



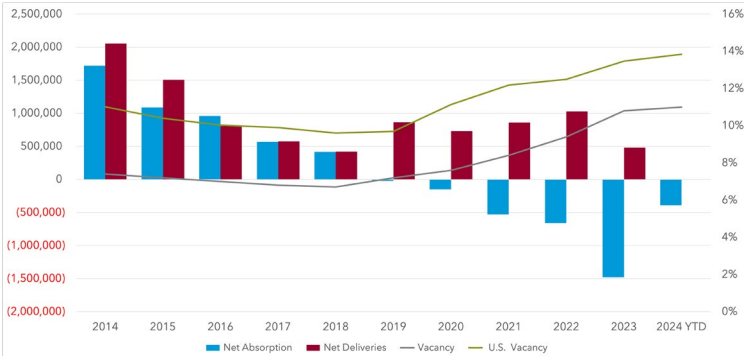
OFFICE MARKET OVERVIEW

HEATHER KREIGER, *Regional Research Director*

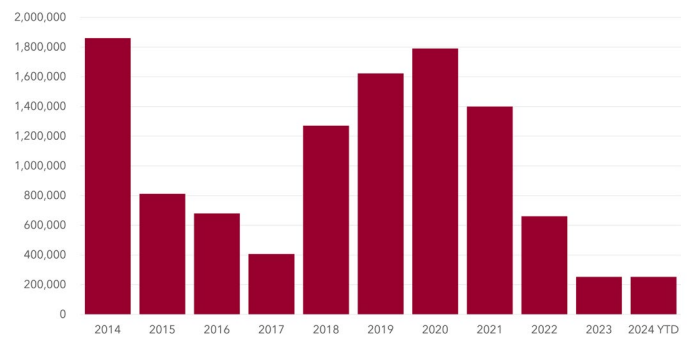
The vacancy rate in Pittsburgh’s office market has inched up slightly, from 10.4% in Q4 2023 to 10.5% in Q1 2024. However, vacancy has remained lower than the national average. Net absorption was -391,867 SF which was a slight improvement over the previous quarter when net absorption was just under 1.5 MSF. Lease rates are the bright spot, holding steady at an average of \$25.76 per square foot for the past five quarters. Finally, with no new construction activity in Q1 2024, overall construction levels remain modest.

MARKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
▲ 12 Mo. Net Absorption SF	(1,038,898)	(1,485,386)	(1,550,017)	(1,372,083)	(681,991)
▲ Vacancy Rate	10.5%	10.4%	9.9%	9.8%	9.3%
▲ Avg NNN Asking Rate PSF	\$25.76	\$25.69	\$25.78	\$25.69	\$25.73
◀ ▶ SF Under Construction	253,121	253,121	722,573	722,573	677,573
◀ ▶ Inventory SF	143,389,251	143,389,251	142,919,799	142,919,799	142,921,799

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
333 Baldwin Road Pittsburgh, PA	97,536 SF	\$1,545,000 \$15.84 PSF	Blueberry HL LLC Pacec LLC	Class A
700 Technology Drive Pittsburgh, PA	90,000 SF	\$11,650,000 \$129.44 PSF	The University Financing Foundation Carnegie Mellon University	Class A
5231 Penn Avenue Pittsburgh, PA	28,661 SF	\$3,950,000 \$137.82 PSF	SBS Property Management Duff Office Center	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
700 Technology Drive Pittsburgh, PA	72,000 SF	The University Financing Foundation	Carnegie Mellon University	Educational Services
2545 Railroad Street Pittsburgh, PA	50,000 SF	Woodbranch Investments Corp.	Excelitas	Technical Services
141 S. St. Clair Street Pittsburgh, PA	38,790 SF	LG Realty Advisors	Undisclosed	Undisclosed

