


SIGNIFICANT LEASE DEALS

Address	Submarket/City	Square Feet	Tenant
3900 W. Alameda Ave	Burbank	116,000	Disney Animation Studios
800 N. Brand	Glendale	100,000	Service Titan
3100 New York Dr	Pasadena	55,000	Gemalto

SIGNIFICANT BUILDING SALES

Address City	Sale Value Type of Sale	PPSF Cap Rate	SF Class	Buyer Seller
Pasadena Collection	\$193,000,000	\$375.00	520,000	Swift Real Estate Partners
Pasadena (portfolio)	Investment	3.2%	Class A	PGIM
-	-	-	-	-
-	-	-	-	-

LARGEST DELIVERIES

Address	Submarket/City	SF	Developer
None to Report	-	-	-
-	-	-	-
-	-	-	-


LARGEST UNDER CONSTRUCTION

Address	Submarket/City	SF	Delivery Date
380 E. Union St	Pasadena	82,000	Q1 2020
10 West Walnut	Pasadena	1,000,000	Q2 2021
6265 San Fernando Rd	Burbank	100,000	Q2 2020

TOTAL OFFICE MARKET STATISTICS

	Vacancy Rate	Avg. SF Rental Rates GRS	Net SF Absorption	SF Inventory	SF Under Construction
Q4 2019	11.7%	\$40.20	131,355	19,053,696	400,317
Q3 2019	11.0%	\$39.72	68,478	18,971,696	340,067
Q2 2019	11.4%	\$38.64	106,767	18,971,696	340,067
Q1 2019	12.0%	\$38.64	(11,639)	18,971,696	340,067
Q4 2018	11.9%	\$37.68	109,928	18,971,696	340,067

 **131,355** NET ABSORPTION SF

 **11.7%** VACANCY 2,043,966 SF

 **\$40.20** AVG. ASKING RATE PSF GROSS

 **82,000** DELIVERIES 1 Building

 **400,317** UNDER CONSTRUCTION 3 Buildings

ELLIOTT GALLAHAN, Associate

Vacancy rates in the Tri-Cities office market remained repetitively flat, which was a benefit from low inventory and a strong economy. When two large national retailers, Bank of America and Nestle, moved out of the Tri-cities area, the sub-market experienced a negative impact due to the large vacancy left behind. Overall demand for office space for entertainment use areas was very strong and many mid-size businesses grew and expanded, which promoted occupiers in the market to purchase buildings. SBA financing was a key factor for this success, of which medical office owner-users greatly benefited.