

# Office Market Outlook

## Los Angeles County Q3 2024

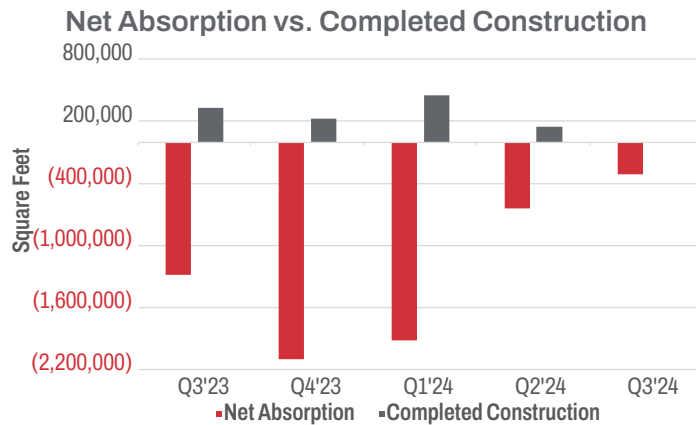
### MARKET STATISTICS\*

Submarket	Existing Total RBA (SF)	Under Construction (SF)	Total Available (%)	Total Vacancy (%)	Leasing Volume (SF)	YTD Leasing Volume (SF)	Sales Volume (SF)	YTD Sales Volume (SF)	Average Asking Rent (\$/SF FSG)	Average Sale Price (\$/SF)
Central	67,464,435	140,000	20.3%	20.3%	533,530	1,312,655	547,427	773,576	\$3.09	\$142
Mid-Wilshire	17,044,053	0	18.3%	20.6%	126,306	287,207	0	73,400	\$2.78	\$168
LA North	62,172,547	386,000	18.2%	15.6%	652,001	2,065,433	382,243	740,225	\$2.74	\$149
San Gabriel Valley	35,610,916	32,172	8.7%	6.4%	350,277	817,443	250,914	618,565	\$2.57	\$184
South Bay	67,709,370	346,882	18.6%	15.5%	591,072	1,708,779	342,338	643,938	\$3.17	\$291
Tri-Cities	43,757,889	100,000	21.6%	17.2%	355,317	1,109,442	193,580	627,546	\$3.70	\$305
LA West	104,612,099	1,620,623	24.0%	19.1%	1,136,161	4,242,270	590,597	1,240,503	\$4.83	\$691
<b>Los Angeles County</b>	<b>398,371,309</b>	<b>2,625,677</b>	<b>19.7%</b>	<b>16.9%</b>	<b>3,744,664</b>	<b>11,543,229</b>	<b>2,307,099</b>	<b>4,717,753</b>	<b>\$3.48</b>	<b>\$261</b>

\* RBA includes office buildings of all sizes and classes. Rents reflect buildings of 20,000 square feet or greater.

### LEASING TRENDS

Throughout 2024, the office market experienced a more moderate decline in net absorption, though it still recorded a negative net absorption of 6,269,168 square feet over the past five quarters as new construction entered the market. During this period, approximately 1.2 million square feet of new office space was added.



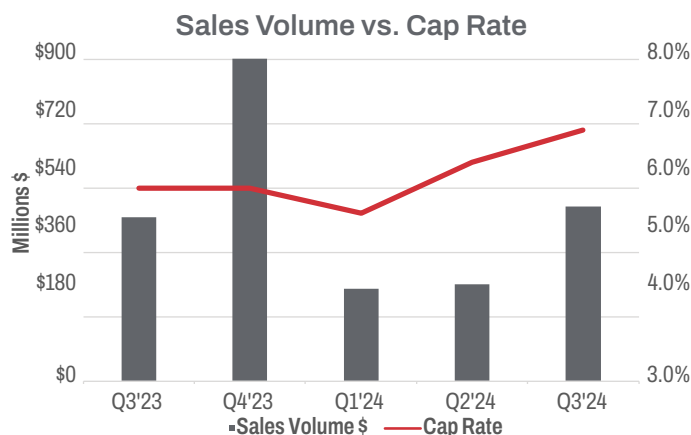
### Select Lease Transactions

Tenant	Address	City	Submarket	SF
SoCalGas	350 S Grand Av	Los Angeles	Central LA	198,553
Herbalife Nutrition*	950 W 190th St	Torrance	South Bay	188,544
City of Hope*	4920 Rivergrade Rd	Inwindale	San Gabriel Valley	170,512
County of LA	725 S Grand Ave	Glendora	San Gabriel Valley	108,016
Legendary Entertainment*	2900 W Alameda Ave	Burbank	Tri-Cities	89,749

\* Renewal

### SALES TRENDS

In Q3 2024, investors sought to capitalize on opportunities despite market uncertainty, driving an uptick in sales volume, which closed the quarter at \$489 million. Year-to-date office building sales totaled \$1.01 billion, reflecting a 38.9% decline compared to Q3 2020. An average cap rate of 6.9% indicates the office sector may be nearing its trough as it adjusts to prevailing risks and interest rates.



### Select Sales Transactions

Tenant	Address	City	Submarket	SF
Meiloon Investment & Development LLC	801 S Figueroa St	Los Angeles	Central LA	465,220
Alta West Partners, LLC	112 S Lakeview Canyon Rd	Westlake Village	North LA	276,529
One Rodeo LLC	9536-9560 Wilshire Blvd	Beverly Hills	LA West	191,471
Rexford Industrial Realty, Inc.	950 W 190th St	Torrance	South Bay	188,545
Fashion Nova	407 N Maple Dr	Beverly Hills	LA West	174,847