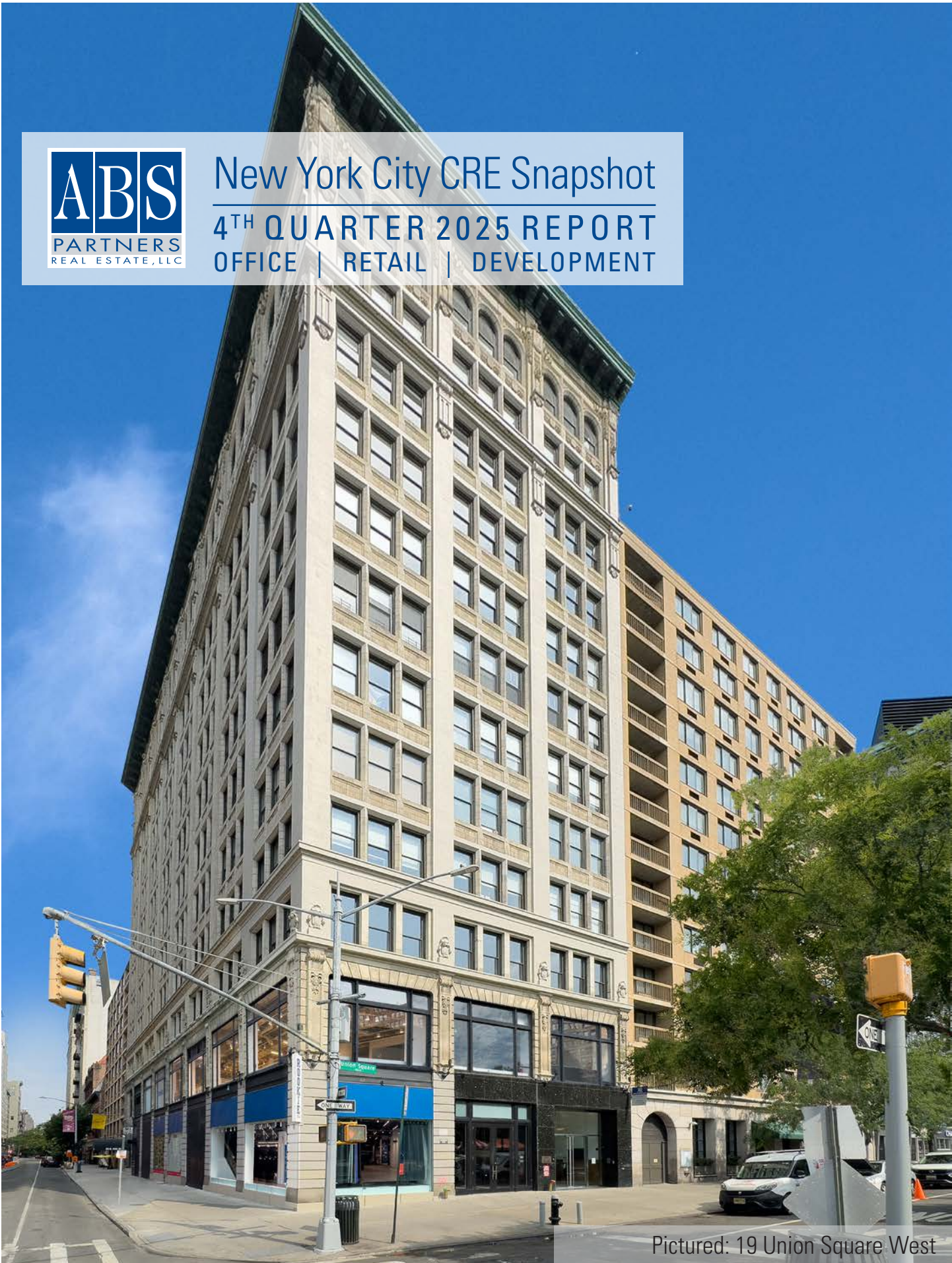




# New York City CRE Snapshot

## 4<sup>TH</sup> QUARTER 2025 REPORT

OFFICE | RETAIL | DEVELOPMENT



Pictured: 19 Union Square West



Midtown - Grand Central Area - View from 61st Floor of Chrysler Building

## Quarterly News Highlights\*

### General News

#### Gap Between the Two Economies in the U.S. Widens and Job Layoff Concerns Heighten | September 16-17, 2025

The continued shrinking of the middle class in the United States has left the nation with two economies — rich and poor. According to “The State of the American Middle Class” article posted by the Pew Research Center in May 2024, the share of middle-class American households declined from 61% in 1971 to 51% by 2023. The decline has resulted in the share of lower-income households increasing from 27% to 30% and the share in upper-income households increasing from 11% to 19% during the same 52-year period. Pew’s report further points out that while the proportionately greater increase in share of the upper-income households is a sign of economic progress overall, “growth in income for the middle class since 1970 has not kept pace with the growth in income for the upper income tier.” Furthermore, the “share of total U.S. household income held by the middle class has plunged.” Based on Bank of America data, a recent article by the Wall Street Journal reveals that although the pace of wage growth of the bottom third of U.S. earners exceeded that of the top third over the past few years, the trend has reversed with top earners pulling far ahead since the start of the year. In contrast to the 3.6% annual wage and salary growth and 2.2% year-over-year spending growth among the top third earners in August 2025 per the Bank of America data, the bottom-third had a 0.9% lowering in wages and a nominal 0.3% rise in household spending.

The rise in unemployment to 4.3% during August as the labor market weakened has shifted consumers’ concerns from inflation to worries about the probability of a layoff and the ability to quickly find another job according to an article by online real estate platform Costar. The results of the “Survey of Consumers Expectations for August” completed by the Federal Reserve of New York are provided below.

Income Level	Probability of Losing a Job Over the Next 12 Months				
	August 2025	July 2025	Month-over-Month Percentage Point Change	January 2025	Percentage Point Change Between August and January
Over \$100,000	13.4%	14.9%	-1.5	13.9%	-0.5
\$50,000 - \$100,000	11.3%	12.9%	-1.6	13.0%	-1.7
Under \$50,000	19.4%	15.6%	-3.8	16.3%	-3.1
Mean Probability	14.5%	14.4%	0.1	14.2%	0.3

Income Level	Probability of Finding a Job Within 3 Months After a Layoff				
	August 2025	July 2025	Month-over-Month Percentage Point Change	January 2025	Percentage Point Change Between August and January
Over \$100,000	45.9%	53.9%	-8.0	55.4%	-9.5
\$50,000 - \$100,000	50.2%	52.6%	-2.4	50.6%	-0.4
Under \$50,000	37.6%	43.9%	-6.3	46.7%	-9.1
Overall	44.0%	50.7%	-6.7	51.5%	-7.5

Sources: <https://product.costar.com/home/news/164473400> • <https://www.wsj.com/economy/us-economy-analysis-wealthy-low-income-8ba80ccc>  
<https://www.newyorkfed.org/microeconomics/sce#/jobsep-8>

\* Access to some articles may require a login and/or subscription.

# News Highlights (cont'd)

## NYS Must Take Immediate Action to Reverse Its Adverse Business Climate | September 17, 2025

A study commissioned to find out “what was driving New York State to the bottom of every major business category” was conducted by the Public Policy Institute of New York State, Inc. (PPINYS), an affiliate of The Business Council of New York State, Inc. (BCNYS), in collaboration with the New York State Economic Development Council (NYSEDC). The “Blueprint for New York – Creating a Roadmap for Change” represents the compilation of responses from one year of focus groups with over 500 business leaders and 40 associations across the state. The feedback confirmed the urgent need for the state to fix its business climate to “stop the economic freefall that is being documented day-after-day.” Some of the most disturbing trends that have developed over the last few decades are:

- Declining prime working age population of 9.6% between 2005 and 2025 in contrast to Texas seeing a growth of 32.5% during the same period. Although New York State’s total population has been stable over the past 20 years, the number of people aged 65 and older increased by over 1.3 million and now comprise almost 19.6%. In contrast, the population of children aged 19 and under decreased by 758,973 and the prime working age population declined by 799,633 people.
- Lower than the national average job growth rate — 7.3% over the past 10 years compared to 12% nationwide, with an even wider gap compared to the 24.9% and 20.3% job growth rates in Florida and Texas respectively.
- Growing cost of living due to significantly higher expenses for excessive taxes, energy, and housing which makes it difficult for workers to live near jobs and therefore limits workforce retention and drives workers and businesses out of state.
- “Through the roof” state and local regulations with over 300,000 regulations on the books, second to only California; and the over 24,000 new bills introduced in 2023-2024 leads the nation and is five times the national average and double the next closest state. The results of the study reconfirmed what former U.S. Senator George McGovern pointed out in his 1992 column — “A Politician’s Dream is a Businessman’s Nightmare,” on the realities of running a business. Although acknowledging that “regulations may be put in place to address a specific issue or safety concern, unintended economic outcomes resulting from many regulations often have a far more detrimental outcome on citizens in the state. Regulations can drive up costs and prices, limit the number of new business starts, and ultimately reduce the number of jobs available.

PPINYS’ report concludes that as a result of the state’s declining business climate, it has shifted from being the one time envy of most, to a “prime target for other states to recruit the businesses and talent needed to flourish.” Several recommendations have been suggested, PPINYS urging private and public sector leaders to work together and begin turning the situation around with the goal of improving “the predictability, clarity, speed, and cost of doing business in New York.

Sources: <https://www.crainsnewyork.com/politics/politics-overlooked-ballot-measure-could-transform-nyc-elections>  
[https://www.nycfcfb.info/pdf/2024\\_VoterAnalysisReport.pdf](https://www.nycfcfb.info/pdf/2024_VoterAnalysisReport.pdf)

## Efforts to Improve Voter Turnout Have Sparked Ballot Proposal 6 | September 29, 2025

The **Voter Analysis Report 2024** released by the New York City Campaign Finance Board (NYCCFB) revealed that although “New York City maintains high voter registration — nearly 4.7 million active voters — the overall turnout tells a more complex story.” Turnout at this year’s primary remained low, especially among young voters. Systemic challenges include “protest voting in the form of blank ballots, inconsistent turnout across boroughs, and barriers for unaffiliated voters, which account for 1 in 5 registered voters totaling over 1 million that are locked out of participating in primary elections. These continued concerns have prompted consideration by the city’s Charter Revision Commission, convened by Mayor Eric Adams, to adopt open primaries and align local elections with state and federal elections. Currently New York has a closed primary election system – restricting eligibility to only those voters registered to a political party, while an open primary system would allow unaffiliated voters to participate as well. Unaffiliated New York City voters account for the second largest bloc of registered voters at 21.1%, preceded by registered Democrat voters which make up almost two-thirds of the city’s electorate. While a proposal for adopting open primaries has yet to make it to the ballot, among the 6 proposals on the upcoming November election ballot, **Proposal 6. Move Local Elections to Presidential Election Years to Increase Voter Participation** offers voters the opportunity to have a say in potential changes to the New York City Charter that would result in city elections (for Mayor, Public Advocate, Comptroller, Borough President, and City Council), which are currently held on odd-numbered years, being aligned with federal presidential elections that are held on even-numbered years, every four years. The proposal would also require a change to New York State law before it takes effect, requiring action from Albany. The intention of the proposal is to improve voter turnout for local elections which typically see lackluster participation. The recent article by Crain’s New York cites Los Angeles and San Francisco, which have already moved their municipal elections to even-numbered years and seen significant turnout increases as a result.

Sources: <https://www.crainsnewyork.com/politics/politics-overlooked-ballot-measure-could-transform-nyc-elections>  
[https://www.nycfcfb.info/pdf/2024\\_VoterAnalysisReport.pdf](https://www.nycfcfb.info/pdf/2024_VoterAnalysisReport.pdf)

# News Highlights (cont'd)

## **Despite Declining Fare Evasion, the Cost to MTA's Revenue Remains Significant | September 11, 2025**

The Citizens Budget Commission (CBC) released a report in mid-September on the cost to the Metropolitan Transit Authority's (MTA) revenue due to fare and toll evasion. The nonprofit financial watchdog's No Fare – The Costs of MTA Fare and Toll Evasion report indicates that approximately \$1 billion in revenue was lost in 2024 as a result fare evasion. The trend has begun to gradually reverse direction due to actions taken by the MTA as well as New York State and law enforcement partners to stem fare evasion losses that steadily declined from the 3rd quarter of 2024 to the 2nd quarter of 2025; and although on pace to lower to \$900 million by the end of 2025 it remains significant per "CBC's estimate based on the MTA's forecasted ridership and current subway and bus fare evasion rates, which were relatively stable across Q1 and Q2 2025." Between the 1st quarter of 2024 and the 1st quarter of 2025, the rate of subway and bus fare evasion declined from 14% to 10% and from 48% to 44% respectively but remain significantly higher than the respective prepandemic levels of 4% and 25%. According to limited data shared with the CBC by the MTA, some non-enforcement interventions being used have been effective in reducing fare evasion at locations where they are being utilized such as a 36% reduction at locations with unarmed gate guards, a 60% decrease in individuals jumping the turnstile where fins and sleeves have been installed, and a 36% decline in bus fare evasion at stops where the MTA has deployed EAGLE teams, a group of over 250 Special Inspectors and Fare Enforcement Agents with civilian and law enforcement backgrounds and military experience. In addition to the May 2023 recommended four-pronged approach by MTA's Blue-Ribbon Panel, that adds environmental, educational, and equity efforts to enforcement, the CBC included further recommendations such as the acceleration of the rollout of new faregates and a proof-of-payment system, and regular assessment of the cost-effectiveness of enforcement efforts. A further reduction in fare evasion is "essential to close the MTA's approximately \$800 million structural operating budget gap" and "could help support better service or fund capital projects directly, reducing reliance on long-term debt finance according to comments with the CBC report

Sources: <https://www.crainsnewyork.com/climate/new-york-city-faces-increased-blackout-risk-next-summer-grid-operator-warns>

## **MTA Considering Geothermal Technology to Cool Subway Stations | September 25, 2025**

According to the Metropolitan Transportation Authority's (MTA) "Climate Resilience Roadmap" released in April 2024, the number of heat waves are projected to more than triple by the 2050s. In response, the Metropolitan Transportation Authority (MTA) issued a request for information (RFI) as part of an investigation into cooling technologies to reduce the heat in New York City's subway stations that can reach over 100-degrees in the summer. One of the options the MTA is currently looking into is the possible use of "geothermal cooling technologies for the passenger occupied zones of subway platforms in deep stations." Two of the deepest stations in are 1-train stations at 168th Street and 181st Street in Upper Manhattan. "Geothermal technology relies on a pump system to tap into the earth in order to cool and heat structures on warmer and cooler days respectively.

Eric Wilson, Senior Vice President of MTA's Construction & Development reportedly pointed out that weather conditions were different in the early 20th Century when the subway stations were built, requiring the MTA to figure out what tools are available to retrofit stations in order to mitigate against heat and flooding risks. At a time when heat in the stations was generated largely by braking trains, the cooling system was "designed to circulate air through passive 'piston effect' ventilation that relies on moving subway cars to expel hot air and bring in cool air." However today, "communications and electronics equipment, air conditioning on trains onto platforms, as well as A/C units that keep equipment cool" have created additional heat-generating factors. Among the 472 subway stations, the seven newer ones, such as those on the Second Avenue Subway Q-line use "air-tempering systems" and designed with "above-ground ancillary cooling towers;" while a few others have platform fans that circulate air. While the city's subway system is not the only one facing real and growing heat challenges, Wilson reportedly pointed out that "it's believed to be the first older system to explore if stations can be equipped with conventional geothermal technology," but the MTA is taking proactive steps and devoted real resources to taking climate change seriously.

Sources: <https://www.thecity.nyc/2025/09/25/mta-climate-resilience-heat-cooling-geothermal/>

<https://www.mta.info/document/136871>

## News Highlights (cont'd)

---

### Spikes in Energy Demand Threaten to Overburden NYC and Long Island Electric Grids | October 15, 2025

Energy intensive industries, aging infrastructure, and constraints on quickly building new power systems have caused spikes in electricity demand that threaten to overburden the five boroughs and Long Island's electric grids" according to new research by NYISO reported by Crain's New York. The creation of the New York Independent System Operator (NYISO), a non-profit entity that manages New York State's electric market, was authorized by the Federal Energy Regulatory Commission (FERC) in 1998 for the purpose of creating competitive electricity markets and improving grid reliability. Due to these spikes in energy demand, NYISO warns that "power disruptions are increasingly likely in the region over the next decade without new energy infrastructure coming online," resulting in more frequent and prolonged power outages beginning as soon as next summer. In 2019, a law passed by New York State's Climate Leadership and Community Protection Act "seeks to phase out fossil fuels from the electric grid by 2040." However, in the interim due to increased energy demands, upgrades to aging fossil fuel plants are needed, and it has become essential that the state uses an "all-of-the-above" approach to meet energy needs through wind, solar, natural gas, and nuclear energy sources. Heightened concerns of the state's electric grid reliability were sparked by the Northeast Blackout of 1965, which affected over 30 million people in the U.S. and Canada. In response, the New York Power Pool was established by the state's seven investor-owned utility companies, and 32 years later the proposal was filed by the power pool consortium to form NYISO according to the historical timeline on NYISO's website.

Sources: <https://www.crainnewyork.com/climate/new-york-city-faces-increased-blackout-risk-next-summer-grid-operator-warns>

### Impact on Unemployment Uncertain Amid Quickly Advancing Use of AI and Robotics | October 20-24, 2025

The morning news on Tuesday, October 28th announced Amazon's memo to its employees of an overall reduction in the company's corporate workforce of approximately 14,000 roles, a decision driven in part by Amazon's "adoption of artificial intelligence (AI) that will result in more cuts next year as well." The news comes as other companies increasingly embrace generative AI as well as robotics, quickly incorporating the technology into the day-to-day workflow. More than a decade ago, Amazon introduced robots into its warehouses; and although it didn't spark any concerns at the time, more recently it "represents something much bigger: a seismic shift in how work itself is done" according to the recent article by Economic Times (ET). It has been further noted that "according to internal strategy documents obtained by The New York Times, Amazon now believes it can replace more than half a million jobs with robots over the next decade. Although in 2019 Amazon's chief robotics technologist reportedly described automation as "a 'symphony' of humans and robots, each enhancing the other's capabilities — machines excel at precision and endurance, but people still dominated in dexterity, creativity, and compassion," the company "expects to avoid hiring 160,000 workers in the U.S. by 2027" due to increased robotic use. The trend has spread to several of the largest employers in the U.S. over a wide range of industries and the full impact on employment has yet to be determined, but the pace of change is staggering "not just for companies but for countries too." While some companies such as Walmart, the largest private employer in the U.S. is not eliminating jobs due to "plans to fit 90 million grocery pallets with AI-driven sensors by 2026, but instead "removing monotonous tasks from as many roles possible." Yet in contrast, the article by ET noted that American logistics firm UPS "aims to close 200 U.S. sorting facilities while building 400 automated ones by 2028."

Globally, the **Future of Jobs Report 2025** released in January by the World Economic Forum projects that "by 2030, macro-trend-driven changes — including AI and automation — will affect roughly 22% of today's formal jobs," with the expected creation of 170 million new jobs, while 92 million jobs could be displaced worldwide making reskilling critical. Taking a closer look at the impact of AI adoption on the United States, the August 2025 report **How Will AI Adoption Affect the Global Workforce** by Goldman Sachs Research notes that "recent commentary by some public companies suggests the labor market is already experiencing effects related to AI, and executives from the technology and finance sectors say they are seeing efficiency gains from generative AI that are sufficient to slow their hiring, especially in operational and back-office capacities." However, AI adoption continues to remain relatively low, a recent U.S. survey revealing that "only 9.3% of companies reported that they have used generative AI in production during the last two weeks," thereby limiting the overall labor-market impacts from the technology at this time. Some early signs of employment disruption have appeared in specific industries, and younger tech workers appear to be disproportionately affected. According to statements by Joseph Briggs, who co-leads the Global Economics team in Goldman Sachs Research, and economist Sarah Dong, "until the AI Adoption cycle has fully played out, the potential labor market disruption — including which jobs are likely to be displaced by generative AI — will remain an open question," but they "remain skeptical that AI will lead to large employment reductions over the next decade." The Goldman Sachs Research report also projects that if AI is widely adopted, there could be a 6-7% displacement of the U.S. workforce due to innovation related to AI but note that the impact "is likely to be transitory as new job opportunities created by the technology ultimately put people to work in other capacities."

Sources: <https://www.goldmansachs.com/insights/articles/how-will-ai-affect-the-global-workforce> • [https://reports.weforum.org/docs/WEF\\_Future\\_of\\_Jobs\\_Report\\_2025.pdf](https://reports.weforum.org/docs/WEF_Future_of_Jobs_Report_2025.pdf)

<https://economictimes.indiatimes.com/news/company/corporate-trends/the-robot-takeover-is-closer-than-you-think-what-happens-to-human-jobs/articleshow/124783070.cms>

## News Highlights (cont'd)

---

### **NYS Budget Gap Narrowed by Wall Street Gains | October 2025**

Profit gains within New York City's securities industry grew by 90% in 2024 on a year-over-year basis according to the October report released by the New York State Comptroller's (OSC) office. The total \$49.9 billion reach is the fourth-highest level on record; and profits reached in the first half of 2025 totaled \$30.4 million and on track to potentially reach an annual total above \$60 billion if the growth rate holds steady in the second half of the year. Contribution to the city's budget in FY 2025 was \$6.7 billion — up 35.1% year-over-year and a total of \$22 billion was contributed to the state's SFY 2024-25 budget, up a more moderate 12% year-over-year. According to a separate news article by Crain's New York, increased contributions by the securities industry helped reduce the state's "budget gap for the next fiscal year, beginning April 1," by more than \$3 billion from the "\$7.5 billion when the current budget was enacted in May, according to the state's mid-year financial plan update released Friday [October 31st]." City employment in the sector reached 201,500 jobs in 2024 —surpassing the previous record set in 2000, however, preliminary data compiled by the OSC' office indicate a potential decline of 3,000 jobs in 2025.

Sources: <https://www.craigslist.com/economy/wall-street-boom-reduce-new-york-budget-deficit-3-billion>

<https://www.osc.ny.gov/files/reports/pdf/report-15-2026.pdf>

### **NYC Comptroller Report: NYC Cash Balance Projection – September 1, 2025 | October 2, 2025**

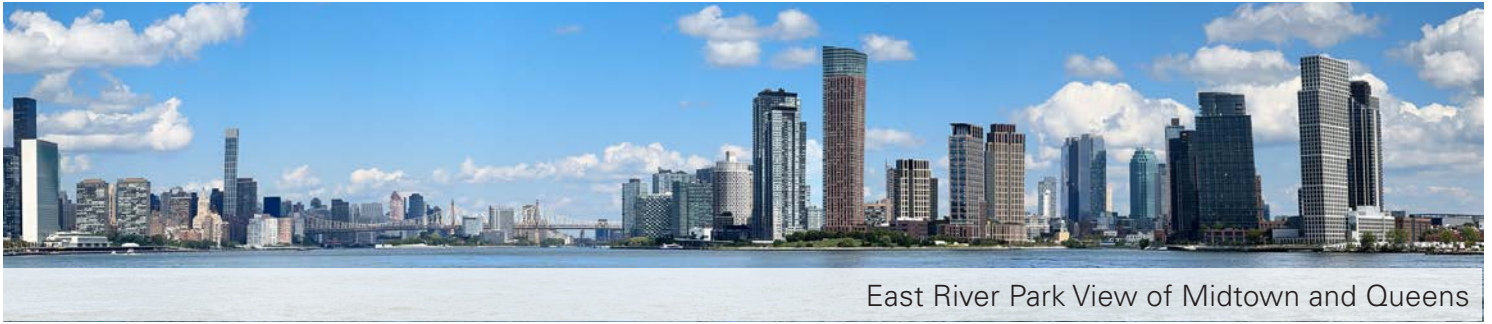
Although the New York City Comptroller's Office had projected New York City's cash balance to be \$14.782 billion at the June 30th close of Fiscal Year 2025 (FY25), the city's actual recorded end-of-year cash balance was a lower \$12.229 billion. Attributing to the lower balance was the "timing of property tax receipts, lower than expected bond proceeds transfers, and higher than expected GO (general obligation) debt service prepayment, among other factors" according to the report released in early October. The city benefited from revenue gains during FY25, with the total collection of taxes and strong personal income and business tax revenues due to Wall Street's record-high bonuses in 2024 increasing FY25's total revenue collection by \$81.373 billion year-over-year to \$143.607 billion. In addition, \$5.146 billion in Covid-19 pandemic relief funds from the federal government and a considerable increase in capital reimbursements, which were up \$3.656 billion year-over-year, further benefited cash receipts. The projected cash balance at the end of the first half of FY26 that will fall to a typical low in early December, could measure between \$1.796 billion and \$2.357 billion based on two underlying key assumptions — "continued, though slower, economic growth and the receipt of federal revenues as budgeted and in accordance with existing fund agreements and schedules." Advances paid to city-contracted nonprofit organizations are one of the reasons for the lower cash balance at the end of December, with more than \$5 billion in advance payments to be made in FY26 according to an announcement by Mayor Adams, which is up from the \$2.8 billion issued during FY25. Cash flow projections are similarly projected to rise by \$2.148 billion in FY26 due to increasing payroll and health insurance costs, as well as higher public assistance, rental and cash assistance, shelter and special education costs, resulting in estimated overall cash flow balances to average \$5.158 billion during the next four months (September through December) compared to \$7.744 billion during the same period last year. Although the NYC Comptroller's projection concludes that the city has "sufficient cash (and sufficient flexibility in managing its cash position) to sustain its operations" with no need to issue short-term debt in FY26 forecast, "cash balances have declined significantly since the start of the fiscal year," potentially requiring the city to "manage its cash flow more aggressively to maintain positive balances in the future" if expected expenditure trends continue.

Sources: <https://comptroller.nyc.gov/reports/new-york-city-cash-balance-projection-september-1-2025/>

### **Are Mamdani's Announced Key Appointments a Tactical Adjustment or Governing Philosophy | November 14, 2025**

What appears to be the selection of a blended mix of "progressive ideals and deep institutional expertise" that could lead to a pragmatic approach of governing New York City, the recently announced roster of key appointments by Mayor-elect Mamdani are a shift from what some may have expected due to his frequently noted "democratic socialist credentials." Although Mamdani's "legislative record remains firmly to the left" and "personnel choices do not guarantee policy moderation," in addition to concerns of a lack of governing experience, the team selection includes "officials with a track record of managing large institutions, overseeing budgets and navigating public-private dynamics" according to the mid-November article by Crain's New York. Among the announced appointments, the choice of government veteran Dean Fuleihan for First Deputy Mayor is a signal that Mamdani is "seeking to ground his administration in fiscal realism," offering some reassurance for businesses concerned about "unchecked spending or abrupt fiscal shifts," while the selection of Maria Torres-Springer and Lina Khan, the city's economic development chief and former Federal Trade Commission (FTC) Chair respectively as "two co-chairs of the transition team further reflects a willingness to draw on experienced professionals."

Sources: <https://www.craigslist.com/editorials/editorial-mamdani-picks-signal-pragmatic-shift>



East River Park View of Midtown and Queens

## News Highlights (cont'd)

### **Ballooning AI Investment Sparks Concerns of a Broader Risk to the Nation's Economy | November 24, 2025**

The escalating push for investment in artificial intelligence (AI) is creating a heightening concern about the extent to which the growth of the nation's already weakened economy has become dependent upon the AI boom. Job creation has slowed this year, and unemployment is inching up. If stocks and AI spending crash, it raises the odds of a downturn according to the recent article by the Wall Street Journal (WSJ). It has been suggested by a chief global strategist at Canada-based BCA Research that "It's certainly plausible that the economy would already be in a recession" without the AI boom. WSJ's article further noted that "business investment in AI might have accounted for as much as half of the growth in gross domestic product [GDP], adjusted to inflation, in the first six months of the year." Consumer spending has also risen, especially in recent months due to rising AI stocks increasing household wealth, and calculations by JPMorgan Chase indicate that "rising prices of AI stocks alone boosted consumer spending by 0.9%, or \$180 billion, over the past year." An economist at Bank of America reportedly stated that, "it's the only source of investment right now," having estimated that "just four companies — Microsoft, Amazon.com, Alphabet and Meta Platforms — will make \$344 billion in capital expenditures this year (equivalent to roughly 1.1% of GDP), up from \$228 billion last year," with further projections the capital expenditures by the four companies will total \$404 billion next year.

Although there are hopes that in the long run AI "will boost growth by making workers more productive," the impact has been insignificant so far and the effects on the labor market has been even smaller – "completed data centers employ few people and overall tech employment is down since 2022." However, a bright spot exists within the construction industry. Due to increasing demand for data centers, the sector that has been "hobbled by high interest rates, a weak real estate market, and the federal crackdown on immigration," has experienced a boost in activity since "anywhere from 100 to 5,000 people are needed to build a data center," according reported information from a managing director on the advanced technology group at Turner Construction. Currently "stock/earnings ratios are near record highs" for AI stocks, but if "lofty profit predictions prove wrong, share prices may tumble and investment could slow." A senior U.S. economist at Barclays reportedly estimates "that a 20% to 30% stock-market decline could reduce GDP growth by 1 to 1.5 percentage points over roughly a year;" and if "AI investment stopped growing, that could knock another 0.5 points off growth."

Sources: <https://www.wsj.com/tech/ai/how-the-u-s-economy-became-hooked-on-ai-spending-4b6bc7ff>

### **A Special Exhibit Planned as the MTA's MetroCard Nears its Final 'FAREWELL' | December 2, 2025**

The quickly approaching end of 2025 also brings the news of the planned retirement of the Metropolitan Transportation Authority's (MTA) MetroCard. At the time of its launch in the late 20th century, the magnetic-stripe card "bridged the gap between tokens and technology," according to reported comments by New York Transit Museum Acting Director Regina Shepard. The new OMNY (One Metro New York) card that began its public rollout in May 2019 "ushers in a new era of fare payment" with its contact-less technology. While the full roll-out of OMNY may not be completed until the end of 2026, it has begun to offer some of the similar programs introduced through the MetroCard such as reduced fares for seniors and qualified people. Hosted by the New York Transit Museum at 99 Schermerhorn Street in Downtown Brooklyn, the exhibit will feature a historical exploration of MetroCard's creation and adoption to the technology behind it, reminding "us how innovation, design, and human experience come together to shape the way we move through the city." New York Transit Museum Curator Jodi Shapiro also pointed out that while most rider never realized the entire network of technology behind every MetroCard swipe, the "exhibition gives a taste of the gargantuan effort to change New Yorker's minds about how to pay their transit fare." Opened in 1976, the museum which is housed in a decommissioned subway station serves over 500,000 visitors each year offering the opportunity to view a collection of vintage train cars and buses, and well as participating in several educational programs and rotating exhibits offered throughout the year.

Sources: <https://www.6sqft.com/say-farewell-to-the-metrocard-at-new-new-york-transit-museum-exhibit/>

# News Highlights (cont'd)

## Three Casino Proposals Secure Green Light from NY State Gaming Facility Board | December 1, 2025

After a yearslong competition that began with eight casino proposals submitted to the New York Gaming Facility Board (GFLB) by the June 30, 2025 deadline, the five-person board — “former NYC Housing Commissioner Vicki Been (chair), general counsel at Pace University Terryl Brown, senior vice president at U.S. News and World Report Marion Phillips, III, Cindy Estrada, executive director at the New York city Hispanic Chamber of Commerce, and retired real estate finance executive Greg Reimers,” has approved three New York City proposals. Although the state Gaming Commission will formally vote to award licenses by December 31, 2025, it is reportedly expected to follow the recommendation by the GFLB.

- 1. Metropolitan Park**, Flushing Meadows-Corona Park Queens – the estimated \$8 billion project by the team of New York Mets’ owner Steve Cohen and Hard Rock Entertainment will transform 50 acres of parking lots next to Citi Field. Construction is expected to begin in January 2026 and is projected to open by 2030. A 25% tax on slot machine games and 10% tax on tables and other gaming sources has been proposed
- 2. Bally’s Bronx**, Ferry Point, Bronx – the estimated \$4 billion project will be constructed on a similar timeline as Metropolitan Park and rise on the former Trump Golf Links in Ferry Point Park, Bally’s having reportedly purchased the operating license in September 2023 for \$60 million. A 30% tax on slot machine games and 10% on table games and other gaming sources has been proposed.
- 3. Resorts World New York City**, Jamaica, Queens – the currently operating small-scale gambling facility at the Aqueduct Racetrack is operated by Malaysian conglomerate Genting. While plans to expand the facility’s existing electronic machine offering to include live table games will happen as soon as June 29, 2026, the group’s proposed \$5.5 billion hotel-casino will reportedly be built separately over three to four years. A 56% tax on slot machine games and 30% on table games and other gaming sources has been proposed.



Credit: SHoP Architects, Field Operations



Credit: Bally's Bronx



Credit: Perkins Eastman

It has been projected by GFLB’s consultants that the “total downstate casino market – comprised of these three casinos – could reach approximately \$5.5 billion in gross gaming revenue in 2033, the projected market stabilization year;” and “assuming licensing at each applicant’s proposed tax rates and stability in the existing gaming facility landscape, incremental gaming tax revenue is projected to reach approximately \$1 billion annually by 2036, totaling approximately \$7 billion in incremental tax revenue from 2027 to 2036, plus \$1.5 billion in licensing fees” according to the board’s Selection Document posted December 1st. The unexpected withdrawal in October by MGM Empire City, “left the selection process lacking the competitiveness that state officials hoped would incentivize developers to bid against each other for better community benefits, although the state reserved the right to give out fewer than three licenses” according to the press release by Crain’s New York; and if GFLB had only selected two applicants instead of three, the consultants project tax revenue received by the state would \$1.1 billion to \$3.7 billion less.



Midtown - Times Square

## News Highlights (cont'd)

### NYC will Ring in the New Year with the Times Square Debut of the New “Constellation Ball” | December 3, 2025

As we begin to celebrate the winter holidays and the crossing of the threshold into 2026 draws near, it offers an ideal opportunity to look back at the history of two highly anticipated and iconic holiday traditions in New York City that both residents and visitors alike enjoy each year. The Rockefeller Center Christmas tree that was lit last Wednesday, December 3 marked the 93rd tree lighting ceremony, however, the title for the installation of the first public Christmas Tree in New York City goes to Madison Square Park in 1912 to bring “the joy of the holiday tree to those without the means to have one in their home.” It wasn’t until 1931 at the height of the Great Depression that the erection of the first tree in Rockefeller Center took place. It started as “a modest Depression-era pick-me-up for Rockefeller Center construction workers building the 14-building Rockefeller Center complex that was one-year into construction. Workers at the time decided to pool their money to buy a 20-foot balsam fir to lift their spirits, decorating it with handmade garland and strings of cranberries from their families. In 1933, the first official Christmas Tree lighting ceremony took place after a Rockefeller Center publicist decided to establish it as an annual tradition; and in 1951, NBC televised the tree lighting for the first time. The first Swarovski star to be placed at the top of the tree was in 2004 but replaced in 2018 with the current over 9-feet wide and 900-pound star “made of three million Swarovski crystals radiating from 70 spikes.” Over the years, the Rockefeller Christmas Tree has become “considered the ‘worldwide symbol of Christmas.’”

Looking ahead, New York City’s highly anticipated Times Square celebration arrives in 23 days. This year will be more notable with the dropping at exactly 11:59 on December 31st of a new Times Square New Year’s Eve Ball. Dubbed the “Constellation Ball,” it is the ninth iteration since the New Year’s Eve Ball made its maiden descent from a flagpole atop One Times Square in 1907. Compared to the 1907 model that was made of iron and wood and adorned with one hundred 25-watt light bulbs, measuring 5-feet in diameter and weighing 700 pounds, the new model is the largest ever, weighing in at 12,350 pounds and measuring 12.5 feet wide. The crystals that make up the Ball are provided by Waterford — the official crystal maker of the Times Square New Year’s Eve Ball. Each year a trio of motifs is designed for the crystals to reflect the “Ball’s theme of ‘eternal positivity.’” Some notable past models include an aluminum Ball created in 1980 adorned with red lights and the addition of a green stem converting it into an apple for the “I Love New York” marketing campaign from 1981 until 1988, while the 2000 millennium brought a complete redesign debuting the first crystal Ball that combined the latest in lighting technology with the most traditional of materials intended to “remind us of our past as we gazed into the future and the beginning of a new millennium” per historical information posted by the Times Square BID. Seven years later, in celebration of the 100th Anniversary of the Times Square Ball Drop tradition, a new crystal Ball was created with state-of-the-art LED lighting technology. Today, the “lowering of the Ball has become the world’s symbolic welcome to the New Year, attracting “hundreds of thousands of people” willing to wait for hours in the cold to view the famous Ball-lowering from One Times Square, formerly known as the Times Tower and owned by the New York Times until 1961.

## News Highlights (cont'd)

---

### **Mid-Decade Congressional Redistricting Pushes Political Ethics into the Spotlight | December 3, 2025**

According to a July 15 post by the Associated Press (AP) “President Donald Trump said that he is pushing Texas Republicans to redraw the state’s congressional maps to create more House seats favorable to his party.” If Congressional maps that were expected to remain in place through the end of the decade are changed by Texas, it could lead to other states looking to do the same, however, it may be more challenging for those states that have their “state legislative and congressional maps drawn by independent commissions that are not supposed to favor either party.” Despite some Texas Republicans reportedly “hesitant about redrawing the maps” due to concerns that “there’s only so many new seats a party can grab before its incumbents are put at risk, the Texas gerrymander moved forward, which is expected to give Republicans five additional seats in the U.S. House of Representatives. Legal action by the League of United Latin American Citizens (LULAC) claimed that the Texas redistricting was a “racial” gerrymander resulting in a change in the racial makeup of various legislative districts, versus a “partisan” gerrymander that results in maps being redrawn to favor whichever party controls that legislature, but the” line between racial and partisan gerrymanders is often thin,” so “if a court determined that a disputed map was drawn entirely for partisan reasons, the map would be upheld.” according to the VOX article posted by Yahoo.com.

Several questions came up regarding a letter sent by the U.S. Department of Justice (DOJ) in early July. The Democracy Docket, “a digital news platform dedicated to information, analysis and opinion about voting rights and elections in court” per its website, had stated in one of its November 18 posts that a federal court found it “exposed the [GOP’s] racial motives behind their nationwide Gerrymander push,” as well as being “illegible, legally unsupported, factually inaccurate and focused on race in ways that were constitutionally impermissible.” Another November 18 post by the Democracy Docket, went on to state that the plaintiffs were not allowed by the court to question mapmaker Adam Kincaid who had reportedly been hired by the Republican National Committee to draw the Texas map. It was thought that had there been opportunity to ask questions about conversations with Gov. Abbott it “could have shed further light on the motivations driving the redraw.” Kincaid also “told the court he took directions only from the White House and Texas’ GOP congressional delegation when drawing the map, [but] unlike when he drew the last Texas map in 2021, he was not instructed to protect any minority districts this time,” further reportedly stating that “he communicated with the White House about redistricting using messages on Signal that were set to automatically delete.”

The true intentions of the Texas gerrymander will likely remain unanswered with decisions left to the courts which could take several years, a July 11, 2025 article by The Texas Tribune citing legal action sparked by Texas’ current maps drawn in 2021 taken by a group of plaintiffs alleging racial discrimination that only recently went to trial in May 2025 and has yet to be decided. Furthermore, The Texas Tribune article points out that whatever the final outcome of the recent redistricting in Texas, “even one cycle under a new map carries high upside for Trump, whose legislative agenda rests on Republicans maintaining their slim 220-212 majority in the U.S. House. The Center for American Progress, an independent, nonpartisan policy institute suggests that “Americans can only truly have fairness in representation if Congress imposes federal requirements for redistricting that all states must abide by. Until then, states acting in bad faith can continue to politically and racially gerrymander, while states acting in good faith are forced to sit on the sidelines and watch elections be manipulated.”

Sources: <https://www.yahoo.com/news/articles/supreme-court-just-made-gerrymandering-162500652.html>

<https://www.americanprogress.org/article/trump-ordered-texas-to-gerrymander-5-new-republican-leaning-congressional-districts-this-is-how-other-states-can-fight-back/>

### **Crain’s New York Editorial: Signs of Renewal as New York Approaches the New Year | December 19, 2025**

Forward movement, although it may not be dramatic, is starting to show in New York City, despite what has been described in the Crain’s New York editorial as “a national moment defined by dysfunction and uncertainty.” In the first 11 months of 2025, Manhattan’s office market is hitting post-pandemic highs with leasing activity reaching “almost 37 million square feet of space, putting the borough on pace to surpass 40 million square feet for the first time since 2019,” according to reported statistics of an industry report. In addition, the city’s housing supply is poised to see some improvement due to “reforms expected to yield between 16,000 and 40,000 accessory dwelling units (ADU) over the next 15 years;” and although it won’t solve the housing crisis alone, “represents a pragmatic shift toward using the city’s existing housing stock more flexibly and more humanely.” Shifting our attention to the environmental front, a “new Cornell University study found that particulate pollution dropped 22% in parts of Manhattan affected by the [congestion pricing] program during the first half of the year — a larger decline than in other congestion pricing cities such as London and Stockholm.” The benefits are extended well beyond Lower Manhattan, “with pollution falling across the broader metropolitan area.”

Sources: <https://www.crainsnewyork.com/editorials/editorial-signs-renewal-new-york-approaches-new-year>

# News Highlights (cont'd)

---

## **The Next Mayor Should Take Seriously Some Sound Recommendations to Create a Stronger NYC | November 7, 2025**

About one month prior to the June 2025 primaries, the Citizens Budget Commission (CBC) posted CBC's Mayoral Platform for NYC special feature. The nonpartisan, nonprofit civic think tank and financial watchdog of New York City and New York State government offered multiple recommendations focused on four priorities that the CBC feels are critical to address in order to create a stronger New York City. To stay competitive and compelling, the CBC points out that "the next mayor must act decisively to ensure New York City remains a magnet for talent, innovation and opportunity. CBC's four priorities as they are listed on its website are provided below:

### **1. Get the City's Finances in Order**

New York City's budget is bloated and buckling. Spending is outpacing revenue. Gaping budget gaps and looming federal cuts threaten critical services. Impending instability is a warning sign to prospective residents and businesses. The next mayor should:

- a. Cut spending to sustainable levels and stop low-balling budget estimates
- b. Run regular Programs to Eliminate the Gap (PEGs) smartly to save money
- c. Build up the Rainy Day Fund—with mandatory deposits in good times
- d. Modernize procurement to boost competition and cut costs
- e. Negotiate thoughtful labor deals that balance fair compensation and fiscal reality
- f. Reward labor productivity and share the savings
- g. Cap debt service and redefine the City's debt limit to reflect all obligations and resources

### **2. Deliver Services that Work**

New Yorkers deserve better than services they too often rate as "poor" or "fair." The City spends over \$115 billion a year—let's make it count with great services that are worth the money. The next mayor should:

- a. Launch a citywide performance system to deliver quality, deepen accountability, and drive outcomes
- b. Use PEGs not just to cut but to improve and prioritize
- c. Focus on what works: evidence-based programs in education, housing, homelessness, and mental health
- d. Drop what doesn't work—no matter how popular

### **3. Make the City Affordable, Safe and Livable**

New York City's value proposition is under pressure. High taxes, high costs, and quality-of-life concerns threaten to drive more people away. The next mayor should:

- a. Hold the line on taxes—don't push out residents and businesses who already pay the most
- b. Clean up the city and make public spaces safe and vibrant
- c. Reform property taxes to boost fairness and housing supply
- d. Supercharge housing production and affordability: streamline approvals, modernize codes, and target vouchers
- e. Modernize NYCHA: cut costs, speed up repairs, and quickly unlock capital through RAD/PACT and the Preservation Trust
- f. Use tax incentives that work and scrap the ones that don't

# News Highlights (cont'd)

---

## The Next Mayor Should Take Seriously (cont'd)

### 4. Build Infrastructure that Empowers New York's Future

New York City's infrastructure is aging and vulnerable. To grow our economy, we need capital investment that's smart, resilient, and ready for tomorrow. The next mayor should:

- a. Fix what's broken—bring assets to a state of good repair
- b. Invest in essential climate resilience and a cost-effective energy transition that balances affordability, the environment, and the economy
- c. Overhaul capital spending: better manage assets and projects, fix procurement, and control costs
- d. Avoid waste—choose standardized over customized designs, and don't build schools when redistricting can solve the problem

The CBC has further emphasized that New York City is at a critical juncture, and the city's mayor has the opportunity to play a pivotal role should they choose to make the sometimes difficult, but necessary smart choices to make sure that the city's "value proposition is strong enough so that people and businesses want to come here, stay here, and flourish here." About two weeks prior to the June 24th Primaries, the CBC interviewed nine candidates hoping to capture the mayoral nomination — Michael Blake, Andrew Cuomo, Brad Lander, Zohran Mamdani, Jessica Ramos, Curtis Sliwa, Scott Stringer, Whitney Tilson, and Jim Walden.

Click the respective links below to review candidate responses to CBC's interview questions as well as the November 5th article released by CBS News providing a brief overview of some of the campaign promises made by Mayor-elect Mamdani and those where ability to achieve them will be within his unilateral power upon taking office and those that are not.

Sources: <https://cbcny.org/advocacy/cbcs-mayoral-platform-nyc> • <https://cbcny.org/advocacy/mayoral-candidates-questionnaire>  
[https://cbcny.org/sites/default/files/media/files/CBC\\_MayoralQuestionnaire\\_Mamdani.pdf](https://cbcny.org/sites/default/files/media/files/CBC_MayoralQuestionnaire_Mamdani.pdf) • <https://www.cbsnews.com/newyork/news/what-powers-nyc-mayor/>

## Growth of VC Investment Moves NYC Firmly into 2nd Place Among Peer U.S. Regions | October 2, 2025

Following a record high of venture capital (VC) investment nationwide in 2021, activity returned to more typical levels in 2022 and 2023 according to the October report by the New York State Comptroller's (OSC) office. In late 2024, activity spiked again and in the 1st quarter of 2025 VC investment reached \$92.9 billion in deal activity — the second-highest level on record. In addition, the average size of VC funding deals has significantly grown in recent years with deals over \$50 million increasing "from 56.9% of the total dollar value in 2019 to 68.7% in 2024. Artificial Intelligence (AI) has been strongly fueling investment growth, accounting for 71% in the 1st quarter of 2025 compared to 16% in 2021. The New York City metropolitan area saw an increase of 38.4% in the number of transactions — the third largest nationally, with transaction volume reaching nearly 2,200 deals; and the pace of growth was faster than the 24.4% increase in the San Jose metropolitan area. Similar to the U.S., VC investment in the software and tech service sector surged in New York City during the past few years, accounting for 52.4% of all investment in 2024 — an increase from 37.6% in 2019. The strong pace of overall VC activity during the start of 2025 slowed in the 2nd quarter, in part due to "federal economic policy that remain uncertain," but remains stronger than before the pandemic. There has also been the "recent trend of mega-deals diverting funds from smaller companies," which may require monitoring by public officials along with continued discussions on "ways to make New York City's companies more attractive to investors and support entrepreneurs who lack access to capital."

Sources: <https://www.osc.ny.gov/files/reports/osdc/pdf/report-13-2026.pdf>



Midtown South - View from roof deck at 200 Park Avenue South

## News Highlights (cont'd)

### Campaign Promises Should Take a Back Seat to Reducing NYC's Budget Gap | November 12, 2025

The Citizens Budget Commission (CBC), which serves as New York City's fiscal watchdog, released several recommendations for the incoming mayor as he proposes his first preliminary budget just one month into term. Although Mayor-elect Zohran Mamdani's priorities may be to progress on campaign promises, according to the CBC, he will "also have to close a \$6 billion to \$8 billion budget gaps and prepare for federal cuts." According to CBC's estimate, projections for fiscal year 2027 spending is understated by \$4.5 billion, but "partly masked by chronic underbudgeting for known expenses." Money saved from the surge in revenue generated by the financial services sector during the pandemic enabled the city to spend \$2.3 billion more than it took in over the past three fiscal years. Spending growth by the city has well exceeded inflation over the past decade, excluding state and federal funding, it is \$13.5 billion higher than it would be if the budget had grown at the rate of inflation since fiscal year 2017. Further creating fiscal instability is the \$2 billion saved in the Rainy Day Fund, which if not increased and a recession were to occur, would fall significantly short of the \$14 billion needed to cover two years of tax revenue decline. The CBC provides nine "smart choice" recommendations to improve the city's fiscal stability and preparedness while improving services.

Sources: <https://cbcny.org/research/nyc-budget-blueprint>



# News Highlights (cont'd)

## Potential NYS Budget Shortfall and Cost of Mamdani's Agenda Could Lead to Corporate Tax Hike | November 14, 2025

The recent Bloomberg press release posted on the website of Crain's New York revealed that Governor Hochul is considering raising corporate taxes as New York State faces a potential budget shortfall. A news report in July by Crain's New York indicated that although estimates were preliminary at the time, New York State is "facing a \$750 million gap in the current fiscal year and at least \$3 billion next year due to federal Medicaid reductions that will go into effect beginning January" as part of the White House's "One Big Beautiful" spending and tax bill that became law on July 4th. It was further noted that there are several other reductions in federal Medicaid funding slated in the coming years that New York is not prepared to replace, having passed a \$254 million state budget in May that included major increases to the state's Medicaid program but did not account for the cuts within the bill that had yet to be assessed by the Congressional Budget Office. However, due to higher-than-expected revenue from Wall Street, a contribution to the state's SFY 2024-25 budget of \$22 billion by the sector has significantly narrowed the budget gap according to an October report by the New York State Comptroller's office; and in a separate news report by Crain's New York, the additional revenue helped to reduce the state's "budget gap for the next fiscal year, beginning April 1," by more than \$3 billion from the "\$7.5 billion when the current budget was enacted in May, according to the state's mid-year financial plan update released Friday [October 31st]."

If state legislators move forward with the corporate tax increase, a portion of the additional taxes collected would also help fund some of mayor-elect Mamdani's agenda. It has been estimated by Mamdani, that his campaign promises to provide "free childcare, buses and a slew of other services will cost about \$10 billion." To cover the cost, he has reportedly stated that he wants to lift the top state corporate tax rate to 11.5% from 7.25% to match New Jersey. For businesses in New York City, that would mean a combined effective tax rate of nearly 19%, the highest in the country." Perhaps they should be reminded of the results of a year-long study released September 2025 "after one year of focus groups with over 500 business leaders and 40 associations commissioned by the Public Policy Institute of New York State, Inc. an affiliate of the Business Council of New York State, Inc. (BCNYS), along with the New York State Economic Development Council (NYSEDC). An overview of the study's results by BCNYS reveal that although "New York has always had the reputation of being the home of company headquarters - the place where management wanted to work and live. The numbers are poking holes in that theory. Between 2014 and 2024, New York management jobs grew a stagnant 2.8%. Nationally, that number is 19.7%. Management jobs in Texas soared by 64.2%."

The results of the statewide survey further revealed that:

- Only 2% of business owners surveyed feel lawmakers represented their interests in Albany.
- Only 3% of business owners surveyed feel lawmakers and state regulators understand and support their business.
- Only 8% of business owners say government actively supports innovation
- 21% say New York State is on the right track
- 72% of businesses do not see the current economic conditions of New York as good.

Both BCNYS and NYSEDC are calling on lawmakers to act upon the need to:

- Reduce state and local government regulations
- Reduce business taxes
- Take a more active role in business retention and expansion efforts
- Greater emphasis on addressing energy issues
- Better support for businesses

Once again politicians are moving to increase the cost of running a business in New York rather than giving priority to the much-needed efforts towards reducing costs that are resulting in the state, that was at onetime considered the epicenter of the U.S. economy, continuing to lose its economic edge. Perhaps similar to the environmental review process required when rezoning or variance applications are submitted to determine the effect, if any, a discretionary action may have on the environment, some of the decisions to increase taxes or enact new regulations on businesses should go through a similar review process such as an economic impact study to help determine the effect on the economic conditions of New York.

Sources: <https://www.crainsnewyork.com/politics-policy/hochul-weighs-corporate-tax-hike-help-fund-mamdani-plans>

<https://www.bcnys.org/news/report-new-york-state-must-take-action-immediately-fix-its-business-climate-or-risk-additional>



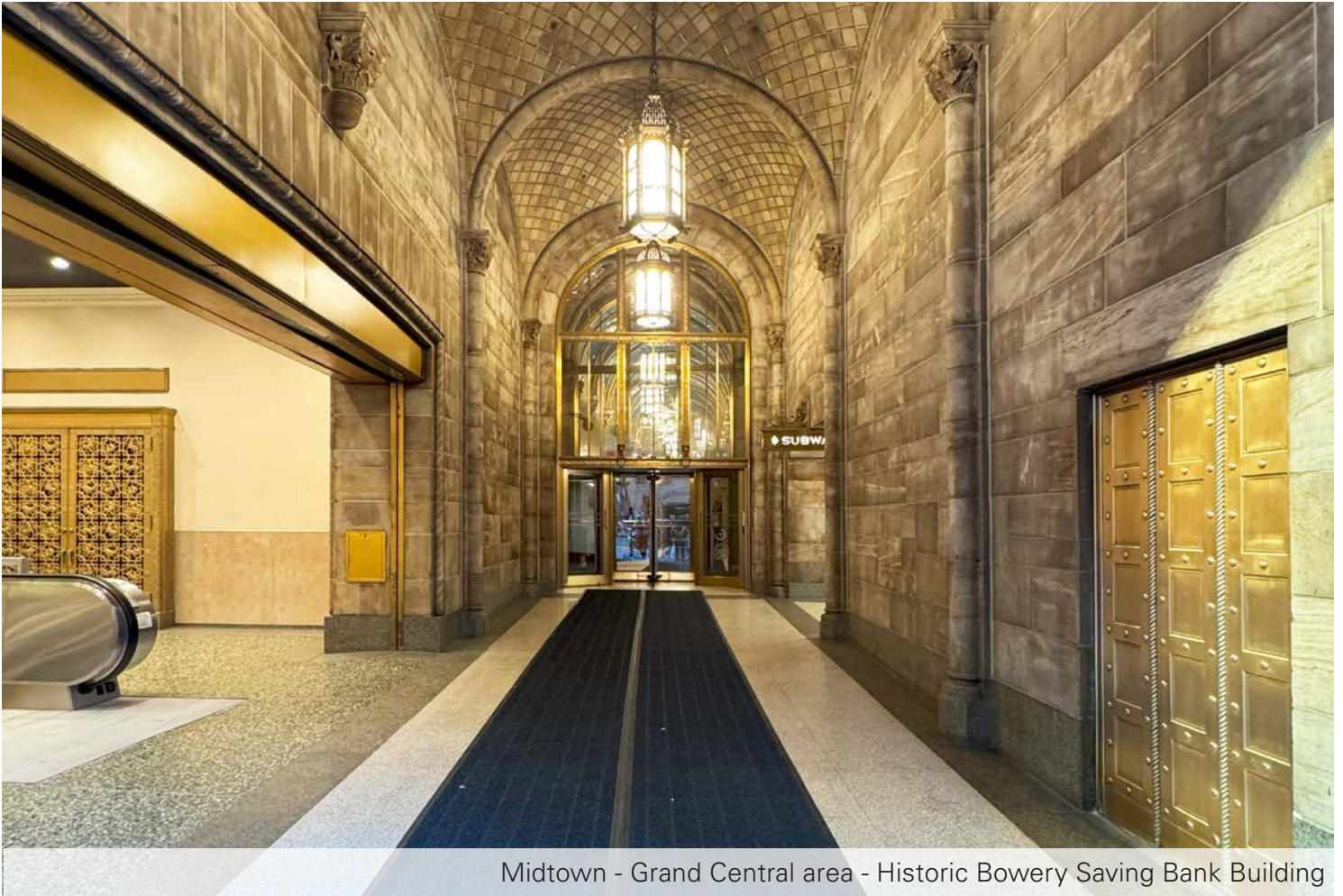
Midtown - Garment District Area

## News Highlights (cont'd)

### Roosevelt Island Master Lease Extension | November 16, 2025 – 7:00 AM

A “conceptual agreement to extend the Roosevelt Island Master Lease” was jointly announced on November 14 by Governor Hochul and Mayor Adams. Subject to approval by the Roosevelt Island Operating Corporation (RIOC), the agreement would extend its control of the island from 2068 to 2078, while also providing greater financial stability for its 12,000 residents and over 100 businesses. A separate agreement will launch a “joint planning effort” in collaboration with RIOC, “oriented around future development on the Island, marking an important step toward ensuring the Island’s long-term stability and future” according to the press release by Governor Hochul’s office. As part of the effort, a planning and community engagement process will be initiated to identify opportunities for “potential housing, new infrastructure and amenities to serve the Island, and other community priorities,” while also addressing the NYC Health + Hospitals/Coler campus, a 500-bed skilled nursing facility located on the north side of Roosevelt Island. The outcomes of the planning process will be incorporated into the Master Lease extension, “as well as other amendments to the lease to streamline State, City and RIOC operations.” Past development on the Island led to the construction of the 12-acre Cornell Tech campus on the south end of the Island. Initial visions for a new engineering or expanded applied sciences campus in New York City arose in 2010 with Cornell University and Technion-Israel Institute of Technology selected among 18 submitted proposals to a challenge issued by the city. In 2017 Cornell Tech moved to Roosevelt Island from Google’s New York City building where they had operated since launching in 2012, and the rest is history. Today, Cornell Tech serves as “one of the most technical and environmentally advanced campuses in the world,” and is “home to close to 50 tenure track and nontenured faculty members, approximately 600 master’s students across eight programs, and more than 150 doctoral students in five fields” according to their website.

Sources: <https://www.governor.ny.gov/news/governor-hochul-and-mayor-adams-announce-launch-planning-effort-future-roosevelt-island>



Midtown - Grand Central area - Historic Bowery Saving Bank Building

## News Highlights (cont'd)

### Office Market

#### **NYC Office Demand Peaks at Decade High at the End of the 3rd Quarter | October 7, 2025**

While the pace of New York City's office market recovery has already been highlighted for surpassing that of the rest of the nation, the latest news delivers another milestone. According to data compiled by online real estate platform Costar, the city "filled nearly 5 million square feet of office space in the third quarter." Representing the difference between move-ins and move-outs, the quarterly absorption in the 3rd quarter "was more than double the highest quarterly absorption seen the past five years and marked the largest single-quarter gain in the last 10," rebounding from the negative nearly 11 million-square-foot absorption in the 1st quarter of 2021. Overall nationwide absorption over the past 12 months "turned negative by 3.1 million square feet in contrast to New York City's positive 7.4 million square feet during the same period. Several reported 100,000-square-foot and larger big block signings of a mix of renewals, leases and subleases kicked off 2025. During the 1st quarter 9 deals totaling roughly 2.9 million square feet were announced, followed by 7 deals totaling roughly 2.4 million square feet in the 2nd quarter. Leasing activity in the 3rd quarter added 10 big block transactions totaling 1.8 million square feet, bringing the year-to-date total to roughly 7.1 million square feet compared to about 5.5 million square feet of big block deals reported during the same period last year.

Sources: <https://product.costar.com/home/news/777368240>

# News Highlights (cont'd)

---

## **Tentative Anchor Tenant for 343 Madison Ave Revealed | October 14, 2025**

Back in August, a press release by developer BXP announced the execution of “a letter of intent with a prestigious, investment grade financial institution to anchor 343 Madison Avenue and occupy 30% of the building, in the lower-middle section of the tower.” More recently, news headlines identified the prospective tenant as global insurance and investment firm C.V. Starr. In July, longtime partner Norges Bank Investment Management unexpectedly decided to back out of the project, selling its 45% stake back to BXP for \$43.5 million, which per a BXP spokesperson was equivalent to the sum the sovereign wealth fund had invested in the project according to news reports at the time. However, solid improvements in Manhattan’s office market led to decisions by BXP to move forward, breaking ground in July of the approximately 930,000 square-foot development that was initially to be built on speculation. In the interim of BXP securing a new partner, the REIT reportedly plans to “cut its dividend by 30% [and] sell suburban office buildings” to help pay the price of estimated \$2 billion development.

Sources: <https://www.crainsnewyork.com/real-estate/developer-bxp-nears-big-lease-343-madison-ave>

## **Office Tenants opt to Remain Downtown Despite Residential Conversion Boom Displacement | November 10, 2025**

According to reported data from a recent industry report, more than 5.5 million square feet of Downtown’s office inventory has been removed since 2020, with another 5.8 million square feet at risk. An increase in Lower Manhattan leasing is being driven by existing tenants in the neighborhood being displaced due to the influx of conversions, with “overall leasing activity this year more than double all of 2024.” The neighborhood’s high vacancy rate and large stock of older office building inventory, with many having the right structure and zoning for residential conversions, make them ideal candidates to take advantage of New York State’s 467-m tax incentive program. Although intended to revitalize the neighborhood, the “program’s tight deadlines create urgency for developers — and displacement pressure for tenants” that become faced with the need to relocate on short notice. “Because Lower Manhattan, in relative terms, still offers the best values,” many tenants opt to stay put, the article by Crain’s New York citing engineering firm Arup and law firm Lewis Brisbois Bisgaard & Smith relocating to 99,418 square feet and 77,655 square feet respectively at 140 Broadway due to the planned conversion of 77 Water Street. Decisions by RXR Realty to move ahead and convert 61 Broadway led to law firms Coffey Modica, Grubman Giordano & Glaws, and Edelman & Edelman moving their offices “elsewhere in Lower Manhattan, including 14 Wall Street, 90 Broad Street, and 60 Broad Street, respectively.” Although some tenants are offered concessions like relocation assistance, negotiated early lease exits, and even rent rebates, finding a new space that’s not at risk financially or poised for its own conversion presents a heightened challenge, but for some it results in a trading up in the quality of the building.

Sources: <https://www.crainsnewyork.com/real-estate/office-tenants-displaced-residential-conversions-staying-downtown>

## **Amazon to Cut 660 NYC Office Jobs | November 11, 2025**

Contrary to indications of office staff retention, or possibly expansion at a time when Amazon has been “fast expanding its footprint” in New York City, the e-commerce giant recently filed several Worker Adjustment and Retraining Notification (WARN) notices with the New York State Department of Labor (NYSDOL). Although Amazon reportedly claimed “it didn’t have enough space to accommodate all of the employees it called back to their workspaces five days a week,” a total of 659 jobs spread across nine buildings will be permanently cut in Manhattan. 450 West 33rd Street and the redeveloped former Lord & Taylor building at 424 Fifth Avenue will be hit the hardest, WARN notices indicate a total of 233 jobs and 182 jobs to be cut at each building respectively. Job losses will range from one to 91 at the remaining seven buildings — 410 Tenth Avenue, 7 West 34th Street, 330 West 34th Street, 237 Park Avenue, 315 Park Avenue South, 215 Park Avenue South, and 6 West 35th Street. Big block lease signings in 2024 and to date that were reported by the press include a trio of leases signed by WeWork under the flexible office space provider’s Enterprise program — 259,000 square feet at 1440 Broadway, 112,000-square-foot expansion at 5 Manhattan West located at 450 West 33rd Street, and 303,741 square feet at 330 West 34th Street. In addition, 330,000-square-foot and 193,431-square-foot leases were reportedly secured at 10 Bryant Park, also going by the address 452 Fifth Avenue, and 237 Park Avenue, which formerly went by the address 466 Lexington Avenue; and in May 2025, the completion of the \$340 million purchase of 522 Fifth Avenue was posted on city records. An October press release by Amazon stated that the job cuts would strengthen the organizations with the company by “further reducing bureaucracy, removing layers, and shifting resources to ensure we’re investing in our biggest bets and what matters most to our customers’ current and future needs.” Most of the impacted employees will have “90 days to look for a new role internally,” with added support efforts by Amazon’s recruiting teams. Amazon’s press release further noted that heightened use of artificial intelligence (AI) has enabled companies to innovate much faster, with Amazon “convinced the company needs to be “organized more leanly;” and while continued hiring is anticipated in 2026, it would be in “key strategic areas.”

Sources: <https://product.costar.com/home/news/1670921733>

# News Highlights (cont'd)

## **Manhattan Office Development Resurgence as Rents Approach \$300 PSF | December 4, 2025**

Rents for office space in some of Manhattan's buildings are commanding prices that some industry people would have never anticipated. Reaching \$100 per square foot 2000, recent prices of \$300 per square foot that are not just a one-off have become a real conversation within the industry. According to the news release by Crain's New York, "towers commanding the highest rents include 1 Vanderbilt Ave., 432 Park Ave., and the General Motors Building at 767 Fifth Ave." Responding to the growing optimism about the office market's recovery, developers are dusting off plans put aside following the pandemic including Related Companies' plans for new towers on the western side of the rail yards at Hudson Yards, as well as the redevelopment of 625 Madison Avenue which was nearing demolition completion in September. Vornado Realty Trust recently revived plans for a tower on the site of the former Hotel Pennsylvania site at 401 Seventh Avenue; while vertical construction of the 1 million-square-foot tower at 343 Madison Avenue by BXP commenced in July 2025, and Vornado Realty Trust and Rudin Management, along with Citadel as anchor tenant, are "preparing to start work on a 1.7 million-square-foot tower at 350 Park Avenue.

Sources: <https://www.crainsnewyork.com/real-estate/manhattan-office-rents-reach-300-square-foot>

## **Downtown's Office Leasing Activity Picks Up Steam | December 11, 2025**

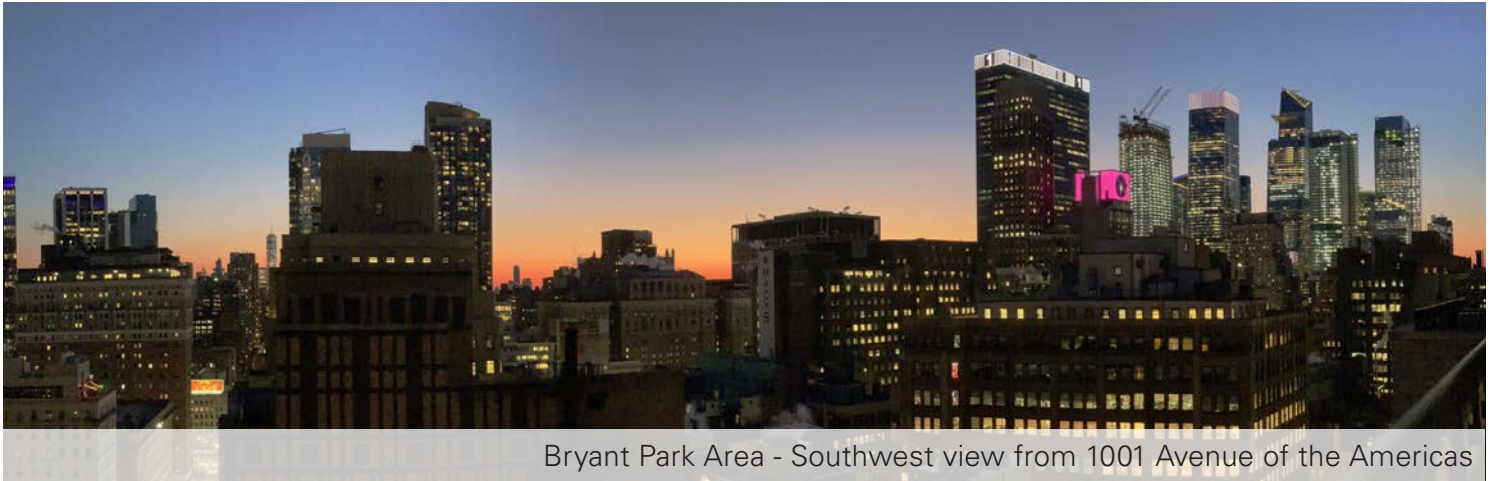
Despite what appeared to be the growing tendency of many in the real estate industry to write-off Downtown's office market as a lost cause amid the growing "flight to quality" trend, Lower Manhattan's resilience is beginning to turn the situation around. As the oldest neighborhood in Manhattan, Downtown's high volume of older office towers that have experienced increased vacancy challenges since the pandemic, has led many to believe the buildings were "destined for dormancy unless they could be converted into housing." According to reported data provided by S&P Global, the vacancy rate "in the blocks around the World Trade Center" has "fallen to 13% from a "post-pandemic high of 18% a year ago." Further substantiating the uptick in office leasing activity is the positive net absorption achieved in the third quarter that was reportedly 39% higher than the five-year average — "meaning more tenants are moving in than out." Lower rent prices have contributed to the improving leasing activity, S&P reportedly citing the newer buildings at the World Trade Center which is now approximately 95% leased, "in part because market rent is a bargain \$61 per square foot, though rents are well into triple digits for the top floors." The 1960-era former Chase Manhattan Plaza at 28 Liberty Street which incurred a 340,000-square-foot vacancy in 2018 upon law firm Milbank Tweed, et. al., relocating to 55 Hudson Yards, has rebounded and vacancy is just 8% now. Office leasing highlights throughout 2025 include the 943,685-square-foot renewal and expansion by Jane Street Capital at Brookfield Place, 250 Vesey Street, the 192,915-square-foot 4-year sublease at One World Trade Center by the Bank of New York (BNY), the 193,497-square-foot lease expansion by fintech global firm Stripe at 28 Liberty Street, and finance firm GFI Group's 128,749-square-foot renewal and expansion deal at 55 Water Street.

Sources: <https://www.crainsnewyork.com/real-estate/manhattans-financial-district-transforms-fleeing-tenants-thriving-offices>

## **Bloomberg LP signs 500K-sf Extension at 120 Park Avenue | December 17, 2025**

Bloomberg LP has signed an 11-year lease extension for its 495,753-square-foot space at 120 Park Avenue. A tenant since 2011 at the property that spans the entire Park Avenue blockfront between East 41st and East 42nd Streets, the recent signing extends the firm's stay from the current lease expiration in 2029 secured in November 2018 to 2040. Asking rents at the building average \$135 per square foot according to reported information shared with Crain's New York by landlord Global Holdings' chairman and founder Eyal Ofer. The deal aligns with Bloomberg's current leases at nearby 731 Lexington Avenue and 919 Third Avenue that were similarly extended last year to sometime in 2040, where the privately held data and media company led by former New York Mayor Michael Bloomberg occupies approximately 950,000 square feet and 175,000 square feet respectively.

Sources: <https://www.crainsnewyork.com/real-estate/bloomberg-extends-lease-midtown-global-holdings>



Bryant Park Area - Southwest view from 1001 Avenue of the Americas

## Manhattan Office Market – Notable Lease Deals in 2025

Address	Submarket	District	Qtr	Sq. Ftge	Lease Type	Tenant
4 Brookfield Place 250 Vesey Street	Downtown	World Trade Center	Q1	943,685	Renewal/Expansion	Jane Street Capital
70 Hudson Yards	Midtown	Hudson Yards	Q2	800,000	Relocation	Deloitte (pre-construction committment)
660 Fifth Avenue	Midtown	Plaza	Q1	504,000	Relocation	Citadel Enterprises (relo from 350 Park Ave)
120 Park Avenue	Midtown	Grand Central	Q4	495,753	Extension	Bloomberg LP
399 Park Avenue	Midtown	Plaza	Q4	438,000	Extension	Millennium Management
2 United Nations Plaza	Midtown	U.N. Plaza	Q2	425,190	Renewal/Expansion	United Nations
330 Madison Avenue	Midtown	Grand Central	Q4	364,118	Expansion	Guggenheim Partners
One Hudson Square 75 Varick Street	Midtown South	Hudson Square	Q1	360,000	Renewal	Horizon Media Holdings
PENN 2	Midtown	Penn Plaza	Q2	336,000	Relocation	Universal Music Group (relo from 1755 Broadway)
10 Bryant Park 452 Fifth Avenue	Midtown	Penn Plaza	Q2	330,000	New Lease	Amazon
1440 Broadway	Midtown	Penn Plaza	Q3	259,000	Expansion	Amazon (adding to 210,000 SF)
Times Square Tower 7 Times Square	Midtown	Times Square	Q1	246,000	Renewal/Expansion	Knitwell Group
200 Fifth Avenue	Midtown South	Flatiron	Q2	244,433	Relocation	Goodwin Procter (relo from 620 Eighth Ave)
3 Bryant Park 1095 Fifth Avenue	Midtown	Penn Plaza	Q3	239,253	Renewal	Salesforce
660 Fifth Avenue	Midtown	Plaza	Q3	203,054	Relocation	Scotiabank (relo from Brookfield Pl, 250 Vesey St)
PENN 2	Midtown	Penn Plaza	Q3	198,893	Relocation	Verizon (relo from 1095 Avenue of the Americas)
50 Hudson Yards	Midtown	Hudson Yards	Q3	193,573	Sublease	BlackRock
237 Park Avenue	Midtown	Grand Central	Q1	193,431	Sublease	Amazon
One World Trade Center	Downtown	World Trade Center	Q3	192,915	Sublease	Bank of New York (BNY)
437 Madison Avenue	Midtown	Plaza	Q1	191,667	Renewal	Santander
125 Park Avenue	Midtown	Grand Central	Q1	184,239	Expansion	Newmark
PENN 11	Midtown	Penn Plaza	Q4	177,000	Renewal/Downsize	AMC Networks (downsize from 335K-sf)
1285 Avenue of the Americas	Midtown	Columbus Circle	Q2	151,409	Sublease/Relocation	Mizuho (relo from 1251 Avenue of the Americas)
1166 Avenue of the Americas	Midtown	Times Square	Q1	147,000	Relocation	FDIC (relo from 350 Fifth Avenue)
28 Liberty Street	Downtown	FiDi	Q4	139,497	Expansion/Relo	Stripe (relo from 199 Water Street)
1301 Avenue of the Americas	Midtown	Columbus Circle	Q3	136,175	Relocation	Piper Sandler (relo from 1251 Ave of the Americas)
900 Third Avenue	Midtown	Plaza	Q2	131,000	Lease	Kirkland & Ellis
31 West 52nd Street	Midtown	Plaza	Q3	130,000	Relocation	Cushman & Wakefield (relo from 1290 6th Avenue)
55 Water Street	Downtown	FiDi	Q4	128,749	Renewal/Expansion	GFI Group
PENN 2	Midtown	Penn Plaza	Q4	125,284	Lease	Dick's Sporting Goods



View of Brooklyn Bridge from the East River Esplanade

## Outerborough Office Market – Notable Lease Deals in 2025

Address	Submarket	District	Qtr	Sq. Ftge	Lease Type	Tenant
One Aviation Plaza 159-30 Rockaway Boulevard	Queens	Jamaica	Q1	139,000	Relocation	U.S. Customs & Border Protection (relo from BLDG 77, JFK Airport)
1000 Dean Street	Brooklyn	Crown Heights	Q4	105,000	Relocation	Administration for Children's Services (relo from 1274 Bedford Ave / 2554 Linden Blvd)
25 Chapel Street	Brooklyn	DoBro	Q1	57,500	New Lease	Gersh Academy
2520 Church Avenue	Brooklyn	Flatbush	Q1	44,114	Lease	Kwenda Collegiate Girls Charter School



Uptown - Upper West Side along Amsterdam Avenue

## News Highlights (cont'd)

### Retail Market

#### **Nike SoHo Flagship Sold to IKEA Retailer Ingka Group | October 1, 2025**

Ingka Investments, the investment arm of Netherlands-based Ingka Group has acquired 529 Broadway for \$213 million. The five and half-story, 53,000-square-foot building is located on the corner of Spring Street in the heart of SoHo. Constructed in 2016 on the site of a former 2-story warehouse structure, the property currently serves as a flagship for footwear and apparel-brand Nike under a 15-year lease plus options secured in September 2015 at an initial annual base rent of approximately \$16 million according to news reports at the time. Although it is unclear as to when Nike will vacate the building, new ownership plans to reposition the retail property into a mix of office and retail, the press release by Ingka announced that the IKEA store will occupy approximately 25,000 square feet on the ground and 2nd floors, with lower-level space used for storage and back-office facilities. The remaining upper four floors will be renovated for premium office use. In December 2018 IKEA had leased a 17,530-square-foot space at 999 Third Avenue in the Upper East Side for Swedish retailer's new smaller footprint "Planning Studio" concept, establishing its first U.S. outpost. However, in December 2021 IKEA U.S. announced the planned January 2022 closure of the store, noting in its press release that they are "actively searching for a new Manhattan location for its smaller store format." Decisions to purchase the 529 Broadway building were due in part to it being "one of very few newly constructed properties in SoHo, designed to complement its historic surroundings while offering modern retail and office spaces," according to Ingka's press release.

Sellers Wharton Properties, A&H Acquisitions, Aurora Capital Associates, and Thor Equities acquired the site in December 2012 for roughly \$146.877 million, securing \$100 million from Deutsche Bank to close on the transaction. By 2016, the debt encumbering the property increased to \$195.285 million and was assigned to U.K.-based insurer Rothesay Life. In January 2022, the partnership put the debt up for sale, news reports at the time indicating that the "performing loan matures in September 2026 and is being sold with a 3.42 percent fixed-rate coupon," and that Nike had more than 10 years left on its lease. News of the acquisition comes just over one year following the announcement of Ingka Group's investment in 570 Fifth Avenue. The planned approximately 1 million-square-foot office and retail development is being constructed by Extell Development with an anticipated delivery in 2028. "A new IKEA customer meeting point will be located in the building's prime retail space of 80,000 square feet arranged over two cellar levels with a corner entrance on Fifth Avenue;" and as part of the deal, "Ingka Investments will hold a one-third stake in the project alongside preferred equity components and full ownership of the prime retail space where the IKEA customer meeting point will be located."

Source: <https://www.ingka.com/newsroom/new-ikea-store-to-open-in-manhattans-soho-neighborhood/>

<https://www.ikea.com/us/en/newsroom/corporate-news/ingka-investments-makes-investment-on-fifth-avenue-pubda9760a0/>

# News Highlights (cont'd)

## Brooklyn Continues to Sustain a Retail Rally | October 7, 2025

Since the start of 2025, "Brooklyn's retail rally has remained on track" despite some turbulence in the wider economy according to the report released in early October by the Real Estate Board of New York (REBNY). The continued limitation of quality storefront options in prime corridors has prompted retail tenants to widen their search geographically. The trend has helped to reduce storefront availability in other corridors. Solid leasing activity has caught the attention of investors, the first half of 2025 seeing more than \$200 million in retail investment sales. Some larger sales include the \$41 million purchase of the 72,706-square-foot retail condominium at 166 Flatbush Avenue, Flatbush by Parviz Farahzad, the \$17.5 million purchase of the 26,624-square-foot retail building at 321 Starr Street, Bushwick by Yale Properties, and the \$50 million purchase of the 22,250-square-foot property at 70 North 6th Street, Williamsburg by Acadia Realty Trust. However, the lowering of consumer confidence over the past several months due to a growing uncertainty about the wider economy has prompted some retailers to delay leasing decisions.

Source: [https://downloads.ctfassets.net/6zi14rd5umxw/2OQPh00FcwumMMHeFz02e/2ff67bb2dd8f58df6e114a21bc8fb6d5/REBNY\\_Brooklyn\\_Retail\\_Report\\_2025.pdf](https://downloads.ctfassets.net/6zi14rd5umxw/2OQPh00FcwumMMHeFz02e/2ff67bb2dd8f58df6e114a21bc8fb6d5/REBNY_Brooklyn_Retail_Report_2025.pdf)

## Retail Vacancy Diverges along 34th Street's East and West Corridors | September 24 / October 21, 2025

The once bustling 34th Street Herald Square corridor between 5th and 7th Avenues has seen an uptick in retail vacancies over the past several years. Although average morning 34th Street foot-traffic between Broadway and 7th Avenue declined from 12,300 people in May 2015 to 7,500 people in May 2025 according to reported public city data collected by the city, and business at Macy's iconic block long flagship was down last year, retail vacancy along the east section of 34th Street is currently higher compared to the west section. Online real estate platform Costar currently lists a total of 174,479 square feet of 34th Street retail space between 5th and 7th Avenue of which 109,811 square feet lies between 5th and 6th Avenues — home to the Empire State Building. In contrast, the section between 6th and 7th Avenues, which is anchored by Macy's, has only 69,938 square feet of retail space listed. While both the east and west strips are flanked by major transportation hubs, the west also benefits from Madison Square Garden.

Residual recovery from the pandemic and changing demographics were noted as contributing factors to the higher Herald Square retail vacancy in a recent news report by Crain's New York, as well as the opening of Metropolitan Transportation Authority's (MTA) Grand Central Madison extended access to the east for Long Island Rail Road commuters that used to exit at Penn Station. A decline of tourist volume in the area appears to be another factor, Crain's article citing a 3% drop year-over-year of the volume of visitors at the Empire State Building's observation deck in the 2nd quarter of 2025, after "experiencing an even larger drop of 12% in the preceding quarter." However, some other reasons for higher retail leasing activity towards the west end of 34th Street are the efforts of Vornado Realty Trust, having recently completed a major redevelopment of both 1 Penn Plaza, 250 West 34th Street and 2 Penn Plaza, 392 Seventh Avenue, rebranded as PENN 1 and PENN 2 respectively, as well as the REIT's major upgrade of the dining and retail area within Penn Station completed in 2024.

In addition, seamless access from Penn Station to the food hall and retail offerings at Moynihan Train Hall along with proximity to Hudson Yards has also contributed to a shift further west by consumers. Further boosting retail leasing activity in Penn District is an uptick in restaurant leases. An article by Bloomberg posted on Crain's website in late September announced "an influx of new office tenants, plus straphangers and basketball fans" has attracted several notable restaurants after the launch of the Moynihan Train Hall and the opening of its food hall in 2021; and with the Penn District/Herald Square area offering lower rent opportunities than Hudson Yards and prime Midtown spaces, it has become an even more favorable opportunity. Looking ahead, the city has plans for a 1.1-mile 34th Street busway between 3rd and 9th Avenues, essentially eliminating passenger vehicles between 6 AM and 10 PM and making it safer for pedestrians, which could help boost foot traffic further east on 34th Street. However, the elimination of passenger cars has sparked mixed response from the area's landlords and business owners, but recent developments have reportedly made the fate uncertain for the busway that was expected to take effect before the end of this year. While a boost in housing production as part of the city's Midtown South Mixed-Use Plan that was passed in August could have added future benefit to the Herald Square corridor, 34th Street was not included. Despite some recent larger lease signings, such as Ireland-based Primark's lease for 78,760 square feet at 150 West 34th Street, and the 55,000-square-foot lease by Gap Inc-owned Old Navy at Herald Towers, 50 West 34th Street, vacancies continue to remain high leading to several of the retail owners being faced with an influx of foreclosure lawsuits.

Source: <https://www.crainsnewyork.com/real-estate/west-34th-street-struggles-empty-stores-and-foreclosures>

<https://www.crainsnewyork.com/restaurants/penn-station-district-sees-influx-big-deal-restaurants>



## News Highlights (cont'd)

### A Selection of New York City Restaurants Join the Roster of Michelin-Starred Prestige | November 18, 2025

On November 18, Michelin, which is well known for its restaurant rating MICHELIN Guide, held its 2025 Michelin Northeast Cities ceremony in Philadelphia. Among the nominees attending from New York, D.C., Chicago, Philadelphia, and Boston, several restaurants in New York City received Michelin stars and various honors. **Annie Shi** of the Chinatown wine bar **Lei**, located at 15-17 Doyers Street was the recipient of the Sommelier Award and India Doris of **Markette**, located at 326 Seventh Avenue received the Young Chef Award. A few of the city's existing Michelin-star dining spots were elevated during the ceremony, **Sushi Sho**, rose to the highest possible honor upon being awarded its third Michelin Star. The omakase restaurant by chef Keiji Nakazawa that opened in early 2024 at 3 East 41st Street was reportedly "the only restaurant to earn a third star for the first time this year." In addition, **Joo Ok**, located in the city's Koreatown neighborhood at 22 West 32nd Street, earned a second star. Newcomers joining the list of restaurants added to the prestigious MICHELIN Guide having earned their first star included **Bridges**, which opened in 2024 at 9 Chatham Square in Chinatown, and **Yamada**, the eatery that offers a "chef's kaiseki counter" which is a traditional multi-course Japanese dinner.

Finally, Lower Manhattan's Tribeca neighborhood boasted two newly Michelin-starred restaurants — **Muku**, which opened earlier this fall at 412 Greenwich Street in Tribeca offers a Japanese tasting menu, and **Huso**, located at 323A Greenwich Street features a "reimagined seafood and meat plates" menu. The MICHELIN Guide which dates back to 1889, initially served as a "small guide fill with handy information for travelers." Envisioned by brothers Andre and Edouard Michelin, the guide was a marketing tool to boost car sales and in turn, tire sales at their eponymous tire company in central France through its offering of maps, how to change a tire, locations to get petrol, and a listing of places to eat or take shelter for the night according to the historical background information on Michelin's website. Initially offered free of charge, in 1920 a brand-new MICHELIN Guide was launched that for the first time included a list of Paris hotels and restaurants and sold for seven francs. Strong interest in the guide's restaurant section led to the recruiting of a team on mystery diners, which are better known today as restaurant inspectors to begin reviewing restaurants anonymously. Subsequently, the reviews lead to the launch of a star awards program in 1926 that evolved into the "hierarchy of zero, one, two, and three stars" over the next five years; and in 1936 Michelin began publishing the criteria for the starred rankings.

Source: [https://downloads.ctfassets.net/6zi14rd5umxw/2OQPh00FcwumMMHeFzF02e/2ff67bb2dd8f58df6e114a21bc8fb6d5/REBNY\\_Brooklyn\\_Retail\\_Report\\_2025.pdf](https://downloads.ctfassets.net/6zi14rd5umxw/2OQPh00FcwumMMHeFzF02e/2ff67bb2dd8f58df6e114a21bc8fb6d5/REBNY_Brooklyn_Retail_Report_2025.pdf)



Midtown South - Greenwich Village

## News Highlights (cont'd)

### **Sale of Flushing's Shops at Skyview Mall Fetches Roughly \$425M | December 3, 2025**

After being introduced to the market in July 2025, Blackstone Equities has gone into contract to sell the nearly fully leased Shops at Skyview mall in Flushing, Queens. Contract vendees TPG and Acadia Realty Trust are paying roughly \$425 million for the 550,000-square-foot shopping center — about “the same price Blackstone reportedly sought when it first publicly marketed the property.” Comprised of two 3-story buildings and a 2,600-car-plus parking garage, retail tenants within the complex include BJ's Wholesale Club, Sky Zone, Sky Foods, Burlington, Marshalls, Target, and more recently Round1 Bowling & Arcade which signed an 80,000-square-foot lease last year. The retail component is part of a larger 3 million-square-foot mixed-use condominium complex that includes nearly 1,200 residential units and 50,000 square feet of medical space.

Source: <https://therealdeal.com/new-york/2025/12/03/blackstone-sells-flushing-retail-complex-for-425m/>

### **Kering's 60% Stake Sale of 5th Ave Retail and Office Condo Units Fetches \$900M | December 16, 2025**

Nearly two years after acquiring the 115,000-square-foot retail and office condo units within 717 Fifth Avenue, French luxury group Kering has sold a 60% stake for \$900 million to global diversified private markets firm Ardian as part of a newly created joint venture, with Kering retaining the remaining 40% stake. Kering, whose luxury brands include Gucci, Balenciaga, and Alex McQueen, had acquired the pair of condo units in January 2024 for \$963 million, comprised of roughly 80,347 square feet of multi-level retail space and 23,128 square feet of 4th floor office space according to documents posted on city records. Located on the southeast corner of East 56th Street, due to the property's L-shaped structure, a portion of the space runs block through to East 55th Street. Kering has realized \$690 million in net proceeds from the sale, and news of the announced deal coming about one year after completing a similar joint venture arrangement with Ardian for a portfolio of three Paris properties.

Source: <https://www.kering.com/en/news/kering-and-ardian-finalize-a-joint-venture-agreement-for-a-landmark-new-york-property/>

# Retail Market – Notable Lease Deals in 2025

## Manhattan

Address	Submarket	District	Sq. Ftge	Lease Type	Tenant
South Street Seaport Pier 17	Downtown	FiDi	75,000	New Lease	Meow Wolf (arts/entertainment venue)
Herald Towers 50 West 34th Street	Midtown	Penn Plaza	55,000	Relocation	Old Navy (clothing brand - relo from 150 W 34th St)
10 Bryant Park 452 Fifth Avenue	Midtown	Penn Plaza	52,000	New Lease	Life Time Fitness (fitness brand)
Tower 57 135 East 57th Street	Midtown	Plaza	47,000	New Lease	Chelsea Piers Fitness (fitness brand)
Paramount Building 1501 Broadway	Midtown	Times Square	37,000	New Lease	CityPickle (sports brand)
675 Avenue of the Americas	Midtown South	Flatiron	29,700	Renewal	Trader Joe's (grocery brand)
The Ellery 312 West 43rd Street	Midtown	Times Square	25,000	New Lease	Aldi (Germany-based grocery brand)
Windsor Court 135-155 East 31st Street	Midtown	Kips Bay	20,700	New Lease	Lidl (Germany-base grocery brand)
158 West 27th Street	Midtown South	Chelsea	18,887	New Lease	Powerhouse Gym (fitness brand)
1 Grand Central Place 60 East 42nd Street	Midtown	Grand Central	14,430	New Lease	Sora (restaurant)
412-414 West 15th Street	Midtown South	Chelsea	12,176	New Lease	STK (restaurant)
1225 Second Avenue	Uptown	Upper East Side	12,000	New Lease	Dumbo Market (grocery brand)
620 Avenue of the Americas	Midtown South	Flatiron	11,503	New Lease	Ulta (beauty products brand)
Tower 58 49 West 57th Street	Midtown	Midtown East	10,000	New Lease	Portabella (clothing brand)
Zero Irving 124 East 14th Street	Midtown South	Union Square	10,000	New Lease	Time Out Market (food hall brand)

## Outer Boroughs

Address	Submarket	District	Sq. Ftge	Lease Type	Tenant
Concourse Plaza 200 Est 161st Street	Bronx	Concourse Village	58,000	New Lease	Regal Cinemas (movie theatre)
597 Grand Street	Brooklyn	East Williamsburg	27,000	New Lease	Lidl (Germany-based grocery brand)
250-272 Willis Avenue	Bronx	Mott Haven	24,000	New Lease	Harlem Furniture (furniture brand)
567 Fulton Street	Brooklyn	DoBro	20,000	New Lease	Din Tai Fung (restaurant)
Brooklyn Grand 774 Grand Street	Brooklyb	Williamsburg	10,707	New Lease	Whole Foods (grocery brand - bodga-style concept)

# News Highlights (cont'd)

## Investment Sales

### **Park Avenue Tower Sale Fetches \$730M Price Tag | October 15, 2025**

SL Green Realty is reportedly in contract to purchase Park Avenue Tower for \$730 million, with the sale expected to close early next year. The 36-story block-through building located at 65 East 55th Street spans roughly 621,824 square feet. According to news reports in 2014 the seller, global investment and advisory firm Blackstone, briefly owned the building situated between Park and Madison Avenues upon acquiring Equity Office Properties and its \$7 billion portfolio in 2007, but flipped it as part of a 7-building portfolio to Harry Macklowe. However, during the recession, Macklowe went into default, returning the building to lender Deutsche Bank who proceeded to market the tower at a 20-30% discount. In 2008, Shorenstein Co. took control of the building for approximately \$625 million as part of a 2-building deal that included 850 Third Avenue for a total of \$930 million. In July 2014, Blackstone once again became the owner of the asset, paying \$750 million to Shorenstein with German American Capital providing the financing to close of the transaction according to city records. Currently about 90% leased, Harrison Sitomer, chief investment officer at SL Green reportedly stated that the acquisition “will deliver sustainable cash flow and provide long-term value creation,” adding to the REIT’s other premier properties on the commercial corridor including 1 Vanderbilt Avenue, 500 Park Avenue, 450 Park Avenue and 100 Park Avenue.

Source: <https://www.crainsnewyork.com/real-estate/sl-green-buy-park-avenue-tower-blackstone>

### **A Pair of Park Avenue South Buildings Trade for \$104M | November 20, 2025**

Olmstead Properties reportedly purchased 373 Park Avenue South and 381 Park Avenue South, marking the company’s first acquisition since 2016. The buildings located between East 26th and 27th Streets offer a combined total of about 337,000 square feet. The sale by long time owner Atco Properties and Management reportedly fetched \$104 million and was financed by “roughly \$82 million in total acquisition financing from Bank of New York,” representing a 60% loan-to-valuation at \$140 million. Press in May 2025 had indicated that Empire Capital went into contract to purchase the two buildings for \$130 million but subsequently flipped the deal to Olmstead Properties and opted instead to retain a small stake in the assets. Although the larger of the two buildings, 381 Park Avenue South, was reportedly a good candidate for a residential conversion, new ownership plans to maintain office use and instead “modernize the properties, including updated amenities and prebuilt suites.”

Source: <https://therealdeal.com/new-york/2025/11/20/olmstead-properties-buys-381-373-park-avenue-south/>

### **Durst’s 205 E 42nd St Trades for \$165M | November 26, 2025**

Investor David Werner has purchased all 32 commercial condo units within the approximately 405,399-square-foot building at 205 East 42nd Street, as well as the ground lease. The sale by the Durst Organization reportedly fetched a combined total of \$164.7 million. Information posted on city records include four transactions totaling \$150 million — \$11,347,216 for units 1001 through 1006, Unit 1009 and Unit 1030; \$15 million for units 1013-1014, 1022-1025, 1027-1029, and 1031-1032; \$62,217,785 for Units 1001-1032; and \$61.435 million for the ground lease dated June 4, 2012 that indicates the term of the Lease “shall expire on the day preceding the thirtieth (30th) anniversary of the Possession Date.....” originated by Durst simultaneously to the condo declaration. The sale closed on November 10 and an existing \$108 million Citibank mortgage that upon assignment to JPMorgan Chase Bank was reduced to \$104 million. According to press at the time, between 2012 and 2014 a trio of 30-year leaseholds were secured — the City University of New York (CUNY) secured 170,000 square feet in September 2012, paying approximately \$119 million, the United Way secured 50,000 square feet in July 2013 at an estimated deal value of \$60 million, and FedCap Rehabilitations secured a 49,122-square-foot building-within-a-building deal in May 2014, paying about \$11.130 million. More recent lease deals include a 41,000-square-foot lease on floors 19 through 21 by flexible space provider Serendipity Labs in early 2023.

Source: <https://www.crainsnewyork.com/real-estate/david-werner-buys-205-e-42nd-st-durst-org>



View of Midtown from the East River Esplanade

## News Highlights (cont'd)

### **Scholastic's Secures \$386M Sale/Leaseback Deal for SoHo HQ | December 3, 2025**

Empire State Realty Trust has agreed to purchase the pair of adjoined buildings at 549-555 and 557-559 Broadway in an all-cash deal from Scholastic. The sale/partial leaseback deal fetched \$386 million for the approximately 355,942-square-foot SoHo properties that house the book publisher's headquarters. As part of the deal that is expected to close before the end of the year, Scholastic will lease back 220,000 square feet under a 15-year lease plus two options to extend for 10 more years, representing a downsizing from 10 floors to 6 floors within the 12-story building. Currently about 70% leased, Capital One Café and Sephora occupy the retail, and hospitality brand Convene occupies the 2nd floor leaving the 3rd through 5th floors vacant. Scholastic acquired the 243,442-square-foot 549-555 Broadway building in February 2014 for \$255 million and the smaller 112,500-square-foot 555-557 Broadway building in October 2010 for \$25.5 million according to city records.

Source: <https://www.crainsnewyork.com/real-estate/empire-state-realty-trust-buying-scholastic-soho-building-386m>

### **SL Green Planning \$2.5B in Manhattan Property to Offset High Interest Rates | December 15, 2025**

Efforts to "fight against interest rates that are too high," has led to plans by New York City's biggest office landlord SL Green Realty, to sell "about \$2.5 billion worth of properties in Manhattan." Decisions to sell were prompted by a loss in income as a result of too high interest rates according to reported statements by the REIT's Chief Financial Officer Matthew DiLiberto, Included among the mix of office and residential buildings within the December 5th presentation to investors are "1350 Sixth Avenue, a 600,000-square-foot Plaza District office tower; a 25% stake in 245 Park Ave., a 1.8 million-square-foot tower acquired out of bankruptcy three years ago; and a 65% stake in the office building at 750 Third Ave. that's being converted into apartments." SL Green is hoping to take advantage of the recent surge in demand for Manhattan real estate at a time when "Manhattan's 13.1% office vacancy rate is well below the national average of 19.3%" according to a recent report by ratings firm Moody's. Steve Sakwa, an analyst in the equities division of independent investment banking advisory firm Evercore reportedly estimated "a sale of 1350 Sixth Ave. would produce more than \$300 in proceeds, while a 25% stake of 245 Park would generate almost \$500 million. A sale of the Olivia, an apartment tower SL Green owns at West 33rd St. [315 West 33rd Street], would produce almost \$400 million." Moody's report further revealed that SL Green is highly leveraged, carrying nearly \$7 billion in liabilities, however, it has been reportedly stated by BMO Capital Markets analyst John Kim that, "property sales should help SL Green shave off \$1.2 billion in debt next year."

A related November 24th article by Crain's New York noted that both SL Green and Empire State Realty Trust's (ESRT) stock prices fell by 35% this year, while Vornado Realty Trust, the city's second biggest commercial landlord saw a 20% drop despite improving fundamentals as "office leasing in New York is on "pace to exceed 2019 levels, and new towers are soaring around Park Avenue that are expected to command rents of up to \$300 per square foot." One explanation for Manhattan office stocks performing poorly in such a strong market was provided by JPMorgan, which believes it is due to the heavy spending by developers on "the fastest elevators and the most amenable amenities," resulting in "increasing overhead and depressing cash flow, meaning shareholders must wait longer to see returns." In response to that prospect, institutions are putting their money elsewhere. JPMorgan real estate analyst Tony Paolone provided an example scenario to Crain's New York, citing Vornado Realty Trust's more than \$1 billion investment for the transformation of Penn 1 and Penn 2, noting that "new tenants will receive roughly one year of free rent at the start of their leases, a common perk among New York's office towers;" and as a result, "Vornado's 'actual cash flow is pretty depressed,' until those tenants start paying rent," which according to Vornado President Michael Franco, the inflection year for when investors are expected to see the full benefits of redeveloping Penn Plaza is in 2027.

Source: <https://www.crainsnewyork.com/real-estate/manhattan-landlord-sl-green-planning-property-sales>

<https://www.crainsnewyork.com/real-estate/manhattan-office-stocks-sink-amid-steep-spending-amenities>



Midtown South - Madison Square Park

## News Highlights (cont'd)

### Residential Market

#### City Council's Proposed COPA Bill Rattles Multifamily Building Owners | December 2, 2025

Proposed legislation led by District 37 council member Sandy Nurse was reportedly “on a list set to age, meaning it would be eligible for a council vote,” however, in an effort to address pushback, it was pulled from the list and according to the post by The City, updated on Monday, December 8. The Community Opportunity to Purchase Act (COPA) initially introduced in 2021 “has had multiple hearings on the measure,” most recently in early June. Should the bill be approved, it would give “certain qualified entities, as set by Department of Housing Preservation and Development (HPD) rule, a first opportunity to submit a statement of interest in purchasing and a first opportunity to purchase certain residential buildings or lots zoned for residential use when offered for sale” according to text posted on the City Council’s website.

Landlords and real estate industry groups reportedly say that even with the recent amendments that alter the range of buildings offered, expand the types of buyers and truncate the transaction timeline, the “bill is still too broad and would slow down the market, while “tenant advocates, community land trusts and Mayor-elect Zohran Mamdani have argued that COPA could help preserve affordable housing, provide a measure of stability for tenant and prevent speculation.” The recent amendments raised the range of residential buildings from three or more units to “at least four units, and they must also have significant physical or financial problems, or have affordable housing program requirements about to expire, such as tax credits.” Vacant lots zoned for residential use would also be subject to the program, but owner-occupied buildings with up to six units would be exempt. Eligible buyers have now been expanded to allow participation by for-profit buyers that can team up with nonprofit groups “so long as they get on HPD’s qualified preservation buyers lists.” An owner looking to sell a property that is subject to the program would need to notify HPD before moving forward with such plans. Following notification, the qualified buyer needs to submit a statement of interest within 45 days and upon receipt, the owner can accept or decline the offer; and if declined, the sale can then go on the market. If the property owner accepts an open market offer, the qualified buyer that had previously bid has a chance to match it.

According to a November 24th article by The Real Deal, the earlier version of COPA stated that the seller had to submit notice of an intended sale within 60 days, and the qualified buyer had a 120-day window to submit a statement of interest to HPD, during which time the owner is not allowed to accept other offers. Opposition at the time noted that it would preclude 1031 exchanges, since they must close within a 180-day window, while the concept of the city getting involved in the sale transactions of privately owned properties and the idea of having to tell the government that you are selling your property “seems like the most basic, un-American idea” was also expressed. Some owners suggested a COPA pilot version that applied to a smaller range of buildings as potentially workable and The Real Deal’s article cited similar programs that have had some success in San Francisco and Washington, D.C., which has the Tenant Opportunity to Purchase Act (TOPA) enacted in 1980. New York’s State legislature is also proposing a version of TOPA, but critics “agree that the success of COPA and TOPA programs hinges on nonprofits being able to tap into a steady stream of capital and tenants’ ability to organize.” Even the HPD has expressed concern about the potential of the agency’s staff being overwhelmed upon becoming the intermediary of these deals. Finally, one affordable housing developer requesting to remain anonymous reportedly commented that “overall, they [city council] just keep making it harder to do business in New York City.”

Source: <https://therealdeal.com/new-york/2025/11/24/nyc-multifamily-owners-brokers-fear-copa/>

[https://nyccli.org/wp-content/uploads/2025/12/copa\\_qa.pdf](https://nyccli.org/wp-content/uploads/2025/12/copa_qa.pdf)



Queens - View of Long Island City from the FDR Drive

## News Highlights (cont'd)

### **Chapter 11 Bankruptcy Leading to Auction of 5K-Plus Rent Stabilized Units | September 24, 2025**

A 93-building residential portfolio spread across Brooklyn, Queens, Manhattan, and the Bronx that generated \$84.4 million in 2024 may be heading to auction after a Chapter 11 bankruptcy filing several months ago by an entity connected to the Pinnacle Group according to reported details within a September 19 court filing. Pending approvals of a proposed marketing process by a New York State bankruptcy judge, lawyers overseeing the buildings will be marketing the properties for a “proposed bankruptcy auction and also solicit offers for a potential refinancing,” as part of an “agreement with lender Flagstar, which holds more than \$564 million in debt on the buildings and initiated foreclosure lawsuits earlier this year.” According to reported city data, between 2019 and 2024, Housing violations that the city deems “immediately hazardous” have “increased fourfold.” In response, advisors to Pinnacle’s building reportedly stated that the “bankruptcy filings are mostly the result of a sharp rise in interest rates, inflation-driven increases in operating expenses and lower rent collection,” also pointing out that “the COVID pandemic 2020-2023, made building maintenance more difficult” for various reasons. The portfolio managed by the Pinnacle Group houses more than 5,100 rent-stabilized apartments; and “any transaction for all or a portion of the buildings ‘will not impact the existing tenant leases at any of the debtors’ properties,’ according to the court filings.” Nonbinding indications of interest by bidders are urged to be submitted by November 21, 2025, with a bid deadline of December 21, 2025, was proposed by the lawyers involved; and if “the process wins court approval, an auction would be held in January” per further details within the court filing that were noted in the recent Bloomberg article posted by Crain’s New York.

Source: <https://www.crainsnewyork.com/real-estate/over-5000-nyc-rent-stabilized-apartments-headed-auction>

### **Sale Profits Absent for Most Manhattan Condo Owners that Purchased Right After Last Peak | October 24, 2025**

A recently released industry report revealed that most home buyers that purchased a residential condominium in Manhattan right after the 2015 market peak “face a harsh reality: their investments have yet to recover nearly a decade later,” according to reported details of the report’s findings by Crain’s New York. In contrast, those condo owners that purchased before 2015 benefitted from “significant gains” upon sale, while “pandemic buyers are positioned for future profits.” In addition, the “ultra-pricey \$10 million and above category” was the only subsector that “showed strength over the past decade,” many sellers seeing an approximate 18% gain. The completed analysis covered “2,513 non-new-development units that traded once between January 2003 and June 2024 and then sold a second time between July 2024 and June 2025.” The results confirmed that the “main factor determining winners and losers was timing,” contrary to neighborhood “which doesn’t matter so much anymore,” despite what many believe — with the results consistently true across a range of price points. A cited example provided in Crain’s article was the \$4.8 million sale in April 2025 of Rosie O’Donnell’s 4-bedroom penthouse condo in Turtle Bay. The actress and comedian had purchased the unit in 2017 for \$8 million, subsequently introducing the sale offering in May 2023 for reportedly \$8.3 million. Further contributing to sale challenges are higher loan costs following the interest rate increases by the Federal Reserve that began in March 2022, causing the sales market to come close to a standstill at many price tiers. The building’s relevance also comes into play, with some buildings falling behind on planned upgrades due to the pandemic. While there are exceptions to the report’s findings, and other factors that come into play, the upbeat view amid the Fed’s first rate cut in September and the attitude that seller’s loss creates a buyer’s gain is helping to fuel a sense of optimism within the market that makes it “a healthy time to get in as the market starts revving its engines again.”

Source: <https://www.crainsnewyork.com/real-estate/most-manhattan-condo-buyers-lost-money-last-decade-brown-harris-stevens>



Downtown - View from Pier 26

## News Highlights (cont'd)

### Development

#### Proposed Office-to-Residential Conversion Volume Continues to Accelerate | September 29, 2025

The last time New York City saw the volume of construction starts for office-to-residential conversions at the rate 2025 is on pace to reach, is 2008. Over the 18-year period from 2004 through 2022, conversion starts averaged less than 1.2 million square feet (msf) annually, with the exception of 2008 when conversion starts reach 4.8 msf according to a recent industry report. Since 2022, the square foot volume has increased and more notable the pace of the increase over the last few years has been accelerating — 1.6 msf in 2023, 3.3 msf in 2024 and 4.1 msf through August alone in 2025. Further fueling the trend is the shift in financial dynamics. A reset of office investment values post-COVID has resulted in the “average price of Manhattan sales falling from a peak of \$1,037 in 2019 to \$567 in 2025,” as the “gap with development site pricing, which averages \$426 per buildable square foot in 2025” continues to shrink. Several recent policies are adding favor to underwriting conversion as the higher and better use of obsolete office properties — the Office Conversion Accelerator Program launched in 2023, the enactment of the 467-M tax incentive program in 2024 by the state, and more recently, the City of Yes zoning reforms. Emerging as one of the “most notable shifts in New York City’s real estate landscape since the onset of the pandemic,” there have been “20 Manhattan office sales involved properties slated for, or already undergoing, residential conversions.”

Some of the more recent trades with plans for conversion include Vanbarton Group’s purchase of 5 East 42nd Street and 1011 First Avenue — both in Midtown, and TF Cornerstone’s purchase of 135 East 57th Street. Although the Downtown submarket initially dominated activity from 2004 to 2019, accounting for approximately 51.6% of all projects, since 2020, Midtown has emerged as the new leader, representing 54.8% of all conversions. Contributing to the shift is that fact that “Downtown had already undergone an extensive wave of conversions dating back to the 1990s.” Another shift is occurring within building class, as Class A properties account for a growing share over Class B and Class C buildings, particularly among those “buildings that are in less desirable locations or are lacking the amenities of top-tier assets.” It is projected that “Manhattan’s office inventory would decline from 415.1 msf as of August 2025 to 406.4 msf” if all planned and potential office-to-residential conversions advance. However, due to the size of the Manhattan market, the overall effect on reducing availability supply is incremental “under the assumption that tenants relocate within the city,” but it is anticipated that with the backing of supportive policy and sustained demand for housing, “conversions will continue to play an important role in recalibrating the city’s office market.”

## News Highlights (cont'd)

### Culture and Art Take Center Stage as Part the JFK Vision Plan | October 27, 2025

In January 2017, the JFK Vision Plan was unveiled by the Port Authority of New York and New Jersey (PANYNJ). John F. Kennedy International Airport (JFK) serves as the international gateway to New York State and to the nation, serving over 62 million passengers, supporting 149,000 jobs, as well as generating more than \$33 billion in sales and \$14 billion in wages according to details on the project's dedicated website. The \$19 billion multi-phase project will transform JFK into a world-class global gateway. The public-private redevelopment program includes the construction of two "giant new terminals across five previous terminal sites, expansion and modernization of existing terminals, streamlined roadways, popular retail and dining, and stunning New York artwork." Culture and art will play a big part in the overall traveler experience within the terminals. As part of the redevelopment of Terminal 6, which will occupy the site of the former Terminal 6 and Terminal 7 upon its completion in 2026, the PANYNJ partnered with New York City's world-renowned art and cultural institutions — the American Museum of Natural History, Lincoln Center for the performing arts, the Metropolitan Museum of Art (MoMA), and the Museum of Modern Art to create a permanent display within the 1.2 million-square-foot terminal.

PANYNJ's commitment to public art will be further displayed within JFK's new Terminal One currently under construction. The broader public art program developed by lead curator Culture Corps. will transcend the typical approach to airport art and create an experience that "could only happen in New York" while celebrating the history, culture, and diversity of New York City and Queens and capturing the "city's unmistakable energy and spirit." A mix of creative artists, multi-disciplinary media firms, and design firms have been selected including a roster of seven internationally recognized artists that will add a mix of sculpture, mosaics and murals. Independent design consultancy firm, **Pentagram**, will focus on the terminal's branding that will include "everything from monumental welcome signage to striking floor inlays in the baggage claim area," in addition to "the world's largest split-flap display in the departure hall and '**The City in Bloom**,' one of the largest lenticular graphic installations ever mounted."

**Gentilhomme** is creating a series of short films titled "**Love Letters to New York**" that will offer visitors a final farewell to the city. The Canada-based multimedia entertainment is designing the films in partnership with London-based construction engineering firm **Arup**, which is leading the broader cultural program for Terminal One. Gentilhomme's films offer an immersive digital experience and to bring authentic, place-based stories within them were "developed in collaboration with local minority- and women-owned business enterprises and service-disabled veteran-owned businesses." For those travelers returning to New York from international flights, a calming soundscape of NYC sounds will greet them, accompanied by flowing visuals of the city's natural landscapes, from upstate to Jamaica Bay; and as visitors exit the terminal a display featuring a "90-degree wrap, creating an 'anamorphic' optical illusion that gives subjects a 3D appearance" will offer a final tribute to the city's iconic atmosphere. Terminal One, which will span 2.6 million square feet as the largest terminal within JFK, broke ground in September 2022. The \$9.5 billion terminal is being built on the sites now occupied by JFK's Terminal 1 and the former Terminals 2 and 3. Construction is expected to be fully completed in 2030 and will open in phases beginning in 2026.



Source: <https://www.6sqft.com/major-public-art-program-unveiled-for-jfk-airports-9-5b-terminal-one>



Midtown - View from NYC Ferry

## News Highlights (cont'd)

### **JPMorganChase Tower Joins NYC's Roster of Iconic Man-Made Landmarks | November 4, 2025**

Although a great deal of press has already made headlines related to the October 21st opening of JPMorganChase Tower, the Commercial Observer article that describes the new JPMorgan Chase headquarters at 270 Park Avenue as “a bronzed homage to post-COVID Gotham” looks at the importance of the building from a slightly different angle. In contrast to the other iconic structures that define places, such as the Eiffel Tower or Louvre in Paris, Big Ben or Tower Bridge in London, the pyramids in Cairo and the Colosseum in Rome, New York City “might arguable be the only city in the world that is defined by the corporate-labeled office towers that adorn its skyline.” Although the imprint that the 270 Park Avenue tower is making might be nothing new, according to reported statements by Kevin Draper, historian and co-founder of New York Historical tours, “it shows how time has passed and how we’re building bigger and more efficient buildings.” In the same way the Woolworth Building, Chrysler Building, Empire State Building, and One World Trade Center stood out at the time of their opening and became a symbol of New York, the “stunning work of architectural ingenuity” in the construction and design of 270 Park Avenue could similarly “become synonymous with the iconography of New York.”

In addition to being the “largest all-electric office tower with net-zero operational emissions in the five boroughs,” as Manhattan borough president Mark Levine reportedly stated, “its completion is a milestone moment for New York City, solidifying Midtown’s comeback post-pandemic as one of the world’s leading economic hubs.” A New York State hydroelectric plant will serve as the source for JPMorganChase Tower’s renewable energy, while artificial intelligence (AI) and other technological advances are being used throughout the building to help it predict, respond, and adapt to energy needs. Construction of the 60-story tower that sits above the Metro-North Railroad tracks took six years and \$4 billion in costs; and its 2.5 million square feet of flexible workspace, plus conferencing areas and amenity space can accommodate over 10,000 employees. The design of 270 Park Avenue aims to create an atmosphere for combustion — a word reportedly expressed frequently by Jamie Dimon, the Chief Executive Officer and Chairman of JPMorgan Chase that represents the “idea of bringing people together and really creating an energy in their new headquarters” while “creating a sense of belonging and community” according to Stefanie Shunk, principal and design director at Gensler which served as one of the interior design firms collaborating on the project. JPMorgan Chase is one of the first companies to require its employees to be in the office five days a week and adhering to it despite a petition against the return-to-office mandate reportedly launched by many employees, but as noted in the Commercial Observer article, “at least their new workspace leaves little to be desired as a result of JPMorgan’s “ambition to create a next-generation workplace — one that balances performance, connection and well-being.”

Source: <https://commercialobserver.com/2025/11/jp-morgan-270-park-avenue/>

## News Highlights (cont'd)

### Major Rezonings Addressing NYC's Housing Crisis Among the Adams Administration's Accomplishments | October 31, 2025

As the change of New York City's administration in City Hall quickly approaches let's take a moment to reflect on the accomplishments of the Adams Administration as it begins wrapping up its to-do list. Taking center stage is the ambitious goal to increase the city's housing supply. According to the July 2025 press release by Mayor Adams' office, a total of approximately 426,800 homes has been created, preserved, or planned over his term to help ease the city's current affordable housing crisis. Efforts to achieve the goal led to five major neighborhood rezoning proposals that could create up to 47,800 new homes over a decade, of which 14,750 would be permanently affordable.

Rezoning Plan	New Residential Units Created	Permanently Affordable Units	% Change
Bronx Metro-North Station Area	7,000	1,700	August 2024
The area spans 46 blocks, could help to create up to 10,000 jobs created close to public transportation, pledged \$500 million in infrastructure upgrades by the Adams administration			
Atlantic Avenue Mixed-Use Plan	4,600	1,900	May 2025
The area spans 21 blocks, could help create up to 2,800 jobs, pledged \$235 million in infrastructure upgrades by the Adams administration			
Midtown South Mixed-Use Plan	9,500	2,800	August 2025
The area spans 42 blocks split into 4 groups between 5th and 8th Aves and 23rd and 41st Sts, concessions pledged by the Adams administration – \$122MM in support for Garment District businesses worried about displacement, \$325MM to rebuild Broadway between 21st and 42nd Sts			
Jamaica	12,000	4,000	November 2025
The area spans 230 blocks, \$400 million in committed funding by the Adams administration for community improvements			
OneLIC	14,700	4,350	November 2025
The area spans 54 blocks, guarantees 1,300 additional new school seats, \$206 investment in Queensbridge Houses			

In response to the passage of the rezonings, Andrew Fine, the policy director at pro-housing group Open New York, reportedly stated that the rezonings “mark a welcome change from the ‘downzonings’ that restricted growth in an area and were more common in the 2000s, when the city did not recognize its housing shortage the same way it does now.” However, Fine further commented that the current pace of reaching the goal line is not on target, “and so that just means the next mayor has to do even bigger changes to get us onto that path.”

Source: <https://www.crainsnewyork.com/real-estate/look-mayor-eric-adams-neighborhood-rezonings>

<https://www.nyc.gov/content/getstufdone/pages/accomplishments>

### NYBC Report: NYC Construction Outlook 2025-2027 | October 16, 2025

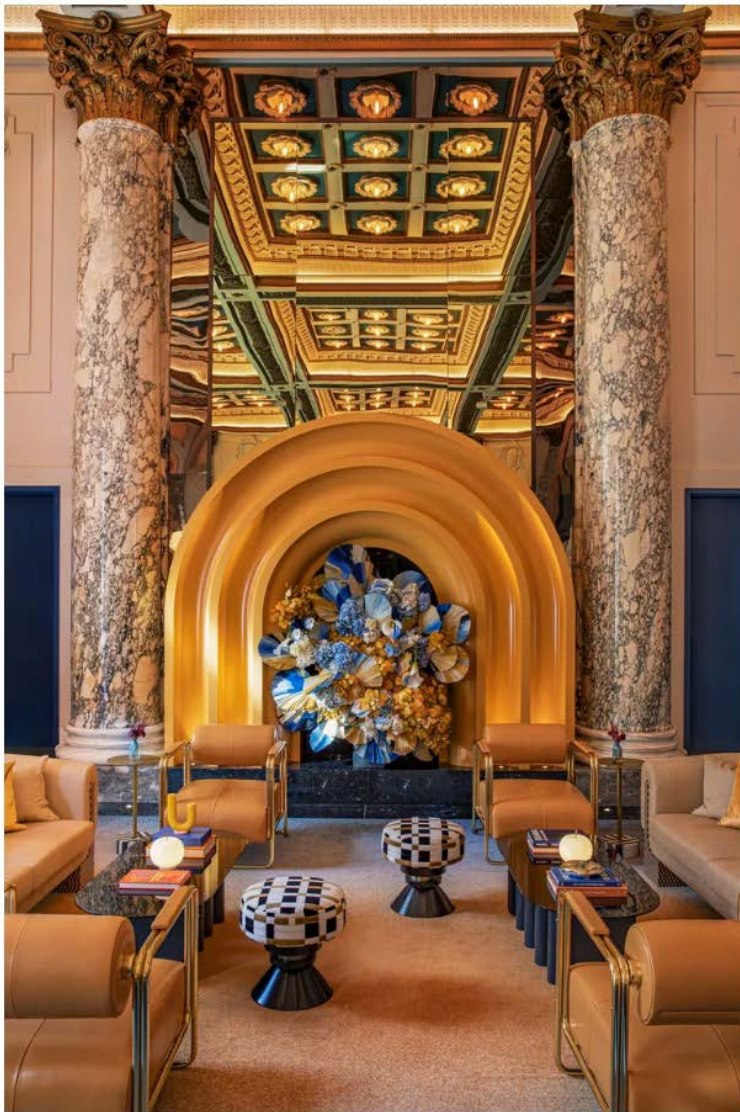
In mid-October, the New York Building Congress (NYBC) released its **New York City Construction Outlook Report for 2025-2027**. At the current pace of activity, spending for construction projects in New York City is forecast to reach a total of \$74 billion at the end of 2025. Over the three-year period, “spending in inflation-adjusted dollars is expected to reach \$219.105 billion (\$230 billion in nominal dollars), or \$152.512 billion if government construction is eliminated from the total. Spending on residential construction is forecast to lead the way in the 2025-2027 period, accounting for about 63% of the inflation-adjusted dollar total for residential and non-residential spending. Similarly, of the total three-year forecast of 170,839 gross square feet in residential and non-residential floorspace being created, residential is forecast to account for about 73% — primarily driven by alteration and renovation work in 2025 as a persisting “market reaction to the high cost of financing new projects” as increased interest rates “remain a key reason for reduced industry activity.” The city continues lead construction activity nationwide, consistently accounting for “3% of all dollars spent nationwide on an annual basis in the past 5 years.” Private sector construction employment is expected to remain steady during the period as the industry continues to pursue passing its pre-pandemic levels, reaching 139,000 jobs in 2025 across the construction of buildings, heavy and civil engineering, and specialty trades and forecast to climb to 140,000 jobs in 2026 and 2027. However, total employment this year is down about 4,000 jobs from NYBC's 2024 report forecast — a sign of overall activity cooling.

Source: <https://buildingcongress.com/wp-content/uploads/2025/10/2025-Construction-Outlook.pdf>

# News Highlights (cont'd)

## W New York – Union Square Re-Opens Its Doors Evoking a Mixed Spirit of Fun and Sophistication | November 26, 2025

In 2000, Union Square welcomed W New York- Union Square to the neighborhood at 201 Park Avenue South on the northeast corner of East 17th Street overlooking Union Square Park. Upon making its debut in the former Germania Life Insurance Building dating back to 1911, the Beaux-Art style hotel “quickly became a hit with both New York City’s fashion set and international travelers” according to the recent article by 6sqft. In October 2019, Marriott International purchased the 270-key hotel for roughly \$166.219 million. As part of W Hotel’s effort to refresh the brand, it traded “its party-hard past for a more sophisticated identity, without losing its sense of fun,” prompting a two-year, \$100 million glow-up” of the Union Square hotel. Design studio Rockwell Group was invited to lead the renovation project, having previously designed the hotel’s first iteration. In addition to its 256 rooms and suites, the W New York-Union Square features an expansive two-bedroom penthouse, the Seahorse restaurant, The Living Room — a grand, historic, double-height ballroom dating back to the building’s opening, a state-of-the-art fitness center, and the “only rooftop bar in Union Square.” Since re-opening in September, the new redesign “exudes the same vibrant energy that’s long attracted travelers,” but with a more grown-up feel; and as “one of the most central and well-connected hotels in the Big Apple,” offers the convenience of being steps from the Greenmarket, “basically every subway line that runs through the nexus that is 14th Street, a wide variety of restaurants and shopping, as well as walking distance to Flatiron, Greenwich Village, the East Village and the West Village.



A view of the Living Room, a striking double-height space that dates back to 1911.  
(Image credit: Michael Kleinberg)

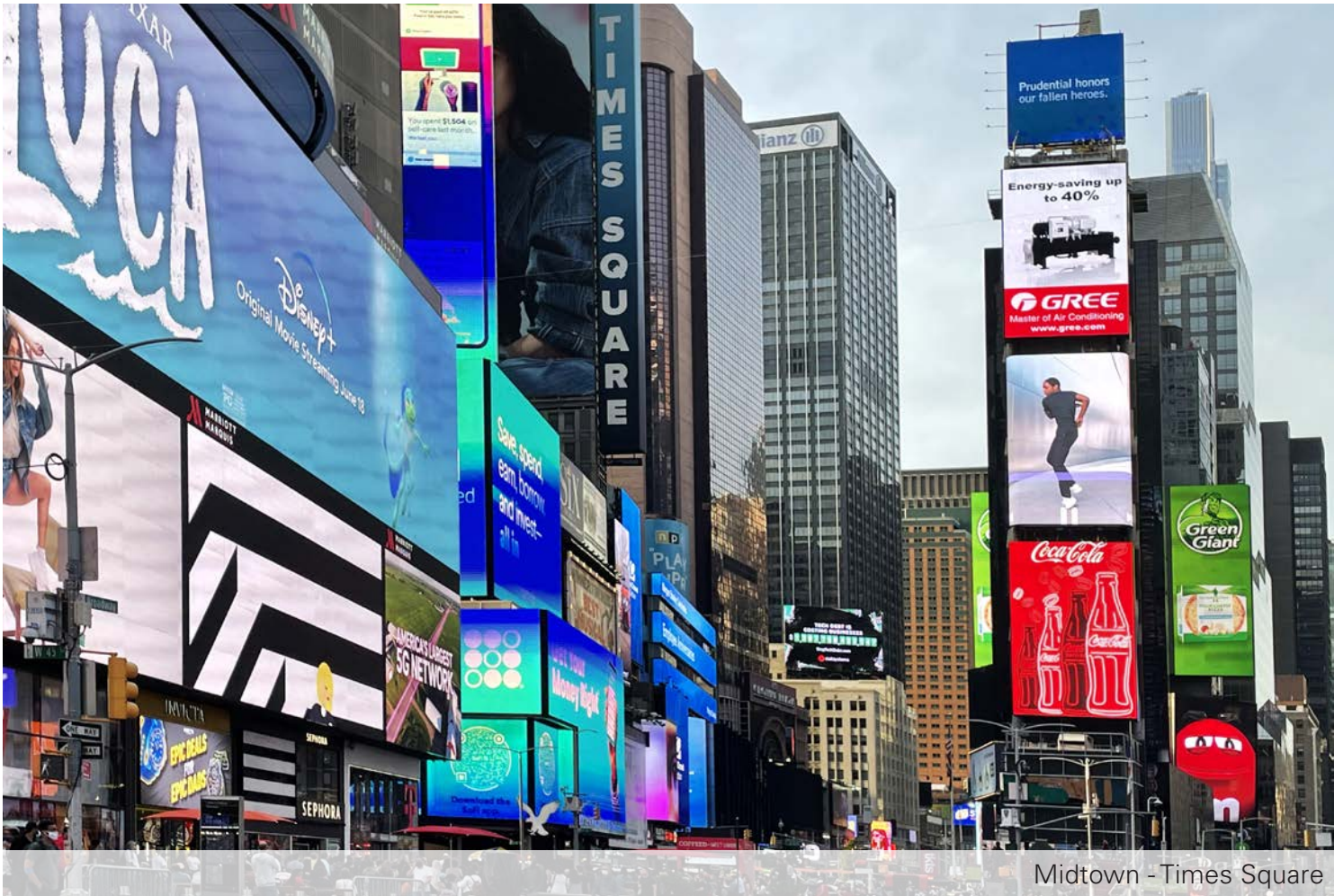


Floral motifs abound throughout the hotel, a reference to Union Square Park below, as seen in this screen made with pressed flowers.  
(Image credit: Michael Kleinberg)



A view inside Seahorse.  
(Image credit: Michael Kleinberg)

Source: <https://www.wallpaper.com/travel/hotels/w-new-york-union-square-review>



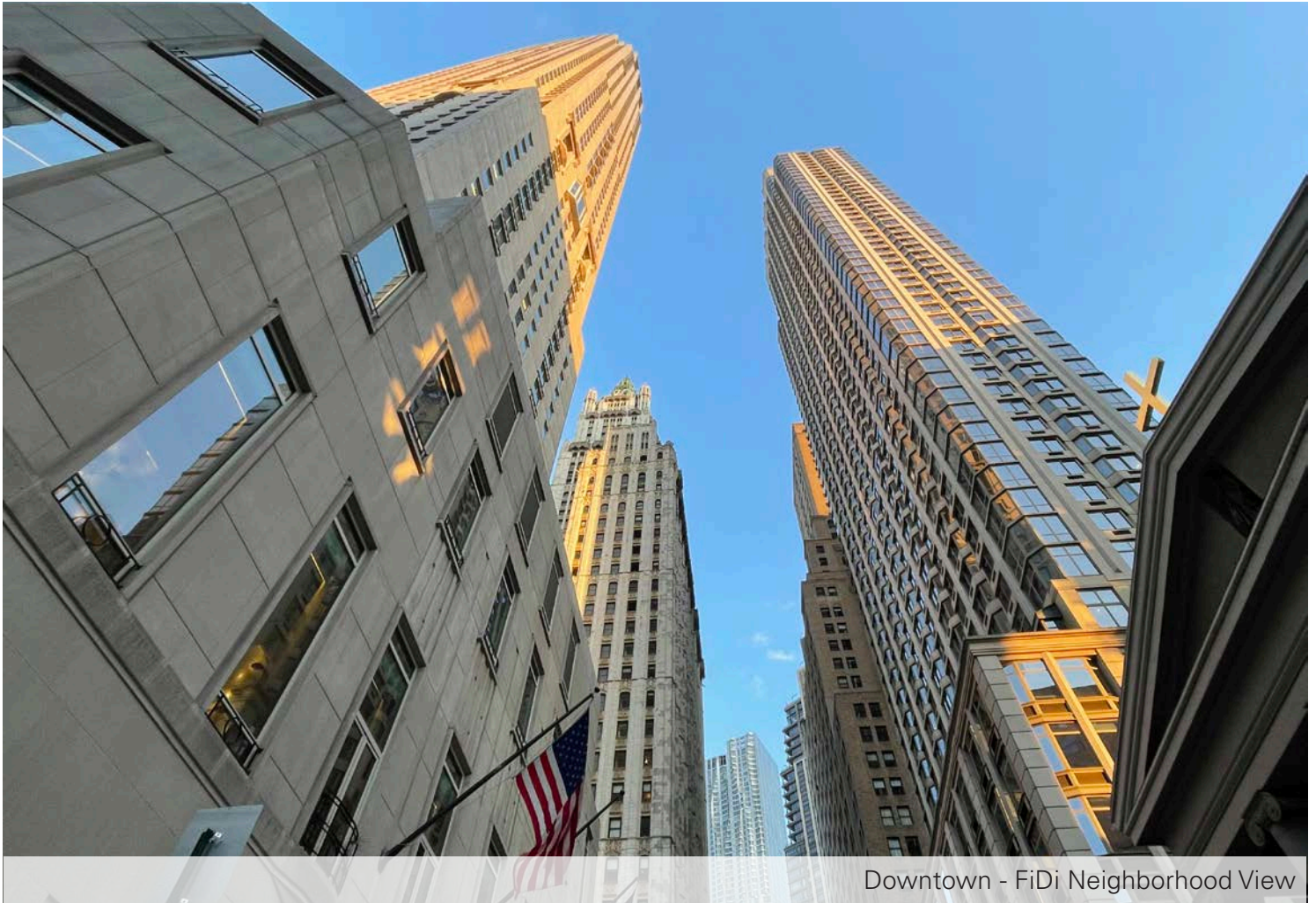
Midtown - Times Square

## News Highlights (cont'd)

### **W New York – Union Square Re-Opens Its Doors Evoking a Mixed Spirit of Fun and Sophistication | November 26, 2025**

In 2000, Union Square welcomed W New York- Union Square to the neighborhood at 201 Park Avenue South on the northeast corner of East 17th Street overlooking Union Square Park. Upon making its debut in the former Germania Life Insurance Building dating back to 1911, the Beaux-Art style hotel “quickly became a hit with both New York City’s fashion set and international travelers” according to the recent article by 6sqft. In October 2019, Marriott International purchased the 270-key hotel for roughly \$166.219 million. As part of W Hotel’s effort to refresh the brand, it traded “its party-hard past for a more sophisticated identity, without losing its sense of fun,” prompting a two-year, \$100 million glow-up” of the Union Square hotel. Design studio Rockwell Group was invited to lead the renovation project, having previously designed the hotel’s first iteration. In addition to its 256 rooms and suites, the W New York-Union Square features an expansive two-bedroom penthouse, the Seahorse restaurant, The Living Room — a grand, historic, double-height ballroom dating back to the building’s opening, a state-of-the-art fitness center, and the “only rooftop bar in Union Square.” Since re-opening in September, the new redesign “exudes the same vibrant energy that’s long attracted travelers,” but with a more grown-up feel; and as “one of the most central and well-connected hotels in the Big Apple,” offers the convenience of being steps from the Greenmarket, “basically every subway line that runs through the nexus that is 14th Street, a wide variety of restaurants and shopping, as well as walking distance to Flatiron, Greenwich Village, the East Village and the West Village.

Source: <https://www.wallpaper.com/travel/hotels/w-new-york-union-square-review>



Downtown - FiDi Neighborhood View

## News Highlights (cont'd)

### Lending

#### **CRE Loan Distress is Challenging the Financial Health of the Nation's Banking Industry | October 1, 2025**

Recently reported details of the findings from a comprehensive analysis of the 2nd quarter 2025 banking data by commercial real estate data, analytics, and valuation platform CRED iQ revealed that “while overall banking conditions remain sound, the report flags ongoing weaknesses in CRE segments.” Outstanding loans as of June 30, 2025, for key subsectors — construction and development (C&D), core CRE (office, retail, industrial and hotel) and multi-family reached \$3 trillion, representing about 23% of all loans. The analysis covered “4,421 Federal Deposit Insurance Corporation (FDIC)-insured commercial banks and savings institutions, including community banks, with total assets of \$25 trillion.” Key findings related to the three key subsectors that are experiencing moderate stress provide the percentage of quarter-over-quarter change for loans that are 30-89 days delinquent, 90-plus days delinquent, as well as the overall delinquency based on the two delinquent buckets and net losses. From April through June, net losses across the core CRE subsector totaled \$3.92 billion, representing a 1% increase from the \$3.88 billion net loss in the previous quarter. In contrast, net losses in both the multifamily and C&D subsectors rose proportionately higher. The total \$902 million in net loss during the 2nd quarter from delinquent loans within the multifamily subsector represented an 18% increase compared to the \$767 million total in the 1st quarter, and the \$375 million net loss in the C&D subsector was a 12% increase from the \$335 million net loss during the same period. CRED iQ’s findings “underscores a bifurcated CRE landscape;” and “while total loan growth supports optimism, elevated noncurrent rates in core CRE (office-heavy) and multifamily highlight refinance risks in a high-rate environment.”

Sources: <https://commercialobserver.com/2025/09/distress-bank-cre-loans/>

## News Highlights (cont'd)

### **Brookfield Extends Brookfield Place Ground Lease, Nears Refi for 660 Fifth Ave | September 27 / October 17, 2025**

A \$1.2 billion refinancing for 660 Fifth Avenue is anticipated to be originated by co-lenders Citi Real Estate, Barclays, ING Capital, Bank of America, and Santander Bank. In addition to the commercial mortgage-backed security (CMBS), the lenders will also provide \$89.4 million in mezzanine financing. According to city records, the Canada-based firm purchased the 99-year leasehold for the office component in August 2018 for about \$1.286 billion, financing the transaction with a \$750 million loan from ING Bank and a \$350 million mezzanine loan from Apollo Global Management per news reports at the time. Brookfield launched a \$400 million redevelopment and modernization of the 1950s-era 1.528 million-square foot tower formerly known as 666 Fifth Avenue. Currently 100% occupied following the 203,054-square-foot lease by Scotiabank in September, with additional big block signings since completion of the renovations including the 221,764-square-foot lease by finance firm Macquarie Group and the 504,000-square-foot leased by Citadel Enterprises. News of the nearing finance package comes about three weeks following Brookfield's agreement with the Battery Park City Authority (BPCA) to modify and extend the ground lease of its 9.4 million-square-foot office and retail complex in Lower Manhattan known as Brookfield Place. The deal extended the lease term from 2069 to 2119, and the higher ground rent payments are "projected to generate an estimated \$1.5 billion of current value for the City of New York and for the Joint Purpose Fund, which supports affordable housed development across New York City," according to the joint press release by Gov. Hochul and Mayor Adams. In addition, Brookfield is setting a goal to reach net zero greenhouse gas emissions and waste by 2050; anticipates investing approximately \$100 million in capital improvements over the next several years in the five building complex, on top of the approximately \$900 million previously invested; and will contribute up to \$2.5 million for public realm improvements to West Street and set aside up to 10,000 square feet of office space for nonprofits and community organizations, and meet New York State's Minority and Women Owned Business Enterprises (MWBE) and Service-Disabled Veteran-Owned Businesses (SDVOBs) goals on capital contracts.

Sources: <https://therealdeal.com/new-york/2025/10/17/brookfield-nears-1-3b-refinance-of-660-fifth/>

<https://www.governor.ny.gov/news/governor-hochul-mayor-adams-and-comptroller-lander-announce-agreement-extend-ground-lease-94>

### **Cooling Labor Market Prompts Fed's Decision to Cut its Key Rate | October 29, 2025**

On Wednesday, October 29th the Federal Open Market Committee (FOMC) decided to cut the federal funds rate by ¼ percentage point (25 basis points) to a target range of 3.75% to 4.00% according to the Federal Reserve's press release. Already challenged by the unclear picture of the direction of the U.S. economy due to ongoing mixed signals "with "bifurcated" consumers stressed at the low end of the income distribution but those at the upper end spending robustly, and economic growth buoyed by business investment even it that is not translating into strong job growth," the lack of official data due to the ongoing government shutdown has led to further uncertainty of the true state on the nation's economy. While the gradually cooling labor market prompted the rate cut decision, Fed Chairman Jerome Powell reportedly noted that there "were strongly differing views in the committee's discussion about how to proceed in December." Although a further rate reduction before the end of the year is not a foregone conclusion, Powell further stated that "a growing chorus now ... feeling like maybe this is where we should at least wait a cycle" before cutting rates again. Acknowledging that inflation has "not risen as strongly as initially expected due to the White House's new import taxes, concern remains of an expected rise through the remainder of 2025; but in response to the latest lowering of the Fed's key rate, Powell reportedly said in his own view that the "modestly restrictive" rate is, which is 150 basis points, or 1.5% below its peak last year, is "still putting some downward pressure on inflation."

The decision by the Fed to end the drawdown of "its still substantial balance sheet" was also announced and came in response to signs of money market liquidity beginning to tighten — a condition the Fed has pledged to avoid, and bank reserve levels dropping. The Fed's holdings rose to \$9 trillion by the middle of 2022 due to a "huge wash of liquidity the Fed added to the financial markets during the pandemic" in an effort to support the economy. Although quantitative tightening (QT) has been steadily reducing Fed holdings since then, decisions to stop will see the Fed moving forward with a "balance sheet that's considerably larger than the \$4.2 trillion level seen at the onset of the COVID-19 pandemic." According to the news article by Reuters, beginning December 1 the Fed will "hold steady its stock of government bonds by rolling over maturing Treasuries instead of allowing up to \$5 billion in Treasury securities to mature each month and not be replaced. However, the Fed will continue to "maintain its current plan to allow up to \$35 billion in mortgage-backed securities (MBS) to expire each month – a target it has never achieved in more than three years of reductions but beginning December 1 will reinvest all proceeds from maturing MBS into Treasury bills."

Sources: <https://www.reuters.com/business/fed-in-fog-it-heads-toward-another-rate-cut-2025-10-29/>

<https://www.reuters.com/business/finance/fed-end-balance-sheet-reduction-december-1-2025-10-29/>



Downtown - View from Governors Island

## News Highlights (cont'd)

### Real Estate Financing on the Rise in New York City | November 3, 2025

Following two years of “sharp contraction, real estate lending in New York City is showing signs of life.” According to an analysis by The Real Deal of “mortgages recorded in city records from August 2024 through July 2025 compared with the year before,” lending over the past 12 months among the top 20 lenders totaled \$23 billion, representing a 60% increase year-over-year. The continued stabilization of the real estate market is bringing lenders back to the table with JPMorgan Chase leading the way, accounting for “almost \$4 billion in loans, up from \$2.1 billion a year ago.” Wells Fargo nearly doubled the dollar volume of new lending, closing on about \$2.7 billion in total volume over the past year, while Citibank followed with about \$1.7 billion in real estate financing, more than double its total dollar volume in the previous year. The number of loans issued by the top 20 lenders also increased by 11% year-over-year and the number of triple-digit loans doubled from 60 to 129. Despite traditional banks continuing to dominate, not all lenders are rushing back into the real estate market, such as Valley National Bank and Deutsche Bank, both seeing a 40% lowering of loan dollar volume during the same period. Further signs of the return of real estate financing are the “handful of alternative and nonbank lenders” that have joined the ranks, The Real Deal article citing Madison Realty Capital and Société Générale Financial Corporation among them. Helping to fuel the momentum is a growing clarity as to the direction of the city’s market recovery, however “office lending remained muted, except for Class A trophy towers,” in contrast to the multifamily sector which “accounted for the largest share of new financing deals.”

Sources: <https://therealdeal.com/magazine/november-2025/new-york-is-in-the-money-again/>



Downtown - View from Brooklyn Bridge Park

## Market Snapshot: Class A & B

### New York City's Unemployment

- According to the New York State Department of Labor's figures, the city's unemployment rate held steady at the end of November 2025, remaining unchanged year-over-year at 5.5%, while decreasing 5.2% over the three month period from August 2025 when the rate was 5.8%. Comparatively, unemployment on the National and State level at the end of November 2025 was 4.1% and 4.5% respectively, with the nationwide rate and the statewide rate increasing by 5.1% and 7.1% respectively.
- Employment activity in New York City's private sector resulted in a gain of 54,300 private sector jobs year-over-year to 4,313,400 in November 2025. Among the major sectors, Education and Health Services gained 74,800 jobs at the high over the 12 month period, followed distantly by the Information and Leisure & Hospitality sectors with job gains of 3,100 and 1,500 respectively. In contrast, job losses in the Professional and Business Services and Financial Activities sectors were 4,900 and 900 jobs.

### Weekly Wages

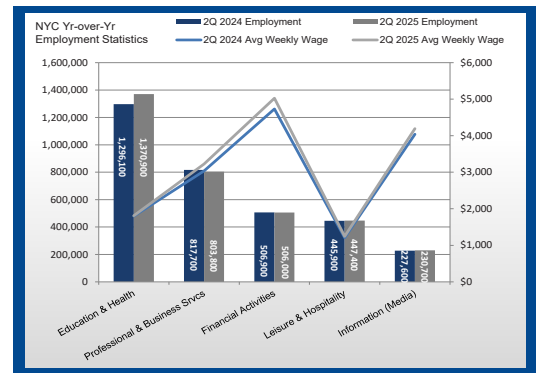
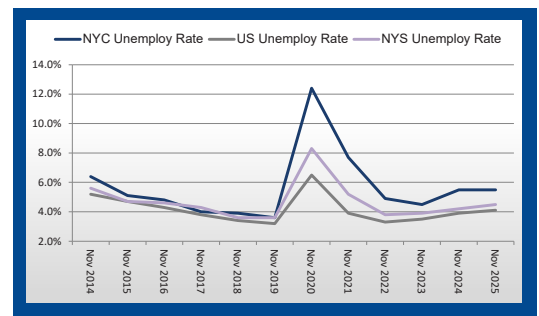
Overall private sector weekly wages in New York City averaged \$2,914 in the 2nd quarter of 2025, increasing 4.0% year-over-year according the recent report released by the U.S. Department of Labor. Among the major sectors all (5) saw overall weekly wages increases year-over-year. Both the Professional & Business Services sector and the Financial Activities sector saw the largest increase of 6.2%. The Information sector and the Leisure & Hospitality sector saw increases of 3.8% and 3.1% respectively, while at the low, the Education & Health sector saw a nominal increase of 0.7%.

**Vacancy** for Class A & B office buildings over 75,000 square feet held steady quarter-over-quarter at 10.7% in the 4th quarter and is 3.6% lower than the 11.1% rate in the 3rd quarter. The overall Class A vacancy lowered by 2.8% quarter-over-quarter to 10.4%, while the 11.6% vacancy in the Class B market represented a 4.9% decline during the same period. Vacancy rates lowered in the three major submarkets, Downtown led the way with a 3.9% decline to 12.2%, followed by a 3.0% and 2.9% lowering in Midtown and Midtown South respectively to vacancy rates of 9.6% and 13.3%.

**Absorption** closed the 4th quarter at a positive 1,848,719 square feet compared to the positive 1,293,801-square-foot absorption in the previous quarter. Overall absorption in Class A and Class B buildings was 1,054,213 square feet and 794,506 square feet respectively in the 3rd quarter. Midtown and Downtown had positive absorption for the second consecutive quarter of 1,008,010 square feet at 570,108 square feet respectively, and the positive absorption of 270,601 square feet in Midtown South was a moderate reversal of the negative absorption last quarter, which was partially the result of 225 and 223 Park Avenue South coming online upon exiting special servicing as well as a big block space at 555 Broadway due to decisions by publisher Scholastic to downsize.

**Face Rents** for office space in the 4th quarter rose slightly to an overall average of \$76.00 per square foot versus the \$774.89 per square foot figure in the 3rd quarter. Class A face rents rose 1.6% from the previous quarter's \$81.70 per square foot to \$83.01 per square foot at the end of December. Class B face rents rose a more moderate 1.1% quarter-over-quarter to \$68.61 per square foot compared to \$67.83 per square foot in the previous quarter.

4Q 2025	Total	Downtown	Midtown South	Midtown
Vacancy	↓	↓	↓	↓
Face Rent	↑	↑	↑	↑
Absorption	↑	↑	↑	↑



Source: NYS Department of Labor and US Department of Labor, Bureau of Labor Statistics

# Market Snapshot: Class A & B

## Big Block Additions Q4 2025

- **14 Wall Street** (FiDi) - 110,509 square feet came online and although unverified appears to have been temporary space on entire floors 22 and 23 plus a portion of floor 21 occupied by Blue Cross Blue Shield prior to relocating to 70,000 square feet at PENN 1, 250 West 34th Street.
- **55 Water Street** (FiDi) - 133,462 square feet on the 22nd and 23rd floors was vacated by AFSCME DC 37 public sector employee union upon moving back into their headquarters at 125 Barclay Street that was newly constructed.
- **180 Varick Street** (Hudson Square) - 50,000 square feet spread across two full floors was vacated by NYU Biolab upon relocating to 46,000 square feet at Innolab, 45-18 Court Street, Long Island City, Queens.
- **340 Madison Avenue** (Grand Central) - 419,020 square feet was listed in late November following MassMutual subsidiary, Barings purchasing the property after the \$315 million loan provided by Barings in 2011 went into default reportedly by RXR Realty.
- **3 Park Avenue** (Murray Hill) - 419,020 square feet was came online in October amid a high vacancy that never recovered since the pandemic.

## Big Block Removals Q4 2025

- **1 Madison Avenue** (Flatiron/NoMad) - 213,612 square feet was removed in October, following the 6th floor lease for 92,663 square feet by technology firm Harvey AI, the 5th floor lease for 92,663-square-foot by crypto currency exchange Coinbase, and the 3rd floor lease for 28,286 square feet by Sigma Computing.
- **330 West 34th Street** (Penn Plaza) - 132,693 square feet on floors 7 through 9 leased by San Francisco-based workforce management system provider Rippling, resulting in a relocation from a 68,680-square-foot space on the entire 59th and 60th floors at 4 World Trade Center the company had subleased in January 2024 from music streaming platform Spotify. According to a press release by Gov. Hochul's Office, Rippling was awarded up to \$3.4 million in performance-based Excelsior Jobs Program tax credits requiring the creation of 371 new jobs.
- **PENN 2** (Penn Plaza) - 311,360 square feet was removed from inventory during the quarter as a result of the 125,284-square-foot lease on floors 18 and 19 signed by Dick's Sporting Goods, the 43,000-square-foot lease by consulting firm Capgemini, the 62,306-square-foot lease by mobile banking app platform Current, which although unverified appears to be a relocation from 72,000 square feet at 620 Sixth Avenue that the company leased in December 2023, an 80,770-square-foot lease by consulting firm FGS Global, resulting in a relocation and expansion from 65,000 square feet at 909 Third Avenue.

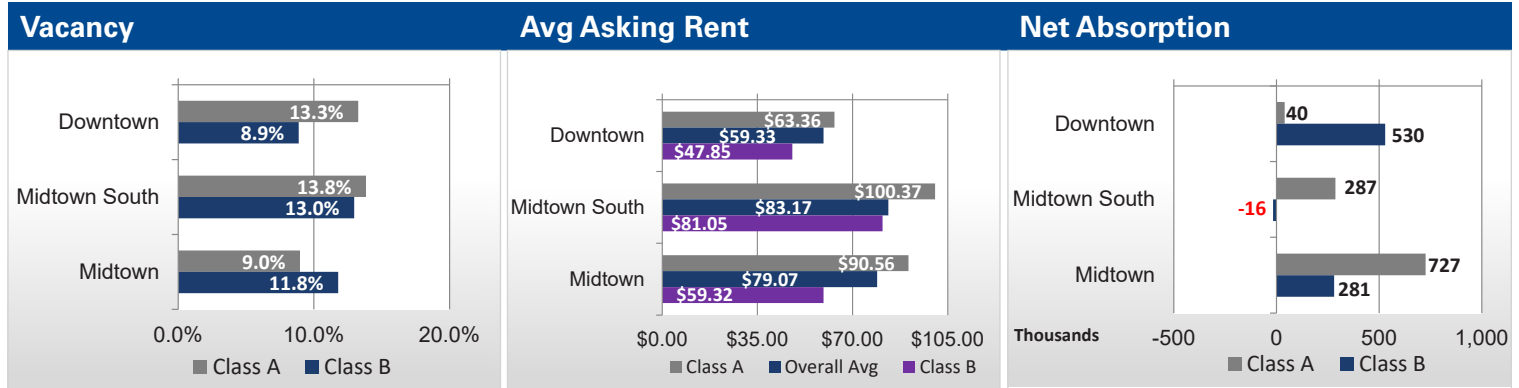
## Larger Sublease Additions Q4 2025

- **1230 Avenue of the Americas** (Plaza) - 121,502 square feet on entire floors 4, 9 and 10 with a term through November 2034. Although unverified, it appears to have been introduced by publisher Simon & Schuster in an effort to downsize its headquarters within its namesake building.
- **245 Park Avenue** (Grand Central) - 150,036 square feet on floors 23-26 with a term through February 2031 and occupancy of April 2027 following the relocation of alternative asset manager TGP relocating to 299,893 square feet on floors 57 through 64 at the Spiral, 66 Hudson Boulevard.
- **4 World Trade Center** (World Trade Center) - 103,017 square feet on floors 56 through 60 and 64, although unverified appears to be a downsizing by streaming music platform Spotify.
- **1 New York Plaza** (FiDi) - 250,626 square feet on floors 18, 38, 39, 40 and 41 with a term through December 2034 having been vacated by Morgan Stanley.

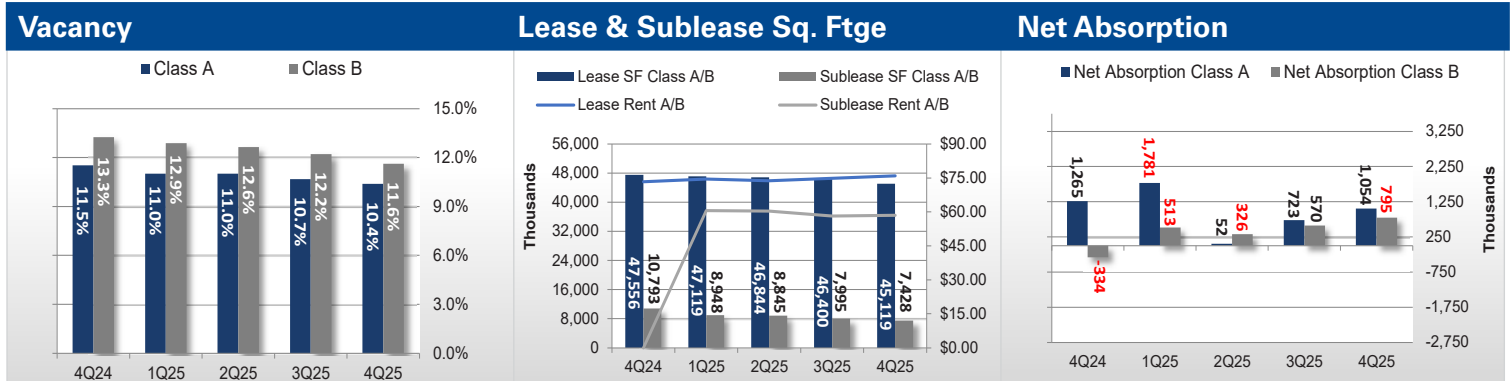
# Class A & B Statistics At A Glance



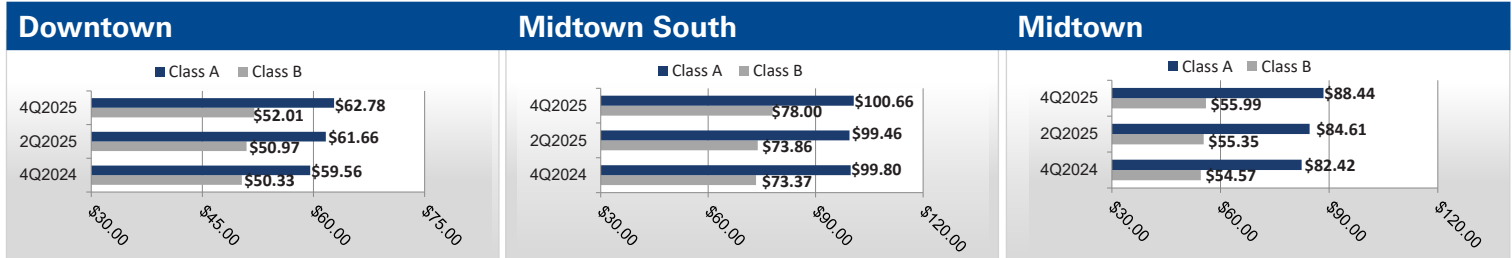
## 4th Quarter 2025



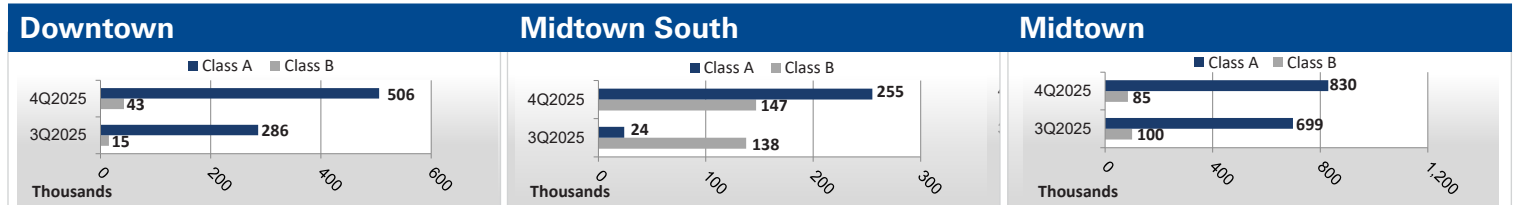
## Quarter-over-Quarter



## Submarket Bi-Quarterly Class A & Class B Rents



## Sublease Space Newly Listed in 4Q 2025





## Submarket Statistics Overview: Class A & B Office

Manhattan	Inventory	Vacant Sq. Ftge.			Vacancy Rate			Avg. Face Rent PSF	Absorption
		Total RBA*	Direct Sq. Ftge.	Sublet Sq. Ftge.	Total Sq. Ftge.	Direct Vacancy	Sublet Vacancy		
Submarkets Districts	Total RBA*	Direct Sq. Ftge.	Sublet Sq. Ftge.	Total Sq. Ftge.	Direct Vacancy	Sublet Vacancy	Overall Vacancy	Overall Asking	Year-to-Date Sq. Ftge
Downtown	105,874,322	10,454,347	2,449,089	12,903,436	9.9%	2.3%	12.2%	\$59.83	1,096,067
City Hall	14,220,850	731,171	57,889	789,060	5.1%	0.4%	5.5%	\$50.73	118,746
Financial District	35,191,264	5,274,827	1,349,707	6,624,534	15.0%	3.8%	18.8%	\$58.58	-286,306
Insurance District	11,089,100	1,118,526	199,990	1,318,516	10.1%	1.8%	11.9%	\$46.73	143,162
TriBeCa	6,509,388	502,318	0	502,318	7.7%	0.0%	7.7%	\$70.72	461,490
World Trade Center	38,863,720	2,827,505	841,503	3,669,008	7.3%	2.2%	9.4%	\$65.49	658,975
Midtown South	77,416,785	9,158,971	1,171,876	10,330,847	11.8%	1.5%	13.3%	\$79.30	532,437
Chelsea	18,233,089	2,389,800	459,234	2,849,034	13.1%	2.5%	15.6%	\$80.74	102,981
Flatiron/NoMad	23,207,045	2,649,816	67,967	2,717,783	11.4%	0.3%	11.7%	\$86.50	823,988
Gramercy	9,821,145	662,136	88,288	750,424	6.7%	0.9%	7.6%	\$87.94	125,431
Greenwich Village	5,311,048	566,894	78,330	645,224	10.7%	1.5%	12.1%	\$94.58	116,415
Hudson Square	14,217,573	1,506,427	396,653	1,903,080	10.6%	2.8%	13.4%	\$90.04	106,768
SoHo	5,463,551	507,234	150,108	657,432	9.3%	2.7%	12.0%	\$86.31	145,583
Midtown	306,857,805	25,505,293	3,807,293	29,312,586	8.3%	1.2%	9.6%	\$82.92	4,186,225
Columbus Circle	29,886,644	2,029,010	1,030,051	3,059,061	6.8%	3.4%	10.2%	\$95.37	90,606
Hudson Yards	53,603,207	4,561,288	753,692	5,317,980	8.5%	1.4%	9.9%	\$77.81	219,654
Grand Central	11,263,245	2,269,247	94,102	2,363,349	20.1%	0.8%	21.0%	\$73.13	-519,751
Murray Hill	74,235,047	5,748,574	759,430	6,508,004	7.7%	1.0%	8.8%	\$57.66	2,244,445
Penn Plaza/Garment	82,271,115	6,386,811	729,147	7,115,958	7.3%	0.8%	8.2%	\$94.39	1,237,153
Plaza District	46,189,010	4,374,114	439,971	4,814,085	9.5%	1.0%	10.4%	\$79.97	883,128
Times Square	4,409,439	136,249	900	137,149	3.1%	0.0%	3.1%	\$56.95	18,376
U.N Plaza									
<b>Grand Total</b>	<b>490,148,912</b>	<b>45,118,611</b>	<b>7,428,258</b>	<b>52,546,869</b>	<b>9.2%</b>	<b>1.5%</b>	<b>10.7%</b>	<b>\$76.00</b>	<b>5,814,729</b>

Source: Costar - Buildings 75,000 SF and larger; vacancy and absorption calculations based upon move-in date versus deal signing date  
Newmark, Cushman & Wakefield

# Retail Bi-Quarterly Vacancy Statistics At A Glance



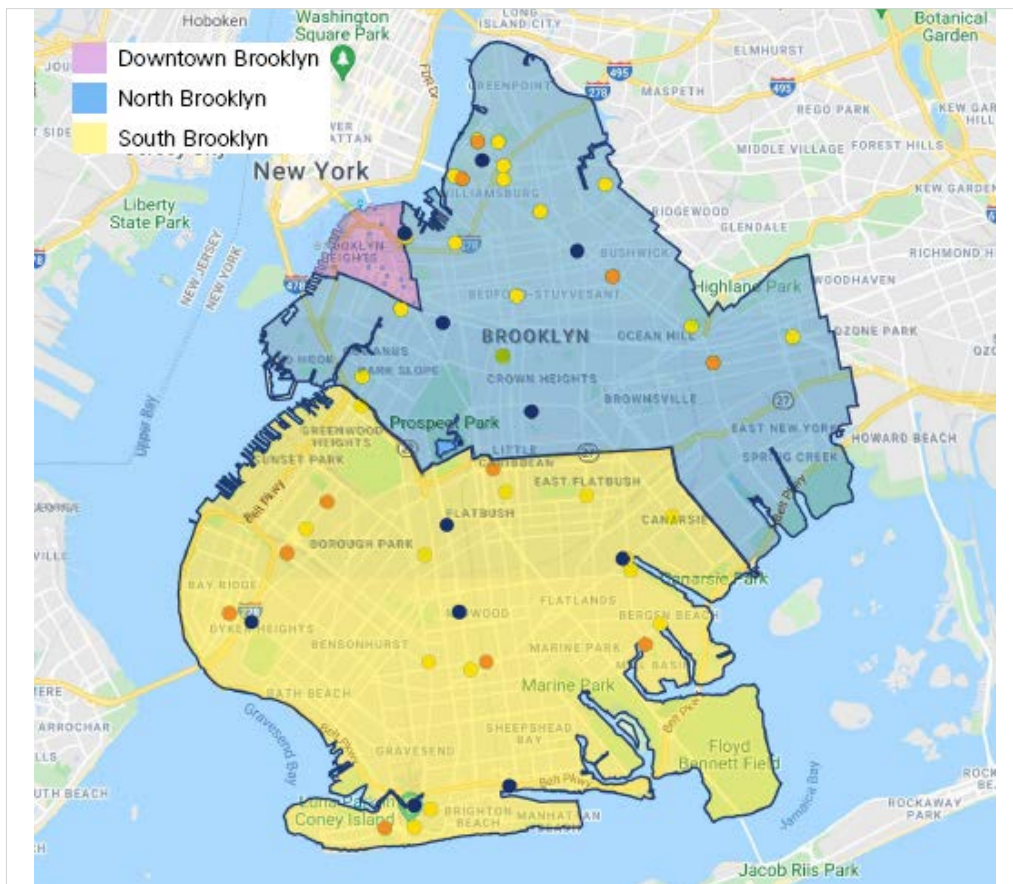
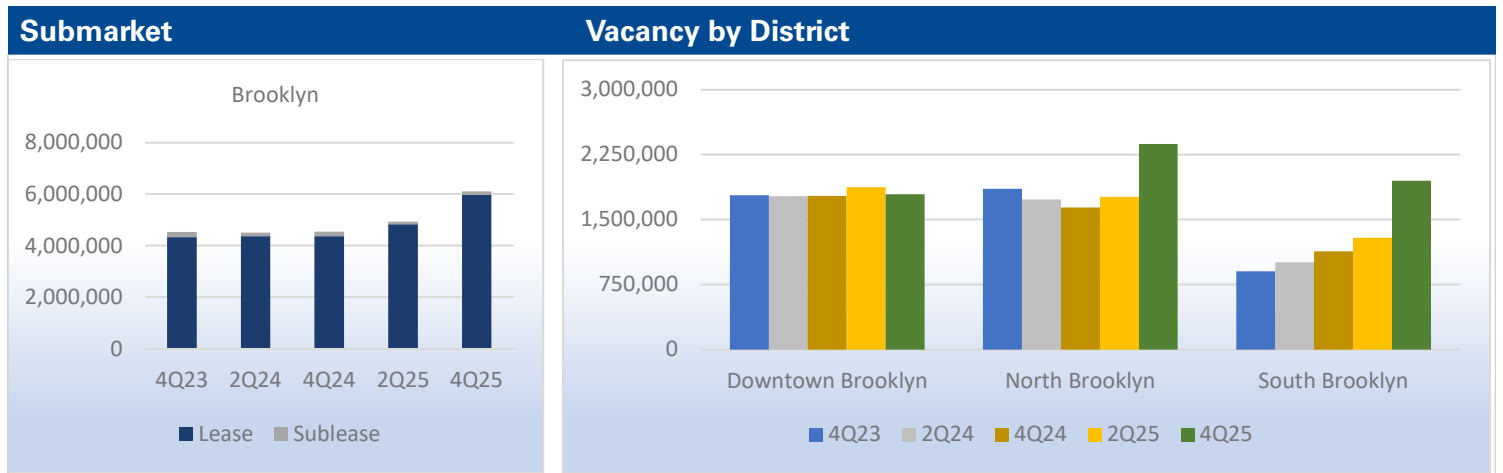
4Q 2023 - 4Q 2025



# Retail Bi-Quarterly Vacancy Statistics At A Glance



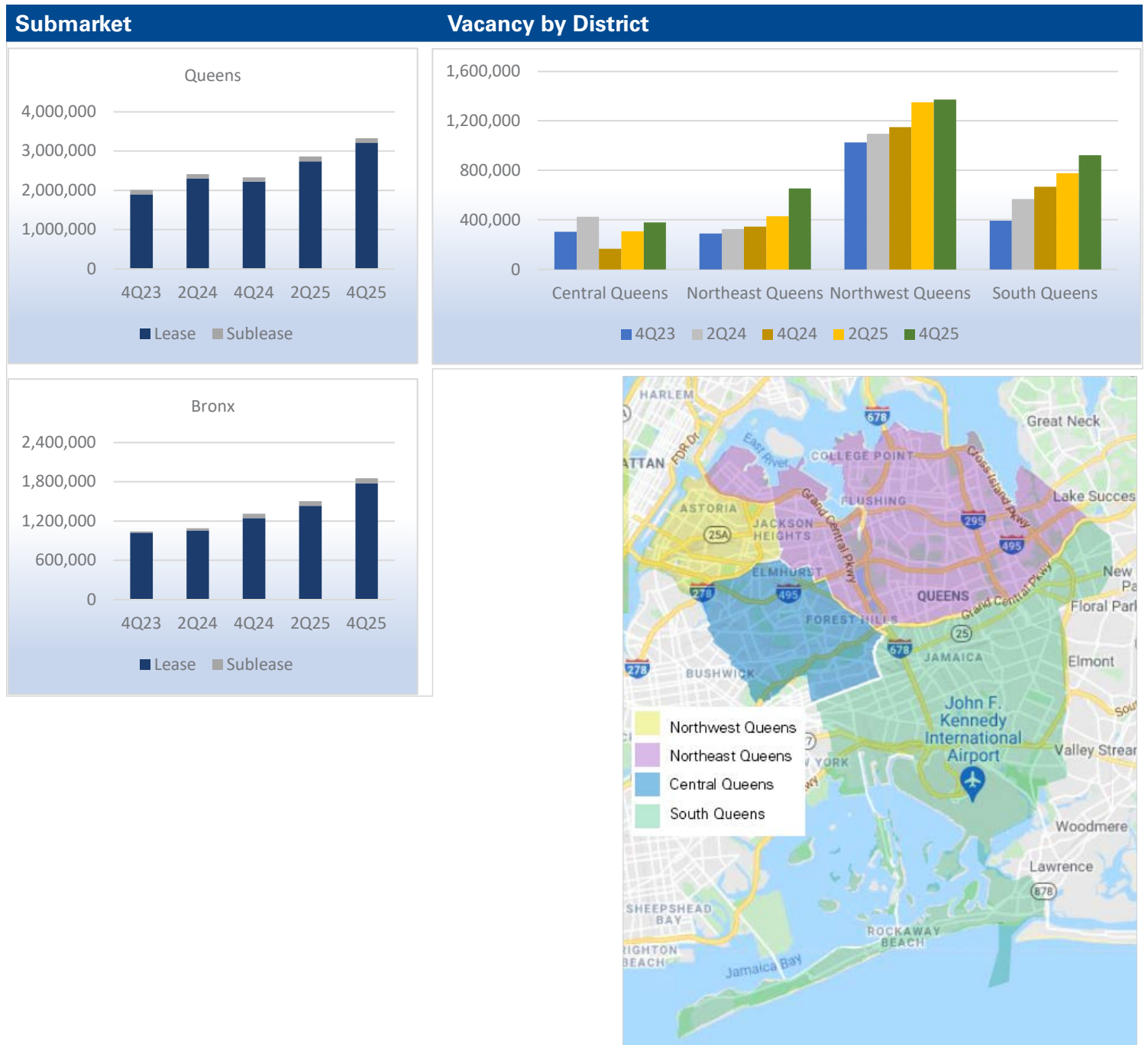
4Q 2023 - 4Q 2025



# Retail Bi-Quarterly Vacancy Statistics At A Glance



4Q 2023 - 4Q 2025





Brooklyn - DUMBO Area

## Real Estate Board of New York's Brooklyn Retail Report | 2025

Since the start of 2025, "Brooklyn's retail rally has remained on track" despite some turbulence in the wider economy according to the report released in early October by the Real Estate Board of New York. The continued limitation of quality storefront options in prime corridors has prompted retail tenants to widen their search geographically. The trend has helped to reduce storefront availability in other corridors. The solid level of leasing activity has caught the attention of investors, the first half of 2025 seeing more than \$200 million in retail investment sales. Some larger sales include the \$41 million purchase of the 72,706-square-foot retail condominium at 166 Flatbush Avenue, Flatbush by Parviz Farahzad, the \$17.5 million purchase of the 26,624-square-foot retail building at 321 Starr Street, Bushwick by Yale Properties, and the \$50 million purchase of the 22,250-square-foot property at 70 North 6th Street, Williamsburg by Acadia Realty Trust. However, the lowering of consumer confidence over the past several months due to a growing uncertainty about the wider economy has prompted some retailers to delay leasing decisions.

The surveyed corridors in the report represent Brooklyn's top tier retail corridors. While the asking rents provided are intended to offer a useful and reliable guide, the rent fluctuations between two consecutive periods does not necessarily indicate a change in the market. In addition physical components of a retail space significantly factor into its rental value such as frontage, ceiling height, presence of below grade, mezzanine, and 2nd floor space; as well as location factors such as proximity to subway access. Data was collected from November 2024 to August 2025

Corridor	H1 2025 Avg. Asking	H2 2024 Avg. Asking	H1 2024 Avg. Asking	H1 2023 Avg. Asking	% Yr-over-Yr Change	% Change H2-2024
<b>Greenpoint</b>						
Franklin St (Meserole Ave – Commercial St)	\$80	\$80	\$76	\$66	5.3%	0.0%
Manhattan Ave (Driggs Ave – Ash St)	\$75	\$78	\$73	\$69	2.7%	-3.8%
<b>Williamsburg</b>						
Bedford Ave (North 8th St – North 12th St)	\$245	\$230	\$190	\$187	28.9%	6.5%
Bedford Ave (Grand St – North 8th St)	\$270	\$250	\$195	\$148	38.5%	8.0%
North 6th St (Driggs Ave – Kent Ave)	\$400	\$340	\$275	\$207	45.5%	17.6%
Grand St (Havemeyer St – Kent Ave)	\$100	\$103	\$95	\$76	5.3%	-2.9%
<b>DUMBO</b>						
Washington St, Main St, Water St, Front St	\$90	\$79	\$72	\$85	25.0%	13.9%
<b>Brooklyn Heights</b>						
Montague St (Hicks St – Cadman Plz)	\$120	\$114	\$125	\$104	-4.0%	5.3%
<b>Downtown Brooklyn</b>						
Fulton St (Boerum Pl – Flatbush Ave)	\$190	\$175	\$195	\$205	-2.6%	8.6%
Court St (Atlantic Ave – Pierrepont St)	\$115	\$125	\$165	\$175	-30.3%	-8.0%
<b>Prospect Heights</b>						
Flatbush Ave (5th Ave – Grand Armory Plz)	\$105	\$105	\$110	\$131	-4.5%	0.0%
<b>CobbleHill</b>						
Court St (Atlantic Ave – Carroll St)	\$106	\$100	\$115	\$200	-7.8%	6.0%
Smith St (Atlantic Ave – Carroll St)	\$90	\$95	\$99	\$94	-9.1%	-5.3%
<b>Park Slope</b>						
7th Ave (Union St – 9th St)	\$145	\$141	\$112	\$88	29.5%	2.8%
5th Ave (Union St – 9th St)	\$100	\$104	\$111	\$90	-9.9%	-3.8%
<b>Bay Ridge</b>						
86th St (4th Ave – Fort Hamilton Pky)	\$85	\$90	\$98	\$105	-13.3%	-5.6%

# Center for an Urban Future – State of the Chains, 2025

Center for an Urban Future (CUF) recently released its 18th annual State of the Chain's report — a ranking of national retailers in New York City. Findings of CUF's tracking of chain retail trends reveals that over the past year the number of chain stores throughout New York City declined for the sixth time in the past eight years. The city's largest retailers and other long-established chains have driven the pullback due to the downsizing of many, or complete shut down of others in recent years despite persistent low vacancies in many of the city's retail corridors. Among the ten largest retailers in the city, seven reduced their footprint resulting in the combined loss of 92 stores, of which Starbucks led the way with the closure of 42 stores. A total of 18 retailers closed all their New York City stores in 2025 — more than any other year except 2020 at the onset of the pandemic.

Of the 17 largest retailers tracked by CUF in December 2019, all but two have fewer stores today, with two chains (Rite Aid and Sprint) having closed completely. According to CUF's 2019 State of the Chains report, there were 7,832 total chain stores in the city, representing a loss of 482 stores from the 2025 count. However, it's an increase of 1,344 stores and 1,158 stores from 2020 and 2021 respectively.

## CUF's Methodology:

- National retailer defined as one that has at least (2) New York City locations and at least (1) location outside the city limits.
- Locations numbers obtained from the store locators on each retailer's website, except in cases where other available resources were used for companies were on the verge of closure and had shut down their websites or otherwise did not have a website. For mobile communications stores, only those locations that use the exact name of the retailer were counted, excluding authorized providers operating under a different name.
- A retailer is only removed from the lost on the year after the one in which it closed all New York City locations. National retailers removed this year include Sears, Wichcraft and Strawberrt
- Year-over-year growth in chains is calculated based on the national retailers CUF included in last year's report. Retailers being added this year total 108-chains, but are not yet included to ensure an accurate comparison

## Number of Chain Stores by Borough

Borough	2025	2024	Change#	% Change
Manhattan	3,299	3,334	-35	-1.0%
Brooklyn	1,803	1,843	-40	-2.2%
Queens	1,811	1,813	-2	-0.1%
Bronx	915	938	-23	-2.5%
Staten Island	486	498	-12	-2.4%
<b>Total</b>	<b>8,314</b>	<b>8,426</b>	<b>-112</b>	<b>-1.3%</b>

## Top 10 National Retailers in Each Borough

Manhattan	Brooklyn	Queens	Bronx	Staten Island
Dunkin' (169)	Dunkin' (134)	Dunkin' (189)	Dunkin' (91)	Dunkin' (40)
Starbucks (159)	Metro by T-Mobile (81)	Baskin-Robbins (64)	Metro by T-Mobile (53)	CVS/Pharmacy (16)
Duane Reade (73)	Popeye's (53)	Subway (54)	McDonald's (39)	Starbucks (15)
Subway (69)	McDonald's (50)	Metro by T-Mobile (52)	Popeye's (30)	Subway (15)
FedEx Office (54)	Starbucks (47)	Starbucks (48)	Subway (28)	Carvel (12)
CVS/Pharmacy (61)	Baskin-Robbins (41)	T-Mobile (47)	T-Mobile (27)	Metro by T-Mobile (11)
Chipotle Mexican (57)	Subway (38)	McDonald's (44)	Baskin-Robbins (25)	Duane Reade (9)
UPS Store (52)	Duane Reade (37)	Popeye's (43)	C-Town (22)	7-Eleven (9)
McDonald's (49)	T-Mobile (35)	Duane Reade (40)	Domino's Pizza (19)	Verizon Wireless (8)
Pret A Manger (41)	Burger King (34)	7-Eleven (40)	Burger King (18)	Burger King (8)

# State of the Chains, 2025 (cont'd)

2025 Change by Borough of the 10 Largest National Retailers in New York City

National Retailer	Store Count 2025	Difference 2024-25	Manhattan	Brooklyn	Queens	Bronx	Staten Island
Dunkin'	626	-3	2	1	-7	0	1
Starbucks	286	-42	-33	-7	-1	-1	0
Metro by T-Mobile	222	-17	-3	-7	-3	-3	-1
Subway	204	2	3	0	-1	0	0
McDonald's	189	1	1	0	0	0	0
Duane Reade	174	-15	-5	-4	-4	-2	0
Baskin-Robbins	171	-10	-6	0	-2	-1	-1
Popeye's	160	3	0	1	2	0	0
CVS/Pharmacy	158	-2	1	0	-3	0	0
T-Mobile	147	-9	-4	-1	-2	-1	-1

National Retailer	# of Stores 2025	# of Stores 2019	2019/2025 Change#	National Retailer	# of Stores 2025	# of Stores 2019	2019/2025 Change#
Dunkin'	626	636	-10	Chipotle Mexican Grill	116	79	37
Starbucks	286	351	-65	UPS Store	108	87	21
Metro by T-Mobile	222	468*	-246*	AT&T	98	136	-38
Subway	204	287	-83	Burger King	97	104	-7
McDonald's	189	203	-14	Domino's Pizza	93	88	5
Duane Reade	174	317*	-143*	Key Food	92	108	-16
Baskin-Robbins	171	217	-46	Verizon Wireless	91	27	64
Popeye's	160	105	55	Taco Bell	84	40	44
CVS/Pharmacy	158	170	-12	FedEx Office	83	64	19
T-Mobile	147	245	-98	C-Town	79	0	79
*Duane Reade/Walgreens and Metro PCS (prior to T-Mobile acquisition) resulting in the change between 2019 and 2025 likely being inaccurate							



Brooklyn - Brooklyn Heights Area

## Development Activity

### REBNY Report: Quarterly New Building Construction Pipeline - Q3 2025

The Real Estate Board of New York (REBNY) released a report in November providing statistics based on examined new building job application filings submitted to the NYC Department of Buildings in the 3rd quarter of 2025, analyzing data for the three month period of July through September; and draws historical comparisons to provide an understanding of the current state of development in New York City.

Key Takeaways - Q3 2025							
Borough Breakout	Q3 2025 Filings	Qtr-over-Qtr Change	% of Proposed Construction SF	Borough	Q3 2025 Filings	Qtr-over-Qtr Change	% of Proposed Construction SF
Manhattan	25	150%	11.4%	Queens	174	6.1%	53.6%
Bronx	79	-5.9%	13.5%	Staten Island	93	45.3%	1.7%
Brooklyn	136	33.3%	19.8%				
New Building Filings in Q3 2025	TTL Filings	% Change Qtr-over-Qtr / Yr-over-Yr		TTL Proposed Sq. Ft.		% Change Qtr-over-Qtr / Yr-over-Yr	
Citywide	507	20% / 56%		17.8MM		110% / 162%	
Construction Projects 300K-sf Plus	Q3 2025 Filings	TTL Proposed Sq. Ft.		% SF Change Qtr-over-Qtr/Yr-over-Yr		% of Q3 2025 TTL Proposed SF	
Citywide	8	7.7MM		400% / 357%		43%	
Multiple Dwelling Residential Q3 2025	Proposed Units	% Change Qtr-over-Qtr		New Buildings		% Change Qtr-over-Qtr	
Citywide	11,746	69%		207		31%	
Borough Breakout	Proposed Units / Qtr-over-Qtr Change / % of TTL			Borough	Proposed Units / Qtr-over-Qtr Change / % of TTL		
Manhattan	1,817/ 317% /15.5%			Queens	4,311/ 186% / 36.7%		
Bronx	2,864/ 0.5% / 24.4%			Staten Island	0/ 100% /0%		
Brooklyn	2,754/ 34% / 23.4%						

#### Largest Proposed Projects by Borough - Q3 2025 (excludes single-family homes)

Borough	Address	Neighborhood	Sq. Ft.	Description
Manhattan	441 West 26th Street	West Chelsea	503,729	Proposed 459-unit residential development
Bronx	350 Grand Concourse	Mott Haven	321,911	Proposed 141-unit residential development – likely rentals
Brooklyn	819 Grand Street	East Williamsburg	171,907	Proposed 220-unit affordable senior housing residential developments through the HPD SARA program
Queens	121-09 Roosevelt Avenue	Willets Point	3,888,880	Proposed casino and 1,000-key hotel project
Staten Island	12 Coddinton Avenue	New Dorp	4,500	Proposed 2-unit mixed-use development + 518 SF commercial space



## BID Market Snapshots

### **Downtown Alliance - Lower Manhattan Real Estate Overview | Q3 2025**

Office leasing in Lower Manhattan remained strong for the third consecutive quarter, reaching 3.18 million square feet year-to-date according to the report released by the Downtown Alliance in early November 2025. A highlight of the 3rd quarter is that leasing activity was driven largely by smaller deals versus the one or two big box deals in previous post-COVID quarters, with the two largest deals only accounting for 19% of the quarter's leasing activity. A total of 28 retailers opening between July and September, in contrast to four closures, and the hospitality industry continued to thrive with average daily room rates hitting a new record of \$330, representing a 9% increase over the year, and 30% higher compared to Q3 2019. Hotel occupancy similarly remained high with back-to-back quarters of an 88% occupancy rate — the second highest rate since 2016. Residential rents in the neighborhood remained elevated amid strong demand, reaching a record high of \$4,850, while condo unit sales also saw an uptick, finishing the quarter at \$1,455,000 as median price sales rose for the past four quarters.

Source: <https://downtownny.com/wp-content/uploads/2025/11/Q3-2025-Real-Estate-Market-Report-Final-1.pdf>

### **Union Square Partnership - Biz & Broker Report | Q3 2025**

Highlights during the quarter were several standout investments that energized the district — high-end hospitality and powerhouse retail along with curated visitor experiences from street level to rooftop. At the top of the list was the debut of the fully renovated W New York - Union Square hotel, having completed a \$100 million project, while Hilton Hotels & Resorts announced plans to relocate offices to 13,619 square feet at 838 Broadway. Retail activity brought the opening of major brands North Face and Reformation on 5th Avenue, along with the anticipated opening of Nespresso; while Time Out Market launched its first Manhattan located on the ground level at 14th Street's Zero Irving, featuring seven of NYC's top culinary offerings. A snapshot of district stats for the quarter reveal a total of 401,000 of visitor trips to the Union Square area on an average daily weekday, 64,500 average daily subway ridership at the Union Square-14th Street station, and a 10.8% increase in foot traffic at the Broadway Plaza in September 2025 versus 2024. Retail storefront occupancy reached 90% and 17 new storefront businesses opened between July and September with another 21 coming soon.

Source: <https://www.unionsquarenyc.org/s/2025-Q3-Biz-Broker.pdf>

### **Flatiron/NoMad - Flatiron & NoMad Economic Snapshot | Q3 2025**

Leasing activity throughout the 3rd quarter pushed availability lower for the sixth consecutive quarter as leasing volume of Class A and B office spaces increased by 50% year-over-year. Storefront leasing activity continues to be led by Food & Drink tenants, which now make up 44% of businesses, while Retail tenants account for 20%, followed close behind by Service providers at 19% with Wholesale, Culture & Institutions, and Hotels completing as ground floor occupancy remained steady at 85%. The 20th Street corridor between Broadway and Park Avenue South, which has struggled recently with vacancies enjoyed a reversal during the 3rd quarter as a number of new businesses opened or are preparing to open, reducing the 56% vacancy rate along the block to an 89% occupancy rate. The neighborhood saw a 41% increase in visitors year-over-year and employee visits to the district increased by 11% year-over-year. Residential development is anticipated to pick-up following the adoption by the City Council of the Midtown South Mixed Use (MSMX) Plan in August, the historic rezoning of four areas of Midtown South will allow for the creation of 9,500 new housing units, including 2,800-units of permanently affordable, income-restricted units.

Source: [https://flatironnomad.nyc/wp-content/uploads/2025/10/Q3-2025-Economic-Report\\_10.15.pdf](https://flatironnomad.nyc/wp-content/uploads/2025/10/Q3-2025-Economic-Report_10.15.pdf)

### **Times Square Alliance Monthly Economic Indicator Report | December 2025**

The district's storefront and hotel occupancy was 89% and 90% respectively in November. Hotel average daily rate (ADR) was \$325.53, up 4% year-over-year, and occupancy in November held steady at 90%. In December, average daily foot traffic increased 2% year-over-year, reaching a total of 240,231 pedestrians. The Great White Way had weekly average sales of \$47.1 million in December, up 1% year-over-year, but average weekly attendance during the month fell 2% during the same period to 303,873 people.

Source: [https://cdn.prod.website-files.com/66164ec19113caaa1f66178a/6966baad8398c7d4fe6e78e3\\_December%20%2725%20Monthly%20Economic%20Indicator%20Report.pdf](https://cdn.prod.website-files.com/66164ec19113caaa1f66178a/6966baad8398c7d4fe6e78e3_December%20%2725%20Monthly%20Economic%20Indicator%20Report.pdf)



## Office Market – Notable Transactions

### Lease - Manhattan

Address	Submarket	District	Sq. Ftge	Tenant
28 Liberty Street	Downtown	FiDi	139,497	Stripe (expansion)
55 Water Street	Downtown	FiDi	128,749	GFI Group (renewal/expansion)
120 Park Avenue	Midtown	Grand Central	495,753	Bloomberg LP (extension)
399 Park Avenue	Midtown	Plaza	438,000	Millennium Management (extension)
330 Madison Avenue	Midtown	Grand Central	364,118	Guggenheim Partners (renewal/expansion)
11 Penn Plaza	Midtown	Penn Plaza	177,000	AMC Networks (renewal/downsizing)
2 Penn Plaza	Midtown	Penn Plaza	125,284	Dick's Sporting Goods
2 Penn Plaza	Midtown	Penn Plaza	123,392	Robinhood (MSG sublease)
51-69 West 52nd Street	Midtown	Plaza	121,260	Kroll Bond Rating Agency (relocation)
45 Rockefeller Plaza	Midtown	Plaza	115,078	Baker Hostetler (renewal)

### Lease - Outer Boroughs

Address	Borough	Neighborhood	Sq. Ftge	Tenant
1000 Dean Street	Brooklyn	Crown Heights	105,000	Administration for Children's Svcs (relocation)

### Manhattan Investment Sales

Address	Submarket	District	Sq. Ftge	Sold Price	Purchaser
75 Maiden Lane	Downtown	FiDi	172,040	\$40,193,000	LLC linked to CSC Real Estate
1177 Sixth Avenue	Midtown	Times Square	1,030,000	\$572,290,334	Norges Bank Investment Mgmt Beacon Capital
260 Madison Ave	Midtown	Grand Central	568,150	\$2,111,180,181	AMTrustRE
205 East 42nd Street	Midtown	Grand Central	405,399	\$164,700,000	David Werner
114 West 41st Street	Midtown	Penn Plaza	350,000	\$133,000,000	AM Management, Eyan Holding Axonic Capital
75 Rockefeller Plaza	Midtown	Plaza	308,700	\$200,000,000	Farallon Capital Management 49% stake in 630K-sf bldg
6 East 43rd Street	Midtown	Grand Central	304,525	\$135,000,000	Vanbarton Group (residential conversion planned)
373 & 381 Park Ave South	Midtown South	Flatiron	337,000	\$104,000,000	Olmstead Properties
68-76 King Street	Midtown South	Hudson Square	101,748	\$63,000,000	Avdoo & Partners
322-326 Seventh Avenue	Midtown South	Chelsea	100,000	\$80,812,500	Capstone Equities
1334 York Avenue	Uptown	Upper East Side	439,627	\$510,000,000	Weill Cornell



Midtown - Times Square

## Retail Market – Notable Transactions

### Lease - Manhattan

Address	Submarket	District	Sq. Ftge	Tenant
135 East 57th Street	Midtown	Plaza	47,000	Chelsea Piers Fitness
1 Grand Central Place 60 East 42nd Street	Midtown	Grand Central	14,430	Sora (Japanese restaurant)
49 West 57th Street	Midtown	Midtown East	10,000	Portabella (men's retailer - condo unit)
412-414 West 15th Street	Midtown South	Chelsea	12,176	STK (restaurant - formerly Nusr-Et (Salt Bae))

### Lease - Outer Boroughs

Address	Borough	Neighborhood	Sq. Ftge	Tenant
The Grand 567 Fulton Street	Brooklyn	DoBro	20,000	Din Tai Fung (Michelin-starred restaurant)

### Sales

Address	Submarket	District	Sq. Ftge	Sold Price	Purchaser
715-717 Fifth Avenue	Midtown	Plaza	115,000	\$900,000,000	Ardian (60% stake)
134 West 34th Street	Midtown	Penn Plaza	12,268	\$19,100,000	Vornato Realty Trust
325 Lexington Avenue	Midtown	Murray Hill	2,400	\$6,650,000	Mike Dixon & Presseau (Law)
31-33 East 28th Street	Midtown South	NoMad	3,800	\$2,200,000	Jomilano Realty LLC
542-544 Broadway	Midtown South	SoHo	3,406	\$22,500,000	Benenson Capital Partners (Condo unit)



For More Information Please Contact:

212.400.6060 • [www.absre.com](http://www.absre.com)

200 Park Avenue South, 10th Floor, New York, NY 10003

We Build Partnerships That Last

Although the information furnished is from sources deemed reliable such information has not been verified and no express representation is made nor is any implied as to the accuracy thereof. Sources: CoStar Group, The Real Deal, Crain's New York Business, The New York Times, New York Post, New York Yimby, Real Estate Weekly, and Commercial Observer