



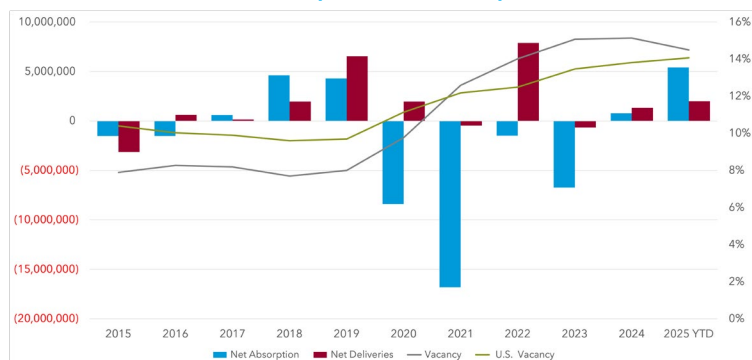
OFFICE MARKET OVERVIEW

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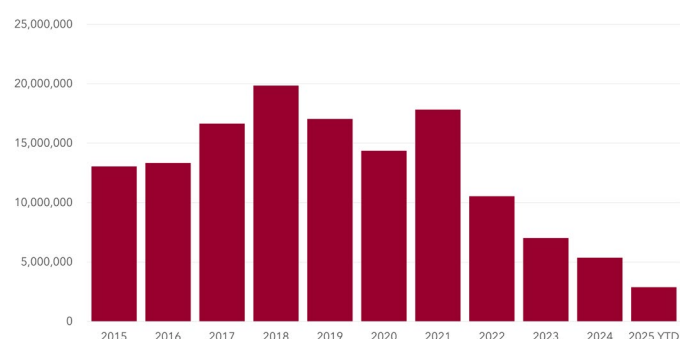
In Q3 2025, the Manhattan office market experienced a notable rebound, with net absorption reaching 5.77 million SF, a sharp increase from 1.44 million in Q2. The vacancy rate improved to 14.7%, marking continued progress from the previous quarter's 15.0%, as leasing activity strengthened across major submarkets. Average asking rents held steady at around \$72.55 PSF, reflecting landlord confidence amid rising demand for quality office space. Overall leasing activity for the quarter totaled 8.8 million SF, bringing year-to-date 2025 volume to nearly 32 million square feet. Construction activity moderated to 2.9 million SF under development, suggesting a balanced pipeline as absorption gains traction. Overall, sustained leasing momentum and healthy pricing underscore a stabilizing Manhattan office sector heading into year-end 2025.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▲ 12 Mo. Net Absorption SF	5,773,221	1,439,790	3,266,933	780,983	(2,073,188)
▼ Vacancy Rate	14.7%	15.0%	15.0%	15.1%	15.2%
▲ Avg NNN Asking Rate PSF	\$72.55	\$72.47	\$73.01	\$72.85	\$72.64
▲ Sale Price PSF	\$525.29	\$506.50	\$403.37	\$448.35	\$388.71
◀ ▶ Cap Rate	4.5%	6.5%	-	4.7%	7.7%
▼ Under Construction SF	2,885,157	6,038,825	6,084,632	5,367,320	6,581,320
▲ Inventory SF	589,454,299	586,356,361	586,682,056	587,457,910	586,243,910

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
590 Madison Avenue New York, NY	1,049,759 SF	\$1,080,000,000 \$1,028.81 PSF	RXR/Elliott Mgmt Corp/Baupost Grp Ohio State STRS	Class A
1177 Avenue Of The Americas New York, NY	1,030,000 SF	\$609,000,000 \$591.26 PSF	Norges Bank Inv Mgmt/Beacon Cap Ptnrs CalSTRS/Silverstein Properties	Class A
135 E. 57th Street New York, NY	456,652 SF	\$158,956,065 \$348.09 PSF	TF Cornerstone Wallace Real Estate	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
70 Hudson Yards New York, NY	800,010 SF	The Related Companies	Deloitte	Professional Services
330 Madison Avenue New York, NY	364,118 SF	MEAG	Guggenheim	Financial Services
1095 Avenue of the Americas New York, NY	350,000 SF	La Caisse	Salesforce	Software

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