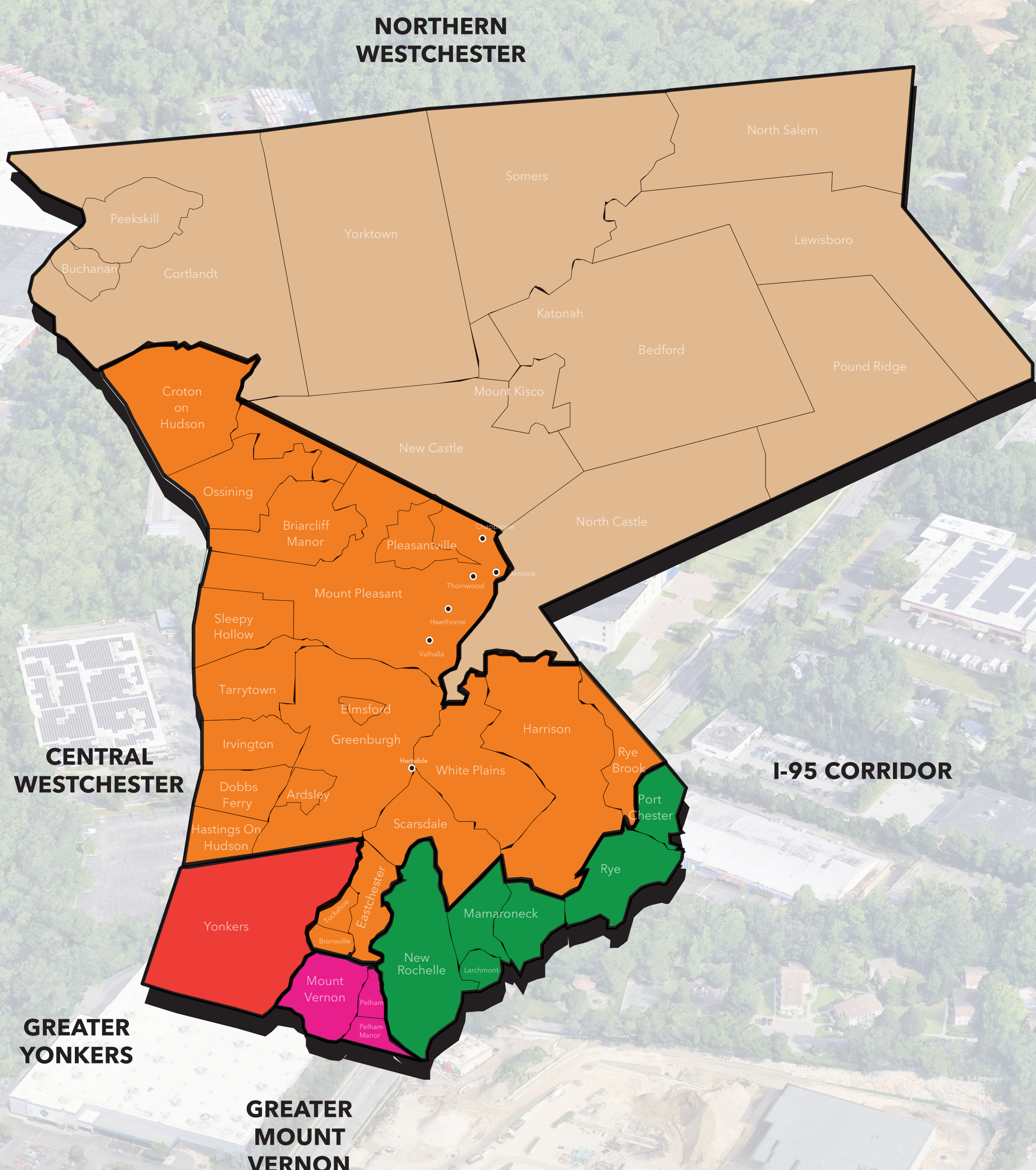
2025 Q3 WESTCHESTER INDUSTRIAL LEASING

Market Insight Report



$25.38
HIGHEST PPSF
CENTRAL WESTCHESTER SUBMARKET

8.50%
HIGHEST AVAILABILITY RATE
GREATER MOUNT VERNON SUBMARKET

+0.44%*
2Q 2025 → 3Q 2025
OVERALL AVAILABILITY

-$0.07
2Q 2025 → 3Q 2025
OVERALL ASKING PRICE

*AS A FUNCTION OF QUARTER OVER QUARTER AVAILABILITY PERCENTAGE

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Q3

SUMMARY

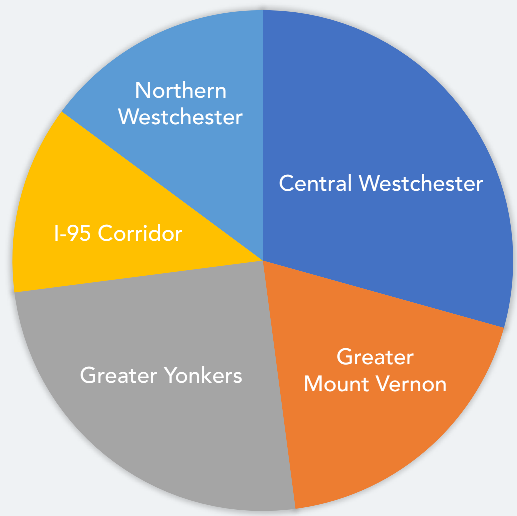
The Westchester industrial market recorded its second consecutive quarter of rising availability, with the overall rate climbing to 5.90%. Despite this upward trend, availability remains relatively low by historical standards. Northern Westchester experienced the most notable shift, as a series of smaller listings pushed the submarket's availability from a record low of 2.5% in Q1 2025 to 4% by the end of Q3. Average asking rents dipped slightly but remained largely stable. Anecdotal feedback suggests a modest increase in leasing activity this quarter, particularly at smaller spaces. Household-name tenants, new-to-market entrants, and experiential/recreational users were all active.

This gradual rebound in leasing activity contrasts with Q2 2025, when availability rose to 5.49% and brokers expressed concern about sluggish market momentum amid macroeconomic uncertainty. The stabilization of rents and the return of smaller-space users offer a counterpoint to Q2's more cautionary tone, though broader sentiment remains tempered. In Q1 2025, the market reached a post-pandemic low of 4.63% availability, driven by large user sales and active leasing, underscoring how much the market has shifted in just two quarters.

Looking toward the close of 2025, expectations are for a flat finish to the year. While interest in smaller footprints remains consistent, larger commitments may continue to face headwinds as tenants evaluate long-term strategy against an uncertain economic backdrop.

2025 WESTCHESTER TOTAL MARKET SIZE

37,648,330



TOP PERFORMING SUBMARKETS

LOWEST AVAILABILITY RATE:
I-95 CORRIDOR

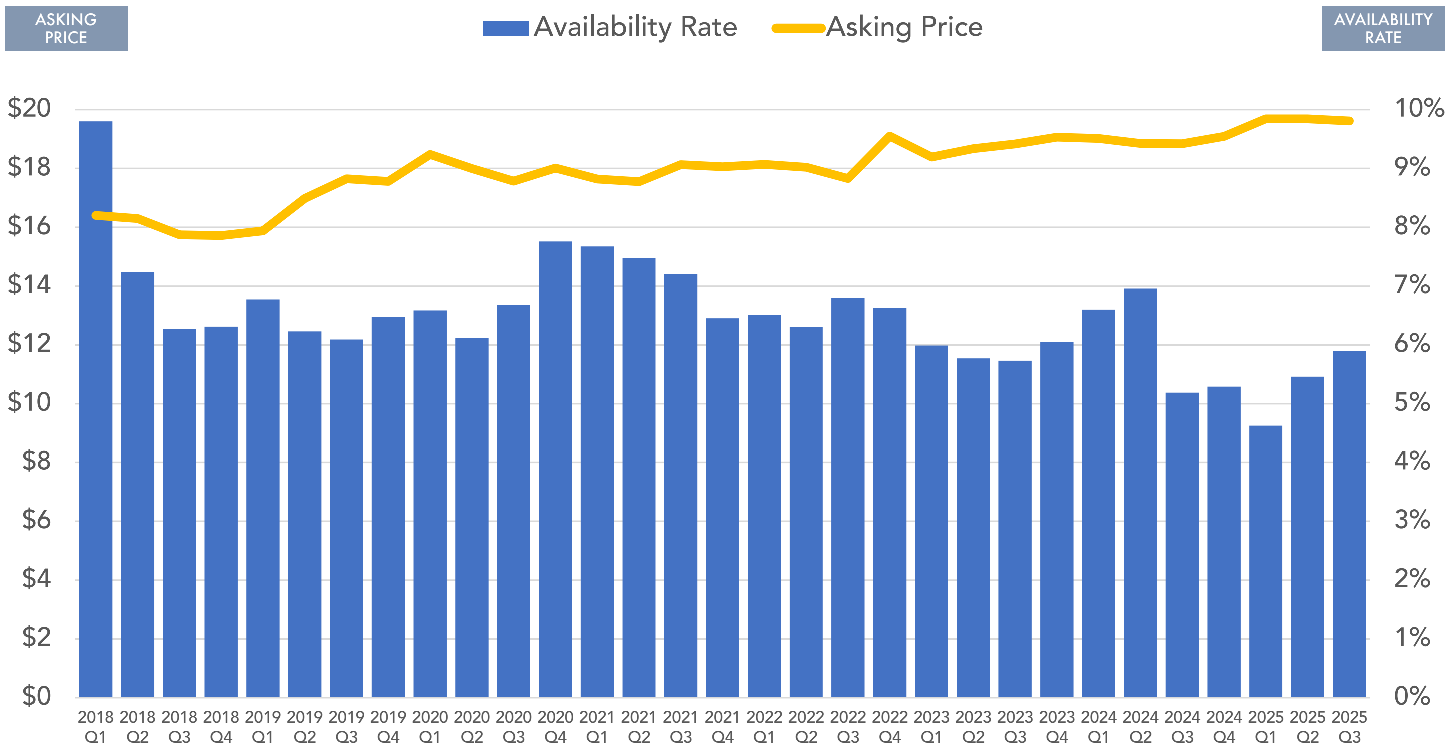
HIGHEST ASKING PPSF:
CENTRAL WESTCHESTER

Q3 AVERAGE AVAILABILITY RATE*:
5.90%

Q3 AVERAGE ASKING PRICE*:
$19.62

* These are weighted averages

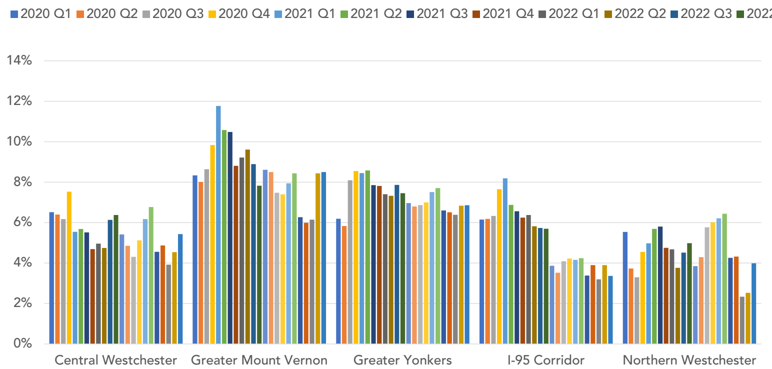
Q3 AVAILABILITY RATE AND ASKING PRICE TRENDS

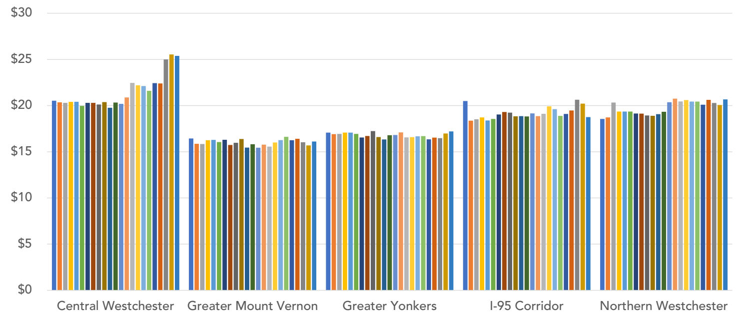


OVERALL AVAILABILITY RATE and ASKING PRICES 2020-2025 QTR OVER QTR

2020 to 2025 AVAILABILITY RATE BY SUBMARKET

2020 to 2025 ASKING PRICE BY SUBMARKET





AVAILABILITY RATE TRENDS

QUARTER OVER QUARTER INCREASE

5.90%
Q3 WESTCHESTER OVERALL AVAILABILITY RATE

YEAR OVER YEAR INCREASE

ASKING PRICE TRENDS

QUARTER OVER QUARTER DECREASE

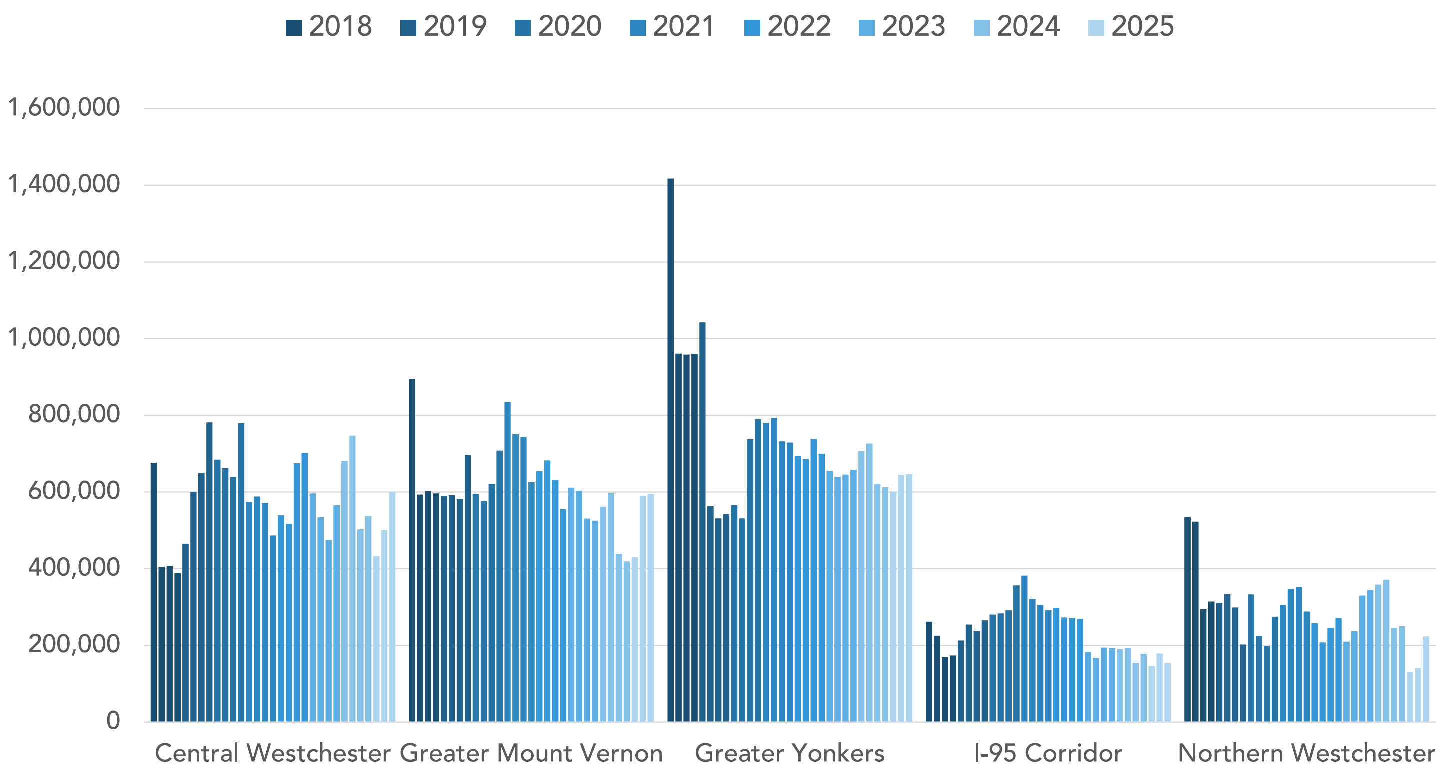
$19.62
Q3 WESTCHESTER AVERAGE ASKING PRICE

YEAR OVER YEAR DECREASE

Rental rates are quoted on a gross basis using a formula for net costs*

TOTAL AVAILABILITY

WESTCHESTER SUBMARKETS 2018-2025 QTR OVER QTR



HIGHEST AVAILABILITY RATE:
Greater Mount Vernon

HIGHEST ASKING PPSF:
Central Westchester

MOST AVAILABLE SF:
Greater Yonkers

LOWEST AVAILABILITY RATE:
I-95 Corridor

LOWEST ASKING PPSF:
Greater Mount Vernon

LEAST AVAILABLE SF:
I-95 Corridor

*Rental rates are quoted on a gross basis using a formula for net costs**

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