

FIGURES | DOWNTOWN LOS ANGELES CBD OFFICE | Q3 2025

Sales activity rebounds while new vacancies drive negative net absorption

▲ 33.3%
Overall Vacancy Rate

▼ (220K)
SF Net Absorption

► 0M
SF Under Construction

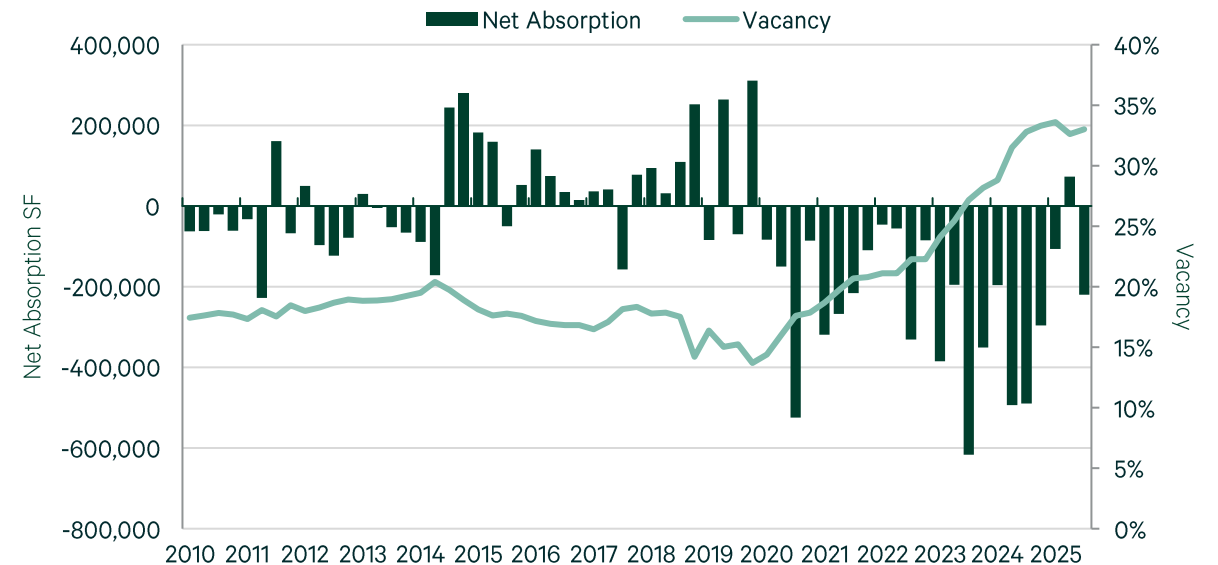
▲ \$3.73
Full-Service Gross / Lease Rate
Existing Properties

Note: Arrows indicate change from previous quarter.

MARKET HIGHLIGHTS

- The overall vacancy rate ended Q3 2025 at 33.3%, elevated by 220,000 sq. ft. of negative net absorption. The overall availability rate ended the quarter at 36.8%.
- The average direct asking rate increased quarter-over-quarter, rising to \$3.73 per sq. ft. on a monthly, full service gross basis. Compared to a year ago, rates contracted marginally by \$0.02.
- Total leasing activity exceeded 350,000 sq. ft. in Q3 2025. This figure was 61% lower than the previous quarter as the top five deals in DTLA totaled over 160,000 sq. ft.
- Total tenants in the market stood at 1.7 million sq. ft. at the end of Q3 2025. The top nine tenant requirements were at least 50,000 sq. ft. with a total of over 1 million sq. ft.
- Investment activity increased in Q3 2025, with three transactions totaling 626,123 sq. ft. for \$94.3 million or \$150.61 per sq. ft. There was one pending sale transaction at 725 S. Figueroa St, a 910,000-sq.-ft. office, for \$130.0 million or \$142.86.
- The most notable lease signed was a two-floor expansion at 350 S. Grand Ave, improving occupancy to over 90%.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q3 2025

FIGURE 2: Greater DTLA District Statistics

	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.
Bunker Hill	11	6,958,138	31.3%	32.3%	34.6%	(129,102)	(198,155)	\$4.12	\$4.04	0
City West	5	1,636,113	10.0%	23.6%	23.6%	(2,334)	(39,370)	\$2.75	\$3.07	0
Financial	38	18,699,415	32.2%	34.4%	38.4%	(29,363)	85,345	\$3.81	\$3.69	0
South Park	15	4,443,165	32.3%	33.8%	38.6%	(59,343)	(101,705)	\$3.74	\$3.49	0
DTLA CBD	69	31,736,831	30.9%	33.3%	36.8%	(220,142)	(253,885)	\$3.86	\$3.73	0
Arts District	22	2,080,292	54.4%	60.8%	62.4%	(86,493)	(103,502)	\$5.06	\$5.06	0
Fashion District	6	1,977,890	53.8%	53.8%	54.5%	(13,886)	(18,262)	\$5.24	\$4.94	0
Historic Core	12	2,646,200	59.9%	61.0%	61.2%	(9,951)	(14,716)	\$4.58	\$4.43	0
Little Tokyo	6	397,085	18.2%	22.2%	23.6%	(28,537)	(27,933)	\$3.45	\$3.26	0
DOWNTOWN EAST	46	7,101,467	54.2%	56.8%	57.6%	(138,867)	(164,413)	\$4.90	\$4.73	0

Source: CBRE Research, Q3 2025.

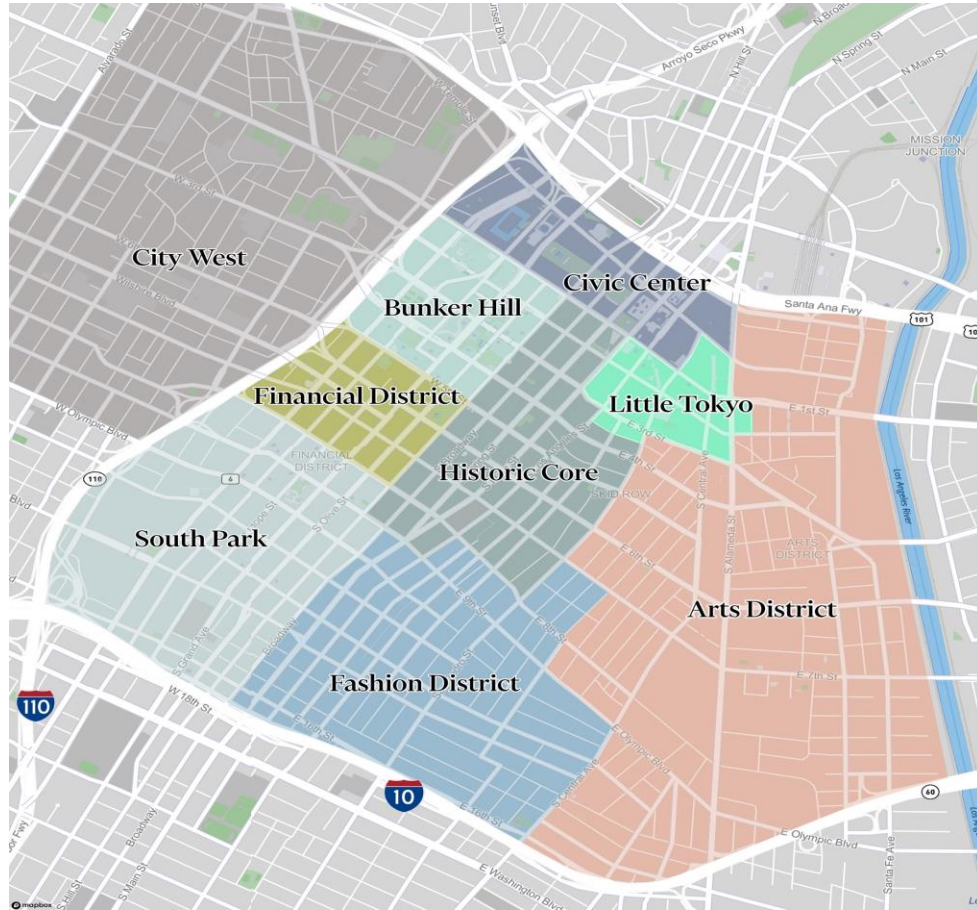
FIGURE 3: Notable Lease Transactions Q3 2025

Tenant	Address	SF Leased	Type
Confidential	350 S Grand Ave, Los Angeles	55,000	Expansion
American Realty Advisors	515 S Flower St, Los Angeles	31,451	New Lease
Great American Insurance	515 S Flower St, Los Angeles	27,280	New Lease
Lucas Museum of Narrative Art	700 S Flower St, Los Angeles	25,379	Renewal
The Sentinel Firm	707 Wilshire Blvd, Los Angeles	20,459	New Lease
Consulate of India	707 Wilshire Blvd, Los Angeles	19,406	New Lease

FIGURE 4: Notable Sale Transactions Q3 2025

Buyer	Address	SF Sold	Sale Price (\$)	\$PSF
Leonid Pustilnikov	523 W 6th St, Los Angeles	464,200	48.5MM	\$104.48
Civicap	843 N Spring St, Los Angeles	122,380	35.8MM	\$292.53
Tiffany Chung	1313 W 8th St, Los Angeles	39,543	10.0MM	\$252.89

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.

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