2025 4th Quarter

Market Insight

Central Los Angeles

Overall Vacancy Rate	Overall Asking Lease Rates (NNN)	Overall Leasing Activity	Under Construction (PSF)
6.4% -9.9%	$1.30 +1.6%	2.9M SF +32.7%	486K SF +27.4%

^ Percent Represents Year-Over-Year Change

The Central Los Angeles Industrial Market

The Central Market continued to tighten in Q4 2025, with vacancy declining to 6.4% and availability falling to 7.8% as inventory remained essentially flat. Demand improved meaningfully, highlighted by 1.29 million square feet of positive net absorption and a 32.7% year-over-year increase in leasing activity. Limited new construction and steady asking rents of $1.30 NNN underscore improving market fundamentals.

4.4%

US Unemployment Rate

3.8%

GDP - Quarter 3*

4.27%

US 10-Year Treasury Note

Summary

	Q4 2024	Q3 2025	Q4 2025	QoQ % Change	YoY % Change
Total Inventory (SF)	247,524,950	247,900,764	247,906,589	0.0%	0.2%
Overall Vacancy	7.1%	7.0%	6.4%	-8.6%	-9.9%
Overall Availability	9.1%	8.5%	7.8%	-8.2%	-14.3%
Under Construction (SF)	381,639	492,158	486,333	-1.2%	27.4%
Net Absorption (SF)	(1,462,552)	(536,758)	1,290,192	N/A	N/A
Leasing Activity (SF)	2,191,879	3,251,563	2,908,776	-10.5%	32.7%
Sales Activity (SF)	928,241	1,864,037	955,794	-48.7%	3.0%
Overall Asking Lease Rate (NNN)	$1.28	$1.33	$1.30	-2.3%	1.6%

Port of **Los Angeles** (Q4)

Total Loaded TEUs	1,605,745
Total Empty TEUs	816,516
Total TEUs	2,422,261

Total TEUs YOY Change -10.65%

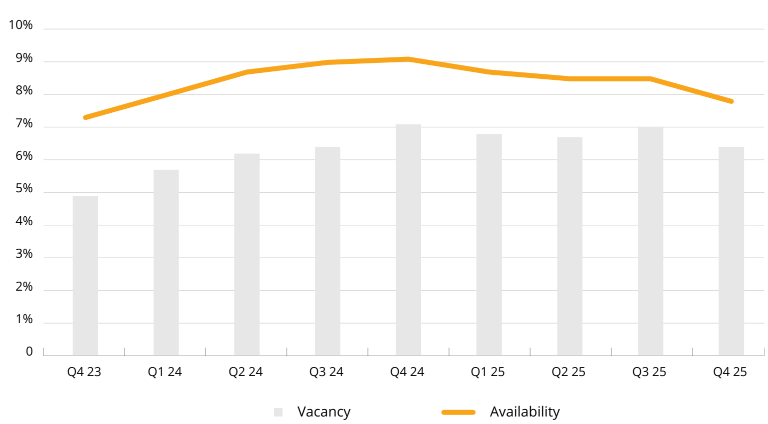
Port of **Long Beach** (Q4)

Total Loaded TEUs	1,506,955
Total Empty TEUs	984,397
Total TEUs	2,491,352

Total TEUs YOY Change -8.82%

Vacancy vs Availability

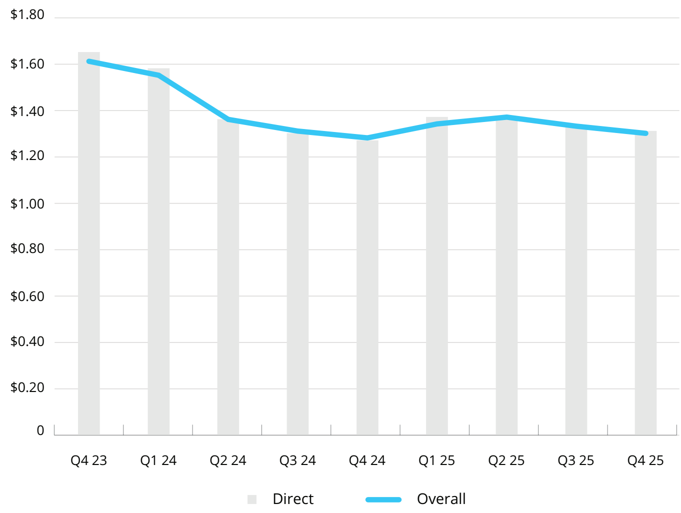
- Year-over-year, both vacancy and availability fell by 9.9% and 14.3%, respectively



*Q4 GDP will be published on February 20, 2026 by BEA.

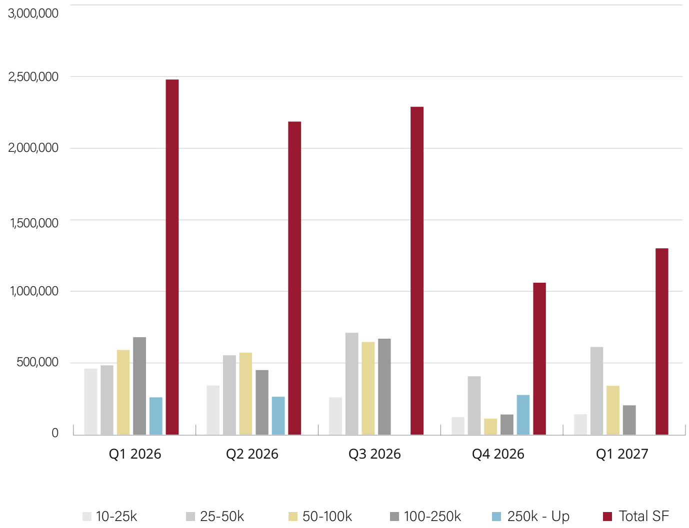
Lease Rates

- Asking rents: $1.30 psf/mo NNN, down -2.3% QoQ, up 1.6% YoY



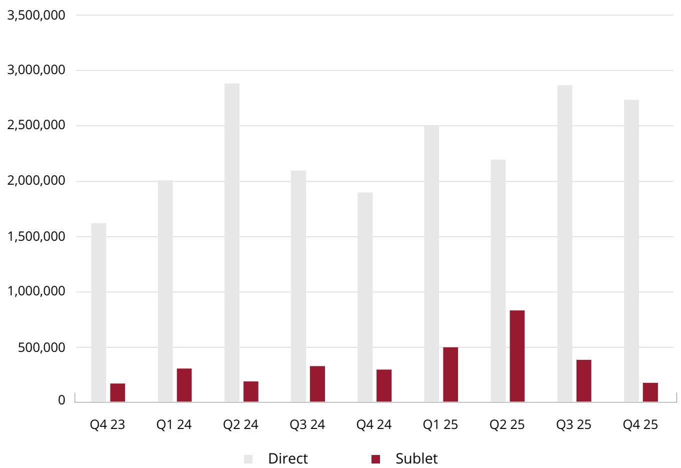
Lease Expiration

- Central Market lease expirations peak at ~2.2–2.5 MSF per quarter in early–mid 2026, falling to ~1.1 MSF by Q4



Leasing Activity

- Leasing activity is up 32.7% YoY, but down 10.5% QoQ



Top 5 Leases

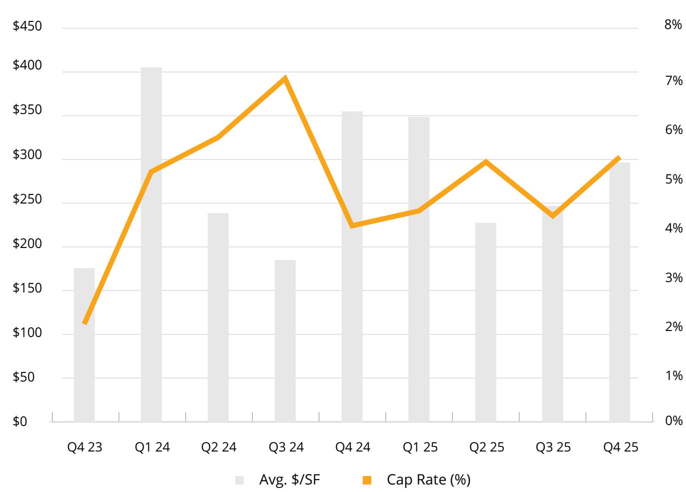
Address	Size (SF)	Tenant	Landlord
6100 Garfield Av Commerce, CA 90040	615,000	Amazon	Prologis USLV Newca 6 LLC
2601 Sequoia Dr South Gate, CA 90280	132,642	Sport Dimension Inc	Goldrich & Kest Industries LLC
10240 Alameda St South Gate, CA 90040	105,327	AVC Corp	Goldrich & Kest Industries LLC
7222 E Gage Av ,A/B Commerce, CA 90040	105,214	Axelavate Supply Hub	Escon Corporation
4490 Ayers Av Vernon, CA 90023	94,769	Fam Brands, LLC	Isaac Alchalel

Top 5 Sales

Address	Size (SF)	Buyer	Seller(s)	Price	$/SF
5102 Industry Ave Pico Rivera, CA	173,100	Robertson Properties Group	Ares	$63.8M	$368
1800 Martin Luther King Jr. Blvd Los Angeles, CA	110,789	Erewhon Natural Foods	Poetry Enterprises, LLC	$51M	$460
1436 Herbert Ave Commerce, CA	99,967	Orbit Industries	Paik & Paik, LLC	$17M	$170
2140 Davie Ave Commerce, CA	55,050	Evergreen Packaging	Longpoint Realty Partners	$14.4M	$262
3285 Vernon Ave Vernon, CA	33,348	Jaemar Inc.	JPM Investment Company	$12.7M	$381

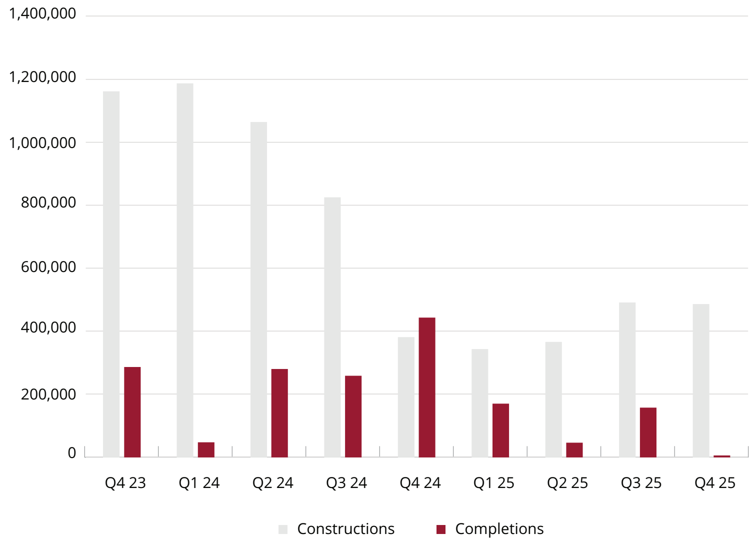
Sale Trends

- Down 48.7%, sales activity fell dramatically from the previous quarter



Construction

- Construction starts increased 27.4% year-over-year



Major Constructions / Development Projects

Address	Owner or Developer	Size (SF)	Est. Completion
7400 E Slauson Ave Commerce	Prologis, Inc.	283,621	2026
3094 E Vernon Ave Vernon	Goodman North America Management LLC	263,409	2026
6403 Wilmington Ave Los Angeles	Panattoni	100,430	2026
2757 Leonis Blvd Vernon	Alere Property Group LLC	69,695	2026
6375 Wilmington Ave Los Angeles	Panattoni	32,587	2026

City	# of Bldgs	Inventory (SF)	Vacancy (%)	Availability (%)	Net Absorption (SF)	Gross Absorption (SF)	Direct Asking Rate (NNN)	Asking Sale Price ($/SF)
Bell/Bell Gardens	159	6,867,961	2.4	3.9	130,199	153,657	$1.45	$288
Commerce	740	46,020,261	8.2	8.5	525,972	1,053,465	$1.30	$278
Cudahy	36	961,687	4.3	6.9	(26,512)	0	$0.00	$245
Huntington Park	161	3,695,172	6.9	11.7	(41,377)	17,068	$0.96	$251
DTLA	4650	114,949,130	7.2	8.8	367,742	2,040,600	$1.34	$316
Maywood	45	765,189	0.7	3.2	-	-	$1.15	$324
Montebello	216	10,015,250	5.9	7.1	(13,954)	51,856	$1.44	$274
Pico Rivera	195	10,286,270	5.9	8.4	94,316	244,128	$1.34	$301
South Gate	237	10,232,238	1.6	2.7	185,235	195,163	$1.07	$271
Vernon	792	44,113,431	5.9	7.3	68,571	552,622	$1.28	$291

Sources: LAC-I Research, CoStar, Moody's | Port Statistics Sources: PLA, PLB

The data presented is based on a survey of industrial properties 5,000 square feet and larger. Leasing rates reflect asking triple-net (NNN). While the information in this report has been obtained from sources believed to be reliable, its accuracy cannot be guaranteed.

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