

MARKETBEAT

U.S. Office

Q2 2019



U.S. OFFICE

Employment Indicators

	Q2 18	Q2 19	12-Month Forecast
Total Nonfarm Employment	148.7M	150.7M	▲
Office-using Employment	32.3M	32.9M	▲
Unemployment	3.9%	3.6%	▼

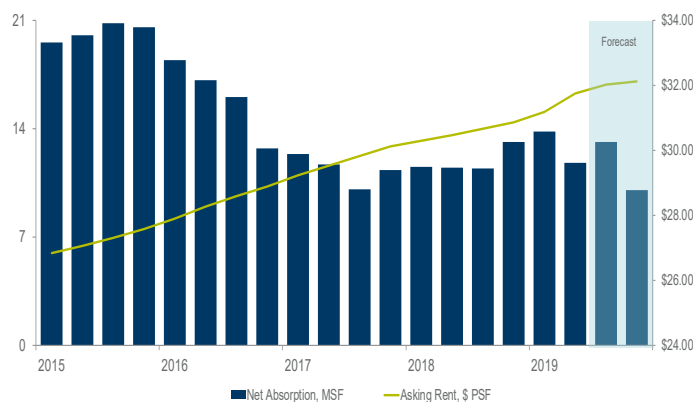
Source: BLS

Market Indicators (Overall)

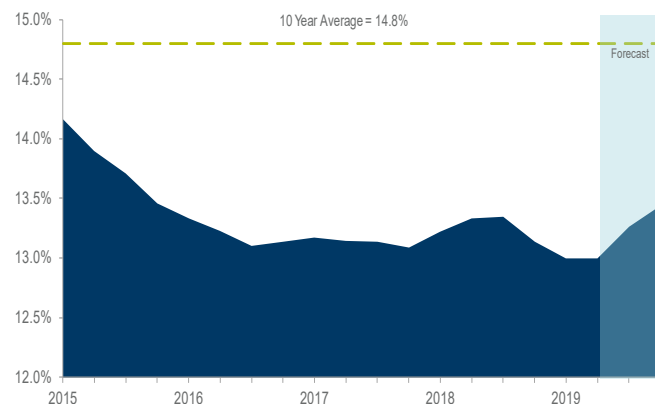
	Q2 18	Q2 19	12-Month Forecast
Vacancy Rate	13.3%	13.0%	▲
Net Absorption	14.6M	6.5M	■
Under Construction	108.2M	120.0M	▼
Weighted Asking Rent (FS)	\$30.77	\$32.13	▲
Rent Growth (Yr/Yr % Chg.)	2.4%	4.4%	▼

Office: Net Absorption/Asking Rent

4Q TRAILING AVERAGE



Office: Overall Vacancy



Source: Cushman & Wakefield Research

Tech Centers Dominate Demand Growth While Supply Continues to Rise

Underlying office fundamentals remained strong in the second quarter of 2019, even as demand for office space—as measured by net absorption—slowed. Net absorption in the U.S. totaled 6.5 million square feet (msf), down from 10.2 msf in the first quarter – a total of 16.8 msf was absorbed in the first half of the year vs. 22.2 msf in H1 2018. Despite the dip in absorption, employment in office-using industries—the main driver of office demand—accelerated from 28,000 jobs per month in the first quarter of 2019 to 48,000 in the second quarter, indicating that absorption is likely to remain positive in the second half of the year.

Total leasing volume remained robust in the second quarter of 2019. A total of 87.1 msf of space was leased during the quarter, approximately 9.0% less than in the first quarter, but well within the range of 84-to-97 msf that has been the norm over the past three years. Overall, 182.8 msf has been leased during the first half of 2019, down -2.1% from the second half of 2018.

As expected, leasing activity was strongest in tech-centric cities. The 20 metropolitan areas that Cushman & Wakefield has identified as technology centers in its [Tech Cities 2.0 report](#) accounted for 71% of second-quarter leasing volume, even though they represent only 60% of total office inventory.

While demand moderated, supply rose. A total of 14.4 msf of office space was completed during the second quarter of 2019, up from 8.7 msf completed in the first quarter but 22% below the 18.4 msf completed in the second quarter of 2018. Cushman & Wakefield projects an additional 41.5 msf of office space will be completed in 2019, for a total of 64.4 msf for the full year—the largest volume of new space delivered to the market since 2008.

A total of 120.0 msf of office space was under construction at the end of the second quarter of 2019, down from 122.5 msf in the first quarter and the second-highest volume of space under construction in the current cycle. The current volume under construction represents 2.2% of the total inventory of office space tracked by Cushman & Wakefield, down slightly from the 2.3% share under construction in the first quarter. The amount of space currently under construction as a percent of inventory is the highest since the first quarter of 2001.

Markets where the amount of space under construction represents a large proportion of inventory include Austin (11.1%), Nashville (10.3%), San Mateo County CA (9.9%), Charlotte (7.9%) and Salt Lake City (6.2%). These markets all have vacancy rates lower than the national average.

Vacancy remains stable: The minor shifts in demand and supply in the second quarter of 2019 did not impact the national vacancy rate which ended the quarter at 13.0%, unchanged from the first quarter. In fact, the supply/demand balance has been remarkably stable for nearly four years. From the fourth quarter of 2015 to the second quarter of 2019, net absorption totaled 186.7 msf. Over the

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same time period, office construction completions totaled 189.9 msf. The result: a nearly flat vacancy rate, which has ranged between 13.3% and 13.0% for more than three years.

Over the past 25 years the average change in the vacancy rate from one quarter to the next has been 34 basis points (bps). Since the fourth quarter of 2015, that change has averaged 8 bps—a remarkably stable performance for the commercial office market.

Of the 87 markets tracked by Cushman & Wakefield, 42 saw their vacancy rates increase from the first quarter to the second quarter of 2019—the largest number of markets to experience a vacancy increase since 2010. At the other end of the spectrum, 40 markets experienced declines in vacancy. Vacancy rates for the remaining five were unchanged

The major market with the lowest vacancy rate was San Francisco at 5.5%. Since the first quarter of 2017, the vacancy rate in San Francisco has plummeted by 320 bps—from 8.7% to the current 5.5%. Other markets boasting low vacancy rates include San Mateo County CA (7.6%), Inland Empire (7.9%), Raleigh/Durham (8.1%), and Sacramento (8.4%) where the vacancy rate has declined 200 bps over the past two years.

Rents continue to trend higher: Although the national vacancy rate has been flat for more than three years, it has been low enough to put upward pressure on rents. At \$32.13 per square foot (psf) at the close of the second quarter, the national average asking rent was at a record high—up 4.4% from a year ago and up 30.7% since reaching bottom eight years ago in the second quarter of 2011. Northern California and New York have exhibited the strongest rent growth in the current expansion. Since the second quarter of 2011, rents in San Francisco have increased more than 100% (+111.3%) followed by San Mateo County (+ 88.4%), Midtown South Manhattan (+84.4%), Silicon Valley (+73.2%) and Oakland/East Bay (+67.1%). The top five markets for asking rents are also in Manhattan and Northern California, led by Midtown South Manhattan (\$82.32 psf), San Francisco (\$79.07 psf), Midtown Manhattan (\$76.56 psf), Downtown Manhattan (\$63.40 psf) and San Mateo County CA (\$62.97 psf).

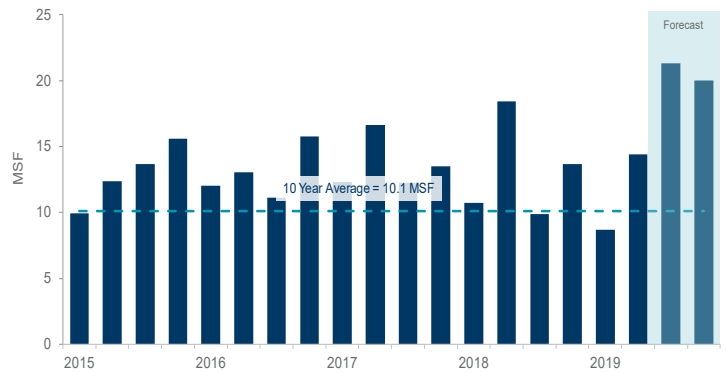
Looking Ahead

The national office market remains fundamentally healthy, supported by solid job growth which is driving demand higher. Although there was some modest softening in absorption during the second quarter of 2019, leasing was healthy by historical standards. The result was a stable vacancy rate and rising rents.

Tech-centric markets will continue to be among the strongest with sharp declines in vacancy, particularly in Northern California.

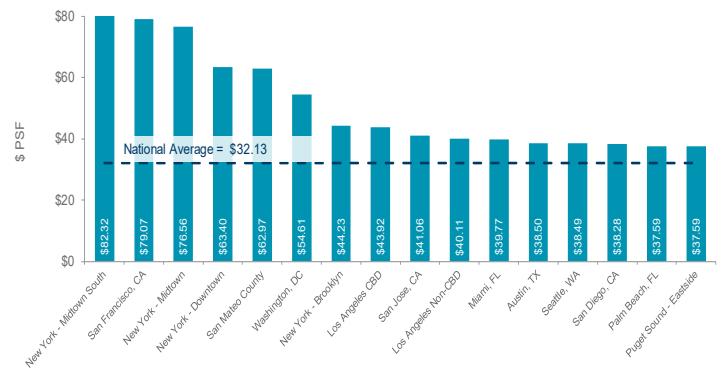
With a near-record amount of space under construction across the nation, some markets may feel near-term pressure as construction is completed. But with continuing employment growth, the new supply should be absorbed.

Office: New Supply



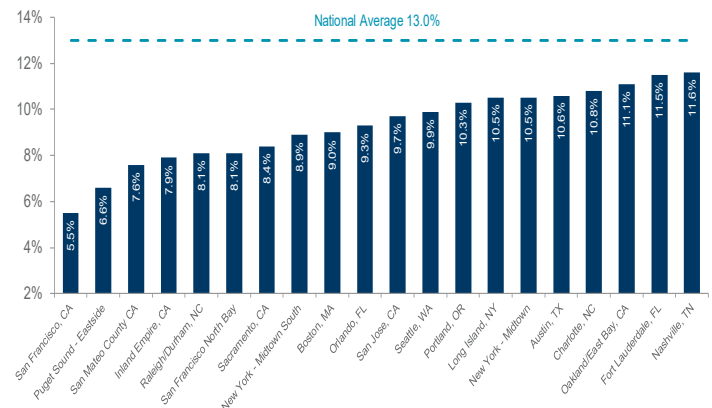
Source: Cushman & Wakefield Research

Office: Asking Rent by Market Highest Priced U.S. Markets



Source: Cushman & Wakefield Research

Office: Vacancy by Market Select Markets in the U.S.



Source: Cushman & Wakefield Research

Demand Indicators (Overall)	Net Absorption					Leasing Activity**
	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019p	YTD 2019p
United States	14,625,535	10,858,617	19,569,201	10,242,518	6,510,304	182,804,928
Northeast	4,924,632	3,175,502	5,089,338	-928,550	-1,771,761	45,513,564
Midwest	2,047,723	526,620	2,423,521	1,366,523	773,772	21,201,447
South	2,616,722	1,664,996	6,723,470	4,820,465	2,313,916	46,142,822
West	5,036,458	5,491,499	5,332,872	4,984,080	5,194,377	63,494,350

U.S. Office Markets	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019p	YTD 2019p
Atlanta, GA	89,712	-261,207	755,561	549,397	1,274,094	3,871,581
Austin, TX	-64,368	306,487	368,237	843,457	368,847	5,829,488
Baltimore, MD	301,945	164,112	575,384	535,040	202,185	906,368
Binghamton, NY	7,353	8,955	32,272	-3,120	-8,280	16,360
Birmingham, AL	-292,771	38,965	89,026	34,108	-209,841	282,955
Boston, MA	941,612	406,307	648,484	817,519	-586,154	6,573,095
Buffalo, NY	-36,832	85,402	67,165	13,722	107,532	461,440
Charleston, SC	382,982	-196,512	114,905	300,623	-249,516	349,546
Charlotte, NC	-133,684	764,464	712,520	391,477	696,056	1,490,636
Chicago, IL	521,090	-527,647	485,721	711,873	-395,355	8,376,627
Cincinnati, OH	1,471	6,195	-27,870	116,128	-64,806	1,067,758
Cleveland, OH	-132,832	370,957	489,376	176,423	8,069	858,503
Colorado Springs, CO	33,513	213,379	25,815	43,204	88,323	557,569
Columbus, OH	356,075	-245,428	238,716	24,822	131,066	1,190,666
Dallas, TX	625,105	45,153	373,973	1,369,819	57,510	6,382,375
Denver, CO	1,420,416	884,176	300,795	716,960	201,562	5,927,131
Detroit, MI	297,216	522,848	401,123	23,989	516,093	1,533,704
El Paso, TX	-6,876	-8,656	171,290	57,542	2,438	148,429
Fairfield County, CT	425,403	-626,483	-433,700	-18,203	-343,970	1,426,483
Fort Lauderdale, FL	-92,109	22,571	-52,844	1,380	-100,569	1,325,794
Fort Myers/Naples, FL	(108,726)	56,437	34,437	-132,145	129,555	286,339
Fort Worth, TX	133,056	-280,641	145,143	115,518	68,234	70,370
Fredericksburg, VA	25,319	-66,929	12,514	22,601	-11,348	122,161
Greenville, SC	-88,102	77,102	-43,267	79,360	-206,378	411,664
Hampton Roads, VA	194,768	-458,431	57,116	119,932	37,560	564,844
Hartford, CT	-180,443	-32,143	113,825	245,924	-89,219	730,757
Houston, TX	-729,169	403,426	1,730,319	330,908	-647,657	5,410,061
Indianapolis, IN	148,105	32,059	144,335	-49,506	-7,394	928,133
Inland Empire CA	111,838	59,723	52,156	15,892	-110,658	627,410
Jacksonville, FL	43,424	170,171	-145,545	-227,298	-31,867	505,286
Kansas City, MO	291,917	136,082	-18,375	88,029	-195,261	1,771,899
Las Vegas, NV	225,197	-366,013	24,931	145,269	-101,347	995,378
Long Island, NY	348,898	432,891	-99,580	37,700	-65,923	1,032,493
Los Angeles CBD	259,229	158,952	361,710	-74,233	145,426	726,483
Los Angeles Non-CBD	588,956	561,367	926,389	136,650	621,991	8,640,131
Louisville, KY	41,464	242,750	41,622	76,945	-61,686	462,372
Memphis, TN	21,427	215,645	100,214	-55,338	25,111	563,140
Miami, FL	272,523	-84,811	92,445	-175,481	-14,186	1,478,254
Milwaukee, WI	111,563	18,087	13,851	195,032	-60,235	587,019
Minneapolis/St. Paul, MN	437,958	-30,768	296,227	153,755	496,246	2,445,190
Nashville, TN	158,854	75,668	71,024	55,777	400,936	1,847,766

Demand Indicators (Overall)	Net Absorption					Leasing Activity**
	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019p	YTD 2019p
New Haven, CT	-11,991	96,508	-110,000	14,235	301,608	492,573
New Jersey - Central	476,621	-154,026	537,844	345,244	245,807	2,496,089
New Jersey - Northern	-57,951	561,162	370,423	30,722	266,490	2,926,148
New Orleans, LA	51,339	-90,201	18,875	132,582	-231,405	187,493
New York - Brooklyn	-145,636	-505,871	108,773	-333,225	-147,857	785,957
New York - Downtown	876,759	-452,177	606,368	1,688,970	-1,301,959	5,072,511
New York - Midtown	1,332,041	2,382,020	2,290,165	-1,947,615	-33,476	13,215,900
New York - Midtown South	858,204	219,171	616,356	-1,317,203	499,673	3,096,310
Northern VA	328,468	110,109	404,533	354,723	236,485	5,738,049
Oakland/East Bay, CA*	-175,361	419,804	224,951	-268,069	1,075,586	3,297,765
Omaha, NE	94,072	69,799	327,021	314,481	39,470	535,540
Orange County, CA	200,568	-81,668	131,191	283,478	115,788	4,726,349
Orlando, FL	303,625	189,122	-168,210	-126,126	211,748	1,281,092
Palm Beach, FL	-137,318	353	79,692	79,248	-115,061	904,817
Philadelphia, PA	-319,417	271,168	1,009,196	-644,685	-842,188	4,177,270
Phoenix, AZ	786,100	493,857	639,948	268,852	872,778	6,274,199
Pittsburgh, PA	139,838	142,285	-85,436	-142,213	-278,839	861,729
Portland, OR	294,961	-80,102	-65,276	191,800	-34,295	1,251,631
Providence, RI	20,000	20,000	25,000	-69,056	-17,901	146,772
Puget Sound - Eastside	-80,388	347,223	247,205	168,385	293,466	2,472,878
Raleigh/Durham, NC	362,984	33,222	169,029	-74,842	235,896	965,004
Reno, NV	6,743	57,106	-92,313	77,492	101,949	248,840
Richmond, VA	230,435	131,145	6,193	6,714	64,239	776,139
Roanoke, VA	-60,413	990	117,743	44,605	18,148	64,435
Rochester, NY	180,621	142,101	-91,663	90,767	380,406	173,886
Sacramento, CA	142,513	167,273	-51,127	102,172	775,910	3,403,134
Salt Lake City, UT	287,769	76,732	869,962	351,856	-294,327	710,005
San Antonio, TX	-36,626	-7,640	146,943	-279,074	n/a	366,665
San Diego, CA	212,717	-235,062	-49,525	308,715	350,468	2,393,473
San Francisco, CA	1,392,816	1,028,671	216,148	1,026,231	86,285	4,980,607
San Francisco North Bay, CA	62,728	-46,843	115,114	-47,784	880	396,461
San Jose, CA	-760,178	852,071	1,068,450	139,825	258,167	9,648,869
San Juan, PR	n/a	n/a	n/a	n/a	n/a	n/a
San Mateo County, CA*	-294,070	737,191	16,742	762,433	610,473	3,013,213
Savannah, GA	98,334	n/a	-36,340	n/a	-32,738	58,179
Seattle, WA	232,029	201,498	411,728	376,305	102,796	2,952,487
Southern NH	2,340	56,833	3,879	334,418	216,032	797,791
St. Louis, MO	-78,912	174,436	73,396	-388,503	305,879	1,906,408
St. Petersburg/Clearwater, FL	163,941	-62,901	43,523	-396	144,773	361,150
Suburban MD	456,704	-6,225	54,697	134,523	-53,312	1,422,669
Syracuse, NY	167,651	17,747	-57,597	-86,651	-167,701	215,727
Tampa, FL	153,413	-20,049	-67,575	44,685	-294,789	1,529,049
Tucson, AZ	88,362	42,164	-42,122	258,647	33,156	250,337
Tulsa, OK	-197,655	171,636	296,457	-304,066	98,052	435,448
Washington, DC	124,717	-10,329	453,836	514,267	302,402	6,195,949
Westchester County, NY	-100,439	103,652	-462,436	14,200	94,158	814,273

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

Vacancy Rate (All Classes)	Overall					Direct
	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019p	Q2 2019p
United States	13.3%	13.3%	13.1%	13.0%	13.0%	11.9%
Northeast	12.6%	12.6%	12.6%	12.8%	12.8%	11.2%
Midwest	14.3%	14.4%	14.1%	13.7%	13.6%	13.0%
South	14.5%	14.6%	14.4%	14.3%	14.4%	13.5%
West	11.9%	11.8%	11.5%	11.2%	11.3%	10.1%

U.S. Office Markets	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019p	Q2 2019p
Atlanta, GA	16.2%	16.4%	16.2%	15.4%	15.7%	14.7%
Austin, TX	11.2%	11.4%	10.6%	10.5%	10.6%	8.7%
Baltimore, MD	13.1%	13.6%	13.4%	13.1%	13.0%	12.5%
Binghamton, NY	8.6%	8.6%	7.9%	7.9%	8.0%	8.0%
Birmingham, AL	17.1%	16.9%	16.5%	15.8%	16.9%	15.1%
Boston, MA	9.7%	9.5%	9.7%	10.0%	9.0%	8.2%
Buffalo, NY	17.4%	17.0%	16.8%	16.7%	16.5%	15.7%
Charleston, SC	5.7%	6.2%	6.2%	5.0%	5.9%	5.4%
Charlotte, NC	8.2%	7.5%	7.6%	10.5%	10.8%	10.2%
Chicago, IL	18.4%	18.8%	18.3%	18.5%	18.0%	16.7%
Cincinnati, OH	20.1%	19.9%	20.2%	18.9%	19.0%	17.7%
Cleveland, OH	8.6%	8.6%	8.2%	6.4%	6.5%	6.4%
Colorado Springs, CO	10.1%	9.7%	9.7%	9.2%	8.8%	8.5%
Columbus, OH	14.0%	14.9%	14.5%	14.3%	14.2%	13.0%
Dallas, TX	19.0%	19.2%	19.1%	19.2%	19.3%	18.1%
Denver, CO	16.1%	15.7%	15.2%	15.4%	15.1%	13.6%
Detroit, MI	12.6%	12.4%	11.9%	12.1%	11.9%	11.7%
El Paso, TX	6.8%	6.7%	5.7%	5.5%	5.5%	5.2%
Fairfield County, CT	24.5%	24.6%	25.3%	26.5%	26.8%	22.8%
Fort Lauderdale, FL	11.7%	12.2%	12.8%	11.8%	11.5%	10.8%
Fort Myers/Naples, FL	6.4%	5.6%	6.0%	6.1%	6.0%	5.8%
Fort Worth, TX	12.3%	14.6%	12.8%	14.4%	15.0%	14.8%
Fredericksburg, VA	11.6%	11.8%	11.6%	10.1%	10.0%	10.0%
Greenville, SC	9.3%	10.6%	8.1%	7.2%	7.2%	6.5%
Hampton Roads, VA	8.9%	9.6%	8.9%	8.4%	8.6%	8.2%
Hartford, CT	17.2%	17.3%	16.7%	16.7%	15.8%	14.2%
Houston, TX	22.4%	22.3%	21.7%	20.9%	20.6%	18.5%
Indianapolis, IN	17.2%	16.9%	15.9%	15.9%	16.4%	15.5%
Inland Empire CA	8.0%	7.8%	7.5%	7.2%	7.9%	7.7%
Jacksonville, FL	12.8%	12.6%	12.9%	13.3%	14.1%	13.7%
Kansas City, MO	14.4%	14.4%	14.4%	14.0%	14.5%	13.8%
Las Vegas, NV	13.8%	14.5%	14.5%	14.2%	14.1%	13.1%
Long Island, NY	11.7%	10.5%	10.7%	10.4%	10.5%	9.1%
Los Angeles CBD	20.3%	20.2%	18.6%	18.7%	18.3%	17.7%
Los Angeles Non-CBD	14.6%	14.4%	13.9%	13.6%	13.7%	12.9%
Louisville, KY	13.5%	12.2%	12.6%	12.7%	13.0%	12.3%
Memphis, TN	14.4%	13.6%	13.5%	14.7%	14.6%	14.2%
Miami, FL	12.4%	12.9%	13.8%	13.3%	12.8%	12.3%
Milwaukee, WI	15.3%	15.0%	15.0%	15.0%	15.7%	15.5%
Minneapolis/St. Paul, MN	17.1%	17.5%	17.6%	17.4%	17.1%	16.4%
Nashville, TN	8.6%	9.8%	9.7%	10.8%	11.6%	10.5%

Vacancy Rate (All Classes)	Overall					Direct
	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019p	Q2 2019p
New Haven, CT	13.4%	13.0%	13.1%	13.2%	12.6%	11.7%
New Jersey - Central	16.5%	16.7%	16.0%	15.8%	15.5%	13.2%
New Jersey - Northern	19.8%	19.2%	18.8%	18.5%	18.3%	16.6%
New Orleans, LA	9.3%	9.3%	9.6%	8.9%	9.7%	9.5%
New York - Brooklyn	11.1%	13.2%	15.2%	16.8%	17.7%	15.9%
New York - Downtown	11.3%	12.0%	10.8%	11.0%	11.6%	9.4%
New York - Midtown	9.2%	9.2%	9.3%	10.1%	10.5%	8.3%
New York - Midtown South	6.7%	7.4%	7.2%	9.3%	8.9%	7.0%
Northern VA	20.5%	20.6%	20.3%	20.3%	20.3%	19.3%
Oakland/East Bay, CA*	11.4%	11.2%	11.0%	11.2%	11.1%	9.1%
Omaha, NE	5.7%	5.9%	6.2%	5.8%	5.7%	5.5%
Orange County, CA	11.3%	11.8%	11.5%	11.0%	11.9%	11.1%
Orlando, FL	9.3%	8.6%	8.9%	9.1%	9.3%	8.8%
Palm Beach, FL	13.7%	14.0%	13.7%	13.3%	13.4%	12.6%
Philadelphia, PA	12.6%	12.5%	12.5%	13.0%	13.6%	12.8%
Phoenix, AZ	16.1%	15.6%	15.6%	15.4%	15.3%	14.6%
Pittsburgh, PA	11.0%	11.1%	10.8%	10.6%	11.0%	10.2%
Portland, OR	10.5%	11.4%	11.8%	10.2%	10.3%	9.6%
Providence, RI	12.0%	11.6%	11.4%	10.1%	10.5%	10.2%
Puget Sound - Eastside	8.1%	7.0%	6.2%	5.9%	6.6%	5.2%
Raleigh/Durham, NC	7.6%	7.4%	7.7%	8.0%	8.1%	7.8%
Reno, NV	12.0%	11.6%	12.2%	12.0%	10.8%	9.9%
Richmond, VA	6.7%	6.6%	6.8%	6.5%	6.3%	6.0%
Roanoke, VA	6.8%	6.8%	6.1%	6.1%	5.3%	5.2%
Rochester, NY	14.2%	13.2%	13.8%	13.2%	10.5%	10.5%
Sacramento, CA	9.6%	9.5%	9.2%	8.6%	8.4%	8.2%
Salt Lake City, UT	13.3%	13.5%	12.4%	12.0%	12.6%	10.5%
San Antonio, TX	13.5%	13.2%	13.0%	14.6%	14.6%	14.1%
San Diego, CA	12.6%	13.4%	13.8%	14.0%	13.7%	11.4%
San Francisco, CA	7.4%	6.8%	6.4%	5.8%	5.5%	4.5%
San Francisco North Bay, CA	8.4%	8.6%	8.0%	8.1%	8.1%	6.7%
San Jose, CA	10.7%	10.5%	9.9%	9.8%	9.7%	7.4%
San Juan, PR	12.8%	12.9%	12.6%	13.0%	13.0%	13.0%
San Mateo County, CA*	8.7%	8.5%	9.0%	8.2%	7.6%	5.7%
Savannah, GA	12.9%	12.9%	14.0%	14.0%	14.9%	14.9%
Seattle, WA	8.7%	8.4%	8.0%	7.8%	9.9%	8.6%
Southern NH	10.3%	10.1%	9.6%	8.5%	7.3%	6.6%
St. Louis, MO	12.3%	12.0%	11.8%	12.4%	12.5%	12.2%
St. Petersburg/Clearwater, FL	11.7%	12.7%	11.9%	12.4%	10.3%	9.9%
Suburban MD	19.0%	18.7%	18.4%	18.6%	18.4%	17.7%
Syracuse, NY	12.4%	12.3%	12.7%	12.7%	13.1%	12.5%
Tampa, FL	10.9%	10.9%	11.9%	11.5%	12.8%	11.0%
Tucson, AZ	8.1%	8.1%	8.4%	8.4%	8.9%	8.7%
Tulsa, OK	23.2%	24.1%	23.2%	11.3%	11.2%	10.2%
Washington, DC	14.0%	14.1%	14.1%	13.3%	13.9%	13.0%
Westchester County, NY	25.7%	25.1%	26.5%	23.9%	23.5%	21.8%

p = preliminary
*Includes R&D.

	Overall (All Classes)					Class A
Weighted Average Asking Rent	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019p	Q2 2019p
United States	\$30.77	\$31.05	\$31.22	\$31.73	\$32.13	\$38.53
Northeast	\$38.41	\$38.89	\$38.92	\$39.87	\$40.61	\$46.33
Midwest	\$23.81	\$23.84	\$24.04	\$24.25	\$24.36	\$28.34
South	\$28.09	\$28.31	\$28.31	\$28.56	\$28.74	\$33.84
West	\$32.66	\$33.17	\$33.60	\$33.89	\$34.47	\$42.39

U.S. Office Markets	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019p	Q2 2019p
Atlanta, GA	\$26.53	\$26.74	\$26.64	\$26.64	\$27.05	\$30.47
Austin, TX	\$36.54	\$35.81	\$36.26	\$37.48	\$38.50	\$43.73
Baltimore, MD	\$23.41	\$23.52	\$23.45	\$23.82	\$23.71	\$27.19
Binghamton, NY	\$12.84	\$12.93	\$13.20	\$13.81	\$13.81	\$13.81
Birmingham, AL	\$18.94	\$18.63	\$18.57	\$20.24	\$19.86	\$20.89
Boston, MA	\$36.05	\$36.87	\$36.97	\$36.26	\$37.55	\$41.56
Buffalo, NY	\$17.70	\$17.70	\$17.70	\$17.70	\$17.70	\$23.60
Charleston, SC	\$23.01	\$25.46	\$23.55	\$23.01	\$23.77	\$28.19
Charlotte, NC	\$25.46	\$26.14	\$26.25	\$28.53	\$28.79	\$31.05
Chicago, IL	\$30.24	\$29.94	\$30.23	\$30.18	\$30.42	\$36.82
Cincinnati, OH	\$19.09	\$18.95	\$19.00	\$18.93	\$18.94	\$21.48
Cleveland, OH	\$17.50	\$17.31	\$17.66	\$17.59	\$17.73	\$21.97
Colorado Springs, CO	\$15.52	\$15.73	\$16.72	\$16.30	\$16.58	\$20.19
Columbus, OH	\$20.94	\$20.96	\$20.92	\$20.89	\$20.95	\$23.09
Dallas, TX	\$26.48	\$26.55	\$26.65	\$27.07	\$26.92	\$30.91
Denver, CO	\$27.50	\$27.72	\$28.21	\$28.49	\$28.81	\$32.79
Detroit, MI	\$19.61	\$19.59	\$19.65	\$19.70	\$19.90	\$22.62
El Paso, TX	\$16.50	\$16.50	\$16.50	\$15.30	\$15.21	\$16.80
Fairfield County, CT	\$32.47	\$32.21	\$32.47	\$31.96	\$31.59	\$34.80
Fort Lauderdale, FL	\$30.48	\$30.72	\$30.18	\$31.45	\$32.91	\$39.21
Fort Myers/Naples, FL	\$14.85	\$15.09	\$15.02	\$14.79	\$14.76	\$17.89
Fort Worth, TX	\$25.90	\$25.66	\$25.32	\$26.17	\$26.01	\$28.28
Fredericksburg, VA	\$22.83	\$22.46	\$22.55	\$22.58	\$22.34	\$24.75
Greenville, SC	\$19.25	\$19.11	\$19.37	\$19.43	\$19.37	\$23.36
Hampton Roads, VA	\$18.19	\$18.82	\$18.37	\$18.36	\$18.42	\$21.66
Hartford, CT	\$20.59	\$20.91	\$20.99	\$20.42	\$20.47	\$22.37
Houston, TX	\$29.04	\$29.37	\$29.25	\$28.85	\$29.07	\$36.41
Indianapolis, IN	\$19.24	\$19.60	\$19.74	\$19.76	\$20.09	\$22.32
Inland Empire CA	\$22.72	\$22.91	\$22.92	\$22.89	\$23.53	\$27.46
Jacksonville, FL	\$19.00	\$19.64	\$19.50	\$19.94	\$19.96	\$23.00
Kansas City, MO	\$20.20	\$20.26	\$20.69	\$21.00	\$21.37	\$24.90
Las Vegas, NV	\$19.68	\$19.68	\$20.28	\$20.40	\$20.28	\$28.32
Long Island, NY	\$29.96	\$29.78	\$29.22	\$31.29	\$30.41	\$34.31
Los Angeles CBD	\$42.25	\$42.35	\$42.45	\$43.93	\$43.92	\$44.98
Los Angeles Non-CBD	\$39.31	\$39.72	\$39.59	\$39.44	\$40.11	\$43.81
Louisville, KY	\$16.82	\$16.40	\$16.70	\$17.27	\$17.47	\$20.81
Memphis, TN	\$17.82	\$17.91	\$18.10	\$19.02	\$18.79	\$20.14
Miami, FL	\$38.03	\$38.86	\$38.69	\$39.25	\$39.77	\$44.76
Milwaukee, WI	\$19.00	\$20.13	\$20.27	\$20.29	\$20.57	\$23.93
Minneapolis/St. Paul, MN	\$25.32	\$25.65	\$25.48	\$25.84	\$26.03	\$31.34
Nashville, TN	\$26.20	\$26.78	\$26.71	\$26.92	\$27.42	\$30.59

Weighted Average Asking Rent	Overall (All Classes)					Class A
	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019p	Q2 2019p
New Haven, CT	\$21.37	\$21.56	\$21.72	\$21.99	\$21.94	\$23.78
New Jersey - Central	\$26.58	\$26.57	\$26.71	\$26.49	\$26.42	\$29.32
New Jersey - Northern	\$30.79	\$30.84	\$31.09	\$31.16	\$31.50	\$36.23
New Orleans, LA	\$18.69	\$18.86	\$18.63	\$18.51	\$18.72	\$19.77
New York - Brooklyn	\$42.56	\$41.37	\$43.24	\$42.99	\$44.23	\$56.64
New York - Downtown	\$62.92	\$63.72	\$63.57	\$63.27	\$63.40	\$67.54
New York - Midtown	\$77.44	\$76.12	\$75.03	\$75.42	\$76.56	\$82.76
New York - Midtown South	\$71.07	\$76.42	\$76.82	\$80.62	\$82.32	\$98.18
Northern VA	\$32.69	\$32.79	\$32.87	\$33.15	\$33.48	\$36.15
Oakland/East Bay, CA*	\$31.99	\$32.71	\$33.39	\$33.47	\$34.27	\$41.80
Omaha, NE	\$20.29	\$20.76	\$21.22	\$20.46	\$20.99	\$27.82
Orange County, CA	\$34.36	\$35.55	\$35.66	\$35.90	\$36.21	\$40.21
Orlando, FL	\$22.36	\$22.46	\$22.85	\$23.22	\$23.33	\$26.47
Palm Beach, FL	\$36.79	\$36.89	\$37.04	\$37.51	\$37.59	\$47.45
Philadelphia, PA	\$25.52	\$26.07	\$26.80	\$26.86	\$27.11	\$29.18
Phoenix, AZ	\$25.28	\$25.43	\$25.83	\$25.33	\$26.15	\$30.22
Pittsburgh, PA	\$19.20	\$19.42	\$19.92	\$19.75	\$19.41	\$23.62
Portland, OR	\$27.99	\$29.44	\$29.45	\$28.89	\$29.32	\$33.22
Providence, RI	\$18.62	\$18.64	\$18.65	\$18.74	\$19.48	\$29.69
Puget Sound - Eastside	\$34.96	\$35.78	\$35.56	\$34.91	\$37.59	\$42.28
Raleigh/Durham, NC	\$25.28	\$25.60	\$26.24	\$26.29	\$26.75	\$28.93
Reno, NV	\$19.32	\$18.96	\$19.80	\$20.52	\$20.88	\$25.68
Richmond, VA	\$18.94	\$19.40	\$19.14	\$19.06	\$19.24	\$21.90
Roanoke, VA	\$15.50	\$15.55	\$15.51	\$16.21	\$15.78	\$18.09
Rochester, NY	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$20.66
Sacramento, CA	\$22.50	\$22.84	\$22.69	\$22.92	\$23.29	\$27.72
Salt Lake City, UT	\$24.37	\$24.66	\$24.31	\$23.99	\$24.77	\$27.89
San Antonio, TX	\$22.05	\$22.43	\$22.34	\$22.58	\$22.58	\$26.48
San Diego, CA	\$36.24	\$36.36	\$36.96	\$38.04	\$38.28	\$43.68
San Francisco, CA	\$72.30	\$74.72	\$75.57	\$77.26	\$79.07	\$82.97
San Francisco North Bay, CA	\$31.32	\$32.29	\$32.53	\$31.94	\$31.84	\$38.51
San Jose, CA	\$36.71	\$37.65	\$39.23	\$40.77	\$41.06	\$58.34
San Juan, PR	\$18.05	\$18.11	\$18.05	\$18.05	\$18.16	\$20.33
San Mateo County, CA*	\$58.68	\$57.98	\$60.82	\$60.67	\$62.97	\$65.34
Savannah, GA	\$20.02	\$20.02	\$20.45	\$20.45	\$20.74	\$24.27
Seattle, WA	\$34.40	\$35.10	\$34.68	\$35.74	\$38.49	\$44.00
Southern NH	\$16.85	\$16.96	\$16.92	\$17.53	\$17.79	\$18.71
St. Louis, MO	\$18.90	\$19.11	\$19.40	\$20.02	\$19.95	\$22.51
St. Petersburg/Clearwater, FL	\$21.97	\$22.97	\$22.99	\$23.75	\$23.11	\$26.04
Suburban MD	\$27.27	\$27.85	\$27.62	\$27.81	\$27.81	\$31.40
Syracuse, NY	\$16.59	\$16.93	\$17.08	\$16.96	\$17.27	\$19.11
Tampa, FL	\$25.39	\$26.21	\$26.07	\$26.59	\$27.15	\$31.15
Tucson, AZ	\$18.85	\$19.16	\$19.16	\$18.68	\$18.65	\$24.30
Tulsa, OK	\$15.27	\$15.58	\$15.26	\$15.46	\$15.43	\$18.64
Washington, DC	\$55.01	\$54.41	\$54.34	\$55.30	\$54.61	\$60.56
Westchester County, NY	\$27.85	\$27.45	\$27.59	\$28.64	\$28.59	\$29.54

p = preliminary
*Includes R&D

Inventory	Inventory	Deliveries YTD 2019	Under Construction as of Q2 2019p
United States	5,337,743,473	23,179,419	120,047,857
Northeast	1,251,848,973	2,398,565	26,447,873
Midwest	846,082,316	1,535,753	14,326,268
South	1,748,893,313	11,402,012	43,061,901
West	1,490,918,871	7,843,089	36,211,815

U.S. Office Markets	Inventory	Deliveries YTD 2019	Under Construction as of Q2 2019p
Atlanta, GA	144,380,218	1,295,470	4,803,342
Austin, TX	53,028,352	1,583,897	5,882,307
Baltimore, MD	77,074,574	287,429	850,964
Binghamton, NY	4,649,030	0	0
Birmingham, AL	19,850,437	30,000	98,000
Boston, MA	172,706,437	365,000	6,053,966
Buffalo, NY	22,235,301	52,000	282,000
Charleston, SC	25,733,030	192,298	778,146
Charlotte, NC	51,602,701	825,395	4,083,476
Chicago, IL	232,881,799	123,130	5,359,642
Cincinnati, OH	34,081,406	0	210,000
Cleveland, OH	151,422,698	219,736	388,697
Colorado Springs, CO	28,729,935	4,400	144,171
Columbus, OH	29,177,384	142,000	829,836
Dallas, TX	216,720,583	1,126,072	1,597,001
Denver, CO	116,694,899	540,639	1,926,928
Detroit, MI	111,028,574	0	525,356
El Paso, TX	19,223,454	43,699	316,790
Fairfield County, CT	38,828,311	0	532,258
Fort Lauderdale, FL	28,170,494	0	622,264
Fort Myers/Naples, FL	22,559,102	121,866	336,135
Fort Worth, TX	19,276,766	200,000	0
Fredericksburg, VA	10,323,289	0	30,000
Greenville, SC	26,578,210	24,057	165,676
Hampton Roads, VA	42,873,437	100,348	1,057,007
Hartford, CT	24,248,156	0	24,900
Houston, TX	186,291,688	872,600	1,691,991
Indianapolis, IN	37,074,401	0	759,470
Inland Empire CA	21,827,191	0	178,285
Jacksonville, FL	23,896,824	0	343,700
Kansas City, MO	53,123,922	214,871	423,352
Las Vegas, NV	45,950,113	0	71,746
Long Island, NY	35,631,299	0	48,000
Los Angeles CBD	27,574,918	0	0
Los Angeles Non-CBD	174,261,074	72,247	3,898,798
Louisville, KY	20,294,790	129,840	183,917
Memphis, TN	26,751,961	84,750	315,100
Miami, FL	45,742,106	84,900	1,536,920
Milwaukee, WI	28,724,056	78,576	904,095
Minneapolis/St. Paul, MN	75,202,726	194,700	2,268,000
Nashville, TN	39,918,929	784,000	4,106,526
New Haven, CT	10,713,686	0	0
New Jersey - Central	82,840,167	0	0
New Jersey - Northern	109,336,002	400,000	600,000
New Orleans, LA	26,070,125	0	0

Inventory	Inventory	Deliveries YTD 2019	Under Construction as of Q1 2019p
New York - Brooklyn	29,083,875	373,892	1,442,486
New York - Downtown	89,729,615	0	273,876
New York - Midtown	243,273,187	843,675	13,695,406
New York - Midtown South	69,177,644	223,708	602,662
Northern VA	133,588,353	446,380	2,798,843
Oakland/East Bay, CA*	109,454,725	1,055,622	1,108,600
Omaha, NE	44,240,964	241,824	1,536,704
Orange County, CA	91,200,960	902,008	418,751
Orlando, FL	36,710,623	125,000	277,813
Palm Beach, FL	23,541,823	46,233	839,038
Philadelphia, PA	133,907,328	62,000	865,803
Phoenix, AZ	104,061,085	974,767	1,941,456
Pittsburgh, PA	92,119,547	13,290	1,739,988
Portland, OR	52,980,915	55,854	957,022
Providence, RI	24,950,220	0	191,000
Puget Sound - Eastside	34,620,072	0	718,257
Raleigh/Durham, NC	54,528,879	1,107,956	2,190,609
Reno, NV	8,051,570	77,414	0
Richmond, VA	53,935,849	60,095	1,260,669
Roanoke, VA	12,992,624	0	0
Rochester, NY	14,069,668	0	45,000
Sacramento, CA	90,566,668	242,000	2,086,051
Salt Lake City, UT	37,843,635	62,572	2,328,980
San Antonio, TX	38,301,132	68,000	
San Diego, CA	79,823,121	551,470	1,759,949
San Francisco, CA	83,191,067	751,500	2,428,333
San Francisco North Bay, CA	20,849,834	0	29,608
San Jose, CA	216,293,075	0	7,410,932
San Juan, PR	10,323,867	0	0
San Mateo County, CA*	56,425,500	603,145	5,593,646
Savannah, GA	3,427,181	10,800	0
Seattle, WA	63,617,820	1,564,251	3,050,081
Southern NH	14,666,183	65,000	0
St. Louis, MO	49,124,386	320,916	1,121,116
St. Petersburg/Clearwater, FL	11,887,676	0	0
Suburban MD	60,137,738	176,000	2,525,787
Syracuse, NY	16,110,933	0	50,528
Tampa, FL	30,852,393	0	1,250,051
Tucson, AZ	26,900,694	385,200	160,221
Tulsa, OK	41,272,063	0	193,582
Washington, DC	111,032,042	1,574,927	2,926,247
Westchester County, NY	23,572,384	0	0

p = preliminary
*Includes R&D



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 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

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.

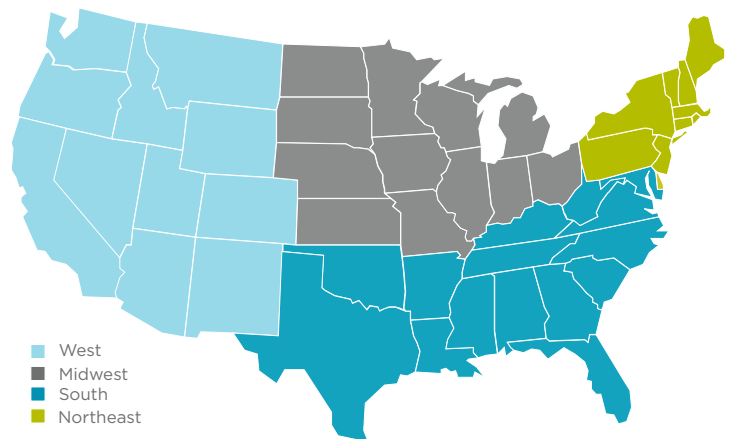
Absorption: The net change in occupied space between two points in time. (Total occupied space in the present quarter minus total occupied space from the previous quarter, quoted on a net, not gross, basis.)

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



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