

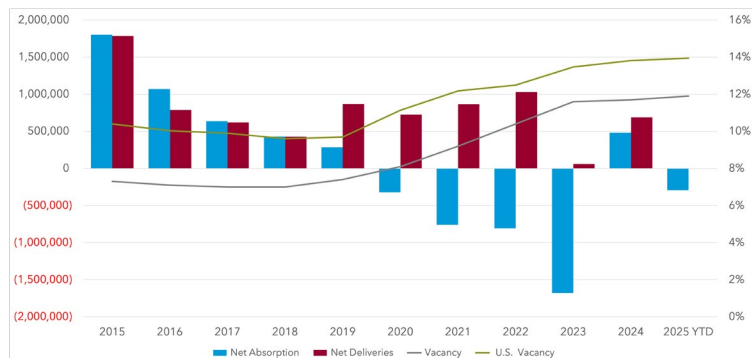
OFFICE MARKET OVERVIEW

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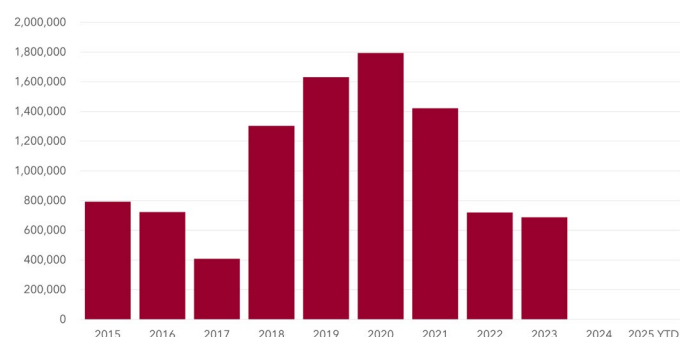
The Western Pennsylvania office market posted 298,647 SF of net absorption in Q1 2025, marking its second consecutive quarter of positive momentum following an extended period of contraction. Vacancy edged up to 11.9%, though it remains below recent highs and signals a potential leveling off in the market's trajectory. No new office developments were under construction this quarter, helping to curb further supply pressure. Asking rents rose to \$25.16/SF, up from \$24.49/SF in Q4, continuing a slow but steady upward trend. Average sale pricing dipped to \$32/SF, while cap rates rose to 10.7%, highlighting investor caution and the ongoing recalibration of office asset values in a challenging capital markets environment.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▼ 12 Mo. Net Absorption SF	298,647	481,599	(53,927)	(322,745)	(1,252,958)
▲ Vacancy Rate	11.9%	11.7%	11.4%	11.6%	11.7%
▲ Avg NNN Asking Rate PSF	\$25.16	\$24.49	\$24.16	\$24.20	\$24.26
▼ Sale Price PSF	\$32	\$52	\$60	\$108	\$60
▲ Cap Rate	10.7%	10.5%	8.5%	11.8%	6.6%
◀ ▶ Under Construction SF	0	0	488,640	488,640	688,140
◀ ▶ Inventory SF	143,288,725	143,288,725	142,800,085	142,800,085	142,600,585

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
50 Vespuccius Street Pittsburgh, PA	117,926 SF	\$6,700,000 \$56.82 PSF	Republic Services Procurement, Inc. Alumisource LLC	Class C
300 Woodcliff Drive Canonsburg, PA	45,375 SF	\$3,250,000 \$71.63 PSF	Nokomis, Inc. Rubin & Siegel Lawrenceville	Class B
3649 Mintwood Street Pittsburgh, PA	33,682 SF	\$2,100,000 \$62.35 PSF	Wag 3 LP Lawrenceville Properties LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
210 6th Avenue Pittsburgh, PA	209,782 SF	Independencia S.A.	K&L Gates	Legal Services
555 Southpointe Boulevard Canonsburg, PA	90,250 SF	NAI Burns Scalo	West Virginia University Medicine	Medical
4570 5th Avenue Pittsburgh, PA	57,354 SF	Elmhurst Group	Rand Corp	Research & Development

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