

LOS ANGELES - SAN GABRIEL VALLEY



SIGNIFICANT LEASE DEALS

Address	Submarket/City	SF	Tenant
901 Corporate Center Dr	Pomona	96,365	-
2934 E. Garvey Ave S	West Covina	12,627	Boys & Girls Aid Society of LA
1300 W. Optical Dr	Azusa	12,361	-

SIGNIFICANT BUILDING SALES

Address	Sale Value	PPSF	SF	Buyer
Submarket	Type of Sale	Cap Rate	Class	Seller
1900 W. Garvey Ave S	\$11,000,000	\$225.72	48,732	Covina Office Building
West Covina	Owner/User	6.0%	Class B	Wongjin Group, LLC
530 W. Badillo St	\$3,528,500	\$359.10	9,826	Foothill Family Service
Covina	Owner/User	-	Class B	Badillo Professional Ct
415-423 McGroarty St	\$3,065,000	\$263.14	11,648	Narver Insurance
San Gabriel	Owner/User	-	Class C	Doll Family Trust

LARGEST DELIVERIES

Address	Submarket/City	SF	Developer
552 W. Foothill Blvd	Glendora	15,200	RPO Investment Co
825 W. Broadway	San Gabriel	11,450	Markdev-DV San Gabriel
-	-	-	-


LARGEST UNDER CONSTRUCTION

Address	Submarket/City	SF	Delivery Date
9133 Garvey Ave	Rosemead	62,000	June 2019
-	-	-	-
-	-	-	-

TOTAL OFFICE MARKET STATISTICS


	Vacancy Rate	Avg. SF Rental Rates	Net SF Absorption	SF Inventory	SF Under Construction
Q1 2019	7.0%	\$25.20	84,882	32,615,952	62,000
Q4 2018	7.2%	\$24.48	433,690	32,605,952	72,000
Q3 2018	8.6%	\$24.12	(39,042)	32,605,952	72,000
Q2 2018	8.4%	\$24.36	294,343	32,593,751	113,619
Q1 2018	9.1%	\$24.24	(76,128)	32,516,501	190,869

 **84,882** NET ABSORPTION SF

 **7.0%** VACANCY 2,284,504 SF

 **\$25.20** AVG. ASKING RATE PSF

 **10,000** DELIVERIES 1 Building

 **62,000** UNDER CONSTRUCTION 1 Building

CHRISTOPHER LARIMORE President

The San Gabriel Valley office market witnessed another positive performance this past quarter with overall vacancy rate dropping again to 7.0% and increasing asking rental rates. Both landlords and business owners feel confident in the economy and direction of the market. This submarket caters to mid-small users, however last quarter saw five spaces leased out over 10,000 square feet indicating that business owners are in expansion mode. Medical space for lease remains a difficult requirement but medical buildings for sale are in high demand due to lack of product. Office sales sold mostly to owner-users, however price per square foot dropped 19% due to the majority of sales occurring in the east which is a lower cost alternative. The average cap rate for investment sales rose from 4.6% to 5.7%.