Monthly absorption eclipses 1 million sq. ft. for the fourth time this year

▼ 2.24M	▼ 1.01M	▼ 13.7%	▼ 11.1%	▶ $80.05
Leasing Activity	Net Absorption	Availability Rate	Vacancy Rate	Average Asking Rent

Note: Arrows indicate change from previous month.

QUICK FACTS

- Leasing activity totaled 2.24 million sq. ft. in August, 4% ahead of the five-year monthly average of 2.15 million sq. ft.
- Year-to-date leasing activity amounted to 20.11 million sq. ft., down 2% from the prior year.
- Renewals totaled 832,000 sq. ft. in August, bringing the year-to-date total to 7.19 million sq. ft.
- The availability rate was down 30 basis points (bps) from last month to 13.7% and was down 330 bps year-over-year.
- Net absorption was positive 1.01 million sq. ft. in August, bringing the year-to-date total to positive 7.59 million sq. ft.
- At $80.05 per sq. ft., the average asking rent was essentially flat month-over-month and up 3% year-over-year.
- The sublease availability rate was unchanged compared to last month at 2.4%, with the average asking rent down 2% from one year ago to $58.44 per sq. ft.

FIGURE 1: Top Lease Transactions for August 2026

Size (Sq. Ft.)	Deal Type	Direct/ Sublet	Tenant	Address	Market
255,471	RE	D	Havas Group	200 Madison Avenue	Midtown
174,186	R	D	Human Resources Administration	260 Eleventh Avenue	Midtown South
151,083	L	D	General Atlantic	625 Madison Avenue	Midtown
112,475	RE	D	Key Bank of New York	1301 Avenue of the Americas	Midtown
87,176	L	D	Suno AI	295 Fifth Avenue	Midtown South

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

FIGURE 2: Manhattan Market Activity

	Sep. 2026	Jul. 2026	Sep. 2025	YTD 2026	YTD 2025
Leasing Activity	2.24 MSF	2.98 MSF	2.95 MSF	20.11 MSF	20.49 MSF
Renewals	0.83 MSF	0.43 MSF	0.95 MSF	7.19 MSF	4.93 MSF
Absorption	1.01 MSF	1.50 MSF	0.64 MSF	7.59 MSF	7.06 MSF
Availability Rate	13.7%	14.0%	17.0%		
Vacancy Rate	11.1%	11.2%	13.7%		
Average Asking Rent	$80.05 PSF	$80.20 PSF	$77.73 PSF		
Taking Rent Index	94.9%	95.0%	93.6%		

FIGURE 3: Midtown Market Activity

	Sep. 2026	Jul. 2026	Sep. 2025	YTD 2026	YTD 2025
Leasing Activity	1.52 MSF	1.69 MSF	2.25 MSF	11.96 MSF	12.55 MSF
Renewals	0.41 MSF	0.31 MSF	0.91 MSF	5.08 MSF	3.07 MSF
Absorption	0.50 MSF	1.14 MSF	0.36 MSF	3.51 MSF	3.87 MSF
Availability Rate	12.1%	12.3%	15.0%		
Vacancy Rate	9.5%	9.6%	11.5%		
Average Asking Rent	$85.55 PSF	$85.77 PSF	$83.61 PSF		
Taking Rent Index	94.6%	94.7%	95.5%		

FIGURE 4: Midtown South Market Activity

	Sep. 2026	Jul. 2026	Sep. 2025	YTD 2026	YTD 2025
Leasing Activity	0.60 MSF	0.99 MSF	0.56 MSF	5.68 MSF	5.18 MSF
Renewals	0.33 MSF	0.09 MSF	0.03 MSF	1.34 MSF	0.78 MSF
Absorption	0.34 MSF	0.10 MSF	0.33 MSF	1.54 MSF	2.32 MSF
Availability Rate	16.4%	16.8%	20.0%		
Vacancy Rate	13.6%	13.8%	17.4%		
Average Asking Rent	$86.26 PSF	$86.34 PSF	$85.04 PSF		
Taking Rent Index	95.8%	96.1%	91.9%		

FIGURE 5: Downtown Market Activity

	Sep. 2026	Jul. 2026	Sep. 2025	YTD 2026	YTD 2025
Leasing Activity	0.12 MSF	0.30 MSF	0.14 MSF	2.47 MSF	2.76 MSF
Renewals	0.10 MSF	0.02 MSF	0.02 MSF	0.77 MSF	1.09 MSF
Absorption	0.17 MSF	0.25 MSF	(0.05) MSF	2.53 MSF	0.87 MSF
Availability Rate	16.1%	16.3%	20.2%		
Vacancy Rate	13.6%	13.5%	16.6%		
Average Asking Rent	$62.01 PSF	$61.91 PSF	$57.78 PSF		
Taking Rent Index	94.4%	94.1%	88.1%		

Source: CBRE Research, September 2026.

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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