

REVIEW

# DALLAS / FORTH WORTH OFFICE MARKET

USA 2025



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2025

OFFICE MARKET  
DALLAS / FORT WORTH

## KEY FIGURES

308m sqft

INVENTORY

18.4%

AVERAGE VACANCY RATE

\$74.3

PRIME ASKING RENT

\$13.4bn

TOTAL INVESTMENT

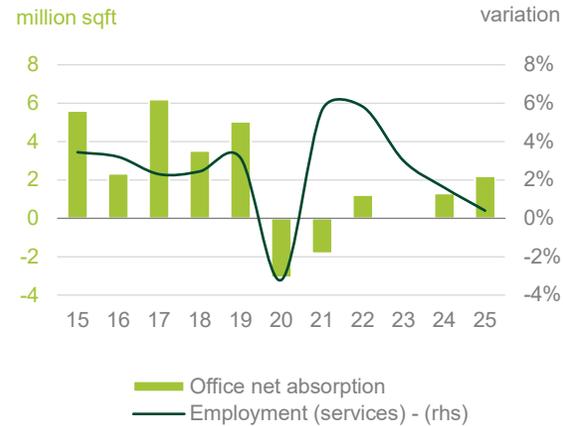
\$3.4bn

OFFICE INVESTMENT

6.20%

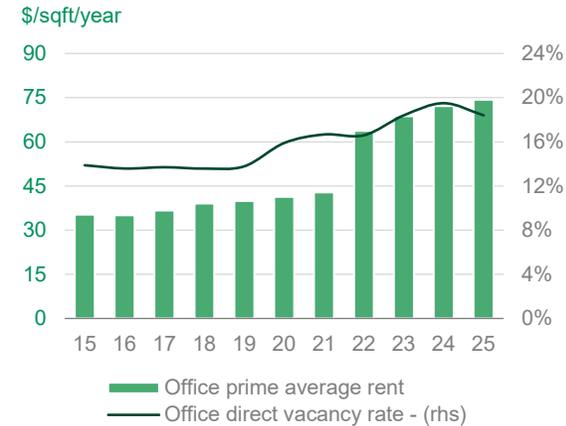
OFFICE PRIME CAP RATE

### Net Absorption / Employment



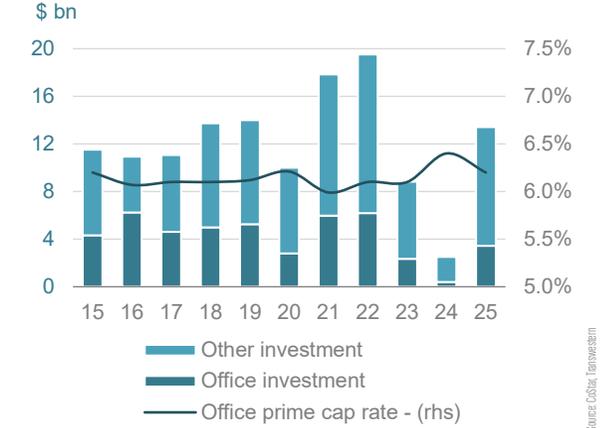
Source: Bureau of Labor Statistics, CoStar, Treaswest.com

### Prime rent / Vacancy Rate



Source: CoStar, Treaswest.com

### Investment / Capital Rate



Source: CoStar, Treaswest.com

### Job growth continues in Dallas-Fort Worth

The Dallas-Fort Worth economy maintained its momentum throughout 2025, extending a multi-year run of strong regional performance. While the broader service sector began to cool, the metro still posted a 0.4% annual increase in service-industry jobs. This marks a notable step down from the 1.2% growth recorded at the close of 2024, but it remains positive in the face of national moderation. Long-range demographic and employment forecasts continue to point to DFW as one of the country's most durable growth markets.

### Rent Growth Continues Despite Rising Vacancy

In the office sector, fundamentals showed modest improvement over the past year. Market vacancy tightened meaningfully, receding from 19.5% at the end of 2024 to 18.4% by the close of 2025. The shift was supported by a combination of targeted corporate expansions and sustained demand for higher-quality office environments. Overall asking rents advanced 5.0% during the year, reflecting both inflationary pressures and landlords' increasing leverage in preferred submarkets. Prime office product performed somewhat differently: top-tier rents rose 2.9%, indicating that tenants seeking modern, well-amenitized space remained active even as the broader market recalibrated.

### Investment declines due to capital market conditions

Investment activity, started to rise as record setting sales for office arrived in the latter half of 2025. Total commercial real estate investment still reached \$13.4 billion through 2025, supported in part by several large institutional transactions. Office assets comprised roughly \$3.4 billion of that volume. Prime office cap rates held firm at 6.5% at year-end 2025, matching the prior year and signaling that pricing expectations have stabilized even as deal flow begins to improve.

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2025

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USA

Occupier Market	Inventory (million sqft)	Net Absorption (000 sqft)	Vacancy Rate (%)		Office Prime Average Rent (\$/sqft/year)		
	2025	2025	2024	2025	2024	2025	Trend
Atlanta	177	20	22.3%	22.4%	33.0	33.9	3%
Chicago	156	-1,400	21.7%	22.6%	73.1	77.4	6%
Dallas/Fort Worth	308	2,200	19.5%	18.4%	72.1	74.3	3%
Denver	164	-1,880	16.5%	18.7%	32.1	33.5	4%
Detroit	202	1,174	10.9%	11.0%	21.3	21.3	0%
Houston	206	-1,300	20.8%	21.5%	46.1	48.9	6%
Los Angeles	396	-1,700	16.6%	15.4%	45.4	44.7	-2%
Miami	52	200	11.5%	11.6%	86.7	89.7	3%
Minneapolis	83	-1,200	19.8%	21.0%	29.5	30.5	3%
New York/Manhattan	458	15,700	14.4%	13.5%	79.9	77.4	-3%
Phoenix	198	360	20.8%	17.0%	30.1	32.1	7%
San Diego	120	-400	12.5%	12.7%	36.5	38.3	5%
San Francisco	93	1,200	30.4%	30.1%	70.0	74.3	6%
Seattle	181	-1,613	16.5%	18.2%	36.5	34.5	-5%
Washington DC	145	-800	14.9%	16.0%	83.3	88.3	6%
<b>Total 15 markets</b>	<b>2,939</b>	<b>10,561</b>	<b>17.9%</b>	<b>18.0%</b>	<b>51.7</b>	<b>53.3</b>	<b>2.8%</b>

Investment Market	Total investment volume (\$ million)		Office investment volume (\$ million)		Cap rate (%)		
	2024	2025	2024	2025	2024	2025	bps
Atlanta	15,090	15,990	1,170	1,560	8.20%	8.30%	10
Chicago	770	920	590	550	NA	NA	NA
Dallas/Fort Worth	2,510	13,410	410	3,440	6.40%	6.20%	-20
Denver	3,070	7,740	730	1,260	6.00%	7.20%	120
Detroit	1,700	1,550	260	300	8.90%	8.60%	-30
Houston	9,840	14,170	1,220	1,710	11.50%	NA	NA
Los Angeles	9,460	13,080	2,150	4,140	NA	5.80%	NA
Miami	5,120	4,830	1,760	1,290	6.80%	6.90%	10
Minneapolis	5,380	5,470	860	670	7.30%	7.70%	40
New York/Manhattan	10,240	14,010	7,620	11,180	5.70%	6.50%	80
Phoenix	7,110	9,870	1,140	1,170	7.50%	7.20%	-30
San Diego	4,380	4,970	930	1,600	7.50%	6.20%	-130
San Francisco	1,850	2,700	630	1,790	6.60%	4.40%	-220
Seattle	3,000	2,440	1,210	1,110	6.40%	7.60%	120
Washington DC	1,090	1,300	790	870	8.60%	9.00%	40
<b>Total 15 markets</b>	<b>80,610</b>	<b>112,450</b>	<b>21,470</b>	<b>32,640</b>	<b>7.49%</b>	<b>7.05%</b>	<b>-1</b>

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