

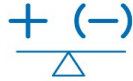
DALLAS-FORT WORTH

OFFICE MARKET | Q1 2025



285.4M

Inventory SF



246.6K

Net Absorption SF



19.8%

Direct Vacant Available Rate



25.9%

Total Availability



3.0M

Under Construction SF



\$38.67

Asking Rent PSF

Demand Turns Positive, Construction Tapers in Q1 2025

Market Observations

- Absorption totaled more than 246K SF this quarter, regaining its momentum and bouncing back into positive territory after the slight losses of less than 40K SF at year-end. Strong absorption levels were mainly seen in the submarkets of Upper Tollway/West Plano, which totaled nearly 490K SF, followed behind by Las Colinas/Office Center and Las Colinas/DFW Freeport with 174K SF and 69.2K SF, respectively.
- Large move-ins include Toyota Financial Services fully occupying the newly built seven-story 246K SF building, Southstone Yards I, located in the Upper Tollway/Frisco submarket. Amazon, in partnership with WeWork, expanded its office space this quarter by confirming its 155K SF lease at The Apex at Las Colinas Crossing (Building A) located at 6535 N State Highway 161 in the Las Colinas/Office Center submarket.
- Dallas-Fort Worth's construction pipeline has tightened substantially to 3.0M SF, compared to 7.0M SF when it last peaked during Q1 2023. North Shore 1 & 2, totaling 858,204 SF, are part of the \$455M Wells Fargo Campus scheduled for completion later this year in the Las Colinas/ Urban Center submarket. While construction has narrowed, demand for premium, newly built office space is seen by the pipeline being more than 75% preleased or build-to-suit. In one of the most notable multi-tenant projects underway, 23Springs is a 26-floor 626.2K SF building nearly two-thirds leased and scheduled to be completed this summer. Future tenants include consulting firm, Deloitte, along with Savills, Bank OZK and Sidley Austin.

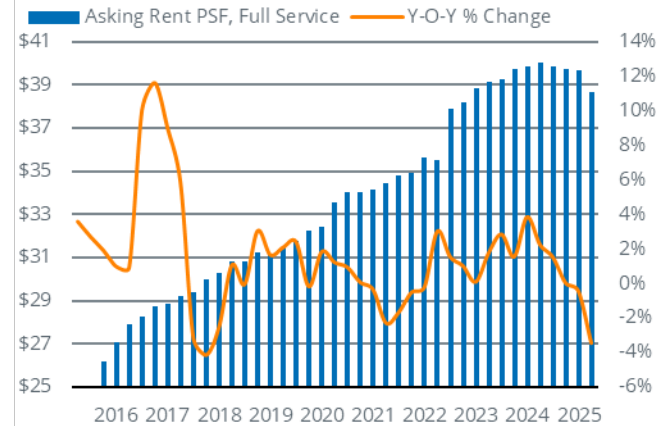




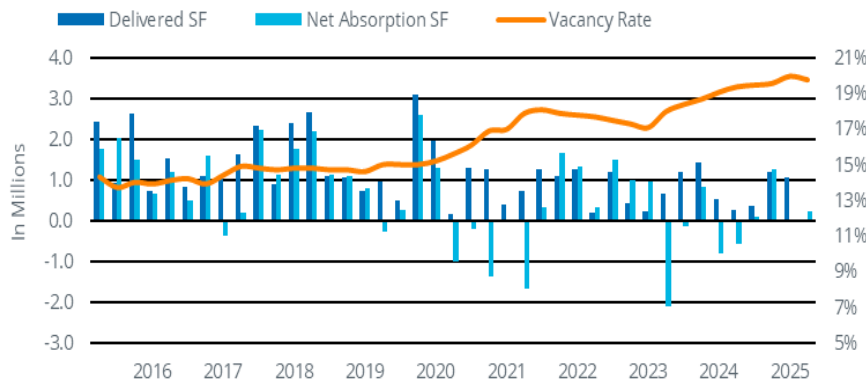
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- Direct vacancy reached 19.8% in Q1 2025 while total availability stood at 25.9%, down 70 basis points for the year but unchanged over the last 90 days partially attributed to Pioneer Resources listing more than 1.1M SF of sublease space at 777 Hidden Ridge Dr in the Las Colinas/ Office Center submarket.
- Dallas-Fort Worth's office market had its strongest first quarter of net absorption this period since 2022, totaling 247K SF. One substantial move-in this period includes global retailer, Sally Hansen Beauty, for 139,068SF at 7900 Windrose Ave in the Upper Tollway/ West Plano submarket.
- The Uptown submarket commands the highest asking rents, averaging \$45.97 PSF for Class A space. Market-wide, average full-service asking rents measured \$38.68 PSF across all office classes, down slightly from \$39.71 PSF last quarter.
- One 36K SF property delivered this quarter. 8850 Collin McKinney Parkway, developed by Craig International, came online 67% preleased by multiple tenants including Tradition Homes. Two sizeable projects under construction, both located in the Uptown submarket, include Bank of America Tower at Parkside Uptown (500K SF) and The Knox (200K SF). BofA will occupy 240K SF when its namesake building is expected to be completed in early-2027 and The Knox will be primarily occupied by information technology provider ISN, law firm Paul Hastings and investment firm BDT & MSD Partners, when it delivers late-2026.

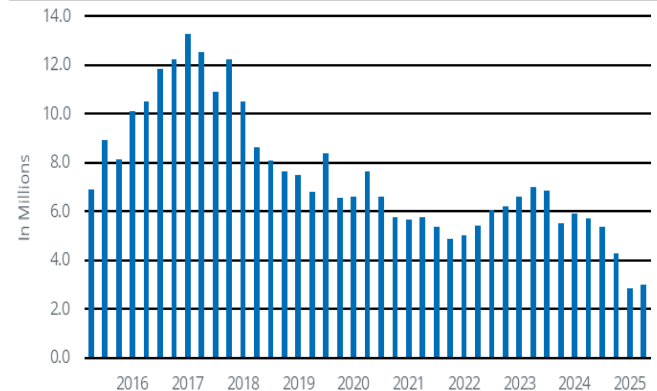
ASKING RENT



DELIVERY IMPACT ON KEY INDICATORS



UNDER CONSTRUCTION





DALLAS-FORT WORTH OFFICE MARKET | Q1 2025

OFFICE MARKET INDICATORS - ALL SPACE

MARKET/SUBMARKET	INVENTORY/RBA	Total Available				Net Absorption			Asking Rents (FS)		
		TOTAL AVAILABLE SF	TOTAL %	CLASS A	CLASS B	DIRECT VACANCY	THIS QUARTER	LAST 12 MONTHS	U/C RENTABLE BUILDING AREA	CLASS A	CLASS B
Southeast Dallas	564,942	33,038	5.8%	0.0%	5.8%	4.9%	1,764	(4,050)	0	\$0.00	\$19.74
Southwest Dallas	2,439,510	260,499	10.7%	11.7%	10.3%	9.8%	3,075	(32,253)	0	\$28.76	\$22.43
South Dallas Total	3,004,452	293,537	9.8%	11.7%	9.2%	8.9%	4,839	(36,303)	0	\$28.76	\$21.40
Allen/McKinney	5,338,795	1,101,195	20.4%	25.2%	15.7%	17.3%	18,517	72,410	58,800	\$40.32	\$28.80
East LBJ Freeway	6,848,256	2,171,437	31.7%	28.8%	32.7%	28.3%	(89,125)	(27,299)	0	\$31.17	\$28.96
Lower Tollway	26,597,392	6,574,155	24.7%	25.4%	23.5%	18.2%	61,401	179,316	41,188	\$41.69	\$25.03
Outlying Collin County	206,888	8,462	4.1%	0.0%	4.1%	2.3%	853	4,725	0	\$0.00	\$35.68
Outlying Denton County	81,008	2,535	3.1%	0.0%	3.1%	0.0%	0	2,643	0	\$0.00	\$0.00
Plano	7,132,990	1,125,932	15.7%	25.9%	10.3%	11.3%	(2,852)	(21,125)	21,050	\$37.00	\$27.11
Richardson	18,815,593	5,487,375	29.1%	34.2%	22.1%	20.6%	(34,578)	(264,304)	31,519	\$33.03	\$26.09
Upper Tollway/Frisco	6,718,332	1,199,325	17.4%	16.8%	19.6%	11.8%	(28,958)	(98,094)	171,168	\$43.88	\$38.16
Upper Tollway/West Plano	34,095,269	10,012,663	29.4%	27.5%	40.0%	22.7%	488,077	1,369,921	0	\$43.64	\$33.31
West LBJ Freeway	3,922,989	1,437,539	36.6%	28.9%	42.3%	25.2%	(69,853)	(123,710)	0	\$33.96	\$17.56
North Dallas Total	109,757,512	29,120,618	26.5%	27.2%	25.2%	20.0%	343,482	1,094,483	323,725	\$40.89	\$29.66



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OFFICE MARKET INDICATORS - ALL SPACE - Cont.

MARKET/SUBMARKET	INVENTORY/ RBA	Total Available				Net Absorption				Asking Rents (FS)	
		TOTAL AVAILABLE SF	TOTAL %	CLASS A	CLASS B	DIRECT VACANCY	THIS QUARTER	LAST 12 MONTHS	U/C RENTABLE BUILDING AREA	CLASS A	CLASS B
Arlington/Mansfield	5,863,149	1,346,862	23.0%	21.4%	24.1%	16.7%	(48,257)	116,181	0	\$36.81	\$21.02
Grand Prairie	3,465,207	1,562,414	45.1%	68.4%	16.5%	45.1%	(66,791)	(52,252)	0	\$32.84	\$22.74
HEB/Mid-Cities	5,755,432	937,781	16.3%	6.5%	27.3%	9.7%	32,163	60,853	0	\$30.38	\$17.46
South Irving	1,216,097	117,424	9.7%	0.0%	9.7%	7.0%	2,086	4,317	0	\$0.00	\$17.07
Westlake/Grapevine	8,207,724	1,292,815	15.7%	15.6%	15.9%	13.4%	43,628	48,410	21,419	\$37.59	\$30.90
Mid-Cities Total	24,507,609	5,257,296	21.4%	22.1%	20.6%	17.5%	(37,171)	177,509	21,419	\$34.19	\$23.47
Denton	1,288,751	45,191	3.5%	6.2%	3.2%	2.9%	(10,535)	38,537	0	\$28.39	\$23.18
Lewisville	5,316,087	1,364,505	25.7%	28.1%	25.1%	19.8%	36,361	(66,183)	0	\$38.55	\$27.50
Lewisville/Denton Total	6,604,838	1,409,696	21.3%	25.8%	20.4%	16.5%	25,826	(27,646)	0	\$38.28	\$27.26
Las Colinas/DFW Freeport	15,579,760	4,428,753	28.4%	24.3%	33.6%	21.1%	69,171	(35,169)	0	\$34.99	\$25.39
Las Colinas/Office Center	15,924,370	5,818,673	36.5%	41.3%	28.2%	24.1%	173,543	(402,608)	0	\$35.06	\$26.20
Las Colinas/Urban Center	10,009,726	2,857,838	26.3%	27.0%	24.0%	20.8%	(66,418)	278,622	858,024	\$37.61	\$32.29
Las Colinas Total	41,513,856	13,105,264	30.9%	31.4%	30.0%	22.2%	176,296	(159,155)	858,024	\$35.80	\$26.09



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OFFICE MARKET INDICATORS - ALL SPACE - Cont.

MARKET/SUBMARKET	INVENTORY/ RBA	Total Available				Net Absorption			Asking Rents (FS)		
		TOTAL AVAILABLE SF	TOTAL %	CLASS A	CLASS B	DIRECT VACANCY	THIS QUARTER	LAST 12 MONTHS	U/C RENTABLE BUILDING AREA	CLASS A	CLASS B
Central Expressway	15,145,496	4,410,720	29.0%	32.9%	20.4%	23.8%	(138,027)	(326,542)	78,758	\$36.25	\$32.12
Dallas CBD	27,646,733	9,482,192	34.3%	34.1%	35.3%	27.6%	(185,759)	(205,933)	0	\$37.27	\$29.82
Deep Ellum/East Dallas	2,398,004	815,125	34.0%	50.2%	13.6%	17.2%	(2,870)	(23,640)	0	\$49.55	\$25.00
Preston Center	5,770,153	707,315	12.3%	9.1%	27.5%	7.4%	(2,004)	688,149	0	\$60.82	\$32.79
Stemmons Freeway	8,807,798	2,141,413	23.7%	23.3%	24.3%	21.4%	(35,223)	183,137	211,819	\$52.60	\$21.39
Turtle Creek	4,451,697	1,100,696	24.7%	24.7%	25.2%	20.9%	(14,383)	(17,871)	0	\$53.78	\$39.23
Uptown	12,259,024	3,546,888	25.9%	26.1%	23.6%	19.4%	(513)	3,592	1,456,680	\$65.39	\$40.80
Intown Dallas Total	76,478,905	22,204,349	28.4%	29.1%	25.8%	22.6%	(378,779)	300,892	1,747,257	\$45.97	\$31.58
Garland	878,819	155,521	17.7%	0.0%	17.7%	14.5%	158	(23,301)	0	\$0.00	\$21.14
Mesquite/Forney/Terrell	343,369	37,893	11.0%	0.0%	11.0%	11.0%	0	(19,219)	0	\$0.00	\$15.58
Rockwall	568,496	88,417	15.0%	13.7%	15.9%	6.2%	(7,118)	(11,166)	20,000	\$0.00	\$44.67
East Dallas Total	1,790,684	281,831	15.6%	13.7%	15.8%	11.2%	(6,960)	(53,686)	20,000	\$0.00	\$22.59



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OFFICE MARKET INDICATORS - ALL SPACE - Cont.

MARKET/SUBMARKET	INVENTORY/RBA	Total Available				Net Absorption			Asking Rents (FS)		
		TOTAL AVAILABLE SF	TOTAL %	CLASS A	CLASS B	DIRECT VACANCY	THIS QUARTER	LAST 12 MONTHS	U/C RENTABLE BUILDING AREA	CLASS A	CLASS B
Southeast Fort Worth	818,982	62,107	7.4%	0.0%	20.9%	7.6%	3,584	(11,310)	20,000	\$0.00	\$16.57
Southwest Fort Worth	4,236,072	641,467	15.1%	7.7%	19.1%	11.3%	62,091	67,479	0	\$28.86	\$20.38
West Fort Worth	1,844,654	286,196	15.5%	10.9%	26.6%	13.5%	20,127	(2,145)	0	\$48.93	\$27.61
South Fort Worth Total	6,899,708	989,770	14.3%	7.7%	20.4%	11.5%	85,802	54,024	20,000	\$38.20	\$19.90
Alliance	3,039,102	549,523	18.1%	15.6%	25.2%	7.3%	2,451	75,820	0	\$29.92	\$0.00
Northeast Fort Worth	2,987,247	370,059	12.4%	0.0%	17.3%	11.9%	(1,091)	(4,523)	0	\$0.00	\$21.55
Northwest Fort Worth	214,905	24,389	11.3%	10.6%	12.3%	11.3%	(2,708)	3,294	0	\$31.48	\$28.00
Fort Worth CBD	8,551,868	985,999	11.5%	13.8%	7.2%	9.6%	34,616	144,313	0	\$39.52	\$23.35
Fort Worth CBD Total	8,551,868	985,999	11.5%	13.8%	7.2%	9.6%	34,616	144,313	0	\$39.52	\$23.35
Dallas-Fort Worth Total	285,350,686	74,592,331	25.9%	27.0%	23.9%	19.8%	246,603	1,569,022	2,990,425	\$41.74	\$28.10



DALLAS-FORT WORTH OFFICE MARKET | Q1 2025

Research Methodology

Includes Class A & B office properties 20,000 SF and larger. Owner-occupied properties are included, while medical office and government-owned buildings are excluded. Core Assets: Core and Core Plus (Class AA/A) assets, beneficiaries of the "flight to quality" trend. Covers 461 properties, 115 million SF. Non-Core Assets: All other Class A-/B office. Covers 1,651 properties, 176 million SF. Net Absorption: Calculated as "net leasing" or change in committed (Total Available) space. See complete definition on page 7. Vacancy: Direct vacant space with immediate availability Asking Rent: Weighted average of direct gross rents.

About Transwestern

Four dynamic, integrated companies make up the Transwestern enterprise, giving us the perspective to think broadly, deeply and creatively about commercial real estate. Clients and investors rely on us for expertise that spans institutional and opportunistic investment, development, hospitality, and brokerage and asset services. Our award-winning, collaborative culture empowers team members with resources and independence to work across boundaries in pursuit of innovative solutions, reinforcing a reputation for service excellence that translates to measurable results. Through offices nationwide and alliance partners around the globe, we positively impact the built environment and our communities while fostering a work climate that champions career vitality for all. Learn more at transwestern.com and @Transwestern.

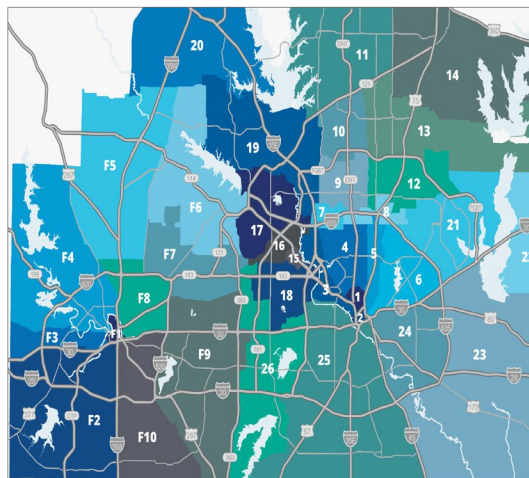
For more information

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Dallas Office Submarkets

- 1 Uptown/Turtle Creek
- 2 Dallas CBD
- 3 Stemmons Freeway
- 4 Preston Center
- 5 Central Expressway
- 6 Deep Ellum/East Dallas
- 7 West LBJ
- 8 East LBJ
- 9 Lower Tollway
- 10 Upper Tollway/West Plano
- 11 Upper Tollway/Frisco
- 12 Richardson
- 13 Plano
- 14 Allen/McKinney
- 15 Las Colinas Urban Center
- 16 Las Colinas Office Center
- 17 DFW Freeport/Coppell
- 18 South Irving
- 19 Lewisville
- 20 Denton

- 21 Garland
- 22 Rockwall
- 23 Mesquite/Forney/Terrell
- 24 Southeast Dallas
- 25 Oak Cliff/Southwest Dallas
- 26 Grand Prairie

Ft Worth Office Submarkets

- F1 Fort Worth CBD
- F2 Southwest Fort Worth
- F3 West Fort Worth
- F4 Northwest Fort Worth
- F5 Alliance
- F6 Westlake/Grapevine
- F7 HEB/Mid-Cities
- F8 Northeast Fort Worth
- F9 Arlington/Mansfield
- F10 Southeast Fort Worth

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