

Orange County Stays On Track

April 2026

Completions Decelerate, Starts Rise

YoY Asking Rent Gains Outpace US

Health Care Anchors Job Growth

ORANGE COUNTY MULTIFAMILY



Slowing Deliveries, Steady Demand

Orange County fundamentals were steady in early 2026. Average advertised asking rents fell 0.2%, on a trailing three-month basis through February, to \$2,863. However, rents rose 1.4% year-over-year, ahead of the 0.1% national uptick to \$1,740. Meanwhile, the occupancy rate in stabilized properties inched up 10 basis points over 12 months, to 96.5% as of February, sustained by gains in the Lifestyle segment.

Job growth slowed to 0.2% through December 2025, trailing the 0.6% U.S. rate, while unemployment closed the year at 3.9%, below both California's 5.5% and the 4.4% national figure. Orange County added 2,200 net jobs last year, with gains led by education and health services and leisure and hospitality, while professional and business services and mining, logging and construction posted the largest losses. Health-care expansion remained a strong economic driver, led by UCI Health's \$1.3 billion Irvine campus. The project's final phase is expected to open in December, alongside Hoag's \$1 billion Irvine expansion that's also scheduled for a 2026 opening.

Supply growth remained modest, with 1,930 units delivered in 2025. Meanwhile, construction starts accelerated, and the metro had 7,726 units underway as of February. Investment activity stayed soft, totaling \$792 million in 2025, below the metro's long-term average. However, pricing remained elevated, with the per-unit value at \$441,940, up almost 25% year-over-year.

Market Analysis | April 2026

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Recent Orange County Transactions

Griffis Platinum Triangle



City: Anaheim, Calif.
Buyer: Griffis Residential
Purchase Price: \$153 MM
Price per Unit: \$460,693

Miraflores



City: Anaheim, Calif.
Buyer: TPG Real Estate
Purchase Price: \$48 MM
Price per Unit: \$557,674

Sunrise Fountains



City: Anaheim, Calif.
Buyer: Benedict Canyon Equities
Purchase Price: \$43 MM
Price per Unit: \$323,864

El Centrico

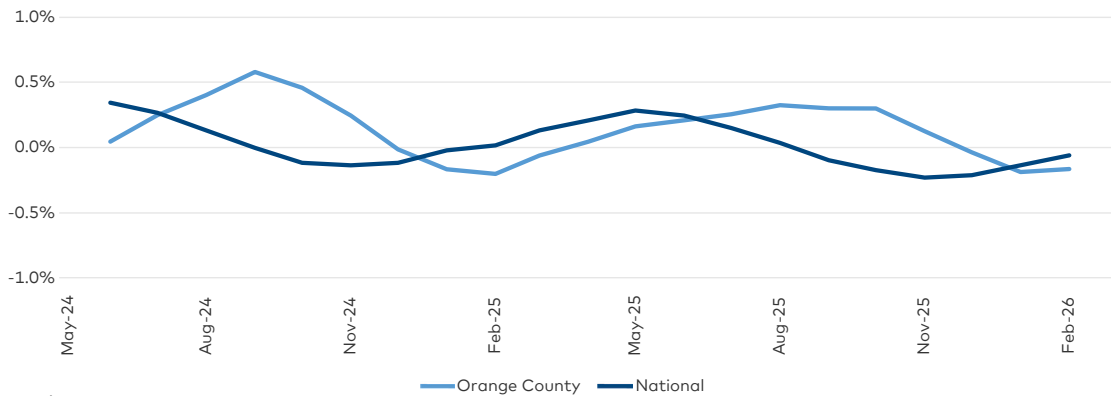


City: Garden Grove, Calif.
Buyer: TN Investments Group
Purchase Price: \$16 MM
Price per Unit: \$297,170

RENT TRENDS

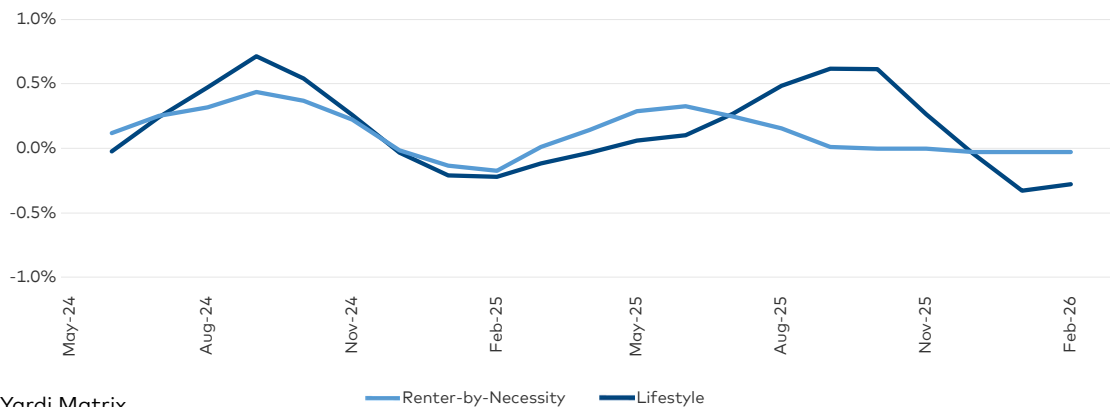
- ▶ Orange County's advertised asking rents declined 0.2% on a trailing three-month (T3) basis through February, to \$2,863, while the U.S. rate slid 0.1%, to \$1,740. Typically at this time of the year, the metro's rent growth hits the bottom of the leasing cycle and trails the national pace by two months. Year-over-year, however, rates posted a 1.4% increase, well above the 0.1% national uptick.
- ▶ The rent decline was due to a drop in the Lifestyle segment, down 0.3% on a T3 basis through February, to \$3,246, while working-class Renter-by-Necessity rates remained unchanged for the sixth consecutive month on a T3 basis, at \$2,550.
- ▶ The occupancy rate in stabilized properties stood strong, up 10 basis points year-over-year, to 96.5% in February. That was significantly above the 94.3% national average. Both property segments clocked in at 96.5% in Orange County—RBN growth was flat, while Lifestyle recorded a 20-basis-point increase.
- ▶ All but two of the 26 submarkets tracked by Yardi Matrix recorded rent increases year-over-year through February. The largest gains were in Buena Park–Cypress (3.9% to \$2,545), Newport Beach (3.6% to \$3,693; also the county's most expensive area) and Orange (2.9% to \$2,741). Fullerton–University saw the metro's lowest average rate, marking a 0.5% decline to \$2,269. Meanwhile, six submarkets had average asking rents above the \$3,000 mark, with Newport Beach followed by South Irvine (0.5% to \$3,297) and South Orange County (2.5% to \$3,190).

Orange County vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Orange County Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- Orange County employment growth slowed to 0.2% through December 2025, trailing the 0.6% U.S. rate. The area's net employment gains closed 2025 in positive territory, but softened by year-end, with growth still well below national levels. Unemployment closed 2025 at 3.9%, down 20 basis points year-over-year and below California (5.5%) and the U.S. (4.4%), according to preliminary Bureau of Labor Statistics data.
- Orange County added 2,200 net jobs in 2025. Four sectors recorded employment growth, anchored by education and health services (16,600). Six sectors lost 18,200 jobs combined, with the steepest declines in professional and business services (-8,500), mining, logging and construction (-3,900) and manufacturing (-2,100). Service-sector hiring continued to do the heavy lifting, while business-oriented and goods-producing industries remained under pressure.
- Health-care and institutional investment continued to be a pillar of Orange County's labor market in 2025, supported by UCI Health's \$1.3 billion Irvine medical campus. Its final phase, a seven-story, 144-bed hospital opened in December, with the broader project expected to generate about 2,500 jobs. Meanwhile, Hoag's \$1 billion-plus Irvine expansion remains on track for a 2026 opening, and will include 155 inpatient beds and 120,000 square feet of ambulatory space.

Orange County Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	296.1	17.3%
70	Leisure and Hospitality	237.7	13.9%
90	Government	167.9	9.8%
80	Other Services	56.8	3.3%
55	Financial Activities	102.2	6.0%
50	Information	20.4	1.2%
40	Trade, Transportation and Utilities	266.2	15.6%
30	Manufacturing	152.3	8.9%
15	Mining, Logging and Construction	99.6	5.8%
60	Professional and Business Services	308.9	18.1%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- From 2019 to 2022, Orange County's population inched up 0.2%, lagging the 2.0% national rate.
- Population has treaded water since, recording a net loss of 6,745 people between mid-2022 and mid-2025, according to the most recent Census estimates.

Orange County vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Orange County	3,168,044	3,170,345	3,182,923	3,175,227

Source: U.S. Census

SUPPLY

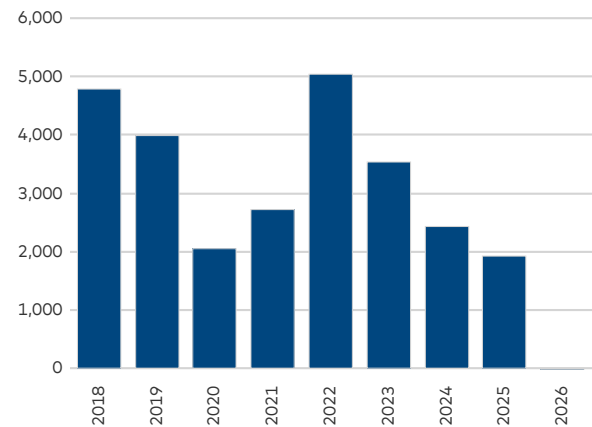
- Supply growth remained subdued in Orange County in 2025, with 1,930 units, or 0.9% of existing stock delivered, well below the 3.2% U.S. rate. Completions recorded a steady deceleration following the 2022 peak, when 5,041 units (2.3% of stock) came online. Even at their peak, Orange County deliveries lagged the national pace, which clocked in at 2.5% of existing stock in 2022. The composition of 2025 deliveries comprised almost 70% Lifestyle, 14% RBN and some 16% units in fully affordable projects.
- Developers had 7,726 units underway as of February, and another 35,000 in the planning and permitting stages. The construction pipeline reflects a decisive shift toward Lifestyle projects, which comprise almost 90% of units underway. This came at the expense of the RBN and fully affordable segments, which saw their respective shares contract to 3.6% and 6.6%.
- New construction accelerated in the second half of 2025, leading to work starting on 2,361 units across eight properties last year, up from 1,434 units across four properties in 2024.
- With the pipeline now steadily rising, completions are bound to tick up in the next couple of years. Yardi Matrix expects more than 3,000 units to

come online across Orange County in 2026, with an additional 2,500 apartments in 2027.

- Active development was recorded in 12 of the 26 submarkets tracked by Yardi Matrix as of February. The top three submarkets accounted for two-thirds of the construction pipeline: North Irvine (2,052 units), South Irvine (1,776) and Tustin (1,100).

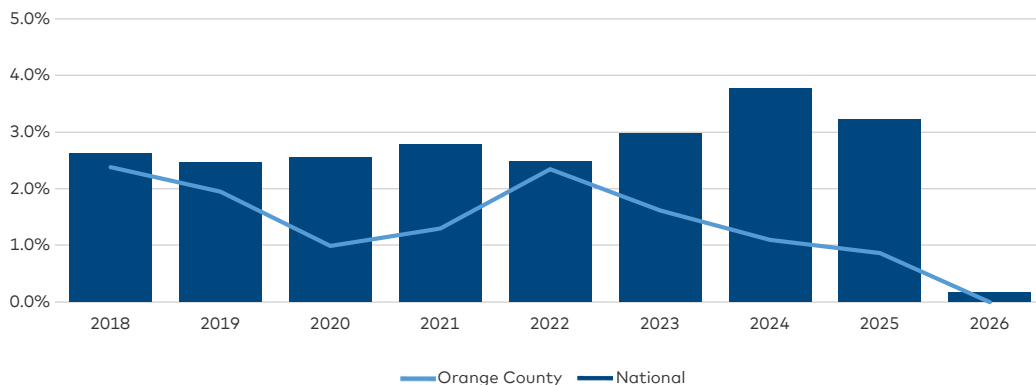
Orange County Completions

(as of February 2026)



Source: Yardi Matrix

Orange County vs. National Completions as a Percentage of Total Stock (as of February 2026)

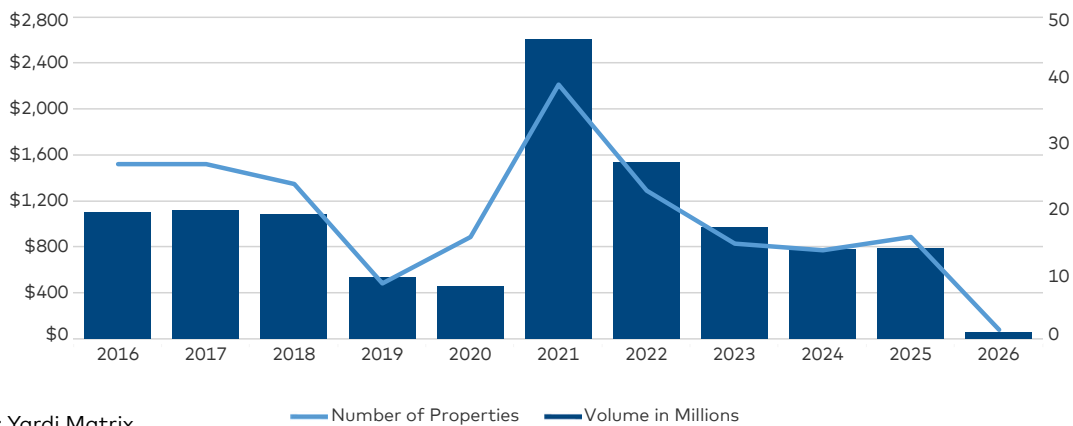


Source: Yardi Matrix

TRANSACTIONS

- ▶ Investment remained relatively slow in Orange County, reaching \$792 million in 2025 and lagging the \$1.1 billion 10-year average. In 2026 through February, two RBN assets traded for \$58.5 million combined (\$316,216 per unit).
- ▶ Orange County's average price per unit reached a new high in 2025, at \$441,940, despite an RBN-heavy sales composition. The per-unit price rose 25% year-over-year, to more than double the \$202,620 U.S. figure.
- ▶ One of the Orange County assets that traded in 2026 through February was Sunrise Fountains in Orange. The 132-unit RBN property was sold by ConsensYs Property Management to Benedict Canyon Equities and LEM Capital for \$42.8 million, or \$323,864 per unit, with help from a \$30.4 million loan issued by CIBC Bank USA. The metro's largest deal closed in the second half of 2025 was the \$153 million sale of the 332-unit Revo in Anaheim. The buyer, Griffis Residential, renamed the property Griffis Platinum Triangle.

Orange County Sales Volume and Number of Properties Sold (as of February 2026)



Source: Yardi Matrix

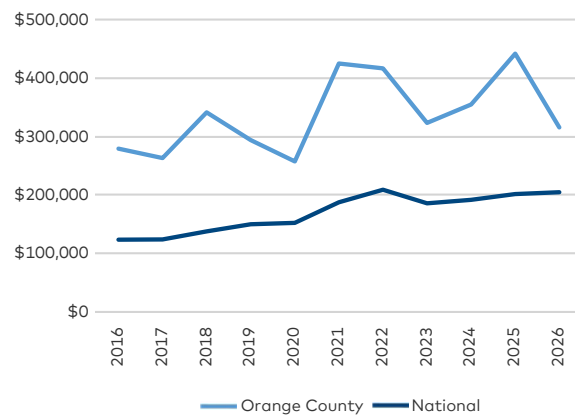
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
Anaheim-Central	345
Santa Ana	279
Tustin	83
Orange	43
Huntington Beach	35
Anaheim-West	34
Garden Grove	32

Source: Yardi Matrix

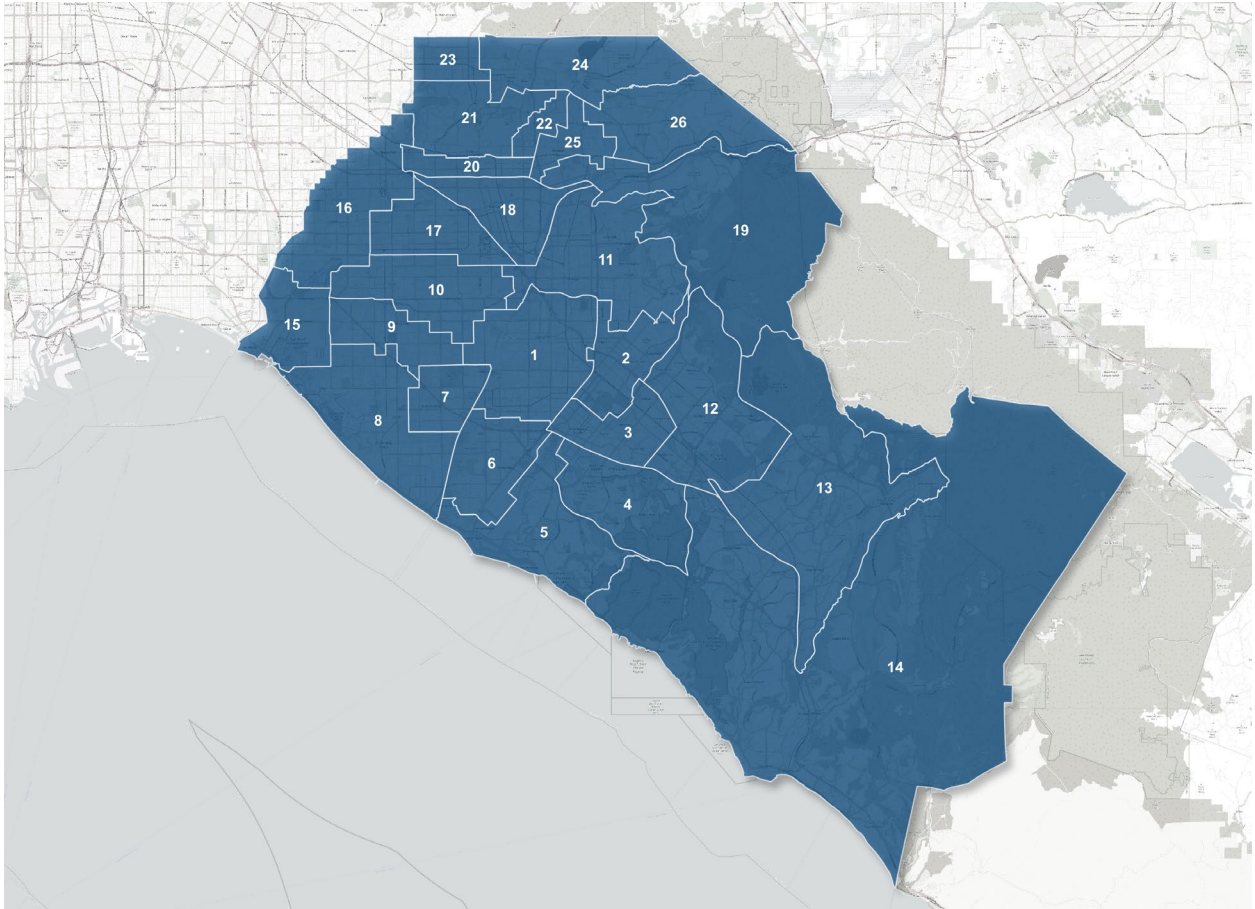
¹ From March 2025 to February 2026

Orange County vs. National Sales Price per Unit



Source: Yardi Matrix

ORANGE COUNTY SUBMARKETS



Area No.	Submarket
1	Santa Ana
2	Tustin
3	Central Irvine
4	South Irvine
5	Newport Beach
6	Costa Mesa
7	Fountain Valley
8	Huntington Beach
9	Westminster
10	Garden Grove
11	Orange
12	West Irvine
13	Mission Viejo-Lake Forest

Area No.	Submarket
14	South Orange County
15	Seal Beach
16	Buena Park-Cypress
17	Anaheim-West
18	Anaheim-Central
19	Anaheim Hills
20	Fullerton-South
21	Fullerton-North
22	Fullerton-University
23	La Habra
24	Brea
25	Placentia
26	Yorba Linda

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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