

Listing Rates and Vacancy: Updating National Rents Calculation

- The national average full-service equivalent listing rate was \$31.67 per square foot in June, according to Yardi Matrix, unchanged year-over-year.
- The national vacancy rate was 18.1%, an increase of 100 basis points year-over-year.
- This month, Yardi Matrix is changing the way it reports the national average full-service equivalent listing rate. Previously, only the top 50 markets were included in the national calculation, but starting with this report, all 120 markets will be used. National figures in this and future reports will not be comparable to figures in reports from June 2024 and earlier.
- This change was made to provide a more complete picture of the national office market. Using only the top 50 markets caused the national rate to skew higher than an average that included all markets, because the largest markets also have the highest full-service listing rates.

Listings by Metro

Market	Jun-24 Listing Rates	12 Month Change	Total Vacancy	12 Month Change	Top Listing	Price Per Sq Ft
National	\$31.67	0.0%	18.1%	100 bps		
Boston	\$47.60	7.4%	12.8%	220 bps	Alexandria Center at Kendall Square-75 Binney	\$76.58
Dallas	\$28.99	6.7%	21.8%	430 bps	McKinney & Olive	\$86.31
Miami	\$49.79	6.1%	12.0%	-70 bps	701 Brickell	\$140.00
Atlanta	\$32.02	4.4%	18.4%	-100 bps	1180 Peachtree	\$62.50
Tampa	\$29.23	3.1%	13.3%	-150 bps	Central, The	\$60.00
Detroit	\$22.00	2.2%	19.2%	-550 bps	Orchestra Place	\$36.14
Philadelphia	\$31.56	2.1%	15.3%	230 bps	Two Liberty Place	\$53.50
Chicago	\$27.81	1.5%	19.1%	20 bps	Innovation and Research Park	\$75.00
Manhattan	\$71.34	1.1%	16.6%	-60 bps	One Vanderbilt	\$252.00
New Jersey	\$34.80	0.8%	17.0%	-40 bps	Harborside Financial Plaza 10	\$53.22
Austin	\$42.52	0.7%	22.9%	310 bps	Indeed Tower	\$84.21
Denver	\$30.62	0.0%	22.1%	170 bps	200 Clayton Street	\$73.00
Orlando	\$24.47	-0.1%	15.6%	-30 bps	Wells Fargo Tower	\$31.00
Phoenix	\$27.68	-0.2%	18.3%	-60 bps	Camelback Collective	\$52.50
Bay Area	\$53.28	-0.6%	20.8%	260 bps	245 Lytton Avenue	\$147.48
Nashville	\$30.01	-0.8%	16.0%	-150 bps	Three Thirty Three	\$44.88
Charlotte	\$30.39	-1.0%	14.9%	300 bps	Morehead Place	\$46.00
Washington DC	\$39.78	-1.9%	16.2%	160 bps	500 8th Street NW	\$79.58
Houston	\$29.68	-2.3%	23.8%	40 bps	Texas Tower	\$64.90
Los Angeles	\$41.06	-2.7%	17.0%	350 bps	2000 Avenue of the Stars	\$118.20
Portland	\$27.56	-4.0%	17.1%	130 bps	Fox Tower	\$43.38
Seattle	\$36.65	-5.3%	23.2%	310 bps	1208 Eastlake Avenue East	\$94.00
San Francisco	\$60.99	-6.2%	25.4%	430 bps	Sand Hill Commons	\$204.00
Twin Cities	\$24.93	-8.5%	16.1%	-140 bps	Fifty South Sixth	\$36.85
San Diego	\$42.05	-10.2%	18.0%	240 bps	La Jolla Commons-Tower I	\$72.60

Source: Yardi Matrix. Data as of June 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 all markets. Prior to July 2024, this report used the top 50 markets for a national average.

Lease Rate and Occupancy Trends: New Projects Boost Asking Rates in SF, Brooklyn

■ Asking rents on vacant U.S. space averaged \$36.09 per square foot in March, up 1.0% from three months ago despite a flat vacancy rate. San Francisco topped the list based on both asking rate (\$66.04) and growth (12.6%), with Brooklyn's growing office market second in growth (11.2%) while third in rate (\$55.13).

■ A big factor in San Francisco's listing rate growth was the start of pre-leasing at the new Oceanwide Center in the South of Market submarket. The two-building complex, which will be among the tallest buildings in the city,

will add nearly 1.5 million square feet of office space to the Financial District when it delivers in 2021. Space is currently listed at \$95 per square foot on a triple-net basis.

■ Listing rates increased more than 11% in Brooklyn over the past three months, as office supply and demand continues to grow outside of Manhattan. The 675,000-square foot Brooklyn Navy Yard—Dock 72 is expected to deliver this summer. WeWork has already leased about one-third of the building. The remainder is listed between \$55 and \$75 per square foot.

Listings by Metro

Market	Mar-19 Listing Rates	3-Month Change	Total Vacancy	Top Listing	Price Per Square Foot
National-Overall	\$36.09	1.0%	13.7%		
San Francisco	\$66.04	12.6%	9.0%	Sand Hill Commons	\$150.00
Brooklyn	\$55.13	11.2%	8.3%	Brooklyn Navy Yard—Dock 72	\$73.00
Bay Area	\$46.07	6.9%	15.0%	444 Castro	\$120.67
Houston	\$29.21	2.9%	21.3%	Texas Tower	\$59.90
Charlotte	\$27.74	2.5%	10.5%	RailYard, The	\$41.00
Philadelphia	\$29.45	2.5%	12.3%	Three Logan Square	\$56.57
Austin	\$37.99	1.4%	9.3%	Block 71	\$68.67
Washington DC	\$39.23	0.8%	14.7%	1000 F Street NW	\$83.08
Los Angeles	\$38.23	0.8%	13.3%	Constellation Place	\$87.71
Nashville	\$28.64	0.8%	10.9%	615 3rd Avenue	\$42.81
Phoenix	\$26.76	0.7%	16.8%	Hayden Ferry Lakeside I	\$46.50
Atlanta	\$25.97	0.5%	16.3%	Three Alliance Center	\$52.98
Boston	\$37.66	0.5%	9.9%	One Federal Street	\$76.00
Miami	\$37.92	-0.3%	13.3%	1450 Brickell	\$67.00
Dallas	\$27.45	-0.3%	18.9%	Saint Ann Court	\$56.71
Twin Cities	\$26.09	-0.5%	12.6%	Offices at MOA, The	\$53.43
Chicago	\$29.72	-0.5%	15.2%	110 North Wacker	\$60.78
Manhattan	\$74.60	-0.9%	8.4%	101 Park Avenue	\$200.00
San Diego	\$37.15	-1.0%	12.1%	Torrey Point	\$66.00
Denver	\$27.97	-1.0%	13.8%	Civica Cherry Creek	\$51.32
Portland	\$27.57	-1.1%	12.6%	Clay Pavilion	\$45.55
Tampa	\$25.06	-1.5%	10.8%	MetWest International—MetWest One	\$39.00
Orlando	\$21.16	-2.0%	13.3%	GuideWell Innovation Center	\$34.66
Seattle	\$37.01	-2.2%	8.8%	188 East Blaine Street	\$68.66
New Jersey	\$30.89	-2.2%	20.3%	Newport—111 Town Square Place	\$62.97

Source: Yardi Matrix. Data as of 4/16/19. Listing rates are full service or "full service equivalent" rates for spaces available as of report period.

Listing Rates: Downtown San Diego's New Construction

- The average full-service equivalent listing rate was \$38.00 per square foot, a decrease of 0.8% from November of last year.
- Same-store listing rate growth was highest in the Bay Area (8.2%), Austin (7.3%) and Nashville (6.4%). Same-store rates decreased the most in Boston (-11.4%), San Francisco (-7.4%) and San Diego (-6.4%).
- Despite the drop in same-store rates, average full-service equivalent listing rates in San Diego increased 5.2% year-over-year, due to build-

ings currently under construction in downtown. 2100 Kettner in the Little Italy neighborhood is listing 190,000 square feet at an average full-service rate of \$69.00 per square foot. Nearby, The RaDD-Block 1B is listing 1.2 million square feet at a full-service equivalent rate of \$77.05 per square foot. At a time when the suburbs are receiving renewed interest, absorbing this much space in downtown could be very problematic for the building owners. On the bright side, downtown San Diego offers gorgeous views of the harbor that may be enough to reel tenants in.

Listings by Metro

Market	Nov-20 Listing Rate	12-Month Change	Total Vacancy	Top Listing	Price Per Square Foot
National	\$38.00	-0.8%	13.8%		
Bay Area	\$54.76	7.7%	13.8%	525 University Avenue	\$168.02
San Diego	\$40.27	5.2%	13.8%	RaDD-Block 1B, The	\$77.05
Austin	\$42.42	3.8%	11.3%	Indeed Tower	\$70.67
New Jersey	\$32.76	3.2%	16.8%	Liberty Innovation Center	\$70.29
Washington DC	\$41.27	2.9%	14.8%	PNC Place	\$87.29
Orlando	\$21.44	2.5%	14.4%	250 Park Avenue South	\$40.00
Miami	\$42.46	1.3%	13.7%	830 Brickell Plaza	\$73.00
Nashville	\$31.69	1.3%	15.0%	Broadwest	\$50.72
Houston	\$29.80	1.1%	22.0%	Texas Tower	\$58.40
Charlotte	\$28.76	0.9%	9.7%	300 South Tryon	\$42.00
Los Angeles	\$38.93	0.8%	13.0%	100 Wilshire	\$111.00
Philadelphia	\$29.29	0.7%	12.7%	One Liberty Place	\$51.71
Phoenix	\$27.31	-0.1%	17.2%	One Hundred Mill	\$50.50
Manhattan	\$85.65	-0.1%	9.9%	550 Madison Avenue	\$210.00
Atlanta	\$26.97	-0.4%	17.7%	300 Colony Square	\$50.00
Denver	\$28.61	-1.3%	14.1%	William Building, The	\$59.67
Portland	\$28.88	-1.8%	12.4%	Broadway Tower	\$46.16
Chicago	\$28.15	-2.6%	15.3%	PNC Centre at One North Franklin	\$64.30
Twin Cities	\$26.90	-2.7%	11.3%	Offices at MOA, The	\$40.00
Seattle	\$35.99	-3.2%	10.2%	Key Center	\$62.91
Dallas	\$27.70	-3.5%	18.3%	Weir's Plaza	\$63.44
Brooklyn	\$51.01	-4.7%	13.3%	One MetroTech Center	\$65.59
Boston	\$33.75	-8.8%	10.6%	Two Charles Park	\$95.00
Tampa	\$27.89	-9.6%	11.5%	Heights Union-East Building	\$45.00
San Francisco	\$64.80	-12.6%	10.7%	2180 Sand Hill Road	\$150.84

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

Listing Rates and Vacancy: New Mixed-Use Development Driving Up Rates in Tampa

- The average full-service equivalent listing rate for office space in February was \$38.62 per square foot, an increase of 1.2% over the same period last year.
- The national vacancy rate was 15.7%, unchanged from the previous month and up 70 basis points over the year.
- Changes in listing rates do not always reflect underlying market conditions. Sometimes, they can represent changes in the composition of a market's stock. One example of this

is Tampa, where rates have increased 6.2% year-over-year. A massive new mixed-use development that began construction in 2018 is starting to come to market, driving up the average listing rate. Water Street Tampa is a \$3.5 billion, 56-acre project set to transform downtown. More than 150,000 square feet of office space at Thousand & One are currently listed at a full-service rate of \$58 per foot, well above the market full-service equivalent of \$29.70. The flight-to-quality trend is good news for Strategic Property Partners, the project's developer.

Listings by Metro

Market	Feb-22 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$38.62	1.2%	15.7%	70 bps		
Los Angeles	\$41.62	8.1%	13.3%	-50 bps	100 Wilshire	\$108.00
Bay Area	\$55.79	6.2%	14.8%	-140 bps	260 Homer Ave & 819 Ramona St	\$138.12
Tampa	\$29.70	6.2%	16.2%	200 bps	Water Street Tampa-Thousand & One	\$58.00
Miami	\$43.43	5.8%	13.1%	-270 bps	701 Brickell	\$88.00
Denver	\$30.25	5.5%	16.5%	180 bps	William Building, The	\$59.67
Austin	\$43.70	5.3%	15.4%	30 bps	Indeed Tower	\$76.67
Boston	\$34.81	3.9%	10.5%	-90 bps	Kendall Square at MIT-314 Main Street	\$121.60
Philadelphia	\$29.60	3.6%	14.2%	150 bps	Two Liberty Place	\$53.50
Washington DC	\$42.01	3.6%	16.6%	90 bps	One Freedom Plaza	\$81.83
Orlando	\$22.13	3.5%	16.7%	130 bps	429 @ Crown Point-Building 529, The	\$35.00
Nashville	\$30.90	3.5%	18.9%	180 bps	501 Commerce	\$46.50
Phoenix	\$28.01	3.2%	15.5%	-280 bps	100 Mill	\$50.50
New Jersey	\$33.14	2.9%	17.4%	-50 bps	Liberty Innovation Center	\$70.29
San Diego	\$38.90	2.4%	14.0%	10 bps	2100 Kettner	\$69.00
Dallas	\$28.66	1.6%	17.1%	-190 bps	McKinney & Olive	\$53.26
Portland	\$29.97	1.0%	14.3%	40 bps	Park Avenue West	\$48.69
Atlanta	\$27.64	0.8%	22.3%	350 bps	300 Colony Square	\$52.00
Charlotte	\$29.00	0.5%	15.3%	240 bps	300 South Tryon	\$42.00
Chicago	\$28.12	-1.1%	20.3%	370 bps	300 North LaSalle Drive	\$56.46
Houston	\$30.18	-1.2%	24.8%	130 bps	Texas Tower	\$58.40
Twin Cities	\$26.80	-1.3%	14.5%	-200 bps	Lake Calhoun Center	\$42.93
San Francisco	\$69.18	-1.6%	16.8%	400 bps	Sand Hill Collection-The Quad	\$141.17
Manhattan	\$83.52	-2.6%	13.1%	260 bps	550 Madison Avenue	\$210.00
Seattle	\$35.79	-3.0%	14.9%	190 bps	City Center Bellevue	\$65.50
Brooklyn	\$48.08	-4.9%	17.8%	300 bps	Brooklyn Navy Yard-Dock 72	\$64.00

Source: Yardi Matrix. Data as of February 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: Rental Rates Sticky Despite Rising Vacancies

- The national average full-service equivalent listing rate for office space in February was \$38.28 per square foot, according to Yardi Matrix, down 1.6% year-over-year.
- The national vacancy rate in the month was 16.5%, up 70 basis points over February 2022.
- Demand for office space has declined since the pandemic, leading to vacancy rates rising steadily over the last three years. However, we have yet to see average listing rates fall in response. One reason for this could be

that the average listing rates can reflect the quality of space listed as much as underlying fundamentals. All types of space, from A+ to C, are being listed, meaning that the overall average will see little movement. However, we believe that concessions play a large role in the stickiness of listing rates. Owners have been offering large tenant improvement allowances and months of free rent as a way to attract tenants to their buildings. Many landlords are wary of dropping listing rates because of the impact that doing so could have on valuations.

Listings by Metro

Market	Feb-23 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$38.28	-1.6%	16.5%	70 bps		
Orlando	\$24.62	11.6%	16.3%	-60 bps	Celebration Medical Center	\$42.40
San Diego	\$44.97	11.3%	13.2%	-80 bps	One La Jolla Center	\$69.00
Seattle	\$38.63	8.8%	18.2%	330 bps	1208 Eastlake Avenue East	\$89.50
Charlotte	\$34.49	8.2%	12.7%	-260 bps	Rotunda Building, The	\$44.42
Philadelphia	\$31.24	7.4%	14.3%	20 bps	Two Liberty Place	\$53.50
San Francisco	\$67.25	6.5%	19.2%	230 bps	Sand Hill Collection–The Quad	\$195.60
Atlanta	\$30.60	5.0%	20.5%	-190 bps	Star Metals Offices	\$58.00
New Jersey	\$33.63	4.8%	17.0%	-30 bps	Newport Tower	\$54.80
Nashville	\$31.59	4.1%	17.5%	-130 bps	Three Thirty Three	\$44.38
Chicago	\$28.23	3.6%	19.2%	-120 bps	300 North LaSalle Drive	\$59.46
Manhattan	\$76.04	3.4%	16.0%	290 bps	550 Madison Avenue	\$210.00
Miami	\$46.89	2.8%	12.8%	-20 bps	830 Brickell	\$137.50
Tampa	\$28.41	2.4%	16.4%	-20 bps	Water Street Tampa–Thousand & One	\$58.00
Phoenix	\$27.38	2.1%	17.1%	150 bps	Camelback Collective	\$52.50
Bay Area	\$57.10	1.2%	17.6%	280 bps	325 Lytton Avenue	\$160.20
Houston	\$30.48	1.1%	22.5%	-240 bps	Texas Tower	\$58.40
Los Angeles	\$42.70	0.6%	14.6%	120 bps	1999 Avenue of the Stars	\$96.90
Dallas	\$28.95	-0.1%	16.8%	-50 bps	Rosewood Court	\$60.43
Denver	\$30.06	-0.1%	17.6%	110 bps	1144 Fifteenth Street	\$62.08
Twin Cities	\$26.05	-0.8%	15.5%	90 bps	Tractor Works Building, The	\$40.71
Washington DC	\$40.52	-2.4%	13.8%	-290 bps	601 Pennsylvania Avenue NW–North Bldg	\$79.00
Austin	\$41.00	-5.5%	20.4%	520 bps	Indeed Tower	\$82.34
Portland	\$27.99	-6.5%	14.6%	30 bps	M Financial Plaza	\$47.40
Boston	\$35.77	-6.9%	9.8%	-70 bps	116 Huntington Avenue	\$75.07
Brooklyn	\$44.22	-11.0%	18.6%	70 bps	200 Kent Avenue	\$75.00

Source: Yardi Matrix. Data as of February 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: Los Angeles Rates Increase Despite Weak Labor Market

- The national full-service equivalent listing rate increased 0.4% over the previous 12 months, to \$38.36 per square foot.
- Listing rates have been resistant to downward movement despite vacancy rates increasing 240 basis points over the same period. We expect this trend to continue for the foreseeable future, as listing-rate growth reflects the quality of the assets available more than the state of the market. Most of the movement in rates will be under the covers, in the form of concessions and tenant improvements.
- This trend can be seen in Los Angeles, where average rates increased 7.0% over the last year despite one of the weakest labor markets for office-using employment in the country. There are 121,000 fewer office-using jobs in the metro than there were in February 2020, a decrease of 10.4%. Rates are up because of high-value listings entering the market in recent months, foremost at Wilshire Courtyard. Between the East and West buildings of the complex, there are more than 500,000 square feet listed at a full-service price of \$59.40 per square foot.

Listings by Metro

Market	May-21 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$38.36	0.4%	15.6%	240 bps		
Los Angeles	\$41.04	7.0%	13.6%	190 bps	100 Wilshire	\$108.00
Bay Area	\$55.40	5.0%	18.9%	490 bps	525 University	\$150.00
Boston	\$35.13	5.0%	11.9%	200 bps	American Twine Office Park	\$93.00
New Jersey	\$33.32	5.0%	18.9%	-140 bps	Liberty Innovation Center	\$70.29
Philadelphia	\$29.88	4.9%	13.7%	120 bps	Two Liberty Place	\$53.50
Miami	\$43.15	4.6%	14.8%	310 bps	830 Brickell Plaza	\$100.00
Atlanta	\$27.69	3.8%	19.6%	390 bps	300 Colony Square	\$50.00
Denver	\$29.85	4.1%	16.4%	470 bps	William Building, The	\$59.67
Nashville	\$31.46	3.3%	19.4%	830 bps	2525 West End	\$57.79
Washington DC	\$41.65	3.3%	15.8%	120 bps	601 Pennsylvania Avenue NW-North Bldg	\$90.00
Austin	\$43.48	3.3%	16.7%	900 bps	Indeed Tower	\$70.67
Tampa	\$29.03	3.0%	15.3%	390 bps	Heights Union-West Building	\$45.00
San Diego	\$39.29	1.5%	14.2%	290 bps	Torrey Ridge Science Center-Building 1	\$82.01
Phoenix	\$27.80	2.5%	17.9%	60 bps	One Hundred Mill	\$48.50
Orlando	\$21.63	0.9%	15.6%	270 bps	GuideWell Innovation Center	\$34.66
Chicago	\$28.24	0.2%	16.8%	260 bps	Five One Five North State	\$66.02
Dallas	\$28.48	0.0%	18.7%	50 bps	Victory Commons One	\$56.94
Charlotte	\$29.08	-0.6%	12.9%	280 bps	300 South Tryon	\$42.00
Twin Cities	\$26.85	-1.3%	15.8%	420 bps	Offices at MOA, The	\$40.00
Seattle	\$35.28	-2.8%	15.8%	650 bps	City Center Bellevue	\$63.50
Houston	\$29.58	-3.9%	23.6%	220 bps	Texas Tower	\$58.40
Portland	\$29.48	-4.1%	16.0%	350 bps	Park Avenue West	\$48.69
Manhattan	\$82.50	-4.6%	10.4%	240 bps	550 Madison Avenue	\$210.00
San Francisco	\$67.73	-4.8%	13.9%	690 bps	Sand Hill Commons	\$156.00
Brooklyn	\$47.88	-7.8%	15.2%	320 bps	One MetroTech Center	\$65.59

Source: Yardi Matrix. Data as of May 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.