

Retail Market Outlook

Orange County Q4 2025

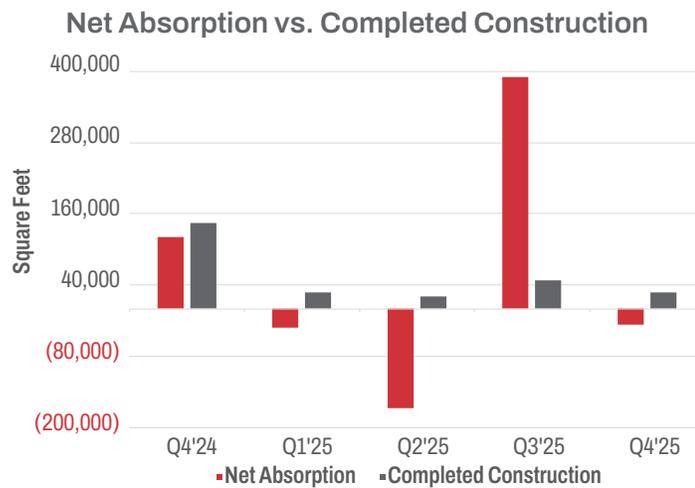
MARKET STATISTICS*

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	34,341,755	18,875	3.3%	2.9%	81,627	493,047	84,302	665,897	\$2.64	\$472
Central	14,127,205	24,978	3.2%	2.1%	61,590	372,621	86,372	224,651	\$2.34	\$419
North	31,995,847	17,933	4.4%	4.2%	162,861	595,786	111,203	975,394	\$2.24	\$630
South	28,953,764	257,306	6.1%	5.6%	189,936	554,451	220,182	1,194,983	\$2.85	\$602
West	32,102,238	26,212	3.1%	3.3%	105,781	561,399	116,620	1,826,067	\$2.41	\$581
Orange County	141,520,809	345,304	4.1%	3.8%	601,795	2,577,304	618,679	4,886,992	\$2.45	\$573

*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

In 2025, demand for retail space fluctuated as net absorption moved in and out of positive territory but ultimately finished the year in the black. With minimal new construction, growth was largely organic, driven by the absorption of previously vacated space. Only 125,014 square feet of new retail space was completed during the year, while year-to-date net absorption totaled 128,360 square feet.

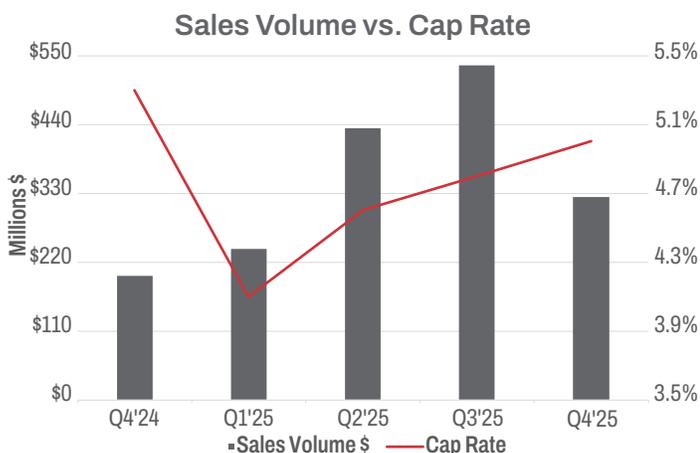


Select Lease Transactions

Address	City	Submarket	Square Feet
1020 W Imperial Hwy: Slick City	La Habra	North	36,700
22235-22245 El Paseo: The Picklr	Rancho Santa Margarita	South	26,991
31911-31991 Dove Canyon Dr: Goddard Schools	Rancho Santa Margarita	South	12,789
32391 Golden Lantern St: ULTA Beauty	Laguna Niguel	South	10,778
1619-1629 W 17th St: O'Reilly Auto Parts	Santa Ana	Central	9,000

SALES TRENDS

In Q4 2025, retail sales volume declined 25.9% from Q3. Despite the quarterly pullback, annual sales volume increased 152.1% year-over-year, reflecting strong momentum earlier in the year as the market adjusted to shifting investment conditions. Average cap rates compressed to 5.0%, down 30 basis points from the prior year.



Select Sales Transactions

Address	City	Submarket	Square Feet
24312-24392 Rockfield Blvd : Shopping Center	Lake Forest	South	110,884
9938 Bolsa Ave : Shopping Center	Rancho Santa Margarita	South	53,191
791 S Main St: Shopping Center	Orange	North	47,267
400 E 4th St: Ground Floor Retail	Santa Ana	Central	29,550
1257 E Yorba Linda Blvd: Neighborhood Center	Placentia	North	24,000