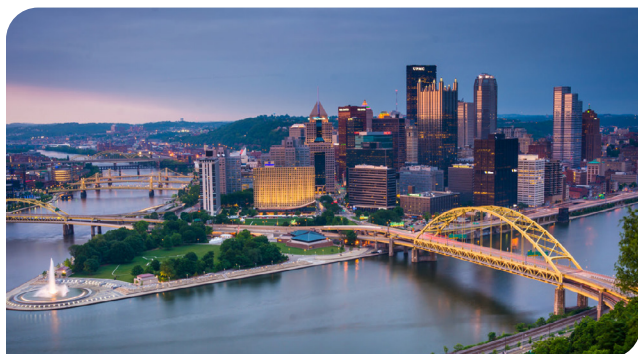




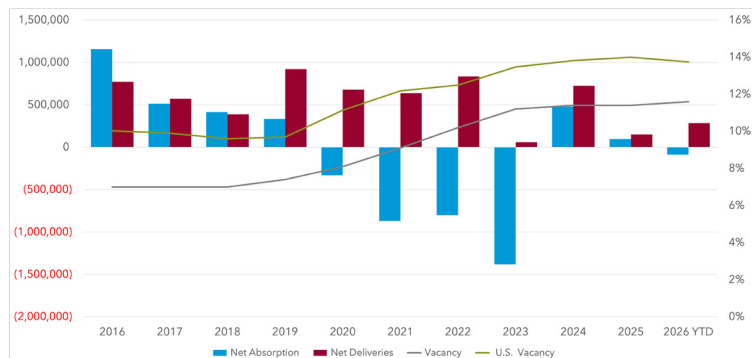
OFFICE MARKET OVERVIEW

HEATHER KREIGER, CCIM, *Regional Research Director, Principal*

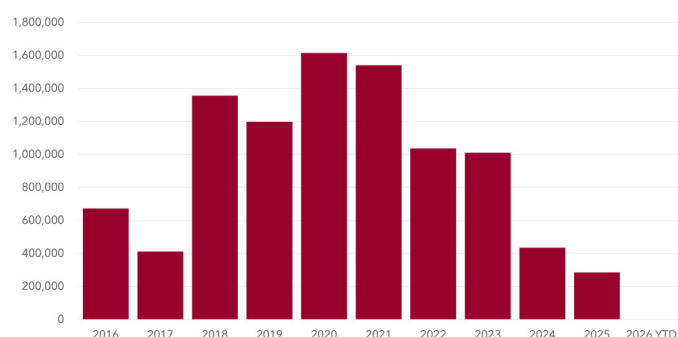
Western Pennsylvania's office market showed modest stabilization in Q3 2026. Vacancy declined to 11.6%, down 20 basis points quarter over quarter and 10 basis points year over year, across the region's 141.7 million square feet of office inventory. Trailing 12-month net absorption was positive 298,456 square feet, although 2026 year-to-date absorption remained negative 87,421 square feet. Average annual NNN asking rents remained stable at \$25.25 per square foot, unchanged from a year earlier. No office space was under construction at quarter-end, following 285,000 square feet under construction in late 2025. Average sale pricing was \$55.94 per square foot, and cap rates averaged 10.9%.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▼ 12 Mo. Net Absorption SF	298,456	388,667	241,731	97,692	(141,292)
▼ Vacancy Rate	11.60%	11.80%	11.70%	11.40%	11.70%
▲ Avg NNN Asking Rate PSF	\$25.62	\$25.43	\$25.16	\$25.21	\$25.25
▼ Sale Price PSF	\$55.94	\$74.00	\$120.00	\$74.00	\$85.00
◀ ▶ Cap Rate	10.90%	10.90%	10.90%	11.10%	11.40%
◀ ▶ Under Construction SF	-	-	-	285,000	285,000
◀ ▶ Inventory SF	141,654,506	141,654,506	141,654,506	141,369,506	141,369,506

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5700 Corporate Drive Pittsburgh, PA	107,495 SF	\$3,312,960 \$30.82 PSF	CSB Holdings Zell Holdings	Class B
1187 Thorn Run Road Coraopolis, PA	103,200 SF	\$1,560,450 \$15.12 PSF	Speerco LNR Partners	Class B
5800 Corporate Drive Pittsburgh, PA	95,292 SF	\$3,725,424 \$39.09 PSF	CSB Holdings Zell Holdings	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4300 Lytle Street, Building C Pittsburgh, PA	66,385 SF	RIDC of Southwestern PA	Hellbender	Professional, Scientific, and Technical Services
One PPG Place Pittsburgh, PA	64,360 SF	Highwoods Properties, Inc	Details Pending	Details Pending
800 Commonwealth Drive Warrendale, PA	36,058 SF	Sampson Morris Group	Emerson Power & Water Solutions	Manufacturer

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