



Office Market Report

Los Angeles - CA

PREPARED BY



Jeffery Turek
Vice President



OFFICE MARKET REPORT

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12 Mo Deliveries in SF

3M

12 Mo Net Absorption in SF

(2.9M)

Vacancy Rate

15.1%

12 Mo Rent Growth

-0.4%

Los Angeles' office market continues to face pains not seen in decades in the fourth quarter. Vacancy, 15.1%, is at its highest level since 1993 and up from 10.1% in early 2020. Recent leasing activity continues at a pace below historical activity, with year-to-date volumes trending around 70-75% of the average activity seen during 2016-19, the years leading up to the pandemic.

Tenant commitments have, at best, mitigated the continued rise in vacancy, as numerous tenants continue to vacate or downsize space, whether upon lease expiration or posting space on the sublease market to recoup real estate costs. Sublease space, 11.8 million SF, although having reached a plateau in 2023, is still near its highest level recorded on CoStar and represents 2.7% of inventory. Looking ahead, the outlook for occupancies remains bleak, with vacancy anticipated to continue to reach new heights in the coming years.

Rents have seen little movement since early 2020 and have witnessed losses of -0.4% during the past 12 months. Considering the market's weakness, one may have thought landlords would have reduced asking rates during this time. However, rents can only go so low before executing leases fail to make financial sense. In the current environment, many tenants expect elevated concessions and more tenant improvement dollars than obtained before 2020. Inflation in tenant build-out costs during the past several years has also added pressure to lease economics. 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.

Weak market conditions have resulted in developers exercising restraint when commencing new office projects, which has allowed the space under construction, 3.4 million SF, to come down from a recent high of 8.8 million square feet in 2020. Office starts over the past 10 quarters, just over 4 million SF, is 45% of the starts activity seen from 17Q4 through 20Q1, the peak 10-quarter period for starts during the last development

cycle. Except for 1950 Avenue of the Stars, a 731,000-SF tower underway in Century City, most speculative projects have been small-to-mid-sized mid-rise creative office projects hoping to attract tenants with the latest generation space. Developers have noticed that newer buildings have fared better with tenant interest since early 2020.

Market weakness and questions on the long-term trajectory of office space demand have resulted in modest sales activity. Year-to-date dollar activity is around half the volume seen from 2016-19. Notable sales this year demonstrate a stratification in pricing achieved. A handful of properties have achieved relatively strong pricing. The sale of the Pen Factory for \$165.5 million (\$755/SF) stands out. The result was driven by the asset being a creative office conversion that finished in 2017 (latest generation space), was 100% leased, and was in a strong location in Santa Monica, historically one of L.A.'s most sought-after office locations.

On the other hand, distressed pricing has been seen with several larger sales. In late June, the Trust Building in Downtown Los Angeles traded for \$40 million (\$140/SF). The sale price is half what the seller, JV partners Rising Realty Partners and Lionstone Investments, paid for the property in 2016. The sellers also spent several years and \$40 million renovating the property. It saw little leasing activity after renovations completed in 2019.

Downtown Los Angeles' office market has especially suffered during the past few years. According to local leasing brokers, this is largely due to the acute homeless situation and increased concerns around crime. As the most prominent example of distress in the Los Angeles office market, Brookfield, the largest owner of office buildings in Downtown Los Angeles, defaulted this year on three of its towers, 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.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	175,954,873	21.2%	\$47.49	25.4%	(197,970)	0	3,150,037
3 Star	161,137,835	12.8%	\$39.98	15.5%	(133,670)	0	261,556
1 & 2 Star	102,321,823	8.1%	\$35.44	9.2%	(96,522)	0	5,100
Market	439,414,531	15.1%	\$41.96	18.0%	(428,162)	0	3,416,693

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.2%	10.8%	18.4%	15.1%	2023 Q4	6.7%	2007 Q3
Net Absorption SF	(2.9M)	744,108	(4,197,830)	13,237,919	2000 Q1	(10,048,732)	2021 Q1
Deliveries SF	3M	2,470,521	836,411	4,754,323	2002 Q3	626,975	1997 Q1
Rent Growth	-0.4%	3.1%	-1.6%	14.9%	2007 Q3	-11.3%	2009 Q3
Sales Volume	\$2.9B	\$5B	N/A	\$11.5B	2017 Q3	\$771.6M	2009 Q4

Market conditions continue to erode in the Los Angeles office market. Vacancy stands at 15.1%, the highest level seen in CoStar's data extending back to 1996, and is up by around 500 basis points since early 2020. The increase is around 125-150 basis points above the rise witnessed nationally. Most office locations in the metro have witnessed significant occupancy declines during the past several years. Even locations that historically are the most sought-after in the market, like Culver City and Santa Monica, have faced significant challenges.

Leasing activity remains restrained. The square footage of leases signed in the first half of the year, estimated to be around 8.6 million square feet, is around three-quarters of the six-month average activity seen from 2015 through 2019, the five years leading up to the pandemic. This level of leasing has been insufficient to stop vacancy from its continued ascent. Many 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, 11.8 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.

When tenants recommit to office space by signing new leases, many downsize their footprints, another headwind for occupancies. In June, law firm Sidley Austin leased 57,100 SF at Two California Plaza in Downtown Los Angeles. It is downsizing from 136,000 SF at Gas Company Tower, another building in Downtown Los Angeles.

Although conditions market-wide are disheartening, 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.

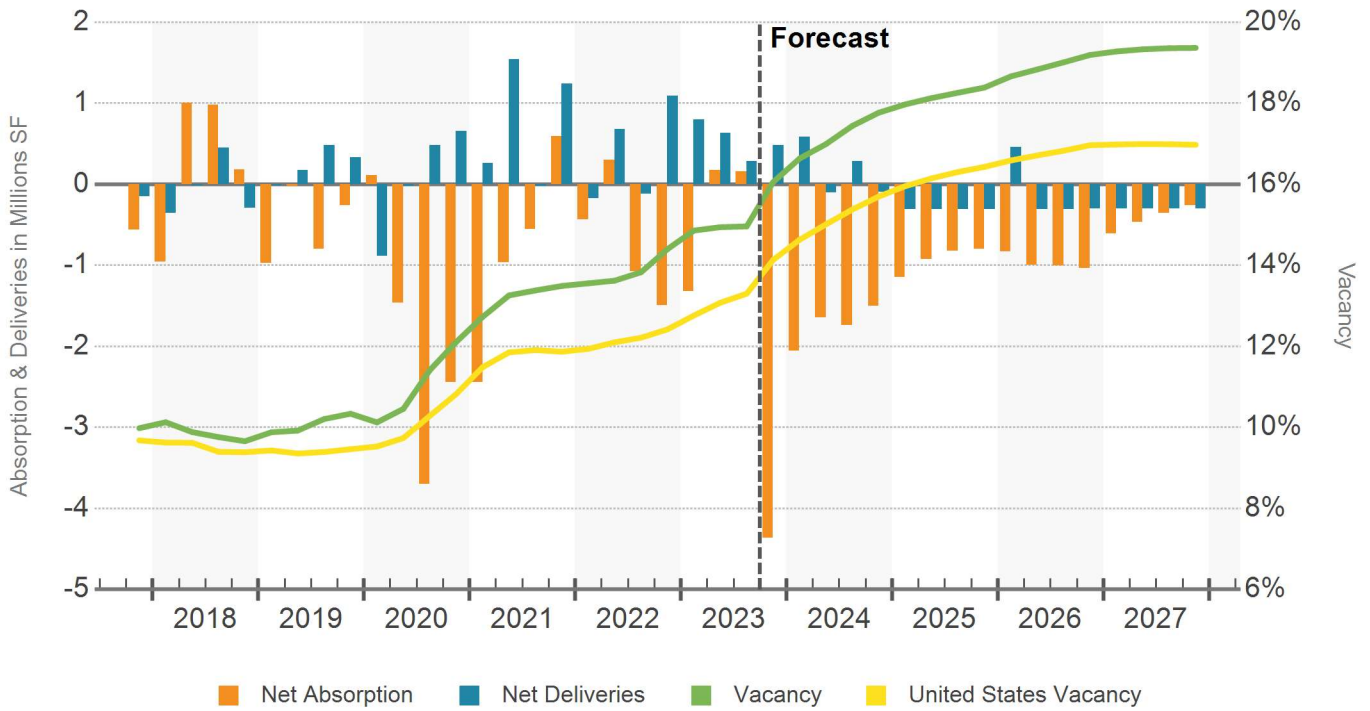
In April, news surfaced that law firm Skadden will relocate from One California Plaza in Downtown Los Angeles to 2000 Avenue of the Stars in Century City. Skadden will vacate 96,000 SF Downtown and downsize to 57,000 SF at 2000 Avenue of the Stars. The lease is indicative of firms utilizing less space per worker and tenants migrating to higher-quality buildings in higher-quality locations.

While vacancy in Century City is up from three years ago, it has come down from its peak in early 2022. The decline is notable given the rise in vacancy the Greater Los Angeles office market continues to face.

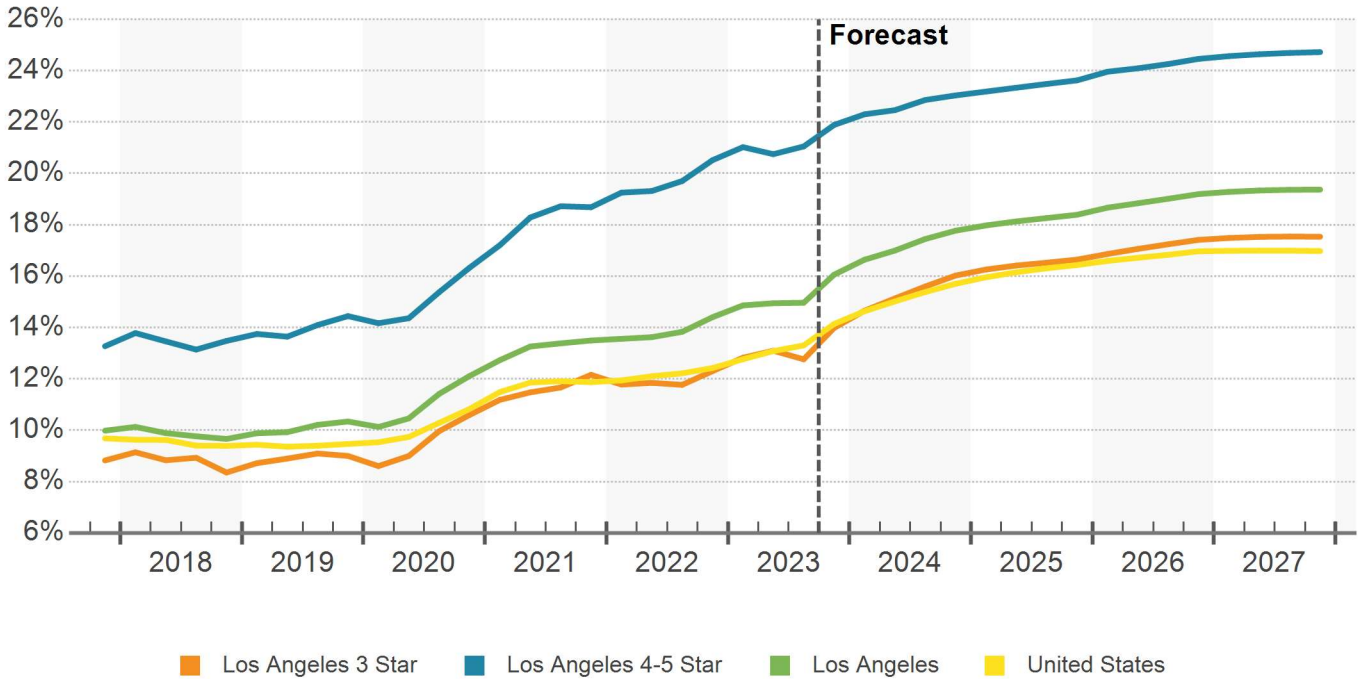
When tenants commit to new leases, there has been a clear preference by companies for the latest-generation space. Buildings in L.A. built in 2010 or later, in aggregate, are the only properties in the market that have experienced positive net absorption since early 2020. Companies see the need to compete for talent and provide a compelling environment to entice workers. Many U.S. office markets have also seen this dynamic.

Market weakness will persist for at least the near to mid term. CoStar's baseline scenario for the sector anticipates 2023 to end with significant negative net absorption. 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.

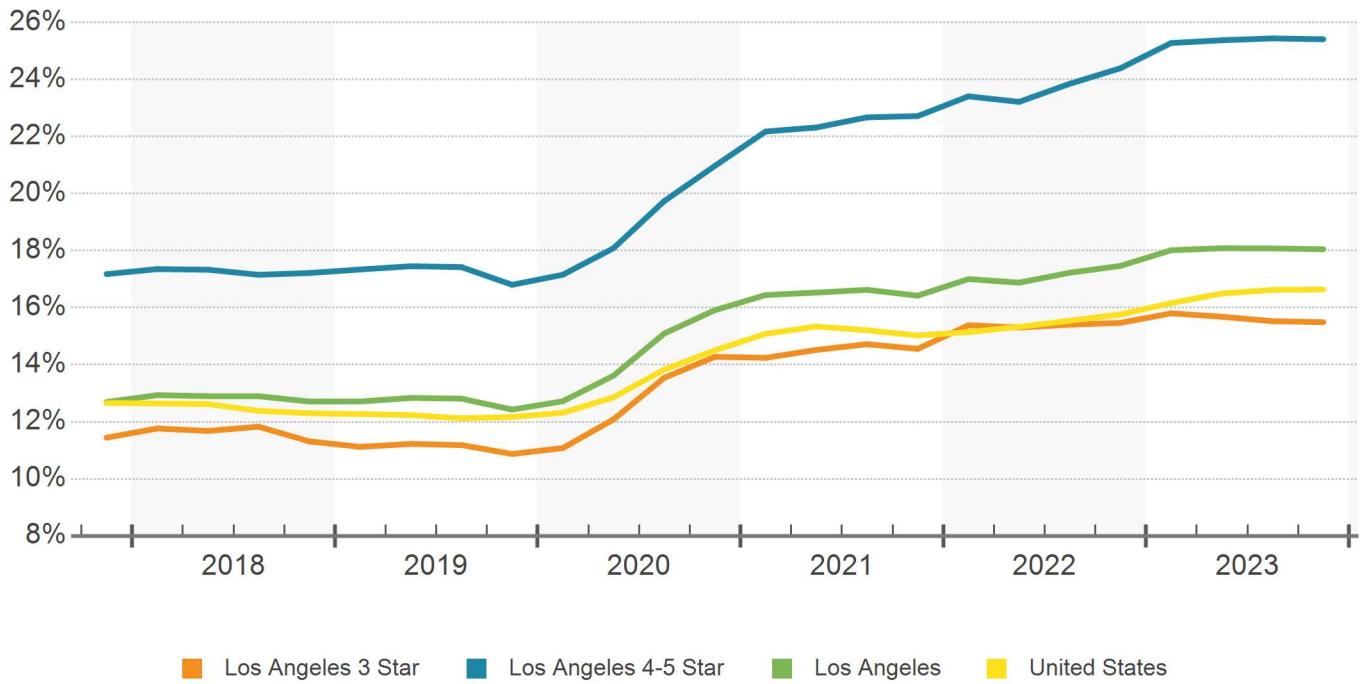
NET ABSORPTION, NET DELIVERIES & VACANCY



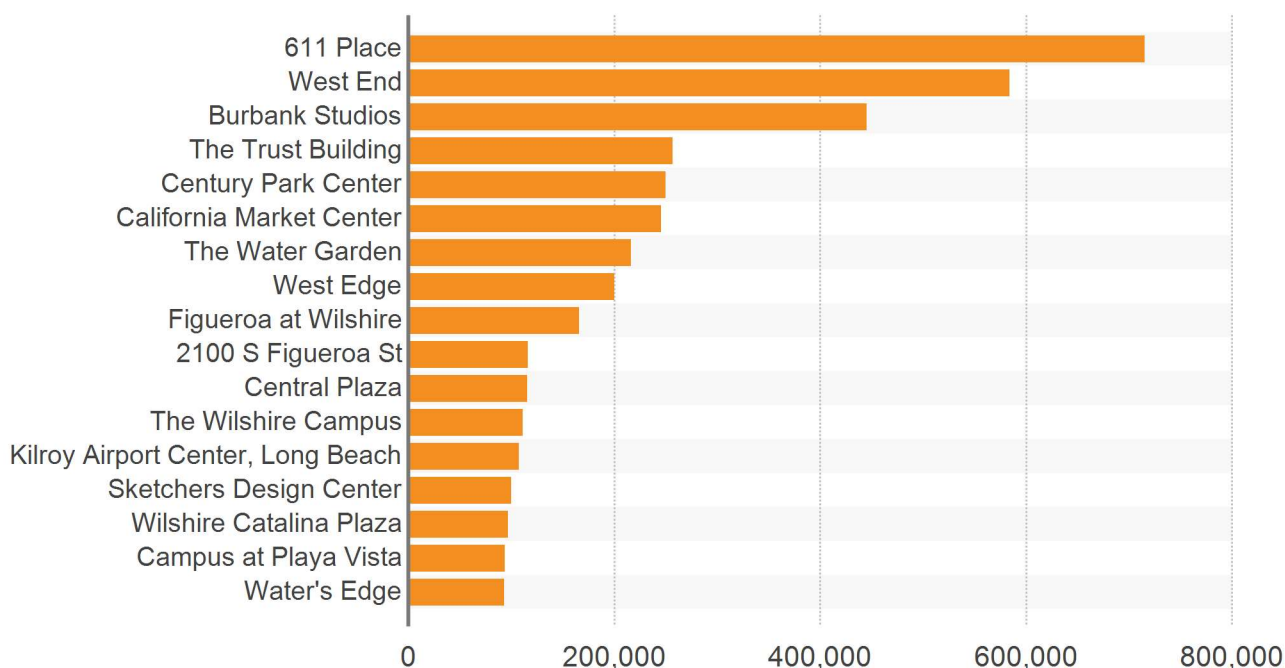
VACANCY RATE



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
611 Place	Downtown Los Angeles	792,893	0	0	0	715,050	0	715,050
West End	West Los Angeles	584,000	0	0	584,000	0	0	584,000
Burbank Studios	Burbank	445,000	0	0	445,000	0	0	445,000
The Trust Building	Downtown Los Angeles	285,394	10,006	0	(18,213)	274,759	0	256,546
Century Park Center	West Los Angeles	258,544	0	0	250,000	0	0	250,000
California Market Center	Downtown Los Angeles	1,837,247	949,768	148,879	0	81,984	0	245,373
The Water Garden	Santa Monica	278,713	8,664	9,047	199,157	0	0	216,585
West Edge	Olympic Corridor	255,615	55,733	199,882	0	0	0	199,882
Figueroa at Wilshire	Downtown Los Angeles	1,151,488	16,372	(70,394)	3,173	225,736	0	165,790
2100 S Figueroa St	Mid-Cities	135,000	0	0	0	0	0	116,086
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
Sketchers Design Center	Beach Cities/Palos V...	100,000	0	0	0	100,000	0	100,000
Wilshire Catalina Plaza	Koreatown	226,165	0	0	0	101,163	0	97,139
Campus at Playa Vista	Marina Del Rey/Venice	93,949	0	0	0	93,949	0	93,949
Water's Edge	Marina Del Rey/Venice	182,955	0	93,121	0	0	0	93,121
Subtotal Primary Competitors		7,098,340	1,071,589	380,535	1,770,586	1,619,069	0	3,912,418
Remaining Los Angeles Market		432,316,191	65,102,352	(1,704,838)	(1,600,876)	(1,458,514)	(428,162)	(6,780,703)
Total Los Angeles Market		439,414,531	66,173,941	(1,324,303)	169,710	160,555	(428,162)	(2,868,285)

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
Century City Center	Century City	151,104	Q3 23	Clearlake Capital	CBRE	Cushman & Wakefield
13401 Crossroads Pky N	Eastern SGV	144,000	Q4 22	Los Angeles County Regi...	Cushman & Wakefield	Majestic Realty Co.
Sunset Gower Studios	Hollywood	114,000	Q1 23	Picture Shop	-	-
LUMEN West LA	Olympic Corridor	113,198	Q3 23	Penske Media Corporation	EOP Realty, Inc.	McCarthy Cook & Co.
Vine Street Tower	Hollywood	101,143	Q2 23	Skims	-	-
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
Symantec Southern California Campus	Culver City	92,049	Q3 23	-	-	Cushman & Wakefield
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
1840 Victory	Burbank	67,712	Q2 23	The Switch	-	Savills
Broadway Square LA	Downtown Los Angeles	62,136	Q4 22	Shipfront LLC	-	-
LUMEN West LA	Olympic Corridor	61,787	Q1 23	Fifth Season	-	McCarthy Cook & Co.
Century Park	Century City	57,887	Q1 23	Skadden	-	CBRE
Two California Plaza	Downtown Los Angeles	57,148	Q2 23	Sidley Austin LLP	-	JLL
C3	Culver City	53,202	Q3 23	Tik Tok	-	JLL
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	Savills
BA/SE	Hollywood	50,112	Q2 23	VERVE Talent & Literary...	CBRE	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
888 Walnut	Pasadena	47,408	Q1 23	BYD	-	CBRE
California Plaza	Downtown Los Angeles	47,293	Q2 23	-	-	JLL
Figuroa at Wilshire	Downtown Los Angeles	44,426	Q1 23	-	-	Brookfield Properties
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
Warner Center Towers	Woodland Hills/Warner Ctr	40,625	Q3 23	-	-	JLL
1777-1779 Vine St	Hollywood	39,248	Q1 23	AMDA Inc	Avison Young	-
The Lot	West Hollywood	38,687	Q4 22	HartBeat Productions	Raise Commercial R...	JLL
5435-5445 Balboa Blvd	Encino	37,515	Q3 23	-	-	Lee & Associates Com...
6550 Van Nuys Blvd	Eastern SFV	37,164	Q4 22	SoCalGas	-	-
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...
The Pointe	Burbank	36,164	Q2 23	SEGA Corporation	Cresa	Cushman & Wakefield

Renewal

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

However, some owners face a situation where signing leases with such elevated incentives fails to make financial sense. In addition to tenants holding greater leverage in negotiations to ask for higher tenant improvement allowances, the higher inflation witnessed during the past two years has significantly increased tenant build-out costs. According to local market experts, even 10-year leases may have to provide concession packages worth five to six years of the total rent collected during the lease to secure tenants. This dynamic has kept some spaces vacant.

Landlords also need to compete with sublease space, often offered at a discount to direct space (see leasing section for more detail). Sega Corporation's sublease at The Pointe at 2900 W Alameda Ave was a prime example. In June, the video game firm sublet 33,200 SF from Freemantle, a British multinational television

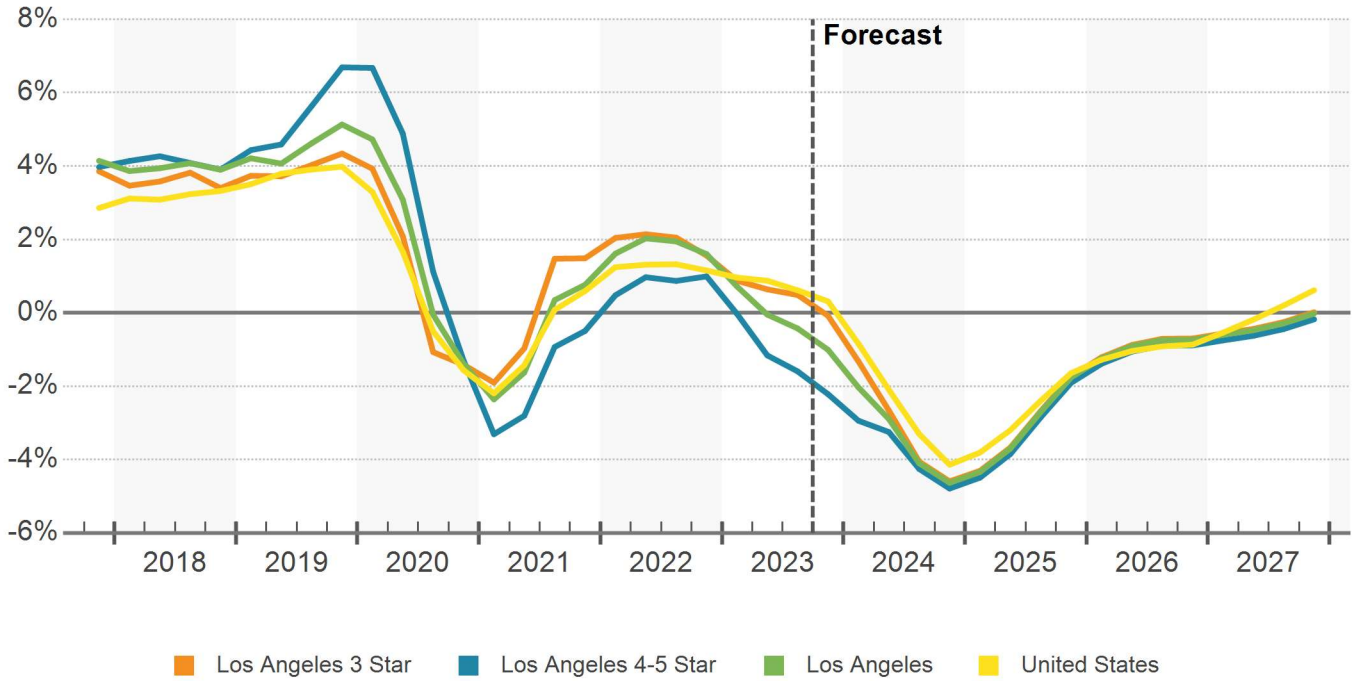
production and distribution company. The asking rate for the space was \$2.95/SF per month on a full service gross basis, representing around a 40% discount from direct space in the building currently being marketed at \$5.15/SF per month on a full service gross basis.

Average office asking rates in Los Angeles are \$42.00/SF. The metro office market saw rents grow by 50% from 2011 through early 2020. L.A. outpaced the nation during this period, with cumulative growth of under 40%. Rent growth in L.A. reached as high as 8.5% in early 2016 and witnessed annual increases above inflation through 2019.

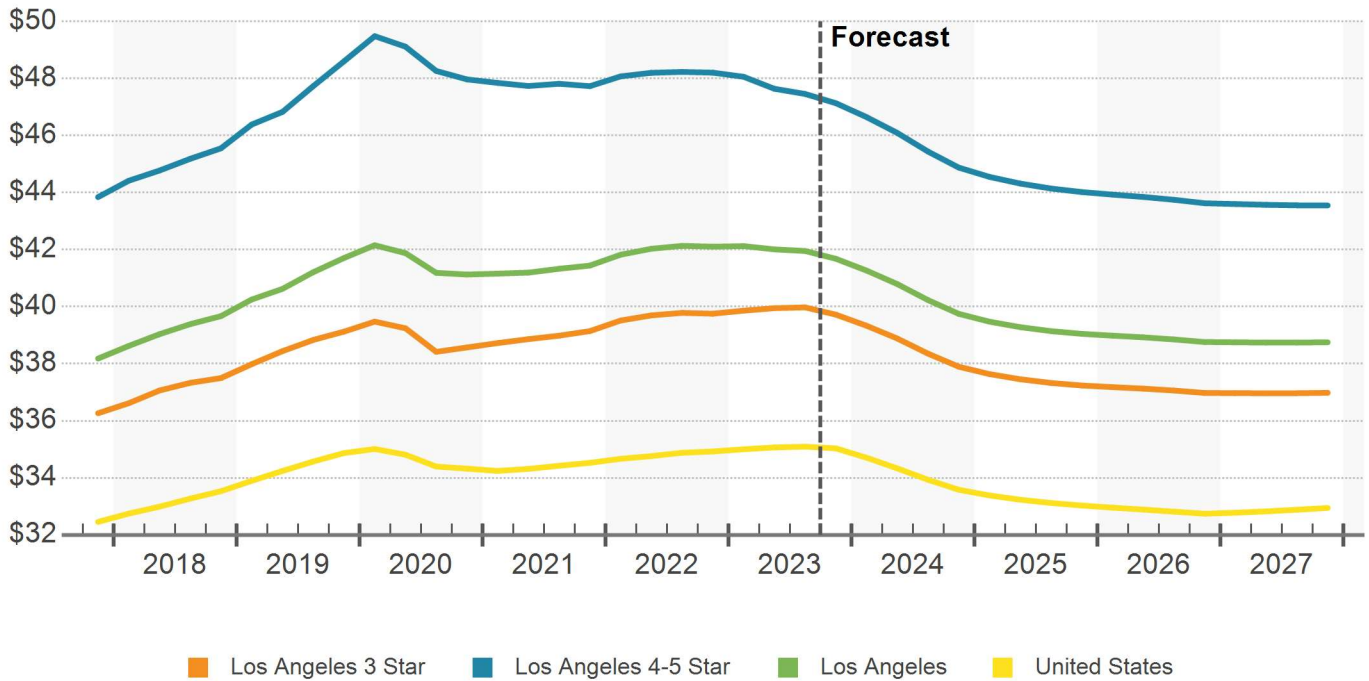
Recent rent movements have underperformed most other markets in recent quarters. Rents have moved by -0.4% during the past 12 months, compared to 0.6% nationally. Markets seeing the highest year-over-year gains include many Sun Belt metros, where job growth has been more robust and a higher percentage 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	\$1.74	\$1.25	\$5.42	\$8.27	\$17.53
Antelope Valley	\$0.64	\$1.35	\$0.96	\$3.50	\$5.73	\$12.18
Burbank/Glendale/Pasadena	\$1.07	\$1.71	\$1.19	\$5.04	\$6.20	\$15.21
Downtown Los Angeles	\$1.09	\$2.07	\$0.80	\$4.68	\$13.25	\$21.89
Mid-Cities	\$0.74	\$1.12	\$0.62	\$3.54	\$6.84	\$12.86
Mid-Wilshire	\$0.70	\$1.86	\$1.12	\$5.29	\$8.94	\$17.91
San Fernando Valley	\$0.81	\$1.55	\$1.14	\$4.46	\$6.49	\$14.45
San Gabriel Valley	\$0.90	\$1.81	\$1.07	\$4.31	\$5.37	\$13.46
Santa Clarita Valley	\$0.85	\$1.47	\$0.90	\$4.49	\$4.66	\$12.37
South Bay	\$0.69	\$1.47	\$1.02	\$5.63	\$6.92	\$15.73
Southeast Los Angeles	\$0.81	\$1.99	\$1.11	\$2.95	\$6.49	\$13.35
West Los Angeles	\$0.83	\$1.81	\$1.78	\$6.62	\$9.04	\$20.08

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	\$0.73	\$1.42	\$0.66	\$4.52	\$4.50	\$11.83
Antelope Valley	\$0.57	\$0.99	\$0.77	\$3.21	\$3.14	\$8.68
Burbank/Glendale/Pasadena	\$0.82	\$1.57	\$0.64	\$4.01	\$4.76	\$11.80
Downtown Los Angeles	\$1.01	\$1.93	\$0.66	\$3.02	\$8.75	\$15.37
Mid-Cities	\$0.59	\$0.87	\$0.47	\$3.86	\$3.23	\$9.02
Mid-Wilshire	\$0.66	\$1.70	\$0.75	\$4.53	\$4.91	\$12.55
NE LA County Outlying	\$0.73	\$1.42	\$0.73	\$1.51	\$4.85	\$9.24
NW LA County Outlying	\$0.61	\$1.05	\$0.82	\$3.33	\$3.33	\$9.14
San Fernando Valley	\$0.69	\$1.16	\$0.86	\$3.99	\$3.91	\$10.61
San Gabriel Valley	\$0.83	\$1.75	\$0.63	\$4.01	\$2.84	\$10.06
Santa Clarita Valley	\$0.67	\$0.87	\$0.57	\$4.41	\$2.47	\$8.99
South Bay	\$0.63	\$1.29	\$0.42	\$4.39	\$4.58	\$11.31
Southeast Los Angeles	\$0.71	\$1.67	\$0.48	\$3.57	\$3.79	\$10.22
West Los Angeles	\$0.75	\$1.39	\$0.79	\$6.59	\$5.74	\$15.26

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	\$4.11	\$2.50	\$8.81
Antelope Valley	\$0.57	\$0.80	\$0.20	\$2.63	\$2.71	\$6.91
Burbank/Glendale/Pasadena	\$0.75	\$1.30	\$0.54	\$3.89	\$2.28	\$8.76
Downtown Los Angeles	\$0.61	\$0.86	\$0.43	\$3.10	\$6.20	\$11.20
East LA County Outlying	\$0.74	\$1.23	\$0.49	\$1.67	\$2.16	\$6.29
Mid-Cities	\$0.55	\$0.77	\$0.32	\$3.30	\$3.10	\$8.04
Mid-Wilshire	\$0.60	\$1.32	\$0.61	\$4.81	\$2.91	\$10.25
NE LA County Outlying	\$0.80	\$1.37	\$0.58	\$1.09	\$1.97	\$5.81
San Fernando Valley	\$0.60	\$0.94	\$0.47	\$3.91	\$1.72	\$7.64
San Gabriel Valley	\$0.78	\$1.22	\$0.48	\$3.71	\$1.88	\$8.07
Santa Clarita Valley	\$0.66	\$0.78	\$0.38	\$5.16	\$2.34	\$9.32
South Bay	\$0.60	\$0.91	\$0.21	\$3.79	\$2.30	\$7.81
Southeast Los Angeles	\$0.64	\$0.78	\$0.23	\$2.94	\$3.06	\$7.65
West Los Angeles	\$0.64	\$1.22	\$0.63	\$5.56	\$2.96	\$11.01

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 2.8 million SF of net new office space complete, elevated levels relative to history. In the past decade, deliveries averaged 940,000 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 2023. The 180,000-SF, 16-story tower next to the Expo/La Cienega LA Metro stop remains 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.

Considering market weakness during the past several years, developers have been selective when kicking off projects since late 2020. The 3.4 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 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

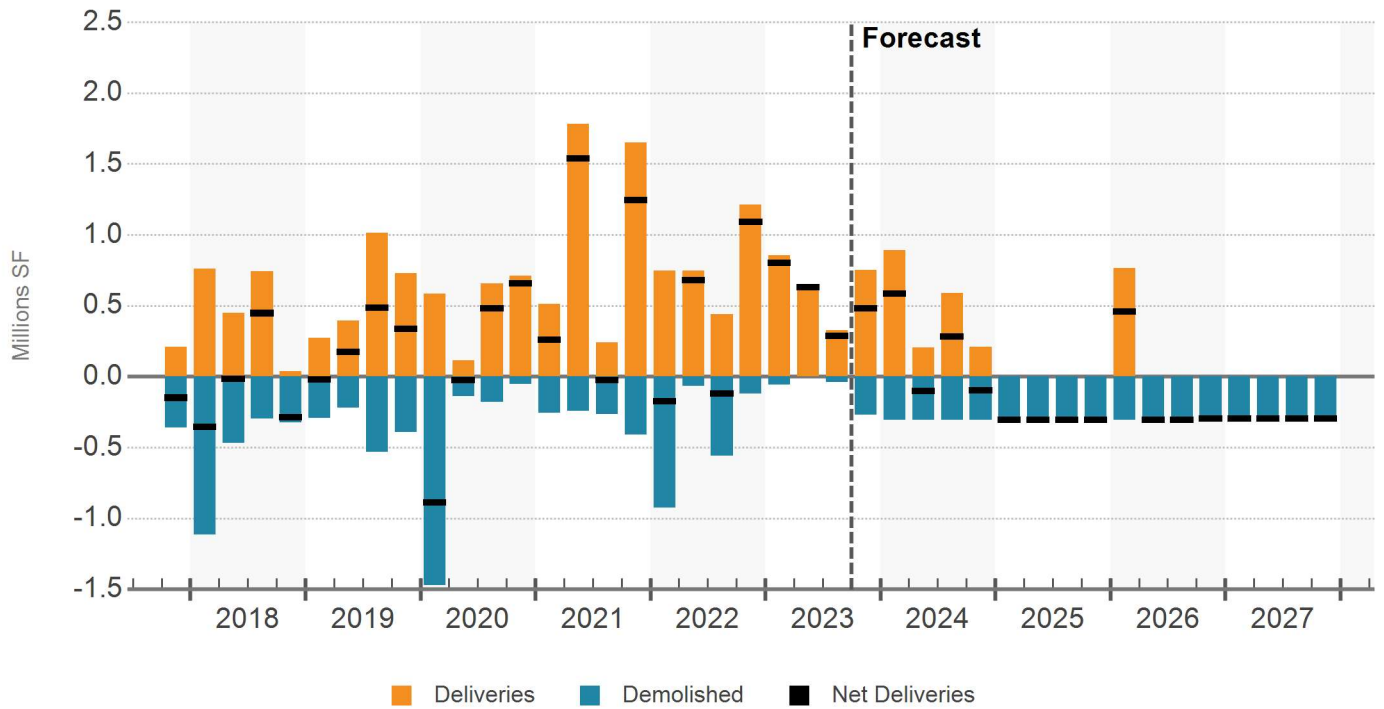
starts before the onset of the pandemic.

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 the largest speculative project in years.

In Century City, JMB Realty started work this year on Century City Center at 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. This July, private equity firm Clearlake Capital leased an additional 151,000 SF in the project. The tower will complete in 2026. 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).

Given many properties' occupancy issues, conversation has increased around converting office properties into multifamily communities. Jamison Properties, one of the largest office landlords in the metro, has converted several of its buildings in Koreatown in recent years. In June, news surfaced that Jamison intends to convert several additional office properties into multifamily communities, including 1055 W. 7th St. in Downtown Los Angeles at 6380 Wilshire Blvd. in Miracle Mile. In the years ahead, the market is likely to see additional properties converted as the market addresses what appears to be a structural decline in office space given the increased prevalence of hybrid and remote work strategies.

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	Century City	1	731	731	100%	1	265,940	731,250	1
2	El Segundo	2	389	245	63.0%	5	67,409	194,531	4
3	Burbank	1	355	355	100%	1	24,318	355,000	2
4	Studio/Universal Cities	1	331	331	100%	1	15,056	331,000	3
5	Culver City	7	235	46	19.6%	7	20,581	33,544	10
6	Glendale	3	229	43	18.7%	8	16,677	76,432	6
7	Downtown Los Angeles	2	209	23	10.9%	10	149,505	104,278	5
8	Santa Monica	3	208	50	24.0%	6	26,666	69,337	7
9	Pasadena	3	202	200	98.9%	4	20,438	67,417	8
10	Marina Del Rey/Venice	3	149	20	13.7%	9	23,150	49,741	9
	All Other	12	378	229	60.5%		19,779	31,520	
Totals		38	3,417	2,273	66.5%		24,890	89,913	

Under Construction Properties

Los Angeles Office

Properties

Square Feet

Percent of Inventory

Released

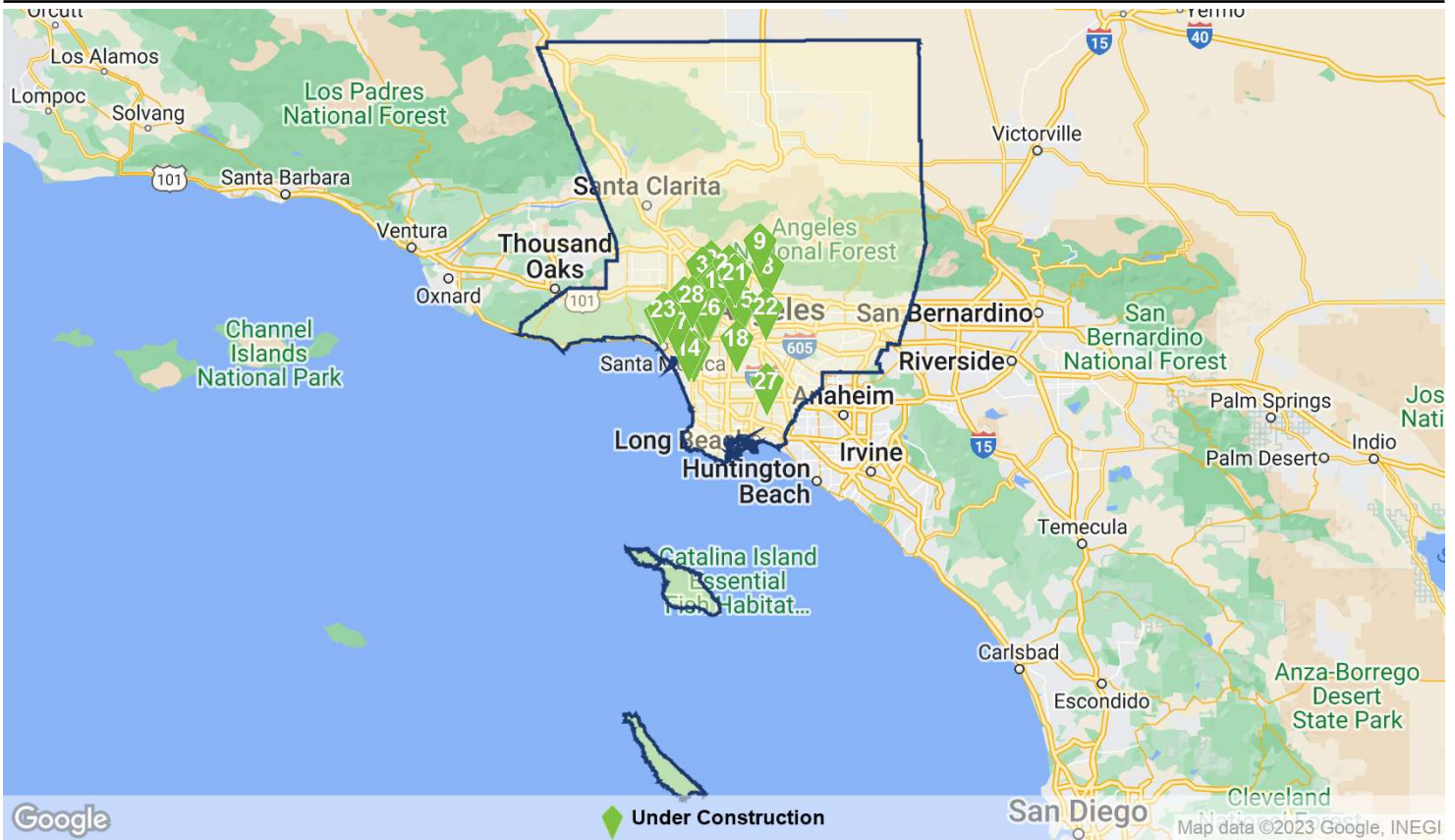
38

3,416,693

0.8%

66.5%

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	★★★★☆	355,000	7	Sep 2020	Dec 2023	Worthe Real Estate Group Worthe Real Estate Group
3 100 Universal City Plz	★★★★☆	331,000	11	Nov 2021	Nov 2023	Aurora Development, Inc. NBCUniversal
4 200 S Nash St	★★★★★	324,000	1	Mar 2022	Aug 2024	- Continental Development Corpor...
5 South Building 4561 Colorado Blvd	★★★★☆	145,674	2	Jan 2023	Jan 2024	- Westbrook Partners
6 Forge at Alloy 530 Mateo St	★★★★☆	145,456	6	Jan 2020	Sep 2024	Carmel Partners Carmel Partners
7 Echelon at Cahuenga 1200 N Cahuenga Blvd	★★★★☆	115,000	3	Aug 2023	Aug 2024	BARDAS Investment Group BARDAS Investment Group

Under Construction Properties

Los Angeles Office

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 590 S Fair Oaks Ave	★ ★ ★ ★ ☆	100,000	4	Oct 2022	May 2024	-
9 4802 Oak Grove Dr	★ ★ ★ ★ ★	100,000	10	Aug 2022	Dec 2023	-
10 315 Colorado Ave	★ ★ ★ ★ ☆	100,000	2	Sep 2021	Dec 2023	- The Macerich Company
11 Building 2 4204 Glencoe Ave	★ ★ ★ ★ ☆	75,371	3	Dec 2022	Jul 2024	-
12 5237 W Jefferson Blvd	★ ★ ★ ★ ☆	71,732	3	Sep 2022	Nov 2023	- RevOz Capital
13 1650 Euclid St	★ ★ ★ ★ ☆	69,011	3	Aug 2022	Jan 2024	- Redcar Properties LTD
14 1330 E Franklin Ave	★ ★ ★ ☆ ☆	65,061	3	Apr 2023	Oct 2024	Smoky Hollow Industries LLC -
15 AtTraction 800-810 Traction Ave	★ ★ ★ ★ ☆	63,100	6	Oct 2021	Nov 2023	-
16 3000 Crenshaw Blvd	★ ★ ★ ★ ☆	55,725	3	Apr 2022	Nov 2023	-
17 Building 3 4204 Glencoe Ave	★ ★ ★ ★ ☆	54,900	3	Jan 2023	Jul 2024	Bradmore Realty Investment Co Ltd Bradmore Realty Investment Co Ltd
18 Swinerton Kaiser Perma... 1465 E 103rd St	★ ★ ★ ☆ ☆	52,800	3	Dec 2021	Nov 2023	- Kaiser Permanente
19 Create @ Sunset 5419 W Sunset Blvd	★ ★ ★ ★ ☆	43,000	2	Nov 2022	Nov 2023	- Montana Avenue Capital Partner...
20 North Building 4561 Colorado Blvd	★ ★ ★ ★ ☆	42,987	1	Jan 2023	Dec 2023	- Westbrook Partners
21 North Campus 3333 Casitas Ave	★ ★ ★ ★ ☆	40,634	3	Apr 2023	Apr 2024	SteelWave, Inc. -
22 436 S Atlantic Blvd	★ ★ ★ ★ ☆	40,000	2	Apr 2022	Nov 2023	-
23 1640 14th St	★ ★ ★ ★ ☆	39,000	2	Jul 2022	Jan 2024	Redcar Properties LTD Redcar Properties LTD
24 5252 W Adams Blvd	★ ★ ★ ★ ☆	32,629	3	May 2023	Dec 2025	-
25 Building #2 3810 Stineman Ct	★ ★ ★ ☆ ☆	32,591	2	Jan 2023	Nov 2023	- Airway Office Park Llc
26 3900 W Jefferson Blvd	★ ★ ★ ★ ☆	31,360	3	Apr 2021	May 2024	Charles Company Community Redevelopment Agen...
27 Building #1 3816 Stineman Ct	★ ★ ★ ☆ ☆	27,460	2	Jan 2023	Dec 2023	- Airway Office Park Llc
28 9212 Olympic Blvd	★ ★ ★ ★ ☆	24,255	3	Apr 2022	Nov 2023	-

Recent office sales activity in Greater Los Angeles has been restrained. The third quarter witnessed \$528 million worth of office properties transact. This is below the \$426 million of office assets that traded in the second quarter. It is also well under the \$1.7 billion worth of office sales that traded quarterly, on average, during the past decade in the metro. Sales levels on a dollar basis have not been this low since the first half of 2010. The fall in activity was most pronounced within the City of Los Angeles, which saw only \$82 million worth of properties trade in the second quarter, around a 90% fall in activity in the city compared to the first quarter.

A key culprit for the fall in activity was the City of Los Angeles's transfer tax imposed on sellers starting April 1. Some sellers rushed to get sales closed before April 1 to avoid the transfer tax. Sellers in the city now face an additional 4% transfer tax for any sale above \$5 million and 5.5% for any sale above \$10 million. The new transfer taxes are on top of the 0.45% transfer tax the city had in place before April.

The measures could potentially suppress pricing and transaction levels going forward, as buyers, especially developers and value-add buyers who 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.

Recent capital markets activity suggests distressed sales are likely to become more prevalent going forward. Brookfield Properties, the largest landlord in Downtown Los Angeles, has frequently been in the news this year, defaulting on three towers, 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. As loans come due on other office properties in the metro struggling with occupancies, additional landlords will likely default.

One clear recent signal of distressed pricing was the sale of Union Bank Plaza in Downtown Los Angeles, which closed just before the start of the additional transfer tax on April 1. Waterbridge Capital purchased the tower from KBS in late March for a net price of \$104 million (\$150/SF). Waterbridge acquired the building for \$110 million but had to assume \$6 million in capital

commitments to 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.

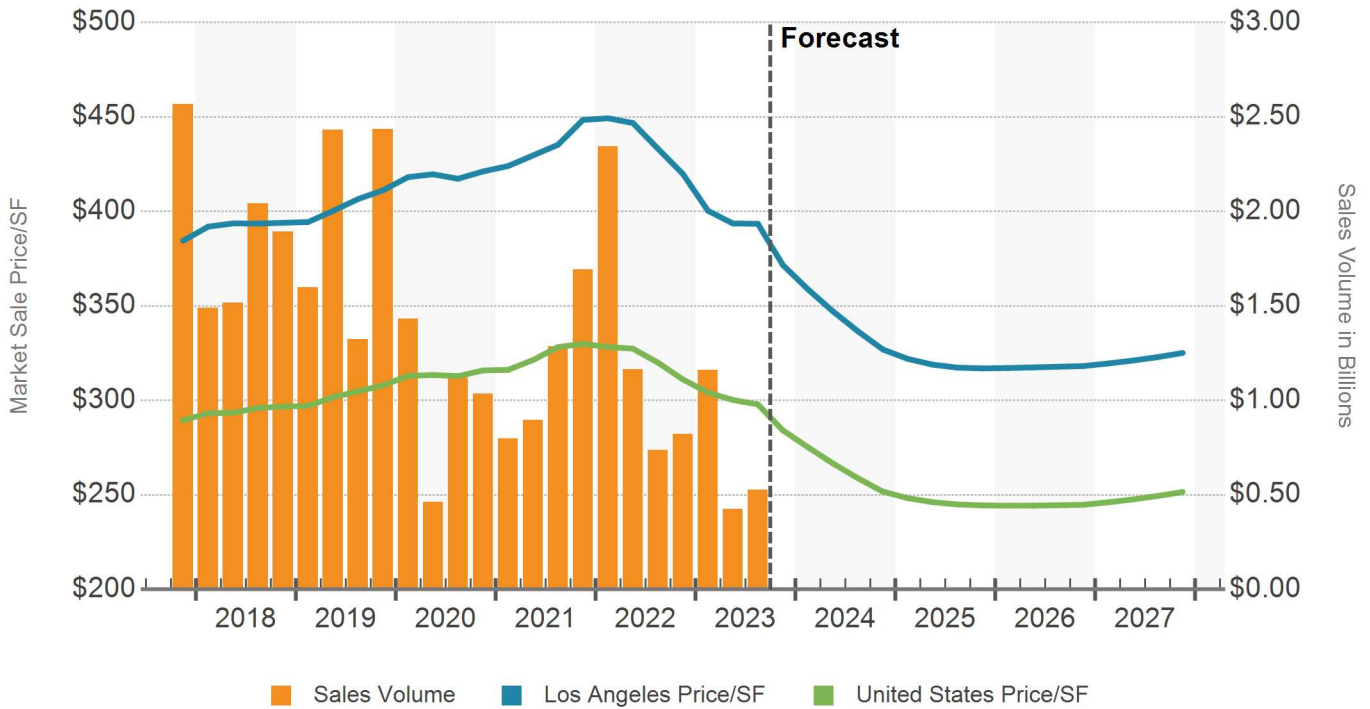
Waterbridge originally agreed to purchase the property for \$155 million in July 2022. The sale was delayed for months, as there were a dozen extensions to close the deal. KBS realized a significant loss, having paid \$208 million for the building in September 2010 and overseen extensive renovations 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.

Also in Downtown Los Angeles, in late June the University of California, Los Angeles closed on The Trust Building at 433 S. Spring St., for \$40 million (\$140/SF). The seller, JV partners Rising Realty Partners and Lionstone Investments, acquired the 285,000-SF property in June 2016 for \$80.4 million (\$280/SF). Rising Realty spent \$40 million on renovating the 1920s Art Deco building.

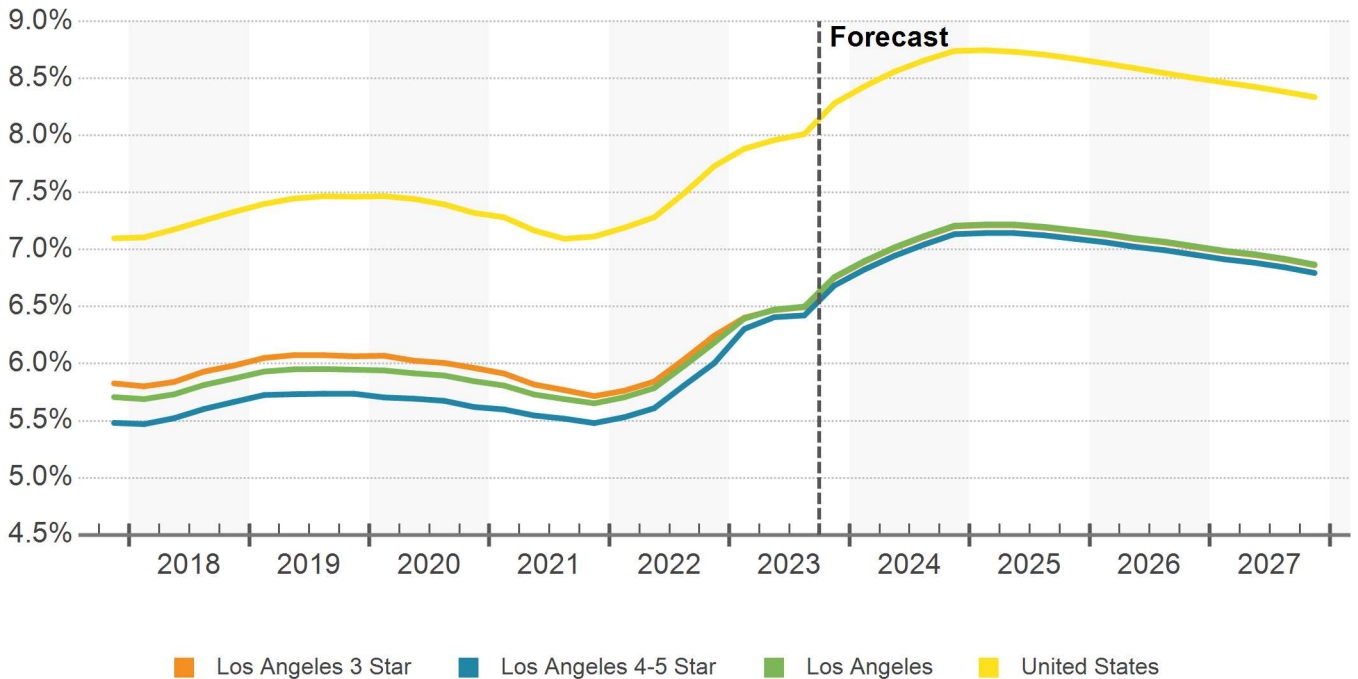
Renovations were completed in 2019. Rising and Lionstone only secured two office tenants. KTGy, an architectural firm, leased 15,700 SF, and an undisclosed firm leased 4,100 SF. In 2021, Rising and Lionstone offered brokers a \$1 million bonus if a tenant were to commit to at least 100,000 SF. Despite the considerable incentive, the property did not secure any large tenants. UCLA acquired the property to utilize as a satellite campus.

In Hollywood, Elat Enterprises purchased the Taft Building at 1680 Vine St. from Ocean West Capital Partners in late March 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.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Los Angeles Office

Sale Comparables

558

Avg. Cap Rate

5.3%

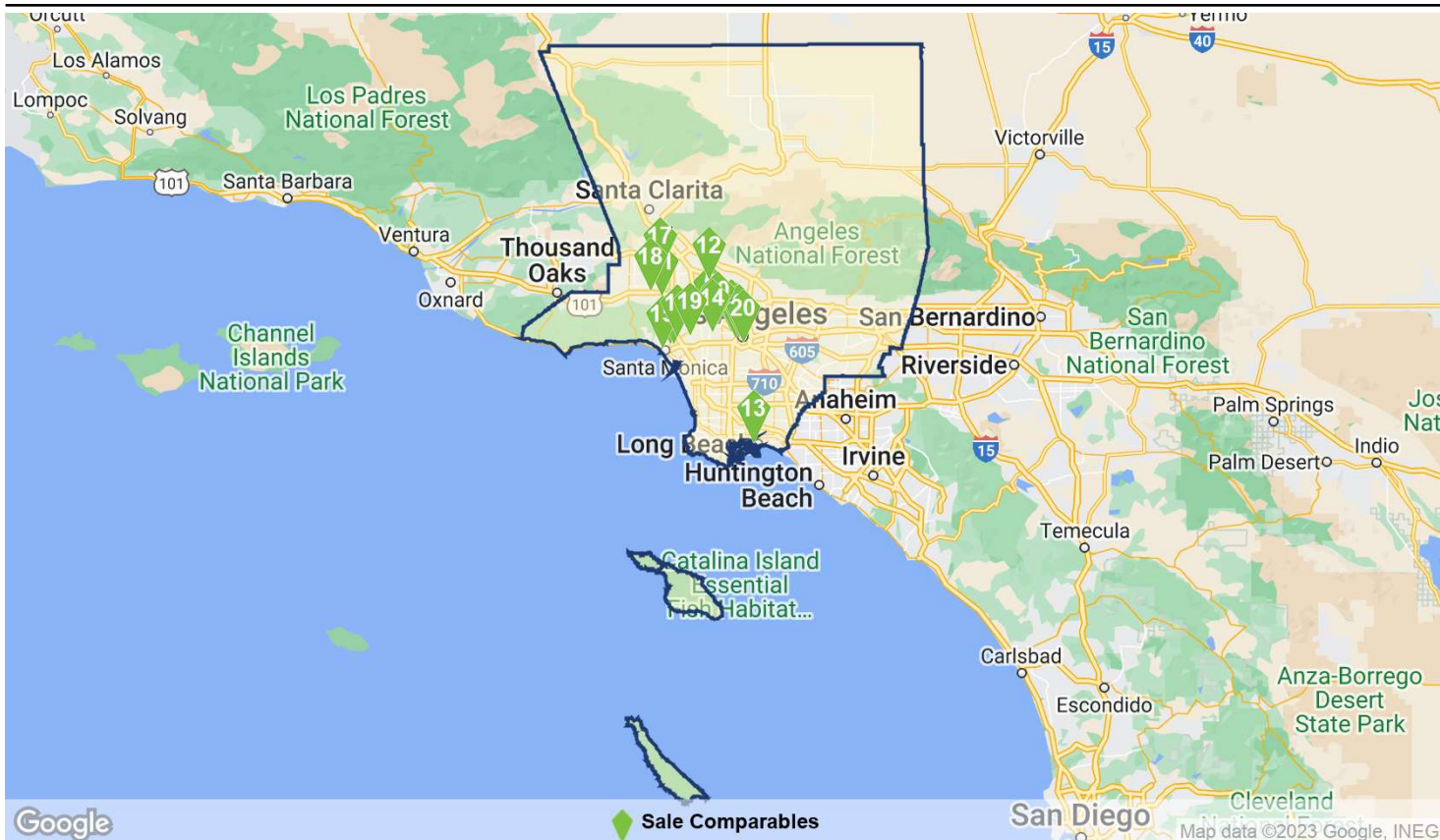
Avg. Price/SF

\$301

Avg. Vacancy At Sale

23.4%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$77,500	\$6,764,334	\$2,350,000	\$165,505,000
Price/SF	\$9.46	\$301	\$428	\$2,417
Cap Rate	2.2%	5.3%	5.0%	9.3%
Time Since Sale in Months	0.0	6.1	6.1	12.0
Property Attributes	Low	Average	Median	High
Building SF	400	26,767	6,620	701,888
Stories	1	2	2	40
Typical Floor SF	240	9,078	4,148	219,571
Vacancy Rate At Sale	0%	23.4%	0%	100%
Year Built	1895	1967	1969	2023
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 Pen Factory 2701 Olympic Blvd	★★★★★	2017	219,571	26.4%	8/23/2023	\$165,505,000	\$754	-
2 Bullocks Bldg 800 S Hope St	★★★★★	1985	242,176	0%	12/9/2022	\$130,000,000	\$537	-
3 Union Bank Plaza 445 S Figueroa St	★★★★★	1967	701,888	39.4%	3/30/2023	\$110,000,000	\$157	-
4 3rd Street 2100 W 3rd St	★★★★★	1990	147,078	9.6%	3/31/2023	\$75,000,000	\$510	-
5 6922 Hollywood 6922 Hollywood Blvd	★★★★★	1966	210,312	39.9%	10/20/2022	\$70,942,306	\$337	-
6 801 S Grand Ave	★★★★★	1986	470,295	11.9%	3/29/2023	\$46,000,000	\$98	-
7 I 8500 Balboa Blvd	★★★★★	2016	142,420	19.3%	3/30/2023	\$41,143,973	\$289	-
8 3401 Exposition 3401 Exposition Blvd	★★★★★	1961	63,376	0%	8/25/2023	\$40,000,000	\$631	-
9 The Trust Building 433 S Spring St	★★★★★	1927	285,394	99.8%	6/30/2023	\$40,000,000	\$140	-
10 Raleigh Studios East 5300 Melrose Ave	★★★★★	1988	68,388	0%	12/23/2022	\$39,780,476	\$831	-
11 Encino Executive Tower 16633 Ventura Blvd	★★★★★	1970	193,344	10.9%	6/23/2023	\$39,226,500	\$203	-
12 2777 N Ontario St	★★★★★	1968	127,140	19.3%	1/4/2023	\$37,000,000	\$291	-
13 Union Bank Building 400 Oceangate	★★★★★	1975	157,683	26.7%	6/23/2023	\$35,000,000	\$222	-
14 4750 Wilshire Blvd	★★★★★	1987	143,000	77.6%	2/17/2023	\$34,400,000	\$301	-
15 604 Arizona 604 Arizona Ave	★★★★★	1950	46,707	0%	8/25/2023	\$32,500,000	\$696	-
16 Variety Building 11175 Santa Monica Blvd	★★★★★	1986	75,769	0%	3/29/2023	\$31,500,000	\$416	-
17 8550 Balboa Blvd	★★★★★	1986	160,118	15.6%	3/30/2023	\$30,674,343	\$192	-
18 Tarzana Medical Plaza 5525 Etiwanda Ave	★★★★★	1986	75,000	26.7%	10/17/2022	\$30,000,000	\$400	-
19 9911 W Pico Blvd	★★★★★	1974	258,544	96.7%	3/30/2023	\$30,000,000	\$116	-
20 1820 Industrial St	★★★★★	1906	40,000	0%	2/16/2023	\$30,000,000	\$750	-

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 labor market is not as tight as other parts of the country and job growth lags due to population losses. Disputes between workers and employers have arisen across various industries, including writers and actors in entertainment, dock workers and delivery drivers in transportation, and hotel staff in hospitality. While each dispute is occupation-specific, the disputes are further escalated by Los Angeles' high cost of living, which is due to the challenges of building more housing. Companies often cite the challenges in hiring as a motivating factor to relocate to other parts of the country.

The post-pandemic recovery in employment levels was slow relative to the nation due to an acceleration of population losses. 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 9% since February 2020, while

accommodations payrolls are 10% 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.

The entertainment business is vital to the Los Angeles economy. Los Angeles has benefited from the boom in content creation and social media over the past ten years. However, programming for the next 12 months will likely be affected by the writer's and actor's strikes.

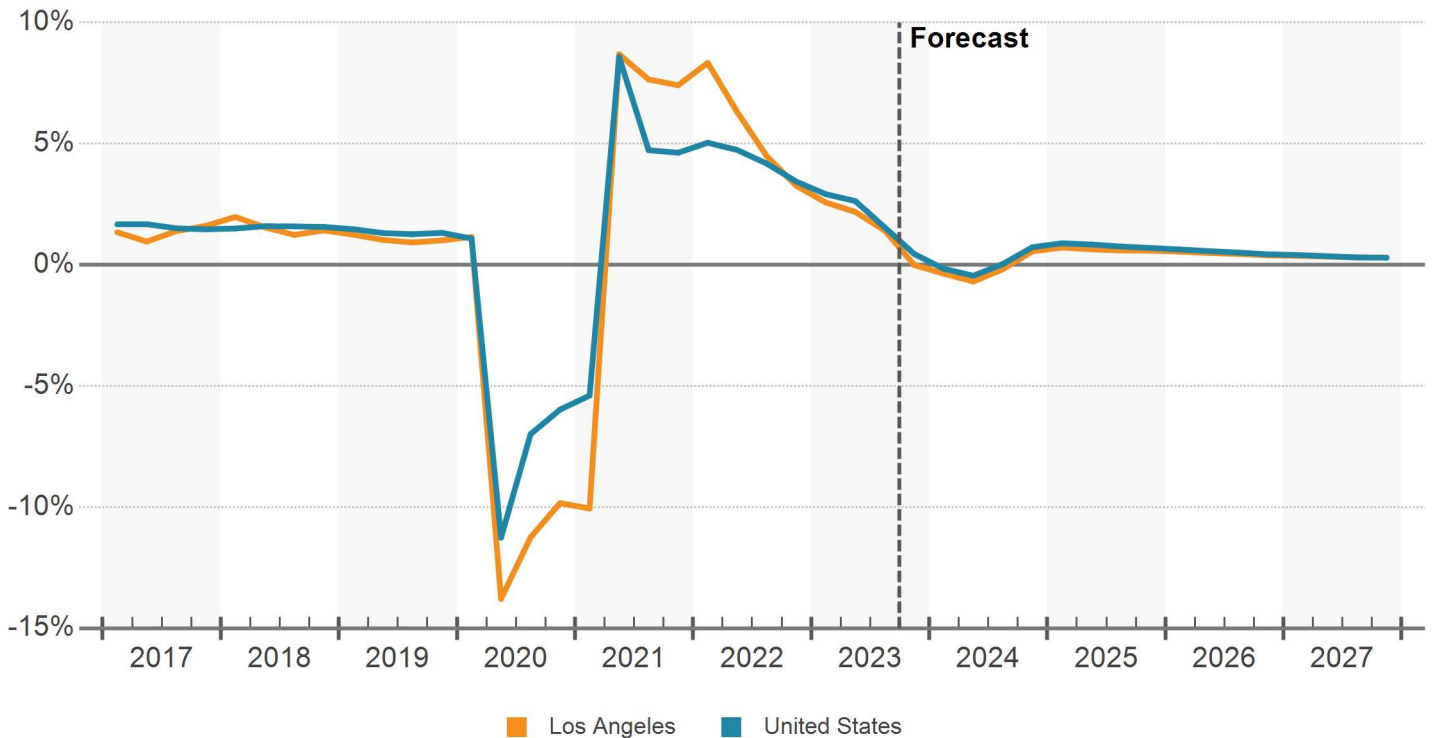
Tourism is also important for the local economy. Stores, restaurants, and lodging in tourist hotspots like Downtown L.A., Hollywood, Beverly Hills, and Santa Monica are dependent on tourists spending. Los Angeles has more than 50 million visitors per year, but hotel occupancy rates have yet to recover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

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	319	0.8	-1.48%	0.33%	-1.64%	0.74%	-0.72%	0.07%
Trade, Transportation and Utilities	841	1.0	0.30%	0.31%	0.68%	1.12%	-0.11%	0.11%
Retail Trade	410	0.9	0.55%	0.20%	0.14%	0.29%	-0.19%	0.10%
Financial Activities	218	0.8	0.66%	0.48%	0.24%	1.43%	0.05%	0.13%
Government	569	0.9	0.82%	1.35%	0.44%	0.31%	0.21%	0.43%
Natural Resources, Mining and Construction	148	0.6	-3.36%	1.73%	2.18%	2.39%	0.06%	0.23%
Education and Health Services	911	1.2	3.66%	2.76%	2.61%	1.77%	0.95%	0.69%
Professional and Business Services	682	1.0	2.87%	1.21%	1.44%	2.08%	-0.18%	0.37%
Information	217	2.4	-9.98%	-1.51%	0.99%	1.24%	0.74%	0.29%
Leisure and Hospitality	550	1.1	6.41%	4.23%	2.18%	1.52%	1.12%	0.89%
Other Services	158	0.9	2.00%	1.86%	0.62%	0.61%	0.02%	0.29%
Total Employment	4,613	1.0	1.36%	1.50%	1.13%	1.31%	0.30%	0.39%

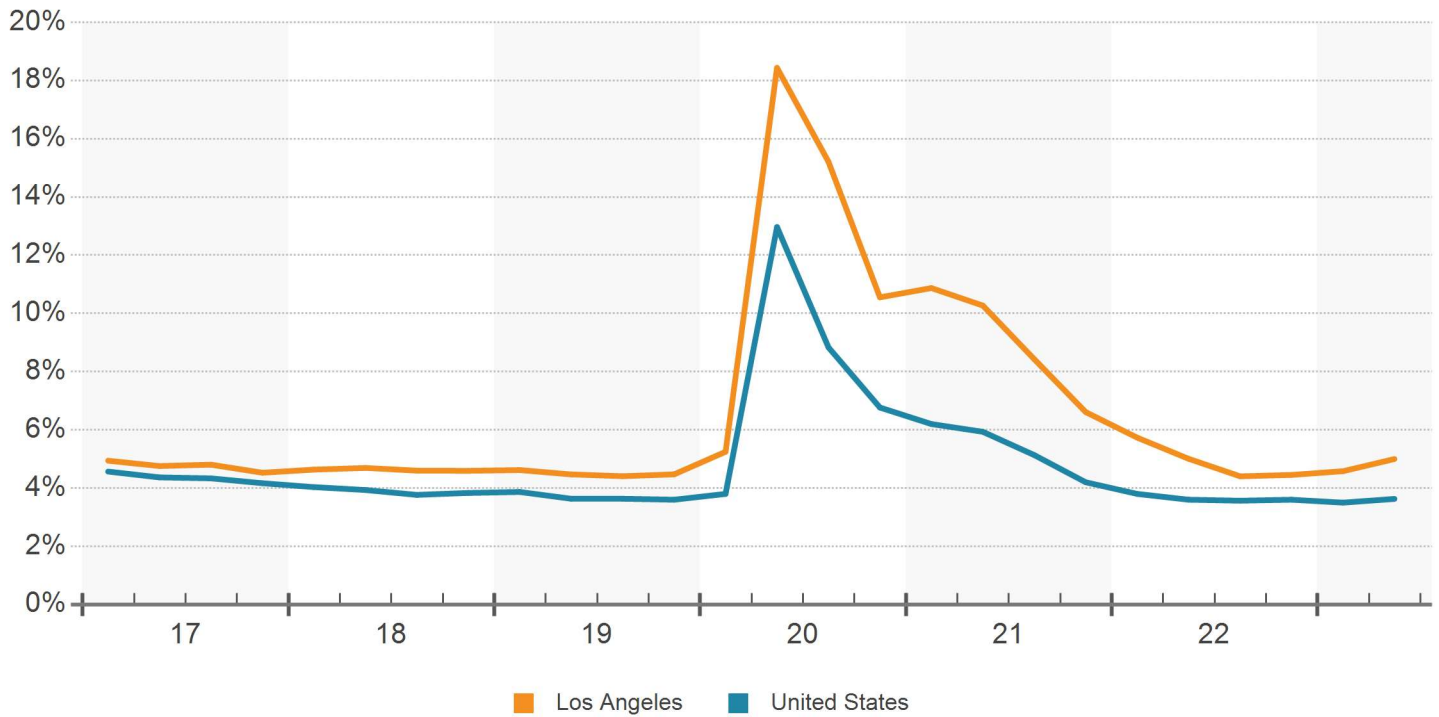
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

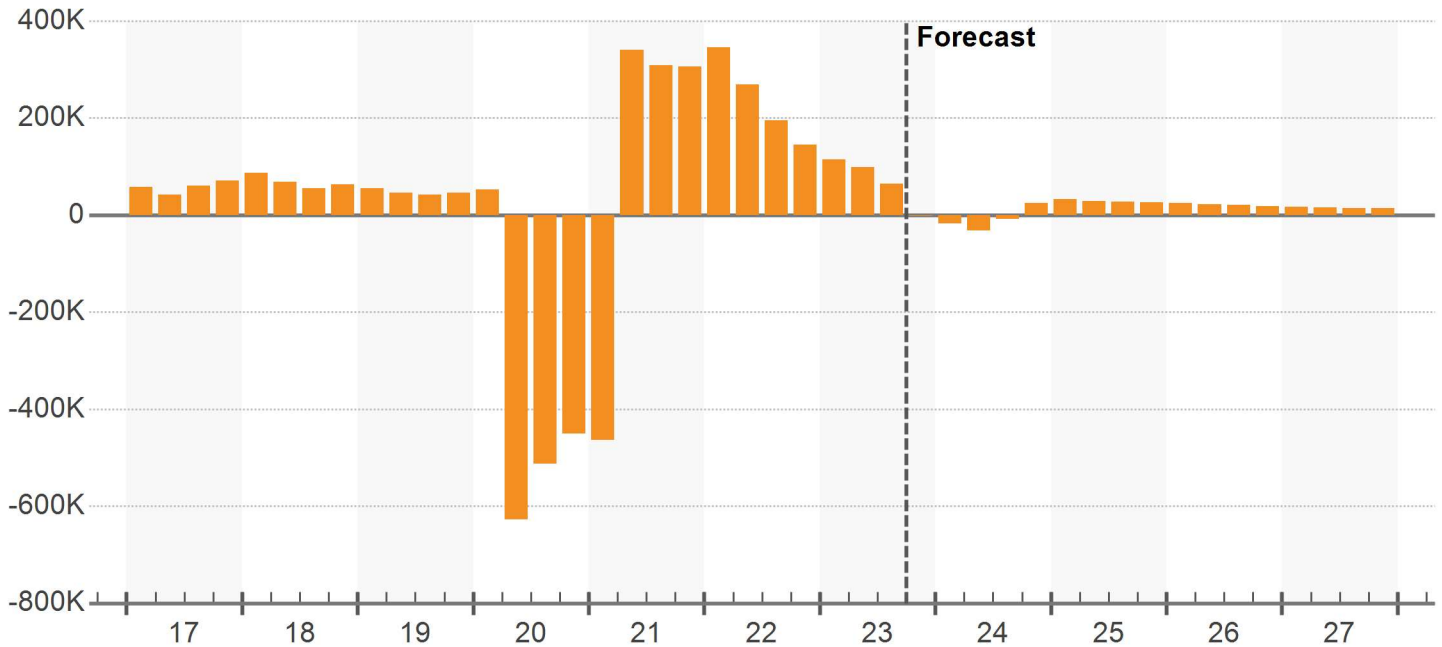


Source: Oxford Economics

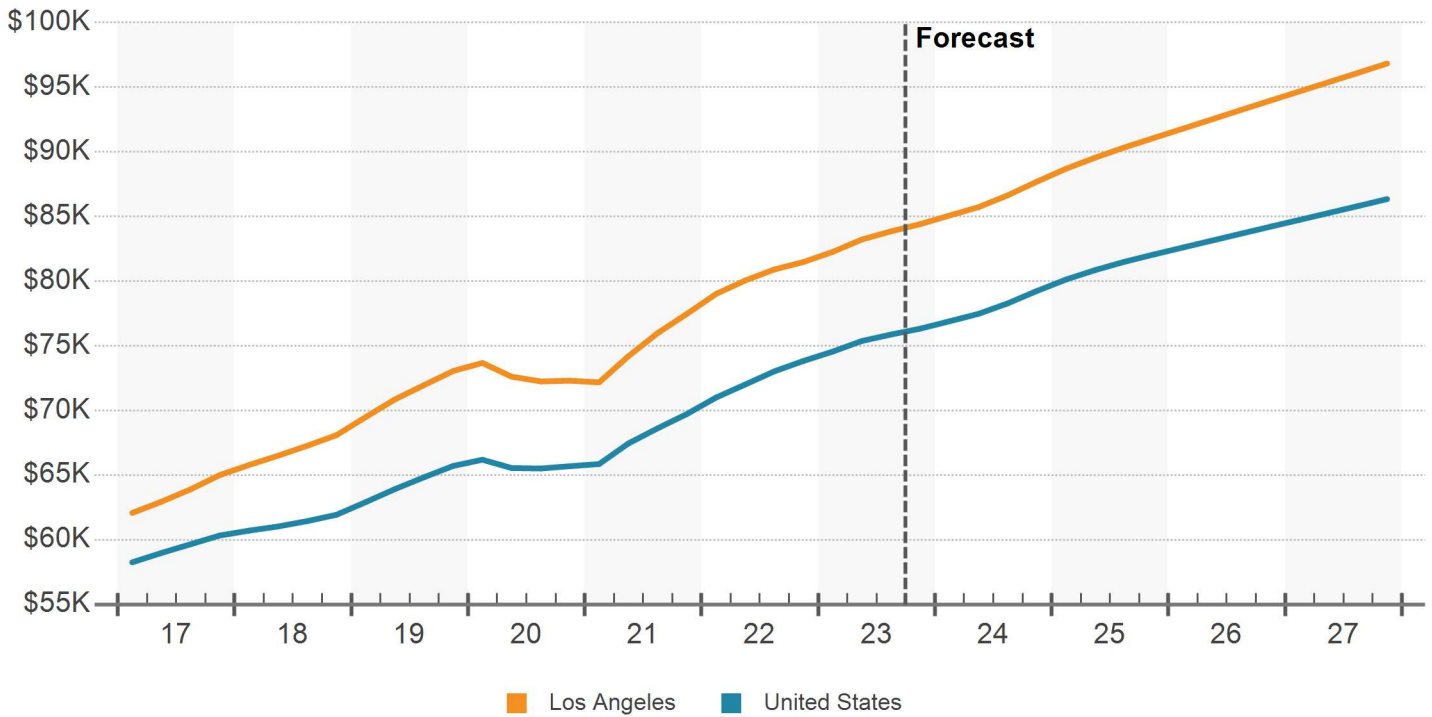
UNEMPLOYMENT RATE (%)



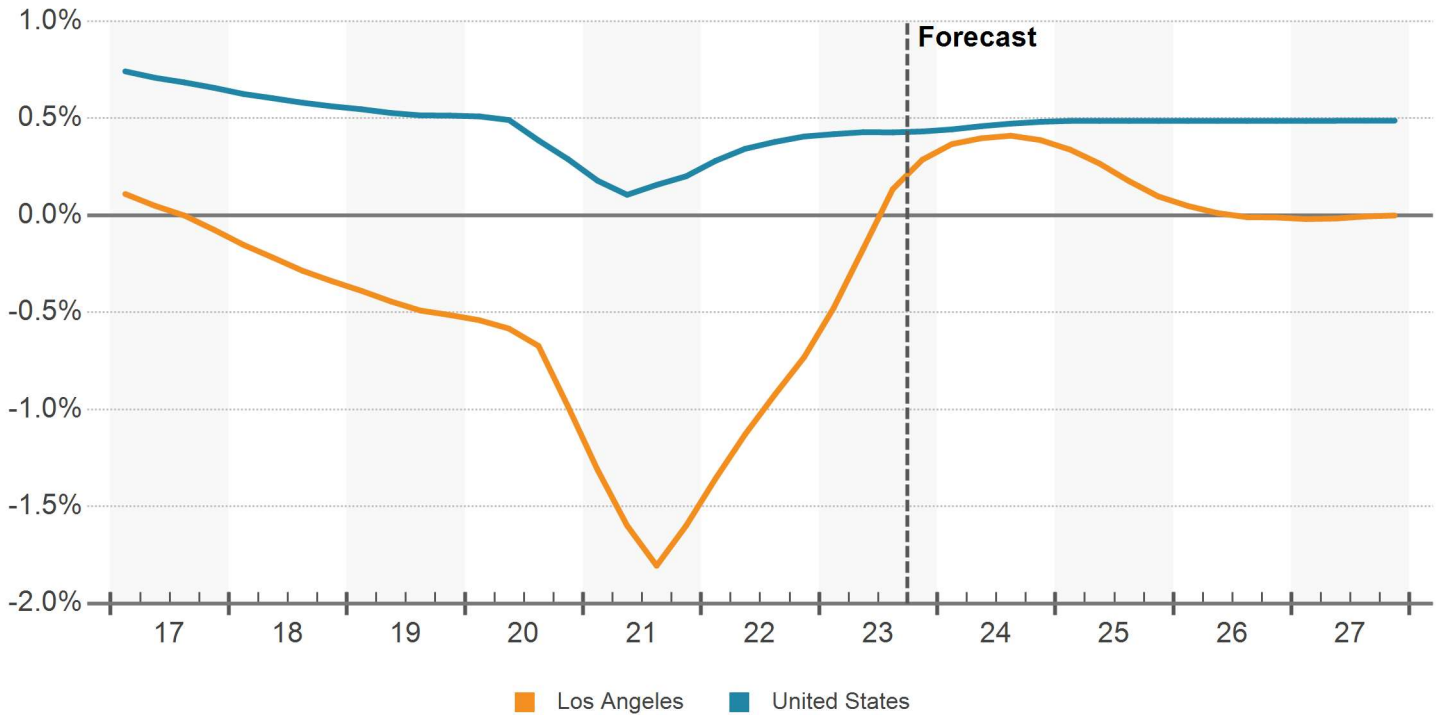
NET EMPLOYMENT CHANGE (YOY)



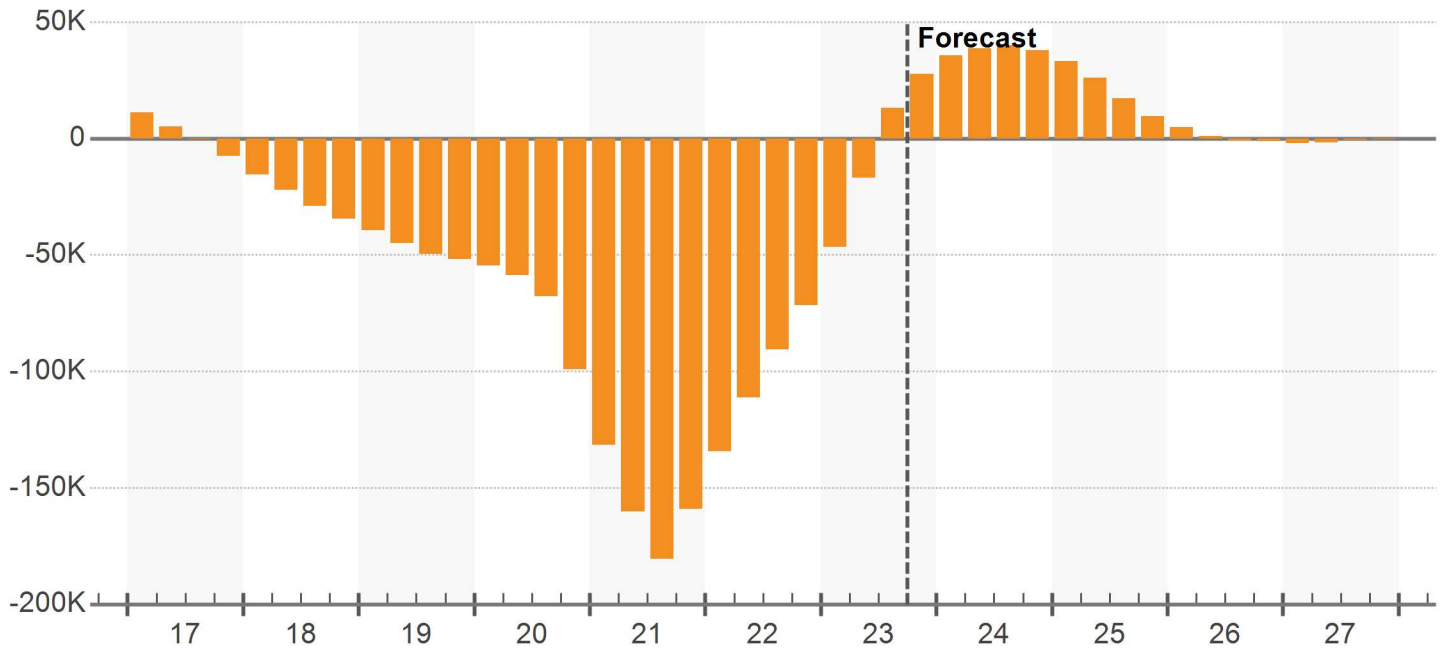
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



DEMOGRAPHIC TRENDS

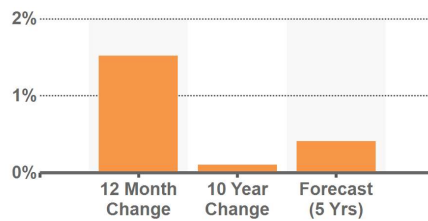
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	9,735,063	334,740,594	0.1%	0.4%	-0.3%	0.5%	0.1%	0.5%
Households	3,379,083	129,999,492	0.3%	0.6%	0.2%	0.9%	0.2%	0.6%
Median Household Income	\$83,860	\$75,882	3.6%	3.9%	4.4%	3.8%	3.4%	3.0%
Labor Force	5,021,426	165,919,156	1.5%	0.9%	0.1%	0.6%	0.4%	0.4%
Unemployment	5.0%	3.6%	0.6%	0.1%	-0.4%	-0.4%	-	-

Source: Oxford Economics

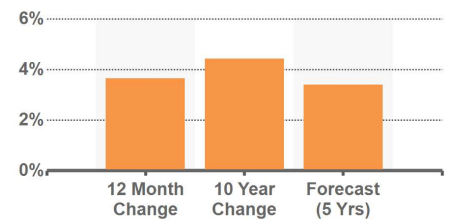
POPULATION GROWTH



LABOR FORCE GROWTH



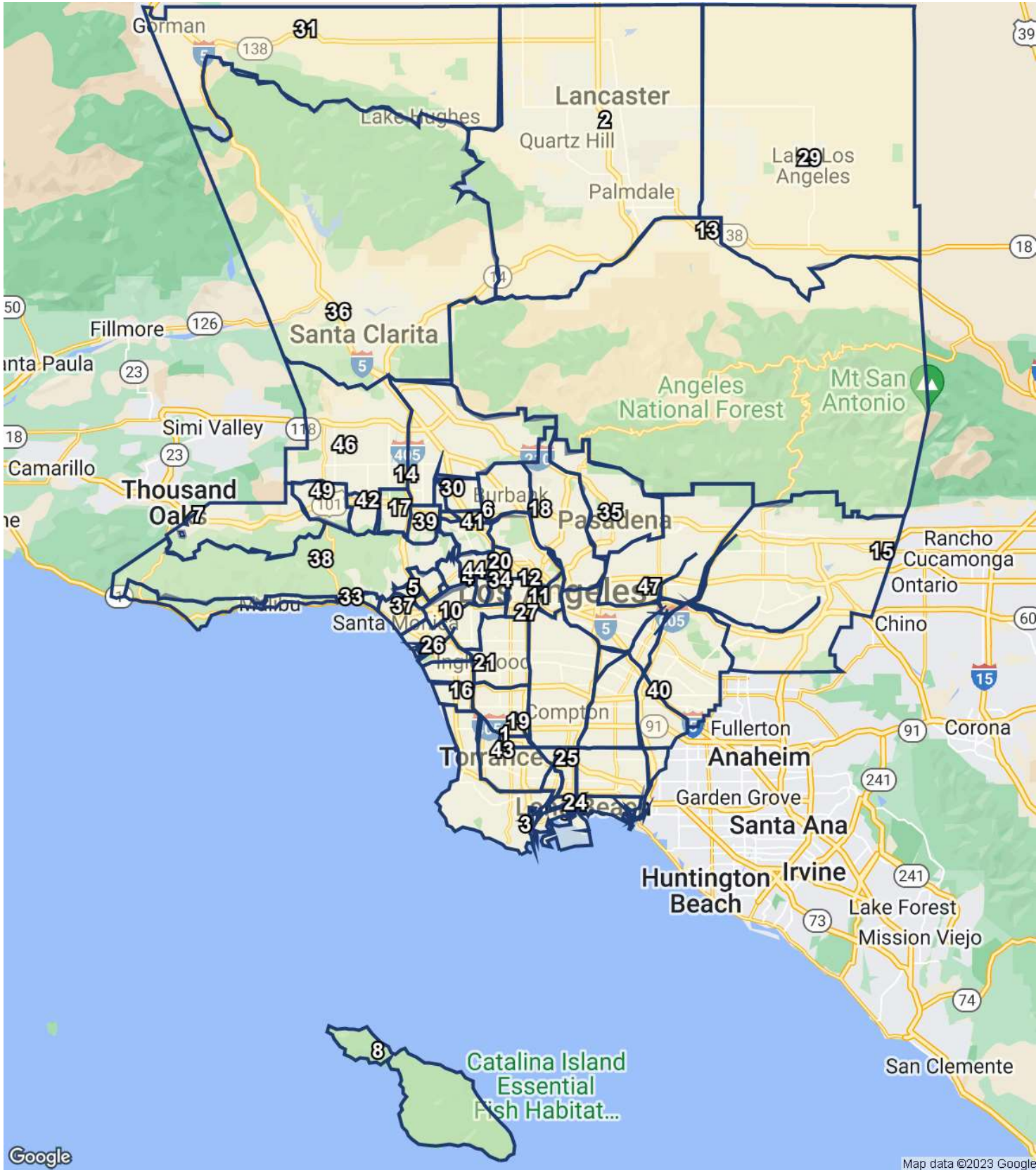
INCOME GROWTH



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	4,137	0.9%	37	0	0	0%	-	0	-	-	-
2	Antelope Valley	398	4,468	1.0%	32	0	0	0%	-	1	10	0.2%	18
3	Beach Cities/Palos Verdes	536	6,529	1.5%	26	3	177	2.7%	5	2	10	0.2%	17
4	Beverly Hills	316	11,473	2.6%	11	1	50	0.4%	10	1	24	0.2%	16
5	Brentwood	58	4,154	0.9%	36	0	0	0%	-	0	-	-	-
6	Burbank	664	16,147	3.7%	8	2	447	2.8%	4	1	355	2.2%	3
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	2.5%	13	0	0	0%	-	1	731	6.5%	1
10	Culver City	523	10,764	2.4%	14	10	463	4.3%	3	7	235	2.2%	5
11	Downtown Los Angeles	469	70,118	16.0%	1	3	146	0.2%	6	2	209	0.3%	7
12	East Hollywood/Silver Lake	440	4,270	1.0%	34	3	39	0.9%	11	3	66	1.5%	12
13	East LA County Outlying	6	13	0%	46	0	0	0%	-	0	-	-	-
14	Eastern SFV	533	6,756	1.5%	25	0	0	0%	-	0	-	-	-
15	Eastern SGV	1,282	19,620	4.5%	2	2	56	0.3%	8	0	-	-	-
16	El Segundo	276	18,605	4.2%	4	0	0	0%	-	2	389	2.1%	2
17	Encino	86	5,112	1.2%	30	0	0	0%	-	0	-	-	-
18	Glendale	857	14,292	3.3%	9	1	77	0.5%	7	3	229	1.6%	6
19	Hawthorne/Gardena	276	2,899	0.7%	41	0	0	0%	-	0	-	-	-
20	Hollywood	408	10,481	2.4%	15	0	0	0%	-	1	115	1.1%	11
21	Inglewood/South LA	403	4,185	1.0%	35	0	0	0%	-	0	-	-	-
22	Koreatown	380	17,029	3.9%	5	0	0	0%	-	0	-	-	-
23	LAX	56	4,485	1.0%	31	0	0	0%	-	0	-	-	-
24	Long Beach: Downtown	269	8,660	2.0%	21	0	0	0%	-	0	-	-	-
25	Long Beach: Suburban	511	10,234	2.3%	16	0	0	0%	-	2	60	0.6%	13
26	Marina Del Rey/Venice	494	11,436	2.6%	12	1	5	0%	17	3	149	1.3%	10
27	Mid-Cities	1,138	11,870	2.7%	10	3	27	0.2%	14	1	53	0.4%	14
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	312	3,511	0.8%	40	0	0	0%	-	0	-	-	-
31	NW LA County Outlying	1	1	0%	48	0	0	0%	-	0	-	-	-
32	Olympic Corridor	147	5,379	1.2%	29	2	788	14.6%	1	0	-	-	-
33	Pacific Palisades/Malibu	62	903	0.2%	44	3	51	5.6%	9	0	-	-	-
34	Park Mile	99	2,060	0.5%	42	0	0	0%	-	0	-	-	-
35	Pasadena	954	19,498	4.4%	3	0	0	0%	-	3	202	1.0%	9
36	Santa Clarita Valley	235	5,441	1.2%	28	0	0	0%	-	0	-	-	-
37	Santa Monica	609	16,240	3.7%	6	1	6	0%	16	3	208	1.3%	8
38	Santa Monica Mountains	6	18	0%	45	0	0	0%	-	0	-	-	-
39	Sherman Oaks	124	3,856	0.9%	38	1	20	0.5%	15	0	-	-	-
40	Southeast Los Angeles	793	9,627	2.2%	18	0	0	0%	-	1	40	0.4%	15
41	Studio/Universal Cities	289	4,351	1.0%	33	2	31	0.7%	13	1	331	7.6%	4
42	Tarzana	73	1,838	0.4%	43	0	0	0%	-	0	-	-	-

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	460	8,799	2.0%	20	0	0	0%	-	0	-	-	-
44	West Hollywood	407	8,306	1.9%	23	0	0	0%	-	0	-	-	-
45	West Los Angeles	285	3,731	0.8%	39	1	565	15.1%	2	0	-	-	-
46	Western SFV	467	9,128	2.1%	19	0	0	0%	-	0	-	-	-
47	Western SGV	1,115	16,219	3.7%	7	3	36	0.2%	12	0	-	-	-
48	Westwood	184	8,468	1.9%	22	0	0	0%	-	0	-	-	-
49	Woodland Hills/Warner Ctr	211	9,958	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	\$34.77	33	0.1%	19	-0.2%	28
2	Antelope Valley	\$30.99	45	0.9%	10	-1.4%	36
3	Beach Cities/Palos Verdes	\$39.62	22	1.1%	7	-3.3%	41
4	Beverly Hills	\$68.21	1	-0.7%	38	5.5%	18
5	Brentwood	\$51.32	12	-1.7%	43	8.1%	10
6	Burbank	\$44.12	16	2.4%	1	-5.0%	45
7	Calabasas/Westlake Vill	\$34.60	34	-0.6%	37	-1.0%	35
8	Catalina Island	-	-	-	-	-	-
9	Century City	\$64.98	2	-2.8%	47	10.2%	5
10	Culver City	\$53.28	9	-0.6%	36	7.0%	16
11	Downtown Los Angeles	\$38.78	24	-2.1%	46	7.5%	14
12	East Hollywood/Silver Lake	\$41.45	18	0.3%	17	6.9%	17
13	East LA County Outlying	\$30.05	48	0.8%	12	-0.3%	29
14	Eastern SFV	\$31.53	42	-0.3%	30	-2.1%	38
15	Eastern SGV	\$30.82	46	1.5%	5	-0.4%	30
16	El Segundo	\$46.15	15	0.2%	18	-3.2%	40
17	Encino	\$35.43	31	-0.2%	28	8.6%	8
18	Glendale	\$38.51	25	1.5%	4	3.8%	20
19	Hawthorne/Gardena	\$30.16	47	1.1%	8	-13.5%	47
20	Hollywood	\$54.92	7	-0.5%	34	9.5%	6
21	Inglewood/South LA	\$43.70	17	-0.1%	23	2.4%	22
22	Koreatown	\$33.06	39	-0.7%	39	8.6%	7
23	LAX	\$34.57	35	0.5%	16	-5.1%	46
24	Long Beach: Downtown	\$33.37	37	-0.1%	21	-1.7%	37
25	Long Beach: Suburban	\$33.42	36	0.8%	13	-4.8%	44
26	Marina Del Rey/Venice	\$56.77	6	-1.4%	41	7.8%	11
27	Mid-Cities	\$33.18	38	0.9%	9	7.5%	13
28	Miracle Mile	\$49.64	13	-1.6%	42	23.1%	2
29	NE LA County Outlying	\$37.37	26	0.5%	15	-0.8%	33
30	North Hollywood	\$36.73	28	-0.3%	31	-1.0%	34
31	NW LA County Outlying	\$40.75	20	0%	-	0%	-
32	Olympic Corridor	\$53.46	8	-1.7%	44	8.4%	9
33	Pacific Palisades/Malibu	\$63.05	4	-0.1%	24	2.8%	21
34	Park Mile	\$39.76	21	-0.2%	25	16.4%	4
35	Pasadena	\$39.27	23	1.5%	3	-0.7%	31
36	Santa Clarita Valley	\$37.14	27	-0.2%	26	0.2%	27
37	Santa Monica	\$63.13	3	-0.7%	40	7.1%	15
38	Santa Monica Mountains	\$52.97	10	0.9%	11	0.4%	24
39	Sherman Oaks	\$36.41	29	-0.2%	27	23.8%	1
40	Southeast Los Angeles	\$31.38	43	0.5%	14	-3.0%	39
41	Studio/Universal Cities	\$40.76	19	-0.4%	33	0.3%	26
42	Tarzana	\$35.76	30	0%	20	-0.8%	32

SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
43	Torrance	\$34.95	32	1.2%	6	-3.5%	42
44	West Hollywood	\$58.06	5	-0.3%	32	5.2%	19
45	West Los Angeles	\$47.33	14	-0.6%	35	2.0%	23
46	Western SFV	\$32.55	41	-0.1%	22	-4.0%	43
47	Western SGV	\$31.30	44	1.7%	2	0.3%	25
48	Westwood	\$52.42	11	-1.9%	45	7.6%	12
49	Woodland Hills/Warner Ctr	\$32.77	40	-0.3%	29	18.9%	3

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	190th Street Corridor	806,458	19.5%	35	34,299	0.8%	11	-
2	Antelope Valley	199,002	4.5%	1	2,879	0.1%	16	-
3	Beach Cities/Palos Verdes	568,552	8.7%	9	159,465	2.4%	2	1.1
4	Beverly Hills	2,000,934	17.4%	31	(56,608)	-0.5%	28	-
5	Brentwood	882,225	21.2%	38	(106,571)	-2.6%	36	-
6	Burbank	1,940,234	12.0%	14	(221,719)	-1.4%	44	-
7	Calabasas/Westlake Vill	1,195,242	16.8%	29	(170,365)	-2.4%	40	-
8	Catalina Island	-	-	-	0	-	-	-
9	Century City	1,477,454	13.2%	18	(30,708)	-0.3%	25	-
10	Culver City	2,252,492	20.9%	37	(391,669)	-3.6%	47	-
11	Downtown Los Angeles	12,252,594	17.5%	32	79,362	0.1%	4	1.4
12	East Hollywood/Silver Lake	323,391	7.6%	5	4,629	0.1%	15	8.3
13	East LA County Outlying	2,000	15.0%	21	(2,000)	-15.0%	21	-
14	Eastern SFV	516,472	7.6%	6	(73,411)	-1.1%	33	-
15	Eastern SGV	1,103,338	5.6%	3	72,586	0.4%	8	0.3
16	El Segundo	3,643,433	19.6%	36	(333,150)	-1.8%	46	-
17	Encino	818,939	16.0%	25	(71,278)	-1.4%	32	-
18	Glendale	2,272,111	15.9%	24	(272,916)	-1.9%	45	-
19	Hawthorne/Gardena	241,730	8.3%	8	(55,036)	-1.9%	27	-
20	Hollywood	1,635,578	15.6%	23	17,566	0.2%	13	-
21	Inglewood/South LA	555,815	13.3%	19	(24,160)	-0.6%	24	-
22	Koreatown	2,773,437	16.3%	26	52,784	0.3%	9	-
23	LAX	1,541,201	34.4%	45	(165,380)	-3.7%	38	-
24	Long Beach: Downtown	1,673,453	19.3%	34	(169,800)	-2.0%	39	-
25	Long Beach: Suburban	1,266,366	12.4%	17	19,121	0.2%	12	-
26	Marina Del Rey/Venice	2,900,591	25.4%	42	(69,416)	-0.6%	31	-
27	Mid-Cities	612,920	5.2%	2	76,478	0.6%	6	0.3
28	Miracle Mile	1,779,270	29.5%	44	(216,618)	-3.6%	43	-
29	NE LA County Outlying	-	-	-	0	0%	-	-
30	North Hollywood	486,594	13.9%	20	(16,973)	-0.5%	23	-
31	NW LA County Outlying	-	-	-	0	0%	-	-
32	Olympic Corridor	1,255,986	23.3%	41	143,908	2.7%	3	1.8
33	Pacific Palisades/Malibu	196,722	21.8%	39	45,095	5.0%	10	1.1
34	Park Mile	602,409	29.2%	43	(96,517)	-4.7%	34	-
35	Pasadena	2,361,295	12.1%	16	75,955	0.4%	7	-
36	Santa Clarita Valley	824,204	15.1%	22	(98,221)	-1.8%	35	-
37	Santa Monica	3,057,537	18.8%	33	(581,150)	-3.6%	48	-
38	Santa Monica Mountains	-	-	-	0	0%	-	-
39	Sherman Oaks	641,722	16.6%	27	78,154	2.0%	5	0.3
40	Southeast Los Angeles	543,272	5.6%	4	(66,655)	-0.7%	30	-
41	Studio/Universal Cities	397,163	9.1%	10	(64,443)	-1.5%	29	-
42	Tarzana	204,876	11.1%	13	5,426	0.3%	14	-

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
43	Torrance	864,753	9.8%	11	(8,246)	-0.1%	22	-
44	West Hollywood	1,005,064	12.1%	15	(191,371)	-2.3%	42	-
45	West Los Angeles	622,130	16.7%	28	739,246	19.8%	1	-
46	Western SFV	976,089	10.7%	12	(45,328)	-0.5%	26	-
47	Western SGV	1,253,963	7.7%	7	(177,243)	-1.1%	41	-
48	Westwood	1,473,166	17.4%	30	(111,873)	-1.3%	37	-
49	Woodland Hills/Warner Ctr	2,171,764	21.8%	40	(586,417)	-5.9%	49	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	437,693,677	(1,190,052)	-0.3%	(1,700,419)	-0.4%	-
2026	438,883,729	(452,261)	-0.1%	(3,869,621)	-0.9%	-
2025	439,335,990	(1,225,862)	-0.3%	(3,694,438)	-0.8%	-
2024	440,561,852	665,586	0.2%	(6,944,013)	-1.6%	-
2023	439,896,266	2,198,204	0.5%	(5,355,880)	-1.2%	-
YTD	439,414,531	1,716,469	0.4%	(1,422,200)	-0.3%	-
2022	437,698,062	1,476,059	0.3%	(2,702,696)	-0.6%	-
2021	436,222,003	3,014,137	0.7%	(3,373,292)	-0.8%	-
2020	433,207,866	335,774	0.1%	(7,493,236)	-1.7%	-
2019	432,872,092	977,578	0.2%	(2,064,407)	-0.5%	-
2018	431,894,514	(215,007)	0%	1,207,051	0.3%	-
2017	432,109,521	1,879,534	0.4%	53,942	0%	34.8
2016	430,229,987	488,197	0.1%	3,905,508	0.9%	0.1
2015	429,741,790	586,912	0.1%	2,299,744	0.5%	0.3
2014	429,154,878	(468,196)	-0.1%	2,996,566	0.7%	-
2013	429,623,074	320,231	0.1%	724,500	0.2%	0.4
2012	429,302,843	452,324	0.1%	1,300,684	0.3%	0.3
2011	428,850,519	(451,620)	-0.1%	(425,366)	-0.1%	-

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	179,104,910	0	0%	(473,167)	-0.3%	-
2026	179,104,910	763,879	0.4%	(914,541)	-0.5%	-
2025	178,341,031	0	0%	(1,044,180)	-0.6%	-
2024	178,341,031	1,757,346	1.0%	(679,123)	-0.4%	-
2023	176,583,685	2,154,081	1.2%	(706,812)	-0.4%	-
YTD	175,954,873	1,525,269	0.9%	76,005	0%	20.1
2022	174,429,604	2,485,944	1.4%	(1,176,948)	-0.7%	-
2021	171,943,660	3,365,920	2.0%	(1,235,660)	-0.7%	-
2020	168,577,740	1,386,770	0.8%	(2,095,239)	-1.2%	-
2019	167,190,970	1,537,367	0.9%	(284,301)	-0.2%	-
2018	165,653,603	1,224,035	0.7%	730,863	0.4%	1.7
2017	164,429,568	2,100,518	1.3%	502,681	0.3%	4.2
2016	162,329,050	516,911	0.3%	1,869,739	1.2%	0.3
2015	161,812,139	958,566	0.6%	1,672,272	1.0%	0.6
2014	160,853,573	(51,794)	0%	1,585,208	1.0%	-
2013	160,905,367	695,216	0.4%	775,699	0.5%	0.9
2012	160,210,151	471,276	0.3%	1,494,724	0.9%	0.3
2011	159,738,875	269,595	0.2%	(123,858)	-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	161,396,751	(620)	0%	(198,020)	-0.1%	-
2026	161,397,371	(621)	0%	(1,240,816)	-0.8%	-
2025	161,397,992	(623)	0%	(1,001,716)	-0.6%	-
2024	161,398,615	143,839	0.1%	(3,170,596)	-2.0%	-
2023	161,254,776	311,769	0.2%	(2,437,444)	-1.5%	-
YTD	161,137,835	194,828	0.1%	(704,292)	-0.4%	-
2022	160,943,007	(850,421)	-0.5%	(977,275)	-0.6%	-
2021	161,793,428	106,547	0.1%	(2,435,466)	-1.5%	-
2020	161,686,881	(622,890)	-0.4%	(3,146,727)	-1.9%	-
2019	162,309,771	(356,036)	-0.2%	(1,374,911)	-0.8%	-
2018	162,665,807	170,202	0.1%	916,245	0.6%	0.2
2017	162,495,605	111,509	0.1%	1,060,323	0.7%	0.1
2016	162,384,096	497,168	0.3%	1,600,330	1.0%	0.3
2015	161,886,928	28,319	0%	251,725	0.2%	0.1
2014	161,858,609	121,298	0.1%	948,954	0.6%	0.1
2013	161,737,311	(69,984)	0%	(498,353)	-0.3%	-
2012	161,807,295	532,252	0.3%	535,960	0.3%	1.0
2011	161,275,043	(52,745)	0%	509,901	0.3%	-

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	97,192,016	(1,189,432)	-1.2%	(1,029,232)	-1.1%	-
2026	98,381,448	(1,215,519)	-1.2%	(1,714,264)	-1.7%	-
2025	99,596,967	(1,225,239)	-1.2%	(1,648,542)	-1.7%	-
2024	100,822,206	(1,235,599)	-1.2%	(3,094,294)	-3.1%	-
2023	102,057,805	(267,646)	-0.3%	(2,211,624)	-2.2%	-
YTD	102,321,823	(3,628)	0%	(793,913)	-0.8%	-
2022	102,325,451	(159,464)	-0.2%	(548,473)	-0.5%	-
2021	102,484,915	(458,330)	-0.4%	297,834	0.3%	-
2020	102,943,245	(428,106)	-0.4%	(2,251,270)	-2.2%	-
2019	103,371,351	(203,753)	-0.2%	(405,195)	-0.4%	-
2018	103,575,104	(1,609,244)	-1.5%	(440,057)	-0.4%	-
2017	105,184,348	(332,493)	-0.3%	(1,509,062)	-1.4%	-
2016	105,516,841	(525,882)	-0.5%	435,439	0.4%	-
2015	106,042,723	(399,973)	-0.4%	375,747	0.4%	-
2014	106,442,696	(537,700)	-0.5%	462,404	0.4%	-
2013	106,980,396	(305,001)	-0.3%	447,154	0.4%	-
2012	107,285,397	(551,204)	-0.5%	(730,000)	-0.7%	-
2011	107,836,601	(668,470)	-0.6%	(811,409)	-0.8%	-

OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$38.75	116	0%	-8.0%	84,771,742	19.4%	0.2%
2026	\$38.76	116	-0.7%	-7.9%	84,238,755	19.2%	0.8%
2025	\$39.05	117	-1.8%	-7.3%	80,787,690	18.4%	0.6%
2024	\$39.75	119	-4.6%	-5.6%	78,281,338	17.8%	1.7%
2023	\$41.68	125	-1.0%	-1.0%	70,625,811	16.1%	1.7%
YTD	\$41.96	126	-0.4%	-0.3%	66,173,941	15.1%	0.7%
2022	\$42.10	126	1.6%	0%	63,035,272	14.4%	0.9%
2021	\$41.44	124	0.8%	-1.6%	58,856,517	13.5%	1.4%
2020	\$41.13	123	-1.4%	-2.3%	52,460,832	12.1%	1.8%
2019	\$41.70	125	5.1%	-0.9%	44,751,261	10.3%	0.7%
2018	\$39.67	119	3.9%	-5.8%	41,719,441	9.7%	-0.3%
2017	\$38.18	115	4.1%	-9.3%	43,134,368	10.0%	0.4%
2016	\$36.66	110	5.5%	-12.9%	41,299,894	9.6%	-0.8%
2015	\$34.75	104	7.9%	-17.5%	44,684,834	10.4%	-0.4%
2014	\$32.20	97	6.1%	-23.5%	46,418,645	10.8%	-0.8%
2013	\$30.36	91	4.5%	-27.9%	49,865,851	11.6%	-0.1%
2012	\$29.05	87	2.6%	-31.0%	50,270,120	11.7%	-0.2%
2011	\$28.33	85	0.3%	-32.7%	51,118,480	11.9%	0%

4 & 5 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$43.55	115	-0.2%	-10.4%	44,278,817	24.7%	0.3%
2026	\$43.62	115	-0.9%	-10.2%	43,805,650	24.5%	0.8%
2025	\$44.02	116	-1.9%	-9.4%	42,127,230	23.6%	0.6%
2024	\$44.87	119	-4.8%	-7.7%	41,083,050	23.0%	1.2%
2023	\$47.13	125	-2.2%	-3.0%	38,646,581	21.9%	1.4%
YTD	\$47.49	125	-1.5%	-2.3%	37,234,919	21.2%	0.6%
2022	\$48.20	127	1.0%	-0.8%	35,785,655	20.5%	1.8%
2021	\$47.73	126	-0.5%	-1.8%	32,122,763	18.7%	2.4%
2020	\$47.96	127	-1.3%	-1.3%	27,521,183	16.3%	1.9%
2019	\$48.60	128	6.7%	0%	24,145,762	14.4%	1.0%
2018	\$45.55	120	3.9%	-6.3%	22,324,094	13.5%	0.2%
2017	\$43.84	116	4.0%	-9.8%	21,818,156	13.3%	0.8%
2016	\$42.16	111	4.7%	-13.2%	20,223,524	12.5%	-0.9%
2015	\$40.29	106	9.2%	-17.1%	21,564,332	13.3%	-0.5%
2014	\$36.90	97	6.1%	-24.1%	22,278,038	13.8%	-1.0%
2013	\$34.79	92	5.1%	-28.4%	23,915,040	14.9%	-0.1%
2012	\$33.09	87	1.0%	-31.9%	23,995,523	15.0%	-0.7%
2011	\$32.77	87	1.2%	-32.6%	25,018,971	15.7%	0.2%

3 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$36.98	115	0%	-7.0%	28,298,287	17.5%	0.1%
2026	\$36.98	115	-0.7%	-7.0%	28,100,880	17.4%	0.8%
2025	\$37.24	115	-1.7%	-6.3%	26,860,677	16.6%	0.6%
2024	\$37.89	117	-4.6%	-4.7%	25,859,575	16.0%	2.0%
2023	\$39.72	123	-0.1%	-0.1%	22,545,134	14.0%	1.7%
YTD	\$39.98	124	0.5%	0.6%	20,694,992	12.8%	0.5%
2022	\$39.75	123	1.6%	0%	19,795,872	12.3%	0.1%
2021	\$39.14	121	1.5%	-1.5%	19,669,018	12.2%	1.6%
2020	\$38.57	119	-1.4%	-3.0%	17,127,005	10.6%	1.6%
2019	\$39.12	121	4.3%	-1.6%	14,603,168	9.0%	0.6%
2018	\$37.50	116	3.4%	-5.7%	13,584,293	8.4%	-0.5%
2017	\$36.26	112	3.9%	-8.8%	14,334,266	8.8%	-0.6%
2016	\$34.92	108	6.2%	-12.2%	15,270,704	9.4%	-0.7%
2015	\$32.89	102	6.8%	-17.3%	16,373,866	10.1%	-0.1%
2014	\$30.81	95	5.9%	-22.5%	16,597,900	10.3%	-0.5%
2013	\$29.09	90	4.2%	-26.8%	17,406,448	10.8%	0.3%
2012	\$27.90	86	4.0%	-29.8%	16,978,079	10.5%	0%
2011	\$26.83	83	0%	-32.5%	16,981,787	10.5%	-0.3%

1 & 2 STAR RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$33.15	123	0.3%	-5.7%	12,194,638	12.5%	0%
2026	\$33.06	122	-0.4%	-5.9%	12,332,225	12.5%	0.7%
2025	\$33.20	123	-1.5%	-5.5%	11,799,783	11.8%	0.6%
2024	\$33.69	125	-4.3%	-4.1%	11,338,713	11.2%	2.0%
2023	\$35.22	130	0.2%	0.2%	9,434,096	9.2%	2.0%
YTD	\$35.44	131	0.8%	0.9%	8,244,030	8.1%	0.8%
2022	\$35.13	130	3.2%	0%	7,453,745	7.3%	0.4%
2021	\$34.05	126	2.6%	-3.1%	7,064,736	6.9%	-0.7%
2020	\$33.18	123	-1.6%	-5.6%	7,812,644	7.6%	1.8%
2019	\$33.71	125	2.8%	-4.1%	6,002,331	5.8%	0.2%
2018	\$32.80	121	4.8%	-6.6%	5,811,054	5.6%	-1.0%
2017	\$31.29	116	5.1%	-10.9%	6,981,946	6.6%	1.1%
2016	\$29.78	110	6.3%	-15.2%	5,805,666	5.5%	-0.9%
2015	\$28	104	6.9%	-20.3%	6,746,636	6.4%	-0.7%
2014	\$26.19	97	6.4%	-25.5%	7,542,707	7.1%	-0.9%
2013	\$24.60	91	3.4%	-30.0%	8,544,363	8.0%	-0.7%
2012	\$23.79	88	3.8%	-32.3%	9,296,518	8.7%	0.2%
2011	\$22.90	85	-1.2%	-34.8%	9,117,722	8.5%	0.2%

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	-	-	-	-	-	-	\$325.13	132	6.9%
2026	-	-	-	-	-	-	\$318.16	130	7.0%
2025	-	-	-	-	-	-	\$316.97	129	7.2%
2024	-	-	-	-	-	-	\$326.95	133	7.2%
2023	-	-	-	-	-	-	\$371.63	151	6.8%
YTD	402	\$2.1B	2.4%	\$6,427,402	\$276.91	5.5%	\$393.39	160	6.5%
2022	674	\$5.1B	2.6%	\$7,972,476	\$475.60	5.0%	\$419.77	171	6.2%
2021	773	\$4.7B	2.8%	\$6,368,689	\$404.16	5.4%	\$448.36	183	5.7%
2020	497	\$4B	2.5%	\$9,038,537	\$397.62	5.5%	\$421.11	171	5.8%
2019	750	\$7.8B	3.7%	\$13,146,672	\$515.25	5.5%	\$411.15	167	5.9%
2018	1,034	\$6.9B	5.2%	\$9,896,394	\$359.16	5.2%	\$393.97	160	5.9%
2017	1,229	\$10.4B	8.2%	\$13,871,089	\$343.44	5.5%	\$384.46	157	5.7%
2016	1,021	\$11B	7.1%	\$14,044,996	\$386.47	5.3%	\$384.17	156	5.5%
2015	1,081	\$6.5B	5.5%	\$8,210,254	\$300.70	5.7%	\$359.99	147	5.5%
2014	988	\$8.7B	6.7%	\$11,053,083	\$314.12	6.4%	\$327.37	133	5.7%
2013	869	\$9.4B	8.4%	\$13,902,414	\$278.85	6.3%	\$299.37	122	5.9%
2012	847	\$4B	4.8%	\$7,615,965	\$233.28	6.9%	\$277.42	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	-	-	-	-	-	-	\$354.65	127	6.8%
2026	-	-	-	-	-	-	\$347.54	124	7.0%
2025	-	-	-	-	-	-	\$346.72	124	7.1%
2024	-	-	-	-	-	-	\$358.16	128	7.1%
2023	-	-	-	-	-	-	\$407.97	146	6.7%
YTD	43	\$666.3M	2.5%	\$25,625,697	\$231.29	6.9%	\$432.15	154	6.4%
2022	30	\$1.7B	1.6%	\$63,625,902	\$687.54	5.9%	\$474.01	169	6.0%
2021	34	\$1B	1.6%	\$33,620,811	\$408.50	5.5%	\$509.03	182	5.5%
2020	48	\$2.1B	3.2%	\$61,330,989	\$427.09	5.4%	\$483.53	173	5.6%
2019	36	\$3B	3.4%	\$87,860,599	\$520.72	5.4%	\$468.69	167	5.7%
2018	61	\$3.1B	5.7%	\$55,573,969	\$376.19	5.1%	\$450.20	161	5.7%
2017	75	\$5.2B	9.1%	\$74,075,948	\$356.07	5.0%	\$442.62	158	5.5%
2016	100	\$7.5B	10.9%	\$78,045,439	\$445.89	4.8%	\$444.52	159	5.2%
2015	71	\$2.6B	5.0%	\$40,535,789	\$339.90	5.4%	\$414.85	148	5.3%
2014	60	\$5.4B	9.3%	\$90,542,036	\$363.42	6.7%	\$378.45	135	5.4%
2013	73	\$6.7B	13.9%	\$97,857,208	\$310.19	5.8%	\$349.65	125	5.6%
2012	48	\$2.3B	6.1%	\$61,972,900	\$260.45	6.4%	\$323.61	116	5.9%

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Sale Trends

Los Angeles Office

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	-	-	-	-	-	-	\$308.84	137	6.9%
2026	-	-	-	-	-	-	\$302.19	134	7.0%
2025	-	-	-	-	-	-	\$301.03	133	7.2%
2024	-	-	-	-	-	-	\$310.50	138	7.2%
2023	-	-	-	-	-	-	\$352.75	156	6.8%
YTD	133	\$889.7M	2.8%	\$8,554,719	\$274.63	5.9%	\$373.24	165	6.5%
2022	227	\$2.1B	3.4%	\$9,728,365	\$405.88	5.0%	\$390.92	173	6.2%
2021	283	\$2.4B	3.8%	\$9,459,471	\$425.76	5.6%	\$416.39	185	5.7%
2020	160	\$1.2B	2.2%	\$8,771,078	\$356.35	5.8%	\$384.88	171	6.0%
2019	250	\$3.6B	4.4%	\$17,574,077	\$554.85	5.5%	\$376.91	167	6.1%
2018	290	\$2.7B	5.2%	\$11,681,802	\$354.67	5.2%	\$360.65	160	6.0%
2017	345	\$4B	8.1%	\$15,479,018	\$340.29	5.8%	\$350.55	155	5.8%
2016	247	\$2.2B	4.5%	\$10,747,897	\$317.92	5.5%	\$350.48	155	5.6%
2015	277	\$2.7B	6.3%	\$11,335,806	\$281.84	6.0%	\$330.10	146	5.6%
2014	281	\$2.1B	5.2%	\$8,307,321	\$260.47	6.2%	\$300.01	133	5.8%
2013	250	\$2B	5.7%	\$9,264,464	\$228.20	6.4%	\$272.52	121	6.0%
2012	281	\$1.1B	4.2%	\$6,380,048	\$207.44	8.1%	\$253.11	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	-	-	-	-	-	-	\$299.17	138	7.0%
2026	-	-	-	-	-	-	\$291.94	135	7.2%
2025	-	-	-	-	-	-	\$290.03	134	7.3%
2024	-	-	-	-	-	-	\$298.28	138	7.3%
2023	-	-	-	-	-	-	\$337.82	156	6.9%
YTD	226	\$558.7M	1.6%	\$2,807,319	\$368.46	5.3%	\$357.34	165	6.6%
2022	417	\$1.3B	3.1%	\$3,237,903	\$418.40	4.9%	\$370.32	171	6.4%
2021	456	\$1.2B	3.3%	\$2,739,509	\$363.99	5.1%	\$392.62	181	5.9%
2020	289	\$762.4M	1.9%	\$2,752,250	\$395.17	5.2%	\$368.99	170	6.1%
2019	464	\$1.2B	3.2%	\$3,459,245	\$417.92	5.5%	\$364.44	168	6.1%
2018	683	\$1.1B	4.6%	\$2,634,161	\$327.04	5.3%	\$348.11	161	6.1%
2017	809	\$1.2B	6.8%	\$2,883,037	\$306.32	5.3%	\$336.16	155	5.9%
2016	674	\$1.3B	5.4%	\$2,733,568	\$276.26	5.5%	\$331.71	153	5.7%
2015	733	\$1.2B	5.1%	\$2,463,561	\$275.18	5.5%	\$311.12	144	5.7%
2014	647	\$1.2B	5.2%	\$2,565,254	\$250.43	6.6%	\$281.14	130	5.9%
2013	546	\$802.9M	4.3%	\$2,022,301	\$216.30	6.6%	\$253.73	117	6.2%
2012	518	\$538M	3.8%	\$1,758,288	\$197.19	6.1%	\$234.93	108	6.5%

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