

A low-angle, upward-looking photograph of a modern building's exterior. The building features a curved glass facade that reflects the sky and surrounding structures. A prominent, curved architectural element, possibly a balcony or walkway, runs diagonally across the frame. To the left, the fronds of a palm tree are visible against the building's facade. The overall color palette is dominated by deep blues, purples, and oranges, suggesting a sunset or sunrise setting. The text is overlaid in the center-right portion of the image.

DT | 20
LB | 23

Q2 SNAPSHOT
OFFICE

180

ABOUT

Downtown Long Beach's (DTLB) first Business Improvement District (BID) was the Downtown Parking & Business Improvement Area (DPBIA) established in 1973 by business owners, while the second BID, the Property-Based Improvement District (PBID) was established in 1998 by commercial property owners and expanded to residential property owners in 2013. The Downtown Long Beach Alliance (DLBA) manages both BIDs, which has resulted in a more connected, safer, and vibrant DTLB. DLBA is a non-profit community-based organization whose mission is to cultivate, preserve, and promote a healthy, safe, and prosperous Downtown. By balancing the interests of residents, as well as businesses, DLBA creates tangible progress by way of vested interest and solidified partnerships across local, municipal and commercial lines.



Property Based Improvement District (PBID) & Downtown core boundary



Downtown Parking Business Improvement Area (PBIA)



Congressman Robert Garcia tours DTLB, May 2023

Photo by Jose Cordon

SOURCES/ METHODOLOGY

REAL ESTATE DATA

Information regarding the depth and breadth of Downtown's office market is collected from CoStar, a leading provider of commercial real estate information, analytics, and online marketplaces. CoStar data is comprehensive but may not capture the full real estate market.

VISITOR COUNTS & DAYTIME ACTIVITY

Data measuring visitor, resident, and employer traffic in Downtown was collected through Placer.ai, a contracted software company aggregating mobile location data.

WEEKLY OFFICE OCCUPANCY

Data tracking office occupancy via keycard swipes was collected from Kastle Systems. Swipe data measures occupancy only for properties using Kastle Systems and may not be wholly accurate for all Downtown offices.

LOCAL WORKFORCE DATA

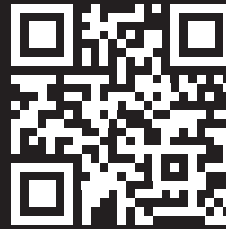
Information on workforce trends and origin/destination statistics was collected from the US Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) program.

DOWNTOWN LONG BEACH OFFICE WORKER SURVEY

Data on Downtown office worker behavior and preference was collected via survey by UCLA's Global Research and Consulting Group, a student-led research organization.

LOOKING TO INVEST IN DTLB?

Visit downtownlongbeach.org/invest for more economic resources or email stephaniee@dlba.org.



DLBA Market &
Economic Reports



Enjoying outdoor amenity space at newly completed 180 E. Ocen Blvd.

Photo by Sarahi Apaez

OFFICE MARKET UPDATE

◆ 2020 Leasing Volume = 189,275 SF
2022 Leasing Volume = 426,527 SF

*SF = Square Footage

As Q2 2023 concludes, the commercial office market in Downtown Long Beach continues to feel the market pressures from post-pandemic uncertainties. Total vacancies peaked at an all-time high of 24%, reflecting an average occupancy rate of 66%. These trends began in Q1 2020 and are predicted to continue through Q4 2023. While office occupancies continue to decline pre-pandemic levels, office vacancies do provide new opportunities for repositioning of assets, such as adaptive re-use projects for housing, innovative academic spaces for colleges and universities and creative collaborative spaces for arts and entertainment.

DTLB OFFICE MARKET OVERVIEW

Q2 2023

TOTAL INVENTORY (SF)	5,323,250
OCCUPANCY (%)	66%
VACANCY (%)	24.60%
YTD NET ABSORPTION (SF)	-180,933
AVG RENT (\$/SF)	\$2.50
12-MONTH RENT CHANGE (%)	-2.34%

Source: CoStar 2023

REGIONAL BENCHMARKS	AVG RENT (\$/SF)	12-MONTH RENT CHANGE (%)	OCCUPANCY (%)
TORRANCE	\$2.97	3.48%	90.00%
IRVINE	\$2.64	-2.58%	84.20%
LONG BEACH	\$2.50	-2.34%	82.90%
SAN PEDRO	\$2.74	1.85%	82.00%
DOWNTOWN LOS ANGELES	\$3.05	-3.17%	81.30%
EL SEGUNDO	\$3.94	-1.50%	80.90%
DOWNTOWN SANTA MONICA	\$4.65	-2.51%	76.60%
DOWNTOWN LONG BEACH	\$2.50	-2.34%	66.00%

Source: CoStar 2023

"WHILE WE'VE SEEN OCCUPANCY AND USE LEVELS REDUCE THROUGH THE COVID YEARS, DOWNTOWN LONG BEACH APPEARS TO BE BOUNCING BACK IN 2023. THIS YEAR WE'VE SEEN A SIGNIFICANT INCREASE IN SMALL OFFICE REQUIREMENTS (1,000-5,000 SF), RENTAL RATES ARE HOLDING FAIRLY SOLID AND OCCUPANCY IS RISING IN MOST VIABLE OFFICE BUILDINGS.



WE'RE CURRENTLY BUSY WORKING ON OVER 50,000 SF OF NEW OFFICE LEASES AND ARE OPTIMISTIC FOR THE FUTURE OF DOWNTOWN'S OFFICE MARKET."

- Toliver Morris, William Morris Commercial

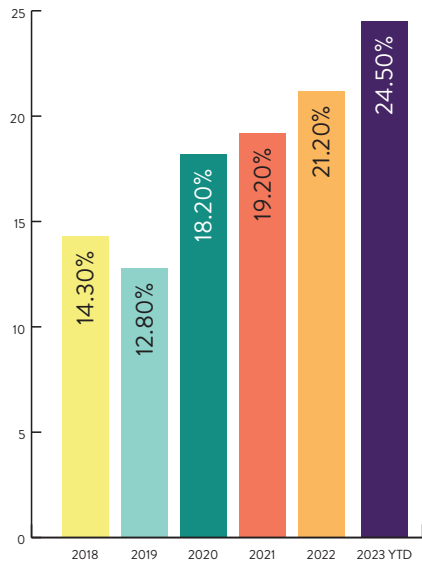
The Downtown market continues to experience negative quarterly and year-to-date net absorption (the sum of the total spaces leased or constructed minus any spaces vacated or demolished). With very few new offices constructed and no spaces demolished, a net decrease in space indicates that more office space was vacated than leased. However, large scale office building renovations such as 180 E Ocean, and 200 Pine Ave., totaling \$32M in investments, and newly opened community workspaces, point to market adaptations in response to changing office arrangements.

MARKET TRENDS

These graphs visualize 5-year trends for total net absorption, average asking rate, total vacancy rate, and leasing activity. YTD CoStar data is subject to change with updates.

VACANY RATE (%)

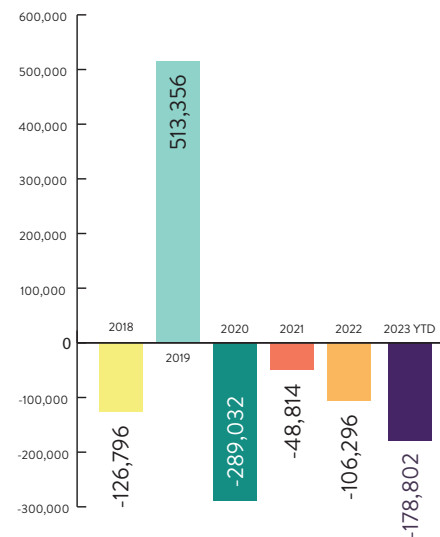
Office supply and demand imbalances have been prolonged by higher interest rates and forecasted slower economic growth.



Source: CoStar, 2023

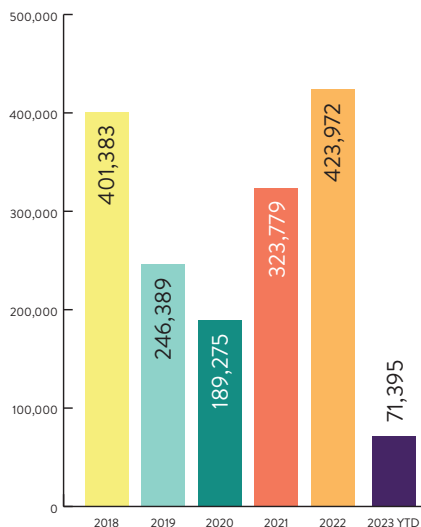
NET ABSORPTION

The impact of higher interest rates has caused increased risk aversion among investors. Investor acquisitions over the 12 months (Q4 2022) have waned somewhat compared to the previous 12-month acquisitions (Q4 2021), although the investment volume is still greater than pre-pandemic level.



Source: CoStar, 2023

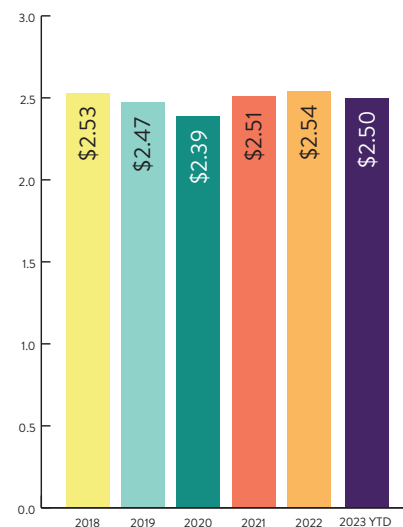
LEASING VOLUME (SF)



Source: CoStar, 2023

GROSS RENT

As office requirements continue to be tailored to accommodate hybrid work schedules, average rent prices, as well as the average square footage of lease sizes continue to decrease.



Source: CoStar, 2023

DOWNTOWN LONG BEACH ACTIVITY

UCLA GRC OFFICE WORKER SURVEY

- ◆ 17.4% of respondents report that childcare is a significant factor in WFH preferences.
- ◆ 21.7% of respondents report that petcare is a significant factor in WFH preferences.
- ◆ 56.5% of people are mostly interested in food and drink when visiting DTLB: Revealed office worker preferences for food, drinks, and entertainment helps to inform DLBA event organizing.

Visitor activity in Downtown Long Beach has consistently increased towards pre-pandemic levels, with May 2023 visits topping nearly **2.3 million**. This was only 10% lower than May 2019 visits, and nearly triple May 2020 visits. With pandemic restrictions on businesses removed and the revival of in-person events such as Taste of Downtown, Beach Streets and Long Beach Pride, Summer 2023 visitor activity is expected to continue its growth trend.

UCLA External Affairs of Global Research and Consulting Group conducted an online survey of DTLB office workers. In addition to office work experiences and preferences, DTLB employees indicated that they primarily visit DTLB for the food and beverage-related events and activations and want more grocery options. Interestingly, childcare had little impact on DTLB office workers' desire to work in office, virtually, or in a hybrid arrangement.



Brokers by the Beach mixer, 2023

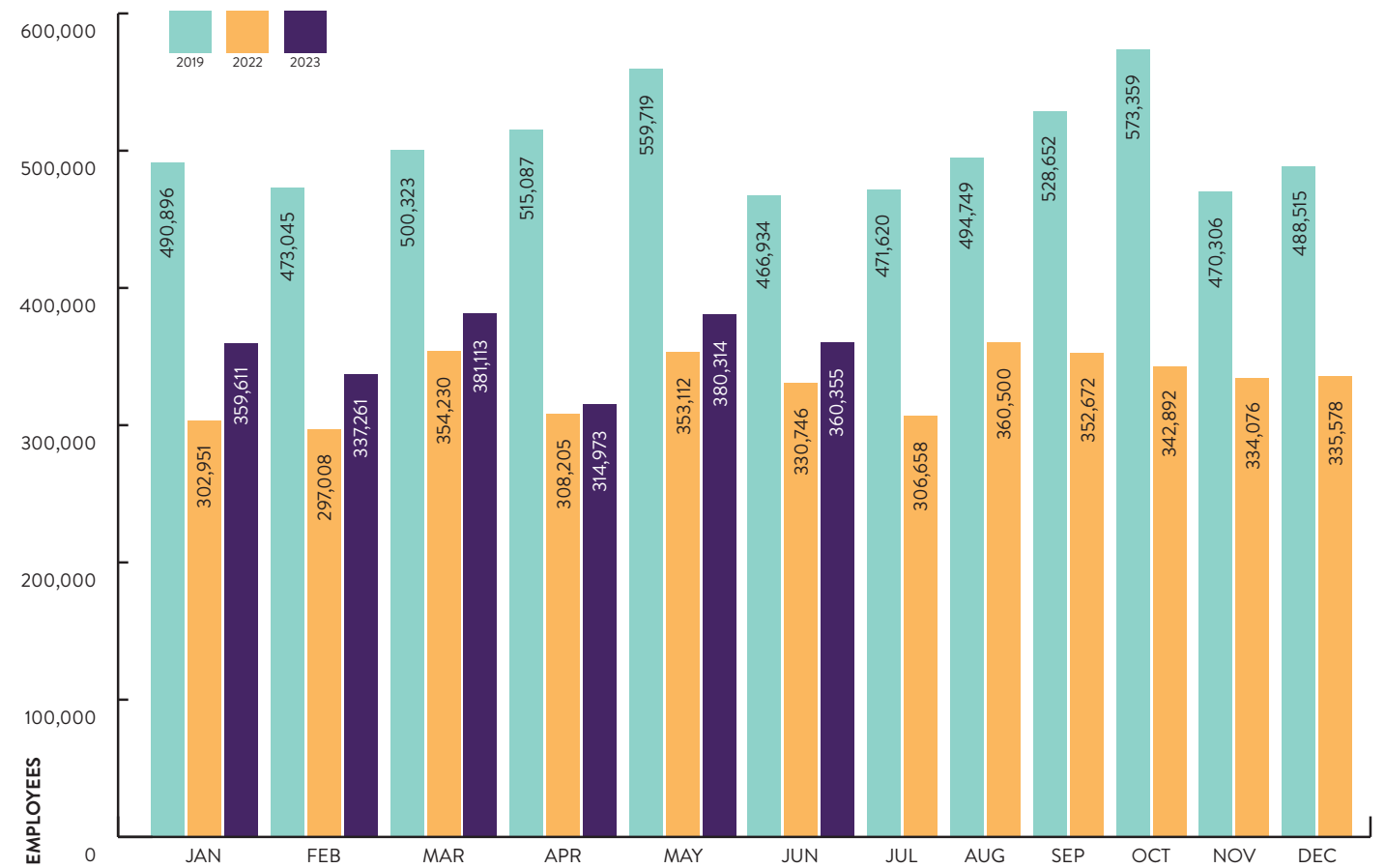
Photo by Sarahi Apaez



Beach Streets, 2023

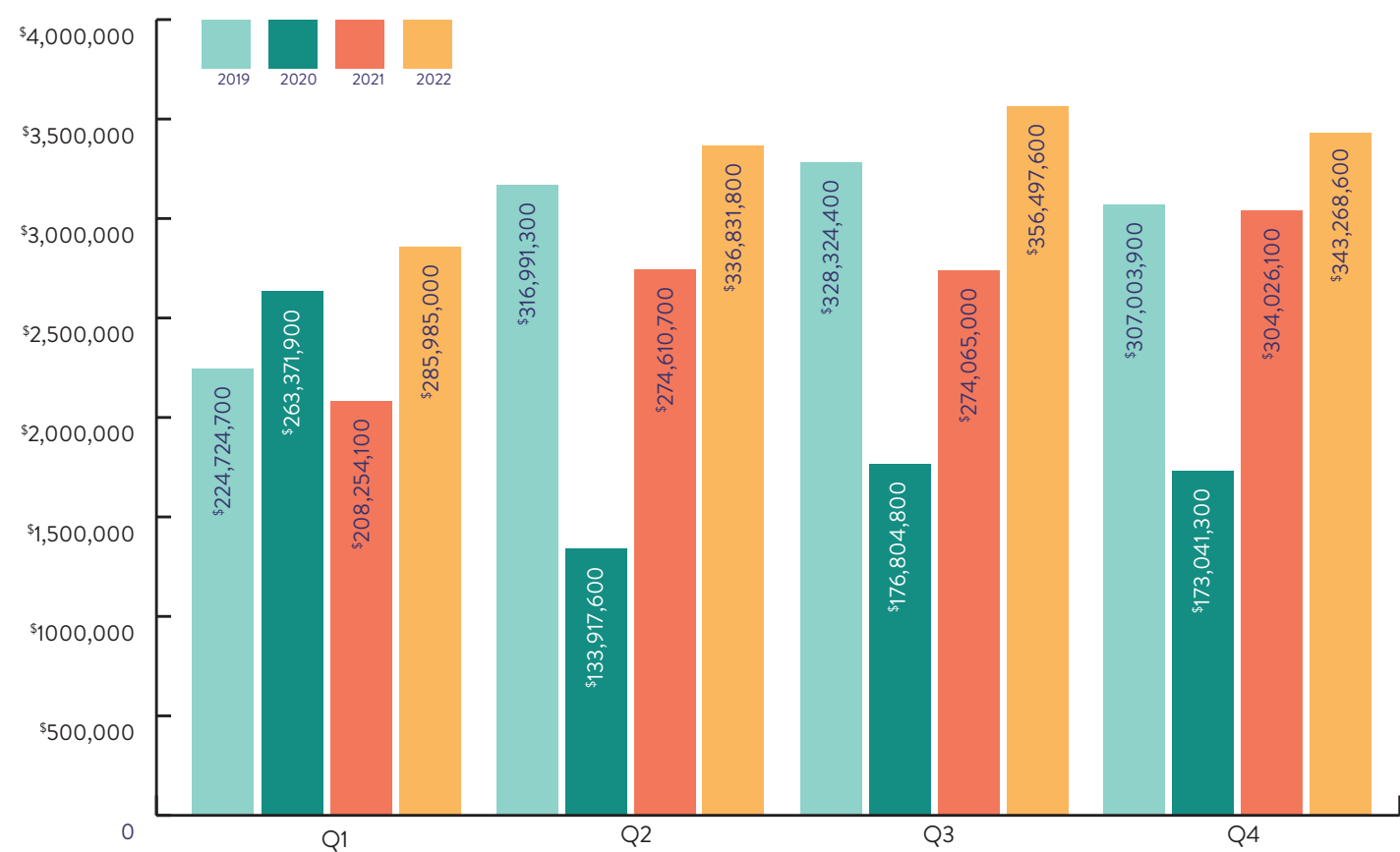
Photo by Sarahi Apaez

WEEKDAY EMPLOYEE VISITS, 2019 – 2023 (Q2)
 Weekday Employee Visits, (Pre-COVID) 2019 vs. 2022 & 2023



Source: Placer.ai 2023

DTLB GROSS RETAIL SALES, 2019 TO 2022



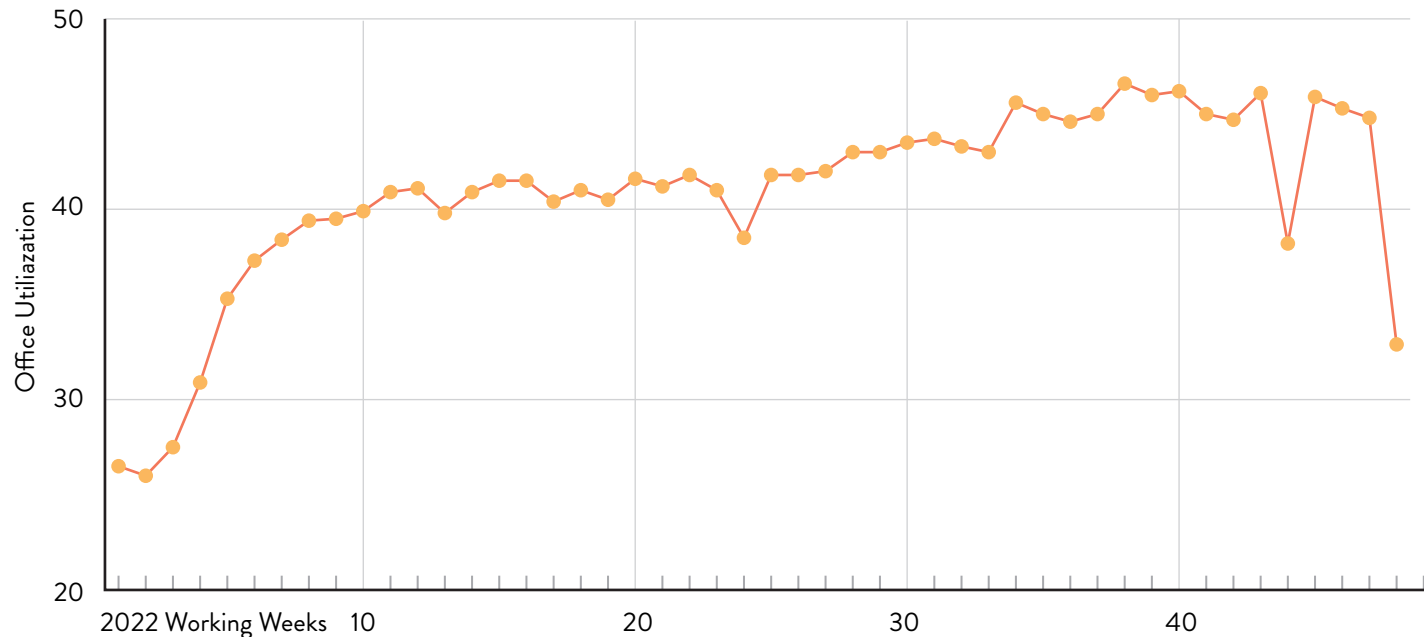
Source: City of Long Beach Economic Development Department 2023

KASTLE SYSTEMS OFFICE OCCUPANCY

Kastle Systems is a prominent office property security company operating around the globe. By using aggregated keycard swipe in/swipe-out data on office properties, Kastle can provide an estimate of overall

office occupancy for the Los Angeles Metro area. In June 2023, office utilization sat at 42% occupancy, which was an increase from 25% in June 2021 but still vastly below pre-pandemic levels of 98%.

WEEKLY-OFFICE OFFICE OCCUPANCY 2022: LOS ANGELES METRO AREA



Source: Kastle Systems 2023

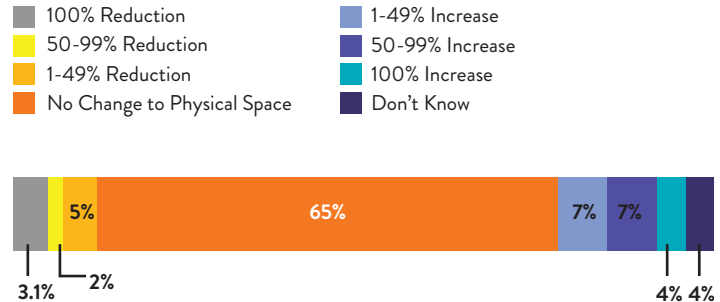
WORKFORCE TRENDS

There are approximately 27,000 jobs in the 1.38 miles of DTLB. Of which, professional services and food, beverage, and hospitality industries have the highest job share. Majority of these workers (46.3%), including those within an office facility, commute from less than 10 miles away, as fewer than 2% of DTLB employees are also residents.

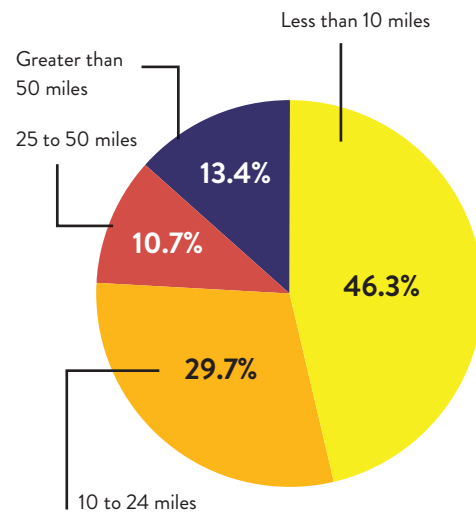
DTLB RETURN TO WORK SURVEY DATA

DLBA's 2022 survey of Downtown businesses revealed that 65% of surveyed office sector employers are planning to maintain their current amount of leased space in the coming year, compared to 16% saying they planned to decrease space. Although employers may choose to maintain leased space, many may still impose a hybrid work schedule allowing employees to work remotely.

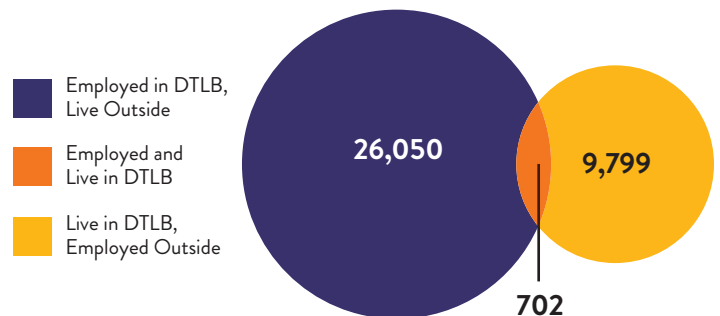
EXPECTED CHANGE IN WORKSPACE OVER THE NEXT 12 MONTHS, OFFICE INDUSTRY SECTORS



JOBS BY DISTANCE 2020 DTLB WORK CENSUS BLOCK TO HOME CENSUS BLOCK



INFLOW/OUTFLOW JOB COUNTS IN 2020

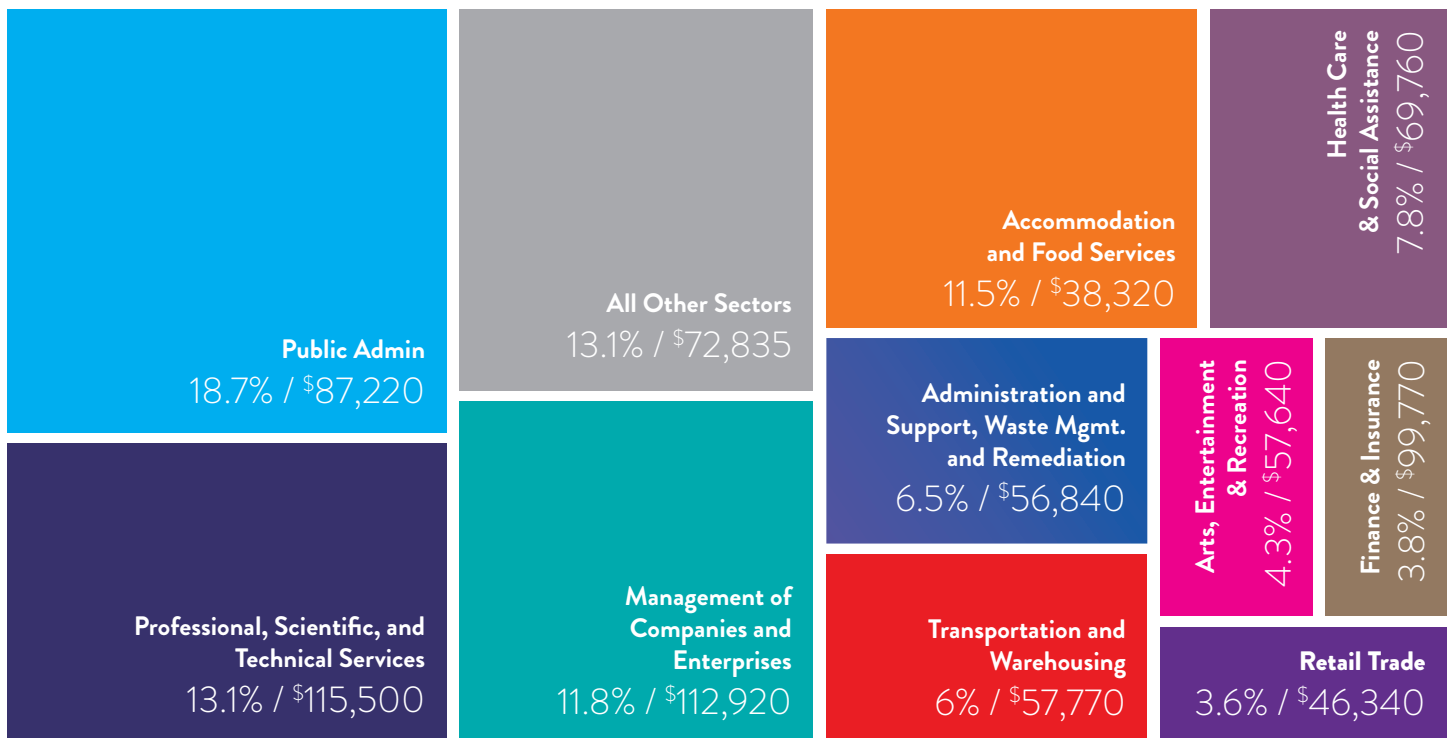


Source: US Census LEHD 2020



Work Evolution, 2023

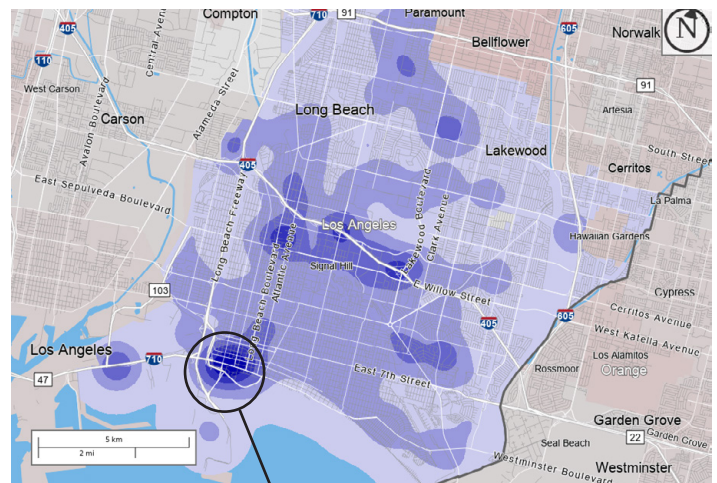
DTLB JOBS BY NAICS INDUSTRY SECTOR 2020 (PERCENTAGE / AVG. WAGE IN 2022)



Source: US Census LEHD 2020, BLS OEWS 2022

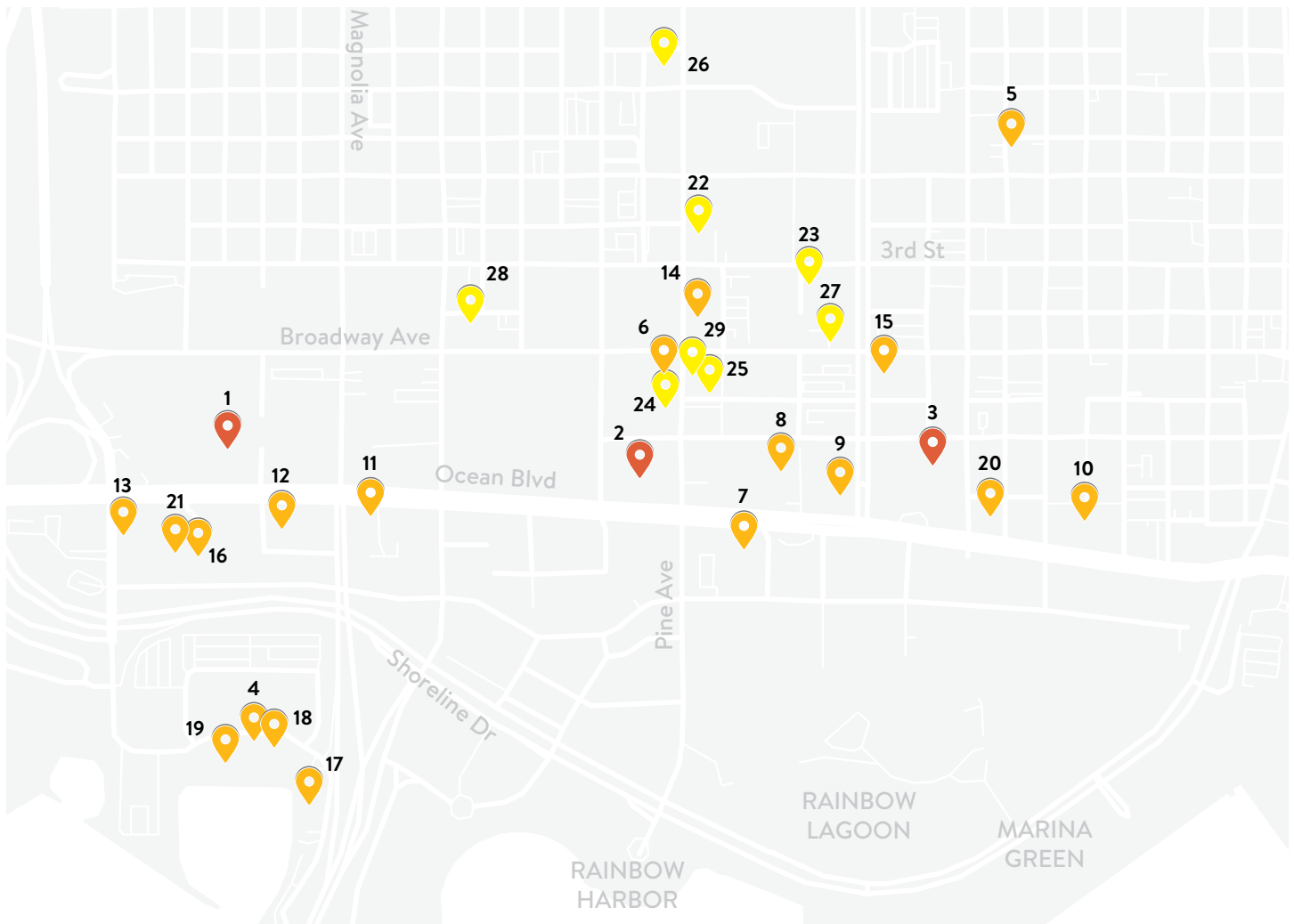
“As we enter a new age of hybrid/remote work, the human and social connection provided by cowork spaces becomes infinitely more valuable. While digital connectivity is great, nothing is the same as real life. Our creative community is truly diverse in every sense of the word, and that diversity is the core of our strength. It inspires us all on a daily basis and creates bonds that foster collaboration, allowing our members to learn from each other and be far more successful than any of us would be alone.”

– Ted Sieving, Work Evolution



source: US Census LEHD 2020

One of Downtown's Census Blocks contains 9.5% of all jobs in the Long Beach/Lakewood/Signal Hill area (approximately 18,000 jobs)

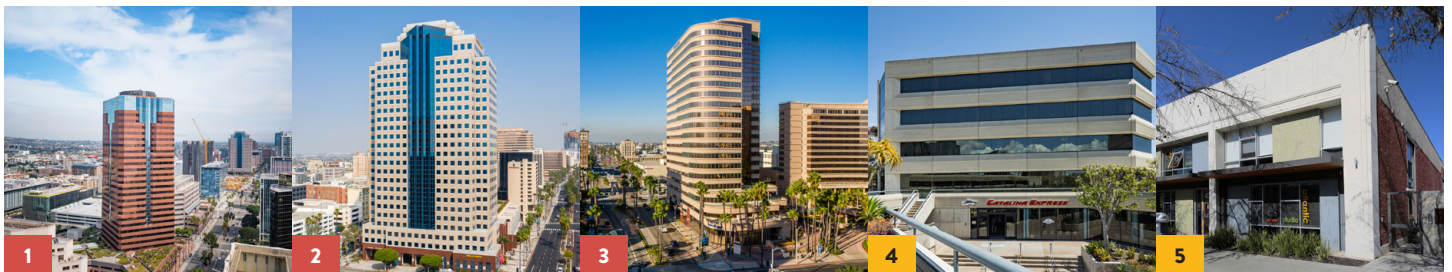


DTLB OFFICE SPACE AVAILABILITY

Building Class A Building Class B Building Class C

MAP ID	PROPERTY NAME / ADDRESS	AVERAGE WEIGHTED RENT (\$/SF)	RBA (SF)	TOTAL OCCUPIED (SF)	TOTAL OCCUPIED (%)	TOTAL AVAILABLE SPACE (SF)	DIRECT AVAILABLE SPACE (SF)	SUBLET AVAILABLE SPACE (SF)	YEAR BUILT	YEAR RENOVATED
1	One World Trade Center 1 World Trade Ctr	\$2.98	574,981	380,356	66.2%	194,625	154,591	39,649	1989	
2	Landmark Square 111 W Ocean Blvd	-	463,123	192,927	41.7%	270,196	205,646	59,550	1991	
3	Shoreline Square Tower 301 E Ocean Blvd	\$2.23	389,492	282,878	72.6%	106,614	85,528	21,086	1988	
TOTAL/AVERAGE		\$2.61	1,427,596	856,161	60.2%	571,435	445,765	120,285		

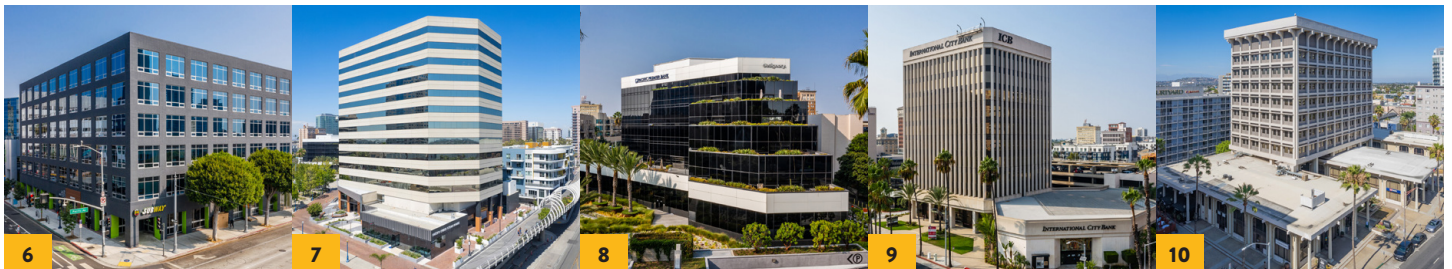
Source: CoStar 2023



DTLB OFFICE SPACE AVAILABILITY

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4	Catalina Landing 3 330 Golden Shore	\$2.95	98,666	54,964	55.7%	43,702	43,702	-	1984	
5	East Village Creative Offices 425 E 4th St	\$2.67	19,000	18,062	95.1%	938	938	-	2009	
6	The Hubb - Creative 100 W Broadway	\$2.99	216,428	159,816	73.8%	56,612	44,933	-	1985	2017
7	180 E. Ocean Blvd.	\$1.00	212,639	66,299	31.2%	146,340	143,093	3,247	1984	2022
8	211 OCEAN 180 E Ocean Blvd	\$2.88	101,656	93,227	91.7%	8,429	5,393	3,036	1982	2000
9	249 Ocean 249 E Ocean Blvd	\$2.49	115,521	90,993	78.8%	24,528	24,528	-	1979	2021
10	"555" 555 E Ocean Blvd	\$2.07	138,592	90,076	65.0%	48,516	48,516	-	1968	2002
11	444 W Ocean Building 444 W Ocean Blvd	\$2.14	186,439	119,218	63.9%	67,221	53,579	11,842	1968	
12	Oceangate Tower 100 Oceangate St	\$2.55	230,782	154,407	66.9%	76,375	52,122	22,753	1971	
13	Union Bank Building 400 Oceangate	\$1.82	157,683	115,570	73.3%	42,113	33,496	8,617	1975	1990
14	200 Pine Ave	\$2.56	65,909	48,405	73.4%	17,504	17,504	-	1968	2022
15	Bank of America 150 Long Beach Blvd	-	49,436	39,296	79.5%	10,140	10,140	-	1981	
16	Molina Center 2 300 Oceangate	-	230,631	189,744	82.3%	40,887	-	40,887	1983	
17	Catalina Landing 1 310 Golden Shore	\$2.95	63,736	31,917	50.1%	31,819	31,819	-	1984	
18	Catalina Landing 2 320 Golden Shore	\$2.95	53,832	15,456	28.7%	38,376	38,376	-	1984	
19	Catalina Landing 4 340 Golden Shore	\$2.95	56,270	38,446	68.3%	17,824	17,824	-	1984	
20	401 E Ocean Blvd	\$1.85	134,773	68,155	50.6%	66,618	66,618	-	1983	1996
21	Molina Center 1 200 Oceangate	\$1.85	134,773	68,155	50.6%	66,618	66,618	-	1983	1996
TOTAL/AVERAGE		\$2.45	2,335,523	1,394,051	53.7%	941,472	833,611	90,382		

Source: CoStar 2023

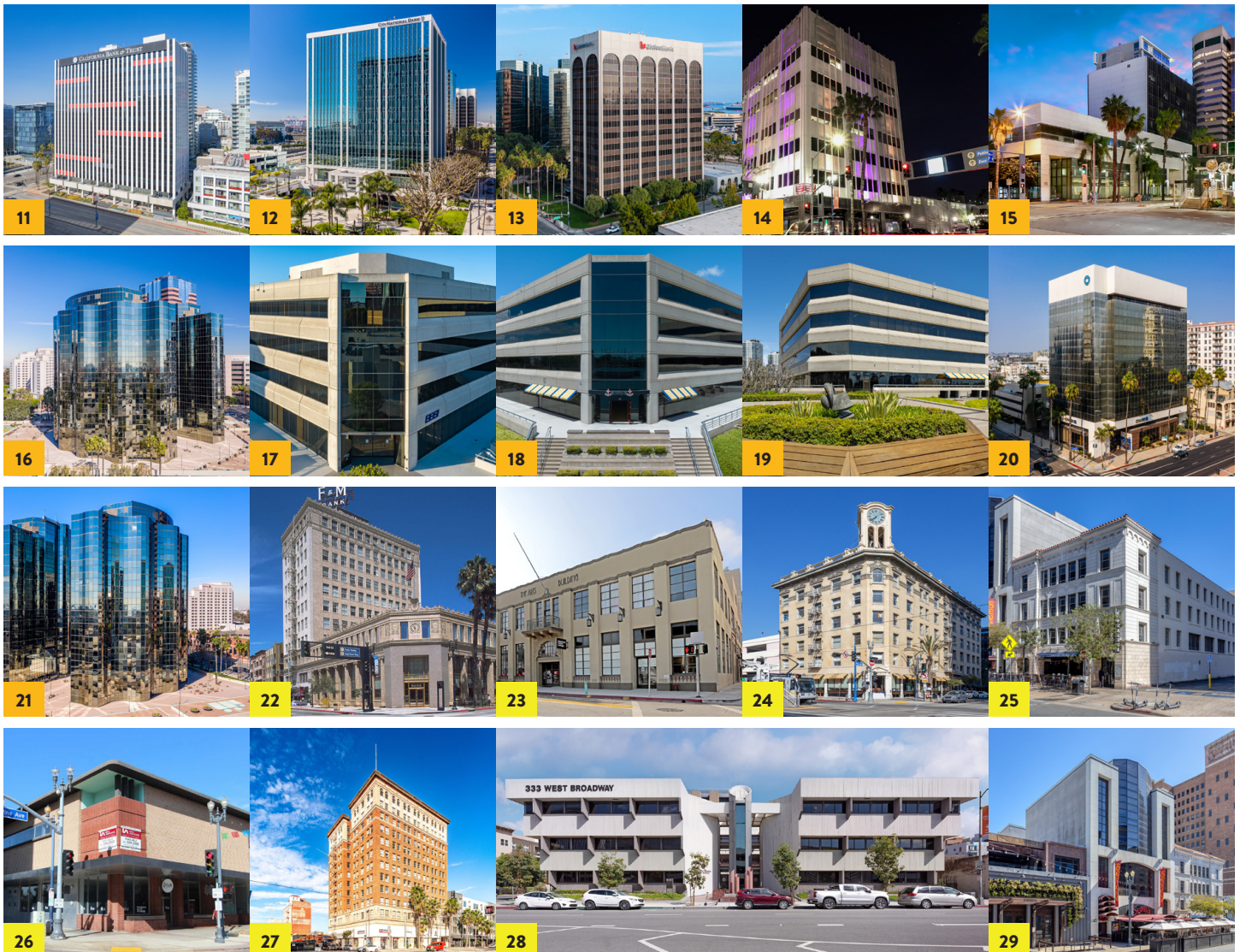


DTLB OFFICE SPACE AVAILABILITY

■ Building Class A
 ■ Building Class B
 ■ Building Class C

MAP ID	PROPERTY NAME / ADDRESS	AVERAGE WEIGHTED RENT (\$/SF)	RBA (SF)	TOTAL OCCUPIED (SF)	TOTAL OCCUPIED (%)	TOTAL AVAILABLE SPACE (SF)	DIRECT AVAILABLE SPACE (SF)	SUBLET AVAILABLE SPACE (SF)	YEAR BUILT	YEAR RENOVATED
22	F&M Tower 320 Pine Ave	\$2.20	52,000	38,079	73.2%	13,921	13,921	-	1923	1988
23	The Arts Bldg 230-236 E 3rd St	\$1.59	38,410	27,500	71.6%	10,910	10,910	-	1930	2012
24	L'Opera Building 115 Pine Ave	\$1.78	67,000	44,595	66.6%	22,405	22,405	-	1906	1989
25	The Loft Bldg 130 Pine Ave	\$1.98	26,333	22,600	85.8%	3,733	3,733	-	1923	2000
26	501-515 Pine Ave	\$1.95	33,462	16,102	48.1%	17,360	17,360	-	1948	
27	Pacific Tower 235-247 E Broadway	\$1.45	106,754	105,045	98.4%	1,709	-	1,709	1923	2002
28	Seaspray Gardens 333 W. Broadway	-	33,000	33,000	100.0%	0	0	0	1983	
29	The Loft Bldg 136-140 Pine Ave.	\$1.95	26,333	24,933	94.6%	1,400	1400	0	1923	2000
TOTAL/AVERAGE		\$1.84	325,209	253,921	63.4%	71,288	69,579	1,709		

Source: CoStar 2023



DTLB RESIDENTIAL MARKET SURVEY: PROPERTIES BUILT SINCE 2000

PROPERTY ADDRESS	PROPERTY NAME	YEAR BUILT	OCCU-PANCY (%)	AVG ASKING RENT (\$/SF)	TOTAL UNITS	#OF STU-DIOS	# OF 1 BR	# OF 2 BR	#OF 3 BR
330 E 3rd St	Onni East Village	2023	23.20	\$4.36	432	54	213	162	3
500 W Broadway	The Magnolia	2022	96.5	\$3.72	142	46	68	23	5
200 W Ocean Blvd	200 West Ocean	2022	70.2	\$5.13	106	35	41	29	1
495 N Promenade	Promenade 495 N	2022	92.5	\$2.89	20	-	15	4	1
777 E Ocean Blvd	Shoreline Gateway	2021	89.2	\$4.16	315	17	174	124	-
635 Pine Ave	Volta on Pine	2021	92.7	\$3.35	271	154	33	66	18
101 Alamos Ave	The Alamos	2020	88.4	\$3.19	136	6	116	14	-
230 W 3rd St	The Pacific	2020	90.2	\$3.19	163	27	96	40	-
207 Seaside Way	The Crest	2020	87.0	\$3.72	112	23	68	21	-
434 E 4th St	The Linden	2019	88.7	\$3.25	49	-	30	19	-
245 W Broadway	AMLI Park Broadway	2019	92.3	\$3.77	222	29	143	50	-
150 W Ocean Blvd	Oceanaire	2019	98.4	\$3.43	216	34	94	80	8
442 W Ocean Blvd	Burano	2018	95.7	\$3.56	94	36	28	30	-
100 Long Beach Blvd	The Edison	2016	92.3	\$3.24	156	48	56	52	-
137 W 6th St	Tech Coast Lofts	2016	96.2	-	10	-	1	9	-
707 E Ocean Blvd	The Current	2016	97.3	\$3.73	223	30	149	44	-
431 E 6th St	Bella Mare 6th Street Lofts	2015	80.6	\$2.94	30	9	15	6	-
421 W Broadway	IMT Gallery 421	2010	97.3	\$2.98	291	-	164	127	-
225 Long Beach Blvd	210 Third Lofts	2008	96.2	\$3.02	104	-	62	42	-
745 W 3rd St	Puerto Del Sol	2007	99.4	\$0.81	64	-	-	37	16
40 Cedar Walk	Camden Harbor View	2003	95.1	\$3.11	547	-	204	343	-
626 Locust Ave		2003	97.2	-	5	-	5	-	-
404 Pine Ave	Griffis Pine Avenue	2003	96.4	\$3.43	221	6	114	101	-

Source: CoStar 2023

DTLB RETAIL SPACE SURVEY

PROPERTY ADDRESS	PROPERTY NAME	YEAR BUILT	PROPERTY TYPE	TOTAL AVAIL- ABLE SPACE (SF)	SMALLEST AVAILABLE SPACE (SF)	AVERAGE WEIGHTED RENT (\$/SF)
434 E 4th St	The Linden	2019	Multi-Family	2,522	2,522	\$3.00
101 Alamitos Ave	The Alamitos	2020	Multi-Family	2,549	2,549	\$2.75
421 W Broadway	IMT Gallery 421	2010	Multi-Family	1,567	1,567	\$3.00
100 Long Beach Blvd	The Edison	2016	Multi-Family	2,112	2,112	\$5.00
225 Long Beach Blvd	210 Third Lofts	2008	Multi-Family	2,550	1,100	\$4.00
777 E Ocean Blvd	Shoreline Gateway	2021	Multi-Family	4,579	2,197	\$3.87
495 The Promenade N	CityPlace	2022	Multi-Family	5,621	5,621	\$3.50
245 W Broadway	AMLI Park Broadway	2019	Multi-Family	5,962	1,309	-
330 Golden Shore		1984	Office	43,702	1,371	\$2.95
120 E 3rd St	P3 Office Lofts	1924	Office	2,500	200	\$3.50
100 W Broadway	The Hubb - Creative	1985	Office	59,639	694	\$2.99
180 E Ocean Blvd	The 180 Ocean Building	1984	Office	146,340	1,353	\$1.00
555 E Ocean Blvd	"555"	1968	Office	48,516	696	\$2.07
100 Oceangate St	Oceangate Tower	1971	Office	76,375	100	\$2.55
200 Pine Ave		1968	Office	17,504	1,119	\$2.56
150 Long Beach Blvd	Bank of America	1981	Office	10,140	450	-
111 W Ocean Blvd	Landmark Square	1991	Office	270,196	100	-
340 Golden Shore		1984	Office	17,824	2,900	\$2.95
301 E Ocean Blvd	Shoreline Square Tower	1988	Office	106,614	521	\$2.23
219 E Broadway		1929	Standalone Retail	5,200	5,200	\$2.00
107 W Broadway		1938	Standalone Retail	6,831	2,520	\$3.00
456 Elm Ave	Partake Collective	1942	Standalone Retail	4,400	200	\$11.74
236-242 Pine Ave		1930	Standalone Retail	14,000	1,500	\$2.33
335-343 Pine Ave		1930	Standalone Retail	4,200	4,200	\$1.50
199 The Promenade N		2008	Standalone Retail	10,447	10,447	\$2.69
433-449 E Broadway		1922	Standalone Retail	508	508	-
636 Locust Ave		1936	Standalone Retail	15,351	15,351	-
730-740 N Long Beach Blvd		1947	Standalone Retail	650	650	-
421 Pacific Ave		1965	Standalone Retail	23,000	23,000	-
425-455 E 1st St		1944	Standalone Retail	1,484	1,484	\$2.00
700 E Broadway		1937	Standalone Retail	3,200	3,200	\$2.99
245 Pine Ave	Pine Square	1992	Shopping Center	13,400	2,200	-
225-310 E 3rd St		2002	Shopping Center	16,370	16,370	-
50-190 E 4th St	Mosaic Bldg. E	2002	Shopping Center	3,661	1,034	-
145-195 E 4th St	Mosaic Bldg. D	2003	Shopping Center	3,948	1,739	-
470-480 Pine Ave	Mosaic Bldg. P	2003	Shopping Center	2,654	1,000	-
500-590 Pine Ave	Mosaic Bldg. J	2004	Shopping Center	12,400	12,400	-
61 S Pine Ave	The Pike Outlets	2003	Shopping Center	10,433	10,433	-
95 S Pine Ave	The Pike Outlets	2004	Shopping Center	835	835	-
307-309 The Promenade N	Mosaic Bldg. F	2002	Shopping Center	1,127	482	-
242-250 E 7th St		1923	Strip Mall	800	800	\$2.25

Source: CoStar 2023

