Flight to quality helps offset negative net absorption

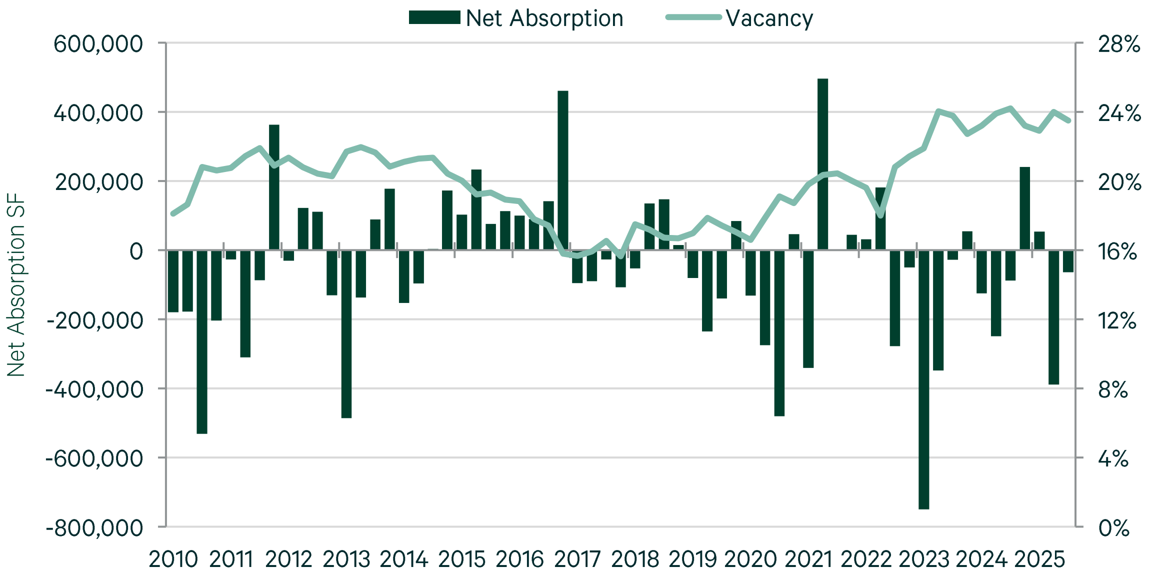
23.5%	(64K)	76K	$3.30	1.13M
▲ Vacancy Rate	▼ SF Net Absorption	▶ SF Under Construction	▲ Full-Service Gross / Lease Rate Existing Properties	▲ Office-Using Employment LA and Ventura County

Note: Arrows indicate change from previous quarter.

MARKET HIGHLIGHTS

- The overall vacancy rate ended Q3 2025 at 23.5%, with 64,000 sq. ft. of negative net absorption. The overall availability rate ended the quarter at 28.5%.
- Total leasing activity was 921,000 sq. ft in Q3 2025, an increase of 50.8% quarter-over-quarter. The top five deals in the South Bay totaled over 346,000 sq. ft.
- Total tenants in the market stood at 755,000 sq. ft. at the end of Q3 2025. The top six tenant requirements were at least 50,000 sq. ft. in size with a total exceeding 400,000 sq. ft.
- Office-using employment in GLA totaled 1.13 million in Q3 2025, a slight increase year-over-year.
- Chaos Industries signed the largest new lease in Q3 2025 at 140-142 Oregon St in El Segundo for 97,408 sq. ft.
- Sable Investments LLC completed the purchase of a 17,927-sq.-ft. building from Net Lease Alliance located at 20920 Chico St in Carson for $18.4 million.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q3 2025

FIGURE 2: Submarket Statistics

Submarket	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
190th Corridor	36	3,163,408	11.4%	14.2%	16.4%	14,536	18,591	$3.21	$3.00	0	0
Beach Cities	14	1,147,854	15.0%	15.0%	16.2%	6,506	3,824	$3.96	$3.86	0	0
Downtown Long Beach	24	4,157,302	23.9%	28.5%	31.1%	(65,994)	(105,555)	$2.97	$2.72	0	0
El Segundo	83	11,500,339	21.1%	26.4%	31.9%	6,313	(268,832)	$4.06	$4.06	76,000	0
Inglewood	5	754,125	21.5%	21.5%	32.5%	0	28,318	$5.50	$4.97	0	0
Joint Geographic Location	13	1,058,582	6.9%	6.9%	7.6%	2,512	(45,113)	$2.48	$2.33	0	0
LAX	12	2,997,314	41.8%	42.3%	45.0%	(92,616)	(85,817)	$2.59	$2.38	0	0
Suburban Long Beach	51	4,346,158	17.3%	20.5%	26.8%	44,698	47,574	$2.98	$2.84	0	0
Palos Verdes	7	261,148	4.9%	4.9%	7.4%	1,546	2,661	N/A	$2.55	0	0
Torrance	64	3,863,362	11.4%	14.6%	24.4%	18,968	5,218	$3.65	$2.94	0	0
Total Class A	**80**	**15,637,953**	**23.6%**	**27.8%**	**33.4%**	**73,652**	**(336,431)**	**N/A**	**$3.59**	**0**	**0**
Total Class B	**229**	**17,619,047**	**16.6%**	**19.6%**	**24.1%**	**(137,183)**	**(62,700)**	**N/A**	**$2.85**	**0**	**0**
South Bay	**309**	**33,257,000**	**20.0%**	**23.5%**	**28.5%**	**(63,531)**	**(399,131)**	**$3.59**	**$3.30**	**76,000**	**0**

Source: CBRE Research, Q3 2025.

FIGURE 3: Notable Lease Transactions Q3 2025

Tenant	Address/ Submarket	SF Leased	Type
Chaos Industries	140-142 Oregon St, El Segundo	97,408	New Lease
County of Los Angeles	1500 Hughes Way, Long Beach	89,895	New Lease
Optumcare Management	2120 Park Pl, El Segundo	63,202	Renewal
Varda Space	888 N Douglas St, El Segundo	54,749	New Lease
KPMG	2101-2141 Rosecrans Ave, El Segundo	40,903	New Lease

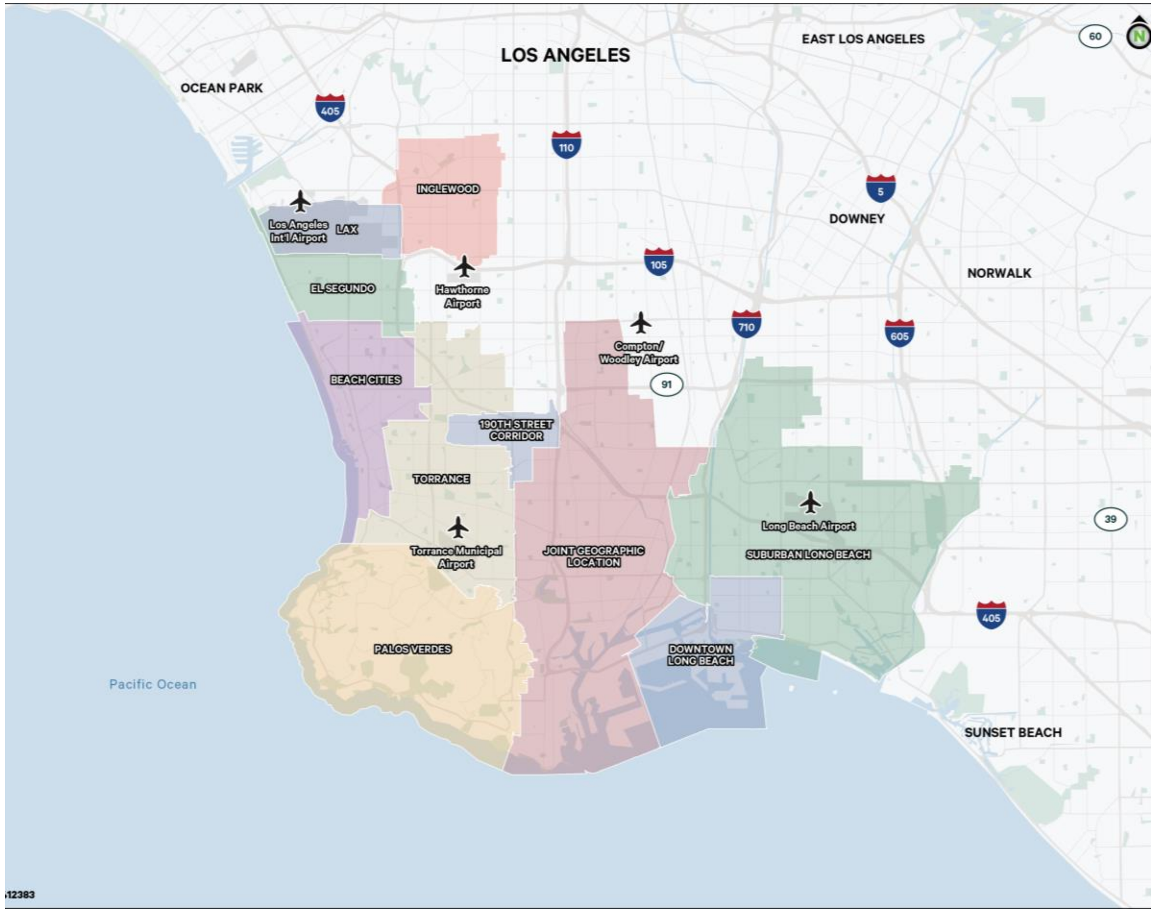
Source: CBRE Research, Q3 2025.

FIGURE 4: Notable Sale Transactions Q3 2025

Buyer	Address/ Submarket	SF Sold	Sale Price
Sable Investments LLC	20920 Chico St, Carson	17,927	$18.35MM
Ducenta Squared Asset Management	2240 E Maple Ave, El Segundo	11,239	$8.7MM
Baks Investment LLC	19210 S Vermont, Gardena	11,620	$4.7MM

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

Michael Maloney
Field Research Analyst
+1 310 993 0772
michael.maloney@cbre.com

Luke Snyder
Field Research Analyst
+1 310 626 7361
luke.snyder@cbre.com

Alex Hall
Research Manager
+1 818 383 3127
alex.hall1@cbre.com

Bobby Peddicord
Executive Managing Director
+1 310 363-4900
robert.peddicord@cbre.com

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

CBRE