

FIGURES | CENTRAL LOS ANGELES INDUSTRIAL | Q3 2025

New leasing activity and user sales drive positive net absorption

▼ 5.4%

Overall Vacancy Rate

▲ 513K

SF Net Absorption

▼ 798K

SF Under Construction

▼ \$1.02

NNN / MO Lease Rate

▶ 5.8%

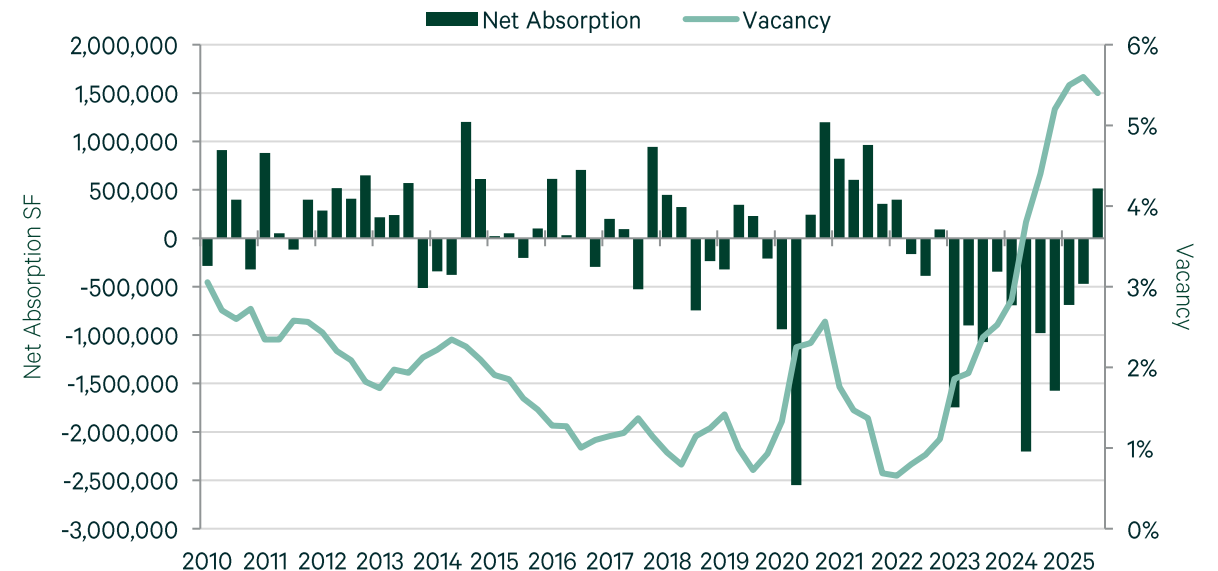
Projected Unemployment Rate Through Q3 2025 LA/Ventura Counties

Note: Arrows indicate change from previous quarter.

MARKET HIGHLIGHTS

- The overall vacancy rate cooled in Q3 2025 to 5.4%, driven by 513,000 sq. ft. of positive net absorption. This was up from 4.4% in Q3 2024, but down 0.2% quarter-over-quarter. The availability rate ended the quarter at 8.0% for the second consecutive quarter.
- The average direct asking rate fell further down to \$1.02 NNN, decreasing 4.7% in Q3 2025 and 27.1% year-over-year.
- Gross absorption was 3.5 million sq. ft. This was primarily driven by manufacturing and logistics occupiers. One of the most notable deals of the quarter was Million Dollar Baby's 335,600-sq.-ft. lease at 8500 Rex Rd in Pico Rivera.
- Five sale transactions over 20,000 sq. ft. occurred in Q3 2025, totaling 366,393 sq. ft. The most notable transactions were Agile Cold Storage's \$55.0 million acquisition of three properties centered around 5764 Alcoa Ave in Pico Rivera, totaling 145,522 sq. ft., and Shin's Trading Co's \$38.5 million acquisition of 7400 Bandini Blvd in Commerce, a 94,937-sq.-ft. property.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q2 2025

FIGURE 2: Submarket Statistics

Submarket	Bldg. Count	NRA	Direct Vacancy Rate	Overall Vacancy Rate	Overall Availability Rate	Gross Absorption Q3	Net Absorption Q3	Net Absorption YTD	Avg. Ask NNN	Under Const.	Deliveries
Bell	78	5,269,286	1.5%	1.5%	4.5%	0	0	111,761	\$1.61	0	0
Bell Gardens	77	2,319,023	4.9%	4.9%	6.1%	17,988	(24,800)	77,646	\$1.04	0	0
City of Commerce	785	48,866,287	7.1%	7.6%	10.6%	1,344,254	714,787	(514,353)	\$1.06	283,621	157,715
Montebello	196	11,179,044	4.6%	4.9%	6.6%	59,894	(42,000)	38,628	\$1.30	13,825	0
Monterey Park	94	2,128,877	8.6%	8.6%	15.6%	24,796	(35,529)	(22,293)	\$0.80	0	0
Pico Rivera	181	10,236,748	4.6%	5.3%	9.1%	549,905	301,486	179,388	\$1.16	0	0
COMMERCE	1,411	79,999,265	6.0%	6.4%	9.5%	1,996,837	913,944	873,011	\$1.10	297,446	157,715
Cudahy	35	1,145,481	10.5%	10.5%	12.3%	0	(20,725)	(5,493)	\$1.04	0	0
Huntington Park	142	4,454,817	3.5%	5.0%	12.0%	47,765	17,639	(45,931)	\$0.78	0	0
Maywood	27	777,820	0.0%	0.0%	0.0%	0	0	0		0	0
South Gate	226	10,451,785	5.3%	5.3%	7.5%	18,725	(350)	(156,479)	\$1.08	0	0
City of Vernon	908	55,884,921	4.0%	4.5%	7.6%	955,858	76,825	121,923	\$1.04	333,104	0
VERNON	1,338	72,714,824	4.2%	4.7%	7.8%	1,022,348	73,389	(86,030)	\$1.03	333,104	0
COMMERCE/VERNON	2,749	152,714,089	5.2%	5.6%	8.7%	3,019,185	987,333	786,981	\$1.07	630,550	157,715
DOWNTOWN LOS ANGELES	2,493	95,649,918	4.8%	5.1%	6.9%	473,395	(474,277)	(1,433,257)	\$0.90	167,522	0
CENTRAL LOS ANGELES	5,242	248,364,007	5.0%	5.4%	8.0%	3,492,580	513,056	(646,276)	\$1.02	798,072	157,715

Source: CBRE Research, Q3 2025.

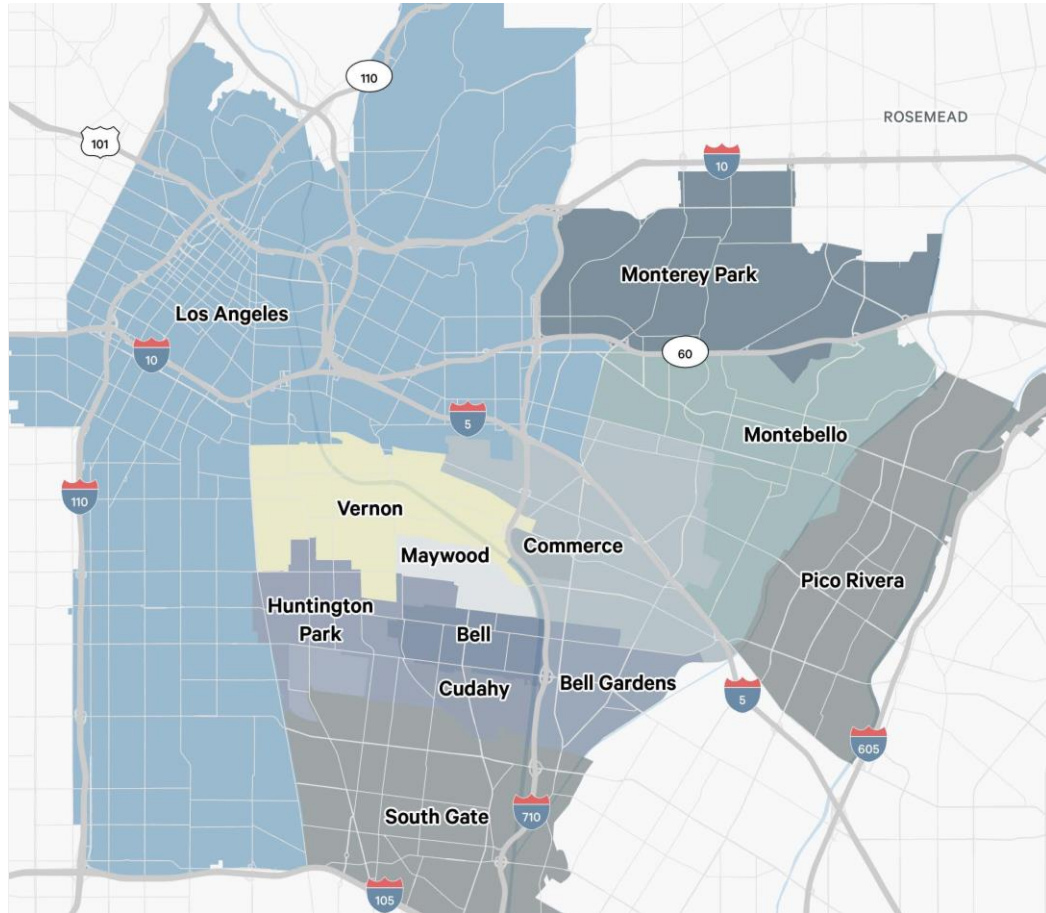
FIGURE 3: Notable Lease Transactions Q3 2025

Tenant	Address	SF Leased	Type
Million Dollar Baby	8500 Rex Rd, Pico Rivera	335,600	New Lease
Line Apparel	4000 Union Pacific Ave, Commerce	216,500	New Lease
Uniuni Logistics	4885 E 52 nd Pl, Vernon	210,347	New Lease
Golden State Connections	4633 S Downey Rd, Vernon	189,899	Renewal
Bimbo Bakeries USA	8200 Slauson Ave, Pico Rivera	160,585	New Lease
Golden State Connections	1363 Bonnie Beach Pl, Commerce	154,425	New Lease

FIGURE 4: Notable Sale Transactions Q3 2025

Buyer	Address	SF Sold	Sale Price
Agile Cold Storage	5764 Alcoa Ave, Vernon: (3 Properties)	145,522	\$55.0MM
Shin's Trading Co.	7400 Bandini Blvd, Commerce	94,937	\$38.5MM
Move Happy	4790 Valley Blvd, Los Angeles	41,449	\$14.3MM
XXSG Group	615 633 E 61 st St, Los Angeles	59,689	\$9.0MM
Ali Real Estate	1166 W Garvey Ave, Commerce	24,796	\$7.4MM

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. **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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