



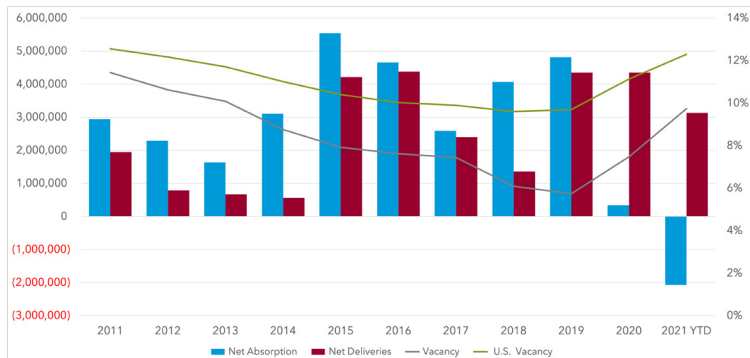
### OFFICE MARKET OVERVIEW

ALEX MUIR, *Vice President*

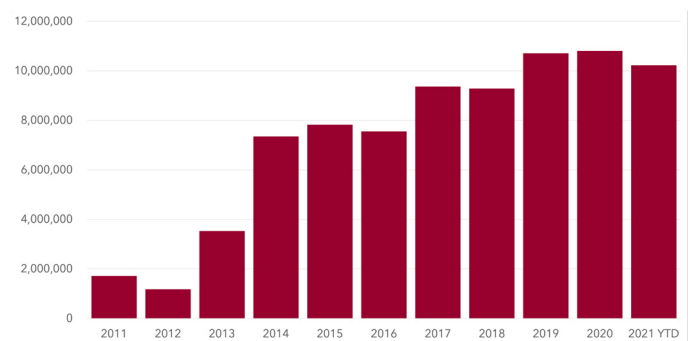
Seattle continues to be a tier-one global investment market, as \$2.6B in office sales closed in Q3. Vacancy increased slightly, but remains in the single digits, significantly below the national average. Sublease space remains prevalent, but the amount of inventory has steadily decreased from the peak in Q1. One of the largest leases of the quarter was Bungie's sublease of 60,000 square feet of never-occupied Dropbox space in Qualtrics Tower. Out-of-town technology companies such as Robinhood, TikTok and Rivian are opening offices in the region and growing rapidly. The state's largest employer, Amazon, has nearly 12,500 open jobs in Seattle, more than any other city. Cautious optimism persists.

MARKET INDICATORS	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
▲ 12 Mo. Net Absorption SF	(3,218,907)	(4,557,736)	(3,513,091)	338,976	2,513,731
▲ Vacancy Rate	9.6%	9.4%	8.9%	7.5%	6.7%
▼ Avg NNN Asking Rate PSF	\$38.12	\$37.84	\$37.61	\$37.69	\$38.06
▼ SF Under Construction	10,227,525	10,233,354	9,896,154	10,805,828	10,971,514
▲ Inventory SF	219,684,131	218,527,173	217,792,064	216,550,902	216,143,280

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2001 8th Avenue Seattle, WA	500,893 SF	\$489,900,000 \$978.05 PSF	Kilroy Realty DWS	Class A
1001 4th Avenue Seattle, WA	810,493 SF	\$465,000,000 \$573.72 PSF	Boston Properties / CPPIB GLL Real Estate/Vestas Inv Mgmt	Class A
400 Dexter Avenue N Seattle, WA	290,111 SF	\$364,000,000 \$1,254.69 PSF	Clarion Partners Alexandria Real Estate Equities	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2710-2810 160th Ave SE Bellevue, WA	519,325 SF	Westbrook Partners	Boeing Company	Manufacturing
800 5th Avenue Seattle, WA	133,400 SF	Blackstone Group	Washington State Office of the Attorney General	Public Administration
1150 Eastlake Avenue E Seattle, WA	99,271	Alexandria Real Estate Equities	Unreported	Life Sciences

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