

FIGURES | MANHATTAN OFFICE | MARCH 2026

# Availability rate remains flat at 15.5%



Note: Arrows indicate change from previous month.

## QUICK FACTS

- Leasing activity totaled 1.97 million sq. ft. in February, 2% below the five-year monthly average of 2.01 million sq. ft.
- Year-to-date leasing activity amounted to 4.07 million sq. ft., down 21% from the prior year.
- Renewals totaled 401,000 sq. ft. in February, bringing the year-to-date total to 514,000 sq. ft.
- The availability rate was flat from last month at 15.5% but was down 290 basis points (bps) year-over-year.
- Net absorption was negative 113,000 sq. ft. in February, bringing the year-to-date total to positive 253,000 sq. ft.
- At \$78.48 per sq. ft., the average asking rent was essentially flat month-over-month but up 2% year-over-year.
- The sublease availability rate was up 10 bps from last month to 2.8%, with the average asking rent up 3% from one year ago to \$58.22 per sq. ft.

FIGURE 1: Top Lease Transactions for February 2026

| Size (Sq. Ft.) | Deal Type | Direct/ Sublet | Tenant                | Address                     | Market        |
|----------------|-----------|----------------|-----------------------|-----------------------------|---------------|
| 210,092        | RE        | D              | Fanatics              | 95 Morton Street            | Midtown South |
| 131,354        | E         | D              | Latham & Watkins      | 1285 Avenue of the Americas | Midtown       |
| 82,505         | L         | D              | Snowflake Computing   | 7 Times Square Tower        | Midtown       |
| 61,396         | R         | D              | Davis Polk & Wardwell | 237 Park Avenue             | Midtown       |
| 50,545         | L         | D              | New York Alliance     | 1441 Broadway               | Midtown       |

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

FIGURE 2: Manhattan Market Activity

|                     | Feb. 2026   | Jan. 2026   | Feb. 2025   | YTD 2026 | YTD 2025 |
|---------------------|-------------|-------------|-------------|----------|----------|
| Leasing Activity    | 1.97 MSF    | 2.10 MSF    | 2.52 MSF    | 4.07 MSF | 5.13 MSF |
| Renewals            | 0.40 MSF    | 0.11 MSF    | 0.61 MSF    | 0.51 MSF | 0.95 MSF |
| Absorption          | (0.11) MSF  | 0.37 MSF    | 0.41 MSF    | 0.25 MSF | 1.31 MSF |
| Availability Rate   | 15.5%       | 15.5%       | 18.4%       |          |          |
| Vacancy Rate        | 12.5%       | 12.5%       | 14.5%       |          |          |
| Average Asking Rent | \$78.48 PSF | \$78.37 PSF | \$77.20 PSF |          |          |
| Taking Rent Index   | 95.5%       | 95.2%       | 94.0%       |          |          |

FIGURE 3: Midtown Market Activity

|                     | Feb. 2026   | Jan. 2026   | Feb. 2025   | YTD 2026 | YTD 2025 |
|---------------------|-------------|-------------|-------------|----------|----------|
| Leasing Activity    | 1.16 MSF    | 1.47 MSF    | 1.32 MSF    | 2.64 MSF | 3.07 MSF |
| Renewals            | 0.25 MSF    | 0.05 MSF    | 0.25 MSF    | 0.30 MSF | 0.49 MSF |
| Absorption          | 0.11 MSF    | 0.45 MSF    | 0.43 MSF    | 0.56 MSF | 1.13 MSF |
| Availability Rate   | 13.3%       | 13.3%       | 16.1%       |          |          |
| Vacancy Rate        | 10.3%       | 10.3%       | 12.1%       |          |          |
| Average Asking Rent | \$85.11 PSF | \$85.08 PSF | \$83.35 PSF |          |          |
| Taking Rent Index   | 96.1%       | 96.1%       | 94.3%       |          |          |

Source: CBRE Research, March 2026.

FIGURE 4: Midtown South Market Activity

|                     | Feb. 2026   | Jan. 2026   | Feb. 2025   | YTD 2026   | YTD 2025 |
|---------------------|-------------|-------------|-------------|------------|----------|
| Leasing Activity    | 0.44 MSF    | 0.38 MSF    | 0.34 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%       |            |          |

FIGURE 5: Downtown Market Activity

|                     | Feb. 2026   | Jan. 2026   | Feb. 2025   | YTD 2026   | YTD 2025   |
|---------------------|-------------|-------------|-------------|------------|------------|
| Leasing Activity    | 0.36 MSF    | 0.24 MSF    | 0.86 MSF    | 0.61 MSF   | 1.18 MSF   |
| Renewals            | 0.03 MSF    | 0.02 MSF    | 0.37 MSF    | 0.05 MSF   | 0.45 MSF   |
| Absorption          | (0.15) MSF  | 0.02 MSF    | (0.14) MSF  | (0.12) MSF | (0.24) MSF |
| Availability Rate   | 19.4%       | 19.2%       | 21.5%       |            |            |
| Vacancy Rate        | 15.7%       | 16.0%       | 16.9%       |            |            |
| Average Asking Rent | \$59.26 PSF | \$58.85 PSF | \$56.47 PSF |            |            |
| Taking Rent Index   | 89.1%       | 88.7%       | 89.9%       |            |            |

### 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 150,000+ sq. ft. in Midtown, 75,000+ sq. ft. in Downtown, and 50,000+ 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.

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