



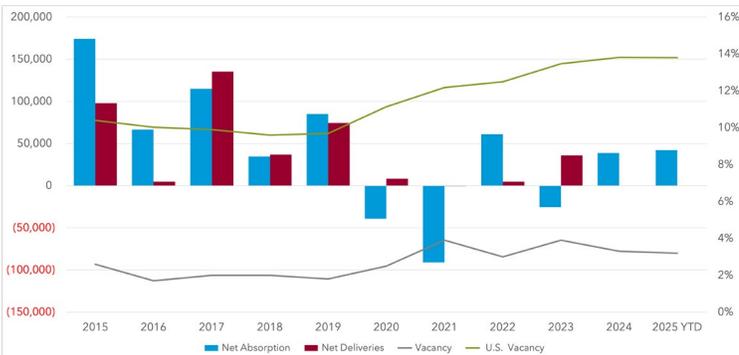
OFFICE MARKET OVERVIEW

TAYLOR CASTANON, *Vice President*

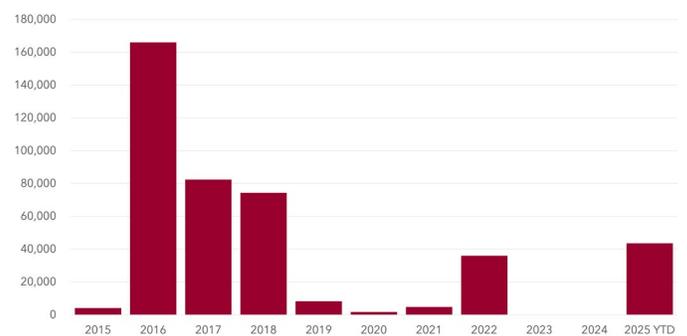
As of Q1 2025, San Luis Obispo's office vacancy rate stands at 3.2%, slightly below its five-year average of 3.3%. The market absorbed 42,000 SF over the past year with no new deliveries. Availability is 3.9%, totaling 260,000 SF, and 44,000 SF is under construction-above the 10-year average construction of 24,000 SF. The SLO office market consists of 6.7 million SF, with most inventory in low-tier (4.2M SF) and mid-tier (2.5M SF) buildings. Average rent is \$29.00/SF, with top-tier spaces reaching \$34.00/SF. Rents rose 1.1% year over year, slightly outpacing the national rate, supported by steady long-term growth.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▲ 12 Mo. Net Absorption SF	42,203	38,901	31,047	15,960	(2,085)
▼ Vacancy Rate	3.20%	3.30%	3.66%	3.60%	3.80%
▼ Avg NNN Asking Rent PSF	\$29.02	\$29.27	\$29.00	\$28.65	\$28.62
▲ Sale Price PSF	\$234	\$229	\$241	\$242	\$242
▼ Cap Rate	9.00%	9.30%	8.66%	8.67%	8.65%
▲ Under Construction	43,550	-	-	-	-
▼ Inventory	6,732,783	6,754,297	6,706,084	6,696,493	6,696,493

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
11595 Los Osos Valley Road San Luis Obispo, CA	7,614 SF	\$2,950,000 \$387.44 PSF	J & W Property LLC Poza Ranch LLC	Class C
365 Pomeroy Avenue Pismo Beach, CA	2,619 SF	\$475,398 \$181.52 PSF	Anita Spiro Min S. Shin	Class C
3046 S. Higeura Street San Luis Obispo, CA	2,525 SF	\$1,300,000 \$514.85 PSF	Tarkesh Properties LLC Swiss Dental Center	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1212 Marsh Street San Luis Obispo, CA	3,590 SF	Madona Enterprises	Undisclosed	Undisclosed
102 S. Vine Street Paso Robles, CA	2,900 SF	John Gallo	Undisclosed	Undisclosed
355-369 Pacific Street San Luis Obispo, CA	2,390 SF	Sandra C. Beach Trust	Undisclosed	Undisclosed

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