

REBNY Research

# Manhattan Retail Report

*Second Half 2024*



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# Summary

## *Positive Second Half of 2024 as Multiple Tailwinds Boost Retail Market*

### **Activity Picks Up in More Corridors and Sectors**

Leasing was strong during the first half 2024, but brokers noted a lack of larger leases. The second half of the year started and ended with 80,000 square foot leases (Ikea and Burlington), as well as many 20,000 square foot and greater leases. Multiple tailwinds, including a healthy jobs market, steady tourism, and return-to-office momentum, are boosting activity across many corridors.

Neighborhoods like Times Square, Herald Square, and lower Manhattan secured larger lease commitments. Activity spread to more sectors, including immersive arts and social gaming, gyms and recreation, as well as furniture and home goods, and came from brands that already have a presence in Manhattan, as well retailers that are new to the city.

Tenants are more engaged as many retailers are drawn to Manhattan's strong market fundamentals. Meanwhile many retailers and investors view rent levels and property prices as reasonable, relative to prior cycles.



# Key Takeaways

## Larger Leases in More Sectors

The second half of 2024 featured many 20,000 square foot and greater new leases. Food and beverage dominated the early stages of Manhattan's retail recovery, followed by luxury apparel and accessories. A wide array of retail sectors were active in 2024, including several recent significant leases from arts and entertainment.

## Return-to-Office, Tourism, and Income Growth Drive Demand

In 2022 and early 2023, the key drivers of retail demand – regional income growth, tourism, and the office market in particular – were not operating at full capacity. Return-to-office gained traction in early 2024 and stabilized in the mid-70% range since April, boosting retail leasing in core commercial districts.

## Widely Varying Availability

Quality storefronts are extremely limited in SoHo and along Madison Avenue as well as the Flatiron District, Lower Fifth Avenue, and the West Village. In contrast, Lower Manhattan, Herald Square, Times Square, Third Avenue, and Upper Fifth Avenue have more options.

## Stable Rents and Some Pullback in Concessions

Asking rent rose from the first half of the year in only six of the 17 corridors. Rent fell in most corridors due to the leasing of higher-quality storefronts. Concession packages vary from one lease to the next, depending on the length of the lease commitment and the perceived security of the retailer leasing the space. Most landlords remain willing to provide free rent, but some are reducing tenant improvements.

## Completing a Lease Remains Complicated

The robust leasing of 2024 should not be mistaken for a rush to market, as most of these leases took several quarters to complete. Larger lease commitments are more challenging to complete than ever. It is no longer just the landlord and the tenant at the table – lenders and community organizations may also be involved. Retailers are also exploring options, such as property ownership, that can lengthen the process.





# Corridor Activity

## Neighborhood Trends

Many in the retail community, including brokers, describe leasing activity as strong, but also highlight continued divergence among neighborhoods. Some corridors are described as “white hot,” while a few are still “searching for a new identity.”

These brokers have a strong sense of context, developed from experiencing the ups and downs of multiple cycles – in some cases going back several decades. While they consider the recent leasing rally to be positive, and market conditions healthy, their optimism is tempered. They know that upswings eventually end, understand that many recent leases were negotiated quarters ago, and that some included generous tenant improvements.

## “White Hot Corridors”

SoHo and Madison Avenue remain the most competitive corridors, and Columbus Avenue, Lower Fifth Avenue, and West Village also have negligible storefront availability. Quality storefronts in prime locations receive multiple offers in this market. Some brands are adding locations. In SoHo, Buck Mason leased 486 Broadway, which will be its seventh New York City location. Other brands are making their New York City debuts. Digitally native Australian brand Princess Polly, for example, signed an 8,000 square foot lease at 514 Broadway.

Investors have noticed Soho’s resurgence. Acadia Realty Trust added to its SoHo portfolio, buying 92 and 94 Greene Street, anchored by Givenchy, for \$44 million.

In November, Blackstone paid \$200 million for a handful of SoHo properties: 61 Crosby Street, 72-76 Greene Street, 465 Broadway, and 415 West Broadway. This is the largest Manhattan retail property transaction in three years.

## Flurry of Madison Avenue Openings

The second half of the year brought fewer lease signings but multiple flagship openings on Madison Avenue. In October, Giorgio Armani’s residences and store opened at 760 Madison Avenue. The store features clothing and accessories on the first two floors and an Armani, Casa Furniture, and Home Goods boutique on the third floor. The Armani Group is seeking LEED Gold certification for the store, they also recently announced a donation to the New York Restoration Project. Armani’s outpost takes its long-term investment in New York City to new levels. In an interview with Fashion Network, Giorgio Armani noted that: “New York, for me, has always been linked to the many films that have shaped my imagination. More vital and frenetic than ever, New York continues to look ahead, ever launching new models of life, style and socializing.”

Other brands are entering New York City and the U.S. via Madison Avenue. Ashkenazy Acquisitions recently completed its renovation of the residences and retail at 800 Madison Avenue, setting the stage for Sauer Jewelry’s two-story U.S. flagship opening. This is the first U.S. store for the jewelry brand that has been operating in Brazil more than 80 years. Parfums de Marly is poised to open at the building once it completes the store buildout. Nearby, at 780 Madison Avenue, Turkish designer Serena Uziyel opened her second shoe and handbag boutique – the first opened on Broome Street in June. In addition to being a Parsons School of Design graduate, Uziyel apprenticed with master shoe craftsman Giuseppe Joseph Amolo in Florence, Italy.

Retail properties along Madison Avenue are also changing hands. In September, Friedland Properties added 673 Madison to its portfolio, paying \$36 million. This fall, SL Green sold 690 Madison to long-time retail investor Jeff Sutton for \$34 million - it is unclear if Sutton acquired a 100% interest or a stake in the property. Regardless, the price is a big drop from prior transactions for the asset in 2021 (\$74 million) and 2015 (\$115.2 million). The price cut came even as Van Cleef & Arpels opened its five-story boutique in the landmarked mansion. The top three floors of the boutique, including a private events space, are open by appointment only.

# Corridor Activity

Most of the storefronts between 60th and 76th Streets are now leased. Apparel and accessories brands have turned their focus above 80th Street. Danish fashion brand Ganni already has stores in SoHo, Flatiron, the West Village, and Williamsburg. It recently opened an outpost at 1055 Madison Avenue. Gorjana, which has been adding locations across Manhattan and Brooklyn, opened its first Madison Avenue store at 1070 Madison Avenue.

## West Village Booming

The West Village is much smaller than SoHo and Madison Avenue. The seven block stretch on Bleecker Street from Seventh Avenue South to Hudson Street is nearly fully leased. Bleecker continues to attract retailers looking for a boutique and niche vibe. LA-based Leset opened its first New York City store at 380 Bleecker in September. Similarly, Barcelona, Spain-based PDPaola selected the neighborhood for its first U.S. store at 346 Bleecker. Previously sold only online, the aspirational luxury brand opened 45 stores in Europe, Asia, and the Middle East during 2024.

Other streets in the West Village are capturing experienced local restaurateurs. The owners of the wine bar Moonflower signed a lease at 39 Christopher Street and plan to open a new cocktail bar called Café Binx.

## Improving Corridors

Other corridors are not exactly “white hot” but either gained ground or at least maintained momentum in the last six months. This includes continued momentum in Midtown and the Flatiron District. Return-to-office was a key factor in many of these corridors.

## Rockefeller Center and Avenue of the Americas

Incremental increases in return-to-office throughout 2024, combined with robust tourism and stronger than expected business travel boosted weekday foot traffic in core Midtown office districts. Midtown is often thought of primarily as an office district, but it also has top retail, entertainment, and cultural destinations like Rockefeller Center.

Tishman Speyer recently announced that the office space at Rockefeller Center is 93% leased and the retail space is fully leased. In August, Christie’s extended its 400,000 square foot lease through 2049. The auction house has been at this location since 1999.

Over two years, Tishman has refreshed the retail by adding McNally Jackson and Hill House in 2023, and Alex Mill, Aesop, and Arc’teryx in 2024. These stores capture the extensive exposure and foot traffic from tourists, office employees, and New Yorkers drawn to a steady array of public events at The Rink, like coverage of the Summer Olympics.

30 Rockefeller Plaza has truly been updated from top to bottom. Top of the Rock now features The Beam, which gives visitors the ability to recreate the famous “Lunch Atop a Skyscraper” photo from 1932, and a new attraction, SKYLIFT, that lifts visitors 30 feet above Top of the Rock. Tishman Speyer worked with THG Creative and TAIT to create the ADA-accessible platform which is also Landmarked approved.

Owners of nearby Avenue of the Americas buildings invested extensively in major renovations following the relocation of major tenants to Lower Manhattan and the Far Westside prior to the pandemic. The former Time-Life Building, for example, underwent a \$325 million renovation completed in 2021 and completed a 100% office-leased-rate that same year. Other examples include 1155 Avenue of the Americas (\$130 million renovation) as well as public space renovations at 1330 and 1345 Avenue of the Americas. Between the Rockefeller Center renovations

# Corridor Activity

and nearby property and public space improvements, the total investments since 2020 run in the billions. Office buildings have enjoyed steady retail leasing, including recent notable leases from Five Iron Golf (15,300 square feet at 1290 Avenue of the Americas, its seventh location) and Carnegie Diner (1185 Sixth Avenue, third location).

## Midtown East Rebound Intensifies

Rockefeller's retail refresh started a couple of years ago, but Midtown East's retail recovery took a little longer to gather momentum. Initially concentrated around Grand Central, leasing has pushed up along Madison, Park, and Lexington Avenue, filling some of the long-term vacancies between 45th and 51st streets. Food and beverage tenants, particularly fast casual, still account for much of the activity. A few new concepts will test the market, including Bagizza, a hand rolled bagel and pizza restaurant that leased the former Joseph Abboud location at 424 Madison Avenue.

Retail leasing in Midtown East should continue to benefit from strong competition among businesses for office space in this district. While some of the retail at the Grand Central Madison station has been leased, the spaces are not likely to be occupied until spring 2025 or later. In an interview with Gothamist, Bruce Caulfield, the owner of Tracks Raw Bar & Grill, said that underground space still doesn't have kitchen exhaust. He hopes to open a pop-up serving wine, beer, and snacks for St. Patrick's Day. Approximately 150,000 people march in the parade along Fifth Avenue each year.

The completion of major new office and hospitality projects, including the JP Morgan Chase Headquarters at 270 Park Avenue and the Waldorf Astoria Residences at 301 Park Avenue, should boost foot traffic and demand even more later this year. In December, the Waldorf started to accept reservations for spring 2025 bookings. Brokers note that the drop off in retail activity is quite dramatic south of 40th Street and east of Fifth Avenue, with many long-standing vacancies, especially along Lexington Avenue.

## Plaza District Office Rally Luring More Retailers

Retail in the Plaza District and Billionaire's Row captured a wide cross-section of retail tenants including business apparel, medical services, and home goods. The Plaza District enjoys Manhattan's lowest office vacancy rate, approximately 10%.

Boggi Milano leased 8,810 square feet on two levels at 527 Madison Avenue. The Italian menswear brand has 225 stores in 58 countries, but this will be its first U.S. store. Italian luxury outerwear Herno opened an additional location, just under 500 square feet, in the GM Building.

Midtown's collection of furniture and home goods stores continues to expand. Ligne Roset leased 3,700 square feet at 207 East 57th Street for its second Midtown location. The French furniture brand has been designing furniture since 1860. New England furniture maker AIS plans to expand its showroom to an additional floor at 257 Park Avenue.

## Flatiron District

The Flatiron District has several larger storefronts that are unoccupied. Many of these have been leased though, and the supply of available quality storefronts is tightening, particularly as major new residential and office projects near completion. In comparison to much of Midtown, the Flatiron District has a more diverse mix of residential, hospitality, and office use. Planned office-to-residential conversions (The Flatiron Building) and extensive office renovations (One Madison Avenue) add to the district's inventory.

This supports an equally diverse retail mix, including some brands that are new to New York City. In October, State of Play Hospitality Group signed a 10,700 square foot lease at 31 Union Square West. The location will house Flight Club, a technology-enabled darts gaming facility. The company's ninth club in North America and first in Manhattan will be its global flagship.

# Corridor Activity

Just after Labor Day, IBM held a ribbon-cutting ceremony to celebrate the opening of its flagship 270,000 square foot office at One Madison Avenue. Attended by Governor Hochul, Senator Schumer, Mayor Adams, and other dignitaries, the innovative adaptive re-use project was a collaboration between IBM, New York City, New York State, and owner SL Green. The LEED GOLD CI (Commercial Interiors) certified building will deploy IBM solutions Maximo and Envizi to track and report sustainability metrics. More than 2,000 IBM employees will enjoy access to a 25,000 square foot outdoor terrace landscaped with native species.

SL Green recently announced that the retail space is fully leased with recent leases by Delicious Hospitality Group, which signed a 13,558 square foot, 15-year lease. La Tête d'Or by Daniel, Daniel Boulud's first NYC steakhouse, signed a 11,938 square foot lease, also for 15 years. Italian sandwich specialty shop Alidoro, sushi takeout Jōji Box, as well as Los Tacos No.1 and Sweetgreen add to the dining options.

This summer Chelsea Piers Fitness opened its fourth location at the base of the building.

## *Campus Style Office Complexes Achieving Full Retail Occupancy*

With 1.4 million square feet, including 66,000 square feet of retail space, One Madison Avenue joins a growing list of office and retail complexes that are enjoying strong leasing activity. These facilities offer major corporations the opportunity to set up a campus environment with best-in-class amenities and unique retail offerings. During the last several months several of these campuses announced that they achieved 100% retail lease-up.

Many of these are concentrated in Midtown: Rockefeller Center; MetLife, One Vanderbilt, and others at Grand Central; BXP at 5 First Street and Hudson Yards. The PENN District is yet another example. In June, Vornado Realty Trust held

the ribbon-cutting for Plaza33, the central outdoor feature and public space in the developer's PENN District. Vornado, in conjunction with the 34th Street Partnership, sponsors special entertainment programming that is free to the public. Initially launched as a seasonal pilot program, its success underscores the appeal of open space and pedestrian-friendly retail.

## *Garment District Attracting Food and Beverage and Home Goods*

The PENN District is generating foot traffic that spills to nearby streets. The Garment District may not be the first neighborhood that comes to mind when thinking about retail but on most workdays, thousands of office workers walk from Penn Station and Port Authority to the over 100 million square feet of office space in Midtown East, Bryant Park, and Avenue of the Americas.

Retail businesses on these streets enjoy a lot of exposure. They can capture multiple workforces on the way to the office and on their way home, as well as spillover from Madison Square Garden.

Many of these storefronts that shut down during COVID are now filling back up. Olie Sangpetpairot, proprietor of Thai Restaurants Malii Gramercy and When in Bangkok, leased 5,000 square feet at 237 West 35th Street in the Garment District. This area is also attracting first-time retailers. Kappa Chakka Kandhari leased 9,400 square feet at 252 West 37th Street. Ranked among India's Top 50 restaurants by Conde Nast Traveler, the restaurant group specializes in cuisine from the Kerala region.

GFP Real Estate signed several home goods stores at 171 Madison, where outdoor furniture maker Vondom took 1,700 square feet and Pella Windows took 2,400 square feet. Retailers are also drawn to the availability and reasonable rents that these side streets offer.



# Corridor Activity

## Lower Fifth Avenue Maintains Momentum

The section of Fifth Avenue between 42nd and 49th streets continued the momentum that started more than a year ago. Apparel firms have been particularly active. The North Face expanded to 20,000 square feet at 511 Fifth Avenue. Following the opening of its SoHo flagship this summer, Rod & Gunn recently leased 555 Fifth Avenue for its second store. Club Monaco renewed and expanded at 597 Fifth Avenue.

In July, Extell unveiled plans for a multi-story 80,000 square foot Ikea store at the base of its 29-story, one-million-plus square foot office tower at 570 Fifth Avenue. Ingka Investments, the real estate arm of Ikea, acquired a stake in the tower and the future store.

Upon its completion in 2028, this project should help diversify retail along Fifth Avenue while giving Ingka Investments' U.S. growth strategy a major boost.

Shaver Hall's 35,000 square foot lease at the former Lord & Taylor property (38th and Fifth Avenue) is notable. The food hall, named after the president of Lord & Taylor, is expected to include two full-service restaurants, two bars, and 11 stalls including Chick Chick and Taqueria Al Pastor. Food Hall Company, a Texas-based operator, is backing the project. Amazon, which recently announced a five-day return-to-office mandate, has occupied the former department store building since the fall of 2023. The food hall concept is slated for completion in the next several months. Shaver Hall's opening comes even as several other food courts announce closures, including Citizens Market Hall at Manhattan West, Plaza Food Hall, and The Market Lines. Other eateries, such as three planned restaurants at 550 Madison Avenue, are facing delays in buildout.

## More Sporadic Activity in Other Corridors

Activity in other corridors remains sporadic. While Lower Fifth Avenue has seen strong demand, higher end flagships on Upper Fifth Avenue have been tougher to lease, with few leases completed in 2024. Several larger storefronts remain available, most of them concentrated between 53rd and 55th streets.

But investors still recognize the long-term value of Fifth Avenue and continue to purchase retail properties. In August, Uniqlo paid an estimated \$340 million for a stake in its 90,732 square foot store located at 666 Fifth Avenue.

Recent articles in Bloomberg and the New York Times have described Fifth Avenue as "irreplaceable." This doesn't mean it is inalterable, though. Proposals to revamp the street have come and gone over the years, including plans to add bus lanes in 2020. The latest plan, called The Future of Fifth, takes a much different pedestrian-centered direction; car lanes would be reduced and the width of sidewalks doubled, enabling the addition of seating areas and extensive greenery.

Mayor Adams recently unveiled details for the \$350 million redevelopment of a 20-block stretch of Fifth Avenue. Some have described the redesign as resembling Bond Street in London or Champs Elysees in Paris.

Many sections of the Champs Elysees include 70-foot sidewalks and double rows of trees along the street to buffer pedestrians from busy car traffic.

Any redesign is years from commencing. Initial public hearings were held in October and construction is not likely to start until 2028. If implemented, this would be the most significant redevelopment of Fifth Avenue's streetscape in its 200-year history. In the meantime, a crowded Fifth Avenue with throngs of pedestrians is a trademark of the holiday shopping season. The city reported that each block is traversed by up to 23,000 people per hour during the holidays.

# Corridor Activity

## *Herald Square and Times Square Attract Notable New Tenants*

Times Square and Herald Square are also tourist favorites. Nevertheless, both corridors have struggled to maintain leasing momentum. Most of the leasing has come from some food and beverage and smaller, tourist-oriented stores. Herald Square's 34th Street has filled some storefronts temporarily through pop-ups. Dave & Adams, for example, leased a large storefront at the base of the Empire State Building. The card trading seller, which has stores in Cooperstown and Buffalo, New York, will eventually move to a permanent store at 1350 Broadway.

These leases have not been enough to fill the gap in demand from fashion as well as arts and entertainment retailers. The last few months have brought some signs of life from both sectors. Path Entertainment and Broadway 4D signed large leases in Times Square, and Vornado opened Squid Game: The Experience NYC at Manhattan Mall.

Primark's 54,000 square foot lease at 150 West 34th Street is one of the largest completed in Herald Square in the last few years. The department store will replace the former Gap, so the lease does not represent net absorption. Nevertheless, it is a positive step. Hopefully Primark's investment in a 50,000 square foot buildout and future foot traffic to the store will spark long-term retail leasing in surrounding storefronts. Primark has 11 stores in New York, including a 70,000 square foot store at City Point. The Irish department store reportedly sees the continued closures of Macy's as creating an opportunity for additional growth plans in the U.S.

## *Lower Manhattan Adds New and Historic Tenants*

Lower Manhattan has seen some noteworthy retail activity in the last 18 months, including leases from grocery stores, gyms, and other retailers catering to the neighborhood's growing residential base. Brands like Minisou, as well as museums

and cultural attractions, have leased storefronts with proximity to the World Trade Center Memorial and the Brooklyn Bridge. Several full service restaurants also opened including outdoor only seafood eatery Cobble Fish, which opened at Pier 16 at the Seaport.

Other sectors were also active. Indoor soccer facility operator Soccerroof leased 20,000 square feet at 28 Liberty. The building's leasing team and ownership has been very agile. After plans for a 30,000 square foot food hall at 28 Liberty fell through, the building recast the space as an indoor-outdoor event venue called the Halo. Building ownership spent more than \$170 million on building renovations prior to the pandemic. The office and retail portion of the property are now nearly 100% leased.

Brooks Brothers' 10,000 square foot flagship lease at 195 Broadway is one of Lower Manhattan's largest apparel leases in the last few years. Brokers familiar with the lease noted that the landmarked interior of the two-story store made it a good fit for the men's apparel brand. It will bring Brooks Brothers back to Lower Manhattan, where the brand first opened its doors in 1818 on the corner of Catherine and Cherry Streets.

It remains to be seen if these leases in Times Square, Herald Square, and Lower Manhattan will just be "one-offs" or if they will trigger additional activity.

## *Third Avenue and Future Residential Market Development*

Activity on Third Avenue has also lacked consistency. The closure of some bank branches and pharmacies in the last several quarters freed up some corner locations. A few of the smaller storefronts that were leased in 2022 and early 2023, mostly to food and beverage tenants, have already been vacated.

The section of Third Avenue below 60th Street could eventually benefit from office to residential conversion and ground up residential developments. Several

# Corridor Activity

circa-1960s and 1970s Class A- and B office towers are slated for conversion, including Metro Loft's conversion of the Pfizer Headquarters building on 42nd Street. The project is New York City's largest office-to-residential conversion on record – with 1,500 units scheduled to be completed by 2025.

The delivery of more residential buildings in and around core office districts will attract more service retailers like grocery stores, gyms, health care, and pet care, as well as furniture and home goods. Residential development adds another source of retail demand and may expand a retailer's selling hours. Existing restaurants on Second and Third Avenue that rely primarily on business lunches and after work dinners may be able to consider expanding to weekend brunch.<sup>1</sup>

## *Meatpacking District Availability Still Elevated*

Despite activity in nearby areas like Chelsea and Tribeca, the Meatpacking District is still struggling to gain leasing traction, particularly on 14th Street. There were some major new openings, though. Saint Laurent opened its two-story flagship at 72 Gansevoort Street.

In late October, the EDC and the Mayor's Office unveiled plans for redevelopment of the Gansevoort Co-op at Little West 12th between Washington Street and 10th Avenue. The mixed-used development, to be called Gansevoort Square, will feature up to 600 housing units (including 300 affordable units), an 11,200 square foot public open space, and a potential Whitney Museum expansion or new High Line facilities. A portion of the new complex will be on the former Gansevoort Meat market. The EDC signed an agreement with the last seven meatpackers operating in Gansevoort Co-op to vacate their leases early.

<sup>1</sup>As of year-end 2024 the number of announced office-to-residential conversions (those that have filed conversion plans or have announced intentions to convert) exceeded 50 buildings with 8 million square feet and the addition of nearly 10,000 units.





# Sector Details

Retail leases, store buildouts, and openings were spread across much of Manhattan in the last six months. This activity came both from brands already established in Manhattan as well as those new to the market. Retail expansion and first time entrants underscore the allure of the market and reflects the reality that availability is still elevated and rents remain reasonable in many Manhattan retail corridors.

## *Innovative Arts, Entertainment, and Immersive Experiences Announced*

The value and importance of arts, culture, and entertainment to the city’s quality of life gained attention during and after the pandemic. Recent leasing featured several larger commitments from the arts and entertainment sector, including some much-needed activity in Times Square. In October, Path Entertainment Group signed a 50,000 square foot lease for its first U.S. location at 11 Times Square. The London- based entertainment group specializes in live stage entertainment and social competitions. In a partnership with Hasbro, Path Entertainment announced plans for Monopoly Lifesized, which will feature a giant game board in the heart of New York City.

This October, Squid Game: The Experience opened at Vornado’s Manhattan Mall. Teams of up to 24 participate in games like Red Light Green Light from the Netflix series Squid Game, as well as new trial games designed for the 60-minute experience. The facility also features a Korean restaurant and Squid Mart, a merchandise store. Squid Game and Netflix have also partnered on similar experiences in London. Monopoly Lifesized and Squid Game represent a relatively new niche of attractions.

Digital gaming is an emerging industry of focus for the mayor’s “Rebuild, Renew, Reinvent” portion of the Blueprint for New York City’s Economic Recovery. In early 2023, the Mayor’s Office of Media and Entertainment launched a “Made in NY” Marketing Credit for Digital Games (MOME), which offers advertising for

digital games made in New York City. In late 2023, the Economic Development Corporation, in collaboration with NYC Media Lab, founded the NYC Game Design Future Lab, a digital gaming incubator at NYU’s Tandon School of Engineering. As of 2022, the gaming industry employed 7,600 people and generated \$2 billion in economic activity according to the mayor’s office.

Immersive art installations have popped up across Manhattan in the last several years. Some are temporary exhibits that have filled vacant storefronts and activated spaces. Others have signed long-term leases. The SUBMERGE Project is transforming a 100-year-old boiler room at Chelsea Market into ARTECHOUSE, a yearlong showcase of digital creativity.

Chelsea Piers, already a top destination for events and meetings, will have the added attraction of Arte Museum. Owned by South Korean company D’strict, the 52,000 square foot exhibit space will be the design firm’s first venture in New York City. D’strict has five immersive museums focused on user-centered experiences in Asia, as well as one in Las Vegas. The New York City exhibits will feature reinterpretations of nature as immersive art, like what is on offer in Las Vegas and South Korea.

In Times Square, Broadway 4D leased 20,000 square feet at the Times Square Liberty Theatre (234 West 42nd Street). The musical entertainment attraction was first proposed in 2012 but then shelved in 2014. The theatre has been unoccupied for decades after a fire. Times Square still has a few larger theatres and unique venues available for lease.

These innovative, immersive, and interactive art and social gaming experiences represent a new wave, much of it concentrated on the westside. More traditional culture, arts, and auction houses have expanded on Madison Avenue as well as Billionaire’s Row. Bonhams will move from 590 Madison Avenue to the former Steinway & Sons showroom at the Steinway Tower (111 West 57th Street). Bonhams will occupy the new 42,000 square foot space in late 2025 and will include four levels of galleries and two auction rooms. The new site is about 30% larger than their Madison Avenue site.

# Sector Details

In prior market peaks, with far tighter conditions, established arts and culture tenants struggled with elevated rents and limited availability. Arts and entertainment organizations sometimes still encounter zoning restrictions on use, which can overlap with property owner reluctance to lease to this sector. In December, the Department of Cultural Affairs launched NYC Create in Place, an initiative to support cultural organizations and creative businesses at risk of losing space or looking to expand or move into a new space. The program expands and formalizes the interagency services the city provided to new and at-risk cultural and creative businesses during the pandemic.

## New and Expanding Retailers Boosting Leasing Volume

Some of the arts and entertainment leases will fill unique venues that have been vacant for quite some time. A few will include generous concessions and buildouts. These leases, as well as the steady influx of brands entering Manhattan for the first time, show that many corridors still have available storefronts and rents that remain well below pre-pandemic peaks. CBRE noted that more than 20% of new leases in the third quarter of 2024 (nearly 200,000 square feet) were from out-of-market retailers.

These retailers are coming to New York City to tap into the strong market fundamentals. They also recognize that rent generally remains well below pre-pandemic peaks. Asking rent in every corridor except Bleecker Street is at least 10% below its pre-pandemic peak. Steady retail spending and reasonable rent levels have also made it feasible for several retailers forced to close during the pandemic to make a comeback. Calvin Klein, which closed its Madison Avenue location during the pandemic, leased 7,300 square feet at 530 Broadway in SoHo. The flagship store is scheduled to open in 2025. Other retailers are adding space concurrent with renewals or early extensions, including Michael Kors, Sephora, Club Monaco, and Moncler.

Tenant	Market	Industry	Type
<b>New (First Brick and Mortar)</b>			
<i>Andrew's Honey Emporium</i>	<i>Columbus Circle</i>	<i>Specialty Food</i>	<i>New Retail</i>
<i>Bagizza</i>	<i>Midtown East</i>	<i>Fast Casual Dining</i>	<i>New Retail</i>
<i>BROADWAY 4D</i>	<i>Times Square</i>	<i>Entertainment</i>	<i>New Retail</i>
<i>Serena Uziyel</i>	<i>SoHo</i>	<i>Accessories/ Shoes</i>	<i>New Retail*</i>
<i>Shaver Hall</i>	<i>Bryant Park</i>	<i>Food Hall</i>	<i>New Retail</i>
<i>Squid Game</i>	<i>Penn District</i>	<i>Social Gaming</i>	<i>First Location</i>
<b>First U.S. Store</b>			
<i>Boggi Milano</i>	<i>Plaza District</i>	<i>Apparel (Italy)</i>	<i>First U.S. Location</i>
<i>Kappa Chakka Kandhari</i>	<i>Garment District</i>	<i>Restaurant (India)</i>	<i>First U.S. Location</i>
<i>Minuto di Bauli</i>	<i>Union Square</i>	<i>Bakery (Italy)</i>	<i>First U.S. Location</i>
<i>Path Entertainment Group</i>	<i>Times Square</i>	<i>Social Gaming (U.K.)</i>	<i>First U.S. Location</i>
<i>PDPaola</i>	<i>West Village</i>	<i>Jewelry (Spain)</i>	<i>First U.S. Location</i>
<i>Sauer Jewelry</i>	<i>Madison Avenue</i>	<i>Jewelry (Brazil)</i>	<i>First U.S. Location</i>
<i>Urban Revivo</i>	<i>SoHo</i>	<i>Fast Fashion (China)</i>	<i>First U.S. Location</i>

*Italicized leases were new signings, all others were store openings*

*\*Second store on Madison just opened*

# Sector Details

## Retail Brands Boosting Investment Sales and Office Leasing

As reasonable as rents are, property prices are even more discounted, sometimes as much as 25% to 50%. These prices and the strength of the retail market, particularly in prime corridors, have attracted investors. In late 2023 and early 2024 this included several \$100 million-plus properties on Fifth Avenue.

The second half of the year brought smaller transactions. In SoHo, Punta Na paid \$27 million for the retail condo at 512 Broadway, about half the \$55 million that the seller paid in 2010. These are not vacant and dilapidated properties - Cotton On occupies the condo. Other retailers are buying properties, including some office buildings, for their own use. Akris acquired three retail condos at the corner of East 66th and Madison Avenue for \$44 million. The Swiss luxury brand reportedly plans to open a store once Oscar de la Renta relocates to nearby 680 Madison Avenue. In Lower Manhattan, Haddad, a clothing manufacturer, bought 2 Park Avenue, a one million square foot office building for \$360 million. The seller, Morgan Stanley, paid \$519 million for the property in 2007.

A few retailers are also signing major office leases. These brands value the exceptional retail and marketing talent in New York City as well as the unrivalled opportunities to design, modify, and test new brand and marketing strategies. GU, for example, which took the Forever 21 space at 568 Broadway, sublet 11,000 square feet of office space at nearby 5 Crosby Street.

Similarly in Flatiron district, 111 Fifth Avenue recently signed coconut water brand Vita Coco to a 22,530 square foot, 10-year lease for its new headquarters. The boutique office building also houses LoveShackFancy. Retail and fashion brand Massimo Bonini signed a 9,100 square foot lease at 485 Madison Avenue. Finally, Loro Piana leased the entire first floor (25,000 square feet) at 40 West 57th, marking a relocation from 711 Fifth Ave.

## Recent Property Sales

Property	Corridor	Sales Price*	Buyer
<i>570 5th Avenue*</i>	<i>Lower Fifth</i>	<i>N/A</i>	<i>Ingka Investments</i>
<i>666 5th Avenue*</i>	<i>Upper Fifth</i>	<i>\$ 340</i>	<i>Uniqlo</i>
SoHo Portfolio	SoHo	\$ 200	Blackstone
92-94 Greene Street	SoHo	\$44	Acadia Realty Trust
<i>722 Madison &amp; 21 E 66th</i>	<i>Madison Avenue</i>	<i>\$41</i>	<i>Akris</i>
673 Madison Avenue	Madison Avenue	\$36	Friedland Properties
<i>690 Madison Avenue*</i>	<i>Madison Avenue</i>	<i>\$34</i>	<i>Jeff Sutton</i>
40 Bleecker Street	NoHo	\$13	Infinity Real Estate
<i>130 Greene Street</i>	<i>SoHo</i>	<i>\$10</i>	<i>Caudalie</i>

*Italicized sales are owner-user sales*

*\*Partial interest sales*

## Tightening in Food and Beverage Supply Curbs Leasing

The food and beverage sector topped leasing for much of 2022 and 2023. This sector remained active in the second half of the year, but brokers note that the dwindling supply of quality restaurant space is impeding activity. Nevertheless, several experienced Manhattan restaurateurs added locations. Dante took 10,000 square feet at 210 Elizabeth Street in Nolita for its third Manhattan restaurant. In a relocation from 61 Columbus Avenue, Rosa Mexicana will take the former Ed's Chowder House at 1889 Broadway. The 12,000 square foot restaurant at the Empire Hotel has been vacant for six years. In a sign of vigorous demand, La Pecora Bianca quickly leased Rosa's Columbus Avenue space.



# Sector Details

## *Apparel, Health, Beauty, and Wellness Expand*

Fashion and apparel brands show no signs of slowing down thanks to a mix of new brands piling into the market alongside expanding, long-standing New York City brands. Burlington leased 78,000 square feet at 620 Sixth Avenue in the Ladies' Mile corridor for 12 years, nearly doubling the size of its current store at 695 Sixth Avenue. The three-story, 100,000 square foot block was previously occupied by Bed Bath & Beyond. Burlington has taken other vacant Bed Bath & Beyond locations across the region. Hudson Bay acquired a 50% stake in the building in late October. Of note, in early January, Ulta Beauty leased the last remaining vacant storefront at the property, capping off a remarkable turnaround for the property.

Health, wellness, and beauty brands are also adding locations. Sephora continued its growth in New York City by renewing its Madison Avenue location, leasing 6,200 square feet at Hudson Yards in September, and finally, signing a 5,000 square foot lease at 175-177 Broadway in December.

Although it was signed in June, Classic Car Club's 20-year, 60,000 square foot lease at 1 Pier 76 in Hell's Kitchen is worth noting. Signed before congestion pricing's reinstatement, this lease (as well as several other dealerships in 2024) suggest that New York City is still a place for car lovers – or at least luxury cars. The location was previously a Toyota dealership. Founded in London in 1995, the members-only automotive club will offer its 1,800 members much more than access to luxury and classic cars. The four-floor club has a coworking and meeting space, a full-service restaurant, and a river terrace overlooking the Hudson.



# What's Behind The Numbers

Retail spending in Manhattan is once again benefitting from multiple tailwinds – strong domestic and international tourism, steady regional income growth, and employment (particularly among high-net-worth households), and incremental growth in return-to-office during 2024.

## *Tourism and Business Travel Surging*

NYC & Company estimates that tourism in 2024 will total about 65 million, just below the record 66 million in 2019 and a modest increase from 62 million during 2023. Tourism is expected to surge to a new record of 68 million in 2025. New York City captured nine million international visitors in 2023 – still far short of the 2019 mark of 14 million. Miami, with four million international visitors, ran a distant second according to the International Trade Association. Business travel is forecasted to reach 13 million visitors in 2025. This is still just below pre-pandemic levels but represents a big improvement in outlook from just a couple of years ago when analysts were declaring that business travel would never rebound. A 2022 Office of the State Comptroller report, *The Tourism Industry in New York City*, noted that international business travelers spend an average of \$2,000 per visit.

## *Is the Hotel Bounce Back Nearing a Peak?*

According to Smith Travel Research (STR), New York City hotel occupancy was 93% in the second week of December. This was the sixth straight week that occupancy was the highest nationally. STR also noted that New York City had the nation's highest occupancy in 24 of the past 50 weeks. RevPAR (\$476) was up 35% year-on-year, with Tuesdays posting the highest increase (53%). New York City's highest hotel occupancy was 98.8% in October of 2000.

## *Financial Sector Strength Supporting Luxury Sector*

Steady regional income growth and high employment levels continue to support retail sales. New York City's unemployment rate as of November (5.4%) was still higher than national average. The labor participation rate was 61.7% as of November, just below the September 2024 peak of 61.8%. New York employment growth lost a step in many key industries during 2024 with decreases in professional and business services as well as information. The financial sector was essentially flat. The leisure and hospitality sector posted a notable increase as of October 2024 and was at 97.1% of pre-pandemic levels.

While the financial sector has seen some recent job losses, other key indicators are still quite healthy. State Comptroller Thomas DiNapoli recently projected that Wall Street profits could reach \$47 billion for 2024, up sharply from the \$26 billion seen in 2022 and 2023. Wall Street profits have long been a key driver of state and city tax revenues, residential property sales, and luxury retail. A recent ranking of global cities by high-net-worth households found that New York City recorded the biggest jump in billionaire dwellers – adding nine resident billionaires and pushing its total to 144. Hong Kong was second with 107 and lost five billionaires in 2023.

## *New York City Tops Return-to-Office Rankings*

In addition to added gains in tourism, incremental growth in return-to-office was a key difference maker during 2024. According to REBNY's monthly office visitation index, December visitation was 72% and averaged 82% during the first three weeks of the month. Based on a Placer.ai ranking of return-to-office published in October, New York City had the top office recovery rate (86%) followed by Miami (83%) and Atlanta (72%).



# What's Behind The Numbers

This has been critical for retail core office districts. The financial sector has been a trailblazer for increasing return-to-office mandates. Finance companies were the first to implement return-to-office – it had to retract mandates in 2021 and 2022 but finally moved forward in 2023. The legal sector followed suit shortly thereafter. Tech firms and some other office tenants have ratcheted up in-office requirements in recent months.

The flipside of return-to-office is that weekday foot traffic in residential neighborhoods like the Upper East Side and Upper West Side has slowed slightly. Return-to-office has contributed to some retail closures in residential neighborhoods like Cobble Hill in Brooklyn. It remains to be seen if this will unfold in the Upper East Side and Upper West Side. Space options on Columbus and Amsterdam Avenue are still relatively tight. The Upper East Side does have a few more vacant storefronts, though, with turnover among storefronts on Lexington and Third Avenue.

## *Strong Outlook for 2025*

The retail sector had cause for optimism headed into 2024. They appear to have even more reason to be optimistic heading into 2025. It remains to be seen how much more impetus these drivers will gain in 2025 – will return-to-office mandates, for example, become more prevalent and in turn spur higher retail sales from daytime commuters?

Brokers and local BIDs remain positive in their outlook but note several chronic obstacles as well as key concerns. Some of the optimism regarding a sharp decrease in interest rates has worn off as the Fed back off a bit from large rate cuts in the short term. Brokers and owners also note that lenders remain more involved than ever in lease approvals. Some also added that this applies to new ownership who have acquired some properties at a discount. Owners to some extent have embraced this cautious approach and are carefully considering collateral and how leases are secured.

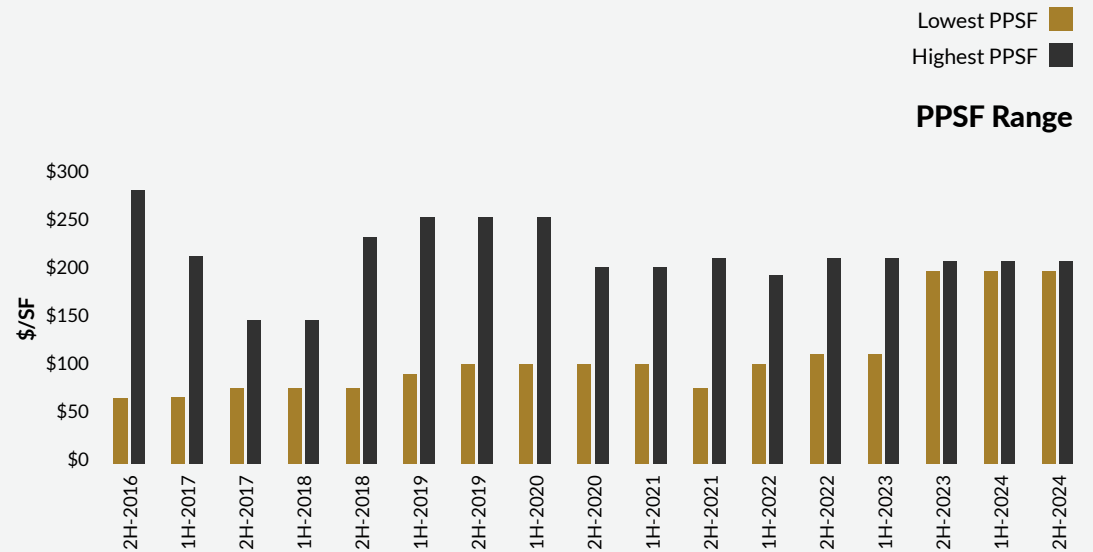
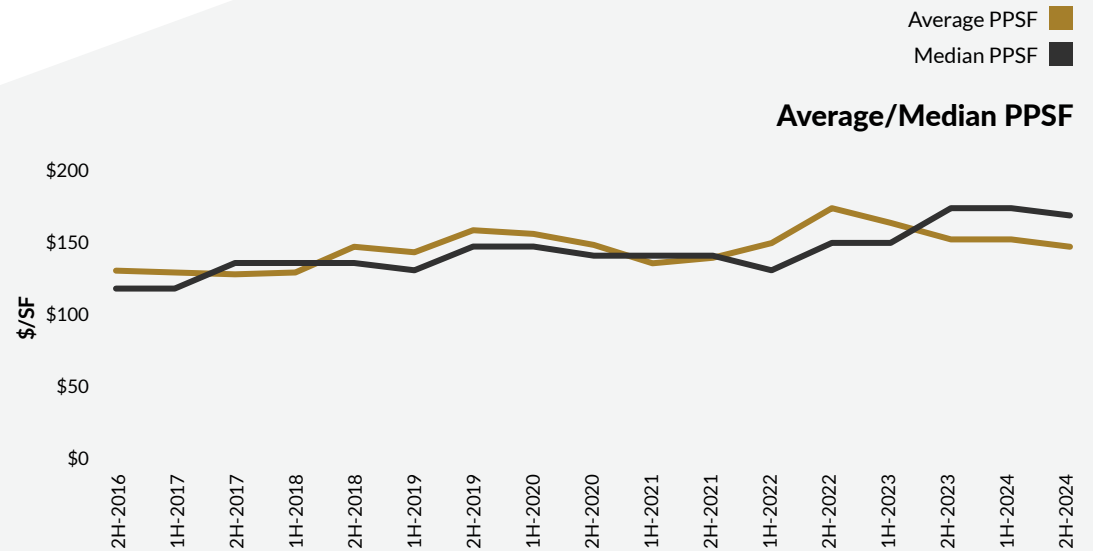




# 125th Street (Fifth Avenue - Morningside Avenue)

- Average asking PPSF:**  
 \$140, a 3.4% decrease from First Half 2024 and year-over-year.
- Median asking PPSF:**  
 \$160, a 3.0% decrease from First Half 2024 and year-over-year.
- Lowest asking PPSF:**  
 \$100, unchanged from First Half 2024 and year-over-year.
- Highest asking PPSF:**  
 \$190, a 2.6% decrease from First Half 2024 and year-over-year.
- Average asking PPSF all-time low:**  
 115% increase from \$65 in Spring 2004.
- Average asking PPSF all-time high:**  
 down by 15% from \$165 in Fall 2022.

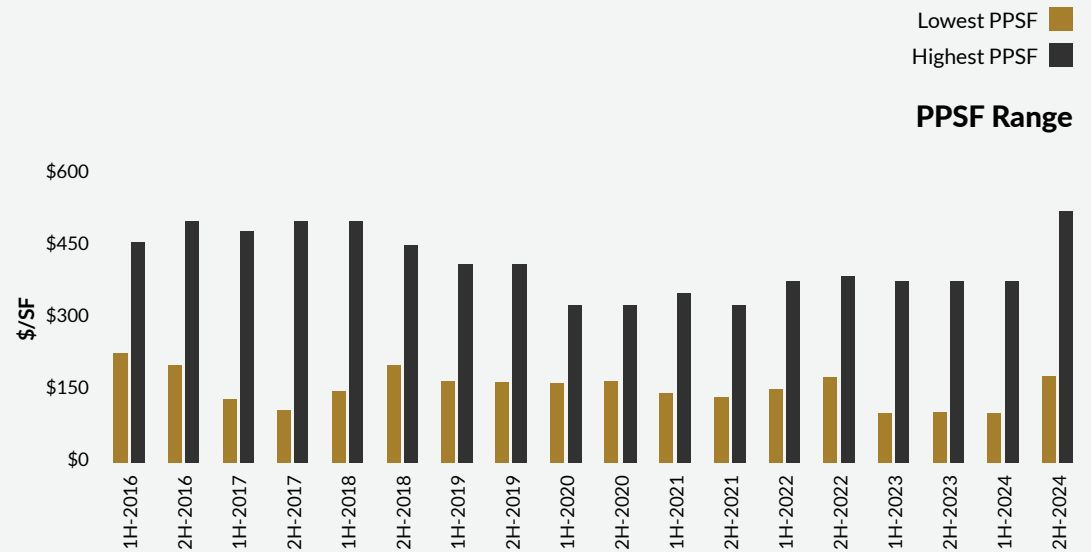
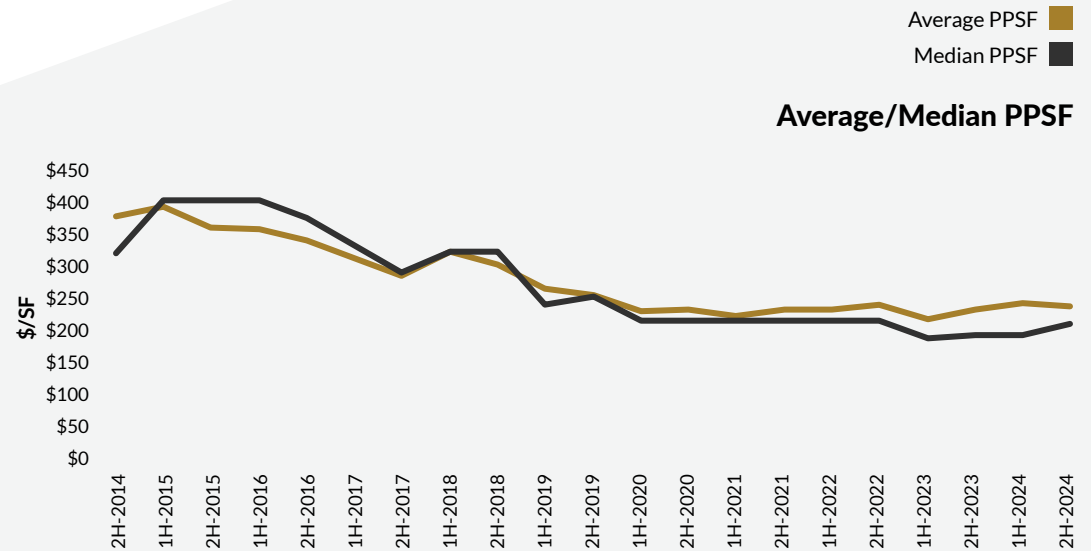
Second half 2024 data is based on nine availabilities.



# Broadway (72nd Street - 86th Street)

- Average asking PPSF:**  
 \$247, a 1.6% decrease from First Half 2024, but a 2.1% jump year-over-year.
- Median asking PPSF:**  
 \$221, a 7.8% increase from First Half 2024, and a 7.3% increase year-over-year.
- Lowest asking PPSF:**  
 \$171, a 71% jump from First Half 2024, and up by 62.9% year-over-year.
- Highest asking PPSF:**  
 \$520, up by 38.7% from First Half 2024 and year-over-year.
- Average asking PPSF all-time low:**  
 45% increase from \$170 in Spring 2002.
- Average asking PPSF all-time high:**  
 43% decline from \$434 in Fall 2013.

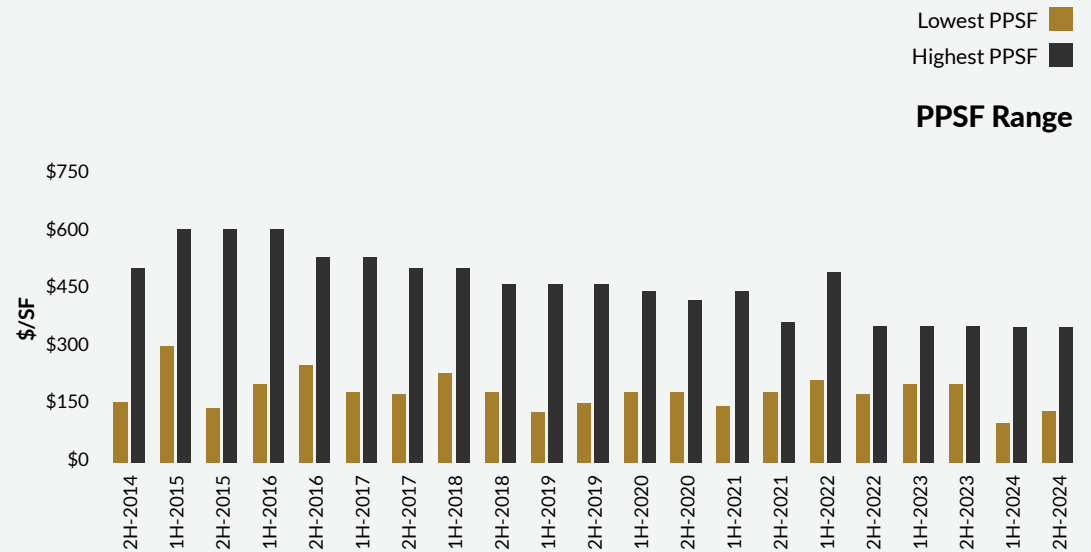
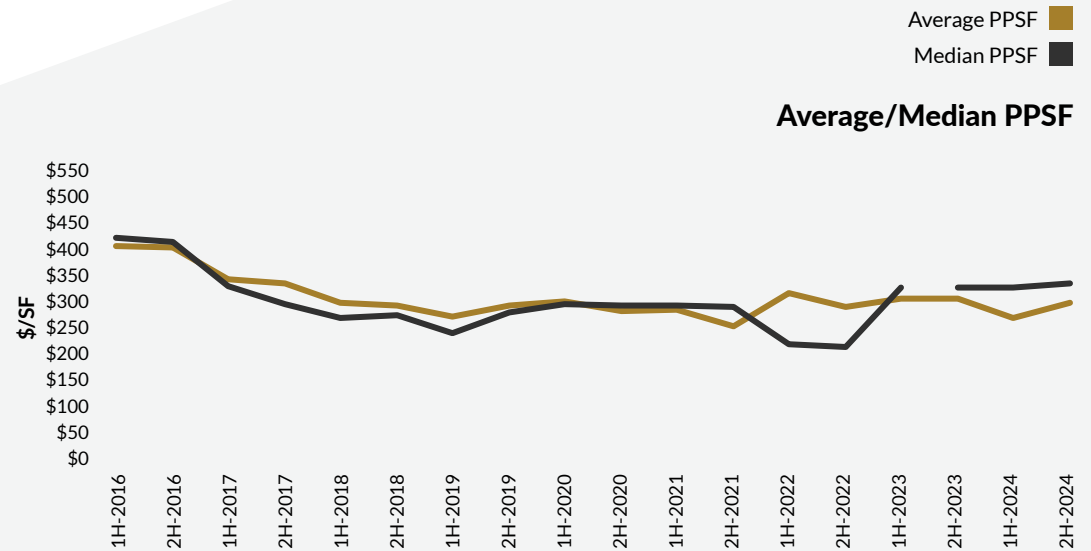
Second half 2024 data is based on five availabilities.



# Columbus Avenue (66th Street – 79th Street)

- **Average asking PPSF:**  
\$303, a 9.4% increase from First Half 2024, but a 2.3% decrease year-over-year.
- **Median asking PPSF:**  
\$338, up 2.1% from First Half 2024.
- **Lowest asking PPSF:**  
\$131, up 31% from First Half 2024 but unchanged year-over-year.
- **Highest asking PPSF:**  
\$350, unchanged from a year ago.
- **Average asking PPSF all-time low:**  
32% increase from \$229 in Fall 2010.
- **Average asking PPSF all-time high:**  
32% declined from \$447 in Spring 2015.

Second half 2024 data is based on six availabilities.

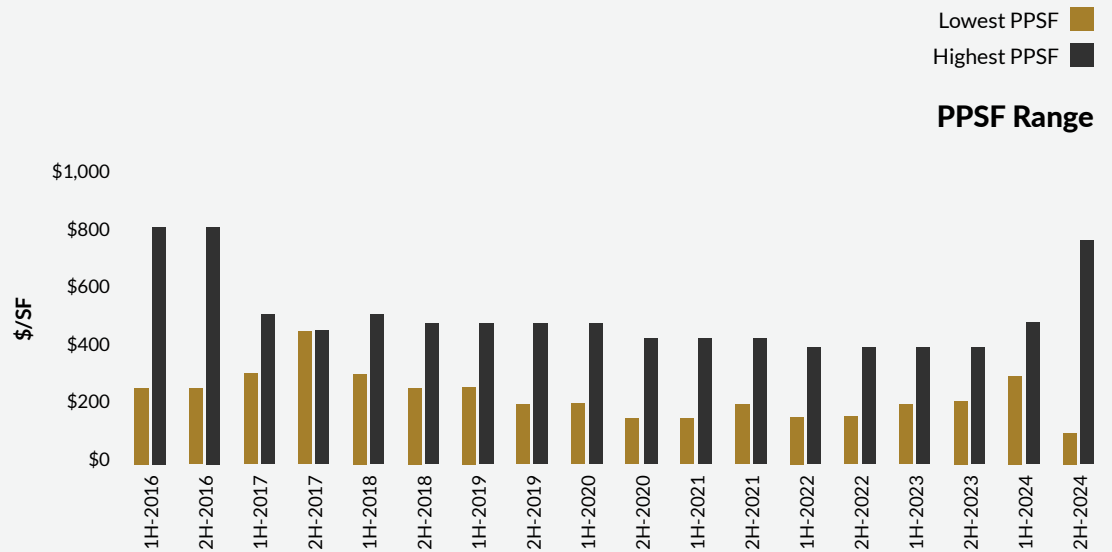
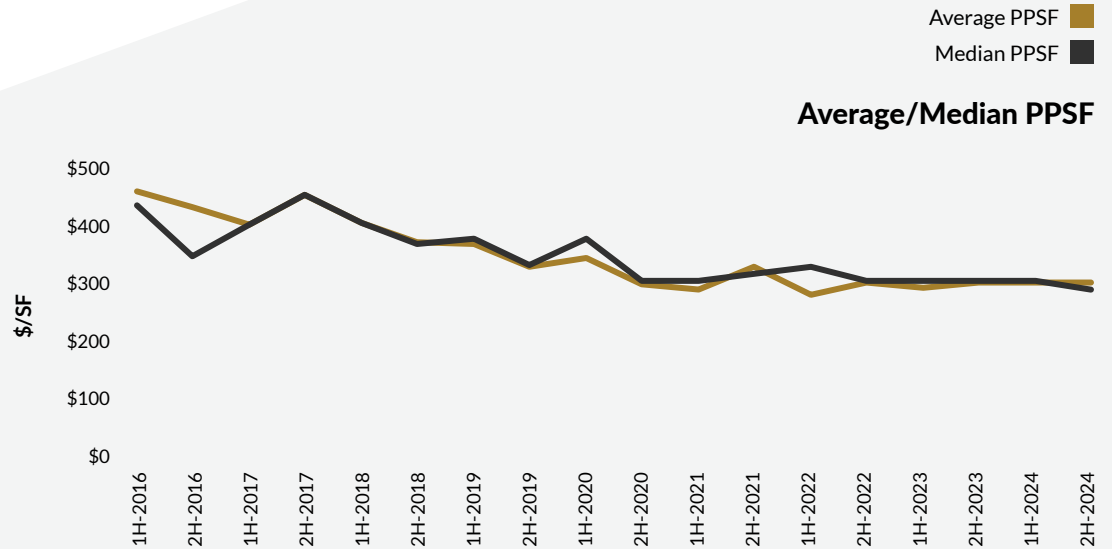




# East 86th Street (Lexington Avenue – Second Avenue)

- Average asking PPSF:**  
 \$298, a 0.3% increase from First Half 2024, but unchanged from a year ago.
- Median asking PPSF:**  
 \$285, down 5% from First Half 2024 and year-over-year.
- Lowest asking PPSF:**  
 \$100, a 66% decrease from First Half 2024, and a 52% decline year-over-year.
- Highest asking PPSF:**  
 \$750, up by 57% from First Half 2024, and 92% year-over-year.
- Average asking PPSF all-time low:**  
 2% increase from \$293 in Fall 2010.
- Average asking PPSF all-time high:**  
 46% decline from \$550 in Spring 2013.

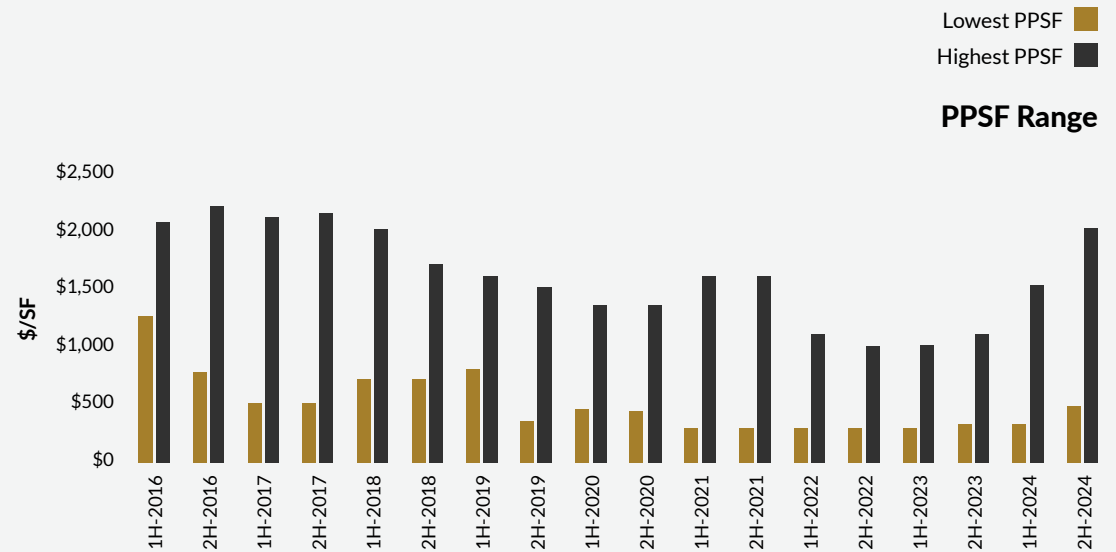
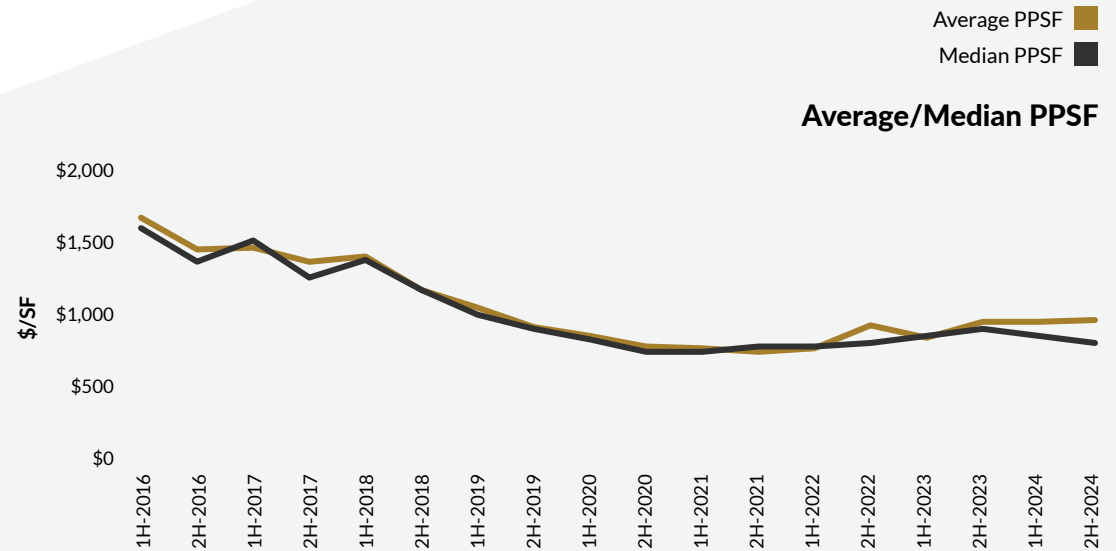
Second half 2024 data is based on eight availabilities.



# Madison Avenue (57th Street – 72nd Street)

- Average asking PPSF:**  
 \$957, a 1.3% jump from First Half 2024, and a 0.7% uptick.
- Median asking PPSF:**  
 \$800, a 6.2% decrease from First Half 2024, and an 11.1% decrease year-over-year.
- Lowest asking PPSF:**  
 \$480, up by 2.8% from First Half 2024, and 13.8% year-over-year.
- Highest asking PPSF:**  
 \$2,000 a 33% spike from First Half 2024, and 82% year-over-year.
- Average asking PPSF all-time low:**  
 95% increase from \$491 in Fall 2002.
- Average asking PPSF all-time high:**  
 44% decline from \$1,709 in Fall 2014.

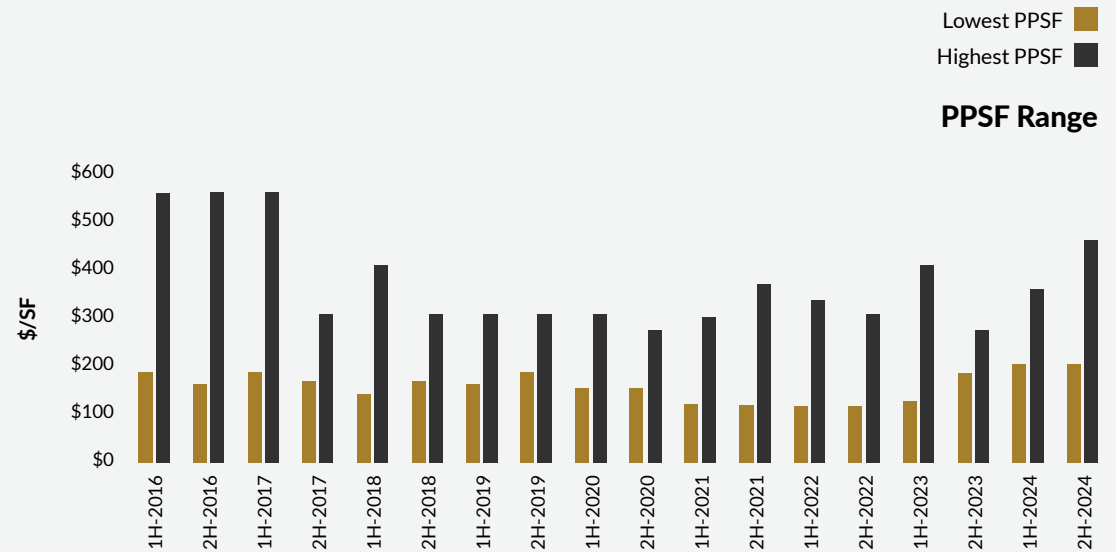
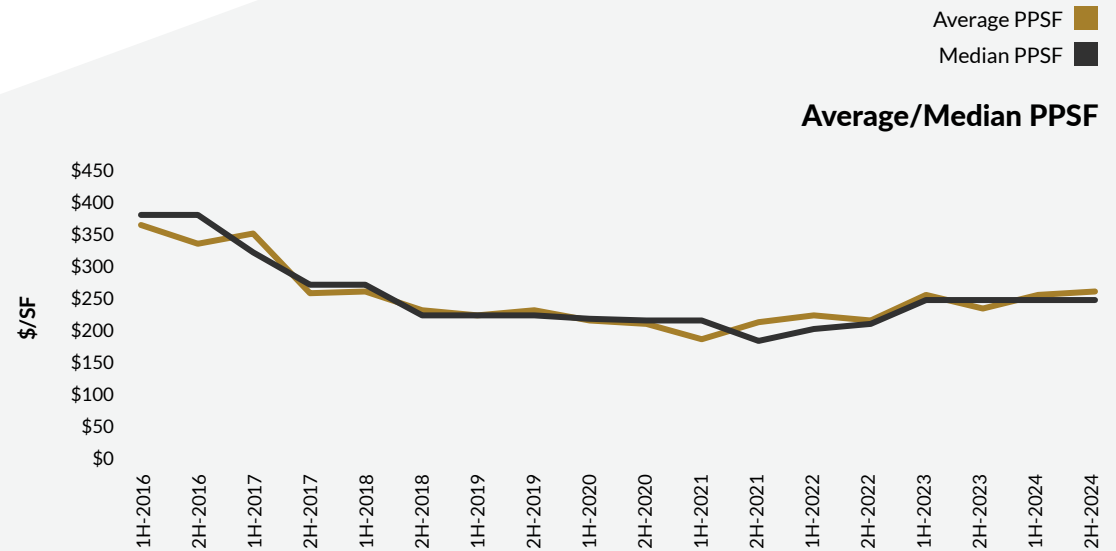
Second half 2024 data is based on 28 availabilities.



# Third Avenue (60th Street – 72nd Street)

- Average asking PPSF:**  
 \$264, up by 1.9% from First Half 2024, and by 11.9% year-over-year.
- Median asking PPSF:**  
 \$250, unchanged from First Half 2024 and year-over-year.
- Lowest asking PPSF:**  
 \$200, unchanged from First Half 2024, but up by 11% year-over-year.
- Highest asking PPSF:**  
 \$452, a 29% increase from First Half 2024, and a 67% jump year-over-year.
- Average asking PPSF all-time low:**  
 45% increase from \$182 in Spring 2002.
- Average asking PPSF all-time high:**  
 29% decline from \$371 in Spring 2016.

Second half 2024 data is based on 15 availabilities.

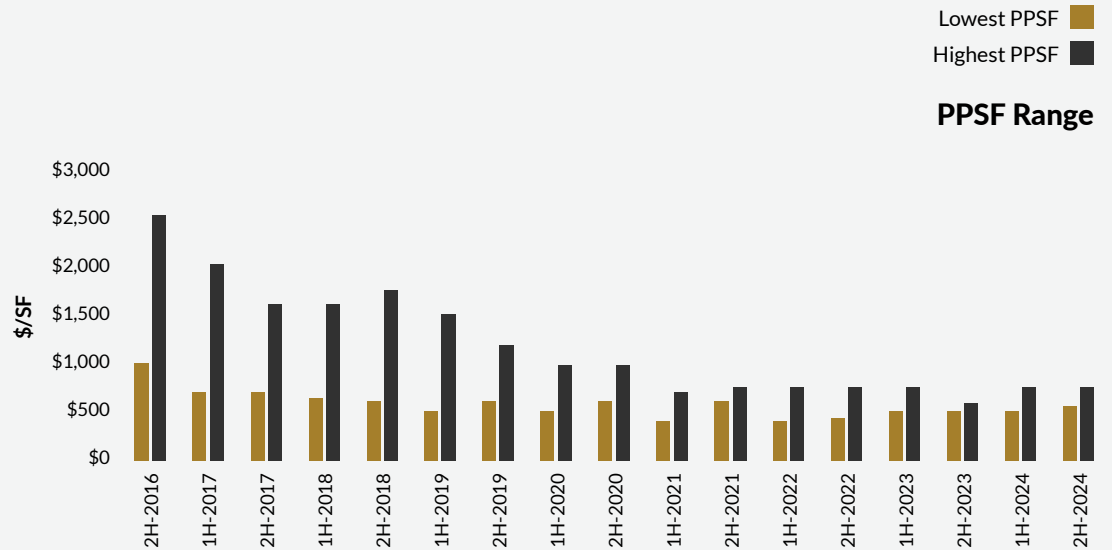
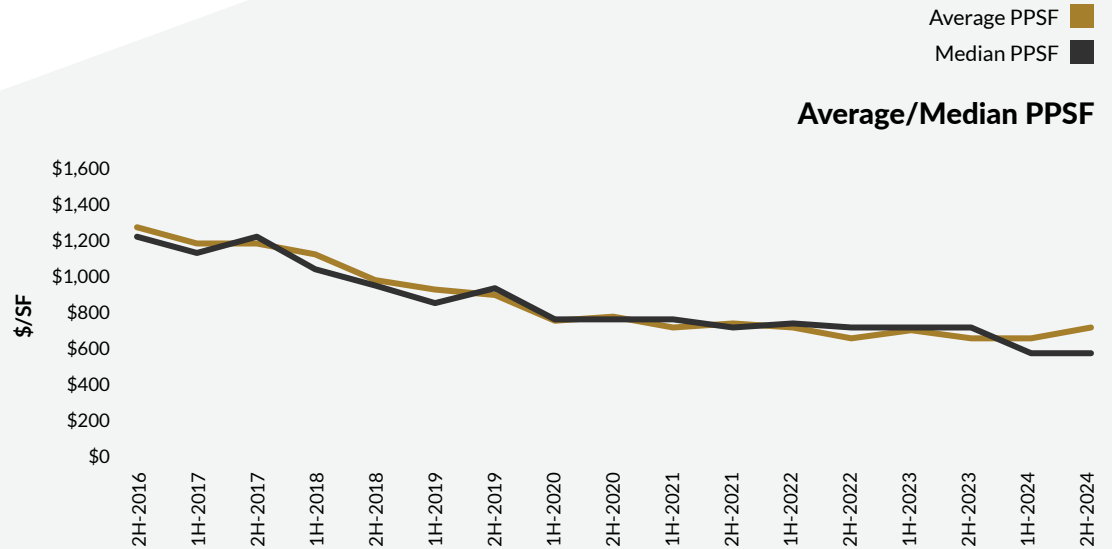




# Fifth Avenue (42nd Street - 49th Street)

- Average asking PPSF:**  
 \$650, rising by 11.5% from First Half 2024, and 10.7% year-over-year.
- Median asking PPSF:**  
 \$650, up by 10% from First Half 2024 and year-over-year.
- Lowest asking PPSF:**  
 \$550, 10% increase from First Half 2024 as well as year-over-year.
- Highest asking PPSF:**  
 \$750, unchanged from First Half 2024, but up by 26% year-over-year.
- Average asking PPSF all-time low:**  
 53% increase from \$425 in Spring 2010.
- Average asking PPSF all-time high:**  
 52% decline from \$1,368 in Spring 2016.

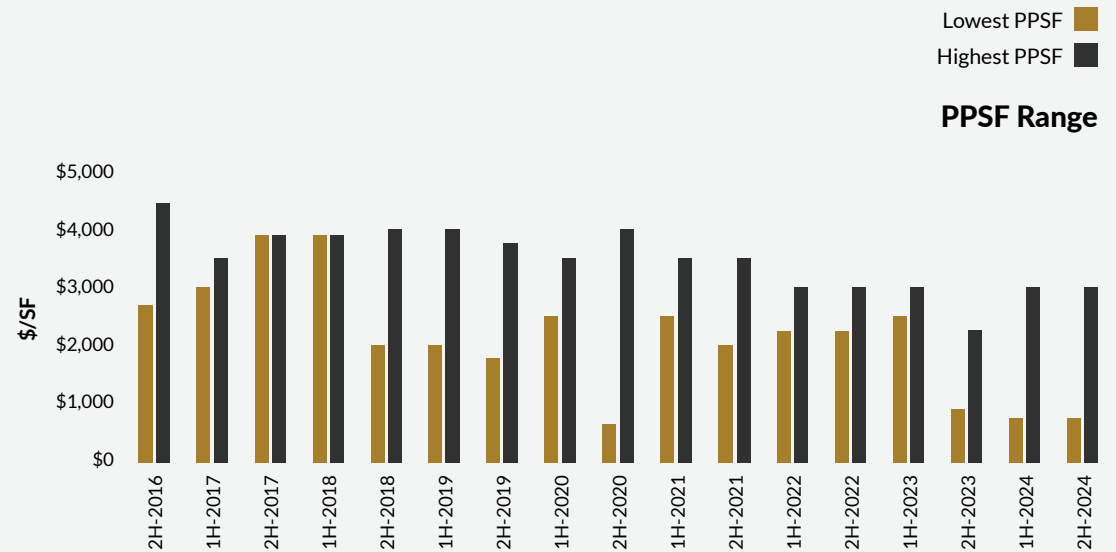
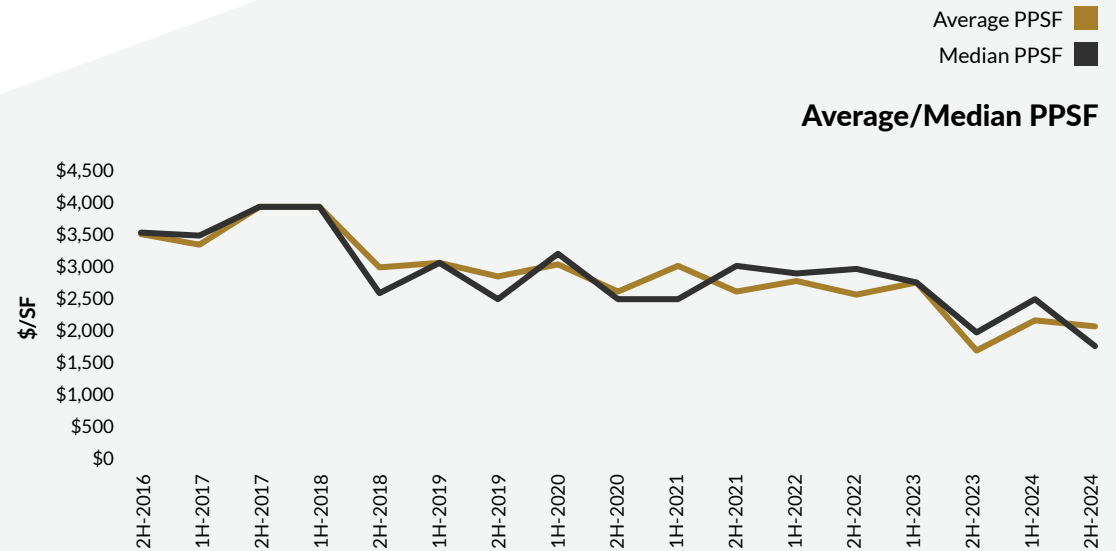
Second half 2024 data is based on three availabilities.



# Fifth Avenue (49th Street - 59th Street)

- Average asking PPSF:**  
 \$2,085, a 4.8% drop from First Half 2024, but up by 21.2% year-over-year.
- Median asking PPSF:**  
 \$1,857, down by 26% from First Half 2024, and down by 7.2% year-over-year.
- Lowest asking PPSF:**  
 \$750, unchanged from First Half 2024, but down 18% year-over-year.
- Highest asking PPSF:**  
 \$3,000, unchanged from First Half 2024, but up by 33% year-over-year.
- Average asking PPSF all-time low:**  
 534% increase from \$329 in Spring 2002.
- Average asking PPSF all-time high:**  
 47% decline from \$3,900 in Fall 2017 and Spring 2018.

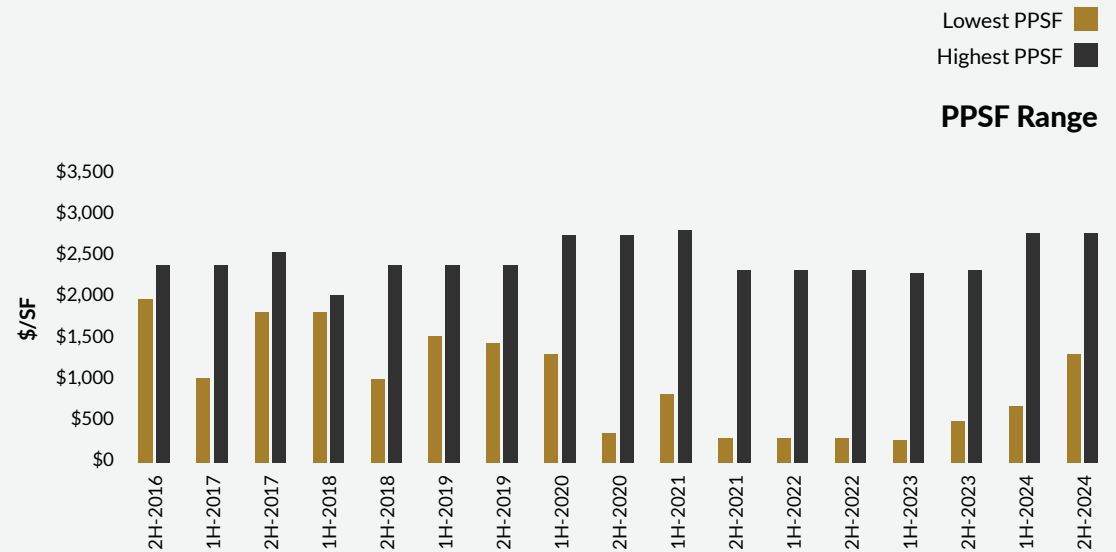
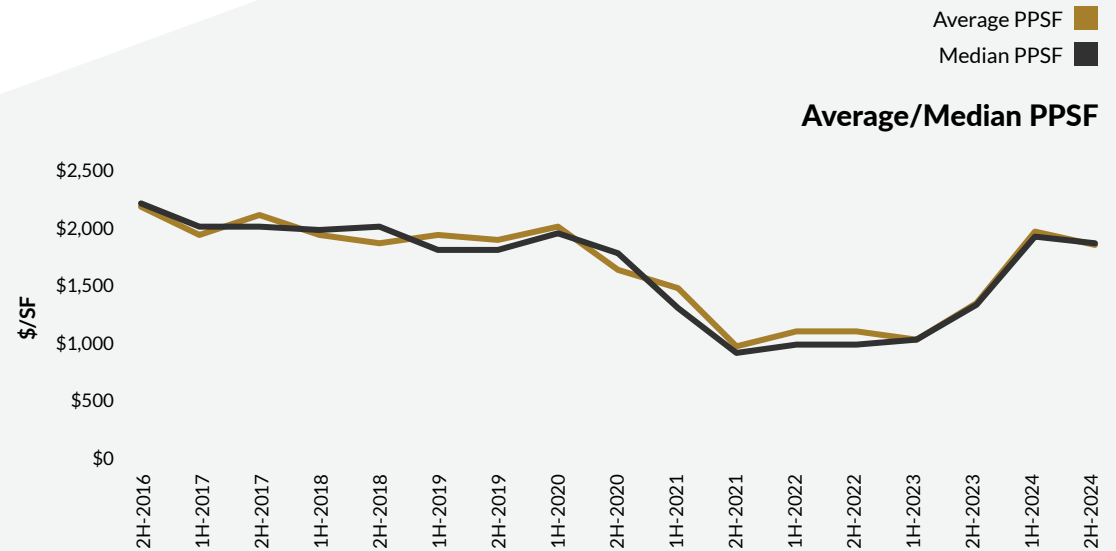
Second half 2024 data is based on five availabilities.



# Broadway & Seventh Avenue (42nd Street - 47th Street)

- Average asking PPSF:**  
 \$1,854, a 5.2% dip from First Half 2024, but up by 36.4% year-over-year
- Median asking PPSF:**  
 \$1,500, a 24.7% decrease from First Half 2024, but up by 11.1% year-over-year.
- Lowest asking PPSF:**  
 \$1,300, up by 89.2% from First Half 2024, and 160% year-over-year.
- Highest asking PPSF:**  
 \$2,700, down by 2% from First Half 2024, but up by 17.4% year-over-year.
- Average asking PPSF all-time low:**  
 139% increase from \$775 in Fall 2008.
- Average asking PPSF all-time high:**  
 23% decline from \$2,413 in Spring 2015.

Second half 2024 data is based on five availabilities.

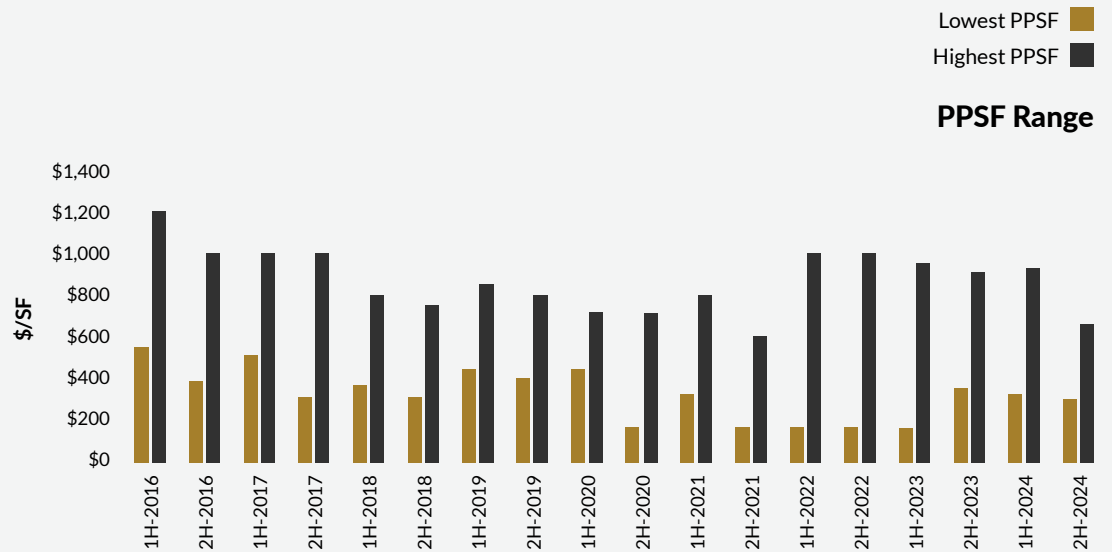
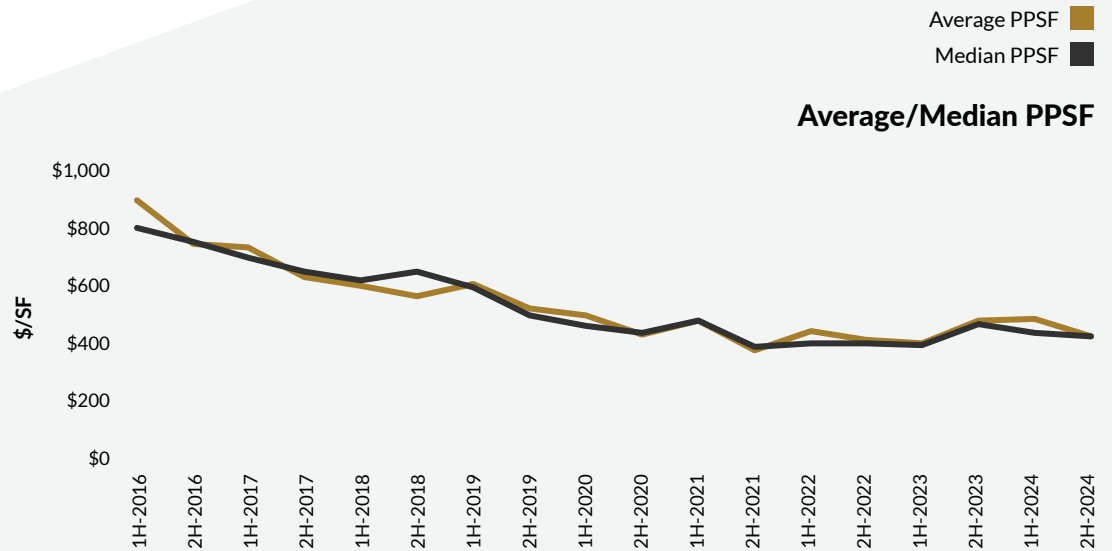




# West 34th Street (Fifth Avenue - Seventh Avenue)

- Average asking PPSF:**  
 \$436, a 11.9% decrease from First Half 2024,  
 and a 10.8% decrease year-over-year.
- Median asking PPSF:**  
 \$438, up by 9.5% from First Half 2024,  
 but down 7.8% year-over-year.
- Lowest asking PPSF:**  
 \$300, down by 7.7% from First Half 2024,  
 and by 14.3% year-over-year.
- Highest asking PPSF:**  
 \$660, down by 29.5% from First Half 2024,  
 and by 26.7% year-over-year.
- Average asking PPSF all-time low:**  
 289% increase from \$112 in Fall 2002.
- Average asking PPSF all-time high:**  
 56% decline from \$1,000 in Spring 2015.

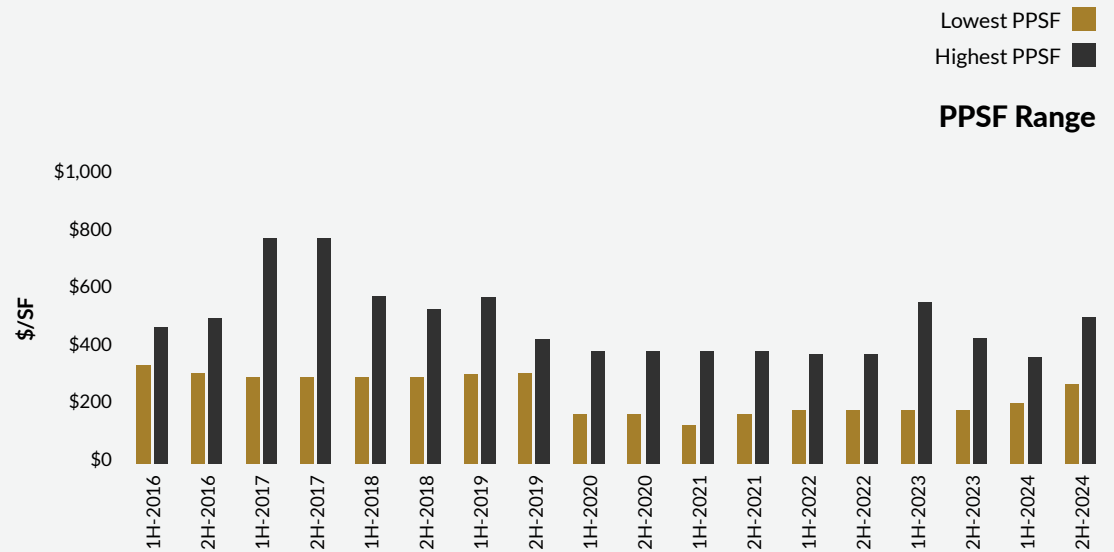
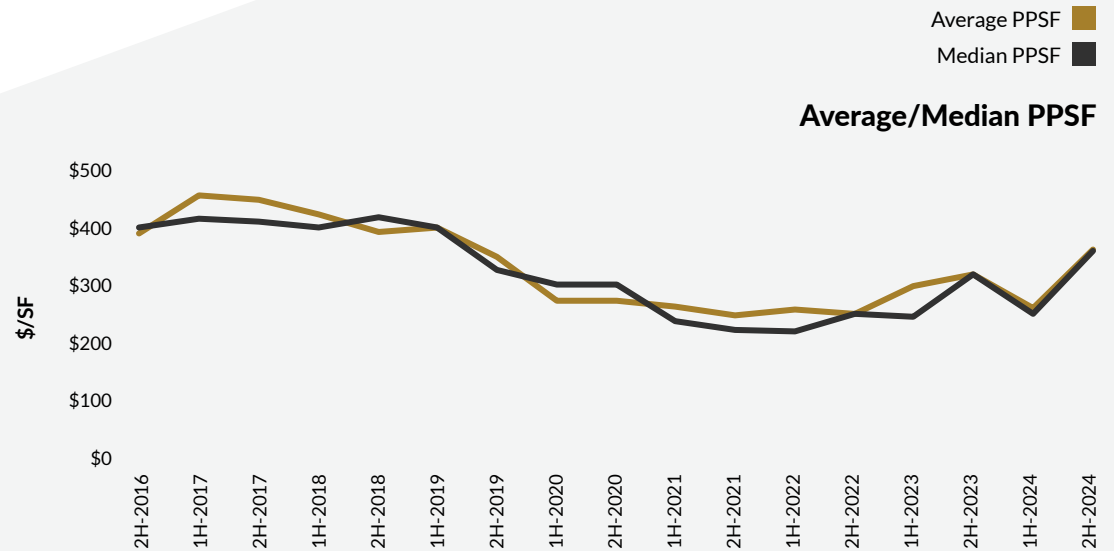
Second half 2024 data is based on 14 availabilities.



# Fifth Avenue (14th Street - 23rd Street)

- Average asking PPSF:**  
 \$361, a 2.2% decrease from First Half 2024, and a 13.2% increase year-over-year.
- Median asking PPSF:**  
 \$358, a 10.5% decrease from First Half 2024, and a 12.6% increase year-over-year.
- Lowest asking PPSF:**  
 \$255, down by 19% from First Half 2024, and up by 45.7% year-on-year.
- Highest asking PPSF:**  
 \$481, up by 15.9% from First Half 2024, and by 15.3% year-over-year.
- Average asking PPSF all-time low:**  
 164% increase from \$137 in Spring 2004.
- Average asking PPSF all-time high:**  
 21% decline from \$456 in Spring 2017.

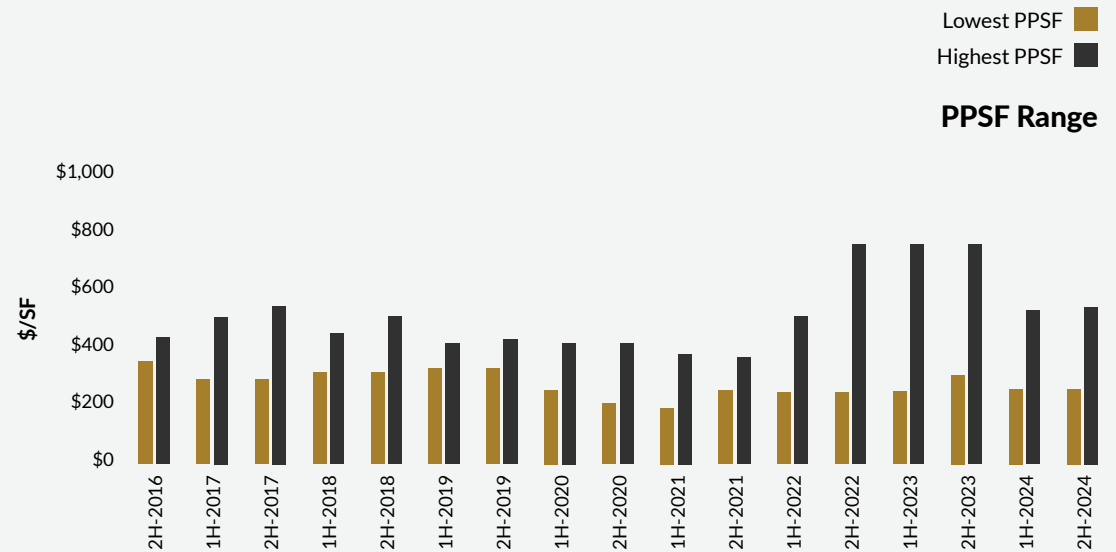
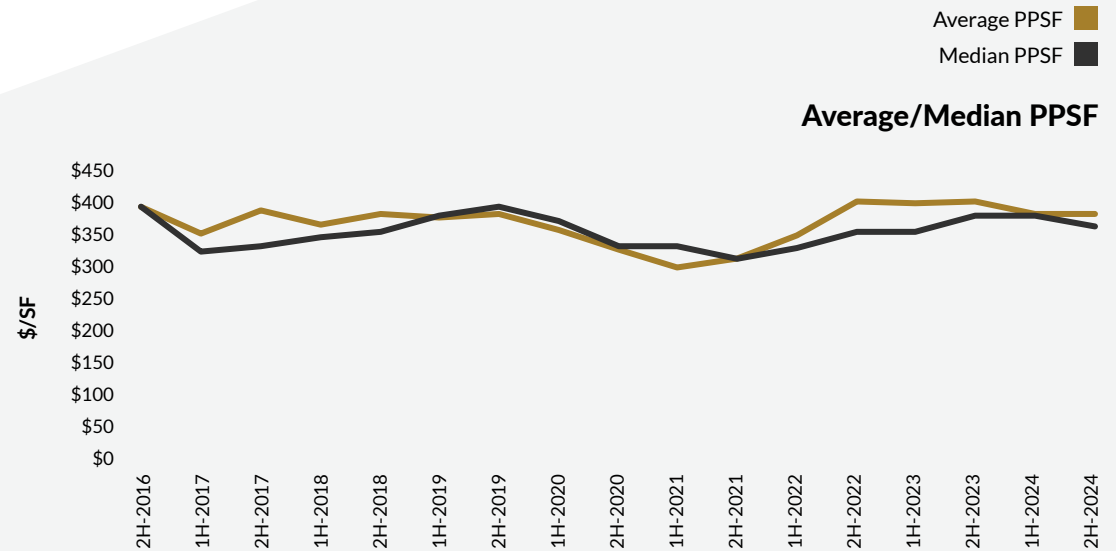
Second half 2024 data is based on five availabilities.



# Broadway (14th Street - 23rd Street)

- Average asking PPSF:**  
 \$379, unchanged from First Half 2024, but a 4.3% decrease year-over-year.
- Median asking PPSF:**  
 \$375, unchanged from First Half 2024 and unchanged year-over-year.
- Lowest asking PPSF:**  
 \$250, unchanged from First Half 2024, but down by 16.7% year-over-year.
- Highest asking PPSF:**  
 \$532, up by 1.7% from First Half 2024, and down by 29.1% year-over-year.
- Average asking PPSF all-time low:**  
 76% increase from \$215 in Spring 2012.
- Average asking PPSF all-time high:**  
 26% decline from \$510 in Fall 2015.

Second half 2024 data is based on six availabilities.

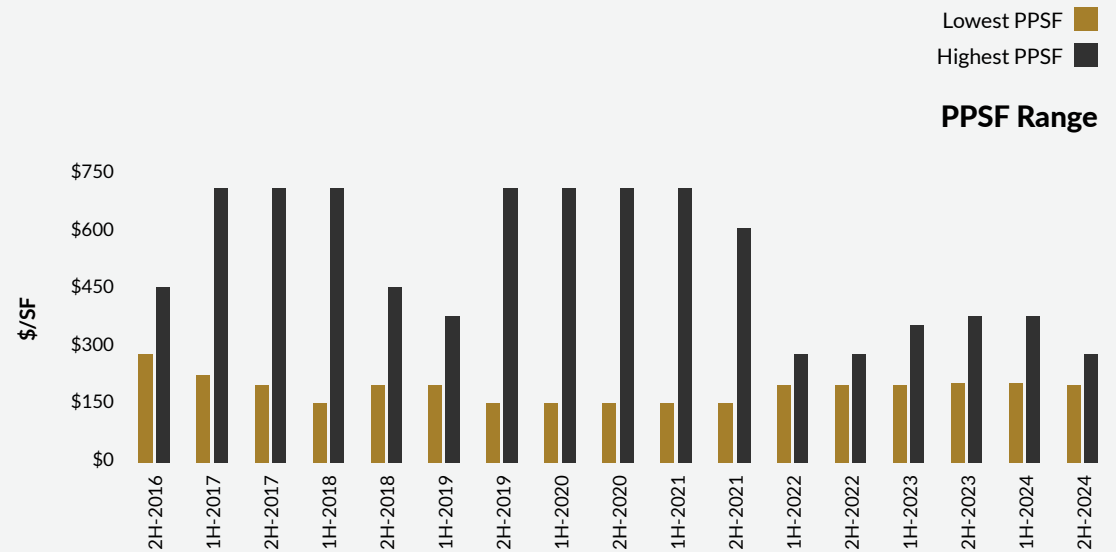
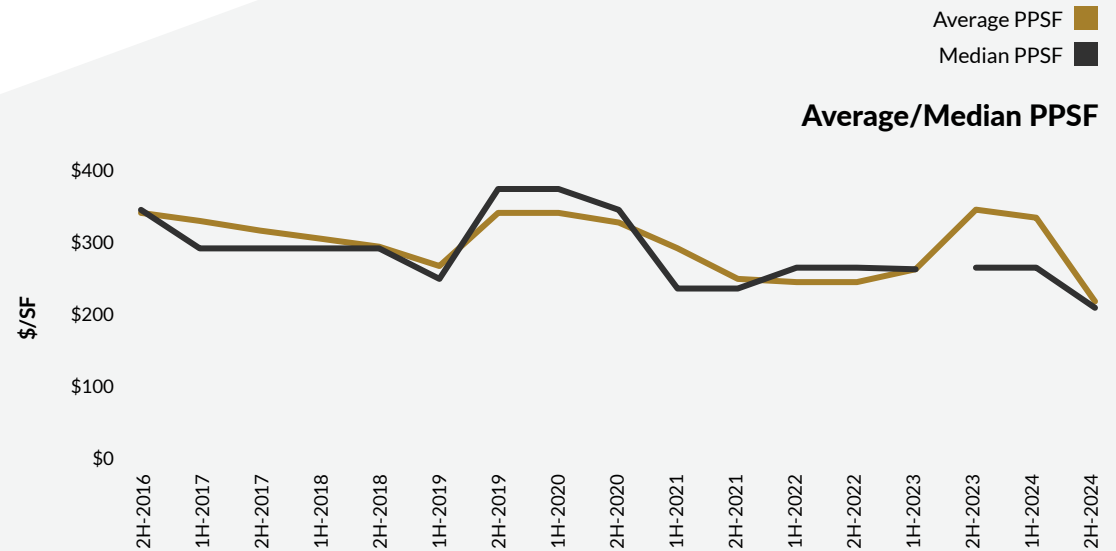




# 14th Street (Ninth Avenue - 10th Avenue)

- Average asking PPSF:**  
 \$233, down by 31.3% from First Half 2024, and by 33.4% year-over-year.
- Median asking PPSF:**  
 \$225, down by 18.2% from First Half 2024.
- Lowest asking PPSF:**  
 \$195, up by 30% from First Half 2024.
- Highest asking PPSF:**  
 \$275, down by 63.8% from First Half 2024.
- Average asking PPSF all-time low:**  
 15% decline from \$274 in First Half 2024.
- Average asking PPSF all-time high:**  
 50% decline from \$462 in Spring 2008.

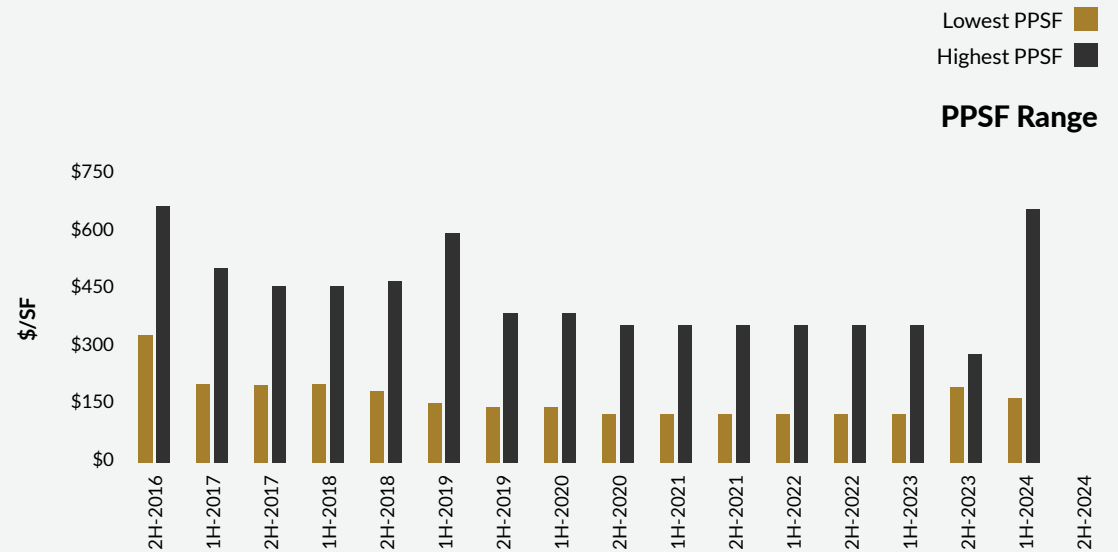
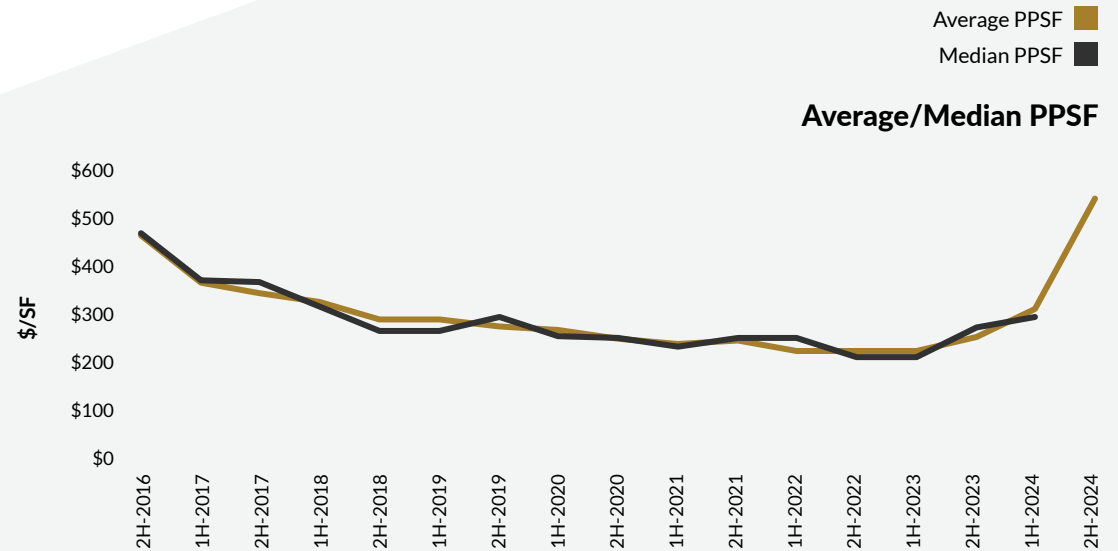
Second half 2024 data is based on five availabilities.



# Bleecker Street (Seventh Avenue South - Hudson Street)

- Average asking PPSF:**  
 \$550, up by 73.5% from First Half 2024, and by 112.4% year-over-year.
- Average asking PPSF all-time low:**  
 142% increase from \$226 in First Half 2024.
- Average asking PPSF all-time high:**  
 2% increase from \$540 in Spring 2013, setting new all-time high.

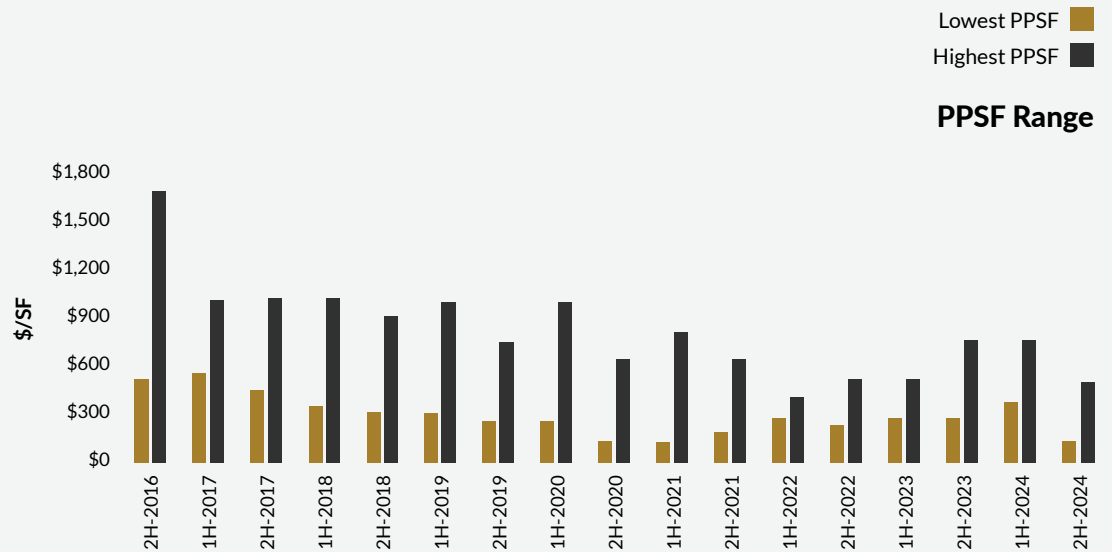
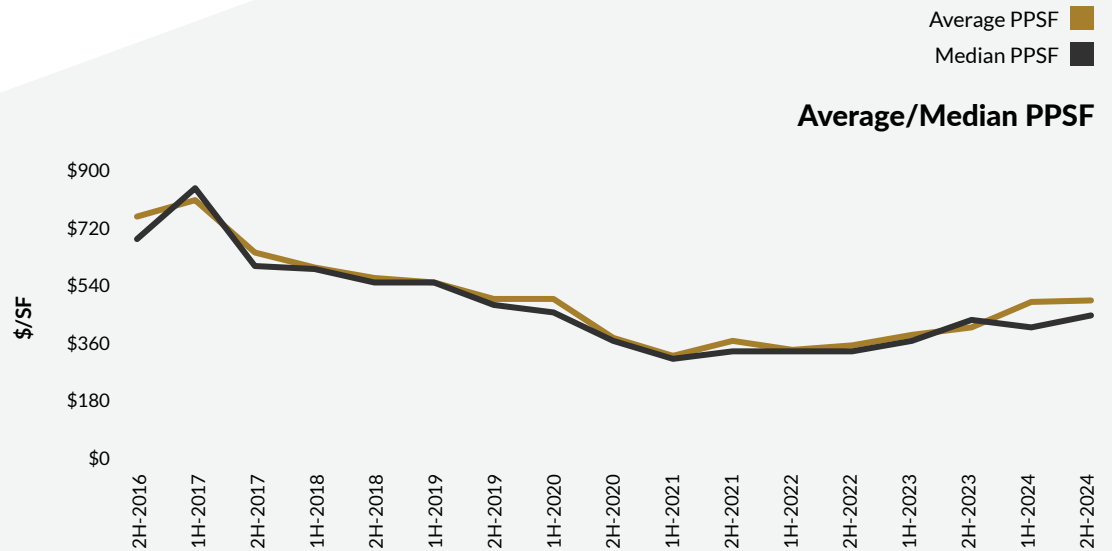
Second half 2024 data is based on one availability.  
Fluctuation in rent due to lack of availability.



# Broadway (Houston Street - Broome Street)

- Average asking PPSF:**  
 \$489, a 1.7% increase from First Half 2024, and a 22.3% increase year-over-year.
- Median asking PPSF:**  
 \$440, up by 10% from First Half 2024, and by 3.5% year-over-year.
- Lowest asking PPSF:**  
 \$129, a 64.9% decrease from First Half 2024, and by 53.1% year-over-year.
- Highest asking PPSF:**  
 \$491, down by 34.5% from First Half 2024, and a 34.5% decrease year-over-year.
- Average asking PPSF all-time low:**  
 291% increase from \$125 in Spring 2002.
- Average asking PPSF all-time high:**  
 50% decline from \$977 in Spring 2015.

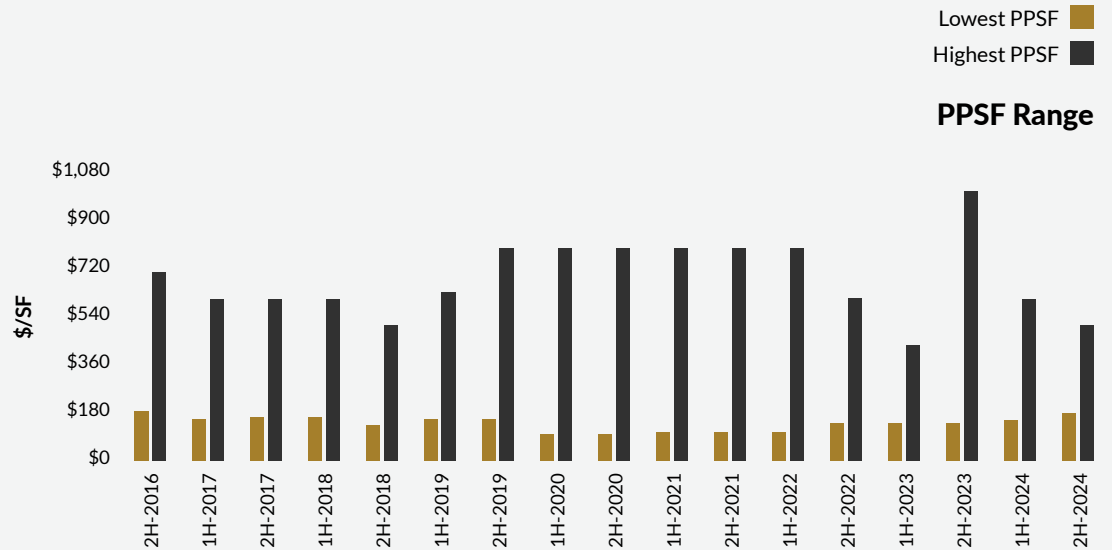
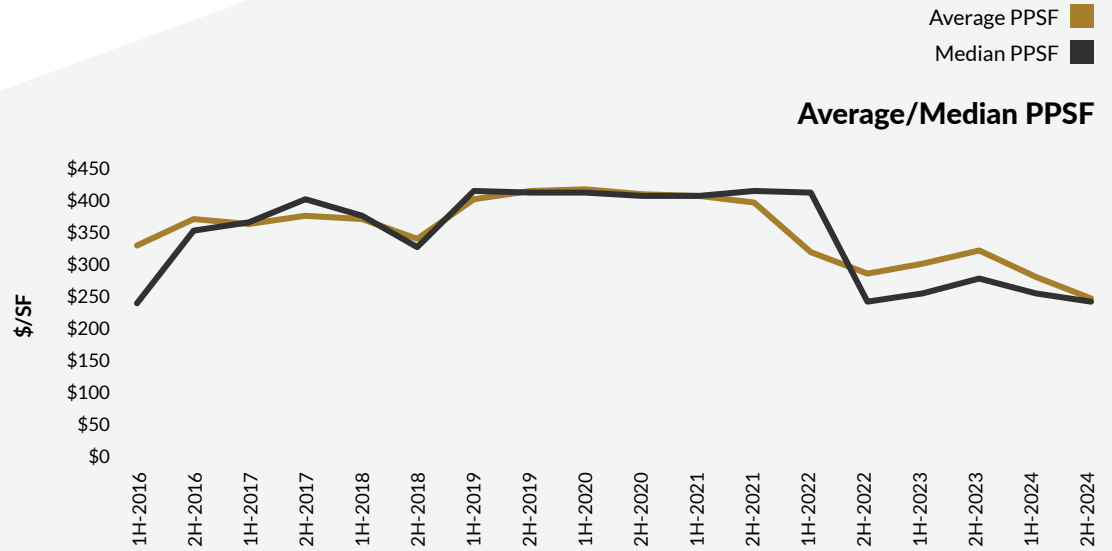
Second half 2024 data is based on five availabilities.



# Broadway (Battery Park – Chambers Street)

- Average asking PPSF:**  
 \$242, a 13.6% decrease from First Half 2024, and by 24.1% year-over-year.
- Median asking PPSF:**  
 \$238, down by 4.8% from First Half 2024, and by 13.5% year-over-year.
- Lowest asking PPSF:**  
 \$175, up by 17.4% from First Half 2024, and by 29.6% year-over-year.
- Highest asking PPSF:**  
 \$501, down by 16.5% from First Half 2024, and by 50% year-over-year.
- Average asking PPSF all-time low:**  
 185% increase from \$85 in Spring 2001.
- Average asking PPSF all-time high:**  
 42% decline from \$417 in Spring 2020.

Second half 2024 data is based on 19 availabilities.





# Appendix

## Average Asking Rent PPSF

Corridor	2H-2024	1H-2024	2H-2023	1H-2023	2H-2022	1H-2022	2H-2021	%Δ 1H-2024	%Δ 2H-2023
<b>125th Street</b> (Fifth Avenue - Morningside Avenue)	\$140	\$145	\$145	\$155	\$165	\$143	\$133	-3.4%	-3.4%
<b>Broadway</b> (72nd Street - 86th Street)	\$247	\$251	\$242	\$229	\$249	\$241	\$241	-1.6%	2.1%
<b>Columbus Avenue</b> (66th Street - 79th Street)	\$303	\$277	\$310	\$310	\$295	\$320	\$260	9.4%	-2.3%
<b>East 86th Street</b> (Lexington Avenue - Second Avenue)	\$298	\$297	\$298	\$288	\$297	\$278	\$327	0.3%	0.0%
<b>Madison Avenue</b> (57th Street - 72nd Street)	\$957	\$945	\$950	\$834	\$695	\$769	\$750	1.3%	0.7%
<b>Third Avenue</b> (60th Street - 72nd Street)	\$264	\$259	\$236	\$258	\$216	\$224	\$214	1.9%	11.9%
<b>East 57th Street</b> (Fifth Avenue - Park Avenue)	N/A	N/A	N/A	\$313	\$279	N/A	N/A	N/A	N/A
<b>Fifth Avenue</b> (42nd Street - 49th Street)	\$650	\$583	\$587	\$639	\$588	\$650	\$676	11.5%	10.7%
<b>Fifth Avenue</b> (49th Street - 59th Street)	\$2,085	\$2,190	\$1,721	\$2,750	\$2,583	\$2,775	\$2,628	-4.8%	21.2%
<b>Broadway &amp; 7th Avenue</b> (42nd Street - 47th Street)	\$1,854	\$1,955	\$1,359	\$980	\$990	\$1,112	\$998	-5.2%	36.4%
<b>West 34th Street</b> (Fifth Avenue - Seventh Avenue)	\$436	\$495	\$489	\$415	\$445	\$454	\$390	-11.9%	-10.8%
<b>Fifth Avenue</b> (14th Street - 23rd Street)	\$361	\$369	\$319	\$299	\$250	\$256	\$246	-2.2%	13.2%
<b>Broadway</b> (14th Street - 23rd Street)	\$379	\$379	\$396	\$393	\$397	\$346	\$308	0.0%	-4.3%
<b>14th Street</b> (Ninth Avenue - 10th Avenue)	\$233	\$339	\$350	\$274	\$258	\$258	\$262	-31.3%	-33.4%
<b>Bleecker Street</b> (Seventh Avenue South - Hudson Street)	\$550	\$317	\$259	\$226	\$226	\$226	\$250	73.5%	112.4%
<b>Broadway</b> (Houston Street - Broome Street)	\$489	\$481	\$400	\$376	\$343	\$328	\$357	1.7%	22.3%
<b>Broadway</b> (Battery Park - Chambers Street)	\$242	\$280	\$319	\$298	\$283	\$316	\$395	-13.6%	-24.1%

Limited Availabilities and withheld rent may cause sharp fluctuations in rent averages between reporting periods.  
 Report covers the second half of the year (July through December).

# Appendix

## Median Asking Rent PPSF

Corridor	2H-2024	1H-2024	2H-2023	1H-2023	2H-2022	1H-2022	2H-2021	%Δ 1H-2024	%Δ 2H-2023
<b>125th Street</b> (Fifth Avenue - Morningside Avenue)	\$160	\$165	\$165	\$170	\$175	\$142	\$125	-3.0%	-3.0%
<b>Broadway</b> (72nd Street - 86th Street)	\$221	\$205	\$206	\$200	\$250	\$225	\$240	7.8%	7.3%
<b>Columbus Avenue</b> (66th Street - 79th Street)	\$338	\$331	N/A	\$330	\$240	\$225	\$230	2.1%	N/A
<b>East 86th Street</b> (Lexington Avenue - Second Avenue)	\$285	\$300	\$300	\$300	\$350	\$300	\$327	-5.0%	-5.0%
<b>Madison Avenue</b> (57th Street - 72nd Street)	\$800	\$853	\$900	\$850	\$795	\$800	\$775	-6.2%	-11.1%
<b>Third Avenue</b> (60th Street - 72nd Street)	\$250	\$250	\$250	\$250	\$209	\$213	\$203	0.0%	0.0%
<b>East 57th Street</b> (Fifth Avenue - Park Avenue)	N/A	N/A	N/A	\$214	\$233	N/A	N/A	N/A	N/A
<b>Fifth Avenue</b> (42nd Street - 49th Street)	\$650	\$500	\$587	\$650	\$650	\$650	\$675	30.0%	10.7%
<b>Fifth Avenue</b> (49th Street - 59th Street)	\$1,857	\$2,500	\$2,000	\$2,750	\$2,950	\$2,950	\$2,900	-25.7%	-7.2%
<b>Broadway &amp; 7th Avenue</b> (42nd Street - 47th Street)	\$1,500	\$1,992	\$1,350	\$1,025	\$1,000	\$1,000	\$942	-24.7%	11.1%
<b>West 34th Street</b> (Fifth Avenue - Seventh Avenue)	\$438	\$400	\$475	\$405	\$415	\$415	\$400	9.5%	-7.8%
<b>Fifth Avenue</b> (14th Street - 23rd Street)	\$358	\$400	\$318	\$245	\$250	\$218	\$220	-10.5%	12.6%
<b>Broadway</b> (14th Street - 23rd Street)	\$375	\$375	\$375	\$350	\$330	\$350	\$325	0.0%	0.0%
<b>14th Street</b> (Ninth Avenue - 10th Avenue)	\$225	\$275	N/A	\$274	\$275	\$275	\$250	-18.2%	N/A
<b>Bleecker Street</b> (Seventh Avenue South - Hudson Street)	N/A	\$300	\$275	\$213	\$213	\$213	\$254	N/A	N/A
<b>Broadway</b> (Houston Street - Broome Street)	\$440	\$400	\$425	\$360	\$325	\$325	\$325	10.0%	3.5%
<b>Broadway</b> (Battery Park - Chambers Street)	\$238	\$250	\$275	\$250	\$250	\$238	\$411	-4.8%	-13.5%

Limited Availabilities and withheld rent may cause sharp fluctuations in rent averages between reporting periods.  
 Report covers the second half of the year (July through December).

# Appendix

## Asking Rent PPSF Range

Corridor	2H-2024 Low	2H-2024 High	1H-2024 Low	1H-2024 High	2H-2023 Low	2H-2023 High	1H-2023 Low	1H-2023 High	2H-2022 Low	2H-2022 High	1H-2022 Low	1H-2022 High
<b>125th Street (Fifth Avenue - Morningside Avenue)</b>	\$100	\$190	\$100	\$195	\$100	\$195	\$105	\$205	\$110	\$208	\$101	\$190
<b>Broadway (72nd Street - 86th Street)</b>	\$171	\$520	\$100	\$375	\$105	\$375	\$100	\$375	\$175	\$385	\$150	\$375
<b>Columbus Avenue (66th Street - 79th Street)</b>	\$131	\$350	\$100	\$350	\$131	\$350	\$200	\$351	\$175	\$350	\$210	\$488
<b>East 86th Street (Lexington Avenue - Second Avenue)</b>	\$100	\$750	\$292	\$478	\$210	\$390	\$200	\$390	\$155	\$390	\$155	\$390
<b>Madison Avenue (57th Street - 72nd Street)</b>	\$480	\$2,000	\$334	\$1,503	\$325	\$1,100	\$295	\$1,005	\$300	\$1,000	\$300	\$1,100
<b>Third Avenue (60th Street - 72nd Street)</b>	\$200	\$452	\$200	\$350	\$180	\$270	\$125	\$400	\$115	\$300	\$115	\$333
<b>East 57th Street (Fifth Avenue - Park Avenue)</b>	N/A	N/A	N/A	N/A	N/A	N/A	\$150	\$604	\$150	\$610	N/A	N/A
<b>Fifth Avenue (42nd Street - 49th Street)</b>	\$550	\$750	\$500	\$750	\$500	\$597	\$500	\$750	\$436	\$750	\$400	\$750
<b>Fifth Avenue (49th Street - 59th Street)</b>	\$750	\$3,000	\$750	\$3,000	\$915	\$2,250	\$2,500	\$3,000	\$2,250	\$3,000	\$2,250	\$3,000
<b>Broadway &amp; 7th Avenue (42nd Street - 47th Street)</b>	\$1,300	\$2,700	\$687	\$2,756	\$500	\$2,300	\$300	\$2,250	\$300	\$2,300	\$300	\$2,300
<b>West 34th Street (Fifth Avenue - Seventh Avenue)</b>	\$300	\$660	\$325	\$936	\$350	\$900	\$170	\$1,000	\$171	\$1,000	\$171	\$1,000
<b>Fifth Avenue (14th Street - 23rd Street)</b>	\$255	\$481	\$315	\$415	\$175	\$417	\$175	\$533	\$175	\$360	\$175	\$458
<b>Broadway (14th Street - 23rd Street)</b>	\$250	\$532	\$250	\$523	\$300	\$750	\$245	\$750	\$240	\$750	\$240	\$500
<b>14th Street (Ninth Avenue - 10th Avenue)</b>	\$195	\$275	\$150	\$759	N/A	N/A	\$195	\$350	\$195	\$275	\$195	\$275
<b>Bleecker Street (Seventh Avenue South - Hudson Street)</b>	N/A	N/A	\$160	\$195	\$195	\$275	\$128	\$350	\$128	\$350	\$128	\$350
<b>Broadway (Houston Street - Broome Street)</b>	\$129	\$491	\$367	\$750	\$275	\$750	\$275	\$510	\$225	\$510	\$275	\$400
<b>Broadway (Battery Park - Chambers Street)</b>	\$175	\$501	\$149	\$600	\$135	\$1,003	\$135	\$425	\$135	\$600	\$100	\$785

Limited Availabilities and withheld rent may cause sharp fluctuations in rent averages between reporting periods.  
 Report covers the second half of the year (July through December).

# Appendix

## Average Asking Rent PPSF – Min/Max

Corridor	Min		Max	
125th Street (Fifth Avenue - Morningside Avenue)	S-2004	\$65	F-2022	\$165
Broadway (72nd Street - 86th Street)	S-2002	\$170	F-2013	\$434
Columbus Avenue (66th Street - 79th Street)	F-2010	\$229	S-2015	\$447
East 86th Street (Lexington Avenue - Second Avenue)	F-2010	\$293	S-2013	\$550
Madison Avenue (57th Street - 72nd Street)	F-2002	\$491	F-2014	\$1,709
Third Avenue (60th Street - 72nd Street)	S-2002	\$182	S-2016	\$371
East 57th Street (Fifth Avenue - Park Avenue)	S-2002	\$425	S-2016	\$1,625
Fifth Avenue (42nd Street - 49th Street)	S-2010	\$425	S-2016	\$1,368
Fifth Avenue (49th Street - 59th Street)	S-2002	\$329	F-2017/S-2018	\$3,900
Broadway & 7th Avenue (42nd Street - 47th Street)	F-2008	\$775	S-2015	\$2,413
West 34th Street (Fifth Avenue - Seventh Avenue)	F-2002	\$112	S-2015	\$1,000
Fifth Avenue (14th Street - 23rd Street)	S-2004	\$137	S-2017	\$456
Broadway (14th Street - 23rd Street)	S-2012	\$215	F-2015	\$510
14th Street (Ninth Avenue - 10th Avenue)	S-2023	\$274	S-2008	\$462
Bleecker Street (Seventh Avenue South - Hudson Street)	S-2023	\$226	2H-2025	\$550
Broadway (Houston Street - Broome Street)	S-2002	\$125	S-2015	\$977
Broadway (Battery Park - Chambers Street)	S-2001	\$85	S-2020	\$417

Report covers the second half of the year (July through December).



# Methodology

The Real Estate Board of New York’s (REBNY) bi-annual Manhattan Retail Report is a joint effort by the REBNY Manhattan Retail Advisory Group and the REBNY team. The report provides a particular point in time snapshot of major retail corridors in the borough based on available ground-floor retail asking rent information. All data is sourced from the respective firms of each REBNY Manhattan Retail Advisory Group member.

REBNY’s bi-annual Manhattan Retail Report includes the average price per square foot, median price per square, the lowest price per square foot and highest price per square foot for each of the 17 retail corridors tracked.

## Key Terms

**Asking Rent** – Represents the annual dollar amount the lessor is asking in order to lease their retail space.

**Availability** – Direct ground-floor retail space that is actively marketed or off-market; includes spaces for immediate and future occupancy which are not necessarily vacant. Does not include below or above ground-floor retail space, spaces with frontage on side streets or subleases.

**PPSF** – The price per square foot is calculated by dividing the annual asking rent by the ground-floor square footage.

**Average PPSF** – The average price per square foot is calculated using the price per square foot that represents the straight-line average for all direct, ground-floor availabilities within a particular corridor frontage. The Average PPSF provides values that are not skewed by high or low outlier prices.

**Median PPSF** – The median price per square foot is calculated using the price per square foot that represents the midpoint PPSF for all direct, ground-floor availabilities within a particular corridor frontage. Half of the prices fall either below or above this value.

**Lowest PPSF** – The lowest price per square foot recorded for all direct, ground-floor availabilities within a particular corridor frontage.

**Highest PPSF** – The highest price per square foot recorded for all direct, ground-floor availabilities within a particular corridor frontage.

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