Availability rate drops to lowest level since early 2020

▼ 1.52M	▼ 0.50M	▼ 12.1%	▼ 9.5%	▶ $85.55
Leasing Activity	Net Absorption	Availability Rate	Vacancy Rate	Average Asking Rent

Note: Arrows indicate change from previous month.

QUICK FACTS

- Leasing activity totaled 1.52 million sq. ft. in August, 11% ahead of the five-year monthly average of 1.37 million sq. ft.
- Year-to-date leasing activity amounted to 11.96 million sq. ft., down 5% from the prior year.
- Renewals totaled 410,000 sq. ft. in August, bringing the year-to-date total to 5.08 million sq. ft.
- The availability rate was down 20 basis points (bps) from last month to 12.1% and was down 290 bps year-over-year.
- Net absorption was positive 502,000 sq. ft. in August, bringing the year-to-date total to positive 3.51 million sq. ft.
- At $85.55 per sq. ft., the average asking rent was essentially flat month-over-month and up 2% year-over-year.
- The sublease availability rate was unchanged compared to last month at 2.1%, but the average asking rent was down 8% from one year ago to $59.88 per sq. ft.

FIGURE 1: Top Lease Transactions for August 2026

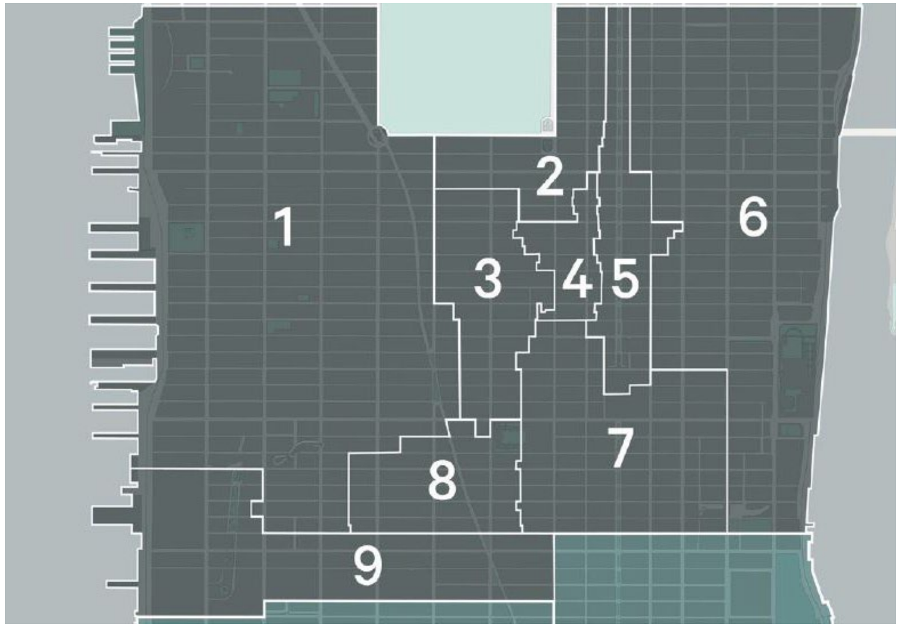
Size (Sq. Ft.)	Deal Type	Direct/ Sublet	Tenant	Address
255,471	RE	D	Havas Group	200 Madison Avenue
151,083	L	D	General Atlantic	625 Madison Avenue
112,475	RE	D	Key Bank of New York	1301 Avenue of the Americas
84,000	L	D/S	26 North	40 West 57th Street
81,010	L	D	Republic Clothing	1411 Broadway

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

FIGURE 2: 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%		

Source: CBRE Research, September 2026.



Submarket		Total Size (MSF)	No. of Buildings
1	Times Sq./West Side	31.0	42
2	Plaza	10.7	22
3	Sixth Avenue/Rockefeller	44.3	46
4	Fifth/Madison	11.6	27
5	Park Avenue	30.8	37
6	East Side	19.7	42
7	Grand Central	44.6	81
8	Times Sq. South	19.6	48
9	Penn District/Hudson Yards	35.8	37
TOTAL INVENTORY		**248.1**	**382**

Major New Availabilities

- 106,000 sq. ft. of Tzell Travel's sublet space at 1633 Broadway
- 55,000 sq. ft. of direct space at 485 Lexington Avenue
- 52,000 sq. ft. of direct space at 1411 Broadway
- 46,000 sq. ft. of direct space at 1180 Avenue of the Americas
- 36,000 sq. ft. of direct space at 260 Madison Avenue

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.

Contacts

Michael Slattery
Tri-State Research Director
+1 212 656 0583
Michael.Slattery@cbre.com

William Bender
Field Research Manager
+1 212 984 8278
William.Bender@cbre.com

CBRE