



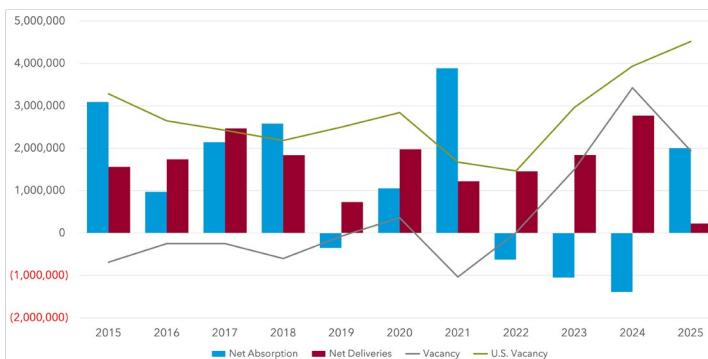
INDUSTRIAL MARKET OVERVIEW

LEJO MAMMEN, Director of IT and Research

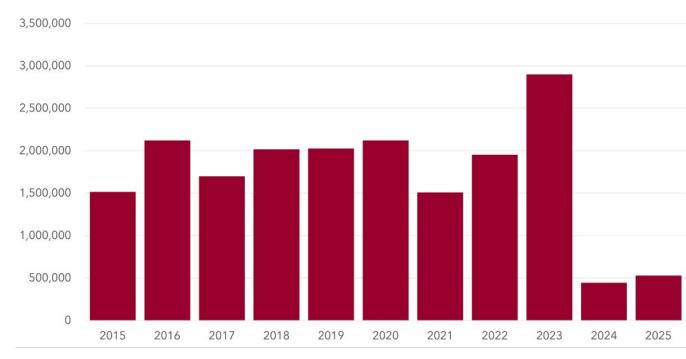
The SGV submarket is showing continued signs of recovery in 2025 after two years of rising vacancy and negative absorption. Vacancy ended Q4 at 5.2%, down from 6.2% in 2024, supported by over 2 million square feet of positive net absorption for the year. Leasing activity remains solid with over 9.7 million square feet transacted across 638 deals in 2025, suggesting tenants are re-entering the market despite the elevated availability of 6.8%. Construction remains limited at just 529,985 square feet, and new deliveries have slowed considerably. Direct average triple-net rents have adjusted downward to \$15.48 per square foot, reflecting a more balanced market as landlords compete to fill space.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Net Absorption SF	(317,060)	2,122,390	44,652	426,499	(1,387,934)
▼ Vacancy Rate	5.20%	5.30%	6.00%	5.80%	6.20%
▼ Avg NNN Asking Rate PSF	\$15.00	\$15.48	\$15.84	\$16.68	\$16.80
▲ Sale Price PSF	\$303.00	\$240.24	\$285.03	\$287.74	\$209.64
▲ Cap Rate	5.20%	4.80%	5.30%	6.10%	5.90%
▼ Under Construction SF	529,985	616,782	616,782	493,874	444,995
▲ Inventory SF	178,145,867	177,752,058	177,752,058	177,714,872	177,714,872

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
18305 San Jose Avenue* Industry, CA	250,080 SF	\$60,000,000 \$239.92 PSF	Bridge Investment Group Link Logistics Real Estate	Class A
18501 San Jose Avenue* Industry, CA	199,164 SF	\$49,000,000 \$246.03 PSF	Bridge Investment Group Link Logistics Real Estate	Class A
1100-1116 Ciner Court* San Dimas, CA	52,800 SF	\$13,346,917 \$252.78 PSF	Hi Rel Connectors, Inc. RDS Investments	Class B

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
15801-156811 E. Valley Boulevard Industry, CA	125,000 SF	Majestic	EMEG, Inc.	eCommerce
240 S. 6th Avenue Industry, CA	124,435 SF	Sixth & Proctor LLC	Rivers Promo	Advertising
1035 N. Todd Avenue Azusa, CA	90,868 SF	SurfaceOne	Todd APG LLC	Freight Service



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