

Lease Rate and Occupancy Trends: Asking Rents on the Rise in Most Metros

- Asking rents averaged \$36.40 per square foot nationally in April, up 1.1% from three months ago, as the vacancy rate remains unchanged. Metros with gains outnumbered those with decreases by a three-to-one ratio.
- Growth was strongest in markets with a healthy dose of New Economy and technology tenants, namely Austin (9.1%), Brooklyn (8.6%), the Bay Area (6.5%) and San Francisco (4.0%). But smaller markets have also seen decent rental rate growth in the last few months, including Tampa (3.5%) and Nashville (3.2%).
- Only two metros—Chicago (-1.9%) and Seattle (-1.8%)—saw declines of more than 1.0%. Seattle's office market remains healthy, with a slim 8.7% vacancy rate, so the decline likely reflects a temporary dip due to new supply.
- Chicago's decline is slightly more worrisome. The market's vacancy rate is 14.7%, with the Loop submarkets more in demand than elsewhere in the metro. Also, the 2.1 million-square-foot rehabilitation of The Post Office building is set to come online in the third quarter with more than half of the space still vacant.

Listings by Metro

Market	Apr-19 Listing Rates	3-Month Change	Total Vacancy	Top Listing	Price Per Square Foot
National	\$36.40	1.1%	13.7%		
Austin	\$40.43	9.1%	9.1%	Block 71	\$70.67
Brooklyn	\$53.72	8.6%	8.2%	Brooklyn Navy Yard–Dock 72	\$73.00
Bay Area	\$47.55	6.5%	14.9%	444 Castro	\$120.67
San Francisco	\$67.94	4.0%	8.7%	Sand Hill Commons	\$150.00
Tampa	\$26.12	3.5%	11.1%	MetWest International–MetWest One	\$40.00
Nashville	\$29.23	3.2%	10.4%	615 Third	\$42.81
Twin Cities	\$26.70	2.6%	12.4%	Offices at MOA, The	\$41.00
Los Angeles	\$38.62	2.2%	13.4%	Union Bank of California Building, The	\$84.00
Houston	\$29.62	2.1%	21.0%	Texas Tower	\$59.90
Charlotte	\$27.86	2.1%	10.1%	RailYard, The	\$42.00
Orlando	\$21.76	1.9%	14.0%	GuideWell Innovation Center	\$34.66
Dallas	\$28.00	0.9%	18.7%	Saint Ann Court	\$56.71
Washington DC	\$39.39	0.8%	14.7%	1000 F Street NW	\$83.08
New Jersey	\$32.08	0.7%	20.4%	150 John F. Kennedy Pkwy	\$56.78
Atlanta	\$25.87	0.7%	16.0%	Three Alliance Center	\$52.98
Philadelphia	\$29.35	0.6%	13.0%	Three Logan Square	\$56.57
Manhattan	\$74.29	0.2%	8.5%	101 Park Avenue	\$200.00
Phoenix	\$27.21	0.2%	16.8%	Hayden Ferry Lakeside I	\$46.50
Denver	\$27.89	0.1%	13.9%	Civica Cherry Creek	\$51.32
Portland	\$27.77	-0.5%	12.6%	Clay Pavilion	\$45.55
Boston	\$39.74	-0.7%	9.9%	One Federal Street	\$76.00
Miami	\$38.18	-0.9%	13.5%	1450 Brickell	\$67.00
San Diego	\$36.58	-1.0%	12.3%	Paseo Del Mar–Building II	\$60.18
Seattle	\$37.57	-1.8%	8.7%	188 East Blaine Street	\$68.66
Chicago	\$29.47	-1.9%	14.7%	110 North Wacker	\$60.78

Source: Yardi Matrix. Data as of 5/17/19. Listing rates are full service or "full service equivalent" rates for spaces available as of report period.

Listing Rates: New Construction Pushes San Diego's Rates Upward

- The average full-service equivalent listing rate was \$38.32 per square foot in August, down 0.4% year-over-year.
- Same-store listing rate growth was highest in Manhattan (16.5%), San Diego (5.9%) and Denver (3.0%). Same-store listing rates decreased the most in Brooklyn (-12.0%) and San Francisco (-7.9%).
- San Diego's overall growth was more than double its same-store rate, with average full-service equivalent listing rates increas-

ing 12.5% since August of last year. This discrepancy in average rate growth is driven by recently listed new construction, most notably 2100 Kettner in the Little Italy neighborhood of the downtown submarket. The building, with an anticipated completion in March and a proposed Platinum LEED certification, will include 190,000 square feet for leasing, with a full-service average of \$69 per square foot. Downtown San Diego underwent a substantial revitalization last decade, with new high-end apartment and office buildings dotting the skyline.

Listings by Metro

Market	Aug-20 Listing Rate	12-Month Change	Total Vacancy	Top Listing	Price Per Square Foot
National	\$38.32	-0.4%	13.3%		
Manhattan	\$88.61	14.4%	8.4%	550 Madison Avenue	\$210.00
San Diego	\$43.03	12.5%	12.9%	ARE Spectrum-3033 Science Park Road	\$75.17
Bay Area	\$52.32	11.5%	13.8%	525 University Avenue	\$168.02
Miami	\$41.65	6.9%	12.4%	830 Brickell Plaza	\$73.00
Los Angeles	\$39.01	3.7%	12.0%	100 Wilshire	\$111.00
Denver	\$29.10	3.3%	11.2%	William Building, The	\$59.67
Houston	\$30.64	3.2%	21.8%	Texas Tower	\$58.40
New Jersey	\$32.21	1.9%	19.3%	Newport Tower	\$57.80
Atlanta	\$27.04	1.4%	17.2%	Three Alliance Center	\$54.98
Orlando	\$21.42	1.3%	12.3%	Crescent at Primera-Primera Tower IV, The	\$31.50
Austin	\$42.33	1.3%	10.0%	Indeed Tower	\$70.67
Boston	\$35.35	1.2%	10.2%	399 Boylston Street	\$95.96
Washington DC	\$39.84	0.6%	15.1%	One Freedom Plaza	\$81.83
Charlotte	\$28.38	-0.4%	10.7%	300 South Tryon	\$42.00
Twin Cities	\$26.91	-0.5%	10.8%	10 West End	\$37.83
Phoenix	\$27.23	-1.0%	17.5%	One Hundred Mill	\$50.50
Dallas	\$27.53	-2.3%	18.3%	Weir's Plaza	\$63.44
Portland	\$29.31	-2.5%	12.3%	M Financial Plaza	\$45.90
Chicago	\$28.72	-2.6%	14.5%	300 North LaSalle Drive	\$59.46
Seattle	\$36.59	-2.9%	8.9%	Key Center	\$62.91
Philadelphia	\$28.38	-2.9%	12.3%	One Liberty Place	\$51.71
Nashville	\$29.71	-9.0%	10.3%	Three Thirty Three	\$44.38
Tampa	\$27.49	-10.2%	11.6%	Heights Union-West Building	\$45.00
Brooklyn	\$51.05	-11.1%	13.4%	One MetroTech Center	\$65.59
San Francisco	\$64.12	-12.6%	8.7%	2180 Sand Hill Road	\$150.84

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 Rate Ticks Up in Dallas

- The national average full-service equivalent listing rate was \$37.64 per square foot in December, according to Yardi Matrix, a decrease of 1.4% year-over-year and down nine cents over the previous month.
- The national vacancy rate was 18.3%, an increase of 180 basis points year-over-year.
- Over the last year, Dallas vacancy rates have increased 170 basis points while average listing rates fell more than 6%. Strong employ-

ment growth cannot prevent rising vacancies in Dallas, which has seen some of the nation's most robust job growth in office-using sectors. The financial activities sector in particular has driven growth, as the market's standing as a banking hub continues to grow. More than 17,000 financial jobs were added year-over-year (4.7%) as of November. Bank of America recently signed a 238,000-square-foot lease at Parkside, an upcoming property in Uptown, downsizing from 500,000 square feet at its namesake tower.

Listings by Metro

Market	Dec-23 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$37.64	-1.4%	18.3%	180 bps		
Boston	\$47.27	26.6%	11.8%	280 bps	Kendall Center-255 Main Street	\$126.34
New Jersey	\$34.88	5.3%	19.8%	260 bps	10 Exchange Place	\$55.30
Tampa	\$28.64	2.3%	13.3%	-330 bps	Water Street Tampa-Thousand & One	\$61.50
Philadelphia	\$31.90	1.9%	14.3%	60 bps	Two Liberty Place	\$53.50
Denver	\$30.22	1.1%	22.2%	400 bps	200 Clayton Street	\$73.00
Detroit	\$21.34	0.9%	25.0%	470 bps	One Campus Martius	\$39.13
Houston	\$29.88	0.9%	24.0%	-180 bps	Texas Tower	\$62.90
Atlanta	\$30.55	0.6%	17.1%	-290 bps	300 Colony Square	\$52.00
Austin	\$41.20	0.4%	21.1%	150 bps	Indeed Tower	\$83.77
Twin Cities	\$26.04	-0.1%	17.8%	280 bps	Offices at MOA, The	\$40.00
Miami	\$46.76	-0.5%	14.1%	240 bps	830 Brickell	\$180.00
Phoenix	\$27.63	-0.5%	19.0%	300 bps	Camelback Collective	\$55.00
Seattle	\$38.16	-0.9%	22.5%	410 bps	1208 Eastlake Avenue East	\$94.00
Chicago	\$27.35	-1.4%	18.2%	-130 bps	Innovation and Research Park	\$75.00
Washington DC	\$40.62	-1.9%	17.9%	420 bps	455 Massachusetts Ave NW	\$76.00
Los Angeles	\$41.67	-2.2%	16.8%	180 bps	2000 Avenue of the Stars	\$118.20
Orlando	\$23.95	-2.9%	17.1%	100 bps	Heritage Park	\$42.00
Bay Area	\$54.23	-3.0%	20.2%	270 bps	325 Lytton Avenue	\$159.00
Nashville	\$30.32	-3.6%	16.5%	-150 bps	Three Thirty Three	\$44.38
San Diego	\$42.00	-3.6%	17.4%	320 bps	One La Jolla Center	\$70.20
Dallas	\$26.99	-6.3%	20.2%	170 bps	17Seventeen McKinney	\$67.42
Portland	\$28.34	-6.9%	15.6%	-170 bps	12th & Morrison	\$47.01
Charlotte	\$31.44	-7.7%	12.9%	-30 bps	Rotunda Building, The	\$46.42
San Francisco	\$61.91	-7.8%	23.6%	430 bps	Sand Hill Collection-The Quad	\$195.60
Manhattan	\$70.00	-8.0%	16.4%	120 bps	550 Madison Avenue	\$210.00

Source: Yardi Matrix. Data as of December 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 Listings Lead to Rate Increases in Denver

- The average national full-service equivalent listing rate for all office space was \$38.62 per square foot in August, unchanged from July and a 1.2% increase year-over-year. The national vacancy rate was 15.4%, a decrease of 10 basis points (bps) from July but up 210 bps over August 2020.
- Same-store listing rate growth was highest in Nashville (8.9%), Los Angeles and Boston (6.4% each). Same-store rates fell the most in Manhattan (-4.9%) and Brooklyn (-4.8%).
- Average listing rates often reflect the quality of assets being offered in the market rather than underlying fundamentals. A case in point is Denver, where rates have increased 5.5% over the last year despite vacancies increasing 600 bps over the period. Rates have been driven upwards by new, high-quality assets. Foremost among these is Block 162, an A+ rated 30-floor tower in the CBD. Currently listing more than 500,000 square feet at a triple-net rate of \$36 per foot, which is a full-service equivalent rate of more than \$50, this property has pushed up the average rate in the market.

Listings by Metro

Market	Jul-21 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$38.62	1.2%	15.4%	210 bps		
Los Angeles	\$41.62	8.1%	13.5%	150 bps	100 Wilshire	\$108.00
Bay Area	\$55.79	6.2%	18.0%	420 bps	245 Lytton Avenue	\$133.79
Tampa	\$29.70	6.2%	15.3%	370 bps	Sparkman Wharf	\$46.50
Miami	\$43.43	5.8%	14.2%	180 bps	830 Brickell Plaza	\$90.00
Denver	\$30.25	5.5%	17.2%	600 bps	The William Building	\$59.67
Austin	\$43.70	5.3%	15.9%	590 bps	Indeed Tower	\$74.67
Boston	\$34.81	3.9%	11.6%	140 bps	Central Plaza	\$82.00
Philadelphia	\$29.60	3.6%	12.3%	0 bps	One Liberty Place	\$51.71
Washington DC	\$42.01	3.6%	15.8%	70 bps	Republic Square I	\$91.84
Orlando	\$22.13	3.5%	15.2%	290 bps	GuideWell Innovation Center	\$34.66
Nashville	\$30.90	3.5%	17.8%	750 bps	The Pinnacle at Symphony Place	\$44.00
Phoenix	\$28.01	3.2%	17.2%	-30 bps	100 Mill	\$48.50
New Jersey	\$33.14	2.9%	18.9%	-40 bps	Liberty Innovation Center	\$70.29
San Diego	\$38.90	2.4%	14.8%	190 bps	2100 Kettner	\$69.00
Dallas	\$28.66	1.6%	18.9%	60 bps	Victory Commons One	\$58.94
Portland	\$29.97	1.0%	13.1%	80 bps	Park Avenue West	\$48.69
Atlanta	\$27.64	0.8%	19.7%	250 bps	300 Colony Square	\$50.00
Charlotte	\$29.00	0.5%	15.3%	460 bps	300 South Tryon	\$42.00
Chicago	\$28.12	-1.1%	16.9%	240 bps	Five One Five North State	\$66.02
Houston	\$30.18	-1.2%	22.7%	90 bps	Texas Tower	\$58.40
Twin Cities	\$26.80	-1.3%	15.3%	450 bps	The Offices at MOA	\$40.00
San Francisco	\$69.18	-1.6%	15.4%	670 bps	Sand Hill Collection-The Quad	\$141.17
Manhattan	\$83.52	-2.6%	10.8%	240 bps	550 Madison Avenue	\$210.00
Seattle	\$35.79	-3.0%	15.7%	680 bps	City Center Bellevue	\$63.50
Brooklyn	\$48.08	-4.9%	15.3%	190 bps	One MetroTech Center	\$65.59

Source: Yardi Matrix. Data as of August 2021. 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: Vacancies Grow Everywhere

- The national average full-service equivalent listing rate was \$37.66 per square foot in April, according to Yardi Matrix, a decrease of 8 cents from the previous month and 1.5% year-over-year.
- The national vacancy rate was 18.8%, an increase of 210 basis points year-over-year.
- Vacancy rates have been on the upswing in nearly every market. Tech markets have been

hit the worst, with San Francisco (650 basis point increase over the last 12 months), the Bay Area (400 bps) and Seattle (400 bps) all experiencing significant increases. Markets with a high concentration of financial jobs like Dallas (390 bps) and Charlotte (380 bps) have also seen large jumps in the last year. Even lab space centers like Boston (230 bps) and San Diego (370 bps) have seen vacancies rise despite the in-person nature of most work in the life sciences field.

Listings by Metro

Market	Apr-24 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$37.66	-1.5%	18.8%	210 bps		
Boston	\$46.62	9.8%	12.4%	230 bps	Alexandria Center at Kendall Square—75 Binney St.	\$76.58
Miami	\$49.00	5.2%	13.0%	90 bps	701 Brickell	\$130.00
New Jersey	\$35.40	4.8%	18.1%	150 bps	10 Exchange Place	\$54.30
Detroit	\$22.46	4.2%	28.8%	630 bps	One Campus Martius	\$39.13
Atlanta	\$31.68	3.8%	18.4%	-130 bps	1180 Peachtree	\$60.00
Tampa	\$28.69	2.9%	12.4%	-360 bps	Water Street Tampa—Thousand & One	\$65.50
Austin	\$42.25	2.0%	22.4%	30 bps	Indeed Tower	\$84.21
Philadelphia	\$31.88	1.9%	16.0%	280 bps	Two Liberty Place	\$53.50
Phoenix	\$27.67	1.2%	17.5%	-80 bps	Camelback Collective	\$55.00
Orlando	\$24.84	0.9%	17.1%	160 bps	105 East Robinson Street	\$42.79
Washington DC	\$40.59	0.6%	16.8%	170 bps	500 8th Street NW	\$79.58
Dallas	\$28.56	0.0%	21.1%	390 bps	McKinney & Olive	\$86.31
Chicago	\$27.85	-0.2%	19.1%	30 bps	Innovation and Research Park	\$75.00
Nashville	\$30.21	-0.8%	15.8%	-190 bps	Three Thirty Three	\$44.88
Denver	\$30.08	-1.3%	23.9%	390 bps	200 Clayton Street	\$73.00
Houston	\$29.38	-2.5%	23.6%	30 bps	Texas Tower	\$62.90
Charlotte	\$31.62	-2.9%	15.6%	380 bps	Morehead Place	\$46.00
Los Angeles	\$41.03	-3.4%	16.5%	210 bps	100 Wilshire	\$108.00
Bay Area	\$52.89	-4.0%	21.1%	400 bps	245 Lytton Avenue	\$147.48
Twin Cities	\$25.83	-4.2%	18.1%	130 bps	Offices at MOA, The	\$40.00
Manhattan	\$69.72	-5.8%	17.6%	80 bps	550 Madison Avenue	\$210.00
Seattle	\$37.02	-6.8%	23.0%	400 bps	1208 Eastlake Avenue East	\$94.00
Portland	\$27.22	-7.4%	16.2%	-40 bps	Fox Tower	\$43.38
San Francisco	\$59.30	-9.3%	25.9%	650 bps	Sand Hill Commons	\$204.00
San Diego	\$43.00	-9.8%	18.4%	370 bps	La Jolla Commons—Tower I	\$72.60

Source: Yardi Matrix. Data as of April 2024. 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: Manhattan Struggles but Leases Provide Hope

- The national average full-service equivalent listing rate in August was \$37.83, according to Yardi Matrix, a decrease of 2.2% over the year and six cents over the month.
- The national vacancy rate in August was 17.5%, an increase of 260 basis points year-over-year.
- The Manhattan outlook remains gloomy, with the vacancy rate increasing 330 basis points in the last year and more than doubling since

the onset of the pandemic. Recent newsworthy renewals and lease signings have provided slivers of hope for the beleaguered market. Davis Polk signed a 700,000-square-foot, 25-year lease extension at 450 Lexington Ave., including an additional 30,000 square feet of space. Amazon renewed a 210,000-square-foot lease at 1440 Broadway and signed a new one for 90,000 square feet at 75 Rockefeller Plaza. While tech firms Meta and Spotify have reduced space, Datadog and Indeed have expanded.

Listings by Metro

Market	Aug-23 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$37.83	-2.2%	17.5%	260 bps		
Boston	\$46.13	13.7%	10.6%	260 bps	Kendall Center-255 Main Street	\$126.34
Twin Cities	\$26.62	4.7%	15.9%	380 bps	Tractor Works Building, The	\$40.71
Bay Area	\$55.91	4.1%	19.2%	380 bps	325 Lytton Avenue	\$159.00
New Jersey	\$34.36	3.5%	17.1%	70 bps	10 Exchange Place	\$55.30
Orlando	\$24.31	3.3%	16.6%	150 bps	Heritage Park	\$42.00
Chicago	\$28.18	3.1%	17.8%	-40 bps	300 North LaSalle Drive	\$59.46
Atlanta	\$31.01	2.9%	18.7%	-70 bps	300 Colony Square	\$52.00
Houston	\$30.57	2.7%	25.3%	130 bps	Texas Tower	\$60.90
Seattle	\$37.96	2.6%	22.0%	590 bps	1208 Eastlake Avenue East	\$94.00
Austin	\$42.85	2.0%	21.2%	450 bps	Indeed Tower	\$82.77
Phoenix	\$27.81	1.9%	18.8%	480 bps	Camelback Collective	\$55.00
Denver	\$30.73	1.8%	20.8%	380 bps	1144 Fifteenth Street	\$63.50
Philadelphia	\$30.76	0.6%	14.2%	130 bps	Two Liberty Place	\$53.50
San Diego	\$43.85	0.5%	16.0%	320 bps	One La Jolla Center	\$70.20
Washington DC	\$40.38	-0.3%	15.3%	120 bps	455 Massachusetts Ave NW	\$76.00
Tampa	\$28.13	-0.8%	14.4%	-100 bps	Water Street Tampa-Thousand & One	\$61.50
San Francisco	\$65.45	-1.6%	23.2%	510 bps	Sand Hill Collection-The Quad	\$195.60
Manhattan	\$69.58	-1.9%	17.3%	330 bps	550 Madison Avenue	\$210.00
Nashville	\$29.95	-2.9%	16.2%	-260 bps	Three Thirty Three	\$44.38
Los Angeles	\$42.00	-3.0%	15.7%	310 bps	2000 Avenue of the Stars	\$118.20
Charlotte	\$32.57	-3.3%	15.5%	230 bps	Rotunda Building, The	\$44.42
Miami	\$46.14	-3.5%	11.6%	0 bps	830 Brickell	\$137.50
Dallas	\$27.39	-5.6%	18.5%	80 bps	17Seventeen McKinney	\$67.42
Portland	\$28.07	-6.3%	15.9%	290 bps	12th & Morrison	\$47.01
Brooklyn	\$45.97	-6.8%	16.4%	-10 bps	200 Kent Avenue	\$75.00

Source: Yardi Matrix. Data as of August 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.