Los Angeles County Industrial

MARKET REPORT

Class A Buildings

May | 2025

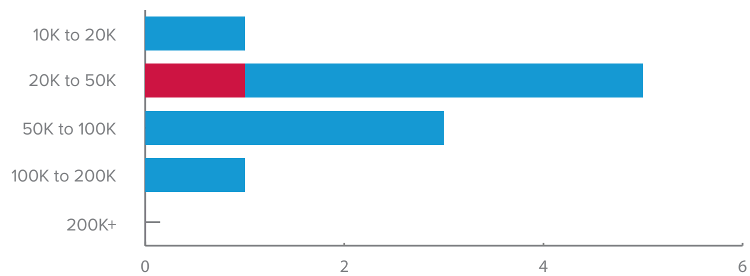
INSIGHT

The Class A Industrial market remained sluggish in May, with limited activity indicating a continued slowdown. Only one new listing was added—located in the Central market—bringing the total number of active listings to 27. No sales were recorded during the month.

Notably, the Central and San Gabriel Valley submarkets account for 66% of the total listings, yet saw no transactional movement. This continued lack of activity highlights a clear imbalance between supply and demand, reinforcing the current status as a buyer's market. With inventory levels remaining high and buyer competition limited, landlords may need to consider price adjustments to stay competitive in today's environment.

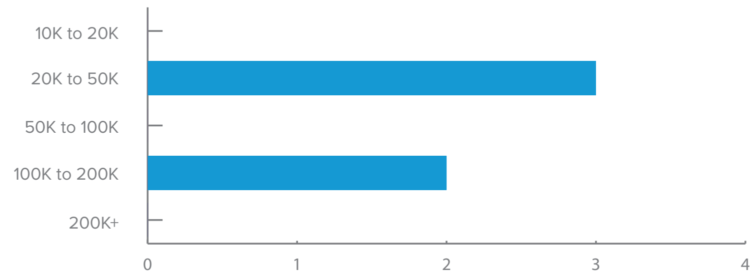
Sale Supply Demand Report

LA Central Sale Supply Demand (May 2025)



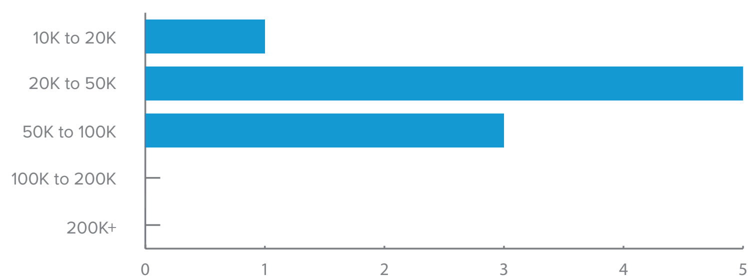
SF	Availables Added Sales	Total Availables Sales	Total Comps This Month - Sold
10K to 20K	0	1	0
20K to 50K	1	4	0
50K to 100K	0	3	0
100K to 200K	0	1	0
200K+	0	0	0

Mid-Counties Sale Supply Demand (May 2025)



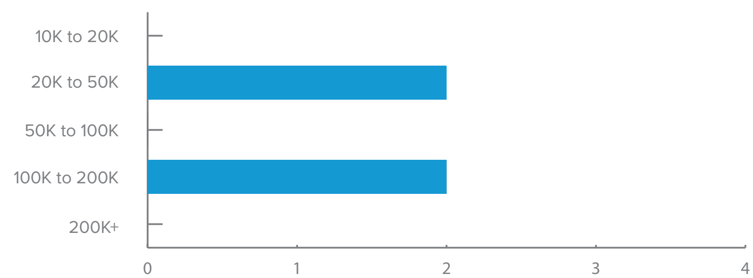
SF	Availables Added Sales	Total Availables Sales	Total Comps This Month - Sold
10K to 20K	0	0	0
20K to 50K	0	3	0
50K to 100K	0	0	0
100K to 200K	0	2	0
200K+	0	0	0

San Gabriel Valley Sale Supply Demand (May 2025)



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

South Bay Sale Supply Demand (May 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 Total:	Availables Added - Sales	Total Availables - Sales	Total Comps This Month - Sold
	1	27	0

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Lee & Associates
LOS ANGELES - DOWNTOWN

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Class A Buildings

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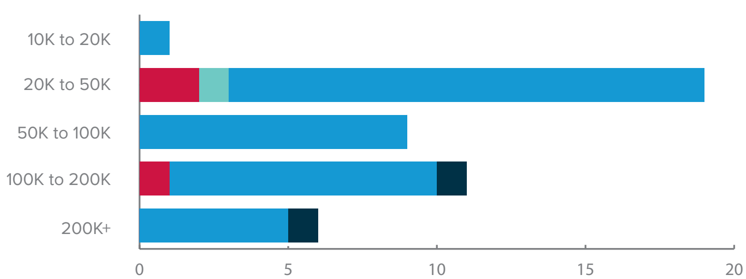
INSIGHT

Leasing activity in the Class A Industrial was mixed in May, with only two submarkets showing signs of tenant demand. Mid-Counties saw balanced direct leasing activity with a 1:1 supply-to-demand ratio, and while no new subleases were added, 1 property was subleased. The San Gabriel Valley submarket exhibited strong leasing demand with a 1:3 supply-to-demand ratio, suggesting tenant interest, however, its sublease market showed a 2:1 supply-to-demand ratio, signaling lower tenant interest in subleases in this region. The South Bay submarket showed the weakest performance across both leasing and sublease markets with an overall 4x more listings added than properties leased. This trend of high supply and low demand suggests that landlords in the South Bay may need to adjust their pricing strategies and consider rate reductions to better attract tenants. Overall, the data highlights a broad variation in market activity, with some submarkets showing strong demand and others facing slower activity. Landlords in underperforming areas may need to rethink their strategies to better align with shifting market dynamics.

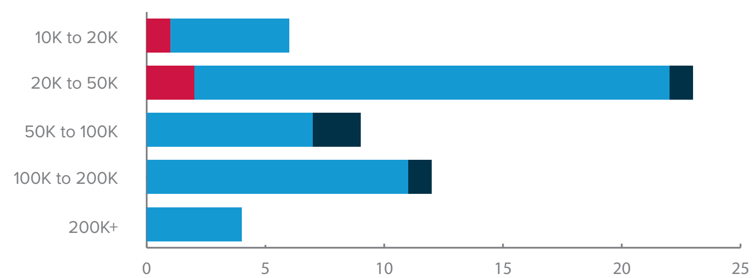
Lease Supply Demand Report

LA Central Lease Supply Demand (May 2025)



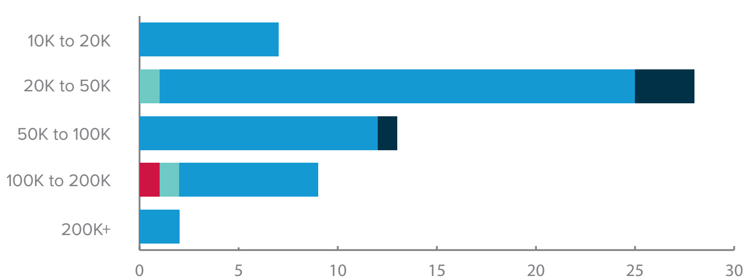
SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	0	0	1	0
20K to 50K	2	1	16	0
50K to 100K	0	0	9	0
100K to 200K	1	0	9	1
200K+	0	0	5	1

Mid-Counties Lease Supply Demand (May 2025)



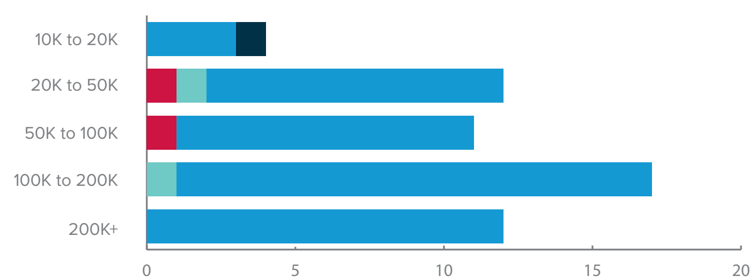
SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	1	0	5	0
20K to 50K	2	0	20	1
50K to 100K	0	0	7	2
100K to 200K	0	0	11	1
200K+	0	0	4	0

San Gabriel Valley Lease Supply Demand (May 2025)



SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	0	0	7	0
20K to 50K	0	1	24	3
50K to 100K	0	0	12	1
100K to 200K	1	1	7	0
200K+	0	0	2	0

South Bay Lease Supply Demand (May 2025)



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

Grand Total:	Direct Availables Added	Total Available Added Sublease	Total Availables	Total Comps This Month
	9	5	190	11

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Class A Sublease vacancy has inched up to 4.9% from 4.8% compared to 2024 Q2 last year reflecting continued softness in Tenant demand. Asking rents have declined by 19%, going from $1.45 PSF to $1.17 PSF as landlords respond to weaker demand and increased competition in the market. Submarket trends were mixed: the Mid-Counties region saw a modest 6% increase in asking rents, indicating some tenant activity, while LA Central experienced a significant 37% decrease—suggesting landlords are pricing more aggressively to attract interest. Overall, the Sublease market remains oversupplied, with 46 active Class A listings and only 19 properties leased. These conditions clearly reflect a tenant's market, Landlords must continue to adapt—through pricing strategies, enhanced concessions, or repositioning efforts—to remain competitive in today's slower, tenant-driven landscape.

Sublease Report

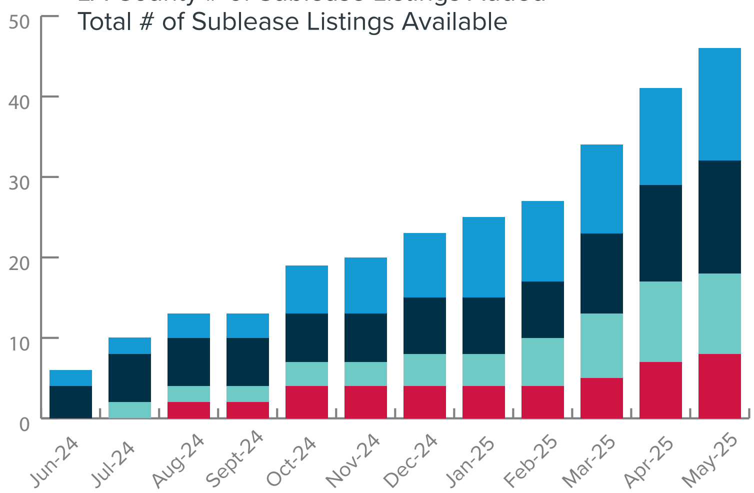
Sublease Vacancy (NNN)

Q2 2025 (QTD)	4.9%
Q2 2024	4.8%

Sublease Asking Rate (NNN)

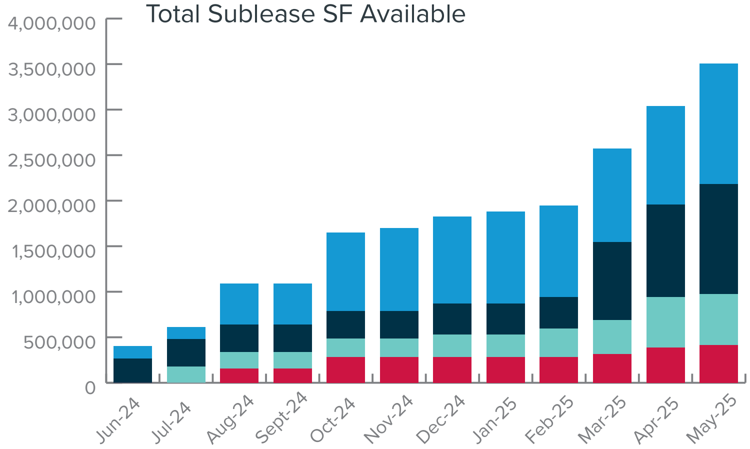
Q2 2025 (QTD)	$1.17
Q2 2024	$1.45

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



Period	LA Central	Mid-Counties	SGV	South Bay	LA County
June-24	0	0	4	2	6
July-24	0	2	2	0	4
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	3	1	7
Apr-25	2	2	2	1	7
May-25	1	0	2	2	5
Total	**8**	**10**	**14**	**14**	**46**

LA County Sublease SF Added + Total Sublease SF Available



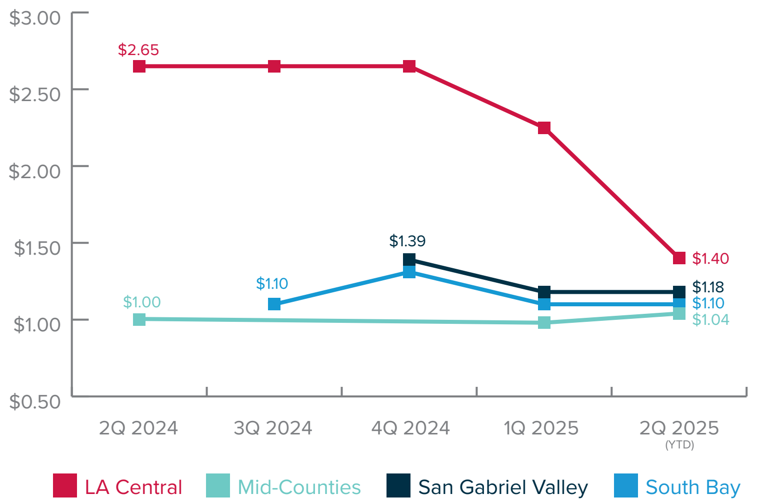
Period	LA Central	Mid-Counties	SGV	South Bay	LA County
June-24	-	-	267,140	135,504	402,644
July-24	-	177,281	34,677	-	211,958
Aug-24	159,151	-	-	315,256	474,407
Sept-24	-	-	-	-	-
Oct-24	124,180	23,400	-	414,744	562,324
Nov-24	-	-	-	47,140	47,140
Dec-24	-	42,500	41,121	43,774	127,395
Jan-25	-	-	-	53,175	53,175
Feb-25	-	69,750	-	-	69,750
Mar-25	31,954	62,321	512,855	15,000	622,130
Apr-25	71,320	180,381	157,589	60,000	469,290
May-25	30,706	-	194,786	239,372	464,864
Total:	**417,311**	**555,633**	**1,208,168**	**1,323,965**	**3,505,077**

Total Number of Sublease Listings Added + Total Number of Sublease Listings Available:	46

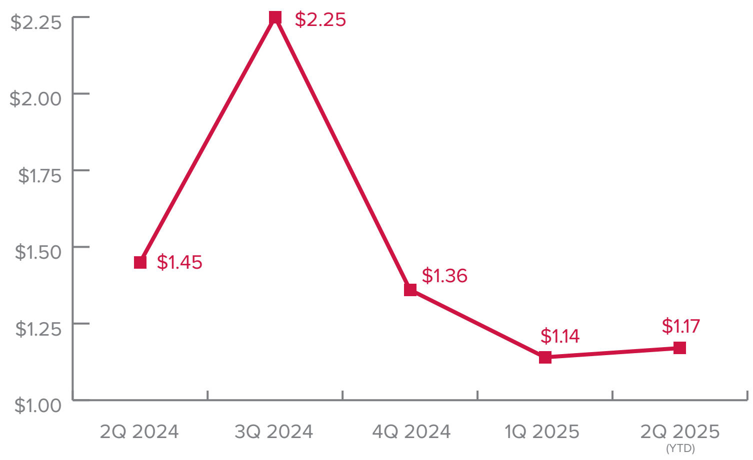
Total Comps	19

Sublease Report

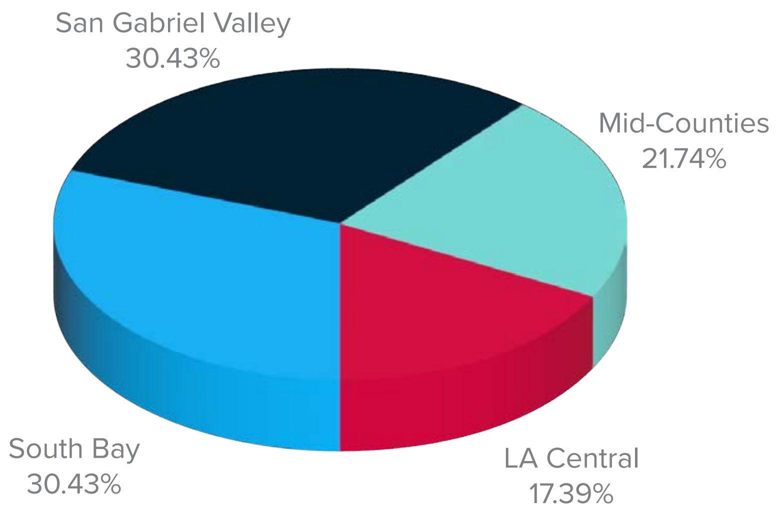
Submarket Sublease
Asking Rate (NNN)



LA County Sublease
Asking Rate (NNN)



% Sublease Availability



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