

THE CoSTAR OFFICE REPORT

MID-YEAR 2012

Los Angeles Office Market



LOS ANGELES OFFICE MARKET



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LOS ANGELES OFFICE MARKET

METHODOLOGY

The CoStar Office Report, unless specifically stated otherwise, calculates office statistics using CoStar Group's entire database of existing and under construction office buildings in each metropolitan area. Included are office, office condominium, office loft, office medical, all classes and all sizes, and both multi-tenant and single-tenant buildings, including owner-occupied buildings. CoStar Group's national database includes approximately 80.7 billion square feet of coverage in 3.5 million properties. All rental rates reported in the CoStar Office Report have been converted to a Full Service equivalent rental rate.

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TERMS & DEFINITIONS

Availability Rate: The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

Available Space: The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

Build-to-Suit: A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

Buyer: The individual, group, company, or entity that has purchased a commercial real estate asset.

Cap Rate: Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

CBD: Abbreviation for Central Business District. (See also: Central Business District)

Central Business District: The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

Class A: A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

Class B: A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Class C: A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Construction Starts: Buildings that began construction during a specific period of time. (See also: Deliveries)

Contiguous Blocks of Space: Space within a building that is, or is able to be joined together into a single contiguous space.

Deliveries: Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certificate of occupancy must have been issued for the property.

Delivery Date: The date a building completes construction and receives a certificate of occupancy.

Developer: The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

Direct Space: Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

Existing Inventory: The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

Flex Building: A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

Full Service Rental Rate: Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

Gross Absorption: The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing Activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

Growth in Inventory: The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

Industrial Building: A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

Landlord Rep: (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

Leased Space: All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

Leasing Activity: The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

Market: Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

Multi-Tenant: Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different tenant needs. (See also: Tenancy).

Net Absorption: The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

Net Rental Rate: A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

New Space: Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

Occupied Space: Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

Office Building: A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

Owner: The company, entity, or individual that holds title on a given building or property.

Planned/Proposed: The status of a building that has been announced for future development but not yet started construction.

Preleased Space: The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

Price/SF: Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

Property Manager: The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

Quoted Rental Rate: The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

RBA: Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

Region: Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

Relet Space: Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

Rentable Building Area: (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

Rental Rates: The annual costs of occupancy for a particular space quoted on a per square foot basis.

Sales Price: The total dollar amount paid for a particular property at a particular point in time.

Sales Volume: The sum of sales prices for a given group of buildings in a given time period.

Seller: The individual, group, company, or entity that sells a particular commercial real estate asset.

SF: Abbreviation for Square Feet.

Single-Tenant: Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

Sublease Space: Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

Submarkets: Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

Suburban: The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

Tenancy: A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

Tenant Rep: Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

Time On Market: A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

Under Construction: The status of a building that is in the process of being developed, assembled, built or constructed. A building is considered to be under construction after it has begun construction and until it receives a certificate of occupancy.

Vacancy Rate: A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

Vacant Space: Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

Weighted Average Rental Rate: Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

Year Built: The year in which a building completed construction and was issued a certificate of occupancy.

YTD: Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

LOS ANGELES OFFICE MARKET



OVERVIEW

LOS ANGELES'S VACANCY INCREASES TO 12.5% Net Absorption Negative (93,995) SF in the Quarter

The Los Angeles Office market ended the second quarter 2012 with a vacancy rate of 12.5%. The vacancy rate was slightly up over the previous quarter's 12.4% rate, with net absorption totaling negative (93,995) square feet in the second quarter. Vacant sublease space decreased in the quarter, ending the quarter at 1,741,160 square feet. Rental rates ended the second quarter at \$27.79, an increase over the previous quarter. A total of three buildings delivered to the market in the quarter totaling 79,290 square feet, with 2,062,124 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Los Angeles office market was negative (93,995) square feet in the second quarter 2012. That compares to positive 1,081,923 square feet in the first quarter 2012, positive 136,486 square feet in the fourth quarter 2011, and positive 250,956 square feet in the third quarter 2011.

Tenants moving out of large blocks of space in 2012 include: U-Store-It moving out of 65,000 square feet at 601 E Daily Dr. in Camarillo; and U.S. Securities and Exchange Commission moving out of 56,167 square feet at 5670 Wilshire Blvd.

Tenants moving into large blocks of space in 2012 include: Penny Mac Mortgage Investment Trust moving into 141,977 square feet at 6101 Condor Dr; WorleyParsons moving into 92,309 square feet at The Atrium in Azusa; and Sage Publications moving into 71,250 square feet at 2560 Teller Rd. in Newbury Park.

The Class-A office market recorded net absorption of negative (59,368) square feet in the second quarter 2012, compared to positive 660,943 square feet in the first quarter 2012, negative

(383,541) in the fourth quarter 2011, and negative (51,646) in the third quarter 2011.

The Class-B office market recorded net absorption of negative (57,490) square feet in the second quarter 2012, compared to positive 426,568 square feet in the first quarter 2012, positive 434,562 in the fourth quarter 2011, and positive 211,958 in the third quarter 2011.

The Class-C office market recorded net absorption of positive 22,863 square feet in the second quarter 2012 compared to negative (5,588) square feet in the first quarter 2012, positive 85,465 in the fourth quarter 2011, and positive 90,644 in the third quarter 2011.

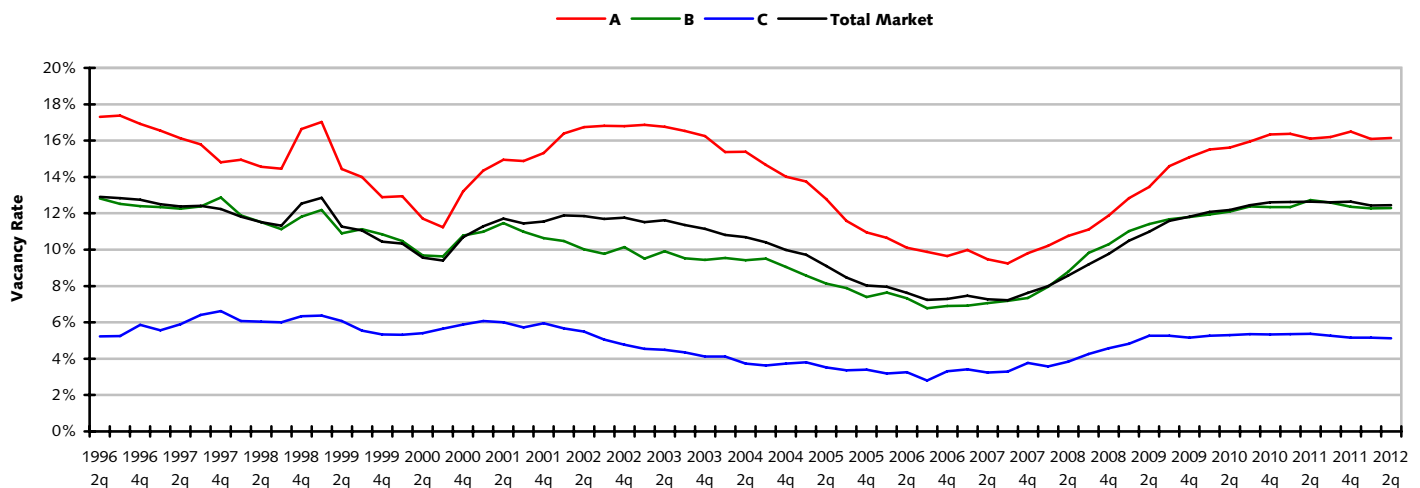
Net absorption for Los Angeles's central business district was negative (224,871) square feet in the second quarter 2012. That compares to positive 99,833 square feet in the first quarter 2012, negative (313,623) in the fourth quarter 2011, and negative (68,787) in the third quarter 2011.

Net absorption for the suburban markets was positive 130,876 square feet in the second quarter 2012. That compares to positive 982,090 square feet in first quarter 2012, positive 450,109 in the fourth quarter 2011, and positive 319,743 in the third quarter 2011.

Vacancy

The office vacancy rate in the Los Angeles market area increased slightly to 12.5% at the end of the second quarter 2012, but is still down from four quarters ago. The vacancy rate was 12.4% at the end of the first quarter 2012, 12.6% at the end of the fourth quarter 2011, and 12.6% at the end of the third quarter 2011.

VACANCY RATES BY CLASS 1996-2012



Source: CoStar Property®

Class-A projects reported a vacancy rate of 16.1% at the end of the second quarter 2012, representing no change from the end of first quarter 2012 when it was also 16.1%. Vacancy was 16.5% at the end of the fourth quarter 2011, and 16.2% at the end of the third quarter 2011.

Class-B projects reported a vacancy rate of 12.3% at the end of the first and second quarters of 2012, 12.4% at the end of the fourth quarter 2011, and 12.6% at the end of the third quarter 2011.

Class-C projects reported a vacancy rate of 5.1% at the end of the second quarter 2012, 5.2% at the end of first quarter 2012 and fourth quarter 2011, and 5.3% at the end of the third quarter 2011.

The overall vacancy rate in Los Angeles's central business district at the end of the second quarter 2012 increased to 12.0%. The vacancy rate was 11.8% at the end of the first quarter 2012, 11.9% at the end of the fourth quarter 2011, and 11.4% at the end of the third quarter 2011.

The vacancy rate in the suburban markets continued a downward trend over the last four quarters, decreasing to 12.5% in the second quarter 2012. The vacancy rate was 12.6% at the end of the first quarter 2012, 12.8% at the end of the fourth quarter 2011, and 12.8% at the end of the third quarter 2011.

Largest Lease Signings

The largest lease signings occurring in 2012 included: the 180,000-square-foot lease signed by Western Asset Management Company at Western Asset Plaza in the Burbank/Glendale/Pasadena market; the 160,415-square-foot deal signed by Lewis Brisbois Bisgaard & Smith LLP at Figueroa Plaza North Tower in the Downtown Los Angeles market; and the 141,702-square-foot lease signed by Saatchi & Saatchi LA at Del Amo Office Bldg in the South Bay market.

Sublease Vacancy

The amount of vacant sublease space in the Los Angeles

market continued a downward trend, decreasing slightly to 1,741,160 square feet by the end of the second quarter 2012, from 1,773,114 square feet at the end of the first quarter 2012. There were 2,149,837 square feet vacant at the end of the fourth quarter 2011 and 2,401,892 square feet at the end of the third quarter 2011.

Los Angeles's Class-A projects reported vacant sublease space of 1,213,664 square feet at the end of second quarter 2012, up from the 1,191,718 square feet reported at the end of the first quarter 2012. There were 1,387,199 square feet of sublease space vacant at the end of the fourth quarter 2011, and 1,597,304 square feet at the end of the third quarter 2011.

Class-B projects reported vacant sublease space of 456,588 square feet at the end of the second quarter 2012, down from the 518,450 square feet reported at the end of the first quarter 2012. At the end of the fourth quarter 2011 there were 702,666 square feet, and at the end of the third quarter 2011 there were 724,488 square feet vacant.

Class-C projects reported increased vacant sublease space from the first quarter 2012 to the second quarter 2012. Sublease vacancy went from 62,946 square feet to 70,908 square feet during that time. There were 59,972 square feet at the end of the fourth quarter 2011, and 80,100 square feet at the end of the third quarter 2011.

Sublease vacancy in Los Angeles's central business district stood at 207,490 square feet at the end of the second quarter 2012. It was 223,134 square feet at the end of the first quarter 2012, 343,265 square feet at the end of the fourth quarter 2011, and 315,737 square feet at the end of the third quarter 2011.

Sublease vacancy in the suburban markets ended the second quarter 2012 at 1,533,670 square feet. At the end of the first quarter 2012 sublease vacancy was 1,549,980 square feet, was 1,806,572 square feet at the end of the fourth quarter 2011, and was 2,086,155 square feet at the end of the third quarter 2011.

Rental Rates

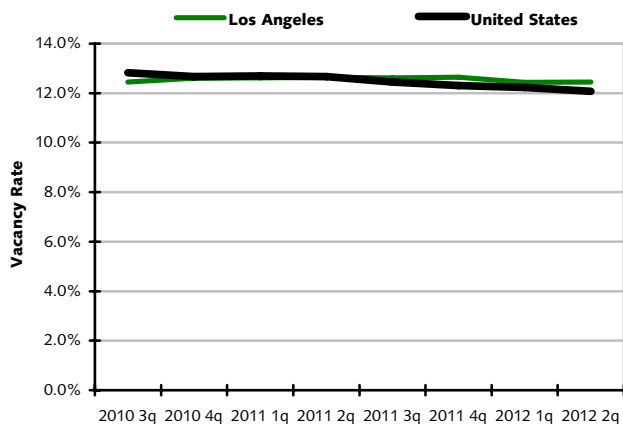
The average quoted asking rental rate for available office space, all classes, was \$27.79 per square foot per year at the end of the second quarter 2012 in the Los Angeles market area. This represented a 1.4% increase in quoted rental rates from the end of the first quarter 2012, when rents were reported at \$27.40 per square foot.

The average quoted rate within the Class-A sector was \$31.02 at the end of the second quarter 2012, while Class-B rates stood at \$24.70, and Class-C rates at \$22.69. At the end of the first quarter 2012, Class-A rates were \$30.63 per square foot, Class-B rates were \$24.29, and Class-C rates were \$22.58.

The average quoted asking rental rate in Los Angeles's CBD was \$31.17 at the end of the second quarter 2012, and \$27.20 in the suburban markets. In the first quarter 2012, quoted rates were \$30.04 in the CBD and \$26.93 in the suburbs.

U.S. VACANCY COMPARISON

Past 8 Quarters



Source: CoStar Property*

LOS ANGELES OFFICE MARKET



OVERVIEW

Deliveries and Construction

During the second quarter 2012, three buildings totaling 79,290 square feet were completed in the Los Angeles market area. This compares to nine buildings totaling 529,502 square feet that were completed in the first quarter 2012, six buildings totaling 281,484 square feet completed in the fourth quarter 2011, and 266,510 square feet in six buildings completed in the third quarter 2011.

There were 2,062,124 square feet of office space under construction at the end of the second quarter 2012.

Some of the notable 2012 deliveries include: Eldorado Lofts, a 252,352-square-foot facility that delivered in first quarter 2012 and is now 100% occupied, and 12145 Woodruff Ave, an 86,045-square-foot building that delivered in first quarter 2012 and is now 100% occupied.

The largest projects underway at the end of second quarter 2012 were Governor Deukmejian Courthouse, a 545,000-square-foot building with 99% of its space pre-leased, and 3270 Lomita Blvd, a 321,450-square-foot facility that is 100% pre-leased.

Inventory

Total office inventory in the Los Angeles market area amounted to 422,709,885 square feet in 17,306 buildings as of the end of the second quarter 2012. The Class-A office sector consisted of 181,428,390 square feet in 999 projects. There were 5,415 Class-B buildings totaling 153,512,290 square feet, and the Class-C sector consisted of 87,769,205 square feet in 10,892 buildings.

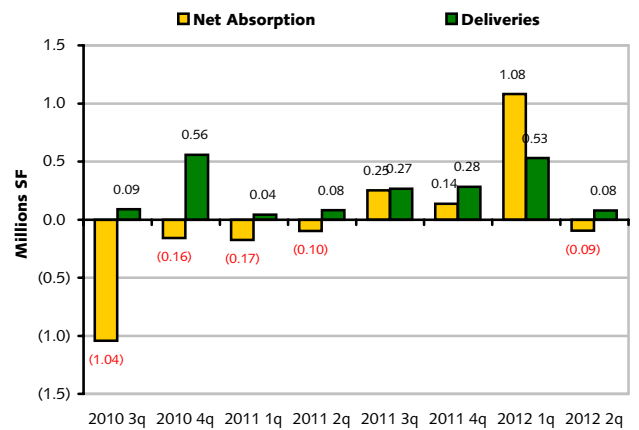
Sales Activity

Tallying office building sales of 15,000 square feet or larger, Los Angeles office sales figures fell during the first quarter 2012 in terms of dollar volume compared to the fourth quarter of 2011.

In the first quarter, 28 office transactions closed with a total volume of \$350,635,590. The 28 buildings totaled 1,777,196 square feet and the average price per square foot equated to \$197.30 per square foot. That compares to 27 transactions totaling \$651,804,215 in the fourth quarter 2011. The total square

ABSORPTION & DELIVERIES

Past 8 Quarters



Source: CoStar Property*

footage in the fourth quarter was 2,885,083 square feet for an average price per square foot of \$225.92.

Total office building sales activity in 2012 was down compared to 2011. In the first three months of 2012, the market saw 28 office sales transactions with a total volume of \$350,635,590. The price per square foot averaged \$197.30. In the same first three months of 2011, the market posted 16 transactions with a total volume of \$537,849,523. The price per square foot averaged \$367.63.

Cap rates have been lower in 2012, averaging 7.36% compared to the same period in 2011 when they averaged 7.49%.

One of the largest transactions that has occurred within the last four quarters in the Los Angeles market is the sale of Parsons Campus in Pasadena. This 932,000-square-foot office building sold for \$319,939,744, or \$343.28 per square foot. The property sold on 7/5/2011, at a 7.25% cap rate.

Reports compiled by: Paula Bonner and David Blake, CoStar Research Manager.

LOS ANGELES OFFICE MARKET

MARKETS

CoSTAR MARKETS & SUBMARKETS

In analyzing metropolitan areas in the U.S., CoStar has developed geographic designations to help group properties together, called Regions, Markets and Submarkets. Regions are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are then divided into Markets, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

| Markets | Submarkets | | | |
|---------------------------|--|---|--|-------------------------------|
| Antelope Valley | Antelope Valley | | | |
| Burbank/Glendale/Pasadena | Burbank Studio/Universal Cities | Glendale | North Hollywood | Pasadena/Arcadia/Monrovia |
| Downtown Los Angeles | Greater Downtown* | | | |
| Mid-Cities | Mid-Cities | | | |
| Mid-Wilshire | Hollywood/Silver Lake West Hollywood | Mid-Wilshire | Miracle Mile | Park Mile |
| San Fernando Valley | Eastern SFV Western SFV | Encino Woodland Hills/Warner Ctr | Sherman Oaks | Tarzana |
| San Gabriel Valley | Eastern SGV | Western SGV | | |
| Santa Clarita Valley | Santa Clarita Valley | | | |
| South Bay | 190th Street Corridor LAX | Beach Cities/Palos Verdes Long Beach: Downtown | El Segundo Long Beach: Suburban | Hawthorne/Gardena Torrance |
| Southeast Los Angeles | Southeast Los Angeles | | | |
| Ventura North | Fillmore/NE County Ventura | Moorpark/Simi Valley | Ojai/NW County | Santa Paula/Somis |
| Ventura South | Calabasas/Westlake Vill | Camarillo/Point Mugu | Oxnard/Port Hueneme | Thousand Oaks/SE County |
| West Los Angeles | Beverly Hills Marina Del Rey/Venice Santa Monica/Mountains | Brentwood Olympic Corridor West Los Angeles | Century City Pacific Palisades/Malibu Westwood | Culver City Santa Monica |

* Submarkets comprising the CBD. For statistics reference the CBD vs Suburban Figures at a Glance Page.

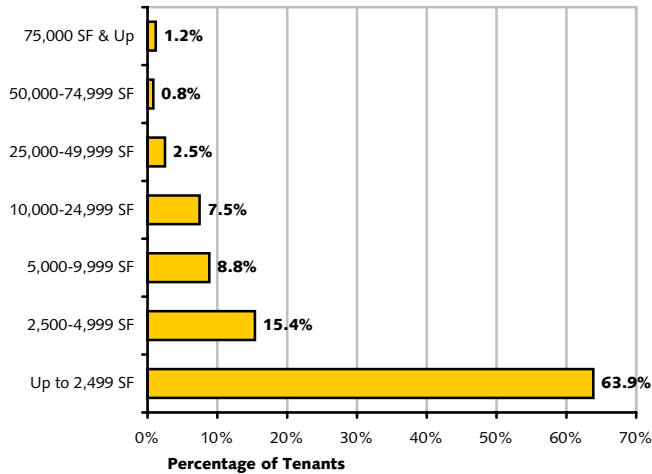
LOS ANGELES OFFICE MARKET



EMPLOYMENT AND TENANT

TENANT BY SIZE RANGE

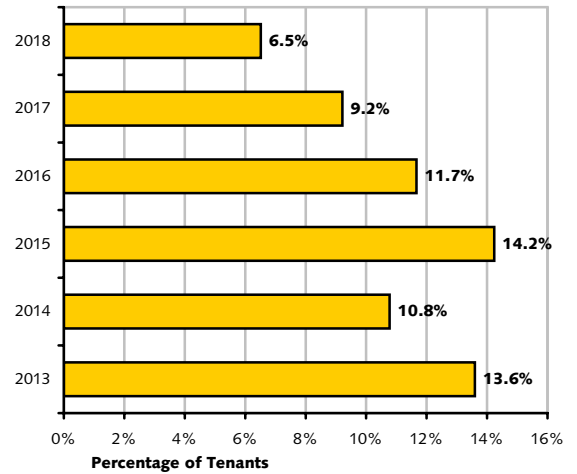
Based on Total Number of Tenants



Source: CoStar Tenant®

TENANTS BY LEASE EXPIRATION

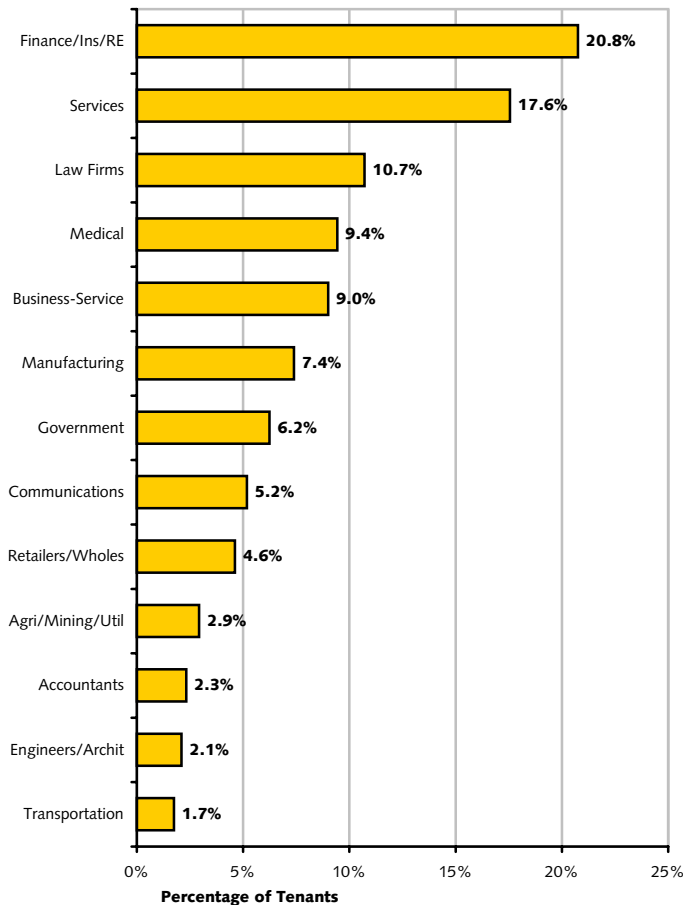
Based on Total Square Footage of Tenants



Source: CoStar Tenant®

TENANTS BY INDUSTRY

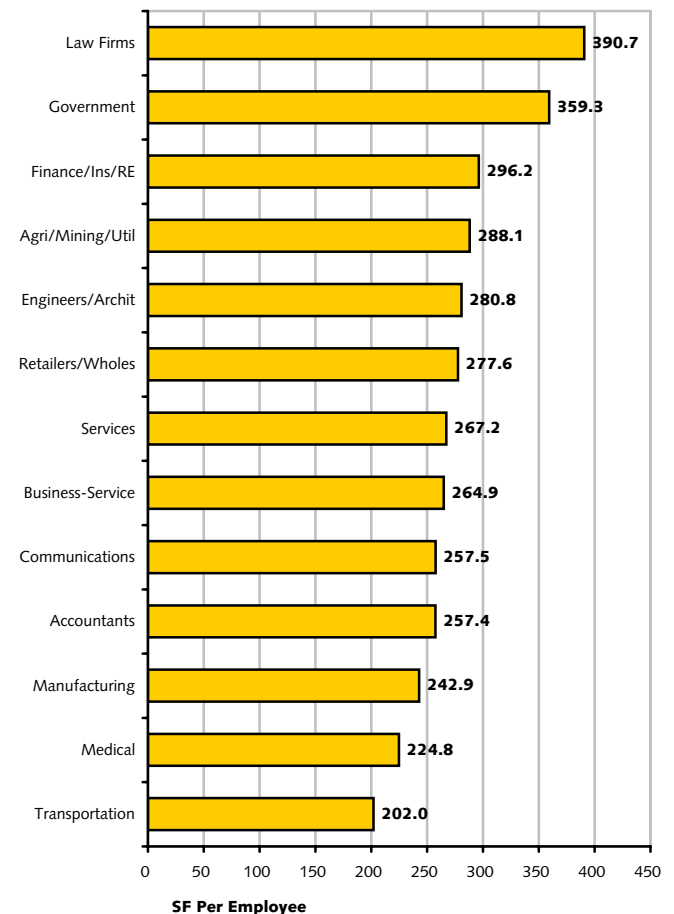
Based on Total Square Footage of Tenants



Source: CoStar Tenant®

SF PER EMPLOYEE BY INDUSTRY

Based on All Tenants



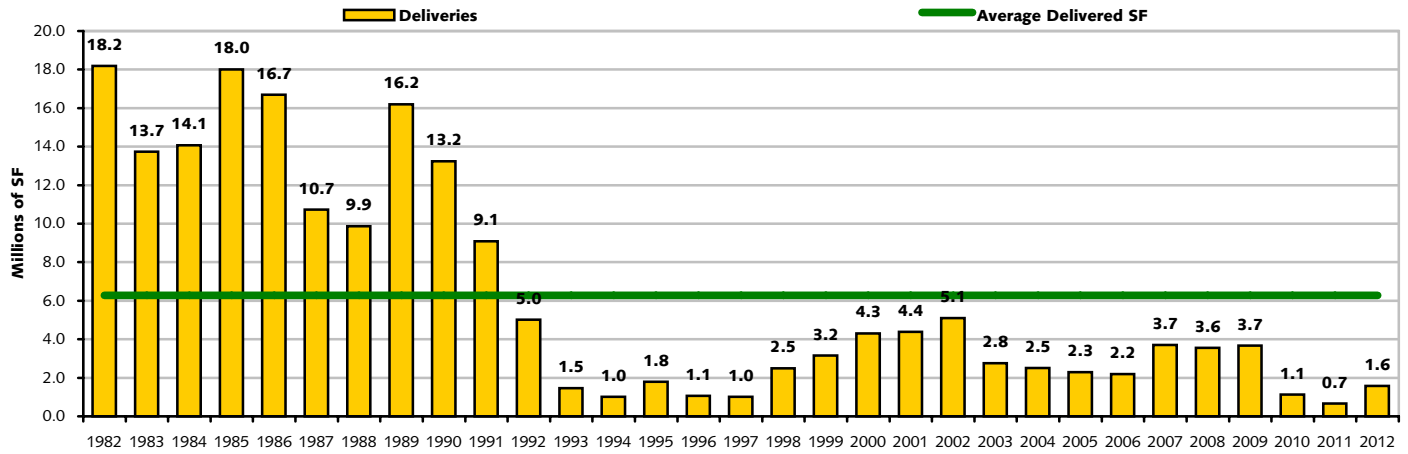
Source: CoStar Tenant®



LOS ANGELES OFFICE MARKET

INVENTORY & DEVELOPMENT

HISTORICAL DELIVERIES 1982 - 2012



Source: CoStar Property® * Future deliveries based on current under construction buildings.

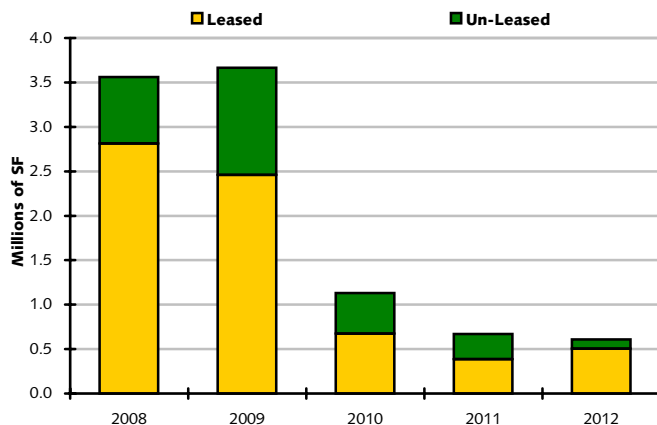
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction Square Footage

| Market | Under Construction Inventory | | | | Average Bldg Size | |
|---------------------------|------------------------------|------------------|------------------|--------------|-------------------|---------------|
| | # Bldgs | Total RBA | Preleased SF | Preleased % | All Existing | U/C |
| South Bay | 4 | 907,793 | 902,343 | 99.4% | 26,706 | 226,948 |
| Mid-Wilshire | 4 | 462,394 | 52,150 | 11.3% | 25,211 | 115,598 |
| Ventura South | 5 | 277,912 | 211,536 | 76.1% | 21,288 | 55,582 |
| San Fernando Valley | 2 | 134,000 | 125,000 | 93.3% | 24,067 | 67,000 |
| San Gabriel Valley | 2 | 132,518 | 132,518 | 100.0% | 15,675 | 66,259 |
| Santa Clarita Valley | 1 | 102,113 | 0 | 0.0% | 22,712 | 102,113 |
| Burbank/Glendale/Pasadena | 1 | 24,887 | 0 | 0.0% | 18,312 | 24,887 |
| Mid-Cities | 2 | 20,507 | 18,420 | 89.8% | 10,172 | 10,253 |
| Ventura North | 0 | 0 | 0 | 0.0% | 9,277 | 0 |
| Antelope Valley | 0 | 0 | 0 | 0.0% | 10,659 | 0 |
| All Other | 0 | 0 | 0 | 0.0% | 41,774 | 0 |
| Totals | 21 | 2,062,124 | 1,441,967 | 69.9% | 24,426 | 98,196 |

Source: CoStar Property®

RECENT DELIVERIES

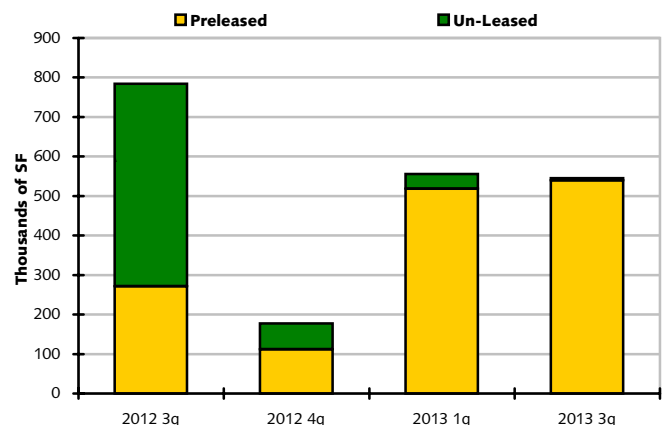
Leased & Un-Leased SF in Deliveries Since 2008



Source: CoStar Property®

FUTURE DELIVERIES

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

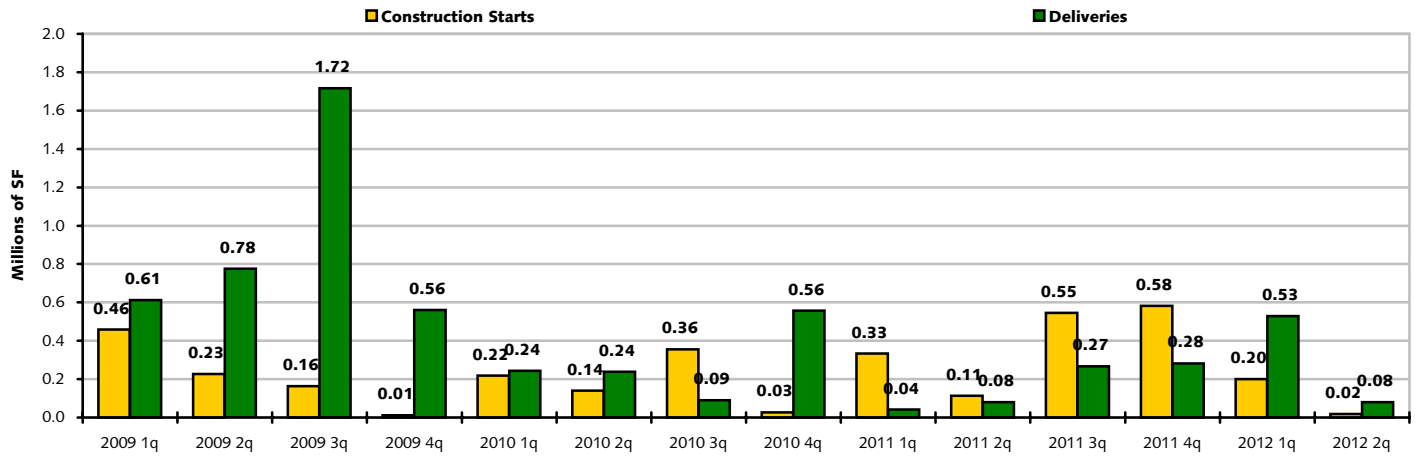
LOS ANGELES OFFICE MARKET



INVENTORY & DEVELOPMENT

HISTORICAL CONSTRUCTION STARTS & DELIVERIES

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

| Building Size | # Bldgs | RBA | SF Leased | % Leased | Avg Rate | Single-Tenant | Multi-Tenant |
|-------------------------|---------|---------|-----------|----------|----------|---------------|--------------|
| < 50,000 SF | 9 | 220,395 | 116,822 | 53.0% | \$34.52 | 46,000 | 174,395 |
| 50,000 SF - 99,999 SF | 2 | 136,045 | 133,545 | 98.2% | \$0.00 | 0 | 136,045 |
| 100,000 SF - 249,999 SF | 0 | 0 | 0 | 0.0% | \$0.00 | 0 | 0 |
| 250,000 SF - 499,999 SF | 1 | 252,352 | 252,352 | 100.0% | \$0.00 | 252,352 | 0 |
| >= 500,000 SF | 0 | 0 | 0 | 0.0% | \$0.00 | 0 | 0 |

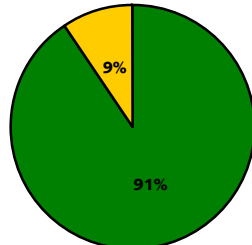
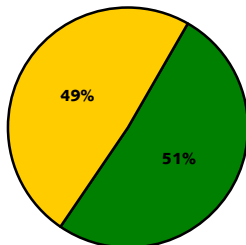
Source: CoStar Property®

RECENT DEVELOPMENT BY TENANCY

Based on RBA Developed for Single & Multi Tenant Use

2012 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

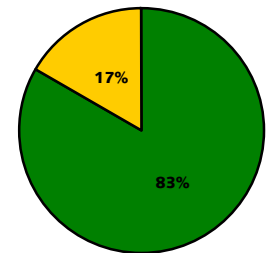
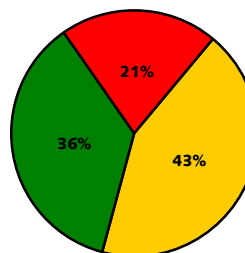
Source: CoStar Property®

EXISTING INVENTORY COMPARISON

Based on Total RBA

By Class

By Space Type



■ Class A ■ Class B ■ Class C

■ Multi ■ Single

Source: CoStar Property®

SELECT YEAR-TO-DATE DELIVERIES

Based on Project Square Footage

| | | |
|--|---|--|
| <p>1. Eldorado Lofts</p> <hr/> Submarket: Downtown Los Angeles RBA: 252,352 # Floors: 13 Class: B Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2010 Deliv Date: First Quarter 2012 Leasing Co: Spring Street Associates Developer: N/A Architect: N/A | <p>2. 12145 Woodruff Ave</p> <hr/> Submarket: Mid-Cities RBA: 86,045 # Floors: 2 Class: B Occupied: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2011 Deliv Date: First Quarter 2012 Leasing Co: N/A Developer: N/A Architect: N/A | <p>3. 8900 Beverly Blvd</p> <hr/> Submarket: Mid-Wilshire RBA: 50,000 # Floors: 3 Class: A Occupied: 95% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2011 Deliv Date: First Quarter 2012 Leasing Co: N/A Developer: N/A Architect: N/A |
| <p>4. 540 S Santa Fe Ave</p> <hr/> Submarket: Downtown Los Angeles RBA: 46,000 # Floors: 2 Class: B Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2011 Deliv Date: First Quarter 2012 Leasing Co: C.E.G. Construction Developer: C.E.G. Construction Architect: N/A | <p>5. The Metropolitan</p> <hr/> Submarket: Mid-Wilshire RBA: 40,661 # Floors: 2 Class: B Occupied: 0% Quoted Rate: \$32.47 Grnd Brk Date: Third Quarter 2011 Deliv Date: Second Quarter 2012 Leasing Co: Cushman & Wakefield, Inc. Developer: N/A Architect: N/A | <p>6. 2705 S Diamond Bar Blvd</p> <hr/> Submarket: San Gabriel Valley RBA: 36,666 # Floors: 3 Class: B Occupied: 74% Quoted Rate: \$25.80 Grnd Brk Date: Second Quarter 2011 Deliv Date: First Quarter 2012 Leasing Co: Palm Pacific Realty, Inc Developer: N/A Architect: N/A |
| <p>7. 13803 Foothill Blvd</p> <hr/> Submarket: San Fernando Valley RBA: 28,525 # Floors: 2 Class: A Occupied: 61% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2011 Deliv Date: Second Quarter 2012 Leasing Co: Avison Young Developer: N/A Architect: N/A | <p>8. 2970 W Olympic Blvd</p> <hr/> Submarket: Mid-Wilshire RBA: 27,000 # Floors: 3 Class: A Occupied: 48% Quoted Rate: \$33.00 Grnd Brk Date: Fourth Quarter 2010 Deliv Date: First Quarter 2012 Leasing Co: Caliber Properties Developer: N/A Architect: N/A | <p>9. 24801 Pico Canyon Rd</p> <hr/> Submarket: Santa Clarita Valley RBA: 15,939 # Floors: 3 Class: B Occupied: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2011 Deliv Date: First Quarter 2012 Leasing Co: Research in Progress Developer: N/A Architect: N/A |
| <p>10. 9400 Santa Monica Blvd</p> <hr/> Submarket: West Los Angeles RBA: 10,104 # Floors: 3 Class: B Occupied: 86% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2011 Deliv Date: Second Quarter 2012 Leasing Co: Bernards Builders & Management Serv Developer: N/A Architect: N/A | | |

LOS ANGELES OFFICE MARKET



INVENTORY & DEVELOPMENT

SELECT TOP UNDER CONSTRUCTION PROPERTIES

Based on Project Square Footage

- | | | |
|--|---|--|
| <p>1. Governor Deukmejian Courthouse</p> <hr/> Submarket: South Bay RBA: 545,000 # Floors: 5 Class: A Preleased: 99% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2011 Deliv Date: Third Quarter 2013 Leasing Co: Coldwell Banker Commercial BLAIR WE Developer: Clark Construction Group, LLC Architect: N/A | <p>2. 3270 Lomita Blvd</p> <hr/> Submarket: South Bay RBA: 321,450 # Floors: 7 Class: B Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2011 Deliv Date: First Quarter 2013 Leasing Co: N/A Developer: N/A Architect: N/A | <p>3. Red Bldg - West</p> <hr/> Submarket: Mid-Wilshire RBA: 211,426 # Floors: 6 Class: A Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2007 Deliv Date: Third Quarter 2012 Leasing Co: LA Realty Partners Developer: Cohen Brothers Realty Corporation Architect: Pelli Clarke Pelli |
| <p>4. Red Bldg - East</p> <hr/> Submarket: Mid-Wilshire RBA: 203,568 # Floors: 15 Class: A Preleased: 7% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2007 Deliv Date: Third Quarter 2012 Leasing Co: LA Realty Partners Developer: Cohen Brothers Realty Corporation Architect: Pelli Clarke Pelli | <p>5. The Gateway at Alhambra</p> <hr/> Submarket: San Gabriel Valley RBA: 130,000 # Floors: 3 Class: A Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2011 Deliv Date: Third Quarter 2012 Leasing Co: Community Dev Props Los Angeles Developer: N/A Architect: N/A | <p>6. 11333 Sepulveda Blvd</p> <hr/> Submarket: San Fernando Valley RBA: 125,000 # Floors: 3 Class: A Preleased: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2011 Deliv Date: Third Quarter 2012 Leasing Co: PMB Developer: PMB Architect: N/A |
| <p>7. The Offices at Riverpark</p> <hr/> Submarket: Ventura South RBA: 120,000 # Floors: 5 Class: A Preleased: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2012 Deliv Date: First Quarter 2013 Leasing Co: CBRE Developer: Shea Properties Architect: Altoon + Porter Architects LLP | <p>8. Santa Clarita Professional Center</p> <hr/> Submarket: Santa Clarita Valley RBA: 102,113 # Floors: 3 Class: A Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2007 Deliv Date: Third Quarter 2012 Leasing Co: Sinanian Development, Inc. Developer: Sinanian Development, Inc. Architect: Arkineto Architects of Agoura Hills | <p>9. The Offices at Riverpark</p> <hr/> Submarket: Ventura South RBA: 58,456 # Floors: 2 Class: A Preleased: 50% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2008 Deliv Date: First Quarter 2013 Leasing Co: CBRE Developer: Shea Properties Architect: Altoon + Porter Architects LLP |
| <p>10. The Offices at Riverpark</p> <hr/> Submarket: Ventura South RBA: 58,456 # Floors: 2 Class: A Preleased: 50% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2008 Deliv Date: Fourth Quarter 2012 Leasing Co: CBRE Developer: Shea Properties Architect: Altoon + Porter Architects LLP | <p>11. 4400 Sunset Blvd</p> <hr/> Submarket: Mid-Wilshire RBA: 37,900 # Floors: 1 Class: B Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Fourth Quarter 2011 Deliv Date: First Quarter 2013 Leasing Co: Childrens Hosp Los Angeles Developer: N/A Architect: N/A | <p>12. 2626 Foothill Blvd</p> <hr/> Submarket: Burbank/Glendale/Pasadena RBA: 24,887 # Floors: 2 Class: A Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2011 Deliv Date: Fourth Quarter 2012 Leasing Co: NAI Capital Commercial Real Estate Developer: N/A Architect: N/A |
| <p>13. 3200 E 29th St</p> <hr/> Submarket: South Bay RBA: 24,419 # Floors: 2 Class: B Preleased: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2012 Deliv Date: Fourth Quarter 2012 Leasing Co: N/A Developer: N/A Architect: N/A | <p>14. 30440 Agoura Rd</p> <hr/> Submarket: Ventura South RBA: 23,000 # Floors: 2 Class: A Preleased: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2012 Deliv Date: Fourth Quarter 2012 Leasing Co: Conrad N Hilton Foundation Developer: N/A Architect: N/A | <p>15. 2221 Wankel Way</p> <hr/> Submarket: Ventura South RBA: 18,000 # Floors: 1 Class: B Preleased: 56% Quoted Rate: \$30.00 Grnd Brk Date: Second Quarter 2012 Deliv Date: First Quarter 2013 Leasing Co: The Becker Group Developer: N/A Architect: N/A |



LOS ANGELES OFFICE MARKET

FIGURES AT A GLANCE

CLASS A MARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|---------------------------|--------------------|--------------------|-------------------|-------------------|--------------|--------------------|----------------|------------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Antelope Valley | 2 | 138,000 | 74,296 | 74,296 | 53.8% | 0 | 0 | 0 | \$28.12 |
| Burbank/Glendale/Pasadena | 144 | 23,455,451 | 3,535,241 | 3,627,531 | 15.5% | 255,330 | 0 | 24,887 | \$32.28 |
| Downtown Los Angeles | 77 | 37,694,703 | 5,309,264 | 5,477,387 | 14.5% | (183,750) | 0 | 0 | \$34.43 |
| Mid-Cities | 10 | 1,222,886 | 210,525 | 212,765 | 17.4% | (13,397) | 0 | 0 | \$25.31 |
| Mid-Wilshire | 101 | 18,478,505 | 2,850,191 | 2,966,316 | 16.1% | 72,071 | 77,000 | 414,994 | \$25.22 |
| San Fernando Valley | 120 | 15,946,177 | 2,844,872 | 2,882,881 | 18.1% | 141,338 | 28,525 | 125,000 | \$25.55 |
| San Gabriel Valley | 34 | 3,820,678 | 370,648 | 370,648 | 9.7% | 67,427 | 0 | 130,000 | \$25.75 |
| Santa Clarita Valley | 24 | 1,723,118 | 363,720 | 367,381 | 21.3% | (3,041) | 0 | 102,113 | \$28.89 |
| South Bay | 163 | 26,329,275 | 4,949,427 | 4,970,982 | 18.9% | 115,362 | 0 | 545,000 | \$25.31 |
| Southeast Los Angeles | 15 | 1,524,809 | 180,450 | 182,613 | 12.0% | (5,864) | 0 | 0 | \$23.36 |
| Ventura North | 6 | 584,568 | 53,424 | 53,424 | 9.1% | 10,675 | 0 | 0 | \$22.52 |
| Ventura South | 44 | 4,493,052 | 823,055 | 846,839 | 18.8% | 572 | 0 | 259,912 | \$26.93 |
| West Los Angeles | 259 | 46,017,168 | 6,503,583 | 7,249,297 | 15.8% | 144,852 | 0 | 0 | \$40.73 |
| Totals | 999 | 181,428,390 | 28,068,696 | 29,282,360 | 16.1% | 601,575 | 105,525 | 1,601,906 | \$31.02 |

Source: CoStar Property®

CLASS B MARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|---------------------------|--------------------|--------------------|-------------------|-------------------|--------------|--------------------|----------------|----------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Antelope Valley | 168 | 2,228,457 | 207,742 | 209,269 | 9.4% | 9,321 | 0 | 0 | \$22.11 |
| Burbank/Glendale/Pasadena | 957 | 19,804,999 | 1,878,293 | 1,934,526 | 9.8% | (98,553) | 0 | 0 | \$25.22 |
| Downtown Los Angeles | 204 | 20,565,404 | 2,352,438 | 2,386,653 | 11.6% | 48,195 | 298,352 | 0 | \$22.78 |
| Mid-Cities | 204 | 3,874,715 | 253,161 | 253,161 | 6.5% | 110,117 | 86,045 | 20,507 | \$21.28 |
| Mid-Wilshire | 419 | 12,320,262 | 1,061,467 | 1,127,644 | 9.2% | (31,137) | 40,661 | 47,400 | \$26.13 |
| San Fernando Valley | 478 | 12,946,628 | 1,691,346 | 1,712,692 | 13.2% | (34,936) | 7,000 | 9,000 | \$22.84 |
| San Gabriel Valley | 562 | 15,951,131 | 1,522,381 | 1,607,106 | 10.1% | (88,286) | 36,666 | 2,518 | \$21.85 |
| Santa Clarita Valley | 124 | 2,512,913 | 413,413 | 413,413 | 16.5% | 84,222 | 15,939 | 0 | \$26.96 |
| South Bay | 651 | 23,958,348 | 3,625,715 | 3,646,603 | 15.2% | (78,193) | 0 | 362,793 | \$23.32 |
| Southeast Los Angeles | 114 | 3,159,679 | 312,687 | 312,687 | 9.9% | (18,675) | 0 | 0 | \$19.93 |
| Ventura North | 247 | 4,053,665 | 457,285 | 465,829 | 11.5% | 151,229 | 0 | 0 | \$23.04 |
| Ventura South | 502 | 13,591,661 | 2,408,857 | 2,424,640 | 17.8% | 219,264 | 0 | 18,000 | \$22.78 |
| West Los Angeles | 785 | 18,544,428 | 2,215,282 | 2,362,432 | 12.7% | 96,510 | 18,604 | 0 | \$34.46 |
| Totals | 5,415 | 153,512,290 | 18,400,067 | 18,856,655 | 12.3% | 369,078 | 503,267 | 460,218 | \$24.70 |

Source: CoStar Property®

LOS ANGELES OFFICE MARKET



FIGURES AT A GLANCE

CLASS C MARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|---------------------------|--------------------|-------------------|------------------|------------------|-------------|--------------------|----------------|----------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Antelope Valley | 191 | 1,481,534 | 95,466 | 95,466 | 6.4% | 5,762 | 0 | 0 | \$14.83 |
| Burbank/Glendale/Pasadena | 1,928 | 12,205,931 | 586,093 | 597,539 | 4.9% | (22,088) | 0 | 0 | \$22.88 |
| Downtown Los Angeles | 399 | 11,004,578 | 429,996 | 435,148 | 4.0% | 10,517 | 0 | 0 | \$18.16 |
| Mid-Cities | 742 | 4,626,462 | 231,725 | 232,780 | 5.0% | (2,965) | 0 | 0 | \$18.64 |
| Mid-Wilshire | 1,068 | 9,236,432 | 342,147 | 345,997 | 3.7% | 15,503 | 0 | 0 | \$27.34 |
| San Fernando Valley | 881 | 6,702,557 | 449,314 | 454,511 | 6.8% | (13,272) | 0 | 0 | \$19.24 |
| San Gabriel Valley | 1,298 | 9,917,135 | 614,539 | 615,969 | 6.2% | (31,672) | 0 | 0 | \$18.10 |
| Santa Clarita Valley | 60 | 488,104 | 34,243 | 34,243 | 7.0% | (954) | 0 | 0 | \$30.74 |
| South Bay | 1,503 | 11,590,298 | 652,237 | 655,206 | 5.7% | 55,457 | 0 | 0 | \$20.63 |
| Southeast Los Angeles | 407 | 3,513,015 | 172,855 | 172,855 | 4.9% | 6,482 | 0 | 0 | \$18.12 |
| Ventura North | 563 | 2,931,860 | 135,841 | 135,841 | 4.6% | (13,202) | 0 | 0 | \$20.10 |
| Ventura South | 450 | 3,117,929 | 232,780 | 232,780 | 7.5% | (23,656) | 0 | 0 | \$18.61 |
| West Los Angeles | 1,402 | 10,953,370 | 452,865 | 492,674 | 4.5% | 31,363 | 0 | 0 | \$32.76 |
| Totals | 10,892 | 87,769,205 | 4,430,101 | 4,501,009 | 5.1% | 17,275 | 0 | 0 | \$22.69 |

Source: CoStar Property®

TOTAL OFFICE MARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|---------------------------|--------------------|--------------------|-------------------|-------------------|--------------|--------------------|----------------|------------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Antelope Valley | 361 | 3,847,991 | 377,504 | 379,031 | 9.9% | 15,083 | 0 | 0 | \$21.45 |
| Burbank/Glendale/Pasadena | 3,029 | 55,466,381 | 5,999,627 | 6,159,596 | 11.1% | 134,689 | 0 | 24,887 | \$28.89 |
| Downtown Los Angeles | 680 | 69,264,685 | 8,091,698 | 8,299,188 | 12.0% | (125,038) | 298,352 | 0 | \$31.17 |
| Mid-Cities | 956 | 9,724,063 | 695,411 | 698,706 | 7.2% | 93,755 | 86,045 | 20,507 | \$21.76 |
| Mid-Wilshire | 1,588 | 40,035,199 | 4,253,805 | 4,439,957 | 11.1% | 56,437 | 117,661 | 462,394 | \$25.64 |
| San Fernando Valley | 1,479 | 35,595,362 | 4,985,532 | 5,050,084 | 14.2% | 93,130 | 35,525 | 134,000 | \$23.58 |
| San Gabriel Valley | 1,894 | 29,688,944 | 2,507,568 | 2,593,723 | 8.7% | (52,531) | 36,666 | 132,518 | \$21.65 |
| Santa Clarita Valley | 208 | 4,724,135 | 811,376 | 815,037 | 17.3% | 80,227 | 15,939 | 102,113 | \$27.96 |
| South Bay | 2,317 | 61,877,921 | 9,227,379 | 9,272,791 | 15.0% | 92,626 | 0 | 907,793 | \$24.20 |
| Southeast Los Angeles | 536 | 8,197,503 | 665,992 | 668,155 | 8.2% | (18,057) | 0 | 0 | \$20.53 |
| Ventura North | 816 | 7,570,093 | 646,550 | 655,094 | 8.7% | 148,702 | 0 | 0 | \$22.46 |
| Ventura South | 996 | 21,202,642 | 3,464,692 | 3,504,259 | 16.5% | 196,180 | 0 | 277,912 | \$23.55 |
| West Los Angeles | 2,446 | 75,514,966 | 9,171,730 | 10,104,403 | 13.4% | 272,725 | 18,604 | 0 | \$38.01 |
| Totals | 17,306 | 422,709,885 | 50,898,864 | 52,640,024 | 12.5% | 987,928 | 608,792 | 2,062,124 | \$27.79 |

Source: CoStar Property®



LOS ANGELES OFFICE MARKET

FIGURES AT A GLANCE

CLASS A SUBMARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net | YTD | Under | Quoted |
|---------------------------|--------------------|--------------------|-------------------|-------------------|--------------|----------------|----------------|------------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | Absorption | Deliveries | Const SF | Rates |
| 190th Street Corridor | 13 | 2,282,116 | 404,946 | 407,230 | 17.8% | 10,808 | 0 | 0 | \$26.10 |
| Antelope Valley | 2 | 138,000 | 74,296 | 74,296 | 53.8% | 0 | 0 | 0 | \$28.12 |
| Beach Cities/Palos Verdes | 12 | 1,467,947 | 487,749 | 489,531 | 33.3% | (22,926) | 0 | 0 | \$31.69 |
| Beverly Hills | 54 | 6,372,812 | 929,221 | 995,824 | 15.6% | 80,766 | 0 | 0 | \$44.68 |
| Brentwood | 20 | 3,503,525 | 574,036 | 590,572 | 16.9% | (19,171) | 0 | 0 | \$38.31 |
| Burbank | 46 | 7,607,316 | 852,625 | 913,982 | 12.0% | (68,619) | 0 | 0 | \$38.03 |
| Calabasas/Westlake Vill | 16 | 1,523,580 | 198,193 | 221,977 | 14.6% | 211 | 0 | 23,000 | \$28.94 |
| Camarillo/Point Mugu | 5 | 249,590 | 46,209 | 46,209 | 18.5% | (5,665) | 0 | 0 | \$23.86 |
| Century City | 23 | 10,940,608 | 1,632,000 | 1,823,363 | 16.7% | 41,959 | 0 | 0 | \$48.23 |
| Culver City | 14 | 3,043,952 | 468,544 | 517,313 | 17.0% | (9,753) | 0 | 0 | \$30.78 |
| Eastern SFV | 12 | 1,020,635 | 144,270 | 144,270 | 14.1% | 42,060 | 28,525 | 125,000 | \$24.82 |
| Eastern SGV | 17 | 1,902,612 | 268,902 | 268,902 | 14.1% | 85,847 | 0 | 0 | \$25.48 |
| El Segundo | 37 | 8,508,099 | 942,199 | 954,499 | 11.2% | 123,346 | 0 | 0 | \$29.40 |
| Encino | 24 | 3,449,023 | 428,964 | 435,048 | 12.6% | 9,205 | 0 | 0 | \$28.93 |
| Fillmore/NE County | 0 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Glendale | 29 | 5,759,214 | 1,321,654 | 1,339,001 | 23.2% | 82,199 | 0 | 0 | \$29.62 |
| Greater Downtown | 77 | 37,694,703 | 5,309,264 | 5,477,387 | 14.5% | (183,750) | 0 | 0 | \$34.43 |
| Hawthorne/Gardena | 4 | 582,183 | 53,836 | 53,836 | 9.2% | (6,274) | 0 | 0 | \$22.79 |
| Hollywood/Silver Lake | 21 | 2,471,293 | 161,226 | 199,112 | 8.1% | 86,198 | 0 | 0 | \$37.38 |
| LAX | 17 | 3,644,029 | 1,350,751 | 1,350,751 | 37.1% | (24,067) | 0 | 0 | \$18.25 |
| Long Beach: Downtown | 18 | 3,225,430 | 555,686 | 559,338 | 17.3% | 34,883 | 0 | 545,000 | \$25.48 |
| Long Beach: Suburban | 31 | 3,992,646 | 710,527 | 712,064 | 17.8% | (5,438) | 0 | 0 | \$24.70 |
| Marina Del Rey/Venice | 26 | 4,672,597 | 1,130,780 | 1,451,782 | 31.1% | 55,580 | 0 | 0 | \$33.47 |
| Mid-Cities | 10 | 1,222,886 | 210,525 | 212,765 | 17.4% | (13,397) | 0 | 0 | \$25.31 |
| Mid-Wilshire | 37 | 8,197,915 | 1,786,764 | 1,800,664 | 22.0% | (51,398) | 27,000 | 0 | \$20.39 |
| Miracle Mile | 16 | 4,678,592 | 580,502 | 636,941 | 13.6% | 12,811 | 0 | 0 | \$29.91 |
| Moorpark/Simi Valley | 4 | 457,134 | 53,424 | 53,424 | 11.7% | 10,675 | 0 | 0 | \$22.54 |
| North Hollywood | 4 | 625,616 | 116,542 | 116,542 | 18.6% | 63,608 | 0 | 0 | \$27.63 |
| Ojai/NW County | 0 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Olympic Corridor | 15 | 2,434,021 | 192,907 | 208,961 | 8.6% | 51,970 | 0 | 0 | \$32.26 |
| Oxnard/Port Hueneme | 7 | 750,146 | 118,756 | 118,756 | 15.8% | 16,893 | 0 | 236,912 | \$25.56 |
| Pacific Palisades/Malibu | 2 | 132,863 | 13,289 | 13,289 | 10.0% | 0 | 0 | 0 | \$45.09 |
| Park Mile | 9 | 806,296 | 63,641 | 65,641 | 8.1% | 9,764 | 0 | 0 | \$22.71 |
| Pasadena/Arcadia/Monrovi | 51 | 7,296,456 | 1,037,592 | 1,051,178 | 14.4% | 39,962 | 0 | 24,887 | \$31.65 |
| Santa Clarita Valley | 24 | 1,723,118 | 363,720 | 367,381 | 21.3% | (3,041) | 0 | 102,113 | \$28.89 |
| Santa Monica | 66 | 8,056,647 | 706,613 | 744,830 | 9.2% | (93,135) | 0 | 0 | \$48.63 |
| Santa Monica Mountains | 2 | 184,472 | 16,048 | 16,048 | 8.7% | 21,534 | 0 | 0 | \$40.09 |
| Santa Paula/Somis | 0 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Sherman Oaks | 13 | 1,927,069 | 218,995 | 221,603 | 11.5% | (18,817) | 0 | 0 | \$27.71 |
| Southeast Los Angeles | 15 | 1,524,809 | 180,450 | 182,613 | 12.0% | (5,864) | 0 | 0 | \$23.36 |
| Studio/Universal Cities | 14 | 2,166,849 | 206,828 | 206,828 | 9.5% | 138,180 | 0 | 0 | \$30.80 |
| Tarzana | 6 | 426,886 | 68,221 | 68,784 | 16.1% | 7,849 | 0 | 0 | \$27.30 |
| Thousand Oaks/SE County | 16 | 1,969,736 | 459,897 | 459,897 | 23.3% | (10,867) | 0 | 0 | \$26.49 |
| Torrance | 31 | 2,626,825 | 443,733 | 443,733 | 16.9% | 5,030 | 0 | 0 | \$26.34 |
| Ventura | 2 | 127,434 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$22.45 |
| West Hollywood | 18 | 2,324,409 | 258,058 | 263,958 | 11.4% | 14,696 | 50,000 | 414,994 | \$36.15 |
| West Los Angeles | 8 | 849,792 | 130,120 | 132,820 | 15.6% | 3,478 | 0 | 0 | \$29.93 |
| Western SFV | 30 | 2,513,864 | 773,121 | 780,531 | 31.0% | 63,350 | 0 | 0 | \$24.83 |
| Western SGV | 17 | 1,918,066 | 101,746 | 101,746 | 5.3% | (18,420) | 0 | 130,000 | \$26.75 |
| Westwood | 29 | 5,825,879 | 710,025 | 754,495 | 13.0% | 11,624 | 0 | 0 | \$38.87 |
| Woodland Hills/Warner Ctr | 35 | 6,608,700 | 1,211,301 | 1,232,645 | 18.7% | 37,691 | 0 | 0 | \$24.41 |
| Totals | 999 | 181,428,390 | 28,068,696 | 29,282,360 | 16.1% | 601,575 | 105,525 | 1,601,906 | \$31.02 |

Source: CoStar Property®

LOS ANGELES OFFICE MARKET



FIGURES AT A GLANCE

CLASS B SUBMARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net | YTD | Under | Quoted |
|---------------------------|--------------------|--------------------|-------------------|-------------------|--------------|----------------|----------------|----------------|----------------|
| | # Bids | Total RBA | Direct SF | Total SF | Vac % | Absorption | Deliveries | Const SF | Rates |
| 190th Street Corridor | 52 | 2,698,707 | 375,858 | 386,546 | 14.3% | (46,306) | 0 | 0 | \$21.29 |
| Antelope Valley | 168 | 2,228,457 | 207,742 | 209,269 | 9.4% | 9,321 | 0 | 0 | \$22.11 |
| Beach Cities/Palos Verdes | 117 | 2,938,808 | 210,999 | 215,886 | 7.3% | 6,471 | 0 | 0 | \$25.68 |
| Beverly Hills | 94 | 3,235,059 | 318,965 | 338,489 | 10.5% | 15,689 | 10,104 | 0 | \$42.61 |
| Brentwood | 21 | 509,432 | 35,539 | 41,999 | 8.2% | 1,358 | 0 | 0 | \$39.09 |
| Burbank | 229 | 4,117,693 | 542,595 | 563,547 | 13.7% | (53,338) | 0 | 0 | \$26.57 |
| Calabasas/Westlake Vill | 151 | 5,550,863 | 1,033,182 | 1,034,523 | 18.6% | 7,059 | 0 | 0 | \$23.42 |
| Camarillo/Point Mugu | 70 | 2,218,256 | 630,573 | 630,573 | 28.4% | 74,165 | 0 | 0 | \$20.92 |
| Century City | 10 | 567,004 | 118,947 | 121,253 | 21.4% | 15,379 | 0 | 0 | \$34.08 |
| Culver City | 154 | 3,419,587 | 555,057 | 573,770 | 16.8% | 15,521 | 0 | 0 | \$29.66 |
| Eastern SFV | 149 | 4,494,247 | 453,856 | 459,997 | 10.2% | 21,064 | 7,000 | 0 | \$21.87 |
| Eastern SGV | 344 | 9,953,657 | 1,274,358 | 1,318,131 | 13.2% | (44,410) | 36,666 | 0 | \$21.73 |
| El Segundo | 68 | 5,083,018 | 822,652 | 822,652 | 16.2% | 84,993 | 0 | 0 | \$28.84 |
| Encino | 34 | 990,672 | 157,138 | 165,138 | 16.7% | (5,520) | 0 | 0 | \$24.61 |
| Fillmore/NE County | 4 | 30,685 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Glendale | 256 | 3,902,166 | 248,886 | 263,886 | 6.8% | 2,102 | 0 | 0 | \$24.01 |
| Greater Downtown | 204 | 20,565,404 | 2,352,438 | 2,386,653 | 11.6% | 48,195 | 298,352 | 0 | \$22.78 |
| Hawthorne/Gardena | 59 | 1,831,113 | 505,245 | 505,245 | 27.6% | (9,879) | 0 | 16,924 | \$18.62 |
| Hollywood/Silver Lake | 152 | 4,058,657 | 348,462 | 355,378 | 8.8% | (2,900) | 40,661 | 47,400 | \$32.61 |
| LAX | 31 | 1,839,038 | 386,578 | 386,578 | 21.0% | 10,094 | 0 | 0 | \$18.74 |
| Long Beach: Downtown | 42 | 2,859,550 | 614,539 | 614,539 | 21.5% | (118,360) | 0 | 0 | \$19.96 |
| Long Beach: Suburban | 135 | 3,078,902 | 385,733 | 388,373 | 12.6% | (53,204) | 0 | 24,419 | \$19.18 |
| Marina Del Rey/Venice | 96 | 2,544,487 | 442,146 | 538,963 | 21.2% | (3,991) | 0 | 0 | \$31.60 |
| Mid-Cities | 204 | 3,874,715 | 253,161 | 253,161 | 6.5% | 110,117 | 86,045 | 20,507 | \$21.28 |
| Mid-Wilshire | 96 | 3,658,950 | 358,059 | 358,059 | 9.8% | (23,757) | 0 | 0 | \$19.06 |
| Miracle Mile | 27 | 839,651 | 107,034 | 107,034 | 12.7% | 6,537 | 0 | 0 | \$27.33 |
| Moorpark/Simi Valley | 67 | 1,650,303 | 196,489 | 196,489 | 11.9% | 141,585 | 0 | 0 | \$24.06 |
| North Hollywood | 92 | 1,511,928 | 92,452 | 107,301 | 7.1% | (19,335) | 0 | 0 | \$24.04 |
| Ojai/NW County | 10 | 86,620 | 3,563 | 4,063 | 4.7% | 710 | 0 | 0 | \$23.02 |
| Olympic Corridor | 32 | 1,067,754 | 67,842 | 70,177 | 6.6% | 443 | 0 | 0 | \$32.76 |
| Oxnard/Port Hueneme | 99 | 1,704,631 | 152,130 | 153,128 | 9.0% | (22,232) | 0 | 18,000 | \$23.94 |
| Pacific Palisades/Malibu | 24 | 456,447 | 79,937 | 79,937 | 17.5% | (10,516) | 0 | 0 | \$38.06 |
| Park Mile | 27 | 817,297 | 134,544 | 193,805 | 23.7% | 4,357 | 0 | 0 | \$21.31 |
| Pasadena/Arcadia/Monrovi | 306 | 9,148,372 | 892,990 | 898,422 | 9.8% | (17,460) | 0 | 0 | \$25.12 |
| Santa Clarita Valley | 124 | 2,512,913 | 413,413 | 413,413 | 16.5% | 84,222 | 15,939 | 0 | \$26.96 |
| Santa Monica | 225 | 4,692,899 | 348,434 | 348,434 | 7.4% | 41,023 | 8,500 | 0 | \$39.61 |
| Santa Monica Mountains | 14 | 195,970 | 46,418 | 46,418 | 23.7% | (3,622) | 0 | 0 | \$30.11 |
| Santa Paula/Somis | 21 | 116,101 | 14,637 | 14,637 | 12.6% | 7,653 | 0 | 0 | \$12.00 |
| Sherman Oaks | 48 | 1,361,018 | 178,511 | 178,911 | 13.1% | (20,922) | 0 | 0 | \$26.67 |
| Southeast Los Angeles | 114 | 3,159,679 | 312,687 | 312,687 | 9.9% | (18,675) | 0 | 0 | \$19.93 |
| Studio/Universal Cities | 74 | 1,124,840 | 101,370 | 101,370 | 9.0% | (10,522) | 0 | 0 | \$23.93 |
| Tarzana | 36 | 816,994 | 94,886 | 99,503 | 12.2% | 2,813 | 0 | 0 | \$23.47 |
| Thousand Oaks/SE County | 182 | 4,117,911 | 592,972 | 606,416 | 14.7% | 160,272 | 0 | 0 | \$23.05 |
| Torrance | 147 | 3,629,212 | 324,111 | 326,784 | 9.0% | 47,998 | 0 | 321,450 | \$23.29 |
| Ventura | 145 | 2,169,956 | 242,596 | 250,640 | 11.6% | 1,281 | 0 | 0 | \$21.93 |
| West Hollywood | 117 | 2,945,707 | 113,368 | 113,368 | 3.8% | (15,374) | 0 | 0 | \$33.75 |
| West Los Angeles | 63 | 841,968 | 89,404 | 89,404 | 10.6% | 16,517 | 0 | 0 | \$26.57 |
| Western SFV | 133 | 3,048,743 | 487,518 | 489,514 | 16.1% | (4,958) | 0 | 9,000 | \$20.95 |
| Western SGV | 218 | 5,997,474 | 248,023 | 288,975 | 4.8% | (43,876) | 0 | 2,518 | \$22.36 |
| Westwood | 52 | 1,013,821 | 112,593 | 113,588 | 11.2% | 8,709 | 0 | 0 | \$30.79 |
| Woodland Hills/Warner Ctr | 78 | 2,234,954 | 319,437 | 319,629 | 14.3% | (27,413) | 0 | 0 | \$24.07 |
| Totals | 5,415 | 153,512,290 | 18,400,067 | 18,856,655 | 12.3% | 369,078 | 503,267 | 460,218 | \$24.70 |

Source: CoStar Property®



LOS ANGELES OFFICE MARKET

FIGURES AT A GLANCE

CLASS C SUBMARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|---------------------------|--------------------|-------------------|------------------|------------------|-------------|--------------------|----------------|----------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| 190th Street Corridor | 7 | 172,986 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Antelope Valley | 191 | 1,481,534 | 95,466 | 95,466 | 6.4% | 5,762 | 0 | 0 | \$14.83 |
| Beach Cities/Palos Verdes | 322 | 2,190,973 | 116,765 | 119,734 | 5.5% | 10,035 | 0 | 0 | \$23.22 |
| Beverly Hills | 174 | 1,404,560 | 75,614 | 83,331 | 5.9% | (7,089) | 0 | 0 | \$35.17 |
| Brentwood | 30 | 343,024 | 24,844 | 24,844 | 7.2% | 14,808 | 0 | 0 | \$31.14 |
| Burbank | 309 | 1,931,867 | 130,389 | 130,389 | 6.7% | 1,129 | 0 | 0 | \$21.05 |
| Calabasas/Westlake Vill | 44 | 328,962 | 18,971 | 18,971 | 5.8% | (4,029) | 0 | 0 | \$22.60 |
| Camarillo/Point Mugu | 68 | 581,005 | 50,912 | 50,912 | 8.8% | (17,963) | 0 | 0 | \$16.18 |
| Century City | 5 | 42,602 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Culver City | 292 | 1,836,464 | 59,882 | 75,943 | 4.1% | 26,314 | 0 | 0 | \$27.12 |
| Eastern SFV | 428 | 2,719,755 | 198,156 | 199,006 | 7.3% | (41,748) | 0 | 0 | \$17.31 |
| Eastern SGV | 788 | 5,739,517 | 384,978 | 386,408 | 6.7% | (24,350) | 0 | 0 | \$17.22 |
| El Segundo | 67 | 1,086,622 | 20,027 | 20,027 | 1.8% | (6,095) | 0 | 0 | \$26.67 |
| Encino | 24 | 217,486 | 21,951 | 22,938 | 10.5% | (2,787) | 0 | 0 | \$22.11 |
| Fillmore/NE County | 29 | 60,981 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Glendale | 424 | 2,590,672 | 56,026 | 56,026 | 2.2% | 22,440 | 0 | 0 | \$22.09 |
| Greater Downtown | 399 | 11,004,578 | 429,996 | 435,148 | 4.0% | 10,517 | 0 | 0 | \$18.16 |
| Hawthorne/Gardena | 227 | 1,501,173 | 83,518 | 83,518 | 5.6% | 5,422 | 0 | 0 | \$18.13 |
| Hollywood/Silver Lake | 517 | 4,388,155 | 168,492 | 170,542 | 3.9% | 5,994 | 0 | 0 | \$26.65 |
| LAX | 198 | 1,143,450 | 63,038 | 63,038 | 5.5% | (4,298) | 0 | 0 | \$20.11 |
| Long Beach: Downtown | 204 | 1,281,551 | 81,110 | 81,110 | 6.3% | (12,904) | 0 | 0 | \$17.19 |
| Long Beach: Suburban | 251 | 1,895,369 | 84,160 | 84,160 | 4.4% | 23,513 | 0 | 0 | \$16.93 |
| Marina Del Rey/Venice | 220 | 1,460,552 | 39,185 | 39,185 | 2.7% | 9,795 | 0 | 0 | \$37.62 |
| Mid-Cities | 742 | 4,626,462 | 231,725 | 232,780 | 5.0% | (2,965) | 0 | 0 | \$18.64 |
| Mid-Wilshire | 178 | 2,153,243 | 46,418 | 46,418 | 2.2% | (2,755) | 0 | 0 | \$19.32 |
| Miracle Mile | 56 | 308,516 | 11,210 | 11,210 | 3.6% | 7,300 | 0 | 0 | \$21.02 |
| Moorpark/Simi Valley | 95 | 585,916 | 35,442 | 35,442 | 6.0% | (4,316) | 0 | 0 | \$23.11 |
| North Hollywood | 244 | 1,503,719 | 52,818 | 58,393 | 3.9% | 994 | 0 | 0 | \$20.90 |
| Ojai/NW County | 87 | 290,829 | 9,319 | 9,319 | 3.2% | 2,500 | 0 | 0 | \$20.72 |
| Olympic Corridor | 60 | 547,509 | 52,317 | 53,635 | 9.8% | (5,125) | 0 | 0 | \$24.80 |
| Oxnard/Port Hueneme | 226 | 1,116,243 | 74,450 | 74,450 | 6.7% | (10,145) | 0 | 0 | \$15.40 |
| Pacific Palisades/Malibu | 21 | 151,709 | 15,989 | 24,602 | 16.2% | (8,031) | 0 | 0 | \$95.82 |
| Park Mile | 50 | 320,550 | 9,515 | 9,515 | 3.0% | 2,212 | 0 | 0 | \$30.73 |
| Pasadena/Arcadia/Monrovi | 751 | 5,247,622 | 307,580 | 313,451 | 6.0% | (39,405) | 0 | 0 | \$23.60 |
| Santa Clarita Valley | 60 | 488,104 | 34,243 | 34,243 | 7.0% | (954) | 0 | 0 | \$30.74 |
| Santa Monica | 263 | 2,440,310 | 84,242 | 90,342 | 3.7% | 6,773 | 0 | 0 | \$38.60 |
| Santa Monica Mountains | 27 | 239,103 | 10,279 | 10,279 | 4.3% | 912 | 0 | 0 | \$31.70 |
| Santa Paula/Somis | 54 | 163,924 | 5,605 | 5,605 | 3.4% | (5,605) | 0 | 0 | \$15.85 |
| Sherman Oaks | 67 | 439,854 | 23,060 | 23,060 | 5.2% | 7,106 | 0 | 0 | \$21.86 |
| Southeast Los Angeles | 407 | 3,513,015 | 172,855 | 172,855 | 4.9% | 6,482 | 0 | 0 | \$18.12 |
| Studio/Universal Cities | 200 | 932,051 | 39,280 | 39,280 | 4.2% | (7,246) | 0 | 0 | \$26.79 |
| Tarzana | 37 | 422,157 | 9,265 | 9,265 | 2.2% | (1,535) | 0 | 0 | \$19.96 |
| Thousand Oaks/SE County | 112 | 1,091,719 | 88,447 | 88,447 | 8.1% | 8,481 | 0 | 0 | \$21.65 |
| Torrance | 227 | 2,318,174 | 203,619 | 203,619 | 8.8% | 39,784 | 0 | 0 | \$21.25 |
| Ventura | 298 | 1,830,210 | 85,475 | 85,475 | 4.7% | (5,781) | 0 | 0 | \$18.54 |
| West Hollywood | 267 | 2,065,968 | 106,512 | 108,312 | 5.2% | 2,752 | 0 | 0 | \$33.06 |
| West Los Angeles | 215 | 1,118,219 | 68,232 | 68,232 | 6.1% | (2,861) | 0 | 0 | \$24.75 |
| Western SFV | 232 | 1,649,169 | 94,040 | 97,400 | 5.9% | 22,789 | 0 | 0 | \$18.02 |
| Western SGV | 510 | 4,177,618 | 229,561 | 229,561 | 5.5% | (7,322) | 0 | 0 | \$19.90 |
| Westwood | 95 | 1,369,318 | 22,281 | 22,281 | 1.6% | (4,133) | 0 | 0 | \$22.16 |
| Woodland Hills/Warner Ctr | 93 | 1,254,136 | 102,842 | 102,842 | 8.2% | 2,903 | 0 | 0 | \$21.94 |
| Totals | 10,892 | 87,769,205 | 4,430,101 | 4,501,009 | 5.1% | 17,275 | 0 | 0 | \$22.69 |

Source: CoStar Property®

LOS ANGELES OFFICE MARKET



FIGURES AT A GLANCE

TOTAL OFFICE SUBMARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|---------------------------|--------------------|--------------------|-------------------|-------------------|--------------|--------------------|----------------|------------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| 190th Street Corridor | 72 | 5,153,809 | 780,804 | 793,776 | 15.4% | (35,498) | 0 | 0 | \$23.45 |
| Antelope Valley | 361 | 3,847,991 | 377,504 | 379,031 | 9.9% | 15,083 | 0 | 0 | \$21.45 |
| Beach Cities/Palos Verdes | 451 | 6,597,728 | 815,513 | 825,151 | 12.5% | (6,420) | 0 | 0 | \$28.53 |
| Beverly Hills | 322 | 11,012,431 | 1,323,800 | 1,417,644 | 12.9% | 89,366 | 10,104 | 0 | \$42.96 |
| Brentwood | 71 | 4,355,981 | 634,419 | 657,415 | 15.1% | (3,005) | 0 | 0 | \$38.00 |
| Burbank | 584 | 13,656,876 | 1,525,609 | 1,607,918 | 11.8% | (120,828) | 0 | 0 | \$32.57 |
| Calabasas/Westlake Vill | 211 | 7,403,405 | 1,250,346 | 1,275,471 | 17.2% | 3,241 | 0 | 23,000 | \$24.47 |
| Camarillo/Point Mugu | 143 | 3,048,851 | 727,694 | 727,694 | 23.9% | 50,537 | 0 | 0 | \$20.79 |
| Century City | 38 | 11,550,214 | 1,750,947 | 1,944,616 | 16.8% | 57,338 | 0 | 0 | \$46.90 |
| Culver City | 460 | 8,300,003 | 1,083,483 | 1,167,026 | 14.1% | 32,082 | 0 | 0 | \$29.90 |
| Eastern SFV | 589 | 8,234,637 | 796,282 | 803,273 | 9.8% | 21,376 | 35,525 | 125,000 | \$21.08 |
| Eastern SGV | 1,149 | 17,595,786 | 1,928,238 | 1,973,441 | 11.2% | 17,087 | 36,666 | 0 | \$21.48 |
| El Segundo | 172 | 14,677,739 | 1,784,878 | 1,797,178 | 12.2% | 202,244 | 0 | 0 | \$29.10 |
| Encino | 82 | 4,657,181 | 608,053 | 623,124 | 13.4% | 898 | 0 | 0 | \$27.36 |
| Fillmore/NE County | 33 | 91,666 | 0 | 0 | 0.0% | 0 | 0 | 0 | \$0.00 |
| Glendale | 709 | 12,252,052 | 1,626,566 | 1,658,913 | 13.5% | 106,741 | 0 | 0 | \$28.41 |
| Greater Downtown | 680 | 69,264,685 | 8,091,698 | 8,299,188 | 12.0% | (125,038) | 298,352 | 0 | \$31.17 |
| Hawthorne/Gardena | 290 | 3,914,469 | 642,599 | 642,599 | 16.4% | (10,731) | 0 | 16,924 | \$19.30 |
| Hollywood/Silver Lake | 690 | 10,918,105 | 678,180 | 725,032 | 6.6% | 89,292 | 40,661 | 47,400 | \$32.44 |
| LAX | 246 | 6,626,517 | 1,800,367 | 1,800,367 | 27.2% | (18,271) | 0 | 0 | \$18.43 |
| Long Beach: Downtown | 264 | 7,366,531 | 1,251,335 | 1,254,987 | 17.0% | (96,381) | 0 | 545,000 | \$22.64 |
| Long Beach: Suburban | 417 | 8,966,917 | 1,180,420 | 1,184,597 | 13.2% | (35,129) | 0 | 24,419 | \$22.31 |
| Marina Del Rey/Venice | 342 | 8,677,636 | 1,612,111 | 2,029,930 | 23.4% | 61,384 | 0 | 0 | \$33.15 |
| Mid-Cities | 956 | 9,724,063 | 695,411 | 698,706 | 7.2% | 93,755 | 86,045 | 20,507 | \$21.76 |
| Mid-Wilshire | 311 | 14,010,108 | 2,191,241 | 2,205,141 | 15.7% | (77,910) | 27,000 | 0 | \$20.12 |
| Miracle Mile | 99 | 5,826,759 | 698,746 | 755,185 | 13.0% | 26,648 | 0 | 0 | \$29.51 |
| Moorpark/Simi Valley | 166 | 2,693,353 | 285,355 | 285,355 | 10.6% | 147,944 | 0 | 0 | \$23.36 |
| North Hollywood | 340 | 3,641,263 | 261,812 | 282,236 | 7.8% | 45,267 | 0 | 0 | \$25.63 |
| Ojai/NW County | 97 | 377,449 | 12,882 | 13,382 | 3.5% | 3,210 | 0 | 0 | \$21.31 |
| Olympic Corridor | 107 | 4,049,284 | 313,066 | 332,773 | 8.2% | 47,288 | 0 | 0 | \$30.80 |
| Oxnard/Port Hueneme | 332 | 3,571,020 | 345,336 | 346,334 | 9.7% | (15,484) | 0 | 254,912 | \$22.86 |
| Pacific Palisades/Malibu | 47 | 741,019 | 109,215 | 117,828 | 15.9% | (18,547) | 0 | 0 | \$42.86 |
| Park Mile | 86 | 1,944,143 | 207,700 | 268,961 | 13.8% | 16,333 | 0 | 0 | \$22.01 |
| Pasadena/Arcadia/Monrovi | 1,108 | 21,692,450 | 2,238,162 | 2,263,051 | 10.4% | (16,903) | 0 | 24,887 | \$27.50 |
| Santa Clarita Valley | 208 | 4,724,135 | 811,376 | 815,037 | 17.3% | 80,227 | 15,939 | 102,113 | \$27.96 |
| Santa Monica | 554 | 15,189,856 | 1,139,289 | 1,183,606 | 7.8% | (45,339) | 8,500 | 0 | \$43.53 |
| Santa Monica Mountains | 43 | 619,545 | 72,745 | 72,745 | 11.7% | 18,824 | 0 | 0 | \$32.64 |
| Santa Paula/Somis | 75 | 280,025 | 20,242 | 20,242 | 7.2% | 2,048 | 0 | 0 | \$15.17 |
| Sherman Oaks | 128 | 3,727,941 | 420,566 | 423,574 | 11.4% | (32,633) | 0 | 0 | \$26.54 |
| Southeast Los Angeles | 536 | 8,197,503 | 665,992 | 668,155 | 8.2% | (18,057) | 0 | 0 | \$20.53 |
| Studio/Universal Cities | 288 | 4,223,740 | 347,478 | 347,478 | 8.2% | 120,412 | 0 | 0 | \$26.56 |
| Tarzana | 79 | 1,666,037 | 172,372 | 177,552 | 10.7% | 9,127 | 0 | 0 | \$25.02 |
| Thousand Oaks/SE County | 310 | 7,179,366 | 1,141,316 | 1,154,760 | 16.1% | 157,886 | 0 | 0 | \$24.24 |
| Torrance | 405 | 8,574,211 | 971,463 | 974,136 | 11.4% | 92,812 | 0 | 321,450 | \$24.31 |
| Ventura | 445 | 4,127,600 | 328,071 | 336,115 | 8.1% | (4,500) | 0 | 0 | \$21.27 |
| West Hollywood | 402 | 7,336,084 | 477,938 | 485,638 | 6.6% | 2,074 | 50,000 | 414,994 | \$34.40 |
| West Los Angeles | 286 | 2,809,979 | 287,756 | 290,456 | 10.3% | 17,134 | 0 | 0 | \$27.84 |
| Western SFV | 395 | 7,211,776 | 1,354,679 | 1,367,445 | 19.0% | 81,181 | 0 | 9,000 | \$22.90 |
| Western SGV | 745 | 12,093,158 | 579,330 | 620,282 | 5.1% | (69,618) | 0 | 132,518 | \$22.21 |
| Westwood | 176 | 8,209,018 | 844,899 | 890,364 | 10.8% | 16,200 | 0 | 0 | \$36.44 |
| Woodland Hills/Warner Ctr | 206 | 10,097,790 | 1,633,580 | 1,655,116 | 16.4% | 13,181 | 0 | 0 | \$23.91 |
| Totals | 17,306 | 422,709,885 | 50,898,864 | 52,640,024 | 12.5% | 987,928 | 608,792 | 2,062,124 | \$27.79 |

Source: CoStar Property®

LOS ANGELES OFFICE MARKET

FIGURES AT A GLANCE

CLASS A MARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|---------------|--------------------|--------------------|-------------------|-------------------|--------------|--------------------|----------------|------------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| CBD | 77 | 37,694,703 | 5,309,264 | 5,477,387 | 14.5% | (183,750) | 0 | 0 | \$34.43 |
| Suburban | 922 | 143,733,687 | 22,759,432 | 23,804,973 | 16.6% | 785,325 | 105,525 | 1,601,906 | \$30.12 |
| Totals | 999 | 181,428,390 | 28,068,696 | 29,282,360 | 16.1% | 601,575 | 105,525 | 1,601,906 | \$31.02 |

Source: CoStar Property®

CLASS B MARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|---------------|--------------------|--------------------|-------------------|-------------------|--------------|--------------------|----------------|----------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| CBD | 204 | 20,565,404 | 2,352,438 | 2,386,653 | 11.6% | 48,195 | 298,352 | 0 | \$22.78 |
| Suburban | 5,211 | 132,946,886 | 16,047,629 | 16,470,002 | 12.4% | 320,883 | 204,915 | 460,218 | \$24.88 |
| Totals | 5,415 | 153,512,290 | 18,400,067 | 18,856,655 | 12.3% | 369,078 | 503,267 | 460,218 | \$24.70 |

Source: CoStar Property®

CLASS C MARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|---------------|--------------------|-------------------|------------------|------------------|-------------|--------------------|----------------|----------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| CBD | 399 | 11,004,578 | 429,996 | 435,148 | 4.0% | 10,517 | 0 | 0 | \$18.16 |
| Suburban | 10,493 | 76,764,627 | 4,000,105 | 4,065,861 | 5.3% | 6,758 | 0 | 0 | \$22.96 |
| Totals | 10,892 | 87,769,205 | 4,430,101 | 4,501,009 | 5.1% | 17,275 | 0 | 0 | \$22.69 |

Source: CoStar Property®

CLASS A & B MARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|---------------|--------------------|--------------------|-------------------|-------------------|--------------|--------------------|----------------|------------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| CBD | 281 | 58,260,107 | 7,661,702 | 7,864,040 | 13.5% | (135,555) | 298,352 | 0 | \$31.68 |
| Suburban | 6,133 | 276,680,573 | 38,807,061 | 40,274,975 | 14.6% | 1,106,208 | 310,440 | 2,062,124 | \$27.72 |
| Totals | 6,414 | 334,940,680 | 46,468,763 | 48,139,015 | 14.4% | 970,653 | 608,792 | 2,062,124 | \$28.35 |

Source: CoStar Property®

TOTAL OFFICE MARKET STATISTICS

Mid-Year 2012

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|---------------|--------------------|--------------------|-------------------|-------------------|--------------|--------------------|----------------|------------------|----------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| CBD | 680 | 69,264,685 | 8,091,698 | 8,299,188 | 12.0% | (125,038) | 298,352 | 0 | \$31.17 |
| Suburban | 16,626 | 353,445,200 | 42,807,166 | 44,340,836 | 12.5% | 1,112,966 | 310,440 | 2,062,124 | \$27.20 |
| Totals | 17,306 | 422,709,885 | 50,898,864 | 52,640,024 | 12.5% | 987,928 | 608,792 | 2,062,124 | \$27.79 |

Source: CoStar Property®

LOS ANGELES OFFICE MARKET



FIGURES AT A GLANCE

CLASS A MARKET STATISTICS

Mid-Year 2012

| Period | Existing Inventory | | Vacancy | | | Net Absorption | Deliveries | | UC Inventory | | Quoted Rates |
|---------|--------------------|-------------|------------|------------|-------|----------------|------------|-----------|--------------|-----------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | # Blds | Total RBA | # Blds | Total RBA | |
| 2012 2q | 999 | 181,428,390 | 28,068,696 | 29,282,360 | 16.1% | (59,368) | 1 | 28,525 | 11 | 1,601,906 | \$31.02 |
| 2012 1q | 998 | 181,399,865 | 28,002,749 | 29,194,467 | 16.1% | 660,943 | 2 | 77,000 | 12 | 1,630,431 | \$30.63 |
| 2011 4q | 997 | 181,482,865 | 28,551,211 | 29,938,410 | 16.5% | (383,541) | 3 | 203,112 | 12 | 1,564,431 | \$31.01 |
| 2011 3q | 994 | 181,279,753 | 27,754,453 | 29,351,757 | 16.2% | (51,646) | 1 | 123,060 | 14 | 1,222,543 | \$30.70 |
| 2011 2q | 993 | 181,156,693 | 27,638,201 | 29,177,051 | 16.1% | 519,363 | 1 | 47,415 | 12 | 1,162,191 | \$30.36 |
| 2011 1q | 992 | 181,109,278 | 27,745,134 | 29,648,999 | 16.4% | (65,803) | 0 | 0 | 13 | 1,209,606 | \$30.26 |
| 2010 | 992 | 181,109,278 | 27,557,989 | 29,583,196 | 16.3% | (1,613,110) | 7 | 774,225 | 11 | 1,034,606 | \$30.50 |
| 2009 | 985 | 180,335,053 | 24,353,759 | 27,195,861 | 15.1% | (3,481,413) | 17 | 2,579,819 | 14 | 1,561,356 | \$32.00 |
| 2008 | 968 | 177,755,234 | 18,767,330 | 21,134,629 | 11.9% | (2,728,212) | 13 | 1,094,548 | 26 | 3,639,983 | \$35.25 |
| 2007 | 955 | 176,660,686 | 15,548,606 | 17,311,869 | 9.8% | 1,414,777 | 15 | 2,355,233 | 22 | 3,356,594 | \$34.40 |
| 2006 | 942 | 174,784,840 | 15,373,162 | 16,850,800 | 9.6% | 2,919,566 | 10 | 871,760 | 23 | 3,051,117 | \$29.77 |
| 2005 | 934 | 174,081,088 | 17,459,103 | 19,066,614 | 11.0% | 6,309,705 | 8 | 1,134,733 | 10 | 1,686,926 | \$27.27 |
| 2004 | 926 | 172,946,355 | 21,640,272 | 24,241,586 | 14.0% | 4,657,816 | 5 | 1,285,373 | 10 | 2,006,348 | \$25.92 |
| 2003 | 922 | 171,990,982 | 24,800,852 | 27,944,029 | 16.2% | 1,948,260 | 6 | 1,542,511 | 6 | 1,326,081 | \$25.97 |
| 2002 | 917 | 170,798,406 | 24,254,061 | 28,699,713 | 16.8% | (247,435) | 16 | 2,815,111 | 10 | 2,747,884 | \$25.84 |
| 2001 | 902 | 168,091,515 | 20,716,297 | 25,745,387 | 15.3% | (1,345,961) | 18 | 2,531,820 | 18 | 3,778,062 | \$27.81 |

Source: CoStar Property®

CLASS B MARKET STATISTICS

Mid-Year 2012

| Period | Existing Inventory | | Vacancy | | | Net Absorption | Deliveries | | UC Inventory | | Quoted Rates |
|---------|--------------------|-------------|------------|------------|-------|----------------|------------|-----------|--------------|-----------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | # Blds | Total RBA | # Blds | Total RBA | |
| 2012 2q | 5,415 | 153,512,290 | 18,400,067 | 18,856,655 | 12.3% | (57,490) | 2 | 50,765 | 10 | 460,218 | \$24.70 |
| 2012 1q | 5,414 | 153,555,308 | 18,323,733 | 18,842,183 | 12.3% | 426,568 | 7 | 452,502 | 11 | 492,983 | \$24.29 |
| 2011 4q | 5,408 | 153,212,990 | 18,223,767 | 18,926,433 | 12.4% | 434,562 | 3 | 78,372 | 15 | 888,488 | \$24.46 |
| 2011 3q | 5,405 | 153,134,618 | 18,558,135 | 19,282,623 | 12.6% | 211,958 | 5 | 143,450 | 17 | 928,960 | \$24.24 |
| 2011 2q | 5,401 | 153,143,295 | 18,746,761 | 19,503,258 | 12.7% | (608,790) | 4 | 33,156 | 20 | 710,299 | \$24.32 |
| 2011 1q | 5,398 | 153,146,839 | 18,185,125 | 18,898,012 | 12.3% | (51,229) | 6 | 41,744 | 19 | 629,350 | \$24.29 |
| 2010 | 5,395 | 153,217,088 | 18,270,299 | 18,917,032 | 12.3% | (857,284) | 27 | 356,551 | 17 | 512,594 | \$24.56 |
| 2009 | 5,371 | 153,222,388 | 17,087,633 | 18,065,048 | 11.8% | (1,479,640) | 93 | 1,080,023 | 28 | 374,608 | \$25.29 |
| 2008 | 5,280 | 152,322,193 | 14,347,709 | 15,685,213 | 10.3% | (2,580,871) | 175 | 2,409,658 | 90 | 1,101,137 | \$27.60 |
| 2007 | 5,109 | 150,242,013 | 10,131,655 | 11,024,162 | 7.3% | 283,833 | 92 | 1,291,328 | 187 | 2,488,485 | \$27.44 |
| 2006 | 5,024 | 149,221,380 | 9,535,974 | 10,287,362 | 6.9% | 1,731,589 | 64 | 1,214,302 | 113 | 1,501,531 | \$25.29 |
| 2005 | 4,963 | 148,144,726 | 10,043,726 | 10,942,297 | 7.4% | 3,184,485 | 58 | 1,065,670 | 63 | 1,290,299 | \$23.11 |
| 2004 | 4,911 | 147,344,524 | 12,291,116 | 13,326,580 | 9.0% | 1,249,174 | 41 | 876,992 | 56 | 1,197,564 | \$21.87 |
| 2003 | 4,874 | 146,605,239 | 12,752,791 | 13,836,469 | 9.4% | 1,462,871 | 47 | 1,008,751 | 42 | 907,601 | \$22.02 |
| 2002 | 4,832 | 146,127,874 | 13,400,671 | 14,821,975 | 10.1% | 1,811,278 | 59 | 2,075,168 | 32 | 850,610 | \$22.42 |
| 2001 | 4,777 | 144,909,217 | 14,029,109 | 15,414,596 | 10.6% | 1,304,607 | 55 | 1,749,921 | 58 | 2,225,913 | \$22.32 |

Source: CoStar Property®

TOTAL OFFICE MARKET STATISTICS

Mid-Year 2012

| Period | Existing Inventory | | Vacancy | | | Net Absorption | Deliveries | | UC Inventory | | Quoted Rates |
|---------|--------------------|-------------|------------|------------|-------|----------------|------------|-----------|--------------|-----------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | # Blds | Total RBA | # Blds | Total RBA | |
| 2012 2q | 17,306 | 422,709,885 | 50,898,864 | 52,640,024 | 12.5% | (93,995) | 3 | 79,290 | 21 | 2,062,124 | \$27.79 |
| 2012 1q | 17,304 | 422,724,378 | 50,787,408 | 52,560,522 | 12.4% | 1,081,923 | 9 | 529,502 | 23 | 2,123,414 | \$27.40 |
| 2011 4q | 17,299 | 422,470,850 | 51,239,080 | 53,388,917 | 12.6% | 136,486 | 6 | 281,484 | 27 | 2,452,919 | \$27.93 |
| 2011 3q | 17,294 | 422,197,066 | 50,849,727 | 53,251,619 | 12.6% | 250,956 | 6 | 266,510 | 31 | 2,151,503 | \$27.36 |
| 2011 2q | 17,289 | 422,082,683 | 51,005,840 | 53,388,192 | 12.6% | (98,831) | 5 | 80,571 | 32 | 1,872,490 | \$27.20 |
| 2011 1q | 17,285 | 422,038,812 | 50,554,054 | 53,245,490 | 12.6% | (174,193) | 6 | 41,744 | 32 | 1,838,956 | \$27.28 |
| 2010 | 17,285 | 422,153,940 | 50,411,682 | 53,186,425 | 12.6% | (2,769,180) | 34 | 1,130,776 | 28 | 1,547,200 | \$27.77 |
| 2009 | 17,262 | 421,537,824 | 45,914,322 | 49,801,129 | 11.8% | (5,540,011) | 111 | 3,665,238 | 42 | 1,935,964 | \$28.61 |
| 2008 | 17,160 | 418,130,126 | 36,860,618 | 40,853,420 | 9.8% | (6,389,781) | 193 | 3,559,971 | 116 | 4,741,120 | \$31.23 |
| 2007 | 16,987 | 415,339,451 | 28,863,863 | 31,672,964 | 7.6% | 979,514 | 113 | 3,704,271 | 214 | 5,900,844 | \$31.05 |
| 2006 | 16,904 | 412,757,822 | 27,698,196 | 30,070,849 | 7.3% | 4,209,207 | 84 | 2,188,815 | 142 | 4,627,295 | \$27.79 |
| 2005 | 16,840 | 411,522,440 | 30,512,973 | 33,044,674 | 8.0% | 9,823,465 | 81 | 2,295,995 | 83 | 3,099,207 | \$25.50 |
| 2004 | 16,771 | 409,546,762 | 37,141,421 | 40,892,461 | 10.0% | 6,308,848 | 72 | 2,515,117 | 79 | 3,282,483 | \$24.12 |
| 2003 | 16,716 | 407,796,624 | 41,037,994 | 45,451,171 | 11.1% | 4,125,197 | 77 | 2,763,822 | 72 | 2,579,014 | \$24.41 |
| 2002 | 16,649 | 405,995,681 | 41,763,220 | 47,775,425 | 11.8% | 2,536,381 | 97 | 5,101,833 | 64 | 3,790,214 | \$24.29 |
| 2001 | 16,563 | 402,149,649 | 39,778,484 | 46,465,774 | 11.6% | (54,868) | 85 | 4,386,364 | 92 | 6,174,055 | \$25.33 |

Source: CoStar Property®

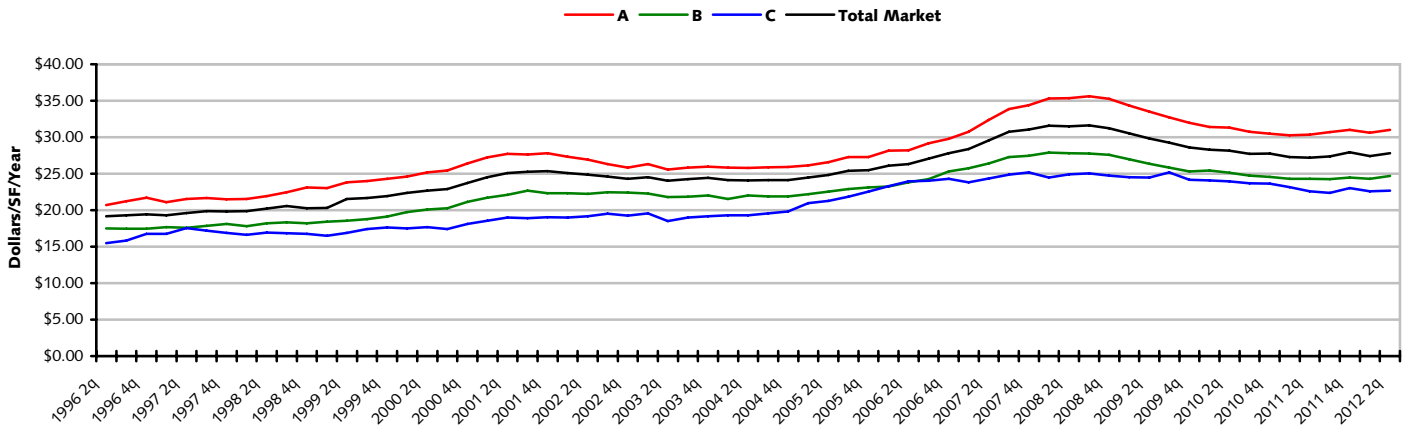


LOS ANGELES OFFICE MARKET

LEASING ACTIVITY

HISTORICAL RENTAL RATES

Based on Full-Service Equivalent Rental Rates



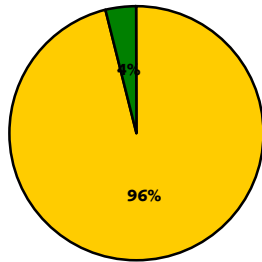
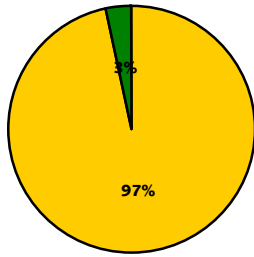
Source: CoStar Property®

VACANCY BY AVAILABLE SPACE TYPE

Percent of All Vacant Space in Direct vs. Sublet

Los Angeles

United States



Direct Sublet

Direct Sublet

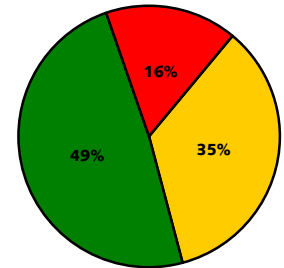
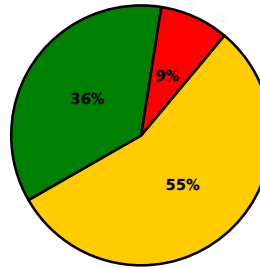
Source: CoStar Property®

VACANCY BY CLASS

Percent of All Vacant Space by Class

Los Angeles

United States



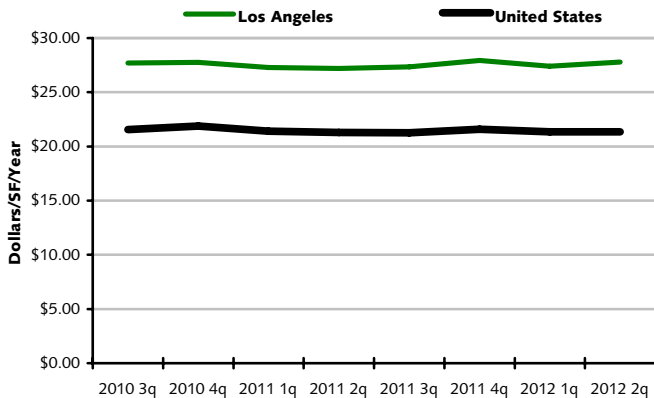
Class A Class B Class C

Class A Class B Class C

Source: CoStar Property®

U.S. RENTAL RATE COMPARISON

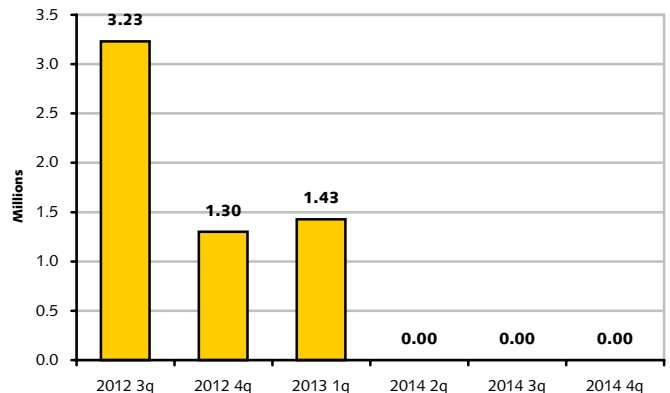
Based on Full-Service Equivalent Rental Rates



Source: CoStar Property®

FUTURE SPACE AVAILABLE

Space Scheduled to be Available for Occupancy*



* Includes Under Construction Spaces Source: CoStar Property®

LOS ANGELES OFFICE MARKET



LEASING ACTIVITY

SELECT TOP OFFICE LEASES Based on Leased Square Footage For Deals Signed in 2012

| Building | Submarket | SF | Qtr | Tenant Name | Tenant Rep Company | Landlord Rep Company |
|-----------------------------|---------------------------|---------|-----|---|---------------------------|------------------------------------|
| 1 369-399 E Colorado Blvd* | Pasadena/Arcadia/Monrovia | 180,000 | 1st | Western Asset Management Company | CBRE | Worthe Real Estate Group |
| 2 221 N Figueroa St* | Greater Downtown | 160,415 | 2nd | Lewis Brisbois Bisgaard & Smith LLP | Grubb & Ellis | N/A |
| 3 3501 Sepulveda Blvd* | Torrance | 141,702 | 1st | Saatchi & Saatchi LA | N/A | N/A |
| 4 2400 Empire Ave* | Burbank | 130,302 | 2nd | Deluxe Digital Studios | Studley | CBRE |
| 5 1100 Towncenter Dr | Oxnard/Port Hueneme | 120,000 | 2nd | N/A | N/A | CBRE |
| 6 2300 W Empire Ave | Burbank | 102,000 | 2nd | Playboy Plus | N/A | CBRE |
| 7 333 S Hope St* | Greater Downtown | 101,412 | 1st | Kirkland & Ellis LLP | Cresa | Brookfield Office Properties, Inc. |
| 8 2500 Broadway | Santa Monica | 95,113 | 2nd | N/A | N/A | LA Realty Partners |
| 9 9336 Civic Center Dr | Beverly Hills | 88,211 | 1st | United Talent Agency | N/A | Tishman Speyer |
| 10 707 Wilshire Blvd | Greater Downtown | 77,300 | 2nd | Morrison & Foerster LLP | Jones Lang LaSalle | Jones Lang LaSalle |
| 11 2560 Teller Rd | Thousand Oaks/SE County | 71,250 | 1st | Sage Publications | Cushman & Wakefield, Inc. | CBRE |
| 12 601 S Figueroa St* | Greater Downtown | 60,000 | 1st | Cushman & Wakefield, Inc. | N/A | N/A |
| 13 621 Hawaii St* | El Segundo | 47,561 | 1st | Hewlett Packward | CBRE | Jones Lang LaSalle |
| 14 604 Arizona Ave | Santa Monica | 45,760 | 2nd | Real Office Centers | Studley | Lee & Associates |
| 15 27770 N Entertainment Dr | Santa Clarita Valley | 44,104 | 1st | Precision Dynamics Corporation | N/A | CBRE |
| 16 5250 Lankershim Blvd | North Hollywood | 40,332 | 1st | Kaiser | N/A | CBRE |
| 17 3760 Calle Tecate* | Camarillo/Point Mugu | 37,700 | 1st | Communications & Power Industries, Inc. | N/A | N/A |
| 18 8550 Balboa Blvd | Eastern SFV | 36,835 | 1st | N/A | N/A | CBRE |
| 19 2535 W Hillcrest Dr | Thousand Oaks/SE County | 35,500 | 1st | N/A | N/A | CBRE |
| 20 9536-9560 Wilshire Blvd | Beverly Hills | 34,046 | 2nd | N/A | N/A | Cushman & Wakefield, Inc. |
| 21 12181 Bluff Creek Dr | Marina Del Rey/Venice | 33,591 | 2nd | California Pizza Kitchen | Cresa | Cushman & Wakefield, Inc. |
| 22 28490 Avenue Stanford* | Santa Clarita Valley | 32,742 | 2nd | LACounty Dept of Children and Families | Direct Deal | Direct Deal |
| 23 8900-8920 Beverly Blvd | West Hollywood | 30,000 | 1st | N/A | N/A | Colliers International |
| 24 450 N Brand Blvd | Glendale | 29,240 | 2nd | N/A | N/A | Cushman & Wakefield, Inc. |
| 25 2450 Colorado Ave | Santa Monica | 28,391 | 2nd | N/A | N/A | CBRE |
| 26 1055 W 7th St* | Greater Downtown | 27,103 | 1st | Gilbert, Kelly, Crowley & Jennett, LLP | CBRE | Jamison Services, Inc. |
| 27 6303 Owensmouth Ave | Woodland Hills/Wamer Ctr | 26,935 | 1st | Farmers Insurance | Jones Lang LaSalle | Jones Lang LaSalle |
| 28 6080 Center Dr | Marina Del Rey/Venice | 26,254 | 2nd | N/A | N/A | LA Realty Partners |
| 29 333 S Hope St | Greater Downtown | 25,773 | 2nd | N/A | N/A | Brookfield Office Properties, Inc. |
| 30 2450 Colorado Ave | Santa Monica | 25,193 | 2nd | N/A | N/A | CBRE |
| 31 23326 Hawthorne Blvd | Torrance | 25,168 | 2nd | Torrance Memorial Medical Center | Steve Miller Company | CBRE |
| 32 10960 Wilshire Blvd* | Westwood | 25,103 | 2nd | Boingo Wireless, Inc. | N/A | N/A |
| 33 333 S Hope St* | Greater Downtown | 24,903 | 1st | LA, Inc. | CBRE | Brookfield Office Properties, Inc. |
| 34 800 Corporate Pointe | Culver City | 23,475 | 2nd | N/A | N/A | Cushman & Wakefield, Inc. |
| 35 222 N Sepulveda Blvd | El Segundo | 23,329 | 1st | Rapid 7 | N/A | CBRE |
| 36 10100 Santa Monica Blvd | Century City | 23,280 | 1st | N/A | N/A | Hines |
| 37 11766 Wilshire Blvd | Brentwood | 23,278 | 2nd | N/A | N/A | Douglas Emmett Management, LLC |
| 38 10100 Santa Monica Blvd | Century City | 23,259 | 1st | N/A | N/A | Hines |
| 39 505 N Brand Blvd | Glendale | 23,191 | 2nd | N/A | N/A | CBRE |
| 40 2901 28th St* | Santa Monica | 22,877 | 2nd | Interactive Data Corporation | Jones Lang LaSalle | CBRE |

Source: CoStar Property®

* Renewal

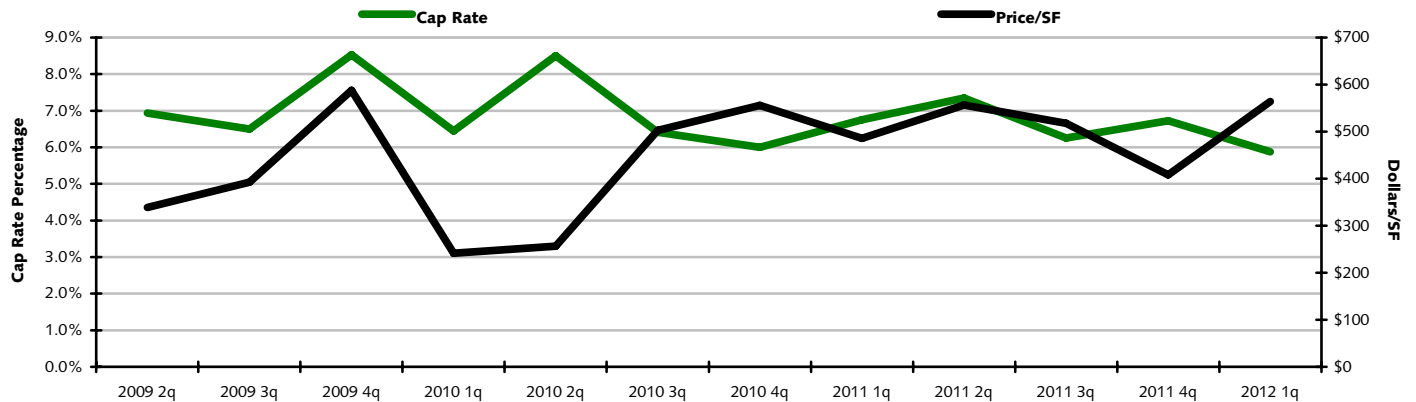


LOS ANGELES OFFICE MARKET

SALES ACTIVITY

THE OPTIMIST SALES INDEX

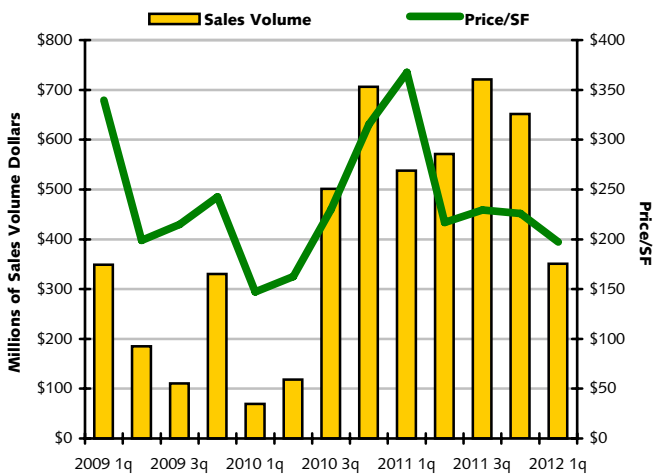
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

SALES VOLUME & PRICE

Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

SALES ANALYSIS BY BUILDING SIZE

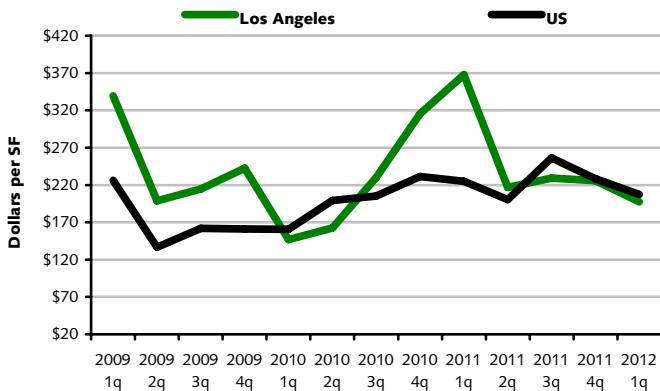
Based on Office Building Sales From April 2011 - March 2012

| Bldg Size | # | RBA | \$ Volume | Price/SF | Cap Rate |
|--------------|-----|-----------|----------------|-----------|----------|
| < 50,000 SF | 306 | 3,321,517 | \$ 765,031,470 | \$ 230.33 | 7.34% |
| 50K-249K SF | 45 | 4,983,563 | \$ 962,481,295 | \$ 193.13 | 7.82% |
| 250K-499K SF | 6 | 1,955,128 | \$ 415,467,000 | \$ 212.50 | 10.20% |
| >500K SF | 2 | 1,522,207 | \$ 477,439,744 | \$ 313.65 | 7.25% |

Source: CoStar COMPS®

U.S. PRICE/SF COMPARISON

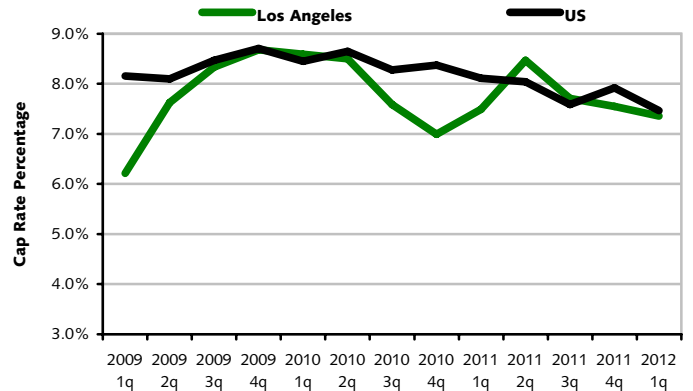
Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

U.S. CAP RATE COMPARISON

Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

LOS ANGELES OFFICE MARKET



SALES ACTIVITY

SELECT TOP SALES

Based on Sales from April 2011 Through June 2012

1. Parsons Campus



Pasadena

Price: **\$319,939,744**
 Price/SF: **\$343.28**
 Cap Rate: **7.25%**
 RBA: **932,000**
 Date: **7/5/2011**
 Year Built: **1982**
 Buyer: **Morgan Stanley Real Estate**
 Seller: **Parsons Corporation**

2. 300 Oceangate



Long Beach

Price: **\$81,000,000**
 Price/SF: **\$175.60**
 Cap Rate: **N/A**
 RBA: **461,263**
 Date: **12/8/2011**
 Year Built: **1983**
 Buyer: **Molina Healthcare, Inc.**
 Seller: **The Swig Company**

3. 1500 Hughes Way



Long Beach

Price: **\$69,000,000**
 Price/SF: **\$140.80**
 Cap Rate: **6.8%**
 RBA: **490,055**
 Date: **6/4/2012**
 Year Built: **1982**
 Buyer: **Omninet Capital**
 Seller: **Lexington Realty Trust**

4. 1933 S Broadway



Los Angeles

Price: **\$55,000,000**
 Price/SF: **\$69.34**
 Cap Rate: **9.6%**
 RBA: **793,158**
 Date: **6/22/2012**
 Year Built: **1958**
 Buyer: **PHR LA Mart LLC**
 Seller: **Vornado Realty Trust**

5. 800 W 6th St



Los Angeles

Price: **\$49,500,000**
 Price/SF: **\$464.61**
 Cap Rate: **6%**
 RBA: **106,540**
 Date: **9/2/2011**
 Year Built: **1973**
 Buyer: **Walter Conn**
 Seller: **Equity One, Inc.**

6. 16501 Ventura Blvd



Encino

Price: **\$46,250,000**
 Price/SF: **\$251.36**
 Cap Rate: **6.7%**
 RBA: **183,997**
 Date: **10/17/2011**
 Year Built: **1986**
 Buyer: **Kennedy-Wilson Properties, Ltd.**
 Seller: **JPB Partners**

7. 5700 S Eastern Ave



City of Commerce

Price: **\$39,900,000**
 Price/SF: **\$141.87**
 Cap Rate: **10.2%**
 RBA: **281,253**
 Date: **12/23/2011**
 Year Built: **1986**
 Buyer: **Omninet Capital**
 Seller: **Thompson National Properties LLC**

8. 10351 Santa Monica



Los Angeles

Price: **\$39,500,000**
 Price/SF: **\$391.29**
 Cap Rate: **6.9%**
 RBA: **100,947**
 Date: **1/6/2012**
 Year Built: **1984**
 Buyer: **Sun Life Assurance Company Of Canada**
 Seller: **Cambra Realty**

9. 501 N Orange St



Glendale

Price: **\$28,000,000**
 Price/SF: **\$182.98**
 Cap Rate: **6.07%**
 RBA: **153,019**
 Date: **6/8/2012**
 Year Built: **1990**
 Buyer: **Peregrine Realty Partners**
 Seller: **Bantry Holdings**

Source: CoStar COMPS®



LOS ANGELES OFFICE MARKET

SALES ACTIVITY

SELECT SAME BUILDING SALES

Based On Recent Building Sales Compared to Prior Sale



10351 Santa Monica
 Address: 10351 Santa Monica Blv
 City: Los Angeles
 RBA: 100,947
 Year Built: 1984
 Tot \$ Return: \$4,500,000
 Tot % Return: 13%
 Ann.Return: 4%
 Months Held: 42

Most Recent Sale
 Price: \$39,500,000
 Price/SF: \$391.29
 Cap Rate: 6.9%
 Date: 1/6/2012
 Buyer: Sun Life Assurance Company
 Seller: Cambra Realty
 Brokers: Madison Partners

Sale Prior to Most Recent Sale
 Price: \$35,000,000
 Price/SF: \$346.72
 Cap Rate: 6%
 Date: 6/27/2008
 Buyer: Cambra Realty
 Seller: Arden Realty, Inc.
 Brokers: Eastdil Secured LLC
 Madison Partners



811 W 7th St
 Address: 811 W 7th St
 City: Los Angeles
 RBA: 107,015
 Year Built: 1926
 Tot \$ Return: \$5,000,000
 Tot % Return: 21%
 Ann.Return: 5%
 Months Held: 50

Most Recent Sale
 Price: \$28,500,000
 Price/SF: \$266.32
 Cap Rate: N/A
 Date: 6/19/2012
 Buyer: Sorgente Group
 Seller: Mark J. Geragos
 Brokers: N/A

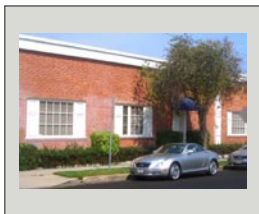
Sale Prior to Most Recent Sale
 Price: \$23,500,000
 Price/SF: \$219.60
 Cap Rate: 4.5%
 Date: 4/25/2008
 Buyer: Mark J. Geragos
 Seller: Alliance Commercial Partners
 Brokers: Madison Partners
 Cushman & Wakefield, Inc.



2200 E Grand Ave
 Address: 2200 E Grand Ave
 City: El Segundo
 RBA: 30,810
 Year Built: 1979
 Tot \$ Return: \$4,350,000
 Tot % Return: 62%
 Ann.Return: 18%
 Months Held: 42

Most Recent Sale
 Price: \$11,400,000
 Price/SF: \$370.01
 Cap Rate: 7.25%
 Date: 3/19/2012
 Buyer: BLT Enterprises
 Seller: Saber Realty Partners
 Brokers: Marcus & Millichap

Sale Prior to Most Recent Sale
 Price: \$7,050,000
 Price/SF: \$228.82
 Cap Rate: N/A
 Date: 9/24/2008
 Buyer: Saber Realty Partners
 Seller: XCEED Finacial Credit Union
 Brokers: CBRE



2040 Stoner Ave
 Address: 2040 Stoner Ave
 City: Los Angeles
 RBA: 10,000
 Year Built: 1950
 Tot \$ Return: -\$900,000
 Tot % Return: -21%
 Ann.Return: -6%
 Months Held: 43

Most Recent Sale
 Price: \$3,300,000
 Price/SF: \$330.00
 Cap Rate: N/A
 Date: 4/18/2012
 Buyer: Maui Brian Properties LLC
 Seller: 2040 Stoner Properties LLC
 Brokers: ADR/ Preferred Business Prop
 Commercial Property Group In

Sale Prior to Most Recent Sale
 Price: \$4,200,000
 Price/SF: \$420.00
 Cap Rate: N/A
 Date: 9/26/2008
 Buyer: 2040 Stoner Properties LLC
 Seller: PCS Corporation
 Brokers: Centre Realty
 ADR/ Preferred Business Prop

SELECT LAND SALES Based on Commercially Zoned Land Sales Occurring From April 2011 - June 2012

3150 Wilshire Blvd, Los Angeles

Sale Price: \$23,000,000
 Acres: 1.98
 Price/SF: \$266.97
 Closing Date: 12/22/2011
 Zoning: C4, C2
 Intended Use: Parking Garage
 Buyer: J.H. Snyder Company
 Seller: Washington Capital Management, Inc.

S San Pedro St, SW E 2nd st, Los Angeles

Sale Price: \$19,300,000
 Acres: 1.72
 Price/SF: \$257.33
 Closing Date: 05/11/2012
 Zoning: C2
 Intended Use: MultiFamily
 Buyer: Sares-Regis Group
 Seller: The Related Companies, L.P.

4029 Marlton Ave, Los Angeles

Sale Price: \$15,066,532
 Acres: 8.65
 Price/SF: \$40.00
 Closing Date: 05/29/2012
 Zoning: C2
 Intended Use: Single Family Development
 Buyer: Kaiser Permanente
 Seller: Commercial Mortgage Managers LLC

3400 W 3rd St, Los Angeles

Sale Price: \$13,200,000
 Acres: 2.20
 Price/SF: \$137.80
 Closing Date: 11/18/2011
 Zoning: C2/R4-1/R4P-1
 Intended Use: Schools
 Buyer: Camino Nueva Charter Academies
 Seller: Marden K Chen

12311-12333 W Pico Blvd, Los Angeles

Sale Price: \$10,500,000
 Acres: 0.61
 Price/SF: \$395.15
 Closing Date: 04/25/2012
 Zoning: C2
 Intended Use: Hold for Development
 Buyer: Amoroso Companies
 Seller: Wellesley Manor Corp

1717-1725 N Cherokee Ave, Los Angeles

Sale Price: \$10,000,000
 Acres: 1.14
 Price/SF: \$201.91
 Closing Date: 03/16/2012
 Zoning: C4-2D-SN
 Intended Use: Mixed Use
 Buyer: Champion RE Development Co.
 Seller: Commonfund

Source: CoStar COMPS®

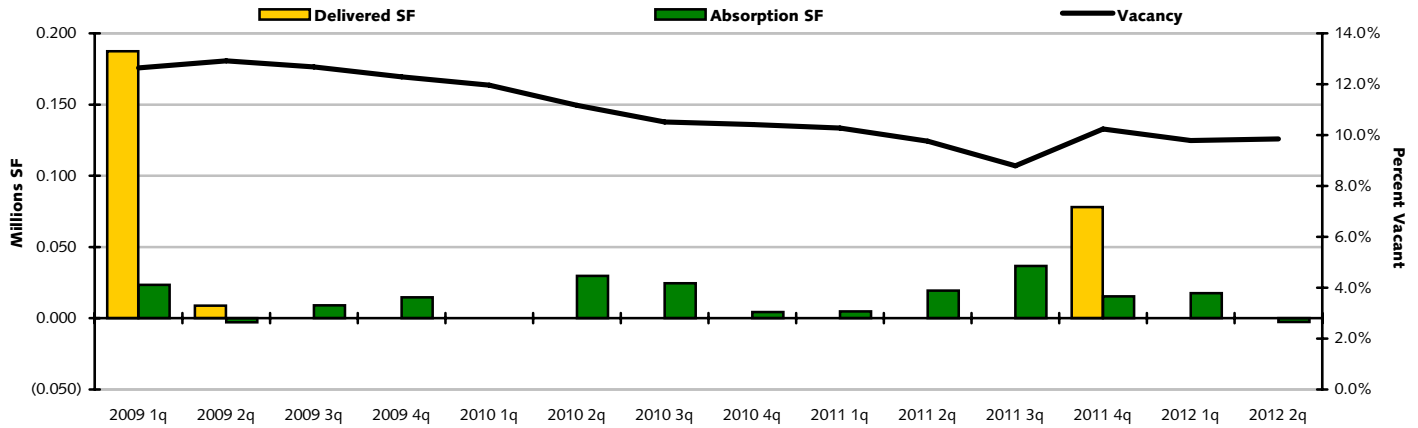
LOS ANGELES OFFICE MARKET

ANTELOPE VALLEY MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

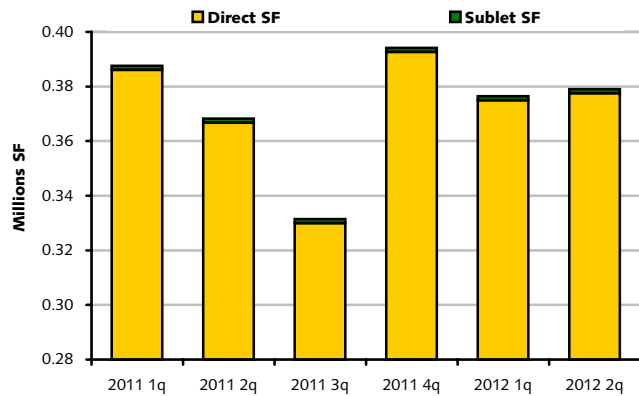


DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



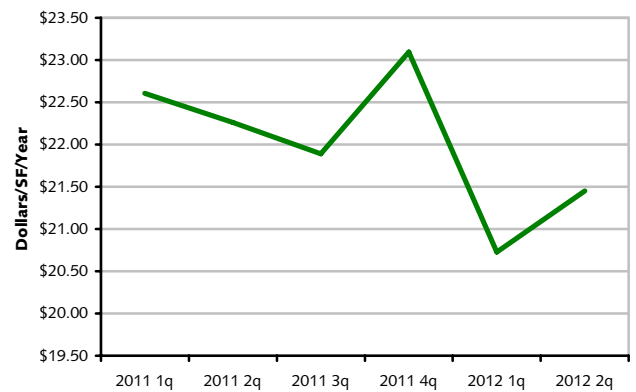
Source: CoStar Property®

VACANT SPACE Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|-----------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 361 | 3,847,991 | 379,031 | 9.9% | (2,568) | 0 | 0 | 0 | 0 | \$21.45 |
| 2012 1q | 361 | 3,847,991 | 376,463 | 9.8% | 17,651 | 0 | 0 | 0 | 0 | \$20.73 |
| 2011 4q | 361 | 3,847,991 | 394,114 | 10.2% | 15,340 | 1 | 78,000 | 0 | 0 | \$23.09 |
| 2011 3q | 360 | 3,769,991 | 331,454 | 8.8% | 36,772 | 0 | 0 | 1 | 78,000 | \$21.89 |
| 2011 2q | 360 | 3,769,991 | 368,226 | 9.8% | 19,371 | 0 | 0 | 1 | 78,000 | \$22.26 |
| 2011 1q | 360 | 3,769,991 | 387,597 | 10.3% | 4,818 | 0 | 0 | 1 | 78,000 | \$22.61 |
| 2010 4q | 360 | 3,769,991 | 392,415 | 10.4% | 4,251 | 0 | 0 | 1 | 78,000 | \$24.42 |
| 2010 3q | 360 | 3,769,991 | 396,666 | 10.5% | 24,523 | 0 | 0 | 1 | 78,000 | \$24.06 |
| 2010 2q | 360 | 3,769,991 | 421,189 | 11.2% | 29,808 | 0 | 0 | 1 | 78,000 | \$25.04 |
| 2010 1q | 360 | 3,769,991 | 450,997 | 12.0% | 180 | 0 | 0 | 1 | 78,000 | \$25.66 |
| 2009 4q | 361 | 3,784,089 | 465,275 | 12.3% | 14,694 | 0 | 0 | 1 | 78,000 | \$25.94 |
| 2009 3q | 361 | 3,784,089 | 479,969 | 12.7% | 8,972 | 0 | 0 | 1 | 78,000 | \$26.04 |
| 2009 2q | 361 | 3,784,089 | 488,941 | 12.9% | (2,879) | 1 | 8,961 | 0 | 0 | \$26.26 |
| 2009 1q | 360 | 3,775,128 | 477,101 | 12.6% | 23,516 | 18 | 187,429 | 1 | 8,961 | \$25.95 |
| 2008 4q | 342 | 3,587,699 | 313,188 | 8.7% | 33,236 | 1 | 20,919 | 19 | 196,390 | \$25.97 |
| 2008 3q | 341 | 3,566,780 | 325,505 | 9.1% | (29,814) | 6 | 52,900 | 20 | 217,309 | \$25.61 |

Source: CoStar Property®

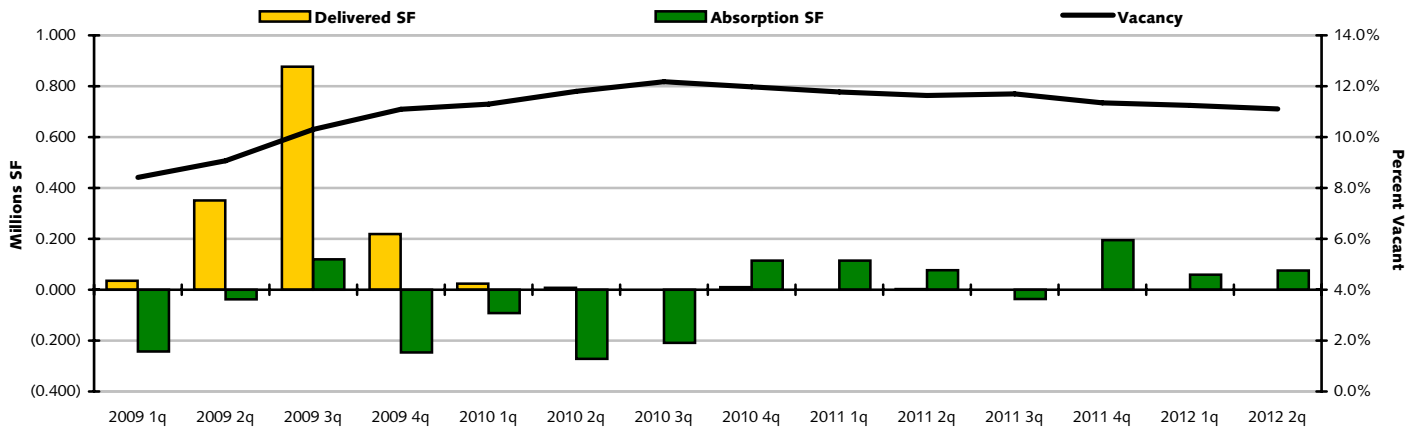


LOS ANGELES OFFICE MARKET

BURBANK / GLENDALE / PASADENA MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

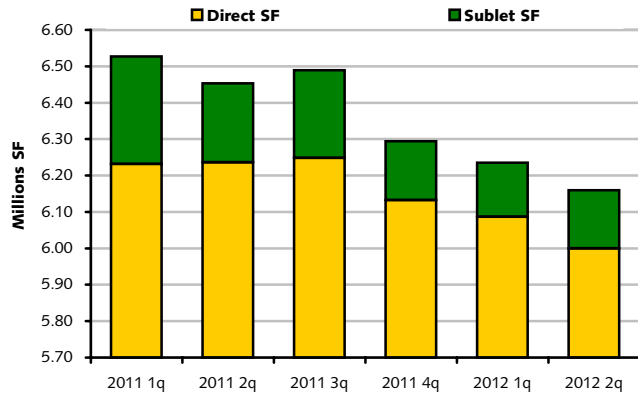
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

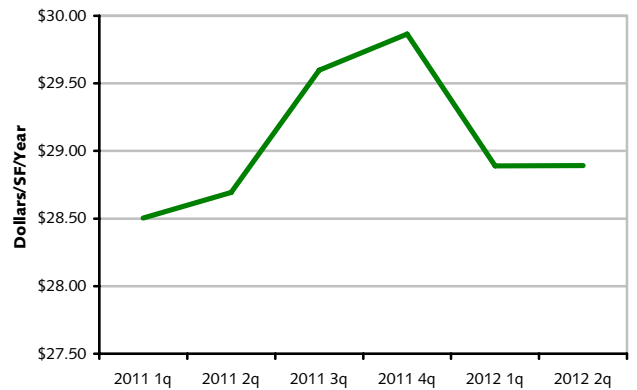
Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 3,029 | 55,466,381 | 6,159,596 | 11.1% | 75,829 | 0 | 0 | 1 | 24,887 | \$28.89 |
| 2012 1q | 3,029 | 55,466,381 | 6,235,425 | 11.2% | 58,860 | 0 | 0 | 1 | 24,887 | \$28.89 |
| 2011 4q | 3,029 | 55,466,381 | 6,294,285 | 11.3% | 195,279 | 0 | 0 | 1 | 24,887 | \$29.87 |
| 2011 3q | 3,029 | 55,466,381 | 6,489,564 | 11.7% | (36,033) | 0 | 0 | 1 | 24,887 | \$29.60 |
| 2011 2q | 3,029 | 55,466,381 | 6,453,531 | 11.6% | 76,202 | 1 | 2,425 | 0 | 0 | \$28.69 |
| 2011 1q | 3,028 | 55,463,956 | 6,527,308 | 11.8% | 115,039 | 0 | 0 | 1 | 2,425 | \$28.50 |
| 2010 4q | 3,028 | 55,463,956 | 6,642,347 | 12.0% | 114,011 | 1 | 10,400 | 1 | 2,425 | \$29.91 |
| 2010 3q | 3,028 | 55,461,308 | 6,753,710 | 12.2% | (209,413) | 0 | 0 | 2 | 12,825 | \$29.17 |
| 2010 2q | 3,028 | 55,461,308 | 6,544,297 | 11.8% | (271,715) | 1 | 7,500 | 2 | 12,825 | \$29.59 |
| 2010 1q | 3,027 | 55,453,808 | 6,265,082 | 11.3% | (91,615) | 2 | 23,668 | 3 | 20,325 | \$29.89 |
| 2009 4q | 3,025 | 55,430,140 | 6,149,799 | 11.1% | (246,204) | 3 | 218,857 | 4 | 41,568 | \$29.65 |
| 2009 3q | 3,022 | 55,211,283 | 5,684,738 | 10.3% | 119,277 | 5 | 876,176 | 7 | 260,425 | \$30.08 |
| 2009 2q | 3,018 | 54,337,803 | 4,930,535 | 9.1% | (37,302) | 1 | 351,300 | 12 | 1,136,601 | \$30.94 |
| 2009 1q | 3,017 | 53,986,503 | 4,541,933 | 8.4% | (242,254) | 1 | 34,704 | 11 | 1,466,733 | \$31.58 |
| 2008 4q | 3,017 | 53,956,112 | 4,269,288 | 7.9% | (189,606) | 3 | 120,390 | 9 | 1,477,796 | \$32.55 |
| 2008 3q | 3,015 | 53,872,722 | 3,996,292 | 7.4% | 53,654 | 2 | 104,044 | 12 | 1,598,186 | \$33.00 |

Source: CoStar Property®

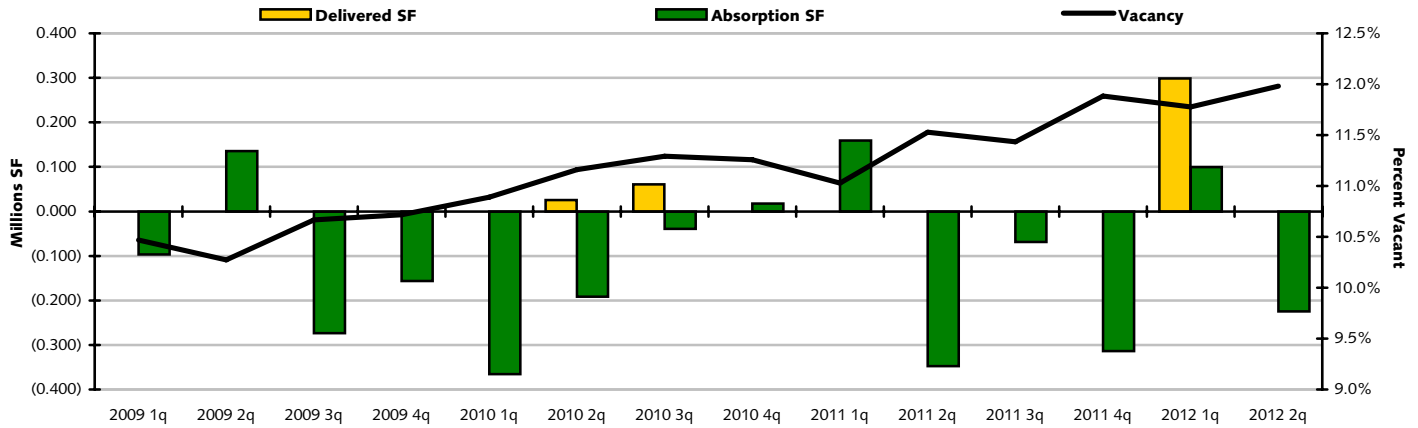
LOS ANGELES OFFICE MARKET

DOWNTOWN LOS ANGELES MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

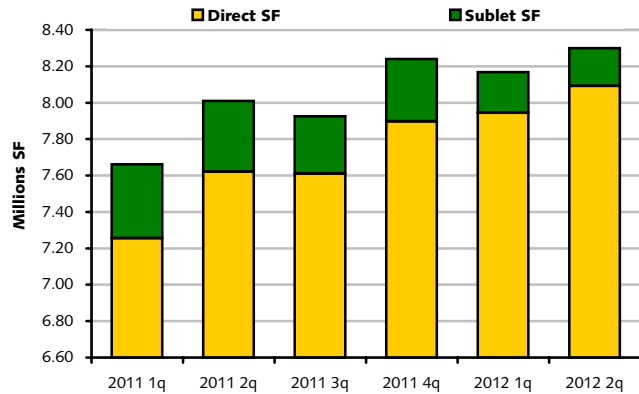


DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



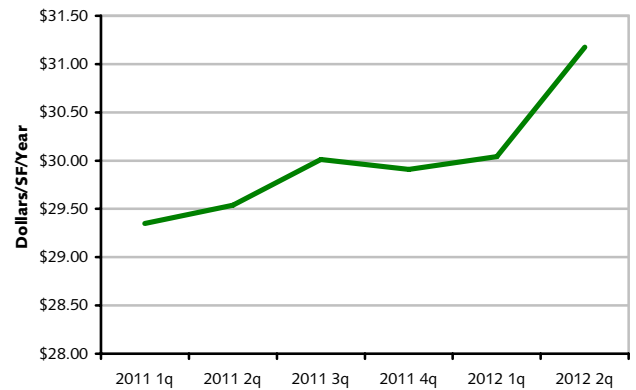
Source: CoStar Property®

VACANT SPACE Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 680 | 69,264,685 | 8,299,188 | 12.0% | (224,871) | 0 | 0 | 0 | 0 | \$31.17 |
| 2012 1q | 681 | 69,358,468 | 8,168,100 | 11.8% | 99,833 | 2 | 298,352 | 0 | 0 | \$30.04 |
| 2011 4q | 681 | 69,330,300 | 8,239,765 | 11.9% | (313,623) | 0 | 0 | 2 | 298,352 | \$29.91 |
| 2011 3q | 681 | 69,330,300 | 7,926,142 | 11.4% | (68,787) | 0 | 0 | 2 | 298,352 | \$30.01 |
| 2011 2q | 682 | 69,482,427 | 8,009,482 | 11.5% | (347,304) | 0 | 0 | 2 | 298,352 | \$29.54 |
| 2011 1q | 682 | 69,482,427 | 7,662,178 | 11.0% | 159,001 | 0 | 0 | 1 | 252,352 | \$29.35 |
| 2010 4q | 682 | 69,482,427 | 7,821,179 | 11.3% | 17,304 | 0 | 0 | 1 | 252,352 | \$28.75 |
| 2010 3q | 683 | 69,492,427 | 7,848,483 | 11.3% | (39,011) | 1 | 61,064 | 1 | 252,352 | \$28.30 |
| 2010 2q | 682 | 69,431,363 | 7,748,408 | 11.2% | (191,467) | 1 | 25,189 | 1 | 61,064 | \$28.92 |
| 2010 1q | 682 | 69,435,342 | 7,560,920 | 10.9% | (365,147) | 0 | 0 | 2 | 86,253 | \$29.34 |
| 2009 4q | 683 | 69,711,107 | 7,471,538 | 10.7% | (156,490) | 0 | 0 | 2 | 86,253 | \$29.54 |
| 2009 3q | 684 | 69,845,835 | 7,449,776 | 10.7% | (273,341) | 0 | 0 | 2 | 86,253 | \$30.16 |
| 2009 2q | 684 | 69,845,835 | 7,176,435 | 10.3% | 135,512 | 0 | 0 | 1 | 61,064 | \$30.19 |
| 2009 1q | 684 | 69,845,835 | 7,311,947 | 10.5% | (96,574) | 0 | 0 | 0 | 0 | \$30.72 |
| 2008 4q | 685 | 69,851,979 | 7,221,517 | 10.3% | (254,119) | 0 | 0 | 0 | 0 | \$30.99 |
| 2008 3q | 686 | 70,104,331 | 7,219,750 | 10.3% | (465,766) | 0 | 0 | 0 | 0 | \$31.08 |

Source: CoStar Property®

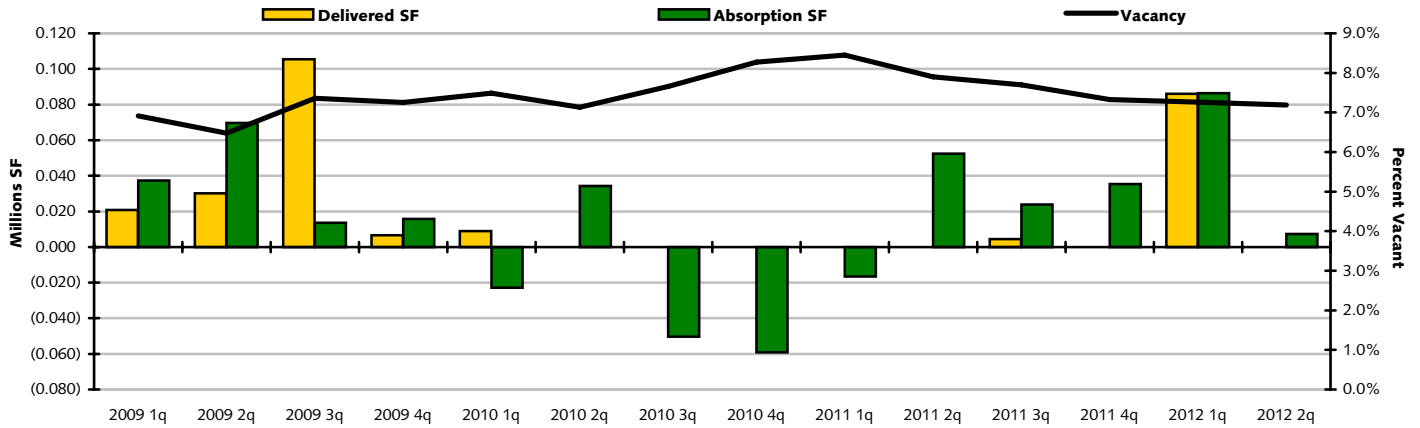


LOS ANGELES OFFICE MARKET

MID-CITIES MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

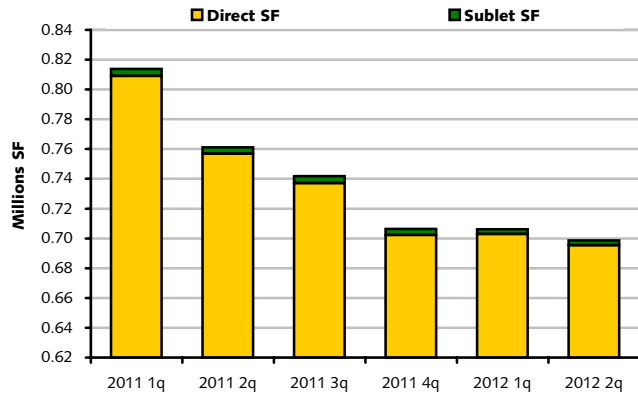
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

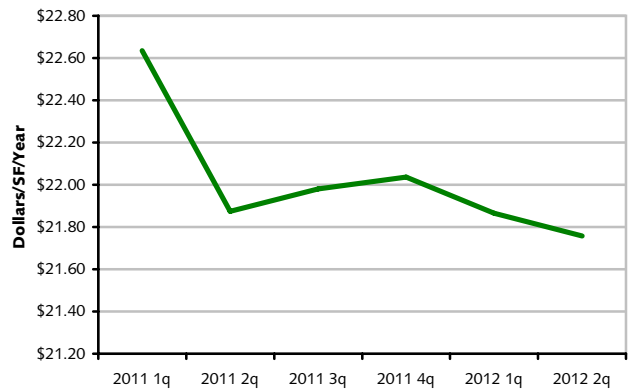
Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|-----------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 956 | 9,724,063 | 698,706 | 7.2% | 7,419 | 0 | 0 | 2 | 20,507 | \$21.76 |
| 2012 1q | 956 | 9,724,063 | 706,125 | 7.3% | 86,336 | 1 | 86,045 | 2 | 20,507 | \$21.87 |
| 2011 4q | 955 | 9,638,018 | 706,416 | 7.3% | 35,404 | 0 | 0 | 2 | 90,898 | \$22.04 |
| 2011 3q | 955 | 9,638,018 | 741,820 | 7.7% | 23,847 | 1 | 4,500 | 2 | 90,898 | \$21.98 |
| 2011 2q | 954 | 9,633,518 | 761,167 | 7.9% | 52,522 | 0 | 0 | 3 | 95,398 | \$21.87 |
| 2011 1q | 954 | 9,633,518 | 813,689 | 8.4% | (16,598) | 0 | 0 | 3 | 95,398 | \$22.63 |
| 2010 4q | 954 | 9,633,518 | 797,091 | 8.3% | (59,215) | 0 | 0 | 0 | 0 | \$23.03 |
| 2010 3q | 954 | 9,633,518 | 737,876 | 7.7% | (50,419) | 0 | 0 | 0 | 0 | \$23.54 |
| 2010 2q | 954 | 9,633,518 | 687,457 | 7.1% | 34,219 | 0 | 0 | 0 | 0 | \$22.97 |
| 2010 1q | 954 | 9,633,518 | 721,676 | 7.5% | (22,940) | 1 | 9,000 | 0 | 0 | \$22.88 |
| 2009 4q | 954 | 9,633,760 | 698,978 | 7.3% | 15,847 | 2 | 6,700 | 1 | 9,000 | \$22.96 |
| 2009 3q | 952 | 9,627,060 | 708,125 | 7.4% | 13,705 | 1 | 105,454 | 3 | 15,700 | \$22.91 |
| 2009 2q | 951 | 9,521,606 | 616,376 | 6.5% | 69,755 | 1 | 30,240 | 4 | 121,154 | \$23.74 |
| 2009 1q | 950 | 9,491,366 | 655,891 | 6.9% | 37,264 | 3 | 20,720 | 4 | 142,394 | \$23.73 |
| 2008 4q | 947 | 9,470,646 | 672,435 | 7.1% | 5,603 | 0 | 0 | 6 | 158,664 | \$24.42 |
| 2008 3q | 948 | 9,471,972 | 679,364 | 7.2% | (103,013) | 1 | 6,907 | 5 | 156,414 | \$25.00 |

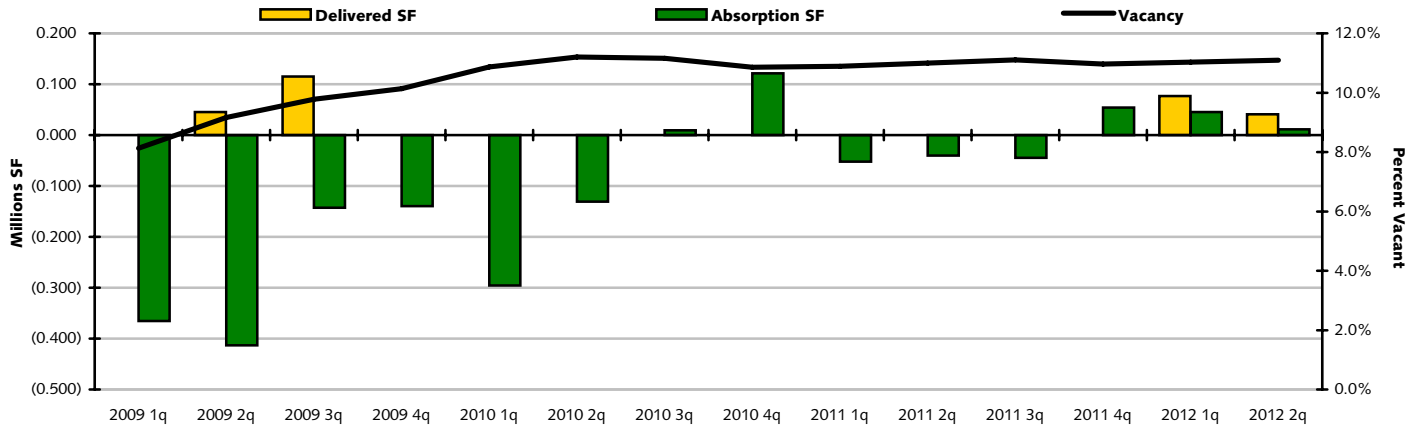
Source: CoStar Property®

LOS ANGELES OFFICE MARKET

MID-WILSHIRE MARKET

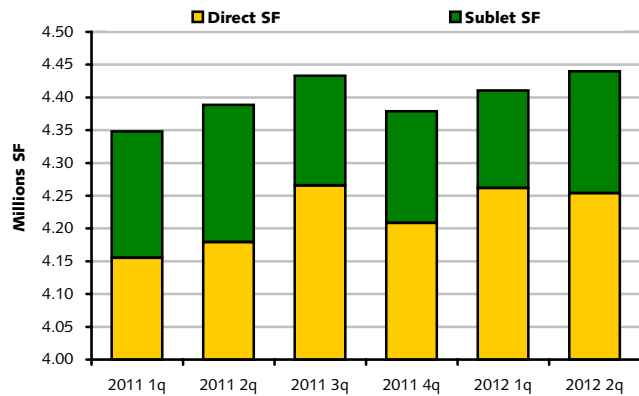
MARKET HIGHLIGHTS – CLASS "A, B & C"

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



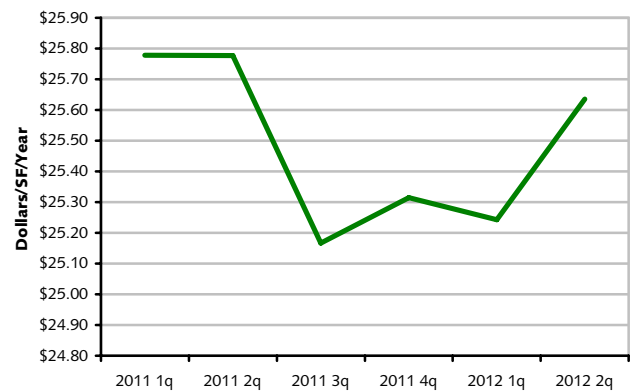
Source: CoStar Property®

VACANT SPACE Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 1,588 | 40,035,199 | 4,439,957 | 11.1% | 11,145 | 1 | 40,661 | 4 | 462,394 | \$25.64 |
| 2012 1q | 1,587 | 39,994,538 | 4,410,441 | 11.0% | 45,292 | 2 | 77,000 | 5 | 503,055 | \$25.24 |
| 2011 4q | 1,585 | 39,917,538 | 4,378,733 | 11.0% | 54,202 | 0 | 0 | 7 | 580,055 | \$25.31 |
| 2011 3q | 1,585 | 39,917,538 | 4,432,935 | 11.1% | (44,372) | 0 | 0 | 6 | 542,155 | \$25.17 |
| 2011 2q | 1,585 | 39,917,538 | 4,388,563 | 11.0% | (40,437) | 0 | 0 | 5 | 501,494 | \$25.78 |
| 2011 1q | 1,585 | 39,917,538 | 4,348,126 | 10.9% | (52,218) | 0 | 0 | 5 | 501,494 | \$25.78 |
| 2010 4q | 1,586 | 39,959,438 | 4,337,808 | 10.9% | 121,532 | 0 | 0 | 3 | 441,994 | \$25.85 |
| 2010 3q | 1,586 | 39,959,438 | 4,459,340 | 11.2% | 9,515 | 0 | 0 | 2 | 414,994 | \$26.52 |
| 2010 2q | 1,587 | 39,966,391 | 4,475,808 | 11.2% | (131,116) | 0 | 0 | 2 | 414,994 | \$26.74 |
| 2010 1q | 1,587 | 39,966,391 | 4,344,692 | 10.9% | (295,630) | 0 | 0 | 2 | 414,994 | \$26.87 |
| 2009 4q | 1,587 | 39,966,391 | 4,049,062 | 10.1% | (139,486) | 0 | 0 | 2 | 414,994 | \$28.07 |
| 2009 3q | 1,588 | 39,966,970 | 3,910,155 | 9.8% | (142,854) | 1 | 114,958 | 2 | 414,994 | \$29.76 |
| 2009 2q | 1,587 | 39,852,012 | 3,652,343 | 9.2% | (413,086) | 1 | 45,000 | 3 | 529,952 | \$30.62 |
| 2009 1q | 1,587 | 39,850,512 | 3,237,757 | 8.1% | (365,505) | 0 | 0 | 4 | 574,952 | \$31.37 |
| 2008 4q | 1,587 | 39,850,512 | 2,872,252 | 7.2% | (214,091) | 0 | 0 | 4 | 574,952 | \$31.24 |
| 2008 3q | 1,587 | 39,850,512 | 2,658,161 | 6.7% | (47,157) | 1 | 11,880 | 4 | 574,952 | \$32.06 |

Source: CoStar Property®

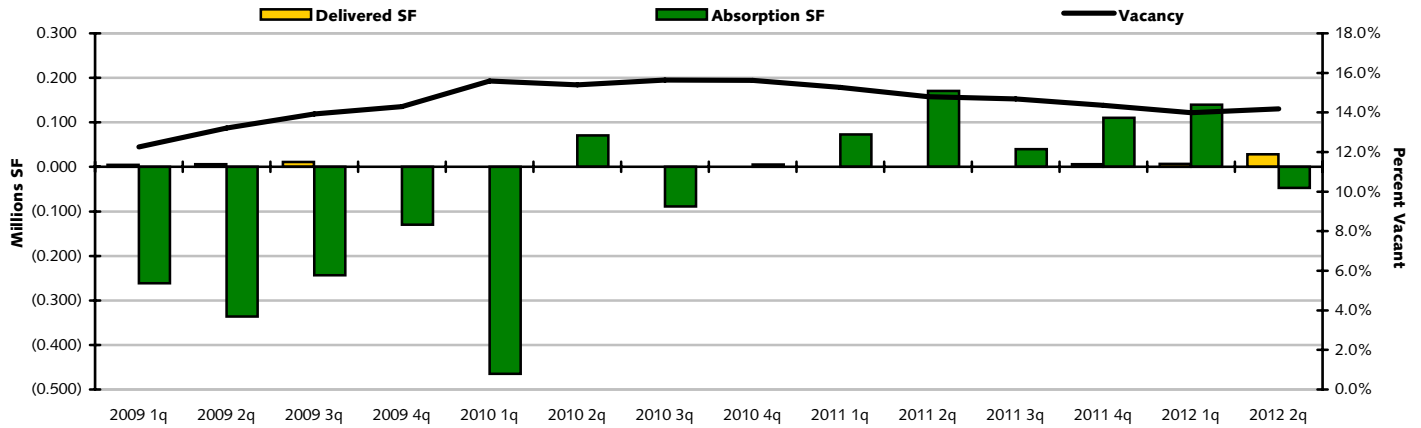


LOS ANGELES OFFICE MARKET

SAN FERNANDO VALLEY MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

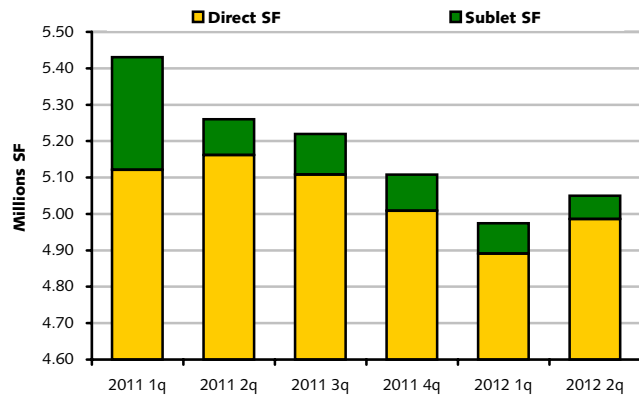
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

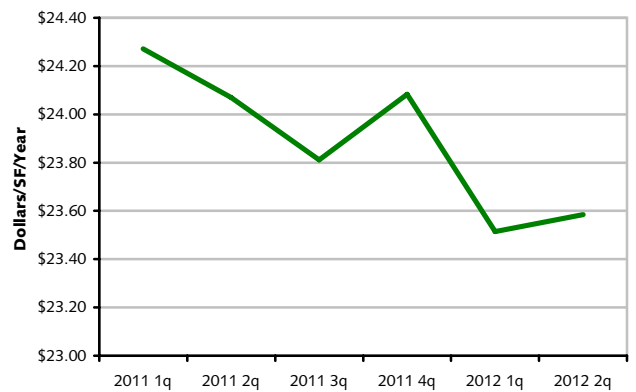
Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 1,479 | 35,595,362 | 5,050,084 | 14.2% | (46,880) | 1 | 28,525 | 2 | 134,000 | \$23.58 |
| 2012 1q | 1,478 | 35,566,837 | 4,974,679 | 14.0% | 140,010 | 1 | 7,000 | 3 | 162,525 | \$23.51 |
| 2011 4q | 1,477 | 35,559,837 | 5,107,689 | 14.4% | 110,598 | 1 | 6,080 | 4 | 169,525 | \$24.08 |
| 2011 3q | 1,477 | 35,561,457 | 5,219,907 | 14.7% | 40,101 | 0 | 0 | 5 | 175,605 | \$23.81 |
| 2011 2q | 1,477 | 35,561,457 | 5,260,008 | 14.8% | 170,370 | 0 | 0 | 4 | 147,080 | \$24.07 |
| 2011 1q | 1,477 | 35,561,457 | 5,430,378 | 15.3% | 73,033 | 0 | 0 | 3 | 140,080 | \$24.27 |
| 2010 4q | 1,478 | 35,626,457 | 5,568,411 | 15.6% | 5,514 | 0 | 0 | 1 | 9,000 | \$24.63 |
| 2010 3q | 1,478 | 35,626,457 | 5,573,925 | 15.6% | (89,060) | 0 | 0 | 1 | 9,000 | \$24.46 |
| 2010 2q | 1,478 | 35,626,457 | 5,484,865 | 15.4% | 70,748 | 0 | 0 | 1 | 9,000 | \$24.43 |
| 2010 1q | 1,478 | 35,626,457 | 5,555,613 | 15.6% | (464,977) | 0 | 0 | 1 | 9,000 | \$24.60 |
| 2009 4q | 1,478 | 35,626,457 | 5,090,636 | 14.3% | (130,146) | 0 | 0 | 0 | 0 | \$25.42 |
| 2009 3q | 1,478 | 35,626,457 | 4,960,490 | 13.9% | (243,414) | 1 | 11,000 | 0 | 0 | \$26.15 |
| 2009 2q | 1,477 | 35,615,457 | 4,706,076 | 13.2% | (336,337) | 1 | 6,300 | 1 | 11,000 | \$26.52 |
| 2009 1q | 1,476 | 35,609,157 | 4,363,439 | 12.3% | (261,053) | 1 | 4,568 | 2 | 17,300 | \$27.44 |
| 2008 4q | 1,475 | 35,604,589 | 4,097,818 | 11.5% | (291,630) | 1 | 60,215 | 2 | 15,568 | \$28.03 |
| 2008 3q | 1,475 | 35,583,474 | 3,785,073 | 10.6% | (108,022) | 1 | 16,000 | 2 | 64,783 | \$28.40 |

Source: CoStar Property®

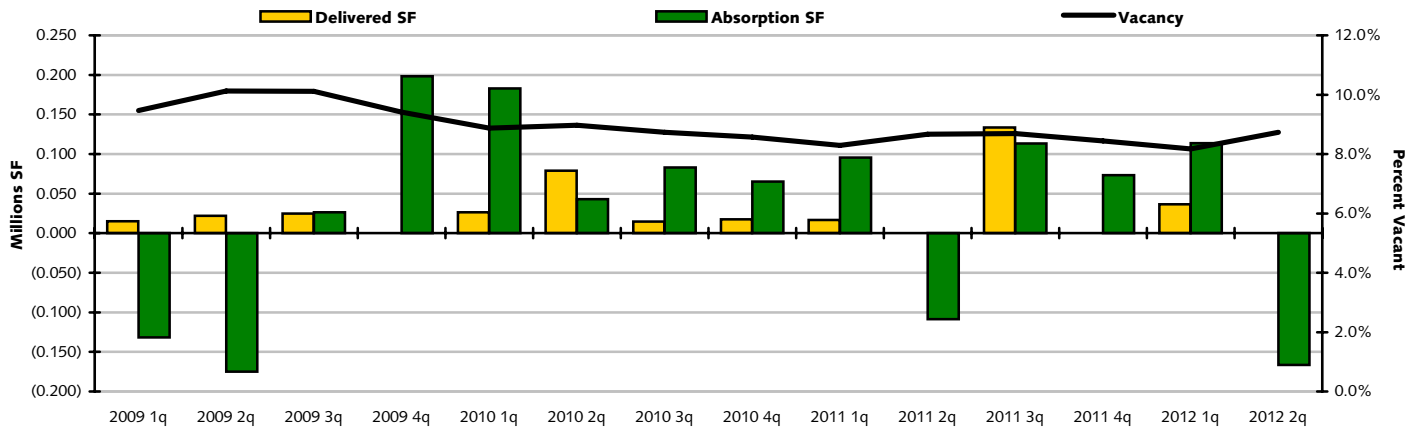
LOS ANGELES OFFICE MARKET

SAN GABRIEL VALLEY MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

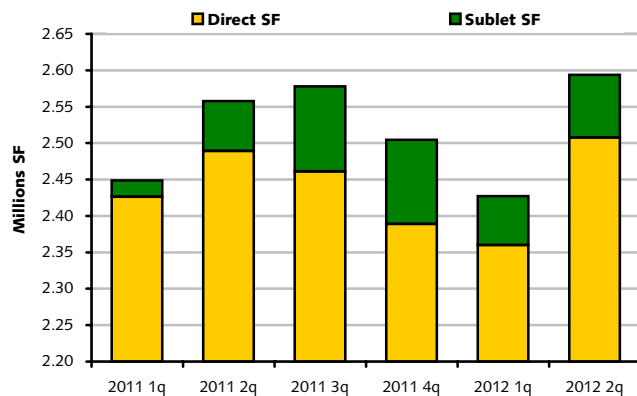


DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



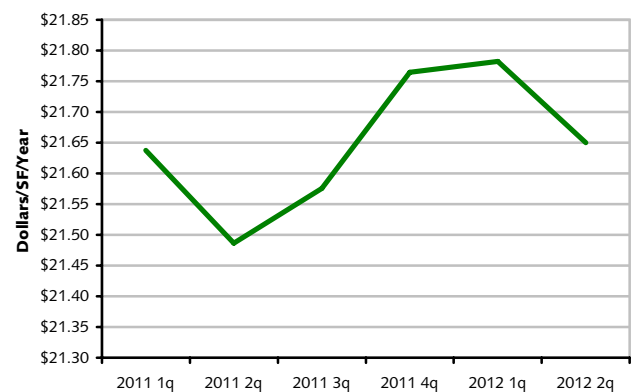
Source: CoStar Property®

VACANT SPACE Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 1,894 | 29,688,944 | 2,593,723 | 8.7% | (166,435) | 0 | 0 | 2 | 132,518 | \$21.65 |
| 2012 1q | 1,894 | 29,688,944 | 2,427,288 | 8.2% | 113,904 | 1 | 36,666 | 2 | 132,518 | \$21.78 |
| 2011 4q | 1,893 | 29,652,278 | 2,504,526 | 8.4% | 73,411 | 0 | 0 | 3 | 169,184 | \$21.76 |
| 2011 3q | 1,893 | 29,652,278 | 2,577,937 | 8.7% | 113,344 | 2 | 133,654 | 3 | 169,184 | \$21.58 |
| 2011 2q | 1,891 | 29,518,624 | 2,557,627 | 8.7% | (108,749) | 0 | 0 | 4 | 172,838 | \$21.49 |
| 2011 1q | 1,891 | 29,518,624 | 2,448,878 | 8.3% | 95,491 | 3 | 16,598 | 3 | 136,172 | \$21.64 |
| 2010 4q | 1,888 | 29,502,026 | 2,527,771 | 8.6% | 65,134 | 2 | 17,606 | 5 | 150,252 | \$22.59 |
| 2010 3q | 1,886 | 29,484,420 | 2,575,299 | 8.7% | 83,035 | 2 | 14,669 | 7 | 167,858 | \$22.57 |
| 2010 2q | 1,884 | 29,469,751 | 2,643,665 | 9.0% | 43,017 | 2 | 79,000 | 7 | 166,765 | \$22.81 |
| 2010 1q | 1,882 | 29,390,751 | 2,607,682 | 8.9% | 182,880 | 5 | 26,423 | 9 | 245,765 | \$23.04 |
| 2009 4q | 1,877 | 29,364,328 | 2,764,139 | 9.4% | 198,374 | 0 | 0 | 12 | 136,690 | \$23.34 |
| 2009 3q | 1,878 | 29,372,251 | 2,970,436 | 10.1% | 26,512 | 3 | 24,692 | 10 | 125,021 | \$23.53 |
| 2009 2q | 1,875 | 29,347,559 | 2,972,256 | 10.1% | (174,797) | 2 | 21,827 | 11 | 130,121 | \$23.68 |
| 2009 1q | 1,873 | 29,325,732 | 2,775,632 | 9.5% | (131,777) | 2 | 15,260 | 5 | 46,519 | \$24.13 |
| 2008 4q | 1,871 | 29,310,472 | 2,628,595 | 9.0% | (302,808) | 3 | 155,315 | 6 | 48,387 | \$24.42 |
| 2008 3q | 1,868 | 29,155,157 | 2,170,472 | 7.4% | (61,600) | 3 | 89,635 | 8 | 200,402 | \$24.93 |

Source: CoStar Property®

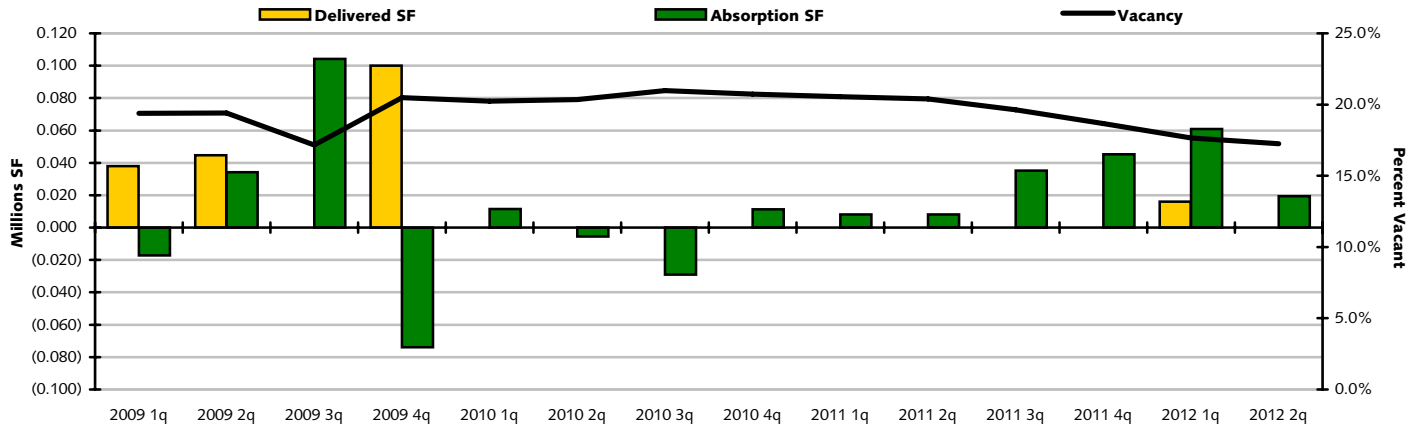


LOS ANGELES OFFICE MARKET

SANTA CLARITA VALLEY MARKET

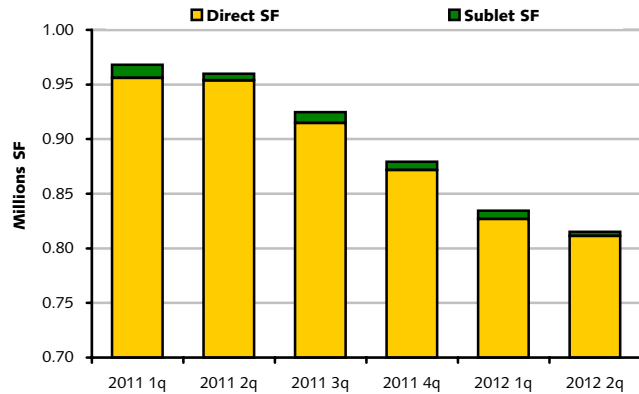
MARKET HIGHLIGHTS - CLASS "A, B & C"

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



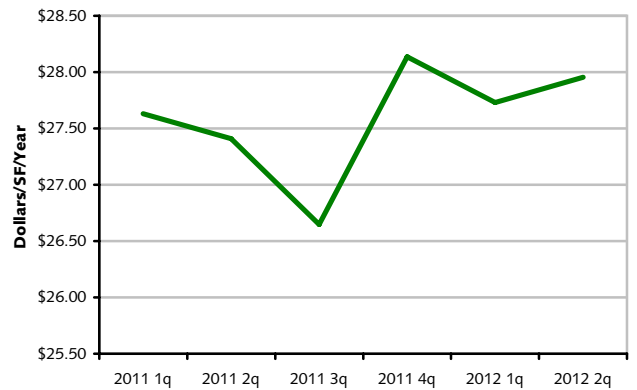
Source: CoStar Property®

VACANT SPACE Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|-----------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 208 | 4,724,135 | 815,037 | 17.3% | 19,414 | 0 | 0 | 1 | 102,113 | \$27.96 |
| 2012 1q | 208 | 4,724,135 | 834,451 | 17.7% | 60,813 | 1 | 15,939 | 1 | 102,113 | \$27.73 |
| 2011 4q | 207 | 4,708,196 | 879,325 | 18.7% | 45,342 | 0 | 0 | 2 | 118,052 | \$28.14 |
| 2011 3q | 207 | 4,708,196 | 924,667 | 19.6% | 35,281 | 0 | 0 | 2 | 118,052 | \$26.65 |
| 2011 2q | 207 | 4,708,196 | 959,948 | 20.4% | 8,113 | 0 | 0 | 2 | 118,052 | \$27.41 |
| 2011 1q | 207 | 4,708,196 | 968,061 | 20.6% | 8,135 | 0 | 0 | 1 | 102,113 | \$27.63 |
| 2010 4q | 207 | 4,708,196 | 976,196 | 20.7% | 11,306 | 0 | 0 | 1 | 102,113 | \$28.77 |
| 2010 3q | 207 | 4,708,196 | 987,502 | 21.0% | (28,941) | 0 | 0 | 1 | 102,113 | \$28.47 |
| 2010 2q | 207 | 4,708,196 | 958,561 | 20.4% | (5,586) | 0 | 0 | 1 | 102,113 | \$28.83 |
| 2010 1q | 207 | 4,708,196 | 952,975 | 20.2% | 11,513 | 0 | 0 | 1 | 102,113 | \$29.69 |
| 2009 4q | 207 | 4,708,196 | 964,488 | 20.5% | (73,970) | 1 | 100,000 | 1 | 102,113 | \$30.23 |
| 2009 3q | 206 | 4,608,196 | 790,518 | 17.2% | 104,218 | 0 | 0 | 2 | 202,113 | \$30.27 |
| 2009 2q | 206 | 4,608,196 | 894,736 | 19.4% | 34,273 | 1 | 44,650 | 2 | 202,113 | \$30.69 |
| 2009 1q | 205 | 4,563,546 | 884,359 | 19.4% | (17,266) | 1 | 38,023 | 3 | 246,763 | \$31.05 |
| 2008 4q | 204 | 4,525,523 | 829,070 | 18.3% | (2,770) | 5 | 48,458 | 4 | 284,786 | \$31.64 |
| 2008 3q | 199 | 4,477,065 | 777,842 | 17.4% | (71,396) | 2 | 158,500 | 9 | 333,244 | \$32.19 |

Source: CoStar Property®

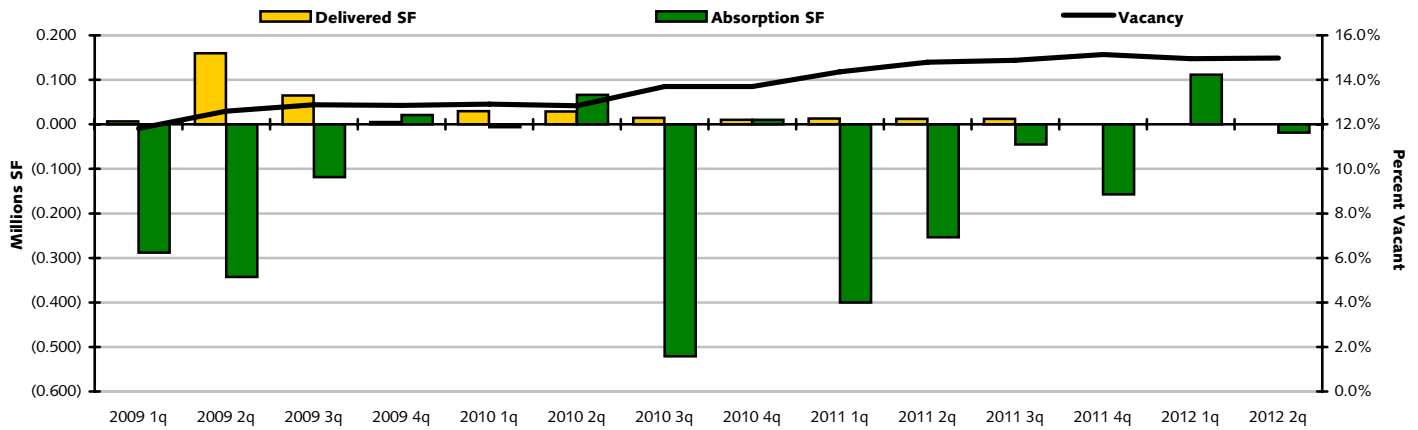
LOS ANGELES OFFICE MARKET



SOUTH BAY MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

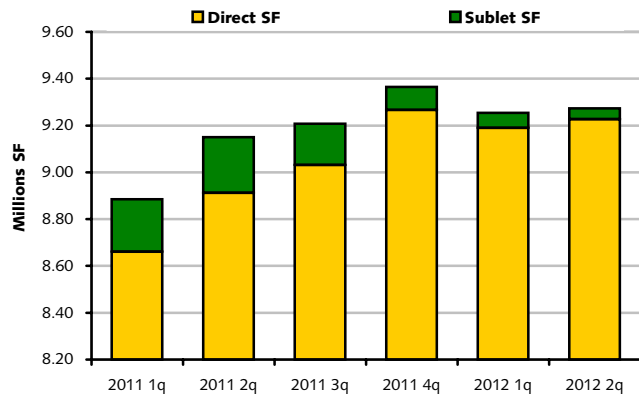
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

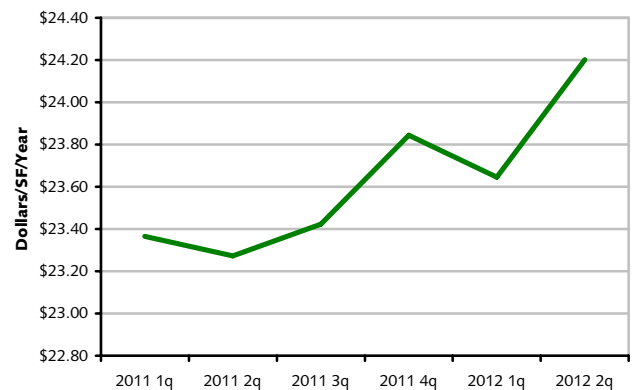
Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 2,317 | 61,877,921 | 9,272,791 | 15.0% | (18,733) | 0 | 0 | 4 | 907,793 | \$24.20 |
| 2012 1q | 2,317 | 61,877,921 | 9,254,058 | 15.0% | 111,359 | 0 | 0 | 4 | 907,793 | \$23.65 |
| 2011 4q | 2,317 | 61,877,921 | 9,365,417 | 15.1% | (157,284) | 0 | 0 | 2 | 866,450 | \$23.84 |
| 2011 3q | 2,317 | 61,877,921 | 9,208,133 | 14.9% | (44,975) | 1 | 12,741 | 1 | 321,450 | \$23.42 |
| 2011 2q | 2,316 | 61,865,180 | 9,150,417 | 14.8% | (253,441) | 2 | 12,499 | 1 | 12,741 | \$23.27 |
| 2011 1q | 2,314 | 61,852,681 | 8,884,477 | 14.4% | (399,959) | 2 | 13,146 | 3 | 25,240 | \$23.37 |
| 2010 4q | 2,312 | 61,839,535 | 8,471,372 | 13.7% | 9,933 | 1 | 10,497 | 5 | 38,386 | \$23.66 |
| 2010 3q | 2,311 | 61,829,038 | 8,470,808 | 13.7% | (520,626) | 2 | 14,411 | 6 | 48,883 | \$23.68 |
| 2010 2q | 2,309 | 61,814,627 | 7,935,771 | 12.8% | 66,228 | 1 | 28,880 | 7 | 61,134 | \$23.86 |
| 2010 1q | 2,308 | 61,785,747 | 7,973,119 | 12.9% | (6,364) | 2 | 29,482 | 7 | 79,675 | \$23.92 |
| 2009 4q | 2,307 | 61,757,526 | 7,938,534 | 12.9% | 20,927 | 1 | 5,150 | 6 | 85,514 | \$23.92 |
| 2009 3q | 2,306 | 61,752,376 | 7,954,311 | 12.9% | (118,547) | 4 | 64,585 | 7 | 90,664 | \$24.03 |
| 2009 2q | 2,302 | 61,687,791 | 7,771,179 | 12.6% | (342,345) | 8 | 159,681 | 10 | 126,369 | \$24.19 |
| 2009 1q | 2,294 | 61,528,110 | 7,269,153 | 11.8% | (288,056) | 1 | 6,700 | 16 | 255,071 | \$24.59 |
| 2008 4q | 2,293 | 61,521,410 | 6,974,397 | 11.3% | (56,904) | 0 | 0 | 13 | 230,966 | \$24.86 |
| 2008 3q | 2,293 | 61,521,410 | 6,917,493 | 11.2% | (301,806) | 6 | 67,287 | 2 | 25,700 | \$24.57 |

Source: CoStar Property®

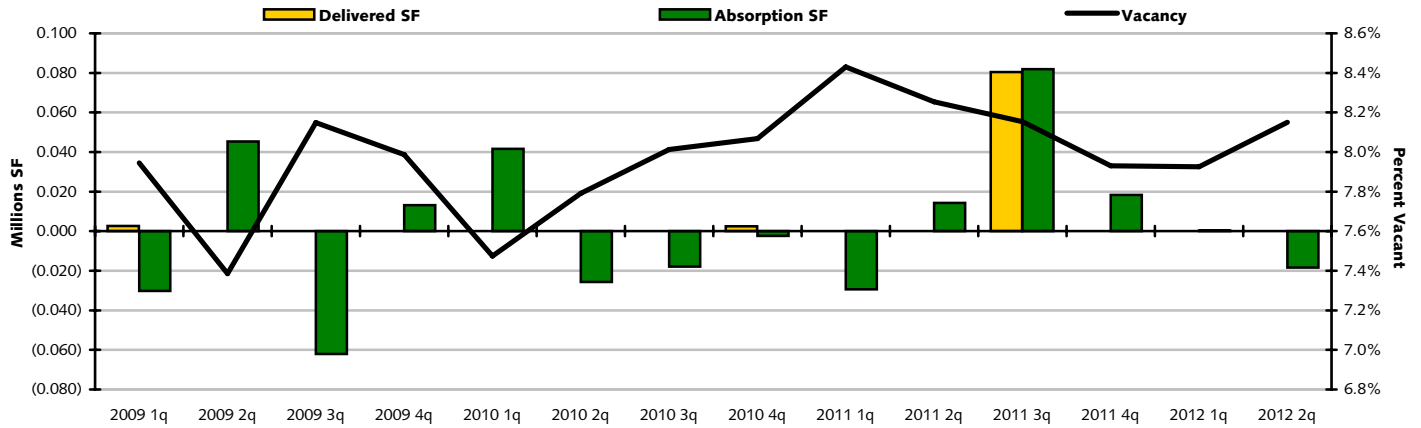


LOS ANGELES OFFICE MARKET

SOUTHEAST LOS ANGELES MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

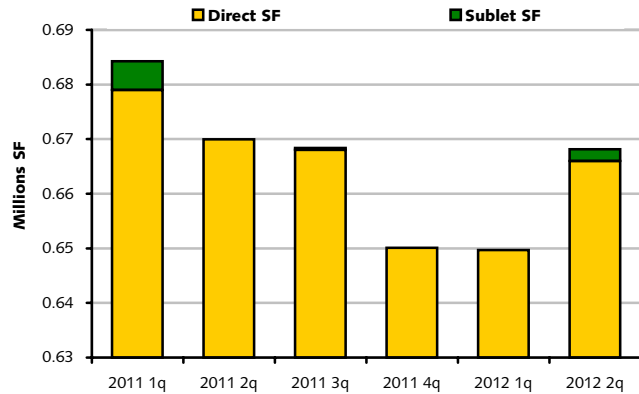
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

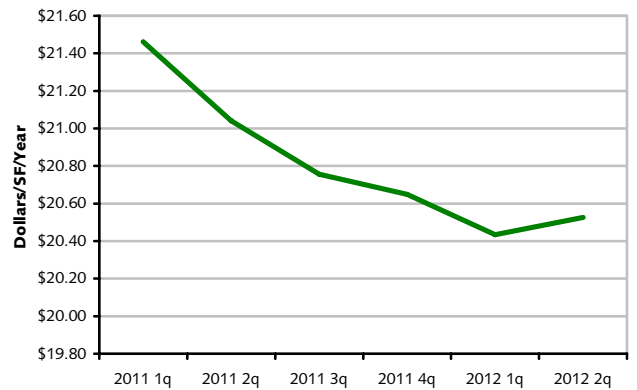
Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|-----------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 536 | 8,197,503 | 668,155 | 8.2% | (18,451) | 0 | 0 | 0 | 0 | \$20.53 |
| 2012 1q | 536 | 8,197,503 | 649,704 | 7.9% | 394 | 0 | 0 | 0 | 0 | \$20.43 |
| 2011 4q | 536 | 8,197,503 | 650,098 | 7.9% | 18,304 | 0 | 0 | 0 | 0 | \$20.65 |
| 2011 3q | 536 | 8,197,503 | 668,402 | 8.2% | 81,952 | 1 | 80,394 | 0 | 0 | \$20.76 |
| 2011 2q | 535 | 8,117,109 | 669,960 | 8.3% | 14,305 | 0 | 0 | 1 | 80,394 | \$21.04 |
| 2011 1q | 535 | 8,117,109 | 684,265 | 8.4% | (29,337) | 0 | 0 | 1 | 80,394 | \$21.46 |
| 2010 4q | 535 | 8,117,109 | 654,928 | 8.1% | (2,342) | 1 | 2,400 | 1 | 80,394 | \$21.42 |
| 2010 3q | 534 | 8,114,709 | 650,186 | 8.0% | (17,915) | 0 | 0 | 2 | 82,794 | \$21.16 |
| 2010 2q | 534 | 8,114,709 | 632,271 | 7.8% | (25,724) | 0 | 0 | 2 | 82,794 | \$21.36 |
| 2010 1q | 534 | 8,114,709 | 606,547 | 7.5% | 41,546 | 0 | 0 | 1 | 2,400 | \$22.08 |
| 2009 4q | 534 | 8,114,709 | 648,093 | 8.0% | 13,177 | 0 | 0 | 0 | 0 | \$22.30 |
| 2009 3q | 534 | 8,114,709 | 661,270 | 8.1% | (61,989) | 0 | 0 | 0 | 0 | \$23.20 |
| 2009 2q | 534 | 8,114,709 | 599,281 | 7.4% | 45,402 | 0 | 0 | 0 | 0 | \$23.61 |
| 2009 1q | 534 | 8,114,709 | 644,683 | 7.9% | (30,189) | 1 | 2,643 | 0 | 0 | \$23.55 |
| 2008 4q | 533 | 8,112,066 | 611,851 | 7.5% | (1,516) | 0 | 0 | 1 | 2,643 | \$23.71 |
| 2008 3q | 533 | 8,112,066 | 610,335 | 7.5% | (25,776) | 0 | 0 | 1 | 2,643 | \$23.31 |

Source: CoStar Property®

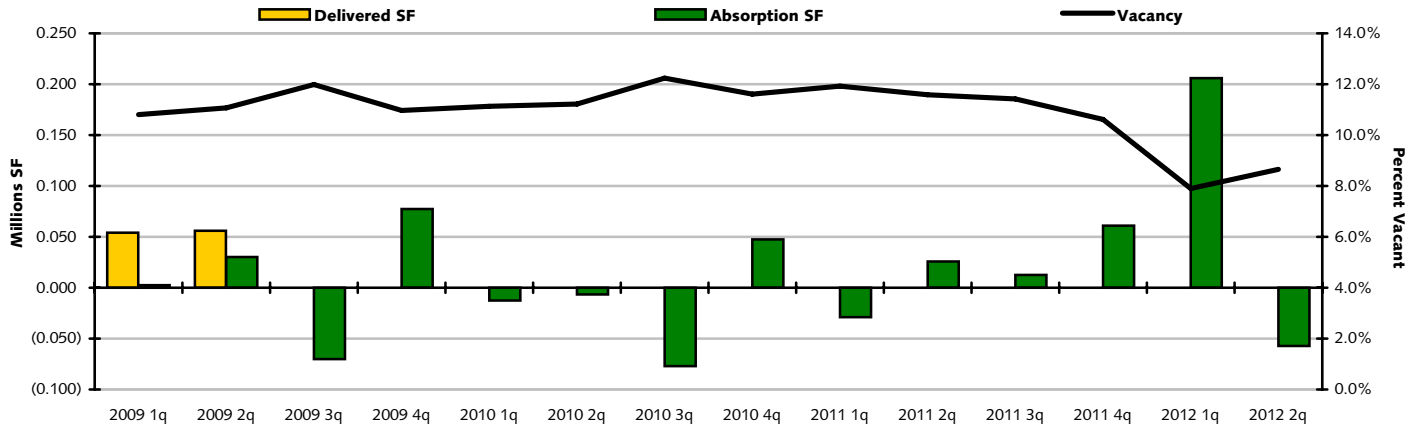
LOS ANGELES OFFICE MARKET

VENTURA NORTH MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"



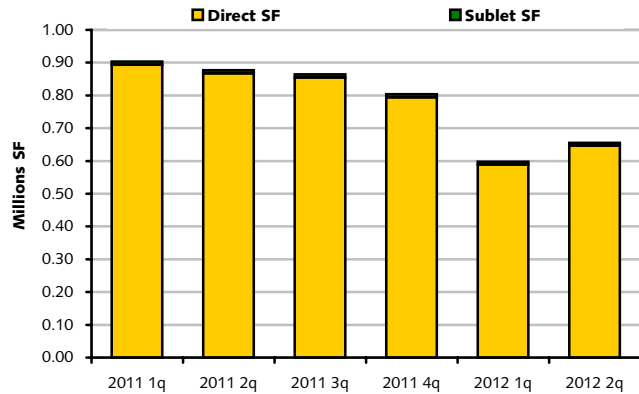
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

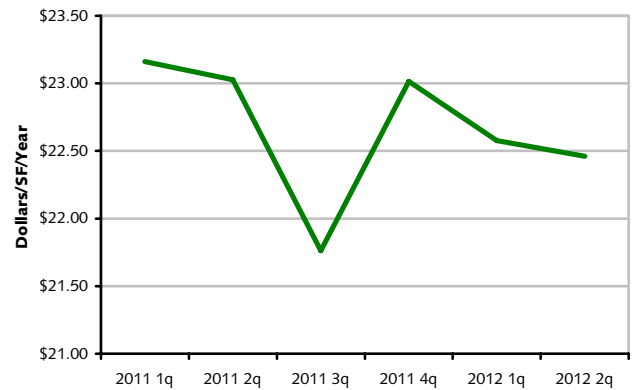
Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|-----------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 816 | 7,570,093 | 655,094 | 8.7% | (57,233) | 0 | 0 | 0 | 0 | \$22.46 |
| 2012 1q | 816 | 7,570,093 | 597,861 | 7.9% | 205,935 | 0 | 0 | 0 | 0 | \$22.58 |
| 2011 4q | 816 | 7,570,093 | 803,796 | 10.6% | 60,903 | 0 | 0 | 0 | 0 | \$23.01 |
| 2011 3q | 816 | 7,570,093 | 864,699 | 11.4% | 12,518 | 0 | 0 | 0 | 0 | \$21.76 |
| 2011 2q | 816 | 7,570,093 | 877,217 | 11.6% | 25,884 | 0 | 0 | 0 | 0 | \$23.03 |
| 2011 1q | 816 | 7,570,093 | 903,101 | 11.9% | (28,808) | 0 | 0 | 0 | 0 | \$23.16 |
| 2010 4q | 817 | 7,575,186 | 879,386 | 11.6% | 47,639 | 0 | 0 | 0 | 0 | \$24.09 |
| 2010 3q | 817 | 7,575,186 | 927,025 | 12.2% | (77,096) | 0 | 0 | 0 | 0 | \$23.37 |
| 2010 2q | 817 | 7,575,186 | 849,929 | 11.2% | (6,609) | 0 | 0 | 0 | 0 | \$24.15 |
| 2010 1q | 817 | 7,575,186 | 843,320 | 11.1% | (12,695) | 0 | 0 | 0 | 0 | \$24.17 |
| 2009 4q | 817 | 7,575,186 | 830,625 | 11.0% | 77,464 | 0 | 0 | 0 | 0 | \$24.07 |
| 2009 3q | 817 | 7,575,186 | 908,089 | 12.0% | (70,041) | 0 | 0 | 0 | 0 | \$23.54 |
| 2009 2q | 817 | 7,575,186 | 838,048 | 11.1% | 30,123 | 6 | 56,008 | 0 | 0 | \$23.83 |
| 2009 1q | 811 | 7,519,178 | 812,163 | 10.8% | 2,530 | 23 | 54,039 | 6 | 56,008 | \$24.36 |
| 2008 4q | 788 | 7,465,139 | 760,654 | 10.2% | (19,395) | 1 | 19,709 | 29 | 110,047 | \$24.75 |
| 2008 3q | 787 | 7,445,430 | 721,550 | 9.7% | 9,767 | 2 | 79,574 | 30 | 129,756 | \$23.91 |

Source: CoStar Property®

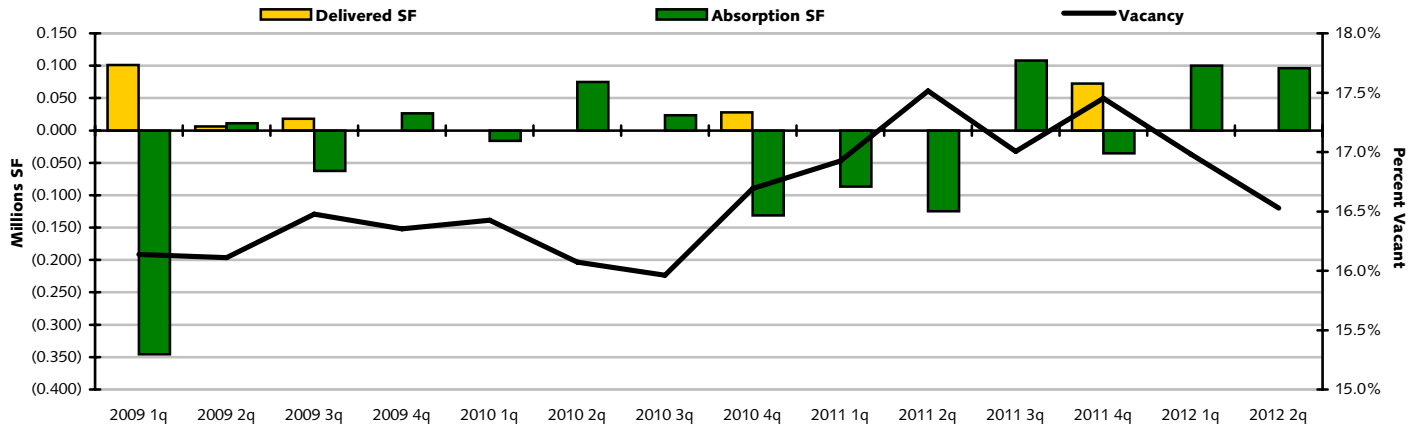


LOS ANGELES OFFICE MARKET

VENTURA SOUTH MARKET

MARKET HIGHLIGHTS - CLASS "A, B & C"

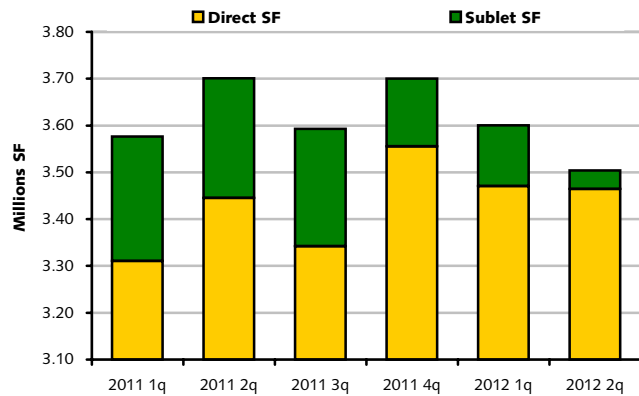
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

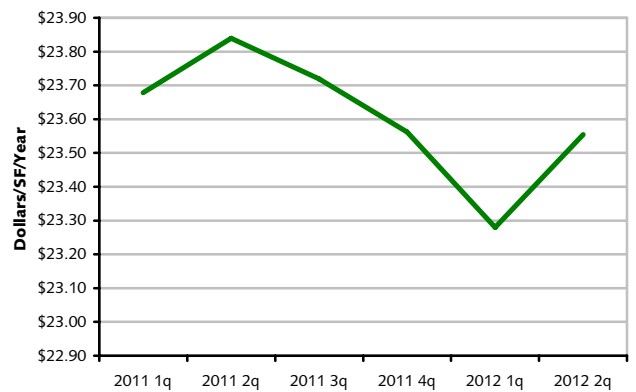
Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 996 | 21,202,642 | 3,504,259 | 16.5% | 96,255 | 0 | 0 | 5 | 277,912 | \$23.55 |
| 2012 1q | 996 | 21,202,642 | 3,600,514 | 17.0% | 99,925 | 0 | 0 | 4 | 259,912 | \$23.28 |
| 2011 4q | 996 | 21,202,642 | 3,700,439 | 17.5% | (35,113) | 2 | 72,292 | 2 | 116,912 | \$23.56 |
| 2011 3q | 994 | 21,130,350 | 3,593,034 | 17.0% | 107,919 | 0 | 0 | 4 | 189,204 | \$23.72 |
| 2011 2q | 994 | 21,130,350 | 3,700,953 | 17.5% | (124,570) | 0 | 0 | 4 | 189,204 | \$23.84 |
| 2011 1q | 994 | 21,130,350 | 3,576,383 | 16.9% | (86,794) | 0 | 0 | 4 | 189,204 | \$23.68 |
| 2010 4q | 997 | 21,175,229 | 3,534,468 | 16.7% | (131,106) | 1 | 28,000 | 3 | 154,304 | \$23.84 |
| 2010 3q | 996 | 21,147,229 | 3,375,362 | 16.0% | 23,600 | 0 | 0 | 4 | 182,304 | \$24.31 |
| 2010 2q | 996 | 21,147,229 | 3,398,962 | 16.1% | 74,925 | 0 | 0 | 3 | 144,912 | \$24.87 |
| 2010 1q | 996 | 21,147,229 | 3,473,887 | 16.4% | (15,929) | 0 | 0 | 3 | 144,912 | \$24.83 |
| 2009 4q | 996 | 21,147,229 | 3,457,958 | 16.4% | 26,552 | 0 | 0 | 2 | 116,912 | \$24.73 |
| 2009 3q | 996 | 21,147,229 | 3,484,510 | 16.5% | (62,408) | 1 | 18,268 | 2 | 116,912 | \$25.38 |
| 2009 2q | 995 | 21,128,961 | 3,403,834 | 16.1% | 11,275 | 1 | 6,392 | 3 | 135,180 | \$25.89 |
| 2009 1q | 994 | 21,122,569 | 3,408,717 | 16.1% | (345,454) | 4 | 100,857 | 4 | 141,572 | \$26.59 |
| 2008 4q | 990 | 21,021,712 | 2,962,406 | 14.1% | 48,041 | 15 | 235,960 | 8 | 242,429 | \$27.93 |
| 2008 3q | 975 | 20,785,752 | 2,774,487 | 13.3% | (38,977) | 34 | 463,699 | 21 | 361,477 | \$28.74 |

Source: CoStar Property®

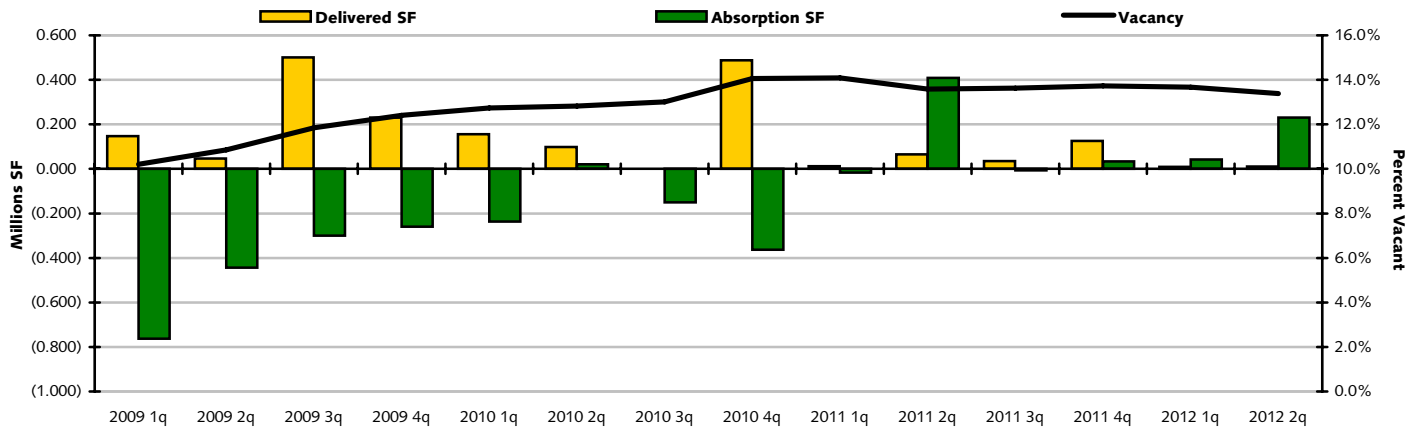
LOS ANGELES OFFICE MARKET

WEST LOS ANGELES MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

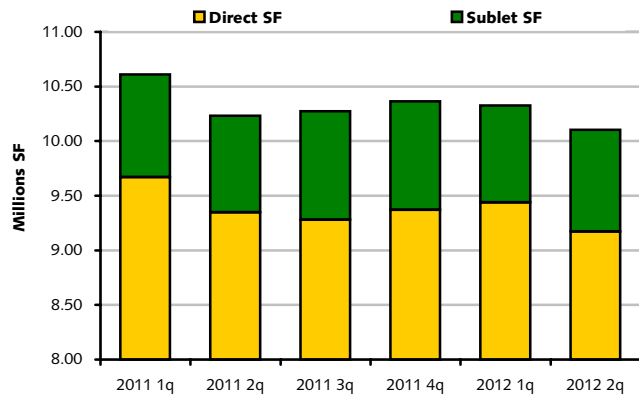


DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



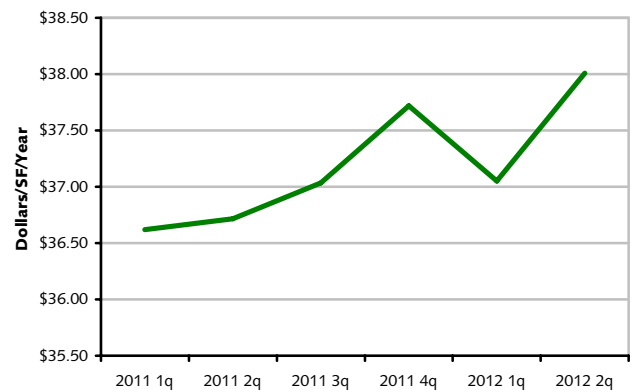
Source: CoStar Property®

VACANT SPACE Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES Historical Analysis, All Classes



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|------------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2012 2q | 2,446 | 75,514,966 | 10,104,403 | 13.4% | 231,114 | 1 | 10,104 | 0 | 0 | \$38.01 |
| 2012 1q | 2,445 | 75,504,862 | 10,325,413 | 13.7% | 41,611 | 1 | 8,500 | 1 | 10,104 | \$37.05 |
| 2011 4q | 2,446 | 75,502,152 | 10,364,314 | 13.7% | 33,723 | 2 | 125,112 | 2 | 18,604 | \$37.72 |
| 2011 3q | 2,444 | 75,377,040 | 10,272,925 | 13.6% | (6,611) | 1 | 35,221 | 4 | 143,716 | \$37.03 |
| 2011 2q | 2,443 | 75,341,819 | 10,231,093 | 13.6% | 408,903 | 2 | 65,647 | 5 | 178,937 | \$36.72 |
| 2011 1q | 2,442 | 75,312,872 | 10,611,049 | 14.1% | (15,996) | 1 | 12,000 | 6 | 236,084 | \$36.62 |
| 2010 4q | 2,441 | 75,300,872 | 10,583,053 | 14.1% | (363,011) | 3 | 488,375 | 6 | 237,980 | \$36.85 |
| 2010 3q | 2,438 | 74,812,497 | 9,731,667 | 13.0% | (150,507) | 0 | 0 | 9 | 726,355 | \$37.46 |
| 2010 2q | 2,439 | 74,823,462 | 9,592,125 | 12.8% | 21,322 | 3 | 98,611 | 8 | 678,940 | \$38.18 |
| 2010 1q | 2,436 | 74,724,851 | 9,514,836 | 12.7% | (236,687) | 2 | 155,601 | 10 | 727,551 | \$38.28 |
| 2009 4q | 2,436 | 74,718,706 | 9,272,004 | 12.4% | (259,216) | 5 | 229,986 | 11 | 864,920 | \$38.69 |
| 2009 3q | 2,432 | 74,533,820 | 8,827,902 | 11.8% | (300,012) | 2 | 500,943 | 16 | 1,094,906 | \$40.13 |
| 2009 2q | 2,431 | 74,045,434 | 8,039,504 | 10.9% | (443,011) | 2 | 46,000 | 17 | 1,584,849 | \$41.14 |
| 2009 1q | 2,429 | 73,999,434 | 7,550,493 | 10.2% | (763,377) | 1 | 147,167 | 19 | 1,630,849 | \$42.29 |
| 2008 4q | 2,428 | 73,852,267 | 6,639,949 | 9.0% | (821,541) | 3 | 56,719 | 15 | 1,398,492 | \$44.66 |
| 2008 3q | 2,426 | 73,809,255 | 5,775,396 | 7.8% | (273,850) | 3 | 153,726 | 17 | 1,436,785 | \$46.20 |

Source: CoStar Property®