



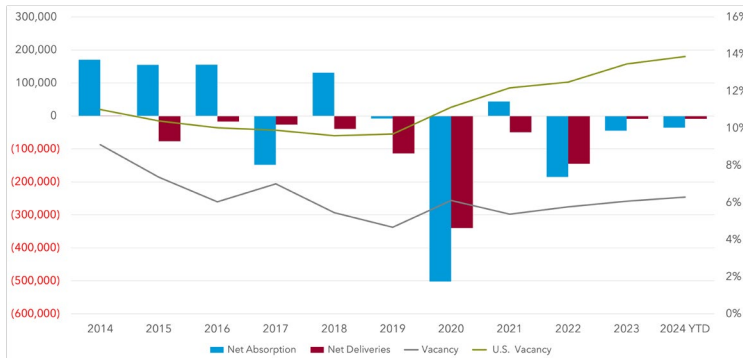
OFFICE MARKET OVERVIEW

CHRISTOPHER MANASSERO, *Senior Associate*

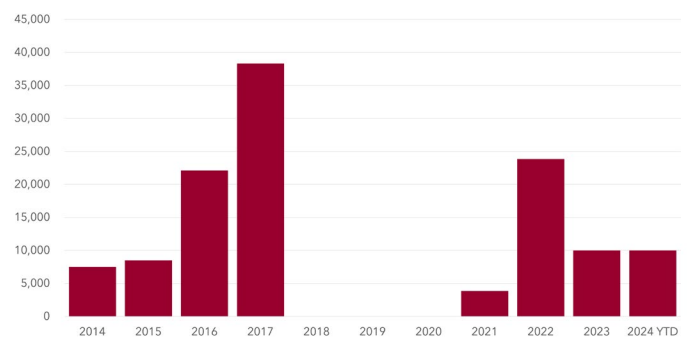
The office sector in North Orange County reflects a market experiencing slight contraction but also shows signs of pricing resilience. The net absorption in Q2 2024 indicates a contraction in demand, with a negative absorption of 8,978 square feet, albeit an improvement from the more significant negative absorption in Q1 2024. The slight increase in vacancy rates could challenge market recovery, encouraging landlords to offer competitive leasing conditions to attract tenants.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▲ 12 Mo. Net Absorption SF	(8,978)	(26,367)	16,160	(18,203)	45,744
▲ Vacancy Rate	6.3%	6.1%	5.4%	5.9%	5.7%
▲ Avg FSG Asking Rate PSF	\$26.67	\$26.30	\$26.36	\$25.68	\$25.57
▼ SF Under Construction	10,000	23,800	15,000	15,000	15,000
▼ Inventory SF	12,124,146	12,171,379	12,238,992	12,229,282	12,229,282

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1325 Rose Drive* Placentia, CA	25,000 SF	\$975,000,000 \$641.58 PSF	UCI Health Tenet Healthcare Corporation	Class B
1800 E. La Veta Avenue Orange, CA	22,699 SF	\$9,000,000 \$396.49 PSF	1800 E La Veta Ave Ground Owner LP Orange 702 LP	Class B
1275 N. Rose Drive* Placentia, CA	19,779 SF	\$975,000,000 \$641.58 PSF	UCI Health Tenet Healthcare Corporation	Class C

* Part of a 15-Property Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1290 N. Hancock Street Anaheim, CA	8,073 SF	1290 N Hancock LLC	Undisclosed	Undisclosed
251 E. Imperial Highway Fullerton, CA	6,010 SF	Sunny Hills Management	Undisclosed	Undisclosed
701 Kimberly Avenue Placentia, CA	4,030 SF	David & Carol Zaslow	Undisclosed	Undisclosed

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