

YOY
Chg
 12-Mo.
Forecast

19.7%

Vacancy Rate



-19.2M

Net Absorption, SF



\$37.67

Asking Rent, PSF



1.2%

Rent Growth, YOY



59.9M

Under Construction



(Overall, All Property Classes)

ECONOMIC INDICATORS
Q4 2023

 YOY
Chg
 12-Mo.
Forecast*

156.9M

Total Nonfarm
Employment

35.2M

Office-using
Employment

3.7%

U.S.
Unemployment Rate

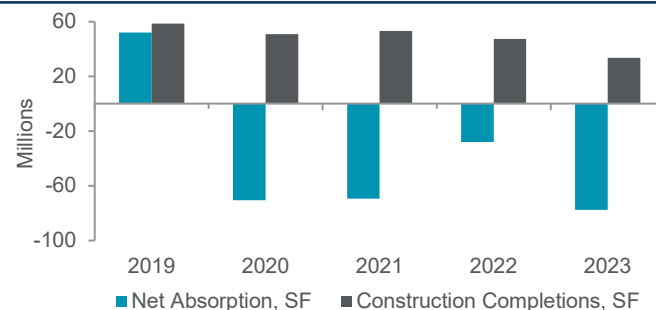
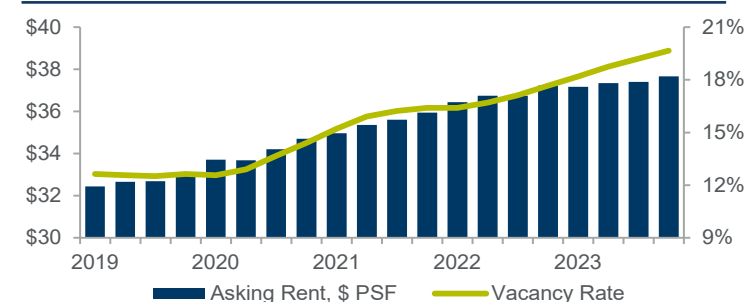
Source: BLS, *Cushman & Wakefield baseline

Key Takeaways:

- **Office demand negative for eighth straight quarters.** Economic uncertainty in combination with hybrid-work impacts and recent declines in office-using employment continue to drive occupiers to be cautious with office leasing decisions. New leasing activity and renewals were both down in the fourth quarter, as tenants in the market have stretched out their decision-making process. Net negative absorption was -19.2 million square feet (msf) for the quarter, pushing the 2023 annual total to -77.5 msf.
- **National vacancy increased by 200 basis points (bps) in 2023 to finish the year at 19.7%—an all-time high.** Beneath the surface, however, is a more nuanced picture. For example, compared to year-end 2022, vacancy has declined in one-fifth of U.S. markets—namely in smaller, tertiary markets—and it has increased by less than half the national average in another fifth of markets. Highest-quality office space also continues to outperform the broader market. Office vacancy for these assets is nearly 300 bps lower than the overall average and asking rents are 40% higher.
- **New construction pipeline continues to moderate.** New office deliveries have been a significant contributor to growing vacancy, with 185 msf of deliveries since the beginning of 2020 (representing 3.4% of inventory). The [new construction pipeline continues to shrink](#), down 5.3% from the previous quarter and now at less than half of its 2020 peak. The office outlook is for construction deliveries to continue to decline and remain low as demand firms up, [leading to declining vacancy in 2025 and beyond](#).
- **Occupier cost cutting slowing down as they add less sublease space to the market.** Rising interest rates, economic uncertainty and increased hybrid work levels have led occupiers to add 47 msf of vacant sublease availabilities since the middle of 2022. These underlying factors may have worked their way through the system as sublease inventory growth has slowed substantially. The 4.3 msf of new space added in the second half of 2023 is one-sixth of the 24.1 msf made available in the first half of the year.

Office Job Growth Slowed in Second Half of 2023

Although headline job growth remained robust throughout 2023, much of the employment gains in the last quarter were concentrated in sectors that were slower to recover from the depths of the pandemic. For example, there were strong quarter-over-quarter (QOQ) gains in education (+1.1%), healthcare (+1.0%), government (+0.7%), construction (+0.6%) and hospitality (+0.5%).

SPACE DEMAND / DELIVERIES

OVERALL VACANCY & ASKING RENT


Office-using employment continued to modestly decline in the fourth quarter of 2023 (-0.1%) and was down 89,000 jobs in the second half of the year (-0.3%). The information sector did have a strong quarter (+0.6%), but that was primarily driven by the resolution of the Hollywood strikes, which led to a 7.0% increase in motion picture and sound recording employment over the past three months.¹

The job market was not the only factor challenging the office landscape. Interest rates are higher than they were at the end of 2022, and they are likely to remain elevated throughout 2024. Even if the Fed begins cutting rates sometime in the middle of 2024 (which is expected), the cuts will likely be small and gradual. The higher cost of capital and the contraction in credit availability will be challenges for the real estate industry as well as for occupiers making office real estate decisions. However, since [occupiers want workplaces that energize employees](#) and drive productivity, office space demand should start to recover once office-using job growth resumes, which will occur in 2025 according to our [baseline scenario](#).

Office Demand Remains Tepid in Q4, But Some Improvements Across the U.S.

Net absorption for the last quarter of 2023 came in at -19.2 msf, bringing the full-year total to -77.5 msf. While still negative, it is worth noting the declines moderated throughout the year. Net absorption was 29% better in the second half of the year than it had been in the first half of 2023.

Across the full year, 28% of the 93 U.S. markets tracked by Cushman & Wakefield registered positive net absorption. Quarterly absorption was positive in over a third of U.S. markets each of the past two quarters. In the fourth quarter, positive absorption was above 100,000 sf in 11 markets, including San Diego (+395,000 sf), San Jose (+255,000 sf), El Paso (+217,000 sf), Columbus, OH (+229,000 sf) and Columbia, SC (+224,000 sf). Other markets with positive absorption were scattered across the various U.S. regions:

- Gateway-adjacent: Brooklyn, Fairfield County, Northern VA, Southern NH, Westchester County
- Midwest: Cleveland, Madison, Milwaukee, St. Louis
- Mountain West: Boise, Colorado Springs, Reno
- Sunbelt: Ft. Lauderdale, Louisville, Memphis, Miami, Nashville, Palm Beach, San Antonio

Overall U.S. gross leasing activity in 2023 was 282 msf, down 21% from the prior year. The 4-quarter rolling leasing total remained 18% above its early 2021 trough of 240 msf, and total leasing increased QOQ in 31 U.S. markets, including all three Manhattan markets, San Francisco, San Jose, Charlotte and Austin.

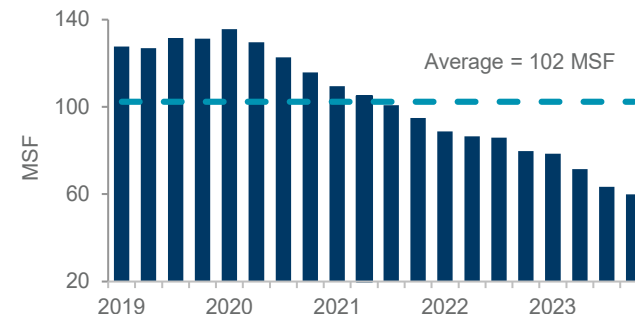
Overall vacancy increased by 45 bps in the fourth quarter, which is slightly below the 50 bps per quarter average for the rest of 2023. National vacancy ended the year at 19.7%, up 200 bps year-over-year (YOY) and 710 bps higher than at the start of 2020. Vacancy, however, declined across a fourth of U.S. markets, and it remains below 15% in 35 of the markets tracked by Cushman & Wakefield.

Supply-Side Pressures to Ease in Coming Quarters

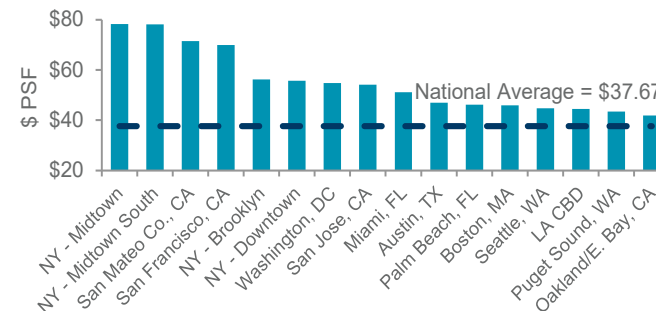
The [construction pipeline has declined by more than half since 2020](#), and deliveries in 2023 were one-third lower than the quarterly average for the preceding three years (8.4 msf vs. 12.6 msf per quarter). Looking forward, construction activity will continue to slow into the middle of the decade. The national construction pipeline is the equivalent of 1.1% of current inventory (down from 2.5% in 2020 and below the pre-pandemic norm of 1.5%), and it currently exceeds 2.0% in only 11 U.S. markets. As a result, the breadth of construction risk has declined substantially.

Available sublease space has been another source of new vacant space as occupiers have looked to manage costs amid the hybrid work transition and, more recently, high inflation and rising interest rates. There has been 47 msf of vacant sublease space made available over the past six quarters, which is the equivalent of nearly half of all negative net absorption over that time. Nationally, there is now 156 msf of office sublease space, but the trend is a decelerating one. Available sublease inventory increased by 4.3 msf over the past two quarters, well below the 24.1 msf added in the first half of the year and 18.6 msf added in the second half of 2022. Sublease availabilities declined QOQ in 37 U.S. markets, including Minneapolis, San Jose, Orlando, Downtown Manhattan, Northern VA, Miami and Los Angeles CBD.

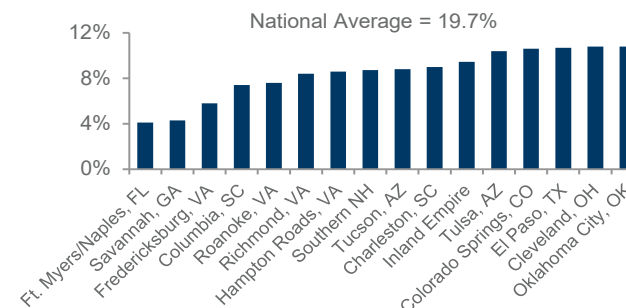
SPACE UNDER CONSTRUCTION



ASKING RENT HIGHEST PRICED U.S. MARKETS



VACANCY BY SELECT MARKETS



MARKETBEAT U.S. NATIONAL

Demand Indicators Q4 2023



Net Absorption						Leasing Activity**
U.S. Office Markets	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023p	2023p
United States	-12,524,595	-22,824,930	-20,764,381	-14,743,571	-19,178,015	282,095,617
Northeast	-3,926,371	-2,699,963	-2,376,350	572,823	-5,343,240	60,004,528
Midwest	-1,731,738	-5,358,592	-2,895,035	-3,511,989	-2,400,131	35,712,056
South	-2,452,099	-6,474,437	-3,564,304	-1,613,204	-2,613,490	96,860,930
West	-4,414,387	-8,291,938	-11,928,692	-10,191,201	-8,821,154	88,616,927

Net Absorption						Leasing Activity**
U.S. Office Markets	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023p	2023p
Atlanta, GA	232,593	-836,433	-1,339,995	-225,086	-133,000	8,597,624
Austin, TX	-362,198	-379,767	-363,459	-362,472	-147,408	2,981,085
Baltimore, MD	-236,647	-629,756	-570,273	-168,431	-299,227	3,604,234
Binghamton, NY	1,078	-8,765	29,151	n/a	n/a	13,942
Birmingham, AL	-83,455	-161,614	15,422	244,991	-9,682	718,219
Boise, ID	132,990	-128,240	-209,926	-212,444	18,468	917,855
Boston, MA	-2,150,300	-2,063,394	-566,996	102,721	-226,725	7,397,448
Buffalo, NY	-169,353	-84,171	158,385	-25,945	-143,025	828,780
Charleston, SC	69,932	-72,825	-119,554	91,512	116,873	637,601
Charlotte, NC	-980,948	-312,888	-789,280	70,897	-298,784	2,827,004
Chicago, IL	-126,701	-2,087,353	-507,724	-536,393	-1,210,208	12,616,406
Cincinnati, OH	90,844	-529,321	-155,702	-250,706	-70,522	1,781,833
Cleveland, OH	-901,554	-506,578	131,572	-168,481	20,918	1,426,588
Colorado Springs, CO	293,237	14,629	-290,742	-175,335	3,564	1,388,058
Columbia, SC	19,321	-29,552	16,920	31,686	223,838	867,372
Columbus, OH	-250,191	-389,001	-323,738	-104,976	229,189	1,559,328
Dallas, TX	148,192	-560,155	320,867	-446,593	-1,814,008	11,091,396
Denver, CO	-360,731	-310,831	-976,963	-919,607	-469,770	7,728,245
Des Moines, IA	n/a	-30,833	-47,605	-256,959	140,401	757,597
Detroit, MI	-238,665	-1,074,978	-1,261,736	-674,672	-507,659	2,344,047
El Paso, TX	45,827	56,449	91,060	106,350	216,741	770,987
Fairfield County, CT	-29,036	507,452	-91,413	49,837	35,168	2,120,927
Fort Lauderdale, FL	-94,636	-14,393	-40,699	-57,624	78,807	2,177,127
Fort Myers/Naples, FL	124,830	91,704	102,392	41,726	-132,362	666,235
Fort Worth, TX	-130,569	-5,425	114,999	-15,308	-118,603	724,031
Fredericksburg, VA	3,992	108,985	4,679	58,695	51,484	288,937
Greensboro/Winston-Salem, NC	-85,189	-225,310	-31,162	-191,521	12,390	901,176
Greenville, SC	-9,634	-91,714	-26,042	247,187	-54,297	851,402
Hampton Roads, VA	89,790	85,583	-163,034	4,717	-56,004	1,562,555
Hartford, CT	-91,865	214,411	-367,218	-115,890	-253,577	1,000,392
Houston, TX	-486,091	-273,495	-364,505	-273,184	-387,780	14,150,749
Indianapolis, IN	-25,934	-335,054	-172,393	-300,094	-36,459	2,313,466
Inland Empire CA	-58,850	-54,559	-63,991	-100,128	-58,763	1,017,096
Jacksonville, FL	424,668	74,996	19,119	-109,701	-4,623	1,347,594
Kansas City, MO	93,555	-202,442	-235,031	21,094	-355,796	2,543,622
Las Vegas, NV	-2,656	-214,385	-6,500	223,331	-18,900	1,350,895
Long Island, NY	-95,587	-244,516	-34,102	172,928	-218,992	2,257,752
Los Angeles CBD	-258,897	-322,072	-234,460	-354,812	-848	1,254,760
Los Angeles Non-CBD	-440,726	-307,170	-216,616	-1,622,373	-1,494,368	12,129,962
Louisville, KY	-81,603	-299,198	27,762	90,041	65,956	1,048,795
Madison, WI	n/a	127,987	-74,385	-42,745	95,462	822,870
Memphis, TN	89,720	169,175	69,103	66,763	127,064	1,116,030
Miami, FL	169,213	124,829	-25,069	-36,434	26,176	3,587,529
Milwaukee, WI	26,970	-807	47,912	-366,168	129,805	2,179,183
Minneapolis/St. Paul, MN	-47,271	-640,879	-374,373	-1,201,618	-733,835	5,365,250
Nashville, TN	206,034	-29,713	813,100	8,308	168,687	2,471,137

Net Absorption						Leasing Activity**
U.S. Office Markets	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023p	2023p
New Haven, CT	-20,507	95,500	-79,314	-71,903	-25,276	340,017
New Jersey - Central	-1,258,492	436,957	-253,713	-653,188	-335,176	4,119,477
New Jersey - Northern	-239,521	-1,268,751	-216,467	-37,168	-678,395	5,688,130
New Orleans, LA	223,127	-264,898	-8,395	46,611	16,711	234,875
New York - Brooklyn	-222,537	558,874	101,534	-67,676	55,217	567,663
New York - Downtown	-419,481	-401,856	-1,130,451	194,626	-50,311	4,240,265
New York - Midtown	1,893,906	646,238	2,044,961	348,933	-1,717,028	17,263,331
New York - Midtown South	70,815	-230,982	-314,398	1,993,761	-893,377	3,681,791
Northern VA	-441,320	-739,503	-223,376	-631,709	32,200	5,922,352
Oakland/East Bay, CA*	-717,314	-353,869	-637,580	-804,107	-979,811	3,685,305
Oklahoma City, OK	n/a	55,472	-195,891	-244,458	-27,006	1,732,122
Omaha, NE	51,793	47,877	74,602	83,944	-32,514	1,108,908
Orange County, CA	-796,309	-732,268	-665,649	-661,621	-245,802	8,367,957
Orlando, FL	52,061	-312,329	-85,080	-120,887	-20,301	2,623,833
Palm Beach, FL	106,636	-170,629	-194,484	-3,268	7,606	1,619,689
Philadelphia, PA	-1,122,941	-874,439	-736,315	-1,032,744	-375,247	5,526,775
Phoenix, AZ	-812,107	-819,405	-1,069,523	-1,123,003	-185,442	7,353,264
Pittsburgh, PA	115,480	-312,073	-570,915	23,951	-504,198	2,185,748
Portland, OR	-222,066	-314,055	-267,042	-607,293	-602,673	2,454,268
Providence, RI	-62,045	-81,144	-68,666	41,482	-24,644	694,588
Puget Sound - Eastside	-68,726	-211,724	-852,717	399,627	-956,256	2,203,083
Raleigh/Durham, NC	-685,581	-826,453	-227,280	263,464	-63,193	3,107,914
Reno, NV	5,793	-93,570	-61,704	-17,493	4,808	532,589
Richmond, VA	94,125	-50,195	4,326	-76,848	-22,147	1,958,680
Roanoke, VA	75,357	-55,073	-29,216	-44,584	18,048	202,423
Rochester, NY	-86,874	227,322	-114,562	-63,653	-22,718	266,623
Sacramento, CA	251,957	-498,634	-60,489	-59,181	-204,276	2,878,797
Salt Lake City, UT	-466,657	-440,468	-611,438	-390,452	-139,806	3,500,184
San Antonio, TX	46,840	-365,550	71,471	-54,744	103,771	2,451,145
San Diego, CA	-113,061	-241,060	-77,299	41,286	394,894	4,975,708
San Francisco, CA	-639,692	-1,368,087	-1,806,822	-1,062,983	-2,714,029	5,493,980
San Francisco North Bay, CA	-143,760	-27,608	20,175	-76,407	-64,705	1,452,975
San Jose, CA*	671,411	-124,500	-2,634,676	-1,184,002	254,675	12,910,465
San Juan, PR	n/a	n/a	n/a	n/a	n/a	n/a
San Mateo County, CA*	-116,054	-768,189	-706,192	-706,192	-776,319	2,041,648
Savannah, GA	36,100	15,423	70,948	65,912	14,096	174,437
Seattle, WA	-366,334	-894,973	-694,936	-637,480	-696,657	3,368,151
Southern NH	-75,235	-24,919	-45,973	29,187	73,549	372,975
St. Louis, MO	-404,584	231,957	-44,039	28,826	71,488	1,650,555
St. Petersburg/Clearwater, FL	38,932	-8,710	-143,839	21,356	-31,860	878,957
Suburban MD	-364,433	-94,676	-171,273	-184,120	-156,140	2,250,086
Syracuse, NY	102,496	-202,861	-11,654	-16,437	-70,307	260,532
Tampa, FL	-176,776	-180,671	213,065	105,583	-108,269	3,194,674
Tucson, AZ	-185,835	-50,067	244,003	116,427	-29,539	854,085
Tulsa, OK	64,262	-192	-131,489	354,759	97,769	1,570,600
Washington, DC	-594,571	-265,936	-276,142	-286,790	-107,013	6,851,500
Westchester County, NY	-66,372	411,154	-108,224	-299,999	31,822	1,177,372

p = preliminary, *Includes R&D, **Leasing activity includes renewals

Overall						Direct
U.S. Office Markets	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023p	Q4 2023p
United States	17.7%	18.2%	18.7%	19.2%	19.7%	16.9%
Northeast	18.6%	18.9%	19.2%	19.6%	20.2%	16.4%
Midwest	18.0%	19.8%	20.4%	20.8%	21.0%	18.8%
South	17.6%	17.6%	18.0%	18.2%	18.6%	16.8%
West	16.8%	17.5%	18.4%	19.3%	19.9%	16.2%

Overall						Direct
U.S. Office Markets	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023p	Q4 2023p
Atlanta, GA	21.9%	22.4%	23.3%	23.6%	23.8%	21.4%
Austin, TX	22.7%	23.9%	24.5%	25.4%	27.1%	18.5%
Baltimore, MD	14.8%	15.6%	16.5%	16.7%	17.1%	15.4%
Binghamton, NY	7.0%	7.5%	6.7%	6.7%	6.7%	6.7%
Birmingham, AL	19.6%	20.3%	20.2%	18.9%	19.0%	15.9%
Boise, ID	6.2%	7.5%	9.2%	10.4%	11.1%	9.3%
Boston, MA	12.3%	13.4%	13.7%	15.0%	15.1%	11.6%
Buffalo, NY	18.5%	18.2%	17.4%	17.5%	18.2%	16.2%
Charleston, SC	8.2%	8.3%	9.5%	9.6%	9.0%	7.1%
Charlotte, NC	19.3%	20.1%	21.6%	21.8%	22.8%	19.9%
Chicago, IL	21.1%	21.9%	22.6%	22.8%	23.3%	21.3%
Cincinnati, OH	22.6%	24.1%	24.6%	25.3%	25.4%	22.6%
Cleveland, OH	7.6%	11.5%	11.4%	11.3%	10.8%	9.8%
Colorado Springs, CO	8.6%	9.2%	10.2%	10.6%	10.6%	9.2%
Columbia, SC	8.5%	8.6%	8.5%	8.4%	7.4%	6.0%
Columbus, OH	23.8%	24.8%	25.7%	26.0%	25.6%	21.4%
Dallas, TX	19.8%	20.2%	20.5%	21.0%	22.0%	20.9%
Denver, CO	20.5%	20.8%	21.7%	22.6%	23.0%	19.7%
Des Moines, IA	n/a	n/a	14.3%	16.6%	15.9%	15.4%
Detroit, MI	16.7%	17.9%	19.1%	19.8%	20.3%	18.1%
El Paso, TX	9.0%	9.7%	10.9%	10.4%	10.7%	10.0%
Fairfield County, CT	29.7%	28.5%	28.9%	29.1%	29.0%	23.0%
Fort Lauderdale, FL	17.6%	17.6%	17.8%	17.9%	17.6%	15.9%
Fort Myers/Naples, FL	3.4%	3.6%	3.6%	3.5%	4.1%	2.7%
Fort Worth, TX	11.9%	12.0%	12.0%	12.1%	12.7%	12.4%
Fredericksburg, VA	7.4%	6.7%	6.6%	6.1%	5.8%	5.6%
Greensboro/Winston-Salem, NC	11.4%	12.0%	12.1%	12.7%	12.6%	11.9%
Greenville, SC	11.0%	11.4%	11.5%	11.4%	11.7%	10.0%
Hampton Roads, VA	8.6%	7.8%	7.7%	7.9%	8.6%	8.1%
Hartford, CT	23.3%	22.5%	24.0%	24.4%	25.5%	22.0%
Houston, TX	24.3%	24.5%	24.8%	25.0%	25.3%	23.9%
Indianapolis, IN	19.7%	20.5%	21.4%	22.1%	22.2%	19.9%
Inland Empire CA	8.1%	8.4%	8.7%	9.2%	9.5%	9.0%
Jacksonville, FL	19.8%	19.4%	19.3%	19.8%	19.8%	17.9%
Kansas City, MO	20.4%	20.9%	21.3%	21.3%	22.0%	18.2%
Las Vegas, NV	13.6%	14.1%	14.2%	13.7%	13.8%	13.1%
Long Island, NY	13.5%	14.2%	14.3%	13.8%	14.4%	10.9%
Los Angeles CBD	22.9%	24.1%	24.9%	26.2%	26.2%	24.1%
Los Angeles Non-CBD	20.8%	21.2%	21.8%	22.7%	23.6%	20.7%
Louisville, KY	15.1%	16.7%	16.6%	16.5%	16.3%	15.8%
Madison, WI	n/a	n/a	10.3%	10.6%	10.9%	10.9%
Memphis, TN	16.2%	16.2%	15.6%	16.1%	17.3%	16.7%
Miami, FL	15.7%	15.5%	15.6%	15.4%	15.0%	14.7%
Milwaukee, WI	21.7%	22.3%	22.2%	23.5%	22.9%	22.9%
Minneapolis/St. Paul, MN	24.5%	25.1%	25.5%	26.6%	27.3%	23.8%
Nashville, TN	18.2%	18.6%	18.6%	18.6%	18.2%	14.9%

Overall						Direct
U.S. Office Markets	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023p	Q4 2023p
New Haven, CT	18.0%	17.1%	17.8%	17.8%	18.7%	18.4%
New Jersey - Central	19.9%	19.3%	19.7%	20.5%	20.9%	17.2%
New Jersey - Northern	20.0%	21.1%	21.4%	21.5%	22.2%	17.9%
New Orleans, LA	10.2%	11.1%	11.0%	10.8%	10.9%	10.2%
New York - Brooklyn	23.3%	21.4%	22.2%	23.4%	23.8%	21.2%
New York - Downtown	22.5%	22.4%	23.7%	23.6%	23.7%	16.3%
New York - Midtown	21.0%	21.2%	21.0%	21.1%	22.3%	17.6%
New York - Midtown South	21.4%	21.8%	22.2%	21.1%	23.7%	18.9%
Northern VA	20.1%	20.7%	20.9%	21.5%	21.5%	21.0%
Oakland/East Bay, CA*	14.5%	14.8%	15.5%	16.3%	17.3%	13.5%
Oklahoma City, OK	n/a	10.0%	10.3%	10.7%	10.8%	10.6%
Omaha, NE	12.6%	12.4%	12.0%	11.6%	11.7%	11.2%
Orange County, CA	16.2%	17.7%	18.4%	19.3%	19.6%	17.3%
Orlando, FL	13.2%	14.1%	14.5%	14.8%	15.5%	14.3%
Palm Beach, FL	10.3%	11.1%	11.6%	11.6%	11.6%	10.2%
Philadelphia, PA	18.1%	18.8%	19.3%	20.1%	20.5%	17.7%
Phoenix, AZ	23.6%	24.6%	25.7%	27.1%	27.4%	21.0%
Pittsburgh, PA	13.9%	15.0%	15.4%	15.7%	16.1%	14.5%
Portland, OR	17.0%	17.8%	18.4%	19.8%	20.8%	18.3%
Providence, RI	12.7%	12.7%	13.0%	12.5%	12.3%	10.2%
Puget Sound - Eastside	7.8%	9.6%	11.9%	13.6%	16.9%	12.2%
Raleigh/Durham, NC	17.9%	19.4%	19.8%	20.7%	20.8%	14.1%
Reno, NV	8.9%	10.6%	12.0%	12.3%	12.5%	11.2%
Richmond, VA	8.2%	7.9%	8.0%	8.4%	8.4%	7.4%
Roanoke, VA	7.0%	7.3%	7.5%	7.8%	7.6%	4.9%
Rochester, NY	22.8%	21.4%	21.9%	22.4%	22.6%	22.6%
Sacramento, CA	13.3%	14.0%	14.1%	14.1%	14.4%	12.5%
Salt Lake City, UT	19.5%	20.9%	22.2%	23.1%	23.6%	17.4%
San Antonio, TX	15.7%	15.9%	17.2%	17.5%	17.3%	16.0%
San Diego, CA	14.3%	14.6%	14.7%	14.9%	14.5%	12.6%
San Francisco, CA	24.1%	25.5%	27.7%	29.4%	32.5%	24.0%
San Francisco North Bay, CA	13.2%	13.2%	13.1%	13.5%	13.8%	12.5%
San Jose, CA*	14.1%	14.2%	15.7%	16.3%	16.3%	11.4%
San Juan, PR	12.3%	12.0%	12.1%	12.0%	11.9%	11.9%
San Mateo County, CA*	11.3%	13.3%	15.6%	17.4%	19.3%	13.2%
Savannah, GA	8.4%	8.0%	6.2%	4.5%	4.3%	4.3%
Seattle, WA	19.4%	20.7%	22.2%	23.2%	24.3%	20.4%
Southern NH	8.7%	8.9%	9.2%	9.2%	8.7%	7.6%
St. Louis, MO	17.0%	16.6%	17.5%	17.5%	17.3%	14.9%
St. Petersburg/Clearwater, FL	15.9%	15.2%	16.6%	16.1%	16.4%	15.8%
Suburban MD	19.4%	19.5%	19.8%	20.1%	20.4%	19.3%
Syracuse, NY	11.6%	12.7%	12.8%	13.0%	13.5%	12.8%
Tampa, FL	22.2%	23.0%	22.0%	21.6%	21.9%	17.1%
Tucson, AZ	10.0%	9.8%	9.1%	8.7%	8.8%	7.8%
Tulsa, OK	11.9%	10.8%	11.1%	10.3%	10.4%	10.2%
Washington, DC	19.7%	19.9%	20.2%	20.5%	20.7%	19.6%
Westchester County, NY	26.8%	24.7%	25.2%	26.5%	26.5%	24.0%

Overall (All Classes)						Class A
U.S. Office Markets	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023p	Q4 2023p
United States	\$37.23	\$37.18	\$37.35	\$37.41	\$37.67	\$43.13
Northeast	\$46.69	\$47.06	\$47.03	\$46.80	\$47.69	\$52.90
Midwest	\$26.31	\$26.40	\$26.51	\$26.51	\$26.73	\$30.26
South	\$32.00	\$31.80	\$31.94	\$32.13	\$32.23	\$36.47
West	\$41.88	\$41.68	\$42.03	\$42.05	\$41.74	\$47.64

Overall (All Classes)						Class A
U.S. Office Markets	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023p	Q4 2023p
Atlanta, GA	\$31.38	\$31.29	\$31.56	\$31.97	\$31.70	\$34.27
Austin, TX	\$45.99	\$45.84	\$46.27	\$46.63	\$47.03	\$51.07
Baltimore, MD	\$25.22	\$24.78	\$24.76	\$25.01	\$24.89	\$26.90
Binghamton, NY	\$13.51	\$13.21	\$13.21	\$13.21	\$13.21	\$13.21
Birmingham, AL	\$20.90	\$21.26	\$20.92	\$21.09	\$21.03	\$23.06
Boise, ID	\$22.84	\$22.89	\$22.99	\$22.71	\$22.77	\$25.17
Boston, MA	\$43.78	\$44.07	\$44.27	\$46.10	\$45.96	\$50.46
Buffalo, NY	\$17.70	\$17.70	\$17.70	\$17.70	\$17.70	\$23.60
Charleston, SC	\$29.77	\$29.65	\$29.77	\$30.70	\$30.69	\$34.60
Charlotte, NC	\$33.12	\$33.30	\$33.16	\$33.26	\$33.28	\$35.17
Chicago, IL	\$34.02	\$34.16	\$34.24	\$34.38	\$34.55	\$40.53
Cincinnati, OH	\$20.24	\$20.16	\$19.97	\$20.26	\$20.38	\$22.56
Cleveland, OH	\$19.84	\$19.60	\$19.72	\$19.74	\$19.75	\$21.86
Colorado Springs, CO	\$25.08	\$25.07	\$26.32	\$26.02	\$25.80	\$30.63
Columbia, SC	\$19.17	\$19.11	\$19.04	\$19.09	\$19.54	\$22.46
Columbus, OH	\$21.42	\$21.49	\$21.50	\$21.28	\$21.34	\$22.73
Dallas, TX	\$28.80	\$29.08	\$29.24	\$29.72	\$29.71	\$34.95
Denver, CO	\$31.71	\$31.70	\$32.09	\$32.41	\$32.59	\$36.27
Des Moines, IA	n/a	\$19.90	\$19.68	\$19.76	\$19.57	\$21.44
Detroit, MI	\$19.59	\$19.69	\$19.74	\$19.68	\$19.84	\$21.10
El Paso, TX	\$20.00	\$19.50	\$19.50	\$19.50	\$19.50	\$26.00
Fairfield County, CT	\$34.96	\$35.20	\$34.35	\$34.29	\$34.27	\$36.97
Fort Lauderdale, FL	\$37.96	\$38.20	\$38.32	\$38.90	\$38.99	\$43.31
Fort Myers/Naples, FL	\$20.30	\$23.39	\$24.27	\$27.67	\$26.59	\$24.55
Fort Worth, TX	\$24.71	\$24.48	\$24.99	\$24.94	\$24.96	\$29.22
Fredericksburg, VA	\$24.43	\$24.14	\$24.50	\$24.68	\$24.73	\$26.85
Greensboro/Winston-Salem, NC	\$18.79	\$18.79	\$19.04	\$18.89	\$18.86	\$21.26
Greenville, SC	\$22.94	\$22.77	\$22.99	\$23.09	\$22.96	\$26.11
Hampton Roads, VA	\$21.39	\$21.54	\$21.91	\$21.99	\$22.11	\$23.52
Hartford, CT	\$20.89	\$20.94	\$21.28	\$21.17	\$21.07	\$22.61
Houston, TX	\$31.22	\$31.28	\$31.23	\$31.12	\$31.09	\$37.40
Indianapolis, IN	\$21.37	\$21.41	\$21.37	\$21.36	\$21.74	\$24.44
Inland Empire CA	\$26.87	\$27.24	\$26.86	\$26.82	\$26.54	\$29.86
Jacksonville, FL	\$22.84	\$22.74	\$22.84	\$22.65	\$22.62	\$24.72
Kansas City, MO	\$21.56	\$21.87	\$22.16	\$22.28	\$22.31	\$24.94
Las Vegas, NV	\$26.97	\$27.19	\$27.04	\$27.16	\$26.67	\$34.27
Long Island, NY	\$32.68	\$32.47	\$32.65	\$32.54	\$32.48	\$35.07
Los Angeles CBD	\$45.08	\$45.17	\$44.98	\$44.49	\$44.47	\$46.37
Los Angeles Non-CBD	\$45.16	\$44.35	\$44.31	\$44.12	\$41.03	\$43.63
Louisville, KY	\$18.54	\$18.48	\$18.48	\$18.70	\$18.79	\$20.50
Madison, WI	n/a	\$22.30	\$22.88	\$22.69	\$23.21	\$26.72
Memphis, TN	\$19.38	\$19.38	\$19.56	\$19.30	\$19.16	\$24.12
Miami, FL	\$47.69	\$49.02	\$49.86	\$50.15	\$51.20	\$56.87
Milwaukee, WI	\$21.82	\$21.81	\$22.09	\$22.22	\$22.13	\$24.97
Minneapolis/St. Paul, MN	\$28.40	\$28.32	\$28.23	\$28.19	\$28.59	\$32.88
Nashville, TN	\$32.29	\$32.74	\$34.38	\$33.48	\$33.84	\$38.44

Overall (All Classes)						Class A
U.S. Office Markets	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023p	Q4 2023p
New Haven, CT	\$22.76	\$22.63	\$23.15	\$23.69	\$23.43	\$23.30
New Jersey - Central	\$28.00	\$28.73	\$28.50	\$28.25	\$28.34	\$33.06
New Jersey - Northern	\$32.27	\$33.12	\$32.80	\$32.90	\$32.72	\$36.31
New Orleans, LA	\$19.18	\$19.27	\$19.96	\$20.03	\$20.01	\$20.78
New York - Brooklyn	\$53.83	\$55.37	\$55.94	\$55.56	\$56.21	\$63.18
New York - Downtown	\$55.97	\$56.55	\$56.42	\$55.99	\$55.74	\$59.71
New York - Midtown	\$76.51	\$77.27	\$77.48	\$76.98	\$78.23	\$85.44
New York - Midtown South	\$76.92	\$75.74	\$76.24	\$75.45	\$78.17	\$92.78
Northern VA	\$34.63	\$34.61	\$34.89	\$34.83	\$35.52	\$37.86
Oakland/East Bay, CA*	\$43.46	\$42.99	\$42.55	\$42.15	\$41.85	\$45.51
Oklahoma City, OK	n/a	\$19.04	\$19.16	\$19.27	\$19.58	\$24.13
Omaha, NE	\$26.97	\$26.56	\$25.96	\$26.15	\$26.55	\$33.15
Orange County, CA	\$34.59	\$34.71	\$34.45	\$34.38	\$34.23	\$37.57
Orlando, FL	\$26.15	\$26.68	\$26.52	\$26.67	\$26.89	\$29.12
Palm Beach, FL	\$43.64	\$44.55	\$45.50	\$46.37	\$46.21	\$52.43
Philadelphia, PA	\$28.81	\$29.15	\$29.17	\$29.08	\$29.14	\$31.40
Phoenix, AZ	\$28.66	\$28.85	\$28.85	\$29.19	\$29.42	\$35.48
Pittsburgh, PA	\$25.98	\$25.98	\$26.39	\$26.13	\$25.95	\$28.47
Portland, OR	\$31.50	\$31.90	\$31.89	\$32.50	\$33.47	\$37.52
Providence, RI	\$19.96	\$20.37	\$20.53	\$21.58	\$21.68	\$33.99
Puget Sound - Eastside	\$42.52	\$45.99	\$43.97	\$42.66	\$43.41	\$45.77
Raleigh/Durham, NC	\$29.45	\$29.08	\$28.93	\$29.30	\$29.09	\$29.90
Reno, NV	\$23.52	\$23.04	\$23.04	\$22.56	\$22.56	\$25.92
Richmond, VA	\$20.34	\$20.52	\$20.82	\$20.92	\$21.26	\$23.11
Roanoke, VA	\$19.01	\$18.78	\$20.44	\$21.00	\$21.00	\$24.72
Rochester, NY	\$17.50	\$17.50	\$17.50	\$17.50	\$17.50	\$21.00
Sacramento, CA	\$26.26	\$26.28	\$26.50	\$26.39	\$26.42	\$30.66
Salt Lake City, UT	\$25.71	\$26.01	\$25.78	\$25.80	\$25.64	\$28.69
San Antonio, TX	\$24.64	\$24.33	\$24.26	\$24.40	\$23.33	\$25.90
San Diego, CA	\$40.34	\$40.81	\$40.49	\$41.33	\$41.12	\$46.85
San Francisco, CA	\$73.94	\$73.12	\$72.99	\$71.42	\$69.87	\$73.40
San Francisco North Bay, CA	\$33.05	\$33.48	\$33.06	\$33.38	\$33.14	\$38.23
San Jose, CA*	\$52.38	\$52.22	\$53.39	\$53.74	\$54.17	\$66.59
San Juan, PR	\$20.01	\$20.03	\$20.06	\$20.39	\$20.43	\$20.38
San Mateo County, CA*	\$74.78	\$75.71	\$73.38	\$74.34	\$71.44	\$77.39
Savannah, GA	\$22.47	\$22.79	\$23.26	\$23.49	\$25.16	\$28.59
Seattle, WA	\$45.90	\$45.53	\$45.53	\$45.25	\$44.81	\$49.28
Southern NH	\$23.33	\$22.76	\$23.24	\$23.62	\$23.76	\$24.81
St. Louis, MO	\$22.32	\$22.41	\$23.78	\$23.22	\$23.14	\$25.18
St. Petersburg/Clearwater, FL	\$26.02	\$25.54	\$25.41	\$25.73	\$25.87	\$27.16
Suburban MD	\$29.38	\$29.31	\$29.29	\$29.47	\$30.83	\$35.07
Syracuse, NY	\$16.64	\$16.67	\$16.80	\$16.76	\$16.90	\$17.37
Tampa, FL	\$30.58	\$30.33	\$30.51	\$30.95	\$31.09	\$33.81
Tucson, AZ	\$21.79	\$21.30	\$22.60	\$22.78	\$22.84	\$25.02
Tulsa, OK	\$16.62	\$16.81	\$16.99	\$17.09	\$17.62	\$21.84
Washington, DC	\$55.99	\$55.52	\$55.11	\$54.94	\$54.80	\$61.50
Westchester County, NY	\$30.50	\$30.65	\$30.57	\$30.62	\$30.59	\$31.43

U.S. Office Markets	Inventory	Deliveries 2023	Under Construction as of Q4 2023p
United States	5,527,386,003	33,452,644	59,933,203
Northeast	1,290,887,844	8,137,251	11,975,929
Midwest	795,516,609	3,372,006	4,855,964
South	1,934,663,718	12,086,952	26,682,355
West	1,506,317,832	9,856,435	16,418,955

U.S. Office Markets	Inventory	Deliveries 2023	Under Construction as of Q4 2023p
Atlanta, GA	157,436,777	458,817	2,329,520
Austin, TX	64,522,064	2,089,722	4,659,615
Baltimore, MD	78,510,588	169,284	653,781
Binghamton, NY	4,262,170	0	0
Birmingham, AL	19,391,102	55,000	48,750
Boise, ID	17,080,177	316,339	0
Boston, MA	195,772,021	1,863,730	3,133,722
Buffalo, NY	22,761,974	0	0
Charleston, SC	21,005,035	254,340	198,000
Charlotte, NC	57,108,003	638,041	1,029,141
Chicago, IL	242,481,401	1,200,202	1,007,352
Cincinnati, OH	34,279,117	100,000	15,000
Cleveland, OH	90,804,686	480,401	1,925,091
Colorado Springs, CO	30,440,759	95,837	0
Columbia, SC	22,343,865	0	0
Columbus, OH	35,915,797	258,625	335,067
Dallas, TX	229,588,838	2,672,235	6,067,926
Denver, CO	121,791,791	419,261	2,258,616
Des Moines, IA	15,936,974	122,436	49,619
Detroit, MI	102,019,705	145,275	728,600
El Paso, TX	20,392,385	150,059	180,942
Fairfield County, CT	38,051,276	0	0
Fort Lauderdale, FL	26,265,511	0	0
Fort Myers/Naples, FL	22,498,702	103,856	75,000
Fort Worth, TX	19,849,165	138,000	129,400
Fredericksburg, VA	10,900,899	20,000	0
Greensboro/Winston-Salem, NC	35,568,379	0	100,000
Greenville, SC	21,878,245	250,843	118,000
Hampton Roads, VA	46,096,627	35,000	120,000
Hartford, CT	24,880,803	0	0
Houston, TX	188,760,313	485,274	386,323
Indianapolis, IN	39,627,629	92,858	133,360
Inland Empire CA	21,224,636	0	0
Jacksonville, FL	21,946,746	0	0
Kansas City, MO	53,115,406	120,527	190,380
Las Vegas, NV	41,926,840	59,343	404,001
Long Island, NY	36,772,982	0	0
Los Angeles CBD	27,797,027	0	0
Los Angeles Non-CBD	184,601,841	2,255,492	2,209,302
Louisville, KY	20,537,533	119,380	0
Madison, WI	16,823,076	386,761	0
Memphis, TN	27,592,075	42,884	0
Miami, FL	39,428,320	46,678	1,670,809
Milwaukee, WI	30,275,034	70,357	61,779
Minneapolis/St. Paul, MN	80,348,670	0	340,000
Nashville, TN	49,412,185	1,209,863	2,421,683

U.S. Office Markets	Inventory	Deliveries 2023	Under Construction as of Q4 2023p
New Haven, CT	10,890,425	0	725,000
New Jersey - Central	82,573,025	0	0
New Jersey - Northern	109,413,148	120,000	340,000
New Orleans, LA	26,675,468	0	n/a
New York - Brooklyn	29,880,391	816,623	561,696
New York - Downtown	85,521,030	0	0
New York - Midtown	263,052,894	1,945,245	3,317,460
New York - Midtown South	70,373,697	2,800,653	1,939,162
Northern VA	132,222,138	0	703,402
Oakland/East Bay, CA*	97,539,747	0	0
Oklahoma City, OK	63,114,688	281,262	651,094
Omaha, NE	18,980,035	0	119,335
Orange County, CA	92,186,641	448,046	0
Orlando, FL	36,268,024	347,620	300,000
Palm Beach, FL	23,173,011	0	675,910
Philadelphia, PA	134,376,510	305,000	1,045,000
Phoenix, AZ	91,453,729	370,000	518,580
Pittsburgh, PA	94,209,744	0	686,889
Portland, OR	59,201,198	272,951	891,000
Providence, RI	23,603,950	0	n/a
Puget Sound - Eastside	38,376,970	1,762,746	2,597,927
Raleigh/Durham, NC	55,412,708	923,295	1,795,311
Reno, NV	8,279,564	97,235	121,819
Richmond, VA	56,478,372	170,526	907,100
Roanoke, VA	11,757,215	0	0
Rochester, NY	13,055,120	0	0
Sacramento, CA	68,414,677	0	569,000
Salt Lake City, UT	53,246,836	366,058	377,357
San Antonio, TX	50,531,984	1,090,109	276,722
San Diego, CA	71,765,096	331,834	1,196,342
San Francisco, CA	85,970,246	479,409	0
San Francisco North Bay, CA	20,921,316	0	0
San Jose, CA*	222,505,496	1,558,302	2,374,803
San Juan, PR	10,312,067	n/a	n/a
San Mateo County, CA*	39,938,287	436,000	565,554
Savannah, GA	3,849,705	0	22,454
Seattle, WA	66,467,231	404,805	2,145,035
Southern NH	14,614,928	34,000	160,000
St. Louis, MO	50,846,053	517,000	0
St. Petersburg/Clearwater, FL	10,548,980	0	45,000
Suburban MD	59,263,063	0	276,000
Syracuse, NY	13,780,941	252,000	67,000
Tampa, FL	31,012,785	75,000	131,790
Tucson, AZ	29,250,753	60,341	140,000
Tulsa, OK	50,134,727	259,864	7,900
Washington, DC	112,875,426	0	700,782
Westchester County, NY	23,040,815	0	0

Methodology

Cushman & Wakefield's quarterly estimates are derived from a variety of data sources, including its own proprietary database, and historical data from third party data sources. The market statistics are calculated from a base building inventory made up of office properties deemed to be competitive in the local office markets. Generally, owner-occupied and federally-owned buildings are not included. Single tenant buildings and privately-owned buildings in which the federal government leases space are included. Older buildings unfit for occupancy or ones that require substantial renovation before tenancy are generally not included in the competitive inventory. The inventory is subject to revisions due to resampling. Vacant space is defined as space that is available immediately or imminently after the end of the quarter. Sublet space still occupied by the tenant is not counted as available space. The figures provided for the current quarter are preliminary, and all information contained in the report is subject to correction of errors and revisions based on additional data received.

Explanation of Terms

Total Inventory: The total amount of office space (in buildings of a predetermined size by market) that can be rented by a third party.

Overall Vacancy Rate: The amount of unoccupied space (new, relet, and sublet) expressed as a percentage of total inventory.

Direct Vacancy Rate: The amount of unoccupied space available directly through the landlord, excludes sublease space.

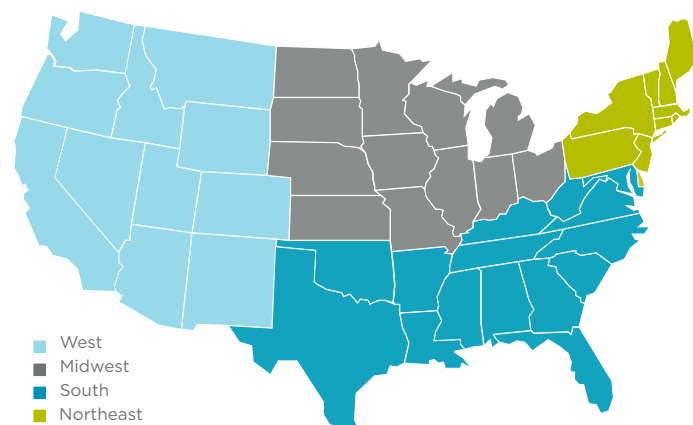
Absorption: The net change in occupied space between two points in time. (Total occupied space in the present quarter minus total occupied space from the previous quarter, quoted on a net, not gross, basis.)

Leasing Activity: The sum of all leases over a period of time. This includes pre-leasing activity as well as expansions. It does not include renewals.

Overall Weighted Asking Rents: Gross average asking rents weighted by the amount of available direct and sublease space in Class A, B and C properties.

Class A Asking Rents: Gross average asking rents weighted by the amount of available Class A direct and sublease space.

Regional Map



About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in approximately 400 offices and 60 countries. In 2022, the firm reported revenue of \$10.1 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), Environmental, Social and Governance (ESG) and more. For additional information, visit www.cushmanwakefield.com.

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¹Cushman & Wakefield Research calculations of U.S. Bureau of Labor Statistics data.