



Yardi Matrix

# National Office Report

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November 2024





# Coworking Continues to Grow

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- The disruption of the pandemic permanently altered how many people interact with the workplace, giving rise to remote and hybrid work as well as increasing the importance of flexible space.
- The total number of coworking spaces continues to grow, according to Yardi Matrix. At the end of the third quarter, there were 7,538 coworking spaces, up 7% over the previous quarter. Total square footage attributed to coworking was 133.5 million, an increase of more than 5 million square feet (4.5%). Shared spaced has an overall market penetration of 1.6% of office space. Los Angeles had the most flex spaces, with 292, followed by Dallas – Fort Worth (279), Manhattan (275), Washington, D.C. (266) and Chicago (255). On a square footage basis, Manhattan led the way with 11.2 million, followed by Chicago (6.6 million), Los Angeles (6.5 million), Washington, D.C. (6.4 million) and Dallas – Fort Worth (5.3 million).
- The national price of coworking locations remained stable in the most recent quarter. Dedicated desks stayed level at \$300 a month, while both open workspaces (\$150) and virtual offices (\$120) increased slightly.
- While the total amount of coworking space has grown consistently in recent years, the average size of a coworking space has shrunk. The national average size of a coworking space was 17,711 feet in the third quarter, down from 18,132 square feet in the second quarter. Of the top 25 markets, 15 saw their average coworking space size fall in the quarter. We expect this trend to continue, as smaller spaces open, serving niches and more localized communities, replacing the centrally located, large-scale, multi-floor flex spaces that were prevalent before the pandemic.
- The top operators—Regus, HQ, Vast Coworking, WeWork, Spaces and Industrious—account for nearly a quarter of all flex spaces and more than a third of all square footage. Regus is by far the largest operator, with more spaces than the next five top operators combined. Vast Coworking, which acquired Intelligent Office earlier this year to go alongside its brands Office Evolution and Venture X, is a new name among top operators. Vast recently announced a partnership with WeWork, which will make its booking software available at Vast franchises. We expect consolidations and strategic partnerships will continue to expand and evolve as the sector adapts to post-pandemic work.

