
2Q24

United States Office Leasing House View



NEWMARK

Market Observations

- **Labor Markets:** We estimate that new office-using jobs have added 240.5 million SF of office demand since February 2020, helping to soften the blow of the hybrid work office demand shock. More jobs are needed for office markets to recover. Office-using job growth is expanding at a moderate pace and has been underperforming overall employment growth since 2023. Information (tech) employment has been the primary source of weakness. Across the top 50 office markets, office-using employment expanded in 27 markets and accelerated in 36 markets in the last six months.
- **Hybrid Work Transition:** Slowing job growth leaves markets more exposed to the ongoing demand adjustment to hybrid work. Newmark estimates that 57% of pre-pandemic leases have yet to come up for renewal, including 1.9 billion SF of renewals in the 2024-to-2027 period. Average lease size has declined by 13.4% compared with pre-pandemic, suggesting further reductions in overall office demand.
- **National Trends:** Leasing activity remained sluggish in most markets in the second quarter of 2024, decelerating nationally to an estimated 0.8% of inventory, compared with the quarterly average of 1.4% realized between 2012 and 2019. Occupancy levels continued to post losses in the second quarter of 2024; however, net absorption improved quarter-over-quarter to negative 6.0 million SF from negative 18.7 million SF from the first quarter of 2024. Though most markets recorded occupancy declines, 33 out of 60 markets tracked by Newmark saw improvements to net absorption compared with the trailing 12-month average. National vacancy rose just 10 bps to 20.3% in response to a decelerating construction pipeline, which totaled 43.2 million SF, a decline of nearly 6.0 million SF from the first quarter of 2024.
- **Regional Trends:** All regions posted occupancy declines in the second quarter of 2024, led by the East Region, where occupancy declined by negative 4.0 million SF. While leasing activity has broadly continued to slow, net absorption is on an upward trend across regions. Net absorption has been consistently strongest (though still negative) in the South. Gateway markets shed most space in the second quarter of 2024, led by New York, Los Angeles, and Washington DC. Smaller, secondary markets captured nearly all positive net absorption in second quarter of 2024—highlights include Columbus (+710,000 SF), Nashville (+703,000 SF), and Baltimore (+613,000 SF).
- **Rent Trends:** Asking rents increased 0.8% year-over-year in the second quarter of 2024, led by major markets (+6.1% YoY) and western markets (+2.8%). Concessions packages remain significantly higher than they were pre-pandemic pushing down effective rents. TI allowances are 63.2% higher than they were pre-pandemic on average, based on an analysis of leading office markets.
- **Class Conundrum:** Class performance is more nuanced than the dominant flight-to-quality narrative suggests. In CBD markets, higher quality office has outperformed since the first quarter of 2020. Class A office has modestly lower availability rates compared with Class B, while post-2019 Class A construction has materially lower availability. Asking rent growth, meanwhile, has been comparable for Class A and B, and new construction has in fact underperformed. On a combined basis, new construction has handily beat both Class A and B product, though this is partly due to much of the new product being in lease-up. Non-CBD property fundamentals have broadly outperformed CBD markets. Contrary to common belief, Class B suburban product has consistently had lower availability than Class A product in either CBD or non-CBD markets. Class B product has similar availability as CBD new construction, which is materially lower than Non-CBD new construction. Asking rent growth has been robust across non-CBD market segments with the strongest growth in Class A properties. On a rent per available foot basis, non-CBD Class B buildings have outperformed all other segments except for CBD new construction.

1. Demand Drivers	4
2. Leasing Market	18
3. Class Conundrum	47
4. Office Market Statistics	55

2Q24 UNITED STATES OFFICE LEASING HOUSE VIEW

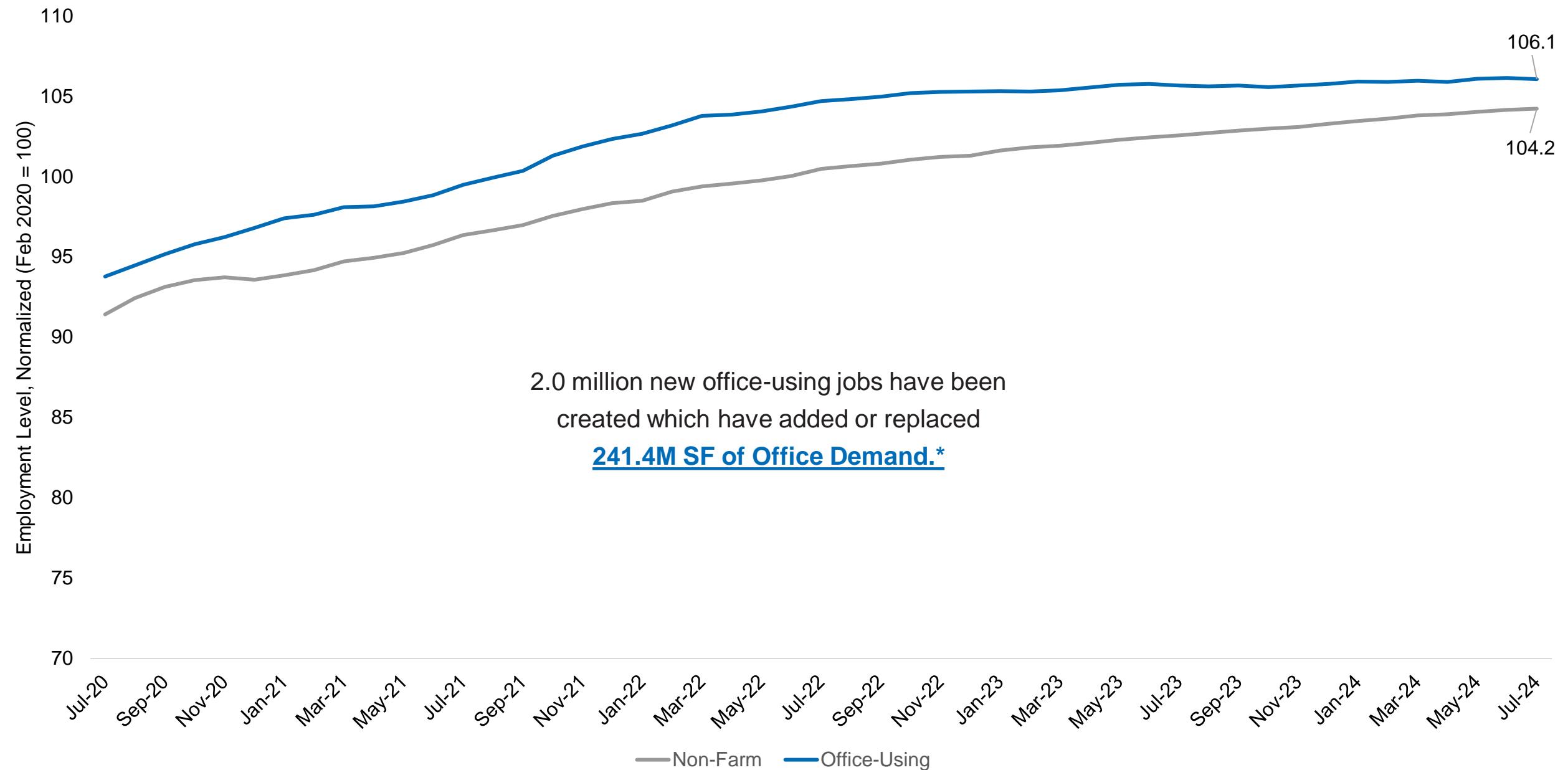
Demand Drivers



Office-Using Employment Has Outpaced the Overall Labor Recovery

National nonfarm employment recovered to pre-pandemic levels in June 2022 and is up 21.7% from the pandemic low in April 2020. Office-using employment was less impacted during the pandemic and has maintained a consistent pace of recovery, measuring 2.0 million jobs above pre-pandemic levels—though growth has flattened since August 2022. This is significant because net-new jobs can provide a counterweight to the negative demand effects from remote work.

Employment Recovery Comparison – Normalized to February 2020



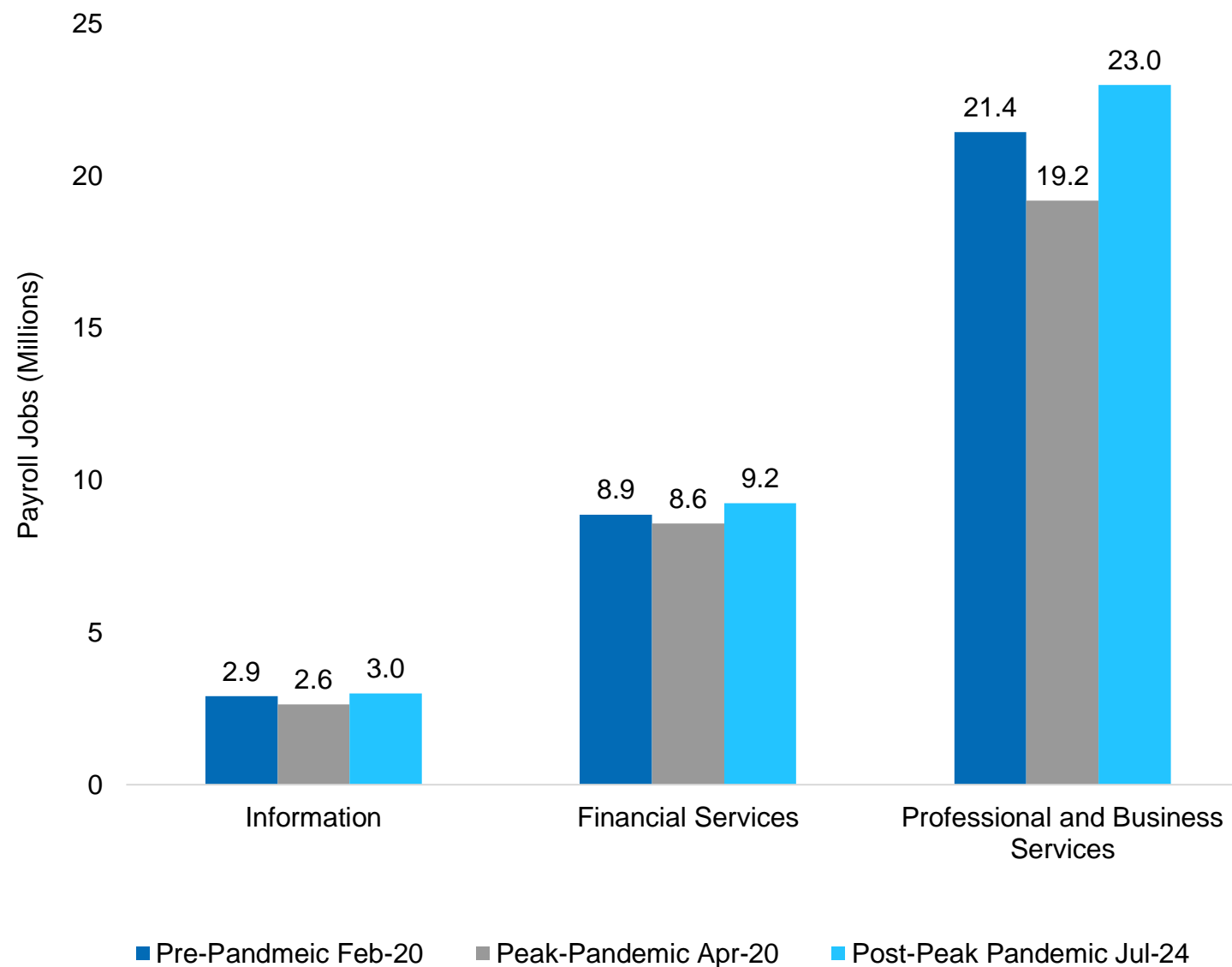
2.0 million new office-using jobs have been created which have added or replaced **241.4M SF of Office Demand.***

Sources: U.S. Bureau of Labor Statistics, Newmark Research
 Seasonally Adjusted
 *Assumes estimate of around 120 SF per new office-using job

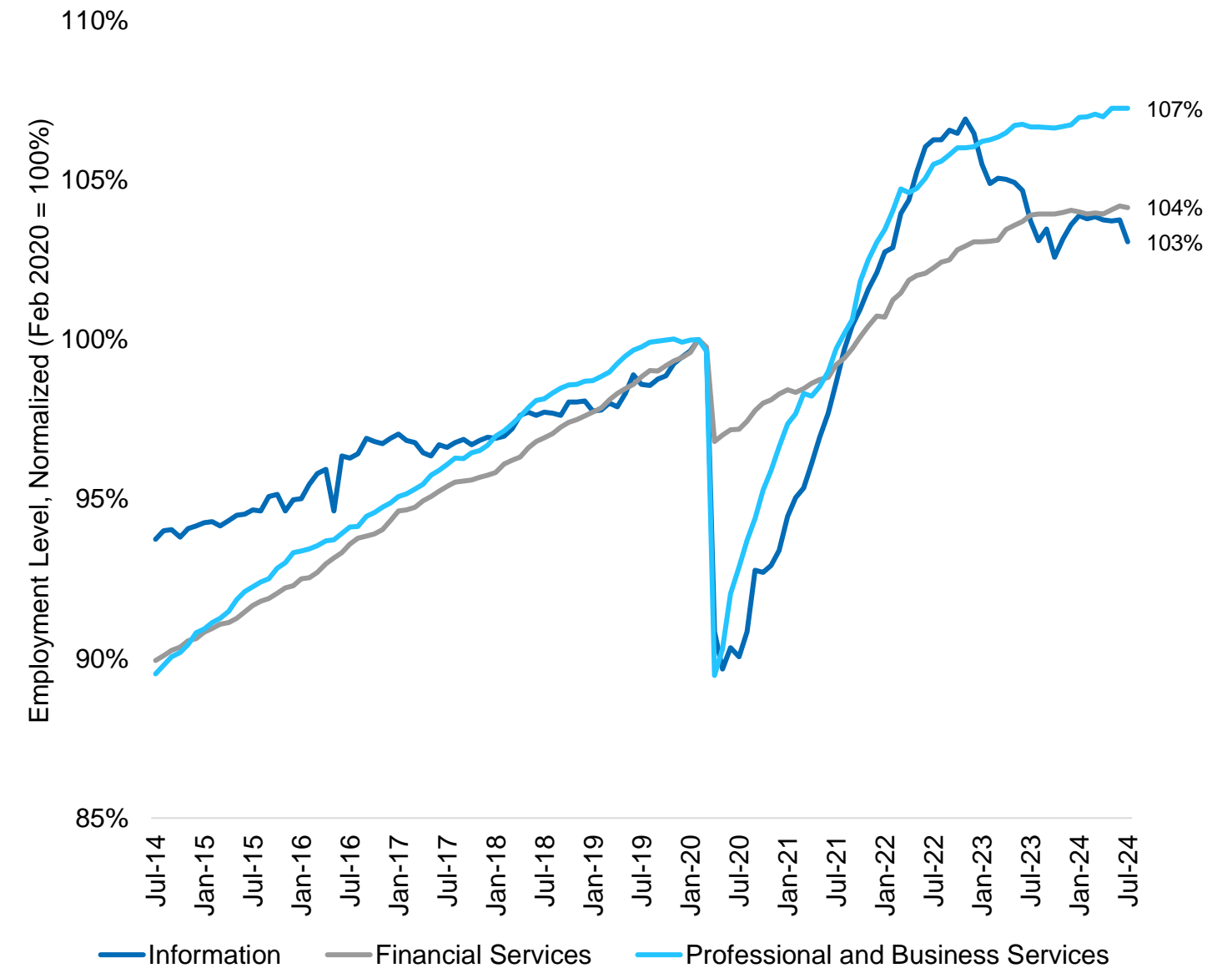
Office-Using Employment is Growing Moderately

Employment now exceeds pre-pandemic levels across office-using industries. The recovery in professional and business services has been particularly strong, with employment up 7.3% above February 2020 levels. Impressive gains have been made across a range of office-using industries, which in the aggregate are up 6.1% from February 2020. Information sector (a proxy for technology) employment fell sharply between Nov-2022 and Oct-2023 but has since returned to growth, though marginal losses were recorded in July 2024.

Employment by Industry



Employment by Industry (Historical)

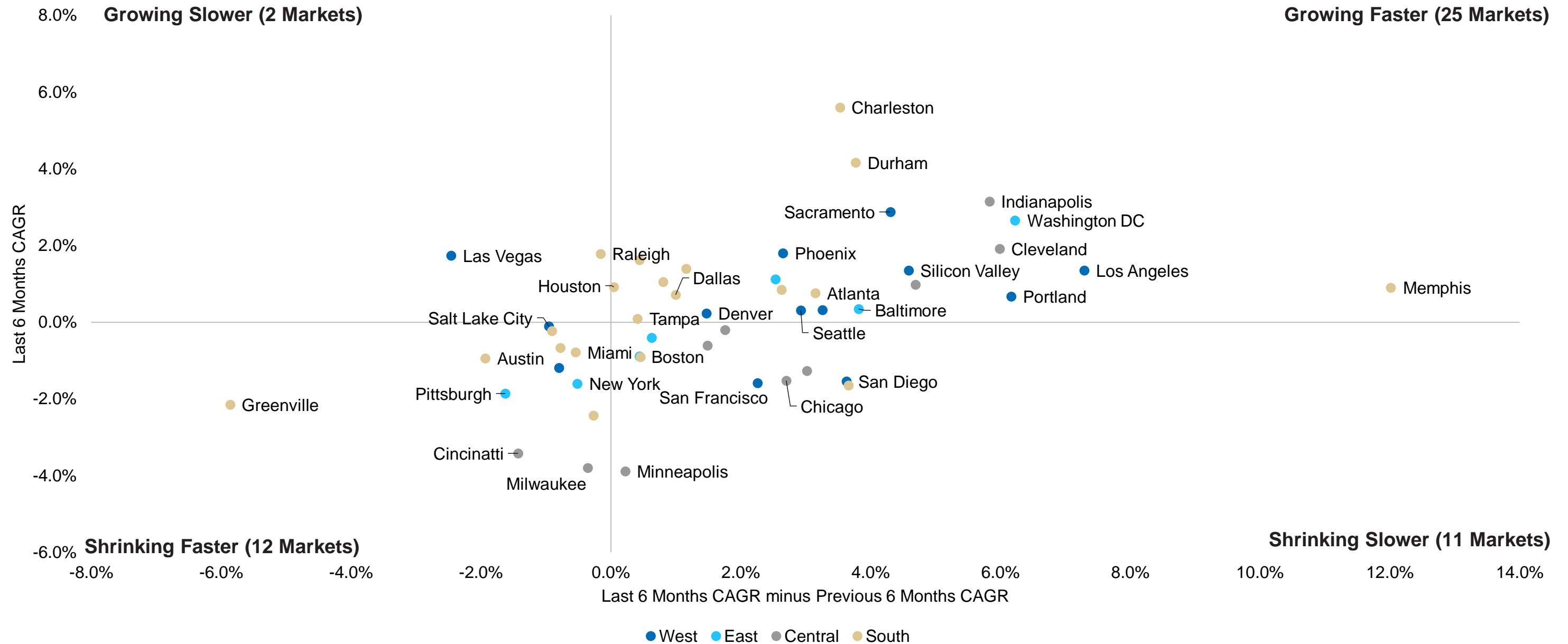


Sources: United States Department of Labor, Newmark Research

Though Office-Using Employment Growth Is Accelerating in Half of Tracked Markets

The employment situation in the first half of 2024 has improved from second half of 2023: 25 markets saw job growth accelerate from the prior six-month period, while 12 markets, particularly in the Central and South Regions, recorded steeper negative growth.

Last 6 Months CAGR vs. 2023-2024 Acceleration

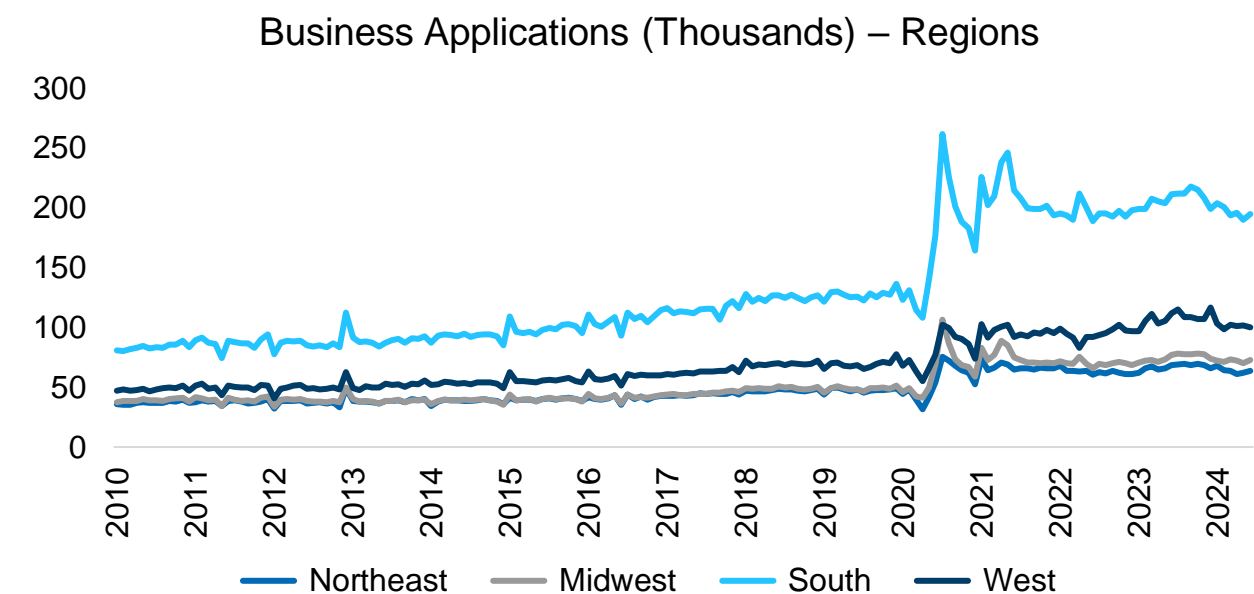
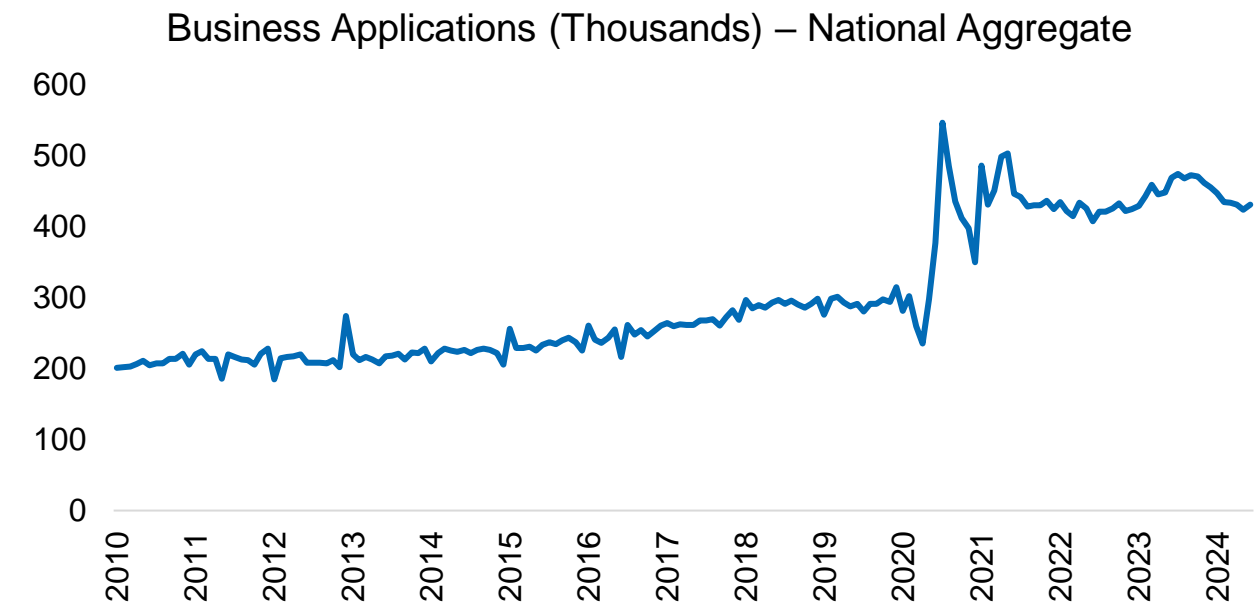
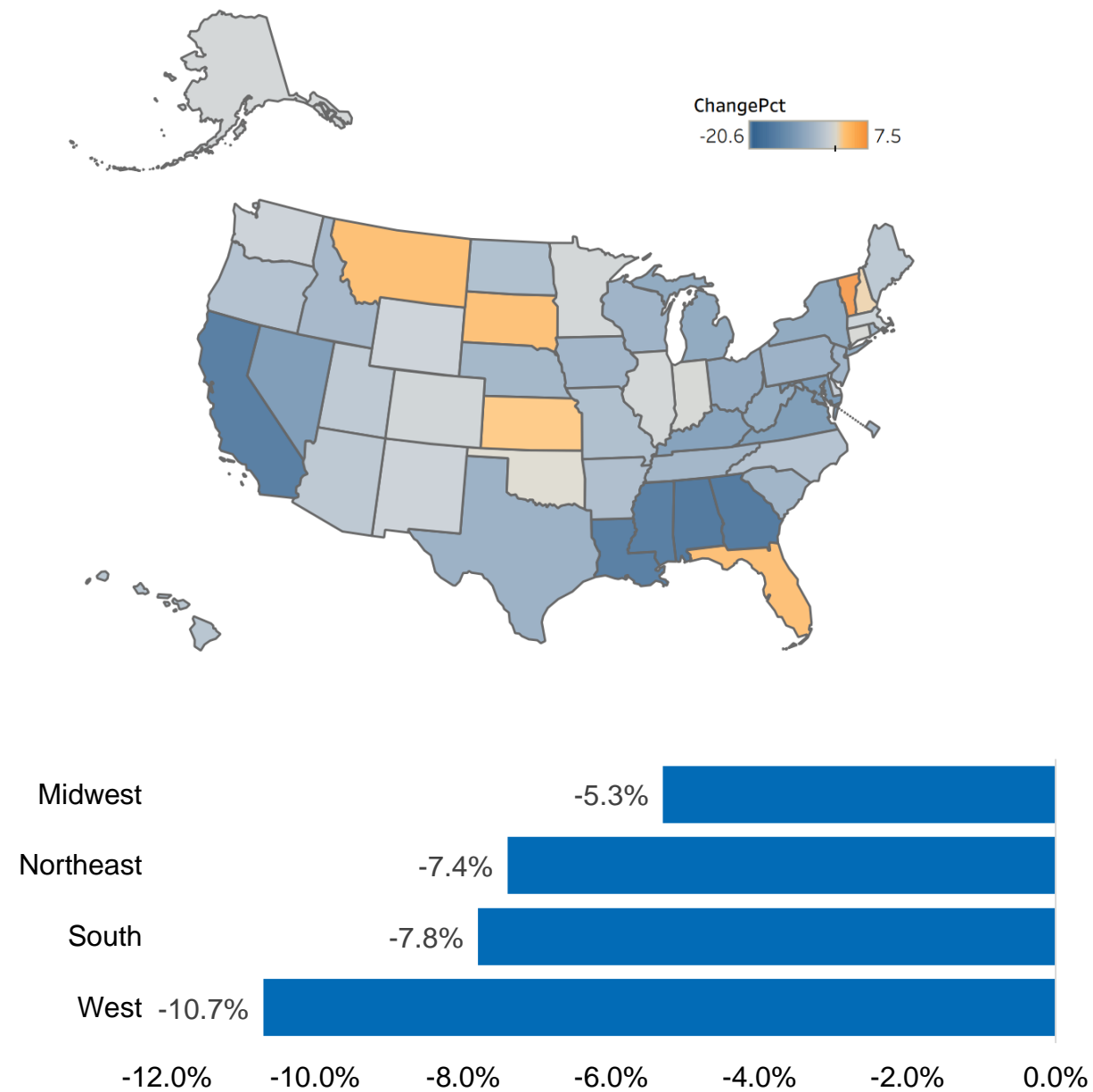


Source: Bureau of Labor Statistics, Newmark Research

New Business Formation Down Year over Year but Still above Pre-Pandemic Levels

Business formation decelerated in June 2024; 431,246 new business applications were filed, which is down 8.0% from June 2023. This decline was realized across all national regions, with the West Region leading the decline, down 10.7% YoY. Overall business creation remains notably higher than pre-pandemic levels.

Business Applications: Change from June 2023 to June 2024 (Seasonally Adjusted)

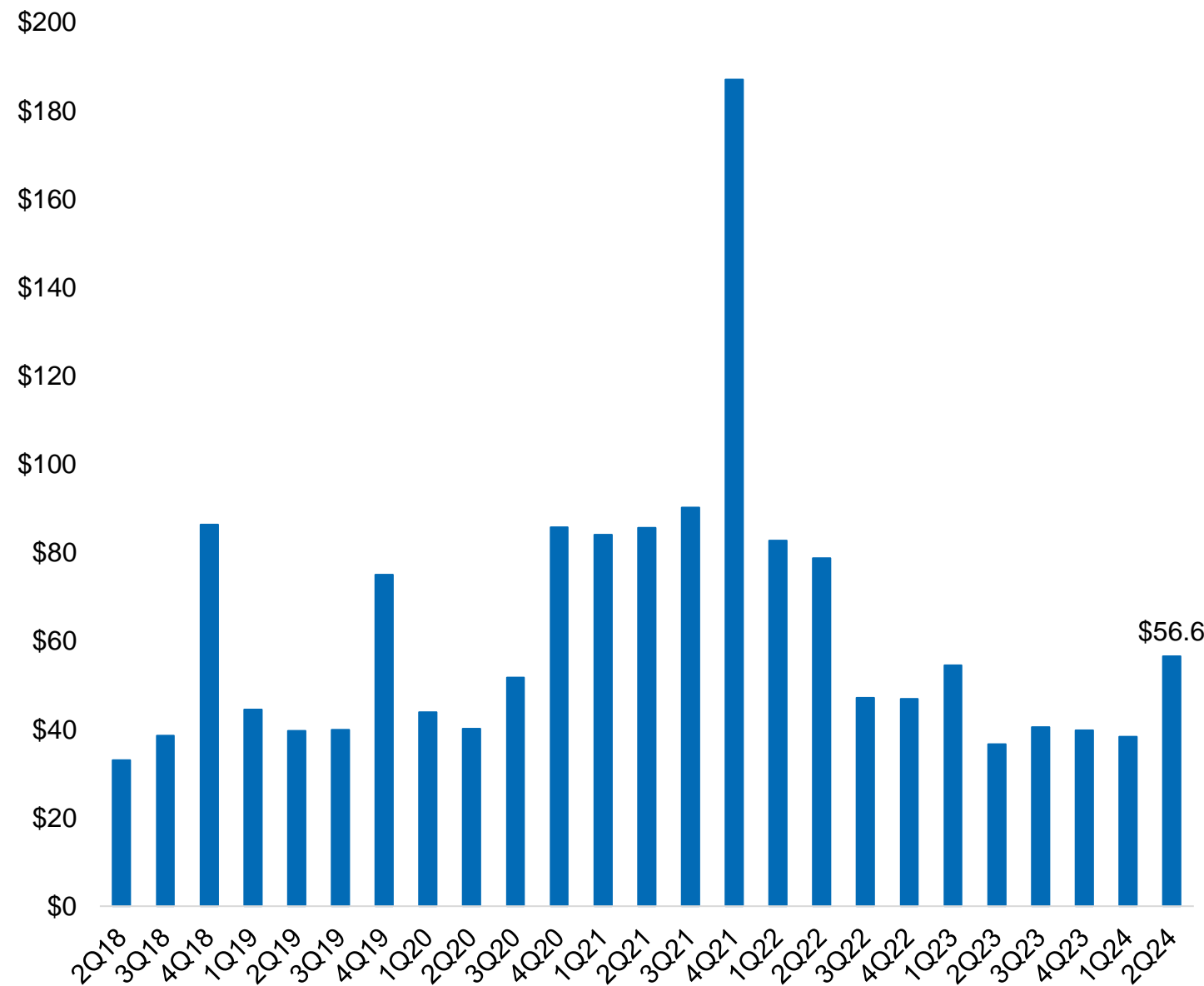


Source: United States Census Bureau, Newmark Research

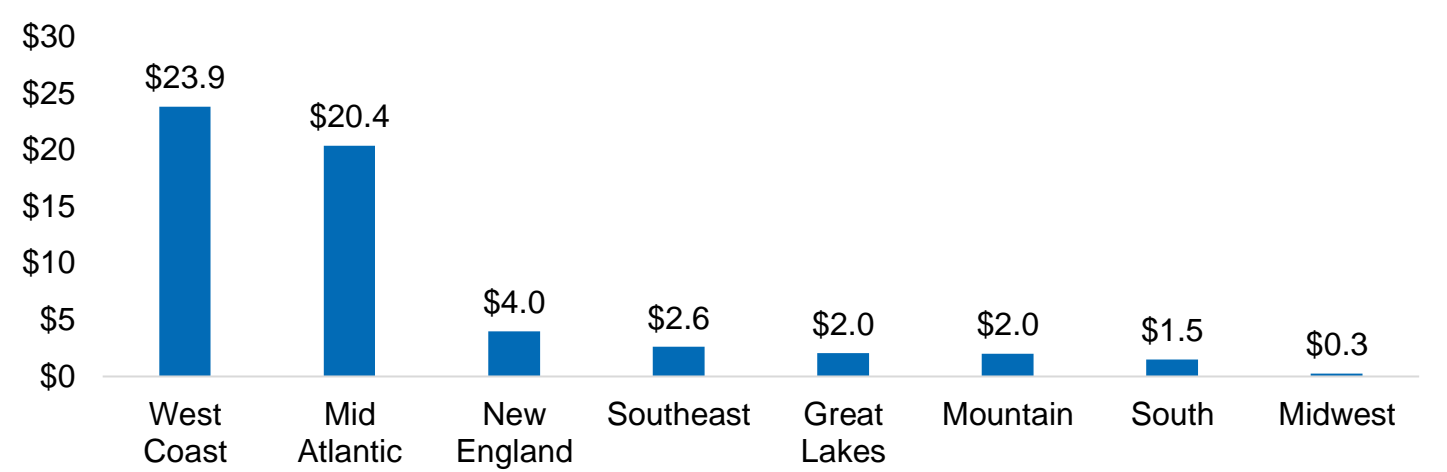
Venture Capital Investment Activity Has Returned to Pre-Pandemic Level

Overall venture capital expanded in the second quarter of 2024 as investors remain cautiously optimistic. Total investments are down significantly from the cycle's recent peak in 2021, and activity in the past year has returned to a historical equilibrium. Across the range of tracked industry sectors, information realized the greatest annual gains, to the tune of 111.8%. Investment in this sector was led by several high-volume transactions in companies focusing on artificial intelligence research and represents a significant turnaround after eight consecutive quarters of annual declines. The market's largest funds are likely to experience the greatest contraction in activity, but high levels of dry powder should continue to support investment activity among smaller funds.

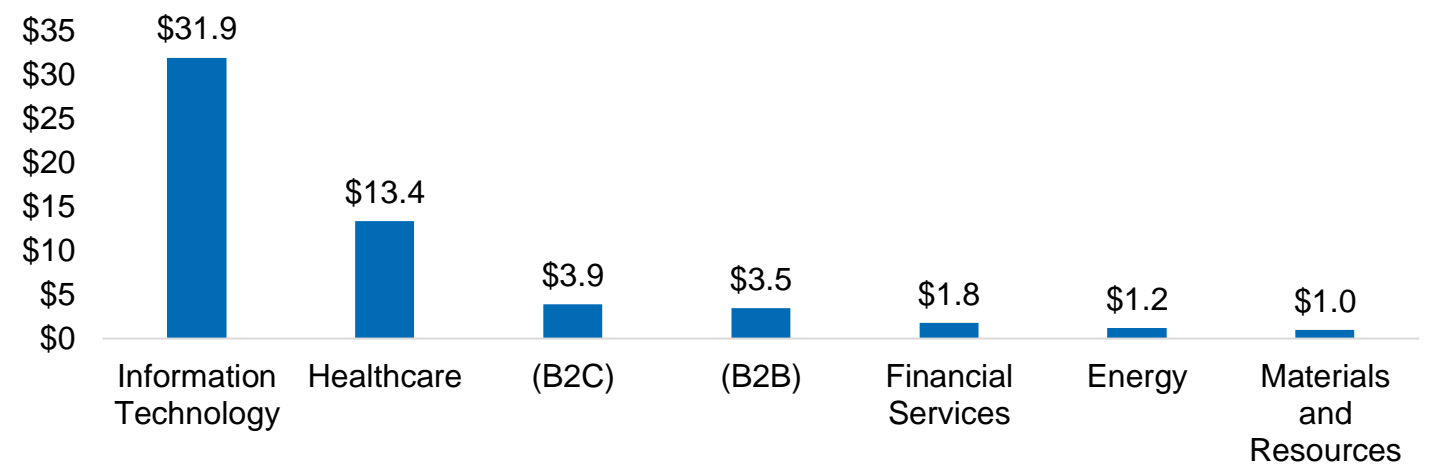
Venture Capital Deal Value (\$ billions)



2Q24 VC Funding by Region (\$ billions)



2Q24 VC Funding by Industry Sector (\$ billions)

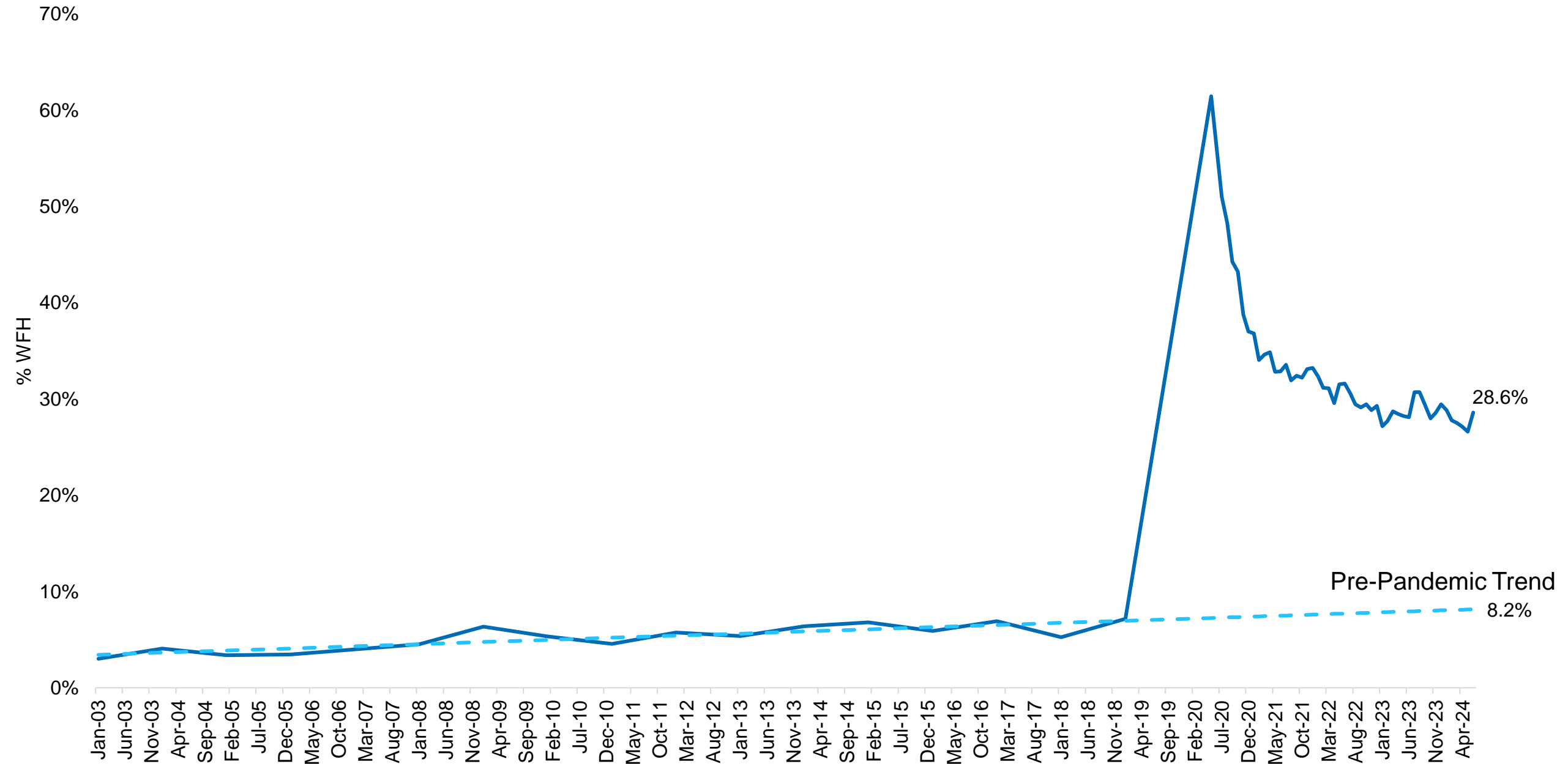


Sources: PitchBook, Newmark Research

The Pandemic Compacted Decades of WFH Transition Into Three Years

In the two decades prior to 2020, the full paid days worked from home by all employees averaged 5.2%. This metric grew significantly in the first quarter of 2020, reaching a maximum of 61.5% in May of 2020. Since then, this metric has declined at a decelerating pace and stands at 28.6% as of June 2024.

Share of Full Paid Days Worked From Home



Source: Barrero, Jose Maria, Nicholas Bloom, and Steven J. Davis, 2021. "Why working from home will stick," National Bureau of Economic Research Working Paper 28731.



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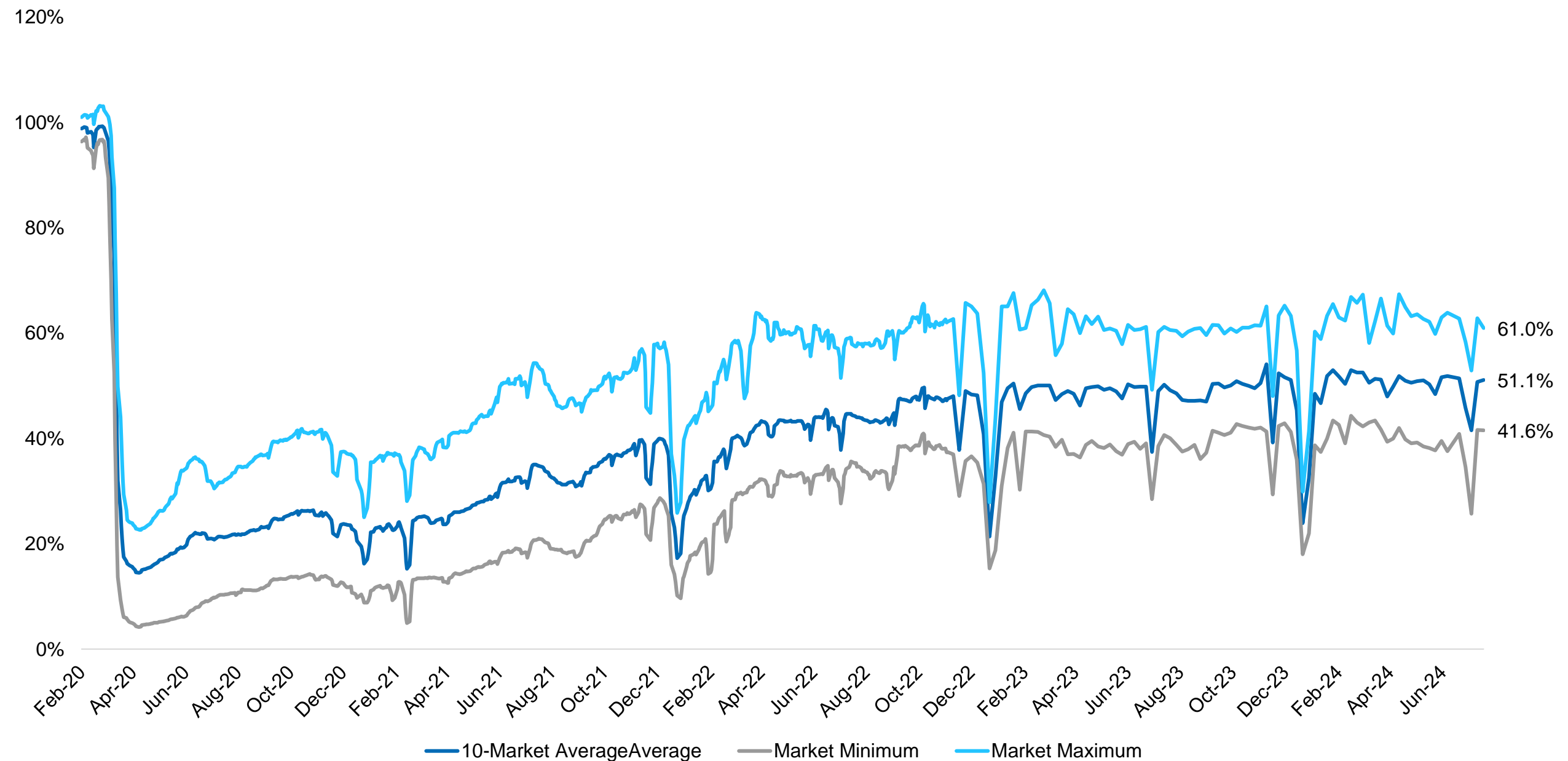


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Return to Office Has Stabilized

Kastle Systems' data shows office was relatively stable in the second quarter of 2024. The 10-market average reached 54.1% in mid-November of 2023, the highest occupancy levels seen since pre-pandemic, before sliding down again. The 10-market average stood at 51.1% as of July 2024. There continues to be significant variation in daily office attendance during a given week, suggesting that peak office attendance may have been as high as 70% and pushing 80% in the markets with the most robust return to office.

Kastle Systems Daily Office Physical Occupancy Index – 5-Day Trailing Average (Baseline = February 2020)



Source: Kastle Systems, Newmark Research



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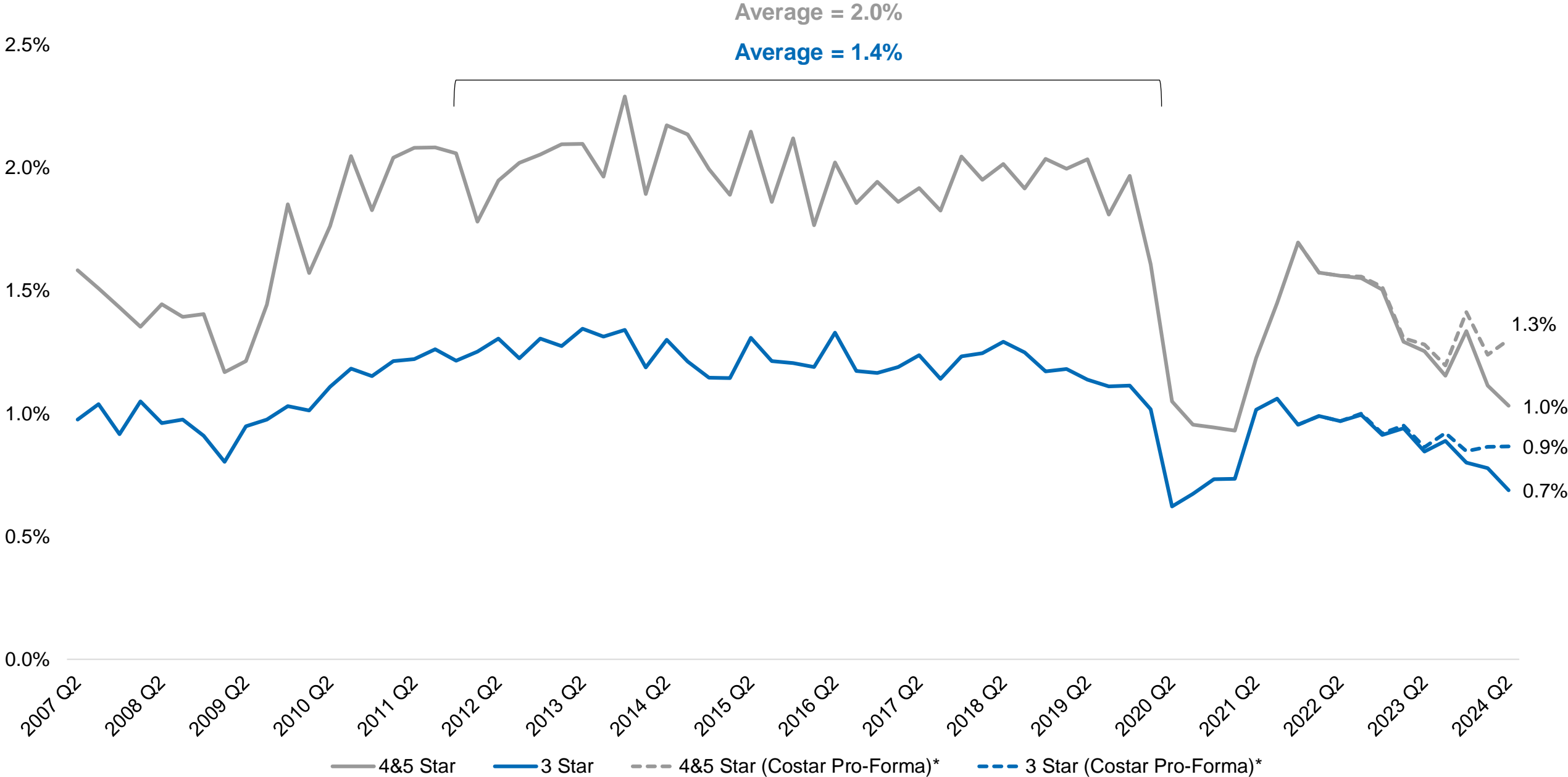
Leasing Market



Office Leasing Lukewarm in 2Q24, Though Signs of Stabilization

Higher-quality buildings continued to outpace the overall market and drove a disproportionate share of leasing activity in the second quarter of 2024. Although four- and five-star buildings only account for 37.4% of inventory, these assets captured 49.7% of leasing activity in the second quarter of 2024.

Leasing Activity as a Share of Inventory



Source: CoStar, Newmark Research as of 7/19/2024

*CoStar pro-forma based on proprietary internal formula that estimates remaining leases not captured based on analysis of historical leasing trends.

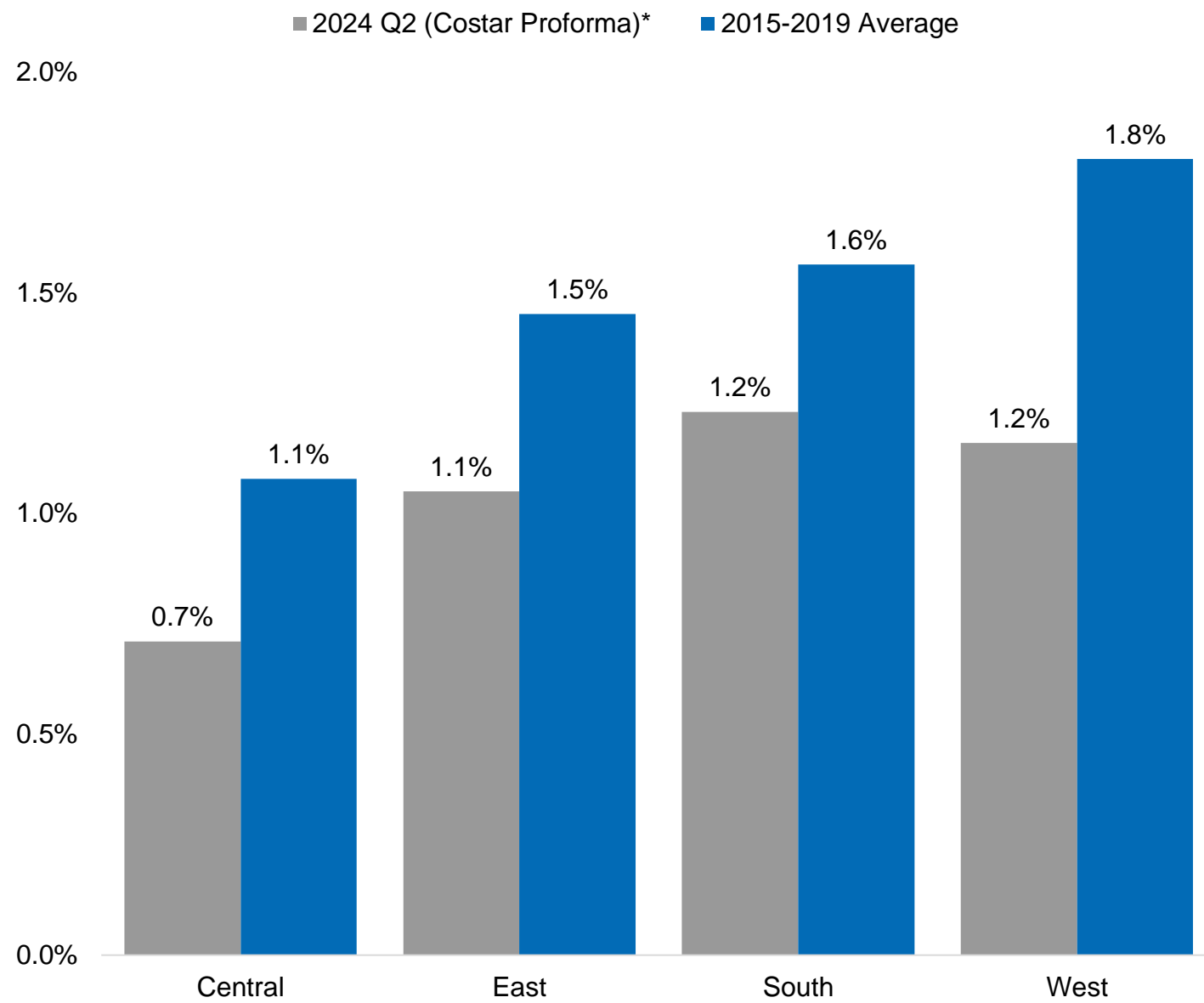


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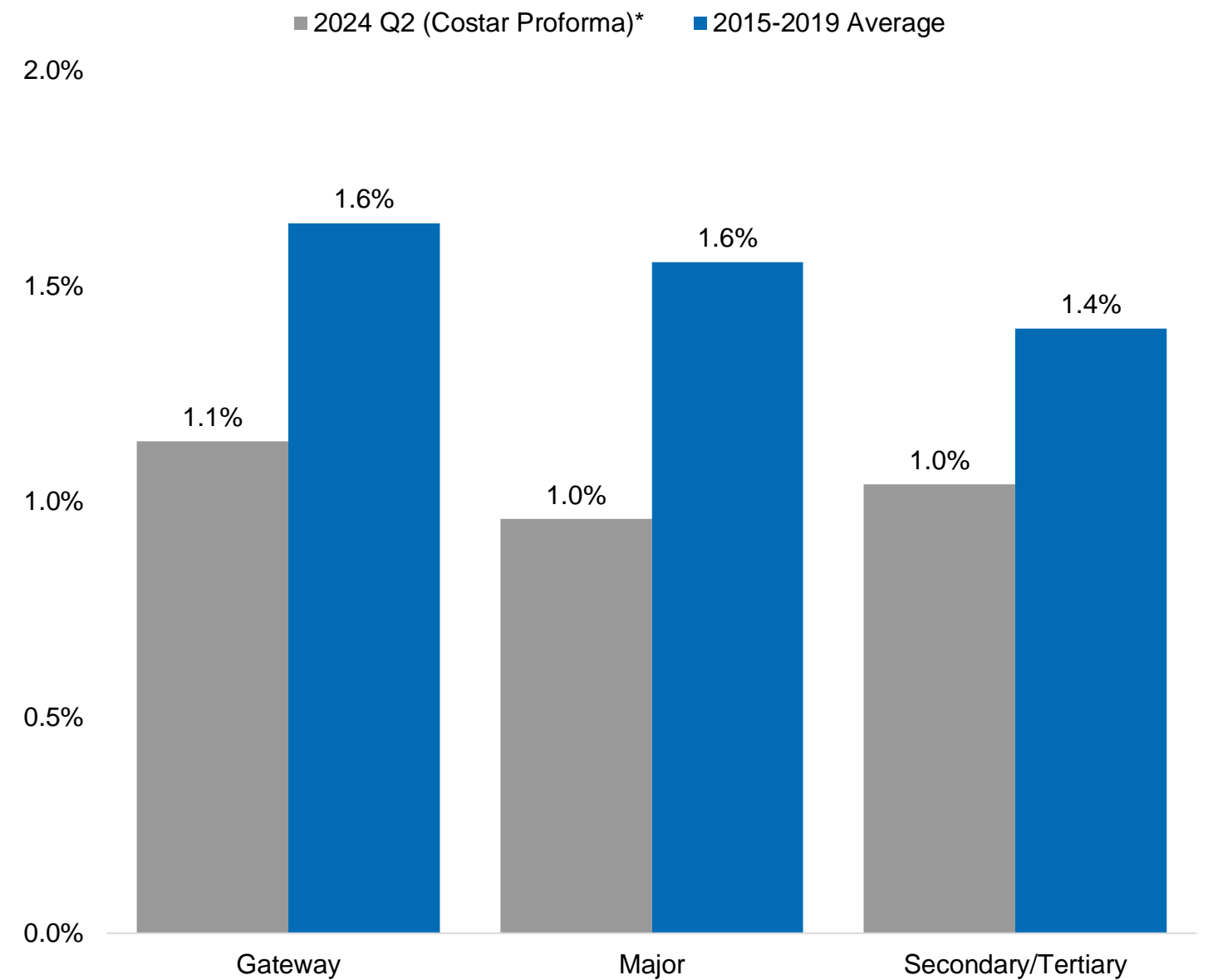
Leasing Activity Relatively Even across Regions and Market Tiers

Leasing activity was again sluggish in most markets in the second quarter of 2024. Leasing momentum had been more varied prior to the onset of the pandemic, with Western and major gateway markets commanding a large share of leasing relative to inventory. In the second quarter of 2024, leasing activity as a percent of inventory was relatively even across most regions and market sizes, except the Central Region, which continued to underperform.

Regional Leasing Activity as a Percent of Inventory



Market Size Leasing Activity as a Percent of Inventory



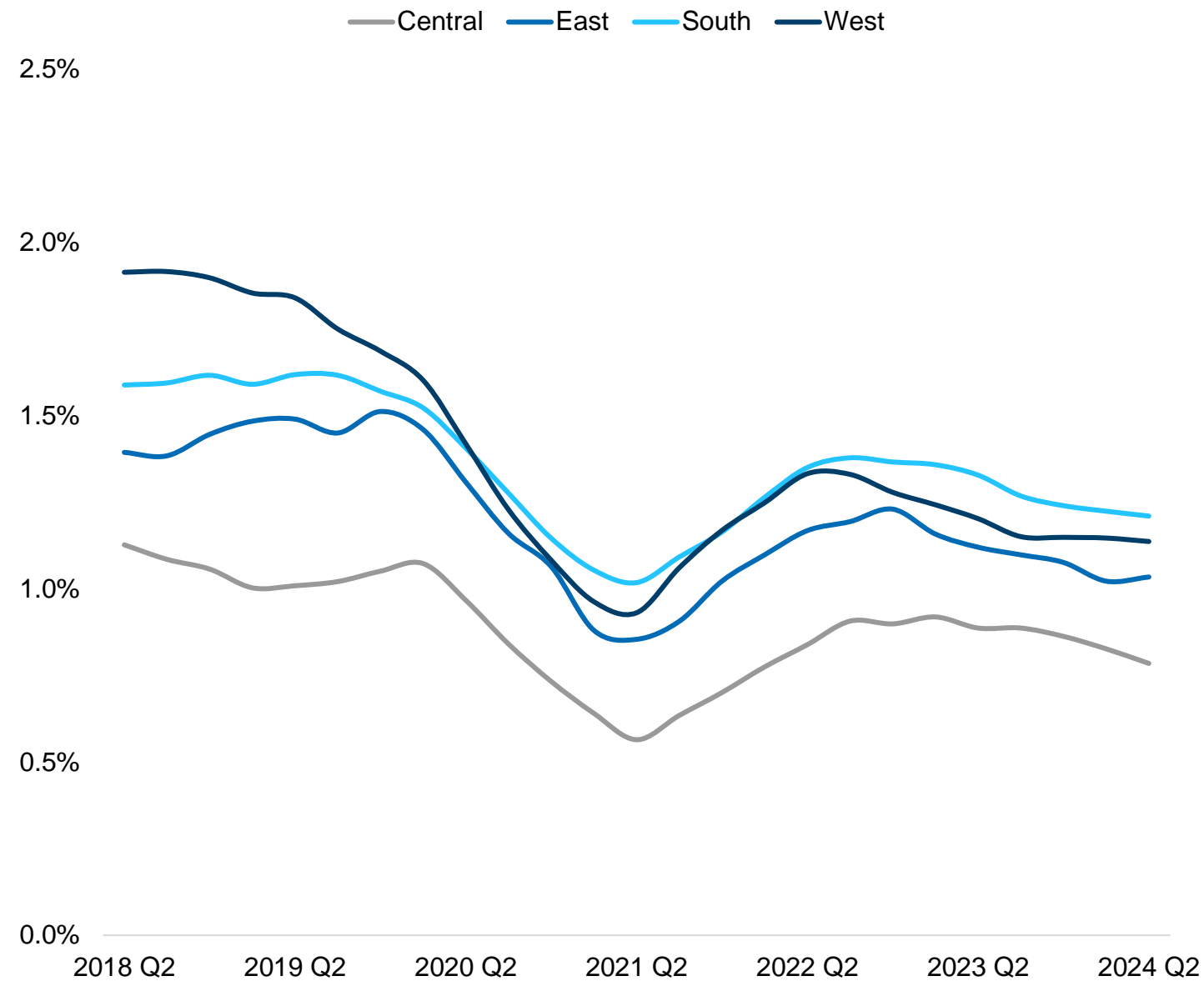
Source: CoStar, Newmark Research as of 7/19/2024

*CoStar pro-forma based on proprietary internal formula that estimates remaining leases not captured based on analysis of historical leasing trends.

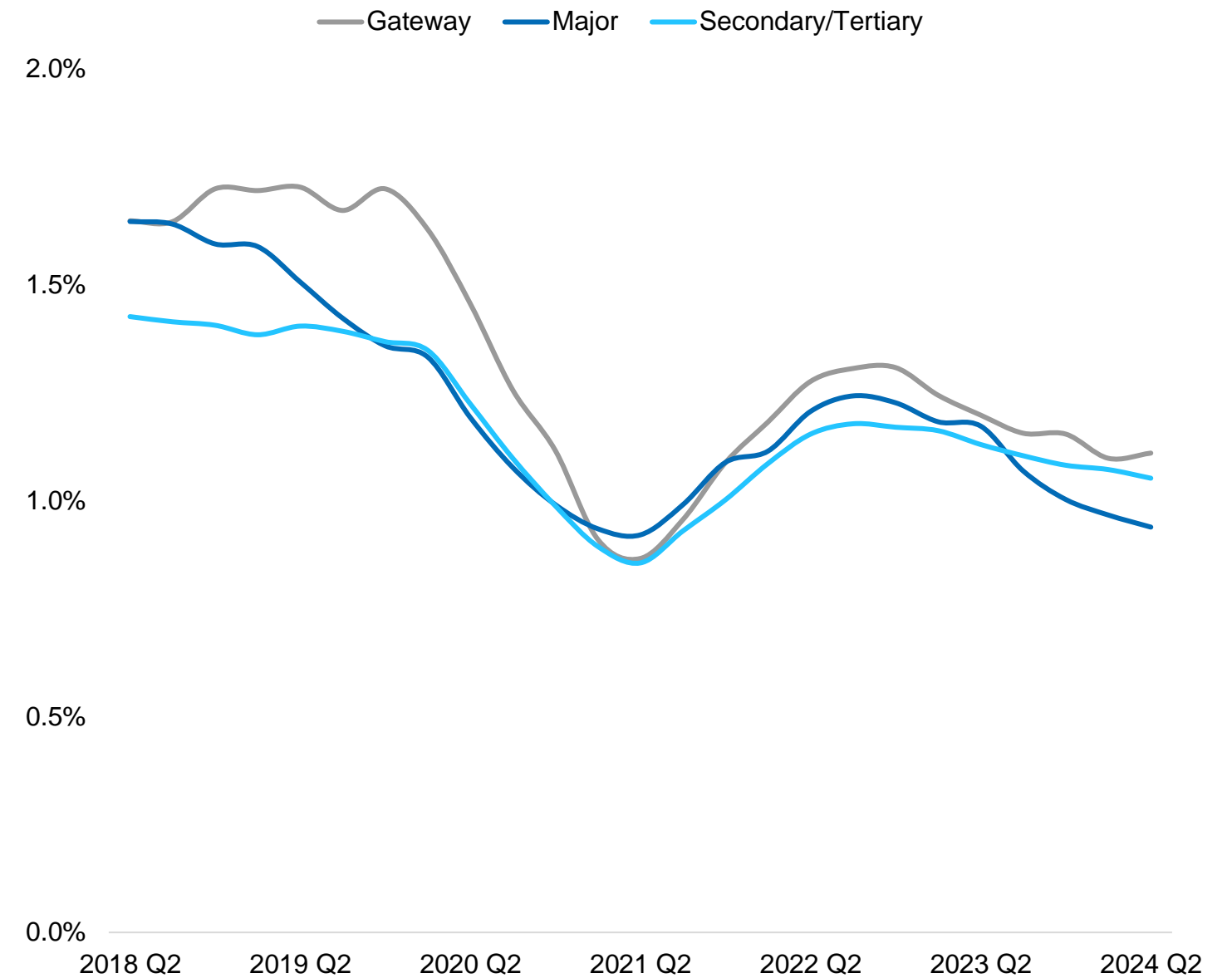
Leasing Activity Has Continued to Trend Downwards in Recent Quarters

Most regions and market sizes have seen a slowdown in leasing activity compared with gains in 2022. Southern and gateway markets have outperformed, while Central Region and major markets (excluding their gateway component) have underperformed. Western, major and gateway markets have seen the largest relative decline in activity compared with pre-pandemic.

Regional Leasing Activity as a Percent of Inventory (4-Quarter Trailing)*



Market Size Leasing Activity as a Percent of Inventory (4-Quarter Trailing)*



Source: CoStar, Newmark Research as of 7/19/2024

*The fourth quarter of 2021 through the second quarter of 2024 values used in four-quarter trailing calculation use CoStar pro-forma based on proprietary internal formula that estimates remaining leases not captured based on analysis of historical leasing trends.



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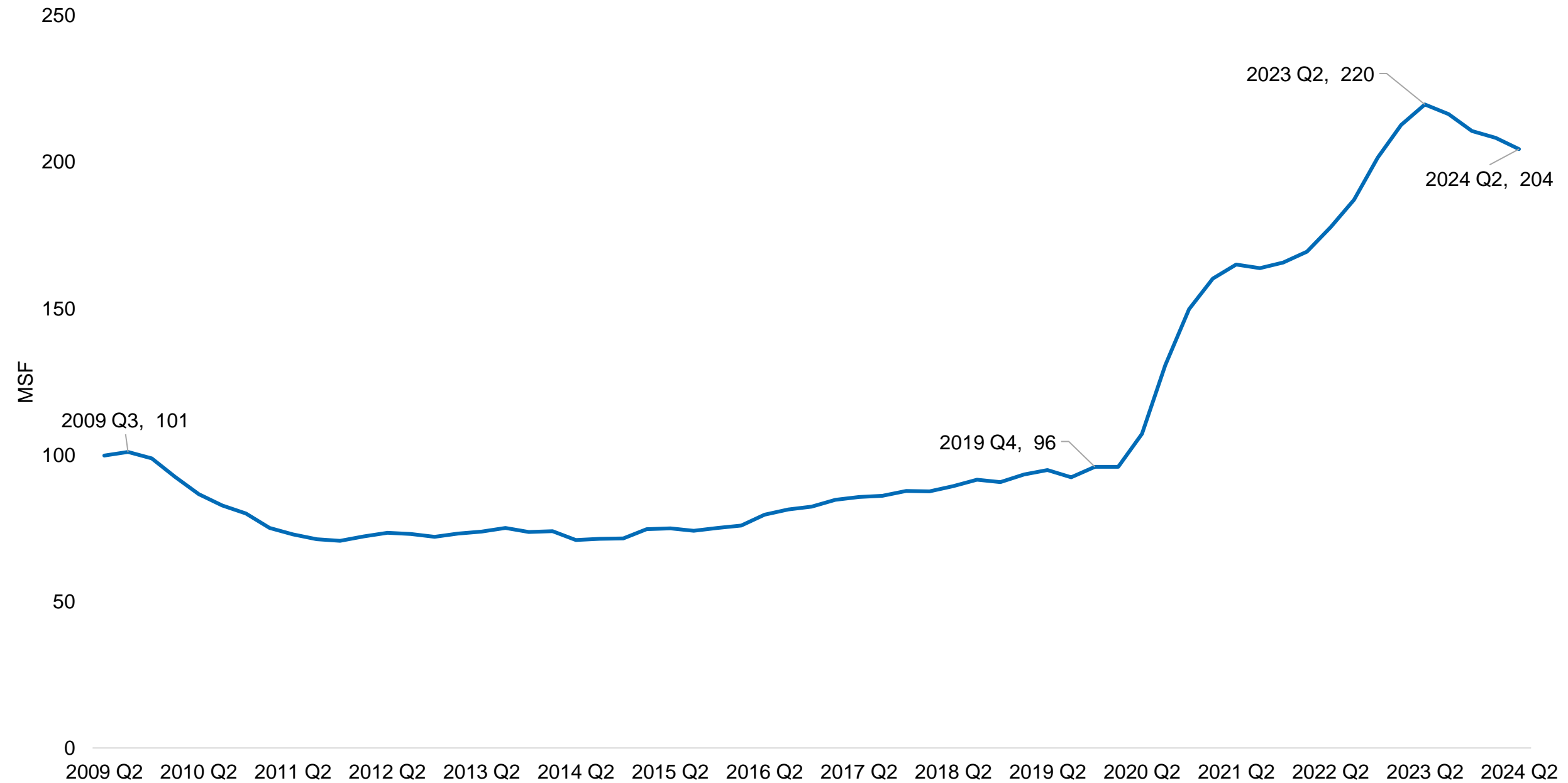


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Sublease Availability Continued to Decline in 2Q24

Sublease availability continued to slide in the second quarter of 2024, having declined 6.9% from the second quarter of 2023. Despite the recent decline, the continuing rise in overall vacancy implies that a portion of the sublease spaces taken off the market are due to term expiration and are now being listed on a direct basis.

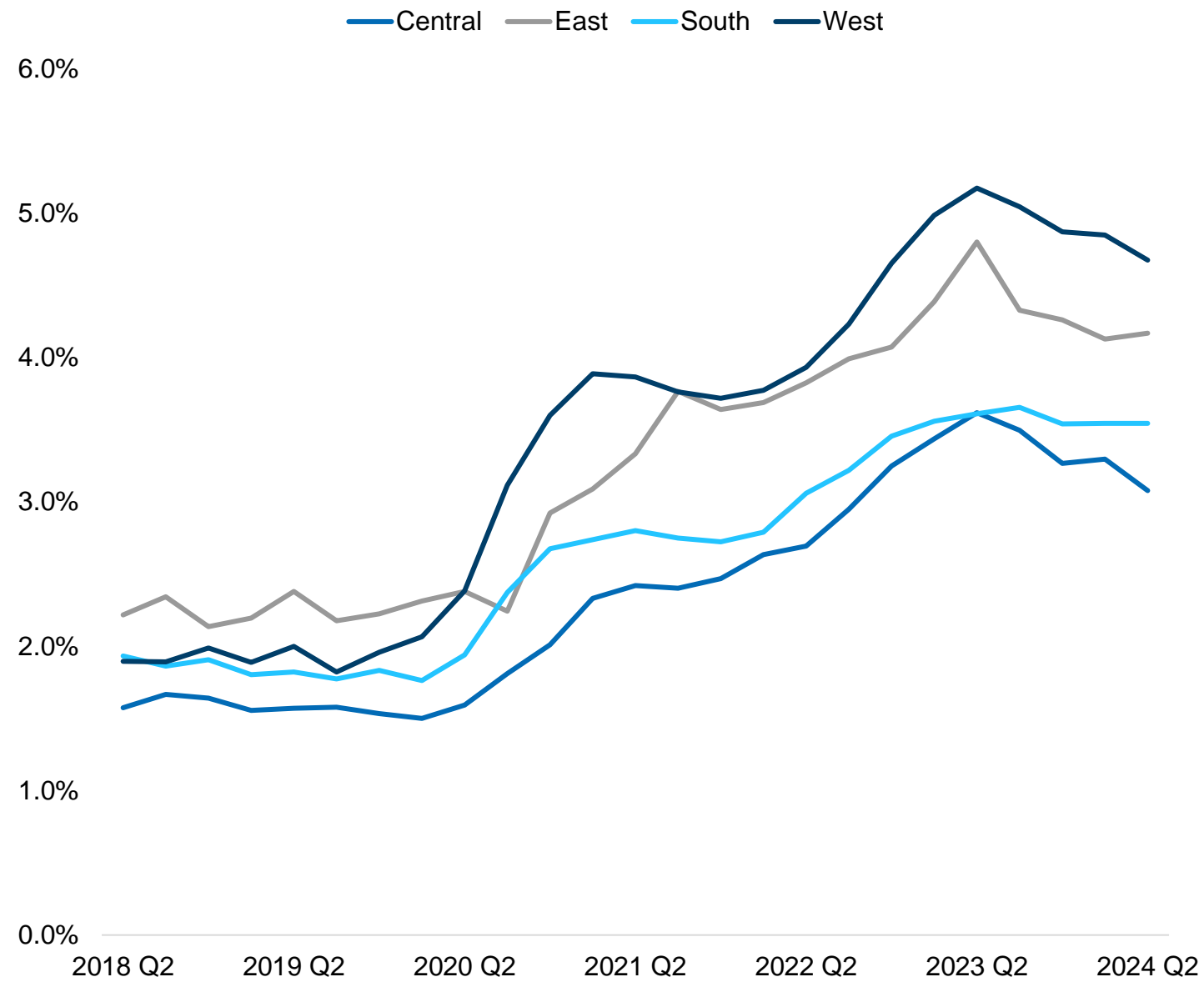
National Sublease Availability



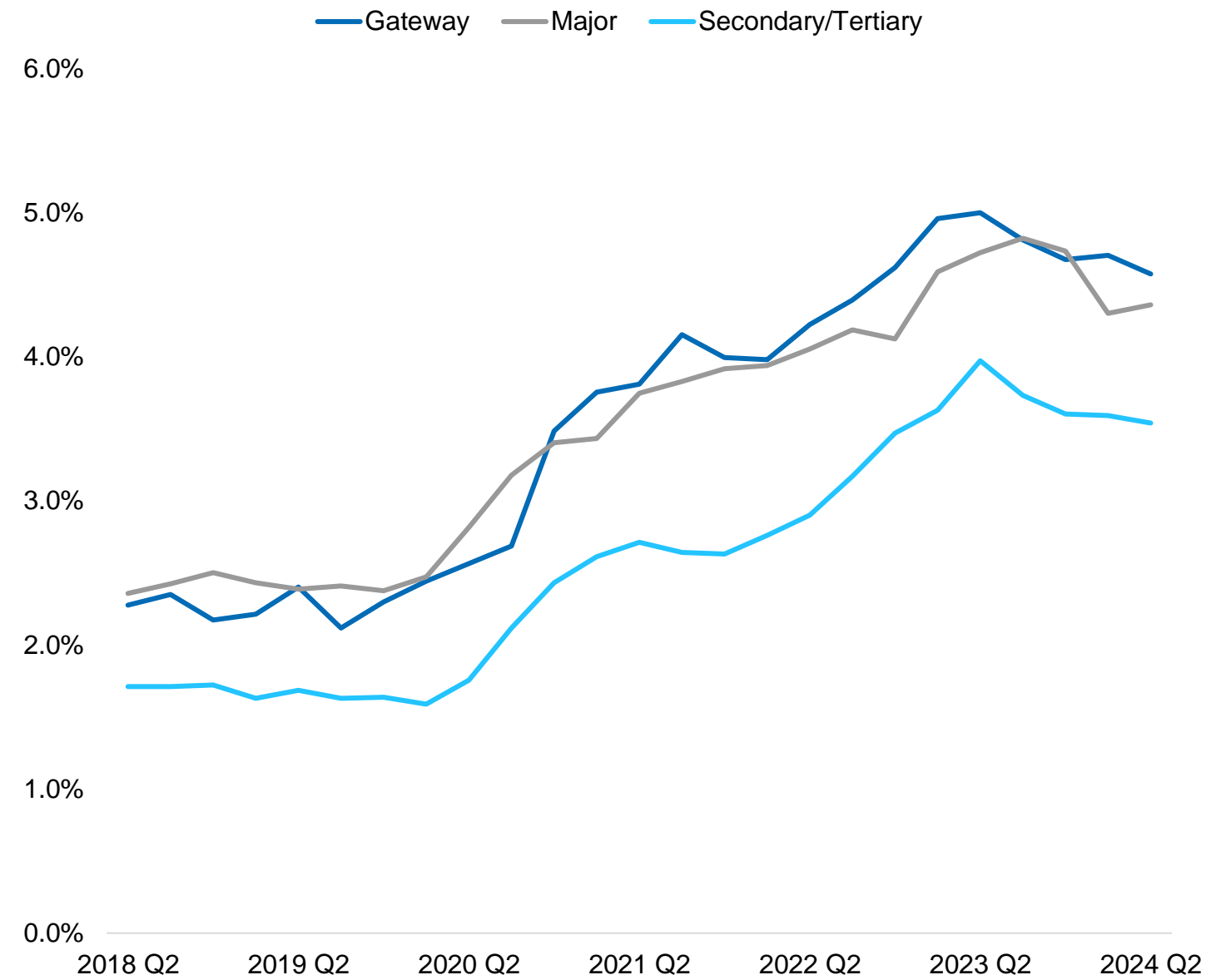
Sublease Availability Declining across Regions, Market Tiers

Sublease availability remains historically elevated, particularly in Western and Eastern markets and gateway and major markets. While reducing sublease availability is a condition for the formation of a new market expansion, the immediate signal is ambiguous as much of the sublet availability converts to direct availability (and vacancy).

Regional Sublease Availability Rate



Market Size Sublease Availability Rate

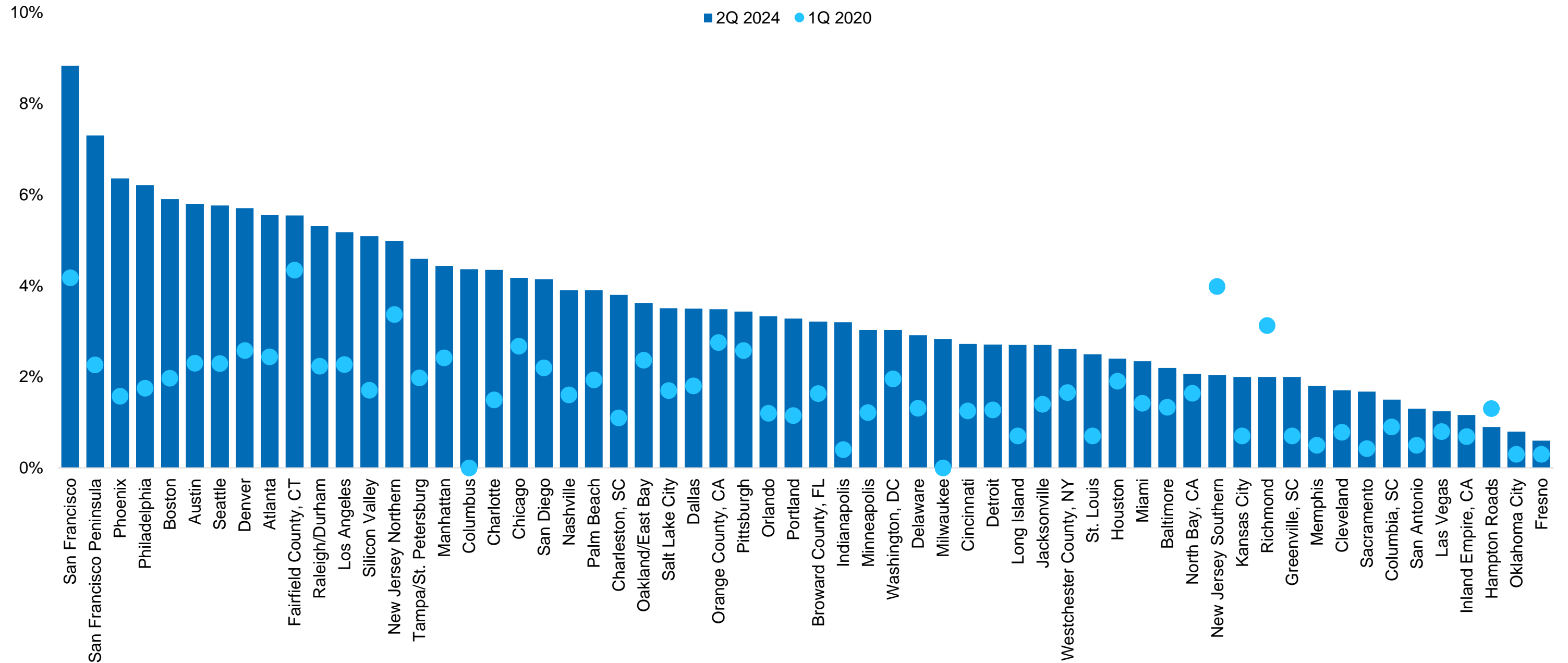


Source: CoStar, Newmark Research

Sublease Availability by Market

Sublease availability remains elevated above pre-pandemic baseline levels in most U.S. markets. Larger markets exhibiting particularly challenging sublease environments include San Francisco, San Francisco Peninsula, Phoenix, and Boston. Instability in the tech industry, evidenced by layoffs over the course of the last 12 months, indicates that these markets could experience greater increases in sublease availability, further softening fundamentals.

Current Sublease Availability Rate vs. 1Q 2020

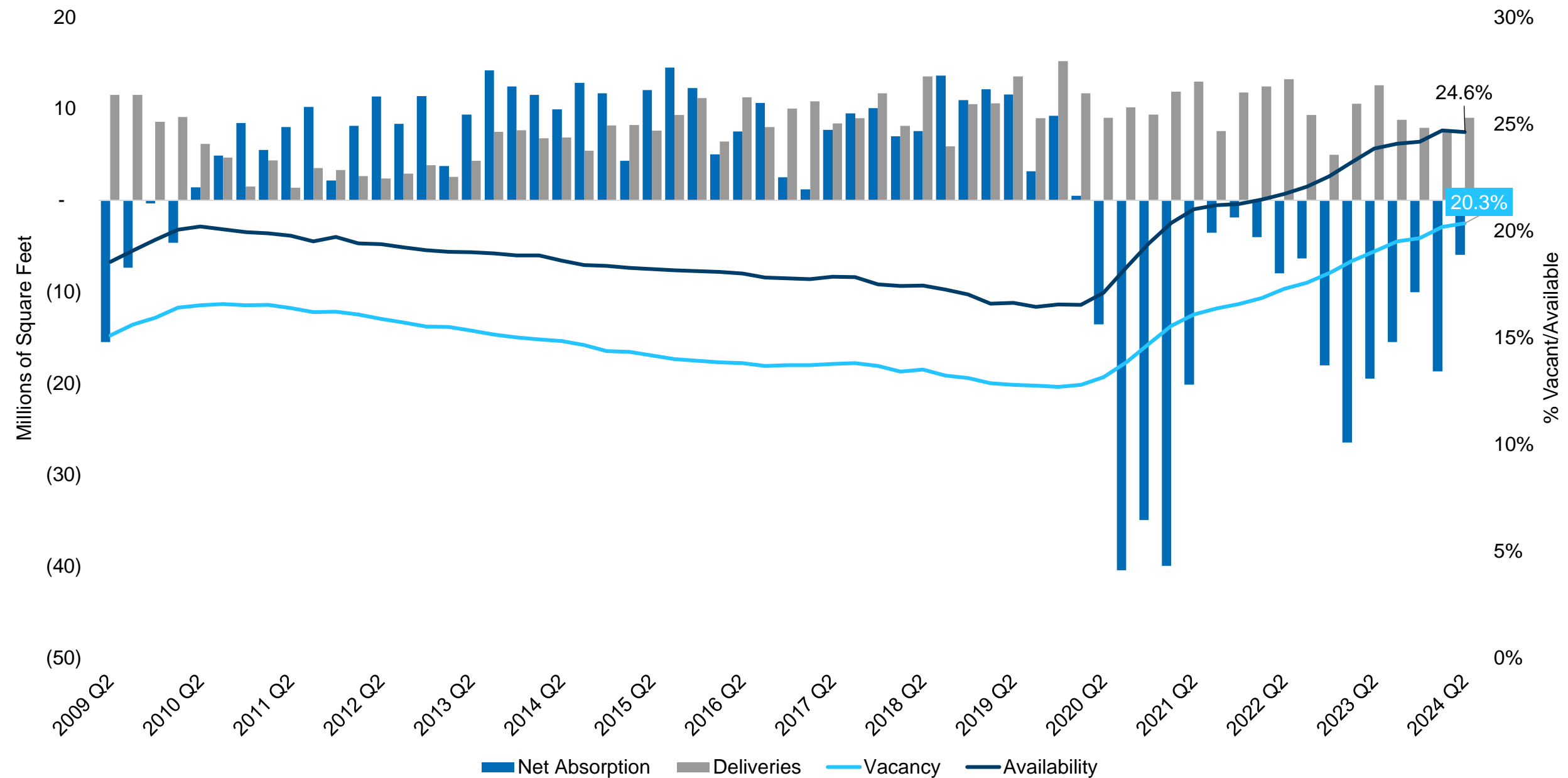


Source: CoStar, Newmark Research

Net Absorption Returned to Recovery Trend in 2Q24

After four quarters of improving (though negative) net absorption, losses accelerated in the first quarter of 2024, totaling negative 18.7 million SF. Net absorption corrected course to the prior trend in the second quarter of 2024, totaling negative 6.0 million SF. Several markets saw QoQ occupancy losses decelerate by over 1.0 million SF, including Manhattan, Boston, Houston, and Nashville. Negative demand combined with moderate deliveries drove vacancy 10bps higher in the second quarter of 2024 to 20.3%. Overall office availability, however, fell 10bps to 24.6%.

Supply and Demand: Net Absorption, New Construction Deliveries, and Vacancy

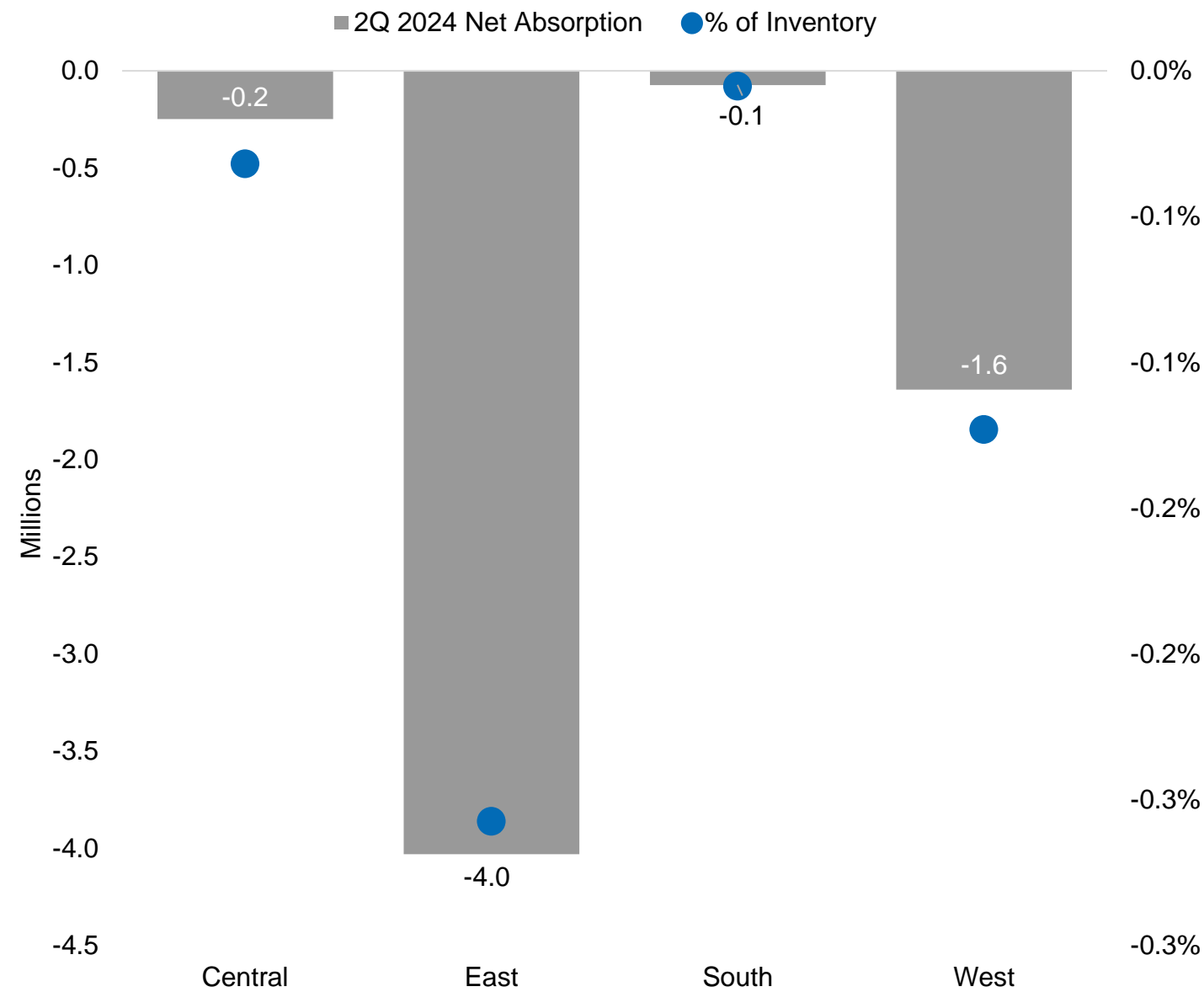


Source: CoStar, Newmark Research

Occupancy Losses in 2Q24 Concentrated in Eastern, Gateway Markets

Occupancy declined nationally in the second quarter of 2024, driven entirely by losses in major and gateway markets, particularly in the East and West. Smaller, secondary markets accounted for nearly all positive net absorption in the second quarter of 2024; of particular note were Columbus (+710,000 SF), Nashville (+703,000 SF), and Baltimore (+613,000 SF).

Regional Net Absorption



Market Size Net Absorption



Source: CoStar, Newmark Research

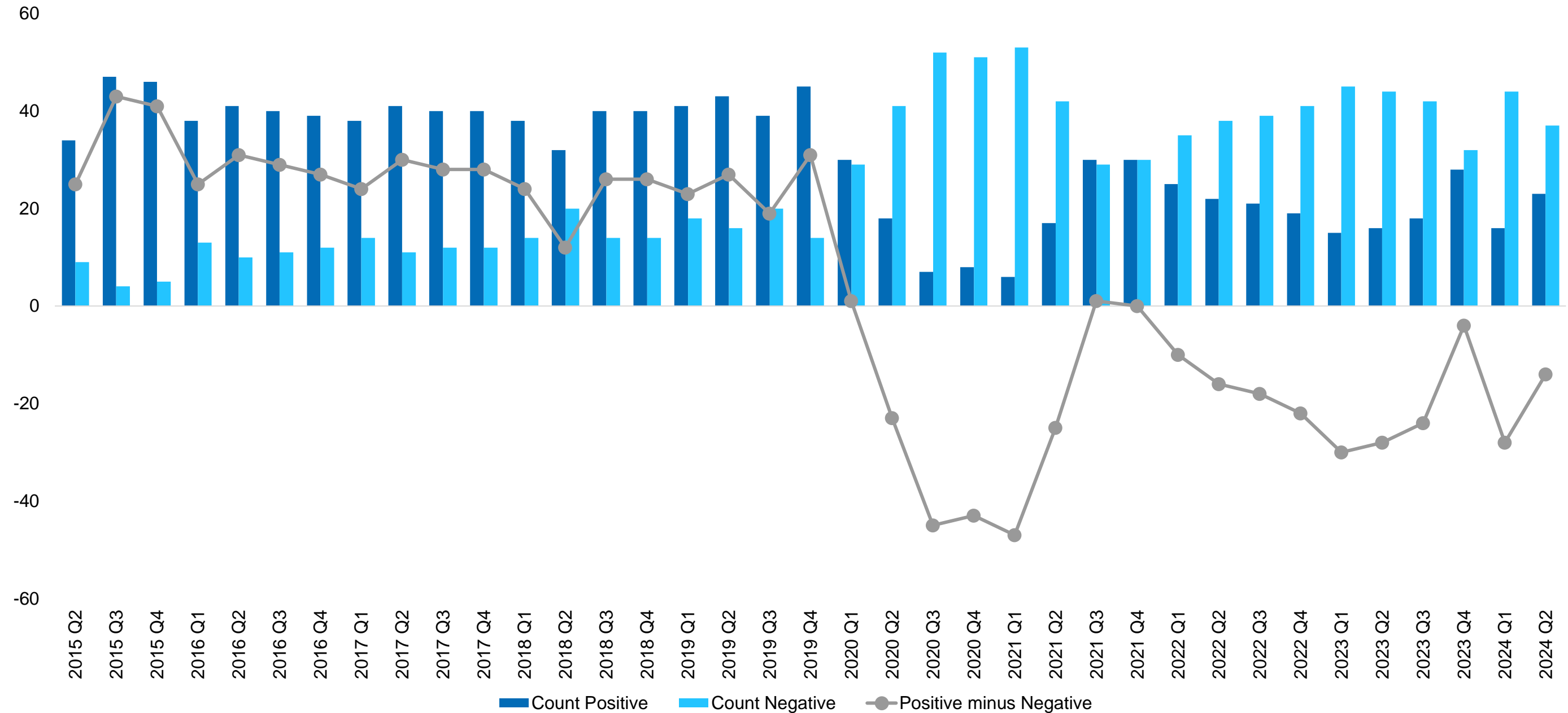


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Net Absorption: 10 Consecutive Quarters of Negative Diffusion

23 markets recorded positive net absorption in the second quarter of 2024, while 37 recorded negative net absorption, yielding a diffusion index of negative 14. Since the second quarter of 2020, an average of 41 markets have recorded quarterly negative net absorption, with an average diffusion index of negative 22.1.

Positive vs. Negative Net Absorption Markets



Sources: CoStar, Newmark Research

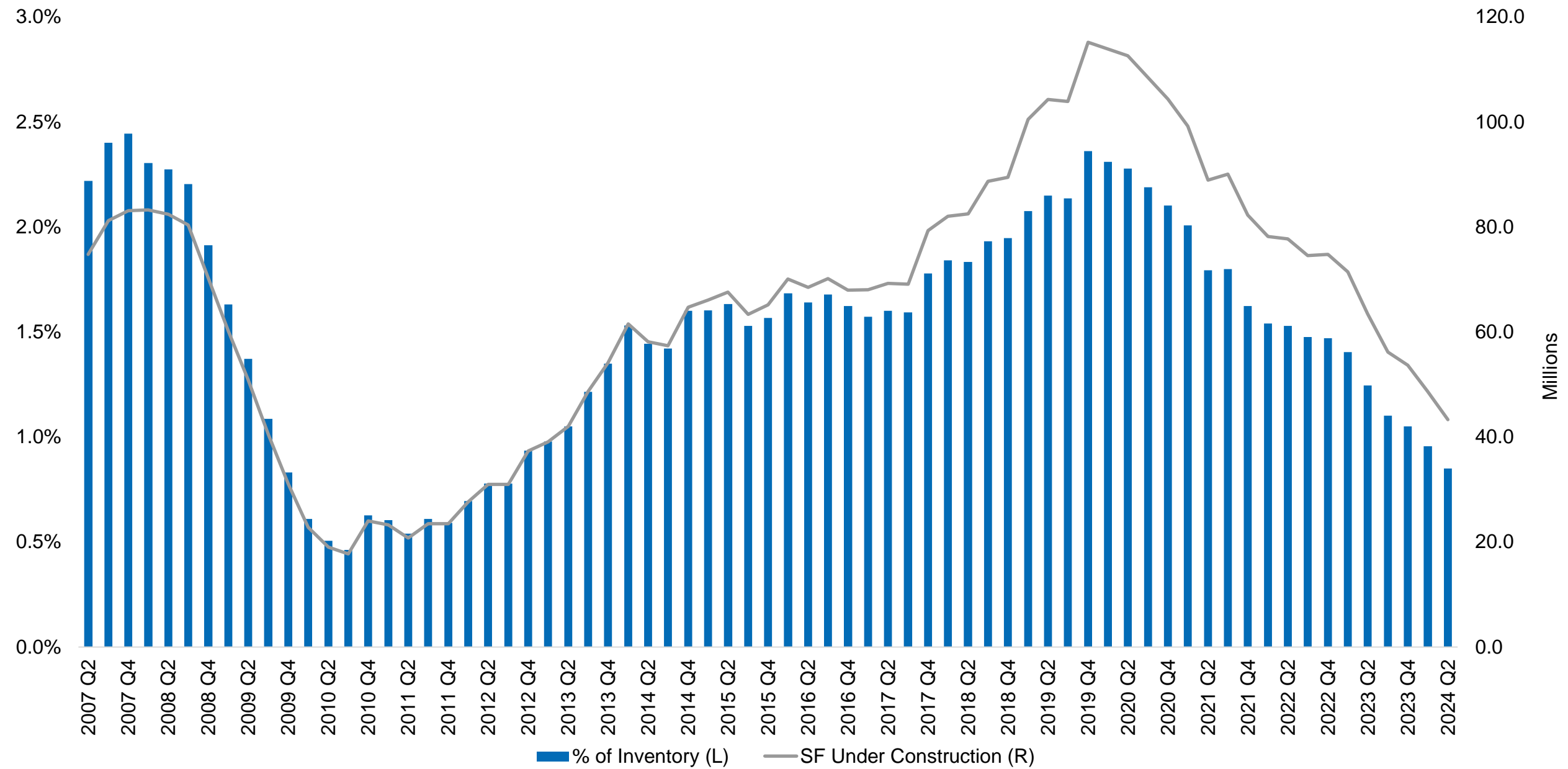


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Office Construction Pipeline Continues to Contract

Office space under construction peaked in late 2019 at over 115 million SF but has since slowed inexorably. Construction activity inched down in the second quarter of 2024 as pessimism among some discouraged new groundbreaking activity. The pipeline's continuing contraction will help curb the market's overall vacancy rise, as much of the product delivered since the onset of the pandemic has remained unleased.

Under Construction: Percent of Inventory and Total Square Footage



Sources: CoStar, Newmark Research

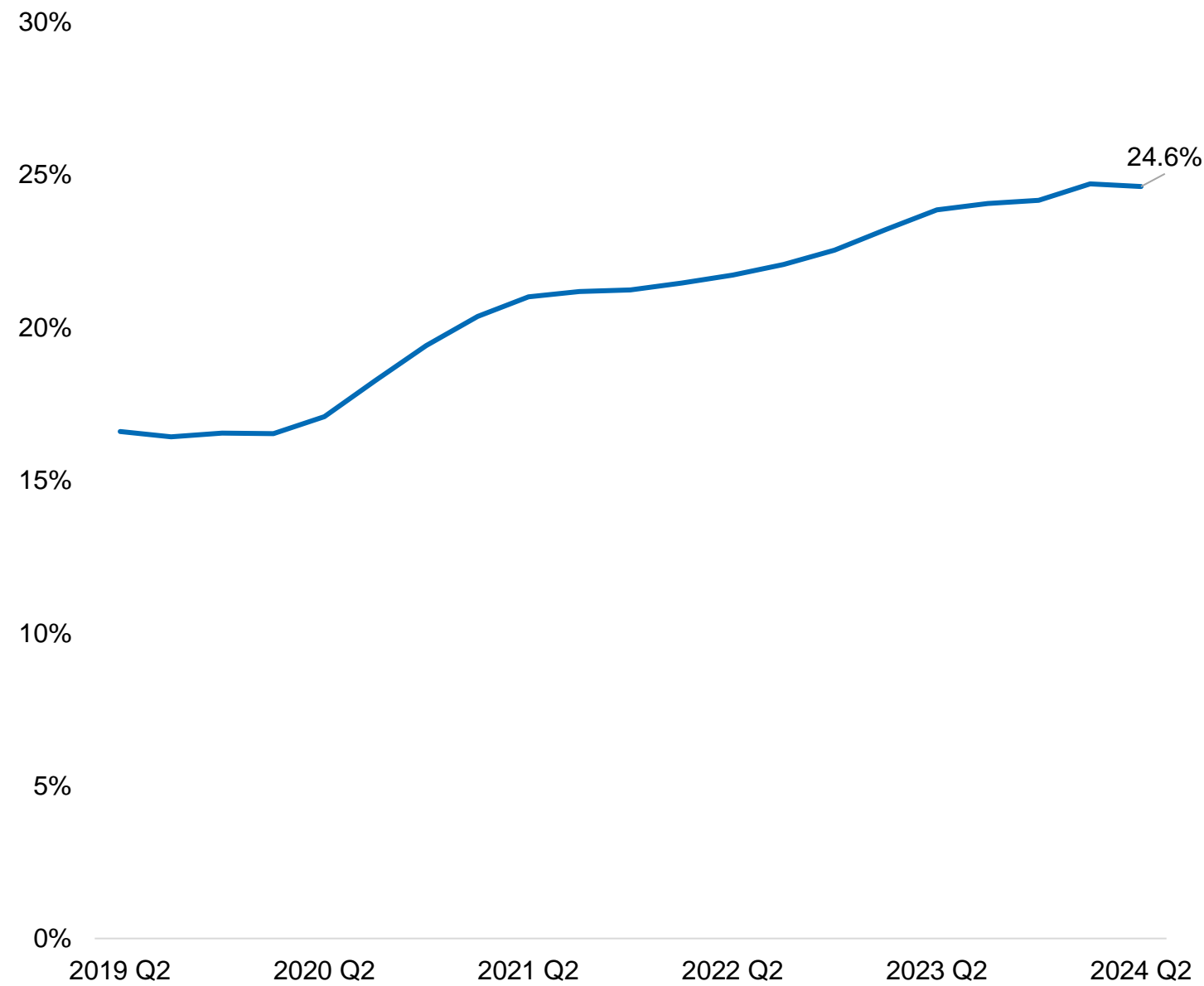


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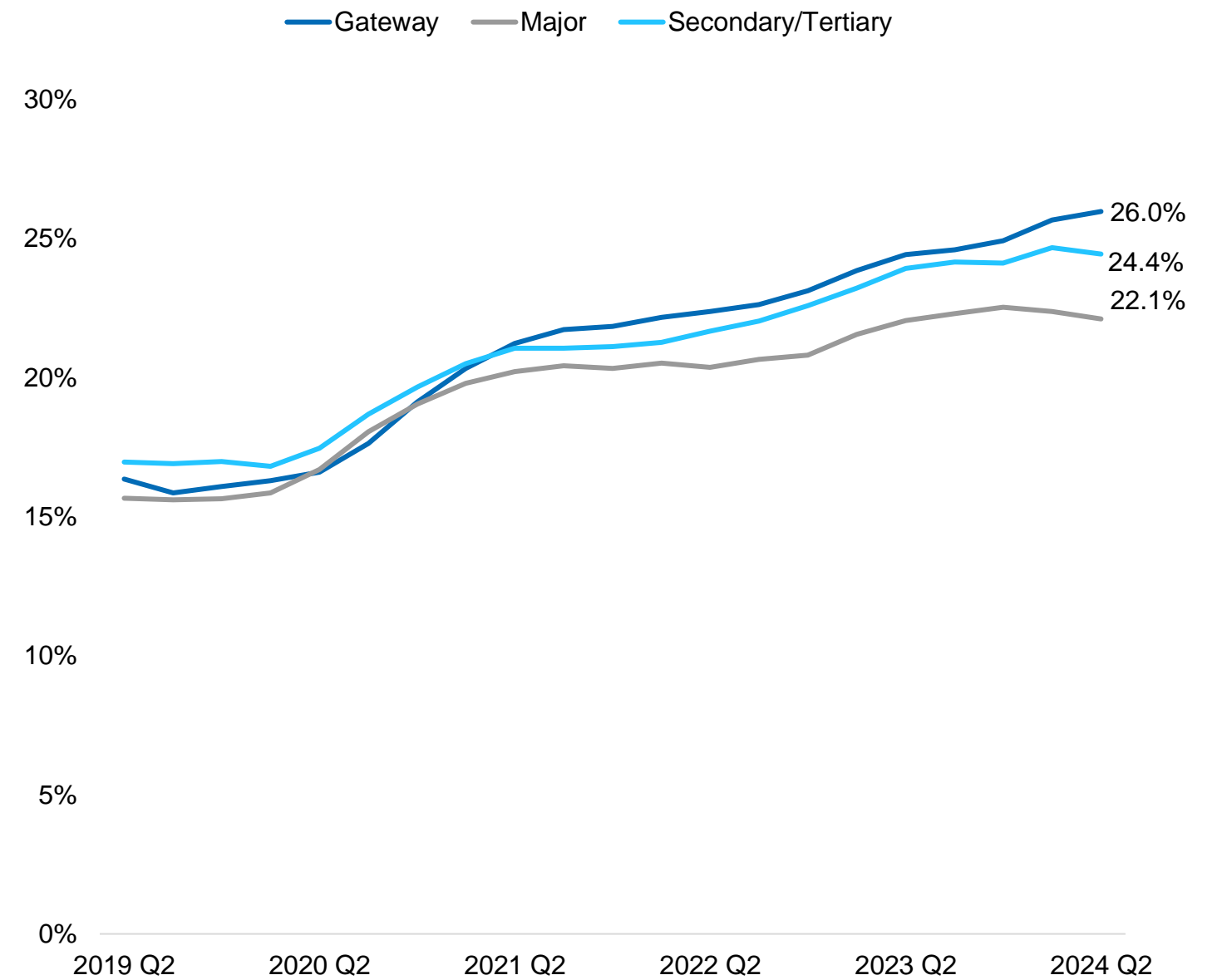
Availability Rates Have Not Yet Peaked

Overall availability declined slightly quarter-over-quarter, though it increased 75 basis points year-over-year, and is notably elevated in gateway and secondary markets. Prior to the second quarter of 2022, major markets had recorded stabilizing availability levels, but renewed uncertainty has driven up availability rates alongside other fundamentals, including sublease space and vacancy.

National Office Market Availability Rate



Availability Rate Comparison By Market Size

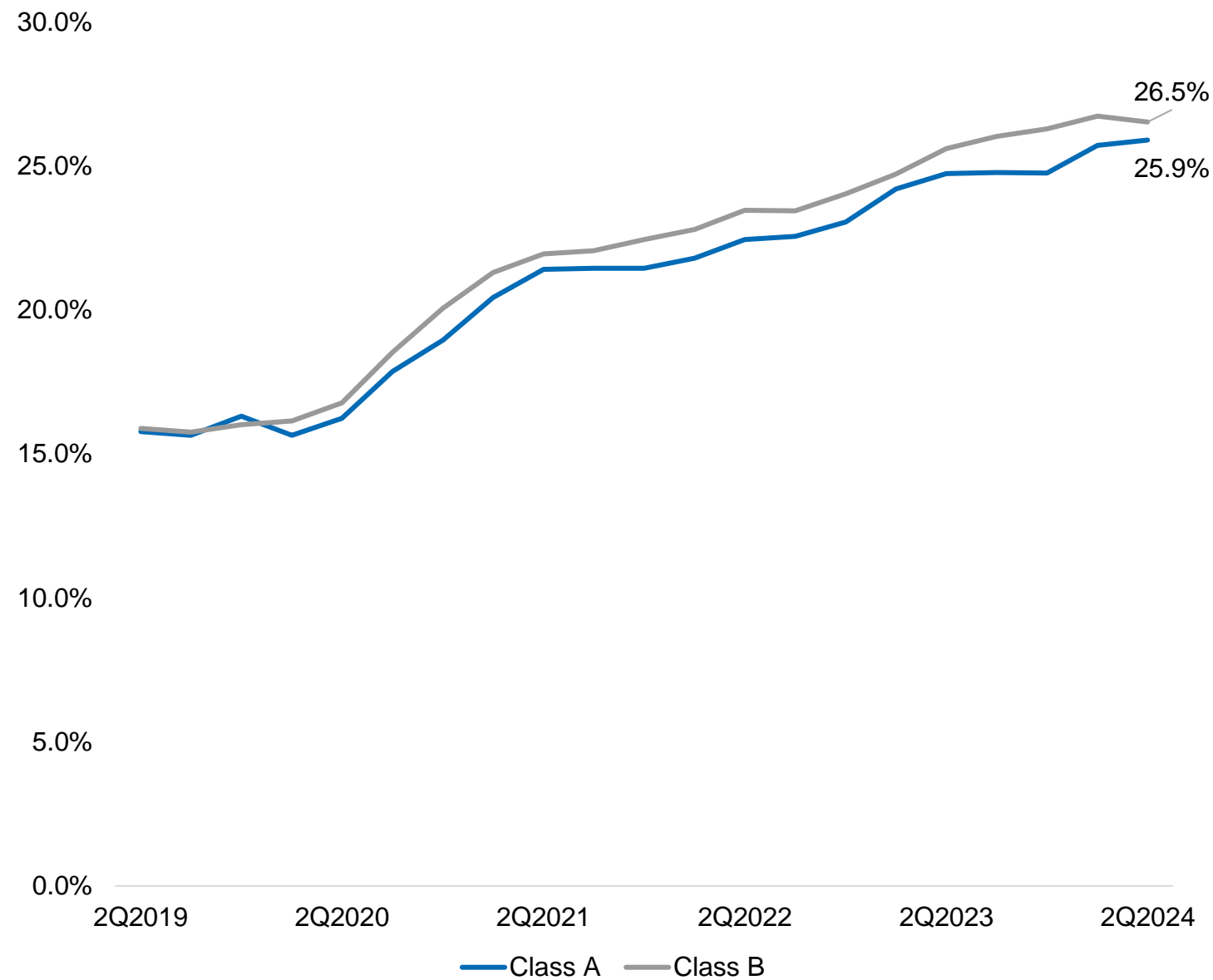


Sources: CoStar, Newmark Research

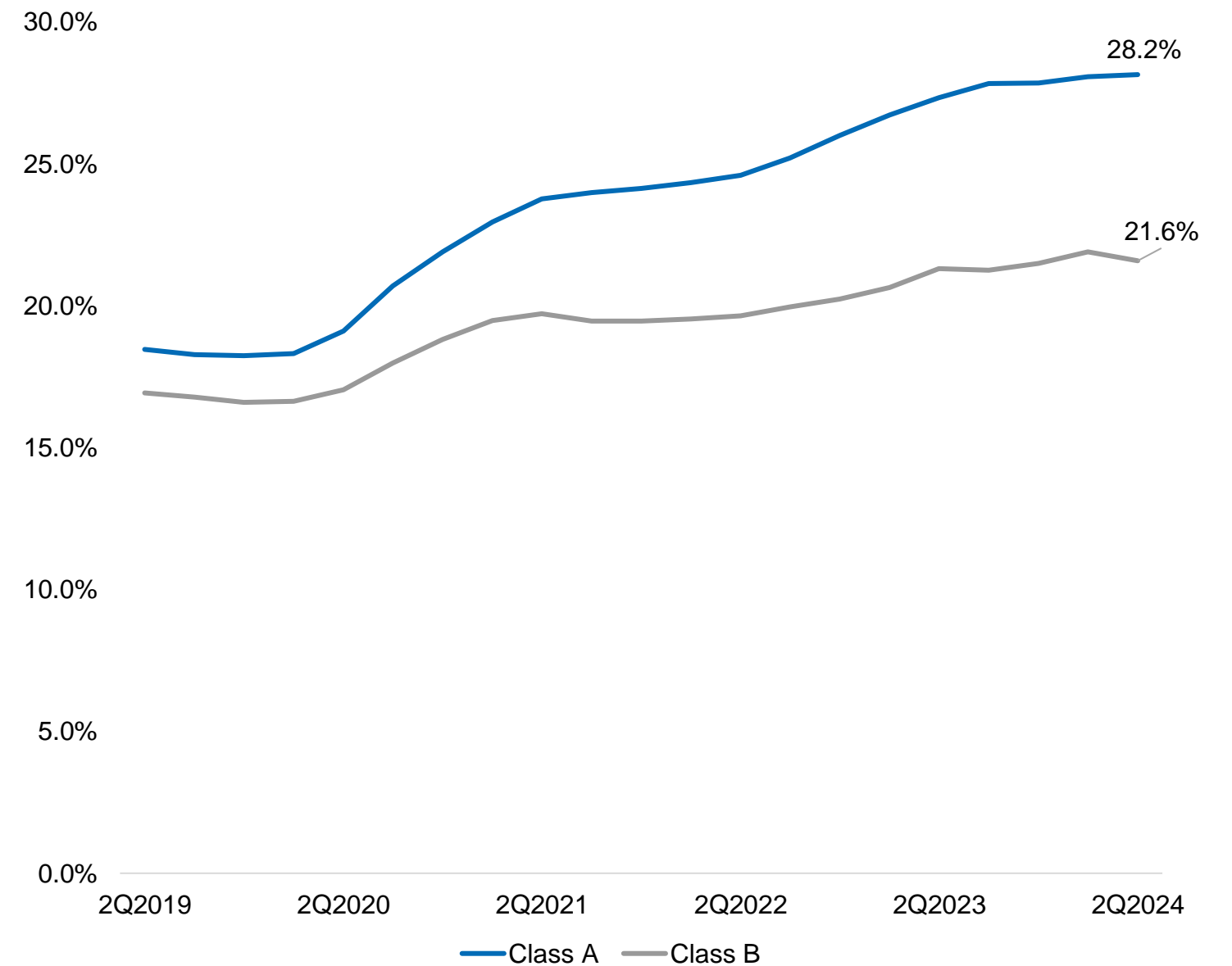
Availability Rates Continue to Rise across Building Grades

There is a disconnect between the well-attested preference for high-quality office space by investors and large tenants and overall market data. In CBD markets, availability rates are marginally higher in Class B buildings compared with Class A. In non-CBD markets, however, Class A availability is significantly higher compared with Class B, and the gap has widened in recent years. One potential explanation for this discrepancy is a growing disconnect between trophy and commodity Class A buildings. Another explanation is that Class A landlords have been prioritizing rent levels over competing with Class B buildings for occupancy.

Office Market Availability Rate By Class (CBD)



Office Market Availability Rate By Class (Non-CBD)

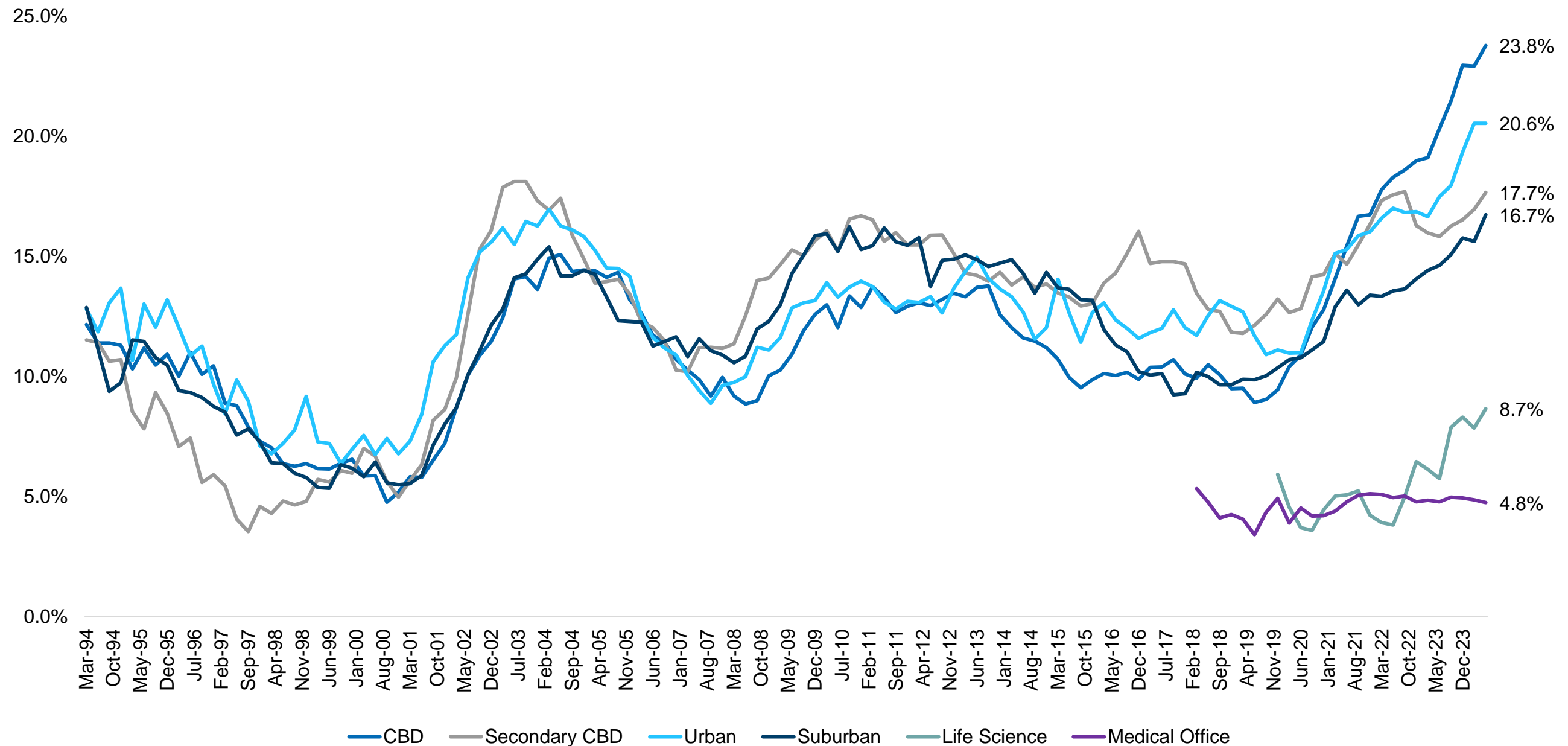


Source: CoStar, Newmark Research

CBD Office Most Impacted While Suburban Office and Niche Categories Outperform

CBD office buildings in NCREIF member portfolios have the highest availability rates. This contrasts with historical experience, where CBD offices experienced shallower downturns and quicker recoveries. Suburban office holdings have been impacted as well, but to a lesser extent. There is no evidence of availability peaking. Life science and medical office product have consistently had the lowest availability rates, though oversupply is now weighing on life science. This outperformance has persisted even as property count tripled.

NCREIF National Property Index Office Availability Rate



Sources: NCREIF, Newmark Research as of 8/6/2024

*We use the NCREIF National Property Index as a proxy for the national institutional grade office market.



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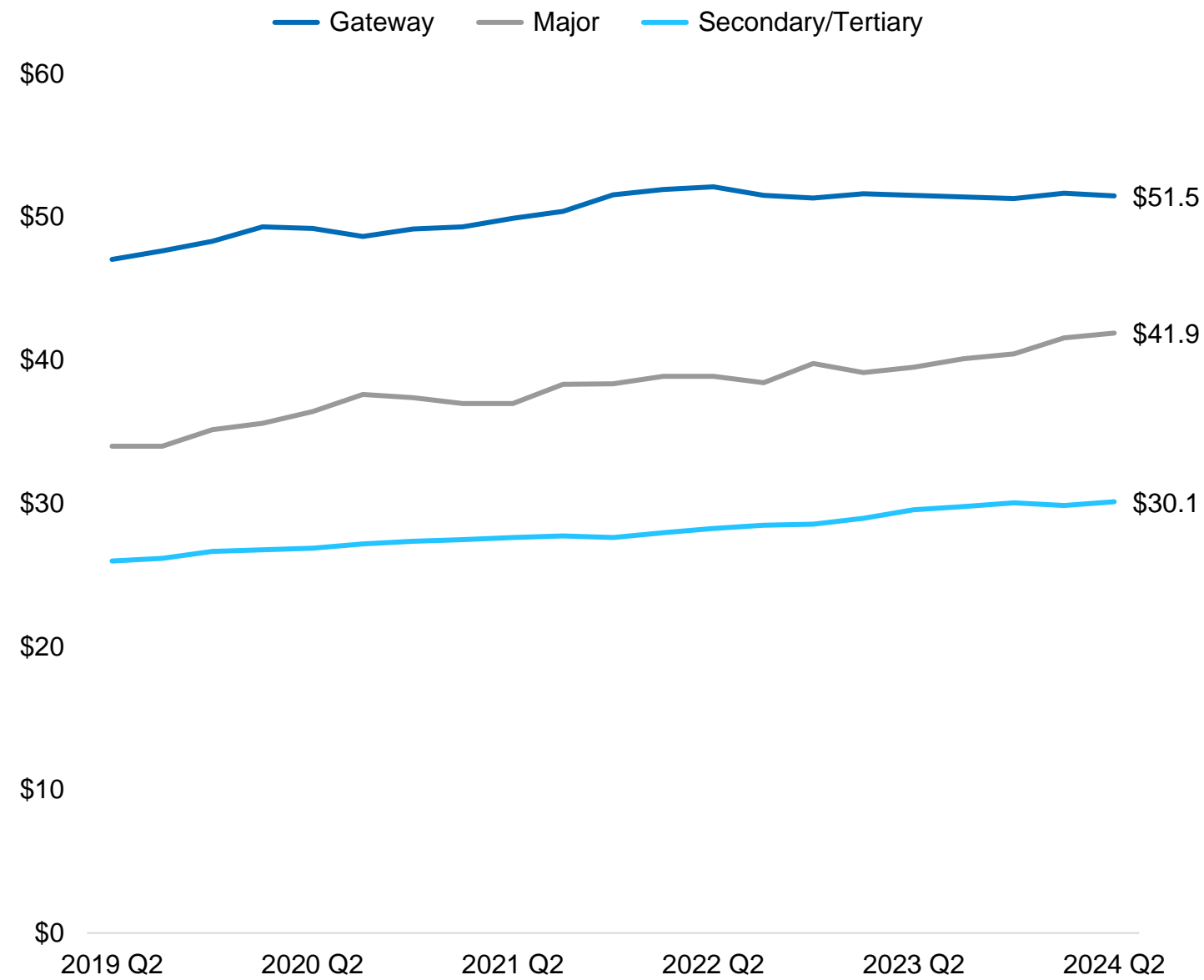


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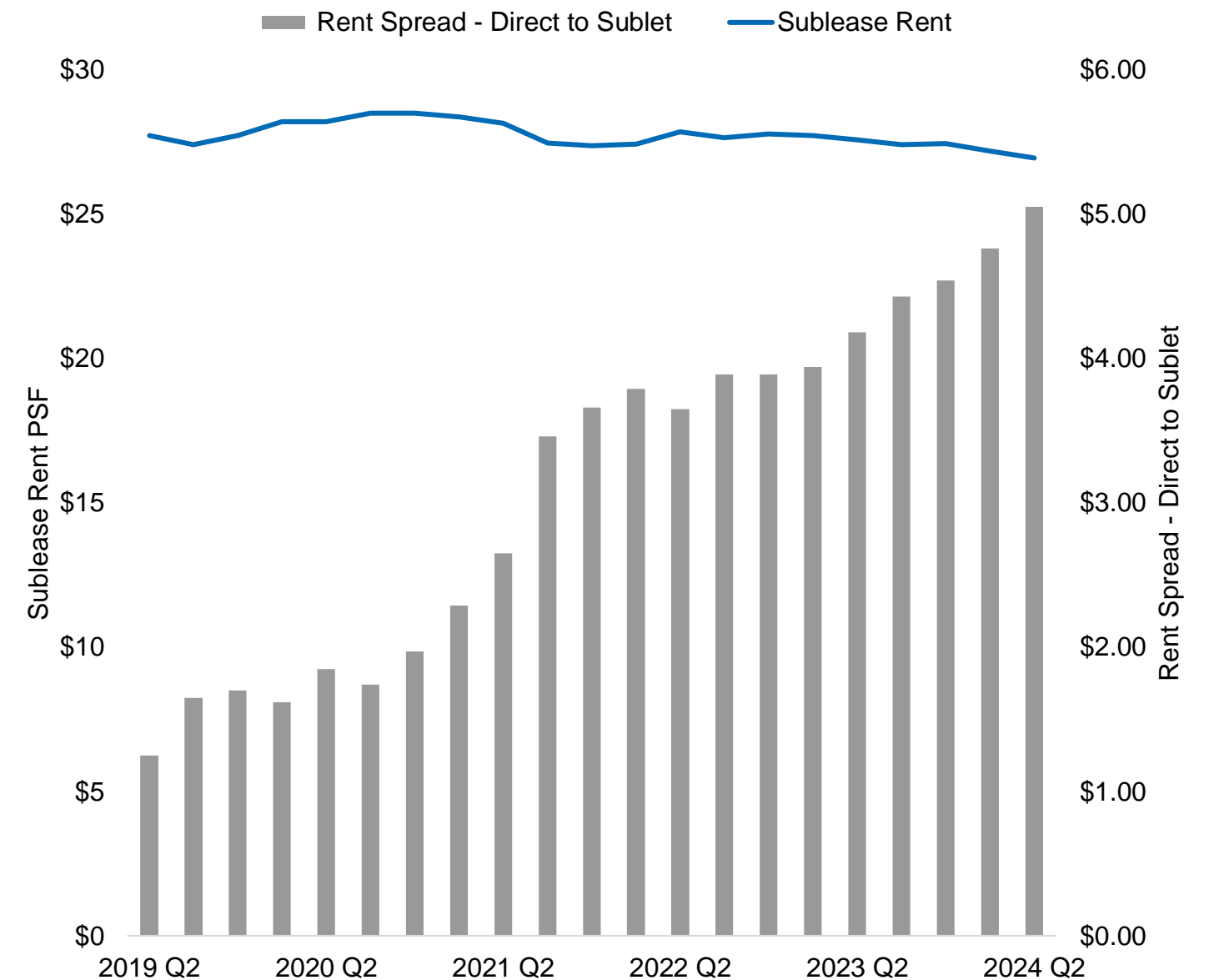
Asking Rents Defy Gravity

In past cycles, asking rents have adjusted downward to account for depressed demand; however, asking rents have largely held value since the onset of the pandemic. Some rent compression is being experienced among secondary and tertiary markets, but major markets continue to appreciate. Sublease rents have begun declining in the past year, which more visibly exhibits the impact of low demand. As a result, the spread between sublease space and direct space has widened to near all-time highs.

Overall Asking Rents Up 0.8% YoY in 2Q24



Sublet Rents Stabilized; Rent Spread Relative to Direct Rates Near All-Time High



Source: CoStar, Newmark Research

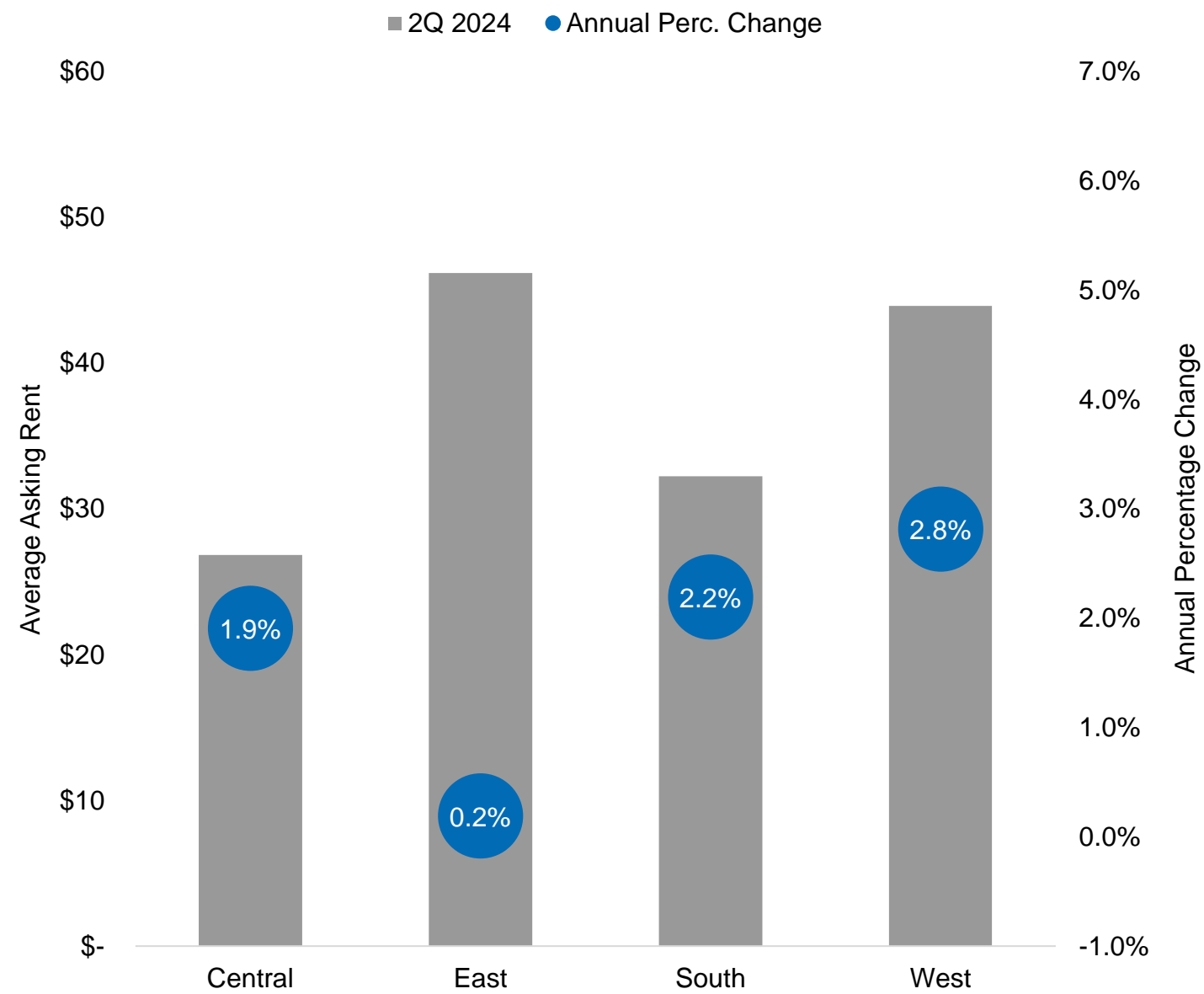


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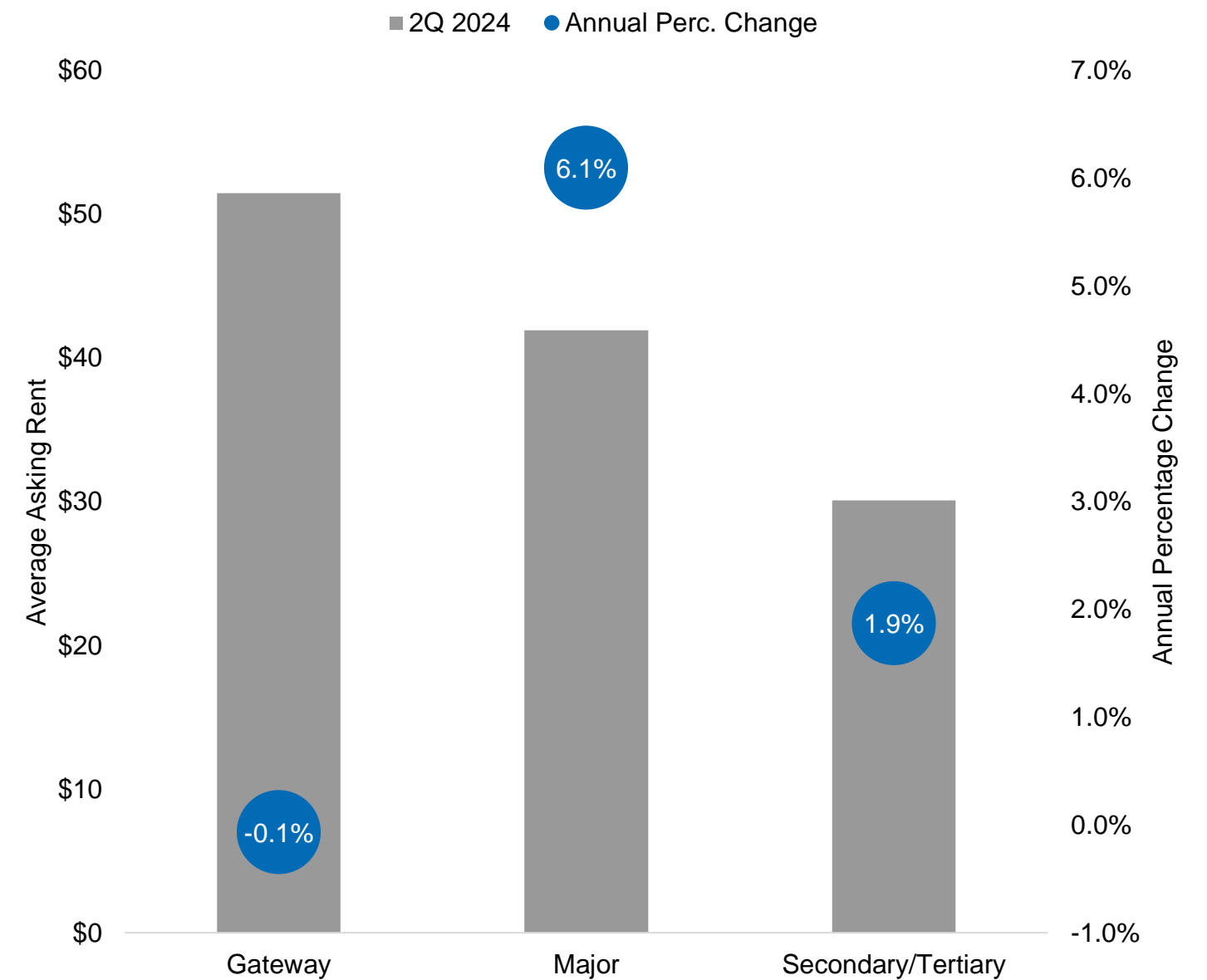
Southern and Western Regions and Major Markets Leading in Rent Growth

Overall asking rents are most elevated in major coastal Eastern and Western markets, including San Francisco, Manhattan and Silicon Valley. The West Region continues to experience aggressive rent appreciation, driven partly by inventory expansion and the success of major markets in attracting office demand in an otherwise challenging time. Effective rents are under downward pressure and modest rent compression is being felt in some markets.

Asking Rents Growing Fastest in the Central and West Regions



Non-Major Markets Experiencing the Most Rent Growth



Source: CoStar, Newmark Research



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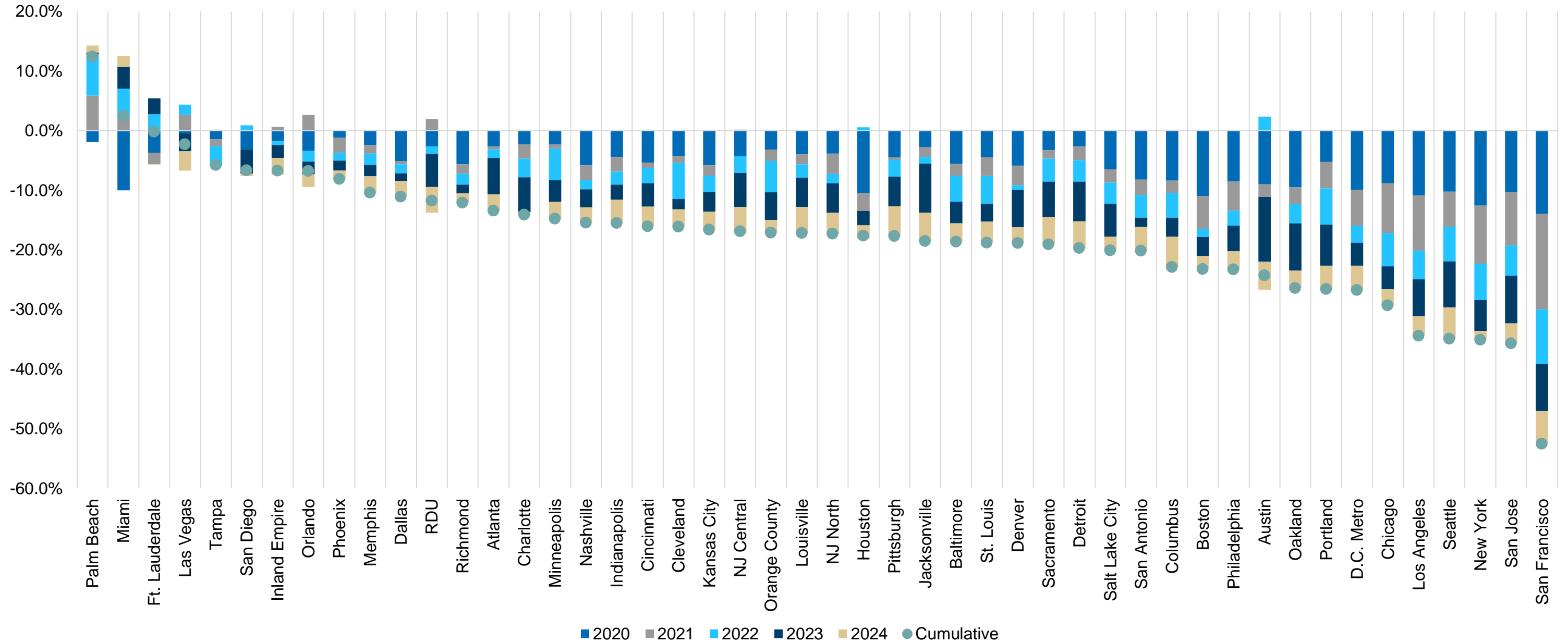


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RevPAF* Contracts across Markets in 2024

The larger picture shows that Sun Belt markets have outperformed since 2020, notably Florida markets, as well as San Diego and the Inland Empire. By far, the worst-performing market has been San Francisco, but other gateway markets have also been hard hit, including New York, San Jose, Seattle, Los Angeles, Chicago and DC.

M-RevPAF Growth by Market



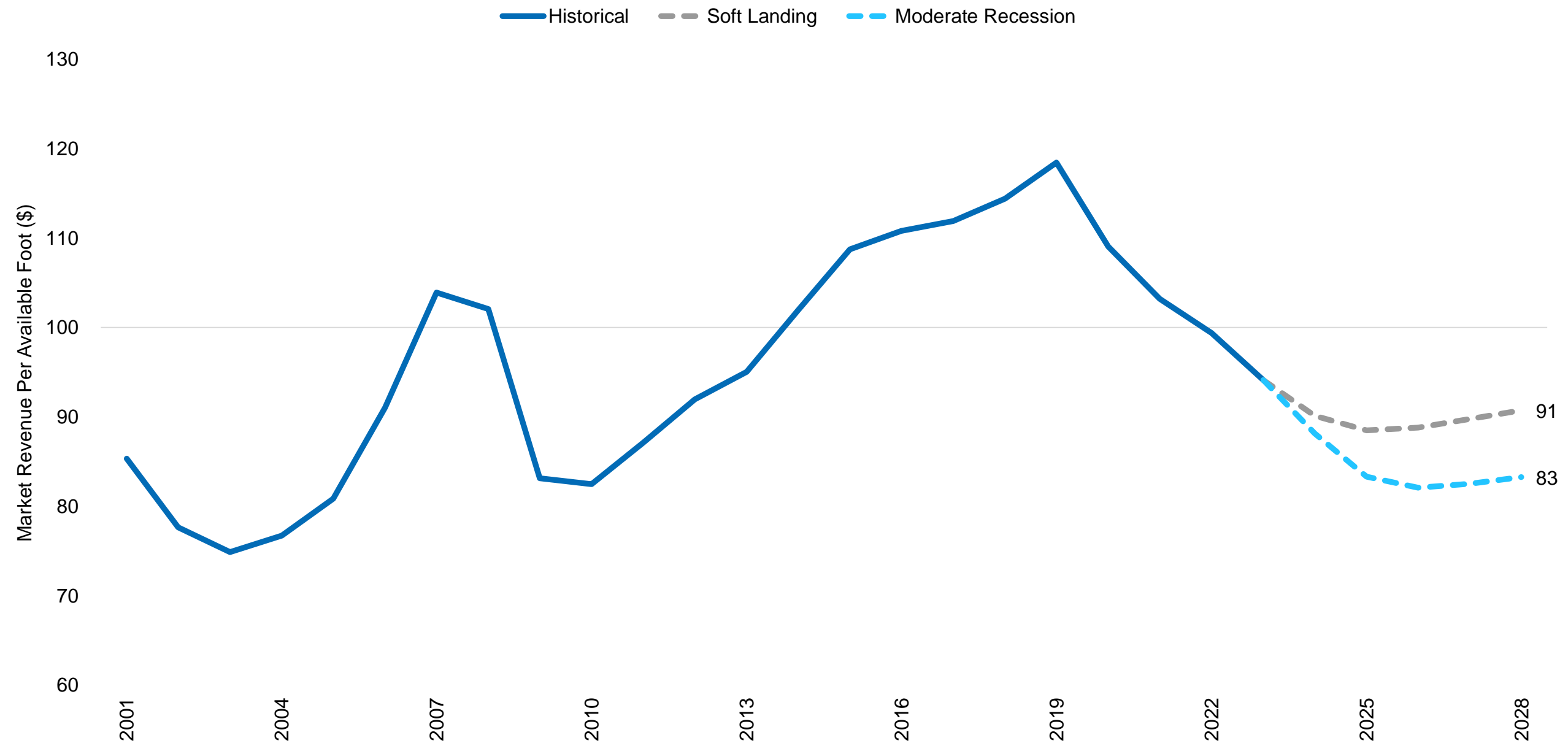
Source: Green Street data as of 7/30/2024, Newmark Research

*Market revenue per available foot combines the impact of changes in effective rents and occupancy to produce a measure of overall leasing market performance.

Broad Market Fundamentals Face a Slow Recovery

Market revenue per available foot has been trending downward since 2019, and it is not expected to hit bottom until the end of 2025 at the earliest. A recession would result in a deeper trough and a slower rebound. Even in the event of a soft landing, the office market fundamentals will improve slowly and only return to the previous peak through a process of eliminating large quantities of obsolescent stock. Newer, well-located properties have had a very different experience and will continue to do so.

Green Street M-RevPAF (December 2000 = 100)



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Class Conundrum

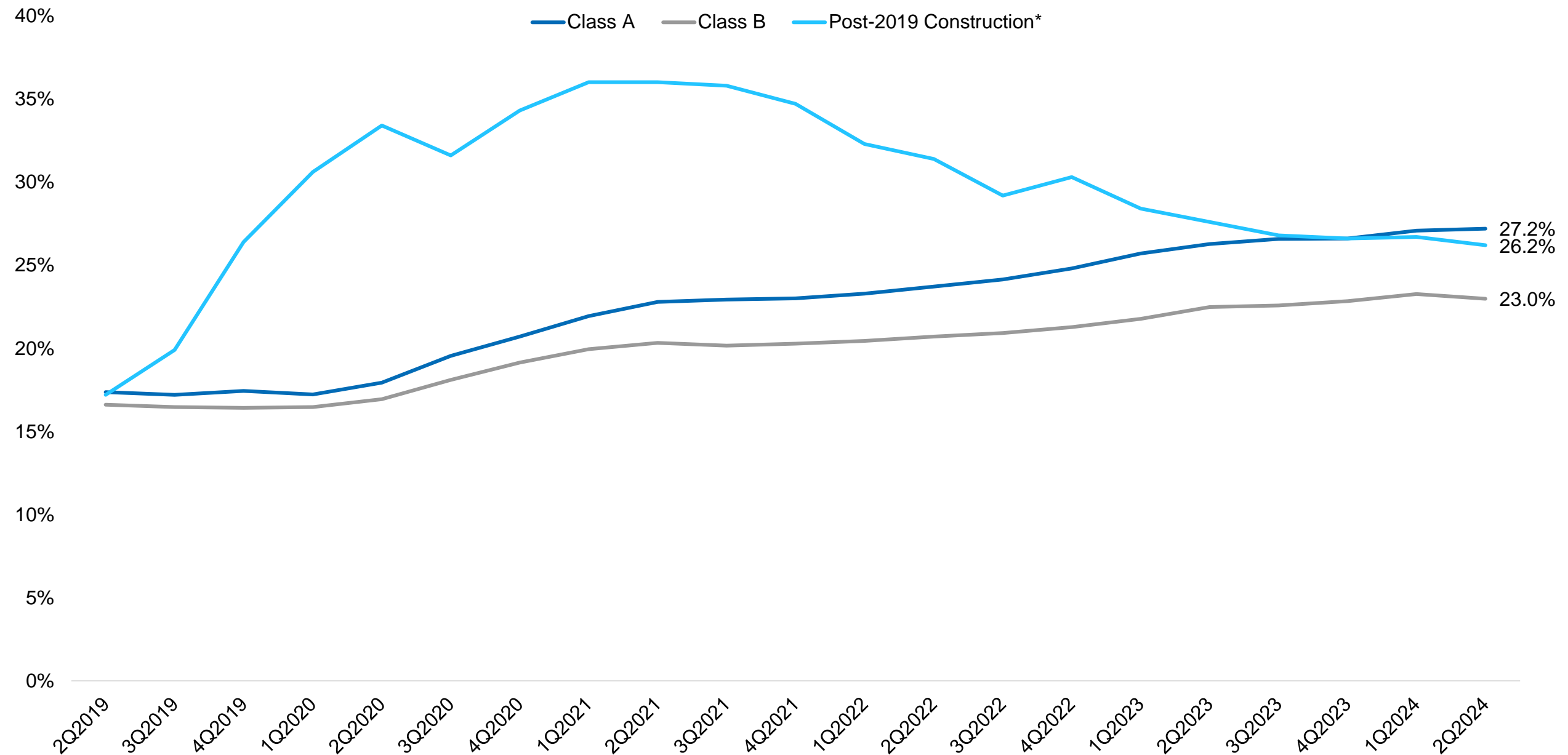


We often hear that the office market presents a dichotomy between “trophy” and “trauma.” We find that though true trophy outperformance exists, there remain other nuances and inefficiencies in the market today, namely the paradoxical solidity of Class B office relative to commodity Class A product.

Class B Beats Class A, But New Product Will Soon Beat Both

Class A and Class B availability rates were roughly the same prior to the pandemic, but since then, the gap has widened significantly as Class A office has underperformed. Focusing on newly constructed office, availability rates first increased dramatically as a wave of new office supply coincided with reduced demand conditions. However, this new product has steadily leased up with the result that the new product occupancy rate is now outperforming Class A overall and are on track to outperform Class B product.

Office Market Availability Rate By Class



Source: CoStar, Newmark Research

*Office buildings over 20,000 SF. 5-Star CoStar Rating. Excludes owner-occupied.



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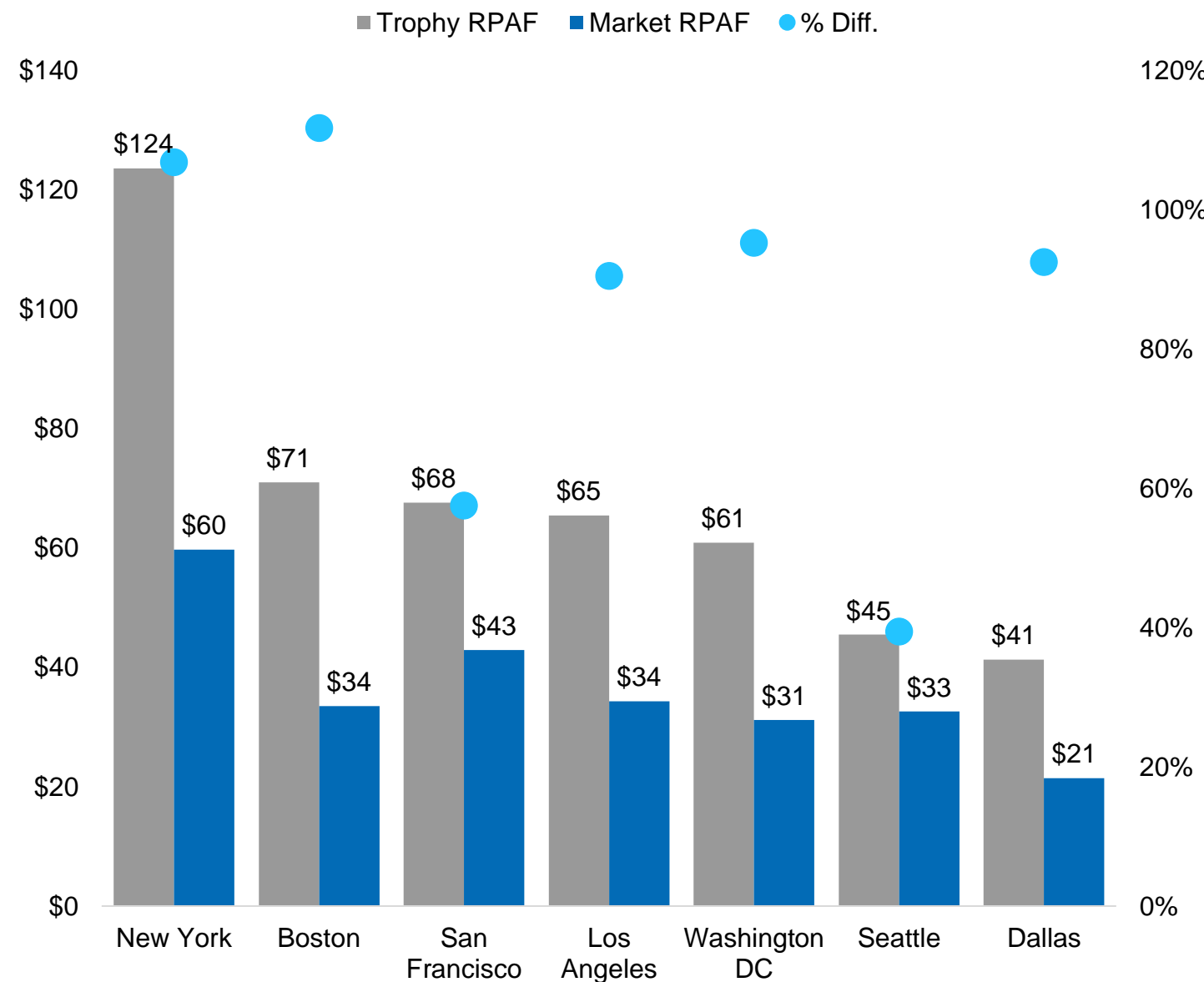


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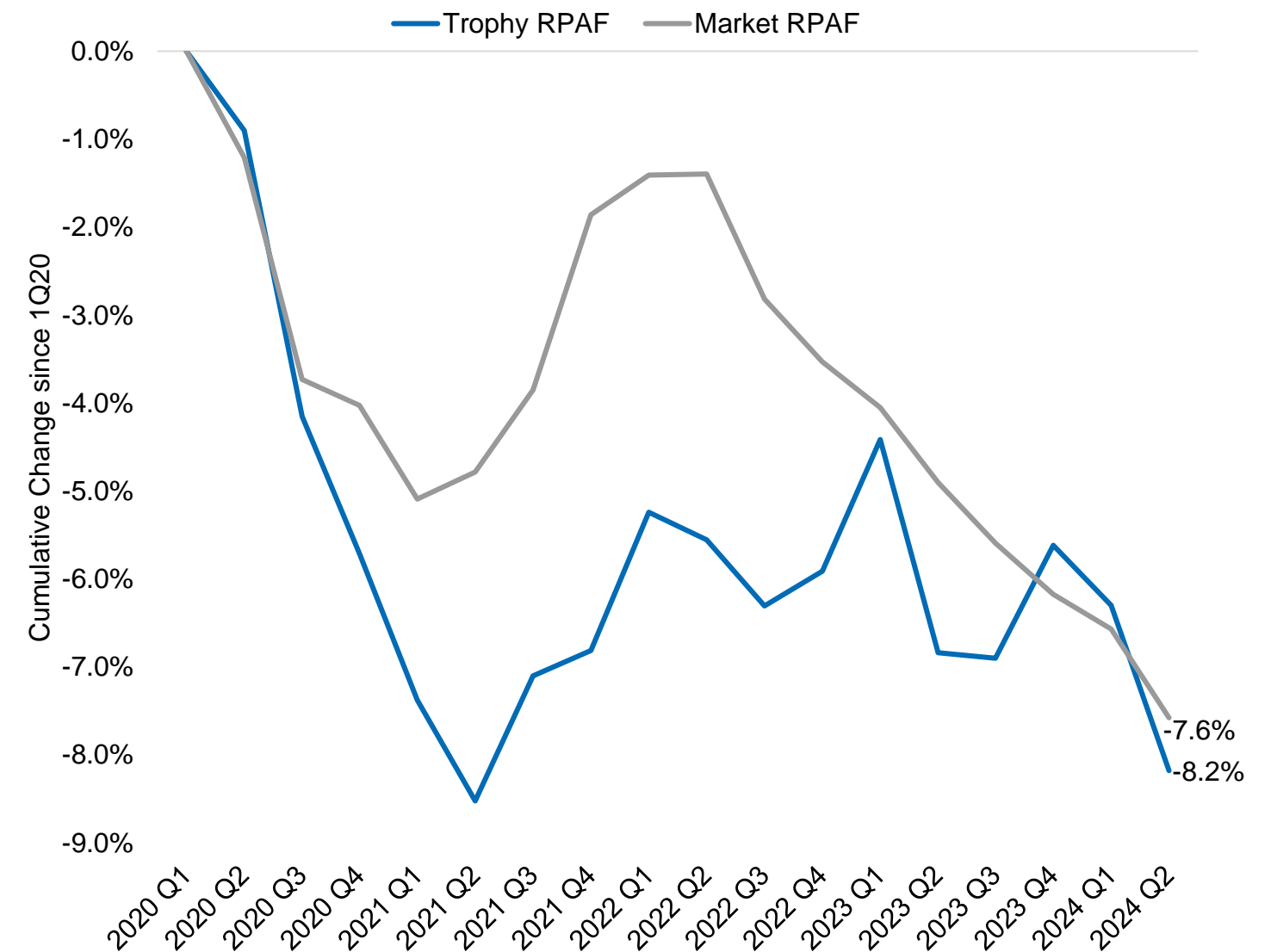
Trophy Cash Flow Premia Are Large, but Trophy Has Not Been Immune

In several key gateway markets, true trophy product* has significantly outperformed from a cashflow perspective. In New York, trophy product commands a 107% premium in rent per available foot (RPAF) compared with the rest of the market. This premium averages 85% looking across a selection of top office markets. Even so, trophy RPAF has declined 8.2% since the first quarter of 2020 in our select market set in-line with the overall market. For those focusing on sequential improvement in operating metrics, trophy alone has not been enough.

Gateway Market Comparison – Rent Per Available Foot**



Trophy versus Market – Rent Per Available Foot**



Source: CoStar, Newmark Research

**Trophy product* in this analysis is defined as fully stabilized buildings, representing around 10% of each market's inventory square footage, capturing the highest gross overall asking rents.

**Gross Asking Rent x (1-Total Availability Rate)



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2Q24 UNITED STATES OFFICE LEASING HOUSE VIEW

Office Market Statistics



National Office Market Statistics

2Q24

Market Statistics – All Classes

	Total Inventory (SF)	Under Construction (SF)	2Q 2024 Net Absorption (SF)	2024 YTD Absorption (SF)	Overall Vacancy Rate	Average Asking Rent (Price/SF)
National	5,095,388,181	43,272,940	-5,994,934	-24,729,397	20.3%	\$32.00
Atlanta‡	159,639,645	1,454,337	207,922	-247,270	25.9%	\$32.14
Austin‡	82,637,556	3,801,656	-69,172	209,634	23.80%	\$40.34
Baltimore‡	80,540,458	735,012	612,796	545,581	15.0%	\$24.78
Boston^	177,445,724	2,587,808	-602,011	-2,537,986	20.7%	\$44.96
Broward County, FL	34,691,583	174,790	129,523	84,163	15.3%	\$38.08
Charlotte‡	55,767,778	560,880	-183,343	-326,961	25.7%	\$34.40
Charleston, SC	14,643,108	50,000	63,764	-101,729	13.5%	\$31.76
Chicago^	251,396,907	414,546	-388,490	-1,652,643	24.3%	\$33.64
Cincinnati‡	34,851,422	43,000	47,372	89,193	25.0%	\$18.45
Cleveland‡	39,650,203	1,222,253	92,328	-99,139	23.2%	\$19.95
Columbia, SC	16,133,538	0	29,567	68,766	13.2%	\$19.48
Columbus‡	41,197,875	572,149	710,544	584,583	22.7%	\$21.92
Dallas‡	267,359,533	4,308,727	-172,782	-794,759	24.80%	\$29.95
Delaware	15,512,211	206,698	15,321	-7,038	18.5%	\$25.69
Denver‡	101,908,804	599,612	-70,728	-550,963	28.1%	\$32.59
Detroit‡	79,479,700	380,821	-60,133	-328,086	22.3%	\$20.67
Fairfield County, CT^	37,519,373	0	-179,674	-220,957	22.9%	\$38.71
Fresno	21,897,308	25,682	111,710	30,130	8.8%	\$21.97
Greenville, SC	23,176,018	57,300	-87,218	-27,247	10.4%	\$24.25
Hampton Roads	29,093,780	0	60,727	90,898	12.1%	\$22.63

^ Major Market

‡ Secondary Market

Note: Absorption is the net change in occupied space over a period of time. Data may not match totals in some Newmark metro reports due to different local methodologies. Asking rents are quoted on a full-service basis.

National Office Market Statistics

2Q24

Market Statistics – All Classes

	Total Inventory (SF)	Under Construction (SF)	2Q 2024 Net Absorption (SF)	2024 YTD Absorption (SF)	Overall Vacancy Rate	Average Asking Rent (Price/SF)
National	5,095,388,181	43,272,940	-5,994,934	-24,729,397	20.3%	\$32.00
Houston‡	243,630,937	1,153,404	191,882	-749,924	25.40%	\$30.00
Indianapolis‡	34,443,457	127,452	-266,511	-743,155	27.3%	\$20.68
Inland Empire, CA^	27,662,470	44,081	138,168	294,350	9.3%	\$25.88
Jacksonville‡	34,278,492	61,000	-90,118	-577,381	18.8%	\$22.78
Kansas City‡	73,878,816	273,950	229,041	-332,140	17.5%	\$22.37
Las Vegas‡	39,796,497	291,200	-60,293	-253,465	13.0%	\$27.00
Long Island^	56,370,477	0	-172,158	90,171	12.5%	\$29.21
Los Angeles^	218,304,456	2,097,806	-1,077,840	-2,216,832	24.5%	\$48.40
Manhattan^	459,033,397	460,145	-2,085,760	-6,853,408	14.0%	\$75.14
Memphis‡	34,164,492	0	98,385	-104,708	17.0%	\$19.63
Miami‡	49,091,974	1,885,166	37,353	203,614	13.8%	\$55.95
Milwaukee‡	36,288,747	45,823	166,246	60,920	20.8%	\$20.12
Minneapolis‡	116,986,101	400,000	-496,134	-653,667	17.8%	\$28.71
Nashville‡	61,375,750	2,670,422	703,421	392,026	17.2%	\$31.55
New Jersey Northern^	166,560,560	597,147	-164,934	-235,412	20.0%	\$31.30
New Jersey Southern	15,872,080	0	-10,635	-33,021	16.0%	\$22.07
North Bay, CA	14,679,523	0	88,236	-20,605	17.9%	\$32.78
Oakland/Greater East Bay^	63,435,604	0	-508,240	-554,680	22.70%	\$42.84
Oklahoma City	21,283,074	115,000	-167,539	-3,630	18.5%	\$20.10
Orange County, CA^	95,578,169	0	265,662	714,119	18.0%	\$34.46

^ Major Market

‡ Secondary Market

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National Office Market Statistics

2Q24

Market Statistics – All Classes

	Total Inventory (SF)	Under Construction (SF)	2Q 2024 Net Absorption (SF)	2024 YTD Absorption (SF)	Overall Vacancy Rate	Average Asking Rent (Price/SF)
National	5,095,388,181	43,272,940	-5,994,934	-24,729,397	20.3%	\$32.00
Orlando‡	62,932,440	381,578	-240,600	-281,099	13.1%	\$25.04
Palm Beach	27,789,278	683,223	-91,974	-80,810	14.1%	\$48.22
Philadelphia‡	105,111,620	543,565	-201,944	-681,999	20.7%	\$31.16
Phoenix‡	97,417,554	393,578	-134,456	-763,441	25.0%	\$30.40
Pittsburgh‡	58,096,130	519,000	-83,338	-12,568	24.5%	\$26.04
Portland‡	62,039,426	525,000	-117,252	-675,797	22.1%	\$30.57
Raleigh/Durham‡	53,758,747	102,500	-172,225	-39,817	19.9%	\$30.69
Richmond	32,211,054	71,000	-60,580	-150,655	15.1%	\$21.28
Sacramento‡	66,256,530	594,000	-306,581	-301,287	17.3%	\$25.80
Salt Lake City‡	77,371,095	477,017	336,788	549,904	14.9%	\$25.35
San Antonio‡	48,270,610	230,000	-99,019	-176,500	17.70%	\$23.74
San Diego‡	74,442,890	5,226,868	267,944	-94,864	17.0%	\$40.66
San Francisco^	90,579,039	0	-268,964	-1,053,882	30.0%	\$69.55
San Francisco Peninsula^	61,974,091	466,547	-237,548	-253,038	20.1%	82.54
Seattle‡	136,072,486	2,694,133	-140,394	-1,133,180	19.7%	\$44.62
Silicon Valley^	84,000,920	1,198,103	73,698	753,597	19.3%	\$57.81
St. Louis‡	74,345,246	41,000	-283,619	-471,798	14.9%	\$22.80
Tampa/St. Petersburg‡	61,009,777	428,929	-161,406	-383,059	14.9%	\$28.99
Washington, DC^	368,997,942	1,279,032	-1,012,973	-2,471,044	21.4%	\$42.35
Westchester County, NY^	25,453,709	0	-146,746	-239,402	24.3%	\$28.72

^ Major Market
‡ Secondary Market

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For more information:

David Bitner

Executive Managing Director

Global Head of Research

david.bitner@nmrk.com

Jonathan Mazur

Executive Managing Director

National Research

jonathan.mazur@nmrk.com

Keith Reichert

Director

Western Research

keith.reichert@nmrk.com

New York Headquarters

125 Park Avenue

New York, NY 10017

t 212-372-2000

nmrk.com

Newmark has implemented a proprietary database and our tracking methodology has been revised. With this expansion and refinement in our data, there may be adjustments in historical statistics including availability, asking rents, absorption and effective rents. Newmark Research Reports are available at nmrk.com/insights.

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