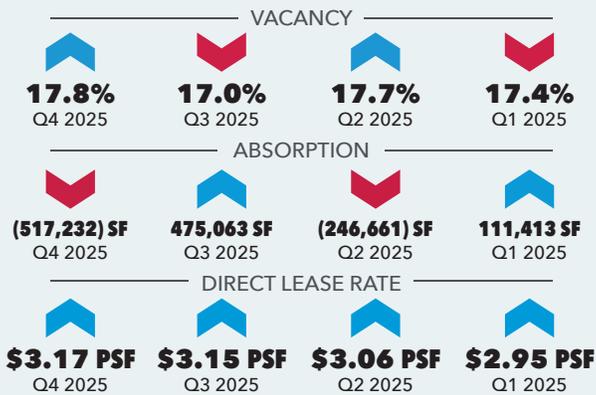




LA NORTH OFFICE MARKET REPORT

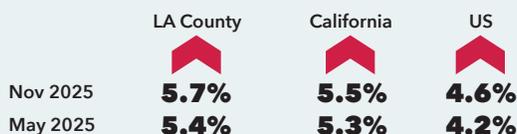
Market Indicators



Q4 Trends at a Glance



Unemployment Rate



Leasing Stays Active as Vacancy Rises

The Los Angeles North office market continues to exhibit mixed performance as active tenant demand persists alongside softening underlying fundamentals. Overall vacancy increased from 17.0% to 17.8% during the period, primarily driven by negative net absorption in several large submarkets, including Burbank Media Center, Westlake Village, and Woodland Hills. These submarkets experienced space givebacks and consolidations as tenants continued to reassess long-term space needs.

Despite rising vacancy, leasing activity remained relatively strong and well-distributed across the market. Notable leasing volume was recorded in Glendale, Westlake Village, Burbank City Center, and Encino, underscoring continued tenant engagement. Much of this activity reflects ongoing flight-to-quality and rightsizing strategies, as tenants favor newer or better-located assets while reducing overall footprints, rather than signaling a broad-based contraction in demand.

Importantly, the market remains insulated from additional supply pressure, as there is currently no new office construction underway and recent deliveries have been limited. As a result, near-term vacancy trends will be largely dependent on sustained leasing velocity and the market's ability to backfill existing availabilities, particularly within higher-quality assets.

RENTAL RATES



AVERAGE PER SF, PER MONTH

ABSORPTION



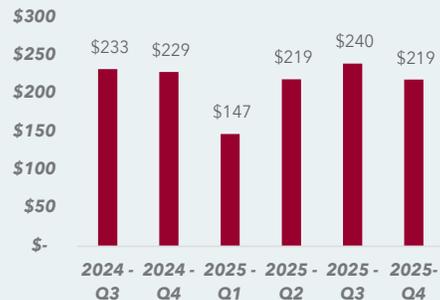
IN THOUSANDS OF SF

LEASING ACTIVITY

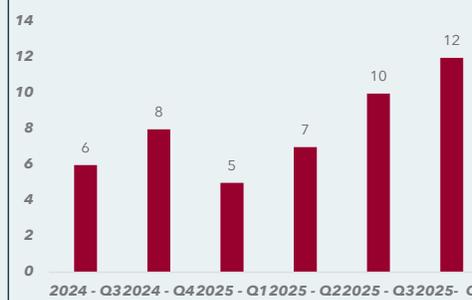


MILLIONS OF SF LEASED

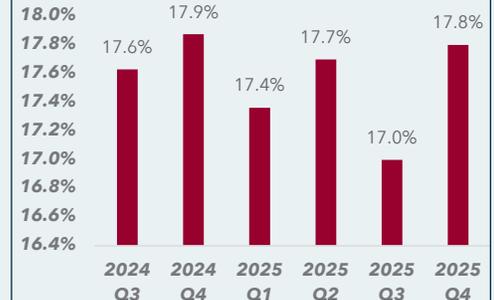
MEDIAN SALE PRICE



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
5550 Topanga Canyon Blvd* Woodland Hills, CA	62,241 SF	\$10,050,000 \$161.47 PSF	Dunya Properties Peregrine Realty Partners	Class A
2555 Townsgate Rd** Westlake Village, CA	46,866 SF	\$9,639,195 \$205.68 PSF	Atlantic Pearl Investments, Inc. Majestic Asset Management, Inc.	Class A
2535 Townsgate Rd** Westlake Village, CA	49,895 SF	\$9,610,805 \$192.92 PSF	Atlantic Pearl Investments, Inc. Majestic Asset Management, Inc.	Class A

*Lee & Associates Transaction; ** Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6301 Owensmouth Ave Woodland Hills, CA	251,774 SF	JPMorgan Chase & Co.	Farmers Insurance	Insurance & Finance
115 N. 1st St Burbank, CA	55,000 SF	Del Rey Properties	Concord Career Colleges	Educational Services

SUBMARKETS	TOTAL INVENTORY	TOTAL VACANCY		NET ABSORPTION		CONSTRUCTION			ASKING RATE
		TOTAL SF	%	Q4 2025	YTD 2025	UNDERWAY	COMPLETED		
							Q4 2025	YTD 2025	
Agoura Hills	1,980,787	495,894	25.0%	(99,240)	(125,793)	0	0	0	\$2.32
Burbank (Misc.)	2,368,643	778,605	32.9%	(66,728)	37,141	0	0	0	\$4.65
Burbank City Center	1,807,040	424,287	23.5%	22,163	18,786	0	0	0	\$3.43
Burbank Media Center	7,370,387	1,732,796	23.5%	(206,848)	(56,546)	0	0	0	\$4.52
Calabasas	3,302,615	297,755	9.0%	3,104	(73,530)	0	0	0	\$2.79
Central Valley	6,197,290	549,526	8.9%	21,825	(29,169)	0	0	0	\$2.63
Chatsworth	2,303,643	200,984	8.7%	(4,836)	52,650	0	0	0	\$2.49
Newbury / Thousand Oaks	4,068,135	498,606	12.3%	10,094	44,413	0	0	0	\$2.49
Westlake Village	5,175,902	1,258,865	24.3%	(187,875)	(149,956)	0	0	0	\$3.03
East SF Valley	351,750	25,881	7.4%	299	2,775	0	0	0	\$3.11
Encino	4,877,459	767,663	15.7%	37,609	(38,154)	0	0	0	\$2.75
Glendale	11,425,109	1,900,285	16.6%	48,593	311,237	0	0	0	\$3.26
North Hollywood	3,041,248	622,340	20.5%	(27,618)	(103,064)	0	0	0	\$3.64
Northridge / Reseda	2,239,931	223,007	10.0%	6,501	8,963	0	0	0	\$2.77
Santa Clarita Valley	236,755	41,313	17.4%	-	(4,376)	0	0	0	\$2.47
Sherman Oaks	4,067,270	532,820	13.1%	4,232	79,602	0	0	0	\$2.76
Tarzana	1,583,058	241,058	15.2%	(8,077)	(56,520)	0	0	0	\$2.67
Woodland Hills	2,080,517	697,432	33.5%	(16,722)	(56,294)	0	19,000	19,000	\$2.13
Universal / Studio City	2,463,816	154,107	6.3%	(52,336)	(47,532)	0	0	0	\$3.51
Warner Center	7,734,294	1,874,083	24.2%	(1,372)	67,598	0	0	0	\$2.60
Total	74,675,649	13,317,307	17.8%	(517,232)	(177,417)	0	19,000	19,000	\$3.17

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 or follow us on Facebook, LinkedIn, Twitter and our company blog, Link.

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 & Associates-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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