

# Los Angeles

## Industrial market snapshot

Q4 2023

The Los Angeles industrial market continued to fall back to earth after growing at record setting pace in 2021 and 2022. Occupiers continue to shed any unused space and port volumes have continued to decrease throughout Q1-Q4 2023.

# -190,960sf

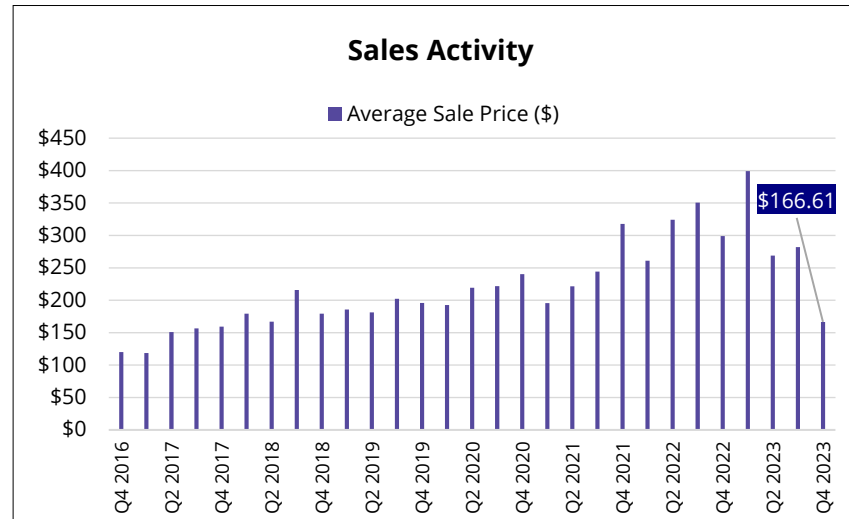
Total net absorption for Q4 was up to -190,961 square feet. Although still in the negative, this value is 900,000 sf higher than Q2 and Q3 2023.

# \$1.75/sf

Average asking NNN lease rates have increased in Q4 to \$1.75 per square foot. This escalation comes after two consistent quarters at \$1.74 a square foot.

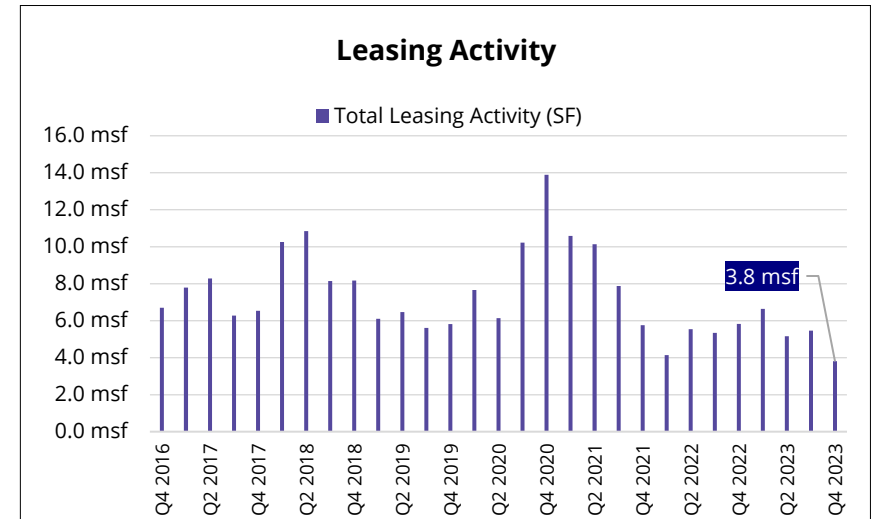
# 3.7%

Direct vacancies climb to new highs for the LA Industrial market. With no need for excess inventories spurred by the pandemic, occupiers have made decisions to shed any unused space.



Sale activity has reduced notably in comparison to Q1 through Q3, with an average sales price of \$166.61 per square foot. This is a large 41% decrease from the previous quarter.

Note: Survey based on IND/Flex buildings 50k+  
Source: AVANT by Avison Young, ThoughtSpot

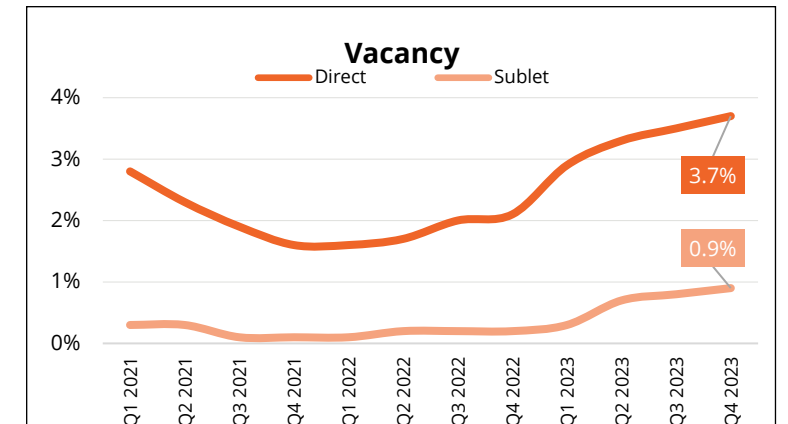
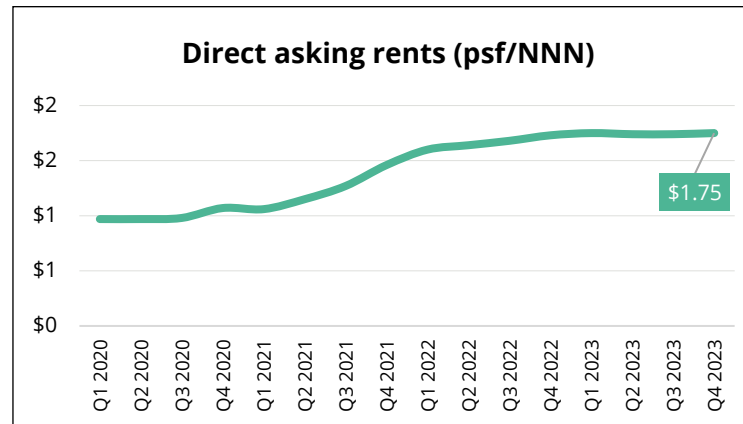
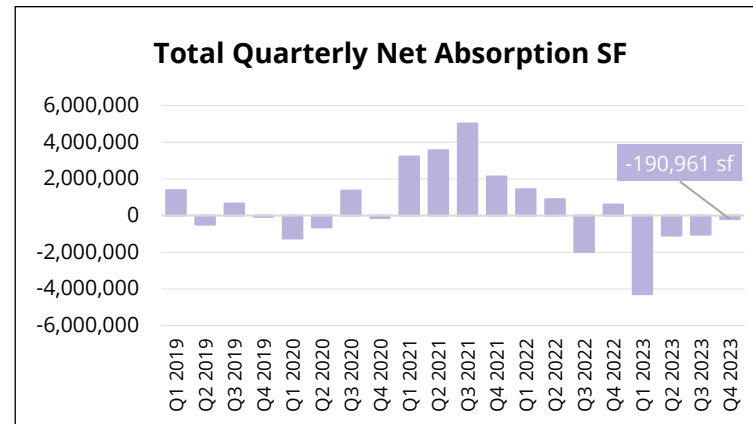


Leasing activity slowed down significantly in the fourth quarter at 3.8 msf leased, which is down 1.6 msf from the prior quarter.

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### Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Undisclosed Tenant	19200-19270 S Western Ave	315,256	New Lease	Direct
Lincoln Transportation	601 W Carob St	234,600	Sublease	Direct
Classic Concepts	5091 4th St	233,342	New Lease	Direct
Daiso California	16400 Trojan Way	220,000	Renewal	Direct

### Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Rexford Industrial	15801 E First St	\$120,000,000	\$120.83	Pabst Brewing Company
Terreno Realty	2411 Santa Fe Ave	\$45,700,000	\$406.72	Link Logistics
Artisan Ventures	1217 W Artesia Blvd	\$21,000,000	\$295.77	Li Yang
AIDS Healthcare Foundation	18421 S Main St	\$20,000,000	\$370.52	Shultz Properties

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## Get in touch

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	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy %	Sublet vacancy %	Total vacancy %	Net Absorption (sf QTR)	Net Absorption (sf YTD)	Direct asking rent psf NNN
South Bay	132,521,720	1,822,905	602,549	4%	0.6%	4.6%	-45,471	-1,930,556	\$1.94
San Gabriel Valley	101,153,435	1,683,689	2,156,596	3.8%	0.8%	4.5%	703,394	-244,424	\$1.60
Mid-Counties	71,570,598	-	428,688	2.9%	0.9%	3.7%	-454,004	-1,616,219	\$1.74
Vernon	64,177,269	195,463	210,347	3.1%	2.0%	5.0%	76,685	-1,786,786	\$1.40
Commerce	57,231,441	-	151,565	5.3%	0.8%	6.1%	-241,379	-1,203,920	\$1.23
East San Fernando Valley	25,433,493	236,821	106,526	1.3%	1.2%	2.4%	-126,433	-61,917	\$1.83
West Ventura County	25,313,320	-	-	2.8%	0.1%	2.9%	-227,582	-149,296	\$0.91
West San Fernando Valley	21,637,760	97,116	-	2.4%	0.3%	2.7%	42,421	-160,747	\$1.72
Downtown Los Angeles	18,032,713	-	-	6.4%	0.1%	6.5%	-20,816	625,082	\$1.44
Santa Clarita	14,855,741	427,001	288,229	3.4%	1.0%	4.4%	-65,103	-2,991	\$1.15
East Ventura County	9,973,249	-	-	6.3%	2.1%	8.4%	67,598	-63,518	\$1.30
West Side	6,495,608	-	-	7.8%	0.9%	8.7%	32,476	-82,742	\$2.63
Antelope Valley	5,685,034	-	99,853	0.5%	0%	0.5%	67,253	70,253	\$3.00
<b>Market total</b>	<b>554,080,841</b>	<b>4,462,995</b>	<b>4,044,353</b>	<b>3.7%</b>	<b>0.90%</b>	<b>4.64%</b>	<b>-190,961</b>	<b>-4,667,225</b>	<b>\$1.75</b>

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