

Retail Market Outlook

Orange County Q3 2025

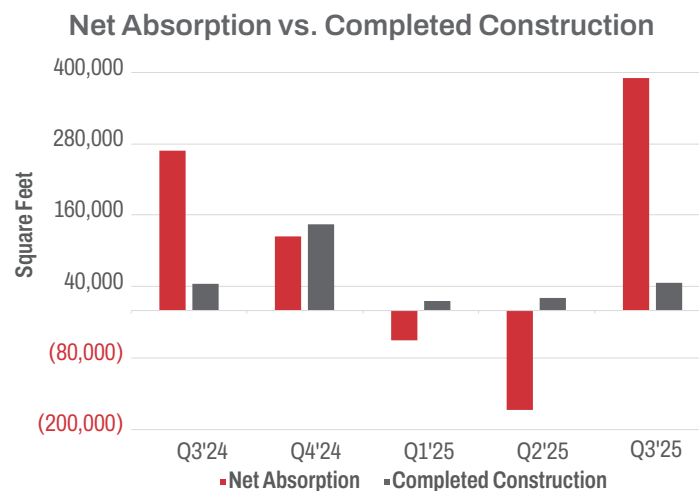
MARKET STATISTICS*

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	34,056,001	18,875	3.4%	2.9%	176,086	431,990	112,814	575,423	\$2.55	\$430
Central	14,076,571	24,978	2.9%	2.1%	39,040	307,646	44,227	132,181	\$2.44	\$493
North	31,926,304	41,929	4.7%	4.4%	102,342	418,458	54,205	855,889	\$2.18	\$658
South	28,874,515	179,280	6.2%	5.2%	76,360	322,984	715,035	992,890	\$2.88	\$557
West	32,098,924	30,212	3.1%	3.5%	90,490	456,928	56,198	1,707,252	\$2.45	\$701
Orange County	141,032,315	295,274	4.2%	3.7%	484,318	1,938,006	982,479	4,263,635	\$2.45	\$557

* RBA includes retail buildings of all sizes. Rents reflect buildings of at least 5,000 square feet. Rents are NNN unless otherwise noted.

LEASING TRENDS

The market demonstrated remarkable momentum in Q3 2025, with demand dramatically outpacing new supply to drive strong positive net absorption. Over the past five quarters, only 270,309 square feet of retail space have been added to the market, yet 564,179 square feet have been absorbed. This significant supply-demand rebalance underscores the improving strength of the retail sector.



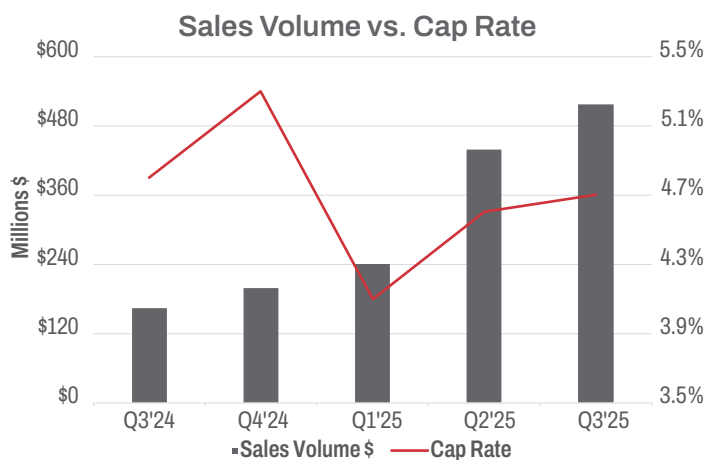
Select Lease Transactions

Address	City	Submarket	Square Feet
901 S Coast Dr: Kids Empire	Costa Mesa	Airport	14,385
1035 N Magnolia Ave: Rite Aid*	Anaheim	West	23,714
3151 Harbor Blvd: Anaheim Feed & Pet Supply	Costa Mesa	Airport	13,940
8261 W McDermott: Turnafitness	Irvine	Airport	9,570
1848 Newport Blvd: Azzaro Home	Costa Mesa	Airport	9,500

* Renewal

SALES TRENDS

In Q3, investors adapted to a changing market environment that was influenced by the Fed interest rate cut, improving occupancy, and repricing in the marketplace. Sales activity saw a strong uplift, resulting in a 17.8% rise in sales volume in Q3 compared to Q2. The average cap rate reflected this stabilization, decreasing 10 basis points YOY to 4.7%.



Select Sales Transactions

Address	City	Submarket	Square Feet
Regency Centers: Portfolio of 40 Retail Properties	Ladera Ranch, Mission Viejo	South	627,101
30501-30505 Avenida de las Flores: Community Center	Rancho Santa Margarita	South	51,872
14122-14220 Brookhurst St: Blue Pavilion Little Saigon	Garden Grove	West	41,358
1107 S Harbor Blvd: Freestanding	Santa Ana	Central	20,379
30602 Santa Margarita Pky: Community Center	Rancho Santa Margarita	South	15,099