

		Oct 2016	Sep 2016	Oct 2015
Average Asking Rent (\$/sf/yr)	Midtown	\$83.17	\$83.49	\$80.55
	Midtown South	\$68.42	\$67.54	\$64.75
	Downtown	\$58.94	\$58.83	\$57.31
	Manhattan	\$73.98	\$73.85	\$70.66
Availability Rate	Midtown	11.0%	10.6%	9.8%
	Midtown South	8.2%	7.9%	7.6%
	Downtown	12.0%	11.7%	13.3%
	Manhattan	10.3%	10.0%	9.8%
Leasing Activity (MSF - monthly)	Midtown	1.40	0.83	1.52
	Midtown South	0.42	0.85	1.25
	Downtown	0.23	0.31	0.45
	Manhattan	2.05	1.98	3.22

MANHATTAN



Manhattan leasing activity was up 3.5% (to 2.05 MSF) since September. Leasing was off by more than one-third year-over-year, however. October leasing was led by Major League Baseball's 386,000 SF relocation to 1271 Avenue of the Americas and the National Basketball Association's 177,000 SF renewal at 645 Fifth Avenue. The availability rate increased by 0.3pp (percentage points) to 10.3% with newly available space at both new construction (412 West 15th Street and 540 West 26th Street) and in existing building inventory (32 Old Slip, 237 Park Avenue and 399 Park Avenue). Absorption was negative 1.56 MSF. Manhattan's average asking rent was up slightly to \$73.98/ SF from September's \$73.85/ SF.

MIDTOWN



Midtown leasing activity jumped nearly 70.0% (to 1.40 MSF) month-over-month with large leases by the NBA and MLB. Year-over-year, monthly leasing was 8.2% below this same point last year. Availability increased 0.4pp to 11.0% for the highest monthly availability rate since March 2015. Large sublets by JPMorgan Chase at 237 Park Avenue and 245 Park Avenue (292,000 SF total) along with 171,000 SF of former Citigroup space at 399 Park Avenue were added to Midtown's inventory. Absorption was negative 0.75 MSF. The average asking rent was down a nominal 0.4% to \$83.17/ SF. Above-average pricing at 399 Park Avenue and 717 Fifth Avenue (126,000 SF) was counter-balanced by below-average asking rents for the JPMorgan Chase sublets.

MIDTOWN SOUTH



At 0.42 MSF, monthly leasing in Midtown South was down by more than 50.0%. Leasing was lower by nearly two-thirds compared to October 2015. In this supply constrained market, TTC USA Consulting's 28,000 SF new lease at 10 East 34th Street was October's largest lease and just one of two leases greater than 25,000 SF. Availability was up slightly (0.3pp to 8.2%) with new construction at 412 West 15th Street (130,000 SF) and 540 West 26th Street (67,000 SF). This small uptick resulted in the highest monthly availability rate in two years. Absorption was negative 0.53 MSF. Asking rents were up 1.3% to \$68.42/ SF with above-average pricing for new construction.

DOWNTOWN



Month-over-month, October leasing activity Downtown declined by more than one-fourth to 0.23 MSF, the lowest level of monthly leasing since April 2015. Year-over-year, leasing was nearly half of the 0.45 MSF in October 2015. Office Space Solutions' 44,000 SF renewal/expansion at 40 Wall Street was one of only two leases to close in October greater than 25,000 SF. Availability increased by 0.3pp to 12.0% after 360,000 SF of available space was listed at 32 Old Slip (AIG and Hudson River Trading). Absorption was negative 0.28 MSF. The average asking rent increased to \$58.94/ SF – up 0.2% – since September with above-average pricing for most of the newly listed blocks at 32 Old Slip.

Address	SF Leased	Tenant	Market	Lease Type
1271 Avenue of the Americas	385,742	Major League Baseball	Midtown	New
645 Fifth Avenue	176,711	National Basketball Association	Midtown	Renewal
12 East 49th Street	78,815	WeWork	Midtown	Expansion
55 West 46th Street	66,297	Nixon Peabody	Midtown	New
311 West 43rd Street	63,762	WeWork	Midtown	New