



RETAIL MARKET OVERVIEW

HEATHER SMOLINSKI, *Research Associate*

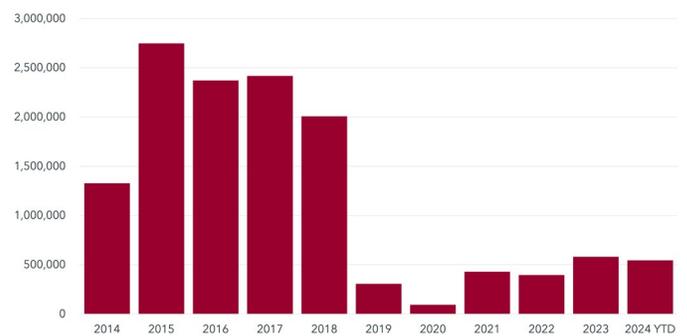
Manhattan's retail scene continues its strong showing in Q1 2024. Luxury brands have been leading the charge with leases signed by Skims, Dolce & Gabbana, and a Fifth Avenue property purchase by Kering for \$963 million. Other highlights include Whole Foods renewing their lease for nearly 60,000 square feet and Wegmans securing their second Manhattan location with a similar footprint. Retail corridors like SoHo, Madison Avenue, and Fifth Avenue are experiencing rising rents and declining vacancy rates. This trend is expected to continue as the city anticipates an influx of tourists in 2024. The surge in tourism will further fuel the retail recovery and contribute to an improved economic climate.

MARKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
▲ 12 Mo. Net Absorption SF	(251,573)	(517,918)	(632,521)	(240,953)	(230,985)
◀▶ Vacancy Rate	5.6%	5.6%	5.6%	5.0%	5.2%
▲ Avg NNN Asking Rate PSF	\$136.25	\$136.24	\$136.60	\$135.58	\$134.52
▼ SF Under Construction	545,354	581,354	581,354	407,000	411,100
▲ Inventory SF	59,755,609	59,728,404	59,736,948	59,757,388	59,753,288

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
717 Fifth Avenue New York, NY	115,000 SF	\$963,000,000 \$8,374 PSF	Kering SA Wharton Properties + SL Green	Single-Tenant
401 E. 60th Street New York, NY	123,149 SF	\$153,000,000 \$1,242 PSF	Hennick & Company Gazit Horizons, Inc.	Single-Tenant
545 Broadway New York, NY	29,586 SF	\$33,000,000 \$1,115 PSF	The Marsan Family The Mapama Corporation	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
10 Columbus Circle New York, NY	59,940 SF	The Related Companies	Whole Foods	Grocery
1930 Broadway New York, NY	58,875 SF	Glenwood Mgmt Corp	Wegmans	Grocery
1280 Lexington Avenue New York, NY	32,850 SF	Condominium 110 E 87 St Condo	Best Buy	Electronics

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com