



KOTT & CO.
REAL ESTATE

FOR SALE



7077 Orangetwood Avenue
Garden Grove, CA



KOTT & CO. REAL ESTATE

Exceptional opportunity to acquire a well-maintained two-story, multi-tenant office building in a prime Garden Grove location. This ±39,294 square foot property is situated on a generous 1.7-acre lot and features a highly desirable center courtyard design, providing an inviting and professional environment for tenants and visitors alike. Originally constructed in 1984, the building has undergone renovations and is in excellent condition, offering a strong blend of functionality and curb appeal. Ideal for investors or owner-users, this property presents a rare opportunity to own a quality office asset in a sought-after Orange County submarket.

OFFERED BY:

CASEY BROOKMAN

Sales Associate

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714-993-7005

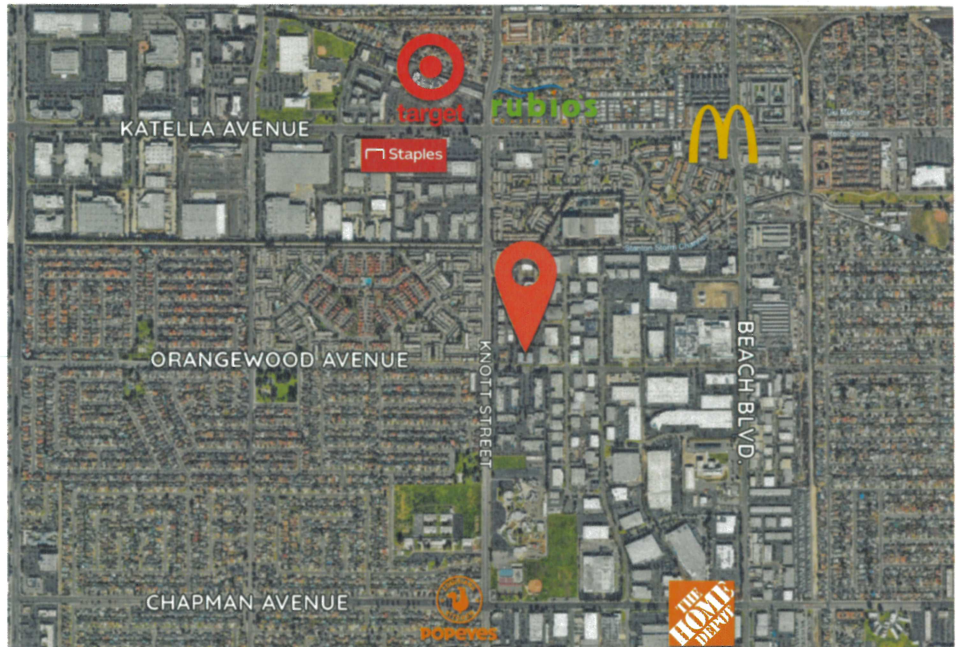
WALLY COURTNEY

Broker

DRE#00859144

wtcourtney@aol.com

714-772-0602

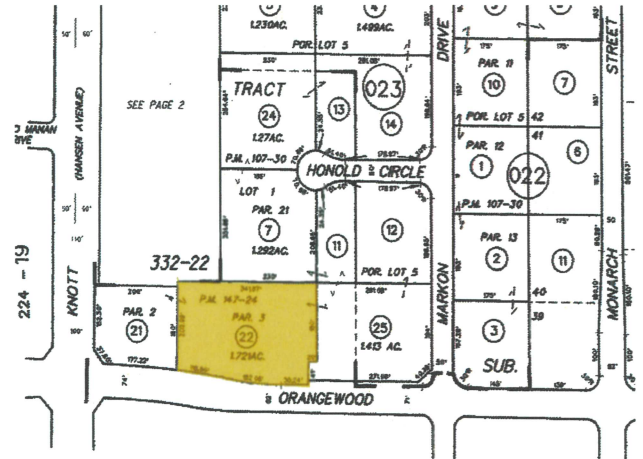




The Grove

\$9,500,000

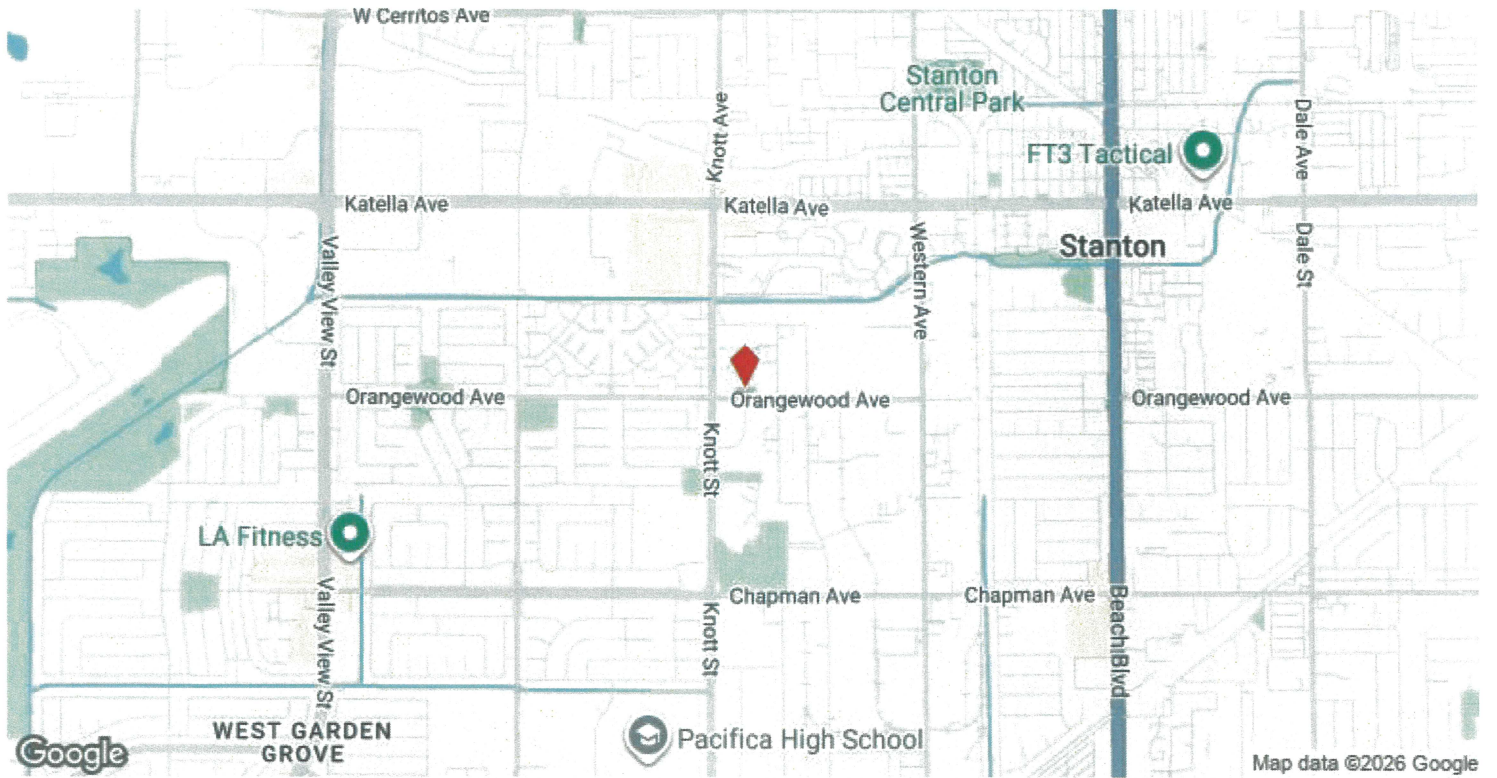
Partly leased office building available for Owner User and/or Investor. Excellent location with easy access to 22 Freeway....



Price:	\$9,500,000
Property Type:	Office
Property Subtype:	Loft/Creative Space
Building Class:	B
Sale Type:	Investment or Owner User
Lot Size:	1.70 AC
Gross Building Area:	39,294 SF
Rentable Building Area:	39,294 SF
Sale Conditions:	1031 Exchange
No. Stories:	2
Year Built:	1981
Tenancy:	Multi
Parking Ratio:	3.99/1,000 SF
Zoning Description:	PUD
APN / Parcel ID:	131-023-22

Property Photos

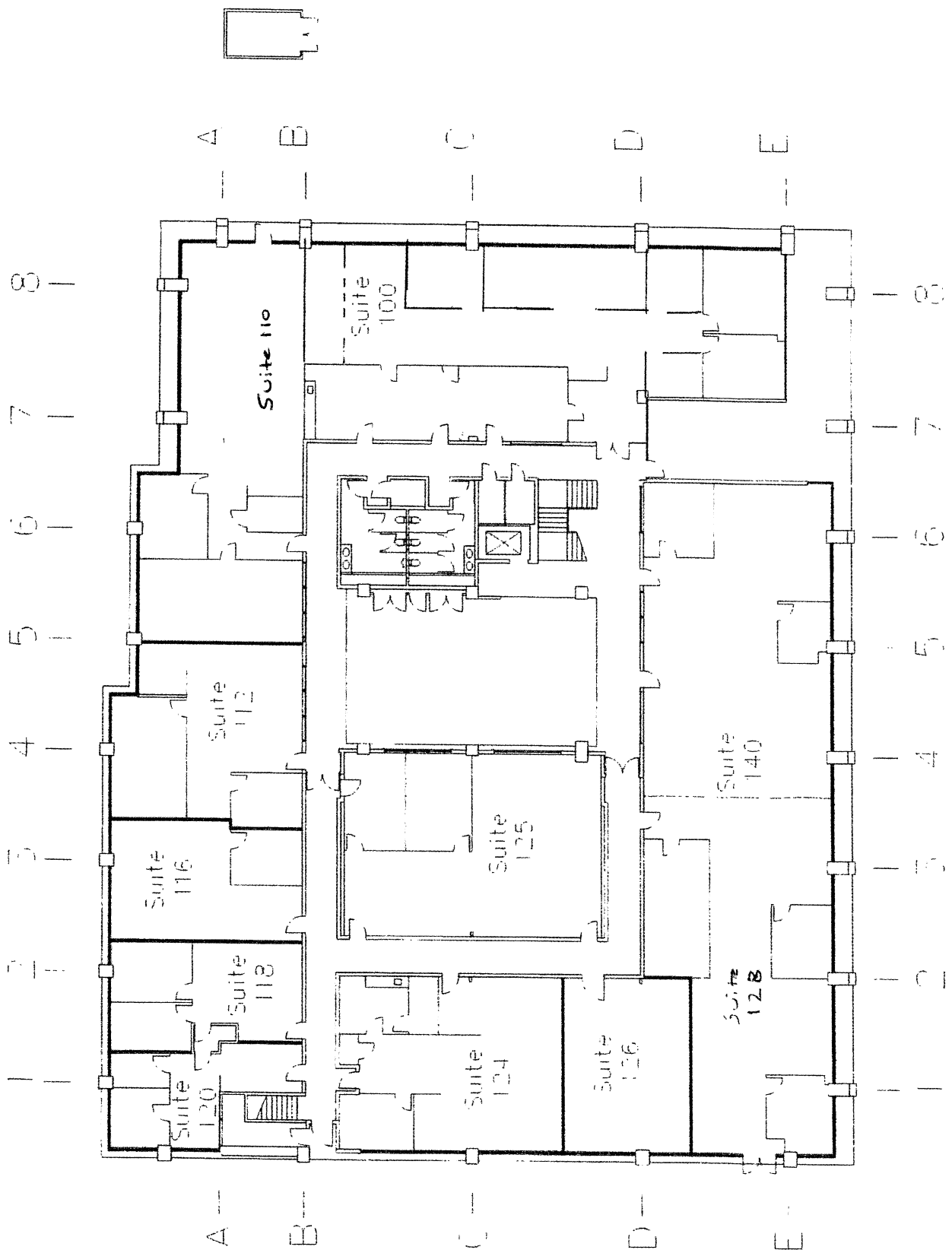




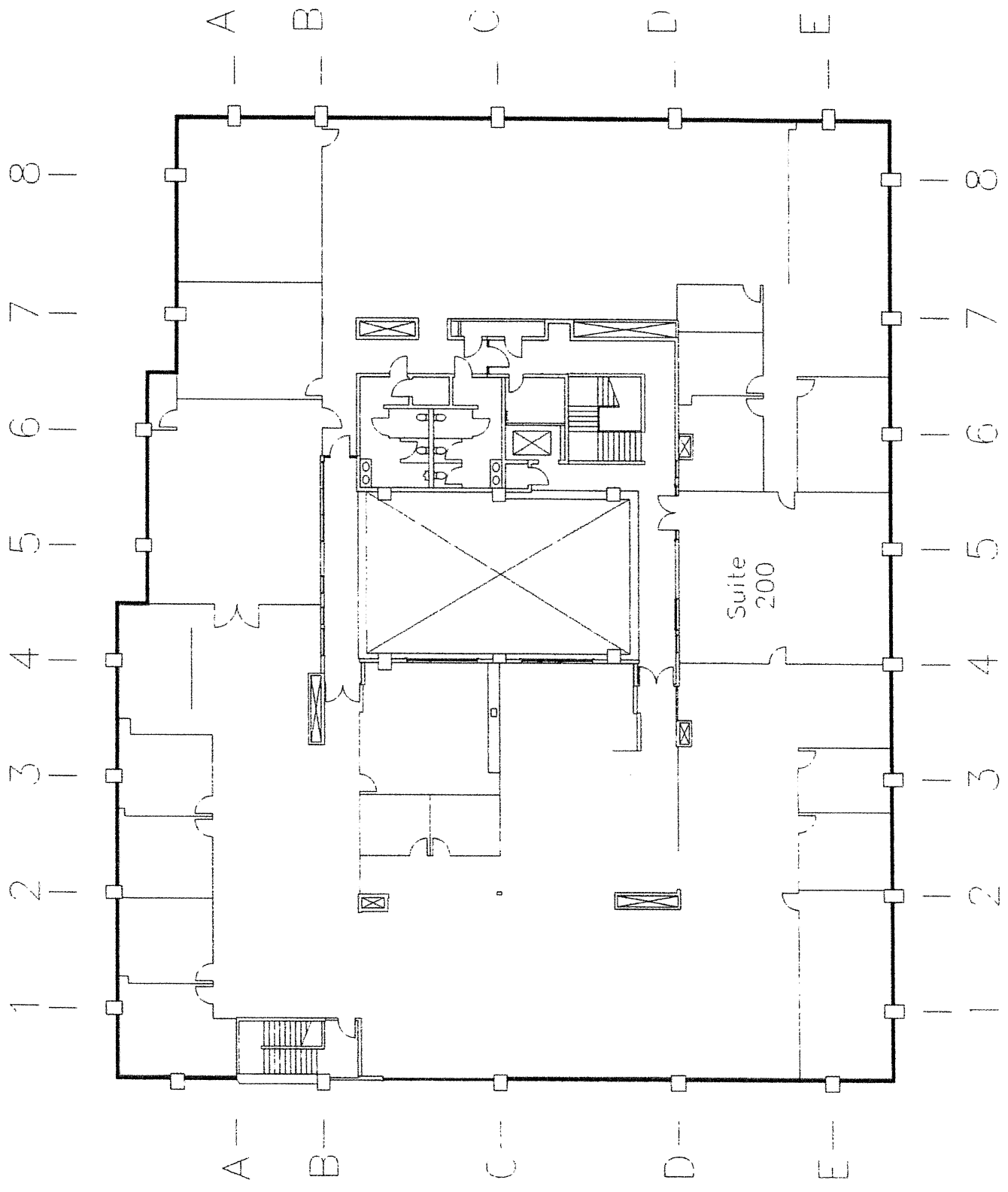
7077 Oranewood Ave, Garden Grove, CA 92841

RENT ROLL
7077 ORANGEWOOD AVE.
GARDEN GROVE, CA

Suite	Tenant	Start	Expiration	SQFT	Monthly Rent
110	Comm Action	7/15/20	9/30/26	2259	\$4,975
116	Tax/Training	5/1/26	7/31/29	890	\$1,646
118	Career Solution	8/1/25	7/31/26	776	\$1,435
120	APM Security	7/1/25	6/30/26	600	\$1,000
124	VTA Labs	11/1/25	10/31/30	2389	\$4,061
128	New Win Staffing	7/1/24	6/30/29	2655	\$4,556
140	Comm Action	10/15/18	4/20/26	2053	\$4,100



10077 Orangewood A - Floor 1
 10777 Orangewood Ave. Burmen, Irvine, CA 92644.





DAYTON ASSOCIATES -
 ARCHITECTS
 2000 SILVER LANE
 NEWPORT BEACH, CA 92660
 (949) 441-1717 FAX: (949) 441-1718

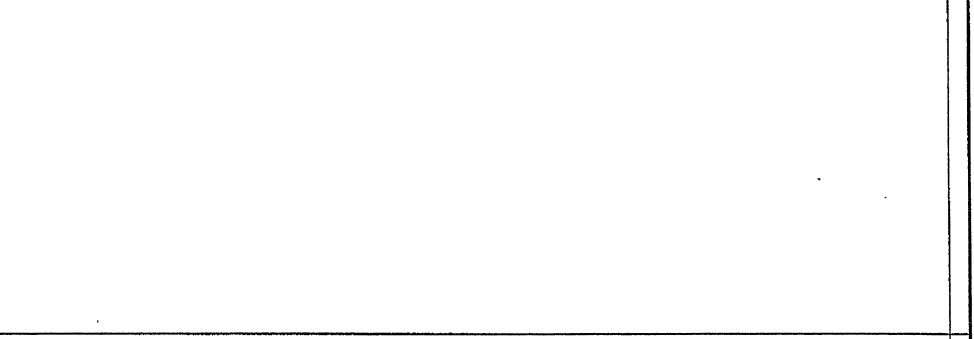
PRELIMINARY SECOND FLOOR PLAN
 FOR
 MAUDE-CORONA OFFICE BUILDING
 7077 GRANDEMWOOD AVENUE
 GARDEN GROVE, CA 92841

SHEET DESCRIPTION:		JOB NUMBER: DM22115	
DATE	DESCR.	REV.	DATE
09/07/23			

DATE:	09/07/23
DRAWN BY:	
CHECKED BY:	
SHEET:	A-1
OF SHEETS:	9

PRELIMINARY SECOND FLOOR PLAN NOTES:

1. THIS PLAN IS A PRELIMINARY DESIGN AND IS SUBJECT TO CHANGE WITHOUT NOTICE.
2. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
3. ALL WALLS ARE 1/2" THICK UNLESS OTHERWISE NOTED.
4. ALL DOORS ARE 36" WIDE UNLESS OTHERWISE NOTED.
5. ALL WINDOWS ARE 60" WIDE UNLESS OTHERWISE NOTED.
6. ALL FLOOR FINISHES ARE AS SHOWN UNLESS OTHERWISE NOTED.
7. ALL CEILING FINISHES ARE AS SHOWN UNLESS OTHERWISE NOTED.
8. ALL LIGHT FIXTURES ARE AS SHOWN UNLESS OTHERWISE NOTED.
9. ALL MECHANICAL AND ELECTRICAL SYSTEMS ARE AS SHOWN UNLESS OTHERWISE NOTED.
10. ALL MATERIALS AND FINISHES ARE AS SHOWN UNLESS OTHERWISE NOTED.
11. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA BUILDING CODE AND ALL APPLICABLE ORDINANCES.
12. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA MECHANICAL AND ELECTRICAL CODES.
13. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA PLUMBING AND PIPEFITTERS CODES.
14. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA FIRE AND SAFETY CODES.
15. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA LANDMARK PRESERVATION ACT.
16. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA HISTORIC PRESERVATION ACT.
17. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA ANTI-CORRUPTION ACT.
18. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA SUSTAINABLE BUILDING ACT.
19. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA ACCESSIBILITY ACT.
20. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA EMPLOYMENT RELATIONS ACT.
21. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA LABOR RELATIONS ACT.
22. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA WAGE AND HOUR ACT.
23. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA UNEMPLOYMENT INSURANCE ACT.
24. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA SOCIAL SECURITY ACT.
25. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA PENSION AND RETIREMENT ACT.
26. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA LABORERS' ORGANIZATION ACT.
27. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA LABORERS' UNION ACT.
28. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA LABORERS' CONTRACT ACT.
29. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA LABORERS' AGREEMENT ACT.
30. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA LABORERS' PACT ACT.



PROPOSED DIVISIONS
 PRELIMINARY SECOND FLOOR PLAN

SCALE: 1/8" = 1'-0"

Lease Comps Summary

7077 Orangewood Ave - The Grove

Deals

Gross Asking Rent Per SF

Gross Starting Rent Per SF

Avg. Months On Market

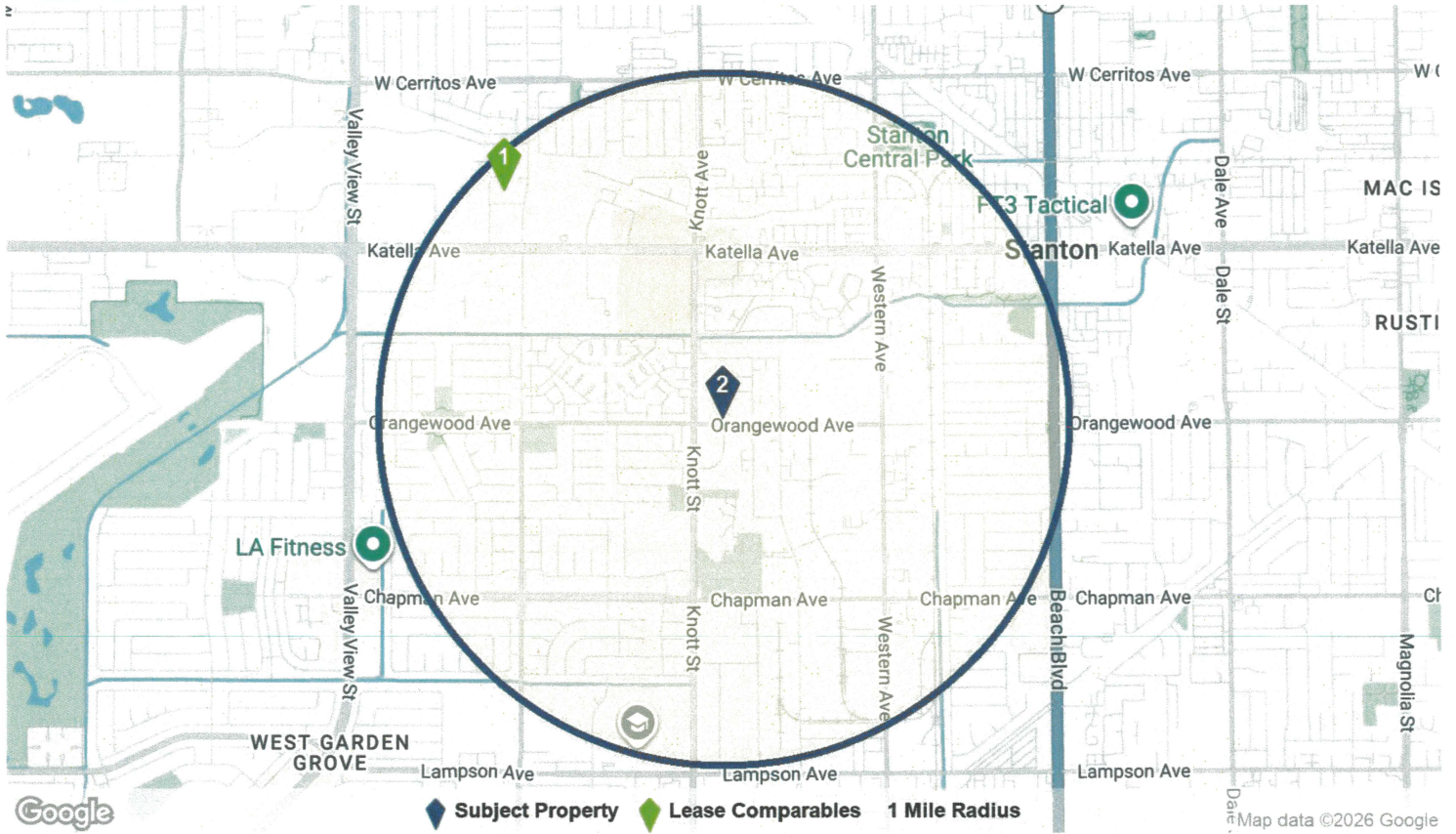
5

\$1.89

-

20

LEASE COMPARABLES



SUMMARY STATISTICS

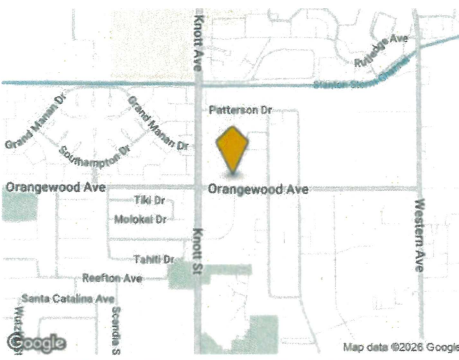
Rent	Deals	Low	Average	Median	High
Gross Asking Rent Per SF	5	\$1.85	\$1.89	\$1.85	\$1.95
Gross Starting Rent Per SF	-	-	-	-	-
Gross Effective Rent Per SF	-	-	-	-	-
Asking Rent Discount	-	-	-	-	-
TI Allowance	-	-	-	-	-
Months Free Rent	-	-	-	-	-

Lease Attributes	Deals	Low	Average	Median	High
Months on Market	5	5	20	9	53
Deal Size	5	600	1,530	1,376	3,289
Deal in Months	-	-	-	-	-
Floor Number	5	1	1	1	2

Lease Comps Details

7077 Orangewood Ave - The Grove

2 **7077 Orangewood Ave - The Grove**
Garden Grove, CA 92841 - Garden Grove Submarket



LEASE	
SF Leased:	1,517 SF
Sign Date:	Oct 2025
Space Use:	Office
Lease Type:	Direct
Floor:	1st Floor
Suite:	124

RENTS	
Asking Rent:	\$1.85/FS

CONCESSIONS AND BUILDOUT	
Buildout:	Financial Services
Buildout Status:	Full Build-Out
Space Condition:	Excellent

LEASE TERM	
Start Date:	Nov 2025

TIME ON MARKET	
Date On Market:	Jul 2023
Date Off Market:	Oct 2025
Months on Market:	28 Months

TIME VACANT	
Date Vacated:	Aug 2023
Date Occupied:	Nov 2025
Months Vacant:	27 Months

LEASING REP
Kott & Company, Inc.
1225 W Lincoln Ave
Anaheim, CA 92805-3547
Wally Courtney (714) 772-0602

MARKET AT LEASE

Vacancy Rates	2025 Q4	YOY
Current Building	69.4%	▲ 7.3%
Submarket 1-3 Star	4.7%	▼ -0.2%
Market Overall	11.8%	▼ -0.6%

Same Store Asking Rent/SF	2025 Q4	YOY
Current Building	\$1.92	▲ 0.3%
Submarket 1-3 Star	\$2.32	▲ 0.7%
Market Overall	\$2.88	▲ 1.9%

Submarket Leasing Activity	2025 Q4	YOY
12 Mo. Leased SF	51,582	▼ -34.2%
Months On Market	12.5	▲ 4.0

PROPERTY	
Property Type:	Office
Status:	Built 1981
Tenancy:	Multi
Class:	B
Parking:	151 Surface Spaces...
Rentable Area:	39,294 SF
Stories:	2
Floor Size:	19,647 SF
Vacancy at Lease:	69.4%
Land Acres:	1.70



Sale Comps

7077 Oranewood Ave - The Grove

39,294 SF Office Building

PREPARED BY



Wally Courtney
Broker



Investment Trends

7077 Orangewood Ave - The Grove

Sale Comparables

17

Avg. Cap Rate

7.5%

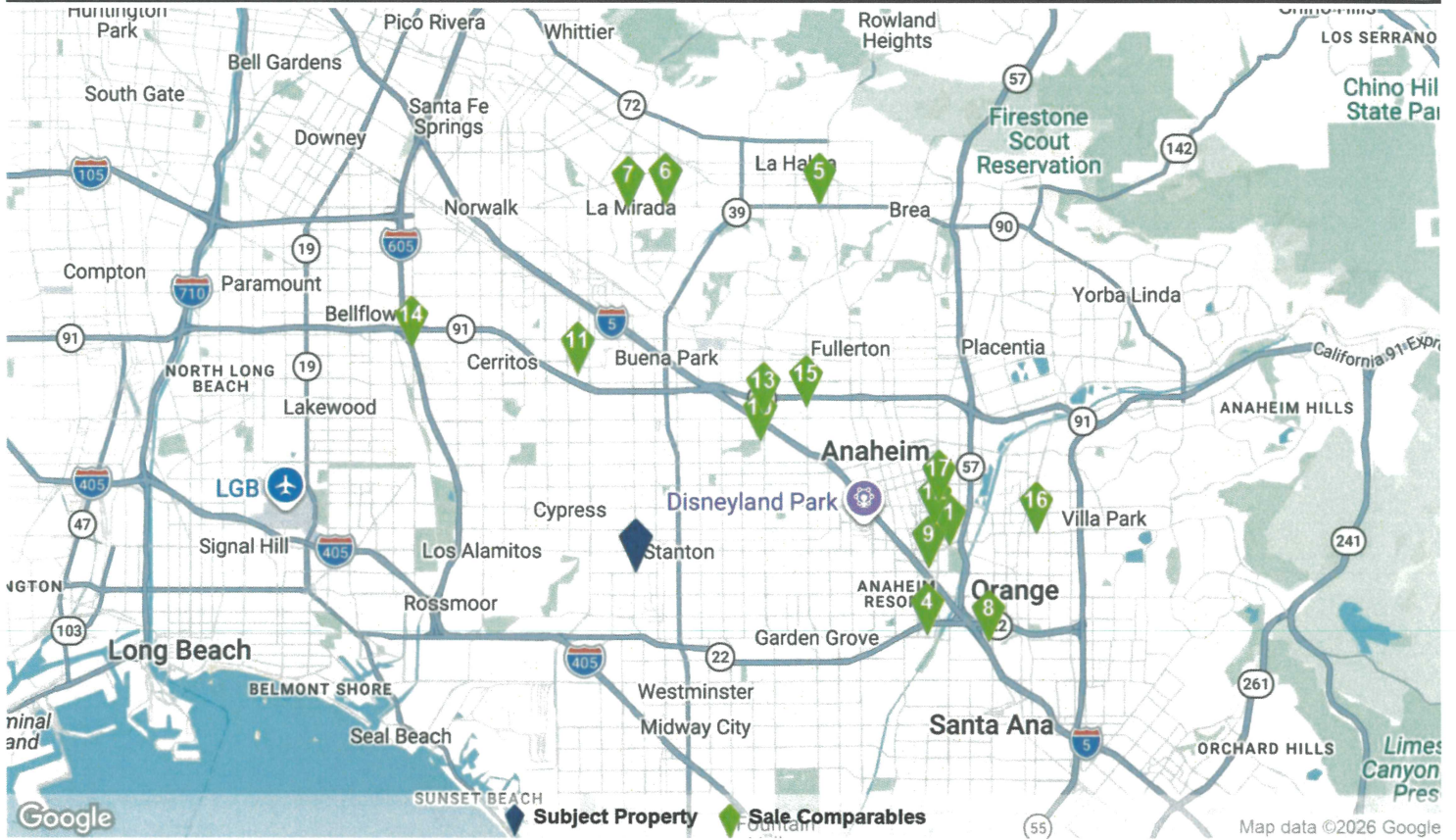
Avg. Price/SF

\$218

Avg. Vacancy At Sale

13.7%

SALE COMPARABLES LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$5,200,000	\$7,590,618	\$6,512,000	\$15,150,000
Price/SF	\$125	\$218	\$219	\$367
Cap Rate	3.3%	7.5%	7.6%	9.5%
Time Since Sale in Months	1.8	10.4	10.3	18.9
Property Attributes	Low	Average	Median	High
Building SF	20,971	34,758	31,348	69,032
Stories	1	2	2	5
Typical Floor SF	11,900	15,927	14,920	22,271
Vacancy Rate At Sale	0%	13.7%	0%	100%
Year Built	1972	1980	1980	1987
Star Rating	★★★★★	★★★★★ 2.5	★★★★★	★★★★★

ORANGE COUNTY RENT TRENDS

Corporate tenants have gravitated toward premier 5 Star buildings that offer a strong amenity base and a prime location. Meanwhile, as availability remains elevated in 4 Star buildings, owners are signing deals at starting rents 5% below peak pre-pandemic levels on average and are still granting generous lease concessions to balance immediate leasing needs.

The year-over-year change in marketwide asking rent measures 1.3% as of 2026Q2, compared to the national growth rate of 1.9%. Average 4 & 5 Star asking rents register a year-over-year change of 3.4%, approaching \$3.20/SF, full service, while contract starting rents have been rather stable over the past three years, trending around \$2.80/SF.

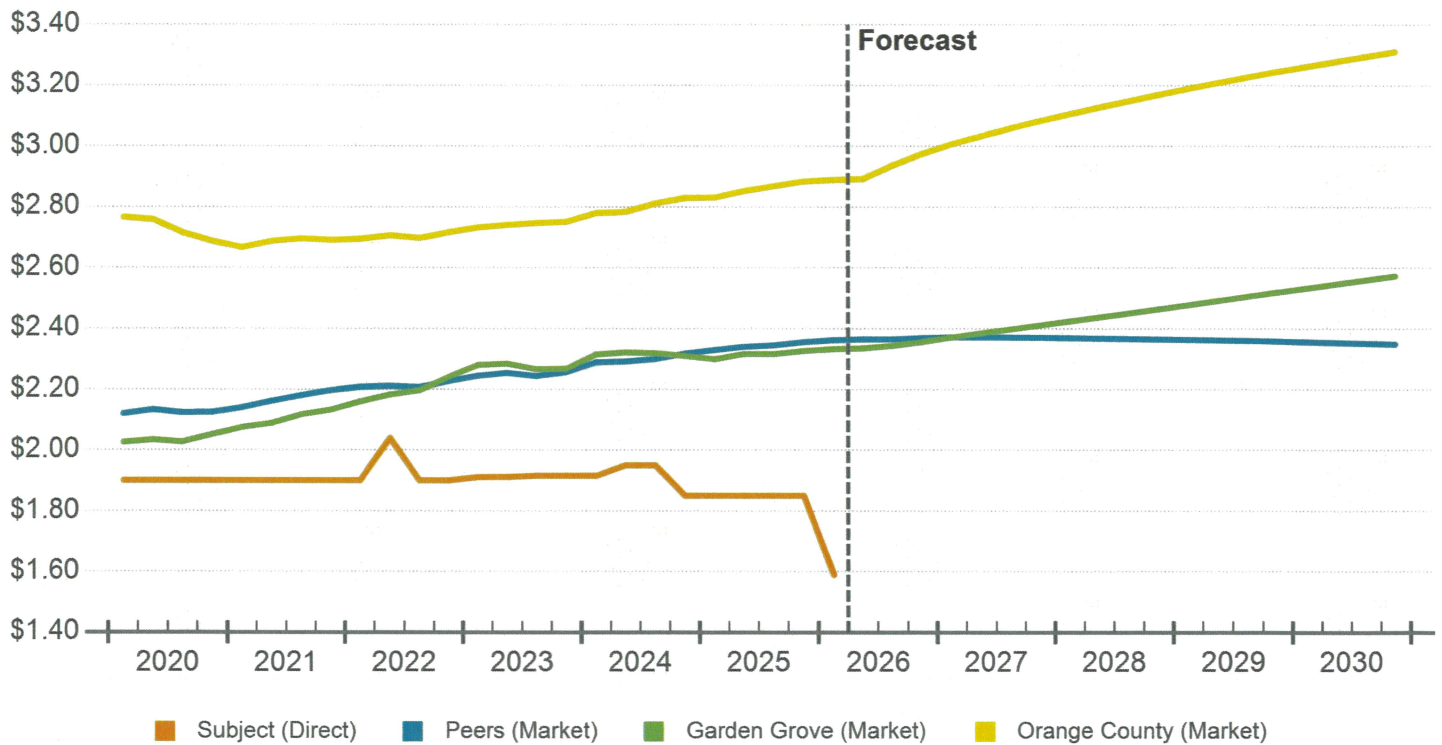
Availability is still more limited in buildings rated as mid-to lower-quality, due to their smaller size, often being freestanding with private access and surface parking, situated in well-amenitized campus environments, and benefiting from supply reductions through demolition. Starting rents for 3 Star buildings are up around 5% post-

pandemic at over \$2.50/SF, and rents for 1 & 2 Star buildings are nearly 10% higher, exceeding \$2.20/SF. The difference in costs between lower and higher quality inventory has compressed.

Overall rent levels currently average \$28.01/SF, full service or around \$2.90/SF monthly, and typically range up to \$4.20/SF, full service, on the high end. New buildings in Irvine Company's Spectrum Terrace and Innovation Office Park developments are listed at \$3.75/SF, triple-net, with operating expenses typically ranging from \$1.00/SF to \$1.25/SF.

According to market participants, fit-out costs for high-end modern office space have soared to roughly \$175/SF. On average, tenant improvement allowances provided by landlords for all leases have increased to roughly \$40/SF, and some of the more aggressive landlords are offering up to 1.5 months free per year to attract tenants. Some owners are unable to fund tenant improvements, preventing some tenants from moving into vacant buildings.

GROSS ASKING RENT PER SQUARE FOOT



ORANGE COUNTY VACANCY OVERVIEW

Demand for office space in Orange County is rising at a solid pace. Gross tenant move-outs slowed to a post-pandemic low of 2.1 million SF in 2026 Q1, while move-ins totaled 2.5 million SF, netting approximately 400,000 SF in occupancy expansion. That follows nearly 700,000 SF in positive net absorption in Q4, its highest tally in over a decade.

The robust recent absorption was driven by manufacturing companies, particularly Hyundai and Anduril Industries, which have leased more office space for expansion as they deepen manufacturing operations in the market. Anduril took control of several office buildings and industrial facilities.

Medical users are also active, driving much of the recent positive absorption. OC Health Care Agency opened a new 68,000 SF building in Irvine, and UCI Health moved into 92,000 SF of office space across three floors at Stadium Gateway in Anaheim in Q4. Kaiser opened a new 43,000 SF medical office building in Aliso Viejo in Q1. Traditional finance, insurance, and real estate tenants are also driving broad-based demand recovery. DK Law Group opened a 57,000 SF office in Costa Mesa in Q1.

Vacancy dropped notably in the past two quarters and measures 11.5% as of 2026Q2, down from a 13.5% peak in 2023. Much of the downturn is attributable to the burn off of unutilized space listed for sublease, which has declined to just 1.5% of inventory, recently falling below

pre-pandemic levels and comparing favorably to the national average. Many 4 Star buildings were vacated during the pandemic-induced downturn from 2020-23, but with tenants refilling vacated high-rise towers, 4 & 5 Star vacancy has declined from nearly 22% to its current rate of 18.0%.

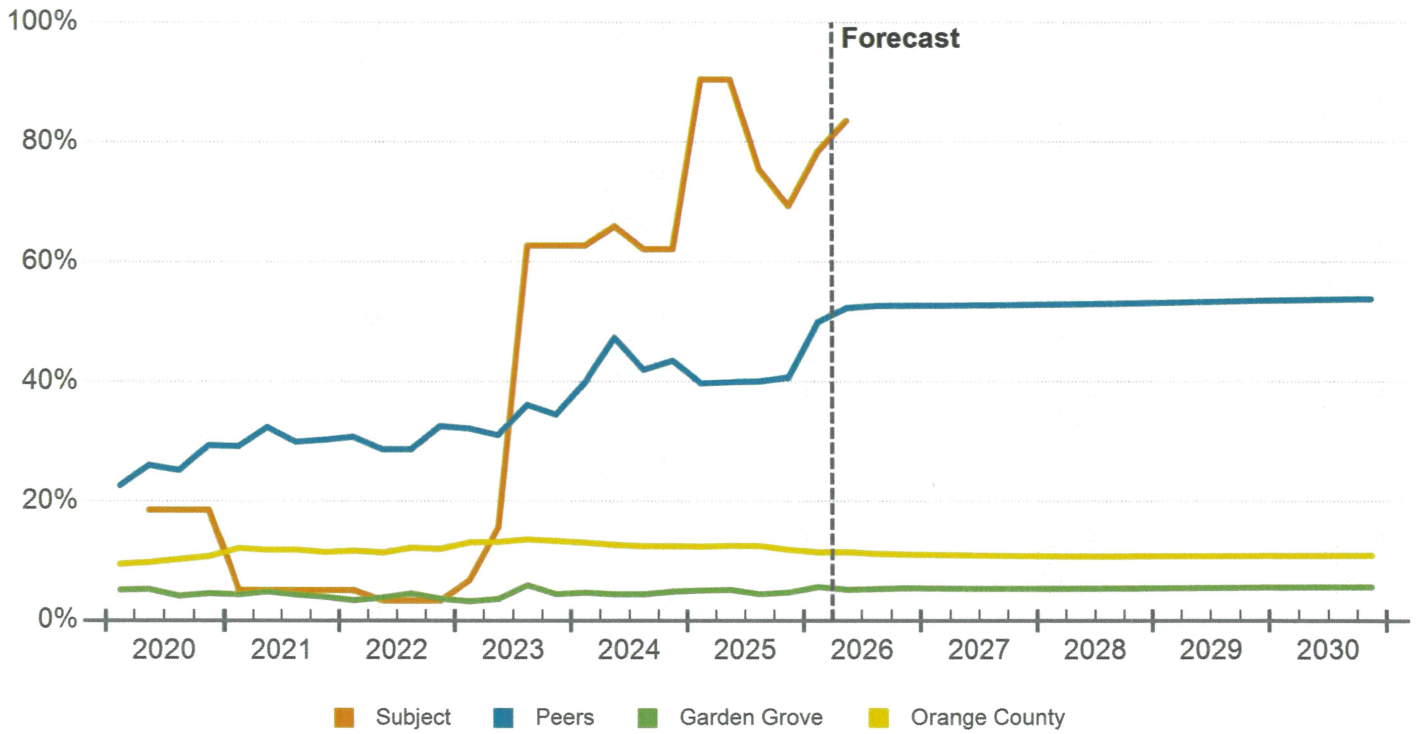
Building demolitions and owner/user purchases have also reduced the market's leasable space. Since the beginning of 2020, users have acquired 6.6 million SF of supply while divesting just 3.1 million SF, expanding owner-occupancy in the market by over 3.5 million SF, accounting for over 2% of total supply. Over 3% of office inventory has been sold for redevelopment. Obsolete suburban office campuses, particularly in North County and Irvine, are being redeveloped for industrial use. As a result, the supply overhang is shrinking, and the market is better positioned for stabilization.

Geographically, vacancy is most compressed, running in the single digits in many suburban North County areas and Coastal South County areas that generally lack large office towers. Vacancy measures around the market average of 11.5% in Irvine Spectrum, which boasts newer inventory, and in Newport Beach, which houses premier buildings in desirable locations. Due to downsizing corporate tenants from 2020-23, vacancy is higher in large, centrally located office submarkets, including Irvine/Tustin near the airport, Santa Ana, and Costa Mesa.

Vacancy Analytics

7077 Orangewood Ave - The Grove

VACANCY RATE



VACANCY RATE

	Subject		Peers		Garden Grove		Orange County	
	Vacancy	Trend (YOY)	Vacancy	Trend (YOY)	Vacancy	Trend (YOY)	Vacancy	Trend (YOY)
2020	18.5%	0%	29.3%	5.8%	4.5%	0.2%	10.7%	1%
2021	5.1%	-13.4%	30.2%	0.9%	4.0%	-0.6%	11.4%	0.7%
2022	3.3%	-1.7%	32.5%	2.3%	3.7%	-0.3%	12.0%	0.5%
2023	62.7%	59.4%	34.5%	1.9%	4.4%	0.8%	13.3%	1.3%
2024	62.1%	-0.6%	43.4%	9%	4.9%	0.4%	12.4%	-0.8%
2025	69.4%	7.3%	40.6%	-2.8%	4.7%	-0.2%	11.8%	-0.6%
YTD	-	-69.4%	-	-40.6%	5.2%	0.5%	11.4%	-0.4%
2026	Forecast >		52.6%	12%	5.4%	0.7%	11.0%	-0.8%
2027			52.8%	0.1%	5.3%	0%	10.8%	-0.2%
2028			53.1%	0.3%	5.4%	0.1%	10.8%	0%
2029			53.5%	0.4%	5.6%	0.1%	10.8%	0%
2030			53.8%	0.3%	5.6%	0.1%	10.9%	0.1%

Investment Trends

7077 Oranewood Ave - The Grove

Property Name - Address	Rating	Property			Sale			
		Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 Stadium Towers 2300 E Katella Ave	★★★★★	1986	69,032	14.3%	3/11/2026	\$15,150,000	\$219	8.6%
2 26 Centerpointe Dr	★★★★★	1985	22,271	0%	1/16/2026	\$6,512,000	\$292	7.6%
3 24 Centerpointe Dr	★★★★★	1985	20,971	0%	1/16/2026	\$5,868,500	\$280	7.6%
4 3707 W Garden Grove Blvd	★★★★★	1987	26,405	26.5%	12/2/2025	\$9,700,000	\$367	-
5 901 E Imperial Hwy	★★★★★	1980	31,348	49.1%	10/17/2025	\$6,000,000	\$191	-
6 Imperial Medical Plaza 15651 Imperial Hwy	★★★★★	1973	26,596	9.4%	8/28/2025	\$5,250,000	\$197	6.8%
7 12625 La Mirada Blvd	★★★★★	1975	29,650	0%	8/1/2025	\$6,800,000	\$229	-
8 Main Street Plaza 2670 N Main St	★★★★★	1985	42,266	0%	7/1/2025	\$8,650,000	\$205	-
9 Metro Centre I 1535 E Oranewood Ave	★★★★★	1982	33,488	0%	6/26/2025	\$7,600,000	\$227	9.5%
10 511 N Brookhurst St	★★★★★	1975	44,760	17.8%	6/12/2025	\$11,370,000	\$254	-
11 22 Centerpointe Dr	★★★★★	1986	21,216	0%	5/30/2025	\$6,025,000	\$284	-
12 1475 S State College Blvd	★★★★★	1980	35,116	3.0%	5/2/2025	\$5,200,000	\$148	-
13 1126 N Brookhurst St	★★★★★	1979	35,700	100%	3/26/2025	\$9,500,000	\$266	-
14 17707 Studebaker Rd	★★★★★	1983	27,000	0%	12/27/2024	\$5,850,000	\$217	9.1%
15 Euclid Medical Office Bldg 1188 N Euclid St	★★★★★	1974	64,000	0%	11/25/2024	\$8,015,000	\$125	3.3%
16 Los Arcos 438 E Katella Ave	★★★★★	1977	32,424	4.2%	11/12/2024	\$6,000,000	\$185	-
17 2035 E Ball Rd	★★★★★	1972	28,644	0%	10/9/2024	\$5,550,000	\$194	-

ORANGE COUNTY INVESTMENT TRENDS

Investors note that the bid-ask spread for Orange County office assets remains formidable but has narrowed, as reflected in a year-over-year increase in sales volume. Sales volume in 2026 Q1 was 16% above the total in 2025 Q1. Annual sales volume in 2025 rose 20% to \$1.6 billion, and roughly 10% more deals were closed, with around 280 transactions.

Higher cap rates and weaker operating income reduced valuations. Buyers are still acquiring office buildings at significantly reduced pricing, far below replacement cost. Pricing among 4 & 5-Star building sales, excluding medical office buildings, owner-user sales, and deals under \$10 million, averages around \$215/SF and is rebounding but remains around 40% below its highwatermark.

Some REITs and institutional investors have remained sidelined by higher loan interest rates, accounting for around 15% of trailing-year sales volume, down from over 35% historically. Private investors and users account for a greater share of activity. With a window of opportunity to purchase office buildings at reduced prices, users also account for nearly 15% of trailing-year sales volume, up from 10% historically.

For example, in February 2026, West Capital Lending acquired 17911 Von Karman Ave in Irvine, a 104,000-

SF 3-Star building developed in 1984 for \$23.75 million, or \$228/SF, well below its \$34 million 2016 sale price. During negotiations, the buyer executed a 53,000-SF lease for immediate occupancy due to an urgent space, and they plan to eventually occupy the entire building.

The slowdown in lending from prior years has provided unique opportunities for well-capitalized private owners and investors who are either focused on total return after a repositioning play or long-term holds with an attractive basis. For example, in an REO Sale for an asset that is little over 50% leased, Newport Beach-based Cress Capital acquired 1301 Dove St, a 10-story, 215,00-SF 4-Star asset in their headquarter city in August 2025 for \$41 million, or \$191/SF, well below its 2021 \$64 million, \$298/SF pricetag.

Investors have disposed of institutional-quality assets at a loss, and lower valuations have enabled a rise in redevelopment acquisitions. Loan maturities and the diminished operating income generated by buildings that have lost occupancy will lead more owners to relinquish assets in the near term. Furthermore, market participants expect sales activity to increase further in 2026 as more investors return to the market, sensing that valuations have already bottomed and are poised for a further rebound.

Demographic Overview

7077 Orangewood Ave

Population (2 mi)

101,824

Avg. HH Size (2 mi)

3.2

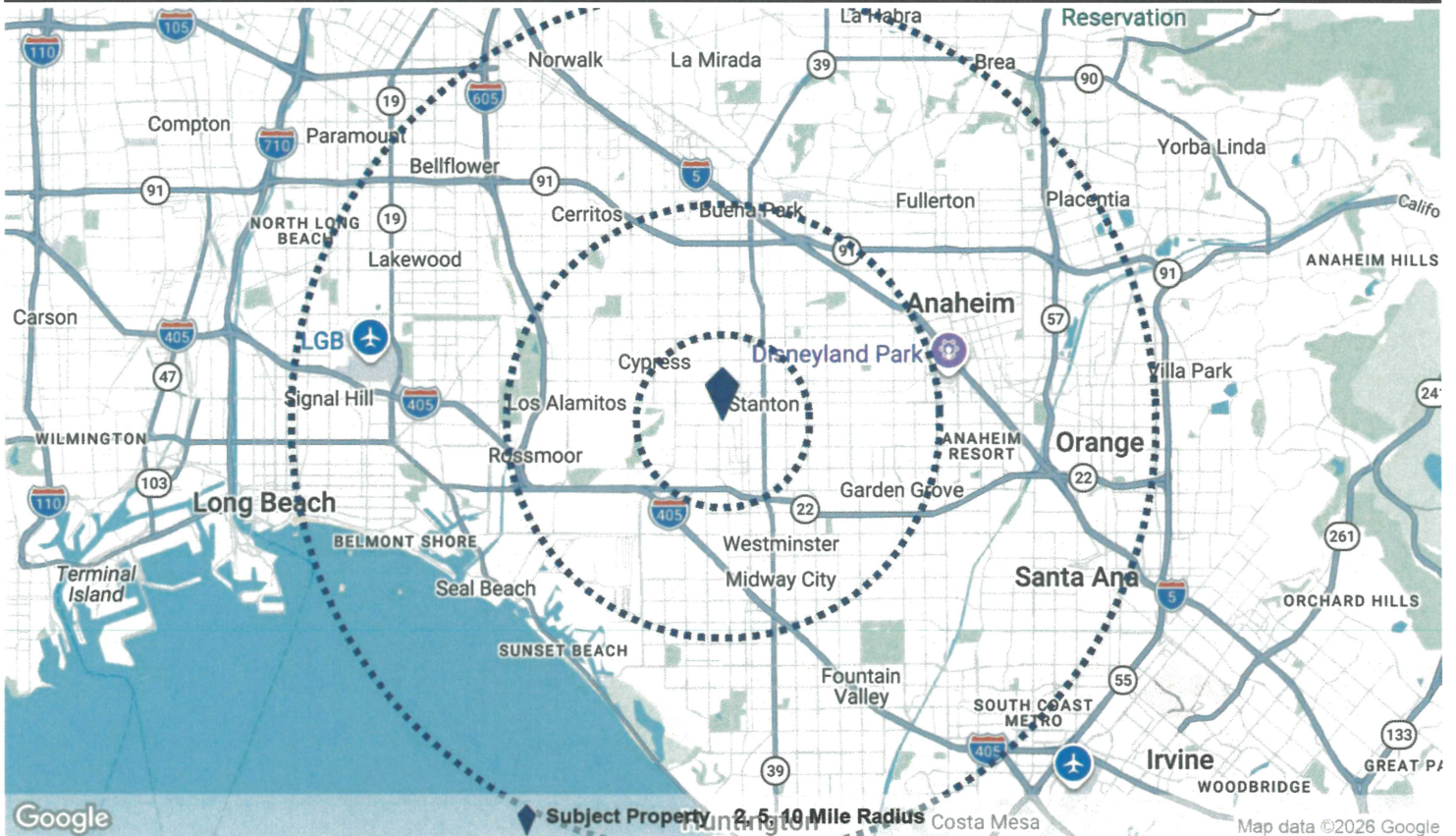
Avg. Age (2 mi)

41

Med. HH Inc. (2 mi)

\$97,992

DEMOGRAPHIC RADIUS RINGS



DEMOGRAPHIC SUMMARY

	2 Mile	5 Mile	10 Mile
Population			
2025 Population	101,824	630,782	2,240,900
2030 Population	101,750	629,879	2,229,705
Pop Growth 2025-2030	(0.1%)	(0.1%)	(0.5%)
2025 Average Age	41	41	40
Households			
2025 Households	30,557	192,557	708,469
2030 Households	30,491	192,057	703,976
Household Growth 2025-2030	(0.2%)	(0.3%)	(0.6%)
Median Household Income	\$97,992	\$93,310	\$98,465
Average Household Size	3.2	3.1	3.0
Average HH Vehicles	2	2	2
Housing			
Median Home Value	\$753,529	\$784,844	\$808,805
Median Year Built	1968	1967	1967

Garden Grove Submarket Summary

The Garden Grove office submarket has a vacancy rate of 5.2% as of the second quarter of 2026. Over the past year, the submarket's vacancy rate has changed by 0.1%, a result of no net delivered space and -2,800 SF of net absorption.

Garden Grove's vacancy rate of 5.2% compares to the submarket's five-year average of 4.5% and the 10-year average of 4.4%. Overall submarket vacancy is forecast to end 2026 at 5.4%.

The Garden Grove office submarket has roughly 160,000 SF of space listed as available, for an availability rate of 5.7%. As of the second quarter of 2026, there is 10,000 SF of office space under construction in Garden Grove. In comparison, the submarket has averaged 3,200 SF of under construction

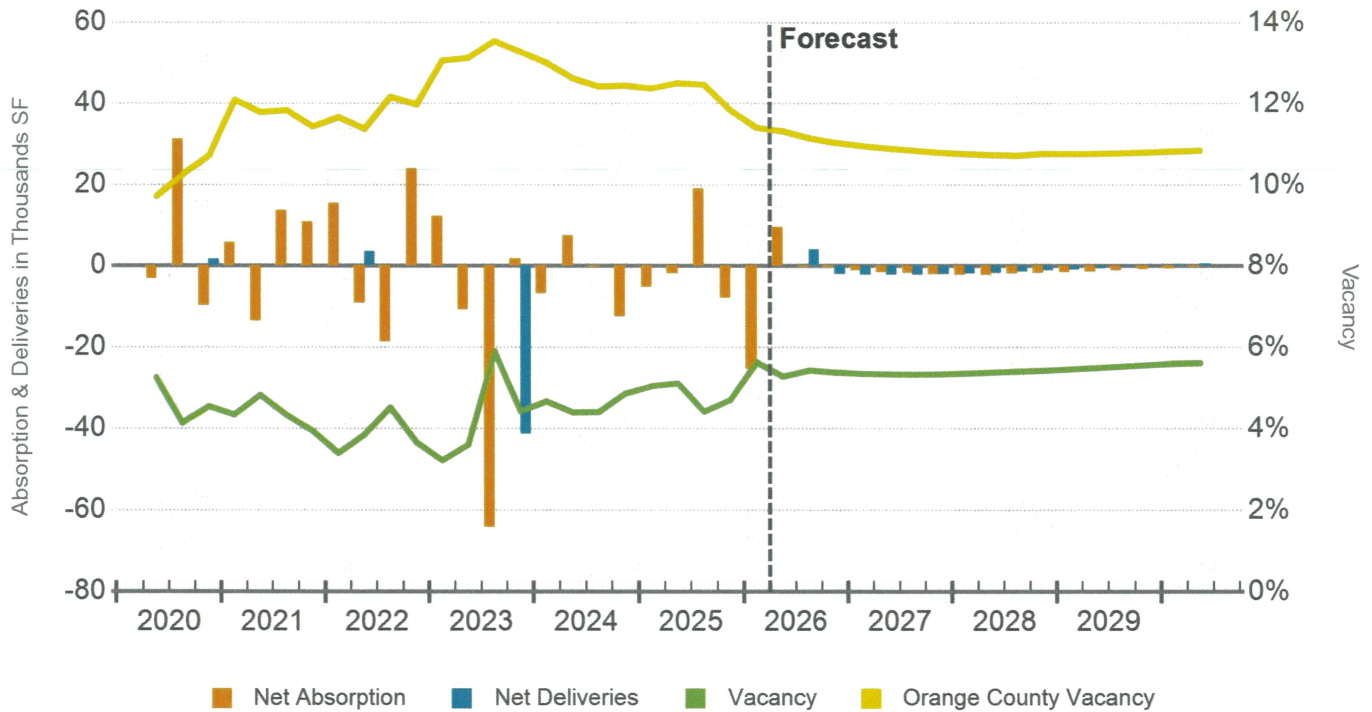
inventory over the past 10 years.

Garden Grove contains 2.8 million SF of inventory, compared to 155 million SF of inventory metro wide.

Average rents in Garden Grove are roughly \$28.00/SF, compared to the wider Orange County market average of \$35.00/SF.

Rents have changed by 1.3% year over year in Garden Grove, compared to a change of 1.9% metro wide. Annual rent growth of 1.3% in Garden Grove compares to the submarket's five-year average of 2.5% and its 10-year average of 2.9%. Overall annual rent growth in the Garden Grove office submarket is forecast to end 2026 at 1.9% compared to the Orange County average of 3.1%.

NET ABSORPTION, NET DELIVERIES & VACANCY



Orange County's office market continues to improve in 2026. Gross tenant move-outs subsided in 2026Q1 to a post-pandemic low, and move-ins accelerated, resulting in approximately 400,000 SF in positive net absorption. That marks the second consecutive quarter of net occupancy expansion, following four quarters of contraction. Manufacturers like Hyundai and Anduril, as well as medical users and pharmaceutical companies, led recent expansions. Tarsus Pharmaceuticals new 60,000-SF office in Irvine Spectrum Terrace was the largest Q1 move-in.

Brokers note the market remains a bit slow, as evidenced by new leasing deal flow and volume that remains consistent, trending more than 10% below pre-pandemic levels. However, fewer tenants are relinquishing office space or offering it for sublease, and more are purchasing buildings for occupancy. Sulease availability fell below pre-pandemic levels in early 2026.

Owner-occupancy in the market has expanded by over 3.5 million SF, or more than 2% of inventory, since 2020, as owner-user acquisitions outpace user sales. Meanwhile, the redevelopment of mid and lower-quality, obsolete suburban office campuses for industrial and residential use has removed over 3% of supply.

With absorption registering a strong Q1 and total inventory shrinking again due to the demolition of obsolete stock and minimal construction, vacancy dropped notably and currently measures 11.5% as of 2026Q2. That's down from a 13.5% peak reached in 2023 and is trending significantly below the U.S. national average, with the gap widening further in recent quarters

as Orange County outperformed the nation. Vacancy in higher-quality 4 & 5 Star buildings remains highest at 18.0%, but is falling fastest, down -1.9% over the trailing year, compared to a -1.0% decline in overall vacancy.

Tenants are still favoring premier 5 Star buildings, where vacancy has fallen below 10%. Conversely, elevated vacancy among 4 Star properties led to lower starting contract rents in leases from 2020-22. Starting rents for 4 Star properties have been steady in the past year as demand improves, but remain around 5% below their high-water mark. Landlords are still offering up to 1.5 months' free rent per year to attract tenants. Vacancy in 1 & 2 Star buildings, which are often smaller single-tenant in suburban areas, remained more compressed in recent years, generating a market-leading increase in starting rents of nearly 10% in the post-pandemic period, ahead of 3 Star rent growth, which is also positive but about half as strong.

Financing challenges and elevated lease-up risk have curtailed development projects, leaving medical office buildings as the primary growth segment. Overall supply levels are contracting as obsolete suburban office buildings get demolished for redevelopment, most commonly for industrial use.

While vacancies are compressing, further improvement in market fundamentals will depend on continued demand for aged, though still quality space. Office utilization is still slowly rebounding from the pandemic, but local office-using employment is rising only marginally, posing a risk to the forecast of further vacancy compression and stronger rent growth.

Peer Properties Summary

7077 Orangewood Ave - The Grove

No. Peers

17

Direct Asking Rent/SF

\$2.18

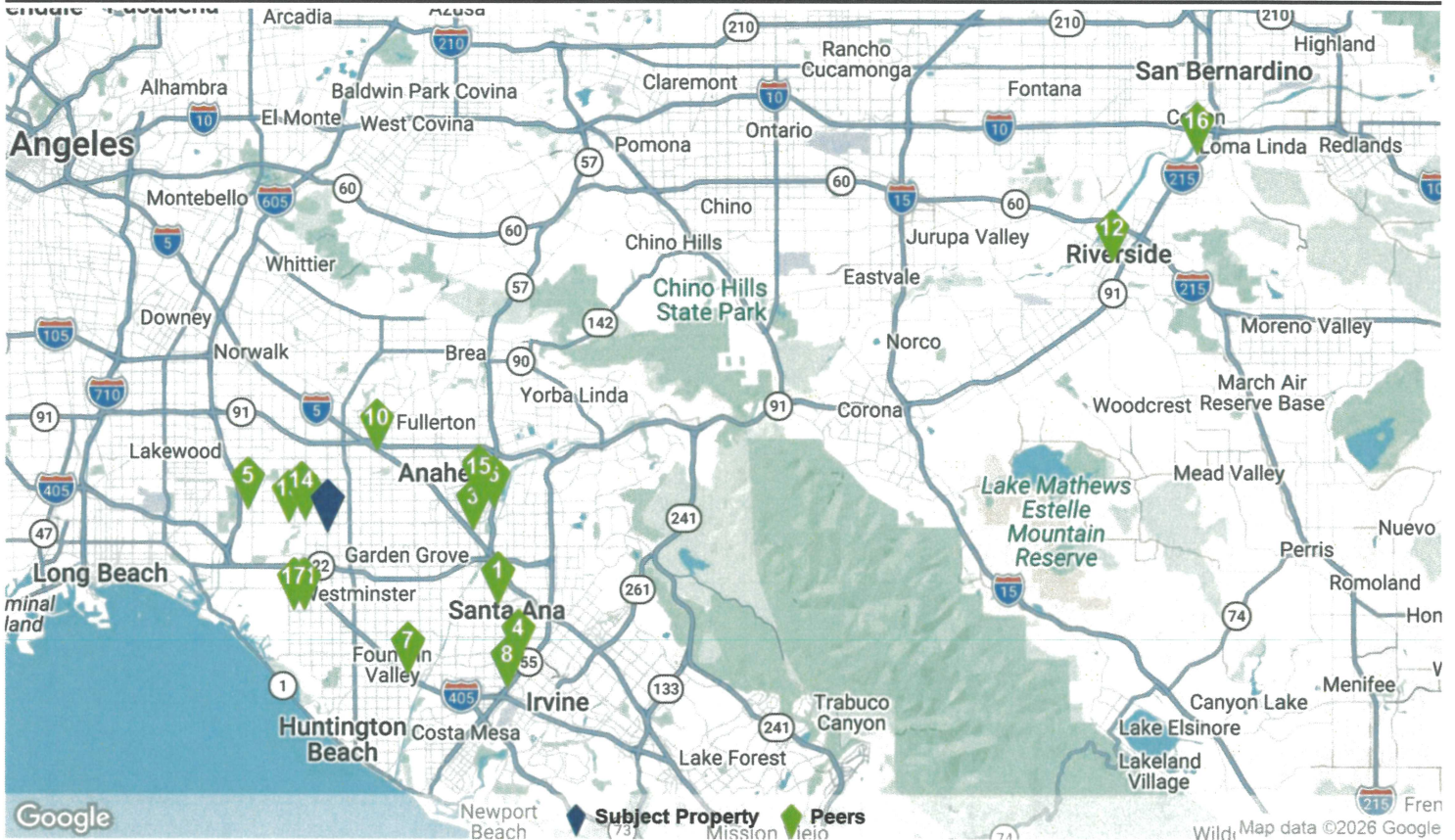
Availability Rate

58.4%

Vacancy Rate

52.3%

PEER LOCATIONS



PEER SUMMARY STATISTICS

Property Attributes	Low	Average	Median	High
Building SF	11,314	40,907	29,254	127,750
Year Built	1920	1981	1982	2009
Stories	1	1	2	3
Typical Floor SF	7,226	21,863	15,128	63,875
Vacancy Rate	0%	52.3%	48.6%	100%
Availability Rate	10.0%	58.4%	64.7%	100%
Star Rating	★★★★★	★★★★★ 2.3	★★★★★	★★★★★
Available Space Attributes	Low	Average	Median	High
Available SF	3,809	23,887	27,340	75,180
Direct Asking Rent/SF	\$1.00	\$2.18	\$2.24	\$2.56
Months On Market	0.3	28.1	14.9	87.3
Floor Number	BSMT	1	1	3

Peer Properties Summary

7077 Orangewood Ave - The Grove

Property Name / Address	Rating	Yr Blt/Renov	Property Size			Availability			Gross Direct Rent
			Bldg SF	Stories	Spcs	SF	Avail %	Vac %	
1 520 W Santa Ana Blvd	★★★★★	1920/-	28,800	3	3	28,800	100%	0%	\$2.56
2 2035 E Ball Rd	★★★★★	1972/-	28,644	2	2	28,644	100%	100%	\$2.50
3 Orangewood Plaza 1301 E Orangewood Ave	★★★★★	1982/-	18,706	2	2	18,706	100%	0%	-
4 Bldg 5 1221 E Dyer Rd	★★★★★	1985/-	75,180	2	2	75,180	100%	100%	-
5 Bldg 6 3341-3363 Cerritos Ave	★★★★★	1975/-	11,314	1	3	8,932	78.9%	11.2%	\$2.45
6 Arena Corporate Center 1 1400 S Douglass Rd	★★★★★	2003/-	127,750	2	1	29,020	22.7%	22.7%	-
7 Fountain Valley Plaza West 10540 Talbert Ave	★★★★★	1981/1999	56,201	3	4	27,340	48.6%	48.6%	\$2.25
8 17991-17993 Cowan	★★★★★	1980/-	18,195	2	1	8,754	48.1%	48.1%	\$2.24
9 Bldg 1 6021 Katella Ave	★★★★★	2001/-	63,235	2	1	8,817	13.9%	13.9%	\$2.21
10 Bldg 3 2451 W La Palma Ave	★★★★★	1976/1998	29,254	1	1	29,254	100%	100%	-
11 Bldg 1 5762 Bolsa Ave	★★★★★	1984/1996	26,823	2	5	17,348	64.7%	64.7%	-
12 4444 Magnolia Ave	★★★★★	2009/-	35,680	1	1	31,274	87.7%	87.7%	-
13 11022 Winners Cir	★★★★★	1979/-	14,451	2	3	6,276	43.4%	43.4%	-
14 5856 Corporate Ave	★★★★★	1989/2006	38,116	2	1	3,809	10.0%	10.0%	\$1.95
15 Sand Dollar Financial Pla... 1240 S State College Blvd	★★★★★	1980/-	67,622	2	7	41,186	60.9%	60.9%	\$1.95
16 1020 E Washington St	★★★★★	1986/-	30,255	2	2	30,255	100%	100%	-
17 5312 Bolsa Ave	★★★★★	1984/-	25,200	2	1	12,477	49.5%	99.2%	\$1.00