

Midtown South Manhattan Office, November 2016

Leasing on par with five-year monthly average

Figure 1: Midtown South Market Activity

	Oct. 2016	Sep. 2016	Oct. 2015	YTD 2015	YTD 2016
Leasing Activity	0.43 MSF	0.15 MSF	0.37 MSF	4.89 MSF	3.62 MSF
Absorption	(0.15) MSF	(0.14) MSF	0.14 MSF	0.56 MSF	(1.23) MSF
Availability Rate	9.2%	9.0%	7.8%		
Vacancy Rate	6.3%	6.3%	5.0%		
Average Asking Rent	\$69.34 PSF	\$69.13 PSF	\$70.76 PSF		
Taking Rent Index	92.5%	95.4%	98.7%		

Source: CBRE Research, November 2016.

MARKET HIGHLIGHTS

- Monthly leasing activity totaled 431,000 sq. ft., on par with its five-year monthly average.
- Year-to-date leasing activity is down 26% compared to the same period last year.
- The availability rate was up 20 basis points (bps) from last month and 140 bps from one year ago.
- Net absorption was negative 146,000 sq. ft. in October, bringing the year-to-date total to negative 1.23 million sq. ft.
- The average asking rent was virtually unchanged over the past month and down 2% from October 2015.
- Sublease availability was 2.3%, with an average asking rent of \$58.98, up 8% year-over-year.

Figure 2: Top Lease Transactions

Size (Sq. Ft.)	Tenant	Address
83,084 (R)	ZocDoc	568 Broadway
26,070	LittleThings	21 Penn Plaza
25,173 (E)	PayPal	95 Morton Street
20,000 (R)	Birch Family Services	104 West 29th Street
17,255	Industrious	215 Park Avenue South

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

Source: CBRE Research, November 2016.

MAJOR NEW AVAILABILITIES

- 81,000 sq. ft. of New York Magazine sublet space at 1 Hudson Square
- 52,000 sq. ft. of direct space at 50 West 23rd Street
- 40,000 sq. ft. of direct space at 477 Broadway
- 36,000 sq. ft. of Eaton & Van Winkle LLP sublet space at 3 Park Avenue
- 36,000 sq. ft. of Elizabeth Arden sublet space at 200 Park Avenue South

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