

FIGURES | GREATER LOS ANGELES MEDICAL OUTPATIENT BUILDING | Q3 2026

Vacancy increases despite growth in leasing activity

▲ 10.6%

Overall Vacancy Rate

▼ 11.6%

Overall Availability Rate

▼ (112K)

SF Net Absorption

▼ \$4.07

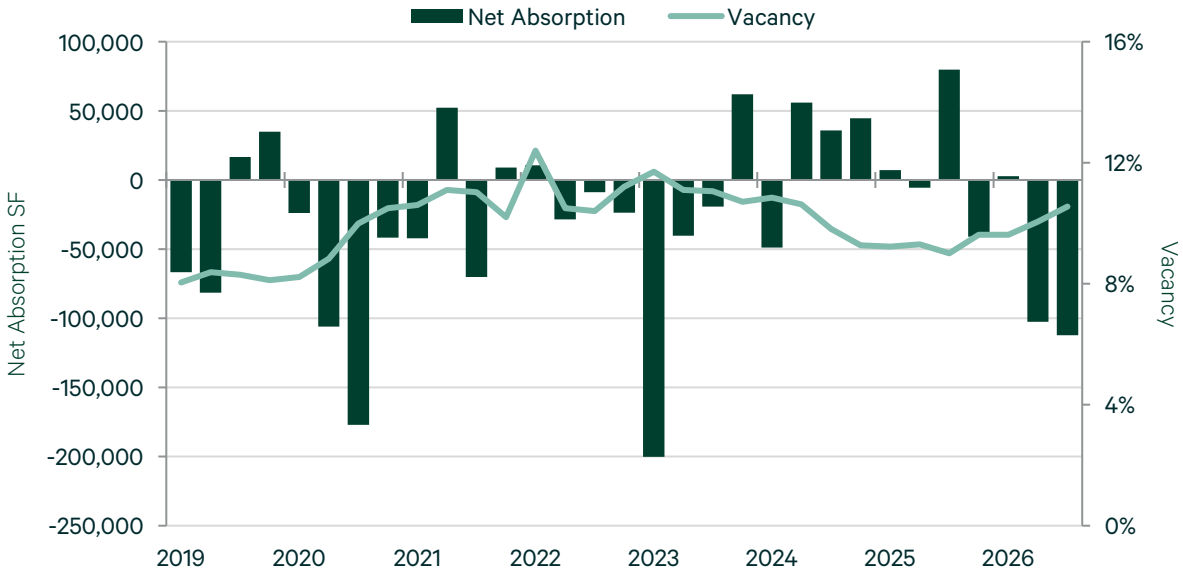
Average Full-Service Gross Asking Rate / Mo

Note: Arrows indicate change from previous quarter.

MARKET HIGHLIGHTS

- The overall vacancy rate increased to 10.6%, up 50 basis points (bps) from the previous quarter. Net absorption remained negative, totaling 112,000 sq. ft. of occupancy loss during the quarter.
- Average asking rents slipped to \$4.07 per sq. ft. per month on a full-service gross (FSG) basis.
- Leasing activity reached nearly 225,000 sq. ft. in Q3 2026, up approximately 53% from the prior quarter's level.
- Notable sales were led by Wildwood School's \$50.6 million owner-user purchase of 2701 Ocean Park Blvd in Santa Monica, a 100,700-square-foot property. Year-to-date, MOBs have traded at an average of \$402 per sq. ft. with a market cap rate of 7.3%.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q3 2026.

MEDICAL OUTPATIENT BUILDING OVERVIEW

The average asking rate for medical outpatient buildings (MOBs) slipped quarter-over-quarter to \$4.07 per sq. ft. on a full-service gross (FSG) basis. Downtown Los Angeles posted the largest decline, down \$0.26 to \$3.87, while San Gabriel Valley recorded the largest gain, up \$0.07 to \$3.51.

In Q3 2026, MOB asking rents matched those of the general office market at \$4.07 per sq. ft. FSG. MOB rents carried a premium in most submarkets but trailed general office in Mid-Counties and West Los Angeles by \$0.10 and \$0.04 per sq. ft., respectively.

The overall MOB vacancy rate increased by 50 basis points quarter-over-quarter, reaching 10.6% in Q3 2026. The Hollywood/Wilshire Corridor experienced the sharpest rise, with vacancy climbing from 15.1% to 25.3%, driven by Miracle Mile. Conejo Valley posted the largest decrease, with vacancy declining from 23.5% to 22.0%.

Leasing activity rebounded in Q3 2026, totaling approximately 225,000 sq. ft., a 53% increase from the previous quarter. Conejo Valley recorded the largest quarter-over-quarter increase. The largest lease of the quarter was a 42,202-square-foot renewal by Kaiser Permanente at 5250 Lankershim Blvd in North Hollywood.

Net absorption remained negative, totaling negative 112,300 sq. ft. for the quarter, driven largely by move-outs in the Hollywood/Wilshire Corridor and West Los Angeles. Tri-Cities recorded the strongest positive absorption at about 20,900 sq. ft.

The largest sale of the quarter was Wildwood School's \$50.6 million owner-user purchase of 2701 Ocean Park Blvd in Santa Monica (\$502 per sq. ft.). Year-to-date, MOBs have traded at an average of \$402 per sq. ft. with a market cap rate of 7.3%.

FIGURE 2: Submarket Statistics

Submarkets	Bldg. Count	NRA	Direct Vacancy Rate	Overall Vacancy Rate	Overall Availability Rate	Net Absorption Q3	Net Absorption YTD	MOB Avg. Ask FSG	General Office Avg. Ask FSG
Conejo Valley	20	949,412	20.9%	22.00%	22.9%	14,198	3,340	\$3.56	\$2.72
Hollywood/Wilshire Corridor	11	703,537	25.2%	25.27%	25.8%	(71,771)	(150,348)	\$3.88	\$3.51
Downtown Los Angeles	19	2,586,589	3.4%	3.63%	4.1%	(11,524)	(7,130)	\$3.87	\$3.72
Mid-Counties	26	1,214,752	11.1%	11.37%	11.9%	(26,600)	(45,307)	\$2.84	\$2.94
San Fernando Valley	94	4,961,816	9.1%	10.06%	11.5%	(22,172)	(3,924)	\$3.29	\$2.70
San Gabriel Valley	32	1,464,798	7.2%	7.16%	7.5%	3,155	(9,141)	\$3.51	\$2.55
South Bay	55	2,654,651	8.2%	8.27%	9.2%	14,063	(1,577)	\$3.55	\$3.37
Tri-Cities	40	2,209,450	6.1%	6.24%	7.7%	20,890	10,641	\$4.01	\$3.84
Ventura	11	452,983	14.1%	14.13%	16.7%	(1,023)	(19,130)	\$2.42	\$2.40
West Los Angeles	69	5,092,901	12.4%	13.91%	15.1%	(31,532)	10,495	\$5.53	\$5.57
Greater L.A.	377	22,290,889	9.9%	10.55%	11.6%	(112,316)	(212,081)	\$4.07	\$4.07

Source: CBRE Research, Q3 2026.

FIGURE 3: Notable Lease Transactions

Tenant	Address	SF Leased	Type
Kaiser Permanente	5250 Lankershim Blvd, North Hollywood	42,202	Renewal
Confidential	112 S Lakeview Canyon Rd, Westlake Village	38,383	Expansion
LA County Public Health	14500 Roscoe Blvd, Panorama City	31,292	Renewal / Expansion
American Recovery Service	555 Saint Charles Dr, Thousand Oaks	30,620	Renewal / Contraction
Confidential	520 N Prospect Ave, Beach Cities	26,393	Renewal / Expansion
Confidential	6801 Park Ter, Playa Vista	19,648	Renewal

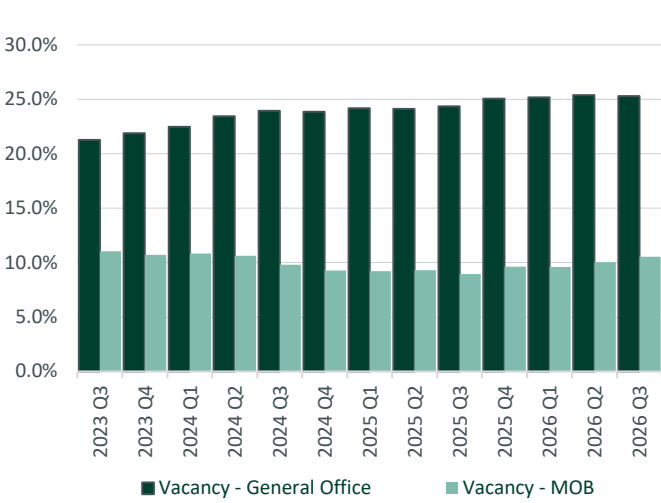
Source: CBRE Research, Q3 2026.

FIGURE 6: Notable Sale Transactions

Buyer	Address	SF Sold	Sale Price
Wildwood School	2701 Ocean Park Blvd, Santa Monica	100,700	\$50.6MM
The Law Collective	8737 Beverly Blvd, West Hollywood	28,080	\$18.7MM
Chiang & Wang	20931 Burbank Blvd, Woodland Hills	21,080	\$15.7MM
Meridian Property Company	55 E California Blvd, Pasadena	32,052	\$13.4MM
Periodontal & Implant Therapy Center	2211 Corinth Ave, Los Angeles	26,386	\$7.6MM
Hrant Petrosyan	315 Arden Ave, Glendale	26,560	\$7.0MM

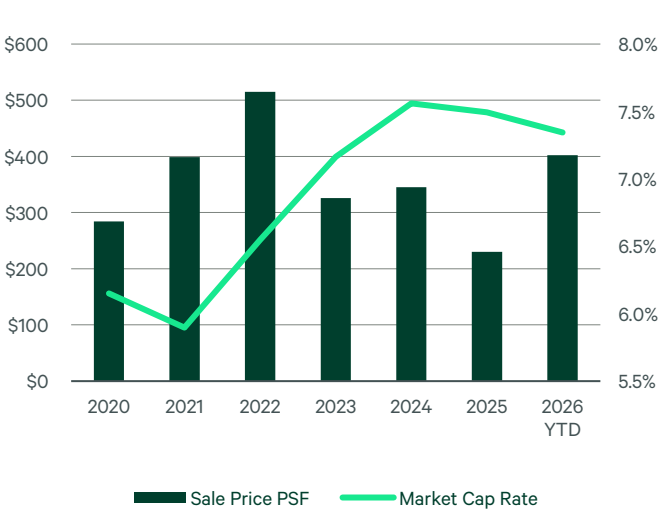
Source: CBRE Research, CoStar, Q3 2026.

FIGURE 4: Vacancy Rate General Office vs. MOB



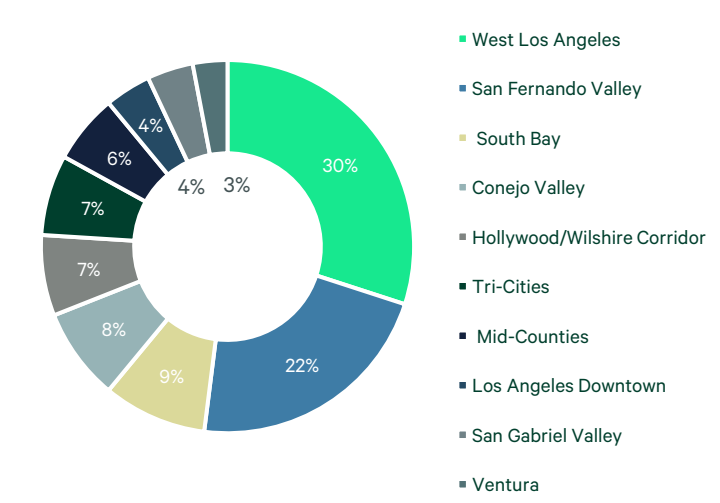
Source: CBRE Research, Q3 2026.

FIGURE 7: Sale Price (Per Sq. Ft.) vs Market Cap Rate



Source: CBRE Research, CoStar, Q3 2026.

FIGURE 5: Overall Availability Distribution by Submarket



Source: CBRE Research, Q3 2026.

FIGURE 8: Development Pipeline



Source: CBRE Research, CoStar, Q3 2026.

Appendix 1

Submarket - District	Bldg Count	Bldg NRA	Avg. Asking Lease Rate (\$)	Direct Vacant Sq. Ft.	Sublease Vacant Sq. Ft.	Total Vacant Sq. Ft.	Overall Vacancy (%)	Total Available Sq. Ft.	Current Net Absorption	YTD Net Absorption
Agoura Hills	3	125,511	\$3.19	20,300	0	20,300	16.2%	21,900	2,443	1,511
Thousand Oaks	16	794,707	\$3.59	173,519	10,409	183,928	23.1%	187,730	11,755	6,433
Westlake Village	1	29,194	\$3.74	4,604	0	4,604	15.8%	7,584	0	(4,604)
CONEJO VALLEY	20	949,412	\$3.56	198,423	10,409	208,832	22.0%	217,214	14,198	3,340
Hollywood	2	104,712	\$2.83	5,884	0	5,884	5.6%	7,204	0	1,684
Mid-Wilshire	5	221,468	\$3.94	4,606	0	4,606	2.1%	4,606	360	(1,000)
Miracle Mile	3	345,570	\$3.94	163,464	500	163,964	47.4%	166,302	(70,031)	(148,932)
Park Mile	1	31,787	\$2.74	3,325	0	3,325	10.5%	3,325	(2,100)	(2,100)
HOLLYWOOD/WILSHIRE CORRIDOR	11	703,537	\$3.88	177,279	500	177,779	25.3%	181,437	(71,771)	(150,348)
LOS ANGELES DOWNTOWN	19	2,586,589	\$3.87	87,268	6,626	93,894	3.6%	104,913	(11,524)	(7,130)
Bellflower	2	63,787	N/A	0	0	0	0.0%	0	0	0
Downey	6	269,450	\$3.25	10,326	1,718	12,044	4.5%	12,044	(1,718)	(882)
Huntington Park	1	29,029	\$1.86	9,523	0	9,523	32.8%	9,523	0	(9,523)
La Mirada	1	26,596	N/A	0	0	0	0.0%	0	0	1,365
Lakewood	4	167,170	\$2.52	10,611	0	10,611	6.3%	17,223	(3,299)	(6,384)
Lynwood	4	261,335	\$2.92	30,817	0	30,817	11.8%	30,817	86	1,648
Montebello	2	75,791	\$4.41	17,978	0	17,978	23.7%	17,978	(3,682)	(5,945)
Pico Rivera	1	70,982	\$2.25	22,122	0	22,122	31.2%	22,122	(13,140)	(22,122)
Santa Fe Springs	1	40,040	\$2.62	9,189	0	9,189	22.9%	9,189	(3,344)	(825)
Whittier	4	210,572	\$2.60	24,003	1,833	25,836	12.3%	25,836	(1,503)	(2,639)
MID-COUNTIES	26	1,214,752	\$2.84	134,569	3,551	138,120	11.4%	144,732	(26,600)	(45,307)

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Antelope Valley	6	292,986	\$2.59	45,880	0	45,880	15.7%	51,054	(6,570)	(7,356)
Canoga Park	3	118,874	\$2.66	35,332	639	35,971	30.3%	39,264	2,378	3,679
Encino	12	835,176	\$3.16	76,116	3,076	79,192	9.5%	96,154	(14,925)	(967)
Granada Hills	3	141,776	\$3.45	26,863	0	26,863	18.9%	26,863	(1,348)	5,602
Mission Hills	5	331,012	\$4.61	7,685	1,200	8,885	2.7%	19,505	0	(1,200)
North Hollywood	4	187,379	\$4.00	2,807	0	2,807	1.5%	2,807	1,175	2,754
Northridge	6	243,567	\$3.11	14,828	2,640	17,468	7.2%	21,384	0	(1,466)
Pacoima	1	28,745	\$5.00	0	0	0	0.0%	2,300	0	0
Panorama City	3	139,390	\$2.00	1,663	0	1,663	1.2%	1,663	0	(1,089)
Reseda	4	237,588	\$2.34	12,842	1,800	14,642	6.2%	14,642	426	(4,672)
San Fernando	1	29,634	\$3.00	23,598	0	23,598	79.6%	23,598	0	0
Santa Clarita Valley	14	542,188	\$3.55	42,569	0	42,569	7.9%	46,826	2,780	10,895
Sherman Oaks	7	294,523	\$3.66	13,716	8,594	22,310	7.6%	34,901	4,784	(2,342)
Studio City	1	48,504	\$3.75	0	0	0	0.0%	9,100	849	849
Tarzana	9	541,192	\$5.15	58,829	0	58,829	10.9%	60,400	4,931	11,812
Van Nuys	7	394,833	\$3.23	69,814	3,200	73,014	18.5%	73,890	(15,939)	(17,966)
West Hills	7	488,918	\$1.56	17,160	26,229	43,389	8.9%	43,389	0	(379)
Woodland Hills	1	65,531	\$3.40	2,078	0	2,078	3.2%	2,078	(713)	(2,078)
SAN FERNANDO VALLEY	94	4,961,816	\$3.29	451,780	47,378	499,158	10.1%	569,818	(22,172)	(3,924)

Appendix 1

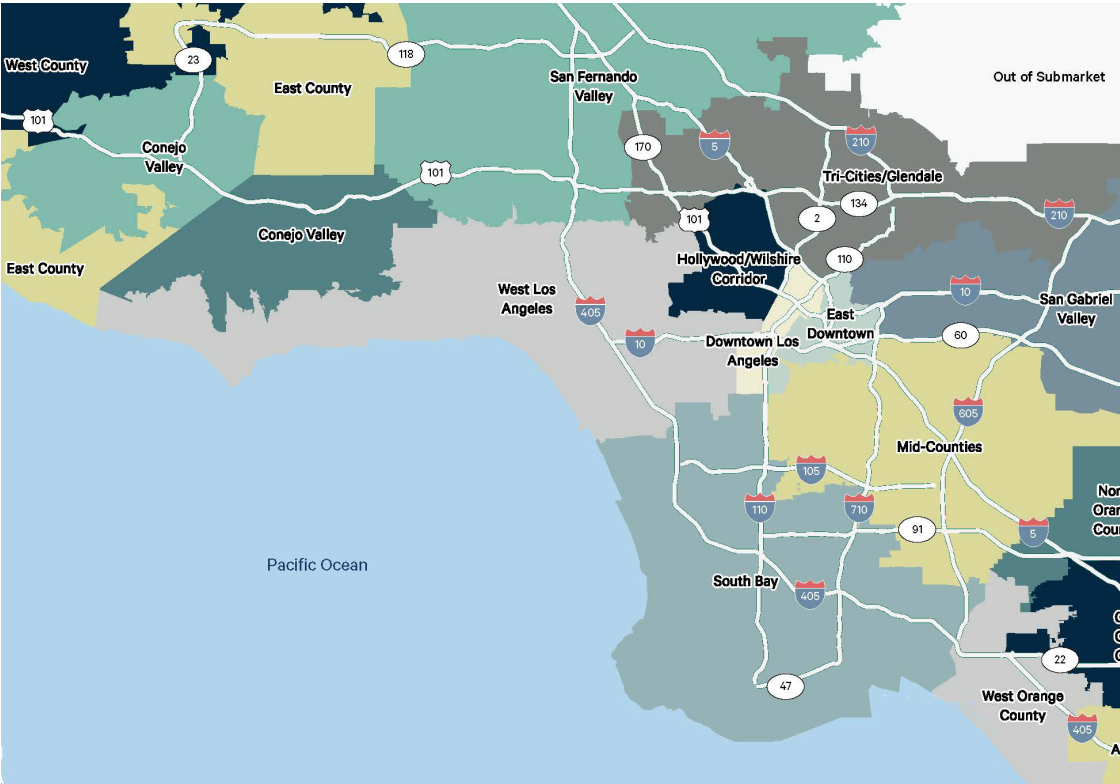
Submarket - District	Bldg Count	Bldg NRA	Avg. Asking Lease Rate (\$)	Direct Vacant Sq. Ft.	Sublease Vacant Sq. Ft.	Total Vacant Sq. Ft.	Overall Vacancy (%)	Total Available Sq. Ft.	Current Net Absorption	YTD Net Absorption
Alhambra	3	149,788	\$4.67	17,647	0	17,647	11.8%	18,820	0	0
Arcadia	5	375,962	\$3.50	14,494	0	14,494	3.9%	16,394	(2,354)	(2,396)
City of Industry	3	108,633	\$2.16	8,590	0	8,590	7.9%	8,590	(1,396)	(1,396)
Claremont	1	50,274	\$3.88	2,467	0	2,467	4.9%	2,467	0	(1,471)
Diamond Bar	2	61,410	\$2.65	7,199	0	7,199	11.7%	7,199	2,669	(3,700)
Glendora	2	94,474	N/A	0	0	0	0.0%	0	0	0
Monterey Park	5	171,386	N/A	0	0	0	0.0%	0	0	0
Pomona	3	97,696	\$3.80	16,684	0	16,684	17.1%	17,975	6,749	8,416
Rowland Heights	1	26,919	N/A	0	0	0	0.0%	0	0	0
San Gabriel	4	179,642	\$3.23	37,729	0	37,729	21.0%	37,729	(2,513)	(8,594)
West Covina	3	148,614	N/A	0	0	0	0.0%	0	0	0
SAN GABRIEL VALLEY	32	1,464,798	\$3.51	104,810	0	104,810	7.2%	109,174	3,155	(9,141)
Beach Cities	8	281,159	\$3.59	22,773	0	22,773	8.1%	22,773	0	1,360
Downtown Long Beach	4	291,790	\$2.91	39,099	0	39,099	13.4%	39,099	0	(1,809)
El Segundo	1	72,066	N/A	0	0	0	0.0%	0	0	0
Hawthorne/Gardena	5	217,561	\$2.22	25,751	0	25,751	11.8%	25,751	1,600	(2,749)
Suburban Long Beach	16	761,775	\$3.14	27,177	300	27,477	3.6%	36,632	8,419	(991)
Torrance	21	1,030,300	\$4.16	102,581	1,971	104,552	10.1%	119,230	4,044	2,612
SOUTH BAY	55	2,654,651	\$3.55	217,381	2,271	219,652	8.3%	243,485	14,063	(1,577)
Burbank	9	461,171	\$4.16	19,586	0	19,586	4.2%	25,275	9,717	7,614
Glendale	18	968,644	\$3.90	50,665	0	50,665	5.2%	72,605	638	1,969
Pasadena	13	779,635	\$4.08	65,146	2,462	67,608	8.7%	71,160	10,535	1,058
TRI-CITIES	40	2,209,450	\$4.01	135,397	2,462	137,859	6.2%	169,040	20,890	10,641

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Camarillo	2	84,351	\$1.98	23,403	0	23,403	27.7%	30,993	(5,216)	(7,506)
Moorpark/Simi Valley	4	134,354	\$2.50	29,407	0	29,407	21.9%	33,518	2,538	(13,279)
Oxnard	3	158,778	\$3.41	11,198	0	11,198	7.1%	11,198	1,655	1,655
Ventura	2	75,500	N/A	0	0	0	0.0%	0	0	0
WEST VENTURA COUNTY	11	452,983	\$2.42	64,008	0	64,008	14.1%	75,709	(1,023)	(19,130)
Beverly Hills	30	2,126,565	\$5.83	235,876	43,827	279,703	13.2%	303,156	(22,641)	(4,399)
Brentwood	5	461,679	\$5.27	32,418	11,597	44,015	9.5%	47,945	12,160	18,190
Culver City	2	105,092	\$5.31	7,365	0	7,365	7.0%	8,651	(2,473)	(2,473)
Inglewood	6	392,180	\$2.80	97,440	0	97,440	24.8%	99,448	(32,552)	5,766
Marina Del Rey	3	226,269	\$5.38	14,594	1,400	15,994	7.1%	15,994	5,615	13,241
Santa Monica	15	981,195	\$6.56	60,018	6,068	66,086	6.7%	94,670	(733)	(11,356)
WeHo West	3	358,972	\$6.69	23,683	0	23,683	6.6%	23,683	7,634	0
West Hollywood	2	206,720	\$5.40	14,411	13,149	27,560	13.3%	28,410	600	(4,966)
Westwood	3	234,229	\$6.05	146,357	0	146,357	62.5%	148,154	858	(3,508)
WEST LOS ANGELES	69	5,092,901	\$5.53	632,162	76,041	708,203	13.9%	770,111	(31,532)	10,495
GREATER LOS ANGELES TOTALS	377	22,290,889	\$4.07	2,203,077	149,238	2,352,315	10.6%	2,585,633	(112,316)	(212,081)

Source: CBRE Research, Q3 2026

Submarket Map



Source: CBRE Research, Q3 2026, Location Intelligence.

Definitions

Available Sq. Ft.: Space in a building, ready for occupancy; can be occupied or vacant. Average Asking Lease Rate: A calculated average that includes net and gross lease rates, weighted by their corresponding available sq. ft.age. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Full-Service Gross (FSG) Rate: The landlord assumes responsibility for all the operating expenses and taxes for the property. Gross Activity: All lease transactions completed within a specified time period. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Positive absorption is reflected when a lease is signed, which may not coincide with the date of occupancy. Rentable Area: The Building Area minus the elevator core, flues, pipe shafts, vertical ducts, balconies, and stairwell areas. Vacant Sq. Ft.: Space that is not occupied.

Survey Criteria

Includes medical outpatient properties in Los Angeles and Ventura Counties over 25,000 sf within the same address. Excludes buildings under Construction or Planned. Under construction buildings that have begun construction as evidenced by site excavation or foundation work. Medical office properties are defined as purpose-built medical space as evidenced by site improvements and/or leasing activity by tenants who will use the space for healthcare uses as defined on the NAICS code family starting with '62'. Excludes owner-user properties.

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