Q4 2025 Submarket Report

San Fernando Valley Office Submarket

LOS ANGELES
NORTH

CBRE RESEARCH
JANUARY 2026

Consolidations drive negative net absorption while asking rates hold

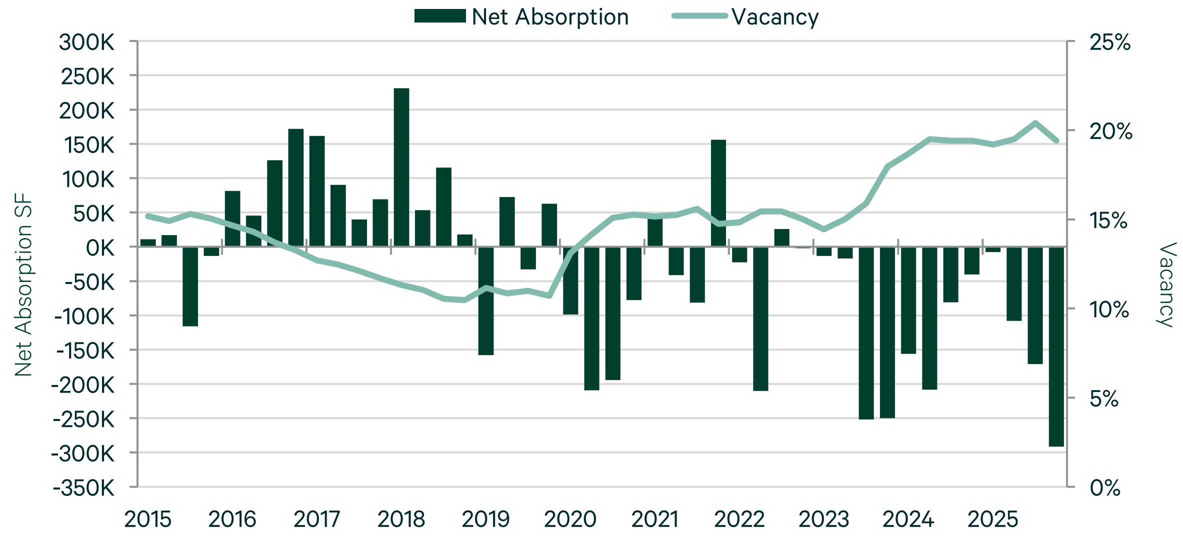
19.4%	(291k)	0K	$2.76	5.7%
Vacancy Rate	Sq. Ft. Net Absorption	Sq. Ft. Under Construction	Full Service Gross / Lease Rate	Unemployment Rate, Nov. 2025 Prelim. Los Angeles County

Note: Arrows indicate change from previous quarter.

MARKET HIGHLIGHTS

- Direct asking rates stayed flat quarter-over-quarter (QoQ) but increased 1.5% year-over-year (YoY).
- The total vacancy rate decreased by 100 basis points QoQ but increased by 240 bps YoY to 19.4%.
- Notable leases include a renewal for 227,000 sq. ft. at 6301 Owensmouth Ave by Farmers Insurance Group, followed by a confidential tenant signing a new 98,000-sq.-ft. lease at 27750 Entertainment Dr in Valencia, and a confidential tenant renewing 53,000 sq. ft. at 15451 San Fernando Mission Blvd in Mission Hills.
- The top sales of the quarter included Wellpointe Inc's purchase of a 128,000-sq.-ft. building at 6400 Canoga Ave for $25.5 million, Dunya Properties' purchase of a 62,000-sq.-ft. building at 5550 Topanga Canyon Blvd for $10.1 million, and Bionic Orthopedic Institute's purchase of a 32,000-sq.-ft. building at 17323 Ventura Blvd for $9.4 million.
- The top driver of negative net absorption involved Farmers Insurance Group rightsizing in 227,000 sq. ft. at 6301 Owensmouth Ave, relinquishing 237,000 sq. ft. at 6303 Owensmouth Ave.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q4 2025.

FIGURE 2: Submarket Statistics

	Bldg. Count	NRA	Direct Vacancy Rate	Overall Vacancy Rate	Overall Availability Rate	Net Absorption Q4	Net Absorption YTD	Class A Avg. Ask FSG	Overall Avg. Ask FSG	Under Const.	Deliveries
Canoga Park	5	191,561	9.1%	9.1%	11.2%	4,164	6,746	$0.00	$1.79	0	0
Chatsworth	15	1,290,330	14.2%	14.2%	15.4%	0	(16,508)	$3.32	$2.69	0	0
Encino	32	3,507,307	19.6%	21.3%	24.2%	4,224	(76,288)	$2.87	$2.81	0	0
Mission Hills	4	158,730	11.4%	11.4%	12.3%	2,125	(1,503)	$2.68	$2.59	0	0
Northridge	3	336,989	8.5%	8.5%	8.5%	0	3,358	$2.65	$2.65	0	0
Palmdale	6	368,616	4.6%	4.6%	4.9%	0	(1,737)	$0.00	$1.67	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	19.7%	21.3%	26.2%	20,485	(9,351)	$3.73	$3.44	0	0
Tarzana	14	713,769	28.4%	28.7%	29.3%	(37,980)	(52,147)	$2.25	$2.57	0	0
Valencia	40	2,776,911	21.6%	21.9%	23.8%	(8,267)	(9,505)	$2.95	$2.91	0	0
Van Nuys	30	1,768,161	22.9%	23.4%	27.7%	(9,239)	(28,761)	$2.64	$2.49	0	0
West Hills	9	944,217	9.8%	14.1%	19.8%	795	40,974	$2.54	$2.53	0	0
Woodland Hills	60	7,638,716	21.0%	25.1%	29.3%	(267,646)	(432,673)	$2.73	$2.61	0	0
Class A	**111**	**15,326,386**	**20.5%**	**23.4%**	**27.3%**	**(217,745)**	**(444,730)**	**$2.90**	**$2.90**	**0**	**0**
Class B	**135**	**7,265,115**	**17.3%**	**17.8%**	**20.1%**	**(73,594)**	**(132,665)**	**N/A**	**$2.40**	**0**	**0**
San Fernando Valley	**246**	**22,591,501**	**19.4%**	**21.6%**	**25.0%**	**(291,339)**	**(577,395)**	**$2.90**	**$2.76**	**0**	**0**

Source: CBRE Research, Q4 2025.

FIGURE 3: Notable Lease Transactions Q4 2025

Tenant	Address	SF Leased	Type
Farmers Insurance Group	6301 Owensmouth Ave, Woodland Hills	227,355	Renewal
Confidential Tenant	27750 Entertainment Dr, Valencia	98,388	New Lease
Confidential Tenant	15451 San Fernando Mission Blvd, Mission Hills	53,209	Renewal
Baker Tilly Advisory Group	6320 Canoga Ave, Woodland Hills	15,229	Renewal
Eide Bailly	21700 Oxnard St, Woodland Hills	15,193	New Lease

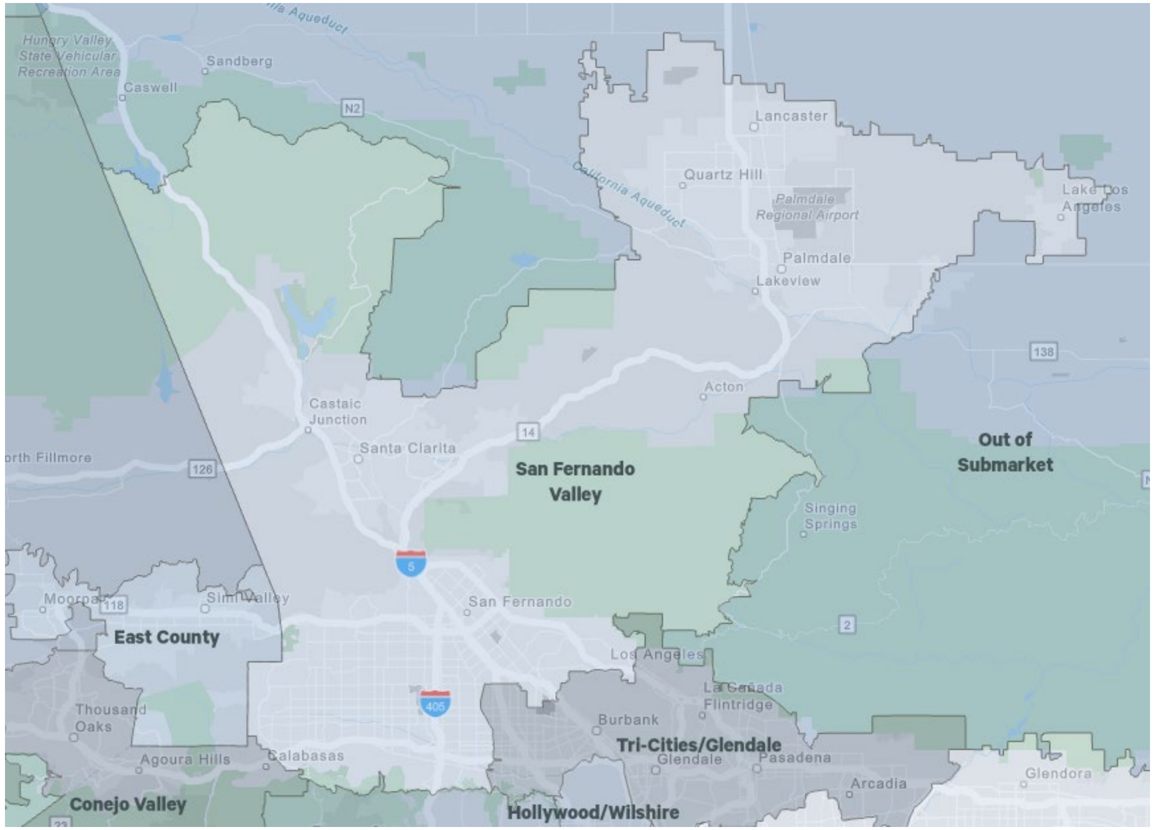
Source: CBRE Research, Q4 2025.

FIGURE 4: Notable Sale Transactions Q4 2025

Buyer	Address	SF Sold	Sale Price
Wellpointe Inc	6400 Canoga Ave, Woodland Hills	128,148	$25.5MM
Dunya Properties	5550 Topanga Canyon Blvd, Woodland Hills	62,241	$10.1MM
Bionic Orthopedic Institute	17323 Ventura Blvd, Encino	32,706	$9.4MM
Miami Technics	16909 Parthenia St, Northridge	24,199	$6.3MM
Guy Zrachya	6928 Owensmouth Ave, Canoga Park	12,000	$3.6MM

Source: CBRE Research, Q4 2025.

Submarket Map



Source: CBRE Research, Q4 2025.

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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