



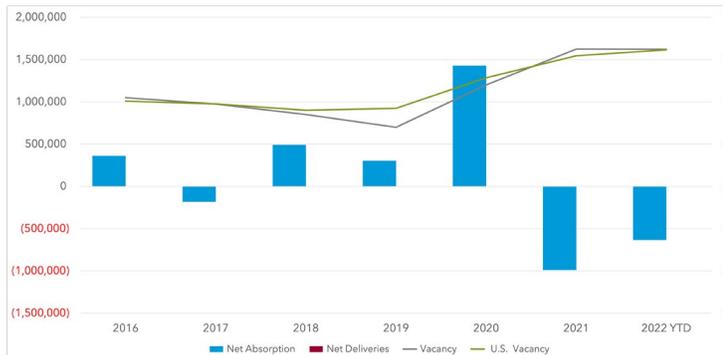
OFFICE MARKET OVERVIEW

MIKE TINGUS, *President*

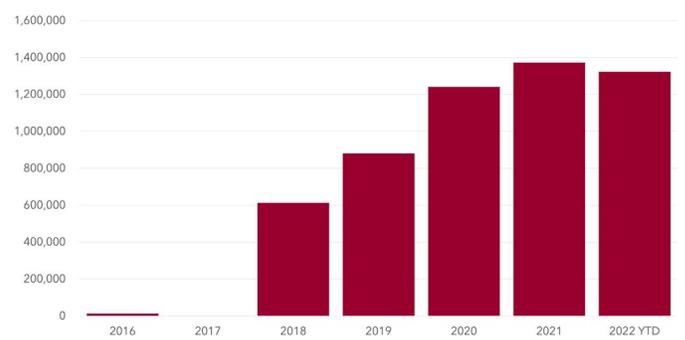
The LA North office market's vacancy rate climbed to 14.1% in Q3, an increase of 60 basis points and the highest level since 2013. Following nine consecutive quarters of double-digit vacancy rates, the LA North market has nearly 10.7-million SF of unoccupied office inventory. The asking rate for office leases continued to increase for the fourth consecutive quarter to \$3.05 per SF. There was 866,903 SF of leasing activity, which was a slight gain, but still far behind pre-pandemic levels. Completed construction consisted of 163,541 SF and nearly a quarter-million SF of inventory has been delivered this year. With another 1.13 million SF in the construction pipeline, the market's surplus inventory could grow.

MARKET INDICATORS	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
▼ 12 Mo. Net Absorption SF	(633,740)	(292,732)	(219,656)	(673,901)	(1,009,468)
▲ Vacancy Rate	12.49%	12.08%	12.35%	12.45%	12.35%
▼ Avg NNN Asking Rate PSF	\$3.03	\$6.58	\$6.38	\$6.33	\$6.27
▼ SF Under Construction	1,322,921	1,446,794	1,397,869	1,463,215	1,119,297
▲ Inventory SF	99,925,965	94,062,704	91,327,142	94,154,716	94,187,318

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
30601 Agoura Road Agoura Hills, CA	118,091 SF	\$19,275,000 \$163.22 PSF	Harbor Associates LLC ARI Agoura BP 111 LP	Class A
31225 La Baya Drive Westlake Village, CA	46,411 SF	\$7,350,000 \$158.37 PSF	Alden Accounting Corp Haggar Group	Class B
30423 Canwood St Ste 115/116 Agoura Hills, CA	1,410 SF	\$500,000 \$354.61 PSF	Cliff and Kimberli Robinson Marvin E. Walters, Successor Trustee	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
11500 W Olympic Blvd, partial 6F Los Angeles, CA	20,885 SF	11500 West Olympic, LLC	GSA, Public Buildings Service	Government agency
21122 Erwin Street Woodland Hills, CA	20,500 SF	A.B.2	Dark Burn Creative, LLC	Full Service Video Co
2811 Wilshire Blvd Ste 800, 850 Santa Monica, CA	14,520 SF	2811 Wilshire Associates, LLC	Medical Imaging Center of Southern California, Inc.	Medical Diagnostic Imaging Co

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