

Q3 2025 Submarket Report

San Fernando Valley Office Submarket

LOS ANGELES
NORTH

CBRE RESEARCH
OCTOBER 2025



FIGURES | SAN FERNANDO VALLEY | Q3 2025

Asking rates increase slightly while vacancy increases due to multiple space-givebacks

▲ 20.4%
Vacancy Rate

▼ (171K)
Sq. Ft. Net Absorption

▶ OK
Sq. Ft. Under Construction

▲ \$2.76
Full Service Gross / Lease Rate

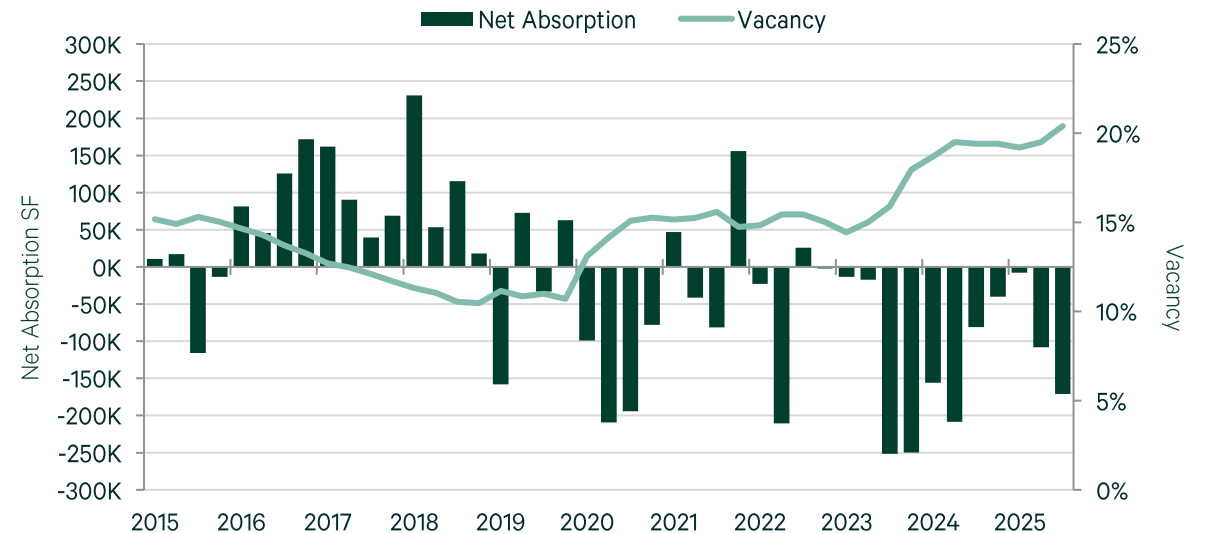
▲ 1.13M
Office-Using Employment
LA and Ventura County

Note: Arrows indicate change from previous quarter.

MARKET HIGHLIGHTS

- Direct asking rates increased by 0.7% quarter-over-quarter (QoQ) to \$2.76, and 4.5% year-over-year (YoY).
- The total vacancy rate increased by 100 bps YoY to 20.4%.
- Notable leases include a confidential renewal for 20,000 sq. ft. at 15303 Ventura Blvd, followed by CBIZ renewing/expanding to 18,000 sq. ft. at 15760 Ventura Blvd in Encino, and NAI Capital renewing almost 15,000 sq. ft. at 15821 Ventura Blvd.
- The top sale of the quarter was Elysian Housing's purchase of a 75,000-sq.-ft. property at 5435-5445 Balboa Blvd in Encino for \$20.6 million, or \$275.39 per sq. ft. with plans to convert it to multifamily affordable housing.
- Other top sales of the quarter included Serenity Care Health's purchase of the 80,000-sq.-ft. building at 6800 Owensmouth Ave in Woodland Hills for \$13.5 million, or \$167.77 per sq. ft. and Victory Square Management's purchase of a 61,000-sq.-ft. property at 12444 Victory Blvd for \$9.8 million, or \$160.93 per sq. ft.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q3 2025.

FIGURE 2: Submarket Statistics

	Bldg. Count	NRA	Direct Vacancy Rate	Overall Vacancy Rate	Overall Availability Rate	Net Absorption Q3	Net Absorption YTD	Class A Avg. Ask FSG	Overall Avg. Ask FSG	Under Const.	Deliveries
Canoga Park	5	191,561	11.2%	11.2%	13.4%	(56)	2,582	N/A	\$1.80	0	0
Chatsworth	15	1,290,330	14.2%	14.2%	15.4%	(27,184)	(16,508)	\$3.32	\$2.69	0	0
Encino	33	3,587,307	19.6%	21.3%	25.2%	(36,248)	(80,512)	\$2.89	\$2.82	0	0
Mission Hills	4	158,730	12.8%	12.8%	13.6%	0	(3,628)	\$2.62	\$2.52	0	0
Northridge	3	336,989	8.5%	8.5%	8.5%	3,644	3,358	\$2.65	\$2.65	0	0
Palmdale	6	368,616	4.6%	4.6%	4.9%	4,143	(1,737)	N/A	\$1.81	0	0
Panorama City	2	152,444	1.7%	1.7%	1.7%	0	0	\$3.00	\$3.00	0	0
Sherman Oaks	26	2,743,750	20.9%	22.4%	28.7%	(20,983)	(29,836)	\$3.56	\$3.34	0	0
Tarzana	14	713,769	23.0%	23.4%	24.5%	(877)	(14,167)	\$2.25	\$2.73	0	0
Valencia	40	2,726,911	21.7%	22.0%	26.8%	39,112	(1,238)	\$2.98	\$2.90	0	0
Van Nuys	30	1,768,161	22.4%	22.8%	27.9%	(1,198)	(19,522)	\$2.63	\$2.50	0	0
West Hills	9	944,217	9.8%	14.2%	19.9%	(3,042)	40,179	\$2.54	\$2.53	0	0
Woodland Hills	60	7,638,716	17.4%	21.6%	31.9%	(128,210)	(165,027)	\$2.70	\$2.58	0	0
Class A	111	15,276,386	19.2%	22.1%	30.1%	(214,698)	(227,722)	\$2.90	\$2.90	0	0
Class B	136	7,345,115	16.3%	16.8%	19.2%	43,799	(58,334)	N/A	\$2.76	0	0
San Fernando Valley	247	22,621,501	18.2%	20.4%	26.6%	(170,899)	(286,056)	\$2.90	\$2.76	0	0

Source: CBRE Research, Q3 2025.

FIGURE 3: Notable Lease Transactions Q3 2025

Tenant	Address	SF Leased	Type
Confidential	15303 Ventura Blvd, Sherman Oaks	20,575	Renewal
CBIZ	15760 Ventura Blvd, Encino	18,325	Renewal/Expansion
NAI Capital Commercial	15821 Ventura Blvd, Encino	14,855	Renewal
Wavelength	14823 Califa St, Van Nuys	10,500	New Lease
Reliance Litigation	5955 De Soto Ave, Woodland Hills	10,459	New Lease

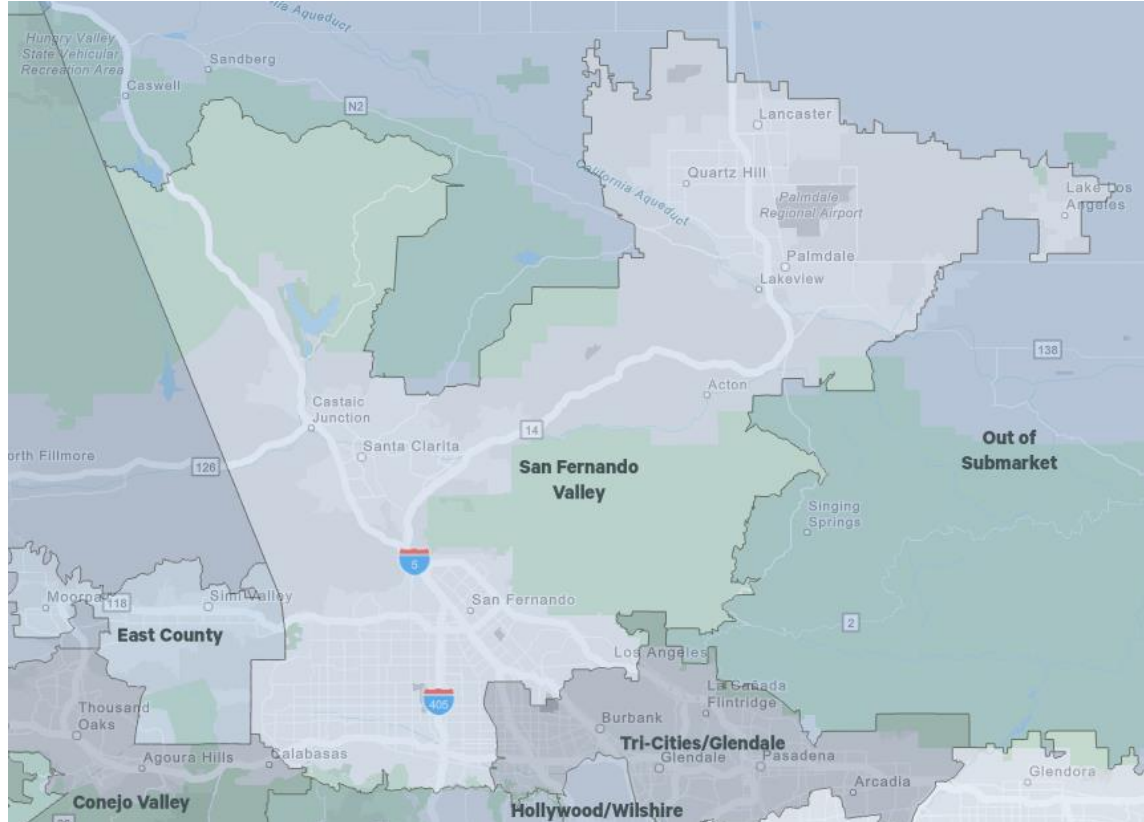
Source: CBRE Research, Q3 2025.

FIGURE 4: Notable Sale Transactions Q3 2025

Buyer	Address	SF Sold	Sale Price
Elysian Housing	5435-5445 Balboa Blvd, Encino	74,947	\$20.6MM
Serenity Care Health	6800 Owensmouth Ave, Woodland Hills	80,469	\$13.5MM
Victory Square Management	12444 Victory Blvd, North Hollywood	60,896	\$9.8MM
Norina Properties	15545 Devonshire St, Mission Hills	35,642	\$6.3MM
5500 Balboa Properties LLC	5500 Balboa Blvd, Encino	8,668	\$5.8MM

Source: CBRE Research, Q3 2025.

Submarket Map



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy; can be occupied or vacant. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Full Service Gross (FSG) Rate: The landlord assumes responsibility for all the operating expenses and taxes for the property. Gross Activity: All lease transactions completed within a specified time period. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Positive absorption is reflected when a lease is signed, which may not coincide with the date of occupancy. Rentable Area: The Building Area minus the elevator core, flues, pipe shafts, vertical ducts, balconies and stairwell areas. Vacant Sq. Ft.: Space that is not occupied.

Survey Criteria

Includes all Class A and B office buildings 30,000 sq. ft. and greater in size in the San Fernando Valley Submarket. Owner-user buildings are not included in the survey. This survey excludes medical office buildings. Buildings which have begun construction as evidenced by site excavation or foundation work.

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