

Record-low availability drives Orange County Retail rents to a five-year high



Note: Arrows indicate change from previous quarter.

Source: CBRE Econometric Advisors, Q3 2026.

MARKET HIGHLIGHTS

– The Orange County retail market’s availability held at 3.7% in Q3 2026, unchanged quarter-over-quarter, matching the market’s lowest recorded level, as limited new development continued to keep supply constrained.

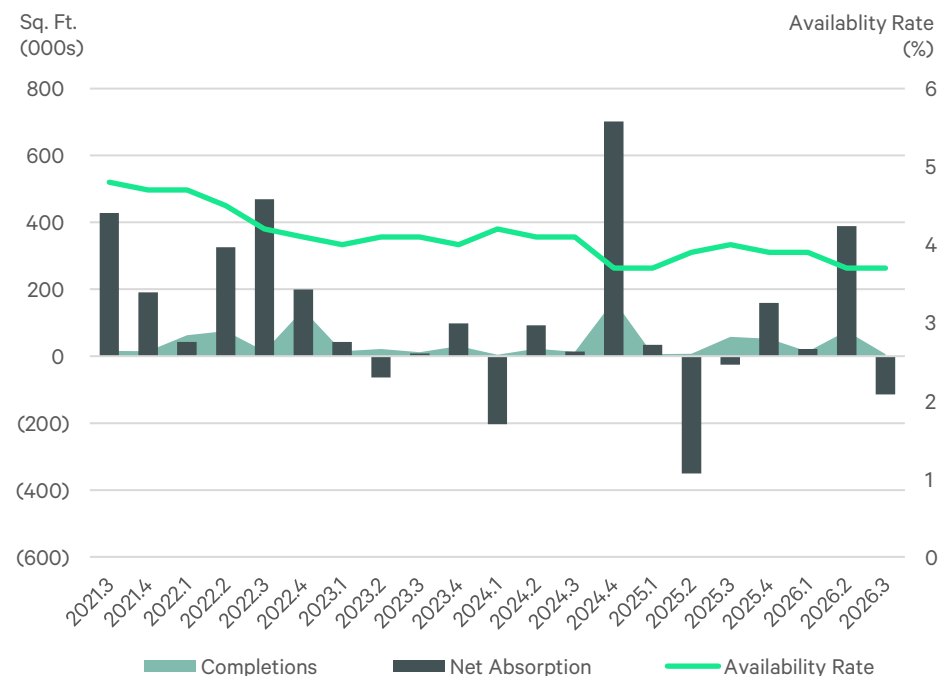
– Net absorption turned negative at 114,000 sq. ft. in Q3 2026, reversing the positive 389,000 sq. ft. posted in Q2 2026, as a shortage of new vacant space constrained leasing activity. Lifestyle & Mall properties recorded the largest occupancy losses, at negative 194,000 sq. ft.

– Only 6,000 sq. ft. delivered in Q3 2026, down from 75,000 sq. ft. in Q2 2026, limited to two freestanding restaurant projects in Central Orange County, as land scarcity and high construction costs continued to constrain ground-up development.

– The overall average net asking rent increased \$0.13 quarter-over-quarter to \$2.69 NNN per sq. ft. per month in Q3 2026, the highest level in five years, as limited available space continued to support landlord pricing power.

– Total retail investment sales nearly doubled to \$267.8 million in Q3 2026, up from \$138.8 million in Q2 2026. Five deals exceeded \$20 million this quarter, compared with one last quarter, led by Westwood Financial’s \$56.2 million purchase of Peninsula Marketplace.

FIGURE 1: Completions, Net Absorption, and Availability Rate



Source: CBRE Econometric Advisors, Q3 2026.

Market Overview

FIGURE 2: Market Statistics by Product Type

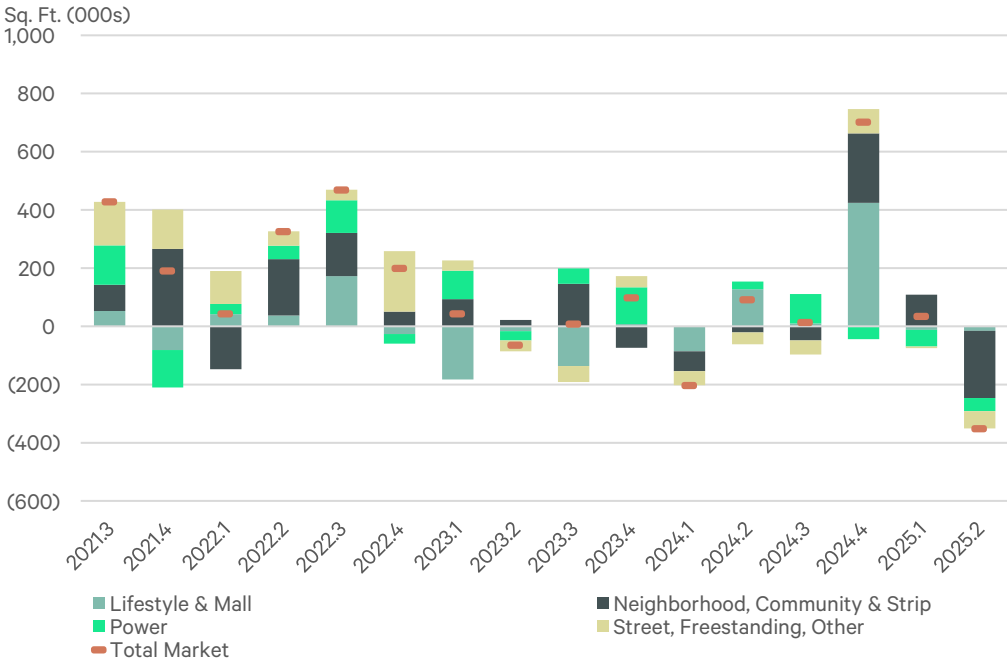
Market	Inventory (SF, 000s)	Availability Rate (%)	Net Absorption (SF 000s)	Completions (SF 000s)	Net Rent
Lifestyle & Mall	15,306	1.9	(194)	-	\$4.41
Neighborhood, Community & Strip	66,376	4.8	8	-	\$2.58
Power	12,209	2.8	9	-	\$1.98
Street, Freestanding, Other	38,923	2.8	63	6	-
Total Market	132,814	3.7	(114)	6	\$2.69

Source: CBRE Econometric Advisors, Q3 2026.

FIGURE 3: Market Statistics by Submarket

Market	Inventory (SF 000s)	Availability Rate (%)	Net Absorption (SF 000s)	Completions (SF 000s)	Net Rent
Total Market	132,814	3.7	(114)	6	\$2.69
Central Coast	22,991	1.8	(4)	-	\$3.95
Central Orange	50,925	3.2	125	6	\$2.20
North County	23,030	5.6	(248)	-	\$2.91
Outlying Orange	115	3.5	6	-	
South County	23,982	5.2	56	-	\$3.07
West County	11,771	3.3	(49)	-	\$2.81

FIGURE 4: Net Absorption by Center Type

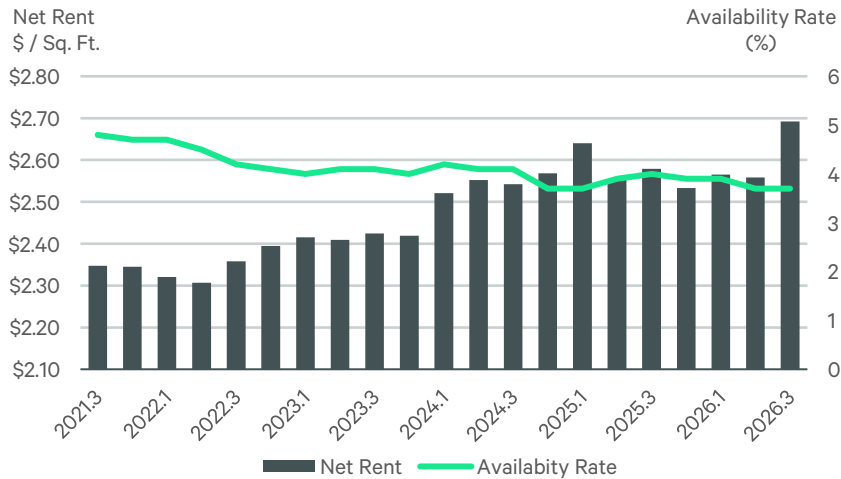


Source: CBRE Econometric Advisors, Q3 2026.

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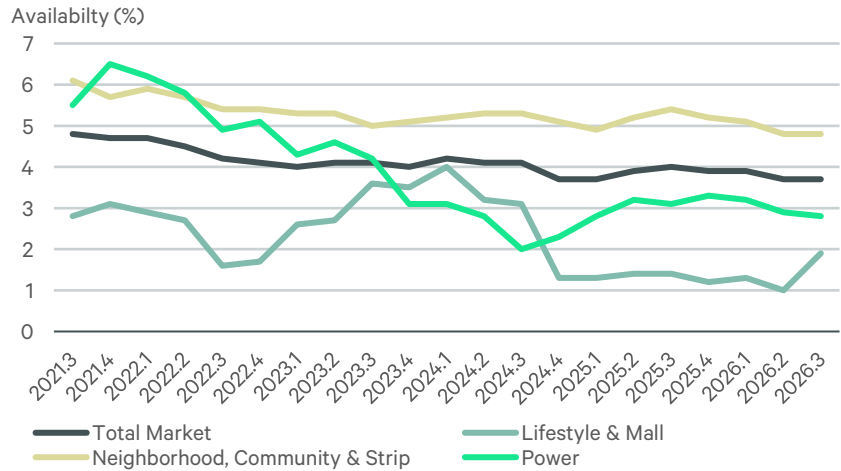
Asking Rents & Availability

FIGURE 5: Net Asking Rent and Availability Rate



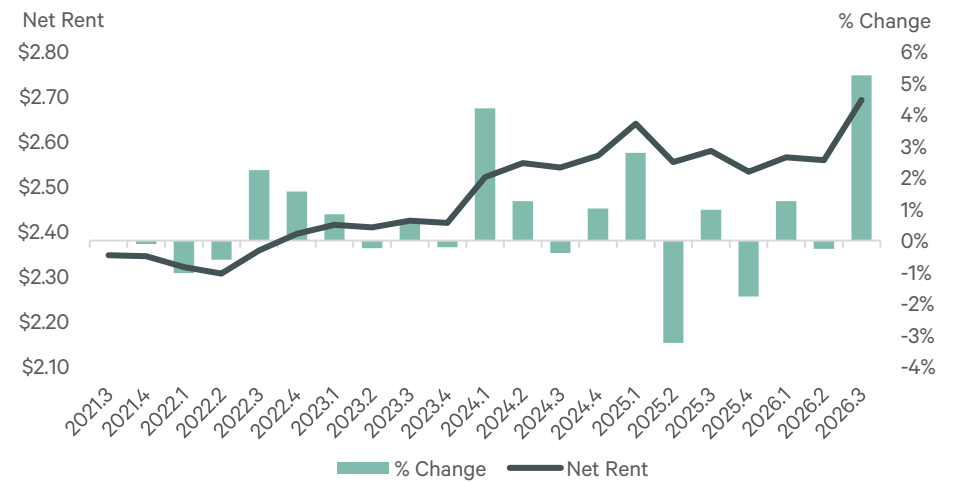
Source: CBRE Econometric Advisors, Q3 2026.

FIGURE 7: Availability by Center Type



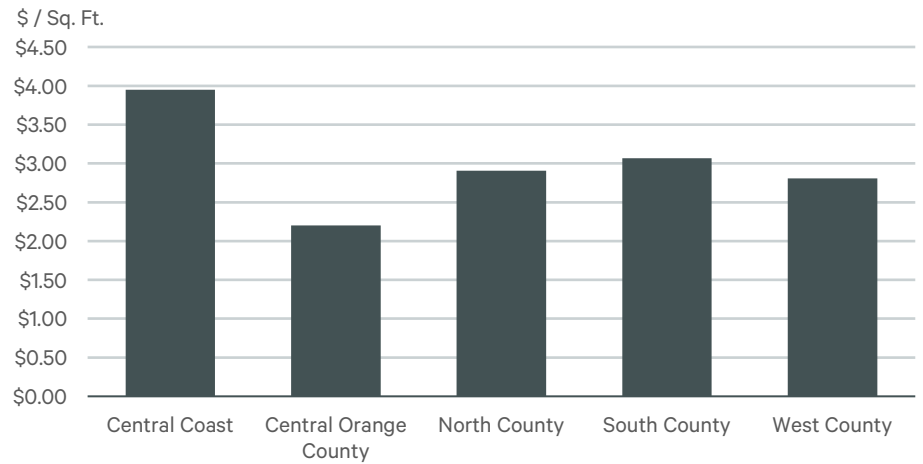
Source: CBRE Econometric Advisors, Q3 2026.

FIGURE 6: Net Rent and % Change



Source: CBRE Econometric Advisors, Q3 2026.

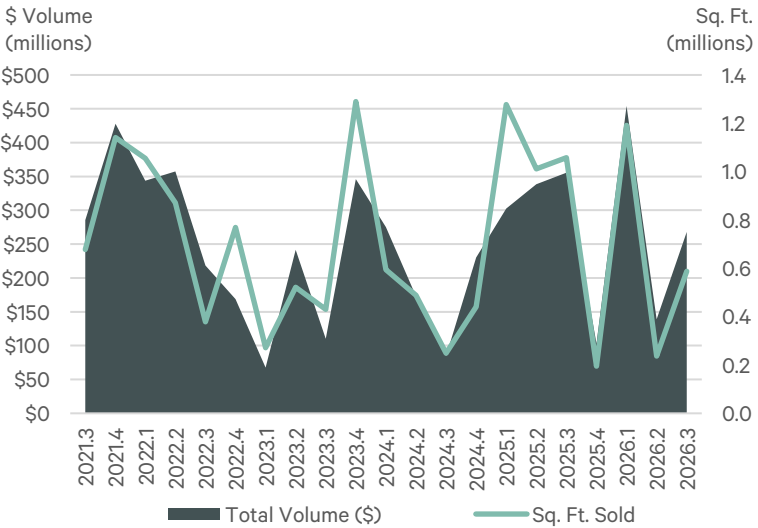
FIGURE 8: Top 5 Submarket by Net Rent



Source: CBRE Econometric Advisors, Q3 2026.

Investment Sales

FIGURE 9: Retail Investment Sale Volume



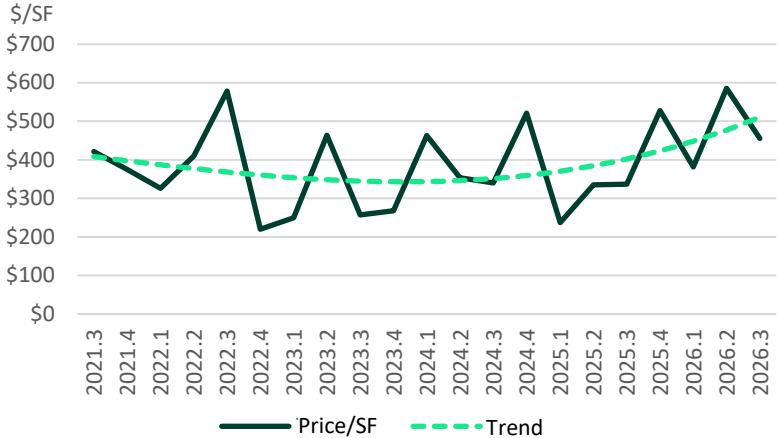
Source: MSCI Real Capital Analytics, Q3 2026.

FIGURE 10: Q3 2026 Sale Transactions

Buyer	Property Name	City	Building SF	Sale Price	Price / SF
Burnham USA Equities	Enderle Center	Tustin	132,000	\$34,600,000	\$262
Westwood Financial	Peninsula Marketplace	Huntington Beach	95,416	\$56,200,000	\$589
EPR Properties	Lifetime Fitness	Irvine	94,000	\$42,000,000	\$447
Alanna Cajthaml	Village Center A-F	San Juan Capistrar	86,023	\$20,900,000	\$243
Bernard J Delzer	Best Buy - Orange	Orange	45,675	\$24,275,000	\$531
Eric Geiger	85 Via Pico Plaza	San Clemente	25,410	\$8,400,000	\$331
NorthPond Partners	Link OC	Anaheim	23,520	\$16,500,000	\$702
NB OIL Company INC	Stonewood Center	Placentia	18,346	\$8,032,000	\$438
Shops at CDM LLC	2515 East Coast Hwy	Newport Beach	13,883	\$13,700,000	\$987
Vermeulen Chapman Plaza	Valley Plaza	Garden Grove	11,649	\$6,000,000	\$515
Ibrahim Tabell	1981 North Tustin St	Orange	9,860	\$5,595,000	\$567
Touraj Miskabi	6946 Warner Ave	Huntington Beach	8,600	\$5,930,000	\$690

Source: MSCI Real Capital Analytics, Q3 2026.

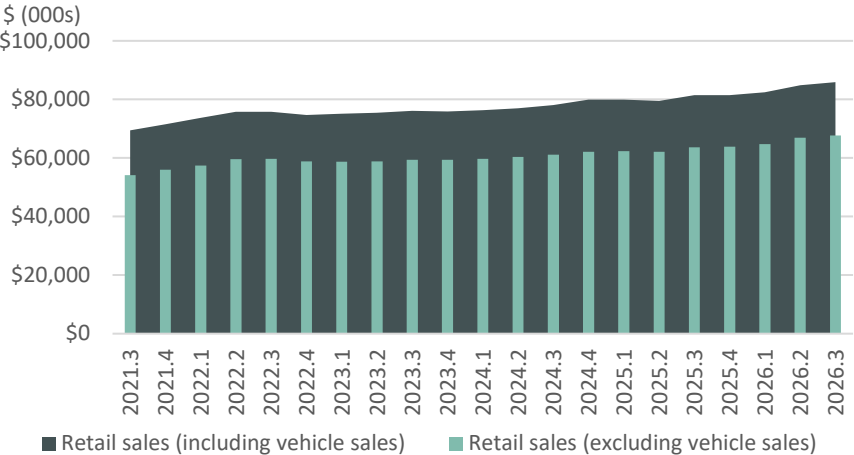
FIGURE 11: Retail Investment Sale Price Per Sq. Ft.



Source: MSCI Real Capital Analytics, Q3 2026.

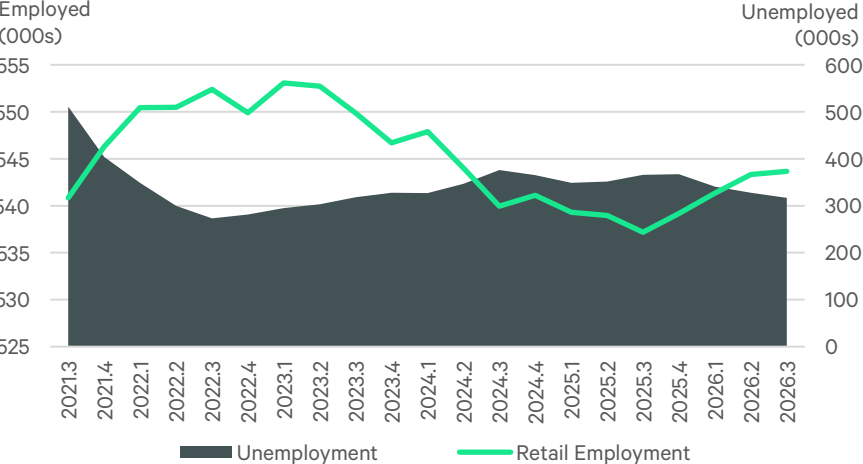
Economic Overview

FIGURE 12: Total Retail Sales



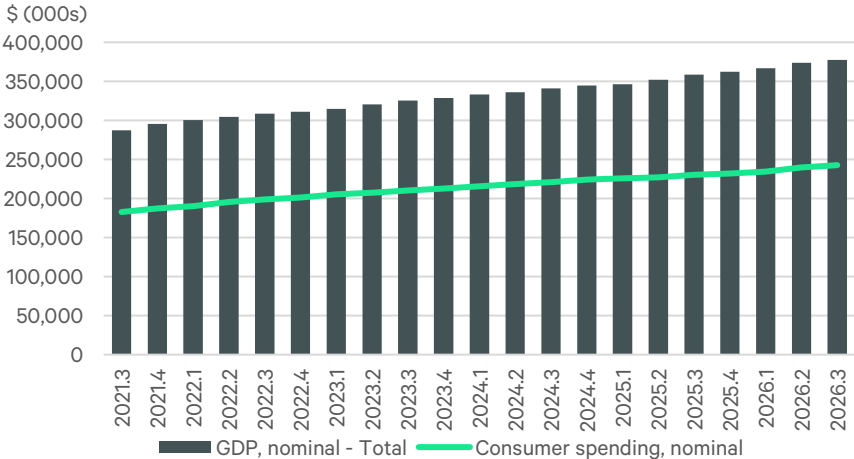
Source: Oxford Economics, Q3 2026.

FIGURE 13: Retail Employment vs. Unemployment



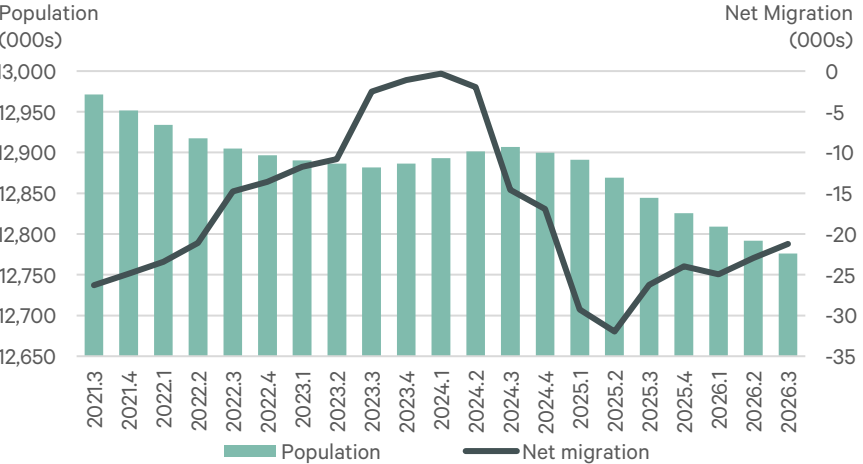
Source: Oxford Economics, Q3 2026.

FIGURE 14: GDP & Consumer Spending



Source: Oxford Economics, Q3 2026.

FIGURE 15: Total Population & Net Migration



Source: Oxford Economics, Q3 2026.

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Retail Definitions

Neighborhood, community and strip centers are groupings of buildings where there is most often an anchor property (except strip). Neighborhood properties are the largest ranging from 125,000 to 400,000 sq. ft., followed by community at 30,000 to 125,000 sq. ft., and strip with 30,000 or less sq. ft.

Lifestyle are upscale national-chain specialty stores with dining and entertainment in an outdoor setting. Lifestyle centers range from 150,000 to 500,000 sq. ft. Malls, including both regional and super regional malls, can provide a wide range of goods and services. Regional malls are built around full-line department stores and usually range over 300,000 sq. ft. Super regional malls are usually over 750,000 sq. ft. with more department stores.

Power Centers are category-dominant anchors, including discount department stores, off-price stores, and wholesale clubs, with only a few small tenants. They range from 250,000 to 600,000 sq. ft. and have multiple anchors.

Freestanding Retail are single-tenant occupied retail buildings. All other variables may vary.

Market Definition

The Orange County market consists of Central Coast, Central Orange County, North County, South County, West County, and Outlying Orange County.

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