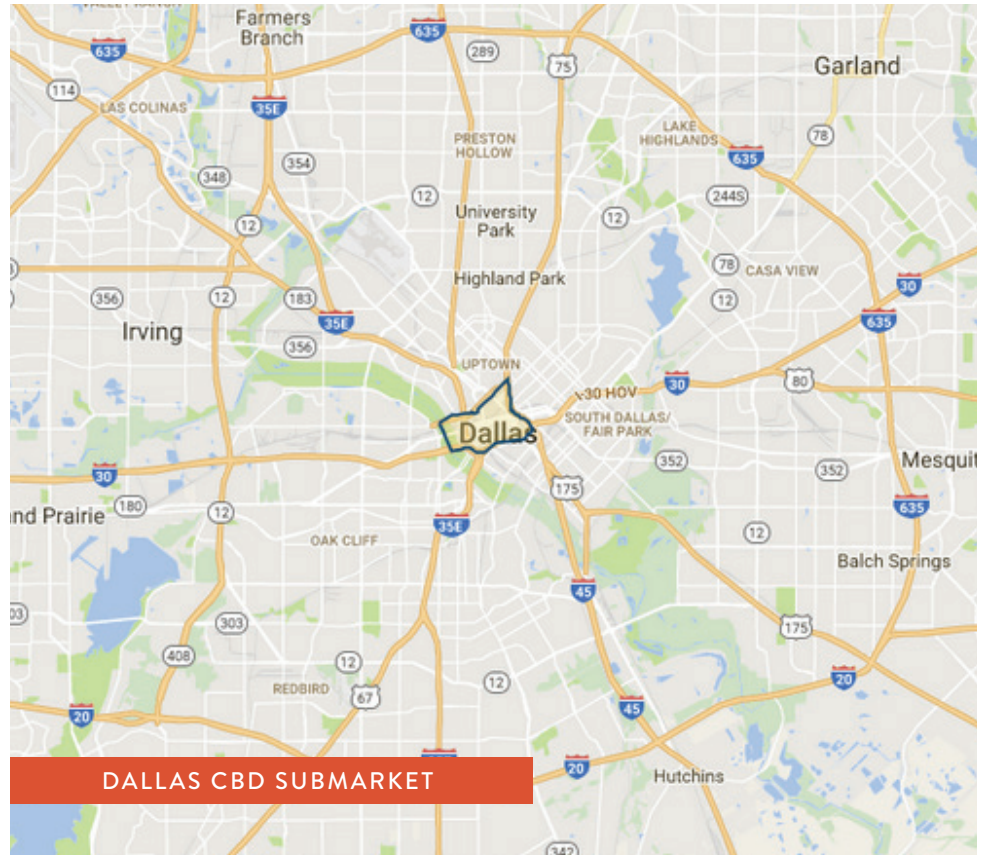


DALLAS CBD

2nd Quarter 2017



OFFICE
Market Snapshot



synopsis
trends
occupancy
rental rates
transactions
market highlights



DALLAS CBD

2nd Quarter 2017

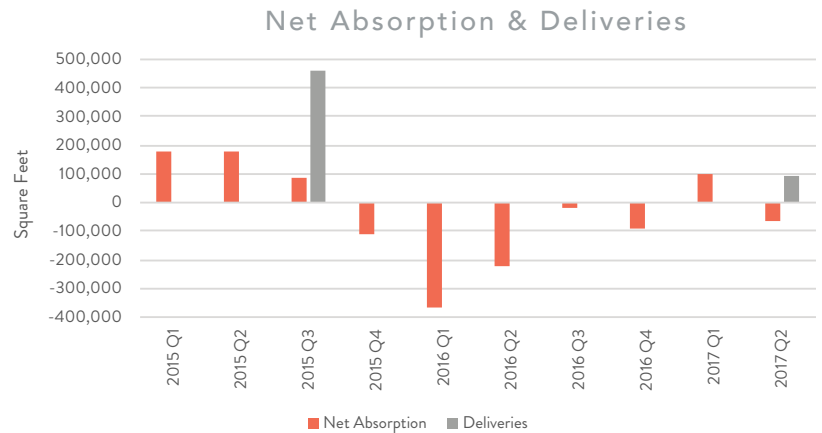
SYNOPSIS

The Dallas CBD submarket posted negative net absorption of 63,555 square feet this quarter. The overall occupancy rate decreased 40 basis points to 77.7%. The overall rental rate decreased \$0.38 to \$25.31 during the quarter. One new building containing 92,237 square feet was delivered this quarter and there was one new building containing 261,400 square feet under construction.

NET ABSORPTION & DELIVERIES

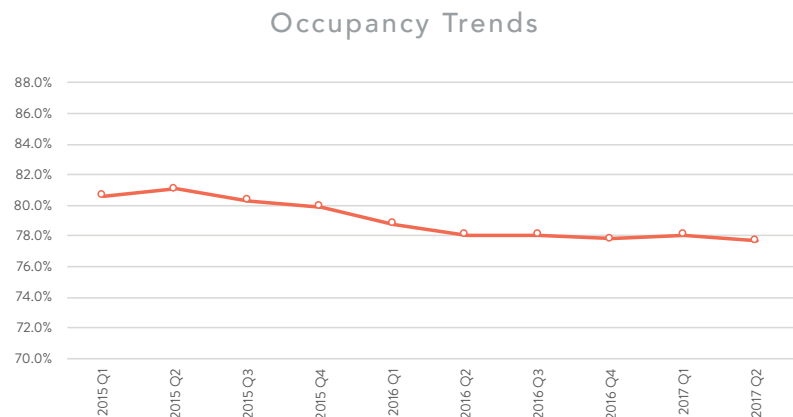
- Quarterly Net Absorption: -63,555 SF
- Quarterly Deliveries: 92,237 SF
- FYE 2Q17 Net Absorption: -72,754 SF
- FYE 2Q17 Deliveries: 92,237 SF

NET ABSORPTION **DELIVERIES**



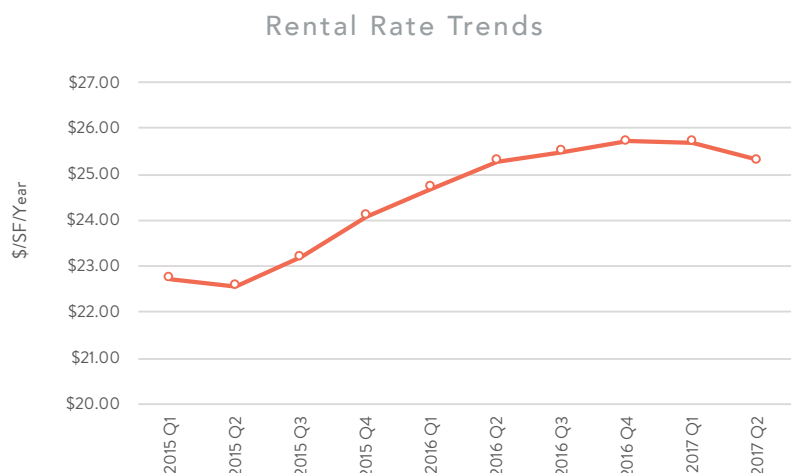
OCCUPANCY TRENDS

- Occupancy decreased 40 basis points.
- The Dallas CBD submarket posted an occupancy rate of 77.7%.



RENTAL RATES

- Rental Rates fell to \$25.31
- Rates were down \$0.38 since last quarter



DALLAS CBD

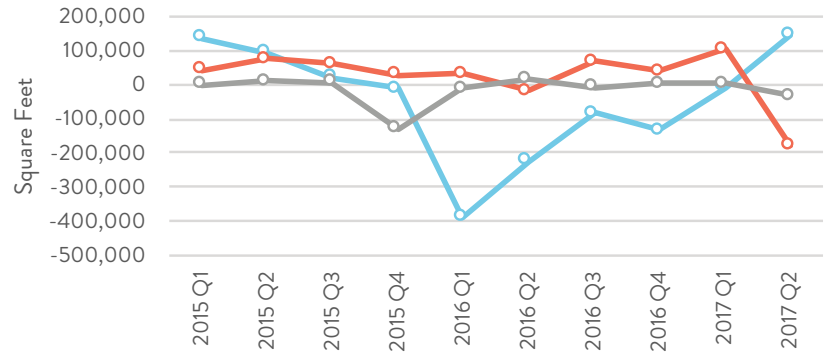
2nd Quarter 2017

CLASS ABSORPTION TRENDS

- Class A posted 145,496 SF of positive net absorption
- Class B posted 177,735 SF of negative net absorption
- Class C posted 31,316 SF of negative net absorption



Class Absorption

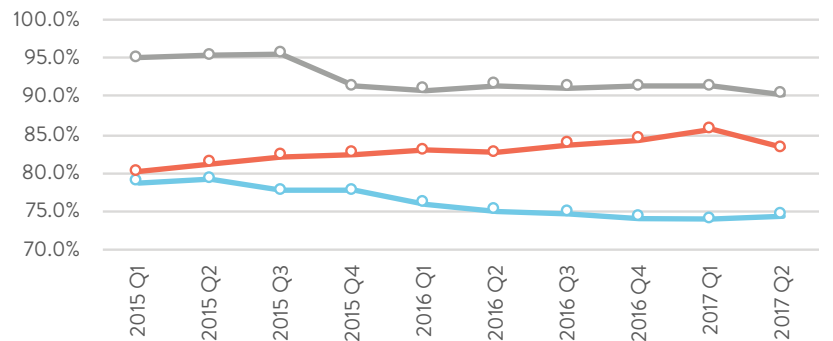


CLASS OCCUPANCY TRENDS

- The Class A occupancy rate increased 40 basis points to 74.4%
- The Class B occupancy rate fell 240 basis points to 83.3%
- The class C occupancy rate fell 110 basis points to 90.2%.



Class Occupancy

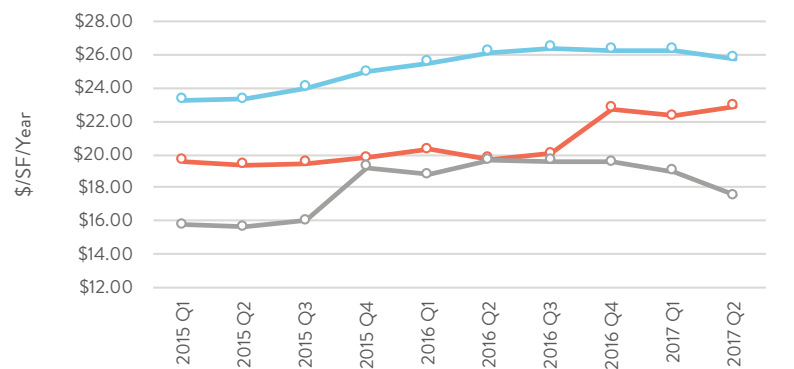


CLASS RENTAL RATES

- Class A rental rates fell \$0.55 to \$25.74 during the quarter
- Class B rental rates increased \$0.58 to \$22.88
- Class C rental rates decreased \$1.39 to \$17.55



Class Rental Rates



DALLAS CBD

2nd Quarter 2017

12700 Park Central Drive,
Suite 820 | Dallas, TX 75251

BIG DEALS

BUILDING	TENANT	QTR	SIZE SF
2001 Ross Ave	N/A	4/4/17	115,492
2100 Ross Ave	N/A	6/13/17	28,852
2100 Ross Ave	Krange & Janvey, LLP	5/24/17	16,021
1601 Elm St	Skiermont Derby	5/17/17	13,939
1910 Pacific Ave	N/A	5/26/17	13,554
717 N Harwood St	Colliers International	5/3/17	13,399
2323 Ross Ave	N/A	4/19/17	11,430
600 N Pearl St	Academic Partnerships	5/3/17	11,301
1717 Main St	N/A	6/3/17	10,116

MARKET HIGHLIGHTS

- Comerica Bank (NYSE: CMA) is keeping its headquarters in downtown Dallas after the financial services company signed an extension for 222,000 square feet of corporate office space at 1717 Main St. The new lease will keep the company in the building through September 2028.
- Following an exhaustive nationwide search, U.K.-based recruiting and staffing firm Frank Recruitment Group has selected the Ross Tower at 500 North Akard Street for the site of its next U.S. office. The firm will initially occupy 12,000 square feet. According to a company press release, the firm selected Dallas for its proximity to a diverse base of current and prospective clients, and to educated employees.
- Civitas Capital Group has signed a lease for 24,724 square feet at One Arts Plaza, located at 1722 Routh Street in downtown Dallas, where the professional investment firm will relocate its corporate offices.

*Younger Partners research is based on the CoStar office building database. Inventory includes office buildings containing at least 15,000 rentable square feet; single tenant, multi tenant and owner occupied; class A, B and C; existing, under construction or under renovation; excludes medical office buildings.

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