CBRE

Record Rents Support MOB Market Stability

▲ $2.7 B
Investment Volume

▲ 7.1%
Average Cap Rate

▲ 1.18 MSF
Net Absorption

▶ 9.8%
Vacancy Rate

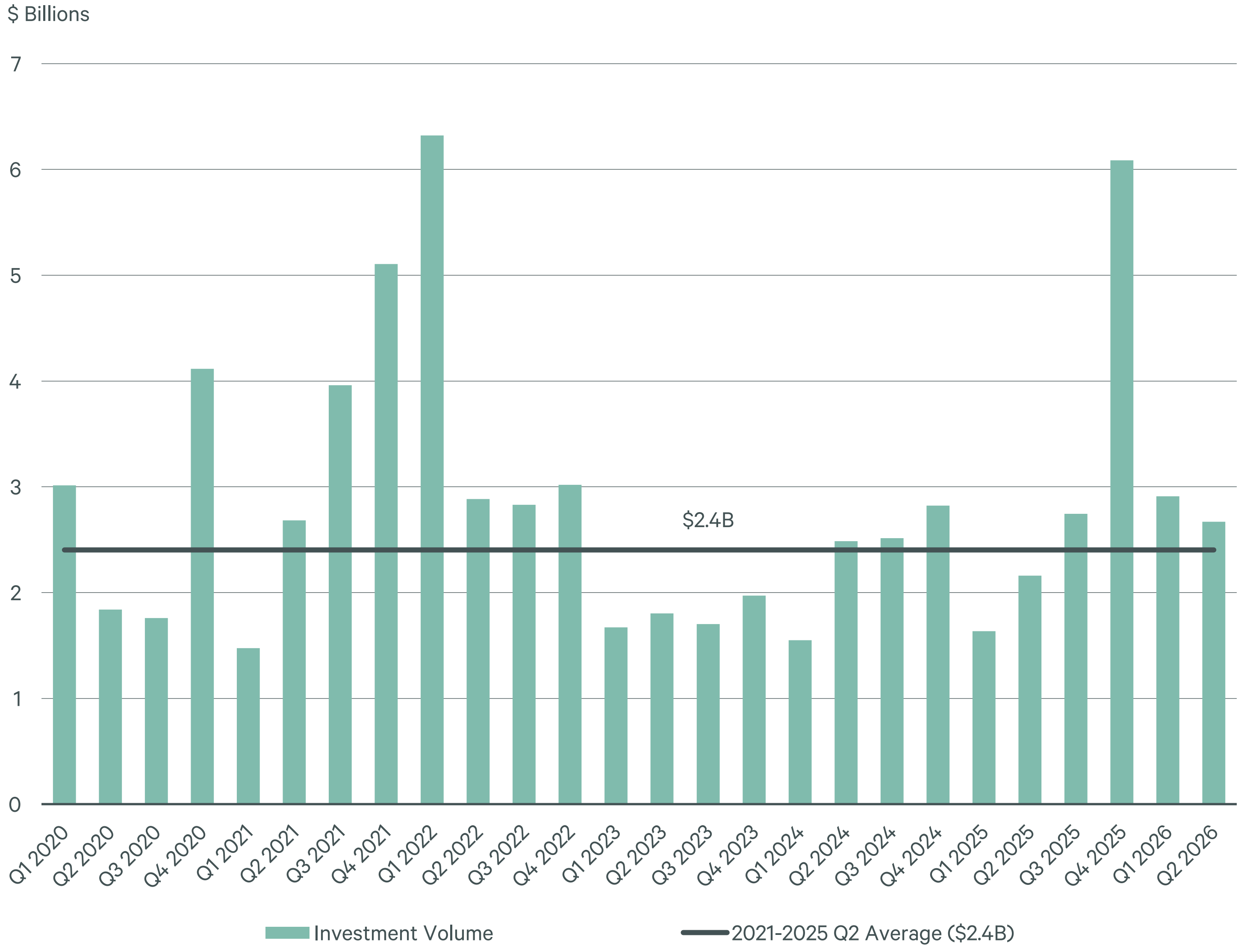
Arrows indicate year-over-year change.
Note: Investment volume is compiled using the MSCI transactional database and deals reported by CBRE Healthcare Capital Markets and CBRE Healthcare Practice Advisory Group.

Executive Summary

- Medical outpatient building (MOB) investment volume increased by 24% year-over-year in Q2 to $2.7 billion, 11% above the five-year Q2 average and bringing the trailing-four-quarter total to $14.4 billion.
- The average MOB sale price of $307 per sq. ft. was 57% higher than the $196 average for traditional office buildings.
- Average MOB cap rates remained relatively stable, rising by just 4 basis points (bps) year-over-year to 7.1%.
- The average MOB asking rent increased by 1.3% year-over-year to a record high of $25.46 per sq. ft.
- The sector had 1.18 million sq. ft. of net absorption in Q2, its fifth consecutive quarter of positive demand.
- The 59 markets tracked by CBRE had a combined 2.7 million sq. ft. of space under construction as of Q2.

Figure 1
MOB investment volume

- MOB investment volume increased by 24% year-over-year in Q2 to $2.7 billion, 11% above the five-year Q2 average and bringing the trailing-four-quarter total to $14.4 billion.



Source: CBRE Research, MSCI Real Assets, Q2 2026.

Figure 2
MOB average price per sq. ft.

- The average MOB sale price of $307 per sq. ft. in Q2 was 57% higher than the $196 average for traditional office buildings.
- Average MOB sale prices rose by $6 or 2% per sq. ft. year-over-year, while traditional office building prices were unchanged.
- The average MOB sale price peaked at $374 per sq. ft. in Q3 2022.

Note: MSCI data includes portfolio sales.
Source: CBRE Research, MSCI Real Assets, Q2 2026.

Figure 3
MOB cap rates

- Average MOB cap rates remained relatively stable, rising by just 4 bps year-over-year to 7.1%.
- MOB cap rates have ranged from 6.9% to 7.1% since Q2 2024.
- Average cap rates for traditional office buildings fell by 20 bps year-over-year to 7.7%.

Note: MSCI data includes portfolio sales.
Source: CBRE Research, MSCI Real Assets, Q2 2026.

Figure 4
MOB investment by region

- The West was the top region for Q2 MOB investment volume with $793 million, followed by the Southeast with $540 million and the Midwest with $467 million.
- The Southeast led on a trailing-four-quarter basis with $4 billion, followed by the West with $3.2 billion.

	$ Millions	$ Millions		$ Millions			
	Trailing 4 QTRs ending Q2 2026	**Trailing 4 QTRs ending Q2 2025**	**Change (%)**	**Q2 2026 Investment**	**Q2 2026 Transactions (Sq. Ft.)**	**Q2 2026 Transaction Count**	**Q2 2026 Price Per Sq. Ft. ($)**
Southeast	4,021.0	2,695.7	33.0	540.3	1,892,818	82	285
West	3,154.8	1,348.0	57.3	792.5	1,814,205	48	437
Midwest	2,482.2	1,526.3	38.5	467.3	1,507,653	39	310
Southwest	2,201.6	1,981.1	10.0	352.8	1,381,718	40	255
Northeast	1,294.4	824.1	36.3	296.6	1,294,605	31	229
Mid-Atlantic	1,256.7	757.3	39.7	220.7	1,189,135	25	186
Overall	**14,410.7**	**9,132.6**	**36.6**	**2,670.2**	**9,080,134**	**265**	**294**

Source: CBRE Research, MSCI Real Assets, Q2 2026.

Figure 5
Top 20 markets for MOB investment volume

- Los Angeles had the most MOB investment volume for the year ending in Q2 with $664 million, followed by Chicago with $628 million and Atlanta with $599 million.
- Annual investment volume increased in 19 of the top 20 markets in Q2.

	$ Millions			$ Millions	$ Millions	
	Trailing 4 QTRs ending Q2 '26	**Trailing 4 QTRs ending Q2 '25**	**Change (%)**	**Q2 '26**	**Q2 '25**	**Change (%)**
Los Angeles	664.4	316.4	110.0	379.1	11.5	3194.9
Chicago	628.4	219.6	186.2	195.9	44.3	342.2
Atlanta	598.7	296.9	101.6	79.2	85.6	-7.5
South Florida	558.8	404.6	38.1	26.5	77.3	-65.7
Phoenix	498.1	492.6	1.1	185.1	146.1	26.7
San Jose	413.0	18.8	2099.8	22.0	10.7	105.6
Dallas	361.0	326.3	10.6	35.0	39.1	-10.6
Washington, D.C.	343.5	446.6	-23.1	99.4	210.5	-52.8
Charlotte	343.0	202.7	69.2	38.4	29.3	30.7
Richmond	334.3	71.2	369.6	-	37.4	-100.0
Orange County, CA	309.4	40.4	666.6	34.7	2.5	1287.2
New York City	302.2	103.9	191.0	72.0	22.3	223.7
Las Vegas	291.8	160.9	81.3	24.2	4.2	475.4
Tampa	284.7	137.6	106.9	45.5	27.2	67.2
Boston	262.0	98.8	165.1	87.8	61.1	43.6
San Francisco	254.7	112.5	126.3	44.9	12.6	256.2
Philadelphia	231.2	84.1	175.1	47.9	32.5	47.6
Denver	196.7	54.9	258.5	30.0	7.4	307.7
San Antonio	194.4	189.7	2.5	12.9	104.3	-87.6
Minneapolis	186.4	157.4	18.4	44.0	38.7	13.7

Source: CBRE Research, MSCI Real Assets, Q2 2026.

Figure 6
Select Q2 investment sales

	DATE	PROPERTY NAME	CITY, STATE	YEAR BUILT	PRICE	SQ. FT.	$/SQ.FT.
West	Apr-26	Bedford MOB Collection (4)	Beverly Hills, CA	1946 - 1990	$253,346,456	221,265	$1,145
	Apr-26	Roseville MOB I	Roseville, CA	2016	$51,114,000	72,750	$703
	Jun-26	Peace Health MOB	Eugene, OR	1990	$50,300,000	157,295	$320
	May-26	Thatcher Medical Center*	Pasadena, CA	1963	$28,000,000	70,046	$400
Southwest	Jun-26	Copper Point	Gilbert, AZ	2008	$51,500,000	93,262	$552
	Jun-26	Stapley Medical Center	Mesa, AZ	2006 & 2007	$48,000,000	181,710	$264
	Jun-26	Valoris Healthpark Portfolio	Garland, TX	2006	$35,000,000	142,045	$246
	Apr-26	Cherry Creek Medical Pavilion*	Denver, CO	1974	$14,575,000	44,652	$326
Southeast	May-26	Tennessee Oncology Proton Center	Franklin, TN	2018	$40,000,000	48,776	$820
	May-26	Simmons Loop MOB*	Riverview , FL	2025	$28,500,000	41,810	$682
	Jun-26	Carolina Neurosurgery NC MOB Portfolio	Charlotte, NC	2004 & 2008	$27,940,000	68,647	$407
	May-26	41, 47 & 53 Perimeter Center East*	Atlanta, GA	1972 - 1974	$27,150,000	285,592	$95
Midwest	Jun-26	Oak Brook Commons Medical*	Oak Brook, IL	2023	$58,000,000	81,522	$711
	Apr-26	Endeavor Health IL Portfolio*	Addison, IL	2012	$57,000,000	126,510	$451
	May-26	UW Health Foundation Building	Middleton, WI	2007	$39,106,000	197,860	$198
	Jun-26	Physician Group MOB Portfolio	Kansas City, MO	1987 - 2019	$27,905,765	63,352	$440
Northeast	Jun-26	Boston Children's at Peabody	Peabody, MA	1985	$62,000,000	330,378	$188
	Jun-26	6025 6th Avenue Medical Condos	Brooklyn, NY	1900	$33,778,700	25,409	$1,329
	May-26	49 Spring Street	Scarborough, ME	1985	$14,500,000	37,000	$392
	Jun-26	Horizon MOB Portfolio	Tom's River, NJ	1984 & 1986	$13,600,000	55,680	$244
Mid-Atlantic	May-26	Chevy Chase Lake Medical Building	Bethesda, MD	1971	$40,100,000	190,866	$210
	Apr-26	CAMC Teays Valley Multi-Specialty Clinic	Hurricane, WV	2023	$24,162,868	63,155	$383
	May-26	Greenbriar Corporate Center	Fairfax, VA	1985	$16,500,000	116,581	$142
	May-26	1600 Manor Drive*	Chalfont, PA	2004	$12,000,000	52,622	$228

*Properties sold by CBRE.
Source: CBRE Research, MSCI Real Assets, CoStar, Revista, RealQuest, SEC Filings, Q2 2026.

Figure 7
Q2 overall loan volume

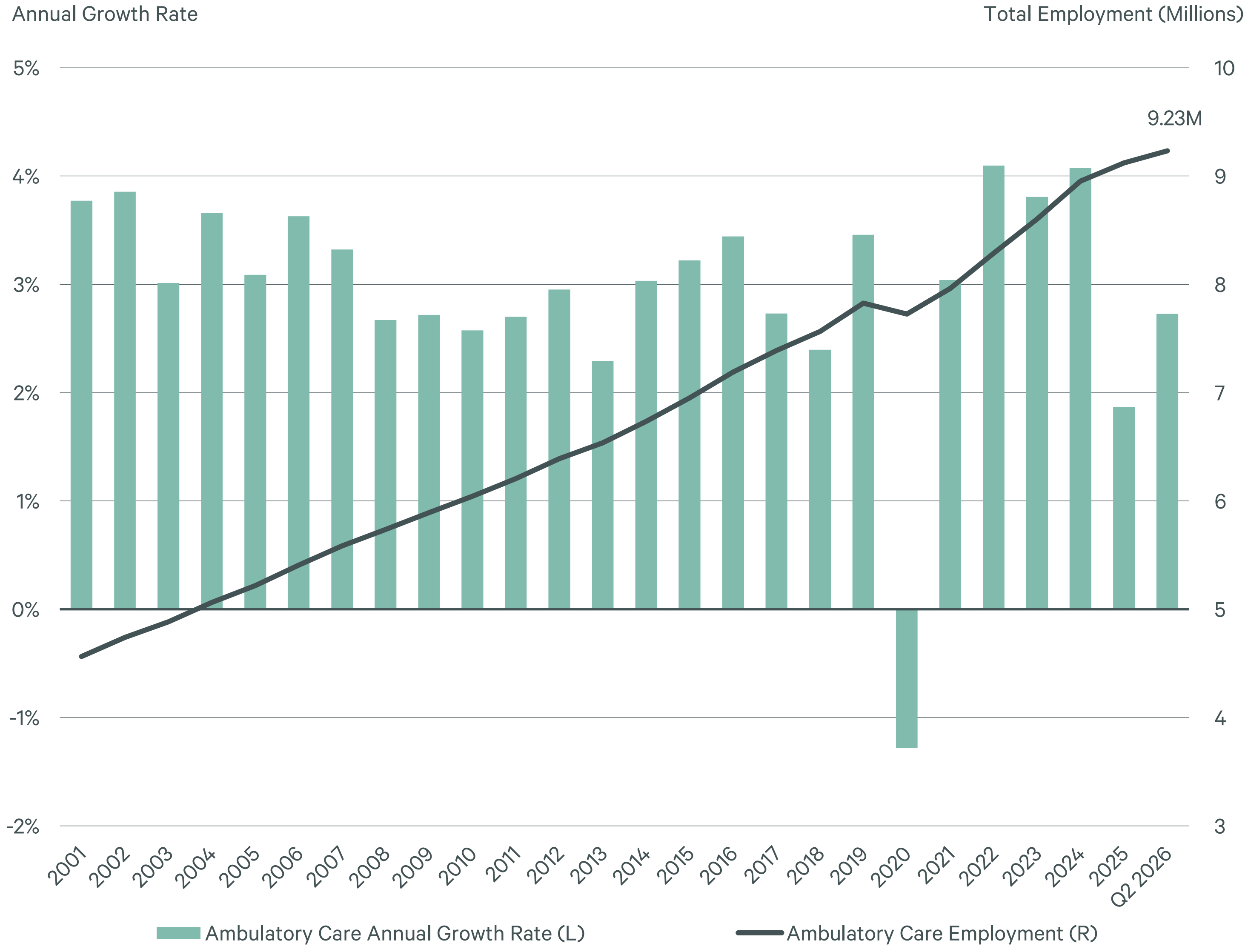
- The CBRE Lending Momentum Index (all property types) fell to 1.0 in Q2 from 1.3 a year ago.
- Alternative lenders (e.g., debt funds and credit companies) accounted for 38% of total loan volume in Q2, up from 34% a year earlier, driven by increased debt fund originations.
- For more debt market insights, see CBRE's Q2 2026 U.S. Capital Markets report.

	Share of Loan Volume Q2 2026 (%)	Share of Loan Volume Q2 2025 (%)	% Change Year-Over-Year
Alternative Lenders	38	34	12%
Banks	30	24	25%
Life Companies	21	23	-9%
CMBS	11	19	-42%

Note: Numbers may not sum to 100 due to rounding.
Source: CBRE Research, Q2 2026.

Figure 8
Ambulatory healthcare employment

- Ambulatory healthcare employment grew by 2.7% year-over-year in Q2, well ahead of the 0.3% growth in total non-farm employment.
- Ambulatory healthcare employers added 48,700 jobs in Q2 and 245,200 year-over-year.



Source: CBRE Research, Federal Reserve Economic Data, Q2 2026.

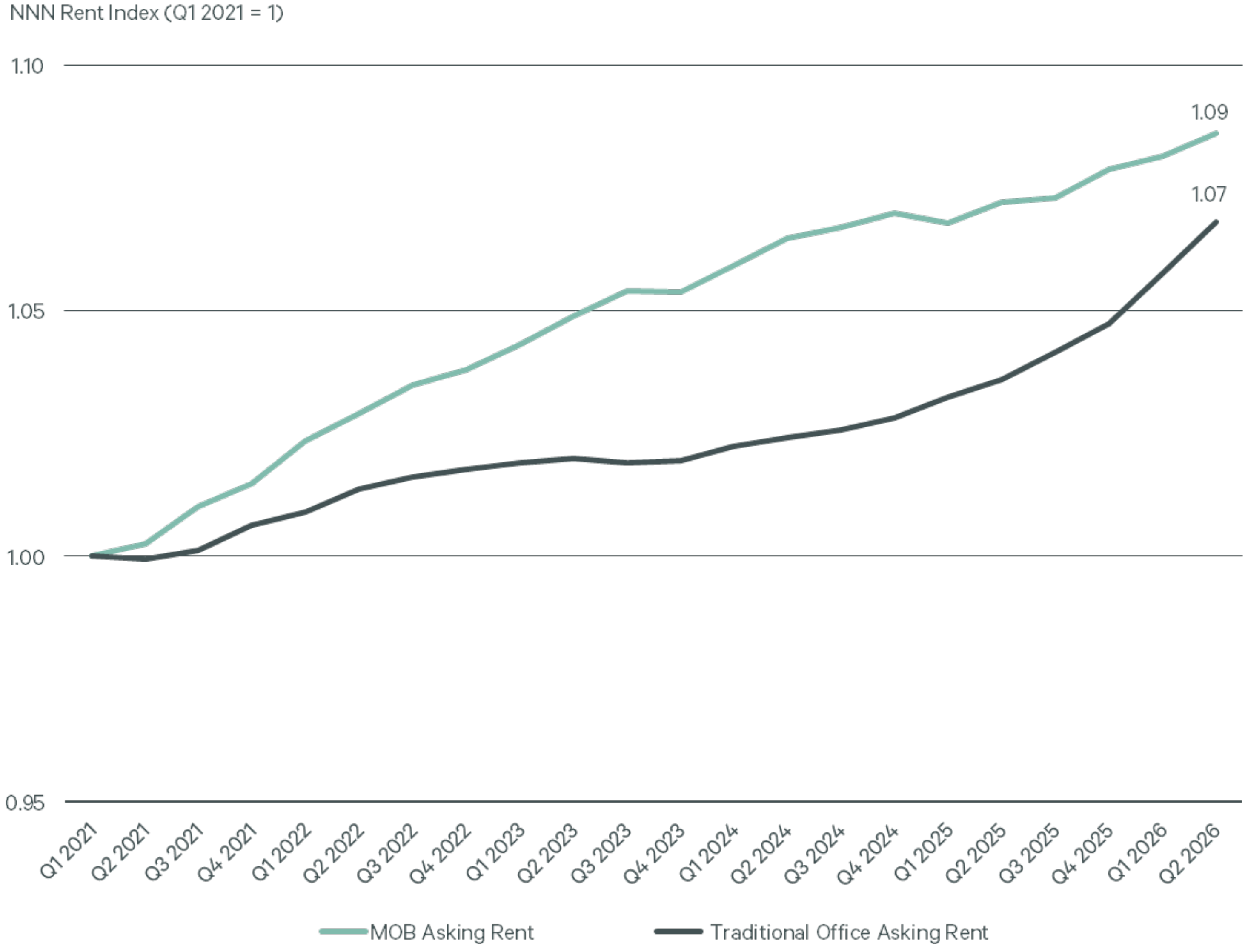
Figure 9
MOB average asking rent & vacancy rate

- The average MOB asking rent increased by 1.3% year-over-year to a record-high $25.46 per sq. ft.
- Markets with the biggest year-over-year average rent increases were Louisville (11%), Salt Lake City (8.1%) and Orange County, CA (7.8%).
- The average MOB vacancy rate fell by 11 bps year-over-year to 9.8%.

Source: CBRE Econometric Advisors, CBRE Research, Q2 2026.

Figure 10
MOB vs. traditional office asking rent growth

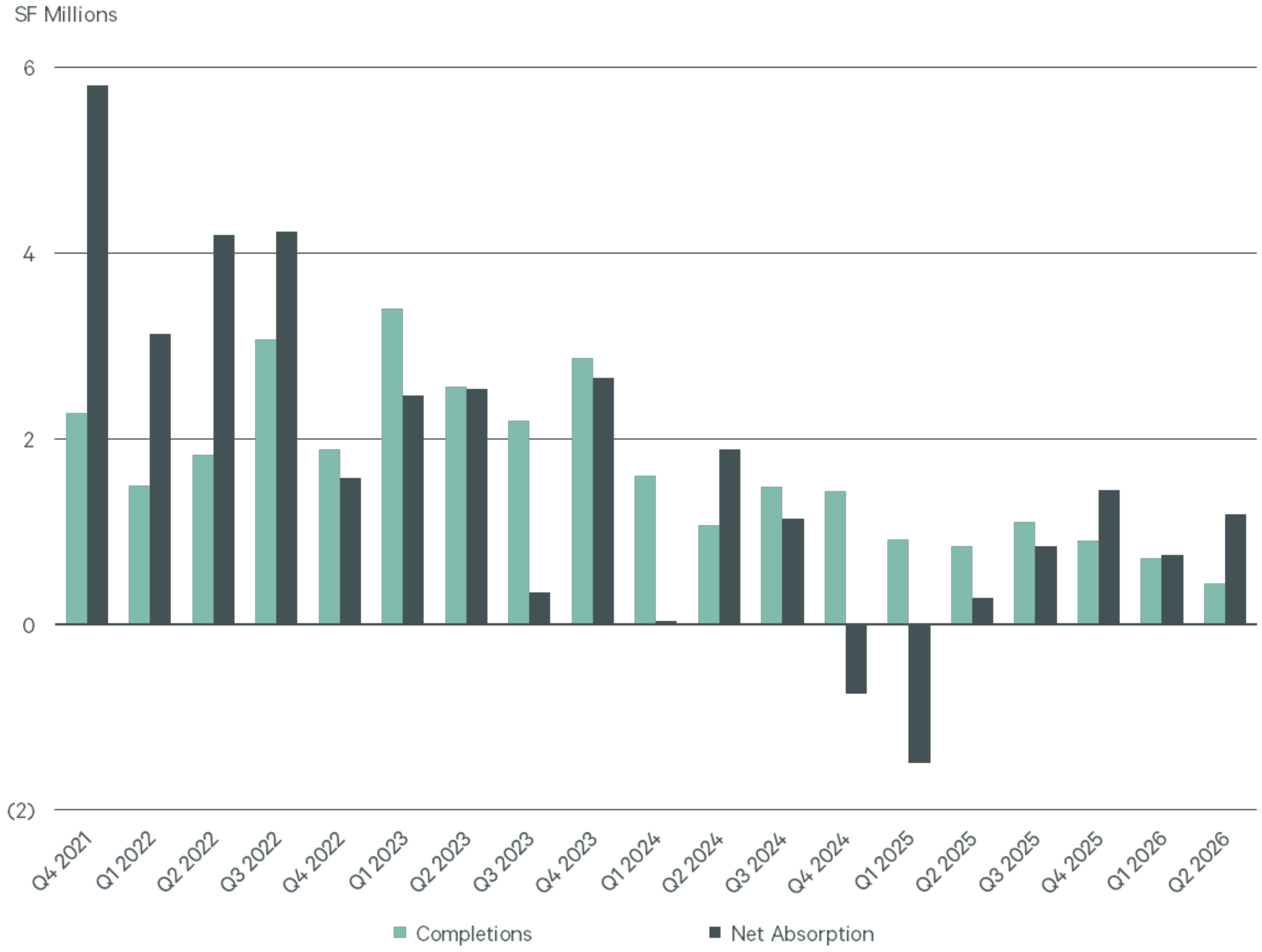
- MOB asking rents have grown steadily after a brief decline in mid-2024, while traditional office rents have consistently increased.
- MOB rents were 8.6% above their Q1 2021 average, while the traditional office average was 6.9% higher.



Source: CBRE Econometric Advisors, CBRE Research, Q2 2026.

Figure 11
MOB absorption & construction completions

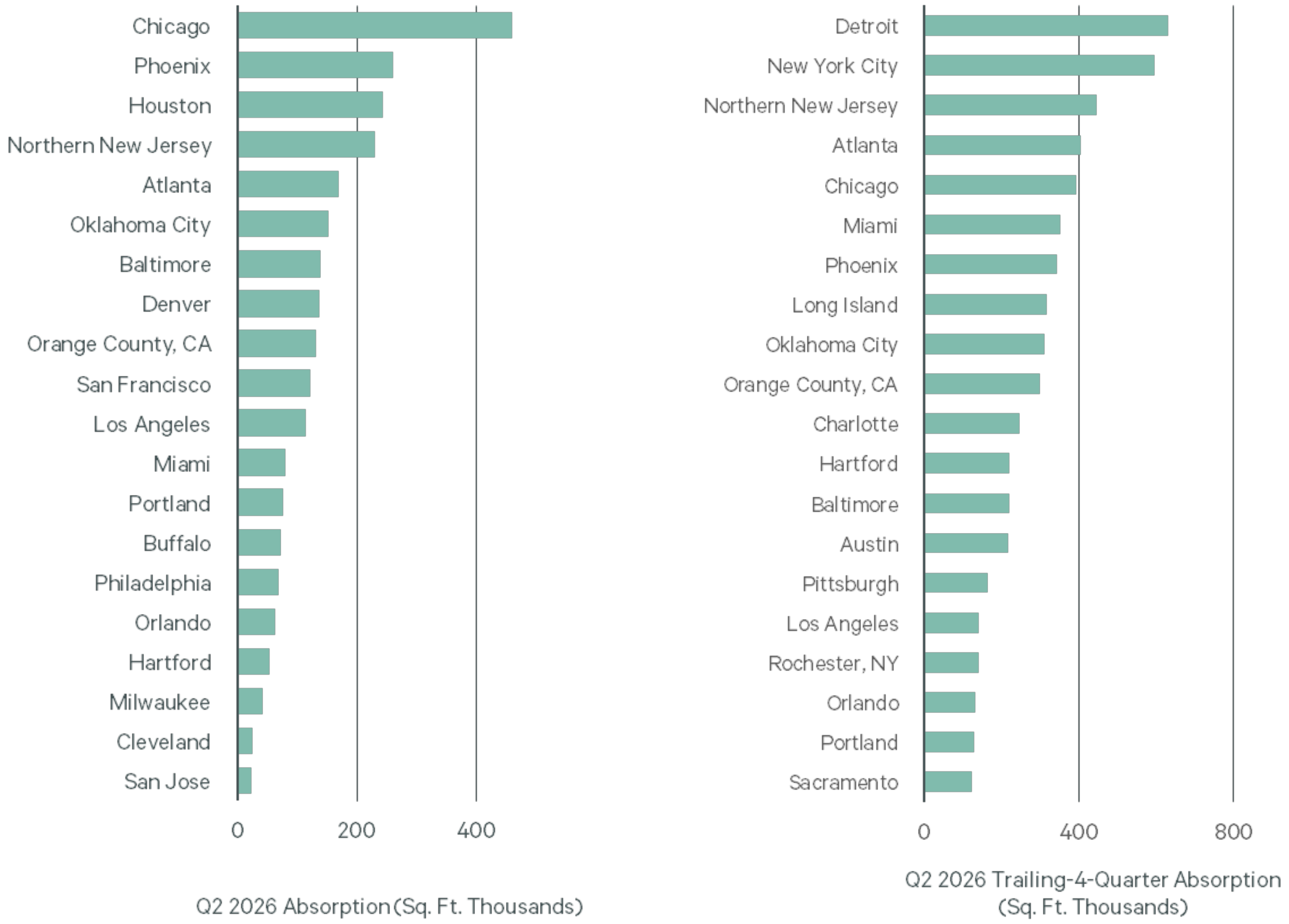
- The MOB sector had 1.18 million sq. ft. of net absorption in Q2, its fifth consecutive quarter of positive demand.
- MOB construction completions totaling 439,000 sq. ft. in Q2 were 76% below the five-year quarterly average and brought the trailing-four-quarter total to 3.2 million sq. ft.
- Completions declined for the fourth consecutive quarter due to high construction costs and interest rates.



Source: CBRE Econometric Advisors, Q2 2026.

Figure 12
Top 20 markets for quarterly & annual absorption

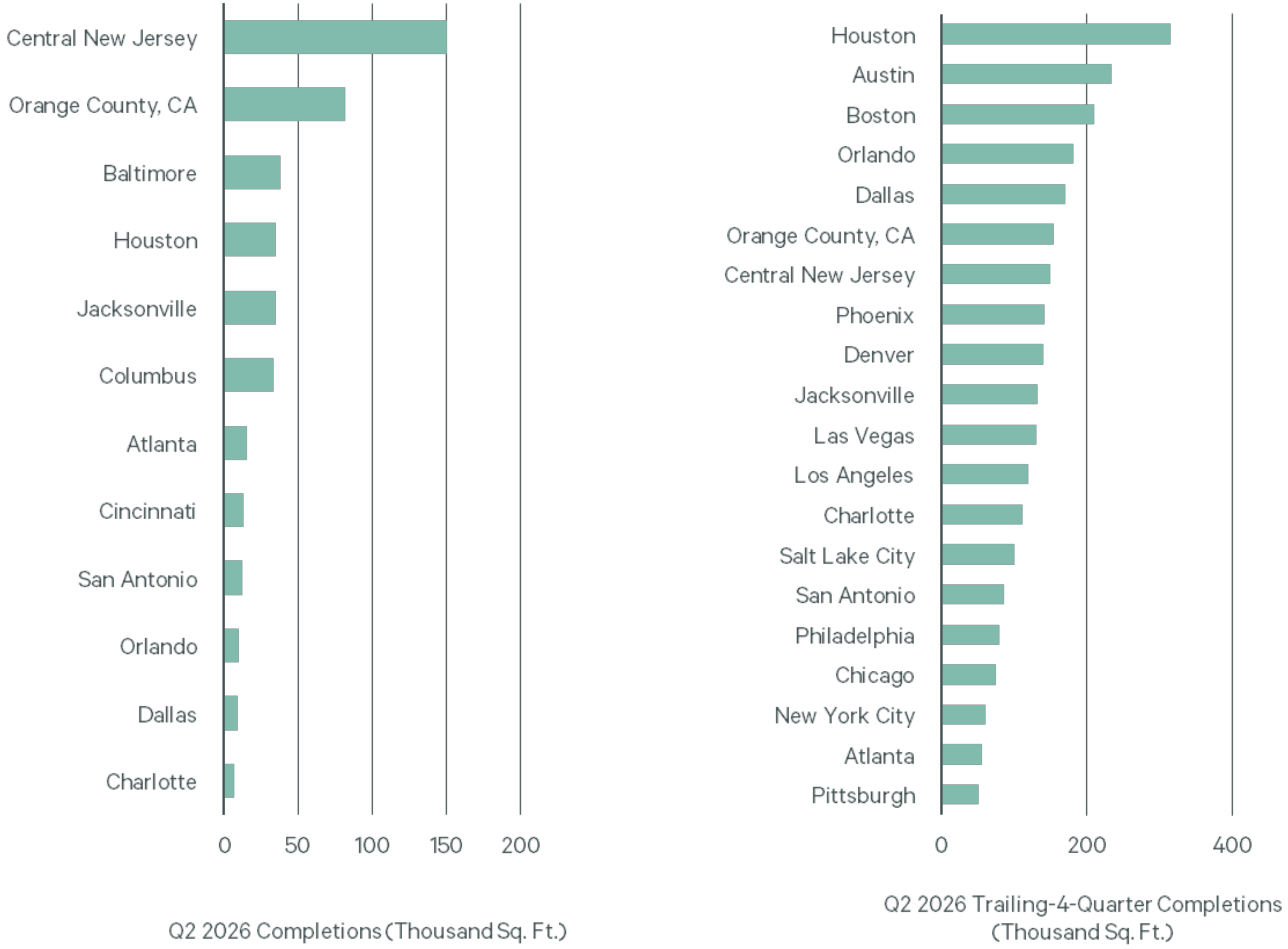
- Twenty-nine of the 59 markets tracked by CBRE had positive net absorption in Q2, led by Chicago with 460,000 sq. ft., Phoenix with 261,000 sq. ft. and Houston with 244,000 sq. ft.
- Detroit, New York City and Northern New Jersey had the most net absorption on a trailing-four-quarter basis.



Source: CBRE Econometric Advisors, Q2 2026.

Figure 13
Top 20 markets for quarterly & annual construction completions

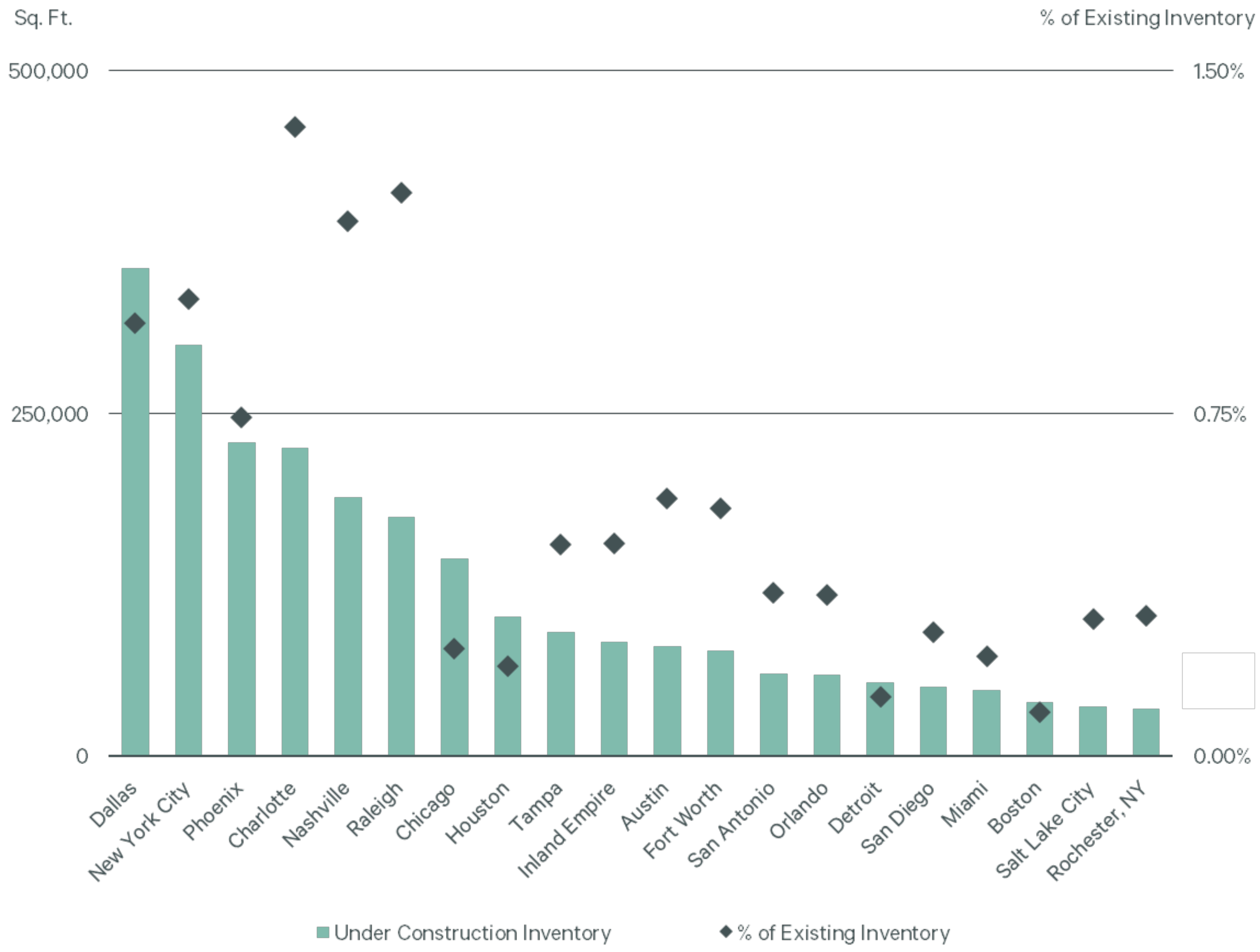
- Central New Jersey was the top market for construction completions in Q2 with 150,000 sq. ft., followed by Orange County, CA, with 82,000 sq. ft. and Baltimore with 38,000 sq. ft.
- Houston led for trailing-four-quarter completions with 315,000 sq. ft., followed by Austin with 234,000 sq. ft. and Boston with 210,000 sq. ft.



Source: CBRE Econometric Advisors, Q2 2026.

Figure 14
MOB space under construction

- The 59 markets tracked by CBRE had a combined 2.7 million sq. ft. of space under construction as of Q2.
- Dallas was the leading market for MOB construction with 356,000 sq. ft., followed by New York City with 300,000 sq. ft. and Phoenix with 228,000 sq. ft.
- New York City, Charlotte, Nashville and Raleigh were the only top markets with space under construction totaling more than 1% of existing inventory.



Source: CBRE Econometric Advisors, Q2 2026.

Figure 15
Select Q2 MOB market statistics

	Inventory (Sq. Ft.)	Completions (Sq. Ft.)	Under Construction (Sq. Ft.)	Vacancy Rate (%)	Availability Rate (%)	Net Absorption (Sq. Ft.)	Net Rent ($)	QoQ Change (%)	YoY Change (%)
Atlanta	37,185,000	15,000	11,500	7.6	9.4	169,000	24.57	0.8	0.4
Austin	14,237,000	0	80,189	10.7	13.4	3,000	26.77	0.5	0.6
Chicago	61,517,000	0	143,702	10.2	13.0	460,000	19.47	0.2	0.3
Columbus	14,351,000	33,000	0	8.7	10.9	-22,000	16.62	0.3	2.0
Dallas	37,595,000	9,000	356,023	13.6	15.8	-207,000	24.26	0.2	1.0
Denver	27,428,000	0	0	11.0	13.8	138,000	21.47	0.2	2.6
Houston	51,755,000	35,000	101,225	15.8	19.5	244,000	23.20	-0.9	1.2
Los Angeles	52,882,000	0	3,000	10.3	12.0	114,000	39.22	-0.3	0.0
Miami	21,956,000	0	47,900	5.7	6.9	80,000	38.78	1.3	3.4
Nashville	16,088,000	0	188,386	8.0	9.4	-36,000	25.23	0.6	-3.4
Orange County, CA	24,715,000	82,000	15,196	10.6	14.1	131,000	34.63	1.9	7.8
Orlando	16,715,000	10,000	58,782	8.9	10.4	64,000	27.53	-2.2	2.7
Philadelphia	35,047,000	0	15,000	9.9	13.1	69,000	22.76	1.6	0.8
Phoenix	30,856,000	0	228,293	12.6	15.2	261,000	25.10	-0.3	-0.2
Salt Lake City	12,055,000	0	36,000	8.0	9.2	-65,000	22.64	7.9	8.1
San Antonio	16,781,000	12,000	60,000	12.7	15.0	-59,000	21.22	-2.9	2.3
San Diego	18,401,000	0	50,000	7.6	10.9	-68,000	35.04	-1.1	3.3
Seattle	19,201,000	0	5,200	5.5	6.6	-71,000	30.42	-2.2	-2.9
Tampa	19,482,000	0	90,255	7.0	8.5	-51,000	24.49	1.6	4.7
Washington, D.C.	49,742,000	0	0	13.1	17.8	-1,000	29.88	-0.2	0.9

Source: CBRE Econometric Advisors, Q2 2026.

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