



## **Cassidy Turley May Market Report - showing 355,757 s/f of positive absorption in April**

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Cassidy Turley, a leading commercial real estate services provider in the U.S., released their May Manhattan Market Report, which shows an upswing with 355,757 s/f of positive absorption in April leading to a drop in the availability rate to 11.7%. Interestingly, the largest decline in available space came from the class A market, which dropped to 12.4%. As a reflection, Midtown is experiencing a healthy resurgence, while Midtown South faltered slightly with Downtown remaining steady.

April was a great month for Midtown, posting 899,756 s/f of positive absorption, most of which can be attributed to significant leases that closed after the first quarter. The increase in activity resulted in the availability rate dropping to 11.8%, down 40 basis points from March. Class B asking rents continued to soar, up \$1.01 to \$52.69 per s/f, while class A asking rents crept up only \$0.06 per s/f to \$77.79.

Midtown South experienced a few missteps in April as the availability rate jumped 50 basis points to 9.5% the highest it has been in 17 months. Negative absorption of 397,200 s/f is a result of space added to the Flatiron/Union Square submarket at 114 Fifth Avenue. Despite an increase in availability, asking rents in class B soared to \$59.79 per s/f, up \$2.64, while class A asking rents increased \$0.83 to \$68.04 per s/f.

The good news for Downtown is demand remains high as tenants continue to seek value even though availability inched up in April by 10 basis points to 13.5%. Class A asking rents were up \$0.81 per s/f to \$53.42 and class B minimally edged up \$0.03 to \$36.08 per s/f, interestingly placing Downtown as the sole market where class A asking rents increased more than class B.

"Positive activity in Midtown demonstrates the resilience of the market while Midtown South is naturally experiencing a fluctuation due to new product," said Peter Hennessy, president, New York Tri-State Region Cassidy Turley. "Our clients benefit from our intimate understanding of the progression of the market and the impact to their long- and short-term real estate goals."

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