



CBRE Group, Inc. releases its second quarter Manhattan Office MarketView

August 26, 2013 - New York City

CBRE Group, Inc. (CBRE) has released its Manhattan Office MarketView for the second quarter 2013.

CBRE Second Quarter Office MarketView Highlights:

Midtown - The market recorded 4.50 million s/f of leasing activity in Q2 2013, which was the market's strongest quarter of leasing since Q2 2011, surpassing the market's five-year quarterly average of 3.49 million s/f by 29%, and the previous quarter's 2.87 million s/f of activity by 57%.

Hot Topics:

- * Three of the top five transactions completed during the quarter were renewals.
- * Several large-sized availabilities offset the quarter's robust leasing activity, resulting in 160,000 s/f of negative absorption and a 10-basis-point increase in the overall availability rate.
- * The overall average asking rent inched down during the quarter, but was up 8% year-over-year.

Midtown South - The market posted 1.20 million s/f of leasing activity in Q2 2013, up 35% from the previous quarter's 890,000 s/f of leasing, and outperforming the market's five-year quarterly average of 1 million s/f by 20%.

Hot Topics:

- * Year-to-date leasing activity trailed 2012's historically robust level by 18%.
- * The quarter's three largest transactions were completed by technology companies.
- * The overall availability rate dropped 70 basis points during the quarter to 10%.
- * Midtown South's average asking rent rose 6% quarter-over-quarter to \$63.44 per s/f

Downtown - Downtown logged its ninth consecutive quarter of above-average leasing activity, with Q2 2013's 1.09 million s/f of leasing outpacing the market's five-year quarterly average of 1.03 million s/f by 6%. This was down 20% from Q1 2013's 1.37 million s/f of leasing, but 6% ahead of Q2 2012's 1.03 million s/f of activity.

Hot Topics:

- * Through Q2 2013, year-to-date leasing activity paced 22% ahead of the same six-month period in 2012.
- * The quarter's 1.57 million s/f of negative net absorption was fueled by the addition of several large availabilities to the market.
- * The overall availability rate jumped 190 basis points during the quarter to 15.8%.
- * Downtown's average asking rent was stable during the quarter, ending Q2 2013 at \$47.13 per s/f.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540