

LA COUNTY SUBLEASE REPORT

Q 2 2023

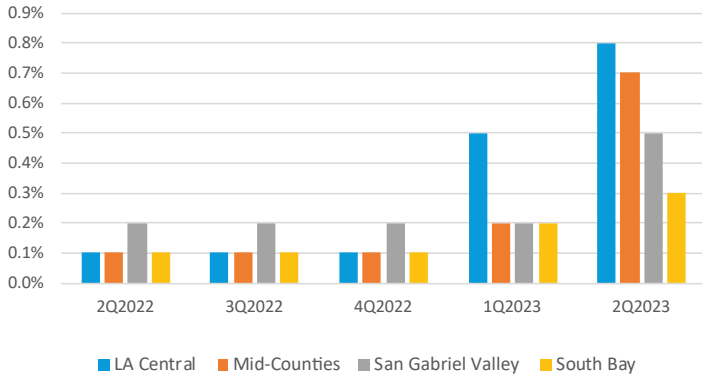
SUBLEASE VACANCY	
2Q 2023	0.6%
2Q 2022	0.1%

SUBLEASE LISTINGS ADDED	
2Q 2023	68
2Q 2022	20

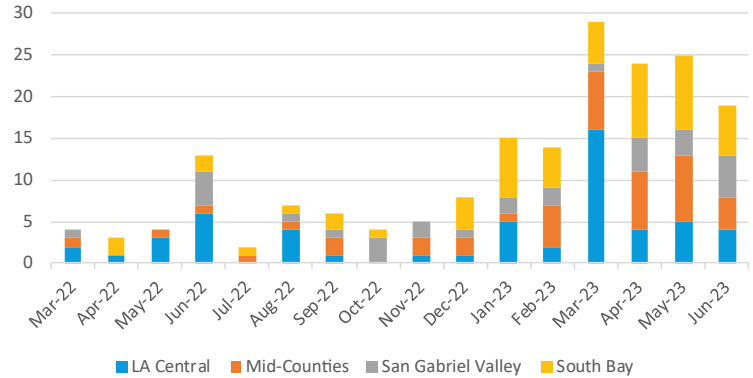
SUBLEASE ASKING RATE (NNN)	
2Q 2023	\$1.41
2Q 2022	\$1.22

SUBLEASE SF ADDED	
2Q 2023	2,457,698
2Q 2022	459,456

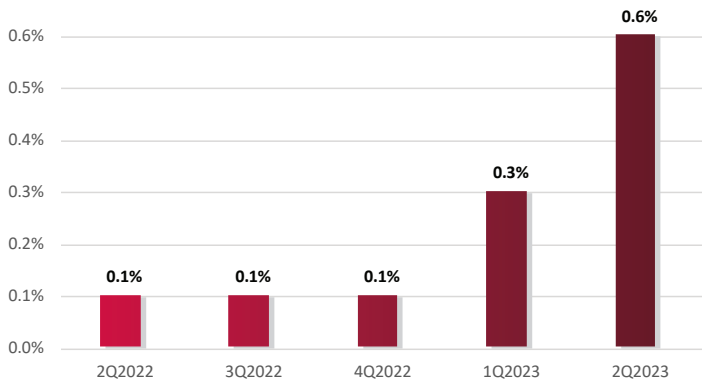
% Sublease Vacancy



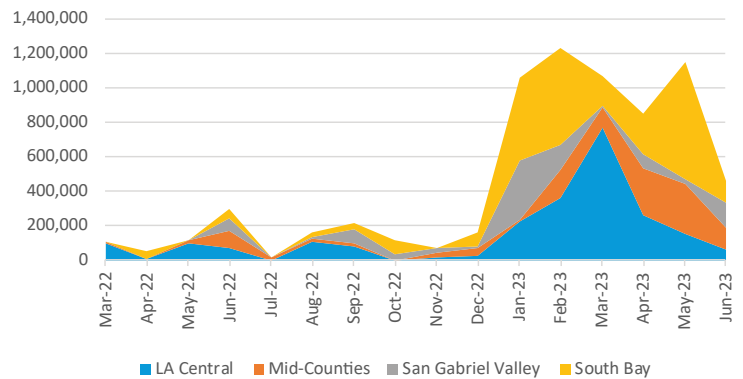
LA County # of Sublease Listings Added



LA County Sublease Vacancy



LA County Sublease SF Added



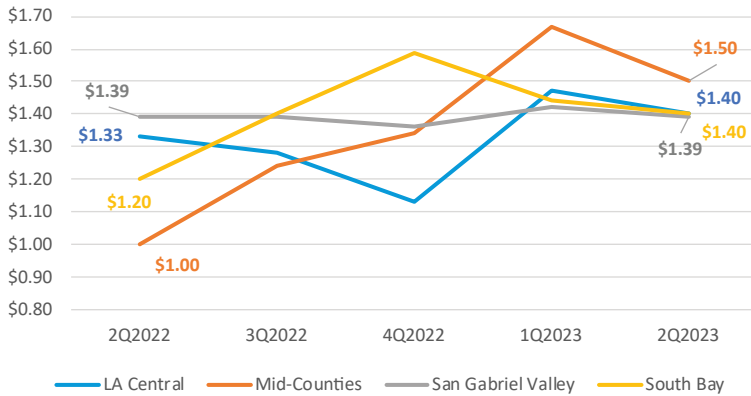
In 2Q2023, the sublease vacancy rate in the Los Angeles County industrial market increased to 0.6%, compared to 0.3% in the previous quarter and 0.1% a year ago. A total of 68 sublease listings, comprising nearly 2.5 million SF, were added to the Los Angeles County market during the quarter, marking a significant 435% increase compared to one year ago. Most of the sublease inventory was added to the South Bay submarket, accounting for 42.5% of the total sublease SF added. In May 2023 alone, 25 listings totaling approximately 1.15 million SF of sublease space were added.

Some of the top sublease transactions for the quarter were executed by logistics companies. SpeedUp Logistics and HK Logistics signed sublease deals to expand their operations, while other logistics companies such as YS Express, Atelier 4, Inc., Chapin Trucking, and Fast Forward International also took advantage of competitively priced sublease listings. Although the subleases signed by the logistics companies were above 30K SF, a majority of the deals signed in 2Q2023 were for smaller spaces. Approximately 46.2% of the signed subleases were under 10K SF, with 77.0% being under 30K SF.

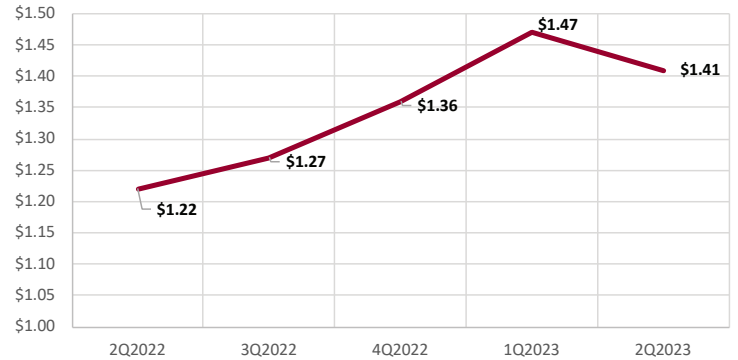
Maggie Kusumawathy, Research and Marketing

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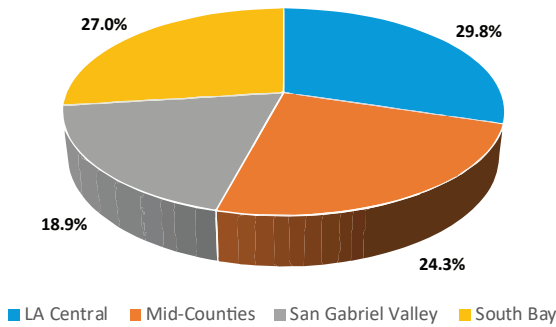
Sublease Asking Rate (NNN)



LA County Sublease Asking Rate (NNN)



% Sublease Availability



With the increased availability of sublease listings, the average sublease asking rate for the Greater Los Angeles market decreased from \$1.47 NNN to \$1.41 NNN compared to the previous quarter, but it still remains higher than the rate of \$1.22 one year ago. The highest sublease asking rate was found in the Mid-Cities at \$1.50 NNN, while the San Gabriel Valley, LA Central, and South Bay submarkets quoted NNN rates of \$1.39, \$1.40, and \$1.40, respectively.

Sublease Transactions

Address	Transaction Size (SF)	Sublessee	Industry	Submarket
400 W Artesia Blvd	253,584	SpeedUp Logistics	Logistics	South Bay
12910 Mulberry Dr	153,080	HK Logisitcs	Logistics	Mid-Cities
240 S 6th St	124,435	YS Express	Logistics	San Gabriel Valley
6100 Bandini Blvd	74,000	Atelier 4, Inc.	Logistics	LA Central
17621 Susana Rd	66,672	CB Procurement	Wholesaler	South Bay

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