



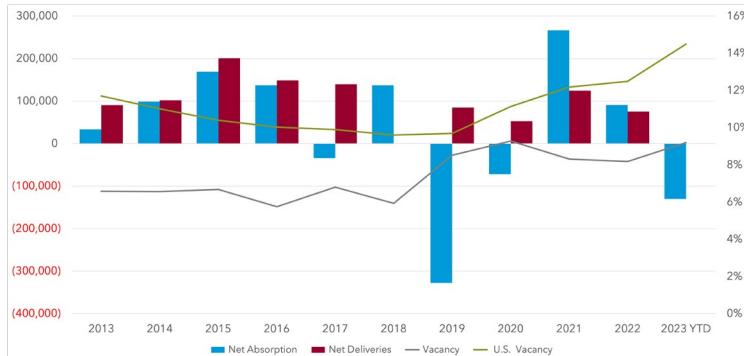
### OFFICE MARKET OVERVIEW

CHAD BROCK, *Managing Principal*

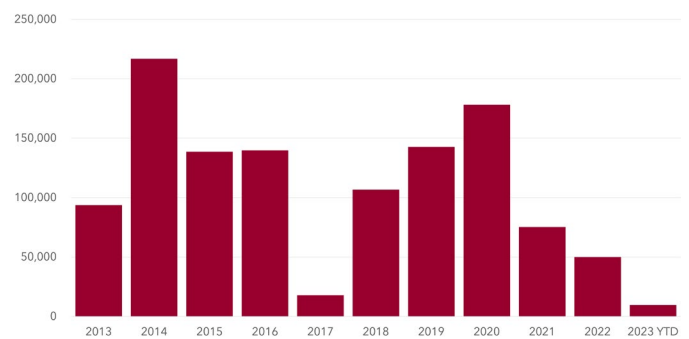
Bakersfield is a mid-sized office metro that had 61 office sales close over the past 12 months—the fewest office deals the metro has seen over the past five years, as investors took a step back from their typical level of activity. Annual sales volume has averaged \$101 million over the past five years, and the 12-month high for deal volume over that period reached \$162 million. However, the recorded volume over the past year totaled just \$48.4 million, which is the lowest figure over that five-year stretch. The market price, which is derived from the price movement of all office buildings in the market, now sits at \$163 PSF. That price has stumbled on a year-over-year basis, and the price offers a significant discount compared with the average level across the nation.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(247,000)	(681,241)	(108,993)	(16,413)	44,170
▼ Vacancy Rate	9.20%	14.06%	5.99%	6.34%	6.55%
▲ Avg NNN Asking Rate PSF	\$24.36	\$23.64	\$23.64	\$23.64	\$23.64
▼ SF Under Construction	9,611	50,000	50,000	-	-
▲ Inventory SF	16,037,568	15,966,788	15,966,788	15,966,788	15,966,788

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



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
601 High Street Bakersfield, CA	9,931 SF	\$2,000,000 \$201.00 PSF	601 High Street Investments LLC Mike Mariani	Class C
8501 Brimhall Road, #200 Bakersfield, CA	8,828 SF	\$1,646,000 \$186.00 PSF	Rick Montyoya Daniel Taheri MD	Class B
8501 Brimhall Road, #1900 Bakersfield, CA	6,096 SF	\$1,646,000 \$270.00 PSF	Movement Properties LLC 8311 Brimhall Rd LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3551 Pegasus Drive Bakersfield, CA	27,000 SF	G3 Concepts LLC	PGE	Telecom
5060 California Ave - Stockdale Twr Bakersfield, CA	6,587 SF	Cardinal Equities	Undisclosed	Undisclosed
5060 California Ave - Stockdale Twr Bakersfield, CA	4,995 SF	Cardinal Equities	Undisclosed	Undisclosed

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com