

Listing Rates and Vacancy: High-Quality Space Leases in Austin

- The national average full-service equivalent listing rate was \$38.22 in March, according to Yardi Matrix, increasing 1.5% over the previous 12 months.
- The national vacancy rate in the month was 16.7%, up 20 basis points over the previous month and 80 basis points over the prior year.
- A change in a market's average listing rate can reflect the composition of space available more than underlying fundamentals. In Austin, one of the stronger markets for

office since the pandemic, average listing rates have fallen 5.5% year-over-year, in part due to expensive space coming off the market. In downtown, recent leases signed by tech companies TikTok at 300 Colorado—subleased from Parsley Energy after it was acquired by Pioneer Natural Resources—and Snap at 405 Colorado have taken high-quality listings off the market, driving down the average rate. If trophy properties like Indeed Tower, listing space at a full-service equivalent of \$76.67 per foot, can secure leases, the market average may slip further.

Listings by Metro

Market	Mar-23 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$38.22	1.5%	16.7%	80 bps		
San Diego	\$47.98	18.8%	14.4%	90 bps	One La Jolla Center	\$69.00
Orlando	\$24.58	11.2%	16.3%	30 bps	Celebration Medical Center	\$42.40
Seattle	\$39.46	10.5%	18.6%	370 bps	1208 Eastlake Avenue East	\$89.50
Philadelphia	\$31.37	7.5%	14.3%	90 bps	Two Liberty Place	\$53.50
Twin Cities	\$26.93	6.3%	15.9%	130 bps	Tractor Works Building, The	\$37.75
Portland	\$29.36	4.9%	16.7%	440 bps	M Financial Plaza	\$47.40
San Francisco	\$66.07	4.9%	19.1%	170 bps	Sand Hill Collection—The Quad	\$165.17
Atlanta	\$30.62	4.4%	19.8%	-170 bps	300 Colony Square	\$52.00
Nashville	\$31.73	4.0%	17.4%	-130 bps	Three Thirty Three	\$44.38
Phoenix	\$27.51	2.9%	18.2%	300 bps	Camelback Collective	\$52.50
Charlotte	\$32.85	2.7%	11.4%	-330 bps	Rotunda Building, The	\$44.42
Chicago	\$28.00	2.5%	19.1%	-120 bps	Five One Five North State	\$66.02
Denver	\$30.61	2.4%	19.4%	220 bps	1144 Fifteenth Street	\$62.08
New Jersey	\$33.13	1.9%	17.0%	-60 bps	Newport Tower	\$54.80
Houston	\$30.66	1.1%	23.4%	-150 bps	Texas Tower	\$60.90
Bay Area	\$57.41	0.9%	17.3%	230 bps	325 Lytton Avenue	\$145.22
Los Angeles	\$42.39	0.8%	14.7%	110 bps	100 Wilshire	\$108.00
Manhattan	\$74.22	0.6%	16.5%	230 bps	550 Madison Avenue	\$210.00
Tampa	\$27.78	0.4%	16.3%	20 bps	Water Street Tampa—Thousand & One	\$58.00
Miami	\$47.27	-0.2%	11.9%	-70 bps	830 Brickell	\$137.50
Boston	\$38.77	-0.5%	9.9%	-50 bps	116 Huntington Avenue	\$75.07
Dallas	\$28.39	-1.0%	16.6%	-80 bps	Rosewood Court	\$60.43
Washington DC	\$40.44	-2.8%	14.8%	-210 bps	455 Massachusetts Ave NW	\$76.00
Austin	\$40.95	-5.5%	22.2%	630 bps	Indeed Tower	\$76.67
Brooklyn	\$42.45	-20.0%	19.4%	220 bps	200 Kent Avenue	\$75.00

Source: Yardi Matrix. Data as of March 2023. Listing rates are full-service or "full-service equivalent" rates for spaces available as of report period. National listing rate is an average of the top 50 markets.

Listing Rates and Vacancy: High-Quality Space Drives Up Rates in Boston

- The average full-service equivalent listing rate for office space was \$37.58 per square foot in June, falling 2.6% year-over-year.
- The national vacancy rate was 15.2%, down 20 basis points from last month but up 20 bps year-over-year.
- In Boston, top-tier space has been hitting the market in the last year, driving up the average listing rate, which has grown 12.0% year-over-year. Boston has weathered the pandemic relatively well, currently the only

large market sporting a vacancy rate under 10 percent. One Congress, an A+ trophy tower under construction in the Downtown submarket, will be delivered fully leased after InterSystems Corp., a medical billing company, announced it will occupy the top 14 floors of the tower. State Street will occupy roughly half a million square feet at the tower, while K&L Gates occupies the remaining space. Boston's position as a life science hub will also continue to drive demand for space. We expect that Boston will continue to outperform other gateway markets.

Listings by Metro

Market	June-22 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$37.58	-2.6%	15.2%	20 bps		
Charlotte	\$33.45	15.6%	14.5%	-50 bps	Rotunda Building, The	\$42.92
Boston	\$39.31	12.0%	9.6%	-180 bps	Kendall Square at MIT-314 Main Street	\$121.60
Miami	\$47.23	8.4%	12.9%	-200 bps	830 Brickell	\$150.00
San Diego	\$41.60	8.1%	12.8%	-20 bps	Nautilus	\$95.46
Atlanta	\$29.47	6.0%	20.3%	70 bps	300 Colony Square	\$52.00
Orlando	\$23.43	6.0%	14.4%	-20 bps	429 @ Crown Point-Building 529, The	\$35.00
Seattle	\$37.41	3.7%	15.9%	40 bps	City Center Bellevue	\$68.00
Bay Area	\$56.78	2.8%	15.5%	-130 bps	400 Hamilton Avenue	\$149.59
New Jersey	\$32.69	2.0%	17.2%	-120 bps	10 Exchange Place	\$55.30
San Francisco	\$63.63	1.6%	17.4%	260 bps	Offices at Springline North, The	\$171.96
Los Angeles	\$42.01	1.4%	13.1%	-30 bps	100 Wilshire	\$108.00
Dallas	\$29.24	1.4%	17.9%	30 bps	Harwood No.10	\$60.46
Brooklyn	\$48.40	0.5%	16.8%	120 bps	One MetroTech Center	\$65.59
Phoenix	\$26.96	0.2%	13.9%	-240 bps	100 Mill	\$52.00
Houston	\$30.52	0.1%	23.8%	190 bps	Texas Tower	\$58.40
Philadelphia	\$29.09	0.1%	13.1%	120 bps	Two Liberty Place	\$53.50
Denver	\$30.14	-1.0%	17.3%	100 bps	Block 162	\$53.61
Portland	\$29.99	-1.6%	14.0%	-70 bps	M Financial Plaza	\$45.90
Austin	\$42.39	-1.9%	16.1%	120 bps	Indeed Tower	\$76.67
Chicago	\$27.30	-3.4%	19.5%	320 bps	300 North LaSalle Drive	\$59.46
Nashville	\$30.27	-4.0%	18.4%	60 bps	Three Thirty Three	\$43.88
Twin Cities	\$25.83	-4.0%	14.0%	-190 bps	Offices at MOA, The	\$40.00
Tampa	\$27.95	-4.5%	13.8%	-110 bps	Water Street Tampa-Thousand & One	\$58.00
Washington DC	\$39.89	-4.8%	14.5%	-120 bps	One Freedom Plaza	\$81.83
Manhattan	\$72.59	-13.4%	13.9%	320 bps	550 Madison Avenue	\$210.00

Source: Yardi Matrix. Data as of June 2022. Listing rates are full service or "full service equivalent" rates for spaces available as of report period. National listing rate is an average of the top 50 markets.

Listing Rates and Vacancy: Vacancy Rates Continue to Climb

- The national vacancy rate was 15.0% in February, a 160 bps increase over the last 12 months. Due to the long-term nature of office leases, a massive shock like the coronavirus pandemic will take a long time to work its way into vacancy rates, an effect we are now seeing, a year after the initial shutdowns.
- Vacancy rates have increased the most year-over-year in Austin (720 bps), San Francisco (480 bps) and Seattle (450 bps).
- These three markets share a few things in common: They all are tech hubs with a high concentration of firms that had the ability to seamlessly transition to remote work. They all saw elevated levels of new supply during the second half of the last decade, as supply struggled to keep up with demand for office space. They all had vacancy rates in the single digits before the pandemic. As it stands now, Seattle and Austin are poised to recover more quickly than San Francisco due to more affordable lease rates and gains in office-using sectors of employment last year.

Listings by Metro

Market	Feb-21 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$38.31	-0.6%	15.0%	160 bps		
Nashville	\$31.06	5.7%	17.1%	440 bps	Broadwest	\$47.22
Washington DC	\$41.87	4.8%	15.7%	180 bps	PNC Place	\$87.29
Bay Area	\$54.33	4.5%	16.2%	290 bps	525 University Avenue	\$149.42
New Jersey	\$32.86	4.3%	17.9%	-420 bps	Liberty Innovation Center	\$70.29
Miami	\$42.60	3.8%	15.8%	270 bps	Two Brickell City Centre	\$75.00
Los Angeles	\$40.22	2.2%	13.8%	180 bps	100 Wilshire	\$111.00
Charlotte	\$29.06	0.9%	12.9%	240 bps	Piedmont Town Center - Building 2	\$42.00
Atlanta	\$27.54	1.4%	18.8%	290 bps	300 Colony Square	\$50.00
San Diego	\$39.44	0.8%	13.9%	250 bps	Torrey Ridge Science Center - Building 1	\$74.21
Phoenix	\$27.46	0.7%	18.3%	-10 bps	One Hundred Mill	\$48.50
Manhattan	\$85.17	0.2%	10.5%	280 bps	550 Madison Avenue	\$210.00
Tampa	\$28.38	0.1%	14.2%	250 bps	Heights Union - East Building	\$45.00
Orlando	\$21.47	-0.7%	15.4%	380 bps	250 Park Avenue South	\$40.00
Philadelphia	\$29.20	-0.3%	12.7%	-40 bps	Two Liberty Place	\$53.50
Houston	\$29.47	-1.5%	23.5%	220 bps	Texas Tower	\$58.40
Austin	\$42.43	-1.6%	15.1%	720 bps	Indeed Tower	\$70.67
Denver	\$28.77	-2.0%	14.7%	160 bps	William Building, The	\$59.67
Portland	\$29.71	-2.2%	13.9%	170 bps	M Financial Plaza	\$45.90
Dallas	\$28.06	-2.3%	19.0%	150 bps	Weir's Plaza	\$63.44
Twin Cities	\$26.50	-2.8%	16.5%	450 bps	Offices at MOA, The	\$40.00
Chicago	\$28.04	-3.2%	16.6%	230 bps	PNC Centre at One North Franklin	\$62.43
Seattle	\$35.34	-6.3%	13.0%	480 bps	Key Center	\$62.91
Brooklyn	\$50.48	-6.6%	14.8%	120 bps	One MetroTech Center	\$65.59
Boston	\$34.64	-8.9%	11.4%	150 bps	Two Charles Park	\$95.00
San Francisco	\$64.30	-14.9%	12.8%	550 bps	Sand Hill Commons	\$156.00

Source: CommercialEdge. Data as of February 2021. Listing rates are full service or "full service equivalent" rates for spaces available as of report period.

Listing Rates: New York's Tale of Two Cities

- Average full-service equivalent listing rates were \$38.29 per square foot in June, up 14 cents from the previous month and down 10 basis points year-over-year. As of yet, listing rates have been unresponsive to the economic downturn.
- Same-store listing rate growth was highest in Manhattan (12.7%), Seattle (11.9%) and Tampa (11.6%). Same-store rates were the lowest in Brooklyn (-18.8%), San Francisco (-5.9%) and Orlando (-4.0%).
- The contrast between listing rates in Brooklyn and Manhattan is striking. These two markets illustrate the different ways the listing rate can change. Brooklyn's rate has fallen due to an increase in cheaper spaces coming on the market in the past year. Manhattan has seen its average full-service equivalent listing rate spike, mostly due to one building. 550 Madison, the historic building that completed renovations late last year, has 750,000 square feet of space available at an average full-service equivalent rate of \$157 per square foot, with the top floors at \$210 per square foot.

Listings by Metro

Market	Jun-20 Listing Rate	12-Month Change	Total Vacancy	Top Listing	Price Per Square Foot
National	\$38.29	-0.1%	14.7%		
Tampa	\$29.52	22.1%	12.9%	1001 Water Street	\$55.70
Nashville	\$32.10	20.8%	13.7%	Peabody Plaza at Rolling Mill Hill	\$50.81
Miami	\$42.92	13.9%	14.5%	830 Brickell Plaza	\$73.00
Atlanta	\$27.76	10.5%	18.1%	Three Alliance Center	\$54.98
Manhattan	\$86.63	9.9%	9.1%	550 Madison Avenue	\$210.00
Bay Area	\$50.91	7.0%	16.0%	525 University Avenue	\$149.42
New Jersey	\$33.02	6.3%	23.9%	Newport Tower	\$57.80
San Diego	\$39.40	6.3%	17.0%	Molecular and Experimental Medicine Building	\$74.54
Los Angeles	\$39.68	5.9%	12.5%	100 Wilshire	\$111.00
Houston	\$30.72	3.5%	23.3%	Texas Tower	\$58.40
Denver	\$29.47	3.0%	13.6%	The William Building	\$59.67
Austin	\$42.01	2.7%	9.3%	Indeed Tower	\$70.67
Charlotte	\$28.99	2.4%	11.1%	300 South Tryon	\$42.00
San Francisco	\$67.16	1.9%	9.5%	2180 Sand Hill Road	\$150.84
Portland	\$30.31	1.5%	13.7%	5 MLK	\$48.03
Philadelphia	\$28.72	0.3%	13.6%	One Liberty Place	\$51.71
Twin Cities	\$26.95	0.3%	14.9%	10 West End	\$37.83
Seattle	\$37.77	0.1%	9.0%	U.S. Bank Centre	\$66.39
Washington DC	\$40.39	-0.2%	17.1%	One Freedom Plaza	\$81.83
Chicago	\$28.81	-0.5%	15.4%	300 North LaSalle Drive	\$59.46
Phoenix	\$26.71	-1.0%	21.9%	The Watermark-Phase I	\$45.00
Dallas	\$27.69	-1.1%	19.5%	Weir's Plaza	\$63.44
Orlando	\$21.44	-3.1%	14.0%	GuideWell Innovation Center	\$34.66
Boston	\$33.94	-8.7%	11.0%	Seaport Towers	\$80.05
Brooklyn	\$51.28	-13.9%	18.7%	One MetroTech Center	\$65.59

Source: Yardi Matrix. Data as of June 2020. Listing rates are full service or "full service equivalent" rates for spaces available as of report period.

Listing Rates and Vacancy: Vacancy Rates Climb as Pandemic Hits One-Year Mark

- The average full-service equivalent listing rate was \$38.67 per square foot in March, an increase of 36 cents from the previous month.
- The slight increase in listing rates notwithstanding, vacancy rates continued to climb in March. National vacancy rates increased 280 basis points over March 2020 and 60 basis points over February 2021.
- Last March, a few markets sported vacancy rates below 8%, but a year later no market has a vacancy rate in the single digits. Two of

those markets that previously had low rates, Seattle (which increased from 7.7% to 13.9%) and Austin (from 7.4% to 16.0%), can partly point to new supply as a reason for their increasing vacancies. Coinciding with a pandemic that led many companies to shrink their office footprints, 3.5% of Austin's and 2.8% of Seattle's office stock was delivered in the past 12 months. San Francisco's rates have increased from 6.9% to 13.5%, and together with the Bay Area (from 12.8% to 19.3%) it now sports 19.3 million more square feet of vacant office space than a year ago.

Listings by Metro

Market	Mar-20 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$38.67	1.4%	15.6%	280 bps		
Bay Area	\$57.11	8.6%	19.3%	650 bps	525 University	\$150.00
Washington DC	\$42.21	6.4%	15.8%	210 bps	PNC Place	\$87.29
New Jersey	\$33.04	3.9%	18.6%	-200 bps	Liberty Innovation Center	\$70.29
Los Angeles	\$40.43	3.6%	13.8%	280 bps	100 Wilshire	\$108.00
Atlanta	\$27.68	3.5%	19.6%	390 bps	300 Colony Square	\$50.00
San Diego	\$40.58	3.5%	14.0%	240 bps	Torrey Ridge Science Center - Building 1	\$82.01
Nashville	\$31.34	3.0%	19.0%	790 bps	2525 West End	\$52.79
Miami	\$42.22	3.0%	15.6%	360 bps	Two Brickell City Centre	\$75.00
Phoenix	\$27.72	2.5%	18.5%	150 bps	One Hundred Mill	\$48.50
Denver	\$28.72	1.8%	16.0%	390 bps	William Building, The	\$59.67
Austin	\$42.40	1.6%	16.0%	860 bps	Indeed Tower	\$70.67
Philadelphia	\$29.36	1.5%	13.4%	70 bps	One Liberty Place	\$51.71
Orlando	\$21.32	0.0%	14.9%	370 bps	250 Park Avenue South	\$40.00
Manhattan	\$85.82	1.2%	10.7%	330 bps	550 Madison Avenue	\$210.00
Tampa	\$28.35	0.0%	15.1%	450 bps	Heights Union - East Building	\$45.00
Portland	\$30.17	-0.7%	15.0%	310 bps	Beacon Lake Oswego	\$51.78
Dallas	\$28.35	-1.3%	19.1%	150 bps	Weir's Plaza	\$63.44
Charlotte	\$28.94	-1.4%	14.2%	480 bps	300 South Tryon	\$42.00
Brooklyn	\$50.61	-1.8%	15.8%	430 bps	One MetroTech Center	\$65.59
San Francisco	\$69.66	-2.4%	13.5%	660 bps	Sand Hill Commons	\$156.00
Boston	\$33.51	-2.5%	12.0%	240 bps	American Twine Office Park	\$93.00
Houston	\$29.59	-2.5%	24.0%	340 bps	Texas Tower	\$58.40
Seattle	\$35.52	-3.0%	13.9%	620 bps	City Center Bellevue	\$63.50
Twin Cities	\$26.53	-3.0%	16.0%	470 bps	Offices at MOA, The	\$40.00
Chicago	\$27.59	-4.5%	17.4%	370 bps	PNC Centre at One North Franklin	\$62.43

Source: Yardi Matrix. Data as of March 2021. Listing rates are full service or "full service equivalent" rates for spaces available as of report period.

Listing Rates: Rates Not Dropping in Most Markets

- Average full-service equivalent listing rates were \$38.15 per square foot, up 26 cents from April but down 0.7% from May of 2019. The national vacancy rate increased 10 basis points to 13.2%.
- Same-store listing rate growth was highest in Manhattan (16.1%), Seattle (11.1%) and Austin (9.2%). The biggest decreases in same-store rates were in Boston (-7.9%), Brooklyn (-4.6%) and the Bay Area (-4.1%).
- It may seem counterintuitive that full-service

equivalent listing rates have not budged as millions of office employees work from home and the country experiences the most significant economic downturn in a century. Many office owners may be in a holding pattern and hoping for a V-shaped recovery, where things return to pre-COVID-19 levels by the end of the year. Additionally, demand for new office space has fallen to such lows that a traditional price reduction would not produce the desired effect, anyway. The multi-year nature of office leases makes substantial price drops untenable for many owners.

Listings by Metro

Market	May-20 Listing Rate	12-Month Change	Total Vacancy	Top Listing	Price Per Square Foot
National	\$38.15	-0.7%	13.2%		
Manhattan	\$87.41	15.5%	8.0%	550 Madison Avenue	\$210.00
San Francisco	\$71.59	9.9%	7.0%	2180 Sand Hill Road	\$150.84
Austin	\$42.21	8.3%	7.7%	100 Congress	\$71.83
Miami	\$41.55	8.1%	11.7%	830 Brickell Plaza	\$73.00
Atlanta	\$27.39	6.6%	15.7%	Three Alliance Center	\$54.98
Nashville	\$31.70	5.9%	11.1%	Three Thirty Three	\$44.38
Tampa	\$29.26	5.9%	11.4%	1001 Water Street	\$55.70
Seattle	\$38.23	4.2%	9.3%	U.S. Bank Centre	\$66.39
Los Angeles	\$39.28	3.9%	11.7%	100 Wilshire	\$111.00
Bay Area	\$49.28	3.3%	14.0%	525 University Avenue	\$149.42
Twin Cities	\$27.28	2.8%	11.6%	10 West End	\$37.83
San Diego	\$38.65	2.5%	11.3%	Campus Pointe 1	\$76.20
Charlotte	\$28.98	2.2%	10.1%	615 South College	\$41.50
Portland	\$30.03	1.5%	12.5%	5 MLK	\$48.03
Denver	\$28.76	1.3%	11.7%	William Building, The	\$59.67
Brooklyn	\$54.25	0.4%	12.0%	One MetroTech Center	\$65.59
Houston	\$30.25	0.3%	21.4%	Texas Tower	\$58.40
Phoenix	\$26.59	0.3%	17.3%	Watermark-Phase I, The	\$45.00
Washington DC	\$40.00	0.1%	14.6%	2000 K Street	\$81.86
Dallas	\$27.48	-0.2%	18.2%	Weir's Plaza	\$63.44
New Jersey	\$31.36	-0.3%	20.3%	Newport Tower	\$57.80
Philadelphia	\$28.21	-2.5%	12.5%	Two Liberty Place	\$51.50
Orlando	\$21.59	-3.6%	12.9%	GuideWell Innovation Center	\$34.66
Chicago	\$28.31	-4.6%	14.2%	300 North LaSalle Drive	\$59.46
Boston	\$32.86	-13.6%	9.9%	Seaport Towers	\$80.05

Source: Yardi Matrix. Data as of May 2020. Listing rates are full service or "full service equivalent" rates for spaces available as of report period.