



Dallas – Fort Worth

Office 21Q3

Key Takeaways

- Positive quarterly absorption was recorded for the first time since Q4 2019.
- Vacancy rates did not experience a quarterly increase for the first time since the beginning of 2019.
- Asking rental rates increased again for the 40th consecutive quarter.



Office Market Showing Signs of Improvement

For the first time since 2019, DFW has shown positive net absorption. Overall leasing activity has been active since the summer, which will continue to positively impact net absorption through the end of the year and in 2022. Many of the new development projects are recently or near completion and are seeing significant interest from tenants in the market. Playing off the momentum created by other new developments, it is expected to see additional new developments move forward in the coming months. Corporate relocations are continuing to circle the DFW market with many of those deals anticipated to land in the first half of 2022.

Market Indicators



Historic Comparison

	20Q3	21Q2	21Q3
Total Inventory (in Millions of SF)	305.9	308.4	309.4
New Supply (in Millions of SF)	1.0	0.2	1.0
Net Absorption	-2.47m	-70.2k	273.3k
Overall Vacancy	17.8%	19.8%	19.9%
Under Construction (in Millions of SF)	6.5	6.0	5.8
Overall Asking Lease Rates (FSG)	\$27.48	\$28.26	\$28.36

DFW Office Trends



Since the start of the pandemic over 6.8 million square feet of space has been given back to the market which has caused vacancy levels to jump from 16.4% to 19.9%.

Recent Transactions



Renewal
14800 Trinity Blvd
Mid Cities | 115k SF



Lease
8616 Freeport Pky
Las Colinas | 81k SF



Lease
4851 Regent Blvd
Las Colinas | 78k SF



Lease
2700 Commerce St
East Dallas | 42k SF



Sale
International Plaza I
FND | \$402/SF



Sale
Frisco Station - Offices II
FND | \$400/SF

CBD and Suburban Markets

Submarket/ Class	Total Inventory SF	Direct Availability Rate	Sublease Availability Rate	Total Availability Rate	Vacancy Rate (Current)	Vacancy Rate (Prior Qtr)	Net Absorption (Current)	Net Absorption (YTD)	Under Construction	New Supply YTD	Avg Direct Asking Rate (FS)
Dallas CBD											
A	23,805,710	34.0%	6.3%	40.3%	31.4%	30.7%	(10,301)	(536,467)	60,230	224,370	\$ 28.11
B	6,074,530	23.9%	0.7%	24.6%	21.5%	22.1%	38,239	172,560	0	0	\$ 21.31
C	2,153,631	2.0%	0.0%	2.0%	2.0%	1.6%	(8,750)	(32,654)	0	0	\$ 24.80
Total	32,033,871	30.0%	4.8%	34.8%	27.6%	27.1%	19,188	(396,561)	60,230	224,370	\$ 27.14
Dallas Suburban											
A	119,466,051	22.4%	3.7%	26.1%	22.5%	22.2%	157,180	(1,257,029)	4,656,253	1,928,466	\$ 33.88
B	92,868,338	19.0%	2.5%	21.2%	18.9%	18.8%	(74,550)	(1,869,728)	334,349	187,985	\$ 22.57
C	11,164,873	14.0%	0.0%	14.1%	13.7%	12.4%	(146,886)	(160,185)	0	0	\$ 19.53
Total	223,499,262	20.6%	3.0%	23.5%	20.6%	20.3%	(64,256)	(3,286,942)	4,990,602	2,116,451	\$ 29.11
Fort Worth CBD											
A	5,156,888	15.5%	2.3%	17.8%	18.2%	18.2%	(658)	128,611	0	0	\$ 31.26
B	3,254,611	27.7%	0.8%	28.5%	27.2%	27.8%	20,679	(218,621)	0	0	\$ 22.47
C	339,860	21.5%	0.0%	21.5%	0.0%	0.0%	0	7,884	0	0	\$ 24.93
Total	8,751,359	20.3%	1.6%	21.9%	20.8%	21.1%	20,021	(82,126)	0	0	\$ 27.84
Fort Worth Suburban											
A	14,393,534	13.7%	1.7%	15.4%	14.3%	15.0%	191,726	777,309	700,999	679,980	\$ 27.58
B	24,978,354	11.9%	2.4%	14.3%	10.4%	10.7%	90,529	147,700	72,160	105,895	\$ 22.21
C	5,754,652	8.9%	0.2%	9.1%	7.0%	7.3%	16,132	(25,205)	10,212	0	\$ 19.21
Total	45,126,540	12.1%	1.9%	14.0%	11.2%	11.6%	298,387	899,804	783,371	785,875	\$ 24.51
Total DFW Market											
A	162,823,786	23.1%	3.8%	26.9%	22.9%	22.7%	337,947	(887,576)	5,417,482	2,832,816	\$ 32.16
B	127,175,833	18.1%	2.4%	20.2%	17.6%	17.6%	74,897	(1,768,089)	406,509	293,880	\$ 22.45
C	19,413,016	11.3%	0.1%	11.4%	10.2%	9.4%	(139,504)	(210,160)	10,212	0	\$ 19.60
Total	309,412,635	20.3%	3.0%	23.2%	19.9%	19.8%	273,340	(2,865,825)	5,834,203	3,126,696	\$ 28.36

Quarter and Annual Comparison of the Total Office Market

Quarter Comparison - Last 4 quarters											
2021 Q3	309,412,635	20.3%	3.0%	23.2%	19.9%	19.8%	273,340	(2,865,825)	5,834,203	3,126,696	\$ 28.36
2021 Q2	308,410,450	20.5%	2.8%	23.3%	19.8%	19.3%	(70,154)	(3,139,165)	6,025,419	2,124,511	\$ 28.26
2021 Q1	306,793,010	20.1%	2.8%	22.8%	19.3%	18.2%	(3,069,011)	(3,069,011)	6,905,956	507,071	\$ 28.11
2020 Q4	306,285,939	19.4%	2.8%	22.2%	18.2%	17.8%	(782,494)	(3,700,028)	6,251,961	3,056,426	\$ 27.97
Annual Comparison - Last 10 Years											
2021 Q3	309,412,635	20.3%	3.0%	23.2%	19.9%	19.8%	273,340	(2,865,825)	5,834,203	3,126,696	\$ 28.36
2021 Q2	308,410,450	20.5%	2.8%	23.3%	19.8%	19.3%	(70,154)	(3,139,165)	6,025,419	2,124,511	\$ 28.26
2021 Q1	306,793,010	20.1%	2.8%	22.8%	19.3%	18.2%	(3,069,011)	(3,069,011)	6,905,956	507,071	\$ 28.11
2020 Q4	306,285,939	19.4%	2.8%	22.2%	18.2%	17.8%	(782,494)	(3,700,028)	6,251,961	3,056,426	\$ 27.97
2020 Q3	305,890,518	18.9%	2.8%	21.7%	17.8%	16.7%	(2,470,348)	(2,917,534)	6,527,382	2,661,005	\$ 27.48
2019 Q3	301,527,775	17.2%	1.8%	18.9%	16.1%	16.1%	2,524,636	5,245,632	7,419,091	4,618,262	\$ 26.76
2018 Q3	296,435,955	17.2%	2.1%	19.2%	16.3%	16.5%	1,357,058	3,614,897	7,608,288	5,088,956	\$ 26.15
2017 Q3	288,445,486	17.2%	2.0%	19.2%	15.8%	16.0%	1,257,721	4,239,878	12,626,128	5,325,150	\$ 25.32
2016 Q3	282,236,579	17.4%	1.6%	19.0%	15.6%	15.8%	1,314,686	2,072,814	12,939,752	3,725,812	\$ 24.06
2015 Q3	277,344,719	18.7%	1.7%	20.3%	15.3%	15.0%	1,131,603	4,383,591	5,905,525	5,793,087	\$ 23.07
2014 Q3	271,231,894	17.3%	1.8%	19.1%	15.3%	15.9%	2,228,755	4,835,729	6,664,389	2,380,831	\$ 21.69
2013 Q3	268,368,817	18.4%	1.4%	19.7%	16.4%	16.8%	1,741,711	2,157,942	4,944,153	1,105,985	\$ 20.61
2012 Q3	267,155,426	18.5%	1.5%	19.9%	16.9%	17.3%	1,447,095	1,776,833	1,851,633	869,929	\$ 19.71

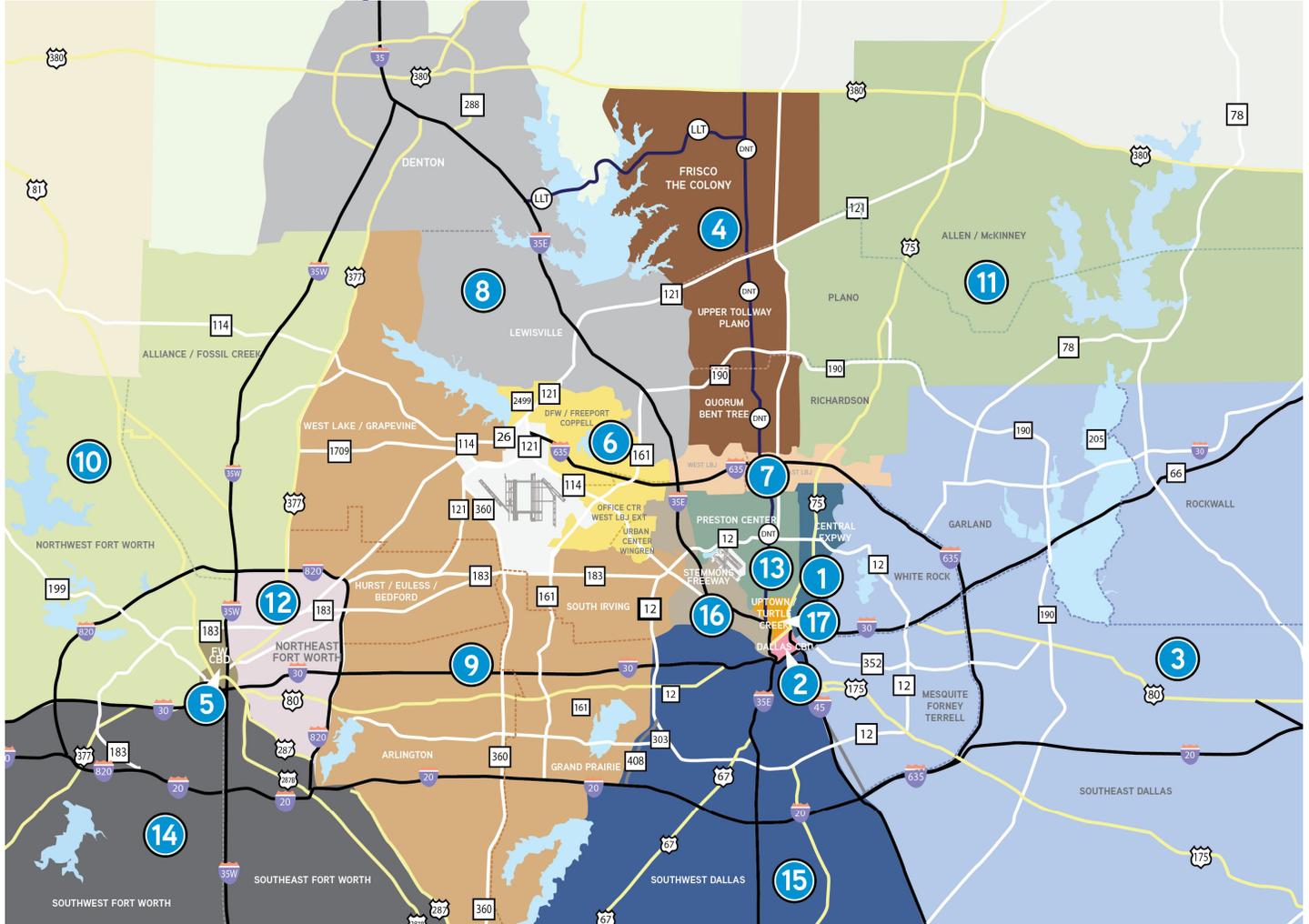
DFW Office Submarkets

Submarket/ Class	Total Inventory SF	Direct Availability Rate	Sublease Availability Rate	Total Availability Rate	Vacancy Rate (Current)	Vacancy Rate (Prior Qtr)	Net Absorption (Current)	Net Absorption (YTD)	Under Construction	New Supply YTD	Avg Direct Asking Rate (FS)
Central Expressway											
A	6,991,496	19.1%	2.1%	21.3%	21.7%	21.9%	10,983	(130,604)	0	0	\$ 34.74
B	4,538,908	3.7%	0.0%	3.7%	18.3%	17.4%	(45,132)	(120,796)	0	30,000	\$ 28.97
C	472,298	20.1%	3.0%	23.2%	1.5%	5.0%	16,399	6,424	0	0	\$ 22.81
Total	12,002,702	21.9%	3.8%	25.7%	19.7%	19.5%	(17,750)	(244,976)	0	30,000	\$ 32.57
Dallas CBD											
A	23,805,710	24.8%	0.4%	25.2%	31.4%	30.7%	(10,301)	(536,467)	60,230	224,370	\$ 28.11
B	6,074,530	0.0%	0.0%	0.0%	21.5%	22.1%	38,239	172,560	0	0	\$ 21.31
C	2,153,631	29.5%	3.9%	33.5%	2.0%	1.6%	(8,750)	(32,654)	0	0	\$ 24.80
Total	32,033,871	33.4%	5.2%	38.6%	27.6%	27.1%	19,188	(396,561)	60,230	224,370	\$ 27.14
East Dallas											
A	705,603	10.7%	0.6%	11.4%	59.4%	61.9%	17,691	107,266	472,496	348,741	\$ 46.22
B	3,684,348	10.5%	0.0%	10.5%	10.5%	11.5%	36,103	11,298	0	0	\$ 19.54
C	2,044,827	16.0%	2.0%	18.0%	5.7%	6.7%	19,542	27,280	0	0	\$ 16.36
Total	6,434,778	41.1%	9.8%	50.4%	14.4%	15.5%	73,336	145,844	472,496	348,741	\$ 28.07
Far North Dallas											
A	41,412,269	20.1%	3.8%	23.5%	25.8%	25.3%	240,151	(834,608)	853,992	1,483,133	\$ 36.31
B	22,566,098	17.3%	0.0%	17.3%	16.5%	16.2%	(30,013)	(244,356)	0	34,000	\$ 24.20
C	861,700	21.0%	3.8%	24.7%	5.5%	5.7%	2,354	4,490	0	0	\$ 22.14
Total	64,840,067	21.5%	3.8%	25.3%	22.3%	21.8%	212,492	(1,074,474)	853,992	1,517,133	\$ 32.84
Fort Worth CBD											
A	5,156,888	28.1%	0.8%	28.9%	18.2%	18.2%	(658)	128,611	0	0	\$ 31.26
B	3,254,611	24.6%	0.0%	24.6%	27.2%	27.8%	20,679	(218,621)	0	0	\$ 22.47
C	339,860	20.7%	2.0%	22.7%	0.0%	0.0%	0	7,884	0	0	\$ 24.93
Total	8,751,359	15.9%	2.9%	18.8%	20.8%	21.1%	20,021	(82,126)	0	0	\$ 27.84
Las Colinas											
A	23,734,355	23.9%	3.8%	27.5%	18.5%	19.1%	146,906	252,142	906,000	96,592	\$ 30.93
B	17,547,464	21.1%	0.0%	21.1%	22.6%	23.8%	215,879	(791,579)	0	15,213	\$ 22.58
C	1,133,398	21.0%	3.1%	24.1%	22.4%	5.7%	(189,406)	(180,836)	0	0	\$ 21.99
Total	42,415,217	19.0%	2.8%	21.8%	20.3%	20.7%	173,379	(720,273)	906,000	111,805	\$ 26.94
LBJ Freeway											
A	10,453,158	25.5%	0.7%	26.2%	25.1%	23.7%	(139,046)	(371,052)	12,000	0	\$ 28.81
B	8,627,012	4.0%	0.0%	4.0%	25.8%	25.0%	(68,775)	(129,452)	0	0	\$ 19.06
C	600,359	23.8%	3.2%	27.0%	5.8%	4.1%	(10,678)	(11,097)	0	0	\$ 14.91
Total	19,680,529	23.4%	5.4%	28.9%	24.8%	23.7%	(218,499)	(511,601)	12,000	0	\$ 24.82
Lewisville / Denton											
A	434,072	9.9%	1.4%	11.3%	41.9%	43.6%	7,507	12,773	0	0	\$ 29.00
B	5,700,976	6.5%	0.0%	6.5%	12.6%	7.5%	(268,366)	(312,821)	114,036	33,835	\$ 25.04
C	949,414	11.7%	1.1%	12.9%	6.7%	6.1%	(5,632)	(22,993)	0	0	\$ 19.48
Total	7,084,462	45.4%	0.0%	45.4%	13.6%	9.6%	(266,491)	(323,041)	114,036	33,835	\$ 25.80
Mid-Cities											
A	9,663,312	13.5%	3.5%	16.9%	13.2%	13.8%	145,024	767,722	616,999	679,980	\$ 28.05
B	15,388,878	9.3%	0.0%	9.3%	11.0%	11.0%	14,372	145,258	101,679	32,058	\$ 20.92
C	3,273,463	18.0%	2.6%	20.1%	8.2%	8.8%	19,148	9,892	0	0	\$ 16.92
Total	28,325,653	26.5%	2.1%	27.5%	11.4%	11.7%	178,544	922,872	718,678	712,038	\$ 23.84

DFW Office Submarkets

Submarket/ Class	Total Inventory SF	Direct Availability Rate	Sublease Availability Rate	Total Availability Rate	Vacancy Rate (Current)	Vacancy Rate (Prior Qtr)	Net Absorption (Current)	Net Absorption (YTD)	Under Construction	New Supply YTD	Avg Direct Asking Rate (FS)
North Fort Worth											
A	1,224,656	5.2%	0.6%	5.8%	21.1%	7.3%	(169,196)	(199,697)	54,000	0	\$ 28.48
B	2,425,727	6.1%	0.0%	6.1%	3.5%	4.1%	13,678	34,111	12,500	34,706	\$ 22.36
C	366,354	7.0%	0.4%	7.4%	4.0%	4.0%	0	(5,890)	10,212	0	\$ 25.79
Total	4,016,737	10.6%	0.0%	10.6%	8.9%	5.0%	(155,518)	(171,476)	76,712	34,706	\$ 26.28
North US 75 Corridor											
A	15,162,850	10.2%	0.2%	10.3%	21.6%	20.3%	(204,089)	(208,304)	707,405	0	\$ 27.99
B	16,846,730	15.0%	1.9%	16.8%	17.2%	16.6%	(110,003)	(318,177)	178,294	98,772	\$ 20.96
C	1,989,283	14.1%	0.5%	14.6%	29.4%	29.8%	8,375	(11,316)	0	0	\$ 20.52
Total	33,998,863	40.4%	0.6%	41.0%	19.9%	19.0%	(305,717)	(537,797)	885,699	98,772	\$ 24.41
Northeast Fort Worth											
A	437,268	13.5%	1.0%	14.5%	0.0%	40.4%	176,745	229,981	0	0	\$ 21.42
B	3,118,230	2.7%	0.0%	2.7%	8.3%	8.7%	11,637	14,212	0	0	\$ 21.78
C	611,512	17.7%	1.8%	19.5%	11.6%	13.3%	10,666	11,519	0	0	\$ 14.67
Total	4,167,010	19.4%	2.1%	21.5%	7.9%	12.7%	199,048	255,712	0	0	\$ 20.35
Preston Center											
A	4,664,921	18.7%	3.1%	21.5%	10.9%	11.1%	10,021	(45,265)	688,368	0	\$ 46.52
B	1,110,862	29.5%	3.6%	33.1%	11.1%	10.6%	(6,458)	786	0	0	\$ 30.47
C	284,985	19.5%	3.0%	22.3%	6.8%	6.8%	0	0	0	0	\$ 31.47
Total	6,060,768	19.0%	2.8%	21.8%	10.7%	10.8%	3,563	(44,479)	688,368	0	\$ 43.22
South Fort Worth											
A	3,190,852	14.2%	2.3%	16.4%	16.1%	17.4%	39,153	(20,697)	30,000	0	\$ 27.53
B	5,677,388	12.6%	0.0%	12.6%	14.7%	15.5%	44,744	(35,557)	0	15,296	\$ 23.28
C	1,756,022	12.9%	1.6%	14.5%	8.8%	8.1%	(12,791)	(24,025)	0	0	\$ 20.37
Total	10,624,262	10.5%	1.2%	11.7%	14.2%	14.8%	71,106	(80,279)	30,000	15,296	\$ 24.83
Southwest Dallas											
A	280,592	22.8%	0.0%	22.8%	6.9%	6.9%	0	0	0	0	\$ 20.00
B	2,679,350	8.5%	0.0%	8.5%	18.3%	19.2%	25,699	(4,570)	0	0	\$ 24.57
C	982,950	18.3%	0.0%	18.3%	7.8%	7.6%	(1,957)	3,929	0	0	\$ 14.38
Total	3,942,892	6.9%	0.0%	6.9%	14.9%	15.5%	23,742	(641)	0	0	\$ 23.25
Stemmons Freeway											
A	3,525,114	26.2%	0.3%	26.5%	31.5%	31.4%	(2,810)	61,549	0	0	\$ 23.06
B	5,717,009	18.7%	0.0%	18.7%	26.7%	28.0%	74,219	(1,290)	0	0	\$ 19.06
C	1,261,860	24.2%	0.5%	24.7%	13.9%	14.9%	13,179	9,718	0	0	\$ 16.46
Total	10,503,983	22.7%	0.9%	23.5%	26.8%	27.6%	84,588	69,977	0	0	\$ 20.26
Uptown / Turtle Creek											
A	11,979,067	20.6%	2.5%	22.9%	17.8%	18.4%	69,866	(100,926)	1,015,992	0	\$ 44.36
B	2,217,712	16.1%	0.6%	16.7%	19.1%	23.9%	108,395	30,905	0	0	\$ 32.13
C	331,100	21.1%	2.9%	24.0%	13.2%	13.2%	47	(2,485)	0	0	\$ 27.62
Total	14,527,879	22.0%	3.4%	25.3%	17.9%	19.1%	178,308	(72,506)	1,015,992	0	\$ 41.57
Total DFW Market											
A	162,823,786	24.4%	0.9%	25.4%	22.9%	22.7%	337,947	(887,576)	5,417,482	2,832,816	\$ 32.16
B	127,175,833	12.6%	0.0%	12.6%	17.6%	17.6%	74,897	(1,768,089)	406,509	293,880	\$ 22.45
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Office Submarket Map



Submarket	BLDGS #	RBA	Vacancy Rate	Absorption (YTD)	New Supply	Under Construction	Rental Rate (PSF)
1 Central Expressway	113	12m	19.7%	-245k	30k	0k	\$ 32.57
2 Dallas CBD	109	32m	27.6%	-396.6k	224.4k	60.2k	\$ 27.14
3 East Dallas	206	6.4m	14.4%	145.8k	348.7k	472.5k	\$ 28.07
4 Far North Dallas	519	64.8m	22.3%	-1.1m	1.5m	854k	\$ 32.84
5 Fort Worth CBD	69	8.8m	20.8%	-82.1k	0	0k	\$ 27.84
6 Las Colinas	337	42.4m	20.3%	-720.3k	111.8k	906k	\$ 26.94
7 LBJ Freeway	156	19.7m	24.8%	-511.6k	0	12k	\$ 24.82
8 Lewisville / Denton	193	7.1m	13.6%	-323k	33.8k	114k	\$ 25.80
9 Mid-Cities	534	28.3m	11.4%	922.9k	712k	718.7k	\$ 23.84
10 North Fort Worth	76	4m	8.9%	-171.5k	34.7k	76.7k	\$ 26.28
11 North US 75 Corridor	435	34m	19.9%	-537.8k	98.8k	885.7k	\$ 24.41
12 Northeast Fort Worth	81	4.2m	7.9%	255.7k	0	0k	\$ 20.35
13 Preston Center	61	6.1m	10.7%	-44.5k	0	688.4k	\$ 43.22
14 South Fort Worth	264	10.6m	14.2%	-80.3k	15.3k	30k	\$ 24.83
15 Southwest Dallas	102	3.9m	14.9%	-0.6k	0	0k	\$ 23.25
16 Stemmons Freeway	149	10.5m	26.8%	70k	0	0k	\$ 20.26
17 Uptown / Turtle Creek	113	14.5m	17.9%	-72.5k	0	1m	\$ 41.57
Total Market	3,517	309.4m	19.9%	-2.9m	3.1m	5.8m	\$ 28.36

351 offices in 65 countries on 6 continents

United States: 115
Canada: 41
Latin America: 12
Asia Pacific: 33
EMEA: 78



\$4.0B
in revenue



2B
square feet under management



18,000 +
professionals and staff

About Colliers

Colliers (NASDAQ, TSX: CIGI) is a leading diversified professional services and investment management company. With operations in 67 countries, our more than 15,000 enterprising professionals work collaboratively to provide expert advice to real estate occupiers, owners and investors. For more than 25 years, our experienced leadership with significant insider ownership has delivered compound annual investment returns of almost 20% for shareholders. With annualized revenues of \$3.0 billion (\$3.3 billion including affiliates) and \$40 billion of assets under management, we maximize the potential of property and accelerate the success of our clients and our people.

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