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<http://www.constructiondive.com/news/office-construction-boom-continues-across-the-us/505632/>

## Office construction boom continues across the US



By Kim Slowey

### Dive Brief:

- The office construction segment in several U.S. cities shows no signs of slowing down, according to Commercial Café's Fall–Winter 2017 [office pipeline report](#), and is on track to deliver almost 48 million square feet of new space by the end of the year.
- The coasts, as well as in Nashville, TN, Charlotte, NC, Atlanta, and Texas cities like Houston, Austin and the Dallas-Fort Worth metro area are reporting the strongest activity. Washington, DC, will add more than 1 million square feet of new office space by the end of this year, and New York City is on pace to add 2.3 million square feet in Manhattan alone by the end of 2017, the [New York Building Congress](#) reported.
- The largest new office projects are Apple's new campus in Cupertino, CA (2.8 million square feet); the Salesforce Tower, in San Francisco, and JP Morgan's headquarters in Plano, TX (both roughly 1.4 million square feet); the Five Point Gateway project, in

Irvine, CA (1.1 million square feet); and the Mill & Main complex, in Maynard, MA (983,000 square feet).

### **Dive Insight:**

- At the end of last year, [Dodge Data & Analytics predicted](#) that office starts in 2017 would increase 10% from 2016 and add 110 million square feet of new space. According to JLL, [16 million square feet](#) of office space was delivered in the first quarter of this year, and [nearly 12 million new square feet](#) came online in the second quarter. When combined with Commercial Café's projections through the end of the year, the volume of new space added, albeit impressive, falls short of Dodge's forecast.
- The growing millennial workforce has inspired a number of significant changes in the way offices are designed. Collaborative and open spaces are being incorporated in place of the traditional cubicles and private offices. Building owners have also started to offer out-of-the-box amenities like emergency daycare, food delivery and medical visits in order to appeal to the new workforce.
- One of the beneficiaries of this trend is coworking company WeWork. Its shared workspace concept and office layout has won so many fans that the company has [branched out](#) into the construction and design businesses and now can [deliver the same kinds of spaces](#), along with office-management services, to enterprise clients like IBM.