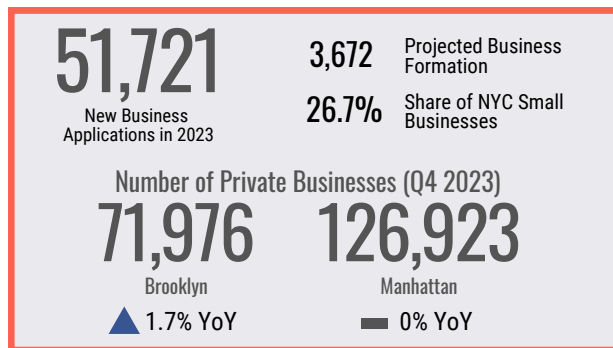
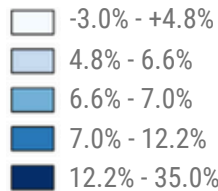


Business Activity

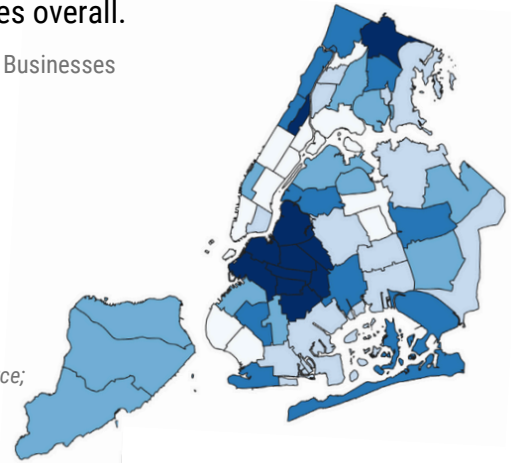
Brooklyn led New York State in new business applications in the past year, with 51,721 applications translating to an estimated 3,600 new businesses. This surge represents 16% of all new businesses formed in NYC during the same period. Continuing the trend of small business formation growth since the pandemic, Brooklyn's share of very small businesses (<5 employees) citywide grew by 1.8 points to 26.7%, by far the largest increase in share among the five boroughs. While Manhattan remains the largest borough by business concentration, Brooklyn now boasts over a quarter of the city's very small businesses and total businesses overall.



Percent Change in Number of Businesses (2019 to 2023)

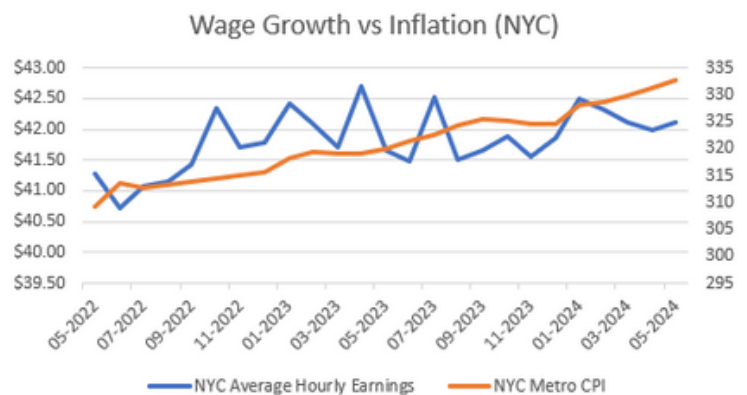
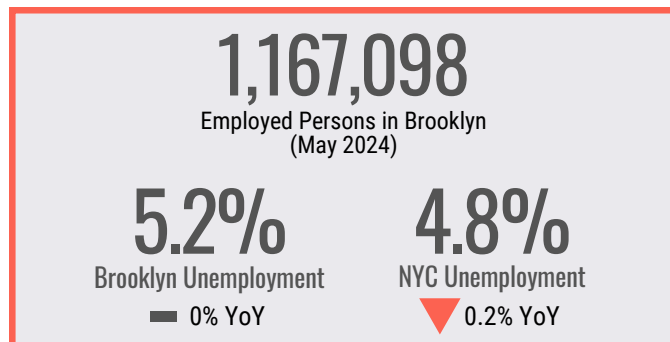


Source: U.S. Chamber of Commerce; Office of the NYS Comptroller; U.S. Bureau of Labor Statistics



Labor Market

As of May 2024, Brooklyn added 5,961 private sector jobs, surpassing pandemic lows in 2020 but still sitting 2.6% below its 2019 labor market peak. The unemployment rate edged up to 5.2% from a 20-month low of 4.8% in April, returning to May 2023 levels. Despite this uptick, Brooklyn has narrowed the gap between its unemployment rate and the citywide rate back to pre-pandemic levels. Employing roughly 28% of the workforce as the borough's largest industry, healthcare and social assistance continues to drive job growth, boasting 166,100 more jobs than pre-pandemic levels. Alarming, citywide inflation continues to outpace wage growth, with the average hourly wage increasing by 0.2% and the Consumer Price Index increasing by 0.4% in May. Such persisting trends means real wages are buying less, straining household budgets particularly for low-income earners.



Source: U.S. Bureau of Labor Statistics

Office Market

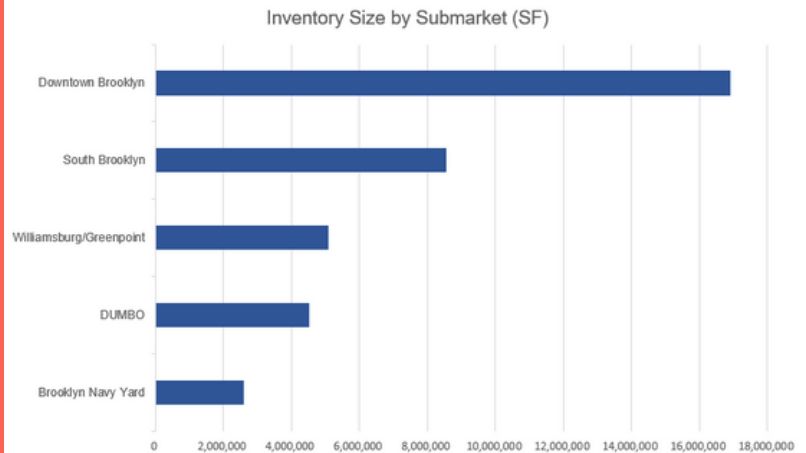
Citywide, office-using employment (OUE) grew to 1.84 million in May 2024. In Brooklyn, Q2 leasing activity fell 48% from the previous quarter, but demand remains high, with 11 consecutive quarters of positive absorption. South Brooklyn leads in demand, accounting for 73% of Brooklyn’s total absorption. The availability rate dropped 380 basis points year-over-year to 20.1%, indicating a supply shortage. Average asking rent rose 2% year-over-year to \$54.55 per sf due to higher-priced new construction. High-quality office stock continues to outperform the rest of the market, with Class A average asking rent in Brooklyn at \$61.75 per sf, driven by strong coastal submarkets.

122,000
Total Leasing Activity (SF) ▼ 48% Q1 2024
▼ 4.9% YoY

Average Asking Rent Per Sq. Ft.

\$54.55 Brooklyn ■ QoQ (No Change)

\$77.65 Manhattan ■ QoQ (No Change)



Source: CBRE, Q2 2024

Retail Real Estate Market

Brooklyn’s retail sector saw strong leasing activity over the past year, driven by new market entrants and local expansion. Competition is vigorous in select corridors like Williamsburg, Park Slope, and Cobble Hill. Innovative shopping destinations like City Point and Industry City boast active tenants, with City Point’s 650,000 sf retail center fully leased and Industry City tenant numbers growing. Rent has consistently risen across neighborhoods but remains below pre-pandemic level. Ample retail stock with lower rent remains available just off prime corridors but often attracts lower traffic. Permit and licensing delays occasionally impedes on leasing activity and business openings.

\$139
Average Asking Rent (PSF) across corridors ▲ 5.3% H1 2023
▲ 8.5% YoY



Source: REBNY Research, Second Half 2023

BROOKLYN

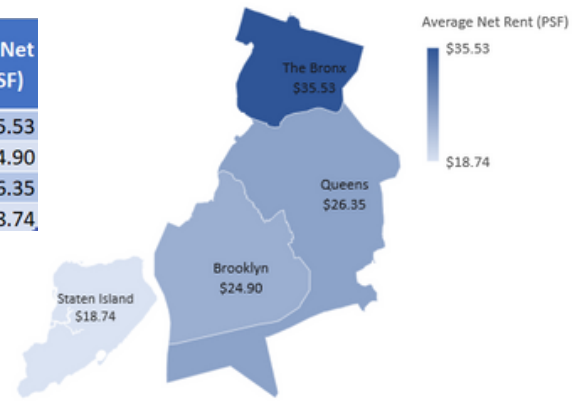
ECONOMIC SNAPSHOT



Industrial Real Estate Market

Despite a shrinking workforce in the construction, manufacturing, and trade, transportation & utilities sectors, demand for industrial space remains robust. In the outer boroughs, Brooklyn and Queens together account for 85.6% of the total deal volume, with six of the top ten deals occurring in Brooklyn. Average asking rent dipped slightly, but rezoning-induced scarcity and fleet parking requirements are expected to keep rates up in the long term. Although recently completed developments remain partially or fully vacant, NYC legislation to limit last-mile warehouses by 2025 is resulting in some construction looking to break ground sooner than planned.

Borough	Inventory (SF)	YTD Leasing Activity (SF)	Vacancy Rate	YTD Net Absorption (SF)	New/Under Construction (SF)	Average Net Rent (PSF)
The Bronx	20,261,230	251,429	8.0%	-52,300	0	\$35.53
Brooklyn	54,075,706	576,800	3.8%	505,467	799,732	\$24.90
Queens	57,830,801	825,877	4.3%	-5,488	1,959,675	\$26.35
Staten Island	7,420,724	0	0.9%	0	136,346	\$18.74



Source: Cushman & Wakefield, Industrial Q2 2024

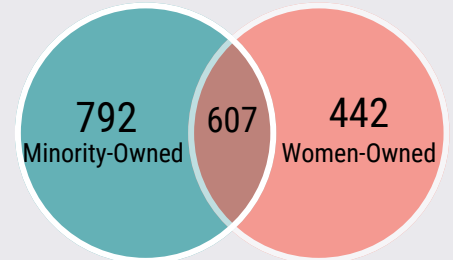
\$24.90 Average Net Rent	New/Under Construction Space (SF)	
	Brooklyn 799,732	Queens 1,959,675

NYC Small Business Opportunity Fund

While New York City lagged behind in economic recovery, recent trends offer growth opportunities in the outer boroughs. The \$85 million NYC Small Business Opportunity Fund has provided low-interest loans to over 1,000 businesses, primarily in BIPOC and immigrant communities, with 80% going to minority and/or women-owned business enterprises (M/WBE).

For more information, please contact the Brooklyn NYC Business Solutions Center. brooklynchamber.com/services/education/nyc-business-solutions/

M/WBE Tracker



Number Certified M/WBE in Brooklyn

Source: NYC Department of Small Business Services

Brooklyn by the Numbers

Population	2,590,516 Total Population	35% Born Outside U.S.	36.6 Median Age	42.4% Bachelor's Degree or Higher
Highlights	70 sq mi Land Area	131 mi Coastline	20 Colleges, Universities, and Trade Schools	\$73,951 Median Household Income

Source: U.S. Census Bureau