



Transwestern releases second quarter 2018 Manhattan Office Market report

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NEW YORK, NY Manhattan's office market shook off a sluggish start to 2018 with a strong second quarter, recording more than 10 million s/f of leasing during the period, the highest quarterly figure since 2014, according to Transwestern's second quarter 2018 report. There were 22 new leases exceeding 50,000 s/f, including nine that topped 100,000 s/f.

Manhattan posted just under 300,000 s/f of positive absorption in the quarter, bringing the year-to-date total to negative 1.4 million square feet. The market's availability rate remained steady at 11.4 percent.

"The Manhattan market had a fairly robust quarter of leasing that brought it to 17 million square feet leased year-to-date, a figure that's up 8 percent since the same period last year," said Danny Mangru, Research Manager in Transwestern's New York office. "The leases didn't have a strong impact on the net absorption figure because much of the space was either preleased or was not officially on the market. The TAMI and law sectors were the most active, accounting for more than half of the transactions exceeding 100,000 s/f."

Highlights from the report include:

- Average asking rents in Manhattan are at an all-time high of \$74.36. This is up from last quarter's average of \$74.04 and up 3% from a year ago.
- The average deal size of new leases almost exceeded 50,000 s/f market, with nine in Midtown and two in Downtown.
- Midtown South witnessed the greatest drop in availability, with robust leasing and no significant new availabilities, pushing the rate to 9.4% from 9.8% last quarter.
- Most areas posted positive net absorption, except for downtown, where seven large blocks of space exceeding 50,000 s/f were added.
- There is currently 14.2 million s/f of office space under construction, with a sizable portion already preleased.
- At the mid-year mark, sales volume is at \$8.5 billion, up 10% from last year, with an average price of \$991 per square foot.

Download Transwestern's full second quarter 2018 report at:
<https://transwestern.com/market-reports>

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