

Orange County

Office - Q3 2026

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Sizeable new leases and relocations drive leasing activity in Q3

Leasing activity in Orange County (OC) totaled 2.1 million square feet (msf) in Q3 2026, up 59.7% quarter over quarter and 44.6% year over year. Activity exceeded the five-year quarterly average of 1.6 msf, supported by several large transactions. Envista Holdings led the quarter with a 117,802-square-foot (sf) relocation in the Irvine Spectrum submarket. Another notable transaction was defense manufacturer Anduril Industries' 102,000-sf lease in the Airport Area. Anduril's continued expansion in OC reinforces broader growth in defense-sector leasing across Southern California. These sizable commitments signal renewed demand and tenants' willingness to make long-term real estate decisions.

Flight to quality drives rent growth as availability tightens

Orange County asking rents increased 2.1% quarter over quarter to \$2.89 per square foot (psf) per month, driven by the county's most sought-after submarkets. Class A asking rents increased 3.1% quarter over quarter, largely due to South County rents growing 6.2%. Airport Area asking rents ended Q3 at \$3.10 psf, increasing 5.0% year over year, led by Irvine Company raising rates at its buildings. In Newport Center, limited options are strengthening landlord leverage and driving rents higher, with current asking rents ranging from \$6.50 to \$8.00 psf and likely to increase further next year. With availability declining to 17.3%, down 130 basis points (bps) quarter over quarter and 330 bps year over year, competition for premium space is expected to intensify.

Sublease inventory continues to decline to pre-pandemic levels

Available sublease space ended Q3 2026 at 1.8 msf, down 28.3% year over year and relatively unchanged quarter over quarter. Sublease inventory declined across most submarkets, with the sharpest annual reductions in West County, the Airport Area and South County. Despite a quarterly increase in Irvine Spectrum, sublease space remains substantially below year-ago levels across the market. The decline has been driven in part by sublease expirations and tenants reclaiming space for their own occupancy.

KEY STATISTICS

	Q3 2025	Q3 2026	Y-O-Y
Inventory	81.1 msf	80.4 msf	-0.7 msf
Availability rate	20.6%	17.3%	-330 bps
Asking rental rate	\$2.80	\$2.89	+3.2%
Class A asking rental rate	\$2.96	\$3.12	+5.4%
Quarterly leasing activity	1.5 msf	2.1 msf	+0.6 msf
Available sublease space	2.4 msf	1.8 msf	-0.6 msf

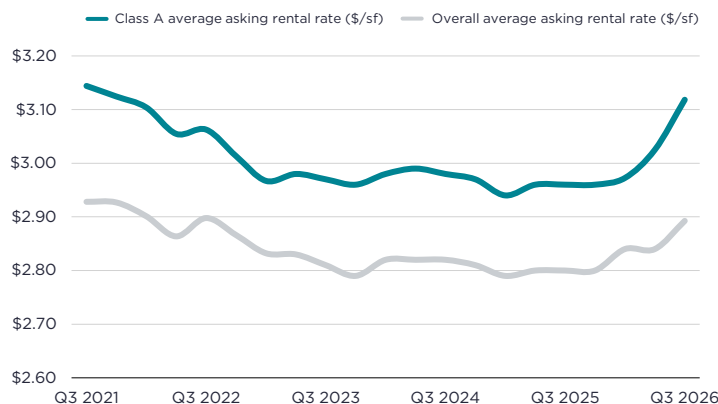
Note: Rents quoted are monthly

Outlook

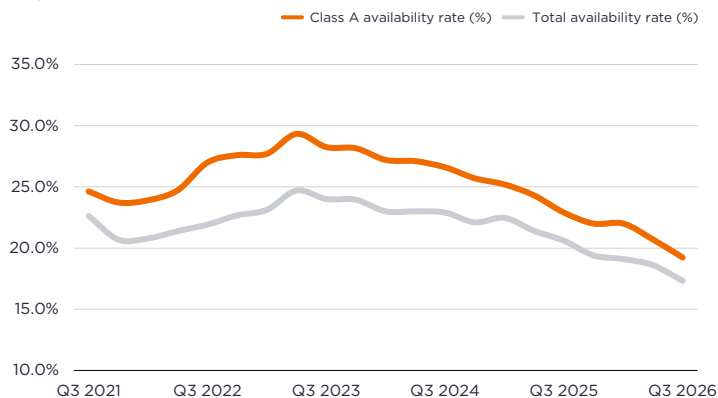
- 01** Limited new development and continued office conversions are expected to further reduce available supply.
- 02** Rent growth is anticipated to remain selective, with well-located, highly amenitized properties positioned to outperform older office product.

- 03** Improving leasing demand and fewer sublease options could gradually shift negotiating conditions as tenants compete for quality space.

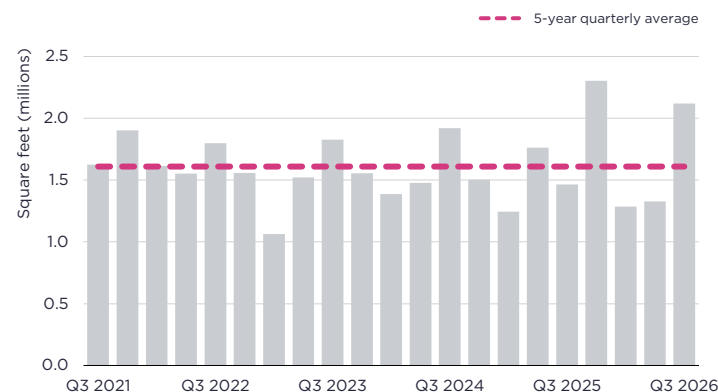
ASKING RENT



AVAILABILITY



LEASING ACTIVITY

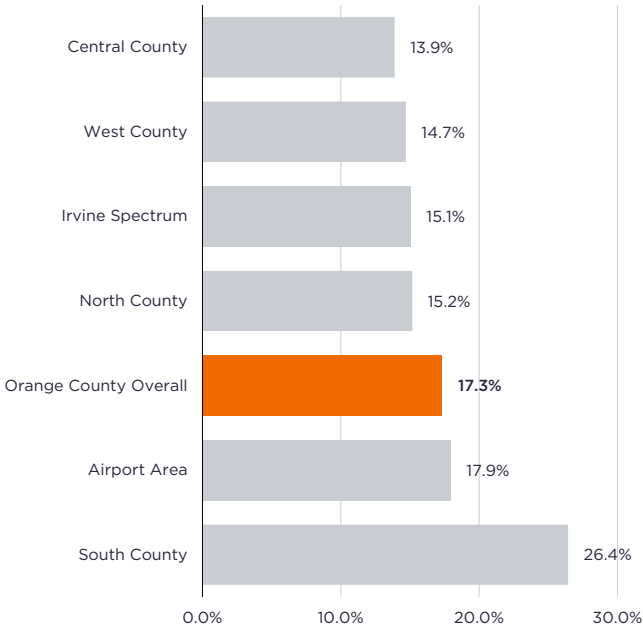


NOTABLE LEASES

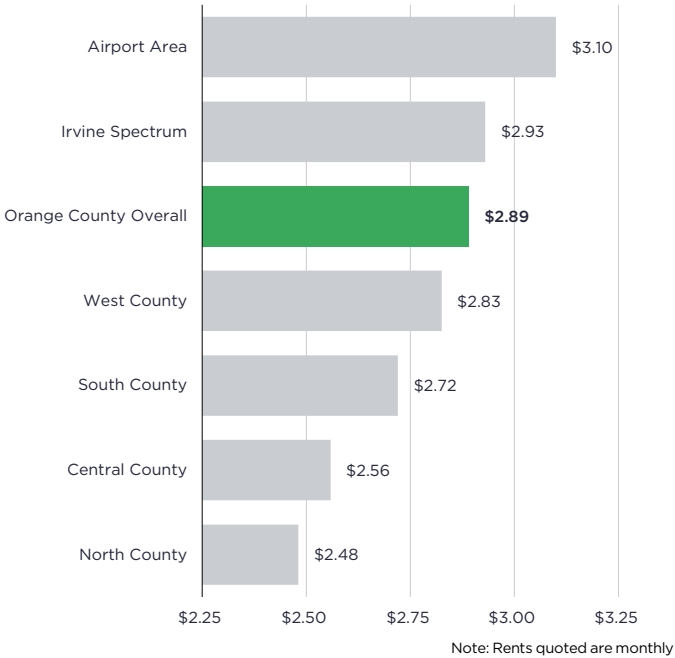
*Trophy building **Sublease

Tenant	Industry	Submarket	Address	Size (SF)	Transaction type
Envista Holdings	Healthcare	Irvine Spectrum	15360, 15370 Barranca Parkway and 100 Technology Drive	117,802	Relocation
Regional Center of Orange County	Associations & Nonprofits	West County	5701 Katella Avenue	108,153	Relocation
Anduril Industries	Manufacturing	Airport Area	4000 MacArthur Boulevard	102,000	New Location
Anduril Industries	Manufacturing	Airport Area	600 Anton Boulevard	70,640	New Location
National Services Group, LLC	Architecture, Engineering & Construction	Airport Area	3 Hutton Centre Drive	34,771	Relocation
Internal Revenue Services	Government	Central County	801 Civic Center Drive	32,967	Expansion
Marsh McLennan Agency LLC	Financial Services & Insurance	South County	250 Progress	32,819	Relocation
Mokri Vanis & Jones LLP	Legal Services	Airport Area	19540 Jamboree Road	28,412	Relocation
The Irvine Center of Innovation and Entrepreneurship	Government	Irvine Spectrum	510 Technology Drive	24,836	New Location
Premier Workspaces	Coworking	Irvine Spectrum	100 Spectrum Center Drive	24,460	Renewal

AVAILABILITY RATE COMPARISON (%)
ORANGE COUNTY SUBMARKETS



RENTAL RATE COMPARISON (\$/SF)
ORANGE COUNTY SUBMARKETS



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Unless otherwise noted, all rents quoted throughout this report are average asking gross (full service) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory. The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research. Copyright © 2026 Savills