

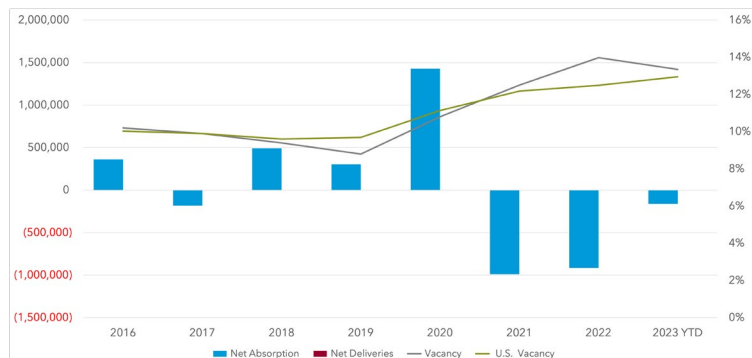
### OFFICE MARKET OVERVIEW

MIKE TINGUS, *President*

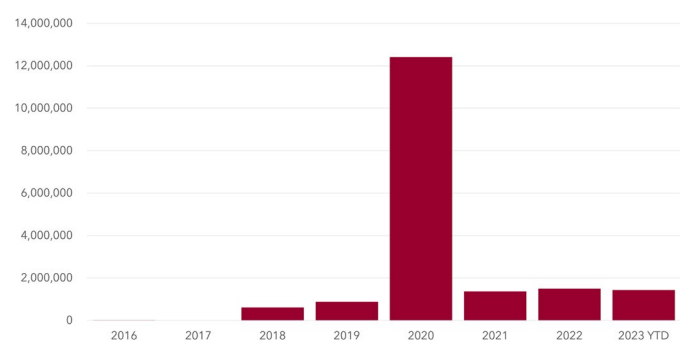
Despite high direct-ask lease rates, vacancy levels are reporting a staggering 15.4% - a rate not seen since the beginning of the last decade. With hybrid work arrangements becoming more prevalent and the economy in a state of flux, companies are clearly reassessing their operational needs. Asking Lease rates have steadily continued to increase, with a new all-time high at \$3.13 psf. Newly signed leases have been under these asking rates, with Landlords providing concessions in the form of tenant improvements and rental abatements. Tenants are showing a desire to bring employees back to the office; however, they are shrinking their pre-pandemic footprints. And, Sales prices continue to decline.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▲ 12 Mo. Net Absorption SF	(161,189)	(916,235)	(633,740)	(292,732)	(219,656)
▼ Vacancy Rate	13.35%	13.98%	12.49%	12.08%	12.35%
▼ Avg NNN Asking Rate PSF	\$2.90	\$2.99	\$3.03	\$6.58	\$6.38
▼ SF Under Construction	1,431,661	1,495,971	1,322,921	1,446,794	1,397,869
▼ Inventory SF	97,436,608	104,774,621	99,925,965	94,062,704	91,327,142

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
22801 Ventura Boulevard Woodland Hills, CA	47,529 SF	\$8,300,000 \$174.63 PSF	My Properties Group LLC 22801 Ventura, LP	Class B
1506 S Glendale Avenue Glendale, CA	4,551 SF	\$2,850,000 \$626.24 PSF	Andrew Seklir & Harry Jierjian 1506 South Glendale Avenue LLC	Class B
3450 Cahuenga Boulevard Ste 508 Studio City, CA	2,361 SF	\$1,475,000 \$624.74 PSF	Omniverse Holdings LLC Graham Family, LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
15000 Ventura Boulevard, Ste 300 Sherman Oaks, CA	13,976 SF	15000 Ventura Blvd LLC	Pacific 2.1 Entertainment Group, Inc.	Media Production Company
7800 Woodley Avenue Van Nuys, CA	11,522 SF	7800 Woodley LLC	Logistix People, Inc.	Freight and Logistics Services
4149 Liberty Canyon Road Agoura Hills, CA	10,012 SF	APB Properties, LLC	Acelyrin, Inc.	Biopharma Company

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