


Q4 2023

Technology sector trends, uncovered.
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savills

THE TECH TENANT



Markets

National

Atlanta

Austin

Boston

Chicago

Dallas

Denver

Los Angeles

New York

San Francisco

Seattle

Silicon Valley

Outlook for 2024

Strategic Vacancy: A Reevaluation

While many companies aiming for modest growth maintain a “strategic vacancy”—which allocates a small percentage of empty space in their offices—some of the world’s largest tech companies had been carrying 30-40% surplus space through 2022. This was in anticipation of headcount increases that, for most, did not materialize as they entered 2023, or what one tech leader dubbed “the Year of Efficiency.”

Shift in Space Needs by Established Tech Companies

This significant shift in mindset prompted many major tech firms to reevaluate their space needs in 2023, leading to increased office space availability through subleases, a decline in demand from the tech sector, natural lease expirations, or terminations. Tech giants, which significantly drove demand in U.S. tech hubs in the late 2010s and early 2020s, now possess surplus office space far exceeding immediate or anticipated needs.

Emerging Technology Companies

Emerging technology companies are finding opportunities within this landscape in 2024. Those who believe in the power of in-person work stand to benefit from the current tenant-friendly market conditions, including the potential to sidestep substantial capital costs by leveraging the infrastructure and furnishings left by previous occupants.

Structured Hybrid Work Models and New Demand Paradigms

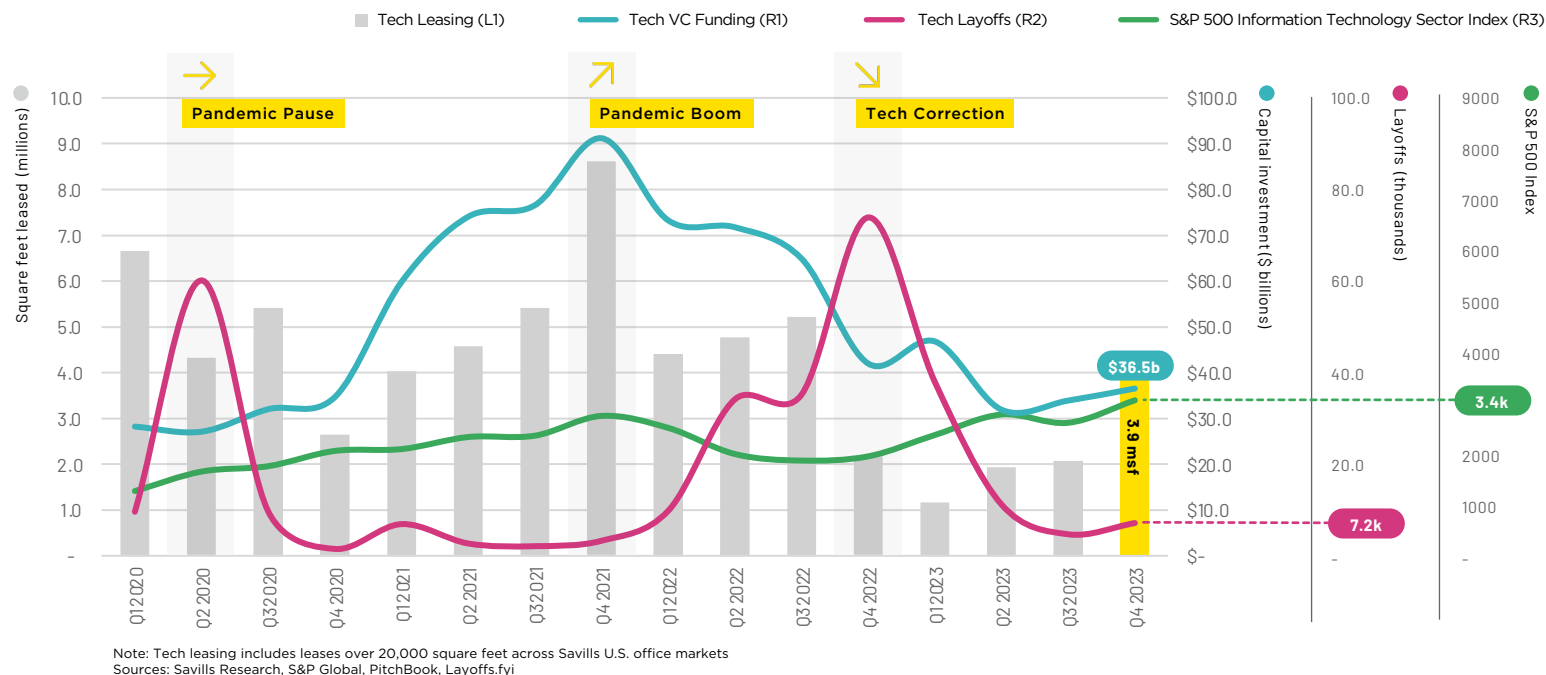
The move towards structured hybrid work models in 2024 is reshaping office space demand. This approach, which merges in-office and remote work, has led to an increase in demand for high-quality workspaces that are competitive with home offices. The long-term effects of the hybrid workplace model remain to be seen; however, we do know that future office space will no longer be seen as a place to simply warehouse employees. Rather, there is a higher focus on using the office as a forum for collaboration, training, mentorship, and creating company culture.

National

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Select metrics such as venture capital funding, labor force dynamics, the S&P 500 Information Technology Index, and tech leasing activity reveal a quickly adapting tech sector and opportunity ahead in 2024 for tenants.

Tech Leasing, S&P 500 Information Technology, VC Funding, and Layoffs



Notable 2023 U.S. Tech Leases

Market	Name	Address	Size (SF)	Transaction Type
Raleigh	IBM (Q4)	4205 S Miami Boulevard	774,000	Sale Leaseback
San Francisco	OpenAI (Q4)	1455-1515 3rd Street	486,600	Sublease
Austin	AMD (Advanced Micro Devices, Inc.) (Q4)	7171 Southwest Parkway	444,000	Renewal
North Virginia	Amazon (Q4)	1770 Crystal Drive	260,000	Renewal
San Francisco	Cisco Meraki (Q2)	500 Terry A Francois Boulevard	234,537	Renewal
San Francisco	Anthropic (Q4)	500 Howard Street	230,325	Sublease
New York	Amazon (Q2)	1770 Crystal Drive	209,801	Renewal and Sublease
Silicon Valley	Texas Instruments (Q2)	4555 Great America Parkway	205,774	New Location
Seattle	Amazon (Q3)	1220 Howell Street	147,812	Renewal
New York	LinkedIn (Q4)	350 Fifth Avenue	143,778	Renewal and Expansion

Key Tech Leasing Stats

21.9%

of total 2023 leasing activity came from the top five leases

42.6%

of leases completed in 2023 were signed in the fourth quarter

9.0 msf

signed in 2023 is down from 16.6 msf in 2022 and 22.6 msf in 2021

Looking Ahead – Key Metrics for 2024

01 Leasing

The tech sector's downturn has significantly impacted the office market due to its previously central role in driving net growth, resulting in an oversupply of office space and a tenant-favorable market. As the sector adjusts, those ready to make strategic real estate decisions stand to gain from the current market conditions.

02 VC Funding

Venture capital (VC) funding is poised for a resurgence, with substantial funds left on the sidelines over the past two years. Funding in 2023 was uplifted by large rounds in the artificial intelligence (AI) vertical and new activity from other transformative technologies. An uptick in VC funding could fuel innovation and expansion, necessitating office space for startups that believe in-person work will enable them to create groundbreaking technologies, raise funding, and reach go-to-market milestones more efficiently than working remotely.

03 Layoffs

Tech layoffs were down 60.1% in 2023 compared to the year before, with the highest number occurring in Q4 2022. As layoffs persist into the new year, monitoring this trend will be crucial for identifying when the tech sector stabilizes and possibly demand picking up again.

04 S&P 500

The S&P 500 Information Technology Sector's upward trajectory provides a positive outlook for the tech sector as we move into 2024. The sector's growth is buoyed by significant advancements in artificial intelligence (AI) and the booming semiconductor industry. These developments open new avenues for investment and underline the sector's potential for further expansion.

Atlanta

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While the tech sector continues to evaluate its office footprint as a result of workplace strategy and economic volatility, large blocks of high-quality tech sublease space remain on the market at the close the year. Despite the softening of demand, Atlanta remains the industry cornerstone of the southeast due to its diverse talent base, top universities, and ever-growing technology ecosystem.

Key Stats

29.3%

Availability

\$32.45

Overall Asking Rent (\$/SF)

2.0 msf

Quarterly Leasing Activity

8.5 msf

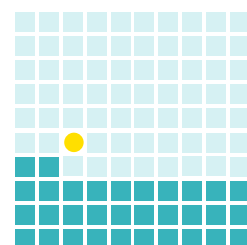
Sublease Space

Y-O-Y CHANGE
Q4 2023+230 bps
(27.0%)+5.7%
(\$30.70)+0.4msf
(1.6 msf)+1.3 msf
(7.2 msf)

Percentage of Sublet Space from Tech

BY SQUARE FEET

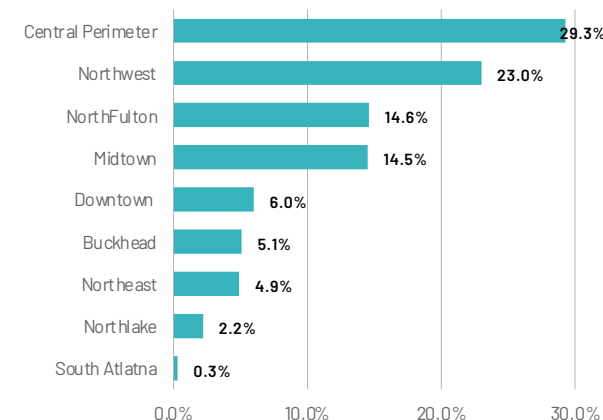
31.9%



● Average Across Savills
Top Tech Hubs: **43.4%**

Allocation of Sublet Space by Submarket

Q4 2023

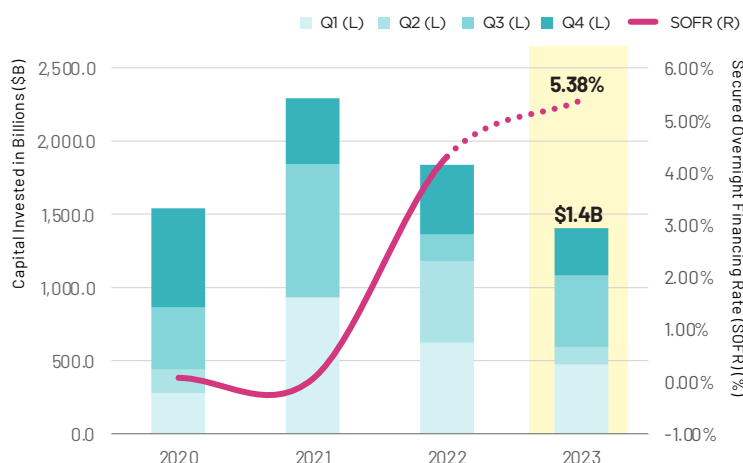


TECH VENTURE CAPITAL ACTIVITY

Historical VC Activity

2023

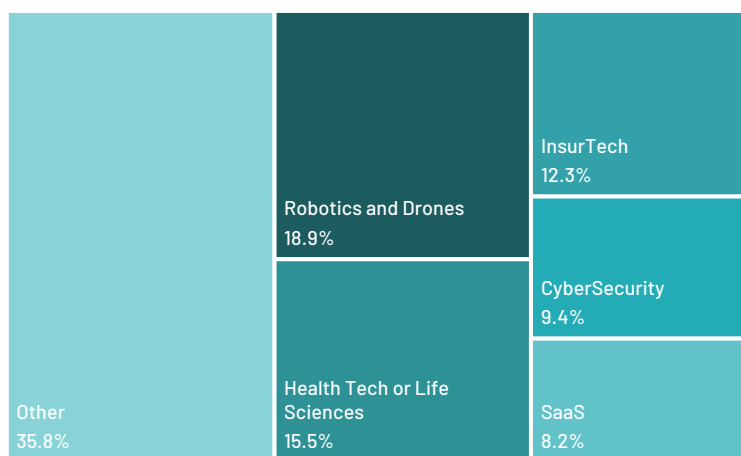
Source: PitchBook, SOFR, Savills Research



Primary Verticals of Top 30 VC Deals

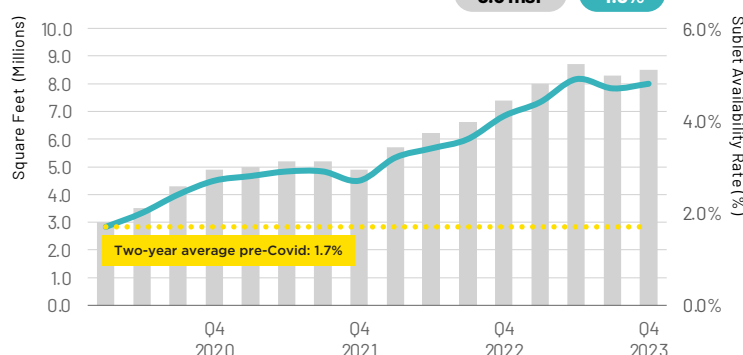
% OF TOTAL RAISED 2023

Source: PitchBook, Savills Research



Sublet Availability

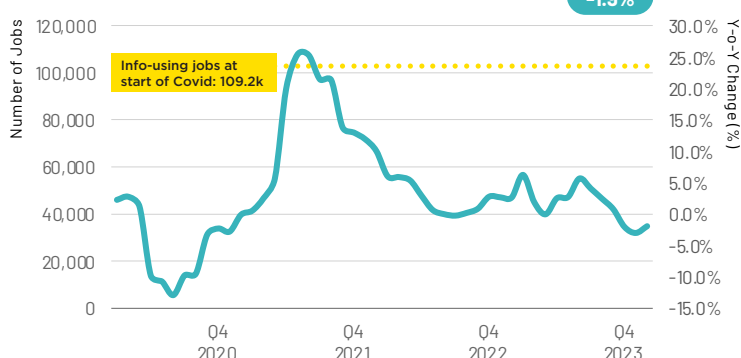
TOTAL

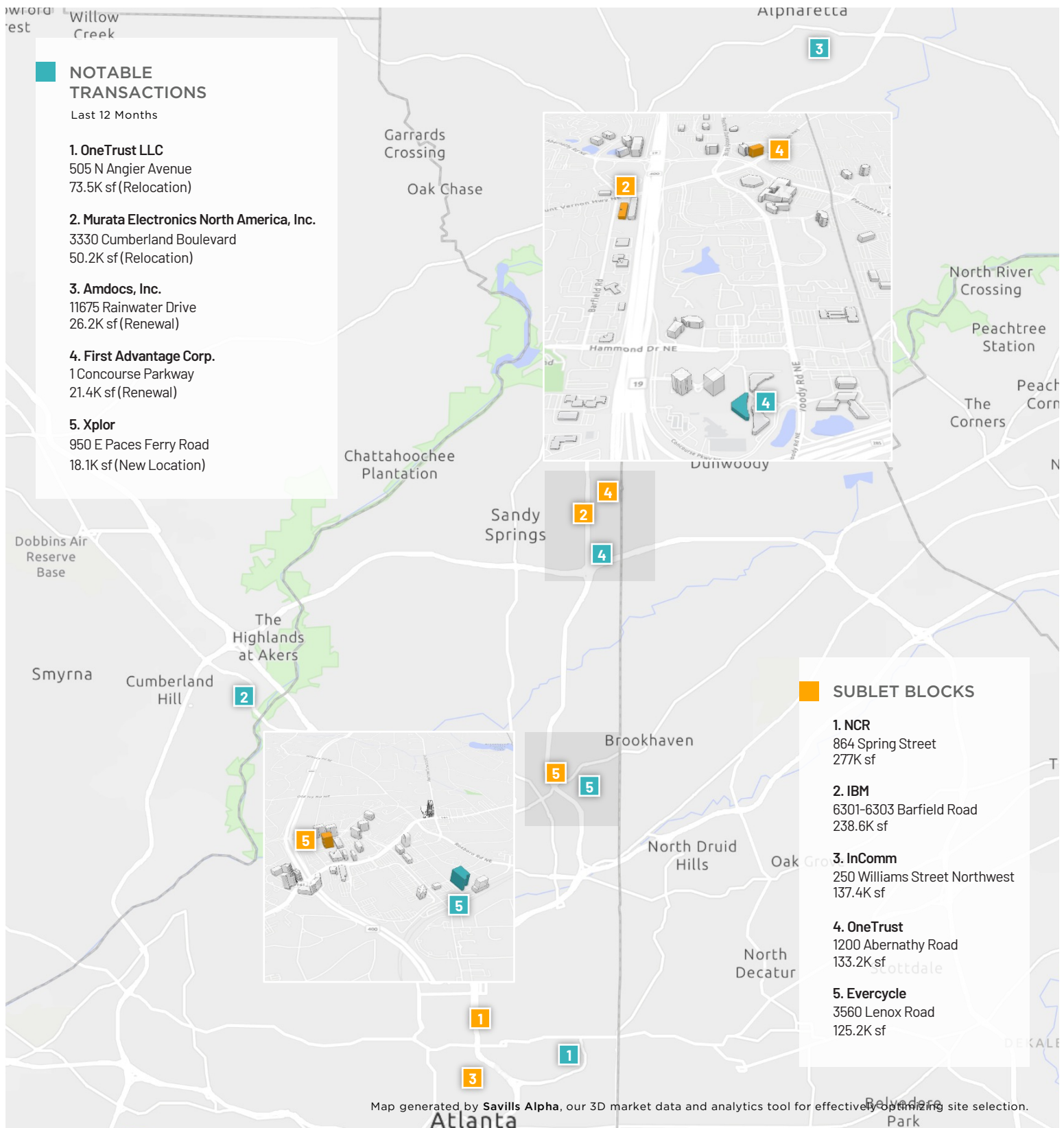


Information-Using Job Growth

Source: Bureau of Labor Statistics

2023





Atlanta Q4 2023 – The Tech Tenant

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Unless otherwise noted, all rents quoted throughout this report are average asking gross (full service) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory.

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Austin

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Overall leasing activity consistently climbed throughout 2023 in the Austin market. This demand was significantly boosted in Q4 2023 by the semiconductor company Advanced Micro Devices (AMD), which signed a 444,000-square-foot (sf) renewal, accounting for 34% of the total leasing activity.

Key Stats

27.7%

Availability

\$46.07

Overall Asking Rent (\$/SF)

1.3 msf

Quarterly Leasing Activity

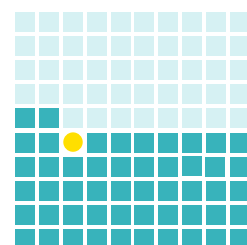
5.6 msf

Sublease Space

Y-O-Y CHANGE
Q4 2023+430 bps
(23.4%)-1.2%
(\$45.53)+0.2 msf
(1.1 msf)+1.4 msf
(4.2 msf)

Percentage of Sublet Space from Tech

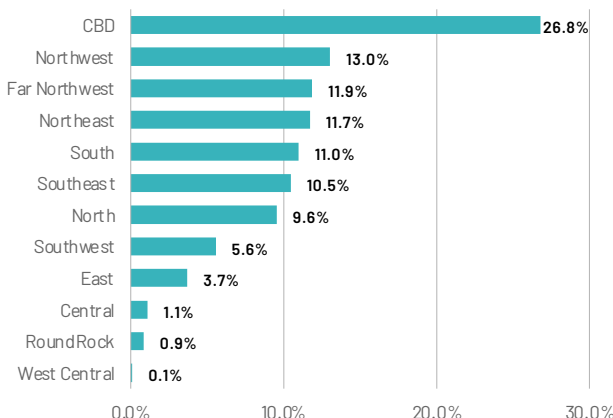
BY SQUARE FEET

51.5%


● Average Across Savills
Top Tech Hubs: **43.4%**

Allocation of Sublet Space by Submarket

Q4 2023

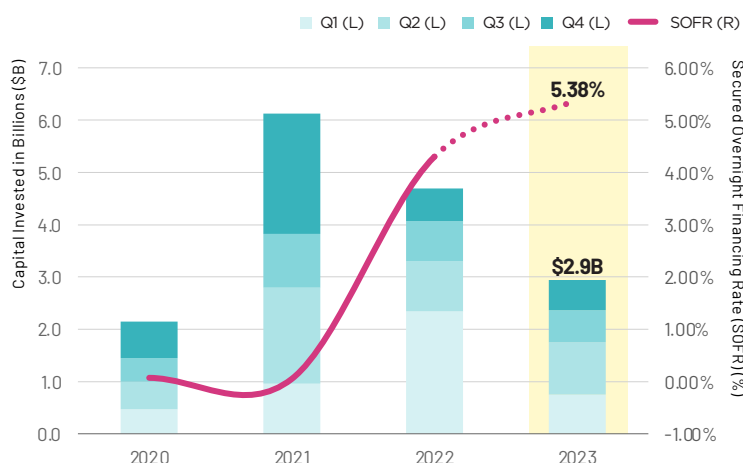


TECH VENTURE CAPITAL ACTIVITY

Historical VC Activity

2023

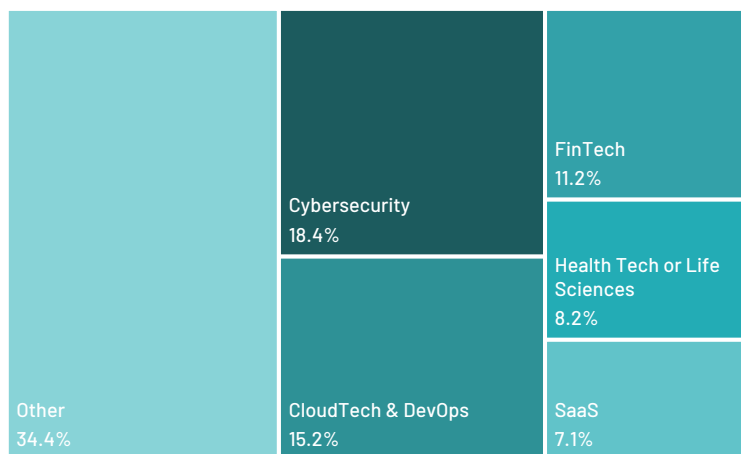
Source: PitchBook, SOFR, Savills Research



Primary Verticals of Top 30 VC Deals

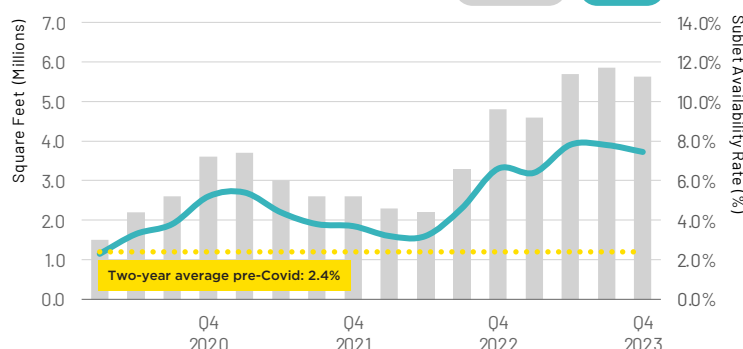
% OF TOTAL RAISED 2023

Source: PitchBook, Savills Research



Sublet Availability

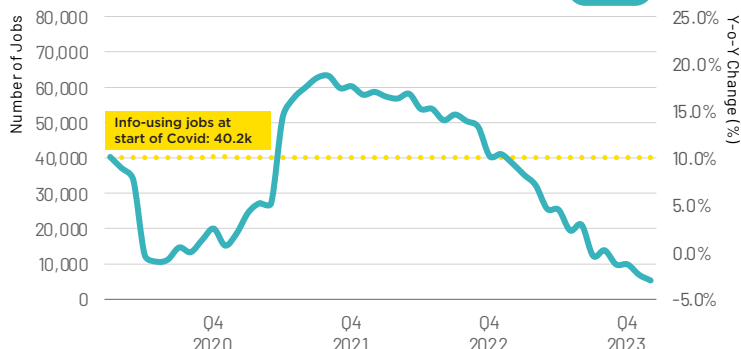
TOTAL

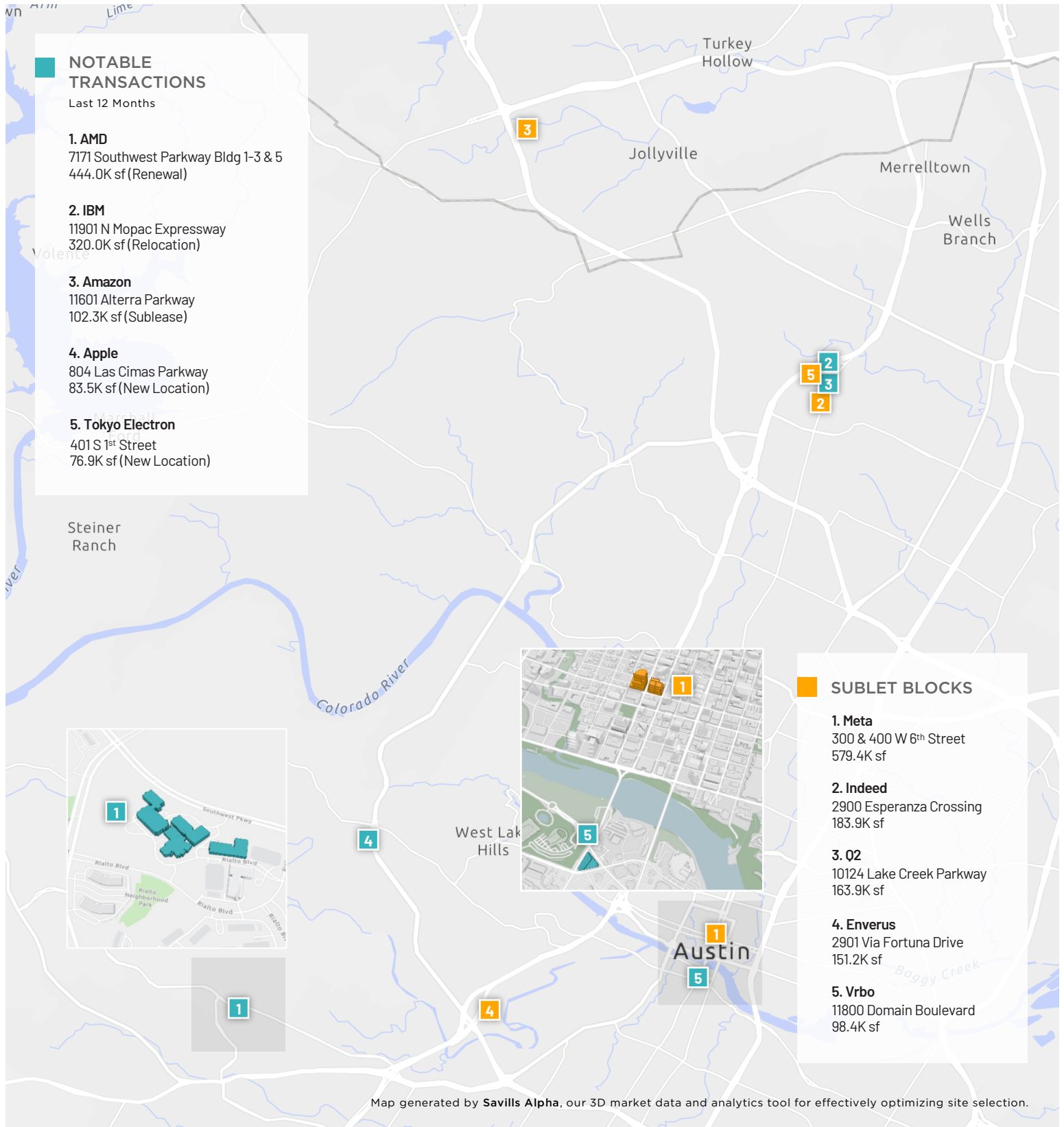


Information-Using Job Growth

Source: Bureau of Labor Statistics

2023





Austin Q4 2023 - The Tech Tenant

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Boston CBD

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In general, tech leasing has picked up slightly. There continues to be growth in nontraditional tech companies such as frontier tech, AI and deep tech clusters.

Key Stats

22.1%

Availability

\$65.37

Overall Asking Rent (\$/SF)

0.7 msf

Quarterly Leasing Activity

4.3 msf

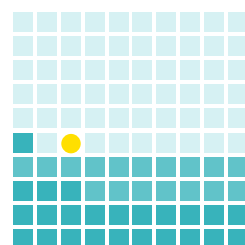
Sublease Space

Y-O-Y CHANGE
Q4 2023+330 bps
(18.8%)-3.6%
(\$67.78)-0.2 msf
(0.9 msf)+0.8 msf
(3.5 msf)

Percentage of Sublet Space from Tech

BY SQUARE FEET

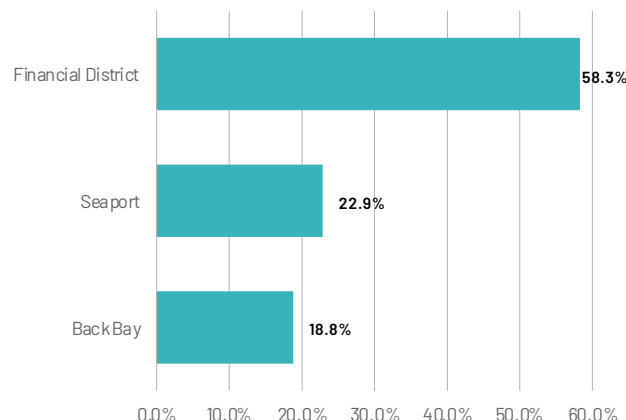
40.7%



● Average Across Savills
Top Tech Hubs: **43.4%**

Allocation of Sublet Space by Submarket

Q4 2023

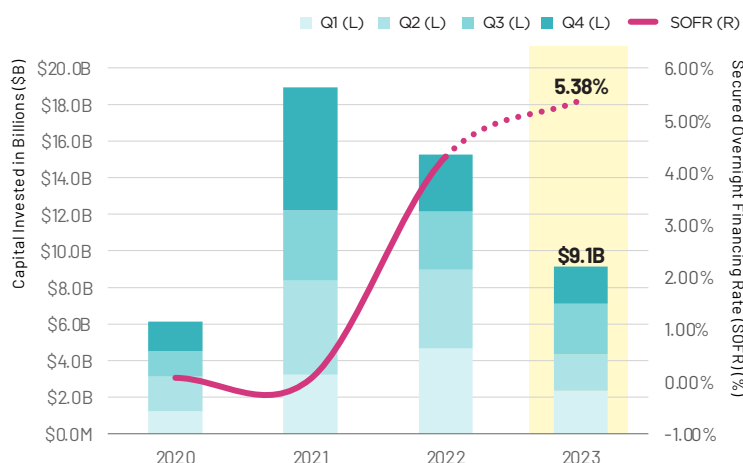


TECH VENTURE CAPITAL ACTIVITY

Historical VC Activity

2023

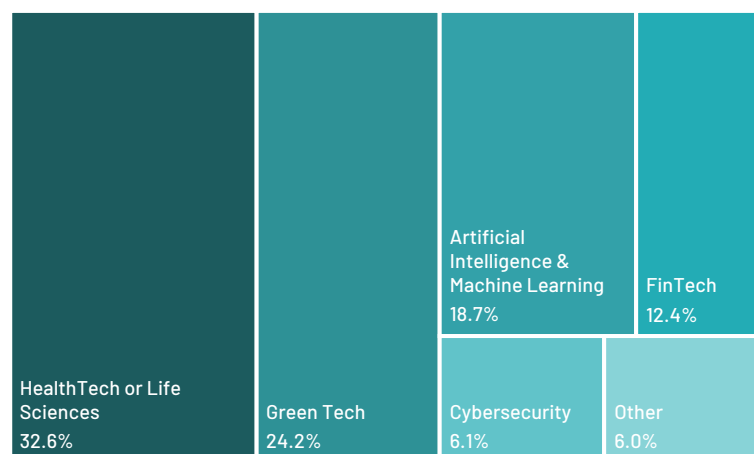
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Primary Verticals of Top 30 VC Deals

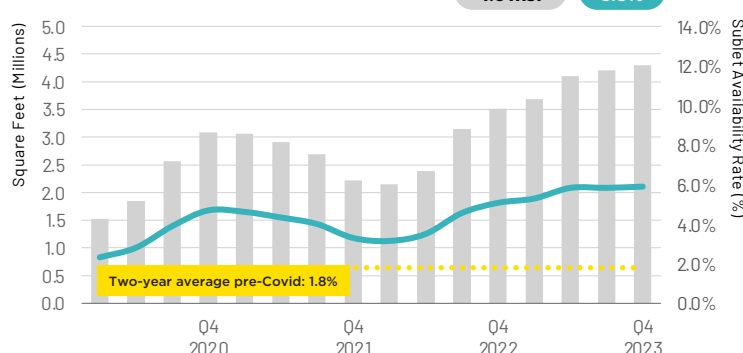
% OF TOTAL RAISED 2023

Source: PitchBook, Savills Research



Sublet Availability

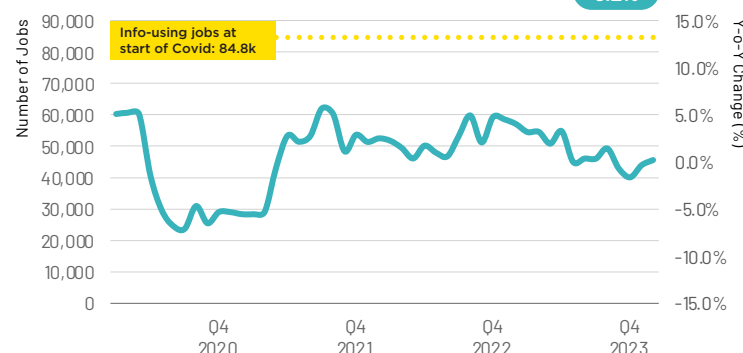
TOTAL



Information-Using Job Growth

Source: Bureau of Labor Statistics

2023



NOTABLE TRANSACTIONS

Last 12 Months

1. Toast

333 Summer Street
102.0K sf (Relocation/Sublease)

2. Blizzard

100 Causeway Street
27.6K sf (New Location)

3. Jellyfish

225 Franklin Street
15.7K sf (New Location)

4. Catapult Sports

10 Post Office Square
14.7K sf (New Location)

5. Wasabi Technologies

75-81 Arlington Street
12.7K sf (New Location)

SUBLET BLOCKS

1. Wayfair

10 Saint James Avenue & 75
Arlington Street
296.0K sf

2. Verizon

100 Causeway Street
190.6K sf

3. Wayfair

500 Boylston Street & 222
Berkeley Street
176.0K sf

4. VMware

100 Summer Street
76.9K sf

5. Grubhub

1 Center Plaza
74.9K sf

Map generated by **Savills Alpha**, our 3D market data and analytics tool for effectively optimizing site selection.

Boston Q4 2023 – The Tech Tenant

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Chicago

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Leasing by tech firms in Chicago remained in the doldrums in Q4 2023. Groupon's 25,000-square-foot lease at 35 West Wacker Drive represented a 90% cut from its previous occupancy at 600 West Chicago Avenue. Meanwhile, information-using job growth steadily plummeted across the region in 2023. There were some positive signals this period, including Illinois Institute of Technology's 34,000 sf lease at 400 North Aberdeen Street, while food-tech startup Umiami announced it would target Chicago for its U.S. headquarters, bringing 250 jobs to the region.

Key Stats

27.6%

Availability

\$43.11

Overall Asking Rent (\$/SF)

2.0 msf

Quarterly Leasing Activity

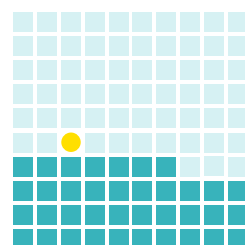
7.9 msf

Sublease Space

Y-O-Y CHANGE
Q4 2023+170 bps
(25.9%)-0.2%
(\$43.20)+0.3 msf
(1.7 msf)+1.1 msf
(6.8 msf)

Percentage of Sublet Space from Tech

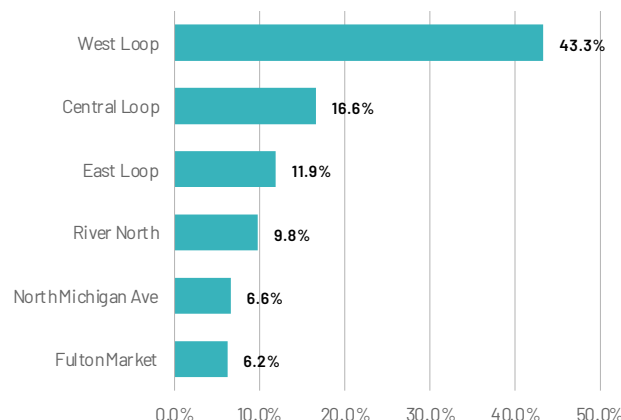
BY SQUARE FEET

37.1%


● Average Across Savills
Top Tech Hubs: **43.4%**

Allocation of Sublet Space by Submarket

Q4 2023

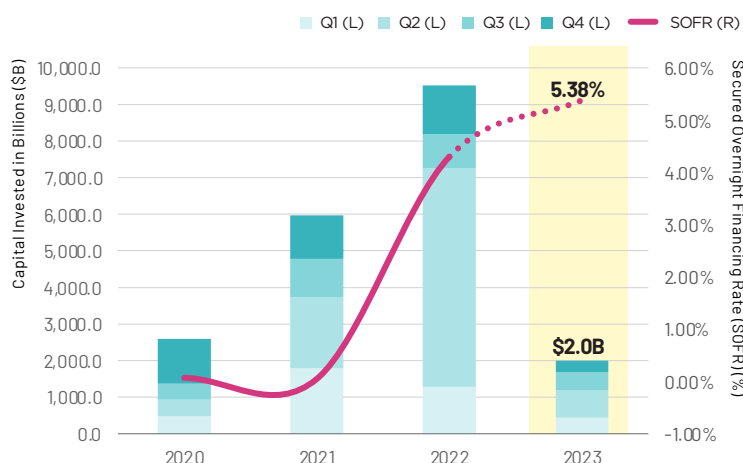


TECH VENTURE CAPITAL ACTIVITY

Historical VC Activity

2023

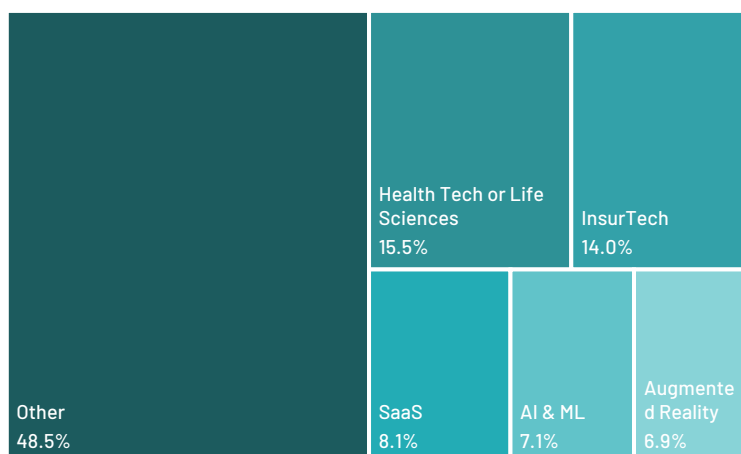
Source: PitchBook, SOFR, Savills Research



Primary Verticals of Top 30 VC Deals

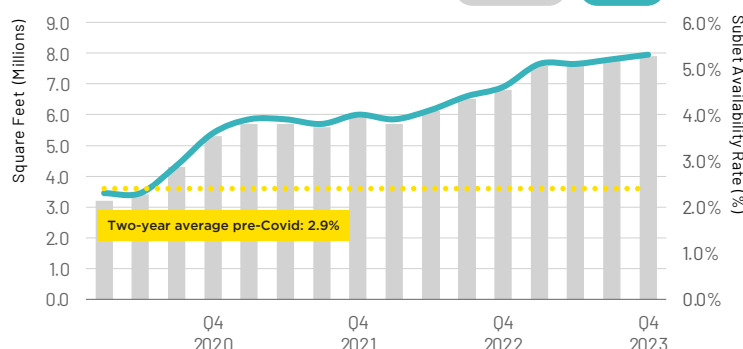
% OF TOTAL RAISED 2023

Source: PitchBook, Savills Research



Sublet Availability

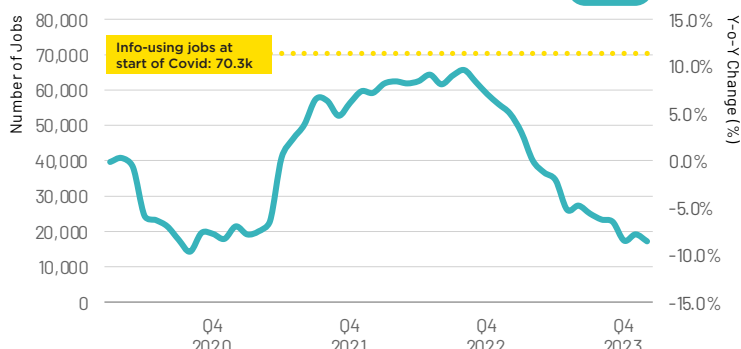
TOTAL



Information-Using Job Growth

Source: Bureau of Labor Statistics

2023



NOTABLE TRANSACTIONS

Last 12 Months

1. Relativity

231 S LaSalle Street
96.6K sf (Relocation)

2. SpotHero

125 S Clark Street
32.9K sf (Expansion)

3. IBM

71 S Wacker Drive
32.3K sf (Renewal)

4. Groupon

35 W Wacker Drive
25.0K sf (Relocation)

5. Pinterest

120 S Riverside Plaza
23.2K sf (Relocation)

SUBLET BLOCKS

1. Salesforce

333 W Wolf Point Plaza
120.0K sf

2. Avant

222 N LaSalle Street
119.7K sf

3. HERE

100 N Riverside Plaza
118.2K sf

4. Meta

151 N Franklin Street
116.4K sf

5. PayPal

222 W Merchandise Mart Plaza
108.6K sf

Map generated by **Savills Alpha**, our 3D market data and analytics tool for effectively optimizing site selection.

Chicago Q4 2023 – The Tech Tenant

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Dallas

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Due to Dallas' diversified industry base, market dynamics have been less impacted by the pullback in demand from the tech sector and overall leasing activity was resilient in 2023. Venture capital (VC) funding for tech companies with headquarter locations in Dallas saw the largest amounts raised within FinTech, Health Tech or Life Sciences, and LOHAS and Wellness.

Key Stats

30.1%

Availability

\$29.14

Overall Asking Rent (\$/SF)

2.9 msf

Quarterly Leasing Activity

9.3 msf

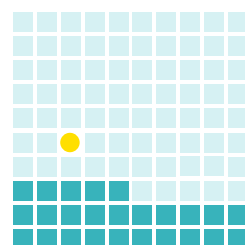
Sublease Space

Y-O-Y CHANGE
Q4 2023+540 bps
(28.6%)+9.5%
(\$26.61)+0.1 msf
(2.8 msf)+0.2 msf
(9.1 msf)

Percentage of Sublet Space from Tech

BY SQUARE FEET

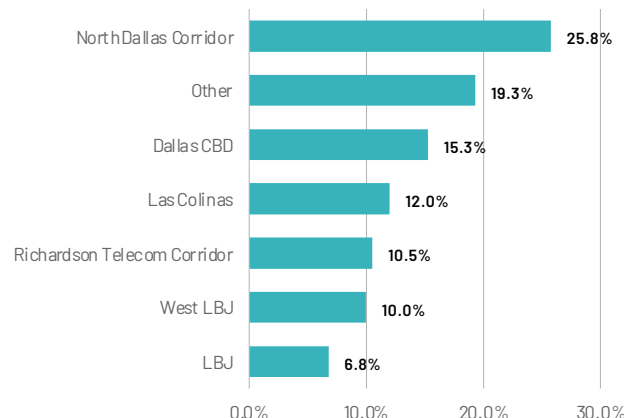
24.5%



● Average Across Savills
Top Tech Hubs: 43.4%

Allocation of Sublet Space by Submarket

Q4 2023

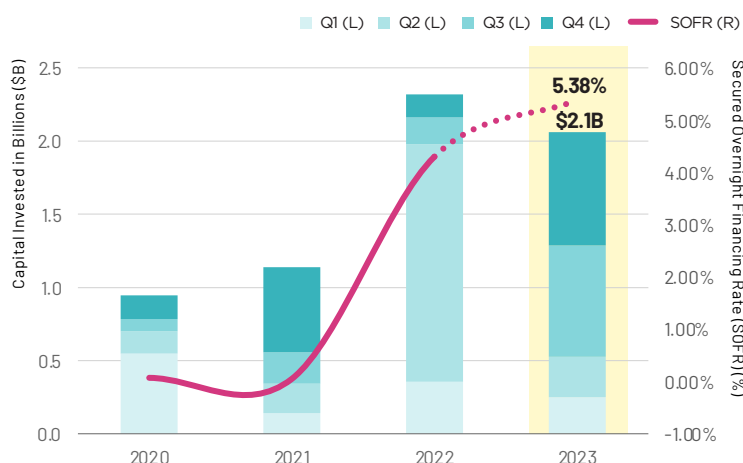


TECH VENTURE CAPITAL ACTIVITY

Historical VC Activity

2023

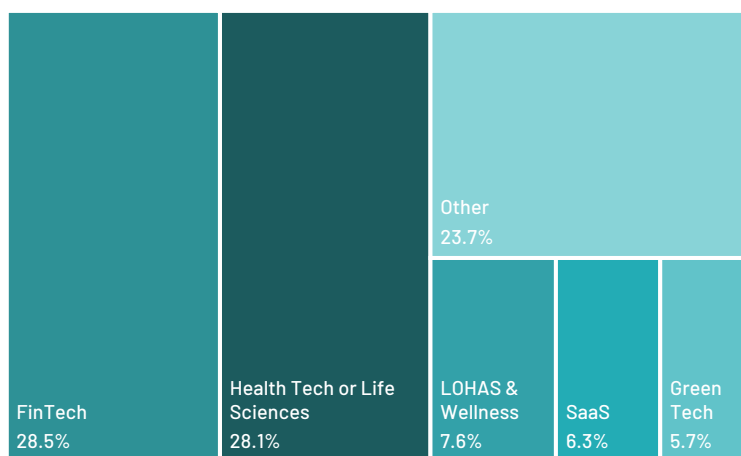
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Primary Verticals of Top 30 VC Deals

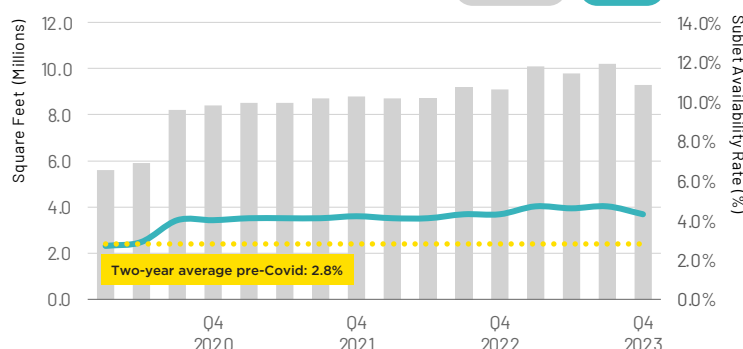
% OF TOTAL RAISED 2023

Source: PitchBook, Savills Research



Sublet Availability

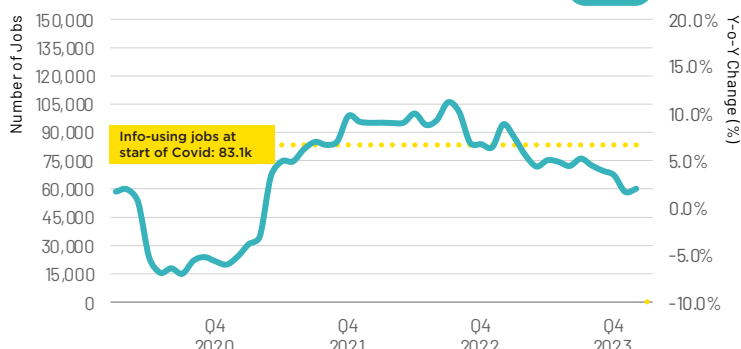
TOTAL



Information-Using Job Growth

Source: Bureau of Labor Statistics

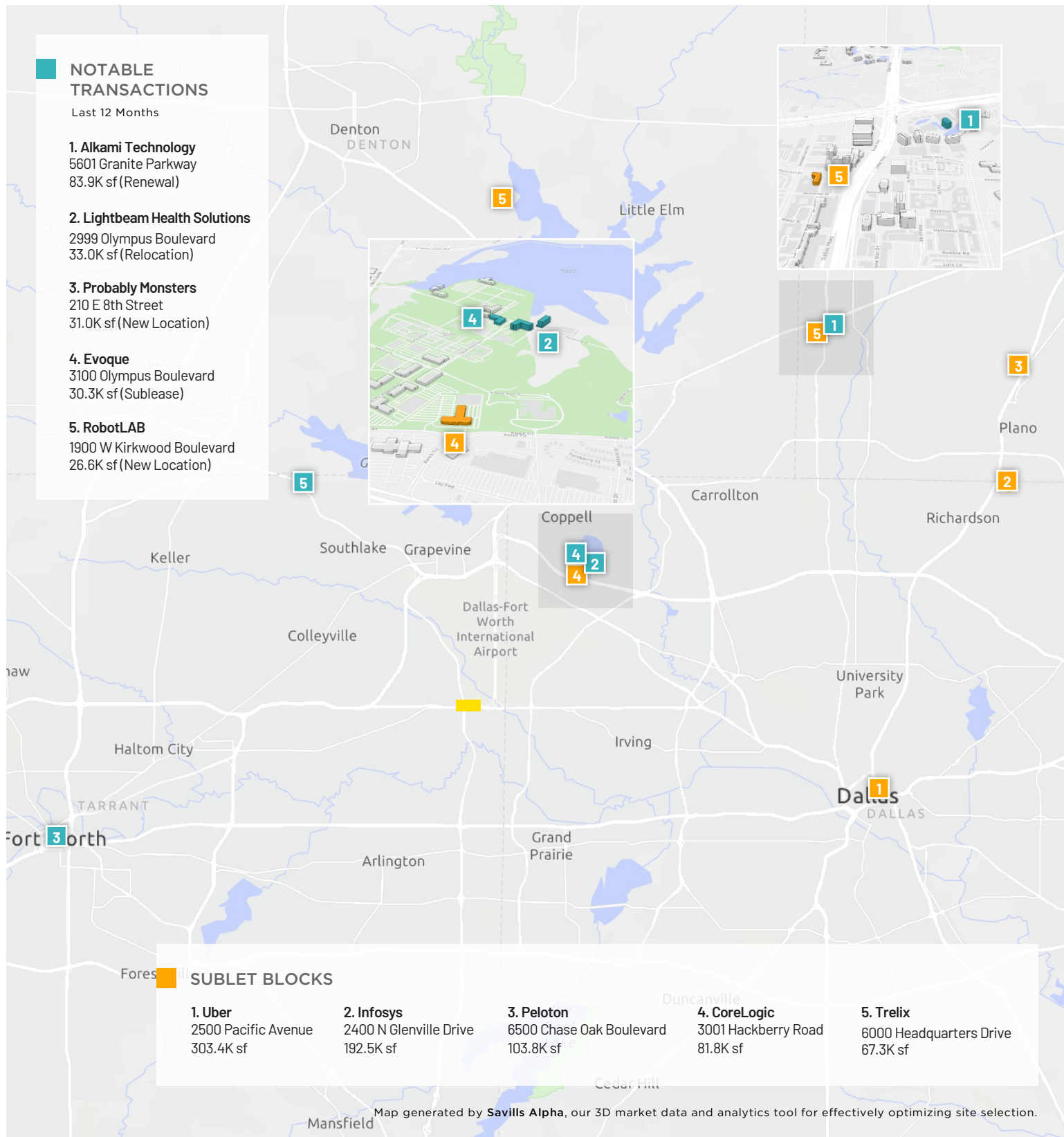
2023



NOTABLE TRANSACTIONS

Last 12 Months

- 1. Alkami Technology**
5601 Granite Parkway
83.9K sf (Renewal)
- 2. Lightbeam Health Solutions**
2999 Olympus Boulevard
33.0K sf (Relocation)
- 3. Probably Monsters**
210 E 8th Street
31.0K sf (New Location)
- 4. Evoque**
3100 Olympus Boulevard
30.3K sf (Sublease)
- 5. RobotLAB**
1900 W Kirkwood Boulevard
26.6K sf (New Location)



SUBLET BLOCKS

- | | | | | |
|----------------------------------------------------|----------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------|---------------------------------------------------------|
| 1. Uber
2500 Pacific Avenue
303.4K sf | 2. Infosys
2400 N Glenville Drive
192.5K sf | 3. Peloton
6500 Chase Oak Boulevard
103.8K sf | 4. CoreLogic
3001 Hackberry Road
81.8K sf | 5. Trelix
6000 Headquarters Drive
67.3K sf |
|----------------------------------------------------|----------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------|---------------------------------------------------------|

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Dallas Q4 2023 – The Tech Tenant

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Denver

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Despite a rise in space availability by 220 basis points, Denver's tech sector shows resilience with a 0.3 MSF increase in leasing and a 0.3 MSF decrease in sublease space, indicating market stabilization and reinforcing its status as an emerging tech hub with significant investments in Space and Green Tech.

Key Stats

28.7%

Availability

\$33.18

Overall Asking Rent (\$/SF)

1.9 msf

Quarterly Leasing Activity

6.0 msf

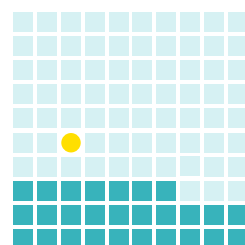
Sublease Space

Y-O-Y CHANGE
Q4 2023+220 bps
(26.5%)+2.3%
(\$32.43)+0.3 msf
(1.6 msf)-0.3 msf
(6.3 msf)

Percentage of Sublet Space from Tech

BY SQUARE FEET

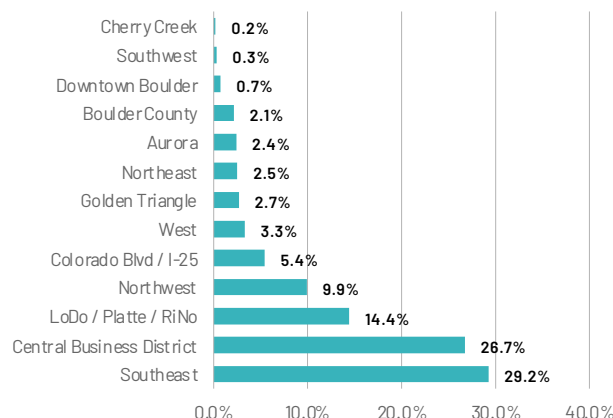
27.2%



● Average Across Savills
Top Tech Hubs: 43.4%

Allocation of Sublet Space by Submarket

Q4 2023

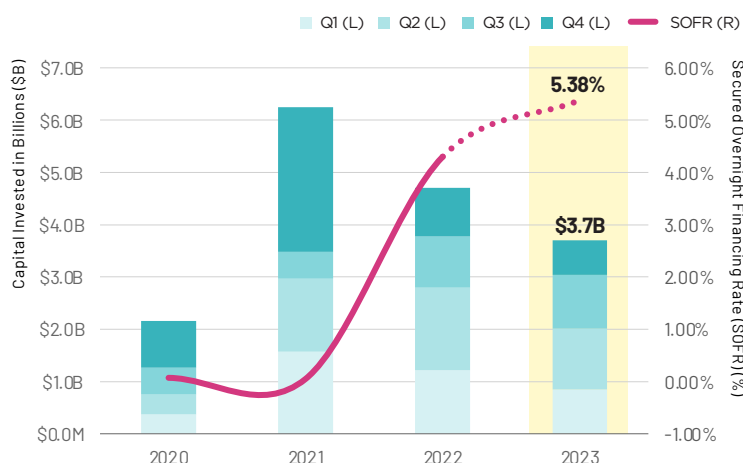


TECH VENTURE CAPITAL ACTIVITY

Historical VC Activity

2023

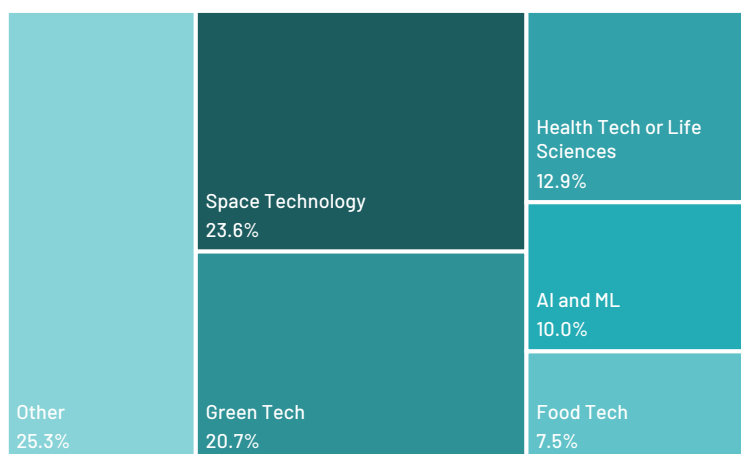
Source: PitchBook, SOFR, Savills Research



Primary Verticals of Top 30 VC Deals

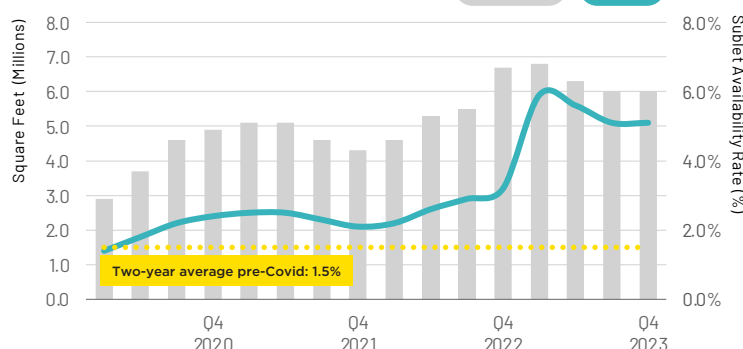
% OF TOTAL RAISED 2023

Source: PitchBook, Savills Research



Sublet Availability

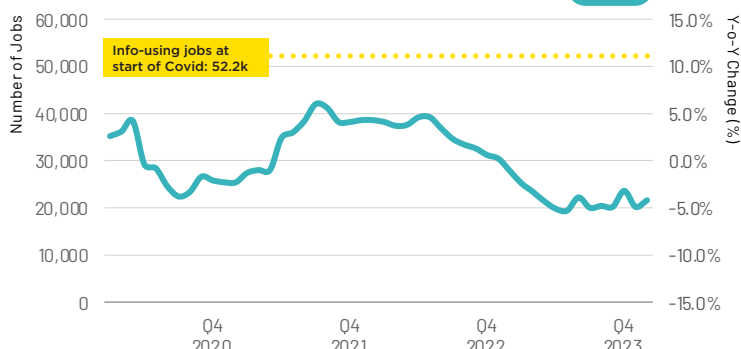
TOTAL

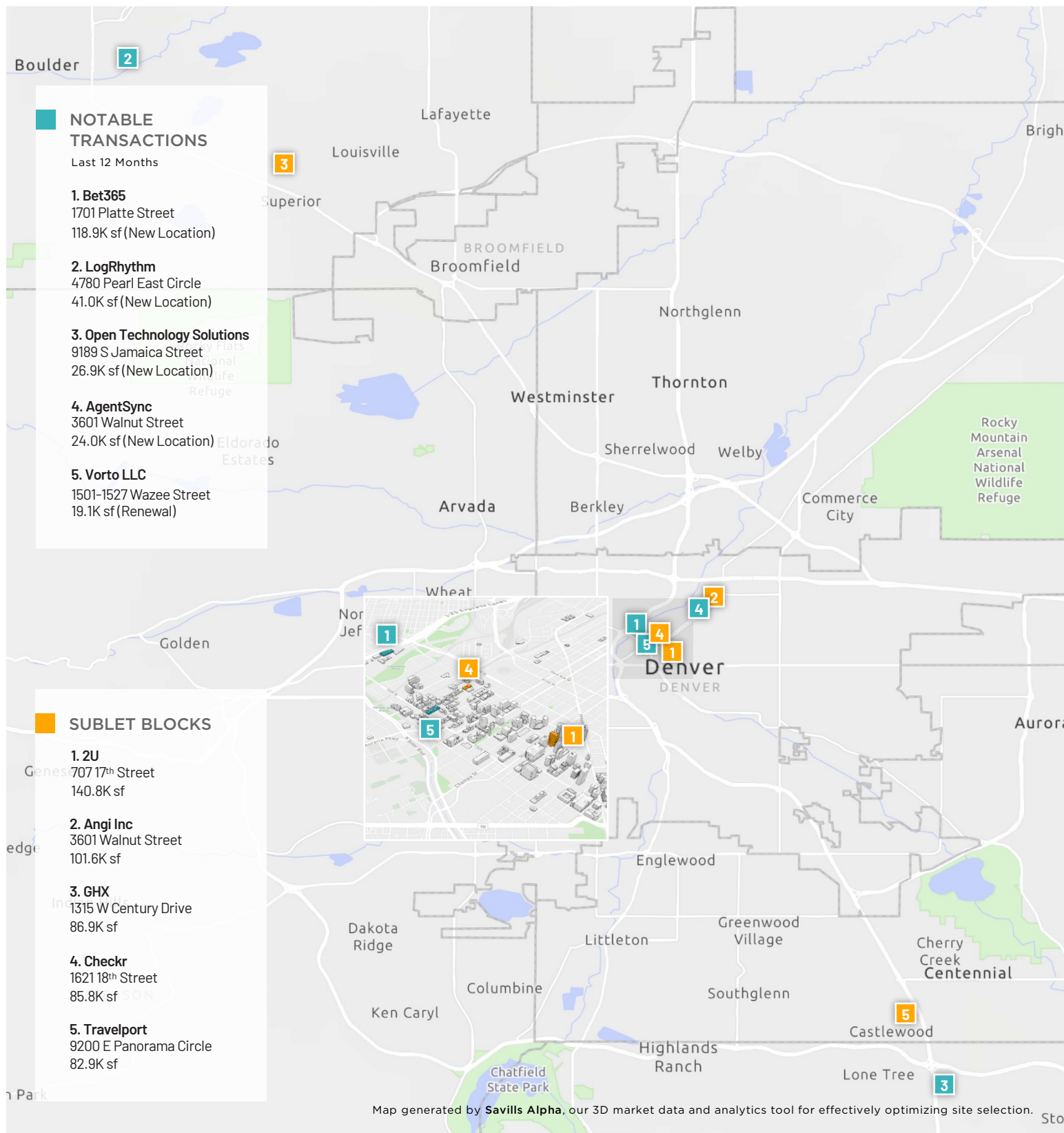


Information-Using Job Growth

Source: Bureau of Labor Statistics

2023





Denver Q4 2023 – The Tech Tenant

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Los Angeles

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With the current correction in the technology sector leading to tens of thousands of layoffs, high-profile office spaces are being placed on the market for sublease, or leases are being terminated altogether. As office tech space requirements are being put on hold, the Los Angeles office market will be more of a tenant-favorable market as demand is forecasted to remain low through the first half of 2024.

Key Stats

26.7%

Availability

\$47.16

Overall Asking Rent (\$/SF)

2.2 msf

Quarterly Leasing Activity

10.4 msf

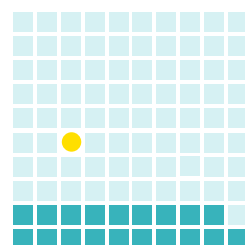
Sublease Space

Y-O-Y CHANGE
Q4 2023+70 bps
(26.0%)+2.2%
(\$46.20)-0.8 msf
(2.9 msf)+0.1 msf
(10.3 msf)

Percentage of Sublet Space from Tech

BY SQUARE FEET

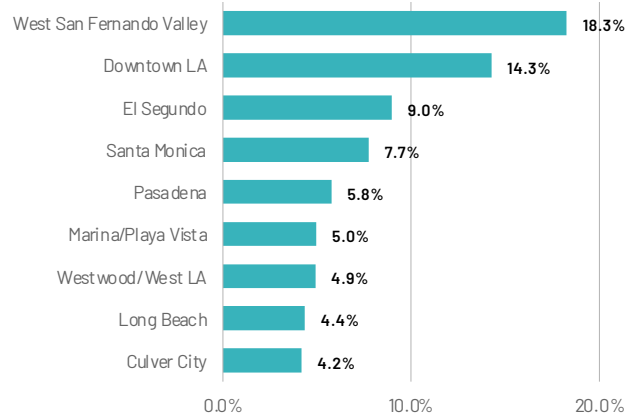
19.3%



● Average Across Savills
Top Tech Hubs: **43.4%**

Allocation of Sublet Space by Submarket

Q4 2023

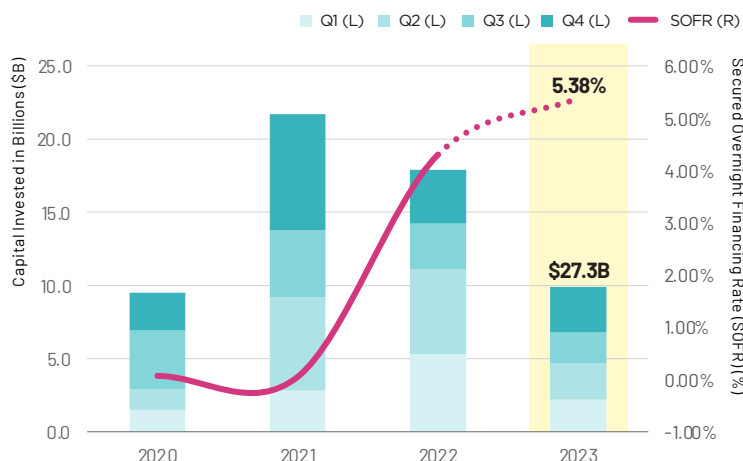


TECH VENTURE CAPITAL ACTIVITY

Historical VC Activity

2023

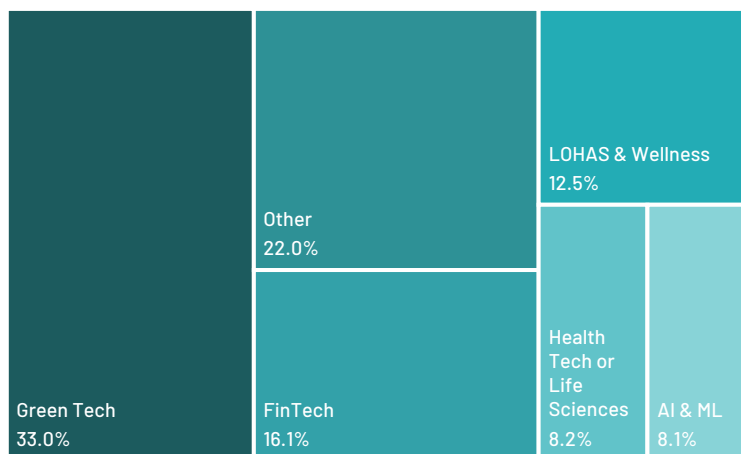
Source: PitchBook, SOFR, Savills Research



Primary Verticals of Top 30 VC Deals

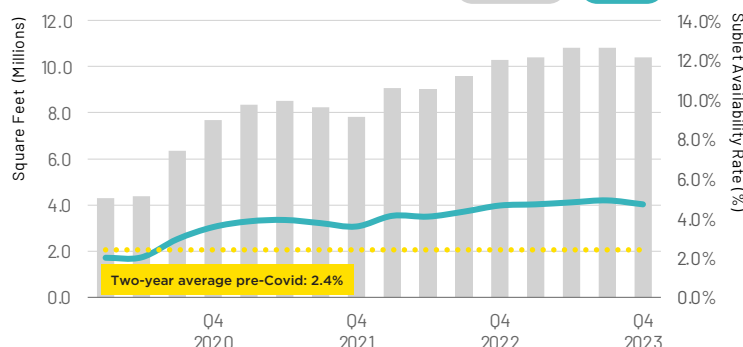
% OF TOTAL RAISED 2023

Source: PitchBook, Savills Research



Sublet Availability

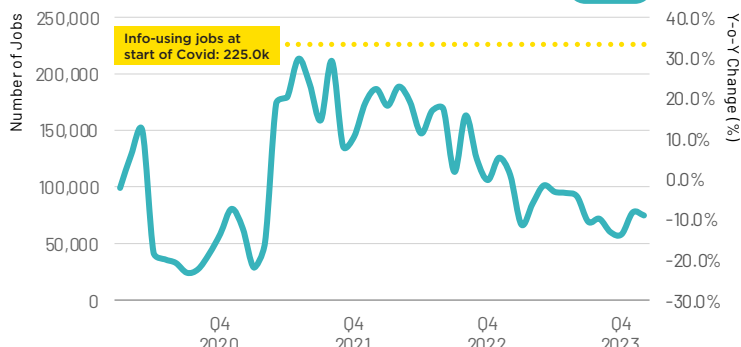
TOTAL

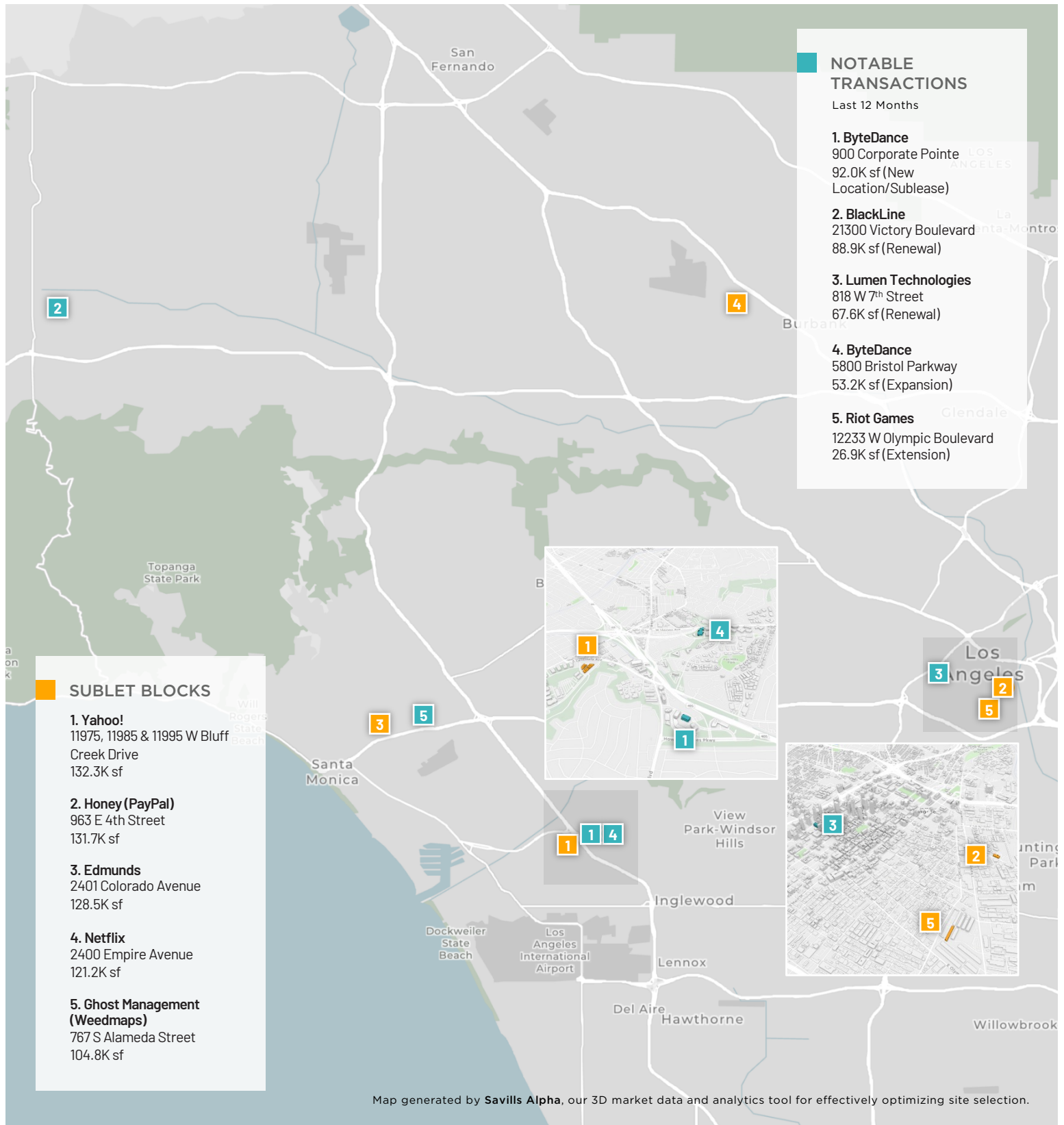


Information-Using Job Growth

Source: Bureau of Labor Statistics

2023





Los Angeles Q4 2023 – The Tech Tenant

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New York

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The rate at which tech tenants are disposing of space has slowed in recent quarters and sublet pre-builts are moving quickly. Leasing activity remains tempered, as tech tenants work to get employees back to the office. Relocations and new leases accounted for 29.2% of tech volume, compared to 41.7% for the entire market.

Key Stats

Midtown South

21.5%

Availability

\$84.48

Overall Asking Rent (\$/SF)

1.8 msf

Quarterly Leasing Activity

3.8 msf

Total Sublease Space

Y-O-Y CHANGE
(Q4 2023)

+230 bps
(119.2%)

+2.1%
(\$82.77)

+0.2 msf
(1.6 msf)

+1.0 msf
(3.7 msf)

Downtown

25.0%

Availability

\$58.28

Overall Asking Rent (\$/SF)

1.2 msf

Quarterly Leasing Activity

6.3 msf

Total Sublease Space

Y-O-Y CHANGE
(Q4 2022)

+130 bps
(23.7%)

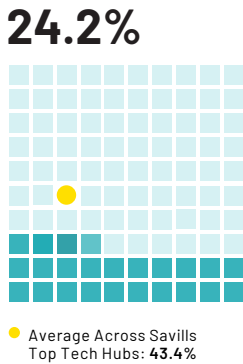
-2.5%
(\$59.77)

+0.51 msf
(0.7 msf)

+0.2 msf
(6.1 msf)

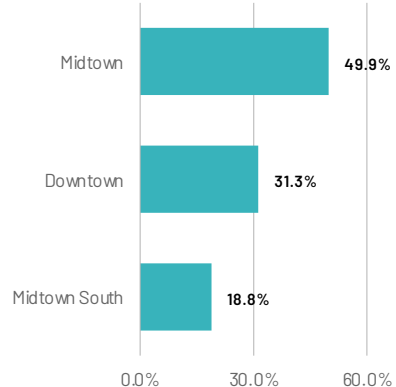
Percentage of Sublet Space from Tech

BY SQUARE FEET



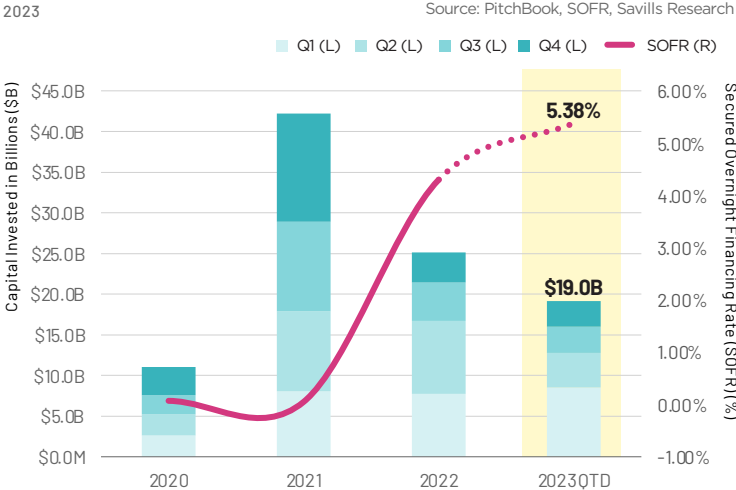
Allocation of Sublet Space by Submarket

Q4 2023

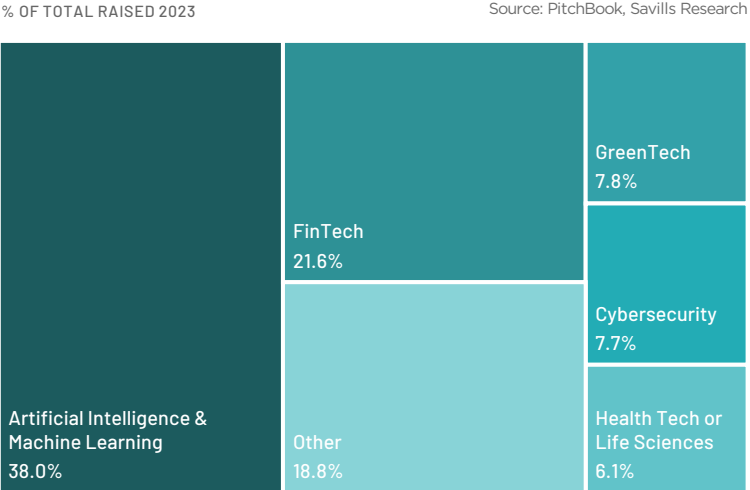


TECH VENTURE CAPITAL ACTIVITY

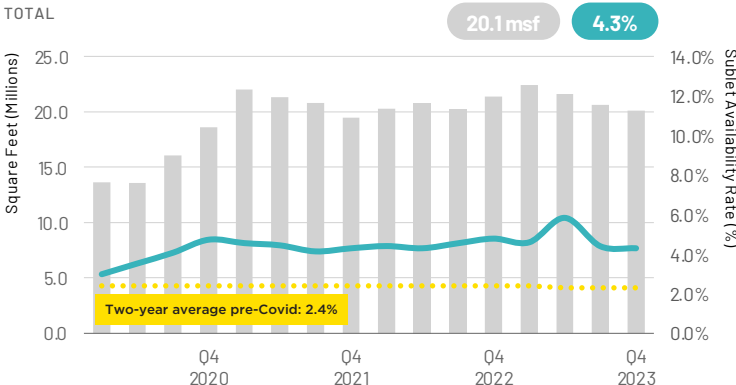
Historical VC Activity



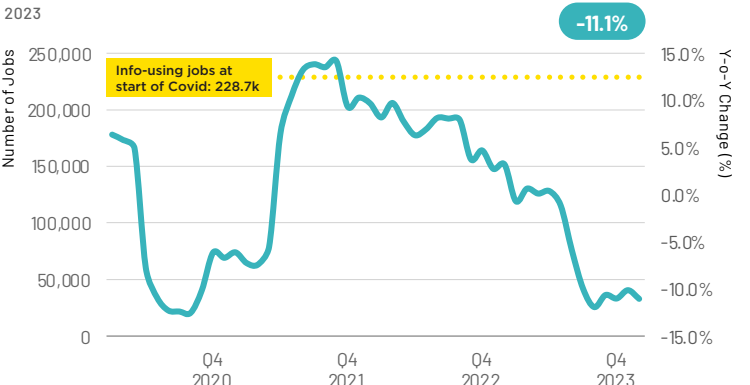
Primary Verticals of Top 30 VC Deals



Sublet Availability



Information-Using Job Growth



NOTABLE TRANSACTIONS

Q4 2023

1. LinkedIn

350 Fifth Avenue
143.8K sf (Renewal & Expansion)

2. Palantir

620 Avenue of the Americas
140.3K sf (Renewal)

3. DoorDash

200 Fifth Avenue
115.4K sf (Renewal & Expansion)

4. Current

620 Avenue of the Americas
71.7K sf (Restructure)

5. Notion

75 Varick Street
49.7K sf (Renewal & Expansion)

6. Payoneer

195 Broadway
41.9K sf (New Location)

7. adMarketplace

90 Park Avenue
39.3K sf (Relocation)

8. Shopify

85 Tenth Avenue
35.5K sf (Relocation)

9. Ro

625 Avenue of the Americas
35.2K sf (Relocation)

10. EliseAI

33 E 33rd Street
26.6K sf (Renewal & Expansion)

SUBLET BLOCKS

Q4 2023

1. Indeed Inc

1120 Avenue of the Americas
177.3K sf

2. Verizon

155 Delancey Street
139.1K sf

3. IXL Learning

225-233 Park Avenue S
40.3K sf

4. ActionIQ via Yelp

11 Madison Avenue
39.6K sf

5. CaaStle

5 Penn Plaza
29.0K sf

6. Bluecore Inc.

222 Broadway
26.7K sf

7. Paperless Post

115 Broadway
20.9K sf

8. Grubhub

5 Bryant Park
20.6K sf

9. FNZ Group

441 Ninth Avenue
19.3K sf

10. Gerber Technology

601 W 26th Street
18.3K sf

Map generated by **Savills Alpha**, our 3D market data and analytics tool for effectively optimizing site selection.

New York Q4 2023 – The Tech Tenant

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San Francisco

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Overall availability is expected to remain near an all-time high during the first half of 2024 as slow return to office rate and overall correction in the technology sector dampen leasing activity. While the technology sector continues to get its footing regarding space demand, verticals such as AI have been a bright spot in San Francisco, closing two of the largest deals this year.

Key Stats

36.7%

Availability

\$68.82

Overall Asking Rent (\$/SF)

1.7 msf

Quarterly Leasing Activity

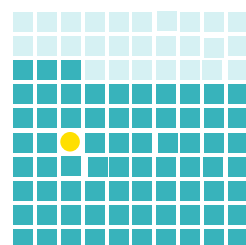
8.8 msf

Sublease Space

Y-O-Y CHANGE
Q4 2023+460 bps
(32.1%)-3.4%
(\$71.23)+0.3 msf
(1.4 msf)+0.6 msf
(8.2 msf)

Percentage of Sublet Space from Tech

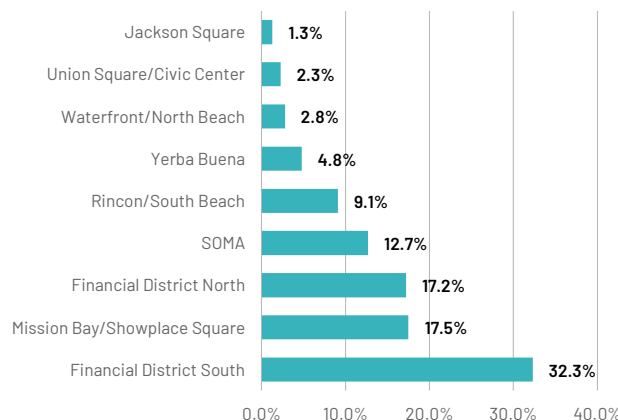
BY SQUARE FEET

82.0%


● Average Across Savills
Top Tech Hubs: **43.4%**

Allocation of Sublet Space by Submarket

Q4 2023

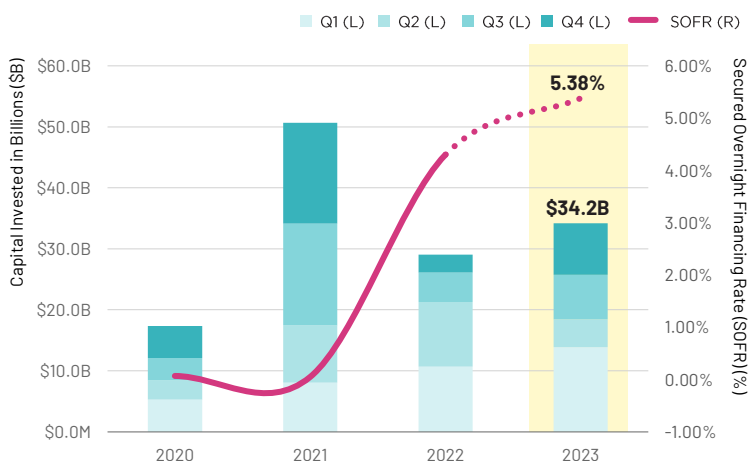


TECH VENTURE CAPITAL ACTIVITY

Historical VC Activity

2023

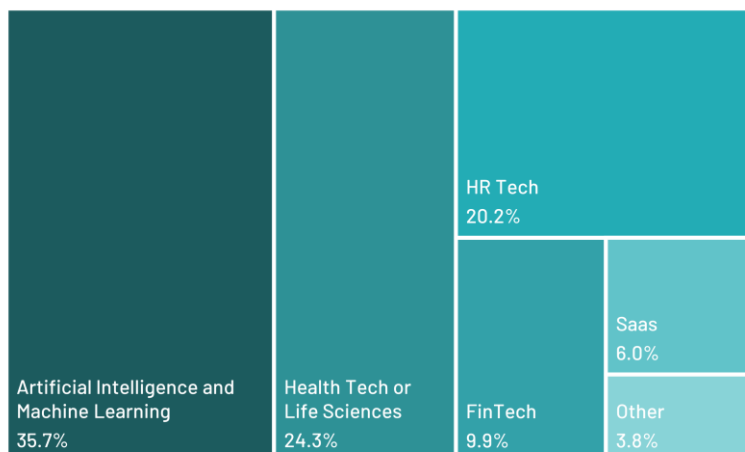
Source: PitchBook, SOFR, Savills Research



Primary Verticals of Top 30 VC Deals

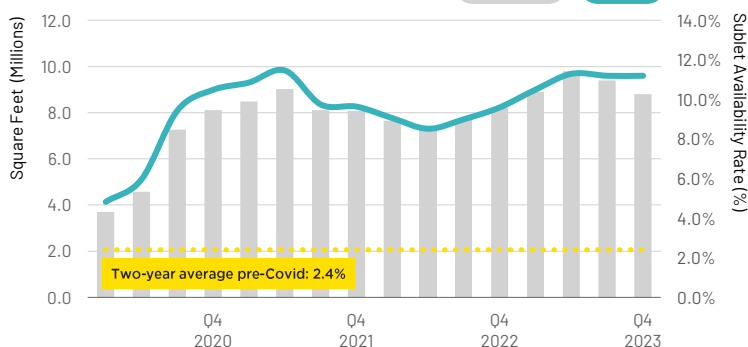
% OF TOTAL RAISED 2023

Source: PitchBook, Savills Research



Sublet Availability

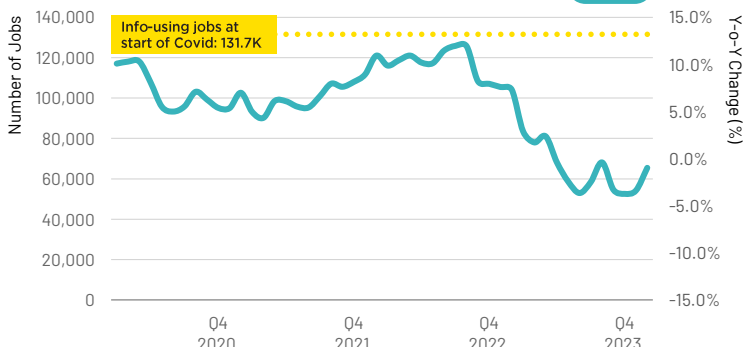
TOTAL

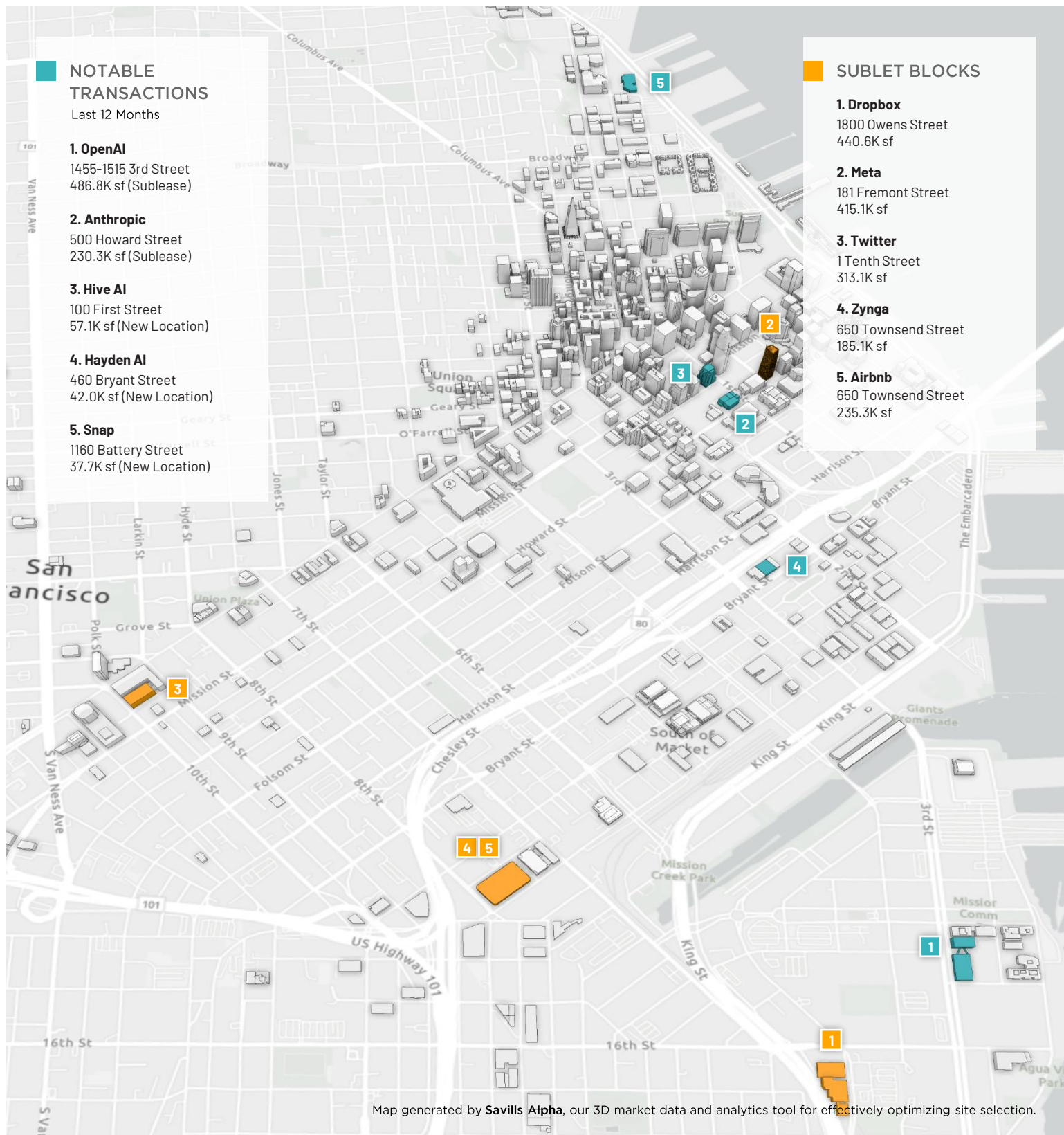


Information-Using Job Growth

Source: Bureau of Labor Statistics

2023





San Francisco Q4 2023 – The Tech Tenant

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Seattle

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In Q4 2023, Seattle's availability rate increased from 22.3% to 25.9%, with sublease availability rising from 5.6% to 6.2%. This contrasts with the two-year average total availability of 12.3%, where sublease comprised 2%, highlighting the growing impact of sublease availability post-COVID.

Key Stats

25.9%

Availability

\$46.51

Overall Asking Rent (\$/SF)

1.2 msf

Quarterly Leasing Activity

7.7 msf

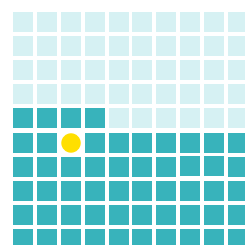
Sublease Space

Y-O-Y CHANGE
Q4 2023+360 bps
(22.3%)+4.9%
(\$44.36)+0.1 msf
(1.1 msf)+0.9 msf
(6.8 msf)

Percentage of Sublet Space from Tech

BY SQUARE FEET

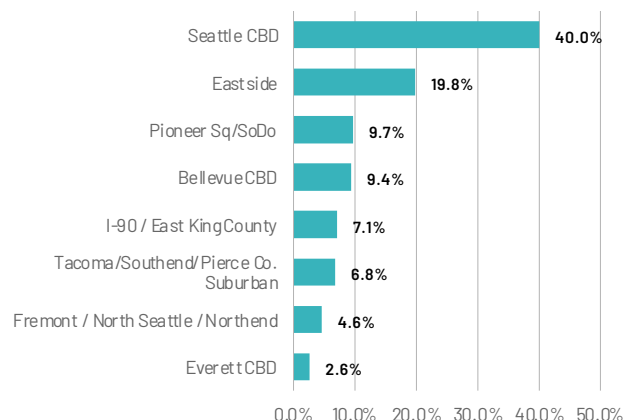
53.8%



● Average Across Savills
Top Tech Hubs: 43.4%

Allocation of Sublet Space by Submarket

Q4 2023

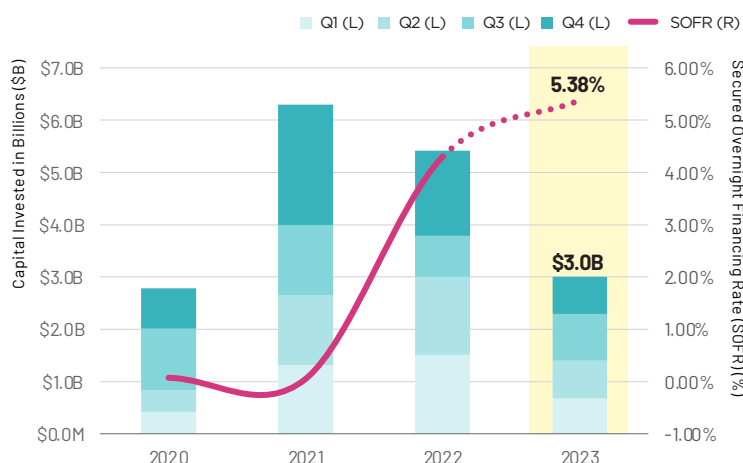


TECH VENTURE CAPITAL ACTIVITY

Historical VC Activity

2023

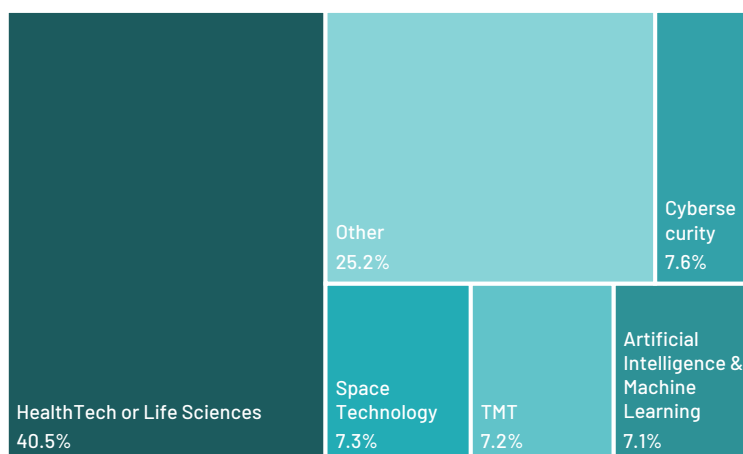
Source: PitchBook, SOFR, Savills Research



Primary Verticals of Top 30 VC Deals

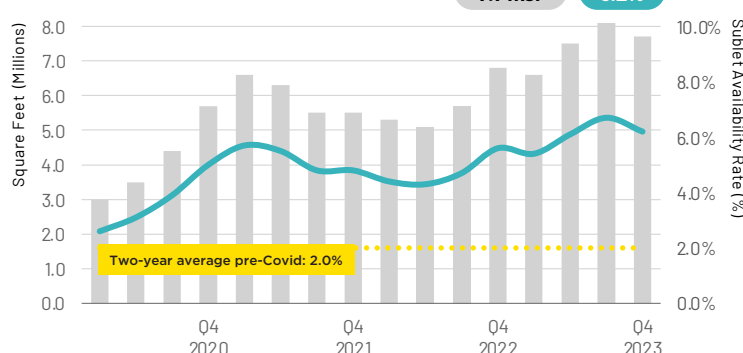
% OF TOTAL RAISED 2023

Source: PitchBook, Savills Research



Sublet Availability

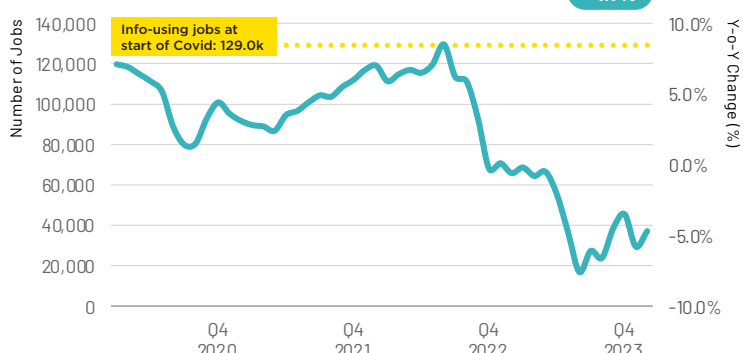
TOTAL



Information-Using Job Growth

Source: Bureau of Labor Statistics

2023



NOTABLE TRANSACTIONS

Last 12 Months
Edmonds

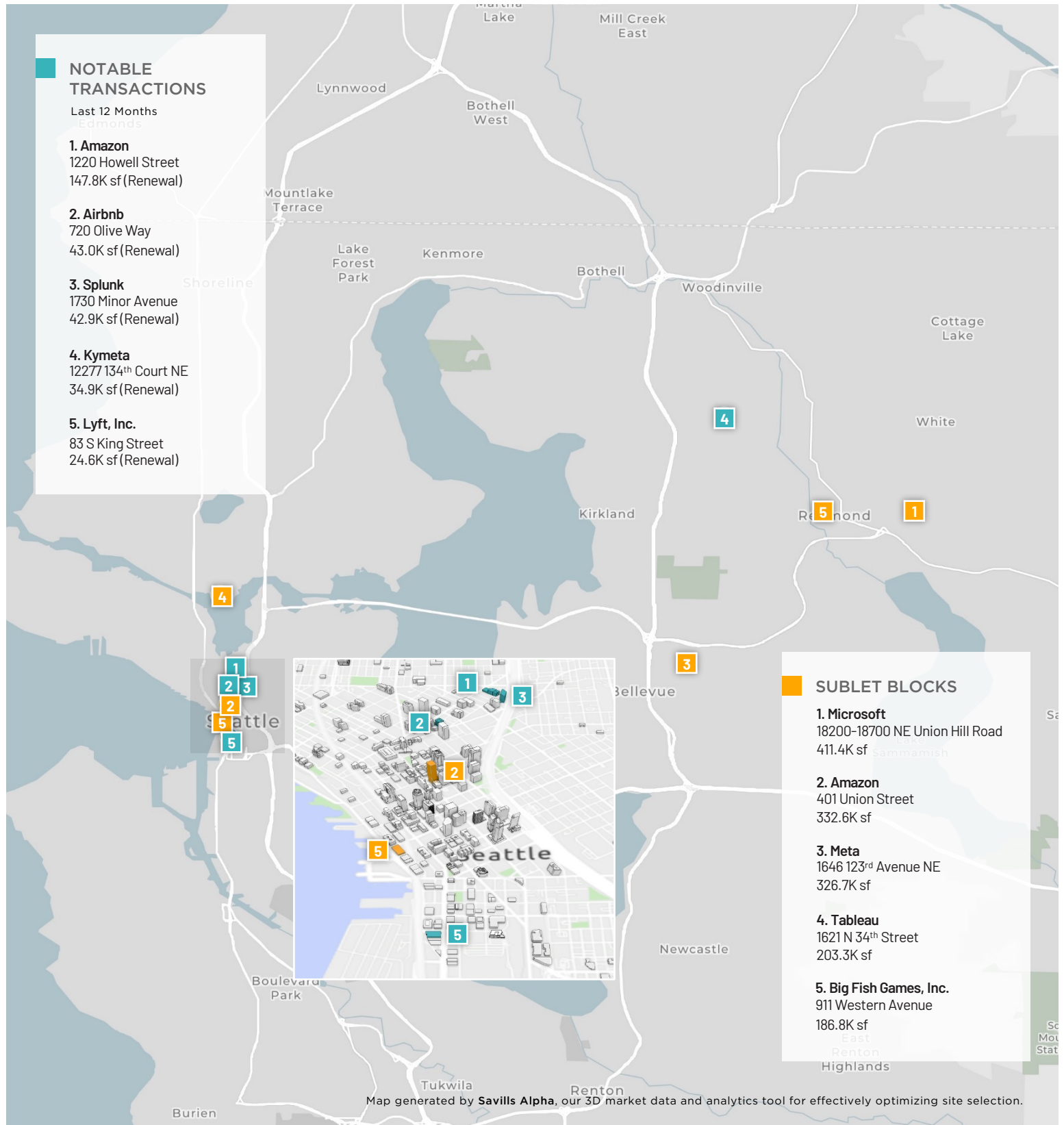
1. Amazon
1220 Howell Street
147.8K sf (Renewal)

2. Airbnb
720 Olive Way
43.0K sf (Renewal)

3. Splunk
1730 Minor Avenue
42.9K sf (Renewal)

4. Kymeta
12277 134th Court NE
34.9K sf (Renewal)

5. Lyft, Inc.
83 S King Street
24.6K sf (Renewal)



SUBLET BLOCKS

1. Microsoft
18200-18700 NE Union Hill Road
411.4K sf

2. Amazon
401 Union Street
332.6K sf

3. Meta
1646 123rd Avenue NE
326.7K sf

4. Tableau
1621 N 34th Street
203.3K sf

5. Big Fish Games, Inc.
911 Western Avenue
186.8K sf

Map generated by Savills Alpha, our 3D market data and analytics tool for effectively optimizing site selection.

Seattle Q4 2023 – The Tech Tenant

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Silicon Valley

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Availability is forecasted to increase as larger tech companies finally are terminating leases or putting their spaces on the market for sublease. As such, expect office leasing activity to remain slow in terms of leasing volume from traditional technology companies. Expect office leasing activity to remain low as long as the technology sector, which is the primary driver of space demand locally, remains in a correction.

Key Stats

27.5%

Availability

\$61.20

Overall Asking Rent (\$/SF)

1.2 msf

Quarterly Leasing Activity

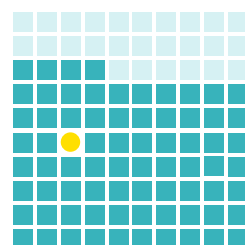
8.8 msf

Sublease Space

Y-O-Y CHANGE
Q4 2023+480 bps
(+210%)+2.9%
(\$59.40)+0.7 msf
(0.5 msf)+3.6msf
(5.2 msf)

Percentage of Sublet Space from Tech

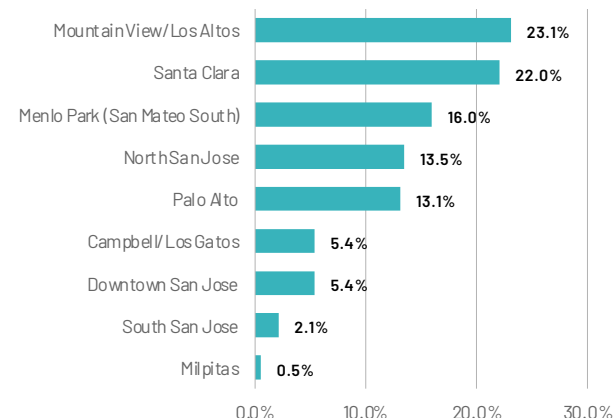
BY SQUARE FEET

85.3%


● Average Across Savills
Top Tech Hubs: **43.4%**

Allocation of Sublet Space by Submarket

Q4 2023

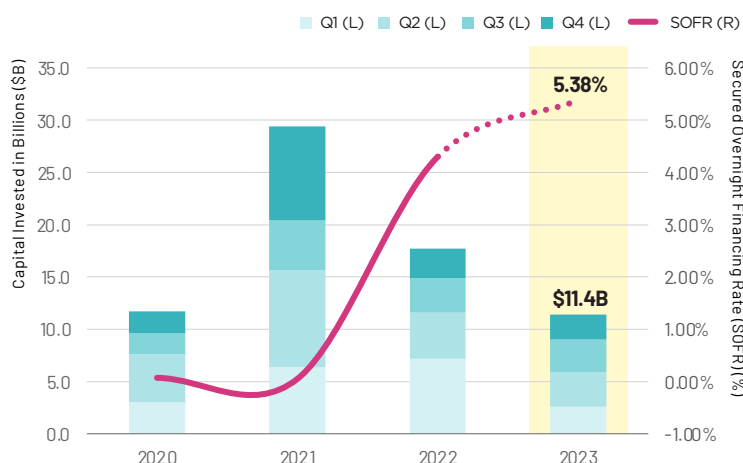


TECH VENTURE CAPITAL ACTIVITY

Historical VC Activity

2023

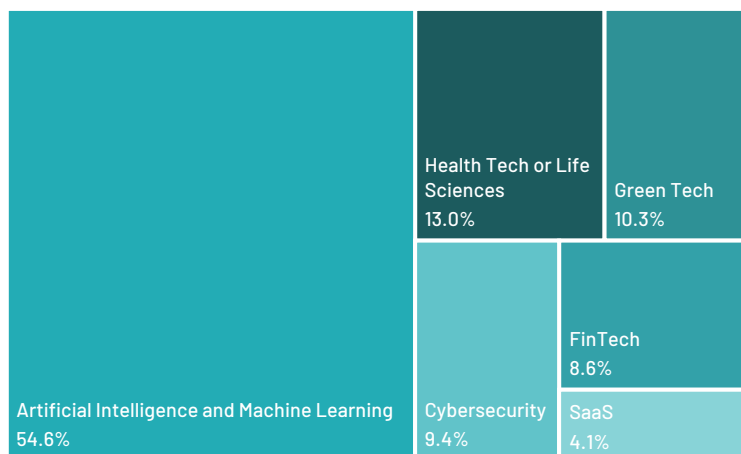
Source: PitchBook, SOFR, Savills Research



Primary Verticals of Top 30 VC Deals

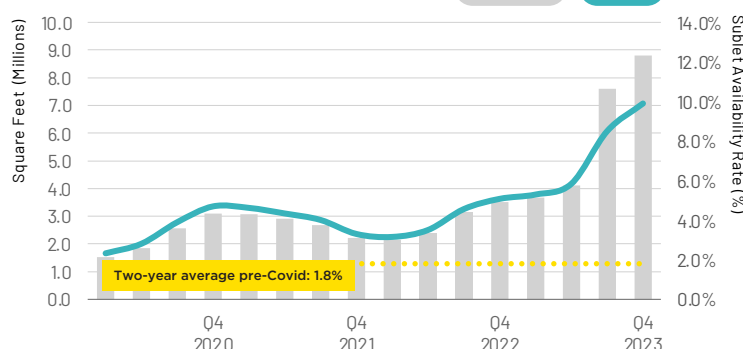
% OF TOTAL RAISED 2023

Source: PitchBook, Savills Research



Sublet Availability

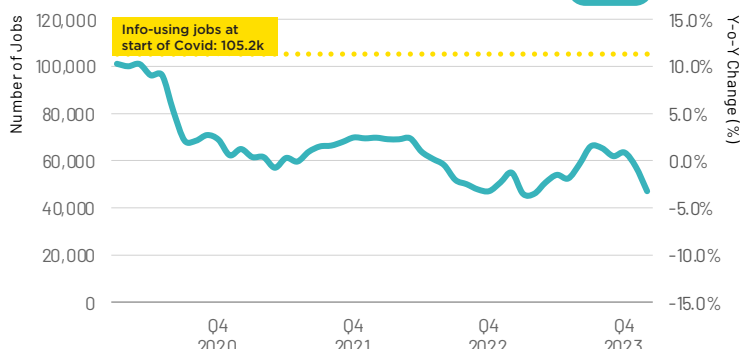
TOTAL



Information-Using Job Growth

Source: Bureau of Labor Statistics

2023





Silicon Valley Q4 2023 – The Tech Tenant

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Q4 2023

Technology sector trends, uncovered.

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THE TECH TENANT

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