

# Vacancy rises while renewal activity anchors the market

▲ 25.8%  
Vacancy Rate

▼ (99K)  
SF Net Absorption

▶ 181K  
SF Under Construction

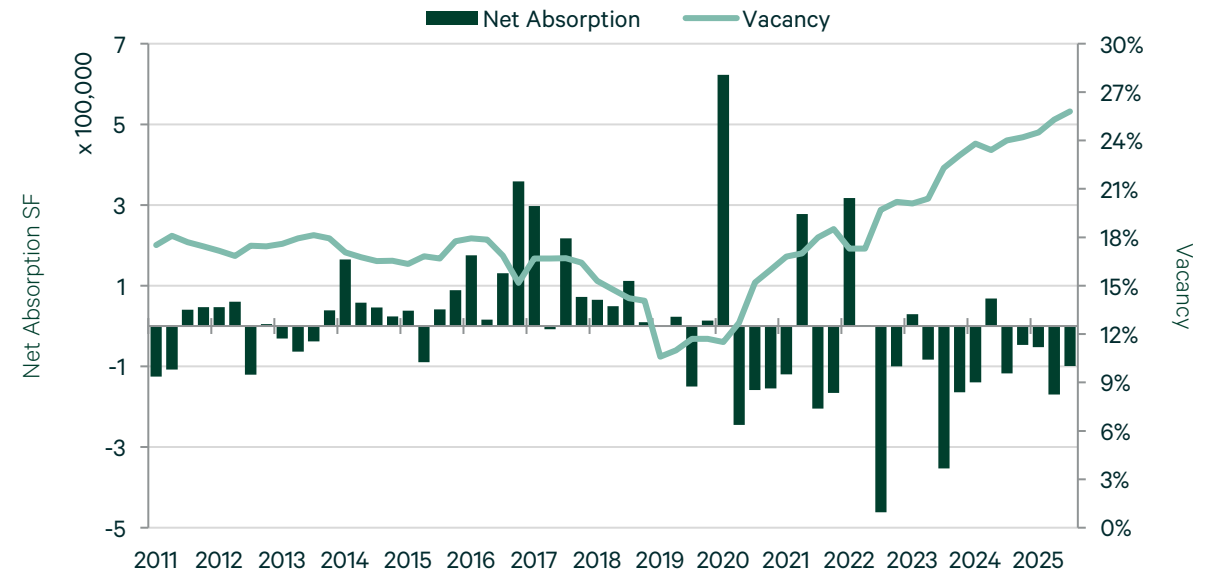
▼ \$3.54  
Full Service Gross / Lease Rate  
Existing Properties

Note: Arrows indicate change from previous quarter.

## MARKET HIGHLIGHTS

- The Hollywood/Wilshire Corridor experienced negative net absorption of 99,000 square feet in Q3, which pushed the overall vacancy rate to 25.8%.
- The Miracle Mile district exhibited the most pronounced supply challenge, recording the highest vacancy rate at 30.2%.
- The average asking rate for Class A assets fell to \$3.54 per square foot on a full-service gross (FSG) basis.
- Leasing momentum was anchored by a major renewal executed by UMG Recordings, Inc. for 35,449 square feet within the Hollywood submarket.
- Investment sales activity was highlighted by RCB Equities LLC's acquisition of a 177,888 sq.-ft. office property in Los Angeles, transacting at a price of \$32.0MM.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q3 2025.

FIGURE 2: Submarket Statistics

District	Bldg. Count	NRA	Direct Vacancy Rate	Overall Vacancy Rate	Overall Availability Rate	Net Absorption Q3	Net Absorption YTD	Class A Avg. Ask FSG	All Types Avg. Ask FSG	Under Const.	Deliveries
Hollywood	68	6,410,782	21.4%	23.3%	27.4%	19,488	(193,451)	\$4.76	\$4.45	181,300	0
Mid-Wilshire	45	8,276,974	24.5%	25.4%	28.8%	(95,192)	(160,206)	\$2.58	\$2.58	0	0
Miracle Mile	20	4,361,736	28.3%	30.2%	36.2%	(1,003)	(141,515)	\$4.59	\$4.59	0	0
Park Mile	16	1,601,798	25.1%	25.6%	29.6%	(22,750)	31,668	\$3.11	\$2.97	0	0
<b>Total Class A</b>	<b>83</b>	<b>16,650,274</b>	<b>26.6%</b>	<b>28.2%</b>	<b>32.6%</b>	<b>(88,943)</b>	<b>(123,975)</b>	<b>\$3.54</b>	<b>\$3.54</b>	<b>181,300</b>	<b>0</b>
<b>Total Class B</b>	<b>66</b>	<b>4,001,016</b>	<b>15.1%</b>	<b>15.9%</b>	<b>18.9%</b>	<b>(10,514)</b>	<b>45,444</b>	<b>\$3.56</b>	<b>\$3.56</b>	<b>0</b>	<b>0</b>
<b>Hollywood-Wilshire Corridor</b>	<b>149</b>	<b>20,651,290</b>	<b>24.4%</b>	<b>25.8%</b>	<b>30.0%</b>	<b>(99,457)</b>	<b>(463,504)</b>	<b>\$3.54</b>	<b>\$3.54</b>	<b>181,300</b>	<b>0</b>

Source: CBRE Research, Q3 2025.

FIGURE 3: Notable Lease Transactions Q3 2025

Tenant	Address	SF Leased	Type
UMG Recordings, Inc.	6555 Barton Ave, Hollywood	35,449	Renewal
Screen Actors Guild	5757 Wilshire Blvd, Miracle Mile	31,452	Renewal
Confidential	3731 Wilshire Blvd, Mid Wilshire	18,819	Renewal
Confidential	5700 Wilshire Blvd, Miracle Mile	17,528	Renewal
Sprueth Magers	5900 Wilshire Blvd, Miracle Mile	14,703	Renewal
Kidder Matthews	5055 Wilshire Blvd, Park Mile	14,634	Renewal

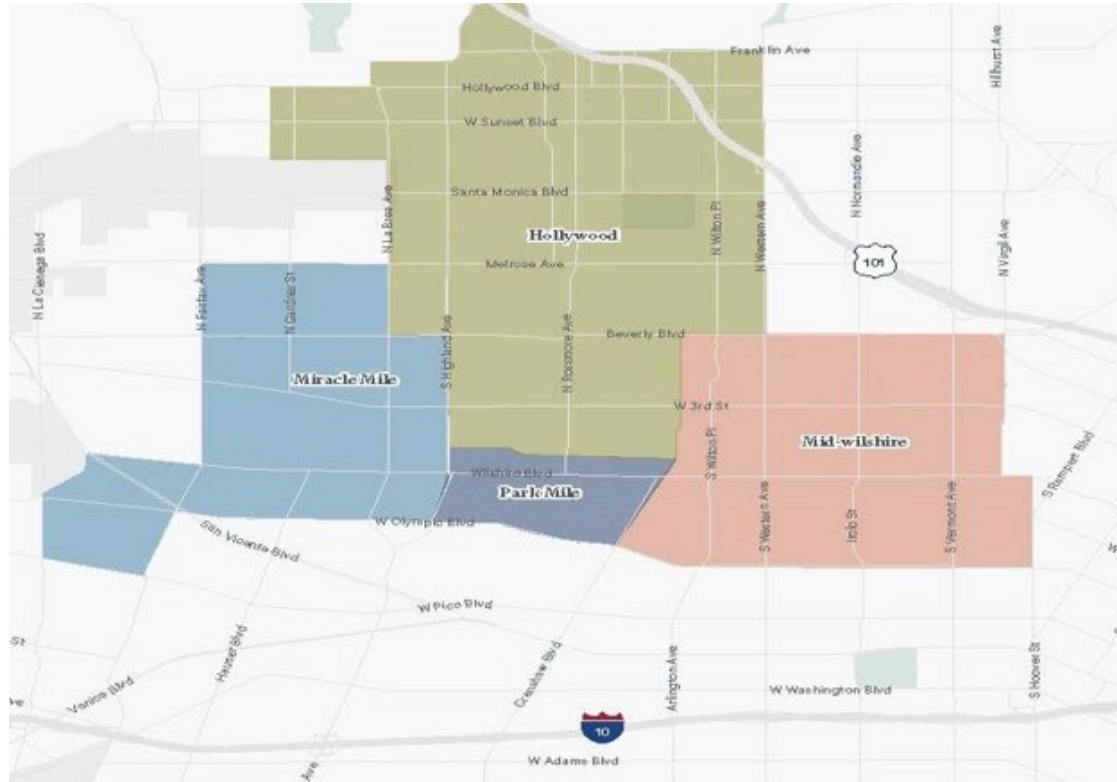
Source: CBRE Research, Q3 2025.

FIGURE 4: Notable Sale Transactions Q3 2025

Buyer	Address	SF Sold	Sale Price
RCB Equities LLC	7060 Hollywood Blvd, Los Angeles	177,888	\$32.0MM
Natural History Museum of Los Angeles	5800 Wilshire Blvd, Miracle Mile	11,400	\$14.92MM
Shatto Emet Qozb Lp	525 S Virgil Ave, Los Angeles	14,018	\$13.4MM
PNE Investments LLC	2727 W 6 <sup>th</sup> St, Los Angeles	34,063	\$10.19MM

Source: CBRE Research, Q3 2025.

### Submarket Map



Source: CBRE Research, Q3 2025, Location Intelligence.

### 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 Los Angeles and Ventura counties. 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.

### Contacts

**Will Rose**

Research Analyst  
+1 310-550 2584  
will.rose@cbre.com

**Siyuan Ma**

Sr. Research Analyst  
+1 310 550 2500  
siyuan.ma@cbre.com

**Konrad Knutsen**

Director of Research  
+1 916 446 8292  
konrad.knutsen@cbre.com

**Andy Ratner**

Executive Managing Director  
+1 310 550 2500  
andrew.ratner@cbre.com

**Alex Hall**

Field Research Manager  
+1 818 502 6700  
alex.hall1@cbre.com