LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q4 2023
VENTURA COUNTY OFFICE MARKET REPORT

Q4 TRENDS AT A GLANCE

- ▼ **Absorption** (51,447) SF
- ▼ **Vacancy** 7.9%
- ▼ **Leasing Activity** 167,318 SF
- ▼ **Direct Lease Rate** $2.42 PSF
- — **Under Construction** 0 SF
- — **Completed Construction** 0 SF
- — **Office Buildings Sold** 2
- ▼ **Median Sale Price** $147 PSF

Change from prior quarter

UNEMPLOYMENT RATE

	Ventura County	California	US
	▲	▲	▼
Sept 2023	4.5%	4.7%	3.8%
Nov 2023	4.7%	4.9%	3.7%

Ventura's Office Real Estate Market Wraps 2023 With Negative Net Absorption, High Vacancy Rates

The Ventura office real estate market experienced a downturn in momentum during the fourth quarter, characterized by near record-high vacancy rates, a decline in leasing activity and negative net absorption. Sales prices continue to drop, with the median price per square foot dropping from $220 to $147 over the course of the last quarter. Five assets were sold during this time, with two of them being distressed.

Leasing activity decreased 24 percent from the previous quarter, with 167,318 square feet of office space being leased in total. This marks the lowest amount of space leased for 2023 and is the fourth lowest amount of space leased in nearly 15 years. Vacancy rates increased exponentially by just under 300 basis points from the last quarter, landing at 15.4 percent, reaching levels not seen since the previous decade's economic recession. Despite these challenges, lease rates in the market remain consistent at $2.42 per square foot.

In a departure from the trend of positive net absorption from the previous two quarters, the market reported 51,447 square feet of negative net absorption in the fourth quarter. Only two submarkets–Ventura and Camarillo–reported modest figures of positive net absorption. Overall, the market ended the year with 141,089 square feet of unoccupied office space.

After a promising year, the Ventura office real estate market concludes on an intriguing and rather challenging note. The market's potential vibrant future may hinge on adaptive measures and responses to the prevailing economic conditions.

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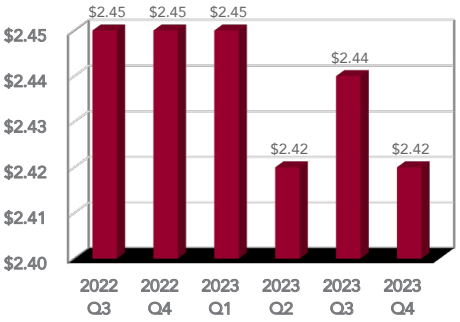
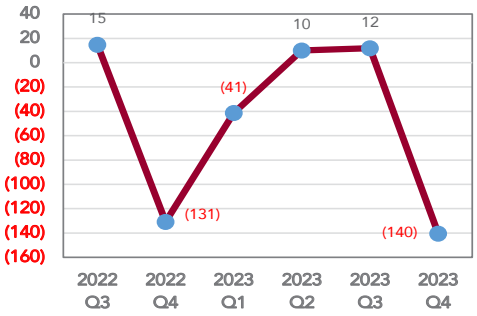
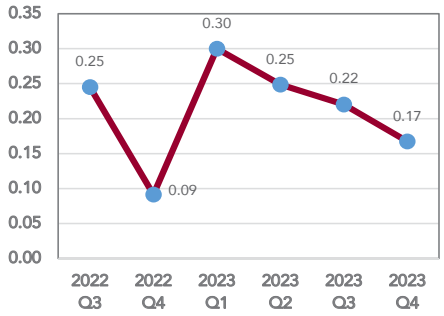
RENTAL RATES
average per SF, per month



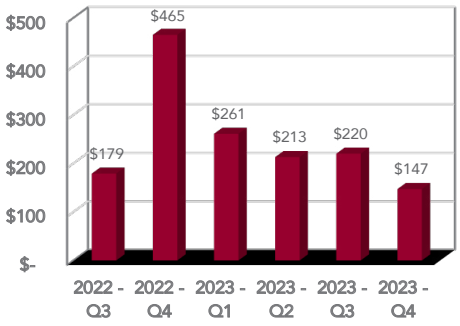
ABSORPTION
in thousands of SF



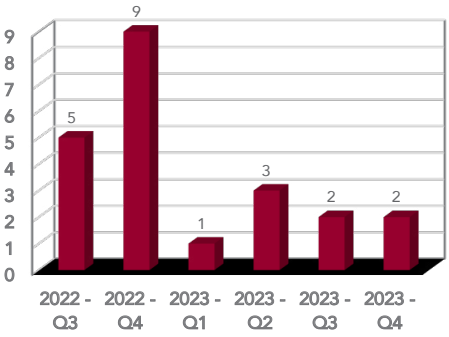
LEASING ACTIVITY
millions of SF leased



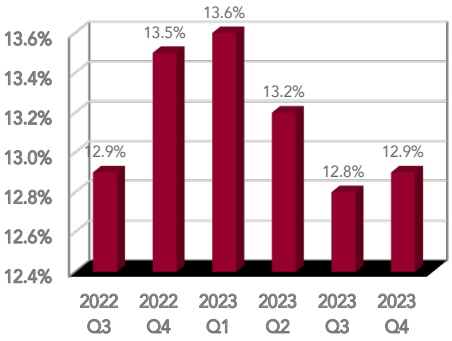
MEDIAN SALE PRICE



SALE TRANSACTIONS



VACANCY



Median sale price excludes distressed sales and those where no price information was recorded.

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
275 E Hillcrest Dr Thousand Oaks, CA	9,317 SF	501 Thousand Oaks, LLC	Undisclosed	-
515 Marin St, Ste 314 Thousand Oaks, CA	7,628 SF	Marin Street Holdings, LLC	ADRx, Inc	Biotechnology

Source: CoStar and Lee & Associates

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SUBMARKETS	TOTAL INVENTORY	TOTAL VACANCY		NET ABSORPTION		CONSTRUCTION		ASKING FSG RATE
		Total SF	%	Q4 2023	YTD 2023	UNDERWAY	COMPLETED YTD	
Agoura Hills	2,082,020	382,953	18.4%	(26,459)	(128,308)	0	0	$2.29
Camarillo	2,495,618	189,441	7.6%	18,311	(17,444)	0	0	$2.09
Conejo Valley	9,990,952	1,709,691	17.1%	(15,832)	19,874	0	0	$2.51
Oxnard / Port Hueneme	3,155,585	300,991	9.5%	(25,230)	119,137	0	0	$2.47
Simi Valley / Moorpark	1,978,774	181,493	9.2%	(3,106)	(32,871)	0	0	$2.49
Ventura	4,243,525	334,026	7.9%	869	(81,570)	0	0	$2.24
Totals	23,946,474	3,098,595	12.9%	(51,447)	(141,089)	0	0	$2.42

Source: CoStar and Lee & Associates

MARKET DEFINITIONS

RENTABLE AREA

Includes all Class A, B and C multi-tenant and single-tenant office buildings of 10,000 square feet and greater. Excludes buildings under construction, planned or under renovation.

DIRECT VACANCY

Space in existing buildings that is not occupied and is available for direct lease.

TOTAL VACANCY

Space in existing buildings that is not occupied and is available for direct lease and/or sub-lease.

TOTAL NET ABSORPTION

The square feet leased after deducting space vacated.

DIRECT ASKING LEASE RATE

Calculated for direct available space using asking rents. Rents are weighted by total square feet available for direct lease.

UNDER CONSTRUCTION

Buildings in the process of construction. A building is considered complete when issued a certificate of occupancy.

MEDIAN SALE PRICE

Based on actual prices of sold buildings as reported in public records and by CoStar. Includes all office buildings 10,000 SF and more sold at $500,000 or more.

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Lee & Associates-LA North/Ventura, Inc. *is a full service commercial brokerage company serving the San Fernando Valley, Conejo Valley, Simi Valley/Moorpark and Ventura County markets. Founded in 1994, Lee LA North/Ventura has grown to become one of the largest commercial brokerage companies in the Los Angeles North and Ventura regions with four offices and 48 agents.*

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VENTURA COUNTY OFFICE SUBMARKETS

Agoura Hills/ Westlake
Agoura Hills
Oak Park
Westlake Village

Calabasas

Camarillo
Camarillo
Somis

Fillmore/ Santa Paula

Moorpark/Simi Valley

Newbury Park/ Thousand Oaks

Oxnard/ Pt Hueneme
Oxnard
Pt Hueneme
Saticoy

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