

Q2 2025

# Eastside Office Market Report



## General Overview

While leasing activity has slowed in comparison to 2024, the Puget Sound office market continues to experience its best performance since 2021, most notably due to the continued resurgence of tech office activity in Bellevue. The Bellevue CBD submarket remains the region's healthiest and fastest growing, adding almost 3M square feet since 2023, mostly driven by Amazon who now employs nearly 18k people in Bellevue CBD. Even though the Bellevue CBD submarket still boasts an availability rate over 25%, landlords remain bullish on rental rates for the submarket's best buildings. While vacancy and availability rates are high in most submarkets, the Eastside as a whole, continues to benefit from Amazon's 5-day, per week, in-office mandate effective as of January 2025, encouraging other tech companies to follow suit. Given the critical mass of tech talent across the Eastside, continued tech-sector office activity is expected through 2025 as cloud computing and artificial intelligence drive growth.

Eastside's suburban markets, notably Bellevue I-90, Redmond and Bothell are still reasonably quiet as market rents and concession packages have mostly settled while area landlords remain slow to correct lease rates even as vacancy levels increase. Despite such settling, there remains notable opportunity and value if you know where to look.

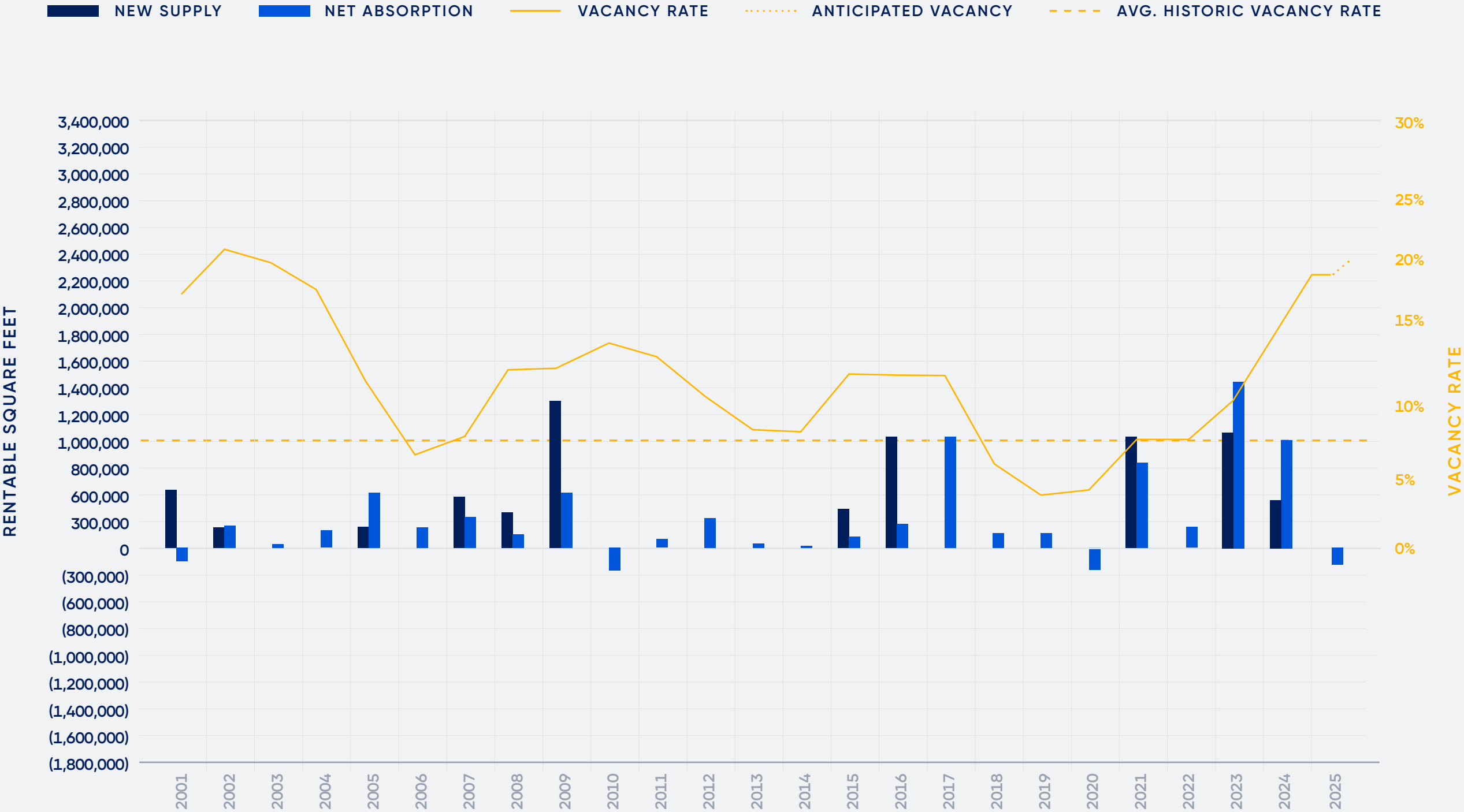
## Economy

According to the U.S. Bureau of Labor Statistics the seasonally adjusted monthly unemployment rate for Washington State is 4.5% slightly above the nationwide rate of 4.2%. In Seattle/Tacoma/Bellevue, the unemployment rate decreased from 4.4% in January 2025 to 4.3% in May 2025.



Historical Availability

Bellevue CBD Office Availability, Supply & Absorption Rates  
2001-2025





Market Overview Greater Eastside

Market Size (SF)  
Greater Eastside

47.44M

\*INCLUSIVE OF 485K UNDER CONSTRUCTION

Net Absorption

12-Month

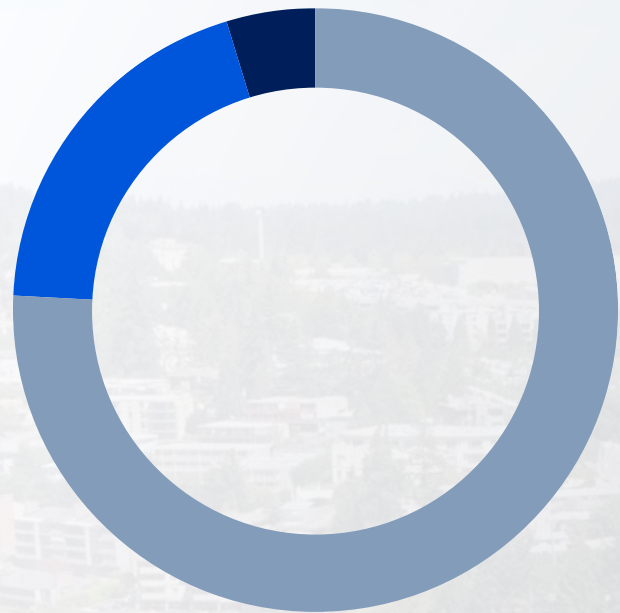
(277K)

Q1 2025

(126K)

Availability

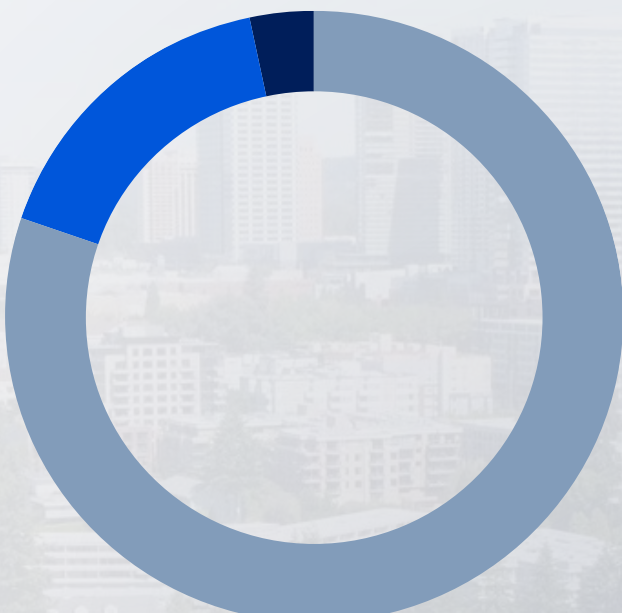
23.1%



- DIRECT AVAILABILITY: 19.7% | 9.5M
- SUBLEASE AVAILABILITY: 4.6% | 2.2M
- OCCUPANCY: 76.9% | 36.3M

Vacancy

19.6%

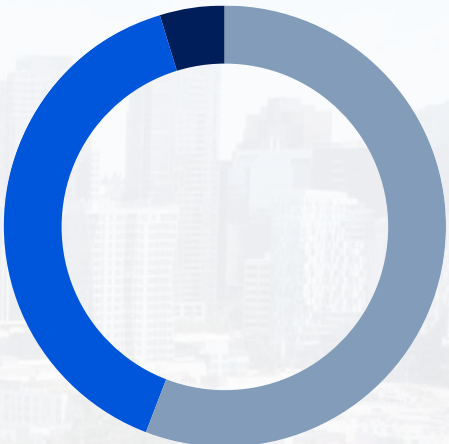


- DIRECT VACANCY: 16.3% | 7.7M
- SUBLEASE VACANCY: 3.3% | 1.6M
- OCCUPANCY: 80.4% | 38.1M

Market Overview I-90 Corridor

Availability

44.1%



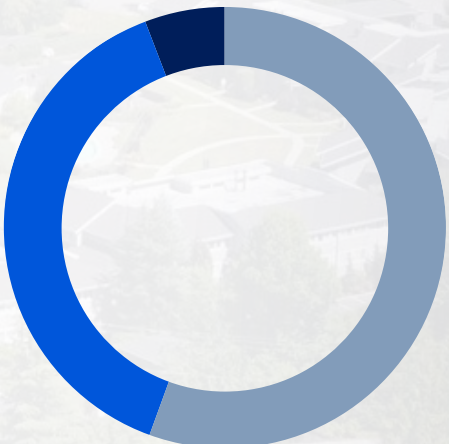
- DIRECT AVAILABILITY: 39.4% | 2.28M
- SUBLEASE AVAILABILITY: 4.7% | 273K
- OCCUPANCY: 55.9% | 3.2M

Market Size (SF)  
I-90 Corridor

5.77M

Vacancy

44.5%



- DIRECT VACANCY: 38.8% | 2.24M
- SUBLEASE VACANCY: 5.6% | 325K
- OCCUPANCY: 55.5% | 3.2M

Net Absorption

12-Month

(226K)

2025 YTD

(157K)

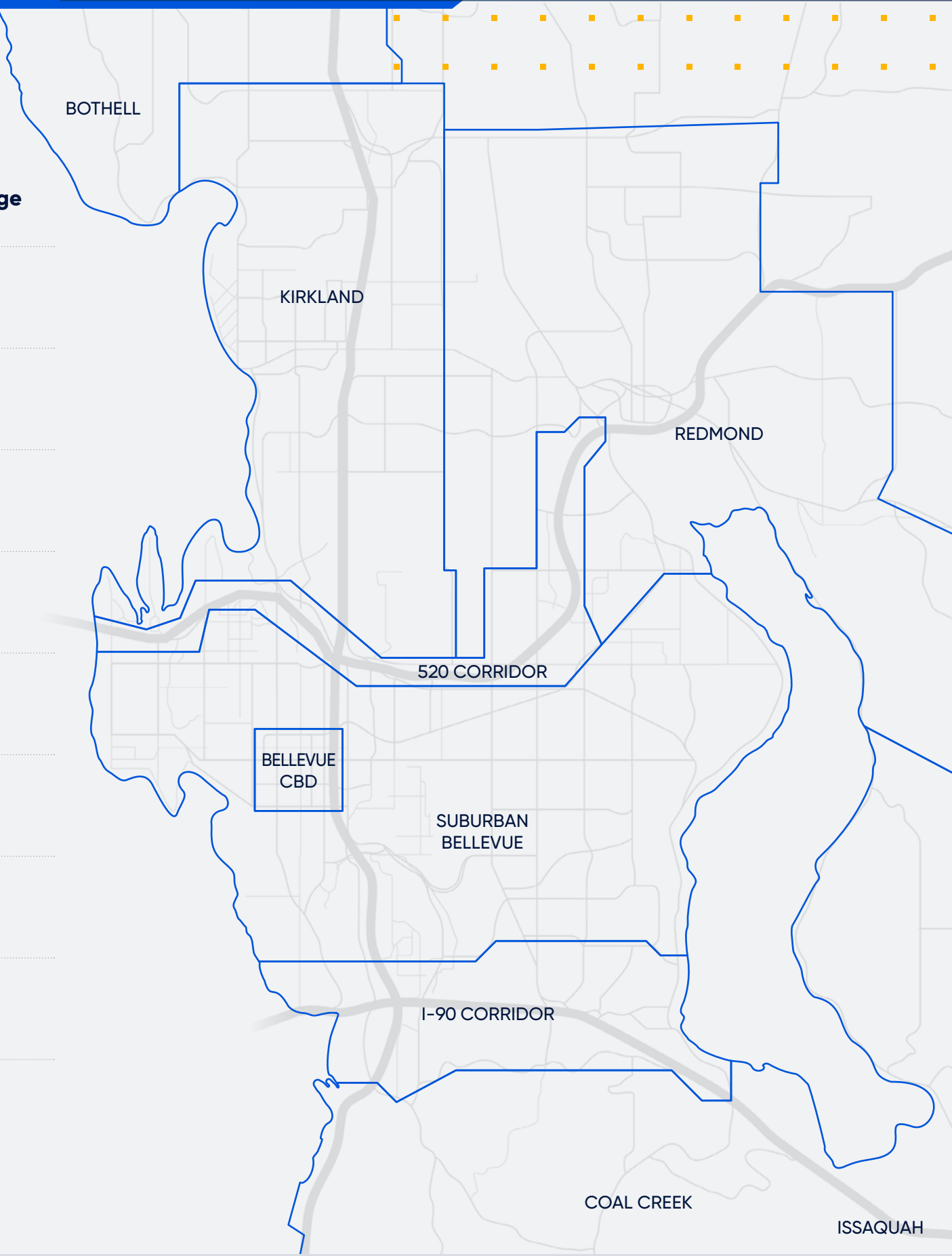
Market Trends

- ASKING RENTS
- T. I. ALLOWANCES
- RENT ABATEMENT
- CONSTRUCTION COSTS
- CONSTRUCTION TIMELINE

Eastside Submarket Vacancy Data









Market	Vacancy rate	12-Month Net Absorption (SF)	FS Class A Rental Range
520 Corridor	17.3%	(68.3K)	\$40.00 - \$47.00
Bellevue CBD	17.1%	150K	\$55.00 - \$80.00
Bothell	21.0%	(161K)	\$35.00 - \$45.00
Coal Creek / Issaquah	24.4%	(34.4K)	\$32.00 - \$45.00
I-90 Corridor	44.5%	(226K)	\$37.00 - \$50.00
Kirkland	7.9%	(53.3K)	\$52.50 - \$70.00
Redmond	19.9%	(149K)	\$40.00 - \$50.00
Suburban Bellevue	11.7%	265K	\$40.00 - \$50.00

19.6%  
TOTAL VACANCY RATE FOR  
THE GREATER EASTSIDE





Notable Office Leases This Quarter

	Tenant	Building	Address	Footprint
	 OpenAI	City Center Plaza	555 110th Ave NE Bellevue, WA	48,958 RSF
	 ANDURIL	Skyline Tower	10900 NE 41st Bellevue, WA	37,056 RSF
	 CYTEK <small>TRANSCEND THE CONVENTIONAL</small>	Corporate Campus East III	3005 112th Ave NE Bellevue, WA	30,377 RSF
	 amazon	Redmond East Business Park	6742 185th Ave NE Redmond, WA	21,643 RSF

Notable Office Sales This Quarter

	Project / Address	Buyer / Seller		Building Size	Sale Price / Price PSF
	Spring District Block 5 & 6 1615 & 1646 123rd Ave NE Bellevue, WA	Blackstone		661,330 RSF	\$545 M / \$824
	The Spring District Block 13 1325 123rd Ave NE Bellevue, WA			212,128 RSF	\$192.6 M / \$908
	Bellefield Office Park 1601 114th Ave SE Bellevue, WA		Lionstone Investments	550,000 RSF (15 Buildings)	N/A



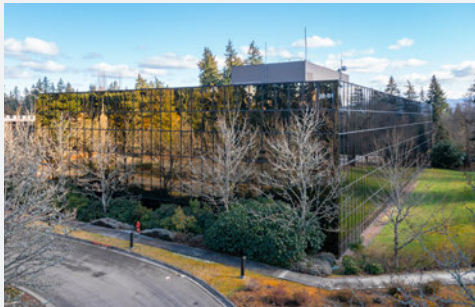
Notable Availability



The Bravern  
BELLEVUE CBD

748,512 RSF  
OFFICE SPACE

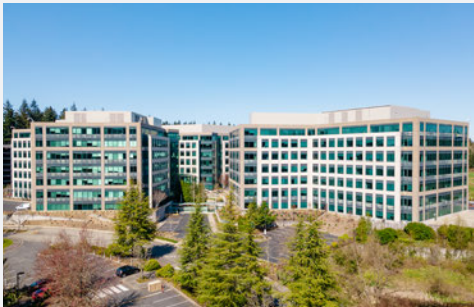
AVAILABLE NOW / Q3 2025



Woodlands @ Bellevue  
I-90 CORRIDOR

671,922 RSF  
OFFICE SPACE

AVAILABLE NOW



Advanta Office Commons  
I-90 CORRIDOR

584,283 RSF  
OFFICE SPACE

AVAILABLE NOW



Millennium Corporate Park  
REDMOND

539,487 RSF  
OFFICE SPACE

AVAILABLE NOW



Four 106  
BELLEVUE CBD

479,000 RSF  
OFFICE SPACE

AVAILABLE NOW



City Center Plaza  
BELLEVUE CBD

349,127 RSF  
OFFICE SPACE

AVAILABLE NOW



The ParQ  
I-90 CORRIDOR

411,275 RSF  
OFFICE SPACE

AVAILABLE NOW



Sunset North - Building IV  
SUBURBAN BELLEVUE

154,128 RSF  
OFFICE SPACE

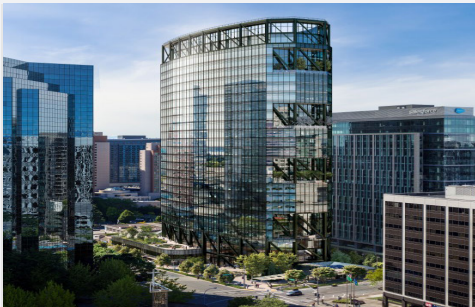
AVAILABLE NOW/Q3 2026



Lincoln Square South  
BELLEVUE CBD

158,341 RSF  
OFFICE SPACE

AVAILABLE NOW / Q2 2026



The Eight  
BELLEVUE CBD

116,653 RSF  
OFFICE SPACE

AVAILABLE NOW





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