

Economic Snapshot

Q4 2022

FLATIRON NOMAD

2022 OFFICE LEASING OUTPACES 2021

Over 3 million SF of office space was leased in Flatiron and NoMad in 2022, a 66% increase over 2021. 90% of the year's 285 leases were in Class B properties though 47% of the overall square footage volume are in large Class A buildings. Q4 leasing volume increased 28% year-over-year, and outpaced 2019's pre-pandemic volumes and Midtown South trends ([Crain's](#)).

LEASING VOLUMES (COMPARED TO 2021)

	Midtown South	Flatiron & NoMad
Q4	-33%	28%
Full-Year	43%	66%

Source: Colliers, CoStar

TAMI and FIRE companies, ranging from architecture and design ([Crain's](#)) to software continued to sign leases in the district. CompStak relocated from NoHo to 675 Sixth Avenue and doubled its office footprint with 25,000 SF. Flatiron's proximity to nearby transit, retail, dining, and entertainment were major draws in an effort to "facilitate a return to office" ([Commercial Search](#)).

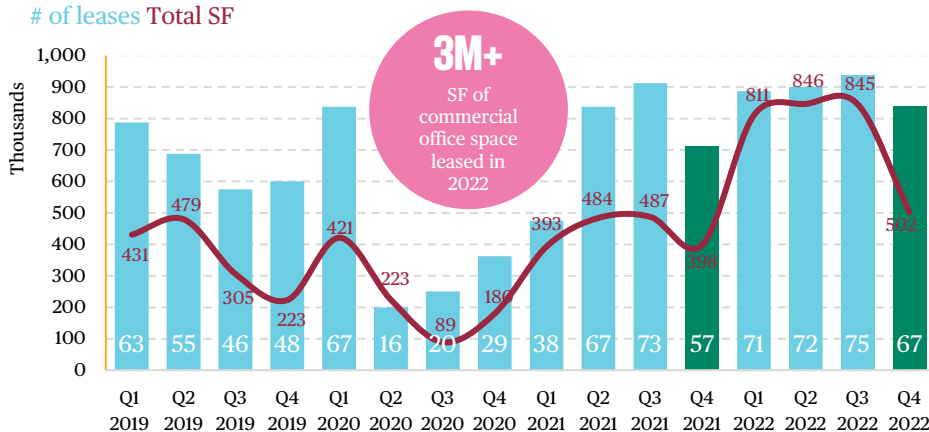
Impact.com (136 Madison Avenue, 18,364 SF) and Grimshaw (60 Madison Avenue, 19,000 SF) also relocated to Flatiron and NoMad ([Connect CRE](#), [NY Business Journal](#)) while Transwestern Real Estate (440 Park Avenue South, 11,140 SF) and Deborah Berke Partners (41 Madison, 13,331 SF) relocated within the district to larger and higher-quality spaces ([Connect CRE](#), [REW](#)).

Midtown South was the lone Manhattan market that surpassed March 2020 average asking rents (\$77.95/SF, [Colliers](#)) and accounted for NYC's three largest office leases in October ([BisNow](#)).

COMMERCIAL A & B OFFICE SPACE

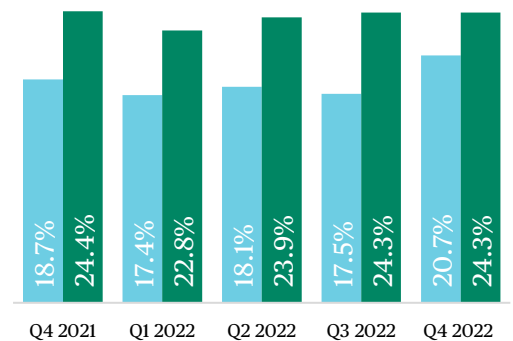
LEASING VOLUME

of leases Total SF



AVAILABILITY RATE

Class A Class B



Source: CoStar

DEVELOPMENT FIRMS BET ON THE RESILIENCY OF FLATIRON & NOMAD'S OFFICE INDUSTRY

Boston Properties (BXP) acquired a 27% stake in 200 Fifth Avenue for \$280.2M, their second investment in the neighborhood ([REW](#)). In Q4 2021, BXP purchased 360 Park Avenue South for \$300M, which is currently under renovation to support the evolving needs and desires of creative and technology companies ([REW](#)).

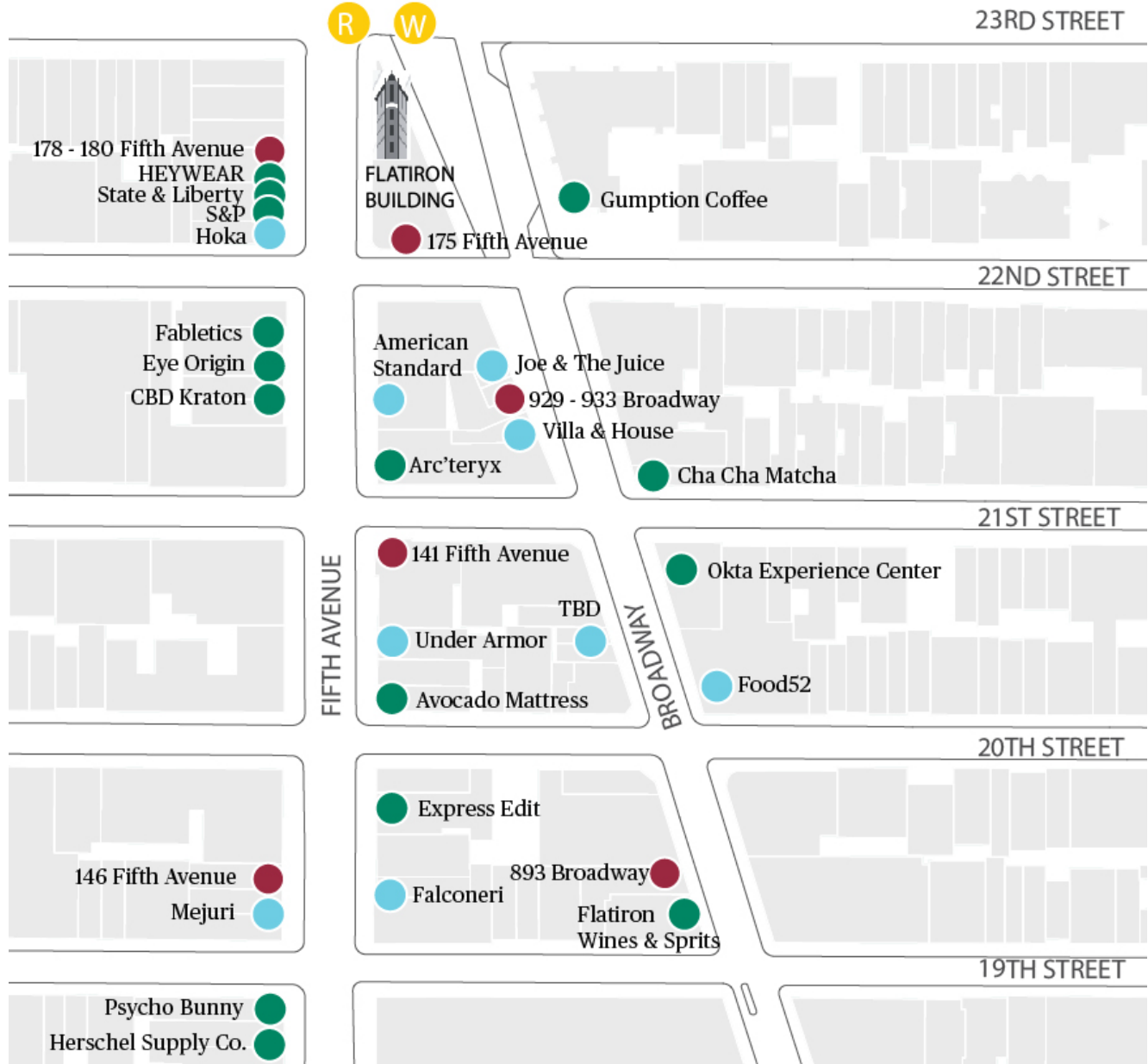
Other major development firms are also betting on the Flatiron and NoMad office markets. In September, GFP Real Estate invested \$47M to refinance 230 Fifth Avenue ([Connect CRE](#)). In November, Tribeca Investment Group secured \$150M to modernize assets at 295 Fifth Avenue ([YIMBY](#)), and in December, SJP Properties and PGIM Real Estate completed a \$15M amenitization project at 470 Park Avenue South ([YIMBY](#)).

FIFTH AVENUE & BROADWAY RETAIL IS BACK!

In 2022, nearly 20 leases were signed between 20th and 23rd Street on Broadway and Fifth Avenue. Dry goods retail, specifically apparel, returned to Fifth Avenue ([NY Post](#)) and Broadway welcomed more food and beverage businesses.

2022 GROUND FLOOR LEASING ALONG HISTORIC RETAIL CORRIDORS

New Business Coming Soon Retail Opportunity



Interested in Flatiron and NoMad retail space?

RETAIL OPPORTUNITIES MAP

**FLATIRON
NOMAD**

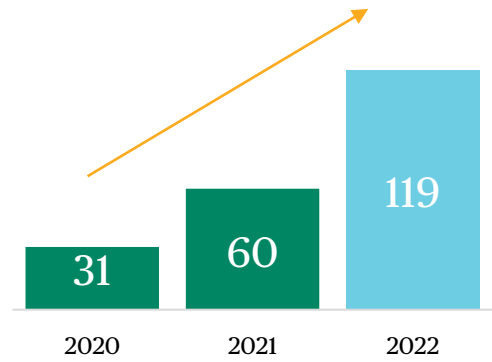
GROUND FLOOR LEASING HAS GROWN EXPONENTIALLY SINCE 2020

According to REBNY, Manhattan’s retail sector is enjoying its healthiest leasing activity in years, including Flatiron and NoMad. In 2022, 119 ground floor retail establishments opened, twice as many as 2021, with 47 coming soon.

55% of new openings were food and beverage establishments. 39 fast-casual restaurants opened, a welcome sight to the increasing number of employees returning to the office (60% RTO through December, [Crain’s](#), [Q4 Pedestrian Report](#)).

Major leasing highlights include chef Daniel Boulud’s marketplace (9,500 SF) and steakhouse (6,500 SF) at One Madison ([YIMBY](#)) and Dos Caminos’ renewed at 373 Park Avenue South (13,900 SF, [REW](#)).

NEW RETAIL, BY YEAR



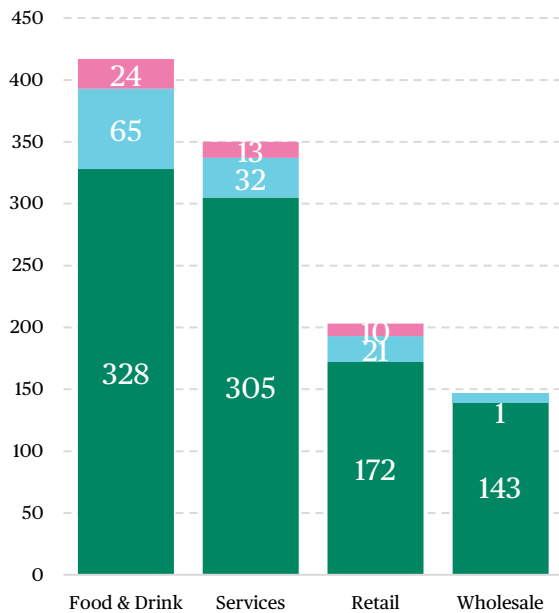
RETAIL RECOVERY & TRAVELERS RETURN TO FLATIRON & NOMAD

Flatiron’s mixed-use nature is one of the reasons that the neighborhood is stabilizing economically, according to NYCEDC ([Crain’s](#)). Flatiron was highlighted as NYC’s “most active submarket” ([NY Post](#)), exemplified by the increasingly slim number of available retail space on Fifth Avenue and Broadway. Broadway, from 14th to 23rd Street, saw retail asking rents rebound.

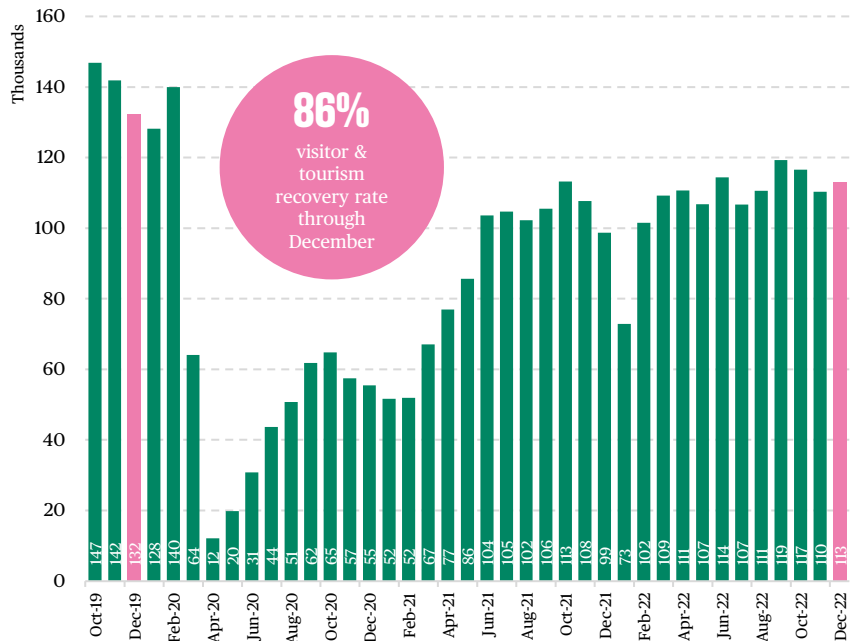
REBNY attributed healthy retail leasing to increased consumer demand brought by resurgent travel including NYC hotel occupancy surpassing pre-pandemic levels ([REBNY](#)). The district is home to 29 hotels, including the recently-opened The Ritz-Carlton New York, The Ned NoMad, and Le Méridien New York, Fifth Avenue. Virgin Hotels NYC, Hotel AKA NoMad, and The Fifth Avenue Hotel will open in the coming months.

GROUND FLOOR RETAIL INVENTORY (2022)

Ground Floor Businesses New in 2022 Coming Soon



FLATIRON & NOMAD VISITOR & TOURIST FOOT TRAFFIC



Source: Placer.ai

**FLATIRON
NOMAD**



Q4 Pedestrian Report

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