

Long Island

Office market snapshot | Q4 2023

In 2023, the Long Island office market witnessed an influx of available space in higher-level product as tenant leases expired and reduced their footprint to adjust for both new occupancy metrics and economic conditions. This led to an overall increase in asking rents throughout the year. Additionally, the amount of available sublease space experienced a significant surge, rising by 46.3% year-over-year and reaching the highest level in over a decade. There are indications and optimism that the new year will usher in more opportunities for the market to reduce this additional available inventory.

-599,200 sf

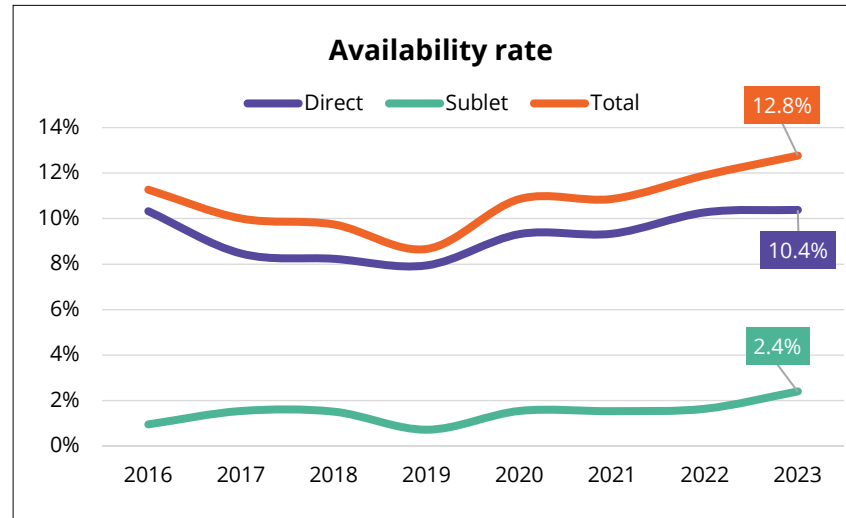
In 2023, Long Island recorded a negative absorption of -599,000 square feet, including -113,000 square feet in the fourth quarter.

\$32.76

In 2023, overall asking rents experienced a 2.0% increase, driven by a 2.8% rise in Suffolk County and a 0.8% increase in Nassau County year-over-year.

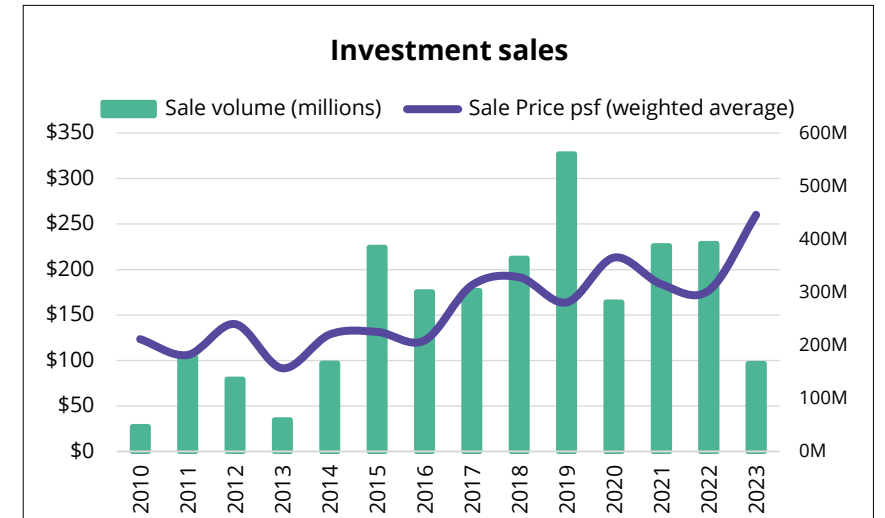
6.9 msf

Total available space has increased by 469,000 square feet from 2022. Presently, direct available space stands at 5.6 million square feet, while direct sublet space is at 1.3 million square feet.



The total availability rate closed 2023 at 12.8%, the highest in recent memory. It increased from 30 basis points since Q3.

Sources: AVANT by Avison Young, CoStar



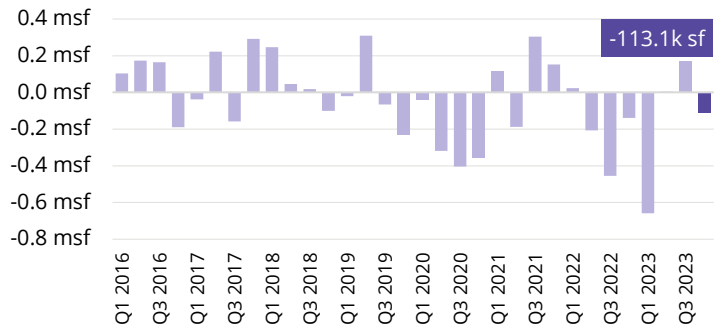
Investment sales finished 2023 with its lowest dollar volume total since 2013 with \$166M. In Q4 there was \$117M of activity.

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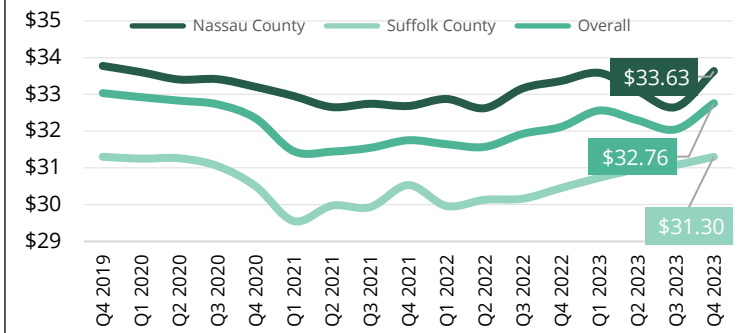
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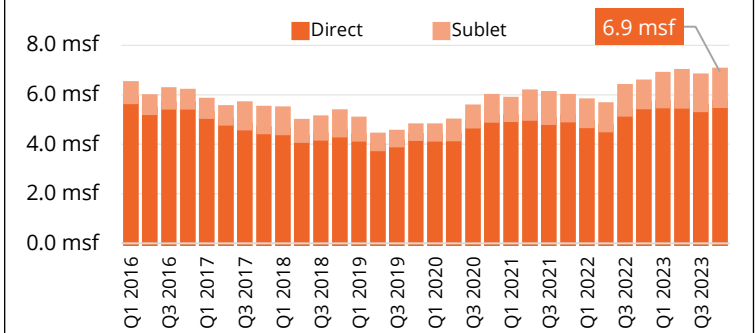
Quarterly net absorption



Average direct asking rents (psf)



Available space by type



Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Deloitte	2 Jericho Plz, Jericho	20,346	Renewal	Direct
Suffolk County Department of Health Services	3500 Sunrise Hwy, Great River	14,500	New	Direct
Risk Insurance	333 Earle Ovington Blvd, Uniondale	13,000	New	Direct
Schwartzapfel Lawyers	600 Old Country Rd, Garden City	6,700	Renewal	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
NYU	1200 Franklin Ave, Garden City	\$92,264,382	\$593	Simon Property Group & Hudson's Bay
400 Oak St. LLC	400 Oak St, Garden City	\$13,900,000	\$187	Concept 400 Realty Company LLC
South Oxford Management	99 Newbridge Rd, Hicksville*	\$6,000,000	\$303	Harjot Singh
Center for Allergy, Asthma & Immunology	113 Crossways Park Dr, Woodbury	\$4,975,000	\$247	Kabro Associates

Note: *Denotes part of portfolio sale

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Get in touch

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	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct availability	Sublet availability	Total availability	Total availability change (YoY)	Net absorption % of inventory (QTD)	Net absorption % of inventory (YTD)	Annual direct asking rent psf FS
Nassau County	32,627,681	161,726	-	10.6%	2.5%	13.1%	9.6%	(0.4%)	(1.1%)	\$33.63
Western Suffolk County	19,448,716	26,910	-	10.5%	2.6%	13.1%	5.6%	0.0%	(1.4%)	\$31.48
Eastern Suffolk County	2,105,078	-	35,700	5.7%	0.0%	5.7%	(24.5%)	0.5%	1.0%	\$25.50
Market total	54,181,475	188,636	35,700	10.4%	2.4%	12.8%	7.3%	(0.2%)	(1.1%)	\$32.76

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Class A	23,783,741	188,636	35,700	11.6%	4.1%	15.7%	9.7%	(0.4%)	(1.9%)	\$35.23
Class B	23,209,728	-	-	10.0%	1.3%	11.3%	6.5%	(0.1%)	(0.7%)	\$29.69
Class C	7,174,506	-	-	7.5%	0.1%	7.6%	(4.2%)	0.3%	0.2%	\$28.64
Market total	54,181,475	188,636	35,700	10.4%	2.4%	12.8%	7.3%	(0.2%)	(1.1%)	\$32.76

Note: Existing inventory includes partially owner-occupied properties
Sources: AVANT by Avison Young, CoStar