



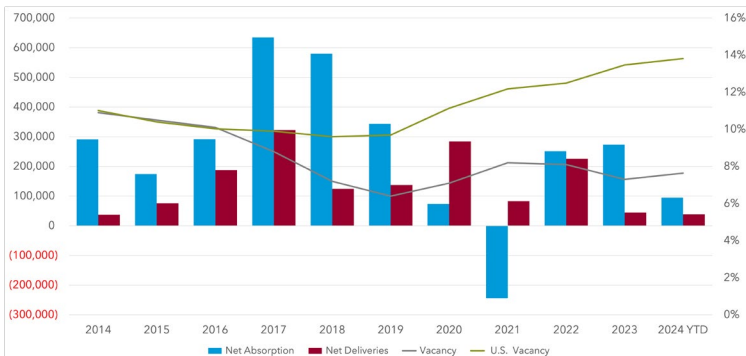
OFFICE MARKET OVERVIEW

ROSS PUSKARICH, Associate

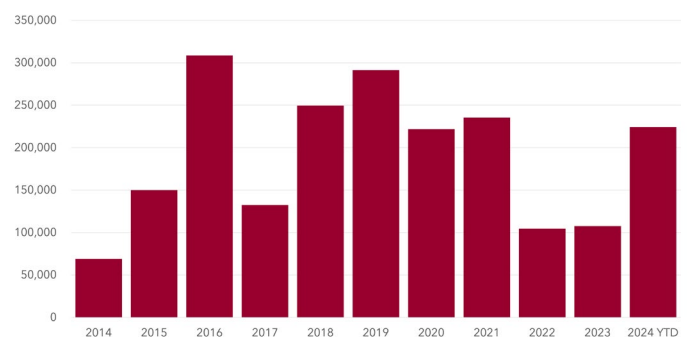
Fresno is the largest office market in California's Central Valley, with over double the inventory of Bakersfield, located 100 miles south. The vacancy rate stands at 7.6%. Strong demand over the past two years has facilitated a modest increase in average rents, which now sit at \$23.00 per square foot. This upward trend has persisted since Q1 2022 and continues into Q2 2024. In the past year, total transaction volume reached \$68.1 million across 69 deals, significantly below the 2017-2019 average of \$115 million. User sales have surged, accounting for nearly 40% of transactions, up from 16% over the previous five years, with an average price per square foot of \$133. Average market cap rates are estimated at over 7.1%.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	94,900	183,000	221,454	273,346	90,766
▲ Vacancy Rate	7.64%	7.60%	7.70%	7.30%	7.80%
▲ Avg NNN Asking Rate PSF	\$23.24	\$22.47	\$22.43	\$22.38	\$22.38
◀ ▶ Sale Price PSF	\$173.00	\$173.00	\$173.00	\$175.00	\$179.00
▼ Cap Rate	9.67%	9.70%	9.70%	9.60%	9.40%
▲ Under Construction SF	224,343	136,111	101,000	108,000	88,800
▼ Inventory SF	29,117,428	29,111,613	29,100,000	29,100,000	29,100,000

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1821 Fulton Street Fresno, CA	20,560 SF	\$2,200,000 \$107.00 PSF	United Health Ctrs San Joaquin Vly BH Properties LLC	Class C
5135 N. Blackstone Avenue Fresno, CA	12,667 SF	\$1,630,000 \$128.68 PSF	TJK Properties LLC Robert E. Boyajian Revocable Trust	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7589 N. Wilson Avenue Fresno, CA	6,810 SF	Hallaian Properties	Xobee Networks LLC	Technical Services
155 E. Shaw Avenue Fresno, CA	6,593 SF	LV Silver 7 LLC	Vitalize Behavioral Health Shaw & 41	Health Care
7485 N. Palm Avenue Fresno, CA	4,748 SF	Hammerman Capital Management LLC	Academy Mortgage	Mortgage Services

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