

WESTCHESTER COUNTY



Office Q1 2024

26.6%
Vacancy Rate



-146K
Net Absorption YTD, SF



\$30.56
Asking Rent, PSF



(Overall, All Property Classes)

ECONOMIC INDICATORS Q1 2024

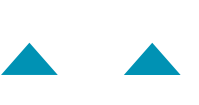
487K
Westchester County Employment



3.5%
Westchester County Unemployment Rate



3.8%
U.S. Unemployment Rate



Source: BLS

ECONOMY: Jobs Market Remains Robust

The U.S. job market exhibited resilience during the first three months of 2024, with approximately 2.7 million new non-farm payrolls added since the first quarter of 2023. Despite the unemployment rate rising from 3.5% to 3.8% over the last twelve months, it remained well below the ten-year average of 5.0%. Similarly, Westchester County gained 3,117 new jobs since the close of the first quarter of 2023, accompanied by a modest increase in the unemployment rate from 3.1% to 3.5%. Overall, both local and national labor markets remained robust throughout the first quarter of 2024, underscoring the strength and stability in the American jobs market.

DEMAND: Leasing Activity Shows Modest Growth Despite Rising Vacancy

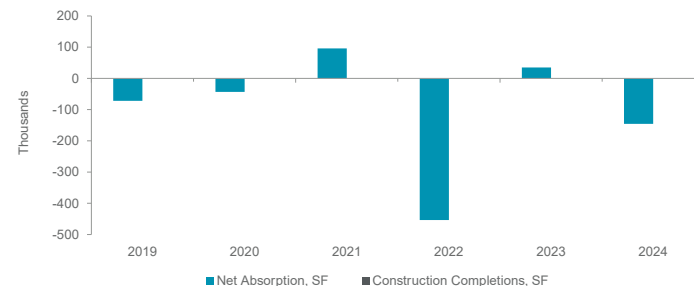
Total new leasing activity in Westchester County amounted to 204,387 square feet (sf) in the first quarter of 2024—a 19.0% jump from the same time one year ago. The East I-287 corridor represented 37.9% of the overall deal volume in Westchester, followed by the White Plains Central Business District (CBD), which accounted for 21.7% of county-wide transactional volume. Most notably, Citrin Cooperman secured a leased on the third floor at 1133 Westchester Avenue in White Plains, comprising a total of 22,018 sf. While the uptick in tenant demand is promising, overall leasing activity in the first quarter was 4.2% below the five-year average of 213,291 sf, amidst a modest increase in overall vacancy.

The overall vacancy rate in Westchester County rose by 190 basis points (bps) over the last twelve months, reaching 26.6% by end of the first quarter of 2024. Downtown White Plains registered a 390-bps increase year-over-year (YOY), rising from 24.7% to 28.5%. Similarly, the West I-287 submarket recorded a 280-bps increase over the same period, climbing from 25.5% to 28.3%. The majority of the uptick in overall vacancy was attributed to a rise in direct vacant space, which grew by 7.2% over the past year, while sublease space declined by 2.8%. Consequently, overall net absorption in the first quarter finished in the red, recording negative 145,621 sf.

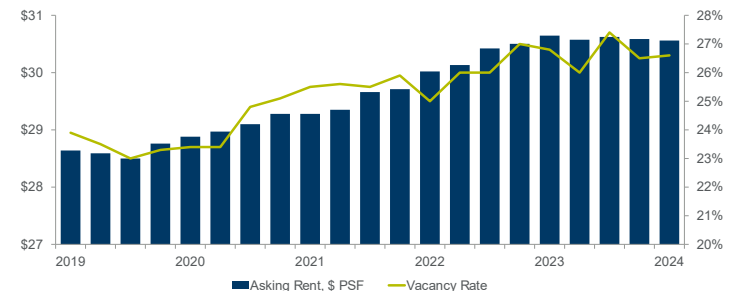
PRICING: Overall Avg. Asking Rent Ticks Downward

Average asking rents across Westchester County decreased by \$0.08 per square foot (psf) YOY to \$30.56. The most significant decline in the county's overall average asking rent occurred in the White Plains CBD submarket, which dropped by \$0.57 psf from \$37.03 psf in the first quarter of 2023 to \$36.46 psf by 2024's first-quarter end. In contrast, overall average asking rents in the Southern submarket increased by \$0.62 psf over the last twelve months from \$27.91 psf to \$28.54.

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	5,284,924	184,950	1,323,117	28.5%	-96,336	-96,336	44,408	0	\$36.46	\$39.42
East I-287	8,734,231	155,260	1,883,947	23.4%	-10,122	-10,122	77,395	0	\$30.62	\$30.90
Northern	2,107,974	2,452	588,457	28.0%	819	819	13,494	0	\$28.07	\$28.01
West I-287	4,451,390	258,595	1,001,362	28.3%	-38,031	-38,031	45,844	0	\$27.79	\$28.24
Hudson Valley	568,000	0	451,425	79.5%	0	0	0	0	\$24.00	\$24.00
Southern	1,830,296	13,208	242,415	14.0%	-1,951	-1,951	23,246	0	\$28.54	\$29.36
WESTCHESTER COUNTY TOTALS	22,976,815	614,465	5,490,723	26.6%	-145,621	-145,621	204,387	0	\$30.56	\$31.36

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q1 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
1133 Westchester Avenue, White Plains	East I-287	Citrin Cooperman	22,018	New Lease
120 White Plains Road, Tarrytown	West I-287	Travelers Insurance	12,328	Renewal*
50 Main Street, White Plains	White Plains CBD	Welby, Brady, & Greenblatt	11,970	New Lease
440 Mamaroneck Avenue, Harrison	East I-287	Northwell Health	11,224	New Lease
1 Executive Boulevard, Yonkers	Southern	Long Island Vision Management	9,433	New Lease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q1 2024

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
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No significant sales in Q1 24.

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