

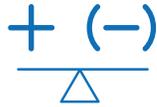
MIDTOWN MANHATTAN

OFFICE MARKET | Q4 2025



285.3M

Inventory



2.1M

Net Absorption SF



9.7%

Direct Available Rate



12.1%

Total Availability



3.6M

Under Construction SF



\$77.88

Asking Rent PSF

Midtown Continues to Lead the Recovery

Market Observations

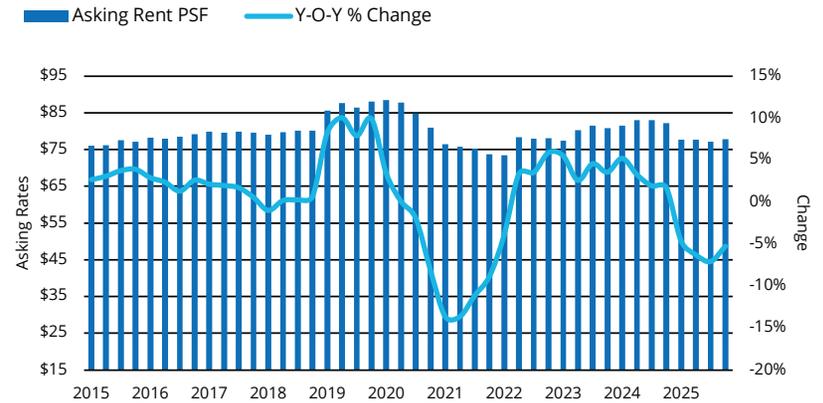
- Midtown leasing topped 6.0 MSF in Q4 2025, bringing the full-year total to 24.0 MSF, below the 2024 total of 25.6 MSF. There were a dozen leases exceeding 100,000 SF signed this quarter across Midtown, in a wide range of sectors including finance, legal, media, and tech.
- Both sublet and direct availability decreased for a sixth consecutive quarter, and overall availability decreased to 12.1%, its lowest level since 2020. The current level is 2.7 percentage points [pp] below the year-ago rate and down 0.8 pp from Q3.
- Net absorption approached 2.1 MSF in Q4 2025, marking a sixth straight positive quarter. Absorption was about 342,600 SF lower than the Q3 level, and 433,200 SF below the Q4 2024 level, though still one of the strongest results since 2020.
- Rents increased to \$77.88 PSF, a gain of 0.9% from last quarter, but 5.3% below the year-ago level. Class A rents increased by 1.2% from Q3 while Class B rates decreased by roughly the same amount.
- Midtown's under-construction inventory of 3.6 MSF is dominated by three buildings that broke ground in 2025. The current level is more than six times the year-ago level, though well below the 10-year average of 7.6 MSF.



MIDTOWN MANHATTAN OFFICE MARKET | Q4 2025

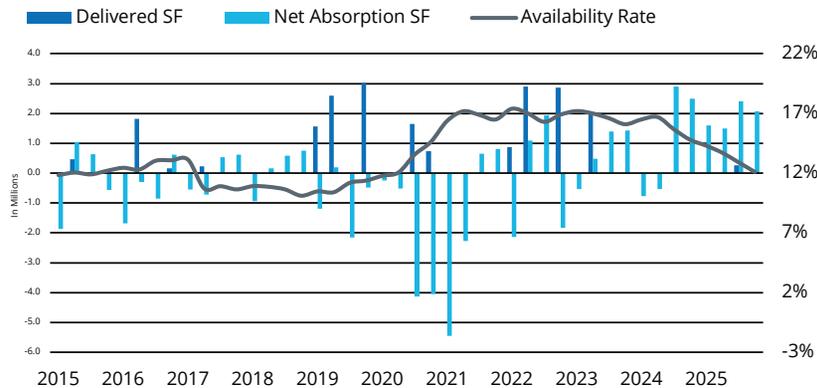
- Availability** among Midtown submarkets ranges from 9.9% in Penn Plaza, which scored five leases exceeding 100,000 SF each this quarter, to 16.1% in the East Side submarket, which is dominated by older, unrenovated stock. Several East Side buildings are now being eyed for residential conversion.
- Net absorption** continues to be led by the Penn Plaza submarket, where 1.2 MSF was taken up this quarter, driven by large new leases from Rippling (132,700 SF) at 330 West 34th Street, Robinhood (126,300 SF) and Dick's Sporting Goods (125,300 SF), both at Penn 2, and Sixth Street Partners (103,400 SF) at 66 Hudson Boulevard. Midtown's full-year absorption of 7.6 MSF was considerably higher than the 2024 total of 4.1 MSF.
- Asking rents** are highest in the Plaza District at \$92.02 PSF, lifted by rates of \$200 and up at trophy properties like 550 Madison Avenue, 9 West 57th Street, 425 Park Avenue, and Lever House (390 Park Avenue).
- Active construction** is at a three-year peak, and another 4.9 MSF of office space is proposed in Midtown. While the recent groundbreaking at 343 Madison took place before an anchor was confirmed, most of these anticipated buildings will not get underway without a key occupier attached.

ASKING RENT



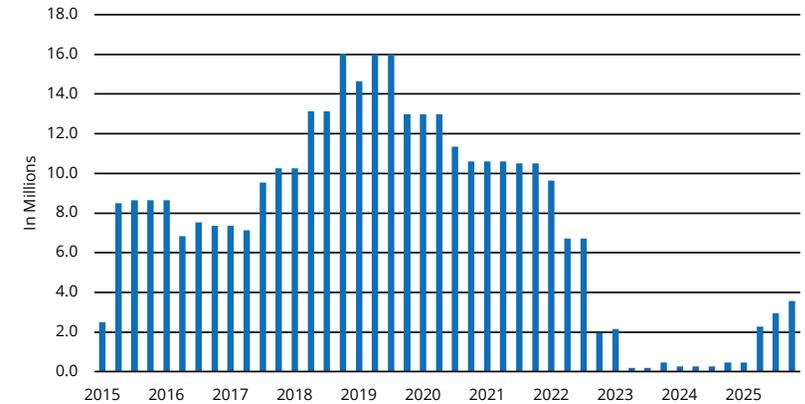
Source: CoStar, Transwestern

DELIVERY IMPACT ON KEY INDICATORS



Source: CoStar, Transwestern

UNDER CONSTRUCTION



Source: CoStar, Transwestern



MIDTOWN MANHATTAN OFFICE MARKET | Q4 2025

MARKET INDICATORS All Classes of Space | Q4 2025

SUBMARKET	INVENTORY SF	NET ABSORPTION SF	YTD NET ABSORPTION SF	OVERALL AVAILABILITY RATE	OVERALL VACANCY RATE	CLASS A AVERAGE RENT PSF	CLASS B AVERAGE RENT PSF	OVERALL AVERAGE RENT PSF
COLUMBUS CIRCLE	30,785,803	244,095	964,542	13.4%	13.6%	\$67.88	\$58.03	\$65.11
EAST SIDE	14,449,653	142,950	619,226	16.1%	20.3%	\$75.21	\$52.76	\$74.60
GRAND CENTRAL	54,896,262	-334,432	1,028,997	13.7%	15.4%	\$76.52	\$64.05	\$74.52
PENN PLAZA	71,035,875	1,192,419	3,449,374	9.9%	12.4%	\$90.52	\$53.25	\$75.80
PLAZA DISTRICT	68,524,046	249,565	302,947	10.4%	12.3%	\$92.01	\$92.33	\$92.02
TIMES SQUARE	45,576,010	568,401	1,200,495	14.0%	14.7%	\$82.57	\$57.86	\$78.56
MIDTOWN TOTAL	285,267,649	2,062,998	7,565,581	12.1%	13.8%	\$82.51	\$58.50	\$77.88

Source: CoStar, Transwestern



MIDTOWN MANHATTAN OFFICE MARKET | Q4 2025

Research Methodology

The information in this report is the result of a compilation of information on office properties located in Manhattan. This report includes single-tenant and multi-tenant Class A and B office properties with at least 100,000 SF in Midtown, 50,000 SF in Midtown South, and 75,000 SF Downtown.

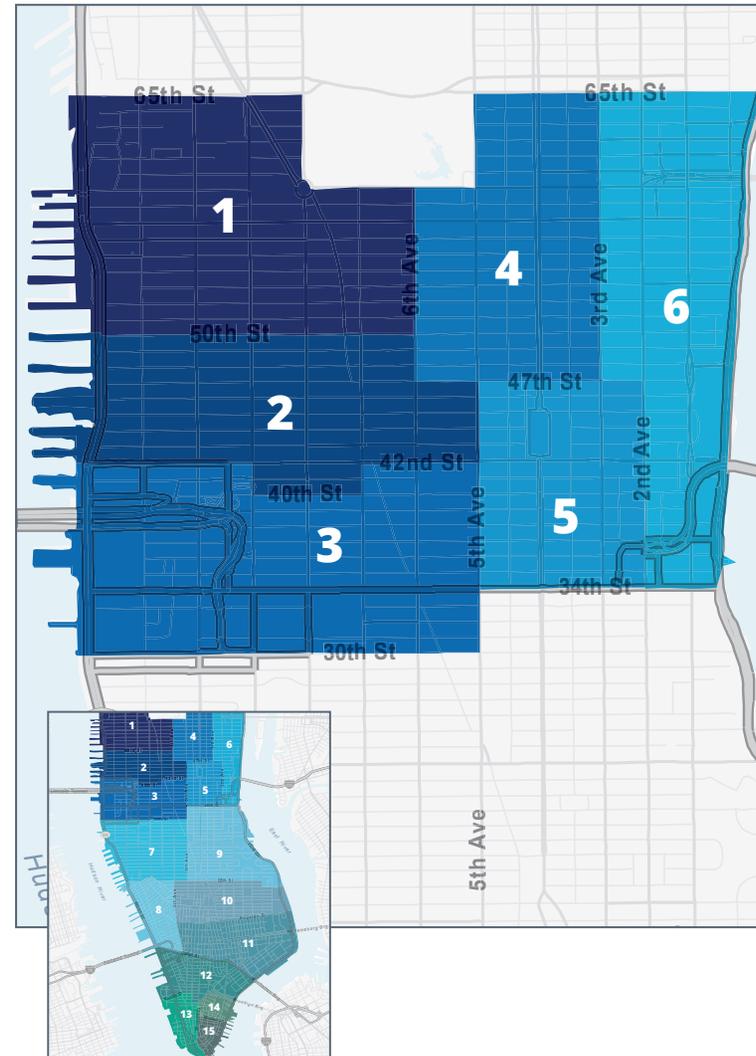
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For more information

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NEW YORK OFFICE SUBMARKETS

- Midtown**
 - 1 Columbus Circle
 - 2 Times Square
 - 3 Penn Plaza
 - 4 Plaza District
 - 5 Grand Central
 - 6 East Side
- Midtown South**
 - 7 Chelsea/Flatiron
 - 8 Hudson Square
 - 9 Gramercy Park
 - 10 Greenwich Village
 - 11 SoHo
- Downtown**
 - 12 City Hall/Tribeca
 - 13 World Trade Center
 - 14 Insurance District
 - 15 Financial District

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