

		Feb 2019	Jan 2019	Feb 2018
Average Asking Rent (\$/sf/yr)	Midtown	\$83.23	\$83.12	\$82.64
	Midtown South	\$77.59	\$78.53	\$69.06
	Downtown	\$62.17	\$62.12	\$62.98
	Manhattan	\$76.44	\$76.59	\$74.19
Availability Rate	Midtown	10.1%	10.1%	11.0%
	Midtown South	8.2%	7.9%	8.5%
	Downtown	11.4%	11.7%	12.1%
	Manhattan	9.7%	9.6%	10.4%
Leasing Activity (MSF - monthly)	Midtown	1.39	1.82	1.34
	Midtown South	0.82	0.97	1.02
	Downtown	0.62	1.50	0.21
	Manhattan	2.82	4.29	2.57

MANHATTAN



Monthly leasing activity in Manhattan was up 9.7% from February 2018 to 2.82 MSF. So far this year, leasing volume at 7.11 MSF has far outpaced the first two months of 2018 (5.53 MSF). In fact, January – February 2019 leasing has nearly matched leasing activity from the entire 1Q 2018. The monthly availability rate was steady at 9.7% (up 0.1 percentage point (pp)) but down 0.7 pp year-over-year. Absorption was negative 0.36 MSF, Manhattan’s second consecutive month of negative absorption. New large subleases were listed last month at 11 Penn Plaza by Macy’s (532,000 SF) and 1540 Broadway by Viacom (111,000 SF) and both were priced below market average. Largely as a result, Manhattan’s monthly asking rent average decreased slightly, by 0.2% to \$76.44/ SF.

MIDTOWN



In Midtown, leasing activity gained 3.6% over February 2018 to 1.39 MSF. Monthly leasing was down by nearly one-fourth following a strong January. Akin Gump’s renewal at 1 Bryant Park (280,000 SF) was Manhattan’s largest lease in February. In addition, Sentinel Real Estate Corporation renewed its lease at 1251 Avenue of the Americas (72,000 SF). The monthly availability was unchanged at 10.1% and February absorption was flat at negative 0.03 MSF. Midtown’s asking rent average increased marginally since January, by 0.1% to \$83.23/ SF. Asking rents were raised at 110 East 60th Street (138,000 SF) while a below-average sublease at 1211 Avenue of the Americas (80,000 SF) was withdrawn from the market.

MIDTOWN SOUTH



Leasing volume slowed in Midtown South in February, down 16.0% since January to 0.82 MSF. Leasing activity dropped 20.3% compared to the same month last year. Two large deals closed in February: TransPerfect’s (124,000 SF) relocation to 1250 Broadway and Lyft’s (101,000 SF) new lease at 441 Ninth Avenue. Monthly availability increased 0.3 pp to 8.2%. Year-over-year, availability was lower, also by 0.3 pp. Absorption was negative 0.57 MSF, the largest volume of monthly negative absorption in nearly one year. Just under 100,000 SF of direct space was recently listed at 817 Broadway in addition to Macy’s 500,000 SF plus new sublease at 11 Penn Plaza. Midtown South’s monthly asking rent average fell 1.2% to \$77.59/ SF with below market average pricing by Macy’s for its sublet.

DOWNTOWN



Leasing volume in Lower Manhattan was down 58.7% to 0.62 MSF after a very active January but nearly three times greater than February 2018. WeWork’s new lease at 199 Water Street for 201,000 SF was Downtown’s largest transaction in February. Despite the substantial decline in leasing activity month-over-month, February’s availability rate tightened 0.3 pp to 11.4% with positive 0.23 MSF absorption. No new large (100,000+ SF) listings were added to the available inventory in February. Consequently, Downtown’s monthly asking rent average remained relatively stable, increasing \$0.05/ SF to \$62.17/ SF.

Address	SF Leased	Tenant	Market	Lease Type
1 Bryant Park	280,000	Akin Gump Strauss Hauer & Feld LLP	Midtown	Renewal
199 Water Street	201,231	WeWork	Downtown	New
1250 Broadway	123,516	TransPerfect	Midtown South	New
441 Ninth Avenue	100,638	Lyft	Midtown South	New
1251 Avenue of the Americas	72,200	Sentinel Real Estate Corporation	Midtown	Renewal