

U.S.'s Vacancy Stays at 9.3% Net Absorption Positive 13,589,831 SF in the Quarter

The U.S. Office market ended the first quarter 2018 with a vacancy rate of 9.3%. The vacancy rate was unchanged over the previous quarter, with net absorption totaling positive 13,589,831 square feet in the first quarter. Vacant sublease space increased in the quarter, ending the quarter at 59,378,003 square feet. Rental rates ended the first quarter at \$25.03, an increase over the previous quarter. A total of 416 buildings delivered to the market in the quarter totaling 22,548,174 square feet, with 150,942,615 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall U.S. office market was positive 13,589,831 square feet in the first quarter 2018. That compares to positive 24,811,709 square feet in the fourth quarter 2017, positive 14,667,556 square feet in the third quarter 2017, and positive 26,864,320 square feet in the second quarter 2017.

The Class-A office market recorded net absorption of positive 13,316,997 square feet in the first quarter 2018, compared to positive 16,927,099 square feet in the fourth quarter 2017, positive 14,623,665 in the third quarter 2017, and positive 13,490,981 in the second quarter 2017.

The Class-B office market recorded net absorption of negative (1,800,537) square feet in the first quarter 2018, compared to positive 5,711,253 square feet in the fourth quarter 2017, positive 1,113,651 in the third quarter 2017, and positive 12,040,399 in the second quarter 2017.

The Class-C office market recorded net absorption of positive 2,073,371 square feet in the first quarter 2018 com-

pared to positive 2,173,357 square feet in the fourth quarter 2017, negative (1,069,760) in the third quarter 2017, and positive 1,332,940 in the second quarter 2017.

Net absorption for U.S.'s central business district was positive 4,981,860 square feet in the first quarter 2018. That compares to positive 4,662,874 square feet in the fourth quarter 2017, positive 4,237,362 in the third quarter 2017, and positive 2,419,515 in the second quarter 2017.

Net absorption for the suburban markets was positive 8,607,971 square feet in the first quarter 2018. That compares to positive 20,148,835 square feet in fourth quarter 2017, positive 10,430,194 in the third quarter 2017, and positive 24,444,805 in the second quarter 2017.

Vacancy

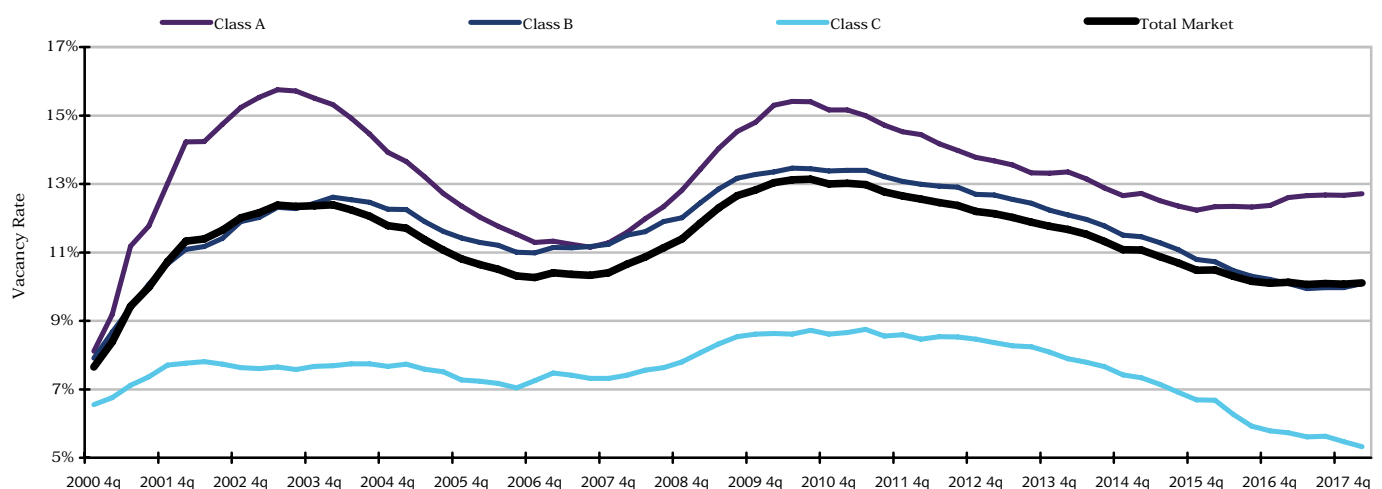
The office vacancy rate in the U.S. market area remained at 9.3% at the end of the first quarter 2018. The vacancy rate was 9.3% at the end of the fourth quarter 2017, 9.3% at the end of the third quarter 2017, and 9.3% at the end of the second quarter 2017.

Class-A projects reported a vacancy rate of 12.2% at the end of the first quarter 2018, 12.2% at the end of the fourth quarter 2017, 12.2% at the end of the third quarter 2017, and 12.2% at the end of the second quarter 2017.

Class-B projects reported a vacancy rate of 9.3% at the end of the first quarter 2018, 9.2% at the end of the fourth quarter 2017, 9.2% at the end of the third quarter 2017, and 9.1% at the end of the second quarter 2017.

Class-C projects reported a vacancy rate of 5.2% at the end of the first quarter 2018, 5.3% at the end of fourth quarter

Vacancy Rates by Class* 2000-2018



Source: CoStar Property® * Select markets included in this historical chart - see Methodology page.

2017, 5.4% at the end of the third quarter 2017, and 5.4% at the end of the second quarter 2017.

The overall vacancy rate in U.S.'s central business district at the end of the first quarter 2018 changed to 9.6%. The vacancy rate was 9.6% at the end of the fourth quarter 2017, 9.7% at the end of the third quarter 2017, and 9.7% at the end of the second quarter 2017.

The vacancy rate in the suburban markets increased to 9.3% in the first quarter 2018. The vacancy rate was 9.2% at the end of the fourth quarter 2017, 9.2% at the end of the third quarter 2017, and 9.2% at the end of the second quarter 2017.

Largest Lease Signings

The largest lease signings occurring in 2018 included: the 850,000-square-foot lease signed by Fannie Mae at Reston Gateway Office in the Washington market; the 418,241-square-foot deal signed by JPMorgan Chase & Co. at 390 Madison Ave in the New York Citymarket; and the 364,272-square-foot lease signed by Apache Corporation at Post Oak Central One in the Houston market.

Sublease Vacancy

The amount of vacant sublease space in the U.S. market increased to 59,378,003 square feet by the end of the first quarter 2018, from 56,404,350 square feet at the end of the fourth quarter 2017. There was 53,748,218 square feet vacant at the end of the third quarter 2017 and 49,373,771 square feet at the end of the second quarter 2017.

U.S.'s Class-A projects reported vacant sublease space of 37,309,658 square feet at the end of first quarter 2018, up from the 35,066,302 square feet reported at the end of the fourth quarter 2017. There were 33,770,995 square feet of sublease space vacant at the end of the third quarter 2017, and 31,190,396 square feet at the end of the second quarter 2017.

Class-B projects reported vacant sublease space of 19,336,597 square feet at the end of the first quarter 2018, up from the 18,648,218 square feet reported at the end of the fourth quarter 2017. At the end of the third quarter 2017 there were 17,614,690 square feet, and at the end of the second quarter 2017 there were 16,040,047 square feet vacant.

Class-C projects reported increased vacant sublease space from the fourth quarter 2017 to the first quarter 2018. Sublease vacancy went from 2,689,830 square feet to 2,731,748 square feet during that time. There was 2,362,533 square feet at the end of the third quarter 2017, and 2,143,328 square feet at the end of the second quarter 2017.

Sublease vacancy in U.S.'s central business district stood at 16,855,960 square feet at the end of the first quarter 2018. It was 16,746,803 square feet at the end of the fourth quarter 2017, 15,953,424 square feet at the end of the third quarter 2017, and 14,312,407 square feet at the end of the second quarter 2017.

Sublease vacancy in the suburban markets ended the first quarter 2018 at 42,522,043 square feet. At the end of the fourth quarter 2017 sublease vacancy was 39,657,547 square feet, was 37,794,794 square feet at the end of the third quarter 2017, and was 35,061,364 square feet at the end of the second quarter 2017.

Rental Rates

The average quoted asking rental rate for available office space, all classes, was \$25.03 per square foot per year at the end of the first quarter 2018 in the U.S. market area. This represented a 0.5% increase in quoted rental rates from the end of the fourth quarter 2017, when rents were reported at \$24.90 per square foot.

The average quoted rate within the Class-A sector was \$31.01 at the end of the first quarter 2018, while Class-B rates stood at \$22.14, and Class-C rates at \$18.37. At the end of the fourth quarter 2017, Class-A rates were \$30.90 per square foot, Class-B rates were \$22.04, and Class-C rates were \$18.10.

The average quoted asking rental rate in U.S.'s CBD was \$32.65 at the end of the first quarter 2018, and \$23.50 in the suburban markets. In the fourth quarter 2017, quoted rates were \$32.60 in the CBD and \$23.36 in the suburbs.

Deliveries and Construction

During the first quarter 2018, 416 buildings totaling 22,548,174 square feet were completed in the U.S. market area. This compares to 434 buildings totaling 23,264,061 square feet that were completed in the fourth quarter 2017, 393 buildings totaling 19,677,827 square feet completed in the third quarter 2017, and 23,913,451 square feet in 475 buildings completed in the second quarter 2017.

There were 150,942,615 square feet of office space under construction at the end of the first quarter 2018.

Some of the notable 2018 deliveries include: Salesforce Tower, a 1,400,000-square-foot facility that delivered in first quarter 2018 in the San Francisco market and is now 96% occupied, and Liberty Mutual Campus, a 1,100,000-square-foot building in the Dallas/Ft Worth market that delivered in first quarter 2018 and is now 100% occupied.

The largest projects underway at the end of first quarter 2018 were 3 World Trade Center in the New York City market, a 2,861,402-square-foot building with 37% of its space pre-leased, and American Airlines Corporate Campus, a 1,700,000-square-foot facility that is 100% pre-leased in the Dallas/Ft Worth market.

Inventory

Total office inventory in the U.S. market area amounted to 11,277,493,176 square feet in 564,296 buildings as of the end of the first quarter 2018. The Class-A office sector consisted of 3,563,602,484 square feet in 19,217 projects. There were 218,417 Class-B buildings totaling 5,228,419,637 square feet, and the

Class-C sector consisted of 2,485,471,055 square feet in 326,662 buildings. Within the Office market there were 23,361 owner-occupied buildings accounting for 1,004,343,702 square feet of office space.

Sales Activity

Tallying office building sales of 15,000 square feet or larger, U.S. office sales figures rose during the fourth quarter 2017 in terms of dollar volume compared to the third quarter of 2017.

In the fourth quarter, 867 office transactions closed with a total volume of \$26,105,004,887. The 867 buildings totaled 101,150,992 square feet and the average price per square foot equated to \$258.08 per square foot. That compares to 768 transactions totaling \$18,519,386,807 in the third quarter 2017. The total square footage in the third quarter was 77,458,821 square feet for an average price per square foot of \$239.09.

Total office building sales activity in 2017 was down compared to 2016. In the twelve months of 2017, the market saw 3,273 office sales transactions with a total volume of \$89,746,226,555. The price per square foot averaged \$256.73. In the same twelve months of 2016, the market posted 3,480 transactions with a total volume of \$95,864,363,212. The price per square foot averaged \$263.10.

Cap rates have been higher in 2017, averaging 7.39% compared to the same period in 2016 when they averaged 7.18%.

One of the largest transactions that has occurred within the last 4 quarters in the U.S. market is the sale of Chelsea Market in New York City. This 1,188,501 square foot office building sold for \$2.4-million, or \$2,017.25 per square foot. The property sold on 3/16/2018 to Google, Inc.

Albany/Schenectady/Troy

With no new office space being delivered to the market, and positive 186,561 square feet of net absorption, Albany/Schenectady/Troy's vacancy rate went from 4.5% to 4.2% in the quarter. Rental rates went from \$15.57 to \$15.53 during that time. At the end of the quarter, there was 86,461 square feet underway for future delivery.

Albuquerque

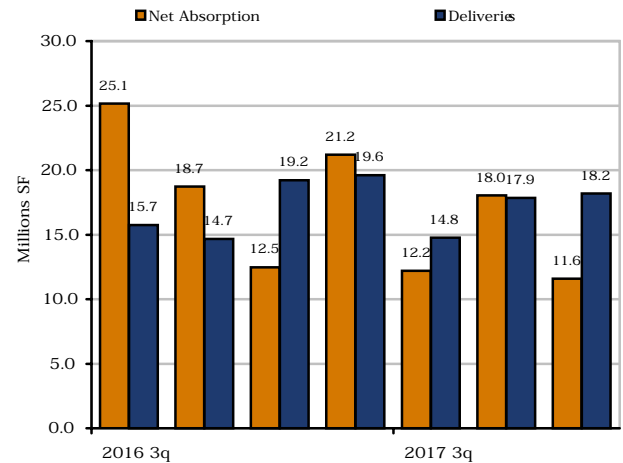
With no new office space being delivered to the market, and negative (185,857) square feet of net absorption, Albuquerque's vacancy rate went from 7.0% to 7.5% in the quarter. Rental rates went from \$14.91 to \$14.85 during that time. At the end of the quarter, there was 21,530 square feet underway for future delivery.

Anchorage

The Anchorage office market saw vacancies fall and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 5.7%, from 5.8% in the previous quarter. Rental rates ended the

Absorption & Deliveries*

Past 7 Quarters



Source: CoStar Property® * Select markets included in this chart - see Methodology page.

quarter at \$27.57 per square foot, from \$27.18 in the previous quarter. There was a total of 12,800 square feet that delivered in the quarter, with 6,000 square feet still under construction at the end of the quarter.

Asheville

With no new office space being delivered to the market, and negative (47,380) square feet of net absorption, Asheville's vacancy rate went from 2.0% to 2.4% in the quarter. Rental rates went from \$15.33 to \$14.75 during that time. At the end of the quarter, there was 22,200 square feet underway for future delivery.

Atlanta

The vacancy rate remained unchanged in Atlanta in the first quarter. With 1,434,411 square feet in deliveries, and positive 1,179,466 square feet in net absorption, the vacancy rate held at 11.6%, the same rate reported in the previous quarter. The market had 4,214,086 square feet under construction at the end of the quarter, and rental rates stood at \$23.76 per square foot.

Augusta/Richmond County

The Augusta/Richmond County office market ended the quarter with a vacancy rate of 8.6%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 35,942 square feet. Vacant sublease space decreased to 0 square feet. Rental rates ended the first quarter at \$14.69, an increase over the previous quarter. A total of two buildings with 17,000 square feet of space delivered to the market, with 331,344 square feet still under construction at the end of the quarter.

Austin

The Austin office market ended the quarter with a vacancy rate of 8.2%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 772,529 square feet. Vacant sublease space increased to 818,590 square feet. Rental rates ended the first quarter at \$33.70, an increase over the previous quarter. A total of 12 buildings with 1,230,719 square feet of space delivered to the market, with 4,232,730 square feet still under construction at the end of the quarter.

Bakersfield

With no new office space being delivered to the market, and positive 115,343 square feet of net absorption, Bakersfield's vacancy rate went from 7.1% to 6.3% in the quarter. Rental rates went from \$18.39 to \$18.38 during that time. At the end of the quarter, there was 4,350 square feet underway for future delivery.

Baltimore

With no new office space being delivered to the market, and positive 56,911 square feet of net absorption, Baltimore's vacancy rate went from 9.9% to 9.9% in the quarter. Rental rates went from \$22.95 to \$22.71 during that time. At the end of the quarter, there was 1,607,031 square feet underway for future delivery.

Baton Rouge

The vacancy rate remained unchanged in Baton Rouge in the first quarter. With 28,500 square feet in deliveries, and positive 7,374 square feet in net absorption, the vacancy rate held at 8.6%, the same rate reported in the previous quarter. The market had 242,826 square feet under construction at the end of the quarter, and rental rates stood at \$17.98 per square foot.

Beaumont/Port Arthur

The Beaumont/Port Arthur office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of negative (98,898) square feet caused the vacancy rate to up from 6.8% to 8.0% in the quarter. Rental rates stood at \$14.60.

Birmingham

The Birmingham office market ended the quarter with a vacancy rate of 11.0%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 626,523 square feet. Vacant sublease space decreased to 807,120 square feet. Rental rates ended the first quarter at \$17.55, a decrease over the previous quarter. A total of one building with 8,078 square feet of space delivered to the market, with 456,800 square feet still under construction at the end of the quarter.

Boise City/Nampa

The Boise City/Nampa office market saw vacancies fall and rental rates decrease from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 6.3%, from 6.5% in the previous quarter. Rental rates ended the quarter at \$16.78 per square foot, from \$16.93 in the previous quarter. There was a total of 18,500 square feet that delivered in the quarter, with 302,363 square feet still under construction at the end of the quarter.

Boston

The vacancy rate remained unchanged in Boston in the first quarter. With 69,000 square feet in deliveries, and negative (121,136) square feet in net absorption, the vacancy rate held at 7.8%, the same rate reported in the previous quarter. The market had 4,701,849 square feet under construction at the end of the quarter, and rental rates stood at \$23.10 per square foot.

Bremerton/Silverdale

The Bremerton/Silverdale office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of negative (7,206) square feet caused the vacancy rate to up from 7.5% to 7.6% in the quarter. Rental rates stood at \$16.91.

Broward County

The Broward County office market ended the quarter with a vacancy rate of 9.0%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (567,711) square feet. Vacant sublease space decreased to 185,220 square feet. Rental rates ended the first quarter at \$27.22, an increase over the previous quarter. A total of two buildings with 39,744 square feet of space delivered to the market, with 551,810 square feet still under construction at the end of the quarter.

Brownsville/Harlingen

With no new office space being delivered to the market, and positive 5,280 square feet of net absorption, Brownsville/Harlingen's vacancy rate went from 5.5% to 5.4% in the quarter. Rental rates went from \$14.88 to \$14.91 during that time. At the end of the quarter, there was 91,754 square feet underway for future delivery.

Buffalo/Niagara Falls

The Buffalo/Niagara Falls office market saw vacancies fall and rental rates decrease from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 8.4%, from 8.6% in the previous quarter. Rental rates ended the quarter at \$15.59 per square foot, from \$15.74 in the previous quarter. There was a total of 30,000 square feet that delivered in the quarter, with 90,000 square feet still under

construction at the end of the quarter.

Charleston WV

The Charleston WV office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of positive 64,122 square feet caused the vacancy rate to down from 6.1% to 5.7% in the quarter. Rental rates stood at \$14.69.

Charleston/N Charleston

The Charleston/N Charleston office market saw vacancies rise and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 5.4%, from 4.5% in the previous quarter. Rental rates ended the quarter at \$21.61 per square foot, from \$21.47 in the previous quarter. There was a total of 360,121 square feet that delivered in the quarter, with 628,154 square feet still under construction at the end of the quarter.

Charlotte

The vacancy rate remained unchanged in Charlotte in the first quarter. With 267,406 square feet in deliveries, and positive 302,507 square feet in net absorption, the vacancy rate held at 8.6%, the same rate reported in the previous quarter. The market had 3,045,261 square feet under construction at the end of the quarter, and rental rates stood at \$24.43 per square foot.

Chattanooga

With no new office space being delivered to the market, and negative (106,241) square feet of net absorption, Chattanooga's vacancy rate went from 4.3% to 4.8% in the quarter. Rental rates went from \$17.01 to \$16.84 during that time. At the end of the quarter, there was 63,000 square feet underway for future delivery.

Chicago

The Chicago office market ended the quarter with a vacancy rate of 12.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,170,567 square feet. Vacant sublease space increased to 3,271,173 square feet. Rental rates ended the first quarter at \$23.81, an increase over the previous quarter. A total of nine buildings with 287,701 square feet of space delivered to the market, with 4,512,132 square feet still under construction at the end of the quarter.

Cincinnati

The Cincinnati office market ended the quarter with a vacancy rate of 8.6%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 273,267 square feet. Vacant sublease space increased to 211,381 square feet. Rental rates ended the first quarter at \$16.60, a decrease over the previous quarter. A total of four buildings with 67,750

square feet of space delivered to the market, with 219,200 square feet still under construction at the end of the quarter.

Cleveland

The vacancy rate remained unchanged in Cleveland in the first quarter. With 218,825 square feet in deliveries, and positive 142,786 square feet in net absorption, the vacancy rate held at 8.7%, the same rate reported in the previous quarter. The market had 1,424,344 square feet under construction at the end of the quarter, and rental rates stood at \$17.22 per square foot.

Colorado Springs

With no new office space being delivered to the market, and negative (19,465) square feet of net absorption, Colorado Springs's vacancy rate went from 10.9% to 10.9% in the quarter. Rental rates went from \$15.43 to \$15.47 during that time. At the end of the quarter, there was 109,800 square feet underway for future delivery.

Columbia

With no new office space being delivered to the market, and positive 51,075 square feet of net absorption, Columbia's vacancy rate went from 6.8% to 6.6% in the quarter. Rental rates went from \$14.81 to \$15.80 during that time. At the end of the quarter, there was 111,314 square feet underway for future delivery.

Columbus

The Columbus office market ended the quarter with a vacancy rate of 6.7%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 498,944 square feet. Vacant sublease space decreased to 433,641 square feet. Rental rates ended the first quarter at \$18.35, an increase over the previous quarter. A total of two buildings with 69,800 square feet of space delivered to the market, with 1,096,425 square feet still under construction at the end of the quarter.

Columbus GA

The Columbus GA office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of negative (47,120) square feet caused the vacancy rate to up from 7.8% to 8.2% in the quarter. Rental rates stood at \$12.98.

Corpus Christi

With no new office space being delivered to the market, and negative (22,422) square feet of net absorption, Corpus Christi's vacancy rate went from 8.3% to 8.5% in the quarter. Rental rates went from \$14.23 to \$15.49 during that time. At the end of the quarter, there was 21,967 square feet underway for future delivery.

Dallas/Ft Worth

The Dallas/Ft Worth office market ended the quarter with a vacancy rate of 15.0%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 1,838,855 square feet. Vacant sublease space increased to 3,616,256 square feet. Rental rates ended the first quarter at \$25.18, an increase over the previous quarter. A total of 40 buildings with 2,649,296 square feet of space delivered to the market, with 9,219,540 square feet still under construction at the end of the quarter.

Davenport/Moline/Rock Island

With no new office space being delivered to the market, and negative (36,785) square feet of net absorption, Davenport/Moline/Rock Island's vacancy rate went from 5.4% to 5.8% in the quarter. Rental rates went from \$10.53 to \$10.78 during that time. At the end of the quarter, there was 50,880 square feet underway for future delivery.

Dayton

The Dayton office market ended the quarter with a vacancy rate of 7.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 134,505 square feet. Vacant sublease space increased to 59,749 square feet. Rental rates ended the first quarter at \$14.86, an increase over the previous quarter. A total of one building with 15,816 square feet of space delivered to the market, with 406,900 square feet still under construction at the end of the quarter.

Deltona/Daytona Beach

With no new office space being delivered to the market, and negative (39,303) square feet of net absorption, Deltona/Daytona Beach's vacancy rate went from 4.8% to 5.1% in the quarter. Rental rates went from \$13.45 to \$13.75 during that time. At the end of the quarter, there was 32,080 square feet underway for future delivery.

Denver

The vacancy rate remained unchanged in Denver in the first quarter. With 880,142 square feet in deliveries, and positive 724,747 square feet in net absorption, the vacancy rate held at 10.6%, the same rate reported in the previous quarter. The market had 4,238,124 square feet under construction at the end of the quarter, and rental rates stood at \$26.43 per square foot.

Des Moines

With no new office space being delivered to the market, and negative (59,228) square feet of net absorption, Des Moines's vacancy rate went from 3.6% to 3.8% in the quarter. Rental rates went from \$12.98 to \$14.18 during that time. At the end of the quarter, there was 501,666 square feet underway for future delivery.

Detroit

The Detroit office market ended the quarter with a vacancy rate of 9.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 292,832 square feet. Vacant sublease space increased to 542,587 square feet. Rental rates ended the first quarter at \$19.03, a decrease over the previous quarter. A total of six buildings with 58,230 square feet of space delivered to the market, with 1,673,811 square feet still under construction at the end of the quarter.

Duluth

The Duluth office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of negative (24,088) square feet caused the vacancy rate to up from 3.9% to 4.2% in the quarter. Rental rates stood at \$13.45.

East Bay/Oakland

The East Bay/Oakland office market ended the quarter with a vacancy rate of 8.6%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 635,281 square feet. Vacant sublease space increased to 432,591 square feet. Rental rates ended the first quarter at \$36.25, an increase over the previous quarter. A total of two buildings with 335,000 square feet of space delivered to the market, with 1,799,931 square feet still under construction at the end of the quarter.

El Paso

With no new office space being delivered to the market, and negative (152,310) square feet of net absorption, El Paso's vacancy rate went from 5.9% to 6.5% in the quarter. Rental rates went from \$14.38 to \$14.90 during that time. At the end of the quarter, there was 53,900 square feet underway for future delivery.

Erie

With no new office space being delivered to the market, and positive 23,485 square feet of net absorption, Erie's vacancy rate went from 3.3% to 3.0% in the quarter. Rental rates went from \$10.36 to \$10.32 during that time. At the end of the quarter, there was 346,000 square feet underway for future delivery.

Evansville

With no new office space being delivered to the market, and positive 37,149 square feet of net absorption, Evansville's vacancy rate went from 5.1% to 4.8% in the quarter. Rental rates went from \$11.44 to \$11.72 during that time. At the end of the quarter, there was 14,000 square feet underway for future delivery.

Fayetteville

With no new office space being delivered to the market, and negative (26,050) square feet of net absorption, Fayetteville's vacancy rate went from 6.9% to 7.2% in the quarter. Rental rates went from \$15.44 to \$15.53 during that time. At the end of the quarter, there was 48,239 square feet underway for future delivery.

Fayetteville/Springdale/Roge

The Fayetteville/Springdale/Roge office market saw vacancies fall and rental rates decrease from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 6.4%, from 6.9% in the previous quarter. Rental rates ended the quarter at \$16.78 per square foot, from \$17.80 in the previous quarter. There was a total of 55,400 square feet that delivered in the quarter, with 157,938 square feet still under construction at the end of the quarter.

Fort Smith

The Fort Smith office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of positive 12,911 square feet caused the vacancy rate to down from 5.5% to 5.3% in the quarter. Rental rates stood at \$11.02.

Fort Wayne

With no new office space being delivered to the market, and negative (214,375) square feet of net absorption, Fort Wayne's vacancy rate went from 6.4% to 7.6% in the quarter. Rental rates went from \$14.28 to \$14.11 during that time. At the end of the quarter, there was 227,310 square feet underway for future delivery.

Fresno

The Fresno office market saw vacancies fall and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 7.6%, from 8.1% in the previous quarter. Rental rates ended the quarter at \$17.00 per square foot, from \$16.92 in the previous quarter. There was a total of 197,667 square feet that delivered in the quarter, with 41,482 square feet still under construction at the end of the quarter.

Green Bay

The Green Bay office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of positive 8,856 square feet caused the vacancy rate to down from 6.3% to 6.2% in the quarter. Rental rates stood at \$12.94.

Greensboro/Winston-Salem

The Greensboro/Winston-Salem office market ended the

quarter with a vacancy rate of 8.4%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 221,216 square feet. Vacant sublease space decreased to 76,713 square feet. Rental rates ended the first quarter at \$15.64, a decrease over the previous quarter. A total of three buildings with 129,686 square feet of space delivered to the market, with 125,140 square feet still under construction at the end of the quarter.

Greenville/Spartanburg

The vacancy rate remained unchanged in Greenville/Spartanburg in the first quarter. With 23,281 square feet in deliveries, and negative (21,789) square feet in net absorption, the vacancy rate held at 7.4%, the same rate reported in the previous quarter. The market had 143,057 square feet under construction at the end of the quarter, and rental rates stood at \$17.43 per square foot.

Hampton Roads

The vacancy rate remained unchanged in Hampton Roads in the first quarter. With 48,300 square feet in deliveries, and positive 64,968 square feet in net absorption, the vacancy rate held at 8.8%, the same rate reported in the previous quarter. The market had 392,480 square feet under construction at the end of the quarter, and rental rates stood at \$17.47 per square foot.

Hartford

The vacancy rate remained unchanged in Hartford in the first quarter. With 12,674 square feet in deliveries, and positive 71,042 square feet in net absorption, the vacancy rate held at 8.1%, the same rate reported in the previous quarter. The market had 289,285 square feet under construction at the end of the quarter, and rental rates stood at \$18.95 per square foot.

Hawaii

With no new office space being delivered to the market, and negative (58,604) square feet of net absorption, Hawaii's vacancy rate went from 5.3% to 5.4% in the quarter. Rental rates went from \$26.32 to \$25.77 during that time. At the end of the quarter, there was 408,839 square feet underway for future delivery.

Houston

The Houston office market ended the quarter with a vacancy rate of 16.7%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (1,105,254) square feet. Vacant sublease space increased to 6,596,973 square feet. Rental rates ended the first quarter at \$27.73, an increase over the previous quarter. A total of 22 buildings with 616,039 square feet of space delivered to the market, with 2,137,904 square feet still under construction at the end of the quarter.

Huntington/Ashland

The Huntington/Ashland office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of negative (8,268) square feet caused the vacancy rate to up from 2.6% to 2.7% in the quarter. Rental rates stood at \$10.16.

Huntsville

With no new office space being delivered to the market, and positive 82,864 square feet of net absorption, Huntsville's vacancy rate went from 7.7% to 7.3% in the quarter. Rental rates went from \$14.33 to \$14.52 during that time. At the end of the quarter, there was 491,000 square feet underway for future delivery.

Indianapolis

The Indianapolis office market ended the quarter with a vacancy rate of 7.0%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 110,713 square feet. Vacant sublease space increased to 102,343 square feet. Rental rates ended the first quarter at \$18.68, an increase over the previous quarter. A total of five buildings with 282,157 square feet of space delivered to the market, with 154,815 square feet still under construction at the end of the quarter.

Inland Empire (California)

The Inland Empire (California) office market saw vacancies fall and rental rates decrease from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 7.9%, from 8.2% in the previous quarter. Rental rates ended the quarter at \$20.65 per square foot, from \$21.26 in the previous quarter. There was a total of 108,704 square feet that delivered in the quarter, with 201,671 square feet still under construction at the end of the quarter.

Jackson

With no new office space being delivered to the market, and negative (145,789) square feet of net absorption, Jackson's vacancy rate went from 7.4% to 8.0% in the quarter. Rental rates went from \$16.24 to \$16.78 during that time. At the end of the quarter, there was 81,133 square feet underway for future delivery.

Jacksonville (Florida)

The Jacksonville (Florida) office market ended the quarter with a vacancy rate of 7.4%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 94,998 square feet. Vacant sublease space increased to 325,847 square feet. Rental rates ended the first quarter at \$19.22, an increase over the previous quarter. A total of three buildings with 54,600 square feet of space delivered to the

market, with 311,037 square feet still under construction at the end of the quarter.

Kansas City

The Kansas City office market ended the quarter with a vacancy rate of 7.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 141,047 square feet. Vacant sublease space increased to 501,936 square feet. Rental rates ended the first quarter at \$19.17, an increase over the previous quarter. A total of one building with 40,000 square feet of space delivered to the market, with 747,647 square feet still under construction at the end of the quarter.

Killeen/Temple/Fort Hood

With no new office space being delivered to the market, and negative (553) square feet of net absorption, Killeen/Temple/Fort Hood's vacancy rate went from 6.3% to 6.3% in the quarter. Rental rates went from \$13.06 to \$12.02 during that time. At the end of the quarter, there was 22,308 square feet underway for future delivery.

Kingsport/Bristol/Bristol

The Kingsport/Bristol/Bristol office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of positive 29,971 square feet caused the vacancy rate to down from 7.1% to 6.7% in the quarter. Rental rates stood at \$15.57.

Knoxville

With no new office space being delivered to the market, and negative (144,051) square feet of net absorption, Knoxville's vacancy rate went from 4.6% to 5.0% in the quarter. Rental rates went from \$15.44 to \$15.22 during that time. At the end of the quarter, there was 36,850 square feet underway for future delivery.

Lafayette

With no new office space being delivered to the market, and positive 70,776 square feet of net absorption, Lafayette's vacancy rate went from 8.4% to 7.6% in the quarter. Rental rates went from \$15.32 to \$15.27 during that time. At the end of the quarter, there was 20,000 square feet underway for future delivery.

Las Vegas

The Las Vegas office market ended the quarter with a vacancy rate of 12.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 474,438 square feet. Vacant sublease space increased to 315,188 square feet. Rental rates ended the first quarter at \$19.56, an increase over the previous quarter. A total of four buildings with 266,506 square feet of space delivered to the market, with

403,977 square feet still under construction at the end of the quarter.

Lexington/Fayette

With no new office space being delivered to the market, and positive 21,956 square feet of net absorption, Lexington/Fayette's vacancy rate went from 6.9% to 6.8% in the quarter. Rental rates went from \$16.60 to \$17.07 during that time. At the end of the quarter, there was 229,906 square feet underway for future delivery.

Lincoln

With no new office space being delivered to the market, and negative (74,912) square feet of net absorption, Lincoln's vacancy rate went from 4.1% to 4.5% in the quarter. Rental rates went from \$13.91 to \$13.46 during that time. At the end of the quarter, there was 143,227 square feet underway for future delivery.

Little Rock/N Little Rock

With no new office space being delivered to the market, and positive 203,432 square feet of net absorption, Little Rock/N Little Rock's vacancy rate went from 5.1% to 4.5% in the quarter. Rental rates went from \$16.14 to \$16.24 during that time. At the end of the quarter, there was 89,001 square feet underway for future delivery.

Long Island (New York)

The Long Island (New York) office market ended the quarter with a vacancy rate of 7.6%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (277,292) square feet. Vacant sublease space increased to 941,327 square feet. Rental rates ended the first quarter at \$28.13, a decrease over the previous quarter. A total of 10 buildings with 323,723 square feet of space delivered to the market, with 5,459,408 square feet still under construction at the end of the quarter.

Los Angeles

The Los Angeles office market ended the quarter with a vacancy rate of 10.7%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (1,072,566) square feet. Vacant sublease space increased to 2,499,108 square feet. Rental rates ended the first quarter at \$35.13, an increase over the previous quarter. A total of 11 buildings with 700,850 square feet of space delivered to the market, with 5,366,121 square feet still under construction at the end of the quarter.

Louisville

The vacancy rate remained unchanged in Louisville in the first quarter. With 9,100 square feet in deliveries, and negative (8,460) square feet in net absorption, the vacancy rate held at 6.0%, the same rate reported in the previous quarter.

The market had 312,835 square feet under construction at the end of the quarter, and rental rates stood at \$17.05 per square foot.

Lubbock

The Lubbock office market saw vacancies rise and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 6.0%, from 5.5% in the previous quarter. Rental rates ended the quarter at \$14.06 per square foot, from \$13.81 in the previous quarter. There was a total of 49,718 square feet that delivered in the quarter, with 38,253 square feet still under construction at the end of the quarter.

Madison

The Madison office market saw vacancies rise and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 5.2%, from 5.0% in the previous quarter. Rental rates ended the quarter at \$15.95 per square foot, from \$15.19 in the previous quarter. There was a total of 274,000 square feet that delivered in the quarter, with 981,600 square feet still under construction at the end of the quarter.

McAllen/Edinburg/Pharr

The McAllen/Edinburg/Pharr office market saw vacancies fall and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 7.6%, from 7.9% in the previous quarter. Rental rates ended the quarter at \$15.48 per square foot, from \$14.64 in the previous quarter. There was a total of 75,000 square feet that delivered in the quarter, with 112,599 square feet still under construction at the end of the quarter.

Memphis

The Memphis office market ended the quarter with a vacancy rate of 11.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 200,784 square feet. Vacant sublease space decreased to 60,162 square feet. Rental rates ended the first quarter at \$17.74, an increase over the previous quarter. A total of four buildings with 40,492 square feet of space delivered to the market, with 563,559 square feet still under construction at the end of the quarter.

Miami-Dade County

The Miami-Dade County office market ended the quarter with a vacancy rate of 8.5%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (61,146) square feet. Vacant sublease space increased to 361,125 square feet. Rental rates ended the first quarter at \$35.13, an increase over the previous quarter. A total of two buildings with 179,561 square feet of space delivered to the market, with 1,956,688 square feet still under construction at the end of the quarter.

Milwaukee

The Milwaukee office market ended the quarter with a vacancy rate of 7.0%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (85,704) square feet. Vacant sublease space increased to 83,686 square feet. Rental rates ended the first quarter at \$16.38, a decrease over the previous quarter. A total of one building with 6,070 square feet of space delivered to the market, with 670,537 square feet still under construction at the end of the quarter.

Minneapolis

The Minneapolis office market ended the quarter with a vacancy rate of 7.7%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (12,083) square feet. Vacant sublease space increased to 566,199 square feet. Rental rates ended the first quarter at \$19.57, an increase over the previous quarter. A total of eight buildings with 478,140 square feet of space delivered to the market, with 1,547,684 square feet still under construction at the end of the quarter.

Mobile

The Mobile office market ended the quarter with a vacancy rate of 6.1%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 32,766 square feet. Vacant sublease space decreased to 4,390 square feet. Rental rates ended the first quarter at \$14.03, an increase over the previous quarter. A total of two buildings with 13,654 square feet of space delivered to the market, with 36,000 square feet still under construction at the end of the quarter.

Montgomery

The Montgomery office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of positive 14,342 square feet caused the vacancy rate to down from 7.1% to 7.0% in the quarter. Rental rates stood at \$13.93.

Myrtle Beach/Conway

The Myrtle Beach/Conway office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of negative (23,096) square feet caused the vacancy rate to up from 4.1% to 4.4% in the quarter. Rental rates stood at \$13.12.

Nashville

The Nashville office market ended the quarter with a vacancy rate of 7.1%. The vacancy rate was down over the previous quarter, with net absorption totaling negative (148,649) square feet. Vacant sublease space decreased to 608,802 square feet. Rental rates ended the first quarter at \$25.97, an increase over the previous quarter. A total of four buildings with 117,850 square feet of space delivered to the market, with

1,810,350 square feet still under construction at the end of the quarter.

New Orleans/Metairie/Kenner

The New Orleans/Metairie/Kenner office market ended the quarter with a vacancy rate of 7.4%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (98,573) square feet. Vacant sublease space increased to 84,335 square feet. Rental rates ended the first quarter at \$17.96, an increase over the previous quarter. A total of two buildings with 36,788 square feet of space delivered to the market, with 43,200 square feet still under construction at the end of the quarter.

New York City

The vacancy rate remained unchanged in New York City in the first quarter. With 557,672 square feet in deliveries, and positive 963,603 square feet in net absorption, the vacancy rate held at 8.0%, the same rate reported in the previous quarter. The market had 14,597,002 square feet under construction at the end of the quarter, and rental rates stood at \$61.15 per square foot.

North Bay/Santa Rosa

With no new office space being delivered to the market, and positive 42,911 square feet of net absorption, North Bay/Santa Rosa's vacancy rate went from 9.5% to 9.4% in the quarter. Rental rates went from \$25.46 to \$28.28 during that time. At the end of the quarter, there was 19,000 square feet underway for future delivery.

Northern New Jersey

The Northern New Jersey office market saw vacancies fall and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 12.3%, from 12.4% in the previous quarter. Rental rates ended the quarter at \$25.16 per square foot, from \$25.06 in the previous quarter. There was a total of 140,000 square feet that delivered in the quarter, with 1,828,171 square feet still under construction at the end of the quarter.

Ocala

The Ocala office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of negative (9,415) square feet caused the vacancy rate to up from 6.3% to 6.4% in the quarter. Rental rates stood at \$13.75.

Oklahoma City

The Oklahoma City office market ended the quarter with a vacancy rate of 6.8%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 556,579 square feet. Vacant sublease space decreased to 87,822 square feet. Rental rates ended the first quarter at \$16.96, a

decrease over the previous quarter. A total of eight buildings with 817,762 square feet of space delivered to the market, with 818,162 square feet still under construction at the end of the quarter.

Olympia

With no new office space being delivered to the market, and positive 107,946 square feet of net absorption, Olympia's vacancy rate went from 7.7% to 6.6% in the quarter. Rental rates went from \$16.50 to \$16.73 during that time. At the end of the quarter, there was 6,400 square feet underway for future delivery.

Omaha/Council Bluffs

The vacancy rate remained unchanged in Omaha/Council Bluffs in the first quarter. With 16,944 square feet in deliveries, and positive 2,329 square feet in net absorption, the vacancy rate held at 7.2%, the same rate reported in the previous quarter. The market had 933,840 square feet under construction at the end of the quarter, and rental rates stood at \$16.40 per square foot.

Orange County (California)

The Orange County (California) office market saw vacancies rise and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 9.7%, from 9.5% in the previous quarter. Rental rates ended the quarter at \$30.90 per square foot, from \$29.97 in the previous quarter. There was a total of 505,523 square feet that delivered in the quarter, with 1,041,780 square feet still under construction at the end of the quarter.

Orlando

The Orlando office market ended the quarter with a vacancy rate of 6.9%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 31,054 square feet. Vacant sublease space increased to 230,887 square feet. Rental rates ended the first quarter at \$20.91, an increase over the previous quarter. A total of 20 buildings with 190,344 square feet of space delivered to the market, with 1,432,904 square feet still under construction at the end of the quarter.

Palm Beach County

The Palm Beach County office market ended the quarter with a vacancy rate of 10.3%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (138,544) square feet. Vacant sublease space increased to 176,723 square feet. Rental rates ended the first quarter at \$29.57, an increase over the previous quarter. A total of two buildings with 18,200 square feet of space delivered to the market, with 297,794 square feet still under construction at the end of the quarter.

Pensacola

With no new office space being delivered to the market, and negative (40,768) square feet of net absorption, Pensacola's vacancy rate went from 4.6% to 4.8% in the quarter. Rental rates went from \$15.03 to \$15.27 during that time. At the end of the quarter, there was 302,115 square feet underway for future delivery.

Peoria

The Peoria office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of negative (45,474) square feet caused the vacancy rate to up from 6.1% to 6.4% in the quarter. Rental rates stood at \$12.44.

Philadelphia

The vacancy rate remained unchanged in Philadelphia in the first quarter. With 148,358 square feet in deliveries, and positive 11,581 square feet in net absorption, the vacancy rate held at 8.2%, the same rate reported in the previous quarter. The market had 4,632,107 square feet under construction at the end of the quarter, and rental rates stood at \$22.89 per square foot.

Phoenix

The Phoenix office market ended the quarter with a vacancy rate of 14.3%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 248,547 square feet. Vacant sublease space increased to 1,762,261 square feet. Rental rates ended the first quarter at \$25.00, an increase over the previous quarter. A total of five buildings with 391,456 square feet of space delivered to the market, with 2,918,300 square feet still under construction at the end of the quarter.

Pittsburgh

The Pittsburgh office market ended the quarter with a vacancy rate of 8.8%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (581,089) square feet. Vacant sublease space increased to 438,252 square feet. Rental rates ended the first quarter at \$21.63, an increase over the previous quarter. A total of three buildings with 64,695 square feet of space delivered to the market, with 722,645 square feet still under construction at the end of the quarter.

Port St Lucie/Fort Pierce

The Port St Lucie/Fort Pierce office market saw vacancies rise and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 9.4%, from 8.7% in the previous quarter. Rental rates ended the quarter at \$14.32 per square foot, from \$14.29 in the pre-

vious quarter. There was a total of 34,572 square feet that delivered in the quarter, with 141,226 square feet still under construction at the end of the quarter.

Portland

The Portland office market ended the quarter with a vacancy rate of 6.7%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (256,434) square feet. Vacant sublease space increased to 329,114 square feet. Rental rates ended the first quarter at \$23.81, an increase over the previous quarter. A total of 11 buildings with 430,255 square feet of space delivered to the market, with 3,194,500 square feet still under construction at the end of the quarter.

Portland/South Portland

The Portland/South Portland office market saw vacancies fall and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 4.4%, from 4.6% in the previous quarter. Rental rates ended the quarter at \$14.03 per square foot, from \$13.82 in the previous quarter. There was a total of 73,880 square feet that delivered in the quarter, with 159,894 square feet still under construction at the end of the quarter.

Providence

With no new office space being delivered to the market, and negative (249,606) square feet of net absorption, Providence's vacancy rate went from 5.2% to 5.8% in the quarter. Rental rates went from \$17.01 to \$17.49 during that time. At the end of the quarter, there was 693,000 square feet underway for future delivery.

Raleigh/Durham

The Raleigh/Durham office market ended the quarter with a vacancy rate of 6.8%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 381,604 square feet. Vacant sublease space decreased to 275,999 square feet. Rental rates ended the first quarter at \$22.59, an increase over the previous quarter. A total of six buildings with 175,306 square feet of space delivered to the market, with 3,689,851 square feet still under construction at the end of the quarter.

Reno/Sparks

With no new office space being delivered to the market, and negative (18,710) square feet of net absorption, Reno/Sparks's vacancy rate went from 9.1% to 9.2% in the quarter. Rental rates went from \$17.82 to \$17.95 during that time. At the end of the quarter, there was 110,439 square feet underway for future delivery.

Richmond VA

The Richmond VA office market ended the quarter with a vacancy rate of 6.6%. The vacancy rate was up over the previ-

ous quarter, with net absorption totaling negative (149,644) square feet. Vacant sublease space increased to 196,499 square feet. Rental rates ended the first quarter at \$18.52, an increase over the previous quarter. A total of two buildings with 28,202 square feet of space delivered to the market, with 986,067 square feet still under construction at the end of the quarter.

Roanoke

The Roanoke office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of positive 14,440 square feet caused the vacancy rate to down from 7.0% to 6.9% in the quarter. Rental rates stood at \$16.62.

Rochester

The Rochester office market ended the quarter with a vacancy rate of 6.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 406,001 square feet. Vacant sublease space increased to 113,800 square feet. Rental rates ended the first quarter at \$13.28, a decrease over the previous quarter. A total of two buildings with 30,200 square feet of space delivered to the market, with 183,834 square feet still under construction at the end of the quarter.

Sacramento

The Sacramento office market ended the quarter with a vacancy rate of 9.8%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 196,406 square feet. Vacant sublease space decreased to 223,844 square feet. Rental rates ended the first quarter at \$21.96, an increase over the previous quarter. A total of one building with 9,798 square feet of space delivered to the market, with 668,892 square feet still under construction at the end of the quarter.

Salinas

The Salinas office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of positive 7,180 square feet caused the vacancy rate to down from 6.2% to 6.1% in the quarter. Rental rates stood at \$20.78.

Salt Lake City

The Salt Lake City office market ended the quarter with a vacancy rate of 7.9%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (322,610) square feet. Vacant sublease space decreased to 518,368 square feet. Rental rates ended the first quarter at \$20.85, an increase over the previous quarter. A total of eight buildings with 286,162 square feet of space delivered to the market, with

2,145,442 square feet still under construction at the end of the quarter.

San Antonio

The San Antonio office market ended the quarter with a vacancy rate of 9.4%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (176,403) square feet. Vacant sublease space increased to 180,216 square feet. Rental rates ended the first quarter at \$21.12, an increase over the previous quarter. A total of eight buildings with 55,425 square feet of space delivered to the market, with 1,514,093 square feet still under construction at the end of the quarter.

San Diego

With no new office space being delivered to the market, and negative (45,213) square feet of net absorption, San Diego's vacancy rate went from 9.6% to 9.6% in the quarter. Rental rates went from \$31.95 to \$32.18 during that time. At the end of the quarter, there was 993,306 square feet underway for future delivery.

San Francisco

The San Francisco office market ended the quarter with a vacancy rate of 6.7%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 1,809,799 square feet. Vacant sublease space decreased to 1,456,301 square feet. Rental rates ended the first quarter at \$60.03, an increase over the previous quarter. A total of seven buildings with 2,037,442 square feet of space delivered to the market, with 8,944,777 square feet still under construction at the end of the quarter.

San Luis Obispo/Paso Robles

The San Luis Obispo/Paso Robles office market saw vacancies fall and rental rates decrease from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 1.9%, from 2.0% in the previous quarter. Rental rates ended the quarter at \$20.82 per square foot, from \$20.94 in the previous quarter. There was a total of 25,000 square feet that delivered in the quarter, with 49,145 square feet still under construction at the end of the quarter.

Santa Barbara/Sta Maria/Gole

The Santa Barbara/Sta Maria/Gole office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of negative (30,429) square feet caused the vacancy rate to up from 3.9% to 4.2% in the quarter. Rental rates stood at \$22.80.

Santa Cruz/Watsonville

The Santa Cruz/Watsonville office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activ-

ity, net absorption of negative (2,631) square feet caused the vacancy rate to unchanged from 5.3% to 5.3% in the quarter. Rental rates stood at \$21.37.

Savannah

The Savannah office market saw vacancies fall and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 4.4%, from 4.7% in the previous quarter. Rental rates ended the quarter at \$17.73 per square foot, from \$17.21 in the previous quarter. There was a total of 22,964 square feet that delivered in the quarter, with 10,000 square feet still under construction at the end of the quarter.

Seattle/Puget Sound

The Seattle/Puget Sound office market ended the quarter with a vacancy rate of 7.1%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,764,884 square feet. Vacant sublease space decreased to 1,113,223 square feet. Rental rates ended the first quarter at \$32.07, a decrease over the previous quarter. A total of three buildings with 555,645 square feet of space delivered to the market, with 6,790,442 square feet still under construction at the end of the quarter.

Shreveport/Bossier City

With no space currently under construction, Shreveport/Bossier City absorbed 9,765 square feet of space and delivered 12,414 square feet of space, resulting in a vacancy rate that went from 8.3% to 8.3% over the course of the quarter. Rental rates went from \$14.28 to \$14.55 per square foot.

South Bay/San Jose

The South Bay/San Jose office market ended the quarter with a vacancy rate of 10.0%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 1,098,757 square feet. Vacant sublease space decreased to 1,975,730 square feet. Rental rates ended the first quarter at \$42.39, a decrease over the previous quarter. A total of seven buildings with 2,182,877 square feet of space delivered to the market, with 3,469,710 square feet still under construction at the end of the quarter.

South Bend/Mishawaka

With no new office space being delivered to the market, and negative (44,292) square feet of net absorption, South Bend/Mishawaka's vacancy rate went from 7.1% to 7.4% in the quarter. Rental rates went from \$14.51 to \$14.26 during that time. At the end of the quarter, there was 8,400 square feet underway for future delivery.

Southwest Florida

The Southwest Florida office market saw vacancies rise and rental rates decrease from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at

6.8%, from 6.3% in the previous quarter. Rental rates ended the quarter at \$14.98 per square foot, from \$15.38 in the previous quarter. There was a total of 28,504 square feet that delivered in the quarter, with 40,238 square feet still under construction at the end of the quarter.

Spokane

With no new office space being delivered to the market, and positive 5,562 square feet of net absorption, Spokane's vacancy rate went from 8.8% to 8.7% in the quarter. Rental rates went from \$15.64 to \$16.14 during that time. At the end of the quarter, there was 11,710 square feet underway for future delivery.

Springfield

The vacancy rate remained unchanged in Springfield in the first quarter. With 30,000 square feet in deliveries, and positive 25,895 square feet in net absorption, the vacancy rate held at 5.7%, the same rate reported in the previous quarter. The market had 54,000 square feet under construction at the end of the quarter, and rental rates stood at \$12.61 per square foot.

St. Louis

The St. Louis office market ended the quarter with a vacancy rate of 7.4%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (401,994) square feet. Vacant sublease space decreased to 272,529 square feet. Rental rates ended the first quarter at \$19.10, an increase over the previous quarter. A total of one building with 30,000 square feet of space delivered to the market, with 1,779,566 square feet still under construction at the end of the quarter.

Stockton/Modesto

The Stockton/Modesto office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of negative (87,517) square feet caused the vacancy rate to up from 5.7% to 6.1% in the quarter. Rental rates stood at \$16.29.

Syracuse

The Syracuse office market saw vacancies fall and rental rates decrease from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 7.6%, from 7.9% in the previous quarter. Rental rates ended the quarter at \$13.91 per square foot, from \$14.02 in the previous quarter. There was a total of 46,000 square feet that delivered in the quarter, with 37,945 square feet still under construction at the end of the quarter.

Tallahassee

With no new office space being delivered to the mar-

ket, and negative (63,866) square feet of net absorption, Tallahassee's vacancy rate went from 3.8% to 4.1% in the quarter. Rental rates went from \$16.94 to \$16.44 during that time. At the end of the quarter, there was 66,600 square feet underway for future delivery.

Tampa/St Petersburg

The vacancy rate remained unchanged in Tampa/St Petersburg in the first quarter. With 214,516 square feet in deliveries, and positive 210,430 square feet in net absorption, the vacancy rate held at 6.7%, the same rate reported in the previous quarter. The market had 667,540 square feet under construction at the end of the quarter, and rental rates stood at \$20.89 per square foot.

Toledo

The Toledo office market ended the quarter with a vacancy rate of 6.0%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 33,535 square feet. Vacant sublease space stayed the same at 14,562 square feet. Rental rates ended the first quarter at \$12.62, a decrease over the previous quarter. A total of one building with 5,000 square feet of space delivered to the market, with 108,579 square feet still under construction at the end of the quarter.

Tucson

With no new office space being delivered to the market, and positive 37,445 square feet of net absorption, Tucson's vacancy rate went from 9.2% to 9.0% in the quarter. Rental rates went from \$18.93 to \$19.48 during that time. At the end of the quarter, there was 311,435 square feet underway for future delivery.

Tulsa

The Tulsa office market ended the quarter with a vacancy rate of 10.5%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (184,090) square feet. Vacant sublease space decreased to 439,358 square feet. Rental rates ended the first quarter at \$15.27, an increase over the previous quarter. A total of five buildings with 41,595 square feet of space delivered to the market, with 275,463 square feet still under construction at the end of the quarter.

Utica/Rome

The Utica/Rome office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of positive 4,621 square feet caused the vacancy rate to unchanged from 2.4% to 2.4% in the quarter. Rental rates stood at \$9.97.

Visalia/Porterville

With no space currently under construction, Visalia/Porterville absorbed 42,812 square feet of space and delivered

23,034 square feet of space, resulting in a vacancy rate that went from 3.2% to 2.8% over the course of the quarter. Rental rates went from \$15.72 to \$15.58 per square foot.

Washington

The Washington office market ended the quarter with a vacancy rate of 13.4%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 143,646 square feet. Vacant sublease space increased to 3,412,457 square feet. Rental rates ended the first quarter at \$35.56, an increase over the previous quarter. A total of six buildings with 857,769 square feet of space delivered to the market, with 10,606,844 square feet still under construction at the end of the quarter.

West Michigan

The West Michigan office market saw vacancies fall and rental rates increase from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 4.5%, from 4.8% in the previous quarter. Rental rates ended the quarter at \$13.94 per square foot, from \$13.73 in the previous quarter. There was a total of 103,375 square feet that delivered in the quarter, with 439,693 square feet still under construction at the end of the quarter.

Westchester/So Connecticut

The Westchester/So Connecticut office market saw vacancies rise and rental rates decrease from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 12.2%, from 12.1% in the previous quarter. Rental rates ended the quarter at \$28.09 per square foot, from \$28.15 in the previous quarter. There was a total of 17,310 square feet that delivered in the quarter, with 609,044 square feet still under construction at the end of the quarter.

Wichita

The Wichita office market saw vacancies rise and rental rates decrease from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 7.4%, from 7.1% in the previous quarter. Rental rates ended the quarter at \$13.28 per square foot, from \$13.46 in the previous quarter. There was a total of 67,981 square feet that delivered in the quarter, with 60,000 square feet still under construction at the end of the quarter.

Wilmington

The Wilmington office market saw vacancies fall and rental rates decrease from the fourth quarter 2017 to the first quarter 2018. The overall vacancy rate currently sits at 4.6%, from 4.7% in the previous quarter. Rental rates ended the quarter at \$17.13 per square foot, from \$17.66 in the previous quarter. There was a total of 33,195 square feet that delivered in the quarter, with 236,077 square feet still under construction at the end of the quarter.

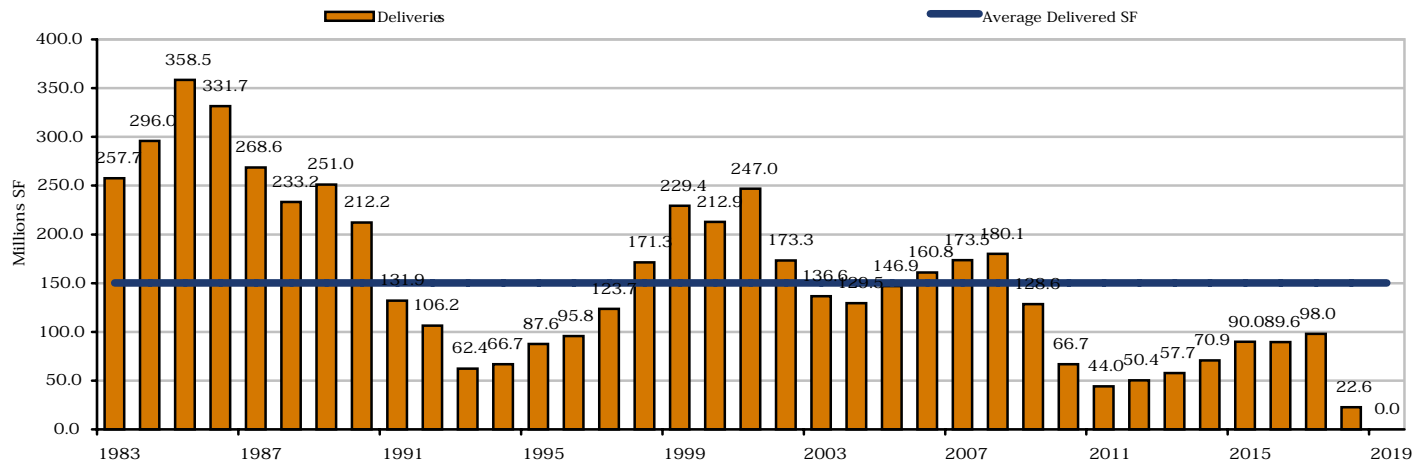
Yakima

The Yakima office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of positive 52,707 square feet caused the vacancy rate to down from 7.2% to 6.1% in the quarter. Rental rates stood at \$11.47.

Youngstown/Warren/Boardman

The Youngstown/Warren/Boardman office market reported no new deliveries and no space under construction at the end of the first quarter 2018. With this limited construction activity, net absorption of positive 42,776 square feet caused the vacancy rate to down from 5.2% to 5.0% in the quarter. Rental rates stood at \$10.19.

Historical Deliveries 1983 - 2019



Source: CoStar Property® * Future deliveries based on current under construction buildings.

Construction Activity Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
New York City	25	14,597,002	10,224,172	70.0%	146,575	583,880
Washington	43	10,606,844	6,072,639	57.3%	39,476	246,671
Dallas/Ft Worth	111	9,219,540	6,266,248	68.0%	29,176	83,059
San Francisco	35	8,944,777	5,836,603	65.3%	43,642	255,565
Seattle/Puget Sound	27	6,790,442	4,085,555	60.2%	25,541	251,498
Lorg Island (New York)	47	5,459,408	2,039,294	37.4%	17,532	116,158
Los Angeles	56	5,366,121	2,380,516	44.4%	23,790	95,824
Boston	34	4,701,849	3,559,802	75.7%	28,800	138,290
Philadelphia	35	4,632,107	3,425,145	73.9%	17,430	132,346
Chicago	34	4,512,132	2,466,112	54.7%	32,204	132,710
Denver	47	4,238,124	2,308,716	54.5%	26,126	90,173
Austin	61	4,232,730	2,624,415	62.0%	21,007	69,389
Atlanta	38	4,214,086	3,199,413	75.9%	19,051	110,897
Raleigh/Durham	34	3,689,851	2,560,433	69.4%	20,717	108,525
South Bay/San Jose	26	3,469,710	1,867,314	53.8%	27,682	133,450
Portland	30	3,194,500	2,492,664	78.0%	14,761	106,483
Charlotte	23	3,045,261	1,496,848	49.2%	16,197	132,403
Phoenix	28	2,918,300	883,085	30.3%	20,585	104,225
Salt Lake City	30	2,145,442	1,264,293	58.9%	21,276	71,515
Houston	46	2,137,904	1,176,826	55.0%	35,532	46,476
Miami-Dade County	30	1,956,688	968,495	49.5%	23,883	65,223
Northern New Jersey	26	1,828,171	796,082	43.5%	20,296	70,314
Nashville	33	1,810,350	825,800	45.6%	16,736	54,859
East Bay/Oakland	9	1,799,931	834,634	46.4%	20,980	199,992
St. Louis	11	1,779,566	1,387,230	78.0%	21,704	161,779
Detroit	25	1,673,811	1,468,619	87.7%	18,841	66,952
Baltimore	14	1,607,031	680,085	42.3%	21,584	114,788
Minneapolis	19	1,547,684	1,013,433	65.5%	31,193	81,457
San Antonio	42	1,514,093	710,337	46.9%	19,544	36,050
Orlando	25	1,432,904	884,146	61.7%	12,361	57,316
Cleveland	23	1,424,344	1,121,710	78.8%	18,524	61,928
Columbus	15	1,096,425	729,853	66.6%	21,239	73,095
Orange County (California)	15	1,041,780	255,911	24.6%	25,762	69,452
San Diego	10	993,306	591,983	59.6%	20,866	99,331
Richmond/VA	15	986,067	863,683	87.6%	19,696	65,738
Madison	5	981,600	844,088	86.0%	24,089	196,320
Omaha/Council Bluffs	10	933,840	430,854	46.1%	24,508	93,384
Oklahoma City	33	818,162	706,815	86.4%	13,383	24,793
Kansas City	15	747,647	550,469	73.6%	23,024	49,843
Pittsburgh	12	722,645	310,311	42.9%	18,255	60,220
Providence	7	693,000	643,000	92.8%	14,992	99,000
Milwaukee	6	670,537	410,095	61.2%	21,696	111,756
Sacramento	7	668,892	536,045	80.1%	19,576	95,556
Tampa/St Petersburg	25	667,540	567,310	85.0%	11,215	26,702
Totals	1,600	150,942,615	92,858,084	61.5%	19,985	94,339

Source: CoStar Property®

Class A Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Albany/Schen.	33	6,461,701	167,044	167,044	2.6%	86,869	0	45,000	\$24.38
Albuquerque	29	4,800,698	410,344	410,344	8.5%	(5,035)	0	0	\$18.87
Anchorage	24	3,128,363	205,263	218,071	7.0%	44,753	0	0	\$35.27
Asheville	15	921,223	25,251	25,251	2.7%	1,328	0	0	\$25.71
Atlanta	566	127,559,187	16,125,478	17,355,193	13.6%	992,022	1,302,556	3,802,081	\$28.39
Augusta/Rich.	12	919,889	78,929	78,929	8.6%	3,226	0	317,000	\$16.84
Austin	295	40,160,477	2,947,075	3,494,722	8.7%	1,028,061	1,179,758	3,528,719	\$38.72
Bakersfield	20	1,477,418	132,152	135,215	9.2%	12,699	0	0	\$21.01
Baltimore	403	48,632,854	5,887,796	6,094,974	12.5%	(53,877)	0	1,546,410	\$26.58
Baton Rouge	19	3,472,960	512,909	541,140	15.6%	(14,369)	0	120,169	\$23.57
Beaumont/Por	5	801,914	19,416	33,715	4.2%	55,720	0	0	\$17.22
Birmingham	87	13,728,273	1,495,985	2,165,664	15.8%	663,731	0	264,000	\$20.73
Boise City/N.	32	6,068,949	281,632	295,893	4.9%	(99,646)	0	0	\$21.32
Boston	788	154,591,728	13,142,536	14,358,482	9.3%	132,402	0	4,152,369	\$30.71
Bremerton/Si.	2	108,049	5,523	5,523	5.1%	0	0	0	\$24.00
Broward Coun	138	17,839,987	2,125,532	2,239,606	12.6%	(26,603)	27,744	217,619	\$32.21
Brownsville/.	2	124,752	22,842	22,842	18.3%	0	0	0	\$20.38
Buffalo/Niag.	74	11,064,336	1,683,782	1,691,150	15.3%	115,091	0	25,000	\$19.40
Charleston W.	10	1,035,739	157,032	157,032	15.2%	4,430	0	0	\$19.46
Charleston/N.	83	5,845,582	528,034	535,147	9.2%	(71,243)	115,200	489,832	\$28.81
Charlotte	291	43,664,921	5,318,103	5,587,333	12.8%	267,816	210,438	2,941,851	\$29.12
Chattanooga	24	2,925,761	79,241	116,961	4.0%	(34,658)	0	0	\$21.36
Chicago	657	190,143,978	28,024,616	29,934,379	15.7%	373,493	174,891	3,807,922	\$27.17
Cincinnati	200	31,756,770	4,125,696	4,253,725	13.4%	124,210	55,593	175,000	\$19.04
Cleveland	169	28,823,521	2,838,253	2,941,206	10.2%	189,742	214,300	1,101,436	\$21.31
Colorado Spr.	49	5,447,192	392,653	412,824	7.6%	33,397	0	0	\$18.90
Columbia	28	3,270,832	354,975	390,310	11.9%	(16,244)	0	81,773	\$19.65
Columbus	188	29,717,572	1,938,328	2,254,717	7.6%	582,235	0	827,725	\$20.11
Columbus GA	10	758,917	42,374	42,374	5.6%	8,327	0	0	\$12.00
Corpus Chris.	4	947,894	77,312	77,312	8.2%	3,150	0	0	\$19.71
Dallas/Ft Wo.	618	156,473,397	25,262,592	27,547,981	17.6%	2,162,340	2,382,591	7,708,245	\$28.70
Davenport/Mo	7	338,379	65,925	65,925	19.5%	(34,996)	0	0	\$17.28
Dayton	61	6,021,169	443,064	449,698	7.5%	41,751	15,816	380,500	\$17.60
Deltona/Dayt.	6	473,784	25,238	25,238	5.3%	14,170	0	0	\$21.31
Denver	396	70,966,082	8,835,318	10,084,537	14.2%	557,809	751,971	3,829,975	\$30.24
Des Moines	55	11,704,742	354,998	364,308	3.1%	(65,211)	0	160,000	\$15.11
Detroit	234	49,775,761	5,601,802	5,918,019	11.9%	(69,481)	0	997,240	\$21.75
Duluth	10	1,136,362	75,409	77,043	6.8%	(5,826)	0	0	\$17.59
East Bay/Oak.	121	28,358,701	2,566,896	2,792,807	9.8%	197,778	0	1,732,281	\$46.51
El Paso	10	1,330,494	115,553	115,553	8.7%	4,138	0	52,400	\$15.96
Erie	5	476,444	10,200	10,200	2.1%	0	0	0	\$11.78
Evansville	17	2,235,815	139,791	139,791	6.3%	(19,201)	0	0	\$11.71
Fayetteville	11	742,416	48,013	51,503	6.9%	(4,058)	0	29,749	\$19.28
Fayetteville.	30	3,162,758	202,825	208,496	6.6%	94,410	0	65,000	\$21.74
Fort Smith	2	227,000	27,000	27,000	11.9%	0	0	0	\$6.00
Fort Wayne	23	2,322,405	346,101	346,101	14.9%	(10,192)	0	192,000	\$15.73
Fresno	27	2,646,686	307,569	320,927	12.1%	51,651	0	0	\$22.16
Green Bay	16	1,448,819	80,145	87,970	6.1%	(15,716)	0	0	\$16.63

Source: CoStar Property®

Class A Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Greensboro/W.	72	8,816,593	1,235,226	1,299,960	14.7%	52,297	0	90,000	\$18.67
Greenville/S.	77	7,218,953	731,652	731,652	10.1%	7,393	0	26,567	\$23.37
Hampton Road	144	13,697,924	1,272,889	1,300,360	9.5%	180,677	28,300	335,600	\$21.70
Hartford	86	20,668,649	2,073,407	2,188,865	10.6%	(6,860)	0	0	\$22.15
Hawaii	48	10,499,615	744,141	772,959	7.4%	(30,857)	0	373,000	\$28.80
Houston	499	144,156,562	24,387,276	30,401,420	21.1%	(617,300)	426,624	1,716,470	\$33.34
Huntington/A.	8	545,312	31,100	31,100	5.7%	0	0	0	\$13.77
Huntsville	29	2,452,388	36,588	36,588	1.5%	78,301	0	347,000	\$22.52
Indianapolis	194	28,456,645	2,670,597	2,722,515	9.6%	96,765	125,000	27,715	\$21.11
Inland Empir.	105	8,911,991	630,424	680,663	7.6%	91,699	0	0	\$27.09
Jackson	50	5,481,973	751,138	804,769	14.7%	(96,363)	0	0	\$19.11
Jacksonville.	101	16,463,341	1,331,516	1,405,852	8.5%	74,777	0	205,000	\$22.01
Kansas City	196	33,196,895	2,543,477	2,836,464	8.5%	114,292	40,000	356,600	\$22.87
Killeen/Temp.	4	254,788	2,348	2,348	0.9%	0	0	0	\$0.00
Kingsport/Br.	5	726,781	135,773	135,773	18.7%	0	0	0	\$24.77
Knoxville	38	4,819,816	296,394	331,043	6.9%	(32,406)	0	0	\$18.42
Lafayette	8	432,177	11,879	11,879	2.7%	2,964	0	0	\$12.45
Las Vegas	100	11,679,970	1,417,307	1,481,396	12.7%	339,646	152,000	219,574	\$27.91
Lexington/Fa.	78	4,799,674	368,698	422,262	8.8%	15,441	0	229,906	\$19.88
Lincoln	15	2,683,010	105,397	105,397	3.9%	13,639	0	63,227	\$15.68
Little Rock/.	28	4,650,703	421,553	452,884	9.7%	113,683	0	0	\$18.43
Long Island .	244	47,010,303	3,686,234	4,144,194	8.8%	(150,926)	72,000	3,862,654	\$33.26
Los Angeles	978	181,228,818	23,028,080	24,847,255	13.7%	(511,039)	411,517	3,712,928	\$38.41
Louisville	119	12,030,738	1,102,508	1,103,508	9.2%	(58,898)	0	186,000	\$20.80
Lubbock	7	557,814	47,705	47,705	8.6%	1,372	0	0	\$17.40
Madison	72	7,725,713	229,250	229,250	3.0%	214,285	260,000	251,600	\$18.25
McAllen/Edin.	5	410,111	15,000	15,000	3.7%	0	0	97,886	\$23.31
Memphis	94	12,433,323	1,285,351	1,337,648	10.8%	(44,795)	0	466,909	\$20.83
Miami-Dade C.	173	29,564,172	3,575,478	3,874,211	13.1%	(12,281)	179,561	1,421,955	\$42.30
Milwaukee	112	18,244,886	1,734,730	1,799,490	9.9%	25,910	0	493,537	\$19.71
Minneapolis	184	55,555,473	4,136,169	4,273,368	7.7%	46,967	319,000	1,363,093	\$26.35
Mobile	12	1,445,744	94,224	94,224	6.5%	3,378	0	0	\$17.11
Montgomery	21	2,986,130	98,258	98,258	3.3%	72,863	0	0	\$23.12
Myrtle Beach.	10	687,786	65,873	65,873	9.6%	(13,380)	0	0	\$12.46
Nashville	176	27,316,529	2,330,201	2,767,329	10.1%	237,540	105,000	1,501,877	\$30.72
New Orleans/.	39	13,087,704	1,387,917	1,452,489	11.1%	11,523	30,000	0	\$19.26
New York Cit.	482	331,012,546	25,997,506	29,316,902	8.9%	902,524	557,672	14,076,463	\$66.79
North Bay/Sa.	48	3,856,781	1,057,551	1,080,991	28.0%	4,155	0	0	\$31.41
Northern New.	932	158,838,289	24,770,773	27,659,343	17.4%	(264,557)	140,000	1,072,732	\$28.47
Ocala	4	215,947	20,587	20,587	9.5%	0	0	0	\$0.00
Oklahoma Cit.	53	9,164,343	578,895	605,676	6.6%	719,824	757,716	179,000	\$22.02
Olympia	2	340,759	0	0	0.0%	0	0	0	\$0.00
Omaha/Counc.	75	9,352,864	586,171	601,408	6.4%	6,033	0	335,880	\$21.09
Orange Count.	293	48,249,152	6,275,429	6,823,963	14.1%	306,645	477,226	782,239	\$35.16
Orlando	218	26,675,160	1,810,890	1,902,367	7.1%	83,161	0	1,249,216	\$26.67
Palm Beach C.	140	14,670,172	1,846,120	1,956,085	13.3%	21,798	0	111,972	\$34.08
Pensacola	10	452,724	39,733	39,733	8.8%	(2,400)	0	48,915	\$18.61
Peoria	9	989,081	21,179	21,179	2.1%	2,917	0	0	\$0.00

Source: CoStar Property®

Class A Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Philadelphia	1,007	134,888,893	12,920,249	14,125,692	10.5%	(381,286)	40,000	4,317,267	\$27.41
Phoenix	323	50,539,718	6,371,090	7,201,835	14.2%	(59,872)	362,218	2,030,135	\$30.16
Pittsburgh	228	39,600,842	4,580,351	4,938,284	12.5%	(277,466)	0	527,527	\$26.66
Port St Luci.	22	1,126,831	146,148	146,148	13.0%	2,066	0	0	\$16.05
Portland	232	32,145,607	2,347,649	2,540,495	7.9%	10,465	267,130	2,865,315	\$30.31
Portland/Sou.	29	3,050,678	68,419	68,419	2.2%	77,886	53,770	0	\$17.15
Providence	31	6,056,139	467,175	484,189	8.0%	(36,024)	0	638,000	\$24.07
Raleigh/Durh.	341	36,691,669	2,711,805	2,902,987	7.9%	253,930	0	3,059,921	\$26.90
Reno/Sparks	26	1,976,199	181,355	237,411	12.0%	(47,905)	0	40,826	\$23.77
Richmond VA	162	21,248,598	1,588,441	1,759,976	8.3%	(192,383)	0	722,243	\$21.44
Roanoke	6	657,196	78,589	86,379	13.1%	(1,633)	0	0	\$20.49
Rochester	64	8,893,851	1,087,003	1,108,003	12.5%	998	0	0	\$15.66
Sacramento	199	27,056,790	2,555,408	2,621,605	9.7%	(122,254)	0	138,850	\$27.26
Salinas	0	0	0	0	0.0%	0	0	0	\$0.00
Salt Lake Ci.	233	27,369,789	2,399,953	2,648,715	9.7%	(81,048)	0	1,242,374	\$25.74
San Antonio	130	16,905,200	2,261,555	2,361,380	14.0%	(148,270)	0	1,016,538	\$25.42
San Diego	277	35,148,780	3,895,134	4,159,761	11.8%	(177,128)	0	937,348	\$38.46
San Francisc.	318	81,224,608	5,713,823	6,412,192	7.9%	1,797,661	1,847,000	7,182,416	\$62.46
San Luis Obi.	0	0	0	0	0.0%	0	0	0	\$0.00
Santa Barbar.	1	72,200	5,724	5,724	7.9%	(5,724)	0	0	\$0.00
Santa Cruz/W.	0	0	0	0	0.0%	0	0	0	\$0.00
Savannah	10	411,610	5,796	5,796	1.4%	6,718	0	0	\$27.19
Seattle/Puge.	334	72,932,303	5,297,360	5,709,803	7.8%	896,886	273,840	5,270,393	\$41.61
Shreveport/B.	5	548,172	63,193	63,193	11.5%	7,881	0	0	\$15.86
South Bay/Sa.	188	40,337,354	4,856,125	5,602,721	13.9%	1,814,142	1,983,377	2,039,119	\$46.94
South Bend/M	15	1,139,743	231,121	235,231	20.6%	1,400	0	0	\$12.76
Southwest Fl.	74	3,988,338	547,909	550,986	13.8%	(57,056)	0	0	\$17.76
Spokane	10	1,424,635	163,973	163,973	11.5%	18,893	0	0	\$20.87
Springfield	12	1,177,313	36,005	36,005	3.1%	0	0	54,000	\$18.94
St. Louis	267	42,272,392	2,816,606	3,042,688	7.2%	(71,174)	30,000	1,746,416	\$22.35
Stockton/Mod.	20	2,256,164	200,666	207,911	9.2%	(4,374)	0	0	\$23.53
Syracuse	23	3,582,986	450,021	468,073	13.1%	25,758	0	25,000	\$18.15
Tallahassee	17	1,467,806	51,576	65,282	4.4%	6,253	0	21,800	\$24.07
Tampa/St Pet.	245	35,941,497	2,259,675	2,422,482	6.7%	230,660	180,800	387,000	\$27.58
Toledo	15	3,171,460	138,246	138,246	4.4%	602	0	0	\$17.99
Tucson	24	2,812,808	209,996	214,812	7.6%	(22,664)	0	96,200	\$24.73
Tulsa	30	8,455,915	783,566	842,158	10.0%	(125,956)	0	27,000	\$18.68
Utica/Rome	1	122,760	0	0	0.0%	0	0	0	\$0.00
Visalia/Port.	0	0	0	0	0.0%	0	0	0	\$0.00
Washington	1,447	267,468,102	39,351,950	41,568,486	15.5%	751,364	844,271	10,362,432	\$39.80
West Michiga.	83	8,687,782	311,049	319,633	3.7%	(30,066)	0	190,100	\$19.91
Westchester/.	415	65,936,176	9,957,273	10,610,720	16.1%	(199,145)	0	0	\$33.20
Wichita	17	2,025,526	134,850	149,868	7.4%	129,764	60,000	60,000	\$14.34
Wilmington	22	1,382,785	206,591	206,591	14.9%	20,506	0	30,355	\$21.63
Yakima	4	177,975	27,003	27,003	15.2%	0	0	0	\$21.01
Youngstown/V.	7	467,821	59,050	59,050	12.6%	3,792	0	0	\$9.14
Totals	19,217	3,563,602,484	398,214,608	435,524,266	12.2%	13,316,997	16,454,880	118,825,386	\$31.01

Source: CoStar Property®

Class B Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Albany/Schen.	1,741	43,061,951	1,903,215	1,923,682	4.5%	86,521	0	41,461	\$15.46
Albuquerque	1,638	24,797,462	2,051,401	2,089,385	8.4%	(131,546)	0	21,530	\$13.97
Anchorage	312	8,767,673	415,338	462,932	5.3%	(21,186)	12,800	6,000	\$25.97
Asheville	853	8,620,693	204,550	207,800	2.4%	(39,317)	0	22,200	\$15.01
Atlanta	6,065	130,260,188	15,293,097	15,594,725	12.0%	116,650	131,855	412,005	\$19.03
Augusta/Rich.	781	8,579,414	700,769	700,769	8.2%	30,265	17,000	14,344	\$15.46
Austin	2,260	46,712,201	3,895,245	4,150,964	8.9%	(227,677)	50,961	704,011	\$28.21
Bakersfield	589	9,097,705	571,468	581,860	6.4%	105,133	0	4,350	\$18.77
Baltimore	2,830	68,458,547	6,653,561	6,829,567	10.0%	81,809	0	60,621	\$21.16
Baton Rouge	646	7,421,468	709,887	711,975	9.6%	57,294	28,500	122,657	\$19.60
Beaumont/Por	149	3,066,679	421,147	421,147	13.7%	(145,244)	0	0	\$15.79
Birmingham	926	23,386,325	2,828,127	2,964,044	12.7%	15,260	8,078	192,800	\$16.92
Boise City/N.	1,182	17,799,050	1,288,815	1,338,022	7.5%	168,957	18,500	302,363	\$17.09
Boston	4,726	164,396,168	13,205,867	14,095,483	8.6%	(278,728)	69,000	549,480	\$20.49
Bremerton/Si.	164	2,494,314	220,492	220,492	8.8%	(3,905)	0	0	\$17.31
Broward Coun.	1,230	32,756,844	3,180,984	3,248,733	9.9%	(562,845)	12,000	334,191	\$24.21
Brownsville/.	249	2,907,828	160,965	160,965	5.5%	13,102	0	91,754	\$14.31
Buffalo/Niag.	1,105	25,548,581	1,503,410	1,595,899	6.2%	(9,657)	30,000	65,000	\$13.48
Charleston W.	800	10,725,516	492,739	526,623	4.9%	68,299	0	0	\$13.94
Charleston/N.	1,390	15,747,250	913,772	946,306	6.0%	128,216	244,921	138,322	\$19.30
Charlotte	2,807	53,163,238	3,731,111	3,949,458	7.4%	37,513	56,968	103,410	\$19.87
Chattanooga	421	10,973,561	453,139	459,539	4.2%	(33,669)	0	63,000	\$16.87
Chicago	6,924	215,459,534	23,242,065	24,436,481	11.3%	133,126	112,810	704,210	\$21.12
Cincinnati	1,199	37,684,471	3,208,675	3,287,304	8.7%	126,217	12,157	44,200	\$15.15
Cleveland	2,484	77,407,274	7,727,265	7,816,652	10.1%	(28,034)	4,525	322,908	\$16.71
Colorado Spr.	945	18,822,999	2,401,555	2,413,928	12.8%	(55,678)	0	109,800	\$15.07
Columbia	1,513	22,741,303	1,357,976	1,409,595	6.2%	78,221	0	29,541	\$15.51
Columbus	1,379	44,125,706	3,437,007	3,538,777	8.0%	(166,292)	69,800	268,700	\$18.29
Columbus GA	434	6,332,271	574,524	580,492	9.2%	(27,101)	0	0	\$13.96
Corpus Chris.	428	7,263,649	668,494	671,141	9.2%	(37,558)	0	21,967	\$14.86
Dallas/Ft Wo.	5,958	170,373,195	24,224,044	25,524,503	15.0%	(451,985)	266,705	1,511,295	\$21.77
Davenport/Mo	369	6,443,206	291,784	293,012	4.5%	(6,648)	0	50,880	\$10.56
Dayton	527	14,349,095	1,668,040	1,696,860	11.8%	85,647	0	26,400	\$15.38
Deltona/Dayt.	979	8,011,363	468,786	475,036	5.9%	(46,373)	0	32,080	\$13.44
Denver	4,124	108,354,738	10,024,002	10,602,761	9.8%	155,524	128,171	408,149	\$23.58
Des Moines	722	19,225,300	780,083	848,976	4.4%	603	0	341,666	\$14.37
Detroit	3,761	111,557,652	11,900,390	12,091,859	10.8%	391,168	58,230	676,571	\$18.73
Duluth	78	3,038,941	113,126	113,126	3.7%	3,749	0	0	\$13.64
East Bay/Oak.	1,775	56,247,321	5,564,047	5,749,936	10.2%	374,267	335,000	67,650	\$32.22
El Paso	562	9,858,800	658,007	679,747	6.9%	(97,486)	0	1,500	\$16.49
Erie	372	6,016,345	129,708	129,708	2.2%	25,945	0	346,000	\$9.48
Evansville	431	6,132,151	294,703	302,912	4.9%	63,410	0	14,000	\$11.80
Fayetteville	533	4,584,537	377,183	377,540	8.2%	(21,517)	0	18,490	\$15.56
Fayetteville.	637	9,961,593	626,796	656,482	6.6%	65,519	55,400	92,938	\$16.25
Fort Smith	313	3,759,321	179,937	183,437	4.9%	31,258	0	0	\$11.57
Fort Wayne	436	9,083,231	708,183	741,183	8.2%	(170,292)	0	35,310	\$14.24
Fresno	982	14,762,763	1,396,444	1,425,289	9.7%	112,567	197,667	41,482	\$18.42
Green Bay	602	11,417,999	657,726	665,476	5.8%	42,435	0	0	\$12.45

Source: CoStar Property®

Class B Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Greensboro/W.	1,123	27,937,293	2,368,938	2,376,319	8.5%	138,335	129,686	35,140	\$14.89
Greenville/S.	1,972	21,015,612	1,535,588	1,661,001	7.9%	(29,920)	23,281	116,490	\$15.86
Hampton Roac.	1,647	27,775,594	2,633,972	2,692,235	9.7%	(68,779)	20,000	56,880	\$16.22
Hartford	1,521	42,266,636	3,561,573	3,816,323	9.0%	(78,932)	12,674	289,285	\$18.14
Hawaii	453	16,104,355	721,750	751,609	4.7%	(32,860)	0	35,839	\$24.69
Houston	3,866	137,653,630	20,168,453	20,709,249	15.0%	(511,593)	189,415	421,434	\$21.68
Huntington/A.	603	5,533,857	77,271	77,271	1.4%	2,353	0	0	\$10.66
Huntsville	475	12,567,346	937,595	940,295	7.5%	11,561	0	144,000	\$14.75
Indianapolis	2,649	54,778,311	3,487,715	3,532,726	6.4%	(92,854)	157,157	127,100	\$17.70
Inland Empir.	3,089	45,646,355	4,004,719	4,073,799	8.9%	142,396	108,704	201,671	\$20.57
Jackson	966	14,440,838	1,035,186	1,076,038	7.5%	(97,854)	0	81,133	\$15.81
Jacksonville.	1,854	32,789,117	2,244,141	2,491,178	7.6%	(101,879)	54,600	106,037	\$18.59
Kansas City	2,532	75,211,820	5,515,470	5,720,687	7.6%	(194,646)	0	391,047	\$18.27
Killeen/Temp.	187	1,871,159	106,735	106,735	5.7%	(19,781)	0	22,308	\$15.45
Kingsport/Br.	210	3,779,150	198,186	198,186	5.2%	24,098	0	0	\$14.40
Knoxville	730	14,035,011	877,741	986,568	7.0%	(114,677)	0	36,850	\$15.25
Lafayette	193	4,471,790	405,558	424,659	9.5%	(5,408)	0	20,000	\$15.91
Las Vegas	2,358	44,345,917	5,642,734	5,892,833	13.3%	138,534	114,506	184,403	\$17.80
Lexington/Fa.	575	10,409,926	755,538	755,538	7.3%	19,672	0	0	\$16.14
Lincoln	546	12,161,183	554,169	566,817	4.7%	(93,501)	0	80,000	\$13.17
Little Rock/.	370	10,601,777	368,124	371,581	3.5%	71,290	0	89,001	\$17.00
Long Island .	4,467	92,524,798	7,626,656	7,953,200	8.6%	(266,162)	251,723	1,596,754	\$27.53
Los Angeles	5,956	169,708,452	17,886,273	18,422,246	10.9%	(443,286)	289,333	1,653,193	\$32.08
Louisville	1,273	26,911,717	1,642,333	1,672,167	6.2%	10,722	9,100	126,835	\$16.05
Lubbock	316	5,593,295	276,062	276,062	4.9%	19,466	49,718	38,253	\$16.05
Madison	845	23,136,274	1,341,423	1,404,479	6.1%	(45,953)	14,000	730,000	\$16.21
McAllen/Edin.	576	7,798,443	651,011	651,191	8.4%	79,709	75,000	14,713	\$14.61
Memphis	1,354	28,729,570	3,262,937	3,270,802	11.4%	127,180	40,492	96,650	\$17.23
Miami-Dade C.	1,218	49,636,024	4,021,970	4,076,116	8.2%	1,320	0	534,733	\$30.35
Milwaukee	1,573	48,289,553	3,221,645	3,234,067	6.7%	(99,204)	6,070	177,000	\$15.20
Minneapolis	2,180	99,797,245	8,260,761	8,591,505	8.6%	(127,282)	159,140	184,591	\$17.58
Mobile	942	10,690,532	673,601	677,991	6.3%	663	13,654	36,000	\$14.39
Montgomery	506	7,489,310	675,048	675,943	9.0%	(47,255)	0	0	\$12.57
Myrtle Beach.	413	4,347,725	173,580	176,080	4.0%	(6,676)	0	0	\$14.32
Nashville	1,858	40,295,482	2,704,727	2,855,413	7.1%	(283,782)	12,850	308,473	\$23.26
New Orleans/.	772	16,149,172	1,356,461	1,361,224	8.4%	(63,257)	6,788	43,200	\$17.95
New York Cit.	1,440	160,847,090	10,129,731	11,374,328	7.1%	34,195	0	520,539	\$59.56
North Bay/Sa.	1,326	23,198,370	1,961,175	1,995,732	8.6%	41,881	0	19,000	\$28.95
Northern New.	5,755	128,266,562	12,971,471	13,334,508	10.4%	352,506	0	755,439	\$22.44
Ocala	261	2,145,148	209,476	209,476	9.8%	(12,838)	0	0	\$13.53
Oklahoma Cit.	1,922	34,908,150	2,638,034	2,664,114	7.6%	(177,848)	60,046	639,162	\$16.81
Olympia	440	6,462,392	442,339	442,339	6.8%	31,273	0	6,400	\$17.86
Omaha/Counc.	807	27,037,396	1,883,228	1,972,904	7.3%	(8,528)	16,944	597,960	\$16.31
Orange Count.	3,003	86,886,860	6,959,123	7,487,241	8.6%	(135,379)	28,297	259,541	\$29.81
Orlando	3,255	51,679,992	4,122,026	4,248,414	8.2%	(93,043)	190,344	183,688	\$19.64
Palm Beach C.	1,157	29,560,043	2,940,236	2,991,513	10.1%	(14,262)	18,200	185,822	\$27.68
Pensacola	637	6,871,903	433,488	433,488	6.3%	(66,940)	0	253,200	\$16.45
Peoria	349	7,553,605	526,123	526,123	7.0%	(43,984)	0	0	\$12.56

Source: CoStar Property®

Class B Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Philadelphia	8,841	188,570,810	14,826,125	15,090,726	8.0%	389,298	108,358	314,840	\$20.82
Phoenix	4,795	104,134,733	15,241,733	16,145,125	15.5%	169,906	29,238	888,165	\$22.95
Pittsburgh	2,391	62,252,655	5,369,300	5,445,819	8.7%	(259,345)	64,695	195,118	\$20.04
Port St Luci.	480	6,318,539	699,180	701,180	11.1%	(45,114)	34,572	141,226	\$13.83
Portland	3,371	67,823,447	4,699,860	4,814,856	7.1%	(156,800)	163,125	329,185	\$22.29
Portland/Sou.	476	10,645,759	642,383	670,646	6.3%	(34,468)	20,110	159,894	\$15.13
Providence	728	20,796,766	1,286,926	1,294,776	6.2%	(174,022)	0	55,000	\$16.89
Raleigh/Durh.	2,210	48,222,526	3,415,837	3,484,365	7.2%	123,915	175,306	629,930	\$19.15
Reno/Sparks	796	10,783,010	990,110	1,012,186	9.4%	50,277	0	69,613	\$18.24
Richmond VA	1,321	30,300,586	1,899,049	1,924,013	6.3%	34,233	28,202	263,824	\$16.84
Roanoke	342	7,443,240	462,565	462,565	6.2%	44,062	0	0	\$18.24
Rochester	778	26,259,992	1,341,338	1,434,138	5.5%	356,671	30,200	183,834	\$12.23
Sacramento	1,904	47,000,976	4,725,843	4,871,118	10.4%	227,245	9,798	530,042	\$21.02
Salinas	274	4,929,501	385,458	387,958	7.9%	(3,097)	0	0	\$21.88
Salt Lake Ci.	2,842	62,235,299	4,466,610	4,650,218	7.5%	(169,818)	286,162	903,068	\$18.83
San Antonio	1,751	45,099,918	3,782,502	3,854,048	8.5%	78,839	55,425	497,555	\$19.93
San Diego	2,019	56,431,167	5,511,610	5,775,527	10.2%	63,250	0	55,958	\$29.88
San Francisc.	1,495	65,446,890	3,641,405	4,322,736	6.6%	(79,537)	190,442	1,762,361	\$59.66
San Luis Obi.	199	2,374,009	73,601	73,601	3.1%	32,290	25,000	49,145	\$22.11
Santa Barbar.	1,176	10,753,426	447,964	470,253	4.4%	(26,819)	0	0	\$23.13
Santa Cruz/W.	424	4,710,798	335,930	337,045	7.2%	(25,480)	0	0	\$21.78
Savannah	571	6,358,907	396,695	396,695	6.2%	24,390	22,964	10,000	\$18.59
Seattle/Puge.	3,068	98,644,582	6,877,172	7,534,855	7.6%	970,637	281,805	1,520,049	\$27.64
Shreveport/B.	137	4,090,808	396,912	396,912	9.7%	19,987	12,414	0	\$15.13
South Bay/Sa.	1,807	65,391,482	4,936,533	6,094,166	9.3%	(717,851)	199,500	1,430,591	\$40.24
South Bend/M.	404	5,686,931	545,044	546,826	9.6%	11,105	0	8,400	\$14.83
Southwest Fl.	1,726	20,820,812	1,356,413	1,386,875	6.7%	(68,842)	28,504	40,238	\$14.70
Spokane	994	16,336,715	1,561,399	1,570,416	9.6%	(23,244)	0	11,710	\$15.16
Springfield	468	6,178,850	444,564	454,949	7.4%	33,879	30,000	0	\$13.19
St. Louis	2,338	62,607,385	5,874,327	5,920,359	9.5%	(358,129)	0	33,150	\$17.69
Stockton/Mod.	679	9,973,385	498,531	504,604	5.1%	9,377	0	0	\$15.17
Syracuse	1,123	24,696,191	1,867,262	1,881,272	7.6%	99,159	46,000	12,945	\$13.45
Tallahassee	1,529	18,272,309	757,860	759,955	4.2%	(59,832)	0	44,800	\$16.17
Tampa/St Pet.	5,315	71,730,437	5,355,388	5,581,327	7.8%	60,094	33,716	280,540	\$19.89
Toledo	554	11,482,692	844,817	859,379	7.5%	33,790	5,000	108,579	\$11.82
Tucson	1,304	18,281,901	1,878,011	1,919,959	10.5%	25,943	0	215,235	\$19.04
Tulsa	954	31,304,763	3,858,603	4,237,687	13.5%	(9,674)	41,595	248,463	\$14.67
Utica/Rome	273	6,020,427	137,072	137,072	2.3%	2,052	0	0	\$9.76
Visalia/Port.	180	1,438,675	54,373	54,373	3.8%	26,365	23,034	0	\$18.85
Washington	5,752	194,689,321	22,846,268	23,986,499	12.3%	(624,971)	13,498	244,412	\$30.62
West Michiga.	2,139	43,213,870	2,036,562	2,140,050	5.0%	356,523	103,375	249,593	\$14.20
Westchester/.	2,392	62,895,923	7,979,074	8,071,809	12.8%	(44,068)	17,310	609,044	\$24.95
Wichita	724	14,664,943	1,318,574	1,323,289	9.0%	(149,627)	7,981	0	\$14.03
Wilmington	629	7,358,247	306,763	306,763	4.2%	30,537	33,195	205,722	\$17.35
Yakima	433	3,610,611	194,960	194,960	5.4%	42,759	0	0	\$12.71
Youngstown/V.	460	6,466,229	435,782	435,782	6.7%	8,890	0	0	\$10.75
Totals	218,417	5,228,419,637	466,676,031	486,012,628	9.3%	(1,800,537)	6,093,294	32,117,229	\$22.14

Source: CoStar Property®

Total Office Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Albany/Schen.	4,065	65,588,697	2,734,258	2,754,725	4.2%	186,561	0	86,461	\$15.53
Albuquerque	3,047	37,214,619	2,758,421	2,804,207	7.5%	(185,857)	0	21,530	\$14.85
Anchorage	707	14,881,043	783,455	843,857	5.7%	32,338	12,800	6,000	\$27.57
Asheville	1,349	13,108,836	309,797	314,023	2.4%	(47,380)	0	22,200	\$14.75
Atlanta	16,328	311,070,521	34,463,655	36,046,418	11.6%	1,179,466	1,434,411	4,214,086	\$23.76
Augusta/Rich.	1,746	13,645,182	1,179,348	1,179,348	8.6%	35,942	17,000	331,344	\$14.69
Austin	4,892	102,768,623	7,598,032	8,416,622	8.2%	772,529	1,230,719	4,232,730	\$33.70
Bakersfield	1,376	15,127,674	943,774	957,229	6.3%	115,343	0	4,350	\$18.38
Baltimore	6,656	143,665,341	13,795,552	14,198,901	9.9%	56,911	0	1,607,031	\$22.71
Baton Rouge	2,504	23,838,391	2,020,951	2,058,406	8.6%	7,374	28,500	242,826	\$17.98
Beaumont/Por	845	8,512,465	666,956	681,255	8.0%	(98,898)	0	0	\$14.60
Birmingham	4,032	60,304,844	5,829,727	6,636,847	11.0%	626,523	8,078	456,800	\$17.55
Boise City/N.	2,917	30,555,374	1,846,108	1,914,453	6.3%	101,654	18,500	302,363	\$16.78
Boston	14,054	404,754,557	29,348,078	31,513,123	7.8%	(121,136)	69,000	4,701,849	\$23.10
Bremerton/Si.	512	5,078,087	369,729	386,836	7.6%	(7,206)	0	0	\$16.91
Broward Coun.	4,081	70,545,948	6,156,268	6,341,488	9.0%	(567,711)	39,744	551,810	\$27.22
Brownsville/.	480	4,590,534	246,170	246,170	5.4%	5,280	0	91,754	\$14.91
Buffalo/Niag.	2,291	45,361,356	3,699,275	3,804,132	8.4%	118,722	30,000	90,000	\$15.59
Charleston W.	1,369	15,522,221	850,378	884,262	5.7%	64,122	0	0	\$14.69
Charleston/N.	3,150	29,395,600	1,542,419	1,582,066	5.4%	78,576	360,121	628,154	\$21.61
Charlotte	7,670	124,230,252	10,143,441	10,634,513	8.6%	302,507	267,406	3,045,261	\$24.43
Chattanooga	1,264	20,292,462	929,393	976,137	4.8%	(106,241)	0	63,000	\$16.84
Chicago	15,186	489,055,128	57,802,280	61,073,453	12.5%	1,170,567	287,701	4,512,132	\$23.81
Cincinnati	5,567	102,394,497	8,618,216	8,829,597	8.6%	273,267	67,750	219,200	\$16.60
Cleveland	8,442	156,383,357	13,294,128	13,591,586	8.7%	142,786	218,825	1,424,344	\$17.22
Colorado Spr.	1,733	28,682,278	3,077,066	3,139,310	10.9%	(19,465)	0	109,800	\$15.47
Columbia	2,935	32,457,520	2,057,968	2,152,322	6.6%	51,075	0	111,314	\$15.80
Columbus	5,009	106,384,717	6,713,039	7,146,680	6.7%	498,944	69,800	1,096,425	\$18.35
Columbus GA	1,121	10,313,335	836,907	848,446	8.2%	(47,120)	0	0	\$12.98
Corpus Chris.	804	10,850,791	914,366	923,532	8.5%	(22,422)	0	21,967	\$15.49
Dallas/Ft Wo.	12,872	375,548,818	52,611,885	56,228,141	15.0%	1,838,855	2,649,296	9,219,540	\$25.18
Davenport/Mo	730	10,184,209	584,754	585,982	5.8%	(36,785)	0	50,880	\$10.78
Dayton	3,069	43,480,187	3,358,103	3,417,852	7.9%	134,505	15,816	406,900	\$14.86
Deltona/Dayt.	1,734	11,385,494	579,683	585,933	5.1%	(39,303)	0	32,080	\$13.75
Denver	7,849	205,065,861	19,885,539	21,753,873	10.6%	724,747	880,142	4,238,124	\$26.43
Des Moines	1,401	35,977,265	1,271,255	1,349,458	3.8%	(59,228)	0	501,666	\$14.18
Detroit	11,488	216,440,522	20,873,619	21,416,206	9.9%	292,832	58,230	1,673,811	\$19.03
Duluth	463	7,049,171	294,755	296,389	4.2%	(24,088)	0	0	\$13.45
East Bay/Oak.	5,298	111,149,848	9,127,800	9,560,391	8.6%	635,281	335,000	1,799,931	\$36.25
El Paso	2,484	23,339,718	1,482,853	1,521,065	6.5%	(152,310)	0	53,900	\$14.90
Erie	799	9,359,273	284,057	284,057	3.0%	23,485	0	346,000	\$10.32
Evansville	820	11,928,055	558,509	568,399	4.8%	37,149	0	14,000	\$11.72
Fayetteville	996	7,163,088	512,956	516,803	7.2%	(26,050)	0	48,239	\$15.53
Fayetteville.	1,399	17,424,905	1,084,918	1,121,075	6.4%	140,941	55,400	157,938	\$16.78
Fort Smith	551	5,272,103	274,388	277,888	5.3%	12,911	0	0	\$11.02
Fort Wayne	1,144	17,320,546	1,286,777	1,319,777	7.6%	(214,375)	0	227,310	\$14.11
Fresno	3,099	34,066,584	2,520,402	2,579,314	7.6%	371,279	197,667	41,482	\$17.00
Green Bay	1,073	16,696,623	1,020,681	1,036,256	6.2%	8,856	0	0	\$12.94

Source: CoStar Property®

Total Office Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Greensboro/W.	4,463	56,423,201	4,658,265	4,734,978	8.4%	221,216	129,686	125,140	\$15.64
Greenville/S.	4,448	39,511,942	2,803,691	2,939,579	7.4%	(21,789)	23,281	143,057	\$17.43
Hampton Road	3,470	51,096,283	4,407,854	4,497,203	8.8%	64,968	48,300	392,480	\$17.47
Hartford	5,973	97,605,844	7,451,333	7,868,131	8.1%	71,042	12,674	289,285	\$18.95
Hawaii	1,247	34,256,820	1,799,571	1,858,248	5.4%	(58,604)	0	408,839	\$25.77
Houston	9,172	325,901,554	47,809,867	54,406,840	16.7%	(1,105,254)	616,039	2,137,904	\$27.73
Huntington/A.	1,063	8,928,469	237,517	237,517	2.7%	(8,268)	0	0	\$10.16
Huntsville	1,054	20,647,478	1,488,427	1,515,682	7.3%	82,864	0	491,000	\$14.52
Indianapolis	5,872	106,891,469	7,353,257	7,455,600	7.0%	110,713	282,157	154,815	\$18.68
Inland Empir.	6,383	75,036,021	5,790,503	5,929,010	7.9%	323,738	108,704	201,671	\$20.65
Jackson	1,927	26,189,780	1,999,618	2,094,101	8.0%	(145,789)	0	81,133	\$16.78
Jacksonville.	4,637	63,862,598	4,421,566	4,747,413	7.4%	94,998	54,600	311,037	\$19.22
Kansas City	6,013	138,441,569	9,426,313	9,928,249	7.2%	141,047	40,000	747,647	\$19.17
Killeen/Temp.	476	3,810,287	235,659	241,913	6.3%	(553)	0	22,308	\$12.02
Kingsport/Br.	669	7,636,722	509,302	509,302	6.7%	29,971	0	0	\$15.57
Knoxville	2,965	34,469,258	1,567,683	1,715,383	5.0%	(144,051)	0	36,850	\$15.22
Lafayette	742	9,259,428	688,492	707,593	7.6%	70,776	0	20,000	\$15.27
Las Vegas	4,024	64,760,917	7,784,391	8,099,579	12.5%	474,438	266,506	403,977	\$19.56
Lexington/Fa.	1,305	19,662,800	1,290,304	1,343,868	6.8%	21,956	0	229,906	\$17.07
Lincoln	800	16,647,590	736,924	749,572	4.5%	(74,912)	0	143,227	\$13.46
Little Rock/.	2,519	34,379,292	1,507,670	1,545,615	4.5%	203,432	0	89,001	\$16.24
Long Island .	10,897	191,050,812	13,490,914	14,432,241	7.6%	(277,292)	323,723	5,459,408	\$28.13
Los Angeles	18,493	439,942,548	44,693,057	47,192,165	10.7%	(1,072,566)	700,850	5,366,121	\$35.13
Louisville	3,695	57,373,298	3,402,193	3,436,762	6.0%	(8,460)	9,100	312,835	\$17.05
Lubbock	1,521	12,365,305	734,269	743,801	6.0%	(18,724)	49,718	38,253	\$14.06
Madison	1,466	35,313,884	1,790,382	1,853,438	5.2%	174,649	274,000	981,600	\$15.95
McAllen/Edin.	993	11,129,060	843,670	843,850	7.6%	82,524	75,000	112,599	\$15.48
Memphis	3,041	53,633,992	5,948,720	6,008,882	11.2%	200,784	40,492	563,559	\$17.74
Miami-Dade C.	4,374	104,465,723	8,556,765	8,917,890	8.5%	(61,146)	179,561	1,956,688	\$35.13
Milwaukee	3,877	84,115,117	5,772,514	5,856,200	7.0%	(85,704)	6,070	670,537	\$16.38
Minneapolis	6,304	196,638,444	14,590,031	15,156,230	7.7%	(12,083)	478,140	1,547,684	\$19.57
Mobile	2,368	18,563,115	1,128,856	1,133,246	6.1%	32,766	13,654	36,000	\$14.03
Montgomery	1,349	16,139,317	1,124,254	1,125,149	7.0%	14,342	0	0	\$13.93
Myrtle Beach.	1,186	8,296,374	355,938	362,138	4.4%	(23,096)	0	0	\$13.12
Nashville	5,441	91,063,211	5,852,827	6,461,629	7.1%	(148,649)	117,850	1,810,350	\$25.97
New Orleans/.	3,461	49,801,112	3,588,675	3,673,010	7.4%	(98,573)	36,788	43,200	\$17.96
New York Cit.	3,835	562,113,253	39,729,888	44,747,784	8.0%	963,603	557,672	14,597,002	\$61.15
North Bay/Sa.	3,741	40,920,898	3,793,954	3,861,394	9.4%	42,911	0	19,000	\$28.28
Northern New.	18,358	372,595,575	42,690,279	45,963,192	12.3%	387,743	140,000	1,828,171	\$25.16
Ocala	908	6,208,132	400,249	400,249	6.4%	(9,415)	0	0	\$13.75
Oklahoma Cit.	4,599	61,547,015	4,095,097	4,182,919	6.8%	556,579	817,762	818,162	\$16.96
Olympia	873	9,586,620	630,839	630,839	6.6%	107,946	0	6,400	\$16.73
Omaha/Counc.	1,780	43,624,898	3,016,419	3,149,794	7.2%	2,329	16,944	933,840	\$16.40
Orange Count.	6,104	157,252,720	14,205,441	15,291,124	9.7%	128,155	505,523	1,041,780	\$30.90
Orlando	8,746	108,112,550	7,218,507	7,449,394	6.9%	31,054	190,344	1,432,904	\$20.91
Palm Beach C.	2,854	55,496,187	5,539,677	5,716,400	10.3%	(138,544)	18,200	297,794	\$29.57
Pensacola	2,034	14,696,373	709,640	709,640	4.8%	(40,768)	0	302,115	\$15.27
Peoria	713	11,482,702	740,521	740,521	6.4%	(45,474)	0	0	\$12.44

Source: CoStar Property®

Total Office Market Statistics

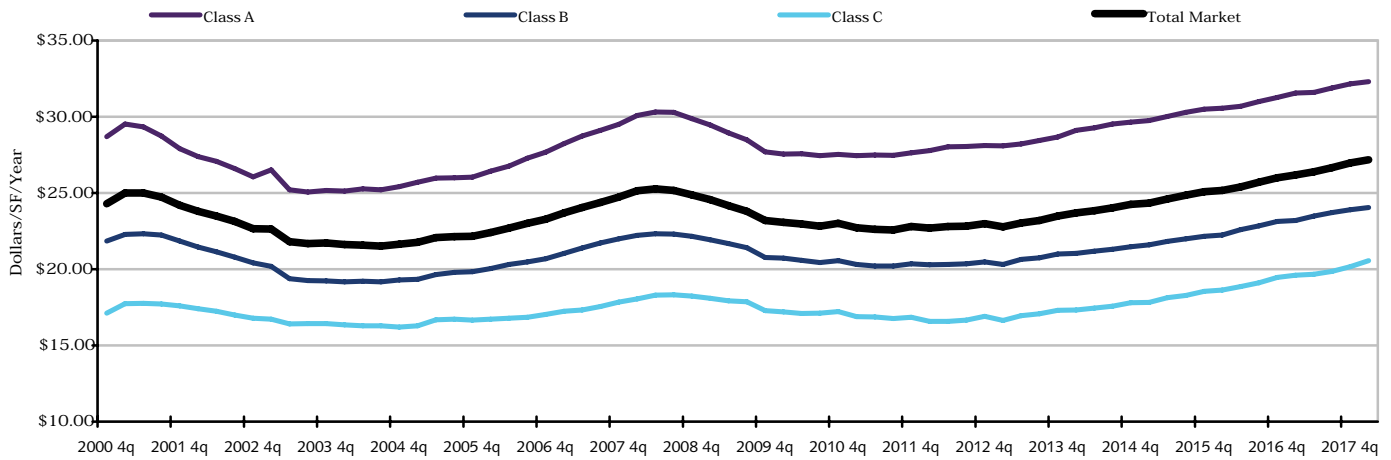
First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Philadelphia	25,213	439,465,382	34,383,387	35,944,412	8.2%	11,581	148,358	4,632,107	\$22.89
Phoenix	8,672	178,512,176	23,719,268	25,481,529	14.3%	248,547	391,456	2,918,300	\$25.00
Pittsburgh	7,276	132,824,444	11,202,762	11,641,014	8.8%	(581,089)	64,695	722,645	\$21.63
Port St Luci.	1,022	10,454,291	977,722	979,722	9.4%	(46,924)	34,572	141,226	\$14.32
Portland	9,121	134,638,086	8,746,813	9,075,927	6.7%	(256,434)	430,255	3,194,500	\$23.81
Portland/Sou.	1,790	24,597,942	1,047,549	1,075,812	4.4%	129,984	73,880	159,894	\$14.03
Providence	2,914	43,686,720	2,513,671	2,540,226	5.8%	(249,606)	0	693,000	\$17.49
Raleigh/Durh.	4,851	100,498,529	6,549,597	6,825,596	6.8%	381,604	175,306	3,689,851	\$22.59
Reno/Sparks	1,681	19,370,740	1,697,214	1,785,346	9.2%	(18,710)	0	110,439	\$17.95
Richmond VA	3,247	63,953,805	4,001,887	4,198,386	6.6%	(149,644)	28,202	986,067	\$18.52
Roanoke	1,099	14,178,028	972,280	981,414	6.9%	14,440	0	0	\$16.62
Rochester	2,163	47,034,826	2,949,085	3,062,885	6.5%	406,001	30,200	183,834	\$13.28
Sacramento	5,363	104,984,839	10,109,487	10,333,331	9.8%	196,406	9,798	668,892	\$21.96
Salinas	848	8,659,480	525,362	529,942	6.1%	7,180	0	0	\$20.78
Salt Lake Ci.	4,857	103,338,300	7,618,372	8,136,740	7.9%	(322,610)	286,162	2,145,442	\$20.85
San Antonio	3,988	77,941,965	7,171,179	7,351,395	9.4%	(176,403)	55,425	1,514,093	\$21.12
San Diego	5,540	115,599,153	10,541,755	11,091,851	9.6%	(45,213)	0	993,306	\$32.18
San Francisc.	3,904	170,376,632	9,948,462	11,404,763	6.7%	1,809,799	2,037,442	8,944,777	\$60.03
San Luis Obi.	879	6,279,354	116,315	119,432	1.9%	30,785	25,000	49,145	\$20.82
Santa Barbar.	1,449	12,329,865	486,934	513,434	4.2%	(30,429)	0	0	\$22.80
Santa Cruz/W.	871	7,359,118	392,237	393,352	5.3%	(2,631)	0	0	\$21.37
Savannah	1,542	11,881,438	527,441	527,441	4.4%	48,754	22,964	10,000	\$17.73
Seattle/Puge.	7,895	201,646,470	13,289,846	14,403,069	7.1%	1,764,884	555,645	6,790,442	\$32.07
Shreveport/B.	818	11,276,246	936,470	936,470	8.3%	9,765	12,414	0	\$14.55
South Bay/Sa.	4,597	127,253,874	10,717,340	12,693,070	10.0%	1,098,757	2,182,877	3,469,710	\$42.39
South Bend/M.	1,405	13,820,322	1,019,652	1,025,544	7.4%	(44,292)	0	8,400	\$14.26
Southwest Fl.	3,266	33,467,289	2,248,632	2,289,441	6.8%	(158,181)	28,504	40,238	\$14.98
Spokane	1,676	22,003,812	1,907,144	1,921,663	8.7%	5,562	0	11,710	\$16.14
Springfield	854	9,963,844	556,168	566,553	5.7%	25,895	30,000	54,000	\$12.61
St. Louis	6,351	137,842,294	9,872,810	10,145,339	7.4%	(401,994)	30,000	1,779,566	\$19.10
Stockton/Mod.	2,003	21,172,219	1,270,027	1,288,104	6.1%	(87,517)	0	0	\$16.29
Syracuse	2,187	37,691,764	2,816,846	2,849,408	7.6%	168,907	46,000	37,945	\$13.91
Tallahassee	2,239	22,720,838	921,669	937,470	4.1%	(63,866)	0	66,600	\$16.44
Tampa/St Pet.	14,176	158,986,675	10,111,737	10,659,077	6.7%	210,430	214,516	667,540	\$20.89
Toledo	2,691	31,612,616	1,888,264	1,902,826	6.0%	33,535	5,000	108,579	\$12.62
Tucson	2,542	26,273,268	2,325,303	2,372,067	9.0%	37,445	0	311,435	\$19.48
Tulsa	2,783	52,744,558	5,079,369	5,518,727	10.5%	(184,090)	41,595	275,463	\$15.27
Utica/Rome	639	9,261,586	218,391	218,391	2.4%	4,621	0	0	\$9.97
Visalia/Port.	1,152	6,501,963	184,533	184,533	2.8%	42,812	23,034	0	\$15.58
Washington	12,865	507,861,043	64,809,644	68,222,101	13.4%	143,646	857,769	10,606,844	\$35.56
West Michiga.	6,315	81,585,951	3,587,611	3,708,711	4.5%	301,823	103,375	439,693	\$13.94
Westchester/.	7,878	173,113,557	20,281,729	21,053,532	12.2%	(152,078)	17,310	609,044	\$28.09
Wichita	1,754	24,516,418	1,799,682	1,819,415	7.4%	(18,520)	67,981	60,000	\$13.28
Wilmington	1,798	13,268,177	610,165	610,165	4.6%	48,833	33,195	236,077	\$17.13
Yakima	626	4,842,325	297,377	297,377	6.1%	52,707	0	0	\$11.47
Youngstown/V.	1,862	15,726,877	781,925	781,925	5.0%	42,776	0	0	\$10.19
Totals	564,296	11,277,493,176	991,484,985	1,050,862,988	9.3%	13,589,831	22,548,174	150,942,615	\$25.03

Source: CoStar Property®

Historical Rental Rates*

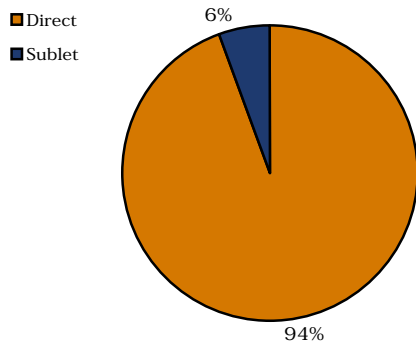
Based on Full-Service Equivalent Rental Rates



Source: CoStar Property® * Select markets included in this historical chart - see Methodology page.

Vacancy by Available Space Type

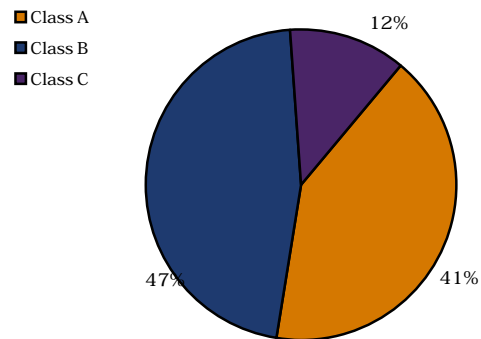
Percent of All Vacant Space in Direct vs. Sublet



Source: CoStar Property®

Vacancy by Class

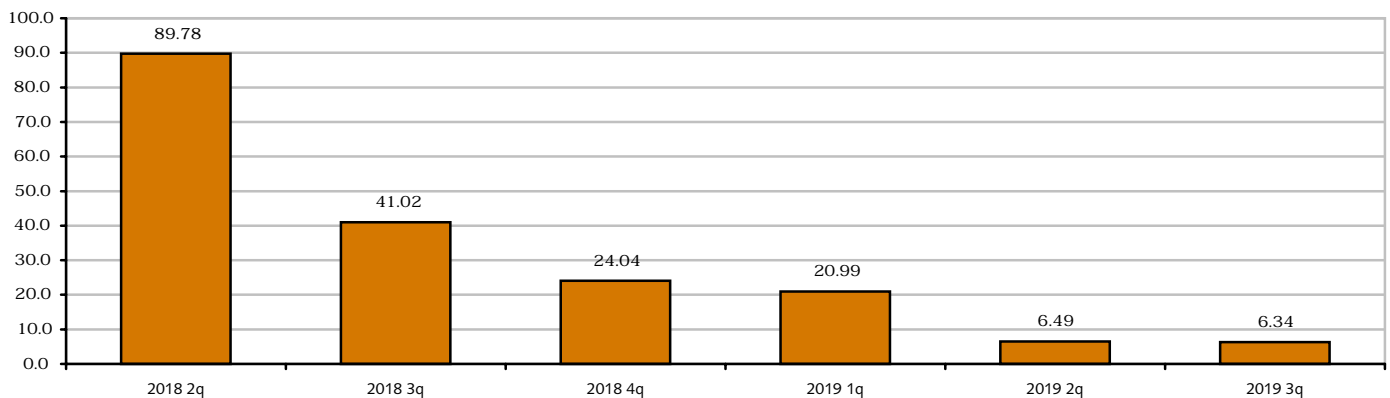
Percent of All Vacant Space by Class



Source: CoStar Property®

Future Space Available

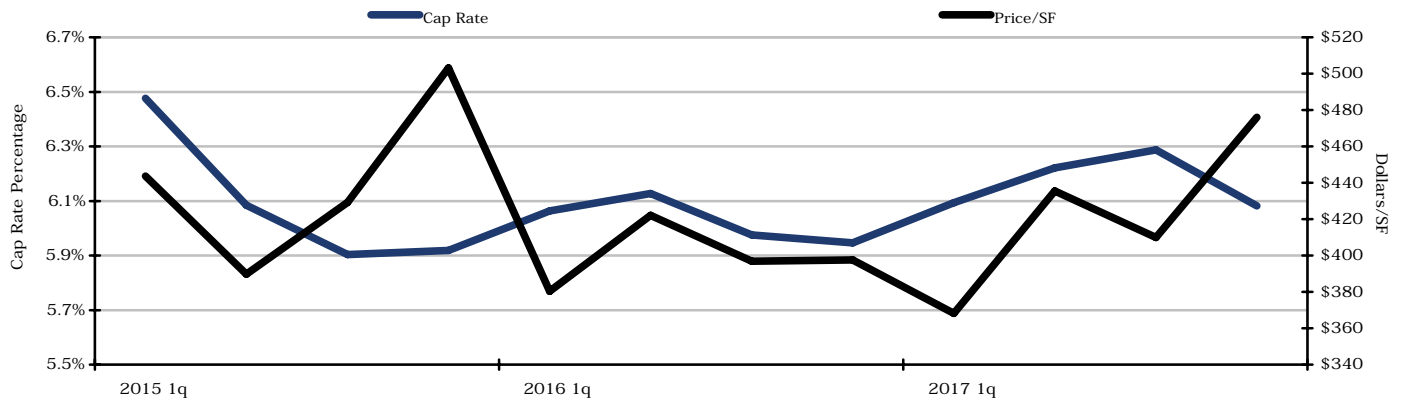
Space Scheduled to be Available for Occupancy in the Future*



* includes Under Construction Spaces Source: CoStar Property®

The Optimist Sales Index

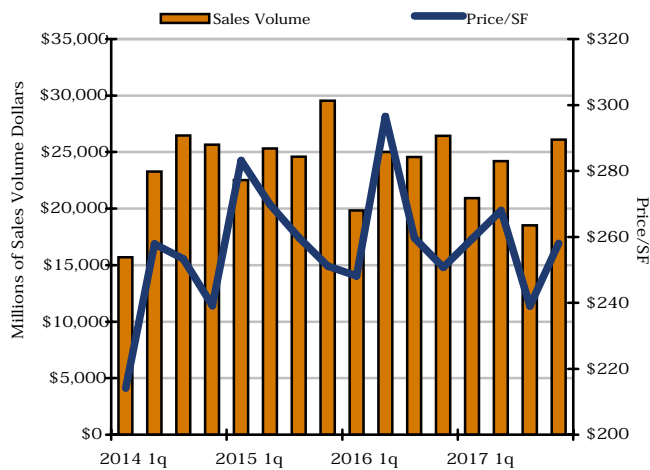
Average of Two Highest Price/SF's and Two Lowest Cap Rates From Each Region



Source: CoStar COMPS®

Sales Volume & Price

Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

Sales Analysis by Building Size

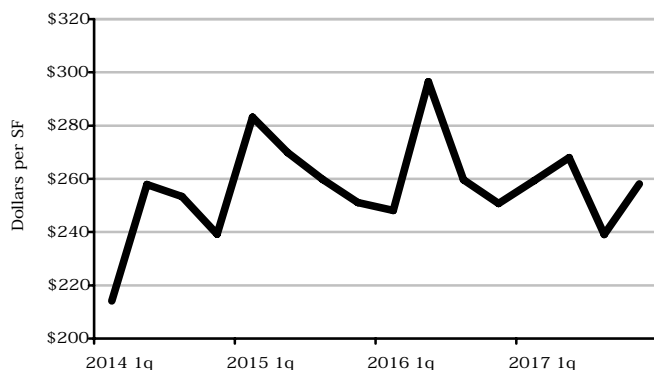
Based on Office Building Sales From Jan. 2017 - Dec. 2017

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 50,000 SF	5,043	70,085,944	\$15,577,192,136	\$ 222.26	7.26%
50K-249K SF	1,214	136,641,850	\$28,981,222,421	\$ 212.10	7.06%
250K-499K SF	237	81,132,327	\$22,564,171,122	\$ 278.12	6.04%
>500K SF	103	85,356,432	\$29,144,588,846	\$ 341.45	5.61%

Source: CoStar COMPS®

Historical Price/SF Average

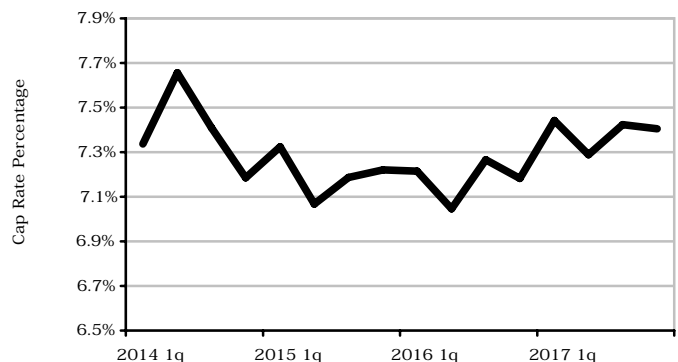
Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

Historical Cap Rate Average

Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®