

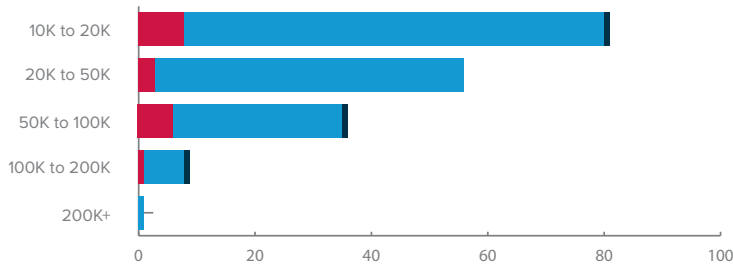
INSIGHT

June | 2025

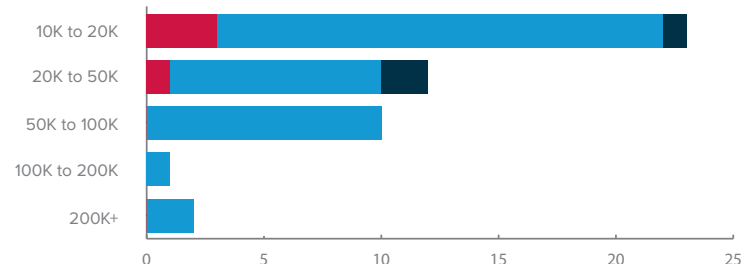
Sales activity across all four submarkets for Class B and C properties was sluggish in June, with 2x as many listings added as properties sold. The Central submarket showed the sharpest imbalance, with an 18:3 supply-to-demand ratio, and accounts for 40% of all active listings. Given this concentration, sellers in the Central market must carefully reassess their pricing strategies to remain competitive, a market where inventory is plenty. South Bay, holding 30% of total listings, also exhibited market strain with 1.3x more listings added than properties sold. Mid-Counties mirrored this trend, while San Gabriel Valley posted a 2:1 supply- to- demand ratio, further highlighting slow buyer engagement. Overall, buyer activity remains limited while inventory continues to grow. To compete effectively in this sustained buyer's market, sellers across all submarkets should consider adopting more aggressive pricing and incentives to attract interest and facilitate transactions.

Sale Supply Demand Report

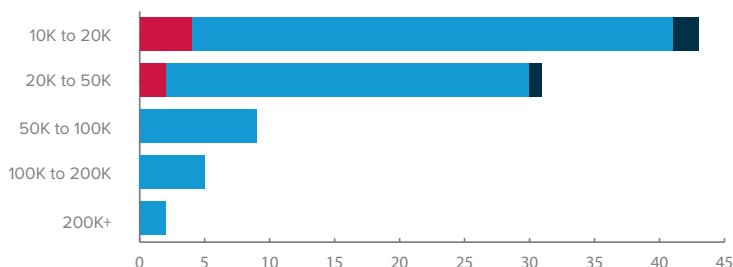
LA Central Sale Supply Demand (June 2025)



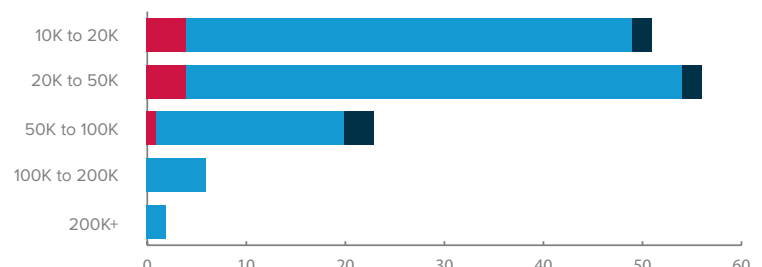
Mid-Counties Sale Supply Demand (June 2025)



San Gabriel Valley Sale Supply Demand (June 2025)



South Bay Sale Supply Demand (June 2025)



Grand Totals:	Availables Added - Sales	Total Availables - Sales	Total Comps This Month - Sold
	37	406	16

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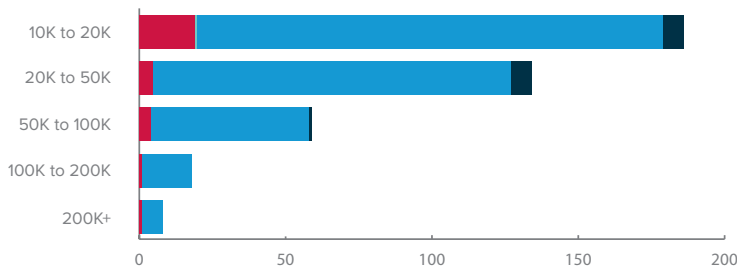
INSIGHT

June | 2025

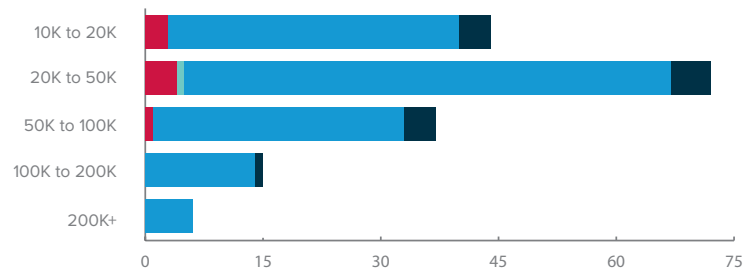
The Industrial leasing varied across the markets. Mid-Counties demonstrated the most balanced overall activity, with 8 direct listings and 13 leased properties, alongside a 1:1 supply-to-demand ratio, signaling relatively healthy demand across both segments. San Gabriel Valley saw strong momentum in direct leasing, with 14 listings and 18 properties leased, However, sublease demand lagged, with 4 new sublease listings and only one deal completed, pointing to softer interest in non-direct space. LA Central recorded the weakest activity in the direct leasing market, with a 30:14 supply-to-demand ratio, reflecting significant oversupply. However, its sublease market remained balanced, posting a 1:1 supply-to-demand ratio, suggesting steady tenant interest in non direct lease space. Overall, with 75 listings added and 63 leased in June, the trend continues to favor Tenants. Landlords must remain flexible on pricing and deal structure to stay competitive in this demand-sensitive environment.

Lease Supply Demand Report

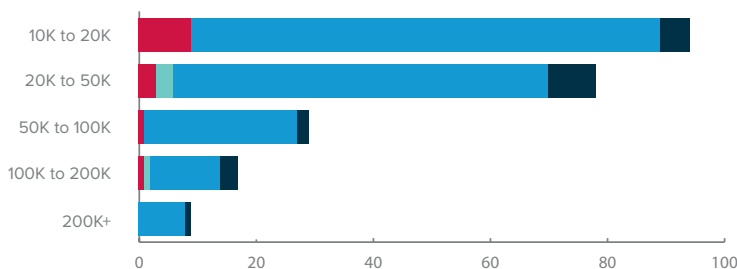
LA Central Lease Supply Demand (June 2025)



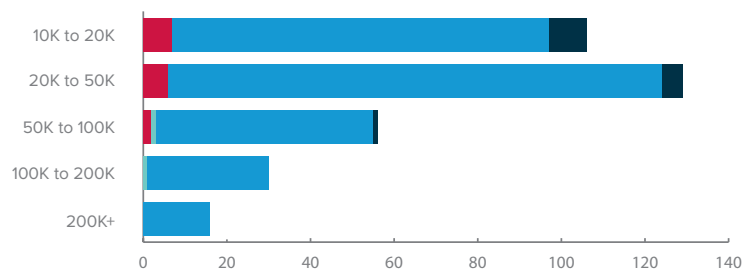
Mid-Counties Lease Supply Demand (June 2025)



San Gabriel Valley Lease Supply Demand (June 2025)



South Bay Lease Supply Demand (June 2025)



SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	9	0	80	5
20K to 50K	3	3	64	8
50K to 100K	1	0	26	2
100K to 200K	1	1	12	3
200K+	0	0	8	1

SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	7	0	90	9
20K to 50K	6	0	118	5
50K to 100K	2	1	52	1
100K to 200K	0	1	29	0
200K+	0	0	16	0

Grand Totals:	Direct Availables Added	Total Available Added Sublease	Total Availables	Total Comps This Month
	67	8	1005	63

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June | 2025

INSIGHT

The sublease market for Class B and C industrial properties has softened significantly over the past year, with vacancy rates more than doubling, from 3.4% in Q2 2024 to 8.2% in Q2 2025. Average asking rents also declined, dropping from \$1.30 to \$1.24 per square foot, reflecting weakened tenant demand. Mid-Countries and South Bay experienced minor pricing adjustments, each recording a 1% decrease in sublease rates with a 1:1 supply -to-demand ratio respectively. In contrast, LA Central posted the sharpest decline, with asking rents falling 24%, from \$1.91 to \$1.44 PSF, indicating landlords' increasing willingness to adjust pricing in order to attract tenants in a sluggish market as it currently holds 26% of the overall Sublease inventory. Conversely, San Gabriel Valley saw a 24% increase in sublease rates, However, with only one sublease deal completed last month, demand in this submarket appeared weak in June, implying that current pricing may not be aligned with tenant expectations. With 170 active sublease listings and just 81 recorded lease comps, the market remains firmly in tenants' favor. This sustained oversupply continues to pressure landlords to adopt more aggressive pricing to stimulate Tenant activity.

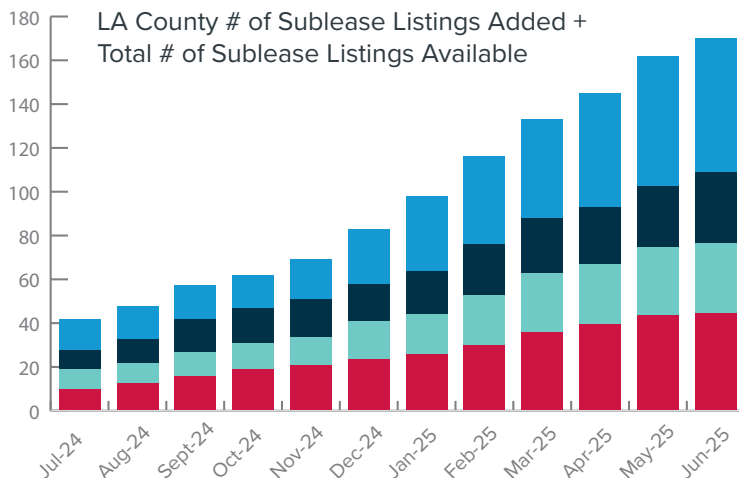
Sublease Report

Sublease Vacancy (NNN)

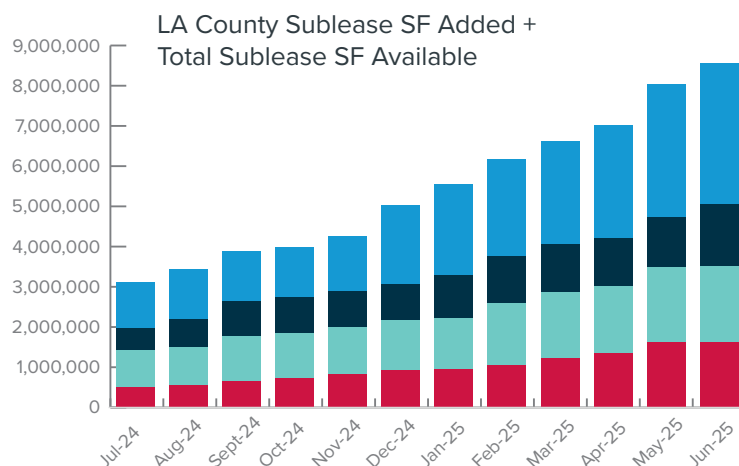
Q2 2025 (QTD)	8.2%
Q2 2024	3.4%

Sublease Asking Rate (NNN)

Q2 2025 (QTD)	\$1.24
Q2 2024	\$1.30



Period	LA Central	Mid-Countries	SGV	South Bay	LA County
July-24	10	9	9	14	42
Aug-24	3	0	2	1	6
Sept-24	3	2	4	0	9
Oct-24	3	1	1	0	5
Nov-24	2	1	1	3	7
Dec-24	3	4	0	7	14
Jan-25	2	1	3	9	15
Feb-25	4	5	3	6	18
Mar-25	6	4	2	5	17
Apr-25	4	0	1	7	12
May-25	4	4	2	7	17
Jun-25	1	1	4	2	8
Total	45	32	32	61	170



Period	LA Central	Mid-Countries	SGV	South Bay	LA County
July-24	504,536	934,925	540,483	1,137,022	3,116,966
Aug-24	63,143	-	152,034	98,985	314,162
Sept-24	102,485	181,251	169,178	-	452,914
Oct-24	59,673	13,879	26,980	-	100,532
Nov-24	122,339	18,560	20,000	131,370	292,269
Dec-24	72,855	99,537	-	574,977	747,369
Jan-25	46,301	25,000	139,880	318,606	529,787
Feb-25	87,320	276,070	118,150	123,698	605,238
Mar-25	168,600	110,271	22,320	160,214	461,405
Apr-25	126,503	-	23,040	244,121	393,664
May-25	281,400	208,512	35,495	513,326	1,038,733
Jun-25	10,000	22,218	281,566	186,432	500,216
Total	1,645,155	1,890,223	1,529,126	3,488,751	8,553,255

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

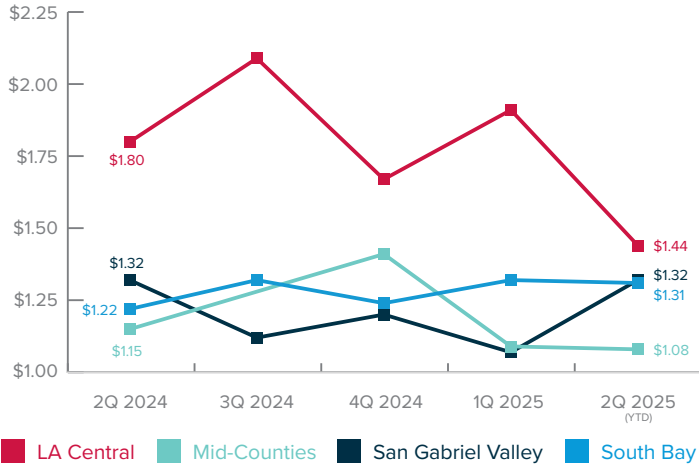
170

Total Comps

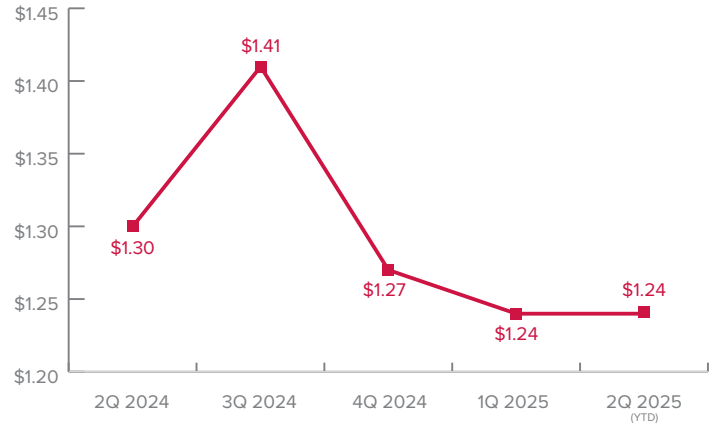
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Sublease Report

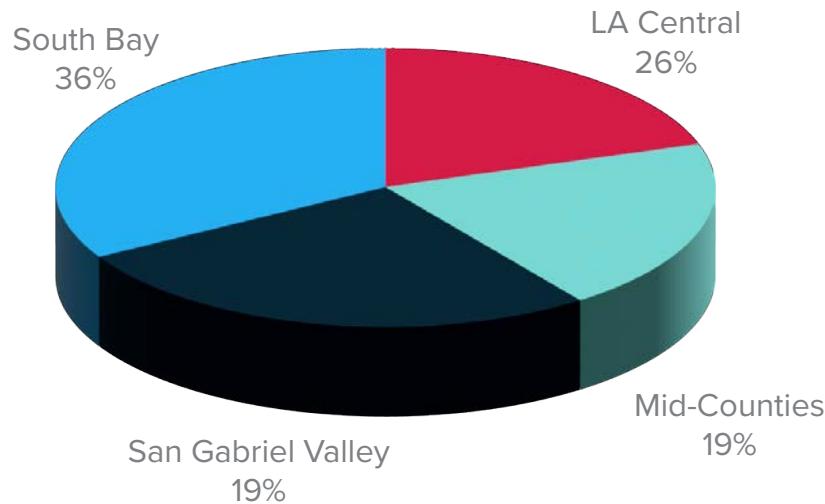
Submarket Sublease
Asking Rate (NNN)



LA County Sublease
Asking Rate (NNN)



% Sublease Availability



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