

FIGURES | MIDTOWN MANHATTAN OFFICE | JUNE 2025

Year-to-date absorption surpassed three million sq. ft.



Note: Arrows indicate change from previous month.

QUICK FACTS

- Leasing activity totaled 1.09 million sq. ft. in May, 4% below the five-year monthly average of 1.13 million sq. ft.
- Year-to-date leasing activity amounted to 7.64 million sq. ft., up 18% from the prior year.
- Renewals totaled 182,000 sq. ft. in May, bringing the year-to-date total to 1.56 million sq. ft.
- The availability rate was down 30 basis points (bps) from last month to 15.3% and down 300 bps from a year ago.
- Net absorption was positive 696,000 sq. ft. in May, bringing the year-to-date total to positive 3.04 million sq. ft.
- At \$81.62 per sq. ft., the average asking rent was down 2% both month-over-month and year-over-year.
- The sublease availability rate was unchanged from last month at 3.3%, with the average asking rent down 2% from one year ago to \$60.74 per sq. ft.

FIGURE 1: Top Lease Transactions for May 2025

Size (Sq. Ft.)	Deal Type	Direct/ Sublet	Tenant	Address
111,863	E	D	Sumitomo Mitsui Banking	277 Park Avenue
72,353	L	D	Aquarian Capital	550 Madison Avenue
63,356	R	D	Windels Marx Lane & Mittendorf	156 W 56th Street
49,264	L	D	Starr Companies	1177 Avenue of the Americas
46,671	E	D	Paul Hastings	200 Park Avenue

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

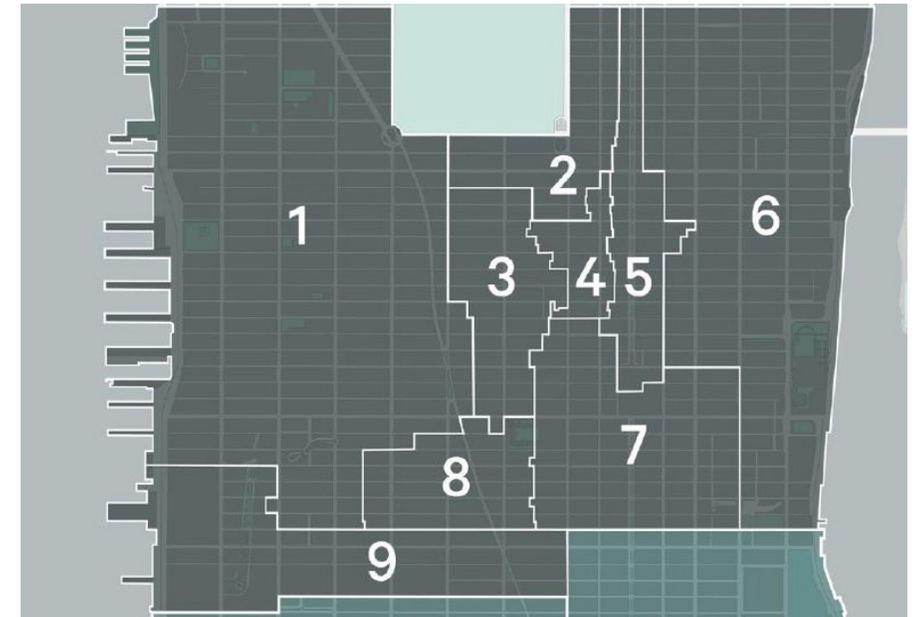
FIGURE 2: Midtown Market Activity

	May. 2025	Apr. 2025	May 2024	YTD 2024	YTD 2025
Leasing Activity	1.09 MSF	1.69 MSF	1.53 MSF	6.45 MSF	7.64 MSF
Renewals	0.18 MSF	0.27 MSF	1.04 MSF	2.22 MSF	1.56 MSF
Absorption	0.70 MSF	0.60 MSF	(0.49) MSF	(0.58) MSF	3.04 MSF
Availability Rate	15.3%	15.6%	18.3%		
Vacancy Rate	12.1%	12.3%	13.8%		
Average Asking Rent	\$81.62 PSF	\$82.90 PSF	\$83.28 PSF		
Taking Rent Index	93.3%	94.2%	90.0%		

Source: CBRE Research, June 2025.

Major New Availabilities

- 45,000 sq. ft. of direct space at 230 Park Avenue
- 44,000 sq. ft. of direct space at 200 Park Avenue
- 30,000 sq. ft. of Citigroup’s sublet space at 601 Lexington Avenue
- 29,000 sq. ft. of sublet space at 5 Penn Plaza
- 26,000 sq. ft. of Penguin Random House’s sublet space at 1745 Broadway



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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