



# Viewpoint

## Q4 2020

Pittsburgh's market is feeling the affects of the pandemic and resultant economic difficulties. With the now recognized acceptance of working from home the Central Business District (CBD) has taken a tremendous hit. The CBD vacancy rate hovers around 13% and the overall vacancy rate has increased to almost 10%. These rates will likely continue to rise. However, while many market absorption levels are negative, creative developers are taking the risk and have begun building again - particularly in STEM districts. The largest deal signed this past quarter signed was First National Bank at 76,28 SF in the Greater Downtown Submarket. Pittsburgh is not known as a volatile market. And while it is currently softening, the success of our technology industry gives reason for hope.

\*Data derived from CoStar Group and internal analytics. Some adjustments are reclassified or adjusted based on industry knowledge.

### OFFICE

Inventory 139M SF  
Cap Rate 9%

 <b>Asset Value</b> <b>\$17.2B</b>	 <b>Vacancy Rate</b> <b>9.6%</b>
 <b>Market Rent</b> <b>\$21.27/SF</b>	 <b>Net Absorption</b> <b>(1.2M)SF</b>
 <b>Under Construction</b> <b>1.5M</b>	 <b>Market Sale Price</b> <b>\$123 SF</b>

### MULTI-FAMILY

Inventory 94,513 Units  
Cap Rate 7%

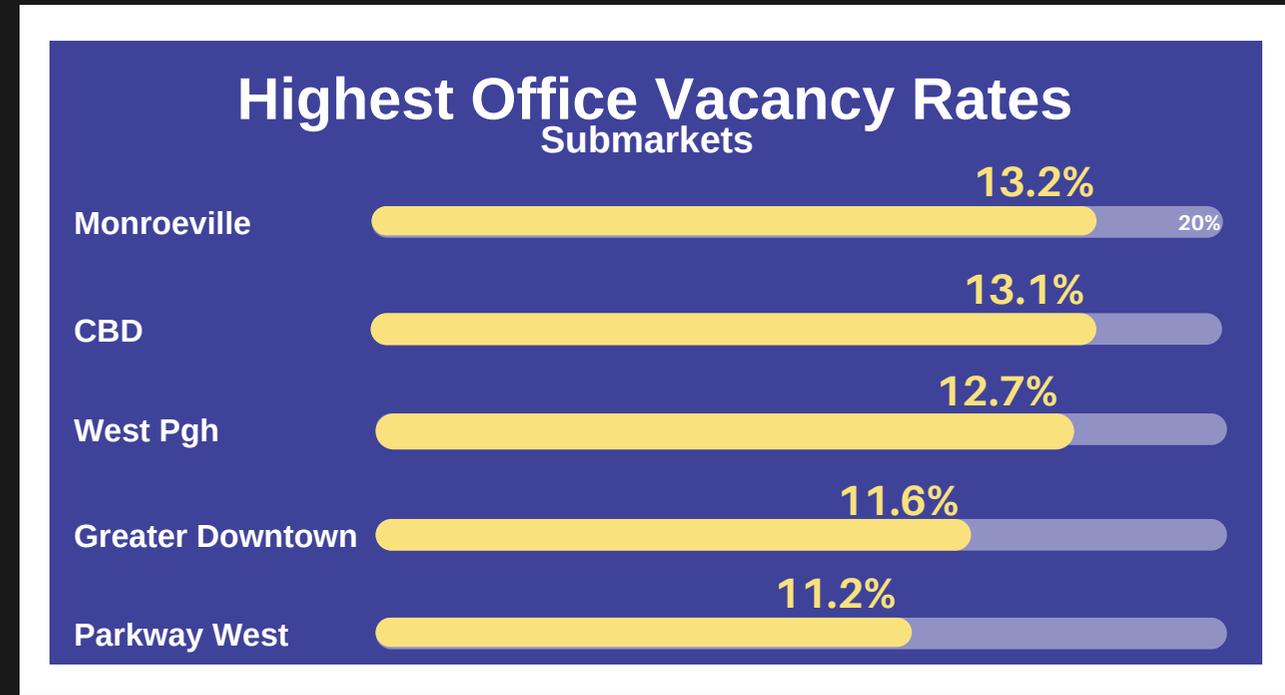
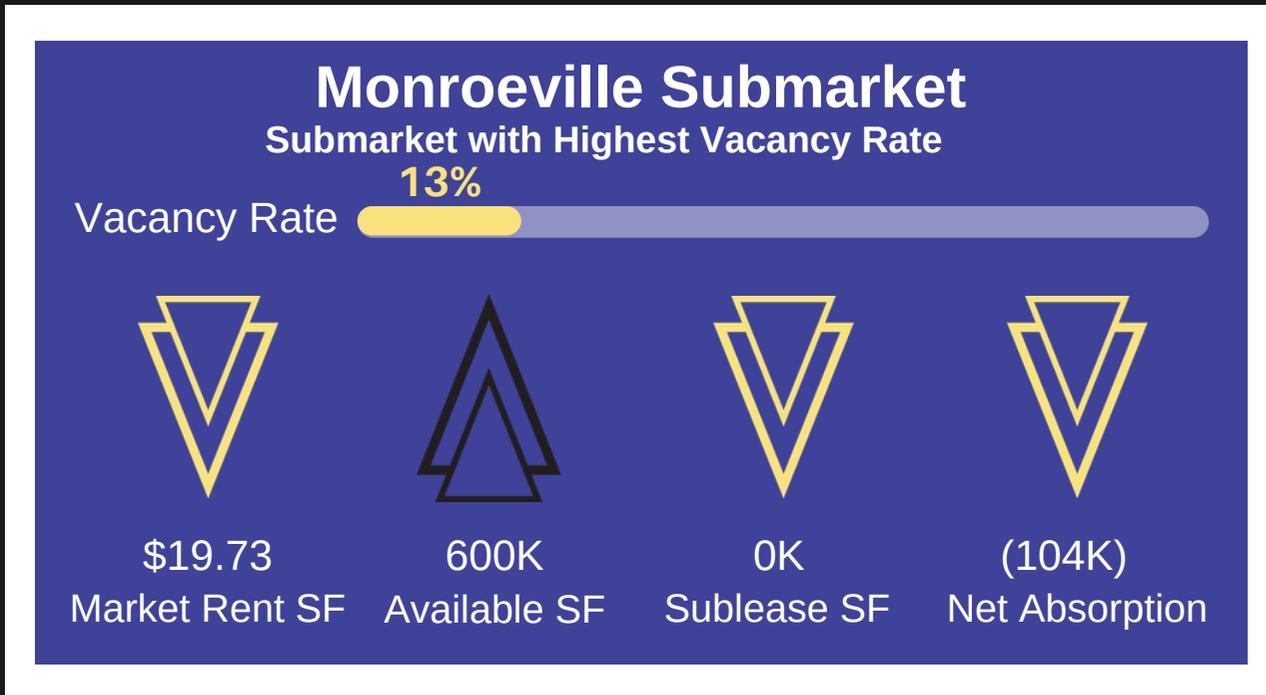
 <b>Asset Value</b> <b>\$11.3B</b>	 <b>Vacancy Rate</b> <b>6.3%</b>
 <b>Asking Rate</b> <b>\$1,110 Unit</b>	 <b>Absorption</b> <b>(28) Units</b>
 <b>Under Construction</b> <b>1,535</b>	 <b>Market Sale Price</b> <b>\$118K Unit</b>

### INDUSTRIAL

Inventory 203M SF  
Cap Rate 7.2%

 <b>Asset Value</b> <b>\$11.9B</b>	 <b>Vacancy Rate</b> <b>6.2%</b>
 <b>Market Rent</b> <b>\$7.28/SF</b>	 <b>Net Absorption</b> <b>(166K)SF</b>
 <b>Under Construction</b> <b>682K</b>	 <b>Market Sale Price</b> <b>\$57 SF</b>

# Office Submarket View



### HIGHEST MARKET RENT/SF

Central Business District	\$25.75
East End	\$24.56
Greater Downtown	\$24.27
Oakland	\$24.18
I-279/I-79	\$21.44
West Pittsburgh	\$20.31
Parkway West	\$20.10

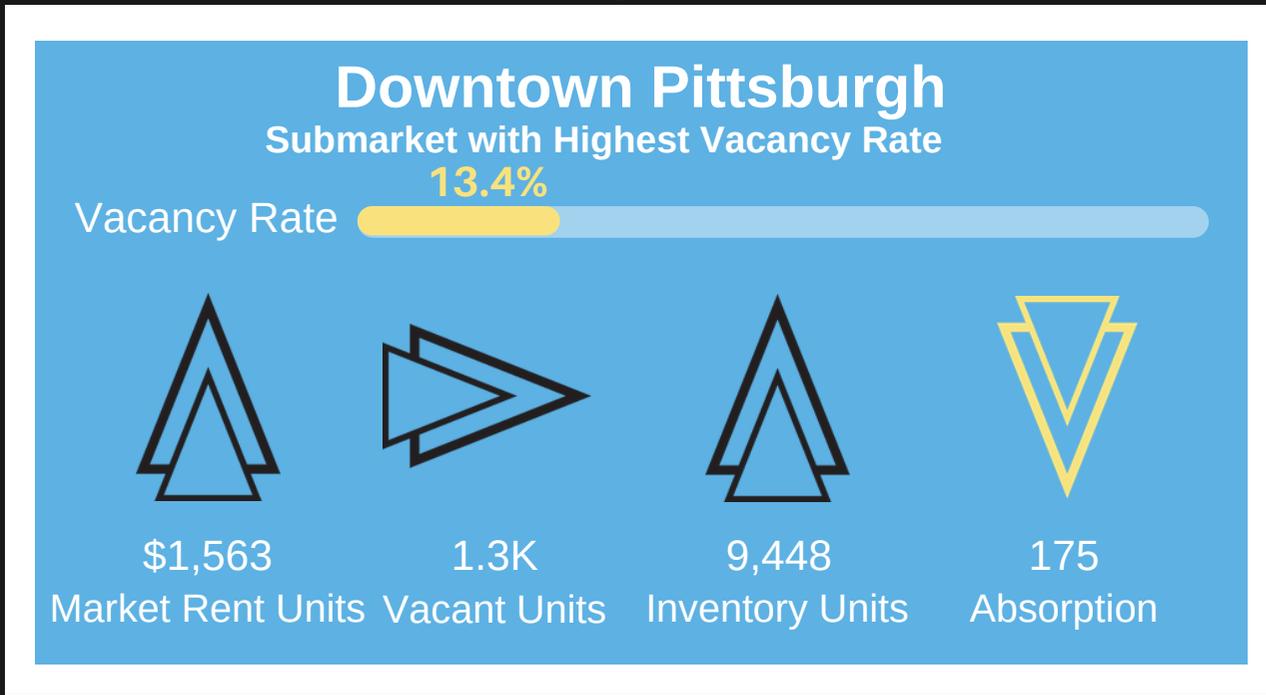
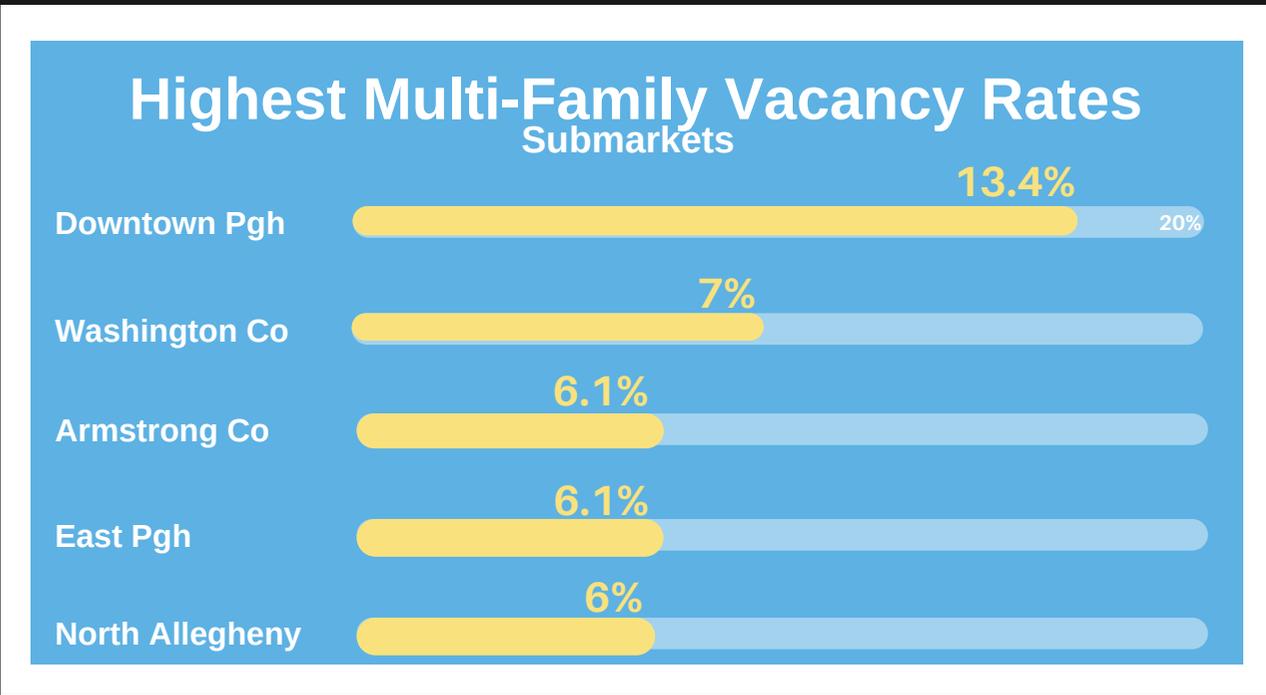
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# Multi-Family Submarket View



## HIGHEST MARKET RENT/UNIT

Downtown Pittsburgh	\$1,563
East Pittsburgh	\$1,322
Butler County	\$1,140
Washington County	\$1,100
North Allegheny	\$1,030
South Allegheny	\$1,020
Beaver County	\$990



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# Industrial Submarket View

## Washington County Submarket

Submarket with Highest Vacancy Rate



\$7.94

Market Rent SF



2M

Available SF



0K

Sublease SF

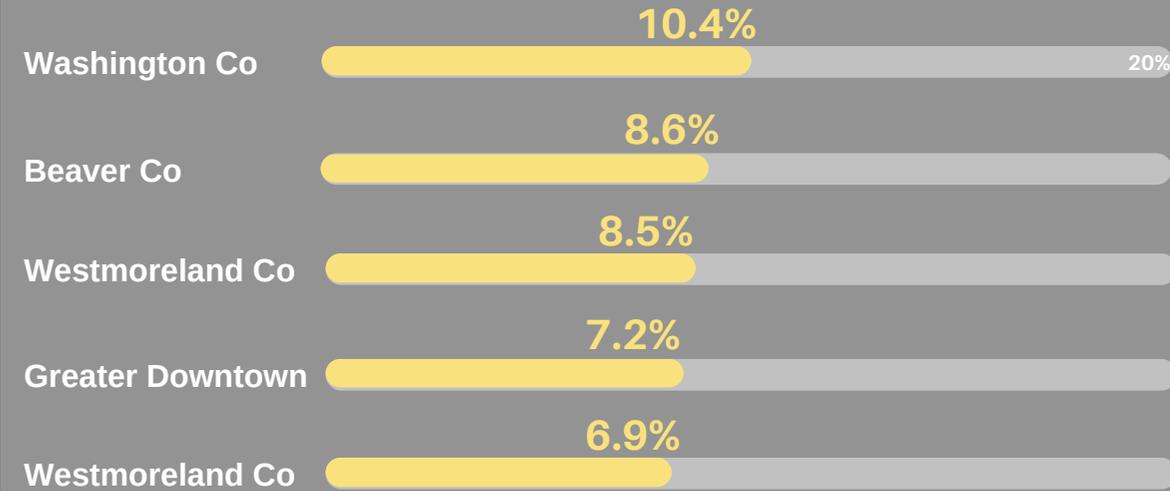


(403K)

Net Absorption

## Highest Industrial Vacancy Rates

Submarkets



## HIGHEST MARKET RENT/SF

Monroeville	\$9.62
Parkway West Corridor	\$8.80
Greater Downtown	\$8.70
Oakland	\$8.65
South Pgh	\$8.55
Northeast Pgh	\$8.40
Butler County	\$7.95