

Office Market Outlook

Orange County Q4 2025

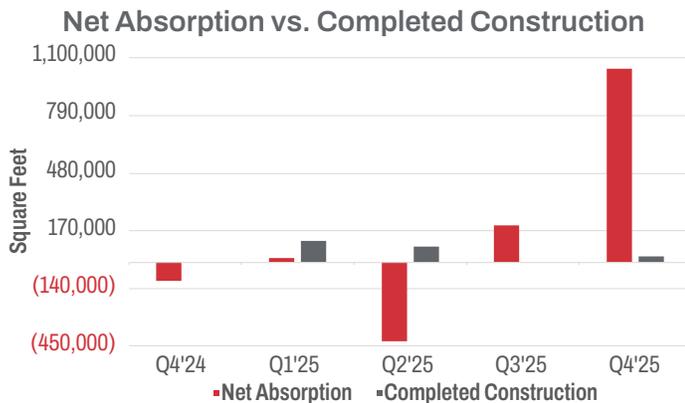
MARKET STATISTICS*

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	72,644,845	108,942	15.2%	13.1%	1,288,861	4,952,562	1,002,486	2,520,345	\$2.92	\$333
Central	15,177,845	0	12.5%	11.7%	121,467	548,466	686,360	1,326,101	\$2.71	\$208
North	18,768,994	178,137	10.7%	8.7%	118,264	689,291	179,220	825,006	\$2.48	\$234
South	35,103,362	80,057	16.0%	11.9%	397,451	1,680,537	175,743	769,958	\$2.72	\$371
West	14,308,243	15,587	9.7%	7.7%	58,081	362,437	41,781	230,215	\$2.52	\$334
Orange County	156,003,289	382,723	14.1%	11.7%	1,984,124	8,233,293	2,085,590	5,671,625	\$2.77	\$285

* RBA includes office buildings of all sizes. Rents reflect buildings of at least 20,000 square feet.

LEASING TRENDS

The office market gained positive momentum in 2025, with the fourth quarter showing stronger growth than the prior quarter and maintaining positive net absorption for the year. Year-to-date net absorption totaled 837,547 square feet. New office supply remains limited, supporting the market as it continues to regain strength.



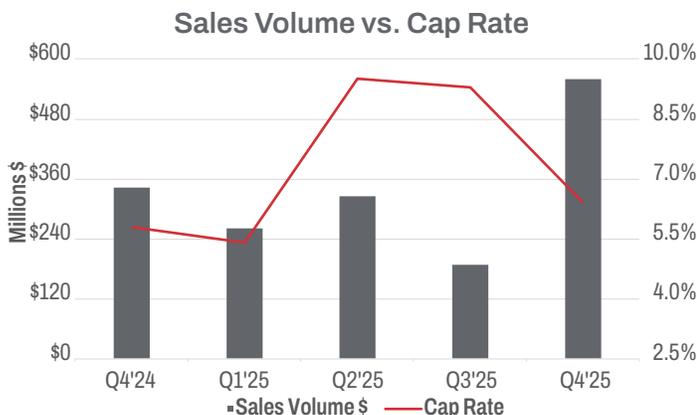
Select Lease Transactions

Address	City	Submarket	Square Feet
5290 California Av	Irvine	Airport	102,000*
1700 E Saint Andrew Pl	Santa Ana	North	99,589
3353 Michelson D	Irvine	Airport	51,882
1580 Sunflower Ave	Costa Mesa	Airport	38,040
15326 Alton Pky	Irvine	Airport	32,621

*Renewal

SALES TRENDS

The market steadily gained momentum throughout 2025, as both users and investors regained confidence following the Fed's interest rate cuts and improving absorption trends. This drove sales volume up 198.0% quarter-over-quarter, while YTD sales volume finished 13.2% above 2024. As transaction activity increased, the average cap rate declined by 60 basis points YOY, reaching 6.4% by the end of Q4.



Select Sales Transactions

Address	City	Submarket	Square Feet
Orange City Square	Orange	North	395,767
600 City Pky W	Orange	North	203,490
Alton Corporate Center	Santa Ana	North	133,417
120 S State College Blvd	Brea	North	79,528*
744 N Eckhoff St	Orange	North	40,145

*Sale Leaseback