



WHITEBOX

REAL ESTATE

**Q2 2021**

OFFICE  
MARKET BEAT



# MARKET BEAT

## TABLE OF CONTENTS

|   |  |
|---|--|
| 1 | <b>DFW OFFICE MARKET OVERVIEW</b>  |
|   | <ul style="list-style-type: none"><li>Office Sub Market Map</li><li>Office Market Statistics</li></ul>   |
| 2 | <b>DALLAS CENTRAL CORE</b>   |
|   | <ul style="list-style-type: none"><li>Preston Center</li><li>Central Expressway</li><li>Uptown/Turtle Creek</li><li>Dallas CBD</li></ul>                   |
| 3 | <b>UPPER CENTRAL EXPRESSWAY</b>  |
|   | <ul style="list-style-type: none"><li>Allen/McKinney</li><li>Plano</li><li>Richardson</li></ul>  |
| 4 | <b>FAR NORTH DALLAS</b>  |
|   | <ul style="list-style-type: none"><li>Frisco/The Colony</li><li>Upper Toll/West Plano</li><li>Quorum/Bent Tree</li><li>West LBJ</li><li>East LBJ</li></ul> |
| 5 | <b>LAS COLINAS</b>   |
|   | <ul style="list-style-type: none"><li>DFW Freeport/Coppell</li><li>Office Center/West LBJ Ext</li><li>Urban Center/Wingren</li></ul>                       |
| 6 | <b>FORT WORTH</b>  |
|   | <ul style="list-style-type: none"><li>Fort Worth CBD</li></ul>   |

# NEAR OR FAR, WE'RE WHERE YOU ARE.



## WHITEBOX

REAL ESTATE

400 S Record Street  
Suite 1100  
Dallas, TX 75202  
(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102  
(817) 502-1140

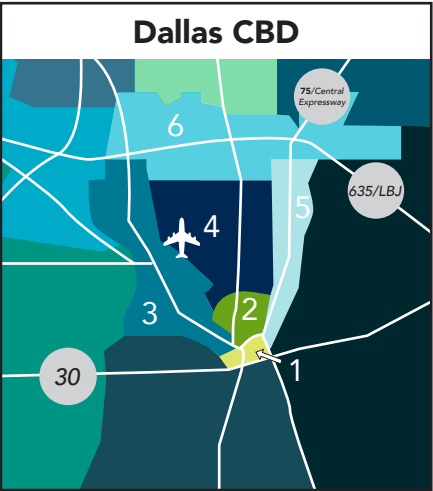
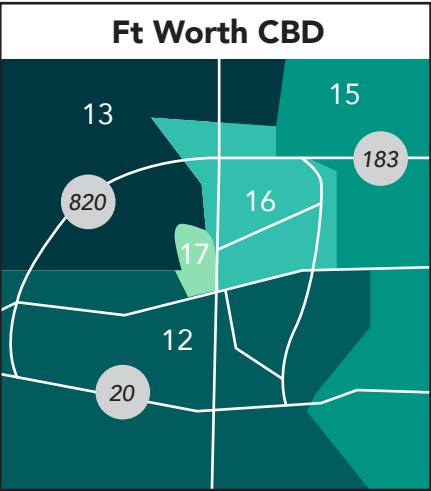
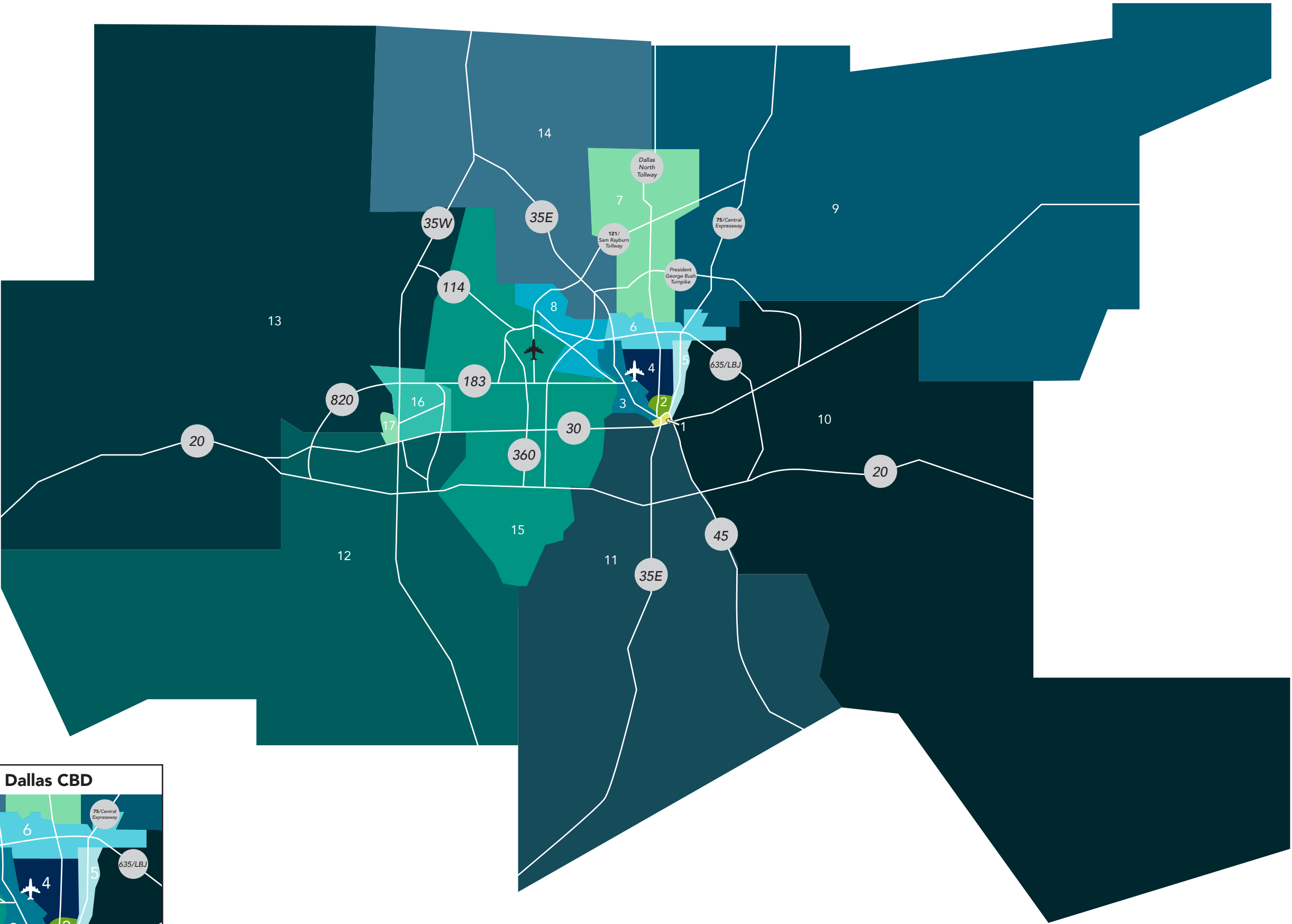
[www.whiteboxrealestate.com](http://www.whiteboxrealestate.com)

DFW  
Office  
Market  
Overview

Legend

- 1 - Dallas CBD
- 2 - Uptown/Turtle Creek
- 3 - Stemmons Freeway
- 4 - Preston Center
- 5 - Central Expressway
- 6 - LBJ Freeway
- 7 - Far North Dallas
- 8 - Las Colinas
- 9 - Richardson/Plano
- 10 - East Dallas
- 11 - Southwest Dallas
- 12 - South Ft Worth
- 13 - North Ft Worth
- 14 - Lewisville/Denton
- 15 - Mid-Cities
- 16 - Northeast Ft Worth
- 17 - Ft Worth CBD

- DFW Airport
- Love Field





| Market                   | Total Inventory | Vacancy       |        | 12 Month Total |                | Construction | Quoted   |
|--------------------------|-----------------|---------------|--------|----------------|----------------|--------------|----------|
|                          |                 | Vacant SF     | Vac %  | Net Absorption | Net Deliveries | Current SF   | Rates    |
| Preston Center           | 6,558,073       | 57,375,967    | 11.43% | (97,694)       | -              | 615,632      | \$ 39.72 |
| Central Expressway       | 14,561,397      | 83,908,015    | 17.35% | (495,693)      | 138,673        | -            | \$ 29.29 |
| Uptown/Turtle Creek      | 16,106,178      | 91,372,202    | 17.63% | (575,240)      | -              | 1,016,688    | \$ 42.71 |
| Dallas CBD               | 34,076,523      | 134,212,379   | 25.39% | (873,667)      | -              | 284,600      | \$ 26.66 |
| Allen/McKinney           | 11,344,058      | 100,106,407   | 11.33% | 273,701        | 626,871        | 436,796      | \$ 30.20 |
| Plano                    | 10,332,579      | 54,436,431    | 18.98% | 30,310         | 8,100          | 48,000       | \$ 25.39 |
| Richardson               | 23,339,578      | 123,843,670   | 18.85% | (447,046)      | 5,000          | -            | \$ 24.68 |
| Frisco/The Colony        | 9,389,713       | 63,819,160    | 14.71% | 622,248        | 855,603        | 470,366      | \$ 34.14 |
| Upper Tollway/West Plano | 35,584,790      | 144,254,865   | 24.67% | (2,086,187)    | 724,476        | 1,109,400    | \$ 35.00 |
| Quorum/Bent Tree         | 24,266,964      | 114,520,831   | 21.19% | (352,919)      | -              | -            | \$ 26.66 |
| West LBJ Freeway         | 5,043,344       | 23,192,054    | 21.75% | (250,321)      | -              | 12,000       | \$ 20.41 |
| East LBJ Freeway         | 17,674,754      | 74,216,897    | 23.82% | (554,850)      | -              | 107,000      | \$ 26.25 |
| DFW Freeport/Coppell     | 16,281,509      | 70,130,552    | 23.22% | (1,005,558)    | 176,520        | 450,000      | \$ 25.74 |
| Office Ctr/West LBJ Ext  | 18,068,501      | 107,659,542   | 16.78% | (122,319)      | 40,378         | -            | \$ 26.52 |
| Urban Center/Wingren     | 9,805,847       | 38,205,591    | 25.67% | (562,542)      | 32,470         | 456,000      | \$ 29.02 |
| Ft Worth CBD             | 11,086,985      | 65,491,080    | 16.93% | (339,198)      | -              | -            | \$ 27.49 |
| Totals                   | 263,520,793     | 1,346,745,642 | 19.36% | (6,836,975)    | 2,608,091      | 5,006,482    | \$ 29.37 |

Source: CoStar Property®

400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

# WHITEBOX

REAL ESTATE



**YOUR GOALS**

**OUR EXPERTISE**



# FOCUS IN ON YOUR GOALS

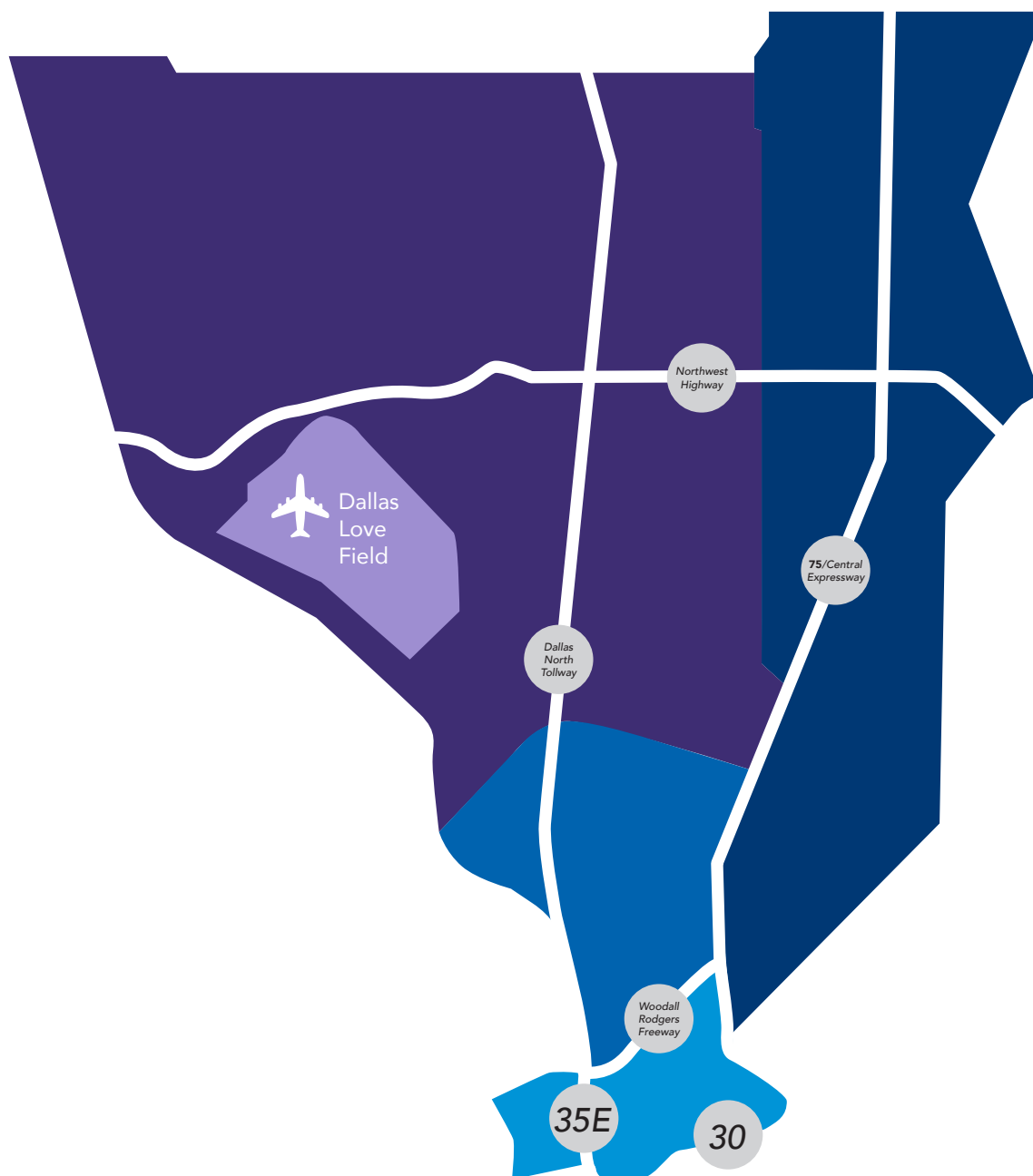
## WHITEBOX

REAL ESTATE

[www.whiteboxrealestate.com](http://www.whiteboxrealestate.com) | [contact@whiteboxrealestate.com](mailto:contact@whiteboxrealestate.com)

**DALLAS** 400 S Record Street, Suite 1100, Dallas, TX 75202 | 214.380.4540 **FORT WORTH** 420 Throckmorton Street, Suite 200, Fort Worth, TX 76102 | 817.502.1140

# Dallas Central Core



## Legend

- Preston Center
- Central Expressway Submarket
- Uptown/Turtle Creek
- Dallas CBD





## Preston Center | Q2 2021

### Market Insights:

The Preston Center Submarket ended the second quarter of 2021 with a vacancy rate of 11.43%. The vacancy rate increased from the previous quarter, and the net absorption rate for last 12 months is -97,694 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$39.72/SF across all classes, increasing from \$39.48/SF in the previous quarter. There have been no new deliveries in the last 12 months, and there is currently 615,632 SF under construction in the submarket.

Preston Center is one of the premier submarkets in DFW with a highly educated labor pool to draw from in North Dallas. A large portion of the tenant base at Preston Center is made up of financial and professional services firms. The area is also highly amenitized, with 165 restaurants and plenty of high-end shopping found at the Plaza of Preston Center. At \$39.72/SF, the submarket boasts the second-highest rents in the market, which is impressive considering that 60% of the building stock was constructed between 1980 and 1990. The submarket has one of the highest concentrations of Class A assets, comprising 66% of the total inventory.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



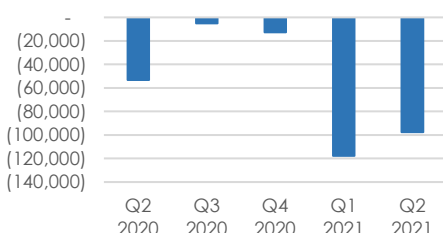
Under Construction

Absorption

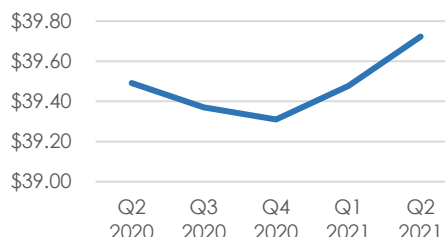


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Preston Center            | 6,558,073 SF   | 57,375,967 SF    | 11.43%       | -97,694 SF              | 0 SF                | 615,632 SF         | \$39.72/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

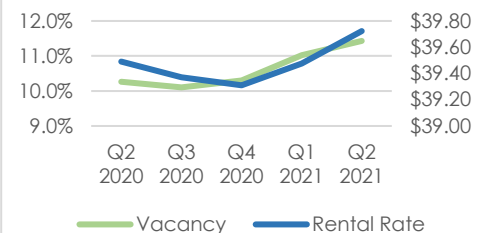
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

## Central Expressway | Q2 2021

### Market Insights:

The Central Expressway Submarket ended the second quarter of 2021 with a vacancy rate of 17.35%. The vacancy rate increased from the previous quarter, and the net absorption rate for last 12 months is -495,693 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$29.29/SF across all classes, increasing from \$29.24/SF in the previous quarter. New construction deliveries for the last 12 months are at 138,673 SF, and there is currently no construction in the submarket.

The Central Expressway Submarket stretches along North Central Expressway, with its southernmost point starting at the Dallas CBD and its northernmost point ending at LBJ Freeway. Nearly all the submarket's inventory runs along US 75. The submarket has a heavy concentration of financial services, telecom and tech firms, and offers a large amount of investment-grade property, half being Class A product.

Though vacancies in Central Expressway have risen in recent quarters, at 17.35% they continue to trend slightly below the DFW average.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



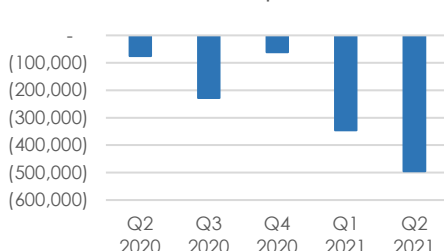
Under Construction

Absorption

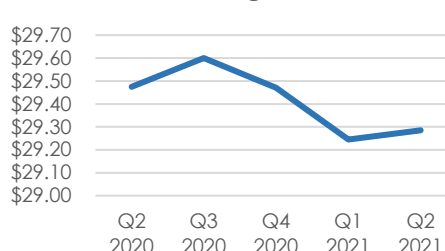


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Central Expressway        | 14,561,397 SF  | 83,908,015 SF    | 17.35%       | -495,693 SF             | 138,673 SF          | 0 SF               | \$29.29/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

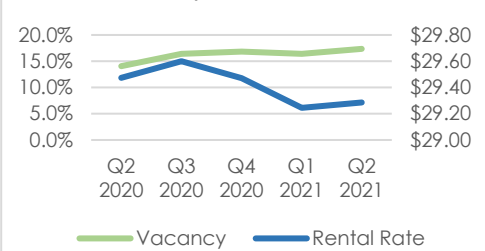
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

## Uptown / Turtle Creek | Q2 2021

### Market Insights:

The Uptown / Turtle Creek Submarket ended the second quarter of 2021 with a vacancy rate of 17.63%. The vacancy rate increased from the previous quarter, and the net absorption rate for last 12 months is -575,240 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$42.71/SF across all classes, increasing from \$42.01/SF in the previous quarter. There have been no new deliveries in the last 12 months, and there is currently 1,016,688 SF under construction in the submarket.

In 2020, 81 new direct leases were signed in the Uptown/Turtle Creek submarket, with an average deal size of close to 6,000 SF. The submarket is beginning to see the signs of a turn-around in the first half of 2021 with 459,000 SF of leasing activity, the largest lease signed in February for 95,800 SF in the recently renovated 2401 Cedar Springs. As of mid-2021, the property was 46% leased. At 17.63% vacancy, the submarket is trending slightly below the DFW average.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



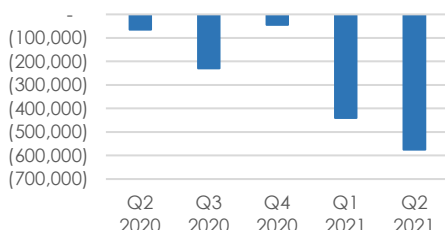
Under Construction

Absorption

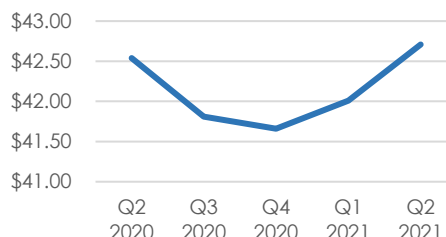


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Uptown / Turtle Creek     | 16,106,178 SF  | 91,372,202 SF    | 17.63%       | -575,240 SF             | 0 SF                | 1,016,688 SF       | \$42.71/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

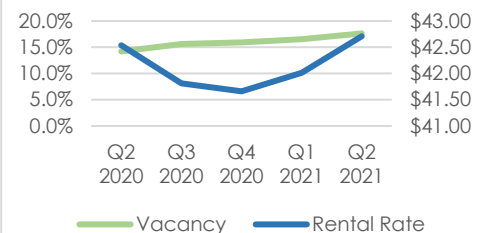
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

## Dallas CBD | Q2 2021

### Market Insights:

The Dallas CBD Submarket ended the second quarter of 2021 with a vacancy rate of 25.39%. The vacancy rate decreased from the previous quarter, and the net absorption rate for last 12 months is -873,667 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$26.66/SF across all classes, increasing from \$26.61/SF in the previous quarter. There have been no new deliveries in the last 12 months, and there is currently 284,600 SF under construction in the submarket.

About a decade ago, developers in the CBD began to reboot millions of square feet of obsolete inventory into alternative uses such as multifamily, hotel, and retail projects. These conversions not only buoyed CBD office fundamentals, but also helped the submarket take steps to become a real live/work/play environment. Many older assets in the CBD have either undergone or are undergoing major renovations, adding amenities like parking and updated lobby space to remain competitive with newer properties in the Arts District and Uptown.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



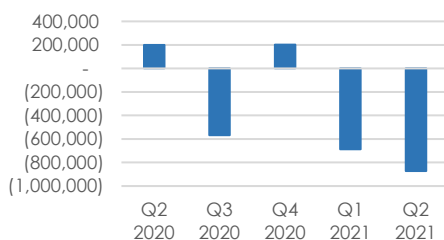
Under Construction

Absorption

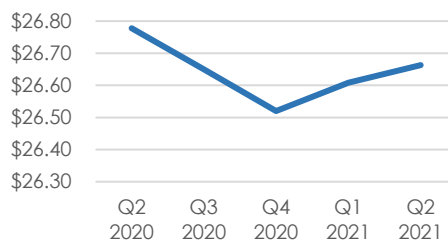


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Dallas CBD                | 34,076,523 SF  | 134,212,379 SF   | 25.39%       | -873,667 SF             | 0 SF                | 284,600 SF         | \$26.66/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

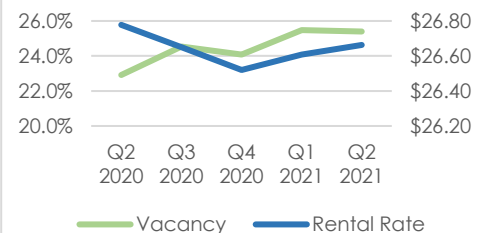
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

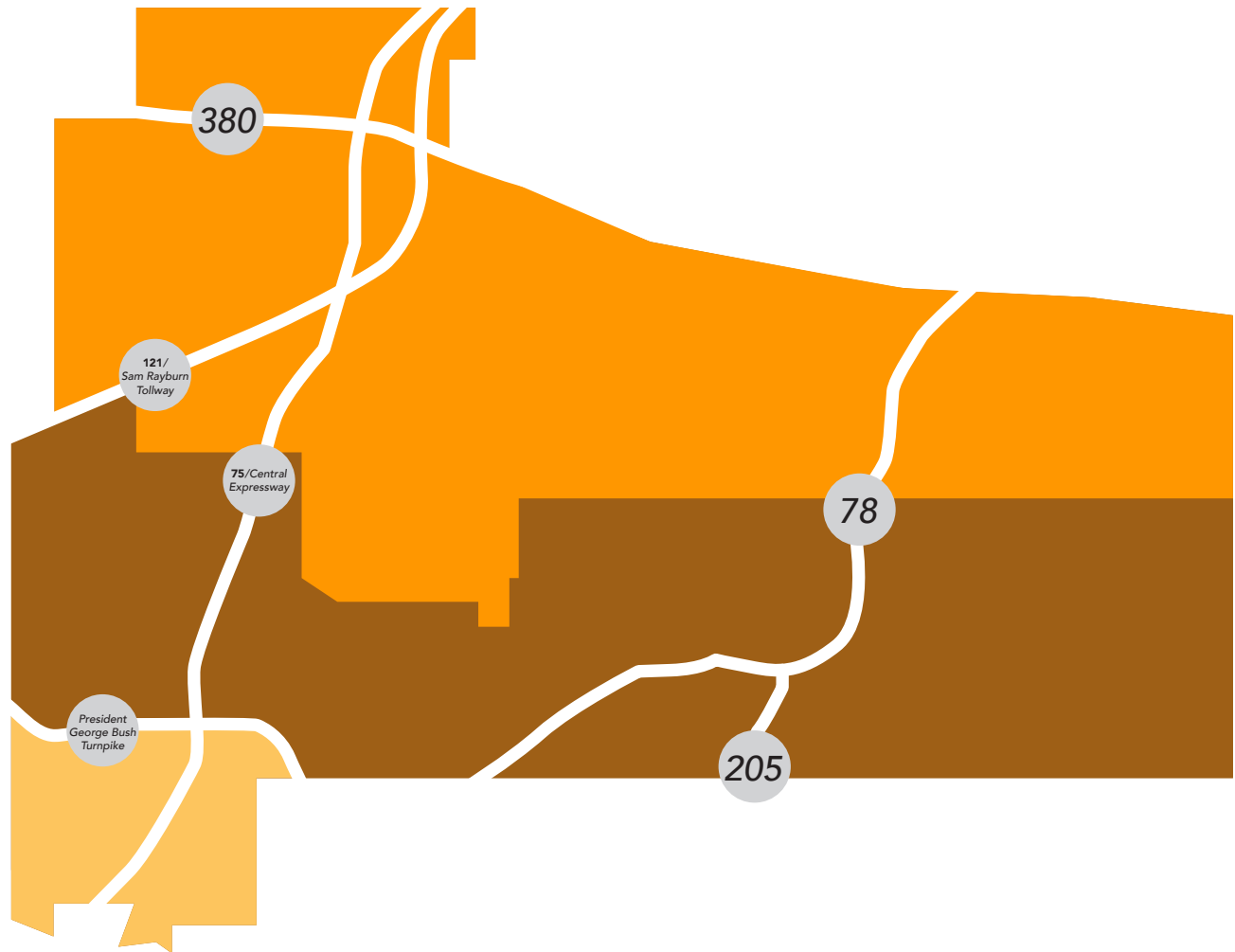
(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140



# Upper Central Expressway



## Legend

- Allen/McKinney
- Plano
- Richardson



## Allen / McKinney | Q2 2021

### Market Insights:

The Allen / McKinney Submarket ended the second quarter of 2021 with a vacancy rate of 11.33%. The vacancy rate decreased from the previous quarter, and the net absorption rate for last 12 months is 273,701 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$30.20/SF across all classes, decreasing from \$31.85/SF in the previous quarter. New construction deliveries for the last 12 months are at 626,871 SF, and there is currently 436,796 SF under construction in the submarket.

The concentration of medical firms in the Allen/McKinney submarket is substantial, with the Baylor Medical Center at McKinney housing numerous office/medical tenants.

Vacancies in Allen/McKinney are trending lower than the metro overall. Absorption here has roughly matched new supply over the past few years, keeping vacancies relatively tight. The lack of big blocks of available space is notable. There are typically only about a half dozen spaces larger than 25,000 SF available at any given time in the submarket.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



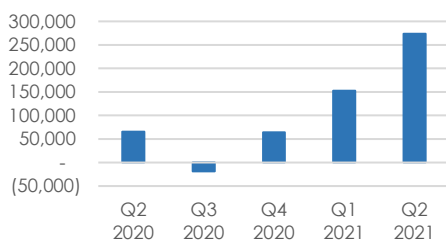
Under Construction

Absorption

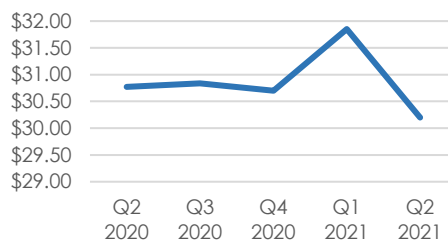


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Allen / McKinney          | 11,344,058 SF  | 100,106,407 SF   | 11.33%       | 273,701 SF              | 626,871 SF          | 436,796 SF         | \$30.20/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

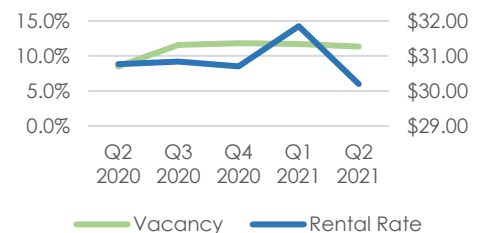
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

## Plano | Q2 2021

### Market Insights:

The Plano Submarket ended the second quarter of 2021 with a vacancy rate of 18.98%. The vacancy rate decreased from the previous quarter, and the net absorption rate for last 12 months is 30,310 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$25.39/SF across all classes, decreasing from \$26.37/SF in the previous quarter. New construction deliveries for the last 12 months are at 8,100 SF, and there is currently 48,000 SF under construction in the submarket.

Through the first half of 2021, the Plano submarket has seen 190 new direct leases, compared to 2020 when there were 134 new/direct leases the entire year. Since 2010 the area has averaged 644,000 SF of leasing annually.

Despite recent move-outs, there has been some positive leasing momentum in the submarket, especially at the newly renovated Legacy Central. 324,000 SF of space was leased in 2019 at Legacy Central alone.

### Q2 2021 vs Q1 2021

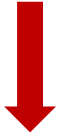
Rental Rates

Vacancy



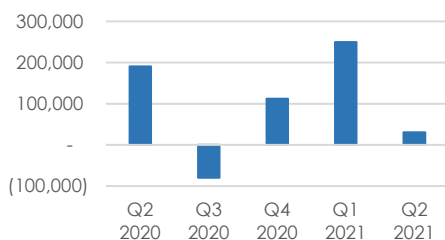
Under Construction

Absorption

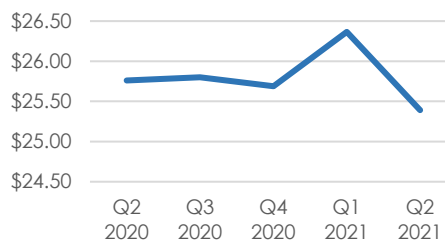


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Plano                     | 10,332,579 SF  | 54,436,431 SF    | 18.98%       | 30,310 SF               | 8,100 SF            | 48,000 SF          | \$25.39/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

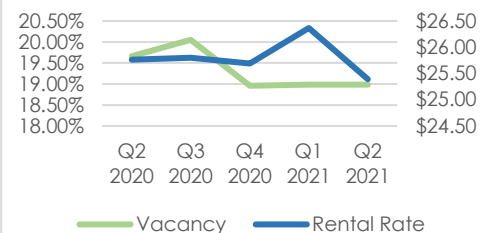
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

## Richardson | Q2 2021

### Market Insights:

The Richardson Submarket ended the second quarter of 2021 with a vacancy rate of 18.85%. The vacancy rate decreased from the previous quarter, and the net absorption rate for last 12 months is -447,046 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$24.68/SF across all classes, decreasing from \$25.12/SF in the previous quarter. New construction deliveries for the last 12 months are at 5,000 SF, and there is currently no construction in the submarket.

Plenty of large blocks are on the market in the Richardson submarket, and many landlords are reportedly fishing for single-tenant users. In early 2021, twelve properties had more than 100,000 SF of contiguous space available, and twenty-four buildings had more than 50,000 SF. One potential downside to leasing here is that large tenants often prefer new build-to-suits over existing space in the northern Dallas suburbs.

Through mid-2021, the submarket is reporting 98 new direct leases, most involving smaller spaces of 15,000 SF and below.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



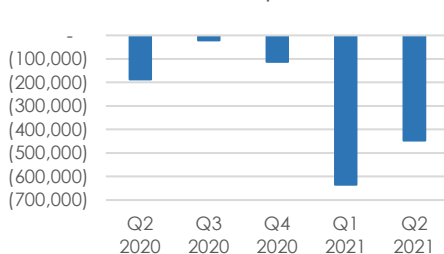
Under Construction

Absorption

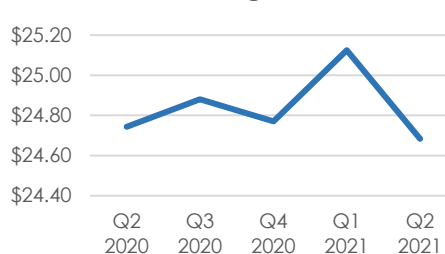


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Richardson                | 23,339,578 SF  | 123,843,670 SF   | 18.85%       | -447,046 SF             | 5,000 SF            | 0 SF               | \$24.68/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

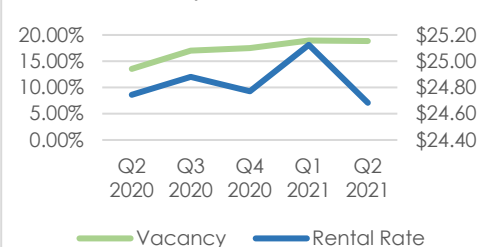
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

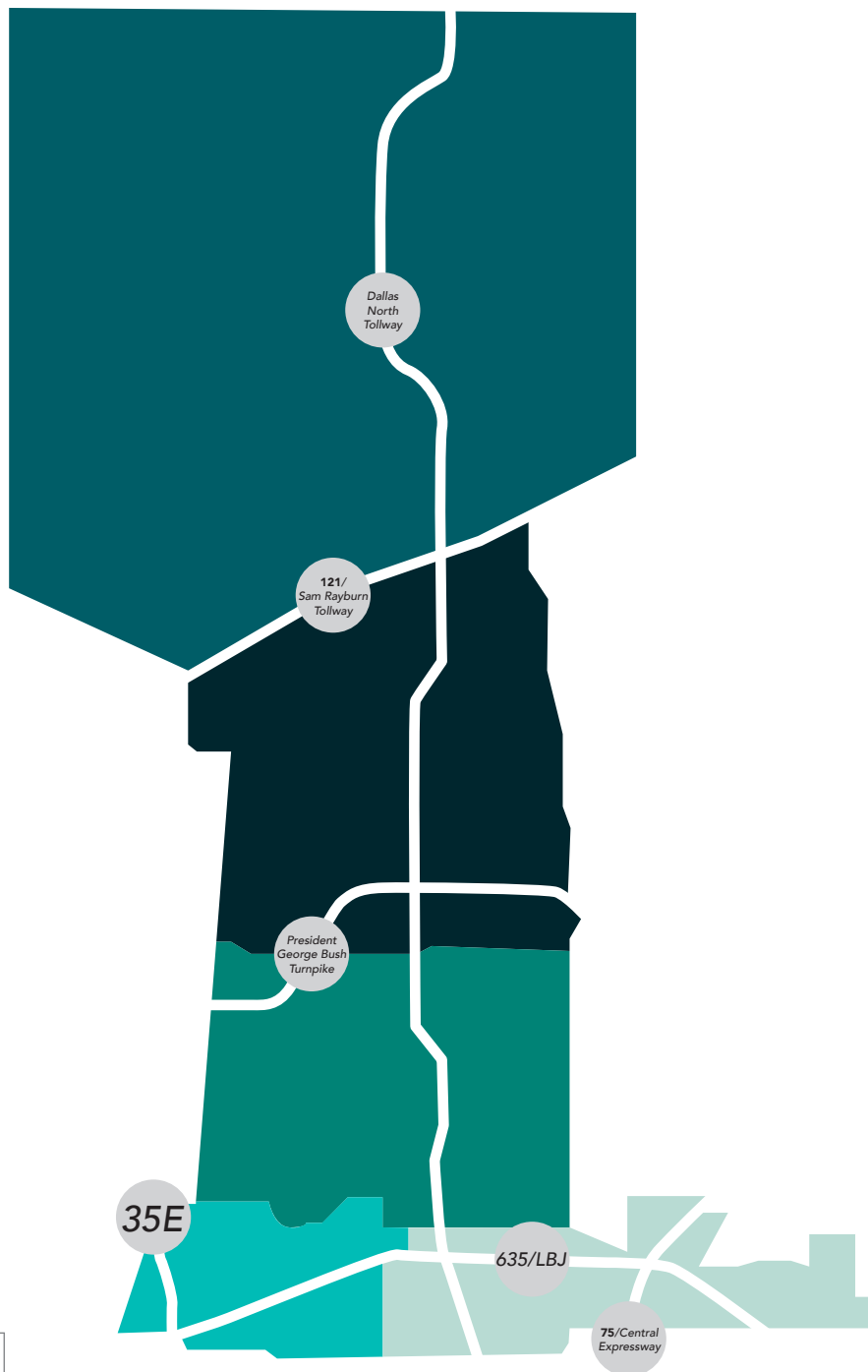
(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140



# Far North Dallas



## Legend

- Frisco/The Colony
- Upper Tollway/West Plano
- Quorum/Bent Tree
- West LBJ Freeway
- East LBJ Freeway



## Frisco / The Colony | Q2 2021

### Market Insights:

The Frisco/The Colony Submarket ended the second quarter of 2021 with a vacancy rate of 14.71%. The vacancy rate increased from the previous quarter, and the net absorption rate for last 12 months is 622,248 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$34.14/SF across all classes, increasing from \$34.13/SF in the previous quarter. New construction deliveries for the last 12 months are at 855,603 SF, and there is currently 470,366 SF under construction in the submarket.

Frisco/The Colony has been a hotbed for corporate headquarters in recent years. Frisco hit a hole in one when the PGA announced they would be moving their headquarters to the north Dallas suburb. The 100,000 SF building is expected to be delivered in 2021, anchoring a 600-acre, mixed-use development with an initial investment worth over half a billion dollars.

The majority of the submarket's office product is located along the Dallas North Tollway, more than 2 million SF of which is in the 162-acre Hall Park.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



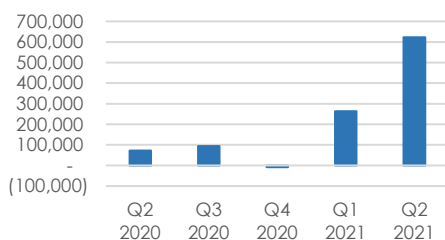
Under Construction

Absorption

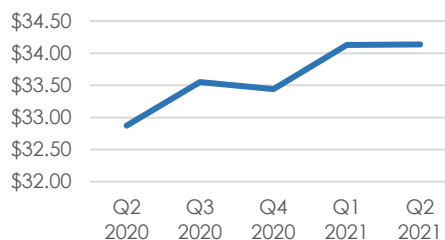


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Frisco / The Colony       | 9,389,713 SF   | 63,819,160 SF    | 14.71%       | 622,248 SF              | 855,603 SF          | 470,366 SF         | \$34.14/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

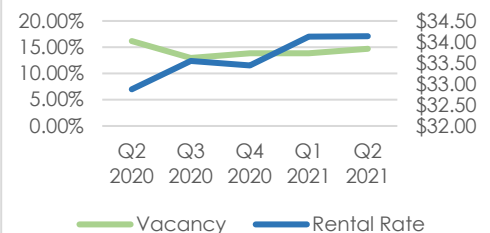
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

## Upper Tollway / West Plano | Q2 2021

### Market Insights:

The Upper Tollway / West Plano Submarket ended the second quarter of 2021 with a vacancy rate of 24.67%. The vacancy rate increased from the previous quarter, and the net absorption rate for last 12 months is -2,086,187 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$35.00/SF across all classes, increasing from \$34.76/SF in the previous quarter. New construction deliveries for the last 12 months are at 724,476 SF, and there is currently 1,109,400 SF under construction in the submarket.

The first half of 2021 has gotten off to a strong start with 128 new direct leases signed totaling 458,000 SF. The average deal size was 3,500 SF across 64 buildings. The largest lease of the year was in 5465 Legacy Drive, the Plaza at Legacy, where in the entire 31,800 SF third floor was leased in February.

Construction remains robust, with over 1.1 million SF underway and 724,476 SF delivered in the past 12 months.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



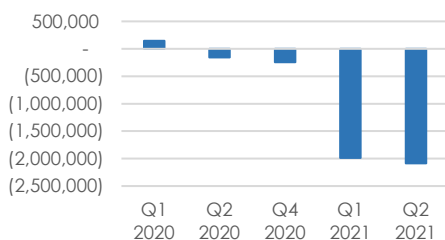
Under Construction

Absorption

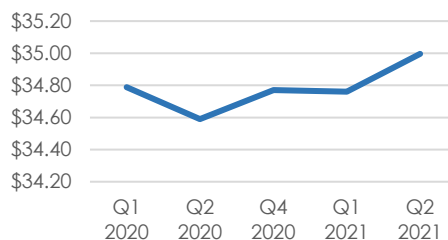


|                            | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|----------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Upper Tollway / West Plano | 35,584,790 SF  | 144,254,865 SF   | 24.67%       | -2,086,187 SF           | 724,476 SF          | 1,109,400 SF       | \$35.00/SF          |
| Dallas / Fort Worth Total  | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

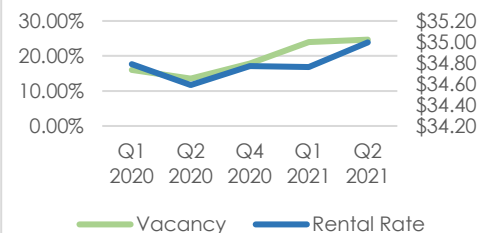
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

## Quorum / Bent Tree | Q2 2021

### Market Insights:

The Quorum / Bent Tree Submarket ended the second quarter of 2021 with a vacancy rate of 21.19%. The vacancy rate decreased from the previous quarter, and the net absorption rate for last 12 months is -352,919 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$26.66/SF across all classes, increasing from \$26.61/SF in the previous quarter. There have been no new deliveries in the last 12 months, and there is currently no construction in the submarket.

With 24.3 million SF of inventory situated along the Dallas North Tollway between LBJ Freeway and the President George Bush Turnpike, the Quorum/Bent Tree submarket is one of the metroplex's primary office nodes.

Its prime location allows tenants to tap into the highly educated workforce that resides to the south in Uptown and the Park Cities as well as to the north in Plano and Frisco. The average deal size is in line with the rest of the metroplex at 3,185 SF, with seven deals 15,000 SF or greater.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



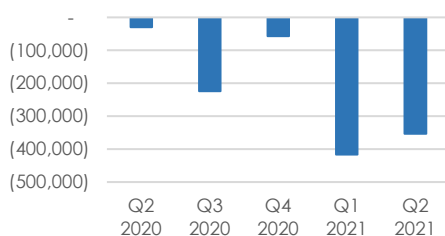
Under Construction

Absorption

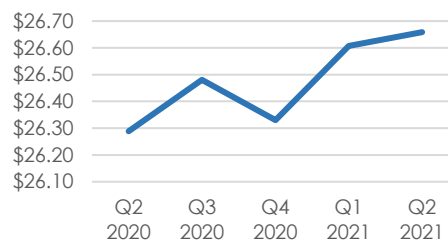


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Quorum / Bent Tree        | 24,266,964 SF  | 114,520,831 SF   | 21.19%       | -352,919 SF             | 0 SF                | 0 SF               | \$26.66/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

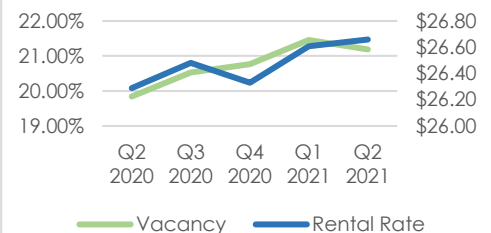
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140



## West LBJ Freeway | Q2 2021

### Market Insights:

The West LBJ Freeway Submarket ended the second quarter of 2021 with a vacancy rate of 21.75%. The vacancy rate decreased from the previous quarter, and the net absorption rate for last 12 months is -250,321 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$20.41/SF across all classes, decreasing from \$20.55/SF in the previous quarter. There have been no new deliveries in the last 12 months, and there is currently 12,000 SF under construction in the submarket.

Vacancy rates in the West LBJ Freeway submarket have historically tracked higher than the market average. The submarket consists mainly 1980's Class B assets. In that subset, vacancies have remained relatively stable over the last decade, staying between 15% and 20%.

The most substantial vacancy gains have come in Class A assets. A significant portion of this improvement was AmTrust Financial, which purchased 4455 LBJ in 2015 and moved into more than 160,000 SF there.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



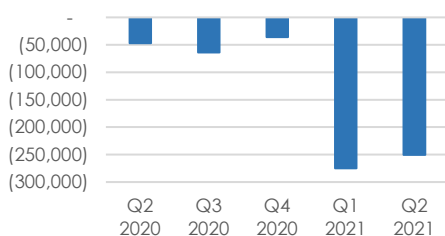
Under Construction

Absorption

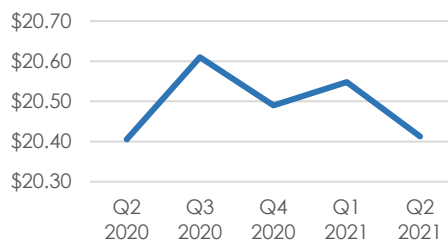


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| West LBJ Freeway          | 5,043,344 SF   | 23,192,054 SF    | 21.75%       | -250,321 SF             | 0 SF                | 12,000 SF          | \$20.41/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

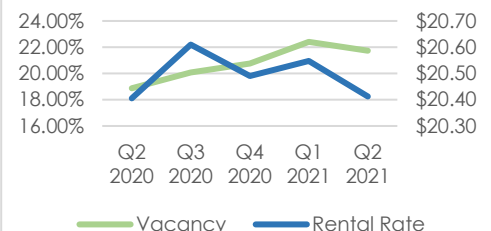
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

## East LBJ Freeway | Q2 2021

### Market Insights:

The East LBJ Freeway Submarket ended the second quarter of 2021 with a vacancy rate of 23.82%. The vacancy rate increased from the previous quarter, and the net absorption rate for last 12 months is -554,850 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$26.25/SF across all classes, decreasing from \$26.49/SF in the previous quarter. There have been no new deliveries in the last 12 months, and there is currently 107,000 SF under construction in the submarket.

At 23.8%, vacancies are higher in East LBJ than the DFW metroplex average. Tenants seeking space have shown a preference for new product over the past decade and just 3% of inventory in the East LBJ Freeway submarket was built after 2000 - well below the metro average of 25%. With 107,000 SF under construction, potential demand in this submarket is limited, especially considering there are plenty of other options in neighboring Quorum/Bent Tree and the premier suburban submarkets like Upper Tollway/West Plano and Frisco/The Colony.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



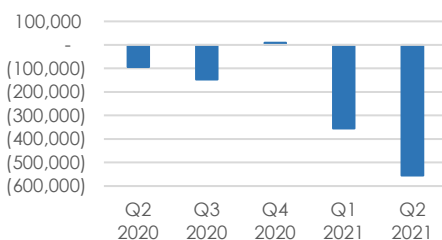
Under Construction

Absorption

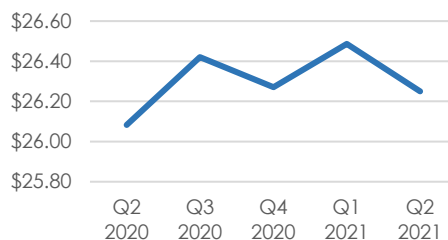


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| East LBJ Freeway          | 17,674,754 SF  | 74,216,897 SF    | 23.82%       | -554,850 SF             | 0 SF                | 107,000 SF         | \$26.25/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

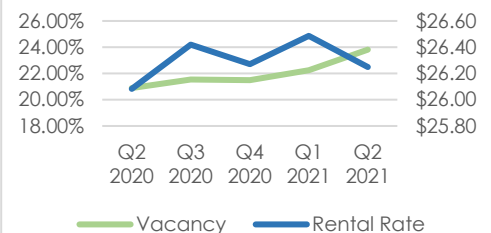
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



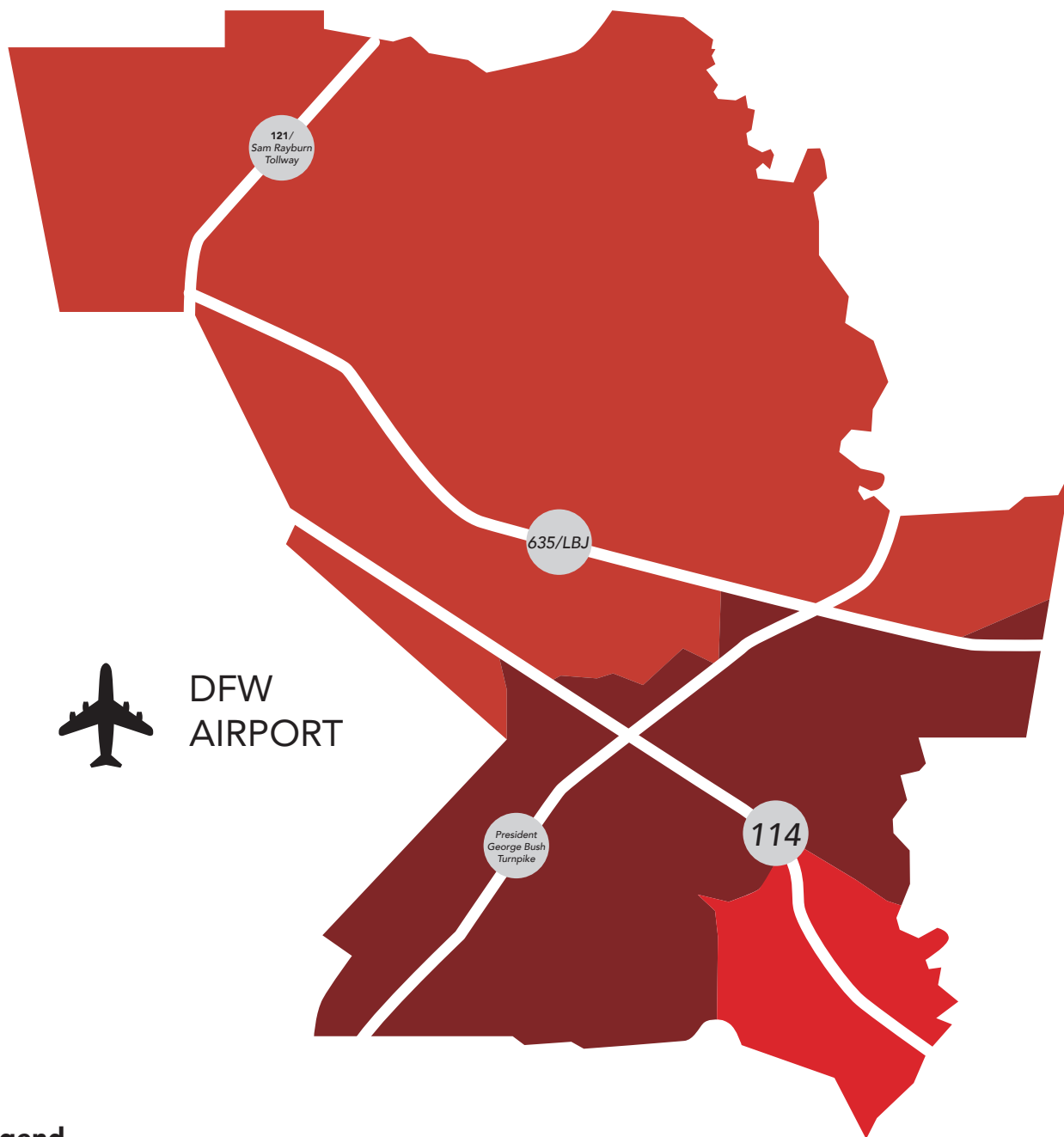
400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

# Las Colinas Office Market



## Legend

- DFW Freeport/Coppell
- Office Ctr/West LBJ Ext
- Urban Center/Wingren



WHITEBOX  
REAL ESTATE

## DFW Freeport / Coppell | Q2 2021

### Market Insights:

The DFW Freeport / Coppell Submarket ended the second quarter of 2021 with a vacancy rate of 23.22%. The vacancy rate increased from the previous quarter, and the net absorption rate for last 12 months is -1,005,558 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$25.74/SF across all classes, increasing from \$25.61/SF in the previous quarter. New construction deliveries for the last 12 months are at 176,520 SF, and there is currently 450,000 SF under construction in the submarket.

Like everywhere else in the metroplex, DFW Freeport/Coppell is feeling the weight from the pandemic-induced recession. Leasing activity over the last 12 months was marked by negative net-absorption and rent growth has slowed through early 2021. Vacancy rates have trended higher since Q2 2020, and a large portion of demand stems from build-to-suits in the 1,000-acre, \$3.5 billion Cypress Waters mixed-use development. Cypress Waters encompasses most of the land on the southern shore of North Lake and could include up to 4.5 million SF of office space and 10,000 apartments at full build-out.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



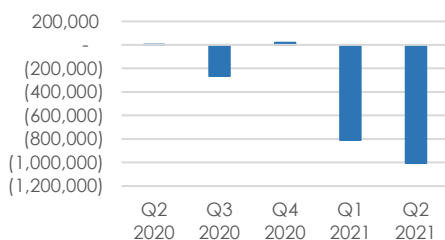
Under Construction

Absorption

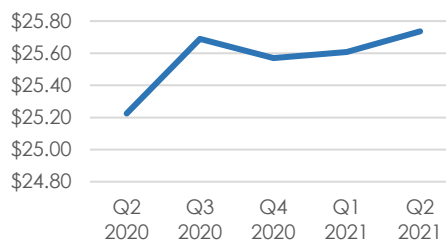


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| DFW Freeport / Coppell    | 16,281,509 SF  | 70,130,552 SF    | 23.22%       | -1,005,558 SF           | 176,520 SF          | 450,000 SF         | \$25.74/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

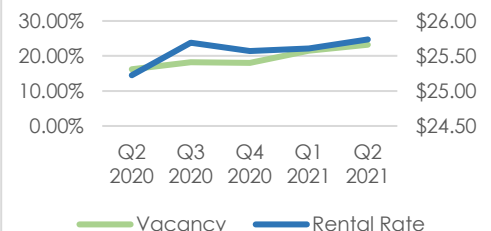
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

## Office Center / West LBJ Ext | Q2 2021

### Market Insights:

The Office Center / West LBJ Ext Submarket ended the second quarter of 2021 with a vacancy rate of 16.78%. The vacancy rate increased from the previous quarter, and the net absorption rate for last 12 months is -122,319 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$26.52/SF across all classes, increasing from \$26.30/SF in the previous quarter. New construction deliveries for the last 12 months are at 40,378 SF, and there is currently no construction in the submarket.

Vacancies in the Office Center/West LBJ Submarket are back on the rise, reaching 16.78%. Some of this can be attributed to the Cypress Waters mixed-use development in the neighboring DFW Freeport/Coppell submarket, who landed a few major corporations over the past few years, some of which were originally located in Office Center/West LBJ.

With deliveries at just 40,000 SF in the last 12 months, users will have to decide between older stock or venturing to neighboring submarkets with newer product.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



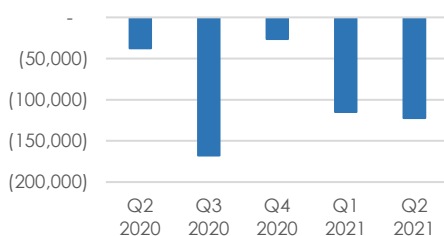
Under Construction

Absorption

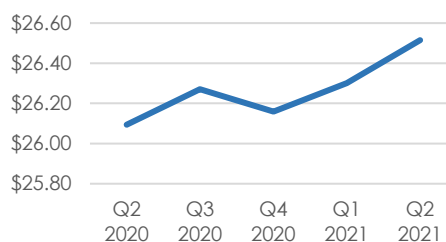


|                              | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|------------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Office Center / West LBJ Ext | 18,068,501 SF  | 107,659,542 SF   | 16.78%       | -122,319 SF             | 40,378 SF           | 0 SF               | \$26.52/SF          |
| Dallas / Fort Worth Total    | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

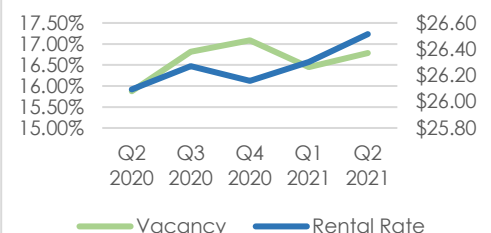
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

## Urban Center / Wingren | Q2 2021

### Market Insights:

The Urban Center / Wingren Submarket ended the second quarter of 2021 with a vacancy rate of 25.67%. The vacancy rate increased from the previous quarter, and the net absorption rate for last 12 months is -562,542 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$29.02/SF across all classes, increasing from \$28.84/SF in the previous quarter. New construction deliveries for the last 12 months are at 32,470 SF, and there is currently 456,000 SF under construction in the submarket.

For the last ten years, the submarket typically sees about one million square feet of leasing activity per year. Of the 76 leases executed in the last 12 months, only eight are 10,000 SF or greater. The Summit at Las Colinas scored a big win when the American Athletic Conference decided to move its headquarters into an 18,000 SF at the property.

Vacancies in the submarket are hovering above the metro average at 25.67% and have been trending up slightly since Q2 2020.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



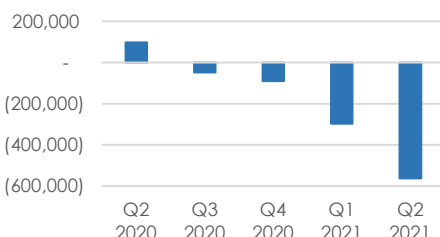
Under Construction

Absorption

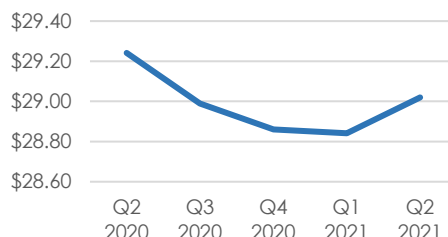


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Urban Center / Wingren    | 9,805,847 SF   | 38,205,591 SF    | 25.67%       | -562,542 SF             | 32,470 SF           | 456,000 SF         | \$29.02/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

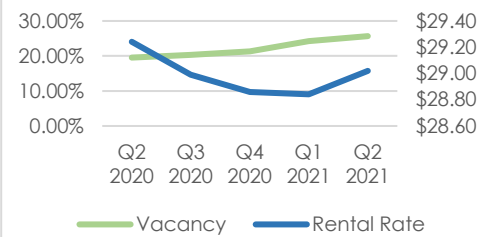
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140



# Fort Worth CBD



## Ft Worth CBD | Q2 2021

### Market Insights:

The Ft Worth CBD Submarket ended the second quarter of 2021 with a vacancy rate of 16.93%. The vacancy rate increased from the previous quarter, and the net absorption rate for last 12 months is -339,198 SF at the end of Q2 2021.

Rental rates ended the second quarter at \$27.49/SF across all classes, decreasing from \$27.55/SF in the previous quarter. There have been no new deliveries in the last 12 months, and there is currently no construction in the submarket.

In many respects, the Fort Worth CBD is dissimilar to its counterpart in Dallas. While vacancies in the Dallas CBD are structurally high, they are typically below the metro average in the Fort Worth CBD. Part of the reason is that the Fort Worth CBD is just about the only place where tenants will find Class A inventory in the western part of the metroplex. Downtown Fort Worth holds roughly half of the Class A inventory west of Dallas/Fort Worth International Airport.

### Q2 2021 vs Q1 2021

Rental Rates

Vacancy



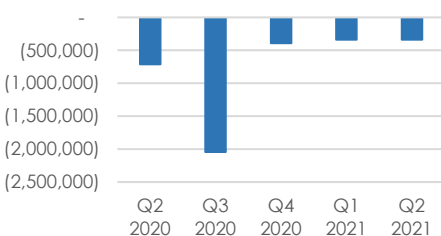
Under Construction

Absorption

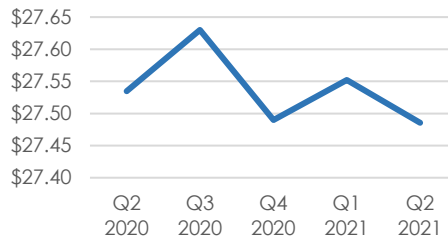


|                           | Inventory      | Total Vacancy SF | Vacancy Rate | 12 Month Net Absorption | 12 Month Deliveries | Under Construction | Rates - All Classes |
|---------------------------|----------------|------------------|--------------|-------------------------|---------------------|--------------------|---------------------|
| Ft Worth CBD              | 11,086,985 SF  | 65,491,080 SF    | 16.93%       | -339,198 SF             | 0 SF                | 0 SF               | \$27.49/SF          |
| Dallas / Fort Worth Total | 263,520,793 SF | 1,346,745,642 SF | 19.36%       | -6,836,975 SF           | 2,608,091 SF        | 5,006,482 SF       | \$29.37/SF          |

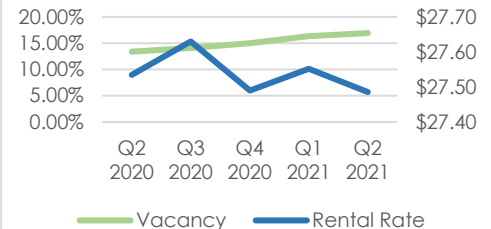
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140



Don't  
get



on  
your  
commercial  
lease.

***Burned. What did you think we meant?***

Failing to engage an expert to help negotiate your new lease or lease renewal could result in you getting burned. Whitebox is a complimentary full-service commercial real estate firm committed to getting you the best deal possible.

W H I T E B ☐ X

R E A L   E S T A T E

W H I T E B  X

R E A L E S T A T E

400 S Record Street  
Suite 1100  
Dallas, TX 75202

(214) 380-4540

420 Throckmorton Street  
Suite 200  
Fort Worth, Texas 76102

(817) 502-1140

[www.whiteboxrealestate.com](http://www.whiteboxrealestate.com)

