

	YoY Chg	12-Mo. Forecast
18.6% Vacancy Rate	▲	▲
-32.2M Net Absorption, SF	▼	▲
\$37.03 Asking Rent, PSF	▲	▼
1.0% Rent Growth, YoY	▲	▼
78.5M Under Construction	▼	▼

(Overall, All Property Classes)

ECONOMIC INDICATORS Q1 2023

	YoY Chg	12-Mo. Forecast*
155.3M Total Nonfarm Employment	▲	▼
35.1M Office-using Employment	▲	▼
3.5% U.S. Unemployment Rate	▼	▲

Source: BLS, *Cushman & Wakefield baseline

Caution and Cost Cutting Reduces Occupier Demand and Office Leasing Activity

The main challenges facing the U.S. economy remained consistent for the third quarter in a row: inflationary pressures, increased interest rates, tight labor markets and economic uncertainty. In Q1 2023, another concern cropped up when [several banks failed](#). Occupiers have grown cautious, looking for cost-cutting opportunities. This is beginning to play out in the labor market, as layoff and hiring freeze announcements have grown and office-using employment growth has cooled.

In this economic environment, office demand suffered again in Q1 2023. Leasing activity declined 23% quarter-over-quarter (QoQ), hitting levels seen during the height of the pandemic in mid-2020. Absorption was negative for the 11th quarter out of the past 12, and the national office vacancy rate increased by 60 basis points (bps) to 18.6%.

Construction activity is being impacted by the higher cost of capital, lingering supply chain issues, labor costs and general doubt related to the office sector. The current pipeline, at 79 million square feet (msf), is at its lowest point since 2014, decreasing 42% from its first quarter 2020 peak of 135 msf. Deliveries this quarter were sub-5 msf for the first time since 2013, well off the 12.7 msf per-quarter average since the beginning of 2020.

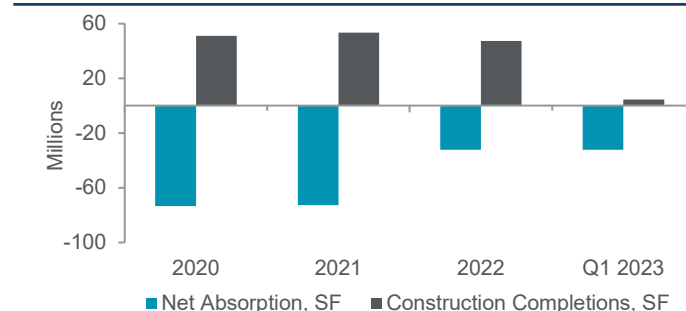
Some Positives Exist, But Broader Market Slowed in Q1

The office market had been stabilizing and trending toward positive demand through the middle of last year. However, inflation, interest rates and economic uncertainty have dampened absorption and increased sublease availabilities, both of which have led to increased vacancies across the U.S.

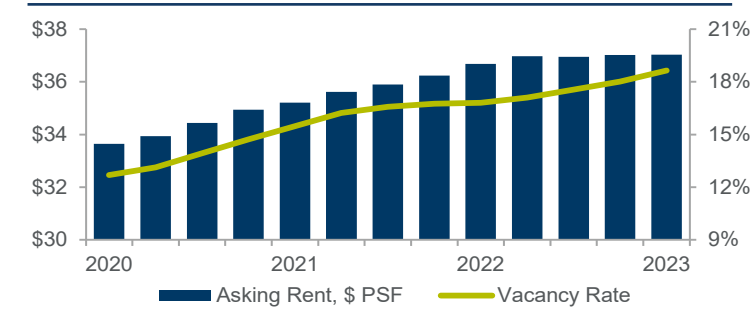
Net absorption registered -32.2 msf in first quarter 2023, which was the lowest quarter in two years. Sublease availabilities increased by 12.5 msf, bringing the total amount of vacant sublease space to 146 msf. Approximately 15% of overall vacancy is currently available sublease space, and the sublease market has accounted for nearly one-fourth of all new vacant space since the beginning of 2020. Sublease space tends to peak several quarters before overall vacancy, so this will be an important area to watch over the coming year.

Overall gross leasing activity for the four quarters ending in first quarter 2023 was 309 msf. This is still 69 msf above the pandemic-era low in first quarter 2021 but has now fallen for three straight quarters. Leasing activity in the first quarter was also slightly below the 20-year historical average of 320 msf.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



Demand dynamics vary across the country. Of the 90 markets tracked by Cushman & Wakefield, there were 16 that registered positive net absorption in the first quarter. The market leaders in terms of overall absorption this quarter include, Rochester (+227,000 sf), Omaha (+184,000), Hartford (+152,000), Hampton Roads (+129,000), Madison, Wisc. (+128,000), Miami (+125,000), Memphis (+115,000), and New Haven (+101,000). The flight-to-quality trends have continued, with 25 U.S. markets posting positive demand among Class A office buildings. Some of the strongest Class A performances in the first quarter were in large office markets, such as San Jose (+482,000), Los Angeles Non-CBD (+258,000), Washington, DC (+124,000), and Miami (+113,000).

Elevated Vacancy Likely Around Through 2023

The national vacancy rate increased by 60 bps in first quarter 2023—the largest QoQ increase since Q2 2021—ending the quarter at 18.6%. Vacancy now sits 550 bps higher than it did in first quarter 2020 when the pandemic began. This is a larger trough-to-peak increase than the 465-bps increase during the Great Financial Crisis (2007-2010), but considerably smaller than the 915-bps rise in the Dot-Com recession (2000-2003).

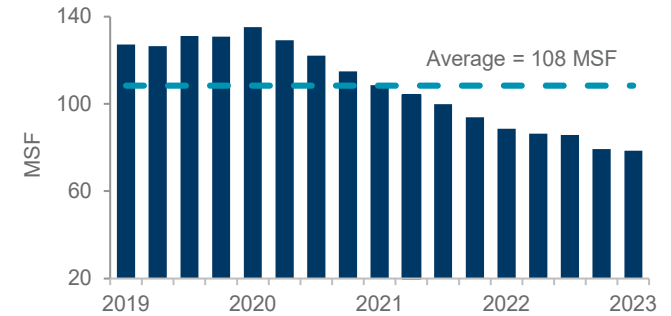
Overall vacancy remains below 13% in nearly one-third of U.S. markets (27 out of 92 markets) and is above 20% in one-third of markets (33 out of 92 markets). In first quarter 2023, overall vacancy declined in one-fifth of U.S. markets, and Class A vacancy declined in nearly one-third of markets. Markets where vacancy is tightening tend to be in the Southeastern region of the country (e.g., Miami, Savannah, Jacksonville), smaller Northeastern markets (e.g., Buffalo, New Haven, Providence) or recovering Midwestern markets (e.g., Omaha, Tulsa, St. Louis).

Developers are beginning to tap the brakes on new office construction. While the previous three years averaged 12.7 msf of new office deliveries each quarter—for a total of over 150 msf—there was only 4.5 msf of space delivered in first quarter 2023. The pipeline has declined by 11% year-over-year (YoY) and currently sits at 79 msf. It is likely that the construction pipeline will continue to shrink in 2023, given the uncertainty related to the office market mixed with the various short-term economic challenges associated with interest rates, commodity prices, supply chains and labor shortages. Nationally, the construction pipeline represents 1.4% of current inventory, which is in line with the historical average of 1.5%. But all real estate is local, and there are nine different markets where the ratio is more than double that national average. Based on the flight-to-quality trend, this new product will likely be in high demand but may increase vacancy in other parts of the market as occupiers upgrade space in the coming years.

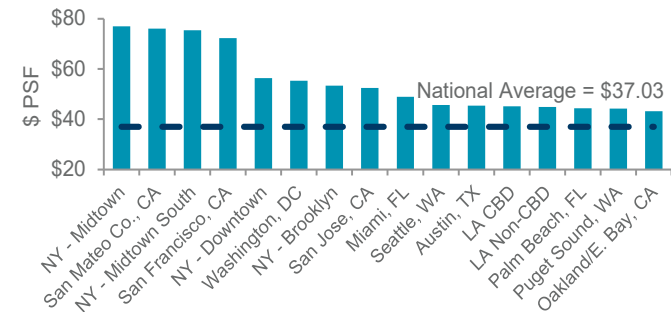
Outlook

- **Vacancy to peak in 2024:** The national vacancy rate has increased for 13 straight quarters. Cushman & Wakefield continues to [forecast a mild recession that will suppress demand and push office vacancy up](#) through 2023. Vacancy is expected to stabilize in 2024 as the economic recovery evolves. Real estate is intensely local, so markets with a faster jobs recovery will see positive absorption sooner than the nation as a whole.
- **Further trifurcation in the market:** While overall vacancy is elevated, in many markets it is concentrated in a small proportion of buildings. Some of these may end up being [competitively obsolete and will require investment or repurposing](#) over the coming years. Occupiers' continued focus on quality will drive activity in top office assets. There isn't enough of that space, however, so as demand recovers it will trickle down to the "middle" of the market. Look for the best and newest office product in the market to continue to outperform with larger rent premiums and lower vacancy rates.
- **Supply side to slow down:** As noted previously, the construction pipeline is beginning to dissipate. In nearly three-fourths of U.S. markets, the pipeline now represents less than 2% of total inventory. After averaging over 50 msf of deliveries per year for the past eight years, new construction completions will slow down in 2023 to the 30-40-msf range and will slow even more so in 2024. This trend will help rebalance the supply-demand relationship as sublease and vacancy levels peak.

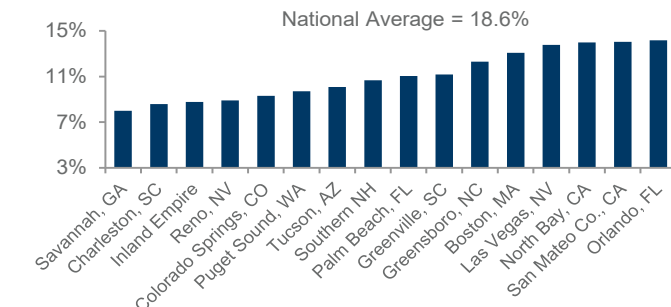
SPACE UNDER CONSTRUCTION



ASKING RENT BY SELECT MARKET HIGHEST PRICED U.S. MARKETS



VACANCY BY SELECT MARKETS



U.S. Office Markets	Net Absorption					Leasing Activity**	
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023p	YTD 2023p	
United States	-2,510,163	-2,795,274	-13,017,364	-13,821,445	-32,236,791	56,852,871	
Northeast	850,356	-1,176,989	-2,370,462	-3,882,087	-7,803,713	12,774,865	
Midwest	-2,787,172	-959,916	-3,026,035	-2,920,003	-6,093,929	7,997,243	
South	-683,638	709,833	-2,370,851	-1,943,955	-7,179,857	17,928,650	
West	110,291	-1,368,202	-5,250,016	-5,075,400	-11,159,292	18,016,332	

U.S. Office Markets	Net Absorption				Leasing Activity**	
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023p	YTD 2023p
Atlanta, GA	184,352	606,091	145,226	148,620	-706,142	2,031,542
Austin, TX	187,039	430,346	-315,673	-288,285	-395,345	241,781
Baltimore, MD	-337,246	119,526	-379,159	-6,920	-445,645	711,872
Binghamton, NY	5,000	-8,255	-520	1,078	-8,765	1,210
Birmingham, AL	-128,742	10,084	-50,230	-83,455	-161,614	194,749
Boise, ID	-112,633	-39,445	-2	92,517	-195,251	152,126
Boston, MA	430,385	-201,746	-310,166	-1,499,252	-1,237,539	1,548,017
Buffalo, NY	97,569	-102,095	-104,320	-169,353	-84,171	180,835
Charleston, SC	330,197	-43,012	10,696	56,218	-54,863	111,691
Charlotte, NC	-575,135	-5,005	185,950	-608,559	-271,873	467,859
Chicago, IL	-1,264,820	-409,414	-822,835	-1,108,497	-2,985,433	2,841,337
Cincinnati, OH	-388,639	58,082	-204,900	43,225	-271,604	593,720
Cleveland, OH	-164,648	-266,589	-129,527	-901,554	-597,646	481,532
Colorado Springs, CO	152,357	-45,828	-110,819	293,237	-165,334	215,060
Columbia, SC	-250,445	67,159	-32,820	400	-23,354	124,613
Columbus, OH	527,150	76,424	-575,407	-362,995	-355,984	483,282
Dallas, TX	356,470	654,871	-177,062	7,420	-601,445	2,029,337
Denver, CO	-80,520	-842,132	-684,284	-603,860	-1,033,346	1,794,405
Des Moines, IA	n/a	n/a	n/a	n/a	-37,916	88,986
Detroit, MI	-510,436	25,454	-81,821	-238,665	-988,356	515,950
El Paso, TX	66,137	648,247	-409,104	45,827	56,449	133,741
Fairfield County, CT	366,085	166,642	257,788	24,434	-181,430	418,528
Fort Lauderdale, FL	22,718	10,470	30,367	-131,656	-27,484	363,585
Fort Myers/Naples, FL	29,985	-39,333	4,978	124,830	-32,391	142,332
Fort Worth, TX	-20,875	-13,466	-44,179	-130,202	-97,590	62,848
Fredericksburg, VA	-4,199	-895	32,511	3,992	80,923	40,635
Greensboro/Winston-Salem, NC	-46,060	-277,623	-47,325	-90,983	-220,192	135,781
Greenville, SC	80,950	48,784	-33,563	-1,264	-96,911	127,370
Hampton Roads, VA	-16,741	107,642	-33,294	89,790	129,229	279,594
Hartford, CT	-669,035	154,713	-344,688	-95,622	152,073	135,462
Houston, TX	316,746	-245,361	-584,656	-605,497	-996,361	3,230,061
Indianapolis, IN	14,486	146,486	-268,044	-71,855	-334,769	430,601
Inland Empire CA	-52,993	25,053	-77,368	-89,046	-68,906	294,924
Jacksonville, FL	53,442	28,118	-80,747	382,315	5,970	236,784
Kansas City, MO	-686,255	-237,646	-61,212	93,555	-286,891	689,036
Las Vegas, NV	-197,243	-1,414	-82,404	-24,840	-130,828	245,058
Long Island, NY	-382,847	-122,135	-17,413	-32,505	-443,909	614,045
Los Angeles CBD	-327,425	36,407	48,667	-350,094	-337,320	140,219
Los Angeles Non-CBD	126,848	-27,431	-257,451	-655,413	-112,370	2,519,523
Louisville, KY	-173,892	60,149	-26,967	-81,603	-307,532	302,156
Madison, WI	n/a	n/a	n/a	n/a	127,987	148,336
Memphis, TN	237,696	-69,883	136,474	89,720	114,872	254,864
Miami, FL	339,840	-19,341	-41,409	231,568	124,561	641,724
Milwaukee, WI	33,029	-84,525	-117,422	26,970	-807	383,952
Minneapolis/St. Paul, MN	-454,107	-182,123	-165,926	-86,823	-651,622	973,324
Nashville, TN	153,183	-246,907	220,621	152,444	-73,098	492,487

U.S. Office Markets	Net Absorption				Leasing Activity**	
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023p	YTD 2023p
New Haven, CT	-89,872	54,495	-74,647	-20,507	100,595	44,173
New Jersey - Central	182,252	141,736	543,956	-1,431,701	-434,189	1,310,954
New Jersey - Northern	764,111	402,262	-765,943	-350,364	-1,800,478	1,266,953
New Orleans, LA	136,890	-80,382	8,606	223,127	-224,251	46,171
New York - Brooklyn	-166,184	-31,085	599,255	-237,655	-16,897	115,859
New York - Downtown	-352,129	-255,406	195,817	-491,173	-678,237	767,806
New York - Midtown	-43,766	1,077,002	41,876	1,719,559	-861,817	3,480,473
New York - Midtown South	540,843	-884,188	-192,579	58,480	-674,842	826,517
Northern VA	-193,448	-171,054	6,667	-355,595	-576,961	813,354
Oakland/East Bay, CA*	387,803	-24,695	-434,668	-832,728	-461,617	737,341
Omaha, NE	181,111	105,841	22,619	51,793	183,921	182,025
Orange County, CA	-667,814	-687,434	-526,416	-927,164	-1,146,635	1,499,972
Orlando, FL	-26,433	44,490	-60,661	68,551	-314,590	540,147
Palm Beach, FL	20,322	157,068	156,828	141,072	-154,346	254,778
Philadelphia, PA	750,003	-1,512,480	-1,653,953	-1,292,119	-1,082,931	1,045,571
Phoenix, AZ	87,086	-125,876	-486,182	-851,969	-969,236	1,406,789
Pittsburgh, PA	-589,086	-90,885	68,686	115,480	-403,912	512,940
Portland, OR	-224,540	-497,865	356,266	-341,125	-503,124	552,087
Providence, RI	101,954	-103,318	52,365	-62,045	-105,860	131,432
Puget Sound - Eastside	585,315	128,762	-25,879	-155,779	-428,624	395,529
Raleigh/Durham, NC	-552,139	-519,236	-753,299	-591,152	-963,139	423,043
Reno, NV	-36,242	17,275	27,306	6,506	20,702	79,342
Richmond, VA	-138,864	-147,893	-391,933	94,125	-127,984	381,332
Roanoke, VA	-34,217	-7,773	15,532	75,357	-34,704	11,867
Rochester, NY	121,135	361,851	-591,929	-86,874	227,322	29,122
Sacramento, CA	-164,124	10,808	-378,111	265,746	-690,680	442,315
Salt Lake City, UT	-366,071	-135,907	-356,276	-390,673	-427,459	563,647
San Antonio, TX	-766,217	-116,123	244,475	46,840	-578,985	599,485
San Diego, CA	51,560	788,759	-431,170	-78,914	-326,171	566,044
San Francisco, CA	-1,225,107	-230,808	-1,165,806	-541,526	-1,755,157	1,180,883
San Francisco North Bay, CA	-141,644	35,610	5,203	-195,847	32,504	291,753
San Jose, CA*	1,511,638	1,008,470	-407,345	1,003,897	-310,254	3,128,732
San Juan, PR	n/a	n/a	n/a	n/a	n/a	n/a
San Mateo County, CA*	566,897	-327,982	31,039	-76,865	-959,822	664,652
Savannah, GA	-37,265	-3,605	43,183	36,100	15,423	n/a
Seattle, WA	-93,358	-240,271	-488,164	-435,625	-1,090,076	870,912
Southern NH	-182,582	20,329	-50,771	-13,947	-47,270	62,666
St. Louis, MO	-74,043	-191,906	-621,560	-365,157	67,275	274,148
St. Petersburg/Clearwater, FL	-207,257	-38,652	41,524	42,539	-28,286	104,538
Suburban MD	151,088	-935	503,198	-375,060	-107,683	593,336
Syracuse, NY	39,321	-10,961	103,400	102,496	-202,861	70,474
Tampa, FL	-84,190	-86,497	-715,290	-150,765	-43,466	597,290
Tucson, AZ	330,501	-192,258	193,848	-185,835	-62,372	186,033
Tulsa, OK	63,338	132,856	105,913	64,262	18,507	216,170
Washington, DC	179,334	-283,092	-86,229	-568,076	-59,556	1,125,514
Westchester County, NY	-72,801	-233,465	-126,676	-120,497	-18,595	211,828

U.S. Office Markets	Overall					Direct
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023p	Q1 2023p
United States	16.8%	17.1%	17.6%	18.0%	18.6%	16.0%
Northeast	17.5%	17.9%	18.3%	18.8%	19.5%	15.7%
Midwest	16.8%	17.3%	17.8%	18.7%	19.3%	17.2%
South	17.1%	17.3%	17.7%	17.8%	18.3%	16.6%
West	15.8%	16.1%	16.6%	17.2%	18.0%	14.8%

U.S. Office Markets	Overall					Direct
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023p	Q1 2023p
Atlanta, GA	22.0%	21.5%	22.2%	22.5%	22.9%	21.1%
Austin, TX	19.7%	19.7%	21.3%	21.8%	23.1%	16.3%
Baltimore, MD	13.3%	13.4%	13.9%	14.4%	14.9%	13.5%
Binghamton, NY	6.7%	6.8%	7.0%	7.0%	7.5%	7.5%
Birmingham, AL	19.0%	18.9%	19.2%	19.6%	20.3%	17.0%
Boise, ID	6.6%	6.8%	6.9%	7.3%	8.8%	6.7%
Boston, MA	10.9%	11.5%	11.7%	12.5%	13.1%	10.3%
Buffalo, NY	16.0%	17.3%	17.8%	18.5%	18.2%	16.0%
Charleston, SC	7.1%	7.4%	7.4%	8.5%	8.6%	7.6%
Charlotte, NC	18.6%	18.6%	19.0%	17.7%	20.2%	16.5%
Chicago, IL	21.3%	21.5%	21.8%	22.4%	23.7%	21.5%
Cincinnati, OH	22.1%	22.0%	23.5%	23.3%	24.2%	21.3%
Cleveland, OH	6.7%	6.9%	7.0%	7.6%	8.0%	7.3%
Colorado Springs, CO	8.6%	8.9%	9.3%	8.6%	9.3%	8.4%
Columbia, SC	9.4%	9.1%	9.7%	9.7%	9.8%	7.9%
Columbus, OH	21.6%	21.3%	24.0%	25.3%	26.7%	22.3%
Dallas, TX	20.9%	20.9%	21.1%	21.0%	21.5%	20.4%
Denver, CO	19.6%	20.5%	21.1%	21.7%	22.6%	19.2%
Des Moines, IA	n/a	n/a	n/a	n/a	13.8%	13.3%
Detroit, MI	9.7%	12.5%	14.2%	18.1%	19.1%	17.4%
El Paso, TX	5.8%	3.7%	6.6%	9.0%	9.7%	9.6%
Fairfield County, CT	29.6%	30.1%	29.4%	29.6%	30.2%	23.9%
Fort Lauderdale, FL	16.6%	16.5%	17.3%	17.5%	17.6%	16.2%
Fort Myers/Naples, FL	3.6%	4.0%	4.0%	3.4%	3.5%	2.7%
Fort Worth, TX	11.5%	11.5%	11.9%	12.8%	13.3%	12.4%
Fredericksburg, VA	8.1%	8.1%	7.6%	7.4%	7.0%	6.6%
Greensboro/Winston-Salem, NC	10.4%	11.3%	11.4%	11.7%	12.3%	11.5%
Greenville, SC	10.0%	10.2%	10.4%	10.8%	11.2%	9.4%
Hampton Roads, VA	8.7%	8.4%	8.6%	8.6%	8.1%	7.8%
Hartford, CT	23.8%	23.2%	24.6%	25.0%	24.3%	20.8%
Houston, TX	24.7%	24.9%	25.2%	25.5%	26.0%	24.5%
Indianapolis, IN	19.1%	18.7%	19.4%	19.5%	20.4%	18.6%
Inland Empire CA	7.8%	7.7%	8.0%	8.5%	8.8%	8.3%
Jacksonville, FL	20.7%	20.6%	20.9%	19.7%	19.7%	17.5%
Kansas City, MO	19.7%	20.5%	20.5%	20.4%	21.1%	17.3%
Las Vegas, NV	11.9%	12.3%	12.5%	13.5%	13.8%	12.7%
Long Island, NY	12.5%	12.8%	12.9%	13.0%	14.2%	11.2%
Los Angeles CBD	23.3%	23.2%	23.0%	24.2%	25.5%	23.7%
Los Angeles Non-CBD	20.2%	20.7%	21.0%	21.7%	22.0%	19.5%
Louisville, KY	15.0%	14.7%	14.9%	15.3%	16.9%	16.2%
Madison, WI	n/a	n/a	n/a	n/a	9.7%	9.7%
Memphis, TN	15.1%	15.2%	15.8%	16.2%	16.2%	15.5%
Miami, FL	16.1%	16.2%	16.4%	16.0%	15.8%	15.2%
Milwaukee, WI	20.7%	21.1%	21.7%	21.7%	22.3%	22.3%
Minneapolis/St. Paul, MN	24.7%	24.9%	24.5%	24.5%	25.1%	21.3%
Nashville, TN	17.3%	18.7%	18.5%	18.4%	18.9%	15.5%

U.S. Office Markets	Overall					Direct
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023p	Q1 2023p
New Haven, CT	17.5%	17.0%	17.7%	17.9%	17.0%	16.7%
New Jersey - Central	18.8%	18.7%	18.0%	19.8%	20.2%	15.7%
New Jersey - Northern	19.6%	19.3%	19.9%	20.2%	21.9%	17.3%
New Orleans, LA	10.6%	10.9%	10.8%	10.2%	11.1%	10.6%
New York - Brooklyn	24.0%	24.1%	22.7%	23.9%	23.9%	21.2%
New York - Downtown	21.2%	21.6%	21.8%	22.4%	22.6%	15.6%
New York - Midtown	20.6%	21.0%	21.1%	21.3%	22.1%	17.0%
New York - Midtown South	19.0%	20.9%	21.4%	22.0%	22.5%	17.2%
Northern VA	19.4%	19.6%	19.6%	20.0%	20.5%	19.9%
Oakland/East Bay, CA*	13.6%	13.5%	13.7%	14.6%	15.0%	11.5%
Omaha, NE	13.0%	12.5%	12.5%	12.6%	11.9%	11.0%
Orange County, CA	14.4%	15.2%	15.8%	17.2%	19.1%	16.9%
Orlando, FL	13.0%	13.2%	13.3%	13.3%	14.2%	12.4%
Palm Beach, FL	12.2%	11.7%	11.0%	10.4%	11.0%	9.3%
Philadelphia, PA	15.6%	16.8%	18.0%	19.0%	19.8%	17.3%
Phoenix, AZ	21.4%	21.8%	22.7%	23.9%	25.0%	19.8%
Pittsburgh, PA	13.2%	13.6%	14.1%	13.9%	15.0%	13.5%
Portland, OR	16.9%	17.8%	17.3%	17.9%	19.1%	16.5%
Providence, RI	13.2%	12.9%	12.2%	12.7%	12.5%	10.7%
Puget Sound - Eastside	8.1%	7.7%	7.8%	8.2%	9.7%	8.0%
Raleigh/Durham, NC	14.4%	15.7%	17.5%	18.6%	20.4%	12.8%
Reno, NV	10.2%	9.9%	9.5%	9.4%	8.9%	8.1%
Richmond, VA	7.3%	7.7%	8.5%	8.2%	8.0%	7.7%
Roanoke, VA	7.9%	7.9%	7.7%	7.0%	7.5%	4.9%
Rochester, NY	14.5%	12.1%	23.3%	22.8%	21.4%	21.4%
Sacramento, CA	13.4%	13.3%	13.8%	13.4%	14.4%	12.3%
Salt Lake City, UT	17.4%	18.0%	19.0%	19.9%	21.2%	15.6%
San Antonio, TX	15.3%	15.6%	15.5%	15.7%	16.8%	15.7%
San Diego, CA	14.3%	13.5%	14.1%	14.3%	14.8%	12.5%
San Francisco, CA	20.3%	20.6%	22.1%	22.8%	24.8%	18.6%
San Francisco North Bay, CA	13.3%	13.1%	13.1%	14.0%	14.0%	12.4%
San Jose, CA*	13.9%	13.8%	14.4%	14.1%	14.2%	10.4%
San Juan, PR	13.4%	13.1%	12.7%	12.3%	12.0%	12.0%
San Mateo County, CA*	9.0%	10.5%	11.2%	11.5%	14.0%	10.2%
Savannah, GA	9.7%	9.8%	9.2%	8.4%	8.0%	8.0%
Seattle, WA	17.2%	18.0%	18.8%	19.5%	21.1%	17.5%
Southern NH	9.5%	10.0%	10.3%	10.4%	10.7%	9.2%
St. Louis, MO	15.0%	15.4%	16.6%	17.3%	17.2%	14.3%
St. Petersburg/Clearwater, FL	16.4%	16.8%	16.4%	15.8%	15.2%	13.5%
Suburban MD	18.1%	18.7%	18.7%	19.3%	19.4%	18.2%
Syracuse, NY	12.8%	13.0%	12.3%	11.6%	13.2%	12.9%
Tampa, FL	19.4%	19.8%	22.1%	22.5%	22.8%	16.9%
Tucson, AZ	9.1%	9.9%	9.4%	10.0%	10.1%	9.1%
Tulsa, OK	12.1%	11.9%	11.8%	11.9%	11.4%	10.6%
Washington, DC	17.8%	18.9%	19.0%	19.6%	19.7%	18.8%
Westchester County, NY	25.5%	26.5%	26.5%	27.0%	26.8%	24.1%

Overall (All Classes)						Class A
U.S. Office Markets	Q1 2022	Q2 2022	Q3 2022	Q3 2022	Q1 2023p	Q1 2023p
United States	\$36.68	\$36.98	\$36.95	\$37.02	\$37.03	\$42.48
Northeast	\$45.77	\$46.46	\$46.10	\$46.48	\$46.64	\$51.48
Midwest	\$26.69	\$26.55	\$26.42	\$26.35	\$26.39	\$29.97
South	\$31.53	\$31.77	\$31.79	\$31.81	\$31.84	\$35.91
West	\$41.20	\$41.38	\$41.74	\$41.63	\$41.42	\$47.92

Overall (All Classes)						Class A
U.S. Office Markets	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023p	Q1 2023p
Atlanta, GA	\$29.88	\$29.94	\$30.86	\$31.08	\$31.01	\$33.69
Austin, TX	\$45.61	\$48.14	\$45.73	\$45.46	\$45.44	\$49.99
Baltimore, MD	\$25.44	\$25.47	\$25.33	\$25.31	\$24.93	\$27.22
Binghamton, NY	\$13.71	\$13.71	\$13.51	\$13.51	\$13.21	\$13.21
Birmingham, AL	\$20.88	\$20.88	\$20.86	\$20.90	\$22.07	\$23.56
Boise, ID	\$21.35	\$22.19	\$23.12	\$22.82	\$22.94	\$25.20
Boston, MA	\$40.44	\$42.27	\$43.22	\$42.97	\$42.36	\$46.36
Buffalo, NY	\$17.70	\$17.70	\$17.70	\$17.70	\$17.70	\$23.60
Charleston, SC	\$29.91	\$28.94	\$28.77	\$29.50	\$29.42	\$33.55
Charlotte, NC	\$32.34	\$32.70	\$33.25	\$33.47	\$33.59	\$35.82
Chicago, IL	\$33.81	\$33.92	\$33.82	\$33.96	\$34.05	\$39.83
Cincinnati, OH	\$20.12	\$20.03	\$20.11	\$20.08	\$20.24	\$22.82
Cleveland, OH	\$19.04	\$19.38	\$19.84	\$19.84	\$19.78	\$22.39
Colorado Springs, CO	\$25.02	\$24.59	\$24.93	\$25.08	\$25.14	\$27.33
Columbia, SC	\$19.59	\$19.46	\$19.22	\$19.12	\$19.03	\$21.74
Columbus, OH	\$21.14	\$21.15	\$21.36	\$21.29	\$21.21	\$22.79
Dallas, TX	\$28.62	\$28.91	\$28.92	\$28.53	\$28.87	\$33.99
Denver, CO	\$31.49	\$31.60	\$31.77	\$31.51	\$31.66	\$35.51
Des Moines, IA	n/a	n/a	n/a	n/a	\$13.90	\$17.85
Detroit, MI	\$20.95	\$19.19	\$19.23	\$19.56	\$19.65	\$21.23
El Paso, TX	\$18.50	\$18.50	\$18.50	\$20.00	\$19.50	\$26.00
Fairfield County, CT	\$34.30	\$34.05	\$34.16	\$34.24	\$34.61	\$37.39
Fort Lauderdale, FL	\$36.46	\$36.64	\$37.67	\$37.83	\$38.04	\$41.77
Fort Myers/Naples, FL	\$19.02	\$18.89	\$19.68	\$20.30	\$20.79	\$20.19
Fort Worth, TX	\$23.82	\$23.78	\$24.74	\$24.60	\$24.53	\$27.88
Fredericksburg, VA	\$24.13	\$24.54	\$24.88	\$24.43	\$24.11	\$26.04
Greensboro/Winston-Salem, NC	\$17.86	\$18.22	\$18.50	\$18.78	\$18.77	\$20.67
Greenville, SC	\$22.14	\$22.08	\$22.38	\$22.71	\$22.52	\$26.10
Hampton Roads, VA	\$20.78	\$20.81	\$20.86	\$21.39	\$21.55	\$23.14
Hartford, CT	\$20.47	\$20.48	\$20.65	\$20.73	\$20.75	\$22.39
Houston, TX	\$31.39	\$31.20	\$31.39	\$31.11	\$31.04	\$36.94
Indianapolis, IN	\$21.56	\$21.45	\$21.52	\$21.40	\$21.44	\$24.12
Inland Empire CA	\$26.50	\$26.43	\$26.63	\$26.73	\$27.10	\$30.97
Jacksonville, FL	\$22.29	\$22.56	\$22.66	\$22.80	\$22.69	\$24.53
Kansas City, MO	\$21.50	\$21.96	\$21.60	\$21.55	\$21.86	\$24.90
Las Vegas, NV	\$25.22	\$25.49	\$25.92	\$26.86	\$26.93	\$35.13
Long Island, NY	\$31.72	\$32.09	\$32.68	\$32.60	\$32.38	\$35.07
Los Angeles CBD	\$45.11	\$45.08	\$45.28	\$45.01	\$45.12	\$46.60
Los Angeles Non-CBD	\$44.99	\$45.15	\$45.35	\$45.33	\$44.93	\$48.47
Louisville, KY	\$18.68	\$18.65	\$18.64	\$18.53	\$18.47	\$20.23
Madison, WI	n/a	n/a	n/a	n/a	\$22.30	\$24.44
Memphis, TN	\$19.05	\$19.37	\$19.38	\$19.38	\$19.38	\$23.97
Miami, FL	\$47.34	\$47.77	\$46.99	\$47.23	\$48.89	\$56.00
Milwaukee, WI	\$21.77	\$21.83	\$21.38	\$21.82	\$21.81	\$24.82
Minneapolis/St. Paul, MN	\$27.80	\$28.01	\$28.23	\$28.38	\$28.29	\$32.48
Nashville, TN	\$32.62	\$33.13	\$32.65	\$32.37	\$32.58	\$37.24

Overall (All Classes)						Class A
U.S. Office Markets	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023p	Q1 2023p
New Haven, CT	\$22.42	\$22.88	\$22.67	\$22.66	\$22.55	\$22.30
New Jersey - Central	\$27.42	\$27.46	\$26.96	\$27.66	\$28.33	\$32.44
New Jersey - Northern	\$32.44	\$32.71	\$32.71	\$32.29	\$33.08	\$36.58
New Orleans, LA	\$19.15	\$19.11	\$19.14	\$19.18	\$19.25	\$19.77
New York - Brooklyn	\$51.60	\$52.68	\$53.72	\$53.33	\$53.38	\$58.74
New York - Downtown	\$57.26	\$56.75	\$56.14	\$55.92	\$56.33	\$59.86
New York - Midtown	\$75.80	\$76.84	\$75.36	\$76.47	\$76.95	\$83.77
New York - Midtown South	\$70.49	\$71.05	\$74.00	\$76.89	\$75.41	\$92.64
Northern VA	\$34.33	\$34.46	\$34.57	\$34.74	\$34.75	\$36.94
Oakland/East Bay, CA*	\$43.59	\$43.44	\$43.73	\$43.45	\$43.20	\$46.60
Omaha, NE	\$25.48	\$26.21	\$26.94	\$26.97	\$26.56	\$32.46
Orange County, CA	\$34.91	\$34.32	\$34.50	\$34.12	\$34.01	\$36.99
Orlando, FL	\$25.73	\$25.73	\$25.87	\$26.07	\$26.58	\$28.78
Palm Beach, FL	\$41.73	\$42.77	\$42.79	\$43.30	\$44.40	\$52.63
Philadelphia, PA	\$28.64	\$28.50	\$28.44	\$28.76	\$28.88	\$31.10
Phoenix, AZ	\$27.36	\$27.85	\$28.37	\$28.65	\$28.84	\$34.63
Pittsburgh, PA	\$25.13	\$25.36	\$25.93	\$25.98	\$25.98	\$28.73
Portland, OR	\$29.38	\$29.83	\$30.70	\$31.55	\$32.07	\$36.23
Providence, RI	\$19.75	\$19.90	\$19.95	\$19.96	\$20.33	\$31.46
Puget Sound - Eastside	\$40.93	\$42.19	\$43.23	\$42.44	\$44.28	\$50.83
Raleigh/Durham, NC	\$28.87	\$29.46	\$29.77	\$29.67	\$29.83	\$30.85
Reno, NV	\$22.44	\$22.56	\$23.04	\$23.52	\$23.16	\$26.88
Richmond, VA	\$20.16	\$20.21	\$20.45	\$20.34	\$20.42	\$22.27
Roanoke, VA	\$20.03	\$19.91	\$19.52	\$19.01	\$18.80	\$22.70
Rochester, NY	\$16.00	\$17.50	\$17.50	\$17.50	\$17.50	\$21.00
Sacramento, CA	\$25.00	\$25.25	\$26.09	\$26.40	\$26.40	\$30.66
Salt Lake City, UT	\$26.61	\$25.79	\$25.57	\$25.62	\$25.92	\$29.20
San Antonio, TX	\$24.37	\$24.38	\$24.09	\$24.64	\$24.37	\$28.17
San Diego, CA	\$39.69	\$39.78	\$40.62	\$40.30	\$40.73	\$46.71
San Francisco, CA	\$77.00	\$75.72	\$74.66	\$73.85	\$72.26	\$76.95
San Francisco North Bay, CA	\$34.06	\$33.70	\$33.24	\$33.25	\$33.59	\$38.81
San Jose, CA*	\$51.15	\$51.48	\$51.78	\$52.40	\$52.41	\$64.64
San Juan, PR	\$19.97	\$19.99	\$19.99	\$20.01	\$20.03	\$20.11
San Mateo County, CA*	\$73.81	\$76.37	\$75.17	\$75.43	\$76.03	\$86.86
Savannah, GA	\$22.32	\$22.24	\$22.37	\$22.47	\$22.79	\$25.42
Seattle, WA	\$43.11	\$46.43	\$46.54	\$46.20	\$45.68	\$51.31
Southern NH	\$21.57	\$21.80	\$21.98	\$21.84	\$21.73	\$22.49
St. Louis, MO	\$22.20	\$22.27	\$22.50	\$22.34	\$22.42	\$24.54
St. Petersburg/Clearwater, FL	\$25.78	\$25.80	\$25.90	\$25.99	\$25.40	\$26.73
Suburban MD	\$29.52	\$29.31	\$29.30	\$29.15	\$29.09	\$32.51
Syracuse, NY	\$17.42	\$17.41	\$17.32	\$16.64	\$16.67	\$17.07
Tampa, FL	\$31.61	\$31.01	\$30.34	\$30.50	\$30.34	\$33.36
Tucson, AZ	\$20.78	\$20.99	\$20.92	\$21.79	\$21.30	\$21.65
Tulsa, OK	\$16.31	\$16.59	\$16.57	\$16.62	\$16.82	\$20.04
Washington, DC	\$56.29	\$55.57	\$55.30	\$55.73	\$55.28	\$61.92
Westchester County, NY	\$30.01	\$30.12	\$30.41	\$30.42	\$30.66	\$31.39

U.S. Office Markets	Inventory	Deliveries YTD 2023	Under Construction as of Q1 2023p
United States	5,505,332,137	4,544,678	78,519,025
Northeast	1,284,508,274	34,000	18,413,708
Midwest	860,129,805	603,962	7,244,388
South	1,863,531,855	2,239,465	31,278,960
West	1,497,162,203	1,667,251	21,581,969

U.S. Office Markets	Inventory	Deliveries YTD 2023	Under Construction as of Q1 2023p
Atlanta, GA	156,743,427	0	1,998,207
Austin, TX	63,058,690	590,140	5,713,452
Baltimore, MD	78,578,345	0	962,045
Binghamton, NY	4,262,170	0	0
Birmingham, AL	19,369,987	55,000	48,750
Boise, ID	16,868,051	75,000	246,674
Boston, MA	194,202,172	0	4,349,452
Buffalo, NY	22,795,877	0	0
Charleston, SC	21,080,667	5,808	442,868
Charlotte, NC	56,746,961	156,828	2,449,879
Chicago, IL	241,954,420	0	1,838,546
Cincinnati, OH	34,350,267	100,000	0
Cleveland, OH	157,391,693	0	2,229,847
Colorado Springs, CO	30,146,604	85,000	10,837
Columbia, SC	22,357,853	0	0
Columbus, OH	36,296,077	124,250	557,262
Dallas, TX	228,699,963	727,970	4,775,377
Denver, CO	121,018,360	0	2,066,356
Des Moines, IA	15,313,645	0	55,218
Detroit, MI	101,066,019	26,028	903,135
El Paso, TX	20,174,945	0	223,030
Fairfield County, CT	38,675,495	0	0
Fort Lauderdale, FL	26,411,945	0	0
Fort Myers/Naples, FL	21,047,972	0	134,231
Fort Worth, TX	19,711,165	0	267,400
Fredericksburg, VA	10,775,918	0	20,000
Greensboro/Winston-Salem, NC	35,649,567	0	100,000
Greenville, SC	22,532,259	0	580,487
Hampton Roads, VA	45,679,840	25,000	120,000
Hartford, CT	24,876,991	0	0
Houston, TX	189,165,421	0	871,597
Indianapolis, IN	38,804,648	0	182,532
Inland Empire CA	21,097,636	0	0
Jacksonville, FL	21,946,746	0	0
Kansas City, MO	53,344,518	120,527	190,380
Las Vegas, NV	41,815,965	0	441,344
Long Island, NY	36,813,982	0	0
Los Angeles CBD	27,761,856	0	0
Los Angeles Non-CBD	185,353,811	841,379	3,385,341
Louisville, KY	20,601,128	0	121,203
Madison, WI	16,781,971	162,800	223,000
Memphis, TN	27,107,353	12,884	30,000
Miami, FL	39,923,093	46,678	1,652,568
Milwaukee, WI	30,844,637	70,357	61,779
Minneapolis/St. Paul, MN	79,243,932	0	340,000
Nashville, TN	48,430,901	233,863	3,240,683

U.S. Office Markets	Inventory	Deliveries YTD 2023	Under Construction as of Q1 2023p
New Haven, CT	10,856,280	0	525,000
New Jersey - Central	82,671,052	0	0
New Jersey - Northern	109,724,918	0	120,000
New Orleans, LA	26,222,946	n/a	n/a
New York - Brooklyn	29,702,268	0	1,528,116
New York - Downtown	86,004,544	0	0
New York - Midtown	259,010,307	0	5,262,705
New York - Midtown South	67,502,967	34,000	4,407,814
Northern VA	133,307,373	0	700,771
Oakland/East Bay, CA*	98,155,141	0	0
Omaha, NE	19,172,438	0	119,335
Orange County, CA	90,465,241	258,194	0
Orlando, FL	35,920,404	0	647,620
Palm Beach, FL	22,625,537	0	675,910
Philadelphia, PA	134,825,164	0	912,000
Phoenix, AZ	91,199,746	70,000	326,358
Pittsburgh, PA	93,244,292	0	696,621
Portland, OR	58,739,687	0	272,951
Providence, RI	23,335,552	n/a	n/a
Puget Sound - Eastside	36,800,172	136,678	4,191,594
Raleigh/Durham, NC	54,077,307	0	2,319,300
Reno, NV	8,134,008	0	10,235
Richmond, VA	55,746,275	25,000	145,152
Roanoke, VA	11,487,746	0	0
Rochester, NY	13,202,393	0	0
Sacramento, CA	68,391,005	0	574,000
Salt Lake City, UT	54,015,705	0	629,076
San Antonio, TX	49,917,403	263,844	1,290,731
San Diego, CA	70,778,867	0	1,443,694
San Francisco, CA	85,031,925	0	586,480
San Francisco North Bay, CA	20,387,240	0	0
San Jose, CA*	221,234,018	179,000	4,762,435
San Juan, PR	10,312,067	n/a	n/a
San Mateo County, CA*	40,043,076	0	844,554
Savannah, GA	3,953,267	0	0
Seattle, WA	65,500,478	0	1,539,407
Southern NH	15,647,113	0	314,000
St. Louis, MO	50,879,185	0	598,572
St. Petersburg/Clearwater, FL	10,740,966	0	45,000
Suburban MD	59,529,077	0	507,500
Syracuse, NY	13,881,862	0	298,000
Tampa, FL	31,275,107	75,000	131,955
Tucson, AZ	28,909,966	22,000	195,415
Tulsa, OK	49,781,636	21,450	454,462
Washington, DC	112,840,598	0	608,782
Westchester County, NY	23,272,875	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.

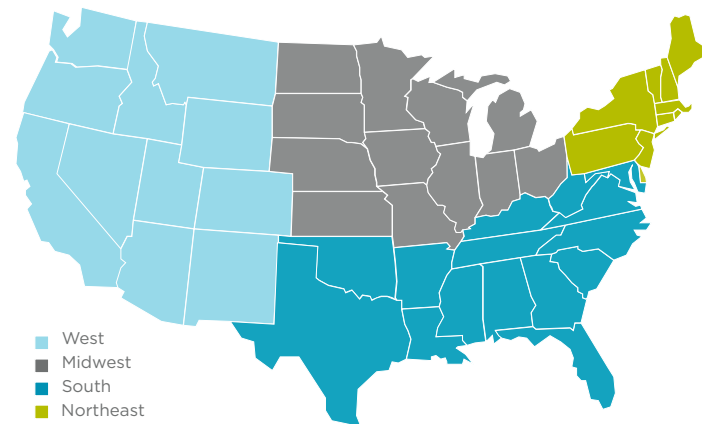
Absorption: The net change in occupied space between two points in time. (Total occupied space in the present quarter minus total occupied space from the previous quarter, quoted on a net, not gross, basis.)

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 real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 52,000 employees in over 400 offices and approximately 60 countries. In 2022, the firm had revenue of \$10.1 billion across core services of property, facilities and project management, leasing, capital markets, and valuation and other services. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

David C. Smith
Head of Occupier Insights, Global Research

Tel: +1 404.853.5310

david.smith4@cushwake.com