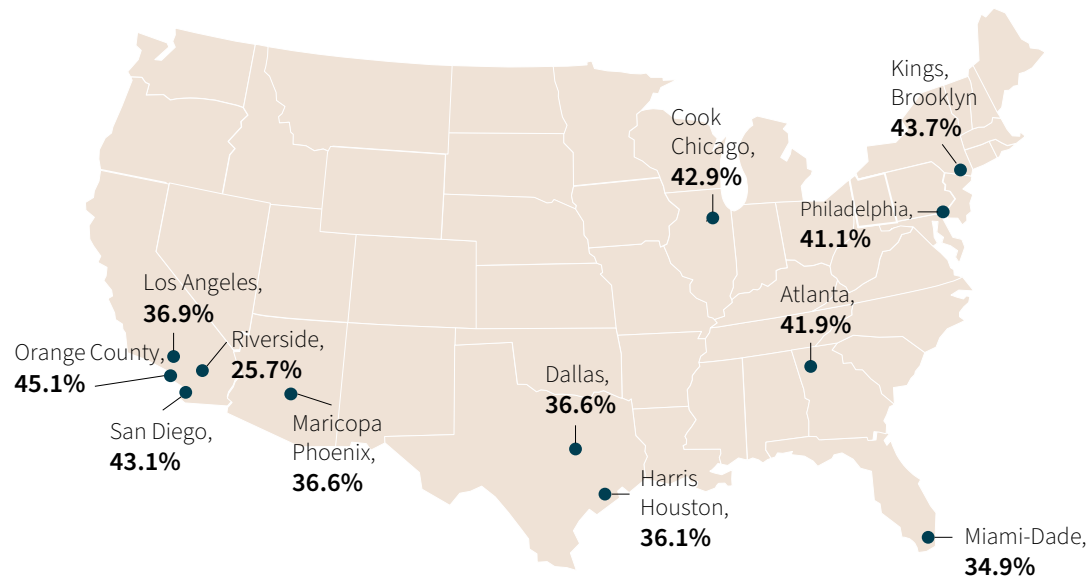


## 4 Talent pool

Highly educated workforce

San Diego ranks 3rd amongst top counties with nearly **43.1%** of San Diego's population aged 25 or older earning a bachelor's degree or higher.

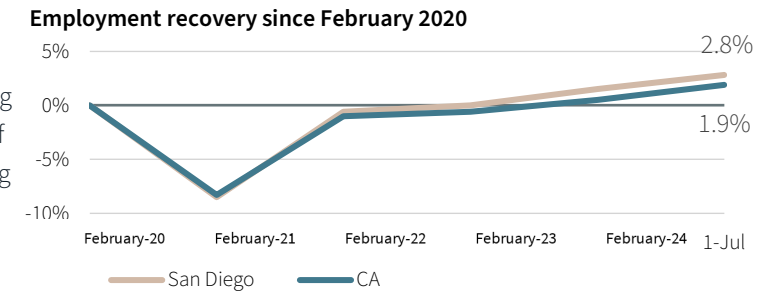
**Top 10 largest counties in U.S. by population  
Age 25+ with a bachelor's degree or higher**



## 5 Economics

Job growth San Diego versus State California.

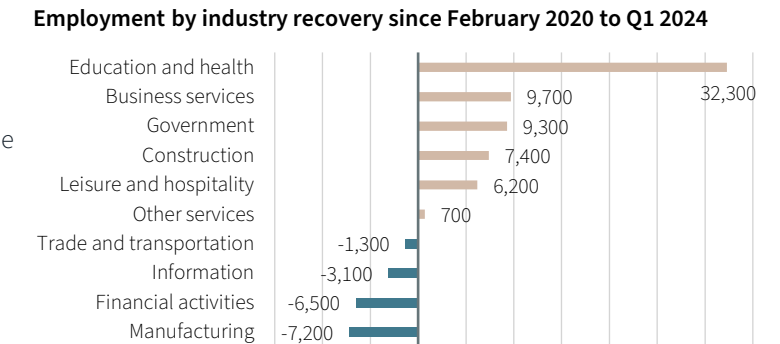
The job market in San Diego has made a strong recovery by adding 42k jobs since the start of the pandemic, surpassing the growth rate of the overall job market in the State of California.



## 6 Job growth by sector

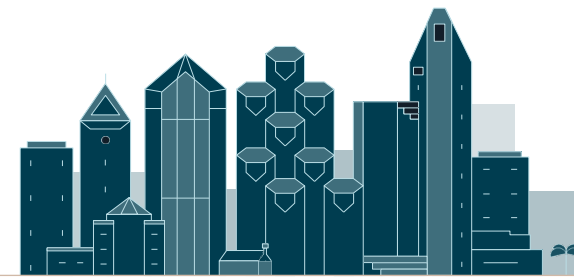
Emerging industries: +47,500 jobs since Q1 2020 to now.

Despite recent layoffs, the Education and Healthcare sector has experienced a remarkable recovery since the pre-pandemic era, with the addition of 32,300 jobs across the market.



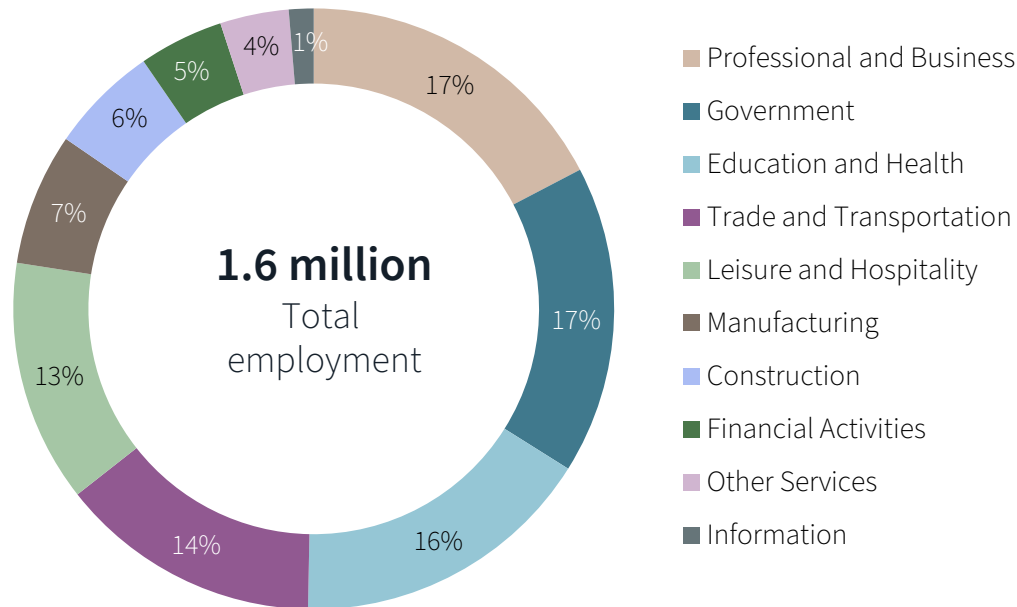
# Spotlight: San Diego

America's Finest City



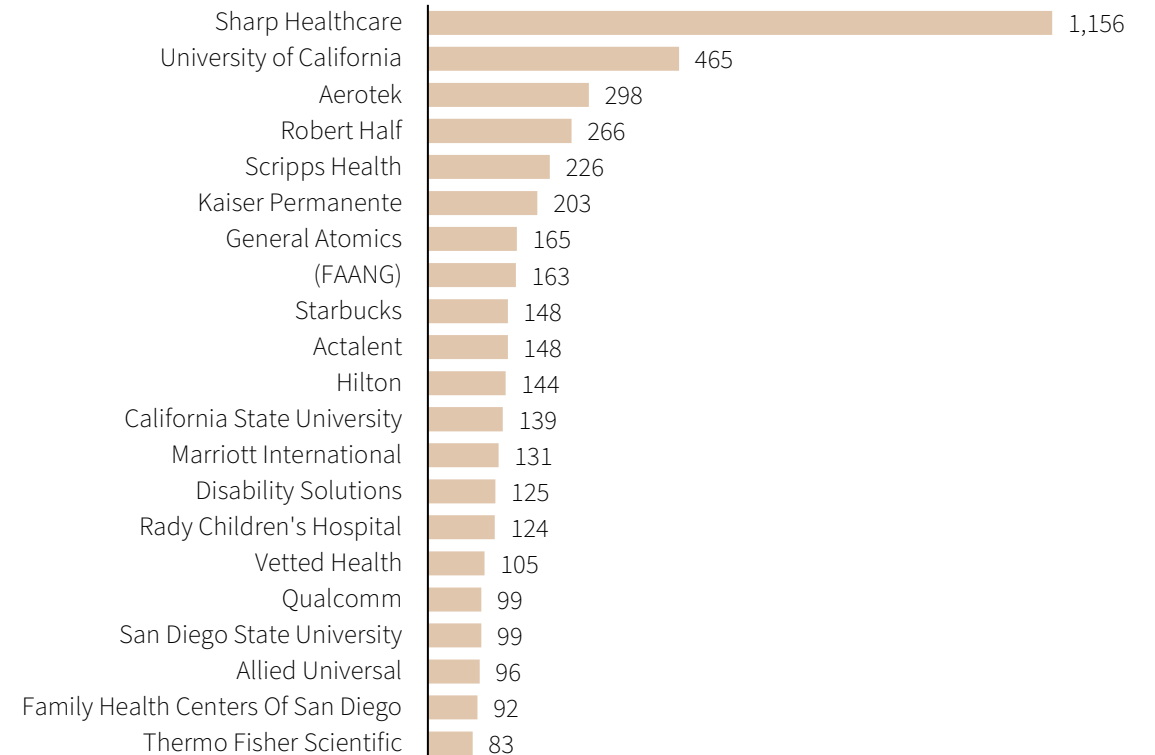
## 7 Industry Diversification

With no sector making up more than 17% of employment, San Diego's economy can cater to a wide variety of industries, making it an attractive location for all types of businesses.



## 8 San Diego - Unique Job Postings 2024

San Diego has experienced significant employment growth across all industries over the past 5-years, driven by healthcare, education and tech sectors.



# Demographics and education



# San Diego regional overview

San Diego has what the younger workforce wants. . .



Top public schools are constantly ranked high in U.S. News and World Report



Wineries generate over \$46M in gross sales in the county. The total number of wineries increased from 142 to 150 since late 2019



New public transportation infrastructure Connecting Downtown to UTC



150 breweries located within the San Diego metro



Easy access to nature - from the Torrey Pines state beach to the border of Mexico and the Cleveland National Forest



Vibrant restaurant scene with over 7,000 restaurants to choose from (Michelin Guide recognized five San Diego restaurants out of top 25)



Bicycle-friendly infrastructure, and enthusiastic bike culture



- #1** Corporate travel Index (most affordable major city for business)  
Business Travel News
- #5** Convention Center in the U.S.  
Conventions held: Comic-Con International, Society for Neuroscience, American Society of Hematology
- #1** Highest number of craft breweries in the country  
Brewers Association
- #1** Best family spring break destinations  
U.S. News and World Report
- #6** Best beaches in the U.S.  
U.S. News and World Report
- #5** Median household income in the top 25 most populated cities  
Statista.com 2020
- #1** Concentration of military/defense assets in the U.S.  
San Diego Military Advisory Council
- #1** UC San Diego: top university in graduating bioscience related degrees  
NCES, U.S. News and World Report
- #3** UC San Diego ranked third in the nation among public universities  
Forbes 2022 list of America's Top Colleges
- #1** San Diego leads US in annual wage growth at 4.98% (August 2023)  
Paychex/IHS Markit Small Business Employment Watch report
- #7** PitchBook's VC Ecosystem Rankings  
USA – Markets based on the size and maturity of their startup networks

# San Diego County demographic and housing overview

**5.5%**

10-year population growth

**0.8%**

Project population growth 2028

**\$133,452**

Average household income

**\$2,285**

Average apartment rent

**\$1,032,804**

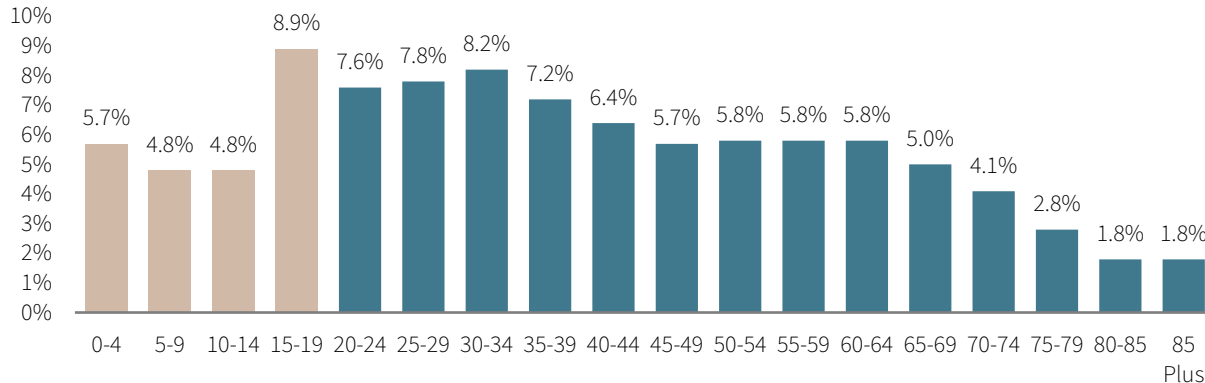
Average home value

**11.8%**

1-year home value change

Source: ESRI, Zillow

Age Profile  
Age (%)



**37.2% of the population between 20 to 44**

indicating a significant presence of working professionals.

Source: ESRI

## Why San Diego?



High costs in other gateway markets benefits more affordable suburban markets like San Diego.



A desired **lifestyle** with abundant recreational activities such as breweries, hiking, surfing, fishing, golfing, biking, mountains and deserts.



Excellent schools, safe neighborhoods, and year-round great weather. **Temperature normally varies from 53°F to 80°F.**

# Education

## UC San Diego drives talent for San Diego innovation cluster

The student population at UC San Diego has experienced a significant 48% increase over the past 10 years. Furthermore, the top universities in San Diego have observed a substantial annual growth of 12,336 STEM-related degrees. This surge in educational achievements has significantly contributed to the burgeoning innovation ecosystem of San Diego.

Top 20 Universities – total STEM degrees – 2022	2022 completions	% Change (2021-2022)	Bachelor's Degree	Master's Degree	Doctor's Degree
1. University of California-Berkeley	9,037	5%	5,731	2,666	640
2. Georgia Institute of Technology	8,906	10%	3,389	4,978	539
3. Texas A & M University	8,707	5%	6,059	1,640	598
4. University of Illinois Urbana-Champaign	8,471	3%	4,668	3,161	642
5. University of Michigan-Ann Arbor	8,415	3%	4,933	2,634	681
6. University of Washington-Seattle	8,373	7%	5,646	2,257	454
7. Purdue University	8,202	8%	5,965	1,393	648
8. University of California-Davis	8,188	0%	6,856	878	449
<b>9. University of California-San Diego</b>	<b>8,187</b>	<b>2%</b>	<b>6,140</b>	<b>1,562</b>	<b>485</b>
10. Western Governors University	7,985	0%	3,932	4,053	n/a
11. New York University	7,950	6%	3,467	4,200	262
12. Columbia University - New York	7,810	1%	1,611	5,401	362
13. University of California-Los Angeles	7,761	4%	5,257	1,982	521
14. Arizona State University	7,640	(1%)	4,782	2,143	316
15. The University of Texas at Austin	7,205	6%	3,859	1,116	458
16. University of Wisconsin-Madison	6,895	0%	4,078	1,159	499
17. University of Florida	6,524	(0%)	4,069	1,523	538
18. Ohio State University-Main Campus	6,502	14%	4,943	973	527
19. Pennsylvania State University	6,331	n/a	4,932	608	508
20. University of Southern California	6,015	(3%)	2,144	3,437	326

Source: Lightcast



University of California San Diego

### Top San Diego STEM completions - 2022

**8,187**

University of California-San Diego

**2,202**

San Diego State University

**757**

University of San Diego

**612**

National University

**578**

California State University-San Marcos



San Diego

# Education



## San Diego County

San Diego top 3 Universities

*Graduates about 12,000 STEM degrees annually*



### University of California San Diego

**#1 Amount of bioscience related graduates**, Lightcast  
#6 in Top public schools (tie), US News 2024



### San Diego State University

**#1 Nationally in graduation rate performance**, US News 2024  
60% of SDU graduates remain in San Diego after graduation



### University of San Diego

**#3 School of Business MBA is ranked 3rd in the world for entrepreneurship**, Financial Times  
#3 Third most beautiful campus in the U.S., Insider

## Technical Colleges



**1,500+** enrolled students  
50% increase year-over-year



**25,000+** enrolled students  
Offering nearly 200 associate degree programs

## Across Southern California

High research activity  
*(driving distance from San Diego)*



70 miles



85 miles



89 miles



113 miles



122 miles



126 miles

San Diego

Lifestyle

03

San Diego

# Lifestyle

## Planning to travel?



3-hour drive to  
**Big Bear Mountain**



20-minute drive to  
**the beach**



2-hour drive to  
**the desert**

## Or stay a while?



72 golf courses



200+ breweries



360 mi of trails



World-renowned zoo



30+ farmers' markets



70+ mi of coastline



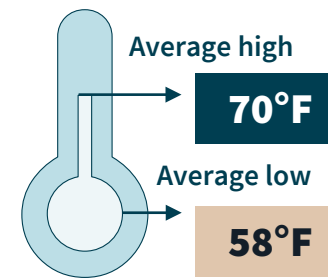
8,100+ restaurants



Diverse nightlife



## San Diego weather



	Average low	Average high	Rain average
Jan.	48°F	65°F	1.5in
Apr.	54°F	69°F	1.1in
Jul.	62°F	71°F	0.1in
Oct.	53°F	66°F	1.8in

Source: U.S. Climate data

San Diego

# Wellness

San Diego is home to prestigious healthcare systems

## Scripps Health



- Founded in 1924
- 15,000+ employees
- 3,000+ affiliated physicians
- Ranked #1 best hospital for the San Diego region

## Sharp HealthCare



- Founded in 1955
- 18,000+ employees
- 2,600+ affiliated physicians
- Ranked #3 in San Diego and #18 in California

## UC San Diego Health



- Founded in 1966
- 7,600+ employees
- Ranked #1 in San Diego for cancer, neurology, and neurosurgery

## Kaiser Permanente



- Founded in 1967
- 200,000+ employees
- 23,000+ affiliated physicians
- Ranked #5 in San Diego and #26 in California



San Diego

# San Diego Airport

## Terminal 1 Renovation



Improved transportation and mobility: On-airport access road, allocated space for a future public transit network connection



Renovation will include art installations and a family play area, creating a relaxing and inviting environment before flights



New restaurants and shops to enhance airport experience, as well as a post-security connection between T1 and T2



- 1M+ SF with 90,000 SF reserved for concessions
- 11 new gates, 30 total



- EV charging stations
- Rainwater capture
- Goal to achieve LEED Gold



- 80% of subcontract value going to local companies
- 15,000-20,000 new jobs



- \$3.4B total budget
- Expected Q1 2028 completion

# Uniting communities through development

## Midway Rising



Source: Safdie Rabines Architects

In the next two years, Midway Rising will work on refining their proposal, developing a project plan, and conducting an environmental analysis. Their proposal aligns with the Midway-Pacific Highway Community Plan and features 4,250 housing units, a 16,000-seat sports arena, a central urban park, and a mixed-use entertainment, arts, and cultural district. The City Council may potentially consider a long-term lease for the redevelopment.

## UCSD Science Research Park



Source: UCSD

UCSD's Science Research Park is a 23-acre hub for corporate-academic collaboration, advancing research, commercialization, and student development. With a focus on life science and technology, the park is set to become Southern California's epicenter for innovation, attracting new partners and ideas to the region.

## Riverwalk



Source: Hines

Riverwalk is an expansive planned mixed-use community set across 200 acres in San Diego's Mission Valley submarket. Once completed, it will boast approximately 4,300 multifamily units, 152,000 square feet of retail space, and one million square feet of office space. Positioned in an area rich with amenities, Riverwalk offers convenient access to the city's key districts and public transportation hubs.

## SDSU West



Source: SDSU

Chelsea Investment Corp. will construct the first affordable housing project on San Diego State University's Mission Valley development site, while AvalonBay Communities' market-rate apartment complex has also been approved. These projects are part of SDSU's expansive Mission Valley campus expansion, which includes parks, research space, residential units, and retail space. Ten percent of the housing will be designated as affordable.

San Diego

# Key industries

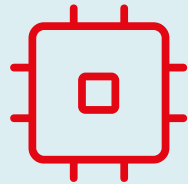
04

# Key industries



## Life science

**3rd** largest life science hub in the nation



## Technology

Tech jobs are projected to increase to by **10%** over the next 5 years



## Aerospace and defense

2nd largest recipient of DoD funding totaling **\$36.1** billion in 2023



## Tourism

San Diego is a popular tourist destination, attracting about **31.8** million visitors each year



# Life science / biotechnology

- VC funding in San Diego life science companies reached \$1.6 billion in Q1 2024, more than doubling Q4 2023's \$700 million and even exceeding the quarterly average during the COVID bull-run of \$1.2 billion.
- Q2 2024 has continued the momentum for San Diego's biotech VC funding, positioning it for a potential second-highest record-breaking year, now at \$2.3 billion.
- Continued M&A activity, along with elevated VC funding, is a much-needed boost to the sector and is expected to produce an increase in tenant demand in 2024. However, with the current availability rate in the core cluster at 22.1%, the number of viable options available to tenants is bringing increased pressure and competition to fill vacancies.

## San Diego life science key figures

**102**

Research  
Institutions

**83,746**

Total  
employees

**2,032**

Number of  
companies

**31%**

Increase in jobs  
Since 2013

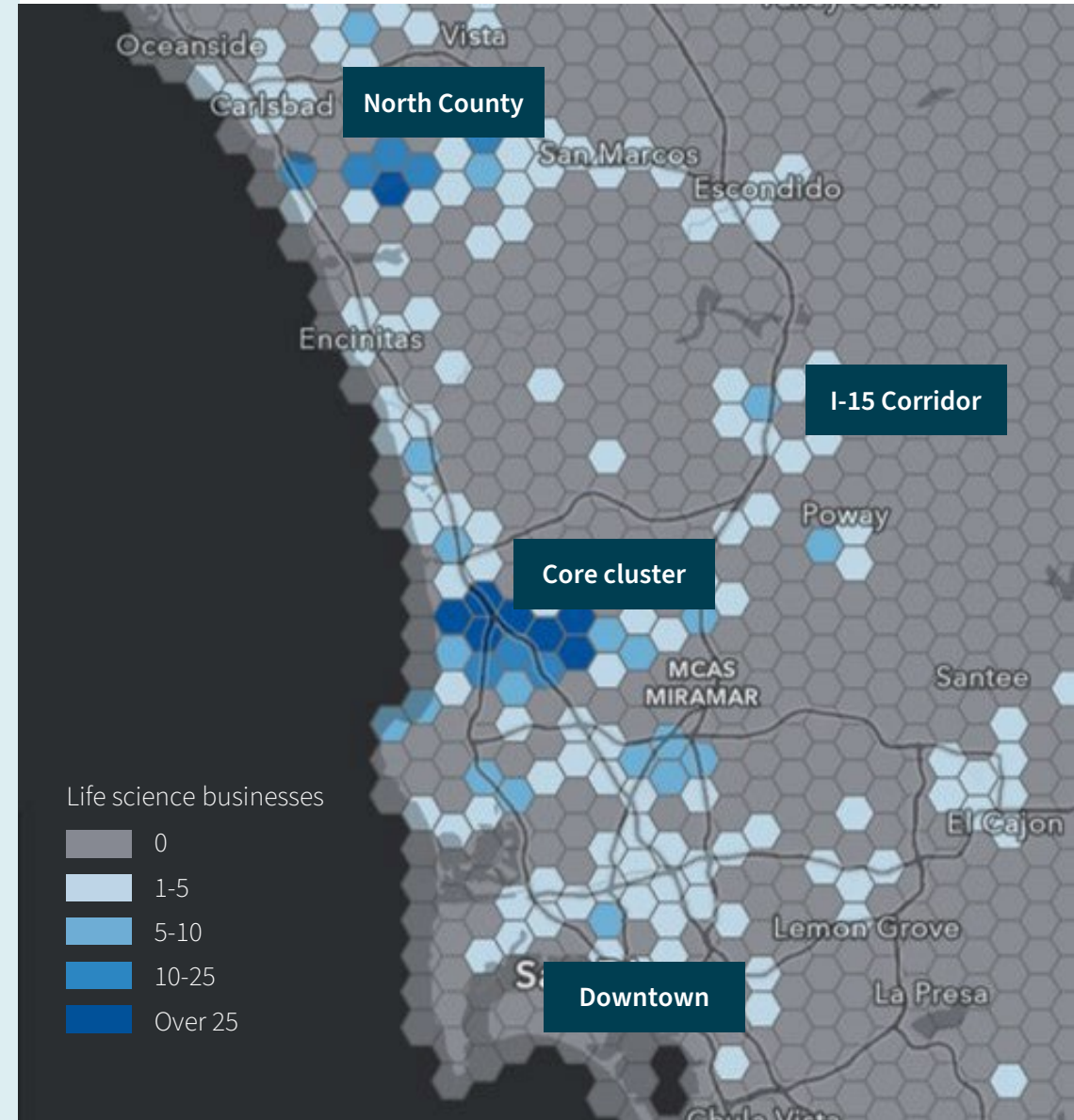
**\$1.6B**

NIH Funding  
(2023-2024 YTD)

**\$56.6B**

Total  
economic output

## Concentration of San Diego life science companies



# Technology

- The metro boasts a vibrant tech ecosystem, fostering innovation for software development, telecommunications, high-tech manufacturing, AI, robotics and cybersecurity.
- Despite industry changes in 2023, San Diego is projected to experience job growth again within the tech industry.
- Major VC funding rounds are supporting the expansion of AI and Big Data sectors throughout San Diego totaling \$2.2 billion over the last 12-months in San Diego.
- Tech jobs are forecasted to increase by 8.7% over the next 5-years despite recent local layoff announcements.

## San Diego technology key figures

**\$148,773**

Tech worker average salary

**60,292**

Total employees

**3,519**

Number of companies

**4.9%**

Growth of number companies over the last 3 years

**1.1%**

Growth of number employees over the last 3 years

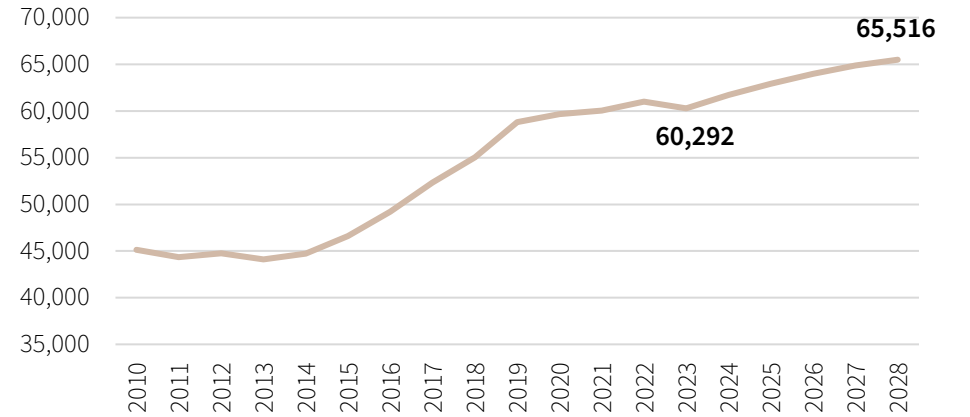
**\$20B**

Gross Regional Product impact

Source: JLL Research, Lightcast

## San Diego technology job totals

With the innovation sector experiencing record revenue and producing state-of-the-art technologies, there is a promising outlook for tech jobs.



Source: Lightcast



# Defense and aerospace

- San Diego is home to the largest concentration of military assets in the world and the largest federal military workforce in the country.
- The defense cluster inspires emerging industries like unmanned systems and cybersecurity which are burgeoning locally and expanding into international markets
- Local expertise in these fields provides strategic advantages for product development, job growth, and the commercialization of defense technology
- Jobs supported by defense spending include uniformed military, federal government employees, and defense contractors, as well as healthcare, engineering, construction, hospitality, and tourism

## San Diego defense key figures

**\$56.4B**

DoD and VA spending

**111,000**

Active-duty service members

**89,191**

Total defense employees

**2nd**

Largest recipient of DoD funding

**5.0%**

Growth since 2020

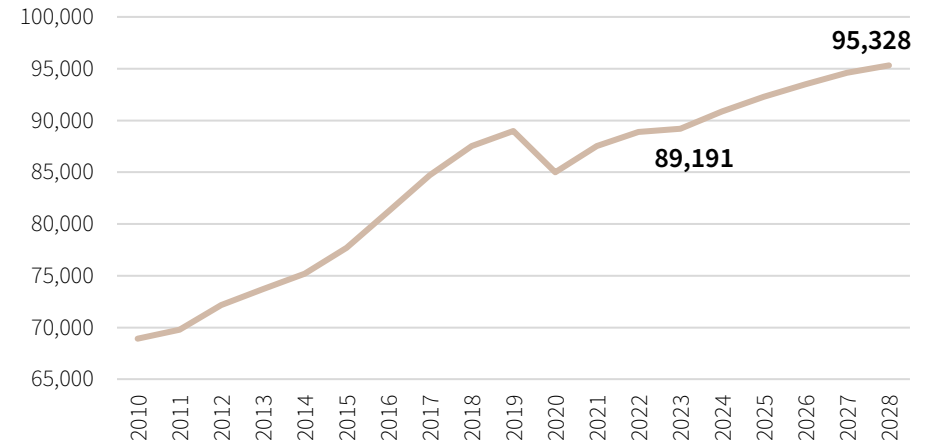
**23.6%**

Gross Regional Product impact

Source: JLL Research, Lightcast, SDMAC

## San Diego defense and aerospace Job Totals

San Diego's defense industry is vital for national security, leading in advanced technologies, research and development.



Source: Lightcast

## Key companies

BAE Systems

Boeing

Booz Allen Hamilton

Cubic Corporation

Epsilon Systems

Fox Industries

General Atomics

General Dynamics

NASSCO

Kratos

Leidos

Leonardo DRS

Lockheed Martin

L3 Technologies

Northrop Grumman

Raytheon

SAIC

Shield AI

Tapestry Solutions

Teledyne

UTC Aerospace Systems

Viasat

# Tourism

- San Diego, located in Southern California, is known for its beautiful beaches, mild climate, and numerous attractions.
- Key highlights of San Diego tourism include over 70 miles of pristine coastline, Balboa Park with its zoo and museums, the USS Midway Museum, Gaslamp Quarter for nightlife and dining, SeaWorld, Old Town San Diego State Historic Park, Comic-Con, Cabrillo National Monument, LegoLand California, breweries and wineries, and outdoor activities such as hiking, biking, surfing, kayaking, and golfing.
- The hotel industry in San Diego has experienced significant benefits from the robust tourism as more people are traveling to the city.

## San Diego tourism key figures

**\$14.3B**

Annual visitors  
spending

**\$ 23.4B**

Total economic  
impact

**30.5M**

Visitors during  
FY2023

**2nd**

Largest local industry

**4th**

In the nation for  
hotel occupancy  
and RevPAR

**1.6B**

Gross advertising  
impressions

## San Diego's top attractions



San Diego Zoo



Balboa Park



Gaslamp Quarter



Old Town Trolley Tours



LegoLand



USS Midway Museum

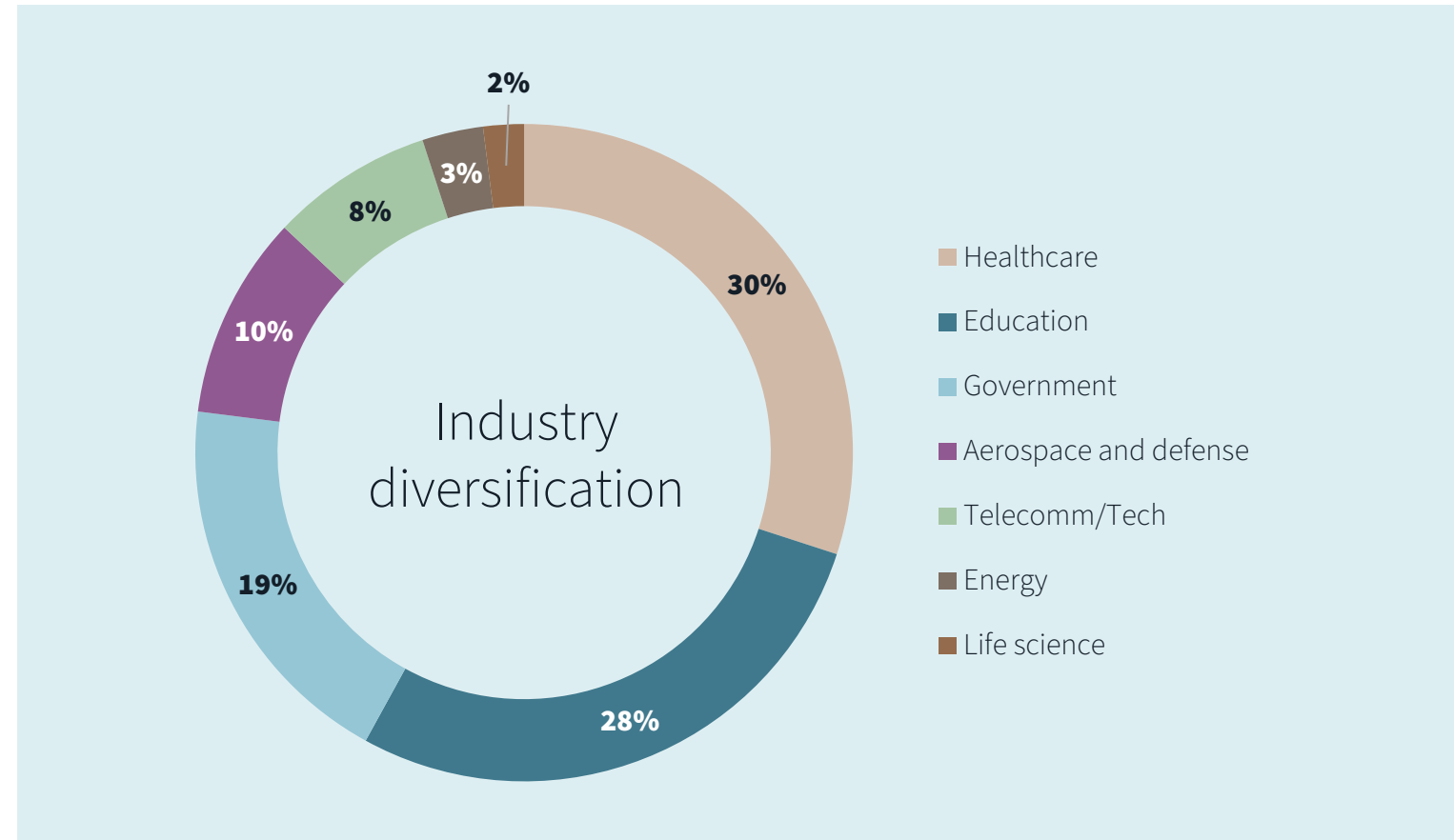
San Diego

# Commercial real estate landscape



The San Diego economy is diverse with key exposure to the life science, technology, and aerospace and defense sectors

Major employers	Number of employees
UC San Diego	32,524
Sharp Healthcare	19,472
County Of San Diego	18,606
Scripps Health	15,238
Qualcomm	12,600
The City of San Diego	11,544
Kaiser Permanente	8,965
San Diego Community College District	6,817
General Atomics	6,373
San Diego State University	5,921
NAVWAR	5,381
Rady Children's Hospital	5,297
Northrop Grumman	4,978
Sempra Energy	4,782
BD (Becton Dickinson)	3,975
VA San Diego HealthCare	3,805
University of San Diego	3,565



# Nearshoring benefits cross-border industrial regions

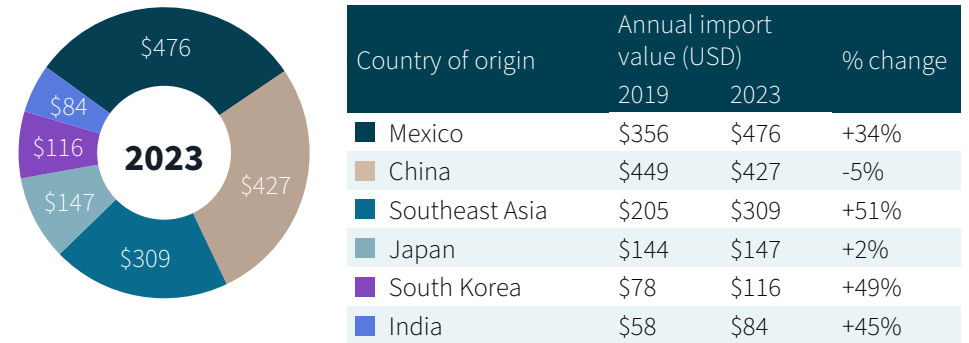
Over the past six years, the nearshoring trend to Mexico has been driven by various factors. First, the implementation of US tariffs on Chinese imports in 2018 prompted companies to move manufacturing closer to the consumer. In 2020, COVID-19 disruptions highlighted the risk of relying on a single source of production, accelerating the shift towards Mexico. That summer, the US-Mexico-Canada Agreement (USMCA) strengthened free trade and incentivized companies to adjust their supply chains. Furthermore, increased consumption and freight bottlenecks experienced during the pandemic led cargo owners to explore alternative ports, positioning Mexico as an attractive option.

The Tijuana and Baja California region has witnessed remarkable growth across various industries, including aerospace, electronics, medical devices, and automotive manufacturing. In 2021, foreign direct investment (FDI) into Baja reached a record high \$2.2 billion, an 83% year-over-year increase, with substantial allocations to manufacturing. Unsurprisingly, the Tijuana region continues to see industrial expansion, with current construction totaling 5.7 million square feet.

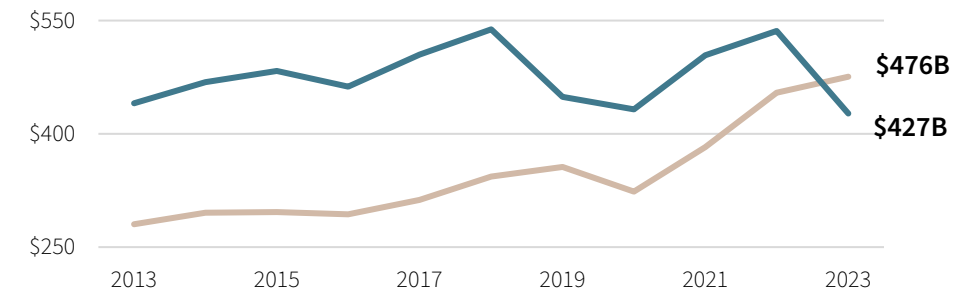
Increased activity across the border led to a 36% year-over-year spike in inbound loaded truck containers processed through the Otay Mesa Port of Entry (POE) in 2023. Another unique benefit is that industrial users operating in Otay Mesa have access to affordable skilled Mexican labor, which represents a significant portion of the region’s warehouse employment. Likewise, the labor force stands to benefit from California wages. Nearshoring is difficult to measure, and it takes time for companies to plant new roots, but we are beginning to see the effects already.

As multinationals shift from sole dependance on China into Southeast Asia and Mexico, the annual value of imports has risen respectively

## Annual import value (USD)



## Annual import value China vs Mexico (USD)



Source: US Census Bureau, Bureau of Transportation Statistics, DataMexico

San Diego

# There's more to explore...

JLL Research continually tracks and reports on commercial real estate markets all over the country. For the latest regarding San Diego, check out these resources by product type.

[San Diego Office Research](#)

[San Diego Industrial Research](#)

[San Diego Life Sciences Research](#)

Source: JLL Research





## Research authors

### Patrick Ashton

Manager  
Research  
San Diego  
patrick.ashton@jll.com

### Logan Hood

Senior Research Analyst  
Research  
San Diego  
logan.hood@jll.com

## To find out more about JLL services, contact:

### Tim Olson

Senior Managing Director  
Brokerage  
San Diego  
tim.olson@jll.com

### Aldon Cole

Senior Managing Director  
Capital Markets  
San Diego  
aldon.cole@jll.com

### Shawn Lorentzen

Managing Director  
Tenant Rep  
San Diego  
shawn.lorentzen@jll.com

## Research at JLL

JLL's research team delivers intelligence, analysis and insight through market leading reports and services that illuminate today's commercial real estate dynamics and identify tomorrow's challenges and opportunities. Our more than 550 global research professionals track and analyze economic and property trends and forecast future conditions in over 60 countries, producing unrivalled local and global perspectives. Our research and expertise, fueled by real-time information and innovative thinking around the world, creates a competitive advantage for our clients and drives successful strategies and optimal real estate decisions.

## About JLL

For over 200 years, JLL (NYSE: JLL), a leading global commercial real estate and investment management company, has helped clients buy, build, occupy, manage and invest in a variety of commercial, industrial, hotel, residential and retail properties. A Fortune 500® company with annual revenue of \$20.8 billion and operations in over 80 countries around the world, our more than 108,000 employees bring the power of a global platform combined with local expertise. Driven by our purpose to shape the future of real estate for a better world, we help our clients, people and communities SEE A BRIGHTER WAY<sup>SM</sup>. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated. For further information, visit [jll.com](http://jll.com)

COPYRIGHT © 2024 JONES LANG LASALLE IP, INC.

This report has been prepared solely for information purposes and does not necessarily purport to be a complete analysis of the topics discussed, which are inherently unpredictable. It has been based on sources we believe to be reliable, but we have not independently verified those sources and we do not guarantee that the information in the report is accurate or complete. Any views expressed in the report reflect our judgment at this date and are subject to change without notice. Statements that are forward-looking involve known and unknown risks and uncertainties that may cause future realities to be materially different from those implied by such forward-looking statements. Advice we give to clients in particular situations may differ from the views expressed in this report. No investment or other business decisions should be made based solely on the views expressed in this report.