2025 MID-YEAR NATIONAL OFFICE MARKETS REPORT

UNITED STATES

acclaimgroup

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OFFICE NATIONAL REPORT

Overview

United States Office

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	Market Asking Rent Growth
37.6M	(3.9M)	14.0%	0.9%

The positive demand momentum shift that began in the latter part of 2024 has continued into the early part of 2025. Net absorption turned meaningfully positive in the first quarter of the year, with New York, where occupiers are scrambling for space amid a nation-leading uptick in office attendance, leading the resurgence. Despite the demand-side improvement, supply additions have kept the national vacancy rate near a record high. While there are some signs that the recovery could broaden throughout 2025, demand remains stagnant in many major markets, a situation that could persist if increased economic uncertainty leads knowledge-oriented occupiers to retrench into cautious occupancy and hiring behavior. This, combined with the delivery of what remains in the shrinking supply pipeline, should send vacancy up from its current 14.0% throughout 2025.

The picture remains complex and widely variable across geographies. Only about half the nation's top 50 office markets have seen positive demand so far in 2025, well short of the approximately 80% that is typical of expansionary periods. Despite the overall improvement, some gateway cities and many secondary markets are still losing occupancy as slow job growth blunts the impact of stronger office attendance.

Payrolls in several knowledge work industries have been stagnant for some time. The number of people employed in the information sector is more than 5% below its November 2022 peak, while jobs in professional and business services are down 1% since May 2023. The financial sector, however, has seen jobs increase 1.1% year-over-year, roughly in line with the rate of overall job growth. Furthermore, growth in ambulatory healthcare, about 3.5%, has bolstered demand for the medical subset of office space. Heightened economic uncertainty in the wake of abrupt new trade, tariff, and federal government employment and occupancy policies makes near-term projections difficult, though some job losses later in the year are possible even with the bulk of newly proposed tariffs currently on hold.

Occupier behavior in this environment is thus nuanced. New leasing volume surged closer to its pre-pandemic norm in the first quarter, yet the two-year trend of smaller transaction sizes (about 15% smaller than the 2015-2019 average) continued. Smaller occupiers continue to upgrade their spaces, while larger ones tend to stay in place, enabled by slower headcount growth and constrained by an increasing lack of large-block availabilities in premium buildings. In the near term, many occupiers could delay making further space commitments as they wait for the economic impact of the new administration's policy to become clearer.

The supply pipeline is diminishing rapidly, with the 66.8 million square feet currently under construction being the lowest since early 2012. With new starts also near a historical low, the pipeline will only shrink further in the years ahead. The baseline house view is that even more occupiers will choose to remain in place over the remainder of the decade as they face the expiration of around a quarter of the space they had leased before the pandemic.

Vacancy is thus expected to rise slightly further for the remainder of the year despite its recent flattening. Rents, meanwhile, may diverge. Overall rents are expected to grow around 1% per year into mid-2026. The dearth of relevant, competitive supply will support stronger growth in top-tier buildings. As these buildings fill up, however, it remains to be seen whether occupiers in most markets will start settling for lower-tier space. If they do not, rents at these buildings will be under more downward pressure.

In the capital markets, values for multi-tenanted, investment-grade buildings targeting traditional office tenants have fallen 45-50% from their peak and are likely to dip a bit further as more liquidity leads to a final round of price discovery.

The risks to the outlook are weighted slightly to the upside. The prospect of more in-office work makes many occupiers more likely to hold onto current space to accommodate their workers, and some could add more even if headcounts do not grow appreciably. In addition, the expected passage of fiscal stimulus this year would likely support stronger economic growth and the potential for accelerated hiring, bolstering demand for space.

On the other hand, the risk of recession is still elevated, if less so than a few weeks ago. Trade policy and markets have recently been extremely volatile, creating a sense of uncertainty that is likely to slow business activity, including hiring and occupancy decisions.

Overview

United States Office

KEY INDICATORS

Current Quarter	RBA (000)	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	2,872,865	20.8%	$47.90	23.9%	(1,532,741)	2,645,570	58,898,089
3 Star	3,809,904	12.5%	$31.55	14.1%	(3,016,608)	1,047,084	7,641,972
1 & 2 Star	1,792,640	6.2%	$26.21	7.2%	(1,702,890)	11,888	211,147
National	**8,475,409**	**14.0%**	**$36.07**	**16.0%**	**(6,252,239)**	**3,704,542**	**66,751,208**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	0.2% (YOY)	10.9%	13.8%	14.0%	2025 Q2	6.0%	2000 Q2
Net Absorption SF	(3.9M)	35,986,440	22,498,031	160,687,524	2006 Q1	(127,083,300)	2021 Q2
Deliveries SF	37.6M	84,726,377	33,364,404	187,329,939	2001 Q4	28,557,389	2012 Q1
Market Asking Rent Growth	0.9%	1.5%	2.1%	10.8%	2007 Q3	-10.0%	2009 Q3
Sales Volume	$48B	$73.4B	N/A	$142.2B	2007 Q3	$16.4B	2010 Q1

Leasing

Positive net absorption across about half the country's largest office markets combined with a relatively small amount of new deliveries to hold the national vacancy rate steady in the first quarter of 2025. It currently stands at 14.0%, up approximately 450 basis points from the end of 2019, but not much changed in the past six months. Furthermore, a strong first quarter of leasing activity provided the clearest signal yet that the office market has at last entered the recovery phase, though the economic outlook remains volatile and could snuff it out in the months ahead.

Prospects for increased office attendance have risen, especially in New York, where Placer.ai reporting attendance at nearly 95% of pre-pandemic levels as of April. This is about 25 points above the national average and is almost certainly a factor in New York's outperformance relative to other gateway markets. Meanwhile, however, office-using job growth has nearly stalled. Payrolls in the major knowledge industries have barely grown in the past year. Looking forward, Oxford Economics projects growth to settle near the population growth rate of about 0.5% for the next decade, roughly half its average since the turn of the millennium. The picture is brighter for the medical office subcategory, driven by job growth in ambulatory healthcare. Here, employment has increased almost 3.5% in the past year and projects to maintain a pace above overall job growth even as it slows in the years ahead.

These attendance and employment trends have now begun interacting with a lack of desirable new supply in many markets, and the occupier reaction has produced an active but fundamentally altered leasing market. Total new leasing volume was nearly 110 million square feet in the first quarter, approaching its pre-pandemic average of 115 million square feet. The improvement was broad, with volume picking up substantially in most major markets. However, the typical deal size remained about 15% below its average from 2015-2019.

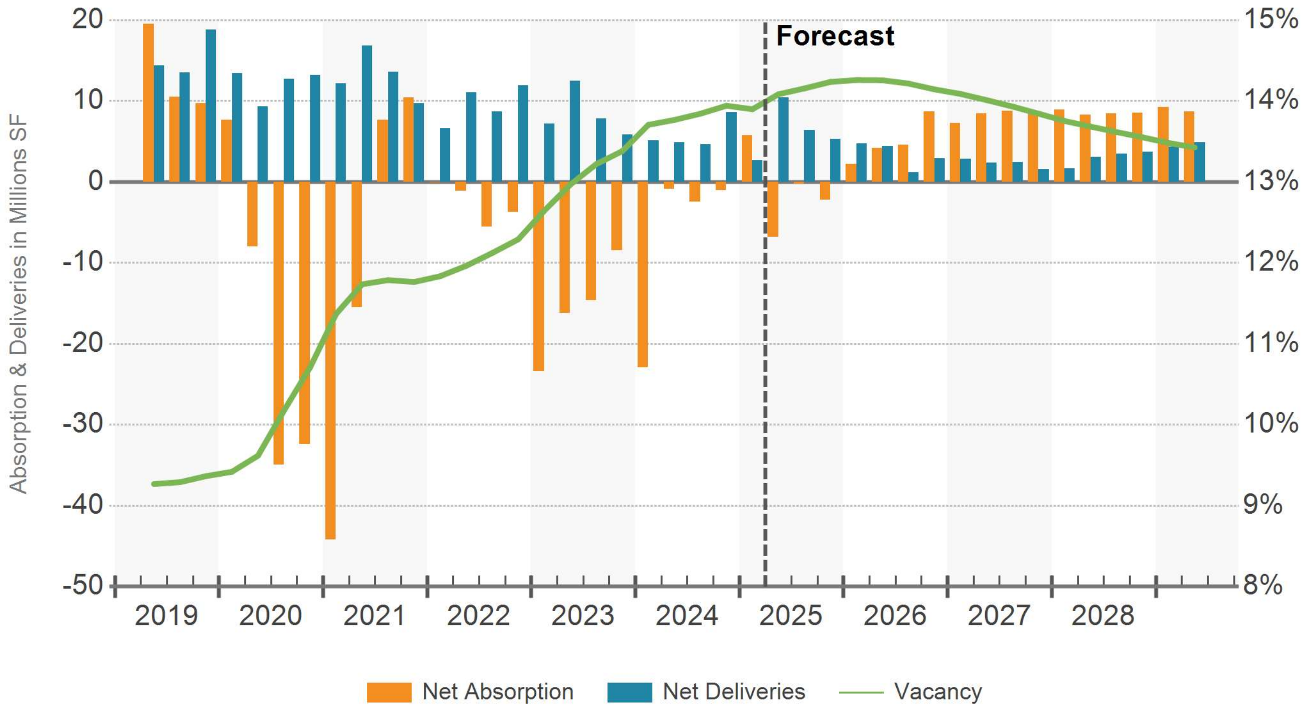
Market participants confirm that typical requirements are smaller, with pre-built spec suites attracting some of the most robust demand. In many markets, they also report that space consolidations are not yet over. Still, the resurgence of demand in New York had many of them feeling optimistic until the new administration's trade, immigration, and employment policies eroded some confidence. With the administration's tariff policies largely on hold, sentiment is improving somewhat.

There were a few signs in the first quarter that the recovery could have staying power as long as economic conditions remain positive. Absorption in four-star buildings was positive for only the second time since 2021. At the same time, buildings aged 10 years and older, which had been steadily losing occupancy to newer competitors, saw absorption stabilize. Both these events signal a healthier demand environment that stands to benefit more than just the top tier of the market.

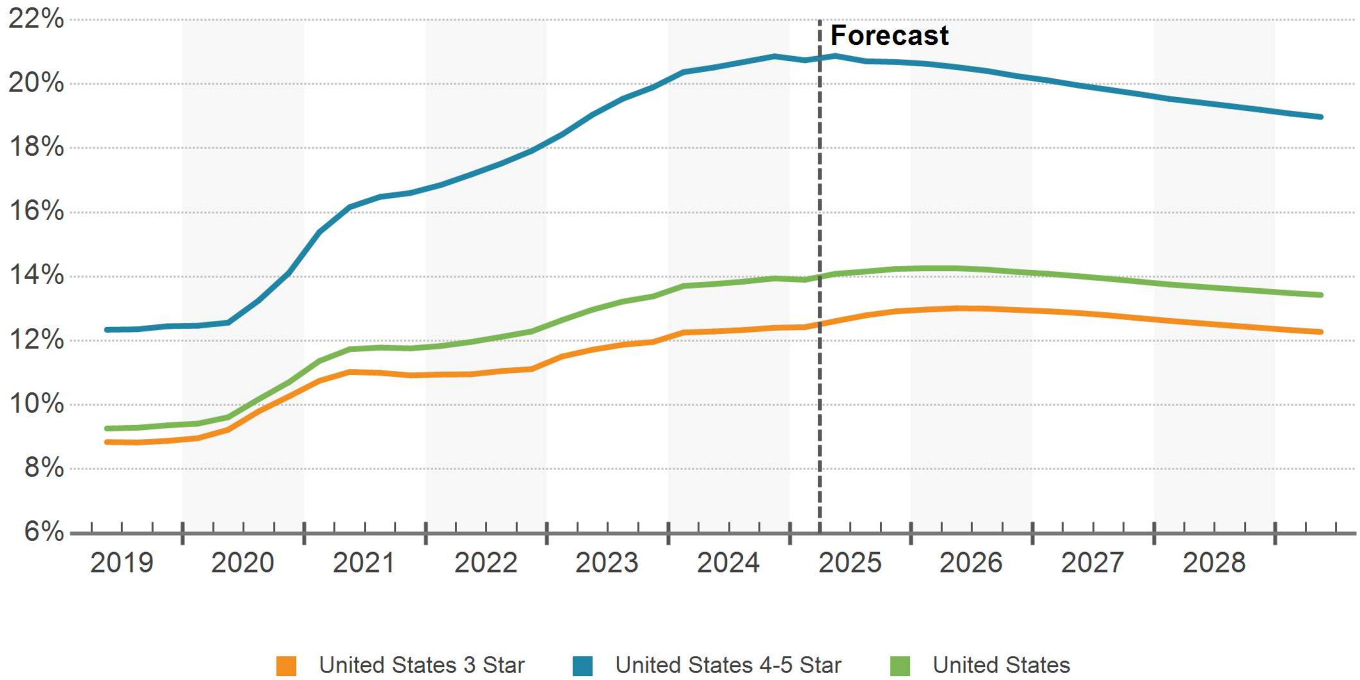
A lack of new supply should further support second- and third-generation buildings, many of which have been hit with large sublet availabilities. However, there are still some troubling signs, including the relatively narrow geographic base of the recovery to date. So far, only about half of major markets have seen occupancy stabilize. Furthermore, while sublet availability has receded from its peak, the share of sublet leasing activity has not risen. This suggests that the recent decrease is due to de-listings rather than bargain-hunting tenants. Not even all new buildings are desirable to occupants. Some tenants also appear to be balking at the sky-high rents that come with premium, first-generation space when the building in question is not ideally located for their existing workforce.

With attendance rising gradually and job growth slow, the base case is that a long, slow recovery has begun that will see the occupancy stabilize with a structurally higher vacancy rate that gradually trends downward starting in mid-2026. In the short run, however, job losses later in the year are possible, which would produce a temporary setback in this recovery. Furthermore, the delivery of what is currently under construction will also contribute to higher near-term vacancy.

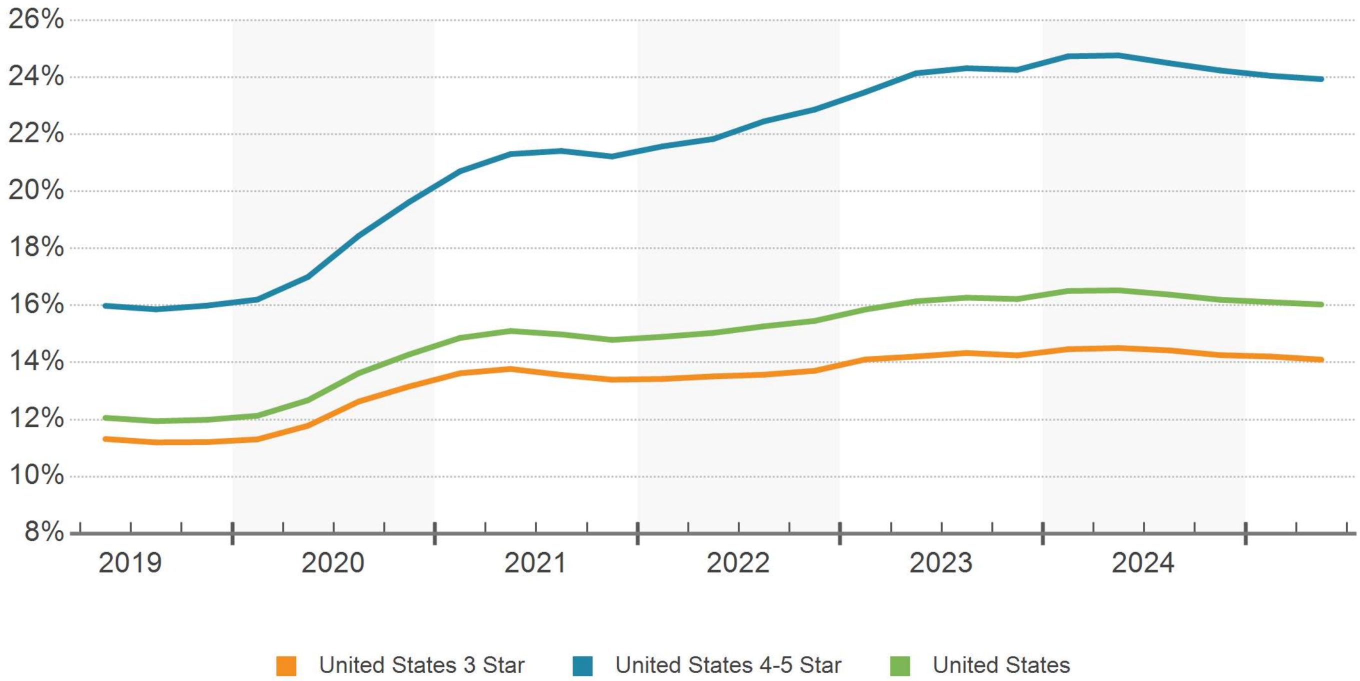
NET ABSORPTION, NET DELIVERIES & VACANCY



VACANCY RATE



AVAILABILITY RATE



Rent

Office asking rents have remained flat over the past four years. Going forward, a lack of available space in premium buildings and an ongoing glut of sublease inventory in second- and third-generation buildings should allow growth to remain positive but stay near 1% for the next couple of years.

At $36.00/SF, national average rents are about $1 higher than they were entering 2020, though this performance is poor when compared to consumer prices that have risen almost 25% over the same period. In a sign of the general turmoil in the competitive leasing marketplace, rents at 4 & 5 Star properties, which currently stand at $48.00/SF, are still slightly lower than they were in early 2020. This is somewhat misleading, as trophy rents have risen with the concentration of demand at premium buildings, while non-trophy Class A buildings have generally struggled to hold rents steady. Rents have also fallen much more in San Francisco and Seattle, where landlords were quicker to drop asking rates in the face of rapidly rising vacancy.

Market participants have long reported elevated offers of free rent and/or tenant improvement allowances, though the trend of increasing generosity seems to have run its course. In many markets, it was common in the late 2010s for owners to offer a month of free rent for every two years of term on a typical new lease. Now, offers of one month per year are not uncommon.

Tenant improvement allowances to finish out shell space have increased as much as 50%, rising due to inflation and competitive bargaining. One nuance to this is that some landlords are investing capital in pre-built spec suites, the cost of which is not formally reflected in TI allowances. In either case, however, the effect is to keep direct asking rents high in order to compensate owners for their investment in the space.

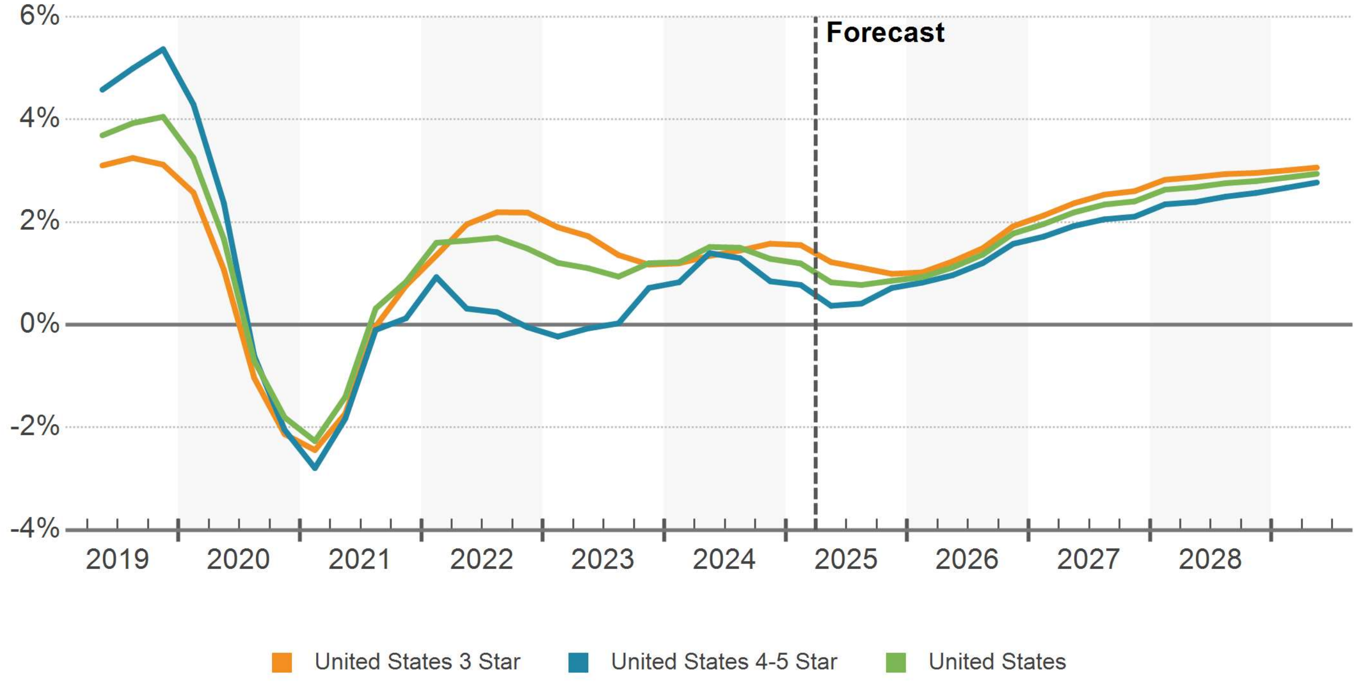
A de facto cap on concessions imposed by financial realities could be one reason why large lease transactions have been relatively scarce over the past two years. Many landlords have hit a ceiling on what they either can or will offer, preferring to hold out rather than do deals at non-accretive effective rents.

The final settling of property values, which appears imminent, should maximize pressure on asking rates as more buildings transact at significant discounts to prior valuations. With a lower cost basis, some new owners can undercut the competition and still generate acceptable returns, sometimes even with relatively low occupancy. Others, on the other hand, will likely prefer to invest capital in their buildings to make them more competitive, keeping rents higher to justify their investment.

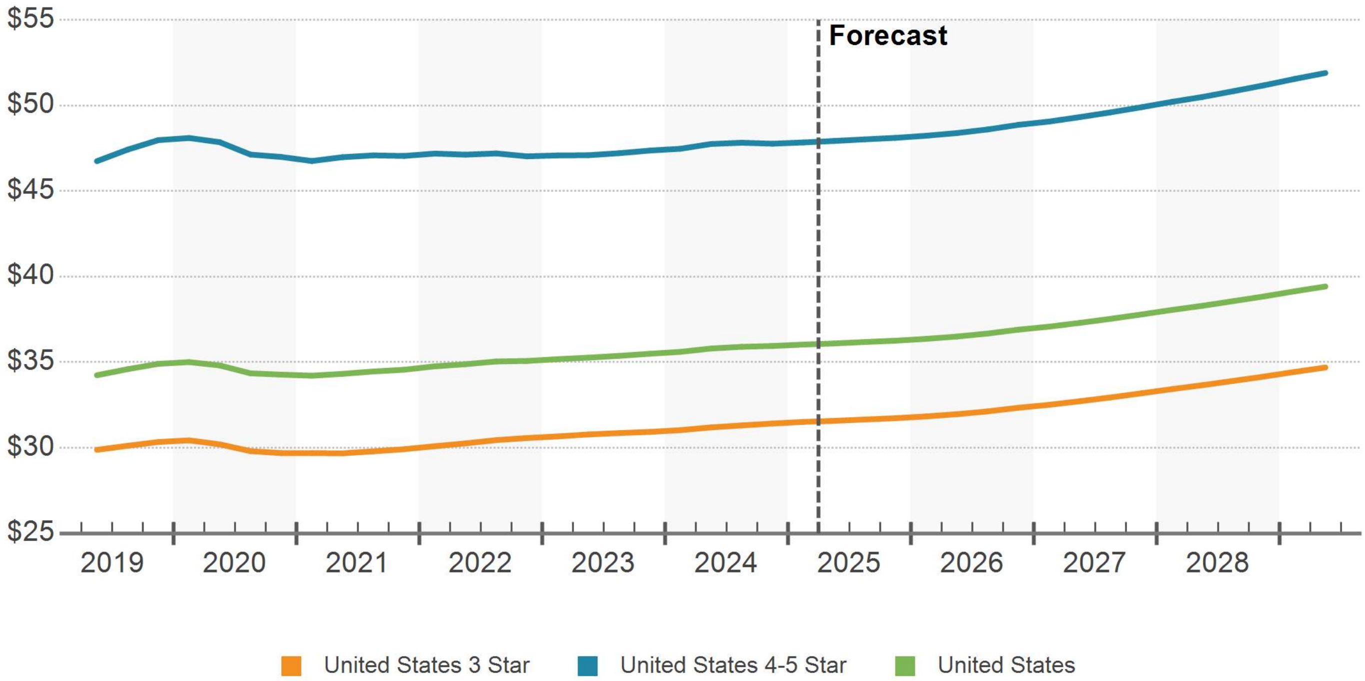
A further complicating factor in forecasting rents is the rapidly shrinking supply pipeline. This could lead to fewer top-dollar spaces available for brokers to use as rent-setting benchmarks, triggering more competition among second-tier buildings.

There are exceptions to the overall rent story. Rents have risen about 4% in the past year in South Florida, while Las Vegas and the Inland Empire have each seen growth above 3%. More generally, growth has been somewhat stronger in many supply-constrained secondary and tertiary markets. Outside these pockets of strength, effective rents are likely to remain stagnant for the next 12-18 months.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



Supply growth has been muted for the past couple of years, with the first quarter of the year marking the 7th consecutive quarter with net deliveries under 10 million SF. By comparison, quarterly net supply additions fell short of 10 million SF only four times in the latter half of the 2010s. Yet this is merely a taste of things to come. Only 45 million SF in gross new deliveries completed in 2024, the least since 2012 and far below the 10-year average of around 70 million SF.

Another 41 million SF is expected in 2025, about 12 million SF of which has already been completed. Net of demolitions, less than 26 million SF is expected in 2025. After that, new deliveries should be historically low, with aggregate net supply additions of less than 50 million SF currently forecast for the whole of 2026-2029. By comparison, the three-year period from 2011-2013 saw net deliveries above 55 million SF despite the dip in construction activity resulting from the Great Recession.

The current 66.8 million SF under construction is the least since early 2012, and in the short term, this can only shrink further. Less than 16 million SF broke ground between the second quarter of 2024 and the first quarter of 2025, far less than the previous 12-month record low of 29 million SF recorded in calendar 2010. In fact, the most recent eight quarters are all among the 10 with the lowest amount of starts on record.

The pipeline is also qualitatively different from recent history. About 13% is medical office, with another 17% being targeted to biotech lab users. Another 38% is being built for owner-occupiers. Less than a third is comprised of traditional, for-lease office buildings, compared to almost two-thirds of existing office space completed in the past 25 years.

Notwithstanding the national trend of a shrinking pipeline, some cities face near-term supply pressure. Austin leads major markets with almost 3% of inventory under construction. Bostn has about 2.5%, the majority of which is lab-oriented and will be delivering into an environment of weak demand that seemed unfathomable a few years ago. Miami, too, has about 2.5% of inventory in the pipeline, though demand has been much more resilient here than in other major markets.

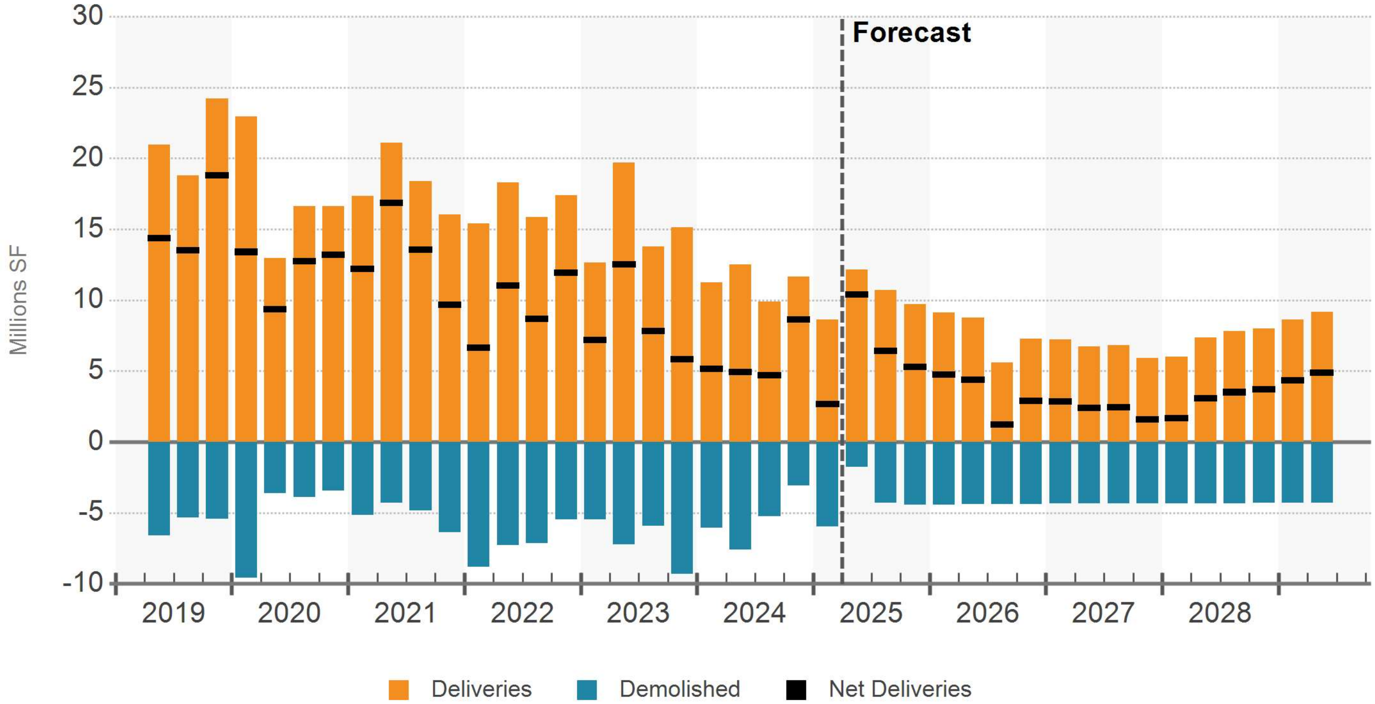
The difficult capital markets environment is constraining the inevitable adaptation of office supply to meet demand, though the final phase of the office pricing reset is likely to trigger more transactions at a basis low enough to support renovations and supply reductions.

Conversions to multifamily use are having a small impact on supply. A conservative analysis of the physical and financial considerations involved suggests that likely candidates represent only about 1% of office inventory nationally, but nearly 5% in San Francisco and around 2% in Los Angeles and Seattle. Thus, there could be meaningful transformations in some areas, especially with public sector support.

It is possible that the pace of the renovation, redevelopment, and repurposing of office buildings could accelerate in the months ahead, bringing a sharper contraction in the supply of non-competitive space. One catalyst could be the federal government, which, as of the end of May, had listed almost 15 million SF of government-owned property for disposition, most of which is office space of mediocre quality that could present interesting opportunities for redevelopment.

Given the erratic behavior of key benchmark interest rates, however, a rapid inventory adjustment at scale seems unlikely. Capital costs remain high for all types of commercial real estate projects, a probable reason that renovations are currently at a historical low despite the strong historical performance of renovated buildings in times of low new supply. The overall picture, then, is one of a supply pipeline that is slowing to a trickle, presenting well-financed owners of occupancy-challenged buildings with tactical opportunities to adapt.

DELIVERIES & DEMOLITIONS



Momentum continued to build in early 2025 following a steady recovery throughout 2024. Total transaction volume rose 22% in 2024 compared to the cyclical lows of the prior year, with activity accelerating through the fourth quarter. That trend extended into the first quarter of 2025, which closed 39% above the prior year's levels.

This pace has carried into the second quarter. Preliminary data from April 2025 shows sales volume more than doubling compared to the same period last year—an early indication that investor activity is holding firm, even as broader questions about office demand, and the economy, persist.

Despite this revival, institutions and REITs have remained net sellers since 2022, giving private buyers and owner-users an unobstructed runway to capitalize on deep discounts. These groups are capitalizing on opportunities to acquire properties well below replacement.

A clear example of this trend was The Walt Disney Company's recent purchase of Celebration Office Center III near Orlando for $19.4 million ($183/SF) in March. Built in 2009, the 4 Star office asset was fully leased to Disney Vacation Development. This price represented a modest discount compared to Celebration Office Center I & II, which separately traded in March for $31.5 million ($195/SF) to a private buyer at 98% occupancy with a weighted average lease term (WALT) of about 3.6 years remaining.

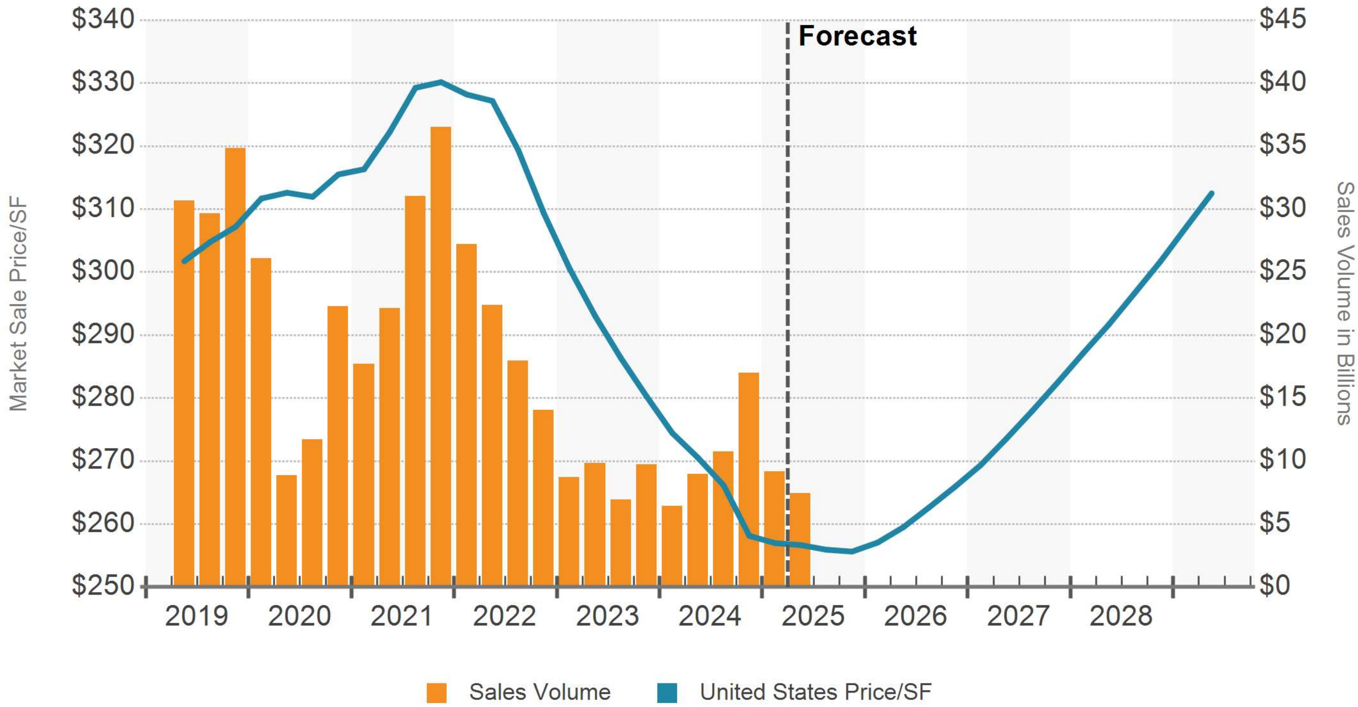
Similarly, in February, Lone Star's real estate fund VII acquired Denver's Seventeenth Street Plaza. The 709,402-SF CBD tower changed hands for $132.5 million ($187/SF), roughly the same price Equity Commonwealth paid in 2009. At the time of sale, the property was 81% occupied and was Equity Commonwealth's last office asset.

Cap rates, though less relevant due to limited stabilized income, remain elevated. Non-medical office assets trading above $10 million generally command cap rates between 8% and 10%, reflecting a 47% value decline from peak valuations in 2021. A notable recent deal supporting these ranges was First Mile Capital's $118.5 million ($270/SF) acquisition of 340 Mount Kemble Ave in Morristown, NJ. The property, a renovated 1982-built campus, was 95% leased with a 12-year WALT, selling at an 8.6% cap rate.

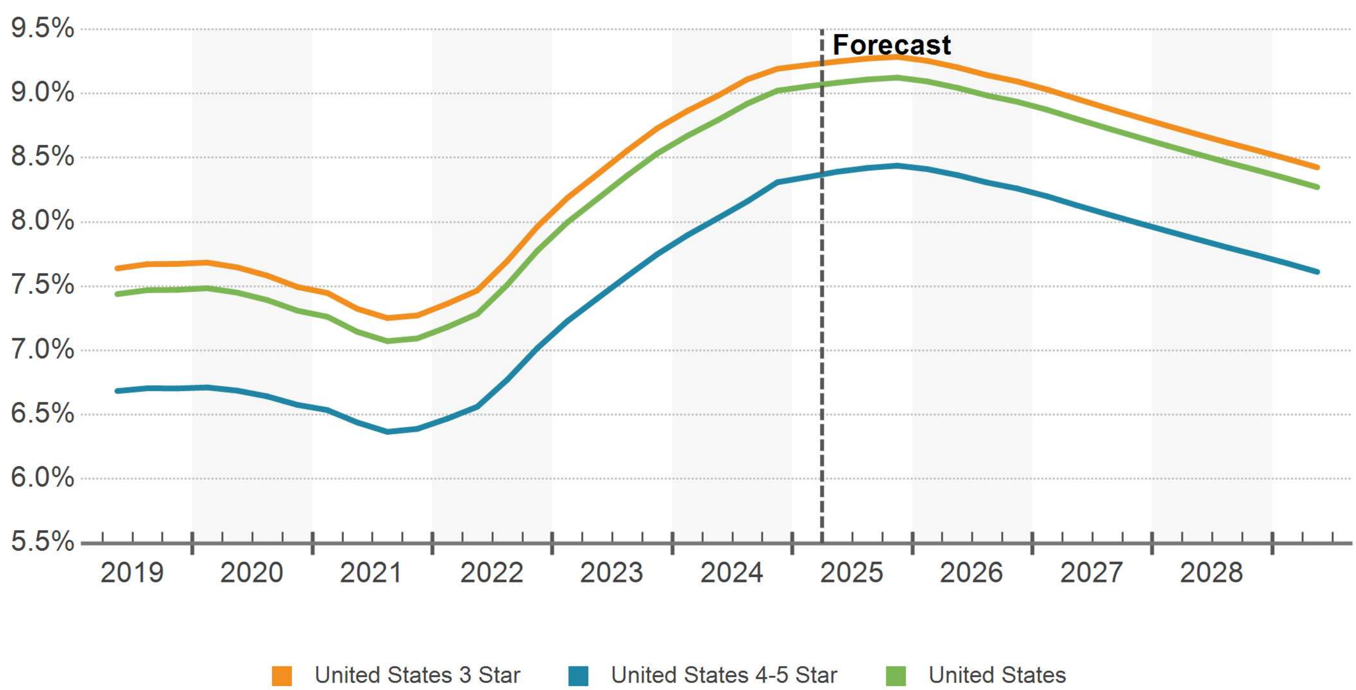
Though transactions appear to have bottomed out early in 2024, pricing pressures persist. Fortunately, there has been positive news in net absorption terms since late last year. Delinquencies have retreated slightly from their cycle peak near 10% late last year but remain elevated historically.

Should positive net absorption trends hold, the lack of new supply hitting shore could combine to put in the cycle's peak vacancy rate late this year or next. This marker often pulls additional capital back into buying mode, elevating prices. However, ongoing trade uncertainty could curtail this newly found momentum and further delay the office recovery.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



The early months of the Trump administration have been marked by mixed policy initiatives, particularly those related to trade and the size of the federal workforce. These initiatives have generated uncertainty, causing volatile equity markets and consumer sentiment to plunge, and weighing on economic growth prospects.

The U.S. economy entered 2025 with relatively strong momentum, growing faster than other advanced economies. Real economic growth measured 2.8% in 2024, a tick slower than the 2.9% growth in 2023. Resilient consumer spending and solid business investment drove most of the gain, prompted by a strong labor market, generous fiscal spending during the pandemic, and government investment programs of the previous administration.

However, expectations are now for the economy to slow this year as businesses and consumers react to the prospect of higher prices driven by higher tariffs across trading partners. The speed with which the new administration has announced, reversed, revised, and announced new tariffs has generated heightened uncertainty and negatively impacted consumer and business sentiment. Inventory accumulation due to an effort to purchase goods before tariffs become effective drove the economy to contract 0.3% in the first quarter, its first negative print since 2022Q1.

Consumer spending, the primary driver of recent economic growth, has been strong as households deploy excess savings accumulated during the pandemic and the labor market continues adding jobs. Inflation-adjusted spending rose 3.3% over the prior year in March, following February's annual gain of 2.9%. However, lower-income consumers, in particular, have become more reliant on borrowing, straining budgets as interest costs on debt have surged. Delinquency rates of credit card balances and personal loans have been increasing. On the other hand, the balance sheets of higher-income households are solid, with asset and home price gains adding to household wealth and allowing consumers to continue to spend.

Despite prospects of a slowing economy and the efforts of the Department of Government Efficiency to trim the federal workforce, the labor market remains relatively resilient. Weather and wildfire events weighed on hiring early in the year, but job gains in both March and April sparked higher, adding 185,000 and 177,000 jobs, respectively. The unemployment rate was 4.2% in April for the second consecutive month. Meanwhile, initial claims for unemployment benefits remain low, and continuing claims remain calm. These data points will be more closely watched as the administration reduces the federal workforce.

Inflation has fallen from its cycle peak in 2022 but remains above its target rate. The personal consumption expenditures (PCE) price index, the Federal Reserve's preferred measure of inflation, fell to 2.3% in March, an almost 40-basis-point drop over its February rate, while core inflation also eased in March but remains above the Federal Reserve's target rate, keeping the policymaking committee vigilant for a re-acceleration of inflation. Moreover, the prospect of higher and broader tariffs imposed on imports has caused inflation expectations to surge, a development that the Federal Reserve is watching carefully as this typically presages a rise in inflation.

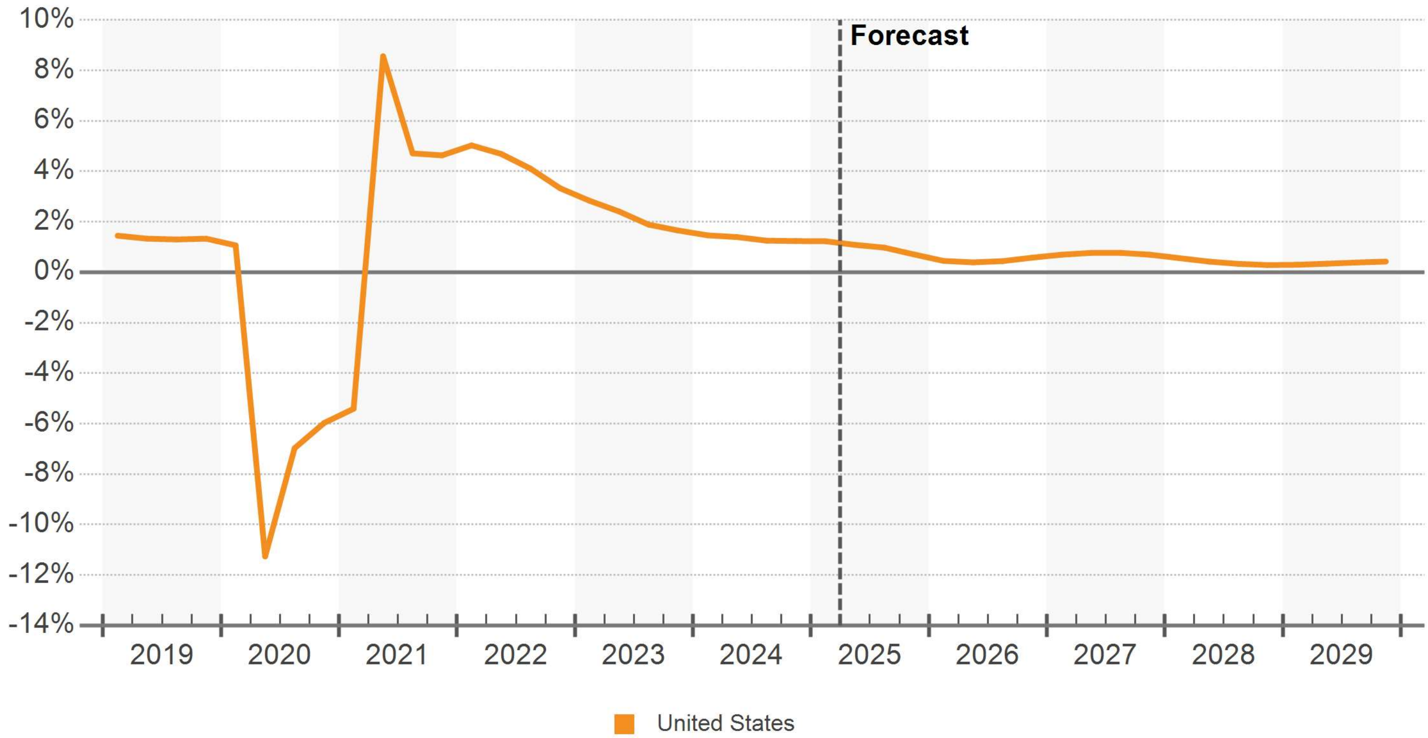
The near-term outlook is for economic activity and job growth to slow as tariffs raise prices and costs, weighing on consumer spending and investment activity. However, growth is expected to reaccelerate next year as the administration implements an expansionary fiscal policy. In the longer term, restrictive immigration measures, should they become a priority of the administration as anticipated, are likely to weigh on growth in future years.

UNITED STATES EMPLOYMENT BY INDUSTRY IN THOUSANDS

	CURRENT JOBS		CURRENT GROWTH	10 YR HISTORICAL	5 YR FORECAST
Industry	**Jobs**	**LQ**	**US**	**US**	**US**
Manufacturing	12,753	1.0	-0.73%	0.37%	0.17%
Trade, Transportation and Utilities	29,118	1.0	0.73%	0.88%	0.22%
Retail Trade	15,589	1.0	0.30%	0.04%	0.19%
Financial Activities	9,250	1.0	1.00%	1.35%	0.39%
Government	23,613	1.0	1.38%	0.71%	0.18%
Natural Resources, Mining and Construction	8,946	1.0	1.64%	2.14%	0.65%
Education and Health Services	27,156	1.0	3.21%	2.17%	0.66%
Professional and Business Services	22,590	1.0	-0.26%	1.40%	0.64%
Information	2,953	1.0	-0.09%	0.74%	0.33%
Leisure and Hospitality	17,020	1.0	1.49%	1.24%	1.10%
Other Services	6,021	1.0	1.12%	0.70%	0.22%
Total Employment	**159,420**	**1.0**	**1.13%**	**1.22%**	**0.48%**

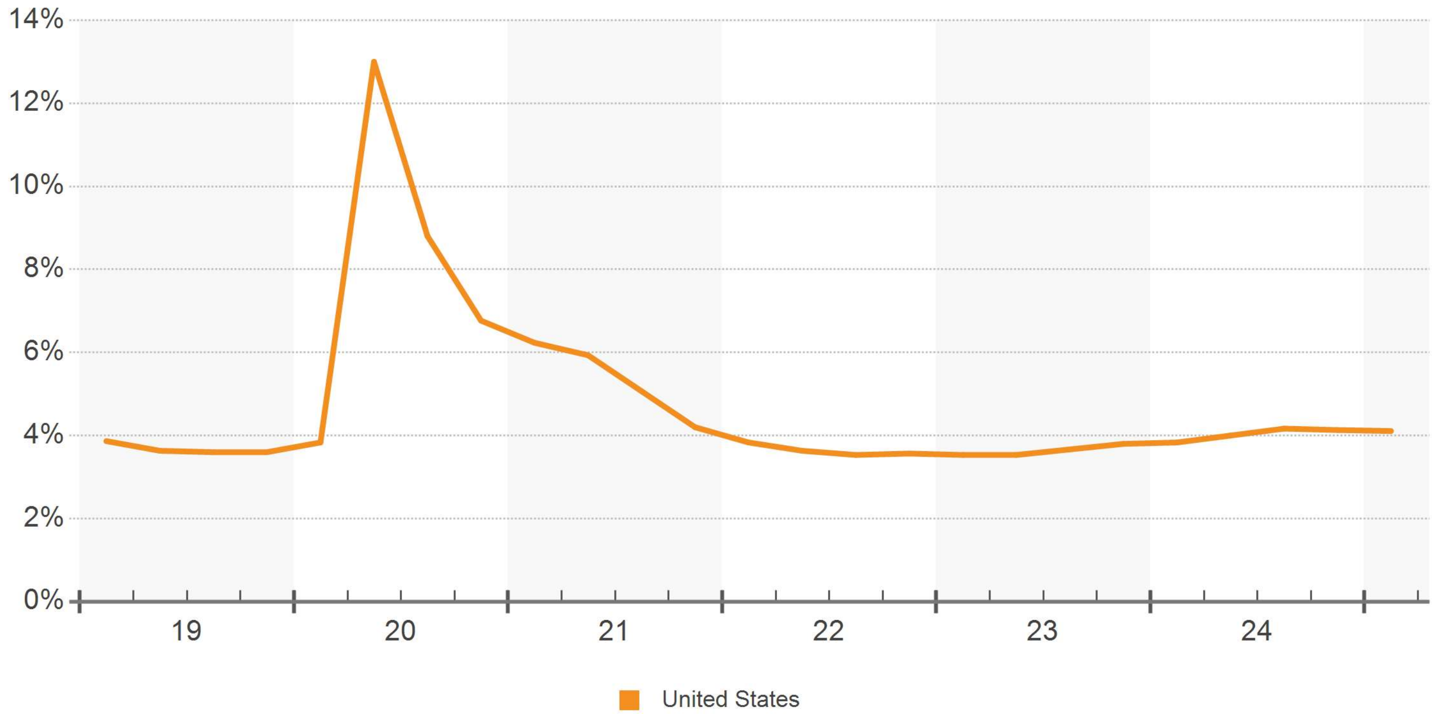
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

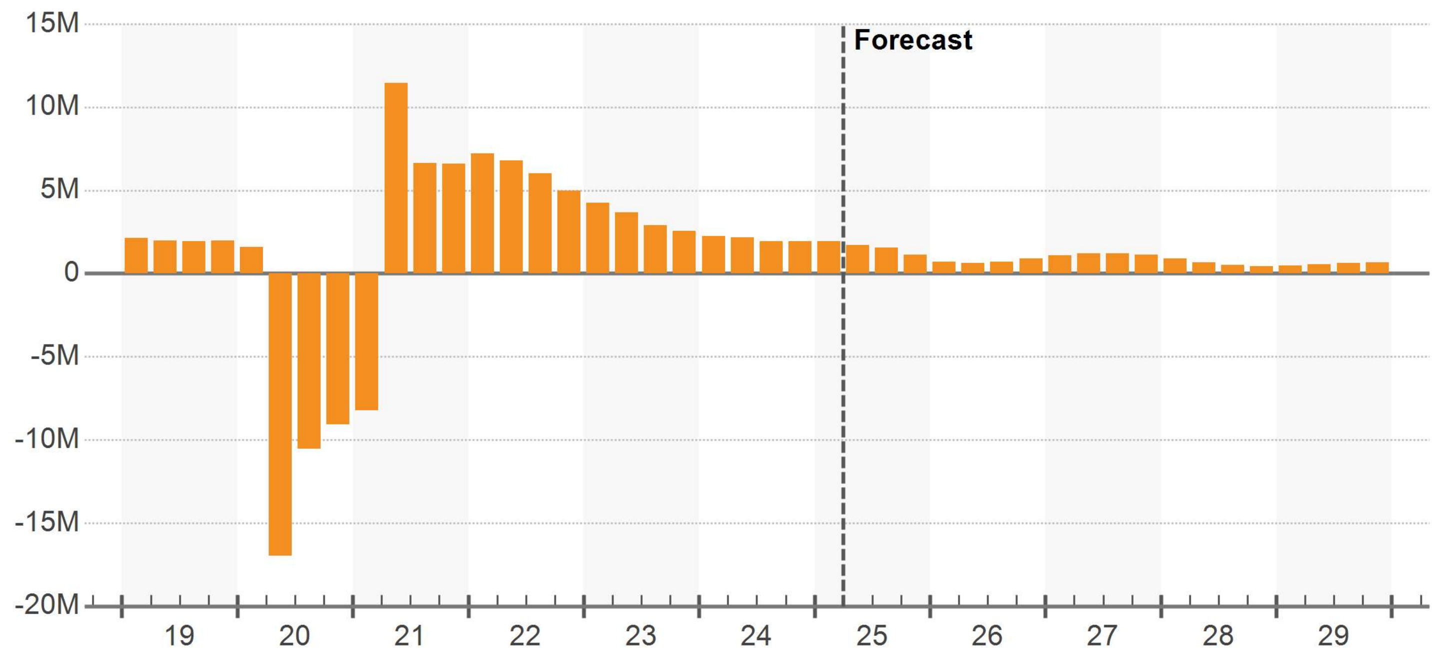


Source: Oxford Economics

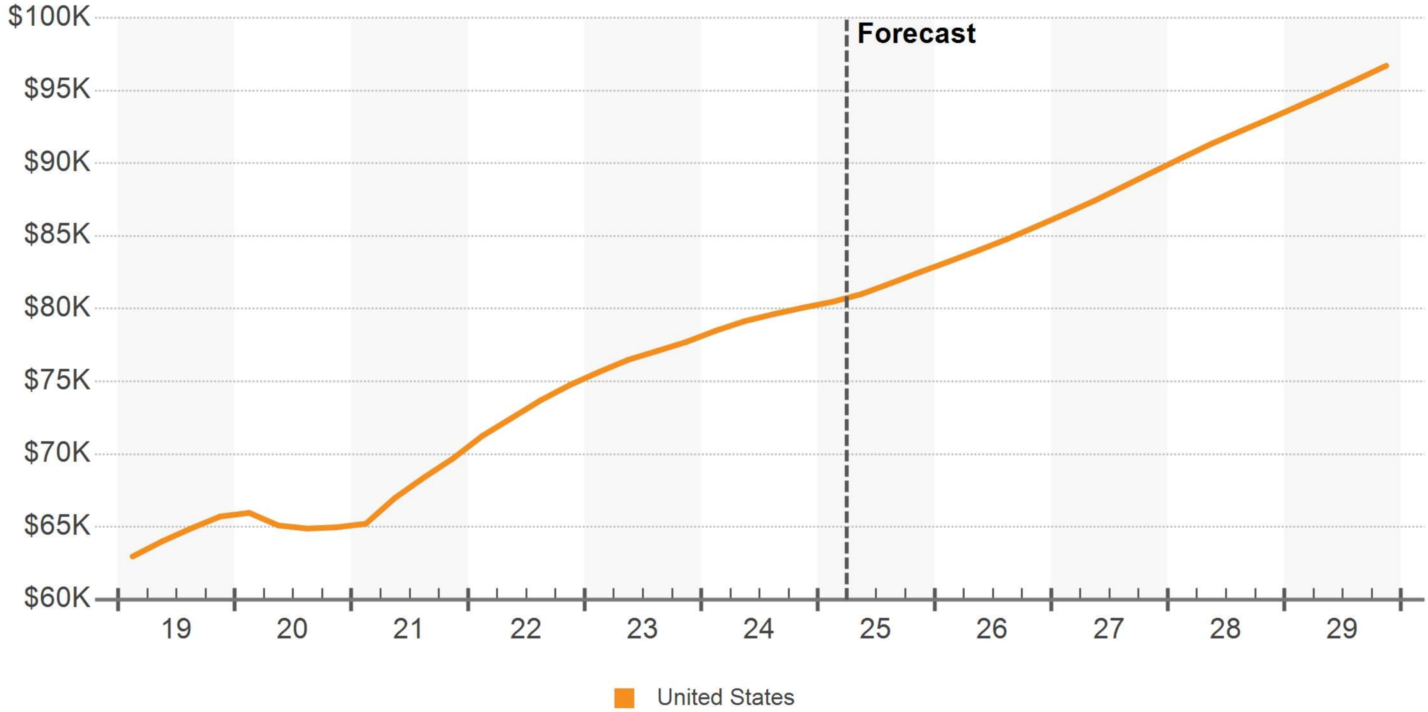
UNEMPLOYMENT RATE (%)



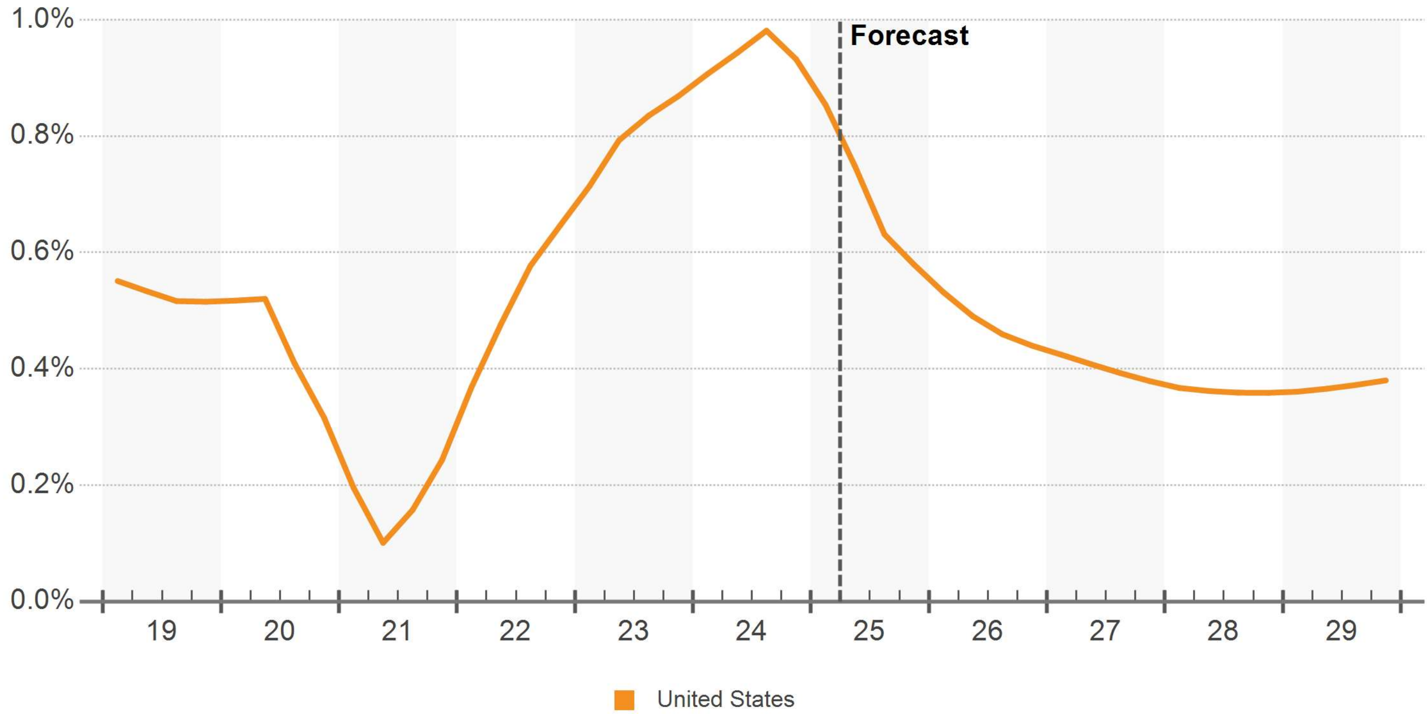
NET EMPLOYMENT CHANGE (YOY)



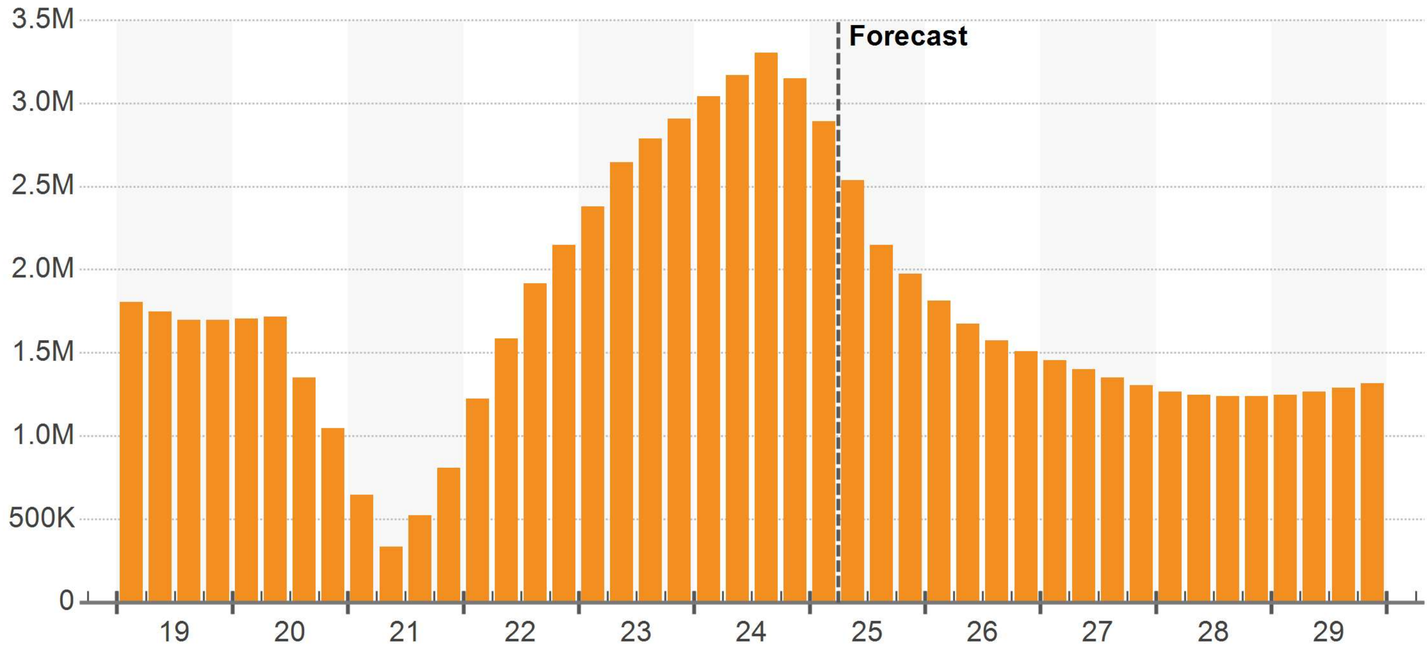
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



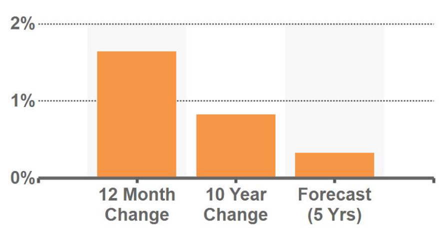
DEMOGRAPHIC TRENDS

	Current Level	12 Month Change	10 Year Change	5 Year Forecast
Demographic Category	**US**	**US**	**US**	**US**
Population	341,635,125	0.8%	0.6%	0.4%
Households	134,283,625	0.9%	1.0%	0.5%
Median Household Income	$80,849	2.4%	4.0%	4.0%
Labor Force	170,577,406	1.6%	0.8%	0.3%
Unemployment	4.1%	0.2%	-0.1%	-

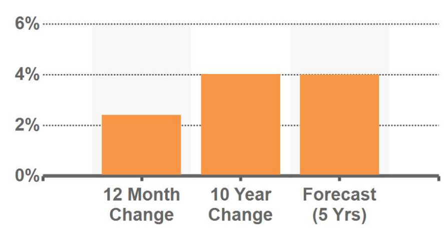
Source: Oxford Economics

POPULATION GROWTH

LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

MARKET INVENTORY

		Inventory				12 Month Deliveries				Under Construction			
No.	Market	Bldgs	SF (000)	% US	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Akron	2,088	34,015	0.4%	41	3	199	0.6%	29	0	-	-	-
2	Ann Arbor	904	15,384	0.2%	52	2	3	0%	58	1	135	0.9%	33
3	Atlanta	16,884	339,185	4.0%	8	26	1,561	0.5%	7	23	1,773	0.5%	12
4	Atlantic City	723	7,619	0.1%	64	0	0	0%	-	1	40	0.5%	44
5	Austin	6,133	136,842	1.6%	21	66	1,349	1.0%	10	53	3,647	2.7%	5
6	Baltimore	6,657	152,160	1.8%	16	9	1,366	0.9%	9	5	189	0.1%	32
7	Bloomsburg-Berwick	204	1,431	0%	79	0	0	0%	-	0	-	-	-
8	Boston	11,057	384,795	4.5%	6	17	4,775	1.2%	1	26	8,887	2.3%	2
9	Boulder	1,101	20,088	0.2%	47	3	253	1.3%	25	0	-	-	-
10	California-Lexington Park	259	3,840	0%	69	0	0	0%	-	0	-	-	-
11	Canton	1,251	13,871	0.2%	54	3	17	0.1%	49	1	24	0.2%	47
12	Chambersburg-Waynesb…	222	1,879	0%	78	0	0	0%	-	0	-	-	-
13	Charlotte	7,278	137,430	1.6%	20	20	1,319	1.0%	12	19	1,273	0.9%	18
14	Chicago	15,643	508,122	6.0%	3	14	492	0.1%	21	13	1,799	0.4%	11
15	Cincinnati	5,607	103,763	1.2%	30	6	93	0.1%	37	4	315	0.3%	27
16	Cleveland	4,472	111,325	1.3%	28	3	143	0.1%	32	3	1,296	1.2%	17
17	Columbus	5,400	120,223	1.4%	24	2	90	0.1%	38	5	216	0.2%	31
18	Dallas-Fort Worth	15,353	429,596	5.1%	5	131	4,011	0.9%	2	126	7,291	1.7%	3
19	Dayton	2,754	42,718	0.5%	38	1	20	0%	48	2	70	0.2%	39
20	Denver	5,640	187,827	2.2%	14	13	1,217	0.6%	13	14	1,574	0.8%	15
21	Detroit	10,034	201,135	2.4%	11	7	184	0.1%	31	7	1,677	0.8%	14
22	Dover	536	5,649	0.1%	66	1	13	0.2%	51	0	-	-	-
23	East Bay	5,354	118,398	1.4%	25	2	76	0.1%	39	1	56	0%	41
24	East Stroudsburg	452	2,899	0%	73	0	0	0%	-	0	-	-	-
25	Flint	978	10,286	0.1%	60	0	0	0%	-	0	-	-	-
26	Fort Collins	1,051	12,432	0.1%	56	2	45	0.4%	43	0	-	-	-
27	Fort Lauderdale	4,040	74,177	0.9%	33	2	94	0.1%	36	4	553	0.7%	22
28	Gainesville	642	5,409	0.1%	67	3	28	0.5%	47	2	51	0.9%	42
29	Gettysburg	157	1,140	0%	80	1	5	0.4%	57	0	-	-	-
30	Greeley	628	6,054	0.1%	65	1	6	0.1%	56	0	-	-	-
31	Hagerstown	752	10,289	0.1%	59	0	0	0%	-	0	-	-	-
32	Harrisburg	2,099	39,263	0.5%	39	2	44	0.1%	44	6	108	0.3%	36
33	Hickory	837	9,203	0.1%	62	0	0	0%	-	0	-	-	-
34	Houston	11,671	357,483	4.2%	7	131	2,357	0.7%	5	95	2,264	0.6%	10
35	Inland Empire	6,536	78,311	0.9%	32	3	103	0.1%	33	9	129	0.2%	34
36	Jacksonville	5,039	68,437	0.8%	35	18	190	0.3%	30	14	438	0.6%	23
37	Lakeland	1,772	14,669	0.2%	53	2	9	0.1%	54	0	-	-	-
38	Lancaster	1,289	17,094	0.2%	51	2	14	0.1%	50	0	-	-	-
39	Lebanon	227	1,937	0%	76	1	3	0.2%	59	0	-	-	-
40	Lehigh Valley	2,154	32,093	0.4%	44	1	40	0.1%	45	1	60	0.2%	40
41	Long Island	6,843	98,061	1.2%	31	6	75	0.1%	40	2	10	0%	49
42	Los Angeles	17,706	445,284	5.3%	4	20	663	0.1%	19	20	2,832	0.6%	6

MARKET INVENTORY

		Inventory				12 Month Deliveries				Under Construction			
No.	Market	Bldgs	SF (000)	% US	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
43	Macon	789	7,885	0.1%	63	0	0	0%	-	0	-	-	-
44	Manchester	1,127	19,701	0.2%	48	0	0	0%	-	0	-	-	-
45	Mansfield	440	3,581	0%	71	0	0	0%	-	0	-	-	-
46	Melbourne	1,868	18,070	0.2%	50	2	30	0.2%	46	5	89	0.5%	37
47	Memphis	3,278	59,061	0.7%	37	8	237	0.4%	27	2	79	0.1%	38
48	Miami	4,516	117,352	1.4%	26	13	1,639	1.4%	6	22	2,613	2.2%	8
49	Monroe	263	1,928	0%	77	0	0	0%	-	0	-	-	-
50	Napa	431	3,580	0%	72	0	0	0%	-	0	-	-	-
51	New Haven	2,214	37,336	0.4%	40	2	216	0.6%	28	3	282	0.8%	29
52	New York	23,573	970,653	11.5%	1	32	2,661	0.3%	3	56	9,777	1.0%	1
53	Northern New Jersey	6,768	150,476	1.8%	17	4	291	0.2%	24	1	49	0%	43
54	Orange County	6,084	157,709	1.9%	15	3	57	0%	42	7	299	0.2%	28
55	Orlando	7,898	106,989	1.3%	29	33	444	0.4%	23	21	402	0.4%	25
56	Palm Beach	2,971	61,463	0.7%	36	17	661	1.1%	20	12	1,721	2.8%	13
57	Philadelphia	16,906	334,876	4.0%	9	10	962	0.3%	15	12	2,629	0.8%	7
58	Phoenix	9,054	194,902	2.3%	12	13	754	0.4%	17	15	415	0.2%	24
59	Poughkeepsie	924	11,397	0.1%	57	2	10	0.1%	53	0	-	-	-
60	Reading	873	13,754	0.2%	55	0	0	0%	-	0	-	-	-
61	Rockford	591	9,285	0.1%	61	0	0	0%	-	0	-	-	-
62	Sacramento	5,253	111,984	1.3%	27	8	1,334	1.2%	11	4	324	0.3%	26
63	Saint Louis	6,954	147,588	1.7%	18	3	97	0.1%	35	4	926	0.6%	20
64	San Diego	5,435	120,945	1.4%	23	13	2,453	2.0%	4	5	816	0.7%	21
65	San Francisco	4,078	192,385	2.3%	13	3	239	0.1%	26	9	1,272	0.7%	19
66	San Jose	4,629	146,390	1.7%	19	4	755	0.5%	16	7	2,602	1.8%	9
67	Sarasota	2,805	28,419	0.3%	45	6	99	0.3%	34	3	39	0.1%	45
68	Scranton	1,490	18,684	0.2%	49	0	0	0%	-	0	-	-	-
69	Seattle	8,275	234,848	2.8%	10	13	1,471	0.6%	8	12	4,806	2.0%	4
70	Springfield	424	4,008	0%	68	0	0	0%	-	0	-	-	-
71	Stamford	2,886	68,745	0.8%	34	1	7	0%	55	1	120	0.2%	35
72	Tampa	10,913	131,338	1.6%	22	30	732	0.6%	18	16	244	0.2%	30
73	Trenton	1,248	32,520	0.4%	43	3	457	1.4%	22	0	-	-	-
74	Ventura	1,609	21,803	0.3%	46	0	0	0%	-	8	37	0.2%	46
75	Vineland	352	2,852	0%	74	0	0	0%	-	0	-	-	-
76	Washington	11,845	518,820	6.1%	2	12	1,050	0.2%	14	8	1,328	0.3%	16
77	Winchester	304	3,670	0%	70	0	0	0%	-	0	-	-	-
78	Worcester	1,855	32,913	0.4%	42	1	60	0.2%	41	2	17	0.1%	48
79	York	927	10,648	0.1%	58	1	12	0.1%	52	0	-	-	-
80	Yuba City	317	2,557	0%	75	1	2	0.1%	60	0	-	-	-

MARKET CONSTRUCTION

		Under Construction Inventory					Average Building Size		
No.	Market	Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Akron	0	-	-	-	-	16,291	-	-
2	Ann Arbor	1	135	135	100%	1	17,018	134,900	16
3	Atlanta	23	1,773	1,450	81.8%	16	20,089	77,089	23
4	Atlantic City	1	40	0	0%	-	10,538	40,000	32
5	Austin	53	3,647	1,887	51.7%	42	22,312	68,805	24
6	Baltimore	5	189	126	66.3%	31	22,857	37,898	34
7	Bloomsburg-Berwick	0	-	-	-	-	7,015	-	-
8	Boston	26	8,887	5,039	56.7%	38	34,801	341,817	4
9	Boulder	0	-	-	-	-	18,245	-	-
10	California-Lexington Park	0	-	-	-	-	14,826	-	-
11	Canton	1	24	24	100%	1	11,088	24,000	39
12	Chambersburg-Waynesb…	0	-	-	-	-	8,463	-	-
13	Charlotte	19	1,273	946	74.3%	19	18,883	67,011	25
14	Chicago	13	1,799	1,244	69.1%	26	32,482	138,353	14
15	Cincinnati	4	315	292	92.9%	11	18,506	78,675	22
16	Cleveland	3	1,296	1,296	100%	1	24,894	432,000	1
17	Columbus	5	216	133	61.3%	36	22,263	43,266	30
18	Dallas-Fort Worth	126	7,291	5,645	77.4%	17	27,981	57,867	27
19	Dayton	2	70	48	68.6%	28	15,511	34,934	35
20	Denver	14	1,574	1,088	69.1%	27	33,303	112,440	19
21	Detroit	7	1,677	1,581	94.2%	10	20,045	239,641	5
22	Dover	0	-	-	-	-	10,538	-	-
23	East Bay	1	56	56	100%	1	22,114	56,176	28
24	East Stroudsburg	0	-	-	-	-	6,415	-	-
25	Flint	0	-	-	-	-	10,517	-	-
26	Fort Collins	0	-	-	-	-	11,828	-	-
27	Fort Lauderdale	4	553	416	75.2%	18	18,361	138,216	15
28	Gainesville	2	51	37	72.7%	21	8,425	25,354	38
29	Gettysburg	0	-	-	-	-	7,261	-	-
30	Greeley	0	-	-	-	-	9,640	-	-
31	Hagerstown	0	-	-	-	-	13,682	-	-
32	Harrisburg	6	108	79	73.6%	20	18,706	17,929	42
33	Hickory	0	-	-	-	-	10,996	-	-
34	Houston	95	2,264	1,875	82.8%	15	30,630	23,831	40
35	Inland Empire	9	129	65	50.2%	43	11,982	14,286	45
36	Jacksonville	14	438	300	68.6%	29	13,581	31,269	36
37	Lakeland	0	-	-	-	-	8,278	-	-
38	Lancaster	0	-	-	-	-	13,261	-	-
39	Lebanon	0	-	-	-	-	8,534	-	-
40	Lehigh Valley	1	60	60	100%	1	14,899	60,000	26
41	Long Island	2	10	6	56.0%	39	14,330	5,000	48
42	Los Angeles	20	2,832	1,673	59.1%	37	25,149	141,602	12

MARKET CONSTRUCTION

		Under Construction Inventory					Average Building Size		
No.	Market	Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
43	Macon	0	-	-	-	-	9,993	-	-
44	Manchester	0	-	-	-	-	17,481	-	-
45	Mansfield	0	-	-	-	-	8,139	-	-
46	Melbourne	5	89	62	70.2%	25	9,674	17,724	43
47	Memphis	2	79	79	100%	1	18,017	39,500	33
48	Miami	22	2,613	1,723	65.9%	33	25,986	118,765	18
49	Monroe	0	-	-	-	-	7,329	-	-
50	Napa	0	-	-	-	-	8,307	-	-
51	New Haven	3	282	26	9.2%	48	16,864	93,880	20
52	New York	56	9,777	6,920	70.8%	23	41,176	174,594	8
53	Northern New Jersey	1	49	49	100%	1	22,233	49,070	29
54	Orange County	7	299	94	31.3%	44	25,922	42,782	31
55	Orlando	21	402	262	65.2%	35	13,546	19,131	41
56	Palm Beach	12	1,721	373	21.7%	45	20,688	143,376	11
57	Philadelphia	12	2,629	1,747	66.5%	30	19,808	219,085	7
58	Phoenix	15	415	275	66.1%	32	21,527	27,671	37
59	Poughkeepsie	0	-	-	-	-	12,335	-	-
60	Reading	0	-	-	-	-	15,755	-	-
61	Rockford	0	-	-	-	-	15,710	-	-
62	Sacramento	4	324	315	97.2%	9	21,318	81,036	21
63	Saint Louis	4	926	806	87.1%	13	21,224	231,467	6
64	San Diego	5	816	150	18.4%	46	22,253	163,123	10
65	San Francisco	9	1,272	904	71.1%	22	47,176	141,303	13
66	San Jose	7	2,602	2,414	92.8%	12	31,625	371,666	3
67	Sarasota	3	39	5	13.8%	47	10,132	13,000	46
68	Scranton	0	-	-	-	-	12,540	-	-
69	Seattle	12	4,806	4,086	85.0%	14	28,380	400,520	2
70	Springfield	0	-	-	-	-	9,452	-	-
71	Stamford	1	120	120	100%	1	23,820	120,000	17
72	Tampa	16	244	135	55.1%	41	12,035	15,267	44
73	Trenton	0	-	-	-	-	26,058	-	-
74	Ventura	8	37	21	55.4%	40	13,551	4,682	49
75	Vineland	0	-	-	-	-	8,101	-	-
76	Washington	8	1,328	873	65.7%	34	43,801	165,996	9
77	Winchester	0	-	-	-	-	12,073	-	-
78	Worcester	2	17	12	70.6%	24	17,743	8,500	47
79	York	0	-	-	-	-	11,486	-	-
80	Yuba City	0	-	-	-	-	8,067	-	-

MARKET ASKING RENT

		Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
No.	Market	Per SF	Rank	Growth	Rank	Growth	Rank
1	Akron	$16.57	78	2.1%	11	0.4%	63
2	Ann Arbor	$26	37	1.2%	42	0.8%	31
3	Atlanta	$29.32	30	1.4%	31	1.3%	10
4	Atlantic City	$23.30	43	0.8%	57	0.7%	35
5	Austin	$45.97	6	1.2%	43	1.0%	14
6	Baltimore	$24.04	40	1.3%	33	0.1%	77
7	Bloomsburg-Berwick	$20.60	60	0.3%	71	0.3%	71
8	Boston	$42.12	7	0.1%	75	0.3%	66
9	Boulder	$33.22	17	2.2%	9	0.7%	42
10	California-Lexington Park	$23.26	44	0.9%	48	0.6%	46
11	Canton	$15.66	80	2.1%	14	0.6%	47
12	Chambersburg-Waynesb…	$20.41	61	0.6%	62	0.5%	56
13	Charlotte	$33.60	16	1.6%	25	0.9%	20
14	Chicago	$29.57	28	0.9%	53	0.5%	62
15	Cincinnati	$20.65	59	1.3%	35	0.8%	26
16	Cleveland	$19.95	63	0.2%	73	0.7%	37
17	Columbus	$21.53	52	1.4%	30	0%	78
18	Dallas-Fort Worth	$32.49	20	1.6%	27	1.0%	16
19	Dayton	$17.65	75	1.2%	41	1.0%	15
20	Denver	$30.13	23	1.0%	45	0.7%	40
21	Detroit	$22.17	50	1.2%	39	0.8%	28
22	Dover	$23.97	41	0.7%	59	0.6%	49
23	East Bay	$37.34	13	-0.3%	79	0%	79
24	East Stroudsburg	$20.85	57	0.6%	60	0.2%	72
25	Flint	$19.30	67	2.1%	13	0.6%	44
26	Fort Collins	$27.20	34	2.3%	7	0.8%	24
27	Fort Lauderdale	$36.53	14	1.9%	19	2.2%	3
28	Gainesville	$21.19	55	1.9%	17	1.5%	5
29	Gettysburg	$17.73	73	0.6%	67	0.5%	59
30	Greeley	$21.40	54	2.5%	6	0.5%	61
31	Hagerstown	$22.07	51	0.6%	65	0.6%	52
32	Harrisburg	$18.35	70	-0.2%	78	0.8%	30
33	Hickory	$17.68	74	1.9%	18	0.7%	41
34	Houston	$30.37	22	1.4%	32	1.0%	18
35	Inland Empire	$29.61	27	3.9%	2	1.1%	12
36	Jacksonville	$25.34	38	1.6%	26	2.5%	1
37	Lakeland	$24.12	39	2.2%	10	0.9%	19
38	Lancaster	$20.70	58	0.6%	63	0.9%	23
39	Lebanon	$18.54	68	0.6%	66	0.5%	57
40	Lehigh Valley	$21.47	53	1.1%	44	0.8%	27
41	Long Island	$33.03	18	2.0%	15	0.7%	39
42	Los Angeles	$42.10	8	0%	77	0.8%	32

MARKET ASKING RENT

		Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
No.	Market	Per SF	Rank	Growth	Rank	Growth	Rank
43	Macon	$18.18	71	1.9%	21	0.8%	33
44	Manchester	$19.92	64	1.5%	28	1.1%	11
45	Mansfield	$17.76	72	2.1%	12	0.4%	65
46	Melbourne	$23.05	45	1.2%	38	0.9%	22
47	Memphis	$22.52	48	1.8%	22	0.4%	64
48	Miami	$52.64	3	3.2%	4	1.7%	4
49	Monroe	$15.91	79	1.7%	24	0.5%	54
50	Napa	$38.26	11	1.3%	34	0.3%	68
51	New Haven	$22.87	46	0.9%	49	0.7%	34
52	New York	$59.45	1	0.9%	47	0.3%	70
53	Northern New Jersey	$29.21	31	0.9%	51	0.5%	60
54	Orange County	$32.72	19	0.3%	68	0.3%	67
55	Orlando	$29.96	26	0.8%	56	0.2%	73
56	Palm Beach	$49.26	5	4.8%	1	2.4%	2
57	Philadelphia	$27.81	33	0.1%	74	0.1%	76
58	Phoenix	$29.51	29	1.8%	23	0.9%	21
59	Poughkeepsie	$26.27	36	0.8%	55	0.7%	43
60	Reading	$19.95	62	0.9%	50	0.8%	29
61	Rockford	$18.39	69	1.9%	20	0.8%	25
62	Sacramento	$27.07	35	1.3%	36	-0.1%	80
63	Saint Louis	$22.30	49	1.0%	46	1.5%	8
64	San Diego	$40.05	9	0.3%	69	0.5%	55
65	San Francisco	$50.41	4	-1.7%	80	0.6%	51
66	San Jose	$56.36	2	3.3%	3	1.5%	6
67	Sarasota	$30.03	24	2.6%	5	1.0%	17
68	Scranton	$17.53	76	0.7%	58	0.6%	48
69	Seattle	$37.35	12	0%	76	0.1%	75
70	Springfield	$16.70	77	2.2%	8	0.6%	45
71	Stamford	$34.01	15	0.3%	70	1.5%	7
72	Tampa	$30.39	21	2.0%	16	1.4%	9
73	Trenton	$29.98	25	1.3%	37	1.1%	13
74	Ventura	$28.52	32	1.5%	29	0.7%	38
75	Vineland	$19.51	66	0.6%	61	0.5%	58
76	Washington	$39.97	10	0.2%	72	0.1%	74
77	Winchester	$20.89	56	0.6%	64	0.5%	53
78	Worcester	$22.80	47	0.9%	52	0.6%	50
79	York	$19.81	65	0.8%	54	0.7%	36
80	Yuba City	$23.61	42	1.2%	40	0.3%	69

MARKET VACANCY & NET ABSORPTION

		Vacancy			12 Month Absorption			
No.	Market	SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Akron	2,657,658	7.8%	32	(529,341)	-1.6%	68	-
2	Ann Arbor	1,374,215	8.9%	41	180,802	1.2%	15	0
3	Atlanta	56,484,589	16.7%	72	(881,636)	-0.3%	73	-
4	Atlantic City	504,100	6.6%	25	(54,227)	-0.7%	50	-
5	Austin	23,476,396	17.2%	75	153,364	0.1%	19	8.2
6	Baltimore	19,021,791	12.5%	60	28,802	0%	29	40.7
7	Bloomsburg-Berwick	12,965	0.9%	1	3,466	0.2%	34	-
8	Boston	54,483,851	14.2%	65	(3,128,311)	-0.8%	80	-
9	Boulder	2,735,902	13.6%	64	(88,835)	-0.4%	54	-
10	California-Lexington Park	331,343	8.6%	38	(28,060)	-0.7%	48	-
11	Canton	1,127,147	8.1%	34	(14,957)	-0.1%	42	-
12	Chambersburg-Waynesb…	46,871	2.5%	4	16,044	0.9%	33	-
13	Charlotte	20,322,561	14.8%	66	288,302	0.2%	13	4.2
14	Chicago	84,793,980	16.7%	73	(3,021,491)	-0.6%	79	-
15	Cincinnati	9,148,482	8.8%	40	373,415	0.4%	11	-
16	Cleveland	10,396,834	9.3%	43	(770,184)	-0.7%	71	-
17	Columbus	11,862,403	9.9%	50	(871,135)	-0.7%	72	-
18	Dallas-Fort Worth	76,720,997	17.9%	77	2,722,148	0.6%	2	1.2
19	Dayton	3,485,207	8.2%	35	(496,801)	-1.2%	66	-
20	Denver	33,732,608	18.0%	78	(2,167,327)	-1.2%	76	-
21	Detroit	24,661,773	12.3%	58	(899,370)	-0.4%	74	-
22	Dover	410,296	7.3%	30	(21,101)	-0.4%	44	-
23	East Bay	17,859,389	15.1%	67	(1,058,162)	-0.9%	75	-
24	East Stroudsburg	93,719	3.2%	8	95,593	3.3%	22	-
25	Flint	526,741	5.1%	18	19,618	0.2%	32	-
26	Fort Collins	889,490	7.2%	29	28,185	0.2%	30	1.6
27	Fort Lauderdale	7,878,803	10.6%	53	(618,549)	-0.8%	70	-
28	Gainesville	187,102	3.5%	10	74,947	1.4%	24	0.2
29	Gettysburg	29,558	2.6%	5	2,523	0.2%	35	2.0
30	Greeley	293,993	4.9%	16	(11,118)	-0.2%	41	-
31	Hagerstown	705,967	6.9%	26	(100,310)	-1.0%	57	-
32	Harrisburg	2,795,147	7.1%	28	354,126	0.9%	12	-
33	Hickory	213,417	2.3%	3	(66,558)	-0.7%	52	-
34	Houston	69,672,573	19.5%	79	1,973,918	0.6%	3	0.9
35	Inland Empire	3,828,952	4.9%	17	717,316	0.9%	7	0.1
36	Jacksonville	7,056,706	10.3%	52	560,873	0.8%	9	0.1
37	Lakeland	605,366	4.1%	13	(7,368)	-0.1%	39	-
38	Lancaster	470,688	2.8%	6	163,151	1.0%	18	0
39	Lebanon	63,292	3.3%	9	(30,308)	-1.6%	49	-
40	Lehigh Valley	2,243,153	7.0%	27	(7,613)	0%	40	-
41	Long Island	8,271,711	8.4%	36	169,813	0.2%	16	-
42	Los Angeles	71,462,200	16.0%	69	(2,653,963)	-0.6%	77	-

MARKET VACANCY & NET ABSORPTION

		Vacancy			12 Month Absorption			
No.	Market	SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
43	Macon	756,532	9.6%	45	65,624	0.8%	25	-
44	Manchester	1,173,941	6.0%	22	(27,517)	-0.1%	47	-
45	Mansfield	164,544	4.6%	15	(91,186)	-2.5%	55	-
46	Melbourne	1,147,687	6.4%	24	165,322	0.9%	17	0.2
47	Memphis	6,375,840	10.8%	55	124,305	0.2%	20	1.9
48	Miami	10,094,593	8.6%	37	1,272,827	1.1%	4	0.8
49	Monroe	147,314	7.6%	31	(59,435)	-3.1%	51	-
50	Napa	335,325	9.4%	44	(77,224)	-2.2%	53	-
51	New Haven	3,015,188	8.1%	33	559,661	1.5%	10	0.1
52	New York	129,541,793	13.3%	62	6,145,437	0.6%	1	0.1
53	Northern New Jersey	20,123,404	13.4%	63	240,453	0.2%	14	-
54	Orange County	19,656,889	12.5%	59	(100,155)	-0.1%	56	-
55	Orlando	10,313,075	9.6%	46	(330,478)	-0.3%	63	-
56	Palm Beach	5,338,485	8.7%	39	39,024	0.1%	27	16.8
57	Philadelphia	36,991,346	11.0%	56	(408,322)	-0.1%	64	-
58	Phoenix	32,705,320	16.8%	74	(284,189)	-0.1%	62	-
59	Poughkeepsie	639,301	5.6%	21	(776)	0%	37	-
60	Reading	761,368	5.5%	20	26,896	0.2%	31	-
61	Rockford	864,961	9.3%	42	(21,044)	-0.2%	43	-
62	Sacramento	12,616,979	11.3%	57	828,749	0.7%	6	1.1
63	Saint Louis	14,228,261	9.6%	47	1,151,123	0.8%	5	-
64	San Diego	15,518,247	12.8%	61	40,935	0%	26	47.9
65	San Francisco	43,809,886	22.8%	80	(420,656)	-0.2%	65	-
66	San Jose	23,508,464	16.1%	70	(513,656)	-0.4%	67	-
67	Sarasota	1,495,981	5.3%	19	(121,062)	-0.4%	58	-
68	Scranton	1,170,111	6.3%	23	(154,403)	-0.8%	59	-
69	Seattle	38,492,094	16.4%	71	(594,058)	-0.3%	69	-
70	Springfield	71,000	1.8%	2	90,322	2.3%	23	-
71	Stamford	10,543,420	15.3%	68	(165,320)	-0.2%	60	-
72	Tampa	12,946,798	9.9%	49	(26,475)	0%	46	-
73	Trenton	3,307,670	10.2%	51	698,357	2.1%	8	0.7
74	Ventura	2,325,462	10.7%	54	111,119	0.5%	21	-
75	Vineland	112,302	3.9%	12	(2,627)	-0.1%	38	-
76	Washington	89,198,867	17.2%	76	(2,697,823)	-0.5%	78	-
77	Winchester	159,435	4.3%	14	(22,839)	-0.6%	45	-
78	Worcester	3,235,331	9.8%	48	(244,089)	-0.7%	61	-
79	York	302,541	2.8%	7	35,725	0.3%	28	-
80	Yuba City	95,457	3.7%	11	168	0%	36	-

Supply & Demand Trends

United States Office

OVERALL SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	8,550,472,887	20,423,195	0.2%	36,203,663	0.4%	0.6
2028	8,530,049,692	11,961,518	0.1%	34,178,378	0.4%	0.3
2027	8,518,088,174	9,314,557	0.1%	33,155,550	0.4%	0.3
2026	8,508,773,617	13,217,395	0.2%	19,670,156	0.2%	0.7
2025	8,495,556,222	24,811,135	0.3%	(3,486,692)	0%	-
YTD	8,475,408,964	4,663,877	0.1%	(482,692)	0%	-
2024	8,470,745,087	23,413,157	0.3%	(27,246,711)	-0.3%	-
2023	8,447,331,930	33,355,960	0.4%	(62,688,524)	-0.7%	-
2022	8,413,975,970	38,335,496	0.5%	(10,473,787)	-0.1%	-
2021	8,375,640,474	52,283,422	0.6%	(41,585,260)	-0.5%	-
2020	8,323,357,052	48,945,598	0.6%	(67,772,277)	-0.8%	-
2019	8,274,411,454	61,002,219	0.7%	49,169,029	0.6%	1.2
2018	8,213,409,235	48,447,826	0.6%	64,820,509	0.8%	0.7
2017	8,164,961,409	58,021,935	0.7%	62,570,294	0.8%	0.9
2016	8,106,939,474	45,418,979	0.6%	69,339,363	0.9%	0.7
2015	8,061,520,495	49,225,265	0.6%	92,095,559	1.1%	0.5
2014	8,012,295,230	31,099,296	0.4%	79,903,186	1.0%	0.4
2013	7,981,195,934	22,092,530	0.3%	53,054,992	0.7%	0.4

4 & 5 STAR SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	3,016,400,094	36,781,955	1.2%	41,553,869	1.4%	0.9
2028	2,979,618,139	28,646,788	1.0%	36,681,525	1.2%	0.8
2027	2,950,971,351	25,632,845	0.9%	36,428,683	1.2%	0.7
2026	2,925,338,506	27,039,137	0.9%	34,417,851	1.2%	0.8
2025	2,898,299,369	32,453,412	1.1%	30,974,116	1.1%	1.0
YTD	2,872,865,060	7,019,103	0.2%	5,919,884	0.2%	1.2
2024	2,865,845,957	30,144,385	1.1%	(3,504,785)	-0.1%	-
2023	2,835,701,572	41,623,273	1.5%	(21,962,506)	-0.8%	-
2022	2,794,078,299	52,557,476	1.9%	7,129,356	0.3%	7.4
2021	2,741,520,823	59,660,358	2.2%	(17,038,102)	-0.6%	-
2020	2,681,860,465	48,001,910	1.8%	(2,745,198)	-0.1%	-
2019	2,633,858,555	66,340,343	2.6%	56,117,893	2.1%	1.2
2018	2,567,518,212	47,496,132	1.9%	46,962,024	1.8%	1.0
2017	2,520,022,080	55,044,842	2.2%	40,372,019	1.6%	1.4
2016	2,464,977,238	42,401,386	1.8%	31,360,006	1.3%	1.4
2015	2,422,575,852	46,367,779	2.0%	53,189,518	2.2%	0.9
2014	2,376,208,073	34,206,348	1.5%	44,699,908	1.9%	0.8
2013	2,342,001,725	25,123,630	1.1%	29,300,907	1.3%	0.9

3 STAR SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	3,819,166,533	728,692	0%	9,345,876	0.2%	0.1
2028	3,818,437,841	578,924	0%	11,467,693	0.3%	0.1
2027	3,817,858,917	1,027,377	0%	10,248,157	0.3%	0.1
2026	3,816,831,540	3,518,689	0.1%	1,542,552	0%	2.3
2025	3,813,312,851	2,482,015	0.1%	(17,693,682)	-0.5%	-
YTD	3,809,903,702	(927,134)	0%	(4,750,147)	-0.1%	-
2024	3,810,830,836	(3,339,155)	-0.1%	(19,794,661)	-0.5%	-
2023	3,814,169,991	(3,668,380)	-0.1%	(35,313,473)	-0.9%	-
2022	3,817,838,371	(6,509,146)	-0.2%	(13,256,849)	-0.3%	-
2021	3,824,347,517	856,558	0%	(24,296,296)	-0.6%	-
2020	3,823,490,959	6,352,963	0.2%	(47,194,564)	-1.2%	-
2019	3,817,137,996	253,168	0%	(1,186,387)	0%	-
2018	3,816,884,828	8,519,062	0.2%	16,560,703	0.4%	0.5
2017	3,808,365,766	10,335,911	0.3%	20,943,796	0.5%	0.5
2016	3,798,029,855	9,944,598	0.3%	25,950,304	0.7%	0.4
2015	3,788,085,257	10,979,616	0.3%	28,842,750	0.8%	0.4
2014	3,777,105,641	6,100,612	0.2%	25,221,871	0.7%	0.2
2013	3,771,005,029	5,760,057	0.2%	19,774,072	0.5%	0.3

1 & 2 STAR SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	1,714,906,260	(17,087,452)	-1.0%	(14,696,082)	-0.9%	-
2028	1,731,993,712	(17,264,194)	-1.0%	(13,970,840)	-0.8%	-
2027	1,749,257,906	(17,345,665)	-1.0%	(13,521,290)	-0.8%	-
2026	1,766,603,571	(17,340,431)	-1.0%	(16,290,247)	-0.9%	-
2025	1,783,944,002	(10,124,292)	-0.6%	(16,767,126)	-0.9%	-
YTD	1,792,640,202	(1,428,092)	-0.1%	(1,652,429)	-0.1%	-
2024	1,794,068,294	(3,392,073)	-0.2%	(3,947,265)	-0.2%	-
2023	1,797,460,367	(4,598,933)	-0.3%	(5,412,545)	-0.3%	-
2022	1,802,059,300	(7,712,834)	-0.4%	(4,346,294)	-0.2%	-
2021	1,809,772,134	(8,233,494)	-0.5%	(250,862)	0%	-
2020	1,818,005,628	(5,409,275)	-0.3%	(17,832,515)	-1.0%	-
2019	1,823,414,903	(5,591,292)	-0.3%	(5,762,477)	-0.3%	-
2018	1,829,006,195	(7,567,368)	-0.4%	1,297,782	0.1%	-
2017	1,836,573,563	(7,358,818)	-0.4%	1,254,479	0.1%	-
2016	1,843,932,381	(6,927,005)	-0.4%	12,029,053	0.7%	-
2015	1,850,859,386	(8,122,130)	-0.4%	10,063,291	0.5%	-
2014	1,858,981,516	(9,207,664)	-0.5%	9,981,407	0.5%	-
2013	1,868,189,180	(8,791,157)	-0.5%	3,980,013	0.2%	-

OVERALL RENT & VACANCY

	Market Asking Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	$40.01	140	3.0%	11.3%	1,138,912,020	13.3%	-0.2%
2028	$38.84	136	2.8%	8.1%	1,156,008,370	13.6%	-0.3%
2027	$37.79	132	2.4%	5.1%	1,179,348,473	13.8%	-0.3%
2026	$36.90	129	1.8%	2.6%	1,203,593,816	14.1%	-0.1%
2025	$36.26	127	0.9%	0.9%	1,209,579,769	14.2%	0.3%
YTD	$36.07	126	0.9%	0.3%	1,185,989,406	14.0%	0%
2024	$35.95	126	1.3%	0%	1,181,118,383	13.9%	0.6%
2023	$35.49	124	1.2%	-1.3%	1,130,490,366	13.4%	1.1%
2022	$35.07	122	1.5%	-2.4%	1,034,297,436	12.3%	0.5%
2021	$34.56	121	0.8%	-3.9%	985,442,115	11.8%	1.1%
2020	$34.27	120	-1.8%	-4.7%	891,418,197	10.7%	1.3%
2019	$34.90	122	4.1%	-2.9%	775,016,063	9.4%	0.1%
2018	$33.55	117	3.2%	-6.7%	764,315,373	9.3%	-0.3%
2017	$32.49	113	2.6%	-9.6%	781,300,587	9.6%	-0.1%
2016	$31.67	111	3.5%	-11.9%	787,312,762	9.7%	-0.4%
2015	$30.60	107	5.9%	-14.9%	812,231,339	10.1%	-0.6%
2014	$28.90	101	5.4%	-19.6%	855,718,494	10.7%	-0.6%
2013	$27.41	96	3.9%	-23.7%	904,271,312	11.3%	-0.4%

4 & 5 STAR RENT & VACANCY

	Market Asking Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	$52.63	138	2.8%	9.7%	566,241,685	18.8%	-0.4%
2028	$51.17	134	2.6%	6.7%	572,034,273	19.2%	-0.5%
2027	$49.89	131	2.1%	4.0%	580,944,689	19.7%	-0.6%
2026	$48.86	128	1.6%	1.9%	592,182,196	20.2%	-0.4%
2025	$48.10	126	0.7%	0.3%	599,533,847	20.7%	-0.2%
YTD	$47.90	125	0.5%	-0.2%	598,983,096	20.8%	0%
2024	$47.76	125	0.8%	-0.4%	597,844,608	20.9%	1.0%
2023	$47.36	124	0.7%	-1.3%	564,256,388	19.9%	2.0%
2022	$47.03	123	0%	-2.0%	500,642,249	17.9%	1.3%
2021	$47.05	123	0.1%	-1.9%	455,198,331	16.6%	2.5%
2020	$46.99	123	-2.0%	-2.0%	378,537,503	14.1%	1.7%
2019	$47.97	126	5.4%	0%	327,992,818	12.5%	0%
2018	$45.53	119	3.3%	-5.1%	318,988,121	12.4%	-0.2%
2017	$44.05	115	2.6%	-8.2%	318,909,851	12.7%	0.3%
2016	$42.93	112	3.2%	-10.5%	305,226,248	12.4%	0.2%
2015	$41.59	109	6.2%	-13.3%	295,366,719	12.2%	-0.5%
2014	$39.16	102	5.9%	-18.4%	302,276,070	12.7%	-0.6%
2013	$36.96	97	4.0%	-22.9%	312,798,761	13.4%	-0.3%

3 STAR RENT & VACANCY

	Market Asking Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	$35.23	140	3.1%	12.1%	464,472,346	12.2%	-0.2%
2028	$34.16	136	3.0%	8.7%	473,684,436	12.4%	-0.3%
2027	$33.18	132	2.6%	5.6%	485,113,984	12.7%	-0.3%
2026	$32.34	129	1.9%	2.9%	494,631,125	13.0%	0%
2025	$31.73	126	1.0%	1.0%	492,637,496	12.9%	0.5%
YTD	$31.55	126	1.3%	0.4%	476,372,851	12.5%	0.1%
2024	$31.42	125	1.6%	0%	472,797,468	12.4%	0.4%
2023	$30.93	123	1.2%	-1.6%	456,269,626	12.0%	0.8%
2022	$30.57	122	2.2%	-2.7%	424,500,973	11.1%	0.2%
2021	$29.92	119	0.8%	-4.8%	417,720,053	10.9%	0.7%
2020	$29.69	118	-2.1%	-5.5%	392,536,303	10.3%	1.4%
2019	$30.34	121	3.1%	-3.4%	339,048,671	8.9%	0%
2018	$29.42	117	3.3%	-6.4%	337,495,120	8.8%	-0.2%
2017	$28.48	113	2.3%	-9.3%	345,654,498	9.1%	-0.3%
2016	$27.85	111	3.5%	-11.3%	356,694,793	9.4%	-0.4%
2015	$26.91	107	5.8%	-14.4%	372,797,760	9.8%	-0.5%
2014	$25.42	101	5.1%	-19.1%	391,209,290	10.4%	-0.5%
2013	$24.19	96	4.2%	-23.0%	410,345,321	10.9%	-0.4%

1 & 2 STAR RENT & VACANCY

	Market Asking Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	$29.40	144	3.2%	12.6%	108,197,989	6.3%	-0.1%
2028	$28.49	140	3.1%	9.1%	110,289,661	6.4%	-0.1%
2027	$27.64	136	2.8%	5.8%	113,289,800	6.5%	-0.1%
2026	$26.89	132	2.0%	3.0%	116,780,495	6.6%	0%
2025	$26.36	129	0.9%	0.9%	117,408,426	6.6%	0.4%
YTD	$26.21	129	1.3%	0.4%	110,633,459	6.2%	0%
2024	$26.11	128	1.9%	0%	110,476,307	6.2%	0%
2023	$25.64	126	2.8%	-1.8%	109,964,352	6.1%	0.1%
2022	$24.95	123	4.6%	-4.5%	109,154,214	6.1%	-0.2%
2021	$23.85	117	3.4%	-8.7%	112,523,731	6.2%	-0.4%
2020	$23.06	113	-0.1%	-11.7%	120,344,391	6.6%	0.7%
2019	$23.08	113	2.3%	-11.6%	107,974,574	5.9%	0%
2018	$22.57	111	2.7%	-13.6%	107,832,132	5.9%	-0.5%
2017	$21.97	108	3.4%	-15.9%	116,736,238	6.4%	-0.4%
2016	$21.24	104	4.5%	-18.7%	125,391,721	6.8%	-1.0%
2015	$20.33	100	5.0%	-22.1%	144,066,860	7.8%	-0.9%
2014	$19.37	95	4.6%	-25.8%	162,233,134	8.7%	-1.0%
2013	$18.52	91	2.7%	-29.1%	181,127,230	9.7%	-0.6%

OVERALL SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	-	-	-	-	-	-	$323.72	164	8.1%
2028	-	-	-	-	-	-	$301.68	153	8.4%
2027	-	-	-	-	-	-	$282.48	143	8.7%
2026	-	-	-	-	-	-	$265.91	135	8.9%
2025	-	-	-	-	-	-	$255.64	129	9.1%
YTD	6,755	$16.6B	1.6%	$3,860,049	$181.36	7.4%	$257.33	130	9.1%
2024	15,650	$43.1B	3.6%	$4,046,657	$194.61	7.4%	$258.14	131	9.0%
2023	14,522	$35.2B	2.7%	$3,535,120	$210.65	7.2%	$280.27	142	8.5%
2022	21,394	$81.6B	4.9%	$5,313,405	$265.55	6.8%	$309.33	157	7.8%
2021	23,840	$107.4B	5.6%	$6,202,105	$290.42	7.0%	$330.17	167	7.1%
2020	17,587	$68.9B	3.7%	$5,677,096	$276.21	7.2%	$315.52	160	7.3%
2019	21,166	$114.6B	5.8%	$7,995,608	$283.62	7.3%	$307.21	156	7.5%
2018	21,308	$101.5B	6.1%	$7,104,408	$253.35	7.1%	$299.21	151	7.3%
2017	20,011	$101.3B	6.1%	$7,812,235	$245.98	7.1%	$292.22	148	7.1%
2016	20,442	$110.8B	6.7%	$7,747,022	$257.39	7.0%	$297.15	150	6.7%
2015	19,691	$116.5B	7.0%	$8,066,707	$248.33	7.1%	$289.67	147	6.7%
2014	18,531	$103B	6.3%	$7,568,477	$232.49	7.3%	$269.12	136	6.7%

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4 & 5 STAR SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	-	-	-	-	-	-	$445.21	157	7.5%
2028	-	-	-	-	-	-	$414.57	146	7.7%
2027	-	-	-	-	-	-	$388.41	137	8.0%
2026	-	-	-	-	-	-	$366.12	129	8.3%
2025	-	-	-	-	-	-	$352.34	124	8.4%
YTD	333	$6.4B	1.8%	$30,877,065	$197.37	7.8%	$355.96	126	8.4%
2024	695	$18.2B	4.1%	$40,148,415	$216.77	8.1%	$357.16	126	8.3%
2023	472	$13.8B	2.5%	$44,272,408	$266.79	8.0%	$397.15	140	7.7%
2022	851	$36.1B	4.6%	$62,959,897	$371.33	6.2%	$442.41	156	7.0%
2021	1,022	$56.6B	6.3%	$74,849,220	$416.31	6.1%	$475.30	168	6.4%
2020	736	$37B	4.2%	$68,225,813	$384.94	6.8%	$456.03	161	6.6%
2019	1,048	$65.9B	7.1%	$75,096,152	$381.56	6.4%	$444.96	157	6.7%
2018	1,133	$49.3B	7.7%	$56,683,332	$304.56	6.3%	$435.46	154	6.6%
2017	1,086	$56.2B	7.9%	$62,406,410	$318.98	6.3%	$424.59	150	6.4%
2016	1,164	$64.8B	9.1%	$72,527,034	$359.43	5.9%	$433.92	153	6.1%
2015	1,249	$63.4B	9.4%	$68,818,471	$316.94	6.3%	$425.51	150	6.0%
2014	947	$59.2B	8.6%	$72,431,073	$311.74	6.1%	$395.40	139	6.0%

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3 STAR SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	-	-	-	-	-	-	$276.08	169	8.3%
2028	-	-	-	-	-	-	$257.42	157	8.6%
2027	-	-	-	-	-	-	$240.93	147	8.8%
2026	-	-	-	-	-	-	$226.59	139	9.1%
2025	-	-	-	-	-	-	$217.64	133	9.3%
YTD	2,739	$7.2B	1.6%	$4,241,162	$173.81	7.4%	$218.52	134	9.2%
2024	6,317	$17.2B	3.5%	$4,140,592	$179.31	7.4%	$219.37	134	9.2%
2023	5,383	$13.9B	2.7%	$3,880,379	$182.53	7.1%	$234.20	143	8.7%
2022	8,480	$32.7B	5.1%	$5,621,964	$231.60	6.8%	$257.07	157	8.0%
2021	9,505	$37.7B	5.4%	$5,639,656	$231.78	7.0%	$272.60	167	7.3%
2020	6,595	$23.9B	3.4%	$5,230,155	$224.77	7.2%	$259.76	159	7.5%
2019	8,139	$38.2B	5.4%	$6,721,864	$225.85	7.3%	$251.63	154	7.7%
2018	7,991	$41.6B	5.7%	$7,483,676	$237.77	7.1%	$243.64	149	7.5%
2017	7,417	$36.1B	5.7%	$6,983,876	$201.39	7.1%	$238.26	146	7.3%
2016	7,639	$36.1B	6.0%	$6,673,674	$195.26	7.1%	$241.76	148	6.9%
2015	7,306	$43.2B	6.5%	$7,860,785	$214.39	7.1%	$235.14	144	6.8%
2014	6,919	$34.6B	5.7%	$6,843,074	$185	7.4%	$218.92	134	6.9%

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1 & 2 STAR SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	-	-	-	-	-	-	$222.81	176	8.9%
2028	-	-	-	-	-	-	$207.90	164	9.2%
2027	-	-	-	-	-	-	$194.50	153	9.4%
2026	-	-	-	-	-	-	$182.75	144	9.7%
2025	-	-	-	-	-	-	$175.52	138	9.9%
YTD	3,683	$3B	1.5%	$1,261,957	$169.69	7.4%	$176.01	139	9.9%
2024	8,638	$7.7B	3.1%	$1,267,828	$185.11	7.3%	$175.79	139	9.8%
2023	8,667	$7.6B	3.0%	$1,244,819	$191.51	7.2%	$183.74	145	9.4%
2022	12,063	$12.8B	4.9%	$1,425,429	$185.82	6.9%	$198.99	157	8.6%
2021	13,313	$13.1B	5.1%	$1,327,049	$183.98	7.2%	$211.04	167	7.9%
2020	10,256	$7.9B	3.4%	$1,129,808	$169.63	7.3%	$200.24	158	8.1%
2019	11,979	$10.5B	4.7%	$1,352,007	$168.99	7.5%	$196.14	155	8.3%
2018	12,184	$10.6B	4.8%	$1,353,174	$166.38	7.4%	$190.63	150	8.1%
2017	11,508	$9B	4.6%	$1,309,559	$159.90	7.3%	$186.68	147	7.8%
2016	11,639	$9.9B	4.8%	$1,231,800	$151.27	7.3%	$187.34	148	7.5%
2015	11,136	$10B	4.8%	$1,243,876	$147.04	7.4%	$179.57	142	7.5%
2014	10,665	$9.2B	4.5%	$1,191,230	$139.26	7.6%	$165.69	131	7.5%

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