LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q4 2022
LA - TRI-CITIES, CA

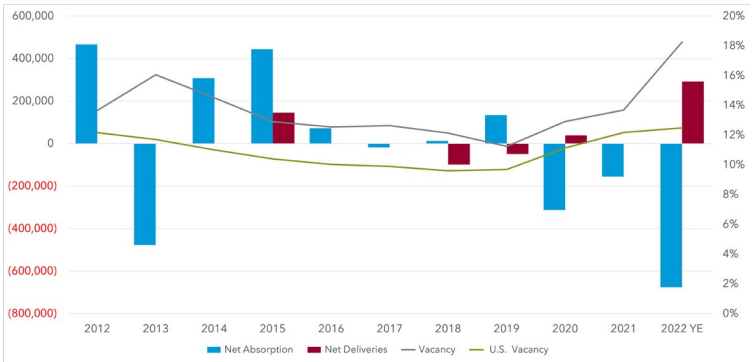
OFFICE MARKET OVERVIEW

COLLEEN CAREY, *Founding Principal*

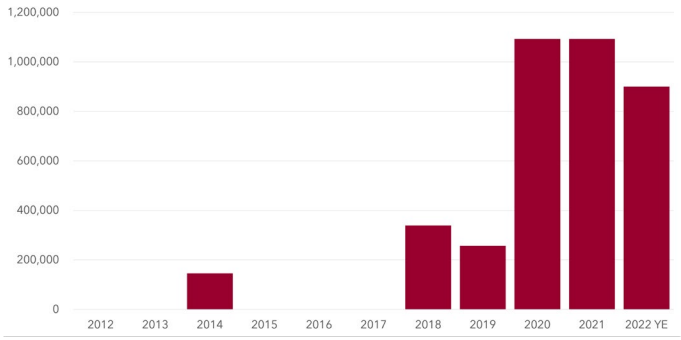
Class A Office in the Tri City area of Pasadena, Glendale, Burbank continues to show dismal results. Vacancy rates rose from 16.5% to 18.3% in Q4. There is also increased negative absorption which nearly doubled in Q4 to -348,846 square feet while the average rate still held steady. Obviously, owners are attempting to lure tenants with TI and rent abatement rather than lower rental rates. There were no large lease transactions involving new square feet as the two large undisclosed transactions were both sublease transactions. One property changed hands in Burbank - a 16,500 square foot office building sold at $878.06 per square foot.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	(348,846)	(188,310)	(77,730)	(60,721)	(99,230)
▲ Vacancy Rate	18.3%	16.5%	15.6%	14.0%	13.7%
▲ Avg FSG Asking Rate PSF	$43.93	$43.69	$43.10	$43.10	$41.63
▲ SF Under Construction	900,000	800,000	800,000	1,092,686	1,092,686
◄ ► Inventory SF	20,308,305	20,308,305	20,308,305	20,015,619	20,015,619

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3001 N Hollywood Way Burbank, CA	16,500 SF	$14,488,000 $878.06 PSF	Rental Tracker Overton Moore Properties	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
500 N Brand Boulevard Glendale, CA	21,157 SF	Granite Properties, Inc	Undisclosed	Undisclosed
301 N Lake Avenue Pasadena, CA	20,024 SF	Barker Pacific Group	Undisclosed	Undisclosed
400 N Brand Boulevard Glendale, CA	13,446 SF	Kennedy Wilson, Inc	Davytan Law	Professional, Scientific and Technical Services

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