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## MARKET INFORMATION SEARCH

<b>Search by MSA</b> <a href="#">More Info</a> Find all available data sources for a single metropolitan area.	<b>Search by Category / Sector</b> <a href="#">More Info</a> Find all available data sources for a single category (Economics/Demographics, Apartments, Industrial, Office)
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## DATA SOURCES

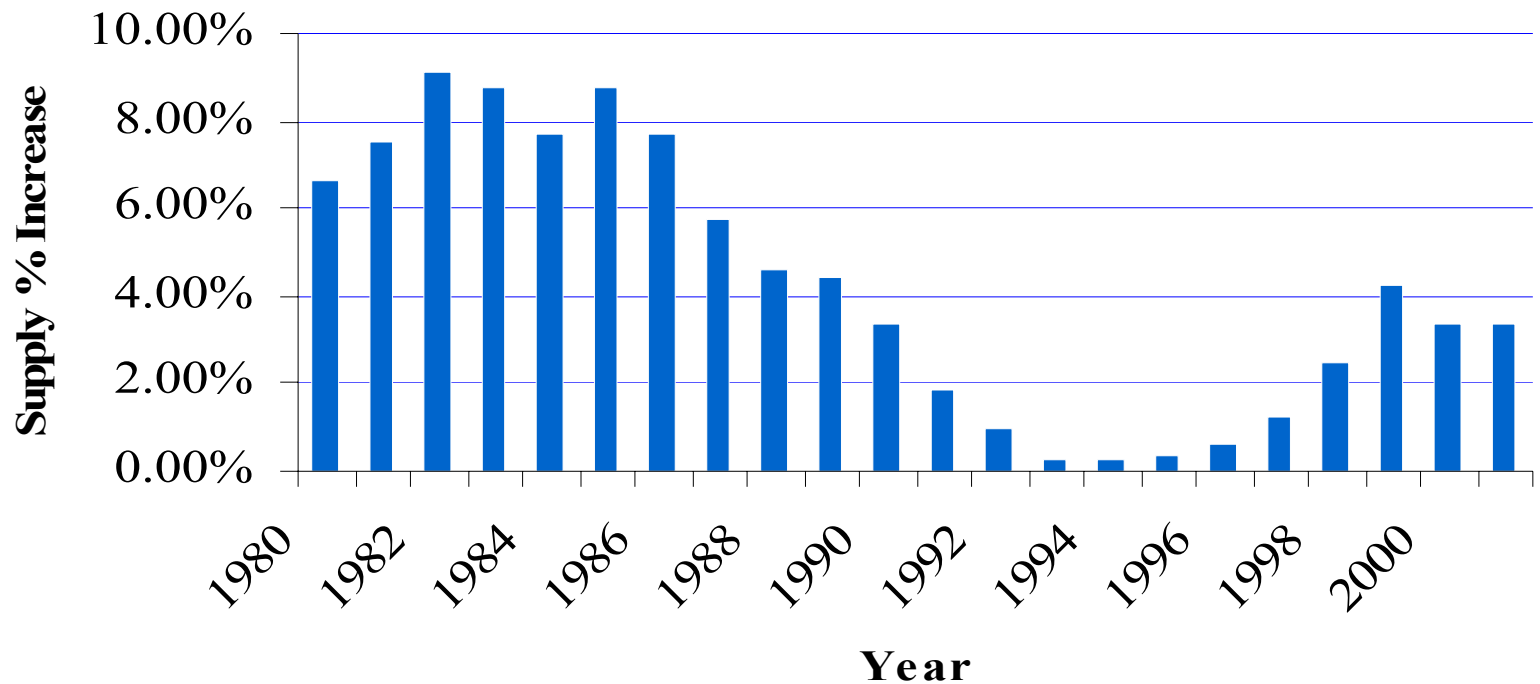
<b>REIS.com</b> <a href="#">More Info</a> Follow the supplied link for access to Reis.com	<b>Economic / Demographic Data</b> <a href="#">More Info</a> Follow this link to the Industry Risk site for detailed economic data, primarily PRECIS reports
<b>Torto Wheaton Research</b> <a href="#">More Info</a> Special research and economic reports   Submarket Maps	<b>IREM - Revenue &amp; Expense</b> <a href="#">More Info</a> Institute of Real Estate Management - operating revenue and expense reports by property type and location
<b>RERA Market Forecasts NEW</b> <a href="#">More Info</a> Forecast ratings for Bank of America's 34 most active markets.	<b>NAIOP - Industrial Revenue &amp; Expense</b> <a href="#">More Info</a> National Association of Industrial and Office Properties
<b>Investment Criteria</b> <a href="#">More Info</a> Quarterly Investment Criteria Reports for major markets	<b>User Guides</b> <a href="#">More Info</a> Available training guides, tips and frequently asked questions (FAQs)
<b>TWR - Industrial Outlook</b> <a href="#">More Info</a> Torto Wheaton Research   Industrial Outlook Reports (most current)	<b>TWR - Office Outlook</b> <a href="#">More Info</a> Torto Wheaton Research   Office Outlook Reports (most current)
<b>Real Capital Analytics</b> <a href="#">More Info</a> Trends, interpretive data, and key aspects of the capital environment on a local and national basis	<b>Other Links &amp; Notable Info.</b> <a href="#">More Info</a> Provides listings of links to other resources - brokers, etc.

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# Office Construction Trends

## New Office Construction Trends



# Office - Pulse / Recent Trends

- Q1 2002 – US Average Vacancy was 14.7%  
South-Atlantic Region reported 13.8%  
Atlanta reported 17.5%
- Past 10-year Low was 7.5% in Q3 of 2000
- Vacancies increased by 210 basis points  
Q3-Q4 01, when it rose from 11.6% to 13.7%
- The change declined to 100 basis points between  
Q4 2001 and Q1 2002
- Vacancies should increase throughout the year
- Do not expect a reversal until mid-to-late 2003,  
and perhaps 2004

# Office – Top & Bottom Markets

- Top Markets: Greater Washington, DC markets are at or near 10% vacancy
- The District, with 6.4% is the strongest office market in the country
- Norfolk and suburban Maryland at 10.3 and 10.5% respectively
- New York, at 9.2% continues stand out in the country
- Weakest Markets: San Francisco, San Jose, Dallas and Austin are especially weak, with vacancies of 19.8%, 19.6%, 21.7% and 20.4%

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# Office – Rent Growth

- There were **NO** markets in the country that experienced growth during the first quarter!
- The nationwide average was  $-4.1\%$  for the quarter  
Those are quarterly numbers, not annualized
- Chicago was the closest to break even, with  $-0.2\%$
- San Francisco and San Jose experienced  $-10.8$  and  $-11.5\%$  growth (i.e. declines) respectively.
- If the trend continued for the year, office rents in San Jose would decline nearly  $50\%$ .

# Industrial - Pulse / Recent Trends

- Q1 2002 – US Average Vacancy was 10.2%  
Atlanta reported 15.7%
- Past 10-year Low was 6.5% in Q3 of 2000
- Vacancies increased by 80 basis points  
Q3-Q4 01, when it rose from 8.9% to 8.7%.
- The change declined to 50 basis points between  
Q4 2001 and Q1 2002
- Vacancies should increase throughout the year
- Do not expect a reversal until mid-to-late 2003

# Industrial – Top & Bottom Markets

- Top Markets: Ventura, CA with 6.0% vacancy
- Los Angeles report 7.1%; New Jersey 8.5%
- Six other smaller markets are below 8.5%
  
- Bottom Markets: Raleigh and Pittsburgh lead the nation with 22.1 and 19.1% vacancy



# Industrial – Rent Growth

- There were **NO** markets in the country that experienced growth during the first quarter!
- The nationwide average was  $-4.1\%$  for the quarter  
Those are quarterly numbers, not annualized
- Chicago was the closest to break even, with  $-0.2\%$
- San Francisco and San Jose experienced  $-10.8$  and  $-11.5\%$  growth (i.e. declines) respectively.
- If the trend continued for the year, office rents in San Jose would decline nearly  $50\%$ .

# Apartment - Pulse / Recent Trends

- Q1 2002 – US Average Vacancy was 5.7%  
South-Atlantic Region reported 6.5%  
Atlanta reported 9.7%
- Past 10-year Low was 3.0% in Q4 of 2000
- Vacancies increased by 100 basis points  
Q3-Q4 01, when it rose from 3.8% to 4.8%
- The change declined to 90 basis points between  
Q4 2001 and Q1 2002
- Vacancies should increase throughout the year
- Though relatively healthy, do not expect a reduction  
in vacancies until mid-to-late 2003



# Apartment – Top & Bottom Markets

- Top Markets: Suburban Maryland, Philadelphia, and Los Angeles with 2.6%, 2.8% & 3.3% vacancy
- Weakest Markets: Charlotte and Austin reported 11.6 and 11.1 respectively
- Charlotte and Austin were the only markets above 10%.

# Apartment – Rent Growth

- The nationwide average was  $-0.1\%$  for the quarter
- Washington, DC and New Orleans posted  $1.8\%$  and  $1.2\%$  rent growth
- New York, Oakland and San Francisco experienced declines of  $3.6\%$ ,  $3.9\%$  and  $4.6\%$  respectively
- San Jose topped the list with an  $8.2\%$  decline

# Retail - Pulse / Recent Trends

- Q1 2002 – US Average Vacancy was 7.1%  
South-Atlantic Region reported 7.3%  
Atlanta reported 8.3%
- Past 10-year Low was 5.9% in Q3 & Q4 of 2000
- Vacancies increased by 30 basis points  
Q3-Q4 01, when it rose from 6.8% to 7.1%
- The change declined to 20 basis points between  
Q4 2001 and Q1 2002
- Vacancies should increase throughout the year
- Do not expect a reversal until mid-to-late 2003

# Retail – Top & Bottom Markets

- Top Markets: Seattle, San Jose and San Diego with 3.6%, 3.7%, and 3.8% vacancy
- There are 7 markets with sub-5% vacancy
- Weakest Markets: New Orleans leads the country with 12.1% vacancy
- San Antonio, Ft. Worth and Houston reports 11.8%, 11.5% and 10.5% respectively

# Retail – Rent Growth

- The nationwide rent growth was 0.1%  
That's a POSITIVE number!
- Charlotte posted a 2.1% decline
- Sacramento posted a 2.5% increase
- Philadelphia and Oakland were #2 and #3 with 1.5% gains for the quarter