



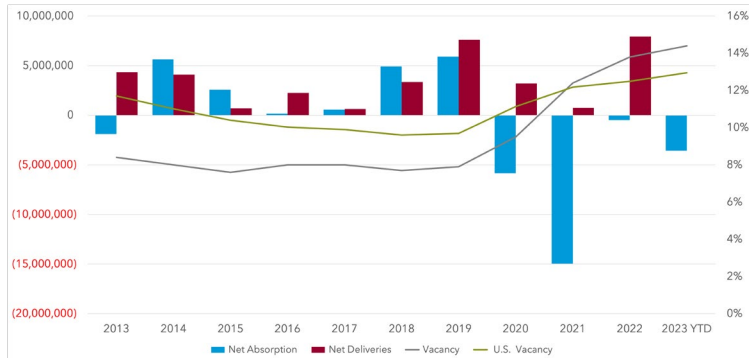
### OFFICE MARKET OVERVIEW

SARAH ORCUTT, *Director of Research*

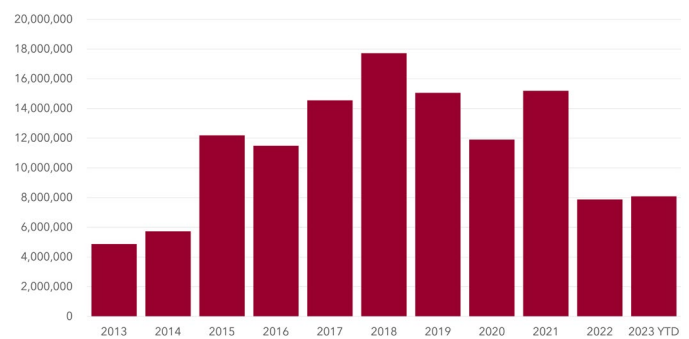
Recent economic shocks weighed on leasing decisions in Manhattan's office market through Q1, with activity totaling 5.5 million square feet, a 31.4% decline from 8.0 million square feet during the same period last year. Larger transactions were driven by renewals, indicative of tenants' hesitancy to commit to significant real estate decisions in the current market. The vacancy rate increased 0.6 percentage points quarter-over-quarter and 1.8 percentage points year-over-year to 14.4% while net absorption was negative 3.6 million square feet, reflective of companies opting to downsize or shed existing space. The available supply of sublet space reached a historic high at 24.6 million square feet, representing 24.1% of total available space on the market.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▼ 12 Mo. Net Absorption SF	(3,562,332)	(484,110)	(6,149,594)	(5,595,729)	(5,176,428)
▲ Vacancy Rate	14.4%	13.8%	13.4%	13.3%	12.6%
▼ Avg GRS Asking Rate PSF	\$71.35	\$71.41	\$71.42	\$71.41	\$71.64
▲ SF Under Construction	8,089,190	7,877,190	14,181,635	14,181,635	14,343,977
◀ ▶ Inventory SF	547,753,477	547,753,477	541,249,032	541,249,032	540,986,690

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
850 Third Avenue New York, NY	621,786 SF	\$265,934,184 \$427.69 PSF	HPS Investment Partners The Chetrit Group	Class A
350 Park Avenue New York, NY	585,460 SF	\$262,612,500 \$448.56 PSF	Citadel Vornado Realty Trust	Class A
40 East 52nd Street New York, NY	393,154 SF	\$84,048,000 \$213.78 PSF	Citadel Rudin Management Company	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
100 Avenue of the Americas New York, NY	265,217 SF	Hines	Two Sigma	FinTech
200 Liberty Street New York, NY	225,000 SF	Brookfield Asset Management	Cadwalader Wickersham & Taft	Legal Services
555 West 57th Street New York, NY	186,882 SF	SL Green Realty Corp.	CBS	Media

