



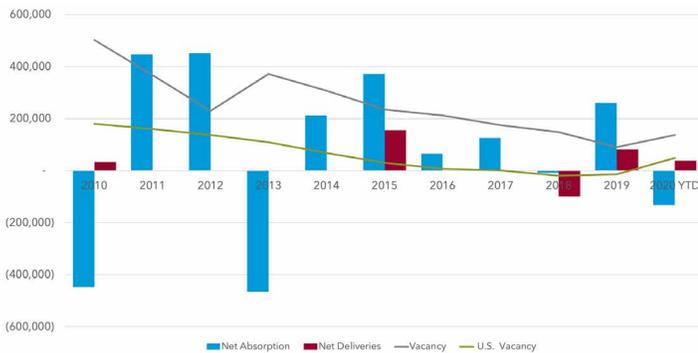
### OFFICE MARKET OVERVIEW

COLLEEN CAREY, *Founding Principal*

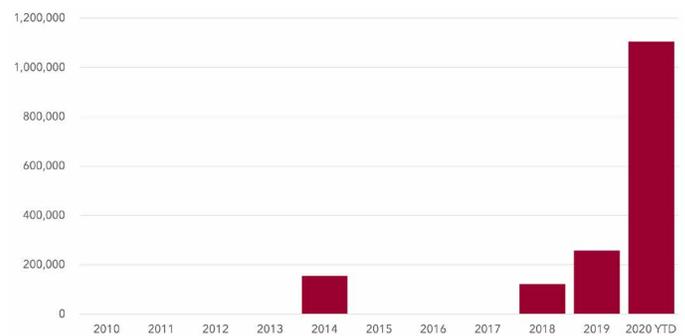
The Tri City Office Market never fully recovered after the Great Recession. The 2019 vacancy rate was 11.3% and while it trended down in the early part of 2020 it is rising again. Net absorption also turned negative in Q3 2020. Asking Rents overall are steady but that is really representative of a lag in reaction to the increasing vacancies. Sale prices remain strong but activity is down. Development activity has been modest compared to other locations in Los Angeles County during recent years.

MARKET INDICATORS	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
▼ Net Absorption	(62,531) SF	168,324 SF	(91,129) SF	113,525 SF	119,220 SF
▲ Vacancy Rate	11.6%	11.1%	11.9%	11.5%	11.7%
▼ Avg NNN Asking Rate	\$3.40 PSF	\$3.43 PSF	\$3.38 PSF	\$3.38 PSF	\$3.38 PSF
▲ Under Construction	1,105,750 SF	344,817 SF	258,067 SF	258,067 SF	340,067 SF
▲ Inventory	19,991,786	19,952,719	19,952,719	19,845,319	19,763,319

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
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NONE TO REPORT

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
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2300 W Empire Ave Burbank, CA	149,937 SF	New York Life Real Estate Investors	Netflix	Entertainment
2255 N Ontario St Burbank, CA	9,289 SF	Worthe Real Estate Group	N/A	N/A
2255 N Ontario St Burbank, CA	8,777 SF	Worthe Real Estate Group	N/A	N/A

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