



||||||| Los Angeles |||||

||||||| Orange County |||||

||||||| Ventura |||||

||||||| Inland Empire |||||

||||||| Phoenix |||||

# Q4 | 2025 Market Report

||||||| Orange County Industrial



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# MARKET REPORT Q4

## Industrial 2025 Orange County



### MARKET ACTIVITY



### KEY TAKE AWAYS

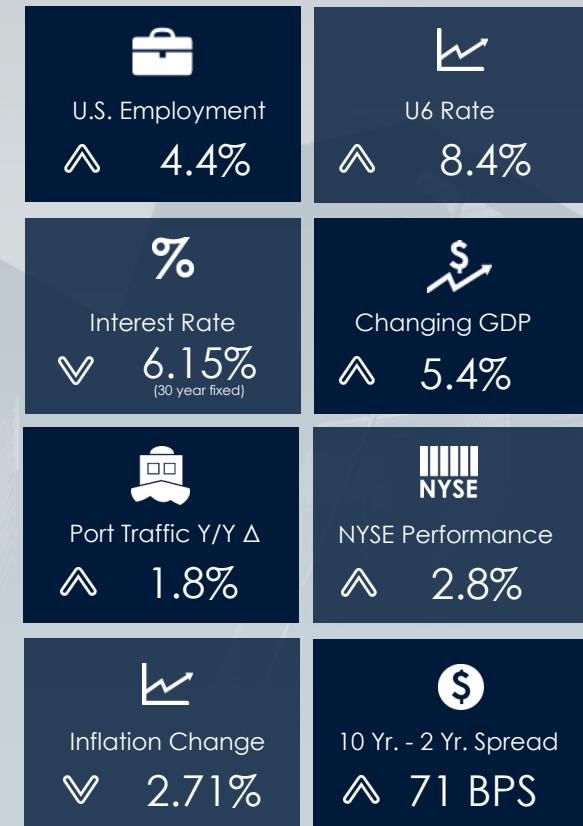
#### MARKET

- Vacancy Rate:** Increased 3 bps in Q4 to 6.32%. Year over Year has increased 108 bps.
- Net Absorption:** Turned positive in Q4 totaling 324K.
- Asking Rents:** Remained the same in Q4 at \$1.52 PSF NNN.
- Industrial Supply:** 477K SF was delivered in Q4. Under construction revised to 1.59 MSF.
- Sales:** The median price PSF in Q4 was \$334.64. Volume in Q4 totaled \$492.1M; up 8.2% from revised Q3. In 2025, volume totaled \$1.89B. An increase of 30.5% compared to 2024.

#### ECONOMIC OUTLOOK

- Interest Rates:** FOMC decided cut rates twice over Q4. Ending the year at range of 3.50%-3.75%. Only one cut projected in 2026.
- Supply Chain:** YTD Y/Y volume at the San Pedro Port Complex is up 1.8% through Nov. The cost from China/East Asia to the West Coast increased 41.2% over Q4, ending at \$2,617 per container. (Freightos). US tariffs stabilized at country-specific rates (25-40% most nations, 125% China). Revenue collection from tariffs far out exceeding expectations. With consumers not being burdened by them yet.
- Geopolitics:** The removal of Venezuelan President Maduro may lead to lower energy prices in the future. Helping to fuel the AI boom.

### ECONOMIC OUTLOOK



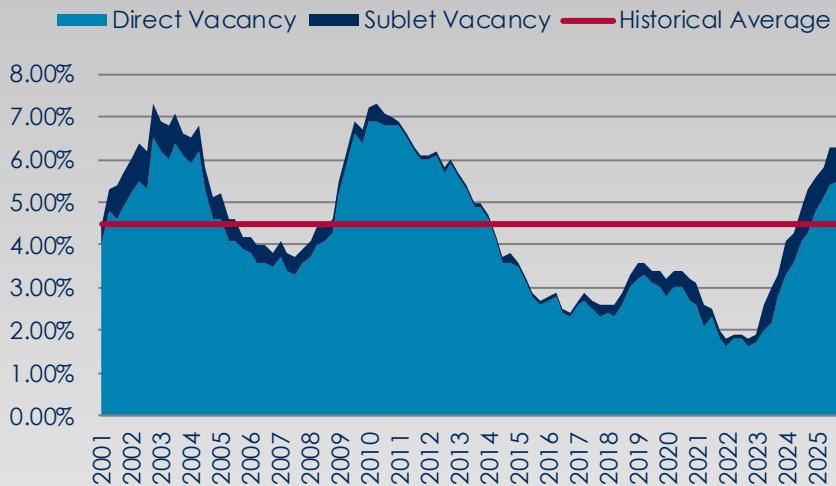
EXPERIENCE IN A CHANGING MARKET

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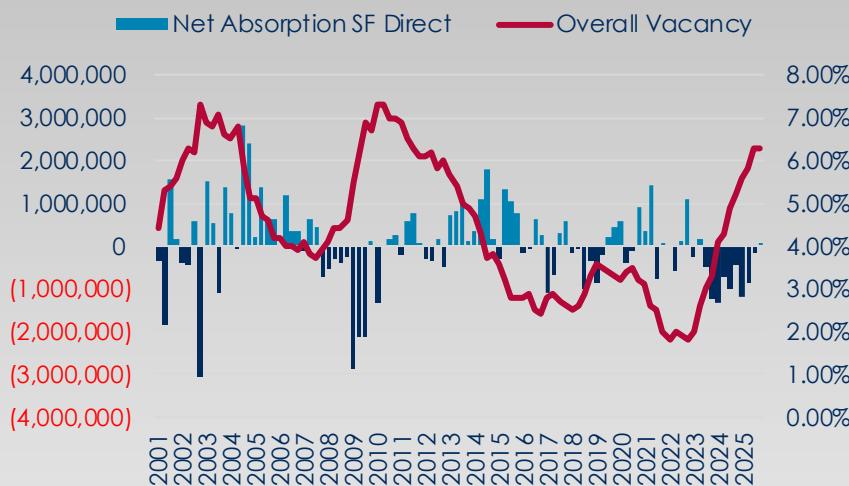


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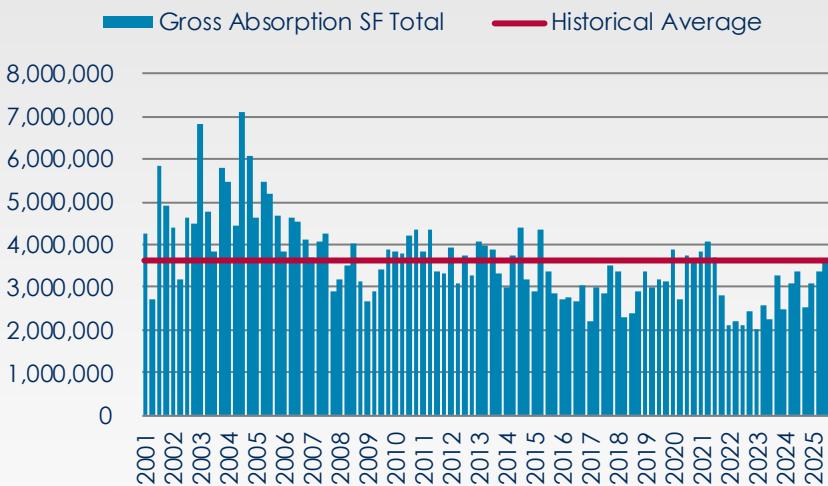
## OVERALL VACANCY INCREASED BY 3 BPS IN Q4 TO 6.32%



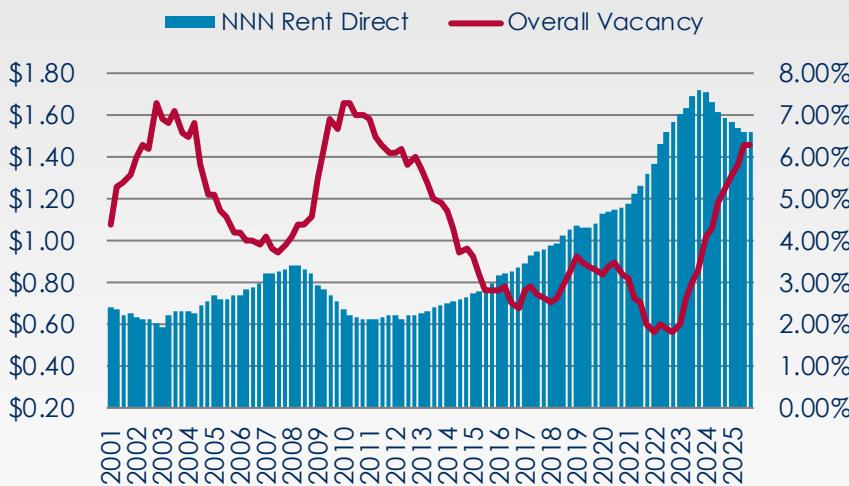
## NET ABSORPTION TURNED POSITIVE IN Q4 TOTALING 324K SF



## GROSS ABORTION INCREASED BY 13.3% FROM Q3 TO 4.1M SF IN Q4

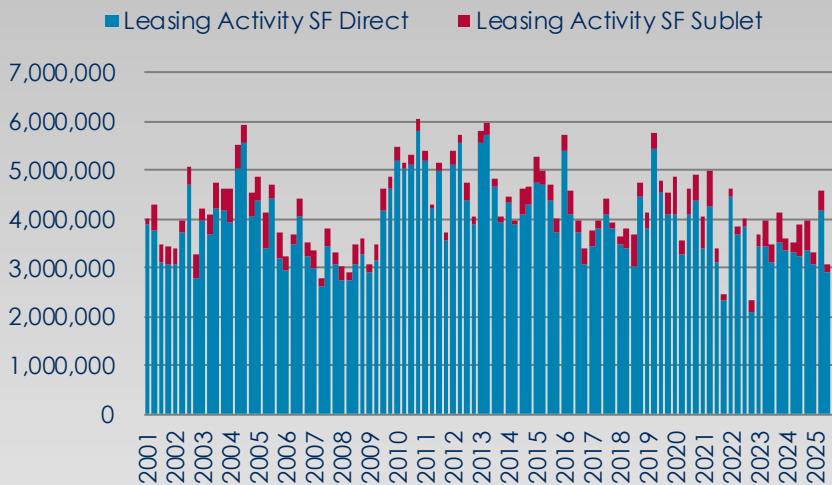


## ASKING RENTS REMAINED THE SAME AT \$1.52 PSF NNN IN Q4

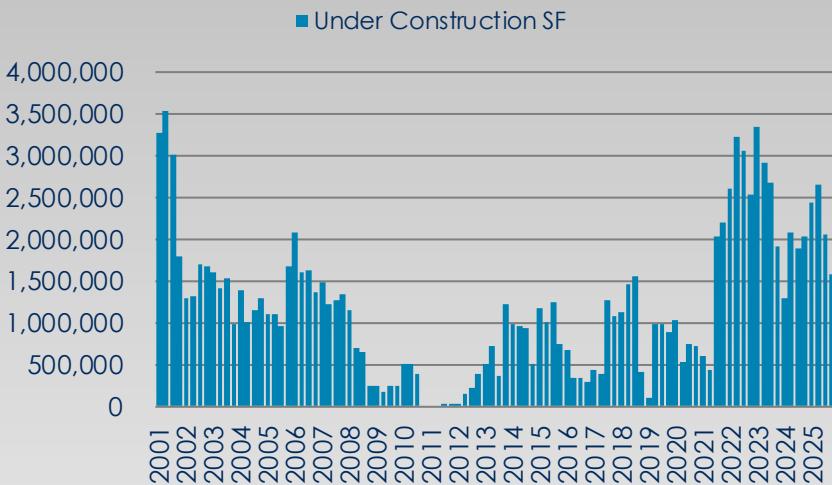


# Q4 Market Report

## LEASING ACTIVITY DECLINED 21.4% FROM Q3 TOTALING 2.4M SF IN Q4

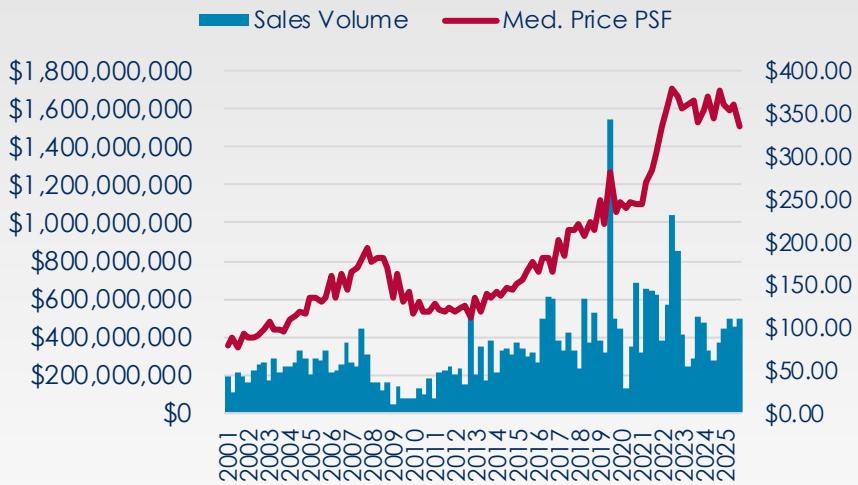


## CONSTRUCTION ACTIVITY 477K SF WAS DELIVERED IN Q4. UC REVISED TO 1.59 MSF



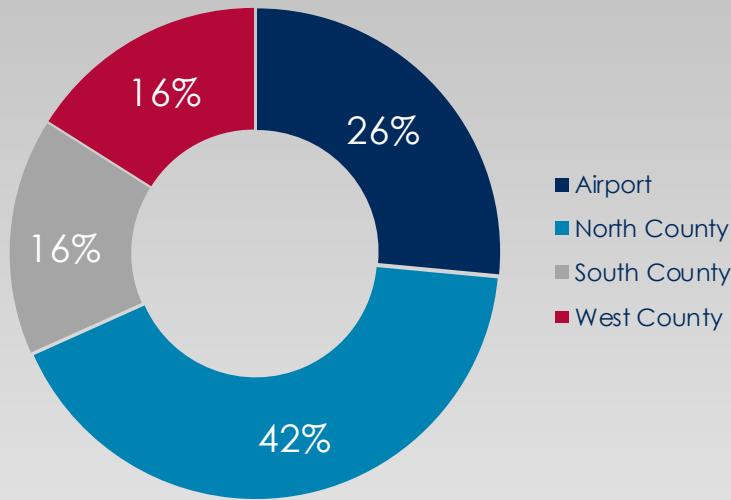
## SALES

VOLUME TOTALED \$492.2M. MEDIAN PRICE IN Q4 WAS \$334.64 PSF

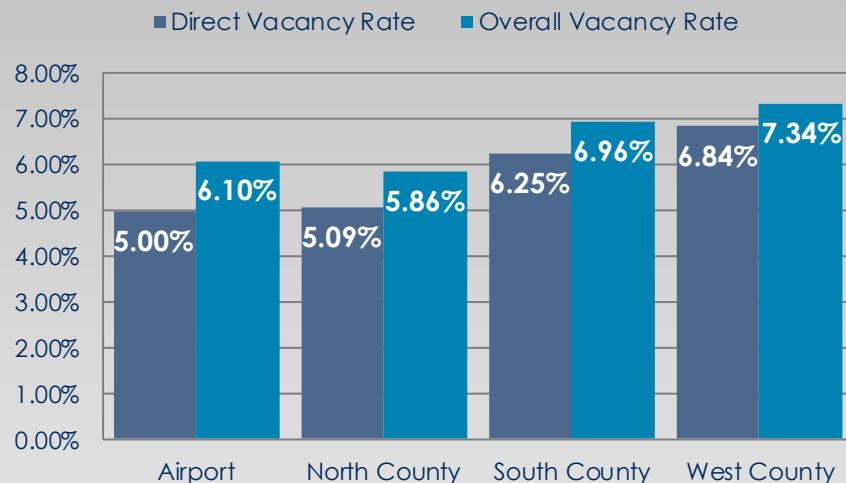


# Q4 Market Report

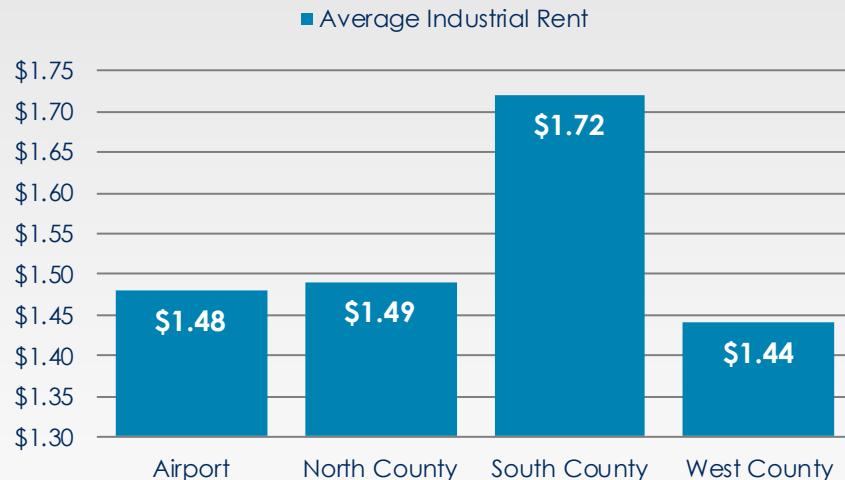
## SQUARE FOOT BREAKDOWN- 300,036,767 SF MARKET SIZE



## VACANCY BREAKDOWN

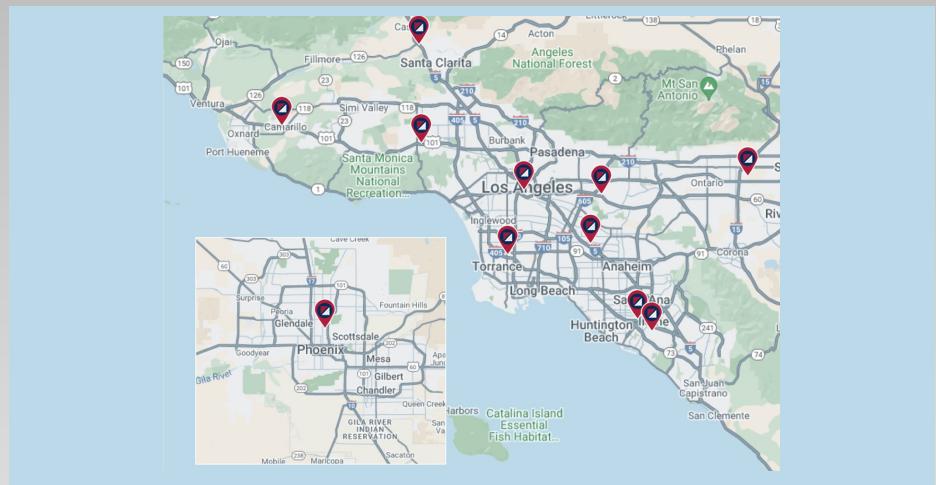
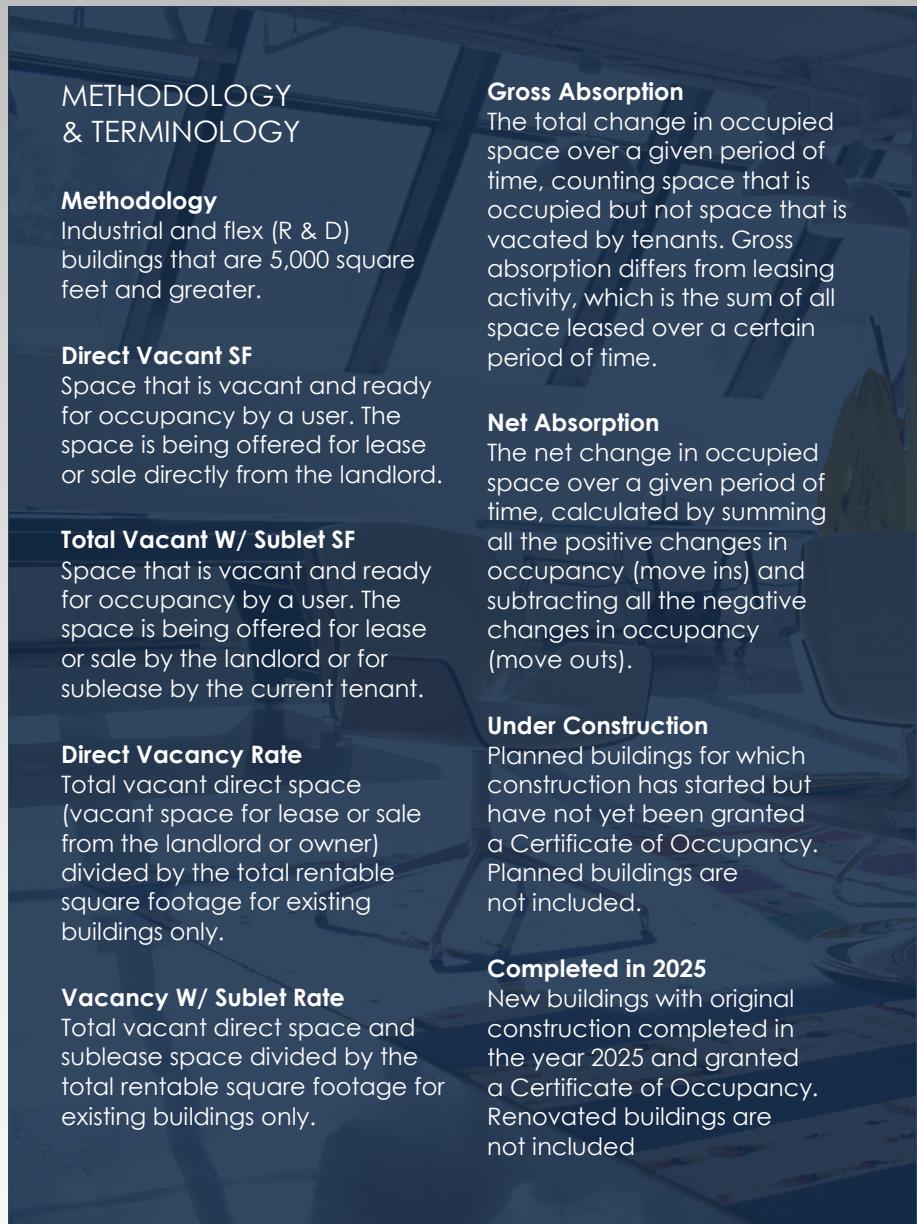


## AVERAGE ASKING RENT PSF NNN AT CLOSE OF QUARTER



## VOLUME BREAKDOWN





MARKET	OFFICE ADDRESS	PHONE NUMBER
LOS ANGELES	801 S FIGUEROA ST. SUITE 600 LOS ANGELES, CA 90017	213-626-9101
LOS ANGELES NORTH	21820 BURBANK BLVD. SUITE 130 WOODLAND HILLS, CA 91367	818-887-3600
SANTA CLARITA VALLEY	27200 TOURNEY RD. SUITE 425 VALENCIA, CA 91355	661-705-2299
SAN GABRIEL VALLEY	13181 CROSSROADS PKWY N. SUITE 100 CITY OF INDUSTRY, CA 91746	562-695-7244
SOUTH BAY	19191 S VERNONT AVE. SUITE 850 TORRANCE, CA 90502	310-538-6700
MID-COUNTIES	13810 CERRITOS CORPORATE DR. SUITE C CERRITOS, CA 90703	562-207-3300
ORANGE COUNTY	4400 MACARTHUR BLVD. SUITE 950 NEWPORT BEACH, CA 92660	949-724-1900
VENTURA COUNTY	751 DAILY DR. SUITE 105 CAMARILLO, CA 93010	805-987-8866
INLAND EMPIRE	3595 E INLAND EMPIRE BLVD. BLDG 5 ONTARIO, CA 91764	909-980-1234
PHOENIX	1702 E HIGHLAND AVE. SUITE 120 PHOENIX, AZ 85016	602-957-7300
INVESTMENT DIVISION	650 TOWN CENTER DR. SUITE 120 COSTA MESA, CA 92626	949-341-4500
INDIAN WELLS	74900 HIGHWAY 111, SUITE 221 INDIAN WELLS, CA 92210	760-253-8539



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# Economic Overview

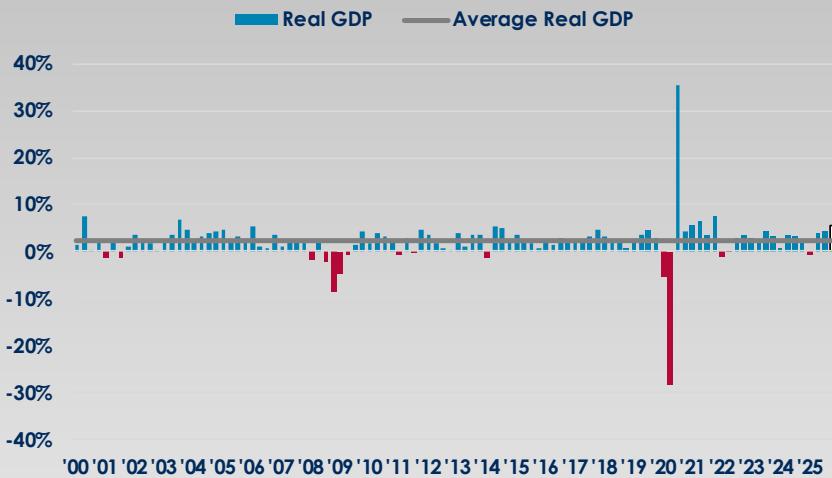
||||||| Q4 2025



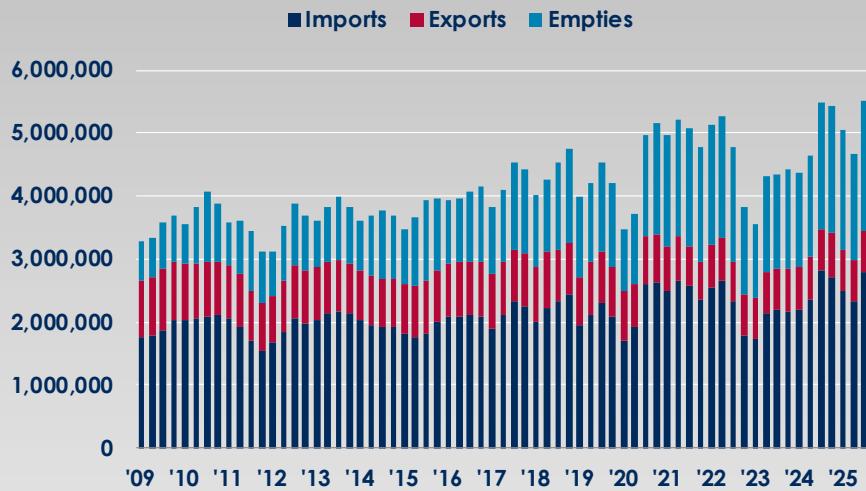
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# Q4 Market Report

GDP IN Q3 FINISHED AT 4.3%. Q4 ESTIMATE AT 5.4% PER GDPNOW

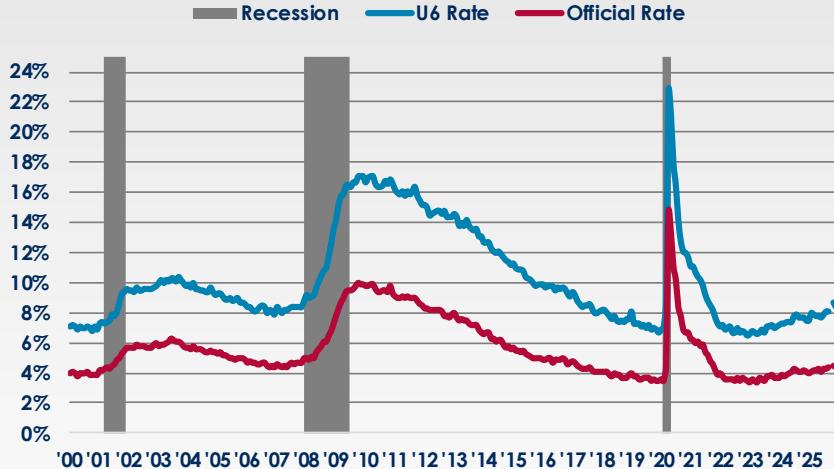


PORT ACTIVITY IN Q3 WAS UP 0.4% Y/Y. YTD 2025 UP 1.8% Y/Y

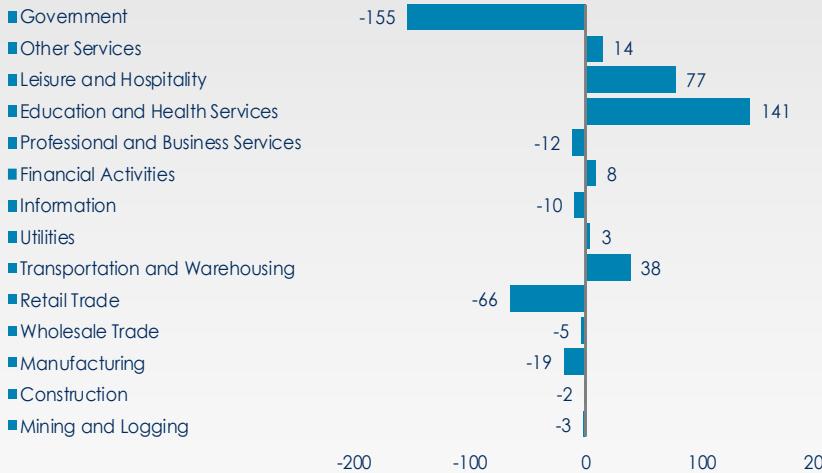


\*5.4% Estimate for Q4-25 from the Federal Reserve Bank of Atlanta GDPNow

LABOR MARKET RESILIENCE LIKELY TO PAUSE RATE CUTS

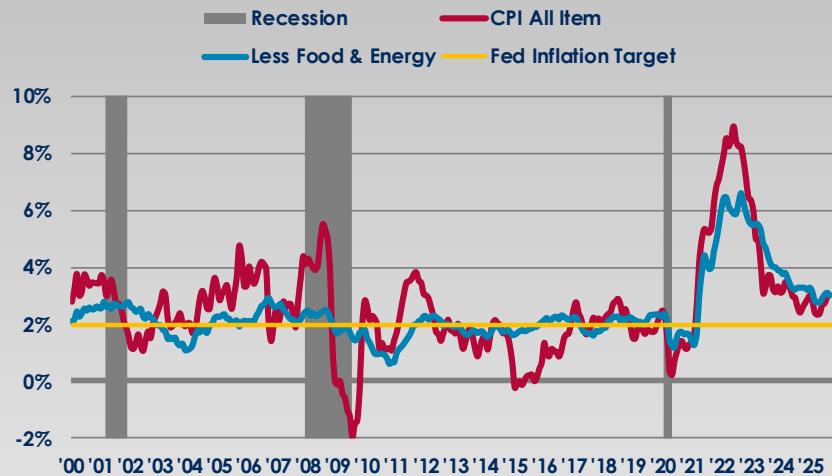


EDUCATION & HEALTH SERVICES LED JOB GAINS AGAIN IN Q4

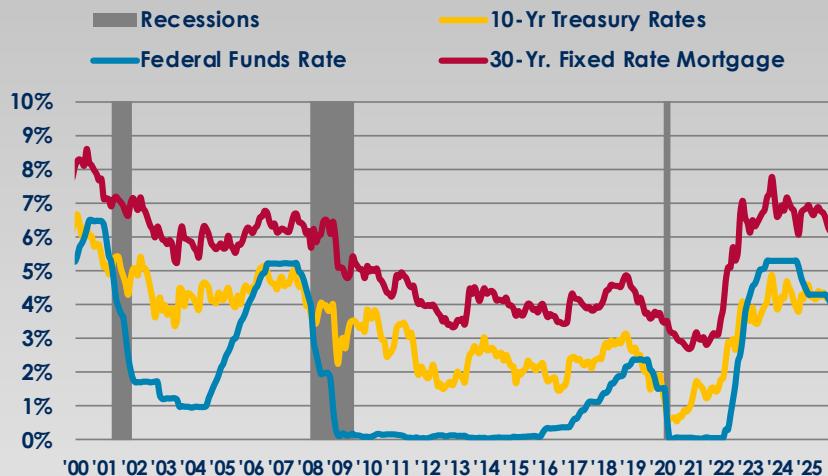


# Q4 Market Report

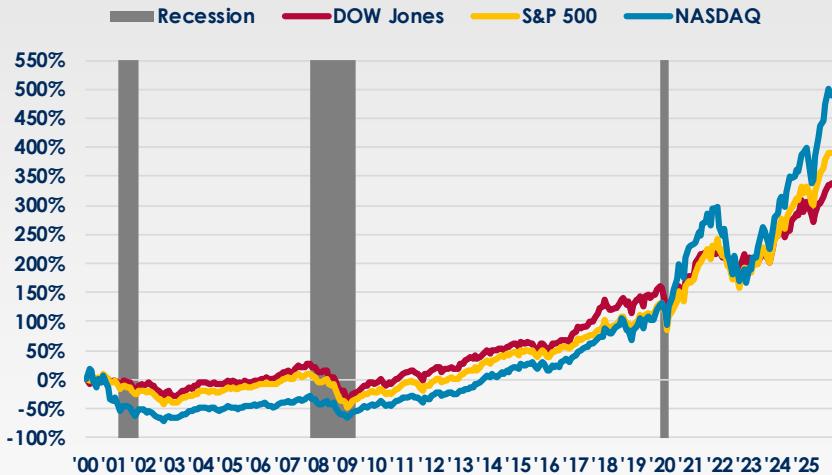
## INFLATION TRENDING UPWARD ABOVE THE FED TARGET OF 2%



## THE FED CUT RATES BY 50 BPS OVER Q4



## MAJOR INDEXES REACHED ALL TIME HIGHS IN Q4



## 10-2 YEAR YIELD CURVE STEEPENED IN Q4

