

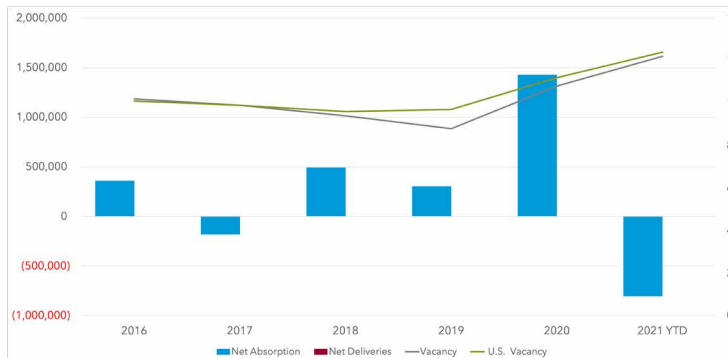
OFFICE MARKET OVERVIEW

MIKE TINGUS, *President*

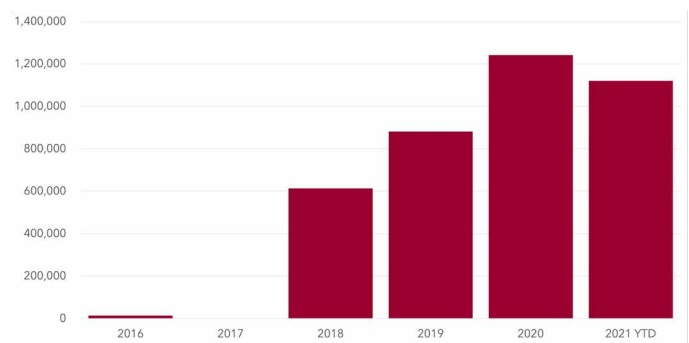
Like the rest of the country, the LA North office market certainly faces a longer and more uncertain recovery than other real estate sectors. After months in a pandemic-driven free-fall, Q2 ended with modest improvements in several key areas. These signs of market stabilization are cause for optimism that the office recovery is underway. As employers continue to re-think their post-pandemic office needs, the growing vacancy rate and influx of new inventory present incredible leasing opportunities and flexibility on lease terms. Of 26 total sales, 14 were non-distressed assets with a median price of \$279 psf. This was the highest number of non-distressed sales and the second highest sales price since before the pandemic.

MARKET INDICATORS	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
▲ 12 Mo. Net Absorption SF	(745,017)	(1,307,470)	(1,192,440)	(656,280)	(186,703)
▼ Vacancy Rate	11.52%	13.76%	12.9%	10.2%	9.4%
▲ Avg NNN Asking Rate PSF	\$37.38	\$34.36	\$34.21	\$34.32	\$34.68
▼ SF Under Construction	1,128,215	1,384,353	1,389,029	882,893	821,960
▲ Inventory SF	93,958,882	86,265,838	86,202,450	73,754,362	73,353,440

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
17000 Ventura Blvd Encino, CA	42,002 SF	\$13,200,000 \$314.27 PSF	17000 Ventura Blvd, LLC 17000 Ventura LLC	Class B
12716 Riverside Drive Studio City, CA	9,750 SF	\$4,400,000 \$451.28 PSF	Undisclosed Simon and Jacques Ohana	Class B
4425 W Riverside Drive Burbank, CA	8,412 SF	\$4,350,000 \$517.12 PSF	Chance Real Estate Holdings LLC Leopold Investment Ptnrshp	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
16027 Ventura Blvd Ste 400 Encino, CA	35,721 SF	16027 Ventura Hope, LLC	Undisclosed	Emergency Care Svc
135 W Magnolia Blvd Burbank, CA	23,643 SF	EBEAG Properties, LP	Dubsado, LLC	Computer Software
15821 Ventura Blvd Ste 500 & 505 Encino, CA	8,336 SF	Douglas Emmett	R.C. Baral & Company, Inc.	Accounting Firm

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