

2026

2ND QUARTER

MARKET INSIGHT

San Gabriel Valley

LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

LeePR

OVERALL VACANCY RATE

5.4% YOY ▼ -6.9%
QOQ ▼ -10.0%

OVERALL ASKING LEASE RATES (NNN)

\$1.37 YOY ▼ -1.4%
QOQ ▲ 3.8%

OVERALL LEASING ACTIVITY

2.4M_{SF} YOY ▼ -28.6%
QOQ ▲ 51.1%

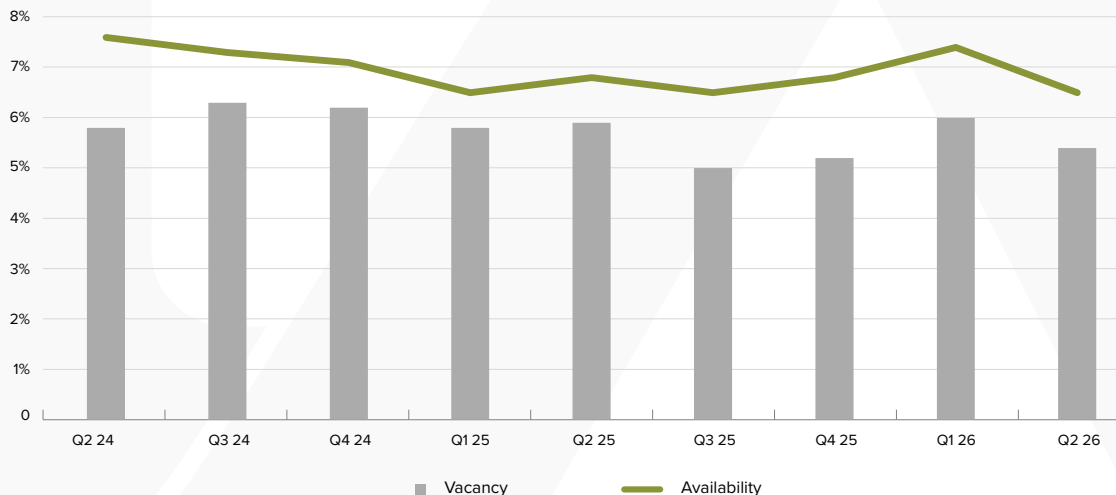
UNDER CONSTRUCTION (PSF)

373K_{SF} YOY ▼ -45.0%
QOQ = 0.0%

MARKET TRENDS

- Vacancy eased to 5.4% (-10.0% QoQ, -6.9% YoY), reflecting a meaningful improvement in overall occupancy fundamentals this quarter.
- Availability fell to 6.5% (-12.2% QoQ, flat YoY), as less available space is being marketed for lease.
- Net absorption rebounded sharply to 1.21M SF, a strong reversal from last quarter's negative reading and well above a year ago.
- Leasing activity surged (+51.1% QoQ) but remained down (-28.6% YoY), while sales volume jumped sharply (+194.4% QoQ, +147.0% YoY) year-over-year.
- Construction activity held flat (0.0% QoQ, -45.0% YoY), while asking rents rose to \$1.37 NNN (+3.8% QoQ) but stayed lower compared to last year (-1.4% YoY).

VACANCY VS AVAILABILITY



ECONOMIC INDICATORS



US Unemployment Rate



GDP - Quarter 1*



US 10-Year Treasury Note

HISTORIC COMPARISON

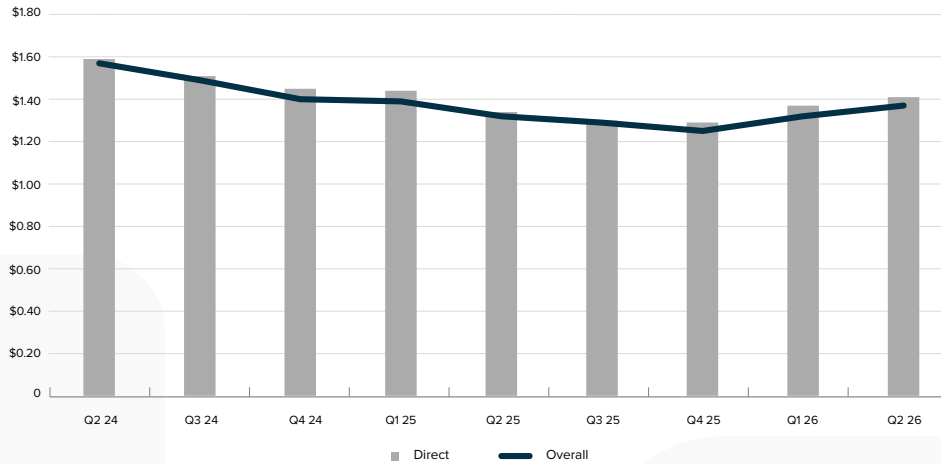
	Q2 2025	Q1 2026	Q2 2026	QoQ % Change	YoY % Change
Total Inventory (SF)	177,619,292	178,249,987	178,249,987	0.0%	0.4%
Overall Vacancy	5.8%	6.0%	5.4%	-10.0%	-6.9%
Overall Availability	6.5%	7.4%	6.5%	-12.2%	0.0%
Under Construction (SF)	679,574	373,533	373,533	0.0%	-45.0%
Net Absorption (SF)	679,472	(1,059,108)	1,205,159	N/A	N/A
Leasing Activity (SF)	3,388,496	1,602,720	2,421,061	51.1%	-28.6%
Sales Activity (SF)	470,335	394,574	1,161,671	194.4%	147.0%
Overall Asking Lease Rate (NNN)	\$1.39	\$1.32	\$1.37	3.8%	-1.4%

*Q2 will be published July 30, 2026, by BEA

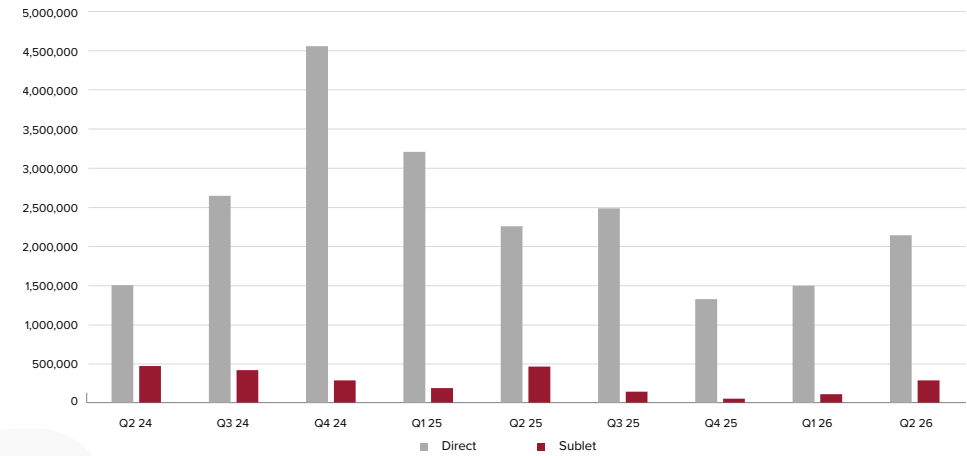
MARKET INSIGHT

San Gabriel Valley

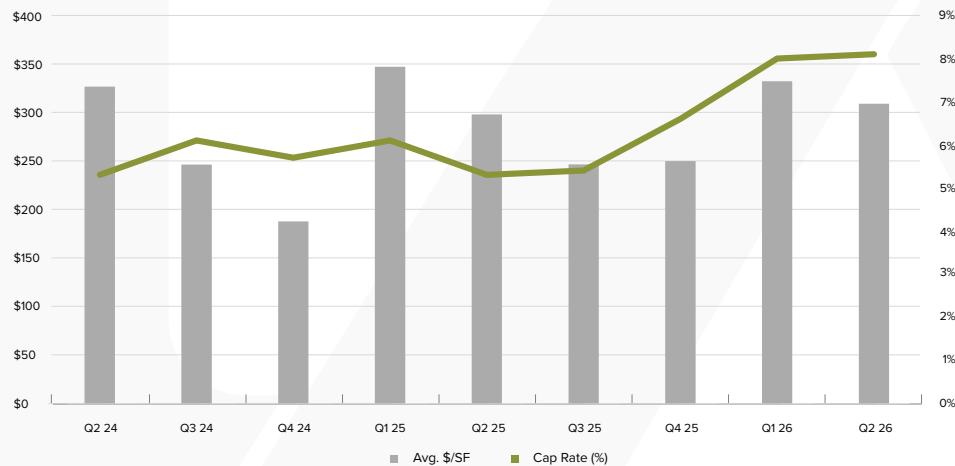
LEASE RATES



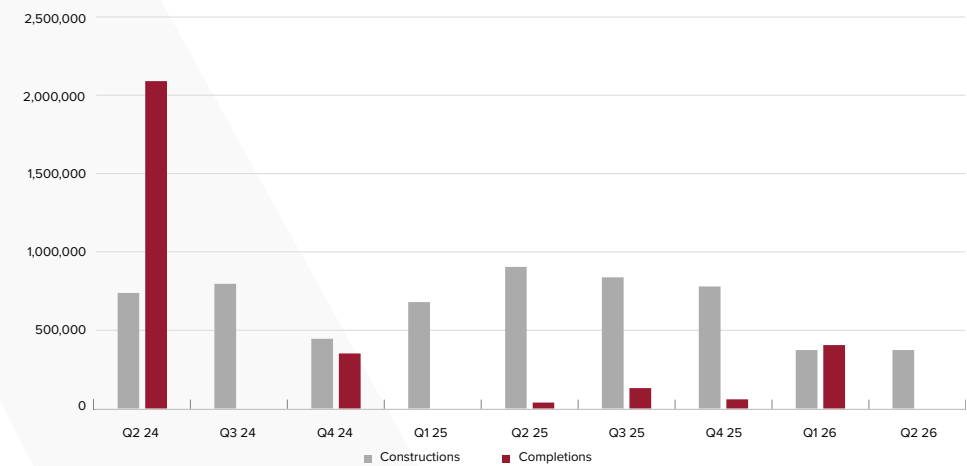
LEASING ACTIVITY



SALE TRENDS



CONSTRUCTION



MARKET INSIGHT

San Gabriel Valley

MAJOR CONSTRUCTIONS / DEVELOPMENT PROJECTS

Address / Submarket / Owner or Developer	Estimated Completion	Size (SF)
15010 Nelson Avenue City of Industry • Nelson Avenue Owner LP	2027	147,100
11234 Rush Street South El Monte • Rexford Industrial Realty, Inc.	2026	101,322
4308 Temple City Boulevard El Monte • El Monte, LLC	2026	63,238
2325 Loma Avenue South El Monte • WAN FONG INVESTMENT INC	2026	48,879

TOP 5 SALES

Address / Submarket / Seller(s)	Size (SF)	Buyer	\$/SF	Price
1301-1345 E Lexington Avenue Pomona • Marmon/Keystone Corporation	183,690	Phenix Truck Bodies and Equipment	\$126.57	\$23.2M
18669 San Jose Avenue (3-Property Portfolio) City of Industry • Blackstone Inc.	160,000	EQT Real Estate	\$246.88	\$39.5M
14455-14525 E Clark Avenue (3-Property Portfolio) City of Industry • Link Logistics Real Estate	154,944	ACL America	\$291.48	\$45.1M
515 S 6th Avenue La Puente • Teknor Apex	96,800	Carrystar Inc.	\$212.00	\$20.5M
14425 E Clark Avenue (2-Property Sale) City of Industry • Link Logistics Real Estate	75,000	ACL America	\$270.82	\$20.3M

TOP 5 LEASES

Address / Submarket / Landlord / Lease Type	Tenant	Size (SF)
2225 Workman Mill Road City of Industry • Prudential (Subleased)	Wawa	195,775
110 Marcellin Drive City of Industry • City of Industry City Hall	Confidential	185,700
13110 Louden Lane City of Industry • DWS	Wayfair, LLC	168,000
4981 4th Street Irwindale • Clarion Partners	Confidential	155,960
140 N Orange Avenue City of Industry • High Street Logistics Properties	Longson Intl Trading Inc	124,397

MARKET INSIGHT

San Gabriel Valley

CITY-LEVEL BREAKDOWN

City	# of Bldgs	Inventory (SF)	Vacancy (%)	Availability (%)	Net Absorption (SF)	Gross Absorption (SF)	Direct Asking Rate (NNN)	Asking Sale Price (\$/SF)
Alhambra	116	2,277,202	3.4	2.5	(20,788)	8,698	\$1.23	\$333
Arcadia	103	2,535,441	6.1	6.8	3,508	24,791	\$1.34	\$361
Azusa	254	6,829,979	11.8	14.2	189,185	197,218	\$1.22	\$288
Baldwin Park	251	5,303,023	1.6	2.6	31,234	41,100	\$1.25	\$302
Claremont	20	594,827	1.5	1.5	0	0	\$0.00	\$247
Covina	168	2,728,427	5.5	7.4	(18,754)	28,726	\$1.32	\$280
Diamond Bar	21	510,484	0	0	0	0	\$0.00	\$273
Duarte	70	1,740,877	8.9	2.7	38,838	13,248	\$1.22	\$325
El Monte	310	8,835,363	6.1	9.2	174,911	239,060	\$1.21	\$312
Glendora	46	645,009	1.5	2.2	(1,340)	8,260	\$0.00	\$291
Industry	1,024	76,574,842	5.1	6.3	613,341	1,381,649	\$1.35	\$275
Irwindale	258	13,467,007	8.1	5.8	(163,815)	81,544	\$1.18	\$278
La Puente	91	1,783,802	2.3	4.4	46,113	51,180	\$1.24	\$342
La Verne	133	2,909,145	4.5	5.5	0	0	\$1.23	\$329
Monrovia	197	3,316,981	4.1	6.3	24,554	32,425	\$1.70	\$307
Monterey Park	100	1,820,602	7.6	5	26,588	76,448	\$1.65	\$320
Pasadena	94	1,436,670	1.8	8.1	33,217	39,554	\$1.73	\$380
Pomona	650	19,621,734	4.6	6	187,357	483,595	\$1.11	\$266
Rosemead	53	1,175,235	0.8	0.8	13,835	13,835	\$1.20	\$285
San Dimas	128	3,156,619	12.6	13.1	30,795	44,431	\$1.60	\$275
San Gabriel	71	1,032,333	3.5	6.2	194	16,313	\$1.22	\$283
South El Monte	849	11,353,118	3.5	3.6	45,825	177,364	\$1.50	\$314
Temple City	40	610,112	6.3	6.5	(21,499)	9,417	\$3.00	\$304
Walnut	206	7,156,716	4.4	7.3	(4,869)	53,714	\$1.17	\$280
West Covina	18	834,439	3.4	41.6	(23,271)	0	\$2.46	\$291

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Sources: LAC-I Research, CoStar, Moody's I 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.