Risk Factors Comparison 2024-02-16 to 2023-02-17 Form: 10-K

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The following risk factors are what we believe to be the most significant risk factors that could adversely affect our business and operations, including, without limitation, our financial condition, REIT status, results of operations and cash flows, our ability to service our debt and pay dividends to our stockholders, our ability to capitalize on business opportunities as they arise, our ability to raise capital, and the market price of our common stock. This is not an exhaustive list, and additional risk factors could adversely affect our business and financial performance. We operate in a very competitive and rapidly changing environment and new risk factors emerge from time to time. It is therefore not possible for us to predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward- looking statements. This discussion of risk factors includes many forward- looking statements. For cautions about relying on forward- looking statements see " Forward Looking Statements " at the beginning of this Report. Below is a summary of our risk factors: Risks Related to Our Properties and Our Business • ~~.• Persistent higher~~ **Sustained or further increases in** inflation could adversely impact our **operating results,cash flows,financial position,our ability to pay dividends and distributions,and the market price of our common stock.• Economic and political changes could adversely affect our business,** operating results,cash flows,financial position,our ability to pay dividends and distributions,and the market price of our common stock.• All of our properties are located in Los Angeles County,California,and Honolulu,Hawaii,and we are therefore exposed to greater risk than if we owned a more geographically diverse portfolio.Our properties in Los Angeles County are concentrated in certain submarkets,exposing us to risks associated with those specific areas.• Our operating performance ~~is~~ **and the market value of our securities are** subject to risks associated with **our investments in real estate assets and with trends in** the real estate industry.• We have a substantial amount of debt,which exposes us to interest rate fluctuation risk and the risk of not being able to refinance our debt,which in turn could expose us to the risk of default under our debt obligations.• ~~The rents we receive from new leases may be less than our asking rents,and we may experience rent roll- down from time to time.• In order to successfully compete against other properties,we need to maintain,repair,and renovate our properties,which reduces our cash flows~~ The ~~COVID~~ **rents we receive from new leases may be less than our asking rents, and we may experience rent roll** - ~~19 global pandemic has~~ **down from time to time. • Although we have a diverse tenant base, a large portion of our tenants operate in a concentrated group of industries** and **downturns in these industries** could ~~continue~~ **adversely affect our financial condition, results of operations and cash flows. • In order** to **successfully compete against other properties, we need to maintain, repair, and renovate our properties, which reduces our cash flows. • We face intense competition, which could adversely impact the occupancy and rental rates of our properties. • Epidemics, pandemics or other outbreaks, and restrictions intended to prevent their spread, may** adversely affect our business, financial position, results of operations, cash flows, our ability to service our debt, our ability to pay dividends to our stockholders, our REIT status, our ability to capitalize on business opportunities as they arise, our ability to raise capital, and / or the market price of our common stock . • Persistent higher inflation could adversely...... occupancy and rental rates of our properties . • Potential losses, including from adverse weather conditions, natural disasters and title claims, may not be covered by insurance. • We may be unable to renew leases or lease vacant space. • Our business strategy for our office portfolio focuses on leasing to smaller- sized tenants which may present greater credit risks. • Real estate investments are generally illiquid. • We may incur significant costs to comply with laws, regulations and covenants. • Because we own real property, we are subject to extensive environmental regulations, which create uncertainty regarding future environmental expenditures and liabilities. • Our properties may contain or develop harmful mold or suffer from other air quality issues, which could lead to liability for adverse health effects and costs of remediation. • Rent control or rent stabilization legislation and other regulatory restrictions may limit our ability to increase rents and pass through new or increased operating costs to our tenants. • We may be unable to complete acquisitions that would grow our business, or successfully integrate and operate acquired properties. • We may be unable to successfully expand our operations into new markets and submarkets. • We are exposed to risks associated with property development. • We are exposed to certain risks when we enter into JVs or issue securities of our subsidiaries, including our Operating Partnership. • If we default on the ground lease to which one of our properties is subject, our business could be adversely affected. • We may not have sufficient cash available for distribution to stockholders at expected levels in the future. • We face risks associated with contractual counterparties being designated " Prohibited Persons " by the Office of Foreign Assets Control. • Terrorism and war could harm our business and operating results. Risks Related to Our Organization and Structure • Tax consequences to holders of OP Units upon a sale or refinancing of our properties may cause the interests of our executive officers to differ from the interests of our stockholders. • Our executive officers have significant influence over our affairs. • Under their employment agreements, certain of our executive officers will receive severance if they are terminated without cause or resign for good reason. • The loss of any of our executive officers or key senior personnel could significantly harm our business. • Compensation awards to our management may not be tied to or correspond with improved financial results or the market price of our common stock. • Our board of directors may change significant corporate policies without stockholder approval. • Our growth depends on external sources of capital which are outside of our control. • We face risks associated with short- term liquid investments. • Our charter, the partnership agreement of our Operating Partnership, and Maryland law contain provisions that may delay or prevent a change of control transaction. • Our fiduciary duties as the sole stockholder of the general partner of our Operating Partnership could create conflicts of interest. Risks Related to Taxes and Our Status as a REIT • Our property taxes could increase due to

property tax rate changes, reassessments or changes in property tax laws, which would adversely impact our cash flows. • Failure to qualify as a REIT would ~~result in higher taxes~~ **subject us to corporate taxation** and **potentially** ~~reduced~~ **reduce** cash available for distributions. • If the Operating Partnership, or any of its subsidiaries **(other than any TRS)**, were treated as a regular corporation for federal income tax purposes, we could cease to qualify as a REIT. • Even if we qualify as a REIT, we will be required to pay some taxes which would reduce cash available for distributions. • REIT distribution requirements could adversely affect our liquidity and cause us to forego otherwise attractive opportunities. • REIT stockholders can receive taxable income without cash distributions. • If a transaction intended to qualify as a Section 1031 Exchange is later determined to be taxable or if we are unable to identify and complete the acquisition of a suitable replacement property to effect a Section 1031 Exchange, we may face adverse consequences, and if the laws applicable to such transactions are amended or repealed, we may not be able to dispose of properties on a tax deferred basis. • Legislative or other actions affecting REITs could have a negative effect on our investors or us, including our ability to maintain our qualification as a REIT or the federal income tax consequences of such qualification. • Non- U. S. investors may be subject to FIRPTA, which would impose tax on certain distributions and on the sale of common stock if we are unable to qualify as a " domestically controlled " REIT or if our stock is not considered to be regularly traded on an established securities market. General Risks • Security breaches through cyber attacks, cyber intrusions or otherwise, as well as other significant disruptions of our IT networks and related systems could harm our business. • Litigation could have an adverse effect on our business. • If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results. • New accounting pronouncements could adversely affect our operating results or the reported financial performance of our tenants. ~~The~~ **Since the** COVID- 19 **pandemic, the consumer price index has increased substantially. Federal policies and recent** global **events may exacerbate increases in** ~~pandemic has led to severe disruption to general economic activities as governments and businesses take actions to mitigate~~ the ~~public health crisis~~ **consumer price index** . **A sustained** ~~The extent to which the pandemic ultimately impacts our~~ **or further increase in inflation** ~~business will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of each variant, its severity, the actions taken to contain the virus, the emergence and impact of future virus variants, and how quickly and to what extent normal economic and operating conditions resume. Even as the pandemic subsides, we may continue to experience significant impacts to our business as a result of its global economic impact, including any resulting economic recession. Not all of the impacts of the pandemic are known at this time, however, some of the potential impacts from the pandemic~~ could **have** ~~include: • Government actions, including but not limited to lease enforcement moratoriums, that reduce or otherwise hinder our ability to collect rent promptly or at all, adversely affect tenant demand, increase our costs or otherwise reduce our collections; • Supply chain, governmental or other disruptions that adversely affect construction or our operations and / or those of our tenants; • Economic pressure on our tenants, which could lead to lower collections or defaults; • Reduced or different tenant demand, leading to lower occupancy and / or rental rates in our buildings; • Reduced attendance in our buildings, resulting in lower parking revenues; • Increases in expenses and / or capital investments or decreases in tenant demand as a result of safety concerns; • Increased risks of IT disruptions and / or cyber attacks as a result of our employees or tenants working remotely; • Disruption of our operations as a result of the illness or social distancing of our employees or tenants; • Impact on the labor market, which could lead to higher employee turnover and increased labor costs; • Changes in the financial markets, the value of our properties and / or our cash flows which adversely affect our stock price and / or our tenants' access to needed debt or equity capital on reasonable or any terms; and / or • Increases in the cost or availability, or changes to the terms, of insurance. Some of the potential~~ adverse impacts ~~of higher inflation~~ on our business ~~could~~ **,** ~~include~~ **including** : • an increase in our rental operating costs and our general and administrative costs; • **our inability** ~~we may be unable~~ to increase rental rates at the same rate as inflation; • **reduction in tenant demand for our properties** if we are able to increase rental rates at the same rate as inflation ~~, it could reduce tenant demand for our properties~~ ; • **our inability** ~~we may be unable~~ to recover higher rental operating costs from our office tenants; • higher operating costs billed to our office tenants **, which** could reduce tenant demand for our office properties; • ~~higher inflation is usually accompanied by~~ higher interest rates, which could: (i) increase our borrowing costs, (ii) adversely impact our property valuations, and (iii) cause an economic recession which would adversely affect our business; • an increase in recurring capital expenditures to maintain our properties; • an increase in construction costs, which would increase the cost of development and respositioning projects **and adversely impact our investments in real estate assets and expected yields on our development and repositioning projects, which could make investment opportunities less profitable to us** ; • reduced cash flows **, which** would adversely impact our ability to pay dividends and distributions **. In addition, historically, during periods of increasing interest rates, real estate valuations have generally decreased as a result of rising capitalization rates, which tend to be positively correlated with interest rates. Consequently, prolonged periods of higher interest rates may negatively impact the valuation of our real estate portfolio and result in a decline of the market price of our common stock and market capitalization, as well as lower sales proceeds from future property dispositions. Our business may be adversely affected by global market, economic and geopolitical conditions, including general global economic and political uncertainty and dislocations in the credit markets. If these conditions become more volatile or worsen, our business, results of operations, liquidity and financial condition and those of our tenants may be adversely affected as a result of the following consequences, among others: • tenant defaults under leases or tenants not renewing their leases, or renewing under less favorable terms, if the financial condition of our tenants is adversely impacted; • reduced leasing to new tenants or at less favorable terms; • decreased demand for our office space if businesses, including our tenants, lay off employees; • decreased commercial real estate occupancy and rental rates resulting in decreased property values; • limitations in our ability to obtain financing on terms and conditions that we find acceptable, or at all, which could reduce our ability to refinance existing debt and obtain new debt to pursue acquisition and development opportunities; and • reduced values of our properties, which may limit our ability to obtain new debt financing secured**

by our properties or limit our ability to refinance our existing debt secured by our properties . Because of the geographic concentration of our properties, we are susceptible to adverse economic and regulatory developments, as well as natural disasters, in the markets and submarkets where we operate, including, for example, economic slowdowns, industry slowdowns, business downsizing, business relocations, increases in real estate and other taxes, changes in regulation, earthquakes, floods, droughts and wildfires. California is also regarded as being more litigious, regulated and taxed than many other states. **Any adverse developments in the economy or real estate market in Los Angeles County or Honolulu or the surrounding regions, or any decrease in demand for office space resulting from the Los Angeles County or Honolulu regulatory or business environment could impact our ability to generate revenues sufficient to meet our operating expenses or other obligations, which would adversely impact our operating results, cash flows, financial position, our ability to pay dividends and distributions, and the market price of our common stock. Our operating performance and the market value of our common stock are subject to risks associated with our investments in real estate and with trends in the real estate industry. Our economic performance and the value of our real estate and, consequently the market price of our common stock, are subject to the risk that our properties may not generate revenues sufficient to meet our operating expenses or other obligations.** Real estate investments are subject to various risks, fluctuations and cycles in value and demand, many of which are beyond our control **and could adversely affect our operating results, cash flows, and financial position** . These events include, but are not limited to: • adverse changes in international, national or local economic conditions; • inability to rent space on favorable terms, including possible market pressures to offer tenants rent abatements, tenant improvements, early termination rights or below- market renewal options; • adverse changes in financial conditions of actual or potential investors, buyers, sellers or tenants; • inability to collect rent from tenants; • competition from other real estate investors, including other real estate operating companies, publicly- traded REITs and institutional investment funds; • reduced tenant demand for office space and residential units from matters such as: (i) trends in space utilization, **including remote working arrangements,** (ii) changes in the relative popularity of our properties, (iii) the type of space we lease, (iv) purchasing versus leasing, (v) increasing crime or homelessness in our submarkets ~~or~~ **,** (vi **) changing submarket demographics or (vii**) economic recessions; • reduced demand for parking space due to matters such as: (i) reduced attendance in our buildings, (ii) the impact of technology such as self- driving cars, or (iii) the increasing popularity of car ride sharing services; • increases in the supply of office space and residential units; • fluctuations in interest rates and the availability of credit, which could adversely affect our ability to obtain financing on favorable terms or at all; • increases in operating costs (or our reduced ability to recover operating costs from our tenants), including: (i) insurance costs, (ii) labor costs (such as the unionization of our employees or the employees of any parties with whom we contract for services to our buildings), (iii) energy prices, (iv) real estate assessments and other taxes, and (v) costs of compliance with laws, regulations and governmental policies; • utility disruptions; • the effects of rent controls, stabilization laws and other laws or covenants regulating rental rates; • changes in, and changes in enforcement of, laws, regulations and governmental policies, including, without limitation, health, safety, environmental, zoning and tax laws, governmental fiscal policies and the ADA; • legislative uncertainty related to federal and state spending and tax policy; • difficulty in operating properties effectively; • **declines in real estate valuations, which may limit our ability to dispose of assets at attractive prices or obtain or maintain debt financing; • property damage resulting from seismic activity or other natural disasters; •** acquiring undesirable properties; and • inability to dispose of properties at appropriate times or at favorable prices. We have a substantial amount of debt and we may incur significant additional debt for various purposes, including, without limitation, to fund future property acquisitions and development activities, reposition properties and to fund our operations **. As of December 31, 2023, we had approximately $ 5. 6 billion of debt outstanding, of which $ 1. 7 billion is floating rate debt, which exposes us to interest rate fluctuation risk** . See Note 8 to our consolidated financial statements in Item 15 of this Report for more detail regarding our consolidated debt. See" Off- Balance Sheet Arrangements" in Item 7 of this Report for more detail regarding our unconsolidated debt **. Our ability to service and refinance our debt and to fund our operations, working capital, and capital expenditures, depends on our ability to generate cash flow in the future. Our cash flow is subject to general economic, industry, financial, competitive, operating, legislative, regulatory, environmental and other factors, many of which are beyond our control** . Our substantial indebtedness, and the limitations and other constraints imposed on us by our debt agreements, especially during economic downturns when credit is harder to obtain, could adversely affect us, including the following: • periods of rising and high interest rates would adversely affect: (i) our results of operations, (ii) our ability to pay dividends and distributions, (iii) the market price of our common stock, ~~and~~ (iv) our ability to borrow or to borrow on favorable terms **and (v) our ability to refinance existing debt on commercially reasonable terms or at all** ; • our cash flows may be insufficient to meet our required principal and interest payments; • servicing our borrowings may leave us with insufficient cash to operate our properties or to pay the distributions necessary to maintain our REIT qualification; • we may be unable to borrow additional funds as needed or on favorable terms, which could, among other things, adversely affect our ability to capitalize upon acquisition opportunities; • we may be unable to refinance our indebtedness at maturity or the refinancing terms may be less favorable than the terms of our existing indebtedness; • we may be forced to dispose of one or more of our properties, possibly on disadvantageous terms; • we may violate any restrictive covenants in our loan documents, which could entitle the lenders to accelerate our debt obligations; • we may be unable to hedge floating rate debt, counterparties may fail to honor their obligations under our hedge agreements, the hedge agreements may not effectively hedge the interest rate fluctuation risk, and, upon the expiration of any hedge agreements we do have, we will be exposed to the then- existing market rates of interest and future interest rate volatility with respect to debt that is currently hedged; we could also be declared in default on our hedge agreements if we default on the underlying debt that we are hedging; • we may default on our obligations and the lenders or mortgagees may foreclose on our properties that secure their loans and receive an assignment of rents and leases; • our default under any of our indebtedness with cross default provisions could result in a default on other indebtedness; **and** • any foreclosure on our properties could also create taxable income without

accompanying cash proceeds, which could adversely affect our ability to meet the REIT distribution requirements imposed by the Code ; and • most of our floating rate debt and related hedges are indexed to USD- LIBOR, any regulatory changes which impact the USD- LIBOR benchmark, such as the transition to SOFR (see Item 7A-" Quantitative and Qualitative Disclosures about Market Risk" in this Report) or other indexes, could impact our borrowing costs or the effectiveness of our hedges . As a result of various factors, such as competitive pricing pressure in our submarkets, adverse conditions in the Los Angeles County or Honolulu real estate market, general economic downturns, or the desirability of our properties compared to other properties in our submarkets, the rents we receive on new leases could be less than our in- place rents . If **, which could adversely affect** our properties are not **operating results, cash flows, and financial position. As of December 31, 2023,** as attractive to current and prospective **a percentage of our annualized base rental revenue for the stabilized portfolio, 18. 2 % of our** tenants **operated** in **the legal industry, 15. 5 % in the financial services industry, 14. 1 % in the entertainment industry and 12. 7 % in the real estate industry. As we continue our development and potential acquisition activities, our tenant mix could become more concentrated, further exposing us to risks associated with those industries. For the composition of our tenants by industry, see " Item 2. Properties — Office Industry Diversification as of December 31, 2023. " An economic downturn in any of these industries, or in any industry in which a significant number of our tenants currently or may in the future operate, could negatively impact the financial condition of such tenants and cause them to fail to make timely rental payments or default on lease obligations, fail to renew their leases or renew their leases on** terms of rent **less favorable to us** , **become bankrupt** services, condition, or location as properties owned by our - **or** competitors **insolvent** , we could lose tenants or suffer lower rental rates **otherwise become unable to satisfy their obligations to us** . As a result, **a downturn in an industry in which a** we may from time to time be required to incur significant **number** capital expenditures to maintain the competitiveness of our **tenants operate** properties. There can be no assurances that any such expenditures would **could adversely affect our financial conditions,** result in higher occupancy or rental rates, or deter existing tenants from relocating to properties owned by our competitors. We compete with a number of developers, owners and operators of office and multifamily real estate, many of which own properties similar to ours in the same markets in which our properties are located. If our competitors offer space at rental rates below current market rates, or below the rental rates that we currently charge our tenants, or if they offer tenants significant rent or other concessions, we may lose existing or potential tenants and may not be able to replace them, and we may be pressured to reduce our rental rates below those we currently charge or offer more substantial rent abatements, tenant improvements, early termination rights or below- market renewal options in order to retain tenants when our tenants' leases expire. Our business operations in Los Angeles County, California and Honolulu, Hawaii are susceptible to, and could be significantly affected by, adverse weather conditions and natural disasters such as earthquakes, tsunamis, hurricanes, volcanoes, drought, wind, floods, landslides and fires. The likelihood of such disasters may be increased as a result of climate change, and climate change could also have other impacts such as rising sea levels, which could impact our properties in Honolulu. Adverse weather conditions, natural disasters and climate change impacts could cause significant damage to our properties or to the economies of the regions in which they are located, the risk of which is enhanced by the concentration of our properties' locations. Our insurance coverage may not be adequate to cover business interruption or losses resulting from adverse weather or natural disasters. In addition, our insurance policies include substantial self- insurance portions and significant deductibles and co- payments for such events, and we are subject to the availability of insurance in the US and the pricing thereof. As a result, we may incur significant costs in the event of adverse weather conditions and natural disasters. Most of our properties are located in Southern California, an **and** area subject to an increased risk of earthquakes. While we presently carry earthquake insurance on our properties, the amount of our earthquake insurance coverage may not be sufficient to fully cover losses from earthquakes. We may reduce or discontinue earthquake or any other insurance coverage on some or all of our properties in the future if the cost of premiums for any of these policies in our judgment exceeds the value of the coverage discounted for the risk of loss. We do not carry insurance for certain losses, such as losses caused by certain environmental conditions, asbestos, riots or war. In addition, our title insurance policies generally only insure the value of a property at the time of purchase, and we have not and do not intend to increase our title insurance coverage as the market value of our portfolio increases. As a result, we may not have sufficient coverage against all losses that we may experience, including from adverse title claims. If we experience a loss that is uninsured or which exceeds policy limits, we could incur significant costs and lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties . If the damaged properties are encumbered, we may continue to be liable for the indebtedness, even if these properties were irreparably damaged. If any of our properties were destroyed or damaged, then we might not be permitted to rebuild many of those properties to their existing height or size at their existing location under current zoning and land use regulations. In the event that we experience a substantial or comprehensive loss of one of our properties, we may not be able to rebuild such property to its existing specifications and otherwise may have to upgrade such property to meet current code requirements. New regulations in the submarkets in which we operate could require us to make safety improvements to our buildings, for example requiring us to retrofit our buildings to better withstand earthquakes, and we could incur significant costs complying with those regulations. We may be unable to renew our tenants' leases, in which case we must find new tenants. To attract new tenants or retain existing tenants, particularly in periods of recession, we may have to accept rental rates below our existing rental rates or offer substantial rent abatements, tenant improvements, early termination rights or below- market renewal options. Accordingly, portions of our office and multifamily properties may remain vacant for extended periods of time. In addition, some existing leases currently provide tenants with options to renew the terms of their leases at rates that are below the current market rates or to terminate their leases prior to the expiration date thereof. We actively pursue opportunities for what we believe to be well- located and high quality buildings that may be in a transitional phase due to current or impending vacancies. We cannot assure that any such vacancies will be filled following a property acquisition, or that new tenant leases will be executed at or above market rates. As of December 31, 2022, 12. 9 % of the square footage in our total office portfolio was available for lease and 13.

~~8 % was scheduled to expire in 2023. As of December 31, 2022, 0. 6 % of the units in our multifamily portfolio were available for lease, and substantially all of the leases in our multifamily portfolio must be renewed within the next year. For more information see Item 2 " Properties " of this Report.~~