

REBNY Research | 2023

Manhattan Retail Report

Spring 2023



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Summary

Manhattan's Retail Report Committee members recently said the market is "in a healthy place."

What does this mean?

In healthy retail corridors, demand is steady and quality spaces are getting multiple offers. The extraordinary lease terms of 2021 and 2022 are much less prevalent. Many tenants are back in the market but with revised business models that include a rightsized footprint and a focus on margins.

Several significant flagship leases and developments were announced recently, underscoring renewed confidence among luxury retailers in Manhattan's status as a preferred location. The return of Century 21 to Lower Manhattan and Barnes & Noble to the Upper East Side (albeit with smaller footprints) was encouraging. Finally, other retailers like Abercrombie & Fitch and H&M added locations.

A year ago, as leasing intensified, committee members predicted that availability would be sharply reduced by this time. As anticipated, quality space options are scarce in many prime neighborhoods such as Broadway in SoHo and Madison Avenue.

Improving demand is in part due to rents that are still well below pre-pandemic peaks. Asking rent is at least 30% below its peak in 13 of the 17 corridors tracked. Compared to the Fall of 2022, rent increased slightly in 10 of the 17 corridors.

Retailers generally have multiple options to consider and rent is still well below peak – in turn, retailers can take their time and make sure that the numbers will work. Committee members also note that more retailers are returning to the market with a revised business model and a renewed footprint. In the food & beverage sector this includes continued growth in rapid pickup options.

More retailers and property owners are coming to terms with the new normal – tenants can no longer expect the extreme discounts, concessions and flexible lease structures of 12 to 18 months ago; more landlords are accepting that the rent levels of 2016 and 2017 are nowhere in sight. However, there is a bit of a tradeoff between lease terms that have become shorter, continued requests for lease flexibility by tenants and landlords who are being more



Summary

diligent. In turn, leases still take a long time to complete.

Market conditions still lag in several key areas. The most office-dependent areas such as 3rd Avenue, Midtown East and Sixth Avenue. 125th Street in Harlem and some sections of the Upper East Side continue to see retail turnover. Hybrid workplace policies continue to negatively impact stores in core office districts, particularly on off-peak workdays such as Friday. A recent REBNY analysis of Placer.ai mobile device data found that while year-to-date office workplace visitation rates are only 20% to 25% below their 2019 levels on mid-weekdays (Tuesday to Thursday), the rate is down by more than 50% on Fridays.

Finally, while food and beverage retailers are active in Times Square, the fashion and entertainment sector is still holding back. Similarly, Fifth Avenue gained some notable flagship commitments but still has several key vacancies.



Corridor Activity

While demand is still weak in a handful of corridors that are critical to the City's economy, healthy market conditions (strong demand, reduced availability, moderate rent growth and normalization in lease structures) are prevalent in many of Manhattan's core retail districts.

Sharp Dropoff In Soho Availability

In SoHo, only a handful of quality space options remain on Broadway. A year ago, this corridor had more than 30 storefronts available. The fashion sector continues to account for much of the activity in SoHo with leasing coming from a mix of well-established retailers and new brands. Eager to tap into SoHo's renewed foot traffic, a few retailers are once again opening multiple SoHo stores. H&M leased 18,000 sf at 591 Broadway. The Swedish fast fashion brand also has a store at 515 Broadway that opened in 2021. Arc'teryx leased more than 14,000 sf at 580 Broadway – and will move from a much smaller space at 547 Broadway. This will be its fourth NYC location; the Canadian outdoor brand also has a location in SoHo at 169 Spring Street. Clothing retailers selecting SoHo for their first Manhattan location included Italian fashion brand OVS at 149 Spring Street (for its Piombo brand) and Australian fashion brand Cotton On, committing to 20,000 sf at 512 Broadway.

Luxury Sector Congregating On Madison

Storefront availability along Madison Avenue has also tightened dramatically. Competition has been brisk particularly from 57th to 72nd, as a flurry of luxury fashion and accessories brands have congregated on this stretch of Madison Avenue. Madison Avenue's luxury leasing rally started more than a year ago; some of these stores opened only recently following extensive store buildouts.

This includes Casa Panerai, the new Panerai boutique on the corner of Madison Avenue and 63rd Street. The 2,000-sf store is the largest store globally for the Italian watchmaker. U.S. buyers account for more than 20% of the firm's sales – many bought their watches at Panerai's European stores. Bogner signed a 3,000-sf flagship lease at 755 Madison Avenue. The German luxury outdoor clothing brand previously used the store as a pop-up. Of note this is a return to Madison Avenue for the clothier, its first U.S. store opened at 655 Madison Avenue in 1986 and then moved to a three-story outpost at 821 Madison Avenue in 1995 – next to Versace (819 Madison) and Valentino (827 Madison).

Other retail sectors are taking notice of the resurgent luxury corridor. Collezione New York, which bills itself as New York City's first luxury spirits boutique, opened on 66th Street in May. In addition to wine and liquor the store features a rare collection of single malt whiskies that are for viewing only. In a Forbes article, the owner noted proximity to Manhattan luxury between 60th and 77th as a key reason for choosing this location. Sotheby has a similar rationale for its plans to relocate from York Avenue to Madison Avenue in 2025. The auction house paid just over \$100 million for the Breuer building – the former Whitney Museum currently houses the Frick collection.

As positive as the retail rebound in New York City and on Madison Avenue has been, the resurgent hospitality sector has been just as important. Many hotels are returning with new retail partnerships. Madison Avenue's proximity to Museum Mile and an expanding luxury sector will attract tourists. The Hotel Plaza Athenee announced plans to re-open as the Plaza Athenee Nobu Hotel & Spa. Scheduled to open in 2026, the redeveloped hotel will feature 145 guest rooms with a traditional Japanese onsen and a Nobu omakase. Nearby, at the Mark, Caviar Kaspia opened this Spring. The Parisian institution briefly operated a pop-up at Spring Place in Tribeca several years ago.

Corridor Activity

Tenant	Sector	Date	Notes	Corridor
Chanel Beauty	Cosmetics/Beauty	Lease	New boutique on 69th	Columbus & 69th
Look Dine-In Cinema	Entertainment/Movie Theatre	Lease	Replacing Landmark Cinema, has locations in 6 states	Plaza/57th
Saatva	Mattress	Lease	Plans office and showroom, former Barn Joo space. DTC mattress company has 11 stores nationally	Flatiron
Ten Ichi Market	Grocery	Lease	Brooklyn-based Japanese grocery	Flatiron
Abercrombie	Fashion	Lease	2nd Manhattan location	Flatiron
Crate & Barrel	Home Goods	Lease – Flagship	Relocation from NoHo	Flatiron
Vital Climbing Gym	Gym (Specialty)	Lease	3 locations in Brooklyn & Manhattan	Lower East Side
TMPL Fitness	Gym	Lease	6th location for fitness club that launched in 2016	Madison Square
Casa Paneria	Jewelry	Opening	Flagship boutique for Italian watchmaker, largest store globally	Madison Avenue
Collezione New York	Wine/spirits	Opening	1st location for luxury spirits boutique	Madison Avenue
Sotheby's	Auction/Arts	Purchase – Planned Flagship	Purchase of former Whitney Museum, plans to move from York Avenue in 2025	Madison Avenue
Caviar Kaspia	Restaurant	Opening	Parisian restaurant opens first New York City location at the Mark Hotel	Madison Avenue
Tokugawa	Restaurant	Opening	Part of Serafina Hospitality Group	Madison Avenue
Elyse Walker	Fashion	Opening	2nd store, Manhattan flagship	Madison Avenue
LGDR	Art Gallery	Opening	New art gallery on 64th Street	Madison Avenue
LuisaViaRoma	Fashion	Lease	1st U.S. location, 2nd globally	NoHo
H&M	Fashion	Lease	2nd SoHo location	SoHo
Piombo	Fashion	Lease	1st U.S. Location for Italian brand OVS, 2nd globally	SoHo
Cotton On	Accessories	Lease	1st Manhattan location for Australian firm	SoHo
Arc'teryx	Fashion	Lease	2nd SoHo location, 5th in Manhattan	SoHo
Renzo Gracie Academy	Gym (Specialty)	Lease	9th NYC location, taking over Rowgatta space	Union Square
LVMH	Luxury	Flagship Lease/ Development	Taking Tiffany's temporary space while flagship is planned	Upper Fifth Ave/ 57th Street
Naya	Fast casual	Lease	12 locations in NYC, part of former Victoria's Secret	Upper West Side
Goldfish Swim School	Swimming School	Lease	1st Manhattan location, multiple locations outside NYC	Upper East Side
Century 21	Department Store	Re-opening	Return to NYC for store after closure in 2020	Lower Manhattan
Barnes & Noble	Bookstore	Re-opening	Return to NYC for store after closure in 2020	Upper East Side

Corridor Activity

Flatiron Is Even Tighter

Flatiron is even tighter than Madison Avenue and SoHo. Tenants have snared most of the remaining spaces in recent months. Activity comes from fashion, food and beverage and home furnishings. Larger storefronts are going quickly. Crate & Barrel took the former ABC Carpet & Home location at 881 Broadway and will move up from its NoHo location at 611 Broadway, where it has been located for nearly 20 years. Saatva took 6,700 sf at 893 Broadway, for the direct-to-consumer mattress firm's second Manhattan location. Other new leases include Abercrombie & Fitch's long-term lease at 139 Fifth Avenue and Aqua Restaurant Group's 26,000 sf lease at 902 Broadway. Abercrombie & Fitch will replace Under Armour's temporary store – it will be the firm's second Manhattan location. Flatiron's Fifth Avenue is also attracting tenants making their debut in the city. Brooklyn-based Japanese grocery store Ten Ichi Market took 3,400 sf at 178 5th Avenue.

With negligible space options in SoHo and Flatiron, NoHo and NoLita streets are attracting retailers. Italian e-tailer LuisaViaRoma committed to a long-term lease for a 8,000 sf flagship at 1 Bond Street. This will be its first U.S. location. In a 2021 interview, the company's CEO noted that its U.S. ecommerce business had grown by 80% in the prior two years, exceeding the 30% growth in Europe.

Fifth Avenue Flagships On The Horizon

SoHo, Madison Avenue and Flatiron headline neighborhoods that have seen the dramatic reduction in availability that committee members suggested could be possible. The process of finding tenants to lease space in Manhattan's most expensive retail corridor, Upper Fifth Avenue, has been more protracted. Patience is paying off as more retailers announced significant plans for flagship

redevelopments. Excavation work on Rolex's 199,000-sf showroom and office tower at 665 Fifth Avenue started in March, with completion of the 25-story building estimated for the 2025 holiday season. LVMH plans to demolish the existing Louis Vuitton at 1 E 57th as well as the adjacent Hublot store and construct a new flagship. In the meantime, LVMH will take over the space at 6 E 57th, vacated by Tiffany's following the re-opening of its flagship on the corner of 57th and Fifth Avenue. The remodeled Tiffany's, which the company is calling Landmark, opened in April.

While these represent substantial long-term investments, Fifth Avenue still has several significant storefronts that remain vacant. While retail traffic has picked up and tourists are back, rents are still well below pre-pandemic levels. Meanwhile operating expenses and taxes on Fifth Avenue remain among the highest in the city, even for some owners with substantial vacancies. These costs and concerns about quality of life are among the factors that luxury retailers like Dior and Gucci consider in weighing whether to invest in a Fifth Avenue location or to also/instead build out stores in other U.S. luxury destinations like Beverly Hills Rodeo Drive, Miami's Design District as well as Highland Park Village and the Galleria in Dallas.

Filling some of the larger spaces in Times Square has also been a challenge. Quite a few of the largest storefronts remain on the market as the entertainment and fashion sector has been a little hesitant. In February, discount retailer Five Below leased 10,000 sf at 233-267 West 42nd Street. Most other recent leases have been smaller. NY Bakery and Desserts took 3,000 sf at 1580 Broadway (2 Times Square). The expanding bakery has one other Manhattan location at 512 Seventh Avenue. Chinese lifestyle retailer MINISO continued its expansion, leasing 10,000 sf at 5 Times Square.

Corridor Activity

Herald Square/Penn District Seeing Activity

Storefronts along 6th and 7th Avenue, which surround Macy's have been largely leased up. Rent on these prime corridors remains in the \$400/SF range. Several blocks of space on 35th and 36th, with lower rent (well under \$300/SF) have been snared by QSRs like Panera.

As June was coming to a close, Life Time Fitness announced a 53,000-sf lease on the first three floors at Penn 1. This will be Life Time's fifth location in Manhattan. The club will feature an expanded pickleball club, group fitness and indoor cycle studios. Lifetime Fitness will take over the existing gym on two floors later this summer. The new portion with pickleball courts and personal training areas is scheduled to open in early 2024.

Fitness, Health & Beauty & Food & Beverage – Upper West Side And Upper East Side

The Upper East Side and Upper West Side captured some noteworthy activity as athleisure, health and fitness, beauty and personal services supplemented ongoing demand from the food and beverage sector. New Balance inked a 10-year lease at 210 Columbus Avenue. This will be the Boston-based sneaker companies' third location in Manhattan (it also has stores in Flatiron and the Upper East Side). The sneaker brand will replace Intermix.

Pet supplies and services are still expanding. The Hospital for Veterinary Surgery is poised to open at 150 Amsterdam Avenue. The facility claims to be the first surgery-exclusive veterinary hospital in New York City. Flywheel spinning studio was the prior tenant. Chanel Beauty leased the storefront at the corner of Columbus Ave and West 69th Street. The beauty boutique recently announced that it will close its SoHo pop-up and is building a new store in Williamsburg. Some of the larger vacant storefronts that were formerly occupied by fashion tenants

have been successfully subdivided and leased. Panera and Naya signed leases at 2333 and 2339 Broadway at 85th Street, replacing the former Victoria's Secret. This will be Naya's first location above 59th Street.

Lexington, Third and Second Avenues on the Upper East Side still have a fair number of vacancies. This corridor remains a good entry point for retailers that are new to Manhattan. Goldfish Swim School leased the former Lester's clothing Store at 1534 Second Avenue. The school plans to build a new swimming pool on the corner. Goldfish has more than 150 locations nationally, including several in the New York City suburbs. This will be its first school in Manhattan. Finally, the re-opening of Barnes & Noble is yet another healthy indicator. The East 86th bookstore closed in 2020. The new slightly smaller location will be in the former Duane Reade at Third Avenue and 87th Street.

Leasing Cools Downtown And Lags In Office-Dependent Corridors

Leasing activity cooled a bit in Lower Manhattan; however, several significant store openings occurred, with several more expected in the second half of this year. Century 21 returned to Manhattan. Its doors opened with much fanfare at 22 Cortlandt Street on May 18th. Century 21's Chief Operating Officer reported that more than 30% of the employees at the new store were legacy employees. Of note, the 4-story, 100,000-sf department store at 22 Cortlandt is slightly less than half of the size of six-story store that closed in 2020. Additionally, Whole Foods finally opened at One Wall Street. French department store Printemps will open its first U.S. store at One Wall Street this fall.

Activity has picked up, but still lags pre-pandemic trends in the most office dependent areas of the city such as Midtown East, 3rd Avenue and 6th Avenue. Leases are being signed in these areas, particularly by fast casual/coffee, but in contrast to SoHo, Flatiron, and other corridors most of these storefronts are not getting multiple bids. In turn leases are taking longer to complete.

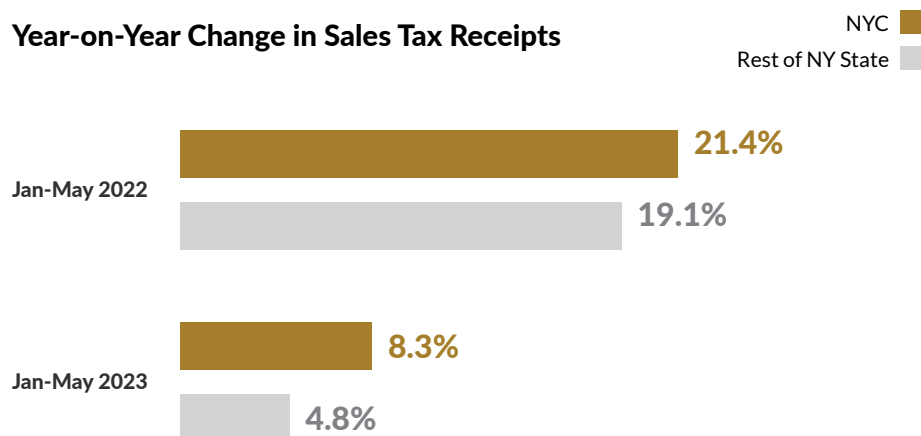
What's Behind The Numbers

Sales Tax Revenue Up 8.3% Year-On-Year

In a highly volatile commercial real estate market, the retail sector has been a much-needed bright spot. Consumer spending and tourism have held up, despite concerns about inflation and the potential for a recession. During 2022 return to office gained some traction and tourism surged in New York City – in turn sales tax revenues in the city rose by 20.6% in 2022, triple the 6.5% increase in the rest of New York State. During the first five months of 2023, New York City sales tax revenue growth has slowed to 8.3% (compared to the same period in 2022) but is still nearly double the 4.8% growth statewide.

Stronger than expected sales tax revenue growth in 2023 has offset declines in other tax revenues such as property transfer taxes. The Comptroller is banking on continued growth in sales tax receipts, which are expected to account for more than 14% of locally-gathered taxes in FY 2024, up from 13.2% in FY 2023.

Year-on-Year Change in Sales Tax Receipts



Banking On A Chinese Rebound, 70 Million Tourists By 2024?

New York City's tourism rebound is remarkable but remains roughly 10% below its pre-pandemic peak. NYC & Company reported that 56.7 Million people visited NYC in 2022 (47.3 domestic and 9.4 million international). This was a substantial jump from 32.9 million in 2021 and put tourism at 89% of the pre-pandemic peak. The forecast calls for 63.3 million tourists in 2023, followed by a record 69.6 million in 2024. New York & Company's forecast for nearly 70 million visitors in 2024 is based in part on a doubling of Chinese tourists from 386,000 in 2023 to 850,000 in 2024. If this forecasts pans out it would make a big difference to luxury retailers and hotels.

International tourists are key to Manhattan's luxury sector. Manhattan's status as a top choice for luxury retailers has only strengthened as other domestic destinations such as San Francisco, Chicago and Washington, DC have unfortunately experienced more dramatic challenges to quality of life, tourism and return to office. Similarly, some international locations such as Hong Kong and Paris have also experienced challenging conditions. Hong Kong's retail sector has been rebounding since the start of the year following the relaxation of pandemic restrictions and the launch of a promotional campaign from the government intended to lure visitors back.

Luxury European and Asian brands have taken note of strong spending from American consumers – either in their ecommerce platforms or in their stores. Limited upside in their home markets continues to give these firms cause to expand their footprint in the U.S. Some of these limits are temporary – pandemic restrictions in China have dampened luxury shopping from the normally potent Chinese market. In other Asian and European countries, though, slower population growth is an issue. Luxury retailers are also increasingly targeting shoppers under 40. In its Spring 2023 report, Bain & Company and Altagamma predicts that Gen Z and Gen Alpha's spending will make up a third of the luxury market by 2030. The report notes that Gen Z shoppers are buying their first luxury item three to five years earlier than millennials (at 15 rather than between 18 and 20).

What's Behind The Numbers

Challenges Still Loom – Labor, Domestic Competition And Quality Of Life

Retailers that survived the last few years overcame a whirlwind of challenges: ecommerce, Covid lockdowns and supply chain shortages. Embracing digital and omnichannel strategies has become the norm for established brands. The repercussions of Covid still linger over the market, particularly to the extent that hybrid work policies negatively impact retail in core office districts. Supply chain shortages have abated significantly but not completely. Property owners, retailers and contractors have become more adept at planning for potential delays in buildout as well as cost overruns.

Other challenges such as labor shortages and turnover prolong store openings. Sustained tourism gains may help close some, but not all, of the gap in retail employment in New York City and Manhattan in particular. As of May, overall

employment in New York City is essentially even with its pre-pandemic levels as of May. Retail trade employment has improved in the last two years, adding more than 75,000 jobs since it hit a low point in early 2020. Nevertheless across the five boroughs this sector is still 13% below its pre-pandemic peak. Employment in clothing and accessories stores (down 26.4% from February 2020) and department stores (down 14.6%) have been hit the hardest.

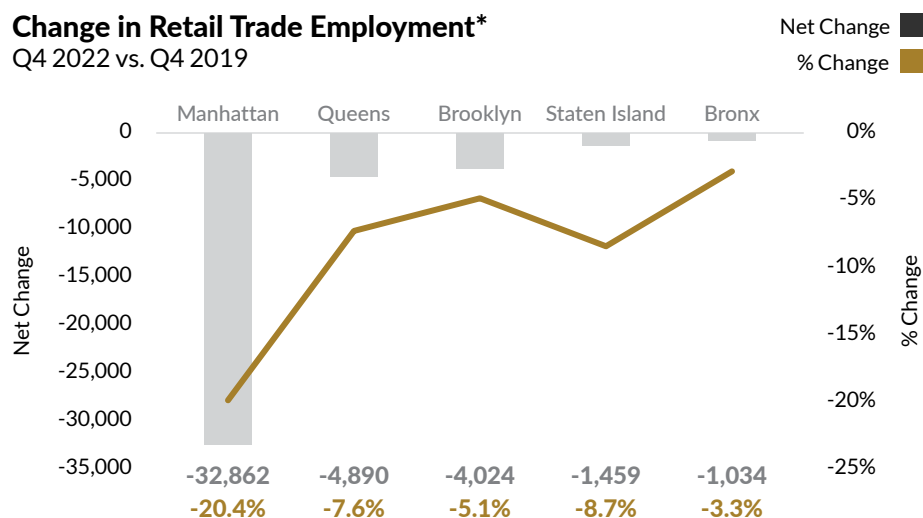
Most of the gap is still in Manhattan – in part due to weaker than hoped for return to office trends. The Center for an Urban Future recently reported that 48.4% of all retail jobs were in Manhattan in 4Q14, down to 41.7% as of 4Q22. Brooklyn and Queens gained market share during the same period. Given the gap in wages between retail trade in Manhattan (which average \$74k) and Brooklyn (\$46k) the region stands to recover more spending power as it regains more retail trade jobs in Manhattan.

Of note, some of Manhattan's retail employment gap might close this year. Some of the stores that recently signed leases are still building out space and finding staff. Abercrombie & Fitch, for example, noted above as signing its second lease in February furloughed 1,166 retail workers when it closed its eight New York City stores in 2020 (this included locations in Staten Island and Brooklyn). Smaller footprint and rapid pickup formats such as Blank Street and (who else) are easier to setup and keep staffed. This is likely curbing retail employment recovery. A bare-bones staff model is not an option for luxury retailers, though.

While Manhattan's retail sector has had some big wins in terms of attracting and retaining luxury retail it faces fierce competition from several domestic luxury retail corridors – Rodeo Drive in Beverly Hills, Highland Place in Dallas and Miami's Design District. The ease of setting up businesses and a growing labor pool are two competitive advantages that Dallas and Miami offer.

Among the long list of challenges for retailers setting up shop, committee members said that rent levels are rarely on the list of reasons for a lease falling apart.

Change in Retail Trade Employment*
Q4 2022 vs. Q4 2019

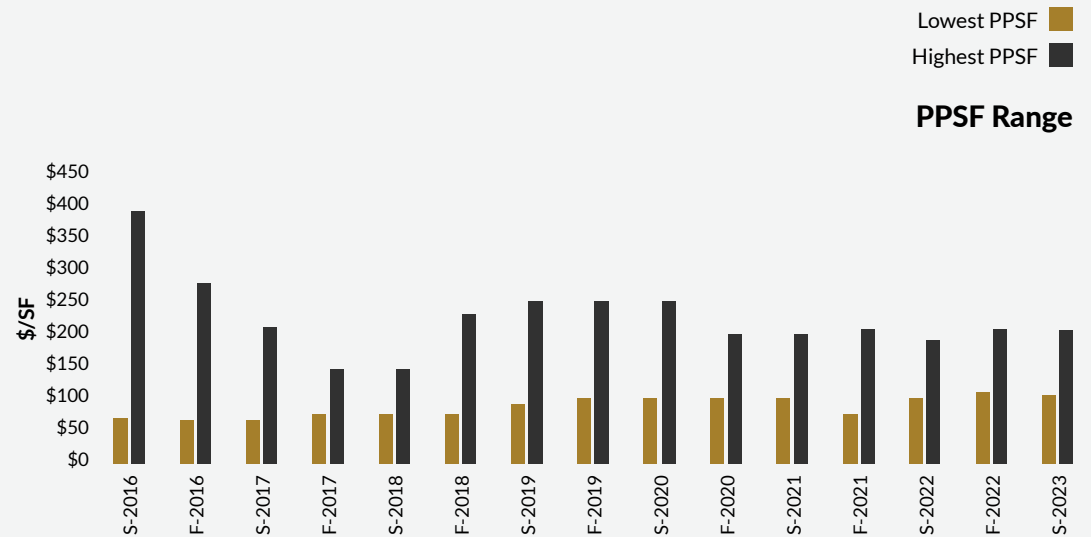
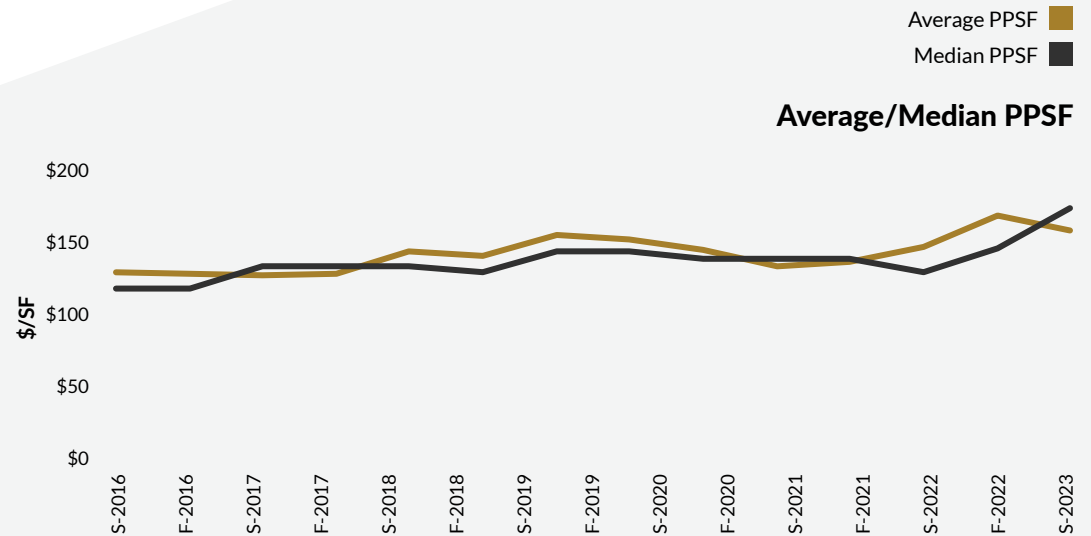


*Source: NYS DOL

125th St. (5th Ave - Morningside Ave)

- Average asking PPSF:**
 \$155, a 6.1% decrease from Fall 2022, but up by 8.2% year-over-year.
- Median asking PPSF:**
 \$170, a 2.9% decrease from Fall 2022, but a 19.7% increase year-over-year.
- Lowest asking PPSF:**
 \$105, a 4.5% decrease from Fall 2022, but a 4.1% increase year-over-year.
- Highest asking PPSF:**
 \$205, a 1.6% decrease from Fall 2022, but a 7.9% increase year-over-year.
- Average asking PPSF all-time low:**
 138% increase from \$65 in Spring 2004.
- Average asking PPSF all-time high:**
 down by 6% from \$165 in Fall 2022.

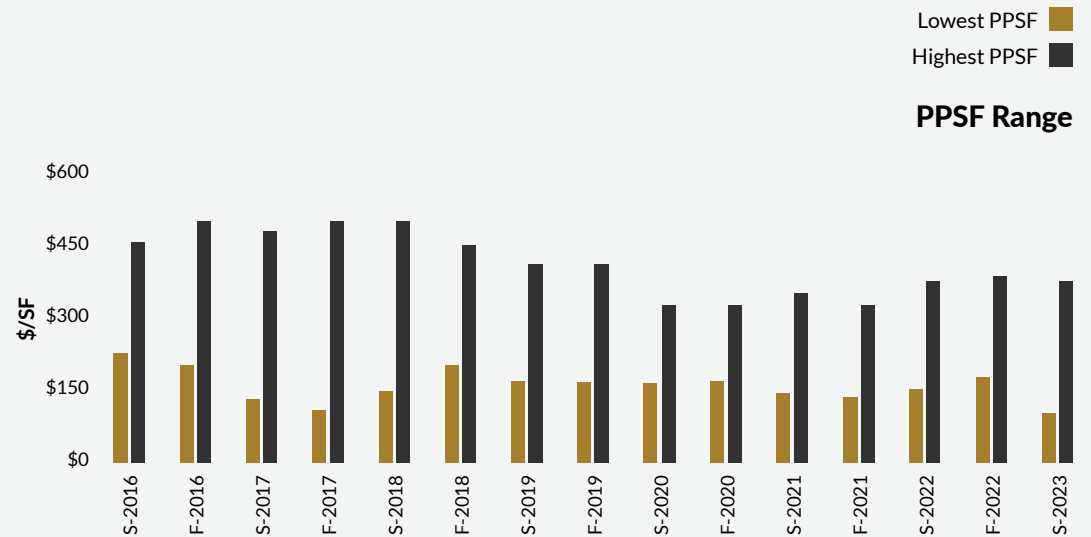
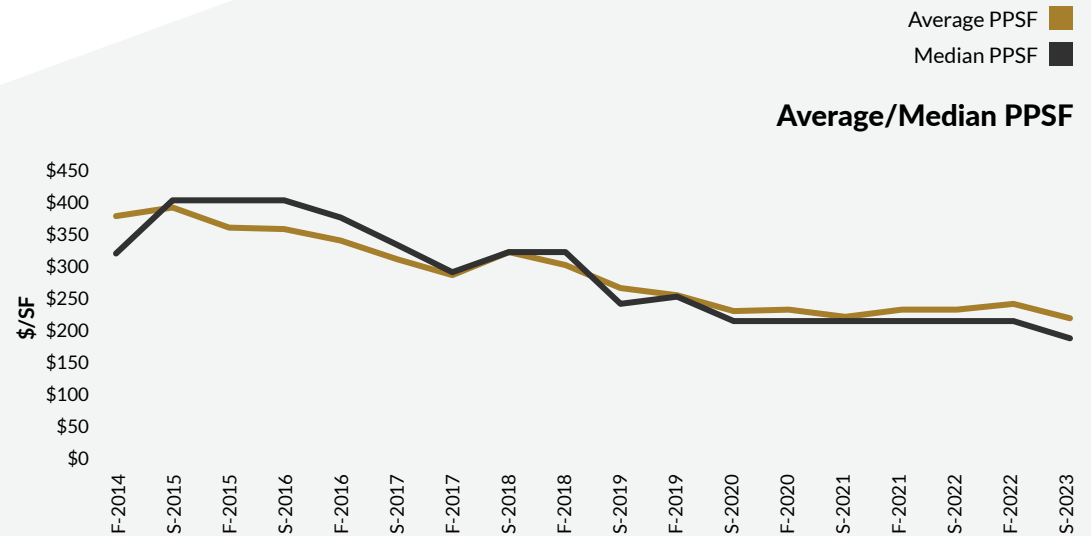
Spring 2023 data is based on 11 availabilities.



Broadway (72nd St. - 86th St.)

- Average asking PPSF:**
 \$229, an 8.0% decrease from Fall 2022, and a 5.0% drop year-over-year.
- Median asking PPSF:**
 \$200, a 20% decrease from Fall 2022, and 11.1% decline year-over-year.
- Lowest asking PPSF:**
 \$100, a 42.9% decrease from Fall 2022, and a 33% decrease year-over-year.
- Highest asking PPSF:**
 \$375, a 2.6% decrease from Fall 2022, but unchanged year-over-year.
- Average asking PPSF all-time low:**
 35% increase from \$170 Spring 2002.
- Average asking PPSF all-time high:**
 47% decline from \$434 in Fall 2013.

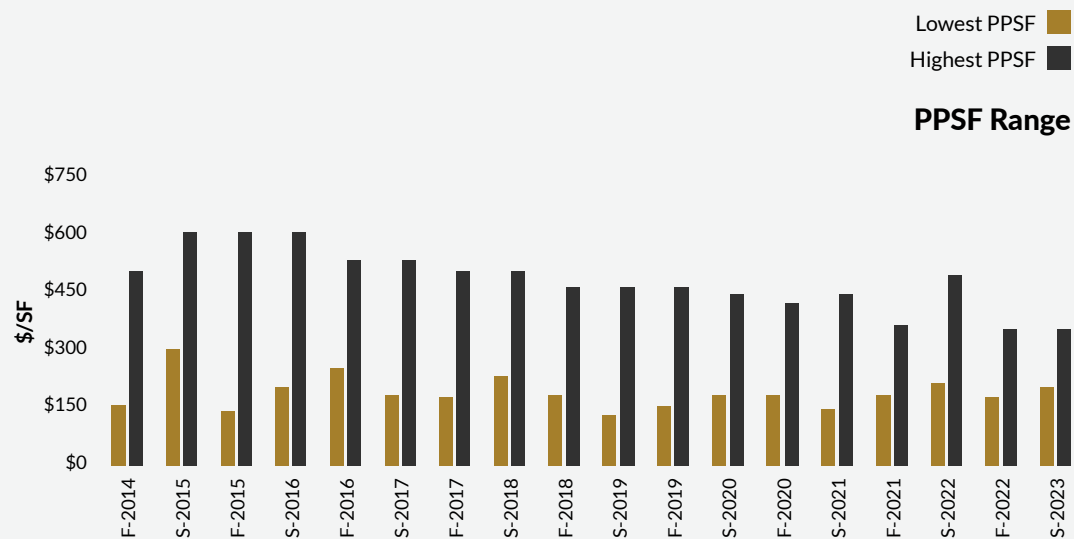
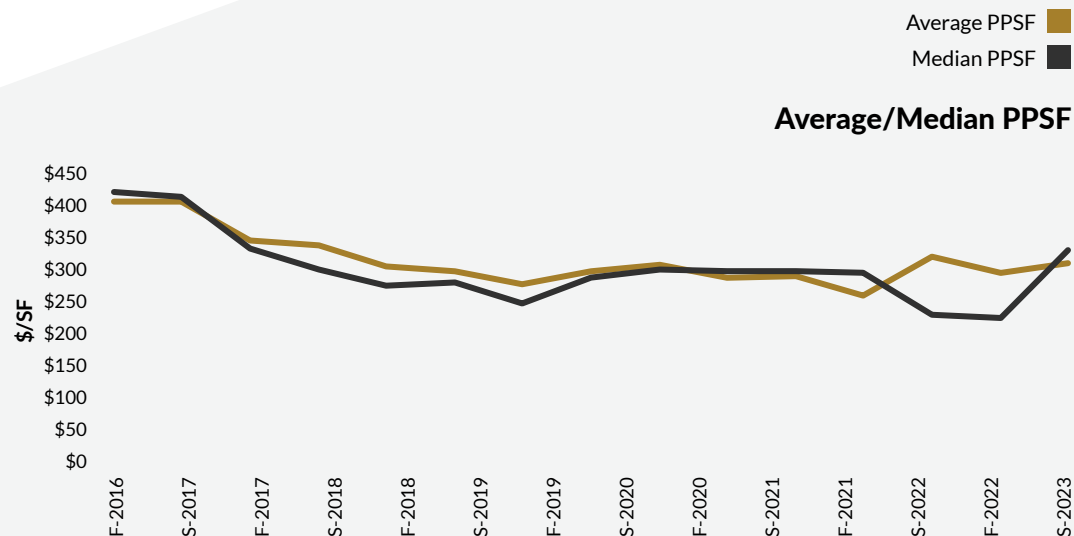
Spring 2023 data is based on 20 availabilities.



Columbus Ave (66th St. – 79th St.)

- Average asking PPSF:**
 \$310, a 5.1% increase from Fall 2022, but a 3.0% decrease year-over-year.
- Median asking PPSF:**
 \$330, a 37.5% increase from Fall 2022, and a 46.7% increase year-over-year.
- Lowest asking PPSF:**
 \$200, a 14.3% increase from Fall 2022, but a 4.8% decrease year-over-year.
- Highest asking PPSF:**
 \$351, a 0.3% increase from Fall 2022, and a 28.1% decrease year-over-year.
- Average asking PPSF all-time low:**
 35% increase from \$229 in Fall 2010.
- Average asking PPSF all-time high:**
 31% decline from \$447 in Spring 2015.

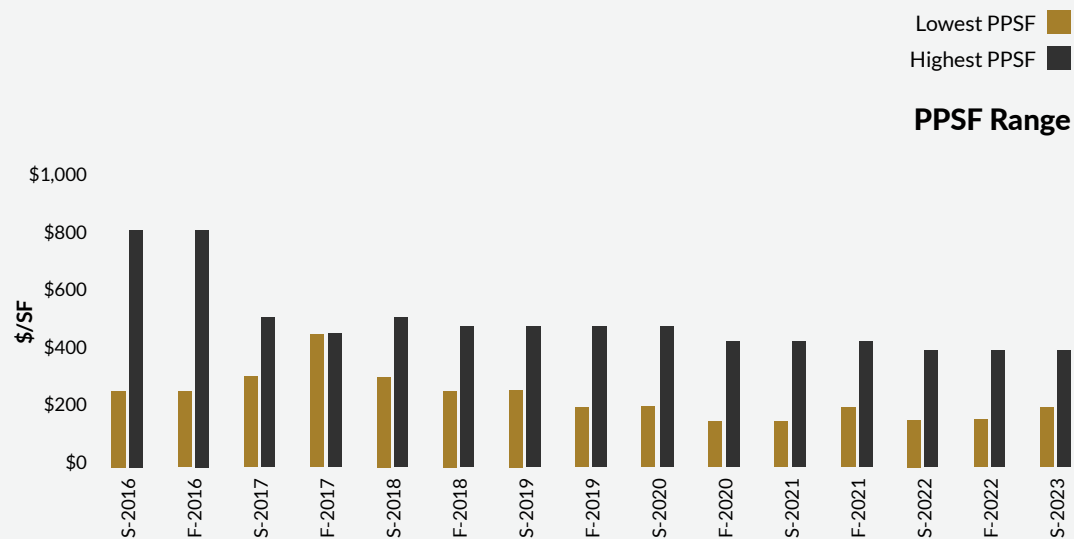
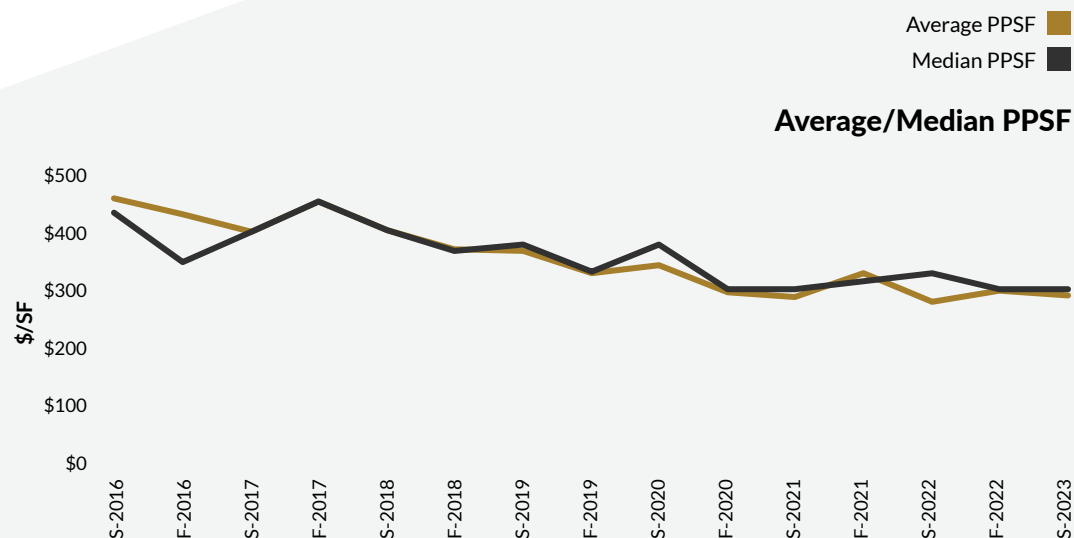
Spring 2023 data is based on 5 availabilities.



East 86th St. (Lexington Ave – 2nd Ave)

- Average asking PPSF:**
 \$288, a 3% decrease from Fall 2022, but a 3.6% increase year-over-year.
- Median asking PPSF:**
 \$300, down by 14.3% from Fall 2022, but unchanged year-over-year.
- Lowest asking PPSF:**
 \$200, a 29% increase from Fall 2022, as well as year-over-year.
- Highest asking PPSF:**
 \$390, unchanged from Fall 2022 and year-over-year.
- Average asking PPSF all-time low:**
 New all-time low, down from \$293 in Fall of 2010.
- Average asking PPSF all-time high:**
 48% decline from \$550 in Spring 2013.

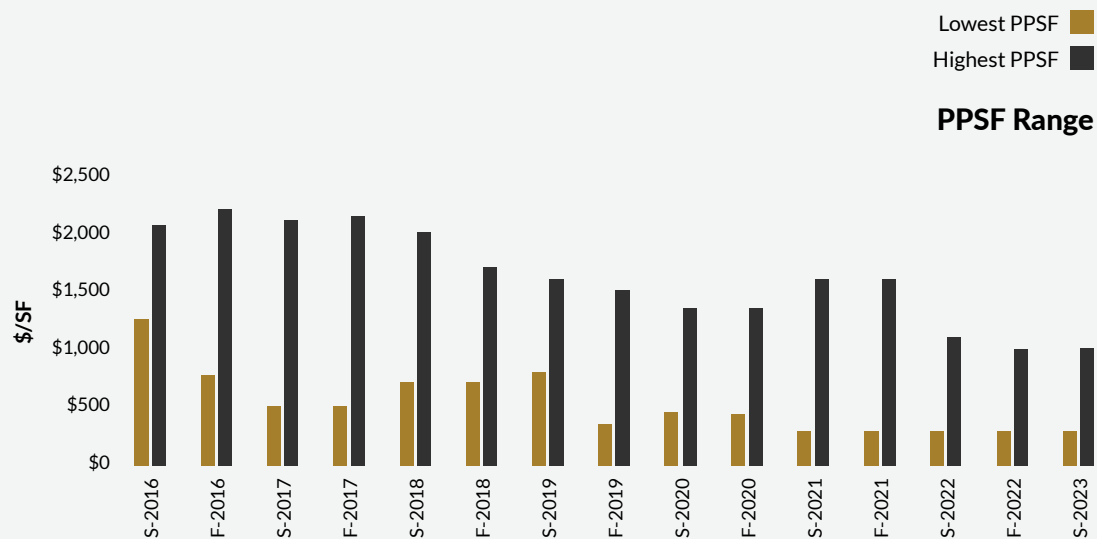
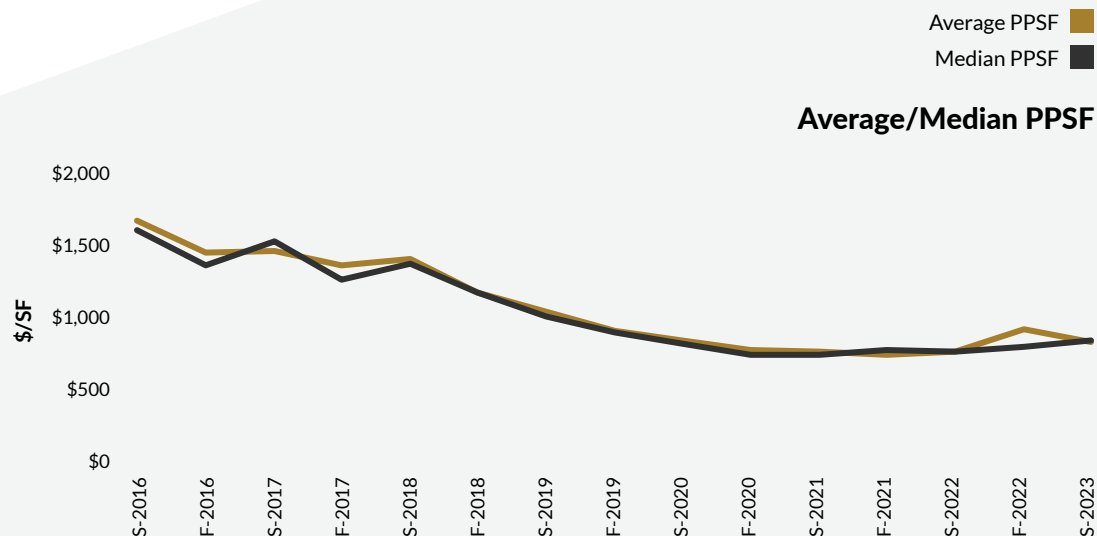
Spring 2023 data is based on 5 availabilities.



Madison Ave (57th St. – 72nd St.)

- Average asking PPSF:**
 \$834, a 9.8% decrease from Fall 2022, but up by 8.5% year-over-year.
- Median asking PPSF:**
 \$850, a 6.9% increase from Fall 2022, and a 6.3% increase year-over-year.
- Lowest asking PPSF:**
 \$295, down by 1.7% from Fall 2022 and year-over-year.
- Highest asking PPSF:**
 \$1,005, an 8.6% decrease from Fall 2022 and year-over-year.
- Average asking PPSF all-time low:**
 70% increase from \$491 in Fall 2002.
- Average asking PPSF all-time high:**
 51% decline from \$1,709 in Fall 2014.

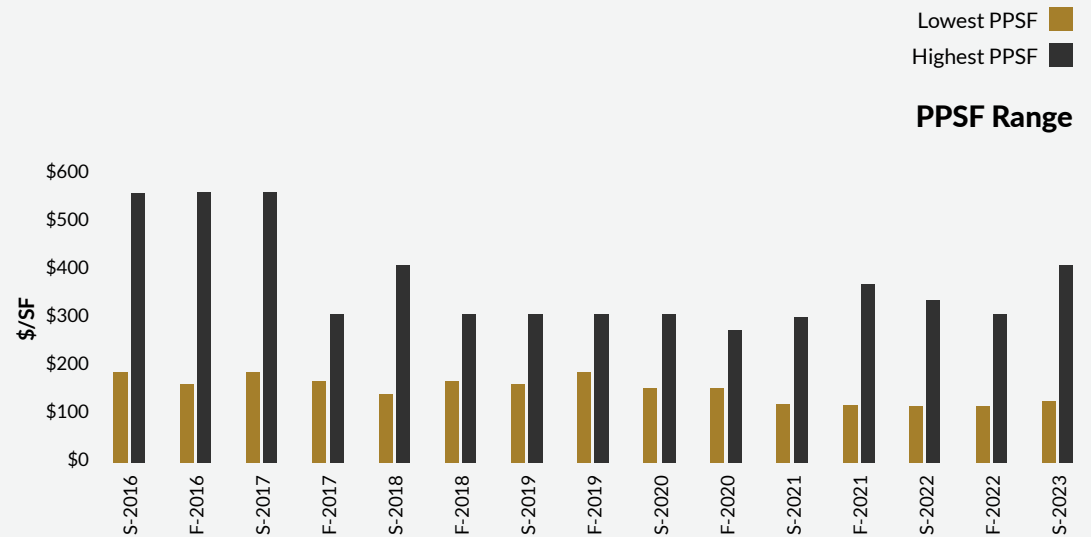
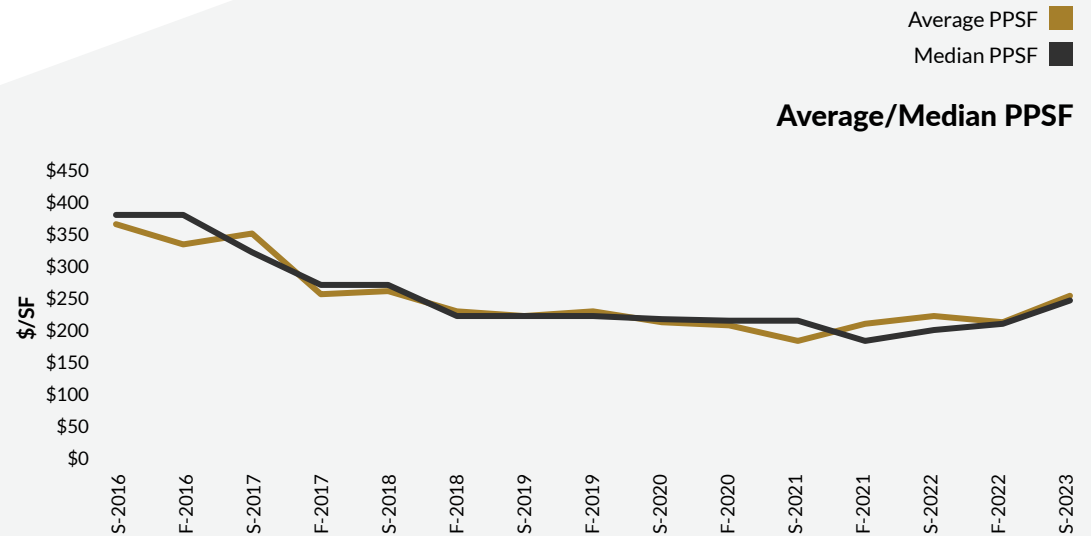
Spring 2023 data is based on 30 availabilities.



3rd Ave (60th St. – 72nd St.)

- Average asking PPSF:**
 \$258, a 19.6% increase from Fall 2022, and a 15.2% increase year-over-year.
- Median asking PPSF:**
 \$250, a 19.5% increase from Fall 2022, and a 17.4% increase year-over-year.
- Lowest asking PPSF:**
 \$125, up by 8.7 from Fall 2022 and year-over-year.
- Highest asking PPSF:**
 \$400, a 33% increase from Fall 2022, and a 20.1% increase year-over-year.
- Average asking PPSF all-time low:**
 42% increase from \$182 in Spring 2002.
- Average asking PPSF all-time high:**
 30% decline from \$371 in Spring 2016.

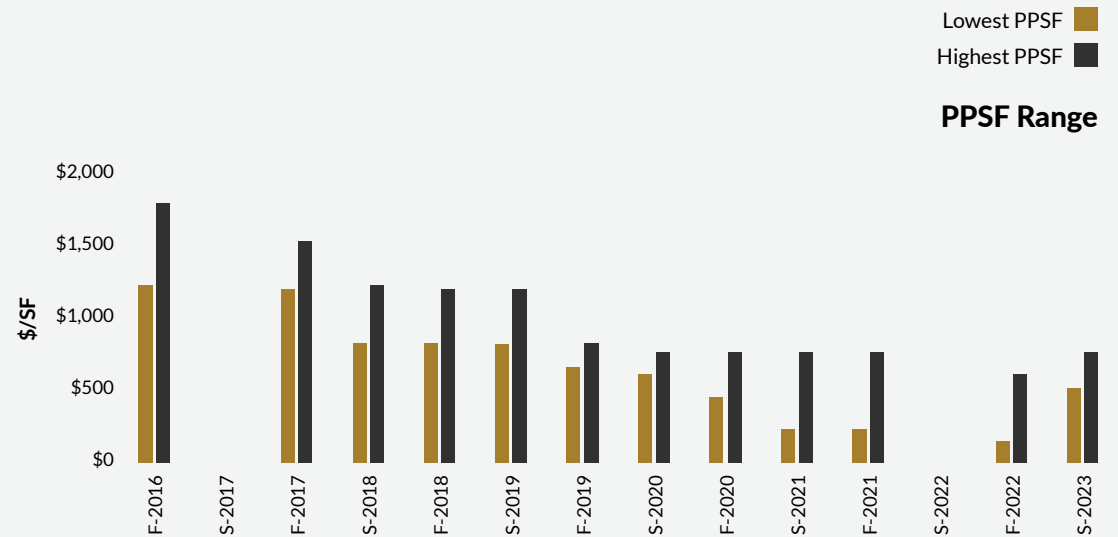
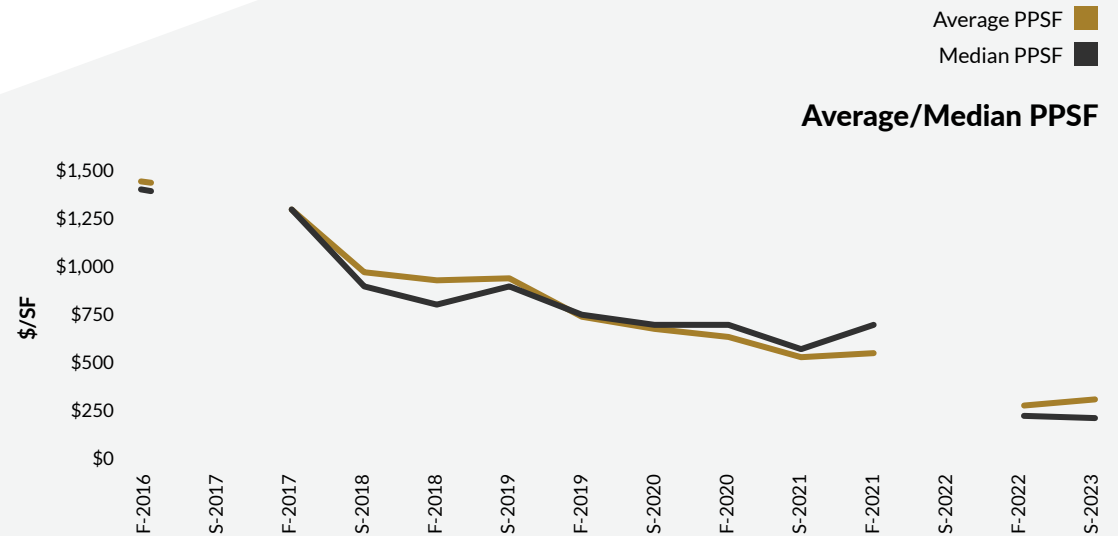
Spring 2023 data is based on 30 availabilities.



East 57th St. (5th Ave – Park Ave)

- **Average asking PPSF:**
\$313, a 12.2% increase from Fall 2022.
- **Median asking PPSF:**
\$214, an 8.2% decrease from Fall 2022.
- **Lowest asking PPSF:**
\$150, unchanged from Fall 2022.
- **Highest asking PPSF:**
\$604, down 1.0% from Fall 2022.
- **Average asking PPSF all-time low:**
12% increase from \$279 in Fall 2022.
- **Average asking PPSF all-time high:**
down by 81% from \$1,625 in Fall 2022.

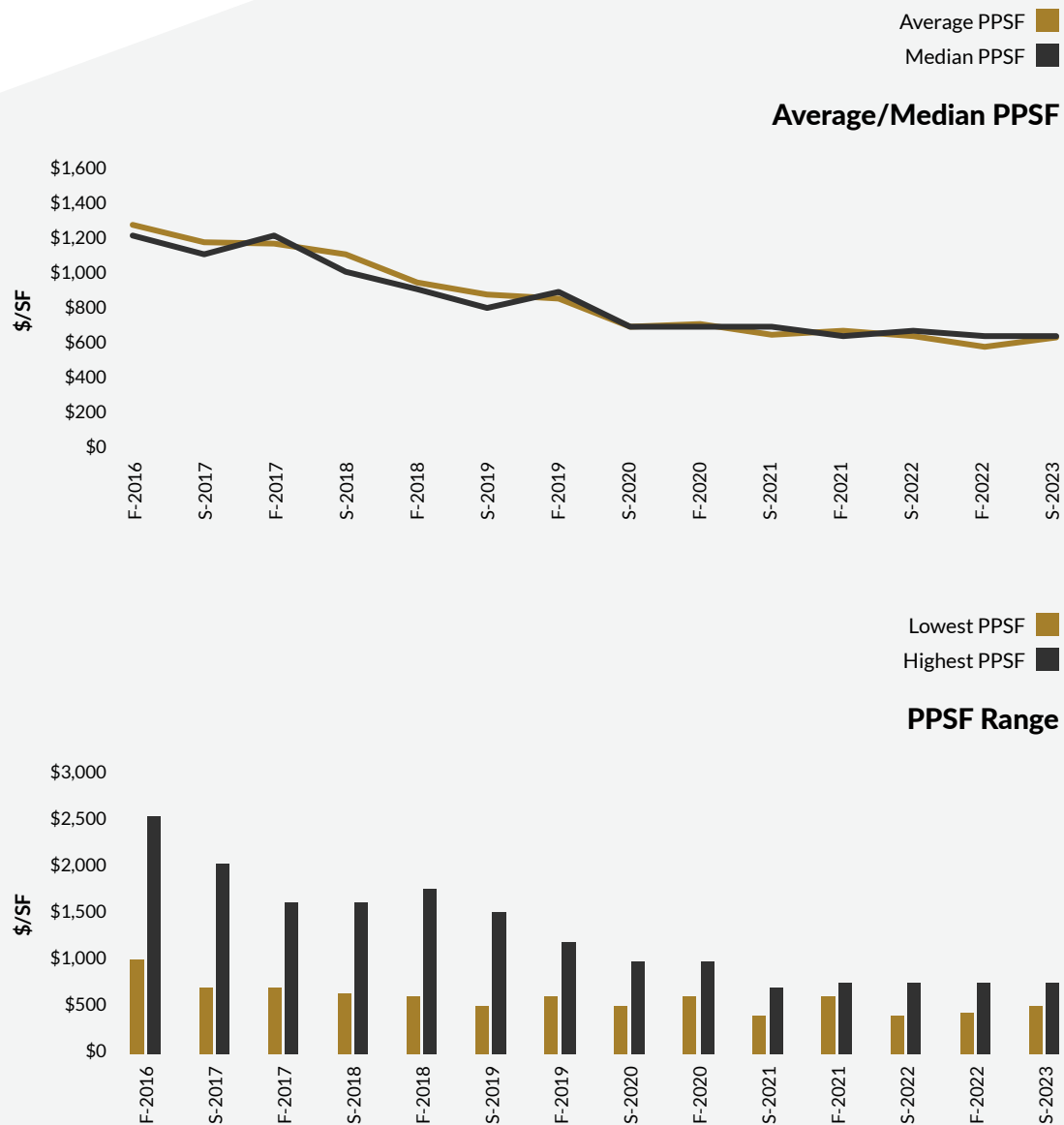
Spring 2023 data is based on 7 availabilities.



5th Ave (42nd St. – 49th St.)

- Average asking PPSF:**
 \$639, an 8.7% increase from Fall 2022, but a 1.7% decline year-over-year.
- Median asking PPSF:**
 \$650, unchanged from Fall 2022 and year-over-year.
- Lowest asking PPSF:**
 \$500, a 14.7% increase from Fall 2022, and a 25% increase year-over-year.
- Highest asking PPSF:**
 \$750, unchanged from Fall 2022 and year-over-year.
- Average asking PPSF all-time low:**
 50% increase from \$425 in Spring 2010.
- Average asking PPSF all-time high:**
 53% decline from \$1,368 in Spring 2016.

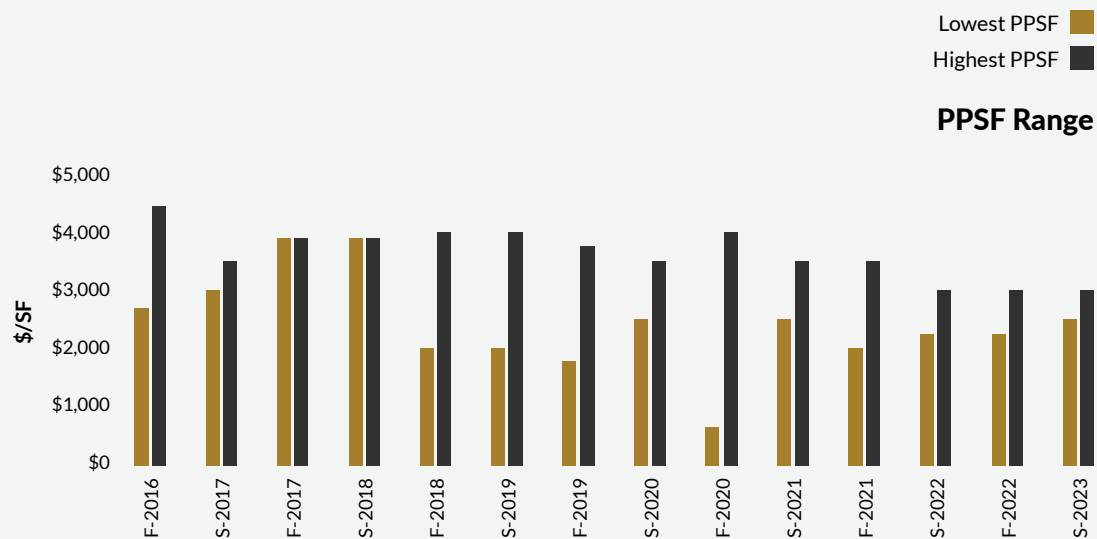
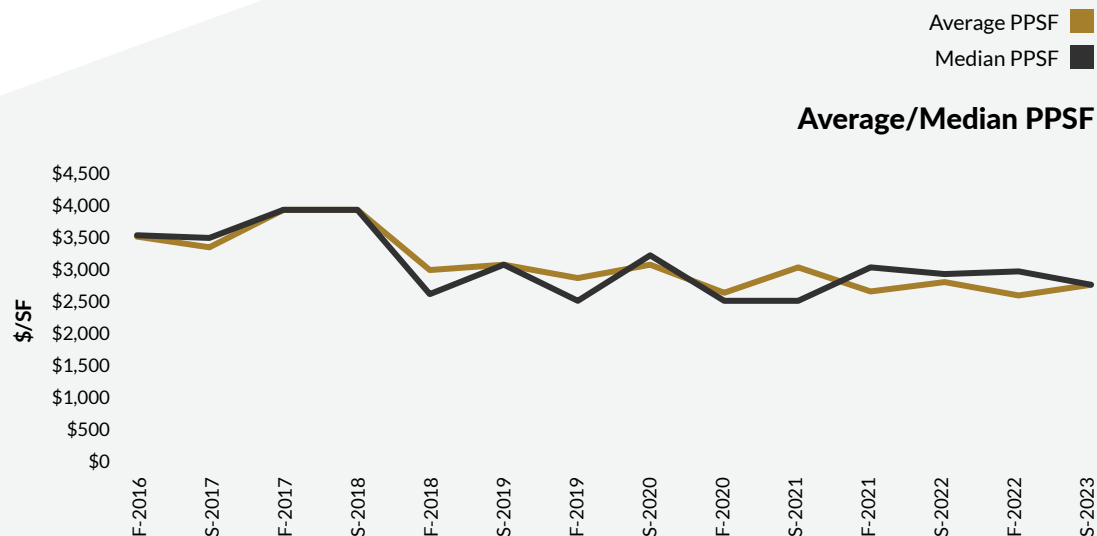
Spring 2023 data is based on 13 availabilities.



5th Ave (49th St. - 59th St.)

- Average asking PPSF:**
 \$2,750, a 6.5% increase from Fall 2022, but a 0.9% decrease year-over-year.
- Median asking PPSF:**
 \$2,750, down by 6.8% from Fall 2022 and year-over-year.
- Lowest asking PPSF:**
 \$2,500, up by 11.1% from Fall 2022 and year-over-year.
- Highest asking PPSF:**
 \$3,000, unchanged from Fall 2022 and year-over-year.
- Average asking PPSF all-time low:**
 736% increase from \$329 in Spring 2002.
- Average asking PPSF all-time high:**
 29% decline from \$3,900 in Fall 2017 and Spring 2018.

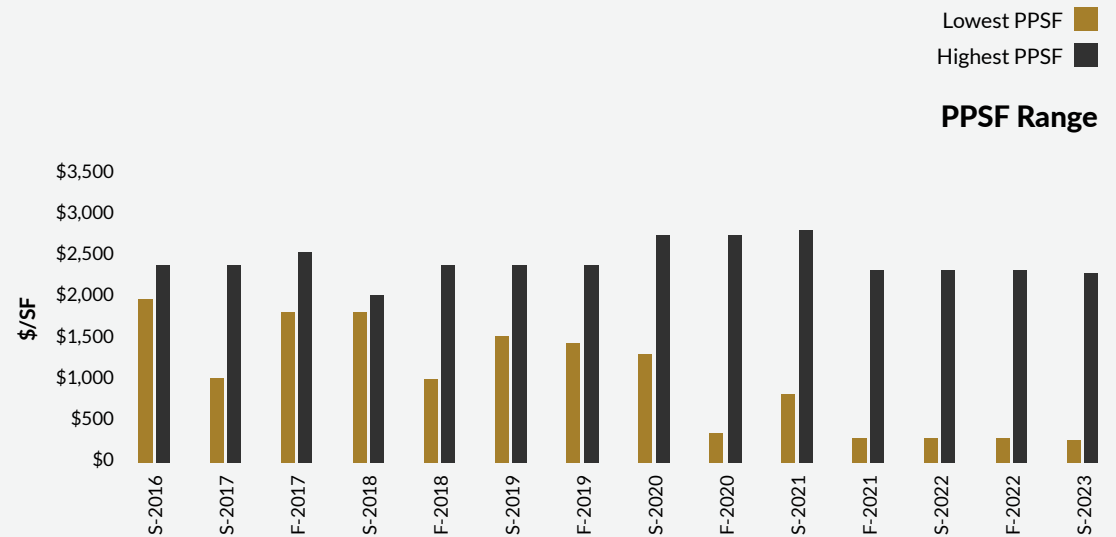
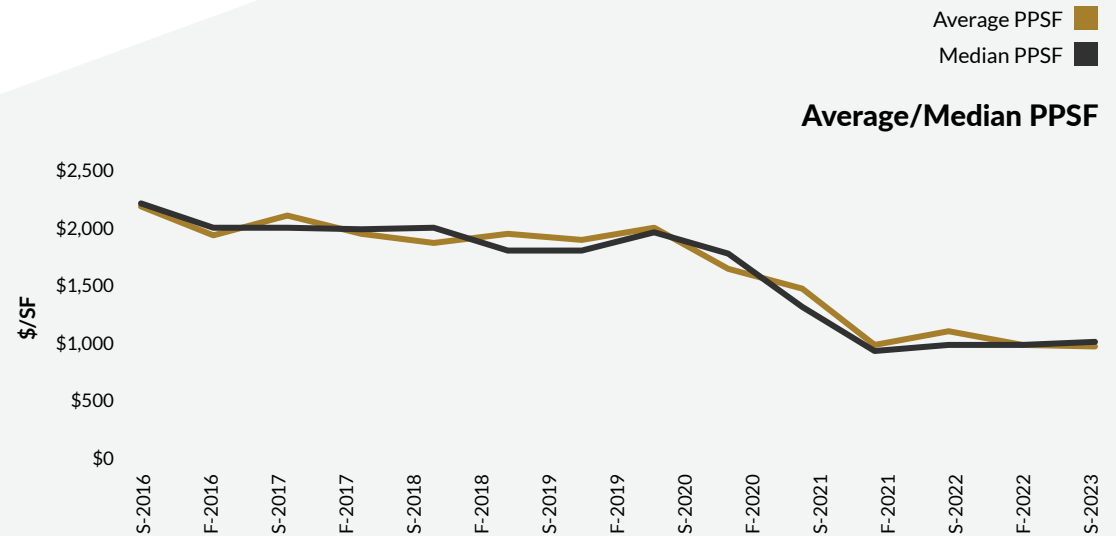
Spring 2023 data is based on 3 availabilities.



Broadway & 7th Ave (42nd St. - 47th St.)

- Average asking PPSF:**
 \$980, a 1% decrease from Fall 2022 and year-over-year.
- Median asking PPSF:**
 \$1,025, a 2.5% increase from Fall 2022 and year-over-year.
- Lowest asking PPSF:**
 \$300, unchanged from Fall 2022 and year-over-year.
- Highest asking PPSF:**
 \$2,250, down by 2.3% from Fall 2022 and year-over-year.
- Average asking PPSF all-time low:**
 26% increase from \$775 in Fall 2008.
- Average asking PPSF all-time high:**
 59% decline from \$2,413 in Spring 2015.

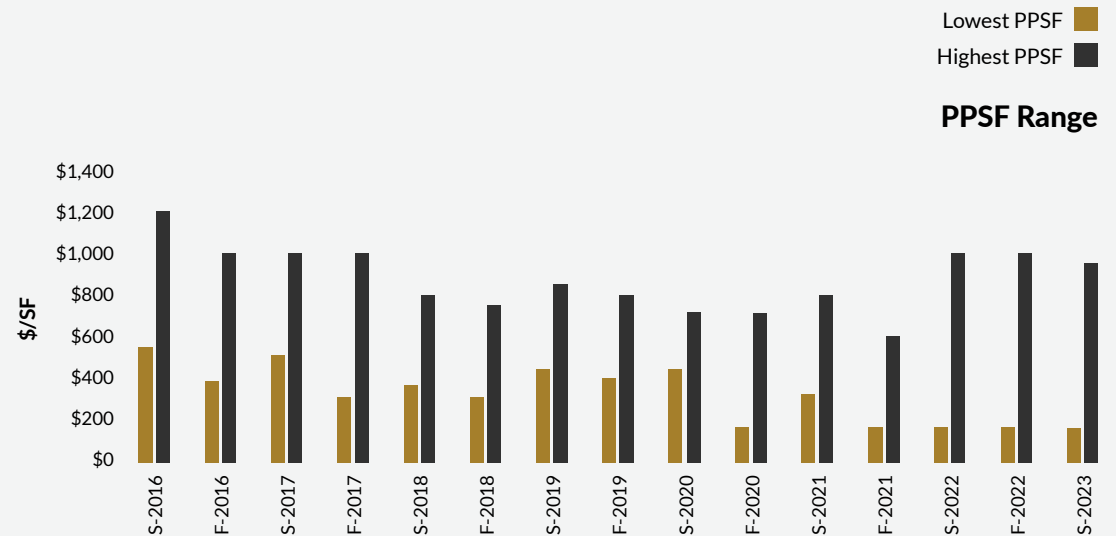
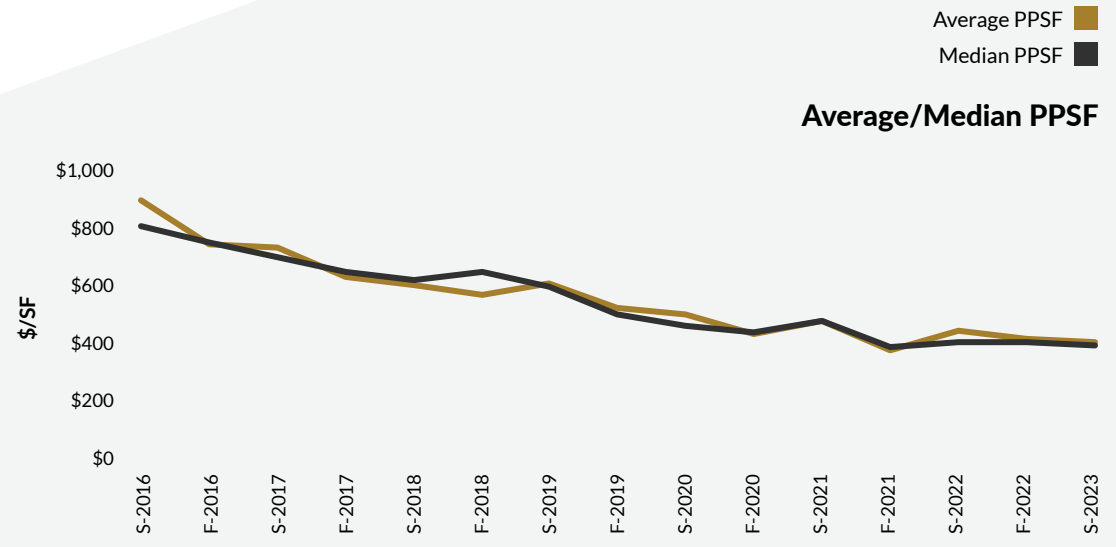
Spring 2023 data is based on 7 availabilities.



West 34th St. (5th Ave - 7th Ave)

- Average asking PPSF:**
 \$415, a 6.7% decrease from Fall 2022, and an 8.6% decrease year-over-year.
- Median asking PPSF:**
 \$405, down by 2.4% from Fall 2022 and year-over-year.
- Lowest asking PPSF:**
 \$170, down by 0.6% from Fall 2022 and year-over-year.
- Highest asking PPSF:**
 \$1,000, unchanged from Fall 2022 and year-over-year.
- Average asking PPSF all-time low:**
 271% increase from \$112 in Fall 2002.
- Average asking PPSF all-time high:**
 59% decline from \$1,000 in Fall 2015.

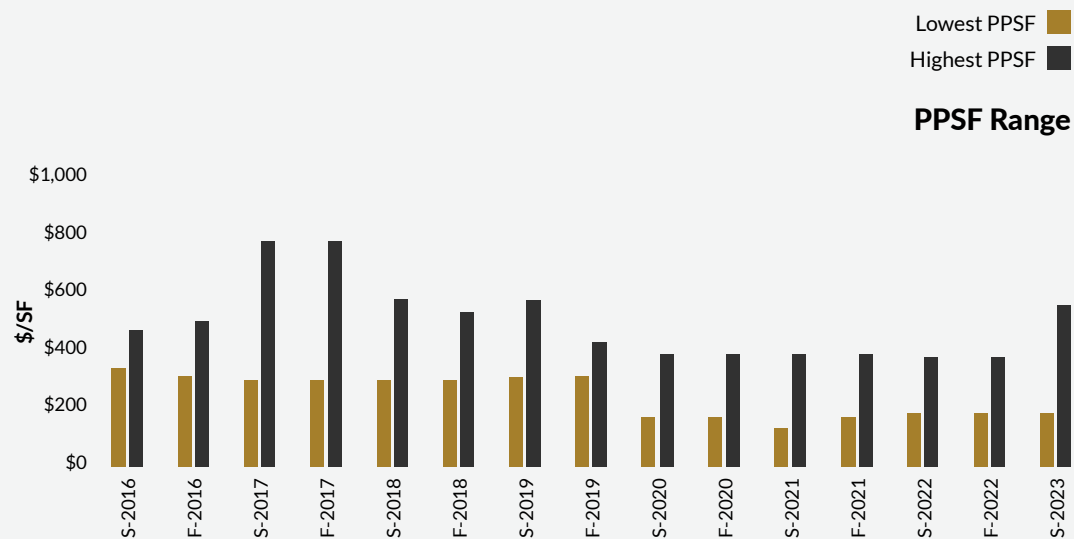
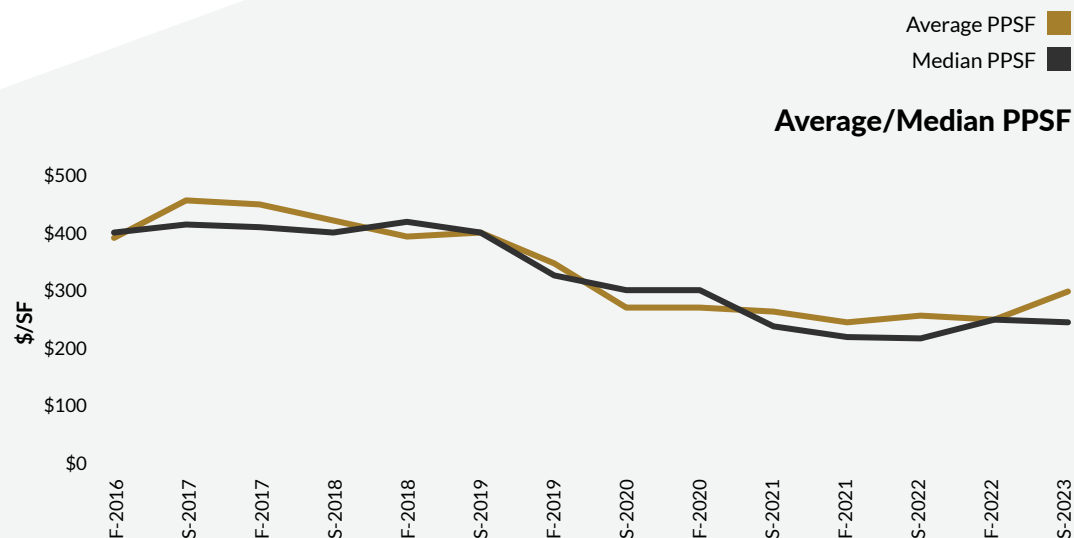
Spring 2023 data is based on 6 availabilities.



5th Ave (14th St. - 23rd St.)

- Average asking PPSF:**
 \$299, a 19.4% jump from Fall 2022, and a 16.8% increase year-over-year.
- Median asking PPSF:**
 \$245, a 2.0% decrease from Fall 2022, and a 12.4% increase year-over-year.
- Lowest asking PPSF:**
 \$175, unchanged from Fall 2022 and year-on-year.
- Highest asking PPSF:**
 \$533, up by 48.1% from Fall 2022, and by 16.4% year-over-year.
- Average asking PPSF all-time low:**
 118% increase from \$137 in Spring 2004.
- Average asking PPSF all-time high:**
 34% decline from \$456 in Spring 2017.

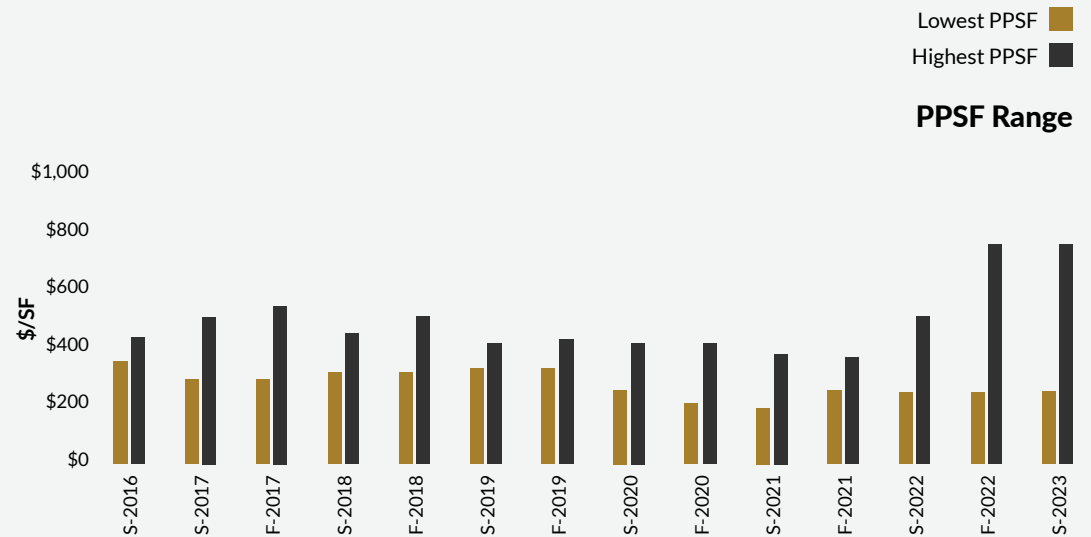
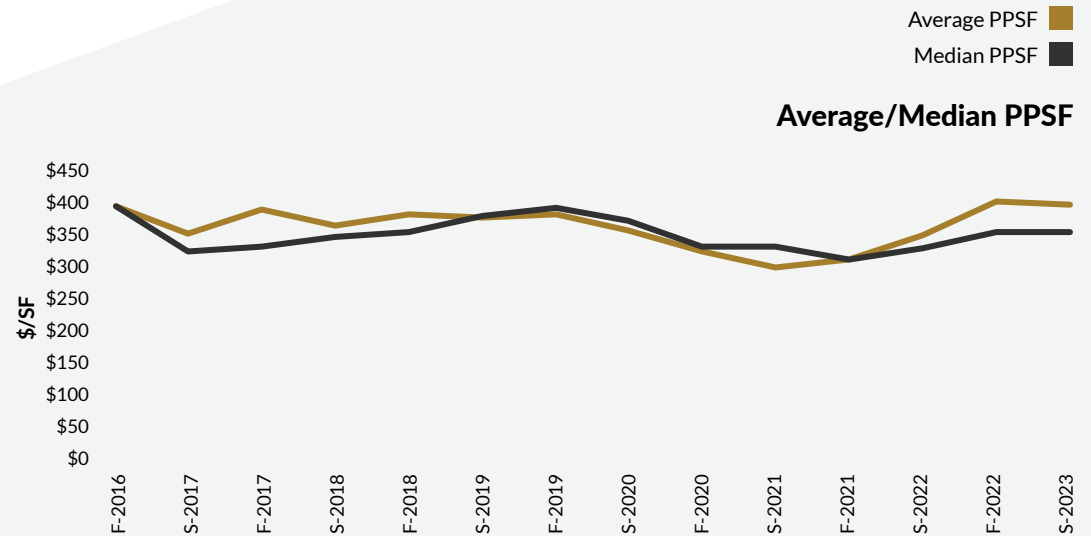
Spring 2023 data is based on 6 availabilities.



Broadway (14th St. - 23rd St.)

- Average asking PPSF:**
 \$393, a 1.0% decrease from Fall 2022, but a 13.6% increase year-over-year.
- Median asking PPSF:**
 \$350, up by 6.2% from Fall 2022, unchanged year-over-year.
- Lowest asking PPSF:**
 \$245, up by 2.1 from Fall 2022 and year-over-year.
- Highest asking PPSF:**
 \$750, unchanged from Fall 2022, but a 50% increase year-over-year.
- Average asking PPSF all-time low:**
 85% increase from \$215 in Spring 2012.
- Average asking PPSF all-time high:**
 22% decline from \$510 in Fall 2015.

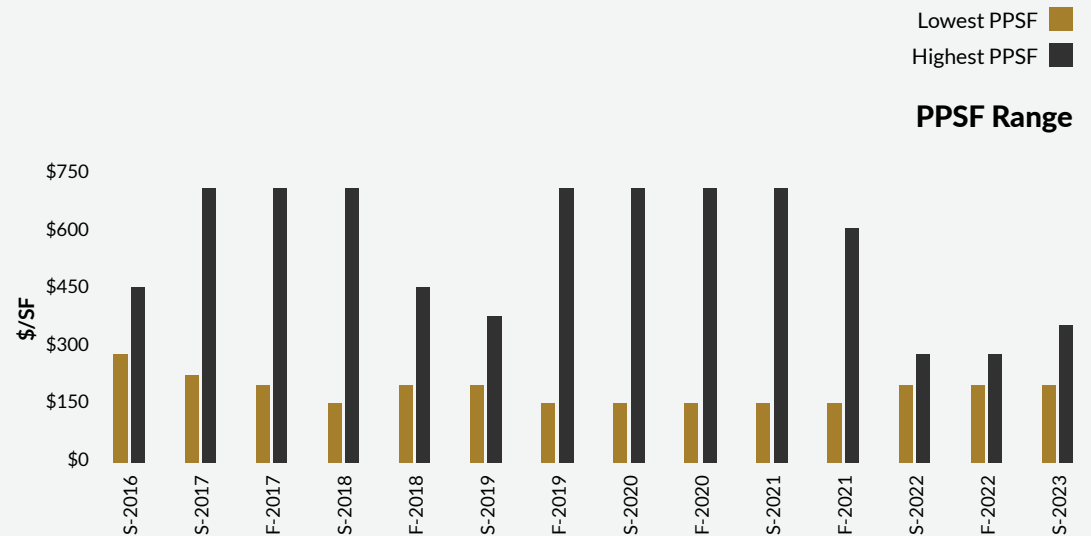
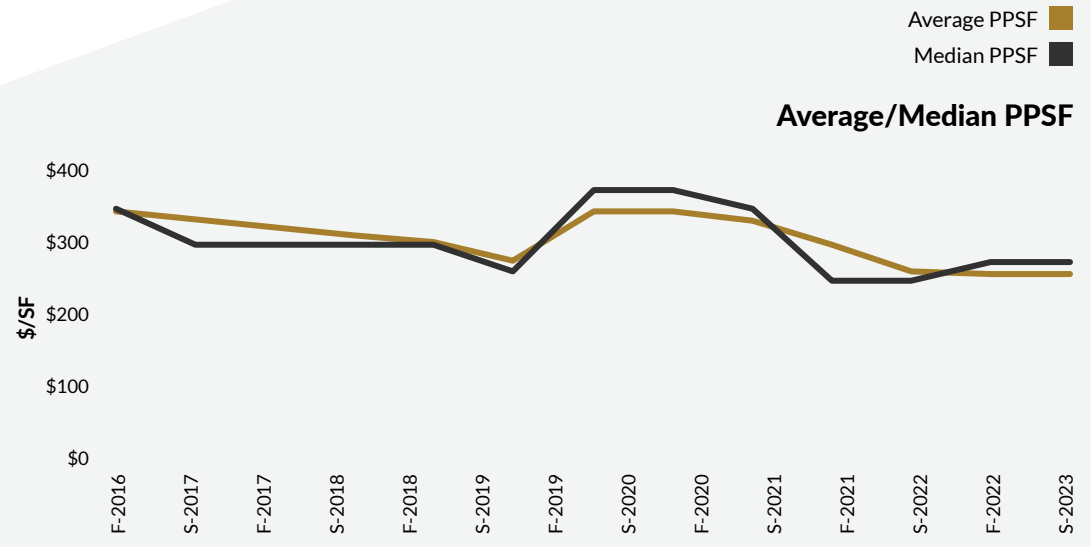
Spring 2023 data is based on 9 availabilities.



14th St. (9th Ave - 10th Ave)

- Average asking PPSF:**
 \$274, up by 6.2% from Fall 2022,
 and by 6.3% year-over-year.
- Median asking PPSF:**
 \$274, down by 0.4% from Fall 2022
 and year-over-year.
- Lowest asking PPSF:**
 \$195, unchanged from Fall 2022
 and year-over-year.
- Highest asking PPSF:**
 \$350, up by 27.3% from Fall 2022
 and year-over-year.
- Average asking PPSF all-time low:**
 New all-time low, down from \$277 in Fall of 2019.
- Average asking PPSF all-time high:**
 41% decline from \$462 in Spring 2008.

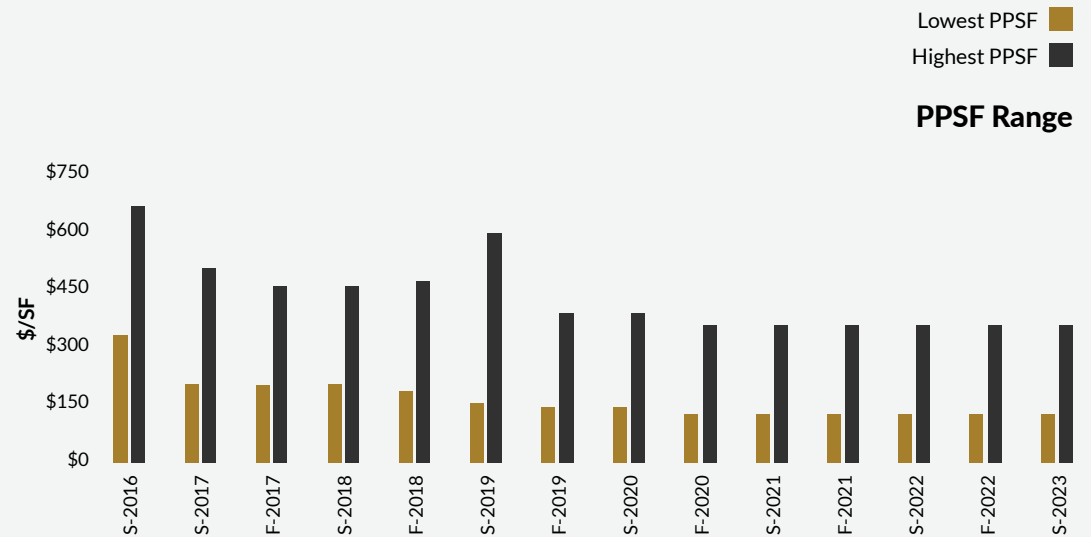
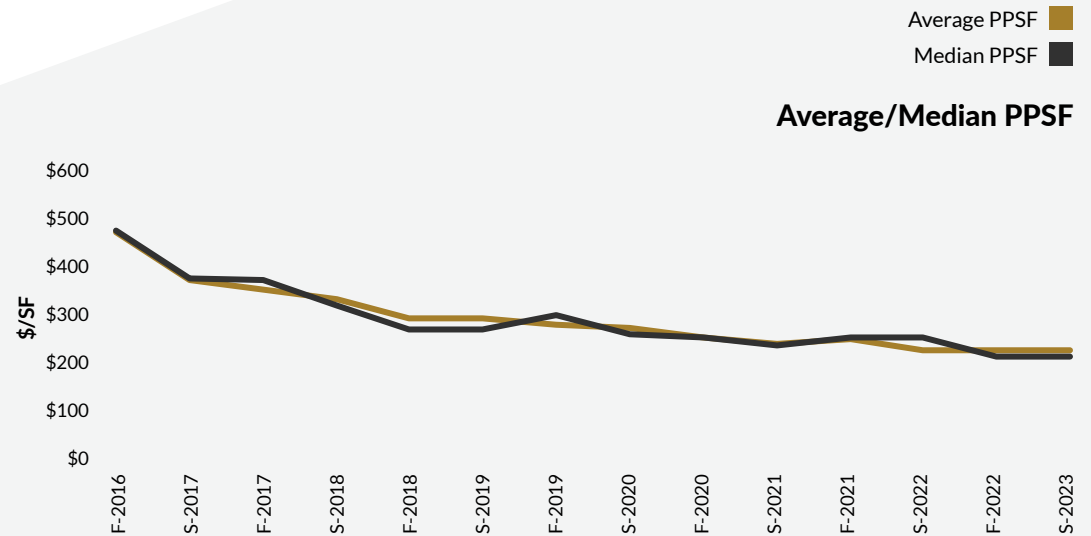
Spring 2023 data is based on 5 availabilities.



Bleecker St. (7th Ave S - Hudson St.)

- Average asking PPSF:**
 \$226, unchanged from Fall 2022 and year-over-year.
- Median asking PPSF:**
 \$213, unchanged from Fall 2022 and year-over-year.
- Lowest asking PPSF:**
 \$128, unchanged from Fall 2022 and year-over-year.
- Highest asking PPSF:**
 \$350, unchanged from Fall 2022 and year-over-year.
- Average asking PPSF all-time low:**
 New all-time low, 6% below \$241 in Spring 2021.
- Average asking PPSF all-time high:**
 58% decline from \$540 in Spring 2013.

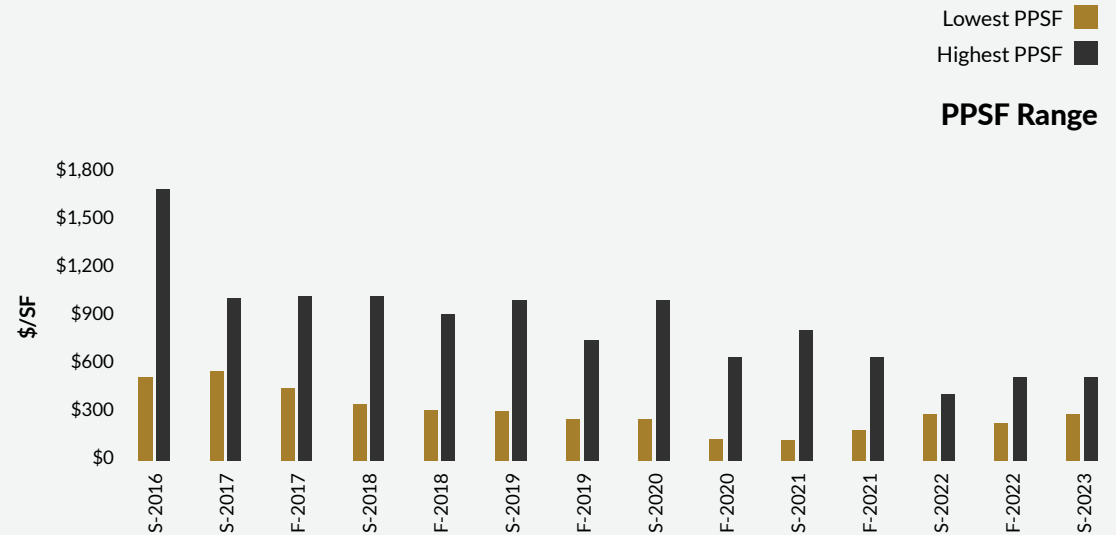
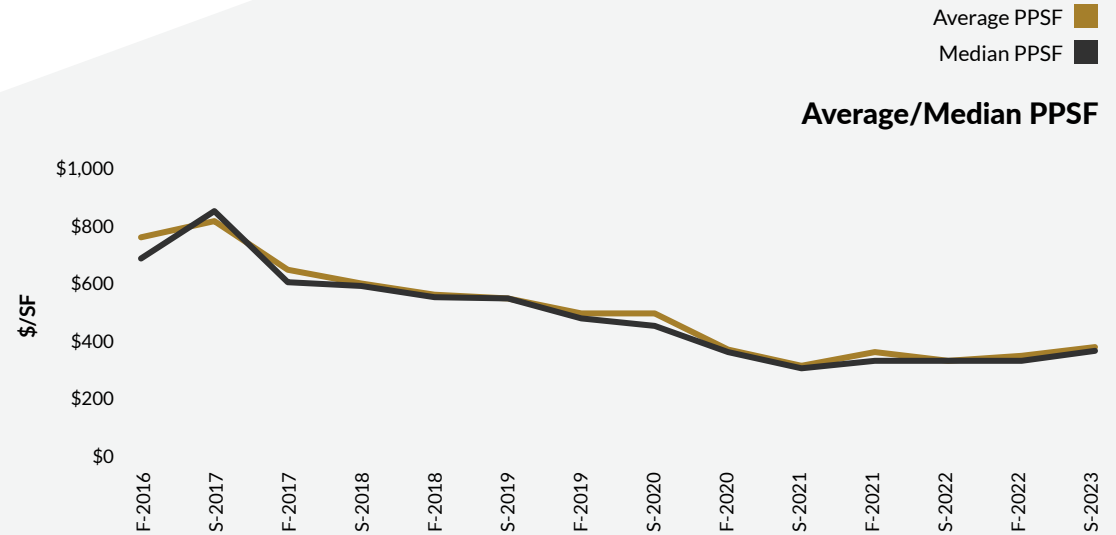
Spring 2023 data is based on 4 availabilities.



Broadway (Houston St. - Broome St.)

- Average asking PPSF:**
 \$376, a 9.6% increase from Fall 2022, and a 14.6% increase year-over-year.
- Median asking PPSF:**
 \$360, up by 10.8% from Fall 2022 and year-over-year.
- Lowest asking PPSF:**
 \$275, a 22.2% increase from Fall 2022, but unchanged spike year-over-year.
- Highest asking PPSF:**
 \$510, unchanged from Fall 2022, but a 27.5% increase year-over-year.
- Average asking PPSF all-time low:**
 201% increase from \$125 in Spring 2002.
- Average asking PPSF all-time high:**
 62% decline from \$977 in Spring 2015.

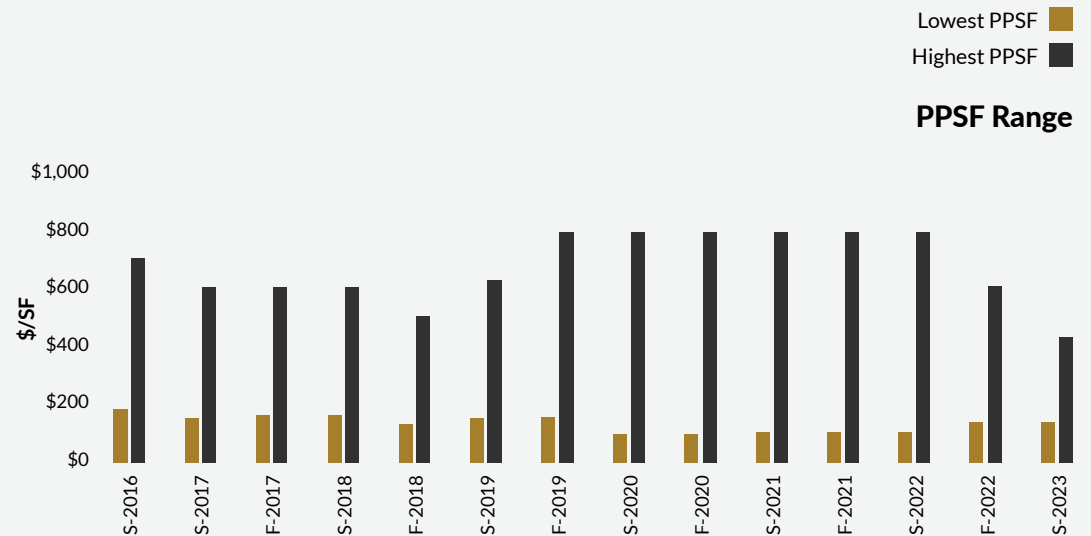
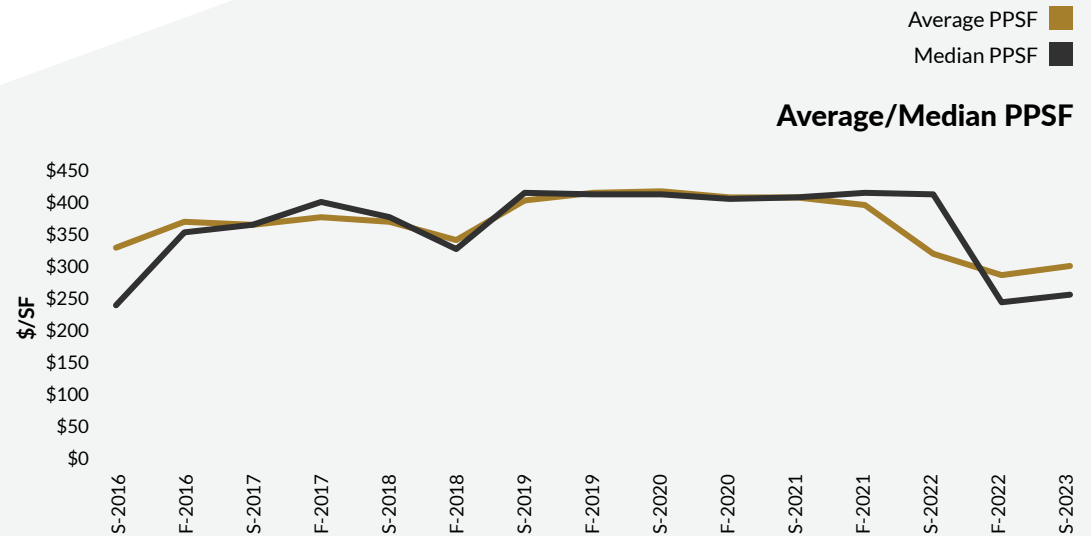
Spring 2023 data is based on 4 availabilities.



Broadway (Battery Park – Chambers St.)

- Average asking PPSF:**
 \$298, a 5.3% increase from Fall 2022, but a 5.7% decline year-over-year.
- Median asking PPSF:**
 \$250, unchanged from Fall 2022, but up by 5.0% year-over-year.
- Lowest asking PPSF:**
 \$135, unchanged from Fall 2022, but up 35.0% year-over-year.
- Highest asking PPSF:**
 \$425, down by 29.2% from Fall 2022, and by 45.9% year-over-year.
- Average asking PPSF all-time low:**
 251% increase from \$85 in Spring 2001.
- Average asking PPSF all-time high:**
 29% decline from \$417 in Spring 2020.

Spring 2023 data is based on 16 availabilities.



Appendix

Average Asking Rent PPSF

Corridor	S-2023	F-2022	S-2022	F-2021	%Δ F-2022	%Δ S-2022
125th St. (5th Ave - Morningside Ave)	\$155	\$165	\$143	\$133	-6.1%	8.2%
Broadway (72nd St. - 86th St.)	\$229	\$249	\$241	\$241	-8.0%	-5.0%
Columbus Ave (66th St. - 79th St.)	\$310	\$295	\$320	\$260	5.1%	-3.0%
East 86th St. (Lexington Ave - 2nd Ave)	\$288	\$297	\$278	\$327	-3.0%	3.6%
Madison Ave (57th St. - 72nd St.)	\$834	\$695	\$769	\$750	20.0%	8.5%
3rd Ave (60th St. - 72nd St.)	\$258	\$216	\$224	\$214	19.6%	15.2%
East 57th St. (5th Ave - Park Ave)	\$313	\$279	N/A	N/A	12.2%	N/A
5th Ave (42nd St. - 49th St.)	\$639	\$588	\$650	\$676	8.7%	-1.7%
5th Ave (49th St. - 59th St.)	\$2,750	\$2,583	\$2,775	\$2,628	6.5%	-0.9%
Broadway & 7th Ave (42nd St. - 47th St.)	\$980	\$990	\$1,112	\$998	-1.0%	-11.9%
West 34th St. (5th Ave - 7th Ave)	\$415	\$445	\$454	\$390	-6.7%	-8.6%
5th Ave (14th St. - 23rd St.)	\$299	\$250	\$256	\$246	19.4%	16.8%
Broadway (14th St. - 23rd St.)	\$393	\$397	\$346	\$308	-1.0%	13.6%
14th St. (9th Ave - 10th Ave)	\$274	\$258	\$258	\$262	6.2%	6.3%
Bleecker St. (7th Ave S - Hudson St.)	\$226	\$226	\$226	\$250	0.0%	0.0%
Broadway (Houston St. - Broome St.)	\$376	\$343	\$328	\$357	9.6%	14.6%
Broadway (Battery Park - Chambers St.)	\$298	\$283	\$316	\$395	5.3%	-5.7%

Spring report covers January through June, Fall July - December.

Appendix

Median Asking Rent PPSF

Corridor	S-2023	F-2022	S-2022	F-2021	%Δ F-2022	%Δ S-2022
125th St. (5th Ave - Morningside Ave)	\$170	\$175	\$142	\$125	-2.9%	19.7%
Broadway (72nd St. - 86th St.)	\$200	\$250	\$225	\$240	-20.0%	-11.1%
Columbus Ave (66th St. - 79th St.)	\$330	\$240	\$225	\$230	37.5%	46.7%
East 86th St. (Lexington Ave - 2nd Ave)	\$300	\$350	\$300	\$327	-14.3%	0.0%
Madison Ave (57th St. - 72nd St.)	\$850	\$795	\$800	\$775	6.9%	6.3%
3rd Ave (60th St. - 72nd St.)	\$250	\$209	\$213	\$203	19.5%	17.4%
East 57th St. (5th Ave - Park Ave)	\$214	\$233	N/A	N/A	-8.2%	N/A
5th Ave (42nd St. - 49th St.)	\$650	\$650	\$650	\$675	0.0%	0.0%
5th Ave (49th St. - 59th St.)	\$2,750	\$2,950	\$2,950	\$2,900	-6.8%	-6.8%
Broadway & 7th Ave (42nd St. - 47th St.)	\$1,025	\$1,000	\$1,000	\$942	2.5%	2.5%
West 34th St. (5th Ave - 7th Ave)	\$405	\$415	\$415	\$400	-2.4%	-2.4%
5th Ave (14th St. - 23rd St.)	\$245	\$250	\$218	\$220	-2.0%	12.4%
Broadway (14th St. - 23rd St.)	\$350	\$330	\$350	\$325	6.2%	0.0%
14th St. (9th Ave - 10th Ave)	\$274	\$275	\$275	\$250	-0.4%	-0.4%
Bleecker St. (7th Ave S - Hudson St.)	\$213	\$213	\$213	\$254	0.0%	0.0%
Broadway (Houston St. - Broome St.)	\$360	\$325	\$325	\$325	10.8%	10.8%
Broadway (Battery Park - Chambers St.)	\$250	\$250	\$238	\$411	0.0%	5.0%

Spring report covers January through June, Fall July - December.

Appendix

Asking Rent PPSF Range

Corridor	S-2023 Low	S-2023 High	F-2022 Low	F-2022 High	S-2022 Low	S-2022 High
125th St. (5th Ave - Morningside Ave)	\$105	\$205	\$110	\$208	\$101	\$190
Broadway (72nd St. - 86th St.)	\$100	\$375	\$175	\$385	\$150	\$375
Columbus Ave (66th St. - 79th St.)	\$200	\$351	\$175	\$350	\$210	\$488
East 86th St. (Lexington Ave - 2nd Ave)	\$200	\$390	\$155	\$390	\$155	\$390
Madison Ave (57th St. - 72nd St.)	\$295	\$1,005	\$300	\$1,000	\$300	\$1,100
3rd Ave (60th St. - 72nd St.)	\$125	\$400	\$115	\$300	\$115	\$333
East 57th St. (5th Ave - Park Ave)	\$150	\$604	\$150	\$610	N/A	N/A
5th Ave (42nd St. - 49th St.)	\$500	\$750	\$436	\$750	\$400	\$750
5th Ave (49th St. - 59th St.)	\$2,500	\$3,000	\$2,250	\$3,000	\$2,250	\$3,000
Broadway & 7th Ave (42nd St. - 47th St.)	\$300	\$2,250	\$300	\$2,300	\$300	\$2,300
West 34th St. (5th Ave - 7th Ave)	\$170	\$1,000	\$171	\$1,000	\$171	\$1,000
5th Ave (14th St. - 23rd St.)	\$175	\$533	\$175	\$360	\$175	\$458
Broadway (14th St. - 23rd St.)	\$245	\$750	\$240	\$750	\$240	\$500
14th St. (9th Ave - 10th Ave)	\$195	\$350	\$195	\$275	\$195	\$275
Bleecker St. (7th Ave S - Hudson St.)	\$128	\$350	\$128	\$350	\$128	\$350
Broadway (Houston St. - Broome St.)	\$275	\$510	\$225	\$510	\$275	\$400
Broadway (Battery Park - Chambers St.)	\$135	\$425	\$135	\$600	\$100	\$785

Spring report covers January through June, Fall July - December.

Appendix

Average Asking Rent PPSF – Min/Max

Corridor	Min		Max	
125th St. (5th Ave - Morningside Ave)	S-2004	\$65	F-2022	\$165
Broadway (72nd St. - 86th St.)	S-2002	\$170	F-2013	\$434
Columbus Ave (66th St. - 79th St.)	F-2010	\$229	S-2015	\$447
East 86th St. (Lexington Ave - 2nd Ave)	F-2010	\$293	S-2013	\$550
Madison Ave (57th St. - 72nd St.)	F-2002	\$491	F-2014	\$1,709
3rd Ave (60th St. - 72nd St.)	S-2002	\$182	S-2016	\$371
East 57th St. (5th Ave - Park Ave)	S-2002	\$425	S-2016	\$1,625
5th Ave (42nd St. - 49th St.)	S-2010	\$425	S-2016	\$1,368
5th Ave (49th St. - 59th St.)	S-2002	\$329	F-2017/S-2018	\$3,900
Broadway & 7th Ave (42nd St. - 47th St.)	F-2008	\$775	S-2015	\$2,413
West 34th St. (5th Ave - 7th Ave)	F-2002	\$112	S-2015	\$1,000
5th Ave (14th St. - 23rd St.)	S-2004	\$137	S-2017	\$456
Broadway (14th St. - 23rd St.)	S-2012	\$215	F-2015	\$510
14th St. (9th Ave - 10th Ave)	S-2023	\$274	S-2008	\$462
Bleecker St. (7th Ave S - Hudson St.)	S-2023	\$226	S-2013	\$540
Broadway (Houston St. - Broome St.)	S-2002	\$125	S-2015	\$977
Broadway (Battery Park - Chambers St.)	S-2001	\$85	S-2020	\$417

Spring report covers January through June, Fall July - 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.

Acknowledgements

The REBNY Manhattan Retail Advisory Group includes:

Robin Abrams, Compass

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Jordan Kaplan, CBRE

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Craig Slosberg, Newmark

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Ripco Real Estate