

# MIDQUARTER SNAPSHOT

## Office Q1 2021 Los Angeles County



### MARKET ACTIVITY

### KEY TAKE AWAYS

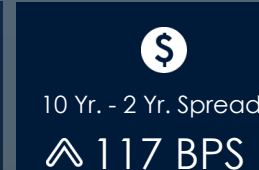
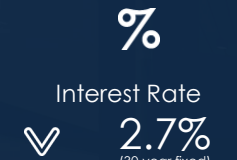
### ECONOMIC OUTLOOK

#### MARKET

- **Vacancy Rate:** Increased by 60 BPS to 17.5% in Q1.
- **Net Absorption:** Has totaled -1.4M SF so far in Q1.
- **Office Supply:** Construction activity continues to rise with now over 8M SF under construction.
- **Sales:** The Sony Pictures Animation Campus in Culver City sold for \$165M in Q1.
- **Trends:** The impact of COVID-19 has already begun to transpire. This market will face challenges when companies begin to reduce their space requirements due to permanent work from home policies.

#### ECONOMIC OUTLOOK

- **GDP:** Q4 estimates show a growth rate of 4.0%.
- **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:** Congress and the new administration have proposed a \$1.9T stimulus package. Analyst predict some stimulus will be passed in March.
- **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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