

Midtown South Manhattan Office, April 2015

Three blocks of space greater than 50,000 rsf hit Midtown South during March

Figure 1: Midtown South Market Activity

	Mar. 2015	Feb. 2015	Mar. 2014	YTD 2014	YTD 2015
Leasing Activity	0.30 MSF	0.60 MSF	0.38 MSF	1.66 MSF	1.39 MSF
Absorption	(0.16) MSF	0.14 MSF	(0.03) MSF	0.50 MSF	(0.18) MSF
Availability Rate	8.8%	8.5%	9.4%		
Vacancy Rate	5.5%	5.3%	6.0%		
Average Asking Rent	\$66.61 PSF	\$66.70 PSF	\$63.05 PSF		
Taking Rent Index	95.1%	95.5%	94.4%		

Source: CBRE Research, April 2015.

MARKET HIGHLIGHTS

- Midtown South leasing activity in March totaled 0.30 million sq. ft., 30% below the five-year monthly average of 0.42 million sq. ft.
- Year-to-date leasing, at 1.39 million sq. ft., is 16% lower than the same time period in 2014.
- The combination of several large blocks added in March, as well as below-average leasing, led to negative absorption of 160,000 sq. ft. in March.
- March's availability rate increased 20 basis points (bps) compared to February, and dropped 60 bps from one year ago.
- The average asking rent was virtually on par with February's number, but up 6% from a year ago.

Figure 2: Top Lease Transactions

Size (Sq. Ft.)	Tenant	Address
37,512	AlleyNYC	119 West 24th Street
24,166 (RE)	Avenues Education, Inc.	11 East 26th Street
23,000	Regus Plc	112 West 20th Street
22,950	Herman Miller, Inc.	251 Park Avenue South
19,269	Citi Habitats, Inc.	387 Park Avenue South

(R) Renewal (E) Expansion (RE) Renewal and Expansion

Source: CBRE Research, April 2015.

MAJOR NEW AVAILABILITIES

- 93,000 sq. ft. of direct space at 1 Park Avenue
- 55,000 sq. ft. of direct space at 300 Park Avenue South
- 51,000 sq. ft. of Postworks, New York sublet space at 100 Avenue of the Americas
- 22,000 sq. ft. of Reed Krakoff sublet space at 40 West 25th Street
- 19,000 sq. ft. of direct space at 601 West 26th Street

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