

# Downtown Manhattan Office

## MarketView Snapshot

August 2014

CBRE Global Research and Consulting

### Market Activity

Downtown	Jul 2014	Jun 2014	Jul 2013	YTD 2014	YTD 2013
Leasing Activity	0.57 MSF	0.56 MSF	0.58 MSF	4.08 MSF	3.04 MSF
Absorption	0.50 MSF	0.15 MSF	0.26 MSF	0.56 MSF	(1.03) MSF
Availability Rate	12.2%	12.7%	15.5%		
Vacancy Rate	9.6%	10.2%	6.5%		
Average Asking Rent	\$49.16 PSF	\$49.04 PSF	\$46.57 PSF		
Taking Rent Index	94.3%	92.4%	90.2%		

### Hot Topics

- Downtown's large deals continued to drive the market, with 566,000 sq. ft. of leasing recorded during July, which was 37% higher than the five-year monthly average of 413,000 sq. ft. Notably, all five top transactions were new leases and without any renewal components.
- Year-to-date leasing totaled 4.08 million sq. ft., 34% higher than the 3.04 million sq. ft. total at the same point in 2013.
- Six consecutive months of positive absorption kept year-to-date net absorption in positive territory.
- The availability rate Downtown continued to improve, ending July at 12.2%, down from 12.7% in June and 15.5% one year ago.
- The average asking rent finished July at \$49.16 per sq. ft., up slightly from \$49.04 per sq. ft. in June.
- The average asking rent was up 6% compared to \$46.57 per sq. ft. reported one year ago.

### Top Lease Transactions

Size (Sq. Ft.)	Tenant	Address
117,091	Jane Street Group, LLC	250 Vesey Street
103,131	MediaMath, Inc.	4 World Trade Center
55,667 <sup>(E)</sup>	The New York County District Attorney's Office	250 Vesey Street
36,985	Center for Reproductive Rights	199 Water Street
27,409	Gordon & Rees, LLP	1 Battery Park Plaza

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

### Major New Availabilities

- 37,000 sq. ft. of direct space at 17 Battery Place South
- 25,000 sq. ft. of Lighttower Fiber Networks sublease space at 55 Broad Street
- 23,000 sq. ft. of direct space at 17 Battery Place North
- 23,000 sq. ft. of direct space at 40 Rector Street
- 22,000 sq. ft. of direct space at 100 William Street\*

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

Source: CBRE Research, August 2014.

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### Definitions

#### Availability

Space that is being actively marketed and is available for tenant build-out within 12 months. Includes space available for sublease as well as space in buildings under construction.

#### Asking Rent

Asking gross "face" rents (excluding all concessions and tenant electric).

#### Leasing Activity

Total amount of square feet leased within a specified period of time, including pre-leasing and purchases of space for occupancy and excluding renewals.

#### Net Absorption

The change in the amount of occupied square feet within a specified period of time, as measured by available square feet.

#### Taking Rent

Actual initial base rent in a lease agreement (excluding all concessions and tenant electric).

#### Taking Rent Index

Initial taking rents (actual initial base rent excluding all concessions and tenant electric) as a percentage of asking rents; index represents a six-month rolling weighted average (for size and month).

#### Vacancy

Unoccupied space available for lease.

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