



# San Francisco Office Market

(Q3 2017)

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTC (SF)	OVERALL AVERAGE ASKING RENT (ALL CLASSES)*	OVERALL AVERAGE ASKING RENT (CLASS A)*
North Financial District	25,908,335	495,652	2,362,701	11.0%	-52,165	-109,319	1,679,733	370,000	\$71.59	\$72.91
South Financial District	25,627,040	333,887	1,570,404	7.4%	46,213	-133,574	2,268,587	3,618,398	\$73.12	\$73.80
<b>CBD</b>	<b>51,535,375</b>	<b>829,539</b>	<b>3,933,105</b>	<b>9.2%</b>	<b>-5,952</b>	<b>-242,893</b>	<b>3,948,320</b>	<b>3,988,398</b>	<b>\$72.17</b>	<b>\$73.30</b>
Jackson Square	1,490,806	3,545	28,248	2.1%	16,849	40,973	70,176	0	\$55.27	\$59.00
North Waterfront	3,176,308	57,838	150,295	6.6%	-4,353	-57,151	137,118	0	\$56.07	\$58.58
SOMA	7,947,198	223,987	485,532	8.9%	71,785	-52,418	786,153	153,117	\$74.14	\$78.25
The Presidio	1,030,627	0	8,664	0.8%	0	5,330	8,563	0	\$77.50	\$77.50
Union Square	3,173,989	47,290	201,151	7.8%	-10,709	-54,208	133,715	0	\$70.03	\$73.89
Van Ness Corridor	878,956	4,674	111,816	13.3%	0	-7,019	5,358	0	\$59.22	\$57.09
Showplace Square / Potrero Hill	3,261,042	85,975	335,733	12.9%	-156,029	-140,373	472,188	314,000	\$61.84	\$61.76
Mission Bay	1,056,735	0	0	0.0%	43,625	0	43,625	680,000	N/A	N/A
Mid-Market	4,223,733	29,482	118,135	3.5%	-11,110	88,388	10,228	0	\$56.01	\$60.91
Third Street Corridor	349,465	0	0	0.0%	0	0	0	0	N/A	N/A
<b>TOTAL</b>	<b>78,124,234</b>	<b>1,282,330</b>	<b>5,372,679</b>	<b>8.5%</b>	<b>-55,894</b>	<b>-419,371</b>	<b>5,615,444</b>	<b>5,135,515</b>	<b>\$70.51</b>	<b>\$72.29</b>

\*Rental rates reflect full service asking \$psf/year

OFFICE CLASS BREAKDOWN										
Class A	55,190,495	821,714	4,111,732	8.9%	-109,379	-375,203	4,380,926	4,982,398	\$72.29	
Class B	15,634,271	369,102	1,029,796	8.9%	53,158	-110,362	948,698	153,117	\$65.23	
Class C	7,299,468	91,514	231,151	4.4%	327	66,194	285,820	0	\$61.30	

\*Office asking rents converted to Full Service

- The citywide overall vacancy rate closed the third quarter of 2017 at 8.5%, a very small increase from Q2 but a big increase over one year ago.
- Overall asking rents increased to \$70.51 psf in Q3, with CBD Class A direct average asking rents decreasing to \$72.29 psf.