

# Workplace Social Distancing / Future Occupancy Needs

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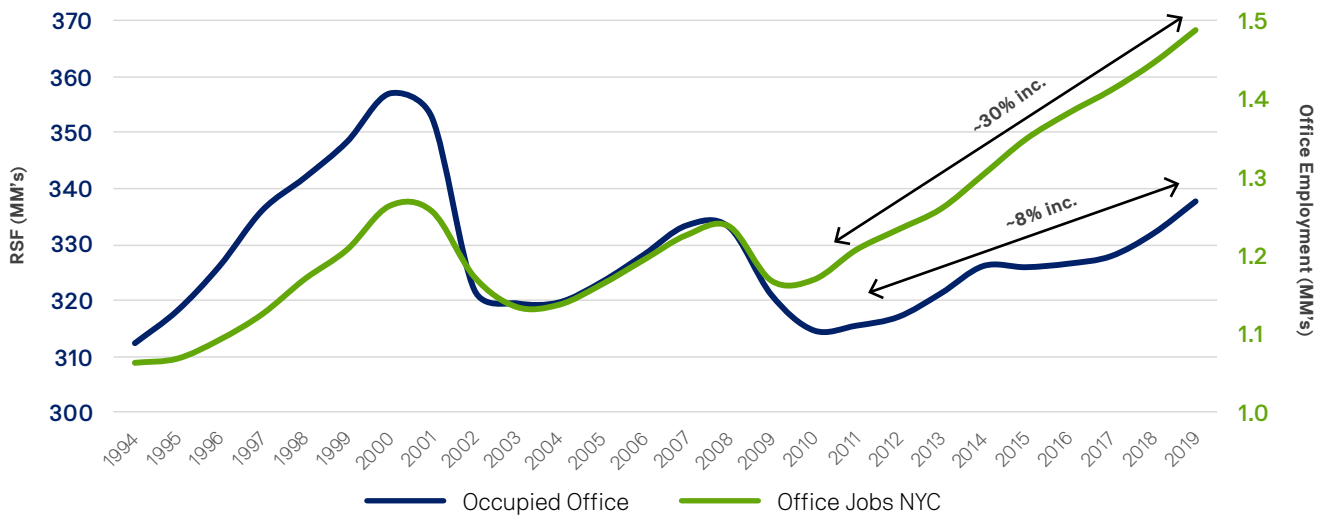
As a follow-up to our correspondence regarding lower hedging costs and potential offshore investment to the U.S., the information below points to a likely positive impact on New York City office market fundamentals – post COVID-19.

## Workplace Social Distancing Will Help Support Long-term Office Occupancy

Employer increases to allocated SF per employee will generate additional occupancy requirements.

Inc. SF Per Employee	Est. Inc. Occupancy	% of Inventory
5 SF	7.5M SF	+/- 2%
10 SF	15M SF	+/- 4%
20 SF	30M SF	+/- 9%

Occupancy increases did not keep pace with job growth this cycle, as they had in previous cycles, due to densification.



Space per employee decreased over 17% (~50 SF) since 2009.



Post COVID-19 office space design will likely accommodate social distancing norms, which will reverse the densification trend seen during the last decade.

Sources: REIS (occ sf); labor.ny.gov (NYC office jobs)