

Midtown Manhattan Office, September 2016

Leasing activity in Hudson Yards sets pace across market

Figure 1: Midtown Market Activity

	Aug. 2016	July 2016	Aug. 2015	YTD 2015	YTD 2016
Leasing Activity	1.82 MSF	0.94 MSF	1.12 MSF	12.42 MSF	9.69 MSF
Absorption	(0.07) MSF	(0.61) MSF	0.27 MSF	(0.50) MSF	(2.65) MSF
Availability Rate	12.0%	12.0%	10.7%		
Vacancy Rate	7.7%	7.7%	6.8%		
Average Asking Rent	\$81.27 PSF	\$81.53 PSF	\$78.71 PSF		
Taking Rent Index	94.7%	94.1%	93.1%		

Source: CBRE Research, September 2016.

MARKET HIGHLIGHTS

- Monthly leasing activity totaled 1.82 million sq. ft., 41% above its five-year monthly average of 1.29 million sq. ft.
- Year-to-date leasing activity is down 22% compared to the same period last year.
- The availability rate was unchanged from last month and up 130 basis points from one year ago.
- Net absorption was negative 67,000 sq. ft. in August, bringing the year-to-date total to negative 2.65 million sq. ft.
- The average asking rent was virtually unchanged over the past month and up 3% from August 2015.
- Sublease availability was 1.9%, with an average asking rent of \$64.21, up 3% year-over-year.

Figure 2: Top Lease Transactions

Size (Sq. Ft.)	Tenant	Address
694,396	Coach, Inc.	10 Hudson Yards
207,371 (R)	Dentons	1221 Avenue of the Americas
159,306	WeWork	12 East 49th Street
82,442	ICAP	4 Times Square
38,660	Raymond James & Associates	350 Park Avenue

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

Source: CBRE Research, September 2016.

MAJOR NEW AVAILABILITIES

- 222,000 sq. ft. of Avon Products, Inc. sublet space at 777 Third Avenue
- 110,000 sq. ft. of direct space at 500 Fifth Avenue*
- 65,000 sq. ft. of direct space at 220 East 42nd Street*
- 44,000 sq. ft. of direct space at 200 Park Avenue
- 43,000 sq. ft. of Altegrity sublet space at 600 Third Avenue

* This space was already on the market, but has now fallen within 12 months of tenant possession and therefore was added to statistics.

For more information, please contact:

Mike Slattery at +1 212 656 0583 or michael.slattery@cbre.com

Beau Garrido at +1 212 984 8153 or beau.garrido@cbre.com

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