



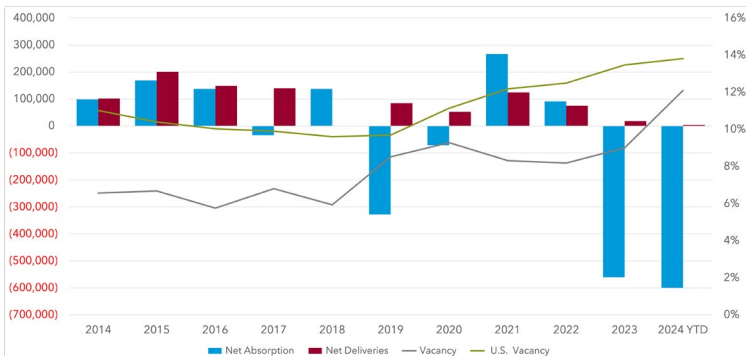
OFFICE MARKET OVERVIEW

ROSS PUSKARICH, *Associate*

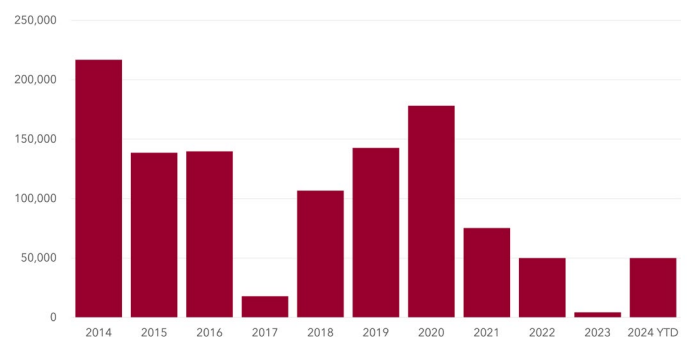
Office vacancy rate has risen by nearly 400 bps over the past year, reaching 12.1%, though below the national average of 13.9%. New construction activity is minimal, with only one 50,000-square-foot property added on a BTS. Bakersfield remains a low-cost market, with average office rents at \$24.00 PSF. In the past year, 64 office transactions totaled \$85.7 million, maintaining steady transaction velocity despite a challenging lending environment. Over the past five years, the market has averaged \$96.8 million in annual sales volume. As of Q3 24, the average PSF is just under \$192 and with an average cap rate of 7.4%.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▲ 12 Mo. Net Absorption SF	(600,000)	(606,000)	(472,898)	(561,000)	(179,000)
▼ Vacancy Rate	12.0%	12.4%	11.2%	9.0%	8.7%
▲ Avg NNN Asking Rate PSF	\$24.07	\$23.48	\$23.44	\$23.40	\$24.12
◀ ▶ Sale Price PSF	\$154.00	\$154.00	\$154.00	\$155.00	\$157.00
▼ Cap Rate	9.99%	10.00%	9.99%	9.92%	9.77%
▲ Under Construction SF	50,000	20,000	20,000	4,382	13,993
▲ Inventory SF	16,274,488	16,232,479	16,232,479	16,246,282	16,082,343

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2575 Haley Street Bakersfield, CA	14,000 SF	\$2,000,000 \$142.86 PSF	NRB Properties LLC The Wanlass Trust	Class B
8302 Espresso Drive Bakersfield, CA	12,632 SF	\$3,250,000 \$257.28 PSF	Mohammed Hugais Roger Allred	Class B
4909 Calloway Drive, Bldg. D Bakersfield, CA	9,248 SF	\$2,500,000 \$270.33 PSF	Infinity Real Estate Holdings LLC Communications & Consulting, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9801 Camino Media Bakersfield, CA	42,635 SF	State Compensation Insurance Fund	Undisclosed	Undisclosed
4700 Stockdale Highway Bakersfield, CA	5,947 SF	Barbara & Richard L. Ackerman Trust	Laurel Ag & Water	Wholesaler
9450-9500 Stockdale Highway Bakersfield, CA	5,754 SF	Remedy Medical Properties	United Neuroscience, Inc.	Medical

