

FIGURES | MIDTOWN MANHATTAN OFFICE | MARCH 2025

Availability falls to its lowest point since January 2021

▼ 1.32M

Leasing Activity

▼ 0.43M

Net Absorption

▼ 16.1%

Availability Rate

▼ 12.1%

Vacancy Rate

▶ \$83.35

Average Asking Rent

Note: Arrows indicate change from previous month.

QUICK FACTS

- Leasing activity totaled 1.32 million sq. ft. in February, 21% ahead of the five-year monthly average of 1.09 million sq. ft.
- Year-to-date leasing activity amounted to 3.07 million sq. ft., up 24% from the prior year.
- Renewals totaled 246,000 sq. ft. in February, bringing the year-to-date total to 489,000 sq. ft.
- The availability rate was down 20 bps from last month to 16.1% and down 220 bps from a year ago.
- Net absorption was positive 428,000 sq. ft. in February, bringing the year-to-date total to positive 1.13 million sq. ft.
- At \$83.35 per sq. ft., the average asking rent was essentially flat month-over-month and year-over-year.
- The sublease availability rate was down 20 bps from last month at 3.3%, with the average asking rent up 2% from one year ago to \$62.40 per sq. ft.

FIGURE 1: Top Lease Transactions for February 2025

Size (Sq. Ft.)	Deal Type	Direct/ Sublet	Tenant	Address
192,733	L	S	Amazon.com, Inc.	237 Park Avenue
151,409	L	S	Mizuho Corporate Bank, Ltd.	1285 Avenue of the Americas
73,017	RE	D	Garan, Inc.	99 Park Avenue
52,963	RE	D	Northwell Health	130 East 59th Street
49,600	RE	D	Galaxy Financial	1411 Broadway

Source: CBRE Research, March 2025. Lease (L), Renewal (R), Expansion (E), Renewal and Expansion (RE)

FIGURE 2: Midtown Market Activity

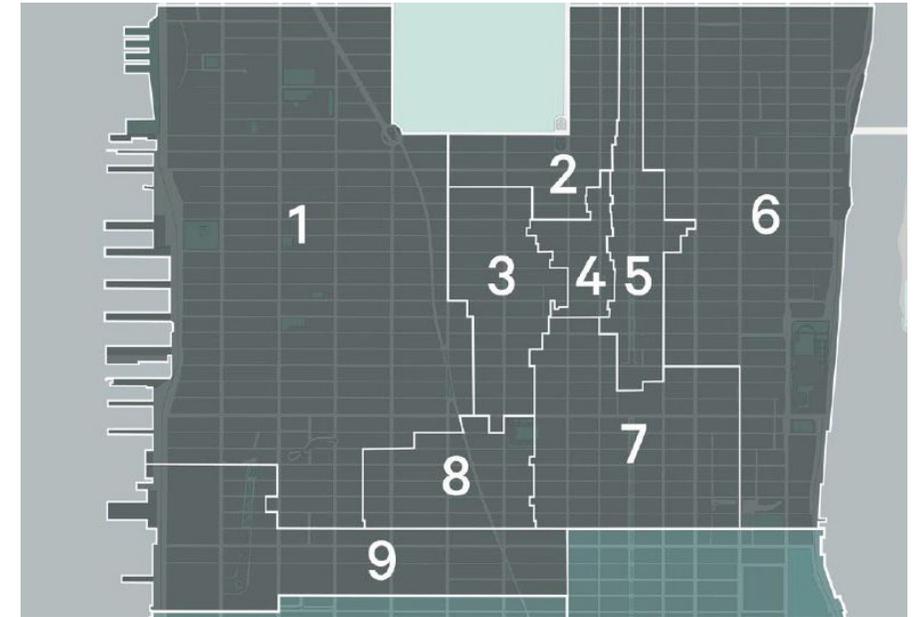
	Feb. 2025	Jan. 2025	Feb. 2024	YTD 2024	YTD 2025
Leasing Activity	1.32 MSF	1.75 MSF	0.99 MSF	2.47 MSF	3.07 MSF
Renewals	0.25 MSF	0.24 MSF	0.22 MSF	0.38 MSF	0.49 MSF
Absorption	0.43 MSF	0.70 MSF	(0.65) MSF	(0.51) MSF	1.13 MSF
Availability Rate	16.1%	16.3%	18.3%		
Vacancy Rate	12.1%	12.4%	14.0%		
Average Asking Rent	\$83.35 PSF	\$82.97 PSF	\$83.05 PSF		
Taking Rent Index	94.3%	94.0%	89.2%		

Source: CBRE Research, March 2025.

Major New Availabilities

- 218,000 sq. ft. of direct space at 560 Lexington Avenue
- 102,000 sq. ft. of direct space at 200 Madison Avenue*
- 97,000 sq. ft. of direct space at 51 West 52nd Street*
- 90,000 sq. ft. of direct space at 500 Seventh Avenue
- 65,000 sq. ft. of Wellspring Philanthropic Fund sublet space at 1441 Broadway

*This space was already on the market but has now fallen within 12 months of tenant possession and therefore was added to statistics.



Submarket	Total Size (MSF)	No. of Buildings
1 Times Sq./West Side	31.4	44
2 Plaza	10.6	22
3 Sixth Avenue/Rockefeller	44.2	46
4 Fifth/Madison	11.5	27
5 Park Avenue	30.6	37
6 East Side	20.5	44
7 Grand Central	45.3	84
8 Times Sq. South	19.5	48
9 Penn District/Hudson Yards	35.8	37
TOTAL INVENTORY	249.5	389

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, 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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