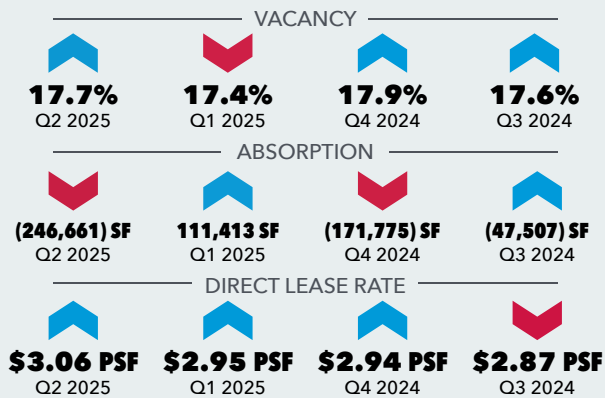


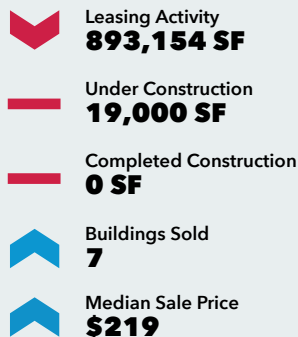
Q2

LA NORTH OFFICE MARKET REPORT

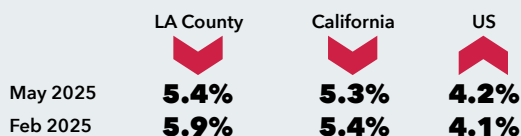
Market Indicators



Q2 Trends at a Glance



Unemployment Rate



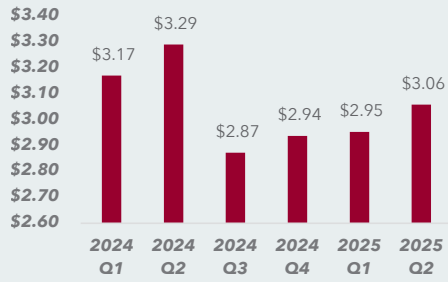
Office Market Adapts and Advances

The LA North office market showed modest signs of stabilization in Q2 2025. Vacancy rose slightly to 17.72%, but asking rents increased to \$3.06 per square foot per month. This rent growth highlights ongoing demand for well-located, high-quality office space, even as the broader market continues to adjust to evolving workplace dynamics.

Sales activity also picked up during the quarter, with average prices rebounding to \$285 per square foot—a sign of renewed investor interest and confidence in the region’s long-term potential. Meanwhile, construction activity remains subdued, with just 19,000 square feet underway. This limited pipeline reflects a cautious approach by developers, who are mindful of shifting demand trends and continued uncertainty around office usage patterns.

Looking ahead, the ongoing rise of hybrid work is reshaping the office landscape. Landlords and investors are increasingly exploring adaptive reuse and office-to-residential conversions as viable strategies to reposition underperforming assets. These initiatives not only respond to changing tenant needs but also present opportunities to revitalize aging office inventory and contribute to broader urban transformation. Overall, the market is showing early signs of resilience and adaptation.

RENTAL RATES



AVERAGE PER SF, PER MONTH

ABSORPTION



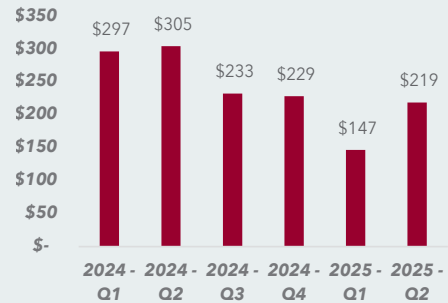
IN THOUSANDS OF SF

LEASING ACTIVITY

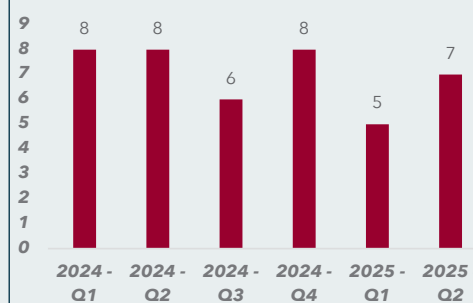


MILLIONS OF SF LEASED

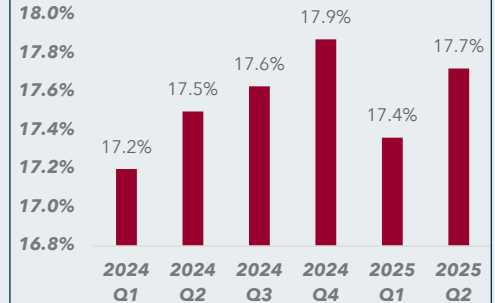
MEDIAN SALE PRICE



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
700 N. Central Ave Glendale, CA	136,576 SF	\$20,000,000 \$146.44 PSF	Wilshire Royale Hotel, Inc Harbor Associates	Class A
6725 Kester Ave Van Nuys, CA	26,910 SF	\$12,550,000 \$466.37 PSF	Lashon Academy Greg & Monika Malone	Class B
21731 Ventura Blvd Woodland Hills, CA	51,396 SF	\$7,900,000 \$153.71 PSF	Own 21731 Ventura Blvd LLC SBMC Valencia LP	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1 Baxter Way Westlake Village, CA	80,000 SF	Kennedy Wilson, Inc	Amerihome Mortgage	Finance and Insurance
611 N. Brand Blvd Glendale, CA	25,418 SF	Onni Group	Undisclosed	Undisclosed
611 N. Brand Blvd Glendale, CA	23,589 SF	Onni Group	Undisclosed	Undisclosed

Source: CoStar and Lee & Associates

SUBMARKETS	TOTAL INVENTORY	TOTAL VACANCY		NET ABSORPTION		CONSTRUCTION			ASKING RATE
		Total SF	%	Q2 2025	YTD 2025	Underway	COMPLETED		
							Q2 2025	YTD 2025	
Agoura Hills	1,976,059	395,221	20.0%	(42,064)	(23,540)	0	0	0	\$2.20
Burbank (Misc.)	2,457,484	729,320	29.7%	23,522	86,426	0	0	0	\$4.06
Burbank City Center	1,832,201	461,319	25.2%	(4,500)	(15,661)	0	0	0	\$3.31
Burbank Media Center	7,381,663	1,660,288	22.5%	(50,803)	6,561	0	0	0	\$4.58
Calabasas	3,303,806	329,680	10.0%	(14,652)	(95,983)	0	0	0	\$2.74
Central Valley	6,221,316	615,198	9.9%	(32,415)	(78,281)	0	0	0	\$2.34
Chatsworth	2,345,519	247,246	10.5%	3,173	9,518	0	0	0	\$2.41
Newbury / Thousand Oaks	4,156,627	574,631	13.8%	57,474	24,985	0	0	0	\$1.97
Westlake Village	5,183,467	1,160,188	22.4%	(44,705)	(44,705)	0	0	0	\$2.81
East SF Valley	338,014	25,083	7.4%	1,200	4,273	0	0	0	\$2.49
Encino	5,106,377	715,867	14.0%	(45,160)	5,416	0	0	0	\$2.74
Glendale	11,420,453	2,095,856	18.4%	(32,410)	120,823	0	0	0	\$3.22
North Hollywood	2,993,177	616,272	20.6%	(23,969)	(100,327)	0	0	0	\$3.48
Northridge / Reseda	2,193,727	219,126	10.0%	19,081	6,467	0	0	0	\$2.65
Santa Clarita Valley	236,755	41,313	17.4%	(1,520)	(2,948)	0	0	0	\$2.09
Sherman Oaks	4,022,748	525,908	13.1%	17,489	88,498	0	0	0	\$2.90
Tarzana	1,565,522	214,779	13.7%	(17,359)	(35,774)	19,000	0	0	\$2.80
Woodland Hills	2,063,934	661,158	32.0%	(28,905)	(28,905)	0	0	0	\$2.08
Universal / Studio City	2,473,979	104,921	4.2%	6,594	4,580	0	0	0	\$3.45
Warner Center	7,730,704	1,899,061	24.6%	(36,732)	(7,023)	0	0	0	\$2.58
Total	75,003,532	13,292,435	17.7%	(246,661)	(135,248)	19,000	0	0	\$3.06

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 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

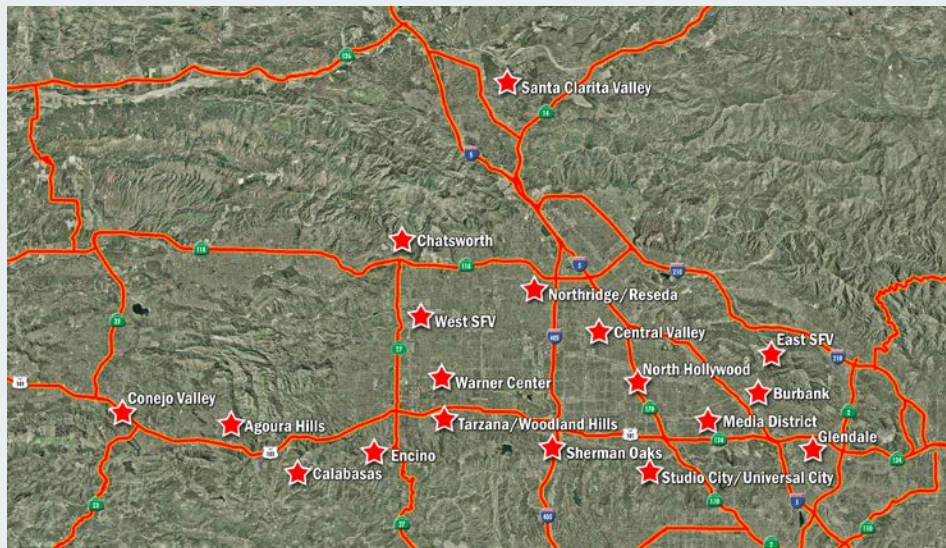
Tarzana/Woodland Hills

Santa Clarita Valley
Canyon Country
Newhall

West SFV
Canoga Park
West Hills
Winnetka

Warner Center

Universal City/Studio City



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