

# The CoStar Office Report

Year-End 2014

## Los Angeles Office Market



# Los Angeles Office Market

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## Methodology

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

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# Los Angeles Office Market



## Terms & Definitions

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

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

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

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

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

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

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

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

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

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

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

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

**Deliveries:** Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certifi-

cate of occupancy must have been issued for the property.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

tenant needs. (See also: Tenancy).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**SF:** Abbreviation for Square Feet.

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

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

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

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

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

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

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

**Under Construction:** Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

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

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

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

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

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

# Los Angeles Office Market

Overview

## Los Angeles's Vacancy Decreases to 11.5% Net Absorption Positive 1,006,114 SF in the Quarter

The Los Angeles Office market ended the fourth quarter 2014 with a vacancy rate of 11.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,006,114 square feet in the fourth quarter. Vacant sublease space decreased in the quarter, ending the quarter at 1,105,275 square feet. Rental rates ended the fourth quarter at \$30.30, an increase over the previous quarter. A total of three buildings delivered to the market in the quarter totaling 45,695 square feet, with 2,702,271 square feet still under construction at the end of the quarter.

### Absorption

Net absorption for the overall Los Angeles office market was positive 1,006,114 square feet in the fourth quarter 2014. That compares to positive 943,954 square feet in the third quarter 2014, positive 778,848 square feet in the second quarter 2014, and positive 276,653 square feet in the first quarter 2014.

Tenants moving out of large blocks of space in 2014 include: KPMG LLP moving out of 156,701 square feet at 355 S Grand Ave - Wells Fargo Center - South Tower; L.A. Care Health Plan moving out of 136,697 square feet at 1055 W 7th St; and The Boeing Co. moving out of 88,700 square feet at 2040 E Mariposa Ave - Pacifica Research Center.

Tenants moving into large blocks of space in 2014 include: City of Hope moving into 167,665 square feet at San Gabriel Valley Corporate Campus - Bldg 1; Molina Healthcare, Inc. moving into 120,000 square feet at Meeker-Baker Bldg; and Just Fab moving into 113,330 square feet at 800 Apollo St.

The Class-A office market recorded net absorption of positive 321,600 square feet in the fourth quarter 2014, compared to positive 522,390 square feet in the third quarter 2014, positive 424,099 in the second quarter 2014, and positive 650,388 in the first quarter 2014.

The Class-B office market recorded net absorption of positive 647,400 square feet in the fourth quarter 2014, compared to positive 312,206 square feet in the third quarter 2014, positive 161,212 in the second quarter 2014, and negative (73,555) in the first quarter 2014.

The Class-C office market recorded net absorption of positive 37,114 square feet in the fourth quarter 2014 compared to positive 109,358 square feet in the third quarter 2014, positive 193,537 in the second quarter 2014, and negative (300,180) in the first quarter 2014.

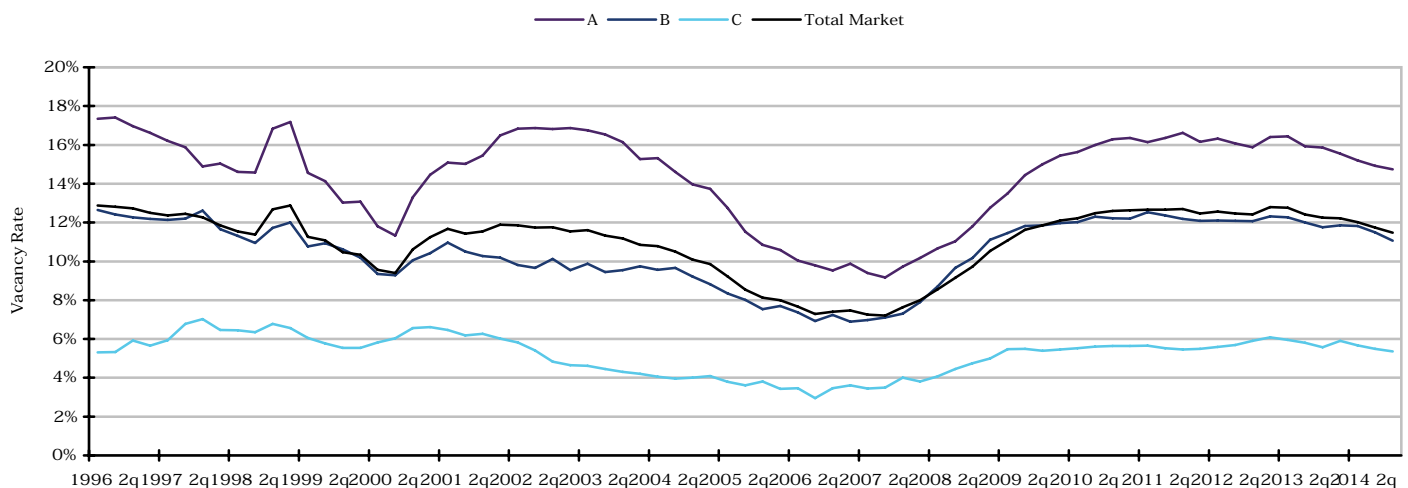
Net absorption for Los Angeles's central business district was negative (137,999) square feet in the fourth quarter 2014. That compares to positive 108,915 square feet in the third quarter 2014, positive 39,210 in the second quarter 2014, and positive 12,770 in the first quarter 2014.

Net absorption for the suburban markets was positive 1,144,113 square feet in the fourth quarter 2014. That compares to positive 835,039 square feet in third quarter 2014, positive 739,638 in the second quarter 2014, and positive 263,883 in the first quarter 2014.

### Vacancy

The office vacancy rate in the Los Angeles market area decreased to 11.5% at the end of the fourth quarter 2014. The

## Vacancy Rates by Class 1996-2014



Source: CoStar Property®

vacancy rate was 11.7% at the end of the third quarter 2014, 12.0% at the end of the second quarter 2014, and 12.2% at the end of the first quarter 2014.

Class-A projects reported a vacancy rate of 14.7% at the end of the fourth quarter 2014, 14.9% at the end of the third quarter 2014, 15.2% at the end of the second quarter 2014, and 15.5% at the end of the first quarter 2014.

Class-B projects reported a vacancy rate of 11.1% at the end of the fourth quarter 2014, 11.5% at the end of the third quarter 2014, and 11.8% at the end of the first and second quarters of 2014.

Class-C projects reported a vacancy rate of 5.4% at the end of the fourth quarter 2014, 5.5% at the end of third quarter 2014, 5.7% at the end of the second quarter 2014, and 5.9% at the end of the first quarter 2014.

The overall vacancy rate in Los Angeles's central business district at the end of the fourth quarter 2014 increased to 13.0%, but ended the same as it was four quarters ago. The vacancy rate was 12.8% at the end of the third quarter 2014, 12.9% at the end of the second quarter 2014, and 13.0% at the end of the first quarter 2014.

The vacancy rate in the suburban markets decreased to 11.2% in the fourth quarter 2014. The vacancy rate was 11.5% at the end of the third quarter 2014, 11.8% at the end of the second quarter 2014, and 12.1% at the end of the first quarter 2014.

### Largest Lease Signings

The largest lease signings occurring in 2014 included: the 338,688-square-foot lease signed by Sony Pictures Entertainment, Inc. at 10000 W Washington Blvd in the West Los Angeles market; the 215,230-square-foot deal signed by Lewis Brisbois Bisgaard & Smith LLP at U.S. Bank Tower in the Downtown Los Angeles market; and the 201,006-square-foot

lease signed by Universal Music Group at 2220 Colorado Ave in the West Los Angeles market.

### Sublease Vacancy

The amount of vacant sublease space in the Los Angeles market decreased to 1,105,275 square feet by the end of the fourth quarter 2014, from 1,144,933 square feet at the end of the third quarter 2014. There was 1,124,477 square feet vacant at the end of the second quarter 2014 and 1,258,753 square feet at the end of the first quarter 2014.

Los Angeles's Class-A projects reported vacant sublease space of 829,114 square feet at the end of fourth quarter 2014, up from the 794,752 square feet reported at the end of the third quarter 2014. There were 776,442 square feet of sublease space vacant at the end of the second quarter 2014, and 869,547 square feet at the end of the first quarter 2014.

Class-B projects reported vacant sublease space of 243,414 square feet at the end of the fourth quarter 2014, down from the 296,497 square feet reported at the end of the third quarter 2014. At the end of the second quarter 2014 there were 290,334 square feet, and at the end of the first quarter 2014 there were 307,832 square feet vacant.

Class-C projects reported decreased vacant sublease space from the third quarter 2014 to the fourth quarter 2014. Sublease vacancy went from 53,684 square feet to 32,747 square feet during that time. There were 57,701 square feet at the end of the second quarter 2014, and 81,374 square feet at the end of the first quarter 2014.

Sublease vacancy in Los Angeles's central business district stood at 72,358 square feet at the end of the fourth quarter 2014. It was 95,938 square feet at the end of the third quarter 2014, 121,801 square feet at the end of the second quarter 2014, and 110,150 square feet at the end of the first quarter 2014.

Sublease vacancy in the suburban markets ended the fourth quarter 2014 at 1,032,917 square feet. At the end of the third quarter 2014 sublease vacancy was 1,048,995 square feet, was 1,002,676 square feet at the end of the second quarter 2014, and was 1,148,603 square feet at the end of the first quarter 2014.

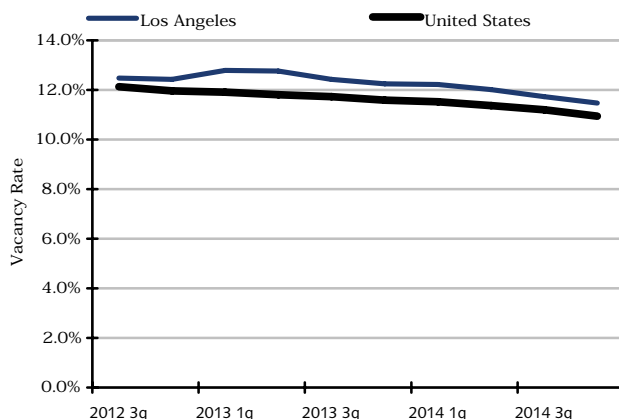
### Rental Rates

The average quoted asking rental rate for available office space, all classes, was \$30.30 per square foot per year at the end of the fourth quarter 2014 in the Los Angeles market area. This represented a 1.8% increase in quoted rental rates from the end of the third quarter 2014, when rents were reported at \$29.76 per square foot.

The average quoted rate within the Class-A sector was \$33.26 at the end of the fourth quarter 2014, while Class-B rates stood at \$27.13, and Class-C rates at \$25.71. At the end of the third quarter 2014, Class-A rates were \$32.72 per

## U.S. Vacancy Comparison

Past 10 Quarters



Source: CoStar Property®

# Los Angeles Office Market

Overview

square foot, Class-B rates were \$26.84, and Class-C rates were \$25.16.

The average quoted asking rental rate in Los Angeles's CBD was \$33.97 at the end of the fourth quarter 2014, and \$29.61 in the suburban markets. In the third quarter 2014, quoted rates were \$32.96 in the CBD and \$29.21 in the suburbs.

## Deliveries and Construction

During the fourth quarter 2014, three buildings totaling 45,695 square feet were completed in the Los Angeles market area. This compares to seven buildings totaling 187,566 square feet that were completed in the third quarter 2014, six buildings totaling 138,171 square feet completed in the second quarter 2014, and 272,958 square feet in four buildings completed in the first quarter 2014.

There were 2,702,271 square feet of office space under construction at the end of the fourth quarter 2014.

Some of the notable 2014 deliveries include: Meeker-Baker Bldg, a 120,000-square-foot facility that delivered in third quarter 2014 and is now 100% occupied, and 75 Rancho Camino Dr, a 100,000-square-foot building that delivered in first quarter 2014 and is now 100% occupied.

The largest projects underway at the end of fourth quarter 2014 were Office Plaza at Wilshire Grand, a 356,140-square-foot building with 0% of its space pre-leased, and Columbia Square, Gower/Selma, a 248,879-square-foot facility that is 68% pre-leased.

## Inventory

Total office inventory in the Los Angeles market area amounted to 424,910,259 square feet in 17,709 buildings as of the end of the fourth quarter 2014. The Class-A office sector consisted of 181,765,968 square feet in 983 projects. There were 5,590 Class-B buildings totaling 156,446,104 square feet, and the Class-C sector consisted of 86,698,187 square feet in 11,136 buildings.

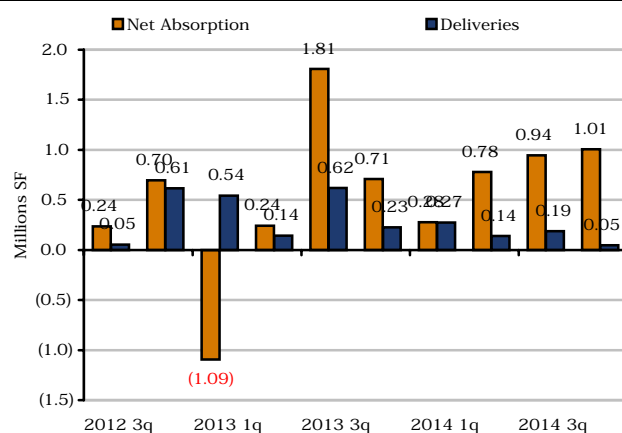
## Sales Activity

Tallying office building sales of 15,000 square feet or larger, Los Angeles office sales figures fell during the third quarter 2014 in terms of dollar volume compared to the second quarter of 2014.

In the third quarter, 47 office transactions closed with a total volume of \$1,572,016,904. The 47 buildings totaled

## Absorption & Deliveries

Past 10 Quarters



Source: CoStar Property®

4,327,147 square feet and the average price per square foot equated to \$363.29 per square foot. That compares to 41 transactions totaling \$2,437,612,500 in the second quarter 2014. The total square footage in the second quarter was 5,912,828 square feet for an average price per square foot of \$412.26.

Total office building sales activity in 2014 was up compared to 2013. In the first nine months of 2014, the market saw 129 office sales transactions with a total volume of \$4,729,232,404. The price per square foot averaged \$353.36. In the same first nine months of 2013, the market posted 129 transactions with a total volume of \$4,014,187,665. The price per square foot averaged \$286.47.

Cap rates have been lower in 2014, averaging 6.37% compared to the same period in 2013 when they averaged 6.38%.

One of the largest transactions that has occurred within the last four quarters in the Los Angeles market is the sale of the MPG/Brookfield properties in Los Angeles. These buildings totaled 4,899,514 square feet and sold for \$1,898,552,285 or \$387.50 per square foot. The properties sold on 10/15/2013, at a 4.79% cap rate.

Reports compiled by: Paula Bonner, David Blake, and Scott Stephenson, CoStar Research Managers.



## CoStar Submarket Clusters & Submarkets

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

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

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

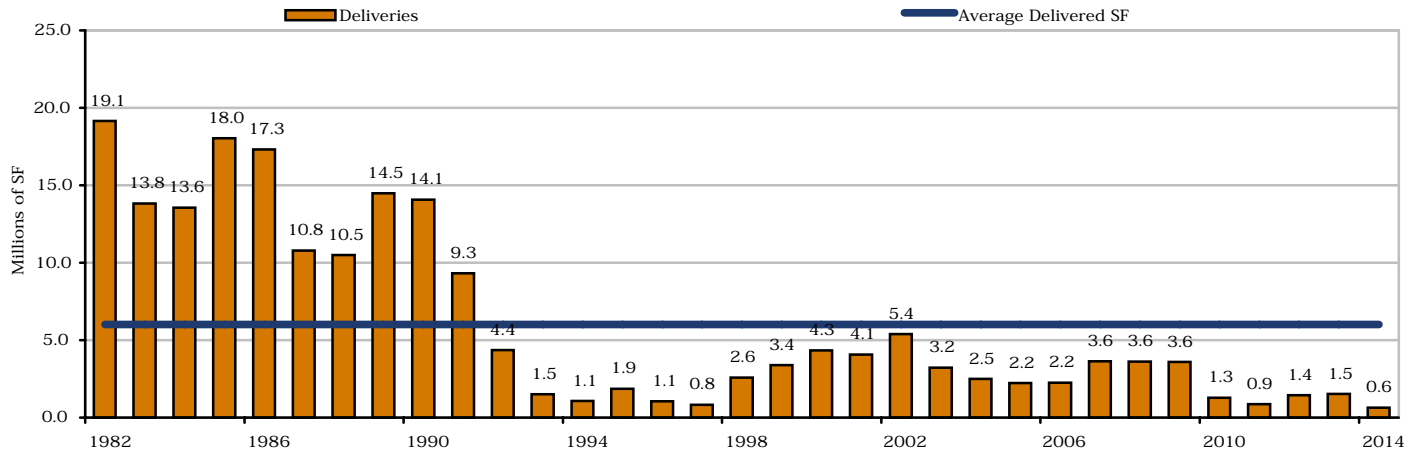
# Los Angeles Office Market



Inventory & development

## Historical Deliveries

1982 - 2014



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

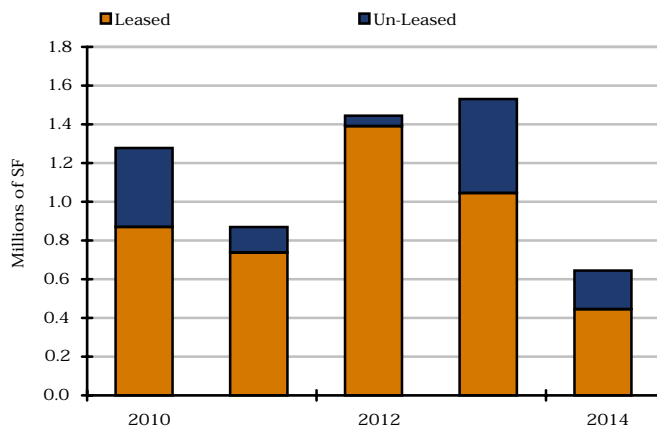
## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Mid-Wilshire	8	701,529	192,740	27.5%	24,878	87,691
Downtown Los Angeles	2	386,140	14,700	3.8%	98,686	193,070
West Los Angeles	13	378,864	205,595	54.3%	30,372	29,143
South Bay	18	319,294	66,107	20.7%	26,004	17,739
San Gabriel Valley	2	213,586	140,366	65.7%	15,185	106,793
Burbank/Glendale/Pasadena	3	194,436	0	0.0%	18,139	64,812
San Fernando Valley	3	179,578	86,197	48.0%	24,331	59,859
Ventura South	2	163,580	82,491	50.4%	21,326	81,790
Santa Clarita Valley	1	100,000	0	0.0%	22,308	100,000
Mid-Cities	3	41,000	9,200	22.4%	10,258	13,667
All Other	3	24,264	0	0.0%	11,374	8,088

Source: CoStar Property®

### Recent Deliveries

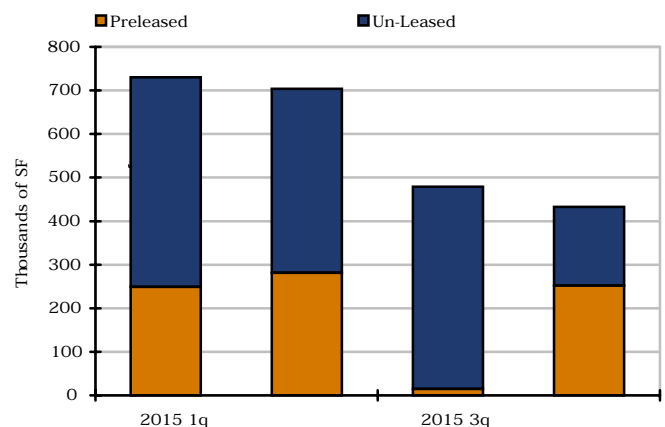
Leased & Un-Leased SF in Deliveries



Source: CoStar Property®

### Future Deliveries

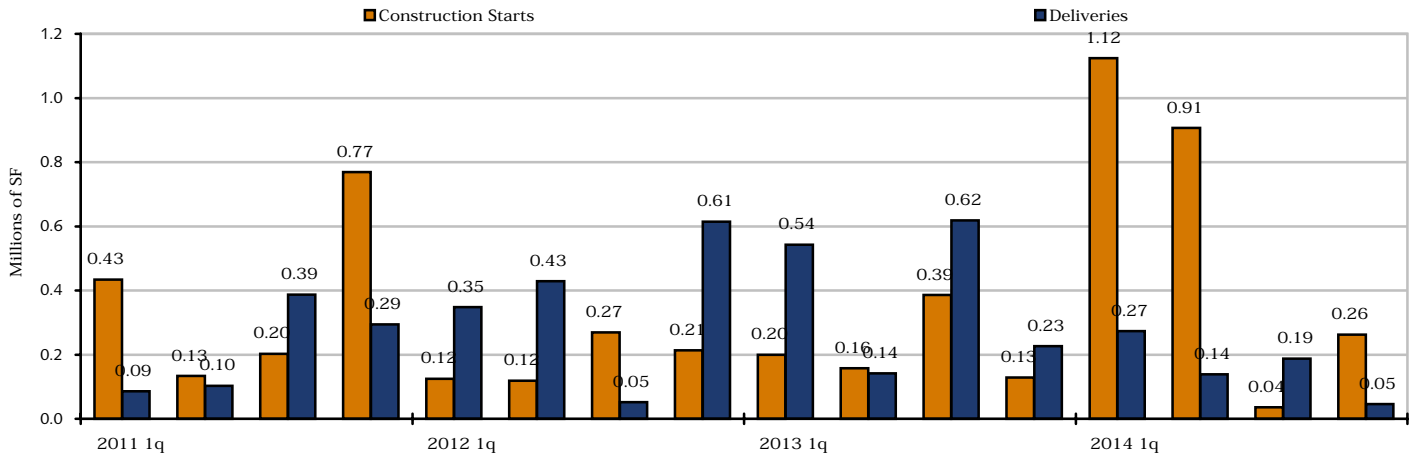
Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

## Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

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

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	16	255,012	106,177	41.6%	\$36.74	27,819	227,193
50,000 SF - 99,999 SF	2	169,378	118,059	69.7%	\$30.60	0	169,378
100,000 SF - 249,999 SF	2	220,000	220,000	100.0%	\$0.00	220,000	0
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

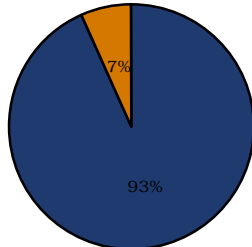
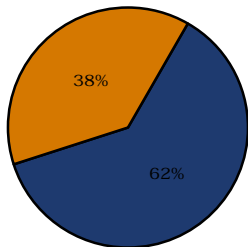
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi Tenant Use

2014 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

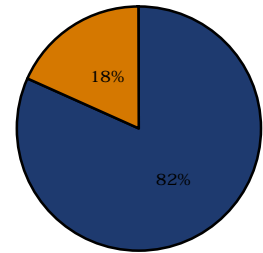
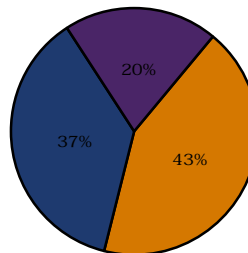
Source: CoStar Property®

## Existing Inventory Comparison

Based on Total RBA

By Class

By Space Type



■ Class A ■ Class B ■ Class C

■ Multi ■ Single

Source: CoStar Property®

# Los Angeles Office Market



Inventory &amp; development

## Select Year-to-Date Deliveries

Based on Project Square Footage

<p><b>1. Meeker-Baker Bldg</b></p> <p>Submarket: <b>South Bay</b>            RBA: <b>120,000</b>            # Floors: <b>6</b>            Class: <b>B</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Second Quarter 2013</b>            Deliv Date: <b>Third Quarter 2014</b>            Leasing Co: <b>Molina Healthcare, Inc.</b>            Developer: <b>ARCO Construction Company, Inc.</b>            Architect: <b>Nadel, Inc.</b></p>	<p><b>2. 75 Rancho Camino Dr</b></p> <p>Submarket: <b>San Gabriel Valley</b>            RBA: <b>100,000</b>            # Floors: <b>1</b>            Class: <b>B</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Third Quarter 2013</b>            Deliv Date: <b>First Quarter 2014</b>            Leasing Co: <b>N/A</b>            Developer: <b>N/A</b>            Architect: <b>N/A</b></p>	<p><b>3. Formosa South at The Lot</b></p> <p>Submarket: <b>Mid-Wilshire</b>            RBA: <b>95,002</b>            # Floors: <b>5</b>            Class: <b>A</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Third Quarter 2012</b>            Deliv Date: <b>First Quarter 2014</b>            Leasing Co: <b>JLL</b>            Developer: <b>CIM Group LP</b>            Architect: <b>Studio One Eleven</b></p>
<p><b>4. Hale Medical Center</b></p> <p>Submarket: <b>Burbank/Glendale/Pasadena</b>            RBA: <b>74,376</b>            # Floors: <b>4</b>            Class: <b>B</b>            Occupied: <b>31%</b>            Quoted Rate: <b>\$30.60</b>            Grnd Brk Date: <b>First Quarter 2014</b>            Deliv Date: <b>Second Quarter 2014</b>            Leasing Co: <b>CR Properties</b>            Developer: <b>The Hale Corporation</b>            Architect: <b>N/A</b></p>	<p><b>5. 21 Rancho Camino Rd - Phase I</b></p> <p>Submarket: <b>San Gabriel Valley</b>            RBA: <b>38,978</b>            # Floors: <b>3</b>            Class: <b>B</b>            Occupied: <b>34%</b>            Quoted Rate: <b>\$29.55</b>            Grnd Brk Date: <b>Third Quarter 2012</b>            Deliv Date: <b>First Quarter 2014</b>            Leasing Co: <b>Castleton Real Estate &amp; Development</b>            Developer: <b>Patterson Builders</b>            Architect: <b>Architecture Refined Corp</b></p>	<p><b>6. 31 Rancho Camino Rd - Phase I</b></p> <p>Submarket: <b>San Gabriel Valley</b>            RBA: <b>38,978</b>            # Floors: <b>3</b>            Class: <b>B</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$33.67</b>            Grnd Brk Date: <b>Third Quarter 2012</b>            Deliv Date: <b>First Quarter 2014</b>            Leasing Co: <b>Castleton Real Estate &amp; Development</b>            Developer: <b>Patterson Builders</b>            Architect: <b>Architecture Refined Corp</b></p>
<p><b>7. Brea Canyon Business Center</b></p> <p>Submarket: <b>San Gabriel Valley</b>            RBA: <b>22,181</b>            # Floors: <b>2</b>            Class: <b>B</b>            Occupied: <b>62%</b>            Quoted Rate: <b>\$34.27</b>            Grnd Brk Date: <b>Third Quarter 2013</b>            Deliv Date: <b>Third Quarter 2014</b>            Leasing Co: <b>Coldwell Banker / Tri-Counties Real</b>            Developer: <b>N/A</b>            Architect: <b>N/A</b></p>	<p><b>8. Grand Kansas</b></p> <p>Submarket: <b>South Bay</b>            RBA: <b>17,529</b>            # Floors: <b>2</b>            Class: <b>B</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Third Quarter 2013</b>            Deliv Date: <b>Second Quarter 2014</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>Mar Ventures, Inc.</b>            Architect: <b>Withee Malcolm Architects LLP</b></p>	<p><b>9. 2040 Lomita Blvd</b></p> <p>Submarket: <b>South Bay</b>            RBA: <b>15,446</b>            # Floors: <b>2</b>            Class: <b>B</b>            Occupied: <b>36%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>First Quarter 2013</b>            Deliv Date: <b>Second Quarter 2014</b>            Leasing Co: <b>New Homes &amp; Land Brokers</b>            Developer: <b>N/A</b>            Architect: <b>N/A</b></p>
<p><b>10. Grand Kansas</b></p> <p>Submarket: <b>South Bay</b>            RBA: <b>13,620</b>            # Floors: <b>2</b>            Class: <b>B</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Second Quarter 2013</b>            Deliv Date: <b>Second Quarter 2014</b>            Leasing Co: <b>Colliers International</b>            Developer: <b>Mar Ventures, Inc.</b>            Architect: <b>Withee Malcolm Architects LLP</b></p>	<p><b>11. Serra Medical Plaza</b></p> <p>Submarket: <b>Ventura South</b>            RBA: <b>12,000</b>            # Floors: <b>1</b>            Class: <b>B</b>            Occupied: <b>100%</b>            Quoted Rate: <b>N/A</b>            Grnd Brk Date: <b>Third Quarter 2013</b>            Deliv Date: <b>Third Quarter 2014</b>            Leasing Co: <b>Alexander Hersel MD, Inc.</b>            Developer: <b>N/A</b>            Architect: <b>N/A</b></p>	<p><b>12. 1150 N Ventura Rd</b></p> <p>Submarket: <b>Ventura South</b>            RBA: <b>10,000</b>            # Floors: <b>1</b>            Class: <b>B</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$22.27</b>            Grnd Brk Date: <b>Third Quarter 2013</b>            Deliv Date: <b>Second Quarter 2014</b>            Leasing Co: <b>Century 21 Hometown Realty</b>            Developer: <b>N/A</b>            Architect: <b>N/A</b></p>
<p><b>13. 24903 Pacific Coast Hwy</b></p> <p>Submarket: <b>West Los Angeles</b>            RBA: <b>9,686</b>            # Floors: <b>2</b>            Class: <b>B</b>            Occupied: <b>0%</b>            Quoted Rate: <b>Negotiable</b>            Grnd Brk Date: <b>Fourth Quarter 2012</b>            Deliv Date: <b>Third Quarter 2014</b>            Leasing Co: <b>David Hajian</b>            Developer: <b>N/A</b>            Architect: <b>Barsocchini &amp; Associates Designs</b></p>	<p><b>14. 311 Culver Blvd</b></p> <p>Submarket: <b>West Los Angeles</b>            RBA: <b>5,000</b>            # Floors: <b>3</b>            Class: <b>B</b>            Occupied: <b>0%</b>            Quoted Rate: <b>\$64.27</b>            Grnd Brk Date: <b>First Quarter 2013</b>            Deliv Date: <b>Fourth Quarter 2014</b>            Leasing Co: <b>Cove Spring Partners LP</b>            Developer: <b>Cove Spring Partners LP</b>            Architect: <b>Steele &amp; Mikaela Design Group</b></p>	<p><b>15. 315 Culver Blvd</b></p> <p>Submarket: <b>West Los Angeles</b>            RBA: <b>5,000</b>            # Floors: <b>3</b>            Class: <b>B</b>            Occupied: <b>100%</b>            Quoted Rate: <b>\$61.27</b>            Grnd Brk Date: <b>First Quarter 2013</b>            Deliv Date: <b>Fourth Quarter 2014</b>            Leasing Co: <b>Cove Spring Partners LP</b>            Developer: <b>Cove Spring Partners LP</b>            Architect: <b>N/A</b></p>

## Select Top Under Construction Properties

Based on Project Square Footage

<b>1. Office Plaza at Wilshire Grand</b> Submarket: <b>Downtown Los Angeles</b> RBA: <b>356,140</b> # Floors: <b>75</b> Class: <b>A</b> Preleased: <b>0%</b> Quoted Rate: <b>\$38.58</b> Grnd Brk Date: <b>Second Quarter 2014</b> Deliv Date: <b>Second Quarter 2017</b> Leasing Co: <b>Cushman &amp; Wakefield, Inc.</b> Developer: <b>AC Martin Partners, Inc.</b> Architect: <b>AC Martin Partners, Inc.</b>	<b>2. Columbia Square, Gower/Selma</b> Submarket: <b>Mid-Wilshire</b> RBA: <b>248,879</b> # Floors: <b>6</b> Class: <b>A</b> Preleased: <b>68%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>First Quarter 2014</b> Deliv Date: <b>Fourth Quarter 2015</b> Leasing Co: <b>JLL</b> Developer: <b>Kilroy Realty Corporation</b> Architect: <b>Rios Clementi Hale Studios</b>	<b>3. The Park at Crossroads</b> Submarket: <b>San Gabriel Valley</b> RBA: <b>166,408</b> # Floors: <b>4</b> Class: <b>A</b> Preleased: <b>56%</b> Quoted Rate: <b>\$33.00</b> Grnd Brk Date: <b>First Quarter 2014</b> Deliv Date: <b>Second Quarter 2015</b> Leasing Co: <b>Majestic Realty Co.</b> Developer: <b>Majestic Realty Co.</b> Architect: <b>Commerce Construction</b>
<b>4. Playhouse Plaza</b> Submarket: <b>Burbank/Glendale/Pasadena</b> RBA: <b>155,000</b> # Floors: <b>5</b> Class: <b>A</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Third Quarter 2013</b> Deliv Date: <b>First Quarter 2015</b> Leasing Co: <b>CBRE</b> Developer: <b>ID5 Real Estate Group</b> Architect: <b>Gensler</b>	<b>5. Hollywood 959 - West Bldg</b> Submarket: <b>Mid-Wilshire</b> RBA: <b>129,610</b> # Floors: <b>5</b> Class: <b>A</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Third Quarter 2014</b> Deliv Date: <b>Third Quarter 2015</b> Leasing Co: <b>JLL</b> Developer: <b>J.H. Snyder Company</b> Architect: <b>The Jerde Partnership</b>	<b>6. The Ventana</b> Submarket: <b>San Fernando Valley</b> RBA: <b>117,978</b> # Floors: <b>4</b> Class: <b>A</b> Preleased: <b>70%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Fourth Quarter 2014</b> Deliv Date: <b>Fourth Quarter 2015</b> Leasing Co: <b>CBRE</b> Developer: <b>Tristar Realty</b> Architect: <b>N/A</b>
<b>7. Hollywood 959 - East Bldg</b> Submarket: <b>Mid-Wilshire</b> RBA: <b>113,326</b> # Floors: <b>4</b> Class: <b>A</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>First Quarter 2014</b> Deliv Date: <b>Third Quarter 2015</b> Leasing Co: <b>JLL</b> Developer: <b>J.H. Snyder Company</b> Architect: <b>The Jerde Partnership</b>	<b>8. Westlake Park Place - Phase II - Bldg C</b> Submarket: <b>Ventura South</b> RBA: <b>103,114</b> # Floors: <b>4</b> Class: <b>A</b> Preleased: <b>80%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>First Quarter 2014</b> Deliv Date: <b>First Quarter 2015</b> Leasing Co: <b>DAUM Commercial Real Estate Service</b> Developer: <b>Searles Property Group</b> Architect: <b>Behr Browers Architects, Inc.</b>	<b>9. Santa Clarita Professional Center</b> Submarket: <b>Santa Clarita Valley</b> RBA: <b>100,000</b> # Floors: <b>3</b> Class: <b>B</b> Preleased: <b>0%</b> Quoted Rate: <b>\$30.16</b> Grnd Brk Date: <b>First Quarter 2013</b> Deliv Date: <b>First Quarter 2015</b> Leasing Co: <b>TOLD Partners, Inc.</b> Developer: <b>Sinanian Development, Inc.</b> Architect: <b>Arkineto Architects, Inc.</b>
<b>10. 925 N La Brea Ave</b> Submarket: <b>Mid-Wilshire</b> RBA: <b>62,000</b> # Floors: <b>6</b> Class: <b>B</b> Preleased: <b>24%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Fourth Quarter 2014</b> Deliv Date: <b>Third Quarter 2015</b> Leasing Co: <b>Coldwell Banker Commercial Westmac</b> Developer: <b>CIM Group LP</b> Architect: <b>Shubin+ Donaldson Architects</b>	<b>11. Westlake Park Place - Phase II - Bldg D</b> Submarket: <b>Ventura South</b> RBA: <b>60,466</b> # Floors: <b>3</b> Class: <b>A</b> Preleased: <b>0%</b> Quoted Rate: <b>Negotiable</b> Grnd Brk Date: <b>Second Quarter 2014</b> Deliv Date: <b>Third Quarter 2015</b> Leasing Co: <b>DAUM Commercial Real Estate Service</b> Developer: <b>Searles Property Group</b> Architect: <b>Behr Browers Architects, Inc.</b>	<b>12. 5801 S Campus Center Dr</b> Submarket: <b>West Los Angeles</b> RBA: <b>60,299</b> # Floors: <b>3</b> Class: <b>A</b> Preleased: <b>100%</b> Quoted Rate: <b>N/A</b> Grnd Brk Date: <b>First Quarter 2014</b> Deliv Date: <b>First Quarter 2015</b> Leasing Co: <b>IMAX Corporation</b> Developer: <b>Lincoln Property Company</b> Architect: <b>Gensler</b>
<b>13. The Press</b> Submarket: <b>San Fernando Valley</b> RBA: <b>53,000</b> # Floors: <b>3</b> Class: <b>B</b> Preleased: <b>0%</b> Quoted Rate: <b>\$32.45</b> Grnd Brk Date: <b>Second Quarter 2014</b> Deliv Date: <b>First Quarter 2015</b> Leasing Co: <b>NAI Capital, Inc.</b> Developer: <b>The Mat West Company</b> Architect: <b>N/A</b>	<b>14. 3828 Schaufele Ave</b> Submarket: <b>South Bay</b> RBA: <b>52,000</b> # Floors: <b>2</b> Class: <b>B</b> Preleased: <b>52%</b> Quoted Rate: <b>\$37.15</b> Grnd Brk Date: <b>First Quarter 2014</b> Deliv Date: <b>First Quarter 2015</b> Leasing Co: <b>Lee &amp; Associates</b> Developer: <b>Urbana Development LLC</b> Architect: <b>Ware Malcomb Architects</b>	<b>15. The Campus At Playa Vista - Building 4</b> Submarket: <b>West Los Angeles</b> RBA: <b>44,657</b> # Floors: <b>2</b> Class: <b>A</b> Preleased: <b>100%</b> Quoted Rate: <b>N/A</b> Grnd Brk Date: <b>Second Quarter 2014</b> Deliv Date: <b>Second Quarter 2015</b> Leasing Co: <b>Tishman Speyer</b> Developer: <b>Tishman Speyer</b> Architect: <b>N/A</b>

# Los Angeles Office Market

**Figures at a Glance**

## Class A Market Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Antelope Valley	2	136,017	36,000	36,000	26.5%	10,000	0	0	\$28.69
Burbank/Glendale/Pasadena	141	22,849,632	3,110,706	3,231,074	14.1%	459,158	0	155,000	\$32.44
Downtown Los Angeles	76	38,648,706	6,183,053	6,225,149	16.1%	(199,288)	0	386,140	\$36.37
Mid-Cities	11	1,310,539	188,671	188,671	14.4%	15,813	0	0	\$25.91
Mid-Wilshire	100	18,434,156	3,215,082	3,281,858	17.8%	210,616	130,697	595,786	\$30.25
San Fernando Valley	120	16,216,755	2,190,394	2,275,239	14.0%	70,949	0	117,978	\$26.54
San Gabriel Valley	32	3,894,025	314,416	314,416	8.1%	63,280	0	166,408	\$27.09
Santa Clarita Valley	27	2,173,688	251,246	255,688	11.8%	1,287	0	0	\$28.52
South Bay	158	26,203,511	4,552,903	4,627,286	17.7%	329,207	0	0	\$25.55
Southeast Los Angeles	14	1,579,367	109,594	110,685	7.0%	3,112	0	0	\$25.17
Ventura North	5	563,243	90,228	90,228	16.0%	5,510	0	0	\$20.76
Ventura South	43	4,258,072	503,537	507,991	11.9%	74,058	0	163,580	\$27.49
West Los Angeles	254	45,498,257	5,210,580	5,641,239	12.4%	874,775	0	297,171	\$46.23
<b>Totals</b>	<b>983</b>	<b>181,765,968</b>	<b>25,956,410</b>	<b>26,785,524</b>	<b>14.7%</b>	<b>1,918,477</b>	<b>130,697</b>	<b>1,882,063</b>	<b>\$33.26</b>

Source: CoStar Property®

## Class B Market Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Antelope Valley	165	2,254,427	234,823	234,823	10.4%	34,287	0	24,264	\$21.46
Burbank/Glendale/Pasadena	975	20,582,283	1,734,684	1,787,446	8.7%	34,327	74,376	39,436	\$25.89
Downtown Los Angeles	214	18,998,065	2,128,562	2,158,824	11.4%	103,357	0	0	\$26.19
Mid-Cities	225	4,204,967	275,839	275,839	6.6%	(4,828)	0	41,000	\$21.29
Mid-Wilshire	425	12,582,602	1,207,315	1,220,372	9.7%	(22,282)	7,200	105,743	\$29.61
San Fernando Valley	483	13,058,205	1,482,374	1,509,087	11.6%	(15,572)	18,500	61,600	\$24.45
San Gabriel Valley	591	17,044,829	1,895,239	1,906,821	11.2%	213,785	202,336	47,178	\$23.37
Santa Clarita Valley	114	1,992,722	181,983	184,367	9.3%	19,648	0	100,000	\$28.18
South Bay	699	25,318,910	3,675,400	3,710,846	14.7%	210,118	169,595	319,294	\$25.66
Southeast Los Angeles	119	3,299,699	277,818	277,818	8.4%	(7,013)	0	0	\$21.10
Ventura North	253	4,193,728	461,595	465,560	11.1%	45,182	0	0	\$22.36
Ventura South	510	13,894,519	1,764,394	1,782,923	12.8%	258,920	22,000	0	\$23.93
West Los Angeles	817	19,021,148	1,744,902	1,793,616	9.4%	177,334	19,686	81,693	\$43.22
<b>Totals</b>	<b>5,590</b>	<b>156,446,104</b>	<b>17,064,928</b>	<b>17,308,342</b>	<b>11.1%</b>	<b>1,047,263</b>	<b>513,693</b>	<b>820,208</b>	<b>\$27.13</b>

Source: CoStar Property®

## Class C Market Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Antelope Valley	190	1,472,441	99,691	99,691	6.8%	(11,566)	0	0	\$17.90
Burbank/Glendale/Pasadena	1,936	11,928,957	457,328	461,756	3.9%	17,007	0	0	\$24.70
Downtown Los Angeles	406	11,038,943	530,760	530,760	4.8%	118,827	0	0	\$22.32
Mid-Cities	769	4,793,486	201,885	204,885	4.3%	25,200	0	0	\$20.28
Mid-Wilshire	1,071	8,688,311	320,491	320,491	3.7%	(20,400)	0	0	\$31.16
San Fernando Valley	873	6,638,331	536,715	539,075	8.1%	47,175	0	0	\$21.16
San Gabriel Valley	1,369	9,310,220	556,822	559,072	6.0%	(13,615)	0	0	\$19.58
Santa Clarita Valley	69	518,223	28,440	31,140	6.0%	1,805	0	0	\$31.60
South Bay	1,578	11,798,188	935,557	943,837	8.0%	(226,146)	0	0	\$27.17
Southeast Los Angeles	461	3,689,117	173,777	175,177	4.7%	12,897	0	0	\$18.86
Ventura North	559	2,921,464	143,740	143,740	4.9%	17,503	0	0	\$20.06
Ventura South	452	3,280,538	237,417	238,434	7.3%	(43,378)	0	0	\$19.66
West Los Angeles	1,403	10,619,968	386,882	394,194	3.7%	114,520	0	0	\$36.53
<b>Totals</b>	<b>11,136</b>	<b>86,698,187</b>	<b>4,609,505</b>	<b>4,642,252</b>	<b>5.4%</b>	<b>39,829</b>	<b>0</b>	<b>0</b>	<b>\$25.71</b>

Source: CoStar Property®

## Total Office Market Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Antelope Valley	357	3,862,885	370,514	370,514	9.6%	32,721	0	24,264	\$21.37
Burbank/Glendale/Pasadena	3,052	55,360,872	5,302,718	5,480,276	9.9%	510,492	74,376	194,436	\$28.92
Downtown Los Angeles	696	68,685,714	8,842,375	8,914,733	13.0%	22,896	0	386,140	\$33.97
Mid-Cities	1,005	10,308,992	666,395	669,395	6.5%	36,185	0	41,000	\$22.13
Mid-Wilshire	1,596	39,705,069	4,742,888	4,822,721	12.1%	167,934	137,897	701,529	\$30.17
San Fernando Valley	1,476	35,913,291	4,209,483	4,323,401	12.0%	102,552	18,500	179,578	\$25.27
San Gabriel Valley	1,992	30,249,074	2,766,477	2,780,309	9.2%	263,450	202,336	213,586	\$23.21
Santa Clarita Valley	210	4,684,633	461,669	471,195	10.1%	22,740	0	100,000	\$28.47
South Bay	2,435	63,320,609	9,163,860	9,281,969	14.7%	313,179	169,595	319,294	\$25.79
Southeast Los Angeles	594	8,568,183	561,189	563,680	6.6%	8,996	0	0	\$21.86
Ventura North	817	7,678,435	695,563	699,528	9.1%	68,195	0	0	\$21.48
Ventura South	1,005	21,433,129	2,505,348	2,529,348	11.8%	289,600	22,000	163,580	\$24.64
West Los Angeles	2,474	75,139,373	7,342,364	7,829,049	10.4%	1,166,629	19,686	378,864	\$44.52
<b>Totals</b>	<b>17,709</b>	<b>424,910,259</b>	<b>47,630,843</b>	<b>48,736,118</b>	<b>11.5%</b>	<b>3,005,569</b>	<b>644,390</b>	<b>2,702,271</b>	<b>\$30.30</b>

Source: CoStar Property®

## Los Angeles Office Market



Figures at a Glance

## Class A Submarket Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
190th Street Corrido.	12	1,995,902	284,986	296,236	14.8%	47,990	0	0	\$25.12
Antelope Valley	2	136,017	36,000	36,000	26.5%	10,000	0	0	\$28.69
Beach Cities/Palos V.	5	770,526	226,680	226,680	29.4%	11,063	0	0	\$28.85
Beverly Hills	52	6,244,440	582,606	616,360	9.9%	150,112	0	32,450	\$57.61
Brentwood	20	3,421,525	448,623	460,950	13.5%	136,650	0	0	\$41.97
Burbank	45	7,536,763	968,937	1,072,392	14.2%	152,109	0	0	\$35.67
Calabasas/Westlake V.	18	1,608,850	130,947	135,401	8.4%	3,785	0	0	\$32.87
Camarillo/Point Mugu	5	257,017	21,762	21,762	8.5%	27,604	0	0	\$26.59
Century City	22	10,962,811	1,394,026	1,495,312	13.6%	90,551	0	0	\$50.37
Culver City	12	2,206,593	355,003	366,898	16.6%	94,217	0	0	\$28.75
Eastern SFV	12	1,122,845	104,563	105,716	9.4%	22,803	0	0	\$24.83
Eastern SGV	17	1,902,612	159,977	159,977	8.4%	70,406	0	166,408	\$28.06
El Segundo	41	9,011,309	1,170,366	1,185,512	13.2%	71,376	0	0	\$30.49
Encino	28	3,759,577	375,185	387,609	10.3%	14,239	0	0	\$29.10
Fillmore/NE County	0	0	0	0	0.0%	0	0	0	\$0.00
Glendale	29	5,751,503	901,948	909,706	15.8%	272,726	0	0	\$30.01
Greater Downtown	76	38,648,706	6,183,053	6,225,149	16.1%	(199,288)	0	386,140	\$36.37
Hawthorne/Gardena	4	582,183	50,921	50,921	8.7%	13,773	0	0	\$23.62
Hollywood/Silver Lak.	23	2,606,068	264,458	279,053	10.7%	(1,611)	35,695	595,786	\$42.99
LAX	16	3,488,931	1,384,917	1,411,917	40.5%	(156,741)	0	0	\$18.81
Long Beach: Downtown	19	3,795,616	573,267	585,896	15.4%	(41,263)	0	0	\$28.64
Long Beach: Suburban	31	3,995,104	449,024	452,630	11.3%	368,678	0	0	\$25.98
Marina Del Rey/Venic.	29	4,896,989	915,415	1,045,592	21.4%	331,343	0	264,721	\$37.94
Mid-Cities	11	1,310,539	188,671	188,671	14.4%	15,813	0	0	\$25.91
Mid-Wilshire	36	8,048,600	1,777,849	1,790,509	22.2%	125,436	0	0	\$20.78
Miracle Mile	16	4,692,369	619,479	659,000	14.0%	(69,840)	0	0	\$34.93
Moorpark/Simi Valley	3	435,458	17,228	17,228	4.0%	5,510	0	0	\$20.92
North Hollywood	4	635,097	160,972	160,972	25.3%	49,407	0	0	\$31.00
Ojai/NW County	0	0	0	0	0.0%	0	0	0	\$0.00
Olympic Corridor	15	2,435,201	169,266	181,398	7.4%	(47,661)	0	0	\$37.05
Oxnard/Port Hueneme	9	865,312	114,048	114,048	13.2%	30,757	0	0	\$25.68
Pacific Palisades/Ma.	1	103,559	17,879	20,493	19.8%	(2,604)	0	0	\$50.29
Park Mile	8	831,584	22,889	22,889	2.8%	12,798	0	0	\$25.74
Pasadena/Arcadia/Mon	51	6,912,522	975,019	984,174	14.2%	(40,636)	0	155,000	\$33.02
Santa Clarita Valley	27	2,173,688	251,246	255,688	11.8%	1,287	0	0	\$28.52
Santa Monica	63	7,914,196	551,490	645,314	8.2%	11,160	0	0	\$50.10
Santa Monica Mountai.	4	428,830	22,837	24,837	5.8%	6,514	0	0	\$47.96
Santa Paula/Somis	0	0	0	0	0.0%	0	0	0	\$0.00
Sherman Oaks	13	1,932,894	205,332	241,084	12.5%	(67,098)	0	0	\$25.21
Southeast Los Angele.	14	1,579,367	109,594	110,685	7.0%	3,112	0	0	\$25.17
Studio/Universal Cit.	12	2,013,747	103,830	103,830	5.2%	25,552	0	0	\$32.56
Tarzana	6	426,886	69,818	69,818	16.4%	(12,175)	0	117,978	\$26.74
Thousand Oaks/SE Cou	11	1,526,893	236,780	236,780	15.5%	11,912	0	163,580	\$24.96
Torrance	30	2,563,940	412,742	417,494	16.3%	14,331	0	0	\$26.69
Ventura	2	127,785	73,000	73,000	57.1%	0	0	0	\$19.80
West Hollywood	17	2,255,535	530,407	530,407	23.5%	143,833	95,002	0	\$51.36
West Los Angeles	8	860,719	103,115	103,115	12.0%	19,892	0	0	\$32.76
Western SFV	24	2,195,905	535,493	535,493	24.4%	(10,763)	0	0	\$26.25
Western SGV	15	1,991,413	154,439	154,439	7.8%	(7,126)	0	0	\$25.48
Westwood	28	6,023,394	650,320	680,970	11.3%	84,601	0	0	\$45.88
Woodland Hills/Warne.	37	6,778,648	900,003	935,519	13.8%	123,943	0	0	\$26.38
<b>Totals</b>	<b>983</b>	<b>181,765,968</b>	<b>25,956,410</b>	<b>26,785,524</b>	<b>14.7%</b>	<b>1,918,477</b>	<b>130,697</b>	<b>1,882,063</b>	<b>\$33.26</b>

Source: CoStar Property®



## Class B Submarket Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
190th Street Corrido.	53	2,922,339	443,651	444,081	15.2%	(49,121)	0	0	\$21.53
Antelope Valley	165	2,254,427	234,823	234,823	10.4%	34,287	0	24,264	\$21.46
Beach Cities/Palos V.	123	2,596,409	280,182	281,382	10.8%	92,789	0	0	\$28.59
Beverly Hills	98	3,291,069	147,393	160,768	4.9%	52,426	0	0	\$50.13
Brentwood	19	482,500	45,071	45,071	9.3%	(1,636)	0	0	\$42.58
Burbank	249	4,653,643	287,572	287,572	6.2%	186,545	0	0	\$26.57
Calabasas/Westlake V.	147	5,496,281	700,588	711,611	12.9%	143,094	0	0	\$25.25
Camarillo/Point Mugu	69	2,063,626	358,563	358,563	17.4%	53,529	0	0	\$21.20
Century City	9	282,287	16,323	16,323	5.8%	(207,040)	0	0	\$34.13
Culver City	161	3,500,661	333,877	347,248	9.9%	42,424	0	68,493	\$34.21
Eastern SFV	160	4,609,072	484,777	488,620	10.6%	57,374	18,500	61,600	\$23.80
Eastern SGV	358	10,461,263	1,531,110	1,531,110	14.6%	188,415	202,336	47,178	\$23.14
El Segundo	89	6,213,170	894,962	910,339	14.7%	94,066	31,149	209,518	\$33.82
Encino	32	984,620	134,067	135,867	13.8%	4,799	0	0	\$27.09
Fillmore/NE County	4	30,685	0	0	0.0%	0	0	0	\$0.00
Glendale	253	3,856,590	219,516	220,266	5.7%	62,264	0	0	\$25.19
Greater Downtown	214	18,998,065	2,128,562	2,158,824	11.4%	103,357	0	0	\$26.19
Hawthorne/Gardena	59	1,901,772	516,444	516,444	27.2%	(33,074)	0	0	\$19.45
Hollywood/Silver Lak.	155	3,984,606	349,895	349,895	8.8%	(21,111)	0	34,743	\$36.86
LAX	30	1,580,804	361,992	361,992	22.9%	3,347	0	0	\$18.24
Long Beach: Downtown	48	2,909,875	502,584	512,084	17.6%	115,574	120,000	0	\$23.41
Long Beach: Suburban	145	3,064,062	410,229	416,578	13.6%	(58,726)	3,000	109,776	\$21.90
Marina Del Rey/Venic.	110	2,384,277	333,613	335,532	14.1%	62,603	10,000	0	\$46.08
Mid-Cities	225	4,204,967	275,839	275,839	6.6%	(4,828)	0	41,000	\$21.29
Mid-Wilshire	90	3,574,240	343,298	343,298	9.6%	27,272	0	0	\$19.37
Miracle Mile	28	874,867	89,509	90,869	10.4%	18,475	7,200	0	\$36.10
Moorpark/Simi Valley	70	1,714,632	212,149	214,654	12.5%	30,027	0	0	\$23.51
North Hollywood	81	1,236,121	70,956	71,756	5.8%	20,650	0	0	\$25.02
Ojai/NW County	10	88,920	3,618	4,118	4.6%	0	0	0	\$25.26
Olympic Corridor	37	1,391,571	348,756	348,756	25.1%	57,573	0	13,200	\$38.19
Oxnard/Port Hueneme	103	1,704,500	123,417	123,417	7.2%	45,962	10,000	0	\$24.32
Pacific Palisades/Ma.	27	488,964	21,456	21,456	4.4%	28,919	9,686	0	\$52.70
Park Mile	30	899,481	230,459	232,359	25.8%	(12,256)	0	0	\$21.47
Pasadena/Arcadia/Mon	316	9,631,095	1,116,544	1,167,756	12.1%	(263,734)	74,376	39,436	\$25.89
Santa Clarita Valley	114	1,992,722	181,983	184,367	9.3%	19,648	0	100,000	\$28.18
Santa Monica	225	4,872,477	281,345	289,886	5.9%	152,758	0	0	\$48.96
Santa Monica Mountai.	14	197,791	21,305	21,305	10.8%	(9,678)	0	0	\$41.55
Santa Paula/Somis	21	108,101	1,700	1,700	1.6%	90	0	0	\$16.02
Sherman Oaks	47	1,353,007	94,506	107,213	7.9%	23,297	0	0	\$28.65
Southeast Los Angele.	119	3,299,699	277,818	277,818	8.4%	(7,013)	0	0	\$21.10
Studio/Universal Cit.	76	1,204,834	40,096	40,096	3.3%	28,602	0	0	\$25.35
Tarzana	34	812,058	73,333	75,390	9.3%	(16,687)	0	0	\$22.65
Thousand Oaks/SE Cou	191	4,630,112	581,826	589,332	12.7%	16,335	12,000	0	\$23.17
Torrance	152	4,130,479	265,356	267,946	6.5%	45,263	15,446	0	\$24.94
Ventura	148	2,251,390	244,128	245,088	10.9%	15,065	0	0	\$21.28
West Hollywood	122	3,249,408	194,154	203,951	6.3%	(34,662)	0	71,000	\$40.60
West Los Angeles	62	1,060,994	89,172	94,122	8.9%	(4,843)	0	0	\$29.82
Western SFV	130	3,053,181	441,397	441,397	14.5%	(37,237)	0	0	\$23.42
Western SGV	233	6,583,566	364,129	375,711	5.7%	25,370	0	0	\$24.18
Westwood	55	1,068,557	106,591	113,149	10.6%	3,828	0	0	\$37.94
Woodland Hills/Warne.	80	2,246,267	254,294	260,600	11.6%	(47,118)	0	0	\$24.22
<b>Totals</b>	<b>5,590</b>	<b>156,446,104</b>	<b>17,064,928</b>	<b>17,308,342</b>	<b>11.1%</b>	<b>1,047,263</b>	<b>513,693</b>	<b>820,208</b>	<b>\$27.13</b>

Source: CoStar Property®

## Los Angeles Office Market



Figures at a Glance

## Class C Submarket Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
190th Street Corrido.	9	246,961	9,493	9,493	3.8%	0	0	0	\$20.68
Antelope Valley	190	1,472,441	99,691	99,691	6.8%	(11,566)	0	0	\$17.90
Beach Cities/Palos V.	334	2,329,145	84,366	84,366	3.6%	11,273	0	0	\$24.63
Beverly Hills	164	1,336,819	67,122	73,057	5.5%	21,804	0	0	\$39.92
Brentwood	27	319,317	3,812	3,812	1.2%	1,764	0	0	\$26.35
Burbank	318	1,933,744	85,682	85,682	4.4%	18,373	0	0	\$24.64
Calabasas/Westlake V.	45	331,089	8,915	8,915	2.7%	4,845	0	0	\$24.48
Camarillo/Point Mugu	68	582,136	46,309	46,309	8.0%	3,281	0	0	\$16.50
Century City	6	45,188	0	0	0.0%	0	0	0	\$0.00
Culver City	304	1,906,963	109,359	109,359	5.7%	(8,416)	0	0	\$31.32
Eastern SFV	431	2,740,937	124,896	124,896	4.6%	62,082	0	0	\$17.82
Eastern SGV	847	5,748,167	292,316	292,316	5.1%	21,924	0	0	\$18.25
El Segundo	65	1,053,317	337,145	337,145	32.0%	(302,625)	0	0	\$37.67
Encino	26	223,177	23,733	25,233	11.3%	6,905	0	0	\$22.10
Fillmore/NE County	30	68,984	6,294	6,294	9.1%	(3,597)	0	0	\$15.60
Glendale	425	2,498,623	48,327	48,327	1.9%	(36,200)	0	0	\$21.75
Greater Downtown	406	11,038,943	530,760	530,760	4.8%	118,827	0	0	\$22.32
Hawthorne/Gardena	228	1,398,209	91,598	91,598	6.6%	28,370	0	0	\$20.35
Hollywood/Silver Lak.	521	4,138,208	130,947	130,947	3.2%	19,813	0	0	\$32.25
LAX	197	1,089,151	93,942	93,942	8.6%	21,711	0	0	\$18.78
Long Beach: Downtown	202	1,270,155	17,053	25,333	2.0%	(11,862)	0	0	\$23.72
Long Beach: Suburban	288	2,277,725	109,087	109,087	4.8%	12,661	0	0	\$19.65
Marina Del Rey/Venic.	225	1,485,462	57,419	57,419	3.9%	56,949	0	0	\$38.14
Mid-Cities	769	4,793,486	201,885	204,885	4.3%	25,200	0	0	\$20.28
Mid-Wilshire	183	2,106,753	59,417	59,417	2.8%	54,483	0	0	\$23.08
Miracle Mile	55	264,394	7,589	7,589	2.9%	9,596	0	0	\$24.15
Moorpark/Simi Valley	92	557,352	36,554	36,554	6.6%	14,927	0	0	\$22.96
North Hollywood	237	1,465,989	43,640	46,140	3.1%	(2,346)	0	0	\$28.53
Ojai/NW County	86	293,750	6,874	6,874	2.3%	(4,003)	0	0	\$22.50
Olympic Corridor	50	306,411	7,845	7,845	2.6%	526	0	0	\$28.65
Oxnard/Port Hueneeme	222	1,101,021	96,188	97,205	8.8%	(24,694)	0	0	\$16.83
Pacific Palisades/Ma.	23	179,011	1,600	1,600	0.9%	80	0	0	\$55.20
Park Mile	63	374,852	18,854	18,854	5.0%	(4,387)	0	0	\$22.80
Pasadena/Arcadia/Mon	753	5,102,577	246,855	248,783	4.9%	42,684	0	0	\$24.54
Santa Clarita Valley	69	518,223	28,440	31,140	6.0%	1,805	0	0	\$31.60
Santa Monica	271	2,353,091	64,897	66,274	2.8%	36,458	0	0	\$43.52
Santa Monica Mountai.	29	243,271	3,525	3,525	1.4%	1,608	0	0	\$31.78
Santa Paula/Somis	55	174,227	6,625	6,625	3.8%	14,100	0	0	\$14.74
Sherman Oaks	65	415,018	15,399	15,399	3.7%	13,815	0	0	\$25.22
Southeast Los Angele.	461	3,689,117	173,777	175,177	4.7%	12,897	0	0	\$18.86
Studio/Universal Cit.	203	928,024	32,824	32,824	3.5%	(5,504)	0	0	\$26.16
Tarzana	32	397,121	6,755	6,755	1.7%	2,804	0	0	\$25.45
Thousand Oaks/SE Cou	117	1,266,292	86,005	86,005	6.8%	(26,810)	0	0	\$22.74
Torrance	255	2,133,525	192,873	192,873	9.0%	14,326	0	0	\$23.89
Ventura	296	1,827,151	87,393	87,393	4.8%	(3,924)	0	0	\$18.38
West Hollywood	249	1,804,104	103,684	103,684	5.7%	(99,905)	0	0	\$39.16
West Los Angeles	211	1,088,034	49,852	49,852	4.6%	(3,237)	0	0	\$30.83
Western SFV	225	1,578,385	90,476	91,336	5.8%	19,566	0	0	\$18.99
Western SGV	522	3,562,053	264,506	266,756	7.5%	(35,539)	0	0	\$21.44
Westwood	93	1,356,401	21,451	21,451	1.6%	6,984	0	0	\$27.31
Woodland Hills/Warne.	94	1,283,693	275,456	275,456	21.5%	(57,997)	0	0	\$25.47
<b>Totals</b>	<b>11,136</b>	<b>86,698,187</b>	<b>4,609,505</b>	<b>4,642,252</b>	<b>5.4%</b>	<b>39,829</b>	<b>0</b>	<b>0</b>	<b>\$25.71</b>

Source: CoStar Property®

## Total Office Submarket Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
190th Street Corrido.	74	5,165,202	738,130	749,810	14.5%	(1,131)	0	0	\$22.95
Antelope Valley	357	3,862,885	370,514	370,514	9.6%	32,721	0	24,264	\$21.37
Beach Cities/Palos V.	462	5,696,080	591,228	592,428	10.4%	115,125	0	0	\$28.01
Beverly Hills	314	10,872,328	797,121	850,185	7.8%	224,342	0	32,450	\$54.28
Brentwood	66	4,223,342	497,506	509,833	12.1%	136,778	0	0	\$41.68
Burbank	612	14,124,150	1,342,191	1,445,646	10.2%	357,027	0	0	\$31.13
Calabasas/Westlake V.	210	7,436,220	840,450	855,927	11.5%	151,724	0	0	\$27.03
Camarillo/Point Mugu	142	2,902,779	426,634	426,634	14.7%	84,414	0	0	\$21.67
Century City	37	11,290,286	1,410,349	1,511,635	13.4%	(116,489)	0	0	\$50.01
Culver City	477	7,614,217	798,239	823,505	10.8%	128,225	0	68,493	\$31.28
Eastern SFV	603	8,472,854	714,236	719,232	8.5%	142,259	18,500	61,600	\$23.00
Eastern SGV	1,222	18,112,042	1,983,403	1,983,403	11.0%	280,745	202,336	213,586	\$23.03
El Segundo	195	16,277,796	2,402,473	2,432,996	14.9%	(137,183)	31,149	209,518	\$32.74
Encino	86	4,967,374	532,985	548,709	11.0%	25,943	0	0	\$28.22
Fillmore/NE County	34	99,669	6,294	6,294	6.3%	(3,597)	0	0	\$15.60
Glendale	707	12,106,716	1,169,791	1,178,299	9.7%	298,790	0	0	\$28.59
Greater Downtown	696	68,685,714	8,842,375	8,914,733	13.0%	22,896	0	386,140	\$33.97
Hawthorne/Gardena	291	3,882,164	658,963	658,963	17.0%	9,069	0	0	\$20.54
Hollywood/Silver Lak.	699	10,728,882	745,300	759,895	7.1%	(2,909)	35,695	630,529	\$37.98
LAX	243	6,158,886	1,840,851	1,867,851	30.3%	(131,683)	0	0	\$18.73
Long Beach: Downtown	269	7,975,646	1,092,904	1,123,313	14.1%	62,449	120,000	0	\$26.16
Long Beach: Suburban	464	9,336,891	968,340	978,295	10.5%	322,613	3,000	109,776	\$23.34
Marina Del Rey/Venic.	364	8,766,728	1,306,447	1,438,543	16.4%	450,895	10,000	264,721	\$40.59
Mid-Cities	1,005	10,308,992	666,395	669,395	6.5%	36,185	0	41,000	\$22.13
Mid-Wilshire	309	13,729,593	2,180,564	2,193,224	16.0%	207,191	0	0	\$20.66
Miracle Mile	99	5,831,630	716,577	757,458	13.0%	(41,769)	7,200	0	\$34.97
Moorpark/Simi Valley	165	2,707,442	265,931	268,436	9.9%	50,464	0	0	\$22.29
North Hollywood	322	3,337,207	275,568	278,868	8.4%	67,711	0	0	\$28.86
Ojai/NW County	96	382,670	10,492	10,992	2.9%	(4,003)	0	0	\$22.62
Olympic Corridor	102	4,133,183	525,867	537,999	13.0%	10,438	0	13,200	\$36.78
Oxnard/Port Hueneeme	334	3,670,833	333,653	334,670	9.1%	52,025	10,000	0	\$24.01
Pacific Palisades/Ma.	51	771,534	40,935	43,549	5.6%	26,395	9,686	0	\$51.96
Park Mile	101	2,105,917	272,202	274,102	13.0%	(3,845)	0	0	\$21.98
Pasadena/Arcadia/Mon	1,120	21,646,194	2,338,418	2,400,713	11.1%	(261,686)	74,376	194,436	\$27.98
Santa Clarita Valley	210	4,684,633	461,669	471,195	10.1%	22,740	0	100,000	\$28.47
Santa Monica	559	15,139,764	897,732	1,001,474	6.6%	200,376	0	0	\$48.74
Santa Monica Mountai.	47	869,892	47,667	49,667	5.7%	(1,556)	0	0	\$41.75
Santa Paula/Somis	76	282,328	8,325	8,325	2.9%	14,190	0	0	\$14.88
Sherman Oaks	125	3,700,919	315,237	363,696	9.8%	(29,986)	0	0	\$26.72
Southeast Los Angele.	594	8,568,183	561,189	563,680	6.6%	8,996	0	0	\$21.86
Studio/Universal Cit.	291	4,146,605	176,750	176,750	4.3%	48,650	0	0	\$27.91
Tarzana	72	1,636,065	149,906	151,963	9.3%	(26,058)	0	117,978	\$24.90
Thousand Oaks/SE Cou	319	7,423,297	904,611	912,117	12.3%	1,437	12,000	163,580	\$23.64
Torrance	437	8,827,944	870,971	878,313	9.9%	73,920	15,446	0	\$25.44
Ventura	446	4,206,326	404,521	405,481	9.6%	11,141	0	0	\$20.59
West Hollywood	388	7,309,047	828,245	838,042	11.5%	9,266	95,002	71,000	\$48.03
West Los Angeles	281	3,009,747	242,139	247,089	8.2%	11,812	0	0	\$31.27
Western SFV	379	6,827,471	1,067,366	1,068,226	15.6%	(28,434)	0	0	\$24.77
Western SGV	770	12,137,032	783,074	796,906	6.6%	(17,295)	0	0	\$23.66
Westwood	176	8,448,352	778,362	815,570	9.7%	95,413	0	0	\$43.41
Woodland Hills/Warne.	211	10,308,608	1,429,753	1,471,575	14.3%	18,828	0	0	\$25.70
<b>Totals</b>	<b>17,709</b>	<b>424,910,259</b>	<b>47,630,843</b>	<b>48,736,118</b>	<b>11.5%</b>	<b>3,005,569</b>	<b>644,390</b>	<b>2,702,271</b>	<b>\$30.30</b>

Source: CoStar Property®

# Los Angeles Office Market

**Figures at a Glance**

## Class A Market Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	76	38,648,706	6,183,053	6,225,149	16.1%	(199,288)	0	386,140	\$36.37
Suburban	907	143,117,262	19,773,357	20,560,375	14.4%	2,117,765	130,697	1,495,923	\$32.35
<b>Totals</b>	<b>983</b>	<b>181,765,968</b>	<b>25,956,410</b>	<b>26,785,524</b>	<b>14.7%</b>	<b>1,918,477</b>	<b>130,697</b>	<b>1,882,063</b>	<b>\$33.26</b>

Source: CoStar Property®

## Class B Market Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	214	18,998,065	2,128,562	2,158,824	11.4%	103,357	0	0	\$26.19
Suburban	5,376	137,448,039	14,936,366	15,149,518	11.0%	943,906	513,693	820,208	\$27.22
<b>Totals</b>	<b>5,590</b>	<b>156,446,104</b>	<b>17,064,928</b>	<b>17,308,342</b>	<b>11.1%</b>	<b>1,047,263</b>	<b>513,693</b>	<b>820,208</b>	<b>\$27.13</b>

Source: CoStar Property®

## Class C Market Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	406	11,038,943	530,760	530,760	4.8%	118,827	0	0	\$22.32
Suburban	10,730	75,659,244	4,078,745	4,111,492	5.4%	(78,998)	0	0	\$25.88
<b>Totals</b>	<b>11,136</b>	<b>86,698,187</b>	<b>4,609,505</b>	<b>4,642,252</b>	<b>5.4%</b>	<b>39,829</b>	<b>0</b>	<b>0</b>	<b>\$25.7</b>

Source: CoStar Property®

## Class A & B Market Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	290	57,646,771	8,311,615	8,383,973	14.5%	(95,931)	0	386,140	\$34.35
Suburban	6,283	280,565,301	34,709,723	35,709,893	12.7%	3,061,671	644,390	2,316,131	\$30.10
<b>Totals</b>	<b>6,573</b>	<b>338,212,072</b>	<b>43,021,338</b>	<b>44,093,866</b>	<b>13.0%</b>	<b>2,965,740</b>	<b>644,390</b>	<b>2,702,271</b>	<b>\$30.83</b>

Source: CoStar Property®

## Total Office Market Statistics

Year-End 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	696	68,685,714	8,842,375	8,914,733	13.0%	22,896	0	386,140	\$33.97
Suburban	17,013	356,224,545	38,788,468	39,821,385	11.2%	2,982,673	644,390	2,316,131	\$29.61
<b>Totals</b>	<b>17,709</b>	<b>424,910,259</b>	<b>47,630,843</b>	<b>48,736,118</b>	<b>11.5%</b>	<b>3,005,569</b>	<b>644,390</b>	<b>2,702,271</b>	<b>\$30.30</b>

Source: CoStar Property®

## Class A Market Statistics

Year-End 2014

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2014 4q	983	181,765,968	25,956,410	26,785,524	14.7%	321,600	1	35,695	18	1,882,063	\$33.26
2014 3q	983	181,782,833	26,329,237	27,123,985	14.9%	522,390	0	0	18	1,799,780	\$32.72
2014 2q	983	181,782,833	26,869,937	27,646,379	15.2%	424,099	0	0	18	1,799,780	\$32.62
2014 1q	984	181,996,833	27,414,933	28,284,478	15.5%	650,388	1	95,002	11	1,178,752	\$32.28
2013 4q	983	181,901,831	27,835,290	28,839,864	15.9%	98,142	1	74,945	5	419,668	\$32.06
2013 3q	983	181,943,274	27,940,362	28,979,449	15.9%	1,388,143	1	545,000	5	390,642	\$31.54
2013 2q	982	181,398,274	28,730,970	29,822,592	16.4%	(54,880)	0	0	4	750,642	\$30.90
2013 1q	982	181,398,274	28,564,069	29,767,712	16.4%	(622,413)	2	423,665	4	750,642	\$30.92
2012	980	180,974,609	27,651,966	28,721,634	15.9%	1,640,305	8	496,799	6	1,174,307	\$31.21
2011	973	180,637,810	28,644,432	30,025,140	16.6%	(284,930)	5	375,271	10	1,442,464	\$31.00
2010	968	180,262,539	27,345,801	29,364,939	16.3%	(1,626,179)	8	809,773	10	942,848	\$30.42
2009	960	179,452,766	24,108,811	26,928,987	15.0%	(3,757,141)	15	2,488,706	14	1,503,462	\$31.93
2008	946	177,210,960	18,584,529	20,930,040	11.8%	(2,577,967)	14	1,242,442	23	3,455,428	\$35.14
2007	932	175,968,518	15,337,963	17,109,631	9.7%	1,264,481	14	2,256,626	20	2,936,329	\$34.36
2006	920	174,191,279	15,121,863	16,596,873	9.5%	3,070,272	9	916,310	23	3,086,408	\$29.78
2005	912	173,315,755	17,189,455	18,791,622	10.8%	6,401,416	8	1,140,241	10	1,812,275	\$27.31

Source: CoStar Property®

## Class B Market Statistics

Year-End 2014

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2014 4q	5,590	156,446,104	17,064,928	17,308,342	11.1%	647,400	2	10,000	40	820,208	\$27.13
2014 3q	5,589	156,469,975	17,683,116	17,979,613	11.5%	312,206	7	187,566	38	685,630	\$26.84
2014 2q	5,584	156,707,056	18,238,566	18,528,900	11.8%	161,212	6	138,171	43	837,653	\$26.53
2014 1q	5,578	156,568,885	18,244,109	18,551,941	11.8%	(73,555)	3	177,956	31	690,120	\$26.16
2013 4q	5,578	156,491,308	18,007,311	18,400,809	11.8%	398,274	16	151,964	23	597,610	\$26.22
2013 3q	5,564	156,484,484	18,327,460	18,792,259	12.0%	298,319	7	73,003	36	725,310	\$25.81
2013 2q	5,559	156,595,608	18,822,487	19,201,702	12.3%	204,673	6	141,997	36	597,167	\$25.07
2013 1q	5,553	156,453,611	18,935,920	19,264,378	12.3%	(298,012)	11	119,180	33	581,586	\$24.99
2012	5,543	156,344,308	18,530,222	18,857,063	12.1%	691,476	25	947,631	31	501,474	\$25.29
2011	5,524	155,783,678	18,427,342	18,987,909	12.2%	195,257	26	484,767	26	951,322	\$24.45
2010	5,503	155,599,731	18,470,010	18,999,219	12.2%	(475,546)	34	449,042	25	771,699	\$24.61
2009	5,472	155,512,540	17,538,044	18,436,482	11.9%	(1,894,708)	101	1,066,065	34	471,984	\$25.29
2008	5,374	154,713,540	14,501,640	15,742,774	10.2%	(2,649,631)	171	2,264,427	101	1,157,285	\$27.67
2007	5,207	152,778,591	10,416,589	11,158,194	7.3%	461,957	88	1,317,292	181	2,269,349	\$27.56
2006	5,127	152,161,559	10,469,464	11,003,119	7.2%	1,430,317	66	1,225,558	108	1,456,200	\$25.29
2005	5,065	151,118,649	10,555,137	11,390,526	7.5%	3,112,178	53	969,752	63	1,234,701	\$23.02

Source: CoStar Property®

## Total Office Market Statistics

Year-End 2014

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2014 4q	17,709	424,910,259	47,630,843	48,736,118	11.5%	1,006,114	3	45,695	58	2,702,271	\$30.30
2014 3q	17,712	425,037,297	48,724,337	49,869,270	11.7%	943,954	7	187,566	56	2,485,410	\$29.76
2014 2q	17,710	425,316,966	49,968,416	51,092,893	12.0%	778,848	6	138,171	61	2,637,433	\$29.63
2014 1q	17,706	425,407,795	50,703,817	51,962,570	12.2%	276,653	4	272,958	42	1,868,872	\$29.26
2013 4q	17,707	425,244,704	50,587,882	52,076,132	12.2%	707,345	17	226,909	28	1,017,278	\$29.22
2013 3q	17,693	425,279,323	51,236,666	52,818,096	12.4%	1,809,552	8	618,003	41	1,115,952	\$28.67
2013 2q	17,688	424,850,436	52,629,413	54,198,761	12.8%	243,395	6	141,997	40	1,347,809	\$27.87
2013 1q	17,684	424,724,327	52,677,695	54,316,047	12.8%	(1,094,365)	13	542,845	37	1,332,228	\$27.89
2012	17,674	424,203,103	51,212,214	52,700,458	12.4%	1,778,776	33	1,444,430	37	1,675,781	\$28.32
2011	17,655	423,481,550	51,648,017	53,757,681	12.7%	23,332	33	870,026	36	2,393,786	\$27.97
2010	17,632	422,973,689	50,522,801	53,273,152	12.6%	(2,461,873)	45	1,277,073	37	1,724,535	\$27.77
2009	17,600	422,233,326	46,195,744	50,070,916	11.9%	(6,273,753)	121	3,587,178	50	1,991,803	\$28.61
2008	17,491	419,252,492	36,853,346	40,816,329	9.7%	(6,216,240)	195	3,615,019	128	4,639,724	\$31.23
2007	17,320	416,427,891	29,013,511	31,775,488	7.6%	959,037	109	3,643,512	211	5,313,828	\$31.08
2006	17,243	414,338,176	28,389,573	30,644,810	7.4%	4,118,197	86	2,248,084	138	4,629,139	\$27.79
2005	17,183	413,133,343	30,992,049	33,558,174	8.1%	9,739,759	78	2,225,499	84	3,172,421	\$25.52

Source: CoStar Property®

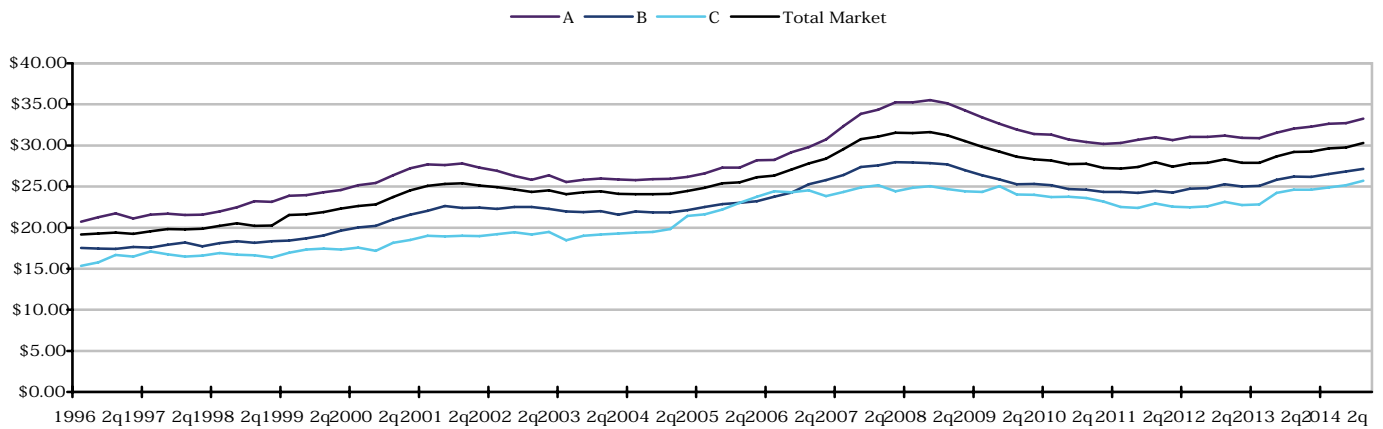
# Los Angeles Office Market



Leasing Activity

## Historical Rental Rates

Based on Full-Service Equivalent Rental Rates



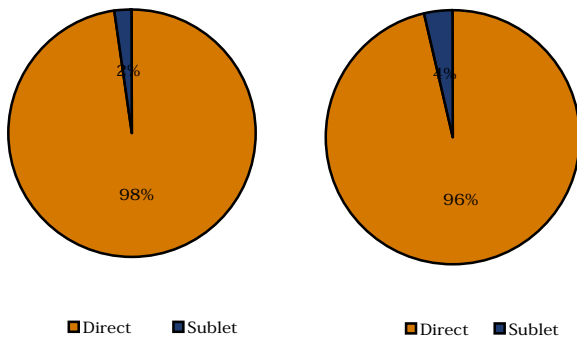
Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Los Angeles

United States



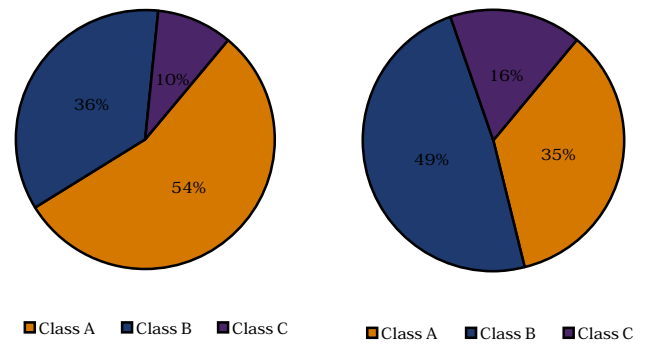
Source: CoStar Property®

## Vacancy by Class

Percent of All Vacant Space by Class

Los Angeles

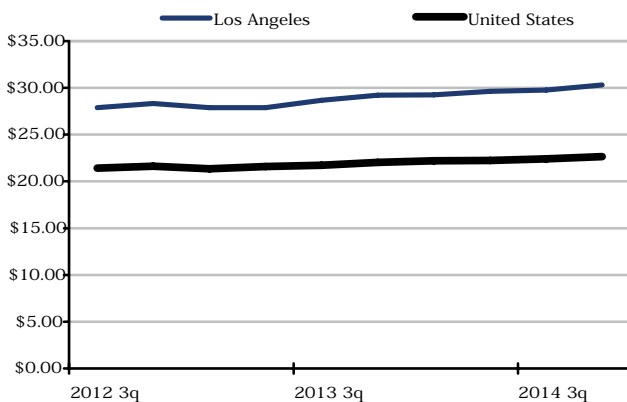
United States



Source: CoStar Property®

## U.S. Rental Rate Comparison

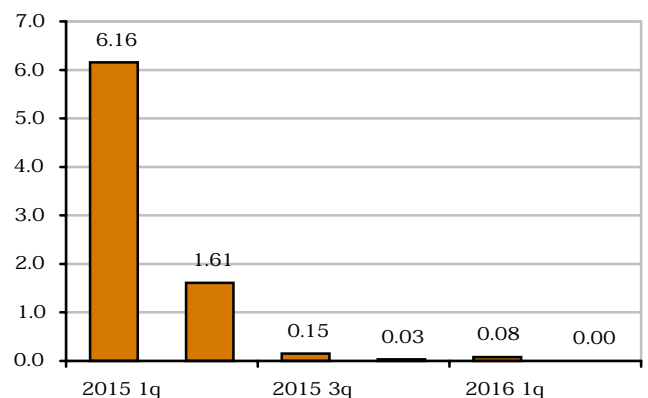
Based on Full-Service Equivalent Rental Rates



Source: CoStar Property®

## Future Space Available

Space Scheduled to be Available for Occupancy\*



\* Includes Under Construction Spaces

Source: CoStar Property®

## Select Top Office Leases Based on Leased Square Footage For Deals Signed in 2014

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company
1 Sony Pictures Plaza*	Culver City	338,688	1st	Sony Pictures Entertainment, Inc.	N/A	N/A
2 U.S. Bank Tower	Greater Downtown	215,230	4th	Lewis Brisbois Bisgaard & Smith LLP	Cassidy Turley	Cushman & Wakefield, Inc.
3 Arboretum Gateway*	Santa Monica	201,006	3rd	Universal Music Group	CBRE	Madison Partners
4 Wells Fargo Center - North Tower*	Greater Downtown	182,088	4th	Oaktree Capital Management LP	CBRE	Brookfield Office Properties, Inc.
5 Columbia Square, Gower/Selma	Hollywood/Silver Lake	168,825	4th	Viacom	N/A	JLL
6 Hines Warner Center - Building H	WoodlandHills/WarnerCtr	146,636	2nd	Universal Music Group	CBRE	Hines
7 Universal Technical Institute Inc.	Long Beach: Suburban	138,299	4th	Universal Technical Institute, Inc.	JLL	CBRE
8 Meeker-Baker Bldg*	Long Beach: Downtown	120,000	4th	Molina Healthcare, Inc.	N/A	N/A
9 800 Apollo St	El Segundo	113,330	1st	Just Fab	N/A	CBRE
10 The Gas Company Tower	Greater Downtown	112,028	2nd	Deloitte	DTZ	JLL
11 Colorado Center - Bldg A	Santa Monica	108,442	3rd	Edmunds	Travers Cresa	LA Realty Partners
12 U.S. Bank Tower*	Greater Downtown	105,000	2nd	U.S. Bank	N/A	CBRE
13 13031 W Jefferson Blvd	Marina Del Rey/Venice	83,000	3rd	Verizon	CBRE	JLL
14 Pasadena Business Center	Pasadena/Arcadia/Monrovia	82,993	2nd	Community Bank	N/A	Direct Deal
15 The Desmond	Greater Downtown	82,000	2nd	AEG Worldwide	N/A	Lincoln Property Company
16 801 Tower*	Greater Downtown	80,328	3rd	Manning&Kass, Ellrod, Ramirez, Trester LLP	Savills Studley	Cushman & Wakefield, Inc.
17 Courtyard Office Building*	Sherman Oaks	77,694	3rd	Prospect Mortgage LLC	Guardian Commercial Realty	Douglas Emmett Management LLC
18 Westlake Park Place - Phase II - Bldg C	ThousandOaks/SECounty	77,661	1st	Dole Food Company, Inc.	NAI Capital, Inc.	DAUM Commercial RE Service
19 Westside Media Center - Phase I	Olympic Corridor	77,000	2nd	Riot Games	Advisors LLP	LA Realty Partners
20 6080 Center Dr*	Marina Del Rey/Venice	76,735	4th	Sony CONNECT, Inc.	JLL	Hines
21 Westlake Landmark - Bldg II	Calabasas/Westlake Vill	75,221	2nd	Prodovis Mortgage LLC	N/A	JLL
22 Radio Building	Hollywood/Silver Lake	75,000	3rd	Neuehouse	Newmark Grubb Knight Frank	JLL
23 AT&T Western Regional HQ	Mid-Cities	71,349	3rd	Caremore Health System	Direct Deal	EdgeCore Real Estate Group
24 AT&T Western Regional HQ	Mid-Cities	66,696	3rd	AT&T	Direct Deal	EdgeCore Real Estate Group
25 Formosa South at The Lot	West Hollywood	66,429	1st	OWN	JLL	JLL
26 Warner Corporate Center*	WoodlandHills/WarnerCtr	66,147	1st	BlackLine Systems, Inc.	CBRE	Douglas Emmett Management LLC
27 5670 Wilshire Blvd*	Miracle Mile	63,954	4th	CBS Radio Inc.	N/A	N/A
28 Century Plaza Towers North	Century City	56,527	4th	Milbank, Tweed, Hadley & McCloy LLP	N/A	CBRE
29 Century Plaza Towers South	Century City	56,514	4th	Polsinelli Shugart, Inc.	N/A	CBRE
30 Biltmore Court	Greater Downtown	54,780	2nd	Nationbuilder	Travers Cresa	CBRE
31 City National Plaza - North Tower	Greater Downtown	54,510	4th	Colony Capital	N/A	CommonWealth Partners
32 The Oaks	ThousandOaks/SECounty	53,214	2nd	Pacific Compensation	Mazirow Commercial, Inc.	CBRE
33 800 Apollo St	El Segundo	52,282	4th	Ignited Minds	Savills Studley	CBRE
34 The Reserve - Building 9	Marina Del Rey/Venice	52,000	3rd	Verizon	CBRE	JLL
35 10960 Wilshire Blvd	Westwood	51,972	3rd	Boingo Wireless, Inc.	Cresa	LA Realty Partners
36 The Oaks*	ThousandOaks/SECounty	50,590	2nd	State Farm	Cushman & Wakefield, Inc.	CBRE
37 8926 Sunland Blvd	Eastern SFV	50,000	4th	N/A	N/A	SS Commercial Realty
38 Oppenheimer Tower	Westwood	49,800	3rd	Viner Finance, Inc.	JLL	LA Realty Partners
39 Towers On Wilshire - North Tower*	Mid-Wilshire	49,767	2nd	Wilshire State Bank	N/A	Jamison Services, Inc.
40 U.S. Bank Tower	Greater Downtown	49,523	2nd	US Special Olympics	N/A	N/A

Source: CoStar Property®

\* Renewal

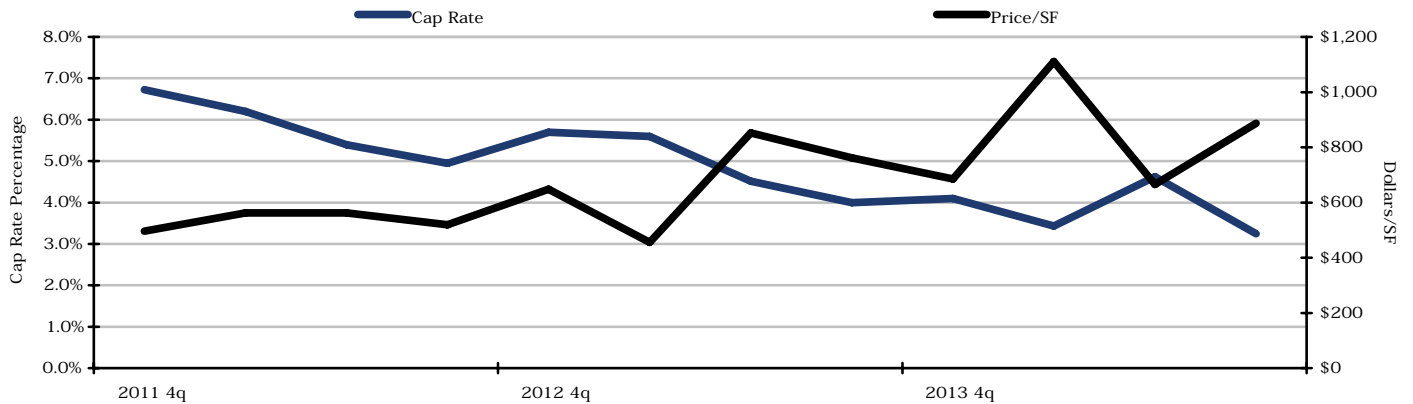
# Los Angeles Office Market



Sales Activity

## The Optimist Sales Index

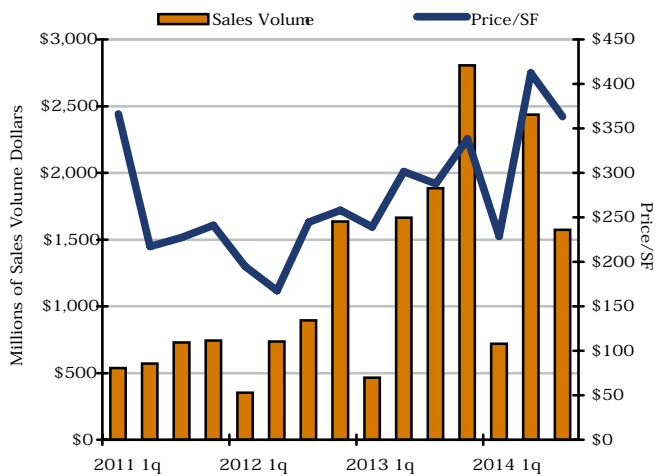
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

## Sales Volume & Price

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



Source: CoStar COMPS®

## Sales Analysis by Building Size

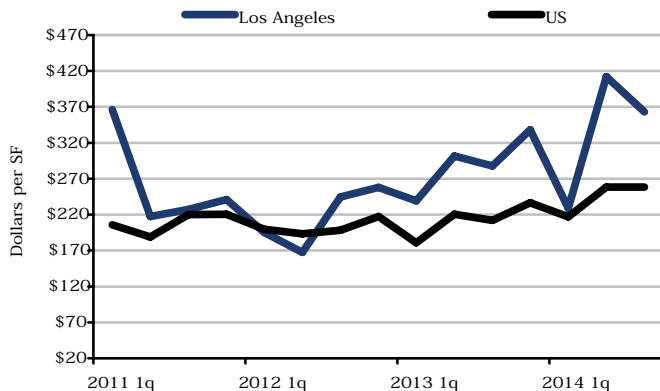
Based on Office Building Sales From Oct. 2013 - Sept. 2014

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 50,000 SF	497	4,932,039	\$1,389,883,827	\$ 281.81	6.47%
50K-249K SF	60	6,379,995	\$1,472,111,001	\$ 230.74	6.28%
250K-499K SF	13	4,679,739	\$1,383,800,000	\$ 295.70	7.53%
>500K SF	3	7,882,916	\$3,935,052,285	\$ 499.19	4.77%

Source: CoStar COMPS®

## U.S. Price/SF Comparison

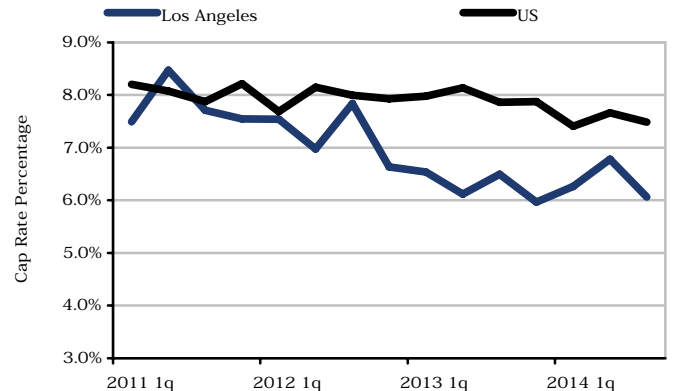
Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## U.S. Cap Rate Comparison

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



Source: CoStar COMPS®



## Select Top Sales

Based on Sales from October 2013 Through December 2014

## 1. MPG/Brookfield



## Los Angeles

Price: **\$1,898,552,285**  
 Price/SF: **\$387.50**  
 Cap Rate: **4.79%**  
 RBA: **4,899,514**  
 Date: **10/15/2013**  
 Year Built: **1983**  
 Buyer: **Brookfield Office Properties, Inc.**  
 Seller: **MPG Office Trust, Inc.**

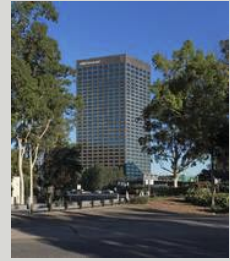
## 2. Century Park



## Los Angeles

Price: **\$1,641,500,000**  
 Price/SF: **\$756.62**  
 Cap Rate: **4.75%**  
 RBA: **2,169,510**  
 Date: **6/14/2014**  
 Year Built: **1974**  
 Buyer: **JP Morgan Asset Management**  
 Seller: **General Motors Pension Trust**

## 3. 10 Universal City Plaza



## Universal City

Price: **\$395,000,000**  
 Price/SF: **\$485.32**  
 Cap Rate: **N/A**  
 RBA: **813,892**  
 Date: **10/2/2013**  
 Year Built: **1984**  
 Buyer: **Comcast Corporation**  
 Seller: **Normandy Real Estate Partners**

## 4. Aon Center



## Los Angeles

Price: **\$268,520,000**  
 Price/SF: **\$241.91**  
 Cap Rate: **N/A**  
 RBA: **1,110,000**  
 Date: **10/10/2014**  
 Year Built: **1974**  
 Buyer: **Shorenstein Properties LLC**  
 Seller: **Beacon Capital Partners**

## 5. UTA Plaza and the Ice House



## Beverly Hills

Price: **\$210,000,000**  
 Price/SF: **\$896.05**  
 Cap Rate: **4.6%**  
 RBA: **234,361**  
 Date: **7/31/2014**  
 Year Built: **1985**  
 Buyer: **The Rockefeller Group**  
 Seller: **Tishman Speyer**

## 6. 801 Tower



## Los Angeles

Price: **\$177,200,000**  
 Price/SF: **\$386.42**  
 Cap Rate: **5.25%**  
 RBA: **458,570**  
 Date: **9/30/2014**  
 Year Built: **1991**  
 Buyer: **Cornerstone Real Estate Advisers LLC**  
 Seller: **Mani Brothers Real Estate Group**

## 7. Continental Grand Plaza I &amp; II



## El Segundo

Price: **\$133,000,000**  
 Price/SF: **\$273.20**  
 Cap Rate: **5.9%**  
 RBA: **486,822**  
 Date: **5/27/2014**  
 Year Built: **1999**  
 Buyer: **DivcoWest**  
 Seller: **Tishman Speyer**

## 8. Latitude 34



## Playa Vista

Price: **\$132,700,000**  
 Price/SF: **\$450.61**  
 Cap Rate: **N/A**  
 RBA: **294,491**  
 Date: **7/2/2014**  
 Year Built: **2010**  
 Buyer: **Clarion Partners**  
 Seller: **ASB Capital Management LLC**

## 9. PacMutual



## Los Angeles

Price: **\$129,000,000**  
 Price/SF: **\$289.22**  
 Cap Rate: **N/A**  
 RBA: **446,023**  
 Date: **4/22/2014**  
 Year Built: **1926**  
 Buyer: **Rising Realty Partners**  
 Seller: **Mount Kellett Capital Management LP**

# Los Angeles Office Market

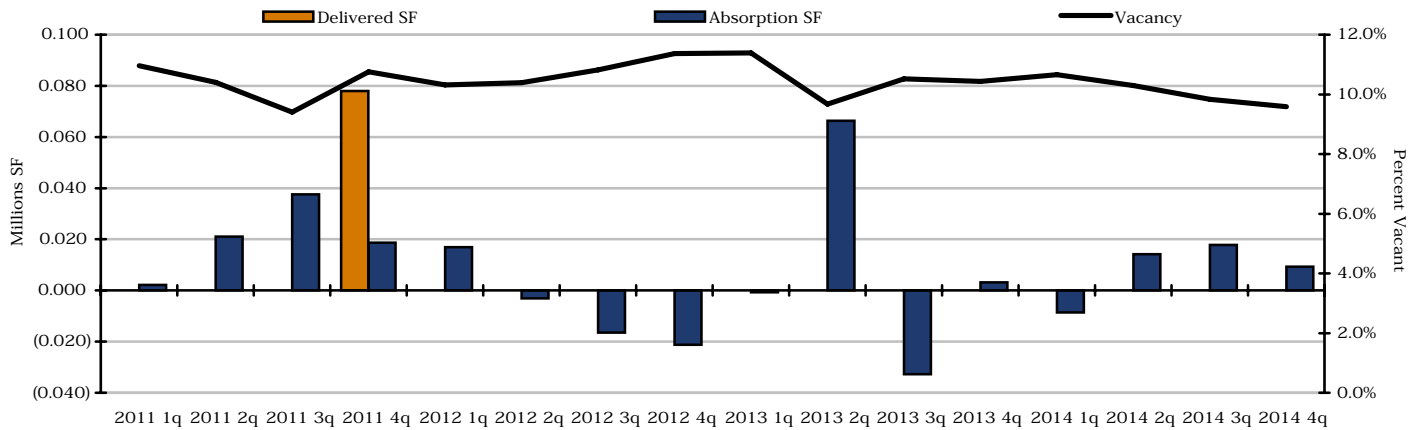


## Antelope Valley Market

Market Highlights – Class "A, B & C"

### Deliveries, Absorption & Vacancy

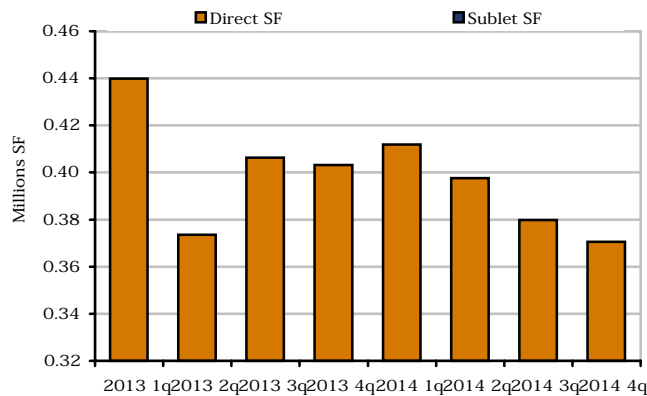
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



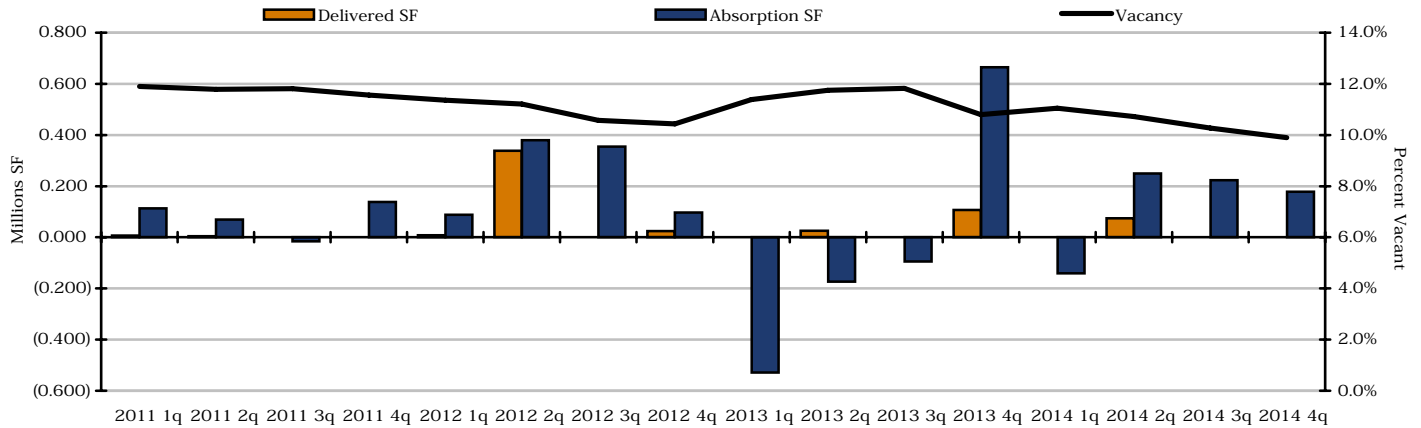
Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	357	3,862,885	370,514	9.6%	9,269	0	0	3	24,264	\$21.37
2014 3q	357	3,862,885	379,783	9.8%	17,832	0	0	3	24,264	\$20.63
2014 2q	357	3,862,885	397,615	10.3%	14,206	0	0	3	24,264	\$20.84
2014 1q	357	3,862,885	411,821	10.7%	(8,586)	0	0	3	24,264	\$21.36
2013 4q	357	3,862,885	403,235	10.4%	3,114	0	0	3	24,264	\$21.71
2013 3q	357	3,862,885	406,349	10.5%	(32,743)	0	0	0	0	\$20.45
2013 2q	357	3,862,885	373,606	9.7%	66,295	0	0	0	0	\$19.39
2013 1q	357	3,862,885	439,901	11.4%	(654)	0	0	0	0	\$18.74
2012 4q	357	3,862,885	439,247	11.4%	(21,276)	0	0	0	0	\$22.75
2012 3q	357	3,862,885	417,971	10.8%	(16,481)	0	0	0	0	\$21.59
2012 2q	357	3,862,885	401,490	10.4%	(3,068)	0	0	0	0	\$21.51
2012 1q	357	3,862,885	398,422	10.3%	16,901	0	0	0	0	\$20.78
2011 4q	357	3,862,885	415,323	10.8%	18,726	1	78,000	0	0	\$23.17
2011 3q	356	3,784,885	356,049	9.4%	37,560	0	0	1	78,000	\$21.89
2011 2q	356	3,784,885	393,609	10.4%	21,071	0	0	1	78,000	\$22.26
2011 1q	356	3,784,885	414,680	11.0%	2,204	0	0	1	78,000	\$22.61

Source: CoStar Property®

### Deliveries, Absorption & Vacancy

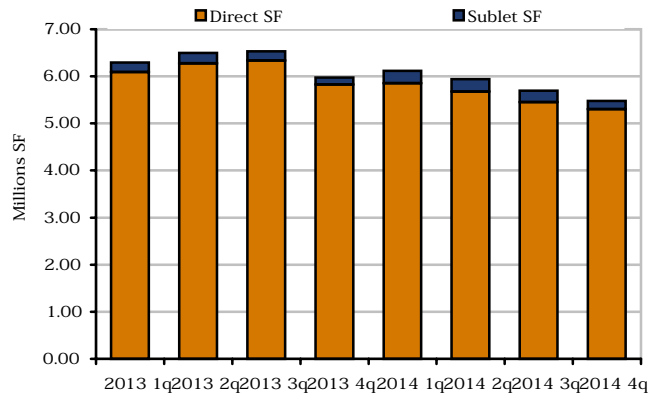
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

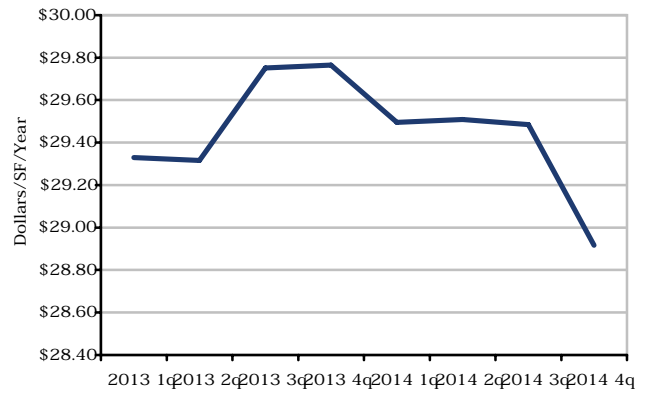
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	3,052	55,360,872	5,480,276	9.9%	178,562	0	0	3	194,436	\$28.92
2014 3q	3,053	55,394,743	5,692,709	10.3%	223,753	0	0	3	194,436	\$29.49
2014 2q	3,054	55,420,823	5,942,542	10.7%	249,206	1	74,376	3	194,436	\$29.51
2014 1q	3,053	55,346,447	6,117,372	11.1%	(141,029)	0	0	4	268,812	\$29.50
2013 4q	3,053	55,346,447	5,976,343	10.8%	664,268	11	106,636	3	194,436	\$29.76
2013 3q	3,042	55,239,811	6,533,975	11.8%	(94,481)	0	0	14	301,072	\$29.75
2013 2q	3,043	55,295,069	6,494,752	11.7%	(173,756)	2	25,420	11	106,636	\$29.32
2013 1q	3,041	55,269,649	6,295,576	11.4%	(528,569)	0	0	7	111,352	\$29.33
2012 4q	3,041	55,269,649	5,767,007	10.4%	96,389	1	24,887	4	84,620	\$29.54
2012 3q	3,040	55,244,762	5,838,509	10.6%	355,126	0	0	4	68,307	\$28.86
2012 2q	3,040	55,244,762	6,193,635	11.2%	379,293	2	337,879	3	63,887	\$28.95
2012 1q	3,038	54,906,883	6,235,049	11.4%	88,134	1	7,483	5	401,766	\$28.97
2011 4q	3,038	54,934,753	6,351,053	11.6%	138,047	0	0	5	388,249	\$29.92
2011 3q	3,038	54,934,753	6,489,100	11.8%	(16,071)	0	0	4	370,249	\$29.70
2011 2q	3,038	54,934,753	6,473,029	11.8%	69,500	1	4,711	2	338,162	\$28.76
2011 1q	3,037	54,930,042	6,537,818	11.9%	112,547	2	6,966	2	335,390	\$28.58

Source: CoStar Property®

# Los Angeles Office Market

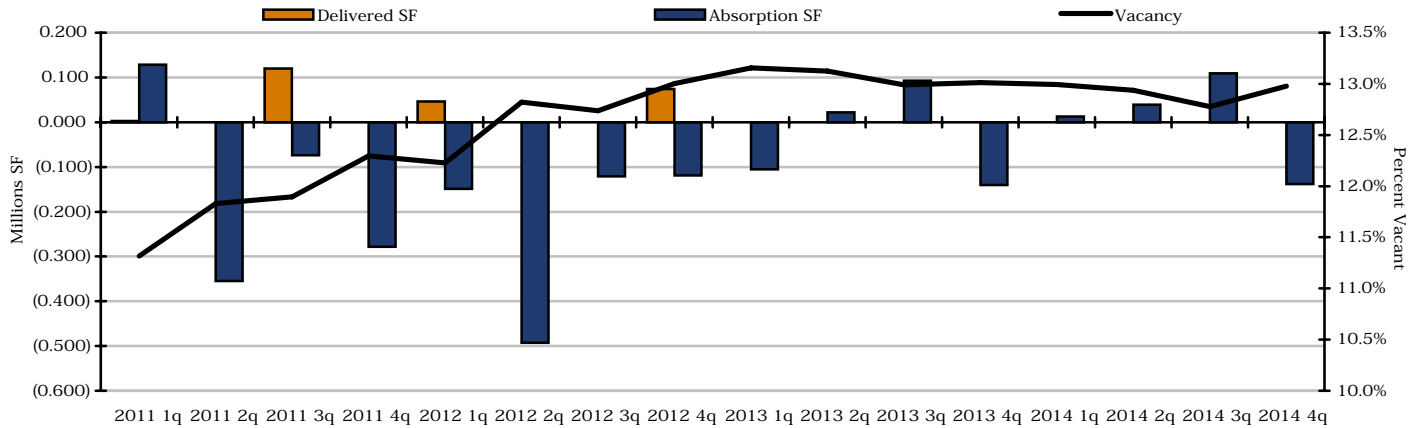


## Downtown Los Angeles Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

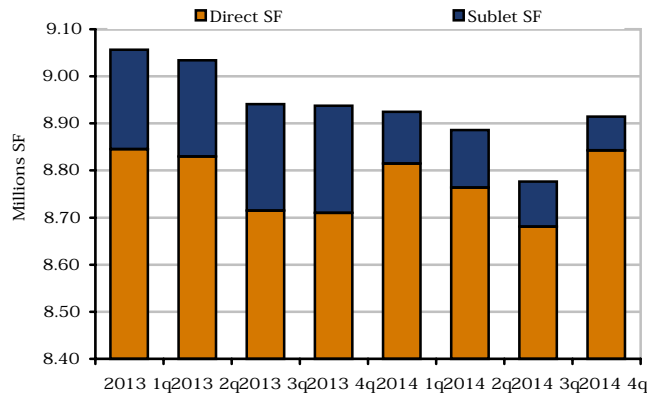
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

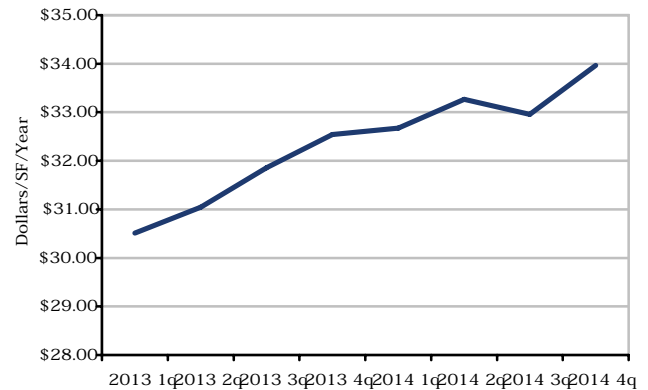
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



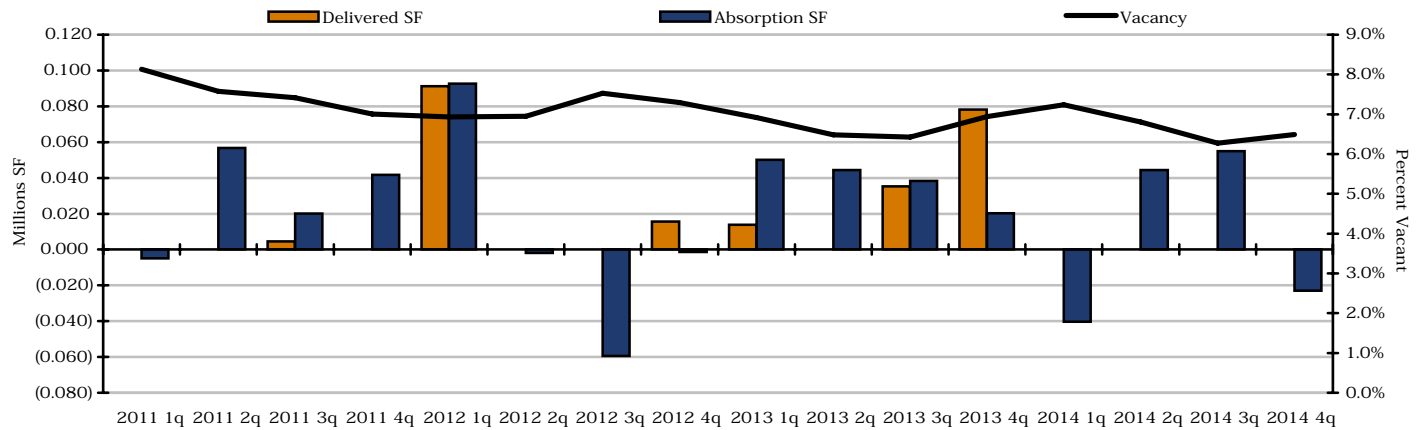
Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	696	68,685,714	8,914,733	13.0%	(137,999)	0	0	2	386,140	\$33.97
2014 3q	696	68,685,714	8,776,734	12.8%	108,915	0	0	2	386,140	\$32.96
2014 2q	696	68,685,714	8,885,649	12.9%	39,210	0	0	2	386,140	\$33.26
2014 1q	696	68,685,714	8,924,859	13.0%	12,770	0	0	1	30,000	\$32.67
2013 4q	696	68,685,714	8,937,629	13.0%	(140,416)	0	0	1	30,000	\$32.54
2013 3q	697	68,829,616	8,941,115	13.0%	93,025	0	0	1	30,000	\$31.86
2013 2q	697	68,829,616	9,034,140	13.1%	22,040	0	0	0	0	\$31.05
2013 1q	697	68,829,616	9,056,180	13.2%	(105,629)	0	0	0	0	\$30.51
2012 4q	697	68,829,616	8,950,551	13.0%	(118,688)	1	74,400	0	0	\$31.27
2012 3q	696	68,755,216	8,757,463	12.7%	(120,758)	0	0	1	74,400	\$31.00
2012 2q	698	68,960,062	8,841,551	12.8%	(492,639)	0	0	1	74,400	\$31.17
2012 1q	699	69,053,845	8,442,695	12.2%	(148,527)	1	46,000	1	74,400	\$30.04
2011 4q	700	69,278,029	8,518,352	12.3%	(278,113)	0	0	2	120,400	\$29.91
2011 3q	700	69,278,029	8,240,239	11.9%	(74,061)	1	120,000	1	46,000	\$30.05
2011 2q	700	69,310,156	8,198,305	11.8%	(354,584)	0	0	2	166,000	\$29.58
2011 1q	700	69,310,156	7,843,721	11.3%	128,568	1	2,900	1	120,000	\$29.38

Source: CoStar Property®

## Deliveries, Absorption & Vacancy

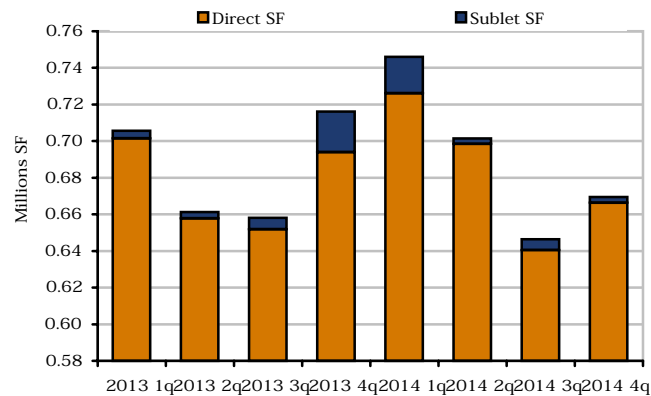
### Historical Analysis, All Classes



Source: CoStar Property®

## Vacant Space

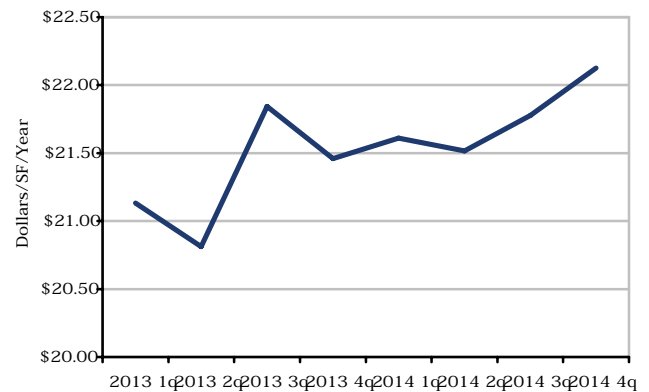
### Historical Analysis, All Classes



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	1,005	10,308,992	669,395	6.5%	(22,956)	0	0	3	41,000	\$22.13
2014 3q	1,005	10,308,992	646,439	6.3%	55,023	0	0	3	41,000	\$21.78
2014 2q	1,005	10,308,992	701,462	6.8%	44,484	0	0	3	41,000	\$21.52
2014 1q	1,005	10,308,992	745,946	7.2%	(40,366)	0	0	3	41,000	\$21.61
2013 4q	1,006	10,319,594	716,182	6.9%	20,194	2	78,199	0	0	\$21.46
2013 3q	1,004	10,241,395	658,177	6.4%	38,404	3	35,310	2	78,199	\$21.84
2013 2q	1,001	10,206,085	661,271	6.5%	44,329	0	0	5	113,509	\$20.81
2013 1q	1,001	10,206,085	705,600	6.9%	50,105	4	13,836	4	110,255	\$21.13
2012 4q	998	10,193,983	743,603	7.3%	(1,378)	1	15,654	6	103,781	\$21.62
2012 3q	998	10,221,329	769,571	7.5%	(59,400)	0	0	5	29,490	\$21.54
2012 2q	998	10,221,329	710,171	6.9%	(1,832)	0	0	5	29,490	\$21.84
2012 1q	998	10,221,329	708,339	6.9%	92,604	2	91,247	3	25,787	\$22.07
2011 4q	996	10,130,082	709,696	7.0%	41,682	0	0	4	111,754	\$22.21
2011 3q	996	10,130,082	751,378	7.4%	20,010	1	4,500	3	96,100	\$22.17
2011 2q	995	10,125,582	766,888	7.6%	56,710	0	0	4	100,600	\$21.97
2011 1q	995	10,125,582	823,598	8.1%	(4,874)	0	0	3	95,398	\$22.76

Source: CoStar Property®

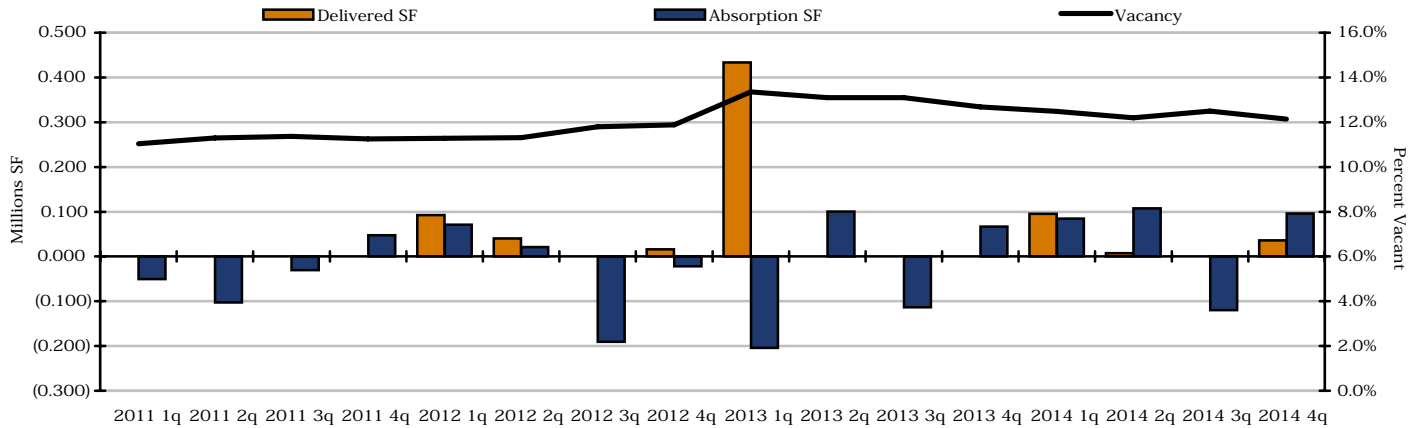
# Los Angeles Office Market

## Mid-Wilshire Market

Market Highlights – Class "A, B & C"

### Deliveries, Absorption & Vacancy

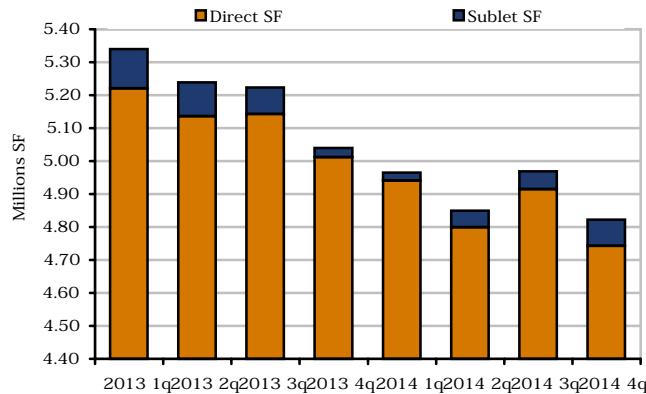
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

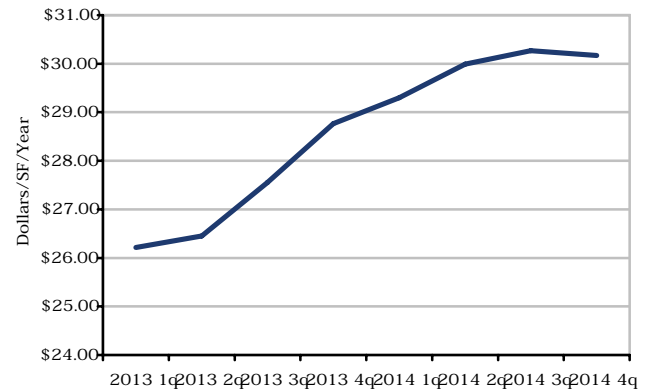
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



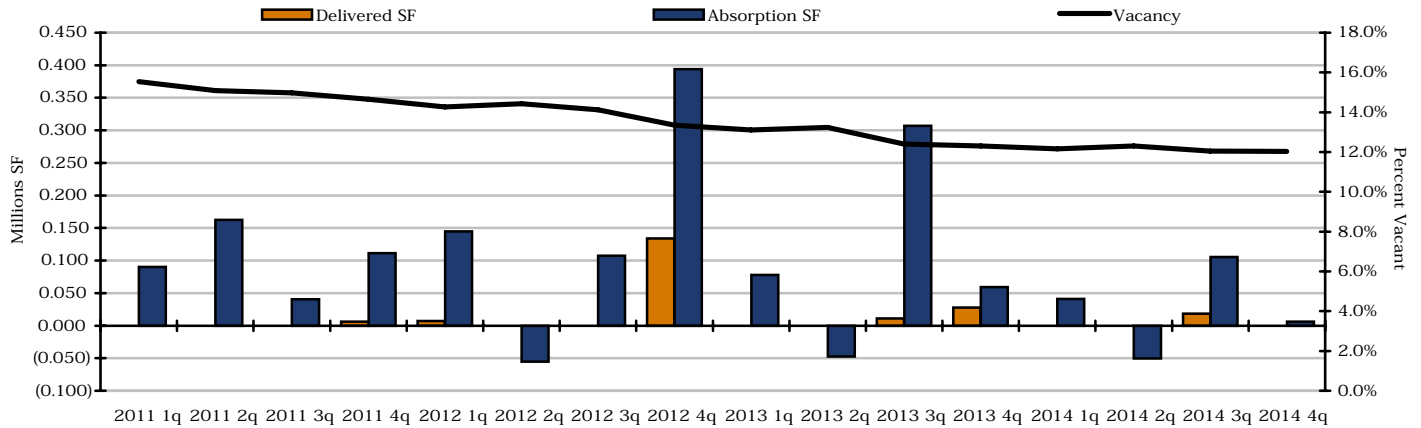
Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	1,596	39,705,069	4,822,721	12.1%	95,841	1	35,695	8	701,529	\$30.17
2014 3q	1,599	39,755,676	4,969,169	12.5%	(120,024)	0	0	8	675,224	\$30.27
2014 2q	1,599	39,755,676	4,849,145	12.2%	107,729	1	7,200	7	665,681	\$29.99
2014 1q	1,599	39,763,476	4,964,674	12.5%	84,388	1	95,002	8	672,881	\$29.30
2013 4q	1,600	39,754,489	5,040,075	12.7%	67,111	0	0	4	241,868	\$28.76
2013 3q	1,601	39,870,877	5,223,574	13.1%	(113,161)	0	0	3	137,897	\$27.56
2013 2q	1,602	39,999,746	5,239,282	13.1%	100,256	0	0	3	137,897	\$26.45
2013 1q	1,602	39,999,746	5,339,538	13.3%	(204,093)	3	433,165	3	137,897	\$26.21
2012 4q	1,599	39,566,581	4,702,280	11.9%	(21,624)	2	15,673	6	571,062	\$25.87
2012 3q	1,597	39,550,908	4,664,983	11.8%	(190,286)	0	0	7	551,040	\$25.32
2012 2q	1,597	39,550,908	4,474,697	11.3%	21,034	1	40,661	6	456,038	\$25.56
2012 1q	1,596	39,510,247	4,455,070	11.3%	70,991	3	92,360	7	496,699	\$25.15
2011 4q	1,593	39,417,887	4,433,701	11.2%	47,622	0	0	8	570,176	\$25.24
2011 3q	1,593	39,417,887	4,481,323	11.4%	(30,322)	0	0	8	570,176	\$25.07
2011 2q	1,593	39,417,887	4,451,001	11.3%	(102,387)	0	0	7	529,515	\$25.62
2011 1q	1,593	39,417,887	4,348,614	11.0%	(50,742)	0	0	6	514,155	\$25.61

Source: CoStar Property®

### Deliveries, Absorption & Vacancy

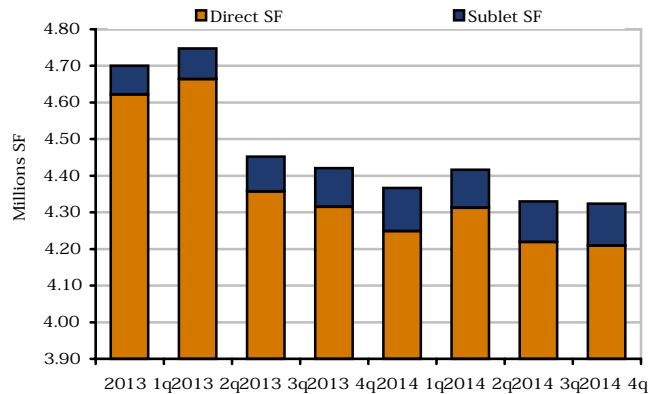
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

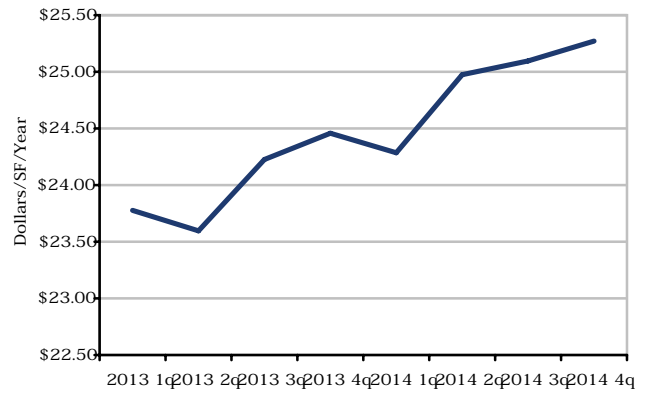
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	1,476	35,913,291	4,323,401	12.0%	6,119	0	0	3	179,578	\$25.27
2014 3q	1,476	35,913,291	4,329,520	12.1%	105,685	1	18,500	2	61,600	\$25.10
2014 2q	1,475	35,894,791	4,416,705	12.3%	(50,220)	0	0	3	80,100	\$24.98
2014 1q	1,475	35,894,791	4,366,485	12.2%	40,968	0	0	2	27,100	\$24.29
2013 4q	1,477	35,908,041	4,420,703	12.3%	59,101	1	28,000	0	0	\$24.46
2013 3q	1,476	35,880,041	4,451,804	12.4%	306,728	1	11,024	1	28,000	\$24.22
2013 2q	1,475	35,869,017	4,747,508	13.2%	(47,473)	0	0	2	39,024	\$23.60
2013 1q	1,475	35,869,017	4,700,035	13.1%	77,869	0	0	2	39,024	\$23.78
2012 4q	1,476	35,879,027	4,787,914	13.3%	394,039	2	134,000	2	39,024	\$24.05
2012 3q	1,474	35,745,027	5,047,953	14.1%	107,267	0	0	3	162,000	\$23.59
2012 2q	1,474	35,745,027	5,155,220	14.4%	(55,028)	0	0	3	162,000	\$23.54
2012 1q	1,474	35,745,027	5,100,192	14.3%	145,010	1	7,000	3	162,000	\$23.47
2011 4q	1,473	35,738,027	5,238,202	14.7%	111,198	1	6,080	3	141,000	\$24.06
2011 3q	1,473	35,739,647	5,351,020	15.0%	40,602	0	0	4	147,080	\$23.79
2011 2q	1,473	35,739,647	5,391,622	15.1%	162,540	0	0	4	147,080	\$24.07
2011 1q	1,473	35,739,647	5,554,162	15.5%	90,332	0	0	3	140,080	\$24.27

Source: CoStar Property®

# Los Angeles Office Market

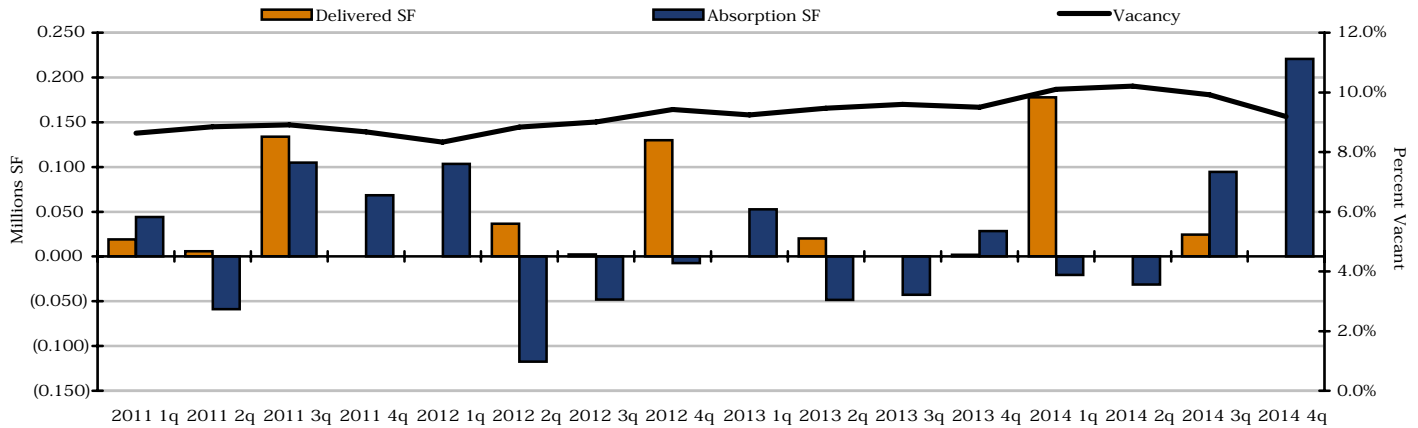


## San Gabriel Valley Market

Market Highlights - Class "A, B & C"

### Deliveries, Absorption & Vacancy

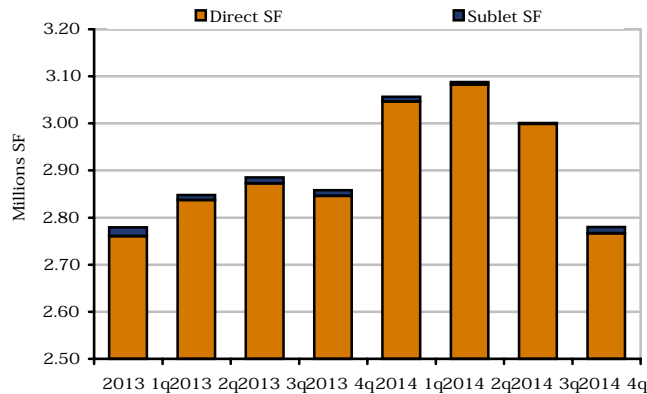
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

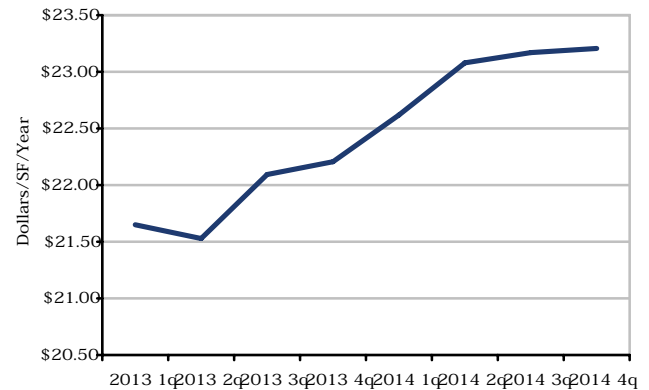
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



Source: CoStar Property®

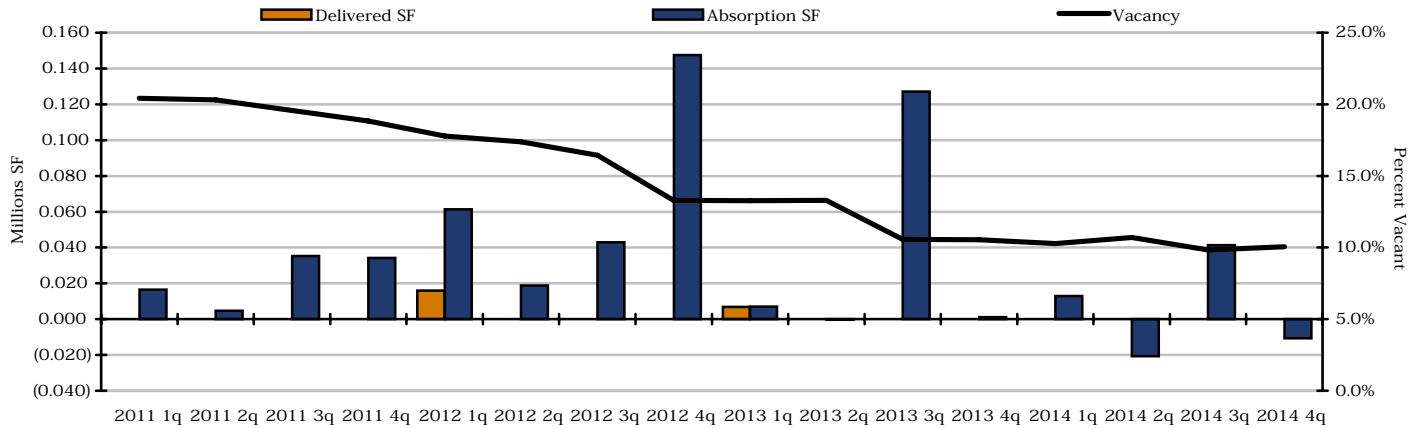
Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	1,992	30,249,074	2,780,309	9.2%	220,853	0	0	2	213,586	\$23.21
2014 3q	1,992	30,249,074	3,001,162	9.9%	94,394	2	24,380	1	166,408	\$23.17
2014 2q	1,992	30,241,202	3,087,684	10.2%	(31,169)	0	0	3	190,788	\$23.08
2014 1q	1,992	30,241,202	3,056,515	10.1%	(20,628)	3	177,956	3	190,788	\$22.62
2013 4q	1,989	30,063,246	2,857,931	9.5%	28,337	1	2,000	5	202,336	\$22.21
2013 3q	1,989	30,062,484	2,885,506	9.6%	(42,837)	0	0	6	204,336	\$22.09
2013 2q	1,990	30,067,473	2,847,658	9.5%	(48,574)	1	20,000	4	82,155	\$21.53
2013 1q	1,989	30,047,473	2,779,084	9.2%	52,771	0	0	5	102,155	\$21.65
2012 4q	1,989	30,047,473	2,831,855	9.4%	(7,220)	1	130,000	4	100,155	\$22.21
2012 3q	1,988	29,917,473	2,694,635	9.0%	(48,203)	1	2,116	5	230,155	\$21.99
2012 2q	1,987	29,915,357	2,644,316	8.8%	(117,565)	1	36,666	2	132,116	\$21.65
2012 1q	1,986	29,878,691	2,490,085	8.3%	103,334	0	0	3	168,782	\$21.78
2011 4q	1,986	29,878,691	2,593,419	8.7%	68,358	0	0	3	168,782	\$21.78
2011 3q	1,986	29,878,691	2,661,777	8.9%	104,778	2	133,654	2	166,666	\$21.58
2011 2q	1,984	29,745,037	2,632,901	8.9%	(58,757)	1	6,000	3	170,320	\$21.47
2011 1q	1,983	29,739,037	2,568,144	8.6%	44,053	3	19,208	3	139,654	\$21.64

Source: CoStar Property®



### Deliveries, Absorption & Vacancy

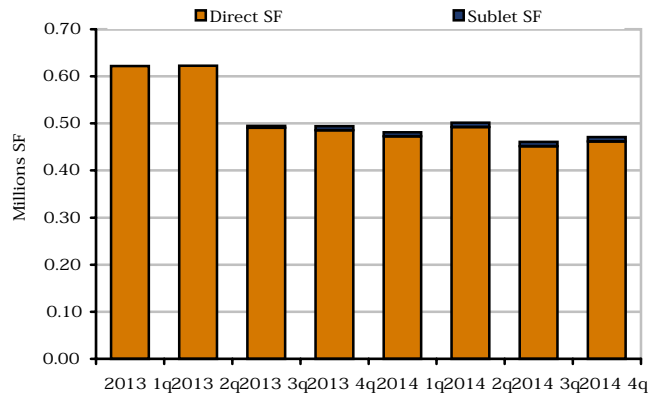
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

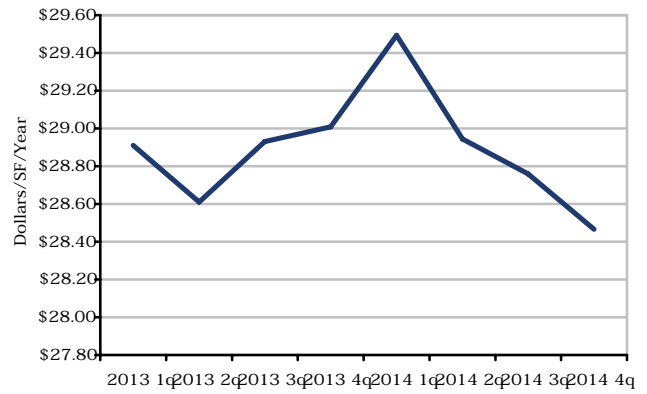
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	210	4,684,633	471,195	10.1%	(10,616)	0	0	1	100,000	\$28.47
2014 3q	210	4,684,633	460,579	9.8%	41,253	0	0	1	100,000	\$28.76
2014 2q	210	4,684,633	501,832	10.7%	(20,727)	0	0	1	100,000	\$28.94
2014 1q	210	4,684,633	481,105	10.3%	12,830	0	0	1	100,000	\$29.49
2013 4q	210	4,684,633	493,935	10.5%	1,139	0	0	1	100,000	\$29.01
2013 3q	210	4,684,633	495,074	10.6%	127,180	0	0	1	100,000	\$28.93
2013 2q	210	4,684,633	622,254	13.3%	(318)	0	0	1	100,000	\$28.61
2013 1q	210	4,684,633	621,936	13.3%	7,029	1	6,800	1	100,000	\$28.91
2012 4q	209	4,677,833	622,165	13.3%	147,459	0	0	1	6,800	\$29.05
2012 3q	209	4,677,833	769,624	16.5%	42,975	0	0	1	6,800	\$28.52
2012 2q	209	4,677,833	812,599	17.4%	18,836	0	0	1	6,800	\$28.14
2012 1q	209	4,677,833	831,435	17.8%	61,313	1	15,939	0	0	\$27.91
2011 4q	209	4,663,254	878,169	18.8%	34,141	0	0	1	15,939	\$28.33
2011 3q	209	4,663,254	912,310	19.6%	35,181	0	0	1	15,939	\$26.81
2011 2q	209	4,663,254	947,491	20.3%	4,705	0	0	1	15,939	\$27.58
2011 1q	209	4,663,254	952,196	20.4%	16,566	0	0	0	0	\$27.80

Source: CoStar Property®

# Los Angeles Office Market

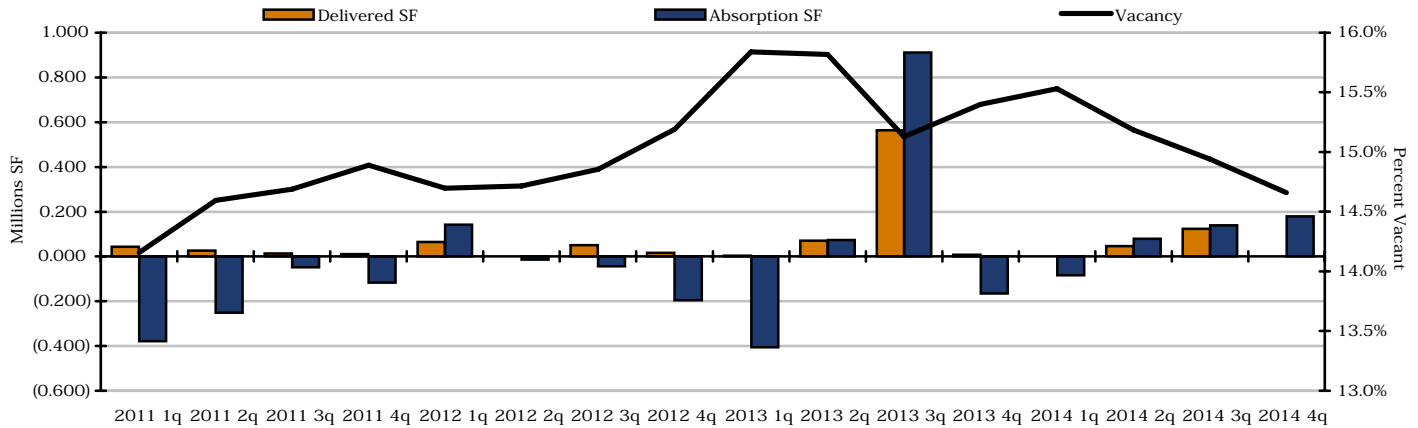


## South Bay Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

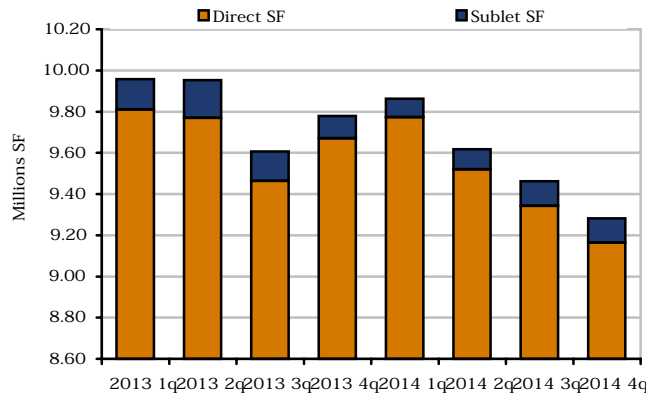
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

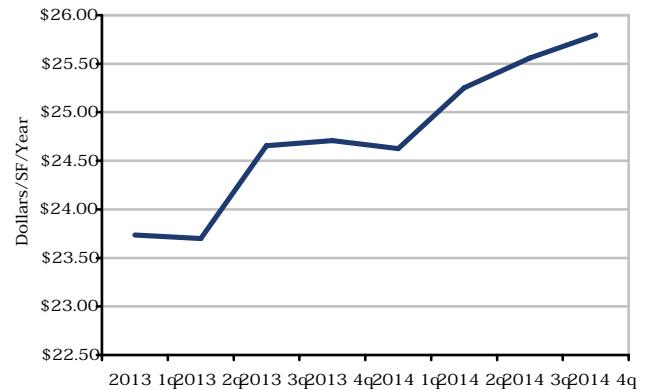
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



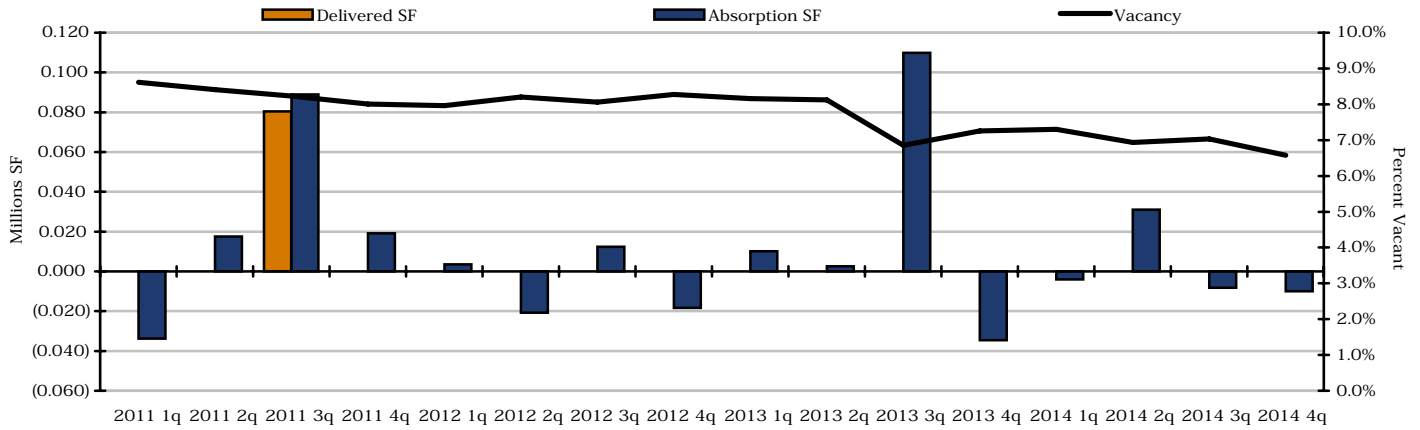
Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	2,435	63,320,609	9,281,969	14.7%	179,574	0	0	18	319,294	\$25.79
2014 3q	2,435	63,320,609	9,461,543	14.9%	139,046	2	123,000	18	319,294	\$25.56
2014 2q	2,434	63,337,539	9,617,519	15.2%	78,537	3	46,595	20	442,294	\$25.25
2014 1q	2,432	63,504,944	9,863,461	15.5%	(83,978)	0	0	7	260,385	\$24.63
2013 4q	2,432	63,504,944	9,779,483	15.4%	(165,542)	1	7,754	4	166,595	\$24.71
2013 3q	2,431	63,497,190	9,606,187	15.1%	911,817	3	564,224	5	174,349	\$24.66
2013 2q	2,428	62,932,966	9,953,780	15.8%	73,508	1	70,110	7	721,044	\$23.70
2013 1q	2,427	62,862,856	9,957,178	15.8%	(406,140)	1	3,200	6	657,534	\$23.74
2012 4q	2,426	62,859,656	9,547,838	15.2%	(195,814)	1	16,924	5	637,534	\$24.41
2012 3q	2,425	62,842,732	9,335,100	14.9%	(43,774)	2	50,058	3	632,034	\$24.30
2012 2q	2,423	62,792,674	9,241,268	14.7%	(13,182)	0	0	4	611,982	\$24.17
2012 1q	2,423	62,792,674	9,228,086	14.7%	142,066	1	65,000	4	611,982	\$23.62
2011 4q	2,423	62,768,995	9,346,473	14.9%	(117,008)	1	11,257	4	660,058	\$23.82
2011 3q	2,422	62,757,738	9,218,208	14.7%	(48,375)	1	12,741	2	76,257	\$23.40
2011 2q	2,421	62,744,997	9,157,092	14.6%	(251,400)	4	26,064	3	88,998	\$23.26
2011 1q	2,417	62,718,933	8,879,628	14.2%	(378,545)	3	43,146	7	115,062	\$23.38

Source: CoStar Property®

### Deliveries, Absorption & Vacancy

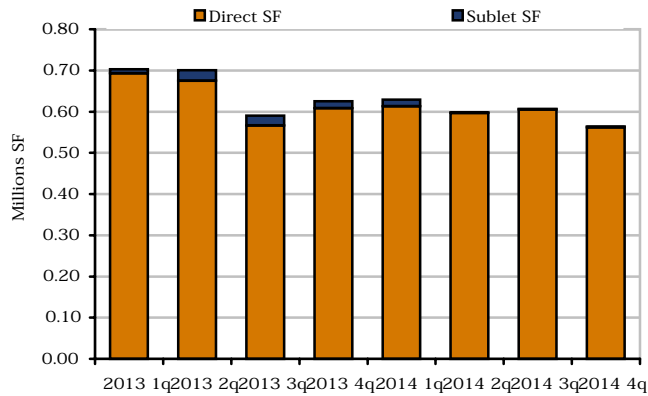
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	594	8,568,183	563,680	6.6%	(9,905)	0	0	0	0	\$21.86
2014 3q	595	8,620,743	606,335	7.0%	(8,184)	0	0	0	0	\$21.23
2014 2q	595	8,620,743	598,151	6.9%	31,052	0	0	0	0	\$20.46
2014 1q	595	8,620,743	629,203	7.3%	(3,967)	0	0	0	0	\$19.91
2013 4q	595	8,620,743	625,236	7.3%	(34,603)	0	0	0	0	\$20.19
2013 3q	595	8,620,743	590,633	6.9%	109,894	0	0	0	0	\$20.08
2013 2q	595	8,620,743	700,527	8.1%	2,630	0	0	0	0	\$19.74
2013 1q	595	8,620,743	703,157	8.2%	10,098	0	0	0	0	\$20.24
2012 4q	595	8,620,743	713,255	8.3%	(18,343)	0	0	0	0	\$20.91
2012 3q	595	8,620,743	694,912	8.1%	12,465	0	0	0	0	\$21.16
2012 2q	595	8,620,743	707,377	8.2%	(20,788)	0	0	0	0	\$20.71
2012 1q	595	8,620,743	686,589	8.0%	3,543	0	0	0	0	\$20.64
2011 4q	595	8,620,743	690,132	8.0%	19,204	0	0	0	0	\$20.87
2011 3q	595	8,620,743	709,336	8.2%	88,903	1	80,394	0	0	\$20.96
2011 2q	594	8,540,349	717,845	8.4%	17,525	0	0	1	80,394	\$21.13
2011 1q	594	8,540,349	735,370	8.6%	(33,737)	0	0	1	80,394	\$21.51

Source: CoStar Property®

# Los Angeles Office Market

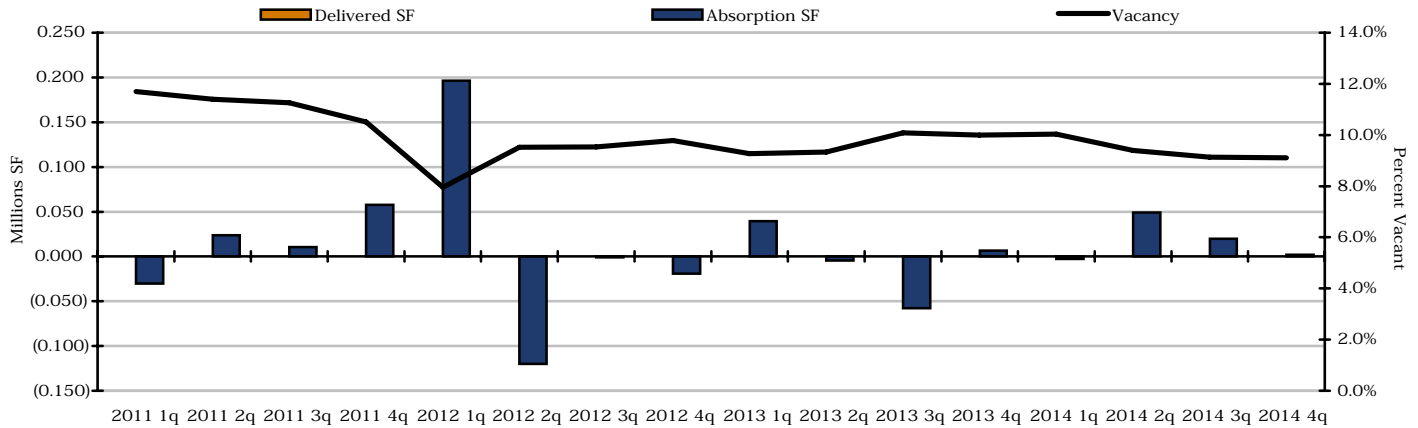


## Ventura North Market

Market Highlights – Class "A, B & C"

### Deliveries, Absorption & Vacancy

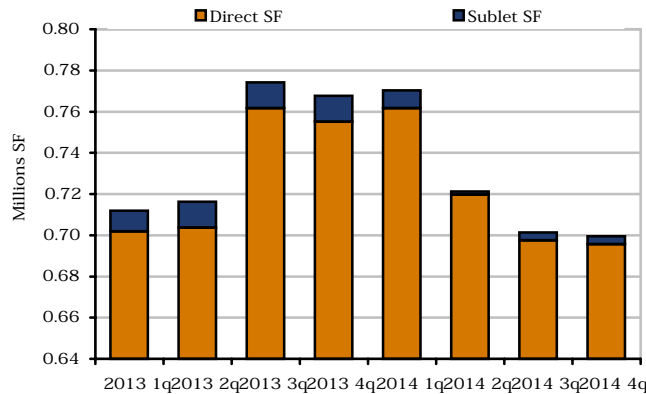
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	817	7,678,435	699,528	9.1%	1,886	0	0	0	0	\$21.48
2014 3q	817	7,678,435	701,414	9.1%	19,771	0	0	0	0	\$20.86
2014 2q	817	7,678,435	721,185	9.4%	49,167	0	0	0	0	\$21.16
2014 1q	817	7,678,435	770,352	10.0%	(2,629)	0	0	0	0	\$21.24
2013 4q	817	7,678,435	767,723	10.0%	6,485	0	0	0	0	\$21.52
2013 3q	817	7,678,435	774,208	10.1%	(57,885)	0	0	0	0	\$20.97
2013 2q	817	7,678,435	716,323	9.3%	(4,471)	0	0	0	0	\$22.07
2013 1q	817	7,678,435	711,852	9.3%	39,328	0	0	0	0	\$21.92
2012 4q	817	7,678,435	751,180	9.8%	(19,187)	0	0	0	0	\$22.20
2012 3q	817	7,678,435	731,993	9.5%	(1,103)	0	0	0	0	\$21.55
2012 2q	817	7,678,435	730,890	9.5%	(120,133)	0	0	0	0	\$22.46
2012 1q	817	7,678,435	610,757	8.0%	196,309	0	0	0	0	\$22.58
2011 4q	817	7,678,435	807,066	10.5%	57,520	0	0	0	0	\$23.04
2011 3q	817	7,678,435	864,586	11.3%	10,418	0	0	0	0	\$21.78
2011 2q	817	7,678,435	875,004	11.4%	23,617	0	0	0	0	\$23.03
2011 1q	817	7,678,435	898,621	11.7%	(30,185)	0	0	0	0	\$23.15

Source: CoStar Property®

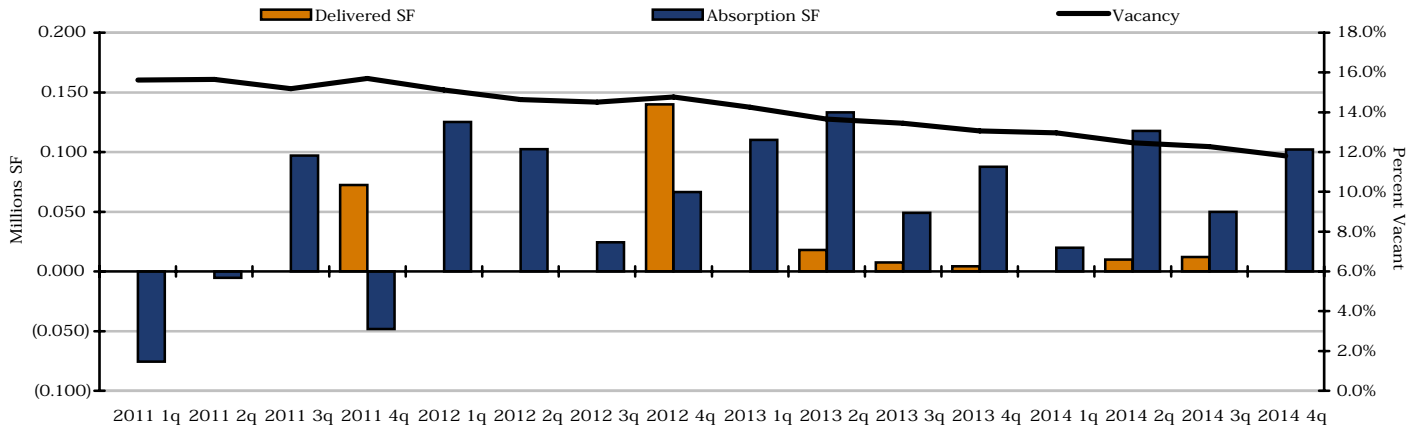
# Los Angeles Office Market

## Ventura South Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

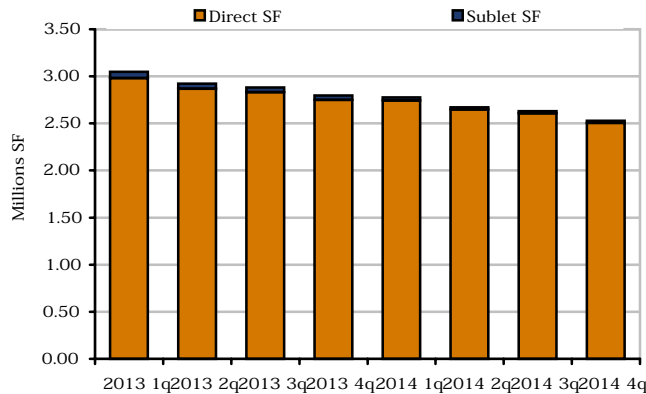
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

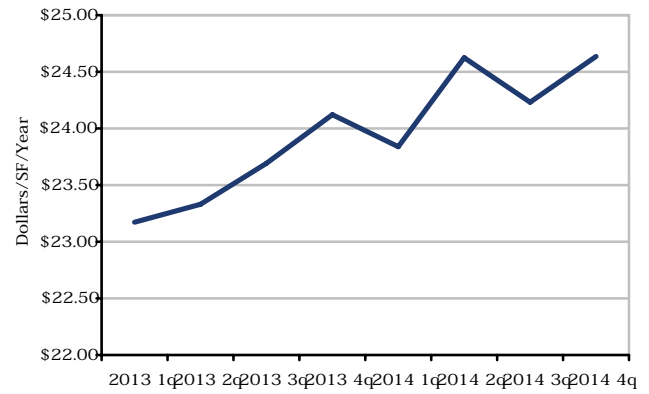
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	1,005	21,433,129	2,529,348	11.8%	102,201	0	0	2	163,580	\$24.64
2014 3q	1,005	21,433,129	2,631,549	12.3%	49,902	1	12,000	2	163,580	\$24.23
2014 2q	1,004	21,421,129	2,669,451	12.5%	117,693	1	10,000	3	175,580	\$24.63
2014 1q	1,003	21,411,129	2,777,144	13.0%	19,804	0	0	3	125,114	\$23.84
2013 4q	1,003	21,411,129	2,796,948	13.1%	87,586	1	4,320	2	22,000	\$24.12
2013 3q	1,002	21,406,809	2,880,214	13.5%	49,121	1	7,445	3	26,320	\$23.69
2013 2q	1,001	21,399,364	2,921,890	13.7%	133,196	1	18,000	2	11,765	\$23.33
2013 1q	1,001	21,391,564	3,047,286	14.2%	110,168	0	0	3	29,765	\$23.17
2012 4q	1,001	21,391,564	3,157,454	14.8%	66,467	3	139,912	2	25,445	\$23.83
2012 3q	998	21,251,652	3,084,009	14.5%	24,502	0	0	5	165,357	\$23.66
2012 2q	999	21,252,892	3,109,751	14.6%	102,543	0	0	5	165,357	\$23.75
2012 1q	999	21,252,892	3,212,294	15.1%	125,330	0	0	4	147,357	\$23.48
2011 4q	999	21,252,892	3,337,624	15.7%	(48,293)	2	72,292	3	124,357	\$23.89
2011 3q	997	21,180,600	3,217,039	15.2%	97,131	0	0	4	189,204	\$23.78
2011 2q	997	21,180,600	3,314,170	15.6%	(5,318)	0	0	4	189,204	\$23.93
2011 1q	997	21,180,600	3,308,852	15.6%	(75,534)	0	0	4	189,204	\$23.77

Source: CoStar Property®

# Los Angeles Office Market

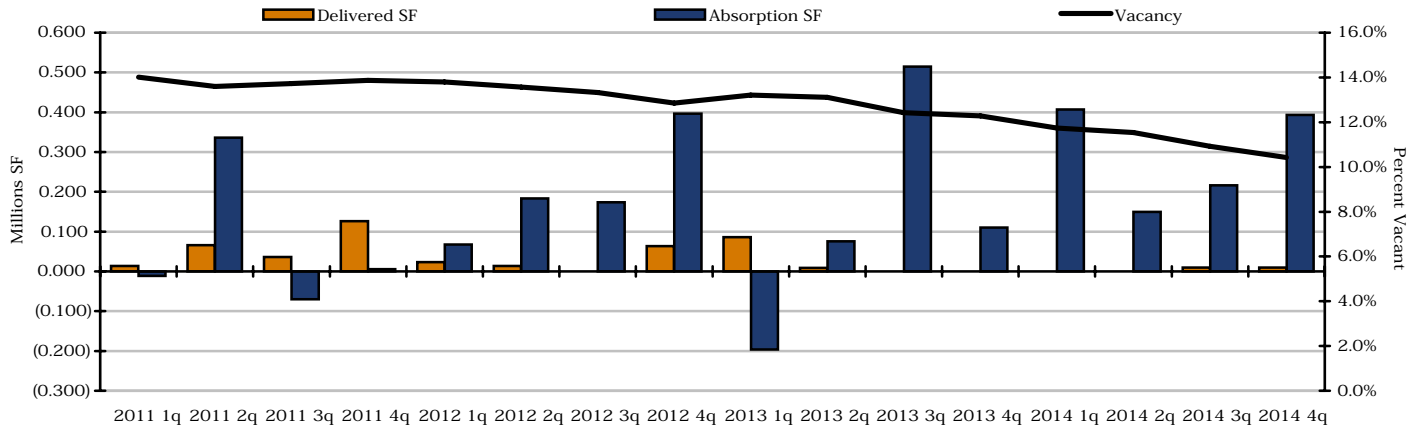


## West Los Angeles Market

Market Highlights – Class “A, B & C”

### Deliveries, Absorption & Vacancy

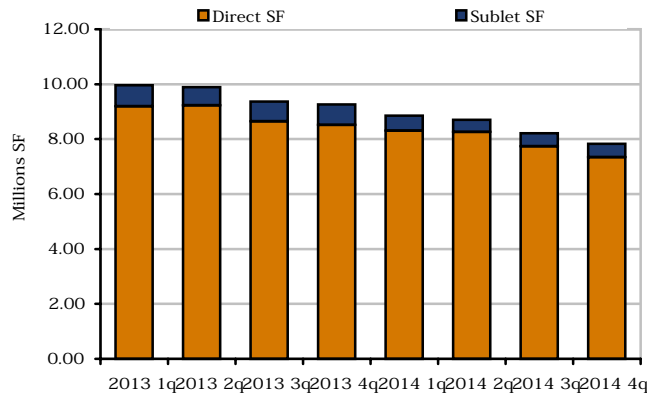
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

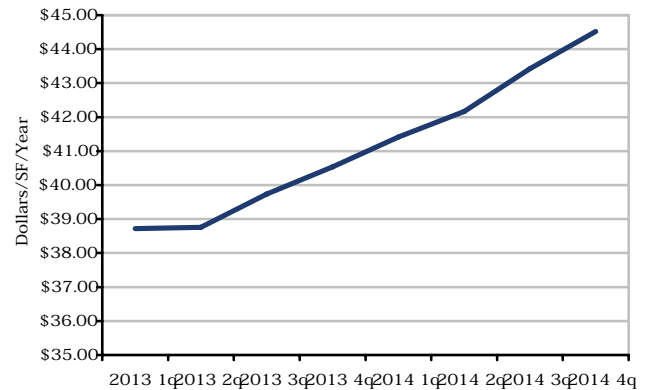
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2014 4q	2,474	75,139,373	7,829,049	10.4%	393,285	2	10,000	13	378,864	\$44.52
2014 3q	2,472	75,129,373	8,212,334	10.9%	216,588	1	9,686	13	353,464	\$43.43
2014 2q	2,472	75,404,404	8,703,953	11.5%	149,680	0	0	13	337,150	\$42.16
2014 1q	2,472	75,404,404	8,853,633	11.7%	407,076	0	0	7	128,528	\$41.42
2013 4q	2,472	75,404,404	9,260,709	12.3%	110,571	0	0	5	35,779	\$40.53
2013 3q	2,472	75,404,404	9,371,280	12.4%	514,490	0	0	5	35,779	\$39.74
2013 2q	2,472	75,404,404	9,885,770	13.1%	75,733	1	8,467	5	35,779	\$38.75
2013 1q	2,472	75,401,625	9,958,724	13.2%	(196,648)	4	85,844	6	44,246	\$38.72
2012 4q	2,469	75,325,658	9,686,109	12.9%	396,344	2	63,500	7	107,360	\$38.22
2012 3q	2,468	75,273,158	10,029,953	13.3%	173,924	0	0	7	157,811	\$38.31
2012 2q	2,469	75,288,158	10,218,877	13.6%	183,103	1	13,729	7	157,811	\$37.83
2012 1q	2,468	75,274,429	10,388,251	13.8%	67,772	1	23,342	4	81,047	\$36.88
2011 4q	2,469	75,256,877	10,438,471	13.9%	5,415	2	126,453	3	93,071	\$37.60
2011 3q	2,467	75,130,424	10,317,433	13.7%	(69,592)	1	36,090	4	163,524	\$36.89
2011 2q	2,466	75,094,334	10,211,751	13.6%	335,934	2	65,990	5	199,614	\$36.61
2011 1q	2,465	75,065,044	10,518,395	14.0%	(11,138)	2	13,580	7	265,604	\$36.50

Source: CoStar Property®