

**Q1 2024**

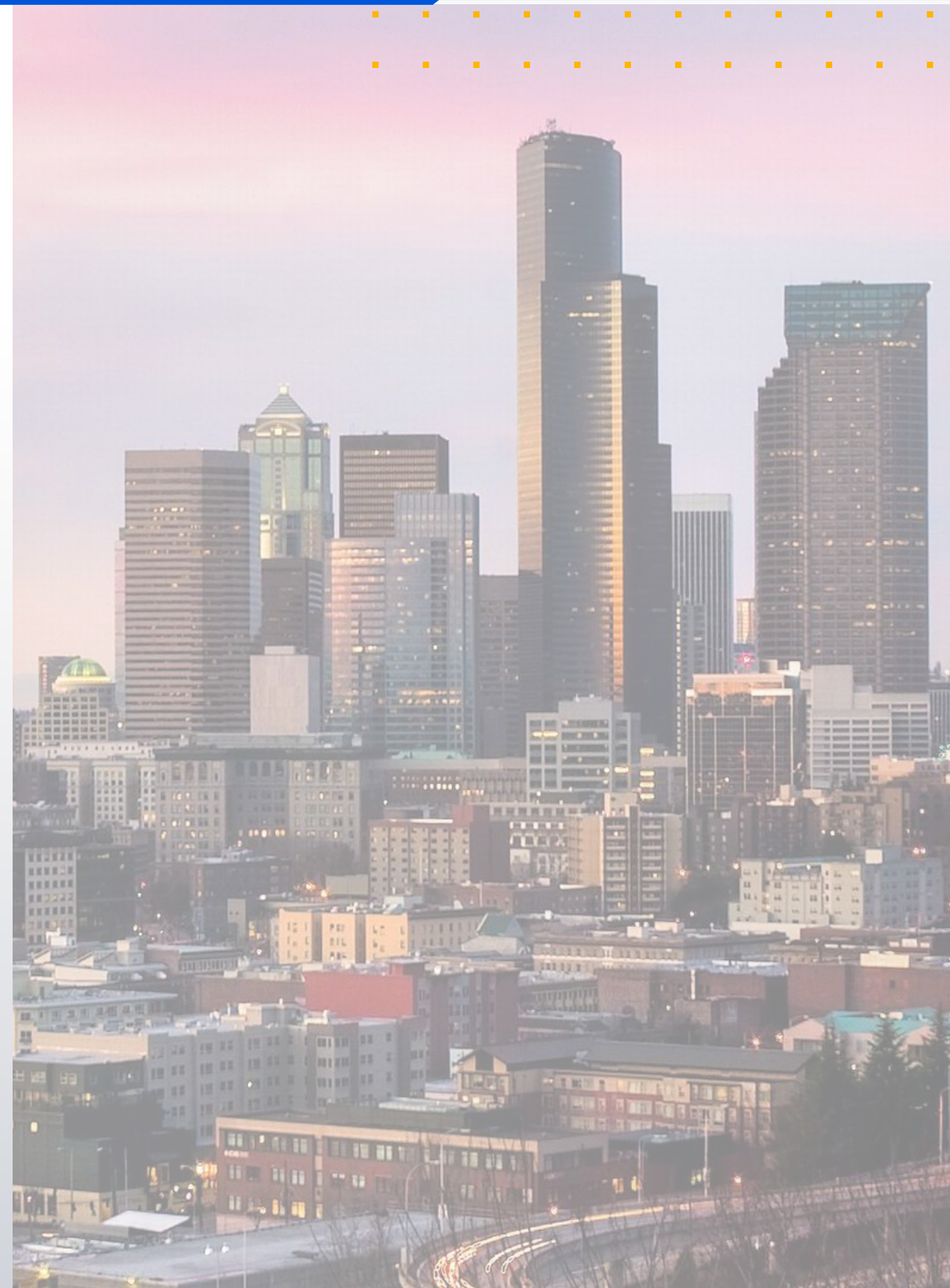
# Office Market Report

## General Overview

In Q1 2024 the Downtown Seattle Office Market vacancy increased again to 24.7% (up from 21.86% in Q4, 2023), including 20.2% of direct vacancy and 3.9% of sublease vacancy. The 12-month net absorption for the Downtown Seattle Office Market at the end of Q1 2024 was at (2,779,875) RSF. The amount of office space under construction is approximately 1,166,316 RSF. The Seattle office leasing market will certainly soften further in favor of tenants for the foreseeable future.

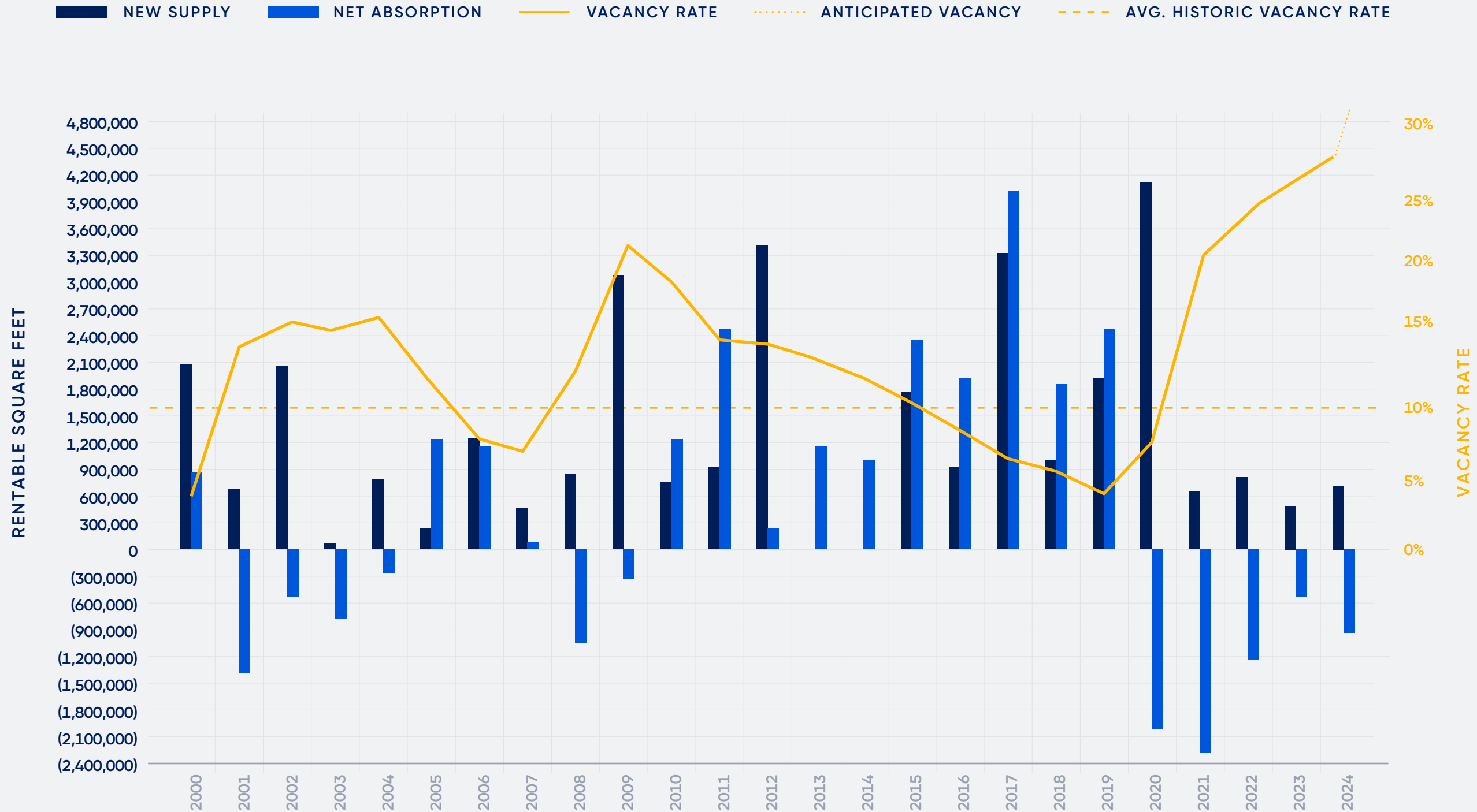
## Economy

According to the U.S. Bureau of Labor Statistics the seasonally adjusted monthly unemployment rate for Washington State is 4.7% slightly above the nationwide rate of 3.9%. In Seattle/Tacoma/Bellevue, the unemployment rate grew from 4.0% in November 2023 to 4.8% in January 2024.



## Historical Availability

Seattle Overall Office Availability, Supply & Absorption Rates  
2000-2024



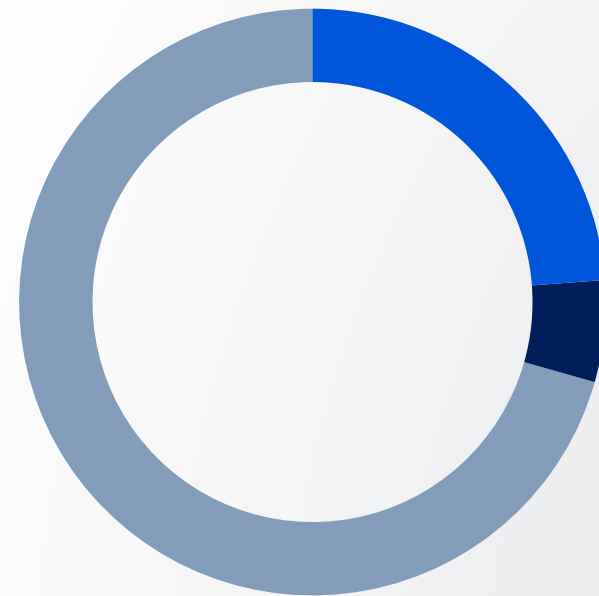
## Market Overview

Market Size (SF)  
Ship Canal to Pioneer Square  
**66.9M**

Net Absorption  
12-Month  
**-2.8M**

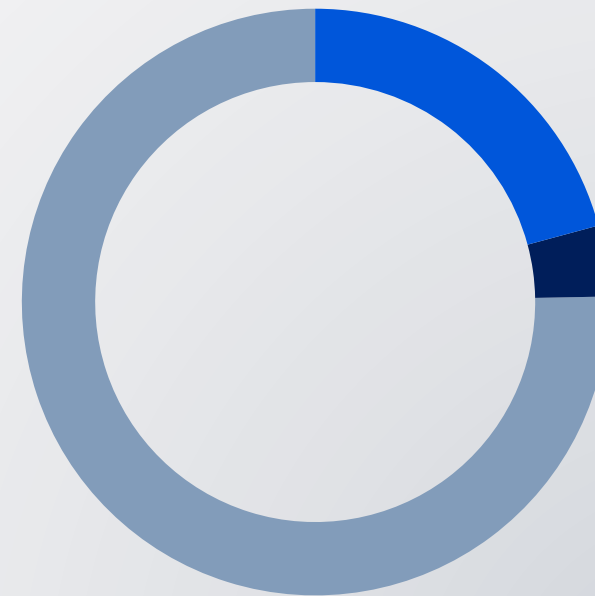
2024 YTD  
**-925K**

Availability  
**29.3%**



- DIRECT AVAILABILITY: 23.8% | 16.2M
- SUBLEASE AVAILABILITY: 5.6% | 3.8M
- OCCUPANCY: 70.1% | 46.9M

Vacancy  
**24.7%**

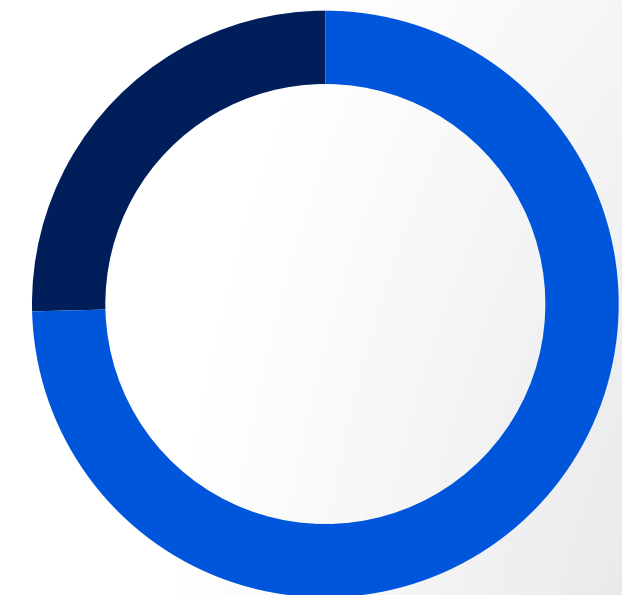


- DIRECT VACANCY: 20.8% | 13.9M
- SUBLEASE VACANCY: 3.9% | 2.6M
- OCCUPANCY: 75.3% | 50.4M

Contiguous Blocks of space  
37 spaces 100,000 RSF+  
(equivalent to 5 20K contiguous floors or more)

RSF	New	Direct	Sublet	Total
30,000 - 99,999	4	64	30	98
20,000 - 29,999	1	91	26	118
10,000 - 19,999	6	196	56	258
5,000 - 9,999	3	242	51	296
2,500 - 4,999	4	273	25	302
1,000 - 2,499	12	459	66	537
Total				1,511

### State of the Market



- HYBRID/IN-OFFICE FULL TIME: 74.6%
- WORKING REMOTELY: 25.4%

### Market Trends

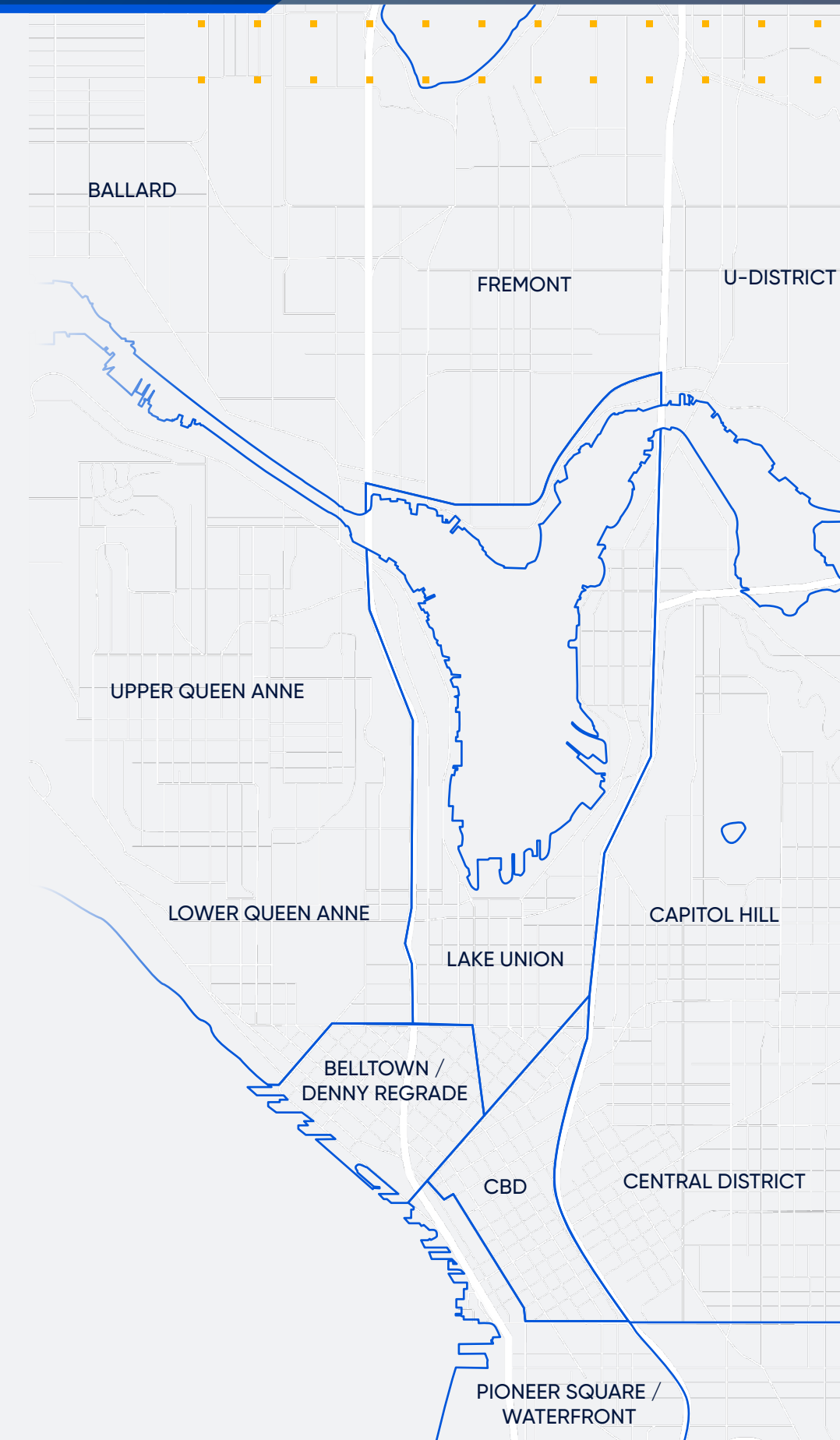


DATA SOURCE: AXIOS SEATTLE

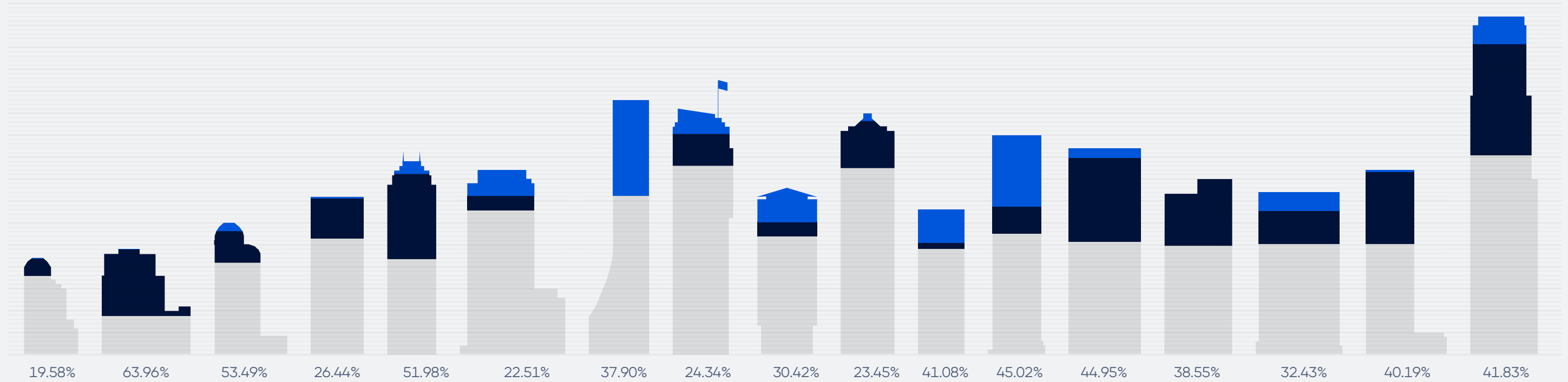
## Submarket Vacancy Data

Market	Vacancy rate	YTD Absorption (SF)	FS Class A Rental Range
Ballard / Fremont / U-District	10.42%	(41,826)	\$25.00 – \$45.00
Belltown / Denny Regrade	24.94%	(429,125)	\$25.00 – \$50.00
Capitol Hill / Central District	4.22%	4,274	\$25.00 – \$50.00
Lake Union	14.20%	(62,100)	\$40.00 – \$70.00
Pioneer Square / Waterfront	25.09%	(385,695)	\$25.00 – \$55.00
Queen Anne	31.74%	(156,143)	\$22.00 – \$35.00
Central Business District	28.96%	(1,709,259)	\$30.00 – \$65.00

**24.7%**  
TOTAL VACANCY RATE FOR SEATTLE









## Skyline Availability









Bldg. Name	Second & Seneca	1700 Seventh	Century Square	One Union	US Bank Center	Russell Investment Center	Rainier Square	Two Union Square	2+U	1201 Third	1111 Third	1001 Fourth	999 Third	Fourth & Madison	Madison Center	800 Fifth	Columbia Center
LL/Broker	JLL	Newmark	CBRE	Washington Holdings	CBRE	Colliers	JLL (Sublandlord)	Washington Holdings	Newmark	JLL	JLL	CBRE	JLL	Newmark	Broderick Group	CBRE	CBRE
Direct Avail. (%)	<b>18.79%</b>	<b>63.64%</b>	<b>46.01%</b>	<b>25.47%</b>	<b>45.12%</b>	<b>7.92%</b>	<b>0%</b>	<b>13.70%</b>	<b>8.87%</b>	<b>19.92%</b>	<b>18.40%</b>	<b>12.51%</b>	<b>40.34%</b>	<b>38.55%</b>	<b>20.60%</b>	<b>39.06%</b>	<b>33.06%</b>
Direct Avail. (SF)	101,995 RSF	372,768 RSF	304,412 RSF	171,292 RSF	822,992 RSF	70,194 RSF	0 RSF	159,635 RSF	60,947 RSF	227,235 RSF	142,899 RSF	97,442 RSF	399,372 RSF	325,924 RSF	155,529 RSF	394,309 RSF	645,328 RSF
Sublease Avail. (%)	<b>0.79%</b>	<b>0.32%</b>	<b>7.48%</b>	<b>0.97%</b>	<b>6.87%</b>	<b>14.58%</b>	<b>37.90%</b>	<b>10.64%</b>	<b>21.55%</b>	<b>3.52%</b>	<b>22.68%</b>	<b>32.51%</b>	<b>4.61%</b>	<b>0%</b>	<b>11.83%</b>	<b>1.13%</b>	<b>8.78%</b>
Sublease Avail. (SF)	4,300 RSF	1,850 RSF	49,515 RSF	6,512 RSF	64,797 RSF	129,207 RSF	303,592 RSF	124,015 RSF	148,157 RSF	40,206 RSF	176,206 RSF	253,259 RSF	45,615 RSF	0 RSF	89,301 RSF	11,377 RSF	171,340 RSF

## Office Leases This Quarter

Tenant	Building	Address	Footprint	
	<b>CENTRL OFFICE</b>	Kelly Springfield Building	1525 11th Avenue	53,365 RSF
		West Dock	437 N 34th Street	50,937 RSF
		Ainsworth & Dunn	2815 Elliott Avenue	32,210 RSF
	Undisclosed	1700 Seventh Avenue	1700 7th Avenue	20,726 RSF

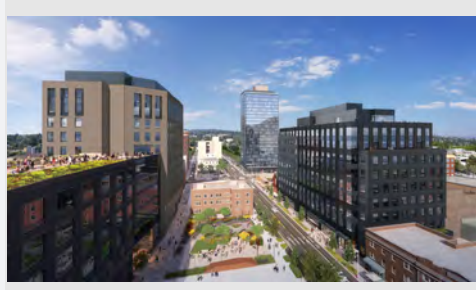
**Office Sales This Quarter**

Address	Buyer / Seller	Building Size	Sale Price / Price PSF
 <p>1000 + 1100 Dexter Ave N</p>	 	222,161 RSF	\$47.5 M / \$213.81
 <p>101 Elliott Ave W</p>	 	103,771 RSF	\$39.5 M / \$380.65





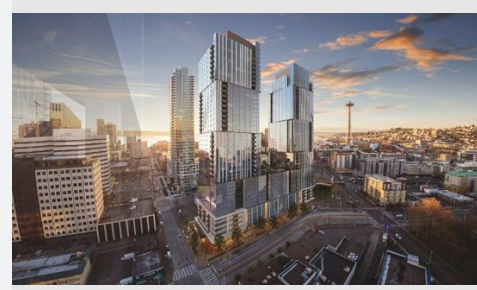
## Current Office Construction



**Chapter Buildings**  
4536 BROOKLYN AVE NE  
4530 12TH AVE NE

**394,500 SF**  
OFFICE SPACE

**21,000 SF**  
OUTDOOR SPACE



**Block V**  
2301 7TH AVENUE

**310,000 SF**  
OFFICE SPACE

**600**  
RESIDENTIAL UNITS



**1916 Boren**  
1916 BOREN AVENUE

**282,741 SF**  
OFFICE AND BIOTECH SPACE

Trammell Crow Company



**701 Dexter**  
701 DEXTER AVE N

**266,898 SF**  
OFFICE AND BIOTECH SPACE



**222 Fifth**  
222 5TH AVE N

**196,888 SF**  
OFFICE AND BIOTECH SPACE



**1120 SLU**  
1120 JOHN ST

**935,951 SF**  
OFFICE SPACE

**2**  
TOWERS



**Office Development Proposals**



**S Campus**  
1000 - 1001 6TH AVE S

Office | Retail  
TYPE

1,286,219 RSF  
SPACE AVAILABLE



**The Net**  
875 3RD AVE

Office  
TYPE

807,580 RSF  
SPACE AVAILABLE



**Mercer Mega Block**  
714 - 800 MERCER ST

Life Science  
TYPE

±864,000 RSF  
SPACE AVAILABLE



**111 Westlake**  
111 WESTLAKE AVE N

Office | Life Science  
TYPE

403,000 RSF  
SPACE AVAILABLE



**401 Queen Anne**  
401 QUEEN ANNE AVE N

Office  
SPACE

±155,000 RSF  
SPACE AVAILABLE



**1305 Stewart**  
1305 STEWART ST

Office  
SPACE

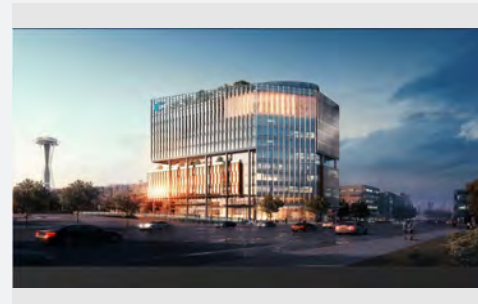
±280,000 RSF  
SPACE AVAILABLE



**Innov8**  
2300 7TH AVE

Life Science | Technology  
TYPE

684,000 RSF  
SPACE AVAILABLE



**601 Dexter**  
601 DEXTER AVE N

Life Science  
TYPE

188,400 RSF  
SPACE AVAILABLE





## Our company

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