



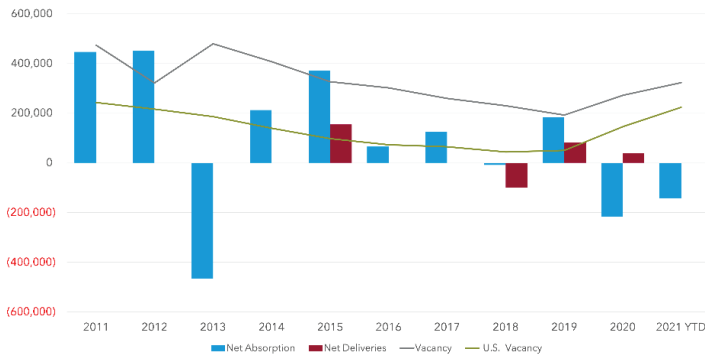
OFFICE MARKET OVERVIEW

COLLEEN CAREY, *Founding Principal*

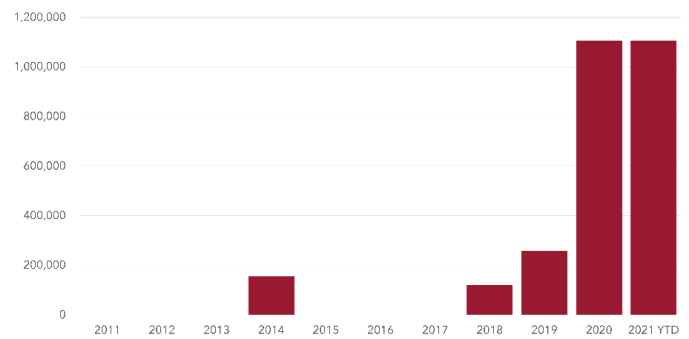
There was a modest increase in negative net absorption across the Tri City Office market with basically no movement in asking lease rates and a 4% increase in vacancy rates. There were 3 significant lease transactions--and one large \$(61.5M) sale transaction --all in Burbank. Pasadena is pondering a zoning code change that will allow multi family development in certain areas of the city dominated by Class A Office as a way to allow those property owners to adapt and convert all/part of their significant office vacancies to multi- family use--a winning idea in the purview of most.

MARKET INDICATORS	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
▼ 12 Mo. Net Absorption SF	(94,706)	(40,863)	(233,121)	53,725	168,324
▲ Vacancy Rate	13.8%	13.3%	13.1%	12.0%	11.5%
▼ Avg FSG Asking Rate PSF	\$41.28	\$41.52	\$41.16	\$40.92	\$41.28
◀▶ SF Under Construction	1,105,750	1,105,750	1,105,750	1,105,750	344,817
◀▶ Inventory SF	19,976,986	19,976,986	19,976,986	19,976,986	19,937,919

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
The Link - 2901 W Alameda Avenue Burbank, CA	124,785 SF	\$61,500,000 \$492.85 PSF	Pendulum Property Partners Fortress Investment Group, LLC	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3333 W Empire Avenue Burbank, CA	40,675 SF	Worth Real Estate Group	Undisclosed	Undisclosed
2901 W Alameda Avenue Burbank, CA	13,681 SF	Pendulum Property Partners	Critical Content	Professional, Scientific, and Technical Services
2350 Empire Avenue Burbank, CA	12,452 SF	UBS Realty Investors, LLC	Undisclosed	Undisclosed