Office National Report

United States

PREPARED BY

CoStar Group™

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OFFICE NATIONAL REPORT

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	Market Asking Rent Growth
41.7M	(15.8M)	14.0%	1.1%

There was a clear shift in the momentum of the national office market in 2024. Demand stabilized in the final nine months of the year, with net absorption turning meaningfully positive in the fourth quarter for the first time since 2021. Most of this came in New York, where occupiers are scrambling for space amid a nation-leading uptick in office attendance. Despite this improvement, the addition of another 9 million SF of net new supply kept the national vacancy rate at a record high. While there are some signs that a broader recovery could begin in 2025, demand remains anemic in most major markets. 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. About half the nation's top 50 office markets have seen positive demand since 2024 Q2, led by New York. Some secondary and most tertiary markets have also seen resurgent demand. On the other hand, the other gateway cities and many secondary markets are still losing occupancy as slow job growth blunts the impact of stronger office attendance.

Payrolls in the major knowledge work sectors have risen a paltry 0.5% in the past year, but strong growth in ambulatory healthcare, above 4%, has bolstered demand for the medical office subset of office space. Healthcare-related usage is expected to be a key component of office demand going forward, as traditional office-using job growth realigns with the population growth rate after exceeding it for a generation.

Occupiers in the leasing market are active but cautious. More leases were executed during 2024 than was typical in the 2010s; however, these deals were 15-20% smaller than the pre-pandemic average. Smaller occupiers continue to upgrade their spaces, while larger ones are tending to stay in place, enabled by smaller headcount growth and constrained by an increasing lack of large-block availabilities in premium buildings.

The supply pipeline is diminishing rapidly, with the 66.4 million square feet currently under construction being the lowest since 2012. With new starts also at a historical low, the pipeline will only shrink further in the years ahead. In the next five years, as occupiers face the expiration of around a quarter of the space they had leased before the pandemic, the house view is that more of them will choose to stay in place, with a few choosing to let go of some space due to lower per-worker demand.

Thus, vacancy is expected to continue its steady climb before peaking in 2026. Rents should continue to decelerate into 2025 before settling into a period of anemic growth of around 1% per year through 2026. The dearth of relevant, competitive supply will support some growth, but aggressive marketing from new, low-basis owners could provide a counterweight to keep growth in check. Values for multi-tenanted, investment-grade buildings targeting traditional office tenants have fallen 40-45% 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 this outlook are now weighted slightly to the downside. Though the overall economic outlook for the 12-18 months is still positive, the persistence of inflation and the prospect of higher-for-longer interest rates could stifle economic growth and, by extension, hiring. Furthermore, the recent stagnation of knowledge-oriented job growth, including layoffs in both the public and private sectors, underscores that job losses among office-using occupiers are still possible, even absent a general recession.

On the other hand, more major employers have increased attendance requirements for 2025, and the labor market is showing far less churn than it did earlier in the decade. In this environment, many occupiers could decide to hold onto more space, and it is likely that some even need to expand to accommodate existing headcount. Furthermore, the anticipated fiscal stimulus of extended tax cuts could lead to accelerated economic growth and a near-term surge in hiring, which could boost office demand.

KEY INDICATORS

Current Quarter	RBA (000)	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	2,862,449	20.9%	$47.65	24.0%	(24,987)	3,859,155	59,980,141
3 Star	3,821,671	12.5%	$31.54	14.2%	(5,920,600)	751,950	5,853,160
1 & 2 Star	1,810,580	6.2%	$25.98	7.2%	(364,953)	0	518,753
National	**8,494,700**	**14.0%**	**$35.90**	**16.1%**	**(6,310,540)**	**4,611,105**	**66,352,054**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	0.4% (YOY)	10.9%	14.4%	14.0%	2025 Q1	6.0%	2000 Q2
Net Absorption SF	(15.8M)	36,545,521	2,000,491	160,026,293	2006 Q1	(125,935,302)	2021 Q2
Deliveries SF	41.7M	85,127,939	29,865,336	187,834,798	2001 Q4	28,540,578	2012 Q1
Market Asking Rent Growth	1.1%	1.5%	1.3%	10.8%	2007 Q3	-10.0%	2009 Q3
Sales Volume	$43.6B	$73.6B	N/A	$142.4B	2007 Q3	$16.4B	2010 Q1

Leasing

Net absorption has flattened out over the past 3 quarters, with move-ins associated with owner occupancy and medical office buildings roughly balancing move-outs in multi-tenanted traditional office buildings. However, this was not enough to bring down vacancy, which continued to rise in response to supply growth. The national vacancy rate is now a record 14.0%, up 470 basis points from the end of 2019.

Various indicators show office attendance is still trending upward, especially in New York, where Placer.ai reports attendance above 80% of pre-pandemic levels. But while attendance is rising, office-using job growth has nearly stalled. Despite a robust overall labor market, payrolls in the major knowledge industries have grown at an austere 0.4% rate since December 2023. After a temporary bump in 2025, 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.

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 suppressed leasing market. While transactions have been as numerous as ever, total year-over-year new leasing volume was flat in 2024, though it improved substantially in several key markets, including New York and San Francisco.

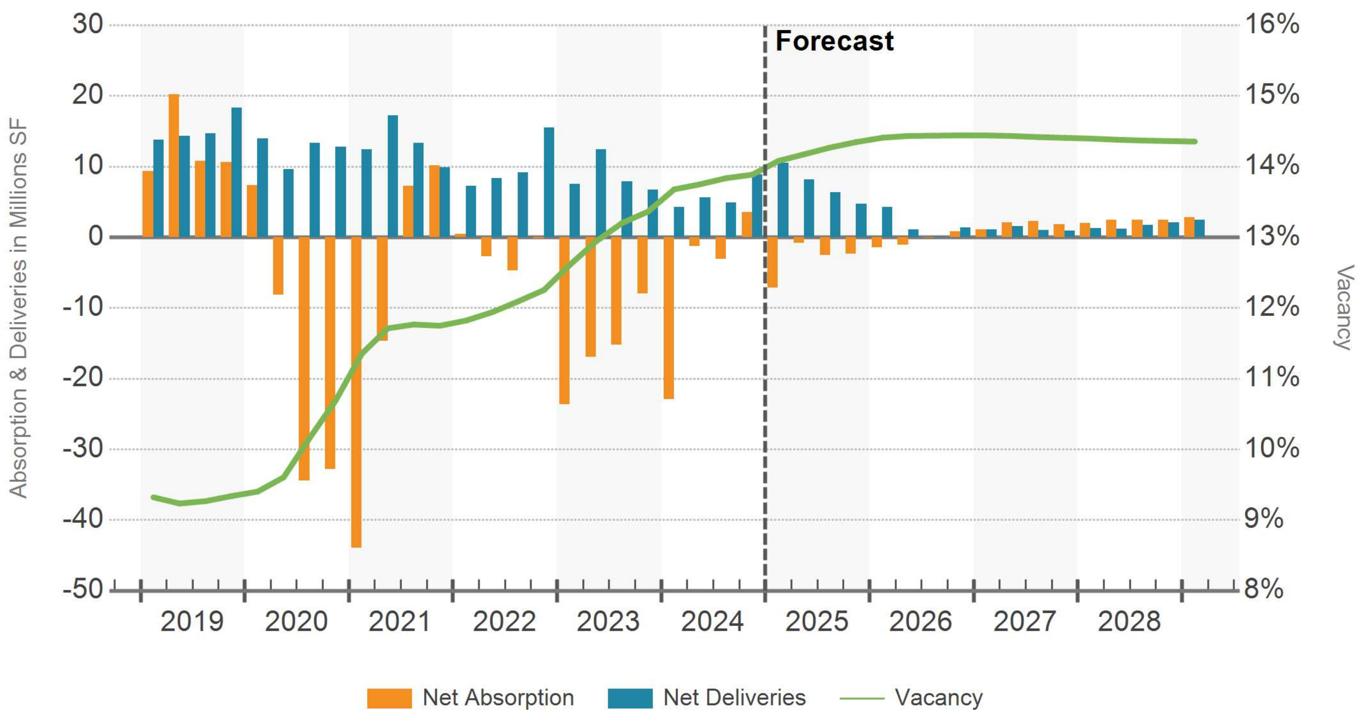
On a quarterly basis, volume in 2024 was nearly 10% below its five-year pre-pandemic average. Much of the decline was been driven by average lease sizes 15-20% smaller than the 2015-2019 average. Market participants confirm that typical requirements are smaller, with pre-built spec suites attracting 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 has many of them feeling optimistic that activity will pick up more broadly.

Newer buildings have maintained positive demand throughout the post-pandemic era, but the pace of move-ins has slackened. This has driven the availability rate at buildings still under construction to 33%, a level not seen since before the Great Recession. New buildings aged 0-3 years have also seen availability approach 30%, suggesting that not all new buildings are desirable to occupants. A diminishing number of large blocks of available space is surely a factor, but it is not the only one. Some tenants appear to be balking at the sky-high rents that come with premium, first-generation space, especially if the building is not ideally located for their existing workforce. The prospect of coming out of pocket to fund first-class buildouts in addition to covering moving expenses is also contributing to more tenants staying in place.

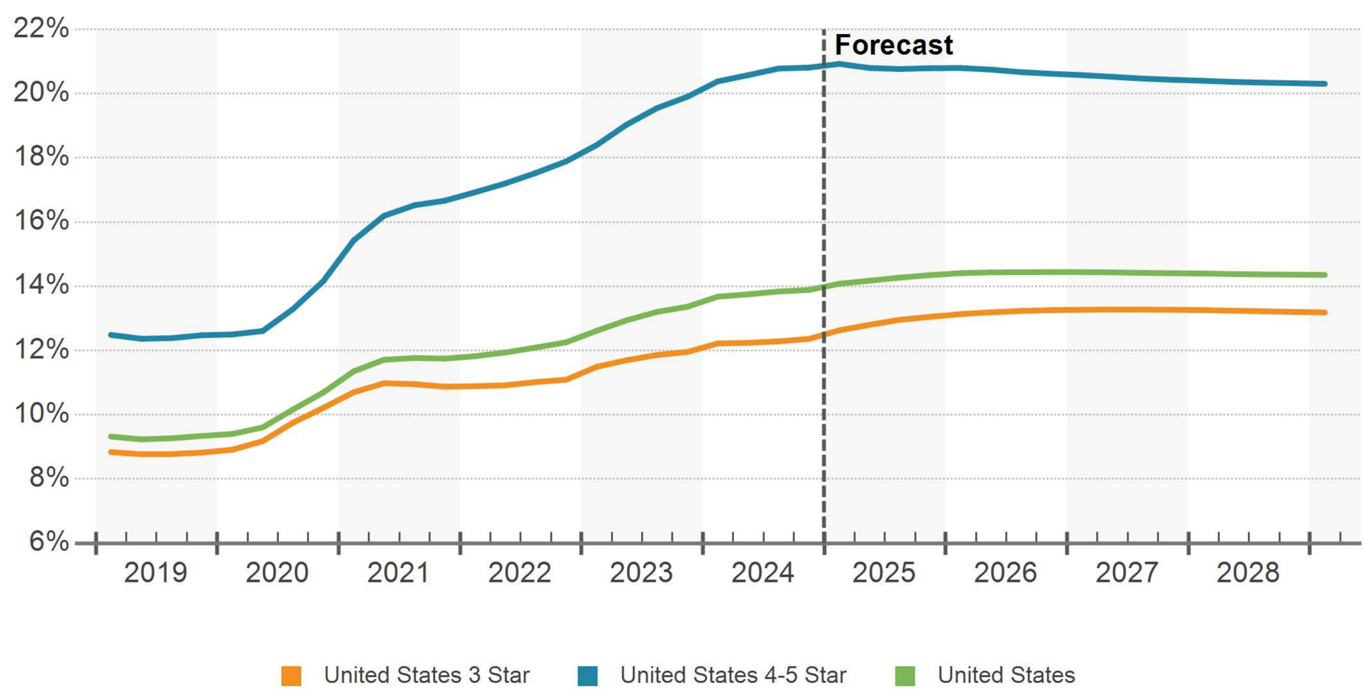
A lack of new supply should support existing buildings, especially those of high quality, many of which have been hit with large sublet availabilities. However, there is not yet strong evidence of this. Older properties—especially expensive, commoditized, nominally Class A- and B+ buildings—continue to suffer a lack of demand. Furthermore, the share of sublet leasing activity has not risen, suggesting that the recent decrease in sublet availability is due to de-listings rather than bargain-hunting tenants.

With attendance rising gradually and job growth slow, there appears little likelihood of a dramatic change in demand conditions in the next 12-18 months. In the short run, the delivery of what is currently under construction will contribute to higher vacancy, which is expected to continue its long rise until peaking in 2026. Yet much currently vacant space is not truly competitive, leaving occupiers with fewer viable options than headline statistics might suggest.

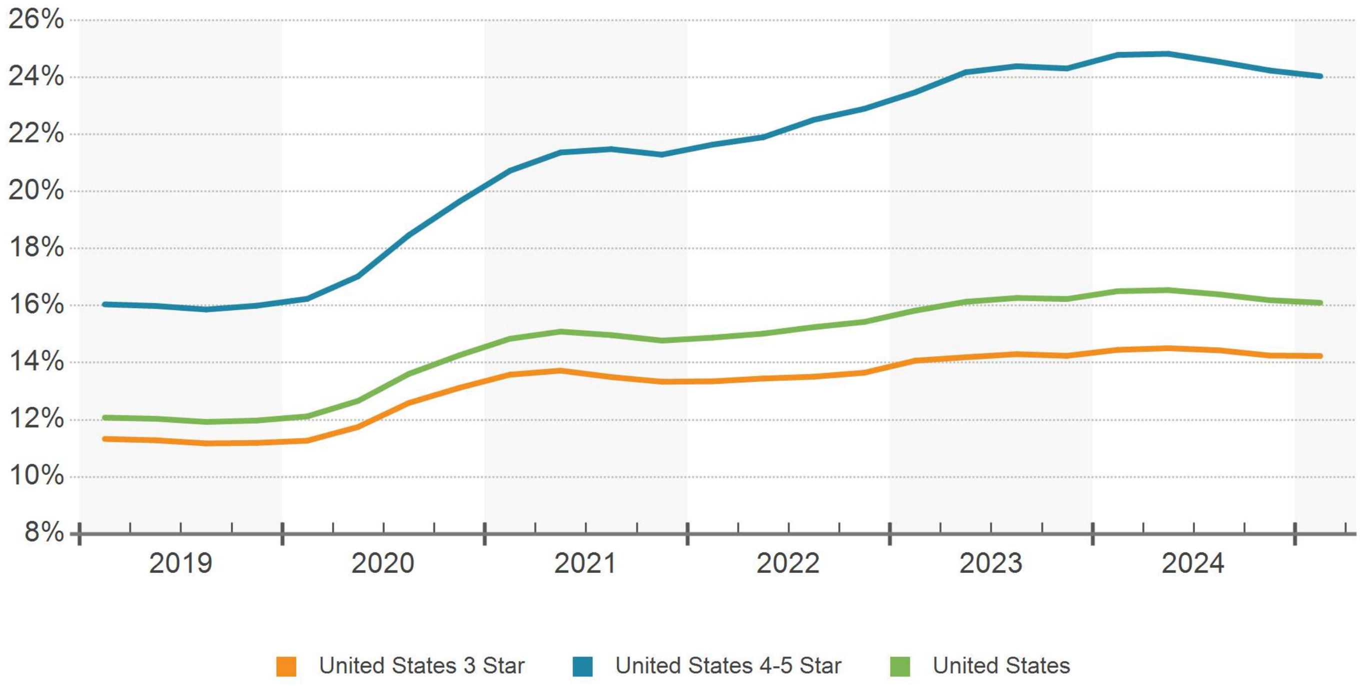
NET ABSORPTION, NET DELIVERIES & VACANCY



VACANCY RATE



AVAILABILITY RATE



Rent

Office asking rents have remained flat over the past four years. Going forward, a confounding combination of aggressive discounts by new, low-basis owners, a lack of available space in premium buildings, and an ongoing glut of sublease inventory 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.

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.

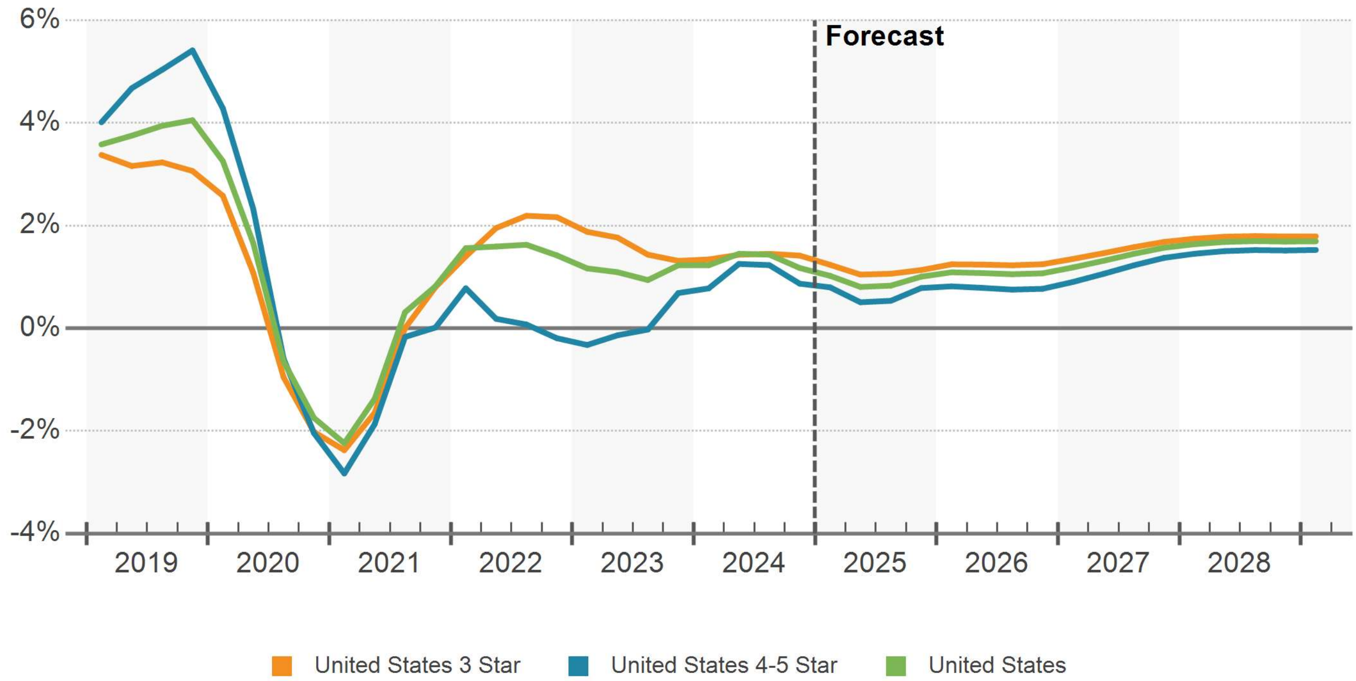
The final settling of property values, which appears imminent, should maximize pressure on asking rates as more buildings transact at significant discounts to prior valuation. With a lower cost basis, new owners can undercut the competition and still generate acceptable returns, sometimes even with relatively low occupancy. There are numerous examples of such buyers attacking the market with lower asking rents. Furthermore, as the supply pipeline dries up, there could be 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.

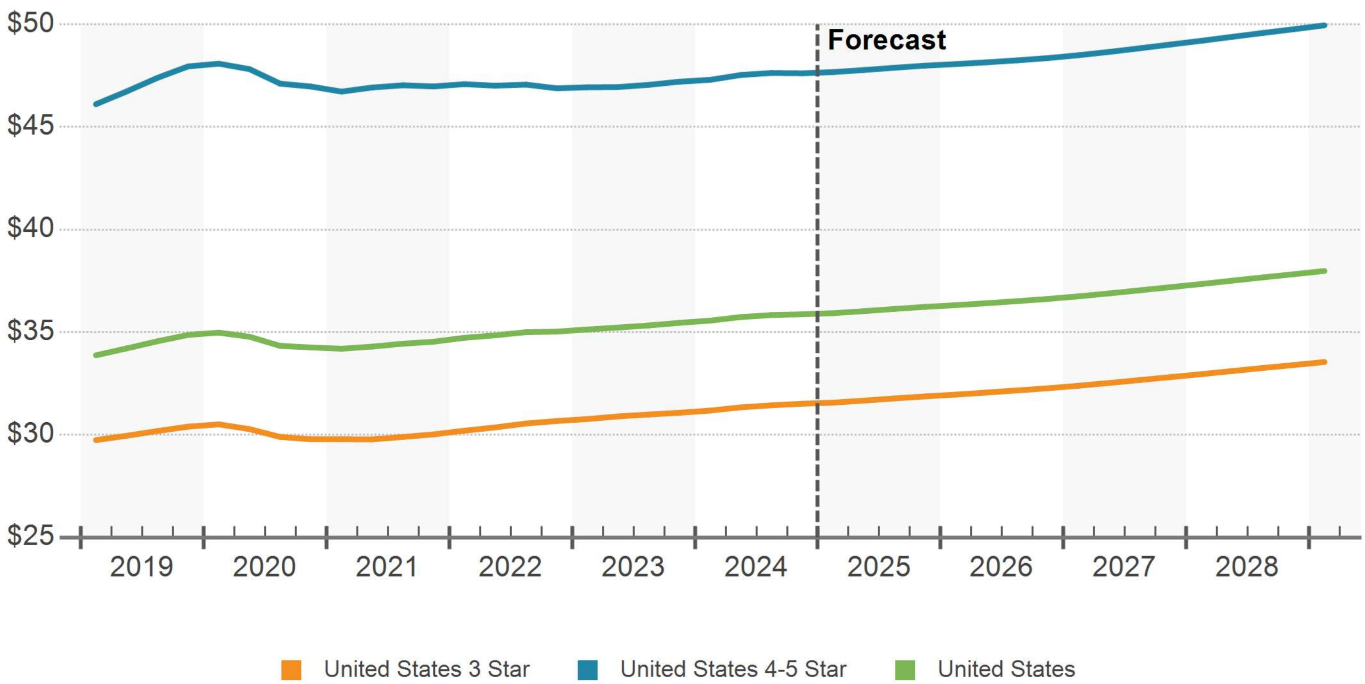
Outside these pockets of strength, owners of commoditized Class A and B+ buildings struggle to backfill vacated space at economically accretive rents. Effective rents are thus likely to remain stagnant for the next 12-18 months.

Rent

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



Construction

Supply growth slowed to a decade-low pace in 2024, a taste of things to come as the amount of new inventory slated to come to market in the remainder of the 2020s drops massively. Less than 44 million SF in new deliveries completed in 2024, the least since 2012 and far below the 10-year average of around 70 million SF.

Net of demolitions, the stock of office space rose by 24 million SF in 2024, with about 28 million SF expected in 2025. After that, new deliveries should be historically low, with aggregate net supply additions of less than 30 million SF currently forecast for the whole of 2026-2029. By comparison, the two-year period from 2011-2012 saw net deliveries above 32 million SF despite the dip in construction activity resulting from the Great Recession.

The current 66.4 million SF under construction is the least since 2012, and in the short term, this can only shrink further. Only about 15 million SF broke ground in 2024, about half of the previous record low of 29 million SF recorded in 2010.

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.

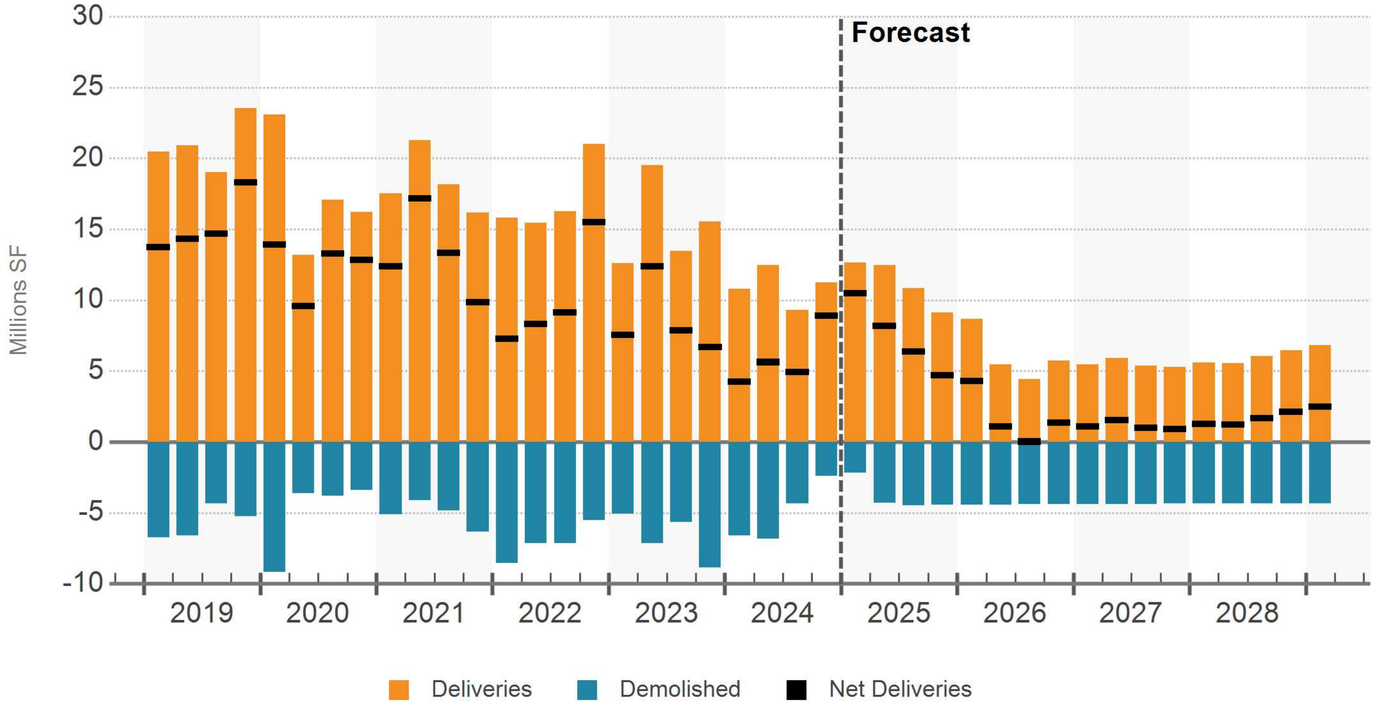
Notwithstanding the national trend of a shrinking pipeline, some cities face near-term supply pressure. Austin, Boston, and San Diego all have about 3% of inventory underway. So does Nashville, though vacancy has been relatively stable there in the past 18 months.

The final phase of the office pricing reset is likely to trigger more renovations and supply reductions, including conversions of office buildings to other uses. A review of properties renovated in the past 15 years shows that renovated buildings typically enjoy an immediate occupancy benefit, especially in periods of relatively less competition from new construction.

On the conversions front, 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, despite a lack of overall construction activity, there could be meaningful transformations to both the quality and quantity of supply 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. On the other hand, stubbornly high interest rates are likely constraining this activity. Capital costs remain high for all types of commercial real estate projects, which is one likely reason that office renovations, for example, are currently at a historical low. 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



Sales

While traditional office deals remain a tough climb compared to historical norms, the frost that has gripped investor sentiment is starting to lift—quietly, but unmistakably. In 2024, the office market recorded $42 billion in sales, a nearly 20% increase from the year before. Even more telling, the pace of sales quickened as the year unfolded, with fourth-quarter volume surging 63% over the same period in 2023.

Still, institutions and REITs have been increasingly net sellers of office since 2022. Corporate buyers are competing with private investors for the best deals. They're motivated by steep discounts and the chance to buy properties at a fraction of what it would cost to replace them.

For example, in October, the University of California acquired 5210 Pacific Concourse in El Segundo, California for $55 million ($324/SF). The 169,791-square-foot lowrise was 43% leased to Siemens with term set to expire a few weeks after closing. The development's existing lab space will allow UCLA Health to take full occupancy of the 2002-built project.

In nearby Beverly Hills, fashion-retail brand Frame purchased the vacant 3rd and Maple project from Divco West for $61 million ($652/SF). The three-story, 93,500-square-foot office project was constructed in 2000 for Geffen Records. The seller acquired the asset 62% leased in 2018 for $82.2 million ($879/SF).

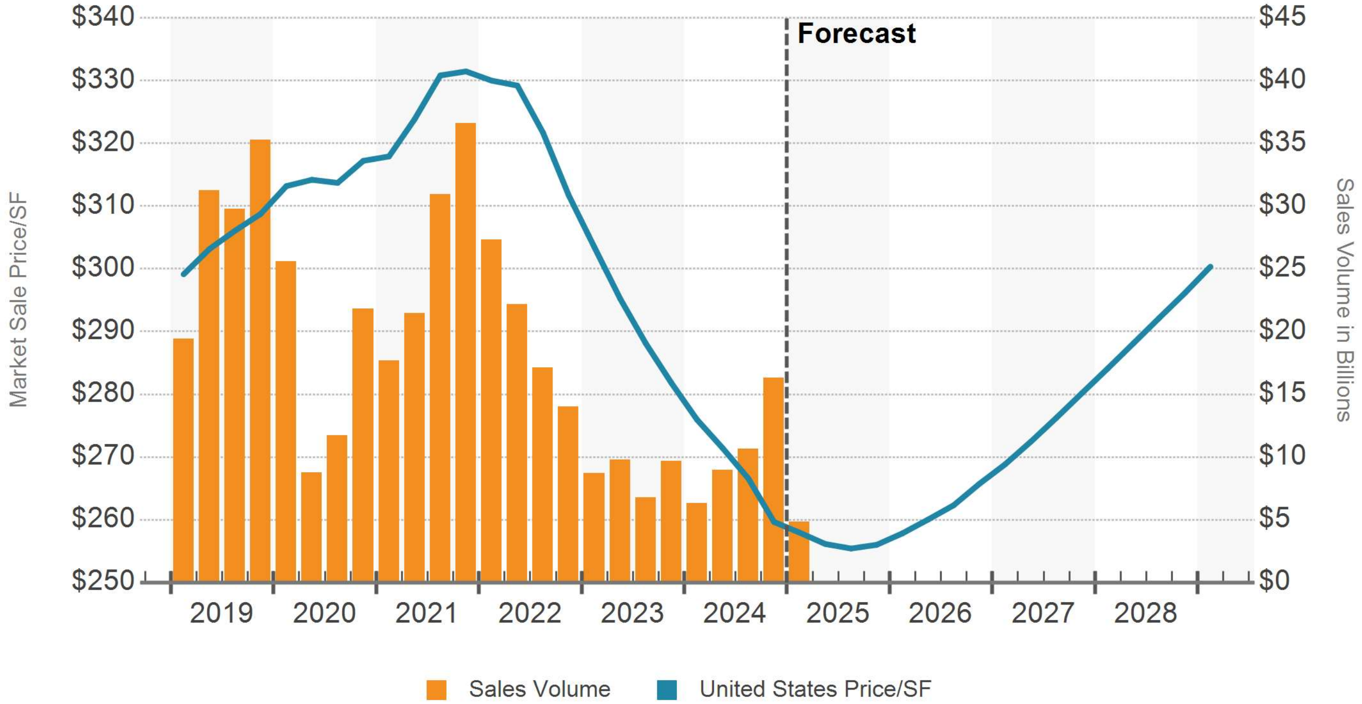
That same month, in Phoenix, an individual investor took down the prestigious 24th at Camelback II for $97.9 million ($319/SF). The LEED-Platinum certified 11-story midrise was held by the original institutional ownership group since its 2009 delivery and was 87% leased at the close. The 4 Star steel and glass development was decorated with numerous industry awards including BOMA's Outstanding Building of the Year (TOBY).

Cap rates, though no longer the focus for many buyers due to the lack of in-place income, continue to move higher. Going-in yields for 5 Star assets have widened by as much as 200 basis points since the 2021 peak. Meanwhile, 4 Star properties have seen a 200-250 basis point expansion, and 3 Star assets are pushing closer to 300 basis points. In practical terms, cap rates for non-medical office investments over $10 million sit in the 8% to 10% range or higher, reflecting a roughly 45% drop in values from 2021's all-time highs.

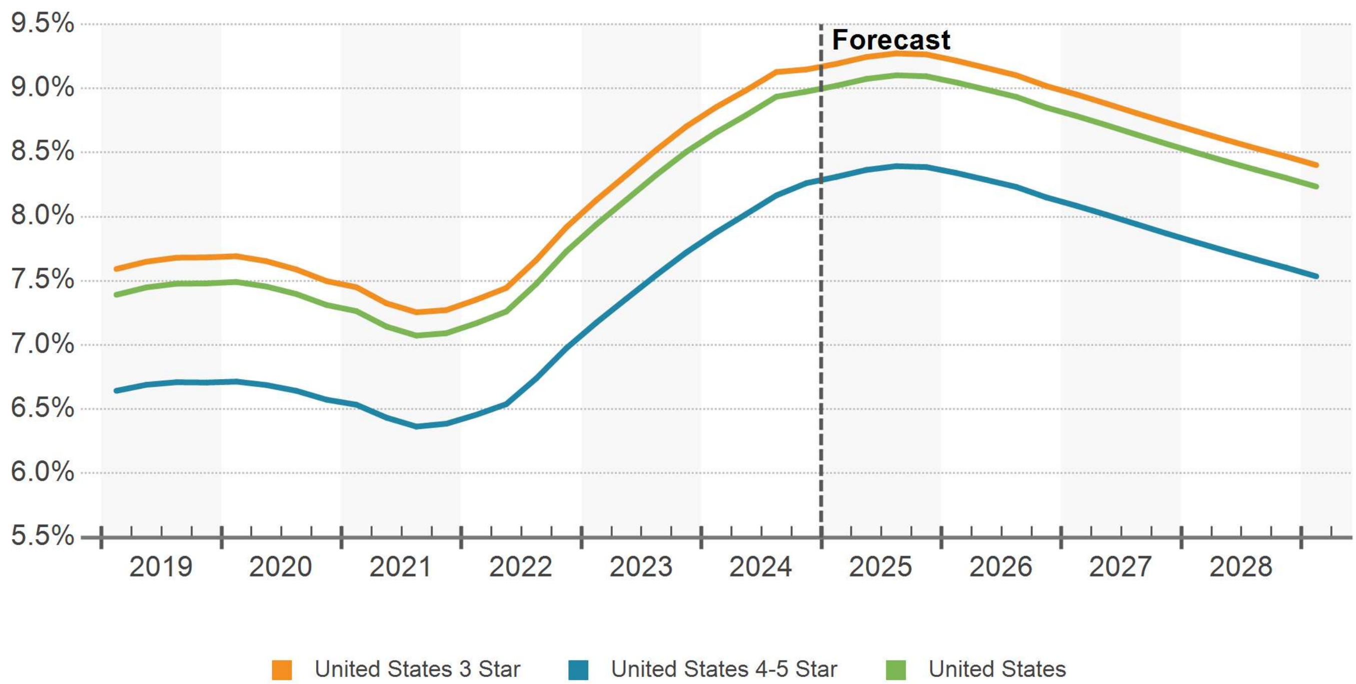
While there's continuing signs that transaction volume has bottomed, challenges remain. Nearly $28 billion in CMBS loan maturities are scheduled to come due in 2025. Lenders have been giving borrowers some leeway, but the clock is ticking to correct any operational deficiencies. Delinquency rates, which touched 9.8% in the fourth quarter, are poised to hit double digits in the first half of 2025.

Borrowers continue to face the reality that values are falling, and many will have to accept lower prices over the next few years. But there's still opportunity in this sector. Capital is already returning to the office market, and those who move early may have the broadest set of options.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



The U.S. economy is performing well and growing faster than other advanced economies. Real economic growth measured 2.8% in 2024, according to its final estimate (on a seasonally adjusted annualized basis), a tick lower than the 2.9% growth seen 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 past administration. Expectations are for the economy to slow somewhat through the first half of the year as businesses and consumers react to expectations of higher prices of imported goods as imposed by the new administration, with the threat of additional tariffs pending. However, the expected extension and expansion of the 2017 tax cuts, which will expire at the end of the year, coupled with a lighter regulatory regime, will likely boost economic growth in 2026.

Consumer spending, the primary driver of 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 3.1% over the prior year in December. However, lower-income consumers 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. Still, 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.

The labor market ended 2024 with a robust boost after hurricane activity in the southeast negatively impacted earlier job gains. Monthly job gains numbered 143,000 in December, fewer than expected, but revisions to the prior two months added 100,000 to the three-month gain. The unemployment rate edged lower to 4.0%, its lowest rate since May of last year. Meanwhile, initial claims for unemployment benefits remain low even as continuing claims drift higher.

Inflation has fallen from its high in 2022, but progress has been uneven recently. The Federal Reserve cut its policy rate by 100 basis points last year but is on pause as inflation measures remain higher than desired. The personal consumption expenditures (PCE) price index, the Federal Reserve's preferred measure of inflation, unexpectedly moved higher in the fourth quarter, threatening additional progress in the Fed's efforts. Stickier price gains in core services outside of housing have kept the Federal Reserve vigilant for a re-acceleration of inflation. Markets are predicting additional rate cuts of about 50 basis points through the end of the year, fewer than were expected last year as progress on inflation slowed.

The outlook is for economic activity and job growth to slow as the full impact of higher interest rates flows through the economy. Factory activity has been struggling for more than two years due to higher financing costs but unexpectedly expanded in December. Meanwhile, the services side of the economy has held up somewhat better but slowed, with sentiment mixed.

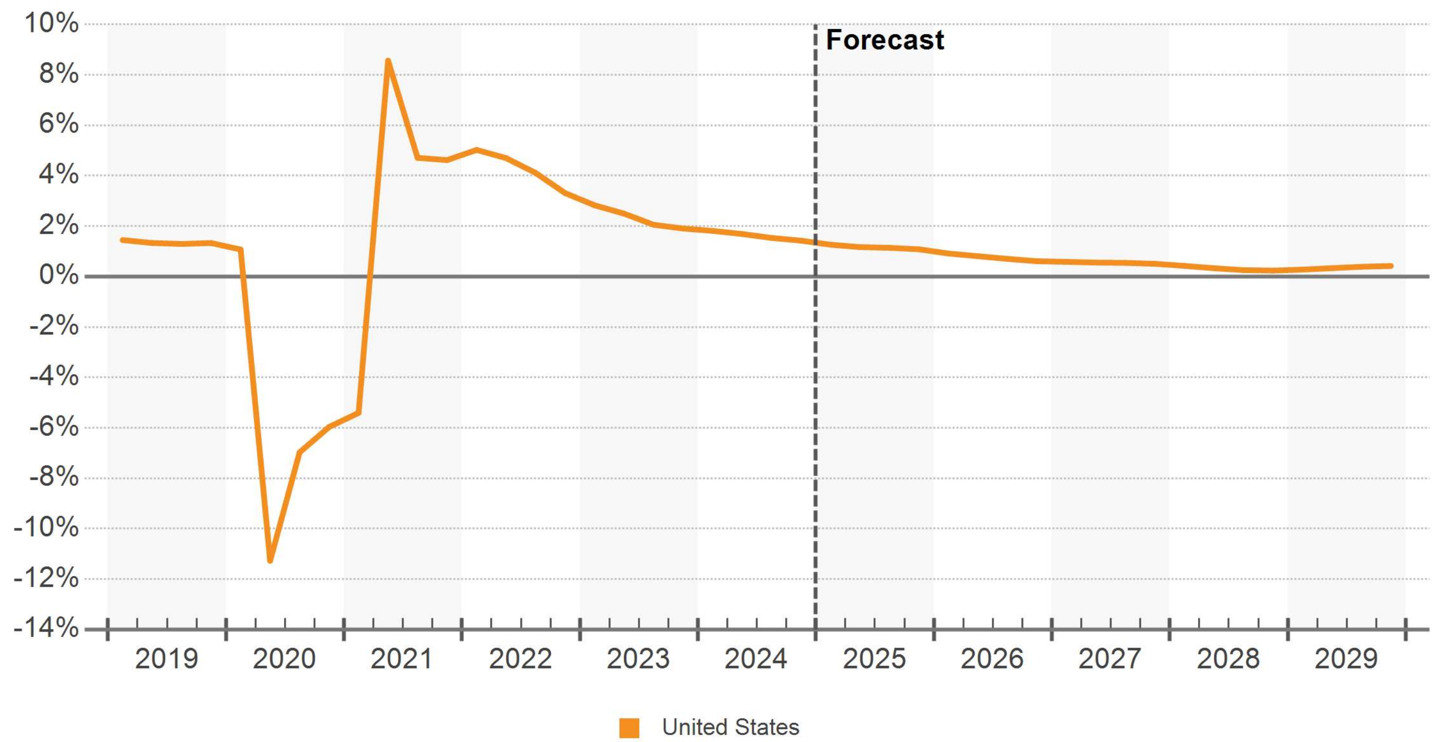
However, growth is expected to reaccelerate later this year as the new administration implements an expansionary fiscal policy. The anticipated imposition of wider and higher tariffs on imports and restrictive immigration measures are mostly seen as inflationary and may weigh on growth in future years should they come to fruition.

UNITED STATES EMPLOYMENT BY INDUSTRY IN THOUSANDS

	CURRENT JOBS		CURRENT GROWTH	10 YR HISTORICAL	5 YR FORECAST
Industry	**Jobs**	**LQ**	**US**	**US**	**US**
Manufacturing	12,907	1.0	-0.35%	0.49%	0.29%
Trade, Transportation and Utilities	29,089	1.0	0.65%	0.92%	0.29%
Retail Trade	15,656	1.0	0.21%	0.12%	0.19%
Financial Activities	9,293	1.0	0.72%	1.44%	0.46%
Government	23,532	1.0	1.74%	0.70%	0.41%
Natural Resources, Mining and Construction	8,980	1.0	2.17%	2.24%	0.79%
Education and Health Services	26,785	1.0	3.39%	2.12%	0.73%
Professional and Business Services	22,997	1.0	0.37%	1.67%	0.58%
Information	2,990	1.0	-0.69%	0.89%	0.40%
Leisure and Hospitality	17,105	1.0	1.67%	1.38%	0.98%
Other Services	5,937	1.0	1.05%	0.59%	0.35%
Total Employment	**159,615**	**1.0**	**1.32%**	**1.28%**	**0.54%**

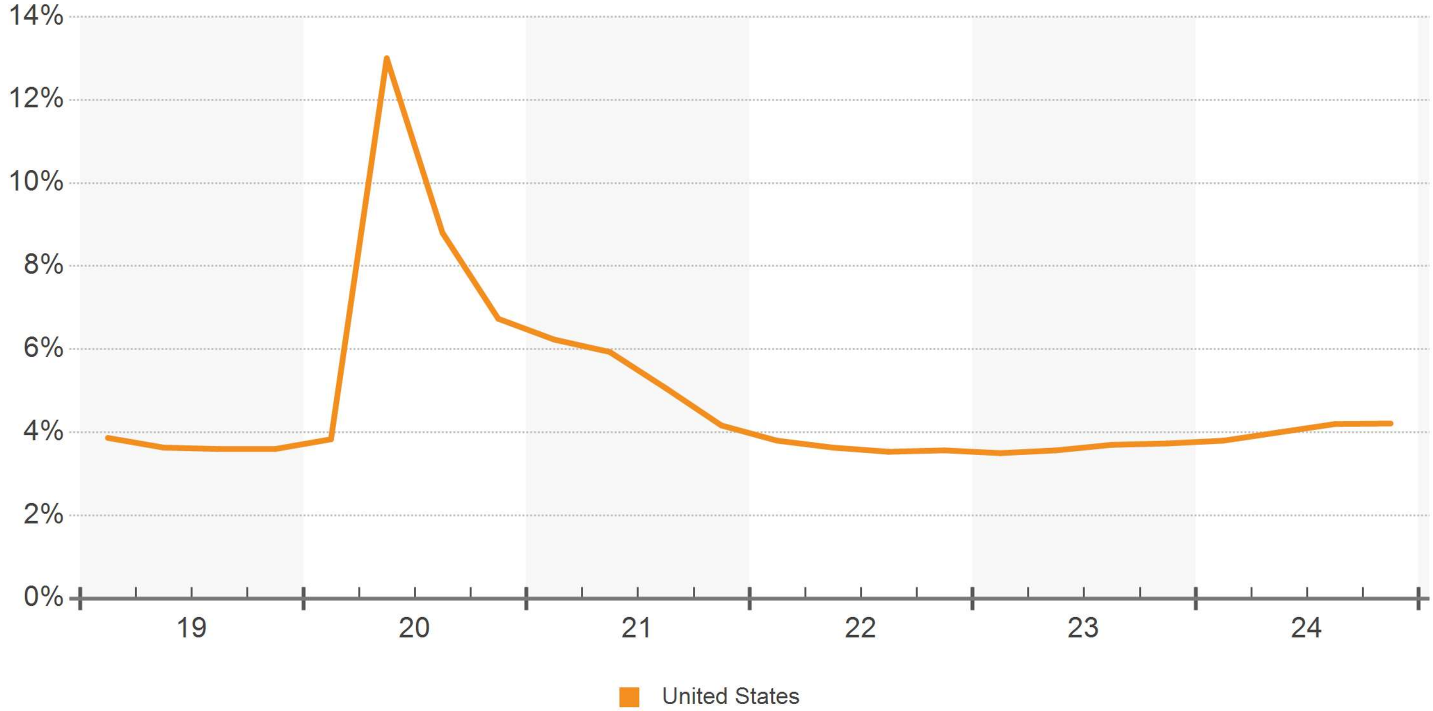
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

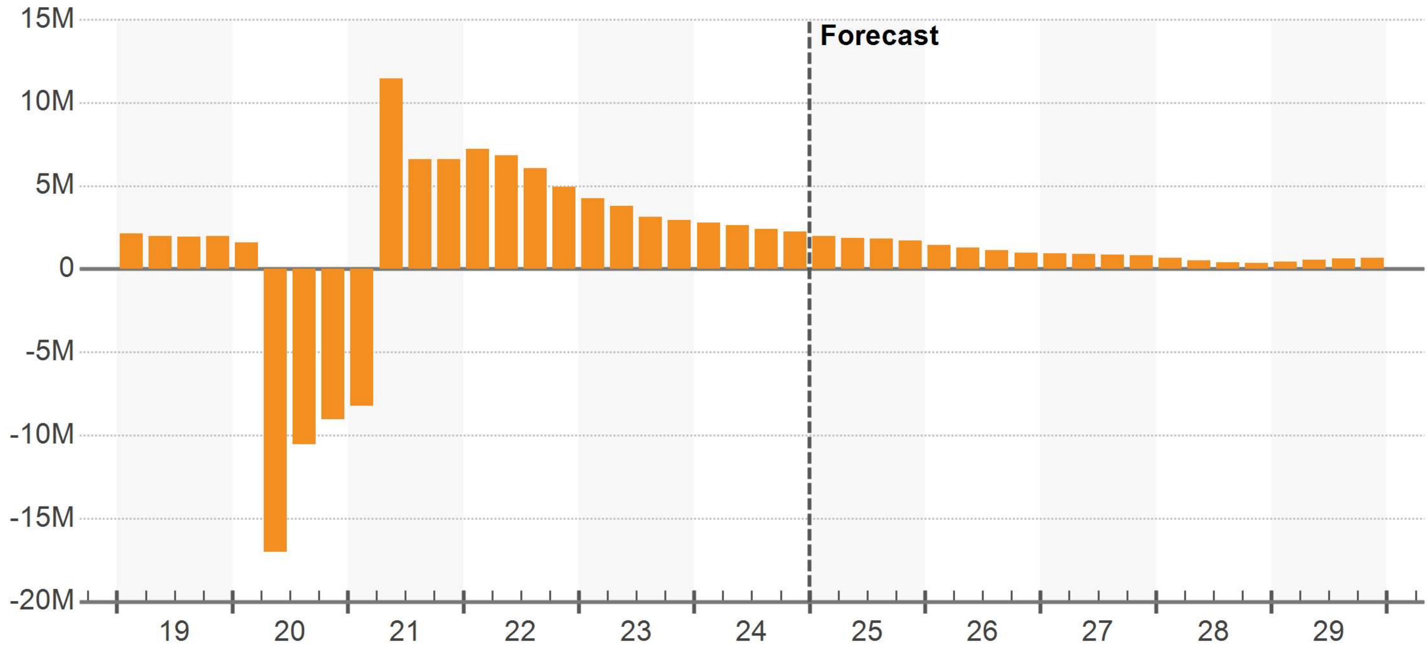


Source: Oxford Economics

UNEMPLOYMENT RATE (%)



NET EMPLOYMENT CHANGE (YOY)



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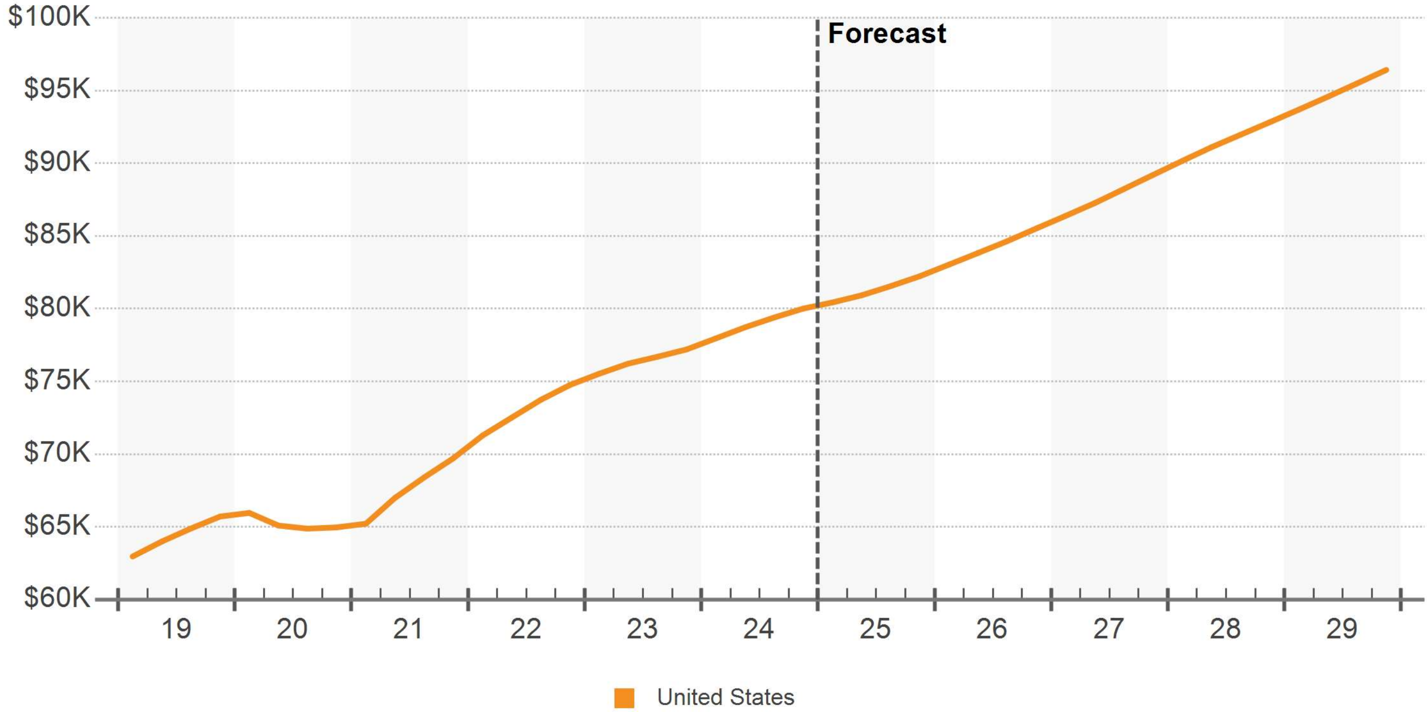
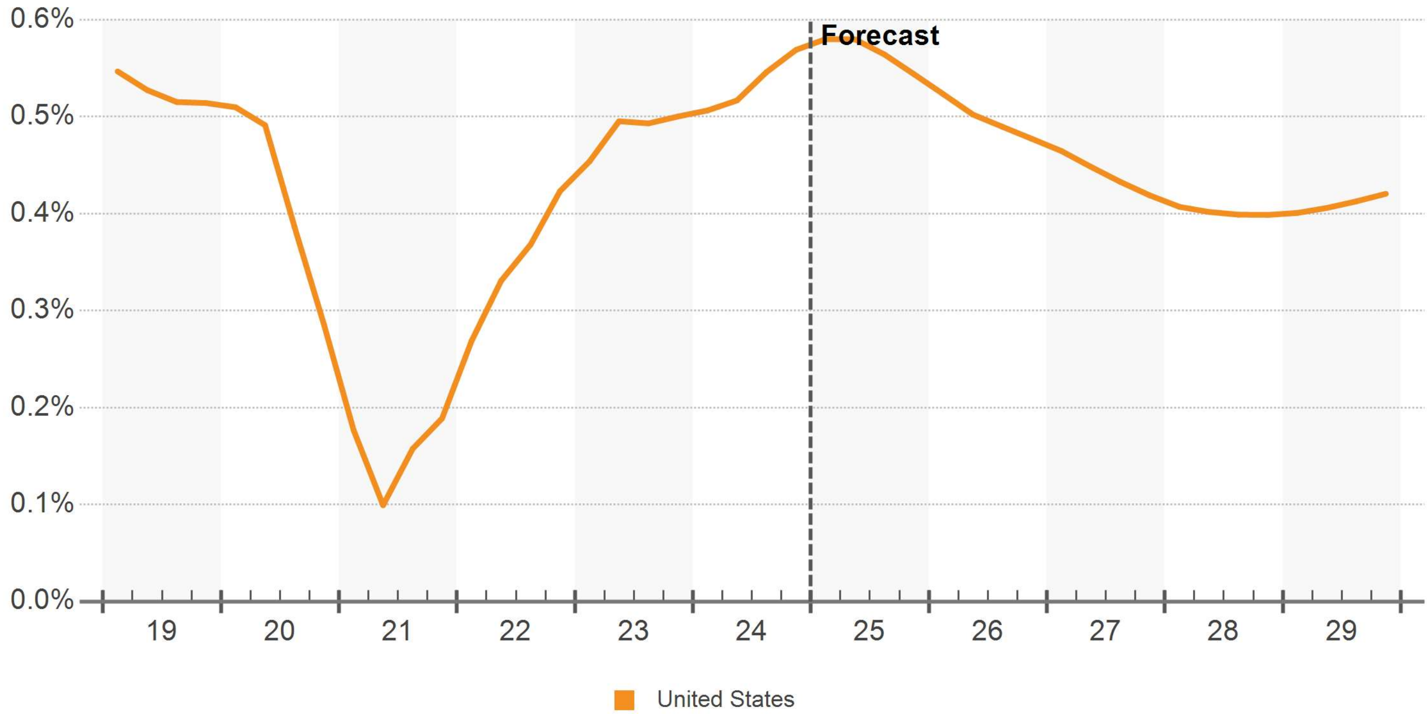
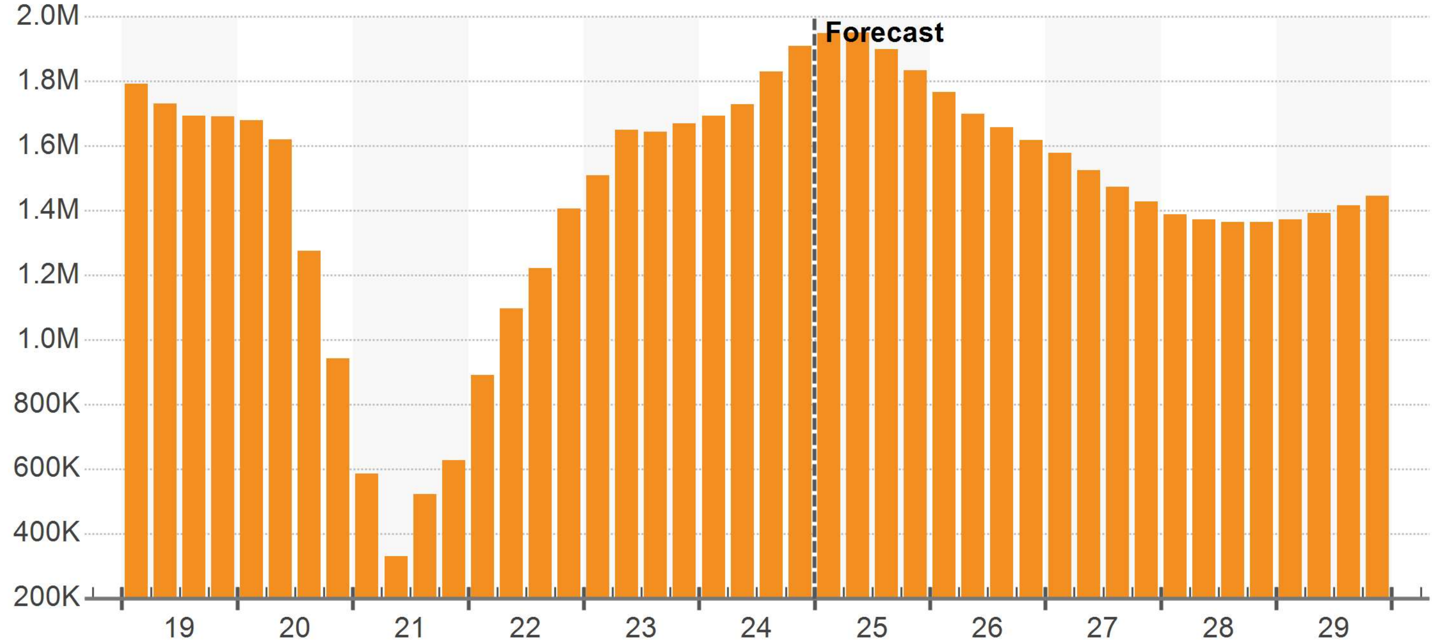
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

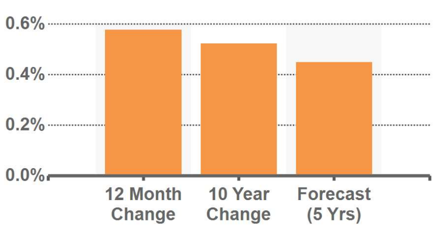


DEMOGRAPHIC TRENDS

	Current Level	12 Month Change	10 Year Change	5 Year Forecast
Demographic Category	**US**	**US**	**US**	**US**
Population	337,540,969	0.6%	0.5%	0.4%
Households	132,628,563	0.7%	0.9%	0.5%
Median Household Income	$80,268	3.3%	4.0%	3.9%
Labor Force	168,728,828	0.7%	0.7%	0.4%
Unemployment	4.2%	0.4%	-0.1%	-

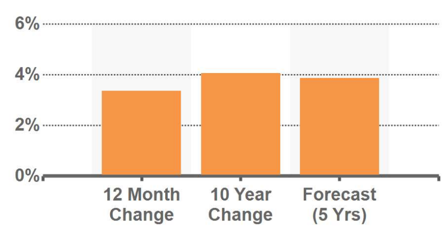
Source: Oxford Economics

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	2,091	34,062	0.4%	41	2	188	0.6%	30	0	-	-	-
2	Ann Arbor	910	15,473	0.2%	52	1	5	0%	56	2	137	0.9%	33
3	Atlanta	16,864	339,495	4.0%	8	29	2,005	0.6%	6	24	1,369	0.4%	16
4	Atlantic City	725	7,635	0.1%	64	0	0	0%	-	1	40	0.5%	46
5	Austin	6,085	136,675	1.6%	21	53	1,660	1.2%	10	51	4,572	3.3%	5
6	Baltimore	6,654	151,252	1.8%	17	8	783	0.5%	19	9	938	0.6%	21
7	Bloomsburg-Berwick	204	1,433	0%	79	0	0	0%	-	0	-	-	-
8	Boston	11,056	386,332	4.5%	6	20	4,322	1.1%	1	31	10,703	2.8%	1
9	Boulder	1,108	20,115	0.2%	47	1	64	0.3%	39	1	15	0.1%	50
10	California-Lexington Park	260	3,849	0%	69	0	0	0%	-	0	-	-	-
11	Canton	1,248	13,852	0.2%	55	3	20	0.1%	49	0	-	-	-
12	Chambersburg-Waynesb…	221	1,871	0%	78	0	0	0%	-	0	-	-	-
13	Charlotte	7,270	138,142	1.6%	20	24	1,671	1.2%	8	19	1,186	0.9%	19
14	Chicago	15,645	509,526	6.0%	3	14	998	0.2%	15	13	1,380	0.3%	14
15	Cincinnati	5,594	103,333	1.2%	30	3	45	0%	43	4	105	0.1%	37
16	Cleveland	4,482	112,353	1.3%	27	3	141	0.1%	33	3	1,296	1.2%	17
17	Columbus	5,397	119,973	1.4%	24	5	348	0.3%	27	7	234	0.2%	31
18	Dallas-Fort Worth	15,283	431,914	5.1%	5	123	4,177	1.0%	2	109	4,993	1.2%	4
19	Dayton	2,752	42,864	0.5%	38	2	44	0.1%	44	1	26	0.1%	47
20	Denver	5,647	188,489	2.2%	14	15	1,662	0.9%	9	17	1,799	1.0%	10
21	Detroit	10,018	201,369	2.4%	11	6	500	0.2%	24	10	1,508	0.7%	13
22	Dover	533	5,637	0.1%	66	1	13	0.2%	51	0	-	-	-
23	East Bay	5,354	116,203	1.4%	26	2	101	0.1%	35	2	65	0.1%	40
24	East Stroudsburg	452	2,899	0%	74	0	0	0%	-	0	-	-	-
25	Flint	979	10,383	0.1%	59	0	0	0%	-	0	-	-	-
26	Fort Collins	1,044	12,178	0.1%	56	0	0	0%	-	0	-	-	-
27	Fort Lauderdale	4,054	74,252	0.9%	33	4	275	0.4%	28	3	257	0.3%	30
28	Gainesville	641	5,426	0.1%	67	3	51	0.9%	42	2	23	0.4%	49
29	Gettysburg	154	1,128	0%	80	0	0	0%	-	1	5	0.4%	53
30	Greeley	630	6,073	0.1%	65	1	20	0.3%	49	0	-	-	-
31	Hagerstown	752	10,332	0.1%	60	0	0	0%	-	1	75	0.7%	39
32	Harrisburg	2,098	39,179	0.5%	39	3	101	0.3%	36	4	63	0.2%	42
33	Hickory	832	9,159	0.1%	61	1	1	0%	58	0	-	-	-
34	Houston	11,571	355,328	4.2%	7	108	1,327	0.4%	13	88	2,118	0.6%	9
35	Inland Empire	6,550	78,399	0.9%	32	4	121	0.2%	34	8	111	0.1%	36
36	Jacksonville	5,027	69,066	0.8%	34	25	187	0.3%	31	16	401	0.6%	26
37	Lakeland	1,763	14,586	0.2%	53	2	12	0.1%	52	0	-	-	-
38	Lancaster	1,276	16,976	0.2%	51	2	38	0.2%	47	0	-	-	-
39	Lebanon	227	2,275	0%	76	1	10	0.4%	53	0	-	-	-
40	Lehigh Valley	2,155	32,496	0.4%	43	1	40	0.1%	46	2	65	0.2%	41
41	Long Island	6,832	100,313	1.2%	31	8	88	0.1%	37	1	11	0%	51
42	Los Angeles	17,706	445,922	5.2%	4	22	868	0.2%	17	25	2,517	0.6%	8

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	785	7,889	0.1%	63	0	0	0%	-	0	-	-	-
44	Manchester	1,130	19,839	0.2%	48	1	1	0%	59	0	-	-	-
45	Mansfield	439	3,532	0%	73	0	0	0%	-	0	-	-	-
46	Melbourne	1,857	18,047	0.2%	50	2	31	0.2%	48	8	126	0.7%	34
47	Memphis	3,286	59,593	0.7%	37	9	245	0.4%	29	3	83	0.1%	38
48	Miami	4,521	117,574	1.4%	25	14	1,596	1.4%	11	22	2,576	2.2%	7
49	Monroe	259	1,903	0%	77	0	0	0%	-	1	25	1.3%	48
50	Napa	429	3,548	0%	72	0	0	0%	-	0	-	-	-
51	New Haven	2,213	38,089	0.4%	40	4	618	1.6%	22	3	282	0.7%	29
52	New York	23,562	971,753	11.4%	1	42	3,167	0.3%	3	51	8,695	0.9%	2
53	Northern New Jersey	6,759	152,816	1.8%	16	2	65	0%	38	2	310	0.2%	27
54	Orange County	6,085	157,827	1.9%	15	2	57	0%	40	7	290	0.2%	28
55	Orlando	7,885	105,741	1.2%	29	34	564	0.5%	23	29	537	0.5%	24
56	Palm Beach	2,964	61,566	0.7%	36	11	782	1.3%	20	8	150	0.2%	32
57	Philadelphia	16,892	335,718	4.0%	9	12	1,017	0.3%	14	7	1,371	0.4%	15
58	Phoenix	9,082	197,544	2.3%	12	12	667	0.3%	21	15	418	0.2%	25
59	Poughkeepsie	922	11,339	0.1%	57	1	4	0%	57	1	9	0.1%	52
60	Reading	866	14,135	0.2%	54	0	0	0%	-	0	-	-	-
61	Rockford	587	9,148	0.1%	62	0	0	0%	-	0	-	-	-
62	Sacramento	5,254	111,460	1.3%	28	6	1,558	1.4%	12	9	1,078	1.0%	20
63	Saint Louis	6,943	147,978	1.7%	18	5	168	0.1%	32	2	753	0.5%	22
64	San Diego	5,442	120,615	1.4%	23	13	2,613	2.2%	4	9	1,775	1.5%	11
65	San Francisco	4,089	192,911	2.3%	13	7	813	0.4%	18	7	1,266	0.7%	18
66	San Jose	4,636	147,100	1.7%	19	6	939	0.6%	16	7	2,602	1.8%	6
67	Sarasota	2,806	28,316	0.3%	45	5	51	0.2%	41	4	41	0.1%	45
68	Scranton	1,486	18,699	0.2%	49	0	0	0%	-	0	-	-	-
69	Seattle	8,290	237,181	2.8%	10	13	2,358	1.0%	5	8	5,173	2.2%	3
70	Springfield	425	4,010	0%	68	0	0	0%	-	0	-	-	-
71	Stamford	2,888	68,567	0.8%	35	1	7	0%	54	1	120	0.2%	35
72	Tampa	10,887	131,042	1.5%	22	36	445	0.3%	25	23	681	0.5%	23
73	Trenton	1,248	32,452	0.4%	44	2	407	1.3%	26	1	51	0.2%	44
74	Ventura	1,613	21,925	0.3%	46	0	0	0%	-	0	-	-	-
75	Vineland	350	3,562	0%	71	0	0	0%	-	0	-	-	-
76	Washington	11,881	523,033	6.2%	2	17	1,725	0.3%	7	12	1,744	0.3%	12
77	Winchester	300	3,667	0%	70	0	0	0%	-	0	-	-	-
78	Worcester	1,855	33,077	0.4%	42	0	0	0%	-	1	60	0.2%	43
79	York	922	10,575	0.1%	58	1	40	0.4%	45	0	-	-	-
80	Yuba City	316	2,539	0%	75	1	6	0.2%	55	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	-	-	-	-	16,290	-	-
2	Ann Arbor	2	137	137	100%	1	17,004	68,450	24
3	Atlanta	24	1,369	979	71.5%	27	20,131	57,056	27
4	Atlantic City	1	40	0	0%	-	10,532	40,000	31
5	Austin	51	4,572	2,869	62.8%	37	22,461	89,647	21
6	Baltimore	9	938	691	73.7%	25	22,731	104,171	18
7	Bloomsburg-Berwick	0	-	-	-	-	7,023	-	-
8	Boston	31	10,703	5,893	55.1%	43	34,943	345,250	5
9	Boulder	1	15	10	66.7%	32	18,155	14,694	47
10	California-Lexington Park	0	-	-	-	-	14,804	-	-
11	Canton	0	-	-	-	-	11,100	-	-
12	Chambersburg-Waynesb…	0	-	-	-	-	8,464	-	-
13	Charlotte	19	1,186	833	70.3%	30	19,002	62,433	25
14	Chicago	13	1,380	903	65.5%	34	32,568	106,116	16
15	Cincinnati	4	105	60	56.7%	42	18,472	26,325	38
16	Cleveland	3	1,296	1,296	100%	1	25,068	432,000	2
17	Columbus	7	234	142	60.4%	40	22,229	33,467	32
18	Dallas-Fort Worth	109	4,993	3,590	71.9%	26	28,261	45,804	29
19	Dayton	1	26	26	100%	1	15,576	26,000	39
20	Denver	17	1,799	807	44.9%	48	33,379	105,813	17
21	Detroit	10	1,508	1,075	71.3%	28	20,101	150,849	11
22	Dover	0	-	-	-	-	10,576	-	-
23	East Bay	2	65	65	100%	1	21,704	32,338	33
24	East Stroudsburg	0	-	-	-	-	6,413	-	-
25	Flint	0	-	-	-	-	10,605	-	-
26	Fort Collins	0	-	-	-	-	11,664	-	-
27	Fort Lauderdale	3	257	120	46.6%	47	18,316	85,667	22
28	Gainesville	2	23	20	87.0%	16	8,465	11,500	49
29	Gettysburg	1	5	5	100%	1	7,327	5,000	53
30	Greeley	0	-	-	-	-	9,640	-	-
31	Hagerstown	1	75	75	100%	1	13,739	75,000	23
32	Harrisburg	4	63	27	42.1%	49	18,674	15,844	45
33	Hickory	0	-	-	-	-	11,008	-	-
34	Houston	88	2,118	1,603	75.7%	23	30,708	24,063	42
35	Inland Empire	8	111	65	58.3%	41	11,969	13,846	48
36	Jacksonville	16	401	263	65.6%	33	13,739	25,054	40
37	Lakeland	0	-	-	-	-	8,274	-	-
38	Lancaster	0	-	-	-	-	13,304	-	-
39	Lebanon	0	-	-	-	-	10,020	-	-
40	Lehigh Valley	2	65	65	100%	1	15,079	32,288	34
41	Long Island	1	11	6	52.7%	44	14,683	10,560	50
42	Los Angeles	25	2,517	1,184	47.1%	46	25,185	100,685	19

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	-	-	-	-	10,050	-	-
44	Manchester	0	-	-	-	-	17,557	-	-
45	Mansfield	0	-	-	-	-	8,045	-	-
46	Melbourne	8	126	104	82.5%	20	9,718	15,702	46
47	Memphis	3	83	83	100%	1	18,135	27,500	37
48	Miami	22	2,576	1,666	64.7%	35	26,006	117,113	15
49	Monroe	1	25	25	100%	1	7,349	25,000	41
50	Napa	0	-	-	-	-	8,271	-	-
51	New Haven	3	282	26	9.2%	51	17,212	93,880	20
52	New York	51	8,695	5,876	67.6%	31	41,242	170,484	9
53	Northern New Jersey	2	310	310	100%	1	22,609	154,910	10
54	Orange County	7	290	38	13.1%	50	25,937	41,415	30
55	Orlando	29	537	258	48.1%	45	13,410	18,524	44
56	Palm Beach	8	150	126	84.0%	18	20,771	18,790	43
57	Philadelphia	7	1,371	1,158	84.5%	17	19,874	195,926	7
58	Phoenix	15	418	311	74.5%	24	21,751	27,866	36
59	Poughkeepsie	1	9	9	100%	1	12,298	9,097	52
60	Reading	0	-	-	-	-	16,322	-	-
61	Rockford	0	-	-	-	-	15,585	-	-
62	Sacramento	9	1,078	666	61.8%	39	21,214	119,767	14
63	Saint Louis	2	753	714	94.8%	14	21,313	376,500	3
64	San Diego	9	1,775	1,110	62.5%	38	22,164	197,242	6
65	San Francisco	7	1,266	895	70.6%	29	47,178	180,926	8
66	San Jose	7	2,602	2,413	92.8%	15	31,730	371,666	4
67	Sarasota	4	41	33	80.5%	21	10,091	10,250	51
68	Scranton	0	-	-	-	-	12,583	-	-
69	Seattle	8	5,173	4,288	82.9%	19	28,611	646,592	1
70	Springfield	0	-	-	-	-	9,436	-	-
71	Stamford	1	120	120	100%	1	23,742	120,000	13
72	Tampa	23	681	526	77.2%	22	12,037	29,615	35
73	Trenton	1	51	51	100%	1	26,003	50,599	28
74	Ventura	0	-	-	-	-	13,593	-	-
75	Vineland	0	-	-	-	-	10,178	-	-
76	Washington	12	1,744	1,121	64.3%	36	44,023	145,303	12
77	Winchester	0	-	-	-	-	12,225	-	-
78	Worcester	1	60	0	0%	-	17,831	60,000	26
79	York	0	-	-	-	-	11,470	-	-
80	Yuba City	0	-	-	-	-	8,034	-	-

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	$16.43	78	1.8%	18	0.9%	17
2	Ann Arbor	$25.58	37	1.0%	48	1.2%	6
3	Atlanta	$29.19	30	1.5%	33	1.0%	13
4	Atlantic City	$23.38	43	0.9%	54	0.8%	37
5	Austin	$46.28	6	2.0%	13	0.8%	35
6	Baltimore	$24.42	39	1.7%	27	0.7%	44
7	Bloomsburg-Berwick	$20.29	61	0.5%	69	0.3%	61
8	Boston	$41.83	8	0%	77	-0.2%	74
9	Boulder	$33.55	17	2.3%	7	0.7%	43
10	California-Lexington Park	$23.48	42	1.1%	43	0.8%	34
11	Canton	$15.72	80	1.9%	15	0.8%	26
12	Chambersburg-Waynesb…	$20.47	59	0.9%	57	0.8%	30
13	Charlotte	$33.67	16	1.7%	22	-0.2%	76
14	Chicago	$29.25	29	1.2%	42	0.9%	21
15	Cincinnati	$20.42	60	1.6%	32	0%	69
16	Cleveland	$20	63	0.2%	74	0.2%	63
17	Columbus	$21.65	53	1.1%	44	0.7%	46
18	Dallas-Fort Worth	$32.15	20	1.8%	21	0.9%	15
19	Dayton	$17.63	73	0%	76	-0.1%	70
20	Denver	$30.04	22	1.3%	39	0.8%	29
21	Detroit	$22.11	50	0.8%	64	0.5%	54
22	Dover	$23.63	41	0.9%	49	0.8%	24
23	East Bay	$37.34	12	-0.1%	79	0.2%	64
24	East Stroudsburg	$21.66	52	0.9%	55	0.8%	32
25	Flint	$19.04	68	2.0%	14	0.7%	42
26	Fort Collins	$25.93	36	3.6%	3	1.6%	4
27	Fort Lauderdale	$36.47	14	2.2%	9	1.9%	3
28	Gainesville	$20.55	58	1.7%	26	-0.6%	79
29	Gettysburg	$17.73	72	0.9%	60	0.7%	41
30	Greeley	$20.80	55	1.7%	23	0.6%	49
31	Hagerstown	$22.35	48	0.9%	56	0.8%	33
32	Harrisburg	$18.22	69	0.4%	70	0.4%	59
33	Hickory	$17.43	76	1.8%	20	-0.1%	73
34	Houston	$30.25	21	1.8%	16	1.4%	5
35	Inland Empire	$27.75	33	3.6%	2	0%	68
36	Jacksonville	$25.43	38	1.2%	41	-1.3%	80
37	Lakeland	$24.07	40	1.8%	17	0.1%	66
38	Lancaster	$20.10	62	1.0%	45	0.7%	45
39	Lebanon	$20.71	57	0.8%	66	0.7%	39
40	Lehigh Valley	$21.26	54	0.9%	61	1.0%	9
41	Long Island	$32.70	18	1.8%	19	1.0%	11
42	Los Angeles	$42.03	7	0.3%	72	0.4%	58

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	$18.19	70	1.6%	30	-0.1%	71
44	Manchester	$19.82	64	1.4%	38	0.6%	52
45	Mansfield	$17.51	74	2.1%	11	0.7%	47
46	Melbourne	$22.90	44	2.2%	10	-0.2%	75
47	Memphis	$22.05	51	2.7%	6	1.0%	12
48	Miami	$52.55	3	3.3%	4	0.5%	57
49	Monroe	$16.29	79	1.6%	31	0.6%	50
50	Napa	$39.15	11	1.5%	36	0.6%	53
51	New Haven	$22.86	45	0.6%	68	0.9%	20
52	New York	$59.24	1	1.3%	40	0.2%	65
53	Northern New Jersey	$29.35	28	0.8%	62	0.1%	67
54	Orange County	$32.41	19	0.2%	73	-0.1%	72
55	Orlando	$29.79	24	1.7%	25	0.9%	16
56	Palm Beach	$47.11	5	3.7%	1	1.9%	2
57	Philadelphia	$27.79	32	0.6%	67	0.6%	48
58	Phoenix	$29.41	27	1.7%	24	1.0%	10
59	Poughkeepsie	$26.76	35	0.9%	50	0.9%	19
60	Reading	$19.78	65	0.9%	52	0.8%	22
61	Rockford	$18.09	71	1.6%	29	0.9%	18
62	Sacramento	$27.01	34	1.0%	47	0.3%	62
63	Saint Louis	$22.31	49	1.5%	35	-0.4%	77
64	San Diego	$40.57	9	0.8%	65	0.9%	14
65	San Francisco	$50.88	4	-1.6%	80	-0.5%	78
66	San Jose	$55.19	2	2.2%	8	2.1%	1
67	Sarasota	$29.71	25	2.9%	5	1.1%	7
68	Scranton	$17.45	75	0.9%	51	0.8%	27
69	Seattle	$37.08	13	-0.1%	78	0.5%	55
70	Springfield	$16.93	77	2.0%	12	0.8%	23
71	Stamford	$34.50	15	0.1%	75	0.8%	36
72	Tampa	$29.96	23	1.7%	28	0.6%	51
73	Trenton	$29.68	26	0.9%	58	0.8%	28
74	Ventura	$28.30	31	1.4%	37	0.8%	25
75	Vineland	$19.58	67	0.9%	53	0.8%	31
76	Washington	$39.88	10	0.4%	71	0.4%	60
77	Winchester	$20.79	56	0.8%	63	0.7%	40
78	Worcester	$22.74	46	0.9%	59	0.7%	38
79	York	$19.76	66	1.0%	46	1.0%	8
80	Yuba City	$22.70	47	1.5%	34	0.5%	56

MARKET VACANCY & NET ABSORPTION

		Vacancy			12 Month Absorption			
No.	Market	SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Akron	2,265,997	6.7%	27	(18,623)	-0.1%	48	-
2	Ann Arbor	1,471,262	9.5%	46	109,872	0.7%	24	0
3	Atlanta	56,211,638	16.6%	72	(895,541)	-0.3%	71	-
4	Atlantic City	499,998	6.5%	26	(50,405)	-0.7%	56	-
5	Austin	23,610,489	17.3%	76	66,793	0%	27	12.8
6	Baltimore	17,926,293	11.9%	59	77,529	0.1%	26	7.2
7	Bloomsburg-Berwick	13,065	0.9%	1	9,290	0.6%	37	-
8	Boston	53,931,350	14.0%	65	(6,567,912)	-1.7%	80	-
9	Boulder	2,697,169	13.4%	63	(100,347)	-0.5%	62	-
10	California-Lexington Park	329,077	8.5%	40	(34,074)	-0.9%	50	-
11	Canton	1,052,631	7.6%	34	23,977	0.2%	33	0.4
12	Chambersburg-Waynesb…	47,466	2.5%	4	19,352	1.0%	35	-
13	Charlotte	19,953,768	14.4%	66	(44,233)	0%	54	-
14	Chicago	85,288,552	16.7%	73	(2,943,134)	-0.6%	78	-
15	Cincinnati	9,038,697	8.7%	43	580,177	0.6%	9	-
16	Cleveland	10,335,677	9.2%	44	250,773	0.2%	16	0.4
17	Columbus	11,634,301	9.7%	49	(581,851)	-0.5%	69	-
18	Dallas-Fort Worth	78,354,044	18.1%	78	575,527	0.1%	10	5.3
19	Dayton	3,330,581	7.8%	36	(402,201)	-0.9%	67	-
20	Denver	32,944,583	17.5%	77	(1,906,371)	-1.0%	75	-
21	Detroit	23,693,681	11.8%	58	184,322	0.1%	19	2.0
22	Dover	414,981	7.4%	30	(41,024)	-0.7%	53	-
23	East Bay	18,052,131	15.5%	69	(1,886,383)	-1.6%	74	-
24	East Stroudsburg	152,437	5.3%	17	16,350	0.6%	36	-
25	Flint	540,808	5.2%	16	(7,750)	-0.1%	43	-
26	Fort Collins	795,732	6.5%	25	(13,945)	-0.1%	46	-
27	Fort Lauderdale	7,731,526	10.4%	54	(160,447)	-0.2%	66	-
28	Gainesville	183,310	3.4%	8	87,900	1.6%	25	0.6
29	Gettysburg	27,458	2.4%	3	6,895	0.6%	38	-
30	Greeley	279,994	4.6%	14	65,264	1.1%	28	0.3
31	Hagerstown	627,296	6.1%	22	(12,179)	-0.1%	44	-
32	Harrisburg	2,949,109	7.5%	32	340,771	0.9%	13	0.3
33	Hickory	194,263	2.1%	2	(14,565)	-0.2%	47	-
34	Houston	69,229,051	19.5%	79	(674,939)	-0.2%	70	-
35	Inland Empire	4,170,199	5.3%	18	588,650	0.8%	7	0.2
36	Jacksonville	7,182,720	10.4%	53	133,178	0.2%	21	0.5
37	Lakeland	600,157	4.1%	13	22,133	0.2%	34	0.3
38	Lancaster	691,882	4.1%	12	(126,244)	-0.7%	63	-
39	Lebanon	84,223	3.7%	10	(37,543)	-1.7%	51	-
40	Lehigh Valley	2,402,978	7.4%	31	(131,175)	-0.4%	64	-
41	Long Island	8,549,570	8.5%	39	220,708	0.2%	18	0.4
42	Los Angeles	71,486,195	16.0%	70	(2,939,993)	-0.7%	77	-

MARKET VACANCY & NET ABSORPTION

		Vacancy			12 Month Absorption			
No.	Market	SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
43	Macon	767,303	9.7%	50	40,480	0.5%	31	-
44	Manchester	1,229,513	6.2%	23	(48,921)	-0.2%	55	-
45	Mansfield	102,187	2.9%	7	(27,490)	-0.8%	49	-
46	Melbourne	1,234,753	6.8%	28	57,703	0.3%	30	1.2
47	Memphis	6,375,251	10.7%	56	233,011	0.4%	17	1.0
48	Miami	10,113,385	8.6%	42	928,729	0.8%	4	1.2
49	Monroe	119,776	6.3%	24	(50,476)	-2.7%	57	-
50	Napa	244,794	6.9%	29	5,574	0.2%	39	-
51	New Haven	2,928,698	7.7%	35	843,196	2.2%	6	0.7
52	New York	134,809,580	13.9%	64	2,862,989	0.3%	1	0.6
53	Northern New Jersey	20,193,512	13.2%	62	126,268	0.1%	22	-
54	Orange County	19,889,499	12.6%	60	302,697	0.2%	14	-
55	Orlando	10,108,730	9.6%	47	(150,763)	-0.1%	65	-
56	Palm Beach	5,278,306	8.6%	41	267,724	0.4%	15	2.9
57	Philadelphia	35,702,867	10.6%	55	1,048,760	0.3%	2	0.7
58	Phoenix	33,104,058	16.8%	74	(1,445,443)	-0.7%	73	-
59	Poughkeepsie	625,422	5.5%	21	930	0%	41	4.3
60	Reading	764,828	5.4%	19	3,753	0%	40	-
61	Rockford	777,474	8.5%	38	(96,606)	-1.1%	61	-
62	Sacramento	12,651,189	11.4%	57	1,047,963	0.9%	3	1.5
63	Saint Louis	14,300,473	9.7%	48	886,541	0.6%	5	-
64	San Diego	15,447,540	12.8%	61	36,939	0%	32	64.4
65	San Francisco	44,822,087	23.2%	80	(2,443,049)	-1.3%	76	-
66	San Jose	22,752,476	15.5%	68	585,721	0.4%	8	1.1
67	Sarasota	1,417,485	5.0%	15	(82,011)	-0.3%	60	-
68	Scranton	1,414,752	7.6%	33	(447,244)	-2.4%	68	-
69	Seattle	38,679,561	16.3%	71	(1,359,291)	-0.6%	72	-
70	Springfield	161,741	4.0%	11	(38,870)	-1.0%	52	-
71	Stamford	10,090,113	14.7%	67	(71,583)	-0.1%	59	-
72	Tampa	12,428,027	9.5%	45	59,075	0%	29	5.3
73	Trenton	3,288,766	10.1%	52	443,294	1.4%	12	0.8
74	Ventura	2,219,292	10.1%	51	176,213	0.8%	20	-
75	Vineland	102,711	2.9%	6	(12,286)	-0.3%	45	-
76	Washington	89,835,414	17.2%	75	(3,780,800)	-0.7%	79	-
77	Winchester	200,676	5.5%	20	(62,396)	-1.7%	58	-
78	Worcester	2,583,670	7.8%	37	491,607	1.5%	11	-
79	York	273,866	2.6%	5	112,720	1.1%	23	0.4
80	Yuba City	88,388	3.5%	9	(4,249)	-0.2%	42	-

OVERALL SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	8,551,603,605	12,078,346	0.1%	12,060,527	0.1%	1.0
2028	8,539,525,259	6,291,662	0.1%	9,430,592	0.1%	0.7
2027	8,533,233,597	4,529,807	0.1%	7,199,989	0.1%	0.6
2026	8,528,703,790	6,742,045	0.1%	(1,897,768)	0%	-
2025	8,521,961,745	29,744,016	0.4%	(12,883,365)	-0.2%	-
YTD	8,494,700,325	2,482,596	0%	(6,310,540)	-0.1%	-
2024	8,492,217,729	23,744,067	0.3%	(23,720,802)	-0.3%	-
2023	8,468,473,662	34,469,237	0.4%	(63,744,784)	-0.8%	-
2022	8,434,004,425	40,231,712	0.5%	(7,123,136)	-0.1%	-
2021	8,393,772,713	52,827,179	0.6%	(41,273,823)	-0.5%	-
2020	8,340,945,534	50,037,019	0.6%	(68,055,775)	-0.8%	-
2019	8,290,908,515	61,573,884	0.7%	50,883,071	0.6%	1.2
2018	8,229,334,631	49,840,665	0.6%	66,429,761	0.8%	0.8
2017	8,179,493,966	58,210,862	0.7%	63,831,750	0.8%	0.9
2016	8,121,283,104	46,048,761	0.6%	70,697,437	0.9%	0.7
2015	8,075,234,343	49,199,641	0.6%	93,098,189	1.2%	0.5
2014	8,026,034,702	29,586,006	0.4%	78,922,546	1.0%	0.4
2013	7,996,448,696	23,062,331	0.3%	53,575,222	0.7%	0.4

4 & 5 STAR SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	2,994,411,213	28,744,516	1.0%	25,173,108	0.8%	1.1
2028	2,965,666,697	23,196,609	0.8%	21,492,107	0.7%	1.1
2027	2,942,470,088	21,373,941	0.7%	22,445,552	0.8%	1.0
2026	2,921,096,147	22,054,457	0.8%	22,511,526	0.8%	1.0
2025	2,899,041,690	40,452,055	1.4%	32,396,473	1.1%	1.2
YTD	2,862,448,790	3,859,155	0.1%	(24,987)	0%	-
2024	2,858,589,635	29,182,869	1.0%	(2,524,356)	-0.1%	-
2023	2,829,406,766	41,811,849	1.5%	(22,629,278)	-0.8%	-
2022	2,787,594,917	54,168,401	2.0%	11,027,008	0.4%	4.9
2021	2,733,426,516	59,954,893	2.2%	(16,964,044)	-0.6%	-
2020	2,673,471,623	48,776,625	1.9%	(2,654,213)	-0.1%	-
2019	2,624,694,998	65,724,639	2.6%	57,194,643	2.2%	1.1
2018	2,558,970,359	47,603,850	1.9%	46,275,289	1.8%	1.0
2017	2,511,366,509	54,722,144	2.2%	39,791,801	1.6%	1.4
2016	2,456,644,365	42,895,011	1.8%	30,917,029	1.3%	1.4
2015	2,413,749,354	46,494,103	2.0%	53,651,089	2.2%	0.9
2014	2,367,255,251	33,215,755	1.4%	43,902,615	1.9%	0.8
2013	2,334,039,496	25,805,796	1.1%	30,166,348	1.3%	0.9

3 STAR SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	3,828,798,263	481,341	0%	2,741,172	0.1%	0.2
2028	3,828,316,922	460,995	0%	2,874,514	0.1%	0.2
2027	3,827,855,927	606,574	0%	91,351	0%	6.6
2026	3,827,249,353	2,239,104	0.1%	(6,041,246)	-0.2%	-
2025	3,825,010,249	2,717,093	0.1%	(23,486,834)	-0.6%	-
YTD	3,821,671,445	(621,711)	0%	(5,920,600)	-0.2%	-
2024	3,822,293,156	(2,713,191)	-0.1%	(17,837,964)	-0.5%	-
2023	3,825,006,347	(3,190,951)	-0.1%	(35,953,657)	-0.9%	-
2022	3,828,197,298	(6,527,497)	-0.2%	(14,112,842)	-0.4%	-
2021	3,834,724,795	909,130	0%	(24,434,477)	-0.6%	-
2020	3,833,815,665	6,676,784	0.2%	(47,438,274)	-1.2%	-
2019	3,827,138,881	1,308,001	0%	(358,793)	0%	-
2018	3,825,830,880	9,219,956	0.2%	18,134,881	0.5%	0.5
2017	3,816,610,924	10,701,665	0.3%	22,623,834	0.6%	0.5
2016	3,805,909,259	9,967,473	0.3%	27,243,784	0.7%	0.4
2015	3,795,941,786	10,802,646	0.3%	29,031,815	0.8%	0.4
2014	3,785,139,140	5,542,974	0.1%	24,728,630	0.7%	0.2
2013	3,779,596,166	5,986,985	0.2%	19,408,355	0.5%	0.3

1 & 2 STAR SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	1,728,394,129	(17,147,511)	-1.0%	(15,853,753)	-0.9%	-
2028	1,745,541,640	(17,365,942)	-1.0%	(14,936,029)	-0.9%	-
2027	1,762,907,582	(17,450,708)	-1.0%	(15,336,914)	-0.9%	-
2026	1,780,358,290	(17,551,516)	-1.0%	(18,368,048)	-1.0%	-
2025	1,797,909,806	(13,425,132)	-0.7%	(21,793,004)	-1.2%	-
YTD	1,810,580,090	(754,848)	0%	(364,953)	0%	-
2024	1,811,334,938	(2,725,611)	-0.2%	(3,358,482)	-0.2%	-
2023	1,814,060,549	(4,151,661)	-0.2%	(5,161,849)	-0.3%	-
2022	1,818,212,210	(7,409,192)	-0.4%	(4,037,302)	-0.2%	-
2021	1,825,621,402	(8,036,844)	-0.4%	124,698	0%	-
2020	1,833,658,246	(5,416,390)	-0.3%	(17,963,288)	-1.0%	-
2019	1,839,074,636	(5,458,756)	-0.3%	(5,952,779)	-0.3%	-
2018	1,844,533,392	(6,983,141)	-0.4%	2,019,591	0.1%	-
2017	1,851,516,533	(7,212,947)	-0.4%	1,416,115	0.1%	-
2016	1,858,729,480	(6,813,723)	-0.4%	12,536,624	0.7%	-
2015	1,865,543,203	(8,097,108)	-0.4%	10,415,285	0.6%	-
2014	1,873,640,311	(9,172,723)	-0.5%	10,291,301	0.5%	-
2013	1,882,813,034	(8,730,450)	-0.5%	4,000,519	0.2%	-

OVERALL RENT & VACANCY

	Market Asking Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	$38.47	134	1.7%	7.2%	1,226,512,715	14.3%	0%
2028	$37.82	132	1.7%	5.4%	1,226,474,131	14.4%	0%
2027	$37.20	130	1.6%	3.7%	1,229,425,948	14.4%	0%
2026	$36.62	128	1.1%	2.1%	1,231,791,812	14.4%	0.1%
2025	$36.23	127	1.0%	1.0%	1,222,736,048	14.3%	0.5%
YTD	$35.90	125	1.1%	0.1%	1,188,118,154	14.0%	0.1%
2024	$35.87	125	1.2%	0%	1,179,298,688	13.9%	0.5%
2023	$35.46	124	1.2%	-1.2%	1,131,840,462	13.4%	1.1%
2022	$35.03	122	1.4%	-2.4%	1,033,644,941	12.3%	0.5%
2021	$34.54	121	0.8%	-3.7%	986,270,949	11.8%	1.1%
2020	$34.26	120	-1.7%	-4.5%	892,053,001	10.7%	1.4%
2019	$34.87	122	4.1%	-2.8%	774,457,025	9.3%	0.1%
2018	$33.51	117	3.3%	-6.6%	764,030,931	9.3%	-0.3%
2017	$32.43	113	2.7%	-9.6%	781,212,482	9.6%	-0.2%
2016	$31.57	110	3.4%	-12.0%	788,039,079	9.7%	-0.4%
2015	$30.53	107	5.8%	-14.9%	813,501,936	10.1%	-0.6%
2014	$28.85	101	5.4%	-19.6%	857,515,204	10.7%	-0.7%
2013	$27.38	96	3.7%	-23.7%	906,605,375	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	$50.53	132	1.6%	5.4%	606,109,497	20.2%	-0.1%
2028	$49.76	130	1.5%	3.8%	602,691,788	20.3%	-0.1%
2027	$49.02	128	1.4%	2.2%	601,077,150	20.4%	-0.2%
2026	$48.35	127	0.8%	0.8%	602,199,905	20.6%	-0.2%
2025	$47.98	126	0.8%	0.1%	602,695,500	20.8%	0%
YTD	$47.65	125	0.8%	-0.6%	598,728,361	20.9%	0.1%
2024	$47.61	125	0.9%	-0.7%	594,814,219	20.8%	0.9%
2023	$47.20	124	0.7%	-1.6%	563,106,995	19.9%	2.0%
2022	$46.88	123	-0.2%	-2.2%	498,654,465	17.9%	1.2%
2021	$46.97	123	0%	-2.0%	455,497,274	16.7%	2.5%
2020	$46.97	123	-2.0%	-2.0%	378,615,969	14.2%	1.7%
2019	$47.95	126	5.4%	0%	327,471,927	12.5%	0%
2018	$45.48	119	3.5%	-5.1%	319,004,417	12.5%	-0.2%
2017	$43.96	115	2.8%	-8.3%	318,043,077	12.7%	0.3%
2016	$42.77	112	3.1%	-10.8%	303,798,650	12.4%	0.2%
2015	$41.48	109	6.2%	-13.5%	292,710,615	12.1%	-0.5%
2014	$39.07	102	5.9%	-18.5%	299,978,413	12.7%	-0.6%
2013	$36.90	97	3.7%	-23.0%	310,713,106	13.3%	-0.3%

3 STAR RENT & VACANCY

	Market Asking Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	$34.01	135	1.8%	7.9%	503,061,501	13.1%	-0.1%
2028	$33.40	132	1.8%	6.0%	505,438,327	13.2%	-0.1%
2027	$32.81	130	1.7%	4.1%	507,921,183	13.3%	0%
2026	$32.27	128	1.2%	2.4%	507,457,597	13.3%	0.2%
2025	$31.87	126	1.1%	1.1%	499,168,229	13.1%	0.7%
YTD	$31.54	125	1.3%	0.1%	477,831,891	12.5%	0.1%
2024	$31.52	125	1.4%	0%	472,495,802	12.4%	0.4%
2023	$31.08	123	1.3%	-1.4%	457,340,937	12.0%	0.9%
2022	$30.67	122	2.2%	-2.7%	424,603,714	11.1%	0.2%
2021	$30.03	119	0.8%	-4.7%	417,010,489	10.9%	0.7%
2020	$29.79	118	-2.0%	-5.5%	391,676,419	10.2%	1.4%
2019	$30.40	121	3.1%	-3.5%	337,658,789	8.8%	0%
2018	$29.50	117	3.4%	-6.4%	336,105,461	8.8%	-0.3%
2017	$28.53	113	2.4%	-9.5%	345,197,348	9.0%	-0.4%
2016	$27.86	110	3.4%	-11.6%	357,594,101	9.4%	-0.5%
2015	$26.95	107	5.7%	-14.5%	375,051,971	9.9%	-0.5%
2014	$25.49	101	5.1%	-19.1%	393,304,195	10.4%	-0.5%
2013	$24.26	96	4.2%	-23.0%	412,490,624	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	$28.27	139	1.9%	8.9%	117,341,717	6.8%	0%
2028	$27.73	136	1.9%	6.8%	118,344,016	6.8%	-0.1%
2027	$27.20	134	1.9%	4.8%	120,427,615	6.8%	0%
2026	$26.71	131	1.5%	2.9%	122,134,310	6.9%	0.1%
2025	$26.31	129	1.3%	1.3%	120,872,319	6.7%	0.5%
YTD	$25.98	128	1.2%	0.1%	111,557,902	6.2%	0%
2024	$25.96	128	1.5%	0%	111,988,667	6.2%	0%
2023	$25.59	126	2.7%	-1.4%	111,392,530	6.1%	0.1%
2022	$24.92	122	4.6%	-4.0%	110,386,762	6.1%	-0.2%
2021	$23.82	117	3.5%	-8.2%	113,763,186	6.2%	-0.4%
2020	$23.01	113	0%	-11.4%	121,760,613	6.6%	0.7%
2019	$23	113	2.3%	-11.4%	109,326,309	5.9%	0%
2018	$22.48	111	2.7%	-13.4%	108,921,053	5.9%	-0.5%
2017	$21.90	108	3.5%	-15.6%	117,972,057	6.4%	-0.4%
2016	$21.16	104	4.5%	-18.5%	126,646,328	6.8%	-1.0%
2015	$20.25	100	4.9%	-22.0%	145,739,350	7.8%	-1.0%
2014	$19.31	95	4.5%	-25.6%	164,232,596	8.8%	-1.0%
2013	$18.48	91	2.6%	-28.8%	183,401,645	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	-	-	-	-	-	-	$313.38	159	8.0%
2028	-	-	-	-	-	-	$296.11	150	8.3%
2027	-	-	-	-	-	-	$280.20	142	8.6%
2026	-	-	-	-	-	-	$265.74	135	8.9%
2025	-	-	-	-	-	-	$256.02	130	9.1%
YTD	1,742	$4.8B	0.5%	$4,209,649	$176.83	7.2%	$259.33	131	9.0%
2024	15,353	$42.2B	3.5%	$4,040,911	$194.31	7.4%	$259.66	131	9.0%
2023	14,571	$34.9B	2.8%	$3,536,016	$211.35	7.2%	$281.81	143	8.5%
2022	21,373	$80.6B	4.9%	$5,309,893	$265.93	6.8%	$311.72	158	7.7%
2021	23,843	$106.6B	5.6%	$6,238,056	$292.53	7.0%	$331.44	168	7.1%
2020	17,586	$67.9B	3.7%	$5,633,960	$276.15	7.2%	$317.20	161	7.3%
2019	21,192	$115.7B	5.8%	$8,059,861	$284.74	7.3%	$308.74	156	7.5%
2018	21,320	$101.4B	6.1%	$7,099,145	$252.71	7.1%	$299.07	151	7.3%
2017	20,028	$101.4B	6.1%	$7,807,169	$245.04	7.1%	$292.02	148	7.1%
2016	20,470	$110.8B	6.7%	$7,730,835	$256.92	7.0%	$296.81	150	6.7%
2015	19,709	$116.6B	7.0%	$8,061,984	$247.79	7.1%	$289.66	147	6.7%
2014	18,545	$103.1B	6.3%	$7,572,619	$232.37	7.3%	$269.19	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	-	-	-	-	-	-	$432.01	153	7.3%
2028	-	-	-	-	-	-	$407.65	144	7.6%
2027	-	-	-	-	-	-	$385.31	136	7.9%
2026	-	-	-	-	-	-	$365.20	129	8.2%
2025	-	-	-	-	-	-	$352.52	125	8.4%
YTD	74	$1.9B	0.5%	$35,715,845	$197.47	8.2%	$358.88	127	8.3%
2024	665	$17.9B	4.0%	$41,069,920	$217.96	8.0%	$359.11	127	8.3%
2023	488	$13.3B	2.8%	$43,520,333	$263.06	7.9%	$399	141	7.7%
2022	837	$35.8B	4.5%	$63,545,141	$372.57	6.2%	$445.43	157	7.0%
2021	1,014	$56.4B	6.3%	$75,776,277	$413.99	6.1%	$476.71	169	6.4%
2020	734	$36.2B	4.2%	$66,786,949	$378.63	6.8%	$458.68	162	6.6%
2019	1,034	$65.5B	7.1%	$75,673,480	$381.50	6.4%	$447.33	158	6.7%
2018	1,126	$49.2B	7.8%	$57,140,808	$303.47	6.3%	$434.74	154	6.6%
2017	1,073	$55.6B	7.9%	$62,685,143	$317.59	6.3%	$423.85	150	6.4%
2016	1,158	$64.3B	9.1%	$72,113,118	$358.90	5.9%	$432.78	153	6.1%
2015	1,244	$63.5B	9.5%	$69,251,764	$316.56	6.3%	$424.76	150	6.0%
2014	945	$59.5B	8.7%	$72,353,363	$309.17	6.2%	$394.64	140	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	-	-	-	-	-	-	$267.35	163	8.2%
2028	-	-	-	-	-	-	$252.87	154	8.5%
2027	-	-	-	-	-	-	$239.50	146	8.7%
2026	-	-	-	-	-	-	$227.26	138	9.0%
2025	-	-	-	-	-	-	$218.71	133	9.3%
YTD	711	$2B	0.5%	$4,479,912	$164.53	7.3%	$220.86	134	9.2%
2024	6,148	$16.7B	3.4%	$4,112,066	$177.74	7.4%	$221.21	135	9.1%
2023	5,370	$14.2B	2.7%	$4,009,300	$187.65	7.1%	$236.20	144	8.7%
2022	8,417	$32.3B	5.1%	$5,655,049	$232.17	6.7%	$259.85	158	7.9%
2021	9,443	$37.3B	5.4%	$5,697,850	$237.18	7.0%	$274.61	167	7.3%
2020	6,530	$23.5B	3.4%	$5,216,483	$226.16	7.3%	$261.73	159	7.5%
2019	8,110	$39.4B	5.4%	$6,937,674	$229.71	7.3%	$253.59	154	7.7%
2018	7,950	$41.4B	5.6%	$7,494,097	$237.42	7.1%	$244.36	149	7.5%
2017	7,389	$36.6B	5.7%	$7,098,950	$201.96	7.1%	$238.88	145	7.3%
2016	7,596	$36.5B	6.0%	$6,756,356	$195.65	7.1%	$242.39	148	6.9%
2015	7,266	$42.9B	6.5%	$7,854,354	$213.68	7.1%	$236.12	144	6.8%
2014	6,888	$34.4B	5.7%	$6,857,360	$186.33	7.4%	$219.99	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	-	-	-	-	-	-	$214.76	169	8.8%
2028	-	-	-	-	-	-	$203.30	160	9.1%
2027	-	-	-	-	-	-	$192.62	152	9.4%
2026	-	-	-	-	-	-	$182.78	144	9.7%
2025	-	-	-	-	-	-	$175.51	138	9.9%
YTD	957	$902.6M	0.4%	$1,395,026	$167.01	7.1%	$176.49	139	9.8%
2024	8,540	$7.6B	3.1%	$1,270,946	$184.69	7.3%	$176.66	139	9.8%
2023	8,713	$7.5B	3.0%	$1,240,703	$190.53	7.2%	$184.66	145	9.4%
2022	12,119	$12.5B	4.9%	$1,405,974	$184.29	6.9%	$200.54	158	8.6%
2021	13,386	$13B	5.1%	$1,322,672	$182.36	7.2%	$211.65	166	7.9%
2020	10,322	$8.1B	3.5%	$1,163,015	$176.44	7.3%	$200.77	158	8.1%
2019	12,048	$10.7B	4.7%	$1,371,918	$170.49	7.5%	$196.41	154	8.3%
2018	12,244	$10.8B	4.8%	$1,368,920	$166.88	7.4%	$190.66	150	8.1%
2017	11,566	$9.1B	4.6%	$1,316,993	$159.62	7.2%	$186.61	147	7.8%
2016	11,716	$10B	4.8%	$1,246,780	$152.59	7.3%	$187.25	147	7.5%
2015	11,199	$10.2B	4.9%	$1,257,140	$147.17	7.4%	$179.68	141	7.5%
2014	10,712	$9.2B	4.5%	$1,186,225	$138.33	7.6%	$165.98	131	7.5%

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