Occupier Outlook

United States Overview:
The Economy and Its Impact on Commercial Real Estate

Cresa Research | Q3, 2025

COMMERCIAL REAL ESTATE MARKET AT CROSSROADS:
BALANCING RECOVERY, HIGHER RATES, AND EVOLVING WORK TRENDS

Executive Summary

Macro Economic View

- Inflation remains persistently elevated as prices negatively impact consumer confidence. The Fed cut rates in late October to 3.75 to 4 percent, reflecting growing concern about downside risks to the labor market.
- Job growth slows down as employers hold off on new hiring.
- The manufacturing sector is under significant pressure and has shed 85,000 jobs over the past year.
- Rising tariffs and other restrictive policies are making mid- to long-term demand for consumer goods uncertain, particularly non-durable goods, and may slow decision-making for companies.

Office Market

- The office market may have hit an inflection point as vacancy retreats and net absorption turns positive in the third quarter.
- Office demand remains complex and highly variable across markets, with only about half of the nation's top 50 markets seeing positive demand in the first half of 2025.
- Overall office occupancy improves in the margins as workers come to the office more frequently, but hybrid work scenarios remain prevalent.

Industrial Market

- Three straight years of increasing vacancy rates is shifting leverage to the occupier.
- Large distribution spaces (over 250,000 square feet) expand vacancy as smaller bay spaces (under 50,000 square feet) surge in demand.
- Tariffs and protectionist trade policies weigh on decision-making for companies, expanding the time to lease spaces.
- Industrial sales volume picks up steam as investors look to cash in on substantial lease rate increases over the past five years.

Economic Overview

Entering the last quarter of 2025, the U.S. economy is navigating a slowdown as opposed to a steep downturn. Economic expansion has turned modestly positive, with indicators that the catalyst of the economy – consumer spending – has remained resilient. Still, inflation remains persistently elevated, and job growth has slowed to a crawl, creating a scenario for slight headwinds to protract growth. Higher interest rates, trade and tariff uncertainty, and structural shifts such as in labor markets and supply chains are weighing on business investment and confidence. Many firms remain cautious about hiring decisions, and the overall economic backdrop is relatively muted optimism.

Within the commercial real estate landscape, these economic dynamics are having divergent impacts across sectors. Employment for knowledge workers, the driving force for increased demand in the office market, has seen a pullback in the last 18-months. Combined with office occupancy now stabilized at 65 to 75 percent of pre-pandemic levels due to hybrid work scenarios, the demand for office space continues to weaken. Nevertheless, it appears the national office market has hit the bottom and is beginning to make some positive, although modest, gains.

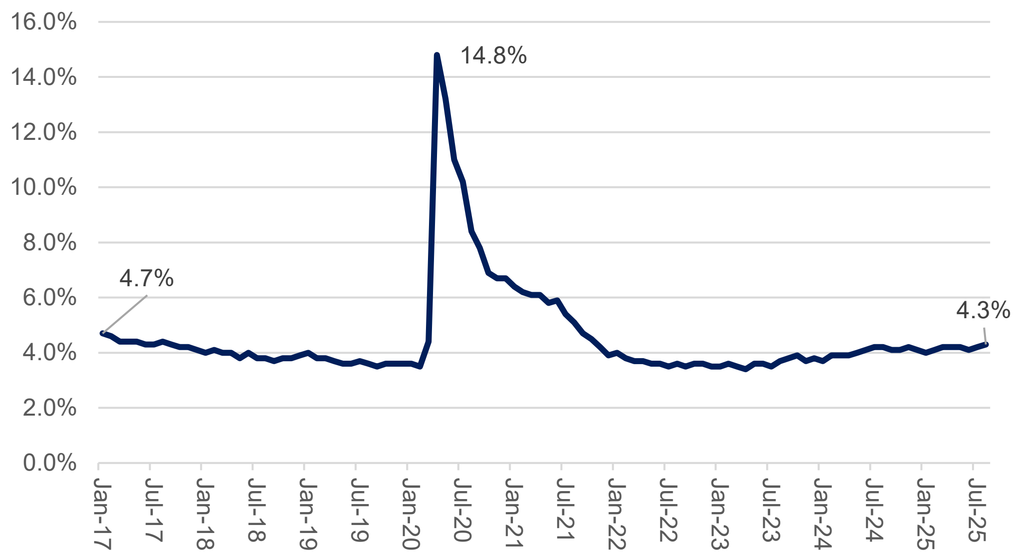
On the industrial side, long-term tailwinds remain, but the exception boom is in our rearview mirror. The industrial sector is becoming increasingly sensitive to the broader economic environment and will need to adapt to slower growth, higher financing costs, and evolving occupier needs.

Unemployment

Unemployment Steadies After Drifting Higher

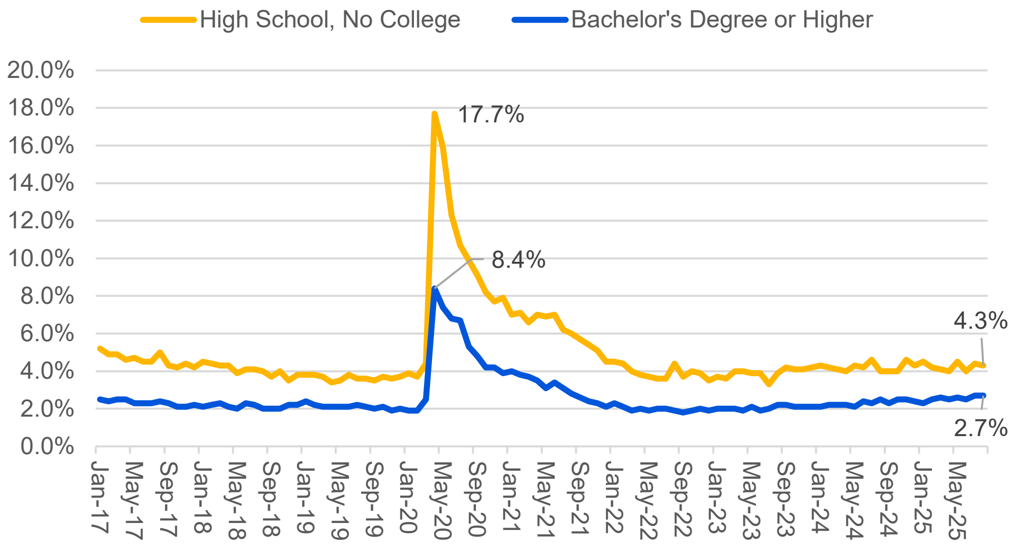
Unemployment rates tick higher but remain low by historical standards. The market is closely watching for additional Fed rate reductions, but volatile inflation is making the timing murkier. College-educated unemployment is below 3 percent, but it has increased by 700 basis points over the past 12-months. Knowledge worker employment, particularly tech jobs, has retreated since 2023.

Total Unemployment: (United States)



Source: U.S. Bureau of Labor Statistics, https://bls.gov; Seasonally adjusted

High School Only vs. Bachelor's Degree or Higher



Source: U.S. Bureau of Labor Statistics, https://bls.gov, Seasonally adjusted

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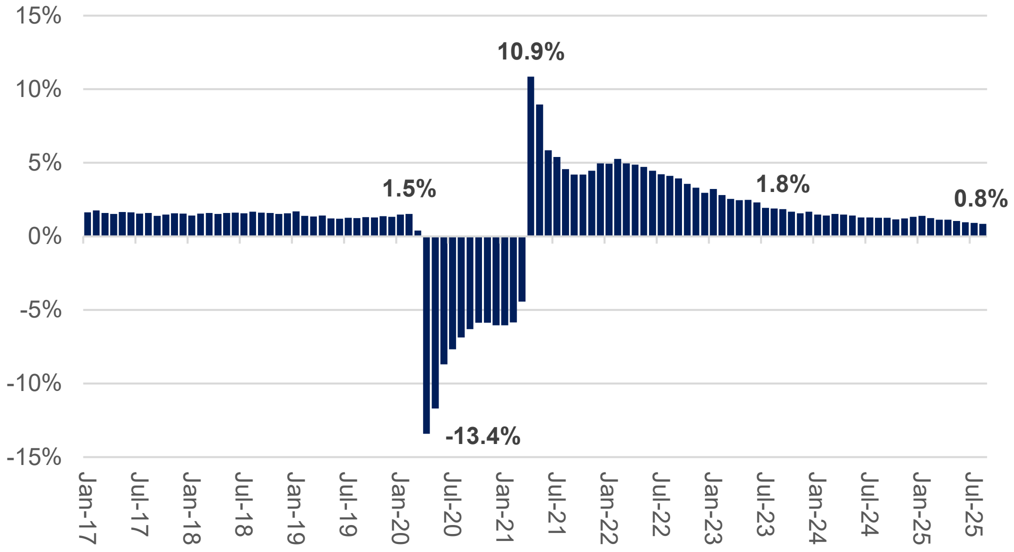
Employment

Job Creation Falls Below Pre-Pandemic Levels

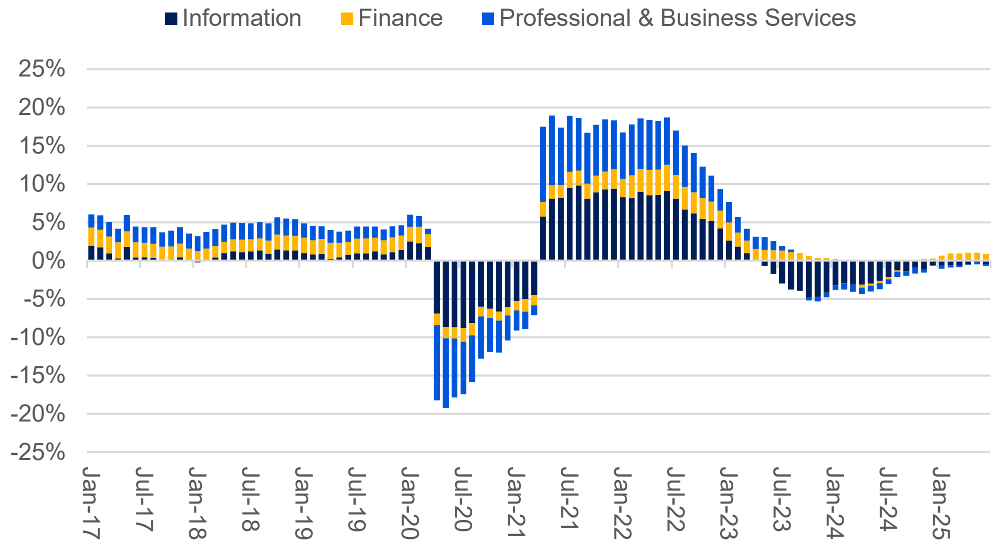
The August jobs report showed weak growth, with non-farm payrolls increasing by only 22,000 jobs. Further, the Bureau of Labor Statistics revised previous employment gains by 911,000 for the 12 months through March 2025. For September, although the BLS number has not yet been released, private-sector payroll data from the ADP Research Institute showed a decline of 32,000 jobs, which is below projections.

All Job Sectors (12-Month Change)



Source: U.S. Bureau of Labor Statistics, https://bls.gov, Not seasonally adjusted

Office-Occupying Jobs (12-Month Change)



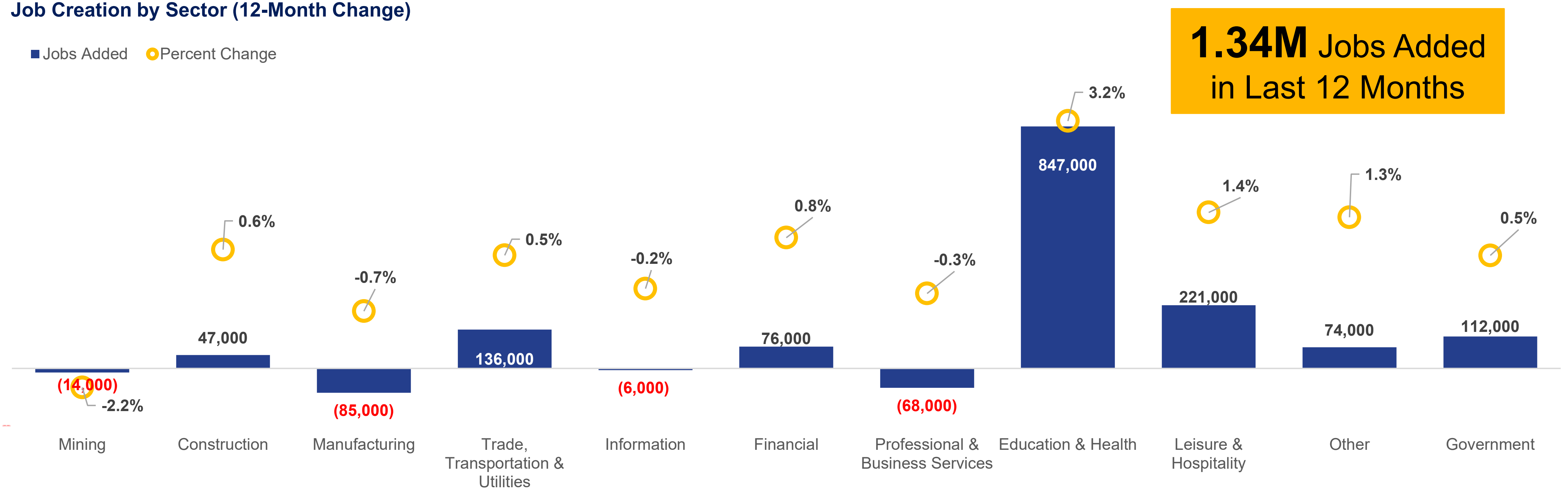
Source: U.S. Bureau of Labor Statistics, https://bls.gov, Not seasonally adjusted

Employment

Education and Healthcare Sectors Lead the Way

Despite overall weak employment numbers, healthcare and social assistance posted gains of approximately 47,000 jobs in August. Leisure and hospitality also showed growth in August by about 28,000 jobs, although there are signs the sector may be softening. The manufacturing sector is under significant pressure and has shed 85,000 jobs over the past year. While still positive, construction employment has slowed for the third straight month, indicating a potential pause in some projects. More broadly, modest and concentrated growth indicates firms appear to be cautious about hiring.

Job Creation by Sector (12-Month Change)



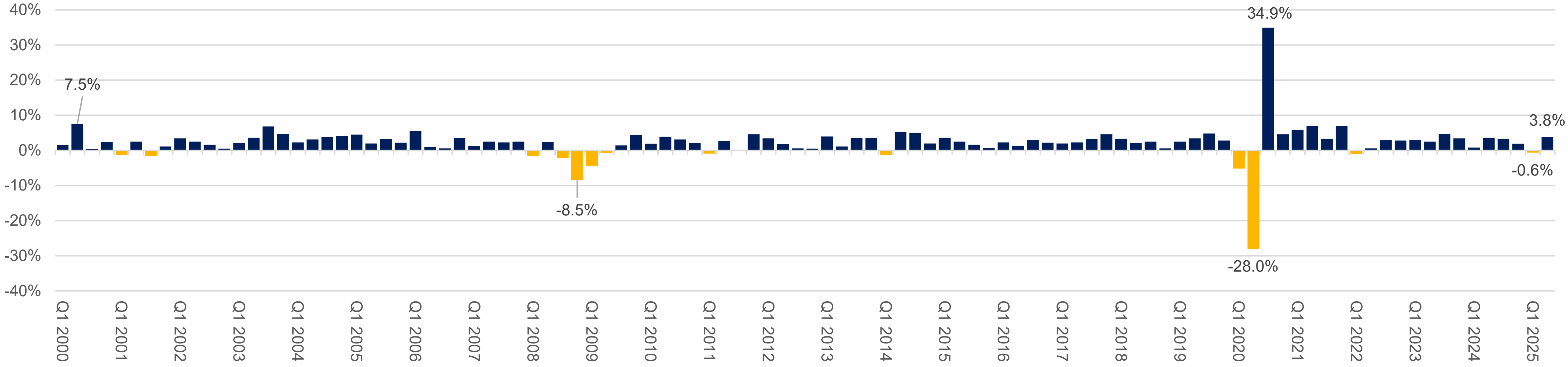
Source: U.S. Bureau of Labor Statistics, https://bls.gov

GDP

Real GDP Increases After a Drop in the First Quarter

The GDP increased at an annualized rate of 3.8 percent in the second quarter. The bounce was primarily driven by a sharp decline in imports, which boosts measured GDP, since imports are a subtraction in GDP. Consumer spending was revised upward, which is a key positive contributor. Economic expansion for the second half of 2025 is projected to be modest.

Real GDP Percent Change from Preceding Quarter: Q4 2024



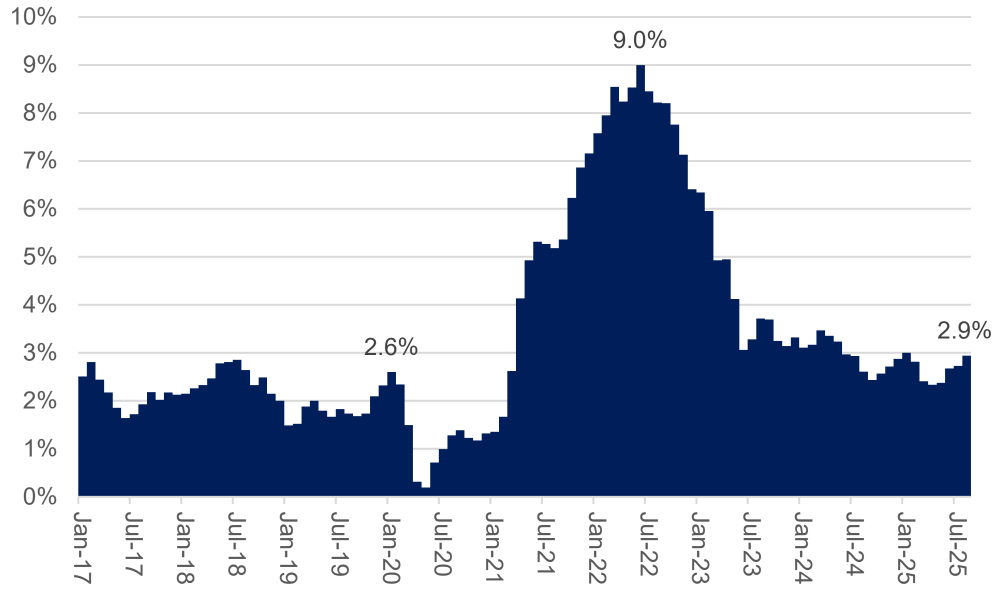
Source [Real Gross Domestic Product (A191RL1Q225SBEA) | FRED | St. Louis Fed (stlouisfed.org)](https://fred.stlouisfed.org/series/A191RL1Q225SBEA)
Note April 15, 2024. Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/A191RL1Q225SBEA, October 15, 2025.

Inflation

Inflation Increases as Indications Point to a Volatile Second Half of 2025

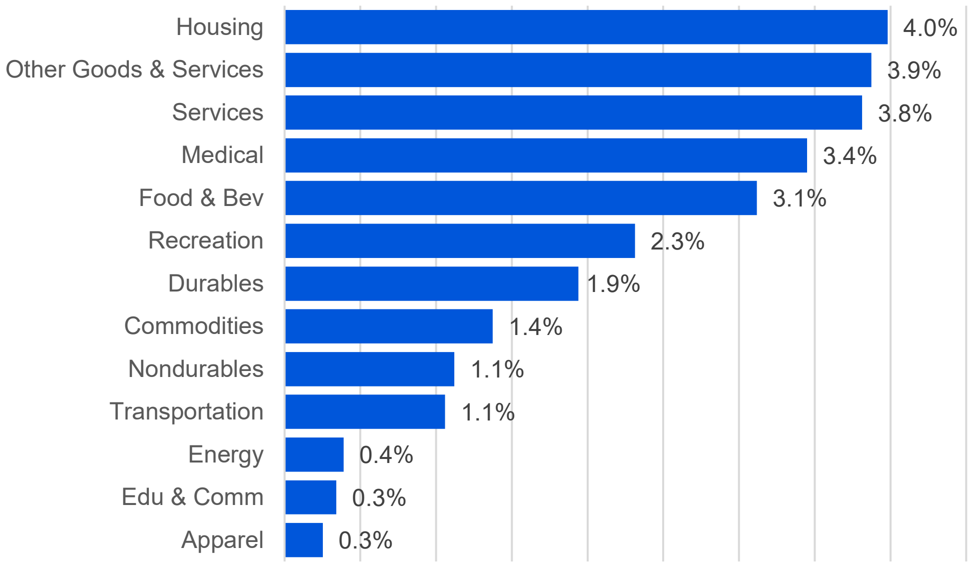
The August 2025 Consumer Price Index (CPI) from the Bureau of Labor Statistics reported inflation reached 2.9 percent over the past year, the third straight month of increases. Pre-covid rates were typically 2-3 percent annual increases, indicating the US economy has stabilized. Indexes that increased in May include *Housing*, *Other Goods & Services*, and *Medical*. Every sector increased over the past year, after energy and transportation retreated earlier in the summer.

Consumer Price Index (12-Month Change)



Source: U.S. Bureau of Labor Statistics, https://bls.gov
Note: Seasonally adjusted, Data pulled October 2025.

Consumer Price Index by Sector (12-Month Change)



Source: U.S. Bureau of Labor Statistics, https://bls.gov
Note: Seasonally adjusted, Data pulled October 2025

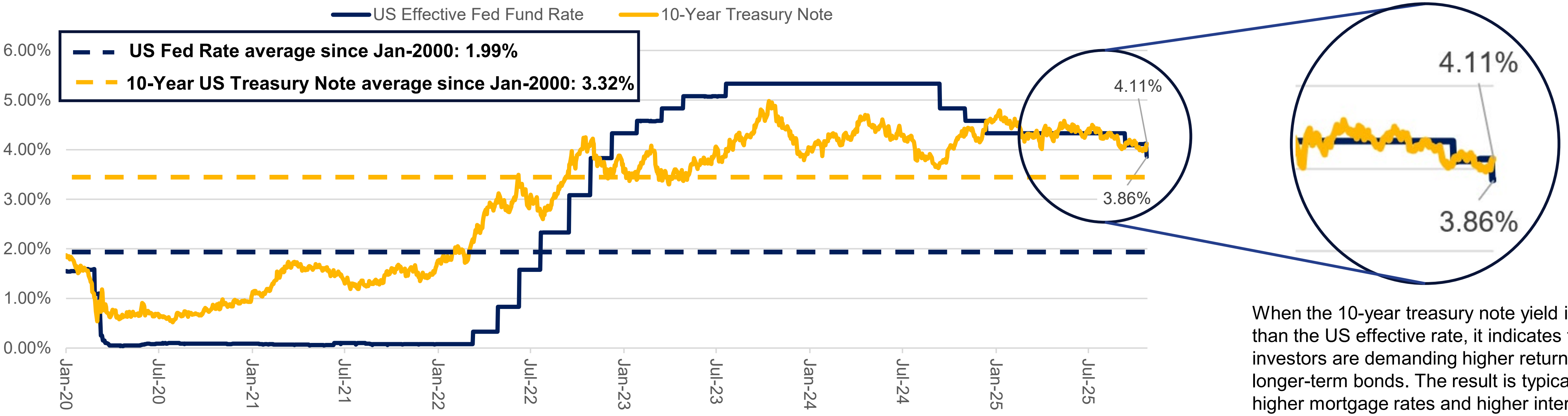
Monetary Policy

The Fed Holds Rates Steady

At the Fed's meeting in September 2025, the Fed cut the federal funds target rate by 25 basis points (0.25%) to 4.00% to 4.25%, followed by another 25-basis point cut to 3.75% - 4% The cuts reflect the growing concern about downside risks to the labor market, even as inflation remains elevated. The Fed has signaled that further cuts are not guaranteed, although analysts expect them before the end of the year. The 10-year treasury rate is slightly below the long-term average of about 4.25%. The current rate of 4.11% suggests that investors expect a moderate amount of inflation and or moderate growth ahead.

US Effective Fed Fund Rate & 10-Year Treasury Note

10-Year Treasury Passes US Fed Fund Rate



When the 10-year treasury note yield is higher than the US effective rate, it indicates that investors are demanding higher returns on longer-term bonds. The result is typically higher mortgage rates and higher interest rates on other debt like credit cards.

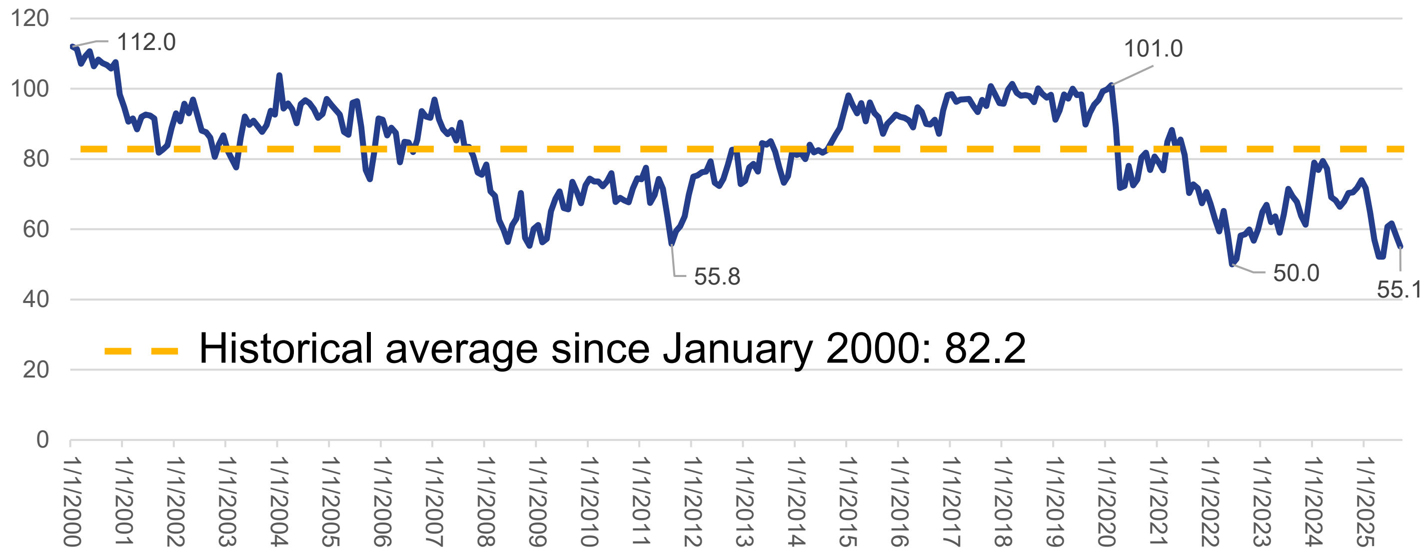
Source: Federal Reserve Economic Data, https://fred.stlouisfed.org; Data is through July 15, 2025
Wall Street Journal; Data is through October 15, 2025

Consumers

Consumer Sentiment Moves Lower

The Consumer Sentiment Index reported a reading of 55.1 in September, which is low by historical standards and suggests consumers are cautious. Broad concern across the economy, including job-market concerns, inflation, trade/tariff worries, is negatively impacting sentiment. Since the start of 2025, the Consumer Sentiment Index has generally been declining, decreasing from a reading of 71.7 in January.

Consumer Sentiment Index: (United States Total)



Source: Federal Reserve Economic Data, https://fred.stlouisfed.org;
Note: Data thru September 2025 (UMCSENT)

Consumer Sentiment Index

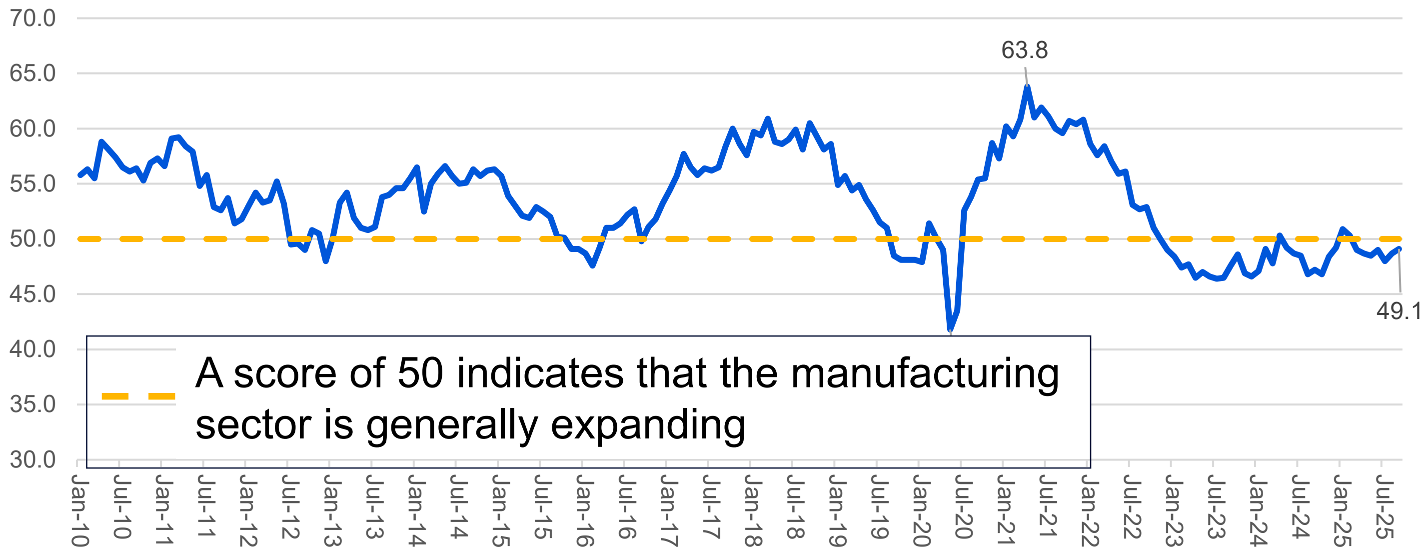
Consumer sentiment is a statistical measurement of the overall health of the economy as determined by consumer opinion. It considers people's feelings toward their current financial health, the health of the economy in the short-term, and the prospects for longer-term economic growth.

Consumers

ISM Manufacturing PMI Trails After Peaking in January 2025

The Institute for Supply Management (ISM) Manufacturing PMI (Purchasing Managers Index) for September 2025 registered at 49.1, indicating a contraction in the U.S. Manufacturing sector for six consecutive months. ISM reported that the manufacturing sector is sending mixed signals, with positive signs like the rebound in production alongside continued contraction in new orders and employment.

ISM Manufacturing Index: (United States Total)



Source: Institute of Supply Management
Note: Data thru September 2025

ISM Manufacturing PMI

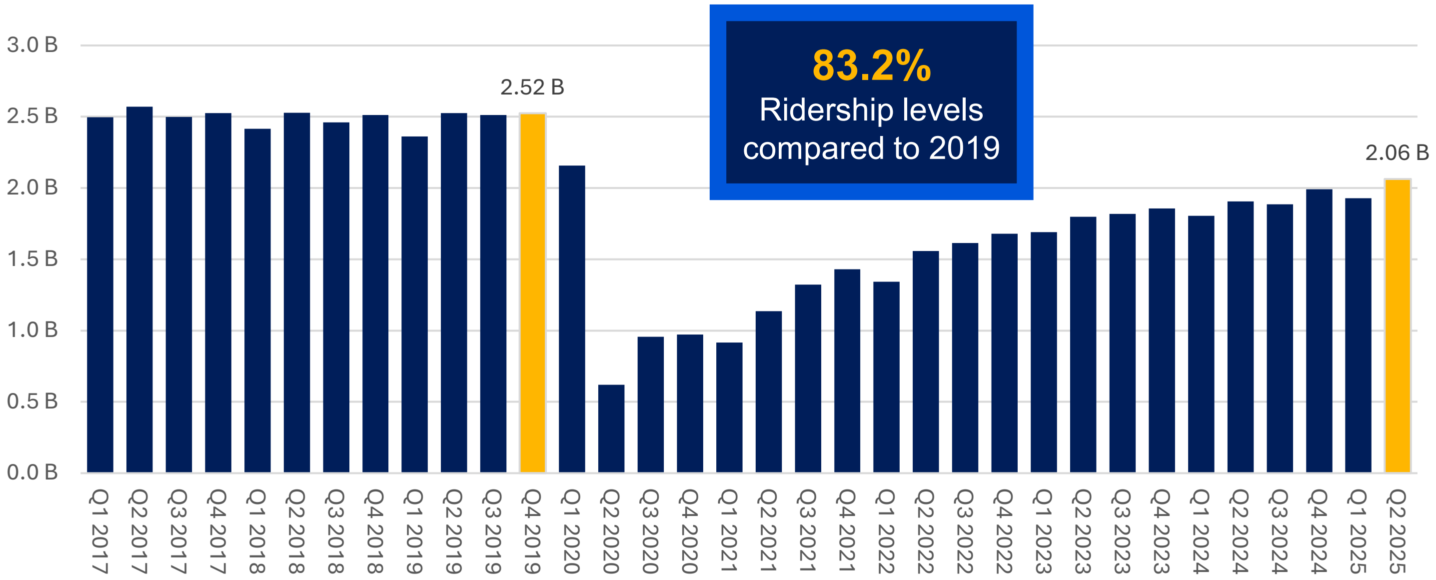
The ISM Manufacturing Index is a key economic indicator that measures the level of demand for products by surveying purchasing managers at manufacturing companies. The PMI is based on five major components: new orders, production, employment, supplier deliveries, and inventories. The index is seasonally adjusted to account for differences in weather, holidays, and other factors. A reading above 50 percent indicates that the manufacturing sector is generally expanding; below 50 percent indicates that it is generally contracting.

Public Transit

Public Transit Ridership Speeds Up

A good indicator of the health of an urban core, and by extension the downtown office market, is the use of public transportation. Public transit ridership jumped to 2.06 billion in the first quarter. Based on several additional indicators, return-to-office momentum has appeared to stabilize but given the new administration's view on return-to-office, it may shift in the future. Nevertheless, the past seven quarters of public transit have been level. Still, public transit crossed two billion riders in the second quarter for the first time since the first quarter of 2000.

Public Transit Ridership: (United States)



Source: American Public Transportation Association Quarterly Ridership Report. Ridership Report - American Public Transportation Association (apta.com)

A Fare to Remember

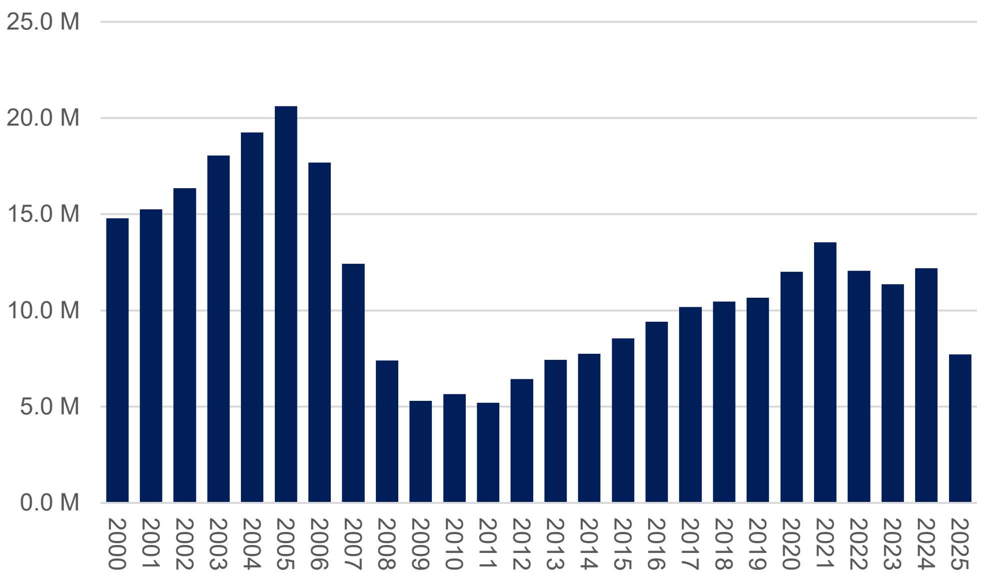
Public transportation has been reliably consistent since the turn of the century. Sky-rocketing gas prices temporarily encouraged public ridership in 2008 but quickly dropped back to historic levels. During the first year of the declared pandemic, ridership was cut in half (52.8% decrease). The economy opened wider in 2021, but ridership still only increased 3.1 percent from the previous year. The beginning of 2022 marked the beginning of the economy opening back to near pre-pandemic levels, yet ridership on public transportation ended the second quarter of 2025 at 83.2 percent of the average ridership of 2019, the last full-year before the start of the pandemic.

Housing

Sale Prices Fluctuate But Remain Near Historic Highs

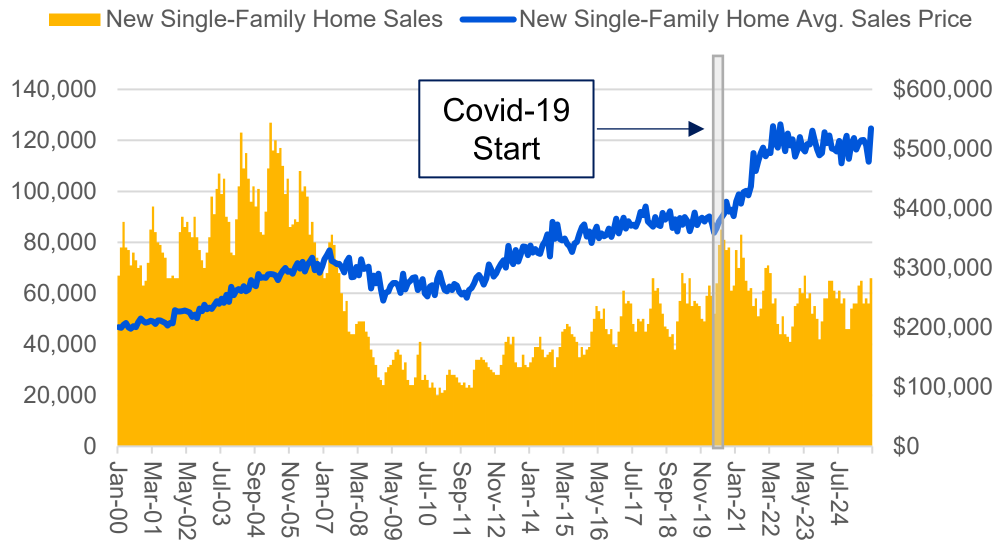
The number of residential housing starts soared at the start of the pandemic, while sale prices reached record highs in 2022. This growth is being tempered as mortgage rates remain elevated, labor and material costs rise, and supplies remain scarce. During 2023, home starts declined from the previous two years but remained near pre-pandemic levels. Meanwhile, prices have begun to stabilize as demand softens. After reaching an average sale price of over $540,000 in July 2023, averages slid to $534,100 by the end of September 2025, representing a decrease of 1.1 percent. Nevertheless, the average sales price for new single-family homes is over $150,000 higher compared to pre-Covid levels.

Single-Family Residential Housing Starts



Source: U.S. Census Bureau, https://census.gov/construction
*Note: Data thru August 2025

Single-Family Homes: No. of Sales vs. Avg Sales Price



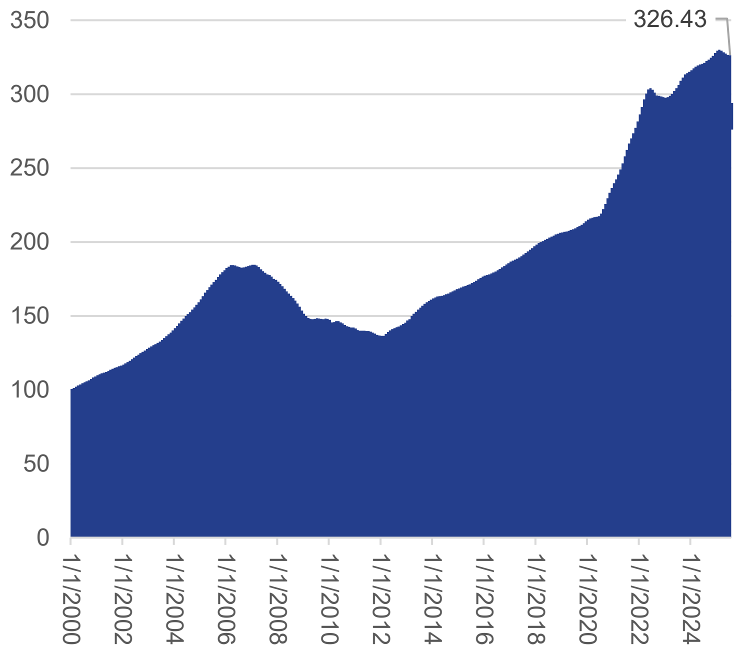
Source: U.S. Census Bureau, https://census.gov/construction
Note: Data thru August 2025

Home Price Index

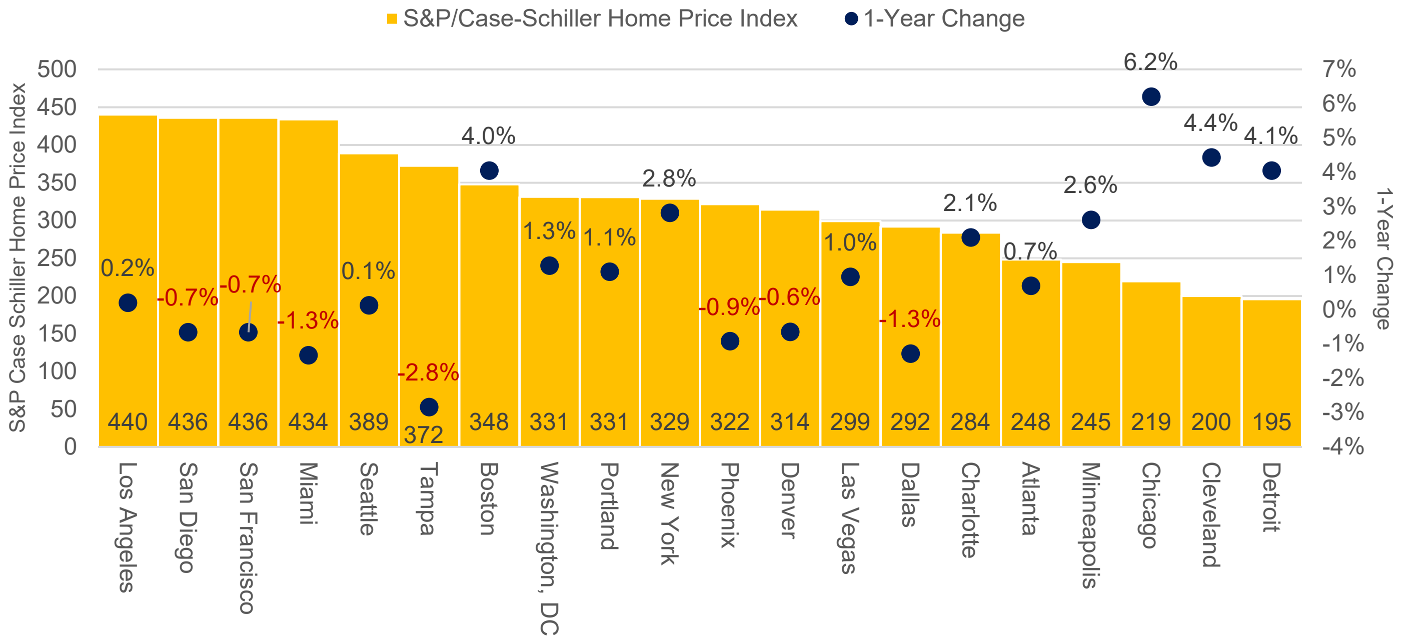
Case-Schiller Home Price Index Peaks in February

The Case-Schiller Index is an economic indicator that measures the monthly change in the value of the U.S. single-family home market. The 20-City Home Price Index briefly peaked in June 2022 and dropped for eight consecutive months before ticking higher over the past two years, closing July near a record high. Los Angeles and San Diego hold the highest Home Price Index, followed closely by San Francisco and Miami. Chicago, Detroit, and Cleveland increased the most in the past 12 months, while seven of the 20 markets in the index retreated in the past year.

Home Price Index: 20-City Average



S&P/Case-Schiller Home Price Index



Source: S&P Dow Jones Indices LLC, S&P/Case-Shiller U.S. National Home Price Index [CSUSHPINSA], retrieved from FRED, Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/CSUSHPINSA, October 2025.

Industrial Trends

The US Industrial Market Pauses As Occupiers Wait for Consumers to React to Inflation

Vacancy rates in the industrial market have been rising for nearly three years. Softer market conditions have shifted negotiating power more toward tenants. As a result, lease rates, which saw nearly two years of double-digit annual percentage growth, have now stalled. The recent decline in new construction starts will help address the current imbalance between supply and demand; however, tenants will still have the leverage in the short term to negotiate better terms and build-out costs. Net absorption rebounded in the third quarter of 2025, following the first contraction in over a decade during the second quarter. Leasing activity has continued at a steady pace, with both the number of deals and total square footage expected to align with historical averages for the year. However, the time it takes to lease space is increasing, as properties have been vacant for longer periods. Smaller bay spaces are outperforming larger ones, with vacancy rates below 5 percent for spaces under 50,000 square feet due to heightened demand.

Industrial Tenant View

- Even with the recent slowdown in rent increases, the dramatic increase in 2022 and 2023 will result in many tenants renegotiating significant increases from previous base rates.
- Vacancy expansion has been concentrated in warehouse/distribution buildings as consumers remain cautious about spending.
- Increasing tariffs and other protectionist policies could potentially increase manufacturing requirements if companies' onshore production.

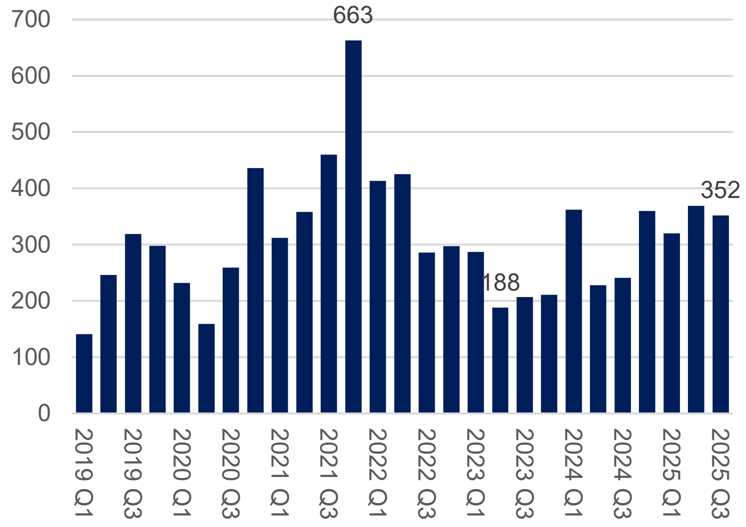
Capital Markets

Industrial Sales Velocity Stabilizes

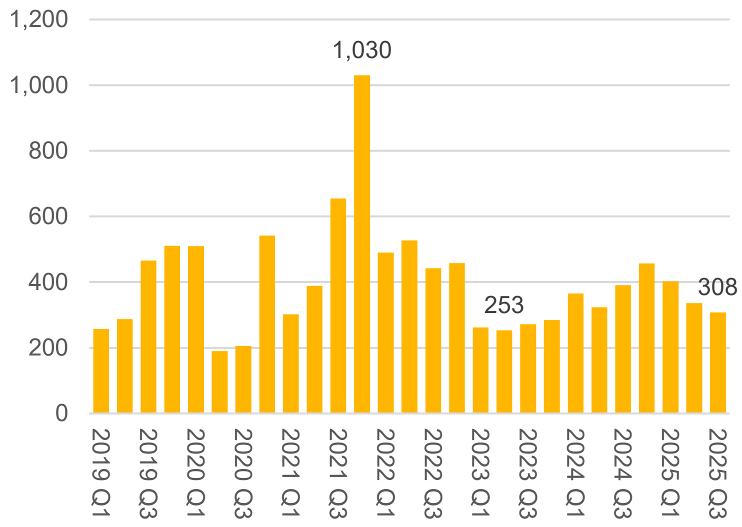
Strong demand caused industrial sales velocity (number of sales) to nearly double in the year following the COVID-19 lockdown. Warehouse/distribution spaces consist of nearly 70 percent of the sales volume in 2023. **Strong demand in manufacturing caused sales to spike in the first quarter of 2021, before falling back to historic levels.** Meanwhile, sales of warehouse/distribution spaces have leveled off in the past two years. Warehouse/distribution sales jumped in the first quarter of 2025. Meanwhile, manufacturing properties have trended higher.

Industrial Sales Velocity: (United States)

Manufacturing



Distribution



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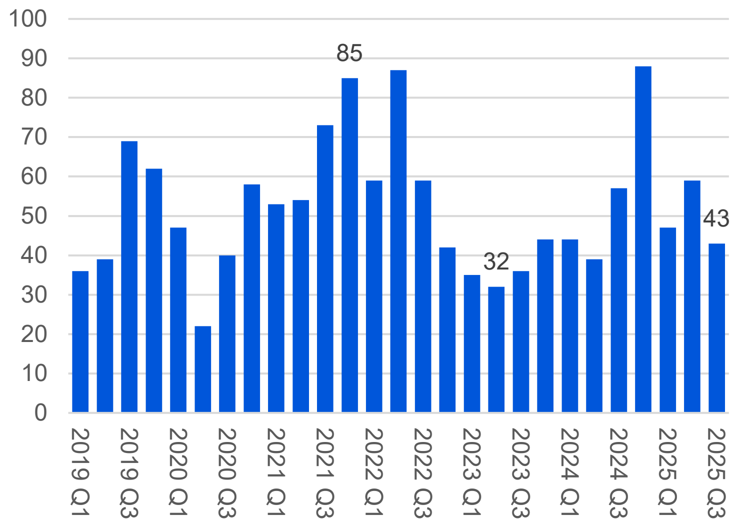


Source: Real Capital Analytics and Cresa; thru Q3 2025

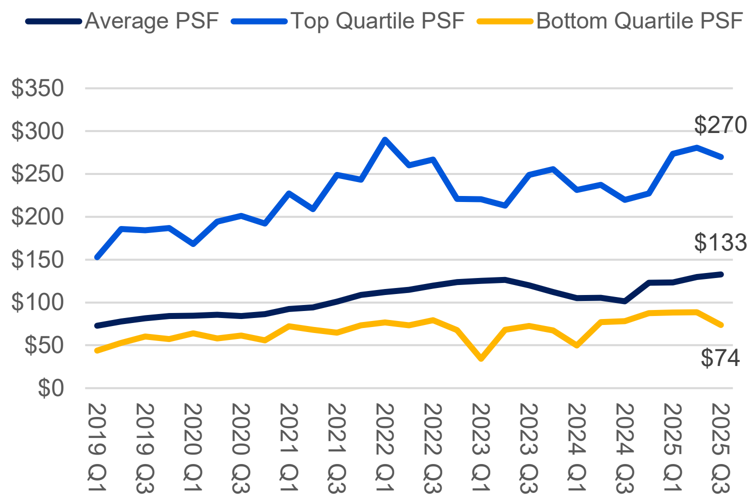
Capital Markets

Sales for Top-End Manufacturing Properties Have Spiked in the Manufacturing Sector in 2025 on a Per Square Foot Basis

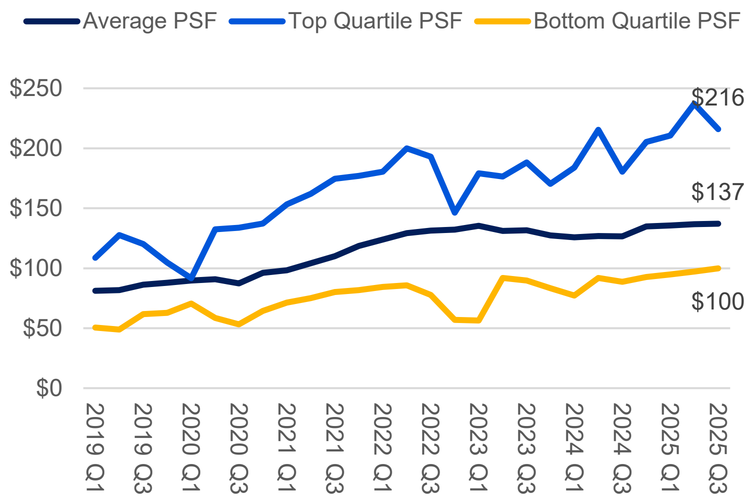
The average sales price per square foot of industrial properties remained steady in the second quarter. However, the average price per square foot of manufacturing space reached its highest level during the second quarter of 2025. Averaged realized prices per square foot for both manufacturing space and distribution space have each increased more than 60 percent compared to the start of 2019, while flex spaces have seen a drop on a per square foot basis over the past six quarters.

Average Industrial Sale Price/SF (United States)

Manufacturing



Distribution



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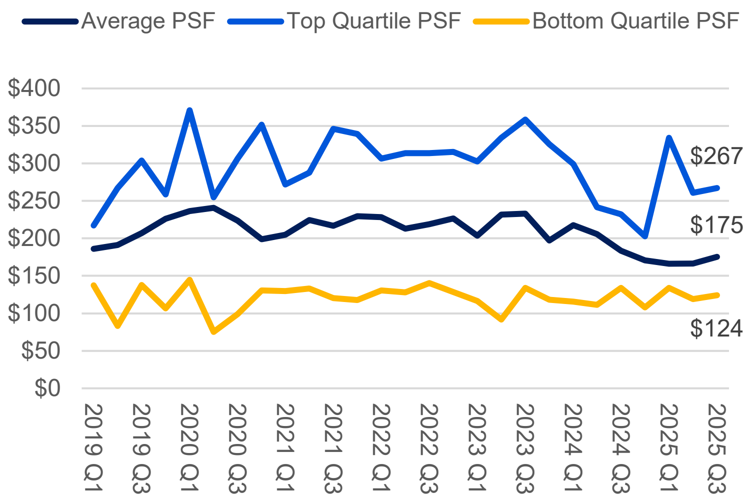

Source: Real Capital Analytics and Cresa; thru Q3 2025

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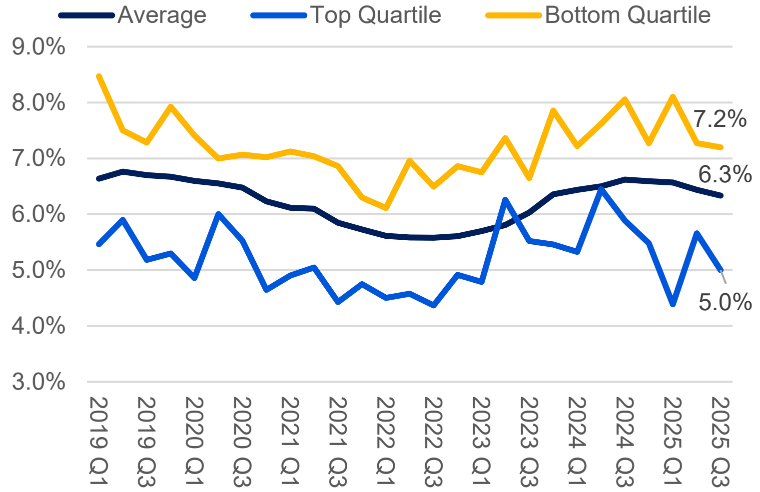
Capital Markets

Industrial Cap Rates Steady

Economic volatility, increasing borrowing rates, and rising construction costs have pushed cap rates for industrial properties higher in the past 24 months. This **higher risk has slowed overall prices paid for industrial assets to increase.** While there is still money available for investment in a stable asset class, the lack of available top-quality properties with modern amenities is causing hesitation in capital markets. Additional Fed cuts in interest rates may spur additional investment, particularly as the hold period investments purchased during the height of the pandemic begin to lengthen and investors look to cash out.

Industrial Cap Rates (United States)

Manufacturing



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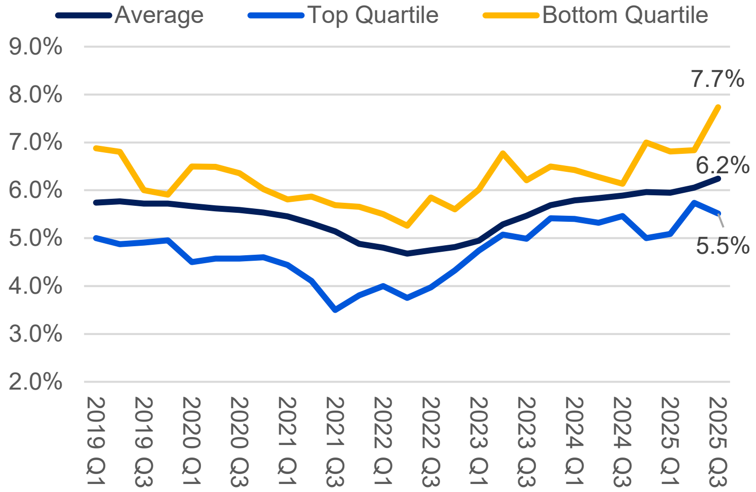

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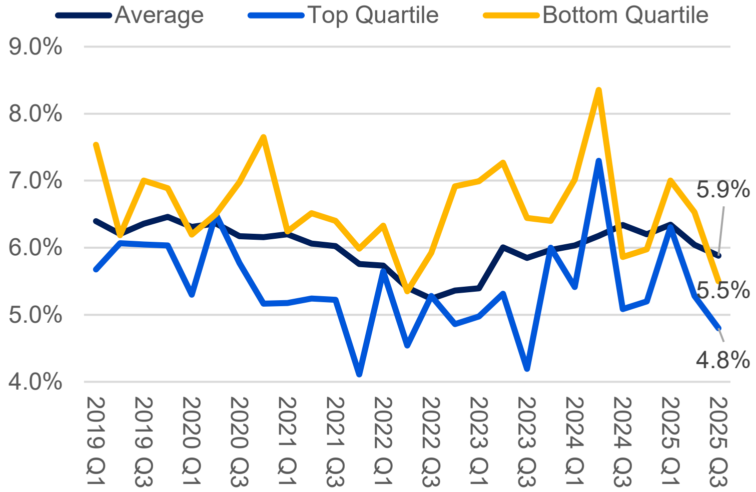


Source: Real Capital Analytics and Cresa; thru Q3 2025

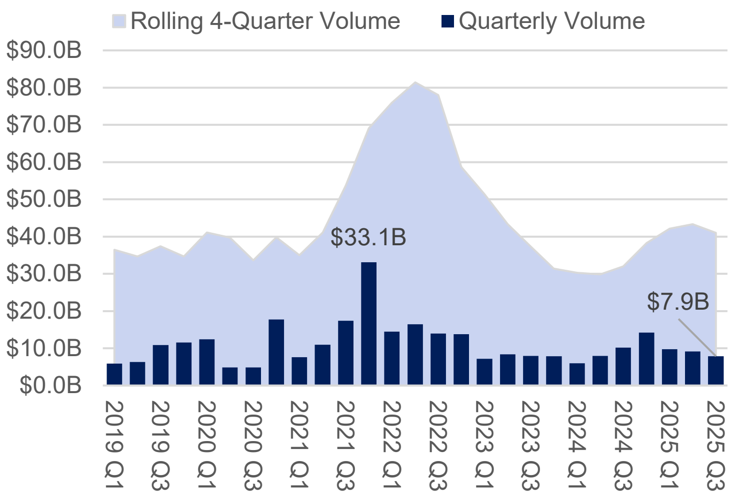
Capital Markets

Industrial Sales Volume Trends Higher

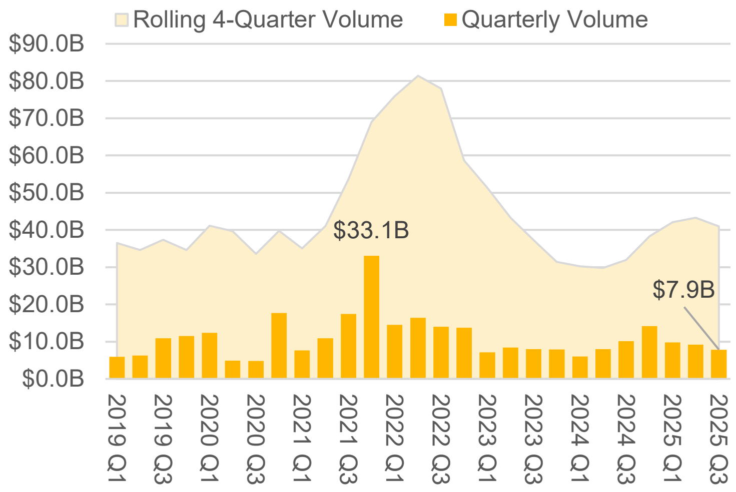
Sales volume for the trailing 12 months, while lower than 2022 and 2023 levels, is comparable to pre-pandemic levels. Higher prices have pushed volume higher, despite the number of total sales declining from prior years. **The sales volume for all three industrial asset types – manufacturing, distribution, and flex properties – has been trending higher in the past year.**

Industrial Sales Volume: (United States)

Manufacturing



Distribution



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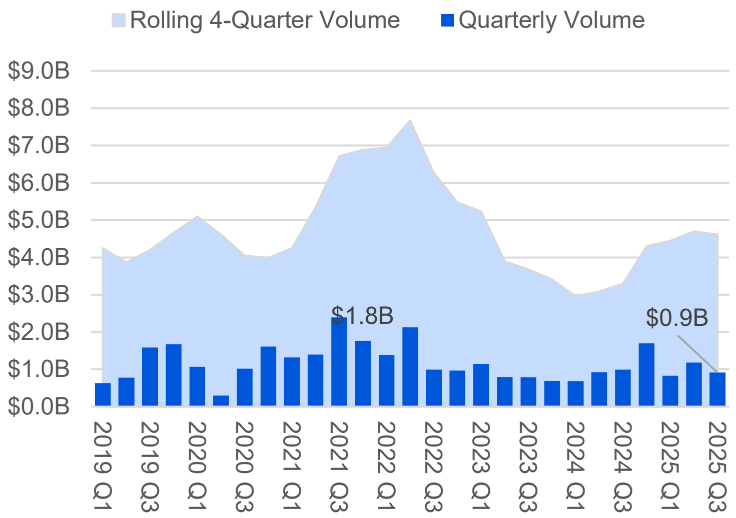


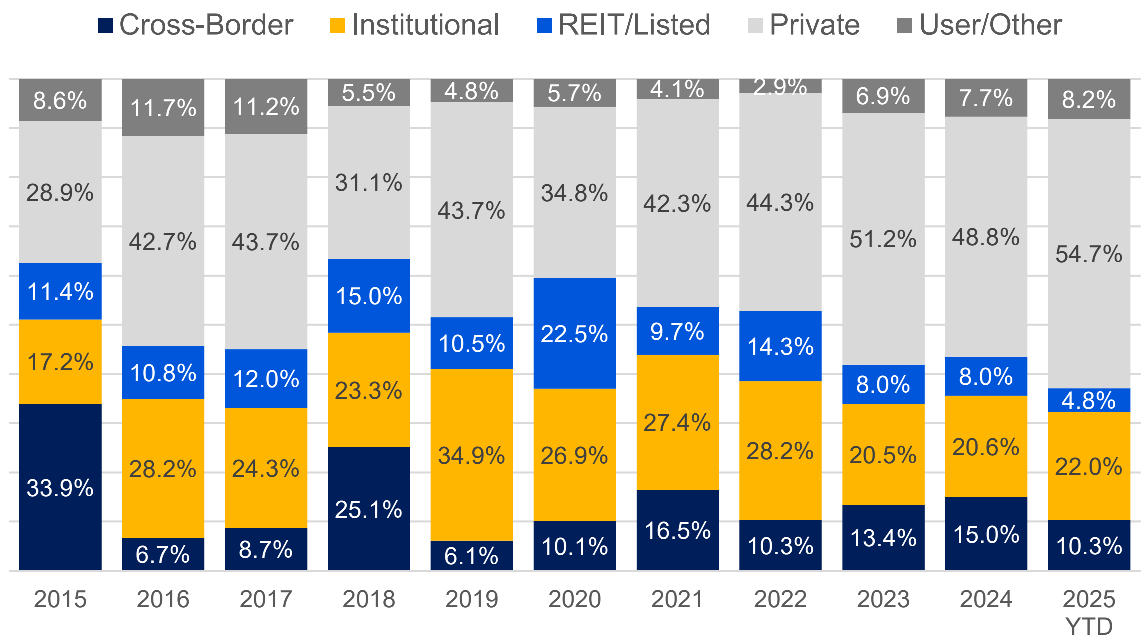
Source: Real Capital Analytics and Cresa; thru Q3 2025

Capital Markets

Industrial Capital Composition

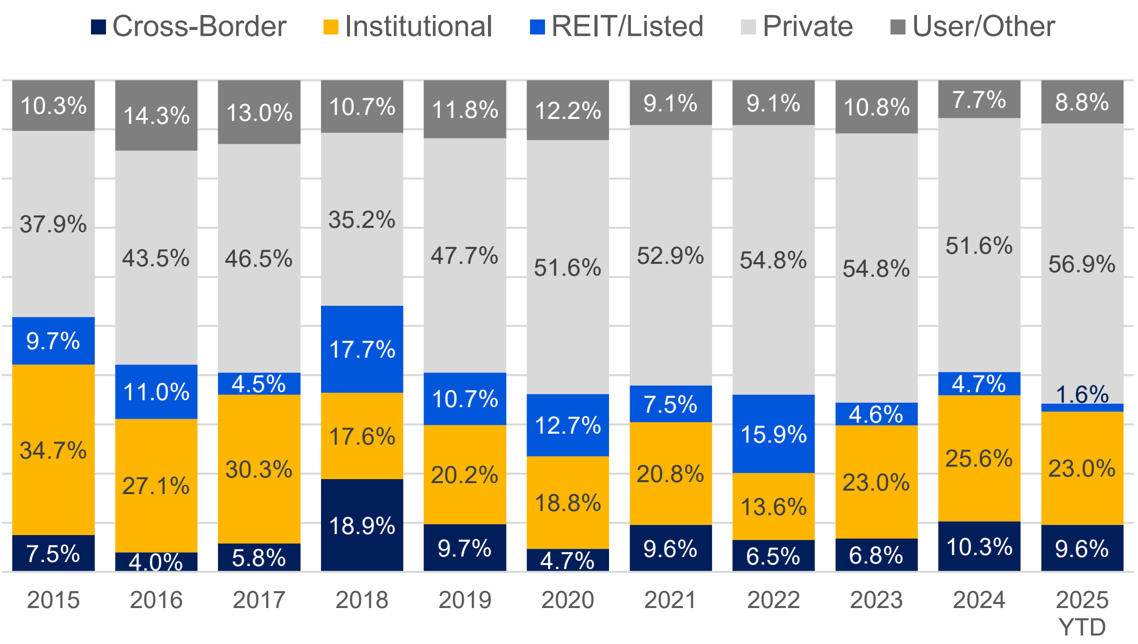
Capital markets were very active in 2021 and 2022 before quickly slowing, due to both interest rates and rising costs, but also lack of investment grade industrial supply. Private investors have been active buyers in the industrial market, while users/others have increased their activity on the buy-side. REITS have trended lower on both the buy and sell-sides, meaning they are generally holding their existing assets longer. Cross-border investors have been more active sellers in the past six quarters, looking to take profits as they held their investments over the past five years.

Industrial Buyer: (United States)



Year	Cross-Border	Institutional	REIT/Listed	Private	User/Other
2015	33.9%	17.2%	11.4%	28.9%	8.6%
2016	6.7%	28.2%	10.8%	42.7%	11.7%
2017	8.7%	24.3%	12.0%	43.7%	11.2%
2018	25.1%	23.3%	15.0%	31.1%	5.5%
2019	6.1%	34.9%	10.5%	43.7%	4.8%
2020	10.1%	26.9%	22.5%	34.8%	5.7%
2021	16.5%	27.4%	9.7%	42.3%	4.1%
2022	10.3%	28.2%	14.3%	44.3%	2.9%
2023	13.4%	20.5%	8.0%	51.2%	6.9%
2024	15.0%	20.6%	8.0%	48.8%	7.7%
2025 YTD	10.3%	22.0%	4.8%	54.7%	8.2%

Industrial Seller: (United States)



Year	Cross-Border	Institutional	REIT/Listed	Private	User/Other
2015	7.5%	34.7%	9.7%	37.9%	10.3%
2016	4.0%	27.1%	11.0%	43.5%	14.3%
2017	5.8%	30.3%	4.5%	46.5%	13.0%
2018	18.9%	17.6%	17.7%	35.2%	10.7%
2019	9.7%	20.2%	10.7%	47.7%	11.8%
2020	4.7%	18.8%	12.7%	51.6%	12.2%
2021	9.6%	20.8%	7.5%	52.9%	9.1%
2022	6.5%	13.6%	15.9%	54.8%	9.1%
2023	6.8%	23.0%	4.6%	54.8%	10.8%
2024	10.3%	25.6%	4.7%	51.6%	7.7%
2025 YTD	9.6%	23.0%	1.6%	56.9%	8.8%

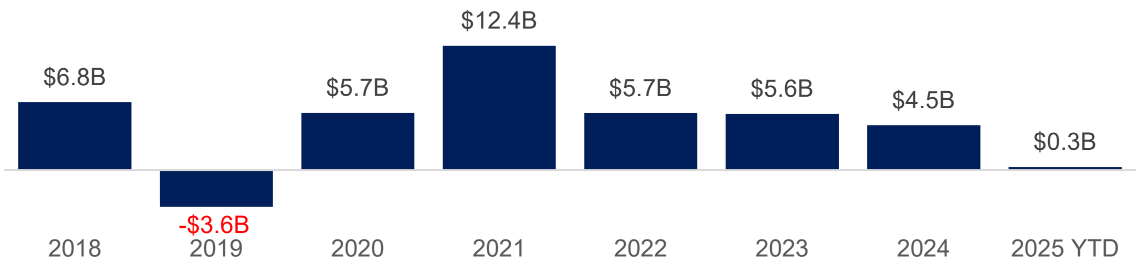
Source: Real Capital Analytics and Cresa; thru Q3 2025

Capital Markets

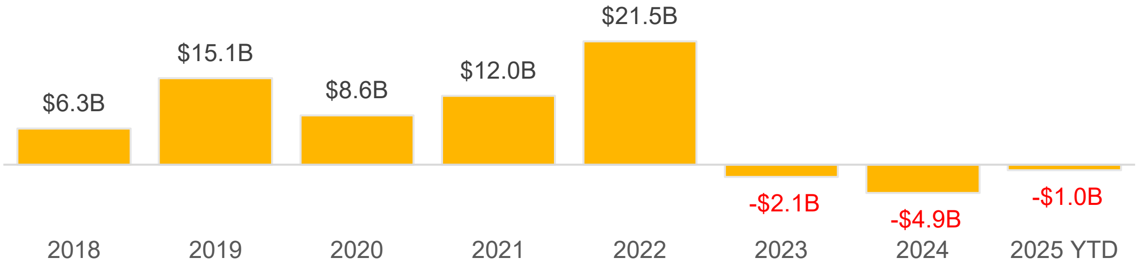
Industrial Capital Flows: Net Acquisitions

While private investors have been more bullish on the investment side, they have generally been sellers in the industrial asset type, more actively selling than buying for the past seven years. Meanwhile, cross-border and REIT investors have made big bets on the buy-side as they have acquired more than disposed of industrial assets in six of the past seven years.

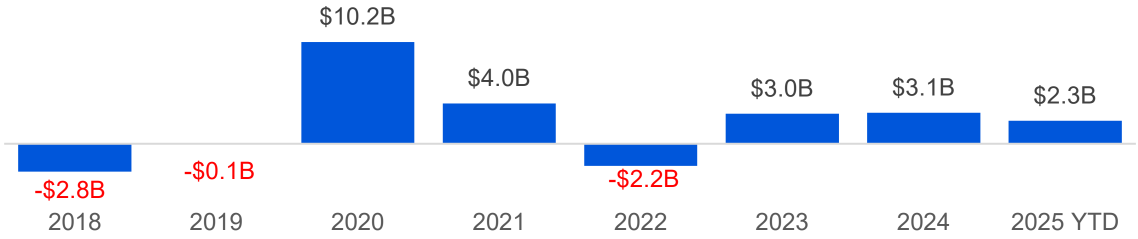
Cross-Border



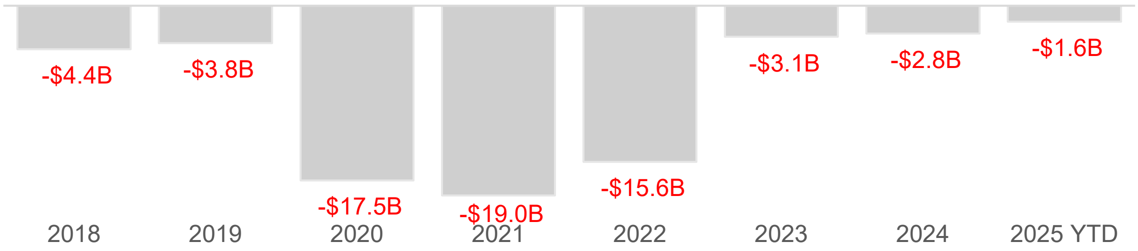
Institutional



REIT/Listed



Private



Source: Real Capital Analytics and Cresa; thru Q3 2025

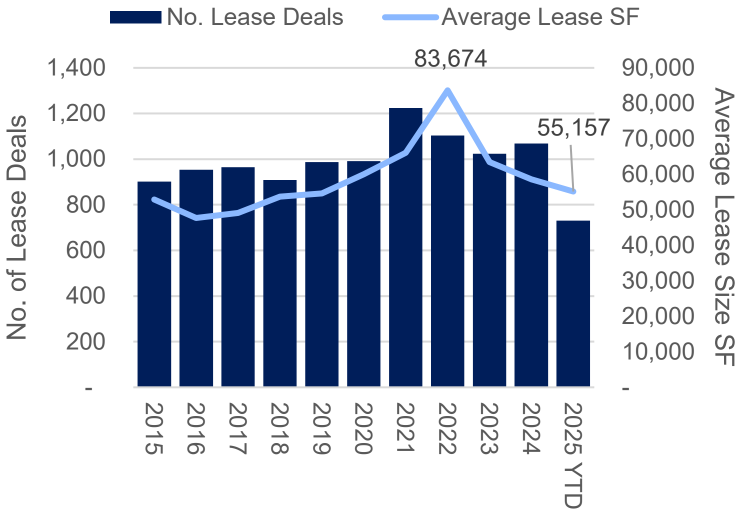
Leasing Trends

Transaction Reverts to Historic Averages

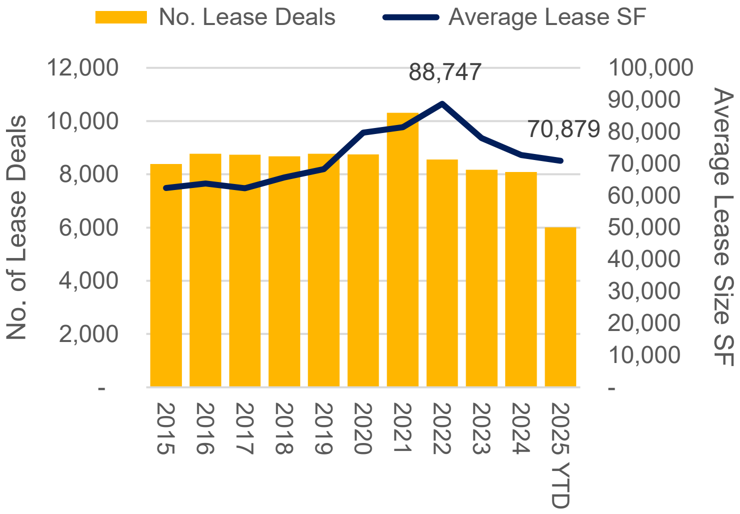
Lease deal sizes in 2022 were higher for all industrial property types compared to the second quarter of 2025. After beginning to spike in 2020, average deal sizes have reverted closer to historic averages. The number of lease deals for manufacturing, distribution, and flex spaces are on track to align with the past two years.

Historic Industrial Activity – Average Deal Size

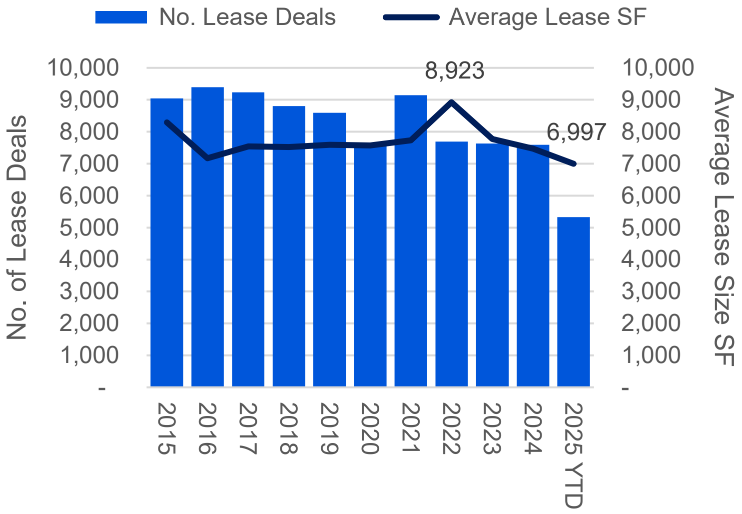
Manufacturing



Distribution



Flex



Source: CoStar and Cresa; thru Q3 2025

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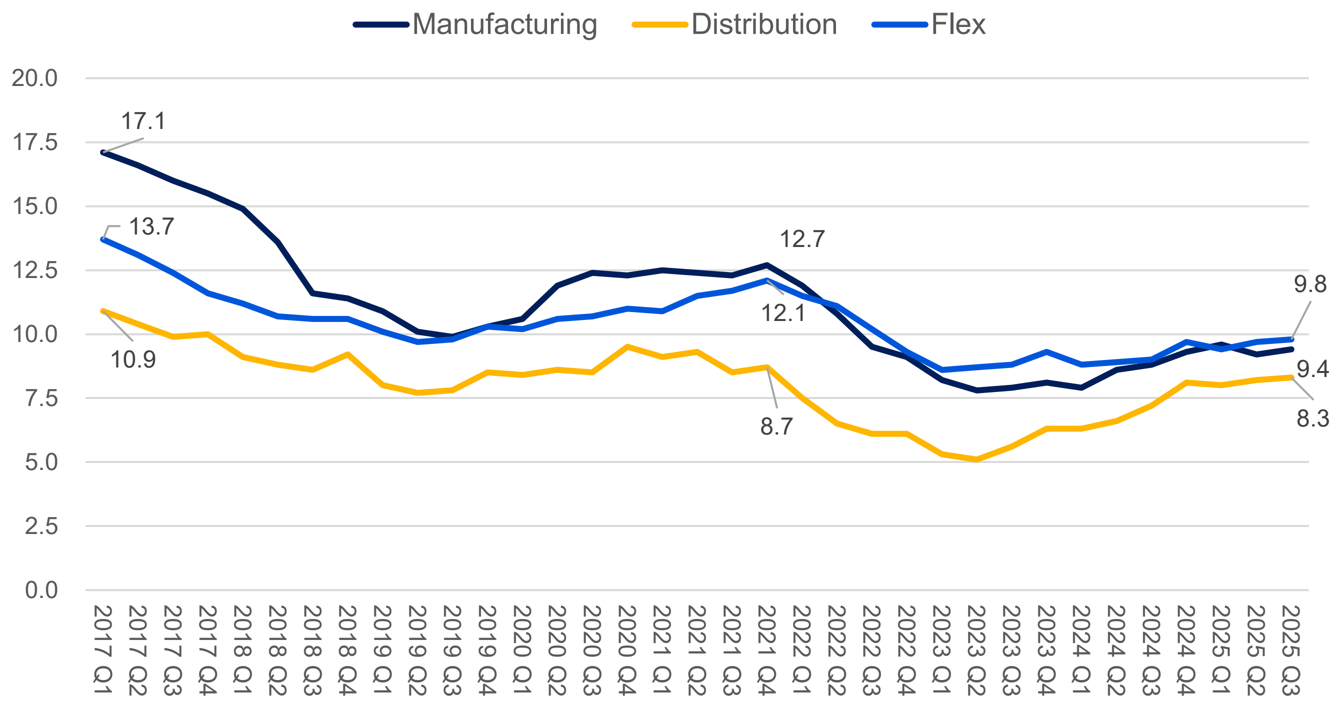
Leasing Trends

Months to Lease Properties Moves to Historic Norms

Months-To-Lease



Source: CoStar and Cresa; thru Q3 2025

The number of months to lease industrial properties have generally trended lower in the past seven years, bottoming out in 2023 before moving higher.

Distribution spaces have taken three months longer to lease since the start of 2023.

Manufacturing spaces have taken 1.6 months longer to lease since the start of 2023, while flex space has taken a little more than a month to lease.

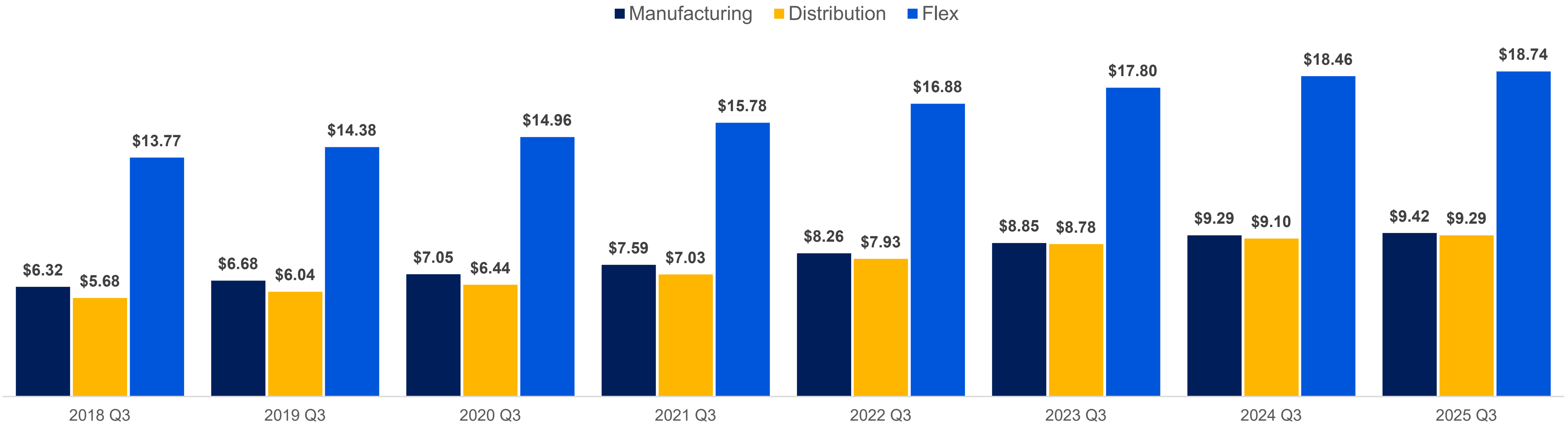
All three industrial asset times are generally reverting to historical averages.

Market Rent

Industrial Rents Growth Slows

Industrial rates have steeply increased since the end of 2019, particularly distribution space, which has increased by nearly 50 percent in the past five years. Nationwide, average logistics asking rates have increased every quarter since 2017, although the rate of increase has substantially slowed. It should be noted that some markets that underwent dramatic rate increases have experienced rates moving lower. While rates are generally expected to increase, landlords will need to wait for demand and absorption to catch up before rates see a meaningful increase.

Industrial Lease Asking Rates ($/SF): (United States)

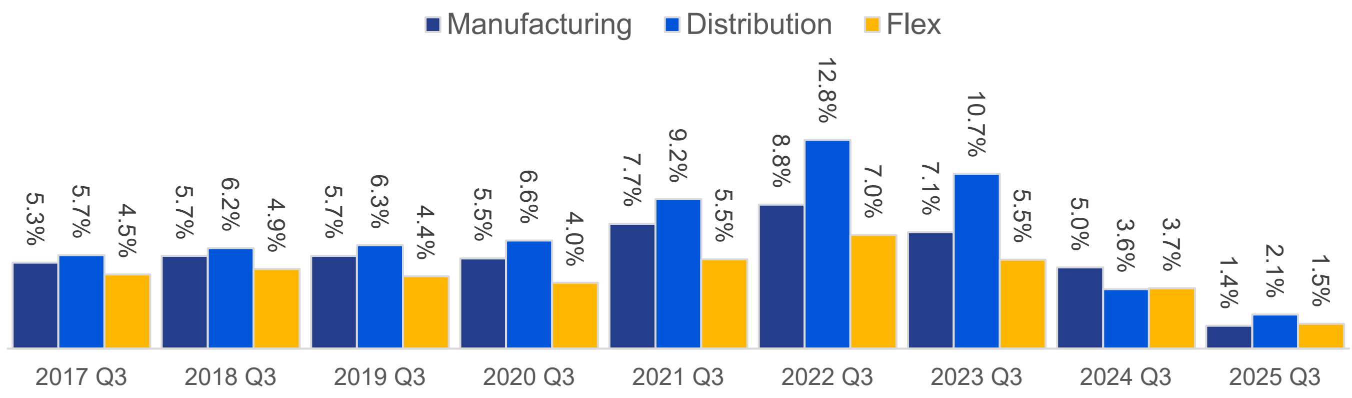


Source: CoStar and Cresa; thru Q3 2025

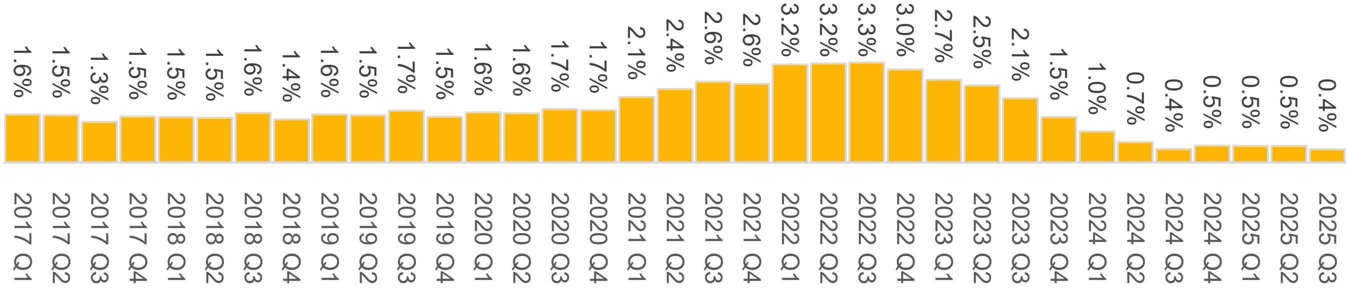
Market Rent

Direct Asking Rent Growth Dips Below Pre-Pandemic Levels for the Past Year

Industrial Asking Rent Annual Increase: (United States)



Distribution Asking Rent Quarterly Increase



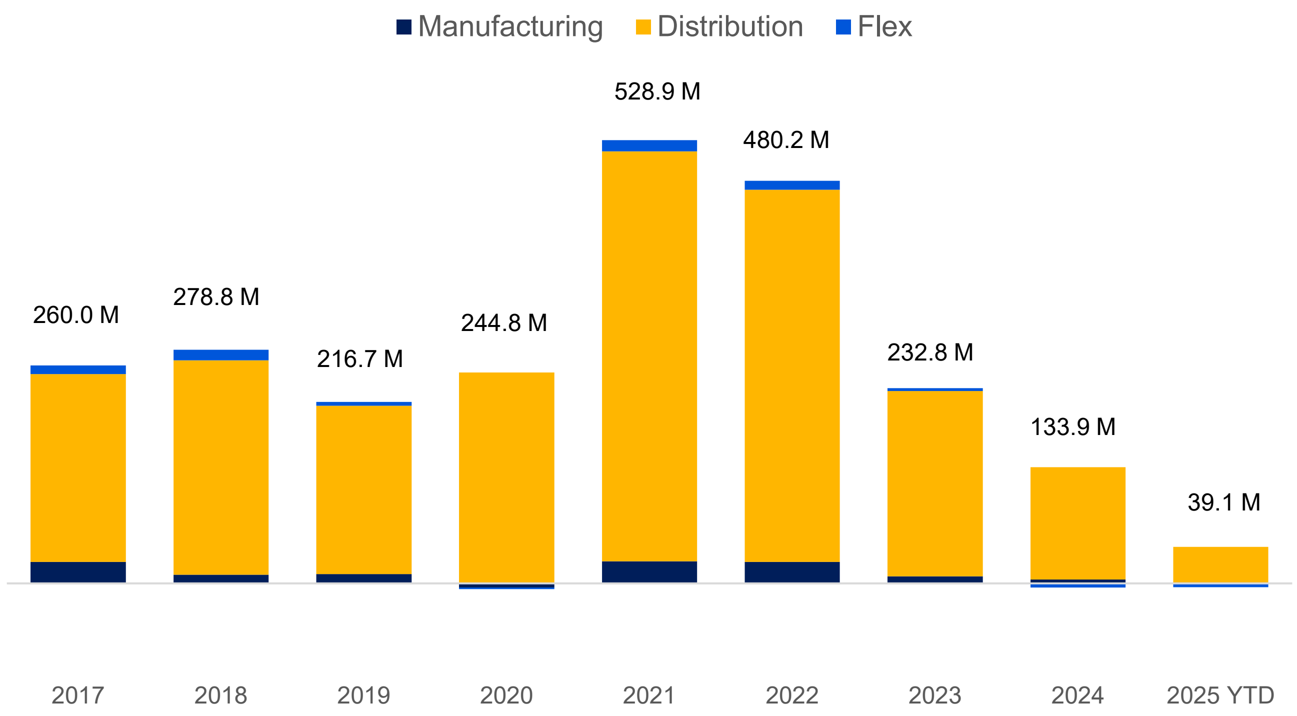
Source: CoStar and Cresa; thru Q3 2025

Industrial lease rates have stalled after an extended run of big increases. Still, the compounded annual growth rate (CAGR) for distribution spaces has increased 6.6 percent per year since 2017, while manufacturing spaces have increased 5.5 percent and flex spaces increased 4.5 percent during the same time. While it is unlikely rates will meaningfully decline, other incentives like TIs and abatements may become more negotiable for occupiers.

Absorption

Industrial Absorption Dramatically Slows

Industrial Net Absorption (SF): (United States)



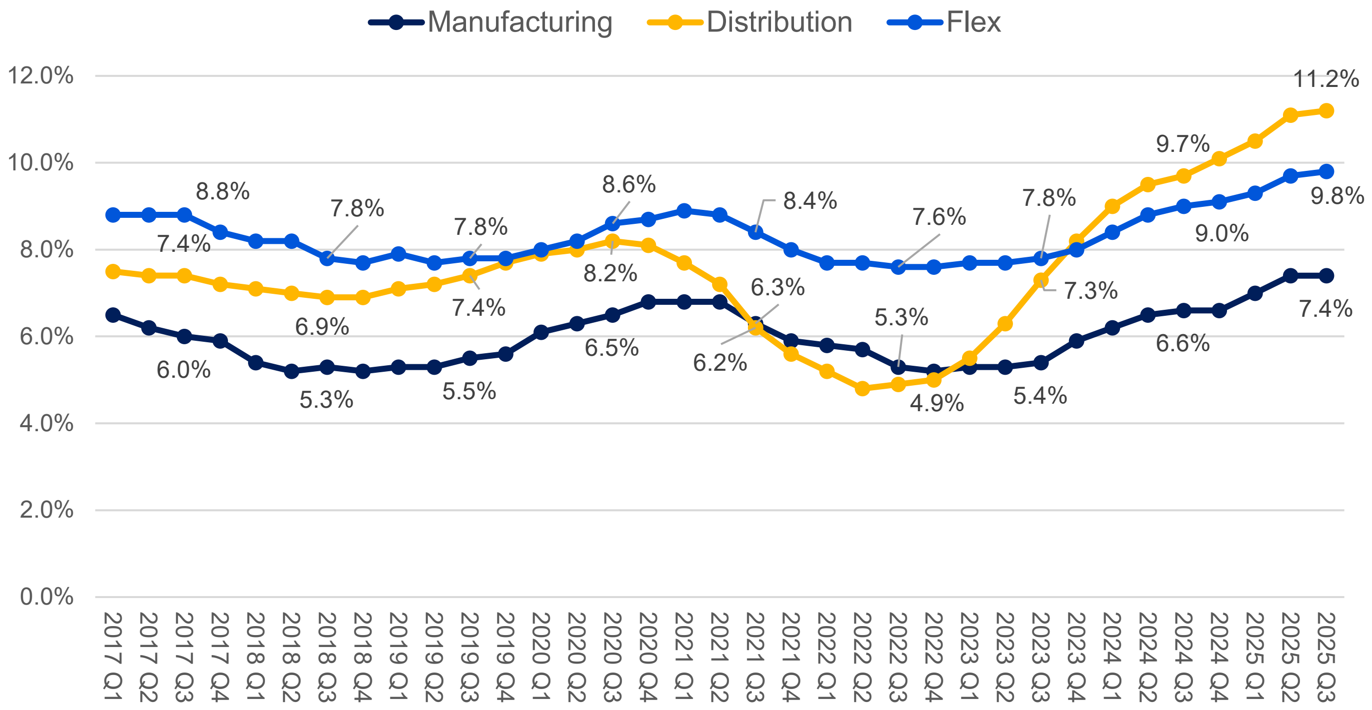
Source: CoStar and Cresa, thru Q3 2025

After a record-breaking 2021, absorption has experienced a dramatic slowdown. Some of this can be explained by economic conditions softening with overall imports slowing. Absorption in 2024 was at the lowest level in the past seven years. Nevertheless, the steady amount of new construction being delivered and ongoing demand will likely keep absorption in positive territory with modest gains. **However, net absorption for both manufacturing and flex properties have recorded negative absorption through the first three quarters of 2025.**

Direct Vacancy

Industrial Vacancy Moves Higher as New Product Delivers

Industrial Direct Vacancy: (United States)



Source: CoStar and Cresa, thru Q3 2025

Direct vacancy is drifting higher than historical averages after spending 2021 – 2023 near historic lows. The large amount of new construction being delivered likely contributed to the increase. Still, large retailers are looking to shore up distribution facilities, so they are better positioned for future growth. Vacancy in manufacturing space has remained low due to increased demand as more companies move operations closer to US markets to stabilize supply chains. The impacts due to the uncertainty around tariff increases is still unknown. It may increase attractiveness for distribution spaces as retailers look to hold inventories at higher levels, but it also may create hesitancy for further investment as companies await a clearer picture. Bonded warehouses and locations free trade zones (FTZs), will likely be highly desirable for some occupiers of space because of their ability to avoid initial costs related to rising tariffs.

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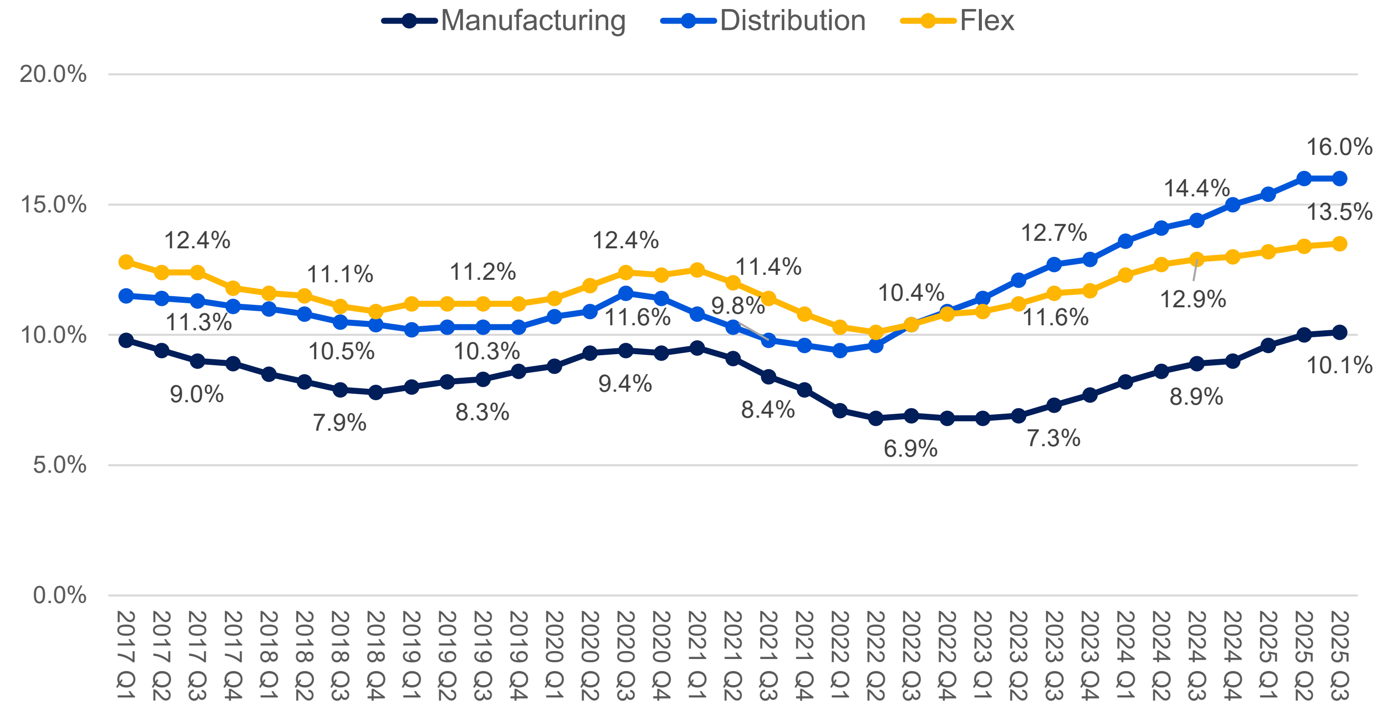
Availability

Industrial Availability Moves Higher

Industrial Availability Rate: (United States)



Source: CoStar and Cresa, thru Q3 2025

The availability rate includes the amount of space that is being marketed as available for lease, regardless of whether the space is vacant, occupied, available for sublease or available at a future date. Therefore, the availability rate may be a more accurate depiction of the market during this volatile period than the direct vacancy rate. **Availability in the distribution asset type jumped from 10.1 percent over the past three years to 16 percent to close the third quarter of 2025.**

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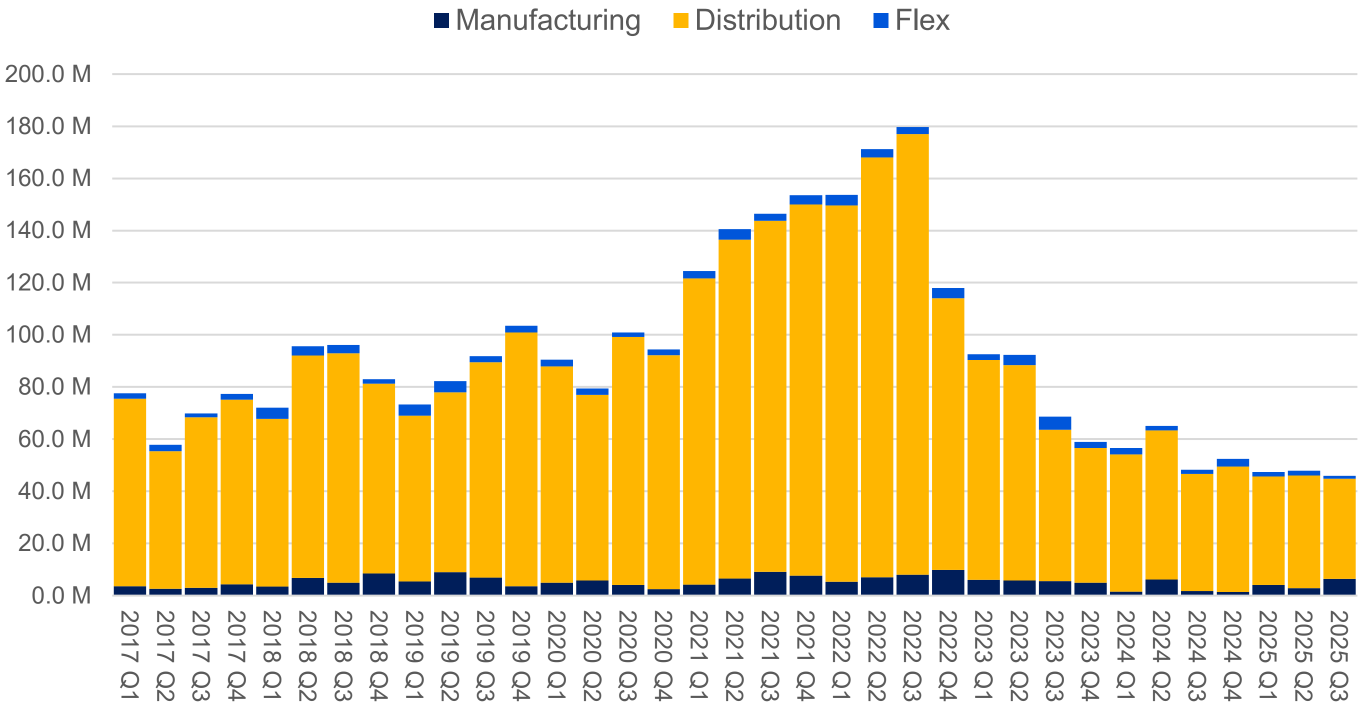
Construction

Industrial Construction Starts Fall Sharply

Industrial Construction Starts: All Types (United States)



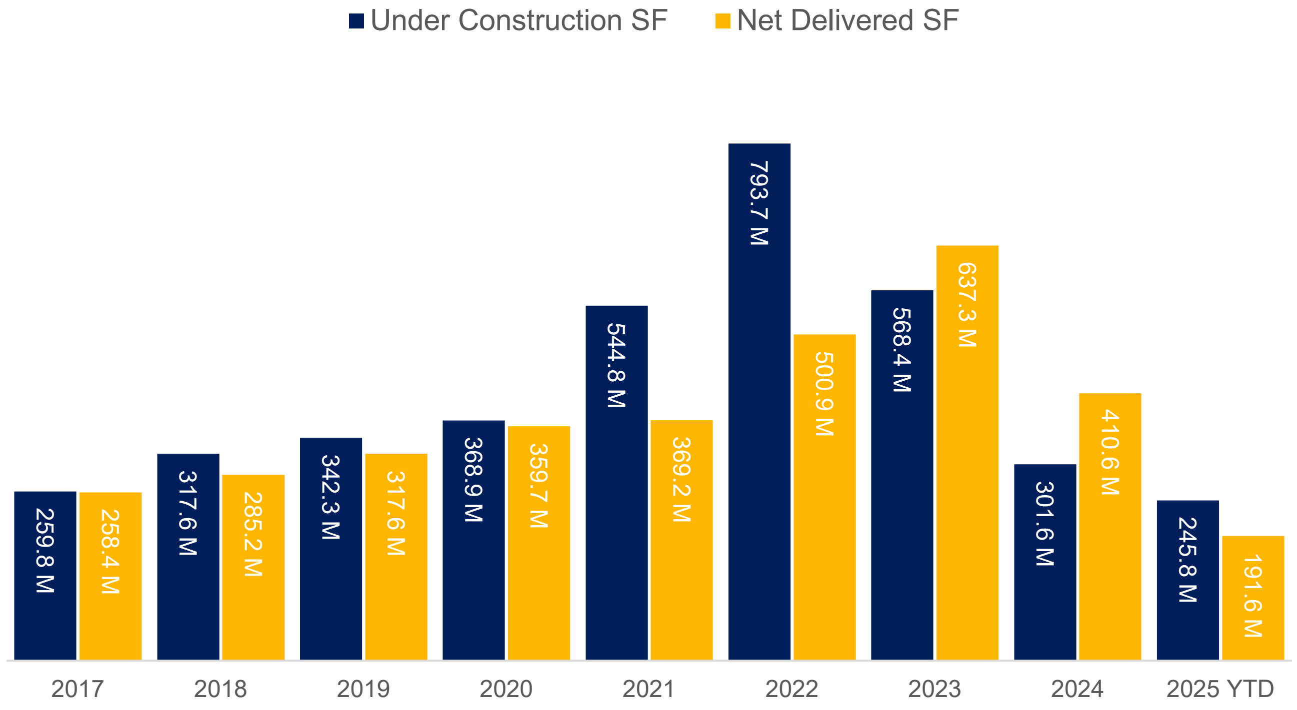
Source: CoStar and Cresa; thru Q3 2025

New industrial construction starts approached 180 million square feet in the third quarter of 2022. Starts for 2023 were comparable to pre-pandemic levels. However, given the torrid pace of construction and rising construction costs, elevated interest rates, and supply chain constraints, the number of new industrial starts has dramatically slowed. It is expected that construction starts will dip further in 2025 before falling back in line with pre-pandemic levels moving forward. **The number of quarterly industrial starts by square footage has dropped for nine of the past 12 quarters.**

Construction

New Industrial Projects Slam on the Brakes

Industrial Under Construction – All Types (SF): (United States)



Source: CoStar and Cresa; thru Q3 2025

Industrial inventory grew nearly 3 percent in 2023, an increase not seen in the United States in the past 30 years. Under construction projects have slowed as developers are taking a more cautious approach as interest rates increase, construction costs rise, and the amount of time to complete a project has lengthened. However, the demand for manufacturing and flex spaces remains resilient, likely resulting in a temporary lull in the breakneck speed of new construction starts. **The total industrial square footage under construction has dropped by more than two-thirds since the start of 2023.**

The problem with the real estate market is the market itself.

THE MARKET SEES YOU AS A **TARGET.**

THE MARKET CHASES THE **DEAL.**

THE MARKET IS SHORT TERM AND **REACTIVE.**

THE SYSTEM FAVORS **LANDLORDS** NOT OCCUPIERS.

The stakes are high for occupiers. Real estate is expensive and inflexible. With the pandemic, labor dynamics, and economic instability, all bets are off.

It's time to go beyond the market and uncover how your commercial real estate can drive your goals, not impede them.

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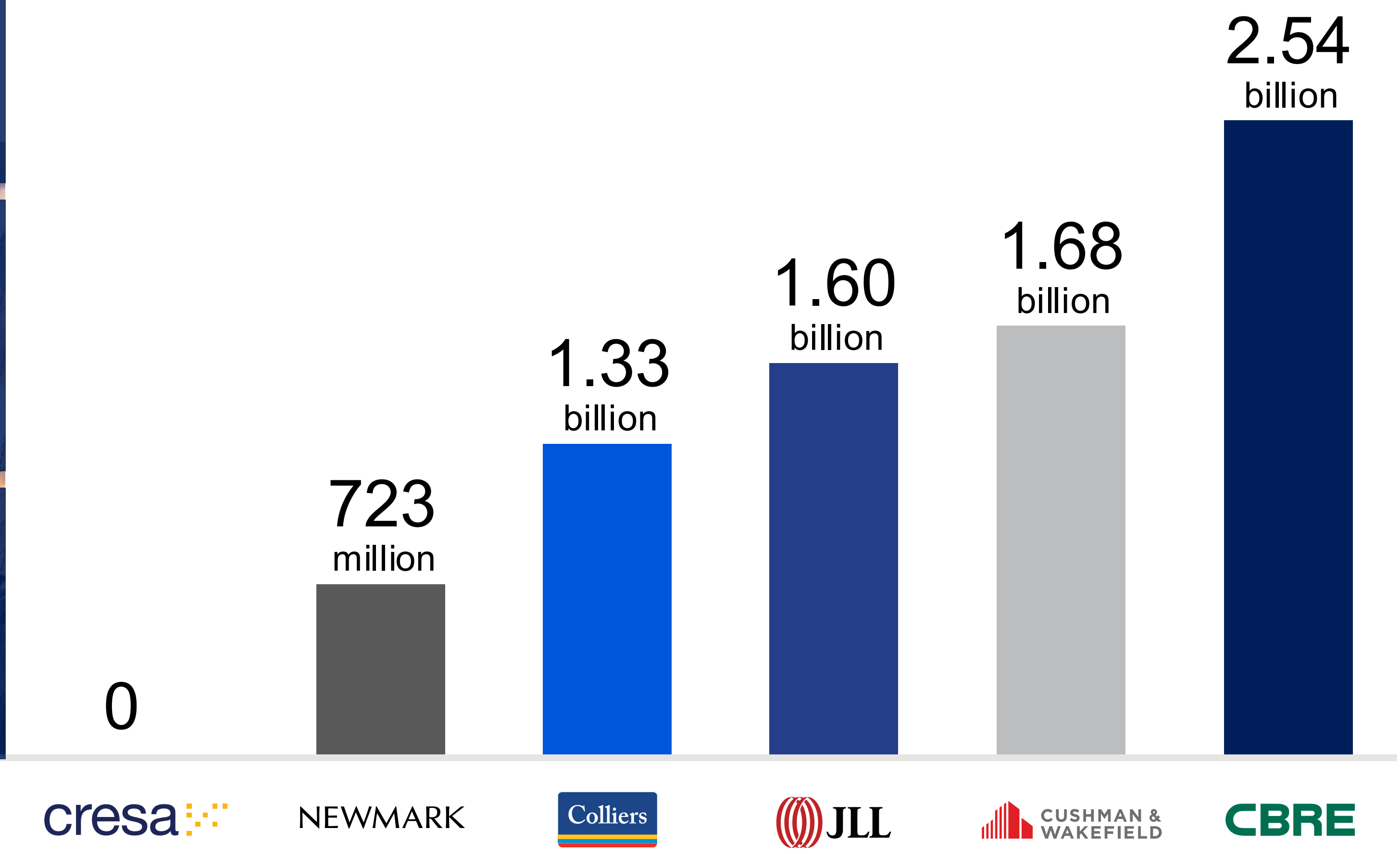
We believe this combination of transparency and executive involvement generates the superior service our clients have come to expect from Cresa.

Billions of square feet are represented on the landlord’s behalf nationally. Cresa never does business on behalf of landlords.



Don’t let uncertainty **dictate your strategy.**

Contact your local Cresa advisor to turn challenges into opportunities.

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