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## **REBNY Report: Manhattan Retail Rents Surging in Prime Shopping Corridors**

Retail rents jump 50% in key districts

Rents in Herald Square and SoHo's Broadway shopping strip both up 32%

NEW YORK--([BUSINESS WIRE](#))--Asking rents for retail space in Manhattan increased substantially in the last six months compared to the same period last year, as retailers continued to seek space in the primary shopping corridors, according to a report released today by The Real Estate Board of New York (REBNY).

Retailer interest in prime shopping areas, combined with the city's population growth, a continuing surge in tourism, all contributed to the trend of rising rents.

On major shopping corridors, the sharpest increases were found on Third Avenue between 60th and 72nd streets, where asking rents for ground floor space were up 51 percent to \$329 per-square-foot (psf), and in the Flatiron District on Fifth Avenue between 14th and 23rd streets, where rents were up 50 percent to \$401 psf.

REBNY's report, the most comprehensive assessment of retail asking rents in Manhattan, also found substantial increases in asking rents for retail space in Herald Square on West 34th Street between 5th Avenue and 7th Avenue, which rose 32 percent to \$656 psf. Retail rents in SoHo's Broadway shopping area between Houston and Broome streets also increased 32 percent to \$424 psf.

"Building owners remain optimistic that the favorable market for retail leasing will continue despite the softening economy," said Steven Spinola, REBNY President. "We are still seeing high asking rents in the selected retail corridors. Further, we've now added new primary retail corridors to correspond with interest by high-profile retailers in locating to these areas, including 86th Street on the Upper East Side and Columbus Avenue on the Upper West Side."

Five new corridors have been added to the list of Selected Major Retail Corridors in the report. These include: 86th Street on the Upper East Side; Columbus Avenue on the Upper West Side; Fifth Avenue south of 49th Street in Midtown; Bleecker Street in the West Village and 14th Street in the Meatpacking District both in Midtown South.

The Fifth Avenue (49th-59th) corridor had the highest average asking rent of \$1,958 of all corridors surveyed, and had virtually no prime locations immediately available.

The Madison Avenue corridor had the next highest average asking rent of \$1,066, with some stores asking more than \$1500 for ground floor space.

The average asking rent psf for all Manhattan retail space (ground floor and other) was up three percent to \$111 compared to a year ago.