

# LOS ANGELES OFFICE MARKET

Yardi® Matrix

## Market Analysis

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Aggregated and anonymized  
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## City of Angels Continues to Soar



Los Angeles has long been known as the capital of the entertainment industry, but a burgeoning market for tech, engineering and financial firms has driven robust demand for office space. As one of the largest markets in the country, Los Angeles includes nearly 254 million square feet of office inventory, split relatively evenly between Class A and Class B space.

**70,800 jobs were added** in the 12 months ending in March. Employment in the metro increased 1.4% year-over-year, slightly below the 1.6% national growth rate. Leading employment gains were the education and health services sector—which added 31,300 jobs year-over-year, an increase of 4.1%—and the leisure and hospitality sector, which added 13,100 jobs.

Leasing activity and lease rate growth are strong, especially in the entertainment-centric submarkets of **Beverly Hills, Century City and West Hollywood**. Elsewhere, Santa Monica boasts high lease rates, while **25% of all available space** lies in the **central business district (CBD)**.

Development activity is robust, as roughly **9 million square feet is currently under construction**. A reinvigorated CBD as well as adaptive reuse projects in the north and east submarkets are driving development activity in many different areas of Los Angeles.

**Transactions neared \$7 billion** in the 12 months ending in April, with both foreign and domestic investors active. More affordable space helped propel transactions in the Jefferson Corridor, the San Fernando Valley and Glendale.