LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q2 2026
INLAND EMPIRE WEST, CA

INDUSTRIAL MARKET OVERVIEW

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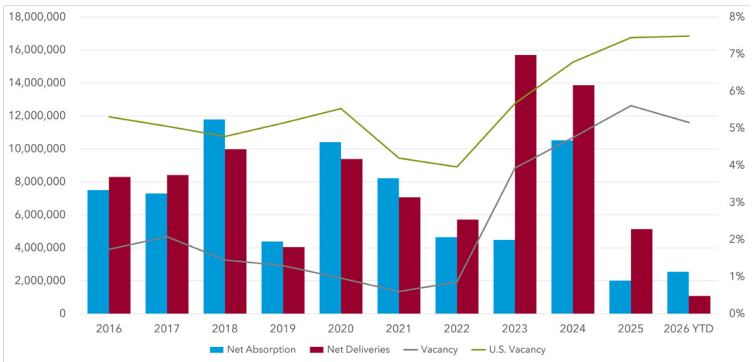
The second quarter marked an important turning point for the Inland Empire industrial market, as conditions continued to stabilize following an extended period of adjustment. Tenants remained in a favorable position with greater leasing options and increased flexibility during negotiations, while demand from logistics, manufacturing, and distribution users continued to support overall market activity. Developers adopted a more measured approach to speculative construction throughout the quarter, prioritizing the absorption of existing inventory before launching additional projects. Investment activity also remained resilient, with buyers continuing to pursue well-located industrial assets despite a more selective capital environment.

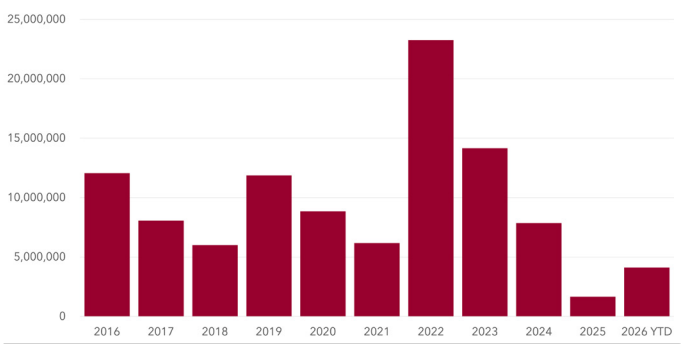
MARKET INDICATORS	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
▲ 12 Mo. Net Absorption SF	2,555,833	(1,771,969)	2,013,829	3,812,944	1,864,568
▼ Vacancy Rate	5.16%	6.09%	5.61%	4.80%	4.39%
▼ Avg NNN Asking Rate PSF	$12.46	$12.58	$11.76	$12.76	$12.54
▼ Sale Price PSF	$258.35	$277.09	$277.53	$272.07	$300.80
◄ ► Cap Rate	*	*	*	*	*
▲ Under Construction SF	4,112,834	2,639,445	1,659,169	2,794,946	6,264,623
▲ Inventory SF	373,851,186	371,203,629	370,081,050	370,398,973	370,320,849

**Please contact Lee & Associates Ontario for Cap Rate Information*

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
10740 Banana Avenue Fontana, CA	133,115 SF	$30,100,000 $226.12 PSF	Bridge Logistics Properties LBA Logistics Fontana	Class A
5651 E. Francis Street Ontario, CA	58,929 SF	$14,622,000 $248.13 PSF	5651 E Francis Ave, LLC Thor Equities	Class B
1095 California Avenue Ontario, CA	58,511 SF	$12,215,000 $208.76 PSF	Faropoint, LP Patton Sales Corporation	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9253 Dreamland Drive Fontana, CA	1,286,569 SF	Hillwood Development Company	Undisclosed	Undisclosed
5400 Shea Center Drive Ontario, CA	748,023 SF	Shea Properties, Inc.	Creative Innovation, Inc.	Manufacturing
11850 Riverside Drive Jurupa Valley, CA	656,661 SF	Alere Property Group, LLC	WalMart Stores East, LLC	Retailer

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