



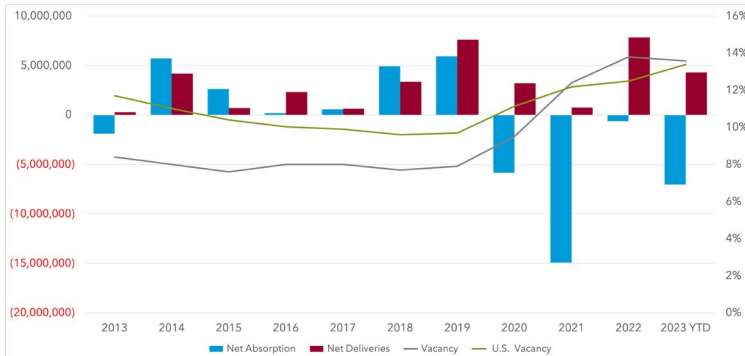
OFFICE MARKET OVERVIEW

KENNETH SALZMAN, SIOR, *Executive Managing Director, Principal*

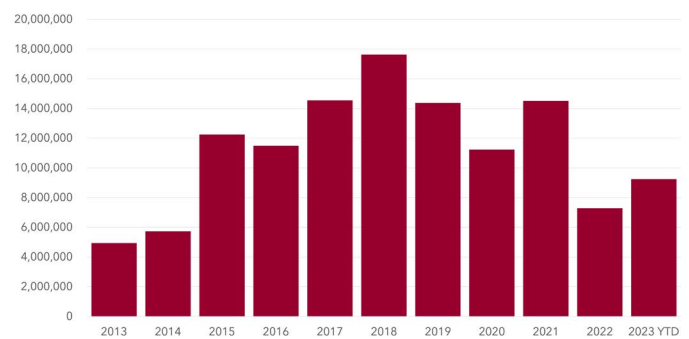
New York City unemployment decreased to 5.3% at the end of 3Q23 and office occupancy is approaching pre-pandemic levels. Over the past 12 months absorption totals stand at -3.2 MSF as new leasing activity has been sluggish. The vacancy rate, 13.5%, remains elevated compared to the pre-pandemic level of 11%. Leasing demand has been driven by legal and financial tenants taking space in the highest quality properties. Sizable leases in trophy assets, such as One Vanderbilt, 30 Hudson Yards, and 3 World Trade Center along with buildings that have undergone significant capital improvements such as 550 Madison (\$300 M) and One Penn Plaza (\$200 M) accounted for much of the quarter's transaction volume. Tenants actively await more than 9.3 MSF of new construction in the pipeline.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(3,196,893)	(223,852)	(3,922,052)	(618,659)	(6,162,822)
▼ Vacancy Rate	13.5%	14.8%	14.3%	13.8%	13.4%
▼ Avg NNN Asking Rate PSF	\$56.16	\$70.77	\$70.68	\$70.70	\$70.86
▲ SF Under Construction	10,000,120	4,223,268	7,499,870	7,287,870	13,499,630
▲ Inventory SF	979,036,475	550,835,827	547,559,225	547,559,225	541,347,465

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
110 William Street New York, NY	928,157 SF	Undisclosed	Undisclosed Undisclosed	Class A
55 Broad Street New York, NY	410,000 SF	\$172,500,000 \$420.73 PSF	Silverstein Properties Rudin Management Company	Class A
16 Madison Square West New York, NY	290,640 SF	\$42,874,735 \$147.52 PSF	Adams & Company Real Estate Rockrose Development Corp.	

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
450 Lexington Avenue New York, NY	700,947 SF	RXR Realty	Davis Polk	Professional Services
255 Greenwich Street New York, NY	183,255 SF	Jack Resnick & Sons, Inc.	New York City	Public Administration
120 Broadway New York, NY	121,903 SF	Silverstein Properties	Tower Research Capital	Real Estate

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