LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q2 2026
LA - SAN GABRIEL VALLEY, CA

INDUSTRIAL MARKET OVERVIEW

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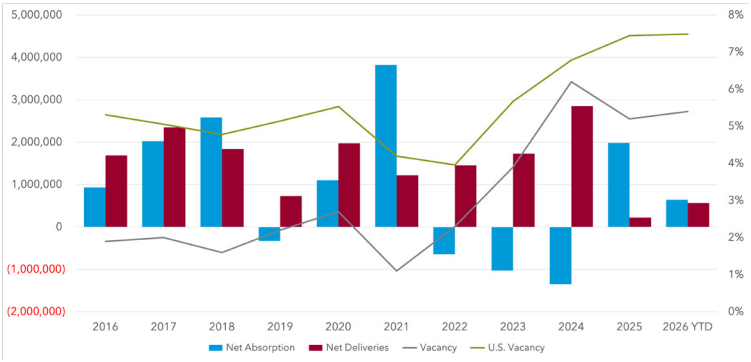
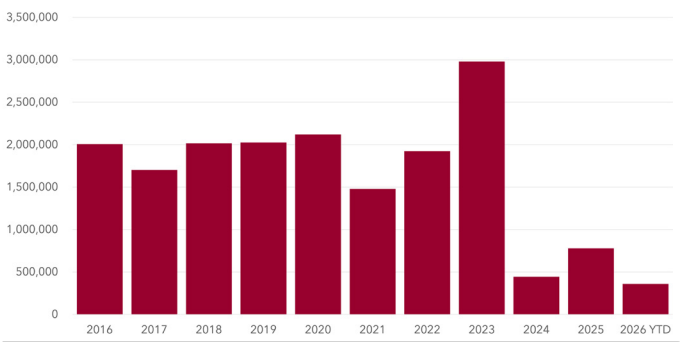
The City of Industry submarket has shown volatile but recently strong demand. Net absorption swung to 1,205,159 SF in Q2 2026, a sharp reversal from (1,065,324) SF in Q1 2026, though still below the 1,816,317 SF peak in Q3 2025. Vacancy tightened to 5.4%, down from 6.0% last quarter and 5.9% from this time last year. Asking rents rose to $16.44 PSF NNN, up from $15.00 in Q4 2025. Sales pricing pulled back slightly to $303.00 PSF, while cap rates compressed significantly to 5.00% from 8.00% in Q1 2026. Construction activity continued to shrink, with only 373,533 SF underway, as inventory held steady near 178.1 million SF.

MARKET INDICATORS	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
▲ 12 Mo. Net Absorption SF	1,205,159	(1,065,324)	(343,262)	1,816,317	(166,382)
▼ Vacancy Rate	5.4%	6.0%	5.9%	5.2%	5.0%
▲ Avg NNN Asking Rate PSF	$16.44	$15.84	$15.00	$15.48	$15.84
▼ Sale Price PSF	$303.00	$332.17	$249.74	$252.72	$297.93
▼ Cap Rate	5.00%	8.00%	6.60%	5.40%	5.30%
◄ ► Under Construction SF	373,533	373,533	778,923	837,423	903,804
◄ ► Inventory SF	178,073,826	178,073,826	177,668,436	177,609,936	177,480,317

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1301-1345 E. Lexington Avenue Pomona, CA	183,690 SF	$23,250,000 $126.57 PSF	Phenix Truck Bodies and Equipment Marmon/Keystone Corporation	Class B
18669 San Jose Avenue* City of Industry, CA	160,000 SF	$39,500,000 $246.88 PSF	EQT Real Estate Blackstone, Inc.	Class B
14455-14525 E. Clark Avenue** City of Industry, CA	154,944 SF	$45,163,821 $291.48 PSF	ACL America Link Logistics Real Estate	Class B

**Part of a 3-Property Portfolio Sale; **Part of a 2-Property Portfolio Sale*

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2225 Workman Mill Road City of Industry, CA	195,775 SF	Prudential	WaWa	Convenience Stores
13110 Louden Lane City of Industry, CA	168,000 SF	DWS	Wayfair, LLC	Electronic Shopping & Mail-Order Houses
140 N. Orange Avenue City of Industry, CA	124,397 SF	High Street Logistics Properties	Longson International Trading, Inc.	Export/Import Company

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