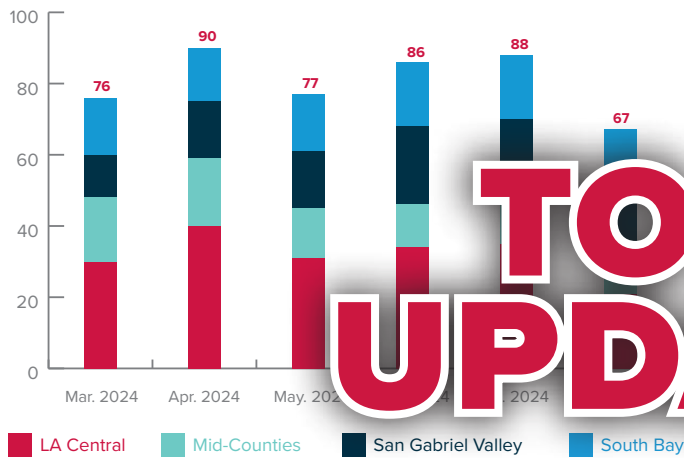


INSIGHT

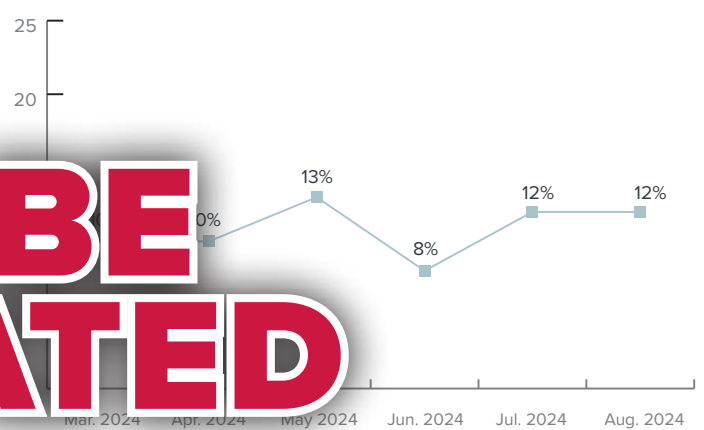
[PLACEHOLDER]

Lease Rate Reduction

All Lease # of Listings Rate Reductions

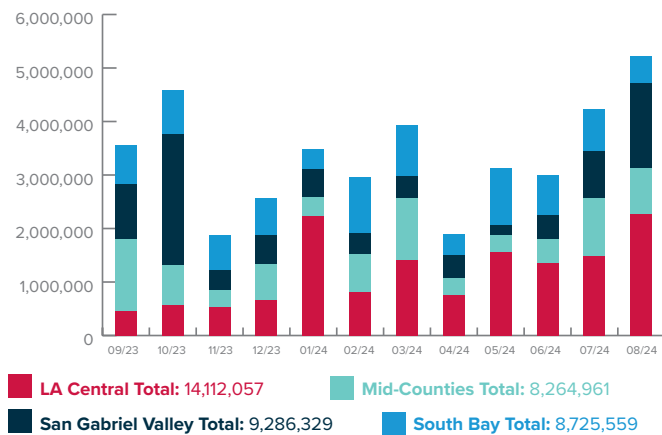


All Lease Average Reduction From Previous Rate



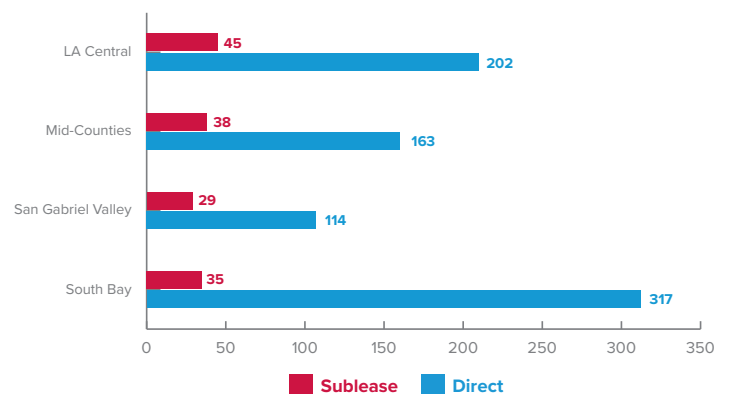
**TO BE
UPDATED**

Total Leased And Sold (SF)



LA Central Total: 14,112,057 Mid-Counties Total: 8,264,961
San Gabriel Valley Total: 9,286,329 South Bay Total: 8,725,559

Total # of Listings



Grand Total: 40,388,906

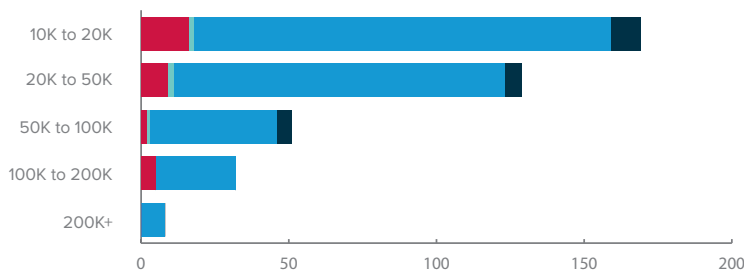
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INSIGHT

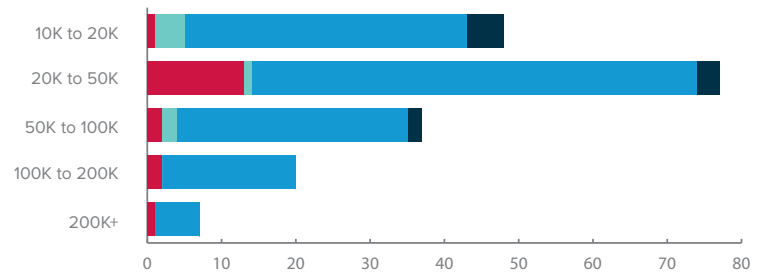
In October, 92 new leases were added to the market, bringing the total available leases to 924, compared to only 57 comparable transactions (comps) during the same period. This reflects a significant supply-demand imbalance, with much higher supply than demand. The Mid-Counties submarket is experiencing the largest disparity, with 2.5 times more new leases added than comps. In contrast, the San Gabriel Valley saw more comps than new additions, signaling a relatively more balanced market there. Among different square footage ranges, the greatest imbalances were found in the 20k-50k and 100k-200k categories, where the number of available leases was at least twice the number of comps. This suggests increased competition for leases in these size ranges. On the other hand, the 50k-100k range saw more comps than new additions in October, indicating that demand was sufficient to somewhat absorb the excess supply in this category for the time being.

Lease Supply Demand Report

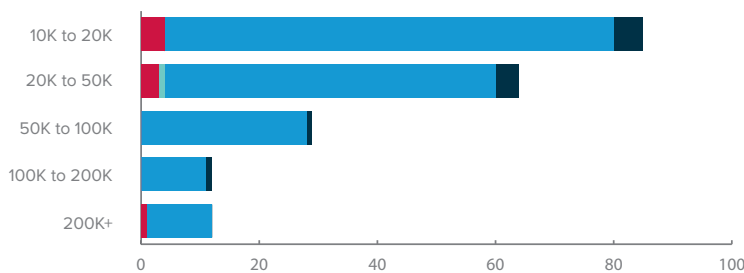
LA Central Lease Supply Demand (October 2024)



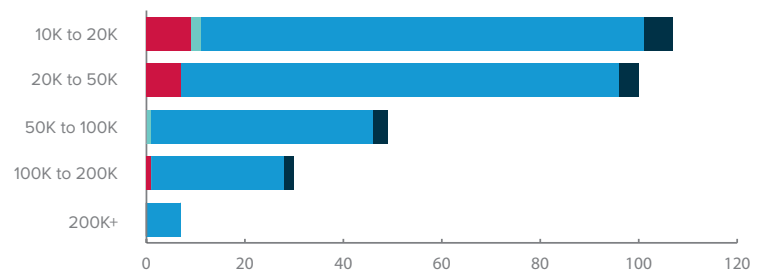
Mid-Counties Lease Supply Demand (October 2024)



San Gabriel Valley Lease Supply Demand (October 2024)



South Bay Lease Supply Demand (October 2024)



SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	4	0	76	5
20K to 50K	3	1	56	4
50K to 100K	0	0	28	1
100K to 200K	0	0	11	1
200K+	1	0	11	0

SF	Availables Added Direct	Availables Added Sublease	Total Availables	Total Comps This Month
10K to 20K	9	2	90	6
20K to 50K	7	0	89	4
50K to 100K	0	1	45	3
100K to 200K	1	0	27	2
200K+	0	0	7	0

Grand Total:	Total Availables Added	Total Available Added Sublease	Total Availables	Total Comps This Month
	76	16	924	57

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INSIGHT

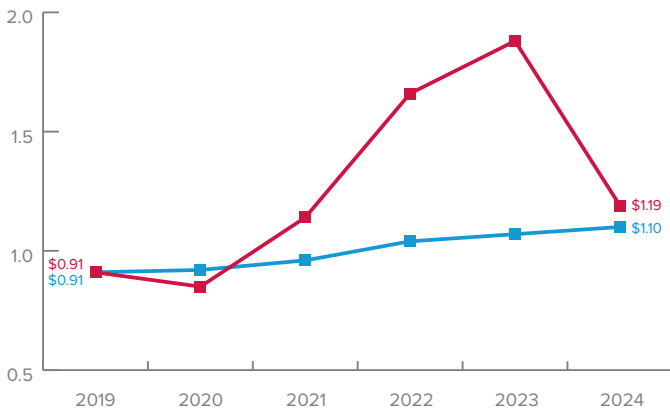
NNN leases have made significant progress in closing the gap on lease rates, now approaching equilibrium, though they still remain approximately 8% above the estimated market rate. In contrast, GRS leases continue to be much higher, remaining 53% above the estimated rate when adjusted for inflation.

The ongoing imbalance between supply and demand may not be fully addressed until lease rates are more closely aligned with economic equilibrium, suggesting that further adjustments will be needed to balance the market.

2019-2024 (October) Potential Lease Equilibrium

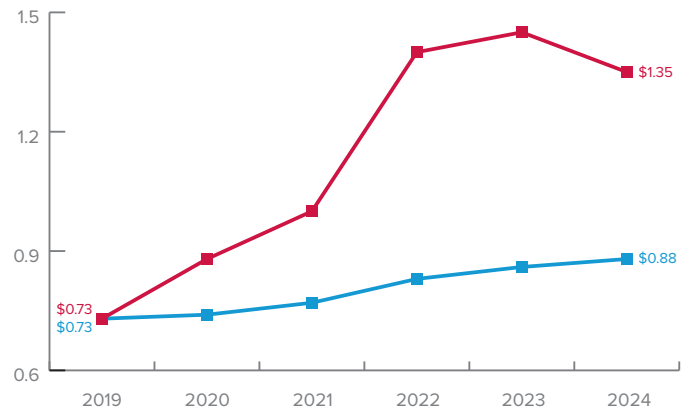
ALL MARKETS IN LOS ANGELES - NNN

Lease Comp Rate VS. 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	\$0.91	\$0.91	
2020	\$0.85	\$0.92	1.2%
2021	\$1.14	\$0.96	4.6%
2022	\$1.66	\$1.04	7.8%
2023	\$1.88	\$1.07	3.2%
2024	\$1.19	\$1.10	2.8%

Year	Lease Comp Rate	Lease Comp Rate With Inflation	% Inflation
2019	\$0.73	\$0.73	
2020	\$0.88	\$0.74	1.2%
2021	\$1.00	\$0.77	4.6%
2022	\$1.40	\$0.83	7.8%
2023	\$1.45	\$0.86	3.2%
2024	\$1.35	\$0.88	2.8%

■ Lease Comp Rate ■ Lease Comp Rate w/ Inflation

■ Lease Comp Rate ■ Lease Comp Rate w/ Inflation

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INSIGHT

Vacancy rates have risen significantly over the past year, now at 8.2%, compared to 4.2% last year. After several quarters of gradual increases, the average asking rate has dropped to \$1.33. This decline is largely driven by reductions in the LA Central and South Bay areas, which together account for 57% of the sublease activity.

Currently, there are 153 available subleases, while only 84 comps have occurred over the past 12 months. Notably, the number of comps in the last six months has equaled the total comps from the previous year, indicating a slower rate of lease activity. Vacancy rates could potentially decrease, and more comps may take place if asking rates continue to decline, as they did in the previous quarter. However, current asking rates remain higher than they were a year ago.

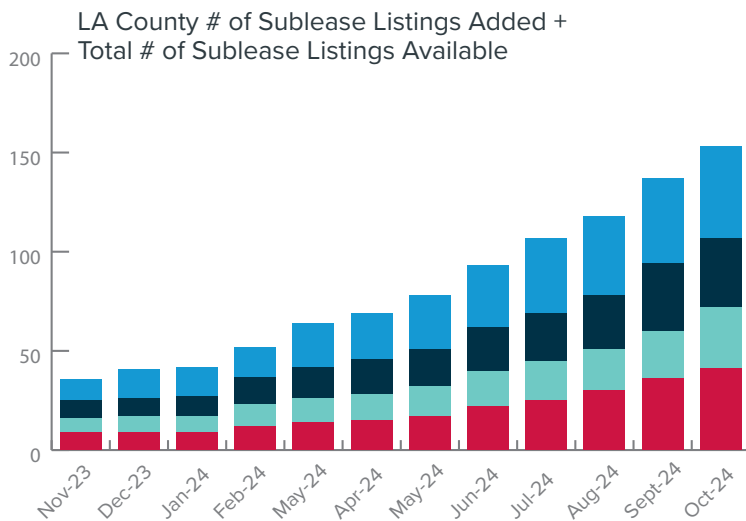
Sublease Report

Sublease Vacancy

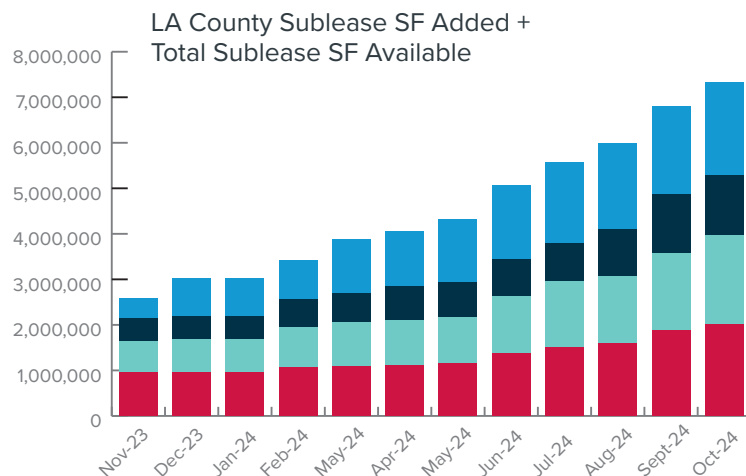
Q4 2024 (QTD)	8.2%
Q4 2023	4.2%

Sublease Asking Rate (NNN)

Q4 2024 (QTD)	\$1.33
Q4 2023	\$1.30



Period	LA Central	Mid-Counties	SGV	South Bay	LA County
Nov-23	9	7	9	11	36
Dec-23	0	1	0	4	5
Jan-24	0	0	1	0	1
Feb-24	3	3	4	0	10
Mar-24	2	1	2	7	12
Apr-24	1	1	2	1	5
May-24	2	2	1	4	9
June-24	5	3	3	4	15
July-24	3	2	2	7	14
Aug-24	5	1	3	2	11
Sept-24	6	3	7	3	19
Oct-24	5	7	1	3	16
Total	41	31	35	46	153



Period	LA Central	Mid-Counties	SGV	South Bay	LA County
Nov-23	961,930	682,936	490,740	459,111	2,594,717
Dec-23	-	42,000	-	385,544	427,544
Jan-24	-	-	10,290	-	10,290
Feb-24	97,290	174,227	108,308	-	379,825
Mar-24	28,912	72,079	24,710	351,935	477,636
Apr-24	30,000	10,500	114,849	16,427	171,776
May-24	32,230	39,793	16,948	176,086	265,057
June-24	220,410	242,270	39,160	232,496	734,336
July-24	136,106	181,384	41,427	155,870	514,787
Aug-24	90,494	19,967	190,306	111,945	412,712
Sept-24	274,503	226,582	268,303	44,779	814,167
Oct-24	142,880	252,107	26,980	92,885	514,852
Total:	2,014,755	1,943,845	1,332,021	2,027,078	7,317,699

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

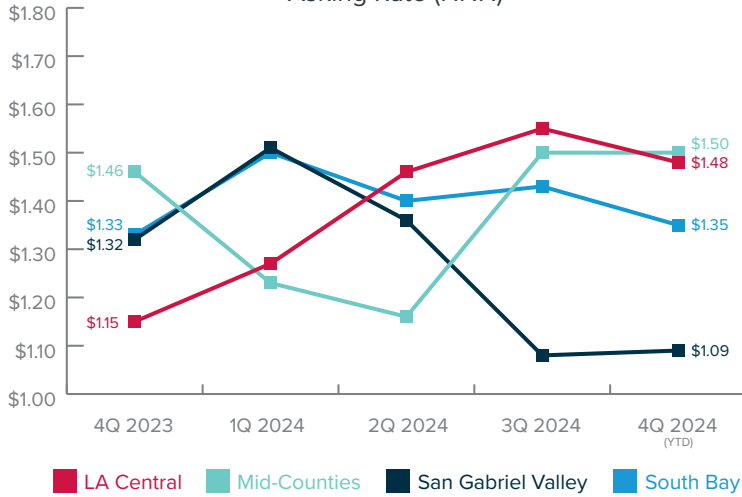
153

Total Comps

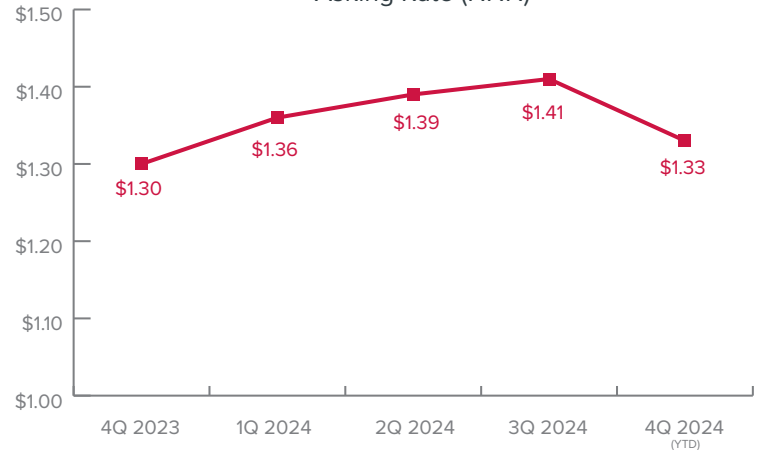
84

Sublease Report

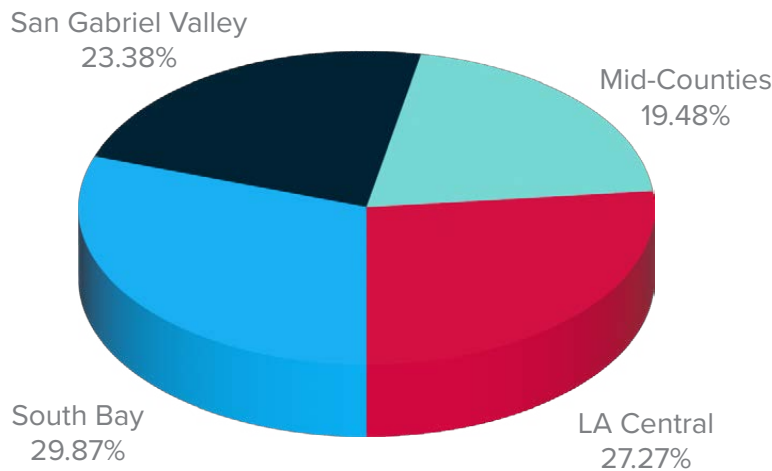
Submarket Sublease
Asking Rate (NNN)



LA County Sublease
Asking Rate (NNN)



% Sublease Availability



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