

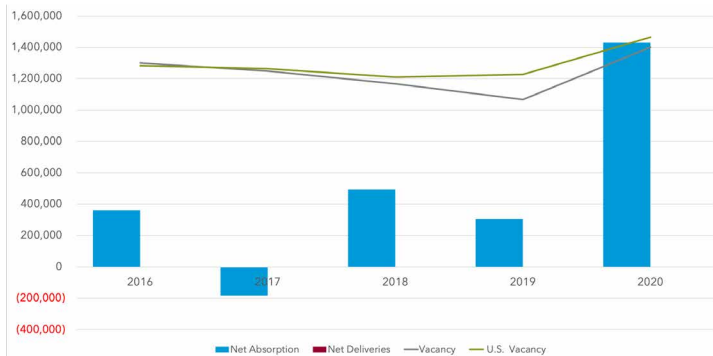
OFFICE MARKET OVERVIEW

MIKE TINGUS, *President*

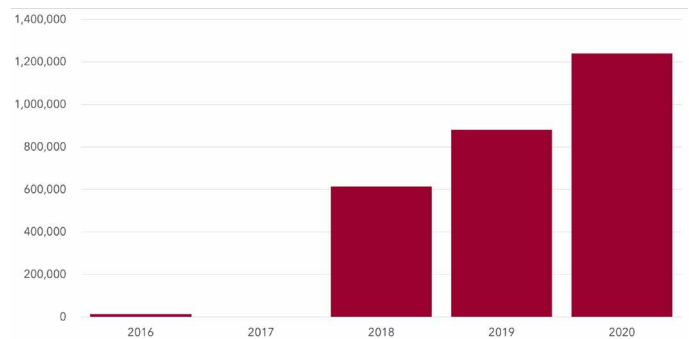
As the COVID-19 pandemic nears a full calendar year of its devastating impact on the economy and commercial real estate, leasing activity in the LA North office marketplace slowed significantly once again in the 4th quarter of 2020. Even with the approval and gradual administration of vaccines, the coronavirus continues to set new records for daily infections and, as a result, has not loosened its grip on office leasing and sales. With the exception of the 2nd quarter of 2020, when the pandemic caused a record low gross domestic product both nationally and in California, it was the slowest single quarter in more than 15 years.

MARKET INDICATORS	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
▼ Net Absorption	(1,192,440) SF	(656,280) SF	(186,703) SF	(465,950) SF	304,803 SF
▲ Vacancy Rate	12.9%	10.2%	9.4%	9.3%	8.8%
▼ Avg NNN Asking Rate	\$34.21 PSF	\$34.32 PSF	\$34.68 PSF	\$34.56 PSF	\$33.96 PSF
▲ Under Construction	1,389,029 SF	882,893 SF	821,960 SF	872,051 SF	880,820 SF
▲ Inventory	86,202,450 SF	73,754,362 SF	73,353,440 SF	73,054,474 SF	73,412,752 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4115 W Burbank Blvd Burbank, CA	7,319 SF	\$3,000,000.00 \$409.89 PSF	Galla Corporation Marlboro, LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
16030 Ventura Blvd Ste 320 Encino, CA	7,616 SF	The Almar Building	Actuaries Unlimited	Financial Services
1212 Chestnut St Burbank, CA	7,111 SF	PV Mariposa, LLC	Lucky Scent, Inc.	Perfume Distributor
15250 Ventura Blvd Ste 100 Sherman Oaks, CA	6,981 SF	Douglas Emmett 2008, LLC	Lee & Associates	Commercial Real Estate

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property and Lee Proprietary Data. ©

© Copyright 2021 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com