

FIGURES | SAN GABRIEL VALLEY INDUSTRIAL | Q1 2025

Logistics firms drive gross leasing activity and positive net absorption

▼ 4.3%
Vacancy Rate

▲ 323.8K
SF Net Absorption

▲ 407.8K
SF Under Construction

▼ \$1.18
NNN / MO Lease Rate

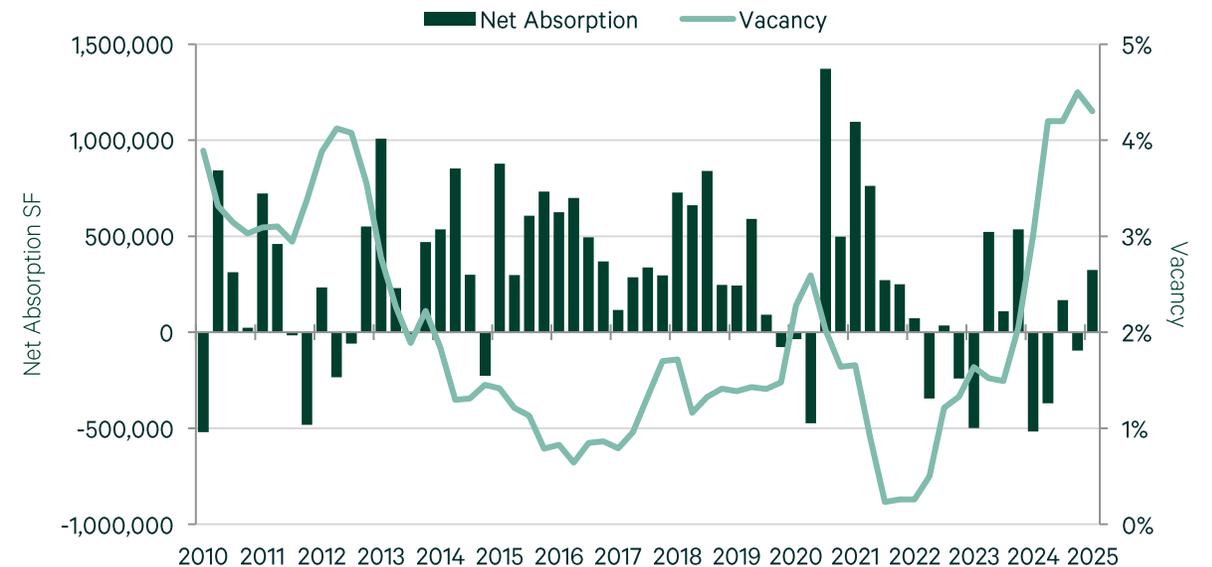
▶ 6.0%
Unemployment rate in L.A. County, March 2025

Note: Arrows indicate change from previous quarter.

MARKET HIGHLIGHTS

- Gross absorption reached 3.8 million sq. ft. in Q1, as new deals outpaced expiring leases and drove the vacancy rate down 20 basis-points to 4.3%. The total availability rate was down 10 basis-points to 6.2%.
- Average NNN direct asking rates have dropped by 7.8% from \$1.28 in Q4 2024 to \$1.18 in Q1 2025. Notable logistics occupiers capitalized upon these favorable market conditions to lock in long term leases.
- The largest lease of the quarter was US E-Logistics' 694,400 sq. ft. deal at 171 Marcellin Dr in the City of Industry. Packaging company, Goldencorr, inked a 256,993 sq. ft. renewal at 13890 E Nelson Ave in the City of Industry.
- The largest sale was Pleaser USA's acquisition of 4200 Valley Blvd in the City of Industry. The 269,780 sq. ft. building was purchased for \$99.9 million, or \$370.38 per sq. ft. Pleaser USA plans on occupying their newly acquired space.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q1 2025.

FIGURE 2: Submarket Statistics

Submarket	Bldg. Count	NRA	Direct Vacancy Rate	Overall Vacancy Rate	Overall Availability Rate	Gross Absorption Q1	Net Absorption Q1	Net Absorption YTD	Avg. Ask NNN	Under Const.	Deliveries
Azusa	169	7,944,986	3.6%	4.5%	11.0%	31,080	-33,733	-33,733	\$1.27	0	0
City of Industry	1,109	83,512,578	3.2%	3.8%	5.2%	2,128,860	712,905	712,905	\$1.32	277,742	0
El Monte	204	9,470,291	1.6%	1.6%	3.0%	50,072	-38,231	-38,231	\$0.94	0	0
Irwindale	254	14,648,199	4.6%	5.1%	7.2%	306,296	23,910	23,910	\$1.27	130,063	0
Monrovia/Duarte	187	5,900,369	5.5%	5.5%	7.2%	21,075	-41,271	-41,271	\$1.17	0	0
Pomona	431	19,667,720	5.5%	5.5%	7.9%	1,134,728	-30,076	-30,076	\$0.84	0	0
South El Monte	321	6,969,481	3.0%	3.0%	4.0%	36,840	-98,356	-98,356	\$1.09	0	0
Baldwin Park	145	4,670,333	8.8%	8.8%	9.7%	10,788	-64,417	-64,417	\$0.96	0	0
Walnut	34	642,094	2.1%	2.1%	18.0%	0	0	0	\$1.54	0	0
Glendora/San Dimas/La Verne	229	6,248,557	4.8%	4.8%	7.8%	37,024	-106,962	-106,962	\$1.24	0	0
San Gabriel Valley	3,083	159,674,608	3.9%	4.3%	6.2%	3,756,763	323,769	323,769	\$1.18	407,805	0

Source: CBRE Research, Q1 2025.

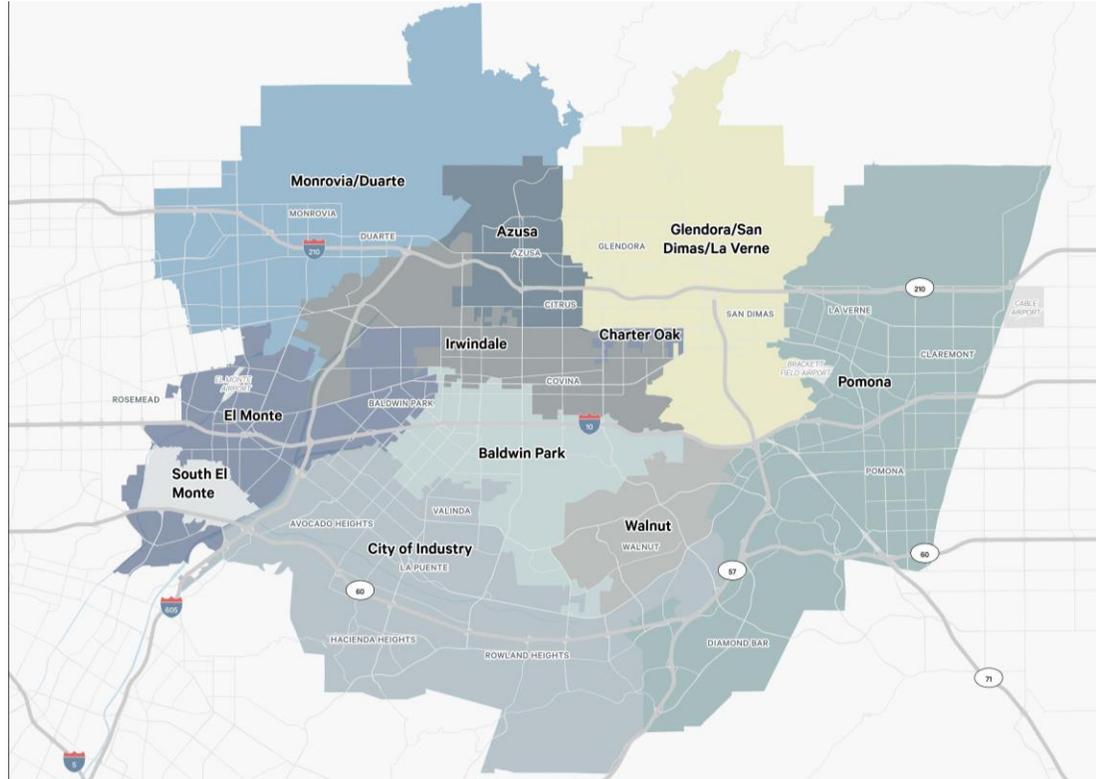
FIGURE 3: Notable Lease Transactions Q1 2025

Tenant	Address	SF Leased	Type
US E-Logistics	171 Marcellin Dr, City of Industry	694,400	New Lease
Goldencorr Packaging	13890 E Nelson Ave, City of Industry	256,993	Renewal
YiTong Investments	17560 Rowland St, City of Industry	232,000	New Lease
HYTX Logistics	14505 Proctor Ave, City of Industry	217,464	Expansion
Confidential Tenant	18551 E Arenth Ave, City of Industry	181,800	New Lease
Premier Packaging	16035 E Arrow Hwy, Irwindale	162,296	New Lease

FIGURE 4: Notable Sale Transactions Q1 2025

Buyer	Address	SF Sold	Sale Price
Pleaser USA	4200 Valley Blvd, Pomona	269,780	\$99.9MM
Future Foam	2867 Surveyor St, Pomona	190,464	\$52.7MM
SAFCO Capital	705 N Baldwin Park Blvd, City of Industry	184,778	\$37.8MM
Foreman Lam	753 755 Arrow Grand Cir, Covina	72,000	\$23.9MM
Vertical Growth Realty	18751 E Railroad St, City of Industry	23,899	\$9.8MM

Submarket Map



Source: CBRE Research, Q1 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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