



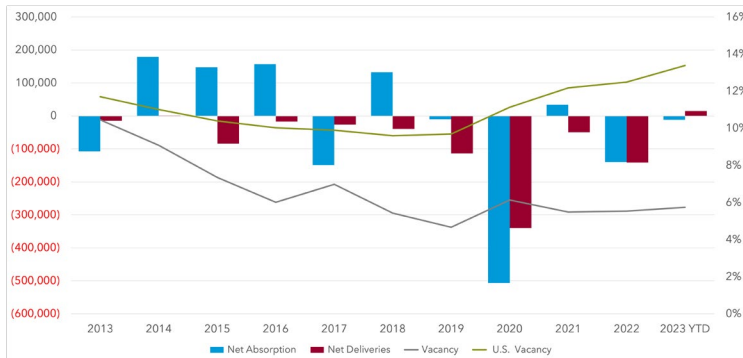
OFFICE MARKET OVERVIEW

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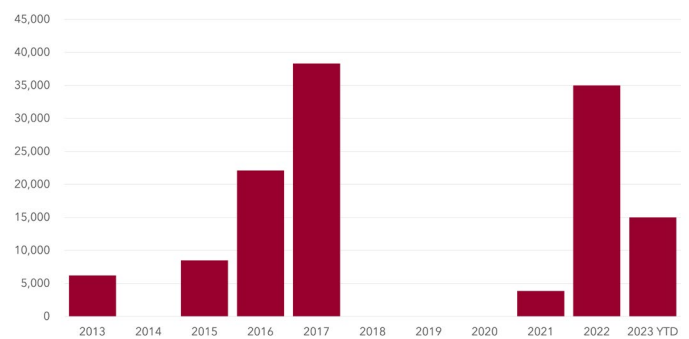
The North Orange County Office market experienced a modest uptick in vacancy rates and rental rates during Q3 2023. The development activity remains stagnant, hindered by persistently high construction costs and a gradual ascent in vacancy levels. Sales volume and market price per square foot have continued to decline since Q4 2022. Economic trends indicate further decline is ahead with a high interest rate environment and warnings of a looming recession.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(18,203)	45,744	(56,911)	69,294	(151,369)
▲ Vacancy Rate	5.9%	5.7%	6.0%	5.5%	6.8%
▲ Avg FSG Asking Rate PSF	\$25.68	\$25.57	\$25.50	\$25.42	\$25.58
◀ ▶ SF Under Construction	15,000	15,000	35,000	35,000	38,850
◀ ▶ Inventory SF	12,229,282	12,229,282	12,209,282	12,214,270	12,307,156

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1237 S. Euclid Street Anaheim, CA	5,328 SF	\$1,343,000 \$252.06 PSF	Luan H. Phan Clyde L. Edwards	Class C
745 S. Brea Boulevard Brea, CA	3,852 SF	\$1,180,000 \$306.33 PSF	Van Buu Le & Hang K Living Trust Sunwoo Merchant Marine America, Inc	Class C
611 S. Euclid Street Fullerton, CA	2,185 SF	\$1,500,000 \$686.50 PSF	Joon Kim Chiropractic Bee Investment, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2601 Saturn Street Brea, CA	8,454 SF	Shuyu Zheng	Undisclosed	Undisclosed
110 E. Wilshire Avenue Fullerton, CA	8,292 SF	BH Properties LLC	Undisclosed	Undisclosed
2190 Towne Centre Place Anaheim, CA	8,202 SF	Pendulum Property Partners	Undisclosed	Undisclosed

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