



## Cassidy Turley Third Quarter Manhattan Office Report - Demands remain strong

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Cassidy Turley released some Manhattan Office Report stats on how the office market performed in the third quarter.

The Manhattan office market continued to gain momentum in the third quarter as demand remains strong. Another 1.3 million s/f of positive absorption was recorded in the third quarter bringing the total to 1.9 million s/f for the year. The Cassidy Turley report breaks down the Midtown, Midtown South and downtown submarkets to show a clear picture of what's available, what large leases were signed and asking rents. I pulled some highlights below.Â· Asking rents continue to climb: Class B rental increases are still outpacing class A. class B average asking rents soared another \$2.50 per s/f to \$53.28, while class A rents increased only \$0.68 to \$69.97 per s/f.

Â· Midtown remains steady: Increase in demand resulted in another 393,426 s/f of positive absorption bringing the 2013 absorption totals to just under 1.5 million s/f.

Â· Class A pricing dipped slightly, \$0.35 to \$77.21 per s/f

Â· Class B pricing rose \$3.08 to \$56.94 per s/f

Â· Midtown South rents rise: Inventory availability rate remains below 9%, despite the addition of the new 400,000 s/f building at 51 Astor Place.

Â· Class A asking rents rose \$7.65 per s/f to \$75.02.

This average is slightly skewed thanks to pricing at 51 Astor Place, which is \$30.00 per s/f higher than the market average. Removing 51 Astor Place from the statistics brings the Class A average down to \$68.78.

Â· Class B rents increased \$1.22 per s/f to \$60.02, the highest ever for Midtown South

Â· Downtown posts strong second quarter: Availability rate dropped 110 basis points to 13.5%

Â· 906,202 s/f of positive absorption nearly wiped out the negative 1.05 million s/f from the second quarter.

Â§ Short-lived victory: 4 World Trade Center will create 1-million-square-feet of available space.

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