Los Angeles County Industrial
CONSOLIDATED MARKET REPORT
Class A Buildings

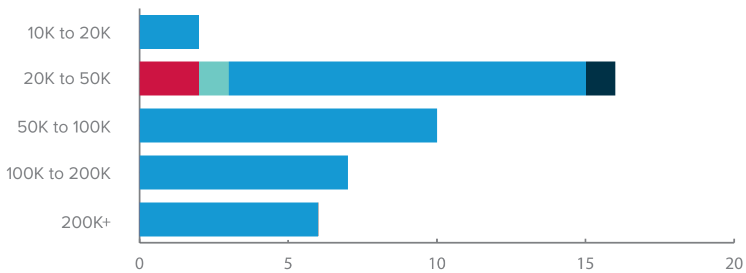
March | 2025

INSIGHT

Tenant demand is increasingly concentrated in smaller Class A spaces, especially under 50K SF in Mid-Counties, South Bay, and San Gabriel Valley—where leasing activity exceeded incoming supply in March. In contrast, LA Central continues to struggle with a 3:1 supply-demand imbalance, driven by sluggish movement in larger buildings. Meanwhile, sublease space remains oversupplied countywide, with limited tenant interest. Owners of smaller footprints are best positioned for success, while others may need to evaluate their pricing strategy to compete.

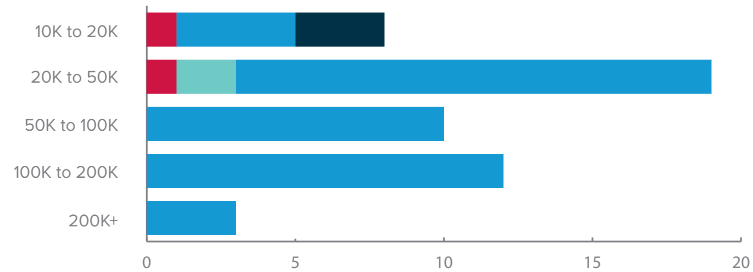
Lease Supply Demand Report

LA Central Lease Supply Demand (March 2025)



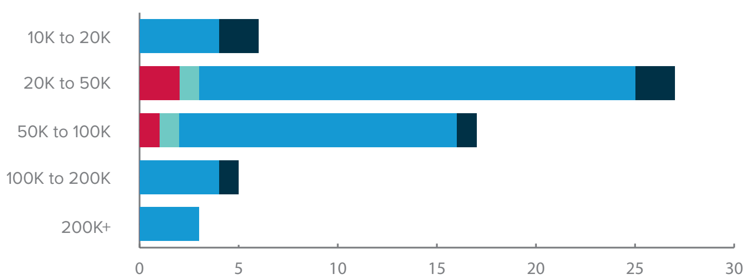
SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	0	0	2	0
20K to 50K	2	1	12	1
50K to 100K	0	0	10	0
100K to 200K	0	0	7	0
200K+	0	0	6	0

Mid-Counties Lease Supply Demand (March 2025)



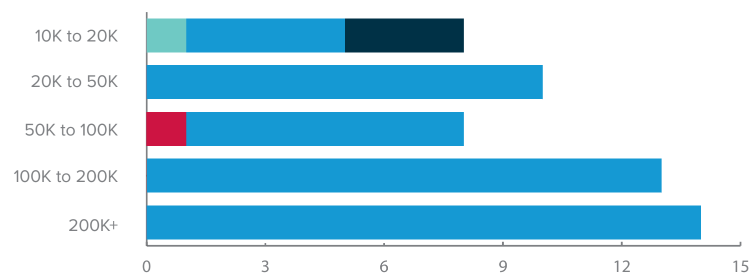
SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	1	0	4	3
20K to 50K	1	2	16	0
50K to 100K	0	0	10	0
100K to 200K	0	0	12	0
200K+	0	0	3	0

San Gabriel Valley Lease Supply Demand (March 2025)



SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	0	0	4	2
20K to 50K	2	1	22	2
50K to 100K	1	1	14	1
100K to 200K	0	0	4	1
200K+	0	1	2	0

South Bay Lease Supply Demand (March 2025)



SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	0	1	4	3
20K to 50K	0	0	10	0
50K to 100K	1	0	7	0
100K to 200K	0	0	13	0
200K+	0	0	14	0

Grand Total:	Direct Availables Added	Total Available Added Sublease	Total Availables	Total Comps This Month
	8	7	176	13

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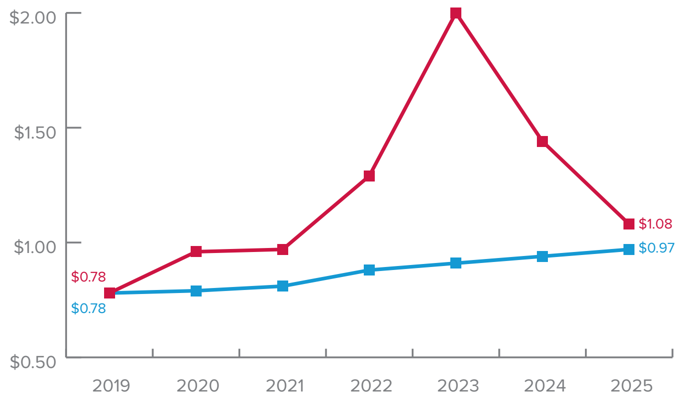
INSIGHT

Lease rates nearing equilibrium following the growth they experienced between 2019 and 2022/23. Rates have been dropping, with NNN rents down 25% year-over-year and now within 10% of inflation-adjusted expectations. GRS rates have also softened, slightly undercutting projected benchmarks. Still, leasing activity remains slow, showing that price reductions to align with inflation-adjusted rates may not be enough to drive demand. To stay competitive, landlords may need to continue adjusting pricing, but consider other deal terms and offerings that might align with tenant needs.

2019-2025 (March) Potential Lease Equilibrium

ALL MARKETS IN LOS ANGELES - NNN

Lease Comp Rate VS. Lease Comp Rate w/ Inflation

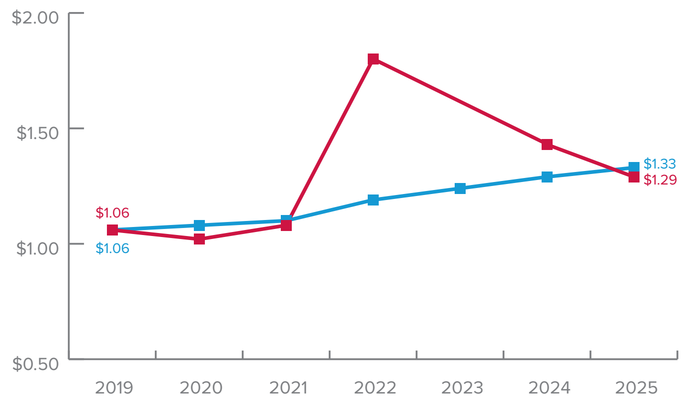


Year	Lease Comp Rate	Lease Comp Rate With Inflation	% Inflation
2019	$0.78	$0.78	
2020	$0.96	$0.79	1.9%
2021	$0.97	$0.81	2.2%
2022	$1.29	$0.88	8.5%
2023	$2.00	$0.91	3.7%
2024	$1.44	$0.94	4.0%
2025	$1.08	$0.97	3.1%

Lease Comp Rate   Lease Comp Rate w/ Inflation

ALL MARKETS IN LOS ANGELES - GRS

Lease Comp Rate VS. Lease Comp Rate w/ Inflation



Year	Lease Comp Rate	Lease Comp Rate With Inflation	% Inflation
2019	$1.06	$1.06	
2020	$1.02	$1.08	1.9%
2021	$1.08	$1.10	2.2%
2022	$1.80	$1.19	8.5%
2023		$1.24	3.7%
2024	$1.43	$1.29	4.0%
2025	$1.29	$1.33	3.1%

Lease Comp Rate   Lease Comp Rate w/ Inflation

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INSIGHT

Sublease vacancy has nearly doubled year-over-year, rising to 5.2% from 2.8% the prior year. Asking rents have fallen sharply during this time—down 37% countywide—with LA Central seeing the steepest decline from $2.65 to $1.14. With 45 sublease listings available and minimal tenant activity, this segment remains deeply oversupplied. Landlords and Sublessors will need aggressive pricing, flexible structures, and fast action to capture limited demand.

Sublease Report

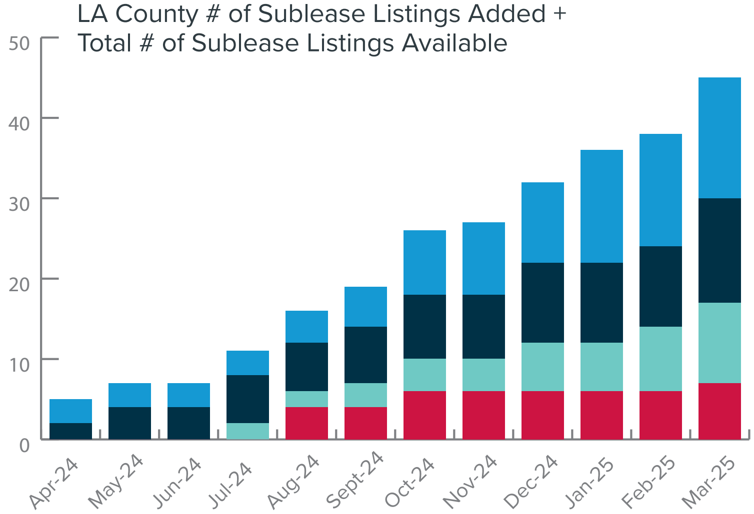
Sublease Vacancy

Q1 2025 (QTD)	**5.2%**
Q1 2024	2.8%

Sublease Asking Rate (NNN)

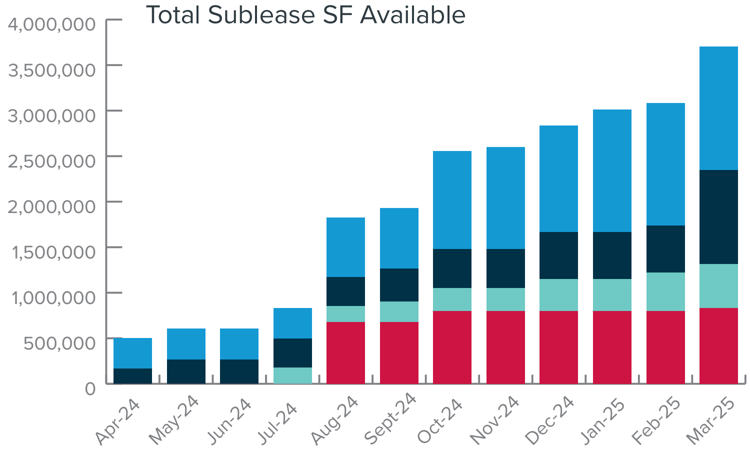
Q1 2025 (QTD)	**$1.17**
Q1 2024	$1.86

LA County # of Sublease Listings Added +
Total # of Sublease Listings Available



Period	LA Central	Mid-Counties	SGV	South Bay	LA County
Apr-24	0	0	2	3	5
May-24	0	0	2	0	2
June-24	0	0	0	0	0
July-24	0	2	2	0	4
Aug-24	4	0	0	1	5
Sept-24	0	1	1	1	3
Oct-24	2	1	1	3	7
Nov-24	0	0	0	1	1
Dec-24	0	2	2	1	5
Jan-25	0	0	0	4	4
Feb-25	0	2	0	0	2
Mar-25	1	2	3	1	7
Total	**7**	**10**	**13**	**15**	**45**

LA County Sublease SF Added +
Total Sublease SF Available



Period	LA Central	Mid-Counties	SGV	South Bay	LA County
Apr-24	-	-	166,939	336,531	503,470
May-24	-	-	100,201	-	100,201
June-24	-	-	-	-	-
July-24	-	177,281	50,677	-	227,958
Aug-24	676,918	-	-	315,256	992,174
Sept-24	-	50,040	43,355	11,860	105,255
Oct-24	124,180	23,400	62,702	414,744	625,026
Nov-24	-	-	-	47,140	47,140
Dec-24	-	99,913	91,121	43,774	234,808
Jan-25	-	-	-	176,096	176,096
Feb-25	-	69,750	-	-	69,750
Mar-25	31,954	62,321	512,855	15,000	622,130
Total:	**833,052**	**482,705**	**1,027,850**	**1,360,401**	**3,704,008**

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

Total Comps	**17**

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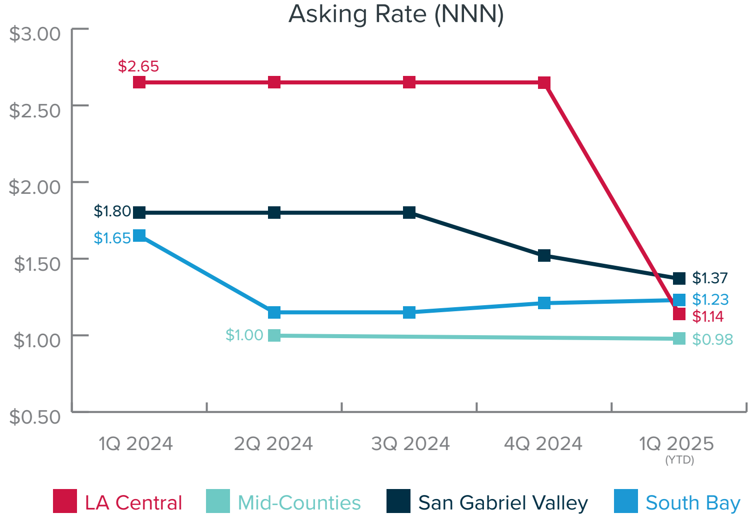
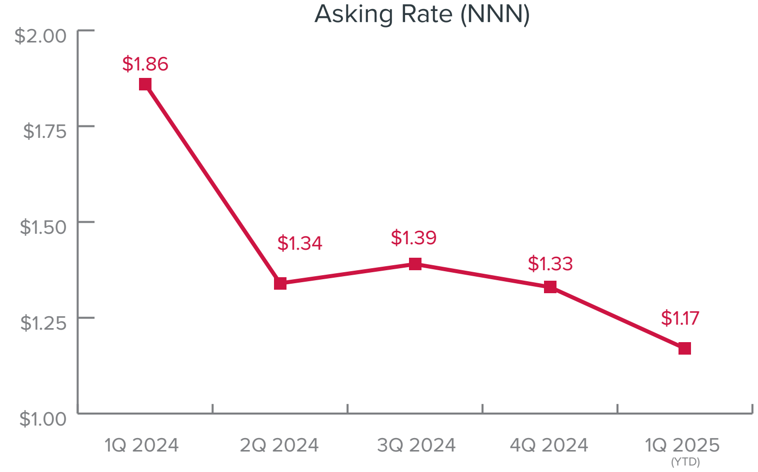
Sublease Report

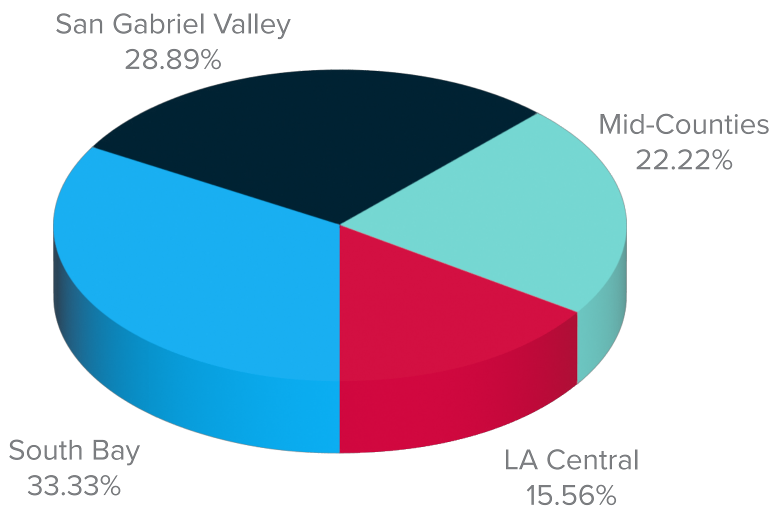
Submarket Sublease Asking Rate (NNN)



LA County Sublease Asking Rate (NNN)



% Sublease Availability



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