NEWMARK

3Q25 U.S. Office Market

Conditions & Trends

3Q25

NMRK.COM

Market Observations

Labor Markets

- Since February 2020, new office-using jobs have been estimated to generate 343.6 million SF of office demand—partially offsetting the impact of hybrid work.
- Sustained job growth remains essential to a full recovery in office markets. Recently, the education, healthcare and government sectors have led expansion, adding a combined 333,752 jobs over the past 12 months. However, office employment slightly declined quarter-over-quarter and momentum has flattened since 2022. Among the top 50 office markets, 31 recorded gains in office-using employment over the past six months, with 21 of those markets posting faster growth than in the prior six-month period.

Hybrid Work Transition

- Slower job growth increases office markets' exposure to demand shifts driven by hybrid work. Newmark estimates that 49% of pre-pandemic leases have not yet expired, including 1.4 billion SF scheduled for renewal between the end of 2025 and 2027.
- Average lease sizes have declined by 12.2% from pre-pandemic levels, reflecting demand shifts from hybrid work. However, Newmark's tenants-in-the-market data indicates that 72% of tenants plan to maintain or expand their footprints upon lease expiration. As a result, the outlook is less dire and points to a gradual recovery.

National Trends

- Occupancy growth rallied in the third quarter of 2025, with net absorption totaling 4.2 million SF, offsetting losses from the first half of the year and marking the strongest performance since the fourth quarter of 2019.
- Leasing activity increased across most tracked markets, with national leasing reaching 1.2% of inventory, slightly above the prior year's quarterly average of 1.1%. National vacancy held relatively stable quarter-over-quarter, rising just 10 basis points year-over-year to 20.5%. The construction pipeline contracted to 21.5 million SF, down more than 16.1 million SF from the third quarter of 2024.

Regional Trends

- National occupancy increased in the third quarter, driven by gains in the East and South regions across all market sizes. This marks a sharp improvement from the prior quarter, with several key markets recording notable gains, including Manhattan (+1.9 million SF), Austin (+1.0 million SF) and Dallas (+859,914 SF).
- As leasing activity continues to rise—especially in higher-tier properties—net absorption is expected to strengthen across regions and market sizes in the quarters ahead. The South accounts for 43.4% of the under-construction inventory, much of which is scheduled for delivery by year-end 2026.

Rent Trends

- Asking rents rose 0.5% year-over-year during the third quarter of 2025, with stronger gains in secondary and tertiary markets (+4.8%) and the South (+4.3%). However, elevated concessions continue to compress effective rents, with tenant improvement (TI) allowances now averaging 68% above pre-pandemic levels across a selection of major and gateway office markets.
- While asking rents have grown nominally, real rents are still down 19% since 2020. This suggests much of the market reset has occurred through inflation rather than visible asking rent drops.

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Demand Drivers

3Q25 UNITED STATES OFFICE MARKET CONDITIONS & TRENDS

Newmark Research Downgrades Economic Outlook in Response to Uncertainty

Narrative	Definition	Dominant Narrative Dates	Fed Funds in December 2025	Long-term Fed Funds	10Y Treasury	Credit Spreads (vs. History)	NMRK Research Probability (NTM)
Inflation Stubborn, Low Growth (Stagflation)	Inflation > 2.5% GDP Growth < 2.0%	March 2025	3.75% to 4.50%	3.00% to 4.00%	4.00% to 5.00%	High	50%
Inflation Stubborn, Growth Moderate	Inflation > 2.5% GDP Growth > 2.0%	April 2024	4.25% to 4.75%	3.50% to 4.50%	4.25% to 5.25%	Average To Moderately Tight	10%
Conventional Recession	Inflation <=2.0% Unemploymen t > 5.5%	August 2024, Dec/Jan 2023	0.00%	2.50% to 3.00%	2.75% to 3.75%	High	40%
Soft Landing	Inflation ~2.0% GDP Growth ~2.0%	June 2023	3.50% to 4.00%	3.00% to 3.50%	3.75% to 4.45%	Return to Average	0%

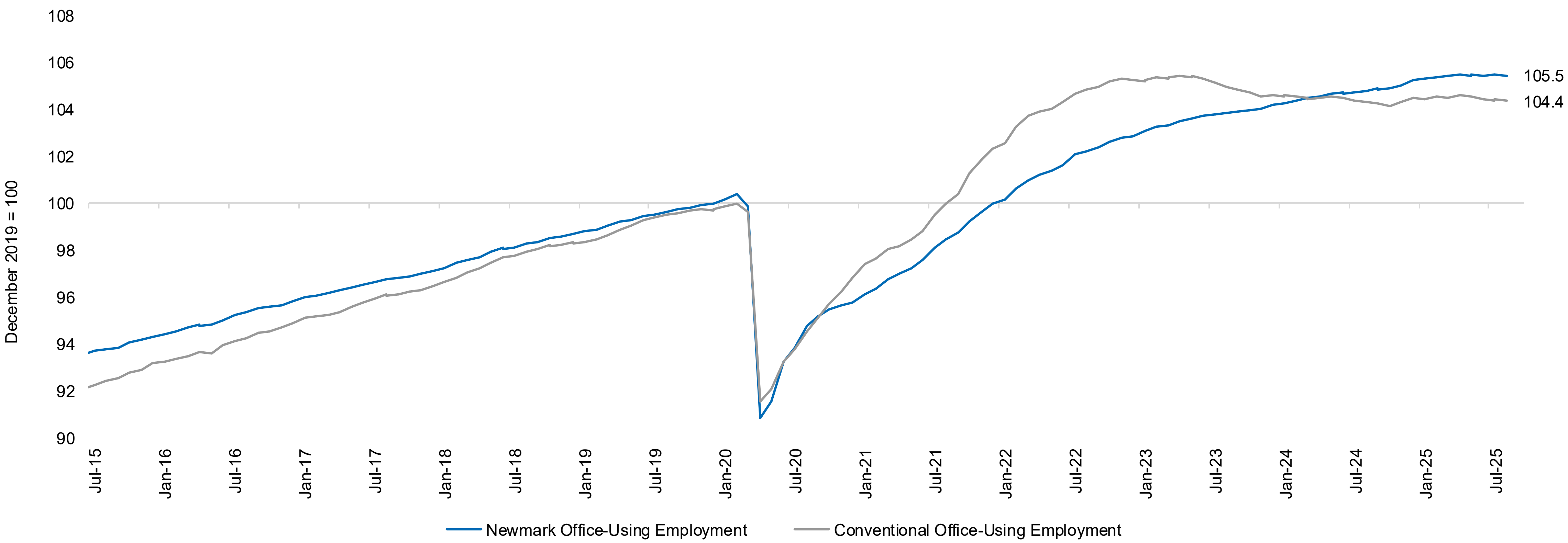
- Markets are constantly weighing competing narratives about the future. Each new data point shifts the relative credibility of one outcome versus another.
- In a low-conviction market, like the present, even small amounts of data can drive outsized shifts in the prevailing narrative—resulting in nonlinear changes to market pricing.
- Markets are working through an avalanche of policy announcements and structural changes that will materially reshape the U.S. economic landscape.
- Newmark Research's probabilities suggest the 10Y is fairly valued within a trading range around 4.2%. This estimate incorporates a durable 25-basis-point increase in the term premium.

Source: Newmark Research as 8/4/2025

Introducing a New Way to Measure Office-Using Employment

The standard method for estimating office-using employment is limited, as it includes only jobs within the information, financial activities and professional and business services sectors—assuming all roles in these industries are office-based. In reality, BLS industry data reveals a more nuanced picture. This report uses an expanded set of industry categories, along with their estimated share of office-using occupations, to provide a more accurate view of office-using employment.

Comparing Conventional Office-Using Employment with Newmark Proprietary Measure

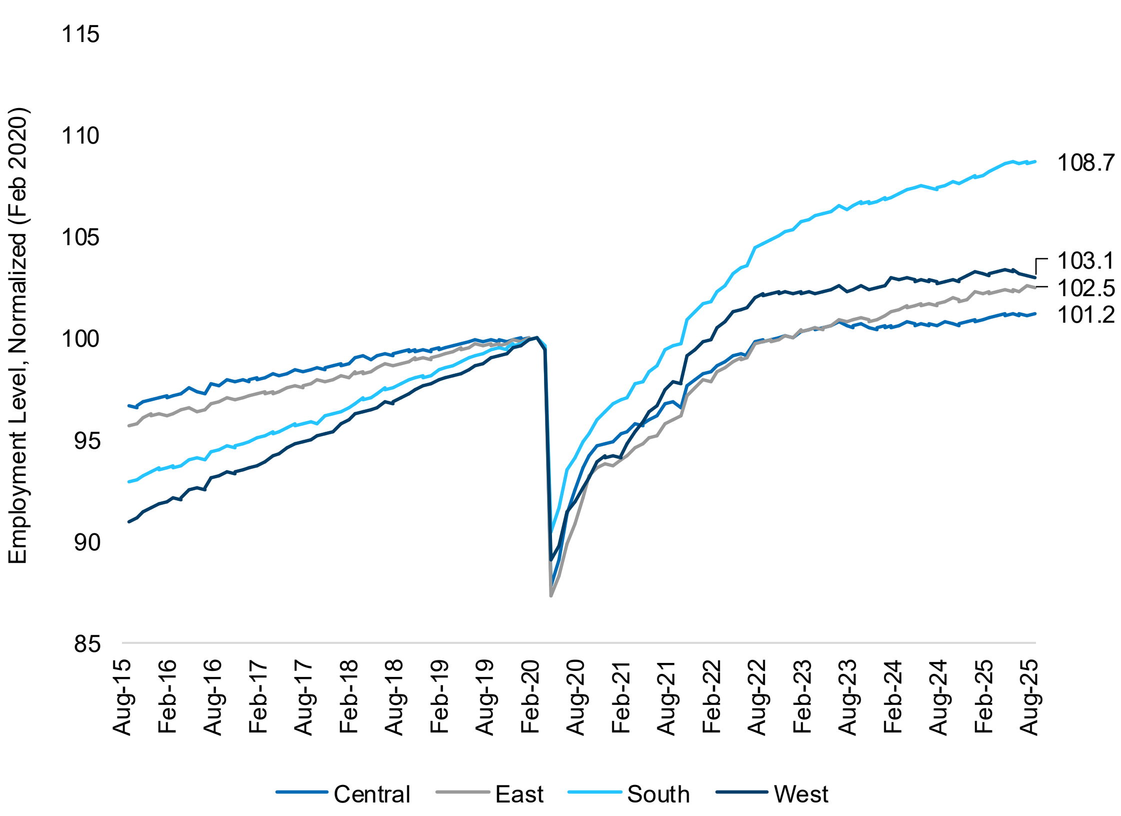


Sources: U.S. Bureau of Labor Statistics, Newmark Research as of 10/23/2025
Note: Conventional Office-Using Employment = Finance and Insurance + Information + Professional/Business Services

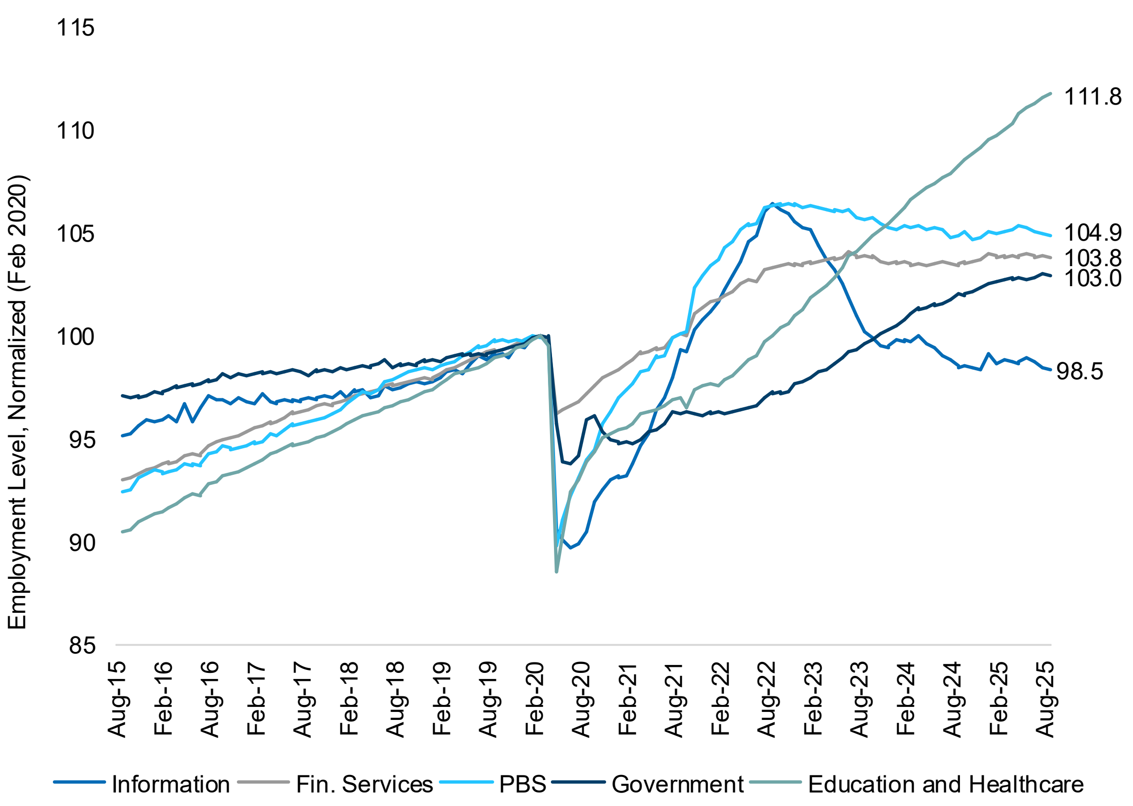
Office Job Gains Across the South and Within Eds & Meds

Employment across office-using industries has surpassed pre-pandemic levels, led by a strong recovery in education and healthcare, where employment now stands 11.8% above February 2020 levels. Broad-based gains across sectors have supported a 5.1% increase in overall office-using employment. Partially offsetting this growth are continued job losses in the information sector, which has declined steadily since Q3 2022. The South has led the post-pandemic office recovery, outpacing all other regions across every major industry category.

Employment by Census Region



Employment by Industry

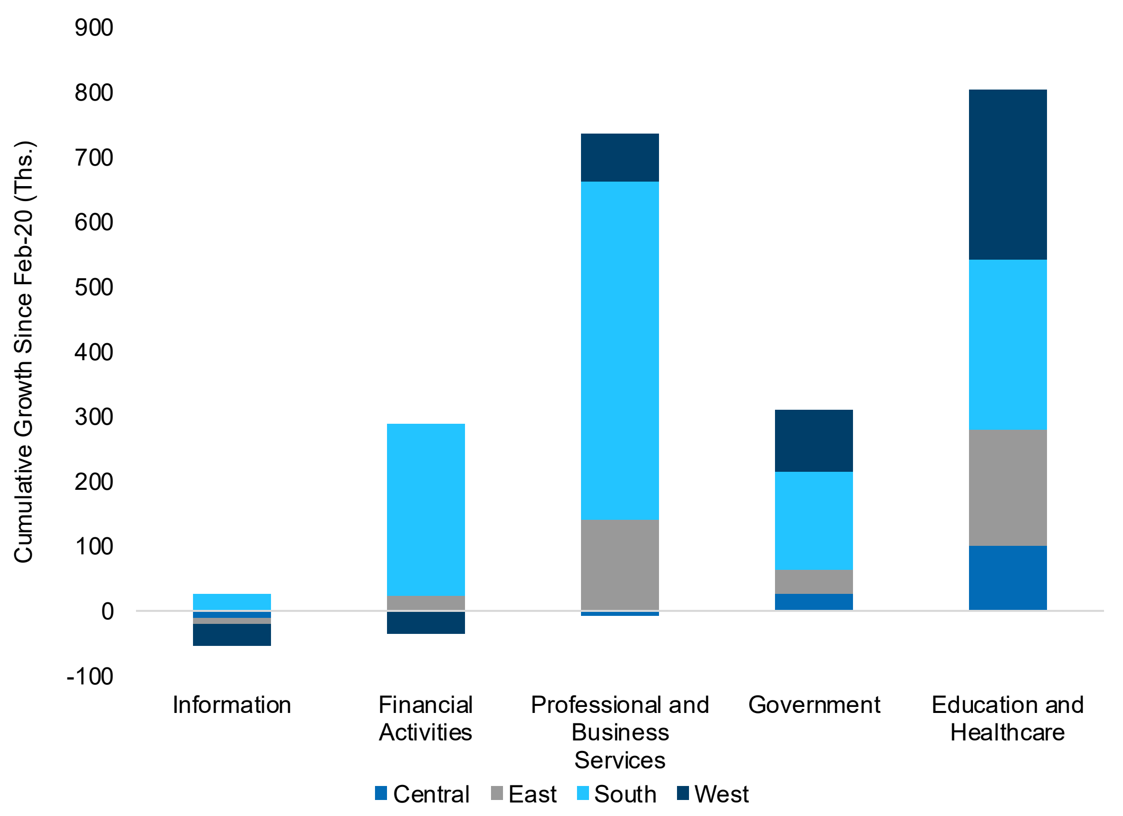


Sources: Moody's Analytics United States Department of Labor, Newmark Research as of 10/23/2025

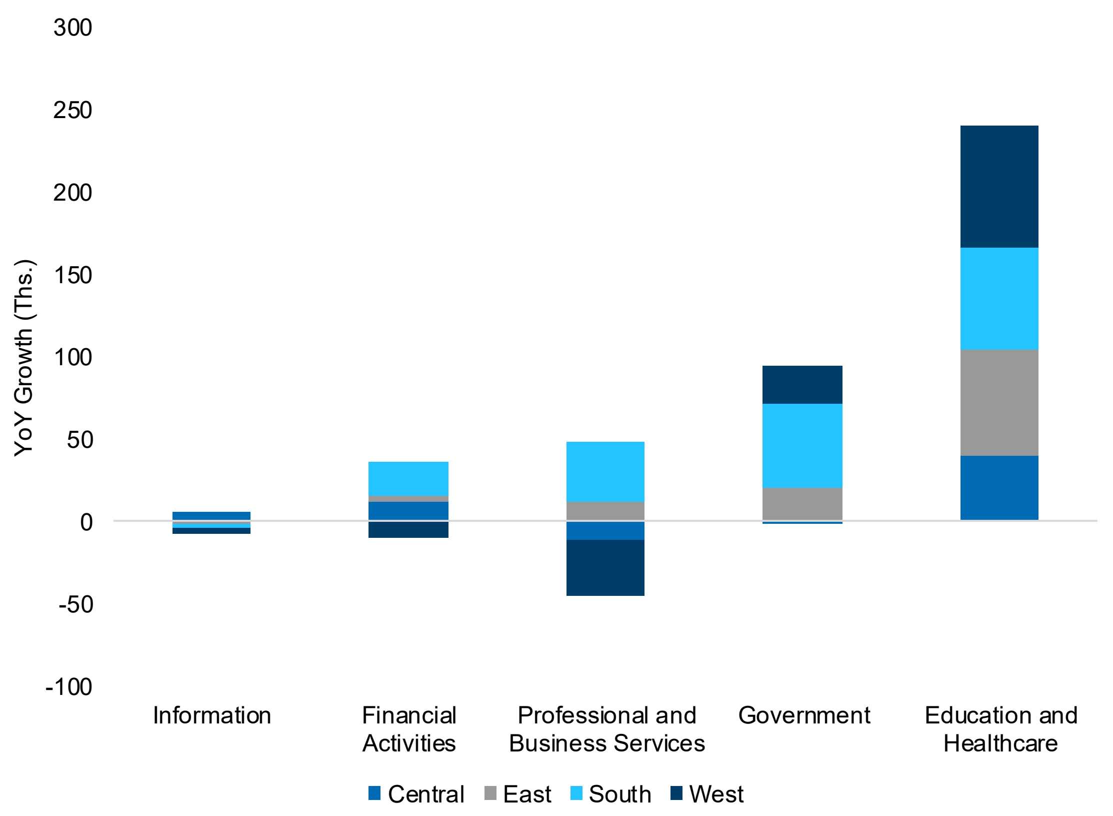
Eds, Meds and Feds Driving Office Employment Growth

In absolute terms, the education and healthcare sector has recorded the largest employment gains, adding 803,221 jobs since February 2020. More recently, the education, healthcare and government sectors have driven growth, contributing a combined 333,752 jobs over the past 12 months. The South region has been the primary driver of this expansion and recovery.

Cumulative Office-Using Employment Growth Since February 2020



YoY Net Office-Using Employment Growth

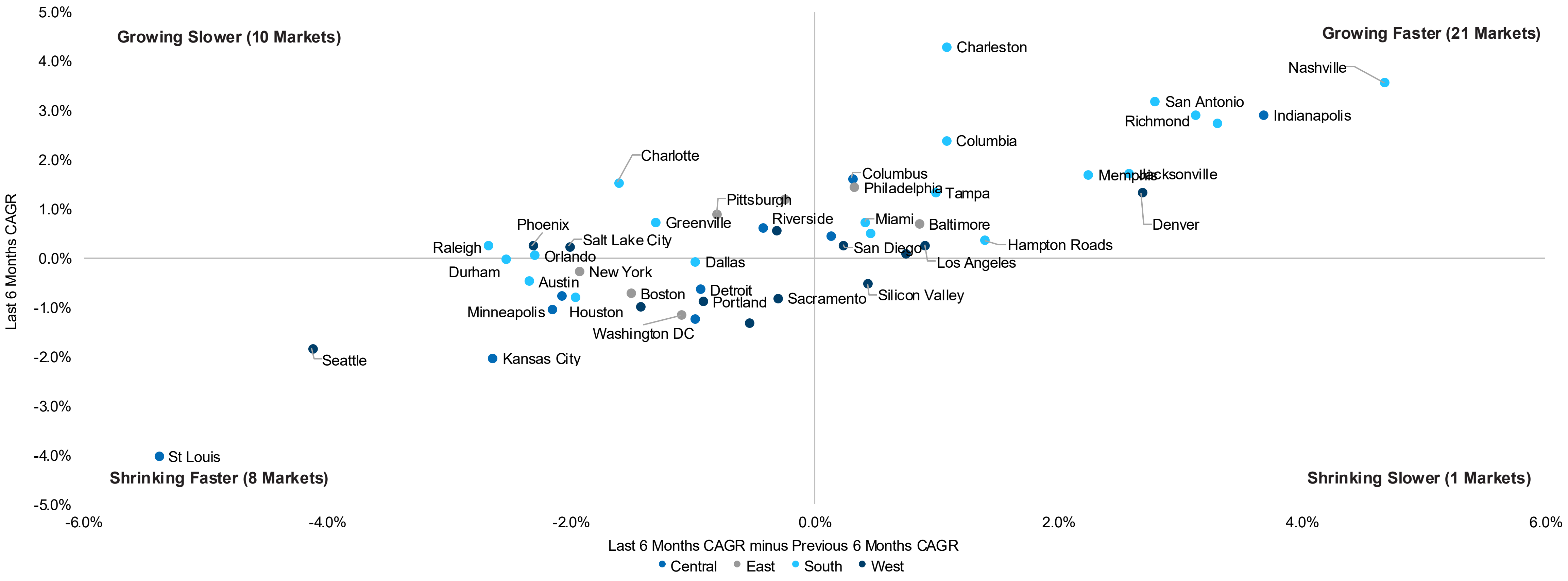


Sources: Moody's Analytics United States Department of Labor, Newmark Research as of 10/23/2025

Office-Using Employment Growing in Most Markets

The employment landscape entering the Q4 2025 has strengthened compared with late 2024. Eighteen markets recorded slower job growth than in the previous six-month period, while 22 markets saw improvement.

Last 6 Months CAGR vs. Prior 6 Months Acceleration

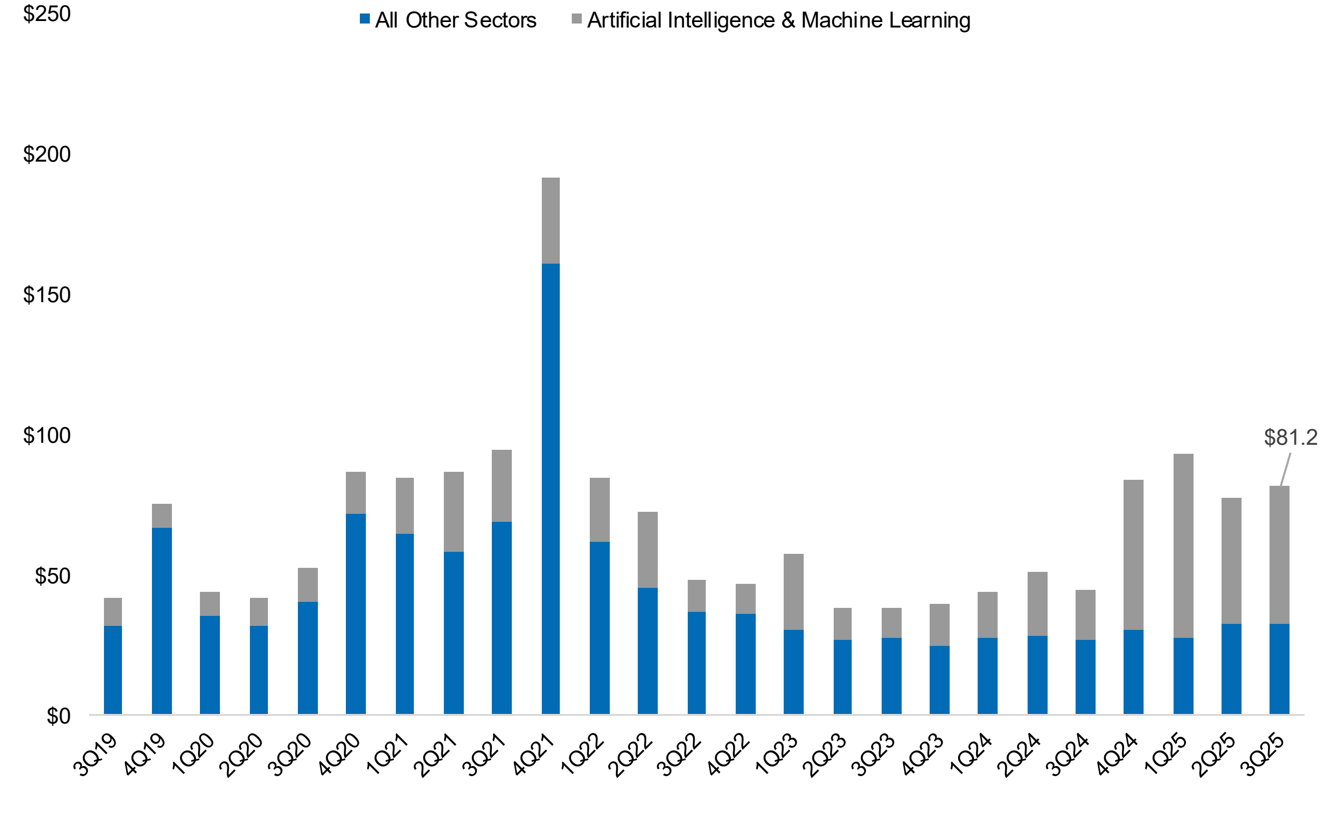


Source: Bureau of Labor Statistics, Newmark Research as of 10/23/2025

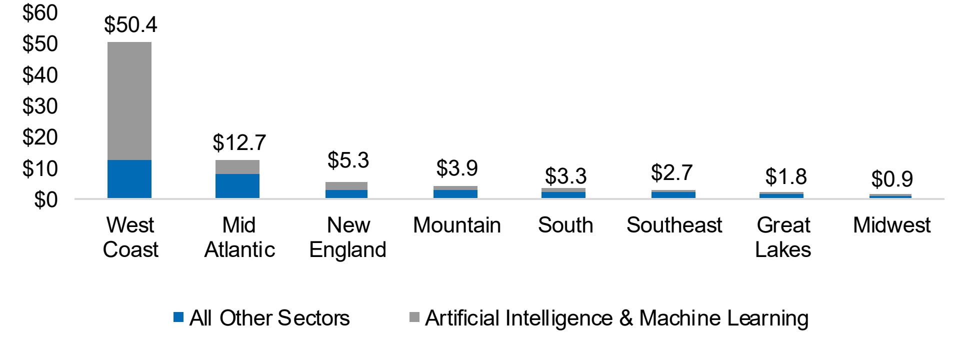
AI Financing Dominates Venture Capital Activity

Venture capital activity expanded in the third quarter, with artificial intelligence and machine learning continuing to dominate financing. Companies in this segment accounted for 60.3% of all funding during the quarter, with most activity concentrated on the West Coast, particularly in the San Francisco Bay Area. While the largest funds may face the sharpest pullback, ample dry powder is expected to sustain investment from smaller funds.

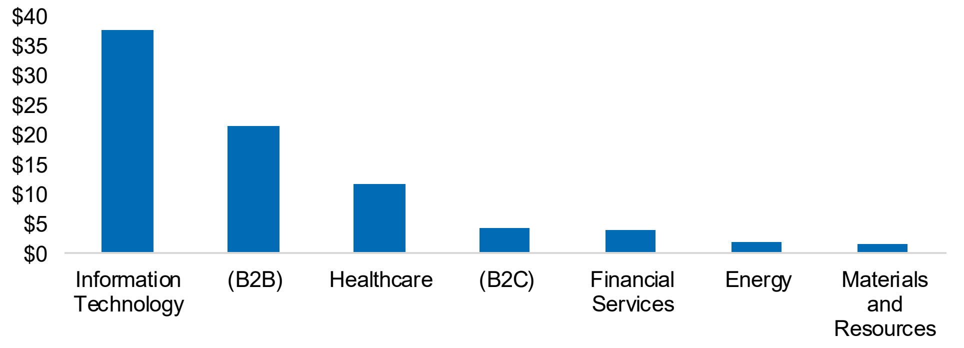
Venture Capital Deal Value ($ billions)



3Q25 VC Funding by Region ($ billions)



3Q25 VC Funding by Industry Sector ($ billions)

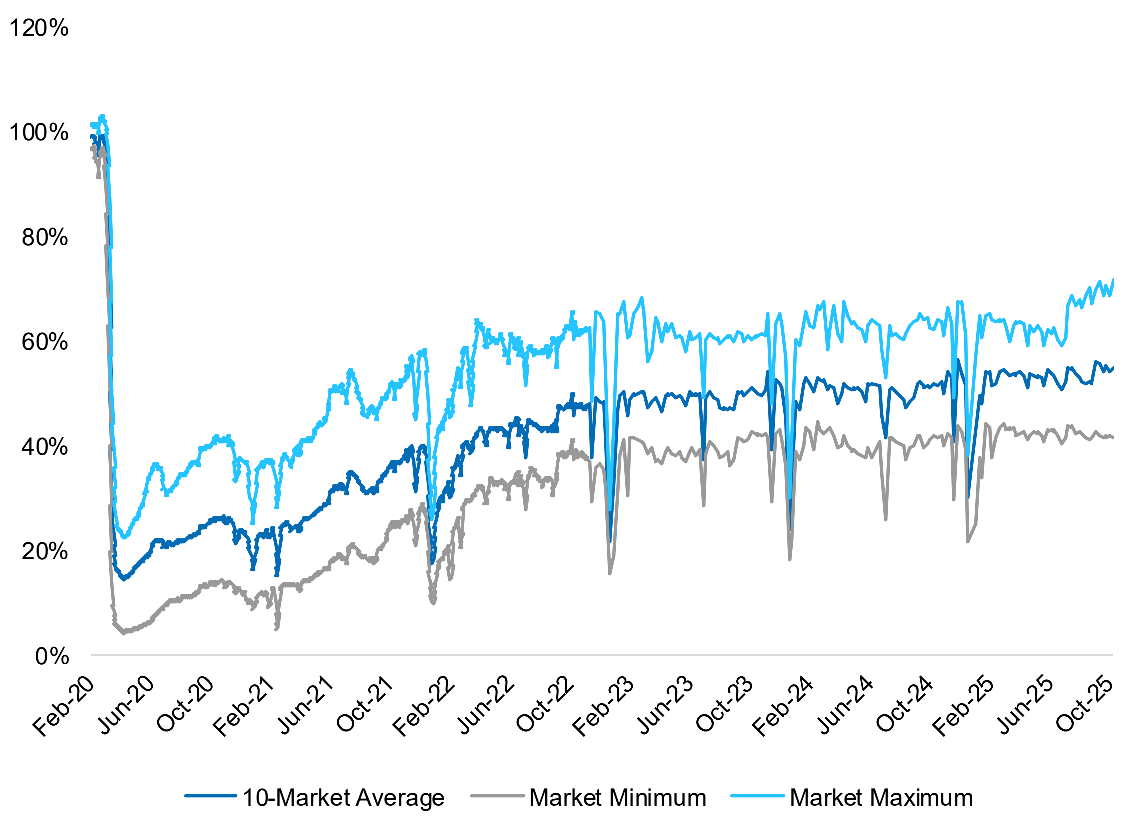


Sources: PitchBook, Newmark Research as of 10/20/2025
*Pitchbook defines an "industry vertical" as: "*An industry vertical is a specific element of a company which isn't accurately captured by industry focus. Verticals are created for common investment focus areas that include companies that exist across multiple industries.*"

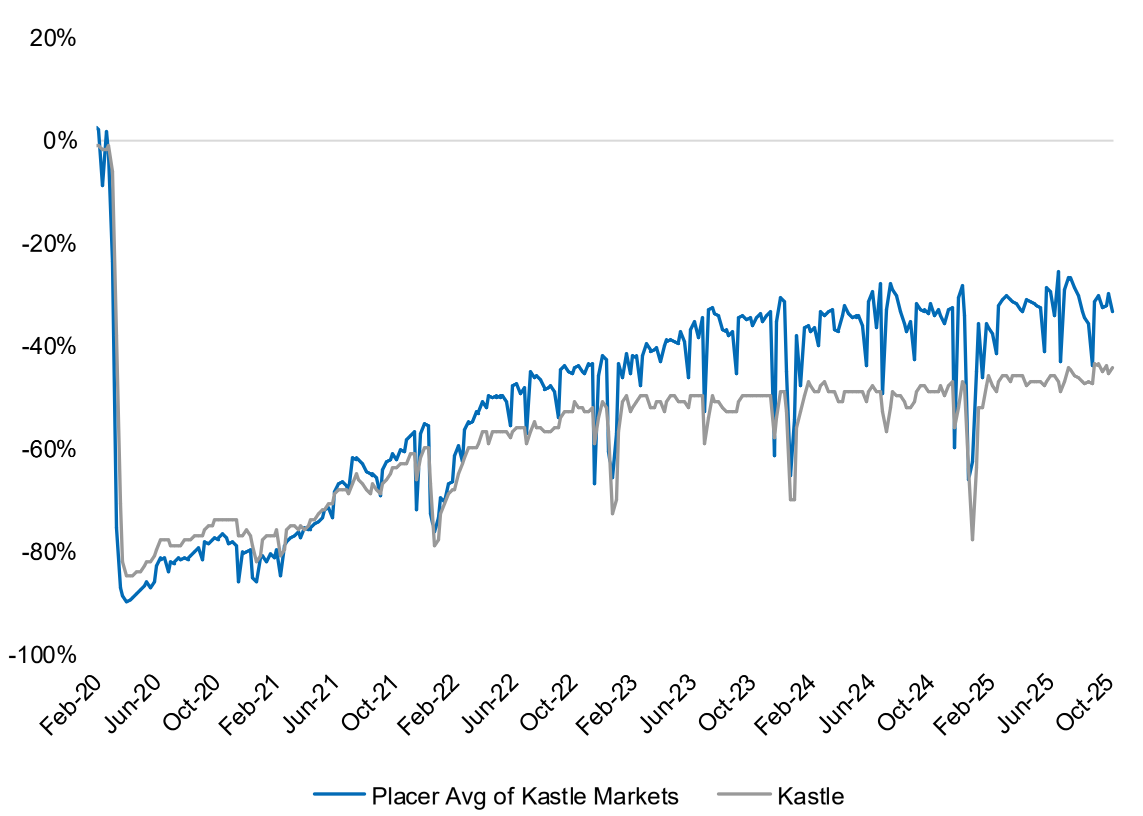
Return to Office Has Stabilized

Kastle Systems data shows that office occupancy remained relatively steady throughout Q3 2025. The 10-market average reached a post-pandemic high of 55.3% in October 2025. Daily attendance continues to vary widely, with peak days reaching up to 70% and some markets approaching 80% in areas with the strongest return-to-office momentum. Placer Location Intelligence data reflects consistently higher occupancy levels in the same markets based on foot traffic analysis, though both datasets indicate similar trends.

Kastle Systems Daily Office Physical Occupancy Index



Kastle vs Placer: Office Occupancy Change since February 2020

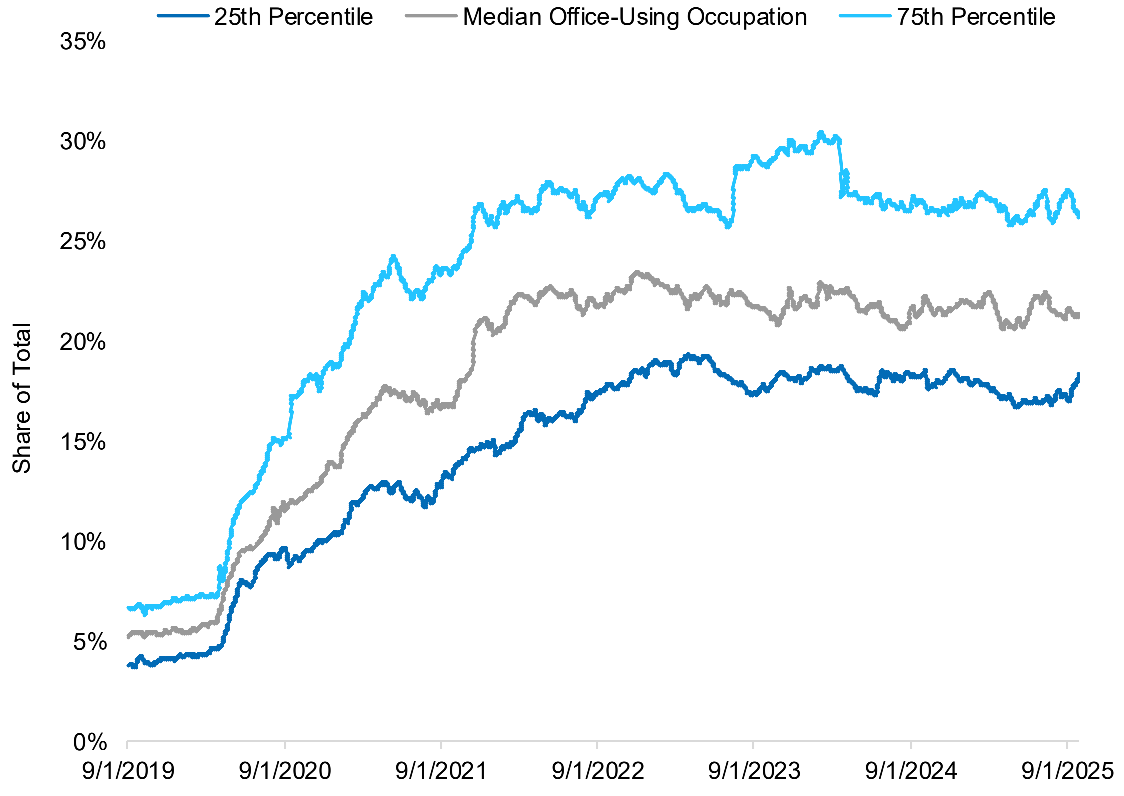


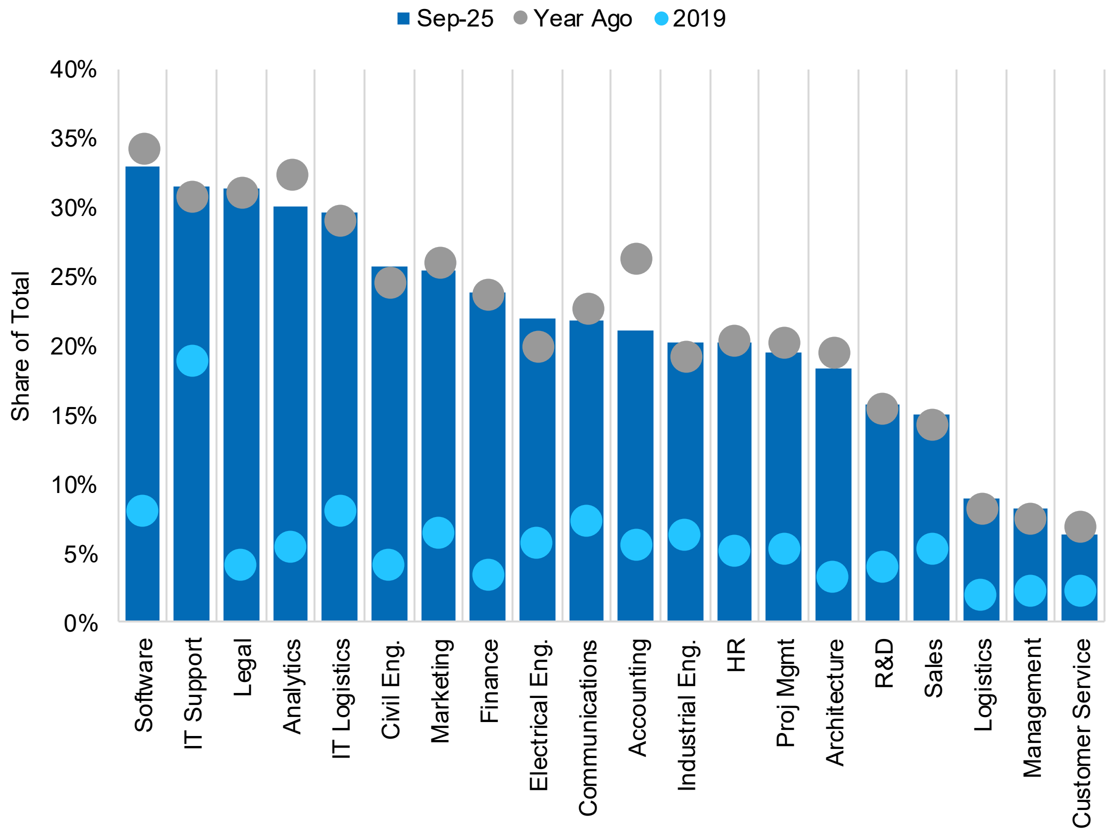
Source: Kastle Systems, Placer, Newmark Research as of 10/21/2025
* 5-Day Trailing Average (Baseline = February 2020)

Fully Remote Job Postings in Office-Using Occupations Have Stabilized

The remote share of job postings continues to vary widely across office-using occupations, ranging from 32% for software development roles to just 6% for customer service positions. For the median occupation, 21% of postings remain fully remote, a level that has held steady since early 2022. However, the past year has brought notable changes, with the remote share declining year-over-year in software development, analytics and accounting roles.

Remote Share of Job Postings in Office-Using Occupations



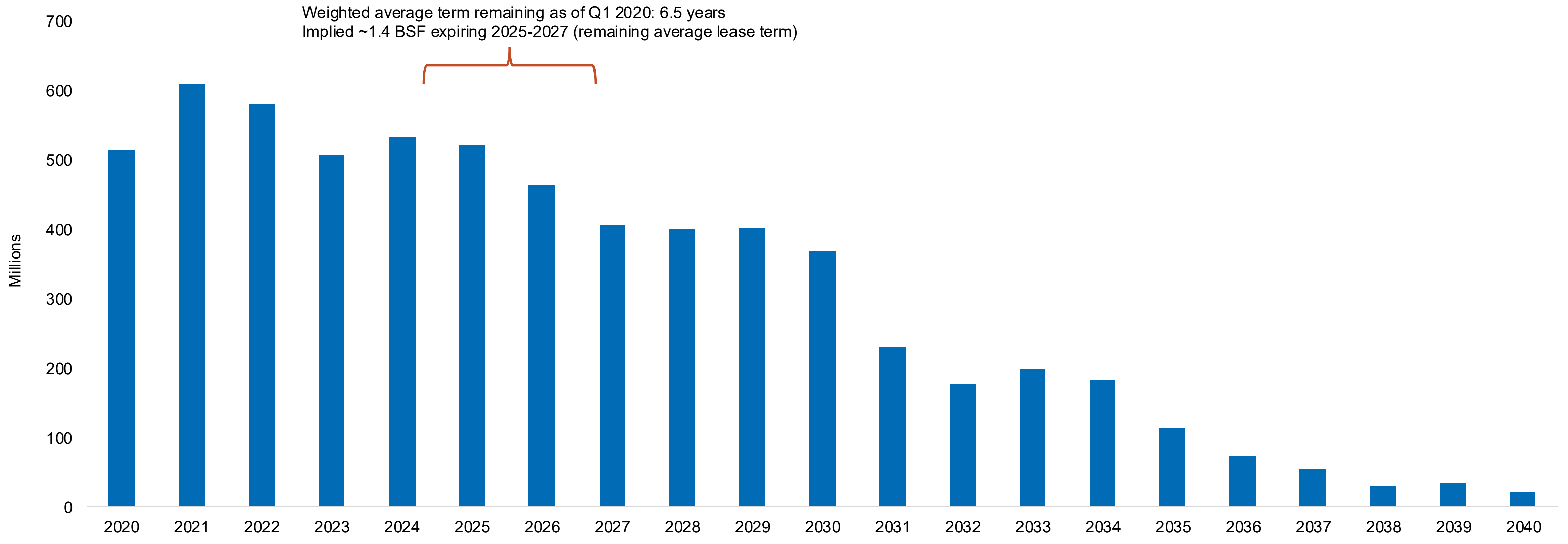


Source: Indeed Hiring Lab, Newmark Research as of 10/21/2025

Tenants Are Halfway Through Adapting Space for Hybrid Work

Roughly half of pre-pandemic leases have yet to expire.* As of March 2020, national occupied inventory totaled 6.4 billion SF, with an average remaining lease term of 6.5 years. Based on scaled transaction data from the first quarter of 2020's occupied inventory, an estimated 1.4 billion SF is set to expire between 2025 and 2027—representing the upper limit for tenants to reassess and adjust their office footprints. Some of these adjustments have been front-loaded through subleasing and, in some cases, more aggressive reductions to near-term lease maturities.

Implied Square Feet Expiring by Year for 20k+ SF Occupied Inventory as of Q1 2020



Source: Newmark Research as of 10/21/2025, CoStar
*Based on Newmark Research national transaction data (10,000+ SF leases in place as of March 2020, with leases expiring through 2040, totaling around 1.1 billion SF)

02

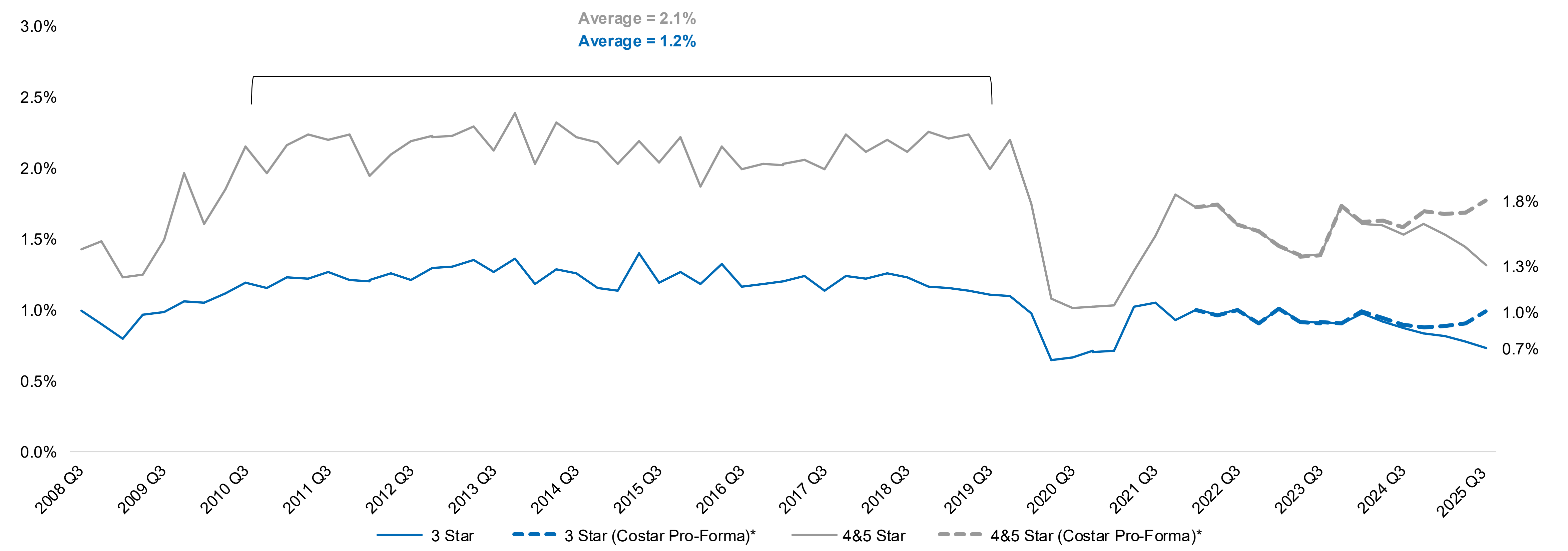
Leasing Market

3Q25 UNITED STATES OFFICE MARKET CONDITIONS & TRENDS

Estimated Office Leasing Stable in 3Q25; Settling Into New Steady State (?)

Higher-quality buildings continued to outperform the broader market, capturing a larger share of leasing activity in the third quarter of 2025. Although they represent just 34.1% of total inventory, four- and five-star properties accounted for 51.6% of all leasing activity during the quarter.

Leasing Activity as a Share of Inventory

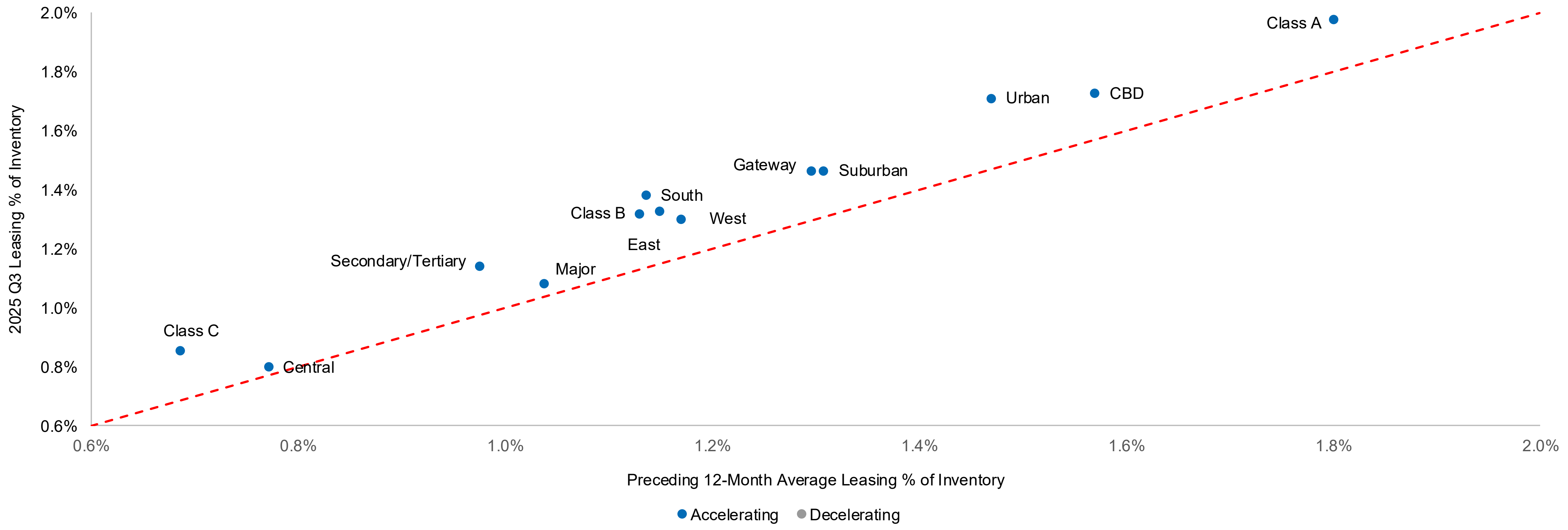


Source: CoStar, Newmark Research as of 10/21/2025
*CoStar pro-forma based on proprietary internal formula that estimates remaining leases not captured based on analysis of historical leasing trends.

Leasing Activity Improves Across Regions and Market Tiers

Leasing activity improved in Q3 compared to the prior 12-month average, with notable gains observed in key gateway markets. Class A buildings recorded the strongest leasing growth in the third quarter of 2025 relative to the prior 12-month average.

LTM Quarterly Average vs 3Q25 Leasing*

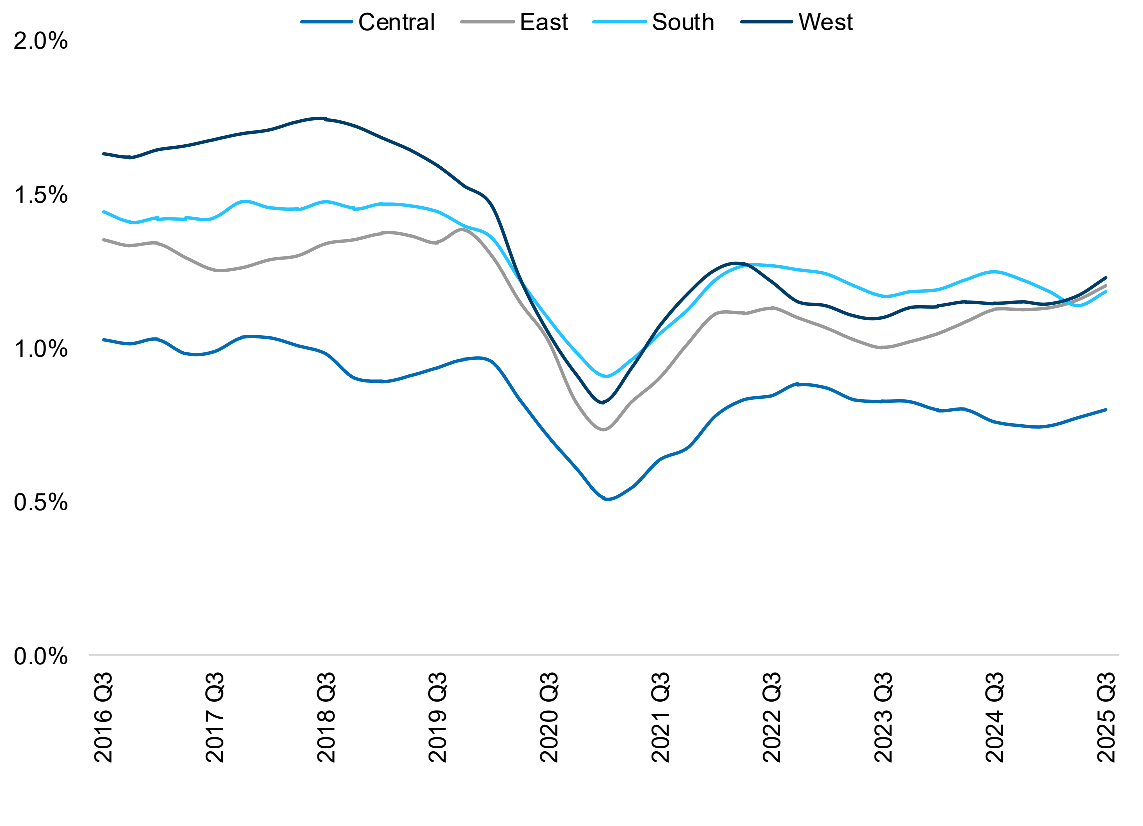


Source: CoStar, Newmark Research as of 10/23/2025
*CoStar pro-forma based on proprietary internal formula that estimates remaining leases not captured based on analysis of historical leasing trends.

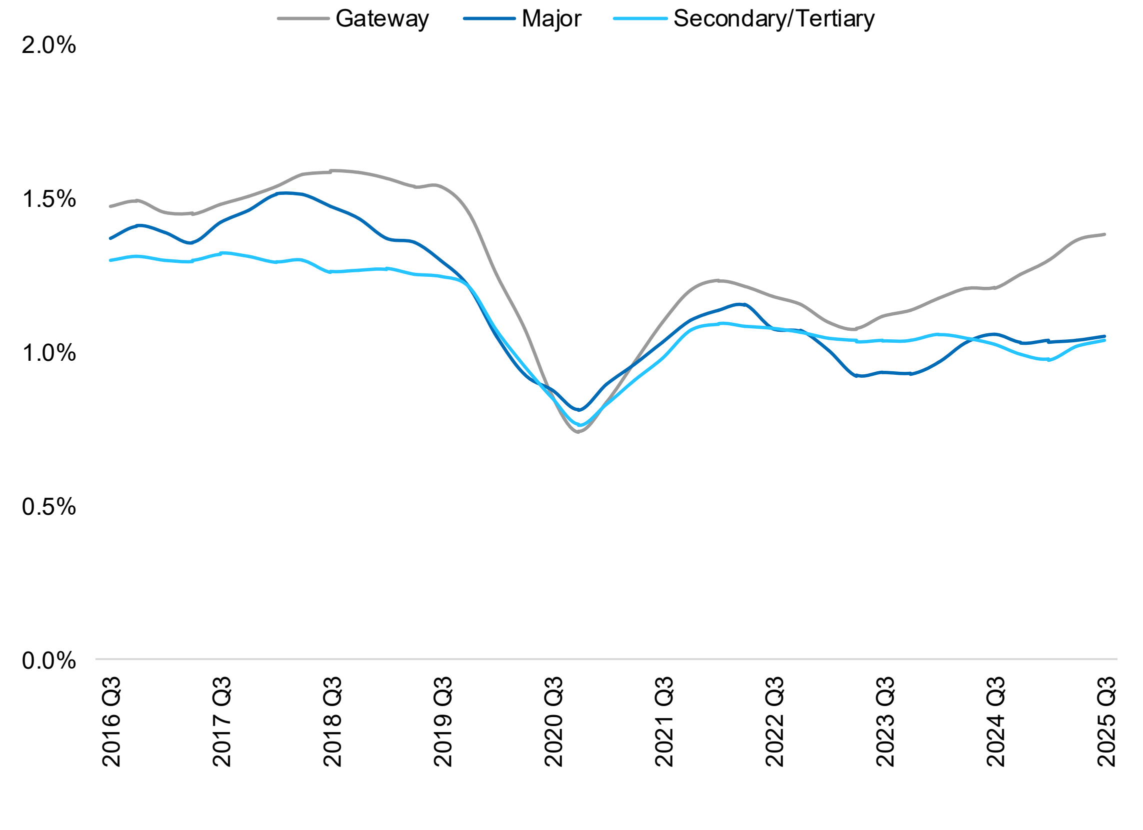
Gateway Markets Lead Improving Leasing Trend in Q3

While leasing activity has moderated from the gains recorded in 2022, the outlook has improved following progress in the third quarter of 2025. Gateway markets have outperformed, and all regions except Central markets have posted solid gains over the past year. Western, major, and gateway markets continue to show the largest declines in activity relative to pre-pandemic levels.

Regional Leasing Activity as a Percent of Inventory (4-Quarter Trailing)*



Market Size Leasing Activity as a Percent of Inventory (4-Quarter Trailing)*

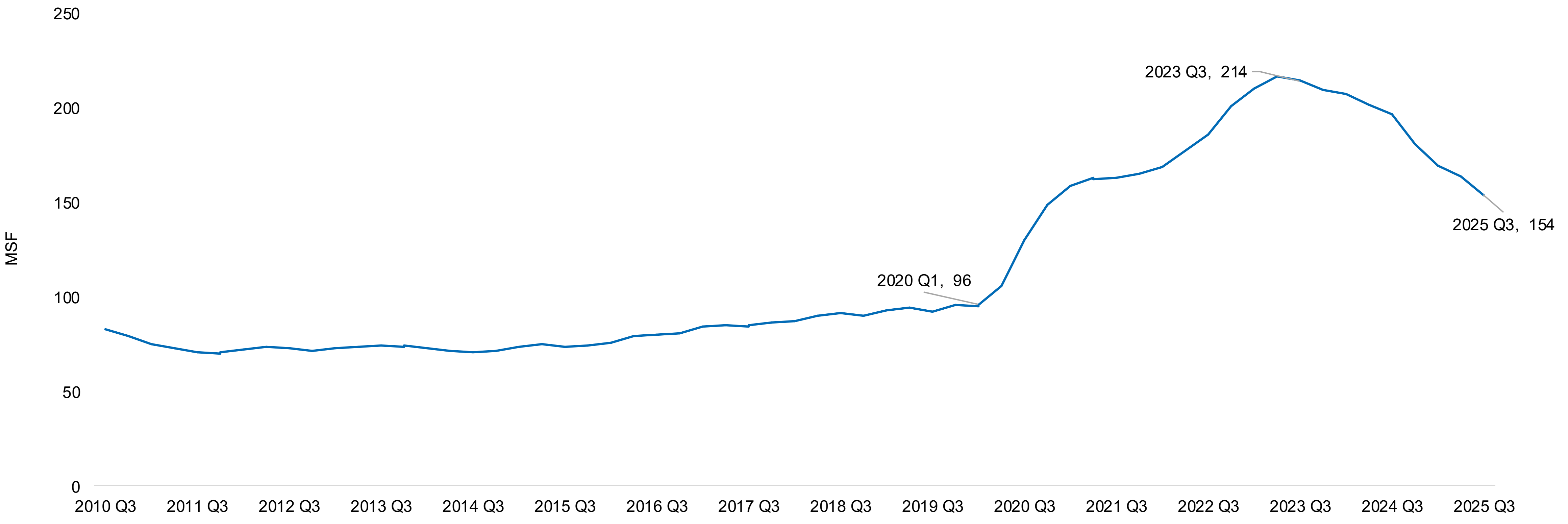


Source: CoStar, Newmark Research as of 10/23/2025
*The fourth quarter of 2023 through the third quarter of 2025 values used in four-quarter trailing calculation use CoStar pro-forma based on proprietary internal formula that estimates remaining leases not captured based on analysis of historical leasing trends.

Sublease Availability Declined in Q3

Sublease availability continued to decline in the third quarter of 2025, down 21.8% year over year. While earlier decreases largely reflected sublease space converting to direct listings as terms expired, overall vacancy rose just 10 basis points in the third quarter, suggesting that some of this space was absorbed. Even so, available sublease inventory remains elevated.

National Sublease Availability

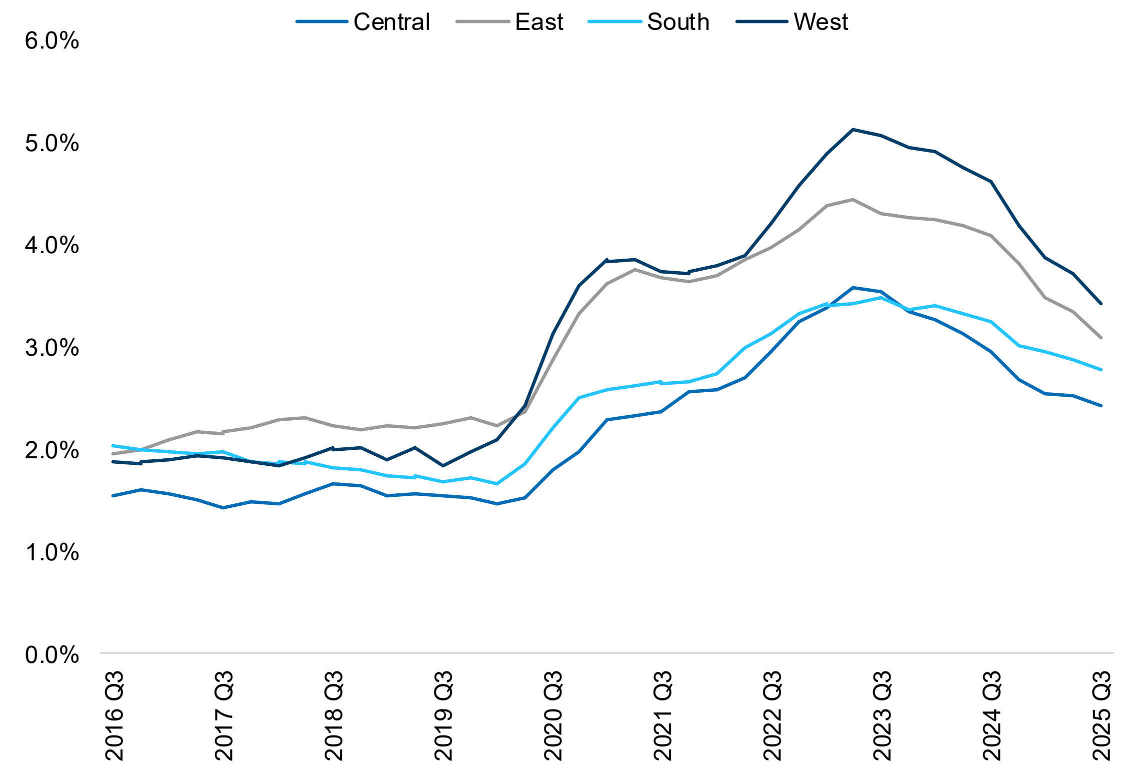


Source: CoStar, Newmark Research as of 10/21/2025

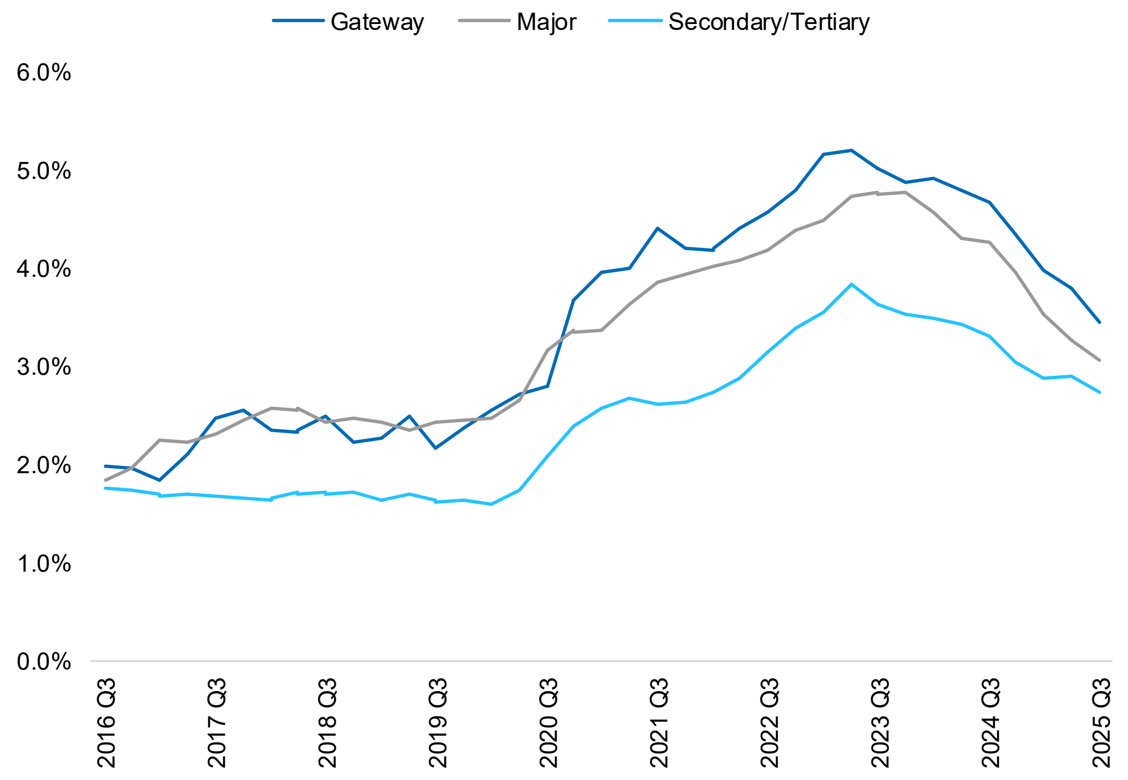
Sublease Availability Declines Across Regions and Market Tiers

Sublease availability remains elevated by historical standards, particularly in the West and East regions and in gateway and major markets. While reducing this inventory is essential to supporting new market expansion, the near-term outlook is mixed, as much of the sublease space continues to transition into direct availability and vacancy.

Regional Sublease Availability Rate



Market Size Sublease Availability Rate

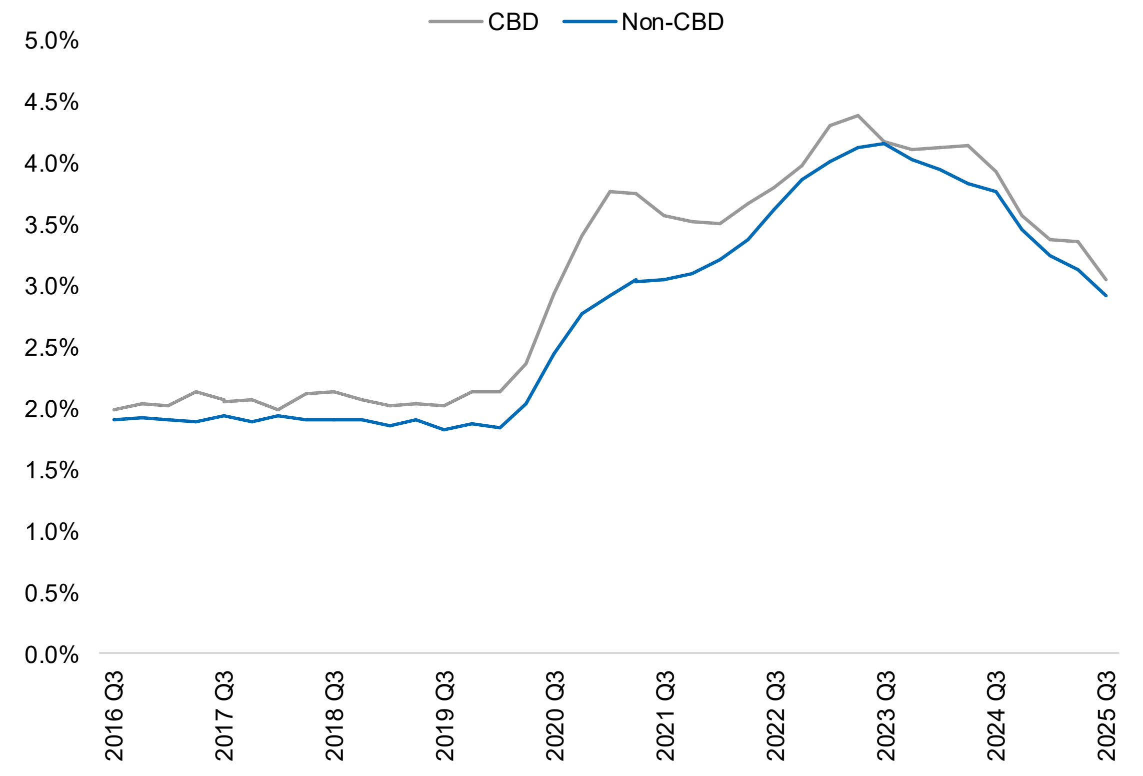


Source: CoStar, Newmark Research as of 10/21/2025

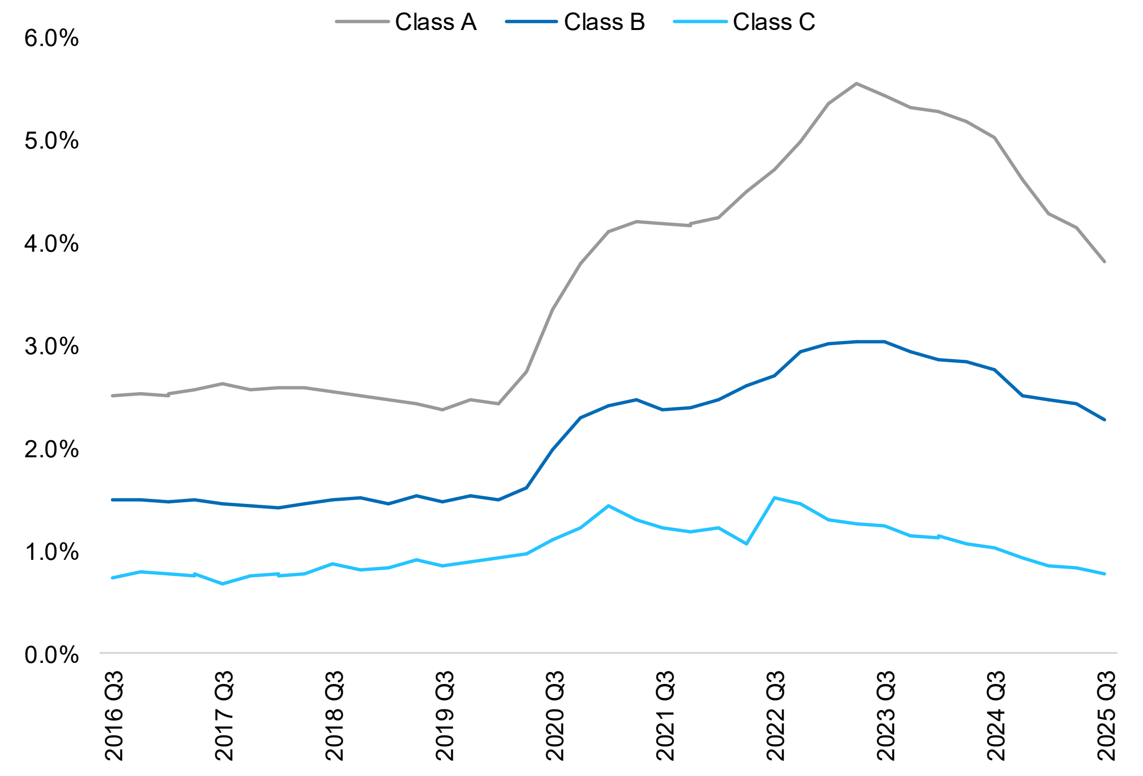
Sublease Availability Highest in Class A Buildings, Although Rate Is Falling

Sublease availability is relatively balanced between CBD and non-CBD markets; however, the disparity becomes far more pronounced when comparing across building grades.

Sublease Availability Rate by Urbanization



Sublease Availability Rate by Class

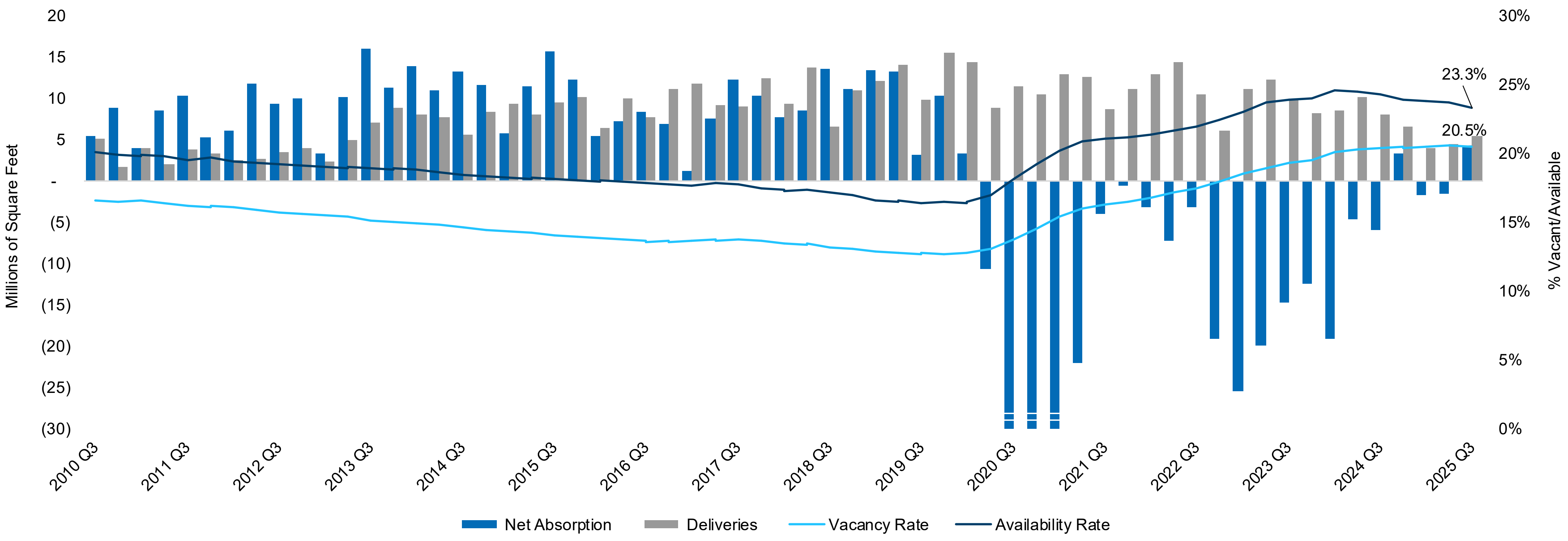


Source: CoStar, Newmark Research as of 10/21/2025

Q3 Marks Best Quarter for Net Absorption Since Pandemic

Net absorption totaled 4.2 million SF in the third quarter of 2025, a sharp improvement from the 1.7 million SF decline recorded in the previous quarter and the strongest quarterly performance of the post-pandemic period. This growth was driven by significant leasing gains over the past year, particularly inhigher-tier space.

Supply and Demand: Net Absorption, New Construction Deliveries, and Vacancy

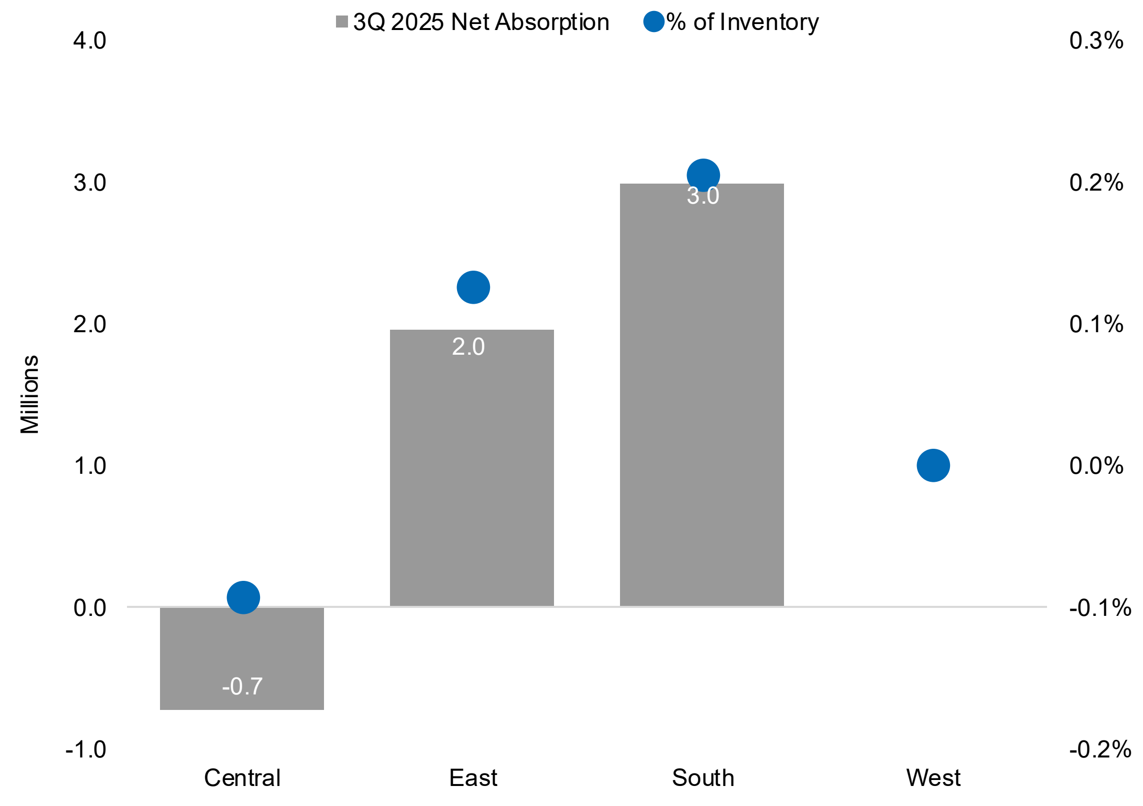


Source: CoStar, Newmark Research as of 10/22/2025

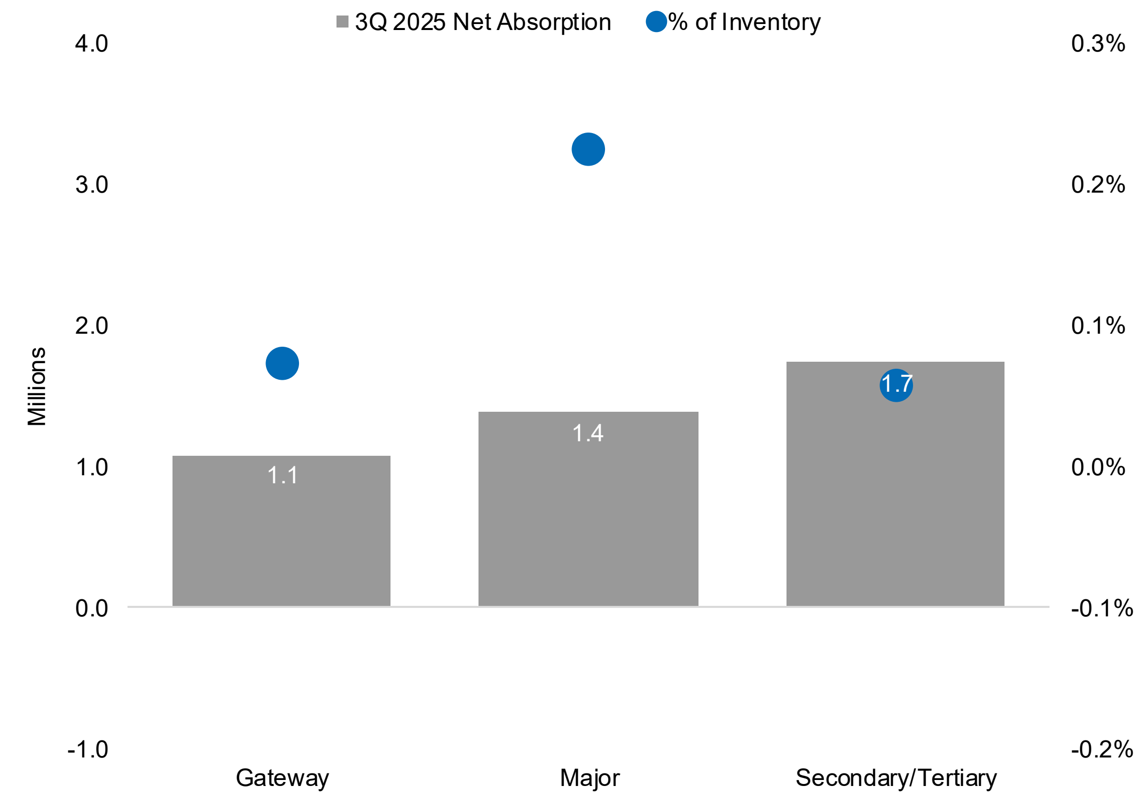
East and South Regions Rally Across All Market Sizes

National occupancy rose in the third quarter, driven by gains in the East and South regions across all market sizes. This represents a sharp improvement from the previous quarter, with several key markets posting notable increases, including Manhattan (+1.9 million SF), Austin (+1.0 million SF) and Dallas (+859,914 SF).

Regional Net Absorption



Market Size Net Absorption

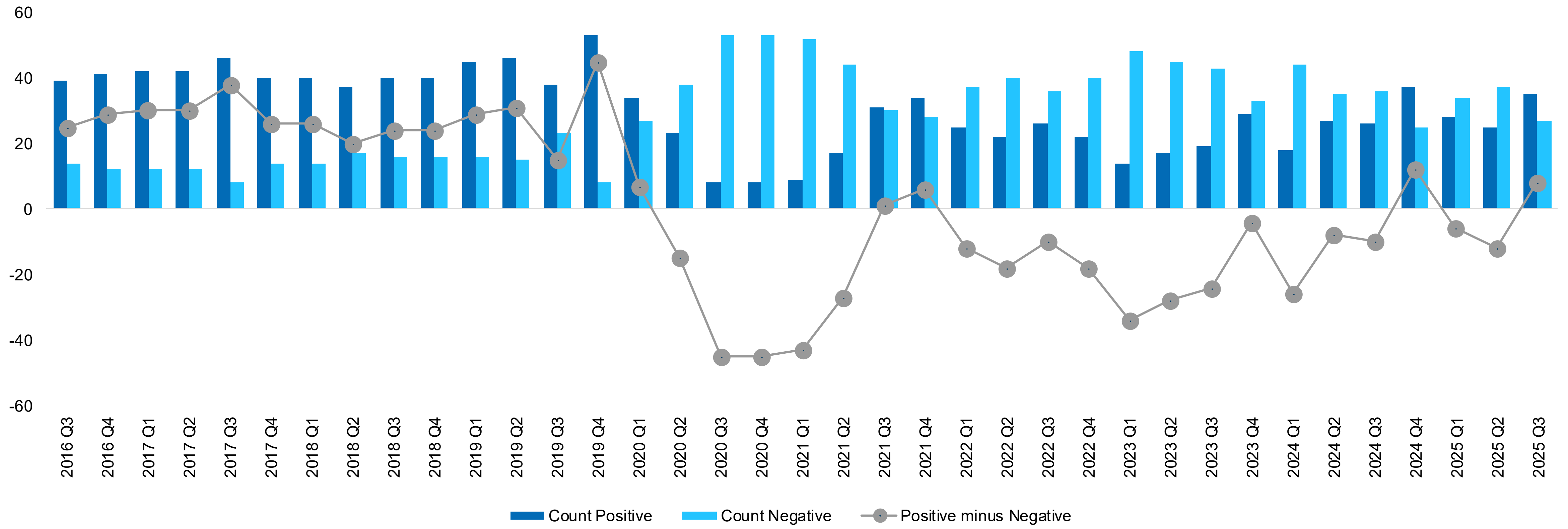


Source: CoStar, Newmark Research as of 10/22/2025

Net Absorption: Majority of Markets Recorded Gains In Q3

In the third quarter of 2025, 35 markets recorded positive net absorption while 27 posted losses, resulting in a diffusion index of 8. This marks an improvement from the prior quarter and represents one of the strongest quarterly performances of the post-pandemic period.

Positive vs. Negative Net Absorption Markets

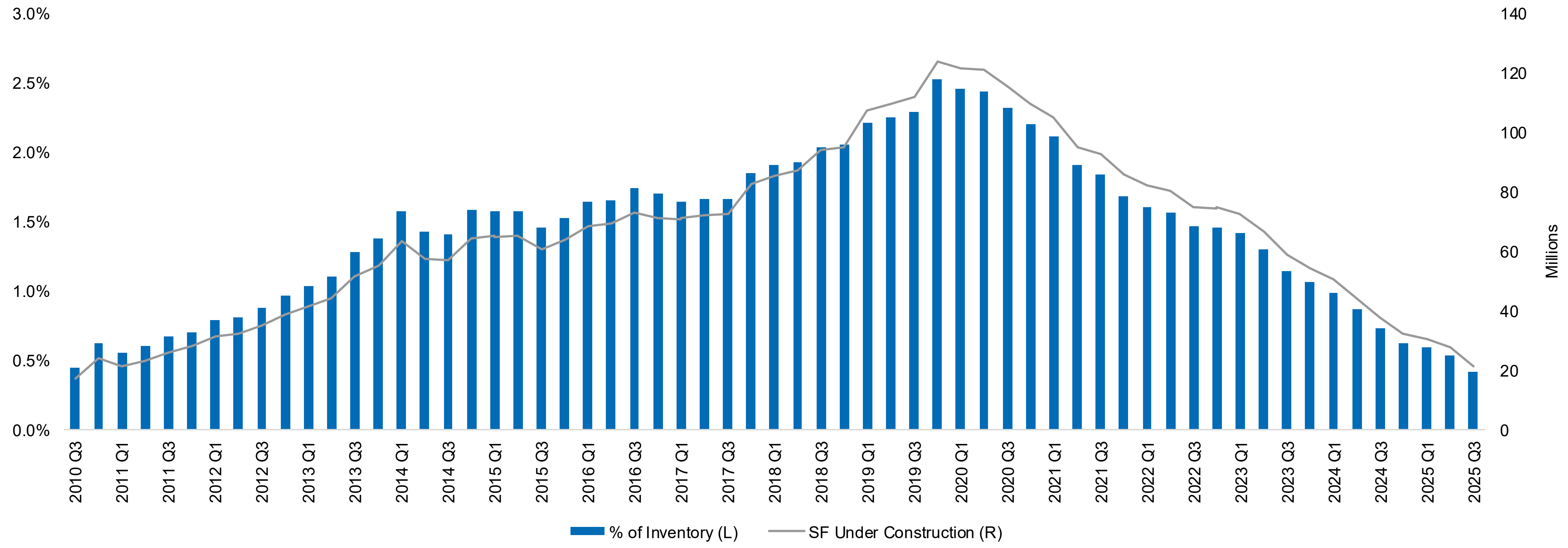


Source: CoStar, Newmark Research as of 10/22/2025

Office Construction Pipeline Continues To Contract

Office space under construction peaked at nearly 124 million SF in late 2019 and has steadily declined since. In the third quarter of 2025, construction activity fell further as developers adjusted pipelines to reflect shifting demand. This ongoing contraction is expected to help limit additional vacancy growth, particularly as a significant portion of post-pandemic deliveries remains unleased.

Under Construction: Percent of Inventory and Total Square Footage

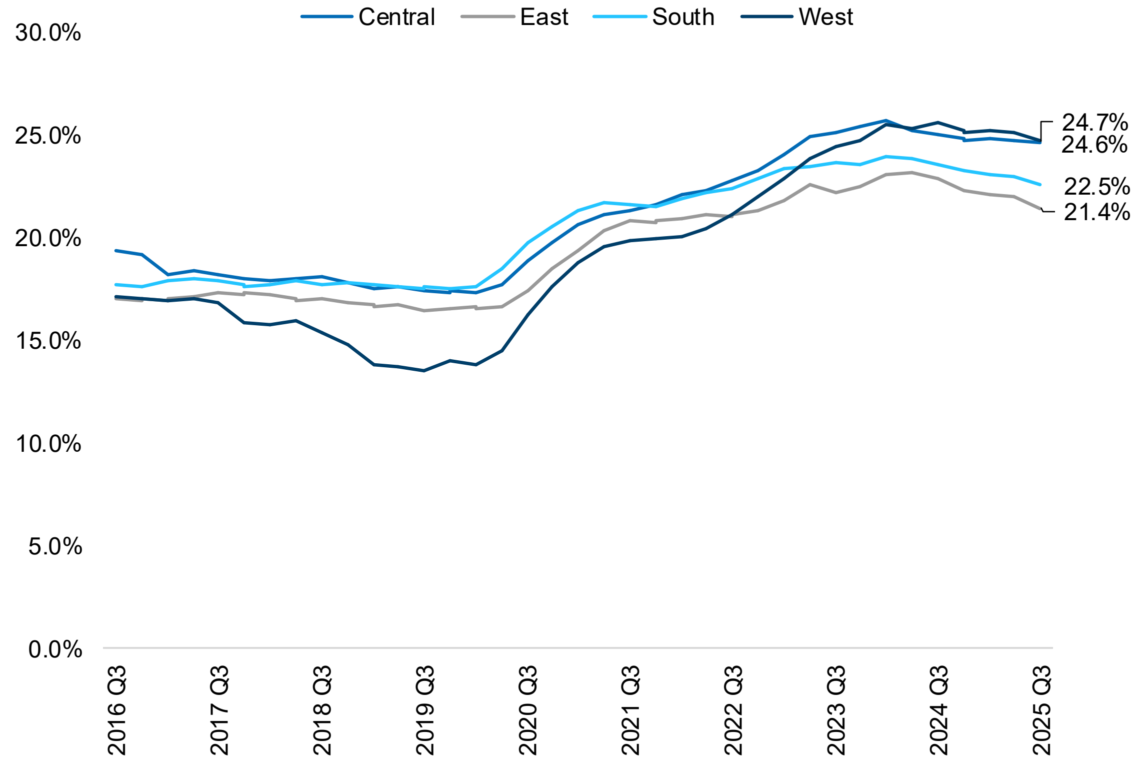


Source: CoStar, Newmark Research as of 10/22/2025

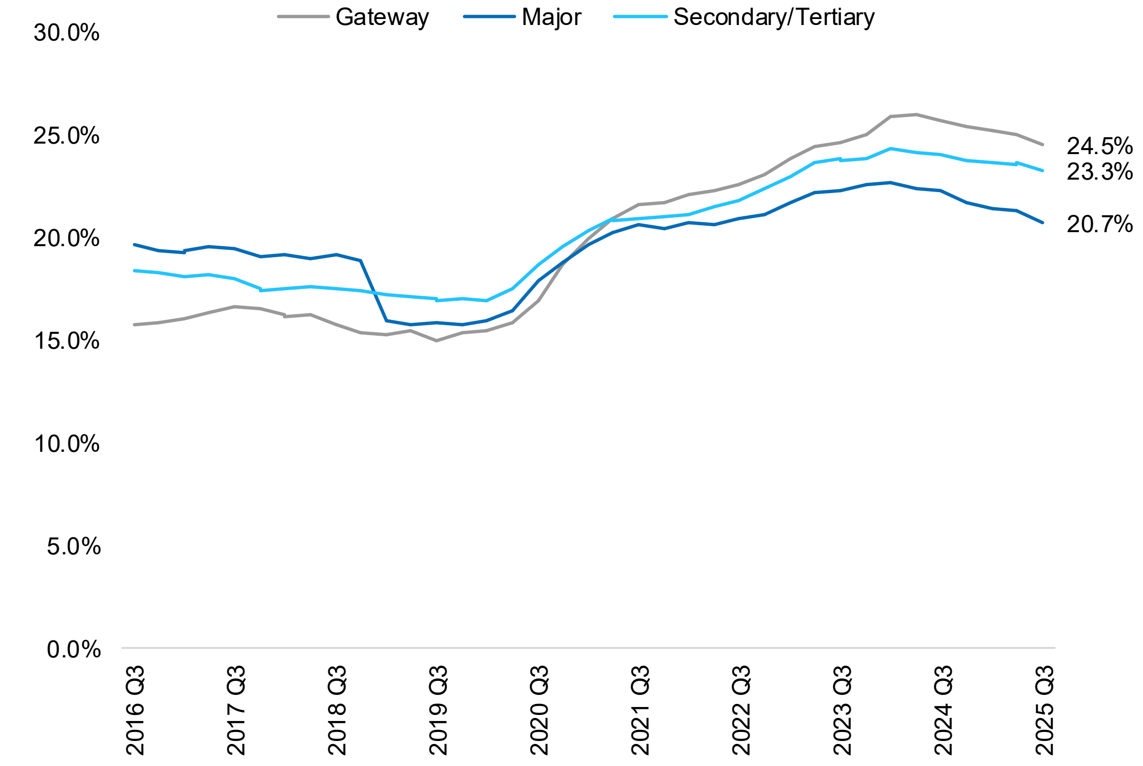
Availability Rate Slowly Falling Across Regions, Market Tiers

Overall availability held steady quarter over quarter and declined 70 basis points year over year, though it remains elevated relative to historical norms. Major markets—particularly in the East region—have performed relatively well, yet availability, sublease volumes, and vacancy rates in these areas continue to exceed long-term averages.

Regional Office Market Availability Rate



Availability Rate Comparison By Market Size

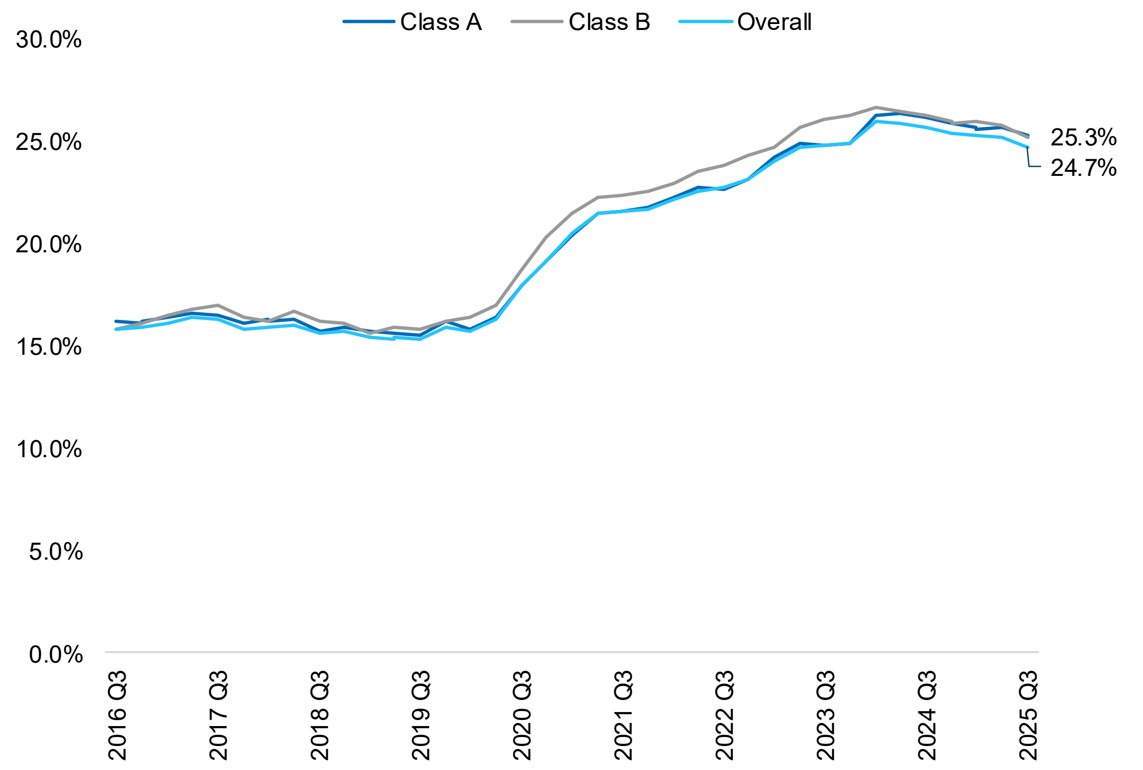


Source: CoStar, Newmark Research as of 10/22/2025

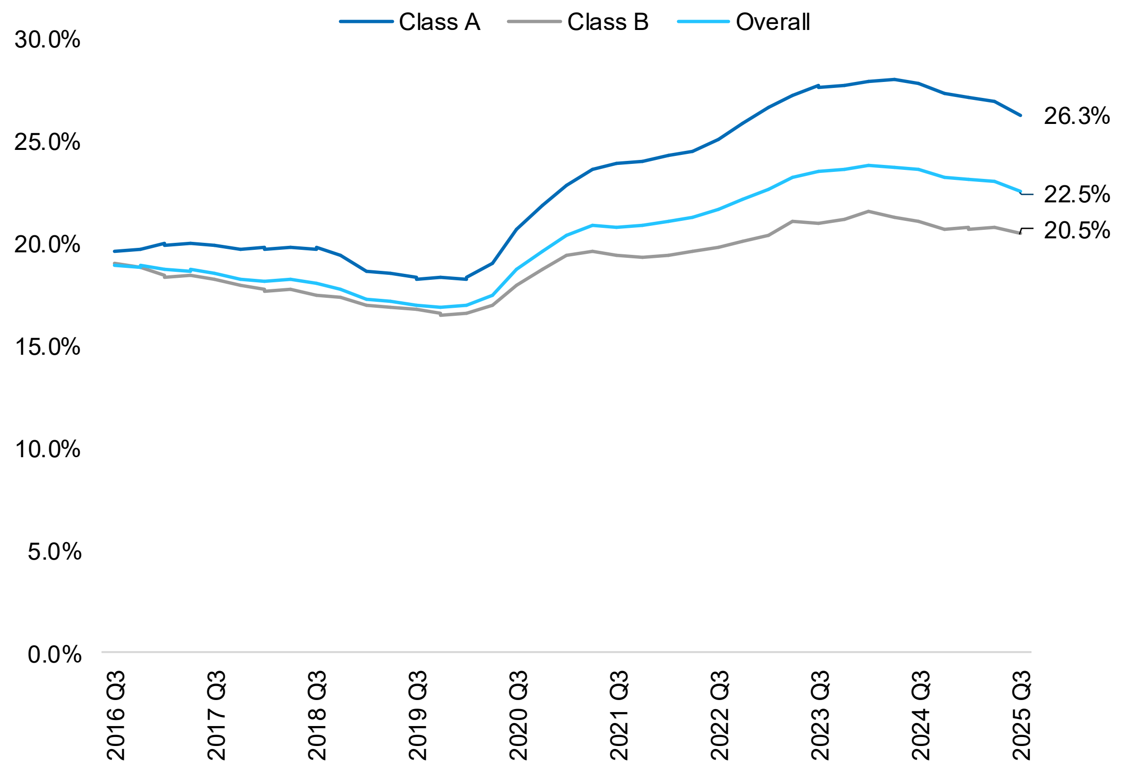
Availability Rates Contract Across Building Grades and Urbanization Levels

A disconnect persists between the strong preference for high-quality office space and broader market performance. In CBD markets, Class A and Class B availability rates are closely aligned, while in non-CBD areas, demand appears to lean more toward lower-tier space. This may indicate a widening divide between trophy and commodity Class A buildings or suggest that Class A landlords are prioritizing rent preservation over competing directly with Class B assets for occupancy.

Office Market Availability Rate By Class (CBD)



Office Market Availability Rate By Class (Non-CBD)

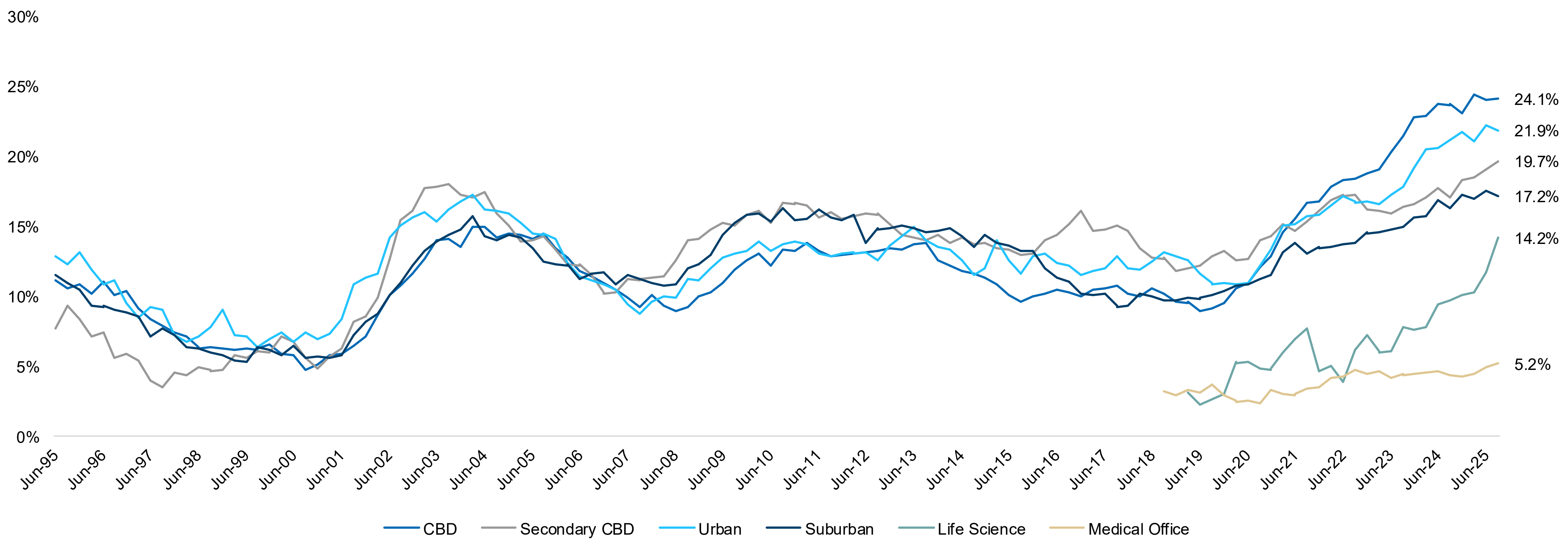


Source: CoStar, Newmark Research as of 10/22/2025

CBD Offices Face Challenges as Suburban and Niche Markets Outperform

CBD office buildings in NCREIF member portfolios currently exhibit the highest availability rates, marking a departure from historical patterns of milder downturns and faster recoveries. Suburban office holdings have also been affected, though to a lesser degree. There is no indication that availability has yet peaked. Life science and medical office properties continue to post the lowest availability rates, though rising supply is beginning to meaningfully affect the life science segment. This relative strength has persisted even as the number of properties has tripled.

NCREIF National Property Index Office Availability Rate

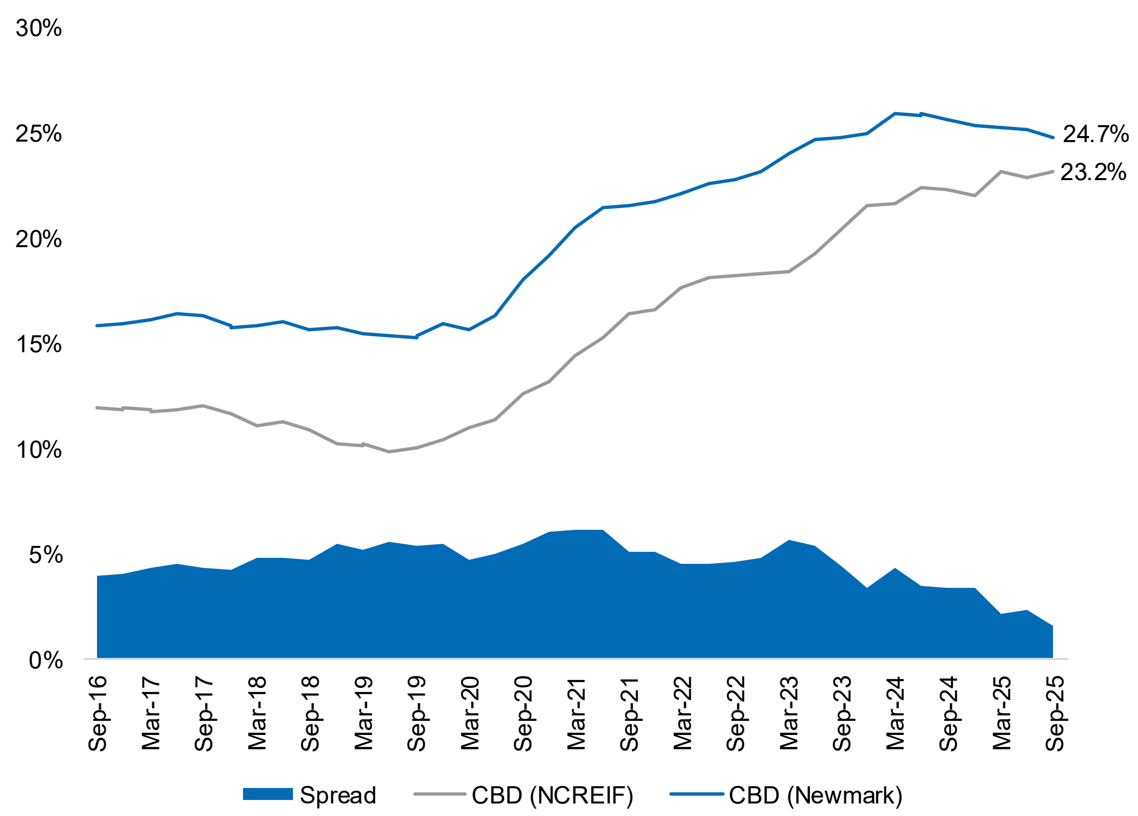


Sources: NCREIF, Newmark Research as of 10/28/2025
*We use the NCREIF National Property Index as a proxy for the national institutional grade office market.

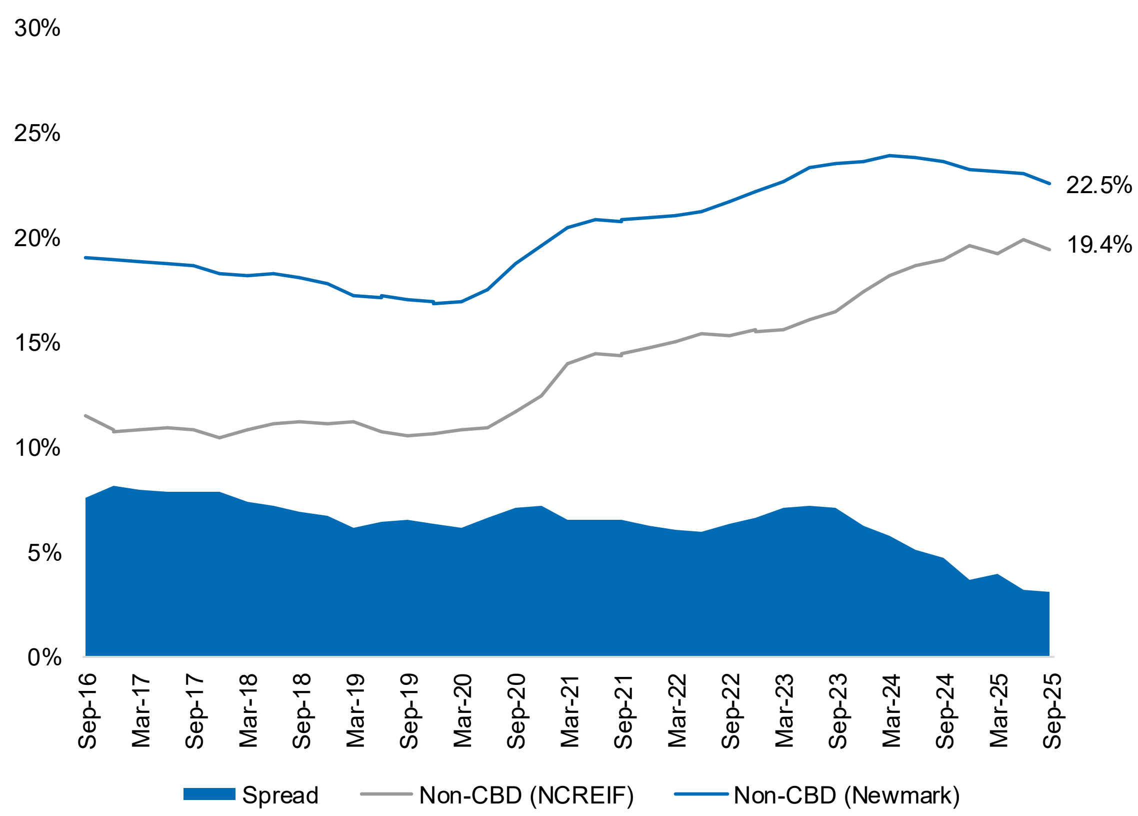
Institutional Core Consistently Beats Overall Market, Though Gap Is Narrowing

Historically, NCREIF member portfolios have outperformed the broader market in occupancy, though rates have steadily declined since 2020. Over the past decade, the number of buildings tracked by the NCREIF Property Index has decreased by 30.1% in CBD markets and 39.3% in non-CBD markets.

CBD Office Availability: Total Market vs. Institutional Core



Non-CBD Office Availability: Total Market vs. Institutional Core

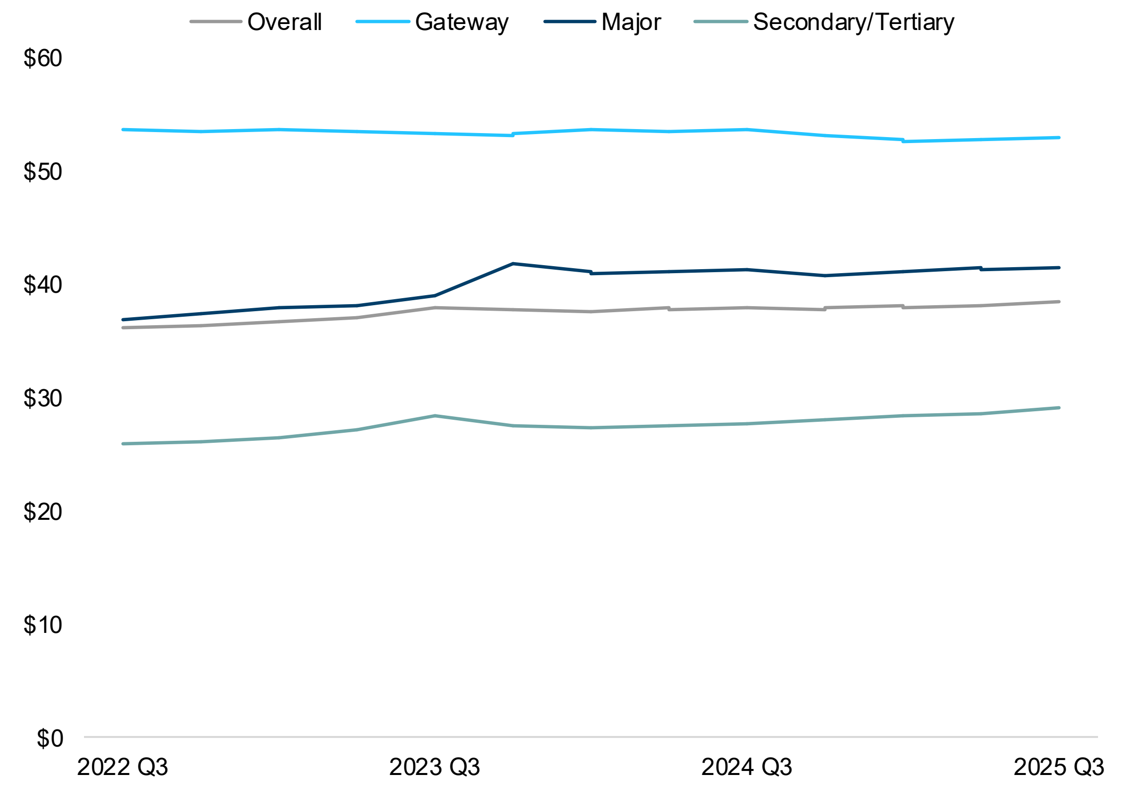


Sources: NCREIF, Newmark Research as of 10/29/2025
*We use the NCREIF National Property Index as a proxy for the national institutional grade office market.

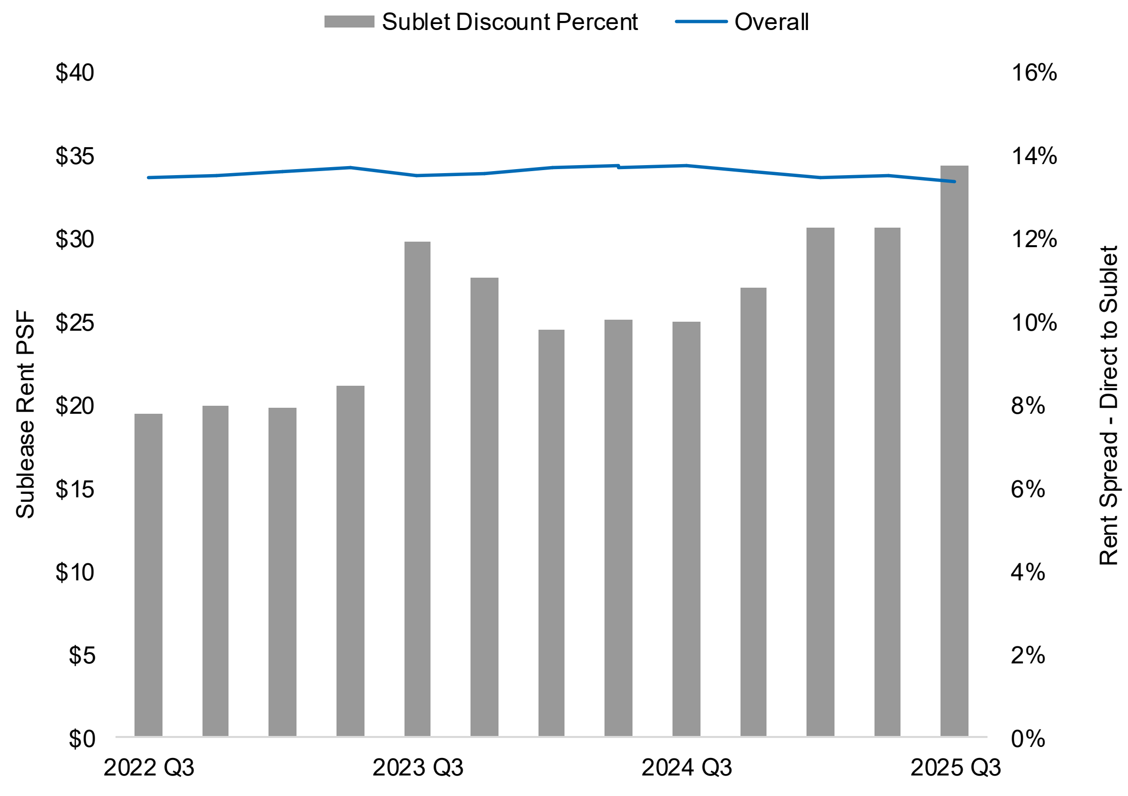
Asking Rents Defy Gravity, Though Stable

In previous cycles, asking rents typically declined in response to weaker demand; however, since the onset of the pandemic, asking rents have largely remained stable. Over the past year, sublease rents have edged lower, more clearly reflecting the impact of softer demand. As a result, the spread between sublease and direct space rents has widened to near-record levels.

Overall Asking Rents Up 0.5% YoY in 3Q25



Sublet Rents Stabilized; Rent Spread Relative to Direct Rates at All-Time High

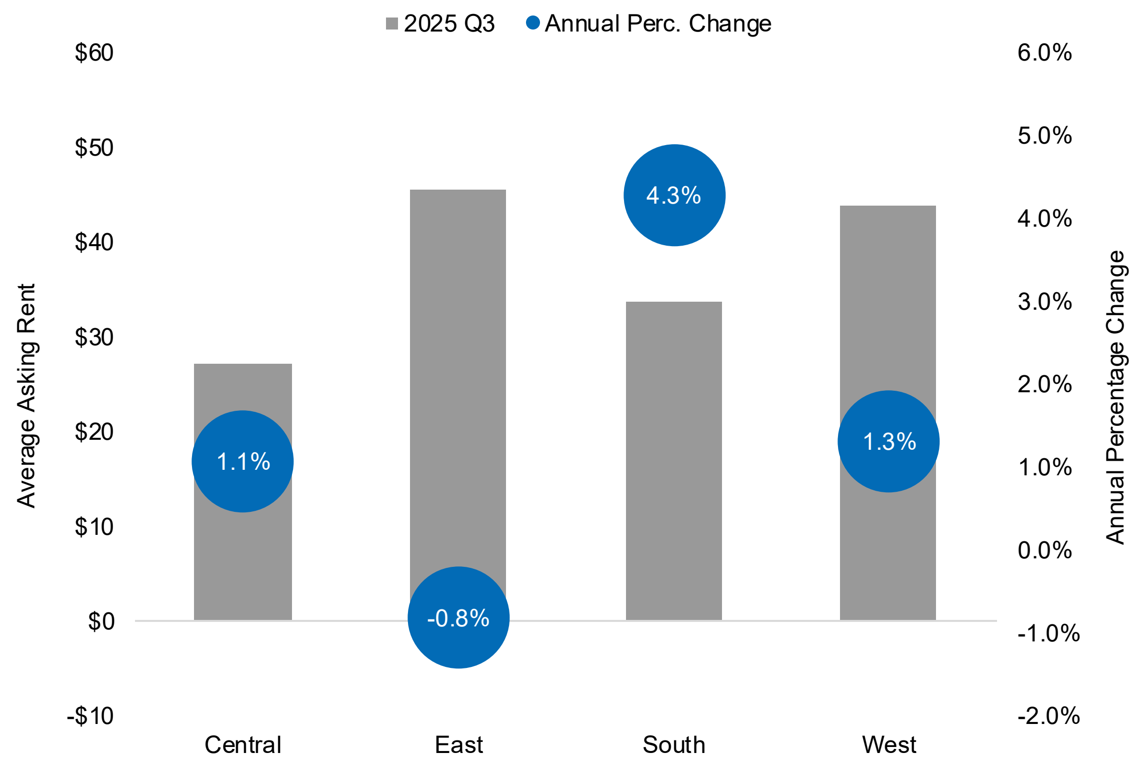


Sources: Newmark Research as of 10/22/2025

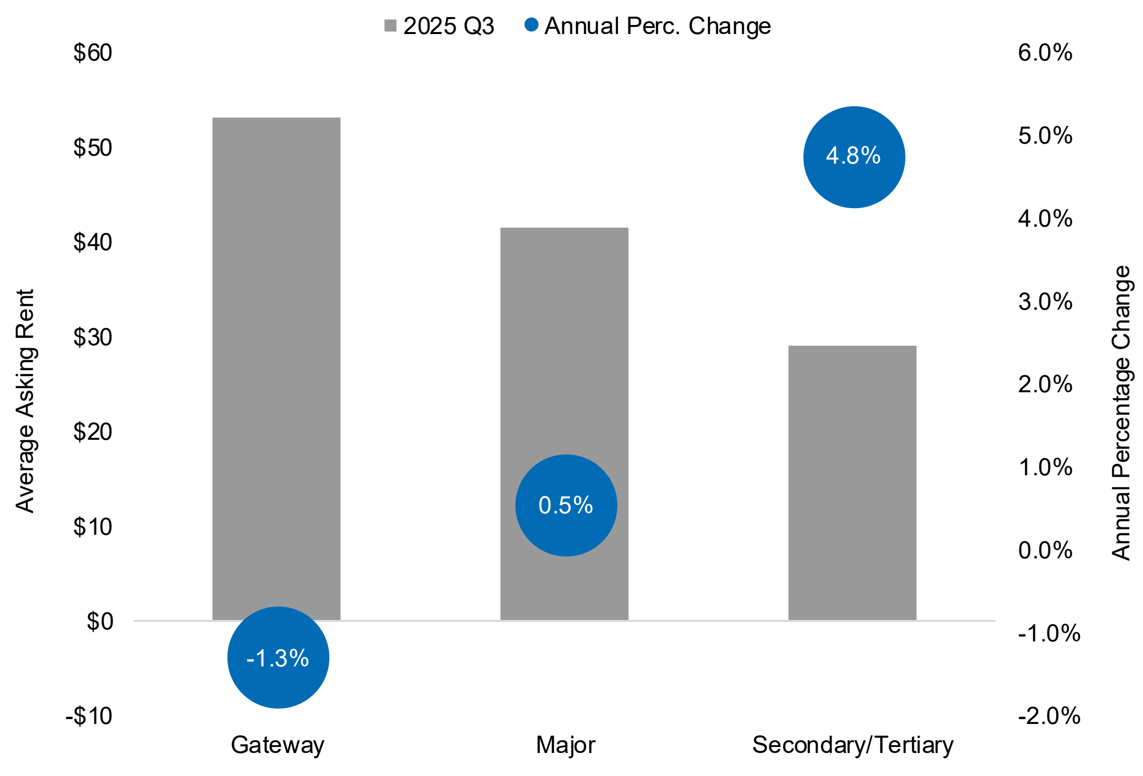
Central and South Regions, Major Markets Lead Asking Rent Growth

Overall asking rents remain highest in major coastal markets such as San Francisco, Manhattan, and Silicon Valley. The South region recorded strong year-over-year rent growth in the third quarter, fueled by smaller markets drawing office demand despite broader headwinds. Still, effective rents remain under pressure, with modest compression observed in some areas.

Asking Rents Growing Fastest in the Central and South Regions



Major Non-Gateway Markets Experiencing the Most Rent Growth

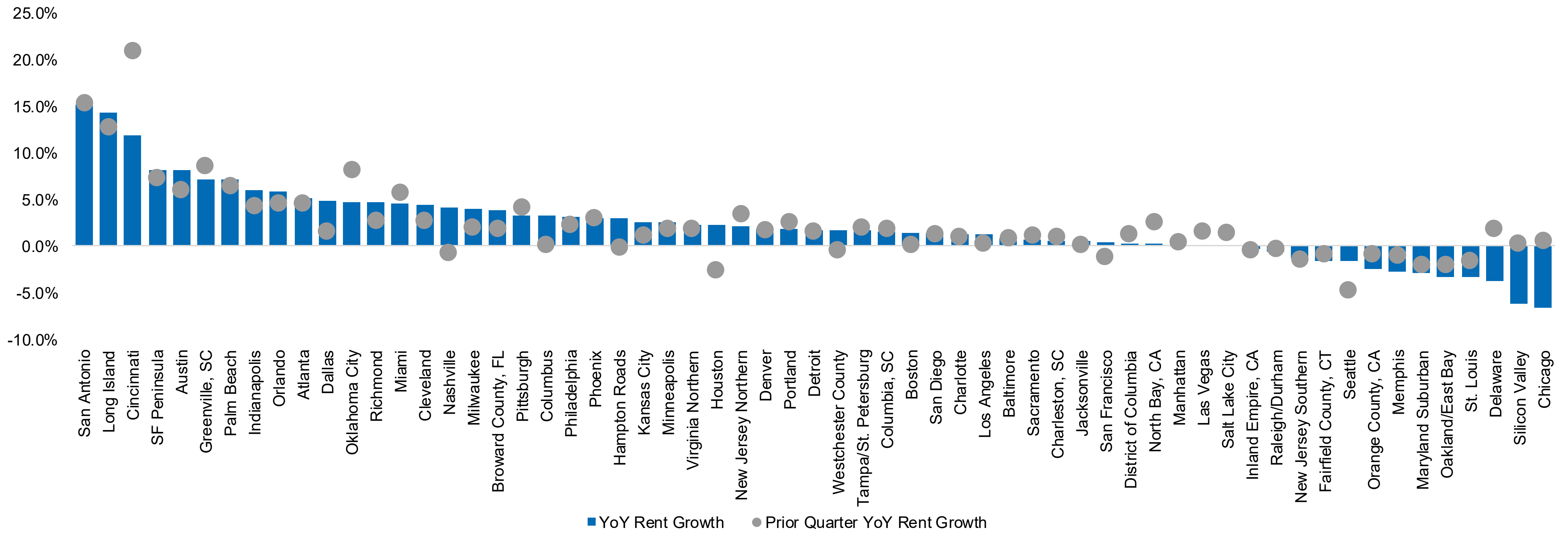


Source: CoStar, Newmark Research as of 10/23/2025

Majority of National Markets Seeing Improvements in Asking Rent Growth

In Q3 2025, 33 of the 62 nationally tracked markets recorded an improvement in annual rent growth compared with the previous quarter.

YoY Asking Rent Growth vs. Prior Quarter YoY Asking Rent Growth

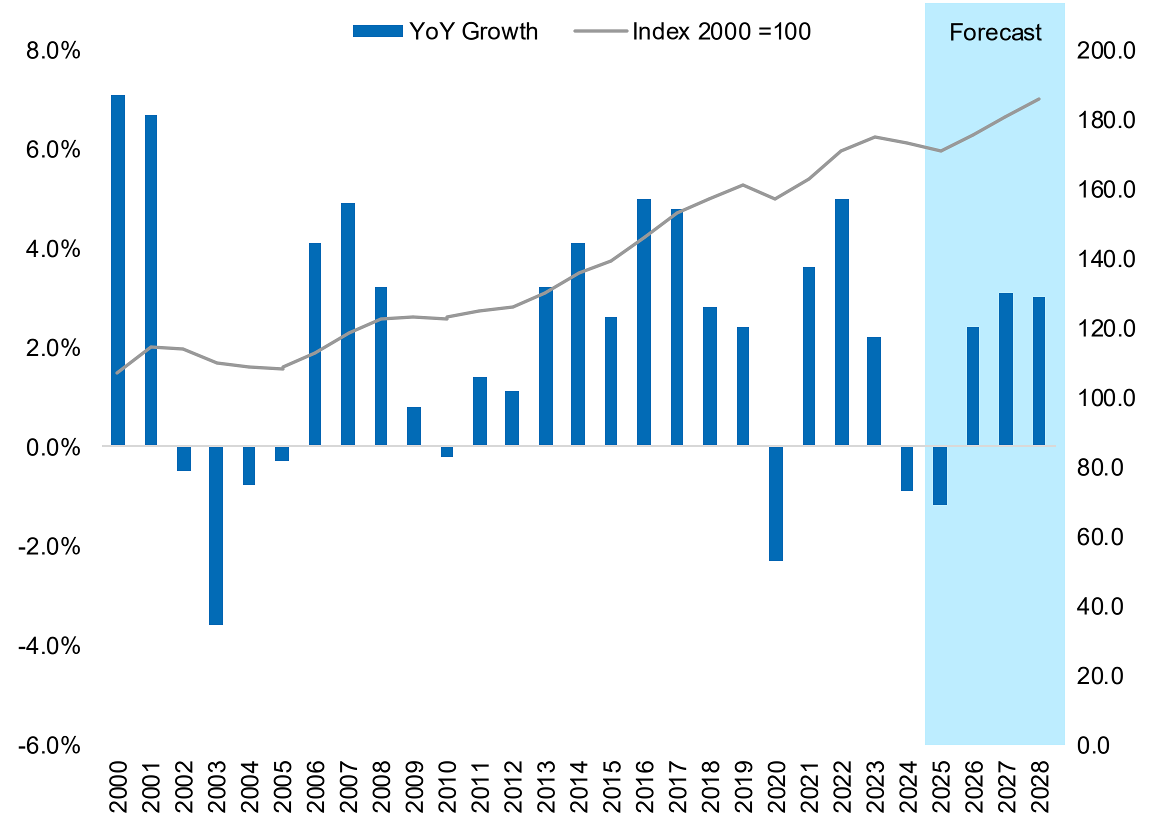


Source: CoStar, Newmark Research as of 10/23/2025

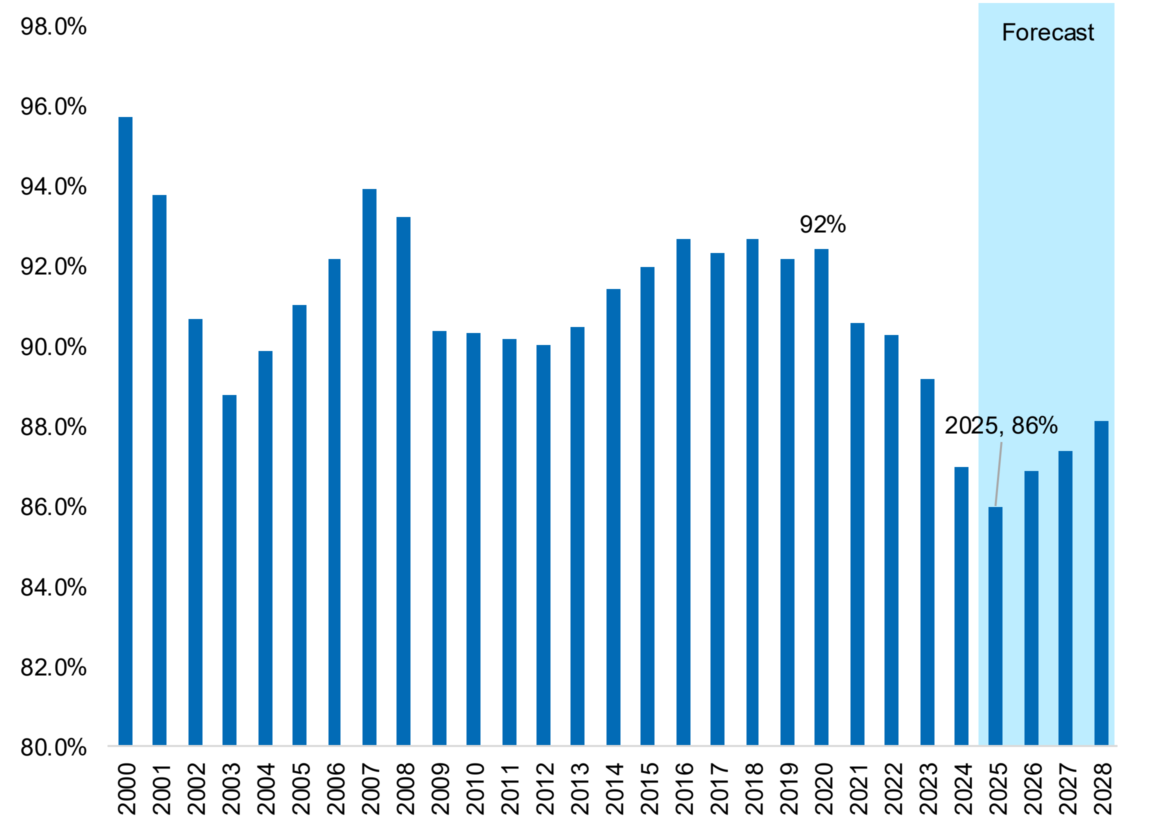
Office REITs Have Outperformed Overall Market

Office REIT portfolios have felt the effects of softening fundamentals, with same-store occupancy expected to bottom out at 86%, down from 92% in early 2020. This decline remains modest compared with the broader market's drop from 87.3% to 79.5%. Net operating income growth has remained resilient, positioning portfolios for moderate gains in the years ahead.

REIT Same-Store NOI



REIT Same-Store Occupancy

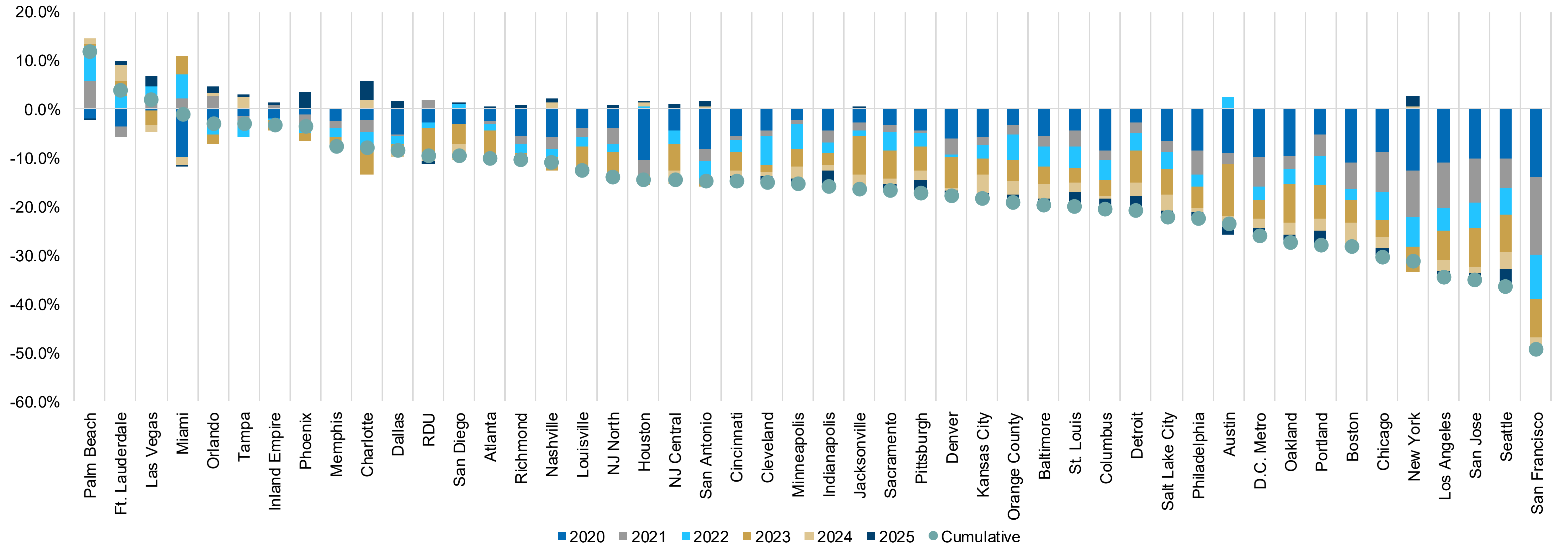


Source: Green Street data as of 10/23/2025, Newmark Research

RevPAF* Continued To Contract in Most Markets, but Pace Has Slowed

Since 2020, Sun Belt markets have outperformed, with especially strong results in Florida and Las Vegas. In contrast, San Francisco remains the most affected market, while other gateway and major markets—including New York, San Jose, Seattle, Los Angeles, Chicago and Washington, DC—have also experienced significant declines.

M-RevPAF Growth by Market

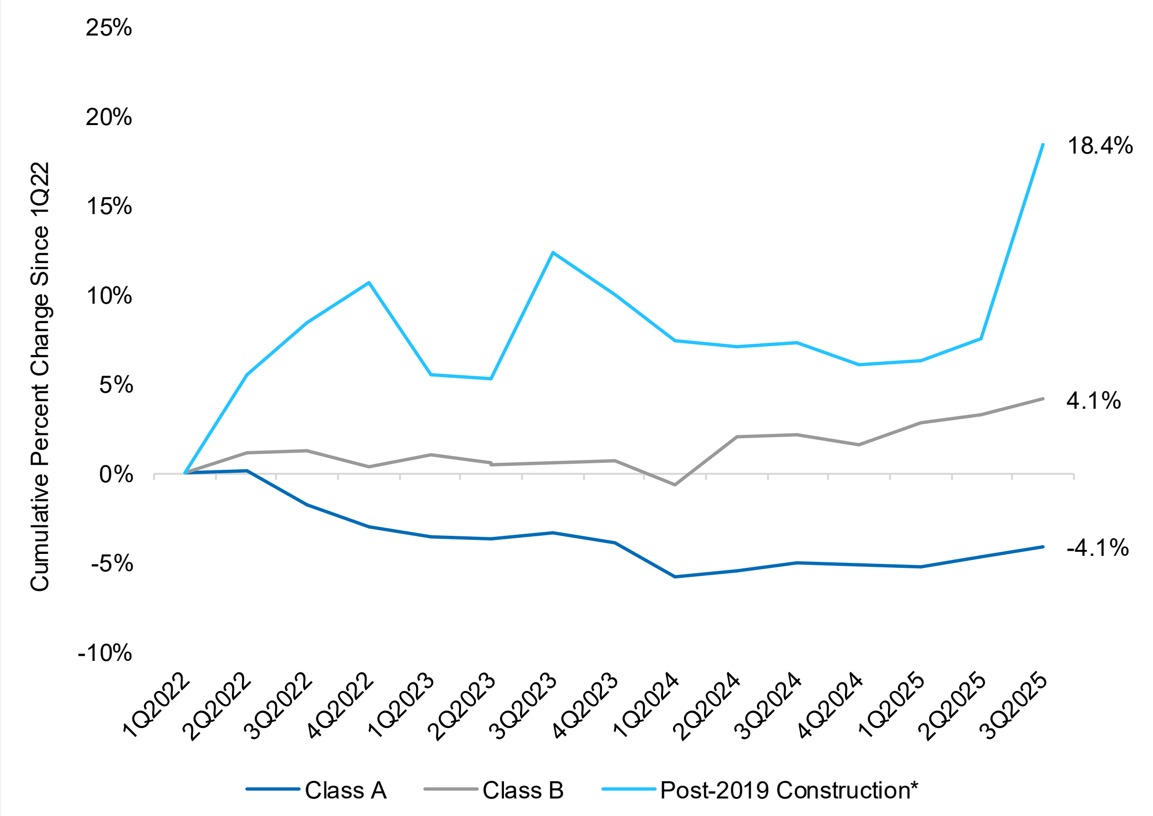


Source: Green Street data as of 10/23/2025, Newmark Research
*Market revenue per available foot combines the impact of changes in effective rents and occupancy to produce a measure of overall leasing market performance.

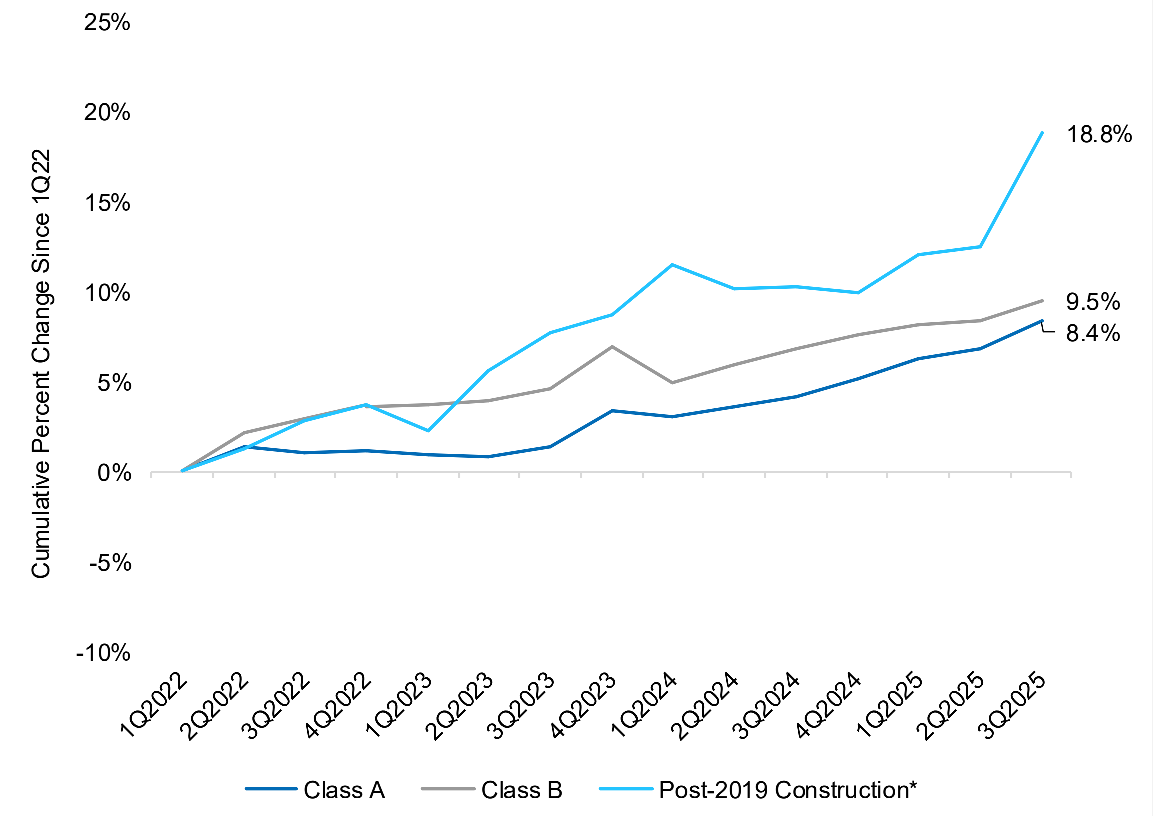
Trophy Product Has Substantially Outperformed in CBD and Non-CBD Markets

Rent per available foot (RPAF)**, which captures changes in both rents and availability, shows that Class A offices have underperformed both new construction (a proxy for Trophy) and Class B offices in CBD and non-CBD markets alike. New construction and Trophy assets have led performance in both settings, with the strongest outperformance occurring in non-CBD markets.

CBD – Rent Per Available Foot**



Non-CBD – Rent Per Available Foot**

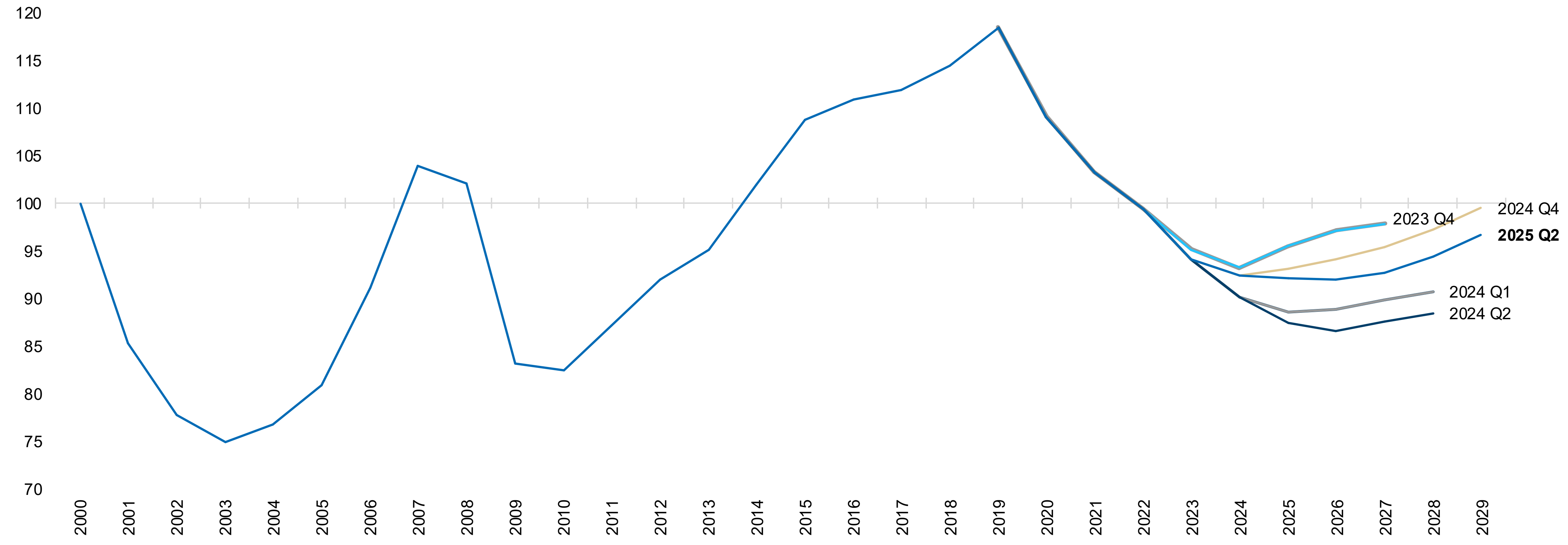


Source: CoStar, Newmark Research as of 10/23/2025
*Office buildings over 20,000 SF. 5-Star CoStar Rating. Excludes owner-occupied.
**Gross Asking Rent x (1-Total Availability Rate)

Forecast Worsens in Q2, Though Still Points to Gradual Recovery

The improving economic outlook has had a counterintuitive impact on the office forecast in the second quarter of 2025. After several quarters of downward revisions, Green Street projected an improvement in its fourth-quarter 2024 forecast, but that outlook was downgraded in the second quarter. The current forecast now anticipates the market reaching its bottom in 2026.

Green Street M-RevPAF Forecast Revisions (December 2000 = 100)



Sources: Green Street, Newmark Research as of 10/22/2025

03

Office Market Statistics

3Q25 UNITED STATES OFFICE MARKET CONDITIONS & TRENDS

National Office Market Statistics

3Q25

Market Statistics – All Classes						
	Total Inventory (SF)	Under Construction (SF)	3Q 2025 Net Absorption (SF)	2025 YTD Net Absorption (SF)	Overall Vacancy Rate	Average Asking Rent (Price/SF)
National	**5,126,545,004**	**21,463,800**	**4,194,692**	**690,257**	**20.5%**	**$38.34**
Atlanta‡	157,623,948	272,000	-149,746	-423,999	26.2%	$33.08
Austin‡	88,610,616	185,641	1,000,607	725,960	23.60%	$44.86
Baltimore‡	80,635,368	63,000	-52,305	-280,771	15.9%	$24.68
Boston^	178,060,874	1,527,000	-252,423	-1,218,158	22.7%	$45.35
Broward County, FL	34,133,046	176,500	22,964	-17,237	14.8%	$38.56
Charlotte‡	56,701,573	63,427	45,499	-474,423	28.5%	$34.19
Charleston, SC	15,191,065	140,000	63,858	152,083	9.0%	$32.31
Chicago^	248,933,597	369,000	-493,013	320,508	26.2%	$32.99
Cincinnati‡	34,245,364	0	70,475	213,496	22.9%	$22.61
Cleveland‡	39,652,599	1,000,000	-47,048	23,865	23.3%	$21.42
Columbia, SC	17,786,710	22,300	-101,854	21,588	8.6%	$19.90
Columbus‡	40,920,156	303,988	379,512	448,368	20.5%	$22.35
Dallas‡	283,269,642	1,911,072	859,914	1,071,838	24.3%	$31.95
Delaware	15,718,909	0	178,610	95,536	18.9%	$26.13
Denver‡	101,878,968	478,793	-433,561	-2,059,060	30.5%	$35.08
Detroit‡	79,242,360	380,821	-182,561	-772,781	22.9%	$20.79
District of Columbia	126,864,119	399,617	-344,540	-1,190,250	19.9%	$55.37
Fairfield County, CT^	35,432,437	95,000	-103,213	-333,756	25.1%	$37.24
Fresno	23,427,719	114,565	123,409	-23,319	9.2%	$27.67
Greenville, SC	24,751,273	57,300	19,796	82,472	10.1%	$26.21
Hampton Roads	27,931,794	0	-297,524	-564,915	13.5%	$23.10

^ Major Market
‡ Secondary Market
Note: Absorption is the net change in occupied space over a period of time. Data may not match totals in some Newmark metro reports due to different local methodologies. Asking rents are quoted on a full-service basis.

National Office Market Statistics

3Q25

Market Statistics – All Classes	Total Inventory (SF)	Under Construction (SF)	3Q 2025 Net Absorption (SF)	2025 YTD Net Absorption (SF)	Overall Vacancy Rate	Average Asking Rent (Price/SF)
National	**5,126,545,004**	**21,463,800**	**4,194,692**	**690,257**	**20.5%**	**$38.34**
Houston‡	248,045,117	1,103,727	636,813	1,187,900	25.5%	$30.29
Indianapolis‡	34,497,137	20,000	-131,676	-325,996	25.9%	$22.04
Inland Empire, CA^	27,103,894	24,589	53,853	361,225	7.7%	$25.69
Jacksonville‡	34,201,646	186,000	194,895	480,689	16.2%	$22.91
Kansas City‡	78,987,841	84,500	67,924	488,033	16.2%	$23.42
Las Vegas‡	40,111,139	0	145,944	146,780	12.8%	$27.25
Long Island^	57,892,082	0	244,735	449,173	10.9%	$32.58
Los Angeles^	218,163,737	1,534,186	109,477	-663,245	25.2%	$47.96
Manhattan^	453,091,684	298,702	1,912,986	2,555,511	12.4%	$76.10
Maryland Suburban‡	73,317,291	237,000	115,371	100,375	20.1%	$31.06
Memphis‡	36,136,409	75,000	-105,560	-15,826	15.9%	$19.29
Miami‡	49,395,004	1,316,186	112,742	180,370	14.7%	$59.91
Milwaukee‡	36,103,214	0	-16,820	-39,028	21.1%	$21.08
Minneapolis‡	115,689,380	640,000	12,311	240,005	20.2%	$28.87
Nashville‡	66,514,236	909,593	226,845	467,844	18.7%	$33.02
New Jersey Northern^	166,358,869	858,787	-103,532	1,161,032	18.0%	$31.76
New Jersey Southern	15,872,080	0	184,988	225,850	13.8%	$20.96
North Bay, CA	14,675,518	0	284,376	254,125	16.7%	$33.58
Oakland/Greater East Bay^	62,731,663	0	380,162	-63,238	22.5%	$41.20
Oklahoma City	23,706,833	66,000	18,912	20,652	18.4%	$20.74
Orange County, CA^	94,538,877	0	370,812	183,495	17.2%	$33.08

^ Major Market
‡ Secondary Market
Note: Absorption is the net change in occupied space over a period of time. Data may not match totals in some Newmark metro reports due to different local methodologies. Asking rents are quoted on a full-service basis.

National Office Market Statistics

3Q25

Market Statistics – All Classes	Total Inventory (SF)	Under Construction (SF)	3Q 2025 Net Absorption (SF)	2025 YTD Net Absorption (SF)	Overall Vacancy Rate	Average Asking Rent (Price/SF)
National	**5,126,545,004**	**21,463,800**	**4,194,692**	**690,257**	**20.5%**	**$38.34**
Orlando‡	61,299,267	127,452	-249,207	-436,971	13.5%	$26.64
Palm Beach	27,099,970	1,214,000	-8,473	-173,890	15.3%	$49.69
Philadelphia‡	105,475,126	1,100,107	-95,983	-626,605	22.6%	$31.62
Phoenix‡	96,314,448	527,530	-300,061	267,008	25.6%	$30.50
Pittsburgh‡	57,701,160	44,000	111,504	-171,922	24.5%	$26.34
Portland‡	62,543,532	0	-118,459	-665,046	24.3%	$31.09
Raleigh/Durham‡	52,817,279	69,977	260,938	149,347	20.3%	$30.49
Richmond	33,624,631	50,000	259,348	-101,244	14.0%	$22.49
Sacramento‡	66,108,830	0	-75,895	382,834	15.9%	$25.80
Salt Lake City‡	78,781,734	240,000	-478,980	-403,803	16.10%	$26.20
San Antonio‡	51,176,242	355,000	197,279	-255,604	17.4%	$27.62
San Diego‡	77,847,593	1,369,034	9,046	-43,989	20.2%	$41.09
San Francisco^	90,977,033	0	158,271	-246,656	30.3%	$66.82
San Francisco Peninsula^	49,857,677	420,000	-4,367	-607,938	21.3%	$77.43
Seattle‡	139,319,643	709,000	-598,973	-1,293,356	23.2%	$46.26
Silicon Valley^	95,582,032	0	367,508	1,721,061	17.0%	$60.02
St. Louis‡	75,236,287	69,000	-392,241	-501,065	13.9%	$22.28
Tampa/St. Petersburg‡	61,974,607	164,656	-23,496	91,027	15.5%	$29.29
Virginia Northern^	159,432,077	89,750	-20,883	-311,897	21.8%	$36.02
Westchester County, NY^	25,230,048	0	175,402	726,195	22.7%	$29.23

^ Major Market
‡ Secondary Market
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NEWMARK

Keith Reichert
Director
National Office Research
keith.reichert@nmrk.com

David Bitner
Executive Managing Director
Global Head of Research
david.bitner@nmrk.com

Jonathan Mazur
Executive Managing Director
National Research
jonathan.mazur@nmrk.com

Jessica Morin
Head of National
Occupier Research
jessica.morin@nmrk.com

Headquarters
125 Park Ave.
New York, NY 10017
t 212-372-2000

Newmark has implemented a proprietary database and our tracking methodology has been revised. With this expansion and refinement in our data, there may be adjustments in historical statistics including availability, asking rents, absorption and effective rents. Newmark Research Reports are available at nmrk.com/insights.