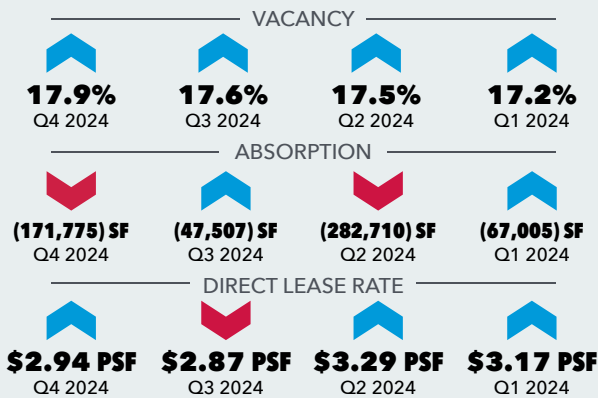




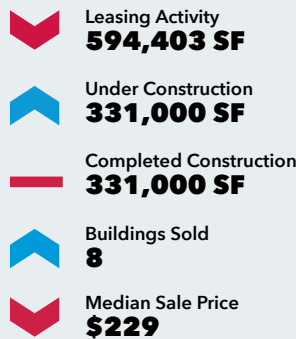
# Q4

## LA NORTH OFFICE MARKET REPORT

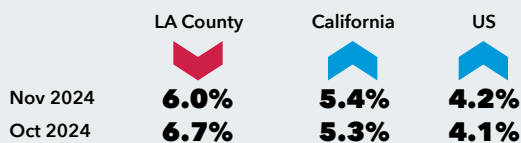
### Market Indicators



### Q4 Trends at a Glance



### Unemployment Rate



### Vacancies Rise, Demand Persists

The LA North office market continues to face challenges, with overall vacancy increasing to 17.9% in Q4 2024, up from 16.0% in the same period last year. Total net absorption for the quarter was negative at -171,775 square feet, pushing year-to-date net absorption to -798,097 square feet. Despite these trends, a few submarkets, such as Warner Center (+96,262 SF) and Glendale (+196,425 SF), saw positive absorption during the quarter, signaling pockets of tenant demand.

Leasing activity, however, remains subdued, totaling just 594,403 square feet in Q4, marking a continued decline from earlier quarters. Direct asking rental rates averaged \$2.94 per square foot, a slight year-over-year increase from \$2.87 in Q4 2023. Premium submarkets like Burbank Media Center (\$4.51) and Glendale (\$3.13) continue to command higher rates, driven by demand for quality spaces.

Construction activity is muted, with just 102,000 square feet currently underway and 331,000 square feet completed year-to-date. Elevated vacancy levels, particularly in Burbank (32.7%) and Warner Center (24.2%), coupled with soft leasing momentum, indicate that market recovery may be protracted.

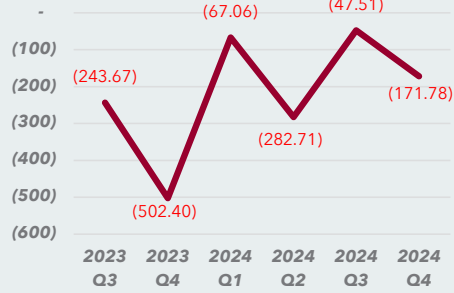
While the LA North office market faces headwinds, steady demand in select submarkets and competitive rental rates provide opportunities for occupiers seeking value.

### RENTAL RATES



AVERAGE PER SF, PER MONTH

### ABSORPTION



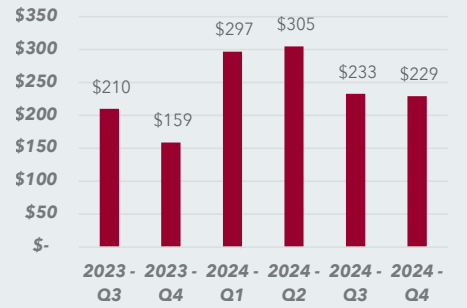
IN THOUSANDS OF SF

### LEASING ACTIVITY

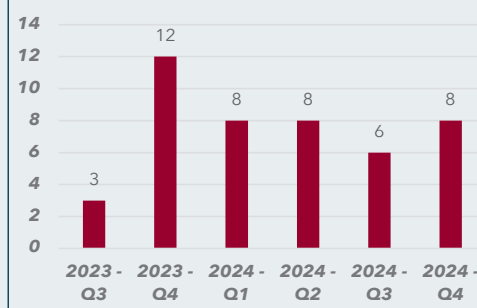


MILLIONS OF SF LEASED

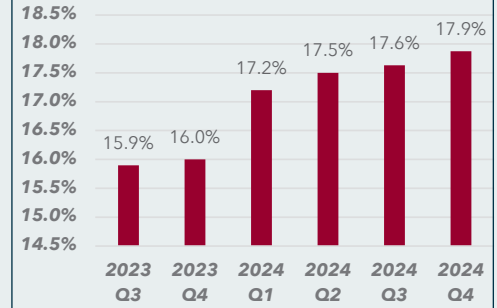
### MEDIAN SALE PRICE



### SALE TRANSACTIONS



### VACANCY



Median sale price excludes distressed sales and those where no price information was recorded.

TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER/SELLER	BUILDING CLASS
5200 Lankershim Blvd* North Hollywood, CA	179,989 SF	\$35,000,000 \$194.46 PSF	Uncommon Developers LLC Rockwood Capital	Class A
16200 Ventura Blvd Encino, CA	55,000 SF	\$12,600,000 \$229.09 PSF	Tiferet LLC Soma Capital Partners	Class B
220 N. Glendale Ave* Glendale, CA	22,161 SF	\$10,508,515 \$474.19 PSF	Gateways Hospital & Mental Health Kimberly Greitzer	Class B

\*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
450 N. Brand Blvd Glendale, CA	23,680 SF	Central Brand LLC	Undisclosed	Law Firm
3900 W. Alameda Ave* Burbank, CA	22,700 SF	Worthe Real Estate Group	Miller Kaplan	Accounting
5990 Sepulveda Blvd Sherman Oaks, CA	21,111 SF	Ascentris, LLC	LA Metro	Construction

Source: CoStar and Lee & Associates

\*Lee & Associates Deal

SUBMARKETS	TOTAL INVENTORY	TOTAL VACANCY		NET ABSORPTION		CONSTRUCTION			ASKING RATE
		Total SF	%	Q4 2024	YTD 2024	Underway	COMPLETED		
							Q4 2024	YTD 2024	
Agoura Hills	1,983,858	372,031	18.8%	1,292	5,683	0	0	0	\$2.20
Burbank (Misc.)	2,491,755	815,874	32.7%	(6,214)	(270,745)	0	0	0	\$3.82
Burbank City Center	1,843,826	444,978	24.1%	(13,359)	(175,114)	0	0	0	\$3.04
Burbank Media Center	7,348,395	1,648,702	22.4%	(467,544)	(149,879)	0	0	355,000	\$4.51
Calabasas	3,303,883	306,032	9.3%	2,889	(11,018)	0	0	0	\$2.62
Central Valley	6,179,939	508,560	8.2%	22,635	31,800	0	0	0	\$2.32
Chatsworth	2,407,388	255,264	10.6%	5,570	14,172	0	0	0	\$2.21
Conejo Valley	9,444,202	1,724,821	18.3%	25,951	(64,755)	0	0	0	\$2.39
East SF Valley	338,014	23,206	6.9%	914	(9,905)	0	0	0	\$2.58
Encino	4,955,086	810,228	16.4%	19,462	15,480	0	0	0	\$2.71
Glendale	10,933,691	2,185,959	20.0%	196,425	(78,799)	0	0	0	\$3.13
North Hollywood	3,008,177	540,797	18.0%	(7,613)	(45,795)	0	0	0	\$3.50
Northridge / Reseda	2,193,727	230,019	10.5%	42	(14,437)	0	0	0	\$2.60
Santa Clarita Valley	236,755	38,365	16.2%	3,637	5,095	0	0	0	\$2.10
Sherman Oaks	3,980,486	627,010	15.8%	(54,185)	(73,606)	0	0	0	\$2.77
Tarzana /Woodland Hills	3,612,466	812,190	22.5%	(14,469)	(88,025)	102,000	0	0	\$2.40
Universal / Studio City	2,133,790	112,778	5.3%	(4,222)	14,429	-	331,000	331,000	\$3.32
West SF Valley	7,796,865	1,890,387	24.2%	96,262	34,186	0	0	0	\$2.30
Warner Center	2,239,235	314,567	14.0%	20,752	63,136	0	0	0	\$2.11
<b>Total</b>	<b>76,431,538</b>	<b>13,661,768</b>	<b>17.9%</b>	<b>(171,775)</b>	<b>(798,097)</b>	<b>102,000</b>	<b>331,000</b>	<b>686,000</b>	<b>\$2.94</b>

Source: CoStar and Lee & Associates

## MARKET DEFINITIONS

### RENTABLE AREA

Includes all Class A, B and C multi-tenant and single-tenant office buildings of 10,000 square feet and greater. Excludes buildings under construction, planned or under renovation.

### DIRECT VACANCY

Space in existing buildings that is not occupied and is available for direct lease.

### TOTAL VACANCY

Space in existing buildings that is not occupied and is available for direct lease and/or sub-lease.

### TOTAL NET ABSORPTION

The square feet leased after deducting space vacated.

### DIRECT ASKING LEASE RATE

Calculated for direct available space using asking rents. Rents are weighted by total square feet available for direct lease.

### UNDER CONSTRUCTION

Buildings in the process of construction. A building is considered complete when issued a certificate of occupancy.

### MEDIAN SALE PRICE

Based on actual prices of sold buildings as reported in public records and by CoStar. Includes all office buildings 10,000 SF and more sold at \$500,000 or more.

## ABOUT LEE & ASSOCIATES

Lee & Associates offers an array of real estate services tailored to meet the needs of the company's clients, including commercial real estate brokerage, integrated services, and construction services. Established in 1979, Lee & Associates is now an international firm with 70+ offices throughout the United States and Canada. Our 1,300 professionals regularly collaborate to make sure they are providing their clients with the most advanced, up-to-date market technology and information. For the latest news from Lee & Associates, visit [lee-associates.com](http://lee-associates.com) or follow us on Facebook, LinkedIn, Twitter, and Link, our company blog.

Lee & Associates-LA North/Ventura, Inc. is a full service commercial brokerage company serving the San Fernando Valley, Conejo Valley, Simi Valley/Moorpark and Ventura County markets. Founded in 1994, Lee LA North/Ventura has grown to become one of the largest commercial brokerage companies in the Los Angeles North and Ventura regions with four offices and 48 agents.

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**LA NORTH OFFICE SUBMARKETS**

**Agoura Hills**

Agoura Hills, Oak Park

**Burbank**

Includes Burbank Airport submarket and the area East of Buena Vista and West of I-5; North to the city border and Vanowen on the South

**City Center**

Downtown Burbank

**Media District**

Burbank Media District

**Central Valley**

Arleta, Granada Hills, Mission Hills, Pacoima, Panorama City, San Fernando, Sun Valley, Sylmar, Van Nuys

**Calabasas**

**Chatsworth**

**Conejo Valley**

Newbury Park  
Thousand Oaks  
Westlake Village

**East SFV**

La Crescenta, Montrose, Sunland, Tujunga

**Encino**

**Glendale**

**North Hollywood**

**Northridge/Reseda**

**Sherman Oaks**

**Tarzana/Woodland Hills**

**Santa Clarita Valley**

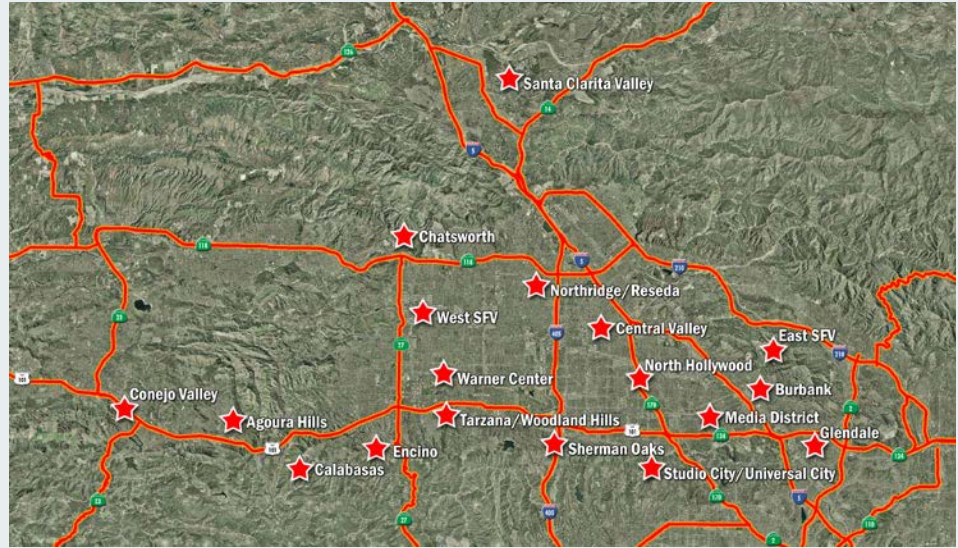
Canyon Country  
Newhall

**West SFV**

Canoga Park  
West Hills  
Winnetka

**Warner Center**

Universal City/Studio City



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