



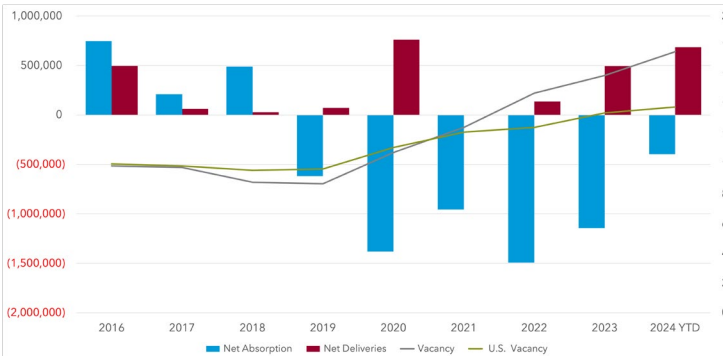
OFFICE MARKET OVERVIEW

MICHAEL GUDMUNDSON, *Administrative Manager*

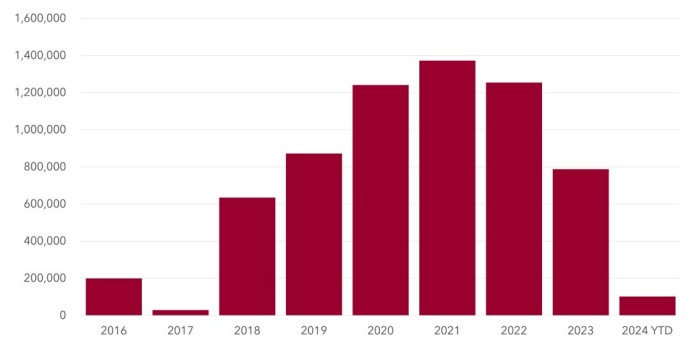
The LA North office market is navigating a dynamic landscape in Q3 2024, reflecting broader trends in the real estate sector. Despite facing negative net absorption of (899,675) SF over the past year, the vacancy rate has only slightly increased to 17.6%. Recent headlines highlight a shift in tenant preferences, leading to increased competition for quality spaces. Average NNN asking rates have decreased to \$2.87 PSF per month, providing an attractive leasing environment for businesses looking to capitalize on favorable terms. Investor interest remains steady, with cap rates rising to 7.0%, suggesting opportunities for forward-thinking investors. Although only 102,000 SF are currently under construction, the existing inventory of 76.6 million SF offers diverse options for businesses as the market adapts and evolves.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▲ 12 Mo. Net Absorption SF	(899,675)	(1,095,838)	(1,098,291)	(1,143,061)	(1,556,018)
▲ Vacancy Rate	17.6%	17.5%	17.2%	16.0%	15.9%
▼ Avg NNN Asking Rate PSF	\$2.87	\$3.29	\$3.17	\$3.16	\$3.16
▼ Sale Price PSF	\$233.00	\$305.00	\$297.00	\$159.00	\$210.00
▲ Cap Rate	7.0%	6.1%	7.2%	11.4%	7.9%
▼ Under Construction SF	102,000	433,000	433,000	788,000	788,000
◀ ▶ Inventory SF	76,628,009	76,628,009	76,628,009	76,273,009	76,273,009

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
112 S. Lakeview Canyon Road Westlake Village, CA	259,540 SF	\$29,350,000 \$113.08 PSF	Glendon Capital LBA Realty	Class A
770 Fairmont Avenue Glendale, CA	24,563 SF	\$5,720,000 \$232.87 PSF	Marathon Real Estate Group Prince Properties Corporation	Class B
2600 W. Magnolia Boulevard Burbank, CA	16,700 SF	\$6,100,000 \$365.27 PSF	Payam Saadat Heritage Capital Corporation	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
15301 Ventura Boulevard Sherman Oaks, CA	37,832 SF	Douglas Emmett Management	Slade Neighbors, a Professional Law Corporation	Private Law Firm
800 N. Brand Boulevard Glendale, CA	26,682 SF	Beacon Capital Partners	Maro Law	Services
29889 Agoura Road Agoura Hills, CA	23,452 SF	Realty Bancorp Equities LLC	Bankcard USA	Finance and Insurance

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