

# BROOKLYN

## ECONOMIC SNAPSHOT



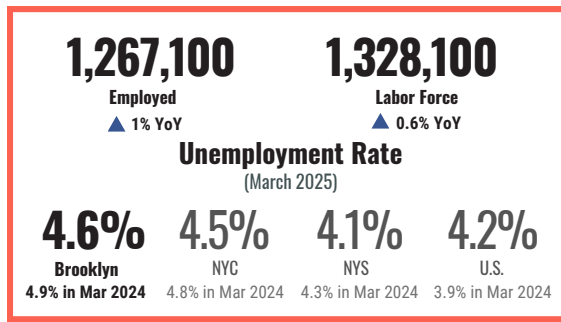
### Key Takeaways

- According to CBRE and CoworkingCafe, Brooklyn's **office leasing activity** surged due to large lease deals in Q1 2025, with the highest volume not seen since 2020. Simultaneously, smaller operations are increasingly finding a home in coworking arrangements.
- The U.S. Bureau of Labor Statistics finds that although the Manhattan borough hosts the highest concentration of businesses and jobs in the private sector, Brooklyn has consistently seen the **largest growth** in these two measures across the city.
- CBRE and Cushman & Wakefield report a robust Brooklyn pipeline for both the office and industrial property markets.

### Economic Development Headlines to Watch

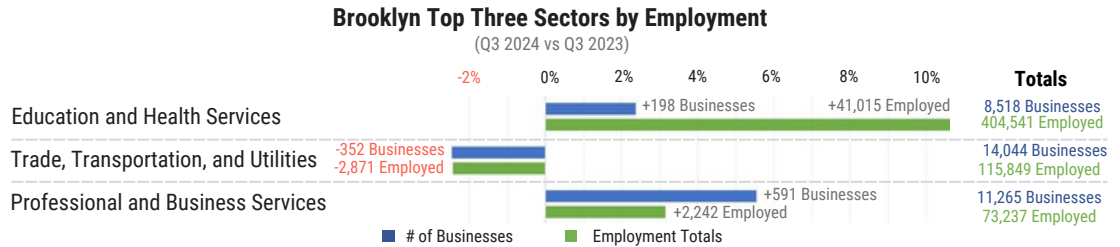
- Brooklyn celebrated the official launch of its latest Business Improvement District for the commercial corridor along Fulton Street, from Van Siclen Avenue to Eldert Lane: the **Cypress Hills Fulton BID** (NYC Small Business Services).
- **The Coney**, a casino and entertainment development plan, was approved by the New York City Planning Commission. The project is headed to New York City Council for a vote and still needs to secure a casino license from the state. (News 12)
- An **Atlantic Avenue rezoning plan** to create 4,600 new housing units was approved by City Council's zoning and land-use committees and is advancing to a Council-wide vote (Gothamist).
- The Trump administration rescinded a stop-work order to **Empire Wind 1**, New York's largest energy infrastructure project that was planned to deliver offshore wind power through Sunset Park (Equinor).

### Labor Market



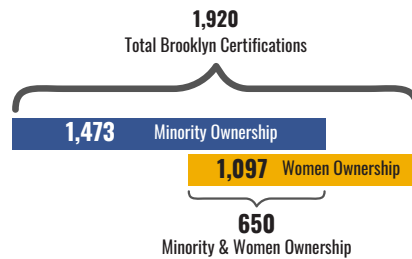
Source: NYSDOL

### Private Sector Overview



Source: U.S. Bureau of Labor Statistics

### M/WBE Tracker

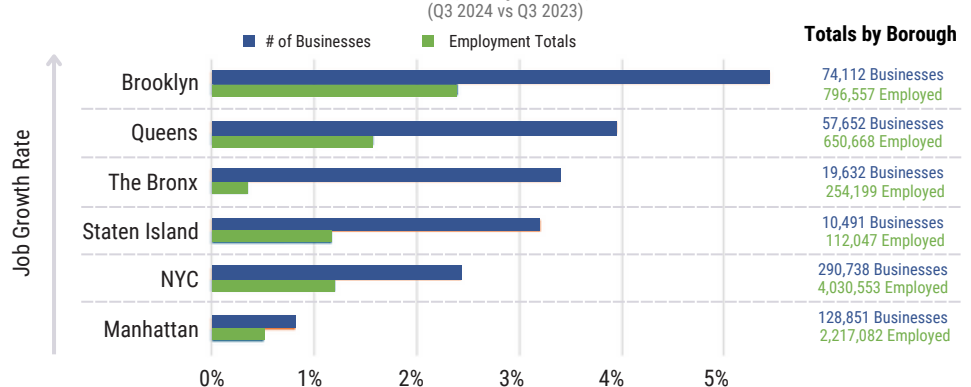


### Number of Businesses (Q3 2024)



Source: NYC Department of Small Business Services

### Changes by Borough (Q3 2024 vs Q3 2023)



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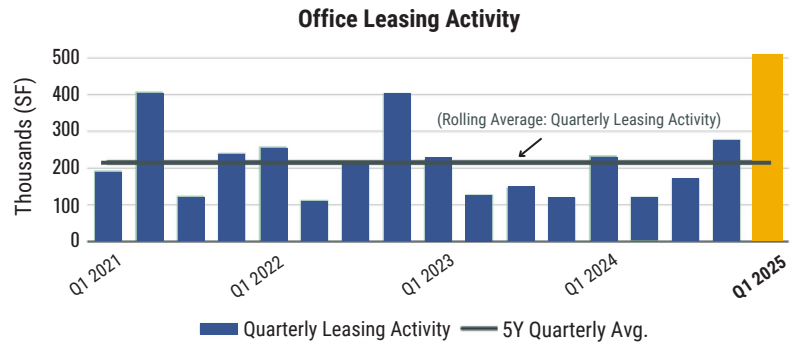


### Office Market

<b>509K</b> Leasing Activity (SF) ▲ 117.5% YoY	<b>-322K</b> Net Absorption (SF) 475K in Q1 2024	<b>18%</b> Vacancy Rate 19.1% in Q1 2024
<b>Average Asking Rent (PSF)</b>		
<b>\$54.08</b> Brooklyn ▼ 1.5% YoY	<b>\$77.46</b> Manhattan ▲ 0.3% YoY	

In coworking news, Brooklyn increased its inventory by 8%, to a total of 84 spaces. Current trends show rising demand for smaller accommodations, with the average coworking space size shrinking 8.1% (to 21K SF) compared to the prior quarter.

Brooklyn had a booming office market in the first quarter, with the largest volume leased since 2020. At 509K square feet of leasing activity, this outperformed the 5-yr quarterly average by 136%, in large part due to the demand for larger offices. Q1 2025 leased more office spaces greater than 30K SF than in all of 2024, with the average Q1 deal size at 31K SF compared to the 19K SF average of the 2021-2024 four-year period. Even still, leasing activity did not outpace the new availabilities that entered the market, resulting in a Q1 negative net absorption.



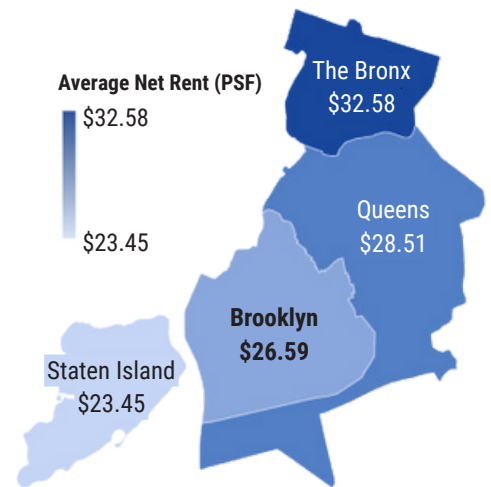
Source: CBRE, Brooklyn Office Q1 2025; CoworkingCafe

### Industrial Real Estate

Overall, the outer boroughs' robust industrial development pipeline and premium pricing remain shaped by their accessibility to Manhattan and anticipation of policies to limit new last-mile fulfillment centers. Brooklyn's industrial properties are more affordable than those in Queens and The Bronx, but it is the only outer borough that logged an increase in asking rent compared to last year. Brooklyn's vacancy also increased, while holding a stable industrial inventory of 54 million square feet.

<b>Brooklyn Industrial Properties</b>		
<b>54.2M</b> Inventory (SF) ▲ 0.1% YoY	<b>204K</b> YTD Leasing Activity (SF) ▼ 18.2% YoY	<b>4.6%</b> Vacancy Rate 4.0% in Q1 2024
<b>-273.8K</b> Net Absorption (SF) 390.9K in Q1 2024	<b>\$26.59</b> Avg Net Rent (Weighted) ▲ 8% YoY	

Source: Cushman & Wakefield, Industrial Q1 2025



### Brooklyn by the Numbers

<b>2,736,074</b> Total Population	<b>69.4 sq mi</b> Land Area	<b>\$136B</b> Nominal GDP	<b>62</b> Public Libraries
<b>37</b> Median Age	<b>\$76,912</b> Median Household Income	<b>43.5%</b> Bachelor's Degree or Higher	<b>35.9%</b> Born Outside the U.S.

Source: U.S. Census Bureau; Federal Reserve Bank of St. Louis; Brooklyn Public Library