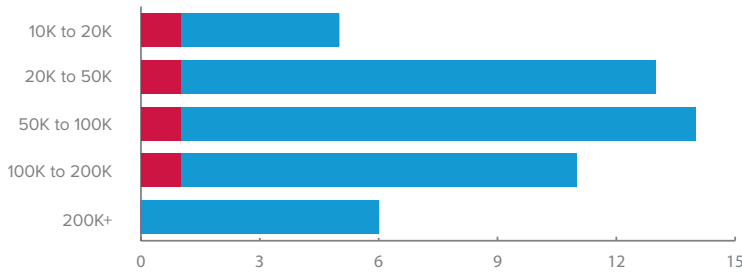


INSIGHT

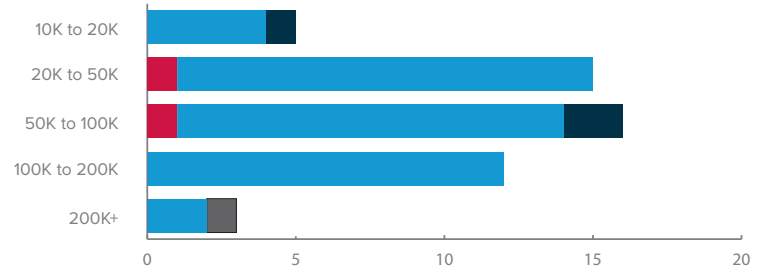
In November, 16 new leases were added, compared to just 7 comparable properties (comps) during the same period. Consistent with last month, both the Mid-Counties and San Gabriel regions saw nearly equal availability and comps, continuing the same trend observed previously. South Bay and LA Central, likewise, followed last month's trend, with increased supply unmatched by demand. In fact, in November, there were no comps in these two submarkets, which suggests that these markets may require further adjustments to better align pricing with local demand.

Lease Supply Demand Report

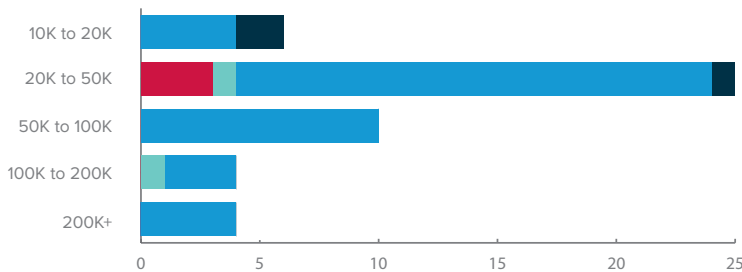
LA Central Lease Supply Demand (November 2024)



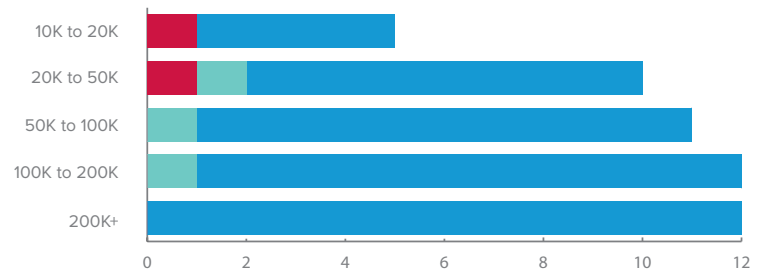
Mid-Counties Lease Supply Demand (November 2024)



San Gabriel Valley Lease Supply Demand (November 2024)



South Bay Lease Supply Demand (November 2024)



Grand Total:	Total Availables Added	Total Available Added Sublease	Total Availables	Total Comps This Month
	11	5	176	7

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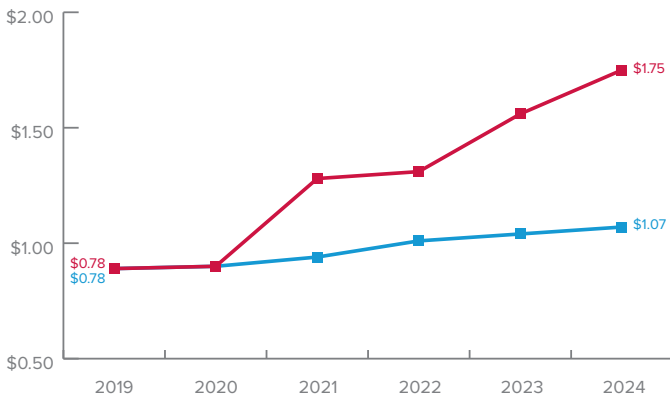
INSIGHT

There remains a significant discrepancy between current lease rates and the inflation-adjusted predictions. NNN leases are currently at \$1.75, compared to the inflation-adjusted estimate of \$1.07, highlighting a substantial gap that may need to be addressed in order to stimulate supply movement. While GRS also shows a deviation, it is less pronounced, with the current rate being only 25% above the estimated value. Both NNN and GRS lease rates may require downward adjustments to help move inventory more effectively.

2019-2024 (November) Potential Lease Equilibrium

ALL MARKETS IN LOS ANGELES - NNN

Lease Comp Rate VS. Lease Comp Rate w/ Inflation

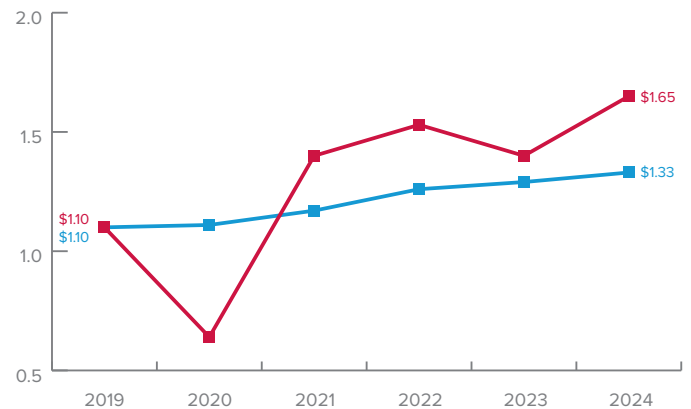


Year	Lease Comp Rate	Lease Comp Rate With Inflation	% Inflation
2019	\$0.89	\$0.89	
2020	\$0.90	\$0.90	0.7%
2021	\$1.28	\$0.94	5.4%
2022	\$1.31	\$1.01	7.5%
2023	\$1.56	\$1.04	2.4%
2024	\$1.75	\$1.07	3.0%

■ Lease Comp Rate ■ Lease Comp Rate w/ Inflation

ALL MARKETS IN LOS ANGELES - GRS

Lease Comp Rate VS. Lease Comp Rate w/ Inflation



Year	Lease Comp Rate	Lease Comp Rate With Inflation	% Inflation
2019	\$1.10	\$1.10	
2020	\$0.64	\$1.11	0.7%
2021	\$1.40	\$1.17	5.4%
2022	\$1.53	\$1.26	7.5%
2023	\$1.40	\$1.29	2.4%
2024	\$1.65	\$1.33	3.0%

■ Lease Comp Rate ■ Lease Comp Rate w/ Inflation

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INSIGHT

Sublease vacancy has risen to 10.3%, up from 2.9% at the same time last year. Over the past 12 months, 14 comparable subleases have been added, which mirrors the number of availabilities added in just the last 3 months, highlighting a growing imbalance between supply and demand. This suggests a surplus of supply in the market. The sublease asking rate has also decreased, dropping from \$1.87 a year ago to \$1.29. Despite this decline in asking rates and the excess supply, vacancy remains high, indicating that further adjustments are necessary to align supply with demand.

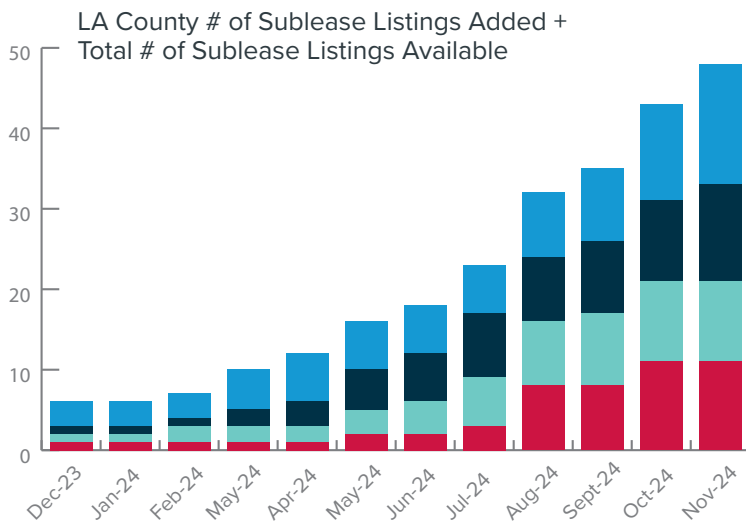
Sublease Report

Sublease Vacancy

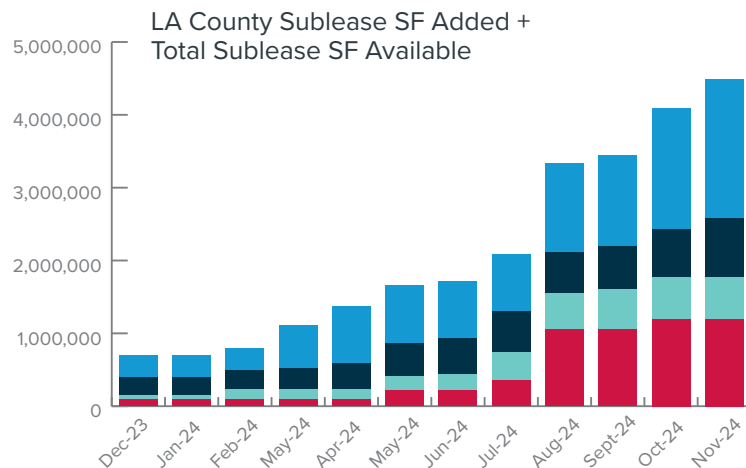
Q4 2024 (QTD)	10.3%
Q4 2023	2.9%

Sublease Asking Rate (NNN)

Q4 2024 (QTD)	\$1.29
Q4 2023	\$1.87



Period	LA Central	Mid-Counties	SGV	South Bay	LA County
Dec-23	1	1	1	3	6
Jan-24	0	0	0	0	0
Feb-24	0	1	0	0	1
Mar-24	0	0	1	2	3
Apr-24	0	0	1	1	2
May-24	1	1	2	0	4
June-24	0	1	1	0	2
July-24	1	2	2	0	5
Aug-24	5	2	0	2	9
Sept-24	0	1	1	1	3
Oct-24	3	1	1	3	8
Nov-24	0	0	2	3	5
Total	11	10	12	15	48



Period	LA Central	Mid-Counties	SGV	South Bay	LA County
Dec-23	94,769	54,000	250,000	305,315	704,084
Jan-24	-	-	-	-	-
Feb-24	-	89,499	-	-	89,499
Mar-24	-	-	33,164	280,184	313,348
Apr-24	-	-	66,939	201,027	267,966
May-24	124,520	53,995	100,201	-	278,716
June-24	-	17,000	49,535	-	66,535
July-24	135,793	177,281	50,677	-	363,751
Aug-24	699,018	110,124	-	447,583	1,256,725
Sept-24	-	50,040	43,355	11,860	105,255
Oct-24	143,490	23,400	62,702	414,744	644,336
Nov-24	-	-	150,078	253,058	403,136
Total	1,197,590	575,339	806,651	1,913,771	4,493,351

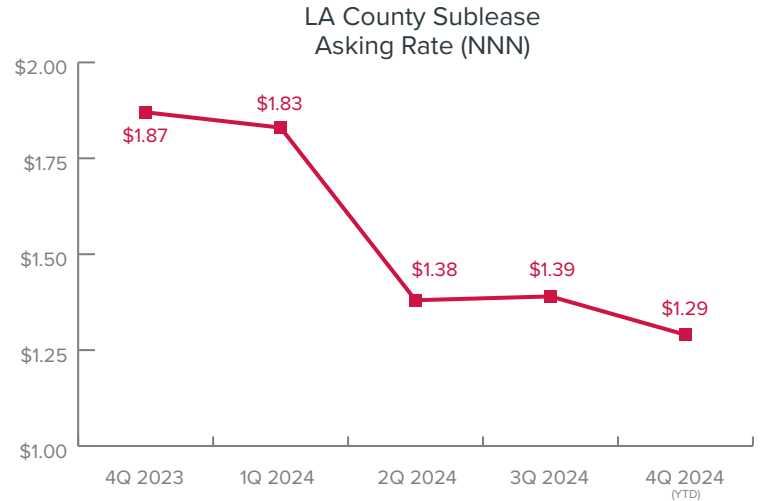
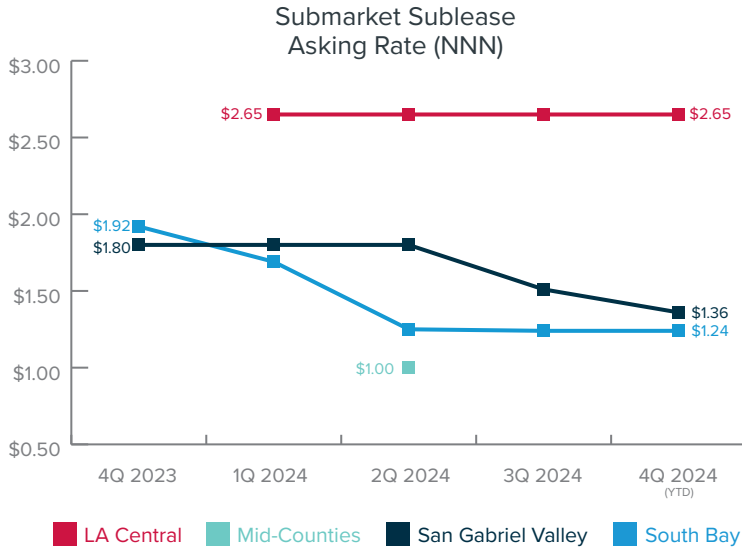
Total Number of Sublease Listings Added + Total Number of Sublease Listings Available:

48

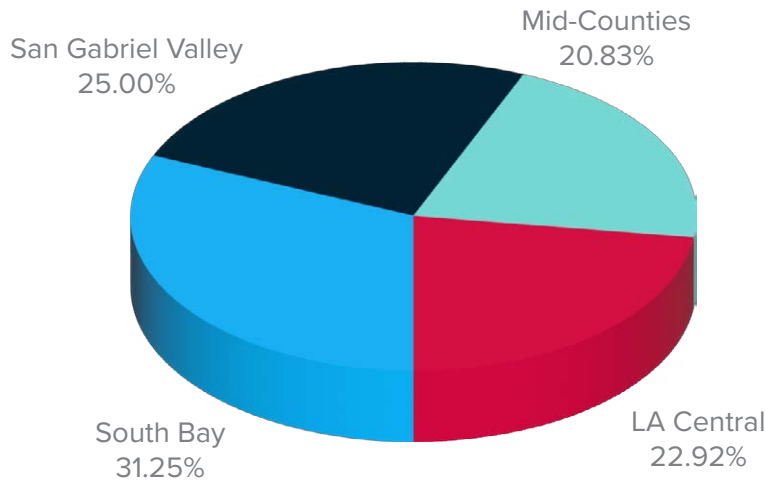
Total Comps

14

Sublease Report



% Sublease Availability



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