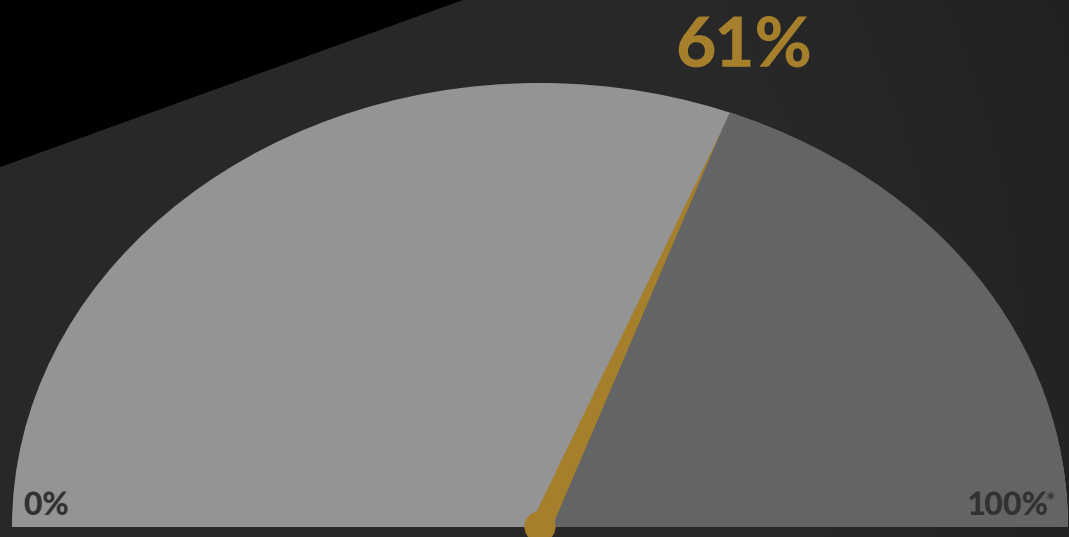


REBNY Research | 2023

# Manhattan Office Building Visitation Report

Q1 2023



Average Manhattan office building visitation compared to Q1 2019 baseline.

REBNY utilizes Placer.ai location data to analyze office visitation rates in approximately 250 Manhattan office buildings representing approximately 180 million square feet of office space. Our Q1 2023 update continues to show the widening gap between Prime Class A properties and Class B properties in the Manhattan office market, among other takeaways.

### Q1 2023 Key Findings:

- Average building visitation rates were 61% of the Q1 2019 levels, up by 10 percentage points (pp) from 51% in the first quarter of 2022, but rates have stalled since reaching a peak of 65% in mid-2022
- Visitation rates in nearly 60% of properties analyzed exceeded 50% of pre-pandemic baseline
- Prime Class A properties (A+ buildings) outperformed Class B buildings, with visitation rates averaging 68%, compared to 57% in Class B properties
- Midtown posted an increase in visitation rates of more than 14 pp from Q1 2022, exceeding an increase of 6 pp Downtown and 8 pp in Midtown South

\*100% represents a market even with Q1 2019 visitation levels, but does not represent an occupancy rate of 100%.

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Unless otherwise stated, all visitation rates compare total device visits for the displayed quarter to Q1 2019. See [Methodology](#) for additional details.

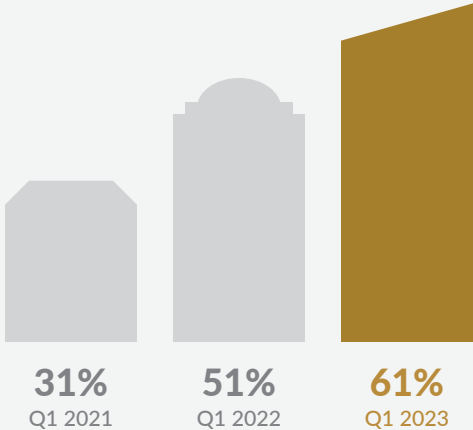
# Visitation Rates Up Significantly from Q1 2022, Particularly in Prime Class A Buildings

However, rates have stalled since Fall 2022.

**Visitation Rate Average**  
Q1 2021 – Q1 2023  
Compared to 2019 Pre-Pandemic

## Visitations Increased by 13%

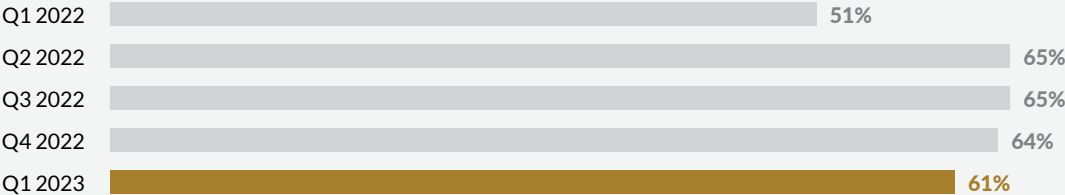
Visitation rates for all building classes and markets in Manhattan averaged 61% in Q1 2023. This was a 10 pp jump from 51% in Q1 2022, and well above the 31% rate in Q1 2021.



## Visitation Rates Have Stalled

Visitation rates rose during the second and third quarters of 2022, but have since stalled. Visitation rates fell slightly in early 2023 compared to Q4 2022. While overall visitation rates in 2022 were approximately 65% of baseline levels, this dropped to 61% in the Q1 2023.

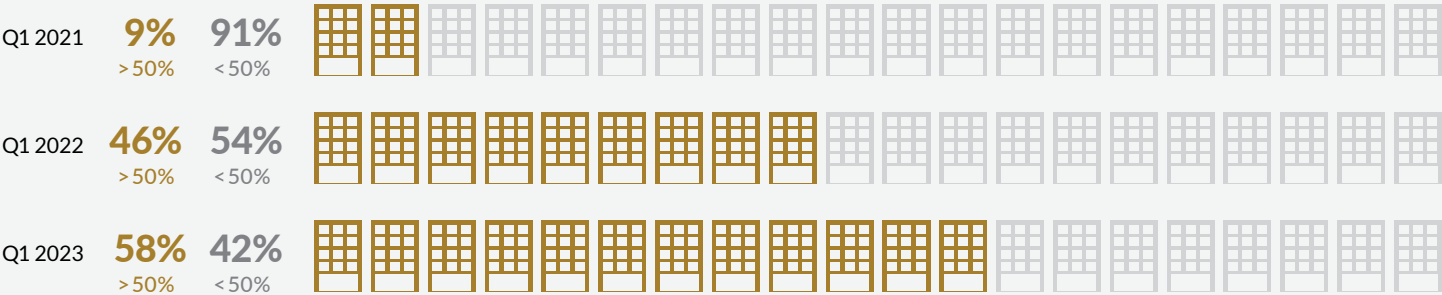
### Visitation Rates Q1 2022 – Q1 2023



# Overall Visitation Rate Detail

The visitation rate exceeded 50% in nearly 60% of surveyed buildings.

While a significant percentage of buildings have attained 50% of their pre-pandemic visitation rates, only 15% of the buildings have reached the 85% mark.\*



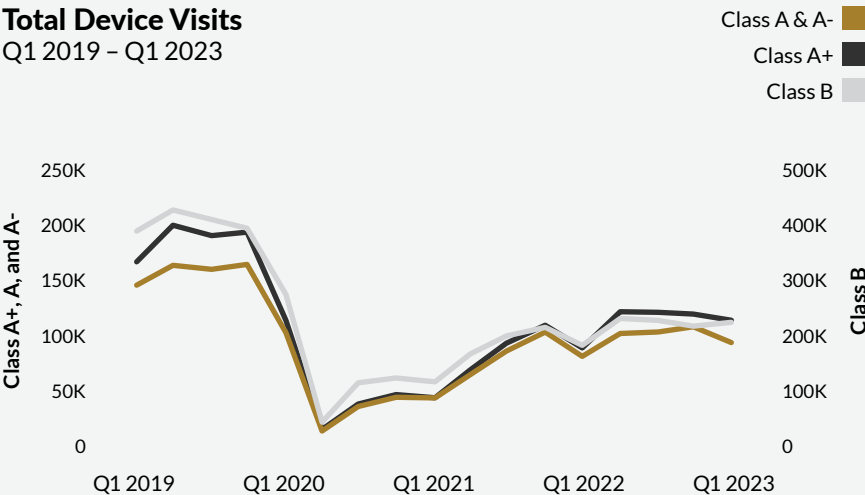
\*For additional details regarding historical visitation segmentation data, see [appendix](#).

## A+ Properties Outperform Other Classes

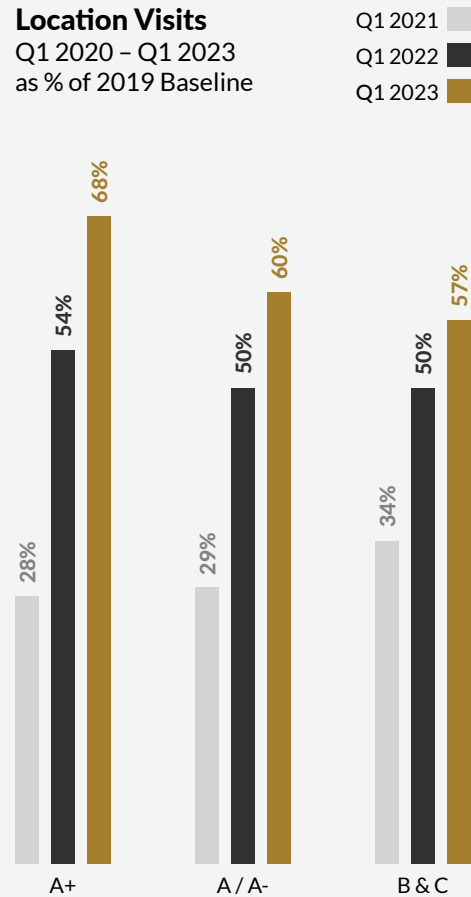
Class A+ properties continue to outperform Class B properties, as well as A and A- properties. A+ properties saw an average visitation rate of 68% in 1Q 2023, compared to mid-50% rates in Class B buildings. Class A+ buildings have registered a year-on-year increase of 14 pp.

In early 2023, Class A+ and A buildings showed a sharper decrease in total device visits compared to Class B buildings. (See chart below for more details.) At the same time, visitation rates in A+ and A buildings remain substantially above overall visitation rates of class B buildings.

**Total Device Visits**  
Q1 2019 - Q1 2023



**Location Visits**  
Q1 2020 - Q1 2023  
as % of 2019 Baseline



# Visitation Rate Highest in Midtown

Midtown appears to be gaining ground, while Midtown South and Downtown lag.

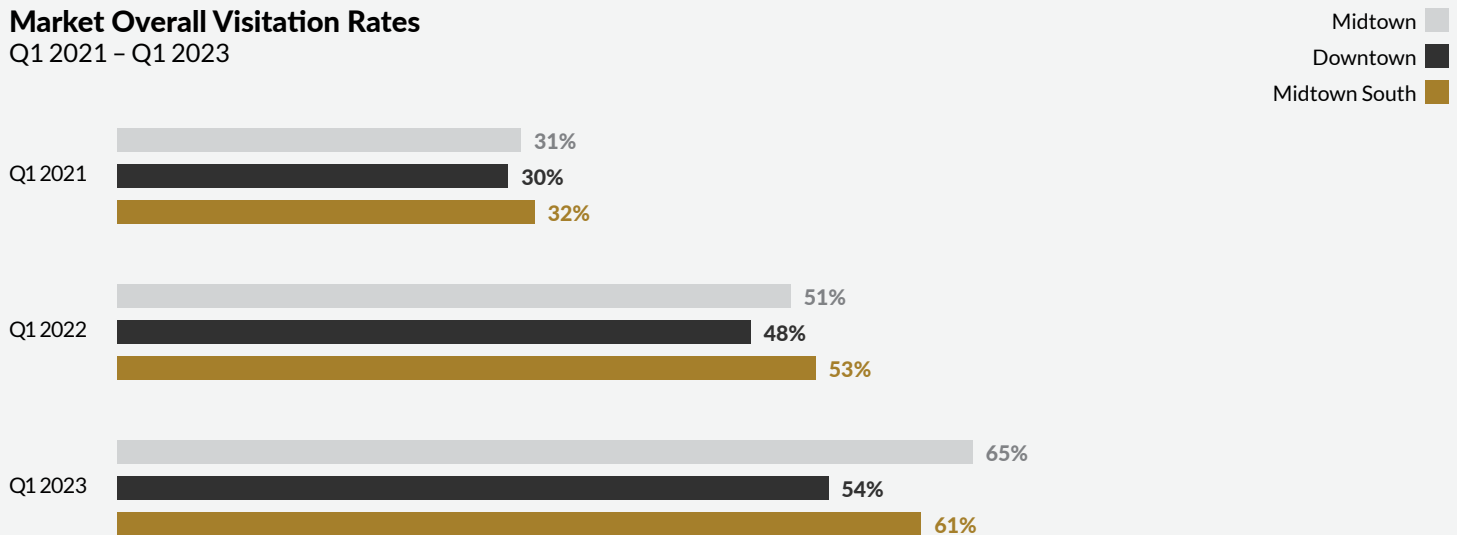
Midtown has the highest overall visitation rate in Q1 2023 at just under 65%, exceeding the 54% Downtown and the 61% in Midtown South.

Midtown South thrived prior to the pandemic with a mix of tech startups, established tech heavyweights, and a number of equity firms that flocked to the energy of the area. Some of these firms chose to relocate from Midtown.

This trend has been reversed in the last two years as some tenants have moved to more centrally located and higher-quality buildings. The lower rates in Midtown South may reflect continued flexibility regarding remote work at many TAMI firms.

Downtown's Class B buildings have a visitation rate of 48%, the lowest for any market as tenants capitalize on extensive space options in Midtown and Midtown South.

## Market Overall Visitation Rates Q1 2021 - Q1 2023



# Methodology

In this report, REBNY focuses on location intelligence for 250 office buildings. Placer.ai leverages de-identified location data from a panel of 30 million mobile devices, upon which the company leverages industry-leading AI and machine-learning capabilities to make estimations about overall visits to any location.

Unless otherwise noted, total location visits for the quarter displayed are compared to total device visits in the first quarter of 2019 and presented as a building visitation rate.

The 250 office buildings in the report represent a diverse sample of the various types of office buildings in New York City, including both Class A properties as well as Class B and C buildings in Midtown, Midtown South, and Downtown. They have a combined square footage of 180 MSF, representing roughly one-third of Manhattan's office stock. The building set also includes properties identified based on tenant occupancy, specifically those that are single-tenant, those primarily occupied by financial, and those leased to TAMI (tech, advertising, media, and information) businesses. This analysis does not yet account for significant changes to particular buildings during 2019 to 2022, such as major move-ins or move-outs.

The set of 250 buildings used in the report has been modified slightly from the report released in February. Some buildings do not have adequate visits to report quarterly numbers.

**About Placer.ai:** Placer.ai is a leading provider of accurate, reliable, accessible, and privacy-preserving compliant location analytics.

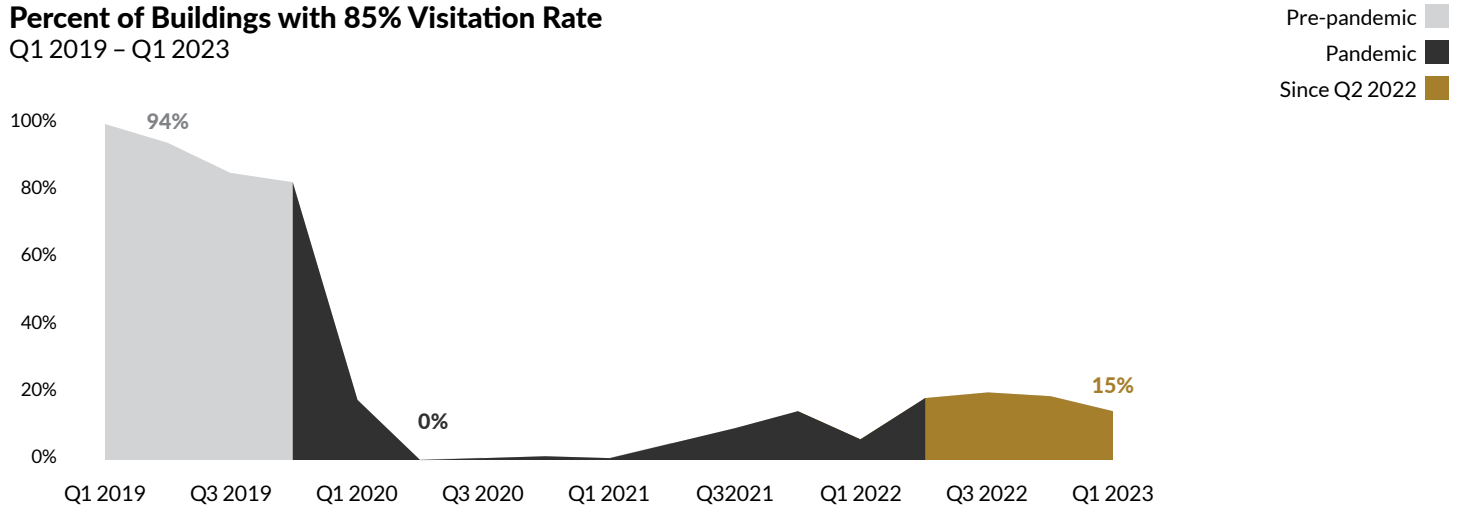
Building Class data gathered with the assistance of Newmark Research.



# Appendix

REBNY will continue to monitor visitation looking for signs of regained or lost momentum during the next two quarters.

**Percent of Buildings with 85% Visitation Rate**  
Q1 2019 - Q1 2023



**Percent of Buildings with >50% Visitation Rate**  
Q1 2019 - Q1 2023

