

Westchester County Office Market Report

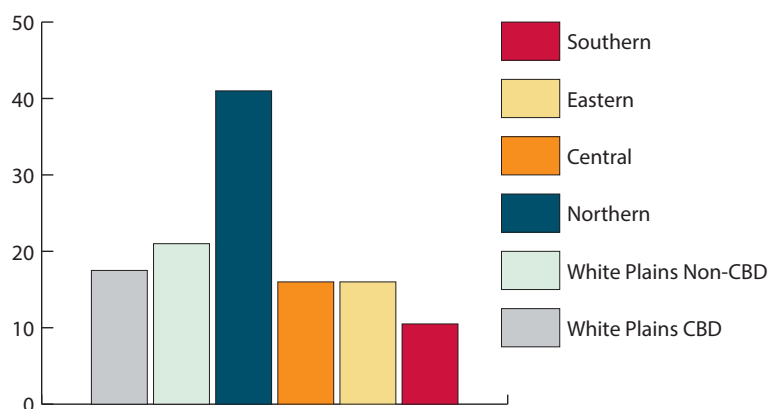
2nd Quarter 2017

The Westchester County Office market ended the second quarter of 2017 with a vacancy rate of 19.5%. Net absorption for the overall County in this quarter totaled just over 135,800 square feet. Rental rates averaged \$29.00 per square foot, remaining relatively unchanged from previous quarter.

The White Plains CBD market experienced the largest semi-annual volume in leasing activity in over a decade with over 465,000 SF absorbed. This resulted in overall vacancy to drop to 17.5%, tightening up the supply and causing asking prices to increase \$0.80 PSF to just under \$35 PSF. Conversely, the Northern market remains near an all-time high at just over 40%. This is largely attributed to Pepsi Bottling Group's exodus out of its 530,000 SF space in Somers. Rising vacancies expected in suburban markets due to continued re-urbanization of office tenants. White Plains CBD to likely benefit from this trend.

Three office buildings transacted, one in the White Plains CBD and the other two occurred in the Central submarket. No new construction delivered to the market in the quarter.

SUBMARKET VACANCY RATES



SUBMARKET	OVERALL VACANCY RATE	VACANT SF	OVERALL AVG. PSF ASKING RATE
White Plains CBD	17.5%	1,054,149	\$35.00
White Plains Non-CBD	21.0%	993,003	\$28.00
Northern	41.0%	1,313,747	\$27.50
Central	16.0%	980,794	\$27.00
Eastern	16.0%	1,041,387	\$31.00
Southern	10.5%	248,637	\$29.00

MARKET INFORMATION MACRO (2Q 2017)

Metro Area	Westchester County, NY
Office Market Size (SF)	28,683,251
Office Market Vacancy Rate	19.5%
Average Rent	\$30.00
YTD Absorption (SF)	900,000*

* Highest semi-annual volume in over a decade

RECENT BUILDING SALES

LOCATION	CITY	SIZE (SF)	SALE PRICE /PSF
44 S. Broadway	White Plains	906,968	\$147,000,000 /\$162
520 White Plains Road	Tarrytown	180,000	\$21,000,000 /\$116
555 White Plains Road	Tarrytown	133,645	\$5,475,000 /\$41

RECENT COMPLETED LEASES

TENANT	SIZE (SF)	LOCATION
Sumitomo Bank	101,411	1 N. Lexington Ave., White Plains CBD
Dannon	80,248	1 Maple Ave., White Plains CBD
Ascensia Diabetes Care	65,000	100 Summit Lake Dr., Central
Milber Makris	29,973	709 Westchester Ave., Eastern
DLC Management	19,533	565 Taxter Rd., Central

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All data is derived from sources deemed to be reliable but is not guaranteed.