



**FLATIRON
NOMAD**

Q1 2023 Economic Report

Office Leasing

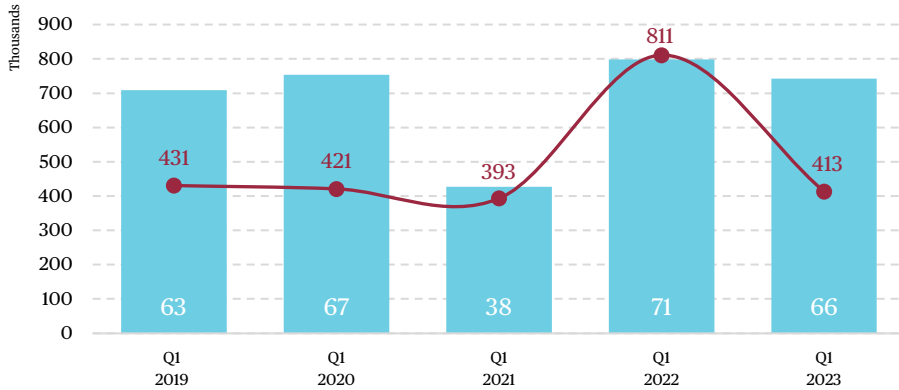
*Source: CoStar

66 tenants signed leases in Flatiron and NoMad this quarter totaling 413,000 SF, on par with 2019 and 2020. Availability rates for Class A and Class B office space increased 1.9% and 3.1%, respectively, since Q1 2022.

COMMERCIAL A & B OFFICE SPACE

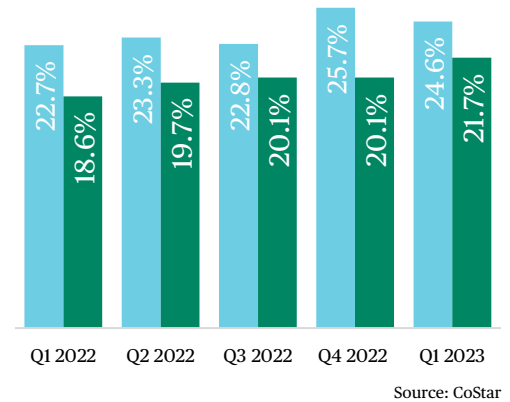
LEASING VOLUME

of Leases Total SF



AVAILABILITY RATE

Class A Class B



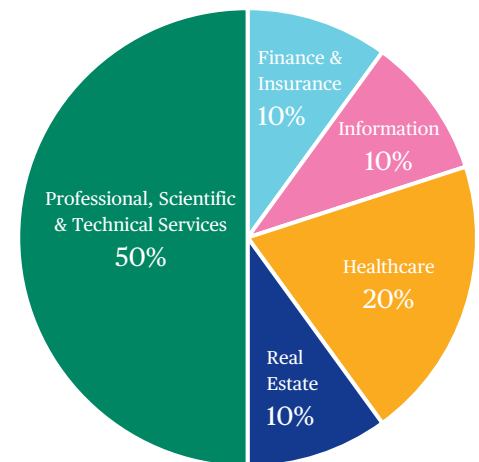
DIVERSE NEW OFFICE TENANTS

Flatiron and NoMad continue to attract a wide range of commercial office tenants ranging from finance and creative industries to newcomers like cybersecurity, life sciences, and media/radio broadcasting.

LARGEST Q1 LEASES

COMPANY	ADDRESS	BUILDING CLASS	SQUARE FEET	BUSINESS SERVICE
Braze	63 Madison Avenue	A	92,306	Software / Advertising
DoorDash	125 West 25th Street	B	57,691	Food Delivery
MediaCo Holding	48 West 25th Street	B	25,000	Media / Radio Broadcast
Merge API	902 Broadway	B	18,200	Human Resources / Payroll
Sunshine Sachs Morgan & Lylis	6 East 32nd Street	B	16,000	Public Relations / Communications
777 Partners	One Madison	A	18,476	Finance / Investing
Palo Alto Networks	One Madison	A	28,903	Cybersecurity
Life Sciences Lab	Cure (345 Park Avenue South)	A	6,000	Life Sciences Lab
Children's Dyslexia Center	Masonic Hall (71 West 23rd Street)	B		Health Center

LARGEST Q1 LEASES, BY CATEGORY



Employers

*Source: QCEW

Following economic uncertainty the decade prior, Flatiron and NoMad's employer base grew 13% with nearly 800 businesses signing leases from 2010 to 2020. The commercial office environment remained quite stable with the number of employees fluctuating, at most, 3.4% a year (and averaging +.04%/year since 2000).

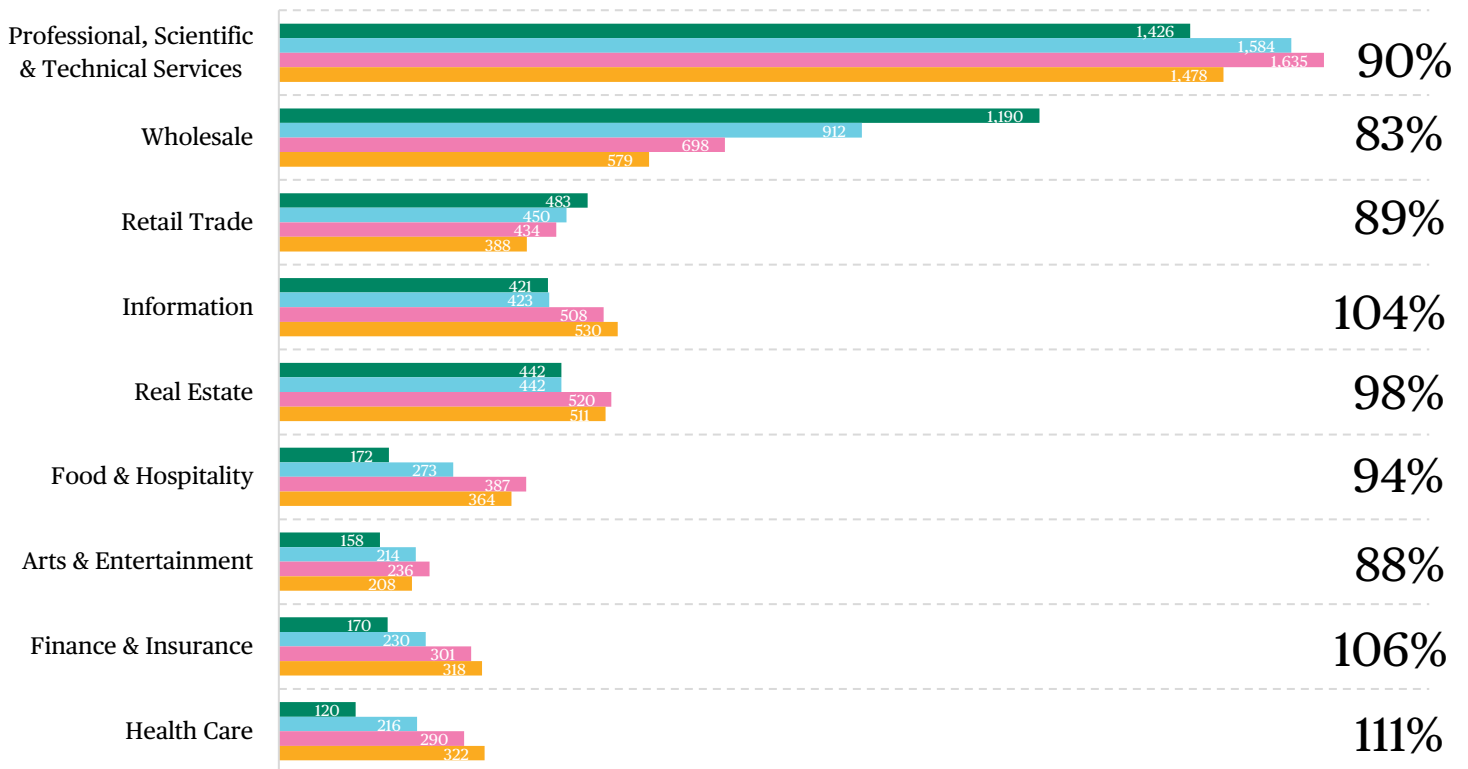
Since the pandemic, Health Care, Finance & Insurance, and Information services have led sector growth. Diversification continues with Q1 leases including cybersecurity firm Palo Alto Networks and a \$50 million pilot "Lab of the Future" at Deerfield Management Company's life science lab, [Cure](#).

EMPLOYERS

2002 2012 2019 2022

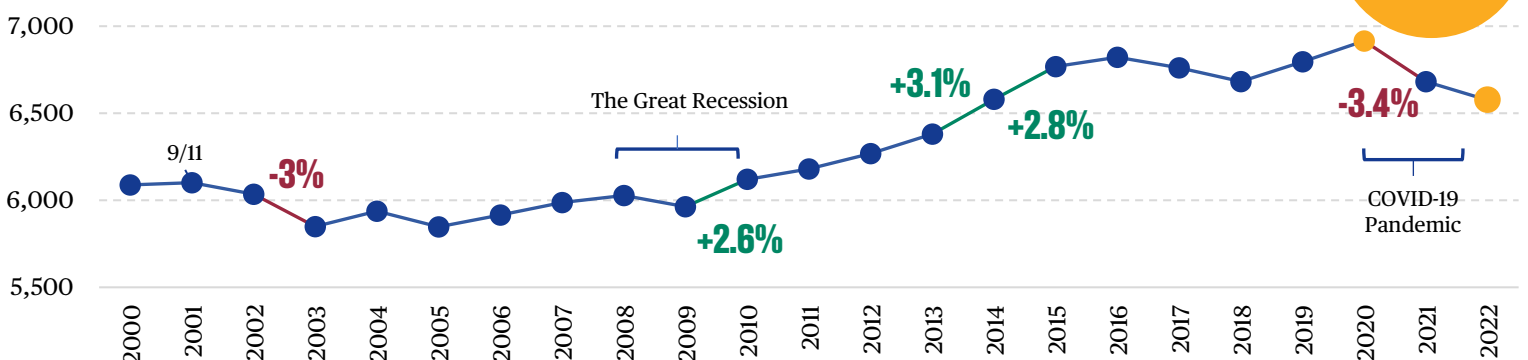
COVID-19 RECOVERY

2019 v 2022



FLATIRON NOMAD BUSINESS RESILIENCY

Total Employees Largest % Decrease Largest % Growth



96%
compared to 2020

Employees

*Source: QCEW

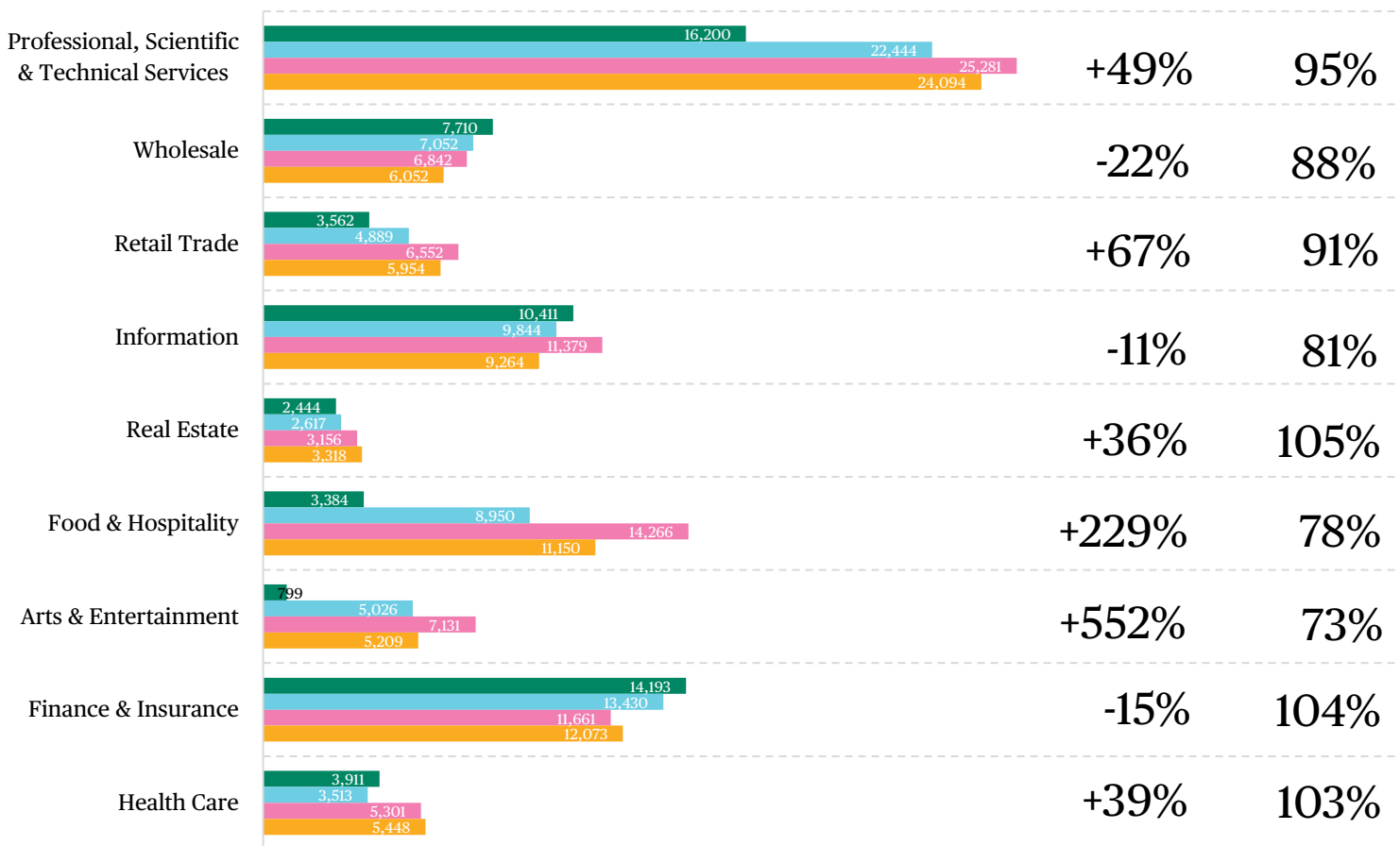
Flatiron and NoMad have historically supported a diverse mix of ground floor retail and upper floor office industries. At the end of 2022, district-wide COVID-19 employment recovery reached 89%. The Food & Hospitality and Arts & Entertainment sectors were most impacted, but both have rebounded significantly.

EMPLOYEES BY SECTOR

2002 2012 2019 2022

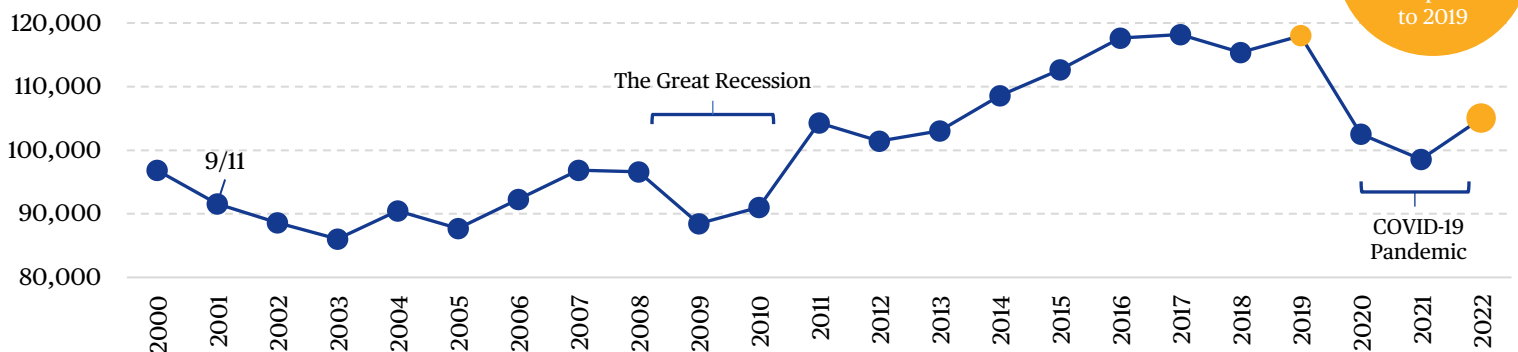
EMPLOYMENT GROWTH
2002 v 2022

COVID-19 RECOVERY
2019 v 2022



FLATIRON NOMAD WORKFORCE RESILIENCY

Total Employees



Economic Impact

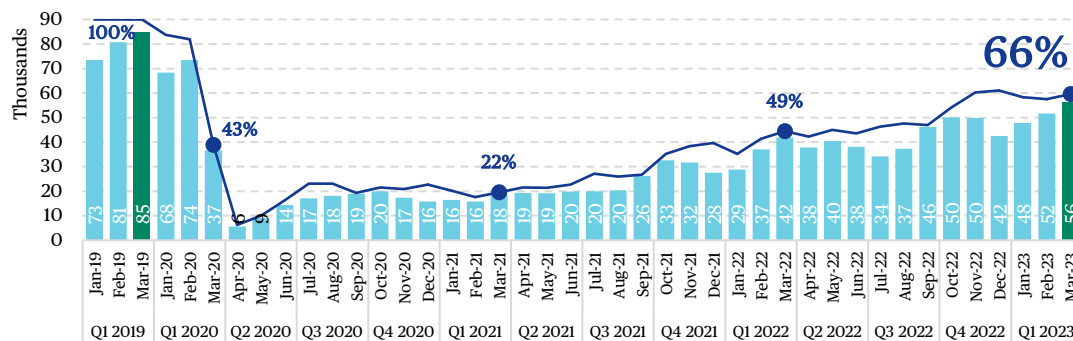
*Source: Placer.ai, MTA, Kastle

INCREASED FOOT TRAFFIC = BUSTLING LOCAL ECONOMY

Neighborhood businesses benefit from increased employee foot traffic as the average Manhattan office employee spends \$18 on daily meals, shopping, and entertainment ([WFH Research](#)). Flatiron and NoMad office return rates increased 33% year-over-year in March, resulting in an estimated \$5M+ in spending from the 14,000 additional office workers in the district each day. Visitor foot traffic and subway ridership ranged from 80-90% recovery in March ([Q1 2023 Mobility Report](#)), outpacing NYC averages.

FULL-TIME EMPLOYEES

Weekday Average March Highlights % Recovery compared to 2019



MARCH RECOVERY

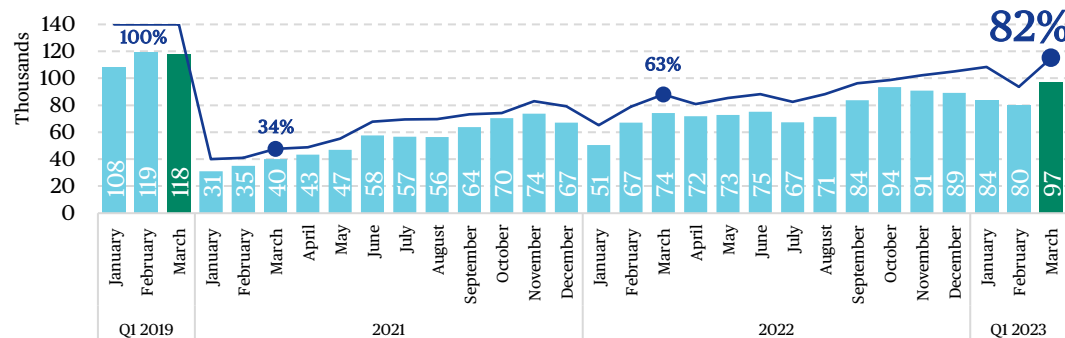
Flatiron & NoMad
NYC (Kastle)

66%

47%

SUBWAY RIDERSHIP (FLATION/NOMAD)

Daily Average Exits March Highlights % recovery from 2019



MARCH RECOVERY

Flatiron & NoMad NYC

82%

70%

LOCAL ECONOMIC NEWS OF NOTE

[General Assembly](#), a tech-education firm at 10 East 21st Street, launched its **technology apprenticeship program** in February. The program, which pays apprentices to train alongside tech professionals, is aligned with Mayor Eric Adams' Apprenticeship Accelerator which aims to connect 30,000 New Yorkers to similar programs by 2030 ([NYC.gov](#), [Crain's](#)).

In March, Governor Kathy Hochul announced the development of a **\$50M preclinical drug discovery lab** at Deerfield Management's [Cure](#) (345 Park Avenue South). Businesses anchored in New York will be incentivized to use the space, and the lab is expected to attract other life science firms to bolster the sector's workforce in NYC ([NY State](#)).

Also in March, Councilmember Erik Bottcher joined executives at The Masonic Hall (71 West 23rd Street) for a ribbon-cutting celebrating the opening of the [Children's Dyslexia Center](#). The center was made possible by a **\$1M** gift from the Trustees of the Masonic Hall and Asylum Fund.

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