



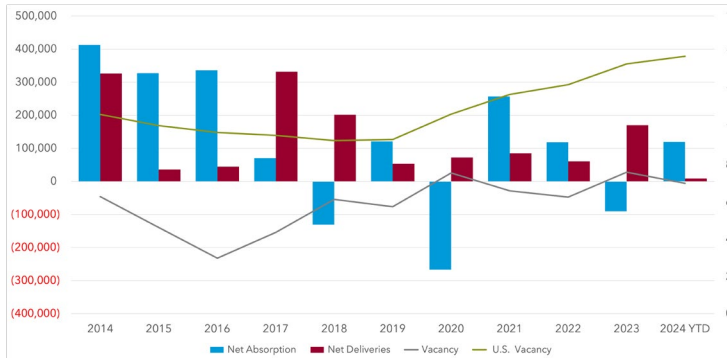
OFFICE MARKET OVERVIEW

BENJAMIN PEARSON, *Principal*, DAKOTAH SMITH, *Associate Broker*

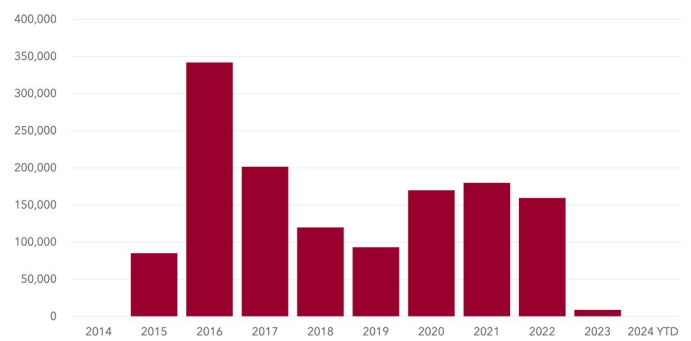
The Lincoln office market has seen a decrease in its vacancy rate, dropping from 7.5% to 7%. With no new office buildings under construction, demand for high-quality and economical office space has intensified. This past quarter recorded a positive net absorption of 39,410 square feet, a notable improvement following three quarters of negative absorption. We anticipate rental rates will stabilize as landlords offer more concessions and enhanced build-outs to attract and retain tenants. These incentives are expected to make leasing more appealing and drive further demand for office space. Overall, the decline in the vacancy rate, combined with the lack of new construction, indicates a period of growth and opportunity in the Lincoln office market.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▲ 12 Mo. Net Absorption SF	39,410	(20,202)	(90,529)	(109,267)	95,335
▼ Vacancy Rate	7.0%	7.5%	7.6%	7.2%	6.4%
▲ Avg NNN Asking Rate PSF	\$19.69	\$19.65	\$19.66	\$19.59	\$19.38
▼ SF Under Construction	0	8,763	8,763	166,095	175,095
▲ Inventory SF	18,735,730	18,726,967	18,726,967	18,595,871	18,586,871

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
220 S. 17th Street Lincoln, NE	42,600 SF	\$3,250,000 \$76.29 PSF	Realty Gift Fund US Property Management	Class C
3833 S. 14th Street Lincoln, NE	4,255 SF	\$795,000 \$186.84 PSF	Greenleaf Commercial Real Estate Wellspring Behavioral Health LLC	Class C
8500 Mohave Drive Lincoln, NE	4,103 SF	\$1,015,958 \$247.61 PSF	Advanced Physical Therapy Krueger Development	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2021 Transformation Drive Lincoln, NE	13,370 SF	Nebraska Innovation Campus	Garner Industries	Manufacturing
3401 Village Drive Lincoln, NE	10,195 SF	Hampton Enterprises	Bosch	Engineering
1401 Dahlberg Drive Lincoln, NE	8,700 SF	Krueger Development	Office Interiors & Designs, Inc.	Interior Design

