LEE & ASSOCIATES
LOS ANGELES - DOWNTOWN

Los Angeles County Industrial MARKET REPORT

▶ Class B and C Buildings

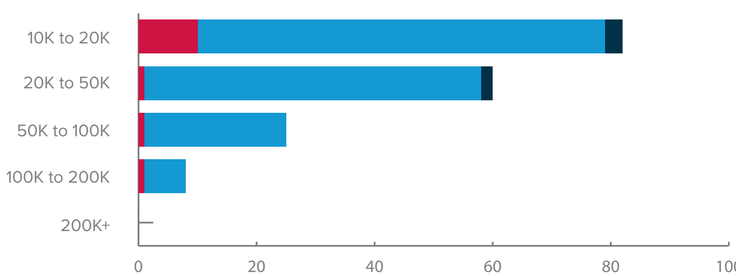
April | 2025

INSIGHT

Sales activity across Los Angeles County for B and C properties continues to reflect a strong shift toward a buyer's market, with 14 properties sold compared to 31 new listings added, indicating that supply is outpacing demand by more than 2:1. San Gabriel Valley and Mid-Counties are experiencing an oversupply, each showing a 3:0 supply-to-demand ratio. This imbalance gives buyers substantial leverage, as inventory remains high and competition among sellers intensifies. In contrast, the South Bay submarket showed more balanced conditions with a 1:8 ratio, though most of the sold activity was in buildings less than 20k. Overall, the countywide trend remains firmly in favor of buyers. With growing inventory and subdued sales, Sellers should be prepared for longer sales cycles and increased pricing pressure.

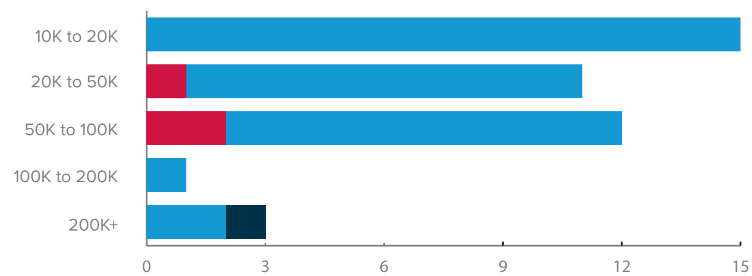
Sale Supply Demand Report

LA Central Sale Supply Demand (April 2025)



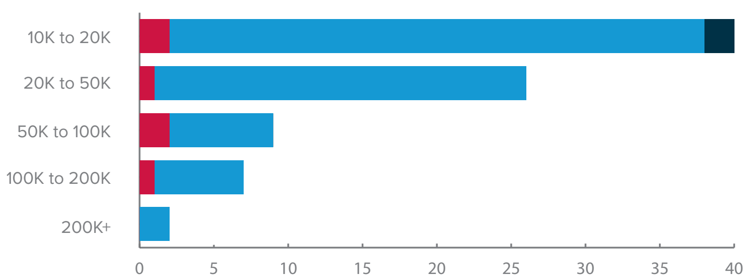
SF	Availables Added Sales	Total Availables Sales	Total Comps This Month - Sold
10K to 20K	10	69	3
20K to 50K	1	57	2
50K to 100K	1	23	1
100K to 200K	1	7	0
200K+	0	0	0

Mid-Counties Sale Supply Demand (April 2025)



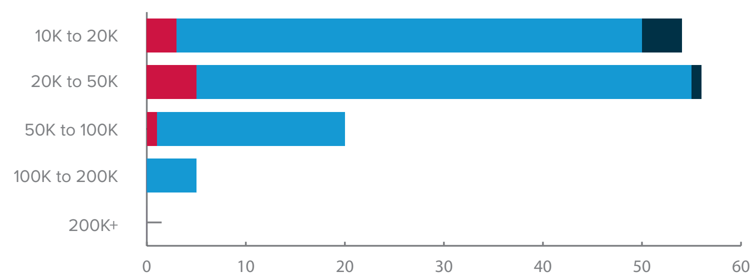
SF	Availables Added Sales	Total Availables Sales	Total Comps This Month - Sold
10K to 20K	0	15	0
20K to 50K	1	10	0
50K to 100K	2	10	0
100K to 200K	0	1	0
200K+	0	2	1

San Gabriel Valley Sale Supply Demand (April 2025)



SF	Availables Added Sales	Total Availables Sales	Total Comps This Month - Sold
10K to 20K	2	36	2
20K to 50K	1	25	0
50K to 100K	2	7	0
100K to 200K	1	6	0
200K+	0	2	0

South Bay Sale Supply Demand (April 2025)



SF	Availables Added Sales	Total Availables Sales	Total Comps This Month - Sold
10K to 20K	3	47	4
20K to 50K	5	50	1
50K to 100K	1	19	0
100K to 200K	0	5	0
200K+	0	0	0

Grand Total:	Availables Added - Sales	Total Availables - Sales	Total Comps This Month - Sold
	31	391	14

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Los Angeles County Industrial MARKET REPORT

Class B and C Buildings

LEE & ASSOCIATES
LOS ANGELES - DOWNTOWN

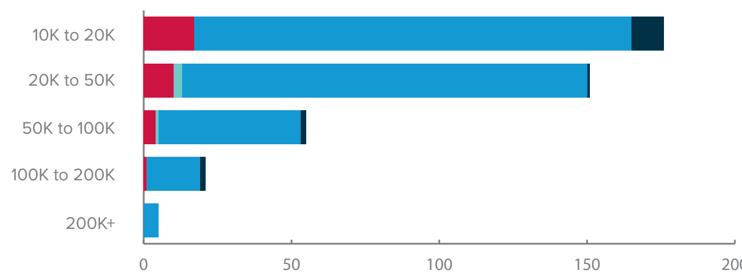
April | 2025

INSIGHT

The Los Angeles County industrial market for Class B and C facilities continues to lean in favor of tenants, as supply generally outpaces demand. LA Central exhibits the greatest imbalance, with supply exceeding demand by a factor of 2.3—an indication of softened tenant activity in that submarket. Among the submarkets, Mid-Counties is performing the strongest, posting a favorable 1:2 lease-to-supply ratio. In contrast, both the San Gabriel Valley and South Bay are facing significant oversupply, each with a 1:6 ratio, reflecting sluggish leasing conditions. Overall, leasing activity remains slow across the region. While tenants are still active in the market, lease transactions are taking longer to complete, and properties are sitting on the market for extended periods.

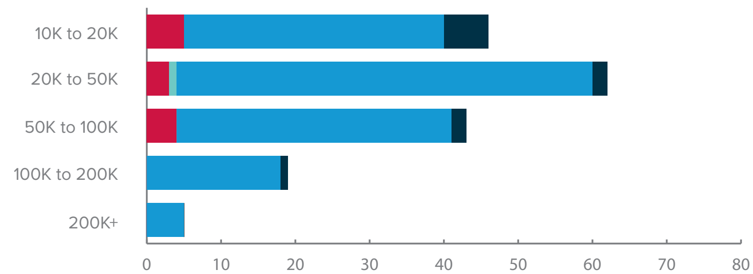
Lease Supply Demand Report

LA Central Lease Supply Demand (April 2025)



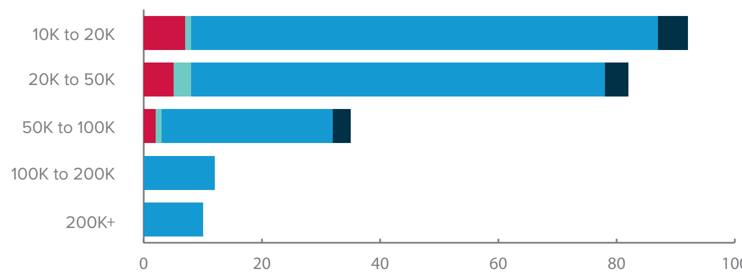
SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	17	0	148	11
20K to 50K	10	3	137	1
50K to 100K	4	1	48	2
100K to 200K	1	0	18	2
200K+	0	0	5	0

Mid-Counties Lease Supply Demand (April 2025)



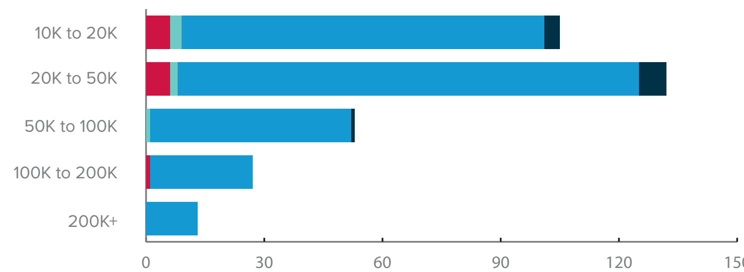
SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	5	0	35	6
20K to 50K	3	1	56	2
50K to 100K	4	0	37	2
100K to 200K	0	0	18	1
200K+	0	0	5	0

San Gabriel Valley Lease Supply Demand (April 2025)



SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	7	1	79	5
20K to 50K	5	3	70	4
50K to 100K	2	1	29	3
100K to 200K	0	0	12	0
200K+	0	0	10	0

South Bay Lease Supply Demand (April 2025)



SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	6	3	92	4
20K to 50K	6	2	117	7
50K to 100K	0	1	51	1
100K to 200K	1	0	26	0
200K+	0	0	13	0

	Direct Availables Added	Total Available Added Sublease	Total Availables	Total Comps This Month
Grand Total:	71	16	1006	45

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INSIGHT

The Sublease market vacancy rates for B and C more than doubled from 3.6% in Q1 2024 to 8.1% in Q1 2025. Despite the higher vacancy, rental rates saw a slight uptick, increasing from $1.17 to $1.20 psf. This modest gain is largely attributed to a rise in listings for smaller buildings under 50,000 square feet, which typically command higher rates. LA Central, for example, recorded a 6% increase in asking rents, from $1.19 to $1.27 per square foot, driven in part by the addition of three new listings in the 20,000–50,000k skewing the submarket average upward. However, the broader sublease market remains sluggish. With 182 active listings and only 82 comparable deals, the imbalance between available space and tenant demand underscores the ongoing softness. Landlords in the sublease segment should be prepared for longer absorption timelines and consider competitive pricing strategies to attract activity.

Sublease Report

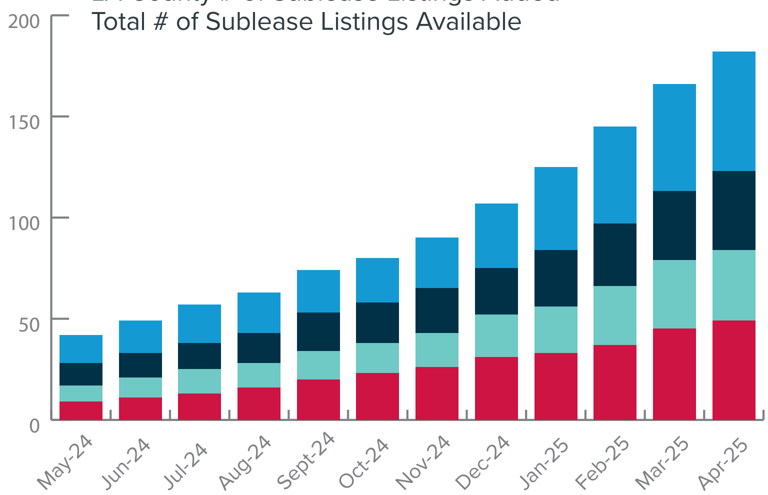
Sublease Vacancy (NNN)

Q2 2025 (QTD)	8.1%
Q2 2024	3.6%

Sublease Asking Rate (NNN)

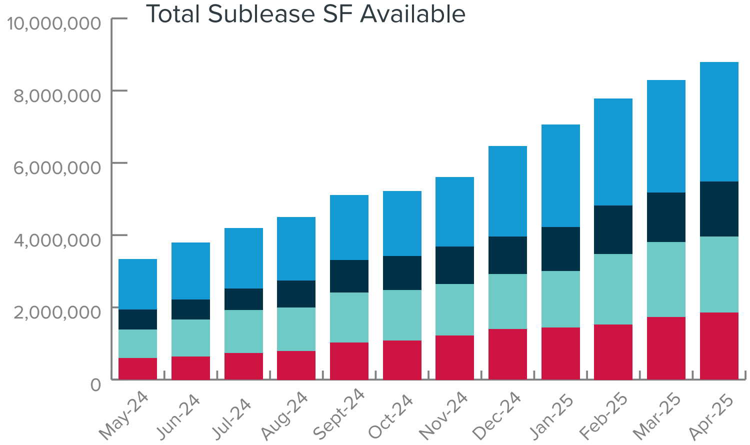
Q2 2025 (QTD)	$1.20
Q2 2024	$1.17

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



Period	LA Central	Mid-Counties	SGV	South Bay	LA County
May-24	9	8	11	14	42
June-24	2	2	1	2	7
July-24	2	2	1	3	8
Aug-24	3	0	2	1	6
Sept-24	4	2	4	1	11
Oct-24	3	1	1	1	6
Nov-24	3	2	2	3	10
Dec-24	5	4	1	7	17
Jan-25	2	2	5	9	18
Feb-25	4	6	3	7	20
Mar-25	8	5	3	5	21
Apr-25	4	1	5	6	16
Total	**49**	**35**	**39**	**59**	**182**

LA County Sublease SF Added + Total Sublease SF Available



Period	LA Central	Mid-Counties	SGV	South Bay	LA County
May-24	588,283	802,536	546,921	1,404,150	3,341,890
June-24	53,682	214,270	12,000	166,912	446,864
July-24	89,050	181,384	31,427	96,684	398,545
Aug-24	63,143	-	152,034	98,985	314,162
Sept-24	231,754	181,251	169,178	19,119	601,302
Oct-24	59,673	13,879	26,980	16,020	116,552
Nov-24	136,049	30,560	92,000	131,370	389,979
Dec-24	170,017	99,537	13,200	574,977	857,731
Jan-25	46,301	40,000	182,393	318,606	587,300
Feb-25	87,320	386,766	114,520	134,058	722,664
Mar-25	199,650	126,979	35,820	155,214	517,663
Apr-25	126,503	31,680	138,728	194,121	491,032
Total:	**1,851,425**	**2,108,842**	**1,515,201**	**3,310,216**	**8,785,684**

Total Number of Sublease Listings Added + Total Number of Sublease Listings Available:	182

Total Comps	82

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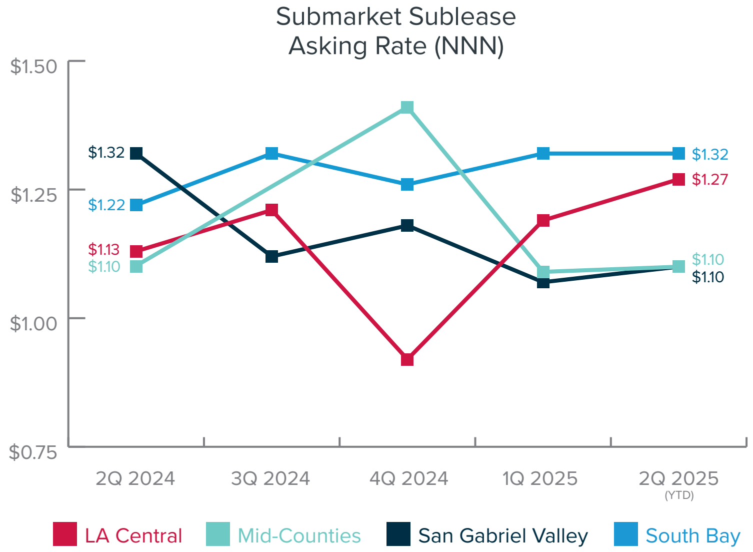
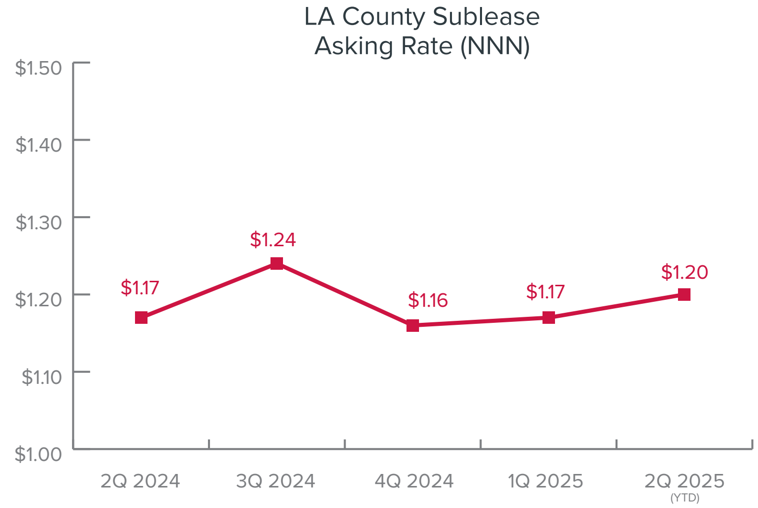
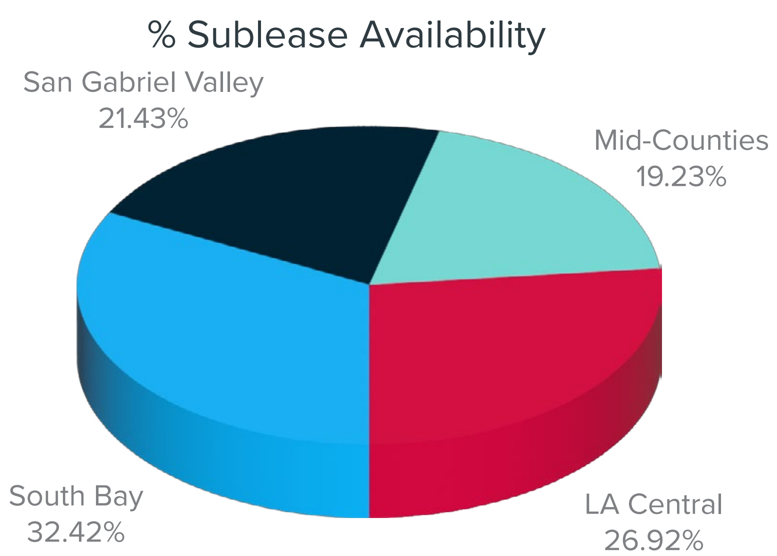
Sublease Report







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