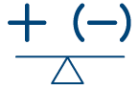




**869.2 MSF**

Inventory



**1.1M SF**

Net Absorption



**5.0%**

Direct Vacant Available Rate



**8.3%**

Total Availability



**2.5 MSF**

Under Construction



**\$1.47 PSF**

NNN Direct Asking Rent

## Rates Down Year-Over-Year As Vacancy Rates Grow

### Market Observations

- The direct vacant available rate reached 5.0% in Q4 2025, down from 5.1% last quarter and 4.7% year-over-year. Santa Clarita Valley/Lancaster/Palmdale Ind recorded 7.8% after a -176K SF event at 29125 Avenue Paine, while Commerce Area was 4.0% alongside a -615K SF availability change.
- Net absorption totaled 1.14M SF in Q4 2025, up from -22.99K SF last quarter and -1.84M SF year-over-year. Top positives: Commerce +918K SF, Central LA +301K SF; largest negatives: SCV/Lancaster/Palmdale -397K SF, Rancho Dominguez -382K SF.
- Net asking rents averaged \$1.47 PSF in Q4 2025, up from \$1.46 PSF last quarter and down from \$1.55 PSF year-over-year. Westside Ind averaged \$2.24 PSF compared with Antelope Valley Ind at \$1.04 PSF, while Northwest SGV Ind was \$1.87 PSF. Core infill markets firmed. Central LA rose to \$1.52 PSF, up 10% QoQ and 9% YoY, as Vernon reached \$1.30 PSF, up 15% YoY, marking four straight QoQ gains.
- Construction pipeline totals 2.50M SF in Q4 2025, down from 3.25M SF last quarter and 5.54M SF year-over-year. Vernon Area Ind accounts for 466K SF and SFV East Ind has 440K SF under construction, with Lower SGV Ind at 348K SF.

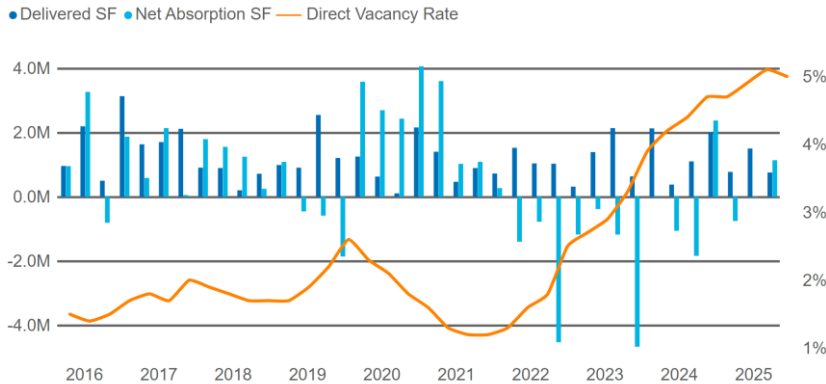




# LOS ANGELES INDUSTRIAL MARKET | Q4 2025

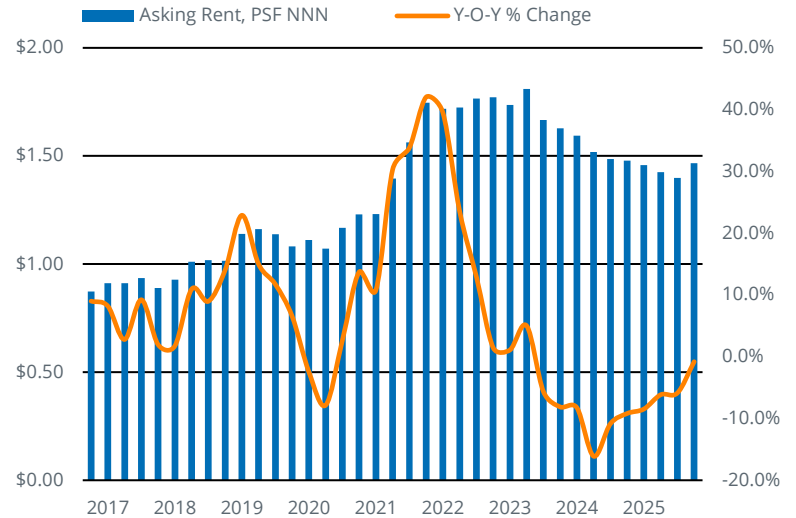
- Q4 2025 closed 77 industrial trades totaling \$538M across 2.38M SF. Average pricing was \$273/SF compared to the trailing 12-month average price of \$152/SF. Versus Q3 2025, transactions fell from 84 and volume from \$564M while pricing eased from \$294/SF; versus Q4 2024, sales volume was \$620.5M at \$225/SF. Buyers included both institutional and private entities, such as Bridge Investment Group and Orbit Industries Inc. Most assets traded were 2-3 Star industrial buildings, with multiple warehouse and manufacturing sales in this cohort. Sales were concentrated in Vernon (6 transactions), Westside (5), and Carson/Rancho Dominguez (4).
- Developers delivered 697K SF across six properties in Q4 2025, led by 292K SF in the Commerce Area and 202K SF in Mid Counties-LA; Gardena/110 and Lower SGV added 61K SF and 58K SF. Five of six were warehouse/distribution, and four assets exceeded 100K SF; at delivery, Commerce Area and Mid Counties-LA space posted 100.0% availability, while Torrance/Beach Cities' 84K SF was 100.0% preleased.
- Submarket shifts stood out: Antelope Valley led submarket total availability at 14.7% (-0.3 pp QoQ, +6.6 pp YoY), while Commerce fell to 5.1% (-2.4 pp QoQ, -4.9 pp YoY) and Pomona rose to 7.6% (+2.1 pp QoQ). Notable quarterly moves included +248K SF at 1601 W Mission Blvd (Pomona) and -615K SF at 6100 Garfield Ave (Commerce), with Carson/Rancho Dominguez logging +245K SF and -220K SF shifts.

## DELIVERY IMPACT ON KEY INDICATORS



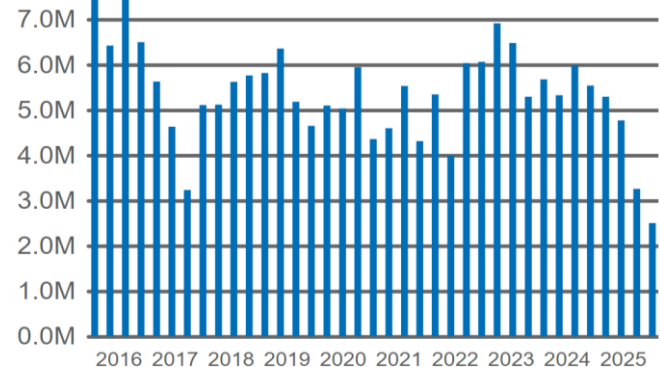
Source: CoStar, Transwestern

## ASKING RENT



Source: CoStar, Transwestern

## UNDER CONSTRUCTION



Source: Costar, transwestern



# LOS ANGELES INDUSTRIAL MARKET | Q4 2025

## MARKET INDICATORS TABLE

SUBMARKET		INVENTORY SF	DIRECT VACANT SF	DIRECT VACANCY RATE	TOTAL AVAILABILITY RATE	UNDER CONSTRUCTION SF	NET ABSORPTION SF	12-MONTH NET ABSORPTION SF	ASKING RENT PSF, NNN
Central Los Angeles	Vernon Area	77,357,454	4,991,961	6.5%	9.3%	466,121	253,065	110,158	\$1.30
	Commerce Area	72,709,417	2,920,253	4.0%	6.2%		837,916	1,822,565	\$1.27
	Central LA	70,435,972	3,914,980	5.6%	8.1%		301,150	(346,677)	\$1.52
	<b>Total</b>	<b>220,502,843</b>	<b>11,827,194</b>	<b>5.4%</b>	<b>7.9%</b>	<b>466,121</b>	<b>1,392,131</b>	<b>1,586,046</b>	<b>\$1.36</b>
Mid-Counties	Mid-Counties	92,844,382	4,425,625	4.8%	8.1%		270,785	925,015	\$1.33
	Lynwood/Paramount	13,142,463	388,703	3.0%	6.3%		(80,804)	301,614	\$1.09
	<b>Total</b>	<b>105,986,845</b>	<b>4,814,328</b>	<b>4.5%</b>	<b>7.9%</b>	<b>0</b>	<b>189,981</b>	<b>1,226,629</b>	<b>\$1.30</b>
North Los Angeles	SFV East	69,673,526	2,890,496	4.1%	7.1%	440,000	(339,975)	(896,851)	\$1.63
	SFV West	40,149,844	1,533,310	3.8%	6.8%	91,950	(69,713)	(5,813)	\$1.49
	Santa Clarita Valley	26,554,347	2,083,017	7.8%	11.9%		(397,043)	(581,365)	\$1.42
	Antelope Valley	13,024,544	1,085,664	8.3%	14.7%	962,327	35,948	239,534	\$1.04
	<b>Total</b>	<b>149,402,261</b>	<b>7,592,487</b>	<b>5.1%</b>	<b>6.9%</b>	<b>1,494,277</b>	<b>(770,783)</b>	<b>(1,244,495)</b>	<b>\$1.51</b>
San Gabriel Valley	Upper SGV	32,309,742	1,422,610	4.4%	8.1%		37,611	311,455	\$1.28
	Lower SGV	86,374,237	3,029,067	3.5%	6.7%	348,861	(926)	1,186,912	\$1.31
	Eastern SGV	25,699,867	975,628	3.8%	7.7%		53,556	292,104	\$1.28
	Northwest SGV	19,011,962	661,530	3.5%	7.5%		63,972	141,708	\$1.87
	Southwest SGV	8,136,343	127,023	1.6%	3.0%		(36,940)	(2,401)	\$1.40
	<b>Total</b>	<b>171,532,151</b>	<b>6,215,858</b>	<b>3.6%</b>	<b>7.0%</b>	<b>348,861</b>	<b>117,273</b>	<b>1,929,778</b>	<b>\$1.37</b>
South Bay	Carson/Rancho Dominguez	75,721,352	4,735,943	6.3%	10.0%		(85,590)	(1,089,928)	\$1.40
	Torrance/Beach Cities	38,696,052	2,420,365	6.3%	11.6%		42,786	(145,652)	\$1.72
	Gardena/110 Corridor	34,565,760	1,825,524	5.3%	8.6%		125,631	341,735	\$1.31
	Long Beach Area	26,809,055	1,851,719	6.9%	10.5%	189,958	116,003	382,007	\$1.56
	Westside	24,271,690	1,868,235	7.7%	11.8%		(52,873)	(113,451)	\$2.24
	El Segundo/Hawthorne	21,723,186	538,212	2.5%	4.4%		63,035	(138,161)	\$2.07
	<b>Total</b>	<b>221,787,095</b>	<b>13,239,998</b>	<b>6.0%</b>	<b>9.8%</b>	<b>189,958</b>	<b>208,992</b>	<b>(763,450)</b>	<b>\$1.62</b>
<b>TOTAL</b>	<b>869,211,195</b>	<b>43,689,865</b>	<b>5.0%</b>	<b>8.3%</b>	<b>2,499,217</b>	<b>1,137,594</b>	<b>2,734,508</b>	<b>\$1.47</b>	

Source: CoStar, Transwestern



## Research Methodology

The information in this report is the result of a compilation of information on flex and industrial properties located in the Los Angeles metro area. This report includes single tenant, multi-tenant and owner-user properties 10,000 SF and larger, excluding data centers, biotech, and properties owned by a government agency. To continually improve the content provided to our clients, starting at Q1 2025, Transwestern Research has revised its methodology which may shift current and historical data in our market reporting. Please reach out to the research contact(s) noted in this report with any questions

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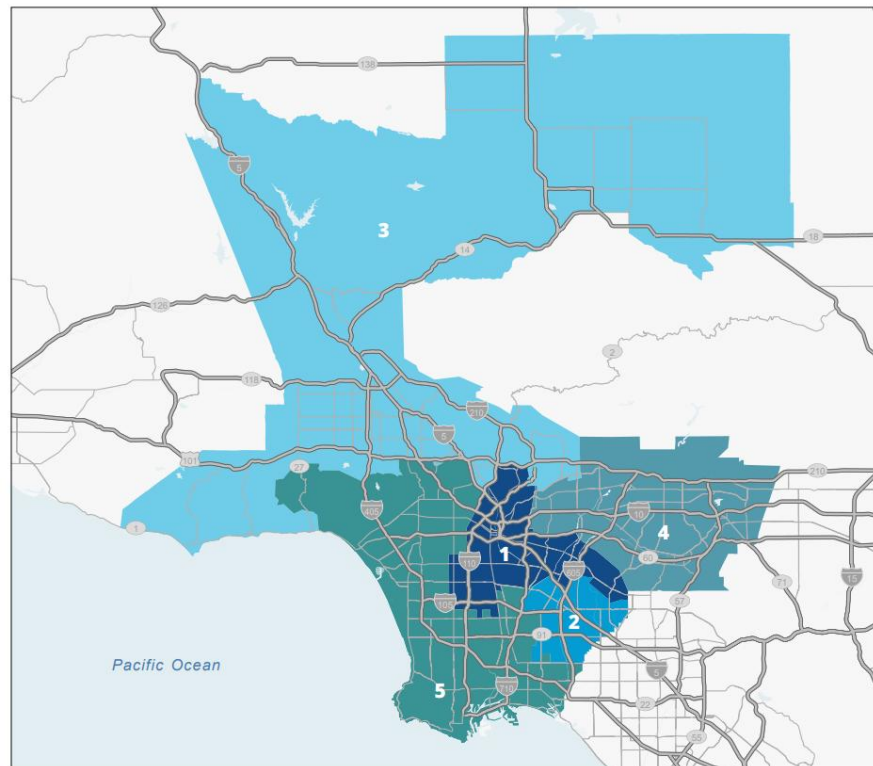
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## Los Angeles Industrial Submarkets

- 1 Central Los Angeles
- 2 Mid-Counties
- 3 North Los Angeles
- 4 San Gabriel Valley
- 5 South Bay