



## 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

**611K**

12 Mo Net Absorption in SF

**(3.3M)**

Vacancy Rate

**16.3%**

Market Asking Rent Growth

**0.1%**

Headwinds endure in Los Angeles' office market in the third quarter, with fundamentals at their worst position in decades. Vacancy is 16.3% during the third quarter around decades-long highs. Recent tenant activity has been relatively restrained, with leasing volumes trending around a quarter less than the average activity seen during 2015-19, the five years preceding the pandemic.

While most office markets nationally have also weakened during the past several years, Los Angeles has endured more significant occupancy losses than most metros. Office attendance in the metro compared to pre-pandemic levels has trailed the return to the office seen in most other U.S. office markets. Additionally, the area's elevated unemployment rate and recent job losses in the entertainment and tech sectors, key office tenancies, have restrained tenant demand.

Softer leasing levels have been insufficient until early 2025 to offset the numerous tenants vacating or downsizing their footprints, whether upon lease expiration or by putting space on the sublease market. The amount of sublease space, 2.4% of the market's space, while down from several quarters ago, remains over twice as high as levels in late 2019.

Unsurprisingly, given current market conditions and the challenging financing environment, developers have exercised caution when commencing office developments, which has resulted in the space under construction, 2.8 million SF, declining from a recent high of 8.9 million SF in 2020. Total office space in the market

changed by -1.8 million SF during the past 12 months. Demand has had a more significant impact than supply on the market's weakening.

Most speculative projects underway are small to midsize, mid-rise creative office projects hoping to attract tenants with the latest-generation space. Developers hope to capitalize on the current dynamic of newer buildings witnessing greater relative tenant interest. A prime example is 1950 Avenue of the Stars in Century City, which is almost 90% preleased even though construction will not finish until next year.

Cooler tenant activity has resulted in minimal rent movements since early 2020. Given record market vacancy, one may have thought landlords would have lowered rents significantly. However, rents can only go so low before executing deals fail to make financial sense, resulting from factors including occupiers expecting elevated concessions and inflation raising tenant buildout costs. 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.

The outlook for Los Angeles' office market is sobering. With vacancy anticipated to hover around record levels for at least the next several years, the forecast calls for rents to see soft momentum. Given this backdrop, developers and investors will likely continue to show restraint.

KEY INDICATORS

| Current Quarter | RBA         | Vacancy Rate | Market Asking Rent | Availability Rate | Net Absorption SF | Deliveries SF | Under Construction |
|-----------------|-------------|--------------|--------------------|-------------------|-------------------|---------------|--------------------|
| 4 & 5 Star      | 156,296,402 | 25.3%        | \$49.40            | 28.4%             | (225,918)         | 0             | 2,632,311          |
| 3 Star          | 187,255,433 | 13.5%        | \$39.82            | 15.2%             | (234,363)         | 0             | 202,630            |
| 1 & 2 Star      | 102,143,588 | 7.4%         | \$33.62            | 8.0%              | (44,630)          | 0             | 0                  |
| Market          | 445,695,423 | 16.3%        | \$41.80            | 18.2%             | (504,911)         | 0             | 2,834,941          |

| Annual Trends             | 12 Month   | Historical Average | Forecast Average | Peak       | When    | Trough      | When    |
|---------------------------|------------|--------------------|------------------|------------|---------|-------------|---------|
| Vacancy                   | 0.4% (YOY) | 10.9%              | 16.0%            | 16.3%      | 2025 Q3 | 6.5%        | 2007 Q3 |
| Net Absorption SF         | (3.3M)     | 465,159            | (171,215)        | 13,533,570 | 2000 Q1 | (9,871,780) | 2021 Q1 |
| Deliveries SF             | 611K       | 2,452,217          | 964,797          | 5,139,775  | 2002 Q3 | 523,297     | 1997 Q1 |
| Market Asking Rent Growth | 0.1%       | 3.0%               | 2.1%             | 14.8%      | 2007 Q3 | -11.1%      | 2009 Q3 |
| Sales Volume              | \$2.9B     | \$4.9B             | N/A              | \$11.5B    | 2017 Q3 | \$761.8M    | 2009 Q4 |

Vacancy in the Los Angeles office market stands at 16.3%, around its highest level in decades, and is up over 600 basis points since early 2020. The increase is over 150 basis points above the rise witnessed nationally. Most submarkets have seen significant occupancy declines during the past several years. Even historically sought-after locations, like Culver City and Santa Monica, have faced significant challenges.

Several factors have driven the outsized unraveling of the L.A. office market compared to other metros. Compared to pre-pandemic levels, office attendance in the metro has lagged most other major U.S. office markets, as employers have been less forceful in bringing workers back. Softer local economic conditions than most U.S. metros have also contributed to the market's underperformance. Unemployment in the metro is currently among the highest in the nation. Entertainment and tech firms, key tenancies of the office market, have seen job losses over the past year. Entertainment employment has been slow to rebound from the actors' and writers' strikes of 2023.

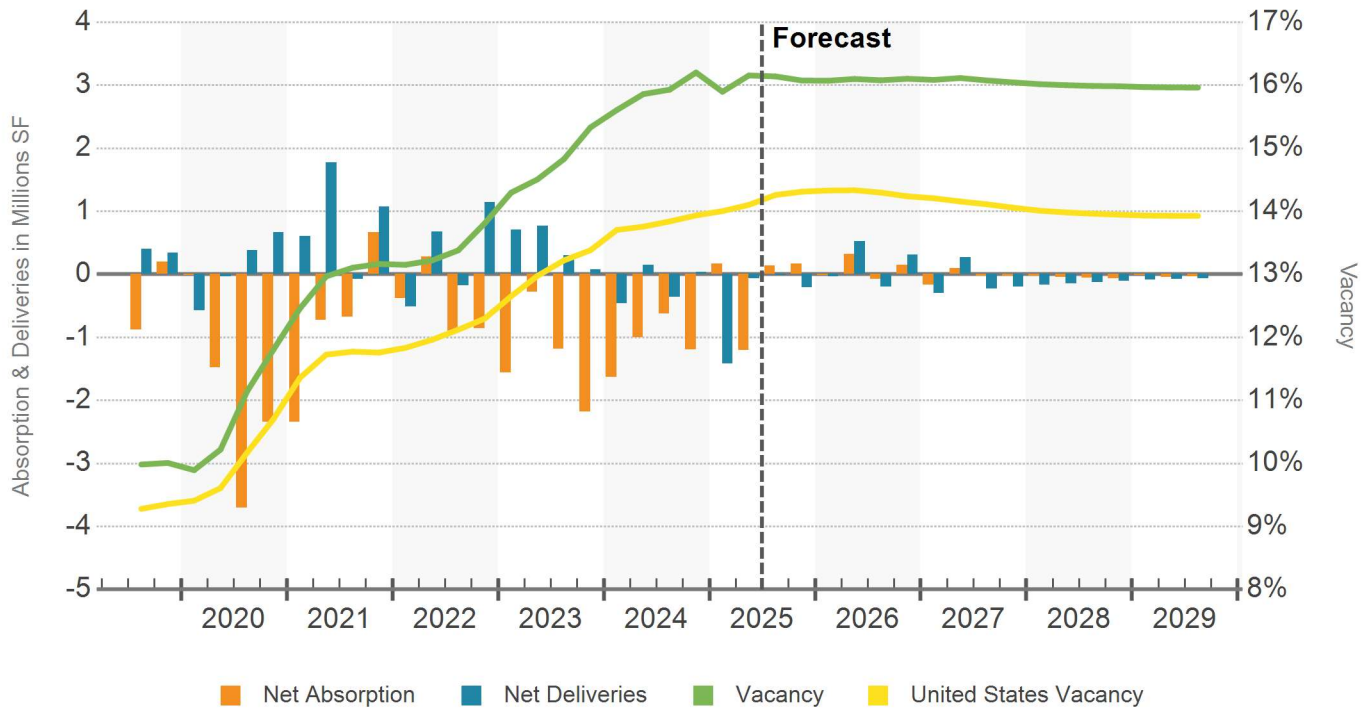
Like many other U.S. office markets, downsizings by many occupiers have been prevalent. A prime recent example of tenants trimming footprints was late last year when SoCalGas committed to moving its headquarters in 2026 to 2Cal in Downtown Los Angeles, leasing just under 200,000 SF. The deal represents the largest nonrenewal in the market last year. SoCalGas' new space will be around two-thirds the size of the company's current office footprint at nearby Gas Company Tower.

As a result of these headwinds, gross leasing activity remains restrained. The square footage of leases signed during the past four quarters, 24Q2 through 25Q1, around 20 million SF, was about a quarter less than the annual average activity seen from 2015 to 2019, the five years preceding the pandemic. Tenant demand was insufficient to stop market vacancy from rising further. Many firms 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 L.A., 10.7 million SF, represents 2.4% of the market's office space, and is more than double the square footage marketed in early 2020.

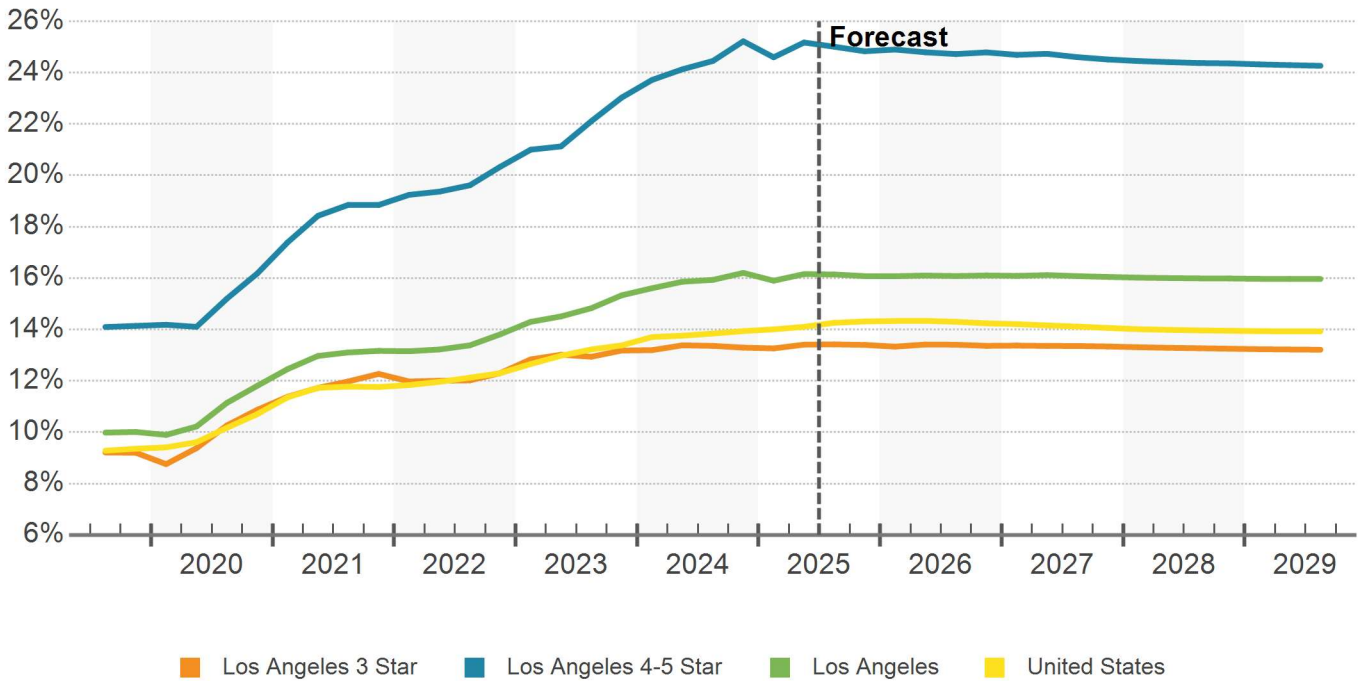
The few firms that expand in the L.A. office market often show greater interest in top-tier buildings and locations. Canadian multinational toy and entertainment company Spin Master recently signed for 132,000 SF in three properties in Tishman Speyer's The Collective creative office campus. The three buildings were built in 2015 and are in Playa Vista, a prime address for tech and creative firms. The company currently occupies 21,000 SF in Greater Los Angeles at 5880 W Jefferson Blvd. in the Culver City Submarket. Spin Master intends to take occupancy in the middle of next year.

Market weakness will likely persist for at least the mid-term. Accounting for structural changes in demand and slower expected near-term job growth, the forecast calls for vacancy to stay around historically high levels for at least the next several years.

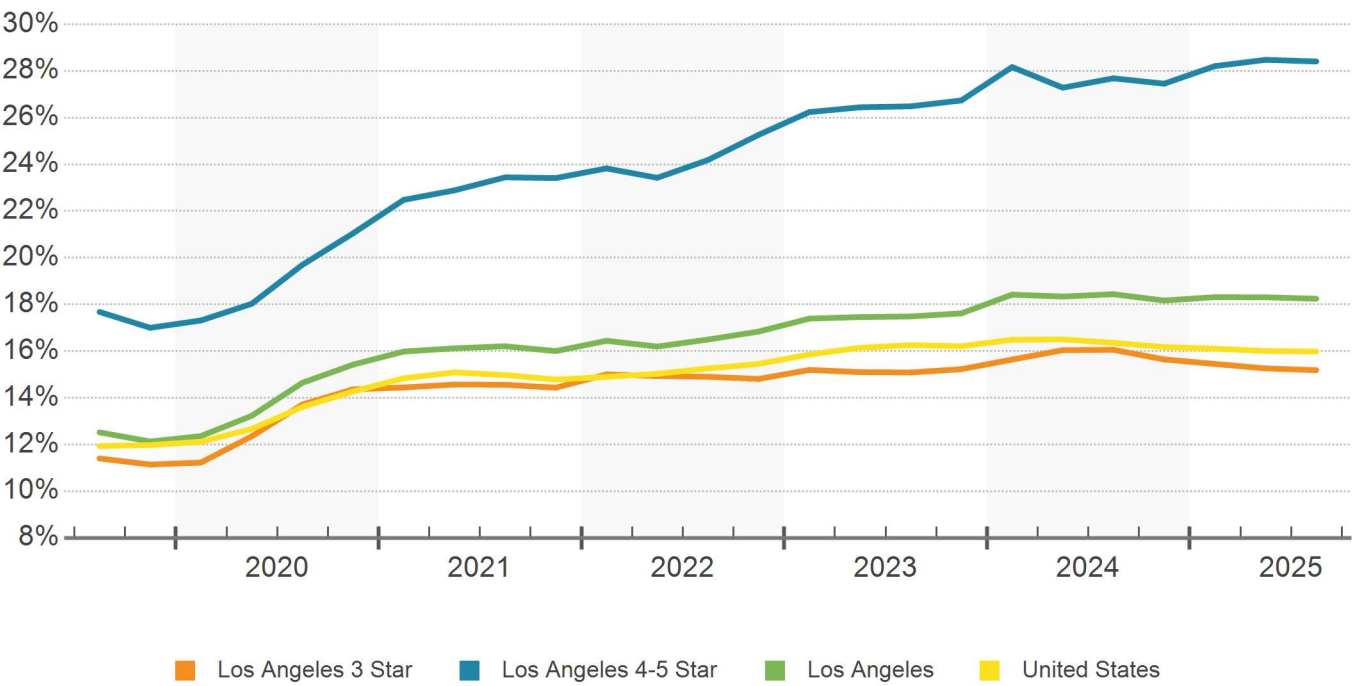
## NET ABSORPTION, NET DELIVERIES & VACANCY



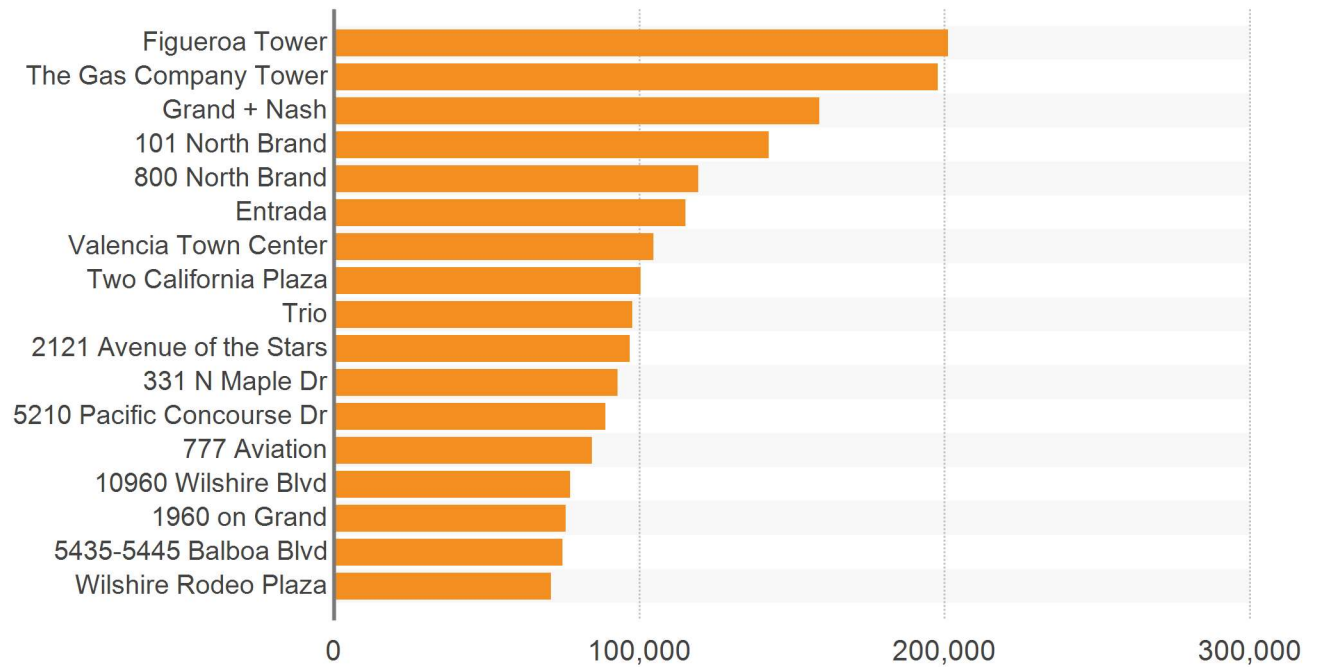
## VACANCY RATE



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           |
| Figueroa Tower                      | Downtown Los Angeles  | 284,505            | 77,152            | 201,666           | 0                  | 0                | 0        | 201,168            |
| The Gas Company Tower               | Downtown Los Angeles  | 1,462,729          | 0                 | 360,194           | 0                  | 0                | 0        | 197,837            |
| Grand + Nash                        | El Segundo            | 164,360            | 0                 | 0                 | 0                  | 0                | 0        | 159,000            |
| 101 North Brand                     | Glendale              | 416,162            | 73,197            | 96,918            | 21,341             | 0                | 0        | 142,365            |
| 800 North Brand                     | Glendale              | 527,336            | 143,338           | 30,765            | 40,405             | 0                | 0        | 119,425            |
| Entrada                             | Marina Del Rey/Venice | 314,951            | 198,556           | 0                 | 79,440             | 0                | 0        | 115,190            |
| Valencia Town Center                | Santa Clarita Valley  | 125,963            | 9,823             | (2,455)           | 107,173            | 0                | 0        | 104,718            |
| Two California Plaza                | Downtown Los Angeles  | 1,486,375          | 124,666           | 0                 | (4,804)            | 0                | 0        | 100,508            |
| Trio                                | Beverly Hills         | 174,847            | 0                 | 97,722            | 0                  | 0                | 0        | 97,722             |
| 2121 Avenue of the Stars            | Century City          | 769,066            | 121,171           | 10,835            | 14,486             | 0                | 0        | 97,008             |
| 331 N Maple Dr                      | Beverly Hills         | 94,128             | 0                 | 0                 | 0                  | 0                | 0        | 92,955             |
| 5210 Pacific Concourse Dr           | El Segundo            | 169,758            | 0                 | 0                 | 0                  | 0                | 0        | 88,840             |
| 777 Aviation                        | El Segundo            | 359,348            | 0                 | 0                 | 20,796             | 0                | 0        | 84,619             |
| 10960 Wilshire Blvd                 | Westwood              | 593,452            | 144,424           | (9,552)           | 4,994              | 0                | 0        | 77,317             |
| 1960 on Grand                       | El Segundo            | 262,349            | 27,488            | 30,872            | 0                  | (9,196)          | 0        | 75,890             |
| 5435-5445 Balboa Blvd               | Encino                | 74,947             | 0                 | 27,648            | 0                  | 47,299           | 0        | 74,947             |
| Wilshire Rodeo Plaza                | Beverly Hills         | 191,471            | 44,969            | (4,977)           | 0                  | 0                | 0        | 71,119             |
| <b>Subtotal Primary Competitors</b> |                       | <b>7,471,747</b>   | <b>964,784</b>    | <b>839,636</b>    | <b>283,831</b>     | <b>38,103</b>    | <b>0</b> | <b>1,900,628</b>   |
| Remaining Los Angeles Market        |                       | 438,223,676        | 71,546,380        | (667,400)         | (1,492,200)        | (543,014)        | 0        | (5,237,172)        |
| <b>Total Los Angeles Market</b>     |                       | <b>445,695,423</b> | <b>72,511,164</b> | <b>172,236</b>    | <b>(1,208,369)</b> | <b>(504,911)</b> | <b>0</b> | <b>(3,336,544)</b> |



## TOP OFFICE LEASES PAST 12 MONTHS

| Building Name/Address                 | Submarket             | Leased SF | Qtr   | Tenant Name                  | Tenant Rep Company   | Leasing Rep Company        |
|---------------------------------------|-----------------------|-----------|-------|------------------------------|----------------------|----------------------------|
| 888 North Douglas *                   | El Segundo            | 220,000   | Q2 25 | Beyond Meat                  | -                    | -                          |
| Bank Of America Plaza *               | Downtown Los Angeles  | 209,257   | Q1 25 | Bank of America              | -                    | -                          |
| Two California Plaza                  | Downtown Los Angeles  | 197,920   | Q3 24 | SoCalGas                     | CBRE                 | CIM Group, LP;JLL          |
| Legacy Palm Court *                   | 190th Street Corridor | 188,544   | Q3 24 | Herbalife Nutrition          | -                    | -                          |
| San Gabriel Valley Corporate Campu... | Eastern SGV           | 170,512   | Q3 24 | City of Hope                 | Savills              | CBRE                       |
| 5210 Pacific Concourse Dr             | El Segundo            | 168,416   | Q4 24 | UCLA Health                  | -                    | -                          |
| USC Tower                             | Downtown Los Angeles  | 160,000   | Q4 24 | LA28                         | CBRE                 | CBRE                       |
| 101 *                                 | El Segundo            | 146,306   | Q4 24 | Infineon Technologies        | Cushman & Wakefield  | CBRE                       |
| Ten100 Santa Monica *                 | Century City          | 139,200   | Q1 25 | Loeb & Loeb LLP              | -                    | -                          |
| Corporate Pointe At West Hills        | Western SFV           | 135,330   | Q1 25 | Regal Medical Group          | CBRE                 | Colliers                   |
| Figueroa Tower                        | Downtown Los Angeles  | 131,594   | Q1 25 | Wilshire Law Firm            | -                    | -                          |
| 725 S Grand Ave                       | Eastern SGV           | 108,016   | Q3 24 | County of Los Angeles        | -                    | -                          |
| 101C                                  | El Segundo            | 93,280    | Q4 24 | Toy Association              | Newmark              | CBRE                       |
| The Pointe *                          | Burbank               | 89,749    | Q3 24 | Legendary Entertainment      | CBRE                 | CBRE                       |
| Continental Park                      | El Segundo            | 81,300    | Q3 24 | Deloitte                     | -                    | -                          |
| 777 Aviation                          | El Segundo            | 78,000    | Q3 24 | Westside Regional Center     | -                    | Madison Partners           |
| Crossroads Business Park *            | Southeast Los Angeles | 77,250    | Q1 25 | Department of Public Soci... | Cushman & Wakefield  | Majestic Realty Co.        |
| Del Amo                               | Torrance              | 69,627    | Q4 24 | County of Los Angeles        | -                    | Cushman & Wakefield        |
| U.S. Bank Tower                       | Downtown Los Angeles  | 69,455    | Q2 25 | -                            | -                    | JLL;Silverstein Properties |
| Metroplex Wilshire *                  | Koreatown             | 66,644    | Q4 24 | Los Angeles County Publi...  | -                    | Jamison Services, Inc.     |
| Figueroa at Wilshire *                | Downtown Los Angeles  | 62,383    | Q1 25 | Dentons                      | JLL                  | Avison Young               |
| Continental Park                      | El Segundo            | 60,000    | Q4 24 | Mattel                       | -                    | Cushman & Wakefield        |
| Century Park                          | Century City          | 59,348    | Q3 24 | Kayne Anderson Rudnick       | -                    | JLL                        |
| Crossroads Business Park *            | Southeast Los Angeles | 58,799    | Q1 25 | Los Angeles Department...    | Cushman & Wakefield  | Majestic Realty Co.        |
| Century Park *                        | Century City          | 56,030    | Q4 24 | DLA Piper                    | Colliers             | CBRE                       |
| Century Park *                        | Century City          | 56,028    | Q3 24 | Polsinelli                   | -                    | CBRE                       |
| The Sunset Landmark                   | Hollywood             | 55,598    | Q2 25 | -                            | -                    | Sunset Landmark Inves...   |
| 5757 Century Campus                   | LAX                   | 55,588    | Q4 24 | -                            | -                    | Sunny Hills Manageme...    |
| 12860 Crossroads Pky S *              | Southeast Los Angeles | 55,000    | Q1 25 | DPSS                         | Cushman & Wakefield  | Majestic Realty Co.        |
| 655 S Santa Fe Ave *                  | Central Los Angeles   | 54,072    | Q1 25 | TubeScience                  | -                    | -                          |
| Pasadena Towers *                     | Pasadena              | 53,144    | Q4 24 | Bank of America              | JLL                  | CBRE                       |
| 6922 Hollywood                        | Hollywood             | 52,578    | Q3 24 | Trailer Park Group           | Cushman & Wakefield  | -                          |
| Entrada                               | Marina Del Rey/Venice | 51,284    | Q3 24 | Jazwares                     | Dynasty Realty Group | Lincoln Property Comp...   |
| Pasadena Corporate Park               | Pasadena              | 50,951    | Q1 25 | BYD                          | Savills              | Colliers                   |
| Kilroy Airport Center, Long Beach     | Long Beach: Suburban  | 50,264    | Q1 25 | SCAN                         | -                    | JLL                        |
| Rancho Pacifica Park *                | Rancho Dominguez      | 49,440    | Q3 24 | Walker SCM                   | -                    | -                          |
| Los Angeles Corporate Center          | Western SGV           | 48,119    | Q4 24 | County of Los Angeles        | -                    | Kidder Mathews             |
| 2415 W 6th St *                       | Koreatown             | 46,000    | Q3 24 | Department of Public Soci... | -                    | CBRE                       |
| SAG-AFTRA Plaza *                     | Miracle Mile          | 45,000    | Q4 24 | LA Department of Childre...  | JLL                  | Michael Geller             |
| 13040 Cerise Ave                      | Gardena/Hawthorne     | 45,000    | Q4 24 | -                            | -                    | Newmark                    |

\*Renewal

Average office asking rents, \$42.00/SF, continue to see minimal movements. Landlords have had differing strategies when negotiating with tenants and show varying willingness to lower asking rents. According to local leasing brokers, some, including long-term, private owners or landlords of properties with no debt, are willing to provide lower rents compared to rents offered several years ago to secure tenants.

Conversely, some, particularly larger institutional landlords or owners of properties subject to loan covenants, are firm on asking rates and prefer to offer elevated concessions instead. For those landlords, it is better to achieve a higher face rate and instead provide concessions. Lenders focus more on whether the income from the building can service the property's debt.

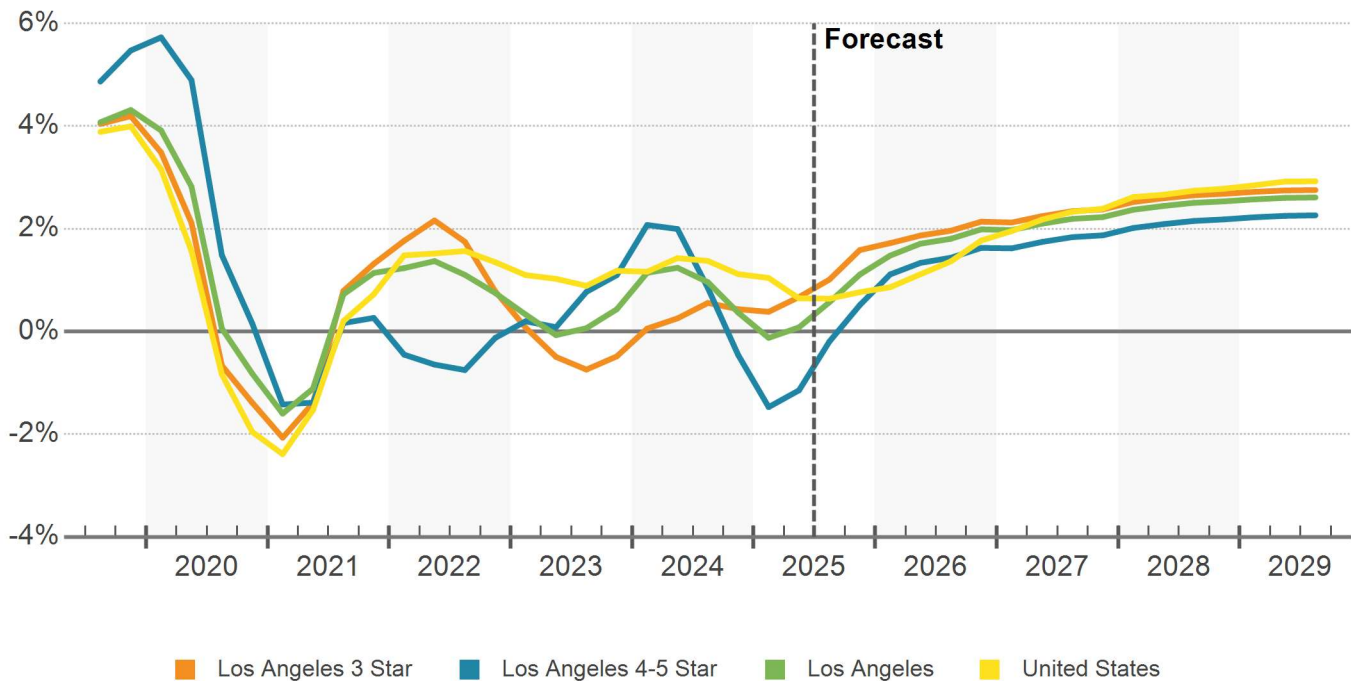
One may have thought landlords would have lowered rates given current conditions. However, rents can only go so low before executing deals fail to make financial sense. In addition to prospective tenants holding more leverage to ask for higher tenant improvement

allowances, inflation in recent years has significantly raised build-out costs. According to local market experts, even 10-year leases may need 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.

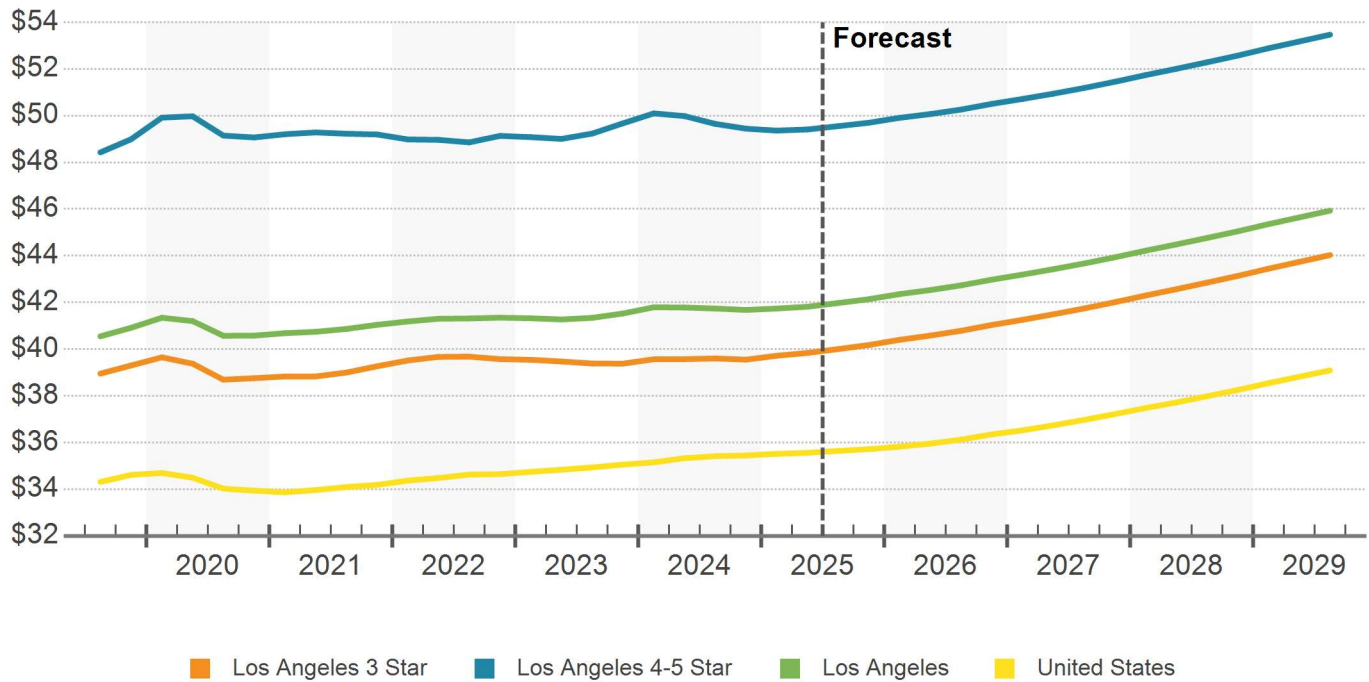
Landlords also need to compete with ample available sublease space, often offered at a discount to direct space. Sublet tenants frequently cannot negotiate on lease terms or tenant buildouts, so discounted rents are more common. Sublessors are usually more concerned with recouping costs on no longer needed space, versus landlords, who are more focused on maximizing profits.

Considering the leasing environment, record vacancy, and ample available sublease options, landlords have limited leverage over tenants to push rents. Concessions are also likely to remain elevated. With vacancy forecast to rise further, the outlook calls for asking rents to see modest momentum for at least the next several years.

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          |
|---------------------------|-----------|----------|-----------|--------|--------|----------------|
| <b>Los Angeles</b>        | \$0.71    | \$1.36   | \$0.81    | \$4.90 | \$7.12 | <b>\$14.90</b> |
| Antelope Valley           | \$0.42    | \$0.72   | \$0.78    | \$3.12 | \$5.49 | <b>\$10.53</b> |
| Burbank/Glendale/Pasadena | \$0.75    | \$1.59   | \$0.90    | \$4.62 | \$5.38 | <b>\$13.24</b> |
| Downtown Los Angeles      | \$0.72    | \$1.45   | \$0.87    | \$4.42 | \$8.41 | <b>\$15.87</b> |
| Mid-Cities                | \$0.72    | \$0.83   | \$0.56    | \$3.63 | \$4.74 | <b>\$10.48</b> |
| Mid-Wilshire              | \$0.71    | \$1.44   | \$0.72    | \$5.26 | \$7.28 | <b>\$15.41</b> |
| San Fernando Valley       | \$0.78    | \$1.23   | \$0.56    | \$4.13 | \$6.31 | <b>\$13.01</b> |
| San Gabriel Valley        | \$0.54    | \$1.36   | \$0.63    | \$2.50 | \$4.91 | <b>\$9.94</b>  |
| Santa Clarita Valley      | \$0.29    | \$0.98   | \$0.92    | \$5.06 | \$7.81 | <b>\$15.06</b> |
| South Bay                 | \$0.63    | \$1.27   | \$0.48    | \$3.51 | \$5.88 | <b>\$11.77</b> |
| Southeast Los Angeles     | \$0.66    | \$1.75   | \$0.50    | \$3.01 | \$6.08 | <b>\$12</b>    |
| West Los Angeles          | \$0.74    | \$1.30   | \$1.07    | \$6.32 | \$8.35 | <b>\$17.78</b> |

Expenses are estimated using CMBS, 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          |
|---------------------------|-----------|----------|-----------|--------|--------|----------------|
| <b>Los Angeles</b>        | \$0.64    | \$1.19   | \$0.57    | \$4.32 | \$4.78 | <b>\$11.50</b> |
| Antelope Valley           | \$0.10    | \$0.42   | \$0.34    | \$2.94 | \$2.65 | <b>\$6.45</b>  |
| Burbank/Glendale/Pasadena | \$0.68    | \$1.43   | \$0.67    | \$4.17 | \$4.69 | <b>\$11.64</b> |
| Downtown Los Angeles      | \$0.68    | \$1.25   | \$0.60    | \$2.83 | \$5.78 | <b>\$11.14</b> |
| Mid-Cities                | \$0.70    | \$0.84   | \$0.43    | \$3.75 | \$3.29 | <b>\$9.01</b>  |
| Mid-Wilshire              | \$0.67    | \$1.23   | \$0.56    | \$3.99 | \$5.51 | <b>\$11.96</b> |
| NE LA County Outlying     | \$0.68    | \$1.20   | \$0.51    | \$1.39 | \$4.82 | <b>\$8.60</b>  |
| NW LA County Outlying     | \$0.68    | \$1.20   | \$0.51    | \$3.07 | \$4.13 | <b>\$9.59</b>  |
| San Fernando Valley       | \$0.72    | \$1.25   | \$0.52    | \$4.10 | \$4.40 | <b>\$10.99</b> |
| San Gabriel Valley        | \$0.53    | \$1.25   | \$0.47    | \$3.31 | \$4.21 | <b>\$9.77</b>  |
| Santa Clarita Valley      | \$0.37    | \$0.86   | \$0.65    | \$4.20 | \$5.05 | <b>\$11.13</b> |
| South Bay                 | \$0.65    | \$1.24   | \$0.38    | \$4.39 | \$4.62 | <b>\$11.28</b> |
| Southeast Los Angeles     | \$0.60    | \$1.31   | \$0.30    | \$3.19 | \$3.64 | <b>\$9.04</b>  |
| West Los Angeles          | \$0.72    | \$1.12   | \$0.87    | \$6.24 | \$5.98 | <b>\$14.93</b> |

Expenses are estimated using CMBS, 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          |
|---------------------------|-----------|----------|-----------|--------|--------|----------------|
| <b>Los Angeles</b>        | \$0.64    | \$1.20   | \$0.53    | \$3.92 | \$4.14 | <b>\$10.43</b> |
| Antelope Valley           | \$0.10    | \$0.38   | \$0.33    | \$2.31 | \$2.40 | <b>\$5.52</b>  |
| Burbank/Glendale/Pasadena | \$0.68    | \$1.42   | \$0.65    | \$3.73 | \$3.93 | <b>\$10.41</b> |
| Downtown Los Angeles      | \$0.62    | \$1.12   | \$0.58    | \$3.74 | \$4.45 | <b>\$10.51</b> |
| East LA County Outlying   | \$0.68    | \$1.20   | \$0.51    | \$1.50 | \$4.06 | <b>\$7.95</b>  |
| Mid-Cities                | \$0.70    | \$0.84   | \$0.41    | \$3.33 | \$3.14 | <b>\$8.42</b>  |
| Mid-Wilshire              | \$0.66    | \$1.23   | \$0.55    | \$4.63 | \$4.52 | <b>\$11.59</b> |
| NE LA County Outlying     | \$0.68    | \$1.20   | \$0.51    | \$1.01 | \$4.08 | <b>\$7.48</b>  |
| NW LA County Outlying     | \$0.68    | \$1.20   | \$0.51    | \$1.28 | \$4.21 | <b>\$7.88</b>  |
| San Fernando Valley       | \$0.70    | \$1.20   | \$0.48    | \$3.69 | \$4.18 | <b>\$10.25</b> |
| San Gabriel Valley        | \$0.52    | \$1.25   | \$0.47    | \$3.48 | \$3.54 | <b>\$9.26</b>  |
| Santa Clarita Valley      | \$0.37    | \$0.86   | \$0.63    | \$5.07 | \$4.54 | <b>\$11.47</b> |
| South Bay                 | \$0.67    | \$1.22   | \$0.39    | \$3.56 | \$4.37 | <b>\$10.21</b> |
| Southeast Los Angeles     | \$0.58    | \$1.28   | \$0.27    | \$2.82 | \$3.47 | <b>\$8.42</b>  |
| West Los Angeles          | \$0.69    | \$1.16   | \$0.76    | \$5.23 | \$5.14 | <b>\$12.98</b> |

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



Demand has had a far more significant impact on the Los Angeles office market's weakening than supply additions, as total office space in the market decreased by -1.8 million SF during the past 12 months. While the market has seen a modest amount of deliveries during this time, some properties have been demolished and others are undergoing conversions to multifamily properties.

The most recently delivered projects have had limited traction in securing tenants. Since the start of 2024, six speculative developments over 50,000 SF have been completed: 42XX in Marina Del Rey, Forge at Alloy in Downtown Los Angeles, Casitas in Atwater Village, 5237 W Jefferson Blvd. in West Adams, 315 Colorado Ave. in Santa Monica, and 1650 Euclid St. in Santa Monica. Only 1650 Euclid St. has seen any leases signed.

Given market weakness, developers have exercised caution. There are 2.8 million SF underway, down from a recent high of 8.9 million SF in the second half of 2020. Around 900,000 SF of new projects started construction during the past four quarters, around 20% of the square footage of starts seen from 19Q2 through 20Q1, the peak four-quarter period for starts before the onset of the pandemic.

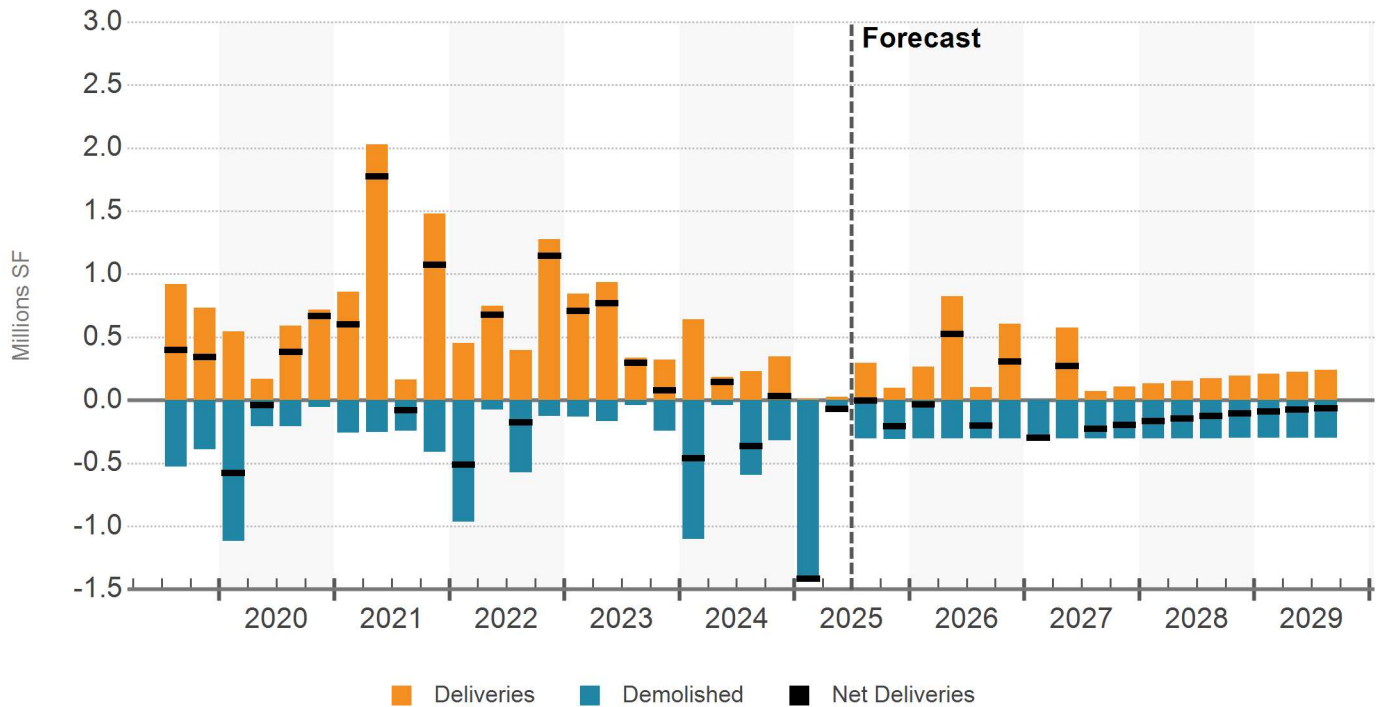
However, some developers still see opportunities. In aggregate, buildings in L.A. built in 2010 or later are the

only properties that have experienced positive net absorption since early 2020. Many firms see taking space in the market's newest assets as a strategy to compete for talent and offer a compelling work environment.

In early 2023, JMB Realty commenced construction on 1950 Avenue of the Stars in Century City, the largest speculative project in the metro since 2006. Creative Artists Agency anchors the 825,000-SF development, committing to 400,000 SF in early 2022. Other major tenants include Clearlake Capital and Sidley Austin, which have also preleased 151,000 SF and 70,000 SF, respectively. The tower will not deliver until next year and is almost 90% preleased.

Given many buildings' occupancy issues, the conversation has increased around converting properties into multifamily communities. Jamison Properties, one of the largest office landlords in Los Angeles, has converted several of its buildings in Koreatown in recent years. Jamison is currently working on converting additional office properties, including several towers along Wilshire Boulevard in Koreatown, 1055 W. Seventh St. in Downtown Los Angeles, and 6380 Wilshire Blvd. in Miracle Mile. The L.A. metro could see additional properties converted in the years ahead as the market addresses what appears to be a structural decline in office space demand.

## DELIVERIES & DEMOLITIONS



## SUBMARKET CONSTRUCTION

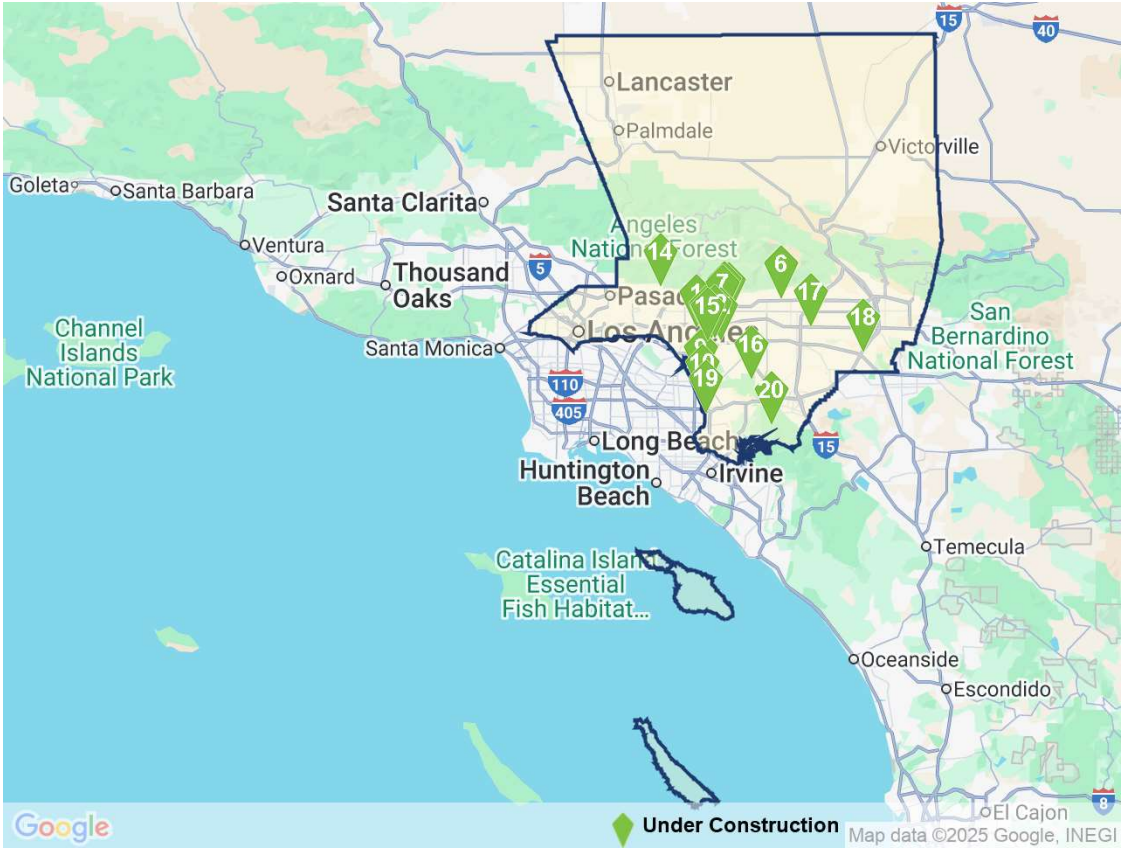
| No.    | Submarket                  | Under Construction Inventory |          |                     |              |      | Average Building Size |              |      |
|--------|----------------------------|------------------------------|----------|---------------------|--------------|------|-----------------------|--------------|------|
|        |                            | Bldgs                        | SF (000) | Pre-Leased SF (000) | Pre-Leased % | Rank | All Existing          | Under Constr | Rank |
| 1      | Culver City                | 5                            | 874      | 603                 | 68.9%        | 8    | 20,914                | 174,765      | 3    |
| 2      | Century City               | 1                            | 825      | 726                 | 88.0%        | 7    | 300,671               | 825,000      | 1    |
| 3      | East Hollywood/Silver Lake | 1                            | 607      | 0                   | 0%           | 10   | 12,170                | 606,740      | 2    |
| 4      | Hollywood                  | 2                            | 185      | 10                  | 5.2%         | 9    | 24,608                | 92,400       | 5    |
| 5      | El Segundo                 | 2                            | 139      | 139                 | 100%         | 1    | 69,701                | 69,458       | 6    |
| 6      | Pasadena                   | 1                            | 100      | 100                 | 100%         | 1    | 21,003                | 100,000      | 4    |
| 7      | Beach Cities/Palos Verdes  | 2                            | 43       | 43                  | 100%         | 1    | 11,732                | 21,590       | 7    |
| 8      | Eastern SGV                | 2                            | 26       | 26                  | 100%         | 1    | 15,586                | 13,086       | 9    |
| 9      | Tarzana                    | 1                            | 19       | 19                  | 100%         | 1    | 25,492                | 19,000       | 8    |
| 10     | Mid-Cities                 | 1                            | 8        | 8                   | 100%         | 1    | 10,509                | 8,309        | 10   |
|        | All Other                  | 2                            | 9        | 0                   | 0%           |      | 27,338                | 4,500        |      |
| Totals |                            | 20                           | 2,835    | 1,673               | 59.0%        |      | 25,152                | 141,747      |      |

# Under Construction Properties

Los Angeles Office

| Properties | Square Feet | Percent of Inventory | Released |
|------------|-------------|----------------------|----------|
| 20         | 2,834,941   | 0.6%                 | 59.0%    |

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

| Property Name/Address                             | Rating | Bldg SF | Stories | Start    | Complete | Developer/Owner                                    |
|---|--------|---------|---------|----------|----------|--|
| 1 Century City Center<br>1950 Avenue of the Stars | ★★★★★  | 825,000 | 37      | Jan 2023 | Jun 2026 | JMB Realty<br>JMB Financial Advisors LLC           |
| 2 5601 Santa Monica Blvd                          | ★★★★★  | 606,740 | 6       | May 2024 | Oct 2026 | BARDAS Investment Group<br>BARDAS Investment Group |
| 3 Apple LA Campus<br>8825 National Blvd           | ★★★★★  | 536,000 | 4       | Jul 2024 | Jun 2027 | -<br>Apple Inc.                                    |
| 4 Habitat<br>3401 S La Cienega Blvd               | ★★★★★  | 256,391 | 6       | Nov 2023 | Jan 2026 | Lendlease Corporation<br>Aware Super               |
| 5 The Workshop<br>1200 N Cahuenga Blvd            | ★★★★★  | 101,300 | 1       | Apr 2024 | Oct 2025 | BARDAS Investment Group<br>BARDAS Investment Group |
| 6 590 S Fair Oaks Ave                             | ★★★★★  | 100,000 | 4       | Oct 2022 | Aug 2025 | -<br>Mohammed Islam                                |
| 7 717 Seward St                                   | ★★★★★  | 83,500  | 5       | Oct 2023 | Aug 2025 | BARDAS Investment Group<br>BARDAS Investment Group |

# Under Construction Properties

Los Angeles Office

## UNDER CONSTRUCTION

| Property Name/Address               | Rating    | Bldg SF | Stories | Start    | Complete | Developer/Owner  |
|-------------------------------------|-----------|---------|---------|----------|----------|--|
| 8 1320 E Franklin Ave               | ★ ★ ★ ★ ★ | 75,000  | 3       | Jan 2023 | Aug 2025 | Smoky Hollow Industries LLC<br>Smoky Hollow Industries LLC |
| 9 1475 E El Segundo Blvd            | ★ ★ ★ ★ ★ | 63,915  | 3       | Mar 2025 | Aug 2026 | Smoky Hollow Industries LLC<br>-                           |
| 10 Skechers<br>305 S Sepulveda Blvd | ★ ★ ★ ★ ★ | 37,879  | 3       | Mar 2022 | Apr 2026 | DFT Architects<br>Skechers                                 |
| 11 3900 W Jefferson Blvd            | ★ ★ ★ ★ ★ | 33,872  | 3       | Apr 2021 | Aug 2025 | Charles Company<br>Community Redevelopment Agen...         |
| 12 5252 W Adams Blvd                | ★ ★ ★ ★ ★ | 32,629  | 3       | May 2023 | Aug 2025 | -<br>CIM Group, LP   |
| 13 Building 1<br>1127 Grand Pl      | ★ ★ ★ ★ ★ | 20,627  | 2       | Nov 2023 | Aug 2025 | -<br>Hou You Liang   |
| 14 5223 Lindley Ave                 | ★ ★ ★ ★ ★ | 19,000  | 2       | Jul 2024 | Aug 2025 | -<br>TriStar Realty Group, LLC                             |
| 15 3550 Hayden Ave                  | ★ ★ ★ ★ ★ | 14,933  | 2       | Jul 2024 | Aug 2025 | Redcar Properties LTD<br>Redcar Properties LTD             |
| 16 1651 E 120th St                  | ★ ★ ★ ★ ★ | 8,309   | 2       | Aug 2024 | Feb 2026 | -<br>-   |
| 17 9710 Garvey                      | ★ ★ ★ ★ ★ | 6,000   | 1       | Feb 2023 | Aug 2025 | -<br>Golden Mission LLC                                    |
| 18 Building 6<br>1133 Grand Pl      | ★ ★ ★ ★ ★ | 5,545   | 1       | Jan 2024 | Aug 2025 | -<br>Huo You Liang   |
| 19 422 S Pacific Coast Hwy          | ★ ★ ★ ★ ★ | 5,301   | 3       | Jul 2023 | Aug 2025 | -<br>Christopher Farentinos                                |
| 20 2600 California Ave              | ★ ★ ★ ★ ★ | 3,000   | 1       | Dec 2024 | Nov 2025 | -<br>Sean & Linda Hitchcock                                |



The past 12 months witnessed \$2.9 billion in office transactions in Greater Los Angeles, around 25% of dollar activity in 2016-19. The second quarter saw \$760 million in sales, below the \$1.5 billion in transactions seen quarterly, on average, during the past decade. Market weakness and questions around the future trajectory for space use have dented investor demand. For interested investors, banks have shown concerns about providing loans, further impeding activity.

These dynamics have dramatically altered the active buyer types. More sophisticated capital sources, including institutional buyers, private equity, and REITs, have retreated from buying office properties in recent years, shifting their capital allocations to other property types, primarily industrial and multifamily. While historically these more sophisticated buyers accounted for around 50% of all office acquisitions, they represented around 25% of buyer activity in Greater L.A. over the past year.

Today, owner/users and private buyers are bigger drivers of activity than in the past. Owner/users, who historically have accounted for less than 10% of all dollar activity, accounted for around 20% of transaction volumes during the past 12 months. Given soft market fundamentals, the buyer category is a logical option for sellers looking to divest office properties and reallocate capital.

One representative sale of this trend closed in October, when apparel firm FRAME purchased 331 N Maple Dr., a 93,000-SF property, from DivcoWest for \$61 million (\$655/SF). The property was vacant at the time of sale, and FRAME purchased it to occupy. The building sold for a discount from previous transaction prices of \$82.2 million (\$885/SF) in June 2018 and \$70 million (\$755/SF)

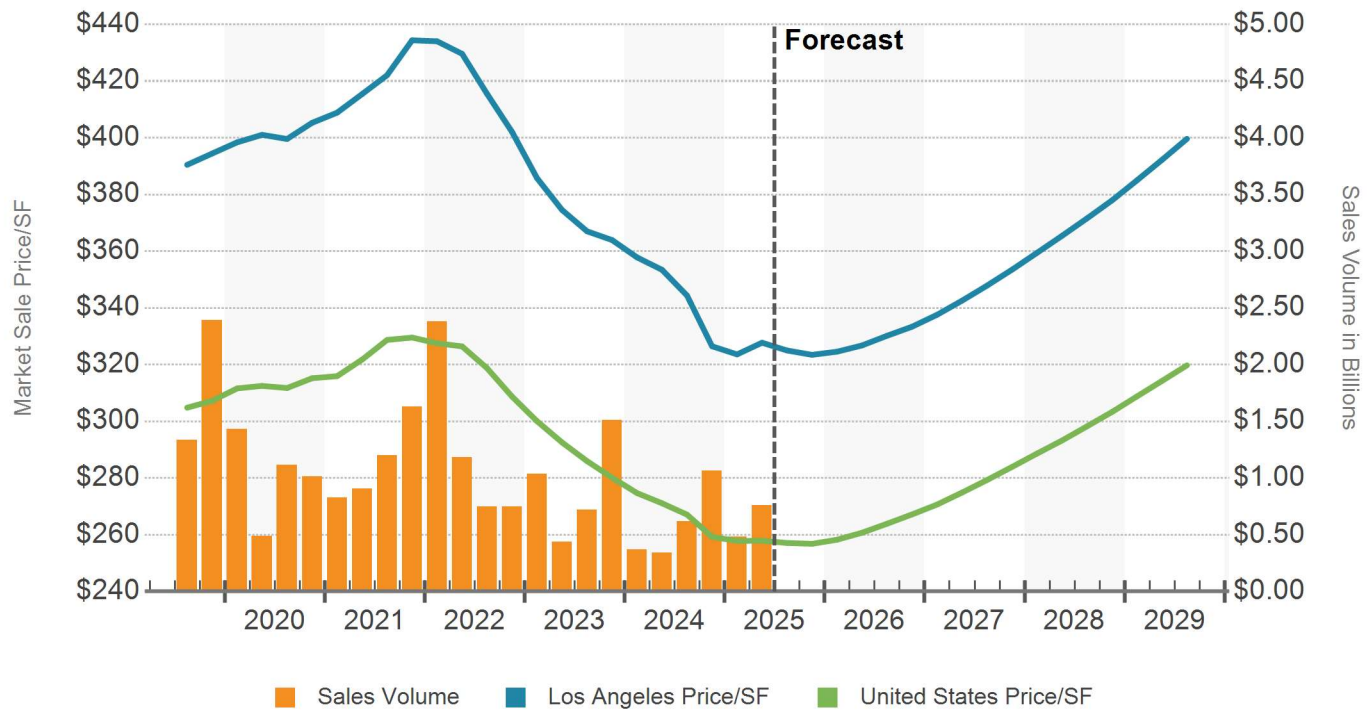
in July 2014.

Private buyers accounted for around 50% of dollar activity in the past 12 months, historically accounting for around 45% of transaction levels. While private buyers are committing less capital to office deals than in years past, some see opportunities to secure properties at historically low values. Several recent sales involving private buyers acquiring multi-tenant office assets saw discounts of 35-70% relative to what likely would have been achieved before early 2020.

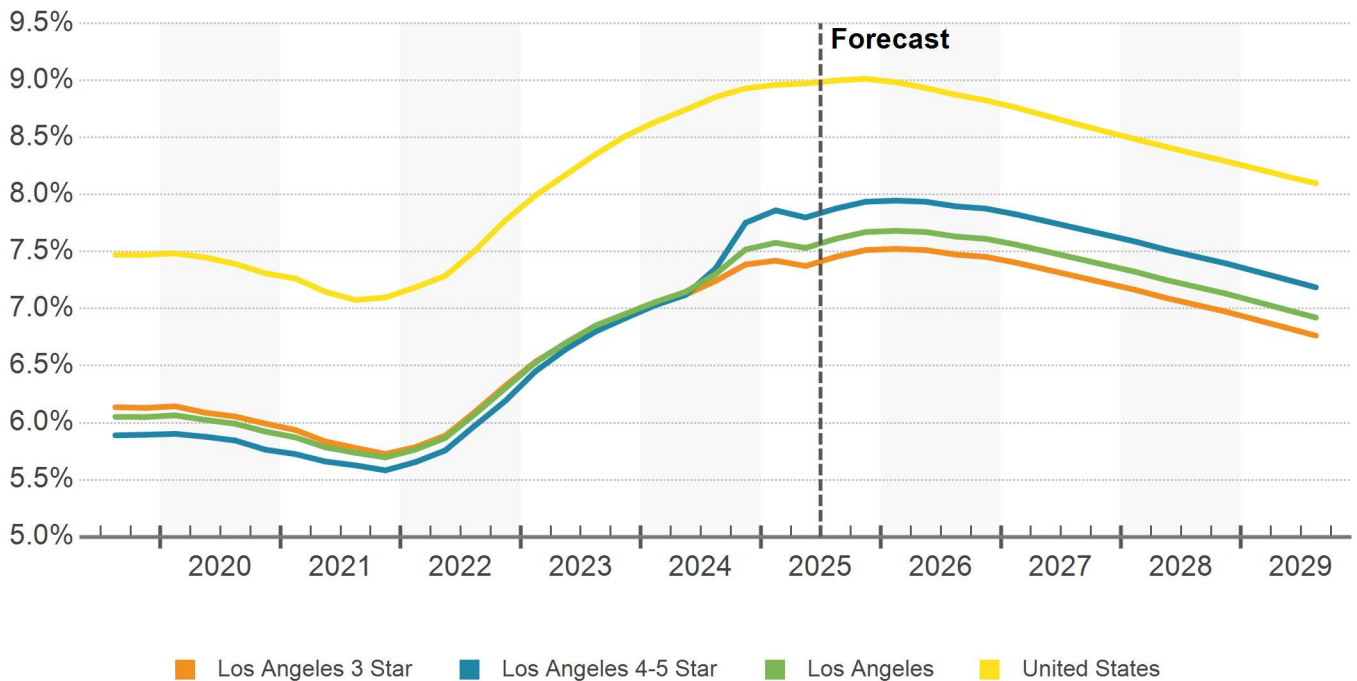
Locally-based Shomoff Group made two recent major office acquisitions representing significant discounts to previous sale prices. The most recent was 101 N Brand, a 410,000-SF tower in Downtown Glendale, for \$58.76 million (\$145/SF) from private equity firm Beacon Capital Partners this January. The property was around 50% vacant at the time of sale and sold for around a 55% discount from the previous transaction price for the asset in late 2016. Shomoff also acquired another office asset in Downtown Los Angeles in April 2024, 617 W 7th St., for \$20.47 million (\$95/SF), around a 50% discount from the asset's previous transaction price in 2011.

The forecast anticipates asset values reaching a bottom this year. However, with the sector's headwinds expected to persist for at least several years, uncertainty remains on the trajectory for overall pricing. Value declines will likely vary widely based on property attributes, substantiated by the range of losses seen with recent sales. The forecast expects vacancy to rise further through 2026, which should continue to limit landlords' ability to raise rents and improve property cash flow, potentially limiting any upside for asset values.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE

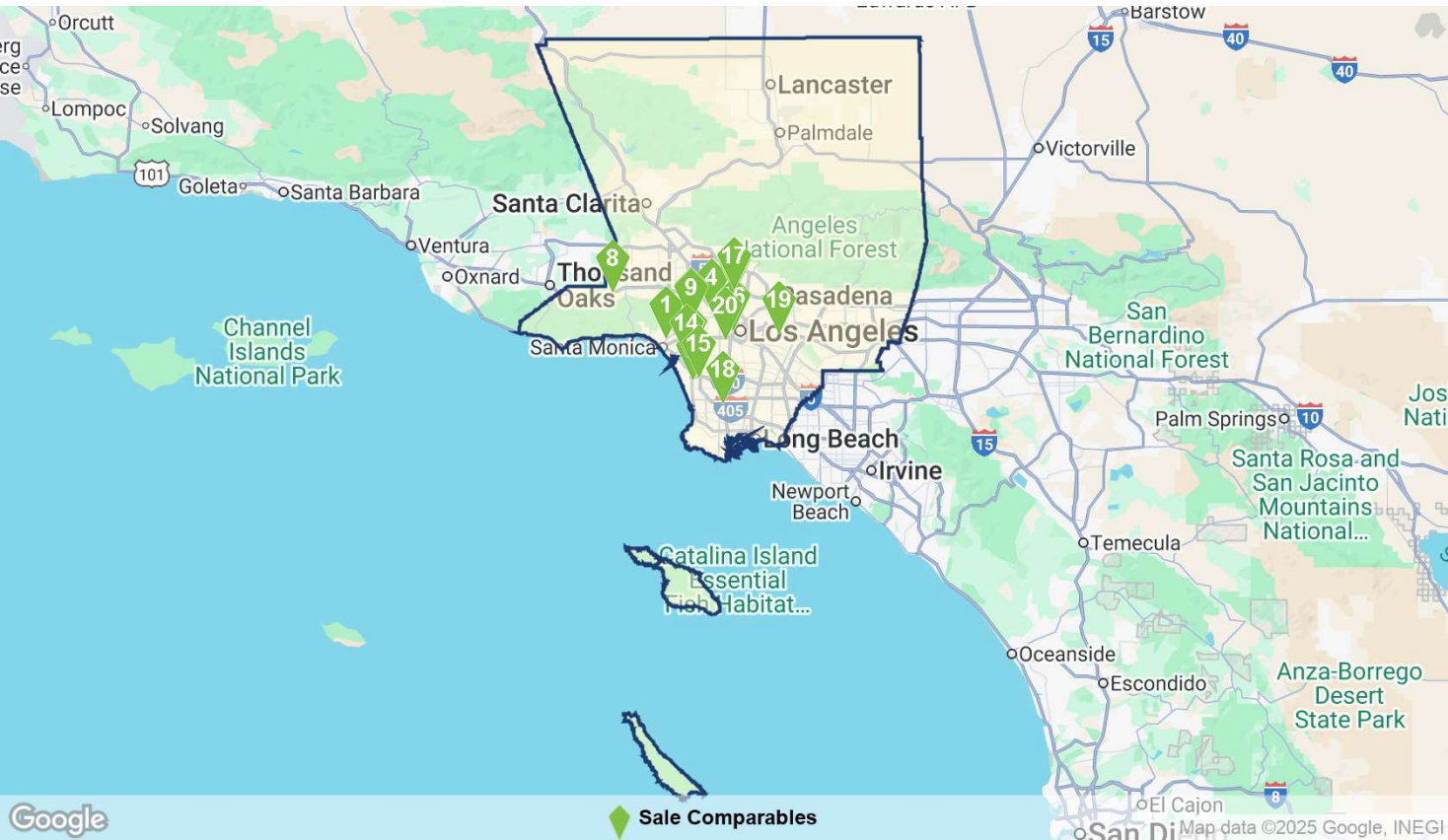


Sales Past 12 Months

Los Angeles Office

| Sale Comparables | Avg. Cap Rate | Avg. Price/SF | Avg. Vacancy At Sale |
|------------------|---------------|---------------|----------------------|
| 490              | 6.1%          | \$286         | 23.0%                |

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

| Sales Attributes          | Low      | Average     | Median      | High          |
|---------------------------|----------|-------------|-------------|---------------|
| Sale Price                | \$89,105 | \$7,594,542 | \$2,500,000 | \$130,423,000 |
| Price/SF                  | \$11     | \$286       | \$416       | \$3,000       |
| Cap Rate                  | 2.0%     | 6.1%        | 5.9%        | 10.9%         |
| Time Since Sale in Months | 0.1      | 6.0         | 6.2         | 12.0          |
| Property Attributes       | Low      | Average     | Median      | High          |
| Building SF               | 450      | 33,103      | 5,527       | 1,462,729     |
| Stories                   | 1        | 2           | 2           | 50            |
| Typical Floor SF          | 1        | 8,710       | 3,907       | 136,813       |
| Vacancy Rate At Sale      | 0%       | 23.0%       | 0%          | 100%          |
| Year Built                | 1895     | 1967        | 1964        | 2024          |
| 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 |
| <b>1</b> <b>Arboretum Gateway / Un...</b><br>2220 Colorado Ave  | ★★★★★    | 1999     | 225,773 | 0%      | 10/1/2024  | \$130,423,000 | \$578    | -        |
| <b>2</b> <b>Entrada</b><br>6181 W Centinela Ave                 | ★★★★★    | 2021     | 314,951 | 63.0%   | 4/21/2025  | \$130,000,000 | \$413    | -        |
| <b>3</b> <b>Trio</b><br>407 N Maple Dr                          | ★★★★★    | 2003     | 174,847 | 55.9%   | 9/5/2024   | \$118,273,500 | \$676    | -        |
| <b>4</b> <b>Vine Street Tower</b><br>1601 Vine St               | ★★★★★    | 2016     | 115,589 | 0%      | 4/3/2025   | \$105,000,000 | \$908    | 7.5%     |
| <b>5</b> <b>i/o Playa Vista</b><br>12130 Millennium Dr          | ★★★★★    | 2010     | 193,806 | 15.8%   | 6/1/2025   | \$95,511,720  | \$493    | -        |
| <b>6</b> <b>9242 Beverly</b><br>9242 Beverly Blvd               | ★★★★★    | 1989     | 133,300 | 43.6%   | 12/19/2024 | \$90,000,000  | \$675    | -        |
| <b>7</b> <b>Union Bank Plaza</b><br>445 S Figueroa St           | ★★★★★    | 1967     | 701,888 | 59.8%   | 10/1/2024  | \$80,000,000  | \$114    | -        |
| <b>8</b> <b>The Park Calabasas</b><br>4500 Park Granada         | ★★★★★    | 1986     | 222,667 | 0%      | 1/30/2025  | \$69,400,000  | \$312    | 9.8%     |
| <b>9</b> <b>331 N Maple Dr</b>                                  | ★★★★★    | 2000     | 94,128  | 0%      | 10/1/2024  | \$61,000,000  | \$648    | -        |
| <b>10</b> <b>801 Tower</b><br>801 S Figueroa St                 | ★★★★★    | 1991     | 465,220 | 26.9%   | 8/1/2024   | \$60,000,000  | \$129    | -        |
| <b>11</b> <b>Grand + Nash</b><br>2160 E Grand Ave               | ★★★★★    | 1999     | 164,360 | 0%      | 7/19/2024  | \$59,200,000  | \$360    | -        |
| <b>12</b> <b>101 North Brand</b><br>101 N Brand Blvd            | ★★★★★    | 1990     | 416,162 | 22.7%   | 1/15/2025  | \$58,759,500  | \$141    | 6.7%     |
| <b>13</b> <b>Gild</b><br>505 N Brand Blvd                       | ★★★★★    | 1985     | 329,431 | 45.1%   | 2/11/2025  | \$56,000,000  | \$170    | -        |
| <b>14</b> <b>Bldg 4-West</b><br>12180 Millennium                | ★★★★★    | 2009     | 100,685 | 46.5%   | 6/1/2025   | \$55,188,280  | \$548    | -        |
| <b>15</b> <b>5210 Pacific Concourse Dr</b>                      | ★★★★★    | 2002     | 169,758 | 0%      | 10/18/2024 | \$55,000,000  | \$324    | -        |
| <b>16</b> <b>Figueroa Tower</b><br>660 S Figueroa St            | ★★★★★    | 1987     | 284,505 | 98.0%   | 12/23/2024 | \$44,000,000  | \$155    | -        |
| <b>17</b> <b>801 N Brand Blvd</b>                               | ★★★★★    | 1986     | 293,193 | 37.7%   | 12/30/2024 | \$42,800,000  | \$146    | -        |
| <b>18</b> <b>Herbalife Plaza</b><br>950 W 190th St              | ★★★★★    | 1981     | 188,545 | 0%      | 7/22/2024  | \$41,290,000  | \$219    | -        |
| <b>19</b> <b>1977 Saturn St</b>                                 | ★★★★★    | 1979     | 205,628 | 100%    | 12/4/2024  | \$39,000,000  | \$190    | -        |
| <b>20</b> <b>Jack H. Skirball Campus</b><br>3077 University Ave | ★★★★★    | 1970     | 31,160  | 0%      | 3/3/2025   | \$34,600,000  | \$1,110  | -        |



As the second largest metro in the nation, Los Angeles' economy is vast and diverse, with concentrations in entertainment, tourism, international trade, fashion, and aerospace industries. An abundance of creative workers and entrepreneurship is conducive to business formation and higher self-employment levels. 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.

Outmigration has been a significant headwind to economic growth, making it one of the slower-growing metros nationally. Over the past five years, the population has declined by over 3%, with over 300,000 fewer people. Residents across all income bands have migrated to cheaper metros, especially in the Sun Belt.

Disputes between workers and employers have arisen in recent years across various industries, including writers and actors in entertainment, dockworkers and delivery drivers in transportation, and hotel staff in hospitality. Los Angeles' high cost of living exacerbates labor disputes and motivates outmigration, with the median listing price for homes in Los Angeles County over \$1 million and some of the highest apartment rents nationally. The metro is among the least affordable nationally and globally based on home-price-to-income ratios.

Some higher-paying, office-using sectors like tech and media have seen modest gains over the past year, but total employment in these sectors is still down around 25% from a peak in 2022. Entertainment employment has been slow to rebound from the actors' and writers' strikes of 2023. L.A.'s entertainment sector faces increased competition from more cost-effective locations worldwide, including Atlanta, New York, and Toronto. The entertainment sector, directly and indirectly, accounts for around a fifth of the metro's total economic output.

The transportation sector is another critical economic anchor. Much of the demand is drawn from the ports of Los Angeles and Long Beach, which combined represent the largest port complex in the country, handling around a quarter of container ships in the nation. The ports and the 20 million residents in Greater Southern California are key reasons the region is one of the largest industrial markets in the United States. Traffic at the ports rose in 2024 after losses in 2023. However, President Trump's use of tariffs against trade partners has injected uncertainty into the transportation sector. Trade flows could decline in the near term, softening transportation employment and restraining demand for industrial space.

With 50 million visitors a year, tourism is important for the local economy, stimulating nearly \$35 billion in the local business community and supporting over a half-million jobs, according to the Los Angeles Tourism & Convention Board. Stores, restaurants, and lodging in tourist hotspots like Downtown L.A., Hollywood, Beverly Hills, and Santa Monica depend on visitor spending. The number of tourists visiting has recovered from the lows during the pandemic. However, international visitors, who typically spend significantly more than domestic tourists, have yet to return fully, especially from Asia.

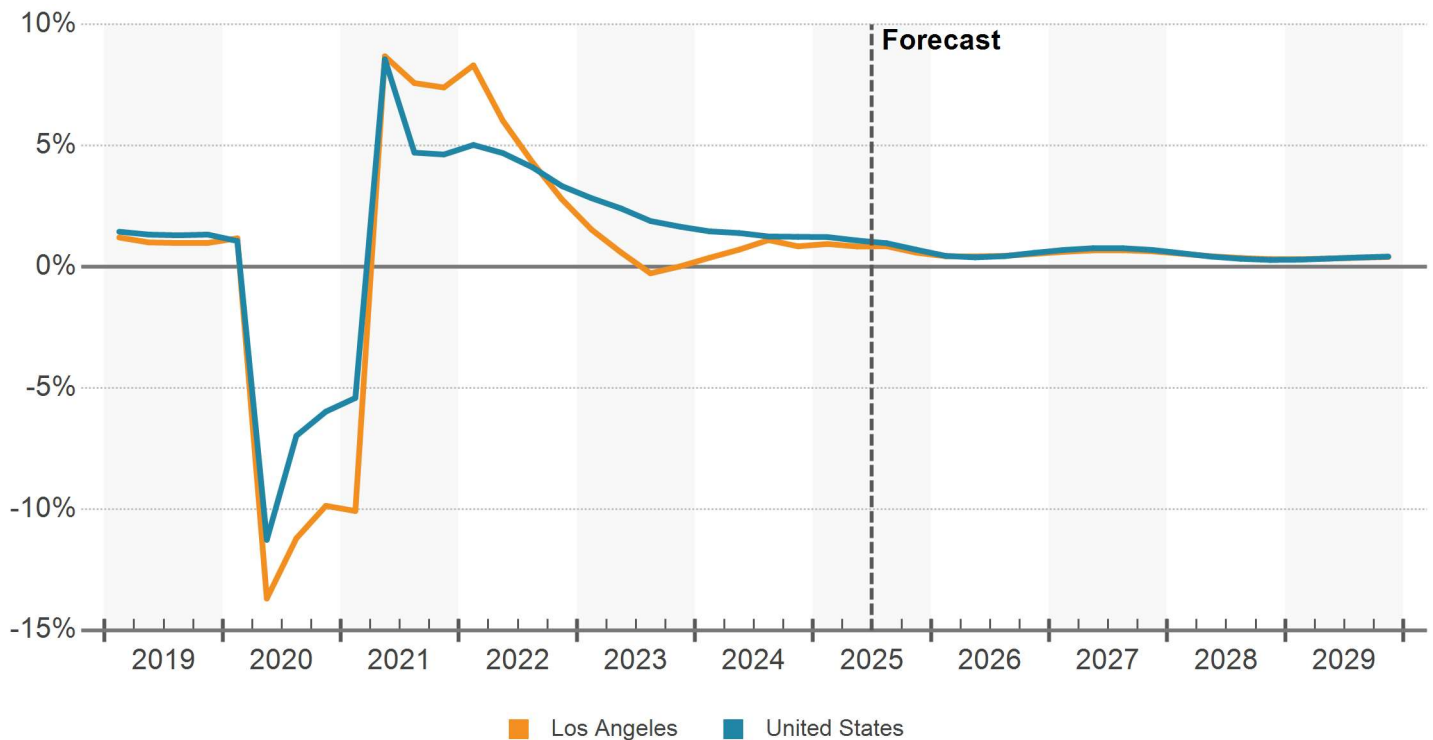
The wildfires in January 2025 represent one of the costliest national disasters in U.S. history. The resulting devastation will create economic headwinds for years in what is likely to be a drawn-out rebuilding process. A report commissioned by the Southern California Leadership Council and LA County Economic Development Corporation estimated property losses between \$28 and \$54 billion. Additionally, the fires could lead to billions in labor income reductions, significant losses in tax revenue, and business disruptions. The pace of rebuilding will be a critical determinant of the extent of economic losses.

## 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                              | 306          | 0.8        | -2.27%         | -0.74%       | -1.85%           | 0.36%        | -0.62%        | 0.17%        |
| Trade, Transportation and Utilities        | 836          | 1.0        | 1.35%          | 0.69%        | 0.26%            | 0.87%        | 0.19%         | 0.21%        |
| Retail Trade                               | 410          | 0.9        | 0.82%          | 0.35%        | -0.16%           | 0.03%        | 0.26%         | 0.18%        |
| Financial Activities                       | 215          | 0.8        | 1.11%          | 1.05%        | 0.03%            | 1.34%        | -0.07%        | 0.38%        |
| Government                                 | 587          | 0.9        | -0.50%         | 1.24%        | 0.50%            | 0.70%        | 0.07%         | 0.19%        |
| Natural Resources, Mining and Construction | 155          | 0.6        | 0.60%          | 1.56%        | 1.91%            | 2.13%        | 0.38%         | 0.64%        |
| Education and Health Services              | 984          | 1.3        | 3.19%          | 3.04%        | 2.92%            | 2.16%        | 0.94%         | 0.64%        |
| Professional and Business Services         | 637          | 1.0        | -0.27%         | -0.21%       | 0.68%            | 1.38%        | 0.28%         | 0.65%        |
| Information                                | 188          | 2.2        | -0.86%         | 0.06%        | -0.79%           | 0.73%        | 0.65%         | 0.33%        |
| Leisure and Hospitality                    | 548          | 1.1        | 0.84%          | 1.57%        | 1.27%            | 1.23%        | 1.38%         | 1.08%        |
| Other Services                             | 163          | 0.9        | 1.48%          | 0.96%        | 0.70%            | 0.70%        | 0.46%         | 0.22%        |
| <b>Total Employment</b>                    | <b>4,619</b> | <b>1.0</b> | <b>0.84%</b>   | <b>1.08%</b> | <b>0.82%</b>     | <b>1.21%</b> | <b>0.46%</b>  | <b>0.47%</b> |

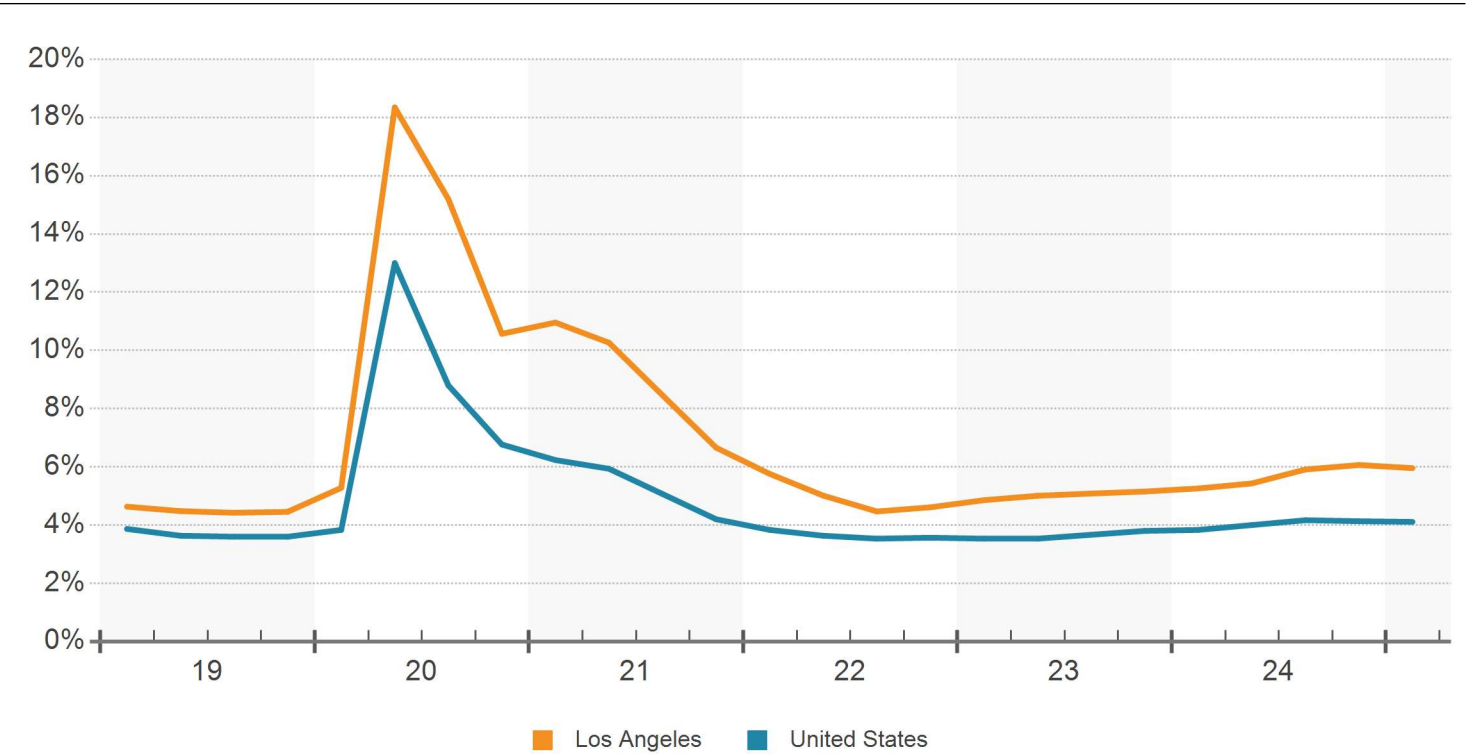
Source: Oxford Economics  
LQ = Location Quotient

## JOB GROWTH (YOY)

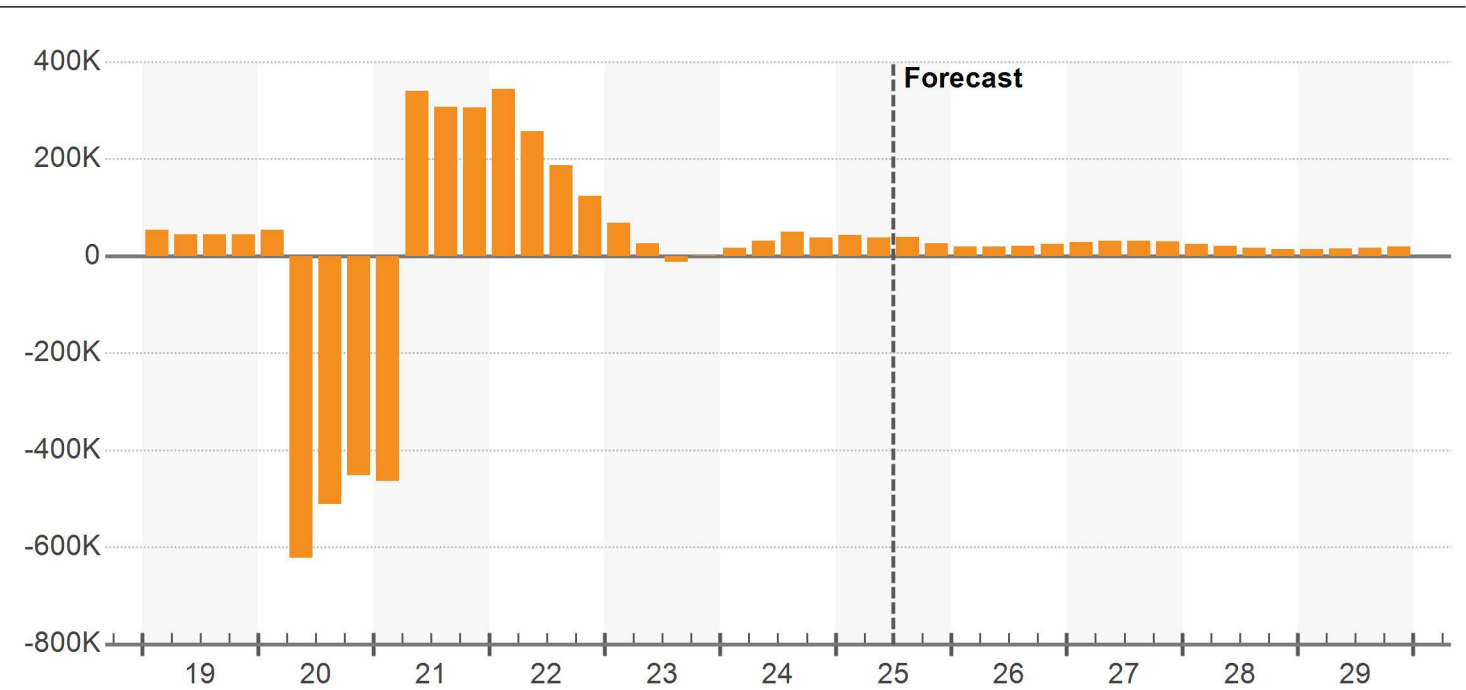


Source: Oxford Economics

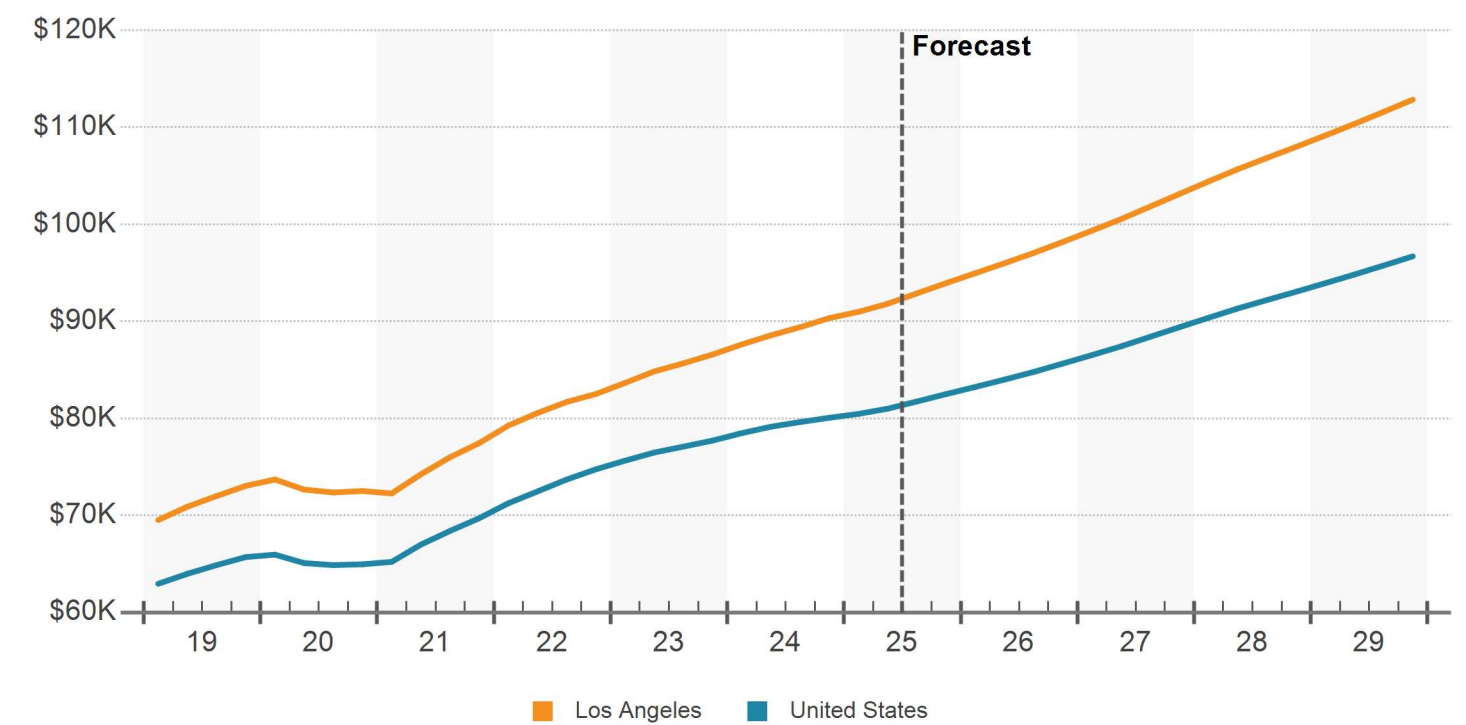
UNEMPLOYMENT RATE (%)



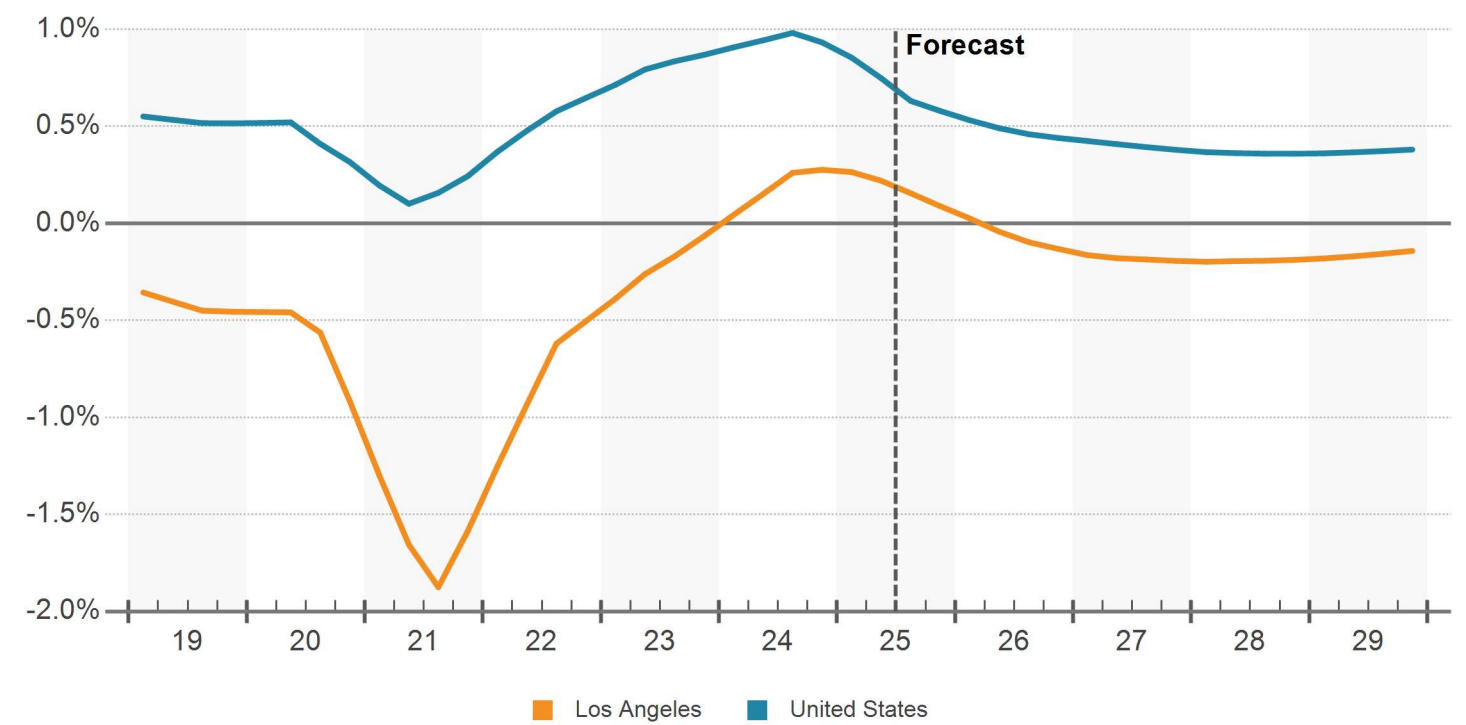
NET EMPLOYMENT CHANGE (YOY)



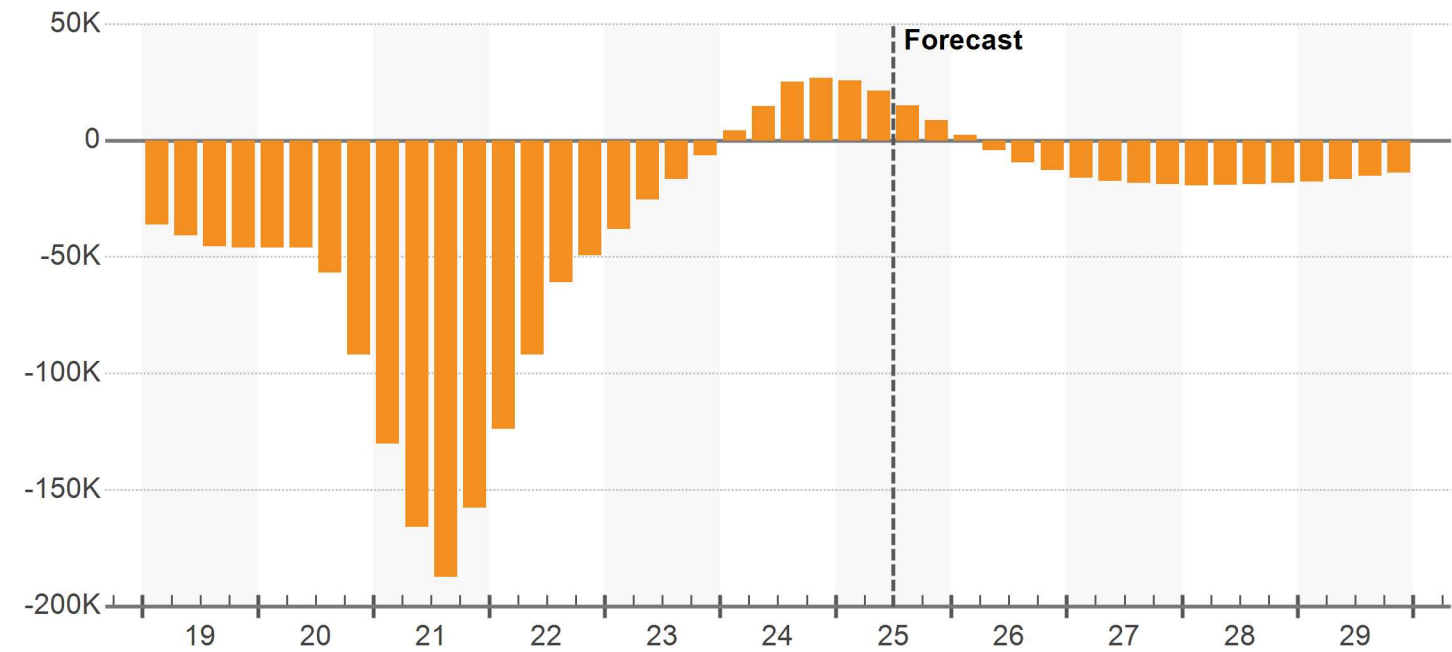
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

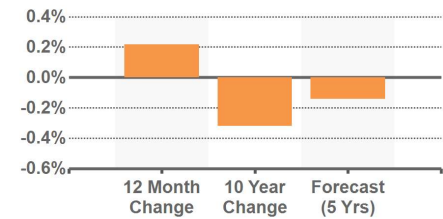


DEMOGRAPHIC TRENDS

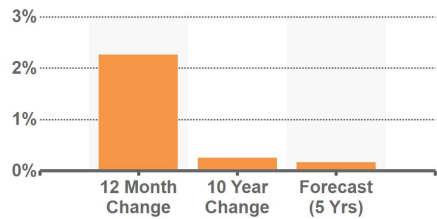
| Demographic Category    | Current Level |             | 12 Month Change |      | 10 Year Change |       | 5 Year Forecast |      |
|-------------------------|---------------|-------------|-----------------|------|----------------|-------|-----------------|------|
|                         | Metro         | US          | Metro           | US   | Metro          | US    | Metro           | US   |
| Population              | 9,771,219     | 341,800,656 | 0.2%            | 0.7% | -0.3%          | 0.6%  | -0.1%           | 0.4% |
| Households              | 3,497,913     | 134,361,844 | 0.4%            | 0.9% | 0.4%           | 1.0%  | -0.1%           | 0.5% |
| Median Household Income | \$91,850      | \$81,029    | 3.7%            | 2.4% | 4.8%           | 4.0%  | 4.7%            | 4.0% |
| Labor Force             | 5,121,723     | 170,608,250 | 2.3%            | 1.6% | 0.2%           | 0.8%  | 0.2%            | 0.3% |
| Unemployment            | 6.0%          | 4.1%        | 0.5%            | 0.1% | -0.1%          | -0.1% | -               | -    |

Source: Oxford Economics

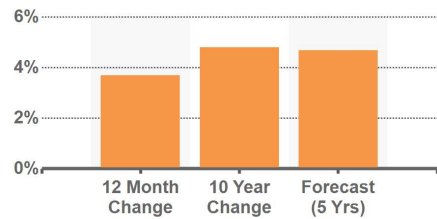
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



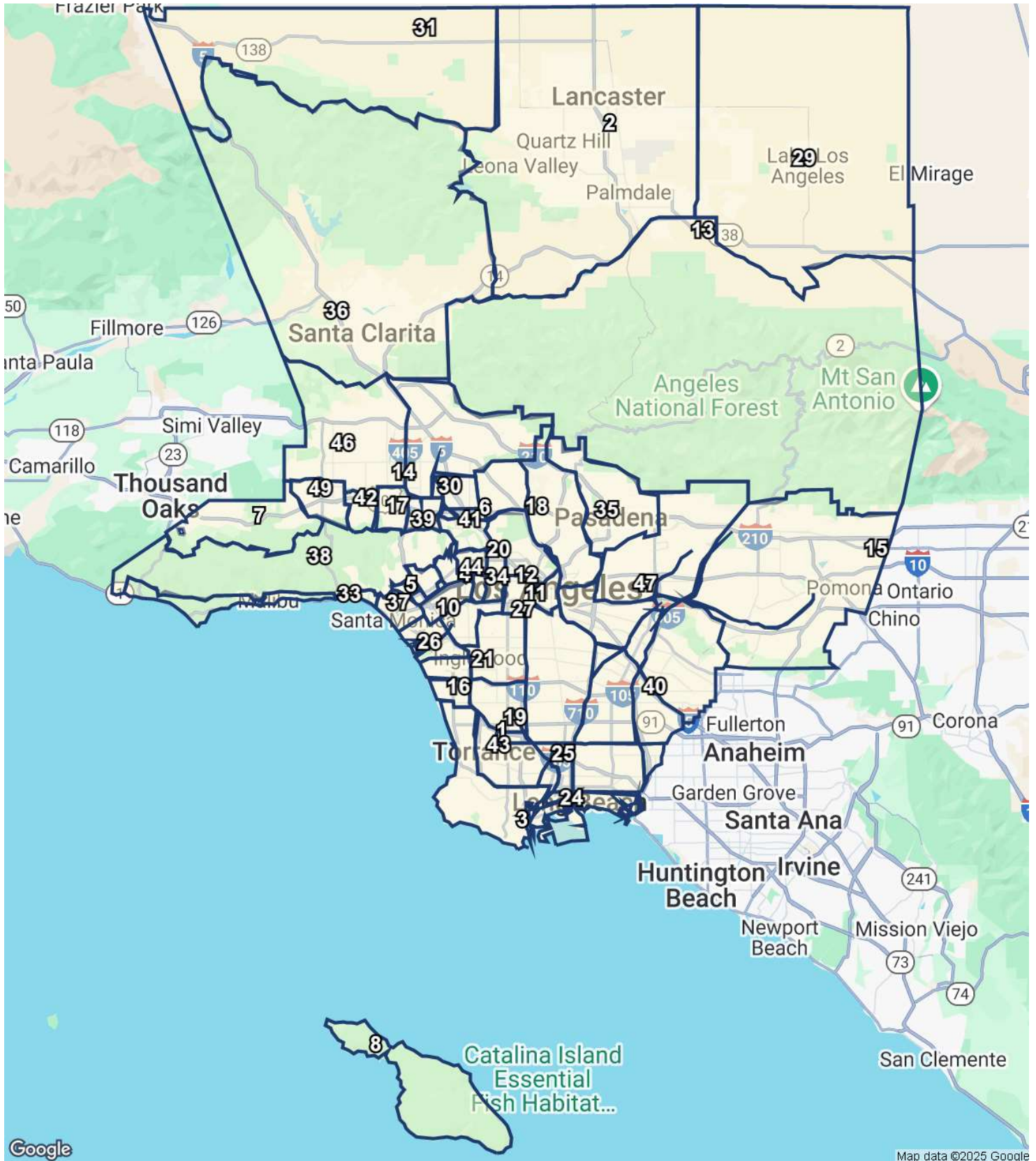
Source: Oxford Economics



## 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      | 65        | 4,001    | 0.9%     | 36   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 2   | Antelope Valley            | 398       | 4,605    | 1.0%     | 33   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 3   | Beach Cities/Palos Verdes  | 547       | 6,417    | 1.4%     | 26   | 0                   | 0        | 0%      | -    | 2                  | 43       | 0.7%    | 7    |
| 4   | Beverly Hills              | 309       | 11,421   | 2.6%     | 12   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 5   | Brentwood                  | 58        | 4,235    | 1.0%     | 35   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 6   | Burbank                    | 659       | 16,279   | 3.7%     | 8    | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 7   | Calabasas/Westlake Vill    | 210       | 7,636    | 1.7%     | 24   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 8   | Catalina Island            | -         | -        | 0%       | -    | 0                   | 0        | -       | -    | 0                  | -        | -       | -    |
| 9   | Century City               | 37        | 11,125   | 2.5%     | 14   | 0                   | 0        | 0%      | -    | 1                  | 825      | 7.4%    | 2    |
| 10  | Culver City                | 532       | 11,126   | 2.5%     | 13   | 3                   | 42       | 0.4%    | 4    | 5                  | 874      | 7.9%    | 1    |
| 11  | Downtown Los Angeles       | 469       | 70,205   | 15.8%    | 1    | 1                   | 127      | 0.2%    | 3    | 0                  | -        | -       | -    |
| 12  | East Hollywood/Silver Lake | 448       | 5,452    | 1.2%     | 30   | 1                   | 13       | 0.2%    | 7    | 1                  | 607      | 11.1%   | 3    |
| 13  | East LA County Outlying    | 6         | 13       | 0%       | 46   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 14  | Eastern SFV                | 541       | 7,026    | 1.6%     | 25   | 1                   | 3        | 0%      | 10   | 0                  | -        | -       | -    |
| 15  | Eastern SGV                | 1,294     | 20,168   | 4.5%     | 2    | 1                   | 10       | 0.1%    | 8    | 2                  | 26       | 0.1%    | 8    |
| 16  | El Segundo                 | 275       | 19,168   | 4.3%     | 4    | 0                   | 0        | 0%      | -    | 2                  | 139      | 0.7%    | 5    |
| 17  | Encino                     | 88        | 5,281    | 1.2%     | 31   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 18  | Glendale                   | 870       | 14,892   | 3.3%     | 9    | 3                   | 201      | 1.4%    | 1    | 0                  | -        | -       | -    |
| 19  | Hawthorne/Gardena          | 284       | 3,043    | 0.7%     | 41   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 20  | Hollywood                  | 408       | 10,040   | 2.3%     | 17   | 0                   | 0        | 0%      | -    | 2                  | 185      | 1.8%    | 4    |
| 21  | Inglewood/South LA         | 413       | 3,965    | 0.9%     | 37   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 22  | Koreatown                  | 377       | 16,853   | 3.8%     | 5    | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 23  | LAX                        | 55        | 4,525    | 1.0%     | 34   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 24  | Long Beach: Downtown       | 268       | 8,787    | 2.0%     | 22   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 25  | Long Beach: Suburban       | 521       | 10,544   | 2.4%     | 15   | 1                   | 18       | 0.2%    | 6    | 1                  | 3        | 0%      | 12   |
| 26  | Marina Del Rey/Venice      | 502       | 11,455   | 2.6%     | 11   | 3                   | 151      | 1.3%    | 2    | 0                  | -        | -       | -    |
| 27  | Mid-Cities                 | 1,149     | 12,075   | 2.7%     | 10   | 0                   | 0        | 0%      | -    | 1                  | 8        | 0.1%    | 10   |
| 28  | Miracle Mile               | 116       | 6,183    | 1.4%     | 27   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 29  | NE LA County Outlying      | 2         | 6        | 0%       | 48   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 30  | North Hollywood            | 311       | 3,531    | 0.8%     | 39   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 31  | NW LA County Outlying      | 3         | 8        | 0%       | 47   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 32  | Olympic Corridor           | 150       | 5,466    | 1.2%     | 29   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 33  | Pacific Palisades/Malibu   | 49        | 694      | 0.2%     | 44   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 34  | Park Mile                  | 99        | 1,938    | 0.4%     | 42   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 35  | Pasadena                   | 941       | 19,764   | 4.4%     | 3    | 1                   | 2        | 0%      | 11   | 1                  | 100      | 0.5%    | 6    |
| 36  | Santa Clarita Valley       | 245       | 5,634    | 1.3%     | 28   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 37  | Santa Monica               | 610       | 16,842   | 3.8%     | 6    | 1                   | 40       | 0.2%    | 5    | 0                  | -        | -       | -    |
| 38  | Santa Monica Mountains     | 5         | 15       | 0%       | 45   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 39  | Sherman Oaks               | 122       | 3,694    | 0.8%     | 38   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 40  | Southeast Los Angeles      | 807       | 10,173   | 2.3%     | 16   | 1                   | 3        | 0%      | 9    | 0                  | -        | -       | -    |
| 41  | Studio/Universal Cities    | 286       | 4,637    | 1.0%     | 32   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 42  | Tarzana                    | 74        | 1,886    | 0.4%     | 43   | 0                   | 0        | 0%      | -    | 1                  | 19       | 1.0%    | 9    |

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                  | 455       | 8,790    | 2.0%     | 21   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 44  | West Hollywood            | 402       | 8,950    | 2.0%     | 20   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 45  | West Los Angeles          | 285       | 3,146    | 0.7%     | 40   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 46  | Western SFV               | 462       | 9,062    | 2.0%     | 19   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 47  | Western SGV               | 1,118     | 16,367   | 3.7%     | 7    | 0                   | 0        | 0%      | -    | 1                  | 6        | 0%      | 11   |
| 48  | Westwood                  | 186       | 8,779    | 2.0%     | 23   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |
| 49  | Woodland Hills/Warner Ctr | 209       | 9,783    | 2.2%     | 18   | 0                   | 0        | 0%      | -    | 0                  | -        | -       | -    |

# Submarkets

Los Angeles Office

## 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      | \$35.06            | 33   | 0.7%                        | 21   | -2.0%                             | 16   |
| 2   | Antelope Valley            | \$31.13            | 44   | 1.0%                        | 7    | -2.3%                             | 19   |
| 3   | Beach Cities/Palos Verdes  | \$40.45            | 20   | 0.9%                        | 11   | -5.4%                             | 38   |
| 4   | Beverly Hills              | \$66.58            | 2    | -0.5%                       | 41   | -0.4%                             | 7    |
| 5   | Brentwood                  | \$51.11            | 10   | -1.4%                       | 46   | -0.6%                             | 8    |
| 6   | Burbank                    | \$46.91            | 14   | 0.9%                        | 13   | -4.6%                             | 33   |
| 7   | Calabasas/Westlake Vill    | \$35.27            | 32   | 0.5%                        | 26   | 5.0%                              | 3    |
| 8   | Catalina Island            | -                  | -    | -                           | -    | -                                 | -    |
| 9   | Century City               | \$78.22            | 1    | -3.3%                       | 48   | 0%                                | 4    |
| 10  | Culver City                | \$51.83            | 8    | -0.6%                       | 42   | -1.9%                             | 13   |
| 11  | Downtown Los Angeles       | \$35.92            | 28   | -0.3%                       | 37   | -11.1%                            | 48   |
| 12  | East Hollywood/Silver Lake | \$41.77            | 18   | 1.0%                        | 9    | -4.7%                             | 34   |
| 13  | East LA County Outlying    | \$29.15            | 48   | 1.6%                        | 3    | -2.2%                             | 18   |
| 14  | Eastern SFV                | \$32.57            | 39   | 0.8%                        | 16   | -7.0%                             | 45   |
| 15  | Eastern SGV                | \$30.99            | 45   | 2.0%                        | 1    | -8.3%                             | 47   |
| 16  | El Segundo                 | \$46.97            | 13   | 0.5%                        | 28   | -2.6%                             | 21   |
| 17  | Encino                     | \$34.67            | 35   | -0.3%                       | 38   | -0.9%                             | 10   |
| 18  | Glendale                   | \$39.14            | 24   | 0.7%                        | 20   | -6.4%                             | 44   |
| 19  | Hawthorne/Gardena          | \$30.47            | 47   | 1.2%                        | 6    | -3.6%                             | 26   |
| 20  | Hollywood                  | \$53.70            | 7    | 0.6%                        | 22   | -6.0%                             | 42   |
| 21  | Inglewood/South LA         | \$39.78            | 22   | 0%                          | 34   | -2.5%                             | 20   |
| 22  | Koreatown                  | \$33.59            | 36   | 0.6%                        | 23   | -2.6%                             | 22   |
| 23  | LAX                        | \$30.57            | 46   | 0.5%                        | 29   | -1.2%                             | 11   |
| 24  | Long Beach: Downtown       | \$34.99            | 34   | 0.4%                        | 31   | -3.9%                             | 31   |
| 25  | Long Beach: Suburban       | \$33.43            | 37   | 0.7%                        | 19   | -3.4%                             | 25   |
| 26  | Marina Del Rey/Venice      | \$54.90            | 6    | -1.1%                       | 45   | 6.3%                              | 2    |
| 27  | Mid-Cities                 | \$33.09            | 38   | 0.8%                        | 15   | -3.8%                             | 30   |
| 28  | Miracle Mile               | \$48.61            | 12   | 0.8%                        | 17   | -2.2%                             | 17   |
| 29  | NE LA County Outlying      | \$36.25            | 27   | 1.0%                        | 8    | -1.9%                             | 14   |
| 30  | North Hollywood            | \$35.91            | 29   | 0.2%                        | 32   | -6.0%                             | 41   |
| 31  | NW LA County Outlying      | \$39.70            | 23   | 0.5%                        | 27   | -1.2%                             | 12   |
| 32  | Olympic Corridor           | \$51.49            | 9    | -1.4%                       | 47   | -0.8%                             | 9    |
| 33  | Pacific Palisades/Malibu   | \$63.21            | 3    | 0.1%                        | 33   | -3.6%                             | 28   |
| 34  | Park Mile                  | \$39.81            | 21   | 0.4%                        | 30   | -4.3%                             | 32   |
| 35  | Pasadena                   | \$40.46            | 19   | 0.9%                        | 10   | -2.9%                             | 23   |
| 36  | Santa Clarita Valley       | \$37.55            | 25   | 0.5%                        | 24   | -0.3%                             | 6    |
| 37  | Santa Monica               | \$62.09            | 4    | -0.9%                       | 43   | -0.1%                             | 5    |
| 38  | Santa Monica Mountains     | \$45.89            | 15   | 1.2%                        | 5    | -3.1%                             | 24   |
| 39  | Sherman Oaks               | \$35.83            | 30   | -0.4%                       | 40   | -6.0%                             | 40   |
| 40  | Southeast Los Angeles      | \$31.88            | 41   | 1.3%                        | 4    | -3.6%                             | 27   |
| 41  | Studio/Universal Cities    | \$42.23            | 17   | -0.1%                       | 35   | -5.0%                             | 37   |
| 42  | Tarzana                    | \$36.59            | 26   | 0.5%                        | 25   | -4.8%                             | 36   |

## 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                  | \$35.62            | 31   | 0.8%                        | 14   | -4.8%                             | 35   |
| 44  | West Hollywood            | \$57.61            | 5    | 0.9%                        | 12   | -5.5%                             | 39   |
| 45  | West Los Angeles          | \$43.77            | 16   | -0.4%                       | 39   | -2.0%                             | 15   |
| 46  | Western SFV               | \$32.05            | 40   | 0.7%                        | 18   | -6.2%                             | 43   |
| 47  | Western SGV               | \$31.66            | 43   | 1.9%                        | 2    | -7.9%                             | 46   |
| 48  | Westwood                  | \$50.27            | 11   | -0.9%                       | 44   | 6.9%                              | 1    |
| 49  | Woodland Hills/Warner Ctr | \$31.86            | 42   | -0.2%                       | 36   | -3.8%                             | 29   |



# Submarkets

Los Angeles Office

## SUBMARKET VACANCY & NET ABSORPTION

| No. | Submarket                  | Vacancy    |         |      | 12 Month Absorption |          |      |                 |
|-----|----------------------------|------------|---------|------|---------------------|----------|------|-----------------|
|     |                            | SF         | Percent | Rank | SF                  | % of Inv | Rank | Construc. Ratio |
| 1   | 190th Street Corridor      | 678,358    | 17.0%   | 26   | 29,211              | 0.7%     | 14   | -               |
| 2   | Antelope Valley            | 214,223    | 4.7%    | 2    | (39,131)            | -0.8%    | 30   | -               |
| 3   | Beach Cities/Palos Verdes  | 588,011    | 9.2%    | 10   | (18,932)            | -0.3%    | 26   | -               |
| 4   | Beverly Hills              | 1,817,899  | 15.9%   | 22   | 327,763             | 2.9%     | 2    | -               |
| 5   | Brentwood                  | 1,027,955  | 24.3%   | 38   | (108,424)           | -2.6%    | 37   | -               |
| 6   | Burbank                    | 3,246,655  | 19.9%   | 31   | (468,640)           | -2.9%    | 48   | -               |
| 7   | Calabasas/Westlake Vill    | 1,332,575  | 17.5%   | 29   | (123,875)           | -1.6%    | 38   | -               |
| 8   | Catalina Island            | -          | -       | -    | 0                   | -        | -    | -               |
| 9   | Century City               | 1,721,899  | 15.5%   | 21   | 108,229             | 1.0%     | 7    | -               |
| 10  | Culver City                | 3,140,247  | 28.2%   | 43   | (345,404)           | -3.1%    | 47   | -               |
| 11  | Downtown Los Angeles       | 15,633,066 | 22.3%   | 35   | (1,961,029)         | -2.8%    | 49   | -               |
| 12  | East Hollywood/Silver Lake | 254,127    | 4.7%    | 3    | 43,285              | 0.8%     | 13   | 0.3             |
| 13  | East LA County Outlying    | -          | -       | -    | 0                   | 0%       | -    | -               |
| 14  | Eastern SFV                | 513,357    | 7.3%    | 8    | 18,413              | 0.3%     | 17   | -               |
| 15  | Eastern SGV                | 1,249,078  | 6.2%    | 6    | (183,090)           | -0.9%    | 42   | -               |
| 16  | El Segundo                 | 3,312,214  | 17.3%   | 28   | 129,200             | 0.7%     | 6    | -               |
| 17  | Encino                     | 669,803    | 12.7%   | 17   | 135,834             | 2.6%     | 4    | -               |
| 18  | Glendale                   | 2,428,389  | 16.3%   | 24   | 364,458             | 2.4%     | 1    | -               |
| 19  | Hawthorne/Gardena          | 179,097    | 5.9%    | 5    | 9,778               | 0.3%     | 19   | -               |
| 20  | Hollywood                  | 2,135,874  | 21.3%   | 34   | (265,598)           | -2.6%    | 45   | -               |
| 21  | Inglewood/South LA         | 495,354    | 12.5%   | 16   | (22,170)            | -0.6%    | 27   | -               |
| 22  | Koreatown                  | 2,793,440  | 16.6%   | 25   | (140,964)           | -0.8%    | 40   | -               |
| 23  | LAX                        | 1,503,071  | 33.2%   | 44   | 131,986             | 2.9%     | 5    | -               |
| 24  | Long Beach: Downtown       | 1,663,135  | 18.9%   | 30   | (138,481)           | -1.6%    | 39   | -               |
| 25  | Long Beach: Suburban       | 1,111,757  | 10.5%   | 11   | 77,906              | 0.7%     | 9    | 0.2             |
| 26  | Marina Del Rey/Venice      | 3,093,382  | 27.0%   | 41   | (32,354)            | -0.3%    | 29   | -               |
| 27  | Mid-Cities                 | 497,412    | 4.1%    | 1    | 60,614              | 0.5%     | 11   | -               |
| 28  | Miracle Mile               | 1,722,713  | 27.9%   | 42   | (320,912)           | -5.2%    | 46   | -               |
| 29  | NE LA County Outlying      | -          | -       | -    | 0                   | 0%       | -    | -               |
| 30  | North Hollywood            | 569,976    | 16.1%   | 23   | (53,267)            | -1.5%    | 31   | -               |
| 31  | NW LA County Outlying      | -          | -       | -    | 0                   | 0%       | -    | -               |
| 32  | Olympic Corridor           | 1,304,518  | 23.9%   | 37   | (90,413)            | -1.7%    | 34   | -               |
| 33  | Pacific Palisades/Malibu   | 187,264    | 27.0%   | 40   | (199,023)           | -28.7%   | 43   | -               |
| 34  | Park Mile                  | 493,265    | 25.5%   | 39   | (1,334)             | -0.1%    | 25   | -               |
| 35  | Pasadena                   | 2,659,865  | 13.5%   | 19   | (107,515)           | -0.5%    | 36   | -               |
| 36  | Santa Clarita Valley       | 696,569    | 12.4%   | 15   | 220,205             | 3.9%     | 3    | -               |
| 37  | Santa Monica               | 3,465,892  | 20.6%   | 33   | (154,300)           | -0.9%    | 41   | -               |
| 38  | Santa Monica Mountains     | -          | -       | -    | 0                   | 0%       | -    | -               |
| 39  | Sherman Oaks               | 508,166    | 13.8%   | 20   | 48,378              | 1.3%     | 12   | -               |
| 40  | Southeast Los Angeles      | 519,048    | 5.1%    | 4    | 72,370              | 0.7%     | 10   | 0               |
| 41  | Studio/Universal Cities    | 401,201    | 8.7%    | 9    | 24,748              | 0.5%     | 15   | -               |
| 42  | Tarzana                    | 248,140    | 13.2%   | 18   | (69,466)            | -3.7%    | 32   | -               |

## SUBMARKET VACANCY & NET ABSORPTION

| No. | Submarket                                 | Vacancy   |         |      | 12 Month Absorption |          |      |                 |
|-----|---|-----------|---------|------|---------------------|----------|------|-----------------|
|     |   | SF        | Percent | Rank | SF                  | % of Inv | Rank | Construc. Ratio |
| 43  | <a href="#">Torrance</a>                  | 976,226   | 11.1%   | 13   | (203,538)           | -2.3%    | 44   | -               |
| 44  | <a href="#">West Hollywood</a>            | 1,044,376 | 11.7%   | 14   | 19,751              | 0.2%     | 16   | -               |
| 45  | <a href="#">West Los Angeles</a>          | 634,983   | 20.2%   | 32   | (26,622)            | -0.8%    | 28   | -               |
| 46  | <a href="#">Western SFV</a>               | 990,617   | 10.9%   | 12   | (90,407)            | -1.0%    | 33   | -               |
| 47  | <a href="#">Western SGV</a>               | 1,043,581 | 6.4%    | 7    | 90,193              | 0.6%     | 8    | -               |
| 48  | <a href="#">Westwood</a>                  | 1,504,590 | 17.1%   | 27   | 9,990               | 0.1%     | 18   | -               |
| 49  | <a href="#">Woodland Hills/Warner Ctr</a> | 2,239,796 | 22.9%   | 36   | (93,970)            | -1.0%    | 35   | -               |

## OVERALL SUPPLY & DEMAND

| Year | Inventory   |             |          | Net Absorption |          |                    |
|------|-------------|-------------|----------|----------------|----------|--------------------|
|      | SF          | SF Growth   | % Growth | SF             | % of Inv | Construction Ratio |
| 2029 | 444,789,918 | (280,770)   | -0.1%    | (104,268)      | 0%       | -                  |
| 2028 | 445,070,688 | (547,710)   | -0.1%    | (192,368)      | 0%       | -                  |
| 2027 | 445,618,398 | (453,621)   | -0.1%    | (124,673)      | 0%       | -                  |
| 2026 | 446,072,019 | 590,439     | 0.1%     | 386,798        | 0.1%     | 1.5                |
| 2025 | 445,481,580 | (1,700,727) | -0.4%    | (736,680)      | -0.2%    | -                  |
| YTD  | 445,695,423 | (1,486,884) | -0.3%    | (1,541,044)    | -0.3%    | -                  |
| 2024 | 447,182,307 | (651,025)   | -0.1%    | (4,451,251)    | -1.0%    | -                  |
| 2023 | 447,833,332 | 1,854,636   | 0.4%     | (5,208,545)    | -1.2%    | -                  |
| 2022 | 445,978,696 | 1,135,183   | 0.3%     | (1,892,263)    | -0.4%    | -                  |
| 2021 | 444,843,513 | 3,370,638   | 0.8%     | (3,070,596)    | -0.7%    | -                  |
| 2020 | 441,472,875 | 441,592     | 0.1%     | (7,546,176)    | -1.7%    | -                  |
| 2019 | 441,031,283 | 946,167     | 0.2%     | (1,587,334)    | -0.4%    | -                  |
| 2018 | 440,085,116 | (209,759)   | 0%       | 1,167,905      | 0.3%     | -                  |
| 2017 | 440,294,875 | 1,680,291   | 0.4%     | (219,541)      | 0%       | -                  |
| 2016 | 438,614,584 | 570,882     | 0.1%     | 4,029,034      | 0.9%     | 0.1                |
| 2015 | 438,043,702 | 631,812     | 0.1%     | 2,270,480      | 0.5%     | 0.3                |
| 2014 | 437,411,890 | (391,313)   | -0.1%    | 2,874,249      | 0.7%     | -                  |
| 2013 | 437,803,203 | 640,859     | 0.1%     | 1,072,553      | 0.2%     | 0.6                |

## 4 & 5 STAR SUPPLY & DEMAND

| Year | Inventory   |           |          | Net Absorption |          |                    |
|------|-------------|-----------|----------|----------------|----------|--------------------|
|      | SF          | SF Growth | % Growth | SF             | % of Inv | Construction Ratio |
| 2029 | 160,723,618 | 922,044   | 0.6%     | 900,074        | 0.6%     | 1.0                |
| 2028 | 159,801,574 | 656,621   | 0.4%     | 738,222        | 0.5%     | 0.9                |
| 2027 | 159,144,953 | 753,042   | 0.5%     | 1,003,729      | 0.6%     | 0.8                |
| 2026 | 158,391,911 | 1,725,475 | 1.1%     | 1,365,478      | 0.9%     | 1.3                |
| 2025 | 156,666,436 | (591,237) | -0.4%    | 168,525        | 0.1%     | -                  |
| YTD  | 156,296,402 | (961,271) | -0.6%    | (869,206)      | -0.6%    | -                  |
| 2024 | 157,257,673 | 372,319   | 0.2%     | (3,157,896)    | -2.0%    | -                  |
| 2023 | 156,885,354 | 1,749,028 | 1.1%     | (2,836,286)    | -1.8%    | -                  |
| 2022 | 155,136,326 | 2,281,764 | 1.5%     | (456,829)      | -0.3%    | -                  |
| 2021 | 152,854,562 | 3,629,247 | 2.4%     | (1,037,233)    | -0.7%    | -                  |
| 2020 | 149,225,315 | 1,511,106 | 1.0%     | (1,747,351)    | -1.2%    | -                  |
| 2019 | 147,714,209 | 1,675,019 | 1.1%     | 964,833        | 0.7%     | 1.7                |
| 2018 | 146,039,190 | 1,257,395 | 0.9%     | 436,209        | 0.3%     | 2.9                |
| 2017 | 144,781,795 | 1,836,583 | 1.3%     | 1,101,264      | 0.8%     | 1.7                |
| 2016 | 142,945,212 | 469,964   | 0.3%     | 2,340,387      | 1.6%     | 0.2                |
| 2015 | 142,475,248 | 635,572   | 0.4%     | 811,312        | 0.6%     | 0.8                |
| 2014 | 141,839,676 | (75,558)  | -0.1%    | 971,565        | 0.7%     | -                  |
| 2013 | 141,915,234 | 1,003,346 | 0.7%     | 812,269        | 0.6%     | 1.2                |

# Supply & Demand Trends

Los Angeles Office

## 3 STAR SUPPLY & DEMAND

| Year | Inventory   |           |          | Net Absorption |          |                    |
|------|-------------|-----------|----------|----------------|----------|--------------------|
|      | SF          | SF Growth | % Growth | SF             | % of Inv | Construction Ratio |
| 2029 | 187,407,357 | (2,331)   | 0%       | 96,802         | 0.1%     | -                  |
| 2028 | 187,409,688 | (2,446)   | 0%       | 160,965        | 0.1%     | -                  |
| 2027 | 187,412,134 | (2,635)   | 0%       | 44,898         | 0%       | -                  |
| 2026 | 187,414,769 | 69,492    | 0%       | 128,764        | 0.1%     | 0.5                |
| 2025 | 187,345,277 | (131,973) | -0.1%    | (285,992)      | -0.2%    | -                  |
| YTD  | 187,255,433 | (221,817) | -0.1%    | (642,945)      | -0.3%    | -                  |
| 2024 | 187,477,250 | (601,453) | -0.3%    | (735,242)      | -0.4%    | -                  |
| 2023 | 188,078,703 | 136,432   | 0.1%     | (1,531,665)    | -0.8%    | -                  |
| 2022 | 187,942,271 | (929,431) | -0.5%    | (873,243)      | -0.5%    | -                  |
| 2021 | 188,871,702 | 212,463   | 0.1%     | (2,453,747)    | -1.3%    | -                  |
| 2020 | 188,659,239 | (560,958) | -0.3%    | (3,660,856)    | -1.9%    | -                  |
| 2019 | 189,220,197 | (527,259) | -0.3%    | (2,277,932)    | -1.2%    | -                  |
| 2018 | 189,747,456 | 192,205   | 0.1%     | 1,329,698      | 0.7%     | 0.1                |
| 2017 | 189,555,251 | 175,711   | 0.1%     | 392,307        | 0.2%     | 0.4                |
| 2016 | 189,379,540 | 633,222   | 0.3%     | 1,213,806      | 0.6%     | 0.5                |
| 2015 | 188,746,318 | 409,706   | 0.2%     | 1,138,726      | 0.6%     | 0.4                |
| 2014 | 188,336,612 | 220,978   | 0.1%     | 1,440,010      | 0.8%     | 0.2                |
| 2013 | 188,115,634 | (58,536)  | 0%       | (412,205)      | -0.2%    | -                  |

## 1 & 2 STAR SUPPLY & DEMAND

| Year | Inventory   |             |          | Net Absorption |          |                    |
|------|-------------|-------------|----------|----------------|----------|--------------------|
|      | SF          | SF Growth   | % Growth | SF             | % of Inv | Construction Ratio |
| 2029 | 96,658,943  | (1,200,483) | -1.2%    | (1,101,144)    | -1.1%    | -                  |
| 2028 | 97,859,426  | (1,201,885) | -1.2%    | (1,091,555)    | -1.1%    | -                  |
| 2027 | 99,061,311  | (1,204,028) | -1.2%    | (1,173,300)    | -1.2%    | -                  |
| 2026 | 100,265,339 | (1,204,528) | -1.2%    | (1,107,444)    | -1.1%    | -                  |
| 2025 | 101,469,867 | (977,517)   | -1.0%    | (619,213)      | -0.6%    | -                  |
| YTD  | 102,143,588 | (303,796)   | -0.3%    | (28,893)       | 0%       | -                  |
| 2024 | 102,447,384 | (421,891)   | -0.4%    | (558,113)      | -0.5%    | -                  |
| 2023 | 102,869,275 | (30,824)    | 0%       | (840,594)      | -0.8%    | -                  |
| 2022 | 102,900,099 | (217,150)   | -0.2%    | (562,191)      | -0.5%    | -                  |
| 2021 | 103,117,249 | (471,072)   | -0.5%    | 420,384        | 0.4%     | -                  |
| 2020 | 103,588,321 | (508,556)   | -0.5%    | (2,137,969)    | -2.1%    | -                  |
| 2019 | 104,096,877 | (201,593)   | -0.2%    | (274,235)      | -0.3%    | -                  |
| 2018 | 104,298,470 | (1,659,359) | -1.6%    | (598,002)      | -0.6%    | -                  |
| 2017 | 105,957,829 | (332,003)   | -0.3%    | (1,713,112)    | -1.6%    | -                  |
| 2016 | 106,289,832 | (532,304)   | -0.5%    | 474,841        | 0.4%     | -                  |
| 2015 | 106,822,136 | (413,466)   | -0.4%    | 320,442        | 0.3%     | -                  |
| 2014 | 107,235,602 | (536,733)   | -0.5%    | 462,674        | 0.4%     | -                  |
| 2013 | 107,772,335 | (303,951)   | -0.3%    | 672,489        | 0.6%     | -                  |

## OVERALL RENT & VACANCY

| Year | Market Asking Rent |       |          |              | Vacancy    |         |          |
|------|--------------------|-------|----------|--------------|------------|---------|----------|
|      | Per SF             | Index | % Growth | Vs Hist Peak | SF         | Percent | Ppts Chg |
| 2029 | \$46.25            | 141   | 2.7%     | 11.0%        | 70,972,033 | 16.0%   | 0%       |
| 2028 | \$45.05            | 137   | 2.5%     | 8.1%         | 71,146,436 | 16.0%   | -0.1%    |
| 2027 | \$43.93            | 134   | 2.2%     | 5.4%         | 71,503,703 | 16.0%   | -0.1%    |
| 2026 | \$42.98            | 131   | 2.0%     | 3.1%         | 71,835,781 | 16.1%   | 0%       |
| 2025 | \$42.14            | 128   | 1.1%     | 1.1%         | 71,618,329 | 16.1%   | -0.1%    |
| YTD  | \$41.80            | 127   | 0.1%     | 0.3%         | 72,511,164 | 16.3%   | 0.1%     |
| 2024 | \$41.68            | 127   | 0.4%     | 0%           | 72,457,004 | 16.2%   | 0.9%     |
| 2023 | \$41.53            | 126   | 0.4%     | -0.4%        | 68,656,778 | 15.3%   | 1.5%     |
| 2022 | \$41.35            | 126   | 0.7%     | -0.8%        | 61,593,597 | 13.8%   | 0.6%     |
| 2021 | \$41.04            | 125   | 1.1%     | -1.5%        | 58,566,151 | 13.2%   | 1.4%     |
| 2020 | \$40.58            | 123   | -0.8%    | -2.6%        | 52,116,661 | 11.8%   | 1.8%     |
| 2019 | \$40.91            | 124   | 4.3%     | -1.8%        | 44,140,932 | 10.0%   | 0.6%     |
| 2018 | \$39.22            | 119   | 3.6%     | -5.9%        | 41,617,596 | 9.5%    | -0.3%    |
| 2017 | \$37.85            | 115   | 3.4%     | -9.2%        | 42,988,129 | 9.8%    | 0.4%     |
| 2016 | \$36.59            | 111   | 5.8%     | -12.2%       | 41,079,415 | 9.4%    | -0.8%    |
| 2015 | \$34.59            | 105   | 8.2%     | -17.0%       | 44,517,216 | 10.2%   | -0.4%    |
| 2014 | \$31.97            | 97    | 6.5%     | -23.3%       | 46,176,863 | 10.6%   | -0.7%    |
| 2013 | \$30.01            | 91    | 4.5%     | -28.0%       | 49,443,977 | 11.3%   | -0.1%    |

## 4 & 5 STAR RENT & VACANCY

| Year | Market Asking Rent |       |          |              | Vacancy    |         |          |
|------|--------------------|-------|----------|--------------|------------|---------|----------|
|      | Per SF             | Index | % Growth | Vs Hist Peak | SF         | Percent | Ppts Chg |
| 2029 | \$53.79            | 139   | 2.3%     | 8.3%         | 38,950,458 | 24.2%   | -0.1%    |
| 2028 | \$52.57            | 136   | 2.2%     | 5.8%         | 38,929,576 | 24.4%   | -0.2%    |
| 2027 | \$51.45            | 133   | 1.9%     | 3.6%         | 39,012,269 | 24.5%   | -0.3%    |
| 2026 | \$50.51            | 131   | 1.6%     | 1.7%         | 39,263,986 | 24.8%   | 0%       |
| 2025 | \$49.70            | 128   | 0.5%     | 0%           | 38,903,984 | 24.8%   | -0.4%    |
| YTD  | \$49.40            | 128   | -1.1%    | -0.5%        | 39,571,667 | 25.3%   | 0.1%     |
| 2024 | \$49.44            | 128   | -0.5%    | -0.5%        | 39,663,732 | 25.2%   | 2.2%     |
| 2023 | \$49.67            | 128   | 1.1%     | 0%           | 36,133,517 | 23.0%   | 2.7%     |
| 2022 | \$49.13            | 127   | -0.1%    | -1.1%        | 31,548,203 | 20.3%   | 1.5%     |
| 2021 | \$49.20            | 127   | 0.3%     | -1.0%        | 28,809,610 | 18.8%   | 2.7%     |
| 2020 | \$49.07            | 127   | 0.2%     | -1.2%        | 24,143,130 | 16.2%   | 2.0%     |
| 2019 | \$48.99            | 127   | 5.5%     | -1.4%        | 20,884,673 | 14.1%   | 0.3%     |
| 2018 | \$46.45            | 120   | 3.5%     | -6.5%        | 20,174,487 | 13.8%   | 0.5%     |
| 2017 | \$44.88            | 116   | 3.0%     | -9.7%        | 19,340,535 | 13.4%   | 0.3%     |
| 2016 | \$43.56            | 113   | 5.6%     | -12.3%       | 18,608,421 | 13.0%   | -1.4%    |
| 2015 | \$41.25            | 107   | 9.2%     | -17.0%       | 20,478,844 | 14.4%   | -0.2%    |
| 2014 | \$37.78            | 98    | 6.6%     | -23.9%       | 20,654,584 | 14.6%   | -0.7%    |
| 2013 | \$35.46            | 92    | 5.2%     | -28.6%       | 21,701,707 | 15.3%   | 0%       |



## 3 STAR RENT & VACANCY

| Year | Market Asking Rent |       |          |              | Vacancy    |         |          |
|------|--------------------|-------|----------|--------------|------------|---------|----------|
|      | Per SF             | Index | % Growth | Vs Hist Peak | SF         | Percent | Ppts Chg |
| 2029 | \$44.35            | 139   | 2.8%     | 12.1%        | 24,732,821 | 13.2%   | -0.1%    |
| 2028 | \$43.14            | 135   | 2.7%     | 9.0%         | 24,831,938 | 13.3%   | -0.1%    |
| 2027 | \$42.01            | 131   | 2.4%     | 6.2%         | 24,995,340 | 13.3%   | 0%       |
| 2026 | \$41.04            | 128   | 2.1%     | 3.7%         | 25,042,854 | 13.4%   | 0%       |
| 2025 | \$40.18            | 125   | 1.6%     | 1.5%         | 25,102,110 | 13.4%   | 0.1%     |
| YTD  | \$39.82            | 124   | 0.6%     | 0.6%         | 25,341,503 | 13.5%   | 0.2%     |
| 2024 | \$39.55            | 124   | 0.4%     | -0.1%        | 24,920,375 | 13.3%   | 0.1%     |
| 2023 | \$39.38            | 123   | -0.5%    | -0.5%        | 24,786,586 | 13.2%   | 0.9%     |
| 2022 | \$39.57            | 124   | 0.8%     | 0%           | 23,118,489 | 12.3%   | 0%       |
| 2021 | \$39.27            | 123   | 1.3%     | -0.8%        | 23,174,677 | 12.3%   | 1.4%     |
| 2020 | \$38.76            | 121   | -1.4%    | -2.1%        | 20,508,467 | 10.9%   | 1.7%     |
| 2019 | \$39.30            | 123   | 4.2%     | -0.7%        | 17,408,569 | 9.2%    | 0.9%     |
| 2018 | \$37.72            | 118   | 3.2%     | -4.7%        | 15,657,896 | 8.3%    | -0.6%    |
| 2017 | \$36.55            | 114   | 3.1%     | -7.6%        | 16,799,319 | 8.9%    | -0.1%    |
| 2016 | \$35.45            | 111   | 5.8%     | -10.4%       | 17,003,539 | 9.0%    | -0.3%    |
| 2015 | \$33.50            | 105   | 7.9%     | -15.3%       | 17,584,123 | 9.3%    | -0.4%    |
| 2014 | \$31.05            | 97    | 6.6%     | -21.5%       | 18,313,771 | 9.7%    | -0.7%    |
| 2013 | \$29.13            | 91    | 4.3%     | -26.4%       | 19,532,803 | 10.4%   | 0.2%     |

## 1 & 2 STAR RENT & VACANCY

| Year | Market Asking Rent |       |          |              | Vacancy   |         |          |
|------|--------------------|-------|----------|--------------|-----------|---------|----------|
|      | Per SF             | Index | % Growth | Vs Hist Peak | SF        | Percent | Ppts Chg |
| 2029 | \$37.99            | 149   | 3.1%     | 13.4%        | 7,288,754 | 7.5%    | 0%       |
| 2028 | \$36.83            | 144   | 3.0%     | 10.0%        | 7,384,922 | 7.5%    | 0%       |
| 2027 | \$35.76            | 140   | 2.7%     | 6.8%         | 7,496,094 | 7.6%    | 0.1%     |
| 2026 | \$34.82            | 136   | 2.5%     | 4.0%         | 7,528,941 | 7.5%    | 0%       |
| 2025 | \$33.98            | 133   | 1.4%     | 1.4%         | 7,612,235 | 7.5%    | -0.2%    |
| YTD  | \$33.62            | 132   | 1.6%     | 0.4%         | 7,597,994 | 7.4%    | -0.2%    |
| 2024 | \$33.49            | 131   | 2.2%     | 0%           | 7,872,897 | 7.7%    | 0.2%     |
| 2023 | \$32.78            | 128   | 0.9%     | -2.1%        | 7,736,675 | 7.5%    | 0.8%     |
| 2022 | \$32.49            | 127   | 2.8%     | -3.0%        | 6,926,905 | 6.7%    | 0.3%     |
| 2021 | \$31.60            | 124   | 2.9%     | -5.6%        | 6,581,864 | 6.4%    | -0.8%    |
| 2020 | \$30.71            | 120   | -1.9%    | -8.3%        | 7,465,064 | 7.2%    | 1.6%     |
| 2019 | \$31.30            | 123   | 1.9%     | -6.5%        | 5,847,690 | 5.6%    | 0.1%     |
| 2018 | \$30.73            | 120   | 4.9%     | -8.2%        | 5,785,213 | 5.5%    | -0.9%    |
| 2017 | \$29.30            | 115   | 5.2%     | -12.5%       | 6,848,275 | 6.5%    | 1.3%     |
| 2016 | \$27.84            | 109   | 6.1%     | -16.9%       | 5,467,455 | 5.1%    | -0.9%    |
| 2015 | \$26.24            | 103   | 6.6%     | -21.7%       | 6,454,249 | 6.0%    | -0.7%    |
| 2014 | \$24.62            | 96    | 6.3%     | -26.5%       | 7,208,508 | 6.7%    | -0.9%    |
| 2013 | \$23.16            | 91    | 3.1%     | -30.8%       | 8,209,467 | 7.6%    | -0.9%    |

### 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 |
| 2029 | -                          | -       | -        | -            | -            | -            | \$407.51                  | 166         | 6.9%     |
| 2028 | -                          | -       | -        | -            | -            | -            | \$377.89                  | 154         | 7.1%     |
| 2027 | -                          | -       | -        | -            | -            | -            | \$353.47                  | 144         | 7.4%     |
| 2026 | -                          | -       | -        | -            | -            | -            | \$333.37                  | 136         | 7.6%     |
| 2025 | -                          | -       | -        | -            | -            | -            | \$323.46                  | 132         | 7.7%     |
| YTD  | 225                        | \$1.2B  | 1.3%     | \$6,592,222  | \$302.28     | 6.6%         | \$327.96                  | 133         | 7.5%     |
| 2024 | 458                        | \$2.4B  | 2.6%     | \$5,885,293  | \$287.11     | 6.0%         | \$326.49                  | 133         | 7.5%     |
| 2023 | 575                        | \$3.7B  | 3.1%     | \$7,686,705  | \$332.57     | 5.9%         | \$363.93                  | 148         | 7.0%     |
| 2022 | 682                        | \$5.1B  | 2.6%     | \$7,758,964  | \$465.34     | 5.1%         | \$402.03                  | 164         | 6.3%     |
| 2021 | 777                        | \$4.6B  | 2.8%     | \$6,173,000  | \$387.13     | 5.4%         | \$434.36                  | 177         | 5.7%     |
| 2020 | 498                        | \$4B    | 2.6%     | \$8,997,831  | \$383.82     | 5.5%         | \$405.27                  | 165         | 5.9%     |
| 2019 | 748                        | \$7.5B  | 3.7%     | \$12,862,437 | \$493.91     | 5.5%         | \$394.43                  | 160         | 6.1%     |
| 2018 | 1,019                      | \$6.9B  | 5.3%     | \$10,016,255 | \$348.84     | 5.2%         | \$381.82                  | 155         | 5.9%     |
| 2017 | 1,214                      | \$10.3B | 8.2%     | \$13,997,869 | \$334.61     | 5.5%         | \$372.43                  | 151         | 5.8%     |
| 2016 | 1,034                      | \$11B   | 7.1%     | \$13,779,548 | \$380.31     | 5.3%         | \$375.53                  | 153         | 5.5%     |
| 2015 | 1,124                      | \$6.7B  | 5.6%     | \$8,205,770  | \$299.71     | 5.7%         | \$357.03                  | 145         | 5.5%     |
| 2014 | 987                        | \$8.6B  | 6.7%     | \$11,088,696 | \$310.76     | 6.4%         | \$325.49                  | 132         | 5.7%     |

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(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. The price index is not smoothed.

### 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 |
| 2029 | -                          | -        | -        | -            | -            | -            | \$420.92                  | 144         | 7.1%     |
| 2028 | -                          | -        | -        | -            | -            | -            | \$392.02                  | 134         | 7.4%     |
| 2027 | -                          | -        | -        | -            | -            | -            | \$368.24                  | 126         | 7.6%     |
| 2026 | -                          | -        | -        | -            | -            | -            | \$348.75                  | 119         | 7.9%     |
| 2025 | -                          | -        | -        | -            | -            | -            | \$339.66                  | 116         | 7.9%     |
| YTD  | 18                         | \$622.6M | 1.9%     | \$51,886,841 | \$306.93     | 8.0%         | \$344.74                  | 118         | 7.8%     |
| 2024 | 24                         | \$772.1M | 3.2%     | \$36,765,026 | \$249.73     | 5.0%         | \$346.44                  | 118         | 7.8%     |
| 2023 | 48                         | \$1.5B   | 3.3%     | \$55,972,144 | \$385.91     | 9.0%         | \$408.66                  | 139         | 6.9%     |
| 2022 | 25                         | \$1.6B   | 1.7%     | \$75,935,676 | \$660.23     | 5.9%         | \$461.22                  | 157         | 6.2%     |
| 2021 | 28                         | \$998.1M | 1.7%     | \$41,586,832 | \$432.12     | 5.4%         | \$500.71                  | 171         | 5.6%     |
| 2020 | 40                         | \$1.9B   | 3.5%     | \$75,986,228 | \$397.32     | 5.6%         | \$472.19                  | 161         | 5.8%     |
| 2019 | 35                         | \$3.1B   | 4.1%     | \$96,416,298 | \$511.80     | 5.3%         | \$457.54                  | 156         | 5.9%     |
| 2018 | 50                         | \$2.7B   | 5.9%     | \$60,371,215 | \$359.56     | 5.1%         | \$443.76                  | 151         | 5.8%     |
| 2017 | 65                         | \$5.7B   | 10.8%    | \$88,972,571 | \$368.35     | 5.0%         | \$436.70                  | 149         | 5.6%     |
| 2016 | 82                         | \$6.9B   | 10.9%    | \$88,915,615 | \$469.53     | 4.7%         | \$445.73                  | 152         | 5.3%     |
| 2015 | 92                         | \$2.2B   | 5.1%     | \$40,868,244 | \$333.54     | 5.2%         | \$427.02                  | 146         | 5.3%     |
| 2014 | 58                         | \$5.5B   | 11.0%    | \$94,441,089 | \$352.03     | 6.6%         | \$392.37                  | 134         | 5.4%     |

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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. The price index is not smoothed.

### 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 |
| 2029 | -                          | -        | -        | -            | -            | -            | \$400.38                  | 179         | 6.7%     |
| 2028 | -                          | -        | -        | -            | -            | -            | \$370.85                  | 166         | 7.0%     |
| 2027 | -                          | -        | -        | -            | -            | -            | \$346.48                  | 155         | 7.2%     |
| 2026 | -                          | -        | -        | -            | -            | -            | \$326.40                  | 146         | 7.5%     |
| 2025 | -                          | -        | -        | -            | -            | -            | \$316.40                  | 142         | 7.5%     |
| YTD  | 68                         | \$311.6M | 0.9%     | \$5,563,704  | \$248.80     | 6.8%         | \$320.76                  | 143         | 7.4%     |
| 2024 | 170                        | \$941.1M | 2.4%     | \$6,971,248  | \$275.53     | 7.0%         | \$316.47                  | 142         | 7.4%     |
| 2023 | 218                        | \$1.4B   | 3.2%     | \$8,082,065  | \$278.83     | 5.9%         | \$344.35                  | 154         | 6.9%     |
| 2022 | 244                        | \$2.2B   | 3.2%     | \$9,624,868  | \$403.69     | 5.2%         | \$375.20                  | 168         | 6.3%     |
| 2021 | 295                        | \$2.3B   | 3.5%     | \$8,651,023  | \$387.49     | 5.6%         | \$404.49                  | 181         | 5.7%     |
| 2020 | 170                        | \$1.4B   | 2.1%     | \$9,215,744  | \$362.47     | 5.8%         | \$372.47                  | 167         | 6.0%     |
| 2019 | 257                        | \$3.2B   | 3.8%     | \$15,183,703 | \$492.21     | 5.4%         | \$362.27                  | 162         | 6.1%     |
| 2018 | 317                        | \$3.3B   | 5.4%     | \$12,636,056 | \$347.64     | 5.2%         | \$349.97                  | 157         | 6.0%     |
| 2017 | 351                        | \$3.5B   | 7.0%     | \$13,174,122 | \$300.89     | 5.9%         | \$339.87                  | 152         | 5.9%     |
| 2016 | 281                        | \$2.9B   | 5.5%     | \$12,139,828 | \$291.83     | 5.5%         | \$341.46                  | 153         | 5.6%     |
| 2015 | 325                        | \$3.3B   | 6.5%     | \$11,852,920 | \$286.26     | 6.0%         | \$324.59                  | 145         | 5.6%     |
| 2014 | 299                        | \$2.1B   | 4.6%     | \$8,041,037  | \$265.72     | 6.1%         | \$294.97                  | 132         | 5.8%     |

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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 |
| 2029 | -                          | -        | -        | -           | -            | -            | \$399.73                  | 187         | 6.7%     |
| 2028 | -                          | -        | -        | -           | -            | -            | \$368.83                  | 173         | 7.0%     |
| 2027 | -                          | -        | -        | -           | -            | -            | \$343.30                  | 161         | 7.3%     |
| 2026 | -                          | -        | -        | -           | -            | -            | \$322.20                  | 151         | 7.5%     |
| 2025 | -                          | -        | -        | -           | -            | -            | \$311.19                  | 146         | 7.5%     |
| YTD  | 139                        | \$311.7M | 1.0%     | \$2,576,202 | \$370.69     | 5.9%         | \$315.08                  | 148         | 7.4%     |
| 2024 | 264                        | \$676.2M | 2.0%     | \$2,704,980 | \$372.54     | 5.5%         | \$313.82                  | 147         | 7.4%     |
| 2023 | 309                        | \$836M   | 2.4%     | \$2,912,742 | \$354.97     | 5.7%         | \$330.25                  | 155         | 7.1%     |
| 2022 | 413                        | \$1.2B   | 3.0%     | \$3,074,037 | \$420.73     | 4.9%         | \$359.16                  | 168         | 6.4%     |
| 2021 | 454                        | \$1.2B   | 3.4%     | \$2,791,424 | \$356.81     | 5.2%         | \$385.92                  | 181         | 5.8%     |
| 2020 | 288                        | \$739.4M | 1.9%     | \$2,718,232 | \$393.69     | 5.2%         | \$361.31                  | 169         | 6.0%     |
| 2019 | 456                        | \$1.3B   | 3.0%     | \$3,706,297 | \$459.14     | 5.7%         | \$355.26                  | 167         | 6.1%     |
| 2018 | 652                        | \$951.8M | 4.1%     | \$2,446,841 | \$325.03     | 5.2%         | \$343.87                  | 161         | 6.0%     |
| 2017 | 798                        | \$1.1B   | 6.5%     | \$2,801,625 | \$300.75     | 5.2%         | \$332.20                  | 156         | 5.9%     |
| 2016 | 671                        | \$1.1B   | 4.8%     | \$2,386,380 | \$275.09     | 5.5%         | \$328.81                  | 154         | 5.7%     |
| 2015 | 707                        | \$1.1B   | 4.5%     | \$2,311,129 | \$281.34     | 5.5%         | \$307.62                  | 144         | 5.7%     |
| 2014 | 630                        | \$1.1B   | 4.7%     | \$2,369,904 | \$245.43     | 6.5%         | \$277.43                  | 130         | 5.9%     |

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