

U.S.'s Vacancy Decreases to 8.9% Net Absorption Positive 23,224,661 SF in the Quarter

The U.S. Office market ended the fourth quarter 2018 with a vacancy rate of 8.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 23,224,661 square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 58,934,074 square feet. Rental rates ended the fourth quarter at \$25.84, an increase over the previous quarter. A total of 347 buildings delivered to the market in the quarter totaling 15,878,801 square feet, with 169,705,657 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall U.S. office market was positive 23,224,661 square feet in the fourth quarter 2018. That compares to positive 27,159,086 square feet in the third quarter 2018, positive 24,780,224 square feet in the second quarter 2018, and positive 21,107,142 square feet in the first quarter 2018.

The Class-A office market recorded net absorption of positive 13,775,160 square feet in the fourth quarter 2018, compared to positive 17,917,084 square feet in the third quarter 2018, positive 15,035,469 in the second quarter 2018, and positive 16,986,857 in the first quarter 2018.

The Class-B office market recorded net absorption of positive 7,812,464 square feet in the fourth quarter 2018, compared to positive 8,819,881 square feet in the third quarter 2018, positive 7,484,276 in the second quarter 2018, and positive 1,647,529 in the first quarter 2018.

The Class-C office market recorded net absorption of positive 1,637,037 square feet in the fourth quarter 2018 com-

pared to positive 422,121 square feet in the third quarter 2018, positive 2,260,479 in the second quarter 2018, and positive 2,472,756 in the first quarter 2018.

Net absorption for U.S.'s central business district was positive 2,500,225 square feet in the fourth quarter 2018. That compares to positive 5,894,820 square feet in the third quarter 2018, positive 5,872,032 in the second quarter 2018, and positive 7,546,791 in the first quarter 2018.

Net absorption for the suburban markets was positive 20,724,436 square feet in the fourth quarter 2018. That compares to positive 21,264,266 square feet in third quarter 2018, positive 18,908,192 in the second quarter 2018, and positive 13,560,351 in the first quarter 2018.

Vacancy

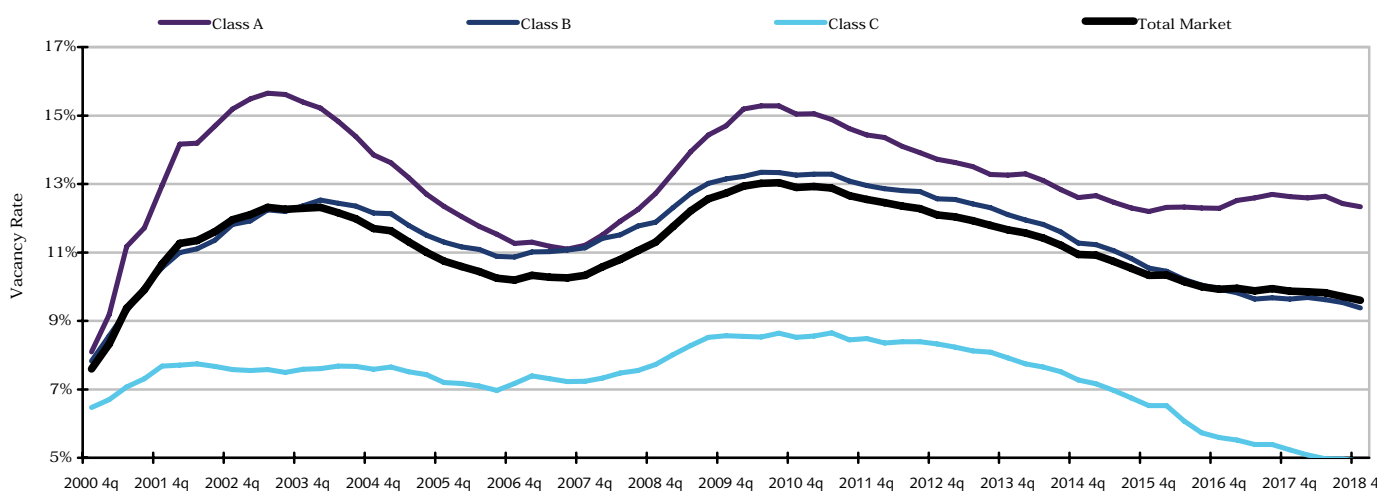
The office vacancy rate in the U.S. market area decreased to 8.9% at the end of the fourth quarter 2018. The vacancy rate was 9.0% at the end of the third quarter 2018, 9.1% at the end of the second quarter 2018, and 9.1% at the end of the first quarter 2018.

Class-A projects reported a vacancy rate of 11.9% at the end of the fourth quarter 2018, 12.0% at the end of the third quarter 2018, 12.2% at the end of the second quarter 2018, and 12.1% at the end of the first quarter 2018.

Class-B projects reported a vacancy rate of 8.7% at the end of the fourth quarter 2018, 8.8% at the end of the third quarter 2018, 8.9% at the end of the second quarter 2018, and 9.0% at the end of the first quarter 2018.

Class-C projects reported a vacancy rate of 4.7% at the end of the fourth quarter 2018, 4.8% at the end of third quar-

Vacancy Rates by Class* 2000-2018



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

ter 2018, 4.8% at the end of the second quarter 2018, and 4.9% at the end of the first quarter 2018.

The overall vacancy rate in U.S.'s central business district at the end of the fourth quarter 2018 changed to 9.3%. The vacancy rate was 9.3% at the end of the third quarter 2018, 9.5% at the end of the second quarter 2018, and 9.5% at the end of the first quarter 2018.

The vacancy rate in the suburban markets decreased to 8.7% in the fourth quarter 2018. The vacancy rate was 8.9% at the end of the third quarter 2018, 8.9% at the end of the second quarter 2018, and 9.0% at the end of the first quarter 2018.

Sublease Vacancy

The amount of vacant sublease space in the U.S. market increased to 58,934,074 square feet by the end of the fourth quarter 2018, from 58,408,826 square feet at the end of the third quarter 2018. There was 58,661,322 square feet vacant at the end of the second quarter 2018 and 56,285,512 square feet at the end of the first quarter 2018.

U.S.'s Class-A projects reported vacant sublease space of 35,271,930 square feet at the end of fourth quarter 2018, down from the 35,475,028 square feet reported at the end of the third quarter 2018. There were 35,568,277 square feet of sublease space vacant at the end of the second quarter 2018, and 34,886,947 square feet at the end of the first quarter 2018.

Class-B projects reported vacant sublease space of 21,243,148 square feet at the end of the fourth quarter 2018, up from the 20,579,803 square feet reported at the end of the third quarter 2018. At the end of the second quarter 2018 there were 20,796,659 square feet, and at the end of the first quarter 2018 there were 18,939,780 square feet vacant.

Class-C projects reported increased vacant sublease space from the third quarter 2018 to the fourth quarter 2018. Sublease vacancy went from 2,353,995 square feet to 2,418,996 square feet during that time. There was 2,296,386 square feet at the end of the second quarter 2018, and 2,458,785 square feet at the end of the first quarter 2018.

Sublease vacancy in U.S.'s central business district stood at 15,740,742 square feet at the end of the fourth quarter 2018. It was 15,853,168 square feet at the end of the third quarter 2018, 15,916,668 square feet at the end of the second quarter 2018, and 16,044,510 square feet at the end of the first quarter 2018.

Sublease vacancy in the suburban markets ended the fourth quarter 2018 at 43,193,332 square feet. At the end of the third quarter 2018 sublease vacancy was 42,555,658 square feet, was 42,744,654 square feet at the end of the second quarter 2018, and was 40,241,002 square feet at the end of the first quarter 2018.

Rental Rates

The average quoted asking rental rate for available office

space, all classes, was \$25.84 per square foot per year at the end of the fourth quarter 2018 in the U.S. market area. This represented a 1.4% increase in quoted rental rates from the end of the third quarter 2018, when rents were reported at \$25.49 per square foot.

The average quoted rate within the Class-A sector was \$31.69 at the end of the fourth quarter 2018, while Class-B rates stood at \$22.65, and Class-C rates at \$18.80. At the end of the third quarter 2018, Class-A rates were \$31.39 per square foot, Class-B rates were \$22.39, and Class-C rates were \$18.48.

The average quoted asking rental rate in U.S.'s CBD was \$33.61 at the end of the fourth quarter 2018, and \$24.24 in the suburban markets. In the third quarter 2018, quoted rates were \$33.50 in the CBD and \$23.86 in the suburbs.

Deliveries and Construction

During the fourth quarter 2018, 347 buildings totaling 15,878,801 square feet were completed in the U.S. market area. This compares to 343 buildings totaling 19,514,502 square feet that were completed in the third quarter 2018, 379 buildings totaling 21,896,054 square feet completed in the second quarter 2018, and 24,593,486 square feet in 531 buildings completed in the first quarter 2018.

There were 169,705,657 square feet of office space under construction at the end of the fourth quarter 2018.

Inventory

Total office inventory in the U.S. market area amounted to 11,426,583,376 square feet in 571,950 buildings as of the end of the fourth quarter 2018. The Class-A office sector consisted of 3,645,434,190 square feet in 19,958 projects. There were 223,957 Class-B buildings totaling 5,307,012,019 square feet, and the Class-C sector consisted of 2,474,137,167 square feet in 328,035 buildings. Within the Office market there were 22,897 owner-occupied buildings accounting for 1,001,360,204 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 third quarter 2018 in terms of dollar volume compared to the second quarter of 2018.

In the third quarter, 812 office transactions closed with a total volume of \$22,606,850,187. The 812 buildings totaled 85,483,841 square feet and the average price per square foot equated to \$264.46 per square foot. That compares to 827 transactions totaling \$20,527,396,588 in the second quarter 2018. The total square footage in the second quarter was 82,009,817 square feet for an average price per square foot of \$250.30.

Total office building sales activity in 2018 was up compared to 2017. In the first nine months of 2018, the market saw 2,395 office sales transactions with a total volume of \$63,892,392,452. The price per square foot averaged \$262.50.

In the same first nine months of 2017, the market posted 2,436 transactions with a total volume of \$63,378,244,644. The price per square foot averaged \$253.67.

Cap rates have been lower in 2018, averaging 7.21% compared to the same period in 2017 when they averaged 7.41%.

One of the largest transactions that has occurred within the last 4 quarters in the U.S. market is the sale of 245 Park Avenue in New York. This 874,395 square foot office building sold for \$1,014,790,000, or \$1,160.56 per square foot. The property sold on 11/19/2018, at a 5.10% cap rate.

Albany/Schenectady/Troy

The Albany/Schenectady/Troy office market ended the quarter with a vacancy rate of 3.7%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 157,144 square feet. Vacant sublease space increased to 71,408 square feet. Rental rates ended the fourth quarter at \$15.95, an increase over the previous quarter. A total of one building with 50,000 square feet of space delivered to the market, with 54,000 square feet still under construction at the end of the quarter.

Albuquerque

With no new office space being delivered to the market, and positive 58,719 square feet of net absorption, Albuquerque's vacancy rate went from 6.7% to 6.6% in the quarter. Rental rates went from \$15.64 to \$15.98 during that time. At the end of the quarter, there was 12,000 square feet underway for future delivery.

Anchorage

The Anchorage office market reported no new deliveries and no space under construction at the end of the fourth quarter 2018. With this limited construction activity, net absorption of negative (39,674) square feet caused the vacancy rate to increase from 5.7% to 6.0% in the quarter. Rental rates stood at \$26.65.

Asheville

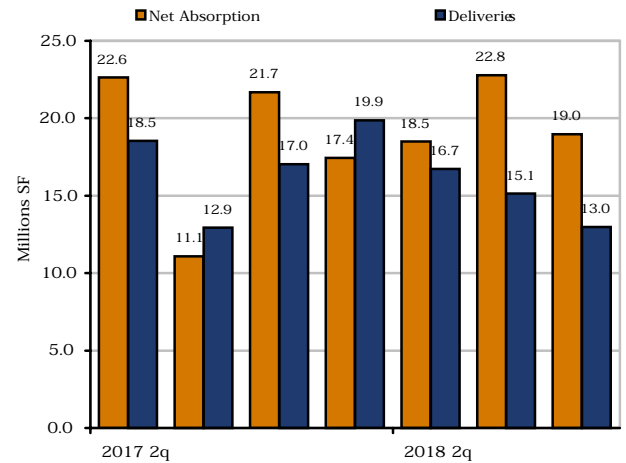
The Asheville office market saw vacancies rise and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 2.2%, from 2.1% in the previous quarter. Rental rates ended the quarter at \$16.41 per square foot, from \$15.39 in the previous quarter. There was a total of 36,850 square feet that delivered in the quarter, with 6,000 square feet still under construction at the end of the quarter.

Atlanta

The Atlanta office market ended the quarter with a vacancy rate of 11.3%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,423,758 square feet. Vacant sublease space decreased to 1,754,880 square feet. Rental rates ended the fourth quarter

Absorption & Deliveries*

Past 10 Quarters



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

at \$24.94, an increase over the previous quarter. A total of 10 buildings with 598,815 square feet of space delivered to the market, with 4,927,008 square feet still under construction at the end of the quarter.

Augusta/Richmond County

With no new office space being delivered to the market, and positive 103,587 square feet of net absorption, Augusta/Richmond County's vacancy rate went from 8.2% to 7.5% in the quarter. Rental rates went from \$16.95 to \$17.41 during that time. At the end of the quarter, there was 167,550 square feet underway for future delivery.

Austin

The Austin office market ended the quarter with a vacancy rate of 7.7%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,416,655 square feet. Vacant sublease space decreased to 726,017 square feet. Rental rates ended the fourth quarter at \$34.45, an increase over the previous quarter. A total of 29 buildings with 1,178,995 square feet of space delivered to the market, with 4,224,781 square feet still under construction at the end of the quarter.

Bakersfield

The Bakersfield office market saw vacancies rise and rental rates decrease from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 5.9%, from 5.8% in the previous quarter. Rental rates ended the quarter at \$18.57 per square foot, from \$18.62 in the previous quarter. There was a total of 32,232 square feet that delivered in the quarter, with 20,575 square feet still under construction at the end of the quarter.

Baltimore

The vacancy rate remained unchanged in Baltimore in

the fourth quarter. With 388,375 square feet in deliveries, and negative (68,984) square feet in net absorption, the vacancy rate held at 9.2%, the same rate reported in the previous quarter. The market had 1,228,323 square feet under construction at the end of the quarter, and rental rates stood at \$23.07 per square foot.

Baton Rouge

The Baton Rouge office market saw vacancies fall and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 7.3%, from 7.4% in the previous quarter. Rental rates ended the quarter at \$18.85 per square foot, from \$17.99 in the previous quarter. There was a total of 9,500 square feet that delivered in the quarter, with 161,764 square feet still under construction at the end of the quarter.

Beaumont/Port Arthur

The Beaumont/Port Arthur office market reported no new deliveries and no space under construction at the end of the fourth quarter 2018. With this limited construction activity, net absorption of positive 52,886 square feet caused the vacancy rate to down from 8.5% to 7.9% in the quarter. Rental rates stood at \$12.52.

Birmingham

The Birmingham office market ended the quarter with a vacancy rate of 9.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 223,532 square feet. Vacant sublease space decreased to 823,386 square feet. Rental rates ended the fourth quarter at \$18.35, an increase over the previous quarter. A total of two buildings with 52,700 square feet of space delivered to the market, with 220,600 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 third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 5.9%, from 6.3% in the previous quarter. Rental rates ended the quarter at \$17.08 per square foot, from \$17.24 in the previous quarter. There was a total of 11,860 square feet that delivered in the quarter, with 268,365 square feet still under construction at the end of the quarter.

Boston

The Boston 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 positive 27,397 square feet. Vacant sublease space increased to 2,348,220 square feet. Rental rates ended the fourth quarter at \$23.28, an increase over the previous quarter. A total of six buildings with 980,044 square feet of space delivered to the market,

with 4,281,701 square feet still under construction at the end of the quarter.

Bremerton/Silverdale

The Bremerton/Silverdale office market reported no new deliveries and no space under construction at the end of the fourth quarter 2018. With this limited construction activity, net absorption of positive 42,073 square feet caused the vacancy rate to down from 7.1% to 6.3% in the quarter. Rental rates stood at \$16.44.

Broward County

The Broward County office market ended the quarter with a vacancy rate of 8.5%. The vacancy rate was down over the previous quarter, with net absorption totaling negative (15,219) square feet. Vacant sublease space decreased to 219,293 square feet. Rental rates ended the fourth quarter at \$30.85, an increase over the previous quarter. A total of one building with 4,752 square feet of space delivered to the market, with 1,125,703 square feet still under construction at the end of the quarter.

Brownsville/Harlingen

With no new office space being delivered to the market, and negative (8,964) square feet of net absorption, Brownsville/Harlingen's vacancy rate went from 6.5% to 6.7% in the quarter. Rental rates went from \$16.15 to \$16.22 during that time. At the end of the quarter, there was 82,901 square feet underway for future delivery.

Buffalo/Niagara Falls

The Buffalo/Niagara Falls office market saw vacancies rise and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 9.1%, from 8.0% in the previous quarter. Rental rates ended the quarter at \$16.02 per square foot, from \$15.88 in the previous quarter. There was a total of 7,400 square feet that delivered in the quarter, with 232,000 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 fourth quarter 2018. With this limited construction activity, net absorption of positive 3,649 square feet caused the vacancy rate to unchanged from 5.5% to 5.5% in the quarter. Rental rates stood at \$15.90.

Charleston/N Charleston

The Charleston/N Charleston office market saw vacancies rise and rental rates decrease from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 6.3%, from 5.7% in the previous quarter. Rental rates ended the quarter at \$23.40 per square foot, from \$25.13 in the

previous quarter. There was a total of 199,693 square feet that delivered in the quarter, with 723,904 square feet still under construction at the end of the quarter.

Charlotte

The Charlotte 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 867,912 square feet. Vacant sublease space increased to 550,345 square feet. Rental rates ended the fourth quarter at \$25.53, a decrease over the previous quarter. A total of two buildings with 21,770 square feet of space delivered to the market, with 4,290,425 square feet still under construction at the end of the quarter.

Chattanooga

With no new office space being delivered to the market, and positive 75,578 square feet of net absorption, Chattanooga's vacancy rate went from 4.9% to 4.5% in the quarter. Rental rates went from \$17.19 to \$15.81 during that time. At the end of the quarter, there was 30,000 square feet underway for future delivery.

Chicago

The Chicago office market ended the quarter with a vacancy rate of 11.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 884,246 square feet. Vacant sublease space increased to 3,077,775 square feet. Rental rates ended the fourth quarter at \$24.79, an increase over the previous quarter. A total of 12 buildings with 567,771 square feet of space delivered to the market, with 7,507,567 square feet still under construction at the end of the quarter.

Cincinnati

The Cincinnati office market ended the quarter with a vacancy rate of 7.6%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 85,294 square feet. Vacant sublease space increased to 255,265 square feet. Rental rates ended the fourth quarter at \$16.13, a decrease over the previous quarter. A total of one building with 11,000 square feet of space delivered to the market, with 69,000 square feet still under construction at the end of the quarter.

Cleveland

The Cleveland office market ended the quarter with a vacancy rate of 7.3%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 426,725 square feet. Vacant sublease space decreased to 202,432 square feet. Rental rates ended the fourth quarter at \$17.59, an increase over the previous quarter. A total of two buildings with 241,858 square feet of space delivered to the market, with

375,876 square feet still under construction at the end of the quarter.

Colorado Springs

With no new office space being delivered to the market, and positive 39,221 square feet of net absorption, Colorado Springs's vacancy rate went from 9.9% to 9.7% in the quarter. Rental rates went from \$15.64 to \$16.64 during that time. At the end of the quarter, there was 202,045 square feet underway for future delivery.

Columbia

With no new office space being delivered to the market, and positive 253,289 square feet of net absorption, Columbia's vacancy rate went from 7.0% to 6.2% in the quarter. Rental rates went from \$15.17 to \$15.47 during that time. At the end of the quarter, there was 89,768 square feet underway for future delivery.

Columbus

The Columbus 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 306,752 square feet. Vacant sublease space decreased to 397,947 square feet. Rental rates ended the fourth quarter at \$18.64, an increase over the previous quarter. A total of four buildings with 483,000 square feet of space delivered to the market, with 664,867 square feet still under construction at the end of the quarter.

Columbus GA

With no new office space being delivered to the market, and negative (22,345) square feet of net absorption, Columbus GA's vacancy rate went from 6.3% to 6.5% in the quarter. Rental rates went from \$12.46 to \$12.20 during that time. At the end of the quarter, there was 4,508 square feet underway for future delivery.

Corpus Christi

With no new office space being delivered to the market, and negative (25,990) square feet of net absorption, Corpus Christi's vacancy rate went from 7.5% to 7.8% in the quarter. Rental rates went from \$14.54 to \$13.50 during that time. At the end of the quarter, there was 50,000 square feet underway for future delivery.

Dallas/Ft Worth

The Dallas/Ft Worth office market ended the quarter with a vacancy rate of 14.6%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,132,166 square feet. Vacant sublease space increased to 3,843,242 square feet. Rental rates ended the fourth quarter at \$25.61, an increase over the previous quarter. A total of 29 buildings with 750,298 square feet of space delivered to the market, with

8,047,611 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 positive 36,536 square feet of net absorption, Davenport/Moline/Rock Island's vacancy rate went from 5.6% to 5.3% in the quarter. Rental rates went from \$11.41 to \$11.78 during that time. At the end of the quarter, there was 58,674 square feet underway for future delivery.

Dayton

With no new office space being delivered to the market, and positive 74,432 square feet of net absorption, Dayton's vacancy rate went from 8.0% to 7.8% in the quarter. Rental rates went from \$14.71 to \$14.56 during that time. At the end of the quarter, there was 581,634 square feet underway for future delivery.

Deltona/Daytona Beach

The Deltona/Daytona Beach office market saw vacancies rise and rental rates decrease from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 4.5%, from 4.1% in the previous quarter. Rental rates ended the quarter at \$13.12 per square foot, from \$13.27 in the previous quarter. There was a total of 12,300 square feet that delivered in the quarter, with 231,000 square feet still under construction at the end of the quarter.

Denver

The Denver office market ended the quarter with a vacancy rate of 9.4%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,160,514 square feet. Vacant sublease space increased to 1,714,820 square feet. Rental rates ended the fourth quarter at \$26.95, an increase over the previous quarter. A total of seven buildings with 649,014 square feet of space delivered to the market, with 4,540,282 square feet still under construction at the end of the quarter.

Des Moines

The Des Moines office market ended the quarter with a vacancy rate of 4.4%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (46,002) square feet. Vacant sublease space decreased to 16,386 square feet. Rental rates ended the fourth quarter at \$14.33, an increase over the previous quarter. A total of three buildings with 180,345 square feet of space delivered to the market, with 554,666 square feet still under construction at the end of the quarter.

Detroit

The Detroit office market ended the quarter with a vacancy rate of 8.9%. The vacancy rate was down over the

previous quarter, with net absorption totaling positive 635,161 square feet. Vacant sublease space increased to 294,819 square feet. Rental rates ended the fourth quarter at \$19.55, an increase over the previous quarter. A total of four buildings with 148,400 square feet of space delivered to the market, with 2,990,533 square feet still under construction at the end of the quarter.

Duluth

With no new office space being delivered to the market, and positive 20,911 square feet of net absorption, Duluth's vacancy rate went from 3.6% to 3.4% in the quarter. Rental rates went from \$15.53 to \$13.48 during that time. At the end of the quarter, there was 166,627 square feet underway for future delivery.

East Bay/Oakland

The vacancy rate remained unchanged in East Bay/Oakland in the fourth quarter. With 132,000 square feet in deliveries, and positive 76,258 square feet in net absorption, the vacancy rate held at 8.7%, the same rate reported in the previous quarter. The market had 1,749,619 square feet under construction at the end of the quarter, and rental rates stood at \$39.01 per square foot.

El Paso

With no new office space being delivered to the market, and positive 84,461 square feet of net absorption, El Paso's vacancy rate went from 6.4% to 6.0% in the quarter. Rental rates went from \$15.70 to \$15.33 during that time. At the end of the quarter, there was 294,001 square feet underway for future delivery.

Erie

With no new office space being delivered to the market, and negative (53,512) square feet of net absorption, Erie's vacancy rate went from 3.6% to 4.1% in the quarter. Rental rates went from \$10.41 to \$10.79 during that time. At the end of the quarter, there was 391,136 square feet underway for future delivery.

Evansville

With no new office space being delivered to the market, and positive 28,281 square feet of net absorption, Evansville's vacancy rate went from 3.6% to 3.3% in the quarter. Rental rates went from \$11.34 to \$10.96 during that time. At the end of the quarter, there was 58,687 square feet underway for future delivery.

Fayetteville

The Fayetteville office market saw vacancies fall and rental rates decrease from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 7.2%, from 7.7% in the previous quarter. Rental rates ended the

quarter at \$14.97 per square foot, from \$15.18 in the previous quarter. There was a total of 3,080 square feet that delivered in the quarter, with 28,500 square feet still under construction at the end of the quarter.

Fayetteville/Springdale/Rogers

With no new office space being delivered to the market, and negative (70,211) square feet of net absorption, Fayetteville/Springdale/Rogers's vacancy rate went from 5.8% to 6.2% in the quarter. Rental rates went from \$18.30 to \$18.18 during that time. At the end of the quarter, there was 241,086 square feet underway for future delivery.

Fort Smith

The Fort Smith office market reported no new deliveries and no space under construction at the end of the fourth quarter 2018. With this limited construction activity, net absorption of negative (71,308) square feet caused the vacancy rate to increase from 3.9% to 5.3% in the quarter. Rental rates stood at \$10.04.

Fort Wayne

The Fort Wayne office market reported no new deliveries and no space under construction at the end of the fourth quarter 2018. With this limited construction activity, net absorption of positive 99,383 square feet caused the vacancy rate to down from 6.5% to 5.9% in the quarter. Rental rates stood at \$14.06.

Fresno

With no new office space being delivered to the market, and positive 154,996 square feet of net absorption, Fresno's vacancy rate went from 7.2% to 6.7% in the quarter. Rental rates went from \$17.03 to \$17.79 during that time. At the end of the quarter, there was 277,399 square feet underway for future delivery.

Green Bay

With no new office space being delivered to the market, and positive 33,735 square feet of net absorption, Green Bay's vacancy rate went from 7.1% to 6.9% in the quarter. Rental rates went from \$12.88 to \$12.87 during that time. At the end of the quarter, there was 31,335 square feet underway for future delivery.

Greensboro/Winston-Salem

The Greensboro/Winston-Salem office market ended the quarter with a vacancy rate of 7.6%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 221,097 square feet. Vacant sublease space increased to 58,257 square feet. Rental rates ended the fourth quarter at \$15.33, an increase over the previous quarter. A total of one building with 90,000 square feet of space delivered to the market, with 130,974 square feet still under construction at the

end of the quarter.

Greenville/Spartanburg

The Greenville/Spartanburg office market ended the quarter with a vacancy rate of 8.1%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (183,282) square feet. Vacant sublease space increased to 159,909 square feet. Rental rates ended the fourth quarter at \$18.24, an increase over the previous quarter. A total of one building with 4,954 square feet of space delivered to the market, with 151,848 square feet still under construction at the end of the quarter.

Hampton Roads

The Hampton Roads office market ended the quarter with a vacancy rate of 8.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 191,908 square feet. Vacant sublease space decreased to 35,640 square feet. Rental rates ended the fourth quarter at \$17.90, an increase over the previous quarter. A total of two buildings with 84,463 square feet of space delivered to the market, with 577,065 square feet still under construction at the end of the quarter.

Hartford

The Hartford office market ended the quarter with a vacancy rate of 8.0%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 401,123 square feet. Vacant sublease space decreased to 480,582 square feet. Rental rates ended the fourth quarter at \$19.14, an increase over the previous quarter. A total of four buildings with 66,800 square feet of space delivered to the market, with 424,779 square feet still under construction at the end of the quarter.

Hawaii

With no new office space being delivered to the market, and positive 59,714 square feet of net absorption, Hawaii's vacancy rate went from 6.2% to 6.1% in the quarter. Rental rates went from \$24.53 to \$25.55 during that time. At the end of the quarter, there was 547,960 square feet underway for future delivery.

Houston

The Houston office market ended the quarter with a vacancy rate of 16.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 2,004,576 square feet. Vacant sublease space decreased to 4,974,697 square feet. Rental rates ended the fourth quarter at \$28.56, an increase over the previous quarter. A total of 17 buildings with 814,151 square feet of space delivered to the market, with 3,141,781 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 fourth quarter 2018. With this limited construction activity, net absorption of negative (20,852) square feet caused the vacancy rate to increase from 3.6% to 3.8% in the quarter. Rental rates stood at \$10.55.

Huntsville

With no new office space being delivered to the market, and negative (177,208) square feet of net absorption, Huntsville's vacancy rate went from 6.9% to 7.8% in the quarter. Rental rates went from \$14.49 to \$14.35 during that time. At the end of the quarter, there was 355,000 square feet underway for future delivery.

Indianapolis

The Indianapolis office market ended the quarter with a vacancy rate of 7.5%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (247,714) square feet. Vacant sublease space increased to 243,718 square feet. Rental rates ended the fourth quarter at \$19.18, an increase over the previous quarter. A total of three buildings with 40,002 square feet of space delivered to the market, with 562,832 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 increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 7.1%, from 7.4% in the previous quarter. Rental rates ended the quarter at \$21.48 per square foot, from \$21.03 in the previous quarter. There was a total of 5,500 square feet that delivered in the quarter, with 659,976 square feet still under construction at the end of the quarter.

Jackson

The Jackson office market saw vacancies fall and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 7.5%, from 8.5% in the previous quarter. Rental rates ended the quarter at \$17.15 per square foot, from \$16.93 in the previous quarter. There was a total of 3,600 square feet that delivered in the quarter, with 247,000 square feet still under construction at the end of the quarter.

Jacksonville (Florida)

The Jacksonville (Florida) office market ended the quarter with a vacancy rate of 7.8%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (62,577) square feet. Vacant sublease space decreased to 364,220 square feet. Rental rates ended the fourth quarter at \$19.55, a decrease over the previous quarter. A total of four

buildings with 116,693 square feet of space delivered to the market, with 563,961 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 6.7%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (132,881) square feet. Vacant sublease space increased to 416,681 square feet. Rental rates ended the fourth quarter at \$19.60, no change over the previous quarter. A total of three buildings with 58,708 square feet of space delivered to the market, with 1,873,882 square feet still under construction at the end of the quarter.

Killeen/Temple/Fort Hood

The Killeen/Temple/Fort Hood office market saw vacancies rise and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 6.2%, from 6.1% in the previous quarter. Rental rates ended the quarter at \$13.13 per square foot, from \$12.79 in the previous quarter. There was a total of 10,000 square feet that delivered in the quarter, with 40,000 square feet still under construction at the end of the quarter.

Kingsport/Bristol/Bristol

The Kingsport/Bristol/Bristol office market reported no new deliveries and no space under construction at the end of the fourth quarter 2018. With this limited construction activity, net absorption of positive 57,693 square feet caused the vacancy rate to down from 5.5% to 4.8% in the quarter. Rental rates stood at \$14.04.

Knoxville

The Knoxville office market saw vacancies fall and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 4.8%, from 5.2% in the previous quarter. Rental rates ended the quarter at \$15.29 per square foot, from \$15.08 in the previous quarter. There was a total of 36,850 square feet that delivered in the quarter, with 74,000 square feet still under construction at the end of the quarter.

Lafayette

With no new office space being delivered to the market, and negative (7,775) square feet of net absorption, Lafayette's vacancy rate went from 6.0% to 6.1% in the quarter. Rental rates went from \$14.90 to \$15.19 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 12.1%. The vacancy rate was down over the

previous quarter, with net absorption totaling positive 202,795 square feet. Vacant sublease space increased to 423,636 square feet. Rental rates ended the fourth quarter at \$20.09, an increase over the previous quarter. A total of five buildings with 62,164 square feet of space delivered to the market, with 466,361 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 1,552 square feet of net absorption, Lexington/Fayette's vacancy rate went from 9.0% to 9.0% in the quarter. Rental rates went from \$17.21 to \$16.84 during that time. At the end of the quarter, there was 241,899 square feet underway for future delivery.

Lincoln

With no new office space being delivered to the market, and negative (158,217) square feet of net absorption, Lincoln's vacancy rate went from 4.9% to 5.8% in the quarter. Rental rates went from \$13.75 to \$14.38 during that time. At the end of the quarter, there was 145,027 square feet underway for future delivery.

Little Rock/N Little Rock

With no new office space being delivered to the market, and negative (118,742) square feet of net absorption, Little Rock/N Little Rock's vacancy rate went from 3.7% to 4.0% in the quarter. Rental rates went from \$17.26 to \$17.02 during that time. At the end of the quarter, there was 8,500 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 8.2%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (380,201) square feet. Vacant sublease space increased to 1,150,849 square feet. Rental rates ended the fourth quarter at \$28.83, an increase over the previous quarter. A total of seven buildings with 772,238 square feet of space delivered to the market, with 9,049,465 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 9.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,662,440 square feet. Vacant sublease space increased to 2,405,523 square feet. Rental rates ended the fourth quarter at \$36.74, an increase over the previous quarter. A total of four buildings with 150,929 square feet of space delivered to the market, with 6,291,325 square feet still under construction at the end of the quarter.

Louisville

The Louisville office market ended the quarter with a vacancy rate of 5.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 407,918 square feet. Vacant sublease space increased to 62,000 square feet. Rental rates ended the fourth quarter at \$17.44, an increase over the previous quarter. A total of two buildings with 145,060 square feet of space delivered to the market, with 145,737 square feet still under construction at the end of the quarter.

Lubbock

The vacancy rate remained unchanged in Lubbock in the fourth quarter. With 4,386 square feet in deliveries, and positive 5,496 square feet in net absorption, the vacancy rate held at 6.0%, the same rate reported in the previous quarter. The market had 4,998 square feet under construction at the end of the quarter, and rental rates stood at \$13.53 per square foot.

Madison

The Madison office market saw vacancies fall and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 5.7%, from 6.0% in the previous quarter. Rental rates ended the quarter at \$16.72 per square foot, from \$16.37 in the previous quarter. There was a total of 136,000 square feet that delivered in the quarter, with 239,000 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 third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 6.2%, from 6.5% in the previous quarter. Rental rates ended the quarter at \$14.78 per square foot, from \$14.77 in the previous quarter. There was a total of 12,560 square feet that delivered in the quarter, with 97,886 square feet still under construction at the end of the quarter.

Memphis

The vacancy rate remained unchanged in Memphis in the fourth quarter. With 75,000 square feet in deliveries, and positive 38,424 square feet in net absorption, the vacancy rate held at 10.3%, the same rate reported in the previous quarter. The market had 224,032 square feet under construction at the end of the quarter, and rental rates stood at \$18.15 per square foot.

Miami-Dade County

The Miami-Dade County office market ended the quarter with a vacancy rate of 9.1%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (404,946) square feet. Vacant sublease space increased to 426,752 square feet. Rental rates ended the fourth quarter at

\$36.23, an increase over the previous quarter. A total of eight buildings with 402,812 square feet of space delivered to the market, with 1,892,100 square feet still under construction at the end of the quarter.

Milwaukee

The Milwaukee office market ended the quarter with a vacancy rate of 7.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 273,639 square feet. Vacant sublease space increased to 307,084 square feet. Rental rates ended the fourth quarter at \$17.05, an increase over the previous quarter. A total of two buildings with 159,000 square feet of space delivered to the market, with 634,537 square feet still under construction at the end of the quarter.

Minneapolis

The Minneapolis office market ended the quarter with a vacancy rate of 7.3%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (388,406) square feet. Vacant sublease space increased to 776,619 square feet. Rental rates ended the fourth quarter at \$22.35, an increase over the previous quarter. A total of two buildings with 212,959 square feet of space delivered to the market, with 844,383 square feet still under construction at the end of the quarter.

Mobile

With no new office space being delivered to the market, and negative (10,973) square feet of net absorption, Mobile's vacancy rate went from 6.4% to 6.4% in the quarter. Rental rates went from \$14.02 to \$14.24 during that time. At the end of the quarter, there was 38,000 square feet underway for future delivery.

Montgomery

The Montgomery office market reported no new deliveries and no space under construction at the end of the fourth quarter 2018. With this limited construction activity, net absorption of negative (39,125) square feet caused the vacancy rate to increase from 6.7% to 6.9% in the quarter. Rental rates stood at \$15.59.

Myrtle Beach/Conway

With no space currently under construction, Myrtle Beach/Conway absorbed 1,974 square feet of space and delivered 10,000 square feet of space, resulting in a vacancy rate that went from 2.8% to 2.9% over the course of the quarter. Rental rates went from \$14.50 to \$14.82 per square foot.

Nashville

The Nashville 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 269,994 square feet. Vacant sublease space decreased to 454,798

square feet. Rental rates ended the fourth quarter at \$27.58, an increase over the previous quarter. A total of seven buildings with 149,150 square feet of space delivered to the market, with 3,947,802 square feet still under construction at the end of the quarter.

New Orleans/Metairie/Kenner

The vacancy rate remained unchanged in New Orleans/Metairie/Kenner in the fourth quarter. With 19,791 square feet in deliveries, and negative (3,763) square feet in net absorption, the vacancy rate held at 7.2%, the same rate reported in the previous quarter. The market had 16,500 square feet under construction at the end of the quarter, and rental rates stood at \$17.79 per square foot.

New York City

The New York 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 (1,372,607) square feet. Vacant sublease space increased to 5,014,514 square feet. Rental rates ended the fourth quarter at \$62.00, an increase over the previous quarter. A total of three buildings with 216,143 square feet of space delivered to the market, with 17,261,375 square feet still under construction at the end of the quarter.

North Bay/Santa Rosa

With no new office space being delivered to the market, and positive 20,660 square feet of net absorption, North Bay/Santa Rosa's vacancy rate went from 8.3% to 8.3% in the quarter. Rental rates went from \$26.48 to \$27.64 during that time. At the end of the quarter, there was 29,390 square feet underway for future delivery.

Northern New Jersey

The Northern New Jersey office market saw vacancies fall and rental rates decrease from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 11.3%, from 11.5% in the previous quarter. Rental rates ended the quarter at \$25.56 per square foot, from \$25.60 in the previous quarter. There was a total of 116,000 square feet that delivered in the quarter, with 2,280,848 square feet still under construction at the end of the quarter.

Ocala

With no new office space being delivered to the market, and negative (33,600) square feet of net absorption, Ocala's vacancy rate went from 7.1% to 7.7% in the quarter. Rental rates went from \$13.52 to \$12.39 during that time. At the end of the quarter, there was 5,650 square feet underway for future delivery.

Oklahoma City

The Oklahoma City 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 118,110 square feet. Vacant sublease space decreased to 72,238 square feet. Rental rates ended the fourth quarter at \$16.73, a decrease over the previous quarter. A total of six buildings with 49,941 square feet of space delivered to the market, with 573,843 square feet still under construction at the end of the quarter.

Olympia

The Olympia office market reported no new deliveries and no space under construction at the end of the fourth quarter 2018. With this limited construction activity, net absorption of positive 39,985 square feet caused the vacancy rate to down from 4.0% to 3.6% in the quarter. Rental rates stood at \$17.74.

Omaha/Council Bluffs

With no new office space being delivered to the market, and negative (169,978) square feet of net absorption, Omaha/Council Bluffs's vacancy rate went from 6.4% to 6.8% in the quarter. Rental rates went from \$16.78 to \$18.78 during that time. At the end of the quarter, there was 902,010 square feet underway for future delivery.

Orange County (California)

The Orange County (California) office market saw vacancies fall and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 9.8%, from 10.0% in the previous quarter. Rental rates ended the quarter at \$31.59 per square foot, from \$31.34 in the previous quarter. There was a total of 41,853 square feet that delivered in the quarter, with 1,291,628 square feet still under construction at the end of the quarter.

Orlando

The Orlando office market ended the quarter with a vacancy rate of 6.5%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 386,807 square feet. Vacant sublease space increased to 208,915 square feet. Rental rates ended the fourth quarter at \$21.27, an increase over the previous quarter. A total of four buildings with 32,737 square feet of space delivered to the market, with 2,199,629 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 9.9%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 141,232 square feet. Vacant sublease space increased to 231,312 square feet. Rental rates ended the fourth quarter at \$29.71, an increase over the previous quarter. A total of three buildings with 53,200 square feet of space delivered to the market, with 504,676 square feet still under construction at the end of the quarter.

Pensacola

With no new office space being delivered to the market, and positive 40,031 square feet of net absorption, Pensacola's vacancy rate went from 4.8% to 4.6% in the quarter. Rental rates went from \$15.62 to \$16.02 during that time. At the end of the quarter, there was 236,437 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 fourth quarter 2018. With this limited construction activity, net absorption of positive 89,324 square feet caused the vacancy rate to down from 6.0% to 5.2% in the quarter. Rental rates stood at \$12.02.

Philadelphia

The Philadelphia office market ended the quarter with a vacancy rate of 7.8%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,224,697 square feet. Vacant sublease space decreased to 1,344,441 square feet. Rental rates ended the fourth quarter at \$23.10, an increase over the previous quarter. A total of 10 buildings with 701,684 square feet of space delivered to the market, with 3,084,305 square feet still under construction at the end of the quarter.

Phoenix

The Phoenix office market ended the quarter with a vacancy rate of 12.6%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (89,409) square feet. Vacant sublease space increased to 1,437,985 square feet. Rental rates ended the fourth quarter at \$25.61, an increase over the previous quarter. A total of nine buildings with 384,547 square feet of space delivered to the market, with 3,496,286 square feet still under construction at the end of the quarter.

Pittsburgh

With no new office space being delivered to the market, and negative (195,330) square feet of net absorption, Pittsburgh's vacancy rate went from 8.3% to 8.4% in the quarter. Rental rates went from \$22.06 to \$22.14 during that time. At the end of the quarter, there was 1,253,376 square feet underway for future delivery.

Port St Lucie/Fort Pierce

The Port St Lucie/Fort Pierce office market saw vacancies fall and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 8.5%, from 9.4% in the previous quarter. Rental rates ended the quarter at \$15.11 per square foot, from \$14.70 in the previous quarter. There was a total of 8,576 square feet that delivered in the quarter, with 60,174 square feet still under construction at the end of the quarter.

Portland

The Portland office market ended the quarter with a vacancy rate of 6.6%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 351,195 square feet. Vacant sublease space increased to 360,617 square feet. Rental rates ended the fourth quarter at \$24.92, an increase over the previous quarter. A total of eight buildings with 521,186 square feet of space delivered to the market, with 2,284,328 square feet still under construction at the end of the quarter.

Portland/South Portland

The vacancy rate remained unchanged in Portland/South Portland in the fourth quarter. With 24,894 square feet in deliveries, and positive 18,055 square feet in net absorption, the vacancy rate held at 3.5%, the same rate reported in the previous quarter. The market had 139,800 square feet under construction at the end of the quarter, and rental rates stood at \$15.66 per square foot.

Providence

The Providence office market ended the quarter with a vacancy rate of 5.0%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 185,970 square feet. Vacant sublease space decreased to 20,242 square feet. Rental rates ended the fourth quarter at \$18.13, a decrease over the previous quarter. A total of one building with 8,828 square feet of space delivered to the market, with 378,080 square feet still under construction at the end of the quarter.

Raleigh/Durham

The Raleigh/Durham 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 934,992 square feet. Vacant sublease space increased to 287,685 square feet. Rental rates ended the fourth quarter at \$24.26, an increase over the previous quarter. A total of 15 buildings with 874,655 square feet of space delivered to the market, with 3,307,979 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 (42,674) square feet of net absorption, Reno/Sparks's vacancy rate went from 8.7% to 9.0% in the quarter. Rental rates went from \$17.73 to \$18.50 during that time. At the end of the quarter, there was 110,766 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 previous quarter, with net absorption totaling positive 31,155 square

feet. Vacant sublease space increased to 240,513 square feet. Rental rates ended the fourth quarter at \$18.72, a decrease over the previous quarter. A total of four buildings with 69,549 square feet of space delivered to the market, with 1,297,369 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 fourth quarter 2018. With this limited construction activity, net absorption of positive 59,912 square feet caused the vacancy rate to down from 6.8% to 6.4% in the quarter. Rental rates stood at \$15.67.

Rochester

With no new office space being delivered to the market, and negative (340,971) square feet of net absorption, Rochester's vacancy rate went from 7.6% to 8.3% in the quarter. Rental rates went from \$13.37 to \$13.68 during that time. At the end of the quarter, there was 51,000 square feet underway for future delivery.

Sacramento

The Sacramento office market ended the quarter with a vacancy rate of 9.6%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (44,261) square feet. Vacant sublease space decreased to 200,574 square feet. Rental rates ended the fourth quarter at \$22.59, an increase over the previous quarter. A total of two buildings with 79,500 square feet of space delivered to the market, with 1,160,037 square feet still under construction at the end of the quarter.

Salinas

With no space currently under construction, Salinas absorbed 23,586 square feet of space and delivered 9,731 square feet of space, resulting in a vacancy rate that went from 5.9% to 5.7% over the course of the quarter. Rental rates went from \$20.98 to \$21.67 per square foot.

Salt Lake City

The Salt Lake City office market ended the quarter with a vacancy rate of 6.4%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,408,541 square feet. Vacant sublease space decreased to 446,534 square feet. Rental rates ended the fourth quarter at \$21.61, an increase over the previous quarter. A total of nine buildings with 382,578 square feet of space delivered to the market, with 3,809,666 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 down over the

previous quarter, with net absorption totaling positive 145,080 square feet. Vacant sublease space increased to 234,425 square feet. Rental rates ended the fourth quarter at \$21.88, an increase over the previous quarter. A total of seven buildings with 54,488 square feet of space delivered to the market, with 1,881,497 square feet still under construction at the end of the quarter.

San Diego

The San Diego office market ended the quarter with a vacancy rate of 9.7%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 133,074 square feet. Vacant sublease space increased to 540,252 square feet. Rental rates ended the fourth quarter at \$32.77, an increase over the previous quarter. A total of six buildings with 323,365 square feet of space delivered to the market, with 936,640 square feet still under construction at the end of the quarter.

San Francisco

The San Francisco office market ended the quarter with a vacancy rate of 5.8%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 900,240 square feet. Vacant sublease space increased to 1,698,112 square feet. Rental rates ended the fourth quarter at \$61.23, an increase over the previous quarter. A total of one building with 37,000 square feet of space delivered to the market, with 7,764,055 square feet still under construction at the end of the quarter.

San Luis Obispo/Paso Robles

With no new office space being delivered to the market, and positive 21,020 square feet of net absorption, San Luis Obispo/Paso Robles's vacancy rate went from 2.3% to 1.9% in the quarter. Rental rates went from \$21.68 to \$22.04 during that time. At the end of the quarter, there was 74,449 square feet underway for future delivery.

Santa Barbara/Sta Maria/Goleta

With no new office space being delivered to the market, and negative (11,311) square feet of net absorption, Santa Barbara/Sta Maria/Goleta's vacancy rate went from 3.5% to 3.6% in the quarter. Rental rates went from \$23.68 to \$22.77 during that time. At the end of the quarter, there was 90,000 square feet underway for future delivery.

Santa Cruz/Watsonville

With no new office space being delivered to the market, and negative (276,657) square feet of net absorption, Santa Cruz/Watsonville's vacancy rate went from 4.8% to 8.5% in the quarter. Rental rates went from \$21.93 to \$25.94 during that time. At the end of the quarter, there was 3,124 square feet underway for future delivery.

Savannah

With no new office space being delivered to the market, and positive 12,800 square feet of net absorption, Savannah's vacancy rate went from 4.4% to 4.2% in the quarter. Rental rates went from \$17.45 to \$18.21 during that time. At the end of the quarter, there was 22,200 square feet underway for future delivery.

Seattle/Puget Sound

With no new office space being delivered to the market, and positive 1,366,972 square feet of net absorption, Seattle/Puget Sound's vacancy rate went from 6.8% to 6.1% in the quarter. Rental rates went from \$32.99 to \$32.63 during that time. At the end of the quarter, there was 8,386,009 square feet underway for future delivery.

Shreveport/Bossier City

The Shreveport/Bossier City office market reported no new deliveries and no space under construction at the end of the fourth quarter 2018. With this limited construction activity, net absorption of negative (49,832) square feet caused the vacancy rate to increase from 8.7% to 9.2% in the quarter. Rental rates stood at \$14.07.

South Bay/San Jose

The South Bay/San Jose office market ended the quarter with a vacancy rate of 8.3%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 847,838 square feet. Vacant sublease space decreased to 1,874,252 square feet. Rental rates ended the fourth quarter at \$44.12, an increase over the previous quarter. A total of one building with 85,000 square feet of space delivered to the market, with 4,855,697 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 (42,764) square feet of net absorption, South Bend/Mishawaka's vacancy rate went from 6.8% to 7.1% in the quarter. Rental rates went from \$13.38 to \$14.58 during that time. At the end of the quarter, there was 8,400 square feet underway for future delivery.

Southwest Florida

The vacancy rate remained unchanged in Southwest Florida in the fourth quarter. With 17,500 square feet in deliveries, and positive 12,507 square feet in net absorption, the vacancy rate held at 7.2%, the same rate reported in the previous quarter. The market had 732,898 square feet under construction at the end of the quarter, and rental rates stood at \$15.16 per square foot.

Spokane

With no new office space being delivered to the market,

and positive 209,907 square feet of net absorption, Spokane's vacancy rate went from 10.1% to 9.2% in the quarter. Rental rates went from \$16.16 to \$15.99 during that time. At the end of the quarter, there was 11,710 square feet underway for future delivery.

Springfield

With no new office space being delivered to the market, and positive 85,267 square feet of net absorption, Springfield's vacancy rate went from 4.5% to 3.6% in the quarter. Rental rates went from \$12.58 to \$12.87 during that time. At the end of the quarter, there was 8,000 square feet underway for future delivery.

St. Louis

With no new office space being delivered to the market, and positive 500,255 square feet of net absorption, St. Louis's vacancy rate went from 7.2% to 6.8% in the quarter. Rental rates went from \$19.69 to \$19.99 during that time. At the end of the quarter, there was 1,107,520 square feet underway for future delivery.

Stockton/Modesto

With no new office space being delivered to the market, and positive 67,483 square feet of net absorption, Stockton/Modesto's vacancy rate went from 5.4% to 5.0% in the quarter. Rental rates went from \$16.27 to \$16.41 during that time. At the end of the quarter, there was 50,051 square feet underway for future delivery.

Syracuse

The Syracuse office market saw vacancies rise and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 6.7%, from 6.5% in the previous quarter. Rental rates ended the quarter at \$14.87 per square foot, from \$14.08 in the previous quarter. There was a total of 25,000 square feet that delivered in the quarter, with 8,800 square feet still under construction at the end of the quarter.

Tallahassee

The Tallahassee office market saw vacancies fall and rental rates decrease from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 4.2%, from 4.3% in the previous quarter. Rental rates ended the quarter at \$17.16 per square foot, from \$17.21 in the previous quarter. There was a total of 3,520 square feet that delivered in the quarter, with 23,520 square feet still under construction at the end of the quarter.

Tampa/St Petersburg

The Tampa/St Petersburg office market ended the quarter with a vacancy rate of 6.6%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (127,876) square feet. Vacant sublease space increased to

678,688 square feet. Rental rates ended the fourth quarter at \$22.04, an increase over the previous quarter. A total of six buildings with 45,200 square feet of space delivered to the market, with 1,321,190 square feet still under construction at the end of the quarter.

Toledo

The Toledo office market ended the quarter with a vacancy rate of 4.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 188,547 square feet. Vacant sublease space decreased to 8,034 square feet. Rental rates ended the fourth quarter at \$14.61, an increase over the previous quarter. A total of two buildings with 17,100 square feet of space delivered to the market, with 213,640 square feet still under construction at the end of the quarter.

Tucson

With no new office space being delivered to the market, and negative (37,265) square feet of net absorption, Tucson's vacancy rate went from 8.4% to 8.5% in the quarter. Rental rates went from \$19.16 to \$19.15 during that time. At the end of the quarter, there was 718,735 square feet underway for future delivery.

Tulsa

The Tulsa office market ended the quarter with a vacancy rate of 9.9%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (118,635) square feet. Vacant sublease space decreased to 400,423 square feet. Rental rates ended the fourth quarter at \$15.12, a decrease over the previous quarter. A total of three buildings with 11,998 square feet of space delivered to the market, with 380,782 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 fourth quarter 2018. With this limited construction activity, net absorption of negative (151,475) square feet caused the vacancy rate to increase from 2.9% to 4.5% in the quarter. Rental rates stood at \$12.39.

Visalia/Porterville

The Visalia/Porterville office market saw vacancies fall and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 2.5%, from 2.9% in the previous quarter. Rental rates ended the quarter at \$16.13 per square foot, from \$16.02 in the previous quarter. There was a total of 600 square feet that delivered in the quarter, with 22,322 square feet still under construction at the end of the quarter.

Washington

The Washington office market ended the quarter with a vacancy rate of 12.8%. The vacancy rate was down over

the previous quarter, with net absorption totaling positive 1,056,852 square feet. Vacant sublease space increased to 3,389,334 square feet. Rental rates ended the fourth quarter at \$35.90, an increase over the previous quarter. A total of four buildings with 1,239,574 square feet of space delivered to the market, with 8,958,632 square feet still under construction at the end of the quarter.

West Michigan

The vacancy rate remained unchanged in West Michigan in the fourth quarter. With 12,277 square feet in deliveries, and negative (44,055) square feet in net absorption, the vacancy rate held at 4.3%, the same rate reported in the previous quarter. The market had 428,918 square feet under construction at the end of the quarter, and rental rates stood at \$14.88 per square foot.

Westchester/So Connecticut

With no new office space being delivered to the market, and positive 573,372 square feet of net absorption, Westchester/So Connecticut's vacancy rate went from 11.5% to 11.1% in the quarter. Rental rates went from \$27.91 to \$27.95 during that time. At the end of the quarter, there was 736,775 square feet underway for future delivery.

Wichita

With no new office space being delivered to the market, and negative (36,407) square feet of net absorption, Wichita's vacancy rate went from 7.7% to 7.8% in the quarter. Rental rates went from \$13.98 to \$14.07 during that time. At the end of the quarter, there was 73,825 square feet underway for future delivery.

Wilmington

The Wilmington office market saw vacancies fall and rental rates increase from the third quarter 2018 to the fourth quarter 2018. The overall vacancy rate currently sits at 3.2%, from 3.5% in the previous quarter. Rental rates ended the quarter at \$18.17 per square foot, from \$17.62 in the previous quarter. There was a total of 34,755 square feet that delivered in the quarter, with 233,685 square feet still under construction at the end of the quarter.

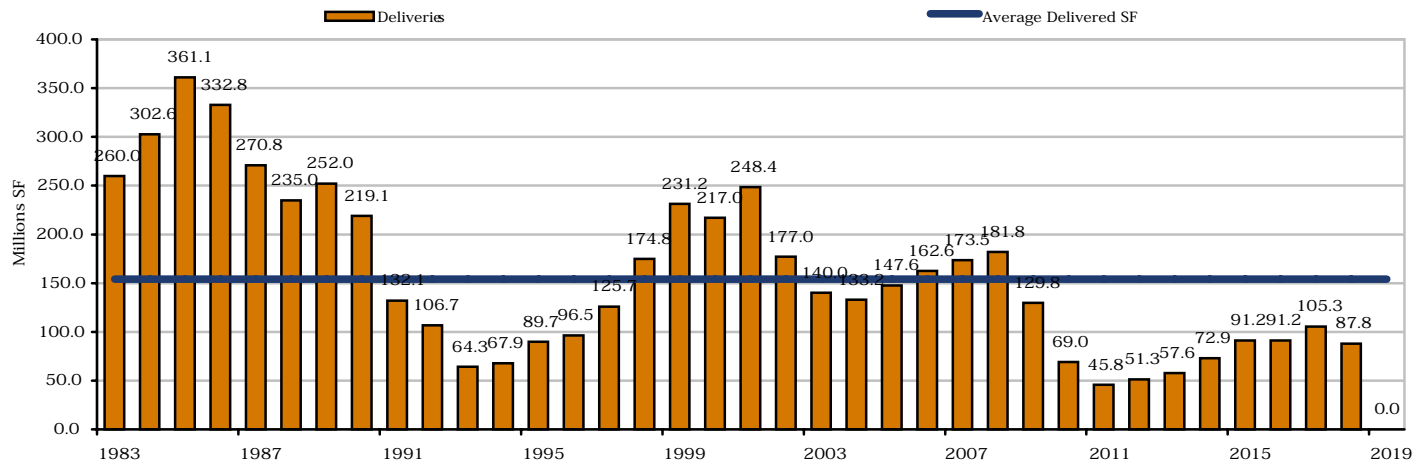
Yakima

With no new office space being delivered to the market, and negative (2,190) square feet of net absorption, Yakima's vacancy rate went from 4.4% to 4.4% in the quarter. Rental rates went from \$13.47 to \$13.18 during that time. At the end of the quarter, there was 8,800 square feet underway for future delivery.

Youngstown/Warren/Boardman

With no new office space being delivered to the market, and positive 55,471 square feet of net absorption, Youngstown/Warren/Boardman's vacancy rate went from 3.7% to 3.4% in the quarter. Rental rates went from \$10.39 to \$10.51 during that time. At the end of the quarter, there was 2,500 square feet underway for future delivery.

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	30	17,261,375	14,596,111	84.6%	147,744	575,379
Long Island (New York)	60	9,049,465	6,276,390	69.4%	17,636	150,824
Washington	45	8,958,632	5,475,558	61.1%	39,799	199,081
Seattle/Paget Sound	35	8,386,009	5,275,588	62.9%	25,540	239,600
Dallas/Ft. Worth	132	8,047,611	5,602,767	69.6%	29,172	60,967
San Francisco	34	7,764,055	6,011,721	77.4%	43,755	228,355
Chicago	29	7,507,567	2,773,333	36.9%	32,244	258,882
Los Angeles	48	6,291,325	3,501,927	55.7%	23,665	131,069
Atlanta	37	4,927,008	2,960,159	60.1%	19,011	133,162
South Bay/San Jose	28	4,855,697	3,655,547	75.3%	27,925	173,418
Denver	58	4,540,282	1,580,569	34.8%	26,233	78,281
Charlotte	33	4,290,425	2,246,542	52.4%	16,052	130,013
Boston	38	4,281,701	2,590,864	60.5%	28,558	112,676
Austin	70	4,224,781	2,498,512	59.1%	21,290	60,354
Nashville	39	3,947,802	1,331,253	33.7%	16,808	101,226
Salt Lake City	46	3,809,666	1,949,553	51.2%	21,821	82,819
Phoenix	34	3,496,286	1,181,492	33.8%	20,912	102,832
Raleigh/Durham	35	3,307,979	2,048,985	61.9%	21,006	94,514
Houston	59	3,141,781	1,422,148	45.3%	34,684	53,251
Philadelphia	40	3,084,305	2,511,012	81.4%	17,400	77,108
Detroit	34	2,990,533	2,718,380	90.9%	18,787	87,957
Portland	19	2,284,328	1,740,695	76.2%	14,923	120,228
Northern New Jersey	25	2,280,848	1,049,845	46.0%	20,112	91,234
Orlando	49	2,199,629	1,837,607	83.5%	12,303	44,890
Miami-Dade County	25	1,892,100	722,490	38.2%	24,243	75,684
San Antonio	43	1,881,497	1,167,387	62.0%	19,273	43,756
Kansas City	16	1,873,882	1,357,079	72.4%	22,889	117,118
East Bay/Oakland	10	1,749,619	1,145,711	65.5%	20,978	174,962
Tampa/St Petersburg	30	1,321,190	1,065,404	80.6%	11,102	44,040
Richmond/VA	14	1,297,369	1,183,323	91.2%	19,797	92,669
Orange County (California)	17	1,291,628	117,215	9.1%	25,744	75,978
Pittsburgh	21	1,253,376	538,402	43.0%	18,175	59,685
Baltimore	9	1,228,323	714,397	58.2%	22,012	136,480
Sacramento	13	1,160,037	1,116,661	96.3%	19,689	89,234
Broward County	11	1,125,703	390,846	34.7%	17,430	102,337
St. Louis	9	1,107,520	579,000	52.3%	21,437	123,058
San Diego	8	936,640	904,161	96.5%	21,040	117,080
Omaha/Council Bluffs	14	902,010	628,105	69.6%	24,604	64,429
Minneapolis	12	844,383	541,233	64.1%	31,267	70,365
Westchester/So Connecticut	10	736,775	177,118	24.0%	21,874	73,677
Southwest Florida	13	732,898	725,424	99.0%	10,274	56,377
Charleston/N Charleston	25	723,904	347,521	48.0%	9,399	28,956
Tucson	6	718,735	452,435	62.9%	10,364	119,789
Columbus	13	664,867	361,377	54.4%	21,532	51,144
Totals	1,766	169,705,657	108,512,504	63.9%	19,978	96,096

Source: CoStar Property®

Class A Market Statistics

Year-End 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.	42	7,071,502	188,614	188,614	2.7%	112,017	0	0	\$24.14
Albuquerque	29	4,782,870	429,695	449,230	9.4%	(36,796)	0	0	\$20.80
Anchorage	25	3,136,184	202,350	224,044	7.1%	22,546	0	0	\$34.76
Asheville	17	1,020,789	14,038	14,038	1.4%	14,980	0	0	\$27.11
Atlanta	588	130,781,423	16,871,138	18,148,531	13.9%	1,389,266	2,217,802	4,702,398	\$29.84
Augusta/Rich.	13	1,086,889	64,785	64,785	6.0%	184,370	167,000	150,000	\$27.39
Austin	310	42,231,620	2,949,591	3,447,993	8.2%	2,428,419	2,494,977	3,547,126	\$39.08
Bakersfield	21	1,533,686	70,945	70,945	4.6%	63,120	0	0	\$23.81
Baltimore	420	51,364,924	6,300,896	6,569,096	12.8%	273,893	651,305	1,145,694	\$26.40
Baton Rouge	22	3,581,061	468,212	505,008	14.1%	107,763	86,000	94,000	\$23.11
Beaumont/Port	5	801,914	21,937	24,237	3.0%	65,198	0	0	\$18.00
Birmingham	97	13,873,165	1,734,672	1,806,241	13.0%	957,115	245,000	89,000	\$21.78
Boise City/N.	41	6,281,907	261,586	275,847	4.4%	146,127	127,559	83,434	\$21.56
Boston	833	160,692,877	13,789,311	15,289,977	9.5%	2,441,831	2,942,153	3,958,445	\$29.42
Bremerton/Si.	2	108,049	8,394	8,394	7.8%	(2,871)	0	0	\$0.00
Broward Coun	155	18,946,978	2,285,794	2,388,062	12.6%	192,572	245,363	1,037,348	\$38.09
Brownsville/.	2	124,752	22,842	22,842	18.3%	0	0	38,148	\$21.96
Buffalo/Niag.	73	10,546,628	1,891,352	1,974,561	18.7%	(167,451)	0	167,000	\$18.83
Charleston W.	11	1,090,876	172,839	172,839	15.8%	(11,377)	0	0	\$19.75
Charleston/N.	87	6,126,866	766,987	822,265	13.4%	32,671	510,232	460,498	\$28.57
Charlotte	297	43,957,858	4,316,293	4,631,104	10.5%	1,389,009	234,362	3,963,577	\$30.01
Chattanooga	25	3,008,329	101,986	135,146	4.5%	(35,699)	0	0	\$19.74
Chicago	686	195,115,860	27,952,926	29,530,962	15.1%	3,195,520	2,795,662	7,096,093	\$28.22
Cincinnati	212	32,931,246	3,579,230	3,742,972	11.4%	921,790	230,593	0	\$17.68
Cleveland	179	30,100,380	2,648,785	2,699,468	9.0%	473,624	511,502	131,742	\$21.94
Colorado Spr.	54	6,535,385	814,375	854,968	13.1%	63,852	0	169,883	\$20.04
Columbia	30	3,352,596	283,492	297,878	8.9%	58,555	0	51,773	\$19.24
Columbus	200	31,323,635	2,510,664	2,711,231	8.7%	757,962	616,100	348,725	\$19.95
Columbus GA	11	768,942	46,498	46,498	6.0%	23,993	0	0	\$12.00
Corpus Chris.	4	1,228,236	114,395	114,395	9.3%	(43,383)	0	0	\$17.00
Dallas/Ft Wo.	653	162,161,397	26,375,661	28,577,386	17.6%	4,591,192	5,149,154	6,688,161	\$29.10
Davenport/Mo	10	464,037	49,906	49,906	10.8%	(18,977)	0	0	\$17.70
Dayton	65	6,017,966	776,795	789,604	13.1%	28,671	46,316	350,000	\$17.29
Deltona/Dayt.	8	518,562	62,182	62,182	12.0%	(4,774)	0	0	\$19.68
Denver	413	72,978,499	7,693,584	8,725,467	12.0%	3,537,187	2,491,426	3,989,488	\$30.93
Des Moines	68	13,061,343	544,443	553,753	4.2%	(26,147)	175,000	340,000	\$15.76
Detroit	247	50,811,480	4,574,151	4,716,724	9.3%	1,020,444	259,000	2,265,796	\$22.60
Duluth	11	1,179,259	44,559	49,503	4.2%	21,714	0	0	\$19.70
East Bay/Oak.	124	28,996,554	2,999,152	3,226,836	11.1%	26,353	397,000	1,352,065	\$48.56
El Paso	8	1,323,376	114,490	114,490	8.7%	57,601	52,400	262,000	\$28.00
Erie	5	476,444	45,403	45,403	9.5%	(35,203)	0	0	\$11.87
Evansville	17	2,249,815	23,242	23,242	1.0%	54,476	0	0	\$10.94
Fayetteville	10	715,857	19,198	19,198	2.7%	41,766	29,749	0	\$18.19
Fayetteville.	39	3,672,152	249,732	250,259	6.8%	162,270	45,226	54,025	\$22.09
Fort Smith	3	544,972	27,000	27,000	5.0%	67,700	0	0	\$6.00
Fort Wayne	24	2,331,846	232,054	232,054	10.0%	25,373	0	0	\$15.70
Fresno	27	2,641,973	227,216	267,962	10.1%	104,616	0	0	\$24.07
Green Bay	19	1,690,470	278,206	281,006	16.6%	(104,686)	0	0	\$16.63

Source: CoStar Property®

Class A Market Statistics

Year-End 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.	76	9,207,379	1,100,490	1,145,810	12.4%	302,391	90,000	0	\$19.23
Greenville/S.	79	7,390,477	923,219	925,102	12.5%	(164,958)	0	86,567	\$23.49
Hampton Road	145	14,132,547	1,105,482	1,112,749	7.9%	331,170	108,300	510,000	\$21.52
Hartford	89	20,963,492	1,931,075	2,041,975	9.7%	153,108	0	0	\$22.45
Hawaii	47	10,603,785	905,260	944,419	8.9%	(192,039)	0	373,000	\$28.93
Houston	529	146,022,400	25,211,218	29,437,641	20.2%	1,649,370	1,232,263	2,650,965	\$34.23
Huntington/A.	7	505,318	27,000	27,000	5.3%	4,100	0	0	\$12.33
Huntsville	28	2,320,873	58,658	74,836	3.2%	40,053	0	347,000	\$22.64
Indianapolis	196	28,776,310	3,093,574	3,239,752	11.3%	42,739	305,000	177,716	\$21.69
Inland Empir.	107	9,081,693	553,132	596,492	6.6%	184,959	0	279,200	\$27.85
Jackson	52	5,576,468	776,652	808,572	14.5%	(108,459)	0	120,000	\$20.29
Jacksonville.	107	16,393,624	1,436,295	1,473,065	9.0%	164,933	133,932	405,250	\$22.69
Kansas City	204	33,630,525	2,460,842	2,731,473	8.1%	416,754	369,276	1,472,126	\$22.79
Killeen/Temp.	4	254,788	0	0	0.0%	2,348	0	0	\$30.00
Kingsport/Br.	5	724,363	135,773	135,773	18.7%	0	0	0	\$19.50
Knoxville	41	4,952,824	426,381	426,381	8.6%	(133,866)	0	72,000	\$18.71
Lafayette	10	727,540	17,344	17,344	2.4%	16,564	0	0	\$15.04
Las Vegas	106	12,080,042	1,501,693	1,578,380	13.1%	377,733	296,574	75,000	\$28.45
Lexington/Fa.	81	5,020,775	461,293	523,427	10.4%	37,732	73,000	176,899	\$19.82
Lincoln	18	2,875,257	165,464	165,464	5.8%	10,219	75,000	117,227	\$18.03
Little Rock/.	30	4,895,840	411,715	469,358	9.6%	132,667	30,000	0	\$19.04
Long Island .	250	48,503,570	4,462,703	5,025,899	10.4%	(776,632)	907,207	7,094,978	\$34.49
Los Angeles	958	178,208,769	21,770,273	23,353,486	13.1%	1,266,905	1,022,606	5,026,362	\$40.48
Louisville	124	12,407,767	1,120,194	1,169,588	9.4%	46,898	168,000	120,000	\$21.02
Lubbock	8	582,756	46,212	46,212	7.9%	2,865	0	0	\$17.44
Madison	79	9,060,930	371,170	385,269	4.3%	1,164,966	1,247,600	0	\$19.88
McAllen/Edin.	7	446,020	45,933	45,933	10.3%	(30,933)	0	97,886	\$23.55
Memphis	96	13,491,895	1,341,763	1,370,575	10.2%	551,621	322,000	180,000	\$20.36
Miami-Dade C.	187	30,746,396	4,396,388	4,710,900	15.3%	164,973	1,052,241	1,593,829	\$42.86
Milwaukee	117	18,241,582	1,631,900	1,841,967	10.1%	(57,596)	0	622,537	\$20.19
Minneapolis	196	56,722,389	4,701,833	4,809,284	8.5%	680,655	1,112,384	630,000	\$28.93
Mobile	12	1,445,744	166,516	166,516	11.5%	(68,914)	0	0	\$17.78
Montgomery	22	3,006,686	86,682	86,808	2.9%	84,313	0	0	\$23.43
Myrtle Beach.	10	687,786	7,220	7,220	1.0%	45,273	0	0	\$13.90
Nashville	185	27,403,775	2,114,135	2,443,758	8.9%	968,656	554,491	3,557,893	\$32.20
New Orleans/.	39	12,666,865	1,388,638	1,414,064	11.2%	84,120	30,000	0	\$19.75
New York Cit.	492	336,029,393	26,065,702	29,697,227	8.8%	4,237,826	3,468,346	16,662,646	\$66.81
North Bay/Sa.	53	4,122,682	1,103,279	1,116,224	27.1%	95,115	20,000	0	\$32.27
Northern New.	916	156,048,631	22,828,383	25,576,661	16.4%	1,332,551	291,630	1,235,137	\$28.73
Ocala	4	231,577	24,987	24,987	10.8%	2,700	0	0	\$14.66
Oklahoma Cit.	59	9,545,897	885,295	887,767	9.3%	490,077	752,294	331,179	\$22.94
Olympia	2	351,092	0	0	0.0%	0	0	0	\$0.00
Omaha/Counc.	81	9,726,163	399,300	420,181	4.3%	211,617	115,000	565,699	\$26.24
Orange Count.	305	49,170,412	6,047,621	6,889,574	14.0%	934,076	842,181	1,060,520	\$36.03
Orlando	221	26,750,566	1,606,772	1,735,775	6.5%	377,496	128,000	1,835,316	\$26.97
Palm Beach C.	152	14,903,881	1,669,432	1,793,376	12.0%	230,062	0	461,251	\$35.03
Pensacola	12	529,147	52,434	52,434	9.9%	28,364	48,915	0	\$20.86
Peoria	10	1,007,031	7,266	7,266	0.7%	18,630	0	0	\$18.38

Source: CoStar Property®

Class A Market Statistics

Year-End 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Philadelphia	1,033	138,838,596	12,980,246	14,042,500	10.1%	2,094,267	2,695,003	2,425,550	\$27.45
Phoenix	332	51,503,782	6,195,129	6,980,098	13.6%	1,009,662	845,010	2,610,355	\$30.30
Pittsburgh	232	38,965,681	4,083,037	4,643,049	11.9%	(23,781)	230,814	1,125,505	\$26.68
Port St Luci.	22	1,126,831	61,722	61,722	5.5%	69,015	0	31,500	\$22.00
Portland	245	34,123,314	2,918,932	3,101,907	9.1%	1,172,732	1,789,441	1,953,290	\$31.14
Portland/Sou.	31	3,099,010	70,069	78,084	2.5%	33,013	0	0	\$21.34
Providence	37	6,724,495	441,610	454,535	6.8%	547,830	527,500	221,000	\$24.40
Raleigh/Durh.	353	38,359,162	3,262,539	3,476,768	9.1%	1,495,098	1,166,345	2,918,060	\$28.00
Reno/Sparks	26	1,976,351	160,420	209,563	10.6%	(14,004)	0	40,826	\$24.30
Richmond VA	170	21,711,779	1,455,403	1,660,290	7.6%	158,496	226,852	1,144,000	\$21.64
Roanoke	8	853,004	66,869	70,436	8.3%	19,399	0	0	\$18.39
Rochester	71	9,321,212	1,738,155	1,829,193	19.6%	(558,950)	0	45,000	\$14.81
Sacramento	200	27,144,504	2,363,797	2,442,069	9.0%	113,372	138,850	360,000	\$27.02
Salinas	0	0	0	0	0.0%	0	0	0	\$0.00
Salt Lake Ci.	241	29,089,053	1,953,577	2,203,108	7.6%	1,954,770	1,567,500	2,491,667	\$26.21
San Antonio	141	17,480,275	2,304,138	2,375,168	13.6%	413,969	80,574	1,514,080	\$26.89
San Diego	287	36,338,123	4,416,966	4,736,359	13.0%	179,857	682,954	857,994	\$39.26
San Francisc.	317	81,115,162	4,131,651	4,882,152	6.0%	3,946,248	2,556,156	6,237,760	\$65.63
San Luis Obi.	1	36,000	1,352	1,352	3.8%	(1,352)	0	0	\$25.80
Santa Barbar.	5	336,467	0	0	0.0%	86,246	0	0	\$19.25
Santa Cruz/W.	0	0	0	0	0.0%	0	0	0	\$0.00
Savannah	10	411,610	23,354	26,645	6.5%	(14,131)	0	0	\$27.38
Seattle/Puge.	351	75,134,658	4,559,986	4,880,724	6.5%	1,955,825	340,590	6,824,617	\$42.64
Shreveport/B.	7	1,104,823	192,007	192,007	17.4%	(6,185)	0	0	\$15.54
South Bay/Sa.	193	40,823,695	3,084,866	4,044,052	9.9%	4,016,339	2,489,204	3,585,395	\$48.13
South Bend/M	15	1,143,860	175,693	179,803	15.7%	56,828	0	0	\$15.12
Southwest Fl.	81	4,315,965	536,361	544,761	12.6%	(28,267)	0	443,000	\$18.49
Spokane	16	1,892,299	436,169	442,344	23.4%	(88,357)	111,713	0	\$20.17
Springfield	13	1,233,062	50,828	50,828	4.1%	(11,823)	0	0	\$17.76
St. Louis	273	42,641,991	4,058,414	4,295,735	10.1%	330,213	264,416	1,071,500	\$23.02
Stockton/Mod.	20	2,256,164	142,784	142,784	6.3%	60,753	0	0	\$22.99
Syracuse	30	4,154,012	535,006	542,301	13.1%	5,626	25,000	0	\$17.87
Tallahassee	19	1,523,308	88,282	88,282	5.8%	5,053	21,800	0	\$27.58
Tampa/St Pet.	260	36,793,828	2,714,897	2,956,535	8.0%	203,737	180,800	1,062,191	\$29.65
Toledo	16	3,193,460	60,411	60,411	1.9%	72,360	0	0	\$18.33
Tucson	26	2,892,301	213,574	236,137	8.2%	(1,493)	61,000	477,500	\$23.69
Tulsa	32	8,723,659	688,785	751,154	8.6%	(87,804)	0	101,061	\$19.22
Utica/Rome	2	173,181	42,418	42,418	24.5%	(42,418)	0	0	\$0.00
Visalia/Port.	0	0	0	0	0.0%	0	0	0	\$0.00
Washington	1,469	275,673,714	39,842,582	42,155,238	15.3%	4,453,539	4,471,825	8,598,780	\$39.89
West Michiga.	91	9,117,726	300,082	313,399	3.4%	108,451	103,375	101,100	\$21.63
Westchester/.	428	66,316,544	9,927,667	10,415,874	15.7%	(146,154)	0	335,332	\$32.73
Wichita	20	2,191,135	158,000	158,000	7.2%	112,293	60,000	60,000	\$16.17
Wilmington	25	1,432,565	96,574	106,574	7.4%	164,140	43,617	139,355	\$21.26
Yakima	2	160,857	57,049	57,049	35.5%	(30,046)	0	0	\$20.00
Youngstown/V.	7	467,821	54,032	54,032	11.5%	8,810	0	0	\$17.53
Totals	19,958	3,645,434,190	398,911,620	434,183,550	11.9%	63,714,570	58,197,460	137,251,020	\$31.69

Source: CoStar Property®

Class B Market Statistics

Year-End 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.	1,748	41,776,511	1,546,497	1,613,331	3.9%	246,509	101,286	54,000	\$15.27
Albuquerque	1,649	24,883,248	1,574,519	1,709,347	6.9%	265,522	21,530	12,000	\$14.60
Anchorage	324	9,040,209	417,573	470,014	5.2%	24,335	58,800	0	\$24.24
Asheville	864	8,771,075	176,796	187,578	2.1%	3,896	51,650	6,000	\$16.27
Atlanta	6,230	130,314,749	14,387,069	14,836,125	11.4%	913,415	410,632	224,610	\$19.24
Augusta/Rich.	798	8,460,992	656,921	690,372	8.2%	56,755	27,884	17,550	\$16.21
Austin	2,383	49,570,036	3,671,460	3,856,744	7.8%	853,751	683,974	677,655	\$30.29
Bakersfield	601	9,173,993	598,780	598,780	6.5%	134,177	32,232	20,575	\$19.08
Baltimore	2,877	70,927,104	5,476,682	5,649,957	8.0%	469,899	101,677	82,629	\$21.55
Baton Rouge	705	8,069,663	635,716	644,421	8.0%	220,343	87,427	67,764	\$18.65
Beaumont/Por	165	3,182,242	482,887	482,887	15.2%	(200,548)	3,000	0	\$11.15
Birmingham	968	24,669,183	2,096,270	2,845,722	11.5%	358,788	100,978	131,600	\$17.03
Boise City/N.	1,198	17,586,468	1,205,122	1,258,571	7.2%	216,604	101,142	184,931	\$16.80
Boston	4,824	160,940,252	12,246,969	13,074,384	8.1%	457,889	717,362	323,256	\$21.44
Bremerton/Si.	170	2,604,279	189,657	189,657	7.3%	32,630	0	0	\$17.83
Broward Coun.	1,278	32,893,307	2,774,075	2,881,129	8.8%	(499,407)	177,025	88,355	\$25.00
Brownsville/.	255	2,963,161	206,628	207,704	7.0%	21,199	4,572	44,753	\$15.12
Buffalo/Niag.	1,145	26,413,057	1,710,831	1,716,101	6.5%	(155,426)	17,400	65,000	\$15.02
Charleston W.	811	11,511,906	564,664	582,506	5.1%	77,044	0	0	\$15.75
Charleston/N.	1,419	16,164,027	911,208	961,983	6.0%	251,026	397,335	263,406	\$20.51
Charlotte	2,880	53,924,830	3,491,997	3,709,859	6.9%	1,411,597	1,310,669	326,848	\$21.60
Chattanooga	440	11,220,190	411,204	433,581	3.9%	(15,238)	0	30,000	\$16.70
Chicago	7,063	219,301,657	22,708,177	24,113,956	11.0%	(224,793)	240,210	411,474	\$21.58
Cincinnati	1,249	38,796,750	3,032,549	3,124,072	8.1%	344,972	107,157	69,000	\$15.26
Cleveland	2,531	79,057,020	6,599,455	6,665,267	8.4%	233,660	458,792	244,134	\$16.87
Colorado Spr.	951	18,036,224	1,665,256	1,722,417	9.5%	166,796	0	32,162	\$15.25
Columbia	1,535	22,824,733	1,290,229	1,338,543	5.9%	164,177	29,541	37,995	\$14.96
Columbus	1,417	45,326,255	3,240,994	3,406,594	7.5%	495,417	884,052	316,142	\$18.79
Columbus GA	449	6,827,394	457,375	463,343	6.8%	(58,079)	0	4,508	\$12.92
Corpus Chris.	446	7,139,691	574,646	581,999	8.2%	93,843	11,967	50,000	\$14.16
Dallas/Ft Wo.	6,202	173,578,134	22,974,157	24,595,410	14.2%	427,568	1,217,025	1,359,450	\$22.13
Davenport/Mo	380	6,249,544	302,022	304,522	4.9%	(62,226)	0	58,674	\$10.90
Dayton	551	14,535,585	1,449,476	1,455,592	10.0%	412,025	6,640	231,634	\$14.86
Deltona/Dayt.	990	8,212,864	366,199	366,199	4.5%	220,608	179,430	231,000	\$12.79
Denver	4,206	109,994,693	9,323,688	9,989,864	9.1%	842,824	353,298	550,794	\$23.79
Des Moines	735	19,641,019	942,271	949,347	4.8%	(123,820)	14,945	214,666	\$13.54
Detroit	3,819	112,164,326	10,944,295	11,073,396	9.9%	1,454,818	567,845	724,737	\$19.00
Duluth	82	3,181,130	132,669	132,669	4.2%	56,138	19,582	166,627	\$17.11
East Bay/Oak.	1,805	56,510,628	5,189,169	5,385,407	9.5%	846,740	338,595	397,554	\$36.16
El Paso	593	10,390,891	790,394	811,785	7.8%	(109,174)	9,750	32,001	\$16.00
Erie	374	6,069,627	184,864	185,114	3.0%	(23,461)	0	391,136	\$11.01
Evansville	440	6,340,832	310,140	319,549	5.0%	2,407	0	58,687	\$11.19
Fayetteville	552	4,731,549	383,017	383,017	8.1%	19,416	21,570	28,500	\$14.99
Fayetteville.	747	11,031,462	678,586	705,227	6.4%	268,860	202,918	187,061	\$17.57
Fort Smith	324	3,461,526	197,799	201,299	5.8%	(42,128)	4,000	0	\$11.54
Fort Wayne	464	9,290,830	626,828	659,828	7.1%	(119,713)	51,310	0	\$13.75
Fresno	1,013	15,046,495	1,308,006	1,317,333	8.8%	279,748	248,451	277,399	\$19.45
Green Bay	618	11,507,295	649,949	660,685	5.7%	(22,736)	0	31,335	\$12.90

Source: CoStar Property®

Class B Market Statistics

Year-End 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	1,141	27,972,188	2,356,263	2,359,663	8.4%	118,494	54,326	130,974	\$14.80
Greenville/S.	2,007	21,384,517	1,693,803	1,843,549	8.6%	(92,692)	50,008	65,281	\$16.67
Hampton Roac.	1,667	28,656,337	2,778,296	2,804,169	9.8%	(25,312)	104,867	67,065	\$16.80
Hartford	1,576	42,878,803	4,008,635	4,349,278	10.1%	(53,028)	97,474	424,779	\$18.54
Hawaii	460	16,071,195	774,210	785,489	4.9%	(38,723)	3,879	174,960	\$24.51
Houston	4,080	138,687,596	21,085,885	21,800,170	15.7%	(368,216)	580,475	490,816	\$22.05
Huntington/A.	606	5,562,793	133,856	133,856	2.4%	(70,332)	0	0	\$10.54
Huntsville	484	12,767,931	1,220,870	1,227,920	9.6%	(146,114)	100,000	8,000	\$14.49
Indianapolis	2,703	57,089,199	3,625,477	3,713,096	6.5%	727,174	321,130	385,116	\$18.08
Inland Empir.	3,114	45,701,104	3,571,749	3,657,769	8.0%	739,101	280,589	380,776	\$21.51
Jackson	990	14,760,055	939,996	975,867	6.6%	53,799	41,717	127,000	\$15.10
Jacksonville.	1,914	33,435,943	2,486,827	2,814,073	8.4%	(352,732)	138,904	158,711	\$19.02
Kansas City	2,590	76,404,523	5,254,843	5,396,277	7.1%	(14,966)	235,171	401,756	\$18.87
Killeen/Temp.	200	2,025,724	151,624	151,624	7.5%	(21,758)	35,096	40,000	\$16.57
Kingsport/Br.	211	3,780,294	121,361	121,361	3.2%	91,386	0	0	\$15.16
Knoxville	763	14,304,746	863,470	876,170	6.1%	(140,984)	36,850	2,000	\$14.40
Lafayette	201	4,346,673	308,619	319,651	7.4%	74,603	0	20,000	\$15.57
Las Vegas	2,378	44,722,665	5,383,790	5,722,739	12.8%	216,082	305,829	391,361	\$18.63
Lexington/Fa.	588	10,603,792	1,137,608	1,209,887	11.4%	(223,859)	0	65,000	\$15.51
Lincoln	559	12,352,056	599,608	748,761	6.1%	(216,376)	67,000	27,800	\$13.77
Little Rock/.	391	11,350,217	421,813	426,218	3.8%	129,490	89,000	8,500	\$17.71
Long Island .	4,585	95,787,977	8,430,785	8,831,258	9.2%	(29,816)	770,425	1,954,487	\$28.01
Los Angeles	6,140	175,092,202	15,674,004	16,351,709	9.3%	1,674,760	899,513	1,264,963	\$33.74
Louisville	1,299	27,217,464	1,550,178	1,560,641	5.7%	117,904	24,560	25,737	\$16.00
Lubbock	331	5,744,831	308,485	310,757	5.4%	95,025	69,407	4,998	\$15.04
Madison	838	23,613,469	1,275,906	1,284,946	5.4%	95,554	14,000	239,000	\$15.67
McAllen/Edin.	602	8,057,710	521,700	521,700	6.5%	166,752	96,560	0	\$13.20
Memphis	1,378	28,628,593	2,842,831	2,901,499	10.1%	128,426	130,129	44,032	\$17.86
Miami-Dade C.	1,264	51,129,242	4,212,333	4,317,810	8.4%	(139,764)	226,055	298,271	\$30.53
Milwaukee	1,612	49,434,803	3,643,029	3,737,046	7.6%	266,801	290,070	12,000	\$16.07
Minneapolis	2,256	101,918,233	7,289,150	7,877,915	7.7%	(132,462)	387,646	214,383	\$19.95
Mobile	958	10,844,385	696,270	696,270	6.4%	8,645	24,606	38,000	\$14.79
Montgomery	520	7,690,807	657,144	657,144	8.5%	11,564	0	0	\$13.32
Myrtle Beach.	423	4,464,235	140,520	145,320	3.3%	34,084	10,000	0	\$15.93
Nashville	1,946	42,270,745	2,366,395	2,481,076	5.9%	(40,598)	292,962	389,909	\$23.59
New Orleans/.	848	16,673,422	1,570,882	1,589,249	9.5%	(223,385)	66,029	16,500	\$16.76
New York Cit.	1,462	162,539,763	10,217,625	11,241,826	6.9%	86,616	61,028	598,729	\$60.26
North Bay/Sa.	1,331	22,661,886	1,554,568	1,599,254	7.1%	183,810	86,016	29,390	\$30.36
Northern New.	5,873	131,796,701	11,927,054	12,257,891	9.3%	1,352,453	158,940	1,045,711	\$22.81
Ocala	276	2,284,263	223,516	223,516	9.8%	(6,180)	0	5,650	\$12.31
Oklahoma Cit.	2,014	35,672,458	2,850,031	2,896,842	8.1%	(177,168)	184,178	242,664	\$16.55
Olympia	452	6,628,193	268,951	269,157	4.1%	226,133	6,400	0	\$18.42
Omaha/Counc.	821	27,453,924	1,854,473	1,972,299	7.2%	(6,602)	122,574	336,311	\$17.33
Orange Count.	3,014	86,820,962	7,151,084	7,806,059	9.0%	(689,900)	81,670	231,108	\$30.56
Orlando	3,378	53,184,960	3,911,074	3,974,125	7.5%	338,715	285,591	364,313	\$20.41
Palm Beach C.	1,204	29,915,038	3,041,800	3,140,679	10.5%	(141,371)	108,469	43,425	\$26.96
Pensacola	663	6,735,786	321,882	321,882	4.8%	123,714	53,200	236,437	\$17.21
Peoria	354	7,471,061	474,937	477,937	6.4%	(16,567)	0	0	\$12.14

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Class B Market Statistics

Year-End 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Philadelphia	9,108	192,634,114	14,672,334	14,936,150	7.8%	698,227	329,742	658,755	\$21.16
Phoenix	4,886	105,691,647	13,645,572	14,276,954	13.5%	1,813,983	384,801	885,931	\$23.46
Pittsburgh	2,431	64,127,382	5,243,174	5,409,678	8.4%	13,106	26,233	127,871	\$20.40
Port St Luci.	500	6,430,179	701,011	708,271	11.0%	(60,553)	43,148	28,674	\$15.17
Portland	3,432	68,981,635	4,583,756	4,738,105	6.9%	397,040	396,358	331,038	\$23.01
Portland/Sou.	489	10,704,999	432,843	460,283	4.3%	222,231	45,004	139,800	\$15.54
Providence	769	20,525,220	1,163,990	1,166,740	5.7%	34,944	24,828	157,080	\$18.61
Raleigh/Durh.	2,264	49,415,679	3,117,283	3,189,283	6.5%	967,985	484,878	389,919	\$20.55
Reno/Sparks	828	11,206,862	981,489	1,001,669	8.9%	138,724	62,031	69,940	\$18.91
Richmond VA	1,343	30,608,509	2,020,805	2,055,399	6.7%	(22,467)	90,140	153,369	\$17.22
Roanoke	358	7,381,938	452,924	453,164	6.1%	57,126	0	0	\$17.72
Rochester	808	26,587,477	1,793,175	1,816,800	6.8%	228,440	126,884	6,000	\$12.66
Sacramento	1,931	47,723,083	4,888,477	5,001,459	10.5%	423,876	115,340	800,037	\$21.98
Salinas	282	5,050,233	394,082	394,082	7.8%	18,878	9,731	0	\$22.33
Salt Lake Ci.	2,899	64,207,422	3,813,491	4,005,533	6.2%	997,887	618,607	1,317,999	\$19.35
San Antonio	1,828	45,774,390	3,951,887	4,051,566	8.9%	129,851	347,012	367,417	\$20.46
San Diego	2,035	56,435,495	5,182,803	5,390,258	9.6%	199,177	34,874	78,646	\$30.36
San Francisc.	1,533	67,674,248	3,265,305	4,083,961	6.0%	1,299,233	1,372,849	1,526,295	\$58.46
San Luis Obi.	210	2,452,967	87,022	87,022	3.5%	28,630	33,411	74,449	\$21.73
Santa Barbar.	1,172	10,555,577	354,234	395,024	3.7%	(22,460)	9,610	90,000	\$24.26
Santa Cruz/W.	431	4,814,028	589,608	590,493	12.3%	(268,665)	3,213	3,124	\$26.73
Savannah	585	6,615,688	356,463	379,273	5.7%	21,501	22,964	22,200	\$18.21
Seattle/Puge.	3,098	98,154,240	5,909,870	6,503,381	6.6%	2,301,245	594,624	1,561,392	\$27.33
Shreveport/B.	157	3,991,011	460,165	460,165	11.5%	(125,018)	12,414	0	\$14.35
South Bay/Sa.	1,842	66,714,090	4,951,835	5,795,711	8.7%	(174,394)	479,574	1,270,302	\$41.72
South Bend/M.	414	5,748,743	517,820	517,820	9.0%	64,982	720	8,400	\$14.93
Southwest Fl.	1,749	20,754,904	1,343,459	1,406,525	6.8%	(79,764)	63,524	289,898	\$15.20
Spokane	999	16,210,255	1,297,127	1,352,144	8.3%	165,792	42,660	11,710	\$15.56
Springfield	481	6,335,613	260,172	268,117	4.2%	136,153	6,810	8,000	\$12.85
St. Louis	2,395	62,988,559	4,025,221	4,078,749	6.5%	120,457	17,140	36,020	\$18.40
Stockton/Mod.	687	10,110,917	483,511	496,229	4.9%	30,332	0	50,051	\$15.67
Syracuse	1,134	25,222,856	1,437,312	1,459,874	5.8%	575,752	152,465	8,800	\$14.25
Tallahassee	1,531	17,692,246	662,500	685,443	3.9%	(22,421)	43,920	23,520	\$16.04
Tampa/St Pet.	5,527	72,769,526	5,141,941	5,468,375	7.5%	426,538	322,673	258,999	\$20.38
Toledo	565	11,688,725	507,111	514,825	4.4%	169,569	52,679	213,640	\$14.39
Tucson	1,314	18,334,321	1,800,862	1,825,058	10.0%	73,640	32,500	241,235	\$19.00
Tulsa	996	31,367,467	3,689,629	4,025,893	12.8%	(43,065)	135,920	279,721	\$14.63
Utica/Rome	274	5,978,474	288,316	288,316	4.8%	(170,554)	0	0	\$12.42
Visalia/Port.	190	1,540,930	60,815	60,815	3.9%	35,894	39,040	22,322	\$19.05
Washington	5,802	194,230,829	20,411,669	21,427,793	11.0%	(1,239,048)	318,984	359,852	\$30.59
West Michiga.	2,171	43,917,835	2,169,464	2,255,607	5.1%	281,268	149,996	327,818	\$15.13
Westchester/.	2,481	64,483,009	6,655,903	6,777,935	10.5%	1,276,109	127,480	401,443	\$24.69
Wichita	740	14,463,178	1,484,917	1,485,917	10.3%	(233,189)	18,181	13,825	\$15.09
Wilmington	639	7,349,077	242,687	243,687	3.3%	170,231	126,425	94,330	\$17.69
Yakima	439	3,754,161	134,489	136,489	3.6%	104,225	0	8,800	\$13.68
Youngstown/V.	477	6,712,181	262,851	262,851	3.9%	221,895	0	0	\$10.65
Totals	223,957	5,307,012,019	441,542,319	462,785,467	8.7%	25,764,150	23,685,383	32,452,137	\$22.65

Source: CoStar Property®

Total Office Market Statistics

Year-End 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.	4,090	65,128,169	2,340,827	2,412,235	3.7%	359,454	101,286	54,000	\$15.95
Albuquerque	3,061	37,289,355	2,295,303	2,449,666	6.6%	191,631	21,530	12,000	\$15.98
Anchorage	724	15,204,103	835,208	912,976	6.0%	88	58,800	0	\$26.65
Asheville	1,376	13,372,561	279,437	290,219	2.2%	(1,375)	51,650	6,000	\$16.41
Atlanta	16,598	315,552,565	33,954,381	35,709,261	11.3%	2,701,030	2,628,434	4,927,008	\$24.94
Augusta/Rich.	1,775	13,854,271	1,001,533	1,038,200	7.5%	386,188	194,884	167,550	\$17.41
Austin	5,065	107,833,624	7,525,058	8,251,075	7.7%	3,073,142	3,178,951	4,224,781	\$34.45
Bakersfield	1,392	15,166,274	894,975	896,975	5.9%	198,380	32,232	20,575	\$18.57
Baltimore	6,730	148,143,704	13,191,703	13,659,085	9.2%	501,397	752,982	1,228,323	\$23.07
Baton Rouge	2,566	24,433,516	1,696,153	1,774,459	7.3%	364,014	173,427	161,764	\$18.85
Beaumont/Port	871	8,699,384	684,631	686,931	7.9%	(105,198)	3,000	0	\$12.52
Birmingham	4,109	61,499,321	4,849,985	5,673,371	9.2%	1,333,344	345,978	220,600	\$18.35
Boise City/N.	2,941	30,522,231	1,741,020	1,811,012	5.9%	381,519	228,701	268,365	\$17.08
Boston	14,194	405,349,111	28,577,145	30,925,365	7.6%	3,169,572	3,659,515	4,281,701	\$23.28
Bremerton/Si.	520	5,203,662	314,666	327,875	6.3%	60,655	0	0	\$16.44
Broward Coun.	4,084	71,184,525	5,836,567	6,055,860	8.5%	(158,652)	422,388	1,125,703	\$30.85
Brownsville/.	494	4,669,833	309,864	310,940	6.7%	(1,064)	4,572	82,901	\$16.22
Buffalo/Niag.	2,347	45,817,150	4,090,932	4,184,411	9.1%	(301,393)	17,400	232,000	\$16.02
Charleston W.	1,381	16,562,738	887,386	905,228	5.5%	72,046	0	0	\$15.90
Charleston/N.	3,208	30,151,934	1,793,865	1,899,918	6.3%	281,968	907,567	723,904	\$23.40
Charlotte	7,804	125,273,080	8,742,483	9,292,828	7.4%	2,899,229	1,545,031	4,290,425	\$25.53
Chattanooga	1,287	20,602,903	879,647	935,184	4.5%	(57,963)	0	30,000	\$15.81
Chicago	15,456	498,356,630	56,105,300	59,183,075	11.9%	3,714,156	3,035,872	7,507,567	\$24.79
Cincinnati	5,625	104,244,206	7,668,973	7,924,238	7.6%	1,466,286	337,750	69,000	\$16.13
Cleveland	8,534	158,665,256	11,348,314	11,550,746	7.3%	840,684	970,294	375,876	\$17.59
Colorado Spr.	1,742	28,978,273	2,726,234	2,823,988	9.7%	287,428	0	202,045	\$16.64
Columbia	2,965	32,707,761	1,961,050	2,033,843	6.2%	269,633	29,541	89,768	\$15.47
Columbus	5,063	109,014,075	7,205,153	7,603,100	7.0%	1,149,585	1,500,152	664,867	\$18.64
Columbus GA	1,162	10,912,829	702,084	711,502	6.5%	(38,032)	0	4,508	\$12.20
Corpus Chris.	859	11,136,422	855,799	865,353	7.8%	51,591	11,967	50,000	\$13.50
Dallas/Ft Wo.	13,148	383,559,579	52,260,328	56,103,570	14.6%	4,965,336	6,366,179	8,047,611	\$25.61
Davenport/Mo	753	10,162,404	535,072	537,572	5.3%	(30,887)	0	58,674	\$11.78
Dayton	3,090	43,246,509	3,334,922	3,373,847	7.8%	513,715	52,956	581,634	\$14.56
Deltona/Dayt.	1,747	11,626,606	525,851	525,851	4.5%	196,509	179,430	231,000	\$13.12
Denver	7,958	208,760,044	17,973,658	19,688,478	9.4%	4,371,055	2,844,724	4,540,282	\$26.95
Des Moines	1,434	37,739,872	1,636,888	1,653,274	4.4%	(213,320)	189,945	554,666	\$14.33
Detroit	11,577	217,502,671	18,972,828	19,267,647	8.9%	2,389,053	826,845	2,990,533	\$19.55
Duluth	473	7,218,714	237,128	242,072	3.4%	97,358	19,582	166,627	\$13.48
East Bay/Oak.	5,314	111,476,101	9,236,174	9,729,664	8.7%	852,635	735,595	1,749,619	\$39.01
El Paso	2,501	23,694,462	1,403,988	1,425,379	6.0%	93,540	62,150	294,001	\$15.33
Erie	813	9,531,638	391,864	392,114	4.1%	(84,572)	0	391,136	\$10.79
Evansville	828	12,097,251	393,923	405,013	3.3%	75,190	0	58,687	\$10.96
Fayetteville	1,019	7,321,862	522,494	523,694	7.2%	30,388	51,319	28,500	\$14.97
Fayetteville.	1,557	19,124,444	1,161,756	1,188,924	6.2%	400,614	248,144	241,086	\$18.18
Fort Smith	569	5,338,548	277,284	280,784	5.3%	22,191	4,000	0	\$10.04
Fort Wayne	1,172	17,453,026	1,001,871	1,034,871	5.9%	(71,681)	51,310	0	\$14.06
Fresno	3,128	34,168,132	2,236,449	2,300,492	6.7%	687,765	248,451	277,399	\$17.79
Green Bay	1,098	17,084,912	1,166,588	1,180,124	6.9%	(82,591)	0	31,335	\$12.87

Source: CoStar Property®

Total Office Market Statistics

Year-End 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.	4,514	56,867,417	4,289,250	4,347,507	7.6%	624,326	144,326	130,974	\$15.33
Greenville/S.	4,501	39,980,944	3,068,504	3,228,413	8.1%	(203,380)	50,008	151,848	\$18.24
Hampton Road	3,511	52,592,993	4,287,488	4,323,128	8.2%	297,193	213,167	577,065	\$17.90
Hartford	6,026	97,523,796	7,369,782	7,850,364	8.0%	363,593	97,474	424,779	\$19.14
Hawaii	1,257	34,453,649	2,017,915	2,086,416	6.1%	(251,800)	3,879	547,960	\$25.55
Houston	9,462	328,175,609	49,116,609	54,091,306	16.5%	1,327,779	1,812,738	3,141,781	\$28.56
Huntington/A.	1,065	9,021,192	346,559	346,559	3.8%	(133,410)	0	0	\$10.55
Huntsville	1,069	20,800,450	1,573,006	1,619,907	7.8%	(96,547)	100,000	355,000	\$14.35
Indianapolis	5,966	109,288,806	7,929,072	8,172,790	7.5%	667,901	626,130	562,832	\$19.18
Inland Empir.	6,397	74,715,942	5,181,290	5,320,049	7.1%	1,088,827	280,589	659,976	\$21.48
Jackson	1,957	26,686,412	1,923,376	1,994,174	7.5%	(2,673)	41,717	247,000	\$17.15
Jacksonville.	4,691	64,113,846	4,647,780	5,012,000	7.8%	(131,605)	272,836	563,961	\$19.55
Kansas City	6,097	139,555,336	8,874,438	9,291,119	6.7%	478,298	604,447	1,873,882	\$19.60
Killeen/Temp.	494	3,962,954	245,362	246,616	6.2%	34,340	35,096	40,000	\$13.13
Kingsport/Br.	673	7,639,577	365,861	365,861	4.8%	140,625	0	0	\$14.04
Knoxville	2,995	34,728,745	1,640,270	1,657,194	4.8%	(239,054)	36,850	74,000	\$15.29
Lafayette	759	9,425,712	558,039	571,589	6.1%	194,078	0	20,000	\$15.19
Las Vegas	4,049	65,524,855	7,497,462	7,921,098	12.1%	688,771	602,403	466,361	\$20.09
Lexington/Fa.	1,330	20,128,188	1,677,453	1,811,866	9.0%	(150,045)	73,000	241,899	\$16.84
Lincoln	812	16,986,342	834,328	983,481	5.8%	(200,505)	142,000	145,027	\$14.38
Little Rock/.	2,543	35,330,905	1,338,101	1,426,274	4.0%	397,780	119,000	8,500	\$17.02
Long Island .	11,107	195,880,755	14,961,308	16,112,157	8.2%	(728,211)	1,677,632	9,049,465	\$28.83
Los Angeles	18,628	440,823,559	41,409,416	43,814,939	9.9%	2,468,270	1,922,119	6,291,325	\$36.74
Louisville	3,732	58,099,518	3,126,950	3,188,950	5.5%	365,568	192,560	145,737	\$17.44
Lubbock	1,532	12,481,976	743,929	746,201	6.0%	13,879	69,407	4,998	\$13.53
Madison	1,478	37,370,204	2,097,241	2,120,380	5.7%	1,305,643	1,261,600	239,000	\$16.72
McAllen/Edin.	1,044	11,442,396	711,140	711,335	6.2%	173,931	96,560	97,886	\$14.78
Memphis	3,071	54,501,462	5,528,883	5,616,363	10.3%	737,710	452,129	224,032	\$18.15
Miami-Dade C.	4,396	106,571,973	9,308,092	9,734,844	9.1%	142,762	1,278,296	1,892,100	\$36.23
Milwaukee	3,941	85,144,051	5,842,699	6,149,783	7.2%	458,658	290,070	634,537	\$17.05
Minneapolis	6,384	199,609,463	13,774,975	14,551,594	7.3%	619,624	1,500,030	844,383	\$22.35
Mobile	2,390	18,700,134	1,199,871	1,199,871	6.4%	(48,407)	24,606	38,000	\$14.24
Montgomery	1,377	16,476,476	1,133,307	1,134,933	6.9%	20,653	0	0	\$15.59
Myrtle Beach.	1,198	8,422,961	242,301	247,101	2.9%	104,791	10,000	0	\$14.82
Nashville	5,558	93,419,186	5,153,808	5,608,606	6.0%	959,242	847,453	3,947,802	\$27.58
New Orleans/.	3,555	49,873,721	3,559,015	3,604,558	7.2%	(39,054)	96,029	16,500	\$17.79
New York Cit.	3,841	567,483,561	40,070,516	45,085,030	7.9%	4,130,198	3,529,374	17,261,375	\$62.00
North Bay/Sa.	3,748	40,531,243	3,286,973	3,353,790	8.3%	420,872	106,016	29,390	\$27.64
Northern New.	18,574	373,560,769	38,935,678	42,055,712	11.3%	3,556,107	450,570	2,280,848	\$25.56
Ocala	931	6,309,430	482,924	482,924	7.7%	(70,378)	0	5,650	\$12.39
Oklahoma Cit.	4,675	62,366,244	4,556,657	4,628,895	7.4%	326,272	936,472	573,843	\$16.73
Olympia	885	9,739,423	347,039	347,245	3.6%	412,402	6,400	0	\$17.74
Omaha/Counc.	1,812	44,582,316	2,857,807	3,013,421	6.8%	43,915	237,574	902,010	\$18.78
Orange Count.	6,114	157,400,201	13,950,549	15,457,702	9.8%	264,069	923,851	1,291,628	\$31.59
Orlando	8,855	108,942,806	6,863,242	7,072,157	6.5%	685,811	413,591	2,199,629	\$21.27
Palm Beach C.	2,875	55,623,959	5,260,147	5,491,459	9.9%	131,023	108,469	504,676	\$29.71
Pensacola	2,058	14,558,494	664,728	664,728	4.6%	112,675	102,115	236,437	\$16.02
Peoria	729	11,515,760	598,018	601,018	5.2%	49,914	0	0	\$12.02

Source: CoStar Property®

Total Office Market Statistics

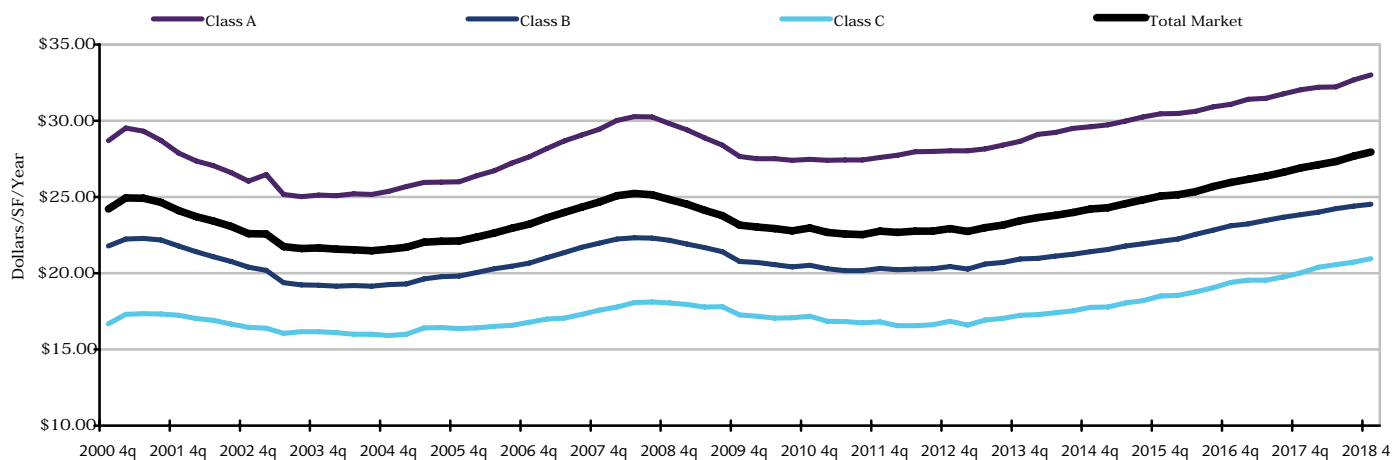
Year-End 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Philadelphia	25,695	447,102,182	33,491,677	34,836,118	7.8%	3,217,263	3,024,745	3,084,305	\$23.10
Phoenix	8,800	184,029,690	21,675,571	23,113,556	12.6%	3,668,398	1,229,811	3,496,286	\$25.61
Pittsburgh	7,360	133,770,995	10,498,966	11,235,532	8.4%	(95,057)	257,047	1,253,376	\$22.14
Port St Luci.	1,037	10,432,096	876,265	891,525	8.5%	22,121	43,148	60,174	\$15.11
Portland	9,178	136,962,339	8,736,488	9,097,105	6.6%	1,583,315	2,185,799	2,284,328	\$24.92
Portland/Sou.	1,813	24,591,235	818,868	856,623	3.5%	364,766	45,004	139,800	\$15.66
Providence	2,956	43,567,500	2,137,052	2,157,294	5.0%	687,214	552,328	378,080	\$18.13
Raleigh/Durh.	4,925	103,455,932	6,706,410	6,994,095	6.8%	2,540,153	1,651,223	3,307,979	\$24.26
Reno/Sparks	1,715	19,704,973	1,683,468	1,763,791	9.0%	123,627	62,031	110,766	\$18.50
Richmond VA	3,270	64,737,369	4,001,939	4,242,452	6.6%	138,120	316,992	1,297,369	\$18.72
Roanoke	1,115	14,161,745	894,204	901,149	6.4%	83,337	0	0	\$15.67
Rochester	2,194	48,033,114	3,878,109	3,995,446	8.3%	(207,660)	126,884	51,000	\$13.68
Sacramento	5,404	106,397,171	10,009,004	10,209,578	9.6%	668,195	254,190	1,160,037	\$22.59
Salinas	854	8,697,827	496,698	497,578	5.7%	49,275	9,731	0	\$21.67
Salt Lake Ci.	4,943	107,862,617	6,418,388	6,864,922	6.4%	3,120,638	2,186,107	3,809,666	\$21.61
San Antonio	4,109	79,193,046	7,223,563	7,457,988	9.4%	468,896	427,586	1,881,497	\$21.88
San Diego	5,540	116,559,174	10,785,017	11,325,269	9.7%	240,905	717,828	936,640	\$32.77
San Francisc.	3,943	172,525,275	8,284,642	9,982,754	5.8%	5,160,730	3,929,005	7,764,055	\$61.23
San Luis Obi.	892	6,329,204	122,088	122,838	1.9%	36,290	33,411	74,449	\$22.04
Santa Barbar.	1,454	12,464,691	403,497	450,660	3.6%	48,360	9,610	90,000	\$22.77
Santa Cruz/W.	880	7,451,280	634,777	635,662	8.5%	(234,678)	3,213	3,124	\$25.94
Savannah	1,569	12,141,011	486,347	515,808	4.2%	34,662	22,964	22,200	\$18.21
Seattle/Puge.	7,962	203,351,002	11,466,809	12,397,976	6.1%	4,328,050	935,214	8,386,009	\$32.63
Shreveport/B.	844	11,597,591	1,063,046	1,063,046	9.2%	(115,701)	12,414	0	\$14.07
South Bay/Sa.	4,618	128,956,558	8,802,421	10,676,673	8.3%	3,942,772	2,968,778	4,855,697	\$44.12
South Bend/M.	1,415	13,877,193	979,833	991,045	7.1%	(41,976)	720	8,400	\$14.58
Southwest Fl.	3,285	33,749,129	2,346,679	2,424,315	7.2%	(258,933)	63,524	732,898	\$15.16
Spokane	1,691	22,477,233	1,992,606	2,066,474	9.2%	50,724	154,373	11,710	\$15.99
Springfield	883	10,140,600	361,556	369,501	3.6%	144,994	6,810	8,000	\$12.87
St. Louis	6,473	138,759,827	9,146,515	9,452,083	6.8%	540,215	281,556	1,107,520	\$19.99
Stockton/Mod.	2,023	21,466,956	1,066,528	1,081,766	5.0%	126,990	0	50,051	\$16.41
Syracuse	2,226	38,998,189	2,576,622	2,606,749	6.7%	510,541	177,465	8,800	\$14.87
Tallahassee	2,253	22,426,528	921,129	945,972	4.2%	(2,588)	65,720	23,520	\$17.16
Tampa/St Pet.	14,433	160,238,563	9,952,600	10,631,288	6.6%	764,947	503,473	1,321,190	\$22.04
Toledo	2,720	31,958,372	1,346,918	1,354,952	4.2%	303,035	52,679	213,640	\$14.61
Tucson	2,554	26,469,307	2,208,902	2,255,661	8.5%	143,273	93,500	718,735	\$19.15
Tulsa	2,827	52,865,965	4,820,577	5,221,000	9.9%	(178,666)	135,920	380,782	\$15.12
Utica/Rome	653	9,308,543	421,280	421,280	4.5%	(225,033)	0	0	\$12.39
Visalia/Port.	1,167	6,698,986	168,546	168,546	2.5%	77,667	39,040	22,322	\$16.13
Washington	12,951	515,431,147	62,484,113	65,873,447	12.8%	3,271,555	4,790,809	8,958,632	\$35.90
West Michiga.	6,379	83,002,731	3,486,527	3,606,378	4.3%	559,459	253,371	428,918	\$14.88
Westchester/.	7,973	174,398,937	18,770,616	19,409,244	11.1%	1,207,242	127,480	736,775	\$27.95
Wichita	1,774	24,337,016	1,908,920	1,909,920	7.8%	(201,139)	78,181	73,825	\$14.07
Wilmington	1,818	13,338,524	415,520	426,520	3.2%	352,713	170,042	233,685	\$18.17
Yakima	631	4,986,772	219,122	221,122	4.4%	142,428	0	8,800	\$13.18
Youngstown/V.	1,893	16,005,289	540,901	540,901	3.4%	295,602	0	2,500	\$10.51
Totals	571,950	11,426,583,376	953,745,224	1,012,679,298	8.9%	96,271,113	81,882,843	169,705,657	\$25.84

Source: CoStar Property®

Historical Rental Rates*

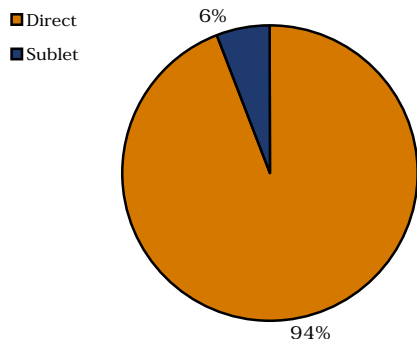
Based on Full-Service Equivalent Rental Rates



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

Vacancy by Available Space Type

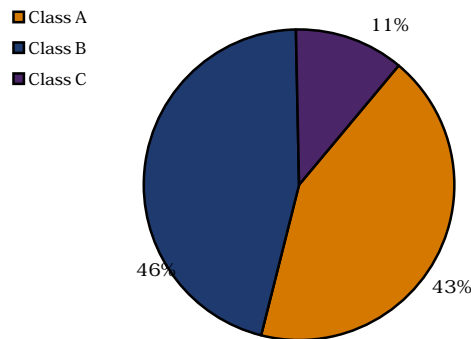
Percent of All Vacant Space in Direct vs. Sublet



Source: CoStar Property®

Vacancy by Class

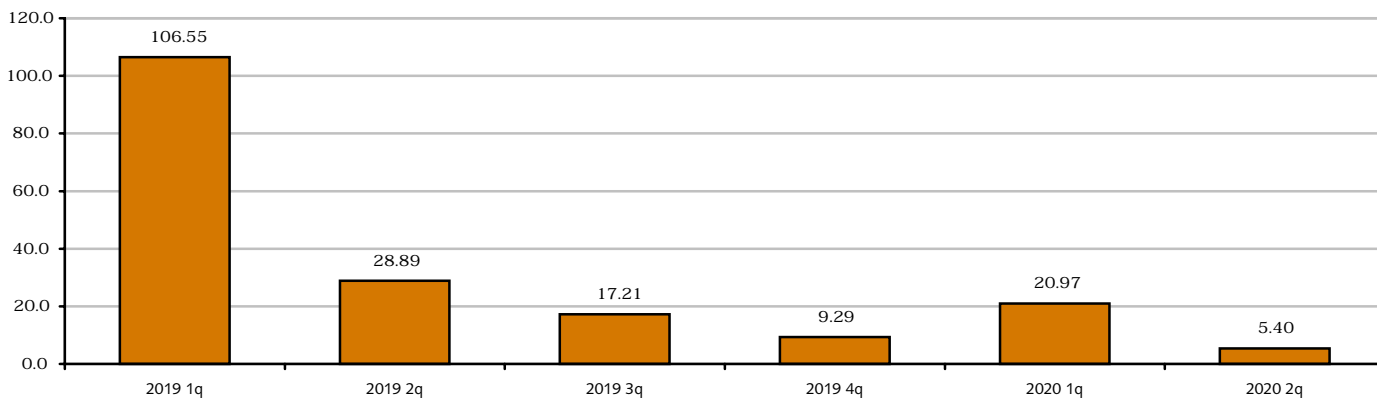
Percent of All Vacant Space by Class



Source: CoStar Property®

Future Space Available

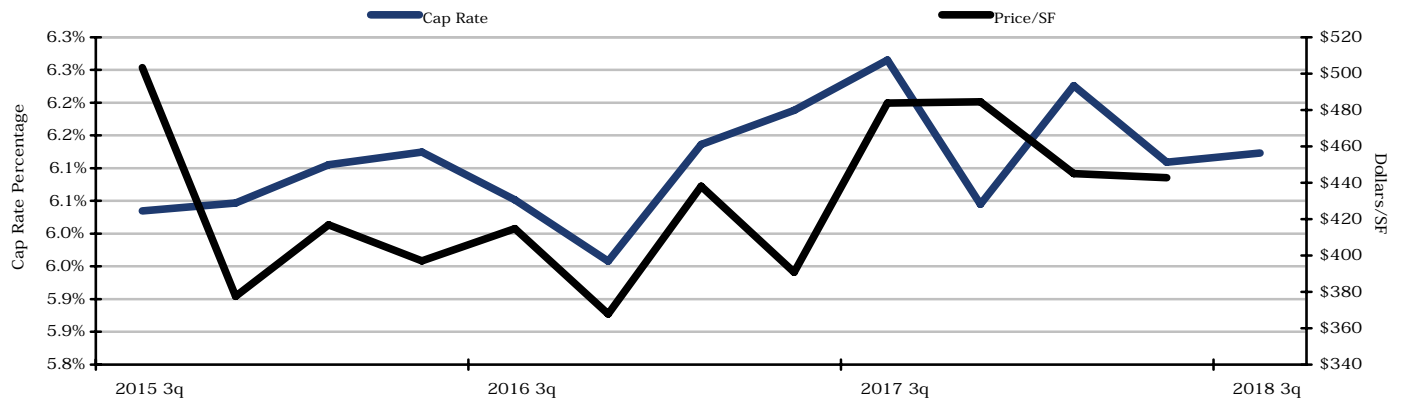
Space Scheduled to be Available for Occupancy in the Future*



* includes Under Construction Spaces Source: CoStar Property®

The Optimist Sales Index

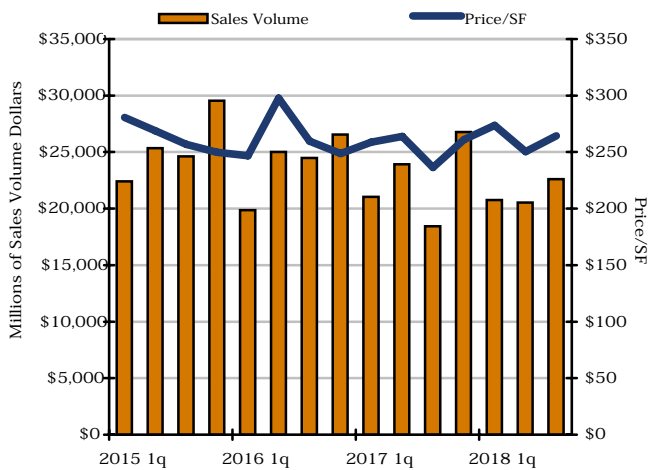
Average of Two Highest Price/SF's and Two Lowest Cap Rates From Each Region



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

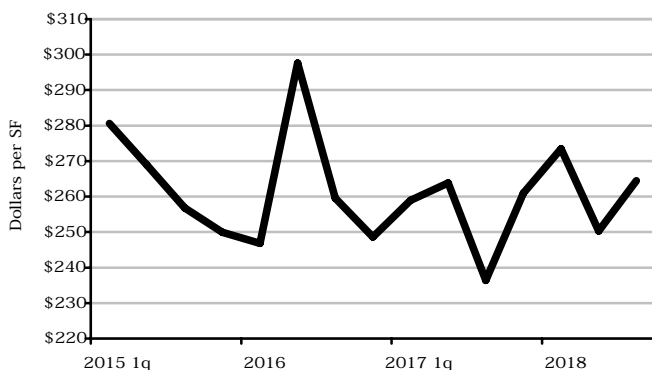
Based on Office Building Sales From Oct. 2017 - Sept. 2018

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 50,000 SF	5,651	74,320,413	\$16,651,569,075	\$ 224.05	7.27%
50K-249K SF	1,163	132,717,455	\$30,428,321,360	\$ 229.27	7.29%
250K-499K SF	229	78,472,168	\$22,978,394,593	\$ 292.82	6.29%
>500K SF	107	86,595,606	\$27,779,947,447	\$ 320.80	3.67%

Source: CoStar COMPS®

Historical Price/SF Average

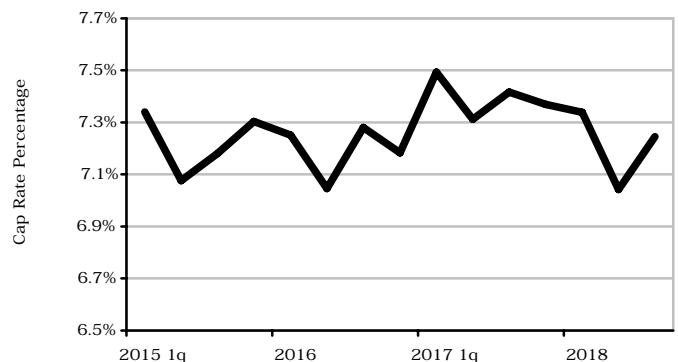
Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

Historical Cap Rate Average

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



Source: CoStar COMPS®