



Office Market Report

Los Angeles - CA

PREPARED BY



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OFFICE MARKET REPORT

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12 Mo Deliveries in SF

2.5M

12 Mo Net Absorption in SF

(4.9M)

Vacancy Rate

15.2%

12 Mo Rent Growth

0%

Conditions in Los Angeles' office market remain bleak on a market-wide basis. Vacancy, 15.2%, continues to rise in the third quarter. Gross leasing activity remains restrained relative to historical averages, with year-to-date volumes trending around 70-75% of the average activity seen during 2015-19, the years leading up to the pandemic. Additionally, numerous tenants continue to vacate space, whether upon lease expiration or moving out and putting their office space on the sublease market. The dramatic increase in sublease availabilities since early 2020, from 5.3 million SF to 12.0 million SF, an all-time high for the market, demonstrates that a multitude of firms have decided to downsize their office footprints. The outlook for the market is also bleak, with vacancy anticipated to continue to increase through at least the remainder of the year and 2024.

Given current conditions, it's unsurprising that rents have barely budged during the past three years. Average asking rates, \$42.00/SF, have seen flat of 0.0% during the past 12 months. When leases are executed, landlords generally offer higher concessions and tenant improvement monies than in the past. However, some landlords face a predicament where signing leases with such onerous incentives fails to make financial sense. In addition to the tenant holding more leverage in negotiations to demand higher tenant improvement monies, the inflation over the past year has caused tenant build-out costs to expand. According to local market experts, even 10-year leases may have to offer packages worth five to six years of the total rent collected during the lease to attract tenants.

With challenging market fundamentals, developers have become selective in commencing new office developments. The space underway, 4.2 million SF, is down from a recent high 8.8 million square feet. Just over 4 million square feet of new projects have commenced construction during the past 10 quarters,

around 45% of the starts activity seen from 17Q4 through 20Q1, the peak 10-quarter period for construction starts during the prior development cycle.

Soft market conditions combined with uncertainty on the long-term trajectory have resulted in several notable recent office sales trading this year for significant discounts to pricing that would likely have been seen before the onset of the pandemic. Most notably, the sale of Union Bank Plaza in late March for \$104 million (\$150/SF) represents a considerable loss for the seller, KBS, which acquired the property in 2010 for \$208 million and invested significant capital into the asset.

Pessimism around the sector has also resulted in landlords defaulting on loans for their properties. Most notable has been Brookfield, the largest owner of office buildings in Downtown Los Angeles, which has defaulted on three of its towners, 777 Figueroa, Ernst & Young Plaza, and Gas Company Tower. Ernst & Young Plaza went into receivership in May and Gas Company Tower went into receivership in April.

While undoubtedly big picture the sector faces pains, there have been pockets of relative resiliency in the market. The market's newest properties have generally seen positive absorption during the past several years, as tenants upgrade to latest-generation space. Smaller buildings have seen vacancy rise notably less in recent years, with properties under 50,000 SF seeing vacancy rise by over 370 basis points less than building over 50,000 SF. Vacancy in buildings under 50,000 SF, 8.4%, is less than half the rate in larger assets, 18.4%. Available sublease space is much lower in those properties, 1.0% versus 3.7% for larger assets. Additionally rent growth since early 2020, 4.3%, while not substantial, contrasts with rents holding flat in the 50,000-SF+ properties.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	174,217,071	21.3%	\$47.58	25.6%	(643,378)	0	3,768,718
3 Star	160,520,781	13.0%	\$40.11	15.5%	21,744	0	362,472
1 & 2 Star	102,570,253	8.1%	\$34.97	9.2%	(119,310)	0	44,475
Market	437,308,105	15.2%	\$41.93	18.1%	(740,944)	0	4,175,665

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.5%	10.9%	20.1%	15.2%	2023 Q3	6.8%	2007 Q3
Net Absorption SF	(4.9M)	738,754	(6,270,376)	13,256,333	2000 Q1	(10,011,130)	2021 Q1
Deliveries SF	2.5M	2,457,128	990,491	4,760,059	2002 Q3	626,975	1997 Q1
Rent Growth	0%	3.1%	-3.0%	14.9%	2007 Q3	-11.2%	2009 Q3
Sales Volume	\$3B	\$5.1B	N/A	\$11.5B	2017 Q3	\$774.8M	2009 Q4

Market conditions continue to erode in the Los Angeles office market. Vacancy stands at 15.2%, the highest level seen in CoStar's data extending back to 1996, and is up by around 550 basis points since early 2020. The increase is more than 200 basis points above the rise witnessed nationally. Most submarkets in Greater Los Angeles have experienced significant occupancy declines since early 2020, even in locations that historically are the most sought-after in the market, like Beverly Hills and Santa Monica.

Leasing activity remains restrained. The square footage of leases signed year to date was around 70-75% of activity seen in 2015-19, on average, during the five years leading up to the pandemic. While it is promising that leasing levels so far are up from 2020 and 2021, activity has been insufficient to stop the rise in vacancy. Numerous tenants continue to vacate space, whether upon lease expiration or moving out and putting their office space on the sublease market.

Available sublease space in the market, 12.0 million SF, represents 2.7% of the market's square footage. The percentage is slightly above the national average of 2.5%. Current levels in Los Angeles are more than double the amounts seen in early 2020. Elevated sublease space will inhibit landlords' ability to raise rental rates, as sublessors usually offer space at a discount to space directly leased by landlords. Sublet tenants typically cannot negotiate on lease length or tenant build outs. Sublessors are generally more concerned with recouping costs on no longer needed space, versus landlords who are more focused on maximizing profits at the building. Levels will need to decrease considerably for the market to demonstrate any marked improvement.

Although conditions market-wide are discouraging, specific locations in the metro have been relative outperformers in the current environment. Based on conversations with local office leasing brokers, Century City has been one location that has seen greater relative

tenant interest.

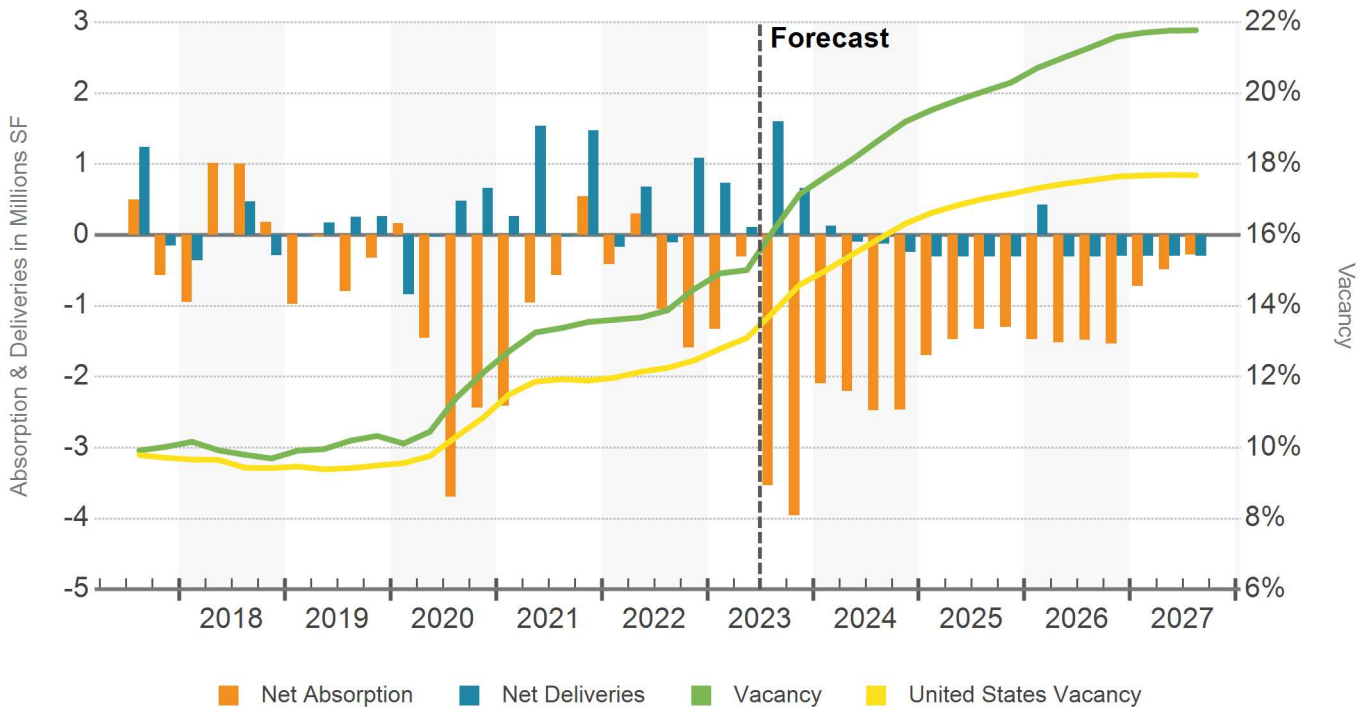
The submarket has long been a preferred location for more traditional tenants that value the submarket's cachet. In April, news surfaced that law firm Skadden will relocate from One California Plaza in Downtown Los Angeles to 2000 Avenue of the Stars in Century City. Skadden will vacate 96,000 SF Downtown and downsize to 57,000 SF at 2000 Avenue of the Stars. The lease is indicative of firms utilizing less space per worker and tenants migrating to higher-quality buildings in higher-quality locations.

While vacancy in Century City is higher than three years ago, it has come down from its peak in early 2022. The decline is notable given the general rise in vacancy the broader L.A. office market continues to experience.

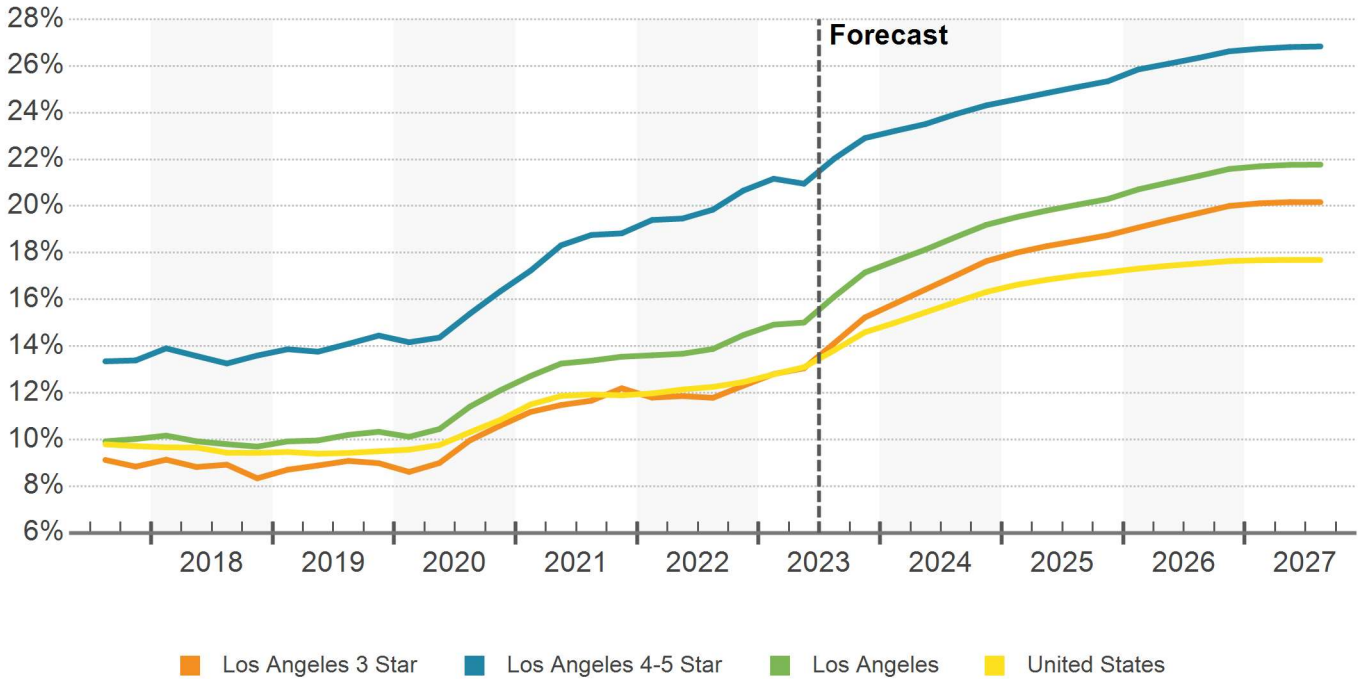
Tenants are being cautious about committing to leases, but there has been a clear preference by companies for the latest-generation space. Firms see the need to compete for talent and provide a stimulating environment that will entice workers to come into the office. Buildings in L.A. built in 2010 or later, in aggregate, are the only properties in the market that have witnessed positive net absorption during the past three years. Many U.S. office markets have also seen this dynamic.

Market weakness will persist for at least the near to midterm. CoStar's baseline economic scenario calls for a moderate recession this year that anticipates negative net absorption of around nine million SF in 2023. The forecast would result in far more negative net absorption than levels experienced in 2021 and 2022. Economic uncertainty, technology and finance layoffs, and a cooling entertainment sector will likely inhibit some office tenants from making space decisions. Additionally, the acceptance by many firms of hybrid work strategies suggests that occupiers could use less space per worker and hence shed space upon lease expiration in the years ahead.

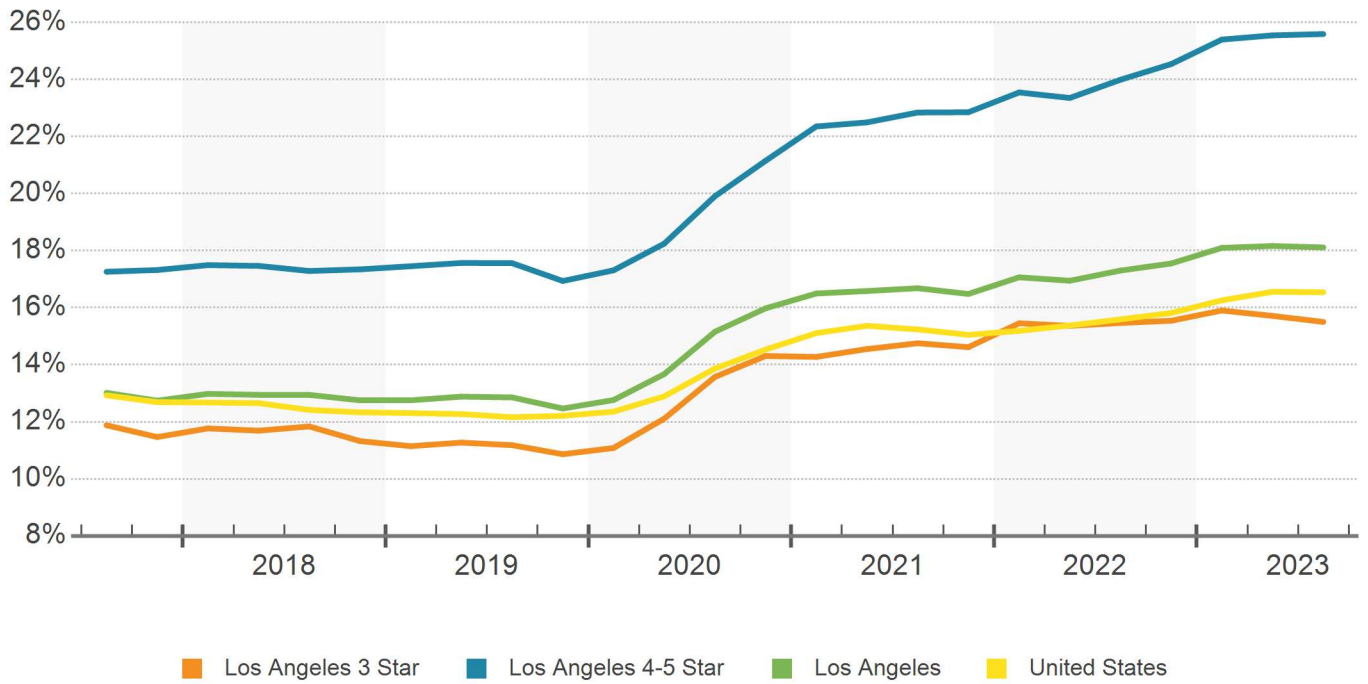
NET ABSORPTION, NET DELIVERIES & VACANCY



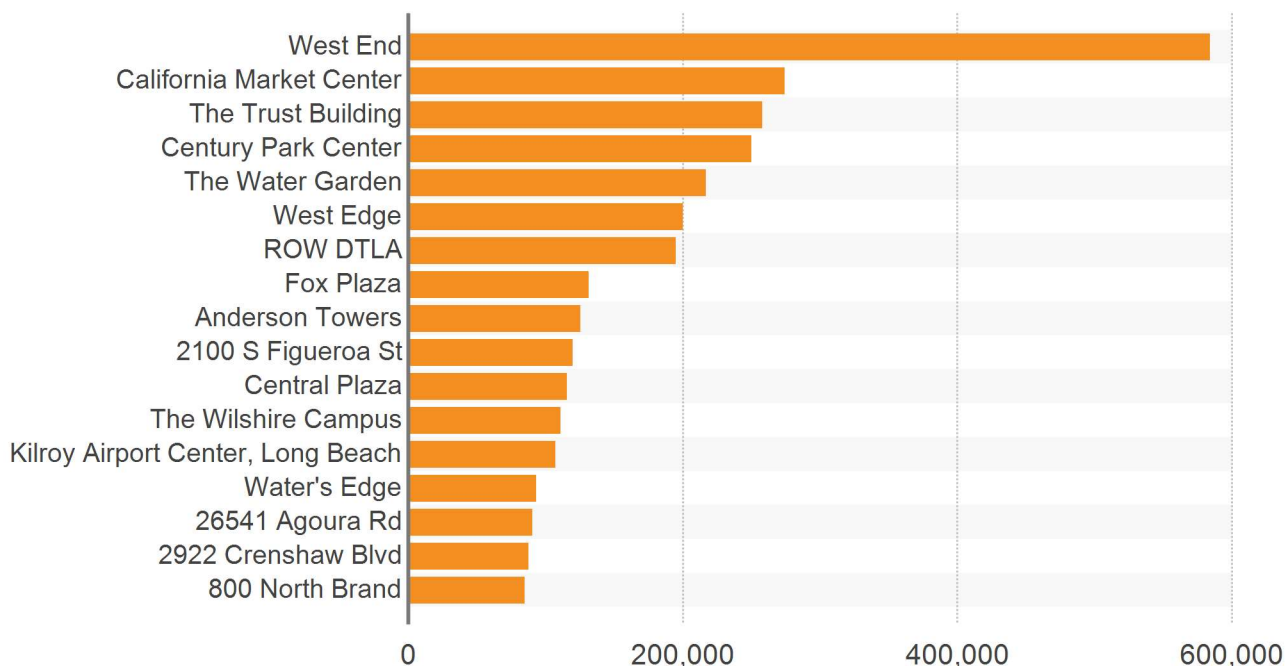
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
West End	West Los Angeles	584,000	0	0	584,000	0	0	584,000
California Market Center	Downtown Los Angeles	1,837,247	1,031,752	148,879	0	0	0	274,261
The Trust Building	Downtown Los Angeles	295,400	10,006	0	(18,213)	274,759	0	257,928
Century Park Center	West Los Angeles	258,544	0	0	250,000	0	0	250,000
The Water Garden	Santa Monica	278,713	8,664	9,047	199,157	0	0	216,868
West Edge	Olympic Corridor	255,615	55,733	199,882	0	0	0	199,882
ROW DTLA	Downtown Los Angeles	425,131	99,310	0	149,498	0	0	195,052
Fox Plaza	Century City	768,158	118,400	6,550	80,864	(8,929)	0	131,542
Anderson Towers	Century City	627,136	88,751	(21,190)	98,111	0	0	125,288
2100 S Figueroa St	Mid-Cities	135,000	0	0	0	0	0	120,000
Central Plaza	Koreatown	189,936	0	0	115,527	0	0	115,527
The Wilshire Campus	Park Mile	143,000	0	0	110,975	0	0	110,975
Kilroy Airport Center, Long Beach	Long Beach: Suburban	138,441	31,046	0	80,967	26,428	0	107,395
Water's Edge	Marina Del Rey/Venice	182,955	0	93,121	0	0	0	93,121
26541 Agoura Rd	Calabasas/Westlake...	90,371	0	90,371	0	0	0	90,371
2922 Crenshaw Blvd	Culver City	87,486	0	0	87,486	0	0	87,486
800 North Brand	Glendale	530,000	53,364	0	26,749	0	0	85,000
Subtotal Primary Competitors		6,827,133	1,497,026	526,660	1,765,121	292,258	0	3,044,696
Remaining Los Angeles Market		430,480,972	64,880,646	(1,856,639)	(2,069,606)	(1,033,202)	0	(7,923,730)
Total Los Angeles Market		437,308,105	66,377,672	(1,329,979)	(304,485)	(740,944)	0	(4,879,034)

TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
401 Golden Shore	Long Beach: Downtown	253,170	Q4 22	California State University	-	-
Wilshire Courtyard	Miracle Mile	246,642	Q1 23	Sony Pictures	Savills	Cushman & Wakefield
Anderson Towers	Century City	206,000	Q4 22	Ares Management Corp	Savills;WESTMAC...	CBRE;LA Realty Partners
Western Asset Plaza *	Pasadena	184,581	Q4 22	Western Asset Managem...	CBRE	CBRE;Colliers
13401 Crossroads Pky N	Eastern SGV	144,000	Q4 22	Los Angeles County Regi...	Cushman & Wakefield	Majestic Realty Co.
2100 S Figueroa St	Mid-Cities	135,000	Q3 22	Trophy Automotive Dealer...	Avison Young	-
Sunset Gower Studios	Hollywood	114,000	Q1 23	Picture Shop	-	-
Pomona Ranch Plaza *	Eastern SGV	100,000	Q4 22	San Gabriel Pomona Valley	-	CBRE
Campus at Playa Vista	Marina Del Rey/Venice	93,949	Q4 22	Apple	-	Hines
24255 Pacific Coast Hwy	Santa Monica Mountains	91,528	Q4 22	Pepperdine University	-	-
26541 Agoura Rd	Calabasas/Westlake Vill	90,370	Q1 23	Naked Wardrobe	-	-
611 North Brand	Glendale	83,051	Q1 23	Los Angeles County	Cresa	Kidder Mathews
Agoura Business Park III	Calabasas/Westlake Vill	75,994	Q3 22	A2 Biotherapeutics	Cushman & Wakefield	CBRE
Del Amo	Torrance	70,393	Q3 22	Chemical Guys	Cushman & Wakefield	Cushman & Wakefield
1840 Victory	Burbank	67,712	Q2 23	The Switch	-	Savills
LUMEN West LA	Olympic Corridor	61,787	Q1 23	Fifth Season	-	McCarthy Cook & Co.
Century Park	Century City	57,887	Q1 23	Skadden	-	CBRE
Renaissance at City Center	Carson	54,347	Q2 23	ConAm - Renaissance at...	-	-
Bank Of America Plaza	Downtown Los Angeles	52,966	Q4 22	Musick, Peeler & Garrett...	Cushman & Wakefield	Brookfield Properties
Playa District *	Marina Del Rey/Venice	52,508	Q1 23	Sony Interactive Entertain...	-	JLL
655 S Santa Fe Ave	Downtown Los Angeles	51,898	Q2 23	Senior Care Center	-	Savills
Pacific Technology Center *	El Segundo	50,823	Q4 22	DaVita Kidney Care	-	Cushman & Wakefield
BA/SE	Hollywood	50,112	Q2 23	-	-	Lincoln Property Comp...
Corporate Pointe At West Hills	Western SFV	49,140	Q1 23	Quest Diagnostics	-	Colliers
FourFortyFour South Flower *	Downtown Los Angeles	48,894	Q2 23	Morgan Stanley	-	JLL
Two California Plaza	Downtown Los Angeles	47,567	Q3 22	Alston & Bird LLP	-	JLL
888 Walnut	Pasadena	47,408	Q1 23	BYD	-	CBRE
California Plaza	Downtown Los Angeles	47,293	Q2 23	-	-	JLL
Figueroa at Wilshire	Downtown Los Angeles	44,426	Q1 23	-	-	Brookfield Properties
Symantec Southern California Campus	Culver City	44,000	Q3 22	Spotter	Cushman & Wakefield	LA Realty Partners
Continental Grand *	El Segundo	42,714	Q1 23	Regus	-	Colliers
Fox Plaza	Century City	42,006	Q4 22	-	-	Irvine Company Office...
McCaslin Business Park *	Western SGV	42,000	Q2 23	Los Angeles County Sheri...	Cresa	CBRE
Century Park	Century City	41,800	Q3 22	Willkie Farr & Gallagher LLP	CBRE	CBRE
1777-1779 Vine St	Hollywood	39,245	Q1 23	AMDA Inc	-	-
The Lot	West Hollywood	38,687	Q4 22	HartBeat Productions	Raise Commercial R...	JLL
801 Tower	Downtown Los Angeles	37,675	Q3 22	Sunrise Brands	-	Avison Young
5435-5445 Balboa Blvd	Encino	37,515	Q2 23	-	-	Lee & Associates Com...
11601 Wilshire	Brentwood	37,162	Q1 23	-	-	LA Realty Partners
1733 Ocean Ave	Santa Monica	36,659	Q4 22	lululemon Athletica, Inc.	-	Lee & Associates - We...

Renewal

Office asking rates in the L.A. metro are mainly holding steady in the third quarter. According to local leasing brokers, many landlords are firm on asking rates, and instead offer more concessions. For many owners, achieving a higher face rate and offering concessions to lower the effective rent is better. Lenders look at the property from a longer-term perspective. They are focused on whether the net operating income from the property going forward will be able to service the debt on the building.

However, some landlords face a predicament where executing leases with such onerous incentives doesn't make financial sense. In addition to the tenant holding more leverage in negotiations to demand higher tenant improvement monies, the inflation over the past year has caused tenant build-out costs to expand. According to local market experts, even 10-year leases may have to offer packages worth five to six years of the total rent collected during the lease to attract tenants. This dynamic keeps some spaces vacant.

Landlords also need to compete with sublease space that is usually offered at a discount (see leasing section for more detail). For example, at the Marina Park complex in Marina del Rey, a 3,800-SF sublease space with over two years remaining lease term has an asking rent of \$2.75/SF per month full service gross. The landlord, LaSalle Investment Management, is marketing similarly sized direct space for 90% more, \$5.25/SF per

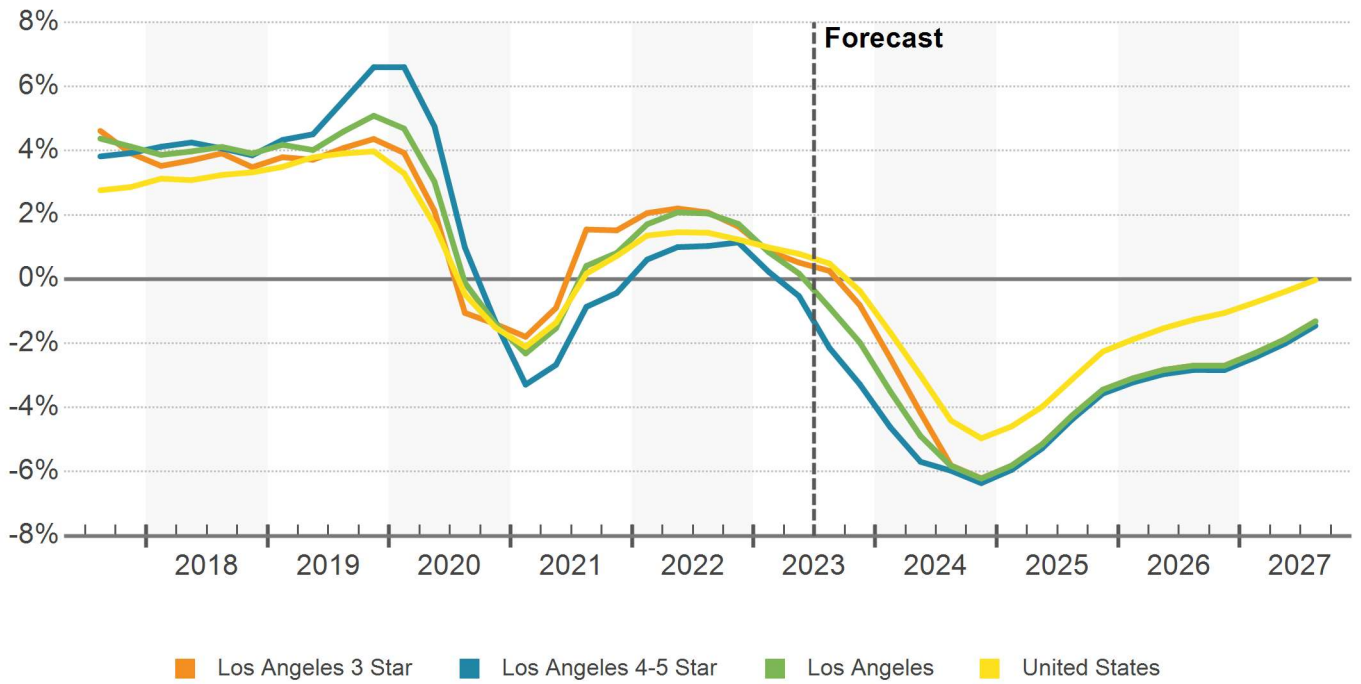
month full service gross for three- to five-year leases. Tenants of this size range often prefer shorter lease terms, therefore the sublease option would likely be desirable for many tenants considering leasing space directly from LaSalle.

Average office asking rates in Los Angeles stand at \$42.00/SF. The Los Angeles office market saw rents increase by 50% from 2011 through early 2020. L.A. outpaced the nation during this time, with cumulative gains under 40%. Rent growth in L.A. reached as high as 8.4% in early 2016 and witnessed annual increases above inflation through 2019.

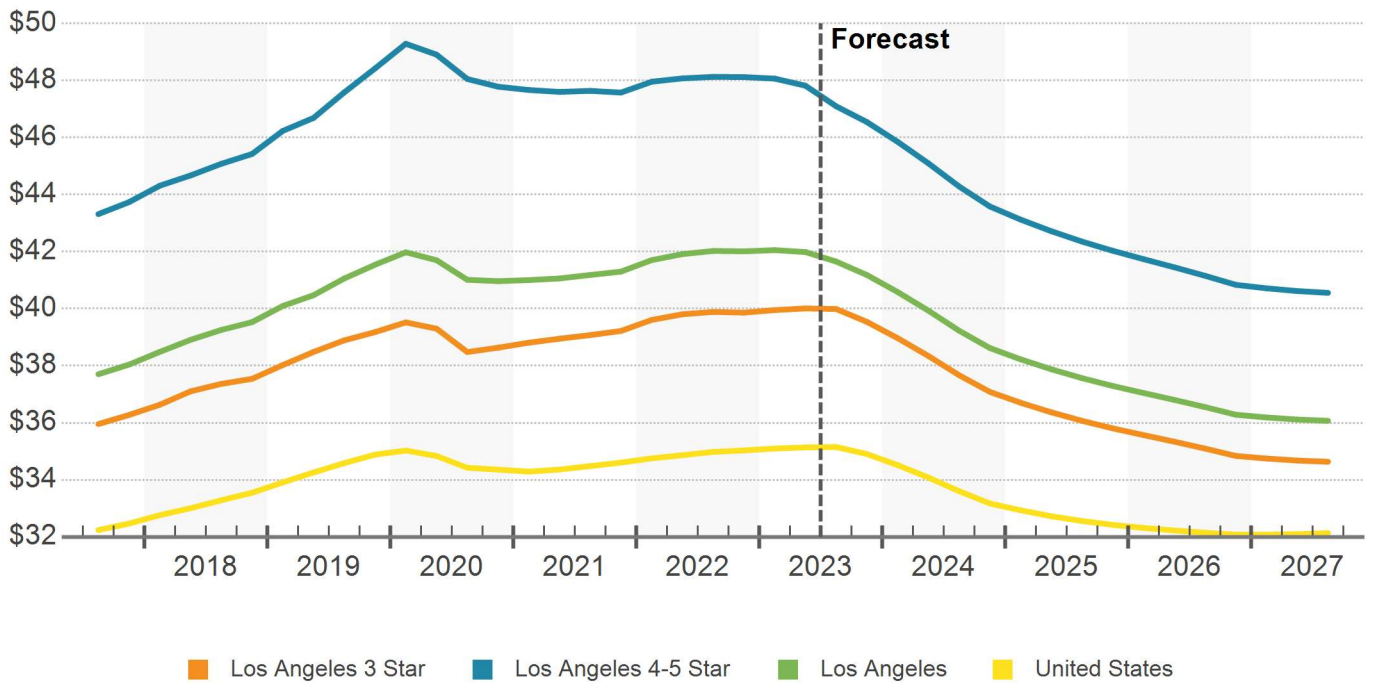
Amongst major U.S. office markets, recent rent movements have been on par with the national average, with most markets seeing asking rents hold flat or increase minimally. Markets seeing the highest year-over-year gains include many Sun Belt metros, where job growth has been more robust and a higher percentage of workers have returned to the office.

Considering the current weak leasing environment and still-record levels of available sublease space, landlords have little leverage over tenants to push rents. Concessions for leases executed are also likely to remain elevated. With vacancy forecast to continue to ascend, the outlook calls for rents to decline for at least the near to mid term.

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Los Angeles	\$0.85	\$1.73	\$1.24	\$5.38	\$8.21	\$17.41
Antelope Valley	\$0.63	\$1.34	\$0.94	\$3.47	\$5.69	\$12.07
Burbank/Glendale/Pasadena	\$1.06	\$1.69	\$1.18	\$5.01	\$6.15	\$15.09
Downtown Los Angeles	\$1.08	\$2.05	\$0.79	\$4.68	\$13.19	\$21.79
Mid-Cities	\$0.73	\$1.12	\$0.61	\$3.51	\$6.79	\$12.76
Mid-Wilshire	\$0.69	\$1.84	\$1.11	\$5.23	\$8.88	\$17.75
San Fernando Valley	\$0.80	\$1.54	\$1.13	\$4.43	\$6.45	\$14.35
San Gabriel Valley	\$0.89	\$1.80	\$1.06	\$4.28	\$5.33	\$13.36
Santa Clarita Valley	\$0.84	\$1.45	\$0.88	\$4.38	\$4.62	\$12.17
South Bay	\$0.69	\$1.46	\$1.01	\$5.59	\$6.88	\$15.63
Southeast Los Angeles	\$0.80	\$1.97	\$1.10	\$2.92	\$6.44	\$13.23
West Los Angeles	\$0.83	\$1.81	\$1.77	\$6.59	\$9.02	\$20.02

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Los Angeles	\$0.72	\$1.41	\$0.66	\$4.48	\$4.47	\$11.74
Antelope Valley	\$0.57	\$0.98	\$0.76	\$3.19	\$3.12	\$8.62
Burbank/Glendale/Pasadena	\$0.82	\$1.56	\$0.64	\$3.98	\$4.72	\$11.72
Downtown Los Angeles	\$1.01	\$1.92	\$0.66	\$2.99	\$8.70	\$15.28
Mid-Cities	\$0.59	\$0.86	\$0.46	\$3.83	\$3.21	\$8.95
Mid-Wilshire	\$0.66	\$1.69	\$0.74	\$4.49	\$4.90	\$12.48
NE LA County Outlying	\$0.72	\$1.41	\$0.72	\$1.50	\$4.81	\$9.16
NW LA County Outlying	\$0.60	\$1.04	\$0.81	\$3.31	\$3.31	\$9.07
San Fernando Valley	\$0.68	\$1.16	\$0.85	\$3.92	\$3.89	\$10.50
San Gabriel Valley	\$0.83	\$1.73	\$0.63	\$3.98	\$2.82	\$9.99
Santa Clarita Valley	\$0.66	\$0.86	\$0.56	\$4.39	\$2.44	\$8.91
South Bay	\$0.62	\$1.29	\$0.41	\$4.38	\$4.55	\$11.25
Southeast Los Angeles	\$0.70	\$1.66	\$0.48	\$3.54	\$3.76	\$10.14
West Los Angeles	\$0.74	\$1.38	\$0.78	\$6.55	\$5.72	\$15.17

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Los Angeles	\$0.65	\$1.09	\$0.46	\$4.08	\$2.49	\$8.77
Antelope Valley	\$0.57	\$0.79	\$0.20	\$2.62	\$2.69	\$6.87
Burbank/Glendale/Pasadena	\$0.75	\$1.30	\$0.53	\$3.85	\$2.26	\$8.69
Downtown Los Angeles	\$0.61	\$0.85	\$0.42	\$3.07	\$6.15	\$11.10
East LA County Outlying	\$0.74	\$1.22	\$0.48	\$1.66	\$2.14	\$6.24
Mid-Cities	\$0.55	\$0.76	\$0.32	\$3.27	\$3.08	\$7.98
Mid-Wilshire	\$0.60	\$1.31	\$0.61	\$4.76	\$2.89	\$10.17
NE LA County Outlying	\$0.79	\$1.36	\$0.58	\$1.08	\$1.95	\$5.76
San Fernando Valley	\$0.59	\$0.93	\$0.46	\$3.88	\$1.71	\$7.57
San Gabriel Valley	\$0.77	\$1.21	\$0.47	\$3.69	\$1.87	\$8.01
Santa Clarita Valley	\$0.66	\$0.78	\$0.38	\$5.12	\$2.32	\$9.26
South Bay	\$0.60	\$0.90	\$0.21	\$3.76	\$2.29	\$7.76
Southeast Los Angeles	\$0.63	\$0.77	\$0.22	\$2.92	\$3.04	\$7.58
West Los Angeles	\$0.64	\$1.21	\$0.62	\$5.50	\$2.93	\$10.90

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

The past 12 months saw 1.8 million SF of net new office space complete, elevated levels relative to history. In the past decade, deliveries averaged 840,000 SF annually. The new space represents around 0.5% of the market's square footage. While not the primary driver of the increase in vacancy during this period, it was a contributing factor.

In the Culver City Submarket, Samitaur Constructs completed (W)rapper at the beginning of this year. The 180,000-SF, 16-story tower next to the Expo/La Cienega LA Metro stop delivered 100% available. Samitaur has been an active developer in the area for years, having redeveloped several industrial buildings into creative office space in the Hayden Tract section of the submarket.

In the Olympic Corridor, the 255,000-SF West Edge mixed-use development came on line in 23Q1. Riot Games leased the 200,000-SF office portion in 2021. The undertaking was a joint venture between Hines, USAA Real Estate, and Philena Properties. The mixed-use development is on a 4.8-acre site formerly used by a Cadillac dealership that Hines purchased for \$100 million (\$21 million/acre) in early 2019. The project also includes 600 multifamily units and 90,000 SF of retail space.

Given market weakness during the past several years, developers have been selective when kicking off projects since late 2020. The 4.2 million SF underway is also down from a recent high of 8.8 million SF in the second half of 2020. Starts activity has cooled considerably, with just over 4 million square feet of new projects starting construction during the past 10 quarters, around 45% of the square footage of starts seen from 17Q4 through 20Q1, the peak 10-quarter period for starts before the

onset of the pandemic.

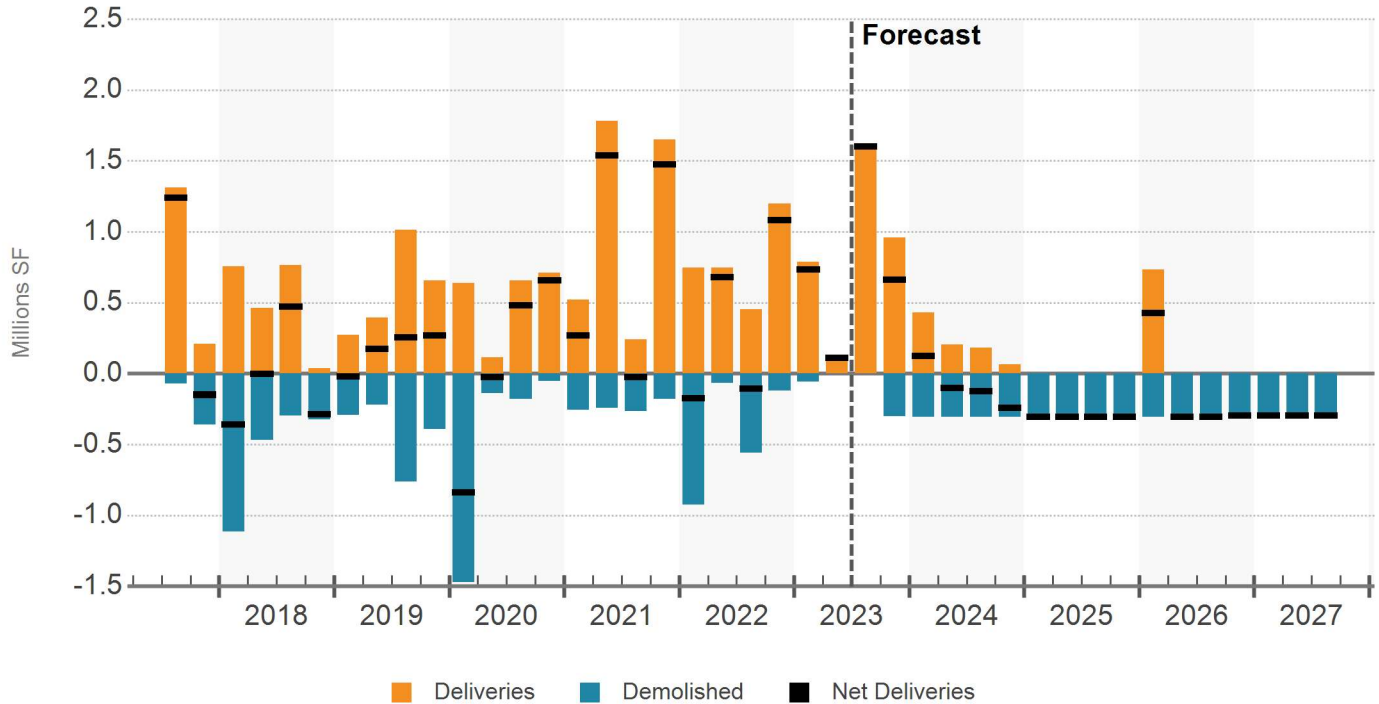
While construction activity is down, some developers see opportunity in today's environment. Newer properties have outperformed the Greater L.A. office market (see leasing section for more detail). Developers recently commenced work on two speculative projects.

In Century City, JMB Realty started work this year on 1950 Avenue of the Stars, a 37-story, 730,000-SF tower. The project represents the largest speculative project in L.A. since 2000 Avenue of the Stars in 2004. Creative Artists Agency anchors the project, committing to 400,000 SF in early 2022. The tower will complete in 2026. JMB must be confident there will be demand for the remainder of the space. Despite the office sector's woes, Century City has been one of the more resilient locations in Greater Los Angeles during the past several years (see leasing section for more detail).

In Marina Del Rey, The Bradmore Group commenced work on a three-building, 150,000-SF creative campus dubbed 42XX in the second half of last year. The project will deliver in 2024. It may surprise some that Bradmore moved forward with the project, given the Marina Del Rey/Venice Submarket has a vacancy rate of over 25%, one of the highest among submarkets in Greater Los Angeles.

But the area's newer assets have received greater tenant interest within the submarket. As prime examples, in 2022, Google leased 150,000 SF and Apple leased just under 100,000 SF in 2009-vintage properties in the submarket in Playa Vista. Some tenants are trading up to newer buildings at the expense of older assets. The developers of 1950 Avenue of the Stars and 42XX hope that dynamic will persist.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory				Average Building Size			
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Burbank	2	800	800	100%	1	23,564	400,000	2
2	Century City	1	731	731	100%	1	265,940	731,250	1
3	El Segundo	2	389	173	44.5%	7	67,433	194,531	4
4	Studio/Universal Cities	1	331	331	100%	1	15,048	331,000	3
5	Downtown Los Angeles	3	293	105	35.8%	8	149,105	97,700	5
6	Culver City	8	236	42	17.8%	10	20,433	29,466	10
7	Glendale	3	229	43	18.7%	9	16,687	76,432	6
8	Pasadena	3	202	200	98.9%	4	20,483	67,417	7
9	Beach Cities/Palos Verdes	4	185	175	94.4%	5	11,924	46,350	9
10	Santa Monica	3	178	89	50.1%	6	26,530	59,458	8
	All Other	15	600	264	44.1%		20,212	40,014	
Totals		45	4,176	2,954	70.7%		24,820	92,793	

Under Construction Properties

Los Angeles Office

Properties

Square Feet

Percent of Inventory

Released

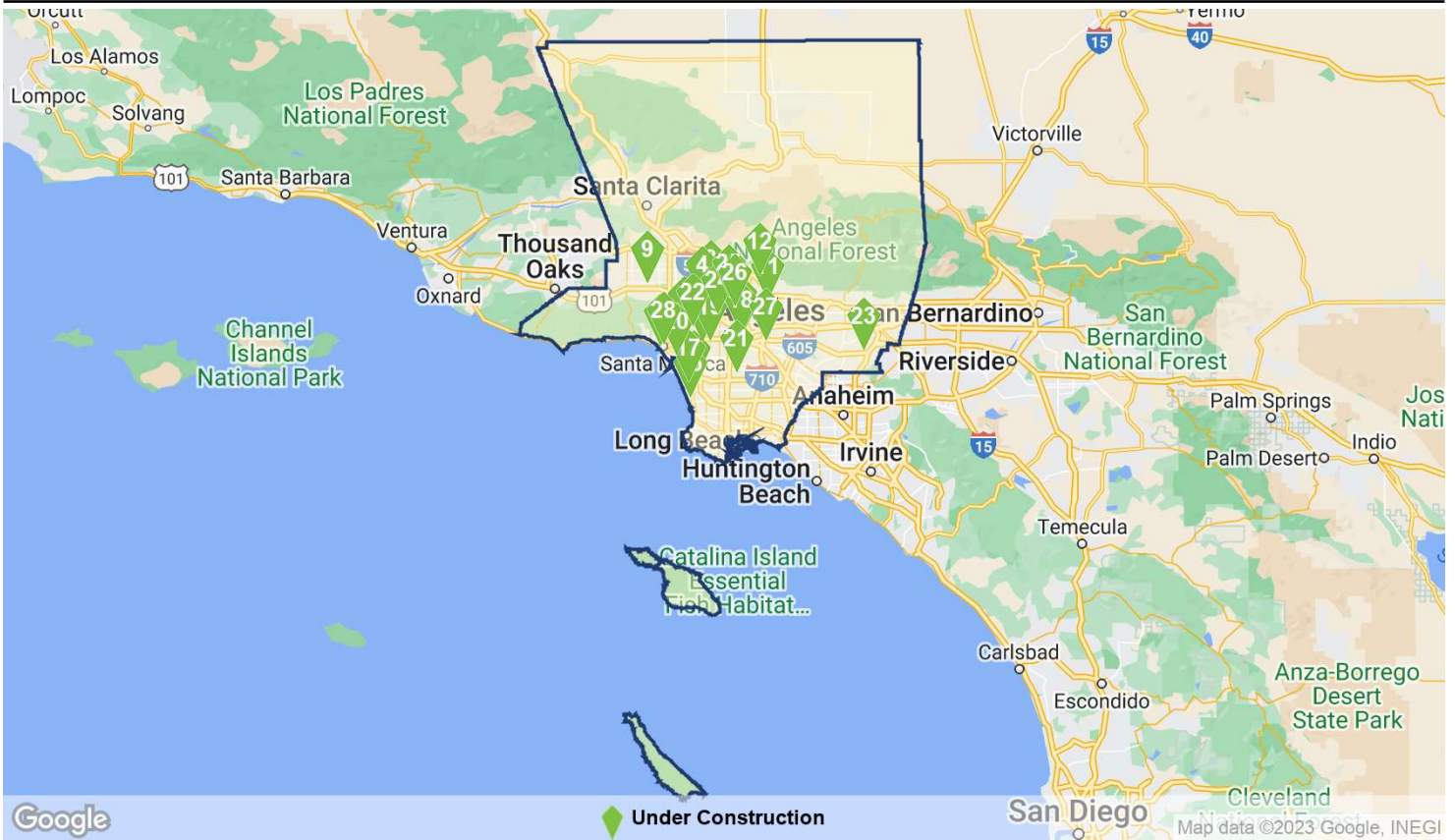
45

4,175,665

1.0%

70.7%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Century City Center 1950 Avenue of the Stars	★★★★★	731,250	37	Jan 2023	Jan 2026	JMB Realty -
2 Second Century Expansi... 3000 W Alameda Ave	★★★★☆	445,000	9	Sep 2020	Aug 2023	Worthe Real Estate Group Worthe Real Estate Group
3 Second Century Expansi... 3000 W Alameda Ave	★★★★☆	355,000	7	Sep 2020	Aug 2023	Worthe Real Estate Group Worthe Real Estate Group
4 100 Universal City Plz	★★★★☆	331,000	11	Nov 2021	Oct 2023	Aurora Development, Inc. NBCUniversal
5 200 S Nash St	★★★★★	324,000	1	Mar 2022	Aug 2023	- Continental Development Corpor...
6 South Building 4561 Colorado Blvd	★★★★☆	145,674	2	Jan 2023	Jan 2024	- Westbrook Partners
7 843 N Spring St	★★★★☆	125,000	5	Feb 2021	Sep 2023	Redcar Properties LTD Redcar Properties LTD

Under Construction Properties

Los Angeles Office

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 520 Mateo St	★ ★ ★ ★ ★	105,000	6	Jan 2020	Nov 2023	Carmel Partners Carmel Partners
9 Instil Bio Inc 18404 Oxnard St	★ ★ ★ ★ ★	102,000	2	Dec 2021	Dec 2023	Alvarez & Marsal Holdings LLC Instil Bio, Inc.
10 315 Colorado Ave	★ ★ ★ ★ ★	100,000	2	Sep 2021	Dec 2023	- The Macerich Company
11 590 S Fair Oaks Ave	★ ★ ★ ★ ★	100,000	4	Oct 2022	May 2024	- -
12 4802 Oak Grove Dr	★ ★ ★ ★ ★	100,000	10	Aug 2022	Aug 2023	- -
13 Sketchers Design Center 2901 Pacific Coast Hwy	★ ★ ★ ★ ★	100,000	2	May 2021	Aug 2023	McCarthy Building Co Inc -
14 Building 2 4204 Glencoe Ave	★ ★ ★ ★ ★	75,371	3	Dec 2022	Jul 2024	- -
15 Skechers 305-319 S Sepulveda Blvd	★ ★ ★ ★ ★	75,000	3	Mar 2022	Aug 2023	- Skechers U.S.A., Inc.
16 5237 W Jefferson Blvd	★ ★ ★ ★ ★	71,732	3	Sep 2022	Sep 2023	- -
17 1330 E Franklin Ave	★ ★ ★ ★ ★	65,061	3	Apr 2023	Oct 2024	Smoky Hollow Industries LLC -
18 AtTraction 800-810 Traction Ave	★ ★ ★ ★ ★	63,100	6	Oct 2021	Oct 2023	- -
19 3000 Crenshaw Blvd	★ ★ ★ ★ ★	55,725	3	Apr 2022	Oct 2023	- -
20 Building 3 4204 Glencoe Ave	★ ★ ★ ★ ★	54,900	3	Jan 2023	Jul 2024	Bradmore Realty Investment Co Ltd Bradmore Realty Investment Co Ltd
21 Swinerton Kaiser Perma... 1465 E 103rd St	★ ★ ★ ★ ★	52,800	3	Dec 2021	Oct 2023	- Kaiser Permanente
22 9000 Wilshire Blvd	★ ★ ★ ★ ★	50,148	4	Jun 2021	Sep 2023	Skanska Skanska
23 Diamond Bar Business... 888 S Brea Canyon Dr	★ ★ ★ ★ ★	46,000	3	Jul 2022	Aug 2023	- Havadjia Holdings, Inc.
24 Create @ Sunset 5419 W Sunset Blvd	★ ★ ★ ★ ★	43,000	2	Nov 2022	Sep 2023	- Montana Avenue Capital Partner...
25 North Building 4561 Colorado Blvd	★ ★ ★ ★ ★	42,987	1	Jan 2023	Dec 2023	- Westbrook Partners
26 North Campus 3333 Casitas Ave	★ ★ ★ ★ ★	40,634	3	Apr 2023	Apr 2024	SteelWave, Inc. -
27 436 S Atlantic Blvd	★ ★ ★ ★ ★	40,000	2	Apr 2022	Nov 2023	- -
28 1650 Euclid St	★ ★ ★ ★ ★	39,375	3	Aug 2022	Aug 2023	- Redcar Properties LTD

Transaction activity during the past 12 months, \$3.0 billion, was well below historical averages. From 2013-19, the market averaged \$8.7 billion in office sales. Investors are cautious about deploying capital into the sector. Vacancy rates in most market locations are at record levels and concerns remain around how office tenants will utilize space in the longer term. Several recent sales demonstrate substantial discounts to previous sale prices.

Waterbridge Capital purchased Union Bank Plaza in Downtown Los Angeles from KBS in March for a net price of \$104 million (\$150/SF). Waterbridge purchased the property for \$110 million but assumed \$6 million in capital commitments to existing tenants. The buyer secured a \$75 million loan from BH Properties to finance the acquisition. KBS was under contract to sell the 700,000-SF tower for \$280 million in 2019, but the deal fell through. In early 2022, KBS was under contract to sell the building to Harbor Associates for \$165 million, but that deal also fell apart.

Waterbridge originally agreed to purchase the property for \$155 million in July 2022. The sale was delayed for months, as there were a dozen extensions to close the deal. KBS realized a significant loss, having paid \$208 million for the building in September 2010 and overseen extensive renovations of the lobby and common areas. The transaction represents the sale of an average high-rise in Downtown Los Angeles with significant vacancy. According to SEC filings, the building was only 57% leased in September last year.

In Hollywood, Elat Enterprises purchased the Taft Building at 1680 Vine St. in March from Ocean West Capital Partners for \$28 million (\$220/SF). The property was only 35% leased at the time of sale, impacting the purchase price. The sale price is a substantial discount

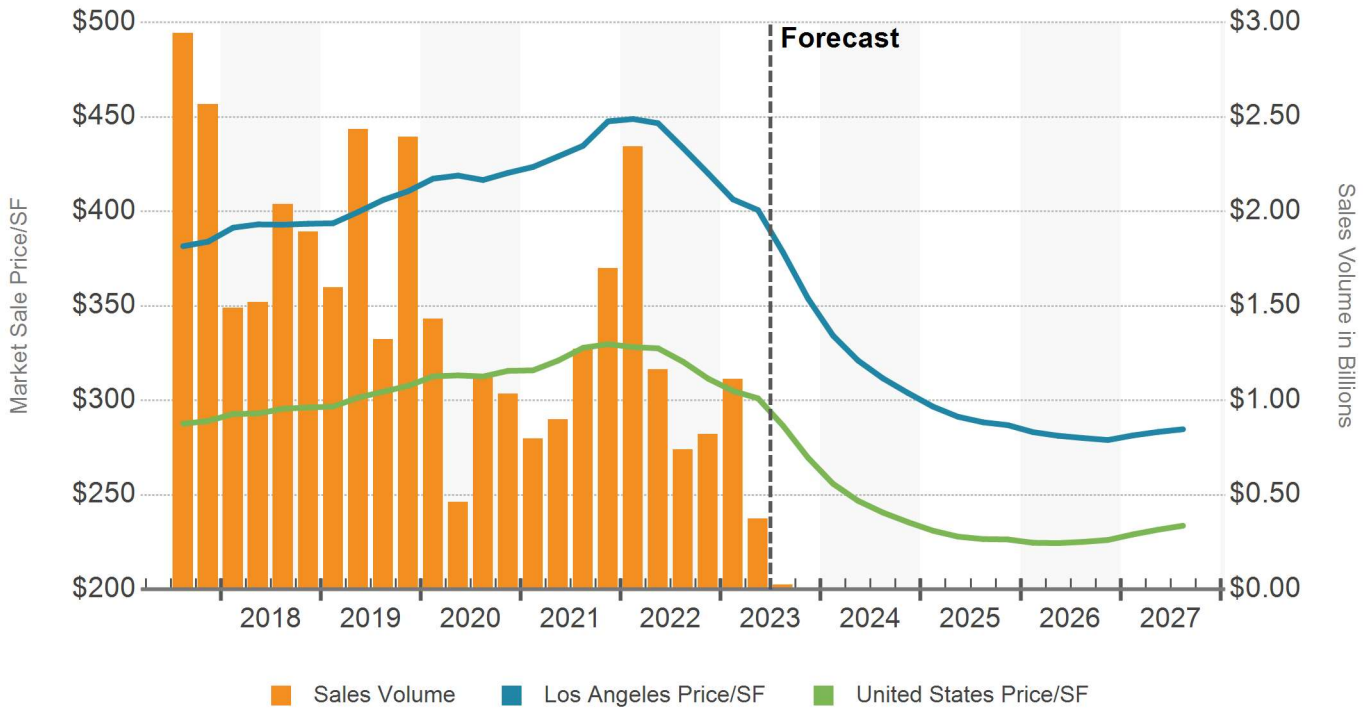
to the \$70 million (\$555/SF) Ocean West paid in June 2018 for the 126,000-SF asset. The 1920s-vintage building was renovated into creative office space before Ocean West's acquisition. Elat intends to still utilize the building for office use.

Future sales are likely to see discount pricing, as well. The owners of the PacMutual Building in Downtown Los Angeles, Ivanhoé Cambridge, are marketing the building for sale for \$100 million (\$215/SF). The asking price is half what Ivanhoé paid for the 464,000-SF property in September 2015. When it acquired the asset, it was 93% leased and was recently thoroughly renovated. The building has struggled with occupancy since, and today is around 60% leased. Demonstrating institutional capital sources are shifting away from office investments, Ivanhoé intends to rebalance its portfolio with more industrial and multifamily acquisitions.

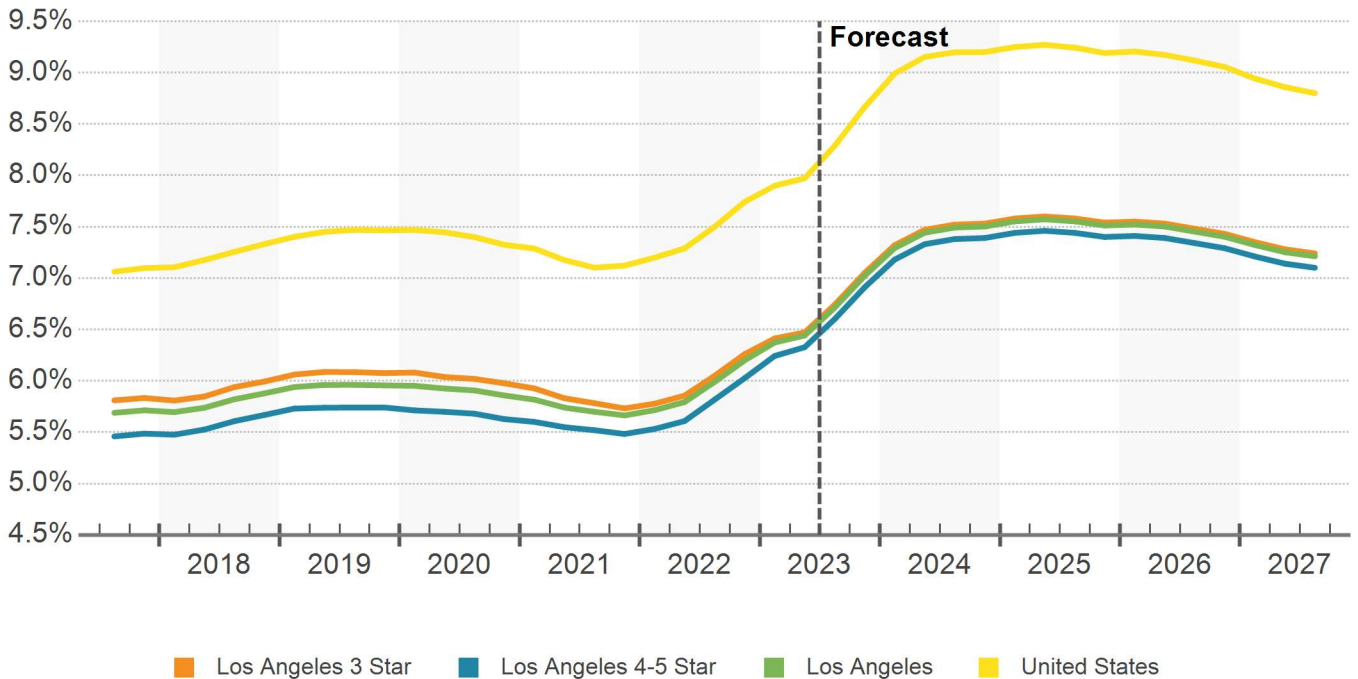
On top of pressures from elevated debt costs and economic uncertainty, buyers in the City of Los Angeles and Santa Monica now face additional transfer taxes on any residential or commercial property above a specific price. Starting April 1, sellers in Los Angeles now face a 4% transfer tax for any sale above \$5 million and 5.5% for any sale above \$10 million. In Santa Monica, any transaction above \$8 million since March 1 faces a 5.7% transfer tax.

The measures could potentially suppress pricing going forward, as buyers, especially developers and value-add buyers that typically hold properties for shorter periods, need to incorporate this cost into their underwriting. The measures also have the potential to shift investment to other cities in L.A. County and other markets across the nation, where transfer taxes are much lower or not imposed.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Los Angeles Office

Sale Comparables

553

Avg. Cap Rate

5.3%

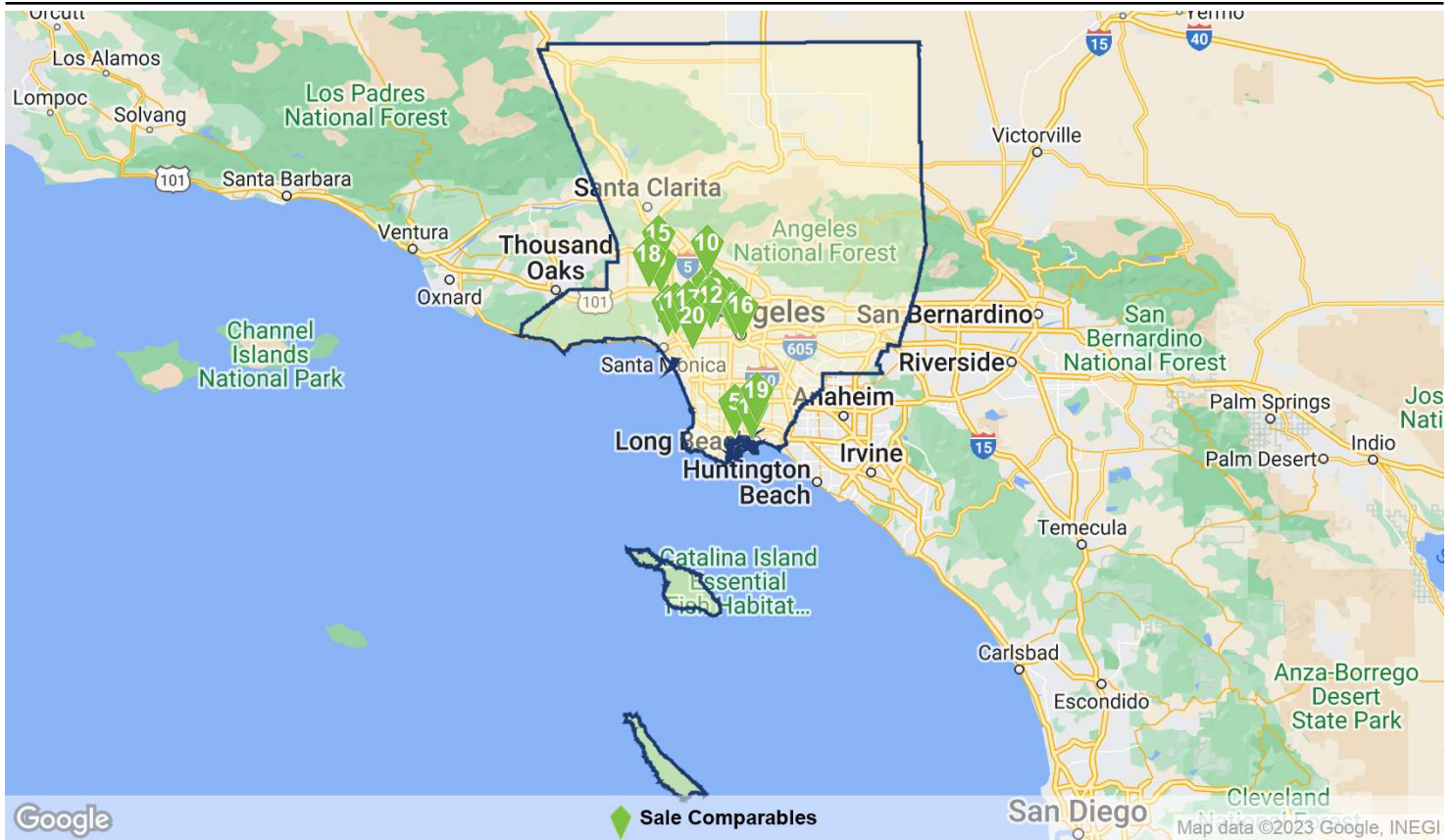
Avg. Price/SF

\$319

Avg. Vacancy At Sale

23.6%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$200,000	\$6,645,828	\$2,650,000	\$130,000,000
Price/SF	\$9.46	\$319	\$431	\$2,417
Cap Rate	2.3%	5.3%	5.0%	9.3%
Time Since Sale in Months	0.0	6.5	6.4	12.0
Property Attributes	Low	Average	Median	High
Building SF	400	25,862	7,274	701,888
Stories	1	2	2	40
Typical Floor SF	240	8,748	4,383	142,420
Vacancy Rate At Sale	0%	23.6%	0%	100%
Year Built	1904	1967	1969	2022
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.4	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

Los Angeles Office

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 Bullocks Bldg 800 S Hope St	★★★★★	1985	242,176	0%	12/9/2022	\$130,000,000	\$537	-
2 Union Bank Plaza 445 S Figueroa St	★★★★★	1967	701,888	39.4%	3/30/2023	\$110,000,000	\$157	-
3 3rd Street 2100 W 3rd St	★★★★★	1990	147,078	9.6%	3/31/2023	\$75,000,000	\$510	-
4 6922 Hollywood 6922 Hollywood Blvd	★★★★★	1966	210,312	39.9%	10/20/2022	\$70,942,306	\$337	-
5 Juanita's Foods 528 E G St	★★★★★	1998	35,652	0%	7/18/2022	\$49,160,497	\$1,379	-
6 801 S Grand Ave	★★★★★	1986	215,097	26.0%	3/29/2023	\$46,000,000	\$214	-
7 I 8500 Balboa Blvd	★★★★★	2016	142,420	19.3%	3/30/2023	\$41,143,973	\$289	-
8 Raleigh Studios East 5300 Melrose Ave	★★★★★	1988	68,388	0%	12/23/2022	\$39,780,476	\$831	-
9 Encino Executive Tower 16633 Ventura Blvd	★★★★★	1970	183,402	11.5%	6/23/2023	\$39,226,500	\$214	-
10 2777 N Ontario St	★★★★★	1968	127,140	19.3%	1/4/2023	\$37,000,000	\$291	-
11 Union Bank Building 400 Oceangate	★★★★★	1975	157,683	26.7%	6/23/2023	\$35,000,000	\$222	-
12 4750 Wilshire Blvd	★★★★★	1987	143,000	77.6%	2/17/2023	\$34,400,000	\$301	-
13 3130 Wilshire Blvd	★★★★★	1969	97,501	31.5%	8/31/2022	\$33,679,500	\$345	-
14 Variety Building 11175 Santa Monica Blvd	★★★★★	1986	75,769	0%	3/29/2023	\$31,500,000	\$416	-
15 8550 Balboa Blvd	★★★★★	1986	160,118	15.6%	3/30/2023	\$30,674,343	\$192	-
16 1820 Industrial St	★★★★★	1906	40,000	0%	2/16/2023	\$30,000,000	\$750	-
17 9911 W Pico Blvd	★★★★★	1974	258,544	96.7%	3/30/2023	\$30,000,000	\$116	-
18 Tarzana Medical Plaza 5525 Etiwanda Ave	★★★★★	1986	75,000	26.7%	10/17/2022	\$30,000,000	\$400	-
19 Atlantic Medical Center 701 E 28th St	★★★★★	1981	68,845	0%	5/15/2023	\$29,000,000	\$421	-
20 10441 Jefferson Blvd	★★★★★	1985	25,248	0%	9/9/2022	\$28,740,000	\$1,138	-

The Los Angeles economy is vast and comprises substantial portions of the national entertainment, tourism, international trade, fashion, and aerospace industries. An abundance of creative workers and entrepreneurship lends itself to elevated levels of business formation and self-employment. The demographics are diverse in racial and ethnic composition, educational attainment, income, and wealth. L.A. has several major talent generators, including top-tier universities such as USC, UCLA, and Cal Tech that support a growing tech ecosystem.

The post-pandemic recovery in employment levels has been slow relative to the nation. The unemployment rate at 4.9% in April remains above its pre-pandemic trough of 4% in December 2019. Nonfarm payrolls recovered to their February 2020 levels in late 2022, whereas stronger population growth markets experienced more rapid recoveries. The composition of employment by sector has shifted. Most notably, transportation firms have grown payrolls by nearly 10% since February 2020, while accommodations payrolls are 13.5% lower.

The transportation sector sustained growth through the pandemic as warehousing demands increased by retailers and ecommerce operators. Much of the demand draws from the ports of Los Angeles and Long Beach, which rank first and second in the U.S. in terms of annual containers (TEUs) handled. The twin ports handled 19 million containers in 2022, which if combined would make them the fifth busiest port in the world. However, the ports face several potential challenges and trade flows have sharply fallen. Some trade is being diverted to the east coast, which has been facilitated by

the expansion of the Panama Canal in 2016 and which can place many items closer to their destination. U.S. imports from China, a significant place of origin for goods entering through L.A.'s ports, have also been declining since tariffs were imposed in 2018. There are also ongoing labor disputes between the International Longshore and Warehouse Union and the Pacific Maritime Association.

Los Angeles' position as the entertainment capital of the world has allowed it to benefit in recent years from the boom in content creation and social media. The entertainment business is vital to the local economy. The Writers Guild of America went on strike in mid-April to attempt to negotiate a new contract with major studios. The union previously went on strike for roughly three months in 2007-08, which disrupted programming and hiring of workers in other fields.

Tourism is important for the local economy. Stores, restaurants, and lodging in tourist hotspots like Downtown L.A., Hollywood, Beverly Hills, and Santa Monica are dependent on tourists spending. Los Angeles had more than 50 million visitors in 2019, but hotel occupancy rates have yet to recover.

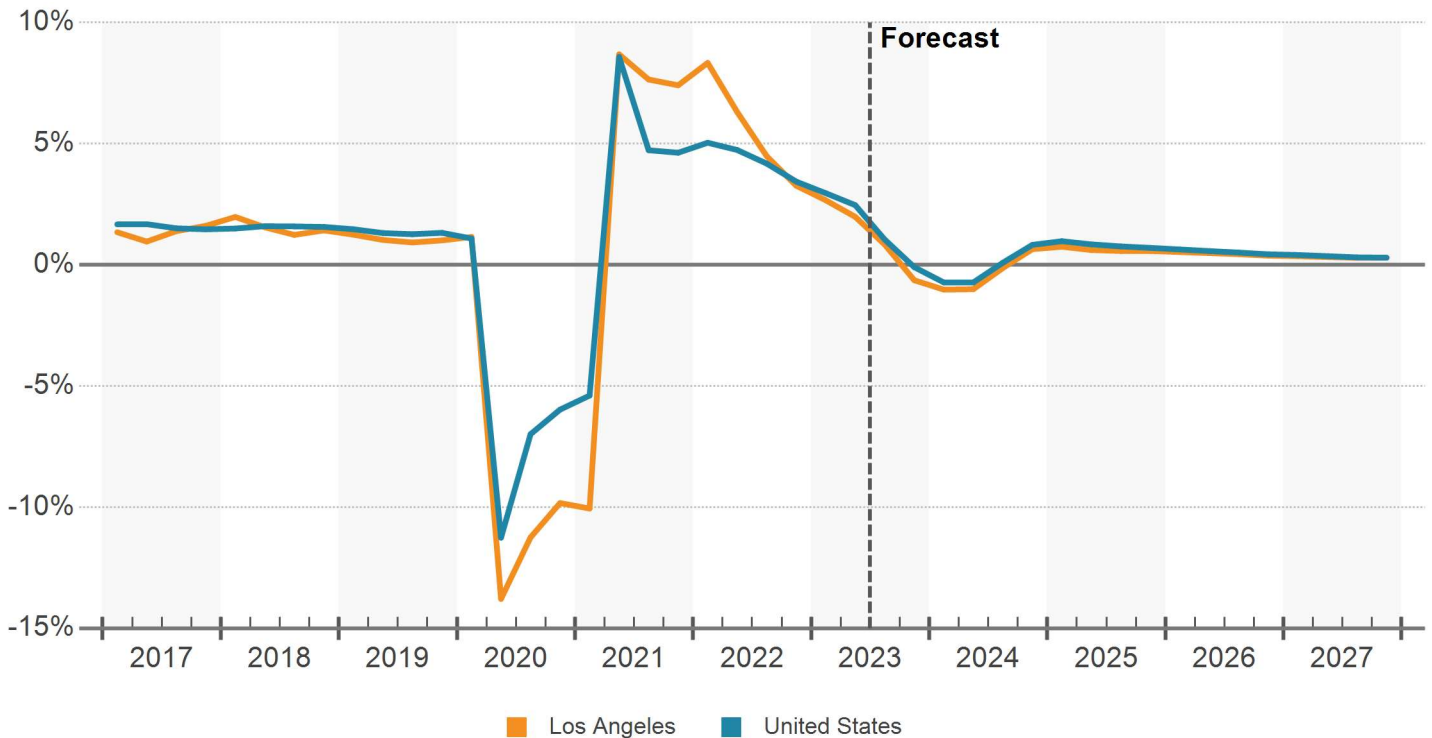
The high cost of living in Los Angeles and challenges to build more housing is a major impediment to population and labor force growth. Companies often cite the challenges in hiring as a motivating factor to relocate to other parts of the country. Housing affordability is near its 2007-lows after home prices increased considerably after the onset of the pandemic.

LOS ANGELES EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	324	0.8	0.28%	1.39%	-1.48%	0.79%	-0.88%	-0.08%
Trade, Transportation and Utilities	840	1.0	0.19%	0.82%	0.72%	1.20%	-0.22%	-0.02%
Retail Trade	409	0.9	0.39%	0.61%	0.16%	0.39%	-0.28%	-0.01%
Financial Activities	218	0.8	0.42%	0.95%	0.22%	1.48%	-0.35%	-0.02%
Government	566	0.8	0.40%	1.73%	0.44%	0.30%	0.19%	0.45%
Natural Resources, Mining and Construction	154	0.6	0.58%	2.77%	2.66%	2.50%	-0.01%	0.10%
Education and Health Services	907	1.2	4.11%	3.49%	2.59%	1.76%	0.80%	0.56%
Professional and Business Services	682	1.0	2.60%	1.99%	1.56%	2.14%	-0.29%	0.23%
Information	222	2.5	-7.00%	-1.46%	1.22%	1.13%	0.38%	0.18%
Leisure and Hospitality	544	1.1	6.79%	5.74%	2.20%	1.59%	1.04%	0.85%
Other Services	158	0.9	3.02%	2.91%	0.71%	0.68%	-0.17%	0.17%
Total Employment	4,615	1.0	1.81%	2.25%	1.19%	1.35%	0.16%	0.28%

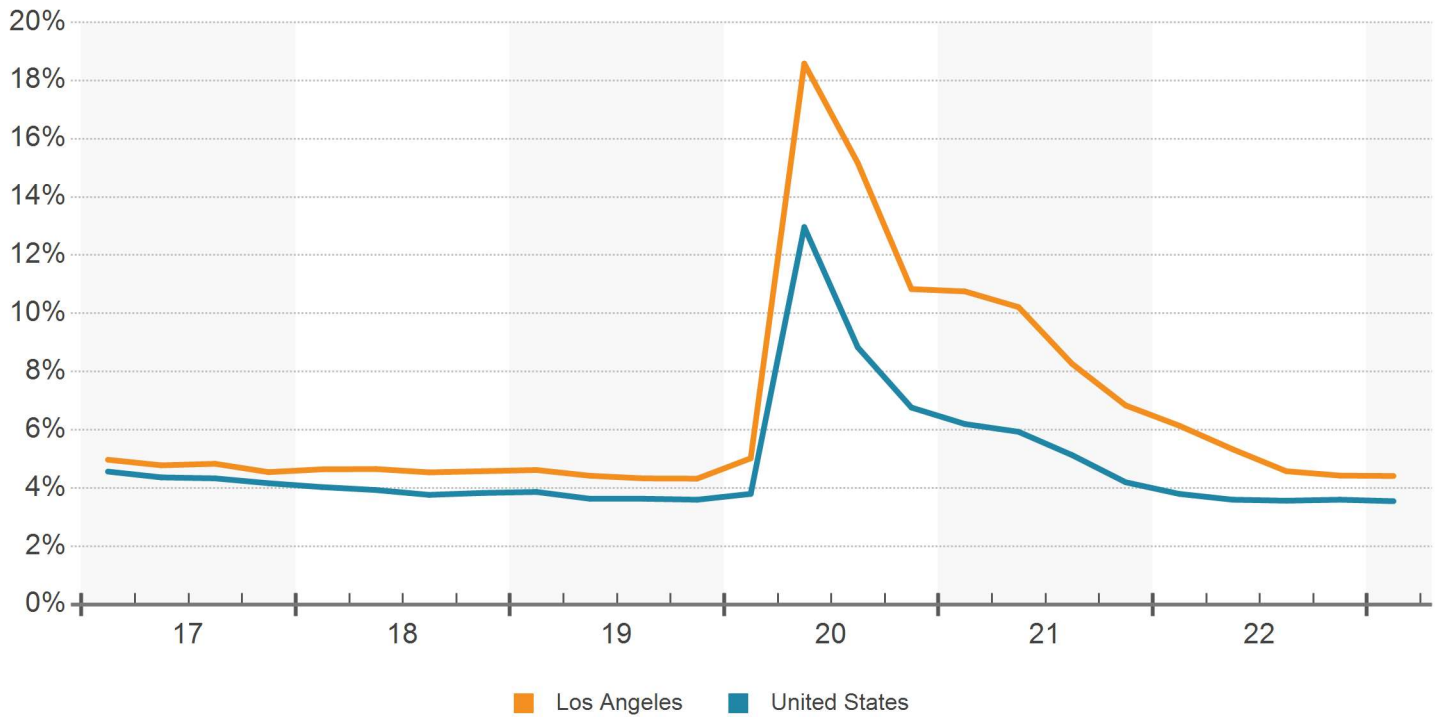
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

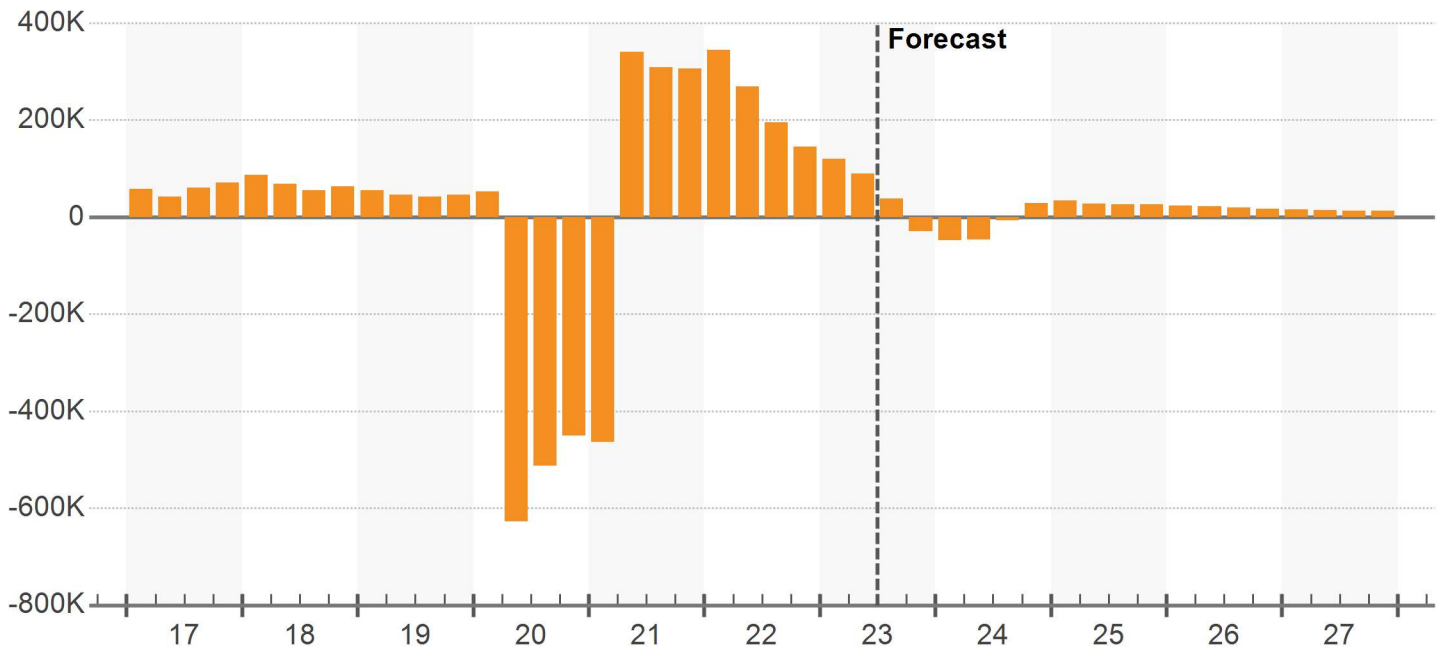


Source: Oxford Economics

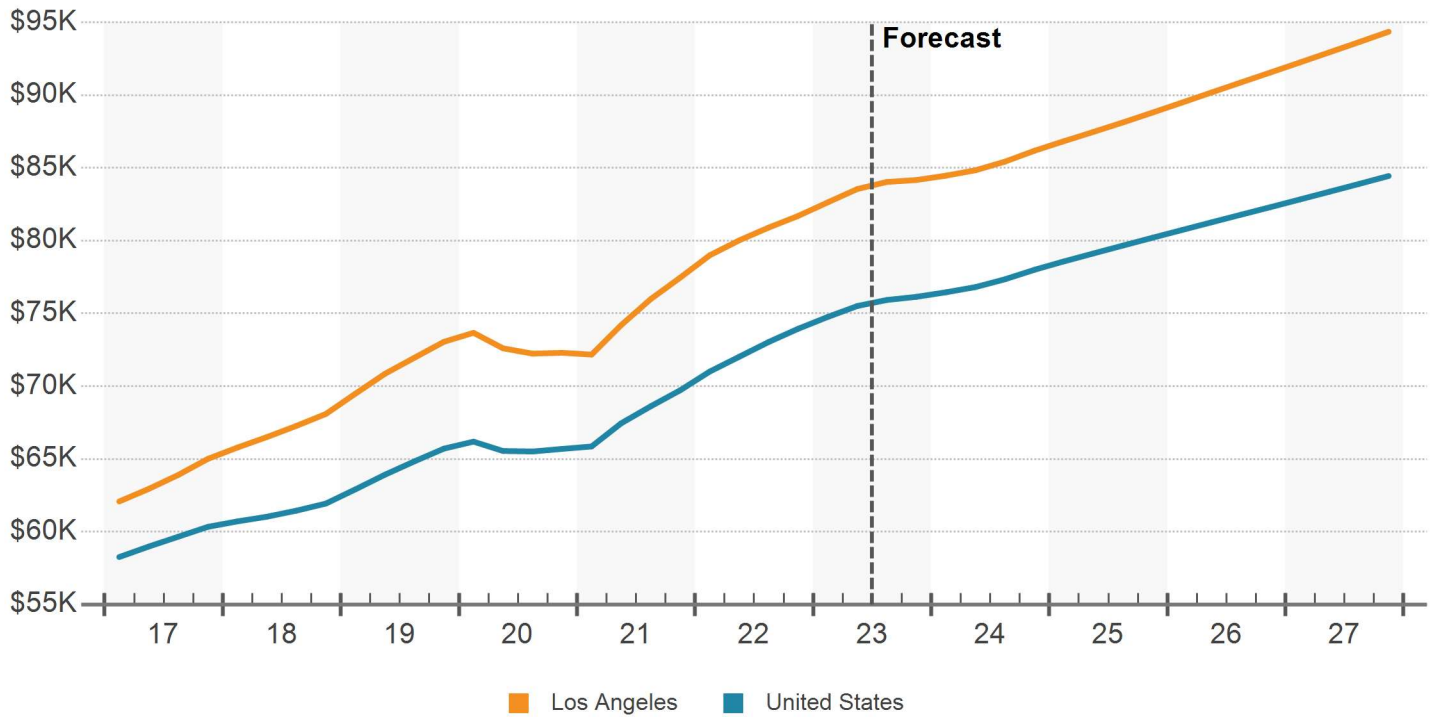
UNEMPLOYMENT RATE (%)



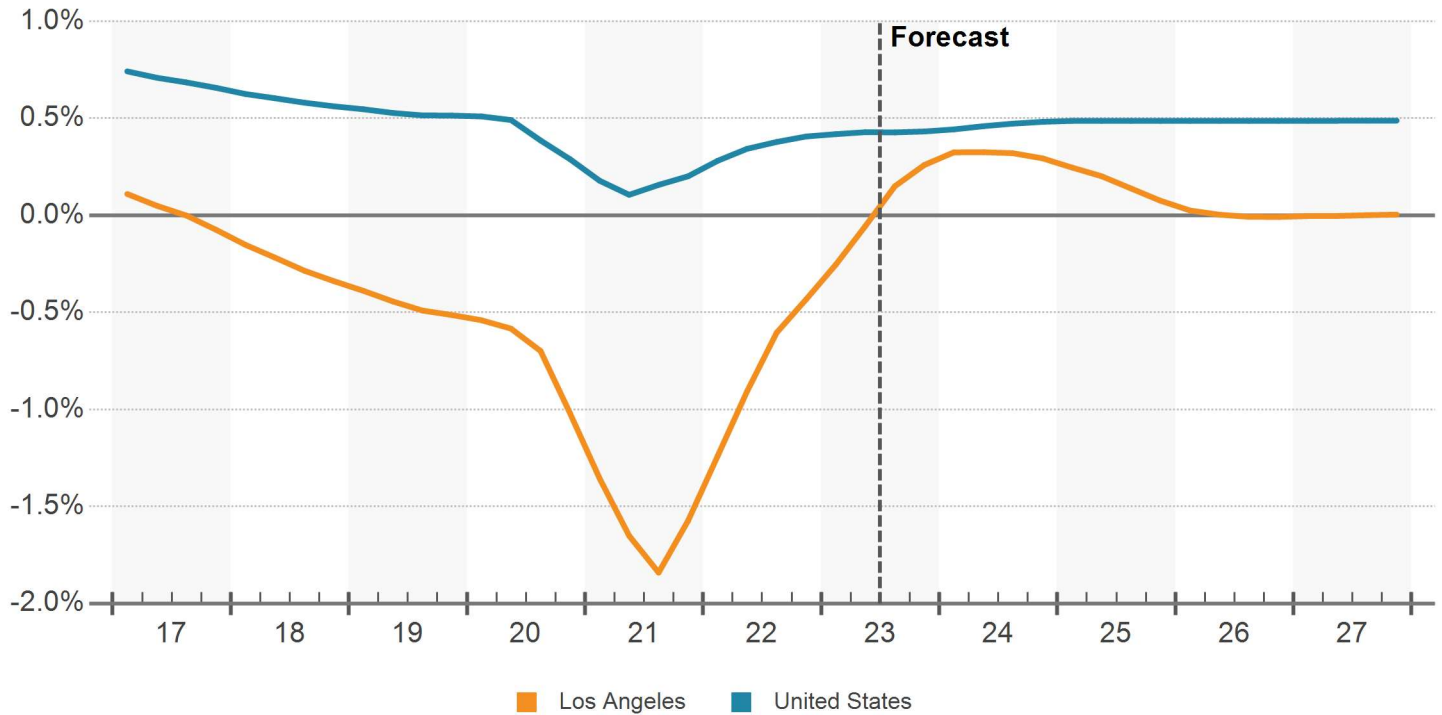
NET EMPLOYMENT CHANGE (YOY)



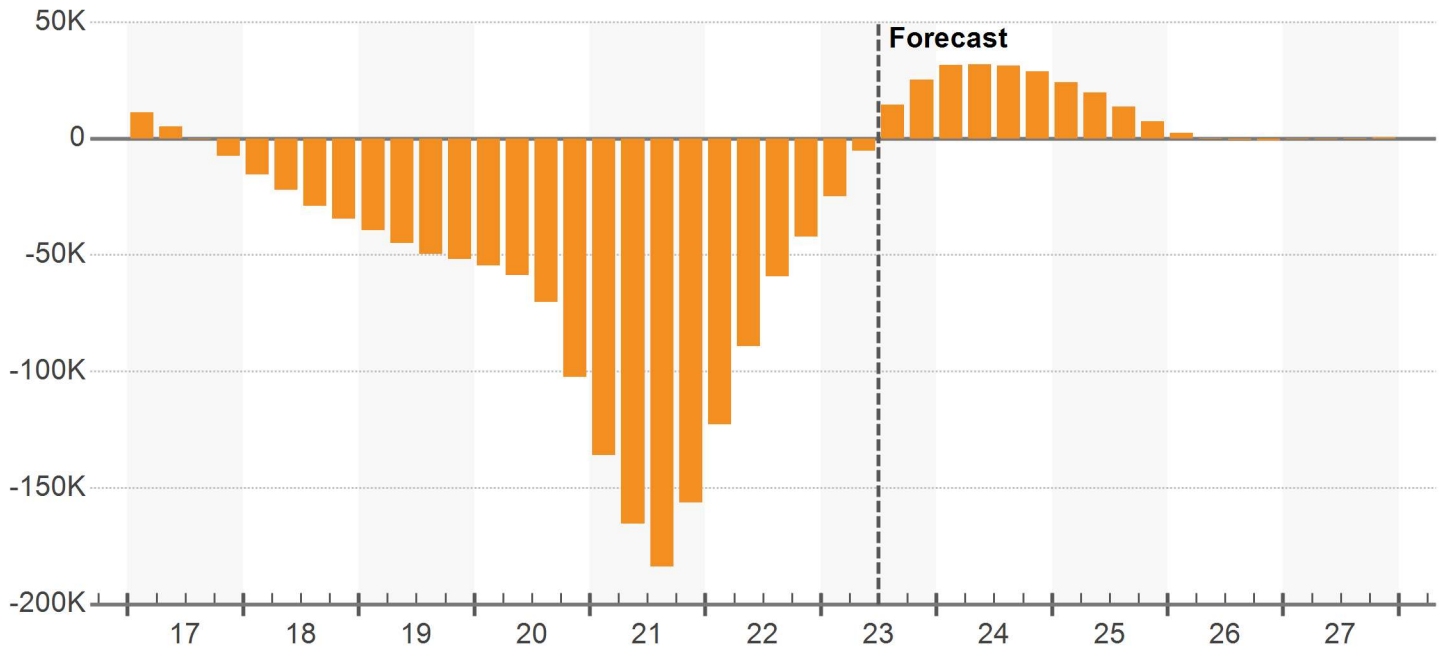
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

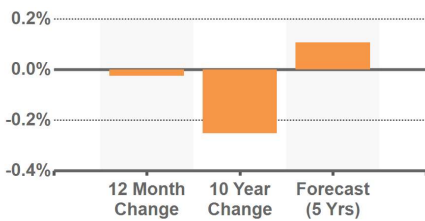


DEMOGRAPHIC TRENDS

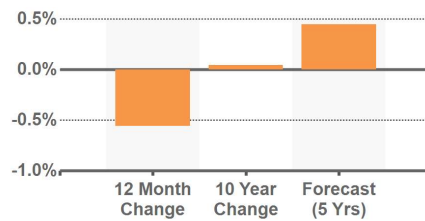
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	9,755,161	334,417,719	0%	0.4%	-0.3%	0.6%	0.1%	0.5%
Households	3,384,783	129,828,148	0.3%	0.7%	0.2%	0.9%	0.2%	0.6%
Median Household Income	\$83,613	\$75,567	4.3%	4.7%	4.5%	3.8%	2.8%	2.5%
Labor Force	4,978,326	165,434,859	-0.6%	0.8%	0%	0.6%	0.4%	0.4%
Unemployment	4.4%	3.5%	-0.8%	0%	-0.5%	-0.4%	-	-

Source: Oxford Economics

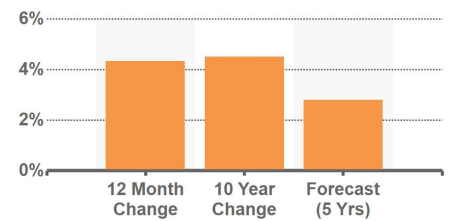
POPULATION GROWTH



LABOR FORCE GROWTH



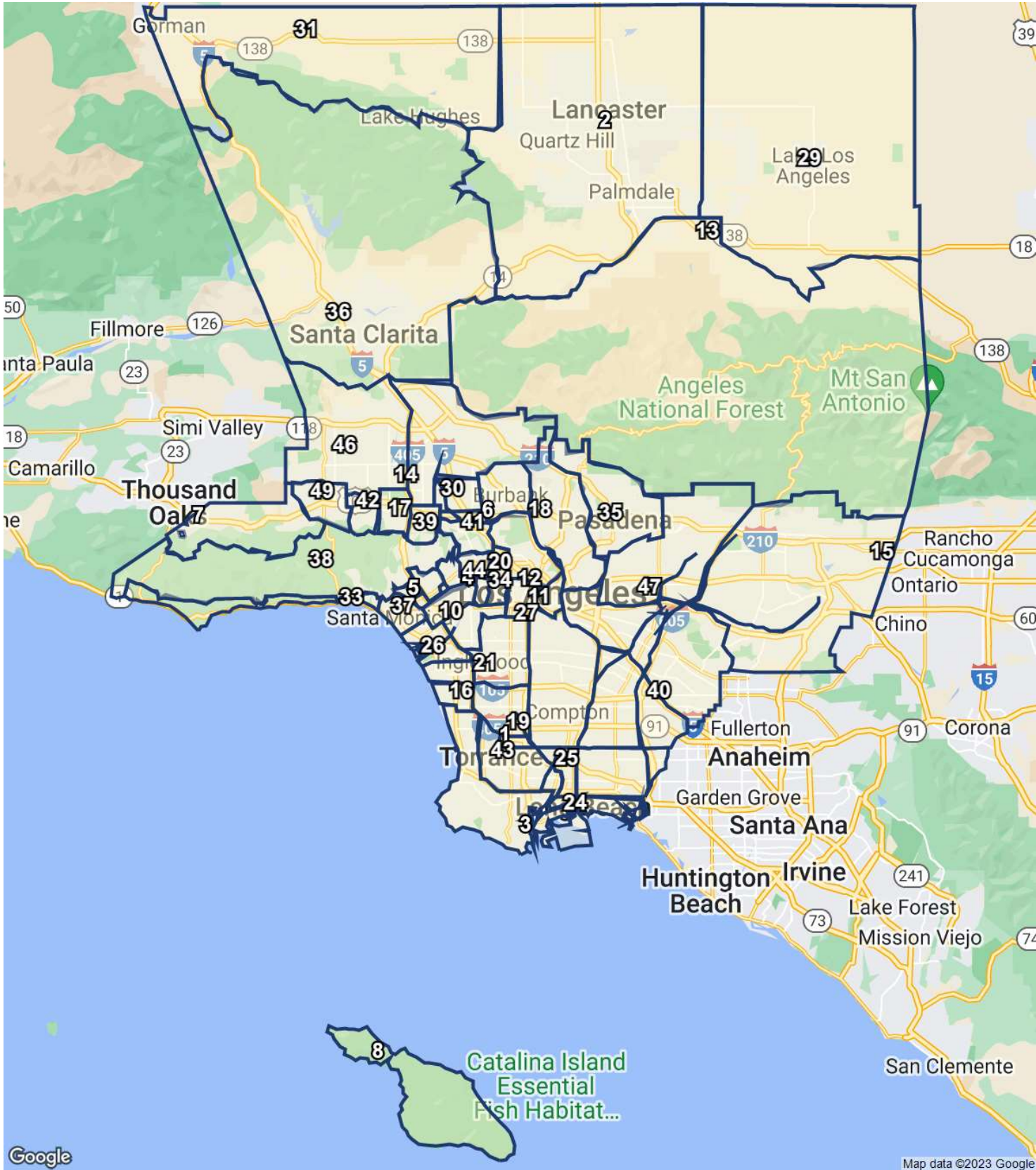
INCOME GROWTH



Source: Oxford Economics

Submarkets

LOS ANGELES SUBMARKETS



Submarkets

Los Angeles Office

SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	190th Street Corridor	67	4,135	0.9%	36	0	0	0%	-	0	-	-	-
2	Antelope Valley	400	4,550	1.0%	31	0	0	0%	-	1	10	0.2%	19
3	Beach Cities/Palos Verdes	534	6,367	1.5%	26	1	2	0%	15	4	185	2.9%	9
4	Beverly Hills	316	11,447	2.6%	11	0	0	0%	-	2	74	0.6%	13
5	Brentwood	58	4,154	0.9%	35	0	0	0%	-	0	-	-	-
6	Burbank	664	15,646	3.6%	8	1	2	0%	16	2	800	5.1%	1
7	Calabasas/Westlake Vill	211	7,122	1.6%	24	0	0	0%	-	0	-	-	-
8	Catalina Island	-	-	0%	-	0	0	-	-	0	-	-	-
9	Century City	42	11,169	2.6%	13	0	0	0%	-	1	731	6.5%	2
10	Culver City	521	10,646	2.4%	14	10	495	4.7%	3	8	236	2.2%	6
11	Downtown Los Angeles	468	69,781	16.0%	1	1	98	0.1%	5	3	293	0.4%	5
12	East Hollywood/Silver Lake	437	4,239	1.0%	33	4	42	1.0%	9	3	66	1.6%	14
13	East LA County Outlying	6	13	0%	46	0	0	0%	-	0	-	-	-
14	Eastern SFV	532	6,697	1.5%	25	0	0	0%	-	0	-	-	-
15	Eastern SGV	1,280	19,568	4.5%	2	2	15	0.1%	12	1	46	0.2%	17
16	El Segundo	276	18,612	4.3%	4	0	0	0%	-	2	389	2.1%	3
17	Encino	86	5,106	1.2%	30	0	0	0%	-	0	-	-	-
18	Glendale	855	14,267	3.3%	9	1	77	0.5%	7	3	229	1.6%	7
19	Hawthorne/Gardena	275	2,897	0.7%	41	0	0	0%	-	0	-	-	-
20	Hollywood	403	10,419	2.4%	15	0	0	0%	-	0	-	-	-
21	Inglewood/South LA	402	4,180	1.0%	34	0	0	0%	-	0	-	-	-
22	Koreatown	378	16,995	3.9%	5	0	0	0%	-	0	-	-	-
23	LAX	56	4,126	0.9%	37	0	0	0%	-	0	-	-	-
24	Long Beach: Downtown	269	8,665	2.0%	21	0	0	0%	-	0	-	-	-
25	Long Beach: Suburban	508	10,215	2.3%	16	0	0	0%	-	2	60	0.6%	15
26	Marina Del Rey/Venice	493	11,414	2.6%	12	1	5	0%	14	3	149	1.3%	11
27	Mid-Cities	1,139	11,906	2.7%	10	4	36	0.3%	10	1	53	0.4%	16
28	Miracle Mile	120	6,037	1.4%	27	0	0	0%	-	0	-	-	-
29	NE LA County Outlying	2	6	0%	47	0	0	0%	-	0	-	-	-
30	North Hollywood	311	3,500	0.8%	40	0	0	0%	-	0	-	-	-
31	NW LA County Outlying	1	1	0%	48	0	0	0%	-	0	-	-	-
32	Olympic Corridor	146	5,196	1.2%	29	3	836	16.1%	1	0	-	-	-
33	Pacific Palisades/Malibu	61	897	0.2%	44	3	51	5.7%	8	0	-	-	-
34	Park Mile	98	2,059	0.5%	42	0	0	0%	-	0	-	-	-
35	Pasadena	951	19,479	4.5%	3	2	92	0.5%	6	3	202	1.0%	8
36	Santa Clarita Valley	234	5,431	1.2%	28	0	0	0%	-	0	-	-	-
37	Santa Monica	609	16,157	3.7%	7	2	10	0.1%	13	3	178	1.1%	10
38	Santa Monica Mountains	6	18	0%	45	0	0	0%	-	0	-	-	-
39	Sherman Oaks	123	3,834	0.9%	38	0	0	0%	-	0	-	-	-
40	Southeast Los Angeles	794	9,631	2.2%	18	0	0	0%	-	1	40	0.4%	18
41	Studio/Universal Cities	289	4,349	1.0%	32	2	31	0.7%	11	1	331	7.6%	4
42	Tarzana	74	1,852	0.4%	43	0	0	0%	-	1	102	5.5%	12

SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
43	Torrance	459	8,794	2.0%	20	0	0	0%	-	0	-	-	-
44	West Hollywood	403	8,261	1.9%	23	0	0	0%	-	0	-	-	-
45	West Los Angeles	282	3,719	0.9%	39	1	584	15.7%	2	0	-	-	-
46	Western SFV	469	9,136	2.1%	19	0	0	0%	-	0	-	-	-
47	Western SGV	1,115	16,231	3.7%	6	5	118	0.7%	4	0	-	-	-
48	Westwood	184	8,408	1.9%	22	0	0	0%	-	0	-	-	-
49	Woodland Hills/Warner Ctr	212	9,968	2.3%	17	0	0	0%	-	0	-	-	-

Submarkets

Los Angeles Office

SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	190th Street Corridor	\$34.49	34	0.1%	23	-2.1%	25
2	Antelope Valley	\$30.87	44	1.6%	7	4.2%	12
3	Beach Cities/Palos Verdes	\$39.33	22	1.9%	5	2.8%	14
4	Beverly Hills	\$68.25	1	0%	28	-19.1%	47
5	Brentwood	\$51.75	12	-0.7%	40	-9.3%	43
6	Burbank	\$43.71	16	0.8%	14	-8.3%	41
7	Calabasas/Westlake Vill	\$34.89	32	0.1%	24	26.3%	1
8	Catalina Island	-	-	-	-	-	-
9	Century City	\$65.45	2	-1.9%	47	-15.1%	46
10	Culver City	\$53.36	9	-0.1%	31	-6.4%	33
11	Downtown Los Angeles	\$39.28	23	-1.0%	44	-8.1%	40
12	East Hollywood/Silver Lake	\$40.98	18	-0.4%	36	5.0%	11
13	East LA County Outlying	\$30.55	47	1.2%	8	0.8%	18
14	Eastern SFV	\$31.41	42	0.1%	25	22.7%	2
15	Eastern SGV	\$30.72	46	2.5%	2	-2.2%	26
16	El Segundo	\$45.84	15	-0.1%	33	-3.0%	28
17	Encino	\$35.32	31	0.8%	15	1.6%	16
18	Glendale	\$38.37	25	0.8%	11	-6.8%	35
19	Hawthorne/Gardena	\$30.22	48	2.1%	4	4.0%	13
20	Hollywood	\$55.19	7	-0.7%	39	-0.1%	20
21	Inglewood/South LA	\$42	17	-0.1%	30	-6.7%	34
22	Koreatown	\$33.10	37	-0.8%	41	-3.8%	29
23	LAX	\$34.41	35	0.1%	26	-3.0%	27
24	Long Beach: Downtown	\$33.12	36	-0.1%	32	-7.8%	39
25	Long Beach: Suburban	\$33.09	38	1.2%	9	0.9%	17
26	Marina Del Rey/Venice	\$56.80	6	-0.8%	42	-7.6%	38
27	Mid-Cities	\$32.81	39	2.2%	3	2.5%	15
28	Miracle Mile	\$50.23	13	-1.2%	45	-4.8%	32
29	NE LA County Outlying	\$36.97	27	0.8%	12	0.4%	19
30	North Hollywood	\$36.55	28	0.2%	22	13.1%	5
31	NW LA County Outlying	\$40.83	19	0%	-	0%	-
32	Olympic Corridor	\$53.83	8	-0.9%	43	-10.8%	45
33	Pacific Palisades/Malibu	\$61.82	4	0%	29	-3.9%	30
34	Park Mile	\$39.77	21	-0.4%	37	5.7%	8
35	Pasadena	\$39.13	24	0.8%	13	-9.0%	42
36	Santa Clarita Valley	\$37.03	26	0.1%	27	-1.5%	24
37	Santa Monica	\$62.66	3	-0.3%	34	-7.2%	37
38	Santa Monica Mountains	\$52.39	11	0.4%	18	-4.8%	31
39	Sherman Oaks	\$35.95	30	0.3%	19	7.9%	6
40	Southeast Los Angeles	\$30.79	45	0.9%	10	5.9%	7
41	Studio/Universal Cities	\$39.94	20	0.3%	21	-0.2%	21
42	Tarzana	\$36.04	29	0.7%	16	16.2%	4

SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
43	Torrance	\$34.77	33	1.8%	6	5.5%	9
44	West Hollywood	\$57.94	5	-0.5%	38	-0.4%	22
45	West Los Angeles	\$47.73	14	-0.4%	35	-7.2%	36
46	Western SFV	\$32.65	41	0.5%	17	18.9%	3
47	Western SGV	\$31.15	43	2.8%	1	-0.9%	23
48	Westwood	\$52.67	10	-1.2%	46	-9.9%	44
49	Woodland Hills/Warner Ctr	\$32.72	40	0.3%	20	5.4%	10

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	190th Street Corridor	813,446	19.7%	37	(27,195)	-0.7%	19	-
2	Antelope Valley	209,029	4.6%	1	2,990	0.1%	8	-
3	Beach Cities/Palos Verdes	620,467	9.7%	10	(178,950)	-2.8%	39	-
4	Beverly Hills	2,046,618	17.9%	32	(167,143)	-1.5%	38	-
5	Brentwood	800,718	19.3%	35	(59,398)	-1.4%	23	-
6	Burbank	1,828,270	11.7%	14	(742,699)	-4.7%	48	-
7	Calabasas/Westlake Vill	1,228,306	17.2%	28	(153,491)	-2.2%	35	-
8	Catalina Island	-	-	-	0	-	-	-
9	Century City	1,347,583	12.1%	16	207,063	1.9%	3	-
10	Culver City	1,877,004	17.6%	29	(23,298)	-0.2%	18	-
11	Downtown Los Angeles	12,976,943	18.6%	34	(753,812)	-1.1%	49	-
12	East Hollywood/Silver Lake	350,761	8.3%	8	(71,529)	-1.7%	25	-
13	East LA County Outlying	2,000	15.0%	23	(2,000)	-15.0%	14	-
14	Eastern SFV	520,257	7.8%	5	(97,156)	-1.5%	27	-
15	Eastern SGV	1,110,101	5.7%	3	(2,172)	0%	15	-
16	El Segundo	3,708,429	19.9%	38	(440,240)	-2.4%	45	-
17	Encino	794,662	15.6%	24	(64,678)	-1.3%	24	-
18	Glendale	2,105,596	14.8%	22	(223,992)	-1.6%	40	-
19	Hawthorne/Gardena	248,620	8.6%	9	(16,376)	-0.6%	17	-
20	Hollywood	1,737,197	16.7%	27	(42,699)	-0.4%	22	-
21	Inglewood/South LA	564,290	13.5%	19	(37,124)	-0.9%	21	-
22	Koreatown	3,056,400	18.0%	33	(357,713)	-2.1%	44	-
23	LAX	1,450,616	35.2%	45	(114,117)	-2.8%	30	-
24	Long Beach: Downtown	1,685,609	19.5%	36	(224,394)	-2.6%	41	-
25	Long Beach: Suburban	1,307,119	12.8%	17	(105,508)	-1.0%	29	-
26	Marina Del Rey/Venice	3,045,693	26.7%	42	(225,354)	-2.0%	42	-
27	Mid-Cities	616,723	5.2%	2	62,184	0.5%	6	0.4
28	Miracle Mile	1,770,252	29.3%	43	(257,954)	-4.3%	43	-
29	NE LA County Outlying	-	-	-	0	0%	-	-
30	North Hollywood	450,891	12.9%	18	14,983	0.4%	7	-
31	NW LA County Outlying	-	-	-	0	0%	-	-
32	Olympic Corridor	1,269,396	24.4%	41	151,163	2.9%	4	5.3
33	Pacific Palisades/Malibu	202,526	22.6%	40	523	0.1%	9	97.0
34	Park Mile	630,023	30.6%	44	(123,747)	-6.0%	31	-
35	Pasadena	2,326,672	11.9%	15	356,206	1.8%	2	-
36	Santa Clarita Valley	775,458	14.3%	20	(99,939)	-1.8%	28	-
37	Santa Monica	2,863,143	17.7%	30	(532,596)	-3.3%	47	-
38	Santa Monica Mountains	-	-	-	0	0%	-	-
39	Sherman Oaks	635,580	16.6%	26	75,931	2.0%	5	-
40	Southeast Los Angeles	571,021	5.9%	4	(136,372)	-1.4%	33	-
41	Studio/Universal Cities	359,649	8.3%	7	(31,701)	-0.7%	20	-
42	Tarzana	266,066	14.4%	21	(81,547)	-4.4%	26	-

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
43	Torrance	861,185	9.8%	11	(13,709)	-0.2%	16	-
44	West Hollywood	931,108	11.3%	13	(145,354)	-1.8%	34	-
45	West Los Angeles	586,174	15.8%	25	717,682	19.3%	1	0.8
46	Western SFV	988,369	10.8%	12	(160,245)	-1.8%	37	-
47	Western SGV	1,315,148	8.1%	6	(130,645)	-0.8%	32	-
48	Westwood	1,498,333	17.8%	31	(155,543)	-1.8%	36	-
49	Woodland Hills/Warner Ctr	2,024,221	20.3%	39	(467,368)	-4.7%	46	-

Supply & Demand Trends

Los Angeles Office

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	436,338,612	(1,186,184)	-0.3%	(1,581,713)	-0.4%	-
2026	437,524,796	(481,254)	-0.1%	(6,008,130)	-1.4%	-
2025	438,006,050	(1,221,660)	-0.3%	(5,795,849)	-1.3%	-
2024	439,227,710	(343,103)	-0.1%	(9,242,114)	-2.1%	-
2023	439,570,813	3,104,389	0.7%	(9,117,665)	-2.1%	-
YTD	437,308,105	841,681	0.2%	(2,375,408)	-0.5%	-
2022	436,466,424	1,479,557	0.3%	(2,756,686)	-0.6%	-
2021	434,986,867	3,253,329	0.8%	(3,397,353)	-0.8%	-
2020	431,733,538	387,362	0.1%	(7,438,983)	-1.7%	-
2019	431,346,176	677,579	0.2%	(2,136,491)	-0.5%	-
2018	430,668,597	(179,255)	0%	1,252,569	0.3%	-
2017	430,847,852	1,634,899	0.4%	25,998	0%	62.9
2016	429,212,953	513,286	0.1%	3,929,591	0.9%	0.1
2015	428,699,667	619,672	0.1%	2,315,882	0.5%	0.3
2014	428,079,995	(468,196)	-0.1%	3,032,594	0.7%	-
2013	428,548,191	315,755	0.1%	711,731	0.2%	0.4
2012	428,232,436	452,942	0.1%	1,319,931	0.3%	0.3
2011	427,779,494	(451,620)	-0.1%	(402,966)	-0.1%	-

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	177,985,789	0	0%	(344,086)	-0.2%	-
2026	177,985,789	731,250	0.4%	(1,740,781)	-1.0%	-
2025	177,254,539	0	0%	(1,828,676)	-1.0%	-
2024	177,254,539	783,508	0.4%	(1,882,768)	-1.1%	-
2023	176,471,031	3,037,962	1.8%	(1,555,315)	-0.9%	-
YTD	174,217,071	784,002	0.5%	(534,881)	-0.3%	-
2022	173,433,069	2,589,942	1.5%	(1,073,924)	-0.6%	-
2021	170,843,127	3,596,362	2.2%	(1,236,540)	-0.7%	-
2020	167,246,765	1,437,473	0.9%	(2,043,502)	-1.2%	-
2019	165,809,292	1,237,368	0.8%	(349,788)	-0.2%	-
2018	164,571,924	1,224,035	0.7%	728,184	0.4%	1.7
2017	163,347,889	1,880,947	1.2%	463,709	0.3%	4.1
2016	161,466,942	516,911	0.3%	1,875,720	1.2%	0.3
2015	160,950,031	958,566	0.6%	1,666,197	1.0%	0.6
2014	159,991,465	(51,794)	0%	1,582,173	1.0%	-
2013	160,043,259	695,216	0.4%	775,617	0.5%	0.9
2012	159,348,043	471,276	0.3%	1,497,922	0.9%	0.3
2011	158,876,767	269,595	0.2%	(116,100)	-0.1%	-

Supply & Demand Trends

Los Angeles Office

3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	160,882,286	(227)	0%	(190,831)	-0.1%	-
2026	160,882,513	(227)	0%	(2,023,306)	-1.3%	-
2025	160,882,740	(229)	0%	(1,783,265)	-1.1%	-
2024	160,882,969	97,863	0.1%	(3,799,458)	-2.4%	-
2023	160,785,106	321,984	0.2%	(4,418,389)	-2.7%	-
YTD	160,520,781	57,659	0%	(1,129,542)	-0.7%	-
2022	160,463,122	(950,921)	-0.6%	(1,006,788)	-0.6%	-
2021	161,414,043	115,297	0.1%	(2,481,461)	-1.5%	-
2020	161,298,746	(622,005)	-0.4%	(3,158,953)	-2.0%	-
2019	161,920,751	(356,036)	-0.2%	(1,375,067)	-0.8%	-
2018	162,276,787	209,944	0.1%	998,909	0.6%	0.2
2017	162,066,843	86,445	0.1%	1,051,535	0.6%	0.1
2016	161,980,398	497,168	0.3%	1,576,931	1.0%	0.3
2015	161,483,230	61,079	0%	275,006	0.2%	0.2
2014	161,422,151	121,298	0.1%	990,237	0.6%	0.1
2013	161,300,853	(74,460)	0%	(516,018)	-0.3%	-
2012	161,375,313	532,870	0.3%	544,130	0.3%	1.0
2011	160,842,443	(52,745)	0%	487,234	0.3%	-

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	97,470,537	(1,185,957)	-1.2%	(1,046,796)	-1.1%	-
2026	98,656,494	(1,212,277)	-1.2%	(2,244,043)	-2.3%	-
2025	99,868,771	(1,221,431)	-1.2%	(2,183,908)	-2.2%	-
2024	101,090,202	(1,224,474)	-1.2%	(3,559,888)	-3.5%	-
2023	102,314,676	(255,557)	-0.2%	(3,143,961)	-3.1%	-
YTD	102,570,253	20	0%	(710,985)	-0.7%	-
2022	102,570,233	(159,464)	-0.2%	(675,974)	-0.7%	-
2021	102,729,697	(458,330)	-0.4%	320,648	0.3%	-
2020	103,188,027	(428,106)	-0.4%	(2,236,528)	-2.2%	-
2019	103,616,133	(203,753)	-0.2%	(411,636)	-0.4%	-
2018	103,819,886	(1,613,234)	-1.5%	(474,524)	-0.5%	-
2017	105,433,120	(332,493)	-0.3%	(1,489,246)	-1.4%	-
2016	105,765,613	(500,793)	-0.5%	476,940	0.5%	-
2015	106,266,406	(399,973)	-0.4%	374,679	0.4%	-
2014	106,666,379	(537,700)	-0.5%	460,184	0.4%	-
2013	107,204,079	(305,001)	-0.3%	452,132	0.4%	-
2012	107,509,080	(551,204)	-0.5%	(722,121)	-0.7%	-
2011	108,060,284	(668,470)	-0.6%	(774,100)	-0.7%	-

OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$36.06	109	-0.6%	-14.2%	94,880,861	21.7%	0.2%
2026	\$36.28	109	-2.7%	-13.6%	94,462,471	21.6%	1.3%
2025	\$37.29	112	-3.4%	-11.2%	88,912,491	20.3%	1.1%
2024	\$38.62	116	-6.2%	-8.1%	84,315,302	19.2%	2.0%
2023	\$41.18	124	-2.0%	-2.0%	75,391,933	17.2%	2.7%
YTD	\$41.93	126	0%	-0.2%	66,377,672	15.2%	0.7%
2022	\$42.01	127	1.7%	0%	63,164,771	14.5%	0.9%
2021	\$41.30	124	0.8%	-1.7%	58,928,528	13.5%	1.4%
2020	\$40.96	123	-1.4%	-2.5%	52,269,590	12.1%	1.8%
2019	\$41.54	125	5.1%	-1.1%	44,562,684	10.3%	0.6%
2018	\$39.53	119	3.9%	-5.9%	41,758,779	9.7%	-0.3%
2017	\$38.04	115	4.1%	-9.4%	43,183,472	10.0%	0.3%
2016	\$36.53	110	5.4%	-13.0%	41,565,689	9.7%	-0.8%
2015	\$34.64	104	7.9%	-17.5%	44,949,623	10.5%	-0.4%
2014	\$32.11	97	6.1%	-23.6%	46,666,812	10.9%	-0.8%
2013	\$30.27	91	4.5%	-27.9%	50,150,046	11.7%	-0.1%
2012	\$28.96	87	2.6%	-31.1%	50,546,022	11.8%	-0.2%
2011	\$28.24	85	0.3%	-32.8%	51,413,011	12.0%	0%

4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$40.53	107	-0.8%	-16.3%	47,740,664	26.8%	0.2%
2026	\$40.83	108	-2.8%	-15.7%	47,396,578	26.6%	1.3%
2025	\$42.03	111	-3.6%	-13.2%	44,924,547	25.3%	1.0%
2024	\$43.58	115	-6.4%	-10.0%	43,095,871	24.3%	1.4%
2023	\$46.54	123	-3.3%	-3.9%	40,429,595	22.9%	2.2%
YTD	\$47.58	126	-1.0%	-1.7%	37,155,139	21.3%	0.7%
2022	\$48.11	127	1.1%	-0.6%	35,836,256	20.7%	1.8%
2021	\$47.57	126	-0.4%	-1.7%	32,172,390	18.8%	2.5%
2020	\$47.78	126	-1.3%	-1.3%	27,339,488	16.3%	1.9%
2019	\$48.42	128	6.6%	0%	23,965,101	14.5%	0.9%
2018	\$45.42	120	3.9%	-6.2%	22,377,945	13.6%	0.2%
2017	\$43.73	116	3.9%	-9.7%	21,869,328	13.4%	0.7%
2016	\$42.08	111	4.6%	-13.1%	20,455,295	12.7%	-0.9%
2015	\$40.24	106	9.2%	-16.9%	21,802,084	13.5%	-0.5%
2014	\$36.87	98	6.1%	-23.9%	22,509,715	14.1%	-1.0%
2013	\$34.75	92	5.2%	-28.2%	24,143,682	15.1%	-0.1%
2012	\$33.05	87	0.9%	-31.7%	24,224,083	15.2%	-0.7%
2011	\$32.74	87	1.2%	-32.4%	25,250,729	15.9%	0.2%

3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$34.62	107	-0.6%	-13.1%	32,375,790	20.1%	0.1%
2026	\$34.84	108	-2.7%	-12.6%	32,185,180	20.0%	1.3%
2025	\$35.80	111	-3.4%	-10.2%	30,162,095	18.7%	1.1%
2024	\$37.08	115	-6.2%	-7.0%	28,379,050	17.6%	2.4%
2023	\$39.54	123	-0.8%	-0.8%	24,481,723	15.2%	2.9%
YTD	\$40.11	124	0.7%	0.6%	20,928,427	13.0%	0.7%
2022	\$39.86	124	1.6%	0%	19,741,226	12.3%	0.1%
2021	\$39.22	122	1.5%	-1.6%	19,685,359	12.2%	1.6%
2020	\$38.63	120	-1.4%	-3.1%	17,088,601	10.6%	1.6%
2019	\$39.18	121	4.4%	-1.7%	14,551,653	9.0%	0.6%
2018	\$37.54	116	3.5%	-5.8%	13,532,622	8.3%	-0.5%
2017	\$36.28	112	3.9%	-9.0%	14,325,517	8.8%	-0.6%
2016	\$34.91	108	6.2%	-12.4%	15,278,231	9.4%	-0.7%
2015	\$32.88	102	6.8%	-17.5%	16,357,994	10.1%	-0.1%
2014	\$30.80	95	5.9%	-22.7%	16,572,549	10.3%	-0.5%
2013	\$29.10	90	4.2%	-27.0%	17,422,380	10.8%	0.3%
2012	\$27.92	87	4.0%	-30.0%	16,980,822	10.5%	0%
2011	\$26.84	83	0%	-32.7%	16,992,082	10.6%	-0.3%

1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$30.56	115	-0.3%	-12.1%	14,764,407	15.1%	0.1%
2026	\$30.65	115	-2.4%	-11.9%	14,880,713	15.1%	1.2%
2025	\$31.40	118	-3.1%	-9.7%	13,825,849	13.8%	1.1%
2024	\$32.42	122	-5.9%	-6.8%	12,840,381	12.7%	2.5%
2023	\$34.46	129	-0.9%	-0.9%	10,480,615	10.2%	2.8%
YTD	\$34.97	131	1.2%	0.5%	8,294,106	8.1%	0.7%
2022	\$34.78	130	3.3%	0%	7,587,289	7.4%	0.5%
2021	\$33.68	126	2.7%	-3.2%	7,070,779	6.9%	-0.7%
2020	\$32.80	123	-1.5%	-5.7%	7,841,501	7.6%	1.8%
2019	\$33.31	125	2.7%	-4.2%	6,045,930	5.8%	0.2%
2018	\$32.42	122	4.8%	-6.8%	5,848,212	5.6%	-1.0%
2017	\$30.93	116	5.0%	-11.1%	6,988,627	6.6%	1.1%
2016	\$29.45	110	6.3%	-15.3%	5,832,163	5.5%	-0.9%
2015	\$27.70	104	7.0%	-20.4%	6,789,545	6.4%	-0.7%
2014	\$25.90	97	6.5%	-25.5%	7,584,548	7.1%	-0.9%
2013	\$24.32	91	3.4%	-30.1%	8,583,984	8.0%	-0.7%
2012	\$23.51	88	3.8%	-32.4%	9,341,117	8.7%	0.2%
2011	\$22.64	85	-1.2%	-34.9%	9,170,200	8.5%	0.1%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$285.91	116	7.2%
2026	-	-	-	-	-	-	\$279.07	113	7.4%
2025	-	-	-	-	-	-	\$286.92	117	7.5%
2024	-	-	-	-	-	-	\$303.94	124	7.5%
2023	-	-	-	-	-	-	\$353.87	144	7.0%
YTD	260	\$1.5B	1.9%	\$7,039,055	\$273.41	5.7%	\$398.22	162	6.5%
2022	675	\$5.1B	2.6%	\$7,969,113	\$476.65	5.0%	\$420.12	171	6.2%
2021	774	\$4.7B	2.8%	\$6,356,136	\$403.61	5.4%	\$447.62	182	5.7%
2020	497	\$4B	2.5%	\$9,038,537	\$397.70	5.5%	\$420.36	171	5.9%
2019	750	\$7.7B	3.7%	\$13,081,006	\$512.78	5.5%	\$410.63	167	6.0%
2018	1,034	\$6.9B	5.3%	\$9,896,643	\$358.49	5.2%	\$393.46	160	5.9%
2017	1,233	\$10.4B	8.2%	\$13,923,007	\$343.85	5.5%	\$383.99	156	5.7%
2016	1,024	\$11B	7.2%	\$14,006,402	\$386.85	5.3%	\$383.48	156	5.5%
2015	1,086	\$6.5B	5.6%	\$8,166,956	\$299.63	5.7%	\$359.81	146	5.5%
2014	987	\$8.7B	6.8%	\$11,040,778	\$313.60	6.4%	\$327.52	133	5.7%
2013	870	\$9.4B	8.4%	\$13,883,734	\$281.02	6.3%	\$299.36	122	5.9%
2012	847	\$3.9B	4.8%	\$7,605,831	\$236.37	6.9%	\$277.76	113	6.1%

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4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$314.89	112	7.1%
2026	-	-	-	-	-	-	\$307.70	110	7.3%
2025	-	-	-	-	-	-	\$316.74	113	7.4%
2024	-	-	-	-	-	-	\$335.96	120	7.4%
2023	-	-	-	-	-	-	\$392	140	6.9%
YTD	19	\$481.9M	1.9%	\$37,070,495	\$231.20	6.9%	\$442.91	158	6.4%
2022	30	\$1.7B	1.6%	\$63,625,902	\$687.54	5.9%	\$474.22	169	6.0%
2021	34	\$1B	1.6%	\$33,606,292	\$408.33	5.5%	\$508.19	181	5.5%
2020	48	\$2.1B	3.2%	\$61,330,989	\$427.09	5.4%	\$482.68	172	5.6%
2019	37	\$3B	3.5%	\$85,414,853	\$520.89	5.4%	\$468.16	167	5.7%
2018	61	\$3.1B	5.8%	\$55,579,565	\$376.23	5.1%	\$449.68	160	5.7%
2017	76	\$5.2B	9.2%	\$73,611,252	\$356.43	5.1%	\$441.82	157	5.5%
2016	100	\$7.5B	10.9%	\$78,085,749	\$446.61	4.8%	\$443.03	158	5.3%
2015	72	\$2.6B	5.0%	\$40,097,229	\$339.24	5.4%	\$414.43	148	5.3%
2014	60	\$5.4B	9.3%	\$90,542,036	\$363.34	6.7%	\$378.50	135	5.4%
2013	73	\$6.7B	13.8%	\$97,854,424	\$313.92	5.8%	\$349.44	124	5.6%
2012	48	\$2.3B	6.2%	\$63,336,712	\$267.66	6.4%	\$324.20	115	5.8%

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3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$269.67	119	7.2%
2026	-	-	-	-	-	-	\$263.32	116	7.4%
2025	-	-	-	-	-	-	\$270.78	120	7.5%
2024	-	-	-	-	-	-	\$286.90	127	7.5%
2023	-	-	-	-	-	-	\$333.90	148	7.1%
YTD	98	\$618.7M	2.6%	\$8,361,429	\$259.19	5.8%	\$374.36	166	6.5%
2022	227	\$2.1B	3.4%	\$9,735,356	\$407.92	5.0%	\$391.93	173	6.3%
2021	281	\$2.4B	3.7%	\$9,493,956	\$427.37	5.6%	\$416.42	184	5.7%
2020	160	\$1.2B	2.2%	\$8,771,078	\$355.88	5.8%	\$384.87	170	6.0%
2019	248	\$3.5B	4.4%	\$17,527,240	\$549.25	5.5%	\$377.07	167	6.1%
2018	290	\$2.7B	5.2%	\$11,681,736	\$353.03	5.2%	\$360.75	159	6.0%
2017	345	\$4B	8.1%	\$15,479,018	\$340.29	5.8%	\$350.91	155	5.8%
2016	245	\$2.1B	4.5%	\$10,678,721	\$316.49	5.5%	\$350.94	155	5.6%
2015	275	\$2.7B	6.3%	\$11,378,792	\$281.28	6.0%	\$330.69	146	5.6%
2014	279	\$2B	5.2%	\$8,360,368	\$261.05	6.2%	\$300.84	133	5.8%
2013	250	\$2B	5.7%	\$9,264,464	\$227.96	6.4%	\$273.23	121	6.0%
2012	278	\$1.1B	4.2%	\$6,460,138	\$206.72	8.1%	\$253.84	112	6.3%

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1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$261.09	121	7.3%
2026	-	-	-	-	-	-	\$254.12	117	7.6%
2025	-	-	-	-	-	-	\$260.51	120	7.7%
2024	-	-	-	-	-	-	\$275.13	127	7.7%
2023	-	-	-	-	-	-	\$319.07	148	7.2%
YTD	143	\$412.7M	1.1%	\$3,224,489	\$388.05	5.5%	\$358.16	166	6.6%
2022	418	\$1.3B	3.1%	\$3,240,708	\$418.37	4.9%	\$370.53	171	6.4%
2021	459	\$1.2B	3.3%	\$2,738,309	\$360.49	5.1%	\$391.52	181	5.9%
2020	289	\$762.4M	1.9%	\$2,752,250	\$396.50	5.2%	\$367.93	170	6.1%
2019	465	\$1.2B	3.2%	\$3,459,158	\$417.68	5.5%	\$363.48	168	6.1%
2018	683	\$1.1B	4.6%	\$2,633,861	\$326.90	5.3%	\$347.24	161	6.1%
2017	812	\$1.2B	6.8%	\$2,884,426	\$307.56	5.3%	\$335.58	155	5.9%
2016	679	\$1.4B	5.5%	\$2,794,228	\$279.33	5.5%	\$331.25	153	5.7%
2015	739	\$1.2B	5.1%	\$2,446,675	\$272.16	5.5%	\$310.75	144	5.7%
2014	648	\$1.2B	5.2%	\$2,524,473	\$246.59	6.5%	\$280.93	130	5.9%
2013	547	\$804.2M	4.3%	\$2,020,711	\$217.30	6.6%	\$253.51	117	6.2%
2012	521	\$543.2M	3.8%	\$1,758,060	\$197.98	6.1%	\$234.73	109	6.5%

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