

FIGURES | MIDTOWN SOUTH MANHATTAN OFFICE | MARCH 2026

# Availability rate ticks up for the second consecutive month



Note: Arrows indicate change from previous month.

## QUICK FACTS

- Leasing activity totaled 443,000 sq. ft. in February, 2% below the five-year monthly average of 450,000 sq. ft.
- Year-to-date leasing activity amounted to 827,000 sq. ft., down 7% from the prior year.
- Renewals totaled 119,000 sq. ft. in February, bringing the year-to-date total to 164,000 sq. ft.
- The availability rate was up 10 basis points (bps) from last month to 18.5% but was down 380 bps from a year ago.
- Net absorption was negative 77,000 sq. ft. in February, bringing the year-to-date total to negative 180,000 sq. ft.
- At \$84.91 per sq. ft., the average asking rent was essentially flat month-over-month and year-over-year.
- The sublease availability rate was down 10 bps from last month to 2.4%, with the average asking rent up 7% from one year ago to \$65.35 per sq. ft.

FIGURE 1: Top Lease Transactions for February 2026

Size (Sq. Ft.)	Deal Type	Direct/ Sublet	Tenant	Address
210,092	RE	D	Fanatics	95 Morton Street
41,663	RE	D	RTW Funds	40 Tenth Avenue
23,038	L	D	Marriott International, Inc.	360 Park Avenue South
17,050	L	D	Bluefish AI	315 Park Avenue South
15,183	R	D	HiBob	275 Seventh Avenue

Source: CBRE Research, March 2026. Lease (L), Renewal (R), Expansion (E), Renewal and Expansion (RE), Direct (D), Sublet (S).

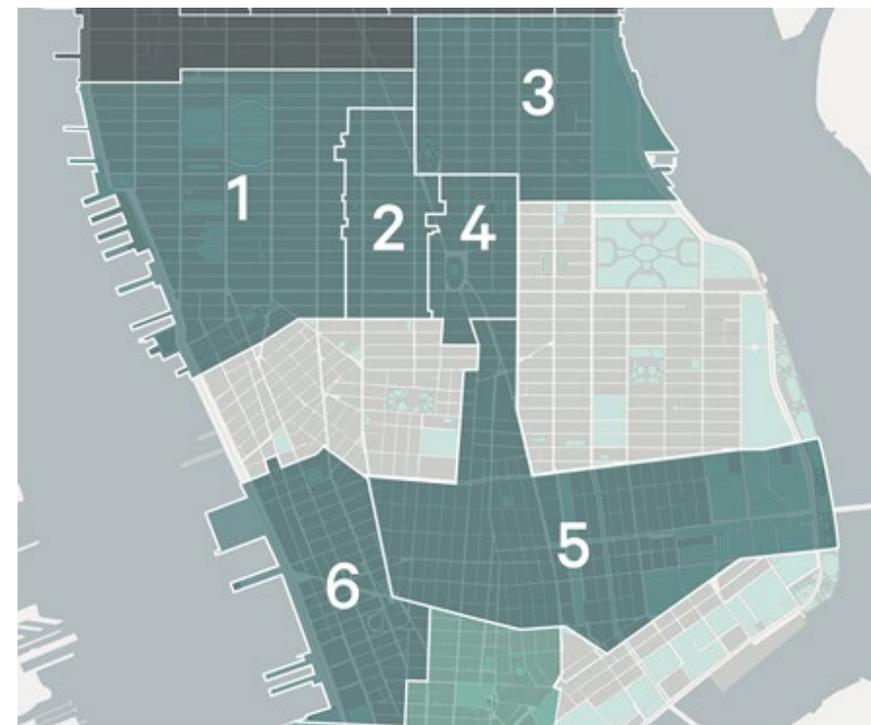
FIGURE 2: Midtown South Market Activity

	Feb. 2026	Jan. 2025	Feb. 2025	YTD 2026	YTD 2025
Leasing Activity	0.44 MSF	0.38 MSF	034 MSF	0.83 MSF	0.88 MSF
Renewals	0.12 MSF	0.05 MSF	0.00 MSF	0.16 MSF	0.02 MSF
Absorption	(0.08) MSF	(0.10) MSF	0.13 MSF	(0.18) MSF	0.42 MSF
Availability Rate	18.5%	18.4%	22.3%		
Vacancy Rate	15.8%	15.8%	19.3%		
Average Asking Rent	\$84.91 PSF	\$84.80 PSF	\$84.42 PSF		
Taking Rent Index	94.1%	93.2%	92.8%		

Source: CBRE Research, March 2026.

### Major New Availabilities

- 120,000 sq. ft. of direct space at 200 Varick Street
- 46,000 sq. ft. of New York Genome Center sublet space at 101 Avenue of the Americas
- 33,000 sq. ft. of direct space at 40 West 25th Street
- 23,000 sq. ft. of direct space at 261 Fifth Avenue
- 23,000 sq. ft. of direct space at 31 West 27th Street



Submarket		Total Size (MSF)	No. of Buildings
1	Chelsea	18.1	77
2	Flatiron	12.2	73
3	Park Avenue S./Madison Sq.	19.3	57
4	Union Sq.	5.7	38
5	NoHo/SoHo/Lower East Side	9.1	69
6	Hudson Sq./Tribeca	18.2	36
<b>TOTAL INVENTORY</b>		<b>82.6</b>	<b>350</b>

### Definitions

Availability: Space that is being actively marketed and is available for tenant build-out within 12 months. Includes space available for sublease as well as space in buildings under construction.

Asking Rent: Weighted average asking rent.

Concession Values: The combination of rent abatement and T.I. allowance. The graph is for new leases for raw space of 25,000 sq. ft. or greater consummated year-to-date, this excludes expansion and renewal deals.

Leasing Activity: Total amount of sq. ft. leased within a specified period of time, including new deals, expansions, and pre-leasing, but excluding renewals.

Leasing Velocity: Total amount of sq. ft. leased within a specified period of time, including new deals, expansions, and pre-leasing and renewals.

Net Absorption: The change in the amount of committed sq. ft. within a specified period of time, as measured by the change in available sq. ft.

Rent Abatement: The time between lease commencement and rent commencement.

Taking Rent: Actual, initial base rent in a lease agreement.

Taking Rent Index: Initial taking rents as a percentage of asking rents.

### Definitions

T.I.: Tenant improvements.

Vacancy: Unoccupied space available for lease.

Percentage of Leasing by Industry: The percentage of sq. ft. leased by an industry based on transactions where a tenant and industry have been confirmed.

### Survey Criteria

CBRE's market report analyzes fully modernized office buildings that total 20,000+ sq. ft. in Midtown South, including owner-occupied buildings (except those owned and occupied by a government or government agency). New construction must be available for tenant build-out within 12 months. CBRE assembles all information through telephone canvassing and listings received from owners, tenants and members of the commercial real estate brokerage community.

### Contacts

#### Michael Slattery

Tri-State Research Director  
+1 212 656 0583  
Michael.Slattery@cbre.com

#### Philip Stern

Field Research Manager  
+1 212 656 0516  
Philip.Stern@cbre.com