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Contacts

Jeff Adler
Vice President & General Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(800) 303-615-3676

Jack Kern
Director of Research and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Paul Fiorilla
Director of Research
Paul.Fiorilla@Yardi.com
(800) 866-1124 x5764

Chris Nebenzahl
Editorial Director
Chris.Nebenzahl@Yardi.com
(800) 866-1124 x2200

Stressed Out: Are Commercial Properties Close to Default?

COVID-19 has put enormous stress on commercial real estate. Many office buildings are nearly empty as people work from home, while retail and hospitality are operating at a fraction of pre-pandemic levels. National multifamily data is down only slightly from first-quarter peaks, but urban apartments are losing tenants and government support that has propped up the sector is in doubt.

Misfortune for property owners, however, is a lure for distressed investors, who had little to chew on during the long, profitable 2010s cycle, as default rates of loans originated post-financial crisis were miniscule. Now vulture funds are sharpening pencils in anticipation of increased delinquencies, although so far distress has been concentrated in hospitality and retail. Government support for individuals and laws and policies mandating forbearance have helped keep delinquencies down.

Whatever the short-term pain, however, it pales in importance against long-term property performance. Will tenants be able to pay apartment rents if jobs don't come back and government aid doesn't remain at current levels? Will corporations renew leases on large blocks of space if workers continue to be remote? Future cash flow depends on the answers to these questions. Loss of income could lead to increases in mortgage defaults.

To study potential opportunity for distressed sales, Yardi Matrix examined loan maturities and property performance of office and multifamily properties in the top 50 U.S. markets. We found relatively few properties in those sectors in immediate danger, and most new properties seem to be leasing up well. Potential distress appears to be concentrated in metros in the South and Southeast, such as Dallas, Austin, Atlanta, Houston and Miami, where significant new development and surging COVID-19 cases weigh on property fundamentals.

Opportunity Knocking?

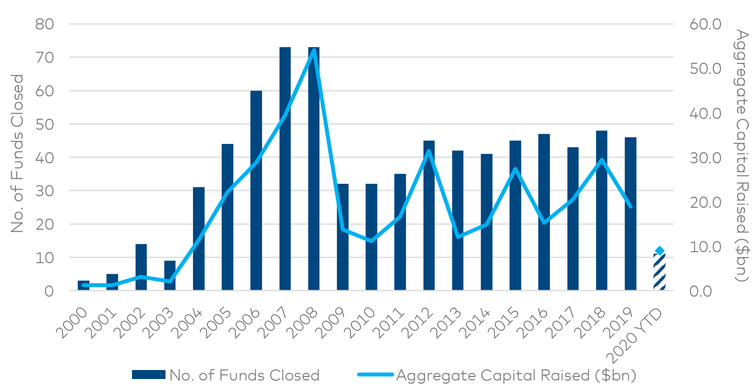
The prospect of distress has spurred opportunistic investors to raise a wave of capital. Entering 2020, commercial properties were expensive: Property values have been at all-time highs, while acquisition yields have hovered at all-time lows for several years. A temporary disruption seems a perfect time to snap up assets at a discount.

Real estate private equity fundraising demonstrates the point. Of $38 billion raised for closed-end commercial real estate funds globally in the second quarter, $21.8 billion—or 57%—was for opportunistic properties, roughly triple the historical level, according to Preqin, a London firm that tracks private equity fundraising. Some 73% of capital raised in the second quarter was for opportunistic and value-add real estate. The amount of available capital to buy real estate continues to be high. As of the beginning of the year, funds had a near-record $170 billion of dry powder to buy real estate in the U.S., Preqin said.

Distress has been slow to materialize, though. Federal support for the 50 million-plus workers laid off or furloughed has enabled apartment tenants to pay rents. Many office occupiers have long-term leases and have had only minor disruptions to their business income, even if few are occupying their offices. What's more, the first step for borrowers that have trouble making loan payments is to negotiate temporary forbearance plans with lenders.

Still, multifamily and office owners are facing impediments that could weaken demand at a time when supply is near a cycle peak. Multifamily construction has been focused in recent years on luxury assets in city centers, which have been hard hit, with offices, retail and entertainment shut down and furloughed workers moving to less expensive locales.

Opportunistic Commercial Real Estate Fundraising, 2000–2020 YTD (as of July 29, 2020)



Source: Preqin

The office sector has other hurdles to climb. More than 200 million square feet of office properties are under construction in the U.S., with an estimated 84 million square feet to be delivered in 2020. Since companies are not expanding while many employees work remotely through at least the end of the year, many corporations are rethinking how much space they need going forward, making lease-ups that much harder to achieve.

Is Distress on the Horizon?

How likely is it that distress is near? To get an answer, Yardi Matrix reviewed the performance of loans in our database of 17 million multifamily units (of which 9.3 million had complete loan data usable for this analysis) and 7.6 billion square feet of office space (of which 3.9 billion square feet had complete loan data usable for this analysis). What we found is relatively few multifamily and office properties seemingly in danger of immediate default, but there are pockets of weakness that could eventually produce trouble.

One such area is recently completed properties with construction/bridge financing due before the end of 2021. Many properties in their lease-up phase have short-term debt maturities and high vacancy rates, and the pandemic is a hurdle to finding new tenants. For construction/bridge loans maturing between now and the end of 2021, our study found the occupancy rate is 60% or less for 40% of multifamily units and 50% or less for 23% of office space.

Another area of concern is longer term, for properties that have thin margins and that could have problems in a long recession with weakening demand. Some 16.0% of multifamily units in properties with loans maturing in 2024 or later have occupancy rates of 90% or less. For office properties, 23.8% of space in properties with mortgages coming due in 2024 or later have occupancy rates of 75% or less.

On a metro level, the potential distress is concentrated in markets with a combination of a large amount of stock and high vacancy rates. In multifamily, Houston, Dallas, Austin and Atlanta have the most properties with occupancy issues. The Texas markets attract development because of the state's rapid growth rate, but that also brings with it more supply and competition for limited tenants.

In office, New York City, with an active supply pipeline and 17.8 million square feet under construction, has the most properties with construction/bridge loans with low occupancy rates. For properties with permanent loans, New York has fewer issues, as Manhattan's 9.1% vacancy rate is well below the 14.7% national average. Dallas, Los Angeles, Atlanta, Denver, Chicago and Washington, D.C., are among office markets with properties with higher vacancy rates.

Methodology

For the study, we delineated mortgages into two categories: construction/bridge loans and permanent loans. The construction/bridge loan category constitutes loans that were originated during the construction period. Some are waiting to be refinanced with permanent loans and some have been extended as part of construction-to-permanent programs. We segregated loans by maturity in the second half of 2020; 2021; 2022-23; and 2024 and later.

Then we tracked by metro how many properties within those categories had significant vacancy rates. For construction/bridge loans, that is defined as multifamily units with occupancy rates at or below 40% and 60%, and office square footage with occupancy rates at or below 50% and 75%. For non-construction loans, we delineated multifamily units with occupancy rates at or below 75% and 90%, and office square footage with occupancy rates at or below 60% and 75%.

Multifamily

In the construction/bridge loan category, which covers properties with 446,792 units, a significant number of properties have lease-up issues and loans coming due through the end of 2021. Loans with longer maturities seem to be in better shape.

- Of loans maturing in 2020, more than a quarter (35,900 units, or 26.2% of the units with

Multifamily Units in Properties with ≤ 40% Occupancy and Construction/Bridge Loans Maturing in 2020

Rank	Metro	Units
1	Los Angeles	2,862
2	Washington DC	1,556
3	Seattle	1,509
4	San Jose	1,493
5	Austin	1,326
6	Miami	1,207
7	Charlotte	1,174
8	Denver	1,003
9	San Francisco	853
10	Bridgeport	746
	National Total	**20,394**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 60% Occupancy and Construction/Bridge Loans Maturing in 2020

Rank	Metro	Units
1	Los Angeles	3,473
2	Washington DC	3,142
3	Austin	2,058
4	Miami	2,037
5	Seattle	1,822
6	Bridgeport	1,714
7	San Jose	1,643
8	Dallas	1,496
9	Inland Empire	1,454
10	Phoenix	1,407
	National Total	**35,898**

Source: Yardi Matrix

construction loans maturing this year) are in properties with an occupancy rate of 60% or less, and 20,000 units are in properties with occupancy of 40% or less. Los Angeles, Washington, D.C., and Miami have the most such units.

- Of loans maturing in 2021, nearly 60% of the units (63,000) are in properties that have an occupancy rate of 60% or less, and more than 40% (47,000) are in properties with occupancy rates of 40% or less. The three Texas markets of Dallas, Houston and Austin combined have 8,300 such units.

- Of loans maturing in 2022-23, 6,200 units (10.1%) are in properties that have an occupancy rate of 60% or less. Atlanta and Denver have the most such units.

- Of loans maturing in 2024 and later, 27,000 (14.1%) are in properties with occupancy rates of 60% or less. Dallas, San Jose, Miami and Atlanta have the most such units.

In the permanent loan category, encompassing 8.8 million apartment units, a total of 1.4 million units are in properties with occupancy rates of 90% or less, which doesn't necessarily indicate potential stress unless market conditions deteriorate. Only about 50,000, or 0.6%, have occupancy rates of 75% or less. The average U.S. multifamily occupancy rate was 94.4% as of June, which is down 100 basis points from the record high but still solid by historical standards.

- Of loans maturing in 2020, 62.5% of units (nearly 80,000) are in properties with occupancy rates of 90% or less. Houston, Atlanta and Chicago have the most such units. Only 4,000 units are in properties with occupancy rates of 75% or less.

- Of loans maturing in 2021, 20.5% of units (62,000) are in properties with occupancy rates of 90% or less. Houston, Atlanta and Dallas have the most such units.

- Of loans maturing in 2022-23, 7.6% of units (66,700) are in properties with occupancy rates of 90% or less. Houston, Dallas, Atlanta and Austin have the most such units. The three Texas metros have a combined 24,700 units.

- Of loans maturing in 2024 or later, 16.0% of units (1.2 million) are in properties with occupancy rates of 90% or less. Houston, Dallas and Atlanta have the most such units.

Multifamily Units in Properties with ≤ 75% Occupancy and Permanent Loans Maturing in 2020

Rank	Metro	Units
1	Houston	993
2	Portland	839
3	Kansas City	674
4	Atlanta	580
5	Cincinnati	324
6	Austin	252
7	San Antonio	152
8	Washington DC	152
9	Philadelphia	110
	National Total	**4,076**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 90% Occupancy and Permanent Loans Maturing in 2020

Rank	Metro	Units
1	Houston	15,416
2	Atlanta	6,717
3	Chicago	6,446
4	Indianapolis	4,954
5	Dallas	4,777
6	San Antonio	3,615
7	Los Angeles	3,539
8	Phoenix	2,787
9	Orlando	2,755
10	Austin	2,228
	National Total	**79,891**

Source: Yardi Matrix

Office

The construction/bridge loan category encompasses 85 million square feet. Just over 30%, or 25.8 million square feet, have occupancy rates of 75% or less. Loans maturing by the end of 2021 are more likely to have vacancy problems than those with longer maturity dates.

- Of loans maturing in 2020, more than one-third (34.4%, or 8.2 million square feet) are in properties with an occupancy rate of 75% or less, and 3.9 million square feet (16.3%) are in properties with an occupancy rate of 50% or less. New York City, Phoenix, Pittsburgh and Seattle have the most such space.

- Of loans maturing in 2021, 11 million square feet (43.1%) are in properties that have an occupancy rate of 75% or less, and 7.4 million square feet (29.0%) are in properties with occupancy rates of 50% or less. New York, the Twin Cities and Dallas have the most space.

- Of loans maturing in 2022-23, 4.5 million square feet (29.4%) are in properties that have an occupancy rate of 75% or less, and 3.5 million square feet (22.9%) are in properties with an occupancy rate of 50% or less. Atlanta and Denver have the most such units.

- Of loans maturing in 2024 and later, 2.1 million square feet (14.7%) are in properties with occupancy rates of 75% or less, and 1.3 million square feet (9.1%) are in properties with an occupancy rate of 50% or less. San Jose, Atlanta and Denver have the most such space.

Our office permanent loan universe totals 3.8 billion square feet of space, about 80% of which matures in 2024 or later. The occupancy levels are mostly consistent through the various maturity periods.

- Of loans maturing in 2020, 16.4 million square feet (22.4%) are in properties with an occupancy rate of 75% or less, and 7.2 million square feet (9.8%) are in properties with an occupancy rate of 60% or less. Dallas, Washington, D.C., Atlanta and Chicago have the most such space.

- Of loans maturing in 2021, 37 million square feet (19.9%) are in properties that have an occupancy rate of 75% or less, and 18.7 million square feet (10.0%) are in properties with an occupancy rate of 60% or less. Chicago, Atlanta and Dallas have the most such space.

Office Sq. Ft. in Properties with ≤ 50% Occupancy and Construction/Bridge Loans Maturing in 2020

Rank	Metro	Sq. Ft.
1	New York City	1,027,000
2	Seattle	703,800
3	San Jose	606,267
4	Phoenix	576,527
5	Austin	226,329
6	Los Angeles	185,074
7	Miami	164,370
8	Salt Lake City	143,374
9	Charlotte	97,596
10	Grand Rapids	94,500
	National Total	**3,940,537**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 75% Occupancy and Construction/Bridge Loans Maturing in 2020

Rank	Metro	Sq. Ft.
1	New York City	1,727,000
2	Phoenix	1,425,547
3	Pittsburgh	1,000,000
4	Seattle	907,800
5	San Jose	779,971
6	Raleigh	540,576
7	Charlotte	429,596
8	Austin	259,019
9	Los Angeles	211,074
10	Grand Rapids	196,872
	National Total	**8,199,327**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 60% Occupancy and Permanent Loans Maturing in 2020

Rank	Metro	Sq. Ft.
1	Dallas	1,738,101
2	Atlanta	990,671
3	Denver	760,684
4	Washington DC	591,437
5	Chicago	577,465
6	Orlando	312,462
7	Houston	296,199
8	Twin Cities	261,470
9	Raleigh	217,060
10	Bridgeport	196,154
	National Total	**7,198,757**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 75% Occupancy and Permanent Loans Maturing in 2020

Rank	Metro	Sq. Ft.
1	Dallas	4,170,240
2	Washington DC	1,474,557
3	Atlanta	1,370,282
4	Chicago	1,250,387
5	Denver	1,239,849
6	Houston	1,191,637
7	San Jose	816,669
8	Twin Cities	633,828
9	Phoenix	596,139
10	Austin	400,372
	National Total	**16,361,915**

Source: Yardi Matrix

- Of loans maturing in 2022-23, 30.9 million square feet (8.0%) are in properties that have an occupancy rate of 75% or less, and 12.5 million square feet (3.2%) are in properties with an occupancy rate of 60% or less. Chicago, Atlanta, Houston and Denver have the most such space.

- Of loans maturing in 2024 and later, 724.3 million square feet (23.8%) are in properties with occupancy rates of 75% or less, and 319.9 million square feet (10.5%) are in properties with an occupancy rate of 60% or less. Los Angeles, Dallas and Washington, D.C., have the most such space.

Conclusion: Industry at a Crossroads

The pandemic has put commercial real estate at a crossroads. Fundamentals have weakened only slightly in recent months, in large part because of trillions of dollars of government support for tenants and businesses and the implementation of forbearance policies by government and loan servicers. Properties that started the pandemic in good shape with strong demand drivers are likely to survive, but those with less solid fundamentals may have problems with distress if the recession is longer or deeper than expected.

The immediate outlook is not dire, but the pandemic could create a long-term problem for the multifamily and office sectors if the economy doesn't recover quickly or if there are profound changes to office use and residential trends. The amount of distress—and opportunity for high-yield investors—depends on the course of the virus and whether policymakers implement effective actions.

—Paul Fiorilla, Director of Research

Appendix

Multifamily Units in Properties with ≤ 40% Occupancy and Construction/Bridge Loans Maturing in 2021

Rank	Metro	Units
1	Orlando	3,215
2	Dallas	3,139
3	Houston	2,999
4	Charlotte	2,779
5	Tampa–St Petersburg	2,703
6	Seattle	2,587
7	Southwest Florida Coast	2,192
8	Phoenix	2,175
9	Austin	2,173
10	San Francisco	2,108
	National Total	**47,213**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 60% Occupancy and Construction/Bridge Loans Maturing in 2021

Rank	Metro	Units
1	Houston	4,504
2	Phoenix	3,797
3	Austin	3,529
4	Orlando	3,431
5	Charlotte	3,068
6	Tampa–St Petersburg	2,703
7	Seattle	2,691
8	Denver	2,651
9	Southwest Florida Coast	2,532
10	Bridgeport	746
	National Total	**63,108**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 40% Occupancy and Construction/Bridge Loans Maturing in 2022-2023

Rank	Metro	Units
1	Atlanta	1,601
2	Denver	511
3	Chicago	380
4	Austin	367
5	Charlotte	345
6	Orlando	328
7	Raleigh	281
8	Boston	264
9	Columbus	246
10	Fort Lauderdale	214
	National Total	**4,707**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 60% Occupancy and Construction/Bridge Loans Maturing in 2022-2023

Rank	Metro	Units
1	Atlanta	2,212
2	Denver	511
3	Austin	509
4	San Jose	396
5	Chicago	380
6	White Plains	358
7	Charlotte	345
8	Orlando	328
9	Raleigh	281
10	Boston	264
	National Total	**6,214**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 40% Occupancy and Construction/Bridge Loans Maturing in 2024+"

Rank	Metro	Units
1	Dallas	2,585
2	Miami	1,702
3	Atlanta	1,472
4	Austin	1,395
5	San Francisco	849
6	San Antonio	782
7	Denver	775
8	Orlando	707
9	Twin Cities	663
10	Charlotte	581
	National Total	**18,407**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 60% Occupancy and Construction/Bridge Loans Maturing in 2024+

Rank	Metro	Units
1	Dallas	4,555
2	San Jose	2,430
3	Miami	1,702
4	Austin	1,695
5	Atlanta	1,472
6	San Antonio	1,102
7	Philadelphia	1,048
8	Denver	1,031
9	Orlando	937
10	San Francisco	849
	National Total	**27,016**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 75% Occupancy and Permanent Loans Maturing in 2021

Rank	Metro	Units
1	Atlanta	520
2	Central Valley	348
3	Las Vegas	330
4	Kansas City	260
5	Portland	170
6	St Louis	100
7	Indianapolis	96
8	Columbus	78
9	Chicago	59
National Total		**1,961**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 90% Occupancy and Permanent Loans Maturing in 2021

Rank	Metro	Units
1	Los Angeles	2,862
2	Washington DC	1,556
3	Seattle	1,509
4	San Jose	1,493
5	Austin	1,326
6	Miami	1,207
7	Charlotte	1,174
8	Denver	1,003
9	San Francisco	853
10	Bridgeport	746
National Total		**20,394**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 75% Occupancy and Permanent Loans Maturing in 2022-2023

Rank	Metro	Units
1	Orlando	320
2	San Antonio	201
3	Houston	158
4	Philadelphia	84
5	Richmond Tidewater	57
6	Portland	54
National Total		**874**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 90% Occupancy and Permanent Loans Maturing in 2022-2023

Rank	Metro	Units
1	Houston	12,963
2	Dallas	7,778
3	Atlanta	3,959
4	Austin	3,852
5	Orlando	2,973
6	San Francisco	2,508
7	San Antonio	2,396
8	Cleveland–Akron	2,306
9	Denver	2,156
10	Chicago	2,140
National Total		**66,682**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 75% Occupancy and Permanent Loans Maturing in 2024+

Rank	Metro	Units
1	Houston	8,898
2	Dallas	5,065
3	Indianapolis	3,970
4	Columbus	2,815
5	Atlanta	2,698
6	Los Angeles	2,107
7	San Antonio	2,027
8	Miami	1,472
9	Kansas City	1,466
10	Cleveland–Akron	1,372
National Total		**45,740**

Source: Yardi Matrix

Multifamily Units in Properties with ≤ 90% Occupancy and Permanent Loans Maturing in 2024+

Rank	Metro	Units
1	Houston	191,851
2	Dallas	128,161
3	Atlanta	77,601
4	San Antonio	51,789
5	Chicago	46,336
6	Los Angeles	39,708
7	Indianapolis	38,590
8	Phoenix	36,648
9	Columbus	31,740
10	Washington DC	30,759
National Total		**1,191,394**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 50% Occupancy and Construction/Bridge Loans Maturing in 2021

Rank	Metro	Sq. Ft.
1	New York City	1,083,697
2	Twin Cities	1,050,000
3	Milwaukee	611,357
4	Houston	561,637
5	Chicago	505,986
6	Dallas	477,142
7	Fort Lauderdale	433,532
8	Washington DC	338,000
9	Austin	293,725
10	Pittsburgh	246,832
	National Total	**7,390,043**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 75% Occupancy and Construction/Bridge Loans Maturing in 2021

Rank	Metro	Sq. Ft.
1	New York City	1,083,697
2	Twin Cities	1,050,000
3	Dallas	877,142
4	Milwaukee	735,549
5	Charlotte	689,831
6	Houston	619,637
7	San Antonio	577,405
8	Phoenix	574,192
9	Chicago	565,706
10	Salt Lake City	490,300
	National Total	**11,035,196**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 50% Occupancy and Construction/Bridge Loans Maturing in 2022-2023

Rank	Metro	Sq. Ft.
1	New York City	1,223,539
2	Boston	427,262
3	Phoenix	367,557
4	Austin	224,949
5	Dallas	190,259
6	St Louis	155,331
7	San Francisco	140,148
8	Chicago	135,378
9	Los Angeles	124,880
10	Charlotte	115,000
	National Total	**3,547,914**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 75% Occupancy and Construction/Bridge Loans Maturing in 2022-2023

Rank	Metro	Sq. Ft.
1	New York City	1,223,539
2	Phoenix	553,390
3	Boston	427,262
4	San Diego	256,486
5	Atlanta	230,000
6	Austin	224,949
7	Salt Lake City	224,353
8	Los Angeles	210,138
9	Dallas	190,259
10	St Louis	155,331
	National Total	**4,472,570**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 50% Occupancy and Construction/Bridge Loans Maturing in 2024+

Rank	Metro	Sq. Ft.
1	San Jose	331,950
2	Atlanta	239,500
3	Washington DC	210,000
4	Raleigh	173,468
5	Austin	88,336
6	St Louis	88,000
7	Portland	57,000
8	Houston	39,000
9	Denver	25,146
	National Total	**1,252,400**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 75% Occupancy and Construction/Bridge Loans Maturing in 2024+

Rank	Metro	Sq. Ft.
1	San Jose	331,950
2	Atlanta	294,500
3	Denver	259,146
4	Washington DC	210,000
5	Charlotte	205,000
6	Raleigh	173,468
7	Portland	138,500
8	Houston	127,000
9	Austin	88,336
10	St Louis	88,000
	National Total	**2,050,990**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 60% Occupancy and Permanent Loans Maturing in 2021

Rank	Metro	Sq. Ft.
1	Chicago	2,486,640
2	Denver	1,812,823
3	Atlanta	1,656,649
4	Washington DC	1,455,203
5	Bridgeport	1,361,947
6	Dallas	1,282,486
7	Twin Cities	809,771
8	Indianapolis	694,392
9	Houston	686,507
10	New York City	652,000
	National Total	**18,665,272**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 60% Occupancy and Permanent Loans Maturing in 2022-2023

Rank	Metro	Sq. Ft.
1	Houston	1,554,066
2	Atlanta	1,205,653
3	Denver	1,153,174
4	Washington DC	1,010,492
5	Chicago	824,659
6	Orlando	785,469
7	New Jersey–Northern	688,487
8	New York City	685,122
9	Detroit	665,610
10	Boston	659,490
	National Total	**12,491,968**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 60% Occupancy and Permanent Loans Maturing in 2024+

Rank	Metro	Sq. Ft.
1	Washington DC	21,774,126
2	Dallas	20,555,485
3	Los Angeles	19,738,194
4	Phoenix	17,586,454
5	Houston	17,319,318
6	Denver	13,974,271
7	New Jersey–Northern	13,241,469
8	Chicago	12,970,895
9	New York City	12,849,027
10	Atlanta	11,224,688
	National Total	**319,905,423**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 75% Occupancy and Permanent Loans Maturing in 2021

Rank	Metro	Sq. Ft.
1	Chicago	4,451,537
2	Atlanta	3,733,553
3	Dallas	2,608,744
4	Denver	2,490,579
5	Houston	2,447,515
6	Washington DC	2,413,749
7	New York City	2,025,000
8	Bridgeport	1,990,115
9	Phoenix	1,233,679
10	New Jersey–Northern	1,201,452
	National Total	**37,037,939**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 75% Occupancy and Permanent Loans Maturing in 2022-2023

Rank	Metro	Sq. Ft.
1	Chicago	4,096,442
2	Atlanta	3,590,102
3	Houston	3,194,339
4	Denver	1,730,442
5	Twin Cities	1,674,281
6	Washington DC	1,673,797
7	New York City	1,577,120
8	Los Angeles	1,353,289
9	Orlando	1,053,237
10	Dallas	1,037,094
	National Total	**30,879,521**

Source: Yardi Matrix

Office Sq. Ft. in Properties with ≤ 75% Occupancy and Permanent Loans Maturing in 2024+

Rank	Metro	Sq. Ft.
1	Los Angeles	47,900,101
2	Dallas	45,116,258
3	Washington DC	44,282,736
4	Houston	41,827,884
5	Phoenix	36,838,162
6	New York City	33,156,598
7	Chicago	32,120,270
8	Denver	29,759,069
9	New Jersey–Northern	29,267,375
10	Atlanta	28,223,765
	National Total	**724,315,000**

Source: Yardi Matrix

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