



Avison Young Global Office Market Report

Mid-Year 2019





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Canada



Growing knowledge base, co-working economy drive Canadian office sector

The labour market remains the major catalyst for Canada's economic expansion and thriving commercial real estate sector. Through the first half of 2019, the economy added 247,500 jobs – the strongest result in 17 years and the second-best first-half employment result in four decades – and lowered Canada's unemployment rate to a near-four-decade low of 5.5% in June. This factor, along with urban intensification (boosted by immigration) evident across major cities, a growing knowledge-based economy and rising co-working industry have powered Canada's office market.

A global phenomenon, co-working is taking Canada by storm and prompting landlords and tenants to adapt. A recent global study by Coworking Resources (covering the 50 major countries with the highest density of co-working spaces per capita) ranked Canada seventh with 2.8 new spaces annually per 1 million inhabitants, versus No. 1-ranked Luxembourg (8.5). Among the world's cities, Toronto ranked third in co-working growth, with a new co-working space opening every 13 days on average – trailing only London (five days) and New York (7.5 days), while Vancouver ranked 31st (40.7 days).

Meanwhile, the growing technology sector is taking a bigger slice of the leasing pie – especially in Vancouver, Toronto, Montreal and Ottawa – and, in many cases, driving innovation in traditional businesses. Canada's and Toronto's standing as emerging technology markets received a huge endorsement in May as Toronto hosted its biggest-ever, and North America's fastest-growing,

technology conference – Collision. This marks the first year the conference was held outside of the U.S., and the event will continue to be held in Toronto at least through 2021.

Despite the solid performance of the office market and commercial real estate asset class overall, potential headwinds persist. Domestic and global growth are threatened by escalating global trade tensions, particularly between the U.S. and China. Moreover, given the extended real estate cycle, some economists hint at a looming recession in the near term – a scenario which, if it became a reality, would align with significant levels of new office space coming online in some markets – potentially resulting in an oversupply.

Canada Quick Stats

Overall Office Market

Inventory	545 MSF
Vacancy	10.3%
Under Construction	21 MSF
Downtown Class A Avg. Gross Asking Rent	\$40.43/SF
Suburban Class A Avg. Gross Asking Rent	\$32.33/SF
Investment Sales Volume (12 Mos)	\$9.6B
Avg. Sale Price	\$310/SF
Avg. Capitalization Rate	5.9%

Notable first-half 2019 highlights:



Canada's office market, which exceeds 545 million square feet (msf), posted **positive absorption of 9 msf in the 12 months ending June 30, 2019 – significantly more than the 5.9 msf absorbed in the prior 12-month period.** Demand for space was strongest in Toronto, Montreal and Vancouver, while Calgary finished in positive territory.



Canada's overall office vacancy trended lower, falling 120 basis points (bps) year-over-year to end the first half of 2019 at 10.3%. **Vacancy declined in eight of 11 markets with five below the national average.** Though down from one year earlier, Calgary's vacancy rate (22%) was the highest, while Vancouver (4.3%) dropped below Toronto (5.5%) for the lowest. Waterloo Region (-760 bps to 9.5%), Winnipeg (+320 bps to 11.5%) and Vancouver (-310 bps to 4.3%) recorded the biggest swings.



Owing to urban intensification and surging demand from tech and co-working companies in major markets, net absorption in the nation's downtown office markets collectively almost doubled to 4 msf in the 12 months ending at mid-year 2019 – with more than half of that absorbed in Toronto. As a result, Canada's downtown vacancy rate declined 60 bps year-over-year to 9.9% at mid-year 2019. Vacancy was lower in seven of 11 downtown markets; five remained in single digits and below the national average, **while Vancouver (1.9%) surpassed Toronto (2.1%) to register the lowest downtown vacancy in Canada and North America.**



Suburban markets (with the exceptions of Edmonton and Halifax) are benefiting from tightening conditions downtown. Again outpacing downtowns, suburban markets, led by Toronto and Montreal, combined for positive 12-month absorption of more than 4.9 msf – well ahead of the previous 12 months' pace. Suburban vacancy dropped 180 bps during the year to close first-half 2019 at 11.3%. Double-digit vacancy is no longer the norm, persisting in only four markets. **Eight of 11 markets recorded lower vacancy levels year-over-year – Vancouver being the tightest of the major markets at 6.6%.**



Overall, new office completions were on par with the previous 12-month period as **3.4 msf was delivered in the 12 months ending June 30, 2019** – still not enough to offset the supply-demand imbalance. Much needed new additions increased year-over-year in downtown markets but decreased in the suburbs. Toronto received more than one-third of the new product.



Developers are doing their best to keep pace with robust demand, as more than 21 msf was under construction (59% preleased/4% of existing inventory) at mid-year 2019 – an increase of 40% year-over-year. **Downtown construction outstripped the suburbs by more than two to one. Toronto had the most overall (11.4 msf) and downtown (9.7 msf) office space under construction in Canada, trailing only New York (14.6 msf) among North American markets.** Meanwhile, Vancouver (1.9 msf) outpaced Toronto (1.7 msf) as the busiest suburban construction market in Canada.

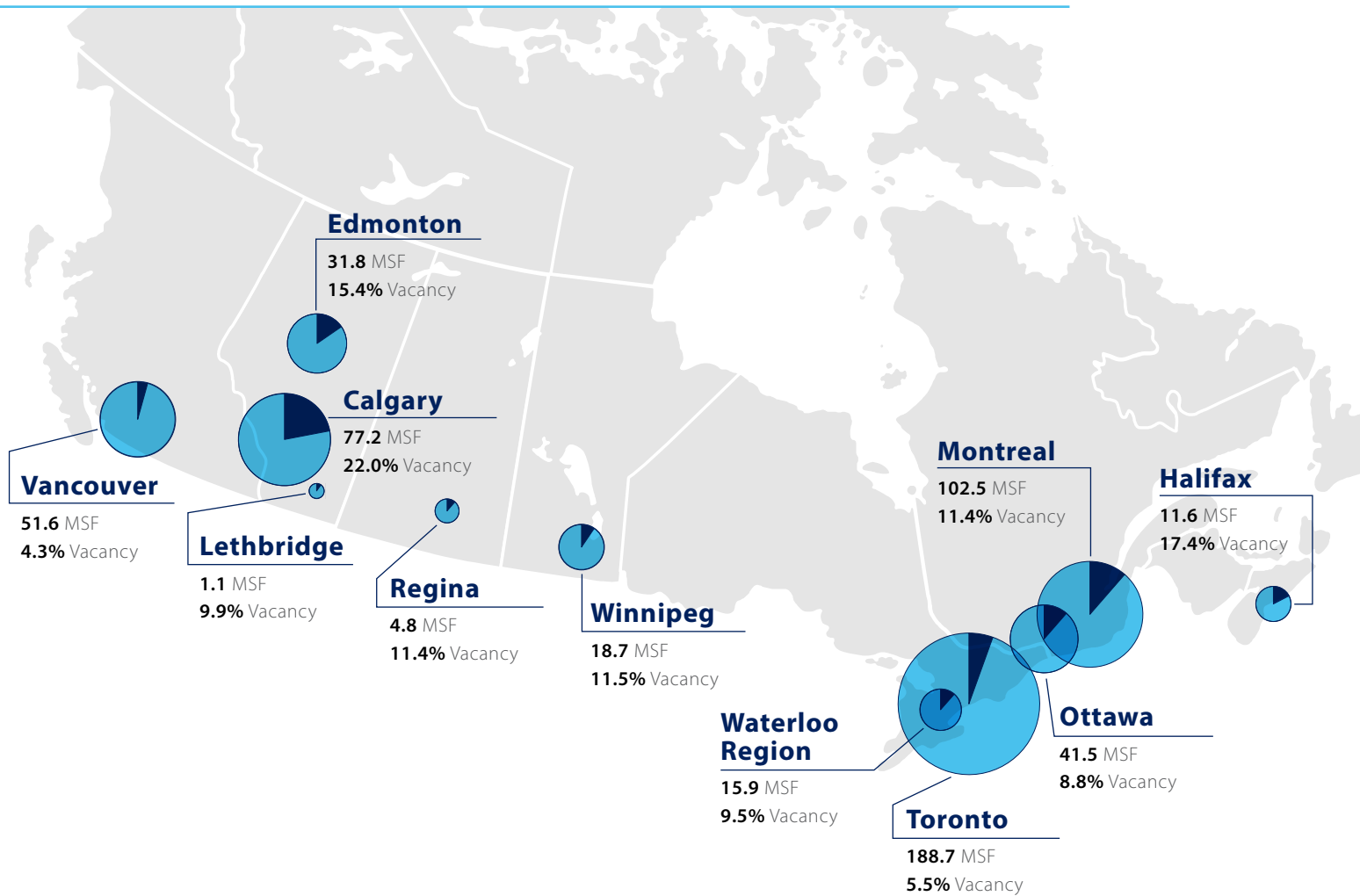


Average class A gross rents rose collectively year-over-year for downtown markets (to \$40.43 per square foot (psf)) while suburban rents remained essentially flat at \$32.33 psf. **Vancouver (\$62.38 psf) and Regina (\$40 psf) maintained the highest downtown and suburban class A gross rents, respectively.** Supply constraints in downtown Toronto resulted in the largest year-over-year jump in the average gross class A asking rent – up almost 20% to \$60.18 psf.



The office sector's sound fundamentals continue to attract investor capital (especially in Vancouver and Toronto) with demand for product outstripping supply in most markets. In all, \$9.6 billion worth of office assets changed hands in the 12-month period ending at mid-year 2019 – marginally higher than the prior 12-month period. **There was little movement in cap rates with the national average rising a modest 20 bps to 5.9%. Predictably, assets in Vancouver (4%) and Toronto (4.3%) commanded the lowest yields in North America.** Meanwhile, the average sale price per square foot inched up \$5 to \$310 psf at mid-year 2019, with Vancouver coming in at more than double the national average (\$633 psf).

Overall Office Inventory and Vacancy - Canada



12-month absorption on the rise

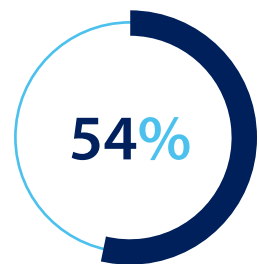
Canada's office market, which exceeds 545 msf, posted **positive absorption of 9 msf in the 12 months ending June 30, 2019 – significantly more than the 5.9 msf absorbed in the prior 12-month period.** Demand for space was strongest in Toronto, Montreal and Vancouver, while Calgary finished in positive territory.



Markets with positive
12-month net absorption



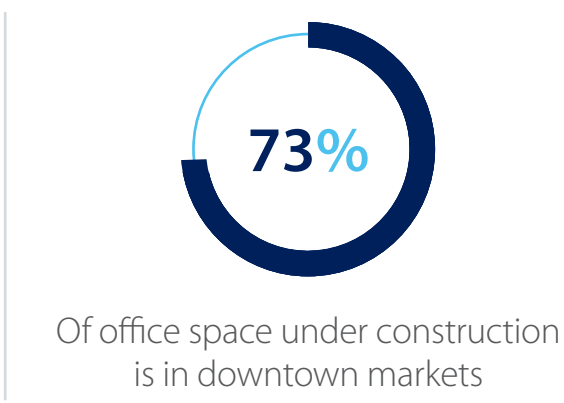
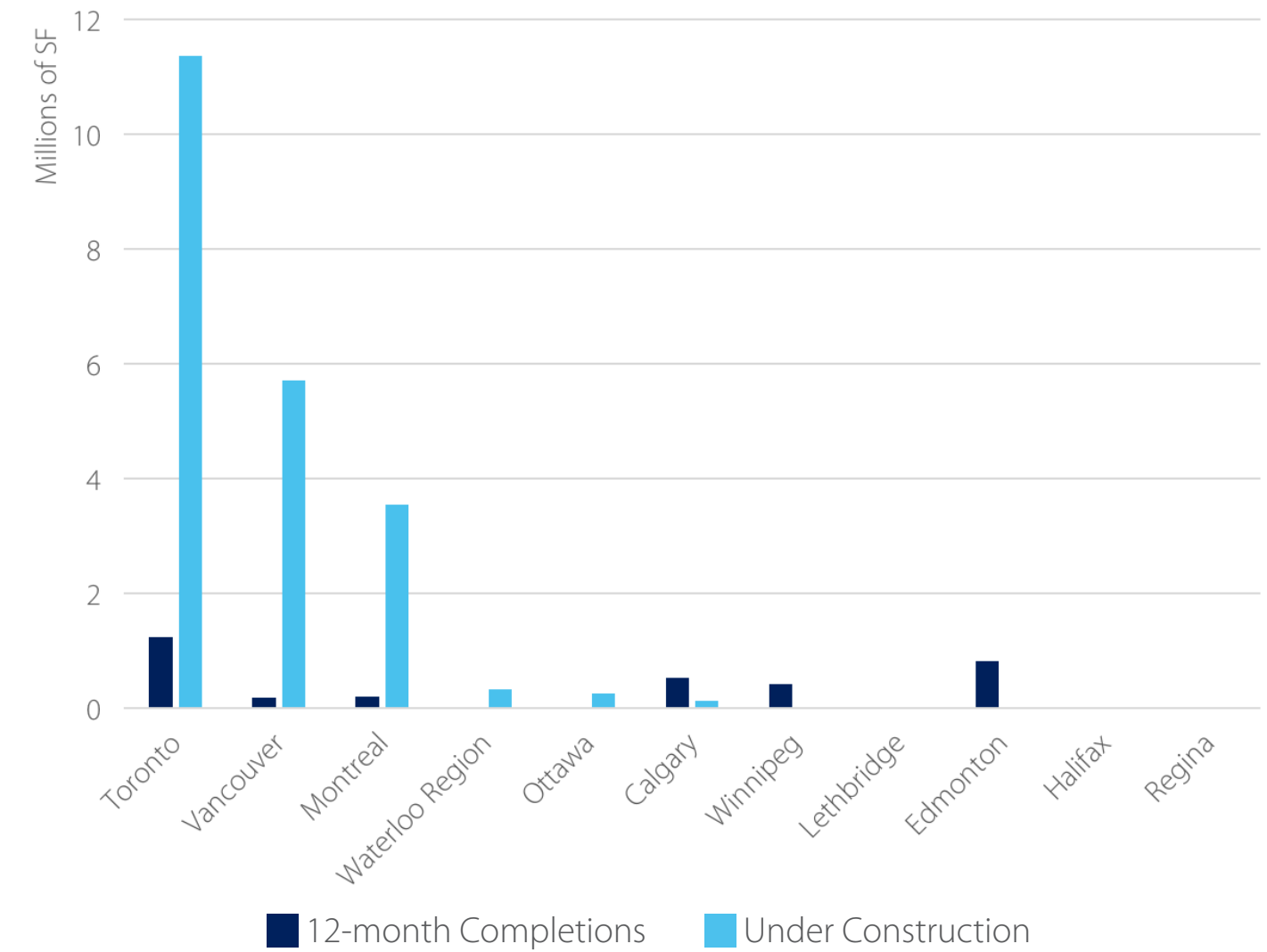
Overall vacancy rate for
Canadian office market



Of 12-month net absorption
was in suburban areas



Mid-Year 2019 Office Construction - Canada



United States



Total sales volume increases as cap rates remain flat

Overall vacancy in the 5.3-billion-square-foot (bsf) U.S. office market improved by 50 bps year-over-year to 11.5% at mid-year 2019, with the country's five largest markets all reporting improved or flat overall vacancy rates. Of those markets, only New York and Philadelphia recorded vacancy rates below the U.S. average and in the single digits. Both the national downtown and suburban class A average asking gross rents ticked upward year-over-year with some major markets reporting that tenant concession packages and construction dollars have increased likewise. Tenants have displayed a willingness to pay higher rents on a per-square-foot basis while simultaneously increasing their spaces' efficiency through design and technology.

In first-half 2019, the U.S. continued to experience an ongoing flight to quality, asset repositioning and adaptive reuse of obsolete office buildings. The ever-increasing co-working space model is forcing other landlords to offer flexible workspaces, lease terms and plug-and-play tenant fit-outs. Amenities have taken center stage, becoming critical to attracting and retaining occupancy. Still, it seems clear that transit-oriented developments rich in amenities or new, first-class spaces will win the leasing race. Among the issues facing major office markets are rising real estate taxes, which add to already high rental rates, and technology that is fueling more changes in space size and utilization.

Total sales volume increased year-over-year, while cap rates remained flat as some of the country's largest markets achieved the highest sales volumes. Cross-border investment in the U.S., down since peaking in 2016 at \$33.4 billion for the year, totaled \$8.4 billion for the first half of 2019. The top international buyers as of

August 2019 were Germany (\$3.8 billion), Kuwait (\$1.2 billion) and Canada (\$1.2 billion), reflecting a change from 2018 when Canada (\$9.2 billion) led all cross-border investment for the year.

The U.S. office market recorded 57.3 msf of total net absorption in the 12 months ending at mid-year 2019, compared with 53.3 msf during the prior 12-month period. Although a few markets reported nominal lost occupancy, most had positive absorption and significant take-up amounts. New development continued its upward trajectory with 116.3 msf under construction at mid-year, compared with 98.9 msf underway one year earlier. Both the downtown and suburban pipelines expanded year-over-year.

In spite of elevated construction, further improvement in office market indicators is expected based on preleasing levels. Look for additional obsolete and vacant inventory to be redeveloped, reducing availabilities.

United States Quick Stats

Overall Office Market

Inventory	5.3 BSF
Vacancy	11.5%
Under Construction	116 MSF
Downtown Class A Avg. Gross Asking Rent	\$41.86/SF
Suburban Class A Avg. Gross Asking Rent	\$32.76/SF
Investment Sales Volume (12 Mos)	\$98.2B
Avg. Sale Price	\$238/SF
Avg. Capitalization Rate	7.1%

Notable first-half 2019 highlights:



As of mid-year 2019, the five largest U.S. office markets reported flat or improved overall vacancy: New York (460 msf, 9.8%), Philadelphia (435 msf, 8%), Washington, DC (382 msf, 13.9%), Chicago (350 msf, 13.1%) and Dallas (288 msf, 16.5%). **Overall vacancy fell or remained flat in 33 of 49 U.S. office markets tracked by Avison Young,** with the lowest overall vacancy rates in San Francisco (2.1%), Gainesville (4%), Savannah (4.6%), Austin (5.1%) and San Mateo (6.3%).



Downtown markets continued to outperform the suburbs as vacancy fell by 70 bps year-over-year to 10.4% compared with suburban vacancy, which improved 40 bps to 12%. The lowest downtown vacancy rates were recorded in San Francisco (2.1%), Savannah (3.6%), Austin (4.1%), Nashville (4.9%) and Charleston (5.6%).



U.S. total 12-month net absorption was more than 57 msf, with all but six markets reporting positive net gains for the period. Thirteen markets recorded take-up in excess of 2 msf, led by Washington, DC (6.2 msf), Dallas (4.2 msf) and New Jersey (4.2 msf). The country's 1.7-bsf downtown markets absorbed 22 msf (nearly 1.3% of inventory) compared with the 3.6-bsf suburban markets, which gained 35 msf of occupancy (less than 1% of inventory). The most downtown 12-month net absorption occurred in San Francisco (3 msf), New York (2.3 msf), Charlotte (1.9 msf) and Chicago (1.8 msf).



The need for new office space continues, as evidenced by strong preleasing levels in most major markets. **Five markets each had more than 7 msf of total office area underway at mid-year and together accounted for 41.4% of all construction volume in the U.S.:** New York (14.6 msf, 21% preleased), Washington, DC (10.9 msf, 61% preleased), Dallas (7.8 msf, 63.9% preleased), Los Angeles (7.4 msf, 59.8% preleased) and Chicago (7.4 msf, 47.9% preleased).



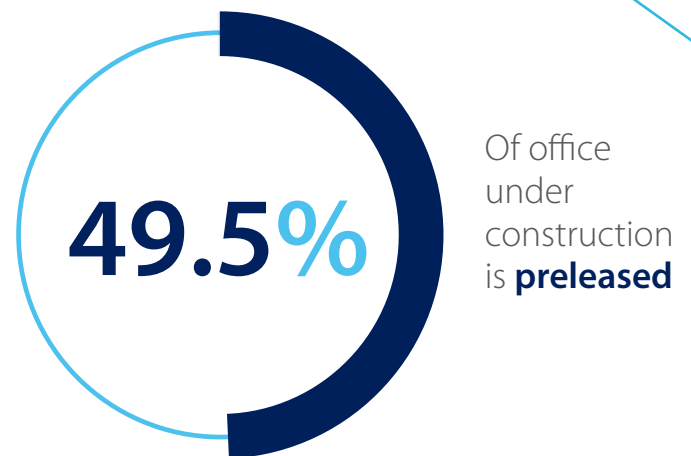
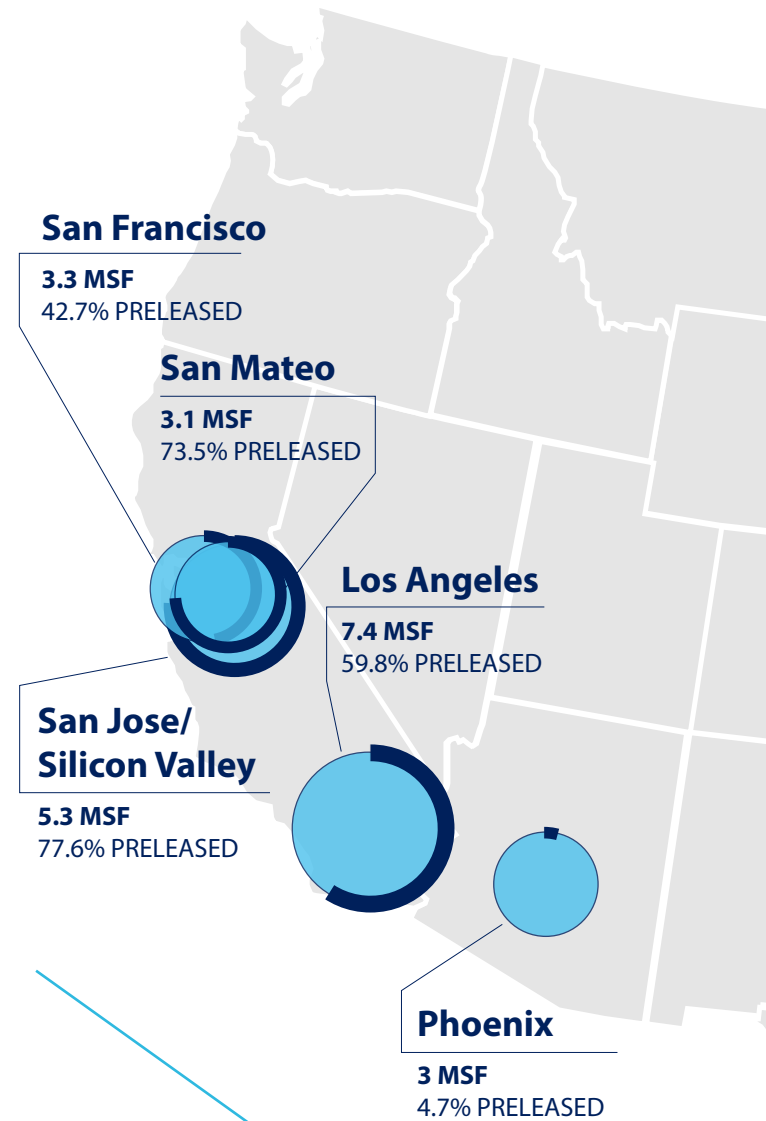
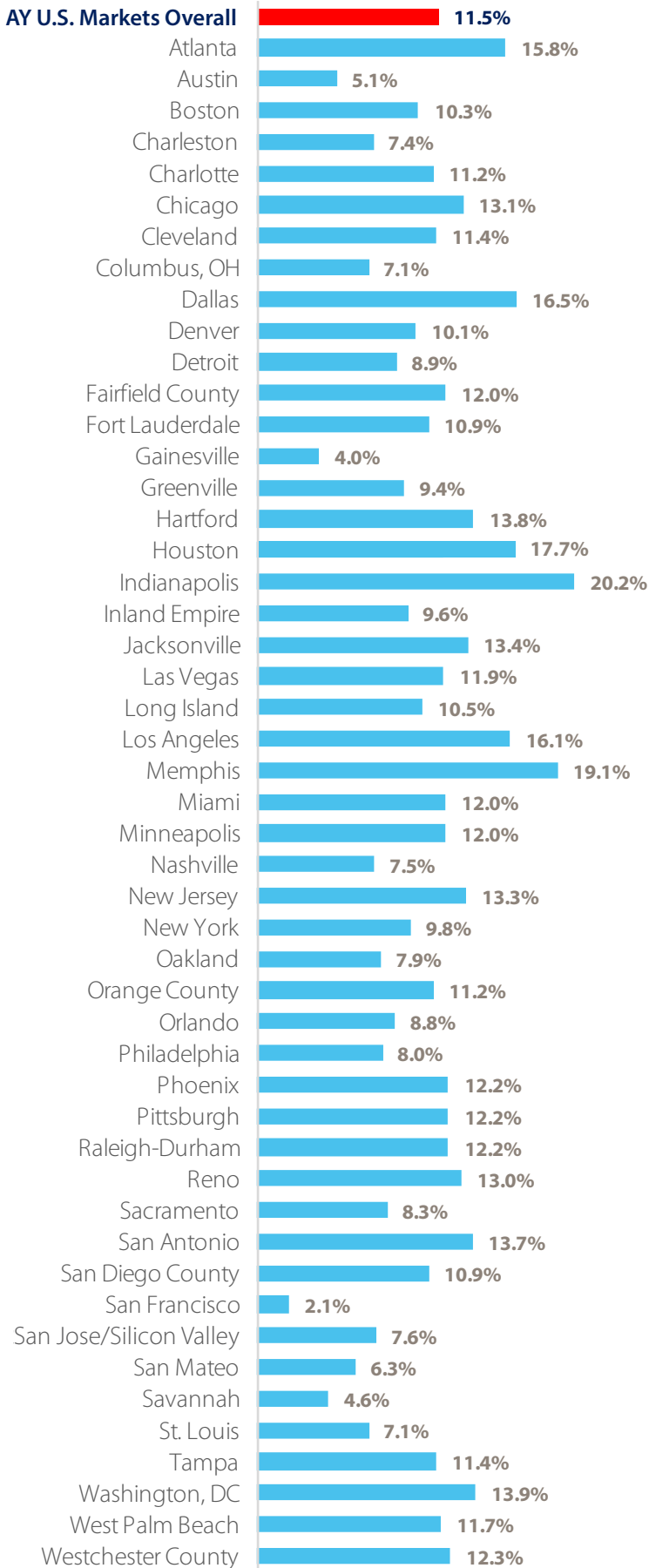
Average asking class A gross rent increases were consistent across the U.S. with only two downtown and four suburban markets reporting lower rates year-over-year. Some of the highest downtown gross rents at mid-year were attained in Northern California: San Mateo (\$106.58 psf), San Francisco (\$85.28 psf) and San Jose/Silicon Valley (\$71.02 psf), as well as in the Northeast: New York (\$85.71 psf) and Boston (\$71.62 psf). Northern California also outperformed with some of the highest mid-year suburban gross rents: San Mateo (\$77.38 psf), San Jose/Silicon Valley (\$67.16 psf) and Oakland (\$52.14 psf), followed by Austin (\$45.79 psf) and Los Angeles (\$45.48 psf).

Total U.S. 12-month sales volume increased to \$98.2 billion,

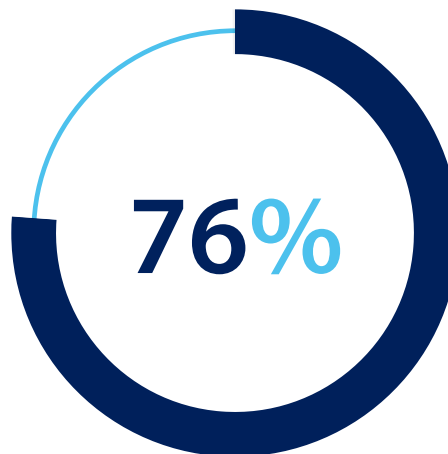
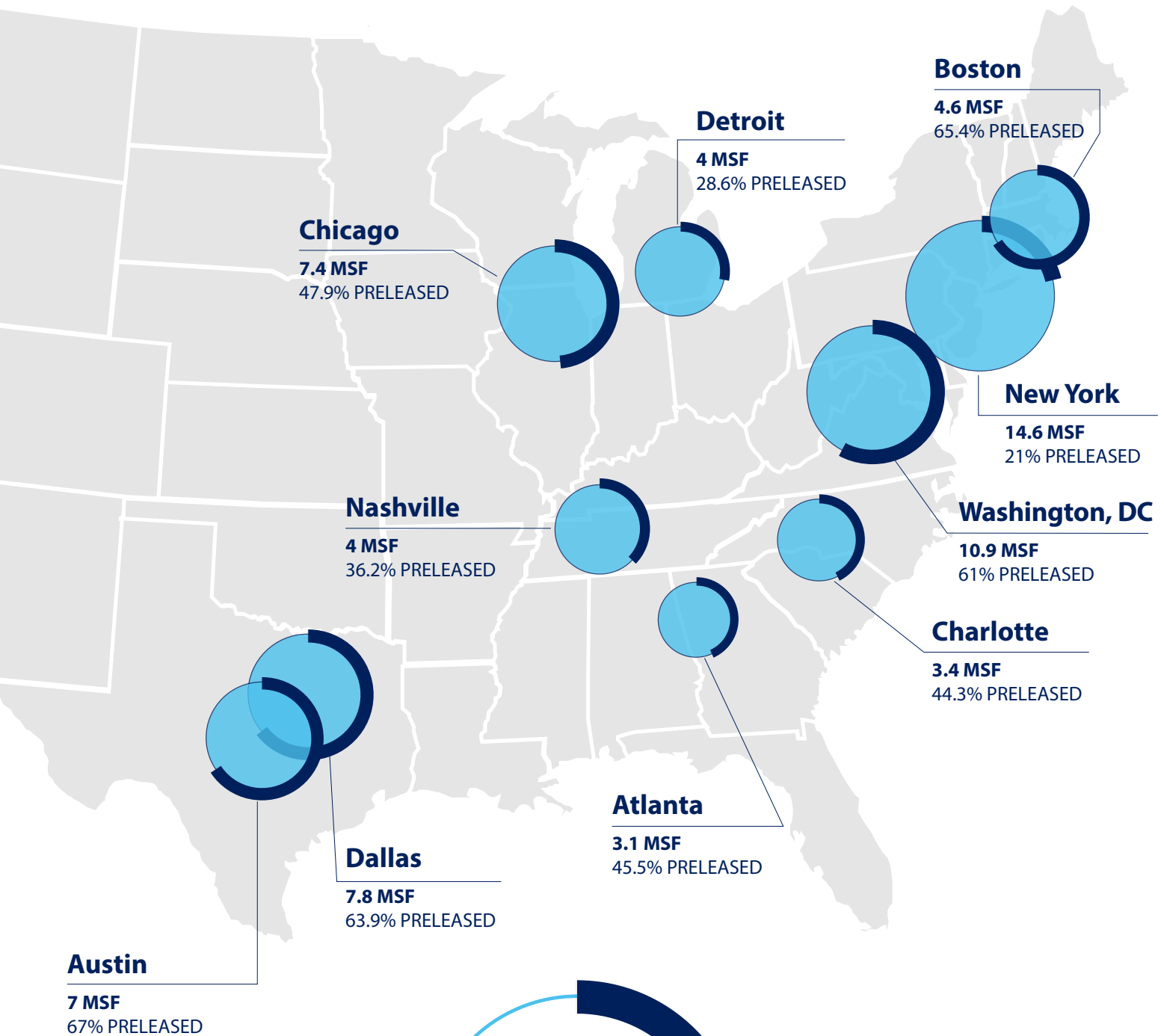
up from \$91.1 billion in the prior period, due in part to portfolio sales. Likewise, the average sale price rose to \$238 psf at mid-year 2019, up from \$227 psf one year earlier. The highest 12-month sales volumes were reported in New York (\$21.2 billion) and Washington, DC (\$8 billion), along with the tech-heavy markets of Boston (\$7.7 billion) and San Jose/Silicon Valley (\$5.9 billion). **The greatest mid-year average sale prices were recorded in New York (\$901 psf), San Francisco (\$766 psf), San Mateo (\$671 psf) and San Jose/Silicon Valley (\$511 psf).**



U.S. Mid-Year 2019 Office Vacancy



15 Most Active Office Construction Markets



The **top 15 markets for office construction** in the U.S. make up **76% of all current construction activity** in the country.

Mexico

Co-working now largest private tenant, biggest competitor for landlords

Mexico's overall office market inventory (all classes) at mid-year 2019 totalled 138 msf, comprising the main office markets in cities across the country. Mexico City represented 80.5% of the total, Monterrey 8.1%, Guadalajara 5%, Querétaro 2.6%, Puebla 2.1%, and Tijuana 1.7%. Nationwide, overall vacancy was 13.3% as of mid-year. Tijuana posted the lowest vacancy rate (6.2%), followed by Mexico City (12.7%), while Queretaro and Guadalajara shared the highest, with both at 18.6%.

Despite uncertainty surrounding the country's economic policies and the cancellation of public infrastructure projects in Mexico – both of which have slowed Mexico's economic growth forecast, capital investment and new office project proposals – construction activity will add 25.7 msf of new office space in the next four years, representing 19% of the current office inventory. The Mexico City market accounted for 70% of the new space under construction, while Tijuana and Monterrey have also recorded an uptick in development activity.

Across the country's office markets, competition from new projects under development (with 90 buildings underway as of mid-2019) has resulted in competitive asking rental rates. As of the second quarter of 2019, the overall average asking rent was US \$21.32 per square metre (sq. m) per month with Mexico City's average rental rate 3.5% higher. The results are a tenant's market and growth of co-working. The

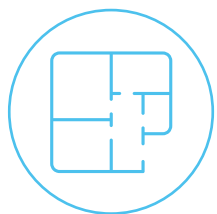
co-working sector has become the largest non-government tenant across Mexico – with more than 2.6 msf occupied – and is growing into the most important competitor for class A office space offered directly by landlords. For example, WeWork has leased more than 86,100 sf in each building where it has a location to attract its target market: global companies with more than 500 employees.

Absorption remained positive during the 12 months ending at mid-year 2019, though it declined year-over-year. In the first half of 2019, a total of 1.4 msf was absorbed across the country. Of this figure, Mexico City accounted for 80% and Monterrey 9.8%.

Mexico City Quick Stats Class A Office Market

Inventory	70 MSF
Vacancy	14.9%
Under Construction	21 MSF
Downtown Avg. Gross Asking Rent	US \$33.92/Sq. M/Mo.
Suburban Avg. Gross Asking Rent	US \$25.23/Sq. M/Mo.
Investment Sales Volume (12 mos)	US \$38.7B
Avg. Sale Price	US \$4,500/Sq. M
Avg. Capitalization Rate	7.5%

Notable first-half 2019 highlights:



Co-working operators now occupy nearly **2% of office space** across Mexico.



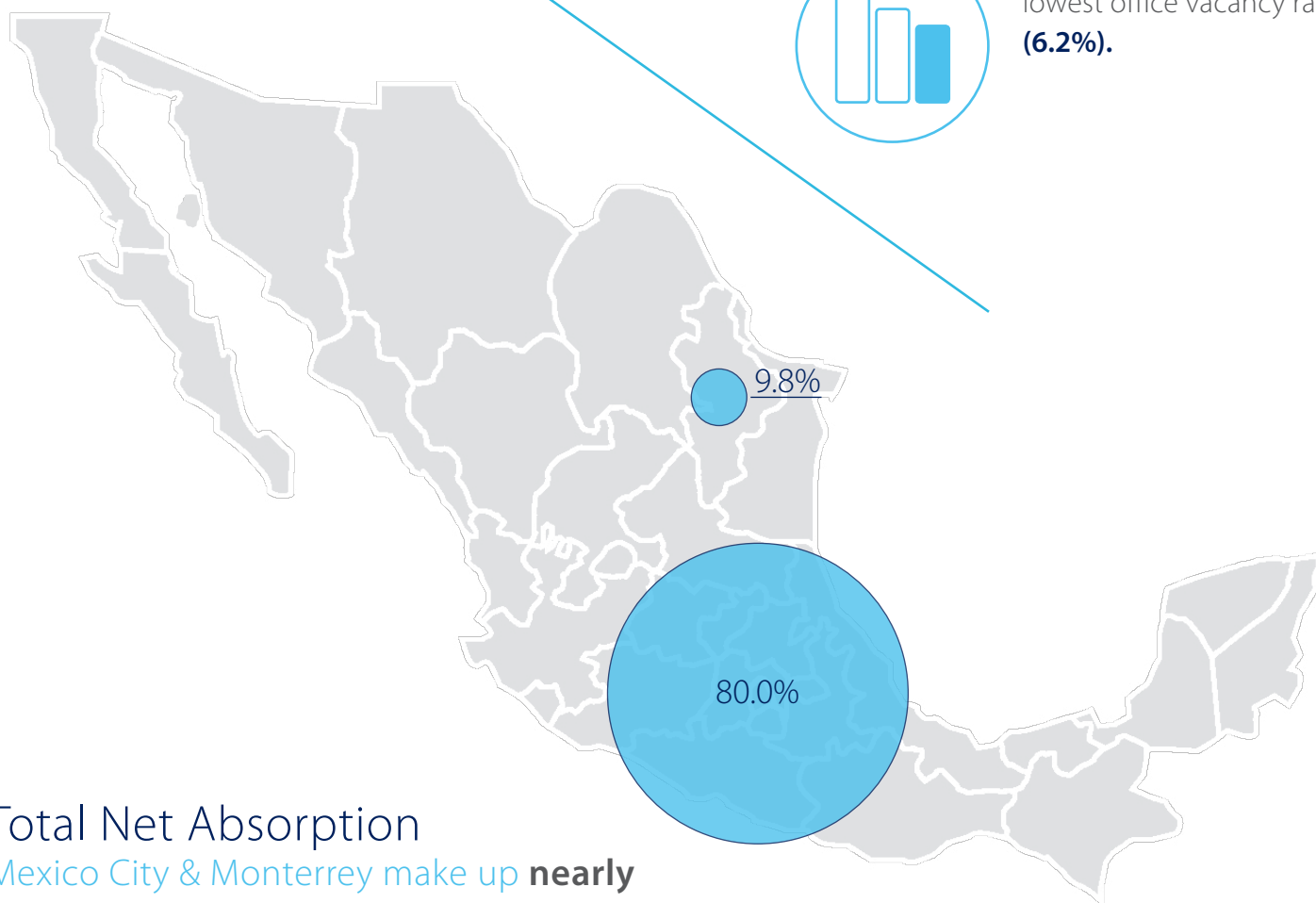
A construction boom means that space under construction as of mid-year 2019 **equates to 19% of existing inventory**.



The overall average asking rental rate in Mexico City was US\$22.06 per sq. m per month as of mid-year – **3.5% higher than the national average**.



Tijuana posted Mexico's lowest office vacancy rate (**6.2%**).



Total Net Absorption

Mexico City & Monterrey make up **nearly 90%** of the country's total net absorption

United Kingdom



Grade A office take-up remains strong

Demand for office space remains strong despite economic uncertainty. The second half of 2018, in particular, posted some of the strongest activity on record across the U.K.'s top 10 markets. Outside of London, Barclays leased 470,000 sf at Buchanan Wharf in Glasgow – the largest regional office deal on record. In London, Facebook took 610,000 sf at King's Cross Central during the second half of 2018, signing the largest Central London leasing deal since 2010.

Although the first half of 2019 was slightly more subdued, grade A office product take-up activity remains strong with prelets accounting for an increasing proportion of tenant demand. Conversely, second-hand space is struggling to let, particularly units comprising less than 5,000 sf – a bracket that has been affected by the growing co-working sector. Indeed, some of the largest serviced office deals on record occurred in the first half of 2019, including WeWork's deal for 122,000 sf at 125 Deansgate in Manchester, foreshadowing the arrival of a greater expansion of co-working presence in the country's key regional cities.

Although availability has risen over the course of the year, the level of supply is increasingly constrained for grade A and under-construction stock. Under-construction supply is particularly limited outside of London, Manchester and Birmingham, which together account for 87% of all construction stock. Furthermore, a high proportion

of space under construction is already accounted for. Key commitments include 1.5 msf being developed for the Government Property Agency in key regional cities across the U.K., Google's prelet of 860,000 sf at King's Cross, N1, Facebook's acquisition of 610,000 sf at King's Cross, N1 and Apple taking 500,000 sf at London's Battersea Power Station, SW8.

Strong demand and weak grade A supply are creating rental-rate growth and causing downward pressure on incentives, particularly in the regions that continue to offer a considerable rent discount to London.

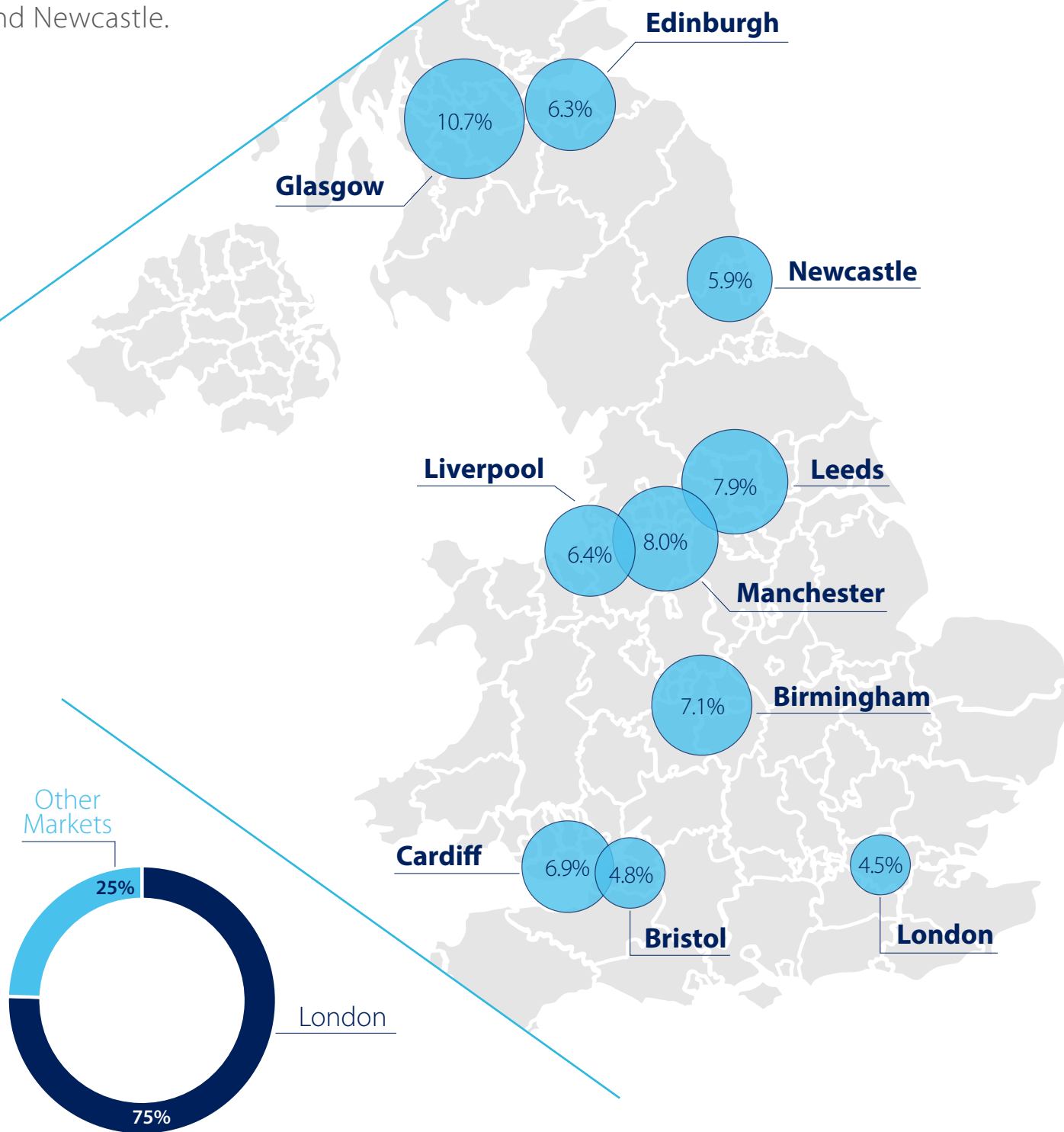
United Kingdom Quick Stats

Avison Young U.K. Office Markets

Inventory	455 MSF
Vacancy	6%
Under Construction	22 MSF
Downtown Class A Avg. Gross Asking Rent	£39.00/SF
Suburban Class A Avg. Gross Asking Rent	£20.19/SF
Investment Sales Volume (12 mos)	£16.7B
Avg. Capitalization Rate	5.1%

Vacancy Rates by Market - U.K.

London leads the country with the lowest vacancy rate, at 4.5%, followed by Bristol and Newcastle.



Under Construction

London makes up 75% of the country's office construction pipeline

Notable first-half 2019 highlights:



Take-up continues to hold up in the U.K. office market, **amounting to 22.8 msf for the 12 months ending at mid-year 2019**. This figure was up 6% year-over-year due to a strong second-half 2018, during which take-up reached 12.8 msf – 15% greater than the same period in 2017.



Serviced office take-up continues to grow, especially in the regional office markets (those outside of London) with 3 msf of take-up recorded during the year ending with second-quarter 2019 – up 25% compared with the previous year – due to an increase in the average size of serviced office deals regionally. Despite the growth in the serviced office market, **financial services continue to account for the majority of take-up nationwide at 21% of all take-up for the year, followed by the creative industry at 18%.**



Available space in existing buildings across the U.K. **rose to stand at 27.1 msf at mid-year 2019 – a 6% increase year-over-year**. There is currently a sizable development pipeline with more than 22 msf under construction; however, 48% is currently accounted for by preletting, which is limiting the level of grade A supply on the market. An uncertain economy has also caused a rise in units offered to the market on a sublet basis.



The London development pipeline is particularly constrained and, as a result, vacant space fell 23% to 10.1 msf. New supply projected to complete by the end of the year in London is currently 75% prelet overall. Conversely, **office construction in the regional markets across the country is at its highest level since 2007**, as the under-construction pipeline rose 30% from mid-year 2018.



Average prime rents for the key regional cities outside of London were £30.56 psf at mid-2019, an increase of 4% year-over-year; rent-free periods currently average 19 months and are decreasing. Prime London rents stood at £115 psf with an average rent-free period of 24 months. **London prime rents increased 2% year-over-year at mid-year 2019 despite the considerable rental discount available in the regions.**

Germany



German office leasing and investment markets performing at record highs

Germany's office leasing and investment markets were thriving at mid-year 2019. Although a number of risk factors were prevalent through the first half of the year – including global political uncertainty (such as the trade conflict between the U.S. and China, Brexit and rising tensions in the Middle East) and a weaker global economy – demand has remained noticeably above average. Growth factors include the solid national economy, favourable financing conditions and the gap between real estate prime yields and government bonds.

In total, some 1.6 million sq. m was leased in Germany's top five markets (Berlin, Duesseldorf, Frankfurt, Hamburg and Munich) during first-half 2019, representing a 1% increase year-over-year and the highest half-year result on record. Munich was a stellar performer with 421,000 sq. m let, followed by Berlin (411,000 sq. m).

Office vacancy has further decreased in all of the top markets. Collectively, office vacancy decreased 80 bps in the 12 months ending at mid-year 2019. In most markets, vacancy rates are at record lows. Germany's top markets – Berlin (1.4%), Munich (2.4%) and Hamburg (3.5%) – will remain landlords' markets in the medium term. Supply is less tight in Frankfurt and Duesseldorf.

Although construction activity has continued to rise noticeably (up 19% year-over-year at mid-year 2019), office supply will remain tight for the near future. At mid-year 2019, some 2.9 million sq. m was under construction with the majority already prelet. Due to short supply – especially in the most sought-

after central submarkets – rents have continued to rise. Across the top-five markets, prime rents rose by 6% year-over-year from mid-year 2018 with Berlin recording the strongest growth. In the German capital, prime rents rose 11% to €35.50 per sq. m per month, and average monthly rent climbed 24% to €24.20 per sq. m. Thus, the nation's average rent level has climbed to unprecedented heights.

With the economy holding firm, letting demand is expected to remain healthy while vacancy remains low and rents stay above average.

Office investment sales amounted to €11.9 billion during the first half of 2019 (up 8% year-over-year). Investor demand is still driven by a lack of available opportunities, but also supported by strong office space take-up and increasing rent levels. Prime yields, now at all-time lows, are expected to hold firm as interest rates remain low.

Germany Quick Stats

Avison Young German Office Markets

Inventory	76 M Sq. M
Vacancy	3.6%
Under Construction	2.9 M Sq. M
Downtown Class A Avg. Gross Asking Rent	€34.80/Sq. M/Mo.
Avg. Prime Yield (Net Initial)	2.9%

Notable first-half 2019 highlights:



Demand for office space remains strong on the back of a growing business services sector and a solid economy.



In many markets, **supply bottlenecks are preventing even higher take-up levels.** No noticeable rise in vacancy that would turn the markets in tenants' favour is on the horizon.



Robust construction activity continues amid high preletting volumes. In many markets, new office projects are the only options for large-scale tenants looking for modern office space.

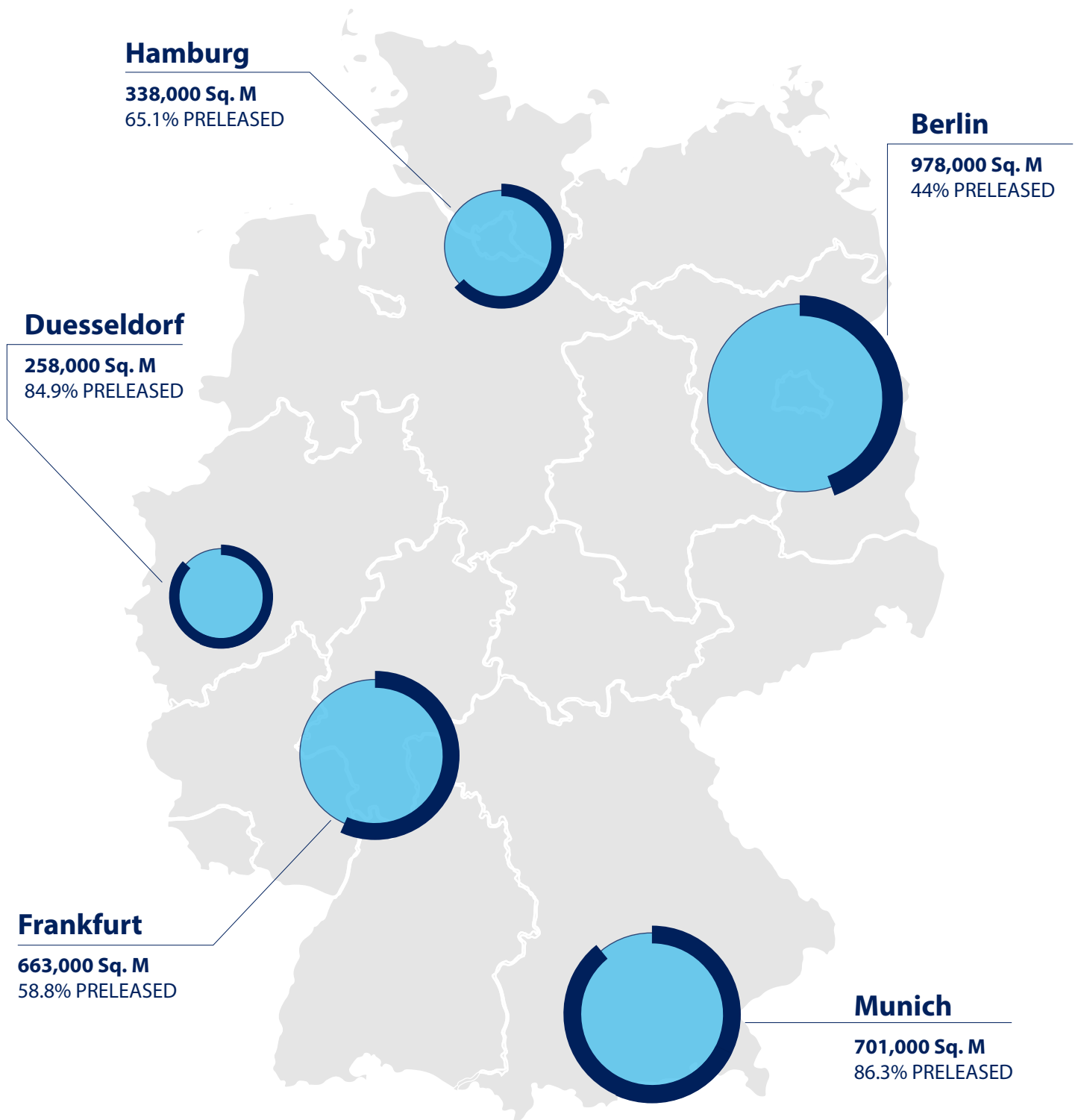


Rental-rate growth is expected to slow as more projects come on stream.



The German office investment market, backed by a solid economy and favourable conditions in the global financial markets, **will remain a target for national and international investors.**

Office Area Under Construction - Germany



Poland



Warsaw's vacancy rate drops to five-year low

During the 12 months ending at mid-year 2019, Warsaw's overall office inventory rose to 5.5 million sq. m as nearly 100,000 sq. m of new buildings were completed. The latter figure was significantly lower than the 242,000 sq. m of new stock added in the prior 12-month period; however, the development pipeline remains active, and more than 200,000 sq. m of additional space is expected to be delivered before the end of 2019.

The Warsaw office market's overall vacancy rate as of June 30, 2019 was the lowest recorded in the last five years, at 8.6%. In the CBD, vacancy fell 180 bps year-over-year to 5.7%, while suburban vacancy dropped 270 bps to 9.1% during the same period.

The amount of office space under construction remained at a similar level compared with mid-year 2018, with 780,000 sq. m underway. Office asking rents in prime CBD locations ranged between €20-€25 per sq. m per month; in other downtown districts, rates were between €14-€21 per sq. m per month, while in other Warsaw locations they ranged between €10-€15 per sq. m per month. All of these asking rents remained relatively stable year-over-year.

Investment volume for office assets across Poland during the period between mid-year 2018 and mid-year 2019 totalled €3.5 billion – 64% higher compared with the prior 12-month period. Cap rates for prime office assets in Poland averaged

approximately 4.5% in first-half 2019. In lower-quality office buildings, initial yield levels ranged between 5%-10%.

The average sale price for office assets rose slightly in the 12 months ending at mid-year 2019, reaching €2,897 per sq. m.

Poland Quick Stats Warsaw Office Market

Inventory	5.5 M Sq. M
Vacancy	8.6%
Under Construction	780,000 Sq. M
Downtown Class A Avg. Gross Asking Rent	€22.25/Sq. M/Mo.
Suburban Class A Avg. Gross Asking Rent	€14.00/Sq. M/Mo.
Investment Sales Volume (12 mos)	€4M
Avg. Sale Price	€2,897/Sq. M
Avg. Capitalization Rate	4.5%

Notable first-half 2019 highlights:



The construction pipeline remains very active **with a large number of development projects expected to be completed by the end of 2019.**



Rental rates remained stable year-over-year.



Steady tenant demand resulted in vacancy decreasing year-over-year despite the delivery of new office supply.



Investment sales volume for office assets rose **64% year-over-year to €3.5 billion** in the 12 months ending June 30, 2019.





Romania



Record number of deliveries in pipeline

Office market activity stayed strong during the last year, with good tenant demand and a growing development pipeline. Although vacancy continues to decrease, rental rates have remained stable.

The North and West submarkets of Bucharest continue to benefit from demand for quality office buildings that were recently built or are under construction. Early in 2019, Bucharest marked the important milestone of 3 million sq. m of modern office stock in the city. However, a relatively modest amount of stock was delivered during the 12 months ending at mid-year 2019, while demand was high with a total of 390,000 sq. m leased. The new-supply delivery rate is expected to remain consistent for the next two years and likely increase vacancy, especially in areas far from subway connections.

Secondary cities across Romania, such as Cluj-Napoca, Timisoara and Brasov, have also increased their modern office stock in response to demand, providing excellent opportunities for investors. The recent sale of The Office Cluj-Napoca for €130 million set a record for the highest office-asset sale price outside Bucharest, demonstrating the high quality of the investment market outside the capital.

The IT & communications industry remains the primary source of office demand, accounting for 47% of take-up for the 12 months ending at mid-year 2019, followed by the finance, banking and insurance sector (11%) and professional services (10%). Co-working is increasing in importance, both as a source of demand for space and as a tenant

option for small-to-medium-sized, or short-term, office leases.

Office rents have largely remained stable, both in Bucharest and outside the city; however, some slight increases in headline rents were reported during the past year, particularly in areas with low availability. Despite the market's relatively steady rental rates, landlords continue to offer incentives to tenants in the form of fit-out contributions, rent-free periods or a combination of both.

The strong take-up activity continues to fuel new development with record levels of new construction being announced. Bucharest ranks first for development activity, followed by Cluj-Napoca and Timisoara.

Romania Quick Stats Bucharest Office Market

Inventory	3 M Sq. M
Vacancy	7.8%
Under Construction	449,000 Sq. M
Downtown Class A Avg. Gross Asking Rent	€18.50/Sq. M/Mo.
Avg. Sale Price	€2,700/Sq. M
Avg. Capitalization Rate	7%



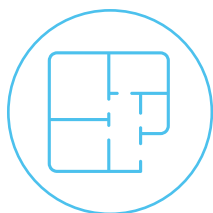
Notable first-half 2019 highlights:



The coming year (from mid-2019 to mid-2020) is likely to be a **record year for new office project announcements** in Romania, with as many as 21 announcements expected by year-end 2020.



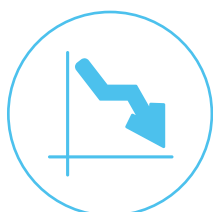
The bulk of the office product under construction offers some level of creative design as tenants focus more on workspace configuration and efficiency. Developers continue to seek locations in well-established areas with residential development already in place and good opportunities for preleasing prior to project delivery.



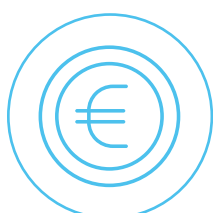
Co-working and serviced office spaces in Bucharest represent a young market with very good growth potential, and new entries from large operators are expected.



The number of **properties offering favourable tenant profiles and good covenants is increasing**, and large institutional players are expected to be attracted by these appealing investments.



The prime office yield – ranging from 7% to 7.25% at mid-year 2019 – is still under downward pressure and expected to compress further in the coming year.



Capital values – **fuelled by mark liquidity and increasing interest from local players and foreign investment funds** – are increasing.

South Korea



Improved job market significantly reduces vacancy, increases net absorption

In spite of Korea's low GDP growth rate, the country's office vacancy rate has fallen sharply due to a recent increase in the hiring of office workers.

According to the Bank of Korea, the GDP growth rate in the first half of 2019 was expected to be approximately 2.3% – down 20 bps compared with the second half of 2018. Nevertheless, the unemployment rate remained at 3.9%, easing the sluggish employment situation. In particular, the number of office workers in Seoul was 2.6 million in the second quarter of 2019, an increase of 36,000 from one year earlier.

The recent growth of new and expanding co-working spaces in the Seoul office market has continued during the past year. Notably, co-working operators have been expanding their collective footprint in the suburban office area, moving beyond their prior focus on the downtown market. The influence of co-working spaces is expected to continue, but many observers will be monitoring to see whether this business will continue to be successful.

Following its best-ever result in 2018, the Seoul office investment market remained strong in the first half of 2019 as six office assets were sold for more than ₩350 billion (approximately US\$300 million) each.

With liquidity high and commercial mortgage rates relatively low at 3%, office sale prices continue to rise. In recent years, international investment in the Seoul office market has been growing, leading to price increases.

South Korea Quick Stats Seoul Office Market

Inventory	22 M Sq. M
Vacancy	8.7%
Under Construction	2.5 M Sq. M
Downtown Class A Avg. Gross Asking Rent	₩39,730.31/Sq. M/Mo.
Suburban Class A Avg. Gross Asking Rent	₩27,142.57/Sq. M/Mo.
Investment Sales Volume (12 mos)	₩13,347B
Avg. Sale Price	₩6,490,076/Sq. M
Avg. Capitalization Rate	4.7%



Notable first-half 2019 highlights:



Net absorption in the Seoul office market increased 179% year-over-year to 928,000 sq. m in the 12 months ending at mid-year 2019, contributing significantly to the vacancy-rate decline. **Net absorption in the downtown area was up 131% to 505,000 sq. m, while the suburban area posted a 270% increase to 422,000 sq. m.** Increases in office employment and co-working spaces were the major contributors to this absorption.



The Seoul office vacancy rate dropped 150 bps year-over-year to 8.7% at mid-year 2019, the lowest rate recorded in two years. The suburban vacancy rate (9%) was slightly higher than the downtown level (8.7%) but fell 370 bps from one year earlier, far exceeding the downtown vacancy-rate decline (70 bps). **In particular, the vacancy rate for new suburban office product has fallen sharply in the last two years.**



The overall inventory in the downtown market (16.7 million sq. m) increased 554,700 sq. m over the year ending at mid-2019, significantly exceeding suburban inventory growth (172,500 sq. m). Major new deliveries included the completion of large-scale redevelopment projects, such as Centropolis (134,400 sq. m), Eulji Twin Tower (146,700 sq. m) and APEX Tower (38,300 sq. m). **These class A office assets, newly built for investment purposes, are being actively marketed.**



Completions in Seoul during the 12-month period ending June 30, 2019 totalled 688,546 sq. m, representing a 24% decline year-over-year. The downtown proportion rose 33% year-over-year to 550,697 sq. m, while suburban completions decreased 72% to 137,850 sq. m.



New office space under construction in Seoul totalled approximately 2.5 million sq. m at mid-year 2019, mainly in the downtown area (1.9 million sq. m), and all of the space is set to be completed by 2023. The two biggest office projects underway are Parc.1 (379,025 sq. m) and GBC (590,086 sq. m); Parc.1 is expected to be completed in the first half of 2020, and GBC's completion is slated for year-end 2023. Most of the space in these projects is already preleased by NH Securities, Posco E&C and Hyundai Motor Group.



The average asking rent for downtown class A office space in Seoul came to ₩28,000 per sq. m at mid-2019, up 2.6% from one year earlier. On the other hand, the average asking rent for suburban space (₩18,000) rose only 0.8% year-over-year. Additional rental-rate growth in the downtown and the suburban areas was 3.2% and 2.4%, respectively, at ₩11,700 per sq. m and ₩9,200 per sq. m year-over-year.



Seoul office investment volume totalled ₩13.3 trillion in the 12 months ending with June 2019, **up 44% compared with the prior 12-month period.** During the same period, the average investment sale price rose 4.1% to ₩6.5 million per sq. m, while the average office cap rate fell 20 bps to 4.7%.

Office Market Statistics





North America | Inventory & Vacancy

Market	Downtown Office Inventory (000s sf)	Downtown Vacancy Rate	YoY Change	Suburban Office Inventory (000s sf)
Calgary	46,450	24.4%	↓	30,744
Edmonton	18,217	14.0%	↑	13,582
Halifax	5,392	19.6%	↑	6,241
Lethbridge	874	11.2%	↓	240
Montreal	52,803	9.3%	↓	49,718
Ottawa	18,339	9.7%	↑	23,175
Regina	4,322	11.7%	↓	515
Toronto	76,886	2.1%	↔	93,828
Vancouver	24,953	1.9%	↓	26,620
Waterloo Region	5,331	8.9%	↓	10,537
Winnipeg	13,423	12.3%	↑	5,293
Canada Overall	266,991	9.9%	↓	260,492
Atlanta	57,201	13.5%	↑	95,747
Austin	14,677	4.1%	↓	56,012
Boston	69,617	7.9%	↔	137,204
Charleston	4,759	5.6%	↑	15,228
Charlotte	22,860	9.9%	↓	30,964
Chicago	178,021	10.5%	↓	172,010
Cleveland	31,066	11.6%	↓	75,769
Columbus, OH	29,200	7.2%	↑	77,949
Dallas	33,587	20.7%	↓	254,058
Denver	40,556	10.1%	↓	87,149

Suburban Vacancy Rate	YoY Change	Overall Office Inventory (000s sf)	Overall Vacancy Rate	YoY Change
18.3%	↓	77,194	22.0%	↓
17.3%	↑	31,800	15.4%	↑
15.5%	↑	11,633	17.4%	↑
4.8%	↓	1,115	9.9%	↓
13.7%	↓	102,520	11.4%	↓
8.1%	↓	41,514	8.8%	↓
9.2%	↓	4,837	11.4%	↓
9.0%	↓	188,663	5.5%	↓
6.6%	↓	51,573	4.3%	↓
9.8%	↓	15,868	9.5%	↓
9.4%	↑	18,716	11.5%	↑
11.3%	↓	545,432	10.3%	↓
17.2%	↓	152,948	15.8%	↔
5.4%	↓	70,689	5.1%	↓
11.5%	↓	206,821	10.3%	↓
8.0%	↑	19,987	7.4%	↑
12.2%	↓	53,823	11.2%	↓
15.8%	↓	350,031	13.1%	↓
11.2%	↑	106,836	11.4%	↓
7.1%	↑	107,149	7.1%	↑
16.0%	↔	287,645	16.5%	↔
10.1%	↔	127,705	10.1%	↓

North America | Inventory & Vacancy

Market	Downtown Office Inventory (000s sf)	Downtown Vacancy Rate	YoY Change	Suburban Office Inventory (000s sf)
Detroit	26,300	8.7%	↓	153,000
Fairfield County	11,068	13.1%	↓	31,965
Fort Lauderdale	5,023	12.8%	↑	26,076
Gainesville	750	6.4%	↓	2,384
Greenville	4,426	14.7%	↑	15,823
Hartford	8,213	16.9%	↑	16,003
Houston	45,293	18.6%	↓	184,754
Indianapolis	10,306	20.6%	↑	25,427
Inland Empire	12,191	10.8%	↔	22,592
Jacksonville	7,272	12.0%	↓	18,261
Las Vegas	N/A	N/A	N/A	41,173
Long Island	N/A	N/A	N/A	43,253
Los Angeles	34,190	17.4%	↑	172,225
Memphis	3,219	14.2%	↓	17,473
Miami	15,866	14.4%	↑	38,719
Minneapolis	37,323	11.5%	↔	52,310
Nashville	23,215	4.9%	↓	27,497
New Jersey	N/A	N/A	N/A	213,711
New York	460,259	9.8%	↓	N/A
Oakland	13,924	9.9%	↓	15,657
Orange County	43,575	12.2%	↓	80,654
Orlando	7,125	9.9%	↓	30,202

Suburban Vacancy Rate	YoY Change	Overall Office Inventory (000s sf)	Overall Vacancy Rate	YoY Change
9.0%	↓	179,300	8.9%	↓
11.6%	↓	43,032	12.0%	↓
10.6%	↑	31,100	10.9%	↑
3.3%	↔	3,135	4.0%	↓
7.9%	↓	20,249	9.4%	↔
12.3%	↓	24,216	13.8%	↓
17.5%	↓	230,047	17.7%	↓
20.1%	↑	35,733	20.2%	↑
9.0%	↓	34,783	9.6%	↓
14.0%	↑	25,533	13.4%	↑
11.9%	↓	41,173	11.9%	↓
10.5%	↓	43,253	10.5%	↓
15.8%	↑	206,415	16.1%	↑
20.0%	↓	20,692	19.1%	↓
11.0%	↑	54,585	12.0%	↑
12.4%	↑	89,634	12.0%	↑
9.8%	↑	50,712	7.5%	↑
13.3%	↓	213,711	13.3%	↓
N/A	N/A	460,259	9.8%	↓
6.1%	↓	29,581	7.9%	↓
10.6%	↑	124,229	11.2%	↓
8.5%	↓	37,328	8.8%	↓

North America | Inventory & Vacancy

Market	Downtown Office Inventory (000s sf)	Downtown Vacancy Rate	YoY Change	Suburban Office Inventory (000s sf)
Philadelphia	70,468	7.9%	↓	364,902
Phoenix	23,523	16.5%	↑	162,322
Pittsburgh	29,108	14.4%	↑	38,755
Raleigh-Durham	9,330	6.3%	↓	40,026
Reno	1,371	14.9%	↑	5,711
Sacramento	20,236	6.8%	↔	69,152
San Antonio	7,325	10.6%	↓	38,127
San Diego County	12,440	15.7%	↑	78,603
San Francisco	87,973	2.1%	↓	N/A
San Jose/Silicon Valley	9,369	8.2%	↔	96,452
San Mateo	3,498	7.8%	↑	43,117
Savannah	1,791	3.6%	↓	3,467
St. Louis	45,868	9.3%	↑	95,083
Tampa	8,310	6.5%	↓	32,649
Washington, DC	137,971	10.9%	↔	244,257
West Palm Beach	3,333	12.0%	↑	23,502
Westchester County	5,871	10.0%	↓	24,882
AY U.S. Markets	1,728,866	10.4%	↓	3,592,256
Mexico City, Mexico	25,226	11.1%	↓	44,478

Suburban Vacancy Rate	YoY Change	Overall Office Inventory (000s sf)	Overall Vacancy Rate	YoY Change
8.0%	↔	435,370	8.0%	↔
11.6%	↓	185,845	12.2%	↓
10.6%	↔	67,863	12.2%	↑
13.5%	↓	49,356	12.2%	↓
12.5%	↔	7,082	13.0%	↑
8.7%	↓	89,388	8.3%	↓
14.3%	↑	45,452	13.7%	↑
10.1%	↓	91,043	10.9%	↑
N/A	N/A	87,973	2.1%	↓
7.6%	↓	105,821	7.6%	↓
6.2%	↓	46,615	6.3%	↓
5.1%	↑	5,258	4.6%	↑
6.1%	↓	140,951	7.1%	↔
12.7%	↑	40,959	11.4%	↑
15.6%	↓	382,228	13.9%	↓
11.6%	↑	26,835	11.7%	↑
12.9%	↓	30,753	12.3%	↓
12.0%	↓	5,321,122	11.5%	↓
17.1%	↑	69,705	14.9%	↓

Europe & Asia | Inventory & Vacancy

Market	Downtown Office Inventory (000s sf)	Downtown Vacancy Rate	YoY Change	Suburban Office Inventory (000s sf)
Birmingham	20,361	9.0%	↑	15,060
Bristol	12,588	5.5%	↑	9,021
Cardiff	9,332	5.6%	↑	3,472
Edinburgh	12,501	5.0%	↑	9,336
Glasgow	20,502	9.3%	↑	10,879
Leeds	12,871	10.5%	↑	13,543
Liverpool	9,963	7.8%	↑	3,724
London	223,986	4.5%	↓	N/A
Manchester	28,061	9.2%	↑	14,227
Newcastle	14,227	5.8%	↑	11,321
AY U.K. Markets	364,391	5.8%	↔	90,582



Suburban Vacancy Rate	YoY Change	Overall Office Inventory (000s sf)	Overall Vacancy Rate	YoY Change
4.6%	↑	35,421	7.1%	↑
4.0%	↓	21,609	4.8%	↑
10.5%	↑	12,804	6.9%	↑
8.0%	↑	21,837	6.3%	↑
13.3%	↑	31,380	10.7%	↑
5.3%	↑	26,414	7.9%	↑
2.6%	↑	13,686	6.4%	↑
N/A	N/A	223,986	4.5%	↓
5.8%	↑	42,288	8.0%	↑
6.0%	↑	25,548	5.9%	↑
6.5%	↑	454,974	6.0%	↑



Europe & Asia | Inventory & Vacancy

Market	Overall Office Inventory (000s sq. m)	Overall Vacancy Rate	YoY Change
Berlin	18,448	1.4%	↓
Duesseldorf	9,438	7.1%	↓
Frankfurt	12,017	6.6%	↓
Hamburg	15,109	3.5%	↓
Munich	20,996	2.4%	↓
Germany	76,008	3.6%	↓

Market	Downtown Office Inventory (000s sq. m)	Downtown Vacancy Rate	YoY Change	Suburban Office Inventory (000s sq. m)
Warsaw, Poland	870	5.7%	↓	4,626

Market	Overall Office Inventory (000s sq. m)	Overall Vacancy Rate	YoY Change
Bucharest, Romania	2,979	7.8%	↓

Market	Downtown Office Inventory (000s sq. m)	Downtown Vacancy Rate	YoY Change	Suburban Office Inventory (000s sq. m)
Seoul, South Korea	16,774	8.6%	↓	5,678



Suburban Vacancy Rate	YoY Change	Overall Office Inventory (000s sq. m)	Overall Vacancy Rate	YoY Change
9.1%	↓	5,496	8.6%	↓

Suburban Vacancy Rate	YoY Change	Overall Office Inventory (000s sq. m)	Overall Vacancy Rate	YoY Change
9.0%	↓	22,452	8.7%	↓

North America | Office Market Net Absorption

Market	Downtown Office Net Absorption (000s sf)	YoY Change	Suburban Office Net Absorption (000s sf)	YoY Change	Total Office Net Absorption (000s sf)	YoY Change
Calgary	966	↑	470	↑	1,436	↑
Edmonton	42	↓	-207	↓	-165	↓
Halifax	-148	↓	-27	↓	-176	↓
Lethbridge	-11	↓	14	↑	3	↓
Montreal	631	↑	1,426	↑	2,057	↑
Ottawa	-65	↓	536	↑	471	↑
Regina	-50	↓	4	↓	-45	↓
Toronto	2,353	↑	1,479	↑	3,906	↑
Vancouver	649	↔	911	↓	1,560	↓
Waterloo Region	21	↓	241	↓	262	↓
Winnipeg	-337	↓	58	↓	-279	↓
Canada	4,051	↑	4,906	↑	9,031	↑
Atlanta	996	↑	301	↑	1,297	↑
Austin	851	↑	2,259	↑	3,111	↑
Boston	791	↓	1,559	↑	2,350	↑
Charleston	-54	↓	123	↓	69	↓
Charlotte	1,874	↑	953	↑	2,826	↑
Chicago	1,778	↑	-682	↓	1,097	↓
Cleveland	362	↓	441	↑	803	↓
Columbus, OH	52	↓	35	↓	88	↓
Dallas	417	↑	3,811	↔	4,228	↑
Denver	1,413	↑	1,072	↓	2,485	↓

North America | Office Market Net Absorption

Market	Downtown Office Net Absorption (000s sf)	YoY Change	Suburban Office Net Absorption (000s sf)	YoY Change	Total Office Net Absorption (000s sf)	YoY Change
Detroit	387	↑	1,800	↑	2,187	↑
Fairfield County	337	↑	1,118	↑	1,455	↑
Fort Lauderdale	-24	↓	65	↓	42	↓
Gainesville	10	↓	5	↓	15	↓
Greenville	-92	↓	203	↑	111	↑
Hartford	55	↓	-14	↑	41	↑
Houston	642	↑	1,487	↑	2,129	↑
Indianapolis	-275	↓	-762	↓	-1,037	↓
Inland Empire	34	↑	215	↓	248	↓
Jacksonville	143	↑	107	↓	250	↑
Las Vegas	N/A	N/A	220	↓	220	↓
Long Island	N/A	N/A	19	↑	19	↑
Los Angeles	114	↓	855	↑	969	↓
Memphis	163	↓	76	↑	240	↑
Miami	217	↓	-400	↓	-183	↓
Minneapolis	102	↓	-297	↑	-195	↑
Nashville	531	↓	-135	↑	395	↓
New Jersey	N/A	N/A	4,159	↑	4,159	↑
New York	2,252	↔	N/A	N/A	2,252	↔
Oakland	385	↑	553	↑	938	↑
Orange County	705	↑	471	↓	1,175	↑
Orlando	-4	↓	351	↓	347	↓
Philadelphia	1,299	↑	-629	↓	670	↓

North America | Office Market Net Absorption

Market	Downtown Office Net Absorption (000s sf)	YoY Change	Suburban Office Net Absorption (000s sf)	YoY Change	Total Office Net Absorption (000s sf)	YoY Change
Phoenix	-38	↓	3,181	↔	3,144	↓
Pittsburgh	1,343	↓	1,824	↓	3,167	↓
Raleigh-Durham	824	↑	1,051	↑	1,875	↑
Reno	-66	↓	-7	↓	-74	↓
Sacramento	-25	↓	1,288	↑	1,262	↑
San Antonio	405	↑	-116	↓	289	↑
San Diego County	-610	↓	-51	↓	-661	↓
San Francisco	2,950	↓	N/A	N/A	2,950	↓
San Jose/Silicon Valley	124	↑	1,405	↓	1,529	↓
San Mateo	41	↓	1,123	↑	1,164	↑
Savannah	9	↓	-53	↓	-45	↓
St. Louis	-62	↑	177	↓	115	↑
Tampa	218	↓	70	↓	288	↓
Washington, DC	1,358	↓	4,822	↑	6,180	↑
West Palm Beach	9	↓	306	↓	315	↓
Westchester County	194	↑	767	↑	961	↑
AY U.S. Markets	22,135	↑	35,123	↑	57,259	↑
Mexico City, Mexico	1,204	↓	1,577	↓	2,782	↓

Europe & Asia | Office Market Net Absorption

Market	Downtown Office Absorption (000s sf)	YoY Change	Suburban Office Absorption (000s sf)	YoY Change	Total Office Absorption (000s sf)	YoY Change
Birmingham	951	↓	440	↑	1,391	↔
Bristol	500	↓	361	↓	861	↓
Cardiff	405	↓	150	↑	555	↓
Edinburgh	588	↑	265	↓	853	↑
Glasgow	1,105	↑	318	↑	1,424	↑
Leeds	780	↓	269	↓	1,049	↓
Liverpool	321	↓	94	↓	415	↓
London	12,567	↑	N/A	N/A	12,567	↑
Manchester	1,802	↑	1,024	↑	2,826	↑
Newcastle	209	↑	684	↑	893	↑
AY U.K. Markets	19,230	↑	3,604	↑	22,834	↑



Europe & Asia | Office Market Net Absorption

Market	Total Office Absorption (000s sq. m)	YoY Change
Berlin	411	↑
Duesseldorf	235	↑
Frankfurt	256	↔
Hamburg	297	↑
Munich	421	↓
Germany	1,620	↑

Warsaw, Poland	360	↓
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Bucharest, Romania	280	↑
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Market	Downtown Office Net Absorption (000s sq. m)	YoY Change	Suburban Office Net Absorption (000s sq. m)	YoY Change	Total Office Net Absorption (000s sq. m)	YoY Change
Seoul, South Korea	506	↑	422	↑	928	↑





North America | Office Market Completions

Market	Downtown Office Completions (000s sf) (12 months)	YoY Change	Suburban Office Completions (000s sf) (12 months)	YoY Change	Total Office Completions (000s sf) (12 months)	YoY Change
Calgary	460	↑	80	↓	540	↑
Edmonton	639	↑	184	↑	823	↑
Halifax	0	↔	0	↔	0	↔
Lethbridge	0	↔	0	↔	0	↔
Montreal	0	↔	201	↓	201	↓
Ottawa	0	↔	0	↔	0	↔
Regina	0	↔	0	↔	0	↔
Toronto	817	↑	332	↓	1,240	↑
Vancouver	0	↔	184	↓	184	↓
Waterloo Region	0	↔	0	↔	0	↔
Winnipeg	424	↑	0	↔	424	↑
Canada	2,340	↑	981	↓	3,412	↓
Atlanta	1,318	↑	345	↓	1,663	↓
Austin	519	↑	2,098	↑	2,617	↑
Boston	737	↑	1,083	↓	1,820	↓
Charleston	15	↑	348	↑	363	↑
Charlotte	1,633	↑	471	↓	2,104	↑
Chicago	399	↓	102	↓	502	↓
Cleveland	0	↔	209	↓	209	↓
Columbus, OH	343	↑	849	↑	1,192	↑
Dallas	82	↓	3,989	↓	4,071	↓
Denver	966	↓	561	↓	1,527	↓

North America | Office Market Completions

Market	Downtown Office Completions (000s sf) (12 months)	YoY Change	Suburban Office Completions (000s sf) (12 months)	YoY Change	Total Office Completions (000s sf) (12 months)	YoY Change
Detroit	486	↑	766	↑	1,252	↑
Fairfield County	0	↔	0	↔	0	↔
Fort Lauderdale	0	↔	84	↓	84	↓
Gainesville	0	↔	0	↔	0	↔
Greenville	0	↔	87	↓	87	↓
Hartford	0	↔	0	↔	0	↔
Houston	781	↑	1,021	↓	1,802	↔
Indianapolis	0	↔	173	↓	173	↓
Inland Empire	25	↓	140	↓	165	↓
Jacksonville	0	↔	392	↑	392	↑
Las Vegas	N/A	N/A	342	↓	342	↓
Long Island	N/A	N/A	62	↓	62	↓
Los Angeles	127	↓	1,143	↓	1,271	↓
Memphis	72	↓	63	↓	135	↓
Miami	194	↑	658	↑	852	↑
Minneapolis	190	↑	292	↑	482	↑
Nashville	642	↓	632	↑	1,274	↓
New Jersey	N/A	N/A	631	↑	631	↑
New York	2,449	↓	N/A	N/A	2,449	↓
Oakland	63	↑	268	↓	331	↔
Orange County	766	↑	943	↓	1,709	↓
Orlando	0	↔	390	↑	390	↑
Philadelphia	1,992	↑	2,083	↑	4,074	↑

North America | Office Market Completions

Market	Downtown Office Completions (000s sf) (12 months)	YoY Change	Suburban Office Completions (000s sf) (12 months)	YoY Change	Total Office Completions (000s sf) (12 months)	YoY Change
Phoenix	144	↑	2,019	↑	2,163	↑
Pittsburgh	277	↑	48	↓	325	↓
Raleigh-Durham	881	↑	1,251	↑	2,132	↑
Reno	0	↔	0	↔	0	↔
Sacramento	0	↔	370	↑	370	↑
San Antonio	462	↑	486	↔	948	↑
San Diego County	60	↑	1,067	↑	1,127	↑
San Francisco	2,189	↓	N/A	N/A	2,189	↓
San Jose/Silicon Valley	0	↔	261	↓	261	↓
San Mateo	106	↓	613	↓	719	↓
Savannah	0	↔	0	↔	0	↔
St. Louis	0	↔	197	↓	197	↓
Tampa	0	↔	240	↑	240	↑
Washington, DC	3,177	↑	3,768	↑	6,945	↑
West Palm Beach	0	↔	90	↑	90	↑
Westchester County	0	↔	0	↔	0	↔
AY U.S. Markets	21,096	↑	30,635	↓	51,731	↓
Mexico City, Mexico	1,306	↓	3,602	↓	4,908	↓

Europe & Asia | Office Market Completions

Market	Downtown Office Completions (000s sf) (12 months)	YoY Change	Suburban Office Completions (000s sf) (12 months)	YoY Change	Total Office Completions (000s sf) (12 months)	YoY Change
Birmingham	210	↑	0	↔	210	↑
Bristol	115	↑	0	↔	115	↑
Cardiff	307	↑	0	↔	307	↑
Edinburgh	267	↑	0	↔	267	↑
Glasgow	155	↑	0	↔	155	↑
Leeds	110	↑	0	↔	110	↓
Liverpool	69	↑	0	↔	69	↑
London	7,037	↓	N/A	N/A	7,037	↓
Manchester	0	↔	0	↔	0	↓
Newcastle	0	↔	0	↔	0	↔
AY U.K. Markets	8,269	↓	0	↔	8,269	↓



Europe & Asia | Office Market Completions

Market	Total Office Completions (000s sq. m) (First-Half 2019)	YoY Change
Berlin	118	↑
Duesseldorf	75	↑
Frankfurt	37	↓
Hamburg	91	↑
Munich	173	↑
Germany	494	↑

Market	Downtown Office Completions (000s sq. m) (12 months)	YoY Change	Suburban Office Completions (000s sq. m) (12 months)	YoY Change	Total Office Completions (000s sq. m) (12 months)	YoY Change
Warsaw, Poland	4	↓	92	↑	96	↓

Market	Total Office Completions (000s sq. m) (12 months)	YoY Change
Bucharest, Romania	150	↓

Market	Downtown Office Completions (000s sq. m) (12 months)	YoY Change	Suburban Office Completions (000s sq. m) (12 months)	YoY Change	Total Office Completions (000s sq. m) (12 months)	YoY Change
Seoul, South Korea	551	↑	138	↓	689	↓



North America | Office Under Construction

Market	Downtown Office Area Under Construction (000s sf)	YoY Change	Downtown Office Area Preleased (%)	Suburban Office Area Under Construction (000s sf)
Calgary	0	↓	N/A	138
Edmonton	0	↓	N/A	0
Halifax	0	↓	N/A	0
Lethbridge	0	↔	N/A	4
Montreal	2,046	↑	73.1%	1,516
Ottawa	0	↔	N/A	262
Regina	0	↔	N/A	0
Toronto	9,693	↑	69.8%	1,682
Vancouver	3,816	↑	41.9%	1,900
Waterloo Region	116	↑	31.0%	220
Winnipeg	0	↓	N/A	25
Canada	15,671	↑	63.2%	5,748
Atlanta	1,895	↓	47.8%	1,240
Austin	2,952	↑	77.4%	4,011
Boston	2,536	↑	61.0%	2,045
Charleston	230	↑	70.0%	599
Charlotte	1,967	↓	62.6%	1,442
Chicago	7,093	↑	47.8%	273
Cleveland	0	↔	N/A	221
Columbus, OH	0	↓	N/A	631
Dallas	60	↓	0.0%	7,747
Denver	1,556	↓	24.9%	610

YoY Change	Suburban Office Area Preleased (%)	Total Office Area Under Construction (000s sf)	YoY Change	Total Office Area Preleased (%)
↑	75.0%	138	↓	75.0%
↓	N/A	0	↓	N/A
↔	N/A	0	↓	N/A
↑	0.0%	4	↑	0.0%
↑	45.4%	3,562	↑	61.3%
↑	93.2%	262	↑	93.2%
↔	N/A	0	↔	N/A
↑	62.3%	11,374	↑	68.7%
↑	29.0%	5,717	↑	37.6%
↔	50.0%	336	↑	43.5%
↓	0.0%	25	↓	0.0%
↑	47.7%	21,419	↑	59.0%
↑	42.2%	3,135	↑	45.5%
↑	59.3%	6,962	↑	67.0%
↓	70.7%	4,580	↑	65.4%
↑	69.9%	829	↑	69.9%
↑	19.5%	3,409	↑	44.3%
↑	50.4%	7,366	↑	47.9%
↑	77.1%	221	↑	77.1%
↓	49.2%	631	↓	49.2%
↓	64.4%	7,807	↓	63.9%
↓	49.3%	2,166	↓	31.8%

North America | Office Under Construction

Market	Downtown Office Area Under Construction (000s sf)	YoY Change	Downtown Office Area Preleased (%)	Suburban Office Area Under Construction (000s sf)
Fairfield County	532	↑	100.0%	98
Fort Lauderdale	489	↑	21.1%	510
Gainesville	0	↔	N/A	0
Greenville	150	↑	84.3%	21
Hartford	0	↔	N/A	0
Houston	1,124	↑	33.9%	732
Indianapolis	120	↓	33.3%	160
Inland Empire	114	↑	10.7%	539
Jacksonville	0	↔	N/A	344
Las Vegas	N/A	N/A	N/A	135
Long Island	N/A	N/A	N/A	0
Los Angeles	826	↓	18.1%	6,593
Memphis	195	↑	100.0%	120
Miami	555	↑	26.3%	1,297
Minneapolis	1,674	↑	24.4%	210
Nashville	3,452	↑	36.4%	532
New Jersey	N/A	N/A	N/A	868
New York	14,637	↑	21.0%	N/A
Oakland	948	↓	60.8%	45
Orange County	30	↑	100.0%	206
Orlando	217	↑	90.0%	61

YoY Change	Suburban Office Area Preleased (%)	Total Office Area Under Construction (000s sf)	YoY Change	Total Office Area Preleased (%)
↑	28.9%	630	↑	89.0%
↑	15.3%	999	↑	18.2%
↔	N/A	0	↔	N/A
↓	68.6%	171	↑	82.4%
↓	N/A	0	↓	N/A
↓	41.9%	1,856	↓	37.0%
↓	12.5%	280	↓	21.4%
↓	73.7%	653	↑	62.8%
↓	36.4%	344	↓	36.4%
↓	0.0%	135	↓	0.0%
↔	N/A	0	↔	N/A
↑	65.0%	7,419	↑	59.8%
↑	75.3%	315	↑	90.6%
↑	20.7%	1,852	↑	22.4%
↑	21.4%	1,884	↑	24.1%
↓	35.1%	3,984	↑	36.2%
↓	60.2%	868	↓	60.2%
N/A	N/A	14,637	↑	21.0%
↓	100.0%	993	↓	62.6%
↓	48.9%	236	↓	55.4%
↓	0.0%	278	↓	70.3%

North America | Office Under Construction

Market	Downtown Office Area Under Construction (000s sf)	YoY Change	Downtown Office Area Preleased (%)	Suburban Office Area Under Construction (000s sf)
Philadelphia	0	↓	N/A	2,630
Phoenix	280	↑	32.3%	2,693
Pittsburgh	234	↓	35.7%	927
Raleigh-Durham	464	↓	34.0%	1,452
Reno	0	↔	N/A	0
Sacramento	1,198	↓	100.0%	841
San Antonio	141	↓	100.0%	58
San Diego County	372	↑	100.0%	732
San Francisco	3,299	↑	42.7%	N/A
San Jose/Silicon Valley	204	↑	100.0%	5,054
San Mateo	341	↑	51.9%	2,758
Savannah	0	↔	N/A	0
St. Louis	900	↑	33.4%	740
Tampa	0	↔	N/A	548
Washington, DC	4,544	↓	44.7%	6,394
West Palm Beach	497	↑	8.2%	324
Westchester County	0	↔	N/A	0
AY U.S. Markets	59,023	↑	40.2%	57,286
Mexico City, Mexico	7,062	↑	1.0%	14,342

YoY Change	Suburban Office Area Preleased (%)	Total Office Area Under Construction (000s sf)	YoY Change	Total Office Area Preleased (%)
↑	87.6%	2,630	↓	87.6%
↓	1.9%	2,974	↓	4.7%
↑	30.9%	1,161	↑	31.9%
↑	14.0%	1,915	↓	18.8%
↔	N/A	0	↔	N/A
↑	89.3%	2,039	↓	95.6%
↓	42.8%	199	↓	83.3%
↓	49.2%	1,104	↓	66.3%
N/A	N/A	3,299	↑	42.7%
↑	76.7%	5,258	↑	77.6%
↔	76.2%	3,099	↑	73.5%
↔	N/A	0	↔	N/A
↓	74.3%	1,640	↓	51.8%
↑	74.2%	548	↑	74.2%
↑	72.5%	10,938	↔	61.0%
↓	25.9%	821	↑	15.2%
↔	N/A	0	↔	N/A
↑	59.1%	116,309	↑	49.5%
↑	7.5%	21,404	↑	5.3%

Europe & Asia | Office Under Construction

Market	Downtown Office Area Under Construction (000s sf)	YoY Change	Downtown Office Area Preleased (%)	Suburban Office Area Under Construction (000s sf)
Birmingham	1,200	↔	32.9%	0
Bristol	293	↑	10.9%	0
Cardiff	270	↓	100.0%	0
Edinburgh	303	↓	42.8%	0
Glasgow	1,148	↑	66.8%	0
Leeds	635	↑	80.6%	0
Liverpool	160	↑	43.8%	0
London	16,927	↑	48.3%	0
Manchester	1,430	↑	32.8%	60
Newcastle	108	↑	0.0%	0
AY U.K. Markets	22,474	↑	48.1%	60



YoY Change	Suburban Office Area Preleased (%)	Total Office Area Under Construction (000s sf)	YoY Change	Total Office Area Preleased (%)
↔	N/A	1,200	↔	32.9%
↔	N/A	293	↑	10.9%
↔	N/A	270	↓	100.0%
↔	N/A	303	↓	42.8%
↔	N/A	1,148	↑	66.8%
↔	N/A	635	↑	80.6%
↔	N/A	160	↑	43.8%
↔	N/A	16,927	↑	48.3%
↔	0.0%	1,490	↑	31.5%
↔	N/A	108	↑	0.0%
↔	0.0%	22,534	↑	48.0%



Europe & Asia | Office Under Construction

Market	Total Office Area Under Construction (000s sq. m)	YoY Change	Total Office Area Preleased (%)
Berlin	978	↑	44.0%
Duesseldorf	258	↑	84.9%
Frankfurt	663	↑	58.8%
Hamburg	338	↑	65.1%
Munich	701	↑	86.3%
Germany	2,938	↑	63.4%

Market	Downtown Office Area Under Construction (000s sq. m)	YoY Change	Downtown Office Area Preleased (%)	Suburban Office Area Under Construction (000s sq. m)
Warsaw, Poland	450	↑	N/A	330

Market	Total Office Area Under Construction (000s sq. m)	YoY Change	Total Office Area Preleased (%)
Bucharest, Romania	449	↑	0.0%

Market	Downtown Office Area Under Construction (000s sq. m)	YoY Change	Downtown Office Area Preleased (%)	Suburban Office Area Under Construction (000s sq. m)
Seoul, South Korea	1,920	↓	0.0%	557



YoY Change	Suburban Office Area Preleased (%)	Total Office Area Under Construction (000s sq. m)	YoY Change	Total Office Area Preleased (%)
↑	N/A	780	↑	N/A

YoY Change	Suburban Office Area Preleased (%)	Total Office Area Under Construction (000s sq. m)	YoY Change	Total Office Area Preleased (%)
↓	0.0%	2,477	↓	0.0%

North America | Office Asking Rents (in local currency)

Market	Downtown Class A Average Gross Asking Rental Rate (\$psf)	YoY Change	Suburban Class A Average Gross Asking Rental Rate (\$psf)	YoY Change
Calgary	\$33.88	↓	\$35.33	↔
Edmonton	\$38.50	↓	\$29.25	↓
Halifax	\$36.46	↔	\$28.00	↑
Lethbridge	\$25.50	↔	\$27.00	↑
Montreal	\$34.45	↓	\$25.64	↓
Ottawa	\$43.20	↓	\$32.26	↓
Regina	\$41.50	↑	\$40.00	↔
Toronto	\$60.18	↑	\$33.85	↑
Vancouver	\$62.38	↑	\$40.89	↑
Waterloo Region	\$27.78	↑	\$27.05	↑
Winnipeg	\$40.91	↑	\$36.32	↔
Canada	\$40.43	↑	\$32.33	↔
Atlanta	\$35.15	↑	\$27.80	↑
Austin	\$63.88	↑	\$45.79	↑
Boston	\$71.62	↑	\$37.78	↑
Charleston	\$45.32	↔	\$34.46	↓
Charlotte	\$34.63	↑	\$28.56	↑
Chicago	\$47.13	↔	\$29.27	↔
Cleveland	\$25.50	↑	\$19.88	↓
Columbus, OH	\$23.24	↑	\$22.88	↑
Dallas	\$27.42	↔	\$30.42	↑
Denver	\$33.14	↑	\$27.53	↔

North America | Office Asking Rents (in local currency)

Market	Downtown Class A Average Gross Asking Rental Rate (\$psf)	YoY Change	Suburban Class A Average Gross Asking Rental Rate (\$psf)	YoY Change
Detroit	\$27.60	↑	\$24.99	↑
Fairfield County	\$60.94	↑	\$38.54	↑
Fort Lauderdale	\$45.09	↑	\$33.90	↑
Gainesville	\$18.57	↔	\$15.15	↔
Greenville	\$29.46	↓	\$25.63	↔
Hartford	\$23.15	↔	\$22.35	↓
Houston	\$46.01	↑	\$32.18	↔
Indianapolis	\$25.04	↑	\$24.83	↑
Inland Empire	\$27.60	↔	\$28.08	↔
Jacksonville	\$22.55	↔	\$23.37	↔
Las Vegas	N/A	N/A	\$37.56	↑
Long Island	N/A	N/A	\$27.48	↑
Los Angeles	\$45.04	↑	\$45.48	↑
Memphis	\$19.11	↑	\$23.05	↑
Miami	\$51.85	↑	\$35.65	↓
Minneapolis	\$34.73	↑	\$31.87	↑
Nashville	\$33.99	↑	\$29.50	↔
New Jersey	N/A	N/A	\$32.01	↔
New York	\$85.71	↑	N/A	N/A
Oakland	\$57.81	↔	\$52.14	↑
Orange County	\$40.46	↔	\$36.72	↑
Orlando	\$27.29	↔	\$27.26	↑
Philadelphia	\$32.99	↑	\$27.02	↑

North America | Office Asking Rents (in local currency)

Market	Downtown Class A Average Gross Asking Rental Rate (\$psf)	YoY Change	Suburban Class A Average Gross Asking Rental Rate (\$psf)	YoY Change
Phoenix	\$29.11	↔	\$32.06	↑
Pittsburgh	\$28.51	↑	\$26.04	↑
Raleigh-Durham	\$33.00	↑	\$28.85	↑
Reno	\$28.00	↑	\$24.40	↔
Sacramento	\$48.98	↑	\$34.87	↔
San Antonio	\$31.17	↔	\$25.18	↔
San Diego County	\$35.40	↔	\$40.80	↑
San Francisco	\$85.28	↑	N/A	N/A
San Jose/Silicon Valley	\$71.02	↓	\$67.16	↑
San Mateo	\$106.58	↑	\$77.38	↑
Savannah	\$36.74	↔	\$34.40	↑
St. Louis	\$21.44	↑	\$25.68	↑
Tampa	\$31.37	↑	\$29.97	↑
Washington, DC	\$60.00	↑	\$33.90	↔
West Palm Beach	\$63.15	↑	\$41.65	↔
Westchester County	\$53.78	↑	\$38.46	↑
AY U.S. Markets	\$41.86	↑	\$32.76	↑
Mexico City, Mexico	US \$33.92	↔	US \$25.23	↓

Europe & Asia | Office Asking Rents (in local currency)

Market	Downtown Class A Average Gross Asking Rental Rate (£psf)	YoY Change	Suburban Class A Average Gross Asking Rental Rate (£psf)	YoY Change
Birmingham	£34.00	↑	£25.00	↑
Bristol	£35.00	↑	£23.50	↑
Cardiff	£27.00	↑	£15.00	↔
Edinburgh	£36.00	↑	£22.00	↑
Glasgow	£32.50	↑	£16.50	↔
Leeds	£30.00	↔	£24.75	↑
Liverpool	£21.50	↔	£14.00	↔
London	£115.00	↑	N/A	N/A
Manchester	£35.00	↑	£24.00	↑
Newcastle	£24.00	↔	£16.95	↔
AY U.K. Markets	£39.00	↑	£20.19	↑



Europe & Asia | Office Asking Rents (in local currency)

Market	Downtown Class A Average Gross Asking Rental Rate (€/sq. m/mo.)	YoY Change
Berlin	€ 35.50	↑
Duesseldorf	€ 28.50	↑
Frankfurt	€ 43.00	↑
Hamburg	€ 28.00	↑
Munich	€ 39.00	↑
Germany	€ 34.80	↑

Market	Downtown Class A Average Gross Asking Rental Rate (€/sq. m/mo.)	YoY Change	Suburban Class A Average Gross Asking Rental Rate (€/sq. m/mo.)	YoY Change
Warsaw, Poland	€ 22.25	↔	€ 14.00	↔

Market	Downtown Class A Average Gross Asking Rental Rate (€/sq. m/mo.)	YoY Change
Bucharest, Romania	€ 18.50	↔

Market	Downtown Class A Average Gross Asking Rental Rate (₩/sq. m)	YoY Change	Suburban Class A Average Gross Asking Rental Rate (₩/sq. m)	YoY Change
Seoul, South Korea	₩39,730.31	↑	₩27,142.57	↔



North America | Office Investment Sales (in local currency)

Market	Total Office Investment Volume (\$ millions) (12 months)	YoY Change	Average Capitalization Rate for Office Assets	YoY Change	Average Sale Price for Office Assets (\$psf)	YoY Change
Calgary	\$680	↑	7.0%	↑	\$271	↓
Edmonton	\$465	↑	6.5%	↔	\$240	↔
Halifax	N/A	N/A	N/A	N/A	N/A	N/A
Lethbridge	N/A	N/A	N/A	N/A	N/A	N/A
Montreal	\$760	↓	5.4%	↔	\$447	↑
Ottawa	\$550	↓	5.0%	↔	\$269	↓
Regina	\$9	↓	8.7%	↑	\$149	↓
Toronto	\$3,542	↓	4.3%	↔	\$434	↑
Vancouver	\$3,338	↑	4.0%	↔	\$633	↑
Waterloo Region	\$177	↑	6.5%	↔	\$196	↑
Winnipeg	\$55	↑	6.1%	↓	\$151	↑
Canada	\$9,576	↑	5.9%	↑	\$310	↑
Atlanta	\$2,930	↑	7.4%	↑	\$159	↓
Austin	\$2,833	↑	6.0%	↓	\$322	↓
Boston	\$7,718	↑	7.2%	↓	\$157	↓
Charleston	\$293	↓	7.1%	↔	\$186	↓
Charlotte	\$1,526	↑	6.3%	↓	\$248	↑
Chicago	\$3,835	↓	7.1%	↑	\$177	↓
Cleveland	\$412	↑	8.1%	↓	\$80	↑
Columbus, OH	\$180	↑	8.6%	↔	\$96	↑
Dallas	\$1,697	↓	7.3%	↓	\$239	↑
Denver	\$2,895	↑	6.7%	↔	\$248	↑

North America | Office Investment Sales (in local currency)

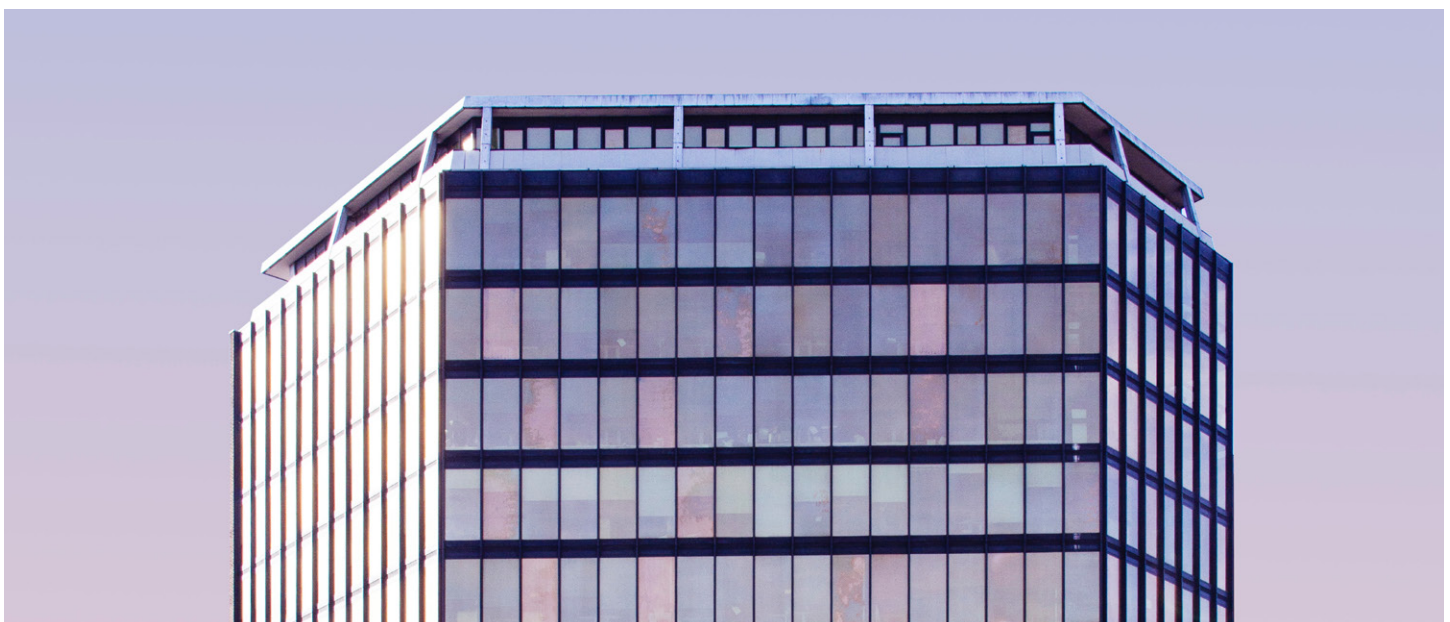
Market	Total Office Investment Volume (\$ millions) (12 months)	YoY Change	Average Capitalization Rate for Office Assets	YoY Change	Average Sale Price for Office Assets (\$psf)	YoY Change
Detroit	\$82	↓	8.8%	↔	\$113	↑
Fairfield County	\$539	↑	7.7%	↓	\$175	↓
Fort Lauderdale	\$892	↑	7.8%	↑	\$175	↔
Gainesville	\$6	↔	7.3%	↔	\$90	↑
Greenville	\$191	↔	7.8%	↔	\$137	↑
Hartford	\$240	↑	9.8%	↓	\$34	↑
Houston	\$2,273	↓	7.1%	↓	\$208	↑
Indianapolis	\$532	↓	8.0%	↑	\$105	↑
Inland Empire	\$556	↑	7.4%	↑	\$177	↔
Jacksonville	\$545	↑	7.3%	↓	\$141	↓
Las Vegas	\$483	↓	6.9%	↔	\$184	↑
Long Island	\$1,544	↑	6.5%	↓	\$272	↑
Los Angeles	\$1,033	↑	5.5%	↓	\$309	↑
Memphis	\$196	↑	8.5%	↔	\$84	↑
Miami	\$991	↑	7.5%	↑	\$301	↔
Minneapolis	\$1,905	↓	8.0%	↔	\$158	↓
Nashville	\$1,181	↑	6.5%	↓	\$272	↑
New Jersey	\$2,153	↓	6.6%	↓	\$122	↓
New York	\$21,160	↑	4.6%	↔	\$901	↔
Oakland	\$1,518	↑	6.6%	↑	\$300	↓
Orange County	\$2,431	↓	6.5%	↑	\$298	↑
Orlando	\$806	↓	7.1%	↔	\$187	↑
Philadelphia	\$2,590	↑	8.2%	↑	\$175	↑

North America | Office Investment Sales (in local currency)

Market	Total Office Investment Volume (\$ millions) (12 months)	YoY Change	Average Capitalization Rate for Office Assets	YoY Change	Average Sale Price for Office Assets (\$psf)	YoY Change
Phoenix	\$2,094	↓	7.0%	↔	\$203	↑
Pittsburgh	\$251	↑	7.3%	↓	\$210	↑
Raleigh-Durham	\$1,374	↓	6.6%	↓	\$233	↑
Reno	\$135	↑	6.3%	↓	\$169	↑
Sacramento	\$1,117	↓	7.3%	↑	\$186	↑
San Antonio	\$348	↓	7.6%	↑	\$208	↓
San Diego County	\$3,031	↑	6.2%	↓	\$339	↑
San Francisco	\$2,870	↑	4.6%	↑	\$766	↓
San Jose/Silicon Valley	\$5,944	↑	5.9%	↔	\$511	↓
San Mateo	\$3,011	↑	5.9%	↓	\$671	↓
Savannah	\$40	↑	8.5%	↔	\$307	↑
St. Louis	\$317	↑	7.9%	↔	\$137	↔
Tampa	\$688	↓	6.9%	↔	\$141	↓
Washington, DC	\$7,992	↓	6.2%	↓	\$296	↓
West Palm Beach	\$327	↓	6.9%	↓	\$244	↑
Westchester County	\$517	↑	7.3%	↓	\$191	↑
AY U.S. Markets	\$98,220	↑	7.1%	↔	\$238	↑
Mexico City, Mexico	US \$38,671	↑	7.5%	↑	US \$4,500/sq. m	↓

Europe & Asia | Office Investment Sales (in local currency)

Market	Total Office Investment Volume (£ millions) (12 months)	YoY Change	Average Capitalization Rate for Office Assets	YoY Change	Average Sale Price for Office Assets (£psf)	YoY Change
Birmingham	£484	↔	5.0%	↑	£267	↑
Bristol	£195	↓	5.0%	↔	£310	↓
Cardiff	£206	↓	5.8%	↑	£348	↑
Edinburgh	£430	↑	4.8%	↔	£342	↓
Glasgow	£279	↓	5.0%	↔	£206	↓
Leeds	£229	↓	5.0%	↔	£240	↑
Liverpool	£37	↓	6.0%	↔	£194	↑
London	£14,108	↓	3.5%	↔	£1,012	↓
Manchester	£691	↓	5.0%	↑	£209	↓
Newcastle	£33	↓	6.0%	↑	£113	↓
AY U.K. Markets	£16,692	↓	5.1%	↔	£324	↓



Europe & Asia | Office Investment Sales (in local currency)

Market	Office Prime Yield (Net Initial)	YoY Change
Berlin	2.8%	↔
Duesseldorf	3.1%	↓
Frankfurt	3.0%	↓
Hamburg	2.9%	↓
Munich	2.8%	↓
Germany	2.9%	↓

Market	Total Office Investment Volume (€ millions) (12 months)	YoY Change	Average Capitalization Rate for Office Assets	YoY Change	Average Sale Price for Office Assets (€/sq. m)	YoY Change
Warsaw, Poland	€4	↑	4.5%	↓	€2,897	↑

Market	Average Capitalization Rate for Office Assets	YoY Change	Average Sale Price for Office Assets (€/sq. m)	YoY Change
Bucharest, Romania	7.0%	↓	€2,700	↑

Market	Total Office Investment Volume (₩ millions) (12 months)	YoY Change	Average Capitalization Rate for Office Assets	YoY Change	Average Sale Price for Office Assets (₩/sq. m)	YoY Change
Seoul, South Korea	₩13,346,773	↑	4.7%	↔	₩6,490,076	↑



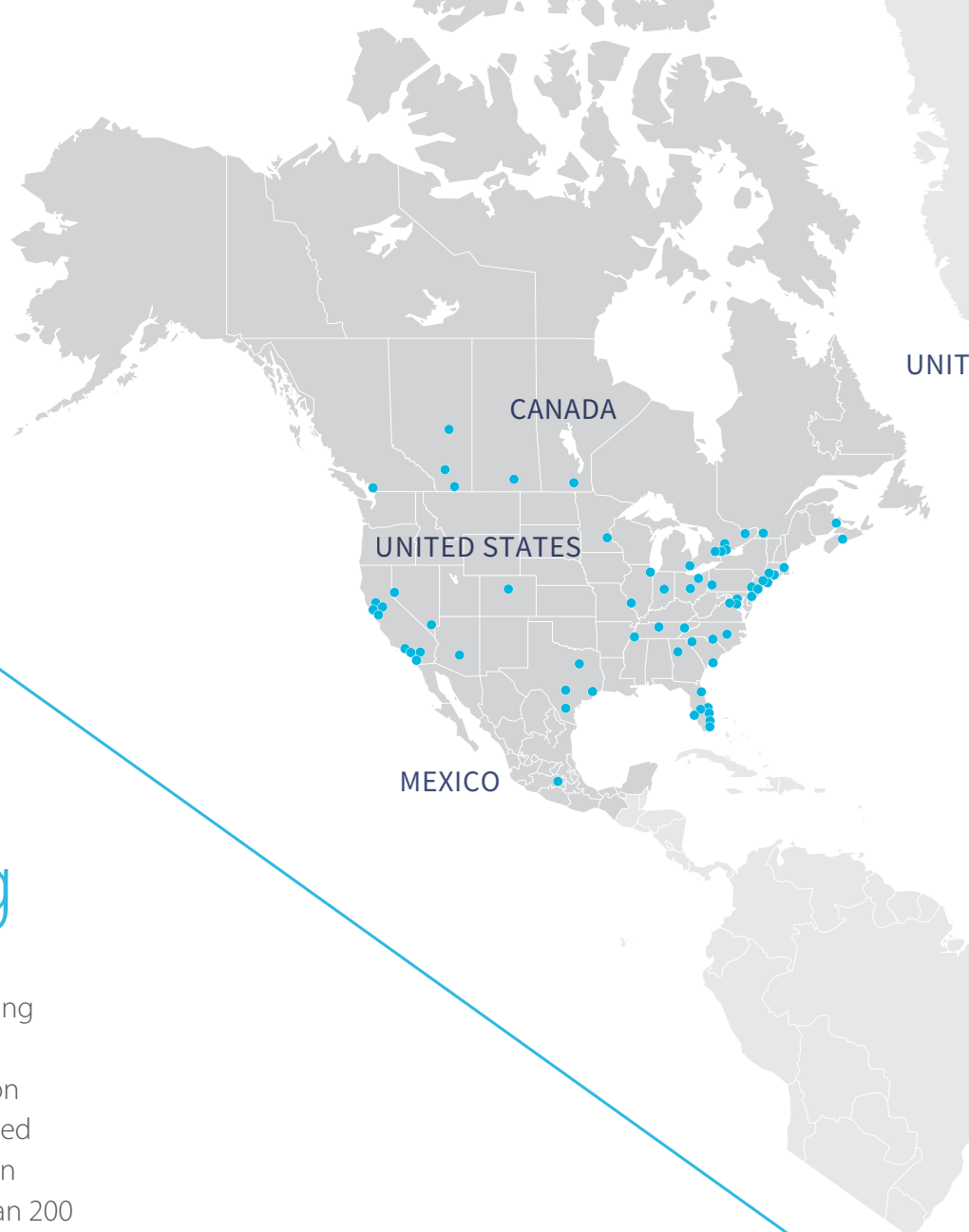
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We're different

We are an integrated full-service commercial real estate service provider with a unique model, culture and approach. The Avison Young difference translates into intelligent solutions that deliver a better client experience – and better results.

Our approach is based on partnership, with our clients and across our company. The firm's equity is in the hands of a broad base of principals, a unique ownership structure that creates the incentive for internal collaboration and aligns our solutions, first and foremost, with client objectives. Our principal-led structure places the priority on relationships, not just transactions; on long-term performance, not just the current quarter.





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PROFESSIONALS**

~5,000

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120+

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PROFESSIONALS**

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**PROPERTY UNDER
MANAGEMENT**

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