2026

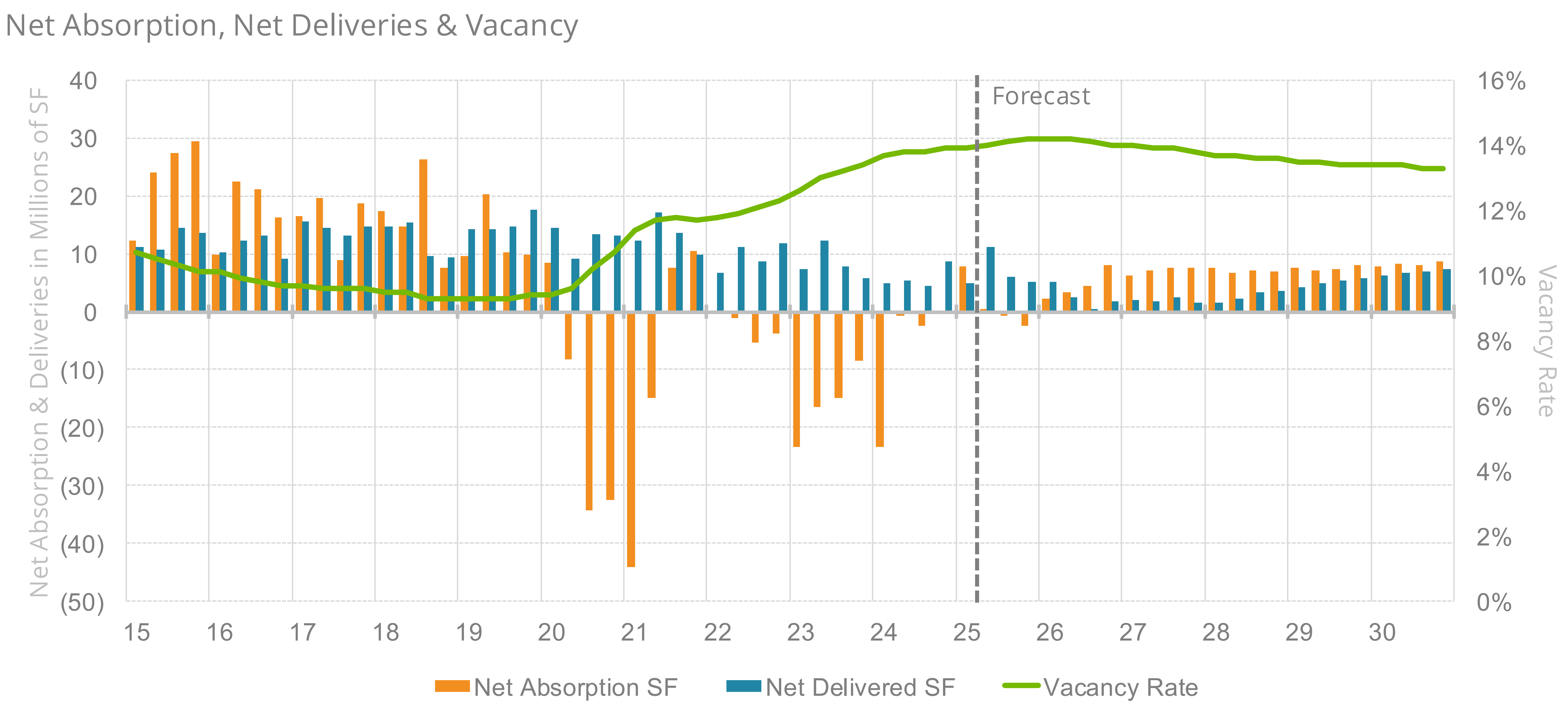
U.S. **Office**

National Trends

SITE SELECTION GROUP

UPDATED:
August 2026

Vacancy to peak as economy slows over next 12 months



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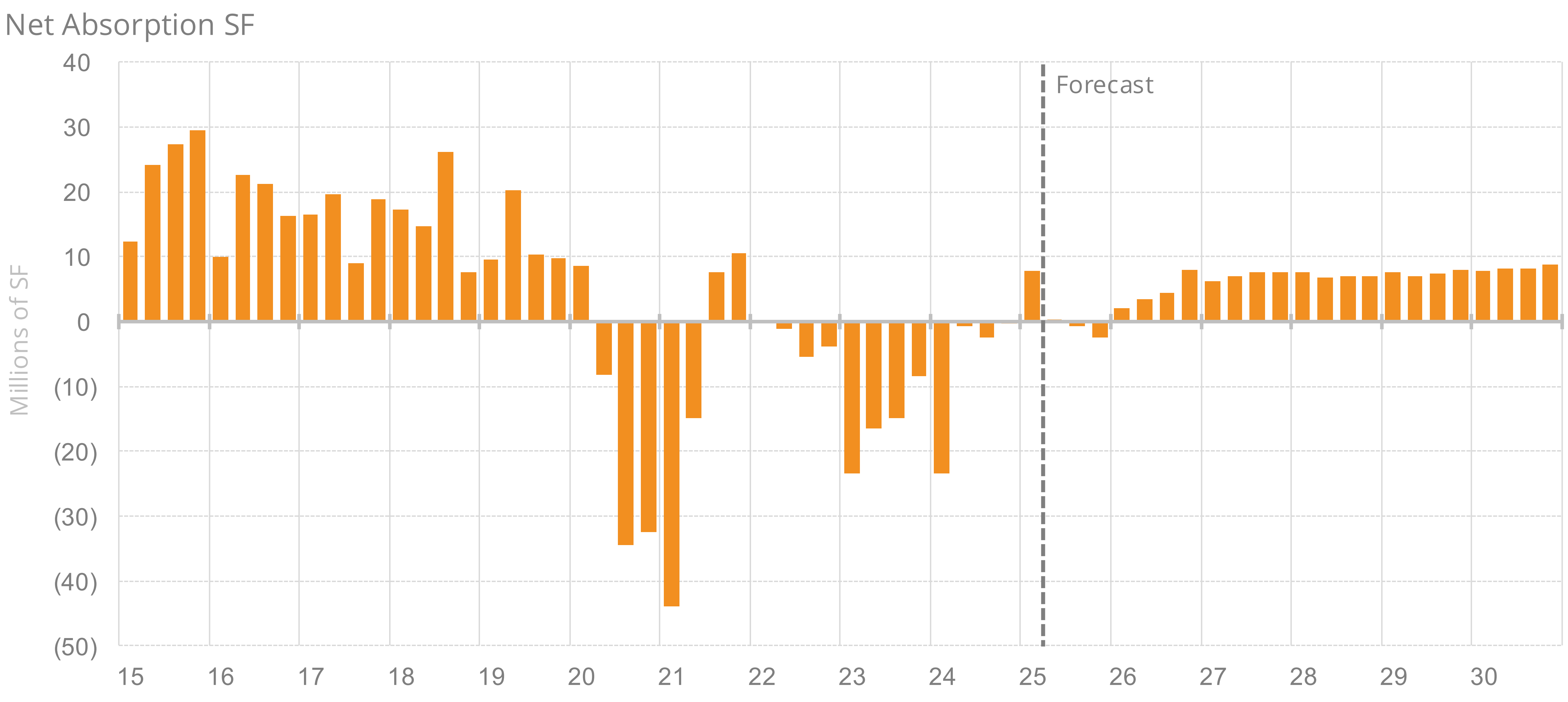
Absorption to turn positive as demand reconnects with job growth



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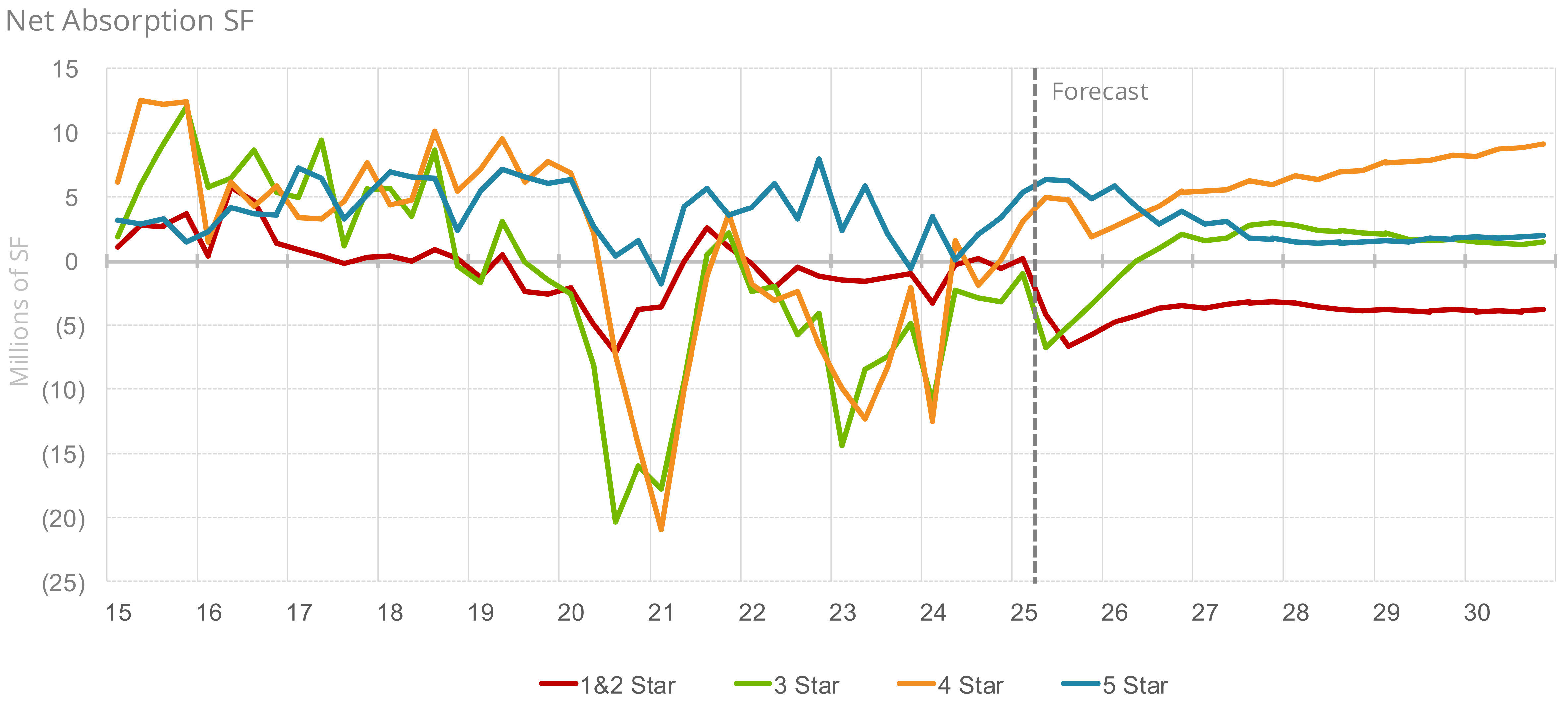
Low 5-Star availability to drive move-ins at 3- & 4-Star buildings



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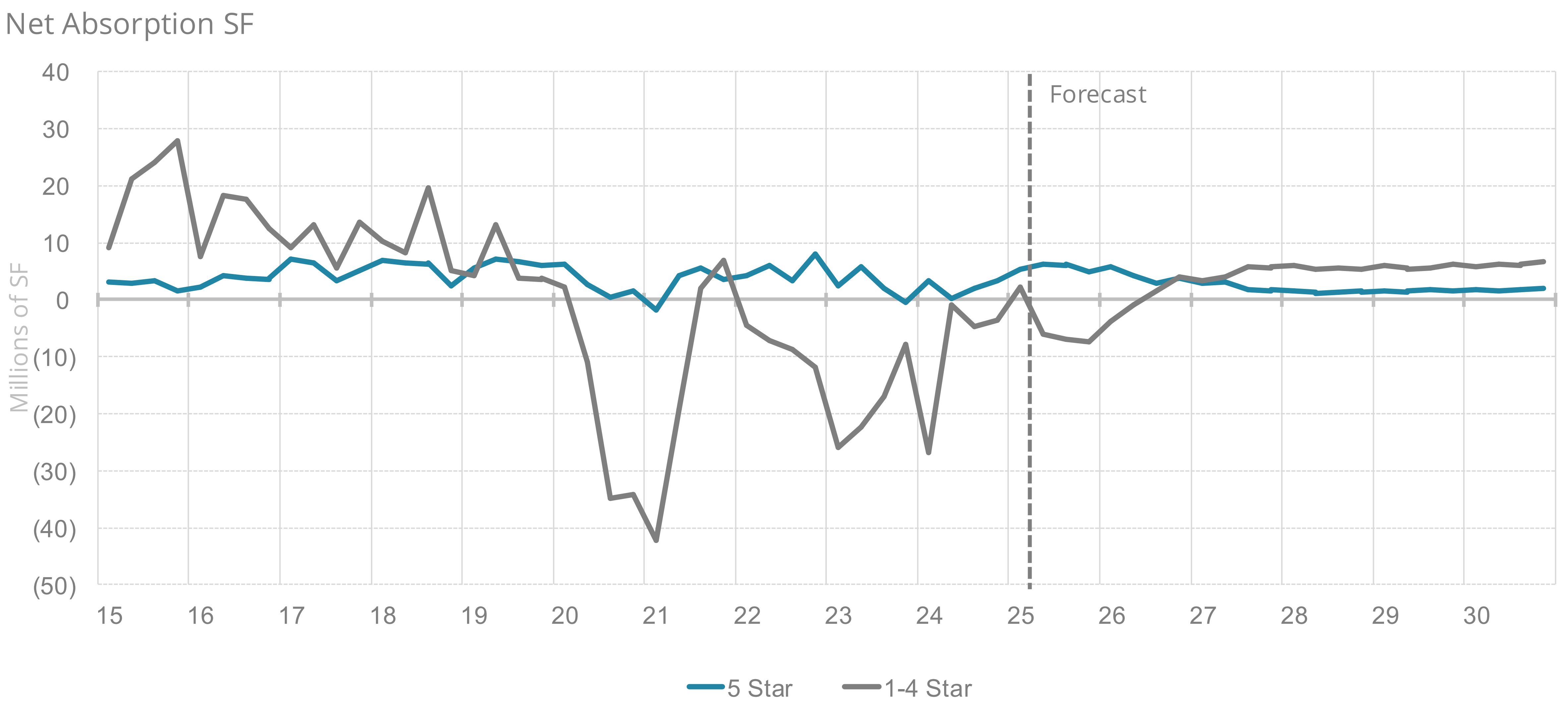
Backfilling of lower-rated space to begin as pipeline evaporates



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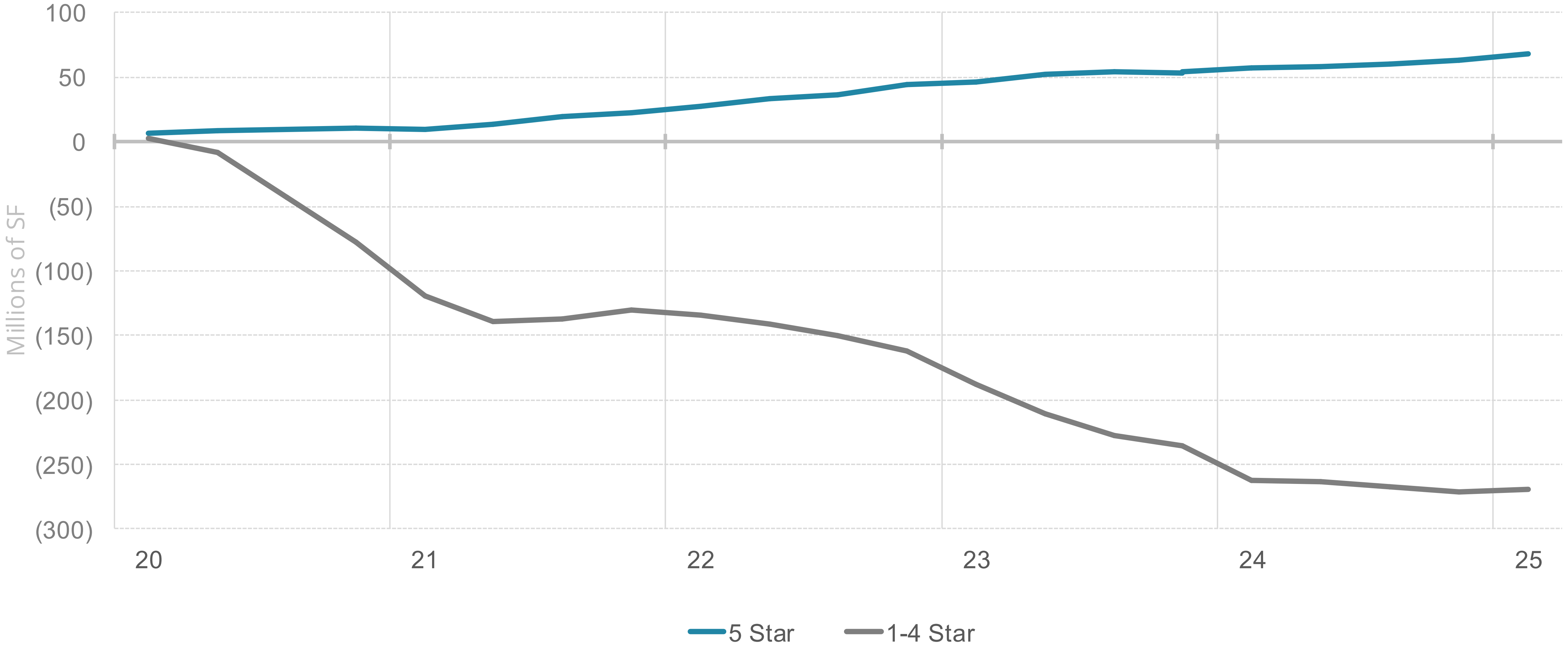
Occupancy at lower-rated buildings is stabilizing

Cumulative Net Absorption SF since 2020



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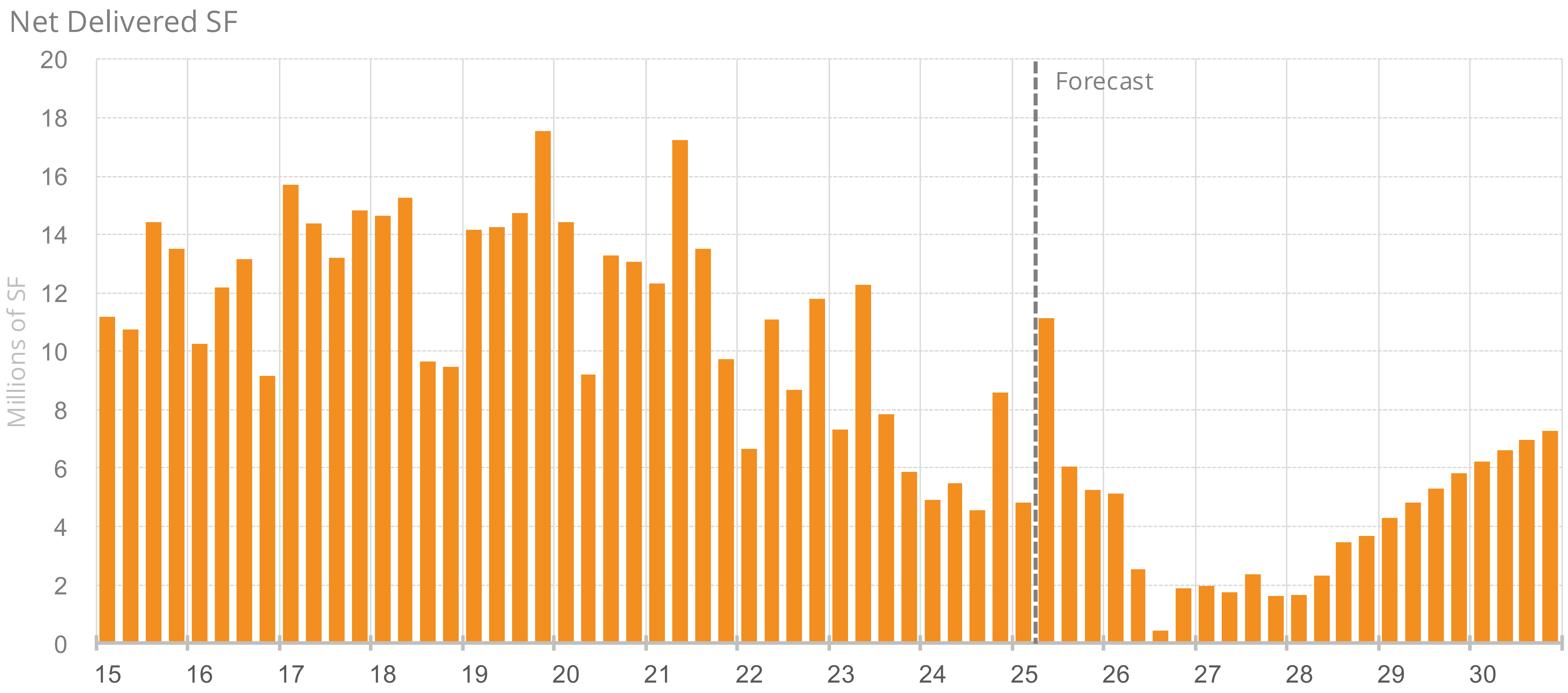
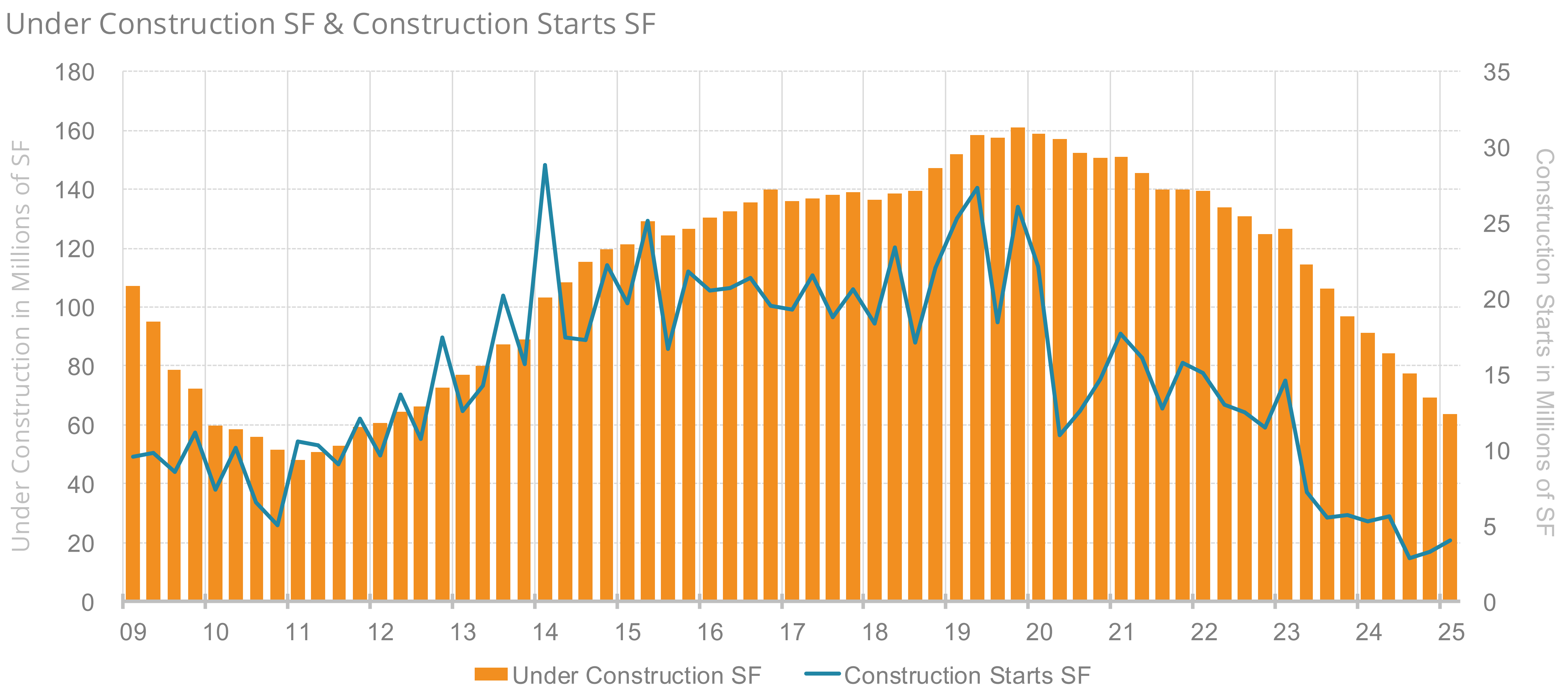
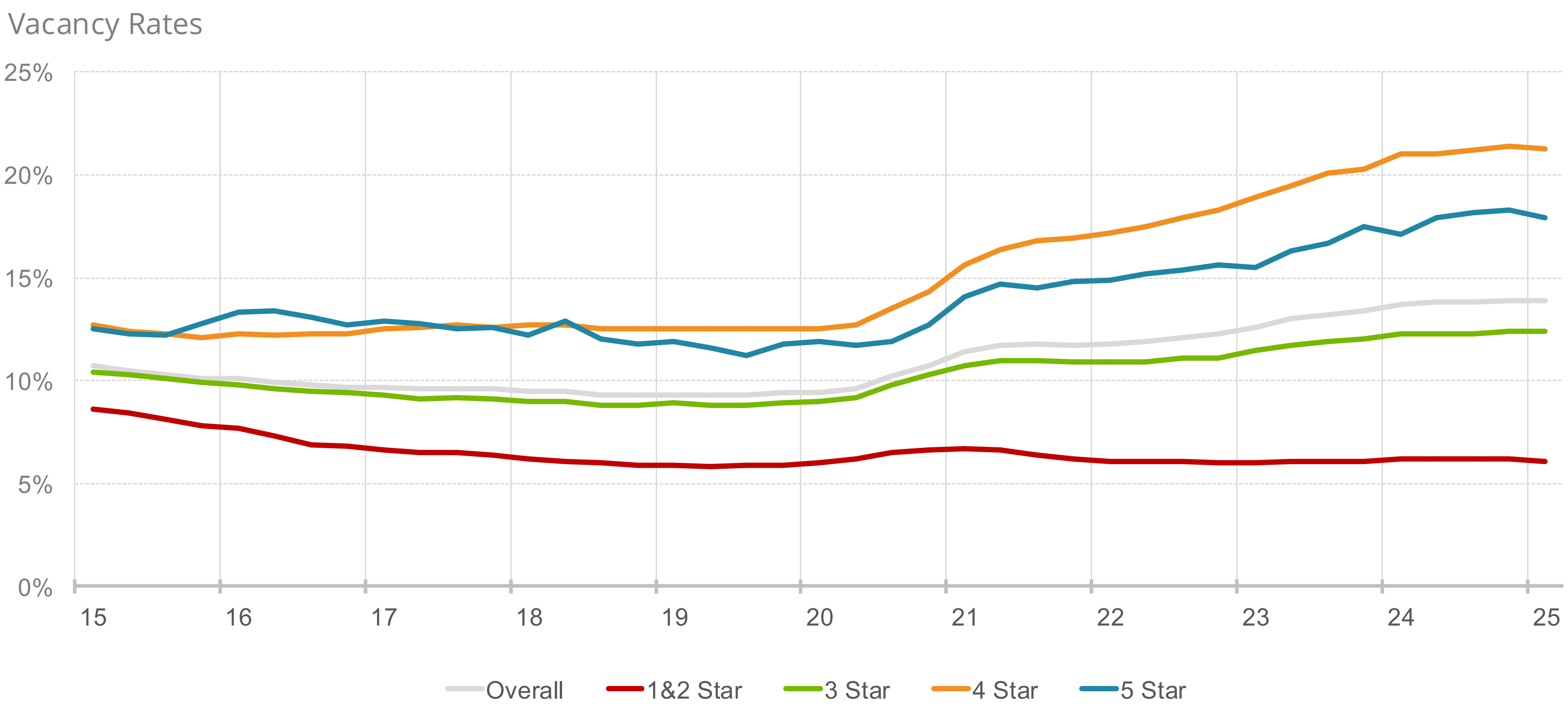
Supply growth to diminish to historical lows in 2026 and beyond



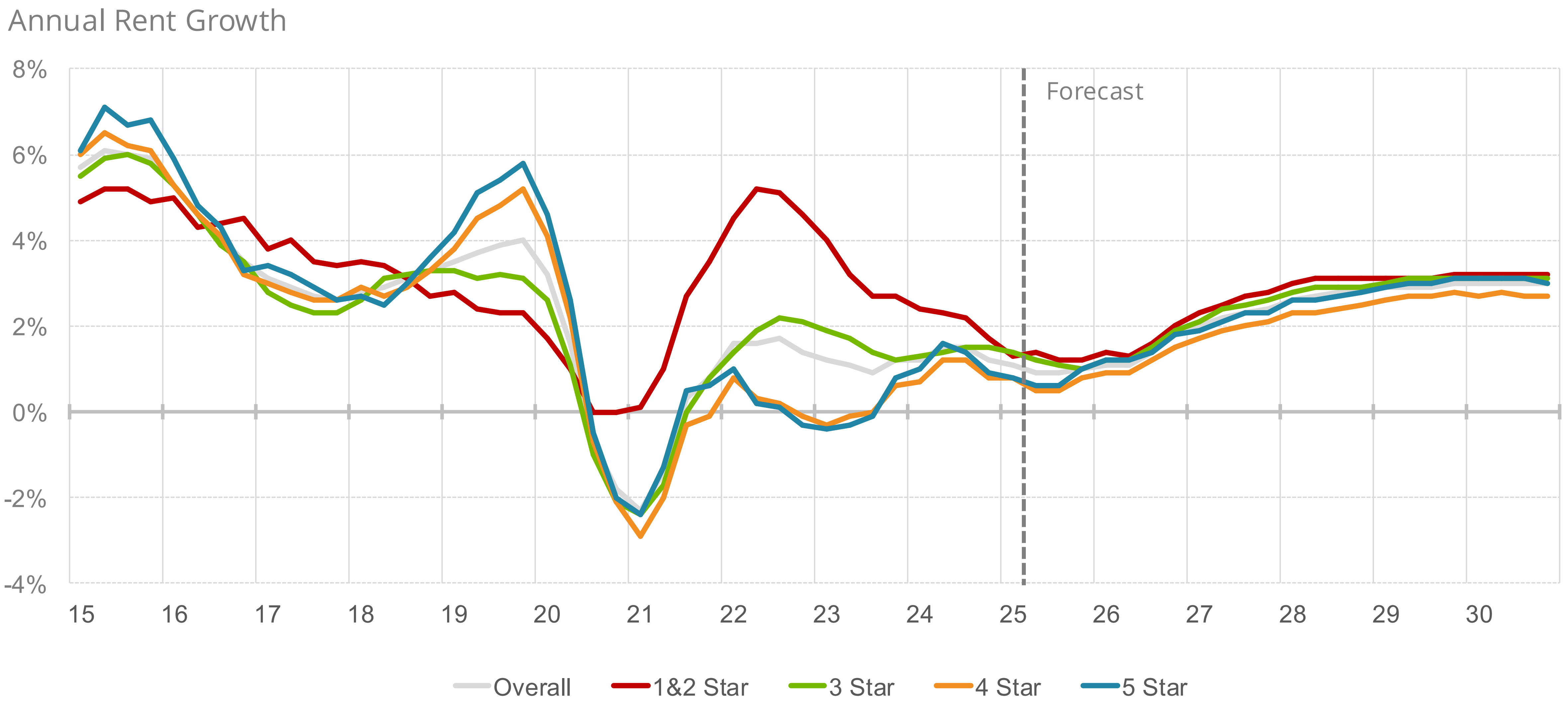
Pipeline smallest since 2012 with starts near record lows



Vacancy has increased most in 4-Star buildings



Asking rent growth weakest in 4-Star properties



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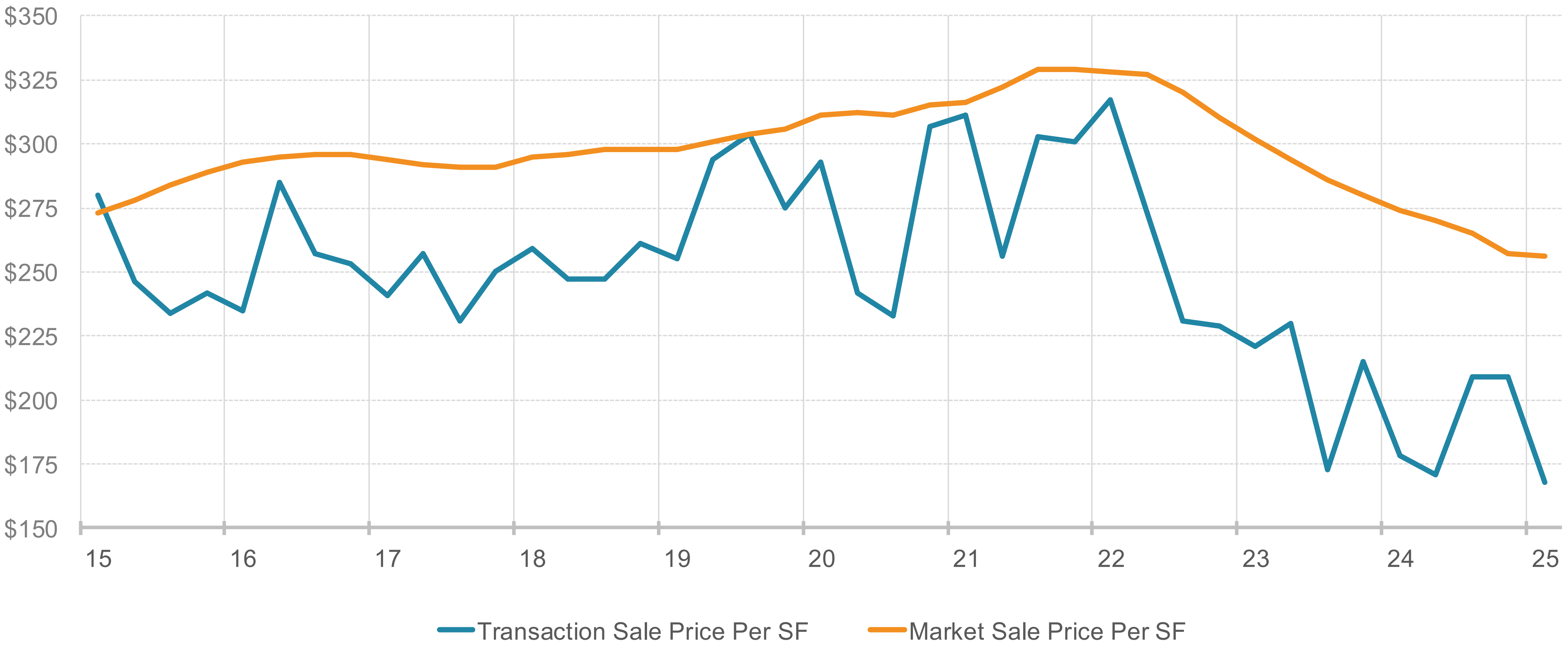
Values to trough as price discovery enters final phase

Transaction Price Per SF & Market Price Per SF



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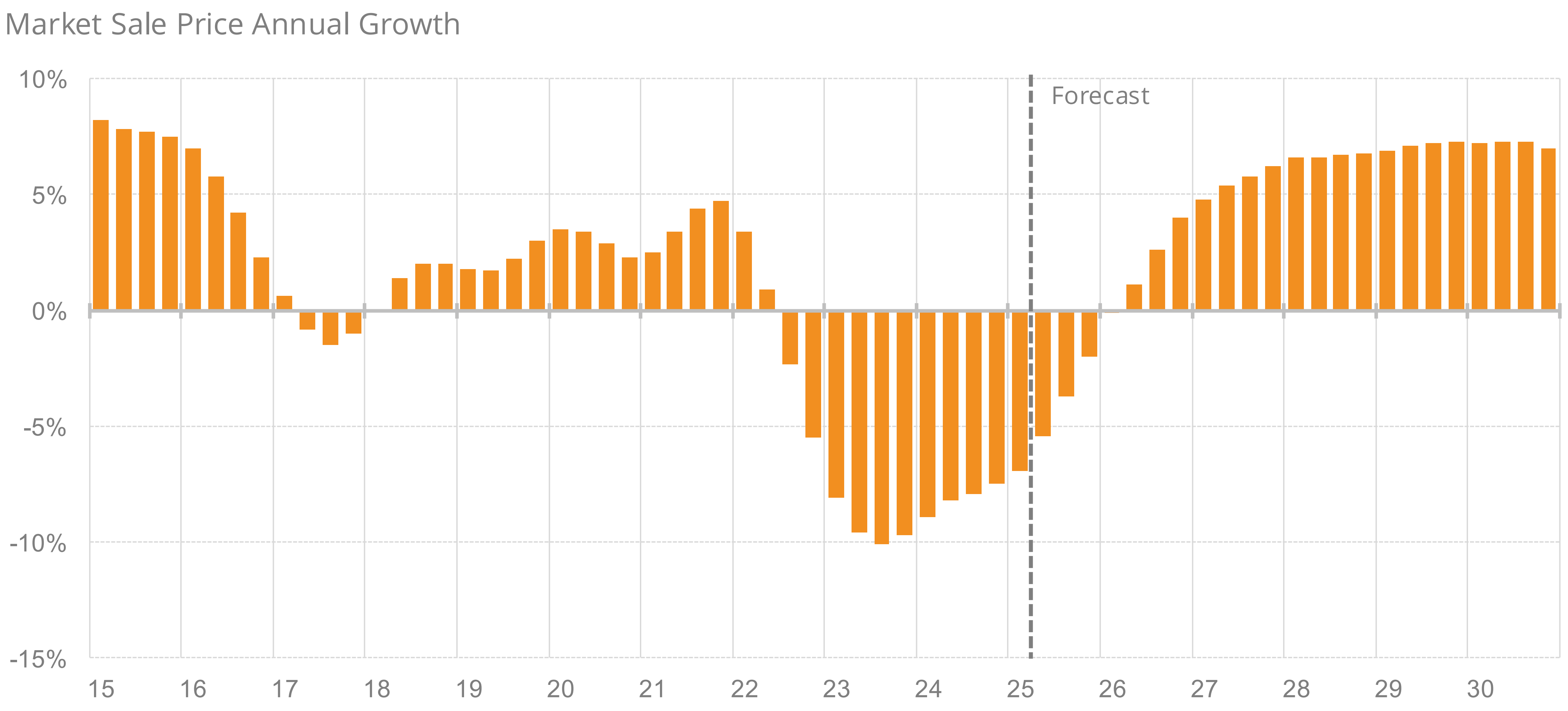
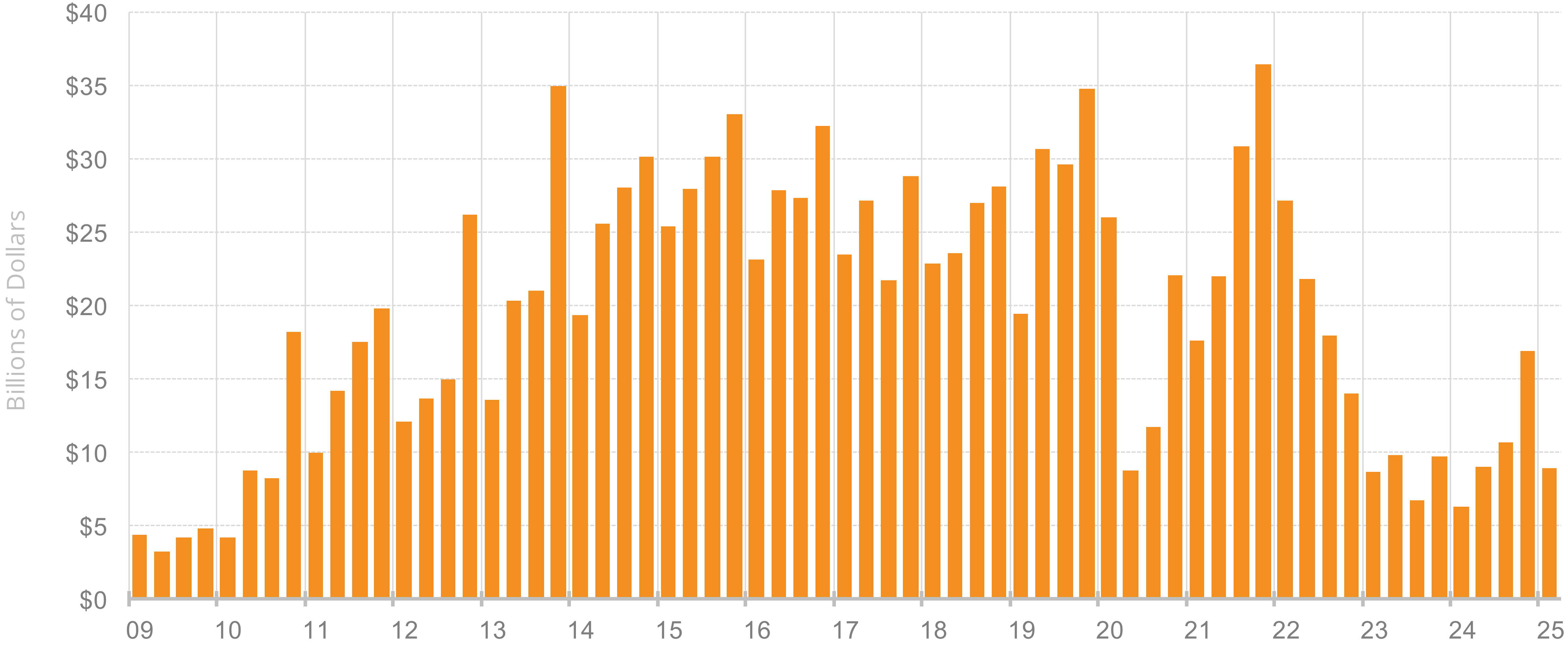
Pricing expected to correct further in 2025 as liquidity returns



Sales volume is recovering from historically low levels

Total Sales Volume



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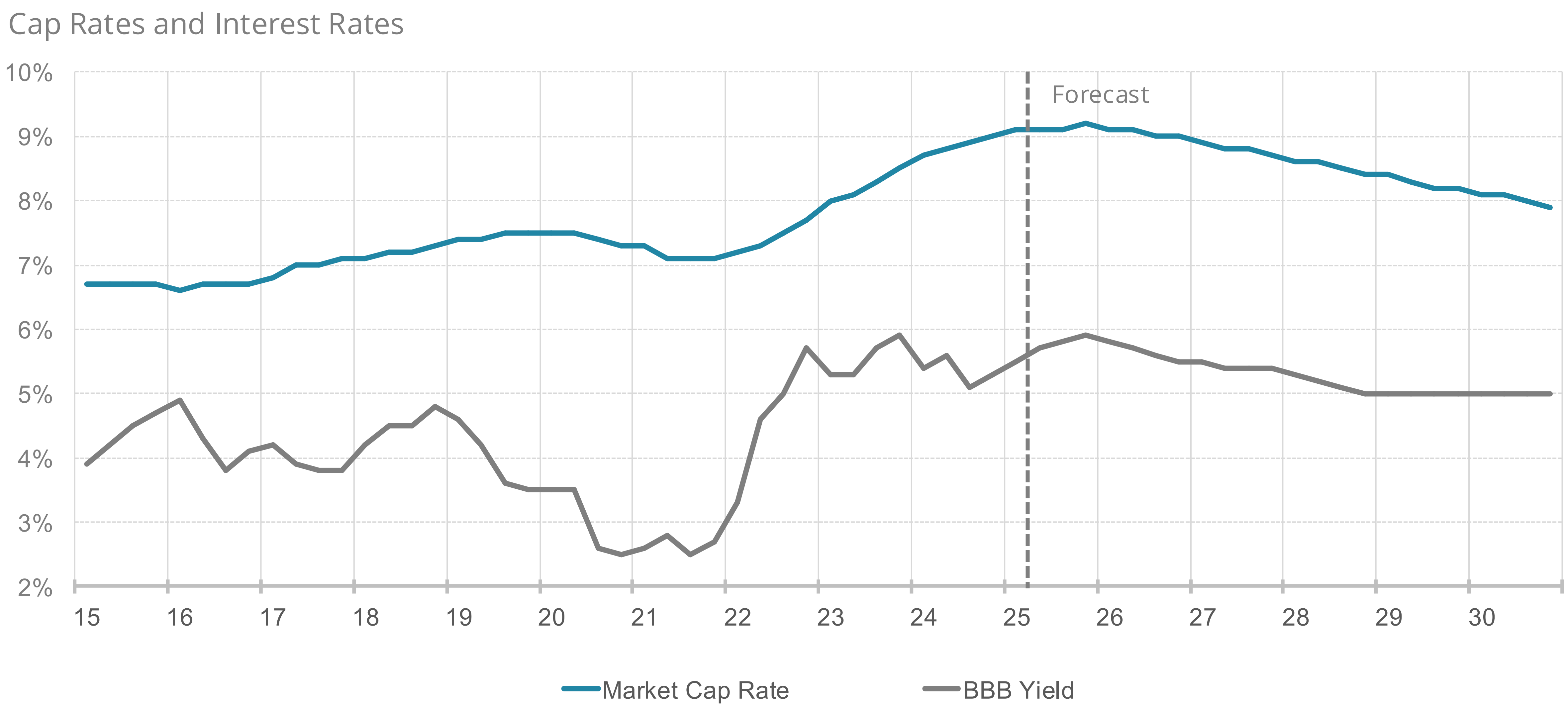
Cap rates to peak around the end of 2025



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