



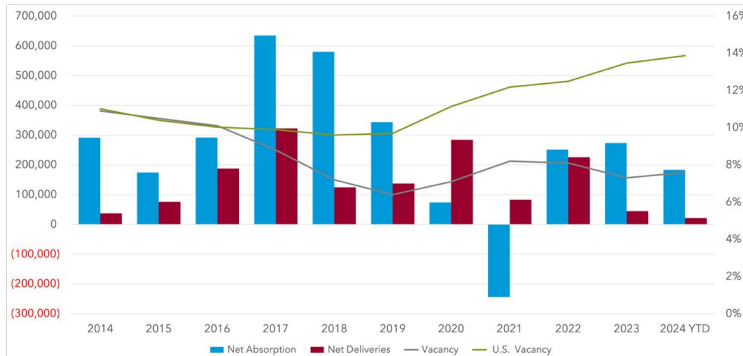
### OFFICE MARKET OVERVIEW

ROSS PUSKARICH, Associate

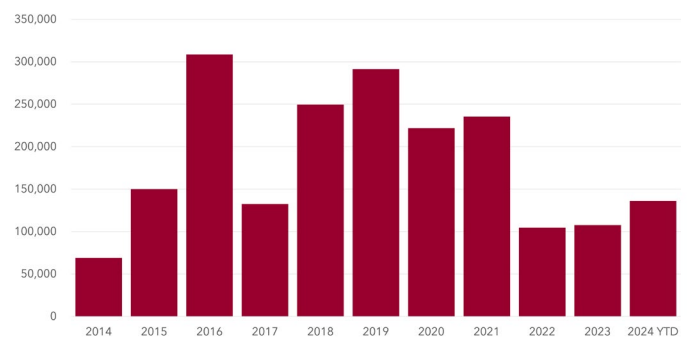
Fresno is the largest office market in the Central Valley and is among the tightest in the western U.S. with 7.6% vacancy falling from 10.9% 10 years ago. Net absorption was positive in 2022 and 2023 and totals 183,083 SF year to date. User sales remain a major market driver with tenants leveraging lower purchase prices. The largest leases come from medical users, notably the Community Regional Medical Center in downtown Fresno. Despite market challenges, deal sizes in 2023 only decreased by 10% compared to the 2017-2019 average, better than the 30%-40% reductions seen in other markets.

| MARKET INDICATORS          | Q2 2024    | Q1 2024    | Q4 2023    | Q3 2023    | Q2 2023    |
|----------------------------|------------|------------|------------|------------|------------|
| ▼ 12 Mo. Net Absorption SF | 183,000    | 221,454    | 273,346    | 90,766     | 41,886     |
| ▼ Vacancy Rate             | 7.6%       | 7.7%       | 7.3%       | 7.8%       | 8.1%       |
| ▲ Avg NNN Asking Rate PSF  | \$22.47    | \$22.43    | \$22.38    | \$22.38    | \$22.22    |
| ▲ SF Under Construction    | 136,111    | 101,000    | 108,000    | 88,800     | 94,100     |
| ▲ Inventory SF             | 29,111,613 | 29,100,000 | 29,100,000 | 29,100,000 | 29,100,000 |

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



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF       | SIZE      | SALE PRICE                 | BUYER / SELLER                                     | BUILDING CLASS |
|-----------------------------------|-----------|----------------------------|--|----------------|
| 1320 E. Shaw Avenue<br>Fresno, CA | 54,679 SF | \$3,632,662<br>\$66.00 PSF | Fresno Starpoint LLC<br>Mill Avenue Properties LLC | Class B        |
| 1318 E. Shaw Avenue<br>Fresno, CA | 32,172 SF | \$2,390,132<br>\$74.00 PSF | Fresno Starpoint LLC<br>Mill Avenue Properties LLC | Class B        |
| 1322 E. Shaw Avenue<br>Fresno, CA | 32,100 SF | \$2,443,966<br>\$76.00 PSF | Fresno Starpoint LLC<br>Mill Avenue Properties LLC | Class B        |

| TOP LEASE TRANSACTIONS BY SF           | SIZE      | LANDLORD           | TENANT          | TENANT INDUSTRY                   |
|--|-----------|--------------------|-----------------|-----------------------------------|
| 7170 N. Financial Drive<br>Fresno, CA  | 15,428 SF | Ellis Enterprises  | Bright Day ADHC | Health Care and Social Assistance |
| 3240 N. Millbrook Avenue<br>Fresno, CA | 13,518 SF | John S. Foggy      | Undisclosed     | Undisclosed                       |
| 7815 N. Palm Avenue<br>Fresno, CA      | 6,995 SF  | Tutelian & Company | Undisclosed     | Undisclosed                       |

