



U.S. Office Leasing Volume Lags Historical Norm Despite Recent Recovery

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ARLINGTON, Va.--(BUSINESS WIRE)--Oct. 9, 2026-- U.S. office leasing has rebounded substantially over the past year, but demand and supply issues are making it difficult for volume to fully recover to pre-pandemic levels, according to data from [CoStar](#), the leading global provider of online real estate marketplaces, information and analytics in the property markets.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20261009752883/en/>



Office tenants signed new leases for an average of 105 million square feet over the past four quarters – an improvement over the prior four-quarter period but remaining roughly 10 million square feet below the 2015-19 average.

Leasing volume still lags historical norm despite recent recovery

"Earlier in the decade, many large occupiers consolidated into smaller footprints in response to post-pandemic ways of working, which may have been the dominant factor in bringing down average lease transaction sizes," said Phil Mobley, national director of office analytics at CoStar Group. "Since then, per-worker space requirements have stabilized. However, elevated construction and financing costs have stifled construction activity, and renovations remain unusually slow, which means that major occupiers seeking to relocate to updated space have relatively few options."

At the market level, San Francisco, led by a boom in AI-driven leasing by tech companies, has seen quarterly leasing volume rebound past the market's pre-pandemic level of 2% of inventory. Volume is also elevated in New York, Nashville, and Miami, while Charlotte and Dallas have recently seen historically typical leasing activity.

The full analysis can be found [here](#).

Note: These findings are based on collected and estimated data from leases executed through the end of the third quarter. As with previously reported leasing data, only new lease commitments are considered. Renewals, which tend to have little impact on overall occupancy, are excluded.

For more information about the company and its products and services, please visit costargroup.com.

About CoStar Group

CoStar Group (NASDAQ: CSGP) is a global leader in commercial real estate information, analytics, online marketplaces, and 3D digital twin technology. Founded in 1986, CoStar Group is dedicated to digitizing the world's real estate, empowering all people to discover properties, insights, and connections that improve their businesses and lives.

CoStar Group's major brands include CoStar, a leading global provider of commercial real estate data, analytics, and news; LoopNet, the most trafficked commercial real estate marketplace; Apartments.com, the leading platform for apartment rentals; Homes.com, the fastest-growing residential real estate marketplace; and Domain, one of Australia's leading property marketplaces. CoStar Group's industry-leading brands also include Matterport, a leading spatial data company whose platform turns buildings into data to make every space more valuable and accessible; STR, a global leader in hospitality data and benchmarking; Zonda, a leading provider of data, analytics, software, and marketplace solutions for the residential construction industry; Ten-X, an online platform for commercial real estate auctions and negotiated bids; and OnTheMarket, a leading residential property portal in the United Kingdom.

CoStar Group's websites attracted over 118 million average monthly unique visitors in the second quarter of 2026, serving clients around the world. Headquartered in Arlington, Virginia, CoStar Group is committed to transforming the real estate industry through innovative technology and comprehensive market intelligence. From time to time, we plan to utilize our corporate website as a channel of distribution for material company information. For more information, visit CoStarGroup.com.

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