LEE & ASSOCIATES
LOS ANGELES - DOWNTOWN

Los Angeles County Industrial
MARKET REPORT
▶ Class A Buildings

June | 2025

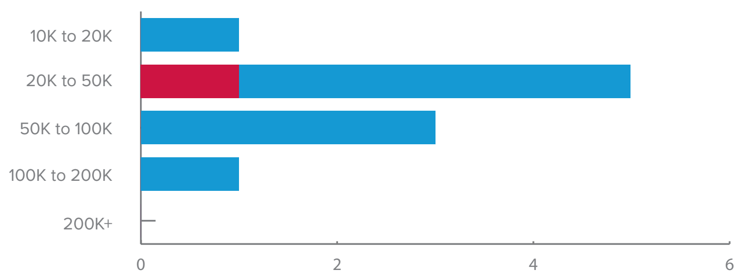
INSIGHT

The Class A Industrial market continued to exhibit signs of a slowdown in June, with limited transactional activity and subdued Buyer demand. Only three new listings were added during the month, one each in the Central, Mid-Counties, and San Gabriel submarkets, raising the total active inventory to 29. Notably, no sales were recorded throughout June.

This stagnant activity underscores the persistence of a Buyer's market. Demand remains slow across all four submarkets, with properties struggling to gain traction among prospective buyers. As inventory levels hold steady and movement remains sluggish, sellers are increasingly pressured to adjust pricing expectations and adopt more competitive strategies to attract interest.

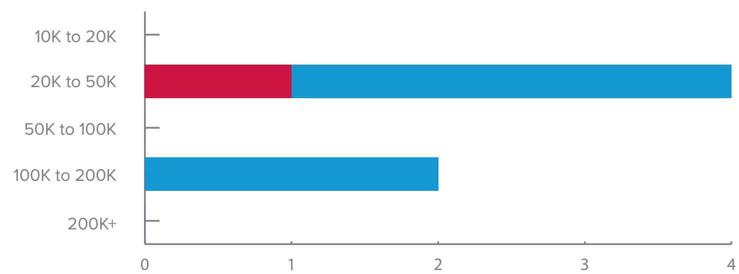
Sale Supply Demand Report

LA Central Sale Supply Demand (June 2025)



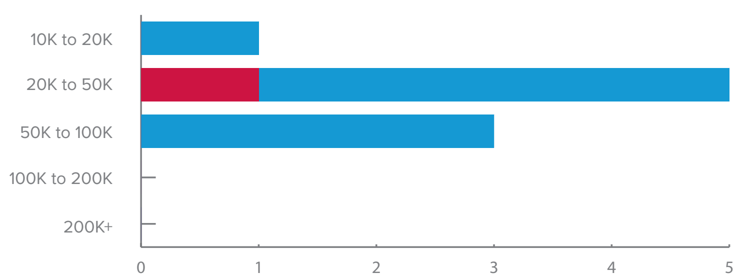
SF	Availables Added Sales	Total Availables Sales	Total Comps This Month - Sold
10K to 20K	0	1	0
20K to 50K	1	5	0
50K to 100K	0	3	0
100K to 200K	0	1	0
200K+	0	0	0

Mid-Counties Sale Supply Demand (June 2025)



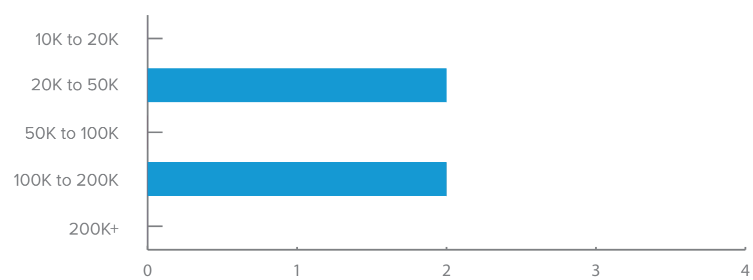
SF	Availables Added Sales	Total Availables Sales	Total Comps This Month - Sold
10K to 20K	0	0	0
20K to 50K	1	4	0
50K to 100K	0	0	0
100K to 200K	0	2	0
200K+	0	0	0

San Gabriel Valley Sale Supply Demand (June 2025)



SF	Availables Added Sales	Total Availables Sales	Total Comps This Month - Sold
10K to 20K	0	1	0
20K to 50K	1	5	0
50K to 100K	0	3	0
100K to 200K	0	0	0
200K+	0	0	0

South Bay Sale Supply Demand (June 2025)



SF	Availables Added Sales	Total Availables Sales	Total Comps This Month - Sold
10K to 20K	0	0	0
20K to 50K	0	2	0
50K to 100K	0	0	0
100K to 200K	0	2	0
200K+	0	0	0

Grand Totals:	Availables Added - Sales	Total Availables - Sales	Total Comps This Month - Sold
	3	29	0

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LEE & ASSOCIATES
LOS ANGELES - DOWNTOWN

Los Angeles County Industrial MARKET REPORT

Class A Buildings

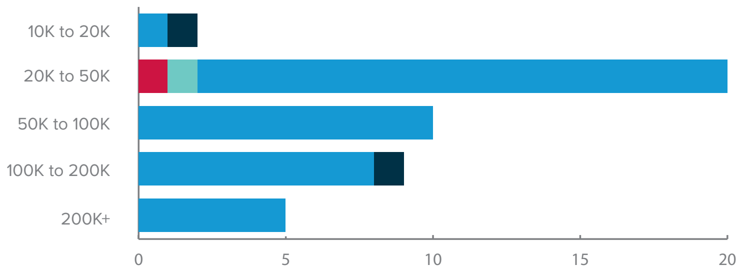
June | 2025

INSIGHT

Leasing activity in the Class A industrial sector remained sluggish in June, with San Gabriel Valley emerging as the only submarket demonstrating notable tenant demand. San Gabriel Valley led with three new listings and eleven leased properties, reflecting a strong direct leasing activity. Its sublease market also stood out with a favorable 1:2 supply-to-demand ratio, showing tenant interest in this submarket. In contrast, Mid-Counties and South Bay showed minimal tenant movement. Mid-Counties recorded four new availabilities but only two leases, and no activity in its Sublease market. Similarly, South Bay posted an overall 5:3 supply-to-demand ratio, indicating oversupply amidst sluggish absorption. Considering that South Bay also accounts for largest number of available listings at 36% of the overall supply, Landlords in South Bay may need to adopt more aggressive pricing, flexible lease terms, or targeted incentives to remain competitive and attract potential Tenants. As leasing momentum stalls in these underperforming submarkets, Landlords will need to align with current tenant sentiment and navigate a slower market cycle.

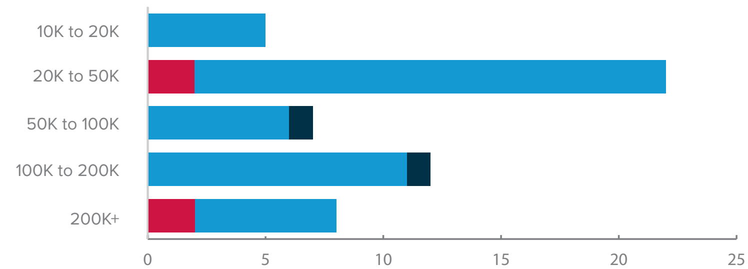
Lease Supply Demand Report

LA Central Lease Supply Demand (June 2025)



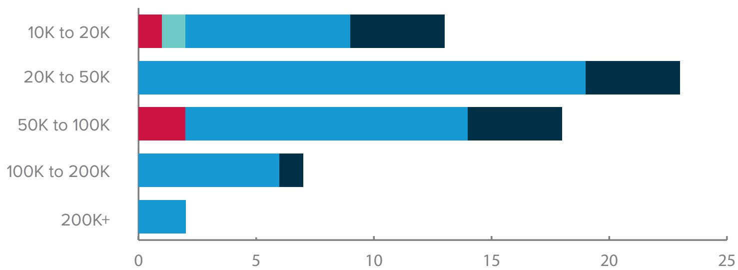
SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	0	0	1	1
20K to 50K	1	1	18	0
50K to 100K	0	0	10	0
100K to 200K	0	0	8	1
200K+	0	0	5	0

Mid-Counties Lease Supply Demand (June 2025)



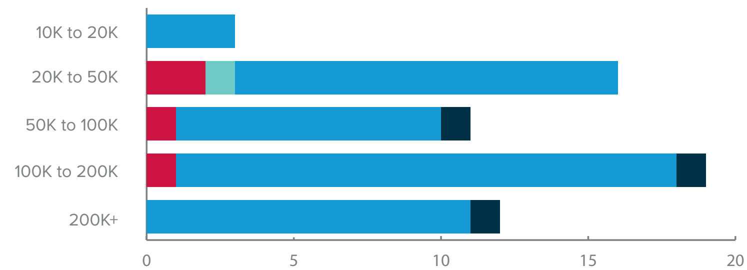
SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	0	0	5	0
20K to 50K	2	0	20	0
50K to 100K	0	0	6	1
100K to 200K	0	0	11	1
200K+	2	0	6	0

San Gabriel Valley Lease Supply Demand (June 2025)



SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	1	1	7	4
20K to 50K	0	0	19	4
50K to 100K	2	0	12	4
100K to 200K	0	0	6	1
200K+	0	0	2	0

South Bay Lease Supply Demand (June 2025)



SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	0	0	3	0
20K to 50K	2	1	13	0
50K to 100K	1	0	9	1
100K to 200K	1	0	17	1
200K+	0	0	11	1

Grand Totals:	Direct Availables Added	Total Available Added Sublease	Total Availables	Total Comps This Month
	12	3	189	20

June | 2025

INSIGHT

The current Class A sublease vacancy rate stands at 4.7%, matching the level recorded in Q2 2024, yet asking rents have declined by 13%, falling from $1.45 PSF to $1.25 PSF. This reflects ongoing softness in tenant demand, which continues to weigh on pricing. The LA Central submarket experienced the most significant correction, with asking rents dropping 28%, from $2.25 PSF in Q1 to $1.62 PSF, as landlords adjust expectations to attract tenants. In contrast, Mid-Counties and South Bay posted modest rent increases of 6% and 5%, respectively, suggesting relative pricing stability in those areas.

Despite some gains, the overall sublease market remains oversupplied, with 45 listings and only 20 completed leases in June, more than double the demand. These conditions reinforce the current tenant advantage, pressuring landlords to offer more attractive terms to secure deals.

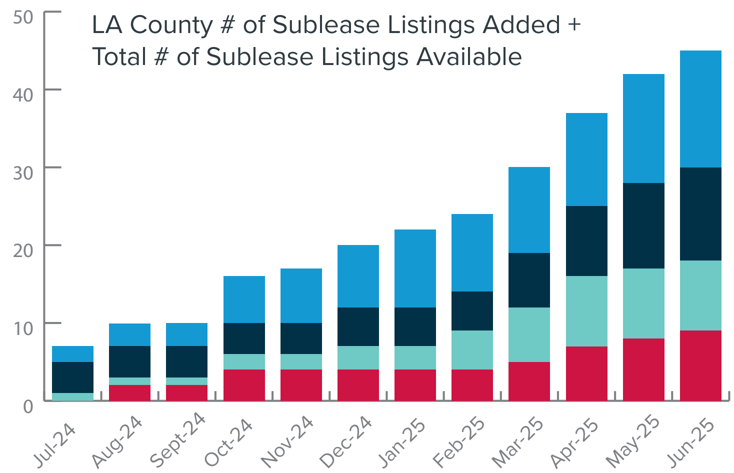
Sublease Report

Sublease Vacancy (NNN)

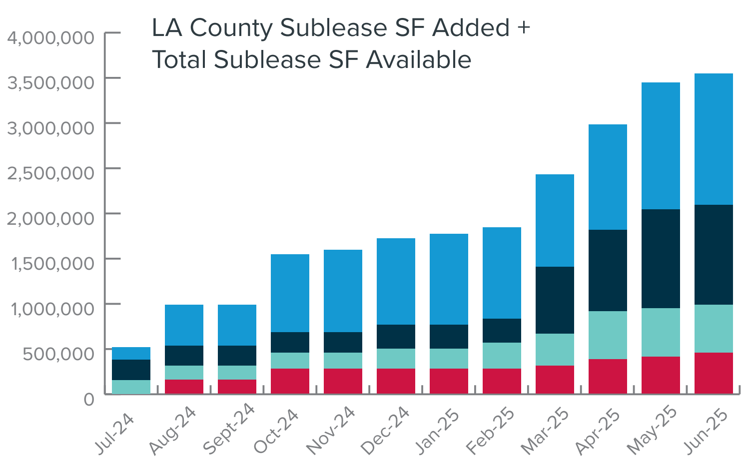
Q2 2025 (QTD)	4.7%
Q2 2024	4.7%

Sublease Asking Rate (NNN)

Q2 2025 (QTD)	$1.25
Q2 2024	$1.45



Period	LA Central	Mid-Counties	SGV	South Bay	LA County
July-24	0	1	4	2	7
Aug-24	2	0	0	1	3
Sept-24	0	0	0	0	0
Oct-24	2	1	0	3	6
Nov-24	0	0	0	1	1
Dec-24	0	1	1	1	3
Jan-25	0	0	0	2	2
Feb-25	0	2	0	0	2
Mar-25	1	2	2	1	6
Apr-25	2	2	2	1	7
May-25	1	0	2	2	5
Jun-25	1	0	1	1	3
Total	**9**	**9**	**12**	**15**	**45**



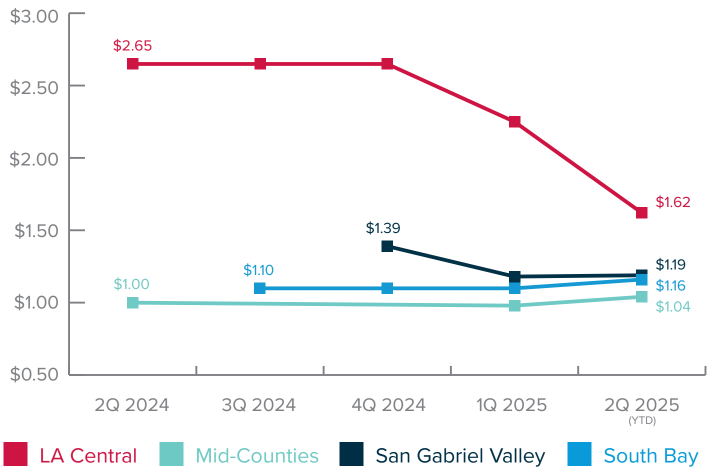
Period	LA Central	Mid-Counties	SGV	South Bay	LA County
July-24	-	153,724	225,063	135,504	514,291
Aug-24	159,151	-	-	315,256	474,407
Sept-24	-	-	-	-	-
Oct-24	124,180	23,400	-	414,744	562,324
Nov-24	-	-	-	47,140	47,140
Dec-24	-	42,500	41,121	43,774	127,395
Jan-25	-	-	-	53,175	53,175
Feb-25	-	69,750	-	-	69,750
Mar-25	31,954	62,321	479,691	15,000	588,966
Apr-25	71,266	180,381	157,589	145,103	554,339
May-25	30,706	-	194,786	239,372	464,864
Jun-25	42,090	-	11,000	49,234	102,324
Total	**459,347**	**532,076**	**1,109,250**	**1,458,302**	**3,558,975**

Total Number of Sublease Listings Added + Total Number of Sublease Listings Available:	45

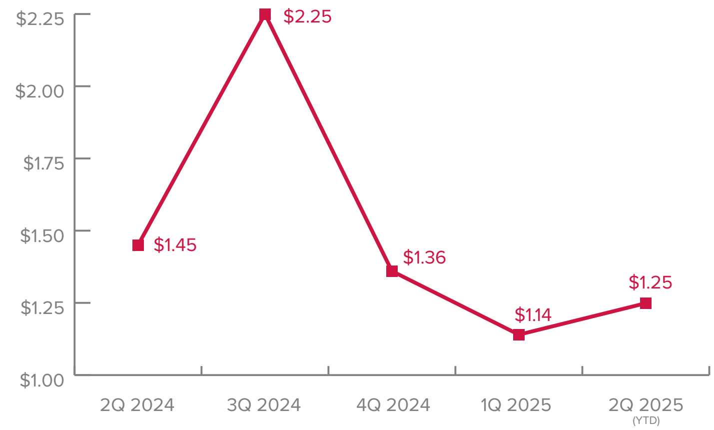
Total Comps	20

Sublease Report

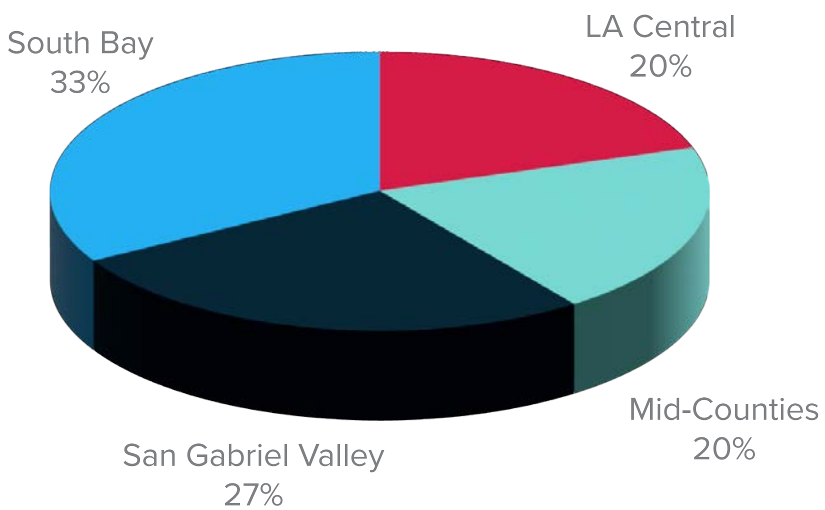
Submarket Sublease
Asking Rate (NNN)



LA County Sublease
Asking Rate (NNN)



% Sublease Availability



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