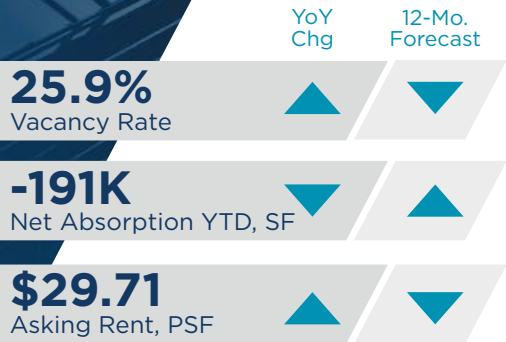


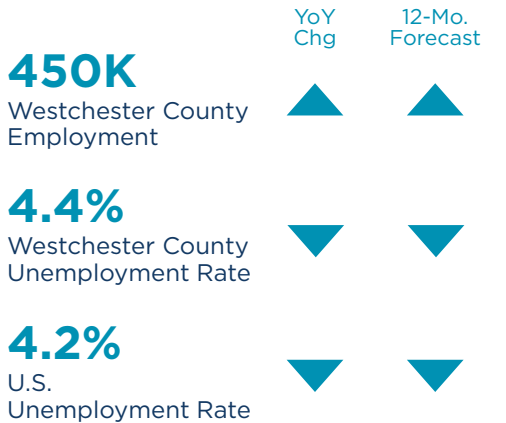
WESTCHESTER COUNTY

Office Q4 2021



(Overall, All Property Classes)

ECONOMIC INDICATORS Q4 2021



Source: BLS

ECONOMY: Steady Improvement

Westchester County recaptured 76.6% of the 94,433 jobs lost during the beginning of 2020—adding 72,381 jobs since then. The unemployment rate correspondingly fell 975 basis points (bps) from an astounding 14.1% to 4.4% at the end of the fourth quarter. Although Westchester County gained significant momentum in the labor markets, the unemployment rate was 20 bps higher than the national average of 4.2% at the end of 2021.

DEMAND: Rebounding

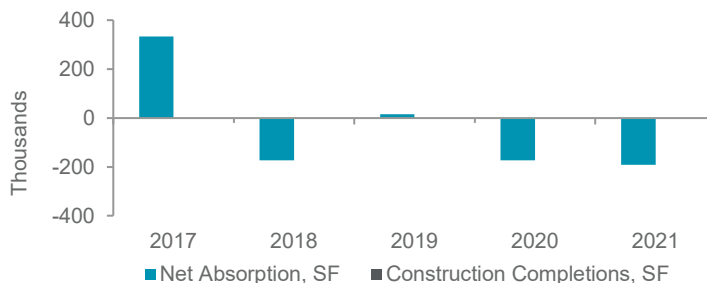
Tenant demand in Westchester County increased 36.1% since 2020, recording nearly 1.0 million square feet (msf) of new transactions in 2021. Approximately one-third of newly signed deals were transacted in the East I-287 submarket, totaling 313,890 square feet (sf). Similarly, downtown White Plains accounted for 32.1% of county-wide transactions with, 297,505 sf registered. Nearly 42.0% of tenant volume in downtown White Plains in 2021 was transacted at 44 South Broadway and 1 North Lexington Avenue, recording 70,173 sf and 54,175 sf, respectively. Despite significant improvements in tenant demand, the county fell behind historical pre-pandemic levels of leasing activity—coming up short nearly 12.0% from the five-year historical average of 1.1 msf.

The overall vacancy rate in Westchester County increased 80 bps year-over-year (YOY), ending 2021 at 25.9%. The escalation in the county's vacancy levels was mainly the result of sublease space coming online in the West I-287 corridor. More specifically, nearly 88,000 sf was made available at 80 Grasslands Road in Elmsford and 33,500 sf at 100 Summit Lake Drive in Elmsford. As a result, The West I-287 submarket registered a 340-bp increase in the overall vacancy rate, ending the year at 26.9%. Similarly, downtown White Plains recorded a 20-bp increase in overall vacancy, ending the fourth quarter at 22.0%.

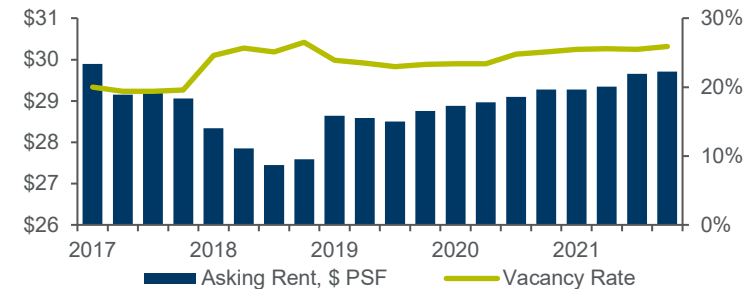
PRICING: Continued Upwards Movement

In 2021, Westchester County's overall average asking rent increased \$0.43 per square foot (psf) to \$29.71. The county-wide escalation was predominantly concentrated in downtown White Plains, where the overall average asking rent increased \$1.76 psf YOY to \$35.56. Conversely, overall average asking rents in the West I-287 corridor fell \$0.16 psf in 2021 to \$27.57.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT





MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
White Plains CBD	5,282,330	98,800	1,063,944	22.0%	-17,896	-15,848	297,505	0	\$35.56	\$38.60
East I-287	9,192,972	119,027	1,757,843	20.4%	-18,581	-47,714	313,890	0	\$30.32	\$30.35
Northern	1,764,708	11,140	937,210	53.7%	10,206	9,944	44,484	0	\$28.00	\$27.83
West I-287	4,776,387	179,087	1,103,569	26.9%	-103,599	-152,394	202,056	0	\$27.57	\$28.35
Hudson Valley	568,000	0	505,710	89.0%	0	0	0	0	\$24.00	\$24.00
Southern	1,830,296	4,097	287,959	16.0%	-2,132	14,115	94,146	0	\$28.90	\$28.86
WESTCHESTER COUNTY TOTALS	23,414,693	412,151	5,656,235	25.9%	-132,002	-191,897	952,081	0	\$29.71	\$30.41

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	TENANT	SF	TYPE
1 North Lexington Avenue, White Plains	White Plains CBD	Bleakley Platt & Schmidt	26,679	New Lease
800 Westchester Avenue, Rye Brook	East I-287	Strategies for Wealth	22,369	Renewal*
2 Manhattanville Road, Purchase	East I-287	Hitachi Metals America	19,464	Renewal*
360 Mamaroneck Avenue, White Plains	White Plains CBD	Mental Health Associates	18,000	New Lease

*Renewals/expansions not included in leasing statistics

KEY SALES TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
585 Pleasantville Road, Briarcliff Manor	Northern	Briaraway Inc / 555 Pleasantville Road LLC	55,427	\$2,031,169 / \$36.65
101 North Broadway, Yonkers	Southern	1010 N. Broadway Realty Corp. / 1010 N. Broadway Holdings	12,455	\$3,100,000 / \$248.90

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