



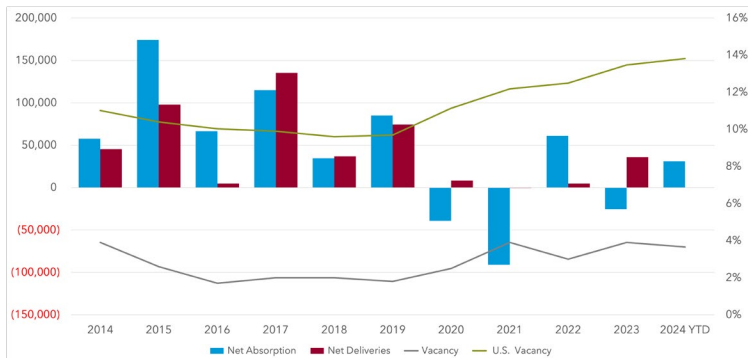
OFFICE MARKET OVERVIEW

JEFF ALLEN, Associate

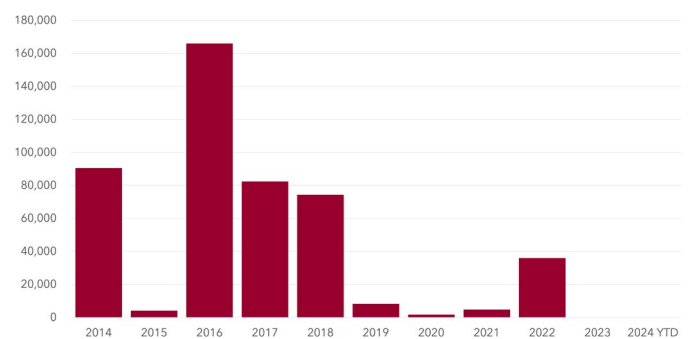
The total San Luis Obispo office market comprises 6.7 million SF of inventory. San Luis Obispo's office market reports a vacancy rate of 3.7%, with rents increasing 2.4% over the past 12 months to an average of \$29.00 per square foot. No new office construction is underway. Over the past three years, there have been 120 sales, totaling \$147 million and 560,000 square feet of inventory. In the past year alone, 23 transactions accounted for \$26.2 million and 120,000 square feet of space. The average cap rate over the past three years was 8.1%, though it has risen to 8.7% in the current market.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▲ 12 Mo. Net Absorption SF	31,047	15,960	(2,085)	(25,459)	(36,903)
▲ Vacancy Rate	3.66%	3.60%	3.80%	3.90%	4.10%
▲ Avg NNN Asking Rate PSF	\$29.00	\$28.65	\$28.62	\$28.44	\$28.27
▼ Sale Price PSF	\$241.00	\$242.00	\$242.00	\$246.00	\$249.00
▼ Cap Rate	8.66%	8.67%	8.65%	8.54%	8.41%
◀ ▶ Under Construction SF	-	-	-	-	-
▲ Inventory SF	6,706,084	6,696,493	6,696,493	6,696,493	6,696,493

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
202 Tank Farm Road San Luis Obispo, CA	8,240 SF	\$2,225,000 \$270.0s PSF	Rental Depot Craig and Patricia Karli	Class C
600 W. Grand Avenue Grove Beach, CA	2,358 SF	\$1,100,000 \$424.09 PSF	Coldwell Banker Residential Brkrq Cathi Smith	Class C
1606 Spring Street Paso Robles, CA	2,121 SF	\$710,000 \$334.75 PSF	RJW Properties LLC Gary York	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4330 Santa Fe Road San Luis Obispo, CA	8,000 SF	SLO Partners, a California GP	Undisclosed	Undisclosed
1446 Spring Street Paso Robles, CA	6,013 SF	Brian Dirk	Undisclosed	Undisclosed
719 Pismo Street San Luis Obispo, CA	2,982 SF	1404 Broad Street LLC	Undisclosed	Undisclosed

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