

# Listing Rates and Vacancy: San Francisco Vacancies Spike

- The national average full-service equivalent listing rate in July was \$37.89, according to Yardi Matrix, an increase of 0.4% over the previous year and seven cents over June.
- The national vacancy rate in July was 17.1%, an increase of 200 basis points year-over-year.
- Vacancies have increased everywhere since the onset of the pandemic, with the biggest jumps in tech markets. San Francisco's vacancy rate grew 370 basis points over the

last year and sits at 21.7%. A convergence of factors led to San Francisco's current troubles. COVID-19 hit it early and hard in 2020, leading to strict lockdowns. The market's tech firms were well-suited to permanently embracing remote or hybrid setups, and the tech contraction that started in late 2022 halted business formation and new office demand. Yet the market is used to boom-and-bust cycles. Generative AI could be the next boom that helps the market recover, during the second half of this decade.

## Listings by Metro

Market	Jul-23 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$37.89	0.4%	17.1%	200 bps		
Boston	\$46.47	14.3%	10.0%	90 bps	Kendall Center-255 Main Street	\$126.34
San Diego	\$46.85	9.9%	16.0%	350 bps	2100 Kettner	\$69.00
Twin Cities	\$27.21	5.6%	17.4%	330 bps	Tractor Works Building, The	\$40.71
Orlando	\$24.71	5.5%	15.4%	40 bps	Heritage Park	\$42.00
Atlanta	\$30.81	4.5%	18.7%	-140 bps	300 Colony Square	\$52.00
New Jersey	\$34.31	3.5%	17.0%	-10 bps	10 Exchange Place	\$55.30
Phoenix	\$27.74	2.5%	18.9%	500 bps	Camelback Collective	\$55.00
Washington DC	\$40.36	1.6%	14.8%	80 bps	455 Massachusetts Ave NW	\$76.00
Philadelphia	\$30.68	1.1%	12.9%	-50 bps	Two Liberty Place	\$53.50
Chicago	\$27.54	1.1%	19.4%	50 bps	300 North LaSalle Drive	\$59.46
Charlotte	\$33.93	0.9%	13.9%	70 bps	Rotunda Building, The	\$44.42
Denver	\$30.60	0.9%	19.9%	290 bps	1144 Fifteenth Street	\$63.50
Austin	\$42.40	0.6%	20.5%	490 bps	Indeed Tower	\$82.34
Houston	\$30.54	0.2%	23.2%	30 bps	Texas Tower	\$60.90
Seattle	\$38.00	-0.2%	20.9%	560 bps	1208 Eastlake Avenue East	\$95.00
Miami	\$47.00	-0.6%	12.8%	150 bps	830 Brickell	\$137.50
Nashville	\$30.27	-1.5%	17.5%	-150 bps	Three Thirty Three	\$44.38
Los Angeles	\$42.75	-1.6%	14.1%	120 bps	100 Wilshire	\$108.00
Manhattan	\$70.00	-2.1%	17.4%	340 bps	550 Madison Avenue	\$210.00
Tampa	\$28.13	-2.1%	14.4%	-40 bps	Water Street Tampa-Thousand & One	\$59.00
San Francisco	\$64.06	-3.7%	21.7%	370 bps	Sand Hill Collection-The Quad	\$195.60
Bay Area	\$53.53	-4.8%	18.4%	320 bps	325 Lytton Avenue	\$160.20
Portland	\$28.25	-5.3%	15.9%	170 bps	12th & Morrison	\$47.01
Dallas	\$27.33	-6.0%	18.1%	20 bps	17Seventeen McKinney	\$67.42
Brooklyn	\$45.51	-7.1%	11.3%	-520 bps	200 Kent Avenue	\$75.00

Source: Yardi Matrix. Data as of July 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: A Plateau for Vacancy Rates

- Nationally, the average full-service equivalent listing rate in July was \$38.62 per foot, an increase of 1.2% year-over-year and a two-cent increase over June. National same-store rates increased slightly less, at 0.9%.
- The national vacancy rate was 15.5%, 190 basis points higher than July 2020 but 10 basis points lower than the previous month. The steep increase in vacancy rates seen through much of the pandemic looks to be over. The national rate increased from 12.8% in February 2020 to 15.6% in March, but 2021 has been roughly unchanged over the last four months, with only minor month-to-month fluctuations.
- Most markets covered by Yardi Matrix have experienced a similar trend, with the upward trajectory of vacancy rates cooling in recent months. Only two of the top 25 markets, Seattle (190 basis point increase since March) and San Francisco (170 bps) have seen significant increases in vacancies of late. The majority of markets have moved less than 50 basis points during that period.

### Listings by Metro

Market	Jun-21 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$38.62	1.2%	15.5%	190 bps		
Los Angeles	\$41.62	8.1%	13.1%	90 bps	100 Wilshire	\$108.00
Bay Area	\$55.79	6.2%	18.4%	440 bps	525 University	\$93.00
Tampa	\$29.70	6.2%	15.1%	350 bps	Sparkman Wharf	\$46.50
Miami	\$43.43	5.8%	14.2%	160 bps	830 Brickell Plaza	\$100.00
Denver	\$30.25	5.5%	16.8%	520 bps	The William Building,	\$59.67
Austin	\$43.70	5.3%	16.1%	670 bps	Indeed Tower	\$73.67
Boston	\$34.81	3.9%	11.7%	190 bps	222 Third	\$93.00
Philadelphia	\$29.60	3.6%	12.1%	0 bps	One Liberty Place	\$51.71
Washington DC	\$42.01	3.6%	15.9%	70 bps	601 Pennsylvania Avenue NW	\$90.00
Orlando	\$22.13	3.5%	15.6%	260 bps	GuideWell Innovation Center	\$34.66
Nashville	\$30.90	3.5%	18.3%	600 bps	The Pinnacle at Symphony Place	\$44.00
Phoenix	\$28.01	3.2%	17.7%	-70 bps	One Hundred Mill	\$48.50
New Jersey	\$33.14	2.9%	19.2%	-110 bps	Liberty Innovation Center	\$70.29
San Diego	\$38.90	2.4%	14.2%	50 bps	2100 Kettner	69.00
Dallas	\$28.66	1.6%	19.4%	110 bps	Victory Commons One	\$58.94
Portland	\$29.97	1.0%	13.8%	140 bps	Park Avenue West	\$48.69
Atlanta	\$27.64	0.8%	19.9%	290 bps	300 Colony Square	\$50.00
Charlotte	\$29.00	0.5%	15.2%	450 bps	Piedmont Town Center - Building 2	\$42.00
Chicago	\$28.12	-1.1%	16.7%	220 bps	PNC Centre at One North Franklin	\$62.43
Houston	\$30.18	-1.2%	23.5%	150 bps	Texas Tower	\$ 58.40
Twin Cities	\$26.80	-1.3%	15.5%	230 bps	The Offices at MOA	\$40.00
San Francisco	\$69.18	-1.6%	15.2%	670 bps	Sand Hill Collection - The Quad	\$141.17
Manhattan	\$83.52	-2.6%	10.9%	270 bps	550 Madison Avenue	\$210.00
Seattle	\$35.79	-3.0%	15.8%	670 bps	City Center Bellevue	\$63.50
Brooklyn	\$48.08	-4.9%	15.5%	240 bps	One MetroTech Center	\$65.59

Source: Yardi Matrix. Data as of July 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.

## Lease Rate and Occupancy Trends: New Listings Send Austin's Rates Skyrocketing

- National listing rates averaged \$37.18 in September, an increase of 1.4% from the same period a year prior. The national vacancy rate was 13.3%.
- The leaders in same-store listing rate growth were San Francisco (17.4%), the Bay Area (9.1%), Manhattan (5.9%) and Tampa (4.4%).
- The contrast between average rates and same-store is glaring in Austin, where the average listing rate over the last 12 months has increased 12.5% to \$41.42, almost entirely due

to new listings for buildings under construction. Same-store rates in the Texas capital have only increased by 2.5%. Sol at 618 Tillery in East Austin recently listed 187,155 square feet at a full-service equivalent rate of \$61.04 per square foot. In South Austin, Bouldin Creek listed 142,500 square feet with a full-service equivalent rate of \$63.58 per square foot. With 7.4 million square feet currently under construction, expect Austin's average listing rate to continue the upward trend as new high-end spaces are listed above the current market rate.

### Listings by Metro

Market	Sept-19 Listing Rate	12-Month Change	Total Vacancy	Top Listing	Price Per Square Foot
National	\$37.18	1.4%	13.3%		
San Francisco	\$75.54	32.0%	7.8%	2180 Sand Hill Road	\$152.44
Tampa	\$29.46	16.4%	11.1%	1001 Water Street	\$55.70
Austin	\$41.42	12.5%	8.2%	Indeed Tower	\$70.67
Bay Area	\$47.40	11.3%	14.8%	444 Castro	\$120.67
Brooklyn	\$57.47	10.2%	10.5%	Brooklyn Navy Yard-Dock 72	\$73.00
Manhattan	\$81.97	8.3%	7.5%	550 Madison Avenue	\$210.00
Dallas	\$28.75	5.2%	18.1%	Saint Ann Court	\$56.71
San Diego	\$38.50	5.1%	12.1%	Molecular and Experimental Medicine Building	\$72.74
Phoenix	\$27.24	4.2%	16.7%	Camelback Collective	\$43.50
Nashville	\$31.27	4.2%	10.4%	Three Thirty Three	\$44.38
Twin Cities	\$27.13	3.7%	12.5%	Offices at MOA, The	\$41.00
Houston	\$29.41	3.7%	21.7%	Campanile South	\$54.23
Miami	\$38.87	2.5%	13.2%	1450 Brickell	\$67.00
Philadelphia	\$28.85	2.5%	13.3%	Three Logan Square	\$51.57
Los Angeles	\$38.12	2.0%	12.5%	9595 Wilshire	\$91.80
Atlanta	\$26.23	1.8%	16.4%	Three Alliance Center	\$53.98
Charlotte	\$28.02	1.7%	10.6%	SouthPark Towers II	\$41.52
Portland	\$29.42	0.6%	12.5%	5 MLK	\$48.03
New Jersey	\$31.64	-1.2%	20.6%	10 Exchange Place	\$57.30
Seattle	\$37.05	-1.6%	8.4%	Atrium, The	\$79.77
Denver	\$27.81	-1.7%	13.2%	Platte Fifteen	\$52.80
Boston	\$35.81	-2.3%	9.5%	One Federal Street	\$76.00
Chicago	\$28.87	-4.9%	14.6%	300 North LaSalle Drive	\$61.39
Orlando	\$21.27	-5.0%	12.0%	Lake Nona Town Center-Phase II	\$36.41
Washington DC	\$38.98	N/A	14.4%	1000 F Street NW	\$83.08

Source: Yardi Matrix. Data as of September 2019. Listing rates are full service or "full service equivalent" rates for spaces available as of report period.

## Listing Rates and Vacancy: Vacancy Rates Plateau in Second Half of Year

- The average national full-service equivalent listing rate was \$38.62 per square foot, unchanged from the previous month and up 1.2% year-over-year.
- The national vacancy rate was 15.2%, up 130 basis points (bps) over the last 12 months but down 40 bps in the last six.
- Most markets have followed a similar trend, with vacancy rates spiking year-over-year but moderating over the last six months. Austin has seen vacancy rates increase 600

bps since last November but only 60 bps since May. The increase in vacancy is not solely due to the pandemic but also to supply growth in the market. Austin has had 6.7 million square feet of office space delivered since the start of 2020, representing 7.7% of stock. A similar story has played out in Seattle, where vacancy rates have increased 630 bps over the year but only 70 bps in the last six months. The impact of new supply—4.0% of stock delivered in the last two years—is less than is the case with Austin, but is still significant.

### Listings by Metro

Market	Oct-21 Listing Rate	12-Month Change	Total Vacancy	12-Month Change	Top Listing	Price Per Square Foot
National	\$38.62	1.2%	15.2%	140 bps		
Los Angeles	\$41.62	8.1%	12.7%	-30 bps	100 Wilshire	\$108.00
Bay Area	\$55.79	6.2%	16.0%	220 bps	245 Lytton Avenue	\$133.79
Tampa	\$29.70	6.2%	16.0%	450 bps	Water Street Tampa - Thousand & One	\$53.00
Miami	\$43.43	5.8%	12.5%	-120 bps	701 Brickell	\$88.00
Denver	\$30.25	5.5%	15.7%	160 bps	1144 Fifteenth Street	\$54.66
Austin	\$43.70	5.3%	17.3%	600 bps	Indeed Tower	\$74.67
Boston	\$34.81	3.9%	10.6%	0 bps	75 State Street	\$68.50
Philadelphia	\$29.60	3.6%	13.3%	60 bps	Two Liberty Place	\$53.50
Washington DC	\$42.01	3.6%	15.9%	110 bps	Executive Tower	\$83.79
Orlando	\$22.13	3.5%	16.4%	200 bps	GuideWell Innovation Center	\$34.66
Nashville	\$30.90	3.5%	17.9%	290 bps	The Pinnacle at Symphony Place	\$44.00
Phoenix	\$28.01	3.2%	14.7%	-250 bps	100 Mill	\$48.50
New Jersey	\$33.14	2.9%	16.9%	10 bps	Liberty Innovation Center	\$88.29
San Diego	\$38.90	2.4%	13.8%	0 bps	2100 Kettner	\$69.00
Dallas	\$28.66	1.6%	17.6%	-70 bps	Link at Uptown, The	\$54.96
Portland	\$29.97	1.0%	13.6%	120 bps	Park Avenue West	\$48.69
Atlanta	\$27.64	0.8%	20.7%	300 bps	300 Colony Square	\$50.00
Charlotte	\$29.00	0.5%	14.3%	460 bps	300 South Tryon	\$42.00
Chicago	\$28.12	-1.1%	19.0%	370 bps	Five One Five North State	\$66.02
Houston	\$30.18	-1.2%	25.0%	300 bps	Texas Tower	\$58.40
Twin Cities	\$26.80	-1.3%	14.2%	290 bps	Lake Calhoun Center	\$42.93
San Francisco	\$69.18	-1.6%	14.8%	410 bps	Sand Hill Collection - The Quad	\$141.17
Manhattan	\$83.52	-2.6%	11.6%	170 bps	550 Madison Avenue	\$210.00
Seattle	\$35.79	-3.0%	16.5%	630 bps	City Center Bellevue	\$65.50
Brooklyn	\$48.08	-4.9%	16.4%	310 bps	Brooklyn Navy Yard - Dock 72	\$64.00

Source: Yardi Matrix. Data as of November 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.

## Lease Rate and Occupancy Trends: Large Lease Signings Decrease Seattle's Average Rates

- National listing rates averaged \$37.73 in October, an increase of 2.0% from the same period a year prior. The national vacancy rate was 13.7%, an increase of 40 basis points from a month prior.
- Same-store rate growth nationally increased by 3.1% and was highest in San Francisco (13.5%) and Manhattan (8.3%). Same-store growth was negative in a handful of markets, with Chicago (-4.7%), Boston (-2.6%) and Denver (-1.6%) experiencing the largest decreases.
- Seattle, which had an overall average listing rate decrease of 2.7%, saw its same-store rate increase by 1.8%. The most significant reason for this disparity is leasing in the soon-to-be-completed Qualtrics Tower in the CBD. Large leases signed by Indeed, Dropbox and Qualtrics have removed expensive listings from the market, decreasing the market's overall average full-service-equivalent asking rate. Formerly known as the 2 + U building, Qualtrics Tower is now fully leased, ahead of the anticipated June 2020 completion date.

### Listings by Metro

Market	Oct-19 Listing Rate	12-Month Change	Total Vacancy	Top Listing	Price Per Square Foot
National	\$37.73	2.0%	13.7%		
San Francisco	\$74.35	27.6%	8.2%	2180 Sand Hill Road	\$152.44
Tampa	\$31.46	24.5%	12.0%	1001 Water St.	\$55.70
Bay Area	\$47.87	10.7%	14.6%	444 Castro	\$120.67
Manhattan	\$83.48	10.5%	7.5%	30 Hudson Yards	\$225.00
Brooklyn	\$56.92	8.1%	12.0%	Brooklyn Navy Yard–Dock 72	\$73.00
Austin	\$41.23	7.5%	8.4%	Indeed Tower	\$70.67
Miami	\$40.03	6.3%	13.6%	1450 Brickell	\$67.00
Nashville	\$31.66	5.6%	10.7%	Three Thirty Three	\$44.38
San Diego	\$38.93	5.4%	12.6%	Molecular and Experimental Medicine Building	\$72.74
Twin Cities	\$27.12	4.3%	12.9%	MoZaic East	\$37.93
Atlanta	\$27.18	3.7%	16.6%	Three Alliance Center	\$53.98
Charlotte	\$28.27	3.3%	10.9%	Duke Energy Center	\$42.00
Phoenix	\$27.50	3.2%	17.8%	The Watermark–Phase I	\$45.00
Los Angeles	\$38.81	3.0%	13.0%	100 Wilshire	\$96.00
Dallas	\$28.79	2.8%	18.7%	Saint Ann Court	\$56.71
Philadelphia	\$28.99	2.7%	13.5%	Three Logan Square	\$51.57
Houston	\$29.45	2.3%	21.7%	Campanile South	\$54.29
Denver	\$27.85	0.1%	14.0%	The William Building	\$59.67
Portland	\$29.66	0.1%	12.4%	Broadway Tower	\$43.66
Washington DC	\$38.85	0.0%	14.5%	1000 F St., N.W.	\$83.08
New Jersey	\$31.75	-0.6%	20.6%	10 Exchange Place	\$57.30
Orlando	\$21.37	-1.1%	12.7%	Lake Nona Town Center–Phase II	\$36.41
Seattle	\$37.35	-2.7%	8.3%	The Atrium	\$79.77
Chicago	\$28.38	-6.7%	15.2%	300 North LaSalle Drive	\$61.46
Boston	\$35.13	-8.0%	10.2%	One Federal Street	\$76.00

Source: Yardi Matrix. Data as of October 2019. Listing rates are full service or "full service equivalent" rates for spaces available as of report period.

## Listing Rates: Miami's Average Rate Soars

- The average full-service equivalent listing rate was \$38.21 per square foot in July, down 0.6% year-over-year.
- Same-store listing rate growth was highest in Manhattan (19.9%), Tampa (9.6%), the Bay Area (8.2%) and Miami (7.5%). The biggest decreases in same-store listing rates were in Brooklyn (-18.3%) and San Francisco (-9.8%).
- Miami saw strong growth across both measures, with overall rates increasing 15.8% year-over-year. The high overall growth rate is

driven by a handful of new properties that are currently under construction but are now officially listing space in the market. The largest contributor to the spike in rates is 830 Brickell Plaza, a 57-story Class A+ building in the Brickell submarket, currently listing 352,000 square feet at a full-service rate of \$73 per square foot. Also contributing to overall rates growing faster than same store is MedSquare Health, a medical office building currently under construction in the Miami West submarket, offering 128,000 feet of space at a full-service equivalent of \$60.26 per square foot.

### Listings by Metro

Market	Jul-20 Listing Rate	12-Month Change	Total Vacancy	Top Listing	Price Per Square Foot
National	\$38.21	-0.6%	13.6%		
Miami	\$41.56	15.8%	12.6%	830 Brickell Plaza	\$73.00
Bay Area	\$51.52	15.0%	14.0%	525 University Avenue	\$149.42
Manhattan	\$88.41	11.2%	8.2%	550 Madison Avenue	\$210.00
Los Angeles	\$38.80	8.0%	12.2%	100 Wilshire	\$111.00
Atlanta	\$27.02	6.4%	17.0%	Three Alliance Center	\$54.98
Boston	\$36.02	6.3%	9.8%	399 Boylston Street	\$95.96
Houston	\$30.77	4.5%	22.0%	Texas Tower	\$58.40
Austin	\$42.00	3.3%	9.4%	Indeed Tower	\$70.67
Denver	\$28.81	2.2%	11.6%	William Building, The	\$59.67
New Jersey	\$32.04	2.1%	20.3%	Newport Tower	\$57.80
Nashville	\$29.80	2.0%	12.3%	Peabody Plaza at Rolling Mill Hill	\$50.81
Chicago	\$28.56	0.6%	14.5%	River Point	\$60.55
Philadelphia	\$28.36	0.5%	12.1%	One Liberty Place	\$51.71
San Diego	\$38.05	0.1%	13.7%	Molecular and Experimental Medicine Building	\$74.54
Portland	\$29.62	0.1%	12.4%	5 MLK	\$48.03
Charlotte	\$28.51	-0.7%	10.7%	300 South Tryon	\$42.00
Twin Cities	\$26.98	-0.8%	13.2%	Offices at MOA, The	\$41.00
Phoenix	\$26.91	-1.2%	18.4%	Watermark-Phase I, The	\$45.00
Orlando	\$21.43	-2.7%	13.0%	Sand Lake IV	\$32.00
Dallas	\$27.34	-2.8%	18.3%	Victory Commons	\$56.94
Washington DC	\$40.17	-3.7%	15.2%	One Freedom Plaza	\$81.83
Tampa	\$29.37	-5.9%	11.6%	1001 Water Street	\$55.70
San Francisco	\$63.63	-7.1%	8.5%	2180 Sand Hill Road	\$150.84
Seattle	\$37.64	-7.4%	9.1%	U.S. Bank Centre	\$66.39
Brooklyn	\$50.97	-14.5%	13.1%	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.