



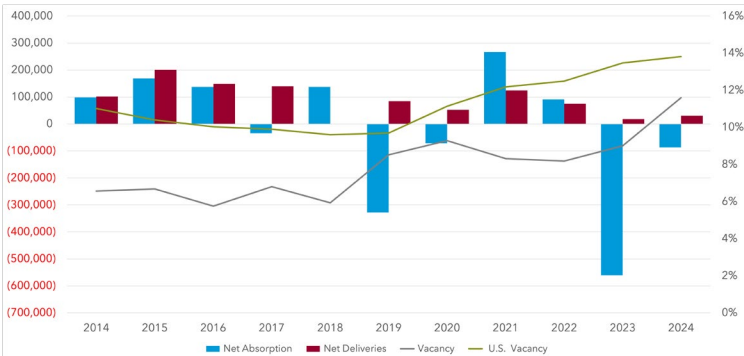
### OFFICE MARKET OVERVIEW

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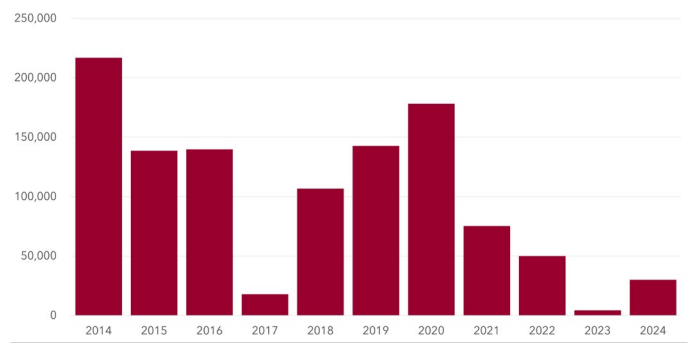
The Bakersfield office market has faced headwinds over the past two years, with significant blocks of office space vacated and the vacancy rate climbing to 11.0%. While this figure remains below the national average of 13.9%, Bakersfield's position as a low-cost office market within California presents challenges. Large operators have downsized or moved out of state-favoring Arizona, Nevada, or Texas-including the likes of State Farm, Chevron, Haliburton, PCL and others anticipated to do the same in 2025. In 2024 73 properties sold for a total of \$88.M, with no transaction exceeding \$10M. Market expectations for 2025 remain mixed, but modest sales growth could align activity with 10-yr historical norms.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▲ 12 Mo. Net Absorption SF	(86,934)	(600,000)	(606,000)	(472,898)	(561,000)
▼ Vacancy Rate	11.6%	12.0%	12.4%	11.2%	9.0%
▼ Avg NNN Asking Rent PSF	\$23.81	\$24.07	\$23.48	\$23.44	\$23.40
▼ Sale Price PSF	\$149	\$154	\$154	\$154	\$155
▲ Cap Rate	10.60%	9.99%	10.00%	9.99%	9.92%
▼ Under Construction	30,000	50,000	20,000	20,000	4,382
▼ Inventory	16,268,805	16,274,488	16,232,479	16,232,479	16,246,282

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5300 California Avenue Bakersfield, CA	108,131 SF	\$4,900,000 \$45.32 PSF	Blumer Construction Pacific Health Education Center	Class B
9500 Ming Avenue Bakersfield, CA	71,922 SF	\$9,725,000 \$135.22 PSF	Grimmway Enterprises, Inc. Chevron Corporation	Class A
800 Truxtun Avenue Bakersfield, CA	53,393 SF	\$12,325,000 \$230.84 PSF	WMC Berkshire Properties	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4029 Coffee Road Bakersfield, CA	7,731 SF	Shane Nay	Sun World Intrnational	Wholesaler
5121 Stockdale Highway Bakersfield, CA	7,697 SF	Richard Ackerman	Undisclosed	Undisclosed
4800 Stockdale Bakersfield, CA	6,270 SF	Richard Ackerman	State of California	Government

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