

18.2%
Vacancy Rate



-19.0M
Net Absorption, SF



\$37.38
Asking Rent, PSF



2.8%
Rent Growth, YoY



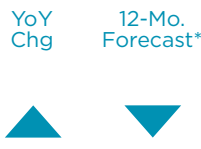
90.4M
Under Construction



(Overall, All Property Classes)

ECONOMIC INDICATORS Q4 2022

153.4M
Total Nonfarm Employment



34.5M
Office-using Employment



3.7%
U.S. Unemployment Rate



Source: BLS, *Cushman & Wakefield baseline

Economic Uncertainty Spells Lethargy for U.S. Office Market in H2 2022

Despite continued labor market strength, the uncertainty experienced by occupiers has increased throughout the second half of 2022. Inflation may have peaked, but it continues to be well above the historical norm and the Federal Reserve's target. In response, the federal funds rate increased five times between June and December, ending the year 425 basis points (bps) higher than one year ago. The cost of capital is up, as is the cost of and competition for labor. Additionally, occupiers are increasingly bracing themselves for an economic downturn in the first half of 2023.

Demand for office space is declining again. There is strength in spots, but overall office-space touring, gross leasing and net absorption have been slower in the second half of 2022 than they had been in the first half. Vacancy has increased to historical highs, driven by occupiers placing oversubscribed space on the sublease market.

Construction deliveries remain strong, although down from recent highs in 2019 and 2021. New construction is still in high demand—over the last three years, 100 million square feet (msf) of positive absorption funneled to buildings built in the past eight years—but costs and timelines are becoming more difficult as the economy's trajectory grows tenuous heading into 2023.

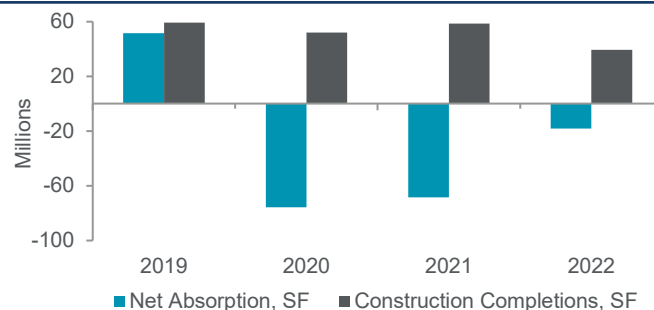
Densification Dampens Demand, But Bright Spots Exist

Amidst the economic turmoil, office demand, which appeared to be stabilizing in the first half of the year, began weakening again in the second half of 2022. National absorption ended the year down 37.1 msf for the year, with 90% of the decrease occurring in Q3 (-14.3 msf) and Q4 (-19.0 msf). Overall office absorption was negative in each quarter in 2022, and Q4 marked the 10th negative quarter in the past 11 quarters, dating back to Q2 2020. Overall gross leasing activity for the four quarters ending in Q4 2022 was 339 msf. This remains 91 msf above the 2021 nadir, but it has declined for two straight quarters after hitting 387 msf in Q2 2022. On the bright side, 2022's 339 msf of gross leasing is 5% (16.2 msf) above the 20-year historical average—indicating that although businesses continue to downsize on net, the leasing market remains very active.

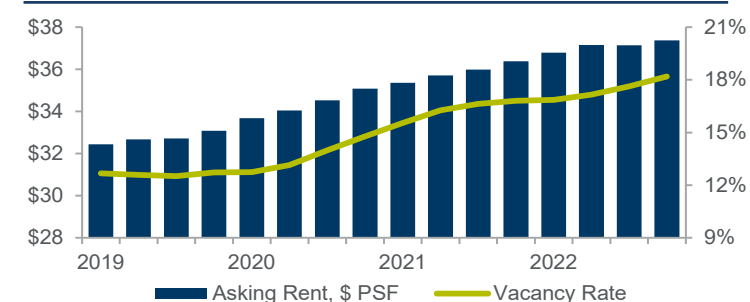
Many occupiers are calculating that they will require less office space per worker given the shift toward increased remote and hybrid work. With office space usage still at half of its pre-pandemic norms¹, businesses continue to recalibrate their density requirements. In Q4 2019, approximately 190 sf was allocated for each U.S. office worker. In the subsequent three years, occupied office space per office worker declined 7.9% to 175 sf. Even with over 1.3 million more office-using jobs today than February 2020, occupied office stock has declined.

The U.S. office market is not a monolith, of course. Of the 90 markets tracked by Cushman & Wakefield, there were 33 markets that registered positive absorption in Q4, and 29 markets with positive absorption for the full year. Ten different U.S. markets had six-figure positive absorption in Q4 2022: San Jose (+704,000), Atlanta (+485,000), Jacksonville (+431,000), Colorado Springs (+279,000), New Orleans (+223,000), Miami (+199,000), Las Vegas (+132,000), Pittsburgh (+115,000), Palm Beach (+111,000) and Syracuse (+102,000).

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



In 2022, positive absorption spread across a variety of markets, with many falling into the following categories:

- **Major Sun Belt markets:** Atlanta (+1.4 msf), Miami (+602,000 sf), Dallas (+463,000 sf)
- **Gateway or gateway-adjacent markets:** Midtown Manhattan (+1.0 msf), Fairfield County (+747,000 sf), Suburban MD (+701,000 sf), Brooklyn (+157,000)
- **Tech and lab markets:** San Jose (+2.8 msf), San Diego (+888,000 sf), Puget Sound - Eastside (+523,000), Austin (46,000 sf)
- **Smaller markets with strong job growth:** Palm Beach (+460,000 sf), Charleston (+388,000 sf), Jacksonville (+302,000 sf), Colorado Springs (+275,000 sf), Nashville (+136,000 sf), Greenville (+88,000 sf)
- **Smaller markets recovering from pandemic lows:** Memphis (+394,000), Tulsa (+366,000), Omaha (+361,000), El Paso (+351,000), Syracuse (+234,000)

Elevated Vacancy Likely Around Through 2023

The national vacancy rate exceeded 18% for the first time on record, ending the year at 18.2%. This represents a 60-bps increase quarter-over-quarter (QoQ) and a 140-bps increase year-over-year (YoY). Approximately a third of U.S. markets ended the year with vacancy rates above 20% (27 out of 90 markets) and another third finished Q4 below 13% (29 out of 90 markets). The tightest markets tend to be secondary and tertiary markets with limited construction deliveries / pipelines. For example, markets with sub-10% vacancy have delivered 37% less new office space since the beginning of the pandemic (as a percentage of current inventory) relative to the rest of the U.S.

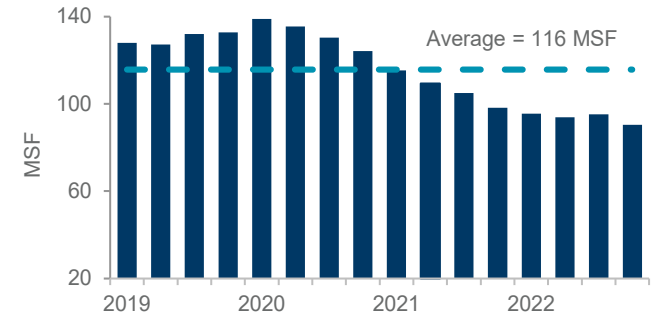
New office construction remains strong but is showing signs of slowing. Across the U.S., 9.5 msf of office space was delivered in Q4—the lowest quarterly total since Q1 2015. The 2022 total for new office construction was 39.5 msf, which is the lowest total since 2014 and is 13% below the 20-year average. Inflation, labor shortages and supply chain challenges—as well as the specter of a potential recession—are likely to lower construction activity for the next few years. There is, however, still 90 msf of office space under construction in the U.S. While lower than the pre-pandemic peak of 139 msf observed in Q1 2021, it is still an amount that, if it all delivers, will likely exceed demand and drive the overall vacancy rate higher.

The other major vacancy driver is the sublease market, which grew by 12.5 msf in Q4 2022. Available sublease inventory grew by 33 msf in 2022, accounting for 40% of the vacant space added throughout the year. The sublease market had been relatively flat for a year before occupiers added a second “pop” of sublease space in the second half of 2022. The amount of sublease space available is often a leading indicator for the broader market, so this will be a key metric to watch going forward in gauging occupier demand heading into a potential downturn.

Outlook

- **Vacancy to remain elevated:** The national vacancy rate has increased for 13 straight quarters; given the new construction pipeline and expected economic lethargy, overall vacancy rates will likely increase throughout 2023 before beginning to decline in 2024. However, vacancy rates have declined YoY in a fourth of U.S. office markets. Look for a quicker recovery in markets that have seen population and job growth, have modest sublease inventories and where construction pipelines are not bloated.
- **Changing space use behaviors:** Office usage increased in the fall, and heading into 2023 more employers are encouraging office workers to be in the office several days a week. Occupiers have tightened their office space per employee requirements, as hybrid and remote work strategies are increasingly deployed. However, there is only so much space that organizations can shed, and there is an expectation that office usage will continue to creep higher in 2023 as individuals, teams and companies experience the benefits of proximity and connection.
- **Watch the sublease market:** As noted previously, 40% of new vacancy in 2022 was sublease space being made available. During downturns, overall vacancy doesn't typically recede until the sublease market has peaked and begins to shrink. As new construction deliveries slow down, expect demand to move to available sublease space in high-quality buildings. Look for available sublease inventory to peak in 2023, followed shortly afterward by overall vacancy before declining in 2024.

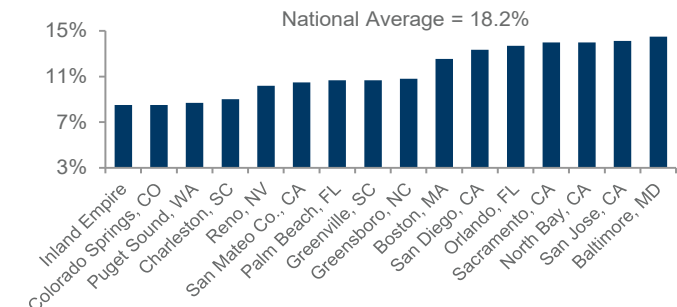
SPACE UNDER CONSTRUCTION



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



VACANCY BY SELECT MARKETS



U.S. Office Markets	Net Absorption					Leasing Activity**
	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022p	2022p
United States	2,204,732	-1,136,600	-2,697,250	-14,319,648	-18,950,561	340,365,799
Northeast	-3,889,962	1,179,448	-1,206,812	-2,853,501	-6,918,186	72,054,542
Midwest	-1,919,537	-2,732,771	-945,504	-3,207,123	-3,204,233	41,671,017
South	3,689,103	-269,109	676,348	-1,917,106	-890,815	113,405,695
West	4,325,128	685,832	-1,221,282	-6,341,918	-7,937,327	112,343,628

U.S. Office Markets	Net Absorption					Leasing Activity**
	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022p	2022p
Atlanta, GA	42,924	154,368	627,038	173,982	485,320	11,211,810
Austin, TX	758,836	248,325	476,483	-179,730	-498,975	5,715,824
Baltimore, MD	-93,322	-262,190	86,312	-347,686	-118,283	4,309,170
Binghamton, NY	2,519	5,000	-8,255	-520		12,680
Birmingham, AL	-8,162	-128,742	10,084	-50,230	-83,455	641,194
Boise, ID	166,079	-140,285	-40,677	-147,548	27,194	1,255,493
Boston, MA	994,113	451,836	-241,564	-764,252	-1,169,291	11,369,157
Buffalo, NY	-110,320	97,569	-102,095	-104,320	-169,353	573,600
Charleston, SC	48,849	322,479	-16,518	7,760	74,593	952,895
Charlotte, NC	844,882	-396,592	14,907	412,161	-41,015	2,957,974
Chicago, IL	-604,449	-1,142,811	-520,795	-951,506	-1,083,965	14,028,680
Cincinnati, OH	-329,176	-388,639	121,646	-181,239	19,318	2,012,781
Cleveland, OH	385,841	-164,648	-266,589	-129,527	-901,554	3,464,193
Colorado Springs, CO	100,307	152,357	-51,328	-105,319	279,015	1,124,038
Columbia	-239,489	-244,353	72,927	-17,820	22,533	527,958
Columbus, OH	-181,612	464,502	138,284	-618,823	-404,523	2,173,539
Dallas, TX	1,613,416	354,505	506,891	-276,247	-122,457	17,182,187
Denver, CO	-50,440	-88,567	-705,689	-847,042	-1,190,667	8,561,231
Detroit, MI	-534,698	-510,436	25,454	-81,821	-238,665	3,557,785
El Paso, TX	20,726	66,137	648,247	-409,104	45,827	308,622
Fairfield County, CT	438,045	366,085	166,642	257,788	-43,547	3,094,310
Fort Lauderdale, FL	-51,173	103,868	30,251	-9,913	-66,537	2,824,648
Fort Myers/Naples, FL	73,169	-111,193	-24,863	19,675	82,389	963,252
Fort Worth, TX	-50,189	-21,537	-21,939	-60,133	-143,388	883,876
Fredericksburg, VA	-10,177	-4,199	-895	32,511	3,992	317,893
Greensboro/Winston-Salem, NC	-7,139	-42,060	-283,952	-47,325	75,876	890,917
Greenville, SC	394,331	77,943	44,822	-37,005	2,655	622,574
Hampton Roads, VA	52,122	-16,741	107,642	-33,294	89,790	1,474,326
Hartford, CT	-17,472	-671,035	154,713	-367,724	-143,190	1,051,295
Houston, TX	-613,783	238,744	-304,811	-638,738	-646,786	14,617,378
Indianapolis, IN	271,919	12,456	146,344	-280,192	-58,165	2,612,752
Inland Empire CA	-87,128	-50,901	38,327	-83,254	-88,209	1,542,276
Jacksonville, FL	-152,255	57,914	-109,847	-76,929	430,650	1,692,689
Kansas City, MO	-813,710	-686,255	-237,646	-61,212	-129,355	3,519,148
Las Vegas, NV	75,387	-200,344	25,269	-114,134	132,140	2,075,437
Long Island, NY	157,216	-383,423	-118,132	-17,413	-234,207	1,849,080
Los Angeles CBD	-83,971	-303,989	36,407	48,667	-346,046	1,912,795
Los Angeles Non-CBD	-11,360	51,565	-117,954	-300,152	-936,256	14,230,030
Louisville, KY	-79,440	-173,892	60,149	-26,967	-81,603	1,119,567
Memphis, TN	35,596	237,696	-69,883	136,474	89,720	1,289,687
Miami, FL	153,139	352,380	-20,288	70,310	199,311	3,892,373
Milwaukee, WI	30,586	33,029	-84,525	-117,422	26,970	1,597,744
Minneapolis/St. Paul, MN	-332,895	-454,107	-182,123	-167,721	-99,794	4,718,191
Nashville, TN	464,633	233,220	-291,380	137,959	56,311	3,299,475
New Haven, CT	-89,297	-83,432	52,355	-81,465	-5,067	451,620

U.S. Office Markets	Net Absorption					Leasing Activity**
	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022p	2022p
New Jersey - Central	-357,203	314,859	168,894	579,438	-1,653,546	5,448,055
New Jersey - Northern	907,363	867,884	411,407	-766,095	-976,116	6,138,340
New Orleans, LA	217,716	136,890	-80,382	8,606	223,127	363,943
New York - Brooklyn	354,499	-148,044	-31,085	600,155	-264,349	1,155,721
New York - Downtown	-2,061,698	-353,815	-255,601	196,146	-704,936	3,842,336
New York - Midtown	-2,801,160	-47,161	1,006,226	98,293	-38,893	19,844,684
New York - Midtown South	-545,506	540,843	-900,568	-212,980	-143,651	5,982,523
Northern VA	-120,581	-195,490	-26,429	-16,916	-350,899	8,858,274
Oakland/East Bay, CA*	-83,012	822,542	141,418	-757,136	-1,025,374	6,150,081
Omaha, NE	206,497	181,111	105,841	22,619	51,793	1,330,608
Orange County, CA	517,068	-732,280	-796,754	-651,788	-1,020,417	9,094,936
Orlando, FL	28,934	-35,936	26,782	-58,542	29,350	2,613,753
Palm Beach, FL	94,031	15,258	200,649	132,820	110,969	1,947,030
Philadelphia, PA	-1,008,128	715,961	-1,513,955	-1,664,886	-1,315,885	5,357,341
Phoenix, AZ	267,882	66,169	-117,086	-660,247	-851,910	8,789,606
Pittsburgh, PA	-35,388	-589,086	-90,885	68,686	115,480	2,834,963
Portland, OR	84,615	-339,825	-512,637	309,077	-615,946	2,507,553
Providence, RI	36,166	101,954	-103,318	52,365	-62,045	412,971
Puget Sound - Eastside	109,166	595,575	125,965	-25,947	-172,548	2,165,103
Raleigh/Durham, NC	-159,511	-581,264	-494,320	-586,866	-379,886	3,303,279
Reno, NV	40,024	-36,242	11,070	27,306	-4,262	572,027
Richmond, VA	97,661	-138,864	-147,893	-391,933	94,125	2,146,555
Roanoke, VA	246,596	-34,217	-7,773	15,532	75,357	159,476
Rochester, NY	263,968	121,135	361,851	-591,929	-86,874	410,899
Sacramento, CA	-530,994	-268,743	1,727	-410,520	64,516	3,111,484
Salt Lake City, UT	-129,724	-436,522	-111,648	-311,558	-348,705	5,000,880
San Antonio, TX	103,836	-766,217	-116,123	244,475	46,840	2,268,347
San Diego, CA	447,860	268,984	1,017,163	-419,960	21,559	7,994,454
San Francisco, CA	-65,016	-1,225,582	-212,021	-1,190,221	-1,400,784	6,628,472
San Francisco North Bay, CA	-38,717	-141,644	35,610	5,203	-195,847	1,025,731
San Jose, CA	2,731,539	1,510,676	1,028,047	-431,409	703,571	18,195,738
San Juan, PR	n/a	n/a	n/a	n/a	n/a	n/a
San Mateo County, CA*	895,848	868,536	-648,200	124,025	-411,758	5,235,290
Savannah, GA	4,500	-37,265	-3,605	43,183	36,100	87,074
Seattle, WA	-149,706	-16,149	-176,033	-593,809	-370,758	4,263,449
Southern NH	66,823	-94,202	22,405	-110,512	-2,277	322,489
St. Louis, MO	-17,840	-76,973	-191,395	-640,279	-386,293	2,655,596
St. Petersburg/Clearwater, FL	-123,271	-207,540	-43,374	50,649	45,246	687,473
Suburban MD	93,250	215,587	64,326	563,097	-141,788	3,044,479
Syracuse, NY	-19,099	39,321	-10,961	103,400	102,496	285,722
Tampa, FL	-24,769	-62,126	-79,641	-731,131	-132,854	4,019,538
Tucson, AZ	119,421	330,501	-192,258	193,848	-185,835	907,524
Tulsa, OK	-176,704	63,338	132,856	105,913	64,262	968,690
Washington, DC	209,921	312,657	-290,102	-75,704	-467,232	6,132,412
Westchester County, NY	-65,403	-72,801	-174,886	-127,676	-122,935	1,616,756

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

U.S. Office Markets	Overall					Direct
	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022p	Q4 2022p
United States	16.8%	16.9%	17.2%	17.6%	18.2%	15.6%
Northeast	17.6%	17.5%	18.0%	18.4%	19.1%	15.5%
Midwest	17.1%	17.0%	17.5%	18.1%	18.9%	16.9%
South	17.3%	17.3%	17.4%	17.8%	18.0%	16.3%
West	15.5%	15.6%	15.9%	16.5%	17.2%	14.2%

U.S. Office Markets	Overall					Direct
	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022p	Q4 2022p
Atlanta, GA	22.2%	22.2%	21.6%	22.4%	22.4%	20.7%
Austin, TX	18.7%	19.6%	19.5%	20.9%	21.8%	15.7%
Baltimore, MD	13.0%	13.4%	13.4%	13.9%	14.5%	13.1%
Binghamton, NY	6.7%	6.7%	6.8%	7.0%	7.0%	7.1%
Birmingham, AL	18.0%	19.0%	18.9%	19.2%	19.6%	16.2%
Boise, ID	5.8%	6.8%	7.0%	8.0%	8.8%	6.4%
Boston, MA	10.8%	10.8%	11.6%	12.0%	12.5%	10.1%
Buffalo, NY	16.5%	16.0%	17.3%	17.8%	18.5%	16.0%
Charleston, SC	10.4%	7.9%	8.0%	8.0%	9.0%	8.3%
Charlotte, NC	17.5%	18.4%	18.4%	18.3%	17.7%	14.5%
Chicago, IL	20.7%	21.8%	22.0%	22.4%	23.1%	20.9%
Cincinnati, OH	21.4%	22.3%	21.9%	23.4%	23.3%	20.6%
Cleveland, OH	6.6%	6.7%	6.9%	7.0%	7.6%	6.9%
Colorado Springs, CO	9.3%	8.5%	8.9%	9.3%	8.5%	7.7%
Columbia	11.6%	9.6%	9.3%	9.7%	9.7%	7.8%
Columbus, OH	23.4%	22.4%	22.0%	24.8%	26.3%	21.7%
Dallas, TX	21.5%	21.3%	21.3%	21.6%	21.6%	20.5%
Denver, CO	19.3%	19.4%	20.1%	20.8%	21.8%	18.5%
Detroit, MI	15.2%	10.1%	12.8%	14.5%	17.9%	16.5%
El Paso, TX	6.2%	5.8%	3.7%	6.6%	9.0%	8.7%
Fairfield County, CT	30.5%	29.6%	30.1%	29.5%	29.9%	23.4%
Fort Lauderdale, FL	17.0%	16.4%	16.3%	17.2%	17.5%	16.0%
Fort Myers/Naples, FL	4.2%	4.5%	4.7%	4.7%	4.1%	3.0%
Fort Worth, TX	12.1%	12.2%	12.3%	12.8%	13.5%	12.6%
Fredericksburg, VA	8.2%	8.1%	8.1%	7.6%	7.4%	7.1%
Greensboro/Winston-Salem, NC	11.0%	10.0%	10.9%	11.0%	10.8%	10.1%
Greenville, SC	10.8%	9.9%	10.1%	10.3%	10.7%	9.0%
Hampton Roads, VA	8.6%	8.7%	8.4%	8.6%	8.6%	8.2%
Hartford, CT	21.4%	24.0%	23.4%	24.8%	25.4%	22.1%
Houston, TX	25.2%	25.1%	25.3%	25.6%	26.0%	24.3%
Indianapolis, IN	19.1%	18.9%	18.5%	19.3%	19.3%	17.6%
Inland Empire CA	7.6%	7.9%	7.7%	8.1%	8.5%	8.1%
Jacksonville, FL	21.0%	20.7%	21.2%	21.5%	20.1%	18.0%
Kansas City, MO	18.4%	19.7%	20.5%	20.6%	20.8%	17.2%
Las Vegas, NV	11.7%	12.1%	12.4%	12.7%	13.3%	12.3%
Long Island, NY	11.4%	12.4%	12.8%	12.9%	13.5%	11.2%
Los Angeles CBD	22.5%	23.5%	23.4%	23.2%	24.5%	23.0%
Los Angeles Non-CBD	19.6%	20.4%	20.9%	21.3%	22.1%	19.5%
Louisville, KY	14.3%	15.1%	14.8%	15.0%	15.4%	14.8%
Memphis, TN	16.8%	15.1%	15.2%	15.8%	16.2%	15.7%
Miami, FL	17.0%	16.4%	16.4%	16.4%	16.1%	15.5%
Milwaukee, WI	20.4%	20.7%	21.1%	21.7%	21.7%	21.7%
Minneapolis/St. Paul, MN	23.9%	24.8%	25.0%	24.6%	24.6%	21.1%
Nashville, TN	18.5%	18.0%	19.4%	19.4%	19.5%	15.9%
New Haven, CT	17.7%	18.5%	18.0%	18.8%	18.8%	18.5%

U.S. Office Markets	Overall					Direct
	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022p	Q4 2022p
New Jersey - Central	19.2%	18.9%	18.7%	18.0%	20.0%	15.6%
New Jersey - Northern	20.6%	20.0%	19.7%	20.3%	21.2%	17.3%
New Orleans, LA	11.3%	10.6%	10.9%	10.8%	10.2%	9.7%
New York - Brooklyn	23.6%	24.1%	24.2%	22.8%	24.1%	21.2%
New York - Downtown	20.9%	21.3%	21.7%	21.8%	22.7%	15.6%
New York - Midtown	20.3%	20.6%	21.0%	21.2%	22.1%	17.1%
New York - Midtown South	19.0%	18.9%	20.8%	21.3%	22.2%	17.3%
Northern VA	18.8%	19.8%	19.9%	19.9%	20.3%	19.6%
Oakland/East Bay, CA*	13.9%	13.6%	13.3%	14.1%	15.0%	11.7%
Omaha, NE	14.2%	13.0%	12.5%	12.5%	12.6%	11.7%
Orange County, CA	14.0%	14.7%	15.7%	16.4%	17.9%	15.8%
Orlando, FL	13.2%	13.3%	13.5%	13.6%	13.7%	11.9%
Palm Beach, FL	12.5%	12.3%	11.8%	11.2%	10.7%	9.3%
Philadelphia, PA	16.2%	15.7%	16.8%	18.1%	19.0%	16.8%
Phoenix, AZ	21.7%	21.6%	22.0%	23.1%	24.3%	19.1%
Pittsburgh, PA	14.6%	13.2%	13.6%	14.1%	13.9%	12.7%
Portland, OR	16.1%	16.8%	17.7%	17.3%	18.5%	16.0%
Providence, RI	11.1%	13.2%	12.9%	12.2%	12.7%	10.9%
Puget Sound - Eastside	8.7%	8.5%	8.2%	8.3%	8.7%	7.5%
Raleigh/Durham, NC	14.5%	15.6%	16.7%	18.1%	18.7%	12.8%
Reno, NV	9.8%	10.5%	10.2%	9.8%	10.2%	8.1%
Richmond, VA	7.0%	7.3%	7.7%	8.5%	8.2%	7.4%
Roanoke, VA	7.5%	7.9%	7.9%	7.7%	7.0%	4.8%
Rochester, NY	15.9%	14.5%	12.1%	23.3%	22.8%	22.8%
Sacramento, CA	13.2%	13.6%	13.5%	14.1%	14.0%	12.8%
Salt Lake City, UT	17.9%	17.0%	17.6%	18.5%	19.3%	14.2%
San Antonio, TX	13.4%	15.3%	15.6%	15.5%	15.7%	13.9%
San Diego, CA	14.0%	13.4%	12.6%	13.1%	13.3%	11.5%
San Francisco, CA	18.5%	20.7%	20.9%	22.5%	24.1%	17.6%
San Francisco North Bay, CA	13.4%	13.3%	13.1%	13.1%	14.0%	12.8%
San Jose, CA	13.9%	13.8%	13.7%	14.3%	14.1%	10.5%
San Juan, PR	14.2%	13.4%	13.1%	12.7%	12.3%	12.3%
San Mateo County, CA*	8.2%	7.1%	8.6%	9.2%	10.5%	7.3%
Savannah, GA	8.7%	9.7%	9.8%	9.2%	8.4%	8.4%
Seattle, WA	17.6%	17.6%	18.4%	19.3%	19.5%	16.7%
Southern NH	7.7%	8.3%	8.8%	9.5%	9.5%	8.6%
St. Louis, MO	15.1%	15.2%	15.5%	16.8%	17.5%	14.6%
St. Petersburg/Clearwater, FL	14.7%	15.8%	16.2%	15.8%	15.1%	13.2%
Suburban MD	18.8%	18.3%	18.7%	18.6%	18.9%	17.8%
Syracuse, NY	13.1%	12.8%	13.0%	12.3%	11.6%	11.3%
Tampa, FL	19.1%	19.3%	19.6%	22.0%	22.3%	16.9%
Tucson, AZ	9.6%	9.1%	9.9%	9.4%	10.0%	9.1%
Tulsa, OK	12.1%	12.1%	11.9%	11.8%	11.9%	10.6%
Washington, DC	18.1%	17.8%	18.8%	19.0%	19.5%	18.7%
Westchester County, NY	25.4%	25.5%	26.2%	26.3%	26.8%	23.9%

p = preliminary, *Includes R&D

	Overall (All Classes)					Class A
U.S. Office Markets	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022p	Q4 2022p
United States	\$36.37	\$36.79	\$37.15	\$37.14	\$37.38	\$43.34
Northeast	\$45.14	\$45.85	\$46.52	\$46.00	\$46.68	\$52.02
Midwest	\$26.22	\$26.69	\$26.75	\$26.62	\$26.51	\$30.43
South	\$31.42	\$31.42	\$31.64	\$31.67	\$31.72	\$36.90
West	\$41.16	\$41.69	\$42.00	\$42.52	\$42.55	\$48.96

	Overall (All Classes)					Class A
U.S. Office Markets	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022p	Q4 2022p
Atlanta, GA	\$29.65	\$29.88	\$29.92	\$30.82	\$31.00	\$33.85
Austin, TX	\$45.45	\$45.57	\$48.09	\$45.87	\$45.58	\$50.52
Baltimore, MD	\$25.01	\$25.41	\$25.42	\$25.30	\$25.30	\$27.50
Binghamton, NY	\$13.71	\$13.71	\$13.71	\$13.51	\$13.51	\$13.51
Birmingham, AL	\$20.87	\$20.88	\$20.88	\$20.86	\$20.90	\$22.93
Boise, ID	\$21.55	\$21.45	\$22.27	\$22.52	\$22.39	\$24.84
Boston, MA	\$40.31	\$40.71	\$42.36	\$43.35	\$44.82	\$50.79
Buffalo, NY	\$17.70	\$17.70	\$17.70	\$17.70	\$17.70	\$23.60
Charleston, SC	\$30.74	\$29.95	\$29.06	\$28.76	\$29.48	\$33.45
Charlotte, NC	\$31.71	\$32.28	\$32.65	\$33.26	\$33.44	\$34.96
Chicago, IL	\$33.51	\$33.64	\$34.24	\$34.15	\$34.17	\$40.52
Cincinnati, OH	\$19.65	\$20.11	\$20.02	\$20.07	\$20.02	\$22.53
Cleveland, OH	\$19.23	\$19.04	\$19.38	\$19.84	\$19.84	\$22.05
Colorado Springs, CO	\$24.36	\$25.02	\$24.59	\$24.93	\$25.09	\$26.97
Columbia	\$19.07	\$19.55	\$19.41	\$19.14	\$19.12	\$21.87
Columbus, OH	\$20.75	\$21.08	\$21.09	\$21.31	\$21.29	\$22.94
Dallas, TX	\$28.47	\$28.28	\$28.55	\$28.60	\$28.31	\$33.18
Denver, CO	\$31.25	\$31.53	\$31.62	\$31.82	\$31.55	\$35.51
Detroit, MI	\$20.93	\$21.13	\$19.49	\$19.47	\$19.75	\$21.28
El Paso, TX	\$18.50	\$18.50	\$18.50	\$18.50	\$20.00	\$24.00
Fairfield County, CT	\$33.57	\$34.30	\$34.05	\$34.16	\$34.24	\$37.06
Fort Lauderdale, FL	\$36.35	\$36.60	\$36.86	\$37.91	\$37.83	\$41.52
Fort Myers/Naples, FL	\$19.65	\$20.72	\$19.88	\$20.79	\$22.31	\$20.90
Fort Worth, TX	\$23.46	\$23.77	\$23.73	\$24.62	\$24.32	\$27.39
Fredericksburg, VA	\$23.98	\$24.13	\$24.54	\$24.88	\$24.43	\$26.62
Greensboro/Winston-Salem, NC	\$16.88	\$17.53	\$18.04	\$18.41	\$18.49	\$20.76
Greenville, SC	\$22.61	\$21.89	\$21.83	\$22.21	\$22.63	\$25.87
Hampton Roads, VA	\$20.48	\$20.78	\$20.81	\$20.86	\$21.39	\$23.03
Hartford, CT	\$20.44	\$20.44	\$20.45	\$20.61	\$20.64	\$22.44
Houston, TX	\$32.05	\$31.23	\$31.03	\$31.22	\$30.93	\$36.85
Indianapolis, IN	\$21.41	\$21.62	\$21.50	\$21.57	\$21.44	\$23.86
Inland Empire CA	\$26.27	\$26.35	\$26.32	\$26.50	\$26.60	\$30.99
Jacksonville, FL	\$22.04	\$22.28	\$22.58	\$22.69	\$22.75	\$24.47
Kansas City, MO	\$21.83	\$21.50	\$21.96	\$21.60	\$21.61	\$24.87
Las Vegas, NV	\$25.28	\$25.22	\$25.39	\$25.80	\$26.56	\$34.59
Long Island, NY	\$32.23	\$31.74	\$32.10	\$32.70	\$32.61	\$36.43
Los Angeles CBD	\$45.36	\$45.09	\$45.06	\$45.24	\$45.00	\$46.51
Los Angeles Non-CBD	\$45.24	\$44.82	\$45.00	\$45.16	\$45.20	\$48.76
Louisville, KY	\$18.58	\$18.69	\$18.66	\$18.64	\$18.53	\$20.20
Memphis, TN	\$18.87	\$19.05	\$19.37	\$19.38	\$19.38	\$23.97
Miami, FL	\$46.48	\$47.48	\$48.00	\$47.45	\$48.07	\$54.21
Milwaukee, WI	\$22.06	\$21.77	\$21.83	\$21.38	\$21.82	\$24.97
Minneapolis/St. Paul, MN	\$27.62	\$27.80	\$28.01	\$28.23	\$28.37	\$32.76
Nashville, TN	\$31.01	\$32.45	\$33.21	\$32.56	\$32.29	\$37.12
New Haven, CT	\$21.83	\$22.16	\$22.60	\$22.40	\$22.38	\$22.24

	Overall (All Classes)					Class A
U.S. Office Markets	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022p	Q4 2022p
New Jersey - Central	\$27.59	\$27.41	\$27.48	\$26.78	\$27.54	\$31.75
New Jersey - Northern	\$32.50	\$32.59	\$32.85	\$31.61	\$31.58	\$35.22
New Orleans, LA	\$18.89	\$19.15	\$19.11	\$19.14	\$19.18	\$19.61
New York - Brooklyn	\$51.64	\$51.75	\$52.82	\$53.87	\$53.55	\$59.06
New York - Downtown	\$57.86	\$57.29	\$56.79	\$56.18	\$55.87	\$58.98
New York - Midtown	\$74.12	\$75.83	\$76.84	\$75.37	\$76.25	\$82.93
New York - Midtown South	\$70.33	\$71.29	\$71.80	\$74.23	\$76.70	\$95.23
Northern VA	\$34.03	\$34.11	\$34.20	\$34.31	\$34.59	\$36.60
Oakland/East Bay, CA*	\$43.47	\$44.79	\$44.66	\$46.64	\$45.88	\$48.83
Omaha, NE	\$24.84	\$25.48	\$26.21	\$26.94	\$26.97	\$32.13
Orange County, CA	\$35.15	\$34.79	\$34.07	\$34.26	\$33.88	\$36.95
Orlando, FL	\$25.69	\$25.76	\$25.75	\$25.87	\$26.12	\$28.60
Palm Beach, FL	\$43.75	\$41.67	\$42.73	\$42.67	\$43.10	\$50.93
Philadelphia, PA	\$28.47	\$28.67	\$28.51	\$28.45	\$28.77	\$31.00
Phoenix, AZ	\$27.32	\$27.36	\$27.80	\$28.34	\$28.61	\$34.49
Pittsburgh, PA	\$25.26	\$25.13	\$25.36	\$25.93	\$25.98	\$28.92
Portland, OR	\$29.68	\$29.24	\$29.68	\$30.56	\$31.47	\$35.75
Providence, RI	\$20.06	\$19.75	\$19.90	\$19.95	\$19.96	\$31.39
Puget Sound - Eastside	\$41.83	\$41.76	\$42.83	\$43.77	\$42.84	\$50.42
Raleigh/Durham, NC	\$29.87	\$30.46	\$30.62	\$30.83	\$30.54	\$31.70
Reno, NV	\$22.20	\$22.44	\$22.56	\$23.04	\$23.52	\$28.08
Richmond, VA	\$20.10	\$20.16	\$20.21	\$20.45	\$20.34	\$22.35
Roanoke, VA	\$20.47	\$20.03	\$19.91	\$19.52	\$19.01	\$22.35
Rochester, NY	\$18.00	\$16.00	\$17.50	\$17.50	\$17.50	\$21.00
Sacramento, CA	\$24.45	\$25.03	\$25.28	\$26.09	\$26.32	\$31.04
Salt Lake City, UT	\$24.85	\$26.65	\$25.86	\$25.74	\$25.80	\$29.16
San Antonio, TX	\$23.89	\$24.37	\$24.38	\$24.09	\$24.64	\$28.47
San Diego, CA	\$41.91	\$41.74	\$42.09	\$43.32	\$43.47	\$49.47
San Francisco, CA	\$75.54	\$77.28	\$75.98	\$74.93	\$73.66	\$78.00
San Francisco North Bay, CA	\$34.33	\$34.06	\$33.70	\$33.24	\$33.25	\$38.68
San Jose, CA	\$50.56	\$51.27	\$51.62	\$52.02	\$52.76	\$65.12
San Juan, PR	\$20.12	\$19.97	\$19.99	\$19.99	\$20.01	\$20.09
San Mateo County, CA*	\$78.25	\$77.86	\$80.32	\$80.35	\$81.20	\$85.47
Savannah, GA	\$22.13	\$22.32	\$22.24	\$22.37	\$22.47	\$25.23
Seattle, WA	\$41.79	\$43.38	\$48.01	\$48.61	\$47.73	\$54.04
Southern NH	\$21.14	\$21.47	\$21.83	\$22.21	\$22.07	\$22.92
St. Louis, MO	\$22.38	\$22.21	\$22.28	\$22.51	\$22.30	\$24.30
St. Petersburg/Clearwater, FL	\$24.64	\$25.67	\$25.68	\$25.78	\$25.89	\$27.93
Suburban MD	\$29.00	\$29.25	\$29.06	\$29.11	\$29.13	\$32.28
Syracuse, NY	\$17.42	\$17.42	\$17.41	\$17.32	\$16.64	\$17.00
Tampa, FL	\$31.68	\$31.59	\$30.98	\$30.29	\$30.47	\$33.68
Tucson, AZ	\$21.60	\$20.78	\$20.99	\$20.92	\$21.79	\$22.50
Tulsa, OK	\$16.23	\$16.31	\$16.59	\$16.57	\$16.62	\$19.90
Washington, DC	\$56.66	\$56.17	\$55.43	\$55.14	\$55.60	\$62.45
Westchester County, NY	\$29.82	\$30.01	\$30.16	\$30.45	\$30.46	\$31.24

U.S. Office Markets	Inventory	Deliveries 2022	Under Construction as of Q4 2022p
United States	5,558,575,576	48,961,999	90,436,039
Northeast	1,297,429,733	12,844,122	17,897,164
Midwest	842,104,804	5,348,879	7,950,728
South	1,873,716,949	16,259,371	30,487,844
West	1,545,324,090	14,509,627	34,100,303

U.S. Office Markets	Inventory	Deliveries 2022	Under Construction as of Q4 2022p
Atlanta, GA	156,732,156	2,493,689	1,943,136
Austin, TX	62,478,535	2,437,106	4,911,893
Baltimore, MD	78,519,068	558,648	743,195
Binghamton, NY	4,262,170	0	0
Birmingham, AL	19,068,128	0	103,750
Boise, ID	16,795,545	203,411	307,674
Boston, MA	198,957,088	2,449,694	4,349,452
Buffalo, NY	22,969,055	0	0
Charleston, SC	21,189,141	169,860	338,676
Charlotte, NC	57,727,461	523,365	2,501,616
Chicago, IL	242,164,454	2,331,811	1,838,546
Cincinnati, OH	34,575,068	580,550	100,000
Cleveland, OH	156,685,498	0	3,103,038
Colorado Springs, CO	30,082,858	74,559	85,000
Columbia	22,357,853	91,492	0
Columbus, OH	35,721,273	785,349	620,625
Dallas, TX	228,268,426	1,698,951	5,813,471
Denver, CO	121,268,296	238,811	2,124,707
Detroit, MI	101,056,176	496,808	600,903
El Paso, TX	20,103,338	159,406	218,630
Fairfield County, CT	38,802,279	914,137	0
Fort Lauderdale, FL	26,435,945	277,000	0
Fort Myers/Naples, FL	21,915,981	31,727	134,231
Fort Worth, TX	19,643,842	48,594	311,400
Fredericksburg, VA	10,669,351	0	20,000
Greensboro/Winston-Salem, NC	35,657,732	49,900	100,000
Greenville, SC	22,419,262	247,000	730,487
Hampton Roads, VA	45,393,834	48,153	0
Hartford, CT	24,994,437	0	0
Houston, TX	189,316,231	517,189	871,597
Indianapolis, IN	38,604,148	53,615	182,532
Inland Empire CA	21,097,636	0	0
Jacksonville, FL	21,998,417	153,000	0
Kansas City, MO	53,820,972	260,000	322,907
Las Vegas, NV	41,762,352	607,187	456,269
Long Island, NY	36,913,350	34,913	0
Los Angeles CBD	27,761,856	0	0
Los Angeles Non-CBD	186,013,669	2,358,303	3,588,244
Louisville, KY	20,767,068	15,000	121,203
Memphis, TN	27,016,084	142,000	36,442
Miami, FL	39,970,065	350,299	1,172,880
Milwaukee, WI	30,277,960	186,000	124,270
Minneapolis/St. Paul, MN	78,898,729	542,308	340,000
Nashville, TN	48,197,038	763,690	3,402,546
New Haven, CT	10,720,967	0	525,000

U.S. Office Markets	Inventory	Deliveries 2022	Under Construction as of Q4 2022p
New Jersey - Central	83,507,583	0	0
New Jersey - Northern	110,660,877	181,763	180,000
New Orleans, LA	26,449,350	0	n/a
New York - Brooklyn	29,702,268	387,075	1,445,116
New York - Downtown	87,215,489	0	48,077
New York - Midtown	258,416,457	6,398,894	5,077,705
New York - Midtown South	68,945,893	1,370,057	4,441,814
Northern VA	133,977,599	1,422,237	814,872
Oakland/East Bay, CA*	109,246,134	307,871	850,240
Omaha, NE	19,421,341	112,438	119,335
Orange County, CA	90,407,776	345,870	258,194
Orlando, FL	35,951,744	63,890	647,620
Palm Beach, FL	22,664,555	83,462	585,007
Philadelphia, PA	135,572,941	0	912,000
Phoenix, AZ	91,425,688	1,001,128	396,358
Pittsburgh, PA	95,471,217	1,003,589	472,000
Portland, OR	58,625,312	75,000	272,951
Providence, RI	23,327,364	0	n/a
Puget Sound - Eastside	37,368,319	565,293	4,032,352
Raleigh/Durham, NC	61,033,807	657,659	1,900,198
Reno, NV	8,136,408	0	10,235
Richmond, VA	55,227,409	92,819	181,000
Roanoke, VA	11,578,509	21,150	0
Rochester, NY	13,853,272	0	0
Sacramento, CA	68,113,216	20,000	574,000
Salt Lake City, UT	56,594,932	1,694,468	729,076
San Antonio, TX	49,872,674	452,050	1,119,221
San Diego, CA	84,438,153	757,773	5,929,928
San Francisco, CA	86,328,051	653,900	680,480
San Francisco North Bay, CA	20,457,556	0	0
San Jose, CA	227,165,436	3,601,643	4,941,435
San Juan, PR	10,312,067	0	n/a
San Mateo County, CA*	64,219,086	1,513,655	6,230,573
Savannah, GA	3,951,242	28,000	0
Seattle, WA	69,138,562	402,937	2,443,882
Southern NH	15,693,387	104,000	194,000
St. Louis, MO	50,879,185	0	598,572
St. Petersburg/Clearwater, FL	11,102,840	0	45,000
Suburban MD	61,548,784	960,980	516,000
Syracuse, NY	14,064,030	0	252,000
Tampa, FL	31,220,758	0	75,000
Tucson, AZ	28,877,249	87,818	188,705
Tulsa, OK	49,713,589	405,352	519,991
Washington, DC	113,267,066	1,295,703	608,782
Westchester County, NY	23,379,609	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.

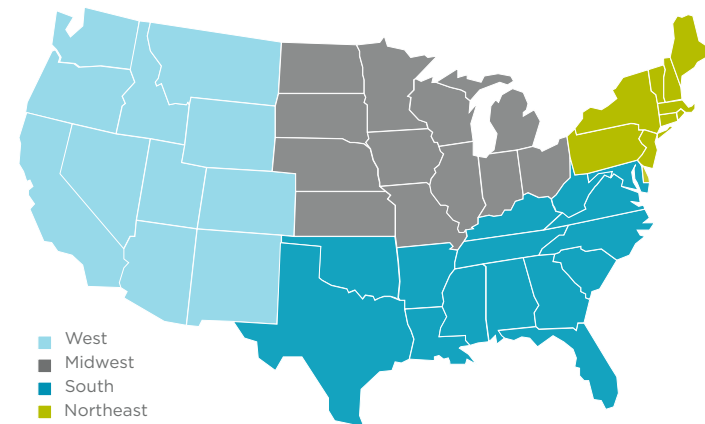
Absorption: The net change in occupied space between two points in time. (Total occupied space in the present quarter minus total occupied space from the previous quarter, quoted on a net, not gross, basis.)

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



¹According to Kastle Systems' Back to Work Barometer, <https://www.kastle.com/safety-wellness/getting-america-back-to-work/>

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 50,000 employees in over 400 offices and approximately 60 countries. In 2021, the firm had revenue of \$9.4 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.

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