



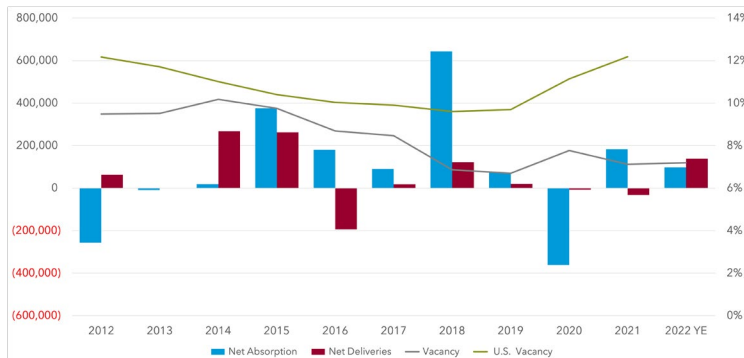
OFFICE MARKET OVERVIEW

CHRISTOPHER LARIMORE, *Founding Principal*

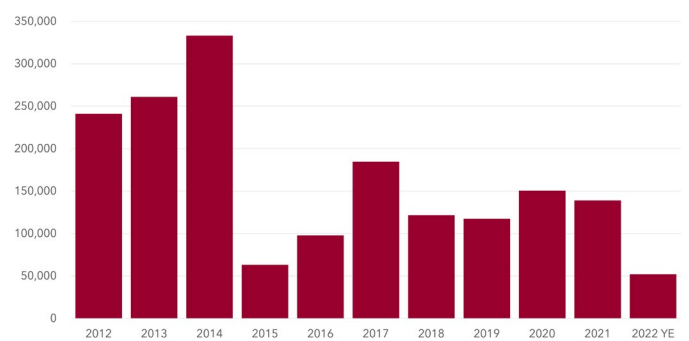
Sales volume for 4Q22 decreased by 27% and overall prices were discounted by 2.0% with no institutional or REIT buyers. Majority of trades were for Class B and medical buildings. YOY price per square foot increased to \$358 and market cap rate steadied at 5.79%. Asking rent flatlined at \$26.65 per square foot, but vacancy increased to 7.2% and absorption is -158,903 square feet. This quarter was full of uncertainty with the Fed raising rates and businesses holding off on making decisions as the market continued to shift.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(158,903)	88,107	172,234	(3,250)	(21,547)
▲ Vacancy Rate	7.2%	6.6%	6.6%	7.1%	7.1%
▲ Avg FSG Asking Rate PSF	\$26.65	\$26.62	\$26.56	\$26.52	\$25.75
▼ SF Under Construction	52,000	82,290	134,700	144,835	144,835
▲ Inventory SF	33,325,957	33,295,667	33,197,257	33,187,122	33,187,122

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
430 S Garfield Avenue Alhambra, CA	24,120 SF	\$7,600,000 \$315.09 PSF	Tsai F Liu King Patty P Trust	Class B
6520 Irwindale Avenue Irwindale, CA	20,960 SF	\$4,665,000 \$222.57 PSF	Linger Chu Bradley Kaplan	Class B
1111 W Covina Boulevard San Dimas, CA	15,539 SF	\$3,850,000 \$247.76 PSF	Abari Orthodontics & Oral Surgery Life Pacific	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5200 Irwindale Avenue Irwindale, CA	9,422 SF	Thrifty Oil Co.	Undisclosed	Undisclosed
1081 S Grand Avenue Diamond Bar, CA	9,336 SF	Newe Family Bypass Trust	Haveco, Inc	Electric
3201 Temple Avenue Pomona, CA	8,736 SF	David A Zaslow	Undisclosed	Undisclosed

