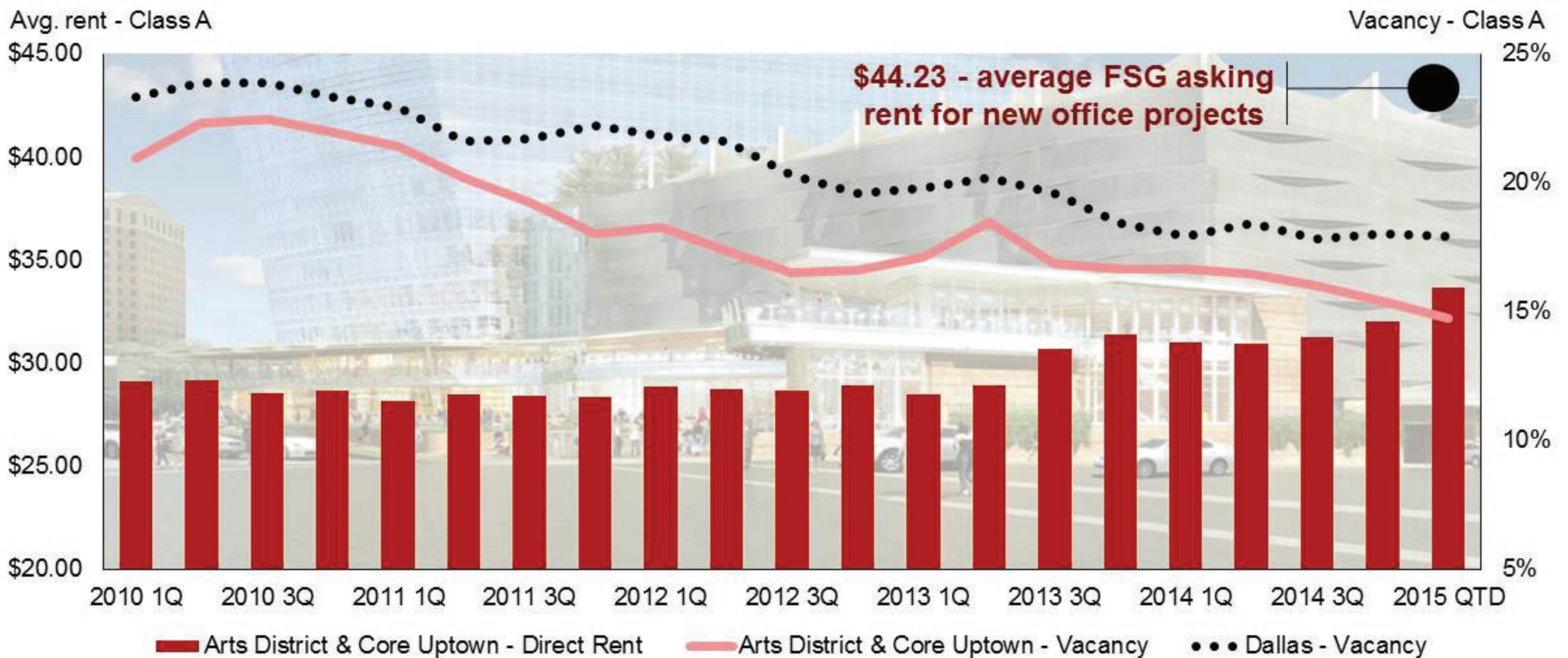


New office projects will be changing the rental rate landscape in our downtown core



- Tighter Class A vacancy in the Arts District and Uptown’s office core has pushed existing and under construction, full-service rents to \$33.60 per square foot – an increase of 18 percent in the last two years.
- While the average illustrates the basic trend, it masks an important underlying dynamic. In fact, several buildings pull the real “average” down notably given very high rents in many properties.
- Of space that is now under construction, rents average more than \$44 per square foot, suggesting that as new product is delivered, there will be upward pressure on Class A rates and the requirement for existing buildings to modernize to remain competitive.