

Midtown Manhattan Office, April 2015

Midtown year-to-date leasing 15% ahead of 2014 numbers

Figure 1: Midtown Market Activity

	Mar. 2015	Feb. 2015	Mar. 2014	YTD 2014	YTD 2015
Leasing Activity	1.62 MSF	1.23 MSF	0.99 MSF	3.94 MSF	4.53 MSF
Absorption	(0.16) MSF	(0.44) MSF	0.17 MSF	(0.38) MSF	(1.86) MSF
Availability Rate	11.2%	11.2%	11.9%		
Vacancy Rate	7.2%	7.3%	8.0%		
Average Asking Rent	\$76.15 PSF	\$75.64 PSF	\$74.27 PSF		
Taking Rent Index	92.8%	92.5%	90.6%		

Source: CBRE Research, April 2015.

MARKET HIGHLIGHTS

- Midtown leasing activity in March totaled 1.62 million sq. ft., 23% above the five-year monthly average of 1.32 million sq. ft., and 31% ahead of February leasing.
- Year-to-date leasing totaled 4.53 million sq. ft.—15% ahead of year-to-date leasing for the same period in 2014.
- The largest transaction in Midtown was the 139,000-sq.-ft. commitment by Markit Group Limited at 5 Manhattan West.
- Monthly absorption continues to trend upward, ending March at negative 160,000 sq. ft.
- The availability rate remained flat at 11.2% but fell 70 basis points (bps) from the 11.9% recorded in March 2014.
- March’s average asking rent increased slightly to \$76.15 in March, from \$75.64 in February, and rose 3% from a year ago.
- Of the top five major new availabilities, four are on the Sixth Avenue corridor.

Figure 2: Top Lease Transactions

Size (Sq. Ft.)	Tenant	Address
139,332	Markit Group Limited	5 Manhattan West
116,787 (RE)	OnDeck Capital, Inc.	1400 Broadway
112,300	Interpublic Group of Companies, Inc.	909 Third Avenue
98,736	PJT Capital LLC	280 Park Avenue
85,604	Kaplan, Inc.	750 Third Avenue

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

Source: CBRE Research, April 2015.

MAJOR NEW AVAILABILITIES

- 183,000 sq. ft. of Nine West Holdings, Inc. sublet space at 1411 Broadway
- 169,000 sq. ft. of direct space at 1345 Avenue of the Americas
- 157,000 sq. ft. of direct space at 1271 Avenue of the Americas
- 98,000 sq. ft. of direct space at 1114 Avenue of the Americas*
- 55,000 sq. ft. of direct space at 1185 Avenue of the Americas

* This space was already on the market, but fell within 12 months of tenant possession during March and therefore was added to statistics.

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