

GLOBAL SPOTLIGHT

Los Angeles, California



Although best-known as the center of the world's entertainment industry, the Los Angeles economy is also driven by international trade, aerospace, technology, petroleum, fashion and tourism.

- The economy in Los Angeles County is large (the second largest in the nation, following New York), highly diversified and growing by approximately 50,000 jobs per year.
- Growth in demand for space is projected to remain very strong from companies involved in international trade, as well as from companies in entertainment and professional services. Retailers also are eagerly looking for ways to expand in this large and rapidly growing market.
- Industrial space users have found that they have to increasingly rely on creative ways to meet their space requirements, including running multiple shifts, longer hours, just-in-time delivery and use of remote facilities.
- Construction activity has picked up for all product types but industrial, but still remains at moderate levels. Vacant land south of the San Gabriel Mountains has finally run out. While some recycling of older urban parcels is underway, this process is slow and expensive, and is not resulting in enough new construction to offset the growth in demand.
- Diversification within this market and the projected tight market conditions make Los Angeles County highly attractive to institutional investors. Sales activity in properties \$20 million or greater remains strong.

Los Angeles At A Glance

Population	9,980,000
Location	Largest city in the state of California
Interest	4.63% (US 10yr Treasury Note)
Unemployment	4.9%

Property	Rent/SF/Month Low	High	Effective Avg.
Class A Office	\$2.00	\$5.80	\$2.69
Industrial Warehouse	\$.50	\$.80	\$.66
Retail Neighborhood Service Centers	\$1.25	\$4.50	\$2.52

NAI Capital has 16 full service commercial real estate brokerage offices serving the greater Los Angeles Marketplace: Los Angeles, Orange, Riverside, San Bernardino, Ventura and South Kern (Bakersfield) Counties.

About NAI Global:

NAI Global is one of the world's leading providers of commercial real estate services. We bring together people and resources wherever needed to deliver outstanding results for our clients.

At A Glance

375	Offices
55	Countries
8,000	Professionals
\$45 billion	Annual Transaction Volume
250	MSF of Property Management

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