

Los Angeles County Retail Construction Report



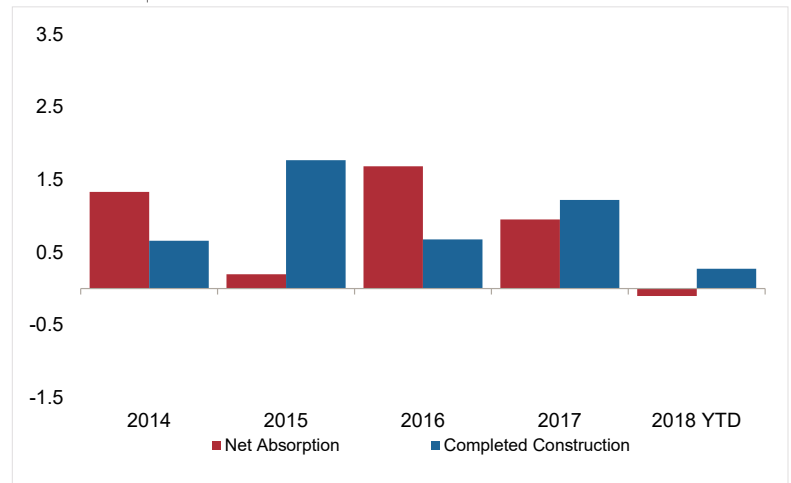
KEY STATISTICS MID-YEAR 2018

Market Size:	297,584,272 SF
Existing Available Space:	17,018,470 SF
Space Under Construction:	2,032,610 SF
Completed Construction in 2018 YTD:	271,875 SF
Largest Project Under Construction in 2018:	5601 Santa Monica Blvd; Hollywood; 260,000 SF; mixed-use property featuring 370,000 SF of retail alongside 375 multifamily units; delivers 1Q 2019
Largest Project Completed in 2018:	3871-3891 N Lakewood Blvd at the Long Beach Exchange; Long Beach; 53,600 SF; lifestyle center within the Douglas Park project; delivered 2Q 2018

MARKET TRENDS

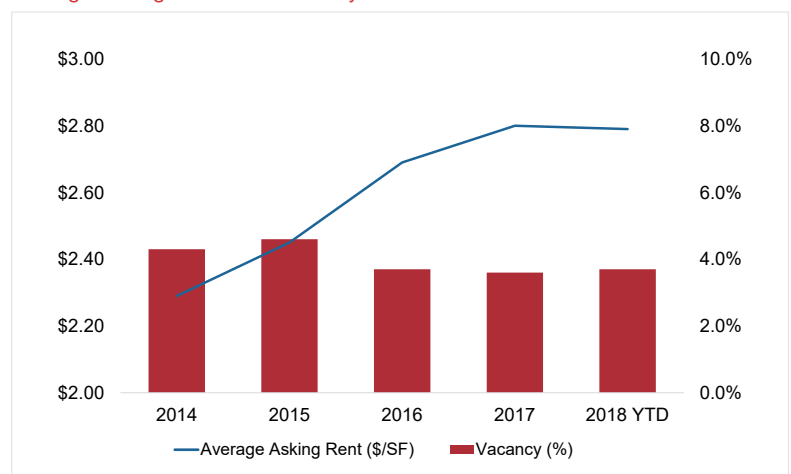
- The average asking rent increased 21.8% over 2014
- The vacancy rate fell 60 basis points from 2014 to 3.7%
- Net absorption totaled more than 2.7M SF since 2014
- Completed construction totaled nearly 4.0M SF since 2014

Net Absorption and Completed Construction
Millions of Square Feet



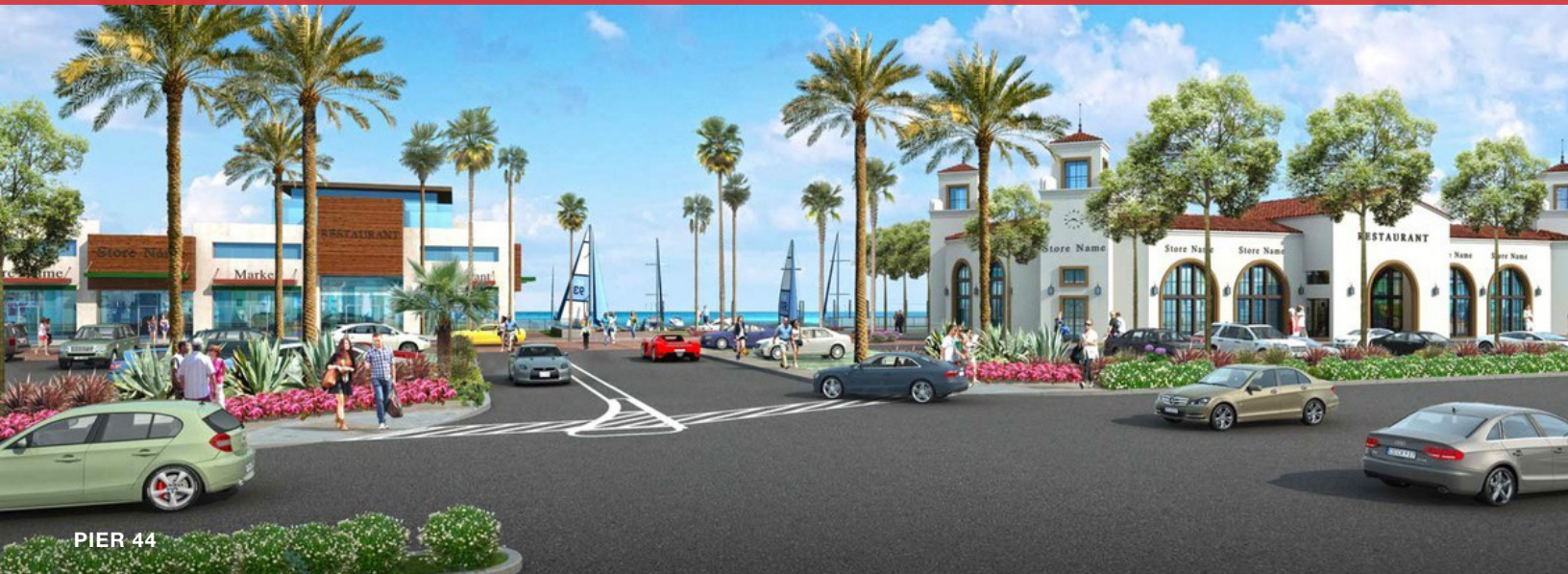
Source: NAI Capital Research, CoStar

Average Asking Rent* and Vacancy Rate



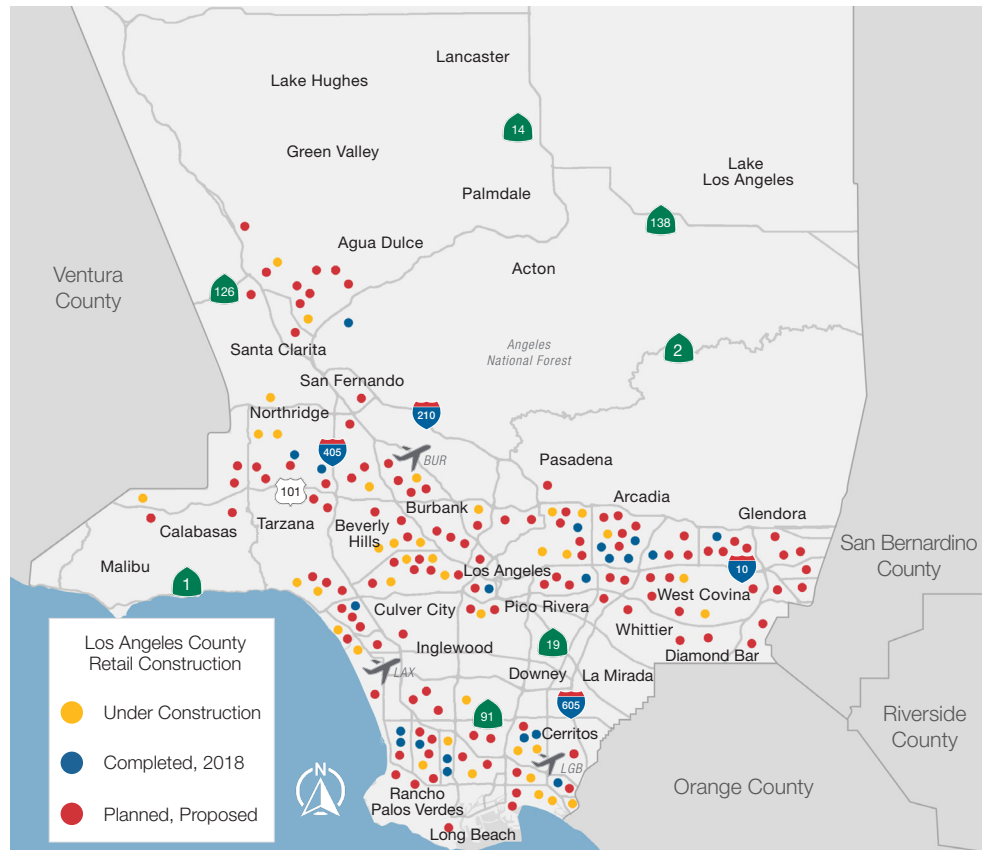
*Rents reflect buildings of 5,000 SF or greater; quoted in \$/SF NNN on a monthly basis
Source: NAI Capital Research, CoStar

Projects To Watch In 2018



PIER 44

- **The Boulevards at South Bay** is a proposed 739,770 SF regional mall in Carson developed by Vestar Development. The project is part of a 157-acre mixed-use master planned redevelopment of a landfill across from the South Bay Pavilion. Construction begins 1Q 2019.
- **Palisades Village** is a 125,000 SF upscale shopping destination in Pacific Palisades developed by Rick Caruso and Macdonald Robert D Trust. The project confirmed 14 tenants including Amazon Books and Bay Theatre Luxury Cinemas. The grand opening will be Sept. 22nd, 2018.
- **Newhall Crossings** is a 56,802 SF mixed-use project in Newhall developed by SERRANO Development. Rents range from \$2.75 - \$3.50 NNN and the property is 85% leased. The project delivers 2Q 2019.
- **Circa Retail** is a 47,529 SF ground-floor retail portion of a mixed-use project in central Los Angeles developed by Jamison Services, Inc. The development is situated in the South Park neighborhood across from Staples Center and is expected to deliver in 3Q 2018.
- **Pier 44** is an eight-building 91,760 SF project with 43,792 SF of retail space in Marina del Rey developed by Pacific Marina Ventures LLC. Trader Joe's and West Marine Boating Supply are committed tenants. Delivery is expected 3Q 2019.



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