

YoY Chg 12-Mo. Forecast

19.4% Vacancy Rate	▲	▲
-20.8M Net Absorption, SF	▼	▲
\$37.48 Asking Rent, PSF	▲	▼
2.0% Rent Growth, YoY	▲	▼
63.5M Under Construction	▼	▼

(Overall, All Property Classes)

ECONOMIC INDICATORS Q3 2023

YoY Chg 12-Mo. Forecast*

156.3M Total Nonfarm Employment	▲	▼
35.2M Office-using Employment	▲	▼
3.8% U.S. Unemployment Rate	▲	▲

Source: BLS, *Cushman & Wakefield baseline

Key Takeaways:

- **Market fundamentals remain soft in Q3:** Office demand has been weakening since mid-2022, as occupiers have faced high inflation, rising interest rates and economic uncertainty. Net negative absorption is -65.5 msf year-to-date, but the third quarter was slightly less negative than the previous two quarters.
- **National vacancy increased by 55 basis points (bps) to an all-time high of 19.4%:** Vacancy is up 680 bps since the first quarter of 2020, which is a larger trough-to-peak increase than the 465-bps increase during the Great Financial Crisis, from 2007-2010, but still well below the 915-bps rise in the dot-com recession, from 2000-2003.
- **Elevated sublease availabilities and construction pipelines are slowing down:** While vacant available sublease inventory increased again in the third quarter, the growth rate is one-fifth of what it was just two quarters ago. Nearly one-third of markets saw sublease inventory decline QOQ. New construction has also been a huge driver of vacancy increases, but the national pipeline is half of its 2020 peak.
- **Asset quality matters more than ever:** Over the past three years, the newest and best assets have experienced positive net absorption as occupiers look for the [best and most engaging environments for their hybrid workforce](#). Excluding buildings in lease-up, occupancy in top-tier assets is more than 300 bps higher than the overall market. In the six gateway markets, top-tier asset occupancy is 700 bps higher.

Slowing Economy: A Precursor to a Soft Landing or a Recession?

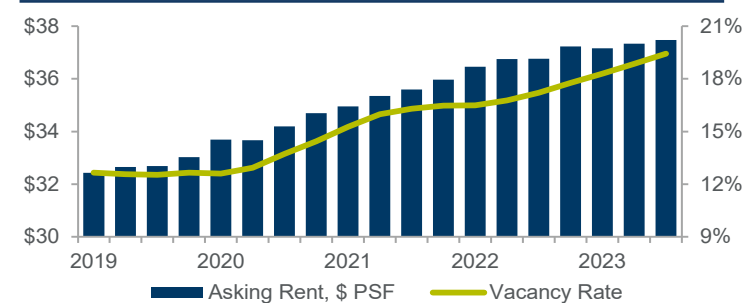
The Federal Reserve's strategy of raising interest rates over the past 18 months has had its intended effect of slowing down the U.S. economy and reducing inflation. After peaking at 8.9% in June 2022, headline inflation (CPI) was 3.7% in August 2023, and core inflation's three-month annualized inflation growth rate of 2.4% was even closer to the Fed's target of 2%.¹

The employment market has been slowing down, and its year-over-year (YOY) growth rate is lower than any point since early 2021. Nonfarm payroll is up 2.1% YOY and office-using employment has increased by half that (0.8% YOY). Both are down substantially from the beginning of the year, when YOY growth was 3.3% and 2.8%, respectively. Employees are growing less confident; job quits have declined from the April 2022 peak and are back in line with 2019 levels.² Temporary employment—a leading indicator for overall job growth—has declined by 5.9% YOY.³

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



In response to improvements in inflation numbers, the market was pricing in a soft landing over the summer. But more recently, some of that optimism has faded, as the Fed's tone became more hawkish late in the third quarter of 2023. [Cushman & Wakefield's house view](#) continues to be that a moderate recession will occur in the coming quarters.

Office Demand: Still Weak, but Are There a Few Silver Linings?

Net absorption in the third quarter of 2023 was -20.8 million square feet (msf), which is slightly less negative than the previous two quarters (-22.0 and -22.9 msf, respectively). Moreover, it is likely that the third quarter absorption figures will be revised upward as late move-ins are added to the dataset. Updates to the most recent quarter, in line with historical revisions, would push the third quarter of 2023 to the -15-msf range—still negative but a meaningful improvement from the -30 msf per quarter experienced for four quarters in 2021 and 2022. Additionally, quarterly net absorption was positive in a third of the 92 U.S. markets tracked by Cushman & Wakefield. This is the second quarter in a row that the number of markets posting positive net absorption has increased.

Overall gross leasing activity for the four quarters ending in the third quarter of 2023 was 281 msf. Leasing has declined for five straight quarters and is down 24% YOY. Leasing activity increased quarter-over-quarter (QOQ) in 25 U.S. markets, including several gateway markets: Boston, Los Angeles non-CBD, Midtown South in Manhattan, and San Francisco.

During the most recent quarter, the inventory of available sublease space increased, but by the smallest amount in six quarters. Sublease inventory increased by 3.2 msf QOQ (+2%), which is well below the average of 9.5 msf per quarter since the middle of 2022. Still, there is currently 158 msf of available sublease space on the market—a record high.

Overall vacancy increased by 55 bps in the third quarter, which is in line with the last three QOQ increases, dating back to the third quarter of 2022. National vacancy is 19.4%, up 220 bps YOY and 680 bps higher than at the start of 2020. Vacancy remains below 15% in 34 of the markets tracked by Cushman & Wakefield.

Where Are the Bright Spots and Green Shoots?

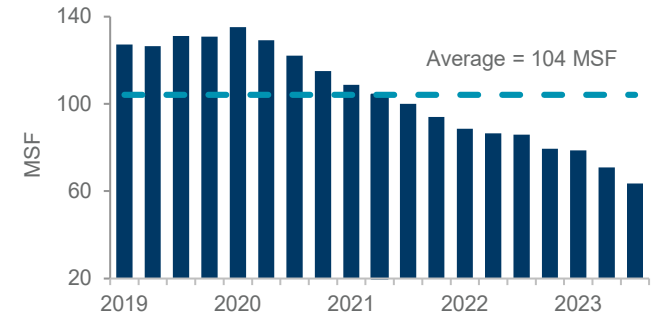
Office demand is clearly under pressure in the national aggregate, but some markets are bucking the negative trend. Net absorption over the past four quarters has exceeded 100,000 sf in 17 markets, including eight that have exceeded 350,000 sf: Manhattan (+2.8 msf), Nashville (+1.0 msf), Fairfield County (+445,000 sf), Memphis (+395,000 sf), Jacksonville (+390,000 sf), Tulsa (+382,000 sf), Omaha (+372,000 sf) and Brooklyn (+354,000 sf).

Of the 92 markets tracked by Cushman & Wakefield, there were 31 that registered positive net absorption in the third quarter, up from 25 last quarter and 22 in the first quarter of the year. There were 12 different markets with quarterly net absorption above 100,000 sf, spread across the country:

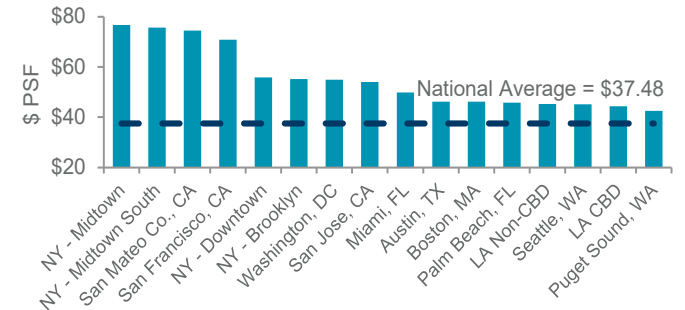
- **Gateway markets:** Manhattan - Midtown South (+1.1 msf) and Boston (+237,000 sf)
- **Midwest:** Tulsa (+463,000 sf) and Omaha (+194,000 sf)
- **West and Mountain West:** Puget Sound-Eastside (+362,000 sf) and Las Vegas (+236,000 sf)
- **Southeast:** Greenville (+265,000 sf), Birmingham (+245,000 sf), Raleigh/Durham (+200,000 sf) and Charleston (+105,000 sf)
- **Southwest:** Tucson (+115,000 sf) and El Paso (+106,000 sf)

The construction pipeline has played a role in rising vacancy rates with 178 msf of new office space delivered since the beginning of 2020. Deliveries will slow down, given the construction pipeline has declined by more than half since the beginning of the pandemic. The pipeline sits at 63.5 msf as of the third quarter of 2023, which represents just 1.2% of national office inventory. There are only 12 markets with pipelines that exceed 2% of their current inventories.

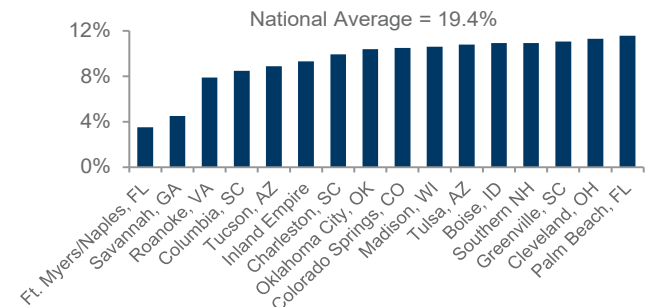
SPACE UNDER CONSTRUCTION



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



VACANCY BY SELECT MARKETS



U.S. Office Markets	Net Absorption					Leasing Activity**	
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	YTD 2023p	
United States	-12,111,171	-12,723,813	-22,852,679	-22,045,523	-20,827,467	203,493,240	
Northeast	-2,535,489	-4,006,570	-3,118,191	-2,819,644	-2,087,080	42,107,831	
Midwest	-3,030,337	-1,862,864	-5,615,276	-3,252,755	-4,489,475	26,186,017	
South	-1,699,419	-2,261,671	-6,244,945	-3,753,808	-1,796,028	71,432,866	
West	-4,845,926	-4,592,708	-7,874,267	-12,219,316	-12,454,884	63,277,487	

U.S. Office Markets	Net Absorption					Leasing Activity**	
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	YTD 2023p	
Atlanta, GA	208,205	187,057	-840,690	-1,226,788	11,494	6,609,839	
Austin, TX	-378,958	-367,523	-393,107	-444,725	-418,950	2,280,969	
Baltimore, MD	-331,322	-35,784	-462,590	-398,168	-196,038	2,280,398	
Binghamton, NY	-520	1,078	-8,765	29,151		13,942	
Birmingham, AL	-50,230	-83,455	-161,614	15,422	244,991	542,101	
Birney, ID	24,593	124,260	-153,654	-250,868	-226,536	584,802	
Boston, MA	-701,066	-2,135,818	-2,081,751	-787,695	236,616	5,805,920	
Buffalo, NY	-104,320	-169,353	-84,171	158,385	-25,945	665,572	
Charleston, SC	17,458	70,322	-74,720	-196,442	105,115	532,044	
Charlotte, NC	222,382	-1,017,201	-312,969	-780,409	-6,780	1,695,755	
Chicago, IL	-697,034	-197,605	-2,306,902	-605,365	-1,380,267	8,950,204	
Cincinnati, OH	-212,053	90,844	-607,401	-165,237	-279,931	1,317,373	
Cleveland, OH	-129,527	-901,554	-506,578	131,572	-168,481	1,077,308	
Colorado Springs, CO	-110,819	293,237	7,629	-238,789		1,054,482	
Columbia, SC	-37,795	19,321	-27,187	18,920	13,083	749,551	
Columbus, OH	-433,425	-290,367	-416,002	-239,164	-171,420	1,200,699	
Dallas, TX	-27,218	185,968	-557,300	212,084	-401,168	8,133,056	
Denver, CO	-587,232	-378,241	-62,815	-987,720	-1,171,897	5,633,485	
Des Moines, IA	n/a	n/a	-30,833	-47,605	-256,959	385,581	
Detroit, MI	-81,821	-238,665	-997,546	-1,407,158	-620,538	1,756,718	
El Paso, TX	-409,104	45,827	56,449	91,060	106,350	464,697	
Fairfield County, CT	257,788	-29,036	507,452	-92,995	59,080	1,605,416	
Fort Lauderdale, FL	17,199	-81,383	-27,281	24,203	-44,986	1,642,522	
Fort Myers/Naples, FL	4,978	124,830	78,460	110,845	31,714	546,529	
Fort Worth, TX	-35,888	-130,202	-7,448	77,532	-15,600	602,417	
Fredericksburg, VA	32,511	3,992	108,985	4,679	41,787	179,441	
Greensboro/Winston-Salem, NC	-46,636	-82,878	-225,147	46,775	-174,671	489,039	
Greenville, SC	-20,710	-9,634	-84,085	-29,039	265,260	572,087	
Hampton Roads, VA	-33,294	89,790	94,237	-413,069	5,508	1,313,073	
Hartford, CT	-344,688	-91,865	214,411	-377,986	-140,629	586,495	
Houston, TX	-416,423	-497,830	-346,530	-449,936	-678,068	11,774,444	
Indianapolis, IN	-487,911	-43,569	-336,242	-170,819	-246,482	1,823,912	
Inland Empire CA	-60,368	-70,947	-60,175	-66,986	-106,201	769,237	
Jacksonville, FL	-75,972	415,120	69,568	12,200	-107,077	886,828	
Kansas City, MO	-60,002	93,555	-202,442	-238,711	-223,768	1,958,659	
Las Vegas, NV	-143,915	-6,047	-150,024	27,191	236,421	938,806	
Long Island, NY	-18,118	-52,298	-273,894	-78,116	30,930	1,714,912	
Los Angeles CBD	36,697	-295,709	-308,092	-244,598	-341,768	942,390	
Los Angeles Non-CBD	-108,123	-485,631	14,046	-439,640	-1,458,539	8,795,514	
Louisville, KY	32,472	-81,603	-299,198	27,762	90,041	749,844	
Madison, WI	n/a	n/a	127,987	-74,385	-42,745	569,143	
Memphis, TN	136,474	89,720	169,175	69,103	66,763	811,936	
Miami, FL	171,297	244,416	101,419	-16,912	-55,546	2,532,826	
Milwaukee, WI	-117,422	26,970	-807	47,912	-366,168	1,730,626	
Minneapolis/St. Paul, MN	-165,082	-49,682	-649,177	-344,564	-1,191,513	3,763,907	
Nashville, TN	191,638	194,007	-38,427	829,792	32,066	1,769,513	

U.S. Office Markets	Net Absorption					Leasing Activity**	
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	YTD 2023p	
New Haven, CT	-75,287	-20,507	95,500	-79,314	-92,060	167,007	
New Jersey - Central	531,548	-1,288,032	438,246	-273,163	-761,149	3,006,319	
New Jersey - Northern	-705,042	-233,879	-1,316,849	-204,058	-310,102	3,777,921	
New Orleans, LA	8,606	223,127	-264,898	-8,395	49,245	198,497	
New York - Brooklyn	599,241	-222,537	553,354	101,534	-78,282	522,672	
New York - Downtown	195,105	-419,481	-405,083	-1,133,732	-45,111	3,023,328	
New York - Midtown	131,974	1,902,970	617,576	2,021,422	-385,600	11,830,785	
New York - Midtown South	-182,137	67,926	-237,502	-339,898	1,131,660	2,223,644	
Northern VA	-17,915	-426,381	-652,770	-209,598	-631,709	4,420,741	
Oakland/East Bay, CA*	-450,020	-756,572	-370,317	-647,901	-809,537	2,595,823	
Oklahoma City, OK	n/a	n/a	55,011	-71,930	-182,660	1,413,242	
Omaha, NE	22,619	51,793	47,877	78,250	194,468	765,156	
Orange County, CA	-430,988	-824,792	-775,052	-689,610	-822,642	5,906,860	
Orlando, FL	-60,796	65,950	-336,859	-88,964	-214,782	2,047,403	
Palm Beach, FL	186,510	92,100	-174,926	-163,027	-27,684	1,190,895	
Philadelphia, PA	-1,634,056	-1,188,903	-993,704	-766,428	-1,351,703	3,804,025	
Phoenix, AZ	-464,494	-824,607	-819,405	-1,069,523	-1,123,389	5,685,164	
Pittsburgh, PA	68,686	115,480	-311,323	-531,953	-43,867	1,296,736	
Portland, OR	447,464	-310,853	-288,416	-247,875	-799,216	1,935,340	
Providence, RI	52,365	-62,045	-79,844	-69,966	56,664	557,952	
Puget Sound - Eastside	16,346	-68,726	-232,148	-887,427	362,295	1,662,095	
Raleigh/Durham, NC	-823,659	-749,152	-911,544	-237,509	200,038	2,049,439	
Reno, NV	-11,430	6,506	-79,155	-58,973	-3,800	334,424	
Richmond, VA	-391,933	94,125	-59,395	-137,696	-15,603	1,287,409	
Roanoke, VA	15,532	75,357	-56,340	-29,216	-36,421	126,447	
Rochester, NY	-591,929	-86,874	227,322	-114,562	-63,653	178,019	
Sacramento, CA	-373,369	266,312	-507,267	-42,390	-176,203	2,261,252	
Salt Lake City, UT	-269,114	-415,766	-474,900	-622,342	-432,179	2,599,544	
San Antonio, TX	244,475	46,840	-349,364	38,034	-48,322	1,781,405	
San Diego, CA	-431,251	-110,974	-274,903	-80,887	4,981	3,007,311	
San Francisco, CA	-1,343,785	-593,805	-1,331,503	-1,790,987	-2,227,428	3,567,758	
San Francisco North Bay, CA	22,854	-143,760	-31,009	-38,765	41,106	899,272	
San Jose, CA*	-393,452	680,439	-124,500	-2,706,111	-1,565,482	9,348,855	
San Juan, PR	n/a	n/a	n/a	n/a	n/a	n/a	
San Mateo County, CA*	31,501	-116,054	-786,663	-604,911	-843,962	1,339,235	
Savannah, GA	43,183	36,100	15,423	70,948	65,912	136,860	
Seattle, WA	-440,869	-375,143	-985,044	-721,147	-631,249	2,433,450	
Southern NH	7,969	-75,235	-56,747	-159,785	41,542	283,497	
St. Louis, MO	-668,679	-404,584	231,957	-265,086	7,370	1,272,312	
St. Petersburg/Clearwater, FL	37,272	42,394	-33,074	-143,512	28,151	490,276	
Suburban MD	501,737	-364,433	-94,263	-167,299	-207,733	1,794,162	
Syracuse, NY	103,400	102,496	-202,861	-11,654	-16,437	240,756	
Tampa, FL	-635,931	-176,776	-40,200	198,965	71,796	2,278,706	
Tucson, AZ	193,848	-185,835	-50,067	238,548	115,077	596,807	
Tulsa, OK	105,913	64,262	-7,614	-137,819	463,415	1,112,927	
Washington, DC	-83,477	-568,061	-154,132	-251,679	-224,959	4,434,587	
Westchester County, NY	-126,402	-120,657	280,442	-108,831	-329,034	802,913	

U.S. Office Markets	Overall					Direct
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	Q3 2023p
United States	17.2%	17.8%	18.3%	18.9%	19.4%	16.6%
Northeast	18.2%	18.8%	19.1%	19.4%	20.0%	16.3%
Midwest	17.5%	18.1%	20.0%	20.6%	21.1%	18.7%
South	17.4%	17.6%	17.7%	18.0%	18.3%	16.6%
West	16.0%	16.9%	17.5%	18.5%	19.5%	15.8%

U.S. Office Markets	Overall					Direct
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	Q3 2023p
Atlanta, GA	21.7%	21.9%	22.5%	23.2%	23.5%	21.4%
Austin, TX	21.8%	22.4%	23.7%	24.4%	25.4%	17.6%
Baltimore, MD	13.4%	14.0%	14.5%	15.2%	15.4%	13.8%
Binghamton, NY	7.0%	7.0%	7.5%	6.7%	6.7%	6.7%
Birmingham, AL	19.2%	19.6%	20.3%	20.2%	18.9%	15.9%
Boise, ID	6.1%	6.3%	7.7%	9.6%	10.9%	8.9%
Boston, MA	11.9%	13.0%	14.0%	14.4%	15.6%	11.9%
Buffalo, NY	17.8%	18.5%	18.2%	17.4%	17.5%	15.8%
Charleston, SC	7.2%	8.2%	8.4%	9.9%	9.9%	7.8%
Charlotte, NC	18.5%	19.7%	20.4%	22.0%	22.3%	18.7%
Chicago, IL	21.2%	21.5%	22.4%	23.1%	23.7%	21.6%
Cincinnati, OH	22.8%	22.5%	24.4%	24.8%	25.7%	22.6%
Cleveland, OH	7.0%	7.6%	11.5%	11.4%	11.3%	10.2%
Colorado Springs, CO	9.3%	8.6%	9.2%	10.2%	10.5%	9.3%
Columbia, SC	8.6%	8.5%	8.6%	8.6%	8.5%	7.0%
Columbus, OH	22.6%	23.8%	24.9%	25.5%	26.0%	21.3%
Dallas, TX	20.4%	20.2%	20.6%	20.9%	21.3%	20.6%
Denver, CO	20.4%	20.8%	20.9%	21.8%	22.9%	19.5%
Des Moines, IA	n/a	n/a	14.7%	14.3%	16.9%	16.6%
Detroit, MI	13.5%	16.8%	17.9%	19.2%	19.9%	17.6%
El Paso, TX	6.6%	9.0%	9.7%	10.9%	10.4%	9.7%
Fairfield County, CT	29.4%	29.8%	28.6%	29.0%	29.2%	22.8%
Fort Lauderdale, FL	17.9%	17.9%	18.0%	17.9%	18.0%	16.5%
Fort Myers/Naples, FL	4.0%	3.4%	3.7%	3.7%	3.5%	2.8%
Fort Worth, TX	11.4%	12.2%	12.3%	12.5%	12.6%	12.1%
Fredericksburg, VA	7.6%	7.4%	7.0%	6.9%	6.6%	6.3%
Greensboro/Winston-Salem, NC	11.1%	11.4%	12.0%	11.9%	12.4%	11.6%
Greenville, SC	10.4%	10.8%	11.1%	11.3%	11.1%	9.5%
Hampton Roads, VA	8.6%	8.6%	7.8%	8.0%	8.3%	7.9%
Hartford, CT	22.9%	23.3%	22.4%	23.9%	24.5%	21.4%
Houston, TX	24.1%	24.4%	24.5%	24.9%	25.3%	23.8%
Indianapolis, IN	19.7%	19.8%	20.5%	21.5%	22.0%	19.7%
Inland Empire CA	7.9%	8.2%	8.5%	8.8%	9.3%	9.0%
Jacksonville, FL	20.9%	19.6%	19.2%	19.2%	19.7%	17.5%
Kansas City, MO	20.5%	20.4%	20.9%	21.3%	21.8%	17.7%
Las Vegas, NV	12.7%	13.6%	14.0%	14.0%	13.4%	12.4%
Long Island, NY	13.3%	13.5%	14.3%	14.5%	14.4%	10.9%
Los Angeles CBD	22.4%	23.4%	24.5%	25.4%	26.6%	24.2%
Los Angeles Non-CBD	20.5%	21.1%	21.4%	22.1%	23.0%	20.1%
Louisville, KY	14.7%	15.1%	16.7%	16.6%	16.5%	15.8%
Madison, WI	n/a	n/a	9.7%	10.3%	10.6%	10.6%
Memphis, TN	15.8%	16.2%	16.2%	15.6%	16.1%	14.7%
Miami, FL	16.2%	15.8%	15.4%	15.4%	15.6%	15.1%
Milwaukee, WI	21.7%	21.7%	22.3%	22.2%	23.5%	23.5%
Minneapolis/St. Paul, MN	24.4%	24.4%	25.0%	25.5%	26.5%	22.5%
Nashville, TN	18.3%	18.1%	18.6%	18.5%	18.4%	15.1%

U.S. Office Markets	Overall					Direct
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	Q3 2023p
New Haven, CT	16.9%	17.1%	16.2%	17.0%	17.8%	17.5%
New Jersey - Central	18.2%	19.7%	19.1%	19.6%	20.5%	16.6%
New Jersey - Northern	19.6%	19.9%	21.1%	21.3%	21.7%	17.4%
New Orleans, LA	10.8%	10.2%	11.1%	11.0%	10.9%	10.2%
New York - Brooklyn	22.6%	23.7%	21.8%	22.6%	23.8%	21.3%
New York - Downtown	22.0%	22.5%	22.4%	23.8%	23.9%	16.2%
New York - Midtown	20.9%	21.1%	21.2%	21.1%	21.4%	16.8%
New York - Midtown South	21.3%	21.9%	21.8%	22.3%	22.4%	17.8%
Northern VA	19.8%	20.2%	20.8%	20.9%	21.5%	20.9%
Oakland/East Bay, CA*	13.8%	14.6%	14.9%	15.6%	16.4%	12.8%
Oklahoma City, OK	n/a	n/a	9.6%	9.9%	10.4%	10.2%
Omaha, NE	12.5%	12.6%	13.5%	13.1%	12.0%	10.6%
Orange County, CA	15.1%	16.4%	17.9%	18.6%	19.7%	17.4%
Orlando, FL	13.3%	13.2%	14.2%	14.6%	15.2%	13.2%
Palm Beach, FL	10.6%	10.2%	11.0%	11.5%	11.6%	10.1%
Philadelphia, PA	17.6%	18.5%	19.2%	19.8%	20.8%	18.0%
Phoenix, AZ	22.5%	23.7%	24.7%	25.8%	27.2%	21.1%
Pittsburgh, PA	14.1%	13.9%	15.0%	15.4%	15.9%	14.3%
Portland, OR	16.7%	17.3%	18.0%	18.6%	20.3%	17.6%
Providence, RI	12.2%	12.7%	12.5%	12.9%	12.4%	10.4%
Puget Sound - Eastside	7.5%	7.7%	9.5%	11.9%	13.7%	9.2%
Raleigh/Durham, NC	17.3%	18.7%	20.4%	20.7%	21.8%	14.7%
Reno, NV	8.8%	8.8%	10.4%	11.8%	11.9%	10.4%
Richmond, VA	8.5%	8.2%	8.0%	8.0%	8.4%	7.4%
Roanoke, VA	7.7%	7.0%	7.5%	7.6%	7.9%	5.2%
Rochester, NY	23.3%	22.8%	21.4%	21.9%	22.4%	22.4%
Sacramento, CA	13.7%	13.3%	14.1%	14.1%	14.4%	12.4%
Salt Lake City, UT	18.5%	19.5%	20.8%	22.0%	23.1%	16.8%
San Antonio, TX	15.5%	15.7%	16.0%	17.3%	17.7%	16.2%
San Diego, CA	13.9%	14.2%	14.6%	14.7%	15.0%	13.0%
San Francisco, CA	23.1%	23.8%	25.3%	27.6%	30.4%	21.6%
San Francisco North Bay, CA	12.5%	13.2%	13.3%	13.5%	13.3%	11.9%
San Jose, CA*	11.4%	14.1%	14.1%	15.7%	16.4%	11.3%
San Juan, PR	12.7%	12.3%	12.0%	12.1%	12.0%	12.0%
San Mateo County, CA*	10.9%	11.3%	13.3%	15.6%	17.7%	13.0%
Savannah, GA	9.2%	8.4%	8.0%	6.2%	4.5%	4.5%
Seattle, WA	18.8%	19.3%	20.8%	22.3%	23.3%	19.5%
Southern NH	9.0%	9.5%	9.9%	11.0%	10.9%	9.5%
St. Louis, MO	16.3%	17.1%	16.6%	18.0%	18.0%	15.3%
St. Petersburg/Clearwater, FL	16.5%	15.9%	15.3%	16.7%	16.2%	14.7%
Suburban MD	18.7%	19.2%	19.3%	19.6%	20.0%	19.0%
Syracuse, NY	12.3%	11.6%	12.7%	12.8%	13.0%	12.4%
Tampa, FL	21.8%	22.3%	22.6%	21.7%	21.4%	16.4%
Tucson, AZ	9.4%	10.0%	10.0%	9.2%	8.9%	7.8%
Tulsa, OK	11.8%	11.9%	11.3%	11.6%	10.8%	10.1%
Washington, DC	19.0%	19.6%	19.8%	20.1%	20.3%	19.3%
Westchester County, NY	26.5%	27.0%	25.5%	26.0%	27.4%	24.8%

U.S. Office Markets	Overall (All Classes)					Class A
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	
United States	\$36.76	\$37.23	\$37.17	\$37.33	\$37.48	\$42.48
Northeast	\$46.25	\$46.67	\$46.97	\$46.92	\$46.81	\$52.88
Midwest	\$26.47	\$26.33	\$26.44	\$26.54	\$26.57	\$30.13
South	\$31.92	\$31.95	\$31.75	\$31.89	\$32.04	\$36.12
West	\$40.62	\$41.91	\$41.75	\$42.10	\$42.28	\$48.75

U.S. Office Markets	Overall (All Classes)					Class A
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	
Atlanta, GA	\$31.07	\$31.34	\$31.25	\$31.52	\$31.91	\$34.52
Austin, TX	\$46.10	\$45.81	\$45.64	\$46.01	\$46.20	\$50.38
Baltimore, MD	\$25.42	\$25.23	\$24.80	\$24.80	\$24.85	\$26.95
Binghamton, NY	\$13.51	\$13.51	\$13.21	\$13.21	\$13.21	\$13.21
Birmingham, AL	\$20.86	\$20.90	\$21.26	\$20.92	\$21.09	\$23.31
Boise, ID	\$23.29	\$22.91	\$22.99	\$23.00	\$22.76	\$24.87
Boston, MA	\$43.66	\$43.58	\$43.86	\$44.01	\$46.19	\$50.78
Buffalo, NY	\$17.70	\$17.70	\$17.70	\$17.70	\$17.70	\$23.60
Charleston, SC	\$28.83	\$29.69	\$29.58	\$29.57	\$30.36	\$33.55
Charlotte, NC	\$33.08	\$33.14	\$33.41	\$33.25	\$33.33	\$35.23
Chicago, IL	\$33.96	\$33.96	\$34.08	\$34.16	\$34.29	\$40.69
Cincinnati, OH	\$20.27	\$20.24	\$20.23	\$20.04	\$20.30	\$22.62
Cleveland, OH	\$19.84	\$19.84	\$19.60	\$19.72	\$19.74	\$22.02
Colorado Springs, CO	\$24.93	\$25.08	\$25.07	\$26.31	\$26.11	\$29.03
Columbia, SC	\$19.20	\$19.16	\$19.08	\$19.01	\$19.04	\$22.29
Columbus, OH	\$21.50	\$21.41	\$21.48	\$21.55	\$21.33	\$22.59
Dallas, TX	\$29.07	\$28.67	\$28.94	\$29.21	\$29.53	\$34.70
Denver, CO	\$32.03	\$31.79	\$31.81	\$32.17	\$32.56	\$36.41
Des Moines, IA	n/a	n/a	\$19.90	\$19.68	\$19.76	\$21.71
Detroit, MI	\$19.24	\$19.63	\$19.73	\$19.75	\$19.69	\$20.68
El Paso, TX	\$18.50	\$20.00	\$19.50	\$19.50	\$19.50	\$26.00
Fairfield County, CT	\$34.16	\$34.98	\$35.22	\$34.38	\$34.37	\$37.13
Fort Lauderdale, FL	\$37.70	\$37.86	\$38.09	\$38.24	\$38.70	\$42.62
Fort Myers/Naples, FL	\$19.68	\$20.30	\$22.44	\$22.72	\$28.38	\$20.16
Fort Worth, TX	\$24.83	\$24.68	\$24.46	\$24.95	\$24.95	\$28.94
Fredericksburg, VA	\$24.88	\$24.43	\$24.14	\$24.50	\$24.64	\$26.91
Greensboro/Winston-Salem, NC	\$18.49	\$18.77	\$18.77	\$18.97	\$18.81	\$21.18
Greenville, SC	\$22.58	\$22.89	\$22.69	\$22.93	\$23.03	\$26.32
Hampton Roads, VA	\$20.86	\$21.39	\$21.54	\$21.91	\$22.02	\$23.33
Hartford, CT	\$20.80	\$20.89	\$20.94	\$21.28	\$21.17	\$22.58
Houston, TX	\$31.49	\$31.21	\$31.26	\$31.21	\$31.12	\$37.24
Indianapolis, IN	\$21.50	\$21.38	\$21.41	\$21.39	\$21.42	\$24.19
Inland Empire CA	\$26.63	\$26.82	\$27.18	\$26.79	\$26.75	\$30.53
Jacksonville, FL	\$22.65	\$22.81	\$22.71	\$22.81	\$22.65	\$24.70
Kansas City, MO	\$21.60	\$21.56	\$21.87	\$22.16	\$22.28	\$25.05
Las Vegas, NV	\$26.07	\$26.94	\$27.09	\$26.88	\$26.96	\$34.80
Long Island, NY	\$32.67	\$32.63	\$32.44	\$32.66	\$32.71	\$35.43
Los Angeles CBD	\$45.28	\$45.03	\$45.12	\$44.88	\$44.40	\$46.30
Los Angeles Non-CBD	\$45.73	\$45.61	\$45.34	\$45.34	\$45.28	\$49.04
Louisville, KY	\$18.65	\$18.55	\$18.48	\$18.48	\$18.70	\$20.52
Madison, WI	n/a	n/a	\$22.30	\$22.88	\$22.69	\$25.69
Memphis, TN	\$19.38	\$19.38	\$19.38	\$19.56	\$19.30	\$23.77
Miami, FL	\$47.18	\$47.56	\$49.41	\$49.99	\$49.85	\$56.80
Milwaukee, WI	\$21.38	\$21.82	\$21.81	\$22.09	\$22.22	\$25.01
Minneapolis/St. Paul, MN	\$28.24	\$28.40	\$28.33	\$28.23	\$28.20	\$32.30
Nashville, TN	\$32.52	\$32.29	\$32.77	\$34.39	\$33.53	\$38.49

U.S. Office Markets	Overall (All Classes)					Class A
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023p	
New Haven, CT	\$22.69	\$22.68	\$22.54	\$23.10	\$23.67	\$23.26
New Jersey - Central	\$27.30	\$28.03	\$28.77	\$28.54	\$28.25	\$32.41
New Jersey - Northern	\$32.73	\$32.32	\$33.14	\$32.83	\$32.88	\$36.36
New Orleans, LA	\$19.14	\$19.18	\$19.27	\$19.96	\$20.04	\$20.79
New York - Brooklyn	\$53.84	\$53.45	\$54.95	\$55.51	\$55.14	\$61.29
New York - Downtown	\$56.13	\$55.94	\$56.52	\$56.39	\$55.86	\$59.69
New York - Midtown	\$75.39	\$76.51	\$77.26	\$77.47	\$76.70	\$83.54
New York - Midtown South	\$74.01	\$76.92	\$75.74	\$76.23	\$75.69	\$91.21
Northern VA	\$34.42	\$34.57	\$34.55	\$34.82	\$34.76	\$36.89
Oakland/East Bay, CA*	\$43.74	\$43.45	\$43.08	\$42.63	\$42.22	\$45.80
Oklahoma City, OK	n/a	n/a	\$19.04	\$19.18	\$19.28	\$23.12
Omaha, NE	\$26.94	\$26.97	\$26.56	\$25.96	\$26.15	\$32.95
Orange County, CA	\$34.57	\$34.54	\$34.64	\$34.34	\$34.23	\$37.77
Orlando, FL	\$25.92	\$26.12	\$26.60	\$26.43	\$26.61	\$28.88
Palm Beach, FL	\$42.88	\$43.24	\$44.19	\$45.06	\$45.75	\$52.83
Philadelphia, PA	\$28.41	\$28.72	\$29.06	\$29.15	\$29.05	\$31.38
Phoenix, AZ	\$28.38	\$28.67	\$28.86	\$28.86	\$29.20	\$35.14
Pittsburgh, PA	\$25.93	\$25.98	\$25.98	\$26.34	\$26.01	\$28.52
Portland, OR	\$30.67	\$31.60	\$32.15	\$32.17	\$32.83	\$37.24
Providence, RI	\$19.95	\$19.96	\$20.35	\$20.52	\$21.27	\$33.88
Puget Sound - Eastside	\$43.46	\$42.83	\$46.02	\$43.84	\$42.54	\$45.22
Raleigh/Durham, NC	\$29.70	\$29.46	\$29.23	\$29.09	\$29.48	\$30.33
Reno, NV	\$23.28	\$23.76	\$23.16	\$23.04	\$22.56	\$27.36
Richmond, VA	\$20.45	\$20.34	\$20.53	\$20.83	\$20.90	\$22.88
Roanoke, VA	\$19.52	\$19.01	\$18.78	\$20.44	\$21.05	\$24.56
Rochester, NY	\$17.50	\$17.50	\$17.50	\$17.50	\$17.50	\$21.00
Sacramento, CA	\$26.08	\$26.33	\$26.35	\$26.52	\$26.33	\$30.58
Salt Lake City, UT	\$25.73	\$25.76	\$26.10	\$25.88	\$25.88	\$28.81
San Antonio, TX	\$24.09	\$24.64	\$24.33	\$24.26	\$24.45	\$27.46
San Diego, CA	\$40.67	\$40.40	\$40.86	\$40.54	\$41.40	\$47.07
San Francisco, CA	\$74.67	\$73.92	\$72.77	\$72.69	\$70.86	\$74.50
San Francisco North Bay, CA	\$33.08	\$33.05	\$33.47	\$33.07	\$33.22	\$38.56
San Jose, CA*	\$41.43	\$52.40	\$52.24	\$53.39	\$54.06	\$65.79
San Juan, PR	\$19.99	\$20.01	\$20.03	\$20.06	\$20.39	\$20.36
San Mateo County, CA*	\$74.51	\$74.75	\$75.57	\$73.25	\$74.49	\$83.37
Savannah, GA	\$22.37	\$22.47	\$22.79	\$23.26	\$23.49	\$26.33
Seattle, WA	\$46.27	\$45.99	\$45.56	\$45.42	\$45.19	\$49.95
Southern NH	\$22.75	\$22.85	\$22.24	\$22.32	\$22.57	\$23.86
St. Louis, MO	\$22.48	\$22.32	\$22.41	\$23.78	\$23.22	\$25.28
St. Petersburg/Clearwater, FL	\$25.92	\$26.01	\$25.50	\$25.38	\$25.68	\$26.91
Suburban MD	\$29.38	\$29.25	\$29.17	\$29.17	\$29.33	\$32.77
Syracuse, NY	\$17.32	\$16.64	\$16.67	\$16.80	\$16.76	\$17.19
Tampa, FL	\$30.48	\$30.61	\$30.41	\$30.58	\$31.03	\$33.87
Tucson, AZ	\$20.92	\$21.79	\$21.30	\$22.60	\$22.78	\$25.02
Tulsa, OK	\$16.57	\$16.62	\$16.81	\$17.00	\$17.07	\$20.37
Washington, DC	\$55.51	\$55.95	\$55.48	\$55.08	\$54.90	\$61.58
Westchester County, NY	\$30.42	\$30.43	\$30.68	\$30.61	\$30.68	\$31.43

U.S. Office Markets	Inventory	Deliveries YTD 2023	Under Construction as of Q3 2023p
United States	5,522,507,736	26,508,301	63,541,359
Northeast	1,289,470,725	6,574,028	11,727,659
Midwest	794,312,407	2,662,477	5,112,552
South	1,932,591,595	9,075,119	29,515,472
West	1,506,133,009	8,196,677	17,185,676

U.S. Office Markets	Inventory	Deliveries YTD 2023	Under Construction as of Q3 2023p
Atlanta, GA	157,299,425	458,817	2,329,520
Austin, TX	63,257,116	827,164	6,008,933
Baltimore, MD	78,635,356	138,000	603,479
Binghamton, NY	4,262,170	0	0
Birmingham, AL	19,391,102	55,000	48,750
Boise, ID	16,931,509	168,900	158,940
Boston, MA	196,655,461	1,863,730	2,523,722
Buffalo, NY	22,761,974	0	0
Charleston, SC	21,221,778	254,340	198,000
Charlotte, NC	57,100,832	354,119	2,146,141
Chicago, IL	242,485,252	1,200,202	638,344
Cincinnati, OH	34,350,267	100,000	15,000
Cleveland, OH	90,616,898	244,038	2,161,454
Colorado Springs, CO	30,446,184	91,839	3,998
Columbia, SC	22,310,043	0	0
Columbus, OH	35,781,422	124,250	469,442
Dallas, TX	229,089,188	2,146,235	6,099,741
Denver, CO	121,793,361	409,211	2,040,844
Des Moines, IA	16,340,809	36,912	97,271
Detroit, MI	102,042,981	93,303	713,600
El Paso, TX	20,308,491	66,165	177,942
Fairfield County, CT	38,002,235	0	0
Fort Lauderdale, FL	26,265,511	0	0
Fort Myers/Naples, FL	22,257,890	103,856	15,000
Fort Worth, TX	19,849,165	138,000	129,400
Fredericksburg, VA	10,723,653	20,000	0
Greensboro/Winston-Salem, NC	35,559,505	0	100,000
Greenville, SC	22,587,544	250,843	118,000
Hampton Roads, VA	46,002,953	25,000	130,000
Hartford, CT	24,881,342	0	0
Houston, TX	188,445,424	129,600	741,997
Indianapolis, IN	39,579,222	30,000	180,218
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	41,855,285	37,343	426,001
Long Island, NY	36,866,982	0	0
Los Angeles CBD	27,797,027	0	0
Los Angeles Non-CBD	185,244,911	2,073,527	2,274,299
Louisville, KY	20,685,512	119,380	0
Madison, WI	16,511,062	162,800	223,000
Memphis, TN	27,587,785	42,884	0
Miami, FL	39,758,579	46,678	1,371,005
Milwaukee, WI	30,394,733	70,357	61,779
Minneapolis/St. Paul, MN	79,544,978	0	340,000
Nashville, TN	49,412,185	1,209,863	2,195,683

U.S. Office Markets	Inventory	Deliveries YTD 2023	Under Construction as of Q3 2023p
New Haven, CT	10,890,425	0	525,000
New Jersey - Central	82,593,226	0	0
New Jersey - Northern	109,462,826	120,000	80,000
New Orleans, LA	26,559,681	0	n/a
New York - Brooklyn	30,538,841	816,623	561,696
New York - Downtown	85,602,418	0	0
New York - Midtown	261,270,216	1,945,245	3,317,460
New York - Midtown South	69,141,626	1,598,430	2,858,892
Northern VA	132,448,259	0	703,402
Oakland/East Bay, CA*	97,783,716	0	0
Oklahoma City, OK	62,907,025	219,356	649,007
Omaha, NE	19,044,133	0	119,335
Orange County, CA	92,308,953	448,046	0
Orlando, FL	35,989,107	68,703	578,917
Palm Beach, FL	23,173,011	0	675,910
Philadelphia, PA	134,351,043	0	912,000
Phoenix, AZ	91,407,458	220,000	595,580
Pittsburgh, PA	93,980,231	0	686,889
Portland, OR	59,057,178	272,951	525,000
Providence, RI	23,480,342	0	n/a
Puget Sound - Eastside	38,214,926	1,430,909	2,929,764
Raleigh/Durham, NC	55,340,708	923,295	1,795,311
Reno, NV	8,282,427	97,235	101,819
Richmond, VA	56,154,623	135,026	819,100
Roanoke, VA	11,843,730	0	0
Rochester, NY	13,070,913	0	0
Sacramento, CA	68,477,248	0	569,000
Salt Lake City, UT	53,664,564	181,716	436,715
San Antonio, TX	50,641,522	1,015,853	658,681
San Diego, CA	71,654,800	273,755	1,295,775
San Francisco, CA	85,300,726	428,000	51,409
San Francisco North Bay, CA	20,847,689	0	0
San Jose, CA*	222,069,859	1,144,342	2,838,672
San Juan, PR	10,312,067	0	n/a
San Mateo County, CA*	40,095,550	430,583	565,554
Savannah, GA	3,950,583	0	0
Seattle, WA	66,440,901	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	10,524,629	0	45,000
Suburban MD	59,286,563	0	276,000
Syracuse, NY	13,752,651	196,000	102,000
Tampa, FL	31,090,455	75,000	131,955
Tucson, AZ	28,893,292	46,603	130,000
Tulsa, OK	49,976,747	251,942	67,816
Washington, DC	112,697,102	0	700,782
Westchester County, NY	23,290,875	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.

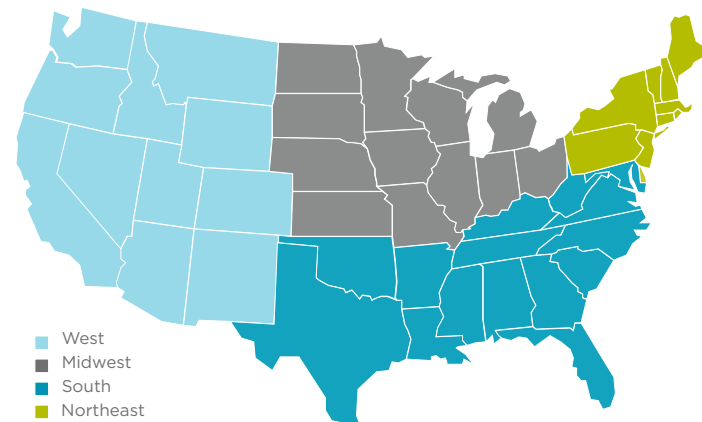
Absorption: The net change in occupied space between two points in time. (Total occupied space in the present quarter minus total occupied space from the previous quarter, quoted on a net, not gross, basis.)

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 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.

David C. Smith
Head of Americas Insights

Tel: +1 404.853.5310
david.smith4@cushwake.com

¹Cushman & Wakefield Research calculations of U.S. Bureau of Labor Statistics data.
²Harriet Torry, "Americans' Growing Reluctance to Quit Their Jobs, in Five Charts," WSJ.com, October 3, 2023. <https://www.wsj.com/economy/jobs/americans-growing-reluctance-to-quit-their-jobs-in-five-charts-e72b58ce>.
³U.S. Bureau of Labor Statistics.