



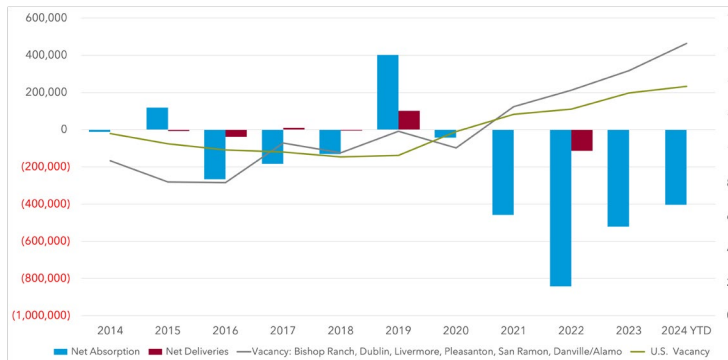
### OFFICE MARKET OVERVIEW

MARK RINKLE, *Principal*

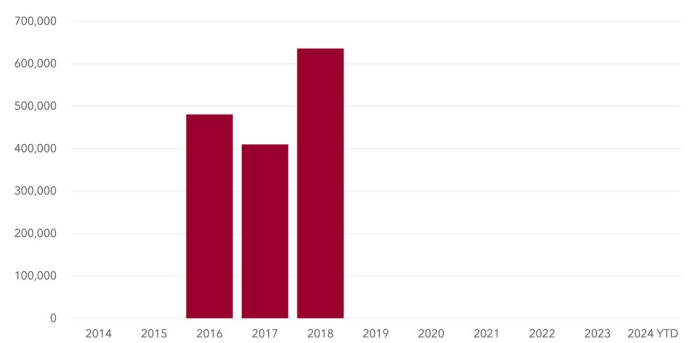
Q2 faced escalating challenges, with the vacancy rate climbing to 16.4% and the 12-month net absorption posting another negative half a million square feet. Market rents dipped slightly from \$34.11 to \$34.09, showing continued weakness in the leasing sector. This persistent negative absorption trend, coupled with increasing vacancies, underscores a tough period ahead as hybrid work patterns and economic uncertainties continue to impact leasing activity and tenant retention. On the bright side, there were several large campus sale transactions that took place, most notably being the Pleasanton Corporate Commons which was purchased by Nome Capital Partners and Dutra Plaza being purchased by Engrace Montessori School. PCC was purchased at 43% less than the assessed value.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▼ 12 Mo. Net Absorption SF	(497,079)	(363,091)	(520,881)	(581,250)	(96,764)
▲ Vacancy Rate	16.4%	15.1%	14.8%	14.5%	14.8%
▼ Avg NNN Asking Rate PSF	\$34.09	\$34.11	\$34.20	\$34.32	\$34.19
◀ ▶ SF Under Construction	0	0	0	0	0
◀ ▶ Inventory SF	27,315,270	27,315,270	27,315,270	27,315,270	27,315,270

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6200-6230 Stoneridge Mall Road Pleasanton, CA	595,608 SF	\$151,800,000 \$255.00 PSF	Nome Capital Partners UBS Asset Management	Class A
5950-5960 Stoneridge Drive Pleasanton, CA	42,200 SF	\$6,707,500 \$159.00 PSF	Engrace Montessori School Dutra Enterprises, Inc.	Class B
6111 Johnson Court Pleasanton, CA	14,588 SF	Undisclosed	Undisclosed The RK Logistics Group	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6111 Bollinger Canyon Road San Ramon, CA	42,647 SF	Sunset Development Company	Undisclosed	Undisclosed
12677 Alcosta Boulevard San Ramon, CA	42,000 SF	Sunset Development Company	Undisclosed	Undisclosed
6955-6979 Sierra Court Dublin, CA	36,843 SF	Dianne Johnson	Document Fulfillment Services	Professional, Scientific, & Technical Services

