

MARKETBEAT

U.S. Office

Q1 2017



U.S. OFFICE

Employment Indicators

	Q1 16	Q1 17	12-Month Forecast
Total Nonfarm Employment	143.4M	145.7M	▲
Office-using Employment	30.9M	31.7M	▲
Unemployment	4.9%	4.6%	▼

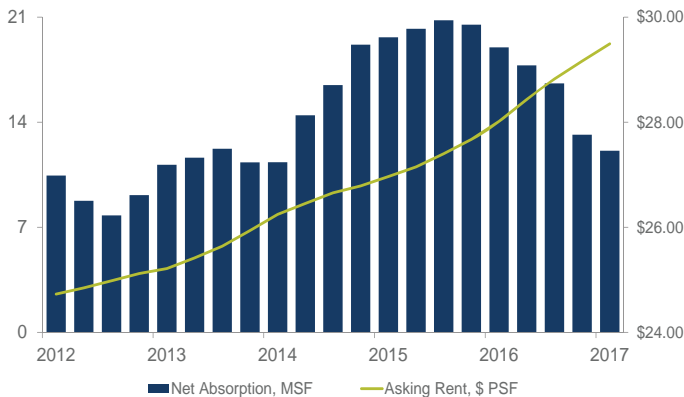
Source: BLS

Market Indicators (Overall)

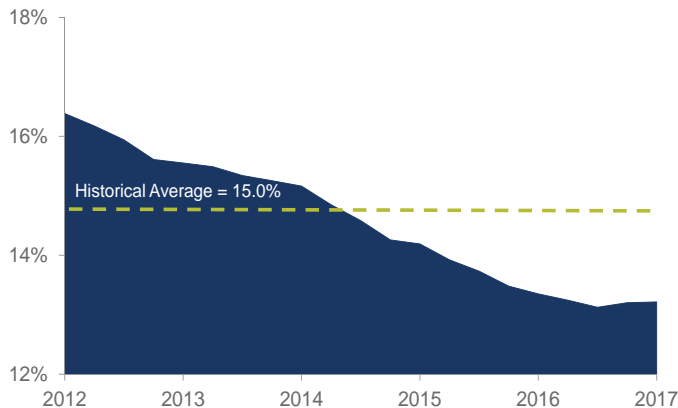
	Q1 16	Q1 17	12-Month Forecast
Vacancy Rate	13.4%	13.2%	■
Net Absorption	11.2M	6.9M	▲
Under Construction	96.8M	102.6M	▲
Weighted Asking Rent (FS)	\$28.63	\$29.94	▲

Net Absorption/Rent

4-QTR TRAILING AVERAGE



Overall Vacancy



Source: Cushman & Wakefield Research

Economy

The U.S. economy began 2017 on a wave of optimism about the potential for stronger growth under the new Trump Administration. Proposals to reduce regulation, increase spending on infrastructure and defense and lower taxes led to rising confidence among consumers, businesses and investors. As financial markets rallied, the resulting wealth effect also boosted optimism.

At the same time, the weather was also cooperating. Both January and February of 2017 were unusually warm. That led to more hiring, particularly in industries like construction and mining, which is normally slower in winter months. Total U.S. nonfarm payroll employment increased by more than 215,000 jobs in both January and February, and while other economic indicators were a bit less ebullient, the pace of economic growth appeared to be picking up following a mild final quarter of 2016. The economy seemed strong enough that the Federal Open Market Committee decided to raise the Federal funds target rate 25 basis points at its mid-month meeting in March.

But there were some small setbacks in March, for both the economy and policy changes. The Trump Administration's efforts to replace the Affordable Care Act (Obamacare) ran into opposition, and "repeal and replace" was postponed. In addition, weather conditions worsened. Job growth slowed sharply, with the economy adding only 98,000 jobs in March—roughly half the average of the first two months of the year. However, office-using employment—the sum of jobs in the financial, professional and business services and information sectors, and a key indicator of demand for office space—remained healthy. In fact office-using employment growth actually accelerated in March. In the first three months of the year the U.S. added 181,000 office-using jobs, up from 153,000 in the fourth quarter of 2016.

Market Overview

In the first quarter of 2017, U.S. net absorption totaled 6.9 million square feet (MSF), almost identical to the 6.8 MSF absorbed in the fourth quarter of 2016. However, it appears that the pace of office space absorption has slowed, reflecting the overall moderation in the pace of job growth compared with previous years.

This quarter's absorption was below the 12.6 MSF of new office space that was delivered to the market during Q1 2017, but this was not enough to significantly impact vacancy which remained steady at 13.2% for the quarter. Vacancy rates ranged widely across the 87 markets tracked by Cushman & Wakefield—from a high of 21.3% in Fairfield County, CT to a low of 6.9% in Nashville, TN. The tightest markets in the nation are generally still tied to the technology sector, with Raleigh Durham (7.3%), Richmond, VA (7.6%), Midtown South, Manhattan (7.7%) and Seattle (7.7%) rounding out the top five. Markets with the highest vacancy rates in the country include Northern VA (21.3%), Cincinnati (21.3%), Houston (20.1%) and the Los Angeles CBD (19.9%).

MARKETBEAT

U.S. Office

Q1 2017



The tech-heavy West region of the U.S. experienced its slowest absorption since the fourth quarter of 2010—registering 2.4 MSF. Still, the tech sector continues to be important market driver across the U.S.

Asking rents continue to increase steadily. In the first quarter of 2017 the national weighted average asking rent was at a cyclical high of \$29.94 per square foot (PSF), a 1.6% increase from the fourth quarter of 2016 and up 4.6% from a year ago. The Northeast region recorded the strongest rent growth from a year earlier, led by the tech-driven markets of Brooklyn (+16.5%) and Boston (+7.7%). Other major markets recording double-digit rent growth over the last 12 months were Oakland/East Bay (+15.0%), Nashville (+13.8%) and Seattle (+11.0%). Most markets continued to experience rent growth from Q1 2016 to Q1 2017 with 69 of the 87 markets tracked recording increases and only 18 recording declines. But the pace of rent growth appears to be slowing. The 4.6% increase recorded in the first quarter of 2017 was the lowest year-over-year reading since the fourth quarter of 2015.

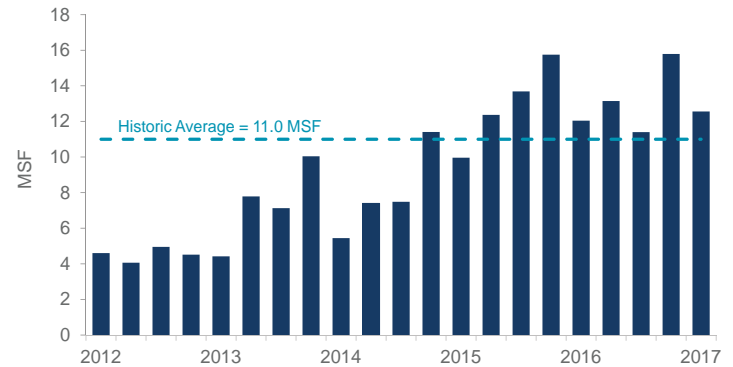
In 2017, the dominant factor in office markets across the U.S. will be the pipeline of new office space scheduled to be completed. Cushman & Wakefield is currently tracking approximately 103 MSF of office space under construction, equivalent to 2.0% of existing inventory. Q1 2017 is now tied with the Q3 2016 for the highest level of new construction as a share (of inventory) in the current cycle. For comparison, in the first half of 2013 new construction represented only 0.9% of total inventory. While the ramping up of construction has, in the past, been a worrisome development, current construction is highly concentrated. The top 10 new-construction markets account for slightly more than half of all office space under construction and they are, for the most part, among the healthiest markets in the nation, including New York City, Silicon Valley, San Francisco and Dallas. We expect that of the 103 MSF under construction, approximately 59 MSF will be completed in 2017, the bulk of which will be in the South (led by Dallas and Nashville) and the West (led by Silicon Valley and San Francisco).

Outlook

- Office markets appear to have reached an inflection point as the amount of new supply has topped absorption in each of the last two quarters. This is expected to continue in 2017 leading to a slight increase in vacancy.
- Individual markets will continue to be driven by their own supply-and-demand dynamics, but it is likely that national trends will show rental growth deceleration in 2017.

New Supply

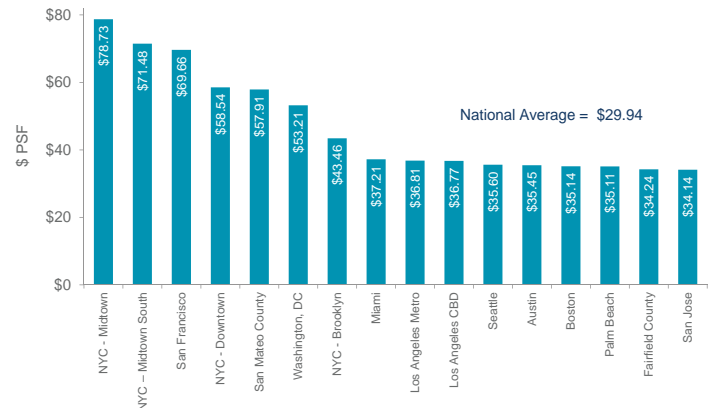
COMPLETIONS REMAIN ABOVE LONG-TERM AVERAGE



Source: Cushman & Wakefield Research

Asking Rent by Market

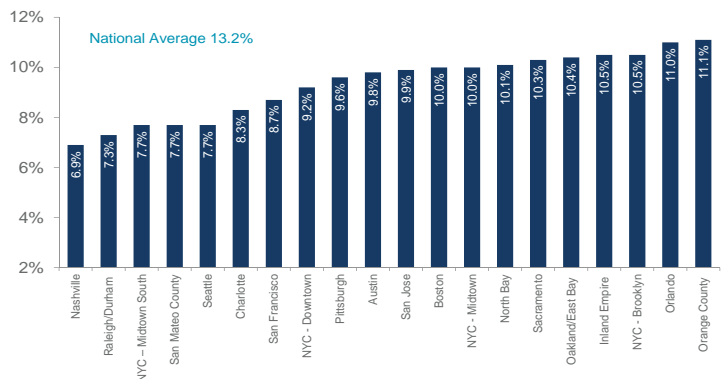
HIGHEST PRICED U.S. MARKETS



Source: Cushman & Wakefield Research

Vacancy by Market

SELECT MARKETS IN THE U.S.



Source: Cushman & Wakefield Research

Demand Indicators (Overall)	Net Absorption				Leasing Activity	
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017p	Q1 2017p
United States	11,168,104	18,029,746	16,618,357	6,845,371	6,913,253	66,844,798
Northeast	-1,333,264	6,535,074	4,311,539	-1,163,350	530,158	16,992,444
Midwest	2,460,890	3,927,694	3,191,228	1,960,766	663,118	6,473,769
South	4,879,305	4,709,784	3,879,086	3,555,515	3,276,392	19,053,435
West	5,161,173	2,857,194	5,236,504	2,492,440	2,443,585	24,325,150

U.S. Office Market Reports	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017p	Q1 2017p
Atlanta, GA	313,191	274,375	554,439	344,563	-105,253	2,255,669
Austin, TX	581,240	653,778	419,518	455,749	116,051	811,395
Baltimore, MD	106,787	189,284	158,539	1,063,486	534,820	494,993
Binghamton, NY	15,642	4,317	4,317	34,933	40,032	27,999
Birmingham, AL	-32,279	-111,059	257,811	29,332	24,300	121,130
Boston, MA	-689,333	87,409	562,955	-116,535	-280,095	2,591,291
Buffalo, NY	-21,155	200,510	-101,539	-7,971	233,183	241,705
Charleston, SC	60,432	149,455	191,397	-75,697	-130,212	174,234
Charlotte, NC	595,031	701,059	406,890	467,458	335,111	1,367,118
Chicago, IL	822,119	1,183,228	831,723	683,871	504,701	2,080,493
Cincinnati, OH	469,620	-14,499	317,050	43,364	-303,738	132,049
Cleveland, OH	396,069	416,958	680,332	581,078	305,691	736,636
Colorado Springs, CO	58,396	48,818	52,013	70,736	6,897	91,421
Columbus, OH	-53,818	212,171	70,287	219,608	88,396	286,170
Dallas/Fort Worth, TX	2,110,596	1,031,110	248,866	-512,763	1,521,307	3,197,805
Dayton, OH	38,964	-11,746	51,265	57,996	90,244	106,311
Denver, CO	967,513	-500,236	-379,858	69,441	-554,793	1,740,121
Detroit, MI	470,643	865,437	956,302	-29,328	-34,511	917,669
El Paso, TX	-11,000	34,350	92,639	82,099	126,075	33,843
Fairfield County, CT	-56,136	-380,776	27,856	48,586	-474,493	629,327
Fort Myers/Naples, FL	70,569	210,828	244,266	94,488	236,811	93,221
Fredericksburg, VA	26,360	16,493	73,076	61,620	24,677	81,302
Ft. Lauderdale, FL	137,164	166,037	111,417	317,323	-5,280	266,694
Greenville, SC	36,230	-43,568	63,853	-66,597	201,786	198,732
Hampton Roads, VA	-77,547	104,724	155,570	-51,058	-126,208	229,806
Hartford, CT	-160,005	414,426	112,379	-79,724	230,210	350,244
Houston, TX	237,041	-372,634	-1,083,732	-590,191	-227,946	1,191,465
Indianapolis, IN	81,486	264,622	158,972	-153,832	6,109	468,505
Inland Empire CA	145,402	-44,682	72,398	129,678	37,891	287,100
Jacksonville, FL	-3,364	343,114	82,351	53,281	-23,706	138,166
Kansas City, MO	-179,913	306,847	-88,228	248,616	-19,610	943,674
Las Vegas, NV	366,846	19,421	472,247	312,460	185,620	n/a
Long Island, NY	151,066	493,005	144,125	300,707	191,312	354,500
Los Angeles CBD	168,833	62,418	42,193	-181,888	17,749	253,089
Los Angeles Metro	272,091	978,635	697,780	445,179	214,457	2,451,296
Louisville, KY	135,962	94,692	-54,793	71,547	-86,152	231,746
Memphis, TN	-72,718	-95,632	33,254	-62,738	-2,641	158,168
Miami, FL	-55,827	17,166	-34,833	120,783	305,005	529,813
Milwaukee, WI	338,654	90,980	150,722	52,817	8,597	305,284
Minneapolis/St. Paul, MN	-34,828	168,456	-89,059	-126,142	-155,881	n/a

Demand Indicators (Overall)	Net Absorption				Leasing Activity	
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017p	Q1 2017p
Nashville, TN	433,389	59,782	395,157	191,246	-58,827	528,941
New Haven, CT	45,400	39,393	23,294	28,424	38,391	84,225
New Jersey - Central	27,552	634,675	1,441,401	61,430	-676,878	487,995
New Jersey - Northern	-63,953	540,509	637,026	-76,569	-262,179	1,381,017
New Orleans, LA	-76,851	-174,374	278,368	-39,806	156,347	155,334
New York - Brooklyn	-257,708	102,365	88,784	-781,065	209,132	418,647
New York - Downtown	-623,641	428,340	81,834	-226,920	1,113,183	2,042,617
New York - Midtown	-772,453	2,327,392	867,100	-199,914	248,589	4,260,122
New York - Midtown South	517,996	253,329	-142,723	47,621	-485,488	1,315,088
Northern VA	-319,132	370,820	442,988	-431,410	-194,557	1,094,702
Oakland/East Bay, CA*	157,495	354,708	-316,344	-1,122,942	-38,680	1,607,980
Oklahoma City, OK	-159,782	-230,557	11,521	-2,958	-185,618	n/a
Omaha, NE	-62,197	114,364	-1,831	180,895	124,213	132,379
Orange County, CA	409,175	-3,818	513,013	57,780	126,049	1,483,133
Orlando, FL	211,059	258,412	92,427	25,325	40,269	475,452
Palm Beach, FL	44,710	129,378	299,567	101,621	4,260	224,172
Philadelphia, PA	625,565	1,222,825	409,215	298,667	465,348	1,437,599
Phoenix, AZ	702,999	1,004,896	1,103,127	795,236	621,567	2,005,884
Pittsburgh, PA	201,256	366,523	238,526	-571,614	-143,008	594,224
Portland, OR	137,851	254,089	275,911	11,640	-55,842	685,411
Providence, RI	-8,900	31,650	22,823	-12,700	18,000	145,500
Puget Sound - Eastside	438,586	-252,940	397,535	502,163	660,590	590,185
Raleigh/Durham, NC	165,443	109,472	336,035	242,852	247,375	893,863
Richmond, VA	-28,408	-46,098	-8,369	309,007	-39,914	507,036
Roanoke, VA	-255,009	18,963	92,240	98,481	171,404	25,638
Rochester, NY	-96,429	175,648	33,806	-105,309	-10,499	59,196
Sacramento, CA	-162,330	201,875	333,313	483,824	-142,205	832,595
Salt Lake City, UT	51,364	289,327	131,588	338,366	237,340	410,221
San Antonio, TX	184,234	201,177	-17,626	696,235	277,322	545,897
San Diego, CA	158,670	163,854	435,726	733,592	251,384	1,682,760
San Francisco North Bay, CA	177,575	102,466	146,449	40,250	-46,863	109,802
San Francisco, CA	362,107	270,745	263,471	-335,105	-553,418	1,513,985
San Juan, PR	n/a	n/a	n/a	n/a	n/a	n/a
San Mateo County, CA	227,356	15,429	264,417	411,289	8,442	1,671,122
San Jose (Silicon Valley), CA*	-287,478	-600,987	-222,176	-1,699,229	1,136,894	5,066,662
Savannah, GA	n/a	40,101	1,762	-22,958	n/a	n/a
Seattle, WA	611,761	483,663	880,035	1,299,222	299,868	1,693,319
Southern New Hampshire	-109,069	0	n/a	n/a	44,067	129,558
St. Louis, MO	174,091	330,876	153,693	201,823	48,907	364,599
St. Petersburg/Clearwater, FL	29,058	149,301	-136,638	-12,618	21,139	139,718
Suburban MD	229,841	67,205	-7,974	458,366	75,294	548,109
Syracuse, NY	15,284	-3,743	-58,011	-101,130	-12,004	72,386
Tampa, FL	439,480	101,789	87,543	47,380	70,293	512,758
Tucson, AZ	196,961	9,513	73,666	130,748	30,638	149,064
Tulsa, OK	-173,250	-184,624	-17,000	-113,566	-70,296	n/a
Washington, DC	-3,345	475,465	108,557	205,633	43,356	1,826,515
Westchester County, NY	-74,243	-402,723	-81,629	295,733	43,355	369,204

p = preliminary
*Includes R&D

Vacancy Rate (All Classes)	Overall					Direct	
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017p	Q1 2017p	
United States	13.4%	13.2%	13.1%	13.2%	13.2%	12.2%	
Northeast	12.7%	12.5%	12.3%	12.4%	12.5%	11.2%	
Midwest	15.5%	15.0%	14.8%	14.8%	14.6%	14.0%	
South	14.1%	14.1%	14.1%	14.1%	14.1%	13.2%	
West	11.7%	11.8%	11.7%	11.9%	11.9%	10.7%	

U.S. Office Report Markets	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017p	Q1 2017p
Atlanta, GA	16.2%	16.0%	15.8%	15.8%	16.0%	14.9%
Austin, TX	8.5%	9.0%	8.8%	8.2%	9.8%	7.9%
Baltimore, MD	14.6%	14.6%	12.9%	14.0%	13.0%	12.7%
Binghamton, NY	10.2%	9.9%	9.9%	10.3%	10.2%	10.2%
Birmingham, AL	13.8%	14.4%	13.0%	12.9%	12.6%	11.7%
Boston, MA	9.6%	9.9%	9.7%	9.7%	10.0%	9.0%
Buffalo, NY	18.6%	17.8%	18.4%	19.1%	18.1%	17.4%
Charleston, SC	6.7%	7.0%	6.7%	7.0%	7.7%	7.5%
Charlotte, NC	8.1%	7.9%	7.9%	8.0%	8.3%	8.0%
Chicago, IL	14.9%	14.4%	14.6%	14.8%	15.2%	14.3%
Cincinnati, OH	20.6%	20.8%	20.5%	20.2%	21.3%	19.4%
Cleveland, OH	11.8%	11.5%	11.3%	11.1%	10.7%	10.6%
Colorado Springs, CO	19.9%	19.9%	21.6%	21.1%	19.1%	17.7%
Columbus, OH	14.2%	13.3%	13.4%	12.4%	12.2%	10.7%
Dallas/Fort Worth, TX	16.0%	15.7%	16.1%	16.6%	16.5%	15.9%
Dayton, OH	25.6%	24.8%	24.5%	24.2%	23.3%	22.9%
Denver, CO	11.3%	11.4%	12.1%	13.6%	14.5%	12.6%
Detroit, MI	17.8%	17.6%	16.7%	16.5%	14.4%	14.2%
El Paso, TX	6.7%	7.5%	7.2%	7.2%	6.4%	6.4%
Fairfield County, CT	20.7%	21.8%	21.5%	21.2%	23.1%	20.5%
Fort Myers/Naples, FL	10.1%	9.1%	8.6%	8.1%	7.2%	7.1%
Fredericksburg, VA	14.6%	14.0%	13.8%	13.3%	12.9%	12.5%
Ft. Lauderdale, FL	14.7%	15.3%	14.0%	12.9%	13.0%	11.8%
Greenville, SC	8.9%	8.5%	8.1%	8.6%	8.9%	7.9%
Hampton Roads, VA	11.5%	10.8%	10.6%	10.8%	11.0%	10.7%
Hartford, CT	17.7%	18.7%	18.1%	17.9%	17.2%	16.7%
Houston, TX	16.8%	18.1%	19.2%	19.1%	20.1%	17.3%
Indianapolis, IN	15.6%	14.2%	13.5%	13.8%	14.5%	13.6%
Inland Empire CA	13.7%	11.9%	11.9%	10.9%	10.5%	10.3%
Jacksonville, FL	17.5%	15.4%	15.3%	14.8%	14.7%	14.4%
Kansas City, MO	17.7%	17.3%	17.1%	17.0%	17.0%	15.7%
Las Vegas, NV	17.1%	17.1%	16.3%	15.5%	15.1%	14.6%
Long Island, NY	16.6%	15.1%	14.7%	13.8%	13.3%	11.9%
Los Angeles CBD	19.9%	19.9%	19.2%	20.4%	19.9%	19.1%
Los Angeles Metro	13.7%	13.5%	13.1%	13.1%	13.5%	12.8%
Louisville, KY	11.7%	12.7%	12.8%	12.3%	12.9%	12.7%
Memphis, TN	20.4%	20.7%	20.1%	20.5%	20.5%	20.4%
Miami, FL	13.7%	13.6%	13.5%	12.8%	12.5%	12.1%
Milwaukee, WI	18.2%	18.0%	16.8%	16.7%	16.7%	16.0%
Minneapolis/St. Paul, MN	17.0%	16.6%	16.6%	17.4%	17.4%	17.0%

Vacancy Rates

Vacancy Rate (All Classes)	Overall					Direct
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017p	Q1 2017p
Nashville, TN	5.4%	5.2%	4.5%	5.4%	6.9%	6.9%
New Haven, CT	15.6%	15.3%	12.0%	11.7%	15.1%	14.7%
New Jersey - Central	16.6%	16.6%	15.5%	15.4%	16.7%	14.4%
New Jersey - Northern	20.4%	19.3%	18.8%	18.9%	19.0%	16.7%
New Orleans, LA	9.7%	10.2%	10.3%	10.5%	9.4%	9.0%
New York - Brooklyn	8.0%	6.8%	8.7%	11.4%	10.5%	10.1%
New York - Downtown	10.2%	9.8%	9.9%	10.2%	9.2%	8.3%
New York - Midtown	9.3%	9.2%	9.5%	9.6%	10.0%	8.4%
New York - Midtown South	6.3%	6.3%	6.7%	6.7%	7.7%	5.8%
Northern VA	21.4%	21.6%	21.1%	21.3%	21.3%	20.3%
Oakland/East Bay, CA*	9.5%	9.2%	9.5%	10.5%	10.4%	9.4%
Oklahoma City, OK	11.9%	12.5%	13.0%	13.0%	14.8%	14.1%
Omaha, NE	11.8%	11.6%	12.0%	10.9%	11.2%	10.8%
Orange County, CA	11.9%	11.4%	11.3%	11.2%	11.1%	10.7%
Orlando, FL	12.8%	12.0%	11.7%	11.8%	11.0%	10.8%
Palm Beach, FL	18.6%	18.5%	17.4%	16.0%	13.8%	13.5%
Philadelphia, PA	13.3%	12.9%	12.3%	11.9%	11.5%	11.2%
Phoenix, AZ	18.2%	18.0%	17.8%	17.6%	17.6%	16.5%
Pittsburgh, PA	10.0%	9.2%	9.0%	9.7%	9.6%	9.4%
Portland, OR	10.8%	10.8%	10.8%	11.1%	11.7%	10.9%
Providence, RI	13.0%	12.8%	12.7%	12.7%	12.6%	12.6%
Puget Sound - Eastside	9.7%	10.5%	9.3%	8.8%	8.8%	8.1%
Raleigh/Durham, NC	9.7%	8.8%	9.4%	7.8%	7.3%	7.0%
Richmond, VA	8.1%	8.1%	8.1%	7.8%	7.6%	7.4%
Roanoke, VA	9.6%	9.8%	9.7%	9.1%	8.8%	8.8%
Rochester, NY	16.3%	15.0%	14.8%	15.6%	15.7%	15.7%
Sacramento, CA	12.8%	12.6%	12.0%	11.4%	10.3%	10.0%
Salt Lake City, UT	11.8%	11.4%	11.4%	12.2%	13.4%	11.1%
San Antonio, TX	15.1%	15.4%	12.9%	12.1%	11.2%	10.8%
San Diego, CA	15.6%	15.5%	15.1%	14.5%	14.4%	11.9%
San Francisco North Bay, CA	11.2%	10.8%	9.9%	9.9%	10.1%	9.4%
San Francisco, CA	5.7%	7.3%	7.7%	8.0%	8.7%	6.7%
San Juan, PR	15.1%	15.1%	15.0%	14.6%	15.1%	15.1%
San Mateo County, CA	7.7%	7.6%	7.5%	7.7%	7.7%	5.8%
San Jose (Silicon Valley), CA*	8.2%	9.0%	9.1%	10.2%	9.9%	7.6%
Savannah, GA	17.9%	16.7%	16.6%	17.2%	17.2%	17.2%
Seattle, WA	9.5%	8.9%	8.6%	7.8%	7.7%	7.0%
Southern New Hampshire	16.6%	15.5%	14.9%	13.9%	11.1%	11.0%
St. Louis, MO	13.2%	12.6%	12.5%	12.1%	12.0%	11.8%
St. Petersburg/Clearwater, FL	16.1%	14.9%	14.4%	16.3%	14.5%	14.3%
Suburban MD	20.8%	21.2%	21.2%	20.6%	19.6%	18.9%
Syracuse, NY	14.4%	14.1%	14.4%	14.9%	14.5%	13.4%
Tampa, FL	11.1%	12.2%	11.0%	11.9%	12.2%	11.2%
Tucson, AZ	11.8%	11.1%	11.0%	10.5%	10.6%	10.5%
Tulsa, OK	19.5%	18.4%	19.7%	19.9%	19.2%	15.5%
Washington, DC	11.8%	11.7%	11.9%	12.1%	12.3%	11.4%
Westchester County, NY	20.9%	22.4%	22.8%	21.2%	20.0%	18.5%

p = preliminary
*Includes R&D

	Overall (All Classes)					Class A
Weighted Average Asking Rent	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017p	Q1 2017p
United States	\$28.63	\$29.09	\$29.46	\$29.47	\$29.94	\$36.82
Northeast	\$36.68	\$37.27	\$38.14	\$38.03	\$38.67	\$44.95
Midwest	\$21.67	\$21.72	\$21.93	\$22.31	\$22.57	\$27.26
South	\$26.10	\$26.43	\$26.55	\$26.67	\$27.01	\$32.71
West	\$30.15	\$30.97	\$31.38	\$30.99	\$31.60	\$39.31

U.S. Office Report Markets	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017p	Q1 2017p
Atlanta, GA	\$22.44	\$23.07	\$23.38	\$23.39	\$23.51	\$27.08
Austin, TX	\$33.52	\$33.54	\$34.00	\$34.19	\$35.45	\$37.86
Baltimore, MD	\$22.53	\$21.56	\$23.10	\$23.59	\$23.29	\$26.85
Binghamton, NY	\$13.75	\$13.52	\$13.52	\$13.30	\$13.31	\$13.31
Birmingham, AL	\$18.82	\$19.18	\$19.91	\$19.72	\$19.31	\$21.50
Boston, MA	\$32.62	\$33.98	\$34.45	\$34.38	\$35.14	\$41.53
Buffalo, NY	\$17.70	\$17.70	\$17.70	\$17.70	\$17.70	\$23.60
Charleston, SC	\$19.30	\$19.62	\$19.39	\$20.67	\$21.12	\$26.69
Charlotte, NC	\$22.13	\$22.51	\$22.70	\$22.61	\$22.80	\$27.00
Chicago, IL	\$28.68	\$28.69	\$28.99	\$29.68	\$30.13	\$33.70
Cincinnati, OH	\$17.74	\$17.98	\$17.89	\$17.89	\$17.97	\$21.89
Cleveland, OH	\$16.92	\$16.94	\$17.20	\$17.30	\$17.21	\$22.41
Colorado Springs, CO	\$13.37	\$13.47	\$13.50	\$13.48	\$13.67	\$14.54
Columbus, OH	\$20.41	\$20.49	\$20.43	\$20.51	\$20.51	\$22.71
Dallas/Fort Worth, TX	\$25.44	\$25.39	\$25.76	\$25.64	\$26.15	\$31.37
Dayton, OH	\$15.04	\$14.73	\$14.96	\$14.96	\$14.75	\$18.72
Denver, CO	\$24.56	\$24.80	\$25.09	\$25.69	\$25.80	\$29.85
Detroit, MI	\$19.20	\$19.18	\$19.11	\$19.30	\$19.29	\$21.58
El Paso, TX	\$15.00	\$16.00	\$16.00	\$16.00	\$16.00	\$17.00
Fairfield County, CT	\$34.37	\$34.72	\$34.61	\$34.25	\$34.24	\$39.89
Fort Myers/Naples, FL	\$16.27	\$16.31	\$16.36	\$15.75	\$15.14	\$17.91
Fredericksburg, VA	\$20.09	\$19.52	\$19.45	\$19.32	\$19.31	\$23.32
Ft. Lauderdale, FL	\$26.69	\$27.33	\$26.65	\$26.92	\$28.64	\$35.10
Greenville, SC	\$16.26	\$16.41	\$16.97	\$17.20	\$17.36	\$23.64
Hampton Roads, VA	\$17.09	\$16.95	\$17.19	\$17.16	\$17.22	\$20.67
Hartford, CT	\$20.79	\$20.87	\$20.80	\$20.89	\$21.23	\$22.54
Houston, TX	\$28.37	\$29.17	\$29.20	\$28.85	\$29.29	\$37.32
Indianapolis, IN	\$17.54	\$18.29	\$17.75	\$18.14	\$17.79	\$20.33
Inland Empire CA	\$21.24	\$21.24	\$21.12	\$21.37	\$21.68	\$25.89
Jacksonville, FL	\$18.11	\$18.22	\$18.78	\$18.92	\$18.91	\$21.58
Kansas City, MO	\$18.79	\$19.04	\$19.10	\$19.26	\$19.45	\$23.13
Las Vegas, NV	\$20.96	\$21.08	\$21.37	\$21.45	\$20.96	\$30.26
Long Island, NY	\$29.66	\$29.79	\$30.14	\$29.86	\$29.73	\$33.18
Los Angeles CBD	\$39.27	\$39.54	\$40.23	\$40.50	\$36.77	\$41.40
Los Angeles Metro	\$33.73	\$34.06	\$34.72	\$35.12	\$36.81	\$41.41
Louisville, KY	\$16.57	\$17.10	\$16.73	\$16.52	\$16.81	\$20.51
Memphis, TN	\$17.69	\$18.00	\$17.90	\$17.69	\$17.58	\$20.43
Miami, FL	\$35.92	\$35.87	\$34.61	\$35.84	\$37.21	\$44.51
Milwaukee, WI	\$19.00	\$19.00	\$19.00	\$19.00	\$19.00	\$21.75
Minneapolis/St. Paul, MN	\$23.86	\$24.07	\$24.51	\$24.69	\$24.74	\$29.48

Weighted Average Asking Rent	Overall (All Classes)					Class A
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017p	Q1 2017p
Nashville, TN	\$23.18	\$23.21	\$23.84	\$24.94	\$26.37	\$28.89
New Haven, CT	\$20.61	\$20.73	\$20.83	\$20.86	\$20.69	\$22.61
New Jersey - Central	\$24.20	\$24.53	\$24.23	\$24.52	\$25.10	\$29.44
New Jersey - Northern	\$27.34	\$27.61	\$27.94	\$27.88	\$28.10	\$32.07
New Orleans, LA	\$16.83	\$16.99	\$17.01	\$17.34	\$17.92	\$19.30
New York - Brooklyn	\$37.30	\$37.36	\$45.29	\$42.30	\$43.46	\$54.73
New York - Downtown	\$59.28	\$59.14	\$59.13	\$59.30	\$58.54	\$61.28
New York - Midtown	\$78.42	\$79.18	\$79.91	\$78.39	\$78.73	\$84.64
New York - Midtown South	\$68.58	\$68.62	\$70.29	\$70.86	\$71.48	\$88.06
Northern VA	\$32.14	\$32.70	\$31.88	\$32.23	\$32.06	\$34.85
Oakland/East Bay, CA*	\$25.28	\$25.68	\$25.69	\$27.66	\$29.06	\$38.00
Oklahoma City, OK	\$17.23	\$17.59	\$17.44	\$17.76	\$17.74	\$18.50
Omaha, NE	\$18.79	\$18.72	\$18.63	\$18.97	\$18.71	\$21.04
Orange County, CA	\$25.92	\$26.28	\$27.56	\$28.12	\$28.09	\$34.49
Orlando, FL	\$20.69	\$20.61	\$20.57	\$20.68	\$20.82	\$23.99
Palm Beach, FL	\$30.83	\$32.56	\$33.75	\$34.70	\$35.11	\$41.10
Philadelphia, PA	\$24.73	\$25.11	\$25.29	\$25.38	\$25.71	\$28.03
Phoenix, AZ	\$23.29	\$23.52	\$23.95	\$24.26	\$24.76	\$28.99
Pittsburgh, PA	\$18.07	\$18.48	\$18.11	\$19.12	\$19.56	\$26.44
Portland, OR	\$24.77	\$25.20	\$25.79	\$26.32	\$25.92	\$28.96
Providence, RI	\$18.31	\$18.34	\$18.36	\$18.42	\$18.45	\$24.07
Puget Sound - Eastside	\$33.20	\$32.81	\$33.08	\$33.55	\$34.26	\$37.94
Raleigh/Durham, NC	\$21.67	\$21.97	\$22.15	\$22.47	\$22.64	\$25.59
Richmond, VA	\$18.17	\$18.40	\$18.26	\$18.14	\$18.15	\$20.50
Roanoke, VA	\$13.75	\$13.71	\$13.93	\$13.13	\$15.53	\$24.62
Rochester, NY	\$19.75	\$19.75	\$19.75	\$19.75	\$19.75	\$21.94
Sacramento, CA	\$21.04	\$21.24	\$21.36	\$20.46	\$20.78	\$25.66
Salt Lake City, UT	\$22.85	\$22.93	\$23.09	\$23.34	\$23.46	\$28.27
San Antonio, TX	\$20.28	\$20.50	\$21.22	\$21.00	\$20.68	\$24.38
San Diego, CA	\$33.24	\$33.48	\$34.32	\$33.48	\$33.36	\$38.40
San Francisco North Bay, CA	\$26.48	\$26.85	\$27.20	\$27.66	\$27.57	\$34.92
San Francisco, CA	\$68.44	\$69.30	\$69.21	\$69.77	\$69.66	\$71.60
San Juan, PR	\$18.49	\$18.02	\$18.03	\$18.03	\$17.94	\$19.77
San Mateo County, CA	\$55.55	\$55.95	\$56.55	\$57.82	\$57.91	\$61.98
San Jose (Silicon Valley), CA*	\$38.88	\$40.08	\$39.60	\$32.86	\$34.14	\$51.76
Savannah, GA	\$19.06	\$19.05	\$19.16	\$19.28	\$19.28	\$22.78
Seattle, WA	\$32.08	\$32.87	\$33.99	\$34.30	\$35.60	\$40.06
Southern New Hampshire	\$17.81	\$17.40	\$17.36	\$17.36	\$17.51	\$18.38
St. Louis, MO	\$19.57	\$19.52	\$19.39	\$19.43	\$19.26	\$22.15
St. Petersburg/Clearwater, FL	\$19.16	\$19.24	\$19.76	\$21.26	\$20.75	\$22.75
Suburban MD	\$26.91	\$26.77	\$26.06	\$26.33	\$26.04	\$29.30
Syracuse, NY	\$14.48	\$14.35	\$14.51	\$14.86	\$15.33	\$16.71
Tampa, FL	\$22.88	\$23.15	\$23.40	\$23.09	\$24.05	\$28.72
Tucson, AZ	\$18.99	\$18.63	\$18.67	\$18.61	\$18.86	\$23.72
Tulsa, OK	\$13.42	\$13.42	\$13.41	\$13.42	\$13.42	\$18.20
Washington, DC	\$51.63	\$51.74	\$51.93	\$52.96	\$53.21	\$61.73
Westchester County, NY	\$29.81	\$29.83	\$29.95	\$29.69	\$29.90	\$30.59

p = preliminary
*Includes R&D

Inventory	Inventory	Deliveries YTD 2017	Under Construction as of Q1 2017p
United States	5,218,646,707	12,558,711	102,554,109
Northeast	1,220,056,629	1,079,081	21,859,571
Midwest	817,045,874	1,710,919	9,443,382
South	1,757,052,985	4,777,871	38,394,605
West	1,424,491,219	4,990,840	32,856,551

U.S. Office Report Markets	Inventory	Deliveries YTD 2017	Under Construction as of Q1 2017p
Atlanta, GA	139,466,418	20,000	4,434,415
Austin, TX	48,701,083	249,745	3,258,552
Baltimore, MD	76,348,568	170,500	1,494,720
Binghamton, NY	4,533,835	0	107,500
Birmingham, AL	18,599,502	0	300,000
Boston, MA	158,497,376	251,000	2,942,260
Buffalo, NY	21,905,417	24,000	294,000
Charleston, SC	23,868,891	101,110	562,952
Charlotte, NC	102,686,285	616,399	1,907,798
Chicago, IL	233,227,232	1,222,507	1,993,950
Cincinnati, OH	33,998,711	0	301,600
Cleveland, OH	146,106,670	86,012	729,607
Colorado Springs, CO	8,962,518	0	88,000
Columbus, OH	28,210,444	0	1,514,940
Dallas/Fort Worth, TX	220,928,534	1,430,363	5,884,873
Dayton, OH	14,037,359	0	25,014
Denver, CO	111,485,643	290,656	4,569,201
Detroit, MI	110,204,193	287,400	166,844
El Paso, TX	17,781,556	0	214,000
Fairfield County, CT	39,584,873	0	0
Fort Myers/Naples, FL	29,265,784	67,000	146,267
Fredericksburg, VA	9,054,712	0	65,020
Ft. Lauderdale, FL	28,712,184	0	281,429
Greenville, SC	25,075,214	117,000	104,319
Hampton Roads, VA	39,680,653	20,000	214,151
Hartford, CT	24,225,261	0	0
Houston, TX	185,088,637	1,216,124	696,908
Indianapolis, IN	31,308,606	0	481,000
Inland Empire CA	21,885,514	0	0
Jacksonville, FL	24,752,608	0	0
Kansas City, MO	50,041,222	0	305,160
Las Vegas, NV	46,105,723	0	104,322
Long Island, NY	34,151,289	0	232,917
Los Angeles CBD	27,218,777	0	356,141
Los Angeles Metro	171,490,747	732,635	2,019,463
Louisville, KY	20,010,832	0	160,000
Memphis, TN	19,685,378	0	1,279,829
Miami, FL	46,595,233	0	1,301,120
Milwaukee, WI	27,978,973	52,000	1,605,400
Minneapolis/St. Paul, MN	72,016,757	0	905,612
Nashville, TN	35,937,009	471,483	2,355,673
New Haven, CT	10,629,286	0	110,000
New Jersey - Central	81,549,884	555,000	0

Inventory	Inventory	Deliveries YTD 2017	Under Construction as of Q1 2017p
New Jersey - Northern	109,533,294	45,000	690,000
New Orleans, LA	31,270,225	0	0
New York - Brooklyn	26,461,371	0	2,119,100
New York - Downtown	88,501,255	0	2,491,861
New York - Midtown	243,442,095	0	9,531,930
New York - Midtown South	67,248,753	79,518	584,692
Northern VA	130,065,770	64,800	4,715,061
Oakland/East Bay, CA*	109,942,627	0	680,000
Oklahoma City, OK	21,871,067	0	813,550
Omaha, NE	21,086,586	63,000	192,000
Orange County, CA	87,857,758	0	2,001,103
Orlando, FL	37,501,095	0	134,000
Palm Beach, FL	23,446,885	0	88,069
Philadelphia, PA	129,364,317	0	1,392,853
Phoenix, AZ	101,933,128	876,048	789,429
Pittsburgh, PA	89,798,908	104,563	544,458
Portland, OR	45,485,291	27,525	1,474,169
Providence, RI	18,901,000	0	386,000
Puget Sound - Eastside	35,499,718	724,700	729,300
Raleigh/Durham, NC	50,080,273	206,048	1,897,480
Richmond, VA	52,373,024	0	60,000
Roanoke, VA	16,315,324	5,000	0
Rochester, NY	14,069,668	0	45,000
Sacramento, CA	87,791,567	0	9,798
Salt Lake City, UT	36,125,435	436,663	1,740,064
San Antonio, TX	31,453,589	22,299	763,519
San Diego, CA	76,481,460	488,006	1,453,612
San Francisco North Bay, CA	22,118,573	0	0
San Francisco, CA	78,124,234	0	5,135,515
San Juan, PR	10,382,974	0	0
San Mateo County, CA	54,679,632	288,157	1,304,877
San Jose (Silicon Valley), CA*	212,676,606	936,863	6,297,663
Savannah, GA	3,406,377	0	0
Seattle, WA	62,770,789	185,087	4,092,123
Southern New Hampshire	13,018,019	20,000	0
St. Louis, MO	48,829,121	0	1,222,255
St. Petersburg/Clearwater, FL	12,203,218	0	0
Suburban MD	59,331,631	0	75,000
Syracuse, NY	15,957,477	0	387,000
Tampa, FL	31,671,476	0	111,600
Tucson, AZ	25,855,479	4,500	11,771
Tulsa, OK	24,970,607	0	247,850
Washington, DC	108,470,369	0	4,826,450
Westchester County, NY	28,683,251	0	0

p = preliminary
*Includes R&D

About Cushman & Wakefield

Cushman & Wakefield is a leading global real estate services firm that helps clients transform the way people work, shop, and live. Our 45,000 employees in more than 70 countries help occupiers and investors optimize the value of their real estate by combining our global perspective and deep local knowledge with an impressive platform of real estate solutions. Cushman & Wakefield is among the largest commercial real estate services firms with revenue of \$6 billion across core services of agency leasing, asset services, capital markets, facility services (C&W Services), global occupier services, investment & asset management (DTZ Investors), project & development services, tenant representation, and valuation & advisory. 2017 marks the 100-year anniversary of the Cushman & Wakefield brand. 100 years of taking our clients' ideas and putting them into action. To learn more, visit www.cushwakecentennial.com, www.cushmanwakefield.com or follow @CushWake on Twitter.

Methodology

Cushman & Wakefield's quarterly estimates are derived from a variety of data sources, including its own proprietary database, and historical data from third party data sources. The market statistics are calculated from a base building inventory made up of office properties deemed to be competitive in the local office markets. Generally, owner-occupied and federally-owned buildings are not included. Single tenant buildings and privately-owned buildings in which the federal government leases space are included. Older buildings unfit for occupancy or ones that require substantial renovation before tenancy are generally not included in the competitive inventory. The inventory is subject to revisions due to resampling. Vacant space is defined as space that is available immediately or imminently after the end of the quarter. Sublet space still occupied by the tenant is not counted as available space. The figures provided for the current quarter are preliminary, and all information contained in the report is subject to correction of errors and revisions based on additional data received.

Explanation of Terms

Total Inventory: The total amount of office space (in buildings of a predetermined size by market) that can be rented by a third party.

Overall Vacancy Rate: The amount of unoccupied space (new, relet, and sublet) expressed as a percentage of total inventory.

Direct Vacancy Rate: The amount of unoccupied space available directly through the landlord, excludes sublease space.

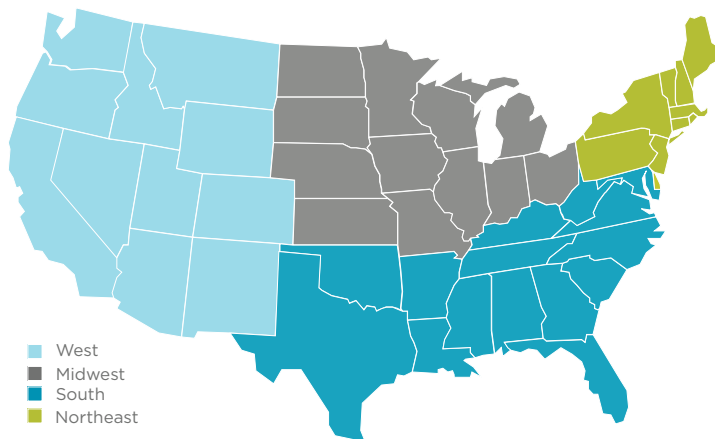
Absorption: The net change in occupied space between two points in time. (Total occupied space in the present quarter minus total occupied space from the previous quarter, quoted on a net, not gross, basis.)

Leasing Activity: The sum of all leases over a period of time. This includes pre-leasing activity as well as expansions. It does not include renewals.

Overall Weighted Asking Rents: Gross average asking rents weighted by the amount of available direct and sublease space in Class A, B and C properties.

Class A Asking Rents: Gross average asking rents weighted by the amount of available Class A direct and sublease space.

Regional Map



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