



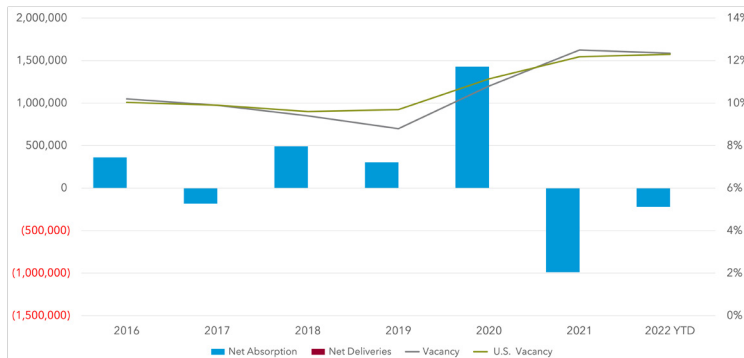
OFFICE MARKET OVERVIEW

MIKE TINGUS, *President*

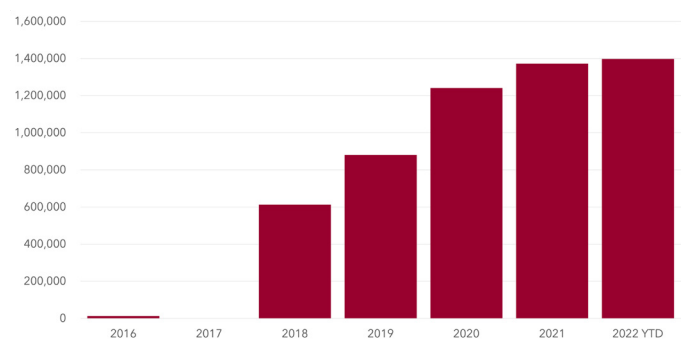
Vacancy rate fell 60 basis points from 12.5% to 11.9%. Meanwhile, average asking price for rent jumped 12¢ to reach \$3 PSF for the first time ever. Average rent has not previously fluctuated more than three cents in a quarter since well before the pandemic. The market experienced 105,197 SF in negative net absorption. Absorption has not been positive since Q4 2019, which was the last full quarter before the pandemic. Leasing activity remained relatively strong with 972,562 SF of total activity. There were 17 total sales - five of which were distressed assets - for a median price of \$306 PSF. When distress is removed, the 12 non-distressed sales had a median price of \$315 PSF.

| MARKET INDICATORS | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|----------------------------|------------|------------|-------------|------------|-------------|
| ▲ 12 Mo. Net Absorption SF | (219,656) | (673,901) | (1,009,468) | (745,017) | (1,307,470) |
| ▼ Vacancy Rate | 12.35% | 12.45% | 12.35% | 11.73% | 13.76% |
| ▲ Avg NNN Asking Rate PSF | \$38.26 | \$38.00 | \$37.64 | \$37.38 | \$34.36 |
| ▼ SF Under Construction | 1,397,869 | 1,463,215 | 1,119,297 | 1,128,215 | 1,384,353 |
| ▼ Inventory SF | 91,327,142 | 94,154,716 | 94,187,318 | 93,958,882 | 86,265,838 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 21241-21243 Ventura Boulevard Woodland Hills, CA | 104,831 SF | \$13,750,000 \$131.16 PSF | Woodland Plaza I, Inc. California Landmark Group | Class C |
| 13412 Ventura Blvd, Ste B Sherman Oaks, CA | 20,727 SF | \$8,680,000 \$418.78 PSF | Resilience West LLC Rubikon Development LLC | Class B |
| 202-215 N Victory Boulevard Burbank, CA | 19,795 SF | \$5,800,000 \$293.00 PSF | Steve Supowitz Trust Sarlot and Rhein Partnership | Class B |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|---|-----------|----------------------|----------------------|-----------------------------|
| 28632 Agoura Road, Ste 110, 210 Agoura Hills, CA | 14,477 SF | ZDI Agoura I, LLC | Awakenings Treatment | Outpatient Treatment Center |
| 15236 Burbank Blvd, Ste A Van Nuys, CA | 11,241 SF | M G Enterprises | XCVI LLC | Fabric Mill |
| 10635 Riverside Drive Toluca Lake, CA | 9,000 SF | Beamsville-Glace Bay | 4 MAX POST | Video Production |

