LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q4

LA NORTH INDUSTRIAL MARKET REPORT

Market Indicators

	Q4 2024	Q3 2024	Q2 2024	Q1 2024
VACANCY	4.2%	3.9%	3.6%	2.9%
ABSORPTION	(393,846) SF	(1,456,126) SF	(776,321) SF	(417,962) SF
DIRECT LEASE RATE	$1.53 PSF	$1.53 PSF	$1.64 PSF	$1.68 PSF

Q4 Trends at a Glance

- Leasing Activity **1,049,062 SF**
- Under Construction **2,675,252 SF**
- Completed Construction **206,379 SF**
- Buildings Sold **19**
- Median Sale Price **$289**

Unemployment Rate

	LA County	California	US
Nov 2024	6.0%	5.4%	4.2%
Oct 2024	6.7%	5.3%	4.1%

LA NORTH INDUSTRIAL Q4 2024

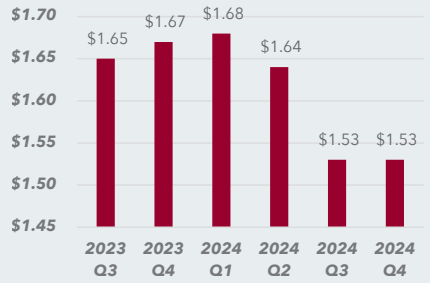
The Los Angeles North industrial market demonstrated resilience in 2024 despite absorption challenges. Year-to-date net absorption totaled -1.8 million square feet (SF), but steady demand in key submarkets like Van Nuys and Woodland Hills kept the region dynamic. Asking rents averaged $1.53 per SF on a triple-net basis, reflecting overall market stability.

The market's overall vacancy rate of 4.2% remains healthy, with standout performances in Van Nuys and Woodland Hills, which reported exceptionally low vacancy rates of 1.9% and 0.8%, respectively. In contrast, higher vacancy rates in Chatsworth and Santa Clarita Valley present opportunities for tenants in an otherwise tight market.

Construction activity is robust, with 1.5 million SF underway, led by Antelope Valley with over 1 million SF and Santa Clarita Valley contributing 251,310 SF. Year-to-date, 587,753 SF of new industrial space was delivered, including key projects in Santa Clarita Valley and NoHo/Universal City, which aim to alleviate demand pressures.

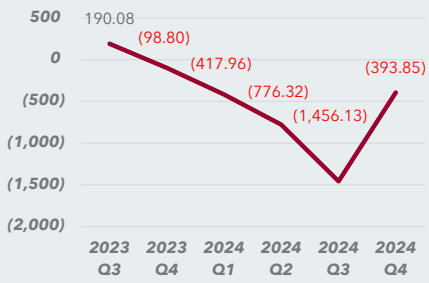
Despite negative absorption, the Los Angeles North industrial market is poised for growth. Strong construction pipelines, competitive rents, and strategic leasing activity reinforce its position as a critical industrial hub in Southern California.

RENTAL RATES



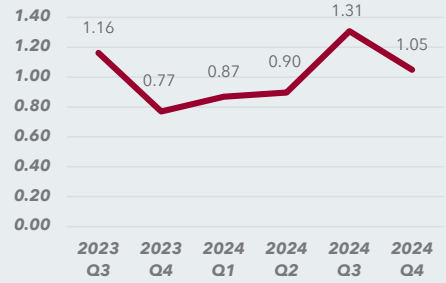
AVERAGE PER SF, PER MONTH

ABSORPTION



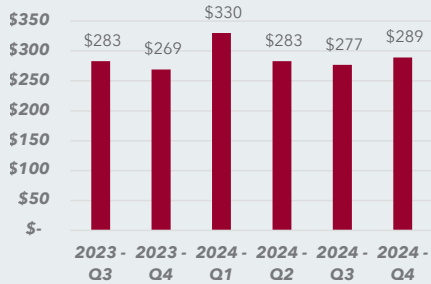
IN THOUSANDS OF SF

LEASING ACTIVITY

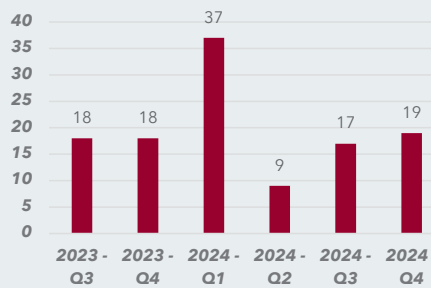


MILLIONS OF SF LEASED

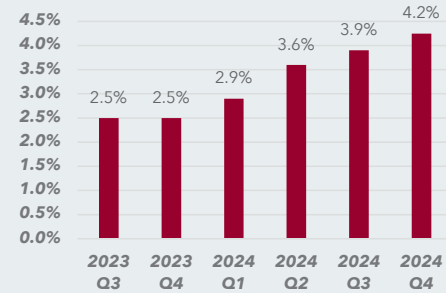
MEDIAN SALE PRICE



SALE TRANSACTIONS



VACANCY



Median sale price excludes distressed sales and those where no price information was recorded.

TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER/SELLER	BUILDING CLASS
13690 Vaughn St Pacoima, CA	68,145 SF	$29,000,000 $425.56 PSF	Aff Vaughn LLC Vaughn XC LLC	Class A
2313-2323 N Valley St* Burbank, CA	41,721 SF	$16,693,044 $400.11 PSF	Kayne Anderson Real Estate BKM Capital Partners	Class B
2313-2323 N Valley St* Burbank, CA	41,721 SF	$14,436,004 $346.01 PSF	Kayne Anderson Real Estate BKM Capital Partners	Class B

**Part of a Portfolio Sale*

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
8500 Balboa Blvd, #101 Northridge, CA	97,724 SF	Pendulum Partners	Young LA Trading CO	Clothing / Apparel Brand
12840 Bradley Ave Sylmar, CA	41,536 SF	PRN Ambulance	Anderson Holdings LLC	Ambulatory Services
7901 Deering Ave Canoga Park, CA	38,640 SF	EquipmentShare.com	7901 Deering 2003 LLC	Equipment Rentals

Source: CoStar and Lee & Associates

SUBMARKETS	TOTAL INVENTORY	TOTAL VACANCY		NET ABSORPTION		CONSTRUCTION			ASKING RATE
							COMPLETED		
		Total SF	%	Q4 2024	YTD 2024	Underway	Q4 2024	YTD 2024	
Antelope Valley	12,918,702	428,901	3.3%	(74,882)	(31,926)	1,075,000	99,853	114,853	$1.32
Burbank	9,000,910	389,938	4.3%	69,357	(97,944)	0	0	0	$1.74
Canoga Park	4,176,886	170,255	4.1%	(18,009)	(39,118)	0	0	0	$1.45
Chatsworth	19,168,949	1,235,141	6.4%	(226,798)	(670,258)	79,539	0	0	$1.26
Glendale	5,326,193	207,819	3.9%	(268)	(117,578)	0	0	0	$2.67
No. Hollywood / Universal City	12,533,354	565,947	4.5%	(112,485)	(165,619)		106,526	106,526	$1.77
Northridge	3,938,675	210,741	5.4%	14,690	(159,749)	0	0	0	$1.73
Reseda /Tarzana	837,366	26,977	3.2%	(4,142)	127,274	0	0	0	$0.97
San Fernando /Sylmar /Pacoima / Arleta	17,365,792	682,056	3.9%	78,533	(128,734)	143,529	0	68,145	$1.61
Santa Clarita Valley	25,746,010	1,404,430	5.5%	(131,747)	(511,661)	251,310	0	288,229	$1.25
Sun Valley	10,437,914	308,113	3.0%	56,699	(20,011)	0	0	0	$1.75
Van Nuys	18,150,284	351,559	1.9%	(43,294)	12,137	0	0	10,000	$1.62
Woodland Hills	1,500,064	12,230	0.8%	(1,500)	(526)	0	0	0	$1.65
Total	141,101,099	5,994,107	4.2%	(393,846)	(1,803,713)	1,549,378	206,379	587,753	$1.53

Source: CoStar and Lee & Associates

MARKET DEFINITIONS

RENTABLE AREA

Includes all Class A, B and C multi-tenant and single-tenant industrial buildings of 10,000 square feet and greater. Excludes buildings under construction, planned or under renovation.

DIRECT VACANCY

Space in existing buildings that is not occupied and is available for direct lease.

TOTAL VACANCY

Space in existing buildings that is not occupied and is available for direct lease and/or sub-lease.

TOTAL NET ABSORPTION

The square feet leased after deducting space vacated.

DIRECT ASKING LEASE RATE

Calculated for direct available space using NNN rents. Rents are weighted by total square feet available for direct lease.

UNDER CONSTRUCTION

Buildings in the process of construction. A building is considered complete when issued a certificate of occupancy.

MEDIAN SALE PRICE

Based on actual prices of sold buildings as reported in public records and by CoStar. Includes all industrial buildings 10,000 SF and more sold at $500,000 or more.

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Lee & Associates-LA North/Ventura, Inc. *is a full service commercial brokerage company serving the San Fernando Valley, Conejo Valley, Simi Valley/Moorpark and Ventura County markets. Founded in 1994, Lee LA North/Ventura has grown to become one of the largest commercial brokerage companies in the Los Angeles North and Ventura regions with four offices and 49 agents.*

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LA NORTH INDUSTRIAL SUBMARKETS

Antelope Valley
Lancaster
Palmdale

Burbank

Canoga Park

Glendale

Chatsworth

North Hollywood/ Universal City
La Crescenta
Montrose
Studio City
Sunland
Tujunga

Northridge

Reseda/Tarzana

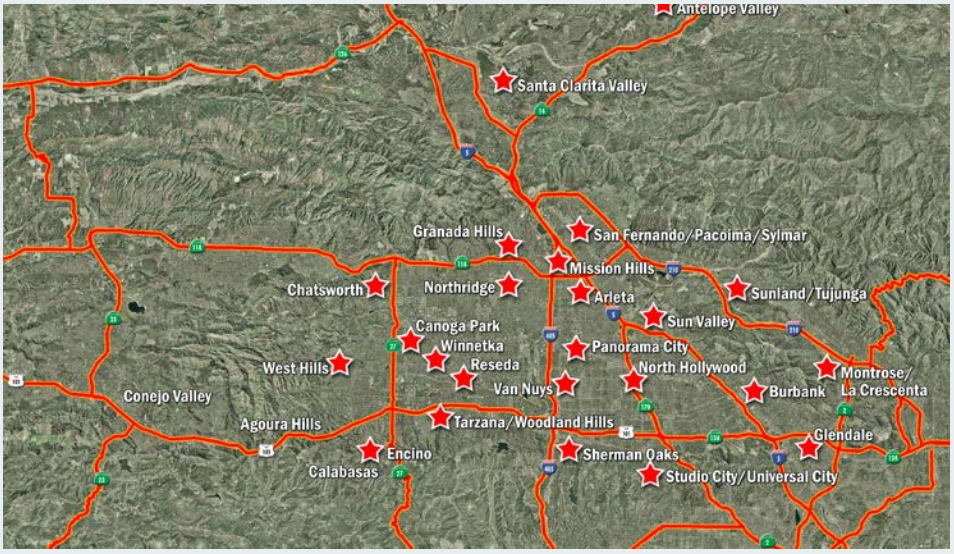
San Fernando/Sylmar/ Pacoima/Arleta

Santa Clarita Valley
La Crescenta
Montrose
Studio City
Sunland
Tujunga

Sun Valley

Van Nuys
Mission Hills
Panorama City
Sherman Oaks

Van Nuys
Encino
Granada Hills
West Hills
Winnetka



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