



Office Market Report

Los Angeles - CA (USA)

PREPARED BY

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OFFICE MARKET REPORT

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12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	12 Mo Asking Rent Growth
2M	(4.3M)	15.7%	-0.4%

Headwinds continue to assail Los Angeles's office market in the first quarter, with market fundamentals at their worst position in decades. Vacancy, 15.7%, continues to rise further from 10.1% in early 2020 and reach new heights. Tenant activity has been relatively restrained in recent quarters, with leasing volumes trending around three-quarters of the average activity seen during 2015-19, the five years preceding the pandemic.

Recent tenant activity is insufficient to offset the numerous tenants still vacating or downsizing their office footprints, whether upon lease expiration or posting space on the sublease market. The amount of sublease space, 2.5% of the office market's square footage, although down from a recent peak in the middle of 2023, rests near its highest level recorded on CoStar. The outlook for the local office market remains bleak, with vacancy anticipated to rise even further in the coming years.

Rents have experienced little movement since early 2020, and the past 12 months have seen rents move by only -0.4%. Given market softness, one may think office landlords would have significantly lowered asking rents. 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.

Unsurprisingly, developers have exercised caution when starting new office developments, which has resulted in the space under construction, 3.3 million SF, coming down from a recent high of 8.8 million SF in 2020. Office starts over the past 12 quarters, around 4.3 million SF, is about 40% of the starts activity seen from 17Q4 through 20Q1, the peak 12-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 midsize, mid-rise creative office projects hoping to attract tenants with the latest generation space. Developers have capitalized on the trend of newer buildings obtaining greater relative tenant interest since early 2020. As a prime example, even though 1950 Avenue of the Stars won't complete until 2026, it is mostly preleased.

Market weakness and questions on the long-term trajectory of office space demand have resulted in modest sales activity. 2023 dollar volumes were around a third of the volume seen from 2016-19. Notable recent sales demonstrate a stratification in pricing. The largest office sale in Greater Los Angeles during 2023, the Pen Factory, sold this past summer for an impressive \$178 million (\$810/SF). The result was driven by the asset being a creative office conversion that finished in 2017 (latest generation space), was 100% leased, and is in Santa Monica, historically one of L.A.'s most sought-after office locations. Properties with all three attributes represent a small portion of the market.

On the other hand, several recent transactions involving the market's less-than-best office assets are seeing clear discounts relative to what likely would have been achieved before early 2020. The property of 1700 E Walnut in El Segundo traded in November for a 35% discount from its previous sale price in 2017. In Glendale, two buildings, 400 and 450 N Brand, sold in December for 60% less than the asset's previous 2017 price.

The most prominent news about market distress centers on Downtown Los Angeles. Brookfield, the largest office owner in Downtown Los Angeles' office properties, defaulted in 2023 on three towers, 777 Figueroa, Ernst & Young Plaza, and Gas Company Tower. Ernst & Young Plaza and Gas Company Tower are in receivership; 777 Figueroa is currently on the market. In November, One California Plaza, a 1 million-SF tower on Bunker Hill, was valued at \$205 million, less than half the 2017 acquisition price.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	176,283,886	22.5%	\$47.21	25.2%	(775,176)	0	3,087,980
3 Star	161,892,224	13.1%	\$39.40	15.7%	(195,901)	6,160	239,444
1 & 2 Star	102,350,773	8.1%	\$35.22	9.1%	(173,792)	0	0
Market	440,526,883	15.7%	\$41.59	18.1%	(1,144,869)	6,160	3,327,424

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.3%	10.8%	19.1%	15.7%	2024 Q1	6.7%	2007 Q3
Net Absorption SF	(4.3M)	684,250	(4,698,127)	13,238,783	2000 Q1	(9,982,322)	2021 Q1
Deliveries SF	2M	2,459,279	761,970	4,765,963	2002 Q3	627,093	1997 Q1
Asking Rent Growth	-0.4%	3.0%	-1.4%	14.9%	2007 Q3	-11.2%	2009 Q3
Sales Volume	\$3.2B	\$5B	N/A	\$11.5B	2017 Q3	\$771.6M	2009 Q4

The Los Angeles office market's conditions continue to erode during the first quarter. Vacancy stands at 15.7%, 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 almost 150 basis points above the rise witnessed nationally. Most office locations in the metro have seen 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 2023, around 16 million SF, is around three-quarters of the annual average activity seen from 2015 through 2019, the five years leading up to the pandemic. Tenant activity has been insufficient in stopping vacancy from continuing to rise. 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 Greater Los Angeles, 11.3 million SF, represents 2.5% of the market's square footage. The percentage is slightly above the national average of 2.4%. Current levels in Los Angeles have come down from a recent peak in the middle of 2023 but are still more than double the amounts seen in early 2020. Elevated sublease space inhibits 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.

When tenants recommit to office space by signing new leases, many downsize their footprints. In 2023, the average office lease in the market was around 30%

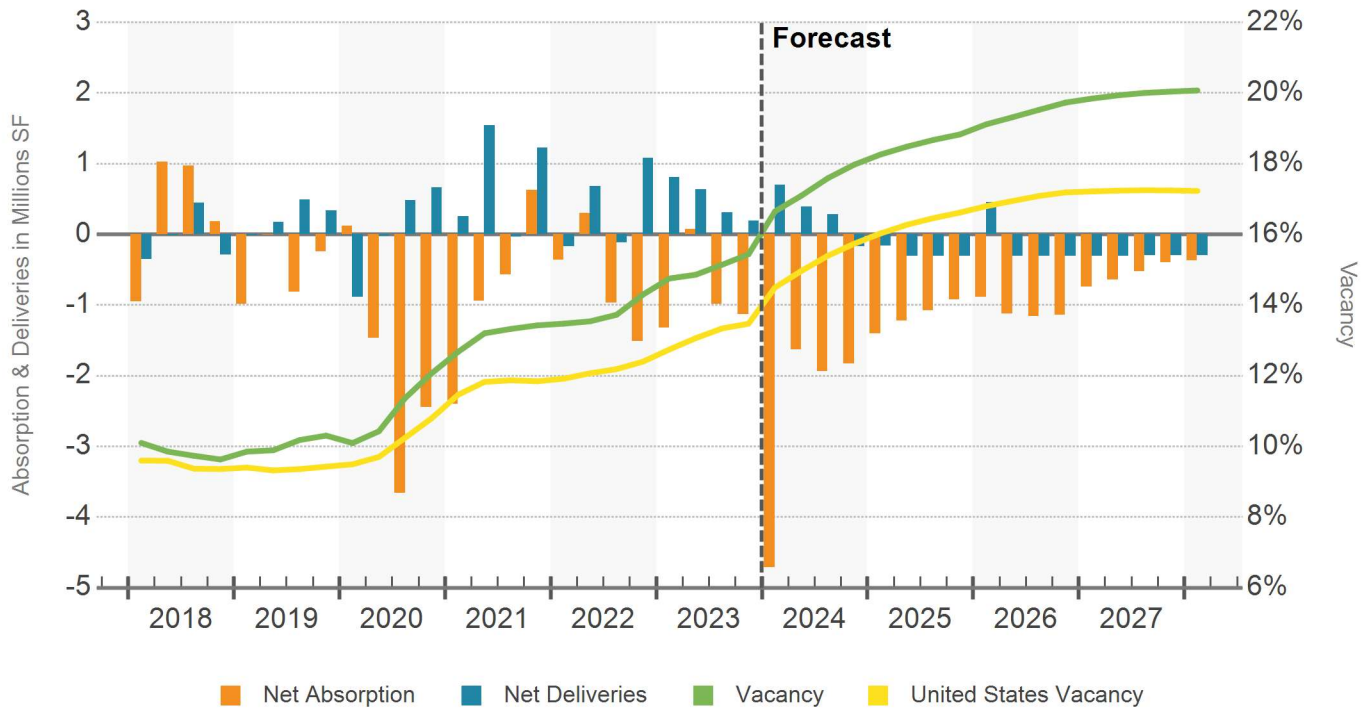
smaller than the average lease signed in 2019. As prime examples of tenants contracting, Sheppard Mullin committed to 120,000 SF at Two California Plaza in Downtown Los Angeles in December. When it moves in 2025, it will downsize from 177,000 at nearby Bank of America Plaza. Also at Two California Plaza, Sidley Austin recently took occupancy of 57,100 SF. It downsized from 161,000 SF at Gas Company Tower, another building in Downtown Los Angeles.

When planning expansions, tenants often show greater interest in higher-quality buildings, often in more-prized locations. While Sidley Austin is contracting significantly in Downtown L.A., an area beset by a significant homeless population and crime perceptions, it is expanding in Century City, a long-esteemed, manicured node in West Los Angeles proximate to some of the wealthiest communities in the nation. In December, news surfaced that Sidley Austin is close to signing a 75,000-SF lease at 1950 Avenue of the Stars, a speculative development that will deliver in 2026 and is already mostly preleased. It currently has 21,000 SF in Century City at 1999 Avenue of the Stars.

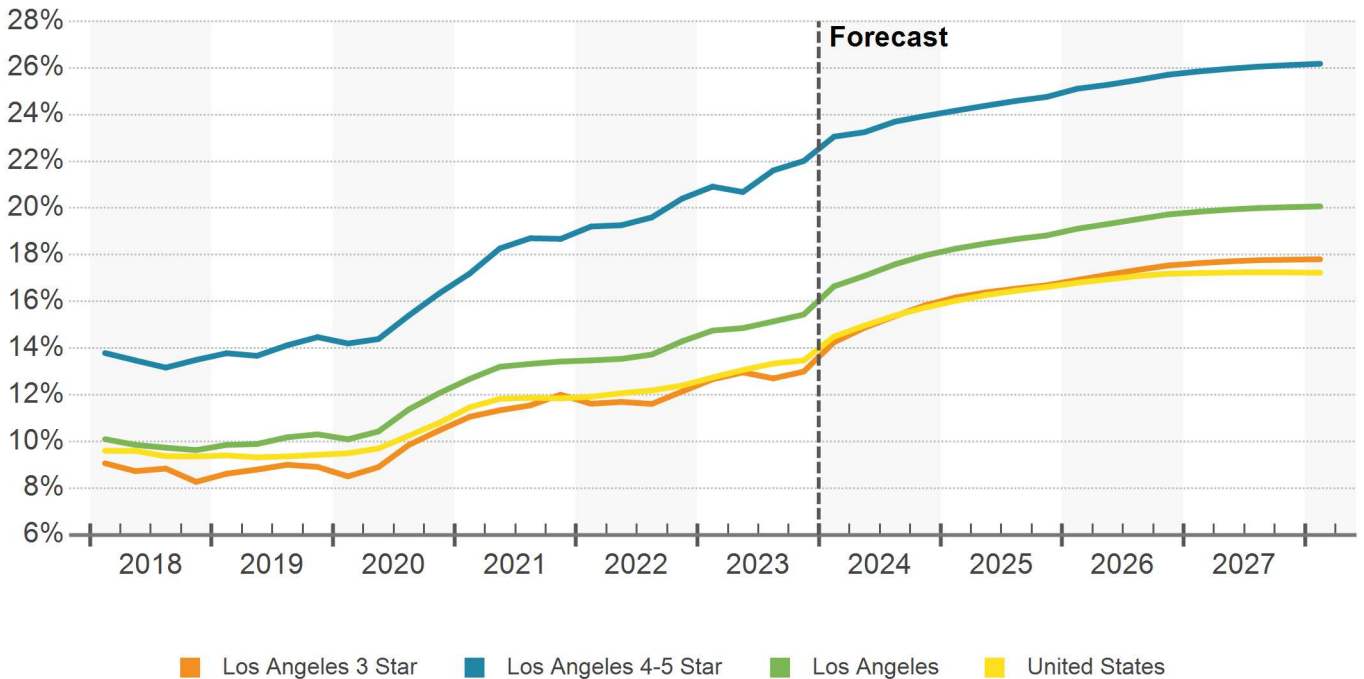
As another notable recent expansion, Penske Media committed to 125,000 SF this September at Lumen West L.A., a 2022-built property in the Olympic Corridor, in late September. The 10-year lease commences in April. Penske is moving from its 75,700-SF footprint at 11175 Santa Monica Blvd. in Westwood, a 1980s-vintage building.

Market weakness will persist for at least the near to midterm. Accounting for structural changes in demand and the likelihood of slower job growth in 2024, the forecast calls for 10 million SF of negative absorption in 2024, making it the worst year for net absorption on record, pushing vacancy to around 18% by the end of the year.

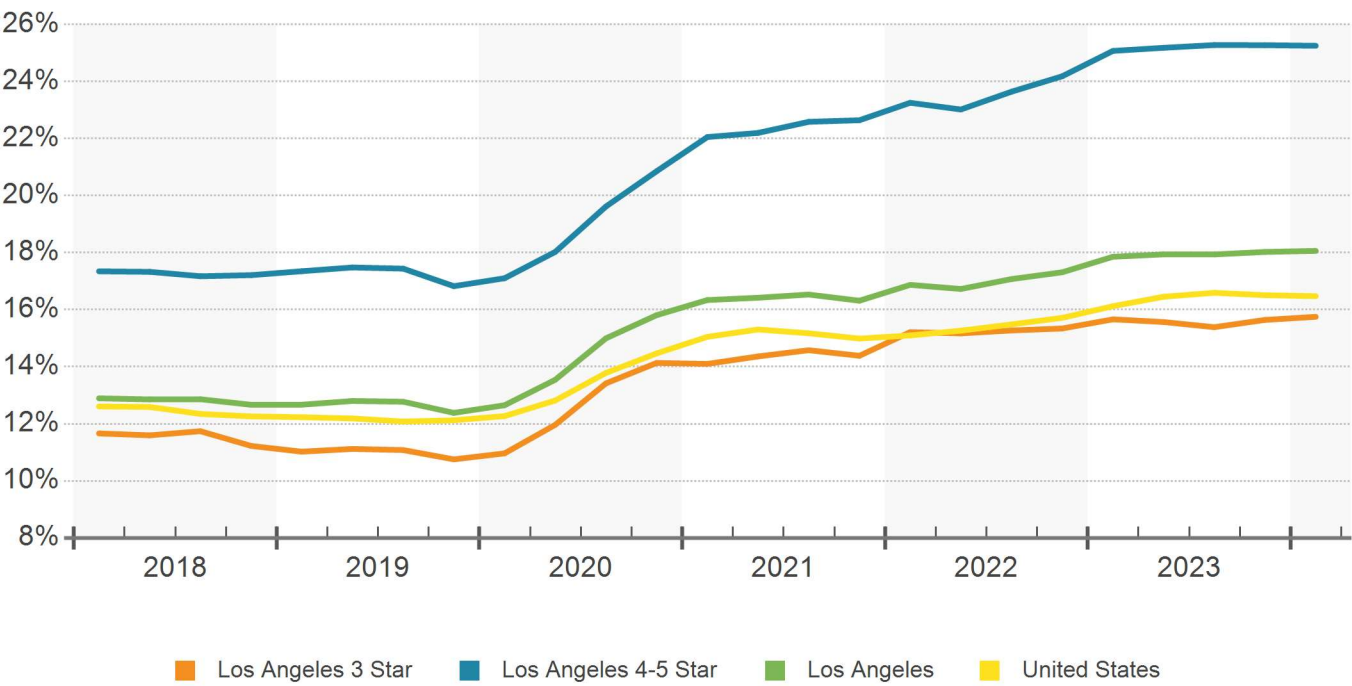
NET ABSORPTION, NET DELIVERIES & VACANCY



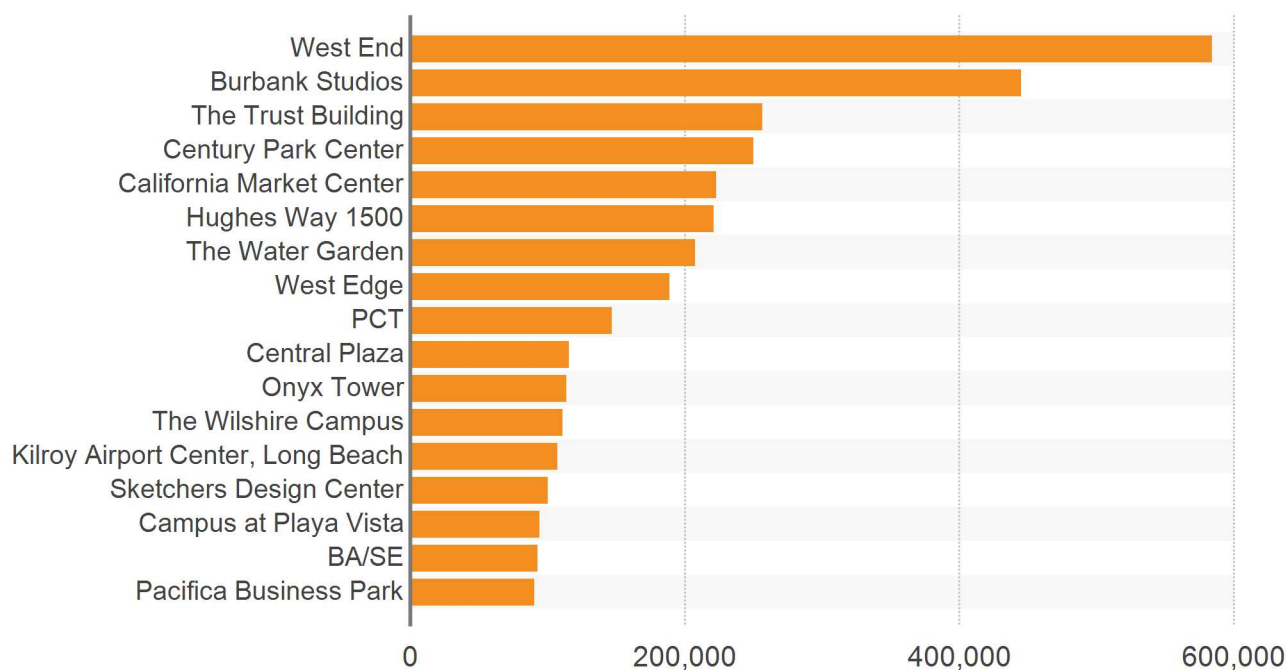
VACANCY RATE



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	0	0	0	584,000
Burbank Studios	Burbank	445,000	0	0	0	0	0	445,000
The Trust Building	Downtown Los Angeles	285,394	10,006	0	0	0	0	256,546
Century Park Center	West Los Angeles	258,544	0	0	0	0	0	250,000
California Market Center	Downtown Los Angeles	1,837,247	949,768	0	0	0	0	222,683
Hughes Way 1500	Long Beach: Suburban	490,055	140,072	0	0	0	0	220,937
The Water Garden	Santa Monica	278,713	8,664	0	0	0	0	207,707
West Edge	Olympic Corridor	255,615	55,733	0	0	0	0	188,899
PCT	El Segundo	585,576	52,322	0	0	0	0	146,737
Central Plaza	Koreatown	189,936	0	0	0	0	0	115,527
Onyx Tower	Miracle Mile	230,000	0	0	0	0	0	113,727
The Wilshire Campus	Park Mile	143,000	0	0	0	0	0	110,975
Kilroy Airport Center, Long Beach	Long Beach: Suburban	138,441	31,046	0	0	0	0	107,395
Sketchers Design Center	Beach Cities/Palos V...	100,000	0	0	0	0	0	100,000
Campus at Playa Vista	Marina Del Rey/Venice	93,949	0	0	0	0	0	93,949
BA/SE	Hollywood	139,305	13,664	0	0	0	0	92,667
Pacifica Business Park	Western SGV	90,600	0	0	0	0	0	90,600
Subtotal Primary Competitors		6,145,375	1,261,275	0	0	0	0	3,347,348
Remaining Los Angeles Market		434,381,508	67,898,154	(1,144,869)	0	0	0	(7,794,241)
Total Los Angeles Market		440,526,883	69,159,429	(1,144,869)	0	0	0	(4,446,893)

TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
Wilshire Courtyard	Miracle Mile	246,642	Q1 23	Sony Pictures	Savills	Cushman & Wakefield
Hughes Way 1500	Long Beach: Suburban	175,302	Q4 23	Los Angeles County	-	CBRE
Century City Center	Century City	151,104	Q3 23	Clearlake Capital	CBRE	Cushman & Wakefield
LUMEN West LA	Olympic Corridor	125,360	Q3 23	Penske Media Group	EOP Realty, Inc.	McCarthy Cook & Co.
Kilroy Airport Center *	El Segundo	122,138	Q3 23	Directv	-	CBRE
Vine Street Tower	Hollywood	101,143	Q2 23	Skims	-	-
Symantec Southern California Campus	Culver City	92,049	Q3 23	TikTok	-	Cushman & Wakefield
26541 Agoura Rd	Calabasas/Westlake Vill	90,370	Q1 23	Naked Wardrobe	-	-
Warner Corporate Center *	Woodland Hills/Warner Ctr	85,748	Q3 23	Blackline Systems Inc	-	Douglas Emmett Mana...
Cerritos Towne Center	Mid-Cities	80,821	Q2 23	Carelon Health	-	-
611 North Brand	Glendale	78,859	Q1 23	Los Angeles County	Cresa	Kidder Mathews
Century City Center	Century City	75,000	Q4 23	Sidley Austin LLP	-	-
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
Two California Plaza	Downtown Los Angeles	57,415	Q3 23	Sidley Austin Llp	-	-
One Dole Drive	Calabasas/Westlake Vill	56,243	Q2 23	Conrad N. Hilton Foundation	-	-
One Dole Drive	Calabasas/Westlake Vill	56,243	Q1 23	Boys & Girls Club Of Grea...	-	-
C3	Culver City	53,202	Q3 23	TikTok	-	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
Howard Hughes Center *	Marina Del Rey/Venice	47,039	Q4 23	Cedars Sinai Kerlan-Jobe...	-	Colliers;Healthcare Re...
Figueroa at Wilshire	Downtown Los Angeles	44,426	Q1 23	-	-	Brookfield Properties
Continental Grand *	El Segundo	42,714	Q1 23	Regus	-	Colliers
McCaslin Business Park *	Western SGV	42,000	Q2 23	Los Angeles County Sheri...	Cresa	CBRE
Gateway Corporate Center	Eastern SGV	41,523	Q4 23	Travelers Insurance	JLL	CBRE
Warner Center Towers	Woodland Hills/Warner Ctr	40,625	Q3 23	-	-	JLL
Central Plaza	Koreatown	39,335	Q4 23	-	-	Jamison Services, Inc.
1777-1779 Vine St	Hollywood	39,248	Q1 23	AMDA Inc	Avison Young	-
5435-5445 Balboa Blvd	Encino	37,515	Q3 23	-	-	Lee & Associates Com...
The Pointe	Burbank	36,164	Q2 23	SEGA Corporation	Cresa	Cushman & Wakefield
Century Park Center	Century City	36,000	Q1 23	Interpublic Group	-	CBRE
BA/SE	Hollywood	35,449	Q2 23	Universal Music Group	CBRE	Lincoln Property Comp...
Park Del Amo *	Torrance	34,442	Q4 23	Keenan	-	CBRE
Atrium On The 10	Eastern SGV	34,116	Q1 23	-	-	CBRE

Renewal

The Los Angeles office market continues to see average asking rents move in a narrow range in 2024. During the past 12 months, rents have only moved by -0.4%. 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 are looking 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 in the future.

Considering the market's weakness, one may have thought landlords would have reduced asking rates significantly. However, rents can only go so low before executing new leases fail to make financial sense. In addition to tenants holding greater leverage in negotiations to ask for higher tenant improvement allowances, the inflation witnessed in recent 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, as either landlords or lenders see some leases as dilutive to asset values.

A prominent example of lenders rejecting leases likely based on economic terms involved the City of Los Angeles, which was in talks for a 15-year lease of 300,000 SF at Gas Company Tower in Downtown Los Angeles. The property is distressed, having gone into receivership in April 2023. In October, the building's CMBS bondholders rejected the original lease. Considering the building has an availability rate of 25%, and it recently lost its second-largest tenant, Sidley Austin, it's hard to envision another reason besides lease economics for the refusal of the lease.

Likely realizing the original lease terms were too aggressive, the City of L.A. returned to the negotiating table in December with a new offer that would have the city contribute \$21.7 million towards the \$55.7 million

required for tenant improvements. In city documents, the City of L.A. rationalized the additional costs because \$19.8 million of that \$21.7 million added to the deal would be offset by 15 months of free rent and employee parking. The proposal has a gross starting rent of \$4/SF per month with 3% escalations.

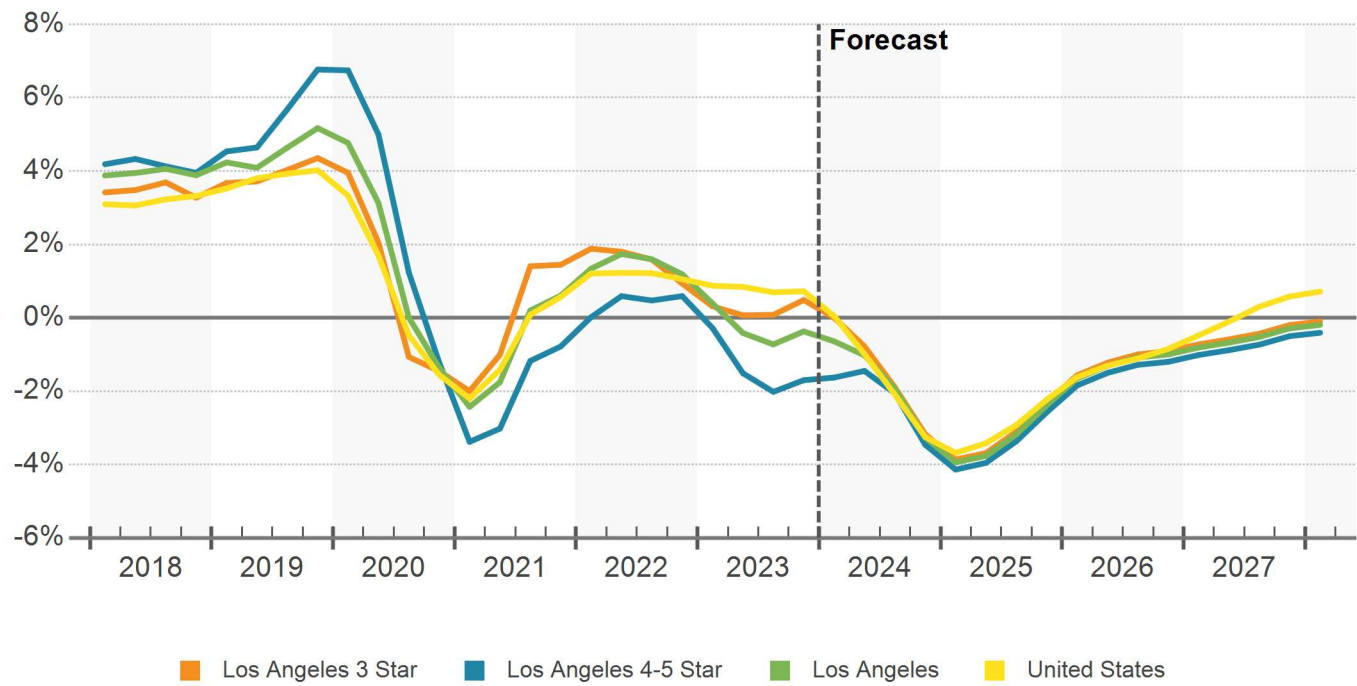
Landlords also need to compete with sublease space, often offered at a discount to direct space (see leasing section for more detail). Sega Corporation's sublease at The Pointe at 2900 W Alameda Ave. was a prime example. The video game firm occupancy in November of 36,200-SF space Freemantle, a British multinational television production and distribution company, occupied. 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.

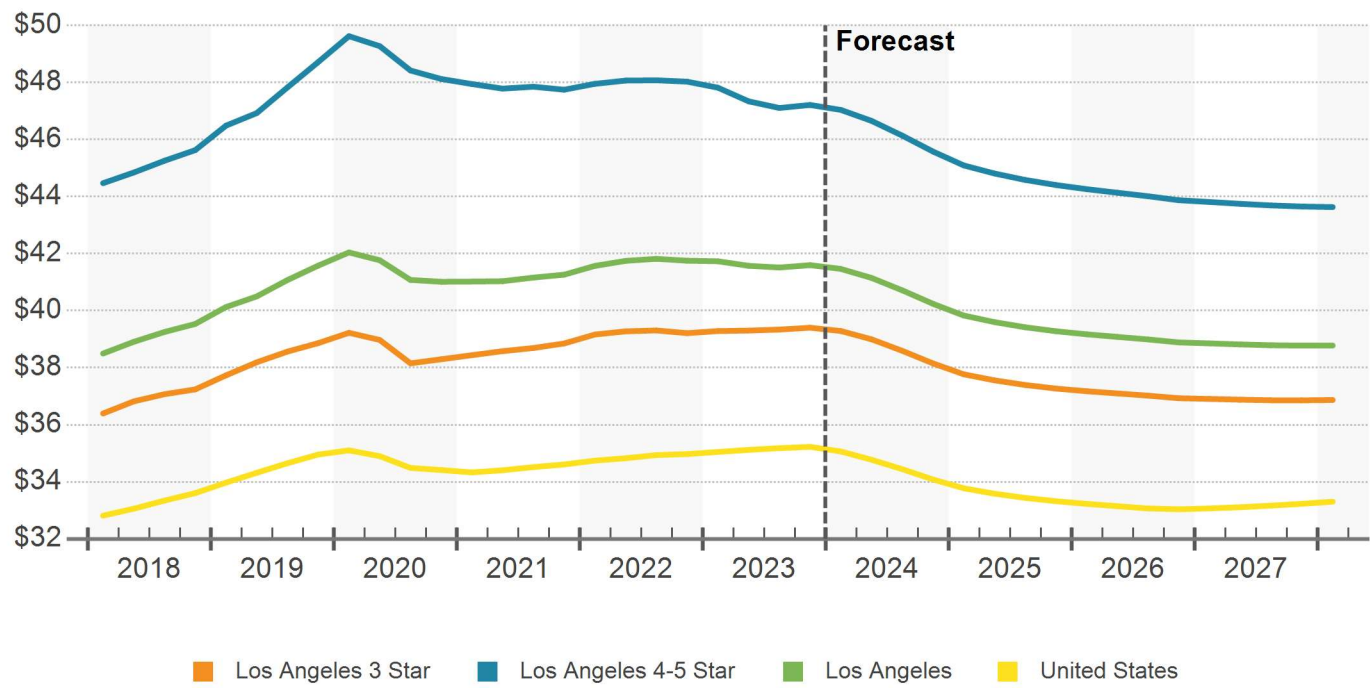
Recent rent movements have underperformed most other markets in recent quarters. Rents have moved by -0.4% during the past 12 months, compared to 0.7% nationally. Markets seeing the highest year-over-year gains include numerous Sun Belt metros, where job growth has been more robust and a higher percentage of workers have returned to the office.

Considering the current weak leasing environment, record vacancy, and ample 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 rise only further, the outlook calls for rent declines in the near to midterm.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Los Angeles	\$0.86	\$1.75	\$1.26	\$5.45	\$8.31	\$17.63
Antelope Valley	\$0.64	\$1.36	\$0.97	\$3.53	\$5.77	\$12.27
Burbank/Glendale/Pasadena	\$1.07	\$1.72	\$1.20	\$5.08	\$6.22	\$15.29
Downtown Los Angeles	\$1.10	\$2.08	\$0.81	\$4.68	\$13.28	\$21.95
Mid-Cities	\$0.74	\$1.13	\$0.63	\$3.92	\$6.88	\$13.30
Mid-Wilshire	\$0.70	\$1.86	\$1.13	\$5.27	\$8.93	\$17.89
San Fernando Valley	\$0.81	\$1.56	\$1.16	\$4.50	\$6.53	\$14.56
San Gabriel Valley	\$0.90	\$1.82	\$1.08	\$4.39	\$5.40	\$13.59
Santa Clarita Valley	\$0.86	\$1.48	\$0.91	\$4.52	\$4.70	\$12.47
South Bay	\$0.70	\$1.48	\$1.03	\$5.68	\$6.97	\$15.86
Southeast Los Angeles	\$0.81	\$2	\$1.12	\$2.97	\$6.53	\$13.43
West Los Angeles	\$0.84	\$1.82	\$1.79	\$6.67	\$9.06	\$20.18

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	\$1.43	\$0.67	\$4.55	\$4.53	\$11.91
Antelope Valley	\$0.57	\$0.99	\$0.78	\$3.23	\$3.16	\$8.73
Burbank/Glendale/Pasadena	\$0.83	\$1.58	\$0.65	\$4.03	\$4.79	\$11.88
Downtown Los Angeles	\$1.02	\$1.95	\$0.67	\$3.03	\$8.80	\$15.47
Mid-Cities	\$0.59	\$0.87	\$0.47	\$3.88	\$3.26	\$9.07
Mid-Wilshire	\$0.67	\$1.71	\$0.76	\$4.55	\$4.96	\$12.65
NE LA County Outlying	\$0.73	\$1.43	\$0.74	\$1.52	\$4.88	\$9.30
NW LA County Outlying	\$0.61	\$1.06	\$0.83	\$3.36	\$3.35	\$9.21
San Fernando Valley	\$0.69	\$1.17	\$0.87	\$4.02	\$3.92	\$10.67
San Gabriel Valley	\$0.84	\$1.76	\$0.64	\$4.04	\$2.86	\$10.14
Santa Clarita Valley	\$0.67	\$0.88	\$0.58	\$4.44	\$2.49	\$9.06
South Bay	\$0.63	\$1.30	\$0.42	\$4.42	\$4.61	\$11.38
Southeast Los Angeles	\$0.71	\$1.68	\$0.49	\$3.60	\$3.81	\$10.29
West Los Angeles	\$0.76	\$1.40	\$0.80	\$6.66	\$5.79	\$15.41

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	\$0.66	\$1.10	\$0.47	\$4.14	\$2.52	\$8.89
Antelope Valley	\$0.58	\$0.80	\$0.21	\$2.65	\$2.72	\$6.96
Burbank/Glendale/Pasadena	\$0.76	\$1.31	\$0.54	\$3.92	\$2.29	\$8.82
Downtown Los Angeles	\$0.61	\$0.86	\$0.43	\$3.11	\$6.23	\$11.24
East LA County Outlying	\$0.75	\$1.24	\$0.49	\$1.69	\$2.17	\$6.34
Mid-Cities	\$0.56	\$0.77	\$0.33	\$3.32	\$3.13	\$8.11
Mid-Wilshire	\$0.61	\$1.33	\$0.62	\$4.85	\$2.93	\$10.34
NE LA County Outlying	\$0.80	\$1.38	\$0.59	\$1.09	\$1.98	\$5.84
San Fernando Valley	\$0.60	\$0.94	\$0.47	\$3.93	\$1.73	\$7.67
San Gabriel Valley	\$0.78	\$1.22	\$0.49	\$3.74	\$1.89	\$8.12
Santa Clarita Valley	\$0.67	\$0.79	\$0.38	\$5.20	\$2.35	\$9.39
South Bay	\$0.61	\$0.92	\$0.22	\$3.82	\$2.31	\$7.88
Southeast Los Angeles	\$0.64	\$0.78	\$0.23	\$2.96	\$3.09	\$7.70
West Los Angeles	\$0.65	\$1.23	\$0.64	\$5.60	\$2.98	\$11.10

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 1.9 million SF of net new office space complete, relatively elevated levels. 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.

One of the most notable recent speculative completions was 843 N Spring St., a 122,000-SF, five-story building in Chinatown adjacent to the core of Downtown Los Angeles. The developer, Redcar Properties, is well known in the metro for its high-end creative office projects. The property completed in the fall and is 100% vacant.

Of the four speculative deliveries in 2023 over 100,000 SF, only one, West Edge in the Olympic Corridor, completed with any leasing. The 255,000-SF mixed-use development completed in early 2023. Riot Games preleased 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 in recent years, developers have been selective when kicking off projects. The 3.3 million SF underway is also down from a recent high of 8.9 million SF in the second half of 2020. Starts activity has cooled considerably, with around 4.3 million SF of new projects starting construction during the past 12 quarters, around 40% of the square footage of starts seen from 17Q2 through 20Q1, the peak 12-quarter period for

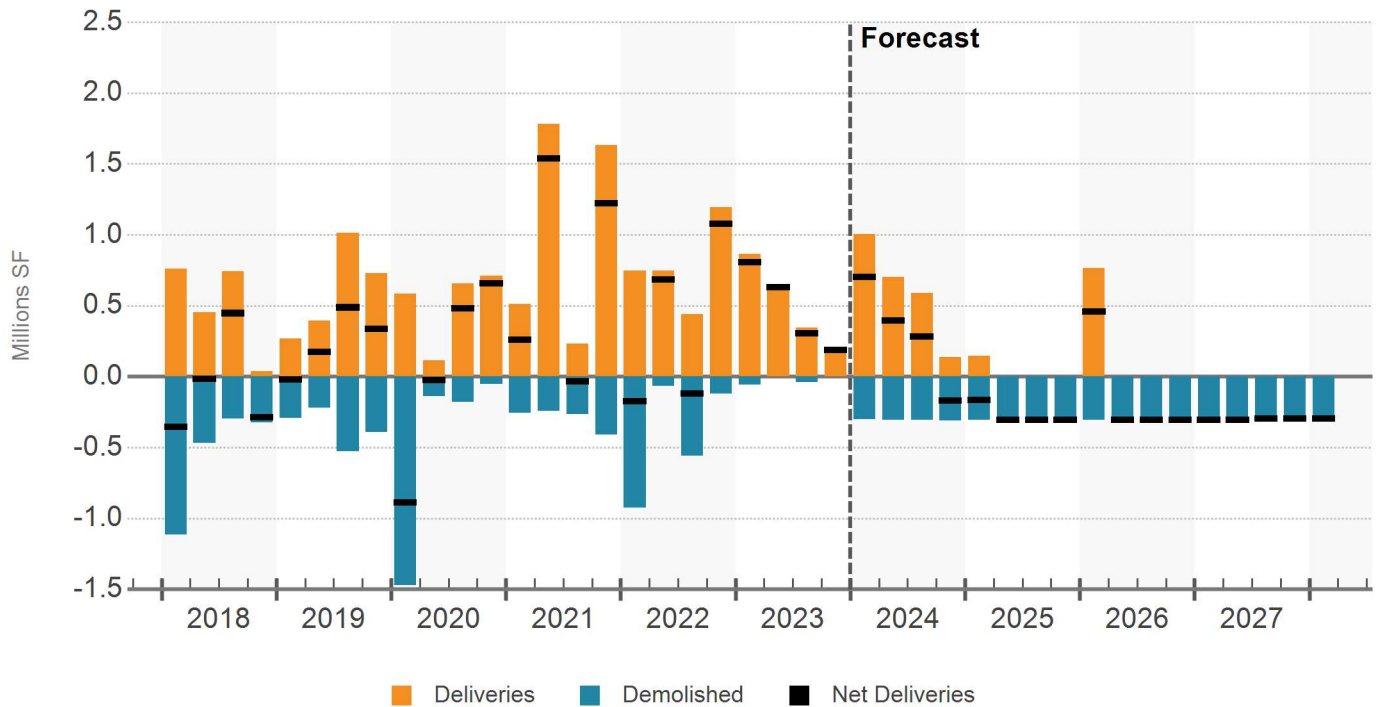
starts before the onset of the pandemic.

While construction has moderated, some developers still see opportunity in today's environment. 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. Many firms see the need to compete for talent and provide a compelling environment for workers. Many U.S. office markets have also seen this dynamic.

In early 2023, developers started working on the largest speculative project since 2006 with 1950 Avenue of the Stars. Creative Artists Agency anchors the 730,000-SF project in Century City, committing to an undisclosed but rumored to be significant portion of the building in early 2022. In July 2023, private equity firm Clearlake Capital leased an additional 151,000 SF in the project. Sidley Austin (see leasing section for more detail) is rumored to be close to committing to 75,000 SF. The tower doesn't complete until 2026 and appears to be mostly preleased.

Given the occupancy issues of many properties, the conversation around converting office properties into multifamily communities has increased. Jamison Properties, one of the largest office landlords in the metro, has converted several of its buildings in Koreatown in recent years. In June 2023, news surfaced that Jamison intends to convert several additional office properties into multifamily communities, including 1055 W. Seventh St. in Downtown Los Angeles at 6380 Wilshire Blvd. in Miracle Mile. In the years ahead, the market could see additional properties converted as the market addresses what appears to be a structural decline in office space.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

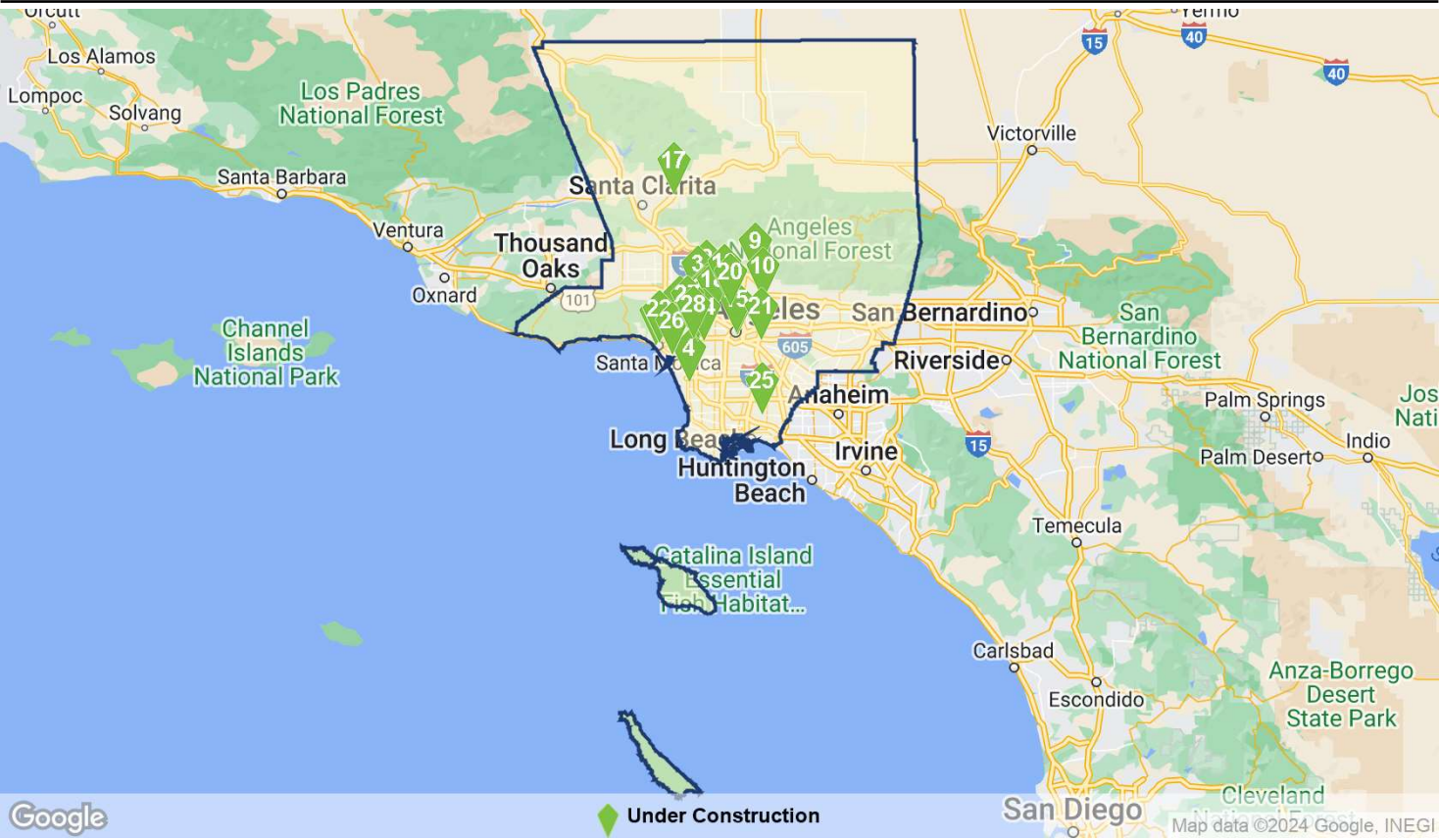
No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Century City	1	731	731	100%	1	266,077	731,250	1
2	Burbank	1	355	355	100%	1	24,302	355,000	2
3	Studio/Universal Cities	1	331	331	100%	1	15,079	331,000	3
4	El Segundo	1	324	180	55.6%	6	67,225	324,000	4
5	Glendale	3	229	43	18.7%	10	16,707	76,432	7
6	Santa Monica	3	208	50	24.0%	9	26,712	69,337	8
7	Pasadena	3	202	202	100%	1	20,484	67,417	9
8	Downtown Los Angeles	2	200	78	38.7%	7	151,946	100,191	5
9	Hollywood	2	199	199	100%	1	25,447	99,250	6
10	Culver City	5	173	64	36.8%	8	20,576	34,585	10
	All Other	12	375	121	32.2%		19,745	31,234	
Totals		34	3,327	2,353	70.7%		24,934	97,865	

Under Construction Properties

Los Angeles Office

Properties	Square Feet	Percent of Inventory	Released
35	3,332,969	0.8%	70.8%

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	Apr 2024	Worthe Real Estate Group Worthe Real Estate Group
3 100 Universal City Plz	★★★★★	331,000	11	Nov 2021	Feb 2024	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	Feb 2024	- Westbrook Partners
6 Forge at Alloy 530 Mateo St	★★★★★	137,281	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	315 Colorado Ave	★★★★★	100,000	2	Sep 2021	Feb 2024	- The Macerich Company
9	4802 Oak Grove Dr	★★★★★	100,000	10	Aug 2022	Apr 2024	- -
10	590 S Fair Oaks Ave	★★★★★	100,000	4	Oct 2022	May 2024	- -
11	717 Seward St	★★★★★	83,500	5	Oct 2023	Dec 2024	BARDAS Investment Group -
12	5237 W Jefferson Blvd	★★★★★	71,732	3	Sep 2022	Feb 2024	- RevOz Capital
13	Building 3 4204 Glencoe Ave	★★★★★	70,978	3	Jan 2023	Jul 2024	Bradmore Realty Investment Co Ltd Bradmore Realty Investment Co Ltd
14	1650 Euclid St	★★★★★	69,011	3	Aug 2022	Feb 2024	- Redcar Properties LTD
15	AtTraction 800-810 Traction Ave	★★★★★	63,100	6	Oct 2021	Feb 2024	- -
16	Building 2 4204 Glencoe Ave	★★★★★	55,636	3	Dec 2022	Jul 2024	- -
17	27625 Lincoln Pl	★★★★★	55,000	1	Dec 2023	Dec 2024	JSB Development JSB Development
18	Create @ Sunset 5419 W Sunset Blvd	★★★★★	43,000	2	Nov 2022	Feb 2024	- Montana Avenue Capital Partner...
19	North Building 4561 Colorado Blvd	★★★★★	42,987	1	Jan 2023	Feb 2024	- Westbrook Partners
20	North Campus 3333 Casitas Ave	★★★★★	40,634	3	Apr 2023	Apr 2024	SteelWave, Inc. -
21	436 S Atlantic Blvd	★★★★★	40,000	2	Apr 2022	Feb 2024	- Ednovate
22	1640 14th St	★★★★★	39,000	2	Jul 2022	Feb 2024	Redcar Properties LTD Redcar Properties LTD
23	5252 W Adams Blvd	★★★★★	32,629	3	May 2023	Dec 2025	- -
24	3900 W Jefferson Blvd	★★★★★	31,360	3	Apr 2021	May 2024	Charles Company Community Redevelopment Agen...
25	Building #1 3816 Stineman Ct	★★★★★	27,460	2	Jan 2023	Feb 2024	- Airway Office Park Llc
26	Building 1 4204 Glencoe Ave	★★★★★	24,453	3	Jan 2023	Jul 2024	- -
27	9212 Olympic Blvd	★★★★★	24,255	3	Apr 2022	Feb 2024	- -
28	5833 Perry Dr	★★★★★	21,704	1	Jan 2023	May 2024	- -

Recent office sales activity in Greater Los Angeles remains restrained. The fourth quarter witnessed \$895 million worth of office properties transact, well under the \$1.7 billion worth of office sales that traded quarterly, on average, during the past decade in the metro.

Acute market weakness in most segments of the local office market, combined with long-term questions around the future trajectory for space use, have dented investor interest in office properties in the metro. Several recent sales have garnered lower pricing than previous transaction prices.

In November, Montana Avenue Capital Partners purchased 1700 E Walnut from CBRE Investment Management for \$31.17 million (\$260/SF). The sale included a six-story, 400-parking-space garage. The property was around 60% leased at the time of purchase. CBRE Investment management is selling the asset for a 35% loss, having purchased the property in June 2017 for \$48.5 million (\$405/SF). It bought the property from JV partners Montana Avenue Capital Partners and The Roxborough Group. Montana is purchasing the asset for less than it acquired the property for in October 2015, having paid \$33.5 million (\$280/SF).

In December, a private family office purchased 400 and 450 Brand Blvd. from Kennedy Wilson for \$58 million (\$130/SF). The two buildings comprised 440,700 SF, with 364,700 SF of office space and 76,700 SF of retail space. The buildings were 61% leased, and the property was marketed as a value-add opportunity. Existing tenants had a weighted average remaining lease term of 5.5 years. Significant tenants include 24-Hour Fitness, Cigna, and Regus. No loan was recorded at the time of sale, making it likely the buyer paid all cash.

The transaction represents a 60% loss for Kennedy Wilson, having acquired the buildings in May 2017 for \$144 million (\$325/SF). It also sold well below its previous sale price in January 2004 for \$117 million (\$265/SF). The sale indicates a trend in L.A. and nationally of private, opportunistic buyers becoming increasingly active in acquiring office properties, while larger, more institutional investors are divesting of office assets.

Substantiating the trend, during 2023, private buyers were behind 60% of all transaction activity on a dollar basis. From 2015 to 2019, the five years preceding the pandemic, private buyers represented, on average,

around 45% of buyer activity. In contrast, institutional buyers were behind 10% of dollar volumes in 2023. From 2015 to 2019, they were behind around a quarter of activity.

The most prominent news around market distress centers on Downtown Los Angeles. In 2023, Brookfield Properties, the largest landlord in Downtown Los Angeles, defaulted on 777 Tower, Ernst & Young Plaza, and Gas Company Tower. Ernst & Young Plaza went into receivership in May, and Gas Company Tower went into receivership in April. 777 Tower is currently on the market.

In July, Gas Company Tower was appraised at \$270 million, around 40% of its last valuation of \$632 million in 2021. The value is also well below the \$465 million in loans Brookfield has on the property. In December, Ernst & Young Plaza was appraised at \$210.7 Million, less than half its valuation of \$446 million three years ago. As loans come due on other office properties in the L.A. metro, additional landlords will likely default.

Most future office sales will likely garner a discount in pricing to what was likely possible before early 2020. However, a handful of recent sales demonstrate some investors are willing to pay top-dollar for select properties.

The largest 2023 office sale in Santa Monica, as well as the L.A. metro, closed in August, when J.P. Morgan Asset Management purchased from CalSTRS the Pen Factory, a 220,000-SF building at 2701 Olympic Blvd., for \$178 million (\$810/SF). The property is fully leased to video game publisher Activision Blizzard and healthcare company GoodRx Holdings, which have headquarters in the office building. J.P. Morgan financed the acquisition with a \$97.9 million loan (55% loan to value) from PCCP.

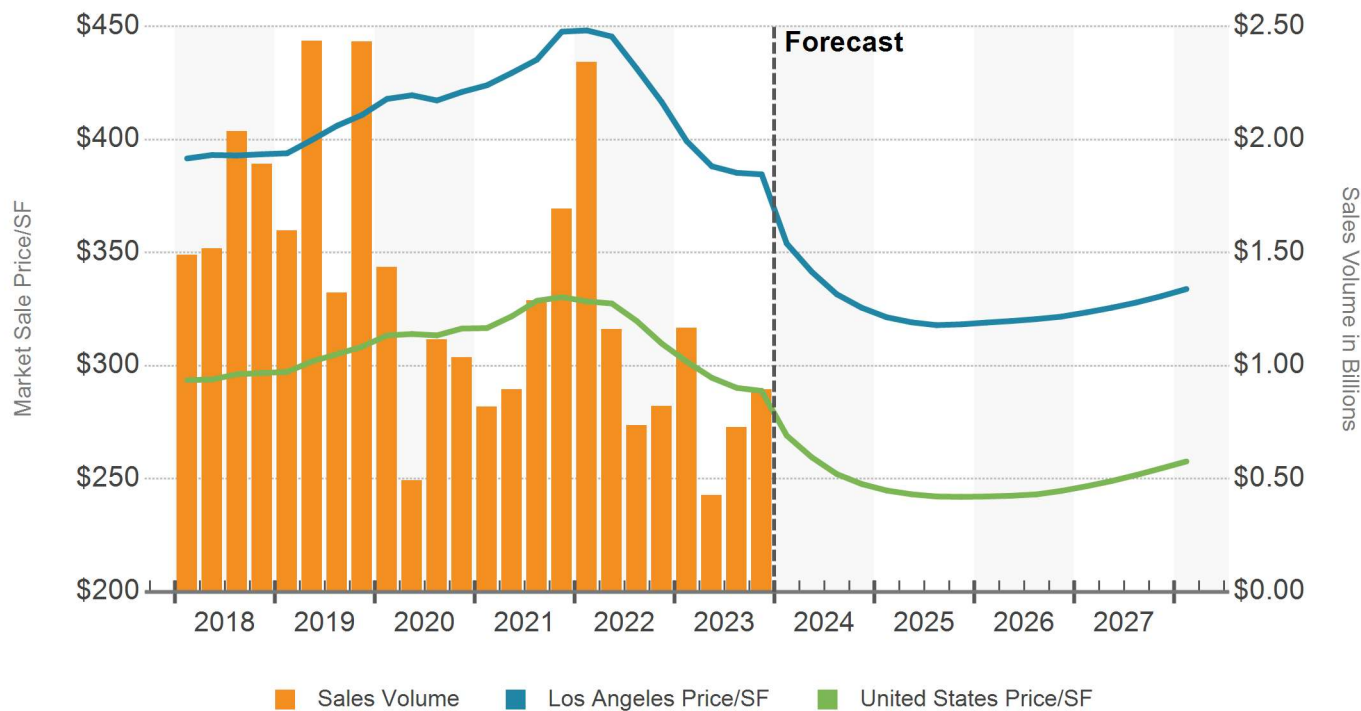
The strong price achieved was driven by the asset being a creative office conversion that finished in 2017 (latest-generation space), was 100% leased, and was in a favorable location in Santa Monica, historically one of L.A.'s most sought-after office locations. Properties with all three attributes represent a small portion of L.A.'s office market.

Looking forward, average market pricing is expected to continue to decline at least through 2024. Market pricing is forecast to experience a peak-to-trough decline of around 30% by 2025. The market faces numerous headwinds. Vacancy is expected to continue to reach

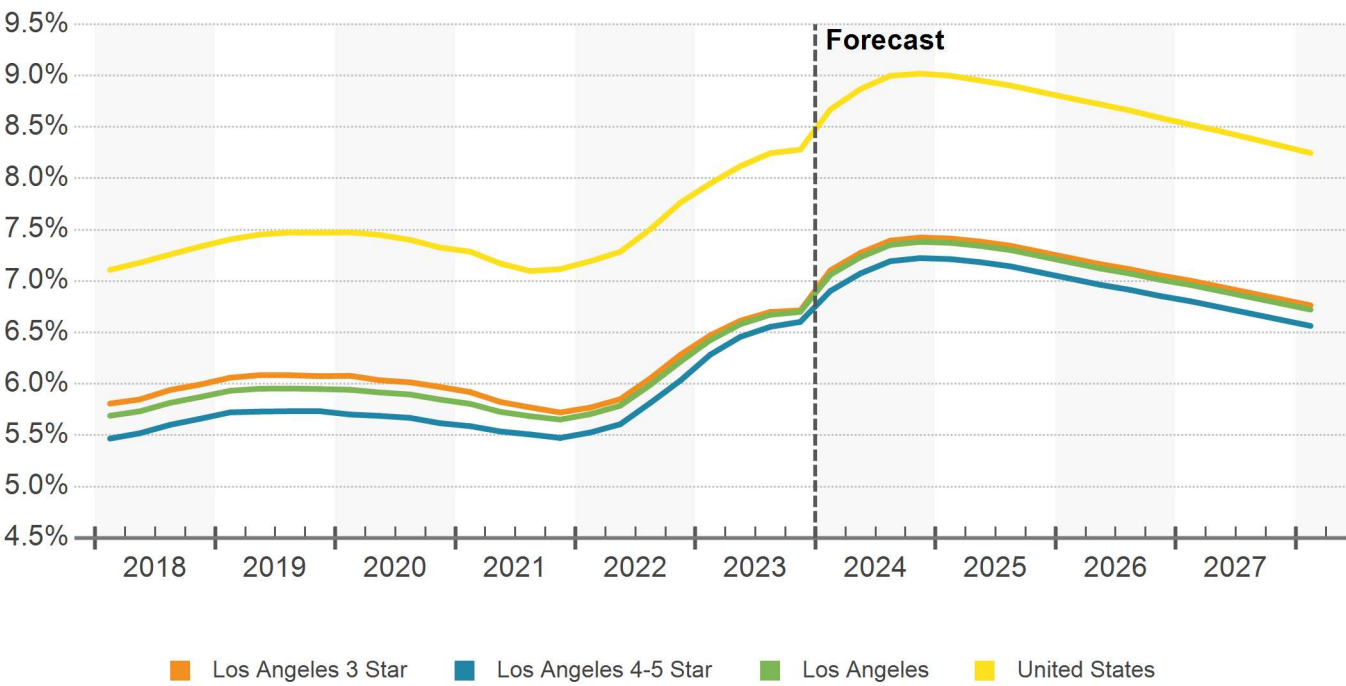
new heights during the next several years, and asking rents are expected to witness declines. Uncertainty around the long-term trajectory for office space use due to the increased use of hybrid work strategies persists.

Additionally, as interest rates are anticipated to remain elevated for at least the near term, debt will likely remain more costly.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE

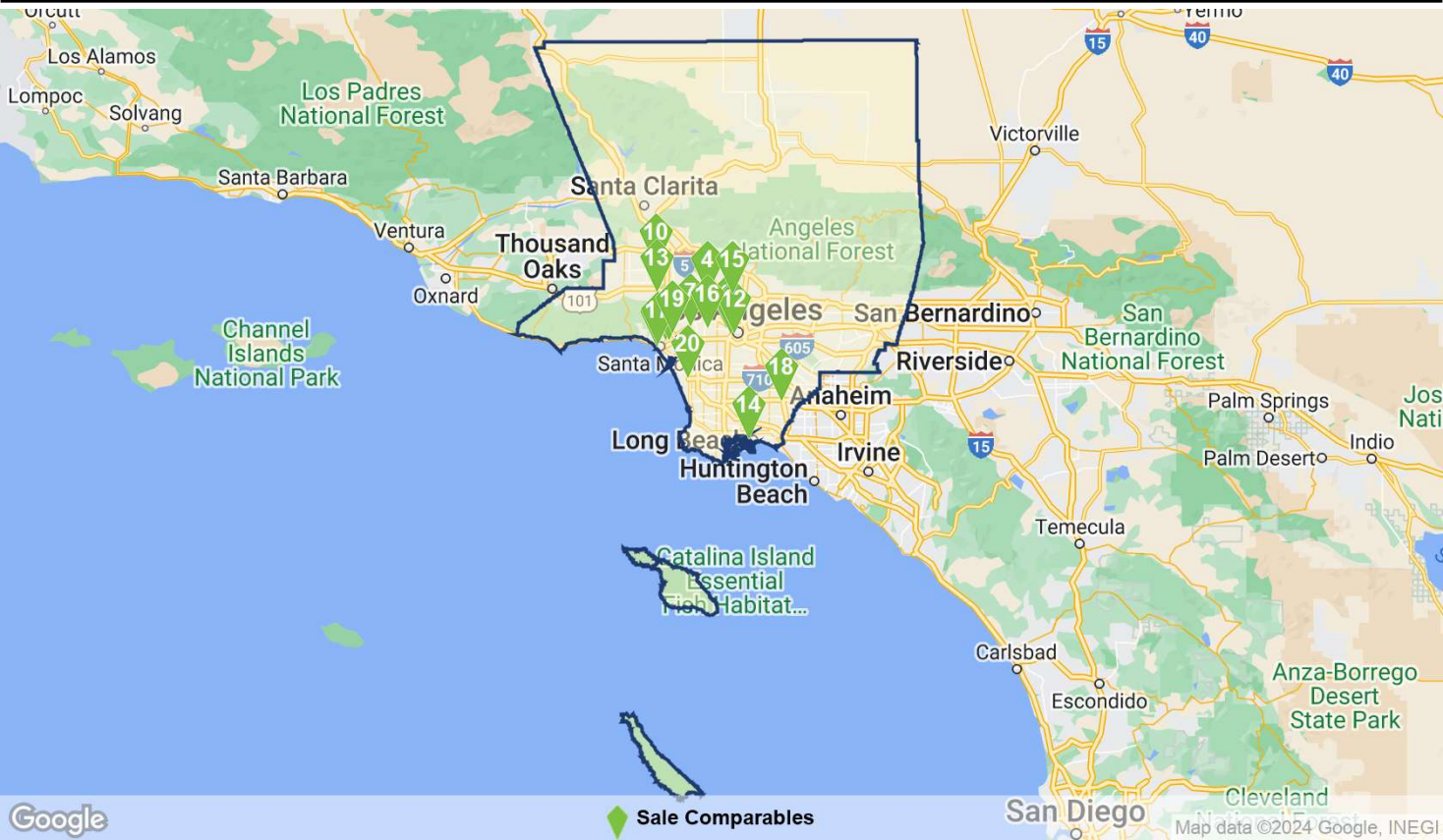


Sales Past 12 Months

Los Angeles Office

Sale Comparables	Avg. Cap Rate	Avg. Price/SF	Avg. Vacancy At Sale
549	5.8%	\$282	20.6%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$193,144	\$7,676,461	\$2,250,000	\$178,000,000
Price/SF	\$12	\$282	\$415	\$2,677
Cap Rate	2.2%	5.8%	5.3%	14.7%
Time Since Sale in Months	0.0	6.1	6.0	12.0
Property Attributes	Low	Average	Median	High
Building SF	450	32,359	6,155	1,110,264
Stories	1	2	2	62
Typical Floor SF	240	9,907	4,236	219,571
Vacancy Rate At Sale	0%	20.6%	0%	100%
Year Built	1895	1968	1965	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	\$178,000,000	\$811	-
2 Aon Center 707 Wilshire Blvd	★★★★★	1974	1,110,264	34.4%	12/22/2023	\$153,500,000	\$138	-
3 Union Bank Plaza 445 S Figueroa St	★★★★★	1967	701,888	39.4%	3/30/2023	\$110,000,000	\$157	-
4 Second Century Expansi... 3000 W Alameda Ave	★★★★★	2023	445,000	0%	8/25/2023	\$93,654,700	\$210	-
5 Pierpoint 1540 2nd St	★★★★★	2008	76,892	89.1%	12/15/2023	\$86,680,000	\$1,127	-
6 3rd Street 2100 W 3rd St	★★★★★	1990	147,078	9.6%	3/31/2023	\$75,000,000	\$510	-
7 9000 Wilshire Blvd	★★★★★	2023	50,267	100%	12/21/2023	\$71,000,000	\$1,412	-
8 801 S Grand Ave	★★★★★	1985	215,097	26.0%	3/29/2023	\$46,000,000	\$214	-
9 Westwood Terrace Bldg 1640 S Sepulveda Blvd	★★★★★	1987	164,682	18.5%	12/26/2023	\$44,713,000	\$272	-
10 I 8500 Balboa Blvd	★★★★★	2016	142,420	19.3%	3/30/2023	\$41,143,973	\$289	-
11 3401 Exposition Blvd	★★★★★	1961	63,376	0%	8/25/2023	\$40,000,000	\$631	-
12 The Trust Building 433 S Spring St	★★★★★	1927	285,394	99.8%	6/30/2023	\$40,000,000	\$140	-
13 Encino Executive Tower 16633 Ventura Blvd	★★★★★	1970	193,344	10.9%	6/23/2023	\$39,226,500	\$203	-
14 Union Bank Building 400 Oceangate	★★★★★	1975	157,683	26.7%	6/23/2023	\$35,000,000	\$222	-
15 450 N Brand Blvd	★★★★★	1999	273,992	47.2%	12/8/2023	\$34,666,930	\$127	-
16 4750 Wilshire Blvd	★★★★★	1987	143,000	77.6%	2/17/2023	\$34,400,000	\$301	-
17 604 Arizona 604 Arizona Ave	★★★★★	1950	46,707	0%	8/25/2023	\$32,500,000	\$696	-
18 Plaza Tower 18000 Studebaker Rd	★★★★★	1986	191,940	18.6%	11/7/2023	\$31,600,000	\$165	9.5%
19 Variety Building 11175 Santa Monica Blvd	★★★★★	1986	75,769	0%	3/29/2023	\$31,500,000	\$416	-
20 1700 E Walnut Ave	★★★★★	1986	120,000	40.5%	11/2/2023	\$31,168,000	\$260	-

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, dockworkers 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 12% since February 2020, while information, which includes motion picture and sound

recording, 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 10 years. However, programming for the next 12 months will likely be affected by the writer's and actor's strikes.

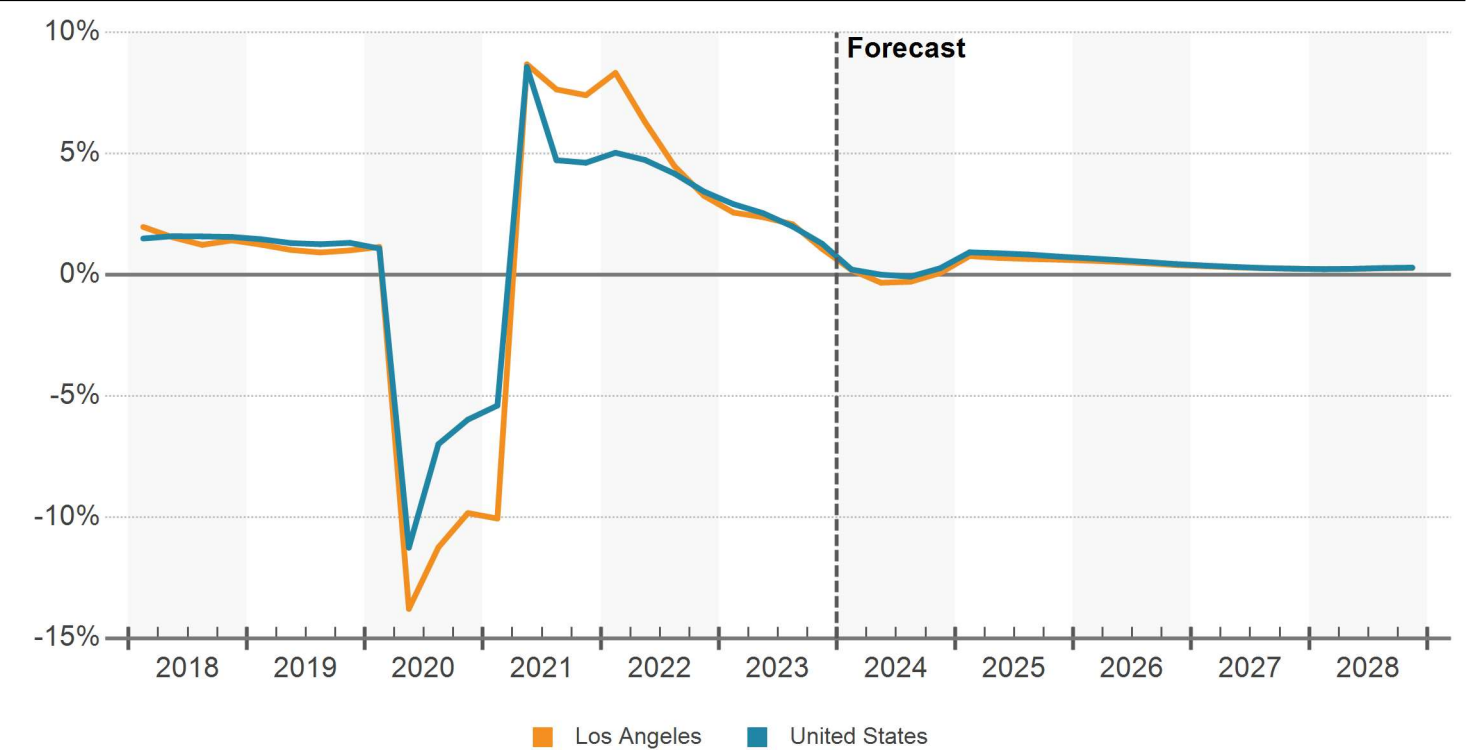
Tourism is also important for the local economy. Stores, restaurants, and lodging in tourist hotspots like Downtown L.A., Hollywood, Beverly Hills, and Santa Monica are dependent on tourists spending. Los Angeles has more than 50 million visitors per year, but hotel occupancy rates have yet to recover 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	318	0.8	-2.05%	-0.08%	-1.68%	0.71%	-0.71%	0.09%
Trade, Transportation and Utilities	843	1.0	0.68%	0.14%	0.62%	1.05%	-0.06%	0.14%
Retail Trade	414	0.9	1.68%	0.44%	0.12%	0.23%	-0.20%	0.10%
Financial Activities	218	0.8	0.12%	0.51%	0.29%	1.45%	0.03%	0.15%
Government	568	0.8	0.72%	1.49%	0.46%	0.37%	0.19%	0.41%
Natural Resources, Mining and Construction	150	0.6	-1.15%	1.36%	2.22%	2.33%	0.23%	0.29%
Education and Health Services	929	1.2	3.76%	2.96%	2.79%	1.87%	0.96%	0.67%
Professional and Business Services	678	1.0	0.43%	0.68%	1.30%	2.00%	-0.06%	0.52%
Information	220	2.4	-5.43%	-2.72%	0.91%	1.09%	0.77%	0.34%
Leisure and Hospitality	550	1.1	3.64%	2.88%	2.03%	1.48%	1.11%	0.82%
Other Services	159	0.9	1.37%	1.61%	0.63%	0.63%	0.09%	0.27%
Total Employment	4,635	1.0	1.03%	1.22%	1.12%	1.30%	0.33%	0.41%

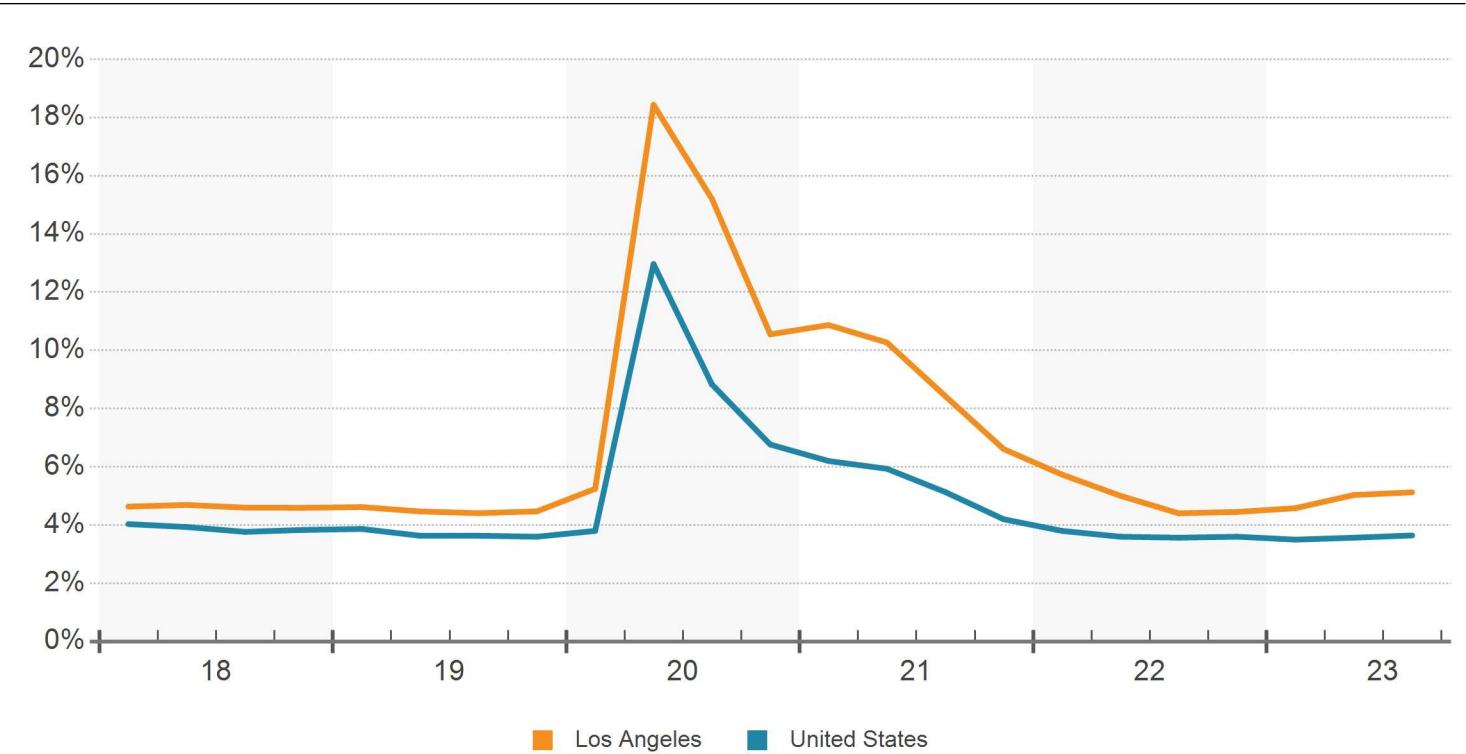
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

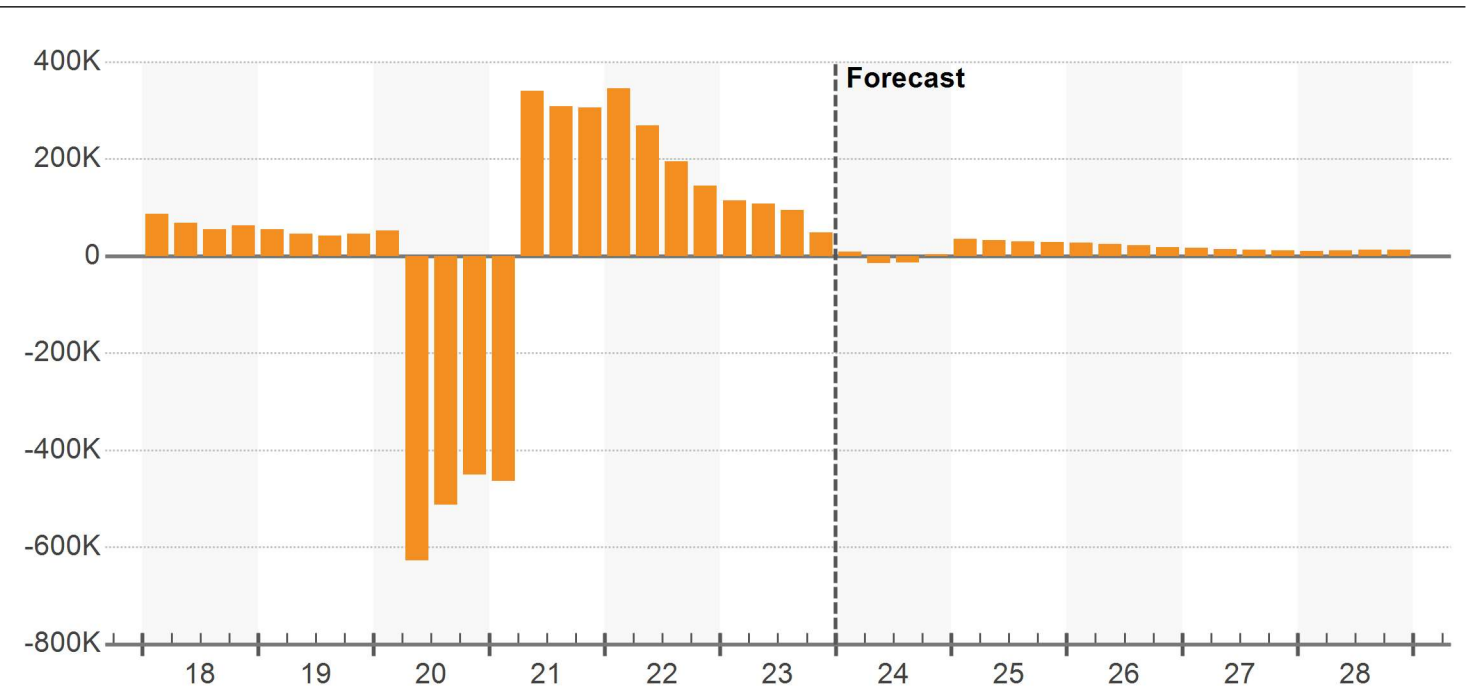


Source: Oxford Economics

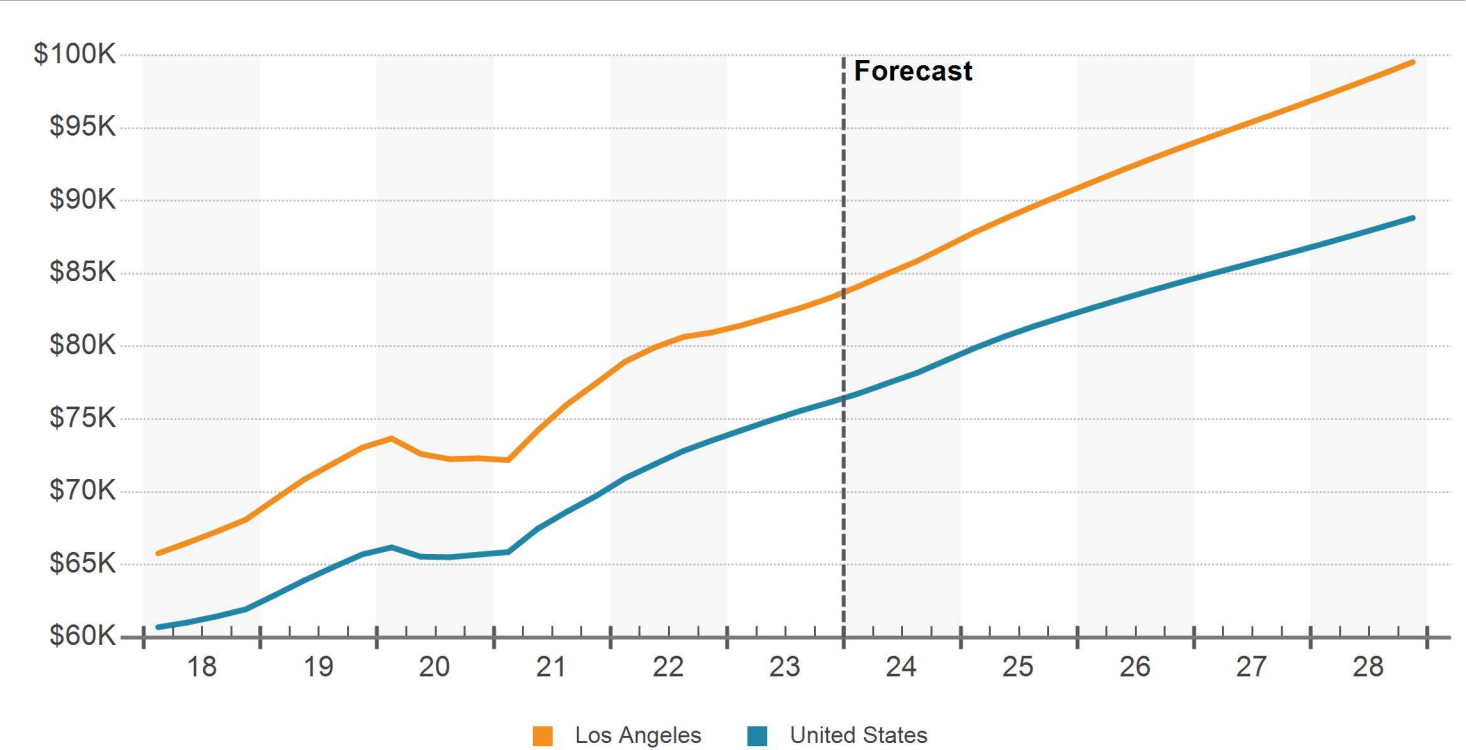
UNEMPLOYMENT RATE (%)



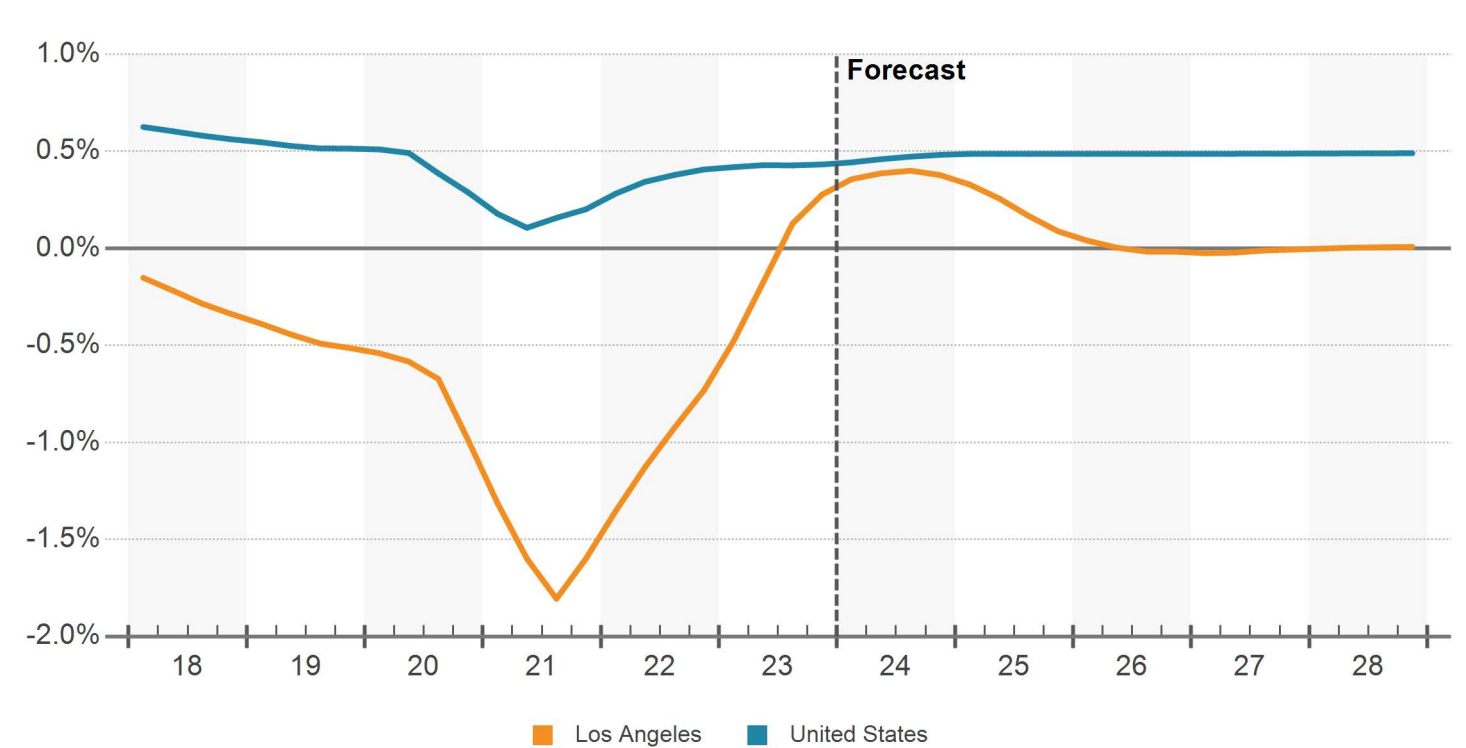
NET EMPLOYMENT CHANGE (YOY)



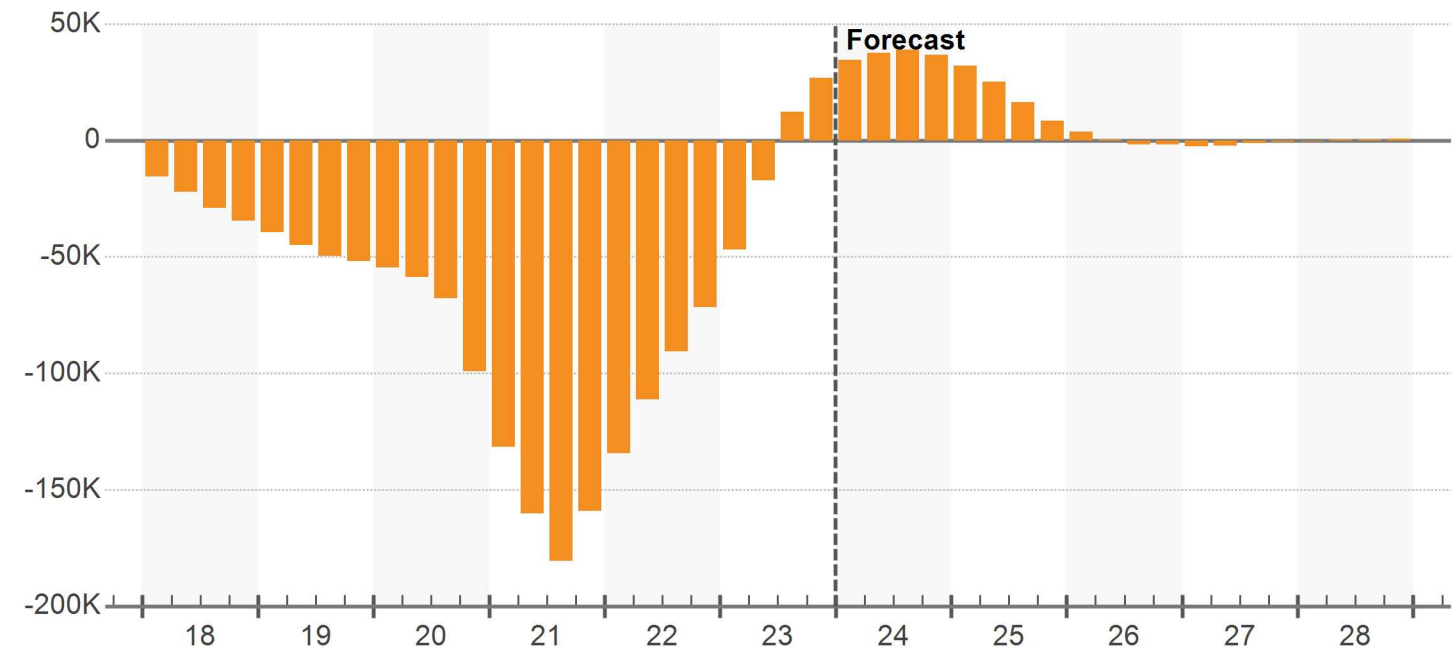
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



DEMOGRAPHIC TRENDS

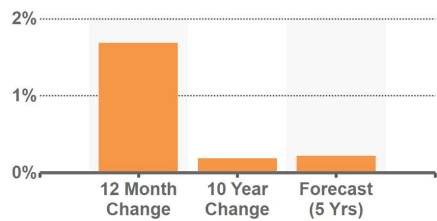
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	9,744,006	335,125,125	0.3%	0.4%	-0.3%	0.5%	0.1%	0.5%
Households	3,401,919	130,841,969	0.4%	0.6%	0.2%	0.9%	0.2%	0.6%
Median Household Income	\$83,361	\$76,178	2.9%	3.5%	4.3%	3.8%	3.6%	3.1%
Labor Force	5,039,725	167,589,109	1.7%	1.7%	0.2%	0.8%	0.2%	0.2%
Unemployment	5.1%	3.6%	0.7%	0%	-0.4%	-0.3%	-	-

Source: Oxford Economics

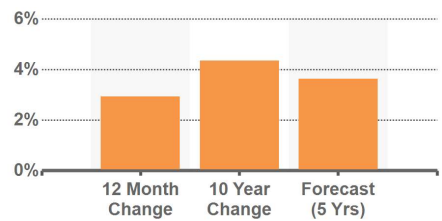
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH

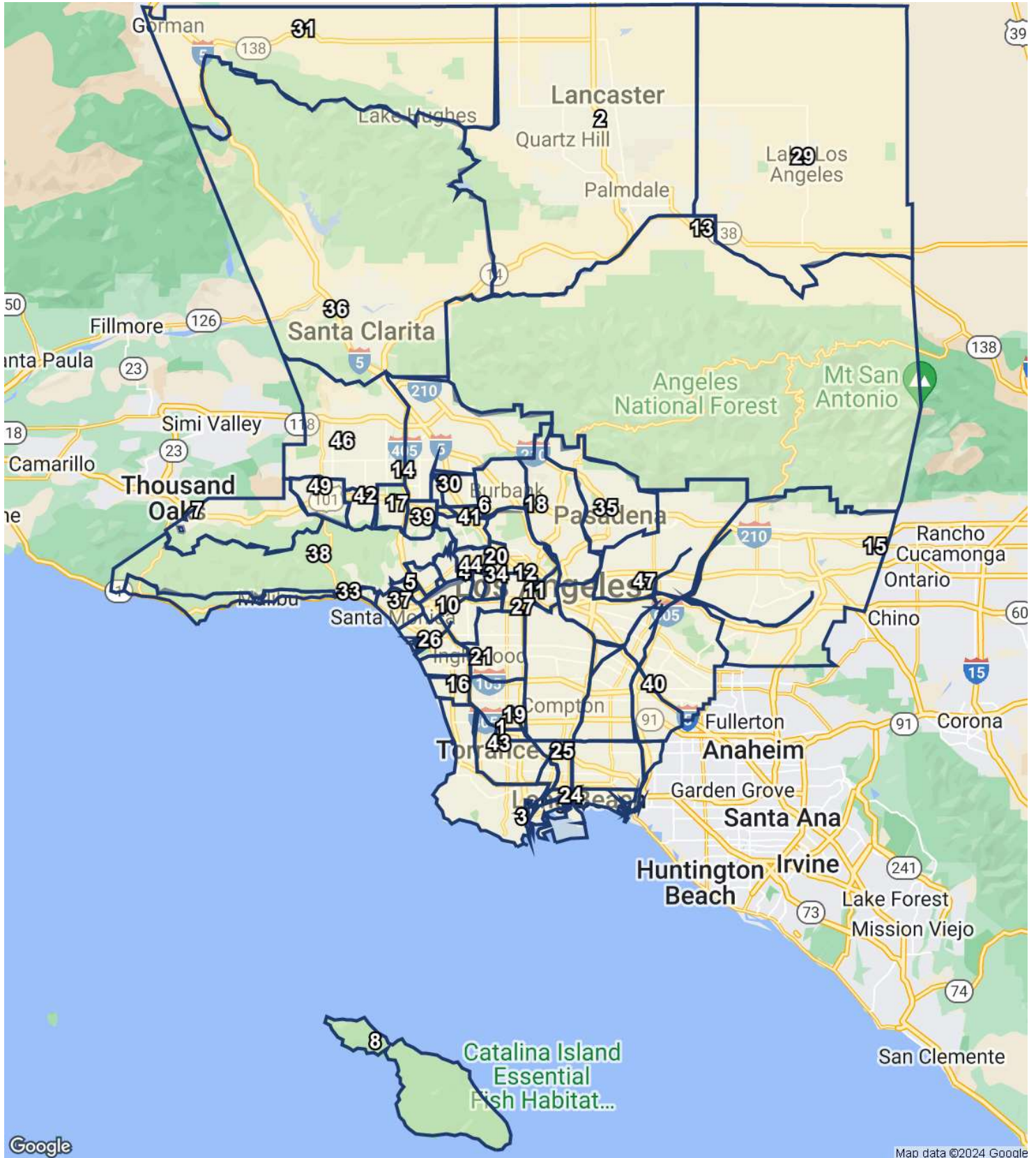


Source: Oxford Economics

Submarkets

Los Angeles Office

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	400	4,487	1.0%	32	1	10	0.2%	16	0	-	-	-
3	Beach Cities/Palos Verdes	538	6,533	1.5%	26	3	180	2.8%	4	1	5	0.1%	18
4	Beverly Hills	313	11,360	2.6%	12	1	50	0.4%	11	1	24	0.2%	16
5	Brentwood	58	4,154	0.9%	36	0	0	0%	-	0	-	-	-
6	Burbank	666	16,185	3.7%	8	2	447	2.8%	2	1	355	2.2%	2
7	Calabasas/Westlake Vill	211	7,132	1.6%	24	0	0	0%	-	0	-	-	-
8	Catalina Island	-	-	0%	-	0	0	-	-	0	-	-	-
9	Century City	42	11,175	2.5%	13	0	0	0%	-	1	731	6.5%	1
10	Culver City	524	10,782	2.4%	14	11	476	4.4%	1	5	173	1.6%	10
11	Downtown Los Angeles	464	70,503	16.0%	1	2	133	0.2%	5	2	200	0.3%	8
12	East Hollywood/Silver Lake	441	4,596	1.0%	31	3	36	0.8%	12	3	66	1.4%	12
13	East LA County Outlying	6	13	0%	46	0	0	0%	-	0	-	-	-
14	Eastern SFV	535	6,834	1.6%	25	0	0	0%	-	0	-	-	-
15	Eastern SGV	1,281	19,591	4.4%	2	2	56	0.3%	9	0	-	-	-
16	El Segundo	278	18,689	4.2%	4	0	0	0%	-	1	324	1.7%	4
17	Encino	86	5,113	1.2%	30	0	0	0%	-	0	-	-	-
18	Glendale	861	14,385	3.3%	9	1	73	0.5%	7	3	229	1.6%	5
19	Hawthorne/Gardena	277	2,909	0.7%	41	0	0	0%	-	0	-	-	-
20	Hollywood	409	10,408	2.4%	15	0	0	0%	-	2	199	1.9%	9
21	Inglewood/South LA	403	4,166	0.9%	35	0	0	0%	-	0	-	-	-
22	Koreatown	382	16,733	3.8%	5	0	0	0%	-	0	-	-	-
23	LAX	56	4,485	1.0%	33	0	0	0%	-	0	-	-	-
24	Long Beach: Downtown	268	8,631	2.0%	21	0	0	0%	-	0	-	-	-
25	Long Beach: Suburban	513	10,302	2.3%	16	2	64	0.6%	8	1	27	0.3%	15
26	Marina Del Rey/Venice	494	11,460	2.6%	11	1	5	0%	18	3	151	1.3%	11
27	Mid-Cities	1,136	11,905	2.7%	10	4	79	0.7%	6	0	-	-	-
28	Miracle Mile	120	6,027	1.4%	27	0	0	0%	-	0	-	-	-
29	NE LA County Outlying	2	6	0%	47	0	0	0%	-	0	-	-	-
30	North Hollywood	311	3,514	0.8%	40	0	0	0%	-	0	-	-	-
31	NW LA County Outlying	1	1	0%	48	0	0	0%	-	0	-	-	-
32	Olympic Corridor	147	5,383	1.2%	29	1	242	4.5%	3	0	-	-	-
33	Pacific Palisades/Malibu	62	903	0.2%	44	3	51	5.6%	10	0	-	-	-
34	Park Mile	100	2,066	0.5%	42	0	0	0%	-	0	-	-	-
35	Pasadena	952	19,501	4.4%	3	0	0	0%	-	3	202	1.0%	7
36	Santa Clarita Valley	235	5,424	1.2%	28	0	0	0%	-	1	55	1.0%	13
37	Santa Monica	609	16,268	3.7%	6	1	6	0%	17	3	208	1.3%	6
38	Santa Monica Mountains	6	18	0%	45	0	0	0%	-	0	-	-	-
39	Sherman Oaks	124	3,863	0.9%	38	1	19	0.5%	15	0	-	-	-
40	Southeast Los Angeles	796	9,925	2.3%	18	0	0	0%	-	1	40	0.4%	14
41	Studio/Universal Cities	288	4,343	1.0%	34	2	30	0.7%	13	1	331	7.6%	3
42	Tarzana	74	1,859	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	457	8,781	2.0%	20	0	0	0%	-	0	-	-	-
44	West Hollywood	408	8,415	1.9%	23	0	0	0%	-	0	-	-	-
45	West Los Angeles	287	3,743	0.8%	39	0	0	0%	-	0	-	-	-
46	Western SFV	468	9,135	2.1%	19	0	0	0%	-	0	-	-	-
47	Western SGV	1,116	16,237	3.7%	7	2	28	0.2%	14	1	6	0%	17
48	Westwood	184	8,475	1.9%	22	0	0	0%	-	0	-	-	-
49	Woodland Hills/Warner Ctr	211	9,964	2.3%	17	0	0	0%	-	0	-	-	-

SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	190th Street Corridor	\$34.74	33	-0.7%	38	0.7%	8
2	Antelope Valley	\$30.77	45	0.9%	11	-1.1%	30
3	Beach Cities/Palos Verdes	\$39.77	22	0.3%	21	0.7%	7
4	Beverly Hills	\$67.27	1	-0.8%	40	-0.7%	22
5	Brentwood	\$50.92	11	-1.9%	45	-0.2%	15
6	Burbank	\$43.73	16	1.7%	2	-1.5%	37
7	Calabasas/Westlake Vill	\$34.70	34	0.8%	12	-0.4%	17
8	Catalina Island	-	-	-	-	-	-
9	Century City	\$65.45	2	-2.6%	47	1.1%	6
10	Culver City	\$52.13	9	-0.7%	39	-0.9%	25
11	Downtown Los Angeles	\$38.09	24	-2.0%	46	3.4%	3
12	East Hollywood/Silver Lake	\$41.28	18	1.9%	1	-1.1%	31
13	East LA County Outlying	\$29.65	48	1.3%	4	-1.0%	26
14	Eastern SFV	\$31.63	42	1.0%	6	-0.8%	23
15	Eastern SGV	\$30.53	47	0.3%	22	0.3%	11
16	El Segundo	\$45.85	15	-0.5%	37	-0.6%	19
17	Encino	\$34.88	31	-0.3%	32	6.6%	2
18	Glendale	\$38.02	25	0.8%	14	-5.6%	47
19	Hawthorne/Gardena	\$30.66	46	0.3%	23	-4.1%	45
20	Hollywood	\$54.42	7	0.9%	10	-2.4%	42
21	Inglewood/South LA	\$42.19	17	-0.1%	29	-1.9%	39
22	Koreatown	\$33.76	36	1.0%	9	-1.7%	38
23	LAX	\$34.35	35	0%	26	2.3%	4
24	Long Beach: Downtown	\$33.15	38	-0.5%	35	-1.5%	36
25	Long Beach: Suburban	\$33.46	37	0%	27	-0.2%	14
26	Marina Del Rey/Venice	\$55.65	6	-1.4%	42	-3.0%	43
27	Mid-Cities	\$32.96	39	0.6%	19	-1.1%	32
28	Miracle Mile	\$49.43	13	-0.4%	34	-1.1%	29
29	NE LA County Outlying	\$37.01	26	0.8%	13	-0.9%	24
30	North Hollywood	\$36.82	27	0.7%	16	-1.2%	33
31	NW LA County Outlying	\$40.29	20	0%	-	0%	-
32	Olympic Corridor	\$52.21	8	-1.5%	43	-1.9%	41
33	Pacific Palisades/Malibu	\$60.29	4	-0.2%	31	-0.6%	18
34	Park Mile	\$39.86	21	1.6%	3	22.7%	1
35	Pasadena	\$38.91	23	1.0%	8	-0.3%	16
36	Santa Clarita Valley	\$36.78	28	0%	28	0.3%	10
37	Santa Monica	\$62.53	3	-1.0%	41	-1.5%	34
38	Santa Monica Mountains	\$50.85	12	1.0%	7	-1.0%	27
39	Sherman Oaks	\$36.68	29	0.2%	24	-0.7%	21
40	Southeast Los Angeles	\$30.99	44	1.2%	5	-1.9%	40
41	Studio/Universal Cities	\$40.47	19	-0.4%	33	-4.5%	46
42	Tarzana	\$35.70	30	0.6%	18	-0.1%	13

SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
43	Torrance	\$34.85	32	0.2%	25	0.7%	9
44	West Hollywood	\$57.89	5	0.8%	15	-3.2%	44
45	West Los Angeles	\$46.37	14	-0.5%	36	-1.0%	28
46	Western SFV	\$32.69	40	0.6%	17	-0.6%	20
47	Western SGV	\$31.05	43	0.5%	20	1.6%	5
48	Westwood	\$51.87	10	-1.8%	44	-1.5%	35
49	Woodland Hills/Warner Ctr	\$32.43	41	-0.2%	30	0.2%	12

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	190th Street Corridor	794,596	19.2%	35	19,870	0.5%	10	-
2	Antelope Valley	210,099	4.7%	1	24,628	0.5%	9	0.4
3	Beach Cities/Palos Verdes	605,397	9.3%	10	(3,472)	-0.1%	18	-
4	Beverly Hills	1,882,549	16.6%	25	116,882	1.0%	4	0.4
5	Brentwood	840,056	20.2%	37	(36,813)	-0.9%	25	-
6	Burbank	2,408,316	14.9%	20	(283,787)	-1.8%	43	-
7	Calabasas/Westlake Vill	1,222,288	17.1%	27	(145,957)	-2.0%	36	-
8	Catalina Island	-	-	-	0	-	-	-
9	Century City	1,697,491	15.2%	22	(260,526)	-2.3%	42	-
10	Culver City	2,647,666	24.6%	40	(751,831)	-7.0%	48	-
11	Downtown Los Angeles	14,139,609	20.1%	36	(1,363,246)	-1.9%	49	-
12	East Hollywood/Silver Lake	298,214	6.5%	5	(4,727)	-0.1%	19	-
13	East LA County Outlying	2,000	15.0%	21	(1,934)	-14.5%	17	-
14	Eastern SFV	484,719	7.1%	7	(16,097)	-0.2%	22	-
15	Eastern SGV	1,017,011	5.2%	3	202,677	1.0%	3	0.2
16	El Segundo	3,513,725	18.8%	34	(306,895)	-1.6%	45	-
17	Encino	839,940	16.4%	24	(126,436)	-2.5%	34	-
18	Glendale	2,335,496	16.2%	23	(325,111)	-2.3%	47	-
19	Hawthorne/Gardena	194,474	6.7%	6	7,683	0.3%	12	-
20	Hollywood	1,826,966	17.6%	30	(218,656)	-2.1%	41	-
21	Inglewood/South LA	547,996	13.2%	17	(46,872)	-1.1%	27	-
22	Koreatown	2,924,050	17.5%	29	(91,668)	-0.5%	30	-
23	LAX	1,559,256	34.8%	45	(183,039)	-4.1%	38	-
24	Long Beach: Downtown	1,583,659	18.3%	32	(60,346)	-0.7%	28	-
25	Long Beach: Suburban	1,098,524	10.7%	13	277,809	2.7%	2	0.2
26	Marina Del Rey/Venice	2,913,737	25.4%	41	(201,441)	-1.8%	39	-
27	Mid-Cities	587,125	4.9%	2	57,655	0.5%	6	1.4
28	Miracle Mile	1,820,277	30.2%	44	(207,619)	-3.4%	40	-
29	NE LA County Outlying	-	-	-	0	0%	-	-
30	North Hollywood	504,613	14.4%	18	(35,376)	-1.0%	24	-
31	NW LA County Outlying	-	-	-	0	0%	-	-
32	Olympic Corridor	1,376,100	25.6%	42	40,763	0.8%	7	-
33	Pacific Palisades/Malibu	196,384	21.8%	38	33,209	3.7%	8	1.5
34	Park Mile	531,901	25.7%	43	(15,048)	-0.7%	21	-
35	Pasadena	2,390,789	12.3%	15	(8,997)	0%	20	-
36	Santa Clarita Valley	800,448	14.8%	19	(156,174)	-2.9%	37	-
37	Santa Monica	2,881,275	17.7%	31	(320,978)	-2.0%	46	-
38	Santa Monica Mountains	-	-	-	0	0%	-	-
39	Sherman Oaks	710,878	18.4%	33	(16,383)	-0.4%	23	-
40	Southeast Los Angeles	618,318	6.2%	4	(115,625)	-1.2%	33	-
41	Studio/Universal Cities	438,584	10.1%	11	(70,040)	-1.6%	29	-
42	Tarzana	196,200	10.6%	12	17,349	0.9%	11	-

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
43	Torrance	811,575	9.2%	9	70,546	0.8%	5	-
44	West Hollywood	1,059,974	12.6%	16	(106,643)	-1.3%	32	-
45	West Los Angeles	636,429	17.0%	26	730,005	19.5%	1	-
46	Western SFV	1,010,878	11.1%	14	(131,789)	-1.4%	35	-
47	Western SGV	1,321,333	8.1%	8	(99,282)	-0.6%	31	-
48	Westwood	1,473,393	17.4%	28	(46,234)	-0.5%	26	-
49	Woodland Hills/Warner Ctr	2,205,121	22.1%	39	(286,927)	-2.9%	44	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	437,777,614	(1,191,199)	-0.3%	(1,099,284)	-0.3%	-
2027	438,968,813	(1,208,516)	-0.3%	(2,319,169)	-0.5%	-
2026	440,177,329	(464,246)	-0.1%	(4,324,229)	-1.0%	-
2025	440,641,575	(1,085,863)	-0.2%	(4,633,922)	-1.1%	-
2024	441,727,438	1,206,715	0.3%	(10,117,555)	-2.3%	-
YTD	440,526,883	6,160	0%	(1,144,869)	-0.3%	-
2023	440,520,723	1,929,579	0.4%	(3,374,647)	-0.8%	-
2022	438,591,144	1,463,015	0.3%	(2,545,033)	-0.6%	-
2021	437,128,129	2,985,387	0.7%	(3,289,207)	-0.8%	-
2020	434,142,742	228,374	0.1%	(7,463,560)	-1.7%	-
2019	433,914,368	979,626	0.2%	(2,055,154)	-0.5%	-
2018	432,934,742	(211,707)	0%	1,220,169	0.3%	-
2017	433,146,449	1,886,323	0.4%	61,744	0%	30.6
2016	431,260,126	504,637	0.1%	3,906,695	0.9%	0.1
2015	430,755,489	489,653	0.1%	2,295,695	0.5%	0.2
2014	430,265,836	(463,379)	-0.1%	2,855,947	0.7%	-
2013	430,729,215	321,281	0.1%	766,101	0.2%	0.4
2012	430,407,934	452,324	0.1%	1,309,290	0.3%	0.3

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	179,371,866	0	0%	(256,245)	-0.1%	-
2027	179,371,866	0	0%	(737,444)	-0.4%	-
2026	179,371,866	763,879	0.4%	(1,132,492)	-0.6%	-
2025	178,607,987	0	0%	(1,457,025)	-0.8%	-
2024	178,607,987	2,324,101	1.3%	(1,634,730)	-0.9%	-
YTD	176,283,886	0	0%	(775,176)	-0.4%	-
2023	176,283,886	1,615,074	0.9%	(1,549,739)	-0.9%	-
2022	174,668,812	2,482,812	1.4%	(1,000,575)	-0.6%	-
2021	172,186,000	3,345,681	2.0%	(1,224,040)	-0.7%	-
2020	168,840,319	1,279,370	0.8%	(2,067,385)	-1.2%	-
2019	167,560,949	1,537,367	0.9%	(300,156)	-0.2%	-
2018	166,023,582	1,221,455	0.7%	702,935	0.4%	1.7
2017	164,802,127	2,107,407	1.3%	531,153	0.3%	4.0
2016	162,694,720	528,051	0.3%	1,860,983	1.1%	0.3
2015	162,166,669	864,960	0.5%	1,658,765	1.0%	0.5
2014	161,301,709	(51,794)	0%	1,476,600	0.9%	-
2013	161,353,503	695,216	0.4%	765,800	0.5%	0.9
2012	160,658,287	471,276	0.3%	1,491,293	0.9%	0.3

Supply & Demand Trends

Los Angeles Office

3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	162,137,146	(13)	0%	40,623	0%	-
2027	162,137,159	(14)	0%	(405,513)	-0.3%	-
2026	162,137,173	(13)	0%	(1,375,056)	-0.8%	-
2025	162,137,186	144,031	0.1%	(1,265,265)	-0.8%	-
2024	161,993,155	107,091	0.1%	(4,509,949)	-2.8%	-
YTD	161,892,224	6,160	0%	(195,901)	-0.1%	-
2023	161,886,064	313,033	0.2%	(1,096,078)	-0.7%	-
2022	161,573,031	(860,333)	-0.5%	(978,630)	-0.6%	-
2021	162,433,364	98,036	0.1%	(2,399,998)	-1.5%	-
2020	162,335,328	(622,890)	-0.4%	(3,106,908)	-1.9%	-
2019	162,958,218	(358,148)	-0.2%	(1,367,019)	-0.8%	-
2018	163,316,366	172,782	0.1%	936,835	0.6%	0.2
2017	163,143,584	111,409	0.1%	1,027,899	0.6%	0.1
2016	163,032,175	497,168	0.3%	1,615,972	1.0%	0.3
2015	162,535,007	28,216	0%	276,763	0.2%	0.1
2014	162,506,791	126,115	0.1%	887,178	0.5%	0.1
2013	162,380,676	(69,984)	0%	(459,678)	-0.3%	-
2012	162,450,660	532,252	0.3%	551,121	0.3%	1.0

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	96,268,602	(1,191,186)	-1.2%	(883,662)	-0.9%	-
2027	97,459,788	(1,208,502)	-1.2%	(1,176,212)	-1.2%	-
2026	98,668,290	(1,228,112)	-1.2%	(1,816,681)	-1.8%	-
2025	99,896,402	(1,229,894)	-1.2%	(1,911,632)	-1.9%	-
2024	101,126,296	(1,224,477)	-1.2%	(3,972,876)	-3.9%	-
YTD	102,350,773	0	0%	(173,792)	-0.2%	-
2023	102,350,773	1,472	0%	(728,830)	-0.7%	-
2022	102,349,301	(159,464)	-0.2%	(565,828)	-0.6%	-
2021	102,508,765	(458,330)	-0.4%	334,831	0.3%	-
2020	102,967,095	(428,106)	-0.4%	(2,289,267)	-2.2%	-
2019	103,395,201	(199,593)	-0.2%	(387,979)	-0.4%	-
2018	103,594,794	(1,605,944)	-1.5%	(419,601)	-0.4%	-
2017	105,200,738	(332,493)	-0.3%	(1,497,308)	-1.4%	-
2016	105,533,231	(520,582)	-0.5%	429,740	0.4%	-
2015	106,053,813	(403,523)	-0.4%	360,167	0.3%	-
2014	106,457,336	(537,700)	-0.5%	492,169	0.5%	-
2013	106,995,036	(303,951)	-0.3%	459,979	0.4%	-
2012	107,298,987	(551,204)	-0.5%	(733,124)	-0.7%	-

OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$38.86	117	0.2%	-6.9%	87,899,202	20.1%	0%
2027	\$38.77	117	-0.3%	-7.1%	87,969,129	20.0%	0.3%
2026	\$38.89	117	-1.0%	-6.9%	86,837,564	19.7%	0.9%
2025	\$39.28	118	-2.4%	-5.9%	82,955,010	18.8%	0.9%
2024	\$40.24	121	-3.3%	-3.6%	79,384,665	18.0%	2.5%
YTD	\$41.59	125	-0.4%	-0.4%	69,159,429	15.7%	0.3%
2023	\$41.59	125	-0.4%	-0.4%	68,008,400	15.4%	1.1%
2022	\$41.75	126	1.2%	0%	62,696,974	14.3%	0.9%
2021	\$41.26	124	0.6%	-1.2%	58,690,654	13.4%	1.4%
2020	\$41.01	124	-1.4%	-1.8%	52,407,804	12.1%	1.8%
2019	\$41.58	125	5.2%	-0.4%	44,727,909	10.3%	0.7%
2018	\$39.53	119	3.9%	-5.3%	41,703,294	9.6%	-0.3%
2017	\$38.06	115	4.2%	-8.8%	43,128,039	10.0%	0.4%
2016	\$36.53	110	5.5%	-12.5%	41,294,578	9.6%	-0.8%
2015	\$34.63	104	7.9%	-17.1%	44,664,265	10.4%	-0.4%
2014	\$32.09	97	6.1%	-23.1%	46,491,286	10.8%	-0.8%
2013	\$30.26	91	4.5%	-27.5%	49,793,056	11.6%	-0.1%
2012	\$28.95	87	2.5%	-30.7%	50,237,876	11.7%	-0.2%

4 & 5 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$43.66	115	0%	-10.4%	47,115,338	26.3%	0.1%
2027	\$43.65	115	-0.5%	-10.4%	46,859,093	26.1%	0.4%
2026	\$43.87	116	-1.2%	-9.9%	46,121,649	25.7%	1.0%
2025	\$44.40	117	-2.6%	-8.9%	44,225,278	24.8%	0.8%
2024	\$45.57	120	-3.5%	-6.4%	42,768,253	23.9%	1.9%
YTD	\$47.21	125	-1.7%	-3.1%	39,584,560	22.5%	0.4%
2023	\$47.21	125	-1.7%	-3.1%	38,809,384	22.0%	1.6%
2022	\$48.02	127	0.6%	-1.4%	35,644,571	20.4%	1.7%
2021	\$47.74	126	-0.8%	-2.0%	32,162,912	18.7%	2.3%
2020	\$48.12	127	-1.2%	-1.2%	27,593,191	16.3%	1.9%
2019	\$48.71	129	6.8%	0%	24,245,624	14.5%	1.0%
2018	\$45.63	121	4.0%	-6.3%	22,408,101	13.5%	0.2%
2017	\$43.89	116	4.0%	-9.9%	21,876,815	13.3%	0.8%
2016	\$42.19	112	4.7%	-13.4%	20,303,766	12.5%	-0.9%
2015	\$40.31	107	9.2%	-17.2%	21,624,678	13.3%	-0.6%
2014	\$36.93	98	6.1%	-24.2%	22,418,483	13.9%	-0.9%
2013	\$34.80	92	5.1%	-28.6%	23,946,877	14.8%	-0.1%
2012	\$33.10	87	1.0%	-32.0%	24,017,461	14.9%	-0.7%

3 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$36.98	115	0.3%	-6.2%	28,803,828	17.8%	0%
2027	\$36.86	115	-0.2%	-6.5%	28,844,469	17.8%	0.3%
2026	\$36.93	115	-0.9%	-6.3%	28,438,974	17.5%	0.8%
2025	\$37.27	116	-2.3%	-5.4%	27,063,936	16.7%	0.9%
2024	\$38.15	119	-3.2%	-3.2%	25,654,644	15.8%	2.8%
YTD	\$39.40	123	0.5%	0%	21,239,624	13.1%	0.1%
2023	\$39.40	123	0.5%	0%	21,037,563	13.0%	0.9%
2022	\$39.21	122	0.9%	-0.5%	19,621,252	12.1%	0.1%
2021	\$38.85	121	1.4%	-1.4%	19,502,955	12.0%	1.5%
2020	\$38.30	119	-1.5%	-2.8%	17,004,921	10.5%	1.6%
2019	\$38.86	121	4.4%	-1.4%	14,520,903	8.9%	0.6%
2018	\$37.24	116	3.3%	-5.5%	13,512,032	8.3%	-0.5%
2017	\$36.06	112	3.9%	-8.5%	14,280,015	8.8%	-0.6%
2016	\$34.71	108	6.2%	-11.9%	15,184,129	9.3%	-0.7%
2015	\$32.68	102	6.8%	-17.0%	16,302,933	10.0%	-0.2%
2014	\$30.60	95	5.8%	-22.3%	16,552,108	10.2%	-0.5%
2013	\$28.91	90	4.2%	-26.6%	17,294,063	10.7%	0.2%
2012	\$27.74	86	3.9%	-29.6%	16,904,369	10.4%	0%

1 & 2 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$33.46	125	0.6%	-5.0%	11,980,036	12.4%	-0.1%
2027	\$33.27	124	0%	-5.6%	12,265,567	12.6%	0.1%
2026	\$33.25	124	-0.7%	-5.6%	12,276,941	12.4%	0.8%
2025	\$33.48	125	-2.1%	-5.0%	11,665,796	11.7%	0.8%
2024	\$34.19	127	-2.9%	-2.9%	10,961,768	10.8%	2.9%
YTD	\$35.22	131	1.3%	0%	8,335,245	8.1%	0.2%
2023	\$35.23	131	1.3%	0%	8,161,453	8.0%	0.7%
2022	\$34.78	130	3.1%	-1.3%	7,431,151	7.3%	0.4%
2021	\$33.72	126	2.6%	-4.3%	7,024,787	6.9%	-0.7%
2020	\$32.86	122	-1.6%	-6.7%	7,809,692	7.6%	1.8%
2019	\$33.38	124	2.7%	-5.3%	5,961,382	5.8%	0.2%
2018	\$32.49	121	4.8%	-7.8%	5,783,161	5.6%	-1.0%
2017	\$30.99	115	5.1%	-12.0%	6,971,209	6.6%	1.1%
2016	\$29.49	110	6.3%	-16.3%	5,806,683	5.5%	-0.8%
2015	\$27.75	103	6.8%	-21.2%	6,736,654	6.4%	-0.7%
2014	\$25.98	97	6.4%	-26.3%	7,520,695	7.1%	-0.9%
2013	\$24.41	91	3.4%	-30.7%	8,552,116	8.0%	-0.7%
2012	\$23.60	88	3.8%	-33.0%	9,316,046	8.7%	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
2028	-	-	-	-	-	-	\$343.23	140	6.6%
2027	-	-	-	-	-	-	\$330.71	135	6.8%
2026	-	-	-	-	-	-	\$321.67	131	7.0%
2025	-	-	-	-	-	-	\$318.26	130	7.2%
2024	-	-	-	-	-	-	\$325.60	133	7.4%
YTD	5	\$1.5M	0.1%	\$1,497,000	\$553.42	-	\$385.23	157	6.6%
2023	543	\$3.2B	3.3%	\$7,143,411	\$282.63	5.8%	\$384.55	157	6.7%
2022	671	\$5.1B	2.6%	\$7,991,232	\$476.46	5.0%	\$416.47	170	6.2%
2021	773	\$4.7B	2.8%	\$6,403,646	\$403.98	5.4%	\$447.62	183	5.7%
2020	497	\$4.1B	2.6%	\$9,137,463	\$387.60	5.5%	\$420.97	172	5.8%
2019	750	\$7.8B	3.7%	\$13,151,516	\$515.11	5.5%	\$410.79	168	5.9%
2018	1,028	\$6.9B	5.2%	\$9,957,603	\$358.92	5.2%	\$393.45	161	5.9%
2017	1,223	\$10.4B	8.1%	\$13,868,350	\$342.35	5.5%	\$384.19	157	5.7%
2016	1,021	\$11B	7.1%	\$14,038,382	\$385.45	5.3%	\$383.08	156	5.5%
2015	1,074	\$6.5B	5.5%	\$8,203,308	\$300.41	5.7%	\$358.99	146	5.5%
2014	986	\$8.7B	6.7%	\$11,036,445	\$313.69	6.4%	\$326.69	133	5.7%
2013	868	\$9.4B	8.3%	\$13,935,649	\$281.32	6.3%	\$298.73	122	5.9%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

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
2028	-	-	-	-	-	-	\$378.20	135	6.4%
2027	-	-	-	-	-	-	\$364.97	131	6.6%
2026	-	-	-	-	-	-	\$355.53	127	6.9%
2025	-	-	-	-	-	-	\$352.29	126	7.1%
2024	-	-	-	-	-	-	\$360.98	129	7.2%
YTD	1	-	0.3%	-	-	-	\$427.67	153	6.5%
2023	61	\$1.3B	4.0%	\$33,995,441	\$240.11	7.6%	\$427.24	153	6.6%
2022	31	\$1.7B	1.6%	\$61,464,263	\$686.31	5.9%	\$472.06	169	6.0%
2021	34	\$1B	1.6%	\$33,629,854	\$406	5.5%	\$510	182	5.5%
2020	48	\$2.1B	3.2%	\$61,330,989	\$425.49	5.4%	\$485.22	174	5.6%
2019	35	\$3B	3.4%	\$87,868,680	\$518.90	5.4%	\$470.29	168	5.7%
2018	62	\$3.2B	5.8%	\$55,296,145	\$376.48	4.9%	\$451.53	162	5.7%
2017	75	\$5.2B	9.1%	\$74,078,858	\$353.72	5.0%	\$443.81	159	5.5%
2016	101	\$7.5B	11.0%	\$77,522,224	\$442.54	4.9%	\$443.98	159	5.2%
2015	71	\$2.6B	5.0%	\$40,535,789	\$340.04	5.4%	\$414.40	148	5.3%
2014	60	\$5.4B	9.3%	\$90,542,036	\$362.08	6.7%	\$378.04	135	5.4%
2013	73	\$6.7B	13.7%	\$97,804,803	\$313.86	5.8%	\$349.03	125	5.6%

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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
2028	-	-	-	-	-	-	\$323.60	144	6.6%
2027	-	-	-	-	-	-	\$311.70	139	6.8%
2026	-	-	-	-	-	-	\$303.07	135	7.1%
2025	-	-	-	-	-	-	\$299.75	133	7.3%
2024	-	-	-	-	-	-	\$306.53	136	7.4%
YTD	2	-	0%	-	-	-	\$362.47	161	6.6%
2023	181	\$1.1B	3.2%	\$8,249,041	\$288.68	5.8%	\$361.59	161	6.7%
2022	225	\$2.1B	3.4%	\$9,801,624	\$405.97	5.0%	\$386.33	172	6.3%
2021	284	\$2.5B	3.8%	\$9,508,187	\$426.25	5.6%	\$414.07	184	5.7%
2020	160	\$1.2B	2.4%	\$9,029,700	\$332.30	5.8%	\$383.15	170	6.0%
2019	252	\$3.6B	4.4%	\$17,527,371	\$556.42	5.5%	\$374.80	167	6.1%
2018	289	\$2.7B	5.1%	\$11,562,825	\$353.84	5.2%	\$358.39	159	6.0%
2017	344	\$4B	8.1%	\$15,516,975	\$340.23	5.8%	\$348.94	155	5.8%
2016	248	\$2.2B	4.4%	\$10,590,096	\$319.40	5.5%	\$348.55	155	5.6%
2015	278	\$2.7B	6.3%	\$11,307,738	\$281.71	6.0%	\$328.27	146	5.6%
2014	281	\$2.1B	5.2%	\$8,307,338	\$260.04	6.2%	\$298.69	133	5.8%
2013	250	\$2B	5.6%	\$9,322,894	\$229.62	6.3%	\$271.47	121	6.0%

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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
2028	-	-	-	-	-	-	\$313.06	144	6.8%
2027	-	-	-	-	-	-	\$300.83	139	7.0%
2026	-	-	-	-	-	-	\$291.82	135	7.2%
2025	-	-	-	-	-	-	\$287.99	133	7.5%
2024	-	-	-	-	-	-	\$293.84	136	7.6%
YTD	2	\$1.5M	0%	\$1,497,000	\$553.42	-	\$346.95	160	6.8%
2023	301	\$826.6M	2.3%	\$2,994,873	\$372.25	5.7%	\$346.13	160	6.8%
2022	415	\$1.3B	3.1%	\$3,238,252	\$420.91	4.9%	\$366.86	169	6.4%
2021	455	\$1.2B	3.3%	\$2,753,055	\$364.15	5.1%	\$391.49	181	5.9%
2020	289	\$762M	1.9%	\$2,760,926	\$397.36	5.2%	\$368.36	170	6.1%
2019	463	\$1.2B	3.2%	\$3,453,612	\$417.09	5.5%	\$363.58	168	6.1%
2018	677	\$1.1B	4.6%	\$2,649,162	\$326.07	5.3%	\$347.23	160	6.0%
2017	804	\$1.2B	6.7%	\$2,884,619	\$306.56	5.3%	\$335.58	155	5.9%
2016	672	\$1.3B	5.4%	\$2,722,029	\$275.57	5.5%	\$331.08	153	5.7%
2015	725	\$1.2B	5.0%	\$2,448,003	\$273.86	5.5%	\$310.59	143	5.7%
2014	645	\$1.2B	5.1%	\$2,502,599	\$250.55	6.6%	\$281.10	130	5.9%
2013	545	\$802.5M	4.3%	\$2,026,627	\$216.48	6.6%	\$253.78	117	6.2%

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