



WHY EMPLOYMENT WILL DRIVE NYC OFFICE PERFORMANCE IN 2026



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THE JOB MARKET IS THE OFFICE MARKET

New York City's office market ended 2025 with real momentum. Leasing reached post-pandemic highs, driven largely by trophy, transit-oriented buildings. **The flight to quality was clear. The best assets won.**

But 2026 will hinge on one variable: employment. National payroll growth in 2025 totaled roughly 584,000 jobs — **the weakest non-recession year in over two decades.** More importantly, much of that growth occurred outside traditional office-using sectors like finance, professional services, and information.

Office demand follows office-using employment. When companies expand payrolls, they expand their space. When hiring slows, leasing shifts toward renewals, consolidations, and delayed decisions. In the hybrid era, the relationship between jobs and absorption still exists — but it is more selective and less automatic.

Implications for 2026

If hiring remains muted, net absorption likely moderates, leasing velocity slows outside the trophy product, and renewal activity increases

At the same time, tightening availability in five-star buildings supports stability at the top of the market. The result is a bifurcated environment:

Best-in-class assets remain resilient.
Undifferentiated buildings face pressure.

THE LEADING INDICATOR

In 2026, what **matters most is hiring in office-using sectors** — finance, tech, and professional services — not just overall job growth. **These industries drive Class A absorption and long-term leasing decisions.** In a hybrid era with leaner footprints, the relationship between jobs and space is tighter and more selective, but still fundamental.



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A Father & Son team based in Brooklyn.
Expert Commercial Real Estate Leasing & Sales



SIOR



ABOUT US



Robert Hebron, SIOR
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Hebron Realty is a father-son team rooted in Brooklyn, with over 37 years of combined experience and more than 2 million square feet of closed transactions. **We specialize in office leasing, landlord advisory, and property valuation with a focus on long-term planning.** Our mission is to help clients make smart, strategic decisions today—so their properties succeed tomorrow. Grounded in ethics and driven by data, we bring clarity and confidence to every deal.



Meet the authors
THE HEBRONS



Expert Commercial Real Estate Leasing
& Investment Advisory

Results-Driven. Relationship-Focused. Always on Your Side.

2.34MM SF

Total Volume
SOLD & LEASED
IN BROOKLYN

37 YEARS

Combined
CRE SPECIFIC
EXPERIENCE

For clients who expect nothing less than excellence, we deliver. Precise research, unmatched market insight, and an unwavering commitment to execution.

At Hebron Realty, we combine the tools of a national firm with the personal commitment of a boutique shop. Every listing receives hands-on attention from the principal broker, ensuring your property or requirement is guided by seasoned decision-makers.

Our marketing spans professional mailers, SEO-optimized websites, social media outreach, broker email campaigns, direct tenant engagement, and national exposure through platforms like CCIM, SIOR, CREXI, and CoStar. We use trusted data sources—ARGUS, Moody's, Placer.AI, Pictometry, and more—to drive informed decisions, not guesses.

Hebron Realty has built a reputation as dealmakers who get things done. From tenants to institutional landlords, our clients trust us to deliver results with integrity, insight, and hustle.