LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q2 2026
LA - CENTRAL, CA

INDUSTRIAL MARKET OVERVIEW

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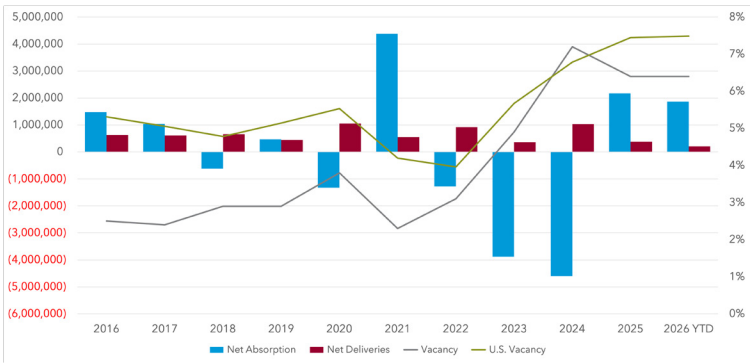
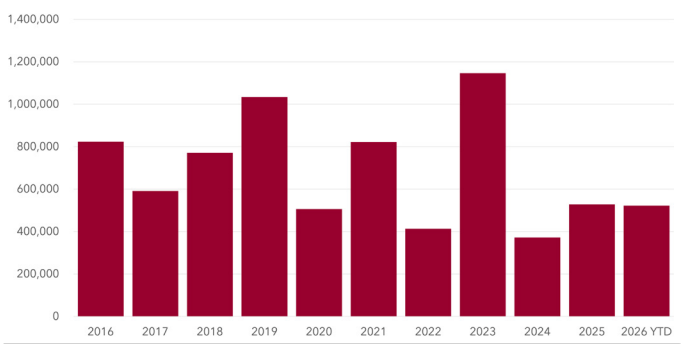
The Central Submarket in Los Angeles shows improving demand despite softer rents. Net absorption rebounded to 879, 750 SF in Q2 2026, reversing the negative absorption seen in Q3 2025, and vacancy has eased to 6.00% from a recent high of 6.90%. Asking rents have declined steadily, however, falling to $15.24 PSF NNN from $16.44 a year prior. Sales pricing rose sharply to $328.62 PSF, the strongest in the past five quarters, even as cap rates expanded to 5.80%. Construction activity has cooled slightly to 522,190 SF underway, while total inventory grew only marginally to 246.4 million SF.

MARKET INDICATORS	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
▲ 12 Mo. Net Absorption SF	897,70	527,961	1,204,341	(476,653)	515,972
▼ Vacancy Rate	6.00%	6.30%	6.40%	6.90%	6.60%
◄ ► Avg NNN Asking Rate PSF	$15.24	$15.24	$15.60	$15.84	$16.44
▲ Sale Price PSF	$328.62	$229.92	$297.93	$238.40	$220.42
▲ Cap Rate	5.80%	5.60%	5.40%	4.20%	5.30%
▼ Under Construction SF	522,190	597,710	527,967	527,967	416,761
▼ Inventory SF	245,203,805	245,128,285	244,995,268	244,995,268	244,822,853

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4401 Downey Road Vernon, CA	238,457 SF	$87,100,000 $365.00 PSF	New Mountain Capital Golden West Food Group	Class B
5555 Slauson Avenue Commerce, CA	91,010 SF	$34,100,000 $375.00 PSF	Holland Flower Market BCI	Class B
4809 Alcoa Avenue Vernon, CA	53,081 SF	$14,600,000 $275.00 PSF	Golden Star Imports SDL Alcoa, LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4000 Union Pacific Avenue Commerce, CA	374,000 SF	Dedeaux	Line Apparel, LLC	Retail Apparel and Fashion
7400 Slauson Avenue Commerce, CA	283,621 SF	Prologis	Kids2	Infant Product Manufacturer
6285 Slauson Avenue Commerce, CA	224,229 SF	Rexford	Plastic Express	Plastics Materials Merchant Wholesaler

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