OC Q3 26

THIRD QUARTER 2026 MARKET REPORT
ORANGE COUNTY INDUSTRIAL

Voit REAL ESTATE SERVICES

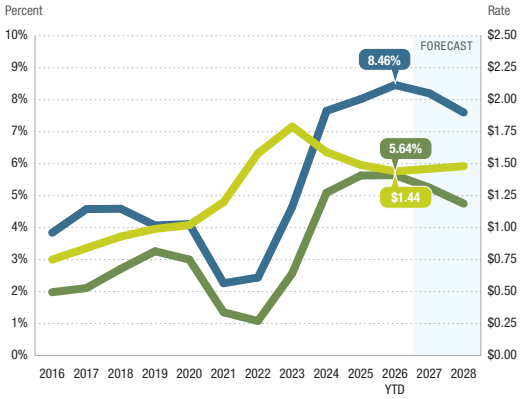
OVERVIEW. Building size split the market in Q3 2026—smaller buildings stayed tight while large distribution buildings waited for their next tenant. Defense and aerospace manufacturers drove the quarter, taking high-power buildings in the Airport Area and returning net absorption to positive after a negative second quarter. The gain came from a handful of occupiers, not a broad rise in requirements, and right-sizing tenants in North County traded larger buildings for smaller ones nearby. Asking rents edged lower, though manufacturers paid well above the average for buildings with the power they need. Long-term interest rates rose through September and tilted the sales market toward owner-users, who buy for operations instead of investment return. With few new buildings underway, the next quarters depend on whether manufacturers can fill the large buildings that distribution users left behind.

VACANCY & AVAILABILITY. The industrial vacancy rate fell to 5.64% in Q3 2026, a decrease of 48 basis points quarter over quarter from 6.12% in Q2 2026 but an decrease of 8 basis points year over year from 5.72% in Q3 2025. Vacancy remains 242 basis points above the 3.22% low of Q1 2024. Much of the space returned in North County came from occupiers right-sizing rather than leaving, as two tenants left buildings above 200,000 square feet for smaller space nearby, giving back 291,684 square feet. Availability, which adds occupied space offered for lease or sale, declined to 8.46% from 8.98% in Q2 2026 but rose from 8.22% in Q3 2025, as sublease availability dropped 865,478 square feet quarter over quarter to 3,273,399 square feet; listed subleases were leased, reclaimed by their tenants or converted to direct space. Buildings under 75,000 square feet posted vacancy between 1.86% and 4.06%, against 8.69% to 10.68% in buildings of 75,000 square feet and larger. That split gives tenants in larger buildings the most room to negotiate.

LEASE RATES & SALE PRICES. Asking rents slipped $0.01, or 0.69%, quarter over quarter to $1.44/SF NNN in Q3 2026 from $1.45/SF in Q2 2026, 2.7% below the $1.48/SF in Q3 2025 and 15% below the $1.70/SF of Q1 2024. Free rent remained standard on new leases, averaging 2.73 months on a typical 62-month term, which lowers what tenants pay over the lease without cutting the asking rate. Asking sale prices fell 16.6% quarter over quarter to $328.91/SF from $394.35/SF in Q2 2026 and 14.3% year over year from $383.61/SF in Q3 2025, as higher borrowing costs weighed on pricing.

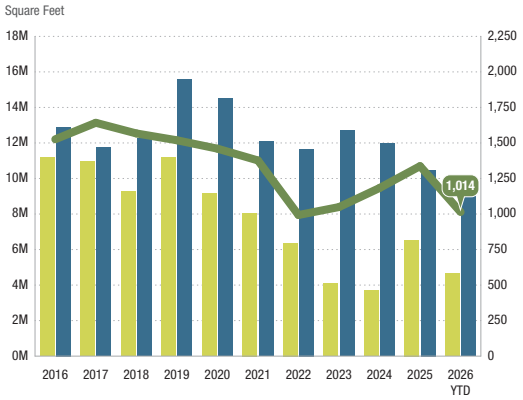
TRANSACTION ACTIVITY. Leasing activity totaled 2,682,876 square feet in Q3 2026, down 18.5% from 3,291,044 square feet in Q2 2026 and 2.6% below the 2,755,706 square feet signed in Q3 2025. Sales volume fell 33% to 1,364,505 square feet from 2,032,321 square feet in Q2 2026 and 1.1% from the 1,379,712 square feet sold in Q3 2025. Combined, 4,047,381 square feet was leased or sold, down 24% from 5,323,365 square feet in Q2 2026 and 2.1% from 4,135,418 square feet in Q3 2025. Leasing and sales both slowed from a busier first half but held near their Q3 2025 pace.

VACANCY, AVAILABILITY & AVERAGE ASKING LEASE RATES



VACANCY: Total Vacant Space Divided by Total Existing Inventory
AVAILABILITY: Total Amount of Space that is Available whether Occupied, for Sublease, or Available at a Future Date
AVERAGE ASKING LEASE RATE: NNN / SF / Month

TRANSACTION VOLUME & NUMBER OF TRANSACTIONS



Market Statistics

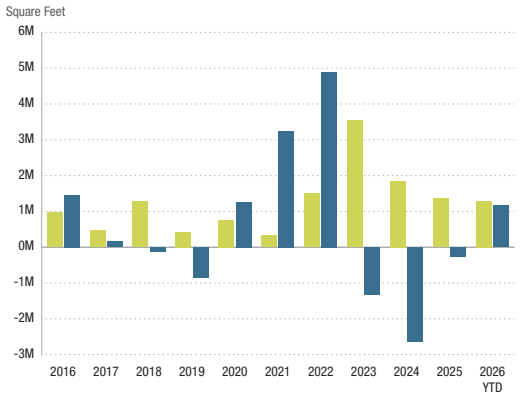
	Change Over Last Quarter	Q3 2026	Q2 2026	Q3 2025	% Change Over Last Year
Vacancy Rate	▼ DOWN	5.64%	6.12%	5.72%	(1.40%)
Availability Rate	▼ DOWN	8.46%	8.98%	8.22%	2.93%
Average Asking Lease Rate	▼ DOWN	$1.44	$1.45	$1.48	(2.70%)
Average Asking Sale Price	▼ DOWN	$328.91	$394.35	$383.61	(14.26%)
Sale & Lease Transactions	▼ DOWN	4,047,381	5,323,365	4,135,418	(2.13%)
Gross Absorption	▲ UP	4,248,153	2,837,122	3,394,098	25.16%
Net Absorption	▲ POSITIVE	870,309	(237,674)	(612,876)	N/A

ABSORPTION. Net absorption swung to positive 870,309 square feet in Q3 2026 from negative 237,674 square feet in Q2 2026 and negative 612,876 square feet in Q3 2025. The Airport Area gained 936,595 square feet, while North County lost 122,705 square feet as Houdini's 399,473-square-foot move-out in Buena Park outweighed an aerospace and defense manufacturer's 237,246-square-foot move-in in Anaheim. Anduril Industries occupied 650,027 square feet across five Airport Area buildings and Robinson Pharma moved into 260,850 square feet it purchased in Irvine, lifting Airport Area gross absorption to 1,456,305 square feet. Demand was concentrated: two occupiers accounted for 887,273 square feet, more than the county's net total.

CONSTRUCTION. Construction totaled 428,663 square feet at the close of Q3 2026, the lowest since Q2 2021 and equal to 0.18% of existing inventory, compared with 435,114 square feet in Q2 2026 and 1,533,842 square feet in Q3 2025. West County held 261,392 square feet, led by Cypress at 191,894 square feet. Four buildings totaling 365,616 square feet delivered, three of them occupied at completion, which added little new vacant space. Another 2,465,725 square feet is planned, and Western Realco plans a 256,046-square-foot Anaheim building for late 2027.

EMPLOYMENT. Orange County's unemployment rate was 4.4% (not seasonally adjusted) in August 2026, up from a revised 4.2% in July 2026 but below the 4.6% in August 2025, according to the California Employment Development Department. Manufacturing employment fell 1,400 jobs year over year to 148,000. Transportation and warehousing lost 900 jobs, or 2.87%, to 30,500, pointing to softer logistics hiring.

NEW DELIVERIES & NET ABSORPTION



NEW DELIVERIES: New Construction Delivered to the Market

NET ABSORPTION: Changes in the Amount of Occupied Space from One Quarter to the Next

Forecast

Vacancy should continue to decline through year-end 2026 and into Q1 2027, as leases totaling 310,420 square feet are scheduled to occupy in Q4 2026. These move-ins should produce a second consecutive quarter of positive net absorption in Q4 2026. Asking lease rates should rise toward $1.46/SF in 2027, as direct NNN lease comps averaging $1.56/SF and new high-power buildings lift the average, while large vacant distribution buildings limit how far it climbs. Sale prices should stay under pressure while long-term interest rates, the base for commercial mortgage rates, remain near their highest level since 2002; owner-users, who buy for operations, not investment return, are less exposed to that rate. Anduril's expansion has helped make the county a preferred location for defense and aerospace manufacturers, with fewer federal contract awards being the main risk. With construction at its lowest since Q2 2021, vacancy through Q1 2027 will depend on move-ins to existing buildings, not new deliveries.

Significant Transactions

Sales

Property Address	City	Square Feet	Sale Price	Buyer	Seller
1200 Valencia Ave.	Tustin	282,297	$74,100,000	Galvanize Real Estate	Link Logistics Real Estate
2323 Main St.	Irvine	263,988	$75,000,000	Robinson Pharma Inc.	Starpointe Ventures
1500 S. Raymond Ave.	Fullerton	136,218	$50,224,500	Terra Universal Inc.	Rexford Industrial
6635 Caballero Blvd.	Buena Park	92,395	$28,181,000	GuruNanda	Rexford Industrial
3102 W. Adams St.	Santa Ana	29,932	$8,590,000	MTA Realty LLC	Lehrer Family Trust Properties

Leases

* Voit Real Estate Services Deal

Property Address	City	Square Feet	Transaction Date	Tenant	Owner
2120 E. Howell Ave.	Anaheim	237,246	Sep-2026	Confidential Tenant	PI Stadium LLC *
11130 Holder St.	Cypress	204,314	Aug-2026	Primary Color Systems Corporation	LBA Realty
3300 S. Fairview St. - Renewal	Santa Ana	198,545	Aug-2026	FSSI Financial Statement Services	Alere Property Group
1200 N. Miller St. - Renewal	Anaheim	161,794	Aug-2026	Disney	BGO Calpers
18582 Teller Ave.	Irvine	136,612	Jul-2026	Anduril Industries	Ares Industrial Management

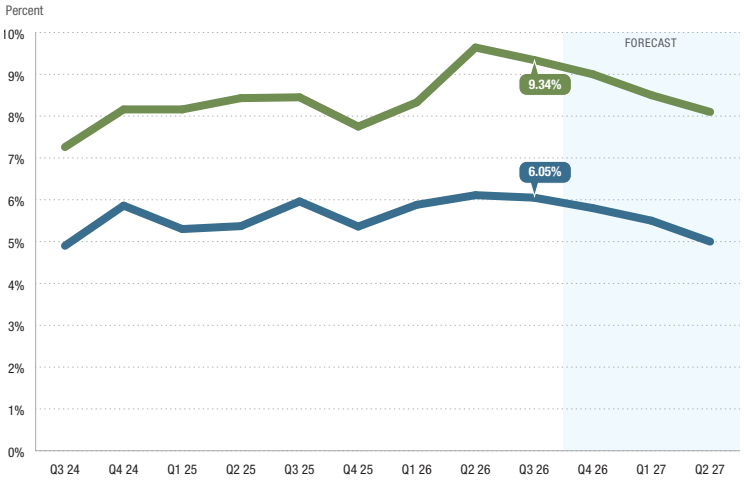
	INVENTORY				VACANCY & LEASE RATES						ABSORPTION			
	Number of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate Q3 2026	Square Feet Available	Availability Rate Q3 2026	Average Asking Lease Rate	Average Asking Sales Price	Net Absorption Q3 2026	Net Absorption 2026	Gross Absorption Q3 2026	Gross Absorption 2026
Airport Area														
Costa Mesa	454	7,697,886	0	0	215,432	2.80%	323,548	4.20%	$1.26	$299.84	42,833	95,374	97,413	326,647
Fountain Valley	177	3,975,977	0	0	116,789	2.94%	328,594	8.26%	$1.52	$389.96	(47,326)	(81,586)	39,590	273,004
Irvine	309	11,806,840	0	25,000	838,112	7.10%	1,172,626	9.93%	$1.53	$498.03	329,097	225,816	646,713	998,559
Newport Beach	47	603,633	0	0	4,585	0.76%	4,585	0.76%	$0.00	$0.00	(420)	(50)	0	5,370
Santa Ana	1,592	32,009,261	0	176,000	967,949	3.02%	1,375,619	4.30%	$1.52	$365.34	252,052	658,465	628,306	1,580,696
Tustin	117	4,987,020	103,566	446,535	166,468	3.34%	255,051	5.11%	$1.49	$397.06	360,359	239,337	44,283	69,840
Airport Area Total	2,696	61,080,617	103,566	647,535	2,309,335	3.78%	3,460,023	5.66%	$1.47	$369.92	936,595	1,137,356	1,456,305	3,254,116
North County														
Anaheim	1,843	45,706,979	0	135,836	2,835,090	6.20%	3,893,896	8.52%	$1.46	$338.36	178,948	340,134	503,768	1,329,849
Brea	336	12,467,316	0	154,275	751,696	6.03%	1,092,264	8.76%	$1.29	$256.56	3,859	(105,080)	252,583	433,842
Buena Park	234	13,240,980	0	0	1,337,413	10.10%	2,960,418	22.36%	$1.36	$323.32	(249,984)	(421,013)	381,610	606,958
Fullerton	456	19,868,627	63,705	249,230	1,137,644	5.73%	1,319,177	6.64%	$1.45	$131.18	93,498	309,483	492,826	1,062,820
La Habra	191	3,520,736	0	0	44,983	1.28%	49,388	1.40%	$0.00	$371.16	5,329	19,130	31,600	85,817
Orange	752	13,655,800	0	400,425	613,472	4.49%	1,037,185	7.60%	$1.32	$225.80	(79,829)	(74,583)	98,309	367,981
Placentia	220	4,172,618	0	0	145,048	3.48%	209,145	5.01%	$1.38	$294.28	(65,441)	(64,234)	57,908	135,988
Yorba Linda	57	954,685	0	0	9,085	0.95%	42,183	4.42%	$1.39	$0.00	(9,085)	(5,665)	0	8,958
North County Total	4,089	113,587,741	63,705	939,766	6,874,431	6.05%	10,603,656	9.34%	$1.38	$293.63	(122,705)	(1,828)	1,818,604	4,032,213
South County														
Aliso Viejo	21	782,869	0	0	21,607	2.76%	21,607	2.76%	$1.66	$585.79	9,408	(12,199)	9,408	19,395
Foothill Ranch	64	3,333,141	0	0	231,305	6.94%	708,788	21.26%	$1.59	$450.00	(152,543)	(111,867)	0	64,682
Irvine Spectrum	224	11,049,098	0	445,781	1,683,117	15.23%	1,830,055	16.56%	$1.68	$456.69	(121,613)	(142,522)	215,053	334,052
Laguna Beach	24	122,492	0	0	5,069	4.14%	4,769	3.89%	$0.00	$553.19	3,416	1,276	4,500	4,500
Laguna Hills	80	1,074,506	0	0	23,122	2.15%	26,324	2.45%	$1.71	$219.23	21,076	24,190	42,832	63,616
Laguna Niguel	15	199,876	0	0	0	0.00%	0	0.00%	$0.00	$0.00	0	0	0	0
Lake Forest	190	4,081,263	0	0	133,169	3.26%	305,678	7.49%	$1.63	$248.96	38,277	(21,292)	16,179	152,829
Mission Viejo	32	754,964	0	0	4,269	0.57%	10,357	1.37%	$1.77	$0.00	6,952	4,462	10,383	11,302
Rancho Mission Viejo	5	132,459	0	0	1,824	1.38%	1,824	1.38%	$2.27	$0.00	3,648	7,320	5,472	12,792
Rancho Santa Margarita	109	1,764,403	0	0	43,713	2.48%	47,769	2.71%	$1.65	$525.00	8,665	(6,628)	11,519	15,032
San Clemente	165	2,036,056	0	113,892	49,039	2.41%	265,280	13.03%	$1.63	$122.88	12,820	(12,864)	26,036	80,331
San Juan Capistrano	46	1,061,875	0	0	154,009	14.50%	168,530	15.87%	$2.22	$525.00	7,290	21,383	1,197	41,077
South County Total	975	26,393,002	0	559,673	2,350,243	8.90%	3,390,981	12.85%	$1.71	$394.84	(162,604)	(248,741)	342,579	799,608
West County														
Cypress	100	4,403,862	191,894	0	786,492	17.86%	814,261	18.49%	$1.41	$0.00	116,741	62,164	163,428	410,298
Garden Grove	489	12,504,820	0	0	693,400	5.55%	734,236	5.87%	$1.19	$270.04	71,116	10,984	136,640	394,616
Huntington Beach	709	14,299,298	0	318,751	427,071	2.99%	574,813	4.02%	$1.48	$414.30	6,988	120,629	257,228	774,695
La Palma	16	1,785,908	0	0	0	0.00%	555,565	31.11%	$1.15	$0.00	0	0	0	0
Los Alamitos	99	2,267,311	0	0	12,179	0.54%	10,421	0.46%	$1.65	$405.30	557	9,529	8,293	37,565
Seal Beach	15	947,228	0	0	0	0.00%	88,507	9.34%	$0.00	$0.00	0	0	0	0
Stanton	179	1,844,987	0	0	47,589	2.58%	67,435	3.66%	$1.78	$372.70	(964)	(34,145)	24,480	55,980
Westminster	141	2,331,335	69,498	0	121,177	5.20%	129,308	5.55%	$1.39	$465.49	24,585	108,468	40,596	239,972
West County Total	1,748	40,384,749	261,392	318,751	2,087,908	5.17%	2,974,546	7.37%	$1.31	$325.92	219,023	277,629	630,665	1,913,126
Orange County Total	**9,508**	**241,446,109**	**428,663**	**2,465,725**	**13,621,917**	**5.64%**	**20,429,206**	**8.46%**	**$1.44**	**$328.91**	**870,309**	**1,164,416**	**4,248,153**	**9,999,063**
Less than 9,999	3,379	20,596,481	0	2,000	384,112	1.86%	661,858	3.21%	$1.82	$440.88	(9,206)	27,032	221,592	648,299
10,000-19,999	3,159	43,690,894	0	0	1,220,050	2.79%	1,865,723	4.27%	$1.56	$304.74	94,053	(27,470)	664,076	1,611,479
20,000-29,999	1,186	28,368,754	0	48,892	878,128	3.10%	1,364,206	4.81%	$1.51	$258.60	56,106	(8,401)	482,198	1,317,237
30,000-39,999	517	17,642,716	0	0	717,133	4.06%	1,023,617	5.80%	$1.38	$291.23	23,050	103,879	207,141	910,483
40,000-49,999	293	12,918,645	0	0	486,559	3.77%	668,248	5.17%	$1.60	$348.87	(22,508)	68,371	206,400	486,810
50,000-74,999	382	22,933,527	133,203	477,017	679,799	2.96%	1,275,087	5.56%	$1.36	$359.69	28,783	289,016	205,167	1,226,348
75,000-99,999	169	14,614,102	0	183,068	1,269,759	8.69%	1,831,579	12.53%	$1.49	$379.19	(235,366)	(374,369)	289,246	593,311
100,000-199,999	293	38,900,632	295,460	1,316,176	4,155,631	10.68%	4,958,356	12.75%	$1.38	$311.85	1,270,015	1,365,317	1,133,034	1,893,641
200,000 Plus	130	41,780,358	0	438,572	3,830,746	9.17%	6,780,532	16.23%	$1.39	$0.00	(334,618)	(278,959)	839,299	1,311,455
Orange County Total	**9,508**	**241,446,109**	**428,663**	**2,465,725**	**13,621,917**	**5.64%**	**20,429,206**	**8.46%**	**$1.44**	**$328.91**	**870,309**	**1,164,416**	**4,248,153**	**9,999,063**

Lease rates are on a triple-net basis.

NORTH ORANGE COUNTY

In the third quarter of 2026, the North Orange County industrial market consisted 4,089 buildings totaling 113,587,741 square feet, with an availability rate of 9.34%, which shows an increase from the previous quarter's figure of 9.64%.

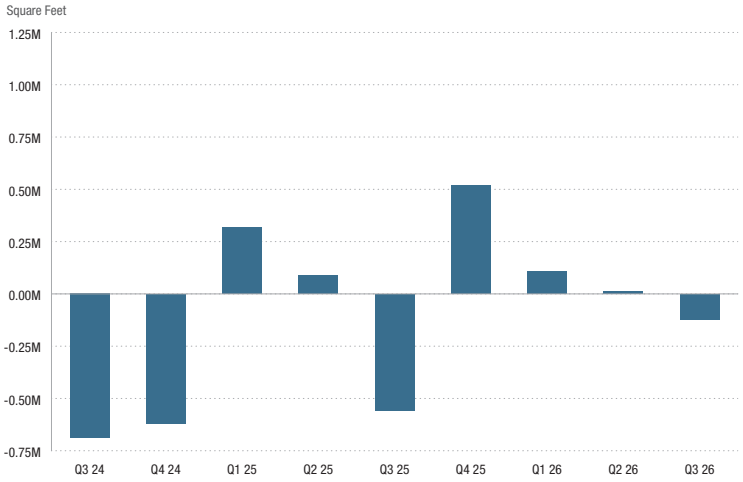
VACANCY & AVAILABILITY RATE



VACANCY: Total Vacant Space Divided by Total Existing Inventory

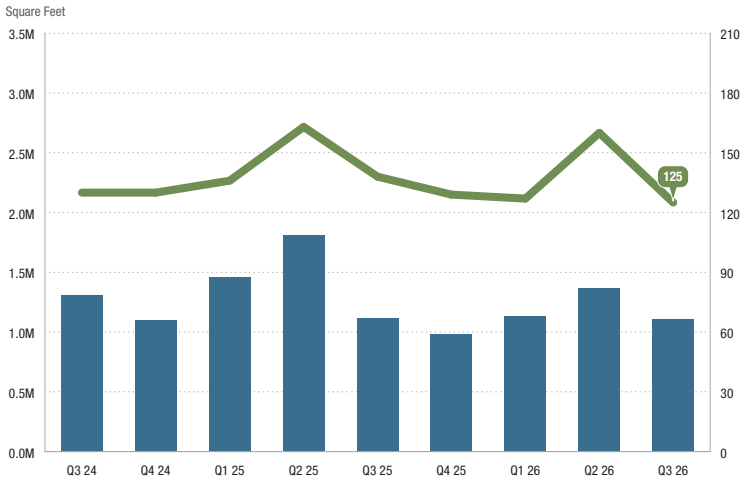
AVAILABILITY: Total Amount of Space that is Available whether Occupied, for Sublease, or Available at a Future Date

NET ABSORPTION



NET ABSORPTION: Changes in the Amount of Occupied Space from One Quarter to the Next

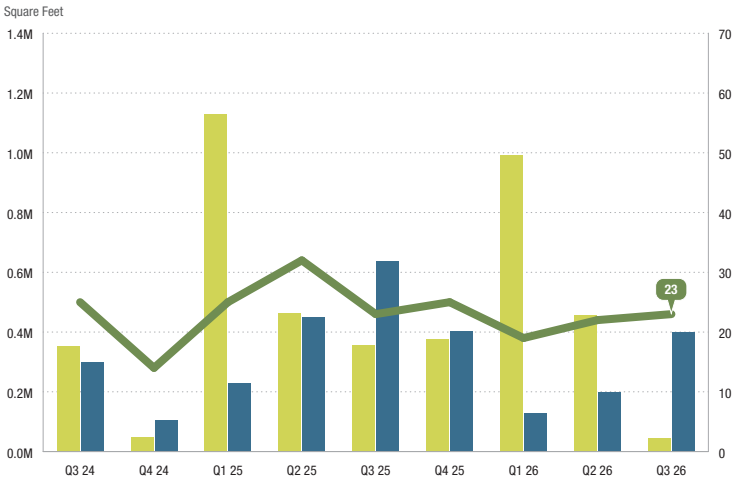
LEASE TRANSACTIONS



LEASED: Total Amount of Space that Leased in a Quarter

NUMBER OF TRANSACTIONS

SALES TRANSACTIONS



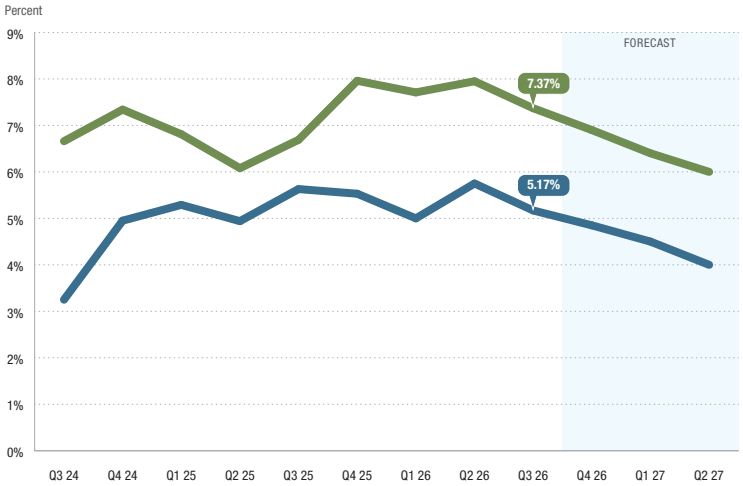
INVESTMENT SALES **USER SALES** **NUMBER OF TRANSACTIONS**

	INVENTORY				VACANCY & LEASE RATES						ABSORPTION			
	Number of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate Q3 2026	Square Feet Available	Availability Rate Q3 2026	Average Asking Lease Rate	Average Asking Sales Price	Net Absorption Q3 2026	Net Absorption 2026	Gross Absorption Q3 2026	Gross Absorption 2026
North Totals														
Less than 9,999	1,359	8,592,209	0	2,000	165,845	1.93%	290,448	3.38%	$1.37	$442.49	(2,941)	42,734	91,972	254,572
10,000-19,999	1,393	19,321,767	0	0	563,888	2.92%	791,332	4.10%	$1.32	$282.89	44,657	36,133	276,074	680,840
20,000-29,999	502	11,998,131	0	0	305,806	2.55%	527,627	4.40%	$1.39	$213.34	(13,242)	(76,296)	180,234	410,326
30,000-39,999	230	7,846,231	0	0	348,118	4.44%	416,724	5.31%	$1.45	$144.34	28,148	12,059	76,159	438,588
40,000-49,999	139	6,140,714	0	0	147,270	2.40%	191,172	3.11%	$1.22	$338.53	10,733	73,618	63,503	169,094
50,000-74,999	180	10,827,374	63,705	121,605	390,040	3.60%	682,419	6.30%	$1.35	$309.63	(105,921)	47,846	117,694	542,905
75,000-99,999	69	5,941,790	0	0	409,558	6.89%	623,736	10.50%	$1.28	$275.00	(97,340)	(159,523)	99,694	146,005
100,000-199,999	149	19,833,853	0	602,589	2,248,409	11.34%	2,920,695	14.73%	$1.34	$326.03	487,226	568,393	511,441	938,672
200,000 plus	68	23,085,672	0	213,572	2,295,497	9.94%	4,159,503	18.02%	$1.47	$0.00	(474,025)	(546,792)	401,833	451,211
Total	**4,089**	**113,587,741**	**63,705**	**939,766**	**6,874,431**	**6.05%**	**10,603,656**	**9.34%**	**$1.38**	**$293.63**	**(122,705)**	**(1,828)**	**1,818,604**	**4,032,213**

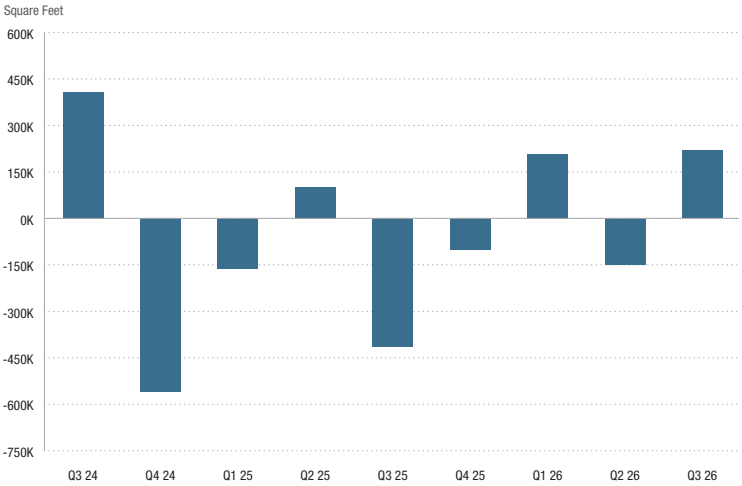
WEST ORANGE COUNTY

In the third quarter of 2026, the West Orange County industrial market consisted of 1,748 buildings totaling 40,384,749 square feet and had an availability rate of 7.37%, which shows a decrease from the previous quarter's figure of 7.95%.

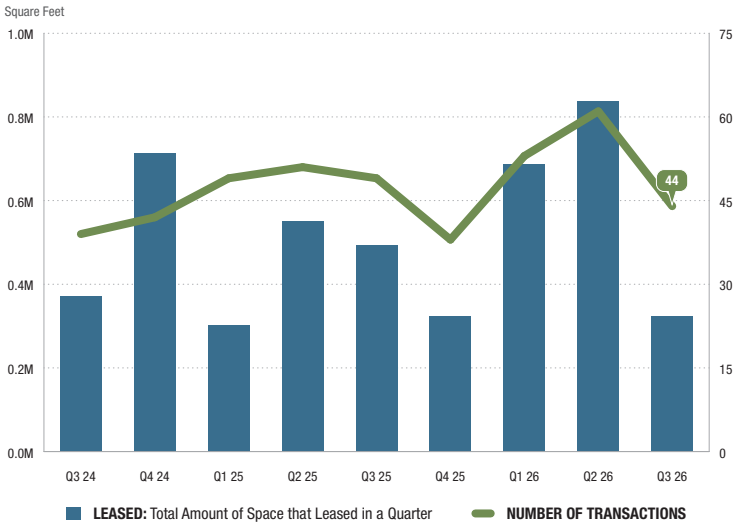
VACANCY & AVAILABILITY RATE



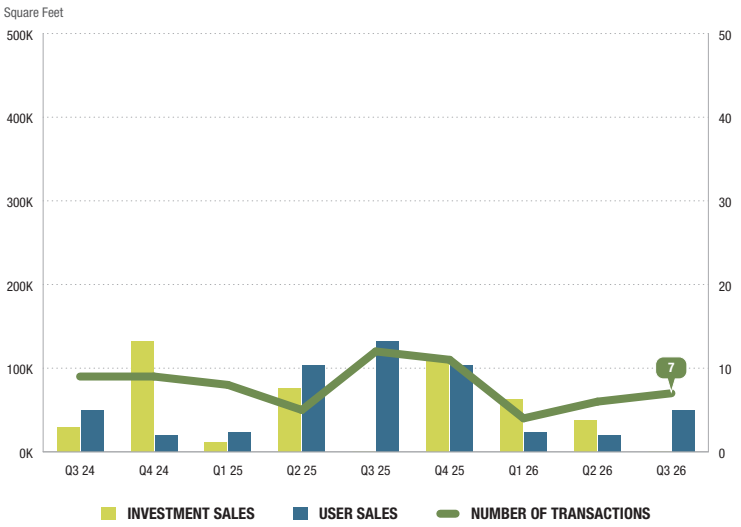
NET ABSORPTION



LEASE TRANSACTIONS



SALES TRANSACTIONS

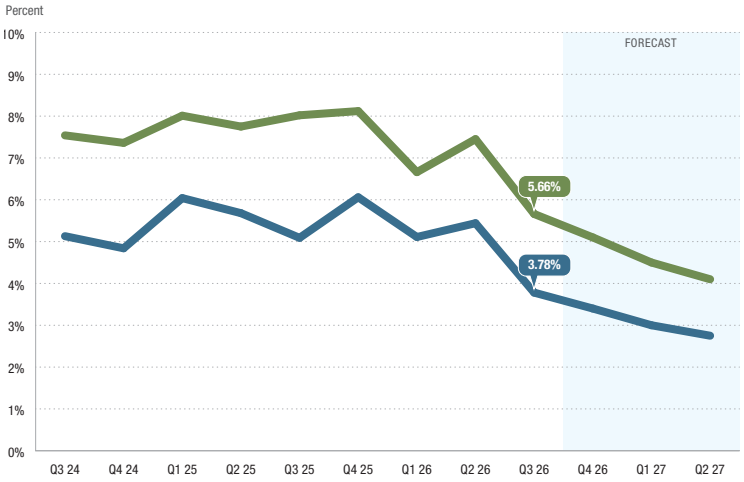


	INVENTORY				VACANCY & LEASE RATES						ABSORPTION			
	Number of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate Q3 2026	Square Feet Available	Availability Rate Q3 2026	Average Asking Lease Rate	Average Asking Sales Price	Net Absorption Q3 2026	Net Absorption 2026	Gross Absorption Q3 2026	Gross Absorption 2026
West Totals														
Less than 9,999	707	4,201,885	0	0	106,259	2.53%	143,266	3.41%	$1.68	$422.07	(27,602)	(31,185)	26,293	101,200
10,000-19,999	581	7,718,155	0	0	206,205	2.67%	301,594	3.91%	$1.48	$343.23	17,402	21,488	83,433	269,965
20,000-29,999	185	4,459,120	0	0	99,445	2.23%	150,032	3.36%	$1.64	$371.05	45,906	11,213	97,287	236,819
30,000-39,999	67	2,332,022	0	0	80,670	3.46%	100,223	4.30%	$1.20	$299.00	79,497	93,494	78,162	123,014
40,000-49,999	48	2,112,677	0	0	92,540	4.38%	46,644	2.21%	$1.44	$0.00	(46,644)	22,583	44,733	159,856
50,000-74,999	60	3,561,856	69,498	57,044	51,550	1.45%	51,550	1.45%	$1.27	$0.00	48,309	271,328	48,309	397,293
75,000-99,999	30	2,608,302	0	93,068	286,416	10.98%	374,923	14.37%	$1.55	$249.63	(61,153)	(51,193)	49,140	120,131
100,000-199,999	46	6,291,481	191,894	168,639	468,840	7.45%	554,766	8.82%	$1.26	$265.00	163,308	(178,827)	203,308	281,442
200,000 plus	24	7,099,251	0	0	695,983	9.80%	1,251,548	17.63%	$1.27	$0.00	0	118,728	0	223,406
Total	**1,748**	**40,384,749**	**261,392**	**318,751**	**2,087,908**	**5.17%**	**2,974,546**	**7.37%**	**$1.31**	**$325.92**	**219,023**	**277,629**	**630,665**	**1,913,126**

AIRPORT AREA

In the third quarter of 2026, the Airport Orange County industrial market consisted of 2,696 buildings totaling 61,080,617 square feet and had an availability rate of 5.66%, which shows a decrease from the previous quarter's figure of 7.45%.

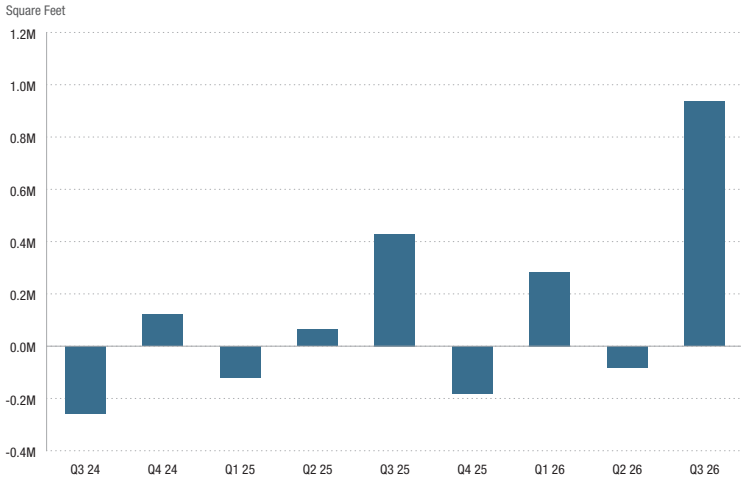
VACANCY & AVAILABILITY RATE



VACANCY: Total Vacant Space Divided by Total Existing Inventory

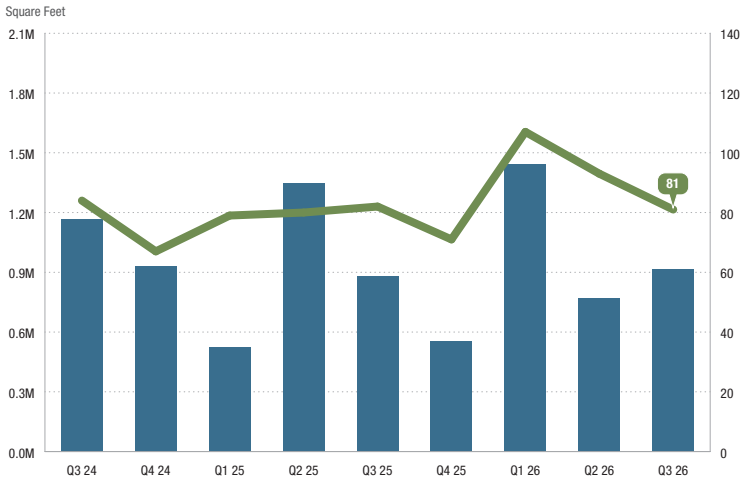
AVAILABILITY: Total Amount of Space that is Available whether Occupied, for Sublease, or Available at a Future Date

NET ABSORPTION



NET ABSORPTION: Changes in the Amount of Occupied Space from One Quarter to the Next

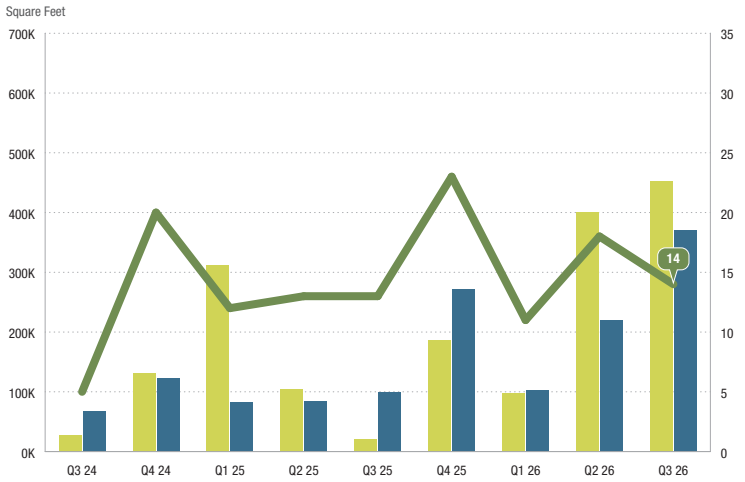
LEASE TRANSACTIONS



LEASED: Total Amount of Space that Leased in a Quarter

NUMBER OF TRANSACTIONS

SALES TRANSACTIONS



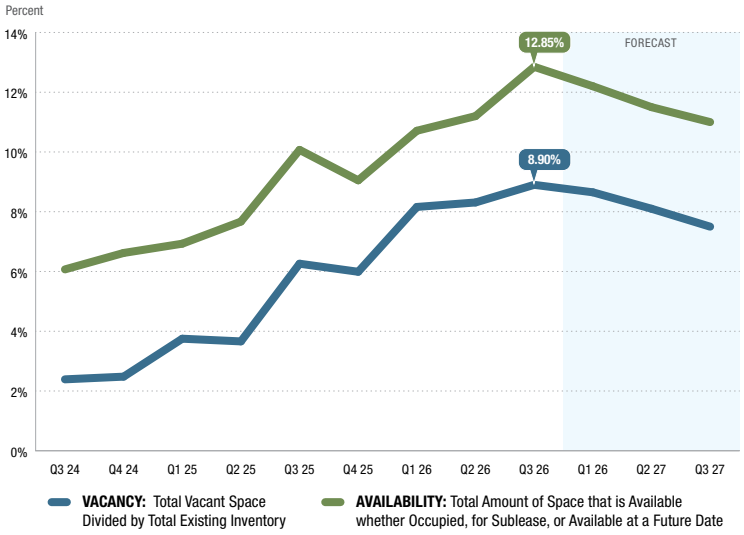
INVESTMENT SALES **USER SALES** **NUMBER OF TRANSACTIONS**

	INVENTORY				VACANCY & LEASE RATES						ABSORPTION			
	Number of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate Q3 2026	Square Feet Available	Availability Rate Q3 2026	Average Asking Lease Rate	Average Asking Sales Price	Net Absorption Q3 2026	Net Absorption 2026	Gross Absorption Q3 2026	Gross Absorption 2026
Airport Totals														
Less than 9,999	938	5,466,473	0	0	67,287	1.23%	145,758	2.67%	$1.90	$482.12	8,458	(417)	50,484	164,724
10,000-19,999	904	12,637,652	0	0	352,708	2.79%	570,506	4.51%	$1.69	$356.80	32,402	(84,433)	263,364	535,951
20,000-29,999	366	8,725,312	0	25,000	349,781	4.01%	431,352	4.94%	$1.46	$333.43	(18,441)	54,042	173,253	575,532
30,000-39,999	167	5,673,181	0	0	207,595	3.66%	410,716	7.24%	$1.43	$393.38	(74,175)	(12,181)	52,820	295,124
40,000-49,999	78	3,413,473	0	0	243,244	7.13%	243,244	7.13%	$1.79	$0.00	14,830	(24,325)	96,737	149,680
50,000-74,999	108	6,503,521	0	225,552	139,720	2.15%	376,091	5.78%	$1.50	$335.79	74,905	(39,248)	20,524	267,510
75,000-99,999	49	4,226,309	0	0	248,786	5.89%	375,013	8.87%	$1.45	$0.00	(64,122)	(129,274)	130,812	209,539
100,000-199,999	65	8,340,576	103,566	396,983	567,479	6.80%	675,939	8.10%	$1.39	$0.00	670,788	1,081,242	241,645	496,887
200,000 plus	21	6,094,120	0	0	132,735	2.18%	231,404	3.80%	$0.95	$0.00	291,950	291,950	426,666	559,169
Total	**2,696**	**61,080,617**	**103,566**	**647,535**	**2,309,335**	**3.78%**	**3,460,023**	**5.66%**	**$1.47**	**$369.92**	**936,595**	**1,137,356**	**1,456,305**	**3,254,116**

SOUTH ORANGE COUNTY

In the third quarter of 2026, the South Orange County industrial market consisted of 975 buildings totaling 26,393,002 square feet and had an availability rate of 12.85%, which shows a decrease from the previous quarter's figure of 11.20%.

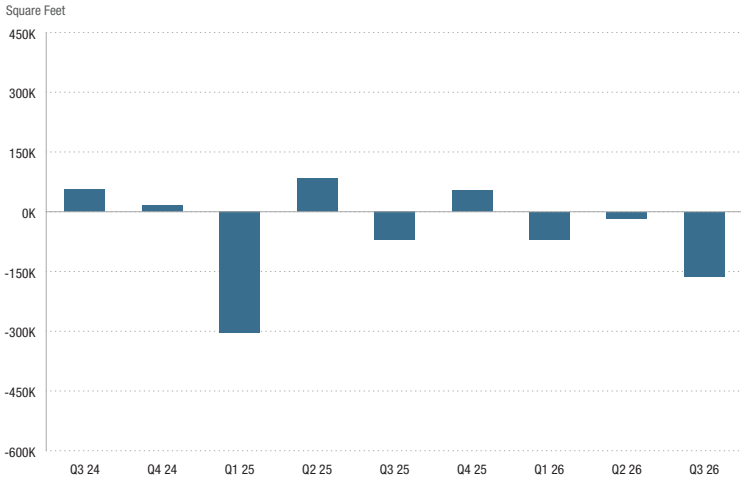
VACANCY & AVAILABILITY RATE



VACANCY: Total Vacant Space Divided by Total Existing Inventory

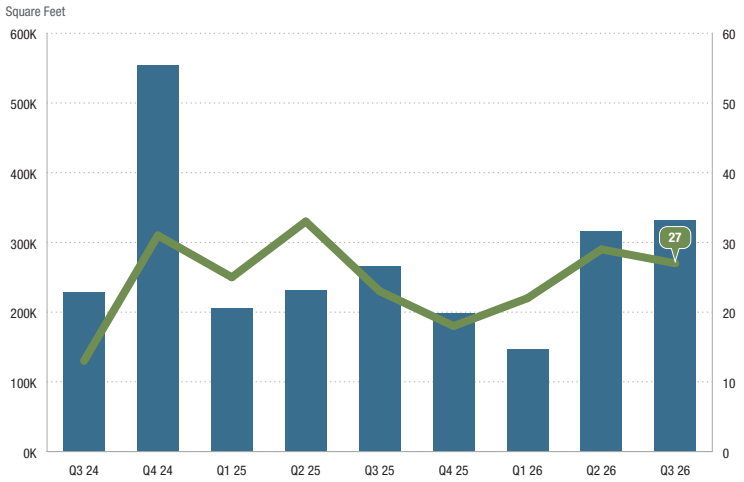
AVAILABILITY: Total Amount of Space that is Available whether Occupied, for Sublease, or Available at a Future Date

NET ABSORPTION



NET ABSORPTION: Changes in the Amount of Occupied Space from One Quarter to the Next

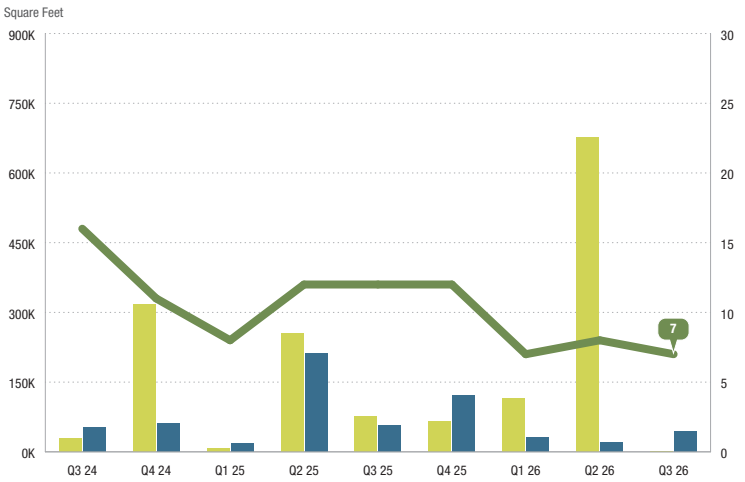
LEASE TRANSACTIONS



LEASED: Total Amount of Space that Leased in a Quarter

NUMBER OF TRANSACTIONS

SALES TRANSACTIONS



INVESTMENT SALES **USER SALES** **NUMBER OF TRANSACTIONS**

	INVENTORY				VACANCY & LEASE RATES						ABSORPTION			
	Number of Bldgs.	Net Rentable Square Feet	Square Feet U / C	Square Feet Planned	Square Feet Vacant	Vacancy Rate Q3 2026	Square Feet Available	Availability Rate Q3 2026	Average Asking Lease Rate	Average Asking Sales Price	Net Absorption Q3 2026	Net Absorption 2026	Gross Absorption Q3 2026	Gross Absorption 2026
South Totals														
Less than 9,999	375	2,335,914	0	0	44,721	1.91%	82,386	3.53%	$2.08	$414.88	12,879	15,900	52,843	127,803
10,000-19,999	281	4,013,320	0	0	97,249	2.42%	202,291	5.04%	$1.70	$251.73	(408)	(658)	41,205	124,723
20,000-29,999	133	3,186,191	0	23,892	123,096	3.86%	255,195	8.01%	$1.65	$258.11	41,883	2,640	31,424	94,560
30,000-39,999	53	1,791,282	0	0	80,750	4.51%	95,954	5.36%	$1.60	$492.17	(10,420)	10,507	0	53,757
40,000-49,999	28	1,251,781	0	0	3,505	0.28%	187,188	14.95%	$1.64	$410.00	(1,427)	(3,505)	1,427	8,180
50,000-74,999	34	2,040,776	0	72,816	98,489	4.83%	165,027	8.09%	$1.84	$519.00	11,490	9,090	18,640	18,640
75,000-99,999	21	1,837,701	0	90,000	324,999	17.69%	457,907	24.92%	$1.83	$508.92	(12,751)	(34,379)	9,600	117,636
100,000-199,999	33	4,434,722	0	147,965	870,903	19.64%	806,956	18.20%	$1.84	$0.00	(51,307)	(105,491)	176,640	176,640
200,000 plus	17	5,501,315	0	225,000	706,531	12.84%	1,138,077	20.69%	$1.57	$0.00	(152,543)	(142,845)	10,800	77,669
Total	**975**	**26,393,002**	**0**	**559,673**	**2,350,243**	**8.90%**	**3,390,981**	**12.85%**	**$1.71**	**$394.84**	**(162,604)**	**(248,741)**	**342,579**	**799,608**

OC Q3 26

THIRD QUARTER 2026 MARKET REPORT
ORANGE COUNTY INDUSTRIAL

Voit
REAL ESTATE SERVICES



Good Real Estate Still Wins

by Tom Terry
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After several years of exceptionally strong demand, rapidly rising rents and limited options for tenants, the market has become more balanced. Tenants have more choices, buyers are taking more time to evaluate opportunities, and owners are having to think more carefully about how their properties compete.

This isn't necessarily a bad thing. A more normalized market can be healthy for industrial real estate as it allows the differences between properties to become more apparent. When demand is at its peak, almost every functional property benefits. In a more balanced environment, location, freeway access, parking, loading, power, and overall usability matter more. The market begins to separate good real estate from everything else.

For owners, this is an opportunity to take a fresh look at their assets: What makes your building desirable to a tenant or buyer? Are there deficiencies that could make it harder to compete? And if you are going to invest in property, are you spending money on the improvements that matter most to users in the market? A good broker with a deep understanding of the market can help answer those questions and provide insight into how a property compares to competing buildings and what tenants and buyers are looking for.

Good real estate doesn't necessarily mean new real estate. An older industrial building in a superior location, with the right functionality, can be more valuable than a newer building that doesn't meet the needs of users. In Orange County, where land is limited and well located industrial properties are difficult to replace, those fundamentals matter.

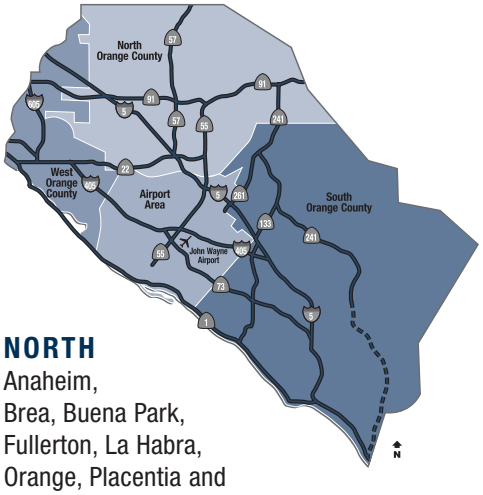
Markets will continue to move through cycles. Rents will rise and fall, demand will strengthen and soften, and buyer and tenant expectations will change. But one thing will remain constant: industrial land in Orange County is scarce. You cannot create more of it, and replacement costs are extremely high. That scarcity makes good industrial properties difficult to duplicate and supports their long-term value.

As the Orange County industrial market moves into a more normalized phase, those fundamentals may matter more than they have in years. The market may not lift every property equally anymore… and that's okay. For owners who understand what makes their real estate valuable, there is still plenty of opportunity. Good real estate still wins.

Product Type

MFG./DIST.
Manufacturing / Distribution / Warehouse facilities with up to 29.9% office space.

Submarkets



NORTH
Anaheim, Brea, Buena Park, Fullerton, La Habra, Orange, Placentia and Yorba Linda

WEST
Cypress, Garden Grove, Huntington Beach, La Palma, Los Alamitos, Seal Beach, Stanton and Westminster

AIRPORT
Costa Mesa, Fountain Valley, Irvine, Newport Beach, Santa Ana and Tustin

SOUTH
Aliso Viejo, Foothill Ranch, Irvine Spectrum, Laguna Hills, Laguna Niguel, Lake Forest, Mission Viejo, Rancho Santa Margarita, San Clemente and San Juan Capistrano

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This survey consists of properties representing both single tenant and multi-tenant buildings. The lease rates are based on a triple-net basis. The information contained in this report is gathered from sources that are deemed reliable, but no guarantees are made as to its accuracy. This information is for Voit Real Estate Services' use only and cannot legally be reproduced without prior written consent from the management of Voit Real Estate Services.

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