



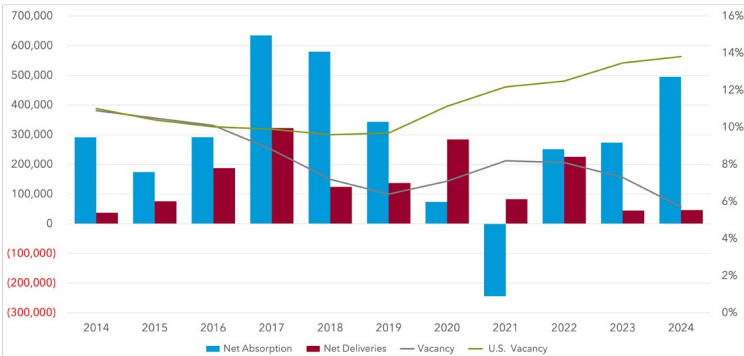
OFFICE MARKET OVERVIEW

ROSS PUSKARICH, Associate

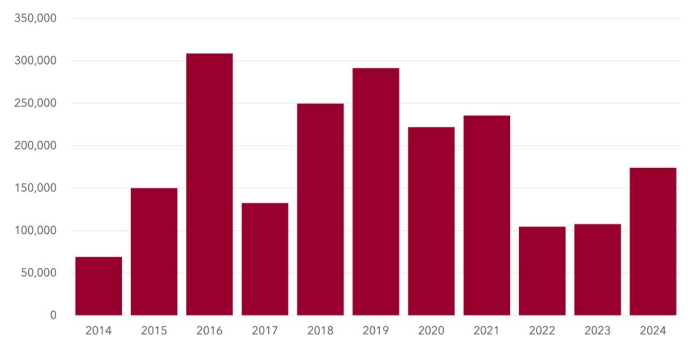
Fresno, the largest office market in California's Central Valley, has twice the inventory of Bakersfield and is popular with government agencies and large private-sector occupiers like AT&T and Aetna Life Insurance. Demand has been steady, with a vacancy rate of 5.7%, up 20 BPS YOY. Rents average \$24.00/SF (Full Service Gross), up 2.0% in the past year, with high-end inventory performing exceptionally well due to tight availability. Leasing slowed in 2024, with year-to-date activity below 500,000 SF for the first time since 2007. Sales volume totaled \$70 million across 73 transactions, primarily smaller deals. Cap rates are expected to peak mid-2025, as lower interest rates could reignite sales activity.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▲ 12 Mo. Net Absorption SF	495,055	94,900	183,000	221,454	273,346
▼ Vacancy Rate	5.70%	7.64%	7.6%	7.7%	7.3%
▲ Avg NNN Asking Rent PSF	\$23.82	\$23.24	\$22.47	\$22.43	\$22.38
▼ Sale Price PSF	\$162	\$173	\$173	\$173	\$175
▲ Cap Rate	10.41%	9.67%	9.70%	9.70%	9.60%
▼ Under Construction	174,143	224,343	136,111	101,000	108,000
▲ Inventory	29,135,222	29,117,428	29,111,613	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
4277 N. West Avenue Fresno, CA	18,167 SF	\$1,600,000 \$88.07 PSF	Orbit Investment Group LLC R&C Patterson Family Ltd Ptnrshp	Class C
1025 Fulton Street Fresno, CA	15,060 SF	\$2,195,000 \$145.75 PSF	Restoration Outreach Center Ellis Family Partnership	Class C
191 E. Barstow Avenue Fresno, CA	14,029 SF	\$2,790,000 \$198.87 PSF	Ellis Family Partnership Navipar LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3-9 E. River Park Place Fresno, CA	11,950 SF	Lance-Kashian & Co.	Undisclosed	Undisclosed
90 W. Ashlan Avenue Clovis, CA	11,080 SF	Intex 2002 Trust	Aspiranet	Social Services
1721-1729 Van Ness Avenue Fresno, CA	10,500 SF	CMS Properties Fresno	Undisclosed	Undisclosed

