



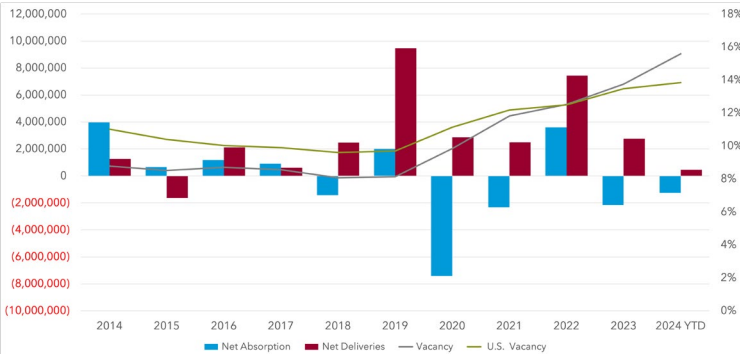
### OFFICE MARKET OVERVIEW

KENNETH SALZMAN, *Executive Managing Director, Principal*

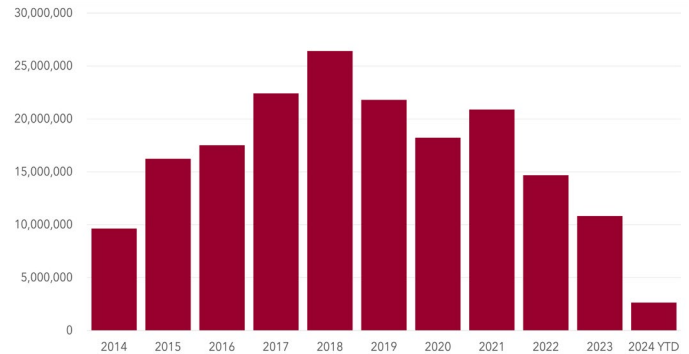
NYC's office market continues to struggle in 2024. Leasing activity is down, vacancy (at 15.5%) is historically high, and average rents are stagnant at just under \$70 psf modified gross. Newly constructed or substantially modernized buildings are attracting large tenants, induced with substantial concessions, are often willing to pay triple-digit rents. However significant numbers of obsolete or less well-located properties continue to suffer; a number of these properties will be demolished or repositioned at some point in the future. While sublease space peaked in early 2023, it remains high, and overall vacancy is expected to rise in 2025 with the delivery of 7+ million square feet of new construction.

MARKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
▲ 12 Mo. Net Absorption SF	(4,668,172)	(6,133,435)	(1,250,335)	(2,492,608)	(5,390,358)
▼ Vacancy Rate	15.5%	15.0%	15.0%	15.0%	14.5%
▼ Avg Asking Rate PSF	\$69.85	\$69.88	\$69.76	\$69.71	\$69.48
▼ SF Under Construction	0	7,350,117	7,156,685	7,200,452	10,714,054
▲ Inventory SF	593,375,218	593,147,718	594,858,008	594,990,096	591,562,796

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1410 Broadway New York, NY	394,000 SF	\$170,000,000 \$880.45 PSF	Kassin Sabbagh Realty L.H. Charney Associates	Class A
146 W. 57th Street New York, NY	206,880 SF Condo	\$82,620,000 \$399.36 PSF	GDS & Sabal Investment Aareal Capital	Class A
175 Varick Street New York, NY	175,745 SF	\$57,000,000 \$324.33 PSF	Tishman Speyer Georgian Press, Inc.	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
11 West 42nd Street New York, NY	203,000 SF	Tishman Speyer & Silverstein Properties	Michael Kors	Fashion
1345 Avenue of the Americas New York, NY	142,946 SF	Fisher Brothers	Intercontinental Exchange (ICE)	Finance
488 Madison Avenue New York, NY	142,308 SF	The Feil Organization	Archdiocese of New York	Religious Organization

