

**MARKET FUNDAMENTALS**

	YOY Chg	12-Month Forecast
<b>12.8%</b> Vacancy Rate	▼	▼
<b>83K</b> YTD Net Absorption, SF	▼	—
<b>\$27.06</b> Asking Rent, PSF <i>(Overall, All Property Classes)</i>	▲	—

**ECONOMIC INDICATORS**

	YOY Chg	12-Month Forecast
<b>522.9K</b> Omaha Employment	▲	▲
<b>2.8%</b> Omaha Unemployment Rate	▲	▲
<b>4.1%</b> U.S. Unemployment Rate	▲	▼

*Source: BLS*

**ECONOMY:**

Job creation in the Omaha MSA increased by 13,400 positions year-over-year, bringing Omaha's total nonfarm employment to 522,900. The local unemployment rate increased by 20 basis points (bps) during the same timeframe, reaching 2.8% at the close of Q3 2024. Despite the small increase, the Omaha markets unemployment rate is still among the lowest in the nation, compared to the national average unemployment rate, at 4.1%.

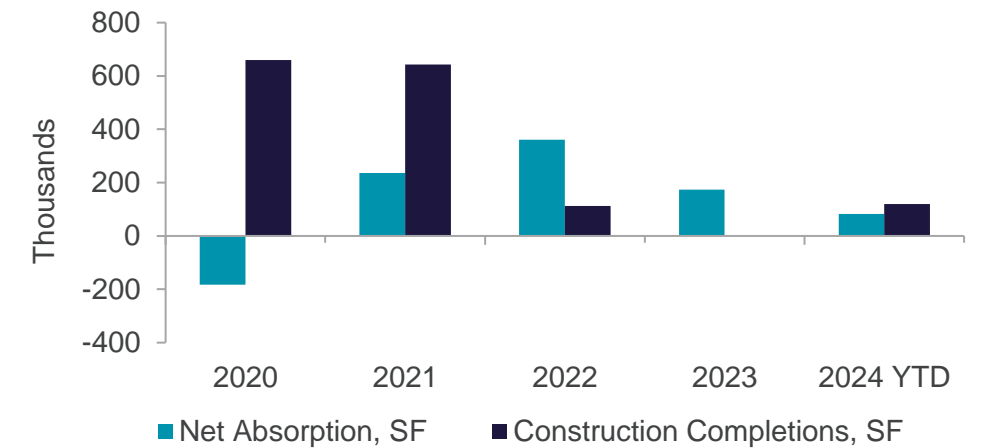
**MARKET OVERVIEW:**

The office landscape continues to change across the nation, as more employers adopt remote work options. As a result, many companies are downsizing their physical footprint. Though Omaha's office market isn't exempt from the challenges, it is faring better than most markets. Omaha's office market recorded -27,317 square feet of absorption in the third quarter of 2024, for a total of 82,774 sf of positive net absorption, year-to-date (YTD). During the same period overall vacancy increased by 120 basis points, landing at 12.8% at the close of Q3. The Builders District project was completed in Q3, adding 119,335 sf to the Class A office inventory. Though this speculative development was delivered approximately 97.0% vacant and contributed to the vacancy increase, occupancy is expected to fill quickly. More than 1.1 million square feet is currently in the construction pipeline (medical and owner-occupied buildings are excluded from charts). One multi-tenant building totaling 11,180 sf, and an additional 1.0 msf of owner-occupant and medical buildings are under construction. The most noteworthy project is the 800,000-sf Mutual of Omaha building. The 44-story record-breaking skyscraper is slated for completion in 2026.

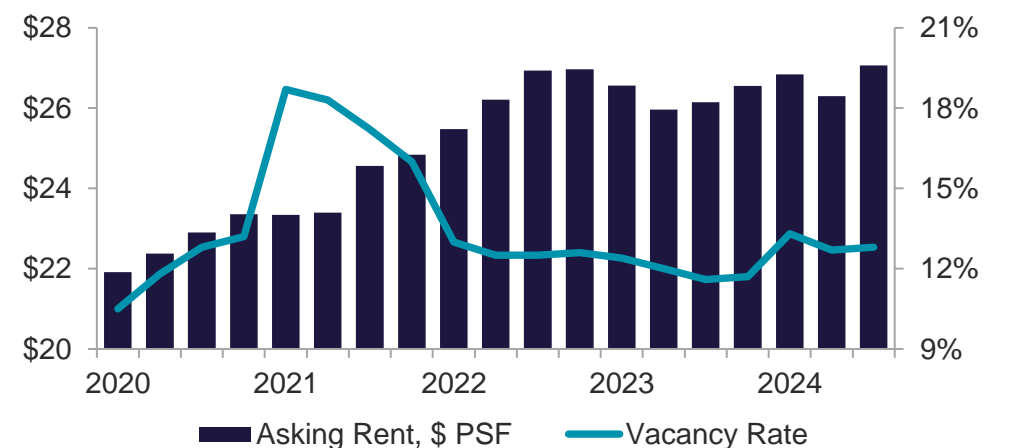
**PRICING:**

Full-service asking rents continue to rise in the Omaha office market reaching \$27.06 per square foot (psf) in Q3, increasing by 3.5% YOY. Despite posting positive rent growth quarter after quarter, local rents are well below the national office rent average of \$36.00 psf, which is one of many reasons tenants are attracted to the market.

**SPACE DEMAND / DELIVERIES**



**OVERALL VACANCY & ASKING RENT**



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Central Dodge	1,830,542	16,947	351,374	20.1%	-1,680	-41,280	75,124	0	\$24.92	\$29.17
Downtown Omaha	3,754,757	0	440,319	11.7%	3,125	2,404	27,309	0	\$32.09	\$32.52
Midtown Omaha	1,886,132	7,531	136,206	7.6%	2,917	63,146	121,654	0	\$32.10	\$36.77
Miracle Hills	747,410	1,323	82,434	11.2%	-3,116	14,348	89,521	0	\$26.35	\$27.34
Northeast Omaha	60,962	0	43,640	71.6%	0	0	96,716	0	\$22.25	N/A
Northwest Omaha	1,673,469	22,144	309,030	19.8%	9,310	87,435	36,035	0	\$21.72	N/A
Old Mill	1,151,286	0	129,623	11.3%	-7,541	1,504	110,227	0	\$25.02	N/A
Regency	750,814	0	75,814	10.1%	4,067	-1,082	23,871	0	\$26.83	\$37.00
South Central	1,107,149	0	111,314	10.1%	-4,856	18,285	33,302	0	\$21.97	N/A
Southeast Omaha	598,017	0	105,752	17.7%	3,868	-8,034	45,236	0	\$19.25	\$28.00
Southwest Omaha	2,483,587	11,571	162,956	7.0%	-37,094	-27,482	103,178	0	\$24.47	\$35.50
Suburban West Dodge	3,326,833	8,053	456,085	14.0%	3,683	-26,470	38,950	11,180	\$31.68	\$32.28
<b>OMAHA TOTALS</b>	<b>19,370,958</b>	<b>67,569</b>	<b>2,404,547</b>	<b>12.8%</b>	<b>-27,317</b>	<b>82,774</b>	<b>801,123</b>	<b>11,180</b>	<b>\$27.06</b>	<b>\$32.48</b>

\*Rental rates reflect full service asking

\*Data in market statistics chart excludes owner-occupied, government and non-competitive buildings

\*\*Data Source: Costar

KEY LEASE TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
S 145 <sup>th</sup> St & Heartwood Row	Suburban West Dodge	Olsson	65,000	New Lease
2707 N 108 <sup>th</sup> St	Northwest Omaha	Omaha Christian Academy	29,007	New Lease
1121 N 102 <sup>nd</sup> Ct	Central Dodge	Zachry	21,293	Renewal
11105-11173 Mill Valley Rd	Old Mill	Percipio Respiratory/Kubat Health Care	12,386	New Lease
2323 S 171 <sup>st</sup> St	Southwest Omaha	Insight Global, LLC	10,882	New Lease

KEY UNDER CONSTRUCTION PROPERTIES Q3 2024

PROPERTY	SUBMARKET	BUILDING CLASS	SF	CONSTRUCTION TYPE
1630 N Main St	Suburban West Dodge	B	11,180	Spec

\*Renewals included in leasing statistics

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