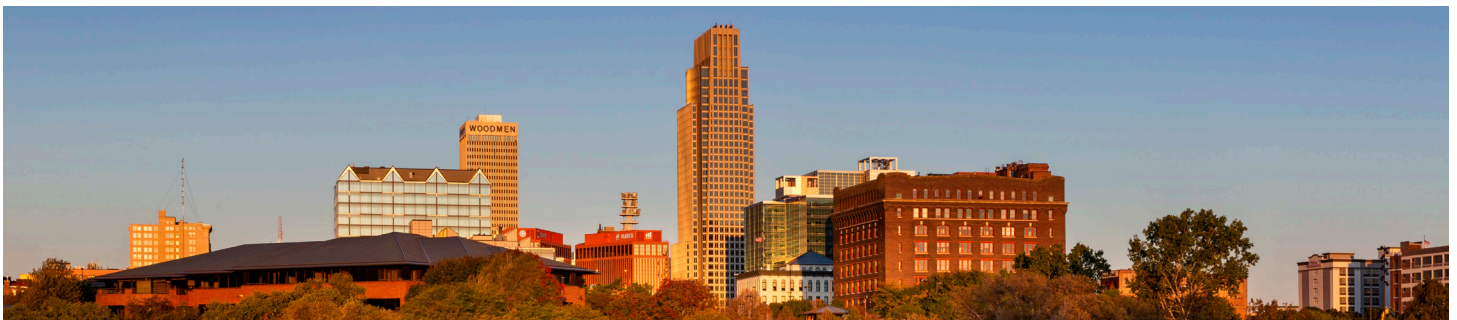


HIGHLIGHTS

- » Q3 2020 experienced 182,288 square feet of negative absorption. This was largely due to InfoGroup vacating 176,033 square feet in the Papillion Business Park within the Southeast Submarket.
- » Out of 12 submarkets only 4 experienced positive absorption, of which were minimal gains.
 - » Northeast
 - » Old Mill
 - » South Central
 - » Suburban West Dodge
- » Overall Market year over year results:
 - » Vacancy Rate: Q3 2019 – 6.3% to Q3 2020 – 8.2%
 - » Absorption: Q3 2019 – 212,501 SF to Q3 2020 – (51,295) SF
 - » Asking Rental Rates: Q3 2019 – \$18.40 PSF to Q3 2020 – \$21.72 PSF
 - » This dramatic increase is initially surprising but results from significant Class A new construction which raises the average asking rent.
- » Q3 2020 leasing activity continues to lag far behind previous years.
 - » Q3 2020 saw no leases signed over 15,000 SF whereas Q3 2019 saw 8.
 - » Q3 2020 saw only 5 leases signed over 10,000 SF:
 - » Raymond James – 14,770 SF
 - » CareDX – 13,132 SF
 - » Alff Construction – 12,500 SF
 - » NP Dodge Real Estate – 11,397 SF
 - » Concentra – 10,314 SF



Q3 2020 OFFICE DATA BY OMAHA SUBMARKET

SUBMARKETS	INVENTORY (BUILDINGS)	INVENTORY (SF)	VACANT SF DIRECT	VACANT SF SUBLET	VACANT SF TOTAL	VACANT PERCENT TOTAL	NET ABSORPTION SF TOTAL	OFFICE GROSS RENT OVERALL
Central Dodge	100	3,453,093	222,099	85,069	307,168	8.90%	(23,364)	\$22.83
Downtown	135	9,991,600	564,596	31,712	596,308	6.00%	(1,115)	\$19.45
Midtown	215	6,334,422	389,297	0	389,297	6.10%	(7,061)	\$24.39
Miracle Hills	27	1,097,256	126,749	7,971	134,720	12.30%	(16,295)	\$23.52
Northeast	73	748,425	60,796	0	60,796	8.10%	1,400	\$15.67
Northwest	149	2,602,696	210,947	8,300	219,247	8.40%	(7,384)	\$20.80
Old Mill	65	2,238,742	129,034	63,020	192,054	8.60%	17,600	\$19.71
Regency	24	1,309,798	93,180	23,509	116,689	8.90%	(28,938)	\$23.32
South Central	225	3,312,948	180,238	8,512	188,750	5.70%	4,672	\$17.87
Southeast	200	2,614,461	278,600	0	278,600	10.70%	(124,725)	\$17.97
Southwest	262	5,037,672	329,744	0	329,744	6.50%	(6,813)	\$19.26
Suburban West Dodge	103	4,421,538	287,349	32,372	319,721	7.20%	9,735	\$25.78
Omaha Market	1,578	43,162,651	2,872,629	260,465	3,133,094	8.12%	(182,288)	\$21.35

Contributors:

Tim Kerrigan, CCIM, SIOR

J.P. Raynor, JD, CCIM, SIOR

Mike Rensch

Jeanette Weber, CPM

Jack Warren

Editor's Note: The Investors Realty, Inc. Omaha Office Report is based on data provided by CoStar. This report includes all Omaha office buildings, including medical and owner occupied. Council Bluffs, IA is not included.