

# Industrial Market Outlook

## Orange County Q3 2025

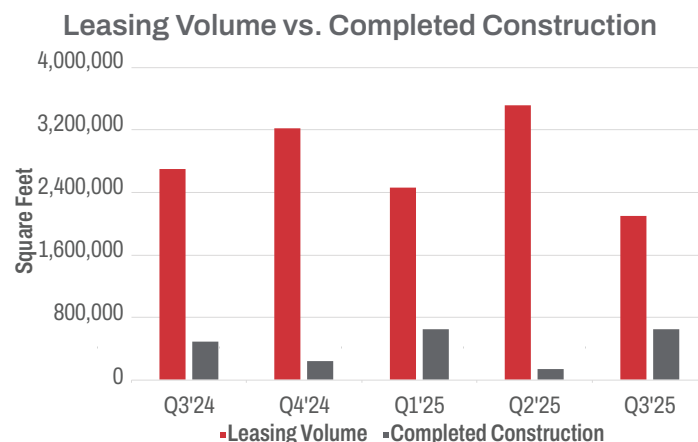
### MARKET STATISTICS\*

Submarket	Existing Total RBA (SF)	Under Construction (SF)	Total Available (%)	Total Vacancy (%)	Leasing Volume (SF)	YTD Leasing Volume (SF)	Sales Volume (SF)	YTD Sales Volume (SF)	Average Asking Rent (\$/SF NNN)	Average Sale Price (\$/SF)
Airport	56,209,510	210,467	8.4%	7.0%	584,404	1,946,092	119,308	390,207	\$1.39	\$494
North	99,357,860	603,679	7.7%	5.8%	905,156	4,099,623	542,167	1,965,317	\$1.52	\$346
South	25,772,244	769,116	11.3%	5.6%	261,492	712,408	91,315	464,233	\$1.60	\$387
West	42,708,593	406,915	8.3%	6.2%	343,804	1,318,601	109,026	274,542	\$1.49	\$362
<b>Orange County</b>	<b>224,048,207</b>	<b>1,990,177</b>	<b>8.4%</b>	<b>6.2%</b>	<b>2,094,856</b>	<b>8,076,724</b>	<b>861,816</b>	<b>3,094,299</b>	<b>\$1.49</b>	<b>\$374</b>

\* RBA includes industrial buildings of all sizes. Rents reflect buildings of at least 10,000 square feet.

### LEASING TRENDS

Leasing volume slowed significantly in Q3 2025, dropping 40.5% quarter-over-quarter and ending the period 22.4% below the volume recorded in the same quarter last year. This soft demand coincided with the start of a construction slowdown. 651,931 SF of new space was added to the market this quarter, bringing year-to-date additions to 1.4 million SF, a total that is 8.0% lower than this time last year.



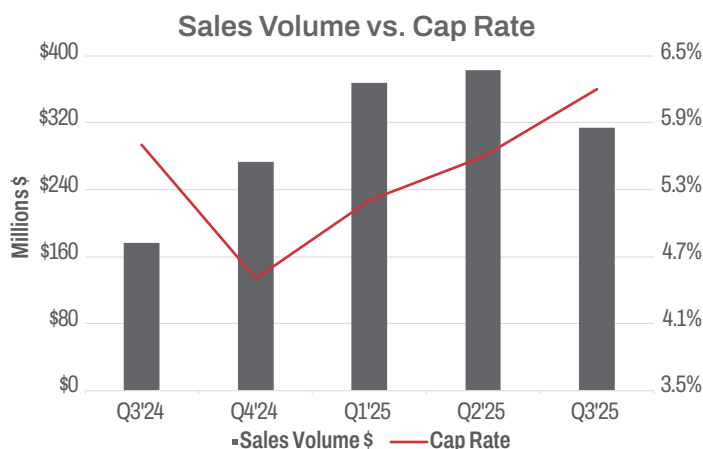
### Select Lease Transactions

Address	City	Submarket	Square Feet
3130-3100 S Harbor	Santa Ana	Airport	162,656
4260 N Harbor Blvd	Fullerton	North	141,616
3071 E Coronado St	Anaheim	North	105,173
5600 Argosy Cir	Huntington Beach	West	104,678
19531 Pauling*	Foothill Ranch	South	75,507

\* Sublease

### SALES TRENDS

In the third quarter of 2025, sales volume decreased 18.3% from the previous quarter, yet surged 78.4% year-over-year, indicating pricing adjustments between sellers and buyers continue to drive a market rebound from a depressed 2024. The average cap rate reflected this continued adjustment, rising 60 basis points QoQ and standing 50 basis points higher than Q3 2024, averaging 6.2%.



### Select Sales Transactions

Address	City	Submarket	Square Feet
1050 S State College Blvd	Fullerton	North	417,320
17731 Cowan	Irvine	Airport	54,088
8-12 Hammond Dr	Irvine	Airport	41,022
515 S Melrose St	Placentia	North	29,000
15881 Chemical Ln	Huntington Beach	West	26,321