

FIGURES | DOWNTOWN MANHATTAN OFFICE | NOVEMBER 2022

Leasing activity surpasses the five-year monthly average



Note: Arrows indicate change from previous month.

QUICK FACTS

- Monthly leasing activity totaled 381,000 sq. ft., 8% ahead of the five-year monthly average of 352,000 sq. ft.
- Year-to-date leasing activity totaled 2.72 million sq. ft., up 20% from the same period last year.
- Renewals totaled 2,000 sq. ft. in October, bringing the year-to-date total to 379,000 sq. ft.
- The availability rate decreased 10 basis points from last month to 22.4% but was up 130 bps from a year ago.
- Net absorption was positive 56,000 sq. ft. in October, bringing the year-to-date total to negative 21,000 sq. ft.
- At \$57.61 per sq. ft., the average asking rent was virtually unchanged both month-over-month and year-over-year.
- Sublease availability was flat month-over-month at 6.7%, with the average asking rent down 5% from one year ago to \$46.99 per sq. ft.

FIGURE 1: Top Lease Transactions for October 2022

Size (Sq. Ft.)	Tenant	Address
62,155	IDEAL School of Manhattan	5 Hanover Square
56,043	AXA Financial, Inc.	225 Liberty Street
42,777	E Brookfield Properties Corp.	225 Liberty Street
36,099	Scale Facilitation	1 World Trade Center
25,550	Koneska Health	1 World Trade Center

Source: CBRE Research, November 2022. Renewal (R), Expansion (E), Renewal and Expansion (RE).

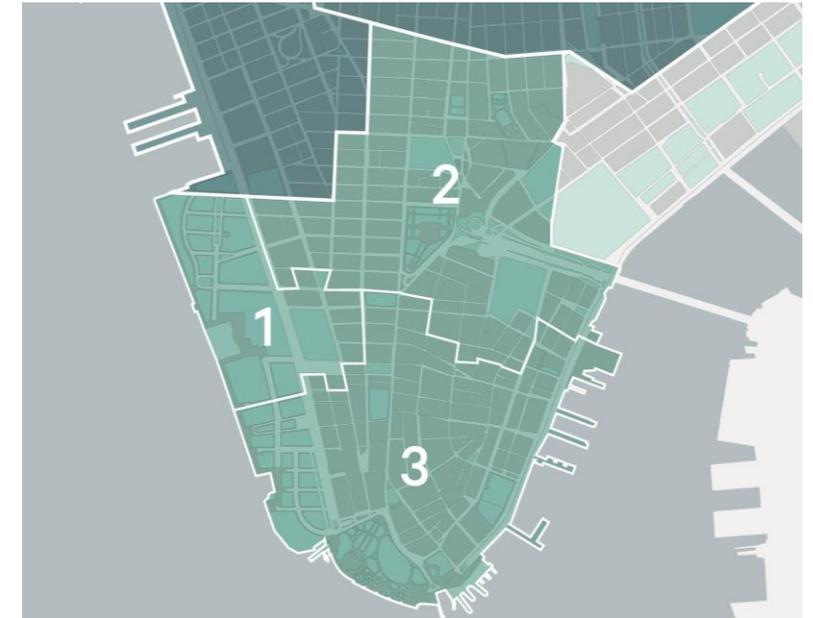
FIGURE 2: Downtown Market Activity

	Oct. 2022	Sept. 2022	Oct. 2021	YTD 2021	YTD 2022
Leasing Activity	0.38 MSF	0.19 MSF	0.46 MSF	2.27 MSF	2.72 MSF
Renewals	0.00 MSF	0.00 MSF	0.04 MSF	1.19 MSF	0.38 MSF
Absorption	0.06 MSF	(0.49) MSF	(0.17) MSF	(5.44) MSF	(0.02) MSF
Availability Rate	22.4%	22.5%	21.1%		
Vacancy Rate	18.7%	18.7%	15.5%		
Average Asking Rent	\$57.61 PSF	\$57.69 PSF	\$58.09 PSF		
Taking Rent Index	93.6%	93.3%	87.5%		

Source: CBRE Research, November 2022.

Major New Availabilities

- 114,000 sq. ft. of College Board sublet space at 250 Vesey Street
- 38,000 sq. ft. of Relay Graduate School of Education sublet space at 25 Broadway
- 29,000 sq. ft. of direct space at 48 Wall Street
- 21,000 sq. ft. of Clausen Miller PC sublet space at 28 Liberty Street
- 20,000 sq. ft. of direct space at 4 World Trade Center



Submarket		Total Size (MSF)	No. of Buildings
1	Downtown West	20.0	10
2	City Hall	14.0	31
3	Financial	56.7	80
TOTAL INVENTORY		90.7	121

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 75,000+ sq. ft. Downtown, 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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