



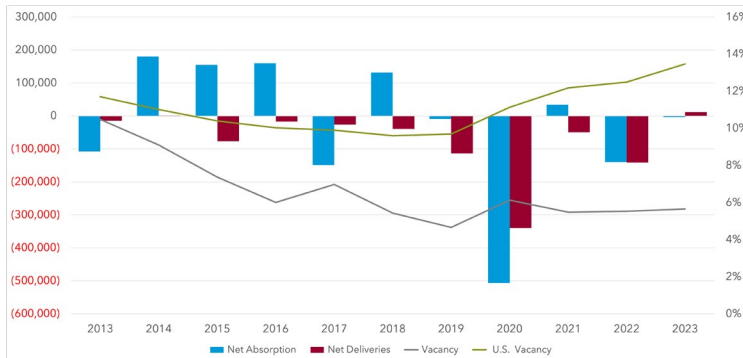
### OFFICE MARKET OVERVIEW

CHRISTOPHER MANASSERO, *Senior Associate*

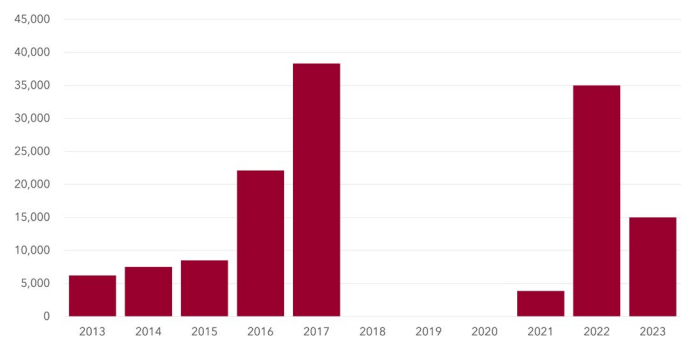
In the fourth quarter of 2023, the North Orange County office market exhibited a favorable trend characterized by a positive net absorption reflecting a marginal decline in vacancy rates alongside an upswing in asking rental rates. Concurrently, the realm of sale volumes experienced a modest upturn, which can be attributed to the Federal Reserve's choice to extend its pause on interest rate hikes into the third consecutive month with a possibility for rate cuts in 2024. Until then, buyers will continue to be cautious monitoring the economy and the Fed's decision on interest rates.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▲ 12 Mo. Net Absorption SF	16,160	(18,203)	45,744	(56,911)	69,294
▼ Vacancy Rate	5.4%	5.9%	5.7%	6.0%	5.5%
▲ Avg FSG Asking Rate PSF	\$26.36	\$25.68	\$25.57	\$25.50	\$25.42
◀ ▶ SF Under Construction	15,000	15,000	15,000	35,000	35,000
▲ Inventory SF	12,238,992	12,229,282	12,229,282	12,209,282	12,214,270

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2461 E. Orangethorpe Avenue Fullerton, CA	18,240 SF	\$2,648,703 \$145.21 PSF	HK Ventures Hinterberg Living Trust	Class B
2495 E. Orangethorpe Avenue Fullerton, CA	13,600 SF	\$1,946,100 \$143.10 PSF	HK Ventures Hinterberg Living Trust	Class B
2500 E. Ball Road Anaheim, CA	11,534 SF	\$3,075,000 \$266.60 PSF	6941 Steeplechase Circle MIR Realty Anaheim LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2569 W. Woodland Drive Anaheim, CA	6,625 SF	Jay & Lola LLC	Veterans Health Administration	Public Administration
110 E. Wilshire Avenue Fullerton, CA	4,086 SF	Steve Gozini	Undisclosed	Undisclosed
1561 E. Orangethorpe Avenue Fullerton, CA	4,397 SF	Sofia Stieve	Undisclosed	Undisclosed

