

GLOBAL SPOTLIGHT

Pittsburgh, Pennsylvania



Pittsburgh Acclaimed as Safe Haven for Real Estate, One of the Best Cities to Ride Out Recession

- Despite the national economic slowdown, employment in the Pittsburgh Region continues to grow, totaling 1,164,100 in October 2008. Pittsburgh's growth rate of 6% is well above the national rate of -0.1%, driven by the continued success of its education and health services sectors. Universities including Carnegie Mellon, The University of Pittsburgh, Duquesne University, Robert Morris University, Chatham College and others have helped attract companies like Google and Rand, along with some of the brightest professionals in the field.
- Much of Pittsburgh's future is tied to its industrial past. The Pittsburgh Technology Center, a new office park on the site of a former steel mill, has been transformed into a research hub employing 1,000 people. U.S. Steel Corporation is spending \$1.2 billion at its Clariton Works, which will sustain 1,300 industrial jobs, and Westinghouse Electric Company is hiring 1,000 engineers to build 33 new nuclear reactors worldwide. Additionally, General Electric and The University of Pittsburgh Medical Center are partnering to open 25 cancer-care centers in Asia, Europe and the Middle East.
- Recently, The University of Pittsburgh Medical Center made the decision to lease 500,000 SF of office space at U.S. Steel Tower. Siemens Power Generation has leased 185,000 SF in the Union Trust Building and PNC is nearing completion of a new \$200 million office tower in the CBD. Pittsburgh's downtown is more centralized than other sectors.
- Recently, Kiplinger.com named Pittsburgh one of its six Safe Havens in Real Estate, with below average unemployment and foreclosure rates and high affordability. In fact; the region's foreclosure rates totaled just 0.3% half the national average. Pittsburgh's investment real estate has steadily increased in value with properties in the Downtown, Oakland and Centre/Baum Corridor attracting investors willing to pay top dollar for prime real estate. The retail sector, hard hit nationally, is relatively insulated, down just 0.1%. In 2007 Places Rated Almanac named Pittsburgh 'America's Most Livable City,' and Business Week recently acclaimed Pittsburgh 'One of the Best Cities for Riding Out the Recession'.

Pittsburgh At A Glance

Population	311,218 (July 2008)
Location	Western Pennsylvania
Interest	2.13% (U.S. 10-Year Treasury December 2008)
Unemployment	5.0% (October 2008)

Property	Rent/SF/Year Low	High	Vacancy Rate
Downtown Office Class A	\$17.00	\$30.00	12%
Metropolitan Office Class A	\$12.00	\$29.00	13%
Industrial/ Warehouse	\$3.50	\$5.50	10.5%
Retail	\$12.00	\$40.00	6.6%

NAI Pittsburgh Commercial is a full-service commercial real estate firm serving the greater Pittsburgh and western Pennsylvania markets.

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January 2009

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