

THE POLARIS PACIFIC REPORT

LOS ANGELES

NOVEMBER 2016

POL
ARIS
PAC
IFIC

MARKET OVERVIEW / 01
CURRENTLY SELLING / 08
SOLD OUT / 20
ABOUT POLARIS PACIFIC / 83

MARKET SNAPSHOT

LOS ANGELES / NOV. 2016



LOW-RISE BUILDING
4 STORIES OR LESS

\$751 P/SQ. FT.

ANNUAL CHANGE

+18.8%

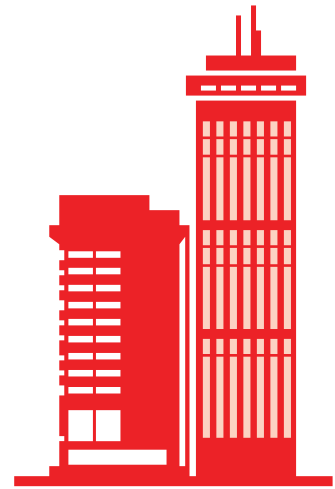


MID-RISE BUILDING
5-12 STORIES

\$653 P/SQ. FT.

ANNUAL CHANGE

-1.0%



HIGH-RISE BUILDING
13 STORIES OR MORE

\$840 P/SQ. FT.

ANNUAL CHANGE

+6.5%

MACRO TRENDS

CONDO INVENTORY
BY TYPE

703 NEW
CONDOS



1,315 RESALES

CONDO SALES & MEDIAN
PRICE BY TYPE

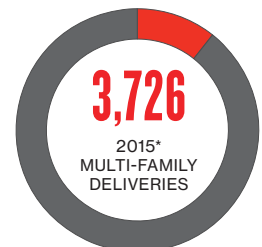
151 NEW
CONDOS



1,293 RESALES

MULTI-FAMILY COMPLETIONS
BY BUILDING TYPE

397 NEW
CONDOS

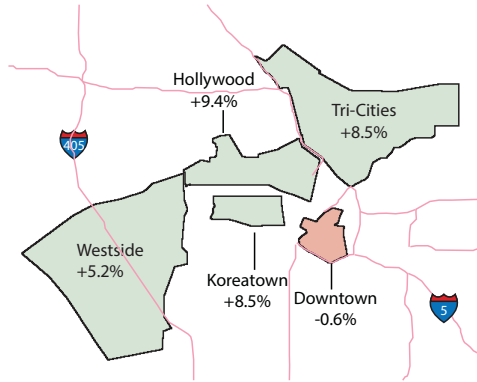


3,329 NEW APTS

Annual Price and Sales Changes by District

The maps below (Figures 1 & 2) show annual percentage changes in median price per square foot and total sales by district. While most districts experienced positive price and over the past year, Tri-Cities and Koreatown experienced the largest increase in price (+8.5% each).

FIG 1. ANNUAL MEDIAN PSF CHANGE MAP

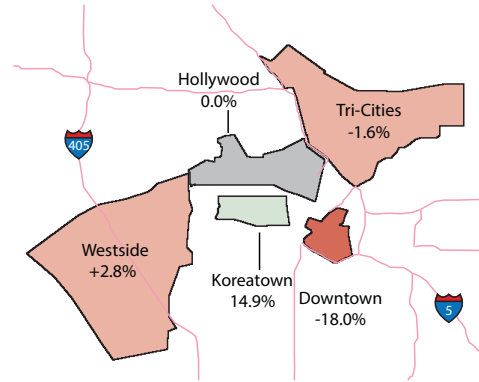


Map of the Market

Year-over-year change in median price per sq. ft. in each submarket of the city, for Jun 2016 - Oct 2016: (Source: Realquest)



FIG 2. ANNUAL SALES CHANGE MAP



Map of the Market

Year-over-year change in resales in each submarket of the city, for Jun 2016 - Oct 2016: (Source: Realquest)

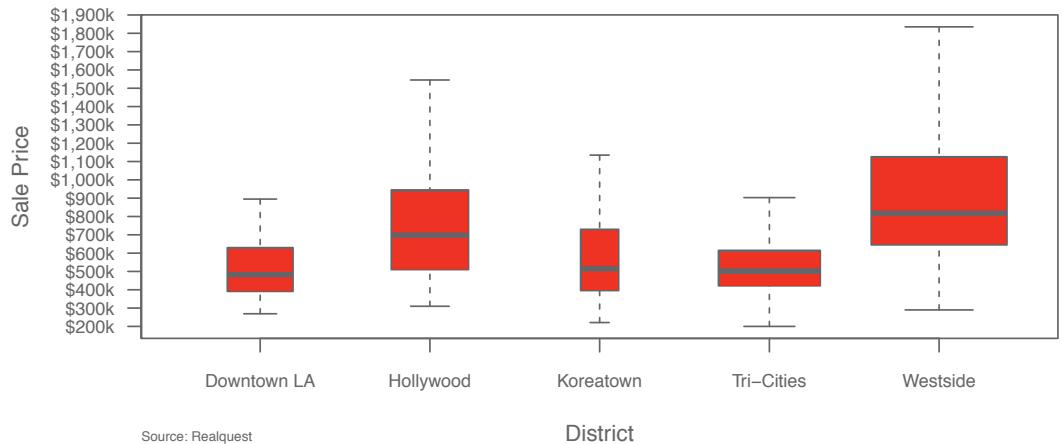
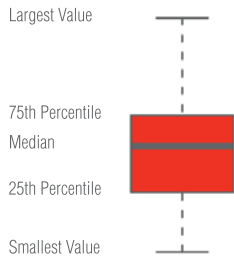


Current Prices and Sales by District

Figure 3 shows a box-and-whisker plot of sales prices by district during the three-month period ending October 31, 2016, with wider boxes indicating more sales. The median price was \$485,000 in Downtown LA, \$700,000 in Hollywood, \$512,500 in Koreatown, \$504,500 in the Tri-Cities and \$820,000 on the Westside.

FIG 3. SALES BY DISTRICT

Box-and-Whisker Legend

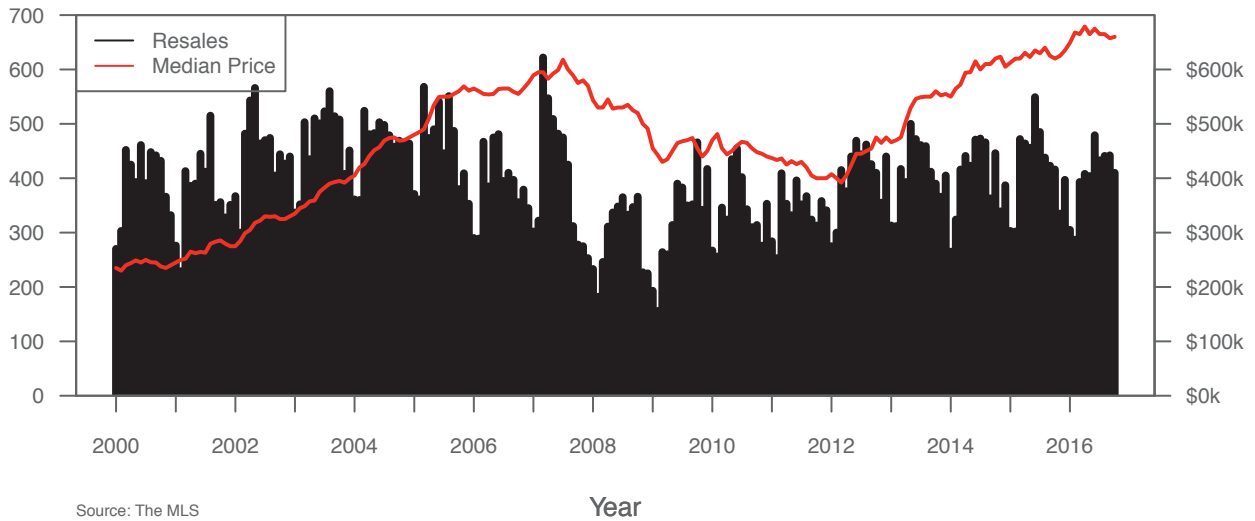


Source: Realquest

Historical Prices and Sales

During the three-month period ending October 31, the median price increased to \$660,000, a 6.5 percent increase from the prior year. The median price has rebounded from 2012 (see Figure 4) and continues to increase. At the same time, there were 1,315 total resales, a 7.2 percent decrease from the prior year.

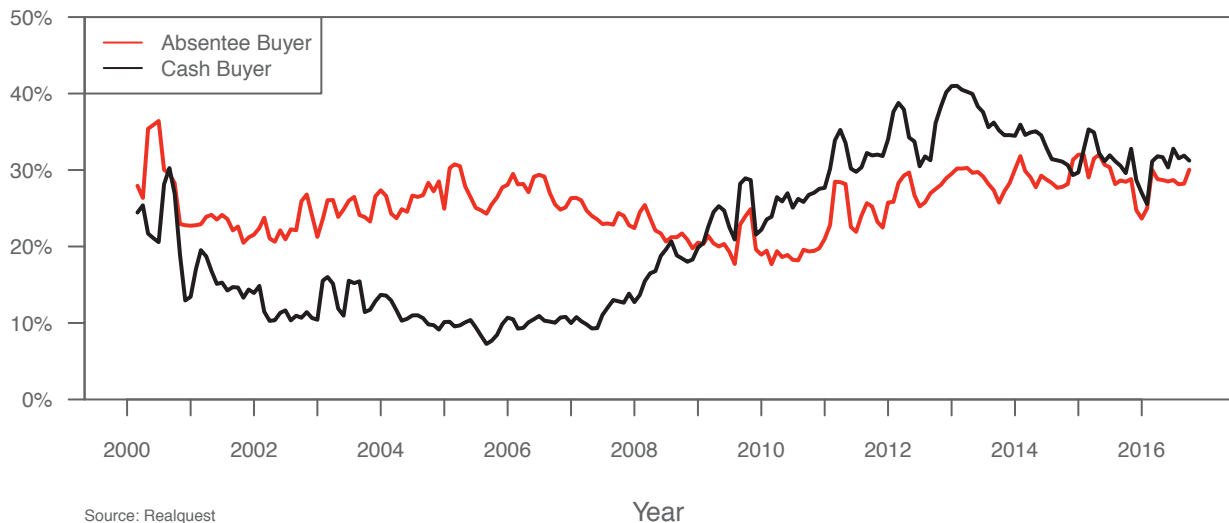
FIG 4. MEDIAN PRICE AND RESALES



Cash and Investor Buyers

Figure 5 provides a historical trend of all-cash and investor buyers in Los Angeles since 2000. For the three months ending September 30, all-cash transactions represented 32.0 percent of sales, an increase from 30.5 percent the same time last year. Investors represented 28.1 percent of buyers, a decrease from 28.6 percent the same time last year.

FIG 5. PERCENT OF CASH AND INVESTOR BUYERS



Historical Average Market Time (Monthly Trend)

The average days on market (DOM) figure is calculated as the amount of time between the date a home is listed for sale and the date it goes into escrow. The 60-day benchmark signifies a balanced market (the dotted line in Figure 6). As shown in Figure 6, the average DOM was 54 days in the three-month period ending October 31, a 5.4 percent decrease from the same period last year.

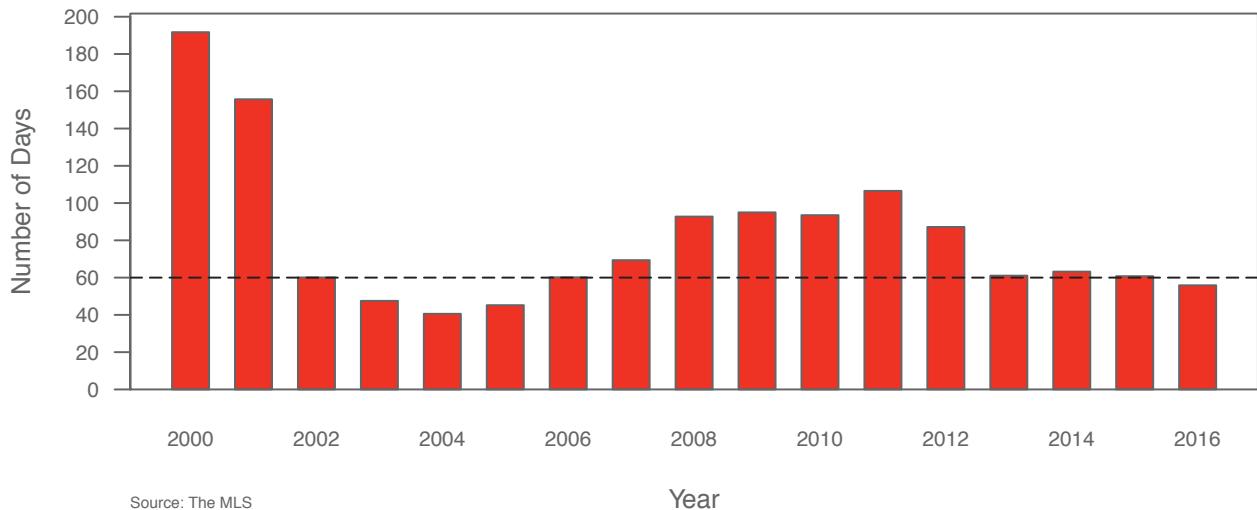
FIG 6. AVERAGE SOLD MARKET TIME (MONTHLY)



Historical Average Market Time (Annual Trend)

Figure 7 shows the average DOM figure at the end of each year going back to 2000 (the 2016 figure is year-to-date). The average DOM has declined each year since 2011 through 2016, with the exception of slight increase in 2014.

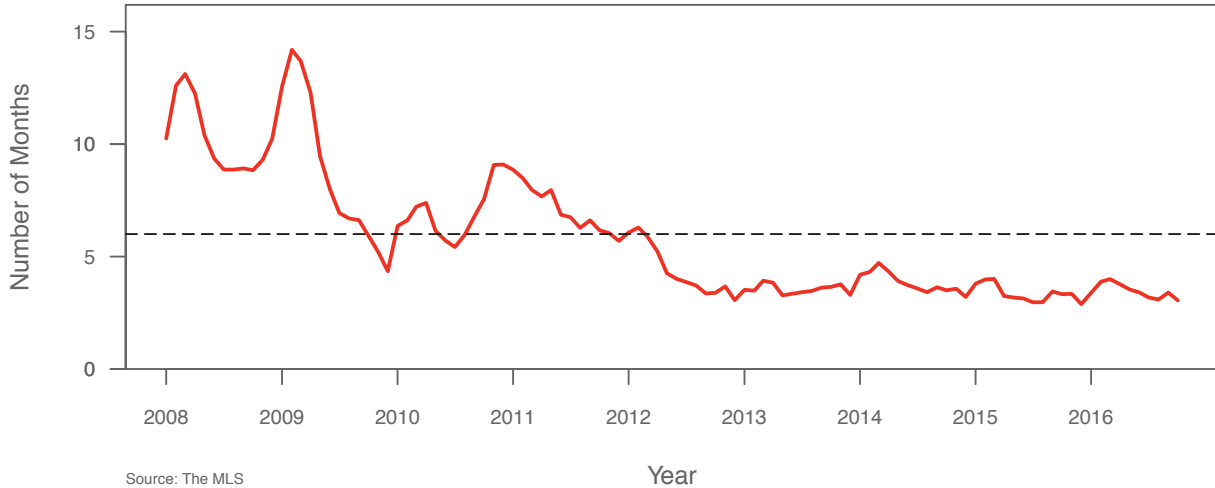
FIG 7. AVERAGE SOLD MARKET TIME (ANNUAL)



Months of Remaining Inventory (Monthly Trend)

The months of remaining inventory figure, or MRI figure, indicates how many months it would take to absorb current supply. Six months is considered a balanced market, while nine months or more is considered an oversupplied market. Figure 8 shows a three-month moving average of the figure going back to 2008. As shown, the MRI figure has remained below the six-month benchmark since 2012. The most recent figure was 3.1 months, a 8.3 percent decrease from last year.

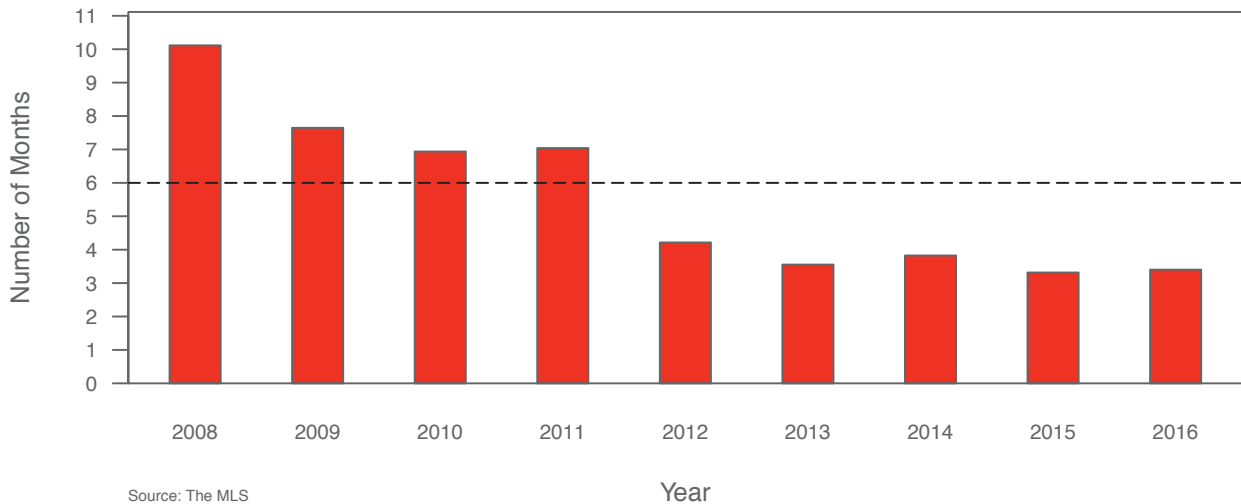
FIG 8. MONTHS OF INVENTORY



Months of Remaining Inventory (Annual Trend)

Figure 9 shows the MRI figure at the end of each year (the 2015 figure is year-to-date). As shown, the MRI figure declined from 2008 through 2010 before increasing slightly. Since 2012, the figure fell significantly below the six-month benchmark, signifying an under-supplied market.

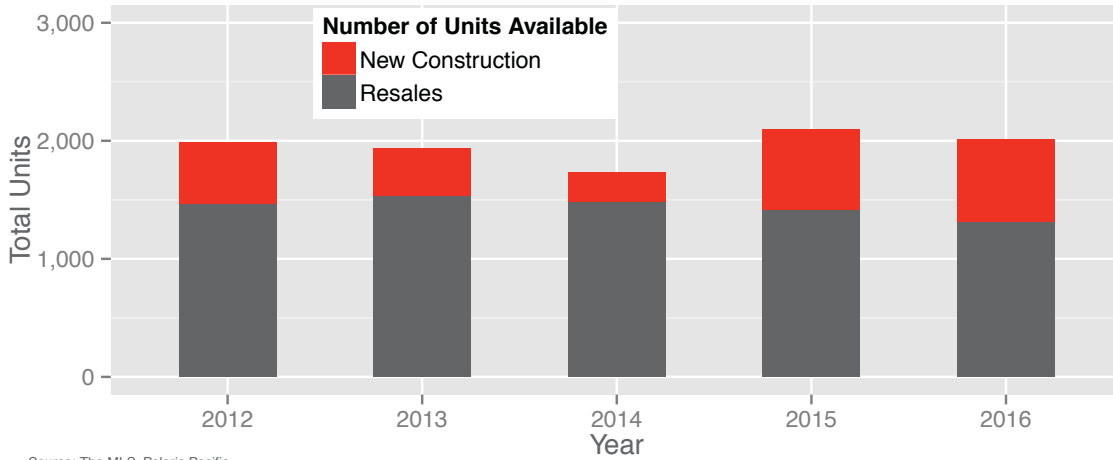
FIG 9. AVERAGE MONTHS OF REMAINING INVENTORY



Active Condominium Inventory

Figure 10 shows the inventory of unsold new condominiums (red) and active resale listings (dark gray) in Los Angeles for the month of November since 2010. Currently, there are 703 unsold new condominiums on the market, a 2.6 percent increase in unsold new condominiums from the same time last year. The majority of the new unsold inventory is in Metropolis, Phase I & Phase II.

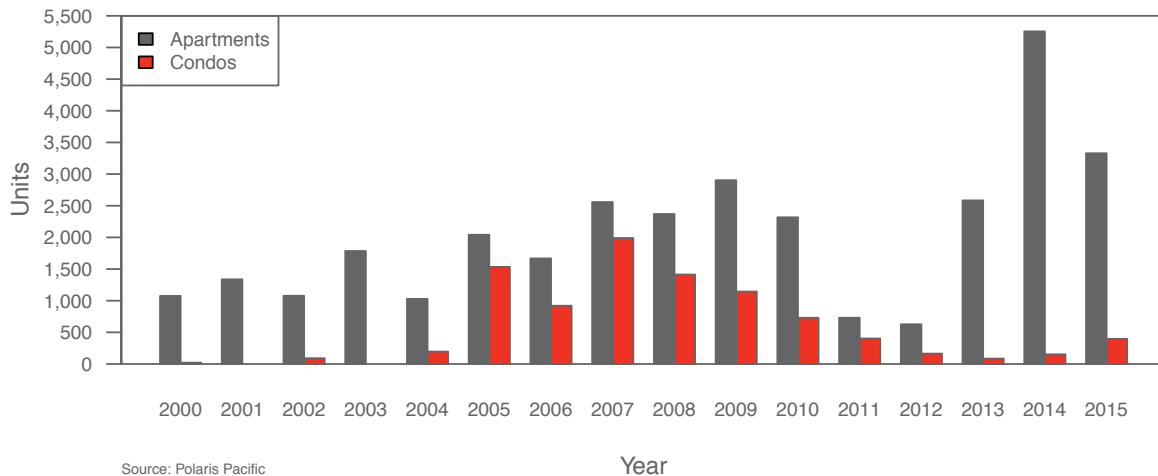
FIG 10. CONDOMINIUM INVENTORY COMPOSITION



Annual Multi-Family Completions

Figure 11 shows total annual multi-family completions of both apartments and condominiums in Los Angeles. As shown, condominium completions have declined each respective year since 2007, when 1,990 completions occurred. However, there was a surge in apartment deliveries in 2014 through 2015.

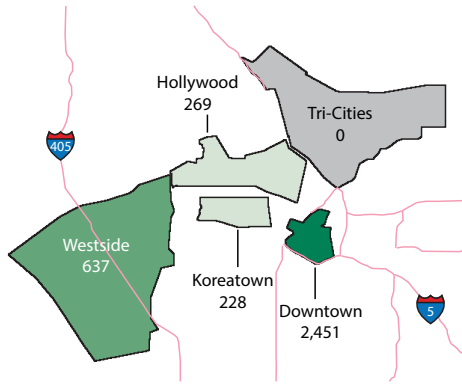
FIG 11. TOTAL ANNUAL MULTI-FAMILY COMPLETIONS



Future Condominium Supply by District

Figures 12 and 13 show the number of new condominiums currently under construction and entitled by district. A total of 3,585 condominiums are currently under construction.

FIG 12. CONDOMINIUMS UNDER CONSTRUCTION



Map of the Market
Number of Units: 3,585
(Source: Polaris Pacific)

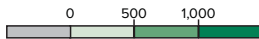
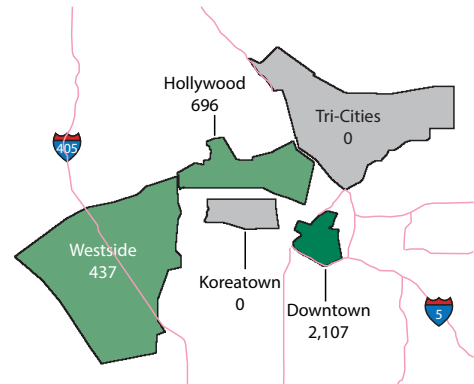
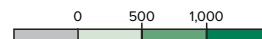


FIG 13. CONDOMINIUMS APPROVED



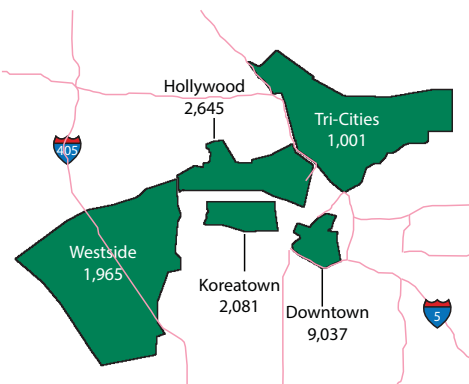
Map of the Market
Number of Units: 3,240
(Source: Polaris Pacific)



Future Apartment Supply by District

Figures 14 and 15 show future supply of apartments by district. Compared to new condominium construction, there is a substantially higher concentration of apartment construction in all districts of Los Angeles. A total of 16,729 apartments are currently under construction.

FIG 14. APARTMENTS UNDER CONSTRUCTION



Map of the Market
Number of Units: 16,729
(Source: Polaris Pacific)

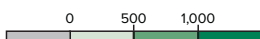
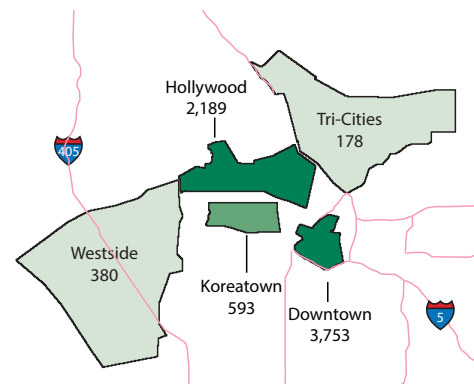
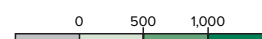
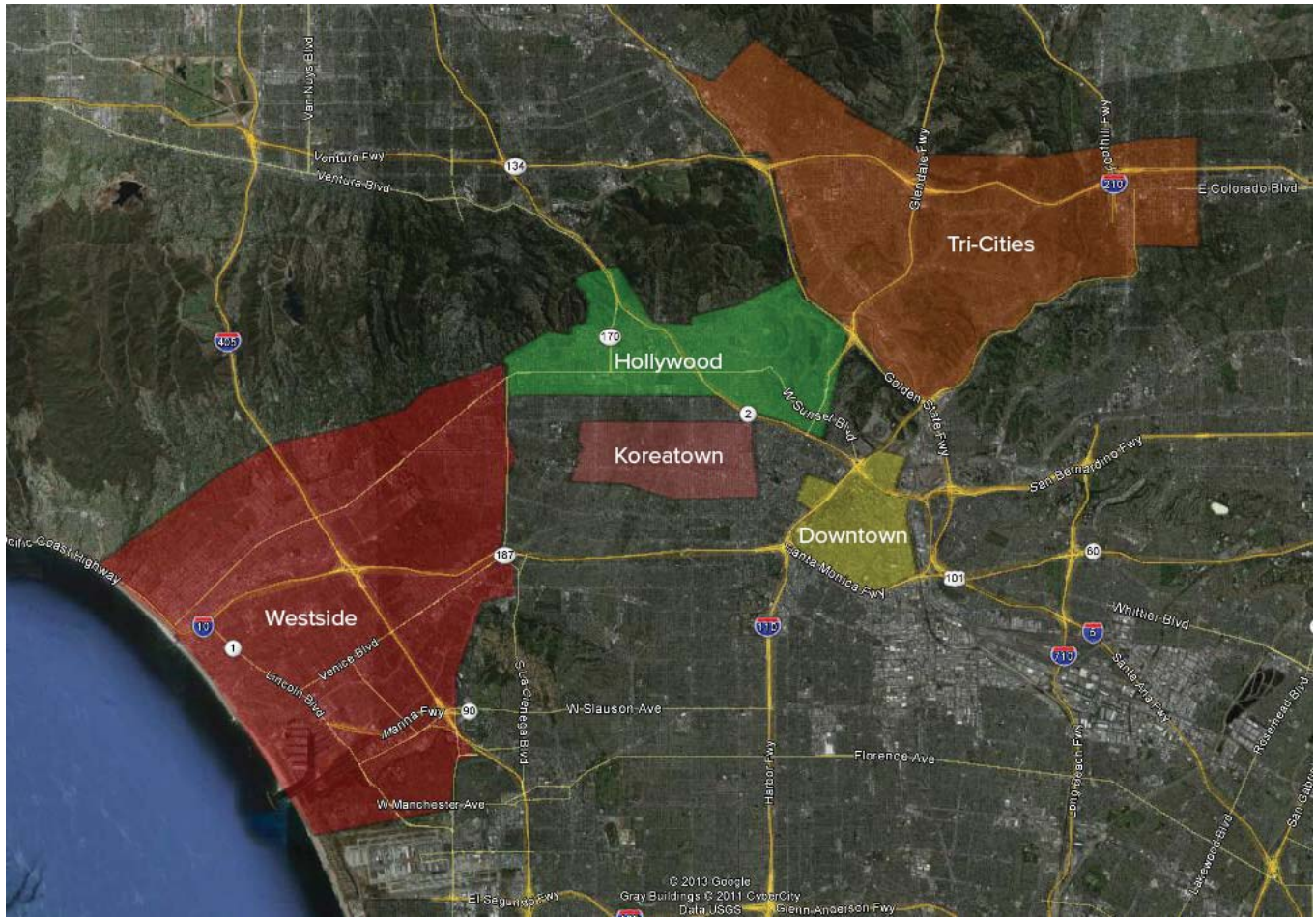


FIG 15. APARTMENTS APPROVED



Map of the Market
Number of Units: 7,093
(Source: Polaris Pacific)





DOWNTOWN South Park, Financial District, Bunker Hill, Civic Center, Chinatown, Historic District, Jewelry District, Fashion District, Toy District, Little Tokyo, Warehouse District, Arts District, City West

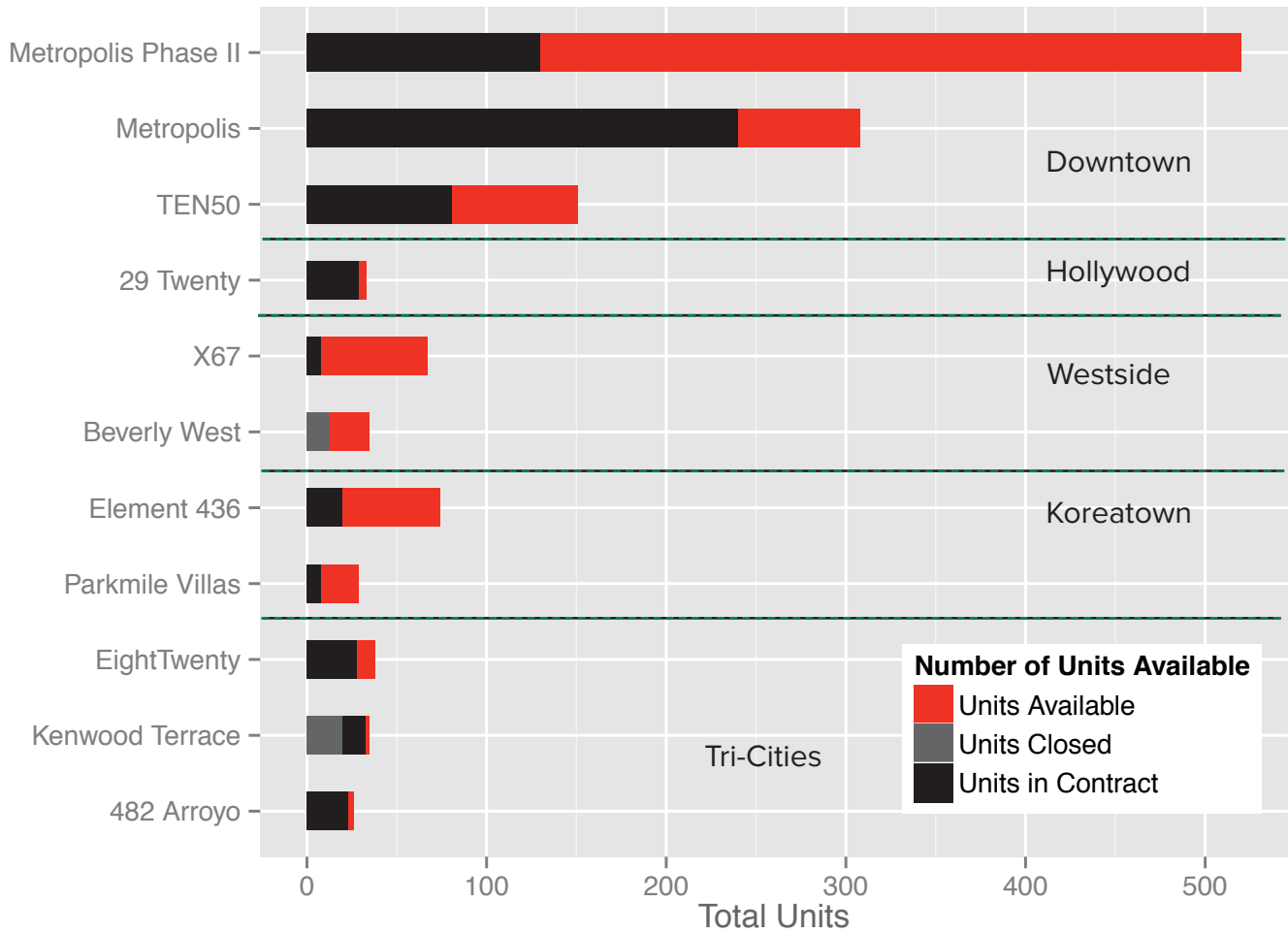
WESTSIDE Santa Monica, Venice, Marina del Rey, Marina Loft District, Mar Vista, Sawtelle, Brentwood, Bel-Air, Westwood, West Los Angeles, Palms, Culver City, Beverlywood, Pico-Robertson, Beverly Hills, Beverly Crest, Wilshire Corridor

HOLLYWOOD Hollywood, West Hollywood, Silverlake, Echo Park

KOREATOWN Koreatown, Mid-Wilshire, Wilshire Center

TRI-CITIES Burbank, Glendale, Pasadena

CURRENTLY SELLING DEVELOPMENTS



NEW CONDOMINIUMS NOW SELLING

	CURRENT PERFORMANCE	LAST MONTH	LAST YEAR
TOTAL PROJECTS	11	11	14
TOTAL UNSOLD UNITS	703	754	685
PROJECTS SOLD OUT THIS MONTH	0	0	0

RESALE DEVELOPMENTS SOLD OUT IN 2016

DOWNTOWN

PROJECT NAME	ADDRESS	DEVELOPER	UNITS
THE SEYCHELLE	1755 OCEAN AVE	THE RELATED COMPANY	93
SL70	2205 TOM MIX RD	TRUMARK HOMES	70
THE WAVERLY	1705 OCEAN AVE	THE RELATED COMPANY	65
THE COSMOPOLITAN BW	441 S. BARRINGTON AVE	RAYMOND SAVISS	45
460 PALM	460 PALM DR	ETCO HOMES	35
DISTRICT WALK	CORSON ST & N. WILSON AVE	OLSON COMPANY	33
TOTAL			341

PAST RESALE DEVELOPMENTS

DOWNTOWN

PROJECT NAME	ADDRESS	DEVELOPER	UNITS
EVO	1155 S. GRAND AVE	WESTPORT CAPITAL PARTNERS	311
MARKET LOFTS	645 W. 9TH ST	LEE HOMES / CIM GROUP	261
BARKER BLOCK	510 & 530 S. HEWITT ST	THE KOR GROUP	242
LUMA	1100 S. HOPE ST	THE SOUTH GROUP	236
1100 WILSHIRE	1100 WILSHIRE BLVD	FOREST CITY	228
THE RITZ-CARLTON	900 W. OLYMPIC BLVD	AEG	224
ROWAN LOFTS	460 S. SPRING ST	MB REALTY ADVISORS	206
VERO	1234 WILSHIRE BLVD	SONNY ASTANI	197
MURA	629 TRACTION AVE	PULTE HOMES	190
ELLEVEN	1111 S. GRAND AVE	THE SOUTH GROUP	176
LITTLE TOKYO LOFTS	420 S. SAN PEDRO ST	ING FINANCIAL	160
EASTERN COLUMBIA LOFTS	849 S. BROADWAY	THE KOR GROUP	147
SKY LOFTS	801 S. GRAND AVE	LEE HOMES / CIM GROUP	132
TOY FACTORY LOFTS	1111 S. GRAND AVE	LINEAR CITY	119
BISCUIT COMPANY LOFTS	1850 INDUSTRIAL ST	LINEAR CITY	104
ALTA LOFTS	200 N. SAN FERNANDO ST	CITIBANK	104
THE CORNELL	746 S. LOS ANGELES ST	KENNEDY WILSON / RECP	94
FLOWER STREET LOFTS	1130 S. FLOWER ST	LEE HOMES	91
MOLINO STREET LOFTS	500 MOLINO ST	THE KOR GROUP	91
655 HOPE	655 S. HOPE ST	SECK GROUP, LLC	85
CONCERTO-LOFTS	900 S. FLOWER ST	SONNY ASTANI	77
BARKER BLOCK WH1	527 MOLINO ST	THE KOR GROUP	68
EL DORADO LOFTS	416 S. SPRING ST	MB REALTY ADVISORS	65
BEACON LOFTS	825 E. 4TH ST	FOURTH & ALAMEDA, LLC	53
THE ECKHARDT	738 S. LOS ANGELES ST	KENNEDY WILSON / RECP	49
PAN AMERICAN LOFTS	253 S. BROADWAY	SYMPHONY ASSET POOL VII, LLC	40
940 EAST 2ND STREET	940 E. 2ND ST	CANYON-JOHNSON	38
GALLERY LOFTS	120-130 S. HEWITT ST	PACIFICA COMPANIES	32
TOTAL			3,820

PAST RESALE DEVELOPMENTS

WESTSIDE

PROJECT NAME	ADDRESS	DEVELOPER	UNITS
AZZURRA	13700 MARINA POINTE DR	COLONY CAPITAL	450
THE CENTURY	2055 AVENUE OF THE STARS	THE RELATED COMPANY	140
WESTEND	4215 GLENCOE AVE	THE KOR GROUP / CITYVIEW REALTY	119
GALLERY LOFTS	4080 GLENCOE AVE	ST RESIDENTIAL	100
DEL REY TERRACE	4060 GLENCOE AVE	DRT, LP	96
SOHO SQUARE	1700 S. SAWTELLE BLVD	WELLESLEY MANOR	94
SKYLAR @ PLAYA VISTA	12698 SANDHILL LN	KB HOME	93
CONCERTO LOFTS	13045 PACIFIC PROMENADE	WARMINGTON HOMES	89
SERENADE	13031 VILLOSA PL	LENNAR HOMES	86
T-LOFTS	11500 TENNESSEE AVE	LEE HOMES / CITYVIEW REALTY	84
THE CARLYLE	10776 WILSHIRE BLVD	ELAD PROPERTIES	78
INDIGO	4050 GLENCOE AVE	JOHN LAING URBAN	77
THE CALIFORNIAN	10800 WILSHIRE BLVD	FIFIELD COMPANIES	74
CAMDEN @ PLAYA VISTA	12895 RUNWAY RD	BROOKFIELD HOMES	72
LATITUDE 33	3111 VIA DOLCE	SUNBROOK PARTNERS	72
ST. JOHN'S WOOD	1730-1750 SAWTELLE BLVD	WELLESLEY MANOR	55
PRIMERA TERRA	12920 W. RUNWAY RD	KB HOME	52
BEACH COLLECTION	310 E. WASHINGTON BLVD	STANDARD PACIFIC HOMES	50
ELEMENT	4141 GLENCOE AVE	JOHN LAING URBAN	50
4211 REDWOOD	4211 REDWOOD AVE	SPECTRA AMERICA	47
THE DORIAN	6241 CRESCENT PARK WEST	STANDARD PACIFIC HOMES	45
INNOVE	13337 BEACH AVE	ANASTASI DEVELOPMENT COMPANY	38
DOGTOWN STATION	700 MAIN ST	RAD VENTURES	35
432 OAKHURST	432 OAKHURST	ETCO HOMES	34
ROXBURY PLACE	1318 ROXBURY DR	GREAT AMERICAN CAPITAL	29
VILLA HAMILTON PARK	225 HAMILTON DR	IZEK SHOMOF	25
VILLA ALLEGRA	7401 S. SEPULVEDA BLVD	SOVEREIGN PROPERTIES	24
EXPO WEST LA	2400 CORINTH AVE	PACIFIC WESTERN	22
AVENIDA PROSSER	1817 PROSSER AVE	CALIFORNIA LANDMARK	21
LA TERRASSE	447 DOHONY DR	BALO DEVELOPMENT GROUP	20
MONTAGE BEVERLY HILLS	225 N. CANON DR	THE ATHENS GROUP	20
THE 1420	1420 S. BUNDRY DR	REC DEVELOPMENT	20
TOTAL			2,311

PAST RESALE DEVELOPMENTS

HOLLYWOOD

PROJECT NAME	ADDRESS	DEVELOPER	UNITS
SIERRA TOWERS	9255 DOHENY RD	HERBERT SILVERSON	144
THE W HOLLYWOOD	6250 HOLLYWOOD BLVD	GATEHOUSE CAPITAL / STARWOOD	143
BROADWAY HOLLYWOOD	1645 N. VINE ST	THE KOR GROUP	96
THE LOFTS @ HOLLYWOOD	6253 HOLLYWOOD BLVD	BY PALISADES	60
THE HOLLYWOOD	6735 YUCCA ST	PACIFICA ENTERPRISES, INC	54
SUNSET SILVERLAKE	4111 SUNSET BLVD	THE KOR GROUP	43
METROPOL	6001 CARLTON WY	TANNER & WHITE	41
855 CROFT	855 N. CROFT AVE	LARIAN DEVELOPMENT	33
HARPER WEST HOLLYWOOD	1250 N. HARPER AVE	GTO DEVELOPMENT, INC.	32
LEGEDNARY PLACE	1411 N. DETROIT ST	LEGENDARY DEVELOPMENTS	23
ELEVEN-EIGHT KINGS ROAD	118 N. KINGS RD	ISAAC COHANZAD	21
7 FOUNTAINS	1414 N. HARPER AVE	BOYD WILLAT	20
ROW 3	1400 N. FULLER AVE	INTRACORP	19
ARTIS	2509 VIA ARTIS	VAN DEALE HOMES	15
HOLLYWOOD COLONY	1201 N. LAS PALMAS AVE	LAS PALMAS PROPERTY INVESTORS	14
TOTAL			758

PAST RESALE DEVELOPMENTS

KOREATOWN

PROJECT NAME	ADDRESS	DEVELOPER	UNITS
THE MERCURY	3810 WILSHIRE BLVD	KENNEDY WILSON	238
SOLAIR WILSHIRE	3785 WILSHIRE BLVD	ST RESIDENTIAL	186
THE SUMMIT ON SIXTH	3223 W. 6TH ST	BIG ROCK PARTNERS	96
BARCELONA TOWERS	625 S. BERENDO ST	BERENDO TOWERS, LLC	77
MUSEO LOFTS	600 S. RIDGELEY DR	CANFIELD DEVELOPMENT	52
KENMORE TOWER	540 S. KENMORE AVE	WILSHIRE VILLAS KENMORE, LP	42
SERRANO PALACE	702 S. SERRANO AVE	NBGI HOMES	33
TOTAL			724

PAST RESALE DEVELOPMENTS

TRI-CITIES

PROJECT NAME	ADDRESS	DEVELOPER	UNITS
BURBANK VILLAGE WALK	150 SAN FERNANDO BLVD	THE OLSON COMPANY	140
THE BURBANK COLLECTION	57 E. PALM AVE	CHAMPION DEVELOPMENT GROUP	118
LAKE AT WALNUT	931 E. WALNUT ST	STANDARD PACIFIC HOMES	111
PRADO ON LAKE AVENUE	840 E. GREEN ST	K. HOVNIANIAN HOMES	103
THE EXCELSIOR	260-580 CARUSO AVE	CARUSO AFFILIATED	100
GRANITE PARK PLACE	920 GRANITE DR	VORNADO REALTY TRUST	71
DELACEY AT GREEN	111 S. DELACEY AVE	INTRACORP	58
THE DALTON	238 S. ARROYO ST	CHAMPTON DEVELOPMENT GROUP	55
NELA UNION	3901 EAGLE ROCK BLVD	WARMINGTON RESIDENTIAL	52
RAYMOND RENAISSANCE	125 N. RAYMOND AVE	CANYON-JOHNSON	47
THE BURTON	133 S. LOS ROBLES AVE	POVAC INVESTMENTS	34
THE LIVINGSTONE	139 S. LOS ROBLES AVE	POVAC INVESTMENTS	32
TERRA BELLA	155 CORDOVA ST	LEGENDARY DEVELOPMENTS, LLC	28
JACKSON GLEN	230 S. JACKSON ST	ENCORE HOUSING	26
GROVE @ AMBASSADOR	380 W. GREEN ST	CITY VENTURES	21
TOTAL			996

CURRENTLY REPRESENTING SALES AND MARKETING FOR:

6 MINT PLAZA	SAN FRANCISCO, CA	25 UNITS
1400 MISSION	SAN FRANCISCO, CA	190 UNITS
THE BURTON & LIVINGSTON	PASADENA, CA	16 UNITS
COLORADO COMMONS	MONROVIA, CA	72 UNITS
20 PINES	DALY CITY, CA	25 UNITS
THE GLOBE	SAN JOSE, CA	76 UNITS
LUMINA	SAN FRANCISCO, CA	656 UNITS
ROCKWELL	SAN FRANCISCO, CA	260 UNITS
THE SHORES	POINT RICHMOND, CA	333 UNITS
SKYLINE	SAN JOSE, CA	121 UNITS
THE STRAND	SAN RAFAEL, CA	81 UNITS
SUMMIT 800	SAN FRANCISCO, CA	182 UNITS
1450 FRANKLIN	SAN FRANCISCO, CA	67 UNITS
TEN50	LOS ANGELES, CA	151 UNITS
THE ARROYO	WALNUT CREEK, CA	100 UNITS
THE PACIFIC	SAN FRANCISCO, CA	76 UNITS
KNOX	SAN FRANCISCO, CA	91 UNITS
ONE FRANKLIN	SAN FRANCISCO, CA	35 UNITS
1198 VALENCIA	SAN FRANCISCO, CA	50 UNITS
ROWAN	SAN FRANCISCO, CA	70 UNITS
1001 VAN NESS	SAN FRANCISCO, CA	256 UNITS
482 ARROYO	PASADENA, CA	24 UNITS
OPTIMA KIERLAND	SCOTTSDALE, AZ	220 UNITS

FOR MORE MARKET INSIGHTS CONTACT:

MILES GARBER
VICE PRESIDENT RESEARCH

T 415.361.4805
mgarber@polarispacific.com

850 7th Street
San Francisco, CA 94107

polarispacific.com