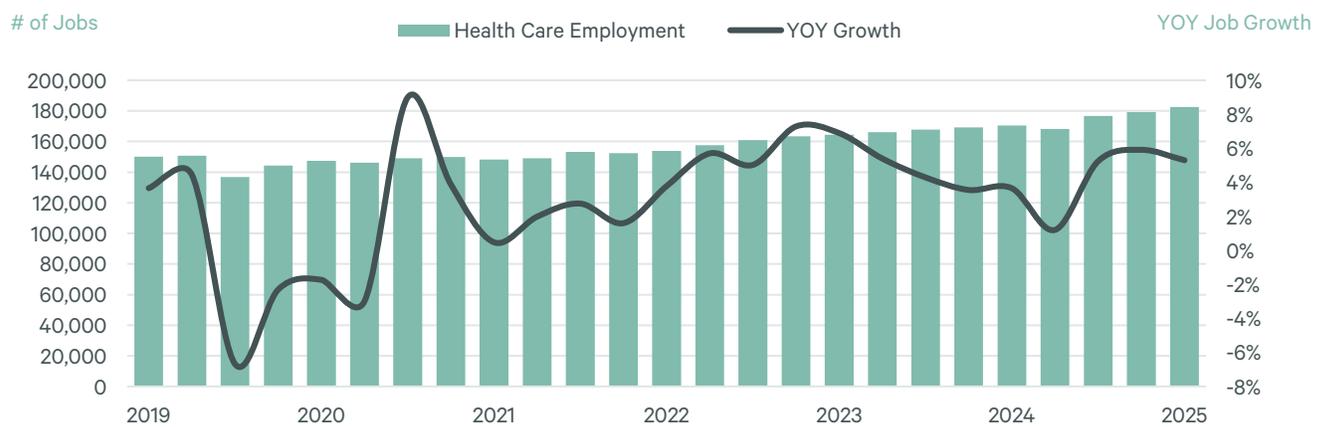


Medical Outpatient Report

In Q4 2025, the Inland Empire medical office market continued to outperform the broader IE general office market as the vacancy rate decreased, asking lease rates edge higher, and investment activity surged. Employment in healthcare remained a key driver of demand, with 3,300 jobs added this quarter, and 14,400 added year-to-date. The average asking lease rate rose by \$0.05 per sq. ft. per month to \$1.87 FSG in Q4 2025, largely because older, lower-priced building exited the market, lifting the overall average rent. Both vacancy and availability decreased by 40 bps quarter-over-quarter, ending Q4 2025 at 5.2% and 5.9%, respectively. Total net absorption improved significantly, shifting from negative 10,150 sq. ft. in Q3 2025 to 44,900 sq. ft. of positive absorption in Q4 2025, supported by fewer tenant move outs and steady leasing activity. Notably, investment activity surged this quarter, rising to \$29 million compared to \$17 million in Q3 2025. The increase largely due to a \$17 million sale of Medical Professional Plaza in Chino Hills. With strong healthcare demand and elevated development interest, the region is well positioned for continued growth in 2026.

FIGURE 1: Health Care Employment



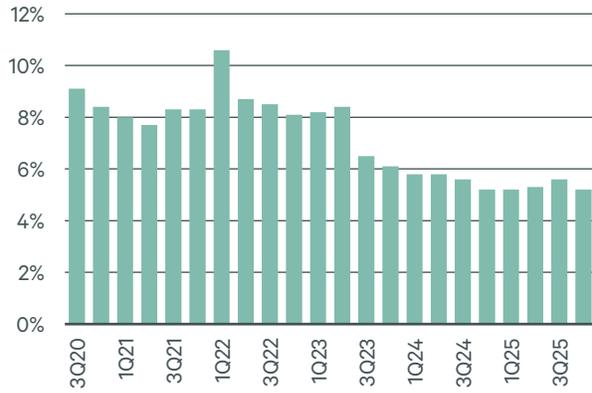
Source: CA EDD, November 2025.

FIGURE 2: Statistics by Submarket

| SUBMARKET | RBA | OVERALL VACANCY (%) | OVERALL AVAILABILITY (%) | NET ABSORPTION | UNDER CONSTRUCTION | AVG. ASKING LEASE RATE (\$PSF/MO/NNN) |
|-----------------------------|------------------|---------------------|--------------------------|----------------|--------------------|---------------------------------------|
| INLAND EMPIRE EAST | 3,003,242 | 5.69 % | 6.34 % | 69,000 | 17,809 | \$1.68 |
| INLAND EMPIRE WEST | 1,401,395 | 6.11 % | 6.94 % | (24,101) | 0 | \$2.29 |
| INLAND EMPIRE OUTLYING | 1,274,932 | 3.08 % | 3.81 % | 0 | 0 | \$1.56 |
| INLAND EMPIRE TOTALS | 5,679,569 | 5.21 % | 5.92 % | 44,899 | 17,809 | \$1.82 |

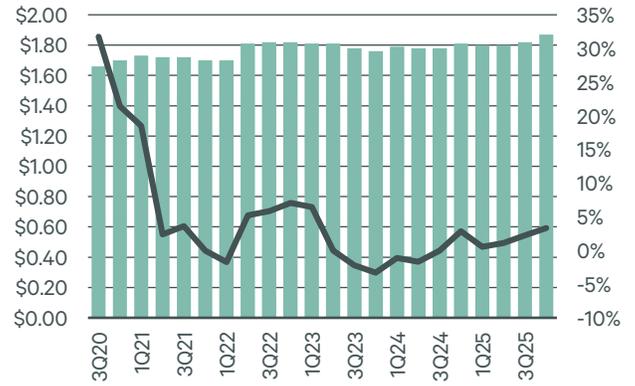
Source: CBRE Research, Q4 2025.

FIGURE 3: Overall Vacancy (%)



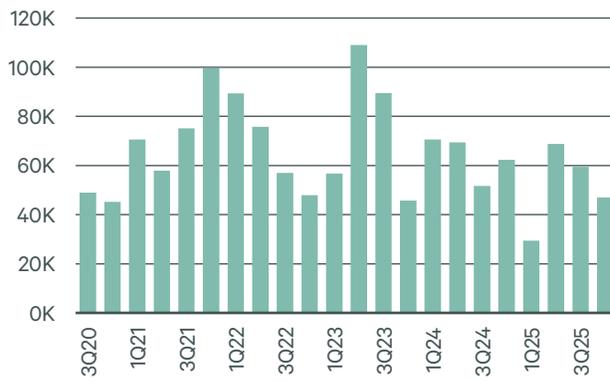
Source: CBRE Research, Q4 2025.

FIGURE 4: Average Asking Lease Rate & Rent Growth (\$/SF/MO/FSG)



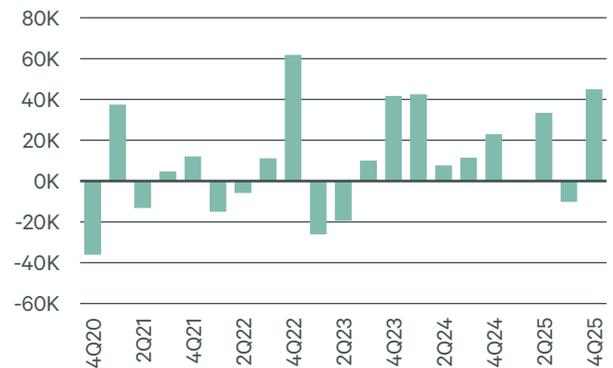
Source: CBRE Research, Q4 2025.

FIGURE 5: Leasing Activity



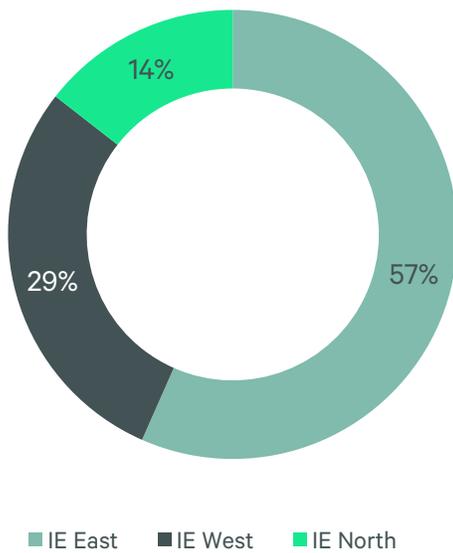
Source: CBRE Research, Q4 2025.

FIGURE 6: Net Absorption



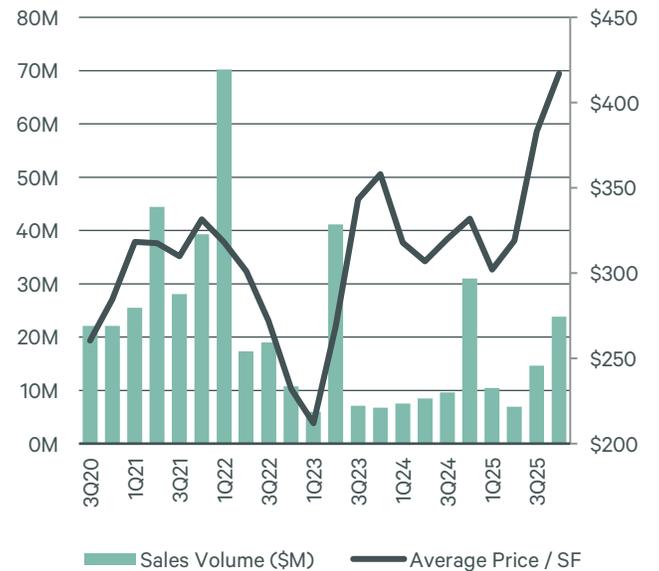
Source: CBRE Research, Q4 2025.

FIGURE 7: Available Space Distribution



Source: CBRE Research, Q4 2025.

FIGURE 8: Investment Sales Volume vs Avg Price PSF



Source: CBRE Research, Real Capital Analytics, Q4 2025.

FIGURE 9: Market Statistics

| CITY | # OF BLDGS | TOTAL RBA | TOTAL AVAIL SF | TOTAL AVAIL % | TOTAL VACANT SF | OVERALL VACANCY % | NET ABSORPTION | CONST DELIVERIES | U/C BLDG SF | WEIGHTED AVG ASKING LEASE RATE (FSG) |
|-----------------------------|------------|------------------|----------------|---------------|-----------------|-------------------|----------------|------------------|---------------|--------------------------------------|
| APPLE VALLEY | 11 | 157,859 | 0 | 0 % | 0 | 0 % | 0 | 0 | 0 | \$0.00 |
| BARSTOW | 4 | 53,270 | 0 | 0 % | 0 | 0 % | 0 | 0 | 0 | \$0.00 |
| BEAUMONT | 2 | 103,114 | 0 | 0 % | 0 | 0 % | 0 | 0 | 0 | \$0.00 |
| CHINO | 8 | 265,308 | 34,054 | 12.84 % | 0 | 11.84 % | (1,600) | 0 | 0 | \$2.18 |
| CHINO HILLS | 4 | 116,440 | 8,136 | 6.99 % | 8,136 | 6.99 % | 0 | 0 | 0 | \$2.75 |
| COLTON | 5 | 83,494 | 0 | 0 % | 0 | 0 % | 0 | 0 | 0 | \$0.00 |
| CORONA | 24 | 644,481 | 58,457 | 9.07 % | 51,407 | 7.98 % | 2,000 | 0 | 17,809 | \$2.00 |
| EASTVALE | 1 | 30,000 | 0 | 0 % | 0 | 0 % | 0 | 0 | 0 | \$0.00 |
| FONTANA | 10 | 231,210 | 35,244 | 15.24 % | 35,244 | 15.24 % | (22,405) | 0 | 0 | \$2.37 |
| GRAND TERRACE | 1 | 12,272 | 0 | 0 % | 0 | 0 % | 0 | 0 | 0 | \$0.00 |
| HEMET | 20 | 375,472 | 2,500 | 0.67 % | 2,500 | 0.67 % | 0 | 0 | 0 | \$1.25 |
| HESPERIA | 2 | 51,822 | 0 | 0 % | 0 | 0 % | 0 | 0 | 0 | \$0.00 |
| INDIO | 6 | 96,695 | 22,058 | 22.81 % | 22,058 | 22.81 % | 0 | 0 | 0 | \$1.43 |
| LAKE ELSINORE | 1 | 32,794 | 0 | 0 % | 0 | 0 % | 0 | 0 | 0 | \$0.00 |
| LOMA LINDA | 4 | 256,242 | 3,450 | 1.35 % | 3,450 | 1.35 % | 0 | 0 | 0 | \$1.55 |
| MORENO VALLEY | 8 | 388,906 | 0 | 0 % | 0 | 0 % | 24,000 | 24,000 | 0 | \$0.00 |
| NORCO | 1 | 16,720 | 0 | 0 % | 0 | 0 % | 0 | 0 | 0 | \$0.00 |
| ONTARIO | 2 | 96,200 | 1,234 | 1.28 % | 0 | 0 % | 739 | 0 | 0 | \$2.45 |
| PALM DESERT | 3 | 92,594 | 6,512 | 7.03 % | 4,643 | 5.01 % | 0 | 0 | 0 | \$2.31 |
| PALM SPRINGS | 3 | 67,520 | 1,505 | 2.23 % | 1,505 | 2.23 % | 0 | 0 | 0 | \$2.15 |
| RANCHO CUCAMONGA | 17 | 324,124 | 17,060 | 5.26 % | 10,903 | 3.36 % | (96) | 0 | 0 | \$2.02 |
| RANCHO MIRAGE | 3 | 91,620 | 8,894 | 9.71 % | 3,880 | 4.23 % | 0 | 0 | 0 | \$1.77 |
| REDLANDS | 9 | 312,978 | 6,371 | 2.04 % | 1,511 | 0.48 % | 0 | 0 | 0 | \$2.33 |
| RIALTO | 5 | 101,738 | 3,860 | 3.79 % | 3,860 | 3.79 % | 0 | 0 | 0 | \$2.40 |
| RIVERSIDE | 37 | 819,733 | 22,859 | 2.79 % | 17,359 | 2.12 % | 43,000 | 0 | 0 | \$1.52 |
| SAN BERNARDINO | 6 | 386,379 | 96,834 | 25.06 % | 93,358 | 24.16 % | 0 | 0 | 0 | \$1.35 |
| SAN JACINTO | 3 | 79,234 | 5,746 | 7.25 % | 3,266 | 4.12 % | 0 | 0 | 0 | \$0.96 |
| UPLAND | 14 | 318,412 | 0 | 0 % | 0 | 0 % | 0 | 0 | 0 | \$0.00 |
| VICTORVILLE | 3 | 72,938 | 1,397 | 1.92 % | 1,397 | 1.92 % | 0 | 0 | 0 | \$1.85 |
| INLAND EMPIRE TOTALS | 217 | 5,679,569 | 336,171 | 5.92 % | 295,877 | 5.21 % | 44,899 | 24,000 | 17,809 | \$1.82 |

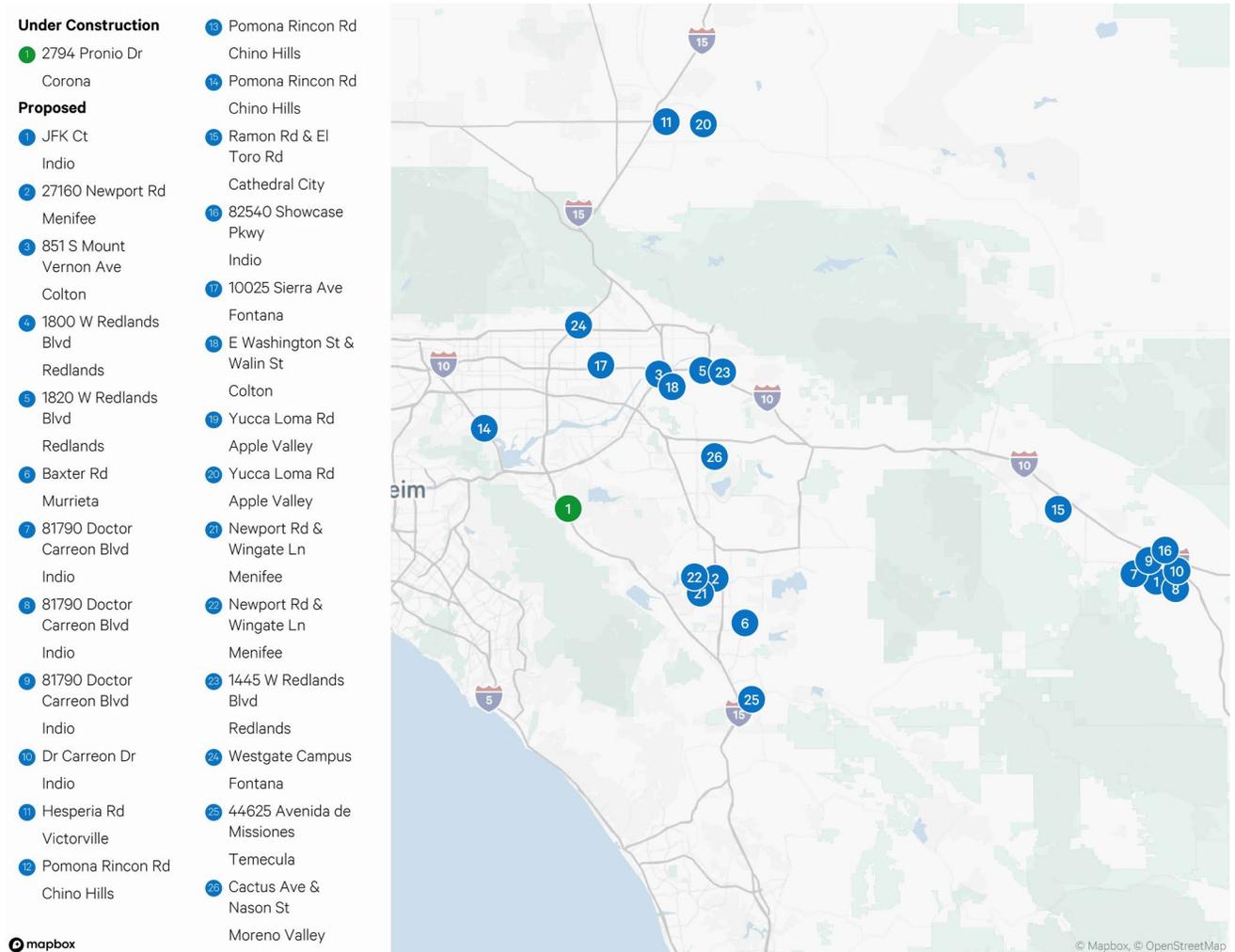
| SUBMARKET | # OF BLDGS | TOTAL RBA | TOTAL AVAIL SF | TOTAL AVAIL % | TOTAL VACANT SF | OVERALL VACANCY % | NET ABSORPTION | CONST DELIVERIES | U/C BLDG SF | WEIGHTED AVG ASKING LEASE RATE (FSG) |
|-----------------------------|------------|------------------|----------------|---------------|-----------------|-------------------|----------------|------------------|---------------|--------------------------------------|
| INLAND EMPIRE EAST | 98 | 3,003,242 | 190,331 | 6.3% | 170,945 | 5.7% | 69,000 | 0 | 17,809 | \$1.68 |
| INLAND EMPIRE WEST | 57 | 1,401,395 | 97,228 | 6.9% | 85,683 | 6.1% | (24,101) | 0 | 0 | \$2.29 |
| INLAND EMPIRE OUTLYING | 61 | 1,274,932 | 48,612 | 3.8% | 39,249 | 3.1% | 0 | 0 | 0 | \$1.56 |
| INLAND EMPIRE TOTALS | 217 | 5,679,569 | 336,171 | 5.9% | 295,877 | 5.2% | 44,899 | 0 | 17,809 | \$1.82 |

Source: CBRE Research, Q4 2025.

DEVELOPMENT PIPELINE

In Q4 2025, the Inland Empire continued to have only one medical office project under construction, totaling 17,800 sq. ft. The ongoing construction at 2794 Pronio in Corona remained on schedule to deliver in January, 2026. Strong fundamentals across the region continued to attract developers, with two new proposed projects added this quarter to the existing pipeline of 24 planned development set to break ground in the coming years. Among these, Westgate Campus, a landmark development consisting of 800 acres, is set to begin construction in April, 2026, adding two medical office buildings totaling 208,000 sq. ft. to the Inland Empire’s medical office inventory.

FIGURE 10: Development Pipeline Locations



Source: CBRE Research, Q4 2025.

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