Orange County's multifamily market gains momentum as occupancy and absorption rise

▲ 96.4% Occupancy Rate

▲ 1,958 Net Absorption (Units)

▲ 1,299 Completed Units

▲ $2,944 Avg. Rent Per Unit Per Month

Note: Arrows indicate change from previous quarter.
Source: CBRE Econometric Advisors, Q2 2026.

MARKET HIGHLIGHTS

— The Orange County multifamily market closed Q2 2026 with an occupancy rate of 96.4%. This represented a 30-bps increase from Q1 2026 as demand outpaced new supply in Q2 2026.

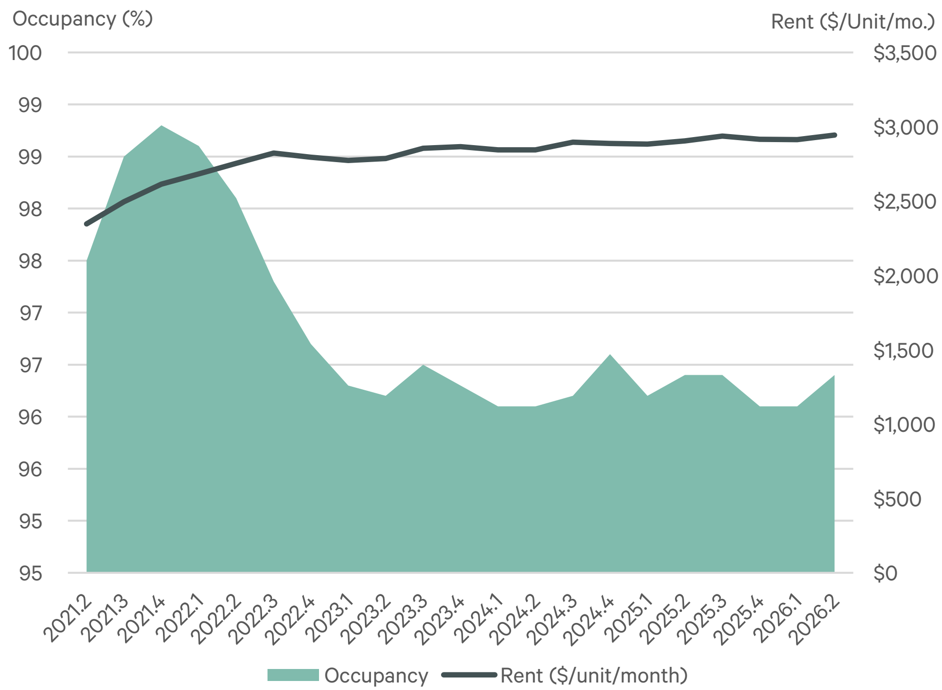
— There was positive absorption of 1,958 units in Q2 2026, compared to 363 units of positive absorption in Q1 2026. North Irvine comprised the majority of net absorption, totaling 1,316 units. Renters filled newly delivered space across the market, leading to strengthened leasing activity.

— There were 1,299 units delivered in Q2 2026, compared to 461 units in Q1 2026 as developers saw increased funding for new development.

— The overall average rent per unit per month for multifamily in Orange County ended Q2 2026 at $2,944, which was up 1.7% from Q1 2026 as landlords regained pricing power from elevated demand amid tighter vacancy.

— The total multifamily investment sales in Q2 2026 amounted to $262.6 million in total volume, compared to $206.6 million in Q1 2026. The increase in sales volume was primarily driven by two larger deals that were transacted in Garden Grove and Santa Ana, accounting for 75% of total sales.

FIGURE 1: Occupancy and Average Rent Per Unit Per Month



Source: CBRE Econometric Advisors, Q2 2026.

Market Overview

FIGURE 2: Market Statistics by Submarket

Market	Inventory (Units)	Rent Per Unit Per Month	Completions (Units)	Completions Last 12 mos	Net Absorption (Units)	Net Absorption Last 12 mos	Vacancy Rate (%)
Total Market	260,906	$2,944	1,299	3,810	1,958	3,520	3.6
Buena Park/Cypress	12,335	$2,594	0	0	77	(38)	2.7
Costa Mesa	15,418	$2,937	0	0	23	6	2.9
East Anaheim/Orange	27,533	$2,794	0	60	105	(113)	3.5
Fullerton	14,126	$2,523	0	65	(42)	50	3.5
Garden Grove/Westminster	20,240	$2,580	0	40	(160)	(76)	3.9
Huntington Beach	20,150	$2,888	0	23	(46)	(85)	3.6
Mission Viejo/Lake Forest	11,774	$2,843	0	0	7	(33)	3.6
Newport Beach	10,563	$3,667	0	36	21	(26)	4.0
North Irvine	14,728	$3,231	1,268	1,969	1,316	2,107	4.6
North Orange County	13,987	$2,720	22	22	35	(20)	4.0
Santa Ana	20,064	$2,704	0	0	84	(182)	3.6
South Irvine	11,462	$3,321	0	876	133	886	3.3
South Orange County	21,600	$3,153	0	0	99	(6)	4.0
Tustin/West Santa Ana	12,580	$2,877	0	56	(6)	33	3.1
West Anaheim	21,620	$2,456	0	89	(61)	(136)	4.0
West Irvine	12,726	$3,143	9	574	112	619	3.2

Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 3: Market Statistics by Building Vintage

Year Built	Avg Rent	% Rent Growth (Y-o-Y)	Occupancy Rate (%)	Occupancy Change (Y-o-Y)
Built 1960s	$2,627	3.9%	96.8	-0.5%
Built 1970s	$2,638	2.3%	96.9	-0.2%
Built 1980s	$2,864	1.8%	96.8	0.5%
Built 1990s	$3,146	2.5%	96.6	-0.4%
Built 2000s	$3,229	2.9%	96.2	-0.2%
Built 2010s	$3,417	-1.1%	95.4	-0.3%

Source: CBRE Econometric Advisors, Q2 2026.

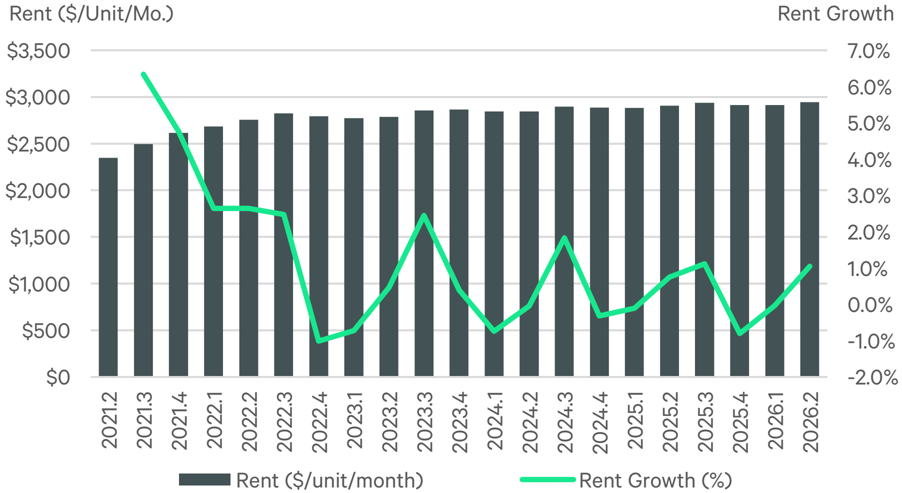
FIGURE 4: Market Statistics by Unit Type

Unit Type	Avg. Rent	% Rent Growth (Y-o-Y)
Studio	$2,313	1.8%
1 Bedroom	$2,604	2.0%
2 Bedroom	$3,246	1.8%
3 Bedroom	$4,151	3.0%

Source: CBRE Econometric Advisors, Q2 2026.

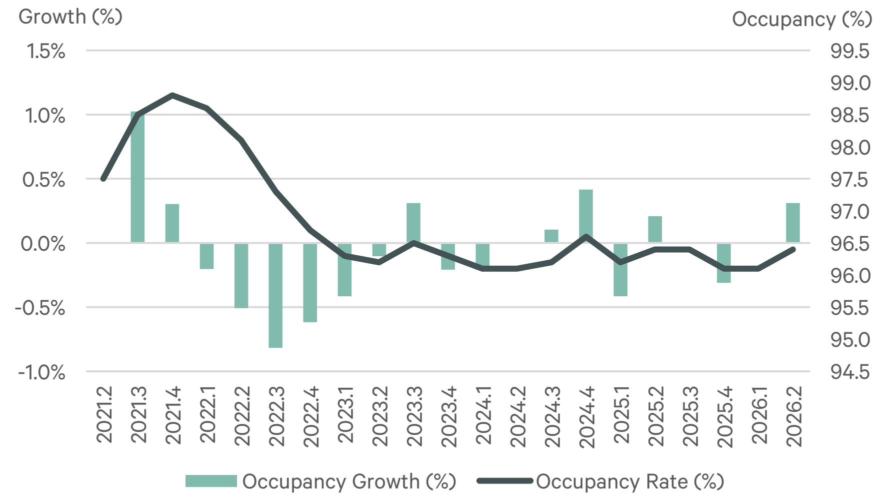
Average Rents and Occupancy

FIGURE 5: Rent Change Q-o-Q and Average Rent Trend



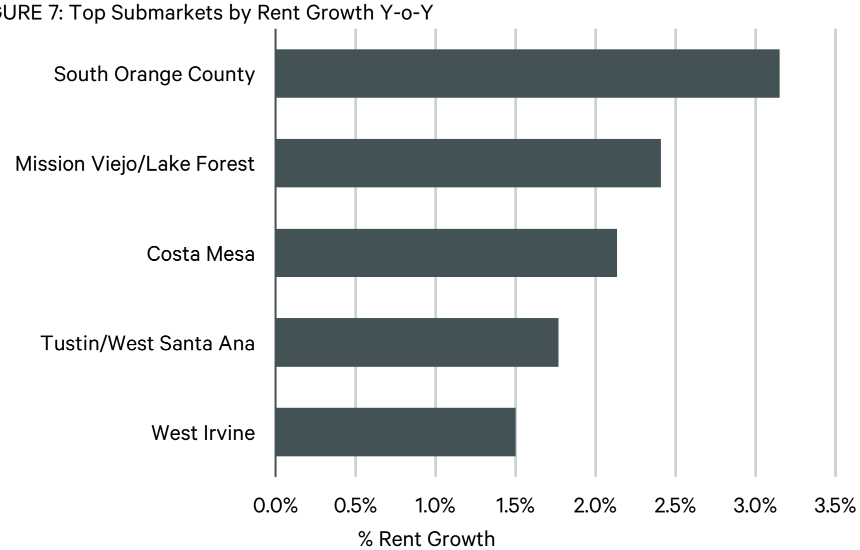
Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 6: Occupancy Change Q-o-Q and Occupancy Rate Trend



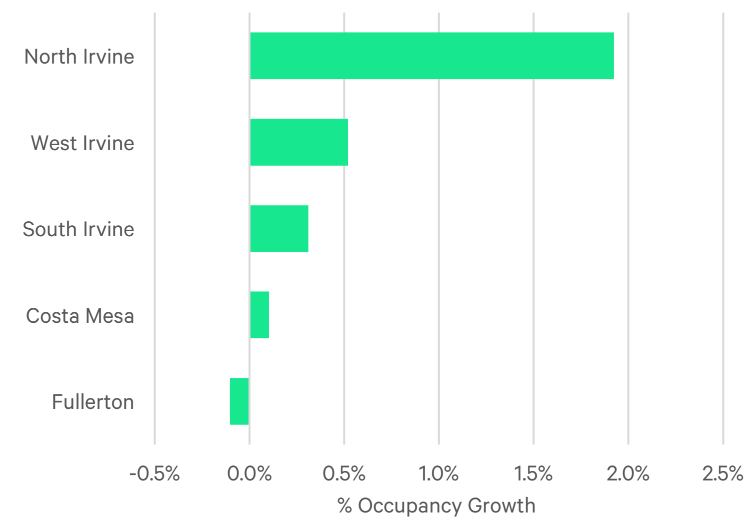
Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 7: Top Submarkets by Rent Growth Y-o-Y



Source: CBRE Econometric Advisors, Q2 2026.

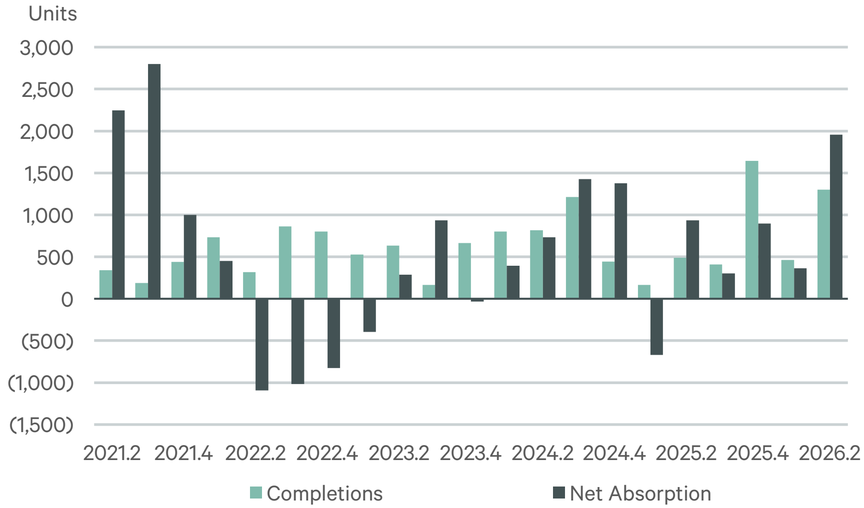
FIGURE 8: Top Submarkets by Occupancy Growth Y-o-Y



Source: CBRE Econometric Advisors, Q2 2026.

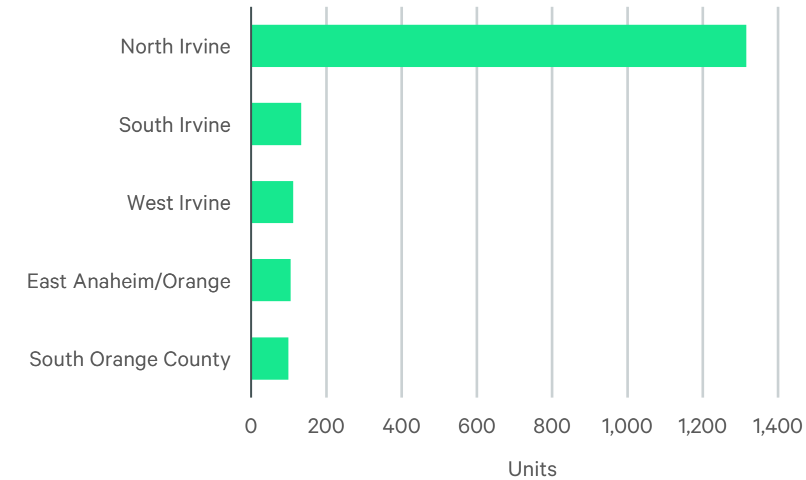
Construction, Net Absorption, and Detail by Inventory Type

FIGURE 9: Completions and Net Absorption



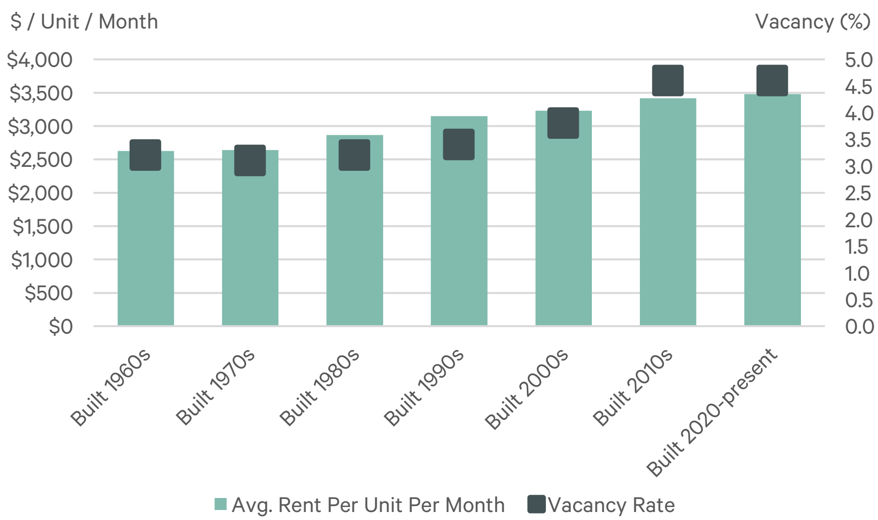
Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 10: Top Submarkets by Net Absorption



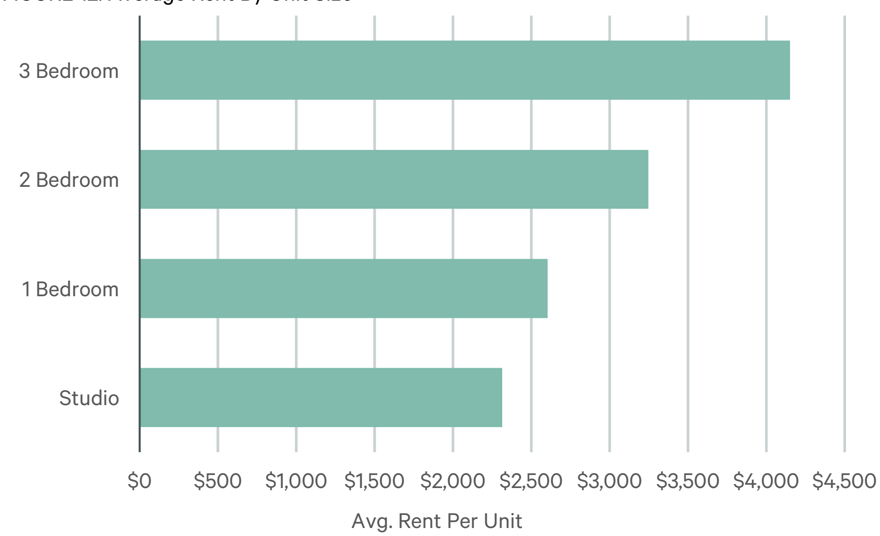
Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 11: Rent and Vacancy by Property Vintage



Source: CBRE Econometric Advisors, Q2 2026.

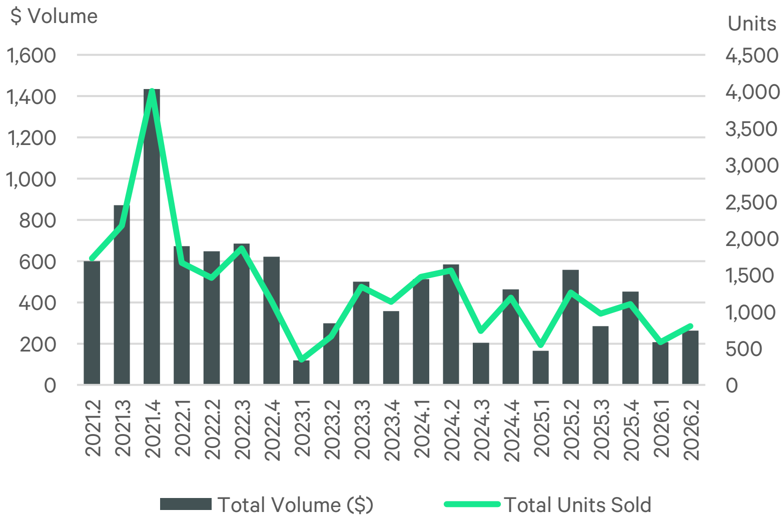
FIGURE 12: Average Rent By Unit Size



Source: CBRE Econometric Advisors, Q2 2026.

Investment Sales

FIGURE 13: Multifamily Investment Sale Volume



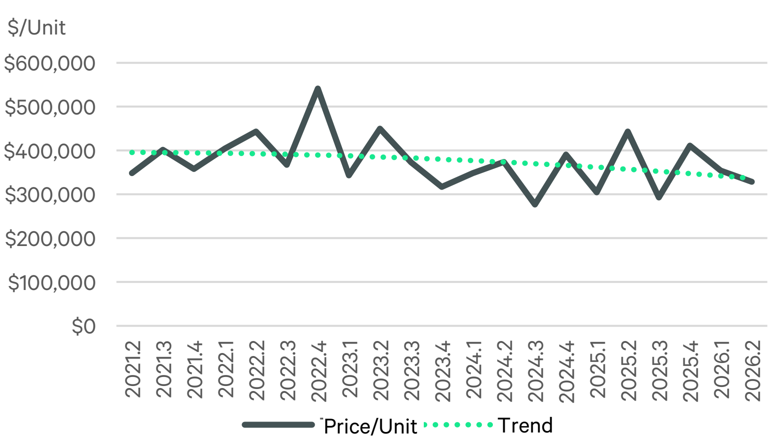
Source: MSCI Real Capital Analytics, Q2 2026.

FIGURE 14: Q2 2026 Largest Sale Transactions by # of Units

Buyer	Property Name	City	Units	Sale Price	Price / Unit
Eagle Partners	Crystal View	Garden Grov	402	$132,500,000	$329,602
Post Investment Group	Bentley Parke Apartment	Santa Ana	232	$65,200,000	$281,034
Raafat Salem	Canfield Park	Anaheim	24	$5,425,000	$226,042
Michael Malki & Nermine	Arvin Apartments	Anaheim	24	$5,800,000	$241,667
Dunbar RE Investments	1994 Maple Avenue	Costa Mesa	24	$16,900,000	$704,167
Chamberlain Properties L	200 East Wakefield Avenu	Anaheim	14	$3,195,000	$228,214
Linh G Nguyen	Juno Sands	Anaheim	14	$3,725,000	$266,071
Bruce Residential Proper	3221 West Ball Road	Anaheim	14	$4,055,000	$289,643
Modern Development Co	222 Arch Street	Laguna Beac	13	$10,425,000	$801,923
Bhadrakumar L Pahu anc	2228 East Westport Drive	Anaheim	12	$3,700,000	$308,333
Samuel Nam	2262 W Colchester Drive	Anaheim	10	$3,025,000	$302,500
Chan Nguyen Family Tru	710 West Washington Ave	Santa Ana	10	$2,615,000	$261,500

Source: MSCI Real Capital Analytics, Q2 2026.

FIGURE 15: Multifamily Investment Sale Price Per Unit



Source: MSCI Real Capital Analytics, Q2 2026.

FIGURE 16: Q2 2026 Multifamily Investment Sales by Building Vintage

Year Built	Volume ($)	Property Count	Total Units	Avg. PPU
Pre-1960	$8,825,000	2	34	$259,559
1960s	$167,785,000	7	496	$338,276
1970s	$10,425,000	1	13	$801,923
1980s	$65,200,000	1	232	$281,034
1990s	$0	0	0	$0
2000s	$0	0	0	$0
2010 - present	$0	0	0	$0
Grand Total	$252,235,000	11	775	$420,198

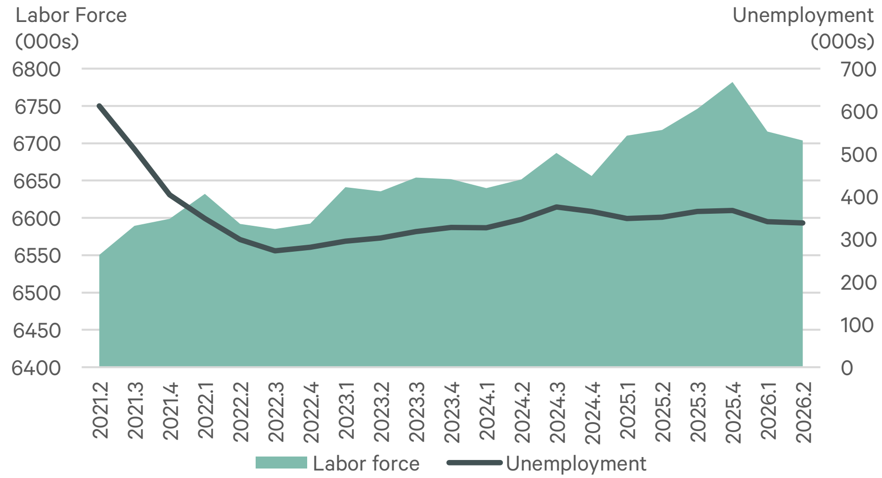
Source: MSCI Real Capital Analytics, Q2 2026.

Economic Overview

FIGURE 17: Housing Starts

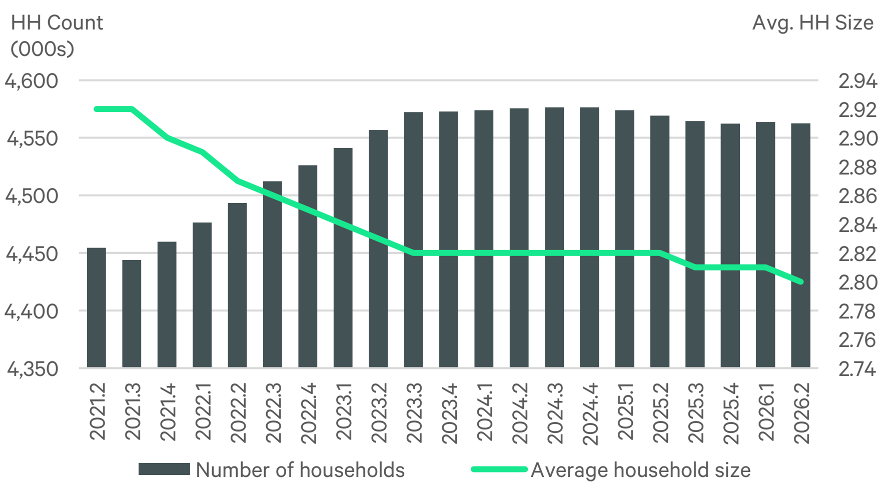
Source: Oxford Economics, Q2 2026.

FIGURE 18: Unemployment



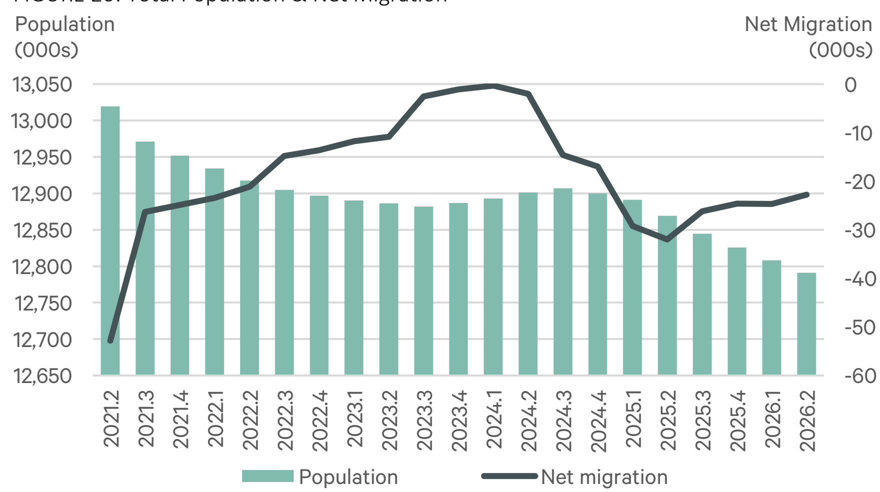
Source: Oxford Economics, Q2 2026.

FIGURE 19: Household Count & Average Size



Source: Oxford Economics, Q2 2026.

FIGURE 20: Total Population & Net Migration



Source: Oxford Economics, Q2 2026.

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Multifamily Definitions

— Stock units Total count of market-rate, multifamily units in structures containing five or more units. Does not include condos.
— Occupied Stock units Total count of occupied multifamily units.
— Rentable Completions units Change in rentable stock from one period to the next due to the construction of new multifamily units. Only includes market-rate units in structures containing five or more units. Does not include condos. A structure is considered complete when 60% or more of the building has been occupied.
— Net Absorption units Change in occupied stock from one period to the next.— Vacancy Rate % Unoccupied units expressed as a percent of rentable stock.
— Average Rent - Rent $/unit/month, $/SF/month Average price for multifamily space. Estimated from a sample of institutionally managed, market-rate properties with five or more units. Does not include condos. Properties must appear in current and previous quarterly sample ("same-store") to count toward this average. Rent levels represent effective rates that account for the impact of concessions offered in the form of free-rent periods or prorated discounts. Other leasing incentives such as reduced deposits, amenity upgrades and merchandise giveaways are not accounted for in the effective rent calculations.

Market Definition

The Orange County market consists of Buena Park/Cypress, Costa Mesa, East Anaheim/Orange, Fullerton, Garden Grove/Westminster, Huntington Beach, Mission Viejo/Lake Forest, Newport Beach, North Irvine, North Orange County, Santa Ana, South Irvine, South Orange County, Tustin/West Santa Ana, West Anaheim, and West Irvine.