



STATE OF THE MARKET

Downtown Brooklyn Office Market Overview – Q2 2025

The New York office market remains one of the strongest in the U.S., with leasing activity surging post-pandemic. However, Downtown Brooklyn lags behind. In 2024, new leasing totaled just 455,000 SF—down 20% from the prior year and over 40% below its five-year pre-pandemic average. Vacancy remains high at 18.9%, well above the metro average of 13.5%, with premium 4 & 5 Star buildings showing availability rates over 23%. Many tenants have migrated to transit-rich Manhattan submarkets, leveraging favorable lease terms.

Despite headwinds, Downtown Brooklyn's construction pipeline has paused, which could help stabilize the market. No major developments are underway following the delivery of 29 Jay Street. Rents remain relatively strong at \$51/SF—lower than Manhattan but the highest among outer boroughs—with modest 1.1% annual rent growth. Generous concessions are still common, especially for larger tenants.

How do Landlords respond?

In this tenant-driven market, landlords need aggressive, experienced brokers who know how to position space strategically, maximize exposure, and negotiate decisively to win deals. Success now hinges on execution. Motivated landlords can sign leases and enjoy creating stability in an uncertain time.



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