

# MIDQUARTER SNAPSHOT

## Office Q4 2020 Los Angeles Central/ Southeast



### MARKET ACTIVITY

### KEY TAKE AWAYS

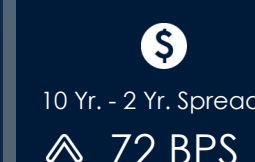
### ECONOMIC OUTLOOK

#### MARKET

- **Vacancy Rate:** Increased by 60 BPS to record high of 18.8% since Q3.
- **Net Absorption:** Is just above -500K SF halfway through Q4.
- **Sales:** No recorded sales yet in Q4.
- **Trends to Watch:** Due to COVID-19, most companies have been forced to implement work from home policies for their employees. If companies & employees find this arrangement successful, we could see a reduction in the amount of office space needed in the future.

#### ECONOMIC OUTLOOK

- **GDP:** Q3 finished at a historic growth rate of 33.1%.
- **Employment:** The unemployment rate continues to decline, but the employment situation is bleak for millions of Americans as thousands of business are permanently closing due to governmental mandated closures.
- **Economic Relief:** Is looking unlikely that another round of relief will pass in 2020. Congress will likely pass some sort of stimulus after the new administration & congress are sworn in January 2021.
- **Stability:** The completion of the Presidential election will likely add economic stability to the commercial real estate market.



EXPERIENCE IN A CHANGING MARKET

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