

FIGURES | CENTRAL LOS ANGELES INDUSTRIAL | Q4 2025

Vacancy declines as owner-user sales and leasing activity drive positive net absorption

▼ 5.3%

Overall Vacancy Rate

▲ 591K

SF Net Absorption

▶ 798K

SF Under Construction

▶ \$1.02

NNN / MO Lease Rate

▼ 5.7%

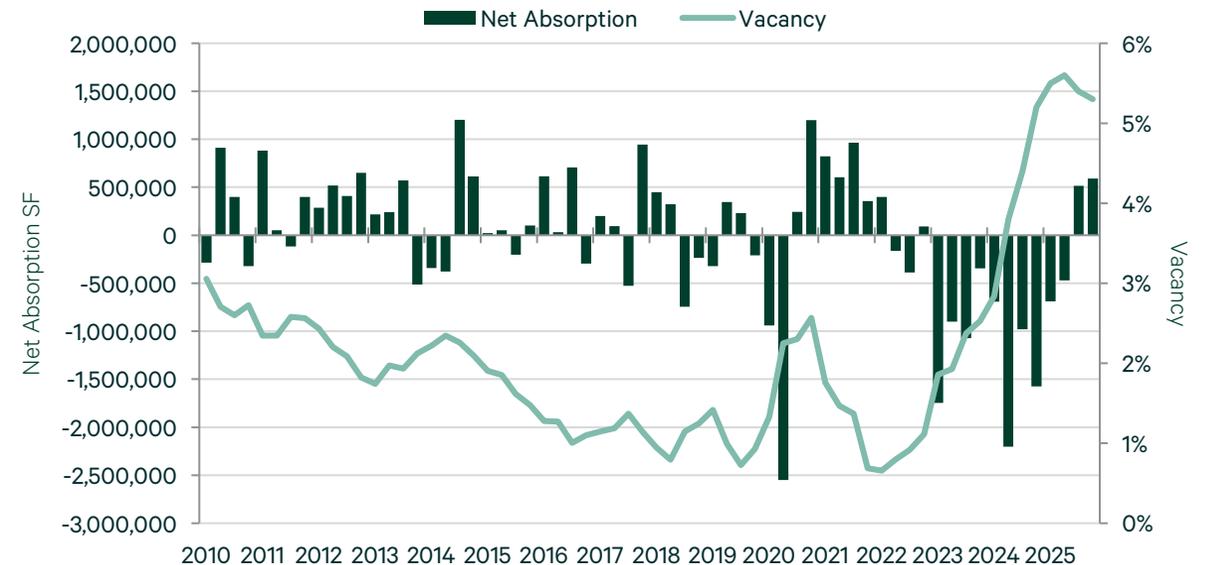
Unemployment Rate,
Nov. 2025 Prelim.
Los Angeles County

Note: Arrows indicate change from previous quarter.

MARKET HIGHLIGHTS

- The overall vacancy rate fell by 10 basis-points in Q4 2025 to 5.3%, driven by 591,000 sq. ft. of positive net absorption. The availability rate ended the quarter at 7.6%, a 40 basis-point decrease.
- The average direct asking rate remained steady at \$1.02 NNN, decreasing by 4.7% from Q2 2025 and 21.5% year-over-year.
- Gross absorption was 3.1 million sq. ft. This was primarily driven by manufacturing and logistics occupiers. One of the most notable deals of the quarter was Cainiao’s 493,000-sq.-ft. renewal at 5600-5650 Grace Pl in Commerce.
- Nine sale transactions over 20,000 sq. ft. occurred in Q4 2025, totaling over 400,000 sq. ft. The most notable were Erewhon Natural Foods’ \$51.0 million acquisition of 1800 Martin Luther King Jr. Blvd in Los Angeles, totaling 111,000 sq. ft., and Orbit Industries’ \$17.0 million acquisition of 1439 Herbert Ave in Commerce, a 100,000 sq. ft. property.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q4 2025

FIGURE 2: Submarket Statistics

Submarket	Bldg. Count	NRA	Direct Vacancy Rate	Overall Vacancy Rate	Overall Availability Rate	Gross Absorption Q4	Net Absorption Q4	Net Absorption YTD	Avg. Ask NNN	Under Const.	Deliveries
Bell	79	5,495,342	1.1%	1.1%	3.5%	32,640	15,960	127,721	\$1.39	0	0
Bell Gardens	77	2,288,458	4.6%	4.6%	5.9%	10,108	7,765	85,411	\$1.04	0	0
City of Commerce	779	48,415,745	5.7%	6.2%	8.4%	1,446,289	661,943	1,176,296	\$1.09	283,621	0
Montebello	196	11,199,044	4.6%	4.9%	6.6%	53,280	(7,060)	31,568	\$1.30	13,825	0
Monterey Park	94	2,131,041	10.3%	10.9%	15.2%	41,390	(49,936)	(72,229)	\$0.78	0	0
Pico Rivera	181	10,238,549	5.3%	5.9%	10.9%	151,251	(67,741)	111,647	\$1.19	0	0
COMMERCE	1,406	79,768,179	5.2%	5.7%	8.2%	1,734,958	560,931	1,433,942	\$1.12	297,446	0
Cudahy	35	1,145,481	12.3%	12.3%	12.3%	0	(9,600)	(15,093)	\$1.04	0	0
Huntington Park	141	4,408,641	3.5%	5.1%	12.1%	0	0	(45,931)	\$0.67	0	0
Maywood	26	762,979	0.0%	0.0%	0.0%	0	0	0	n/a	0	0
South Gate	225	10,415,695	4.1%	4.1%	5.8%	145,342	128,044	(28,435)	\$0.96	0	0
City of Vernon	901	55,378,185	3.8%	4.7%	7.6%	479,468	(91,622)	30,301	\$1.01	333,104	66,550
VERNON	1,328	72,110,981	4.0%	4.7%	7.6%	624,810	26,822	(59,208)	\$0.97	333,104	66,550
COMMERCE/VERNON	2,734	151,879,160	4.6%	5.2%	7.9%	2,359,768	587,753	1,374,734	\$1.06	630,550	66,550
DOWNTOWN LOS ANGELES	2,459	91,497,242	5.2%	5.4%	6.9%	692,597	3,485	(1,429,772)	\$0.93	167,522	0
CENTRAL LOS ANGELES	5,193	243,376,402	4.8%	5.3%	7.6%	3,052,365	591,238	(55,038)	\$1.02	798,072	66,550

Source: CBRE Research, Q4 2025.

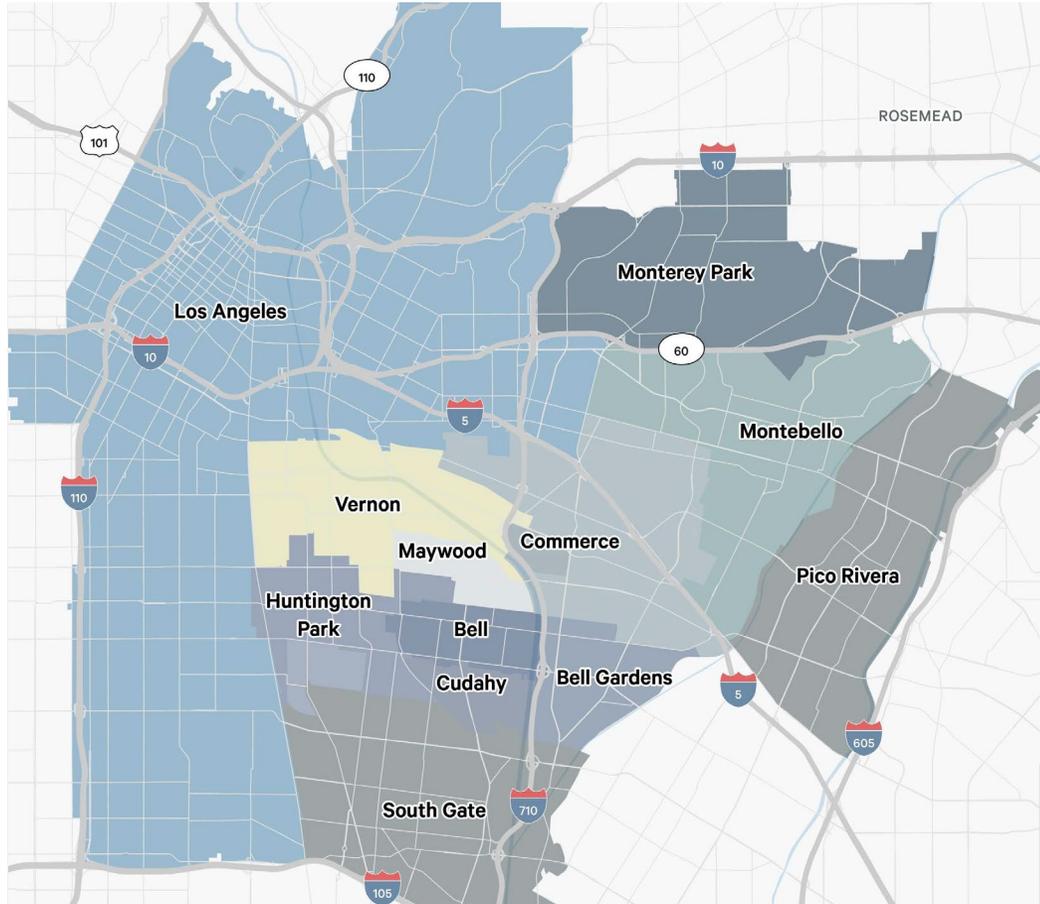
FIGURE 3: Notable Lease Transactions Q4 2025

Tenant	Address	SF Leased	Type
Cainiao	5600-5650 Grace Pl, Commerce	492,699	Renewal
Axelavate Supply Hub	7208-7222 E. Gage Ave, Commerce	105,214	New Lease
FAM	4490 Ayers Ave, Vernon	94,769	New Lease
Erewhon Natural Foods	1700 E. Martin Luther King Jr. Blvd, Los Angeles	86,319	Sublease
Price Power USA	5801 S Boyle Ave, Vernon	80,000	New Lease
Mase Logistics Corp	5353 Slauson Ave, Commerce	75,500	New Lease

FIGURE 4: Notable Sale Transactions Q4 2025

Buyer	Address	SF Sold	Sale Price
Erewhon Natural Foods	1800 E Martin Luther King Jr. Blvd, Los Angeles	110,789	\$51.0MM
Orbit Industries Inc.	1439 Herbert Ave, Commerce	99,967	\$17.0MM
Willa Wong	2140 Davie Ave, Commerce	55,200	\$14.4MM
Jaemar Inc.	3285 Vernon Ave, Vernon	33,184	\$12.7MM
Excelsior Partners	5651 Mansfield Way, Commerce	35,409	\$5.8MM

Submarket Map



Source: CBRE Research, Q4 2025, Location Intelligence.

Definitions

Available Sq. Ft.: Space in a building, ready for occupancy; can be occupied or vacant. **Availability Rate:** Total Available Sq. Ft. divided by the total Building Area. **Average Asking Lease Rate:** A calculated average that includes net and gross lease rates, 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. **Gross Absorption:** All user-sales and lease transactions completed within a specified period, lease activity defined as new leases and expansions, omitting renewals unless publicly marketed, and sale activity omitting only investment sales. **Gross Activity:** All user-sales and lease transactions completed within a specified period. **Gross Lease Rate:** Rent typically includes real property taxes, building insurance, and major maintenance. **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. **Net Lease Rate:** Rent excludes one or more of the "net" costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. **Occupied Sq. Ft.:** Building Area not considered vacant. **Vacancy Rate:** Total Vacant Sq. Ft. divided by the total Building Area. **Vacant Sq. Ft.:** Space that is not occupied.

Survey Criteria

Includes all industrial buildings 10,000 sq. ft. and greater in size in Los Angeles and Ventura counties. Buildings which have begun construction as evidenced by site excavation or foundation work.

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