



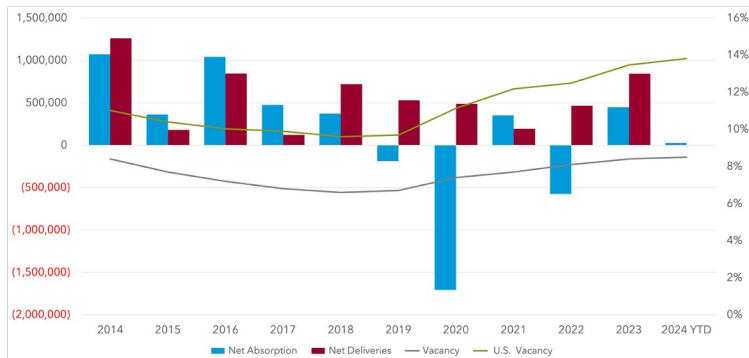
OFFICE MARKET OVERVIEW

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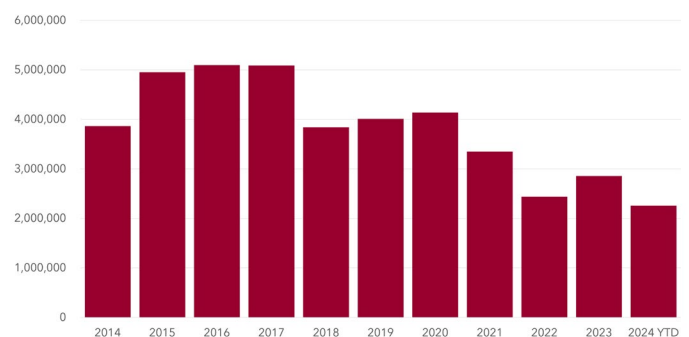
In the third quarter of 2024, Eastern Pennsylvania's office market remained relatively stagnant, with a slight increase in standing inventory. Alongside the rise in inventory, there was a minimal uptick in vacancy rates and NNN asking rents. It will be interesting to monitor the fourth quarter to determine if asking rates decrease in response to the fluctuating vacancy levels observed over recent quarters. Such adjustments could potentially have a positive impact on net absorption if more space is leased in the market.

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	590,247	637,981	(117,325)	(77,174)	(1,102,570)
▲ Vacancy Rate	8.5%	8.4%	8.5%	8.4%	8.3%
▲ Avg NNN Asking Rate PSF	\$22.51	\$22.47	\$22.48	\$22.45	\$22.43
▼ Sale Price PSF	\$95.00	\$118.00	\$100.00	\$131.00	\$103.00
▲ Cap Rate	8.43%	7.98%	8.70%	8.65%	9.05%
▼ Under Construction SF	2,259,724	2,545,106	2,626,939	2,857,276	3,692,617
▲ Inventory SF	495,626,370	495,321,293	495,127,760	495,111,125	494,271,082

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1601 Cherry Street Philadelphia, PA	561,908 SF	\$30,000,000 \$53.39 PSF	PMC Property Group MRP Realty / Barings	Class A
50 W. Stoever Avenue Myerstown, PA	101,525 SF	\$355,000 \$3.50 PSF	2J2M LLC Reiff P. Nelson	Class C
625 W. Ridge Pike Conshocken, PA	92,075 SF	\$17,000,000 \$84.67 PSF	BET Investments, Inc. Exeter	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
111 S. 15th Street Philadelphia, PA	117,000 SF	Michael L Connell	Defender Association of Philadelphia	Professional, Scientific, Technical Services
100 Redco Avenue Red Lion, PA	90,754 SF	Rexroth Tenancy in Common Partnership	Undisclosed	Undisclosed
1313 N. Market Street Wilmington, DE	82,758 SF	Siegfried	Potter Anderson & Corroon LPP	Professional, Scientific, Technical Services

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