



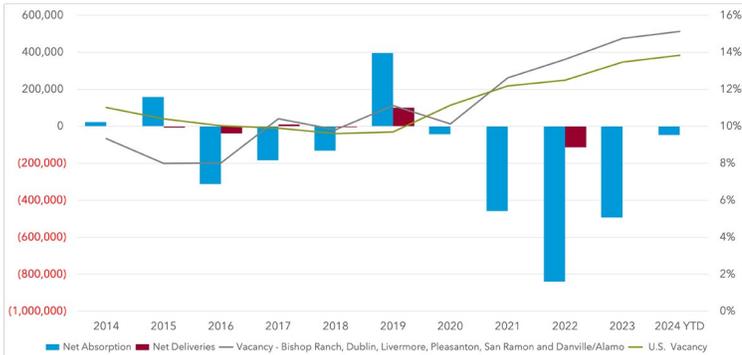
OFFICE MARKET OVERVIEW

MARK RINKLE, *Principal*

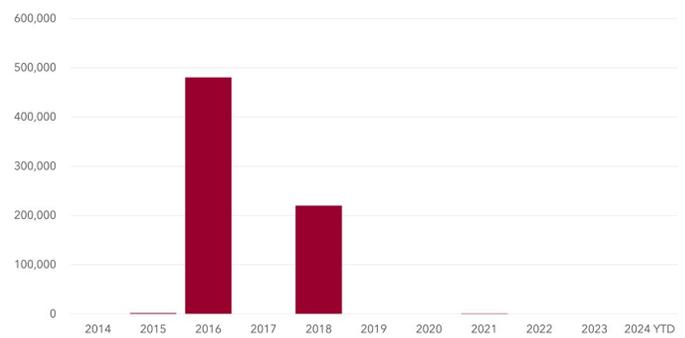
The first quarter of 2024 remained rather stagnant with a vacancy rate still hovering in the 15% range, reflecting continued challenges in tenant retention and new occupant acquisition. Market rent per square foot saw only a slight dip to \$34.06, indicating stability amidst fluctuating demand. Owners/investors continue to tread water in hopes that office demand will pick up as we draw closer towards flushing out the majority of the pre-covid signed leases. Notably, the 12-month net absorption improved to -343,216 square feet, a decent recovery from the previous quarter. Despite these adjustments, the market continues to grapple with subdued leasing activity, suggesting a protracted recovery period ahead for the Tri-Valley office sector.

MARKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
▲ 12 Mo. Net Absorption SF	(343,216)	(493,348)	(553,717)	(94,439)	(677,012)
▲ Vacancy Rate	15.1%	14.8%	14.4%	14.8%	14.2%
▼ Avg NNN Asking Rate PSF	\$34.06	\$34.10	\$34.20	\$34.21	\$34.38
◀ ▶ SF Under Construction	0	0	0	0	0
◀ ▶ Inventory SF	27,202,272	27,202,272	27,202,272	27,202,272	27,202,272

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4900-5060 Johnson Drive* Pleasanton, CA	341,392 SF	\$73,500,000 \$215.30 PSF	PSAI Realty Partners Stockbridge Capital Group LLC	Class B
3401 Crow Canyon & 12943-12959 Alcosta Blvd**, San Ramon, CA	210,056 SF	\$40,500,000 \$192.81 PSF	Quarterra Multifamily Living Nearon	Class B
148 Spring Street Pleasanton, CA	4,836 SF	\$2,320,000 \$479.74 PSF	Torquemada Trust Auf De Maur Family Partnership	Class C

* Part of 6-Property Portfolio Sale; ** Part of 2-Property Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4637 Chabot Drive Pleasanton, CA	8,659 SF	Hacienda Pleasanton Park MD Parent LLC	K&A	Professional, Scientific and Technical
6379 Clark Avenue Dublin, CA	3,964 SF	Beacon Group Ventures	Allstate Insurance	Insurance
2470 1st Street Livermore, CA	3,851 SF	Red Bear Property Mgmt/Maroon Bear 2	Tekagogo	Technology

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