

FIGURES | MANHATTAN OFFICE | Q2 2026

Mid-year leasing on pace with 2025 activity



Note: Arrows indicate change from previous quarter.

QUICK FACTS

- Leasing activity totaled 7.88 million sq. ft. in Q2, 24% ahead of the five-year quarterly average of 6.35 million sq. ft.
- Year-to-date leasing amounted to 14.89 million sq. ft., in line with the prior year.
- Renewals totaled 2.67 million sq. ft. in Q2, bringing the year-to-date total to 5.93 million sq. ft.
- The availability rate fell 70 basis points (bps) from last quarter to 14.4% and was down 310 bps from a year ago.
- Net absorption was positive 3.02 million sq. ft. in Q2, bringing the year-to-date total to positive 5.08 million sq. ft.
- At \$80.17 per sq. ft., the average asking rent was up 3% quarter-over-quarter and up 4% year-over-year.
- The sublease availability rate was down 10 bps from last quarter to 2.6%, with the average asking rent up 3% from one year ago to \$59.94 per sq. ft.

FIGURE 1: Top Lease Transactions for Q2 2026

Size (Sq. Ft.)	Deal Type	Direct/ Sublet	Tenant	Address	Market
916,209	L	D	Simpson Thacher & Bartlett	570 Fifth Avenue	Midtown
484,044	R	D	L'Oreal USA	10 Hudson Yards	Midtown
410,556	R	D	Google	315 Hudson Street	Midtown South
475,000	LR ¹	D	Cleary Gottlieb	1 Liberty Plaza	Downtown
249,054	RE	D	Versant Media	229 West 43rd Street	Midtown

Source: CBRE Research, Q2 2026. Lease (L), Renewal (R), Expansion (E), Renewal and Expansion (RE), Direct (D), Sublet (S).
¹Transaction was a relocation within the building

FIGURE 2: Manhattan Market Activity

	Jun. 2026	May 2025	Jun. 2025	YTD 2026	YTD 2025
Leasing Activity	2.11 MSF	3.02 MSF	2.00 MSF	14.89 MSF	14.88 MSF
Renewals	1.06 MSF	0.90 MSF	0.33 MSF	5.93 MSF	3.37 MSF
Absorption	0.67 MSF	0.49 MSF	0.24 MSF	5.08 MSF	5.17 MSF
Availability Rate	14.4%	14.5%	17.5%		
Vacancy Rate	11.6%	11.7%	14.1%		
Average Asking Rent	\$80.17 PSF	\$80.42 PSF	\$76.83 PSF		
Taking Rent Index	94.8%	94.8%	92.9%		

FIGURE 3: Midtown Market Activity

	Jun. 2026	May 2025	Jun. 2025	YTD 2026	YTD 2025
Leasing Activity	1.17 MSF	1.97 MSF	1.01 MSF	8.75 MSF	8.65 MSF
Renewals	0.66 MSF	0.82 MSF	0.16 MSF	4.36 MSF	1.72 MSF
Absorption	0.29 MSF	(0.03) MSF	(0.39) MSF	1.87 MSF	2.65 MSF
Availability Rate	12.7%	12.8%	15.5%		
Vacancy Rate	10.0%	10.0%	12.1%		
Average Asking Rent	\$86.18 PSF	\$86.55 PSF	\$82.28 PSF		
Taking Rent Index	94.6%	94.9%	94.4%		

Source: CBRE Research, April 2026.

FIGURE 4: Midtown South Market Activity

	Jun. 2026	May 2025	Jun. 2025	YTD 2026	YTD 2025
Leasing Activity	0.71 MSF	0.71 MSF	0.53 MSF	4.09 MSF	4.03 MSF
Renewals	0.16 MSF	0.01 MSF	0.13 MSF	0.92 MSF	0.68 MSF
Absorption	0.15 MSF	0.27 MSF	0.29 MSF	1.10 MSF	1.86 MSF
Availability Rate	17.0%	17.1%	20.5%		
Vacancy Rate	14.3%	14.6%	17.9%		
Average Asking Rent	\$85.73 PSF	\$86.38 PSF	\$84.10 PSF		
Taking Rent Index	94.9%	94.2%	93.0%		

FIGURE 5: Downtown Market Activity

	Jun. 2026	May 2025	Jun. 2025	YTD 2026	YTD 2025
Leasing Activity	0.23 MSF	0.34 MSF	0.46 MSF	2.05 MSF	2.20 MSF
Renewals	0.24 MSF	0.07 MSF	0.05 MSF	0.66 MSF	0.97 MSF
Absorption	0.22 MSF	0.25 MSF	0.34 MSF	2.11 MSF	0.66 MSF
Availability Rate	16.6%	16.9%	20.5%		
Vacancy Rate	13.7%	14.0%	16.3%		
Average Asking Rent	\$61.34 PSF	\$61.14 PSF	\$57.43 PSF		
Taking Rent Index	94.8%	93.5%	89.1%		

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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