



THE CoSTAR OFFICE REPORT

FIRST QUARTER 2014



Los Angeles Office Market

CoSTAR GROUP



LOS ANGELES OFFICE MARKET

CoSTAR GROUP

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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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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 certificate 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: The status of a building that is in the process of being developed, assembled, built or constructed. A building is considered to be under construction after it has begun construction and until it receives a certificate of occupancy.

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

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OVERVIEW

LOS ANGELES'S VACANCY DECREASES TO 12.1%

Net Absorption Positive 538,463 SF in the Quarter

The Los Angeles Office market ended the first quarter 2014 with a vacancy rate of 12.1%. The vacancy rate was down slightly over the previous quarter, with net absorption totaling positive 538,463 square feet in the first quarter. Vacant sublease space decreased in the quarter, ending the quarter at 1,295,303 square feet. Rental rates ended the first quarter at \$29.24, no change over the previous quarter. A total of three buildings delivered to the market in the quarter totaling 173,980 square feet, with 1,360,712 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Los Angeles office market was positive 538,463 square feet in the first quarter 2014. That compares to positive 811,852 square feet in the fourth quarter 2013, positive 1,753,099 square feet in the third quarter 2013, and positive 293,442 square feet in the second quarter 2013.

Tenants moving out of large blocks of space in 2014 include: L.A. Care Health Plan moving out of 136,679 square feet at 1055 W 7th St; Team One moving out of 75,678 square feet Grand Avenue Courtyard; and Southern California Edison Company moving out of 53,100 square feet at 300 N Lone Hill Ave.

Tenants moving into large blocks of space in 2014 include: Legendary Entertainment moving into 68,410 square feet at The Pointe - Phase I; Team One moving into 64,331 square feet at 13031 W Jefferson Blvd; and Avery Dennison Corporation moving into 54,488 square feet at Glendale North Campus.

The Class-A office market recorded net absorption of positive 871,192 square feet in the first quarter 2014, compared to positive 122,879 square feet in the fourth quarter 2013, positive

1,339,288 in the third quarter 2013, and negative (37,231) in the second quarter 2013.

The Class-B office market recorded net absorption of negative (37,140) square feet in the first quarter 2014, compared to positive 442,471 square feet in the fourth quarter 2013, positive 288,064 in the third quarter 2013, and positive 249,188 in the second quarter 2013.

The Class-C office market recorded net absorption of negative (295,589) square feet in the first quarter 2014 compared to positive 246,502 square feet in the fourth quarter 2013, positive 125,747 in the third quarter 2013, and positive 81,485 in the second quarter 2013.

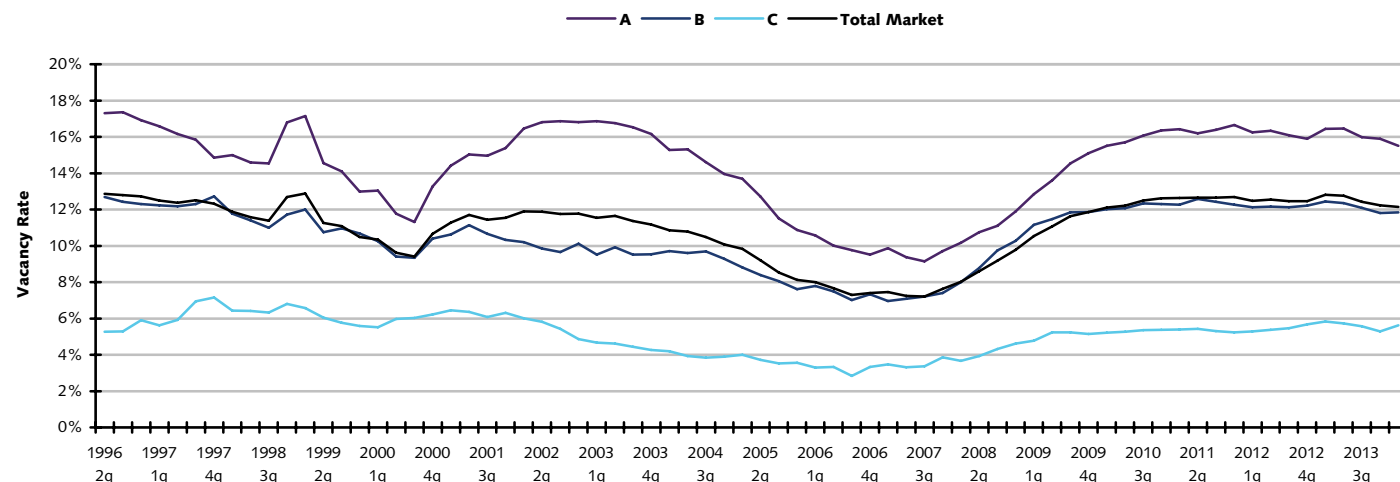
Net absorption for Los Angeles's central business district was positive 56,752 square feet in the first quarter 2014. That compares to negative (143,077) square feet in the fourth quarter 2013, positive 90,609 in the third quarter 2013, and positive 23,640 in the second quarter 2013.

Net absorption for the suburban markets was positive 481,711 square feet in the first quarter 2014. That compares to positive 954,929 square feet in fourth quarter 2013, positive 1,662,490 in the third quarter 2013, and positive 269,802 in the second quarter 2013.

Vacancy

The office vacancy rate in the Los Angeles market area decreased slightly to 12.1% at the end of the first quarter 2014, continuing a downward trend over the last four quarters. The vacancy rate was 12.2% at the end of the fourth quarter 2013, 12.4% at the end of the third quarter 2013, and 12.8% at the end of the second quarter 2013.

VACANCY RATES BY CLASS 1996-2014



Source: CoStar Property®

Class-A projects reported a vacancy rate of 15.5% at the end of the first quarter 2014, 15.9% at the end of the fourth quarter 2013, 16.0% at the end of the third quarter 2013, and 16.5% at the end of the second quarter 2013.

Class-B projects reported a vacancy rate of 11.8% at the end of the first quarter 2014 and end of the fourth quarter 2013, 12.1% at the end of the third quarter 2013, and 12.3% at the end of the second quarter 2013.

Class-C projects reported a vacancy rate of 5.6% at the end of the first quarter 2014, 5.3% at the end of fourth quarter 2013, 5.6% at the end of the third quarter 2013, and 5.7% at the end of the second quarter 2013.

The overall vacancy rate in Los Angeles's central business district at the end of the first quarter 2014 decreased to 12.8%. The vacancy rate was 12.9% at the end of the third and fourth quarters of 2013, and 13.0% at the end of the second quarter 2013.

The vacancy rate in the suburban markets decreased to 12.0% in the first quarter 2014. The vacancy rate was 12.1% at the end of the fourth quarter 2013, 12.3% at the end of the third quarter 2013, and 12.7% at the end of the second quarter 2013.

Largest Lease Signings

The largest lease signings occurring in 2014 included: the 44,636-square-foot lease signed by Dreamworks at Glendale Plaza in the Burbank/Glendale/Pasadena market; the 39,286-square-foot deal signed by Reed Elsevier, Inc. at 11175 Santa Monica Blvd in the West Los Angeles market; and the 37,000-square-foot lease signed by Champs Charter High School of the Arts at The Phoenix Building in the San Fernando Valley market.

Sublease Vacancy

The amount of vacant sublease space in the Los Angeles market decreased to 1,295,303 square feet by the end of the first quarter 2014, from 1,548,284 square feet at the end of the fourth quarter 2013. There was 1,659,424 square feet vacant at the end

of the third quarter 2013 and 1,623,279 square feet at the end of the second quarter 2013.

Los Angeles's Class-A projects reported vacant sublease space of 894,152 square feet at the end of first quarter 2014, down from the 1,029,179 square feet reported at the end of the fourth quarter 2013. There were 1,084,135 square feet of sublease space vacant at the end of the third quarter 2013, and 1,117,036 square feet at the end of the second quarter 2013.

Class-B projects reported vacant sublease space of 318,348 square feet at the end of the first quarter 2014, down from the 427,498 square feet reported at the end of the fourth quarter 2013. At the end of the third quarter 2013 there were 496,316 square feet, and at the end of the second quarter 2013 there were 407,732 square feet vacant.

Class-C projects reported decreased vacant sublease space from the fourth quarter 2013 to the first quarter 2014. Sublease vacancy went from 91,607 square feet to 82,803 square feet during that time. There were 78,973 square feet vacant at the end of the third quarter 2013, and 98,511 square feet vacant at the end of the second quarter 2013.

Sublease vacancy in Los Angeles's central business district stood at 116,795 square feet at the end of the first quarter 2014. It was 234,057 square feet at the end of the fourth quarter 2013, 233,219 square feet at the end of the third quarter 2013, and 209,879 square feet at the end of the second quarter 2013.

Sublease vacancy in the suburban markets ended the first quarter 2014 at 1,178,508 square feet. At the end of the fourth quarter 2013 sublease vacancy was 1,314,227 square feet. It was 1,426,205 square feet at the end of the third quarter 2013, and was 1,413,400 square feet at the end of the second quarter 2013.

Rental Rates

The average quoted asking rental rate for available office space, all classes, was \$29.24 per square foot per year at the end of the first quarter 2014 in the Los Angeles market area. This represented no change in quoted rental rates from the end of the fourth quarter 2013, when rents were also reported at \$29.24 per square foot.

The average quoted rate within the Class-A sector was \$32.36 at the end of the first quarter 2014, while Class-B rates stood at \$25.99, and Class-C rates at \$24.61. At the end of the fourth quarter 2013, Class-A rates were \$32.17 per square foot, Class-B rates were \$26.10, and Class-C rates were \$24.62.

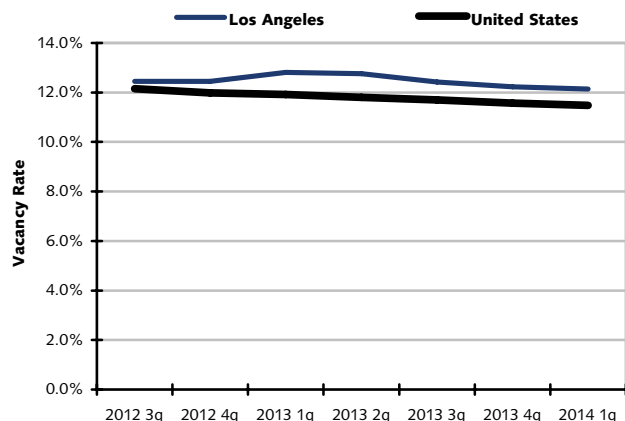
The average quoted asking rental rate in Los Angeles's CBD was \$32.95 at the end of the first quarter 2014, and \$28.53 in the suburban markets. In the fourth quarter 2013, quoted rates were \$32.82 in the CBD and \$28.55 in the suburbs.

Deliveries and Construction

During the first quarter 2014, three buildings totaling 173,980 square feet were completed in the Los Angeles market

U.S. VACANCY COMPARISON

Past 7 Quarters



Source: CoStar Property

LOS ANGELES OFFICE MARKET

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OVERVIEW

area. This compares to 16 buildings totaling 151,964 square feet that were completed in the fourth quarter 2013, six buildings totaling 599,534 square feet completed in the third quarter 2013, and 141,997 square feet in six buildings completed in the second quarter 2013.

There were 1,360,712 square feet of office space under construction at the end of the first quarter 2014.

Some of the notable 2014 deliveries include: Formosa South at The Lot, a 95,002-square-foot facility that delivered in first quarter 2014 and is now 100% occupied, and 31 Rancho Camino Rd - Phase I, a 40,000-square-foot building that delivered in first quarter 2014 and is now 3% occupied.

The largest projects underway at the end of first quarter 2014 were Columbia Square, Gower/Selma, a 248,879-square-foot building with 0% of its space pre-leased, and Playhouse Plaza, a 155,000-square-foot facility that is 0% pre-leased.

Inventory

Total office inventory in the Los Angeles market area amounted to 425,377,009 square feet in 17,607 buildings as of the end of the first quarter 2014. The Class-A office sector consisted of 182,901,971 square feet in 996 projects. There were 5,541 Class-B buildings totaling 155,389,939 square feet, and the Class-C sector consisted of 87,085,099 square feet in 11,070 buildings.

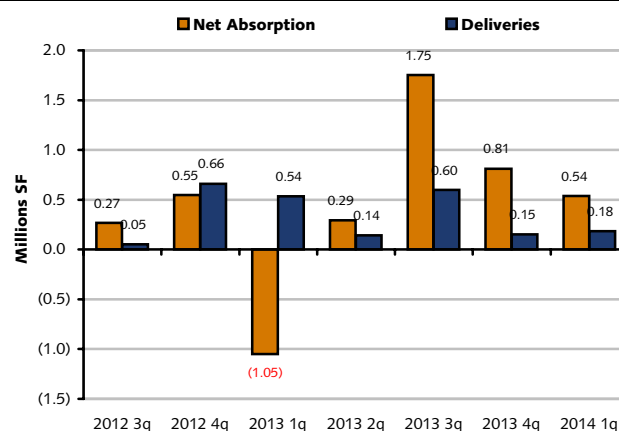
Sales Activity

Tallying office building sales of 15,000 square feet or larger, Los Angeles office sales figures rose during the fourth quarter 2013 in terms of dollar volume compared to the third quarter of 2013.

In the fourth quarter, 41 office transactions closed with a total volume of \$3,031,616,285. The 41 buildings totaled 8,211,009 square feet and the average price per square foot equated to \$369.21 per square foot. That compares to 50 transactions totaling \$1,820,407,941 in the third quarter 2013. The total square footage in the third quarter was 5,965,105 square feet for

ABSORPTION & DELIVERIES

Past 7 Quarters



Source: CoStar Property

an average price per square foot of \$305.18.

Total office building sales activity in 2013 was up compared to 2012. In the twelve months of 2013, the market saw 167 office sales transactions with a total volume of \$7,000,816,450. The price per square foot averaged \$322.35. In the same twelve months of 2012, the market posted 147 transactions with a total volume of \$3,627,819,152. The price per square foot averaged \$224.14.

Cap rates have been lower in 2013, averaging 6.17% compared to the same period in 2012 when they averaged 7.25%.

One of the largest transactions that has occurred within the last four quarters in the Los Angeles market is the sale of MPG/Brookfield in Los Angeles. This 4,879,991-square-foot office building sold for \$2,139,859,285, or \$438.50 per square foot. The property sold on 10/15/2013, at a 4.79% cap rate.

Reports compiled by: Paula Bonner, David Blake, and Adam Jarrett, 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	

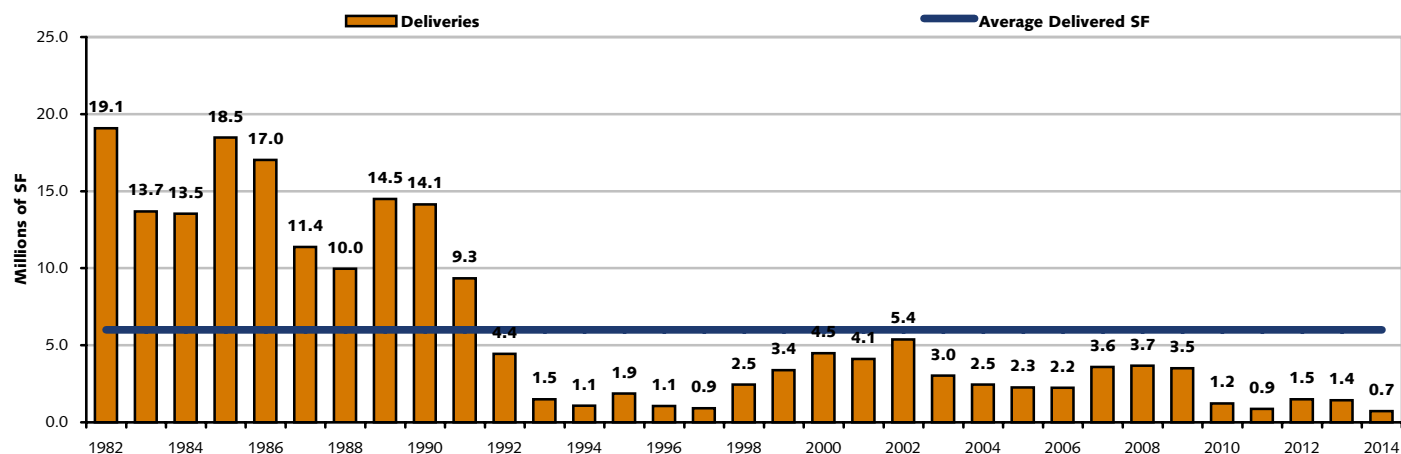
* Submarkets comprising the CBD. For statistics reference the CBD vs Suburban Figures at a Glance Page.

LOS ANGELES OFFICE MARKET

CoSTAR GROUP

INVENTORY & DEVELOPMENT

HISTORICAL DELIVERIES 1982 - 2014



Source: CoStar Property®

* Future deliveries based on current under construction buildings.

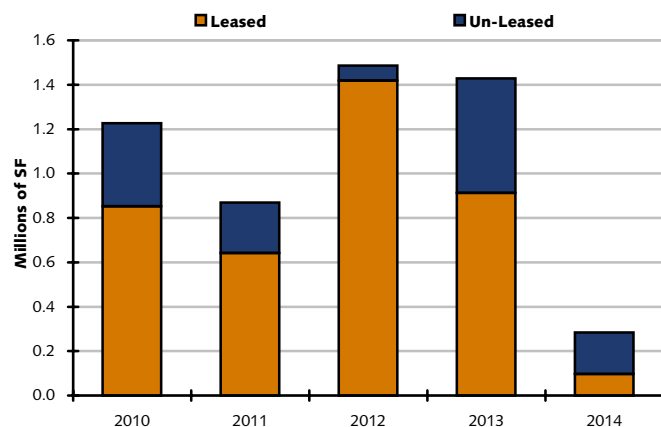
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Mid-Wilshire	4	397,545	2,970	0.7%	25,147	99,386
South Bay	7	259,189	221,563	85.5%	26,359	37,027
Burbank/Glendale/Pasadena	3	194,436	0	0.0%	18,042	64,812
San Gabriel Valley	2	188,589	93,188	49.4%	15,379	94,294
West Los Angeles	8	142,355	86,856	61.0%	30,714	17,794
Ventura South	2	114,334	88,751	77.6%	21,527	57,167
Downtown Los Angeles	1	30,000	1,800	6.0%	99,184	30,000
Antelope Valley	3	24,264	0	0.0%	10,871	8,088
Ventura North	0	0	0	0.0%	9,351	0
Mid-Cities	0	0	0	0.0%	10,311	0
All Other	0	0	0	0.0%	21,669	0
Totals	30	1,350,712	495,128	36.7%	24,160	45,024

Source: CoStar Property®

RECENT DELIVERIES

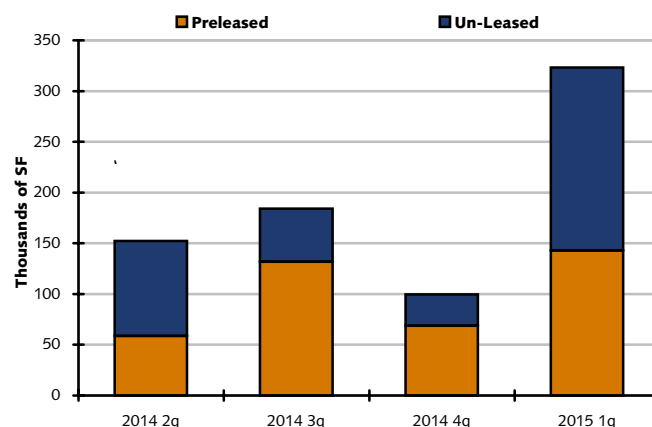
Leased & Un-Leased SF in Deliveries Since 2010



Source: CoStar Property®

FUTURE DELIVERIES

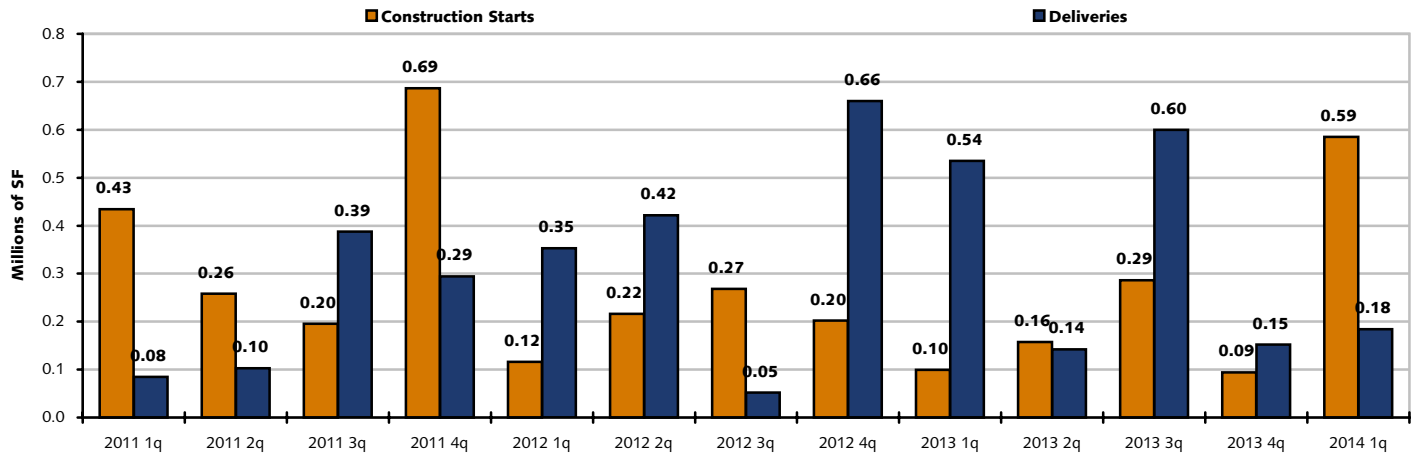
Preleased & Un-Leased SF in Properties Scheduled to Deliver



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	3	88,978	1,200	1.3%	\$32.37	0	88,978
50,000 SF - 99,999 SF	1	95,002	95,002	100.0%	\$0.00	0	95,002
100,000 SF - 249,999 SF	1	100,000	0	0.0%	\$31.52	0	100,000
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

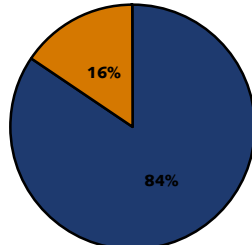
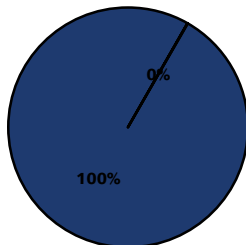
Source: CoStar Property®

RECENT DEVELOPMENT BY TENANCY

Based on RBA Developed for Single & Multi Tenant Use

2014 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

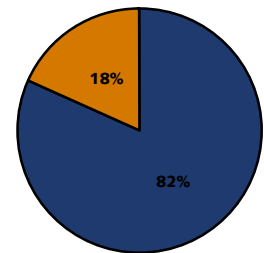
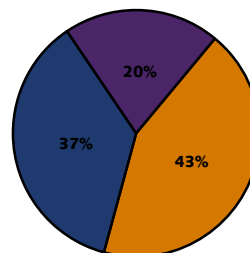
Source: CoStar Property®

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

CoSTAR GROUP

INVENTORY & DEVELOPMENT

SELECT YEAR-TO-DATE DELIVERIES

Based on Project Square Footage

1. Formosa South at The Lot

Submarket: **Mid-Wilshire**
 RBA: **95,002**
 # Floors: **5**
 Class: **A**
 Occupied: **100%**
 Quoted Rate: **N/A**
 Grnd Brk Date: **Third Quarter 2012**
 Deliv Date: **First Quarter 2014**
 Leasing Co: **JLL**
 Developer: **CIM Group LP**
 Architect: **Studio One Eleven**

2. 31 Rancho Camino Rd - Phase I

Submarket: **San Gabriel Valley**
 RBA: **40,000**
 # Floors: **3**
 Class: **B**
 Occupied: **3%**
 Quoted Rate: **\$33.67**
 Grnd Brk Date: **Third Quarter 2012**
 Deliv Date: **First Quarter 2014**
 Leasing Co: **Castleton Real Estate & Development**
 Developer: **Patterson Builders**
 Architect: **N/A**

3. 21 Rancho Camino Rd - Phase I

Submarket: **San Gabriel Valley**
 RBA: **38,978**
 # Floors: **3**
 Class: **B**
 Occupied: **0%**
 Quoted Rate: **\$33.67**
 Grnd Brk Date: **Third Quarter 2012**
 Deliv Date: **First Quarter 2014**
 Leasing Co: **Castleton Real Estate & Development**
 Developer: **Patterson Builders**
 Architect: **N/A**

SELECT TOP UNDER CONSTRUCTION PROPERTIES

Based on Project Square Footage

1. Columbia Square, Gower/Selma Submarket: Mid-Wilshire RBA: 248,879 # Floors: 6 Class: A Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2014 Deliv Date: Fourth Quarter 2015 Leasing Co: JLL Developer: Kilroy Realty Corporation Architect: Rios Clementi Hale Studios	2. Playhouse Plaza Submarket: Burbank/Glendale/Pasadena RBA: 155,000 # Floors: 5 Class: A Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2013 Deliv Date: First Quarter 2015 Leasing Co: CBRE Developer: N/A Architect: N/A	3. Meeker-Baker Bldg Submarket: South Bay RBA: 120,000 # Floors: 6 Class: B Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2013 Deliv Date: Third Quarter 2014 Leasing Co: Molina Healthcare, Inc. Developer: ARCO Construction Company, Inc. Architect: Nadel, Inc.
4. Westlake Park Place - Phase II - Bldg C Submarket: Ventura South RBA: 102,334 # Floors: 4 Class: A Preleased: 75% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2014 Deliv Date: First Quarter 2015 Leasing Co: DAUM Commercial Real Estate Service Developer: Searles Property Group Architect: Behr Browers Architects, Inc.	5. Santa Clarita Professional Center Submarket: Santa Clarita Valley RBA: 100,000 # Floors: 3 Class: A Preleased: 0% Quoted Rate: \$31.52 Grnd Brk Date: N/A Deliv Date: Second Quarter 2014 Leasing Co: TOLD Partners, Inc. Developer: Sinanian Development, Inc. Architect: Arkineto Architects, Inc.	6. 5865 S Campus Center Dr Submarket: West Los Angeles RBA: 66,000 # Floors: 1 Class: A Preleased: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2014 Deliv Date: First Quarter 2015 Leasing Co: IMAX Corporation Developer: Lincoln Property Company Architect: N/A
7. 3828 Schauffele Ave Submarket: South Bay RBA: 52,000 # Floors: 2 Class: A Preleased: 52% Quoted Rate: \$38.16 Grnd Brk Date: First Quarter 2014 Deliv Date: Fourth Quarter 2014 Leasing Co: Lee & Associates Developer: N/A Architect: N/A	8. 3833 Worsham Ave Submarket: South Bay RBA: 38,790 # Floors: 2 Class: B Preleased: 100% Quoted Rate: N/A Grnd Brk Date: First Quarter 2014 Deliv Date: Fourth Quarter 2014 Leasing Co: Lee & Associates Developer: N/A Architect: N/A	9. 121 N San Vicente Blvd Submarket: West Los Angeles RBA: 32,450 # Floors: 3 Class: A Preleased: 0% Quoted Rate: \$66.84 Grnd Brk Date: Fourth Quarter 2013 Deliv Date: Second Quarter 2015 Leasing Co: LA Realty Partners Developer: N/A Architect: Yaacov Jalil
10. Marengo Medical Bldg Submarket: Downtown Los Angeles RBA: 30,000 # Floors: 3 Class: A Preleased: 6% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2013 Deliv Date: Third Quarter 2014 Leasing Co: CBRE Developer: Sinanian Development, Inc. Architect: Jack Hollander & Associates, Inc.	11. Brea Canyon Business Center Submarket: San Gabriel Valley RBA: 22,181 # Floors: 2 Class: A Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Third Quarter 2013 Deliv Date: Second Quarter 2014 Leasing Co: C.G.M. Development, Inc. Developer: N/A Architect: N/A	12. 125 W Huntington Dr - Building A Submarket: Burbank/Glendale/Pasadena RBA: 19,995 # Floors: 3 Class: B Preleased: 0% Quoted Rate: \$37.80 Grnd Brk Date: Third Quarter 2013 Deliv Date: Fourth Quarter 2015 Leasing Co: CBRE Developer: N/A Architect: N/A
13. 125 W Huntington Dr - Building B Submarket: Burbank/Glendale/Pasadena RBA: 19,441 # Floors: 3 Class: B Preleased: 0% Quoted Rate: \$37.80 Grnd Brk Date: Third Quarter 2013 Deliv Date: Fourth Quarter 2015 Leasing Co: CBRE Developer: N/A Architect: N/A	14. Grand Kansas Submarket: South Bay RBA: 17,529 # Floors: 2 Class: B Preleased: 100% Quoted Rate: \$37.27 Grnd Brk Date: Third Quarter 2013 Deliv Date: Second Quarter 2014 Leasing Co: Colliers International Developer: Mar Ventures, Inc. Architect: Withee Malcolm Architects LLP	15. 2040 Lomita Blvd Submarket: South Bay RBA: 15,446 # Floors: 2 Class: B Preleased: 18% Quoted Rate: Negotiable Grnd Brk Date: First Quarter 2013 Deliv Date: Second Quarter 2014 Leasing Co: Mattucci Real Estate Developer: N/A Architect: N/A

LOS ANGELES OFFICE MARKET

CoSTAR GROUP

FIGURES AT A GLANCE

CLASS A MARKET STATISTICS

First Quarter 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	138,000	46,000	46,000	33.3%	0	0	0	\$29.45
Burbank/Glendale/Pasadena	141	22,842,593	3,557,320	3,757,013	16.4%	(50,673)	0	155,000	\$32.86
Downtown Los Angeles	76	38,202,454	5,937,201	5,993,901	15.7%	29,195	0	30,000	\$35.37
Mid-Cities	11	1,301,739	209,076	209,076	16.1%	2,500	0	0	\$25.33
Mid-Wilshire	102	18,927,977	3,408,457	3,426,835	18.1%	49,049	95,002	388,545	\$29.64
San Fernando Valley	120	16,169,979	2,295,033	2,348,008	14.5%	(1,820)	0	0	\$26.06
San Gabriel Valley	31	3,771,705	388,996	390,016	10.3%	(12,320)	0	188,589	\$27.24
Santa Clarita Valley	28	2,273,688	342,967	351,551	15.5%	5,424	0	0	\$29.99
South Bay	159	26,380,275	4,778,348	4,840,150	18.3%	340,019	0	52,000	\$24.98
Southeast Los Angeles	16	1,673,526	166,899	166,899	10.0%	(542)	0	0	\$22.07
Ventura North	5	563,243	20,113	20,113	3.6%	2,625	0	0	\$20.73
Ventura South	47	4,642,149	627,229	628,629	13.5%	80,091	0	102,334	\$26.64
West Los Angeles	258	46,014,643	5,695,405	6,189,005	13.5%	427,644	0	98,450	\$42.59
Totals	996	182,901,971	27,473,044	28,367,196	15.5%	871,192	95,002	1,014,918	\$32.36

Source: CoStar Property®

CLASS B MARKET STATISTICS

First Quarter 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	2,237,293	260,056	260,056	11.6%	8,554	0	24,264	\$21.91
Burbank/Glendale/Pasadena	972	20,226,874	1,811,188	1,858,045	9.2%	(124,517)	0	39,436	\$25.98
Downtown Los Angeles	209	19,197,787	2,210,299	2,262,948	11.8%	(4,552)	0	0	\$24.72
Mid-Cities	227	4,254,714	294,191	312,959	7.4%	(18,967)	0	0	\$21.08
Mid-Wilshire	415	12,017,586	1,086,932	1,090,531	9.1%	25,715	0	9,000	\$27.82
San Fernando Valley	483	13,068,859	1,383,761	1,418,743	10.9%	4,716	0	0	\$23.31
San Gabriel Valley	590	17,302,731	1,924,960	1,962,512	11.3%	(47,121)	78,978	0	\$22.77
Santa Clarita Valley	117	2,001,607	199,554	199,920	10.0%	4,095	0	0	\$29.27
South Bay	686	25,029,420	3,915,305	3,944,368	15.8%	30,162	0	207,189	\$23.90
Southeast Los Angeles	116	3,255,636	285,104	300,470	9.2%	(2,588)	0	0	\$19.94
Ventura North	252	4,153,769	523,385	524,845	12.6%	(12,737)	0	0	\$22.30
Ventura South	503	13,704,705	2,080,254	2,112,898	15.4%	(6,719)	10,000	12,000	\$22.72
West Los Angeles	806	18,938,958	2,100,338	2,145,380	11.3%	106,819	0	43,905	\$40.83
Totals	5,541	155,389,939	18,075,327	18,393,675	11.8%	(37,140)	88,978	335,794	\$25.99

Source: CoStar Property®

CLASS C MARKET STATISTICS

First Quarter 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	185	1,451,237	103,165	103,165	7.1%	(16,840)	0	0	\$15.85
Burbank/Glendale/Pasadena	1,937	11,958,569	520,741	523,212	4.4%	(19,745)	0	0	\$24.46
Downtown Los Angeles	407	11,235,376	516,425	523,871	4.7%	32,109	0	0	\$20.13
Mid-Cities	758	4,712,936	253,340	254,395	5.4%	(19,775)	0	0	\$19.06
Mid-Wilshire	1,071	8,988,303	380,673	384,152	4.3%	23,905	0	0	\$29.44
San Fernando Valley	876	6,645,434	404,233	434,396	6.5%	35,610	0	0	\$20.96
San Gabriel Valley	1,359	9,375,493	545,124	546,324	5.8%	(15,857)	0	0	\$18.73
Santa Clarita Valley	64	496,026	29,302	29,302	5.9%	3,143	0	0	\$25.75
South Bay	1,557	11,905,039	1,047,753	1,047,753	8.8%	(316,919)	0	0	\$25.70
Southeast Los Angeles	452	3,646,601	190,761	192,161	5.3%	(837)	0	0	\$17.59
Ventura North	560	2,922,467	149,496	156,746	5.4%	4,585	0	0	\$18.97
Ventura South	447	3,115,130	203,567	204,584	6.6%	(11,208)	0	0	\$19.77
West Los Angeles	1,397	10,632,488	471,116	498,438	4.7%	6,240	0	0	\$36.62
Totals	11,070	87,085,099	4,815,696	4,898,499	5.6%	(295,589)	0	0	\$24.61

Source: CoStar Property®

TOTAL OFFICE MARKET STATISTICS

First Quarter 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	352	3,826,530	409,221	409,221	10.7%	(8,286)	0	24,264	\$21.36
Burbank/Glendale/Pasadena	3,050	55,028,036	5,889,249	6,138,270	11.2%	(194,935)	0	194,436	\$29.48
Downtown Los Angeles	692	68,635,617	8,663,925	8,780,720	12.8%	56,752	0	30,000	\$32.95
Mid-Cities	996	10,269,389	756,607	776,430	7.6%	(36,242)	0	0	\$21.52
Mid-Wilshire	1,588	39,933,866	4,876,062	4,901,518	12.3%	98,669	95,002	397,545	\$29.22
San Fernando Valley	1,479	35,884,272	4,083,027	4,201,147	11.7%	38,506	0	0	\$24.29
San Gabriel Valley	1,980	30,449,929	2,859,080	2,898,852	9.5%	(75,298)	78,978	188,589	\$22.66
Santa Clarita Valley	209	4,771,321	571,823	580,773	12.2%	12,662	0	0	\$29.49
South Bay	2,402	63,314,734	9,741,406	9,832,271	15.5%	53,262	0	259,189	\$24.65
Southeast Los Angeles	584	8,575,763	642,764	659,530	7.7%	(3,967)	0	0	\$19.91
Ventura North	817	7,639,479	692,994	701,704	9.2%	(5,527)	0	0	\$21.24
Ventura South	997	21,461,984	2,911,050	2,946,111	13.7%	62,164	10,000	114,334	\$23.53
West Los Angeles	2,461	75,586,089	8,266,859	8,832,823	11.7%	540,703	0	142,355	\$41.51
Totals	17,607	425,377,009	50,364,067	51,659,370	12.1%	538,463	183,980	1,350,712	\$29.24

Source: CoStar Property®

LOS ANGELES OFFICE MARKET

CoSTAR GROUP

FIGURES AT A GLANCE

CLASS A SUBMARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
190th Street Corridor	12	1,995,902	303,386	307,510	15.4%	36,716	0	0	\$26.54
Antelope Valley	2	138,000	46,000	46,000	33.3%	0	0	0	\$29.45
Beach Cities/Palos Verdes	5	770,526	237,552	237,852	30.9%	(109)	0	0	\$28.91
Beverly Hills	54	6,308,982	702,007	726,624	11.5%	39,848	0	32,450	\$54.97
Brentwood	20	3,428,939	612,343	654,656	19.1%	(9,333)	0	0	\$38.39
Burbank	45	7,534,733	1,040,957	1,203,572	16.0%	20,929	0	0	\$35.88
Calabasas/Westlake Vill	17	1,548,349	143,399	143,399	9.3%	(4,213)	0	0	\$30.40
Camarillo/Point Mugu	5	257,017	9,038	9,038	3.5%	40,328	0	0	\$26.15
Century City	22	10,925,802	1,325,880	1,449,286	13.3%	141,140	0	0	\$46.68
Culver City	13	2,897,281	409,653	441,658	15.2%	33,476	0	0	\$27.42
Eastern SFV	12	1,119,472	126,369	126,369	11.3%	2,150	0	0	\$24.82
Eastern SGV	17	1,902,612	242,680	243,700	12.8%	(13,317)	0	188,589	\$28.20
El Segundo	41	9,013,444	1,181,157	1,190,655	13.2%	66,233	0	0	\$30.24
Encino	28	3,689,677	388,787	397,779	10.8%	4,069	0	0	\$28.52
Fillmore/NE County	0	0	0	0	0.0%	0	0	0	\$0.00
Glendale	29	5,747,860	1,215,637	1,237,421	21.5%	(38,881)	0	0	\$29.65
Greater Downtown	76	38,202,454	5,937,201	5,993,901	15.7%	29,195	0	30,000	\$35.37
Hawthorne/Gardena	4	582,183	55,255	55,255	9.5%	9,439	0	0	\$16.58
Hollywood/Silver Lake	22	2,556,329	232,752	235,010	9.2%	6,737	0	388,545	\$39.76
LAX	17	3,655,080	1,434,301	1,461,301	40.0%	17,551	0	0	\$18.70
Long Beach: Downtown	19	3,805,363	535,984	543,128	14.3%	1,505	0	0	\$27.18
Long Beach: Suburban	31	3,995,104	605,432	619,168	15.5%	202,140	0	52,000	\$25.21
Marina Del Rey/Venice	29	4,904,162	1,105,989	1,282,776	26.2%	102,486	0	66,000	\$36.09
Mid-Cities	11	1,301,739	209,076	209,076	16.1%	2,500	0	0	\$25.33
Mid-Wilshire	36	8,085,339	1,888,870	1,902,990	23.5%	12,955	0	0	\$20.28
Miracle Mile	16	4,695,790	603,648	605,648	12.9%	(16,488)	0	0	\$34.70
Moorpark/Simi Valley	3	435,458	20,113	20,113	4.6%	2,625	0	0	\$20.99
North Hollywood	4	635,097	191,181	191,181	30.1%	19,198	0	0	\$31.22
Ojai/NW County	0	0	0	0	0.0%	0	0	0	\$0.00
Olympic Corridor	15	2,434,021	124,262	130,781	5.4%	2,956	0	0	\$37.44
Oxnard/Port Hueneme	9	867,058	133,906	133,906	15.4%	10,899	0	0	\$25.00
Pacific Palisades/Malibu	2	135,975	15,275	17,889	13.2%	0	0	0	\$52.81
Park Mile	8	832,491	31,723	31,723	3.8%	3,964	0	0	\$24.74
Pasadena/Arcadia/Monrovi	51	6,911,156	975,105	990,399	14.3%	(46,861)	0	155,000	\$31.42
Santa Clarita Valley	28	2,273,688	342,967	351,551	15.5%	5,424	0	0	\$29.99
Santa Monica	64	7,980,091	636,638	651,946	8.2%	47,906	0	0	\$48.86
Santa Monica Mountains	3	269,744	23,818	23,818	8.8%	1,700	0	0	\$45.00
Santa Paula/Somis	0	0	0	0	0.0%	0	0	0	\$0.00
Sherman Oaks	13	1,970,689	173,886	187,760	9.5%	(13,774)	0	0	\$26.75
Southeast Los Angeles	16	1,673,526	166,899	166,899	10.0%	(542)	0	0	\$22.07
Studio/Universal Cities	12	2,013,747	134,440	134,440	6.7%	(5,058)	0	0	\$40.45
Tarzana	6	426,886	54,945	61,295	14.4%	(3,652)	0	0	\$25.43
Thousand Oaks/SE County	16	1,969,725	340,886	342,286	17.4%	33,077	0	102,334	\$24.86
Torrance	30	2,562,673	425,281	425,281	16.6%	6,544	0	0	\$27.14
Ventura	2	127,785	0	0	0.0%	0	0	0	\$19.80
West Hollywood	20	2,758,028	651,464	651,464	23.6%	41,881	95,002	0	\$49.90
West Los Angeles	8	860,719	121,498	121,498	14.1%	1,509	0	0	\$31.03
Western SFV	24	2,184,607	492,081	492,081	22.5%	32,649	0	0	\$26.19
Western SGV	14	1,869,093	146,316	146,316	7.8%	997	0	0	\$25.53
Westwood	28	5,868,927	618,042	688,073	11.7%	65,956	0	0	\$40.45
Woodland Hills/Warner Ctr	37	6,778,648	1,058,965	1,082,724	16.0%	(23,262)	0	0	\$24.92
Totals	996	182,901,971	27,473,044	28,367,196	15.5%	871,192	95,002	1,014,918	\$32.36

Source: CoStar Property®

CLASS B SUBMARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
	# Bldg	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
190th Street Corridor	53	2,920,588	385,756	385,756	13.2%	9,204	0	0	\$20.62
Antelope Valley	165	2,237,293	260,056	260,056	11.6%	8,554	0	24,264	\$21.91
Beach Cities/Palos Verdes	122	2,570,645	316,577	320,552	12.5%	9,919	0	0	\$27.03
Beverly Hills	98	3,346,098	223,605	236,361	7.1%	16,832	0	0	\$50.36
Brentwood	21	508,914	42,749	43,880	8.6%	(445)	0	0	\$45.83
Burbank	246	4,636,052	498,591	498,591	10.8%	(26,174)	0	0	\$24.78
Calabasas/Westlake Vill	151	5,784,483	925,488	953,380	16.5%	(10,611)	0	0	\$21.67
Camarillo/Point Mugu	69	2,065,202	420,660	420,660	20.4%	(8,568)	0	0	\$21.46
Century City	10	567,004	92,382	92,382	16.3%	1,618	0	0	\$34.87
Culver City	160	3,465,302	329,396	329,396	9.5%	57,384	0	16,093	\$33.68
Eastern SFV	159	4,615,056	470,380	472,823	10.2%	10,171	0	0	\$21.50
Eastern SGV	360	10,645,886	1,590,847	1,625,565	15.3%	(50,535)	78,978	0	\$22.80
El Segundo	86	6,226,744	981,472	982,816	15.8%	33,049	0	31,149	\$31.95
Encino	32	978,384	119,923	133,630	13.7%	7,036	0	0	\$25.53
Fillmore/NE County	4	30,685	0	0	0.0%	0	0	0	\$0.00
Glendale	253	3,744,748	244,269	250,871	6.7%	7,740	0	0	\$27.37
Greater Downtown	209	19,197,787	2,210,299	2,262,948	11.8%	(4,552)	0	0	\$24.72
Hawthorne/Gardena	57	1,805,391	487,294	487,294	27.0%	(3,656)	0	0	\$18.63
Hollywood/Silver Lake	150	3,809,198	296,095	299,694	7.9%	(11,536)	0	0	\$34.61
LAX	30	1,580,804	353,840	353,840	22.4%	11,499	0	0	\$18.49
Long Beach: Downtown	46	2,925,453	622,411	631,911	21.6%	9,507	0	120,000	\$22.28
Long Beach: Suburban	143	3,121,508	464,297	470,737	15.1%	(26,056)	0	40,594	\$20.16
Marina Del Rey/Venice	99	2,276,137	386,097	386,097	17.0%	(8,862)	0	10,000	\$38.66
Mid-Cities	227	4,254,714	294,191	312,959	7.4%	(18,967)	0	0	\$21.08
Mid-Wilshire	91	3,555,386	346,556	346,556	9.7%	33,317	0	0	\$18.19
Miracle Mile	27	863,347	97,970	97,970	11.3%	4,174	0	0	\$33.01
Moorpark/Simi Valley	69	1,671,605	241,983	241,983	14.5%	2,698	0	0	\$24.35
North Hollywood	82	1,272,147	96,750	96,750	7.6%	656	0	0	\$25.51
Ojai/NW County	10	88,920	3,618	4,118	4.6%	0	0	0	\$15.83
Olympic Corridor	36	1,382,571	416,480	416,480	30.1%	(9,151)	0	0	\$32.16
Oxnard/Port Hueneme	102	1,702,044	168,813	168,813	9.9%	566	10,000	0	\$24.31
Pacific Palisades/Malibu	25	451,397	30,889	43,769	9.7%	(3,080)	0	17,812	\$40.39
Park Mile	29	898,630	226,158	226,158	25.2%	(5,655)	0	0	\$20.66
Pasadena/Arcadia/Monrovi	314	9,337,884	913,482	940,016	10.1%	(105,420)	0	39,436	\$26.41
Santa Clarita Valley	117	2,001,607	199,554	199,920	10.0%	4,095	0	0	\$29.27
Santa Monica	226	4,835,158	381,199	393,979	8.1%	43,545	0	0	\$47.26
Santa Monica Mountains	14	198,499	25,041	25,041	12.6%	(13,414)	0	0	\$42.93
Santa Paula/Somis	21	108,101	1,790	1,790	1.7%	0	0	0	\$10.40
Sherman Oaks	47	1,352,389	129,002	140,221	10.4%	(9,711)	0	0	\$27.06
Southeast Los Angeles	116	3,255,636	285,104	300,470	9.2%	(2,588)	0	0	\$19.94
Studio/Universal Cities	77	1,236,043	58,096	71,817	5.8%	(1,319)	0	0	\$24.12
Tarzana	34	807,538	48,504	53,121	6.6%	5,582	0	0	\$24.08
Thousand Oaks/SE County	181	4,152,976	565,293	570,045	13.7%	11,894	0	12,000	\$23.98
Torrance	149	3,878,287	303,658	311,462	8.0%	(13,304)	0	15,446	\$21.24
Ventura	148	2,254,458	275,994	276,954	12.3%	(15,435)	0	0	\$21.08
West Hollywood	118	2,891,025	120,153	120,153	4.2%	5,415	0	9,000	\$38.57
West Los Angeles	62	839,104	66,873	70,373	8.4%	14,587	0	0	\$28.06
Western SFV	131	3,069,973	418,105	420,101	13.7%	(15,941)	0	0	\$22.84
Western SGV	230	6,656,845	334,113	336,947	5.1%	3,414	0	0	\$22.62
Westwood	55	1,068,774	105,627	107,622	10.1%	7,805	0	0	\$33.53
Woodland Hills/Warner Ctr	80	2,245,519	197,847	198,847	8.9%	7,579	0	0	\$24.22
Totals	5,541	155,389,939	18,075,327	18,393,675	11.8%	(37,140)	88,978	335,794	\$25.99

Source: CoStar Property®

LOS ANGELES OFFICE MARKET

CoSTAR GROUP

FIGURES AT A GLANCE

CLASS C SUBMARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
190th Street Corridor	8	184,129	9,493	9,493	5.2%	0	0	0	\$20.64
Antelope Valley	185	1,451,237	103,165	103,165	7.1%	(16,840)	0	0	\$15.85
Beach Cities/Palos Verdes	334	2,364,421	106,780	106,780	4.5%	(8,471)	0	0	\$24.13
Beverly Hills	165	1,345,152	84,480	88,597	6.6%	6,264	0	0	\$40.66
Brentwood	27	319,748	8,612	8,612	2.7%	(3,036)	0	0	\$22.13
Burbank	315	1,917,434	116,291	116,291	6.1%	(13,636)	0	0	\$24.15
Calabasas/Westlake Vill	44	330,083	23,687	23,687	7.2%	(11,107)	0	0	\$23.16
Camarillo/Point Mugu	68	581,553	47,962	47,962	8.2%	1,628	0	0	\$17.56
Century City	6	45,188	0	0	0.0%	0	0	0	\$0.00
Culver City	298	1,871,319	85,497	93,657	5.0%	5,100	0	0	\$28.64
Eastern SFV	430	2,718,604	147,301	173,101	6.4%	11,277	0	0	\$18.03
Eastern SGV	843	5,807,157	313,104	313,104	5.4%	(14,854)	0	0	\$17.72
El Segundo	66	1,061,709	337,745	337,745	31.8%	(303,225)	0	0	\$38.23
Encino	26	224,729	15,110	16,610	7.4%	15,528	0	0	\$28.15
Fillmore/NE County	30	68,984	2,697	2,697	3.9%	0	0	0	\$15.60
Glendale	425	2,463,903	45,425	45,425	1.8%	(6,028)	0	0	\$20.78
Greater Downtown	407	11,235,376	516,425	523,871	4.7%	32,109	0	0	\$20.13
Hawthorne/Gardena	227	1,429,380	124,462	124,462	8.7%	2,236	0	0	\$21.41
Hollywood/Silver Lake	520	4,299,200	156,147	159,626	3.7%	(9,437)	0	0	\$30.06
LAX	195	1,081,795	116,075	116,075	10.7%	(922)	0	0	\$18.84
Long Beach: Downtown	201	1,236,533	24,481	24,481	2.0%	(9,532)	0	0	\$18.59
Long Beach: Suburban	273	2,186,415	120,627	120,627	5.5%	(2,113)	0	0	\$16.74
Marina Del Rey/Venice	224	1,465,332	126,536	131,036	8.9%	(17,668)	0	0	\$37.66
Mid-Cities	758	4,712,936	253,340	254,395	5.4%	(19,775)	0	0	\$19.06
Mid-Wilshire	181	2,124,067	87,094	87,094	4.1%	26,306	0	0	\$22.14
Miracle Mile	55	261,754	13,927	13,927	5.3%	3,258	0	0	\$25.50
Moorpark/Simi Valley	92	557,653	35,079	42,329	7.6%	9,152	0	0	\$22.26
North Hollywood	236	1,465,007	37,193	39,068	2.7%	4,226	0	0	\$24.33
Ojai/NW County	86	285,960	2,300	2,300	0.8%	571	0	0	\$21.69
Olympic Corridor	49	309,077	11,290	11,290	3.7%	(3,419)	0	0	\$25.17
Oxnard/Port Hueneme	221	1,094,859	79,157	80,174	7.3%	(8,163)	0	0	\$16.63
Pacific Palisades/Malibu	23	178,585	4,769	4,769	2.7%	(3,089)	0	0	\$56.54
Park Mile	58	351,484	15,467	15,467	4.4%	(1,500)	0	0	\$21.13
Pasadena/Arcadia/Monrovi	761	5,191,743	282,442	283,038	5.5%	7,763	0	0	\$25.30
Santa Clarita Valley	64	496,026	29,302	29,302	5.9%	3,143	0	0	\$25.75
Santa Monica	268	2,367,749	68,522	78,067	3.3%	23,665	0	0	\$42.49
Santa Monica Mountains	28	239,964	11,286	12,286	5.1%	(6,453)	0	0	\$33.45
Santa Paula/Somis	55	174,227	15,647	15,647	9.0%	5,078	0	0	\$15.76
Sherman Oaks	66	421,138	28,892	29,183	6.9%	3,831	0	0	\$23.41
Southeast Los Angeles	452	3,646,601	190,761	192,161	5.3%	(837)	0	0	\$17.59
Studio/Universal Cities	200	920,482	39,390	39,390	4.3%	(12,070)	0	0	\$26.10
Tarzana	33	406,038	8,309	8,309	2.0%	1,250	0	0	\$20.76
Thousand Oaks/SE County	114	1,108,635	52,761	52,761	4.8%	6,434	0	0	\$21.27
Torrance	253	2,360,657	208,090	208,090	8.8%	5,108	0	0	\$20.46
Ventura	297	1,835,643	93,773	93,773	5.1%	(10,216)	0	0	\$18.41
West Hollywood	257	1,951,798	108,038	108,038	5.5%	5,278	0	0	\$37.04
West Los Angeles	215	1,121,242	40,790	40,790	3.6%	5,325	0	0	\$29.31
Western SFV	225	1,577,945	108,597	109,457	6.9%	945	0	0	\$18.90
Western SGV	516	3,568,336	232,020	233,220	6.5%	(1,003)	0	0	\$20.40
Westwood	94	1,369,132	29,334	29,334	2.1%	(449)	0	0	\$34.45
Woodland Hills/Warner Ctr	96	1,296,980	96,024	97,736	7.5%	2,779	0	0	\$23.41
Totals	11,070	87,085,099	4,815,696	4,898,499	5.6%	(295,589)	0	0	\$24.61

Source: CoStar Property®

TOTAL OFFICE SUBMARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
190th Street Corridor	73	5,100,619	698,635	702,759	13.8%	45,920	0	0	\$23.37
Antelope Valley	352	3,826,530	409,221	409,221	10.7%	(8,286)	0	24,264	\$21.36
Beach Cities/Palos Verdes	461	5,705,592	660,909	665,184	11.7%	1,339	0	0	\$27.28
Beverly Hills	317	11,000,232	1,010,092	1,051,582	9.6%	62,944	0	32,450	\$51.93
Brentwood	68	4,257,601	663,704	707,148	16.6%	(12,814)	0	0	\$39.10
Burbank	606	14,088,219	1,655,839	1,818,454	12.9%	(18,881)	0	0	\$30.97
Calabasas/Westlake Vill	212	7,662,915	1,092,574	1,120,466	14.6%	(25,931)	0	0	\$23.59
Camarillo/Point Mugu	142	2,903,772	477,660	477,660	16.4%	33,388	0	0	\$21.68
Century City	38	11,537,994	1,418,262	1,541,668	13.4%	142,758	0	0	\$45.71
Culver City	471	8,233,902	824,546	864,711	10.5%	95,960	0	16,093	\$30.19
Eastern SFV	601	8,453,132	744,050	772,293	9.1%	23,598	0	0	\$21.64
Eastern SGV	1,220	18,355,655	2,146,631	2,182,369	11.9%	(78,706)	78,978	188,589	\$22.69
El Segundo	193	16,301,897	2,500,374	2,511,216	15.4%	(203,943)	0	31,149	\$32.13
Encino	86	4,892,790	523,820	548,019	11.2%	26,633	0	0	\$27.60
Fillmore/NE County	34	99,669	2,697	2,697	2.7%	0	0	0	\$15.60
Glendale	707	11,956,511	1,505,331	1,533,717	12.8%	(37,169)	0	0	\$28.66
Greater Downtown	692	68,635,617	8,663,925	8,780,720	12.8%	56,752	0	30,000	\$32.95
Hawthorne/Gardena	288	3,816,954	667,011	667,011	17.5%	8,019	0	0	\$19.86
Hollywood/Silver Lake	692	10,664,727	684,994	694,330	6.5%	(14,236)	0	388,545	\$34.94
LAX	242	6,317,679	1,904,216	1,931,216	30.6%	28,128	0	0	\$18.68
Long Beach: Downtown	266	7,967,349	1,182,876	1,199,520	15.1%	1,480	0	120,000	\$24.27
Long Beach: Suburban	447	9,303,027	1,190,356	1,210,532	13.0%	173,971	0	92,594	\$22.01
Marina Del Rey/Venice	352	8,645,631	1,618,622	1,799,909	20.8%	75,956	0	76,000	\$36.97
Mid-Cities	996	10,269,389	756,607	776,430	7.6%	(36,242)	0	0	\$21.52
Mid-Wilshire	308	13,764,792	2,322,520	2,336,640	17.0%	72,578	0	0	\$20.06
Miracle Mile	98	5,820,891	715,545	717,545	12.3%	(9,056)	0	0	\$34.30
Moorpark/Simi Valley	164	2,664,716	297,175	304,425	11.4%	14,475	0	0	\$22.63
North Hollywood	322	3,372,251	325,124	326,999	9.7%	24,080	0	0	\$28.38
Ojai/NW County	96	374,880	5,918	6,418	1.7%	571	0	0	\$19.90
Olympic Corridor	100	4,125,669	552,032	558,551	13.5%	(9,614)	0	0	\$33.65
Oxnard/Port Hueneme	332	3,663,961	381,876	382,893	10.5%	3,302	10,000	0	\$23.87
Pacific Palisades/Malibu	50	765,957	50,933	66,427	8.7%	(6,169)	0	17,812	\$47.27
Park Mile	95	2,082,605	273,348	273,348	13.1%	(3,191)	0	0	\$21.24
Pasadena/Arcadia/Monrovi	1,126	21,440,783	2,171,029	2,213,453	10.3%	(144,518)	0	194,436	\$27.97
Santa Clarita Valley	209	4,771,321	571,823	580,773	12.2%	12,662	0	0	\$29.49
Santa Monica	558	15,182,998	1,086,359	1,123,992	7.4%	115,116	0	0	\$47.19
Santa Monica Mountains	45	708,207	60,145	61,145	8.6%	(18,167)	0	0	\$42.78
Santa Paula/Somis	76	282,328	17,437	17,437	6.2%	5,078	0	0	\$14.37
Sherman Oaks	126	3,744,216	331,780	357,164	9.5%	(19,654)	0	0	\$26.76
Southeast Los Angeles	584	8,575,763	642,764	659,530	7.7%	(3,967)	0	0	\$19.91
Studio/Universal Cities	289	4,170,272	231,926	245,647	5.9%	(18,447)	0	0	\$35.49
Tarzana	73	1,640,462	111,758	122,725	7.5%	3,180	0	0	\$24.37
Thousand Oaks/SE County	311	7,231,336	958,940	965,092	13.3%	51,405	0	114,334	\$23.98
Torrance	432	8,801,617	937,029	944,833	10.7%	(1,652)	0	15,446	\$23.59
Ventura	447	4,217,886	369,767	370,727	8.8%	(25,651)	0	0	\$20.30
West Hollywood	395	7,600,851	879,655	879,655	11.6%	52,574	95,002	9,000	\$46.06
West Los Angeles	285	2,821,065	229,161	232,661	8.2%	21,421	0	0	\$29.83
Western SFV	380	6,832,525	1,018,783	1,021,639	15.0%	17,653	0	0	\$24.14
Western SGV	760	12,094,274	712,449	716,483	5.9%	3,408	0	0	\$22.61
Westwood	177	8,306,833	753,003	825,029	9.9%	73,312	0	0	\$38.98
Woodland Hills/Warner Ctr	213	10,321,147	1,352,836	1,379,307	13.4%	(12,904)	0	0	\$24.48
Totals	17,607	425,377,009	50,364,067	51,659,370	12.1%	538,463	183,980	1,350,712	\$29.24

Source: CoStar Property®

LOS ANGELES OFFICE MARKET

CoSTAR GROUP

FIGURES AT A GLANCE

CLASS A MARKET STATISTICS

First Quarter 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	38,202,454	5,937,201	5,993,901	15.7%	29,195	0	30,000	\$35.37
Suburban	920	144,699,517	21,535,843	22,373,295	15.5%	841,997	95,002	984,918	\$31.42
Totals	996	182,901,971	27,473,044	28,367,196	15.5%	871,192	95,002	1,014,918	\$32.36

Source: CoStar Property®

CLASS B MARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	209	19,197,787	2,210,299	2,262,948	11.8%	(4,552)	0	0	\$24.72
Suburban	5,332	136,192,152	15,865,028	16,130,727	11.8%	(32,588)	88,978	335,794	\$26.09
Totals	5,541	155,389,939	18,075,327	18,393,675	11.8%	(37,140)	88,978	335,794	\$25.99

Source: CoStar Property®

CLASS C MARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	407	11,235,376	516,425	523,871	4.7%	32,109	0	0	\$20.13
Suburban	10,663	75,849,723	4,299,271	4,374,628	5.8%	(327,698)	0	0	\$24.88
Totals	11,070	87,085,099	4,815,696	4,898,499	5.6%	(295,589)	0	0	\$24.61

Source: CoStar Property®

CLASS A & B MARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	285	57,400,241	8,147,500	8,256,849	14.4%	24,643	0	30,000	\$33.46
Suburban	6,252	280,891,669	37,400,871	38,504,022	13.7%	809,409	183,980	1,320,712	\$29.05
Totals	6,537	338,291,910	45,548,371	46,760,871	13.8%	834,052	183,980	1,350,712	\$29.81

Source: CoStar Property®

TOTAL OFFICE MARKET STATISTICS

First Quarter 2014

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
CBD	692	68,635,617	8,663,925	8,780,720	12.8%	56,752	0	30,000	\$32.95
Suburban	16,915	356,741,392	41,700,142	42,878,650	12.0%	481,711	183,980	1,320,712	\$28.53
Totals	17,607	425,377,009	50,364,067	51,659,370	12.1%	538,463	183,980	1,350,712	\$29.24

Source: CoStar Property®

CLASS A MARKET STATISTICS

First Quarter 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 1q	996	182,901,971	27,473,044	28,367,196	15.5%	871,192	1	95,002	11	1,014,918	\$32.36
2013 4q	994	182,706,969	28,014,207	29,043,386	15.9%	122,879	0	0	8	574,299	\$32.17
2013 3q	994	182,748,412	28,123,573	29,207,708	16.0%	1,339,288	1	545,000	7	512,823	\$31.62
2013 2q	993	182,203,412	28,884,960	30,001,996	16.5%	(37,231)	0	0	5	850,642	\$30.90
2013 1q	993	182,203,412	28,735,708	29,964,765	16.4%	(643,482)	2	418,917	5	850,642	\$30.89
2012	991	181,784,495	27,832,998	28,902,666	15.9%	1,652,735	8	496,799	7	1,269,559	\$31.19
2011	984	181,447,696	28,832,003	30,218,602	16.7%	(221,366)	5	374,928	10	1,437,716	\$31.01
2010	979	181,072,768	27,600,316	29,622,308	16.4%	(1,591,308)	8	809,592	10	937,757	\$30.44
2009	971	180,263,176	24,363,703	27,221,408	15.1%	(3,784,627)	16	2,519,626	14	1,498,533	\$32.02
2008	956	177,990,450	18,789,522	21,164,055	11.9%	(2,755,892)	14	1,246,171	24	3,481,600	\$35.22
2007	942	176,744,279	15,390,324	17,161,992	9.7%	1,263,140	15	2,269,834	20	2,940,058	\$34.48
2006	929	174,953,832	15,158,154	16,634,685	9.5%	3,056,528	9	916,310	24	3,101,362	\$29.82
2005	922	174,205,530	17,335,400	18,942,911	10.9%	6,341,151	8	1,137,176	10	1,782,983	\$27.32
2004	914	173,068,354	21,545,572	24,146,886	14.0%	4,607,286	5	1,267,328	11	2,141,820	\$25.95
2003	910	172,131,026	24,655,622	27,798,799	16.1%	2,149,432	6	1,561,505	6	1,308,036	\$26.00
2002	905	170,919,456	24,291,009	28,736,661	16.8%	(133,672)	16	2,822,797	10	2,748,833	\$25.85

Source: CoStar Property®

CLASS B MARKET STATISTICS

First Quarter 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 1q	5,541	155,389,939	18,075,327	18,393,675	11.8%	(37,140)	3	88,978	19	335,794	\$25.99
2013 4q	5,539	155,379,714	17,918,812	18,346,310	11.8%	442,471	16	151,964	19	375,178	\$26.10
2013 3q	5,525	155,372,890	18,285,641	18,781,957	12.1%	288,064	5	54,534	31	494,752	\$25.67
2013 2q	5,522	155,502,483	18,791,882	19,199,614	12.3%	249,188	6	141,997	31	470,321	\$25.00
2013 1q	5,517	155,395,945	18,985,289	19,342,264	12.4%	(262,546)	10	116,154	28	454,740	\$24.93
2012	5,508	155,289,668	18,644,995	18,973,441	12.2%	592,665	24	989,494	26	471,602	\$25.23
2011	5,489	154,685,815	18,311,116	18,962,253	12.3%	227,546	26	484,767	24	986,683	\$24.38
2010	5,468	154,501,868	18,383,905	19,006,721	12.3%	(641,075)	33	398,217	25	771,699	\$24.50
2009	5,438	154,465,502	17,374,603	18,329,280	11.9%	(1,849,253)	95	962,158	34	422,659	\$25.13
2008	5,346	153,770,409	14,469,871	15,784,934	10.3%	(2,571,457)	172	2,314,811	94	993,378	\$27.51
2007	5,178	151,785,076	10,383,588	11,228,144	7.4%	398,866	86	1,219,924	182	2,316,821	\$27.34
2006	5,099	151,234,757	10,441,612	11,076,691	7.3%	1,410,646	63	1,150,153	109	1,473,499	\$25.21
2005	5,038	150,203,707	10,508,838	11,441,833	7.6%	3,132,390	52	982,822	64	1,294,399	\$23.05
2004	4,992	149,503,280	12,858,458	13,873,796	9.3%	1,102,913	42	916,695	53	1,159,553	\$21.83
2003	4,952	148,706,502	13,133,602	14,179,931	9.5%	1,488,711	50	1,213,599	43	954,154	\$22.01
2002	4,906	147,996,489	13,544,240	14,958,629	10.1%	1,627,573	61	2,312,838	36	1,087,320	\$22.48

Source: CoStar Property®

TOTAL OFFICE MARKET STATISTICS

First Quarter 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 1q	17,607	425,377,009	50,364,067	51,659,370	12.1%	538,463	4	183,980	30	1,350,712	\$29.24
2013 4q	17,604	425,174,008	50,446,548	51,994,832	12.2%	811,852	16	151,964	27	949,477	\$29.24
2013 3q	17,590	425,208,627	51,181,879	52,841,303	12.4%	1,753,099	6	599,534	38	1,007,575	\$28.66
2013 2q	17,587	424,798,209	52,560,705	54,183,984	12.8%	293,442	6	141,997	36	1,320,963	\$27.88
2013 1q	17,584	424,707,559	52,694,493	54,386,776	12.8%	(1,049,427)	12	535,071	33	1,305,382	\$27.88
2012	17,573	424,182,365	51,308,395	52,812,455	12.5%	1,703,922	32	1,486,293	33	1,741,161	\$28.31
2011	17,554	423,408,089	51,638,927	53,742,101	12.7%	84,126	32	868,628	34	2,424,399	\$27.95
2010	17,532	422,901,626	50,576,772	53,320,633	12.6%	(2,572,543)	44	1,226,067	36	1,718,389	\$27.74
2009	17,501	422,212,269	46,183,561	50,058,733	11.9%	(6,165,458)	115	3,502,564	50	1,937,549	\$28.61
2008	17,398	419,316,049	37,034,072	40,997,055	9.8%	(6,325,279)	196	3,669,132	121	4,490,362	\$31.23
2007	17,225	416,431,404	29,018,376	31,787,131	7.6%	894,069	108	3,559,352	212	5,365,029	\$31.09
2006	17,148	414,395,194	28,389,753	30,644,990	7.4%	4,108,113	83	2,172,679	140	4,661,392	\$27.78
2005	17,088	413,201,021	30,978,351	33,544,476	8.1%	9,802,901	76	2,224,049	85	3,202,827	\$25.51
2004	17,024	411,325,003	37,736,835	41,471,359	10.1%	6,017,739	70	2,436,488	79	3,394,403	\$24.11
2003	16,972	409,626,152	41,396,374	45,772,202	11.2%	4,292,722	82	3,002,150	70	2,507,393	\$24.42
2002	16,900	407,569,020	42,002,502	48,007,792	11.8%	2,528,502	99	5,359,928	70	4,042,359	\$24.33

Source: CoStar Property®

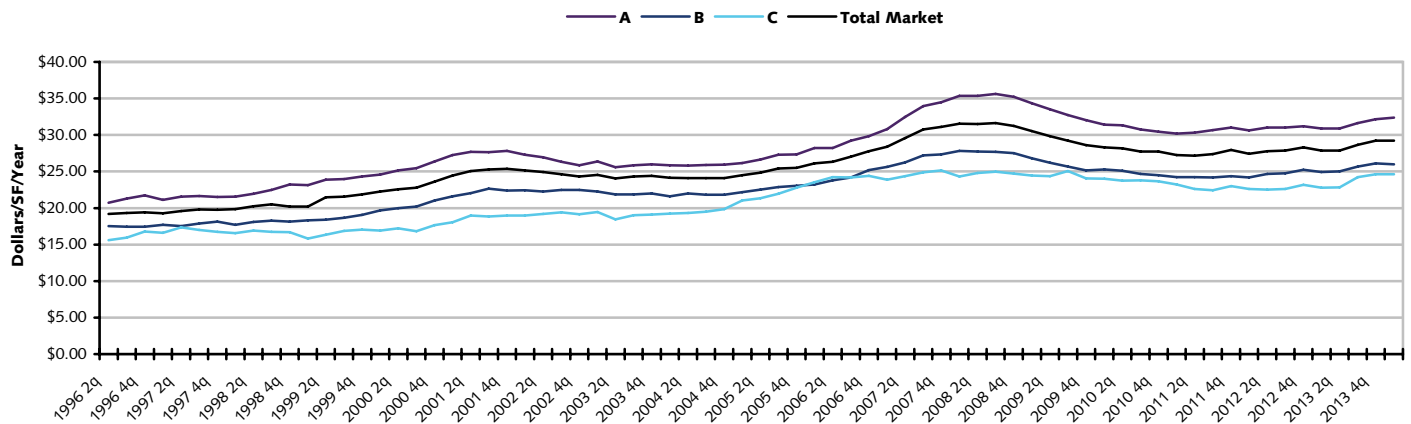
LOS ANGELES OFFICE MARKET

CoSTAR GROUP

LEASING ACTIVITY

HISTORICAL RENTAL RATES

Based on Full-Service Equivalent Rental Rates



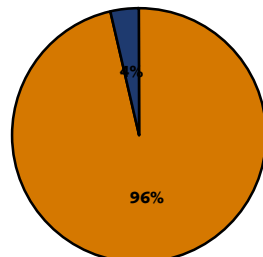
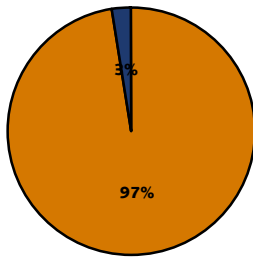
Source: CoStar Property®

VACANCY BY AVAILABLE SPACE TYPE

Percent of All Vacant Space in Direct vs. Sublet

Los Angeles

United States



Direct Sublet

Direct Sublet

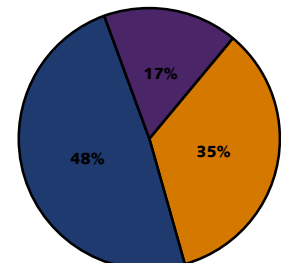
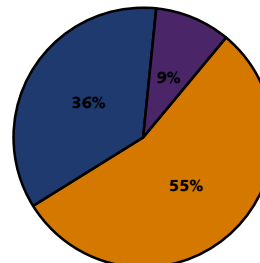
Source: CoStar Property®

VACANCY BY CLASS

Percent of All Vacant Space by Class

Los Angeles

United States



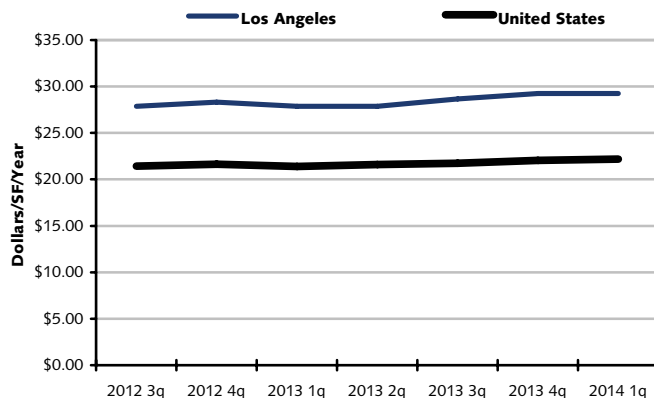
Class A Class B Class C

Class A Class B Class C

Source: CoStar Property®

U.S. RENTAL RATE COMPARISON

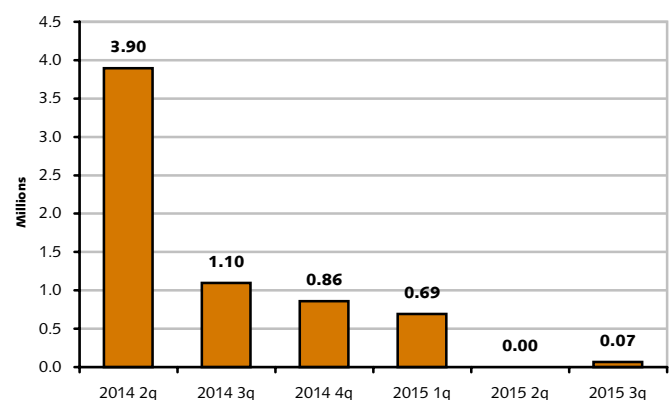
Based on Full-Service Equivalent Rental Rates



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 Westlake Park Place - Phase II - Bldg C	Thousand Oaks/SE County	76,559	1st	N/A	NAI Capital, Inc.	DAUM Commercial RE Services
2 Formosa South at The Lot	West Hollywood	66,429	1st	N/A	N/A	JLL
3 Glendale Plaza	Glendale	44,636	1st	Dreamworks	N/A	CBRE
4 LNR Warner Center IV - Building D	Woodland Hills/Warner Ctr	43,754	1st	N/A	N/A	JLL
5 29899 Agoura Rd	Calabasas/Westlake Vill	43,048	1st	N/A	N/A	CBRE
6 Variety Building	Westwood	39,286	1st	Reed Elsevier, Inc.	Coldwell Banker Commercial Westmac	Sandstone Properties
7 South Bay Centre	190th Street Corridor	37,071	1st	Cymetrix	N/A	CBRE
8 The Phoenix Building	Eastern SFV	37,000	1st	Champs Charter High School of the Arts	N/A	Charles Dunn Company, Inc.
9 The Ventana	Tarzana	30,694	1st	N/A	N/A	CBRE
10 639 S Broadway	Greater Downtown	30,000	1st	N/A	N/A	NAI Capital
11 Wells Fargo Center	Brentwood	28,552	1st	N/A	CBRE	LA Realty Partners
12 American Golf Bldg*	Santa Monica	28,506	1st	TCP Capital Corp.	N/A	CBRE
13 Westlake @ 5601 Lindero	Calabasas/Westlake Vill	25,527	1st	N/A	N/A	CBRE
14 Wateridge I	Culver City	25,267	1st	N/A	N/A	CBRE
15 4444 W Lakeside Dr	Burbank	25,205	1st	N/A	N/A	JLL
16 Conejo Corporate Center - Bldg 9*	Calabasas/Westlake Vill	24,827	1st	Xirrus, Inc.	Cresa	N/A
17 Pasadena Towers - Tower 2	Pasadena/Arcadia/Monrovia	24,821	1st	N/A	N/A	JLL
18 Westlake Landmark - Bldg I	Calabasas/Westlake Vill	24,376	1st	N/A	JLL	JLL
19 Two California Plaza	Greater Downtown	24,277	1st	N/A	N/A	CBRE
20 Metroplex Wilshire	Mid-Wilshire	23,118	1st	N/A	N/A	Jamison Services, Inc.
21 Wateridge IV*	Culver City	22,621	1st	Crystal Stairs	N/A	CBRE
22 Arboretum Courtyard*	Santa Monica	22,492	1st	Dex One Corporation	N/A	LA Realty Partners
23 Gateway Plaza	Pasadena/Arcadia/Monrovia	22,070	1st	MWH Americas	N/A	CBRE
24 1900 Avenue of the Stars	Century City	21,703	1st	Entertainment Industry Foundation	N/A	Topa Equities Ltd.
25 1017 N Las Palmas Ave	Hollywood/Silver Lake	21,438	1st	N/A	N/A	JLL
26 Fox Plaza	Century City	21,004	1st	N/A	N/A	The Irvine Company
27 Wateridge IV	Culver City	19,878	1st	N/A	N/A	CBRE
28 Hollywood Media Campus	Hollywood/Silver Lake	19,661	1st	N/A	N/A	JLL
29 2600 & 2700 Colorado	Santa Monica	18,781	1st	N/A	N/A	Madison Partners
30 Aon Center	Greater Downtown	17,592	1st	Glumac Engineering	Cresa	JLL
31 700 Allen Ave	Burbank	17,012	1st	N/A	N/A	Colliers International
32 The Plaza	Century City	16,579	1st	N/A	N/A	CBRE
33 801 N Brand Blvd	Glendale	16,291	1st	Stila Styles LLC	Cresa	CBRE
34 Union Bank Plaza	Greater Downtown	16,051	1st	N/A	N/A	JLL
35 Fox Hills Business Park - Building A	Culver City	16,023	1st	N/A	N/A	Madison Partners
36 4177 W Redondo Beach Blvd	Torrance	15,897	1st	Dollar Tree	N/A	CBRE
37 Pasadena Office Tower	Pasadena/Arcadia/Monrovia	15,821	1st	N/A	N/A	NAI Capital Commercial Real Estate
38 Garden Office Building	Sherman Oaks	15,714	1st	N/A	N/A	Studley
39 812 N Robertson Blvd	West Hollywood	15,000	1st	N/A	N/A	Stafford Commercial Real Estate
40 Sepulveda Center	West Los Angeles	14,955	1st	N/A	N/A	CBRE

Source: CoStar Property®

* Renewal

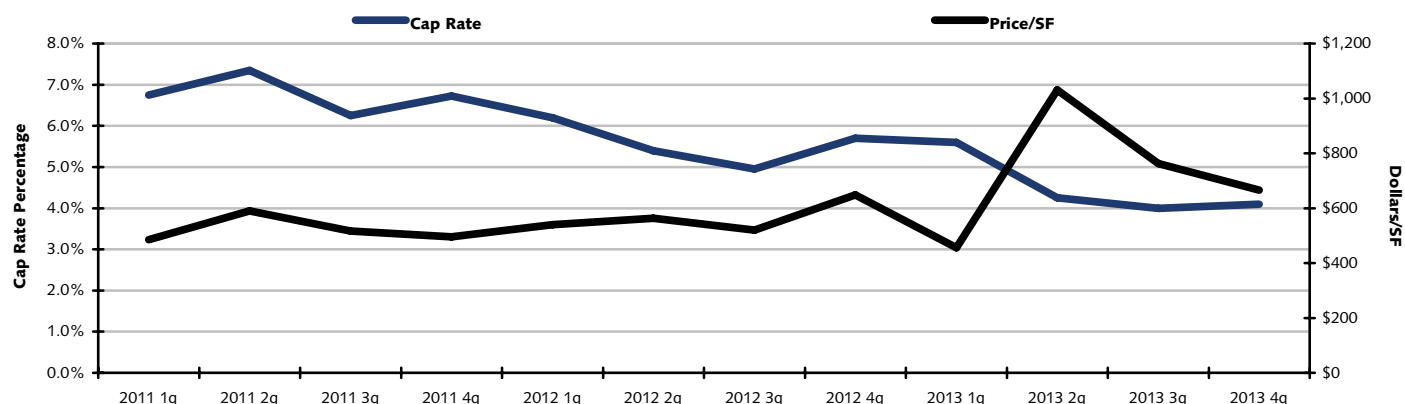
LOS ANGELES OFFICE MARKET

CoSTAR GROUP

SALES ACTIVITY

THE OPTIMIST SALES INDEX

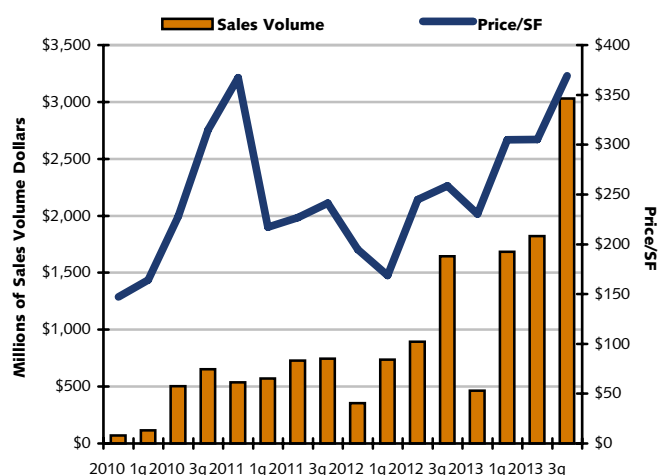
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



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

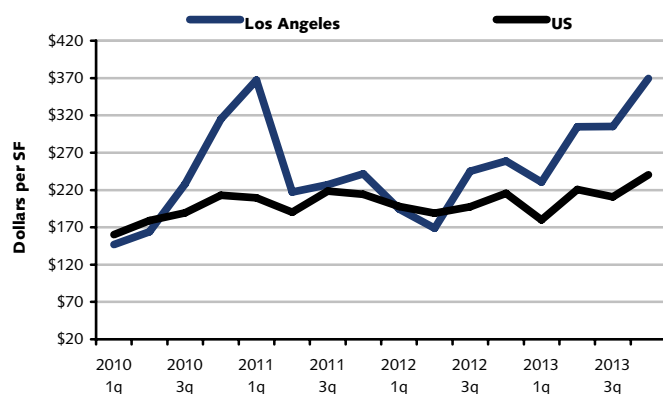
Based on Office Building Sales From Jan. 2013 - Dec. 2013

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 50,000 SF	405	4,227,414	\$ 1,112,687,195	\$ 263.21	6.23%
50K-249K SF	66	7,147,400	\$ 1,572,063,220	\$ 219.95	6.06%
250K-499K SF	12	4,274,663	\$ 1,287,575,000	\$ 301.21	5.97%
>500K SF	5	7,918,714	\$ 3,534,409,285	\$ 446.34	5.30%

Source: CoStar COMPS®

U.S. PRICE/SF COMPARISON

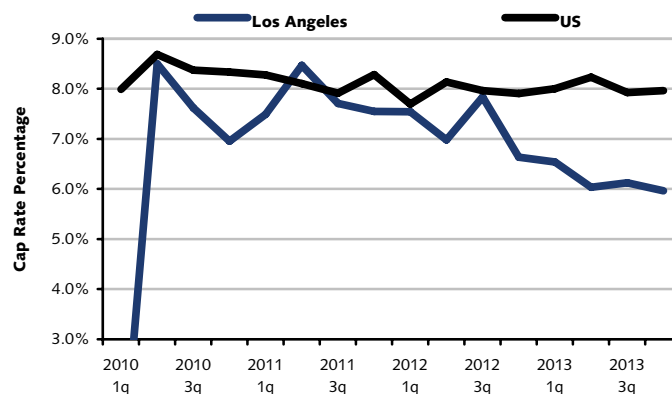
Based on Office Building Sales of 15,000 SF and Larger



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 January 2013 Through March 2014

1. MPG/Brookfield



Los Angeles

Price: \$2,139,859,285
 Price/SF: \$438.50
 Cap Rate: 4.79%
 RBA: 4,879,991
 Date: 10/15/2013
 Year Built: 1983
 Buyer: Brookfield Office Properties, Inc.
 Seller: MPG Office Trust, Inc.

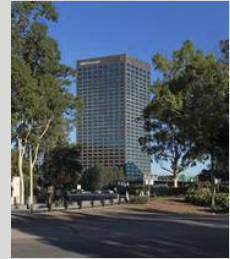
2. 2222 E Imperial Hwy



El Segundo

Price: \$550,000,000
 Price/SF: \$453.20
 Cap Rate: 6%
 RBA: 1,213,579
 Date: 7/11/2013
 Year Built: 1976
 Buyer: GI Partners
 Seller: Hines REIT, Inc.

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. Lantana Campus



Santa Monica

Price: \$328,400,000
 Price/SF: \$677.11
 Cap Rate: 5.4%
 RBA: 485,000
 Date: 7/31/2013
 Year Built: 2000
 Buyer: Jamestown 28
 Seller: The Lionstone Group

5. One California Plaza



Los Angeles

Price: \$144,550,000
 Price/SF: \$285.26
 Cap Rate: 5.3%
 RBA: 506,726
 Date: 9/26/2013
 Year Built: 1985
 Buyer: Madison International Realty
 Seller: Beacon Capital Partners

6. Landmark Square



Long Beach

Price: \$135,500,000
 Price/SF: \$294.43
 Cap Rate: 6.5%
 RBA: 460,206
 Date: 8/12/2013
 Year Built: 1990
 Buyer: John Hancock Real Estate
 Seller: Brookfield Office Properties, Inc.

7. 801 S Grand Ave



Los Angeles

Price: \$52,500,000
 Price/SF: \$253.55
 Cap Rate: 5.25%
 RBA: 207,057
 Date: 12/6/2013
 Year Built: 1986
 Buyer: CIM Group, LP
 Seller: Brickman

8. 28515 Westinghouse Pl



Valencia

Price: \$44,000,000
 Price/SF: \$300.58
 Cap Rate: N/A
 RBA: 146,385
 Date: 1/15/2014
 Year Built: 2008
 Buyer: Cole Real Estate Investments
 Seller: Heitman, Inc.

9. Corporate Center-Calabasas



Calabasas

Price: \$42,500,000
 Price/SF: \$131.18
 Cap Rate: N/A
 RBA: 323,991
 Date: 11/12/2013
 Year Built: 1990
 Buyer: Angelo, Gordon & Co.
 Seller: Lincoln Property Company

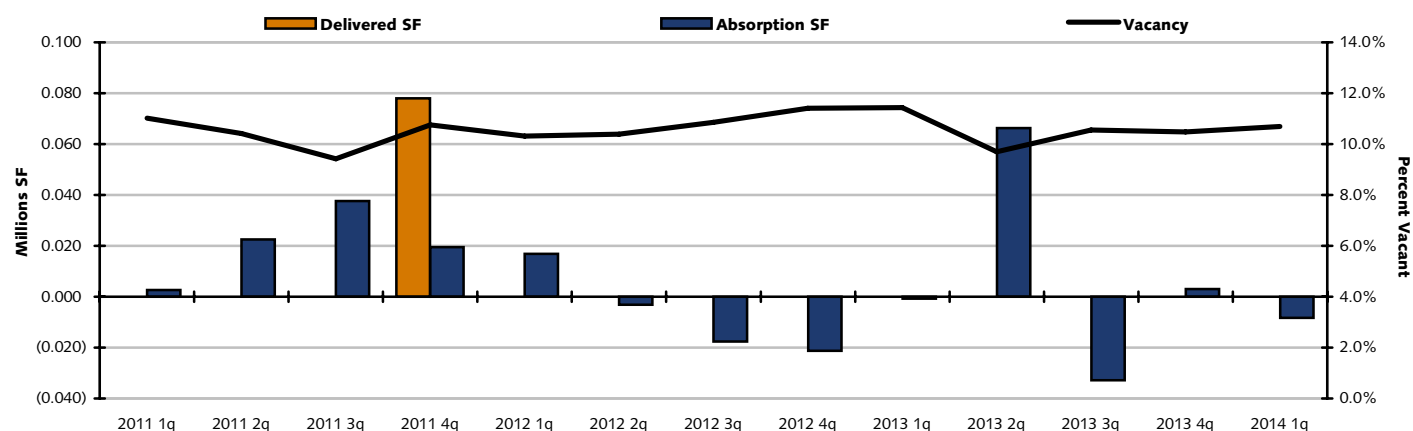
LOS ANGELES OFFICE MARKET

ANTELOPE VALLEY MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

CoStar GROUP

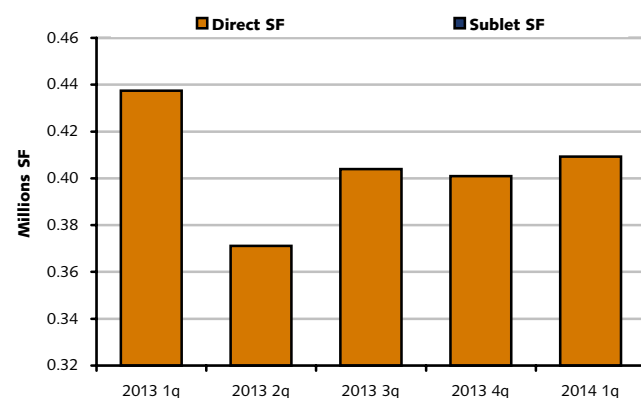
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

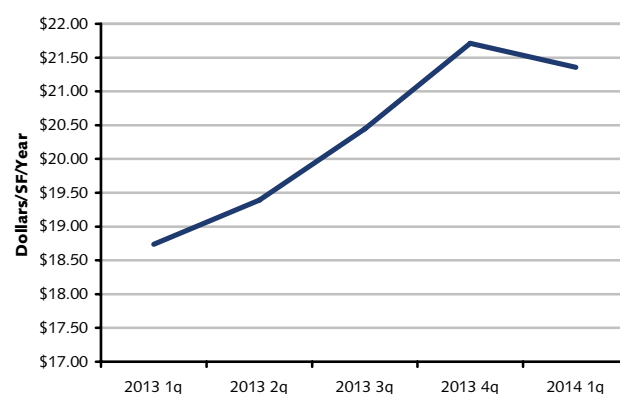
Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, All Classes

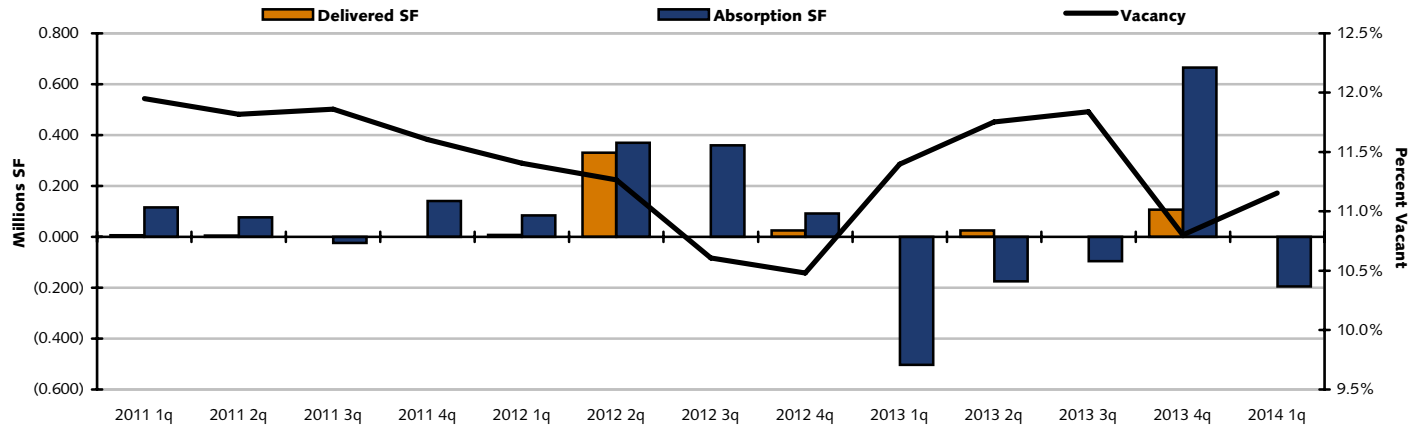


Source: CoStar Property®

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 1q	352	3,826,530	409,221	10.7%	(8,286)	0	0	3	24,264	\$21.36
2013 4q	352	3,826,530	400,935	10.5%	3,014	0	0	3	24,264	\$21.71
2013 3q	352	3,826,530	403,949	10.6%	(32,843)	0	0	0	0	\$20.45
2013 2q	352	3,826,530	371,106	9.7%	66,295	0	0	0	0	\$19.39
2013 1q	352	3,826,530	437,401	11.4%	(754)	0	0	0	0	\$18.74
2012 4q	352	3,826,530	436,647	11.4%	(21,276)	0	0	0	0	\$22.75
2012 3q	352	3,826,530	415,371	10.9%	(17,581)	0	0	0	0	\$21.59
2012 2q	352	3,826,530	397,790	10.4%	(3,168)	0	0	0	0	\$21.51
2012 1q	352	3,826,530	394,622	10.3%	16,901	0	0	0	0	\$20.78
2011 4q	352	3,826,530	411,523	10.8%	19,526	1	78,000	0	0	\$23.17
2011 3q	351	3,748,530	353,049	9.4%	37,560	0	0	1	78,000	\$21.89
2011 2q	351	3,748,530	390,609	10.4%	22,571	0	0	1	78,000	\$22.26
2011 1q	351	3,748,530	413,180	11.0%	2,704	0	0	1	78,000	\$22.61
2010 4q	351	3,748,530	415,884	11.1%	6,951	0	0	1	78,000	\$24.42
2010 3q	351	3,748,530	422,835	11.3%	13,019	0	0	1	78,000	\$24.06
2010 2q	351	3,748,530	435,854	11.6%	30,208	0	0	1	78,000	\$25.04

Source: CoStar Property®

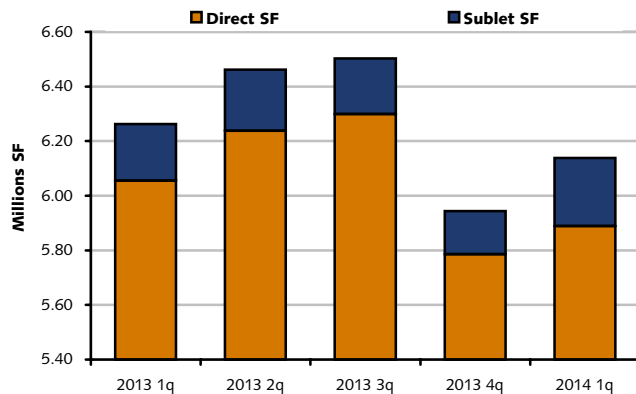
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

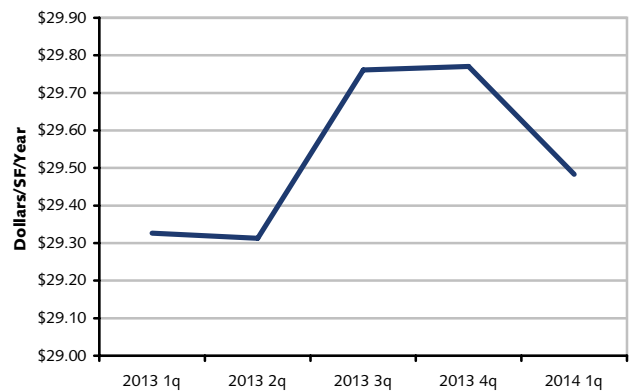
Historical Analysis, All Classes



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 1q	3,050	55,028,036	6,138,270	11.2%	(194,935)	0	0	3	194,436	\$29.48
2013 4q	3,050	55,028,036	5,943,335	10.8%	665,561	11	106,636	3	194,436	\$29.77
2013 3q	3,039	54,921,400	6,502,260	11.8%	(95,225)	0	0	14	301,072	\$29.76
2013 2q	3,040	54,976,658	6,462,293	11.8%	(174,342)	2	25,420	11	106,636	\$29.31
2013 1q	3,038	54,951,238	6,262,531	11.4%	(502,616)	0	0	7	111,352	\$29.33
2012 4q	3,038	54,951,238	5,759,915	10.5%	91,310	1	24,887	4	84,620	\$29.54
2012 3q	3,037	54,926,351	5,826,338	10.6%	359,806	0	0	4	68,307	\$28.81
2012 2q	3,038	54,927,851	6,187,644	11.3%	369,790	1	330,679	3	63,887	\$28.93
2012 1q	3,037	54,597,172	6,226,755	11.4%	84,561	1	7,483	4	394,566	\$28.95
2011 4q	3,037	54,625,042	6,339,186	11.6%	140,288	0	0	4	381,049	\$29.89
2011 3q	3,037	54,625,042	6,479,474	11.9%	(23,645)	0	0	3	363,049	\$29.68
2011 2q	3,037	54,625,042	6,455,829	11.8%	76,815	1	4,711	2	338,162	\$28.74
2011 1q	3,036	54,620,331	6,527,933	12.0%	115,626	1	5,911	2	335,390	\$28.56
2010 4q	3,035	54,614,420	6,637,648	12.2%	121,325	1	10,400	3	341,301	\$29.91
2010 3q	3,035	54,611,772	6,756,325	12.4%	(169,980)	1	34,000	3	21,022	\$29.20
2010 2q	3,034	54,577,772	6,552,345	12.0%	(285,403)	1	7,500	4	55,022	\$29.53

Source: CoStar Property®

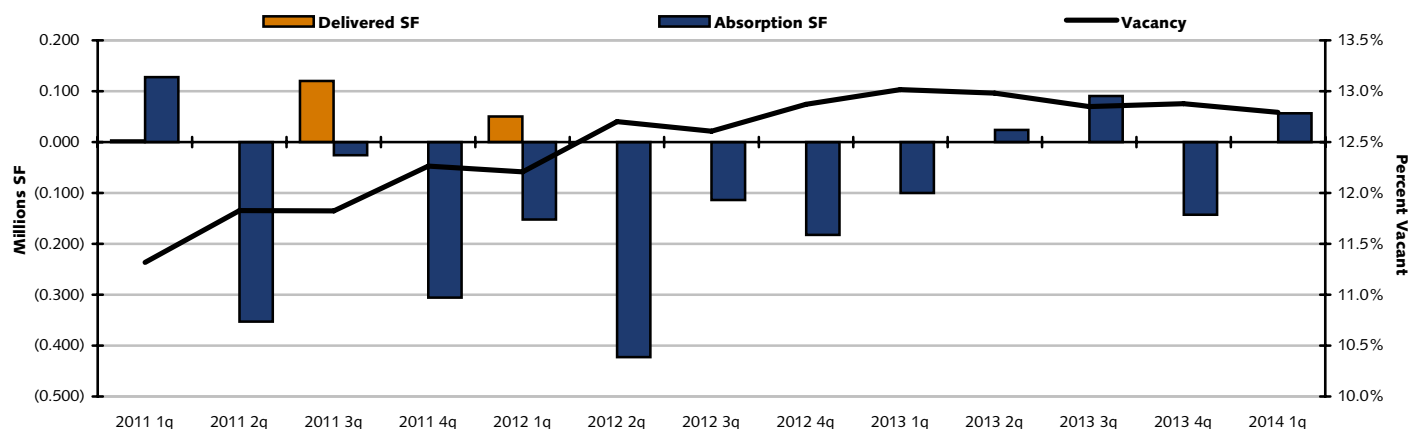
LOS ANGELES OFFICE MARKET

DOWNTOWN LOS ANGELES MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

CoStar GROUP

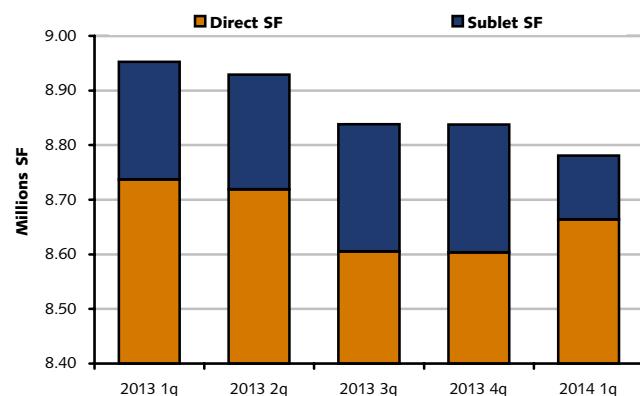
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

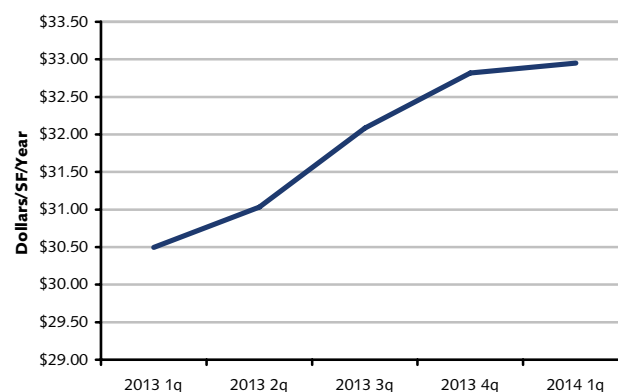
Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, All Classes

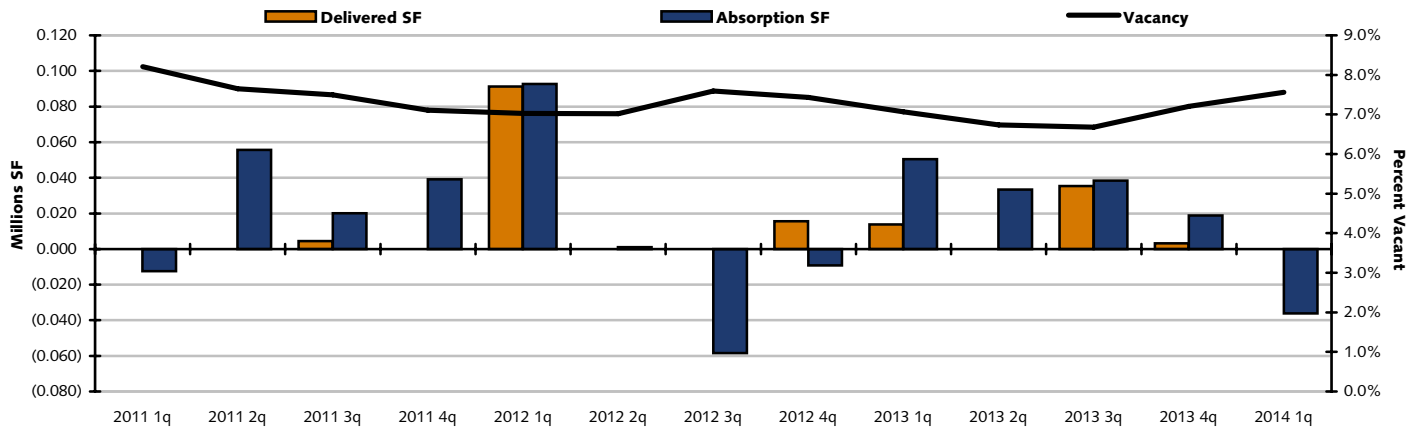


Source: CoStar Property®

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 1q	692	68,635,617	8,780,720	12.8%	56,752	0	0	1	30,000	\$32.95
2013 4q	692	68,635,617	8,837,472	12.9%	(143,077)	0	0	1	30,000	\$32.82
2013 3q	693	68,779,519	8,838,297	12.9%	90,609	0	0	1	30,000	\$32.09
2013 2q	693	68,779,519	8,928,906	13.0%	23,640	0	0	0	0	\$31.03
2013 1q	693	68,779,519	8,952,546	13.0%	(100,171)	0	0	0	0	\$30.50
2012 4q	693	68,779,519	8,852,375	12.9%	(182,115)	0	0	0	0	\$31.27
2012 3q	693	68,779,519	8,670,260	12.6%	(113,958)	0	0	0	0	\$30.99
2012 2q	695	68,984,365	8,761,148	12.7%	(422,913)	0	0	0	0	\$31.15
2012 1q	696	69,078,148	8,432,018	12.2%	(152,291)	1	50,576	0	0	\$30.02
2011 4q	697	69,297,756	8,499,335	12.3%	(305,841)	0	0	1	50,576	\$29.89
2011 3q	697	69,297,756	8,193,494	11.8%	(25,981)	1	120,000	1	50,576	\$30.03
2011 2q	697	69,329,883	8,199,640	11.8%	(352,663)	0	0	2	170,576	\$29.55
2011 1q	697	69,329,883	7,846,977	11.3%	127,408	1	2,900	1	120,000	\$29.36
2010 4q	696	69,326,983	7,971,485	11.5%	22,212	0	0	2	122,900	\$28.77
2010 3q	697	69,336,983	8,003,697	11.5%	(30,016)	1	61,064	2	122,900	\$28.21
2010 2q	696	69,275,919	7,912,617	11.4%	(193,994)	1	25,189	3	183,964	\$28.83

Source: CoStar Property®

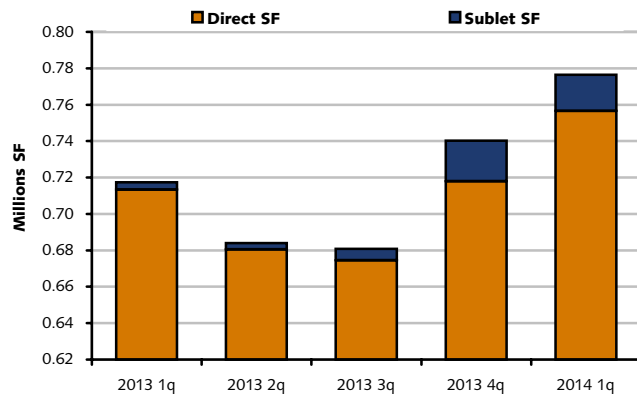
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

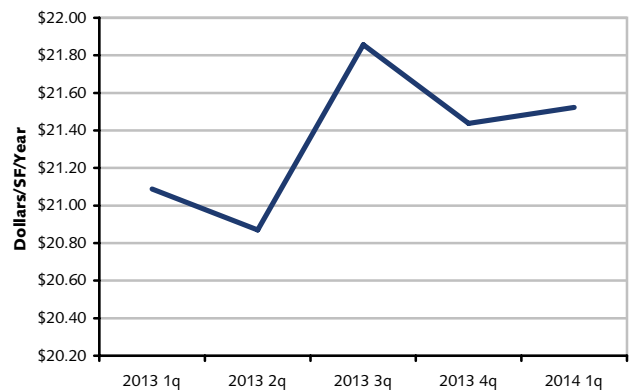
Historical Analysis, All Classes



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 1q	996	10,269,389	776,430	7.6%	(36,242)	0	0	0	0	\$21.52
2013 4q	996	10,269,389	740,188	7.2%	18,894	1	3,254	0	0	\$21.44
2013 3q	994	10,191,190	680,883	6.7%	38,382	3	35,310	2	78,199	\$21.86
2013 2q	991	10,155,880	683,955	6.7%	33,455	0	0	5	113,509	\$20.87
2013 1q	991	10,155,880	717,410	7.1%	50,505	4	13,836	4	110,255	\$21.09
2012 4q	987	10,142,044	754,079	7.4%	(9,240)	1	15,654	6	103,781	\$21.58
2012 3q	987	10,169,390	772,185	7.6%	(58,400)	0	0	5	29,490	\$21.49
2012 2q	987	10,169,390	713,785	7.0%	1,019	0	0	5	29,490	\$21.80
2012 1q	987	10,169,390	714,804	7.0%	92,604	2	91,247	3	25,787	\$22.03
2011 4q	985	10,078,143	716,161	7.1%	39,176	0	0	4	111,754	\$22.16
2011 3q	985	10,078,143	755,337	7.5%	20,010	1	4,500	3	96,100	\$22.11
2011 2q	984	10,073,643	770,847	7.7%	55,610	0	0	4	100,600	\$21.92
2011 1q	984	10,073,643	826,457	8.2%	(12,361)	0	0	3	95,398	\$22.70
2010 4q	984	10,073,643	814,096	8.1%	(66,107)	0	0	0	0	\$23.16
2010 3q	984	10,073,643	747,989	7.4%	(60,555)	0	0	0	0	\$23.73
2010 2q	984	10,073,643	687,434	6.8%	33,440	0	0	0	0	\$23.07

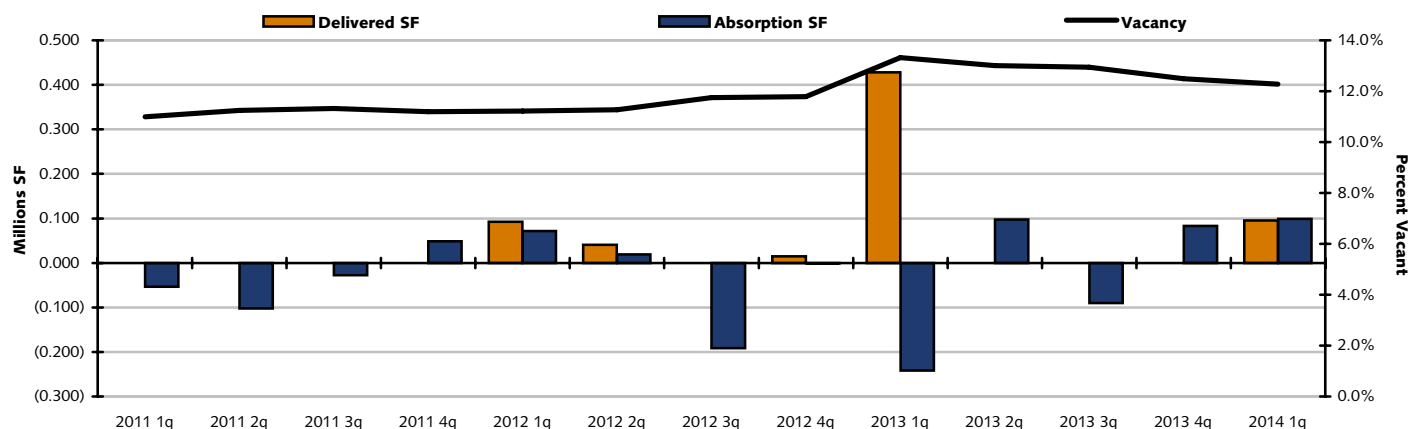
Source: CoStar Property®

LOS ANGELES OFFICE MARKET

MID-WILSHIRE MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

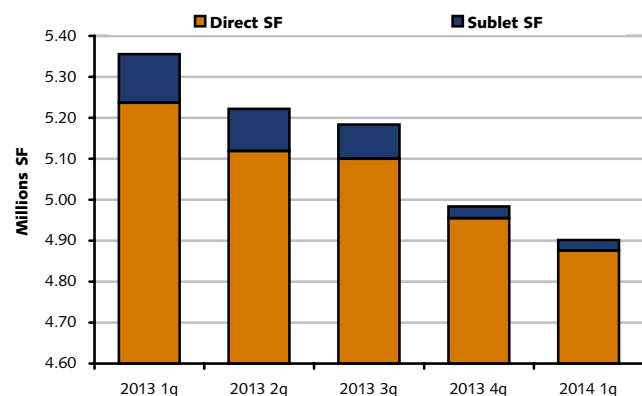
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

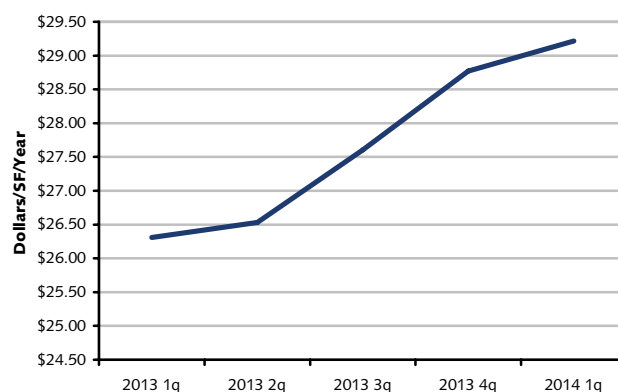
Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, All Classes

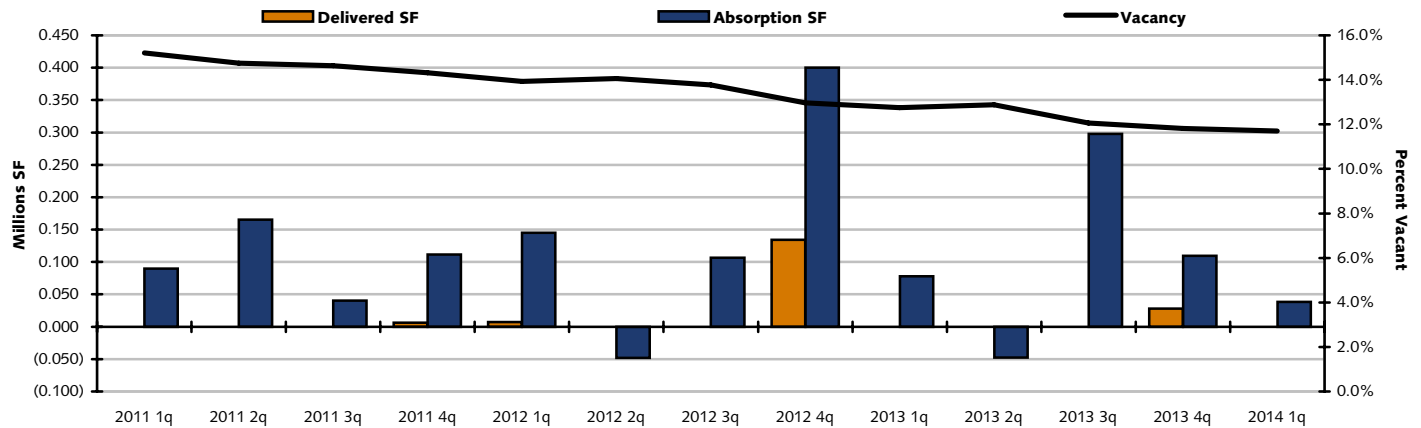


Source: CoStar Property®

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 1q	1,588	39,933,866	4,901,518	12.3%	98,669	1	95,002	4	397,545	\$29.22
2013 4q	1,588	39,917,617	4,983,938	12.5%	83,295	0	0	3	234,668	\$28.77
2013 3q	1,589	40,034,005	5,183,621	12.9%	(90,242)	0	0	2	130,697	\$27.60
2013 2q	1,590	40,162,874	5,222,248	13.0%	97,838	0	0	2	130,697	\$26.53
2013 1q	1,591	40,198,333	5,355,545	13.3%	(241,600)	3	428,417	2	130,697	\$26.31
2012 4q	1,588	39,769,916	4,685,828	11.8%	(1,327)	2	14,730	5	559,114	\$25.94
2012 3q	1,586	39,755,186	4,669,771	11.7%	(191,479)	0	0	6	538,149	\$25.38
2012 2q	1,586	39,755,186	4,478,292	11.3%	18,953	1	40,661	5	443,147	\$25.59
2012 1q	1,585	39,714,525	4,456,584	11.2%	71,428	3	92,360	6	483,808	\$25.18
2011 4q	1,582	39,622,165	4,435,652	11.2%	48,888	0	0	8	565,428	\$25.27
2011 3q	1,582	39,622,165	4,484,540	11.3%	(27,867)	0	0	8	565,428	\$25.10
2011 2q	1,582	39,622,165	4,456,673	11.2%	(102,389)	0	0	7	524,767	\$25.72
2011 1q	1,582	39,622,165	4,354,284	11.0%	(53,297)	0	0	6	509,407	\$25.69
2010 4q	1,584	39,672,831	4,351,653	11.0%	119,284	0	0	4	449,907	\$25.81
2010 3q	1,584	39,672,831	4,470,937	11.3%	(16,479)	0	0	3	422,907	\$26.46
2010 2q	1,585	39,679,784	4,461,411	11.2%	(137,246)	0	0	3	422,907	\$26.67

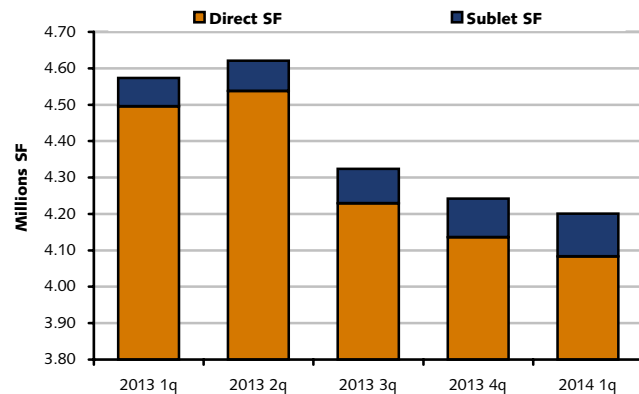
Source: CoStar Property®

DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



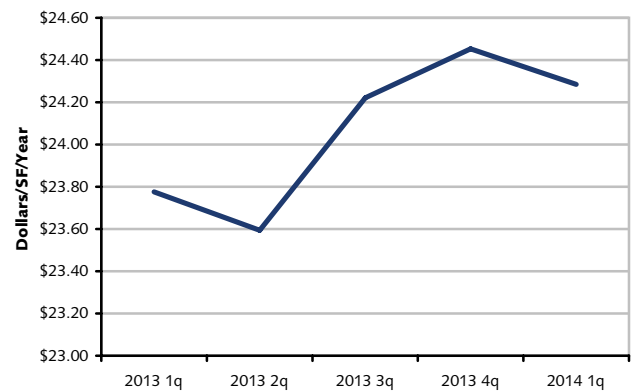
Source: CoStar Property®

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 1q	1,479	35,884,272	4,201,147	11.7%	38,506	0	0	0	0	\$24.29
2013 4q	1,480	35,886,498	4,241,879	11.8%	109,525	1	28,000	0	0	\$24.45
2013 3q	1,479	35,858,498	4,323,404	12.1%	297,804	0	0	1	28,000	\$24.22
2013 2q	1,479	35,858,498	4,621,208	12.9%	(47,373)	0	0	1	28,000	\$23.59
2013 1q	1,479	35,858,498	4,573,835	12.8%	77,969	0	0	1	28,000	\$23.78
2012 4q	1,479	35,858,498	4,651,804	13.0%	400,099	2	134,000	1	28,000	\$24.04
2012 3q	1,477	35,724,498	4,917,903	13.8%	106,517	0	0	3	162,000	\$23.59
2012 2q	1,477	35,724,498	5,024,420	14.1%	(48,148)	0	0	3	162,000	\$23.55
2012 1q	1,477	35,724,498	4,976,272	13.9%	145,310	1	7,000	3	162,000	\$23.48
2011 4q	1,476	35,717,498	5,114,582	14.3%	111,298	1	6,080	3	141,000	\$24.07
2011 3q	1,476	35,719,118	5,227,500	14.6%	40,402	0	0	4	147,080	\$23.80
2011 2q	1,476	35,719,118	5,267,902	14.7%	165,390	0	0	4	147,080	\$24.08
2011 1q	1,476	35,719,118	5,433,292	15.2%	90,002	0	0	3	140,080	\$24.28
2010 4q	1,477	35,784,118	5,588,294	15.6%	1,011	0	0	1	9,000	\$24.64
2010 3q	1,477	35,784,118	5,589,305	15.6%	(91,380)	0	0	1	9,000	\$24.47
2010 2q	1,477	35,784,118	5,497,925	15.4%	70,048	0	0	1	9,000	\$24.44

Source: CoStar Property®

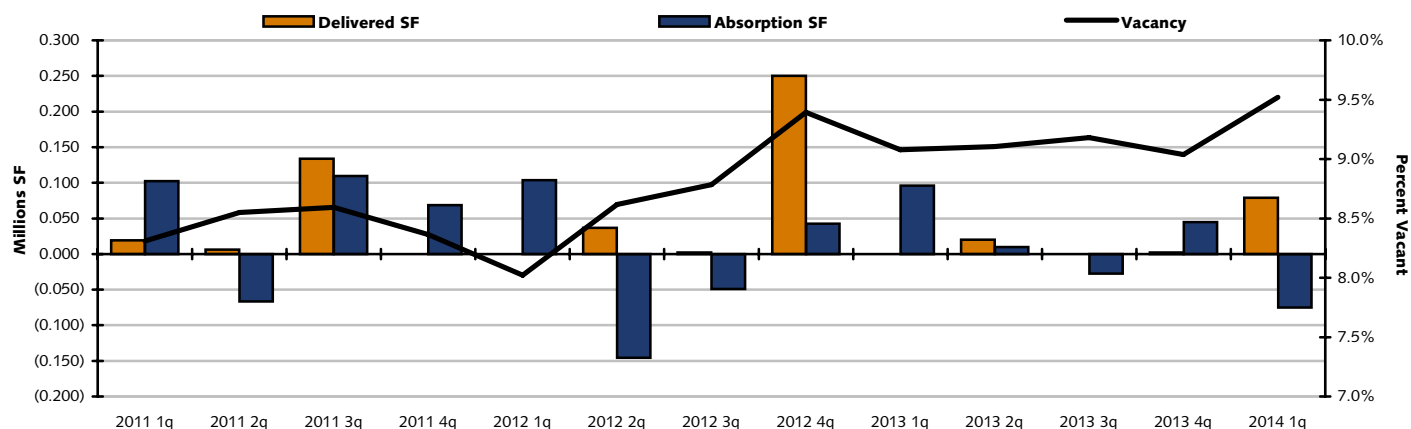
LOS ANGELES OFFICE MARKET

SAN GABRIEL VALLEY MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

CoStar GROUP

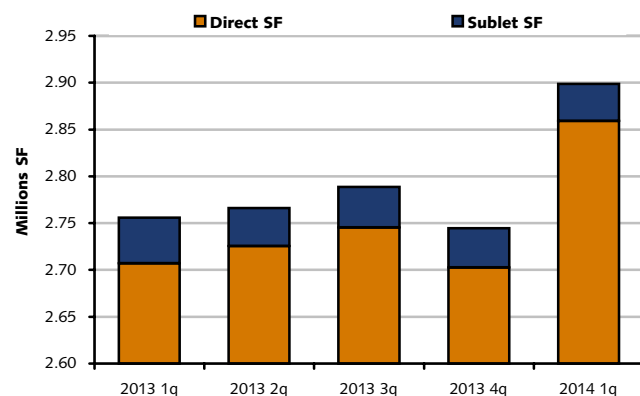
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

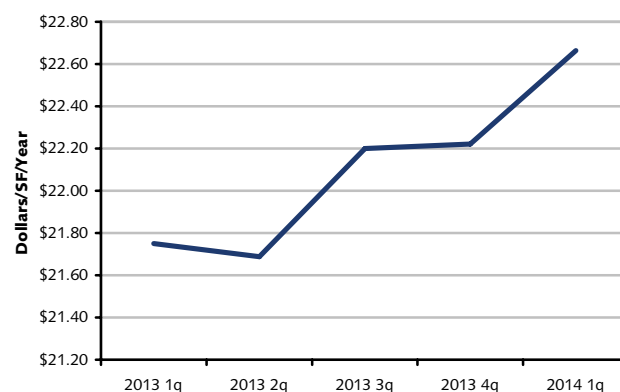
Historical Analysis, All Classes



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 1q	1,980	30,449,929	2,898,852	9.5%	(75,298)	2	78,978	2	188,589	\$22.66
2013 4q	1,978	30,370,951	2,744,576	9.0%	44,706	1	2,000	3	101,159	\$22.22
2013 3q	1,978	30,370,189	2,788,520	9.2%	(27,522)	0	0	4	103,159	\$22.20
2013 2q	1,979	30,375,178	2,765,987	9.1%	9,857	1	20,000	3	80,978	\$21.69
2013 1q	1,978	30,355,178	2,755,844	9.1%	95,981	0	0	4	100,978	\$21.75
2012 4q	1,978	30,355,178	2,851,825	9.4%	42,780	2	250,000	3	98,978	\$22.21
2012 3q	1,976	30,105,178	2,644,605	8.8%	(48,867)	1	1,953	5	348,978	\$21.99
2012 2q	1,975	30,103,225	2,593,785	8.6%	(145,535)	1	36,666	3	251,953	\$21.66
2012 1q	1,974	30,066,559	2,411,584	8.0%	103,534	0	0	4	288,619	\$21.79
2011 4q	1,974	30,066,559	2,515,118	8.4%	68,459	0	0	4	288,619	\$21.78
2011 3q	1,974	30,066,559	2,583,577	8.6%	109,306	2	133,654	3	286,666	\$21.58
2011 2q	1,972	29,932,905	2,559,229	8.5%	(66,417)	1	6,000	4	290,320	\$21.48
2011 1q	1,971	29,926,905	2,486,812	8.3%	102,223	3	19,208	3	139,654	\$21.64
2010 4q	1,968	29,907,697	2,569,827	8.6%	59,216	3	18,690	6	158,862	\$22.59
2010 3q	1,965	29,889,007	2,610,353	8.7%	79,578	3	29,164	9	177,552	\$22.58
2010 2q	1,962	29,859,843	2,660,767	8.9%	46,047	2	79,000	9	185,722	\$22.80

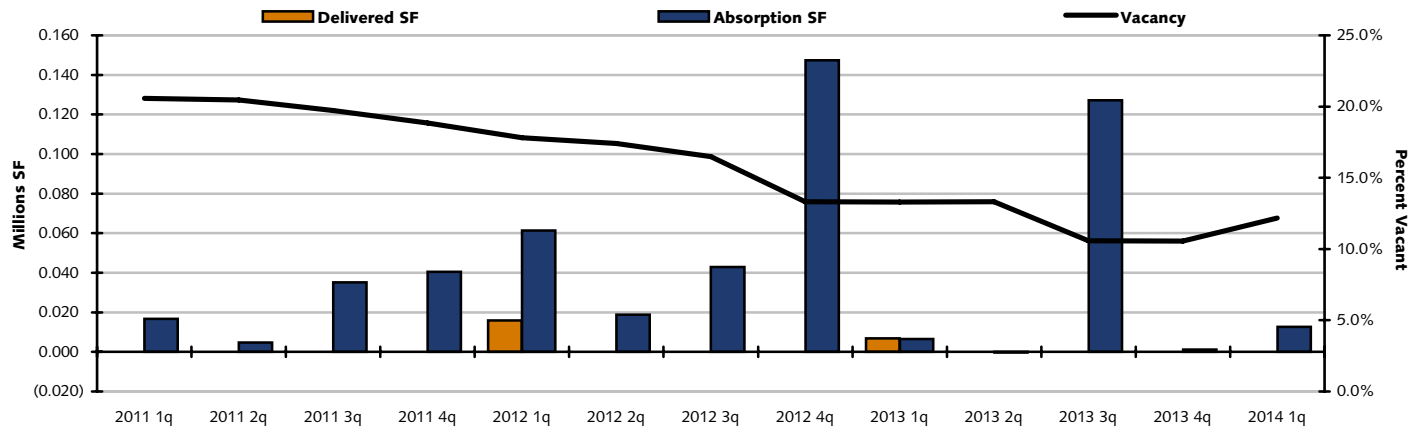
Source: CoStar Property®

LOS ANGELES OFFICE MARKET

SANTA CLARITA VALLEY MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

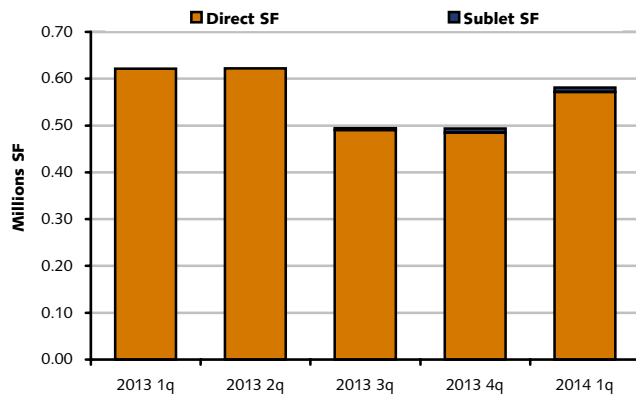
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

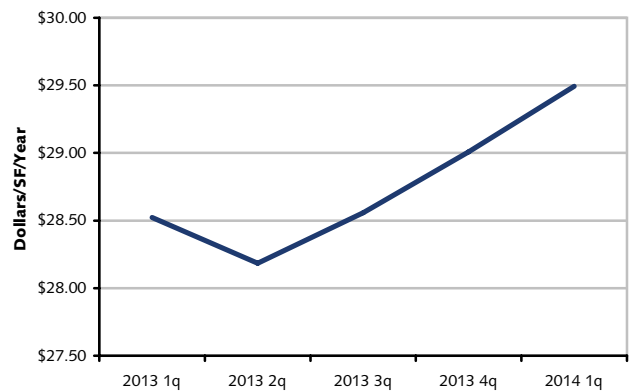
Historical Analysis, All Classes



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 1q	209	4,771,321	580,773	12.2%	12,662	0	0	0	0	\$29.49
2013 4q	208	4,671,321	493,435	10.6%	1,139	0	0	1	100,000	\$29.01
2013 3q	208	4,671,321	494,574	10.6%	127,180	0	0	1	100,000	\$28.56
2013 2q	208	4,671,321	621,754	13.3%	(318)	0	0	1	100,000	\$28.18
2013 1q	208	4,671,321	621,436	13.3%	6,529	1	6,800	1	100,000	\$28.52
2012 4q	207	4,664,521	621,165	13.3%	147,459	0	0	2	106,800	\$29.05
2012 3q	207	4,664,521	768,624	16.5%	42,975	0	0	2	106,800	\$28.52
2012 2q	207	4,664,521	811,599	17.4%	18,836	0	0	2	106,800	\$28.05
2012 1q	207	4,664,521	830,435	17.8%	61,313	1	15,939	0	0	\$27.83
2011 4q	206	4,648,582	875,809	18.8%	40,443	0	0	1	15,939	\$28.24
2011 3q	206	4,648,582	916,252	19.7%	35,081	0	0	1	15,939	\$26.73
2011 2q	206	4,648,582	951,333	20.5%	4,705	0	0	1	15,939	\$27.50
2011 1q	206	4,648,582	956,038	20.6%	16,666	0	0	0	0	\$27.72
2010 4q	206	4,648,582	972,704	20.9%	11,306	0	0	0	0	\$28.87
2010 3q	206	4,648,582	984,010	21.2%	(31,164)	0	0	0	0	\$28.56
2010 2q	206	4,648,582	952,846	20.5%	(5,686)	0	0	0	0	\$28.92

Source: CoStar Property®

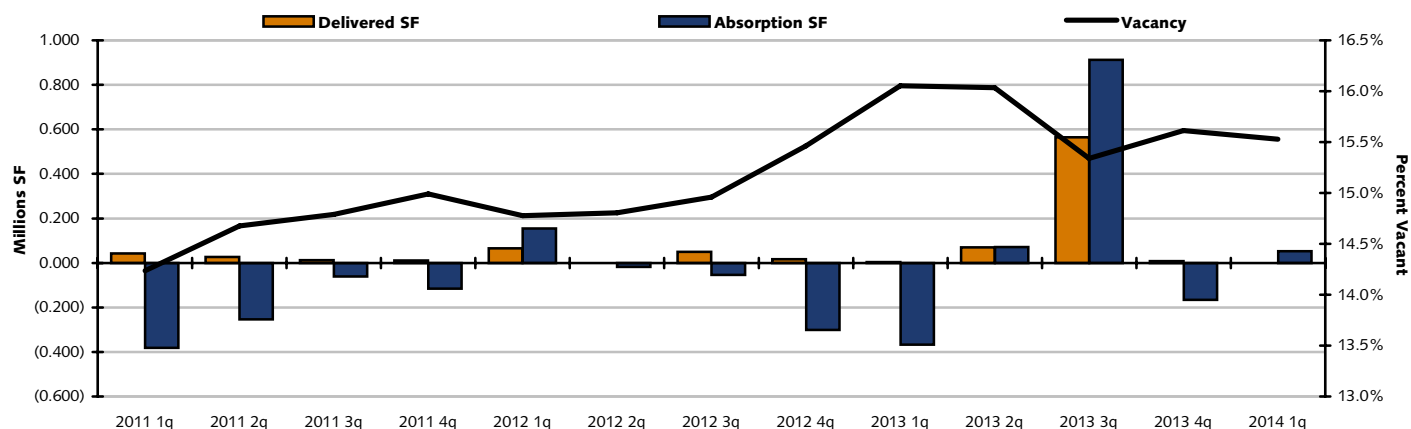
LOS ANGELES OFFICE MARKET

CoSTAR GROUP

SOUTH BAY MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

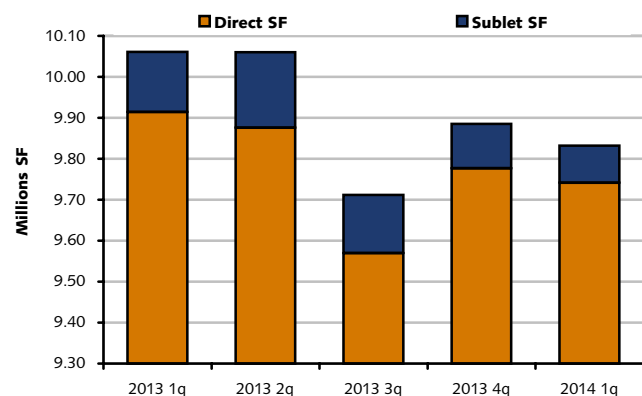
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

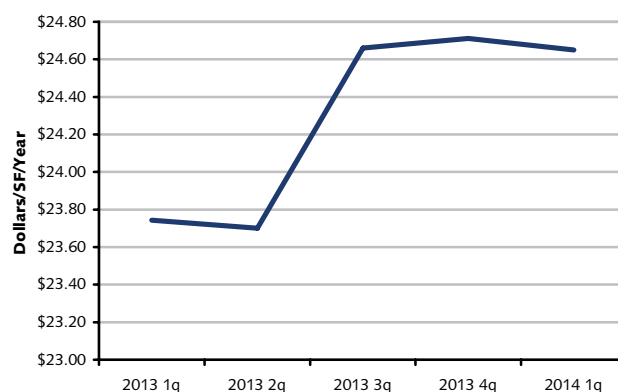
Historical Analysis, All Classes



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 1q	2,402	63,314,734	9,832,271	15.5%	53,262	0	0	7	259,189	\$24.65
2013 4q	2,402	63,314,734	9,885,533	15.6%	(165,900)	1	7,754	4	166,595	\$24.71
2013 3q	2,401	63,306,980	9,711,879	15.3%	912,360	3	564,224	5	174,349	\$24.66
2013 2q	2,398	62,742,756	10,060,015	16.0%	71,215	1	70,110	7	721,044	\$23.70
2013 1q	2,397	62,672,646	10,061,120	16.1%	(367,573)	1	3,200	6	657,534	\$23.74
2012 4q	2,396	62,669,446	9,690,347	15.5%	(301,490)	1	16,924	5	637,534	\$24.41
2012 3q	2,395	62,652,522	9,371,933	15.0%	(53,386)	2	50,051	3	632,034	\$24.30
2012 2q	2,393	62,602,471	9,268,496	14.8%	(18,290)	0	0	4	611,975	\$24.18
2012 1q	2,393	62,602,471	9,250,206	14.8%	154,739	1	65,000	4	611,975	\$23.63
2011 4q	2,393	62,578,792	9,381,266	15.0%	(116,108)	1	11,257	4	660,051	\$23.83
2011 3q	2,392	62,567,535	9,253,901	14.8%	(61,329)	1	12,741	2	76,257	\$23.40
2011 2q	2,391	62,554,794	9,179,831	14.7%	(252,983)	4	26,064	3	88,998	\$23.25
2011 1q	2,387	62,528,730	8,900,784	14.2%	(381,445)	3	43,146	7	115,062	\$23.38
2010 4q	2,384	62,485,584	8,476,193	13.6%	616	2	12,398	8	81,951	\$23.68
2010 3q	2,382	62,473,186	8,464,411	13.5%	(507,703)	2	14,411	10	94,349	\$23.72
2010 2q	2,380	62,458,775	7,942,297	12.7%	91,819	1	28,880	10	97,667	\$23.91

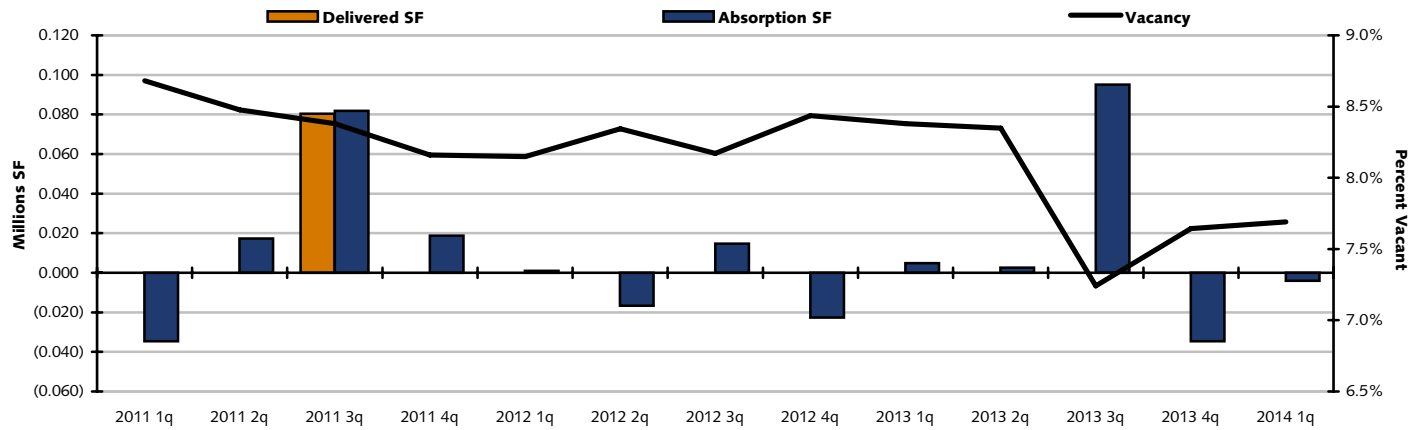
Source: CoStar Property®

LOS ANGELES OFFICE MARKET

SOUTHEAST LOS ANGELES MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

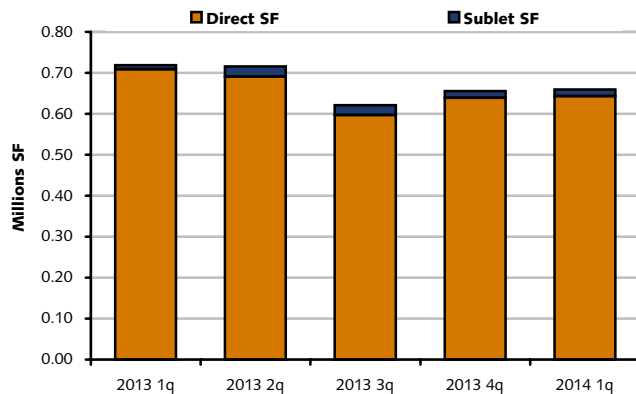
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

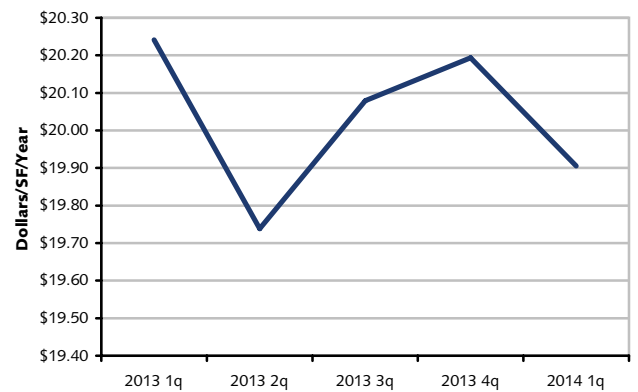
Historical Analysis, All Classes



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 1q	584	8,575,763	659,530	7.7%	(3,967)	0	0	0	0	\$19.91
2013 4q	584	8,575,763	655,563	7.6%	(34,603)	0	0	0	0	\$20.19
2013 3q	584	8,575,763	620,960	7.2%	95,017	0	0	0	0	\$20.08
2013 2q	584	8,575,763	715,977	8.3%	2,630	0	0	0	0	\$19.74
2013 1q	584	8,575,763	718,607	8.4%	4,848	0	0	0	0	\$20.24
2012 4q	584	8,575,763	723,455	8.4%	(22,643)	0	0	0	0	\$20.88
2012 3q	584	8,575,763	700,812	8.2%	14,665	0	0	0	0	\$21.13
2012 2q	584	8,575,763	715,477	8.3%	(16,601)	0	0	0	0	\$20.52
2012 1q	584	8,575,763	698,876	8.1%	943	0	0	0	0	\$20.43
2011 4q	584	8,575,763	699,819	8.2%	18,804	0	0	0	0	\$20.64
2011 3q	584	8,575,763	718,623	8.4%	81,903	1	80,394	0	0	\$20.76
2011 2q	583	8,495,369	720,132	8.5%	17,305	0	0	1	80,394	\$21.04
2011 1q	583	8,495,369	737,437	8.7%	(34,637)	0	0	1	80,394	\$21.46
2010 4q	583	8,495,369	702,800	8.3%	(2,642)	1	2,400	1	80,394	\$21.42
2010 3q	582	8,492,969	697,758	8.2%	(20,065)	0	0	2	82,794	\$21.16
2010 2q	582	8,492,969	677,693	8.0%	(27,424)	0	0	2	82,794	\$21.36

Source: CoStar Property®

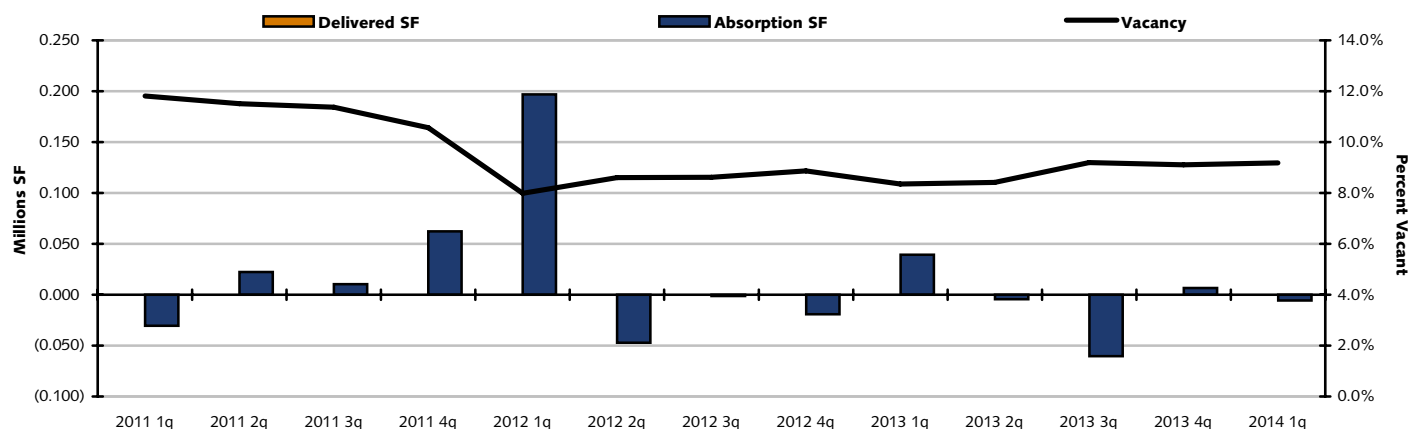
LOS ANGELES OFFICE MARKET

CoSTAR GROUP

VENTURA NORTH MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

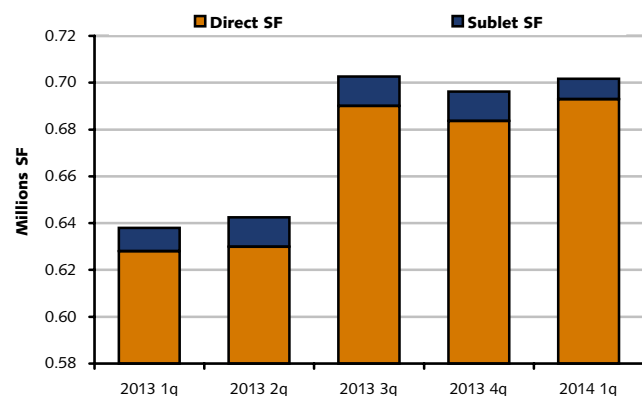
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

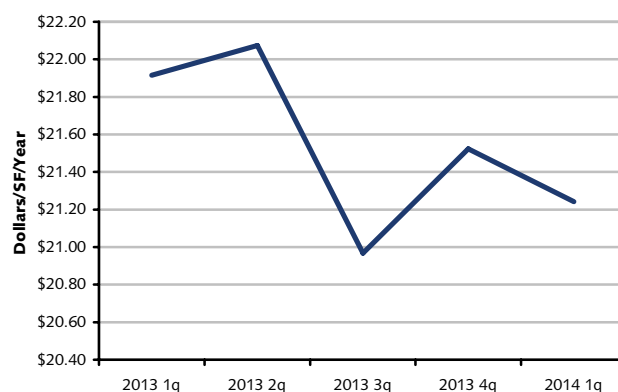
Historical Analysis, All Classes



Source: CoStar Property®

QUOTED RENTAL RATES

Historical Analysis, All Classes

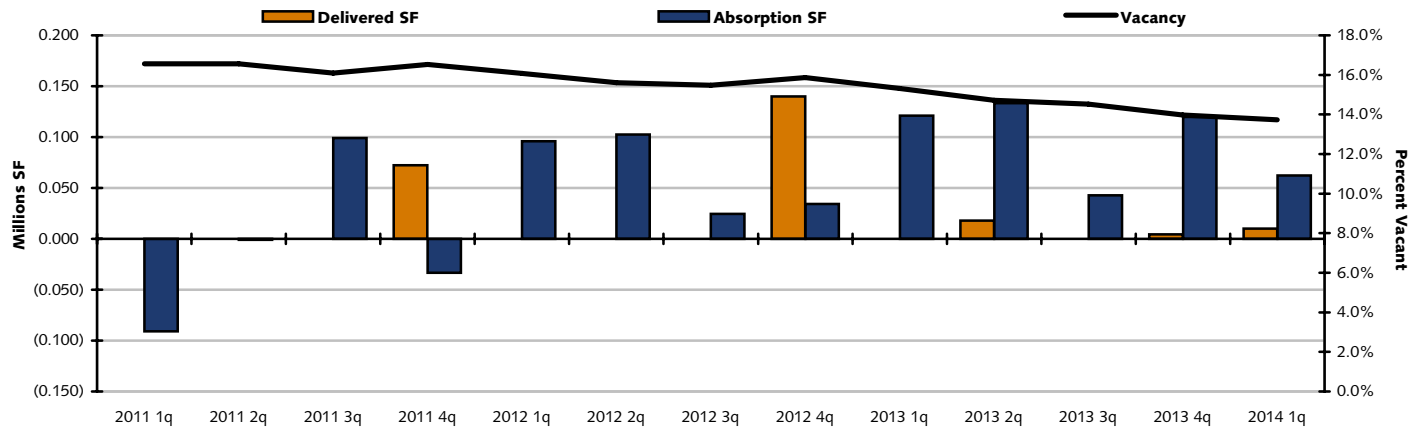


Source: CoStar Property®

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 1q	817	7,639,479	701,704	9.2%	(5,527)	0	0	0	0	\$21.24
2013 4q	817	7,639,479	696,177	9.1%	6,485	0	0	0	0	\$21.52
2013 3q	817	7,639,479	702,662	9.2%	(60,239)	0	0	0	0	\$20.97
2013 2q	817	7,639,479	642,423	8.4%	(4,471)	0	0	0	0	\$22.07
2013 1q	817	7,639,479	637,952	8.4%	39,428	0	0	0	0	\$21.92
2012 4q	817	7,639,479	677,380	8.9%	(19,187)	0	0	0	0	\$22.20
2012 3q	817	7,639,479	658,193	8.6%	(1,103)	0	0	0	0	\$21.55
2012 2q	817	7,639,479	657,090	8.6%	(47,133)	0	0	0	0	\$22.46
2012 1q	817	7,639,479	609,957	8.0%	196,909	0	0	0	0	\$22.58
2011 4q	817	7,639,479	806,866	10.6%	62,203	0	0	0	0	\$23.04
2011 3q	817	7,639,479	869,069	11.4%	10,518	0	0	0	0	\$21.78
2011 2q	817	7,639,479	879,587	11.5%	22,315	0	0	0	0	\$23.03
2011 1q	817	7,639,479	901,902	11.8%	(30,468)	0	0	0	0	\$23.15
2010 4q	818	7,644,572	876,527	11.5%	47,639	0	0	0	0	\$24.10
2010 3q	818	7,644,572	924,166	12.1%	(76,196)	0	0	0	0	\$23.37
2010 2q	818	7,644,572	847,970	11.1%	(2,340)	0	0	0	0	\$24.15

Source: CoStar Property®

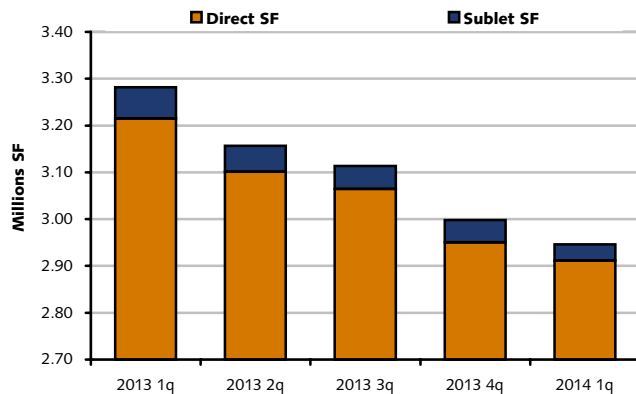
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

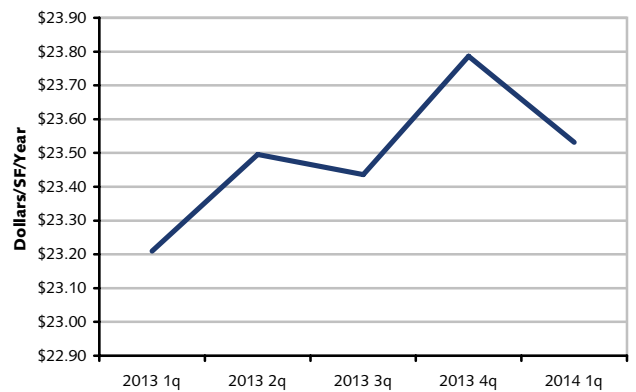
Historical Analysis, All Classes



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 1q	997	21,461,984	2,946,111	13.7%	62,164	1	10,000	2	114,334	\$23.53
2013 4q	996	21,451,984	2,998,275	14.0%	119,851	1	4,320	2	22,000	\$23.79
2013 3q	995	21,447,664	3,113,806	14.5%	42,811	0	0	3	26,320	\$23.44
2013 2q	995	21,447,664	3,156,617	14.7%	133,196	1	18,000	1	4,320	\$23.50
2013 1q	995	21,439,864	3,282,013	15.3%	121,073	0	0	2	22,320	\$23.21
2012 4q	995	21,439,864	3,403,086	15.9%	34,202	3	139,912	1	18,000	\$23.85
2012 3q	992	21,299,952	3,297,376	15.5%	24,502	0	0	4	157,912	\$23.68
2012 2q	993	21,301,192	3,323,118	15.6%	102,543	0	0	4	157,912	\$23.77
2012 1q	993	21,301,192	3,425,661	16.1%	96,010	0	0	3	139,912	\$23.46
2011 4q	993	21,301,192	3,521,671	16.5%	(33,446)	2	72,292	2	116,912	\$23.75
2011 3q	991	21,228,900	3,415,933	16.1%	98,912	0	0	4	189,204	\$23.93
2011 2q	991	21,228,900	3,514,845	16.6%	(859)	0	0	4	189,204	\$23.88
2011 1q	991	21,228,900	3,513,986	16.6%	(91,017)	0	0	4	189,204	\$23.73
2010 4q	994	21,273,779	3,467,848	16.3%	(129,359)	1	28,000	3	154,304	\$23.84
2010 3q	993	21,245,779	3,310,489	15.6%	10,325	0	0	4	182,304	\$24.36
2010 2q	993	21,245,779	3,320,814	15.6%	90,825	0	0	3	144,912	\$24.93

Source: CoStar Property®

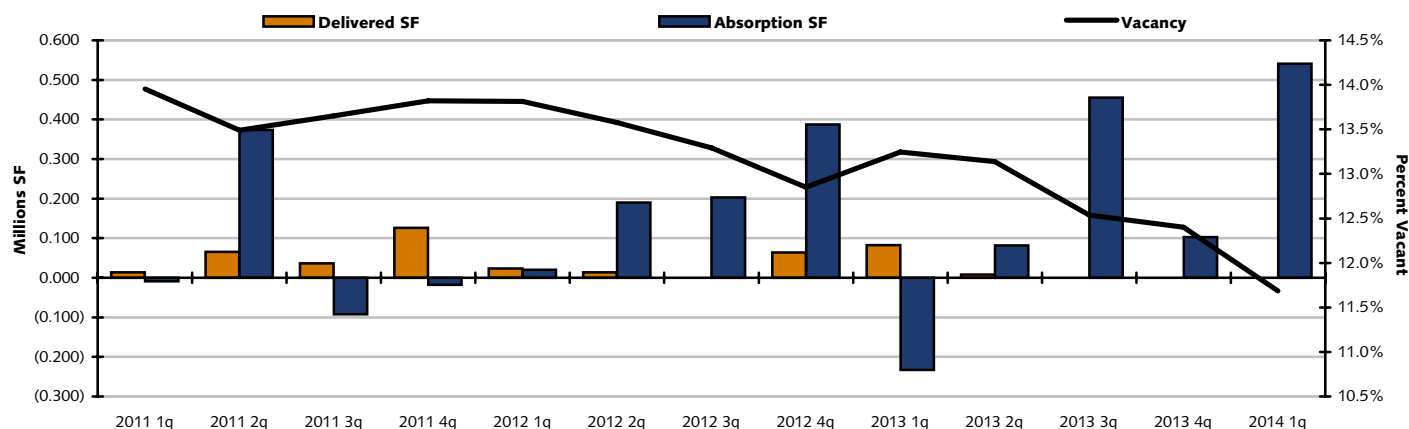
LOS ANGELES OFFICE MARKET

WEST LOS ANGELES MARKET

MARKET HIGHLIGHTS – CLASS "A, B & C"

CoStar GROUP

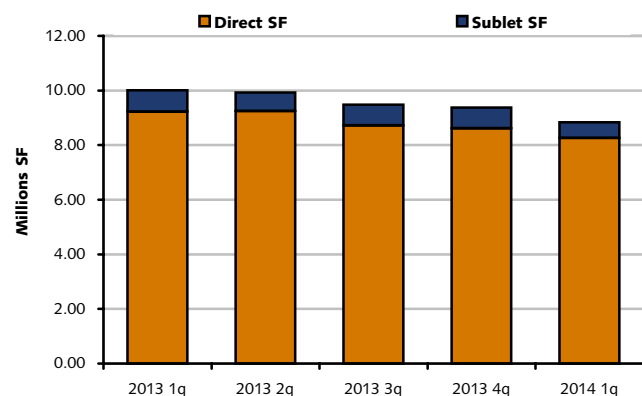
DELIVERIES, ABSORPTION & VACANCY Historical Analysis, All Classes



Source: CoStar Property®

VACANT SPACE

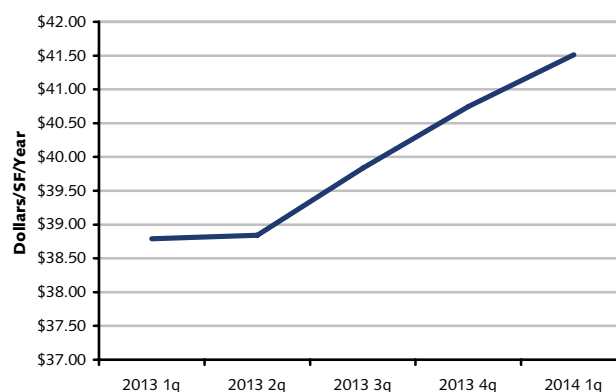
Historical Analysis, All Classes



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 1q	2,461	75,586,089	8,832,823	11.7%	540,703	0	0	8	142,355	\$41.51
2013 4q	2,461	75,586,089	9,373,526	12.4%	102,962	0	0	7	76,355	\$40.74
2013 3q	2,461	75,586,089	9,476,488	12.5%	455,007	0	0	5	35,779	\$39.84
2013 2q	2,461	75,586,089	9,931,495	13.1%	81,820	1	8,467	5	35,779	\$38.84
2013 1q	2,461	75,583,310	10,010,536	13.2%	(233,046)	3	82,818	6	44,246	\$38.79
2012 4q	2,459	75,510,369	9,704,549	12.9%	387,245	2	63,500	6	104,334	\$38.31
2012 3q	2,457	75,446,869	10,028,294	13.3%	202,566	0	0	6	154,785	\$38.39
2012 2q	2,458	75,461,869	10,245,860	13.6%	190,061	1	13,729	6	154,785	\$37.99
2012 1q	2,457	75,448,140	10,422,192	13.8%	20,473	1	23,342	4	81,047	\$37.02
2011 4q	2,458	75,430,588	10,425,113	13.8%	(17,936)	2	126,453	3	93,071	\$37.75
2011 3q	2,456	75,304,135	10,280,724	13.7%	(92,309)	1	36,090	4	163,524	\$37.02
2011 2q	2,455	75,268,045	10,153,194	13.5%	373,915	2	65,647	5	199,614	\$36.68
2011 1q	2,454	75,239,098	10,498,162	14.0%	(8,908)	2	13,580	7	265,261	\$36.55
2010 4q	2,452	75,225,518	10,475,674	13.9%	(235,656)	3	489,742	7	241,770	\$36.77
2010 3q	2,449	74,735,776	9,750,276	13.0%	(138,941)	0	0	10	731,512	\$37.49
2010 2q	2,450	74,746,741	9,622,300	12.9%	12,719	3	98,611	9	684,097	\$38.20

Source: CoStar Property®