



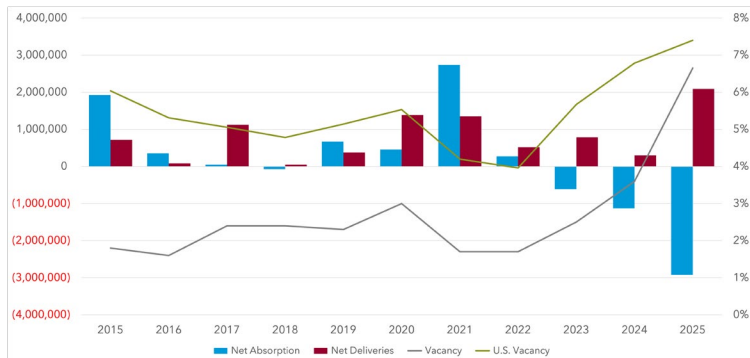
## INDUSTRIAL MARKET OVERVIEW

### LA NORTH INDUSTRIAL TEAM

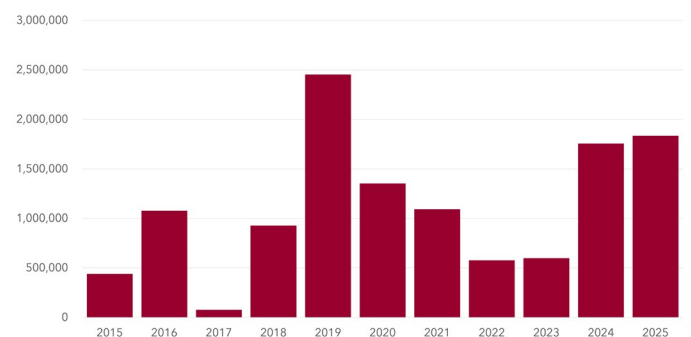
The LA North industrial market continued to soften through 2025, reflecting slower tenant demand and a more cautious expansion environment. Vacancy trended upward as move-outs outpaced new leasing, giving occupiers additional leverage in negotiations. Asking rents remained relatively stable, signaling that landlords are prioritizing occupancy over aggressive rent growth. Sales activity persisted but at more measured pricing, with investors remaining selective amid higher financing costs. Construction deliveries have tapered from prior peaks, which should help limit longer-term oversupply. Overall, the market is transitioning toward balance, with near-term headwinds but improving fundamentals expected as supply moderates.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Net Absorption SF	(2,922,613)	(2,503,166)	(2,531,947)	(2,897,244)	(3,044,255)
▲ Vacancy Rate	6.65%	5.69%	4.69%	4.24%	4.25%
▲ Avg NNN Asking Rate PSF	\$1.51	\$1.47	\$1.46	\$1.46	\$1.50
▲ Sale Price PSF	\$273.33	\$253.00	\$269.28	\$326.17	\$289.16
▼ Cap Rate	5.20%	5.40%	5.40%	4.90%	5.24%
▲ Under Construction SF	1,835,423	1,553,488	2,210,311	3,302,832	2,675,252
▲ Inventory SF	142,843,304	142,348,936	141,960,565	141,578,148	141,101,099

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
12100 Dronfield Avenue San Fernando, CA	81,200 SF	\$31,736,500 \$390.84 PSF	BLT Enterprises PepsiCo, Inc.	Class C
20640 Nordhoff Street Chatsworth, CA	51,745 SF	\$15,000,000 \$289.88 PSF	Electro Adapter, Inc. Xebec	Class B
13333-13345 Satcoy Street North Hollywood, CA	36,650 SF	\$8,225,000 \$224.42 PSF	Tanya Roofian Shepard G. & Ronnie J. Goodman	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
25045 Avenue Tibbitts Valencia, CA	142,392 SF	JLL Income Property Trust	LA North Studios LLC	Information
16620 Stagg Street Van Nuys, CA	79,744 SF	Prologis, Inc.	Undisclosed	Undisclosed
7700 Balboa Boulevard Van Nuys, CA	43,160 SF	Occidental Entertainment Grp Holdings, Inc.	Undisclosed	Undisclosed

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