
Q3 2024

ECONOMIC REPORT

FLATIRON
NOMAD

Q3 OFFICE LEASING

FLATIRON AND NOMAD OFFICE AVAILABILITY

Availability rates for Class A and B office space decreased modestly in Q3 after peaking at the beginning of the year. Class A availability was 25.3% and Class B was 22.2%. District-wide office availability was 22% including all classes of office space.

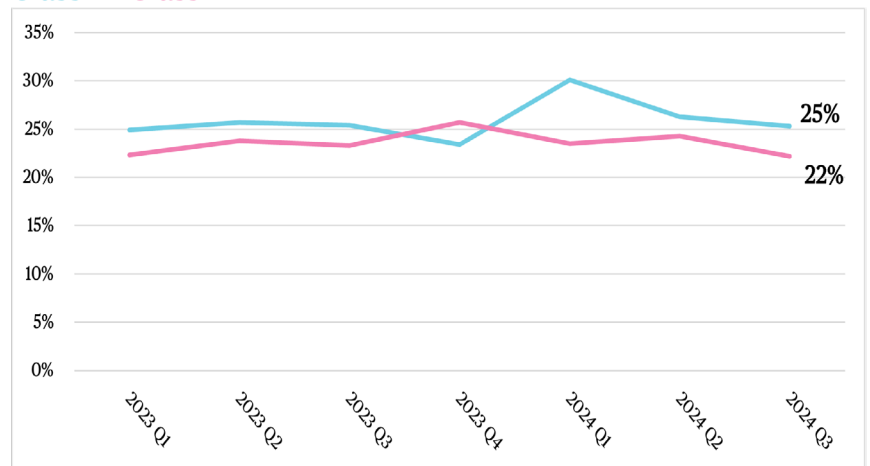
CLASS A & B LEASES

Flatiron and NoMad leased office square footage increased 27% compared to Q3 2023 to more than 650,000 SF across all classes. Tenants signed 72 Class A & B leases this quarter, a slight increase from 67 last quarter.

53%
YoY increase in leased SF

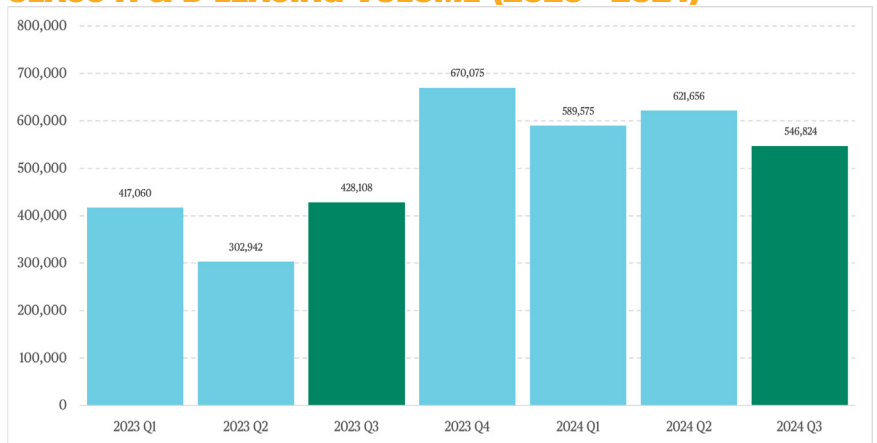
CLASS A & B AVAILABILITY (2023 - 2024)

Class A Class B



Source: CoStar

CLASS A & B LEASING VOLUME (2023 - 2024)



Source: CoStar

Q3 OFFICE LEASING HIGHLIGHTS

OFFICE LEASING IN MANHATTAN AND MIDTOWN SOUTH REBOUND

According to [Colliers](#), Q3 2024 hit a number of office leasing milestones. Leasing activity across Manhattan had its strongest quarterly volume in two years; availability rates reached their lowest levels in 18 months; net absorption was its strongest in two years; and leasing volume is on track to pass 30 million SF for the first time in five years. Midtown South had a particularly good quarter; Colliers reported more than 2.9 million SF of leasing activity in the area in Q3.

SECTOR DIVERSITY LEADS Q3 OFFICE LEASING

This quarter saw a diverse range of employers including cosmetics companies, educational institutions, and nonprofit organizations sign or expand leases in Flatiron NoMad. Cosmetics brand [e.l.f. inked a 10-year, 26,000 SF lease](#) at 16 West 22nd Street, expanding its overall footprint to 39,000 SF. [Phipps Houses](#), the oldest and largest nonprofit developer, owner, and manager of affordable housing in NYC, relocated within Flatiron via a 32-year, nearly 39,000 SF lease at 257 Park Avenue South. Music publisher and talent management firm [Primary Wave](#) signed a 10-year 12,883 SF lease at 1165 Broadway in NoMad.

IBM AND CHELSEA PIERS ANCHOR ONE MADISON



Source: IBM

Occupying 270,000 SF of new Class A office space, [IBM's One Madison headquarters opened in September](#) and serves as the daily workspace for more than 2,000 employees. [Chelsea Piers also opened its One Madison facility](#) this quarter with 60,000 SF of luxury fitness and wellness space across four floors. IBM and Chelsea Piers join other major One Madison tenants, including Franklin Templeton, Coinbase, Flutter Entertainment, and Palo Alto Networks, to bring the building to 100% retail occupancy. Frankling Templeton is the largest tenant at One Madison, with more than 347,000 leased SF and more than 2,300 employees. In total, One Madison brings more than 5,500 employees to the District.

The new influx of office employees and gym-goers at One Madison will support additional establishments coming to 23rd & Madison in the coming months including Tete D'Or, Joji Box, Alidoro, Los Tacos No. 1, and Sweetgreen.

Q3 GROUND FLOOR RETAIL

GROUND FLOOR RETAIL AND Q3 OPENINGS

Partnership staff surveyed ground floor establishments this quarter as a follow-up to data collection in May. Despite some closings, Flatiron and NoMad persists as an attractive location for business investment as the district-wide occupancy rate remained strong at 83%.



Source: Pura Vida

The district welcomed several new F & B attractions this quarter including Brass, Sendo, Okonomi, Temakase Handroll Bar, Bis Bas, Seoul Bap, and Experimental Cocktail Club. Popular Miami-based fast-casual chain Pura Vida opened its first NYC location in the heart of NoMad early in Q3.

GREEN DINING DESTINATION

In mid-September, the [Green Dining Association](#) (GRA), [Madison Square Park Conservancy](#), and Flatiron NoMad Partnership hosted a ribbon cutting ceremony to celebrate NYC's First Green Dining Destination™.

12 restaurants in the greater neighborhood have attained the Certified Green Restaurant® certification from GRA, including: Barcade, BLACKBARN, Hawksmoor, Honeybrains, Inday, Planta Queen, Rezdora, Scarpetta, The Seville, Shake Shack, SPIN, and Tarallucci e Vino.

This community of Certified Green Restaurants® champions sustainability and serves as a model for more dining establishments to become green. For more information about NYC's First Green Dining Destination™ visit dinegreenflatironnomad.com/.



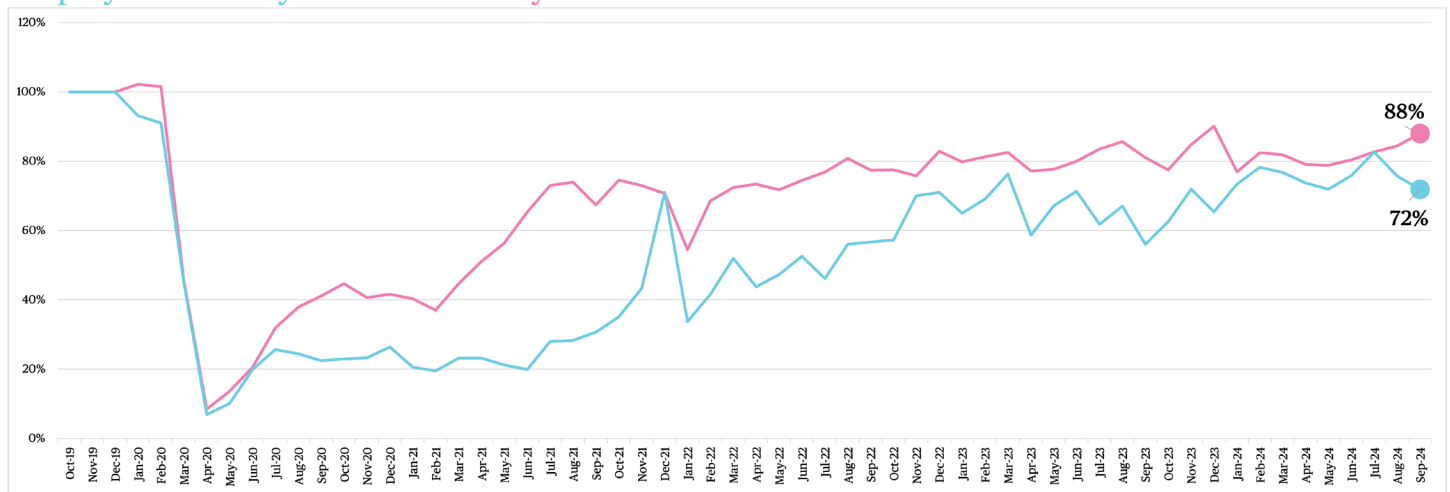
Q3 RETURN TO OFFICE

PANDEMIC RECOVERY CONTINUES

Both visitor and employee visits to the District have rebounded strongly since the onset of the pandemic. Despite changing working and tourism habits, the District has recovered many of the employees and visitors that it lost in 2020.

VISITOR AND EMPLOYEE RECOVERY, 2019 - 2024

Employee Recovery Visitor Recovery

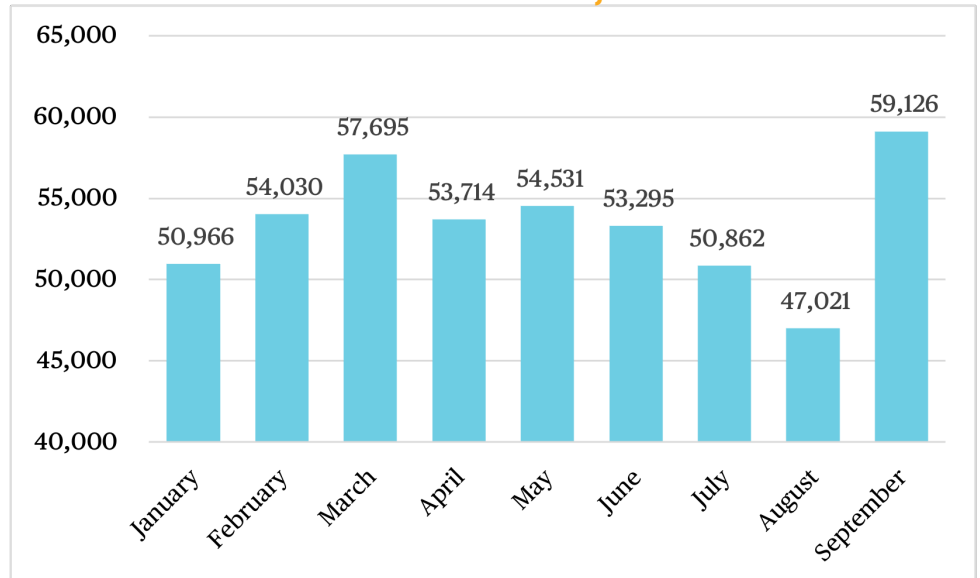


Source: Placer.ai

SEPTEMBER RETURN-TO-OFFICE LEADS 2024

Nearly 60,000 office employees commuted to Flatiron and NoMad offices each weekday in September, a high-water mark for 2024. In total, there were more than 3.7 million office employee visits in Q3.

AVERAGE WEEKDAY EMPLOYEE VISITS, 2024



Source: Placer.ai

Q3 MOBILITY

14.2 MILLION

Q3 subway rides around Flatiron and NoMad

3.5 MILLION

Q3 Flatiron and NoMad Public Plaza visits

59,000

September 2024 average weekday employee visits

FLATIRON PLAZA FOOT TRAFFIC

Flatiron Plaza foot traffic tends to decrease through the summer months and 2024 was no exception. On average, 38,000 people passed through the iconic intersection of 23rd Street, Broadway, and Fifth Avenue each day, many of whom visited the interactive Portal digital art installation on the South Plaza. In total, the Flatiron Plazas have welcomed more than 13.3 million visitors year-to-date and more than 3.5 million this quarter.

BROADWAY VISION



Source: NYC DOT

In mid-September, Flatiron NoMad Partnership, Union Square Partnership, NYC DOT, and its partners announced the completion of the latest phase of Broadway Vision. This phase of Broadway's transformative redesign includes a new pedestrian plaza between 17th and 18th Streets; curb extensions and narrower turns to reduce speeding and create safer turning movements; shortened crossings and wider crosswalks to enhance pedestrian safety; two-way bike boulevard treatments, along with related signage and signals; reconfigured curb lanes to facilitate loading and pickups/drop offs; and additional public space and cycling amenities, like seating, planters, and additional bike parking.

With the completion of this latest piece of Broadway Vision, the Partnership continues to lead the way in creating more people-centered, safer streets for everyone in our District. To read more about this exciting project, [click here](#).

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