

Downtown Manhattan Office, September 2016

Leasing activity robust in new construction

Figure 1: Downtown Market Activity

	Aug. 2016	July 2016	Aug. 2015	YTD 2015	YTD 2016
Leasing Activity	0.32 MSF	0.24 MSF	0.39 MSF	2.92 MSF	2.59 MSF
Absorption	0.24 MSF	0.14 MSF	(0.25) MSF	(1.19) MSF	0.95 MSF
Availability Rate	11.1%	11.4%	12.3%		
Vacancy Rate	9.0%	9.1%	9.1%		
Average Asking Rent	\$57.37 PSF	\$57.72 PSF	\$56.33 PSF		
Taking Rent Index	94.1%	95.0%	91.3%		

Source: CBRE Research, September 2016.

MARKET HIGHLIGHTS

- Monthly leasing activity totaled 324,000 sq. ft., 24% below its five-year monthly average of 429,000 sq. ft.
- Year-to-date leasing activity is down 11% compared to the same period last year.
- The availability rate fell 30 basis points (bps) from last month and 120 bps from one year ago.
- Net absorption was 236,000 sq. ft. in August, bringing the year-to-date total to 948,000 sq. ft.
- The average asking rent was virtually unchanged over the past month and up 2% from the same period last year.
- Sublease availability was 1.6%, with an average asking rent of \$44.65, virtually unchanged year-over-year.

Figure 2: Top Lease Transactions

Size (Sq. Ft.)	Tenant	Address
131,876	Zurich-American Insurance Group	4 World Trade Center
44,711	Global Atlantic Financial Group	4 World Trade Center
39,721 (R)	U.S. Equal Employment Opportunity Comm./EEOC	33 Whitehall Street
24,489	Validus Holdings, Ltd.,	4 World Trade Center
13,706	SimCorp	1 State Street Plaza

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

Source: CBRE Research, September 2016.

MAJOR NEW AVAILABILITIES

- 56,000 sq. ft. of Cadwalader, Wickersham & Taft LLP sublet space at 200 Liberty Street
- 13,000 sq. ft. of Update Inc sublet space at 55 Broad Street
- 10,000 sq. ft. of Rice Financial Products Company sublet space at 55 Broad Street
- 8,000 sq. ft. of MOBOTIX sublet space at 80 Broad Street

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