Westside Specialists
Market Snapshot

25Q1

"Macroeconomic United States policy changes are numerous and sometimes changing quickly. Financial markets, interest rates, dollar strength and trade tariffs all have a ripple effect in business. We have been told that economic benefits will come, but to expect pain along the way. Recent US-based expansion announcements by Johnson & Johnson, NVIDIA, Apple, TSMC, Eli Lilly, Merck, GE Aerospace and others seem to confirm fundamental support for onshoring. However, the realities of these announcements will take months if not longer to make a tangible difference. Until then, we predict cautious activity in the real estate market for 2025."

- Mike Thomas & Karen Lisignoli - *Westside Specialists*

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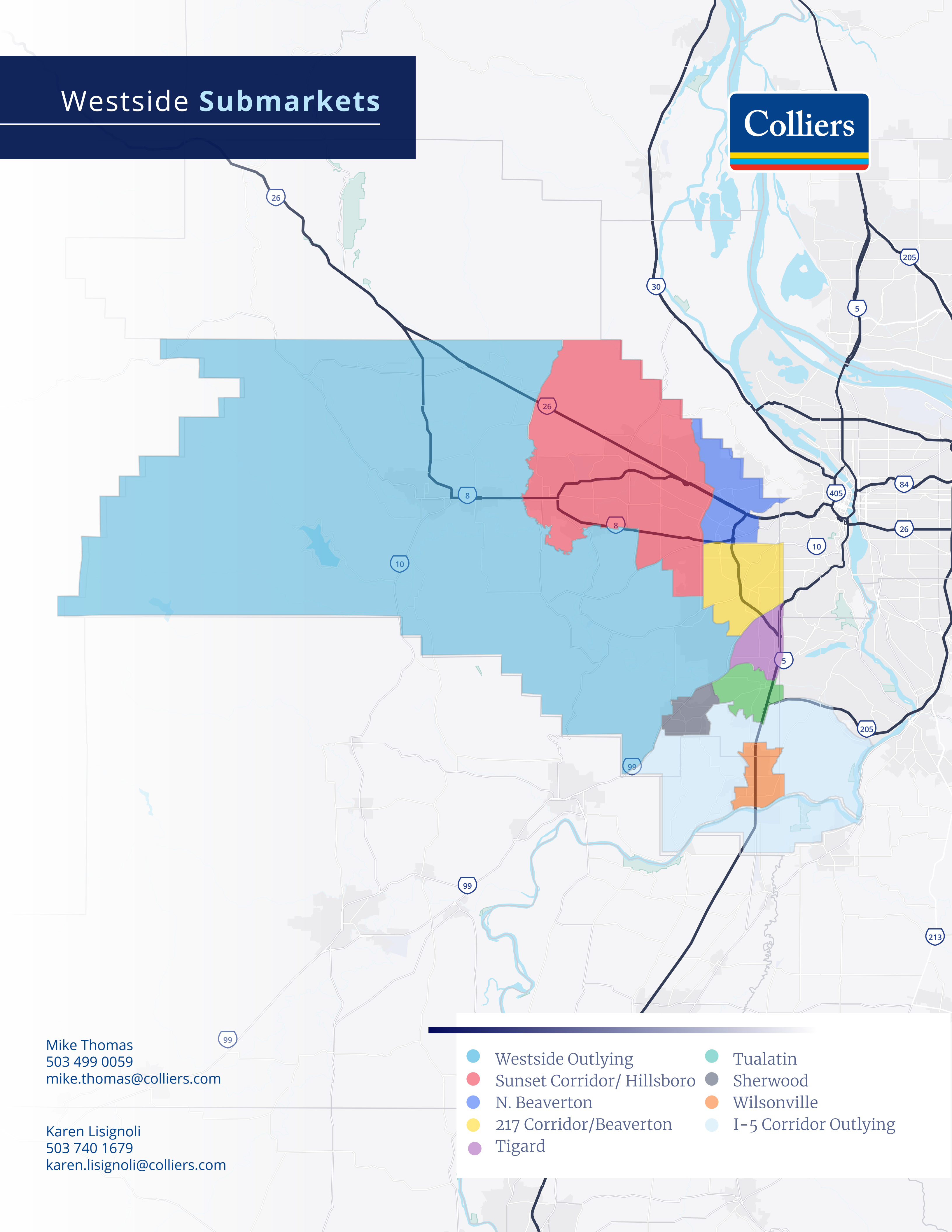
Accelerating success.

Westside **Submarkets**



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Q1 2025 | Westside Specialists

Team Activity

FEATURED PROPERTIES FOR LEASE/SALE (click images for flyers)

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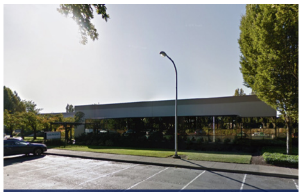
Evergreen North Hillsboro, Oregon	Quad 217 Beaverton, Oregon	10500 SW Walker Hillsboro, Oregon	Cascade Square Beaverton, Oregon	217 Distribution Center Beaverton, Oregon
Available SF: 100,000 - 300,000	Available SF: 2,671 - 11,752	Available SF: 107,749 - 211,863	Available SF: 1,114 - 11,000	Available SF: 15,671
Lease Type: NNN	Lease Type: NNN	Lease Type: NNN	Lease Type: Gross	Lease Type: NNN
For Sale or Lease BTS or Land	For Lease	For Lease Available Jan 2026	For Lease	For Lease
Type: Industrial/Flex	Type: Flex/Ind/Office	Type: Flex/Office/R&D	Type: Office	Type: Industrial/Flex Temp Control Possible

FEATURED RECENT TRANSACTIONS:

Visit www.westsidespecialists.com for more recent transactions. Have questions on a transaction and want to compare terms? Give us a call!

				
Leased - Landlord Rep	Leased - Landlord Rep	Leased - Tenant Rep	Leased - Tenant Rep	Leased - Landlord Rep
Cascade Annex Beaverton, Oregon	217 Distribution Center Beaverton, OR	Hillsboro, Oregon	Beaverton, Oregon	Cascade Annex Beaverton, Oregon
SF Leased: 2,501 SF	SF Leased: 28,832	SF Leased: 38,560	SF Leased: 19,389	SF Leased: 10,183
Lease Type: Gross	Lease Type: NNN	Lease Type: NNN	Lease Type: NNN	Lease Type: Modified Gross
Leased - New	Leased - Renewal	Leased - Renewal	Leased - New	Leased - New
Type: Office	Type: Industrial	Type: Industrial	Type: Industrial/Flex	Type: Office

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Colliers

Westside

Industrial & Flex 25Q1

Industrial/Flex Key Takeaways

- Most Westside submarkets saw negative net absorption, with the exception of the Sunset Corridor, which showed a positive net absorption of 150,000 SF.
- Of that 150,000 SF, two-thirds of that number can be attributed to Trammell Crow landing their first tenant for the speculative build, new construction at Sewell Corporate Park. Oregon Electric Group took down the 104,000 SF at a record high industrial shell lease rate.
- In conversations over the last quarter with Westside stakeholders, our team has observed significant increases in tariff related inquiries, with many US companies considering their options and weighing the onshoring of manufacturing and raw material processing. What remains to be seen is how many of those stakeholders will act, as a steady policy backdrop allowing for clear business planning is lacking.
- In Q1 2025, the Westside submarkets represented 42% of the entire new construction deliveries of industrial square footage.
- The combined Westside submarkets continue to perform over neighboring submarkets with 5.9% vacancy and 4.5% available space, excluding owner-user properties. The North/Northeast submarket direct vacancy rate of 8.3% and 9.3%.

Westside Quick Stats

(Excludes owner-user properties)

Industrial/Flex	Q1 2025	Q1 2024	YoY Change	Trending
Vacancy Rate (Direct)	6.0%	3.4%	+2.6%	▲
Availability Rate (Direct)	5.4%	6.5%	+0.9%	▲
Availability Rate (Sublease)	2.0%	0.6%	-1.4%	▼
Net Absorption	(230,165)	(104,656)	(320,763)	▼
Avg Industrial/Flex Lease Rate	$1.10 (NNN)	$1.09 (NNN)	+$0.01	—

Market Indicators

* as of April 14, 2025

3.9% Washington County Unemployment Rate

4.38% U.S. 10 Year Treasury Yield

2.8% CPI Increase Annually

Under Construction 838K SF

Q1 2025 | Westside Specialists

Market Snapshot

Industrial/Flex | Market Statistics

Submarket/ Subtype	Total Inventory SF	Direct Availability Rate	Sublease Availability Rate	Availability Rate	Vacancy SF	Vacancy Rate	Vacancy Rate Previous	Net Absorption Current	Net Absorption YTD	Avg Direct Asking Rate (NNN)
Westside Markets Total (All Submarkets)										
Warehouse/ Distribution	30,617,353	4.5%	2.3%	6.7%	1,792,771	5.9%	5.0%	(146,859)	(146,859)	$0.97
Manufacturing	7,243,119	1.5%	3.2%	4.7%	182,527	2.5%	1.8%	(55,849)	(55,849)	$1.01
Flex	12,411,889	9.8%	0.7%	10.5%	1,048,163	8.4%	8.2%	(27,457)	(27,457)	$1.26
TOTAL	50,272,361	5.4%	2.0%	7.4%	3,023,461	6.0%	5.4%	(230,165)	(230,165)	$1.10
217 Corridor/Beaverton										
Warehouse/ Distribution	2,789,239	3.2%	2.6%	6.3%	169,425	6.1%	5.3%	(23,709)	(23,709)	$0.96
Manufacturing	218,011	11.1%	0.0%	11.1%	24,296	11.1%	0.0%	(24,296)	(24,296)	$1.10
Flex	1,594,043	15.0%	1.9%	17.0%	256,691	16.1%	15.1%	(16,126)	(16,126)	$1.27
TOTAL	4,601,293	7.6%	2.6%	10.2%	450,412	9.8%	8.5%	(64,131)	(64,131)	$1.16
North Beaverton										
Warehouse/ Distribution	246,731	0.0%	0.0%	0.0%	-	0.0%	0.0%	-	-	$0.00
Manufacturing	142,131	0.0%	0.0%	0.0%	-	0.0%	0.0%	-	-	$0.00
Flex	565,968	7.7%	0.0%	7.7%	43,421	7.7%	7.7%	-	-	$1.46
TOTAL	954,830	4.5%	0.0%	5.3%	43,421	4.5%	4.6%	-	-	$1.46
Sunset Corridor/Hillsboro										
Warehouse/ Distribution	6,733,507	3.6%	0.8%	4.3%	203,832	3.0%	5.5%	168,082	168,082	$1.08
Manufacturing	2,450,359	0.3%	0.3%	0.6%	19,173	0.8%	0.8%	-	-	$1.14
Flex	6,988,182	9.7%	0.5%	10.2%	493,460	7.1%	6.8%	(17,189)	(17,189)	$1.28
TOTAL	16,172,048	5.7%	0.6%	6.3%	716,465	4.4%	5.4%	150,893	150,893	$1.19
Tigard										
Warehouse/ Distribution	4,892,365	5.7%	2.3%	8.0%	394,348	8.1%	5.3%	(130,612)	(130,612)	$1.02
Manufacturing	309,475	0.0%	0.0%	0.0%	-	0.0%	0.0%	-	-	$1.10
Flex	1,680,016	7.5%	0.6%	8.1%	109,929	6.5%	7.5%	16,648	16,648	$1.33
TOTAL	6,881,856	5.9%	1.8%	7.7%	504,277	7.3%	5.6%	(113,964)	(113,964)	$1.15
Tualatin										
Warehouse/ Distribution	7,003,058	3.5%	3.7%	7.2%	398,873	5.7%	5.3%	(31,721)	(31,721)	$0.88
Manufacturing	2,590,276	0.1%	7.8%	7.9%	65,185	2.5%	1.9%	(15,280)	(15,280)	$0.96
Flex	554,743	6.6%	0.0%	6.6%	36,812	6.6%	6.8%	-	-	$1.08
TOTAL	10,148,077	2.8%	4.5%	7.4%	500,870	4.9%	4.5%	(47,001)	(47,001)	$0.91

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Q1 2025 | Westside Specialists

Market Snapshot

Industrial/Flex | Market Statistics

Submarket/ Subtype	Total Inventory SF	Direct Availability Rate	Sublease Availability Rate	Availability Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate Previous	Net Absorption Current	Net Absorption YTD	Avg Direct Asking Rate (NNN)
Sherwood										
Warehouse/ Distribution	1,426,357	3.7%	0.0%	3.7%	52,276	3.7%	0.8%	(41,000)	(41,000)	$1.00
Manufacturing	64,927	21.2%	0.0%	21.2%	13,750	21.2%	0.0%	(13,750)	(13,750)	$0.95
Flex	97,551	0.0%	0.0%	0.0%	-	0.0%	0.0%	-	-	$1.02
TOTAL	1,588,835	4.2%	0.0%	0.0%	66,026	4.2%	0.7%	(54,750)	(54,750)	$0.99
Wilsonville										
Warehouse/ Distribution	4,756,291	2.7%	2.6%	5.3%	217,441	4.6%	1.5%	(87,899)	(87,899)	$0.82
Manufacturing	936,026	4.8%	2.3%	7.1%	45,123	4.8%	4.8%	-	-	$0.92
Flex	778,819	10.3%	0.7%	11.0%	90,250	11.6%	10.2%	(10,790)	(10,790)	$1.05
TOTAL	6,471,136	3.9%	2.3%	6.2%	352,814	5.5%	3.0%	(98,689)	(98,689)	$0.90
I-5 Corridor Outlying										
Warehouse/ Distribution	4,756,291	2.7%	2.6%	5.3%	217,441	4.6%	1.5%	(87,899)	(87,899)	$0.82
Manufacturing	936,026	4.8%	2.3%	7.1%	45,123	4.8%	4.8%	-	-	$0.92
Flex	778,819	10.3%	0.7%	11.0%	90,250	11.6%	10.2%	(10,790)	(10,790)	$1.05
TOTAL	6,471,136	3.9%	2.3%	6.2%	352,814	5.5%	3.0%	(98,689)	(98,689)	$0.90
Westside Outlying - Cornelius/Forest Grove/North Plains										
Warehouse/ Distribution	1,990,701	3.3%	2.9%	6.2%	87,221	4.4%	4.4%	-	-	$0.95
Manufacturing	531,914	2.8%	0.0%	2.8%	15,000	2.8%	2.3%	(2,523)	(2,523)	$0.81
Flex	152,567	11.5%	0.0%	11.5%	17,600	11.5%	11.5%	-	-	$1.17
TOTAL	2,675,182	3.6%	2.2%	5.8%	119,821	4.5%	4.4%	(2,523)	(2,523)	$0.96

Notable Transactions

Sale
5585 NE Wagon Drive
Hillsboro | 51,420 SF
$9,620,000 | $187/SF

Lease
Oregon Electric Group
Sewell Corporate Park
4915 NE Sewell Ave
Hillsboro | 104,450 SF

Sale
9665 SW Tualatin
Tualatin | 51,362 SF
$9,300,000 | $181/SF

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Westside Office 25Q1

		YOY	Forecast
Vacancy Rate	23.1%	▲	▲
Net Absorption	-256K SF	▲	▲
Under Construction	0k SF	—	—
Average Direct Asking Lease Rates (Gross)	$28.91 /SF	▼	—

Office Key Takeaways

- There's excitement surrounding the announcement of a $150M investment in a new WNBA & Portland Thorns practice facility headed to Hillsboro on 12 acres at the Evergreen Corporate Center off of Aloclek Dr. The facility will boast a 17,000 SF practice gym, two full-size basketball courts, and a 63,000 SF training facility amont other features surrounding athletic prowess. Previously occupied by Nike, the facility will be repurposed into a "global epicenter of woman's sports".
- Over the last year, Class A office rates continue to remain steady and marginally climb, as west side asset managers lean into tenant's "flight to quality". Conversely, Westside Class B office rates have fallen by approximately $3.00/sf, full service gross year over year.
- Vacancy in westside suburban Class C product nearly doubled from 5.4% to 10.1% over the last quarter, while Class A & B increased at a lower rate of 1% - 2%.
- Mid-size to large blocks office spaces which a large tenant currently occupies in the market are expiring within the 24 months, and several landlords are waiting to learn if that tenant will renew or terminate. Meanwhile, landlords are strategically planning on how to reposition their buildings in the market, should that employer terminate.

Westside Quick Stats

(Excludes owner-user properties)

Industrial/Flex	Q1 2025	Q1 2024	YoY Change	Trending
Vacancy Rate (Direct)	23.1%	19.1%	+4.0%	▲
Availability Rate (Direct)	25.2%	18.3%	+6.9%	▲
Availability Rate (Sublease)	2.5%	4.0%	-1.5%	▼
Net Absorption (Direct)	(256,025)	(451,566)	(328,436)	▼
Avg Office Lease Rate (Class A, B & C)	$28.91	$30.97	-$2.06	▼

Market Indicators

* as of April 14, 2025

3.9% Washington County Unemployment Rate

4.38% U.S. 10 Year Treasury Yield

2.8% CPI Increase Annually

Westside Specialists | Q1 2025 | Office | Market Statistics

Submarket/ Class	Total Inventory SF	Direct Availability Rate	Sublease Availability Rate	Total Availability Rate	Total Vacant Square Feet	Vacancy Rate	Vacancy Rate Previous	Net Absorption Current	Net Absorption YTD	Avg Direct Asking Rate (FSG)
Westside Markets Total										
Class A	4,498,166	23.9%	2.2%	26.1%	1,129,539	25.1%	23.1%	(94,321)	(94,321)	$35.34
Class B	9,887,269	24.3%	3.0%	27.3%	2,407,642	24.4%	23.4%	(84,772)	(84,772)	$26.29
Class C	1,616,850	9.7%	0.0%	9.7%	163,616	10.1%	5.4%	(76,932)	(76,932)	$24.90
TOTAL	16,002,285	22.7%	2.5%	25.2%	3,700,797	23.1%	21.5%	(256,025)	(256,025)	$28.91
217 Corridor / Beaverton										
Class A	201,649	46.6%	0.0%	46.6%	100,306	49.7%	49.7%	0	0	$32.60
Class B	1,619,140	18.7%	2.1%	20.8%	360,715	22.3%	21.2%	(17,149)	(17,149)	$26.22
Class C	256,971	5.9%	0.0%	5.9%	10,760	4.2%	2.4%	(4,682)	(4,682)	$18.12
TOTAL	2,077,760	19.8%	1.6%	21.4%	471,781	22.7%	21.7%	(21,831)	(21,831)	$27.42
North Beaverton										
Class A	160,024	18.6%	0.0%	18.6%	28,572	17.9%	19.2%	2,117	2,117	$34.00
Class B	866,549	12.9%	1.3%	14.2%	112,609	13.0%	12.4%	(5,342)	(5,342)	$29.12
Class C	256,785	1.0%	0.0%	1.0%	1,800	0.7%	0.7%	0	0	$20.07
TOTAL	1,283,358	11.2%	0.9%	12.1%	142,981	11.1%	10.9%	(3,225)	(3,225)	$29.98
Sunset Corridor / Hillsboro										
Class A	1,131,731	22.9%	4.5%	27.4%	304,311	26.9%	22.4%	(53,712)	(53,712)	$32.29
Class B	3,302,625	31.4%	5.0%	36.4%	800,431	24.2%	25.2%	31,278	31,278	$20.90
Class C	314,860	0.0%	0.0%	0.0%	-	0.0%	0.0%	0	0	-
TOTAL	4,749,216	27.3%	4.6%	31.9%	1,104,742	23.3%	22.9%	(22,434)	(22,434)	$23.18
Kruse Way										
Class A	1,424,044	16.2%	2.7%	18.9%	295,348	20.7%	20.2%	(9,552)	(9,552)	$44.69
Class B	1,046,154	32.4%	2.0%	34.4%	365,027	34.9%	34.2%	(7,759)	(7,759)	$42.01
Class C	43,914	0.0%	0.0%	0.0%	-	0.0%	0.0%	0	0	- -
TOTAL	2,514,112	22.7%	2.3%	25.0%	660,375	26.3%	25.7%	(17,311)	(17,311)	$43.09
Tigard										
Class A	1,201,245	29.2%	0.8%	30.0%	340,894	28.4%	26.9%	(17,918)	(17,918)	$34.65
Class B	1,915,876	15.0%	2.0%	17.0%	405,721	21.2%	16.5%	(85,327)	(85,327)	$27.55
Class C	418,338	10.8%	0.0%	10.8%	45,571	10.9%	14.1%	13,235	13,235	$20.38
TOTAL	3,535,459	19.3%	1.4%	20.7%	792,186	22.4%	19.7%	(90,010)	(90,010)	$30.72

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Westside Specialists | Q1 2025 | Office | Market Statistics

Submarket/ Class	Total Inventory SF	Direct Availability Rate	Sublease Availability Rate	Total Availability Rate	Total Vacant Square Feet	Vacancy Rate	Vacancy Rate Previous	Net Absorption Current	Net Absorption YTD	Avg Direct Asking Rate (FSG)
Tualatin										
Class A	299,009	36.6%	0.0%	36.6%	56,885	19.0%	14.6%	(13,259)	(13,259)	$27.81
Class B	543,349	32.3%	2.7%	35.0%	182,990	33.7%	32.5%	(6,602)	(6,602)	$24.64
Class C	23,757	0.0%	0.0%	0.0%	-	0.0%	0.0%	0	0	-
TOTAL	866,115	20.7%	1.7%	34.6%	239,875	27.7%	25.4%	(19,861)	(19,861)	$25.86
Sherwood										
Class A	-	-	-	-	-	-	-	-	-	-
Class B	41,299	7.3%	0.0%	7.3%	6,845	16.6%	12.5%	(1,663)	(1,663)	$27.00
Class C	22,712	0.0%	0.0%	0.0%	-	0.0%	0.0%	0	0	-
TOTAL	64,011	4.7%	0.0%	4.7%	6,845	10.7%	8.1%	(1,663)	(1,663)	$27.00
Wilsonville										
Class A	80,464	2.5%	0.0%	2.5%	3,223	4.0%	1.5%	(1,997)	(1,997)	$36.00
Class B	385,423	32.0%	3.9%	36.0%	152,645	39.6%	38.9%	(2,543)	(2,543)	$24.97
Class C	197,276	43.3%	0.0%	43.3%	95,485	48.4%	5.1%	(85,485)	(85,485)	-
TOTAL	663,163	31.8%	2.3%	34.1%	251,353	37.9%	24.3%	(90,025)	(90,025)	$27.11
I-5 Corridor Outlying										
Class A	-	-	-	-	-	-	-	-	-	-
Class B	22,167	0.0%	0.0%	0.0%	-	0.0%	14.1%	3,131	3,131	-
Class C	10,000	100.0%	0.0%	100.0%	10,000	100.0%	100.0%	0	0	$12.00
TOTAL	32,167	31.1%	0.0%	31.1%	10,000	31.1%	40.8%	3,131	3,131	$12.00
Westside Outlying - Cornelius / Forest Grove / North Plains										
Class A	-	-	-	-	-	-	-	-	-	-
Class B	144,687	14.3%	0.0%	14.3%	20,659	14.3%	19.3%	7,204	7,204	$29.24
Class C	72,237	0.0%	0.0%	0.0%	-	0.0%	0.0%	0	0	-
TOTAL	216,924	9.5%	0.0%	9.5%	20,659	9.5%	12.8%	7,204	7,204	$29.24

Notable Transactions

Lease
19,200 SF
Confidential Client
15201 NW Greenbrier Rd
Beaverton

Lease
100,746 SF
RAJ Capital
3220 & 3340 NE Aloclek Dr.
Hillsboro

Sale
55 West | 98,830 SF
5505 NE Moore Court
Sunset Corridor | $122/SF
$12,054,503

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580 offices in 70 countries on 6 continents

United States: 144
Canada: 34
Latin America: 18
Asia Pacific: 28
EMEA: 111
ANZ: 72

$4.8B
in revenue

2B
square feet under management

23,000 +
professionals and staff

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Colliers

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