

2Q23

New York City Office Market Overview



NEWMARK

Market Observations

New York City office-using employment is up 12.3% from the April 2020 pandemic low. TAMI employment is down 1.9% since mid-2022.

The overall availability rate rose 40 BPS to 19.5% as 19 large block additions came to market in the second quarter.

There is 22.3 MSF currently available for sublease. TAMI accounts for nearly half of the sublease space added to the market since 2020.

Manhattan leasing totaled 12.3 MSF in the first half of 2023, well below the long-term average of 18.6 MSF.



Midtown accounted for 70% of the activity during the first half of 2023 as 75% of Midtown leasing occurred in class A assets.

Leasing from tenants in the FIRE industries has grown from 27% in 2018 to 42% in 2023.

Taking rents in top tier buildings remain elevated while the rent delta between class A and B buildings continues to expand.

Concessions are 20% to 30% higher than 2018-2019, with ranges varying based on market and taking rents.

There is just 1.8 MSF in pending construction deliveries, the lowest pending total since prior to 2018.

2Q23

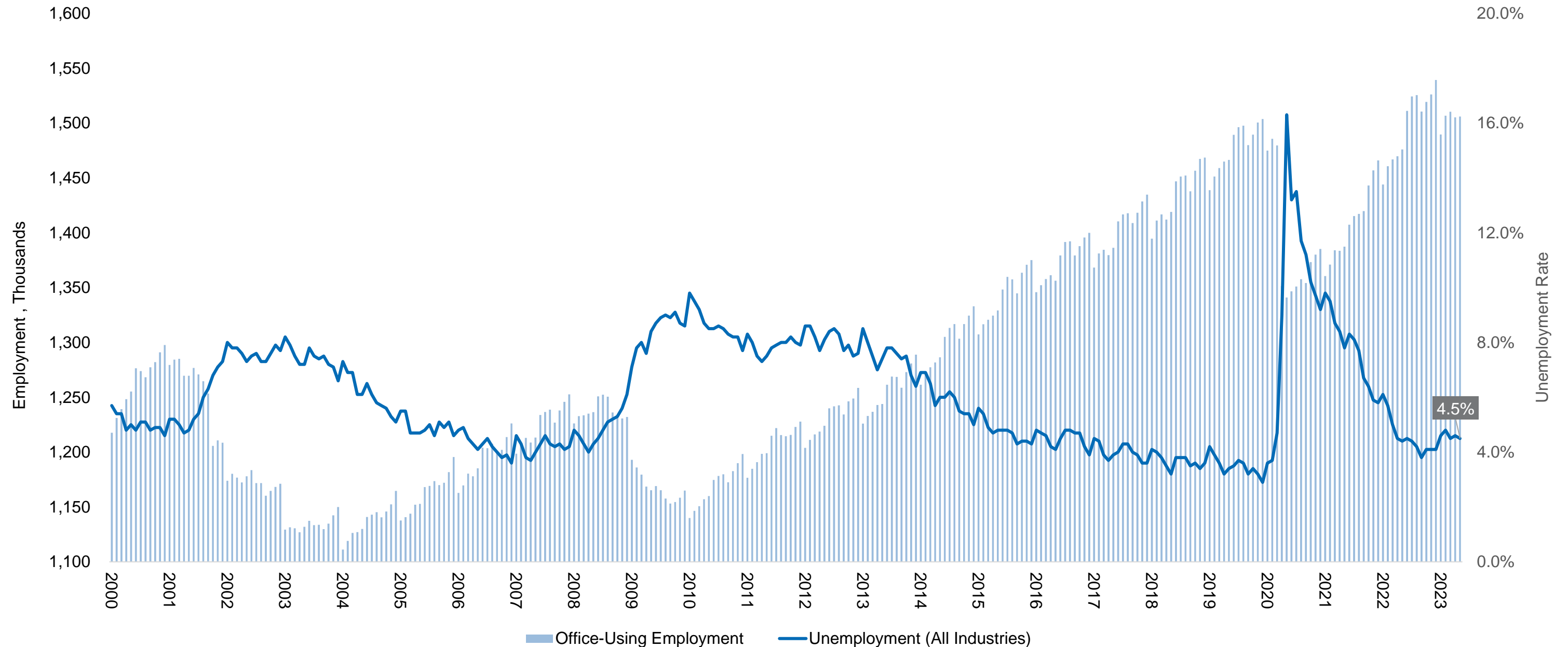
Manhattan Overview



Overall Office-Using Employment Has Rebounded

May 2023 New York City office-using employment is up 12.3% from the pandemic low in May 2020, but 2.2% below the 2022 peak.

Office-Using Employment* and Unemployment Across All Industries



Source: U.S. Bureau of Labor Statistics, New York City

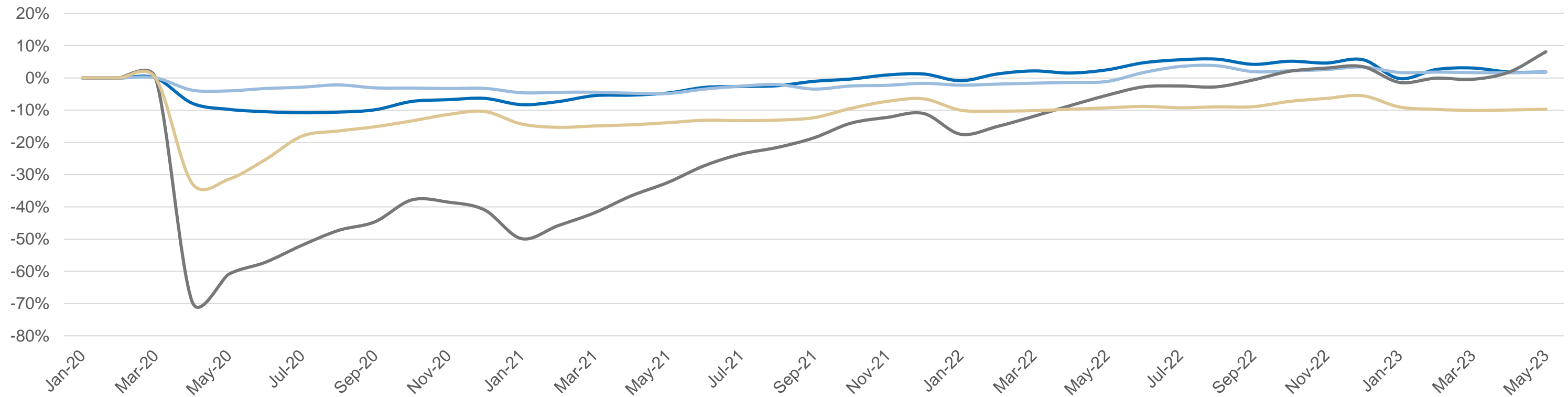
Note: May 2023 data is preliminary.

*Office-using employment includes employment in the following industry sectors: Professional & Business Services, Financial Activities and Information.

New York City Employment

There were a significant number of layoffs in the Information sector, leading to a decline in employment figures for the TAMI sector. As tourism continues to recover accommodation and food services boasted the most significant shift, up 4.5%, since the previous 2022 peak.

New York City Employment Percent Change Since Pandemic



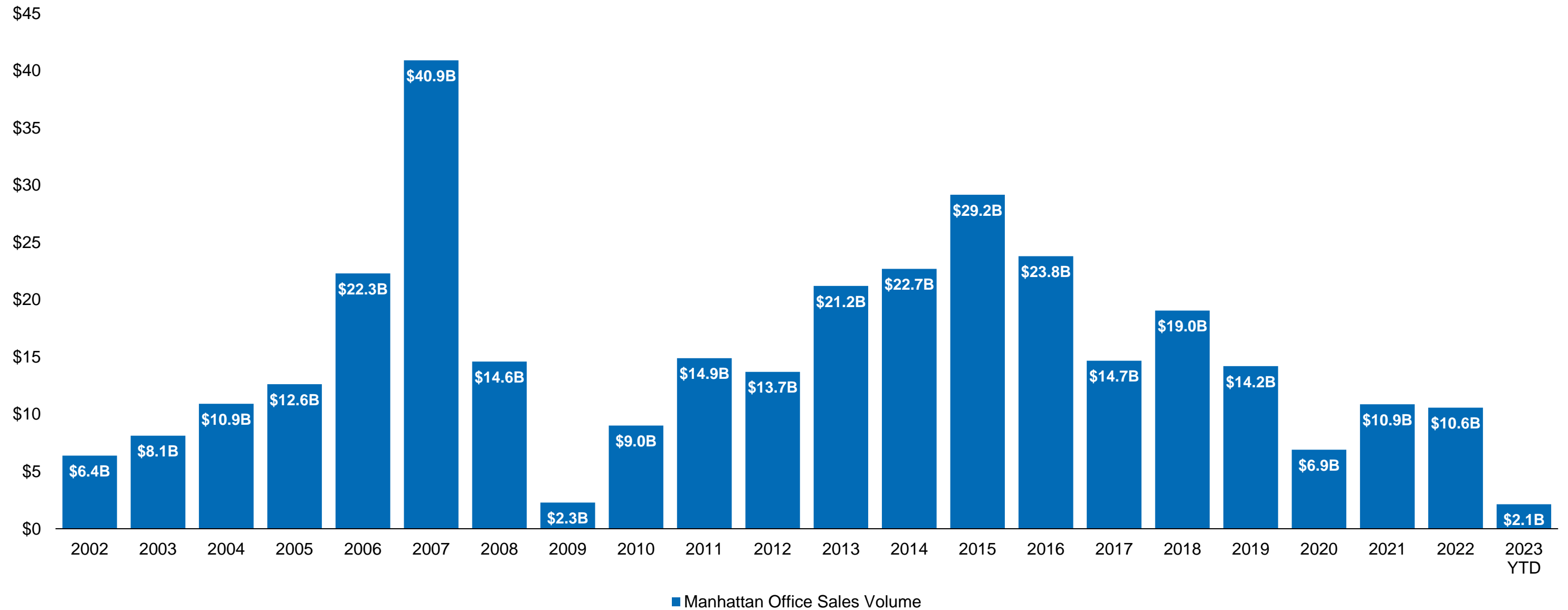
	Current Employment (Thousands)	Change Since February 2020	Change Since April 2020	Change Since 2022 Peak
TAMI	404.2	2.4%	10.5%	-3.8%
FINANCIAL SERVICES	491.3	1.4%	5.8%	-1.9%
ACCOMMODATION AND FOOD SERVICES	369.5	1.7%	252.9%	4.5%
RETAIL TRADE	301.8	-11.1%	34.1%	-4.4%

Source: Newmark Research

Office Sales Volume Analysis

Manhattan office sales volume totaled just \$2.1B through the first six months of 2023. Notable economic headwinds, concern regarding the return to office, and looming debt maturities in an unfriendly interest rate environment have investors taking a “wait and see” approach to the asset class.

Manhattan Sales Volume (\$ in Billions)

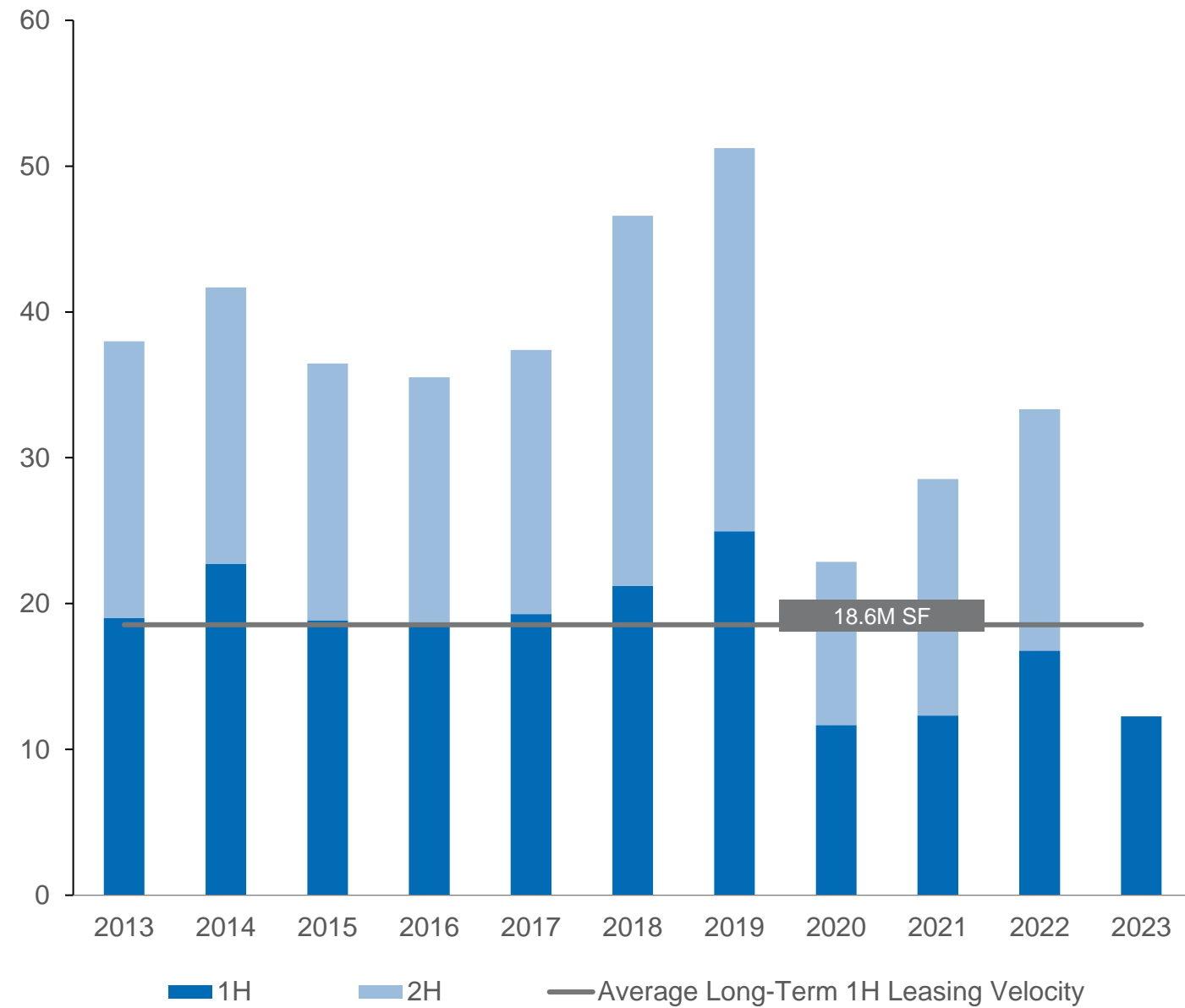


Source: Newmark Research, RCA

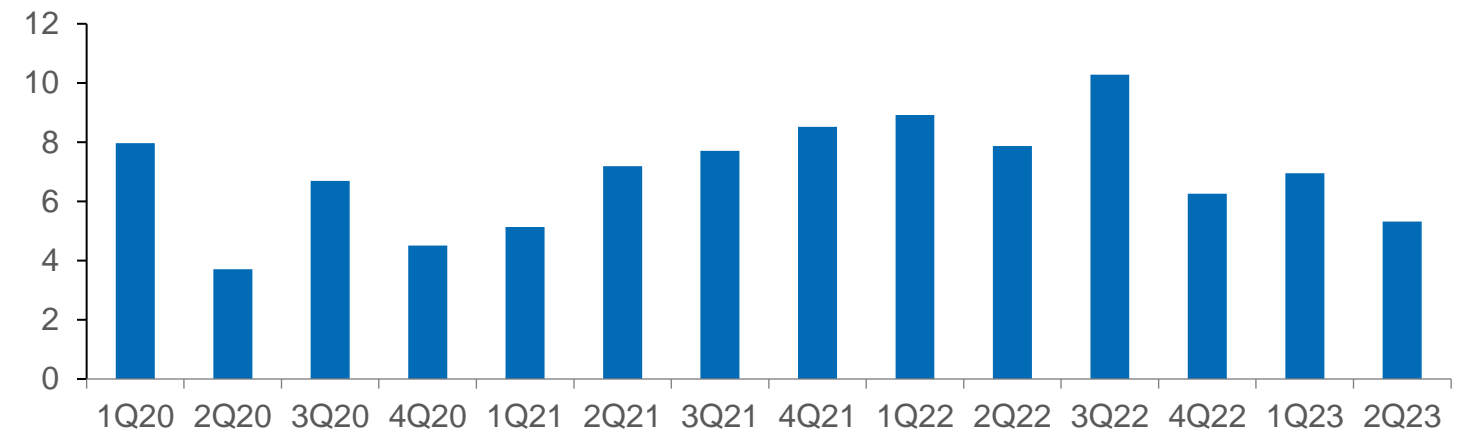
Leasing Velocity

Second quarter activity reached 5.3 MSF bringing year-to-date leasing to 12.3 MSF, with Midtown accounting for 70.8% of 2023 activity. First half activity is 26.9% less than the total from the first six months of 2022.

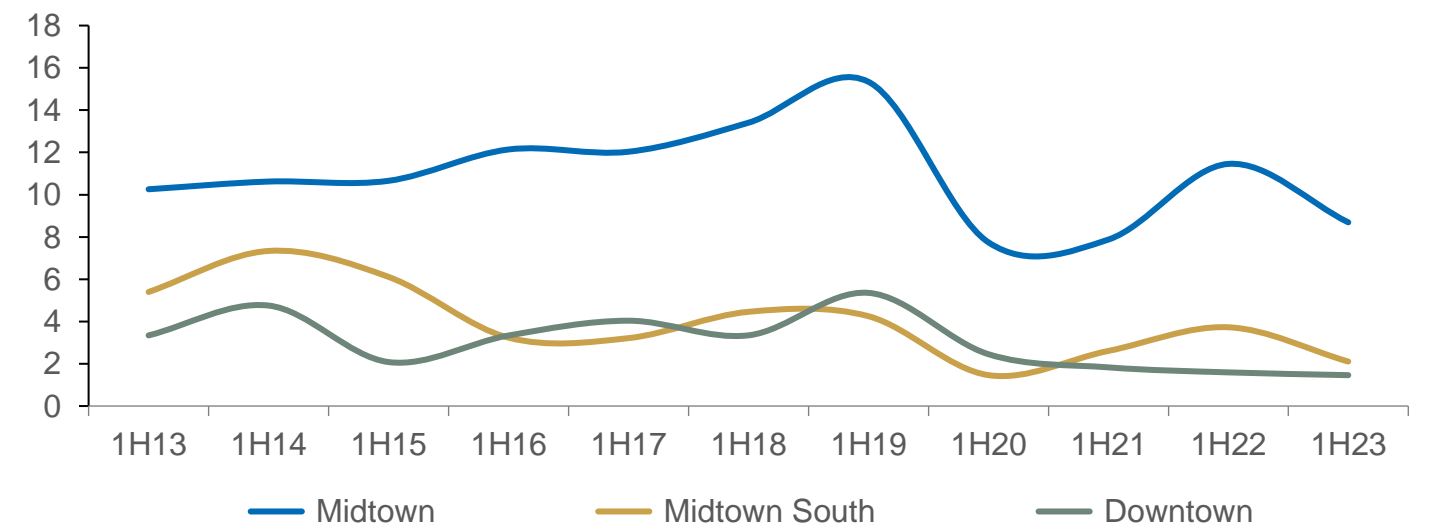
Manhattan Leasing Activity (MSF)



Manhattan Quarterly Leasing (MSF)

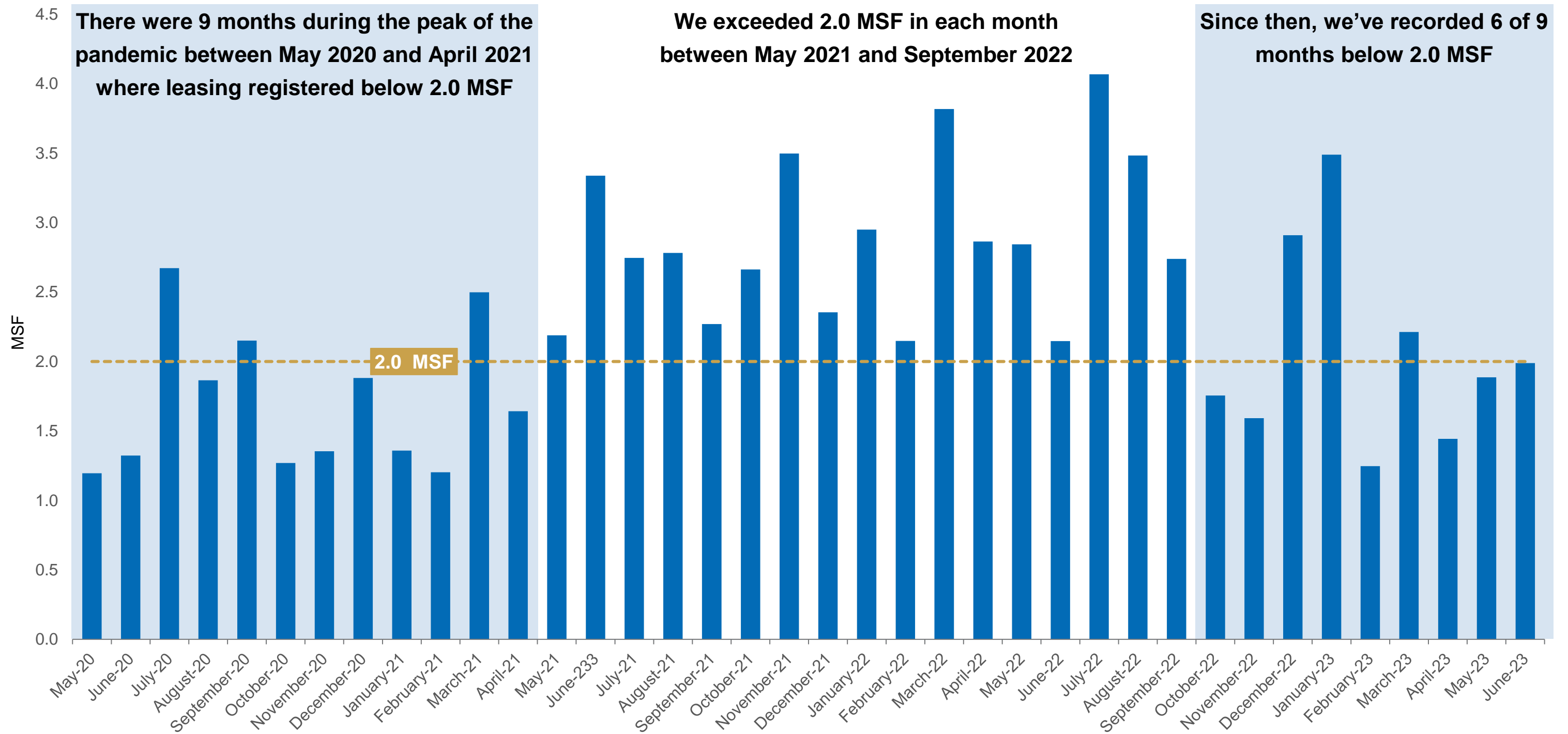


YTD Leasing by Market (MSF)



Source: Newmark Research

Manhattan Monthly Leasing Activity

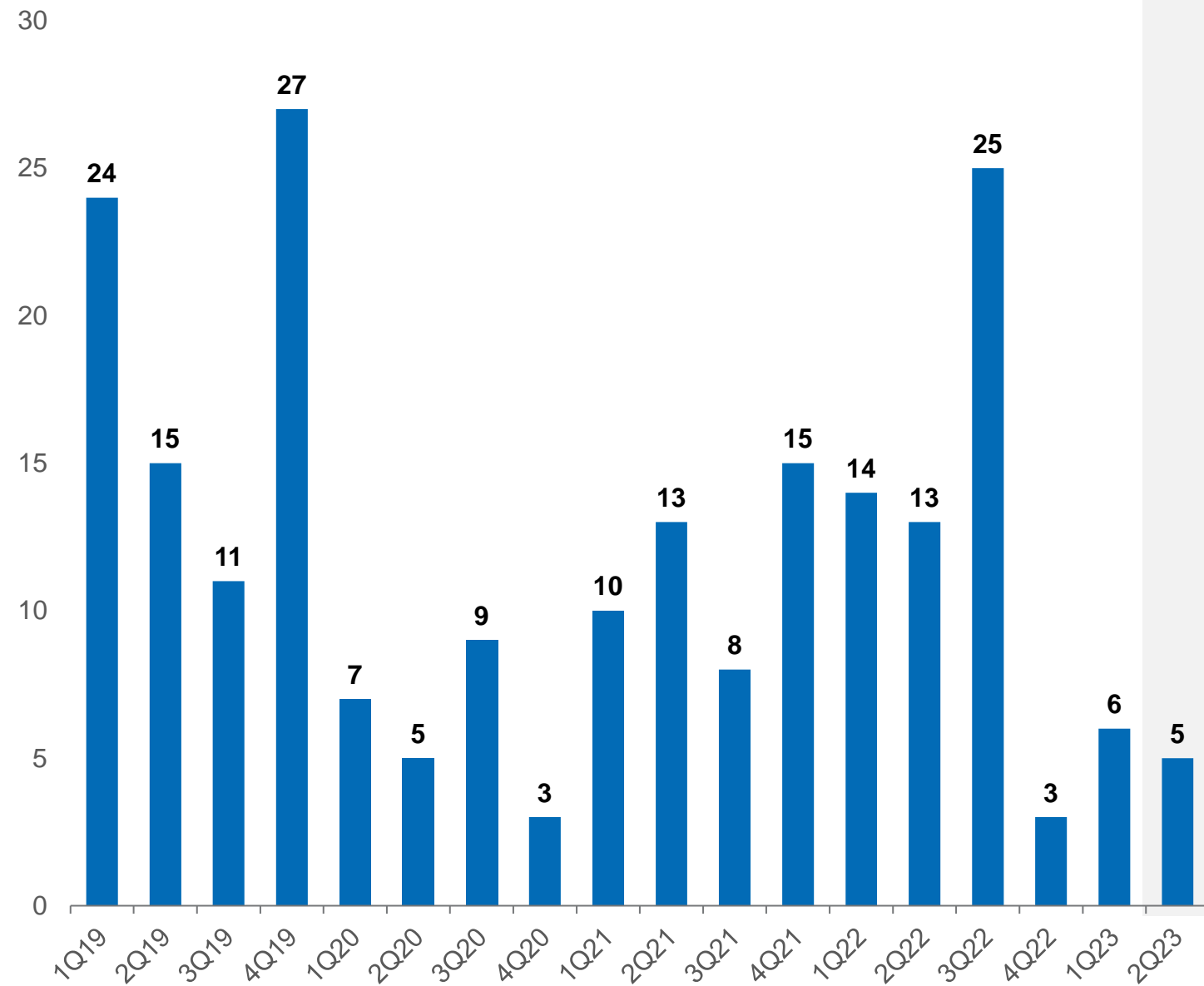


Source: Newmark Research

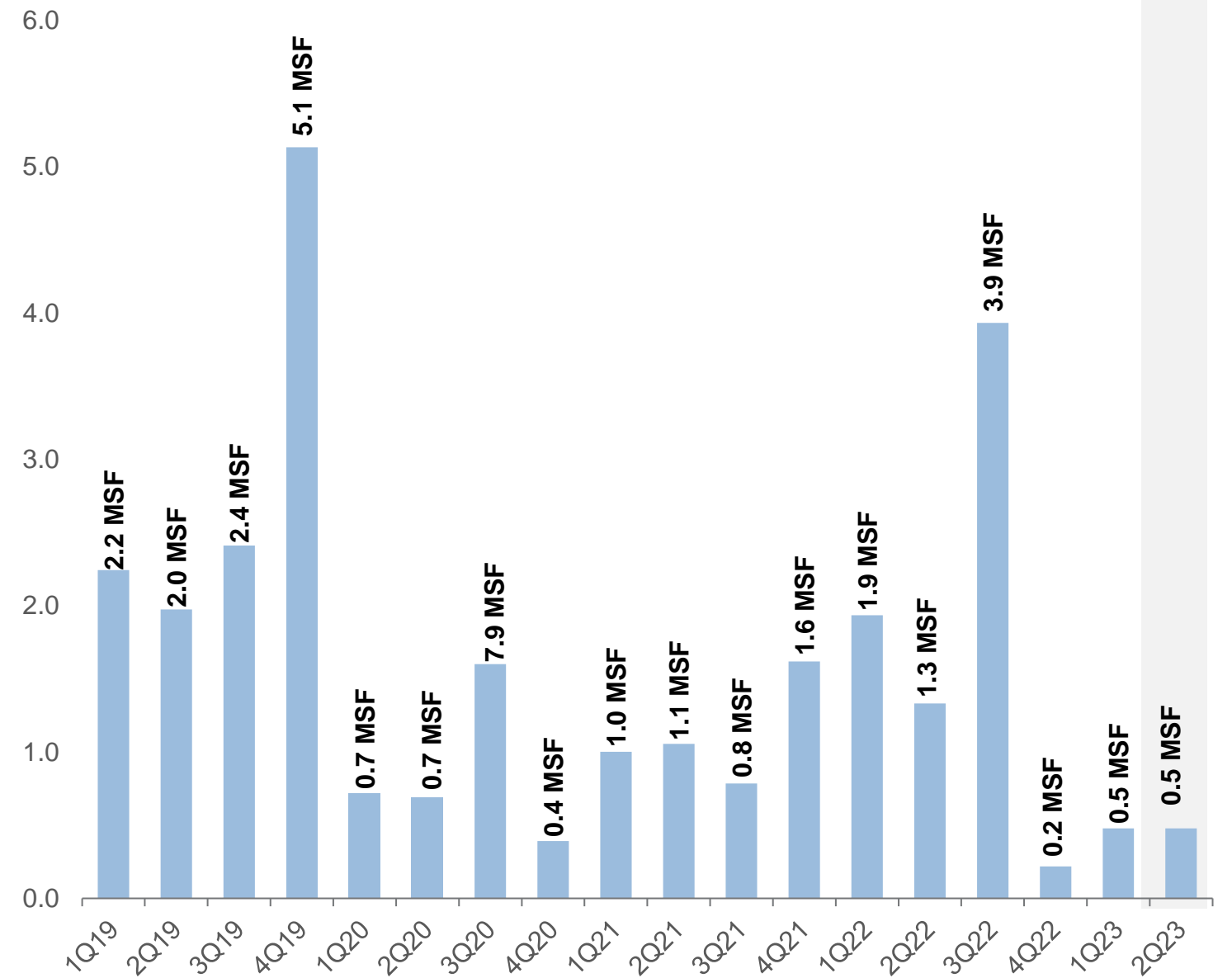
Large Relocations Remain Scarce

There have been just 11 true relocations exceeding 50,000 SF through the second quarter, one less than the first half of 2020. The scarcity of large relocations has had a dramatic impact on New York City's overall leasing, which has totaled only 1.0 MSF in 2023.

50K+ Relocations by Quarter – # of Deals



50K+ Relocations by Quarter – SF

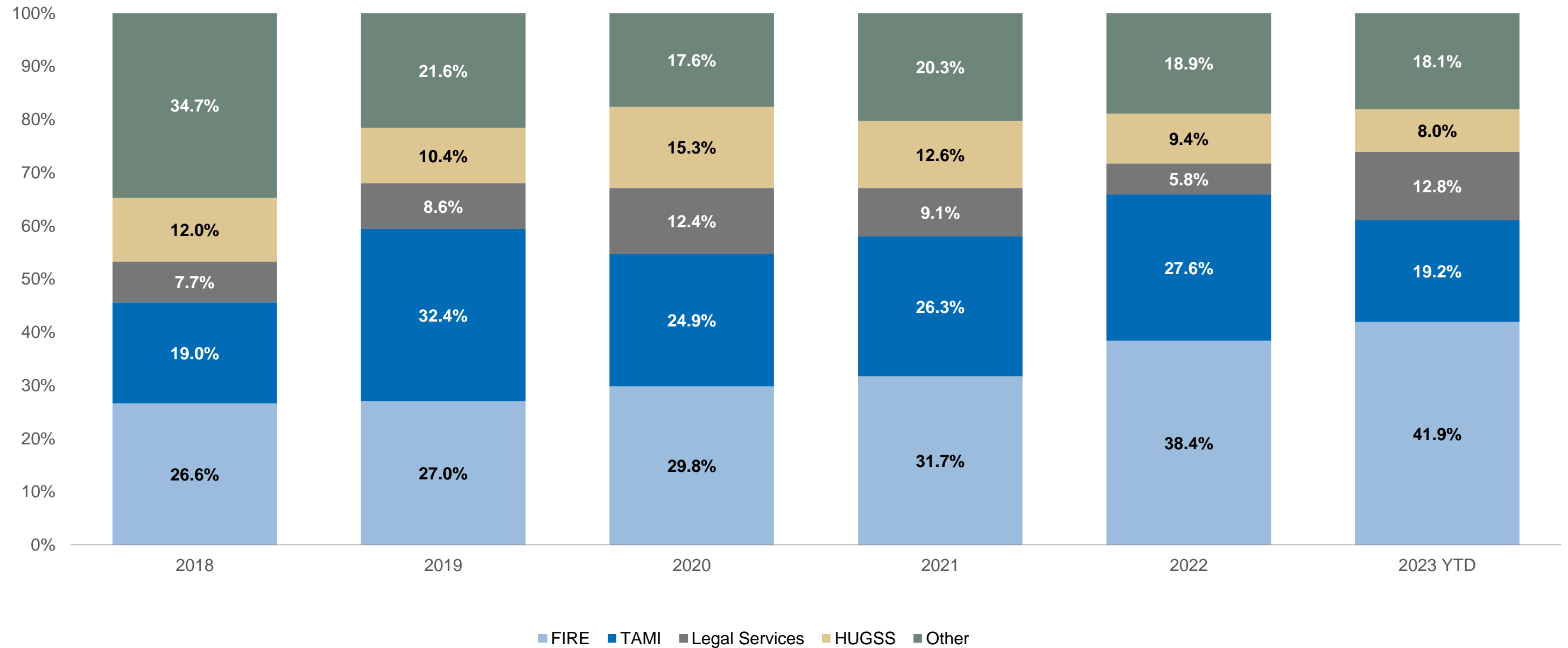


Source: Newmark Research

Leasing by Industry

The percentage of leasing from the FIRE industries has steadily increased over the past five years, reaching 41.9% of year-to-date activity. TAMI leasing accounted for less than 20.0% of activity for the first time since 2018.

Percentage of Leasing by Industry

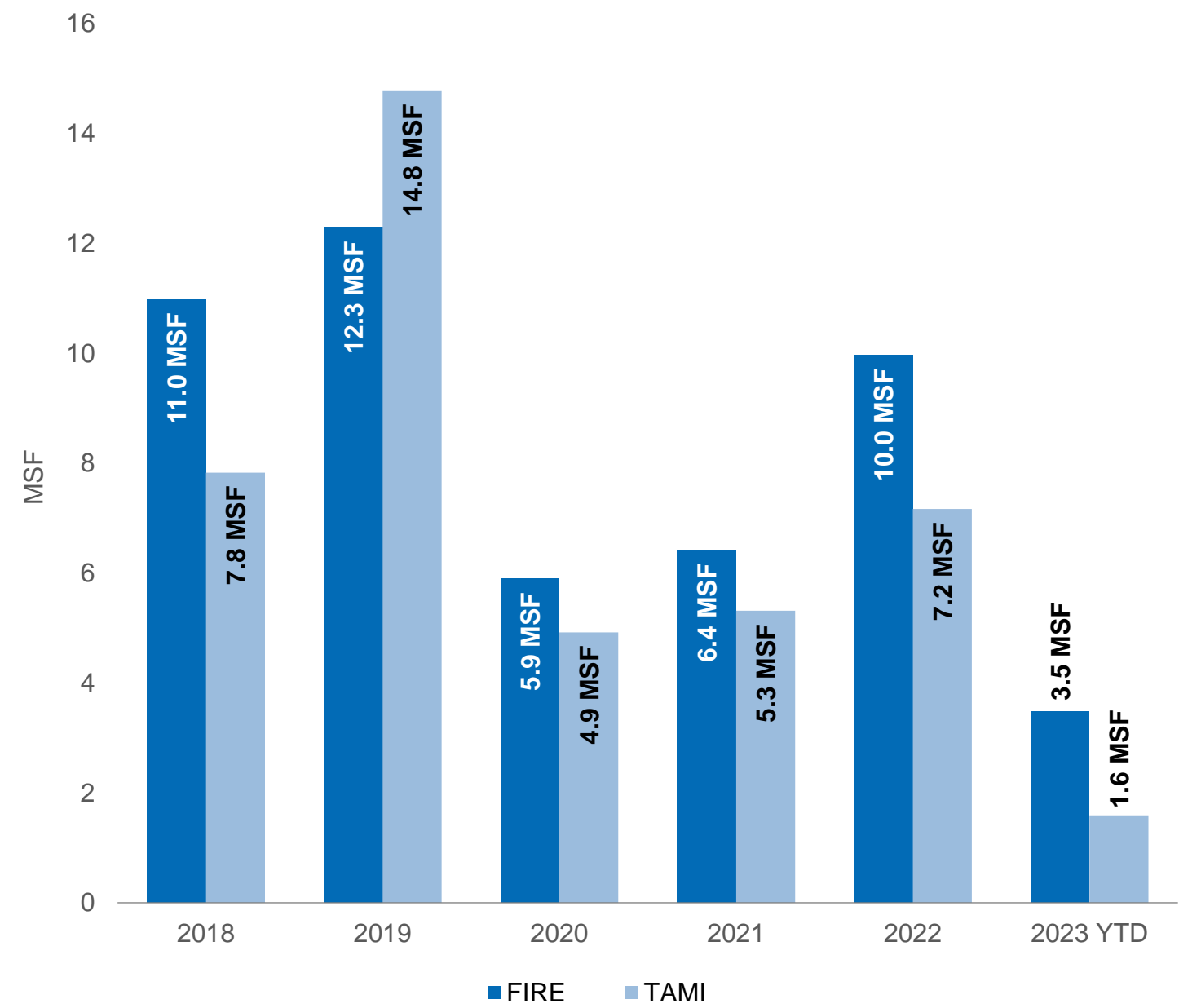


Source: Newmark Research

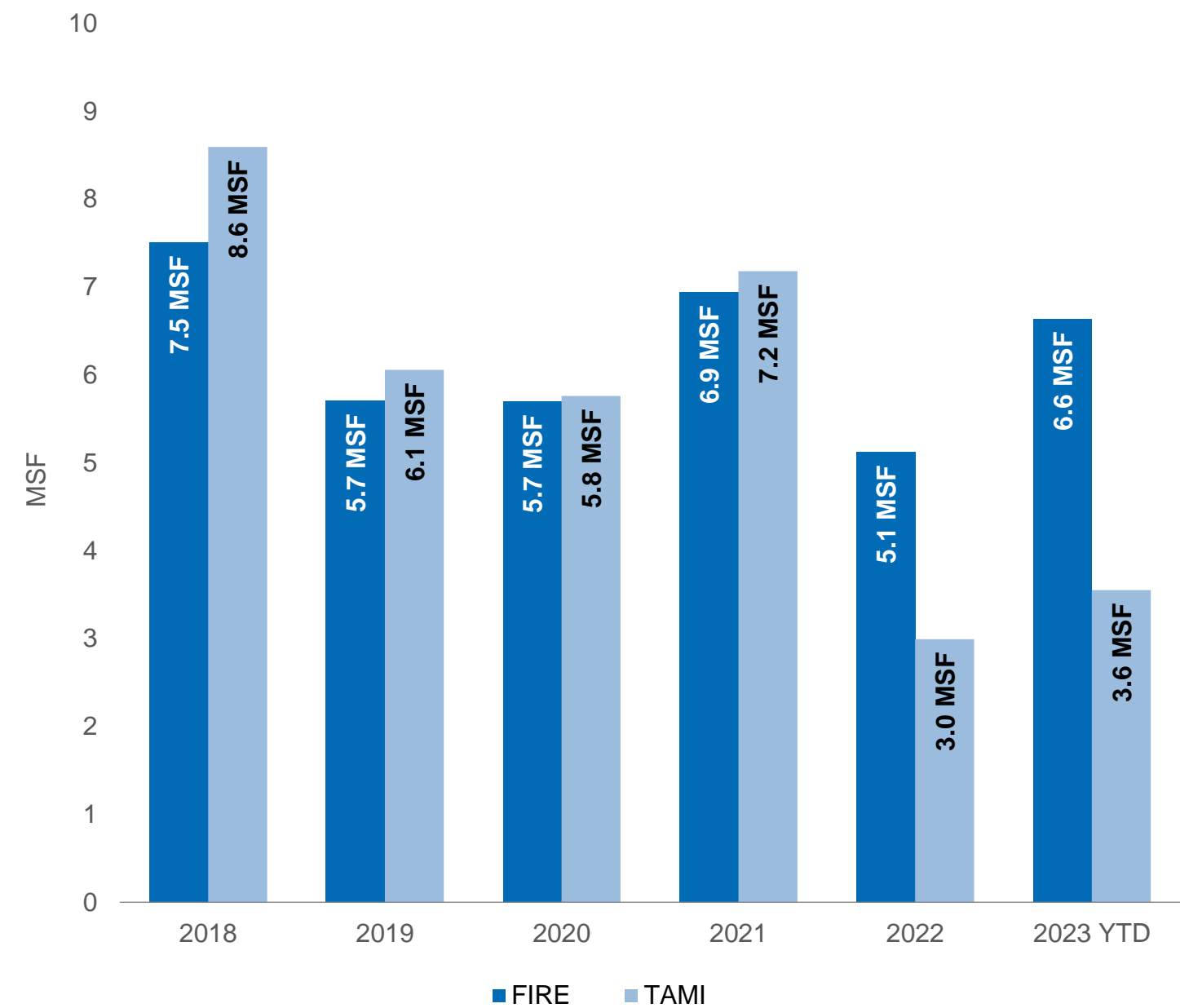
FIRE and TAMI Demand

Leasing in the FIRE industries more than doubled TAMI activity during the first half of 2023. FIRE tenants account for nearly double the active TAMI requirements in the market. As big tech firms continue to announce layoffs and put space on the market for sublease, demand remains muted.

Annual Leasing Activity by Industry



Tenants in the Market by Industry

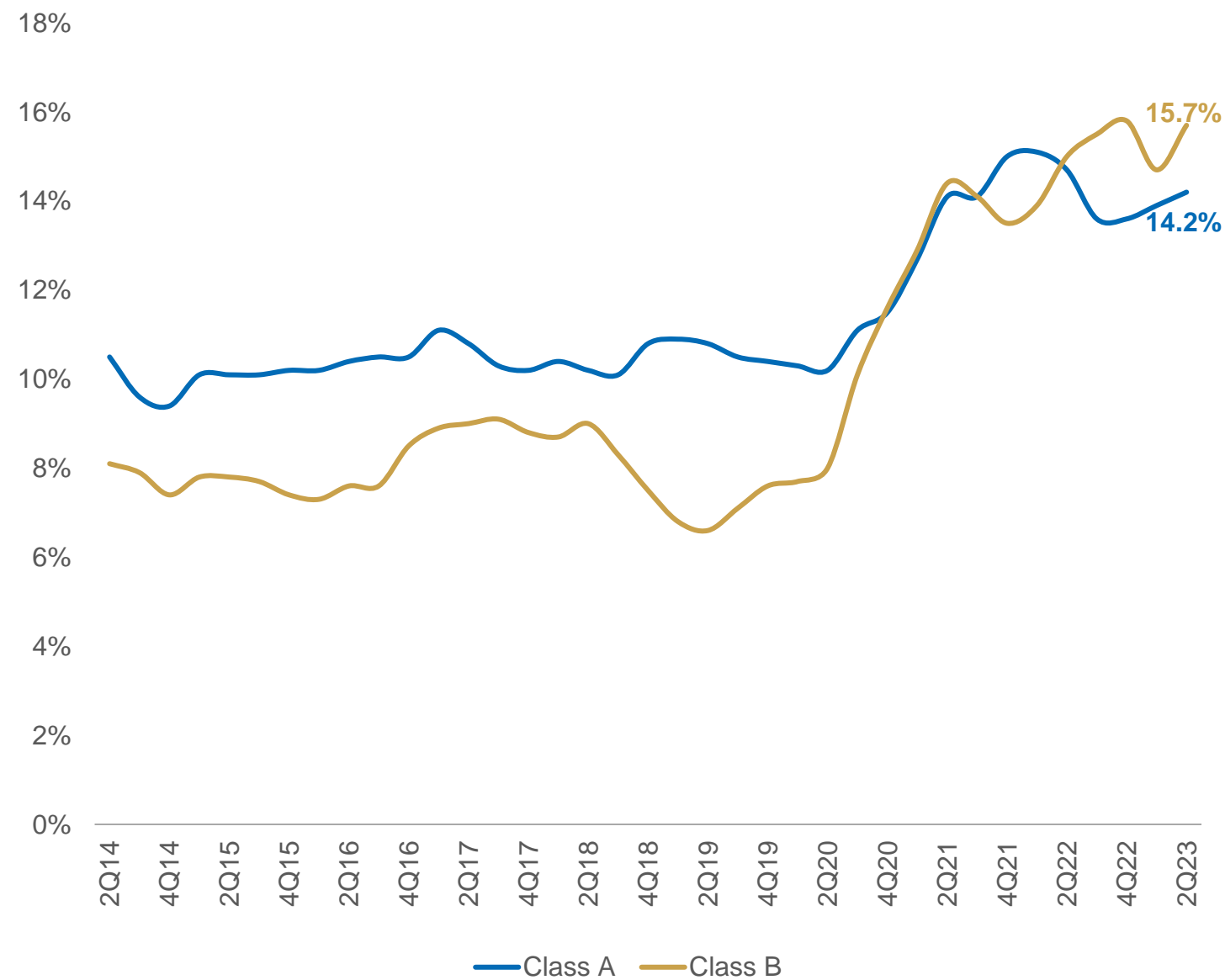


Source: Newmark Research

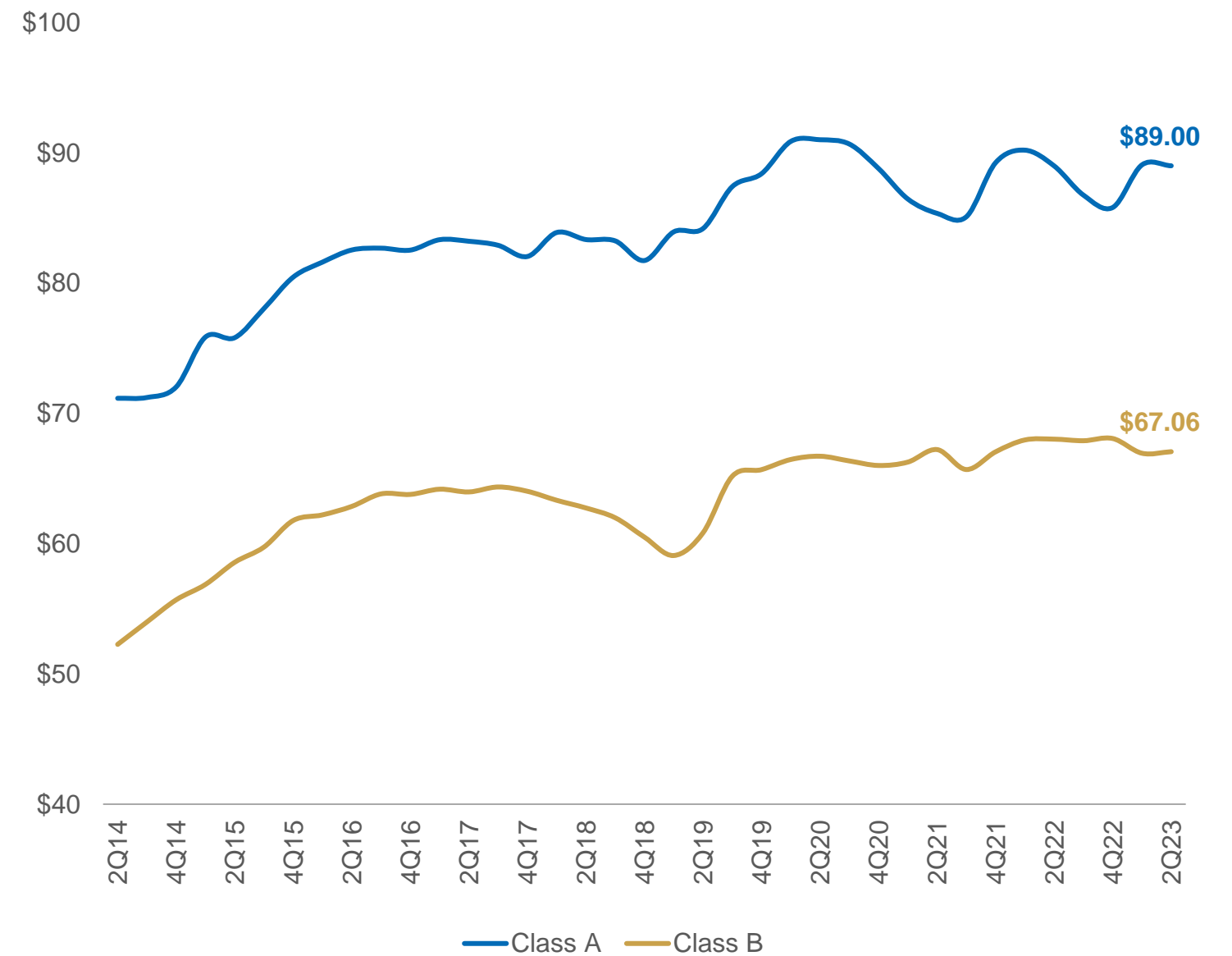
Manhattan Asking Rent & Availability Rate by Class

Historically, the direct availability rate has been higher in class A properties, but in 2020 the class B availability rate surpassed that of Class A. Class B availability increased 100 basis points this quarter, while Class A was up 30 basis points. Additionally, the disparity between direct asking rents in Class A and Class B properties expanded by 10.5% compared to the previous year, as tenants gravitate towards high-quality spaces.

Direct Availability Rate by Class



Direct Asking Rent by Class

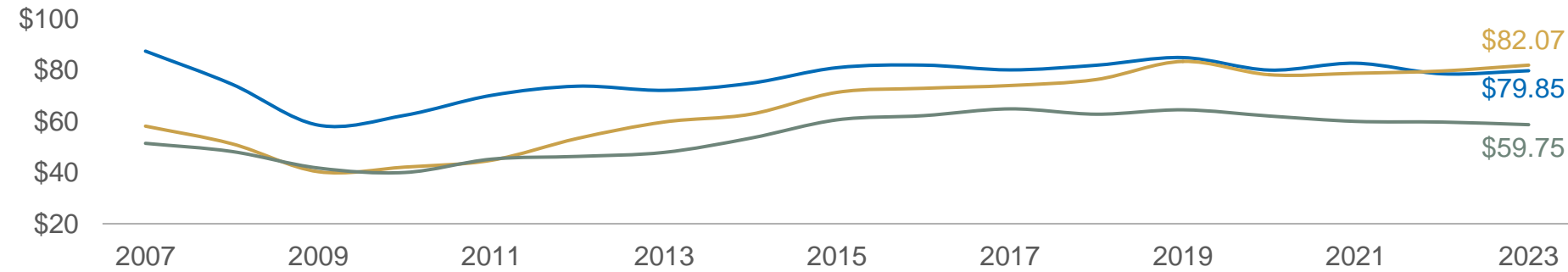


Source: Newmark Research

Rental Rate Trends

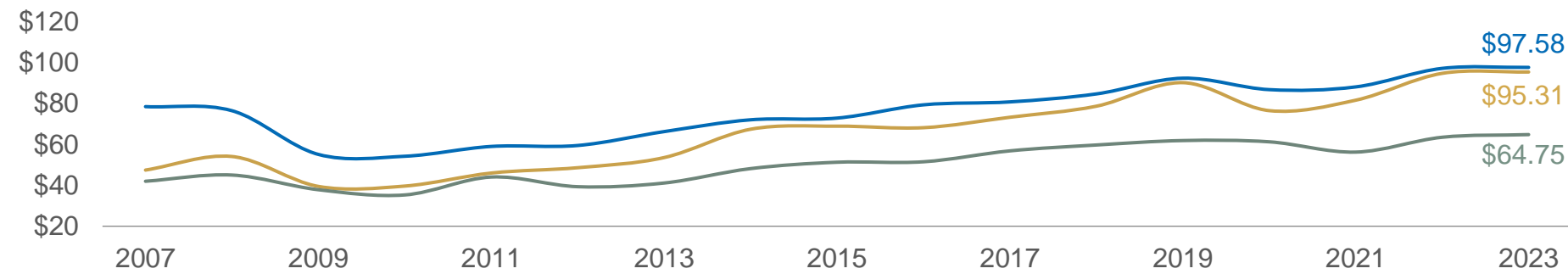
Base taking rents demonstrated year-over-year growth across all major markets, with Midtown and Downtown experiencing an increase in net effective rents. However, net effective rents in Midtown South observed a marginal decline compared to the previous year, driven by a continued rise in concessions.

Asking Rents



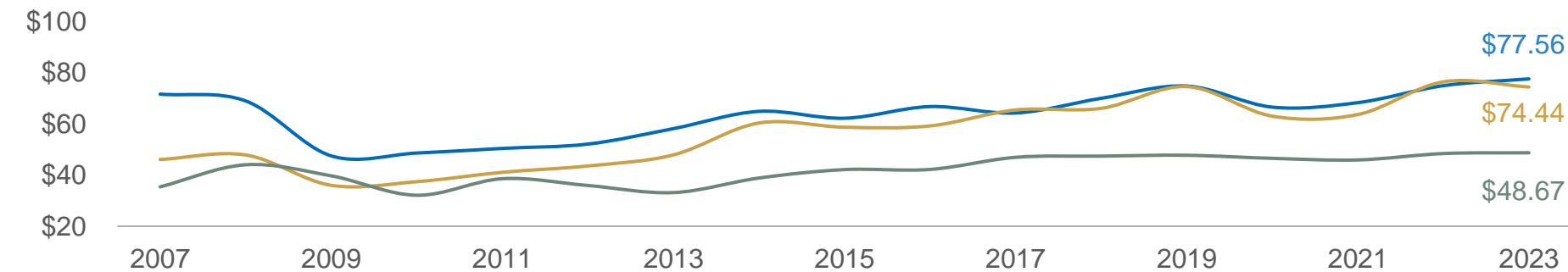
	Year Over Year	Change Since 2019
MIDTOWN	1.5%	-6.1%
MIDTOWN SOUTH	2.9%	-1.7%
DOWNTOWN	-1.7%	-9.0%

Base Taking Rents



	Year Over Year	Change Since 2019
MIDTOWN	0.5%	5.7%
MIDTOWN SOUTH	0.7%	5.8%
DOWNTOWN	2.0%	4.7%

Net Effective Rents



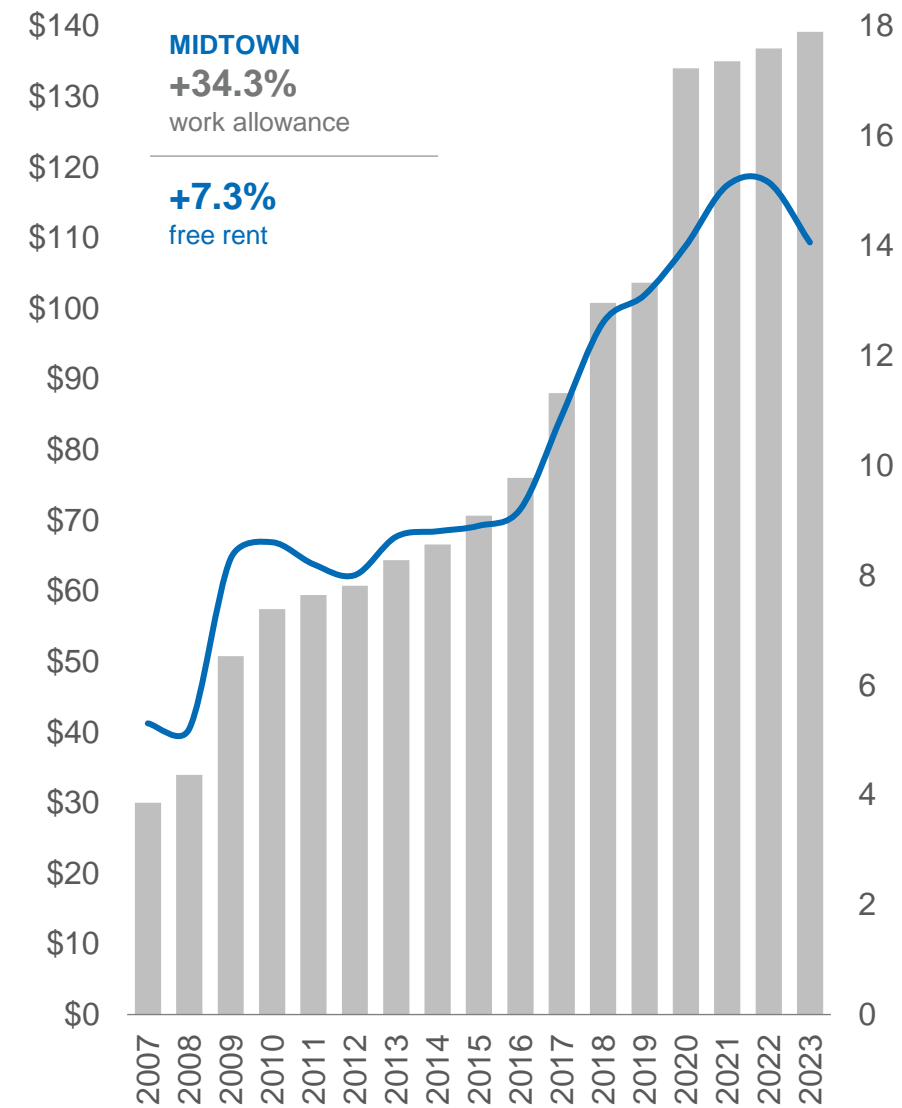
	Year Over Year	Change Since 2019
MIDTOWN	3.6%	3.7%
MIDTOWN SOUTH	-2.6%	-0.2%
DOWNTOWN	0.6%	2.0%

Note: Taking and net effective rents are based on direct deals with 5+ year term
Source: Newmark Research

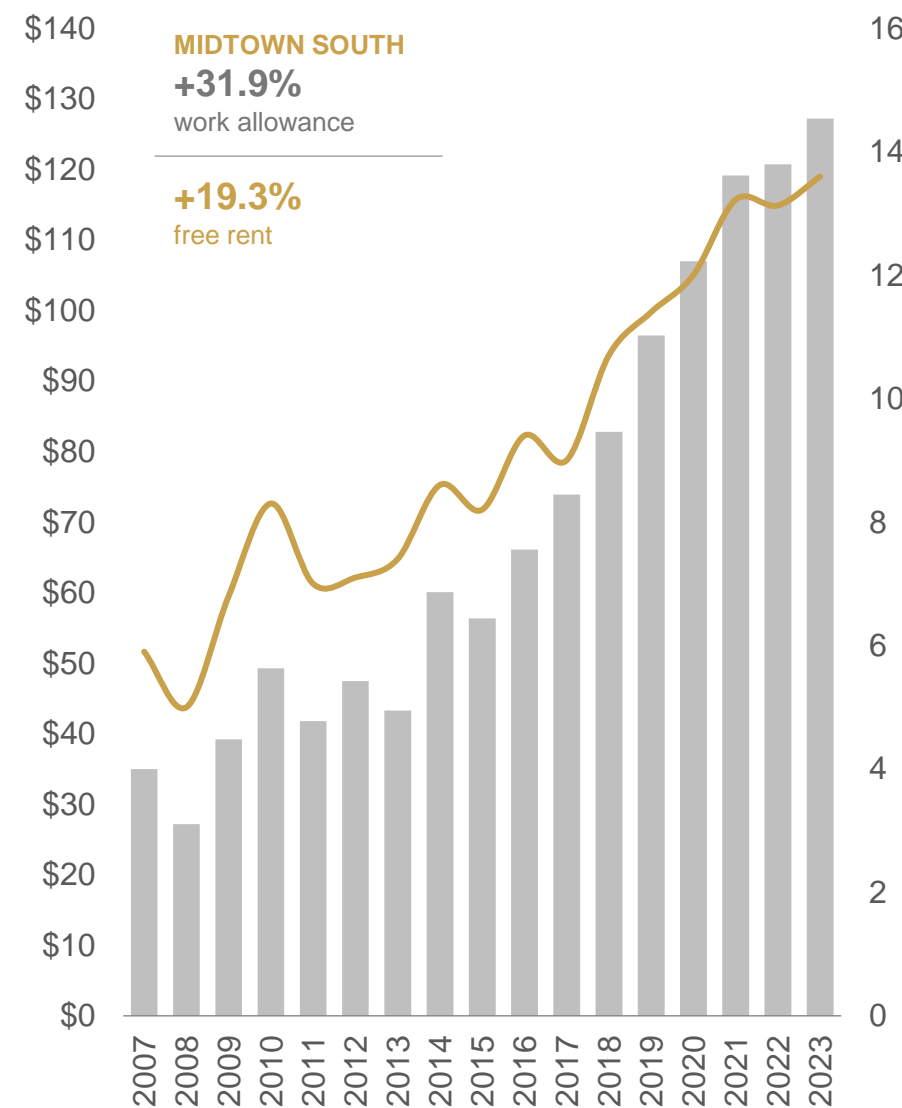
Concessions Analysis

In Midtown South, concessions trended upward, with year-over-year increases of both work allowance and free rent. Despite this decline, free rent remains high, at 14.2 months in Midtown and 12.8 months in Downtown.

Midtown



Midtown South



Downtown



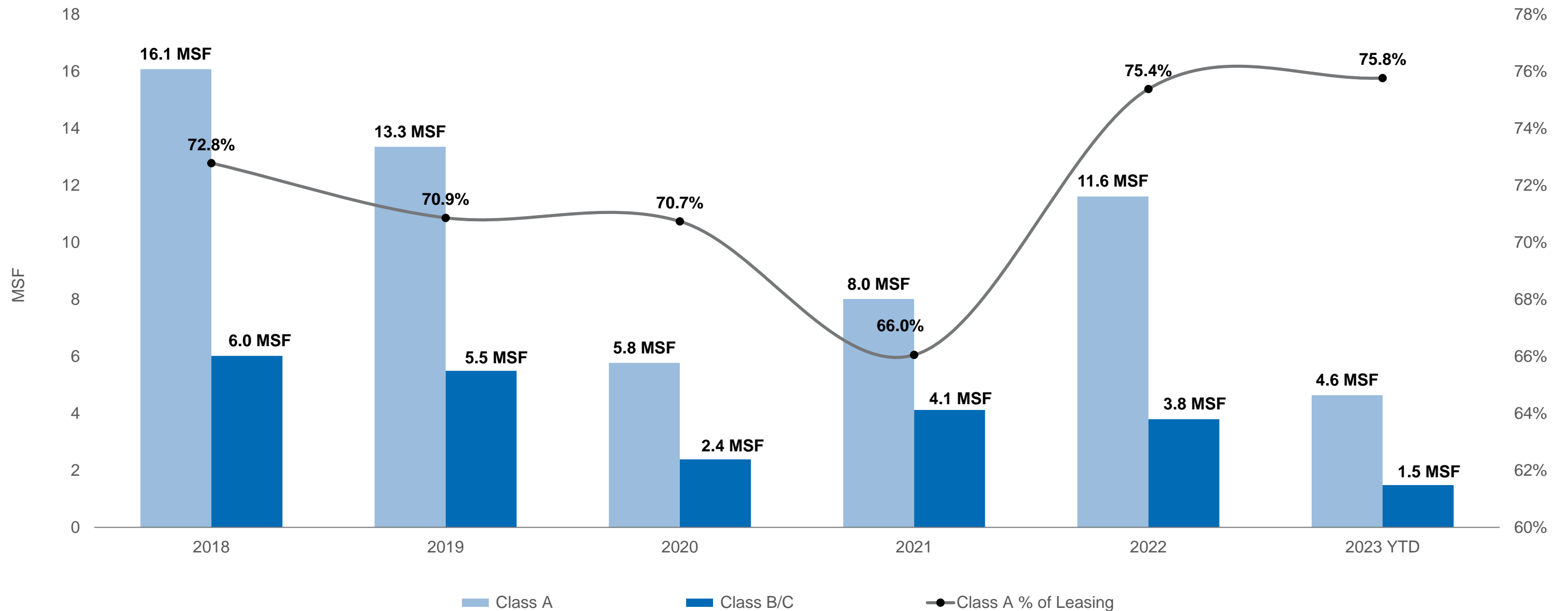
— Average Free Rent (months) — Average Work Amount (\$/SF)

Note: Concessions are based on direct deals with 5+ year term. Changes in concessions are from 2019-Present.
Source: Newmark Research

Flight to Quality | Midtown New Leasing

Leasing has been concentrated in higher quality assets with more than 75.0% of Midtown activity occurring in class A properties since the start of 2022. Activity did not surpass 75.0% between 2018 and 2021.

New Leasing Activity by Class

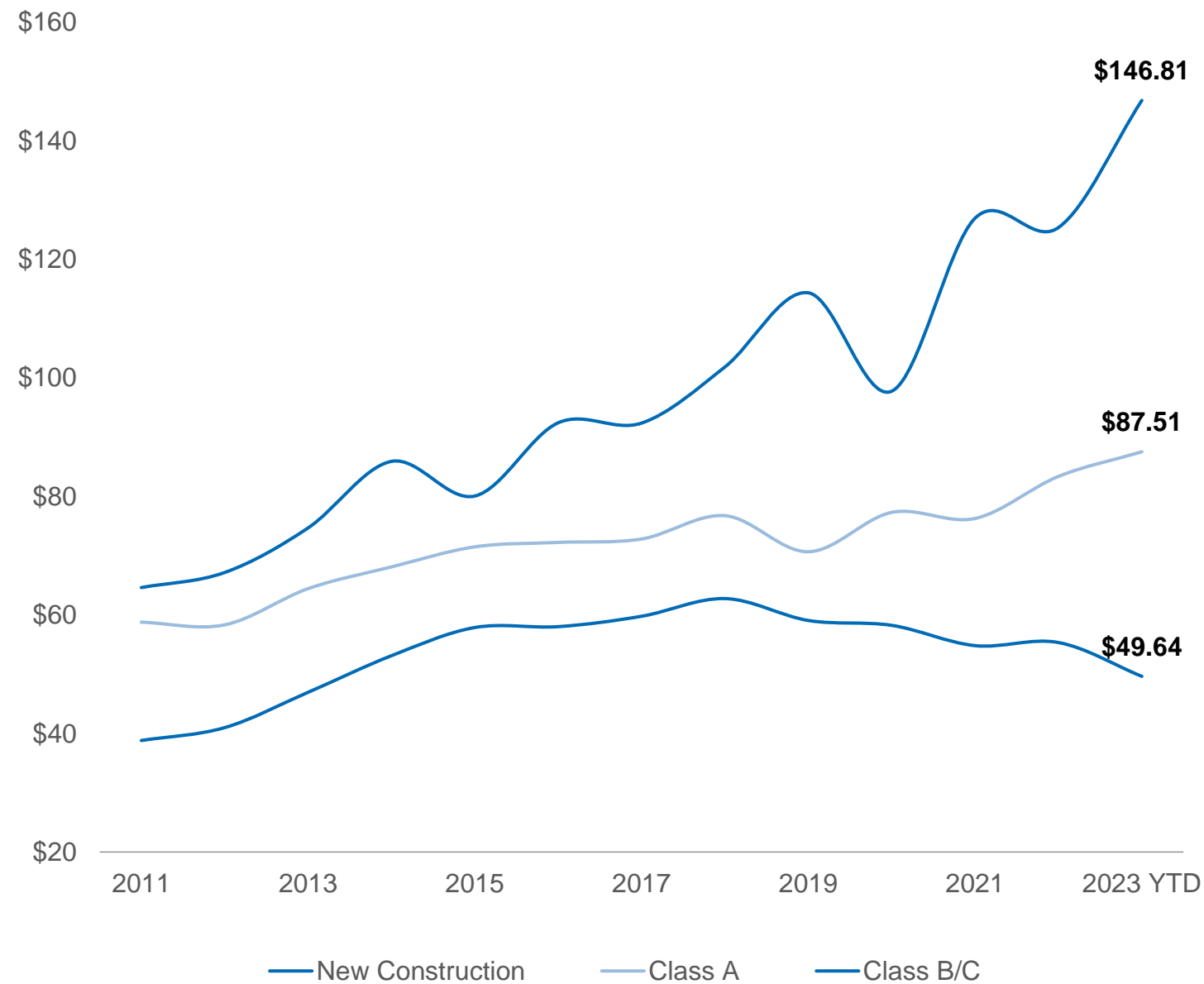


Note: Excludes renewals/extensions/expansions
Source: Newmark Research

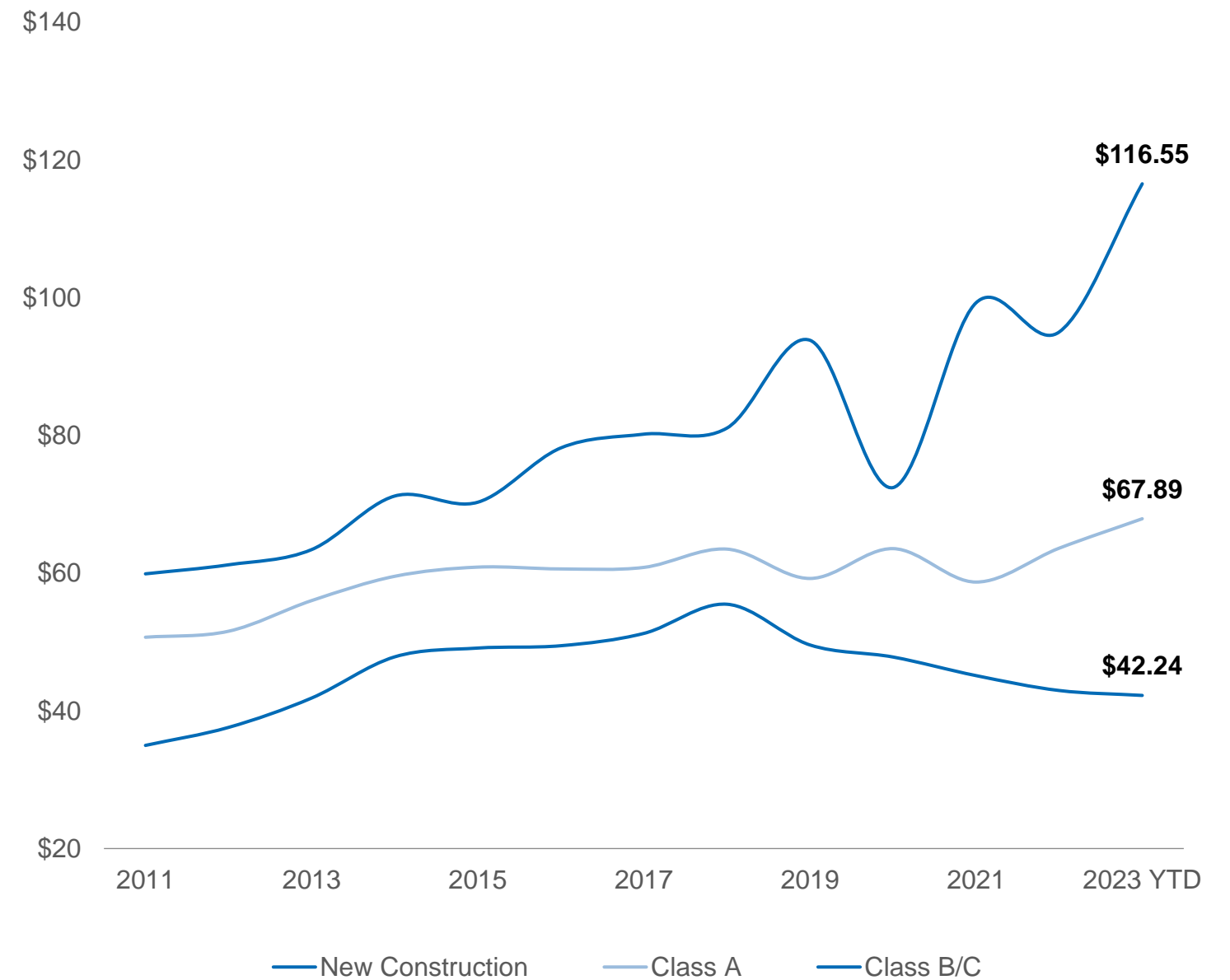
Flight to Quality | Taking & Net Effective Rent Comparison

Base taking and net effective rents continue to rise in new construction and class A properties. Conversely, rents are declining in class B and C assets. This trend underscores the competition among tenants for high-quality spaces, leading to a growing divide in rental rates between asset classes.

Base Taking Rents by Class



Net Effective Rents by Class

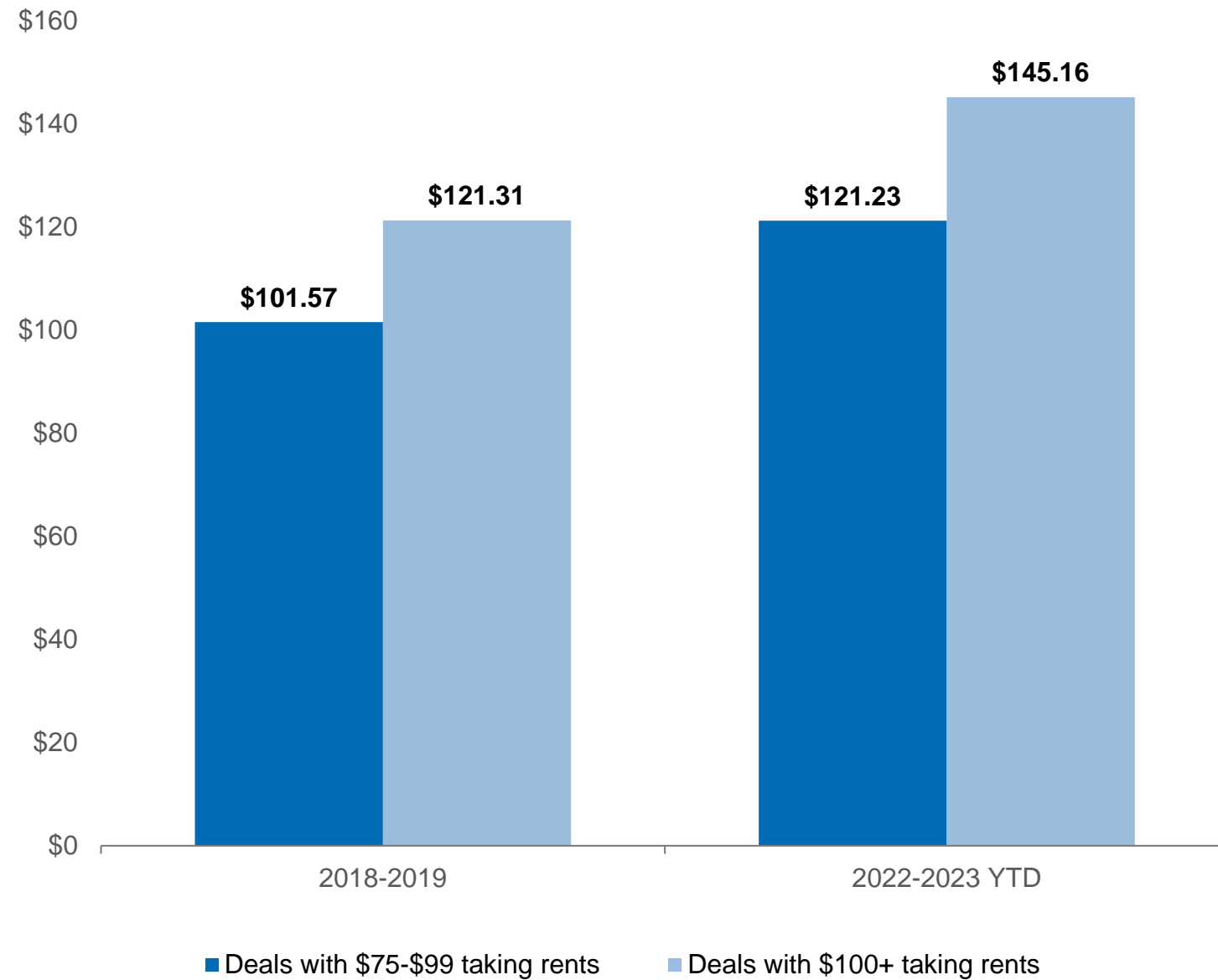


Note: Rents are based on direct deals with 5+ year term
Source: Newmark Research

Change in Concessions

Deals with taking rents from \$75/SF to \$99/SF experienced a 19.4% increase in work allowance and a 28.3% jump in free rent compared to 2018-2019. For deals with taking rents exceeding \$100/SF, those increases were 19.6% and 35.7% respectively.

Average Work Allowance by Taking Rent Range



Average Free Rent by Taking Rent Range

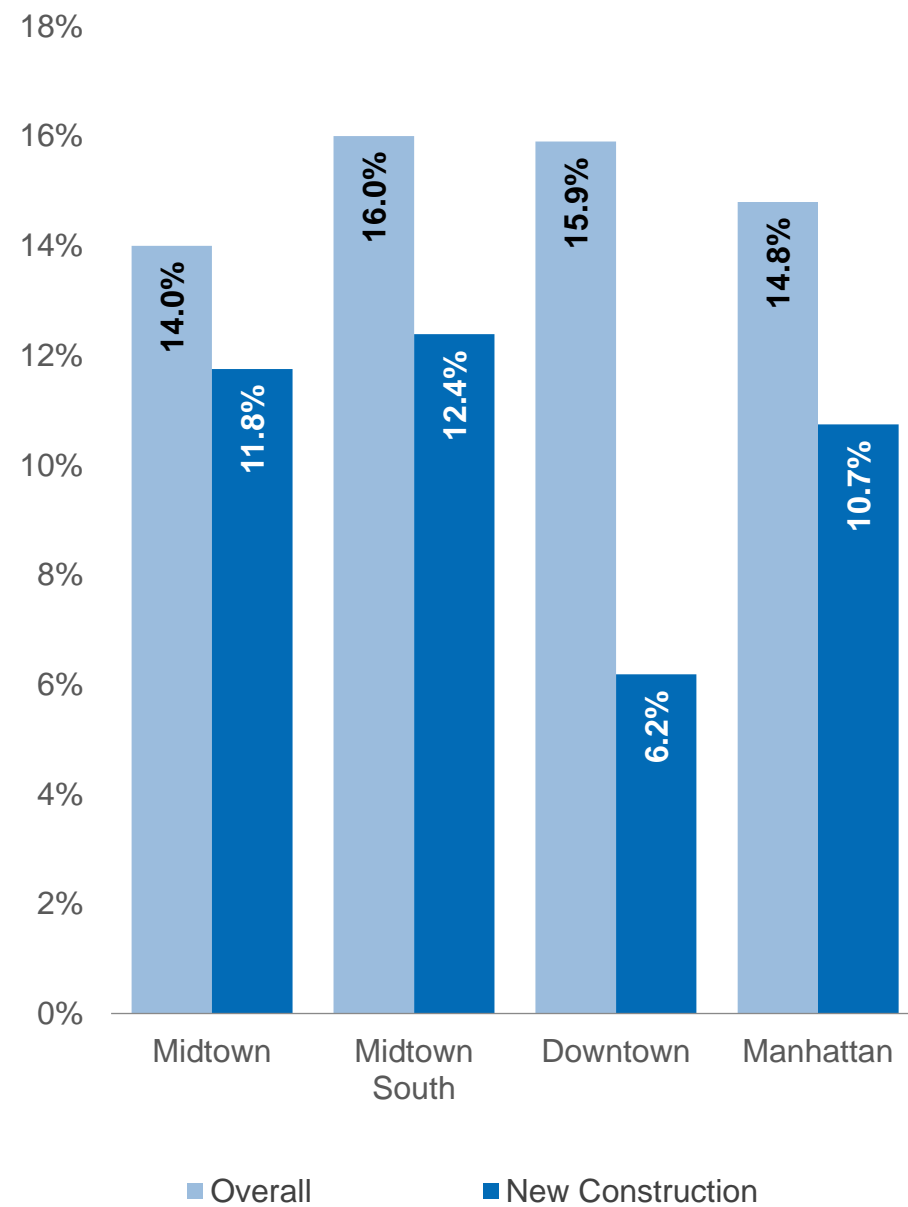


Note: Concessions are based on direct deals with 5+ year term
Source: Newmark Research

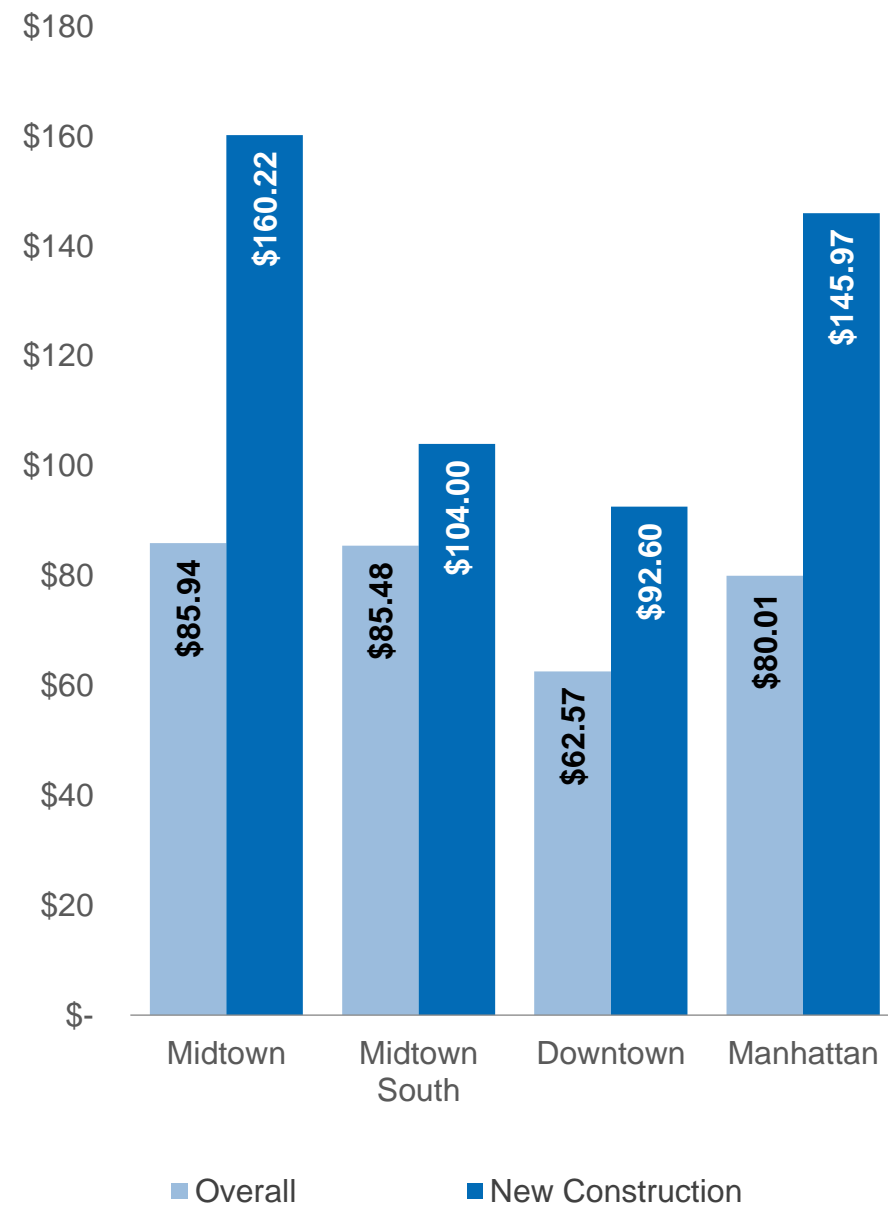
Overall Market v. New Construction

New construction completed since 2010 has demonstrated significantly stronger performance compared to the overall market. In Manhattan, the direct availability rate for new construction is 410 basis points lower than the market average, while direct pricing commands a premium of 82.4%.

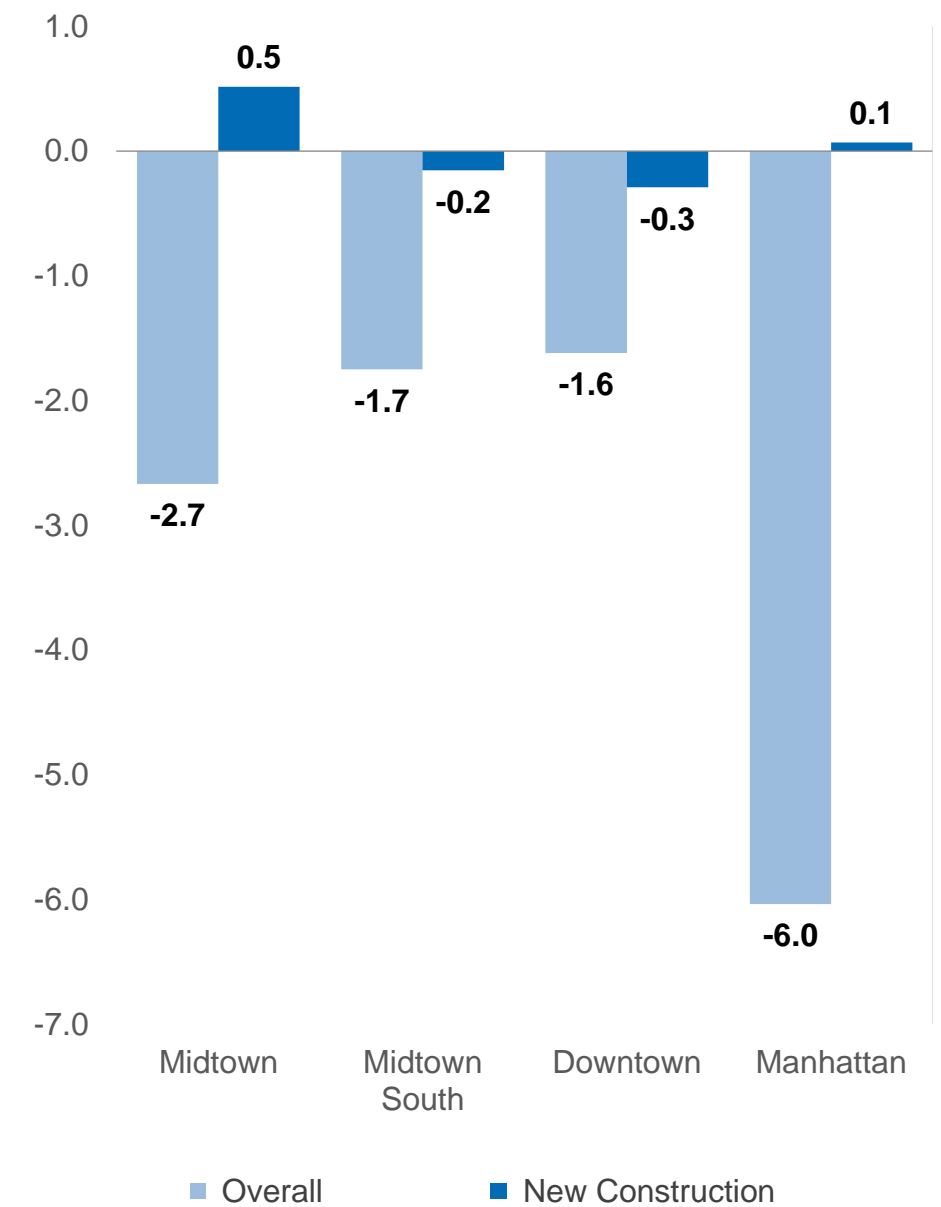
Direct Availability Rate



Direct Asking Rents



2023 YTD Absorption



Source: Newmark Research

Market Segmentation – Midtown & Midtown South

The top tier of the Midtown and Midtown South markets average 39.0% higher rental rates than the next closest tier. Approximately 20.0% of the availability in tier 1 remains buoyed by five properties: 660 Fifth, 66 Hudson, 2 Penn, 295 Fifth and Morgan North.

Market Segment	Tier 1 \$90+	Tier 2 \$75 - \$90	Tier 3 \$50 - \$75	Tier 4 Sub \$50
Number of Buildings	110	116	517	456
Total RBA	71.2 MSF	74.3 MSF	171.8 MSF	58.8 MSF
Average RBA	648K	641K	332K	129K
% of MT/MTS Inventory	18.9%	19.7%	45.7%	15.6%
Average Year Built	2003	1991	1971	1945
Direct Availability Rate	10.7%	7.2%	10.2%	12.10%
Direct Asking Rent	\$125.47	\$90.31	\$70.74	\$52.24

Note: Tiers are determined by average base rent over the previous ten years and current asking rents for large blocks of space on market.
Source: Newmark Research

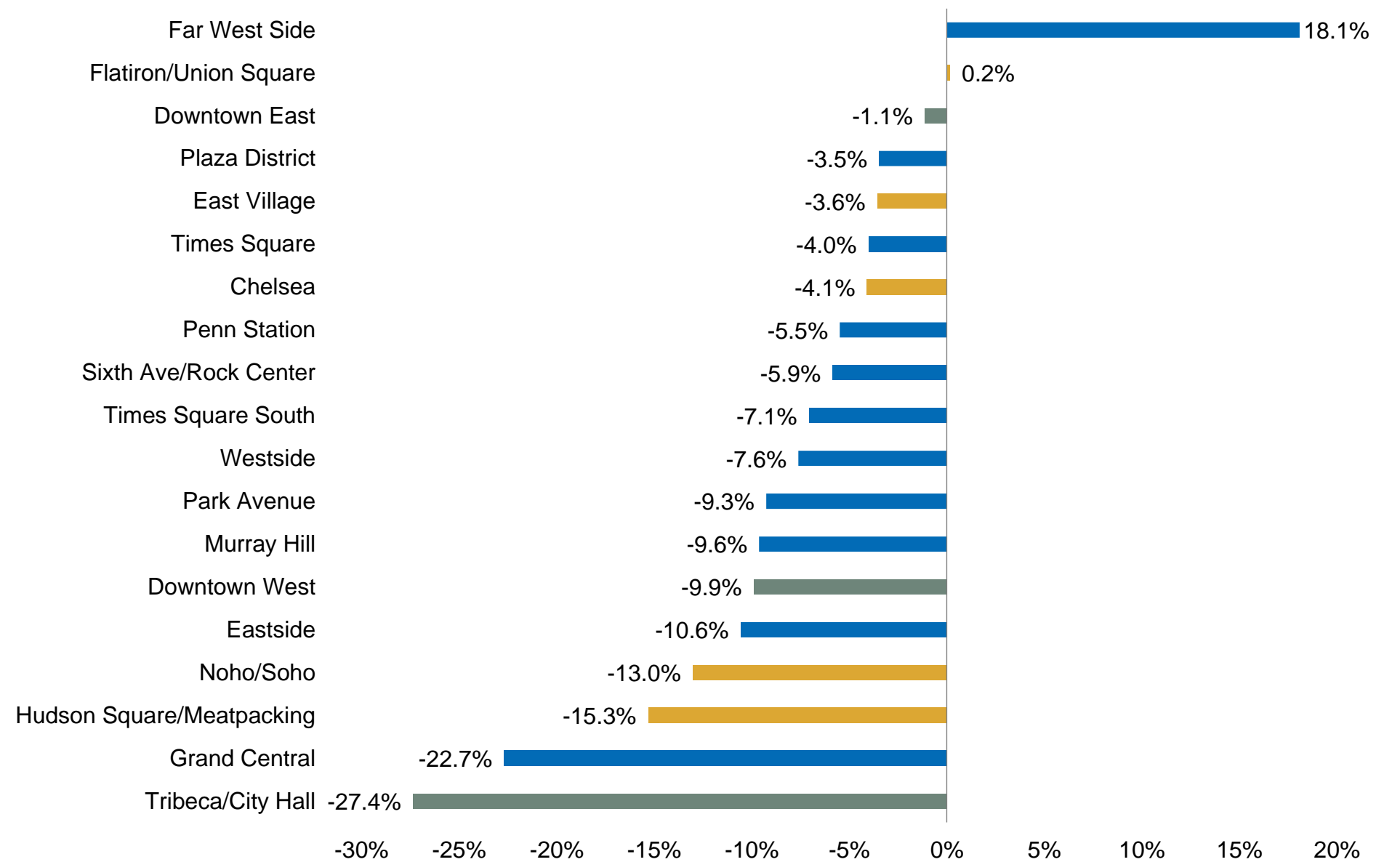
Manhattan Submarket Comparison | Asking Rents

Second quarter asking rents recorded \$75.25/SF, a \$0.09/SF increase from the previous quarter. The Far West Side and Flatiron/Union Square are the only two Manhattan submarkets to record asking rent growth since the pandemic began.

Average Asking Rent Market/Submarket 2Q23 (\$/SF)

MANHATTAN	\$75.25
MIDTOWN	\$79.85
Eastside	\$67.96
Far West Side	\$133.12
Grand Central	\$68.13
Murray Hill	\$56.69
Park Avenue	\$99.02
Penn District	\$79.21
Plaza District	\$109.22
Sixth Ave/Rock Center	\$81.28
Times Square	\$78.21
Times Square South	\$53.05
Westside	\$71.11
MIDTOWN SOUTH	\$82.07
Chelsea	\$71.54
East Village	\$85.75
Flatiron/Union Square	\$87.23
Hudson Square/Meatpacking	\$88.10
Noho/Soho	\$87.47
DOWNTOWN	\$58.74
Downtown East	\$56.97
Downtown West	\$61.12
Tribeca/City Hall	\$64.26

Rental Rate Change Since Pandemic Began (1Q20)



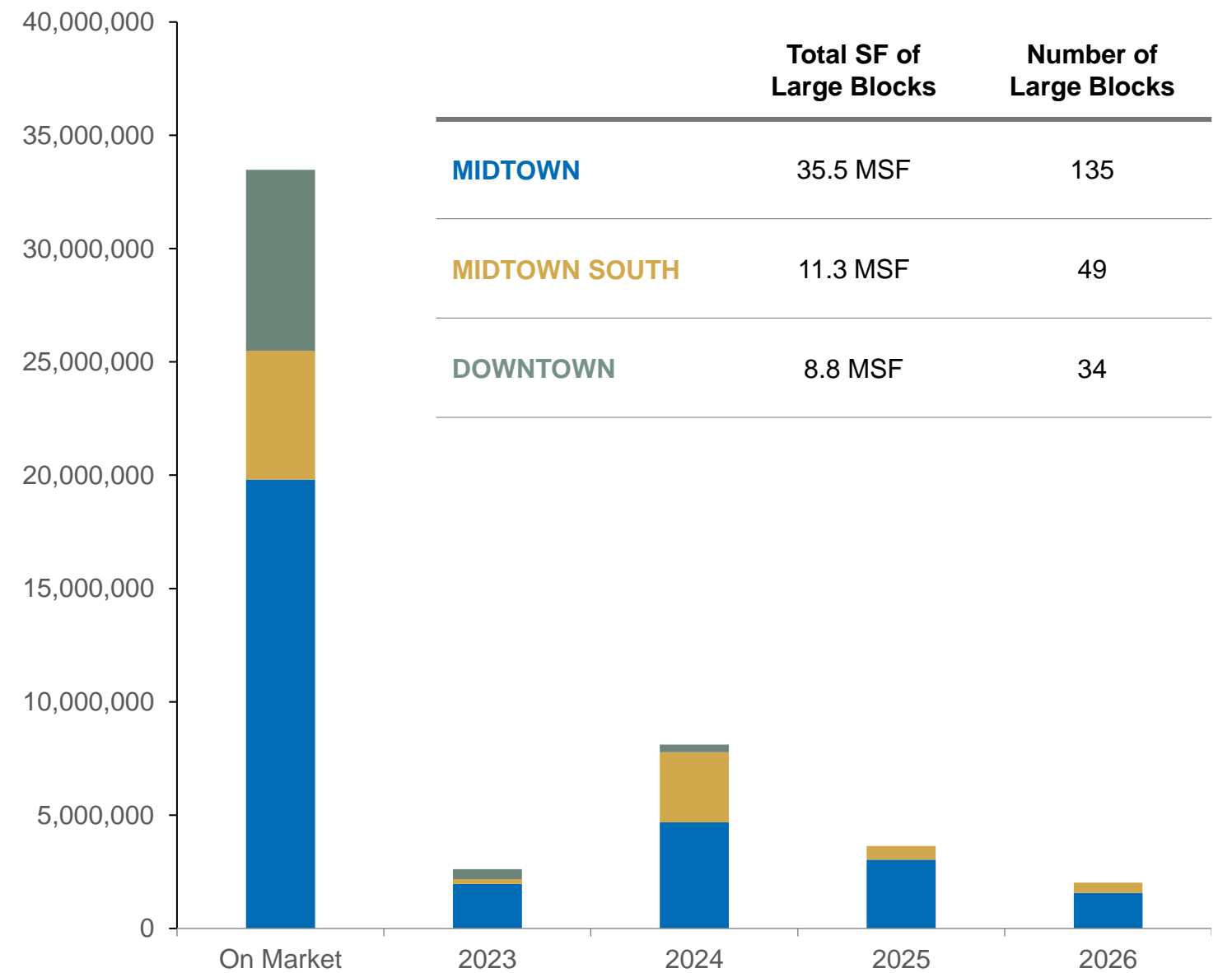
Manhattan Submarket Comparison | Availability Rates

Second quarter availability rose 40 basis points quarter-over-quarter to 19.5% following nineteen large space additions which came to market, three of which were subleases.

Snapshot of Total Availability Rate

Market/Submarket	2Q23	1Q20	Change in Bps.
MANHATTAN	19.5%	11.8%	770
MIDTOWN	18.1%	12.5%	560
Eastside	21.6%	16.8%	480
Far West Side	19.1%	4.9%	1,420
Grand Central	18.1%	11.7%	640
Murray Hill	26.2%	11.2%	1,500
Park Avenue	11.3%	10.8%	50
Penn District	21.6%	12.0%	960
Plaza District	20.4%	16.8%	360
Sixth Ave/Rock Center	13.4%	10.4%	300
Times Square	27.9%	17.3%	1,060
Times Square South	16.6%	9.1%	750
Westside	18.9%	17.3%	160
MIDTOWN SOUTH	20.4%	9.9%	1,050
Chelsea	18.1%	9.2%	890
East Village	18.8%	25.7%	-690
Flatiron/Union Square	24.1%	11.1%	1,300
Hudson Square/Meatpacking	19.8%	7.5%	1,230
Noho/Soho	20.1%	9.1%	1,100
DOWNTOWN	22.9%	11.3%	1,600
Downtown East	27.5%	10.7%	1,680
Downtown West	18.8%	12.7%	610
Tribeca/City Hall	15.0%	8.8%	620

Pipeline of Large Blocks Of Space (>100k SF)

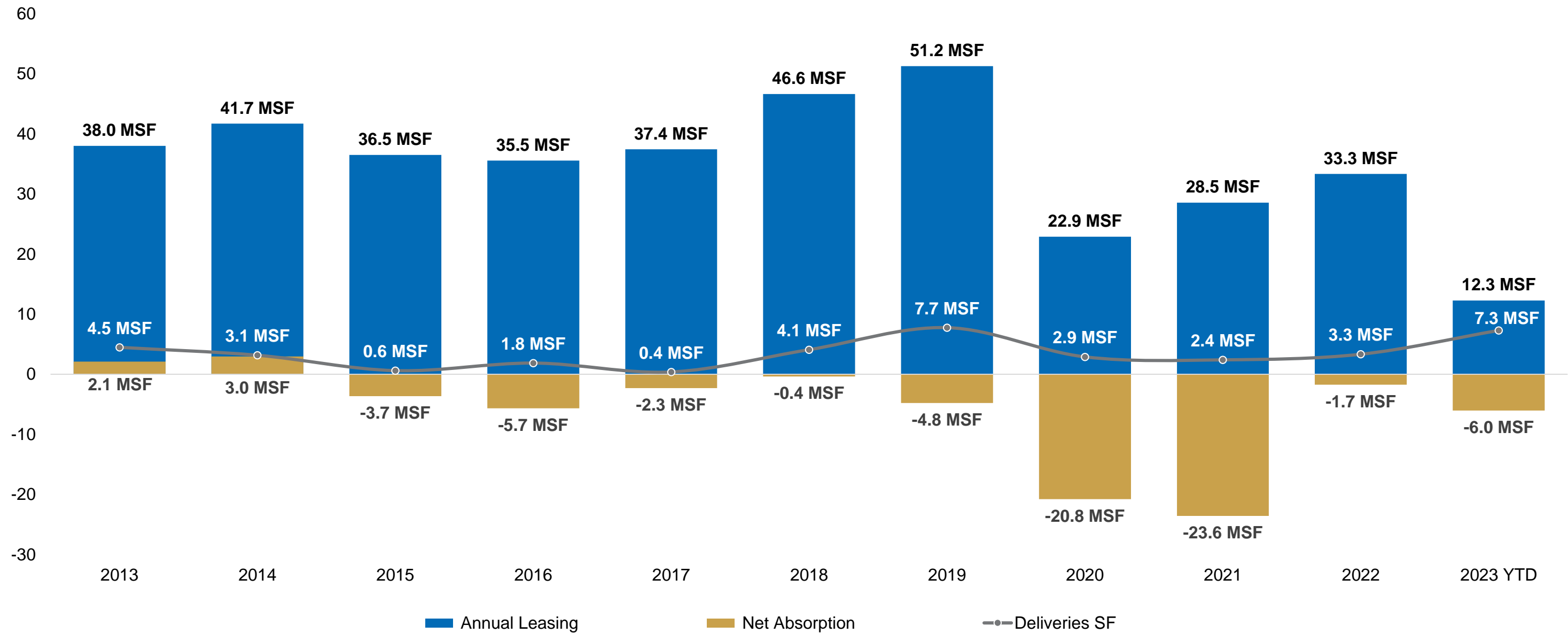


Note: "Coming to Market" is a measure of new supply and shadow space. Absorption is not factored into the figures.
Source: Newmark Research

Leasing and Absorption Analysis

As Manhattan leasing activity has slowed through the first half of the year, net absorption continues to trend negative. Newly delivered space across Midtown, Midtown South, and Downtown has helped to contribute to eight straight years of negative absorption, with another 7.3M SF delivered so far in 2023.

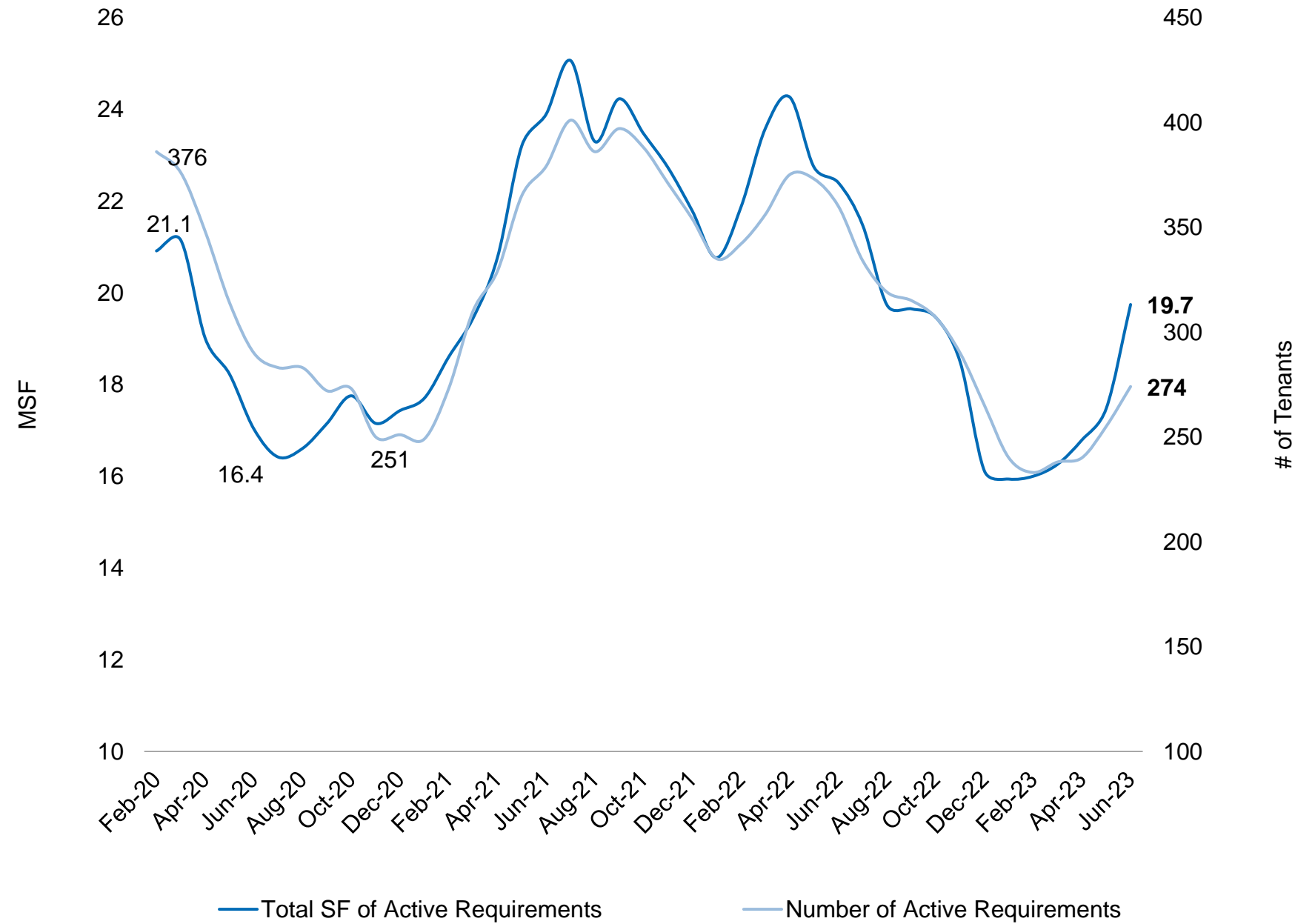
Manhattan Historical Leasing and Absorption



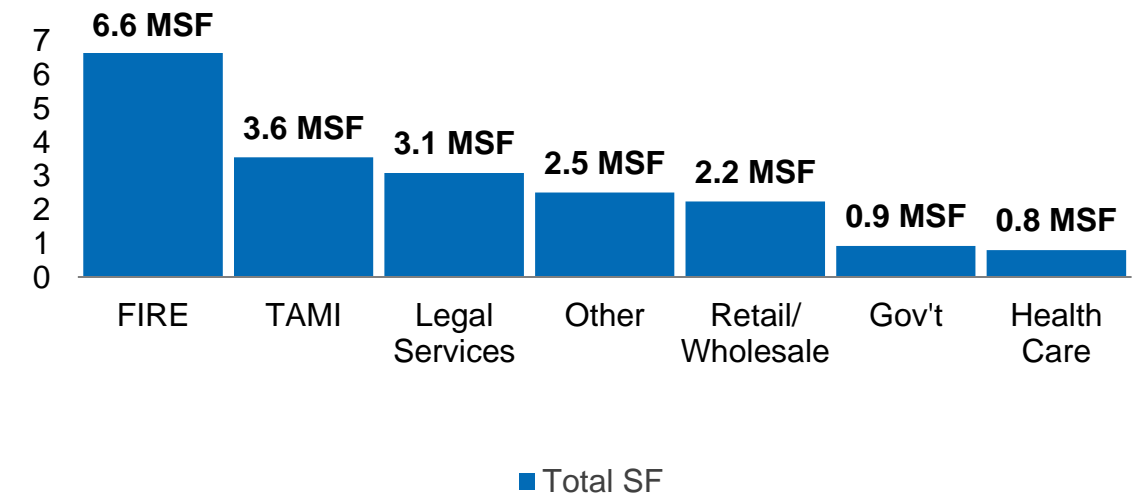
Source: Newmark Research

Changes in Demand | Active Tenants in the Market

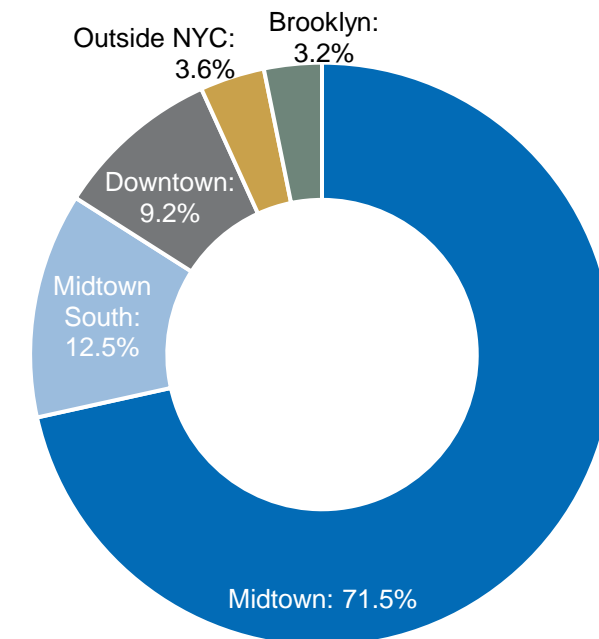
Total Square Footage of Active Requirements (MSF)



Tenant Requirements by Industry (SF)



Percentage of Requirement (SF) by Current Market



Source: Newmark Research

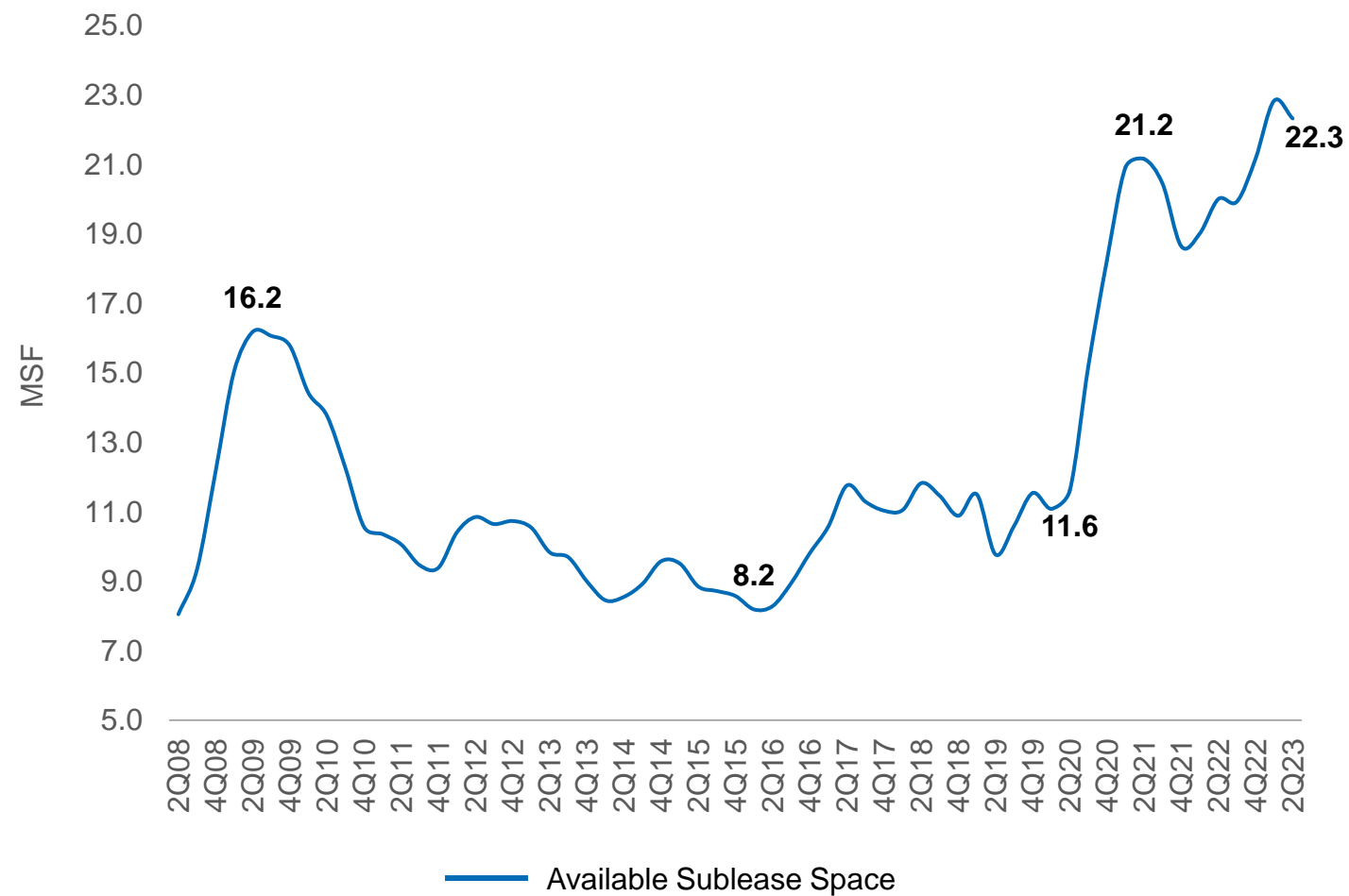
Manhattan Sublease Space Tracker

22.3M SF currently available

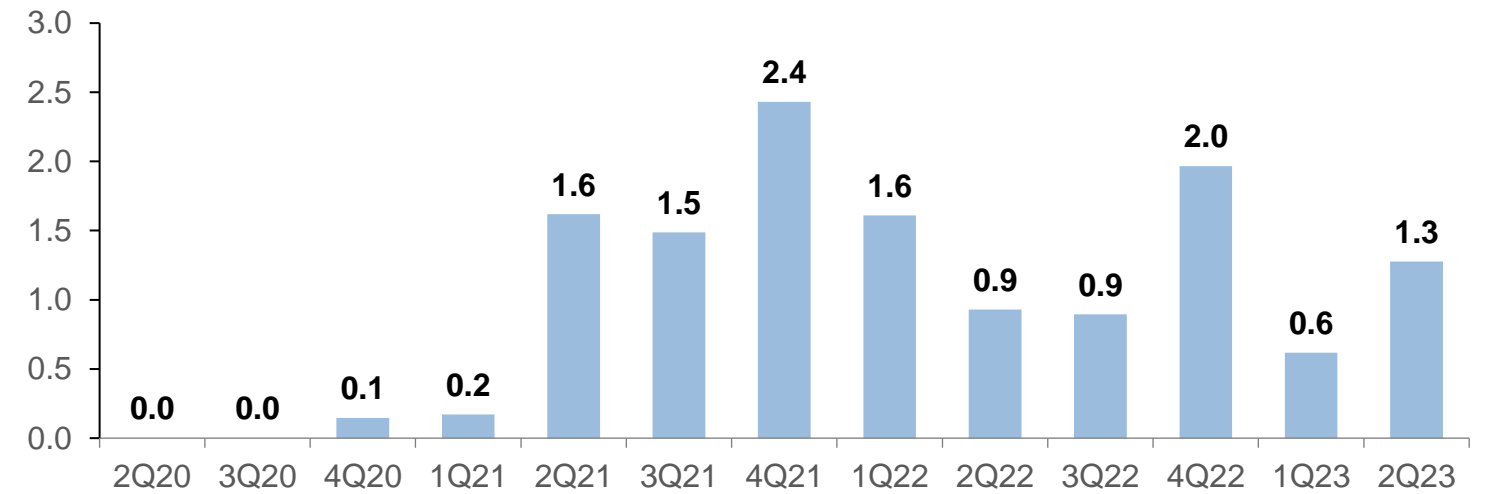
23.9M SF currently available + coming to market

13.5M SF subleased since April 2020

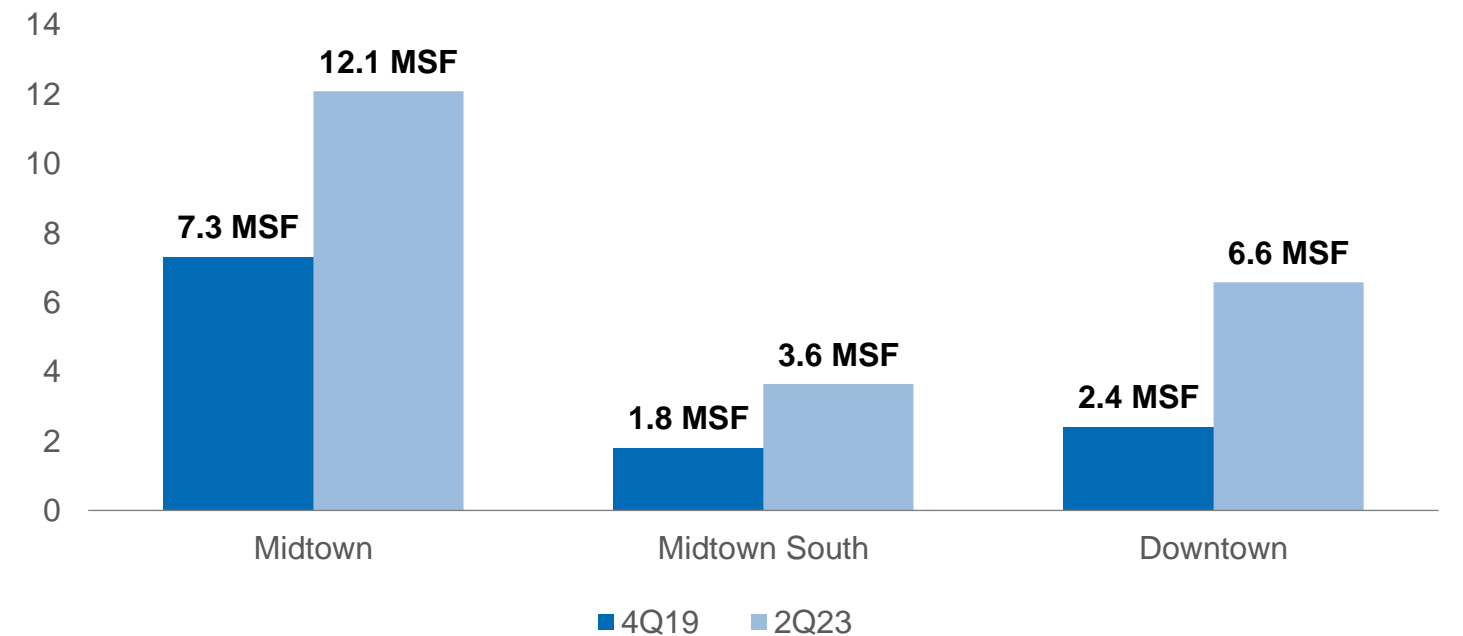
13.6M SF withdrawn since April 2020



Sublease Withdrawals (MSF)



Sublease Space by Market - Pre & Post Pandemic

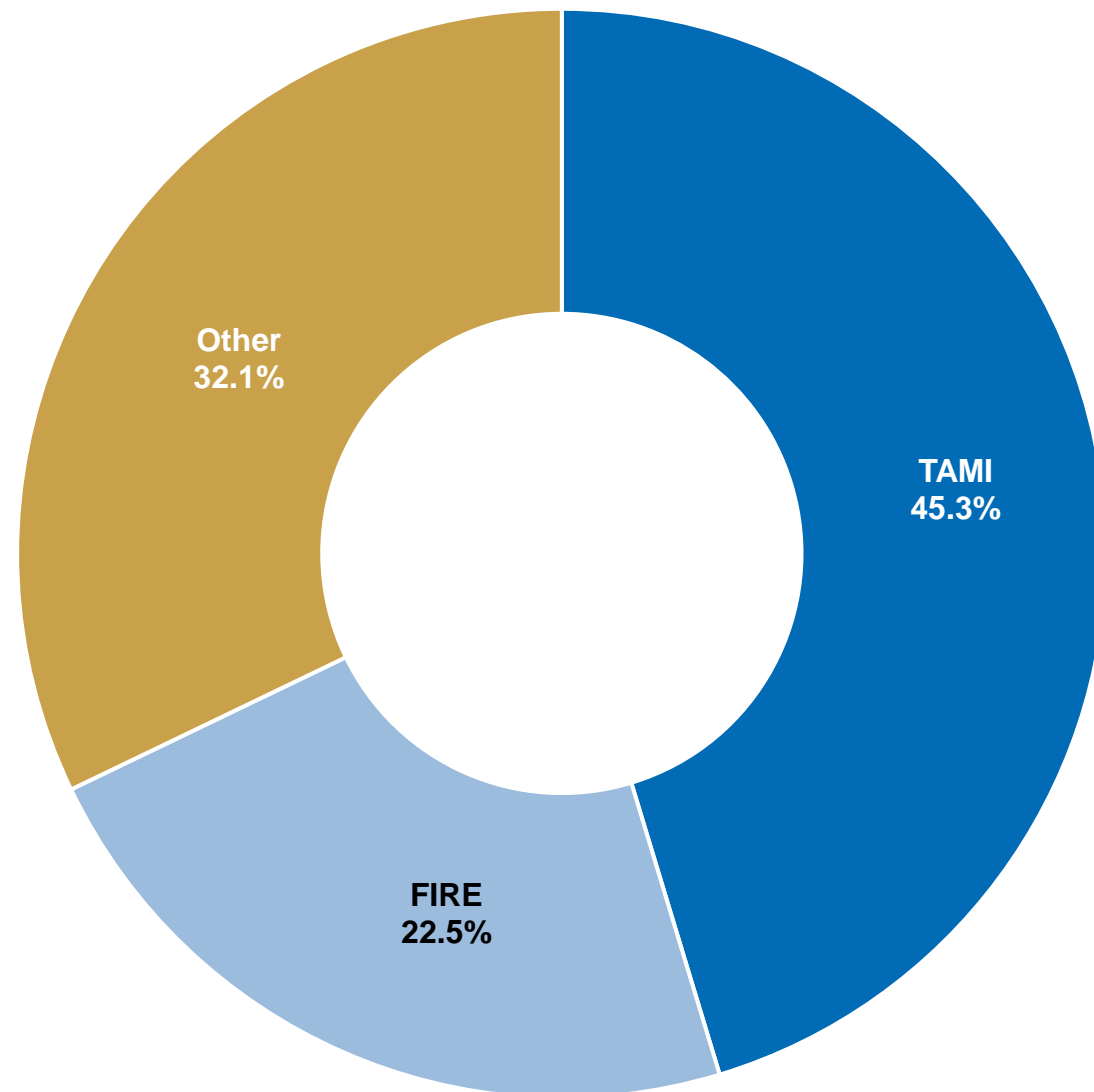


Note: Spaces coming to market are expected, but subject to change
Source: Newmark Research

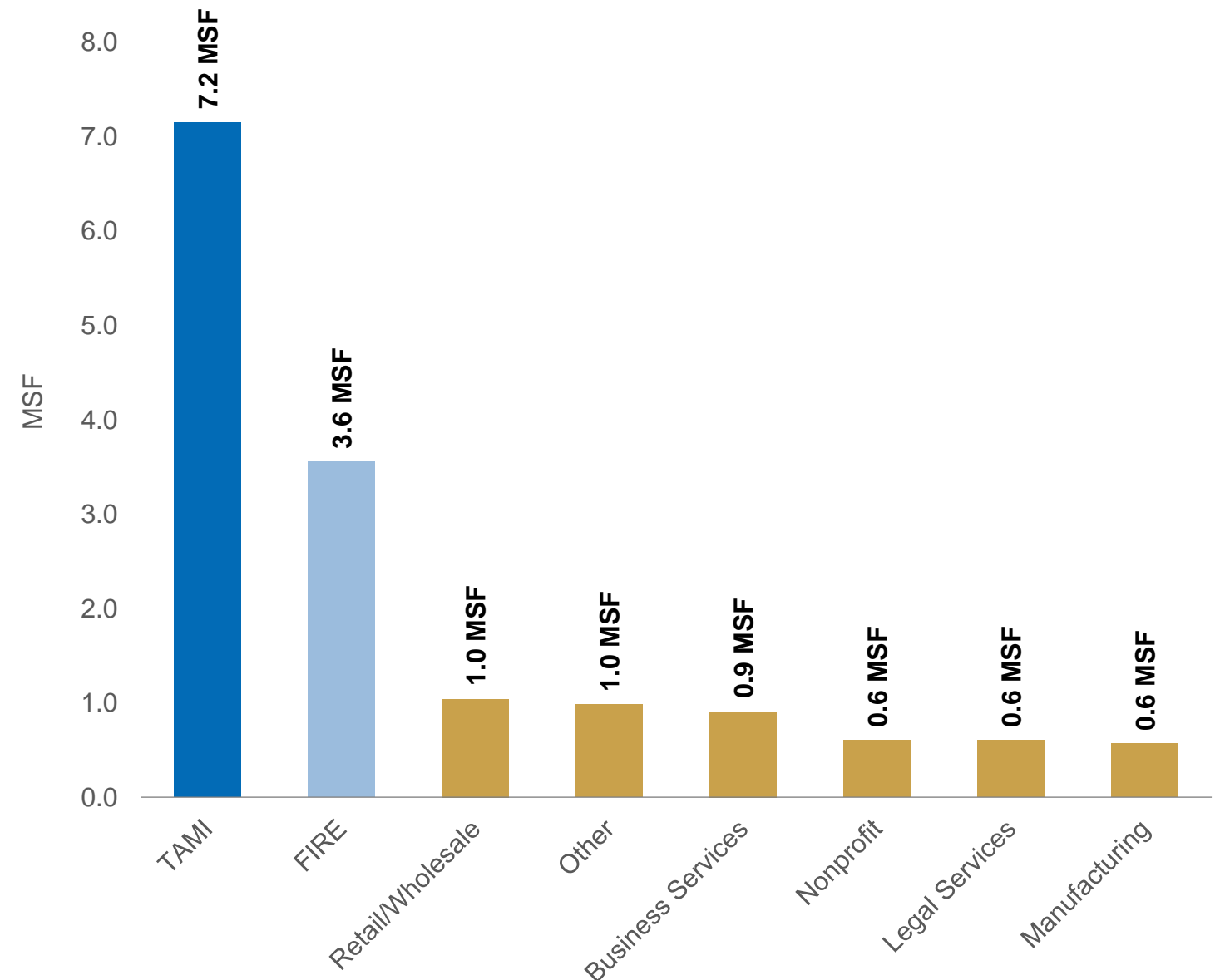
Sublease Space by Industry

TAMI tenants account for nearly half of the sublease space added to the market since the onset of the pandemic. At 7.2 MSF, TAMI tenants have added 3.6 MSF more than the next largest industry. This trend is expected to continue as Facebook, Publicis and Verizon are all planning to add blocks of space to the market.

Sublease Space by Industry – Percent



Sublease Space by Industry – SF

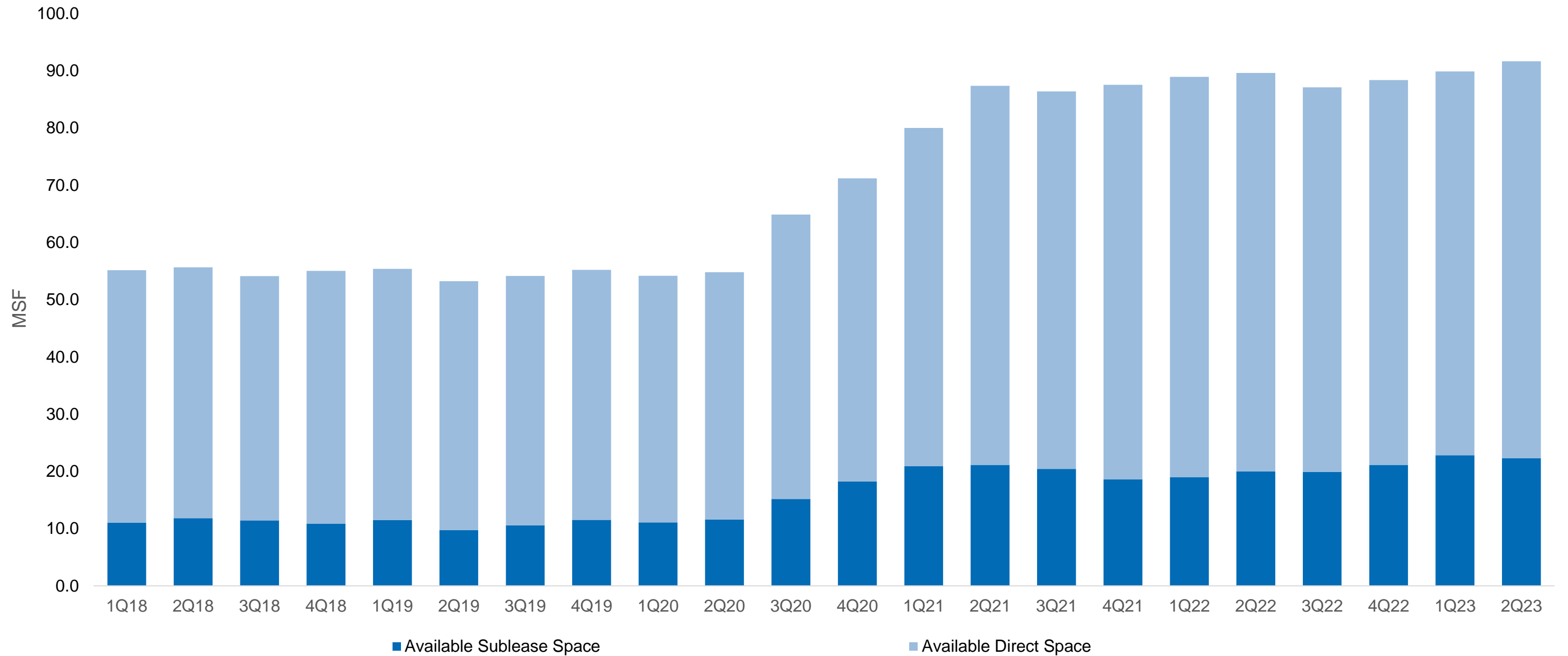


Note: 15K+ SF sublease space on market that has been added since March 2020.
Source: Newmark Research

Manhattan Direct and Sublease Availability

Since the first quarter of 2020, sublease space has more than doubled from 11.1 MSF to 22.3 MSF, while direct space is up 60.9% from 43.1 MSF to 69.4 MSF.

Available Sublease Space and Available Direct Space

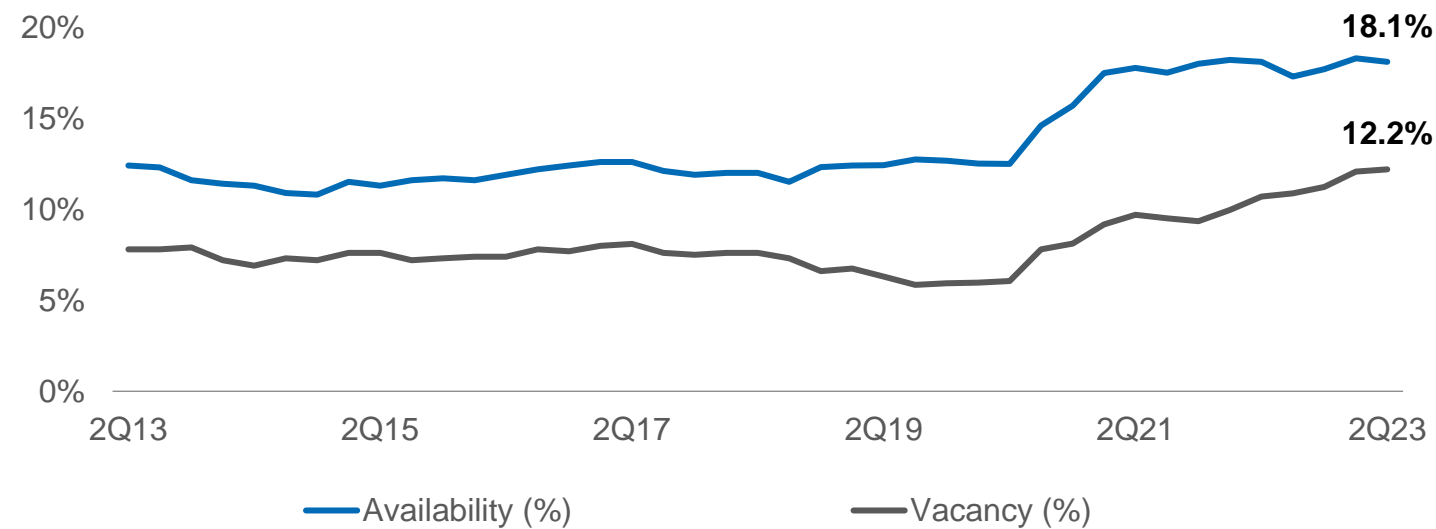


Source: Newmark Research

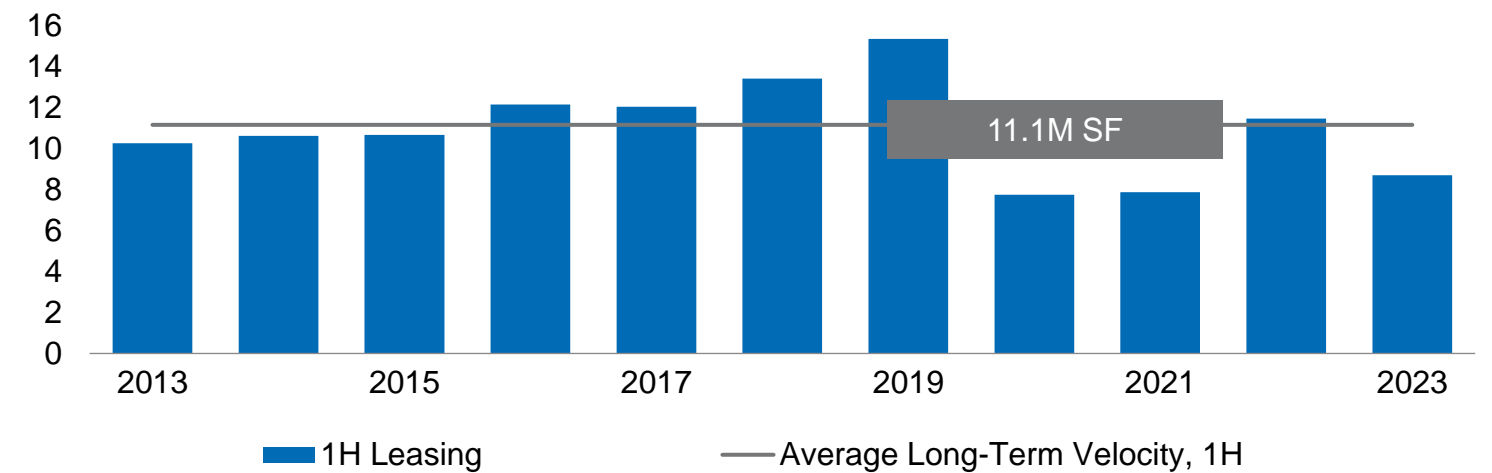
Midtown Market Overview

Midtown leasing activity recorded 3.9 MSF in the second quarter quarter of 2023, a decrease of 18.1% from 1Q23 and 31.7% from 2Q22. Despite tempered leasing, availability fell by 30 basis points, closing the quarter at 18.1%. Nearly 29.5% of deals this quarter had triple digit taking rents, as top-quality space continued to drive market activity.

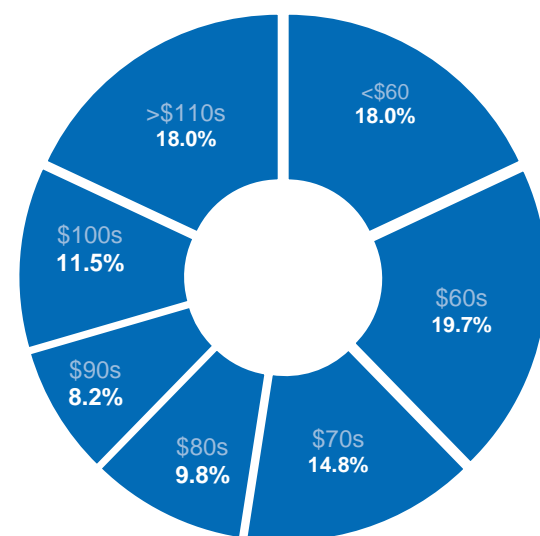
Availability And Vacancy Rates








Leasing Activity



Deals by Taking Rent



Second Quarter Top Deals

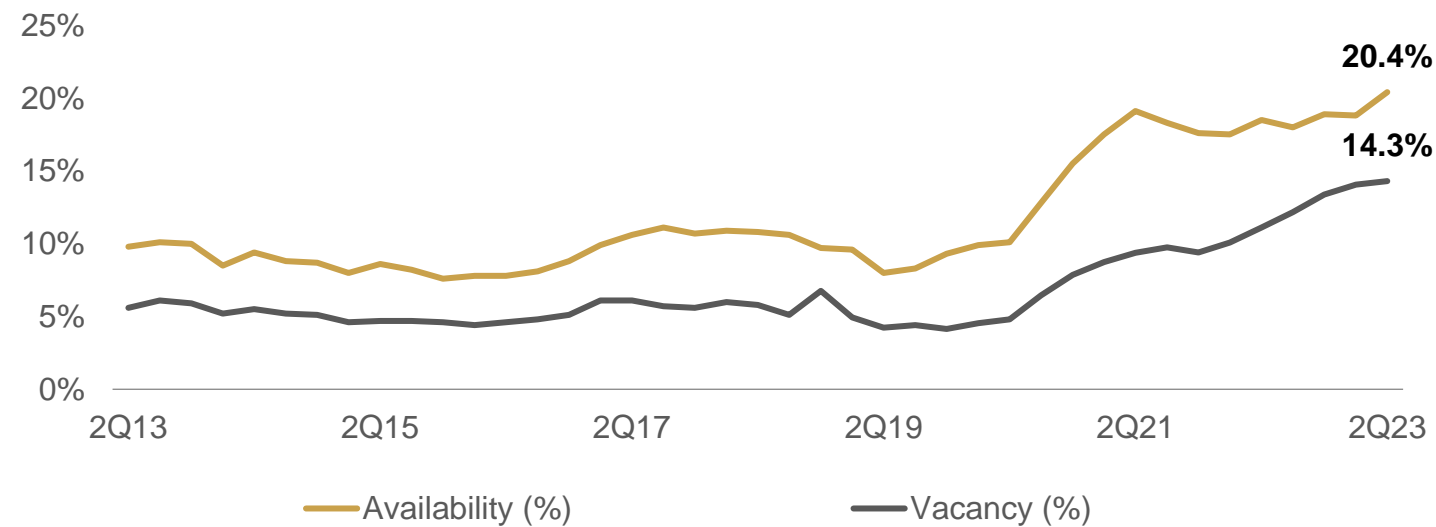
1440 Broadway	550 Madison Avenue	30 Rockefeller Plaza	1155 Avenue of the Americas	825 Third Avenue
				
Amazon	Clayton Dubilier & Rice, Inc.	Sheppard, Mullin, Richter & Hampton LLP	Durst Organization	Child Mind Institute
209,801 SF	143,521 SF	108,002 SF	104,576 SF	81,000 SF
Sublease New	Direct New	Direct Renewal & Expansion	Direct New	Direct New

Source: Newmark Research

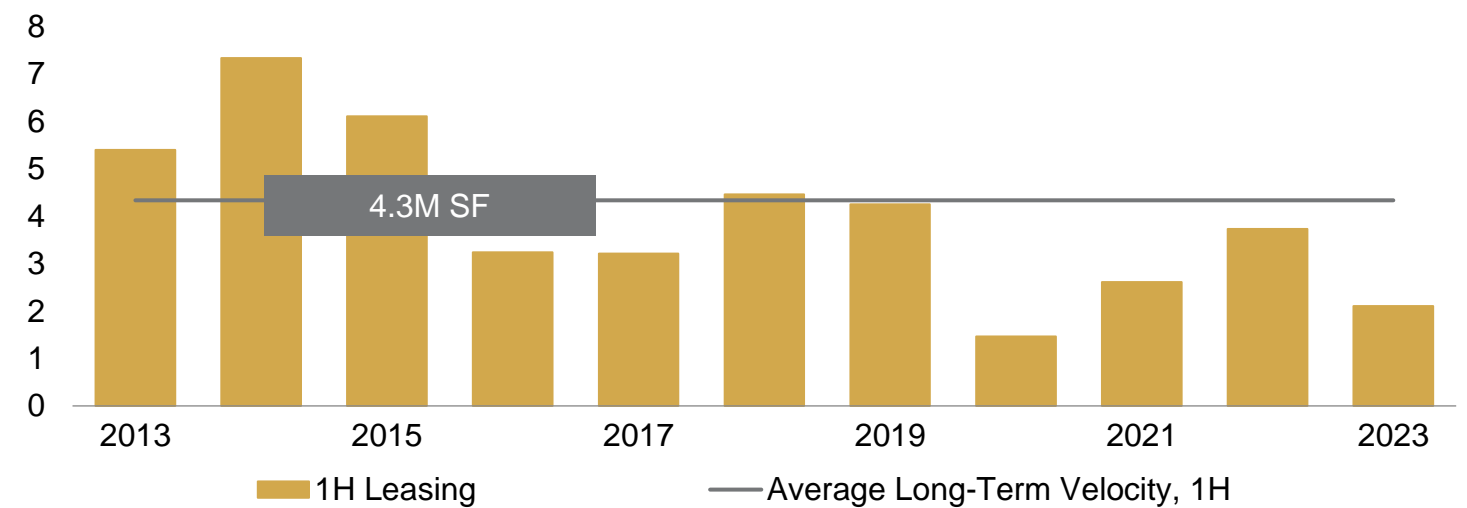
Midtown South Market Overview

Leasing activity in Midtown South fell by 35.8% quarter over quarter, closing 2Q23 at 824,356 square feet. With limited leasing velocity and multiple large block additions, availability jumped by 160 basis points to 20.4%, the highest level in Midtown South on record.

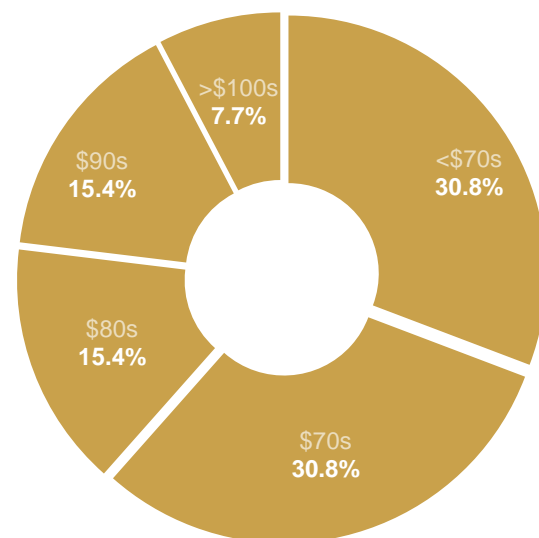
Availability And Vacancy Rates



Leasing Activity



Deals by Taking Rent



Second Quarter Top Deals

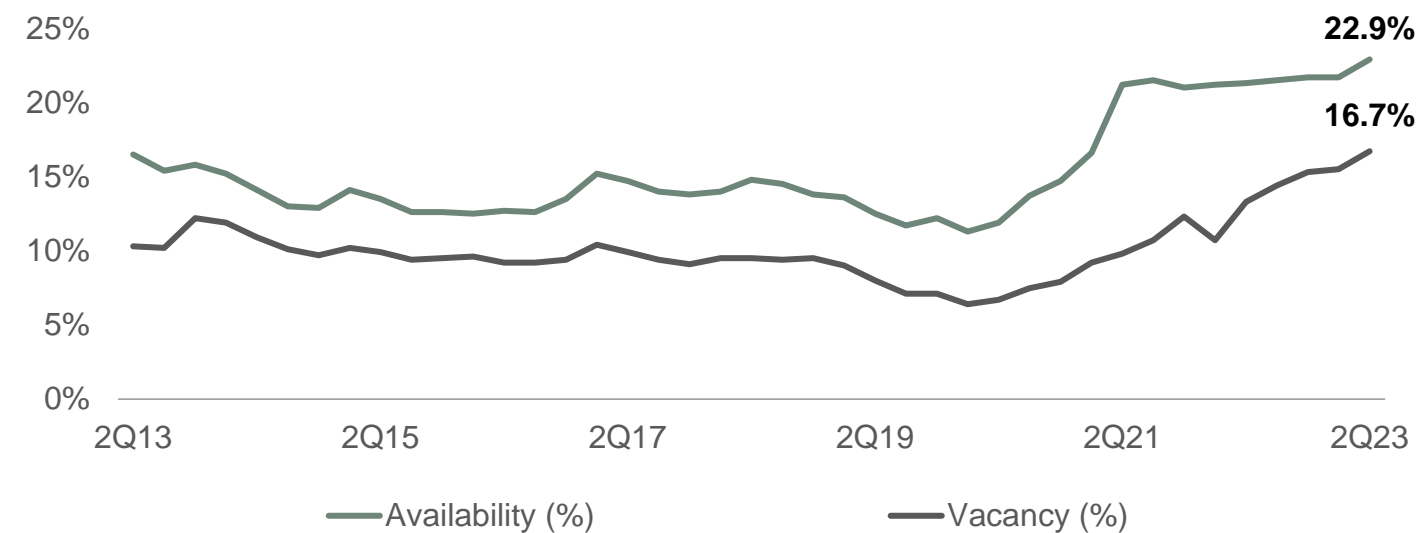
60 Charlton Street	251 Park Avenue South	90 Fifth Avenue	90 Fifth Avenue	233 Spring Street
				
Arcade Songs	Herman Miller, Inc.	Twelve Below	Yipit Data	Mazarine
18,400 SF	15,331 SF	12,602 SF	12,602 SF	12,303 SF
Direct New	Direct Expansion	Sublease New	Sublease New	Sublease New

Source: Newmark Research

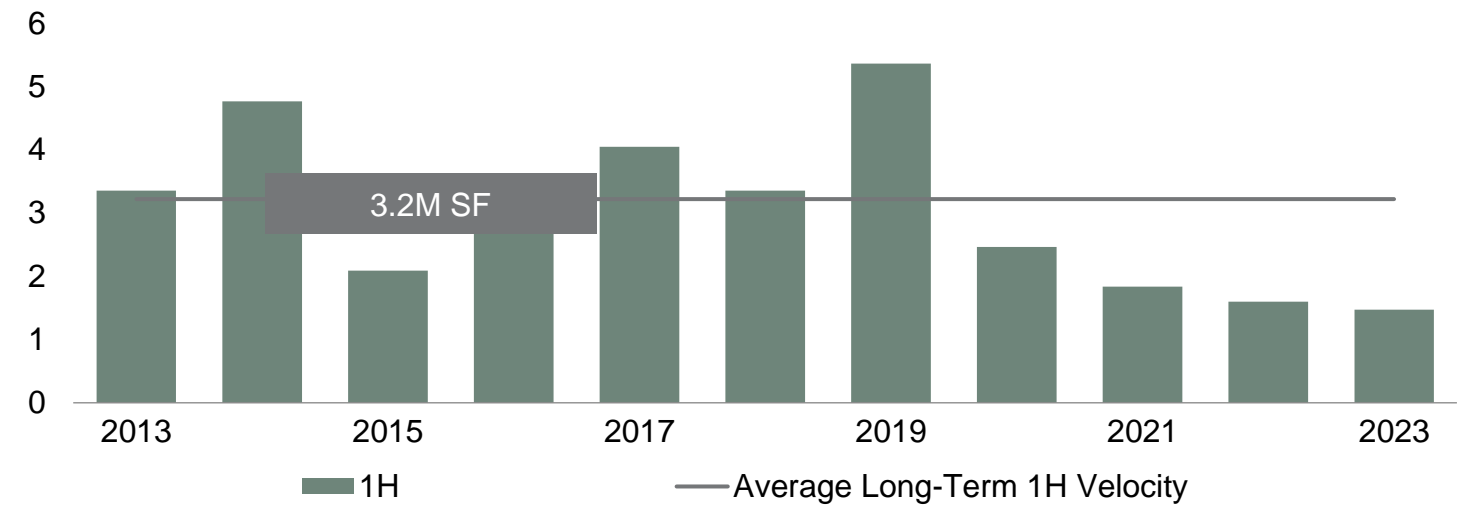
Downtown Market Overview

Downtown ended 2Q23 with 584,710 SF of recorded leasing velocity, its lowest quarterly total since 1Q21. Market activity remains subdued as availability continues to tick upwards, closing 2Q23 at 22.9%, a 120-basis-point increase from the prior quarter. Overall asking rent fell by \$4.10/SF as an influx of lower priced sublease space came on market.

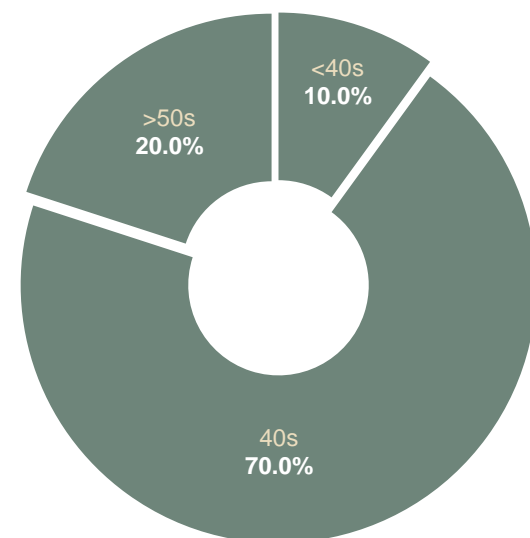
Availability And Vacancy Rates



Leasing Activity



Deals by Taking Rent



Second Quarter Top Deals

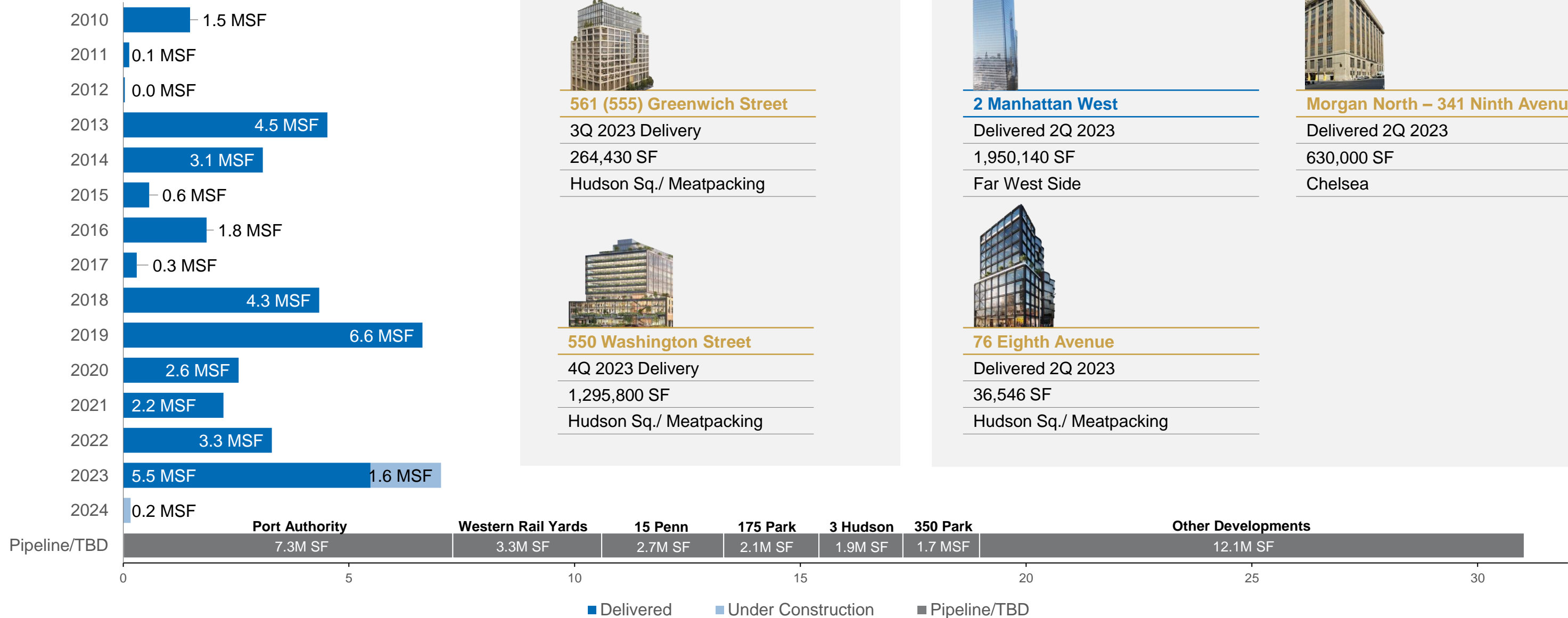
				
199 Water Street	195 Broadway	233 Broadway	17 State Street	88 Pine Street
The Legal Aid Society	JAF Communications	Hawthorne Foundation	Sanford Heisler LLP	Carnegie Mellon
72,091 SF	41,854 SF	35,000 SF	14,900 SF	12,014 SF
Direct Renewal	Sublease New	Direct New	Direct New	Direct New

Source: Newmark Research

Construction Velocity

The second quarter delivered 2.6 MSF to market, bringing the total to 5.5 MSF in the first half of the year, with 1.8 MSF expected to deliver by the end of 2024. The remaining 31.0 MSF in the pipeline will be delayed with major projects such as the Port Authority Bus Terminal, World Trade Center, and additional Hudson Yards developments comprising 61.1% of potential office development.

Manhattan Deliveries (MSF)



Manhattan Properties Delivering 2023



561 (555) Greenwich Street

3Q 2023 Delivery

264,430 SF

Hudson Sq./ Meatpacking



550 Washington Street

4Q 2023 Delivery

1,295,800 SF

Hudson Sq./ Meatpacking

Manhattan 2023 Deliveries



2 Manhattan West

Delivered 2Q 2023

1,950,140 SF

Far West Side



Morgan North - 341 Ninth Avenue

Delivered 2Q 2023

630,000 SF

Chelsea



76 Eighth Avenue

Delivered 2Q 2023

36,546 SF

Hudson Sq./ Meatpacking

West Side Development/Redevelopment

Leased/Sold Available

10 Hudson Yards	30 Hudson Yards	55 Hudson Yards	1 Manhattan West	441 Ninth Avenue	50 Hudson Yards	Farley Building	66 Hudson Blvd (The Spiral)
99%	100%	100%	99%	81%	85%	100%	75%
<i>RBA</i> 1.8M SF	<i>RBA</i> 2.6M SF	<i>RBA</i> 1.5M SF	<i>RBA</i> 2.1M SF	<i>RBA</i> 700,000 SF	<i>RBA</i> 3.0M SF	<i>RBA</i> 740,000 SF	<i>RBA</i> 2.87M SF
<i>Status</i> Completed	<i>Status</i> Completed	<i>Status</i> Completed	<i>Status</i> Completed	<i>Status</i> Completed	<i>Status</i> Completed	<i>Status</i> Completed	<i>Status</i> Completed
<i>Ownership</i> Related/STRS Ohio/ Allianz	<i>Ownership</i> Related/ Oxford Properties	<i>Ownership</i> Related/ Mitsui Fudosan	<i>Ownership</i> Brookfield Properties/ QIA/Blackstone	<i>Ownership</i> CommonWealth Partners	<i>Ownership</i> Related/ Mitsui Fudosan	<i>Ownership</i> Vornado Realty Trust/Related	<i>Ownership</i> Tishman Speyer
<i>Completion Date</i> 2016	<i>Completion Date</i> 2019	<i>Completion Date</i> 2018	<i>Completion Date</i> 2019	<i>Completion Date</i> 2019	<i>Completion Date</i> 2022	<i>Completion Date</i> 2022	<i>Completion Date</i> 2023
<i>Anchor Tenants</i> Coach L'Oreal BCG Guardian Life	<i>Anchor Tenants</i> Time Warner Related KKR Wells Fargo	<i>Anchor Tenants</i> Point72 Milbank Tweed Cooley LP MarketAxess	<i>Anchor Tenants</i> Skadden, Arps NHL McKool Smith Accenture EY	<i>Anchor Tenants</i> Peloton Interactive Lyft Brevet Capital	<i>Anchor Tenants</i> BlackRock Truist Bank Vista Equity Partners	<i>Anchor Tenants</i> Facebook	<i>Anchor Tenants</i> Pfizer AllianceBernstein Debevoise & Plimpton Turner Construction HSBC Bank
410 Tenth Avenue	2 Manhattan West	341 Ninth Avenue (Morgan North)	PENN1	PENN2	70 Hudson Yards	3 Hudson Boulevard	
100%	77%		83%	25%	0%	0%	
<i>RBA</i> 538,520 SF	<i>RBA</i> 1.95M SF	<i>RBA</i> 630,000 SF	<i>RBA</i> 2.3M SF	<i>RBA</i> 1.8M SF	<i>RBA</i> 750,000 SF	<i>RBA</i> 1.9M SF	
<i>Status</i> Completed	<i>Status</i> Completed	<i>Status</i> Completed	<i>Status</i> Completed	<i>Status</i> Under Construction	<i>Status</i> Under Construction	<i>Status</i> Under Construction	
<i>Ownership</i> 601W Companies/ Kaufman Org.	<i>Ownership</i> Brookfield Properties/ QIA	<i>Ownership</i> Tishman Speyer	<i>Ownership</i> Vornado Realty Trust	<i>Ownership</i> Vornado Realty Trust	<i>Ownership</i> Related	<i>Ownership</i> Moinian Group/ Boston Properties	
<i>Completion Date</i> 2022	<i>Completion Date</i> 2023	<i>Completion Date</i> 2023	<i>Completion Date</i> 2022	<i>Completion Date</i> 2023	<i>Completion Date</i> TBD	<i>Completion Date</i> TBD	
<i>Anchor Tenants</i> Amazon	<i>Anchor Tenants</i> Cravath Swaine & Moore D.E. Shaw Clifford Chance KPMG	<i>Anchor Tenants</i> Dentsu space on market for sublease	<i>Anchor Tenants</i> WSP Industrious Empire Blue Cross Blue Shield Gusto	<i>Anchor Tenants</i> Madison Square Garden	<i>Anchor Tenants</i> TBD	<i>Anchor Tenants</i> TBD	

Source: Newmark Research, Direct space only

Midtown East Development/Redevelopment

Leased/Sold

Available

1 Vanderbilt Avenue	425 Park Avenue	270 Park Avenue	350 Park Avenue/ 40 East 52nd Street	343 Madison Avenue	235 East 42nd Street	175 Park Avenue (Grand Hyatt)	405-417 Park Avenue
99%	87%	100%	100%	0%	0%	0%	0%
<i>RBA</i> 1.7M SF	<i>RBA</i> 689,950 SF	<i>RBA</i> 1.9M SF	<i>RBA</i> 1.68M SF	<i>RBA</i> 753,120 SF	<i>RBA</i> ± 1.2M SF	<i>RBA</i> ± 2.1M SF	<i>RBA</i> 800,000 SF
<i>Status</i> Completed	<i>Status</i> Completed	<i>Status</i> Under Construction	<i>Status</i> Planned	<i>Status</i> Planned (demo commencing)	<i>Status</i> Planned	<i>Status</i> Planned	<i>Status</i> Planned
<i>Ownership</i> SL Green/Hines/ NPS	<i>Ownership</i> GreenOak/ L&L Holding/ Tokyu Land Corp.	<i>Ownership</i> JP Morgan Chase	<i>Ownership</i> Vornado/Rudin Management/Citadel Enterprise America	<i>Ownership</i> MTA/ Boston Properties	<i>Ownership</i> David Werner/ Deutsche Asset	<i>Ownership</i> TF Cornerstone/ MSD Partners/ RXR-pending	<i>Ownership</i> GDS Dev./ Klövern AB
<i>Completion Date</i> 2020	<i>Completion Date</i> 2021	<i>Completion Date</i> 2024	<i>Completion Date</i> TBD	<i>Completion Date</i> TBD	<i>Completion Date</i> TBD	<i>Completion Date</i> TBD	<i>Completion Date</i> TBD
<i>Anchor Tenants</i> TD Bank TD Securities Greenberg Traurig McDermott Will & Emery The Carlyle Group	<i>Anchor Tenants</i> Citadel Hellman & Friedman Medical Properties Trust WAFRA	<i>Anchor Tenants</i> JP Morgan Chase (owner-occupied)	<i>Anchor Tenants</i> Citadel	<i>Anchor Tenants</i> TBD	<i>Anchor Tenants</i> TBD	<i>Anchor Tenants</i> TBD	<i>Anchor Tenants</i> TBD

Source: Newmark Research, Direct space only

Midtown South Development/Redevelopment

Leased/Sold Available

15 Laight St 100%	799 Broadway 88%	205 W 28th St 34%	145 Delancey (Essex Cr. W) 0%	541 W 21st St 0%	124 E 14th St (Zero Irving) 91%	141 East Houston St 54%
RBA 130,000 SF	RBA 182,187 SF	RBA 104,856 SF	RBA 177,969 SF	RBA 81,000 SF	RBA 262,342 SF	RBA 59,857 SF
Status Completed	Status Completed	Status Completed	Status Completed	Status Completed	Status Completed	Status Completed
Ownership Hyundai Motor Group	Ownership PIMCO/ Columbia Property Trust	Ownership GDS Dev / Klövern	Ownership Taconic/L&M Dev/BFC Ptr/ Prusik Group	Ownership Erbo Properties /Higher Ground Dev.	Ownership Junius Real Estate Partners / RAL Dev.	Ownership East End Capital
Completion Date 2021	Completion Date 2021	Completion Date 2021	Completion Date 2022	Completion Date 2022	Completion Date 2022	Completion Date 2021
Submarket Hudson Sq/ Meatpacking	Submarket Noho/Soho	Submarket Chelsea	Submarket East Village	Submarket Chelsea	Submarket Flatiron/ Union Sq	Submarket East Village



76 Eighth Ave 88%	220 Eleventh Ave 0%	555 Greenwich St 12%	550 Washington St 100%	1 Madison Ave 59%	4 Hudson Sq 100%
RBA 37,000 SF	RBA 195,000 SF	RBA 267,227 SF	RBA 1.3M SF	RBA 1.4M SF	RBA 1.2M SF
Status Under Construction	Status Under Construction	Status Under Construction	Status Under Construction	Status Under Construction	Status Under Construction
Ownership Plus Development	Ownership The Moinian Group	Ownership Hines/Trinity Church	Ownership Google	Ownership SL Green/Hines/NPS	Ownership Walt Disney Company
Completion Date 2024	Completion Date TBD	Completion Date 2023	Completion Date 2023	Completion Date 2024	Completion Date 2025
Submarket Hudson Sq/ Meatpacking	Submarket Chelsea	Submarket Hudson Sq/ Meatpacking	Submarket Hudson Sq/ Meatpacking	Submarket Flatiron/Union Sq	Submarket Hudson Sq/ Meatpacking

Source: Newmark Research, Direct space only

World Trade Center Development

Leased/Sold Available

1 World Trade Center	2 World Trade Center
95%	0%
<i>RBA</i> 3.2M SF	<i>RBA</i> 2.8M SF
<i>Status</i> Completed	<i>Status</i> Planned
<i>Ownership</i> Durst Organization/ Port Authority	<i>Ownership</i> Silverstein Properties
<i>Completion Date</i> 2014	<i>Completion Date</i> TBD
<i>Anchor Tenants</i> Condè Nast US GSA MDC Partners Stagwell Group Bounce Exchange	<i>Anchor Tenants</i> TBD
3 World Trade Center	4 World Trade Center
92%	99%
<i>RBA</i> 2.9M SF	<i>RBA</i> 2.3M SF
<i>Status</i> Completed	<i>Status</i> Completed
<i>Ownership</i> Silverstein Properties	<i>Ownership</i> Silverstein Properties
<i>Completion Date</i> 2018	<i>Completion Date</i> 2013
<i>Anchor Tenants</i> GroupM Uber McKinsey & Co Freshfields Bruckhaus Deringer LLP Hudson River Trading	<i>Anchor Tenants</i> NYC Human Resources Administration Spotify Port Authority of New York & New Jersey Zurich American Insurance Company MediaMath



Source: Newmark Research, Direct space only

2Q23

Brooklyn and Long Island City Overview



Brooklyn Submarket Snapshot

Brooklyn closed the second quarter with 552,756 square feet of leasing activity, driven almost entirely by the full lease up of The Hall campus in the Navy Yard. Availability fell by 80 basis points, to 18.7%, while overall asking rents increased by \$0.31/SF, to \$55.91/SF. Year over year, prime asking rents have increased by \$3.58/SF.



	DUMBO	Williamsburg / Bushwick	Downtown Brooklyn	Brooklyn Navy Yard	Sunset Park
Total Inventory	4.8 MSF	3.8 MSF	16.9 MSF	4.8 MSF	8.4 MSF
Availability Rate	35.1%	31.9%	16.5%	9.7%	13.0%
Average Asking Rent, Prime Assets	\$63.02/SF	\$69.02/SF	\$59.10/SF	\$59.14/SF	<i>Average Asking Rent:</i> \$33.43/SF
Average Asking Rent, Standard Assets	\$39.85/SF	\$50.45/SF	\$32.03/SF	\$36.66/SF	
Under Construction	252,000 SF	807,731 SF	111,000 SF	0 SF	0 SF

Note: Prime Assets are Class A and newly repositioned space. Standard Assets are all other office inventory.
Source: Newmark Research

Downtown Brooklyn, Dumbo and Navy Yard New Supply

Downtown Brooklyn

Existing Inventory	85.6%
Under Construction	0.7%
Delivered 2014-Present	15.9%

DUMBO

Existing Inventory	40.4%
Under Construction	5.5%
Delivered 2014-Present	52.2%

Navy Yard

Existing Inventory	19.2%
Under Construction	80.8%



Source: Newmark Research

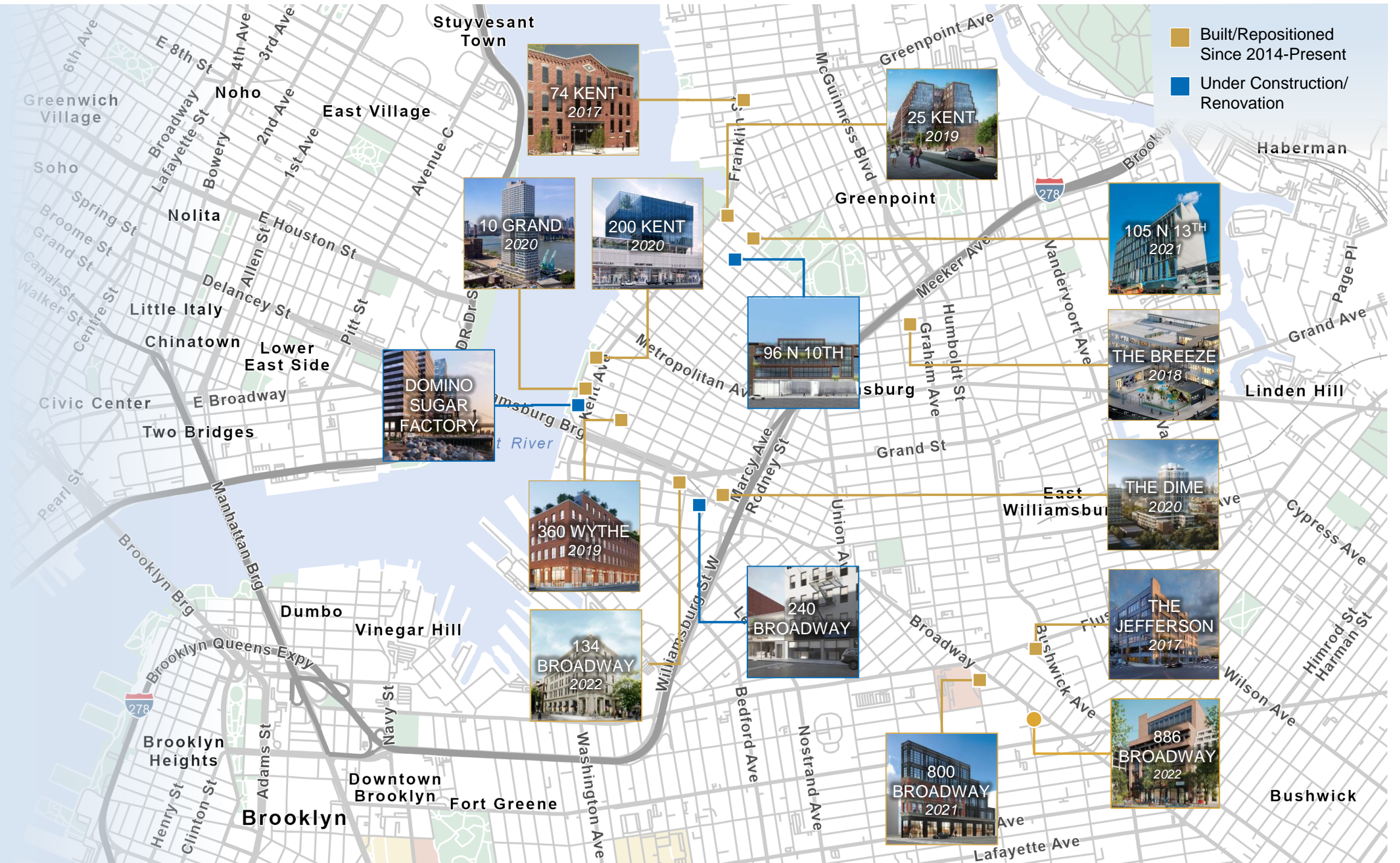
Williamsburg/Bushwick New Supply

Williamsburg/Bushwick

Existing Inventory 39.4%

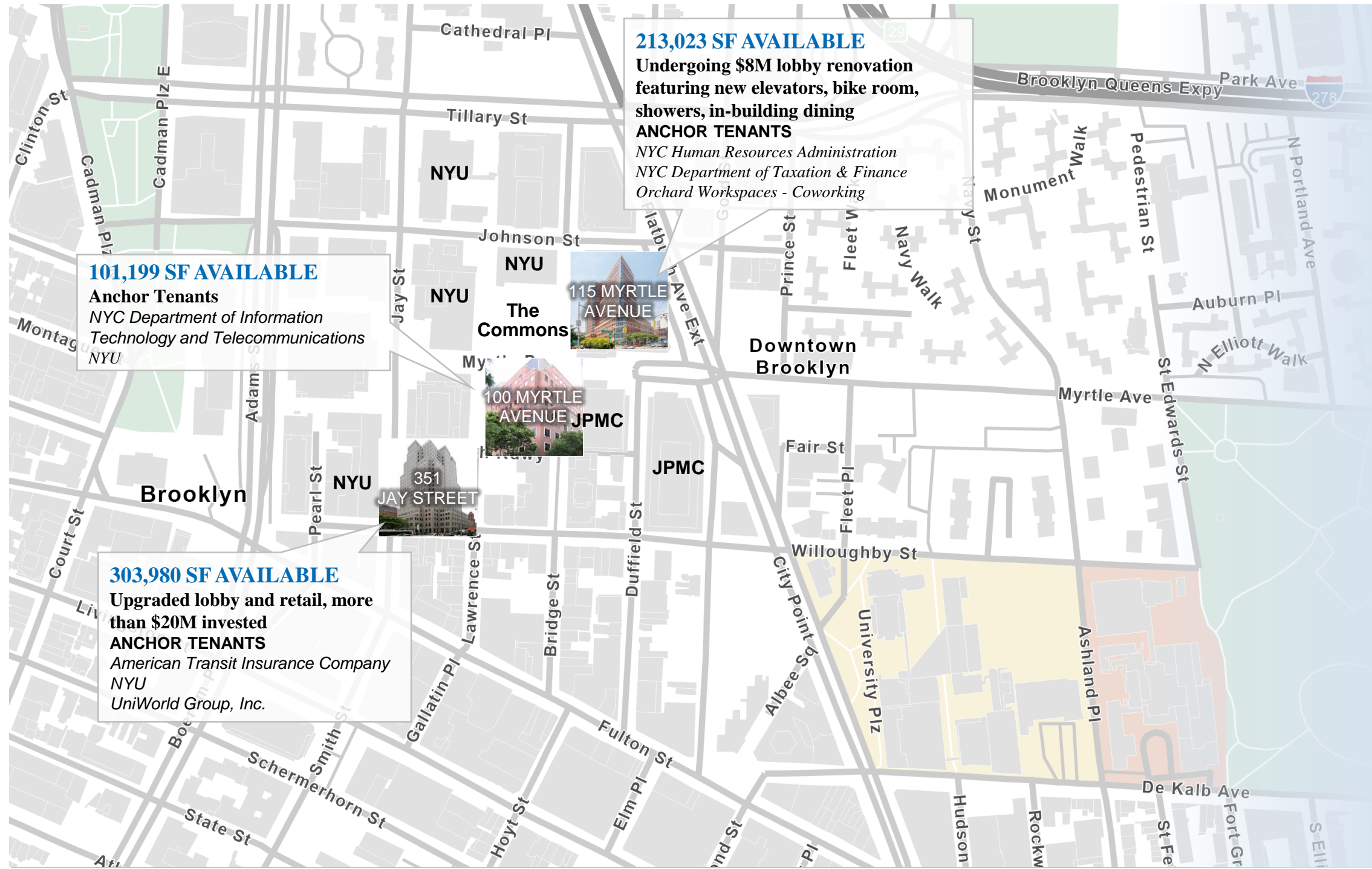
Under Construction 24.3%

Delivered 2014-Present 53.8%



Source: Newmark Research

Brooklyn Commons



Brooklyn Commons

Existing Inventory
4,852,350 SF

Owner
Brookfield Asset Mgmt.

Available Space

351 Jay Street **303,980 SF**

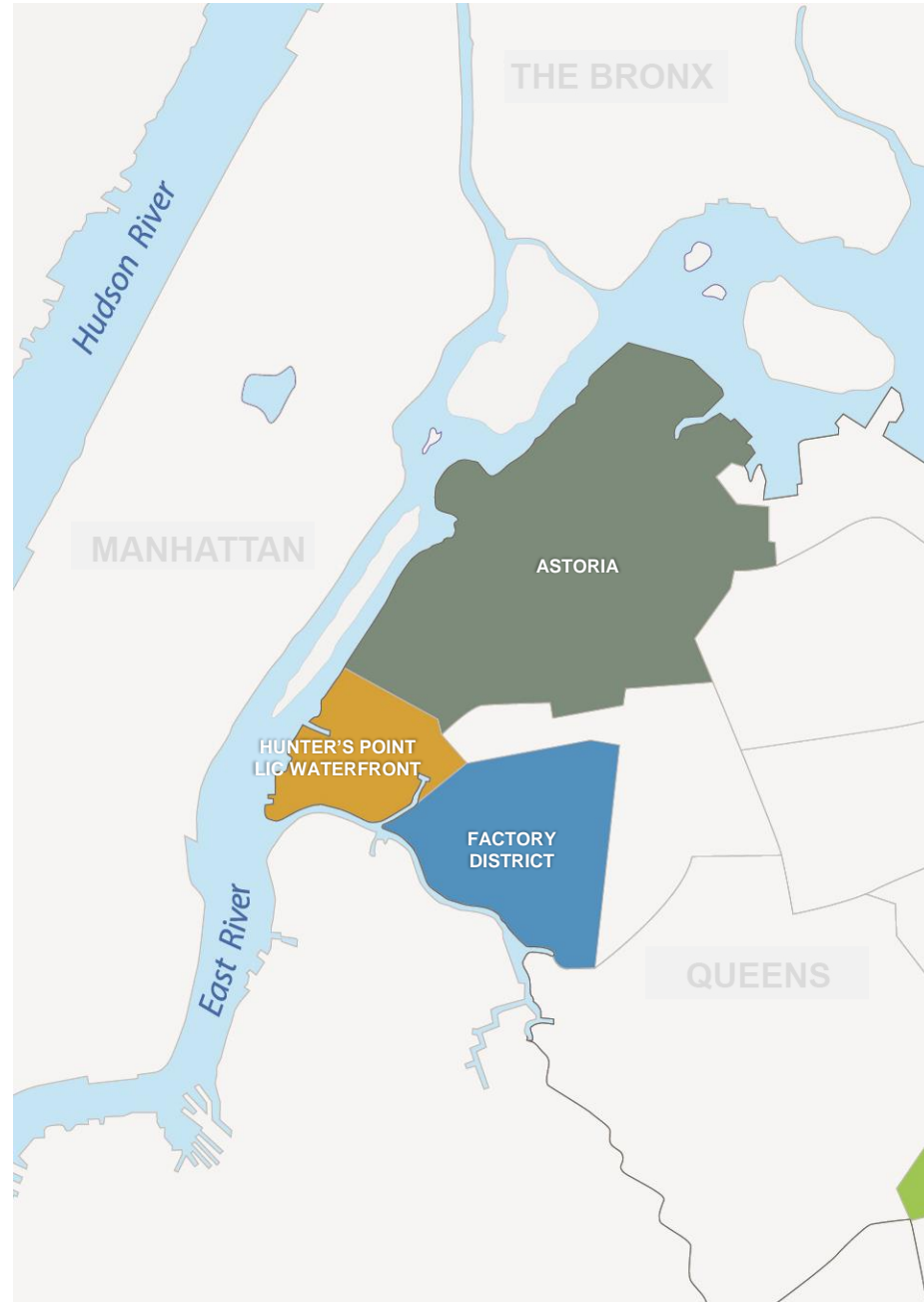
115 Myrtle Avenue **213,023 SF**

100 Myrtle Avenue **57,319 SF**

Source: Newmark Research

Long Island City Submarket Snapshot

Leasing activity across Long Island City totaled 308,219 square feet in the second quarter, led by the NYC Department of Citywide Administrative Services taking 170,937 square feet at 47-11 Austell Place. As leasing velocity doubled quarter over quarter, availability dropped by 100 basis points, closing 2Q23 at 24.5%. Year over year, overall asking rents are down \$4.12/SF, with prime asking rents dropping \$4.69/SF.



Hunter's Point / LIC Waterfront

Total Inventory	6.3 MSF
Availability Rate	32.4%
Average Asking Rent, Prime Assets	\$58.89/SF
Average Asking Rent, Standard Assets	\$39.52/SF
YTD Absorption	34,741 SF
Under Construction	100,000 SF



Astoria

Total Inventory	4.1 MSF
Availability Rate	16.5%
Average Asking Rent, Prime Assets	\$38.16/SF
Average Asking Rent, Standard Assets	\$32.62/SF
YTD Absorption	45,604 SF
Under Construction	57,049 SF



Factory District

Total Inventory	4.8 MSF
Availability Rate	20.9%
Average Asking Rent, Prime Assets	\$36.66/SF
Average Asking Rent, Standard Assets	\$42.85/SF
YTD Absorption	68,474 SF
Under Construction	0 SF



Note: Prime Assets are Class A and newly repositioned space. Standard Assets are all other office inventory.
Source: Newmark Research

Long Island City New Development



Source: Newmark Research

For more information:

Jonathan Mazur
Executive Managing Director
Jonathan.Mazur@nmrk.com

Carly Barwick
Associate Director
Carly.Barwick@nmrk.com

Michael Miceli
Director
Michael.Miceli@nmrk.com

John O'Connor
Senior Analyst
John.Oconnor@nmrk.com

Ronnie Wagner
Director
Ronnie.Wagner@nmrk.com

New York Headquarters
125 Park Ave.
New York, NY 10017
t 212-372-2000

nmrk.com

Newmark has implemented a proprietary database and our tracking methodology has been revised. With this expansion and refinement in our data, there may be adjustments in historical statistics including availability, asking rents, absorption and effective rents. Newmark Research Reports are available at nmrk.com/insights.

All information contained in this publication (other than that published by Newmark) is derived from third party sources. Newmark (i) has not independently verified the accuracy or completeness of any such information, (ii) does not make any warranties or representations, express or implied, concerning the same and (iii) does not assume any liability or responsibility for errors, mistakes or inaccuracies of any such information. Further, the information set forth in this publication (i) may include certain forward-looking statements, and there can be no guarantee that they will come to pass, (ii) is not intended to, nor does it contain sufficient information, to make any recommendations or decisions in relation to the information set forth therein and (iii) does not constitute or form part of, and should not be construed as, an offer to sell, or a solicitation of any offer to buy, or any recommendation with respect to, any securities. Any decisions made by recipient should be based on recipient's own independent verification of any information set forth in this publication and in consultation with recipient's own professional advisors. Any recipient of this publication may not, without the prior written approval of Newmark, distribute, disseminate, publish, transmit, copy, broadcast, upload, download, or in any other way reproduce this publication or any of the information it contains with any third party. This publication is for informational purposes only and none of the content is intended to advise or otherwise recommend a specific strategy. It is not to be relied upon in any way to predict market movement, investment in securities, transactions, investment strategies or any other matter. If you received this publication by mistake, please reply to this message and follow with its deletion, so that Newmark can ensure such a mistake does not occur in the future.

NEWMARK

NEWMARK