

Q3 2023 Manhattan Office Figures

Positive absorption pushes availability rate down quarter-over-quarter

Manhattan

- Leasing activity totaled 4.30 million sq. ft. in Q3, 22% behind the five-year quarterly average of 5.54 million sq. ft.
- Year-to-date leasing activity totaled 12.55 million sq. ft., down 33% from the same time last year.
- Renewals totaled 1.66 million sq. ft. in Q3, bringing the year-to-date total to 4.44 million sq. ft.
- The availability rate was down 10 basis points (bps) from last quarter at 19.8% but was up 100 bps from a year ago.
- Net absorption was positive 323,000 sq. ft. in Q3, bringing the year-to-date total to negative 2.42 million sq. ft.
- At \$76.38 per sq. ft., the average asking rent was down 1% quarter-over-quarter but flat year-over-year.
- The sublease availability rate was down 20 bps from last quarter at 4.9%, with the average asking rent down 4% from one year ago to \$56.56 per sq. ft.

Midtown

- Leasing activity totaled 2.87 million sq. ft. in Q3, 16% behind the five-year quarterly average of 3.40 million sq. ft.
- Year-to-date leasing activity totaled 7.92 million sq. ft., down 35% from the same time last year.
- Renewals totaled 1.27 million sq. ft. in Q3, bringing the year-to-date total to 2.86 million sq. ft.
- The availability rate was down 40 basis points (bps) from last quarter at 18.1% but was up 70 bps from a year ago.
- Net absorption was positive 867,000 sq. ft. in Q3, bringing the year-to-date total to positive 329,000 sq. ft.
- At \$82.68 per sq. ft., the average asking rent was flat both quarter-over-quarter and year-over-year.
- The sublease availability rate was down 20 bps from last quarter at 4.3%, with the average asking rent down 6% from one year ago to \$59.74 per sq. ft.

Midtown South

- Leasing activity totaled 814,000 sq. ft. in Q3, 29% behind the five-year quarterly average of 1.14 million sq. ft.
- Year-to-date leasing activity totaled 2.38 million sq. ft., down 44% from the same time last year.
- Renewals totaled 132,000 sq. ft. in Q3, bringing the year-to-date total to 593,000 sq. ft.
- The availability rate was up 50 basis points (bps) from last quarter at 21.7% and was up 250 bps from a year ago.
- Net absorption was negative 406,000 sq. ft. in Q3, bringing the year-to-date total to negative 2.44 million sq. ft.
- At \$81.73 per sq. ft., the average asking rent was down 1% quarter-over-quarter but flat year-over-year.
- The sublease availability rate was up 10 bps from last quarter at 4.9%, with the average asking rent down 8% from one year ago to \$60.87 per sq. ft.

Downtown

- Leasing activity totaled 620,000 sq. ft. in Q3, 37% behind the five-year quarterly average of 992,000 sq. ft.
- Year-to-date leasing activity totaled 2.25 million sq. ft., down 4% from the same time last year.
- Renewals totaled 254,000 sq. ft. in Q3, bringing the year-to-date total to 984,000 sq. ft.
- The availability rate was up 20 basis points (bps) from last quarter at 22.8% and was up 30 bps from a year ago.
- Net absorption was negative 137,000 sq. ft. in Q3, bringing the year-to-date total to negative 309,000 sq. ft.
- At \$57.19 per sq. ft., the average asking rent was down 1% quarter-over-quarter but flat year-over-year.
- The sublease availability rate was flat from last quarter at 6.9%, with the average asking rent up 2% from one year ago to \$48.02 per sq. ft.