

The Manhattan Rental Market Report June 2007



THE REAL ESTATE GROUP
NEW YORK

WWW.TREGNY.COM



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LETTER FROM OUR CHIEF OPERATING OFFICER

In order for *TREGNY* to have the paramount level of market data, we invite all landlords and property owners to contact us so we can incorporate your personal portfolio in our information.

With your assistance, *TREGNY* will create the most comprehensive data available in Manhattan.

Contact us now:
212.475.9000 or
listings@tregny.com



After spending months of time and hundreds of thousands of dollars in development, The Real Estate Group, N.Y. is pleased to announce the launch of our state of the art listings database. Through this vehicle we have the most accurate, real time reporting capabilities in New York City to date. As such, on behalf of The Real Estate Group, it is my pleasure to present our first monthly Manhattan Rental Market Report that will provide insight to the current state of the residential rental market, and provide clearer, more concise data than ever before.

The data provided has been specifically compiled for you; the renter, investor, developer, etc., to provide you with a better understanding of the Manhattan housing market. The data is indicative of the types of apartments available in varying neighborhoods. Our goal is to use technology to provide you with transparency into a market that has been so difficult to navigate until now.

In the future as our data continues to grow, the monthly Manhattan Rental Market Report will be even more comprehensive providing further insight with greater reporting capabilities on the state of the market, and to create the ability for all property owners to better gauge their own pricing based on a clearer view of their neighbors.

As The Real Estate Group continues to grow, we aim to make the Manhattan Rental Market Report, the only true and accurate report you will ever need.

Sincerely,

Daniel Baum
Chief Operating Officer
The Real Estate Group NY

MEAN CITYWIDE RENTAL PRICES

Overview:

Over the course of the past five months, TriBeCa and SoHo have the highest average rental prices across the board while the Lower East Side has the least expensive average rental prices in doorman buildings.

Most Expensive Studio

- Non-D/M: SoHo \$2718
- D/M: SoHo \$2986

Least Expensive Studio

- Non-D/M: UWS \$1797
- D/M: LES \$2310

Most Expensive One Bed

- Non-D/M: TriBeCa \$4026
- D/M: Greenwich \$4436

Least Expensive One Bed

- Non-D/M: Mid W \$2322
- D/M: LES \$2860

Most Expensive Two Bed

- Non-D/M: TriBeCa \$6430
- D/M: SoHo \$7842

Least Expensive Two Bed

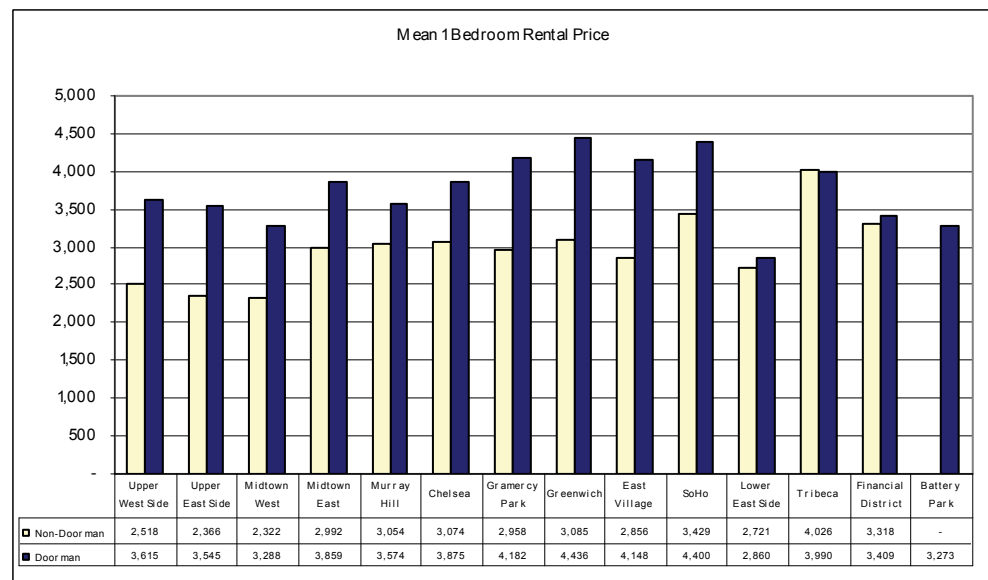
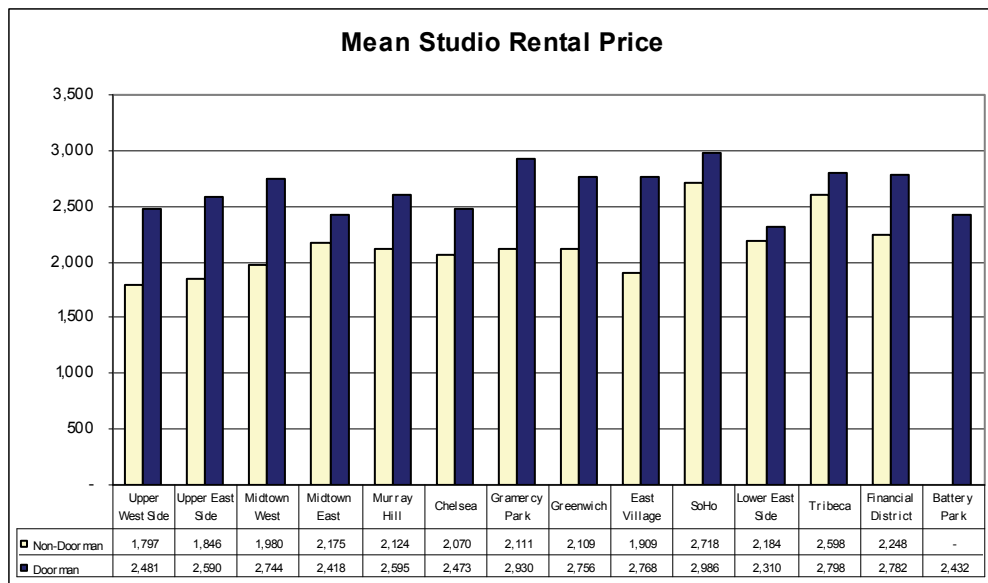
- Non-D/M: E. Vill. \$2908
- D/M: LES \$3822

Glossary

Non-D/M = non doorman
D/M = doorman
UWS = upper west side
LES = lower east side
E Vill. = east village

The following graphs compare the difference in average monthly rental prices in doorman and non-doorman buildings throughout Manhattan for the month of June 2007. Each graph depicts the average price for one of three unit types: studio, one bedroom, or two bedroom apartments. Additionally, there are graphs on average rental price trends for each unit type as well as individual graphs for the various neighborhoods.

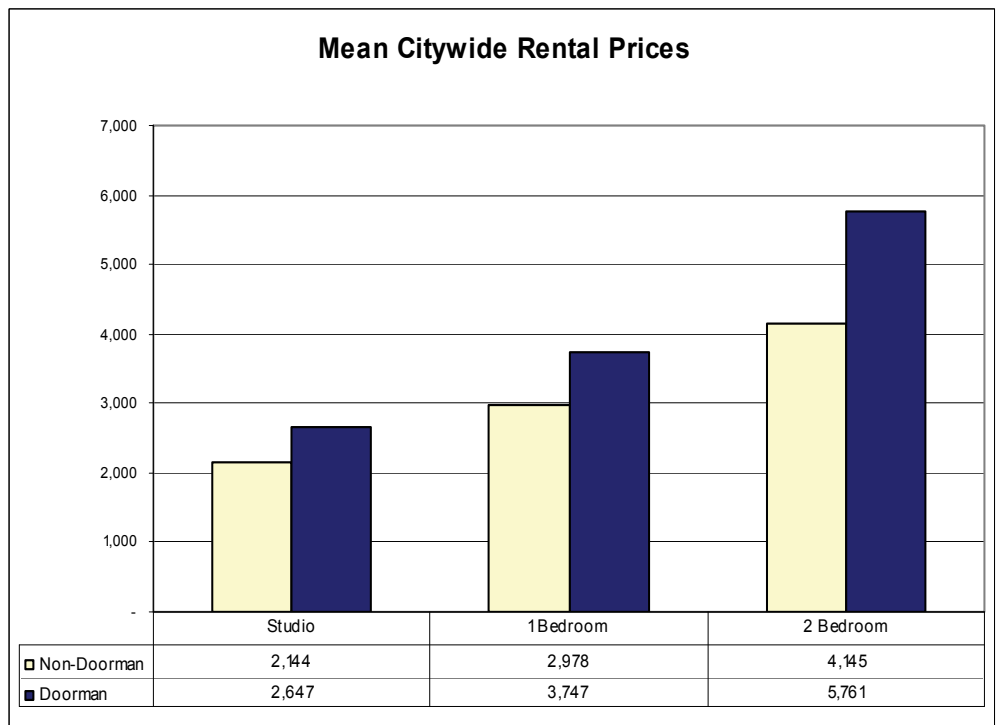
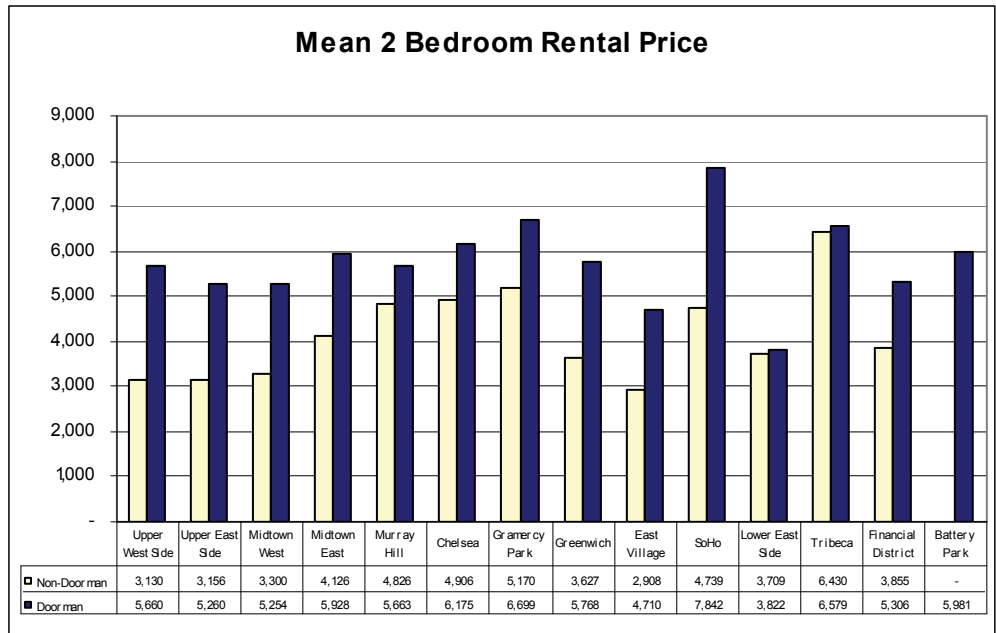
MEAN RENTAL PRICES JUNE '07



MEAN CITYWIDE RENTAL PRICES (cont'd)

Conclusions:

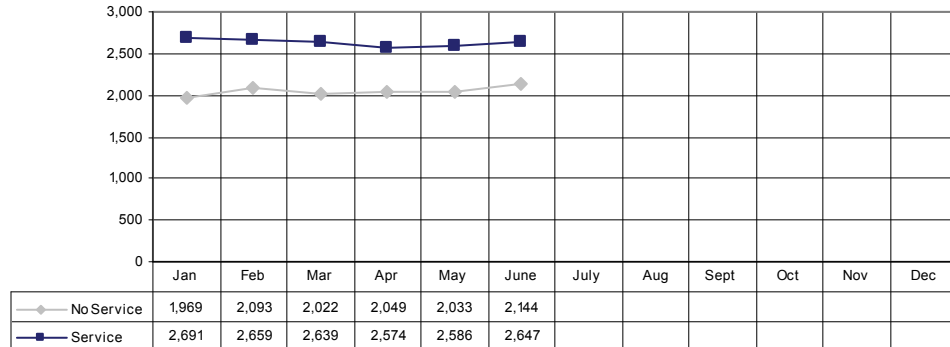
Perhaps rather unsurprising are the increases in rent seen across the board for studio, one and two bedroom apartments in both doorman and non-doorman buildings. June 2007 proves that the rental market is still hot and only getting hotter with the population increasing as interns and newcomers move to Manhattan.



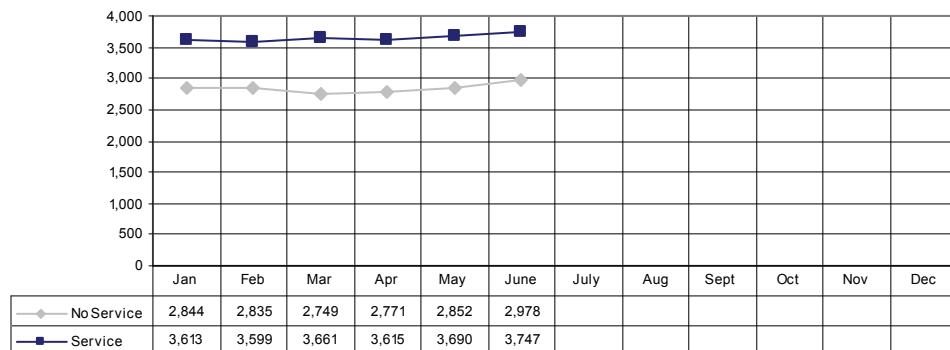
CITYWIDE 2007 PRICE TRENDS

No matter the type or size of the apartment, Manhattan rents continue to rise. On average studios, one, and two bedroom apartments exhibit increases in the \$100 range as the summer has arrived.

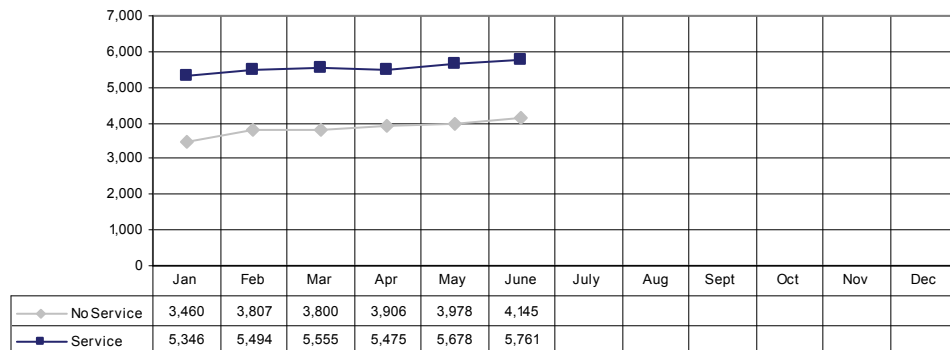
City Wide Studios - 2007 Price Trends



City Wide One Bedrooms - 2007 Price Trends



City Wide Two Bedrooms - 2007 Price Trends

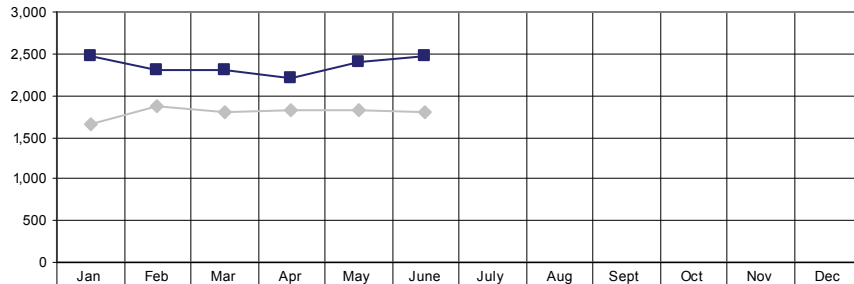


NEIGHBORHOOD PRICE TRENDS

Upper West Side:

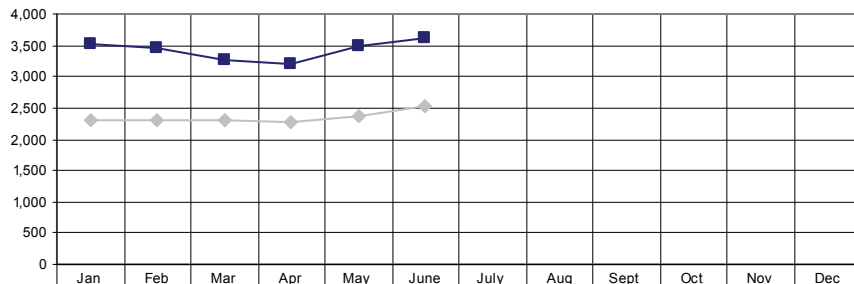
There must be a demand for one bedroom apartments on the Upper West Side as rents in both non-doorman and doorman buildings experienced an increase. In the studio and two bedroom categories, doorman apartments saw an increase while non-doorman apartments saw a decrease in rent.

Upper West Side - Studio 2007 Price Trends



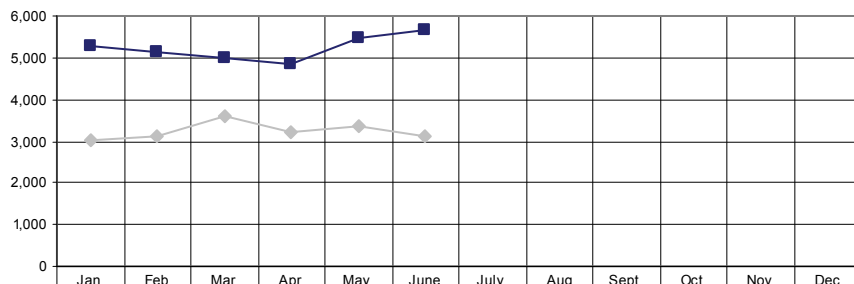
| | | | | | | | | | | | | |
|------------|-------|-------|-------|-------|-------|-------|--|--|--|--|--|--|
| No Service | 1,651 | 1,866 | 1,792 | 1,825 | 1,820 | 1,797 | | | | | | |
| Service | 2,478 | 2,299 | 2,300 | 2,220 | 2,406 | 2,481 | | | | | | |

Upper West Side - One Bedroom 2007 Price Trends



| | | | | | | | | | | | | |
|------------|-------|-------|-------|-------|-------|-------|--|--|--|--|--|--|
| No Service | 2,306 | 2,309 | 2,316 | 2,272 | 2,357 | 2,518 | | | | | | |
| Service | 3,518 | 3,451 | 3,273 | 3,204 | 3,496 | 3,615 | | | | | | |

Upper West Side - Two Bedroom 2007 Price Trends



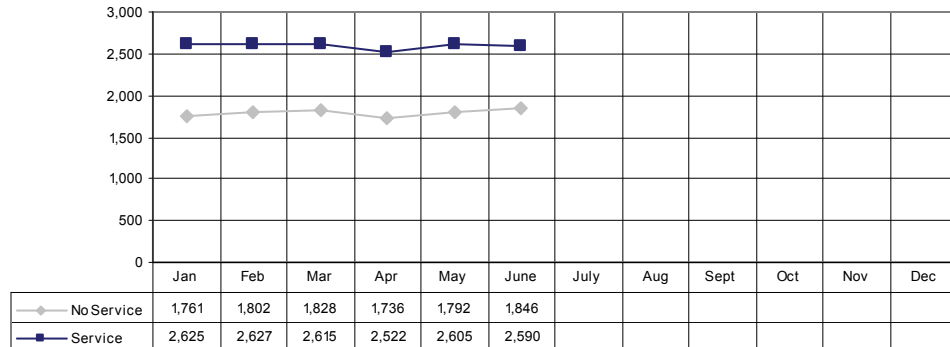
| | | | | | | | | | | | | |
|------------|-------|-------|-------|-------|-------|-------|--|--|--|--|--|--|
| No Service | 3,039 | 3,110 | 3,592 | 3,209 | 3,345 | 3,130 | | | | | | |
| Service | 5,294 | 5,125 | 5,011 | 4,845 | 5,480 | 5,660 | | | | | | |

NEIGHBORHOOD PRICE TRENDS

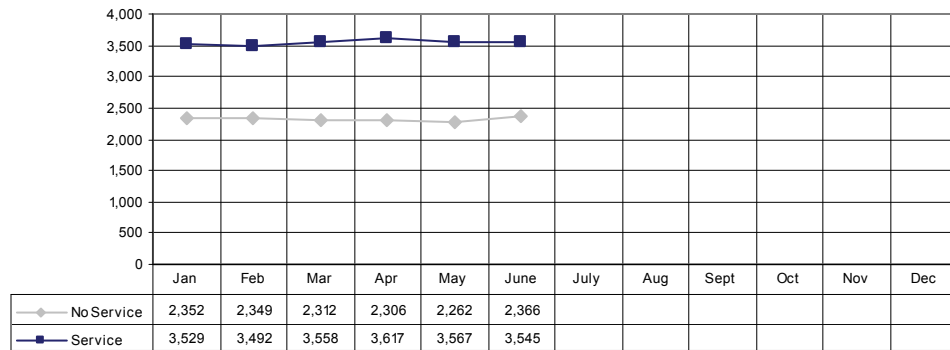
Upper East Side:

June portrays the Upper East Side as a neighborhood with relatively stable rents. The most stable can be found in the one bedroom sector of the market. Meanwhile, studio doorman apartments and both doorman and non-doorman two bedroom apartments experienced a trivial decrease.

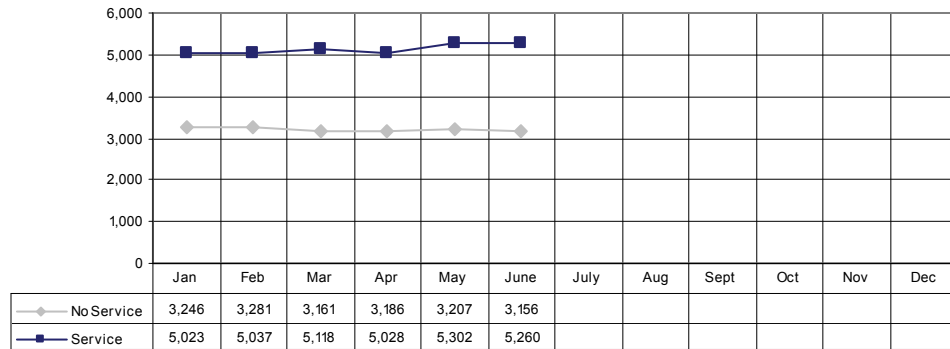
Upper East Side - Studio 2007 Price Trends



Upper East Side - One Bedroom 2007 Price Trends



Upper East Side - Two Bedroom 2007 Price Trends



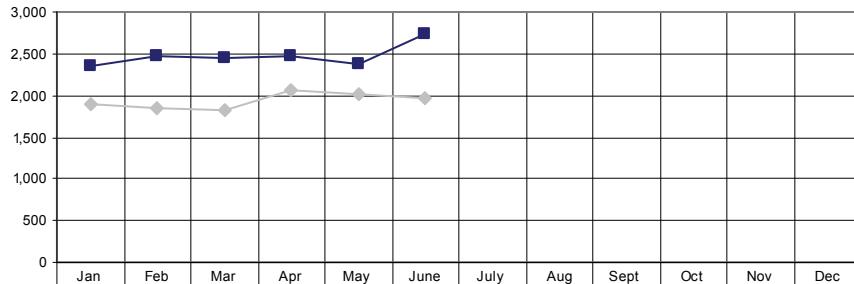
NEIGHBORHOOD PRICE TRENDS

Midtown West:

Those seeking studios must be relocating to Midtown West, as rent in doorman buildings increased by almost \$400.

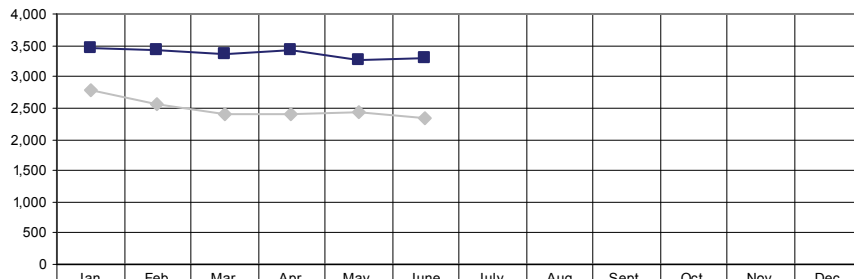
Non-doorman buildings saw a rather unsubstantial decrease in rent in studio, one and two bedroom apartments, while doorman one and two bedroom apartments saw minimal increases.

Midtown West - Studio 2007 Price Trends



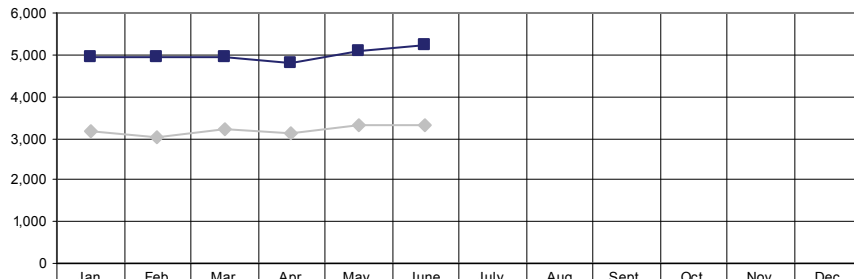
| | | | | | | | | | | | | |
|------------|-------|-------|-------|-------|-------|-------|--|--|--|--|--|--|
| No Service | 1,904 | 1,845 | 1,828 | 2,061 | 2,005 | 1,980 | | | | | | |
| Service | 2,344 | 2,480 | 2,454 | 2,468 | 2,378 | 2,744 | | | | | | |

Midtown West - One Bedroom 2007 Price Trends



| | | | | | | | | | | | | |
|------------|-------|-------|-------|-------|-------|-------|--|--|--|--|--|--|
| No Service | 2,773 | 2,544 | 2,410 | 2,390 | 2,431 | 2,322 | | | | | | |
| Service | 3,465 | 3,422 | 3,351 | 3,430 | 3,254 | 3,288 | | | | | | |

Midtown West - Two Bedroom 2007 Price Trends



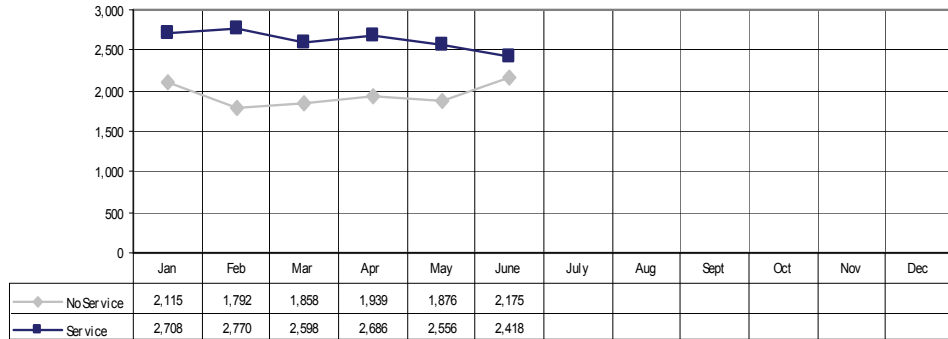
| | | | | | | | | | | | | |
|------------|-------|-------|-------|-------|-------|-------|--|--|--|--|--|--|
| No Service | 3,150 | 3,007 | 3,195 | 3,114 | 3,324 | 3,300 | | | | | | |
| Service | 4,953 | 4,921 | 4,925 | 4,810 | 5,095 | 5,254 | | | | | | |

NEIGHBORHOOD PRICE TRENDS

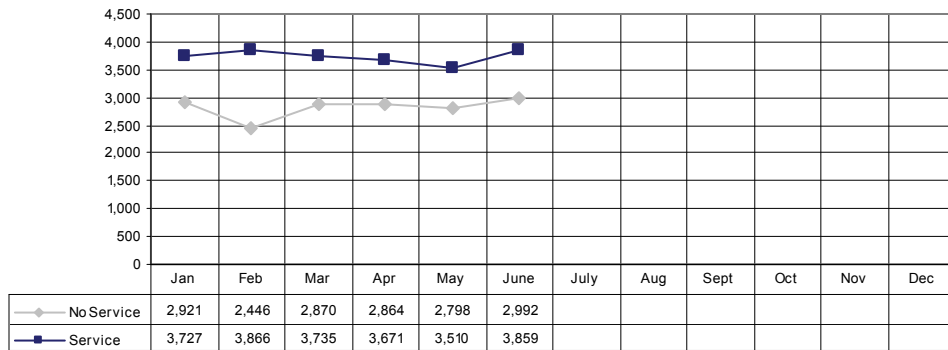
Midtown East:

The price was right for those seeking two bedroom non-dorman apartments in Midtown East in May. However, those same units were far from affordable in June as the strong demand in May must have caused landlords to rethink their pricing, as rents increased by \$500+ dollars. One bedroom apartments located in both non-dorman and doorman units saw an increase of almost \$200 and \$400 respectively.

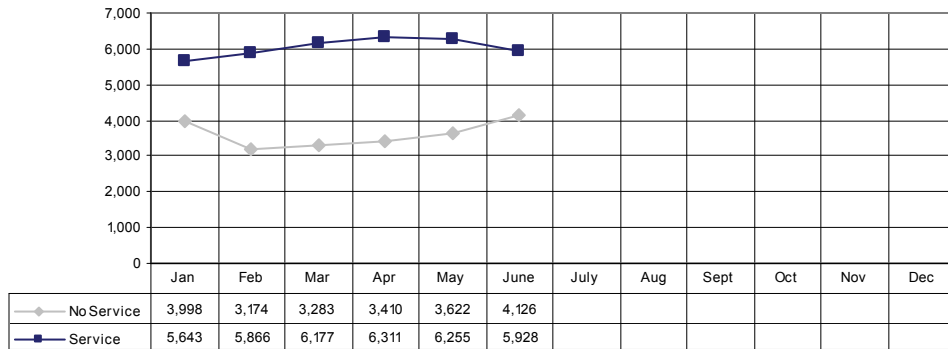
Midtown East - Studio 2007 Price Trends



Midtown East - One Bedroom 2007 Price Trends



Midtown East - Two Bedroom 2007 Price Trends

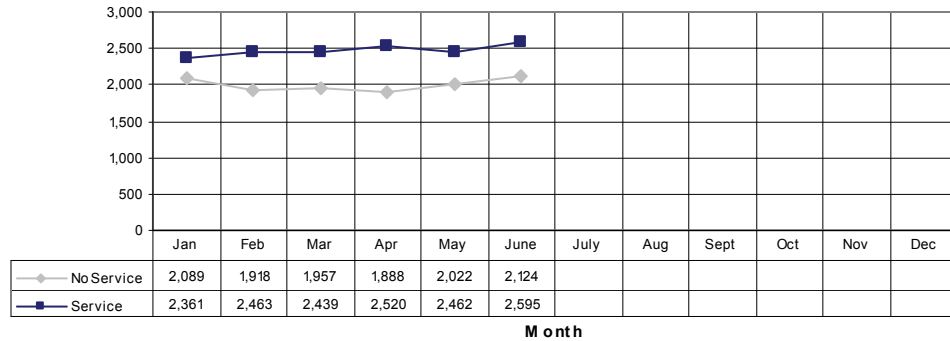


NEIGHBORHOOD PRICE TRENDS

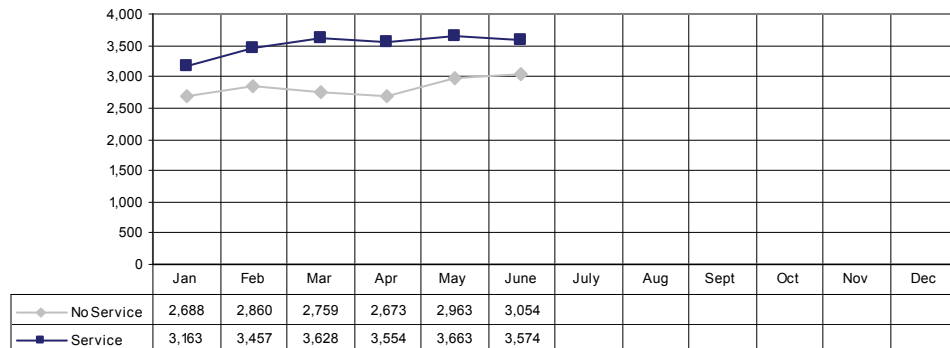
Murray Hill:

June was an excellent month for landlords in Murray Hill, as studios, one bedroom, and two bedroom apartments saw increases across the board, with the exception of doorman one bedrooms. Studios and one bedrooms saw marginal increases as rents increased by approximately \$100. Most interestingly, two bedroom apartments experienced an enormous surge in rent. Landlords of doorman buildings charged an extra \$300 a month. Non-doorman landlords took the increase to a new extreme, tacking on close to \$800.

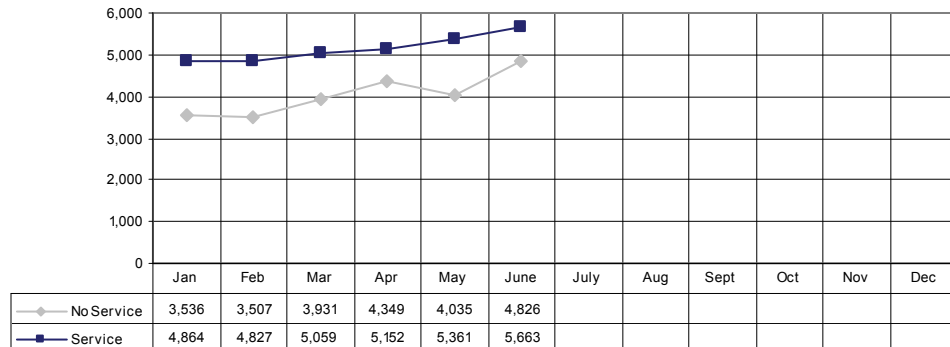
Murray Hill - Studio 2007 Price Trends



Murray Hill - One Bedroom 2007 Price Trends



Murray Hill - Two Bedroom 2007 Price Trends

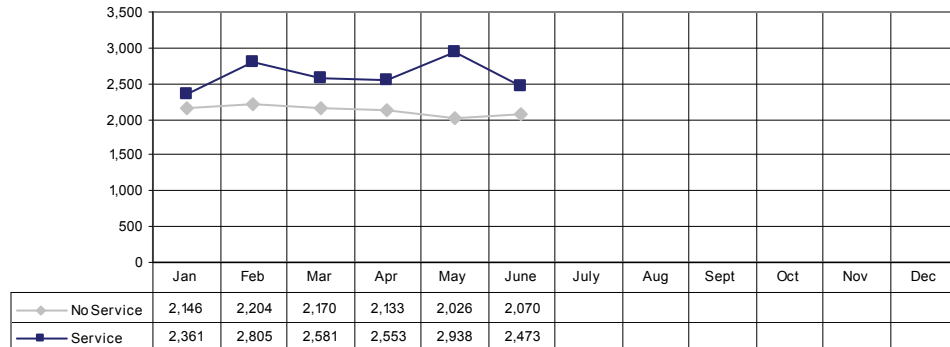


NEIGHBORHOOD PRICE TRENDS

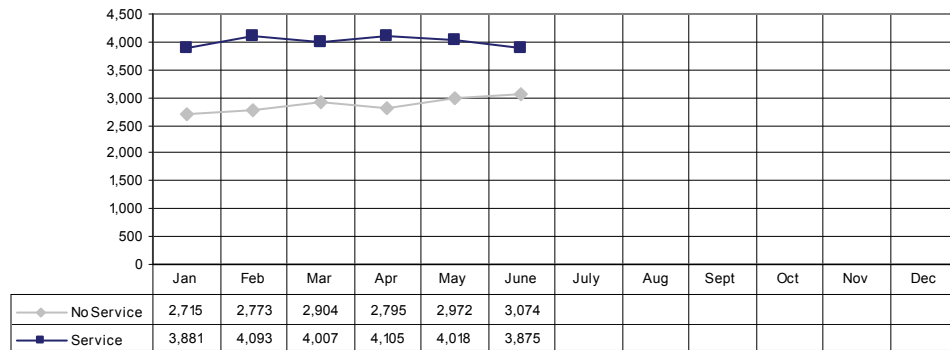
Chelsea:

This month in Chelsea, studio, one and two bedroom apartments are playing follow the leader with doorman buildings experiencing a decline in rent, and non-doorman apartments experiencing an increase. The greatest decline has been experienced this month in doorman studio buildings, with rents dropping an alarming \$465. On the contrary, the greatest increase has occurred in non-doorman two bedroom buildings at \$268. Lastly, despite many price changes in rent having no rhyme or reason, Chelsea doorman studios may have one, as rents consecutively rose and fell since the beginning of the year.

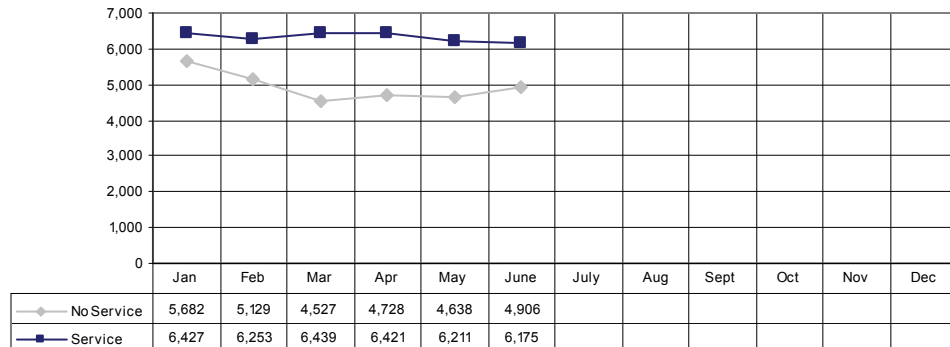
Chelsea - Studio 2007 Price Trends



Chelsea - One Bedroom 2007 Price Trends



Chelsea - Two Bedroom 2007 Price Trends

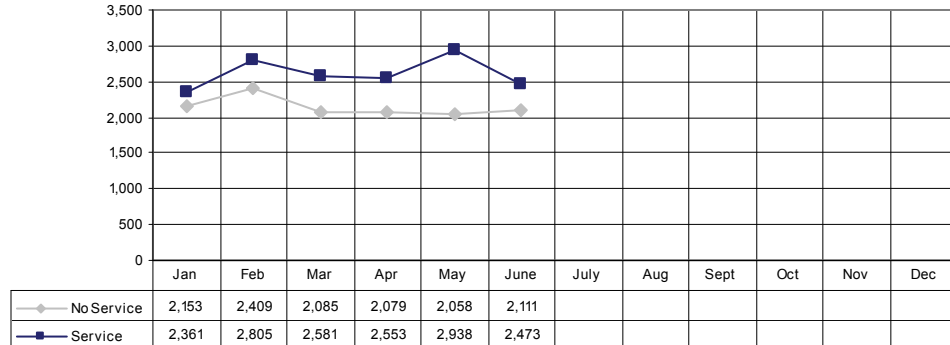


NEIGHBORHOOD PRICE TRENDS

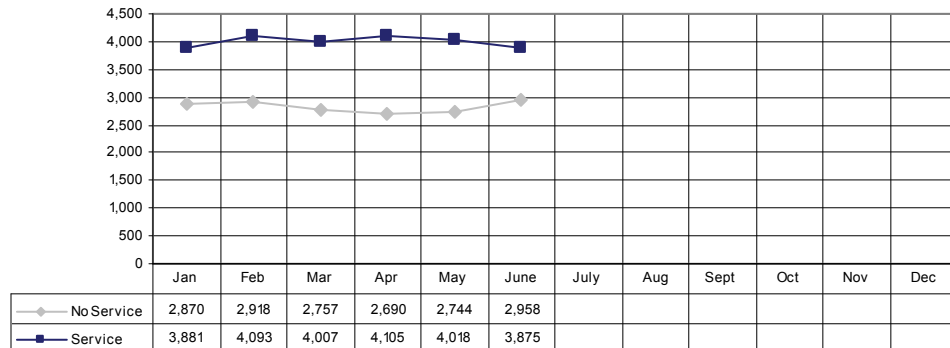
Gramercy:

Gramercy mimics Chelsea this month, with rents in non-doorman buildings surging while rents in doorman buildings decline. The most notable decline was also felt in doorman studios as rents dropped \$465. At the opposite end of the spectrum, rent increased by \$362 in non-doorman two bedroom units as well.

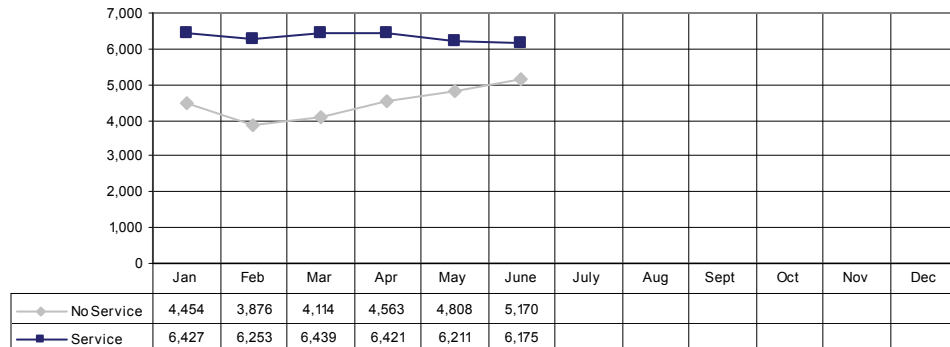
Gramercy Park - Studio 2007 Price Trends



Gramercy Park - One Bedroom 2007 Price Trends



Gramercy Park - Two Bedroom 2007 Price Trends

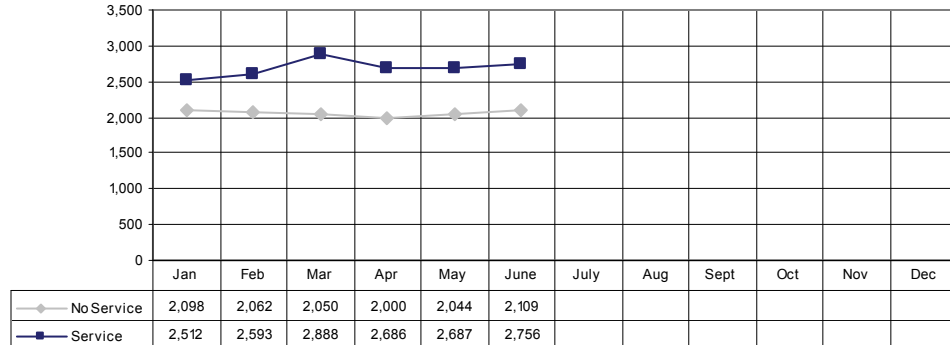


NEIGHBORHOOD PRICE TRENDS

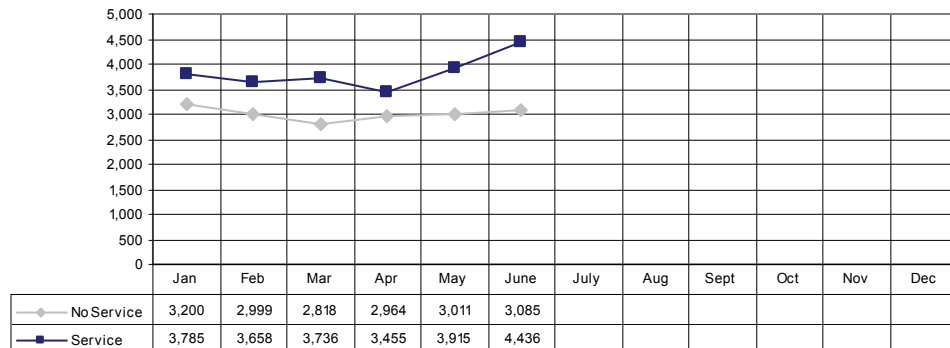
Greenwich:

If you were seeking to move to Greenwich Village, now may not be the best time with rents increasing in every sector of the market. Studios in both non-doorman and doorman buildings saw a \$69 increase. One bedroom apartments in doorman buildings had rent increase by \$521, and two bedroom non-doorman apartments came in second at \$437.

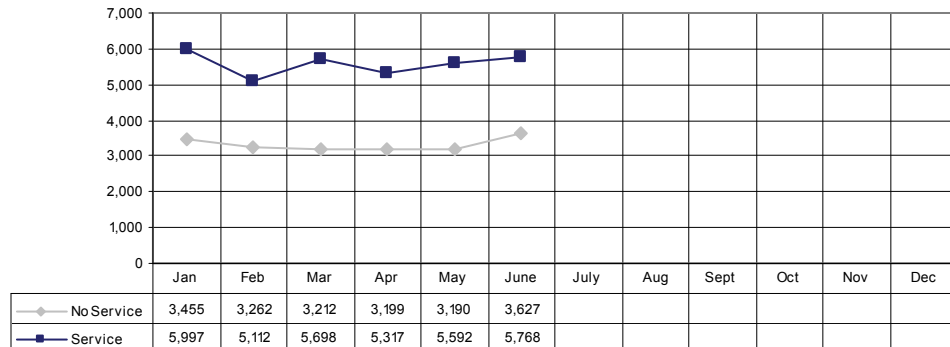
Greenwich - Studio 2007 Price Trends



Greenwich - One Bedroom 2007 Price Trends



Greenwich - Two Bedroom 2007 Price Trends

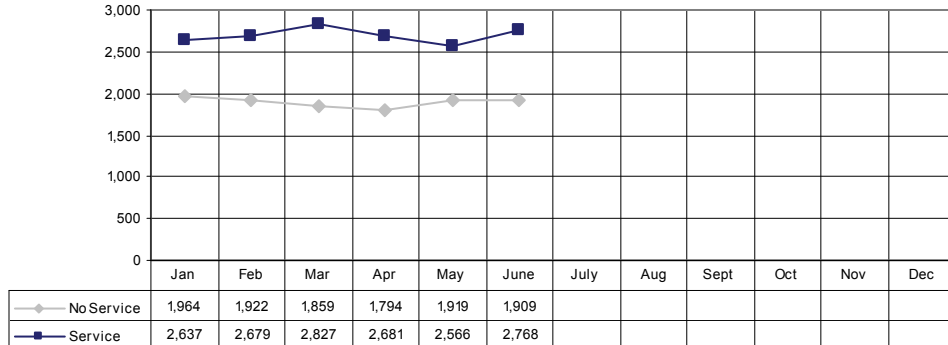


NEIGHBORHOOD PRICE TRENDS

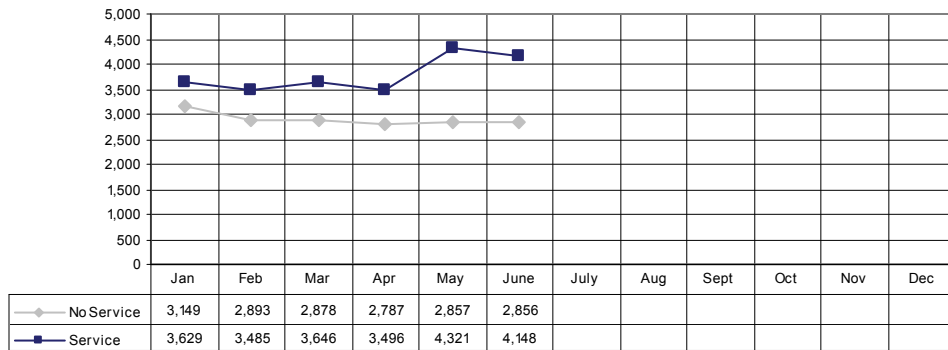
East Village:

In the East Village, all apartments with the exception of doorman studios portrayed a decline. However, non-doorman rents declined minimally between \$1 and \$43. On the other hand, one and two bedroom apartments in doorman buildings had \$173 and \$243 deducted from the monthly rent. The only apartments to experience an increase in rent had a fairly substantial surge at \$202.

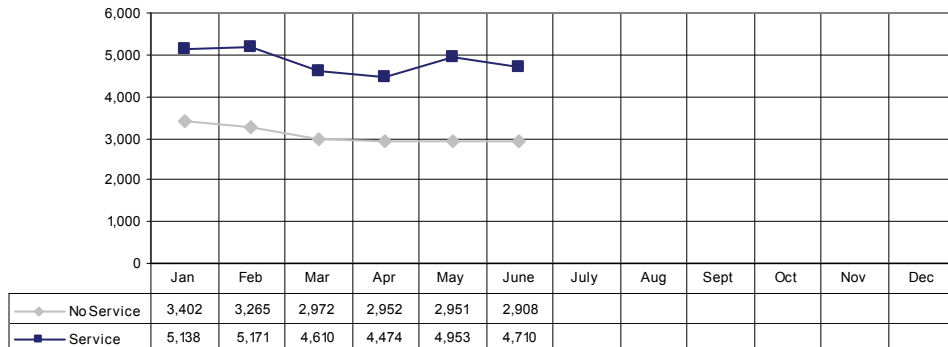
East Village - Studio 2007 Price Trends



East Village - One Bedroom 2007 Price Trends



East Village - Two Bedroom 2007 Price Trends

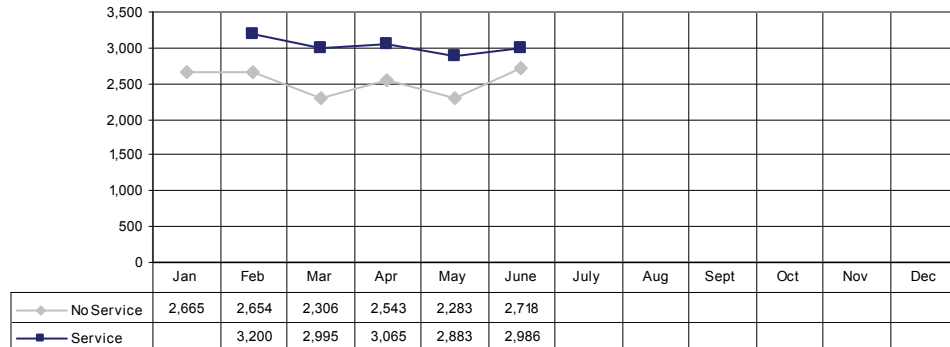


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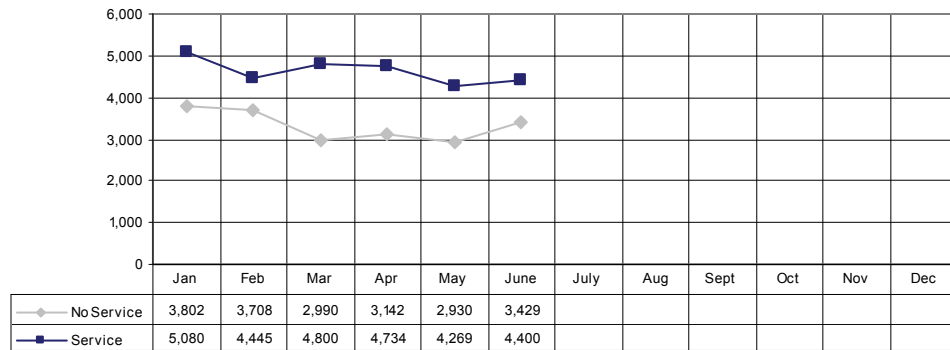
SoHo:

Studios in SoHo continue to follow the pattern of rents increasing. This month, increases occur in both doorman and non-doorman buildings. The largest increase in non-doorman buildings was found in the one bedroom sector with rents rising \$499 and studios not trailing far behind at \$435. Two bedroom apartments in doorman buildings saw a large decline in rent, dropping \$305.

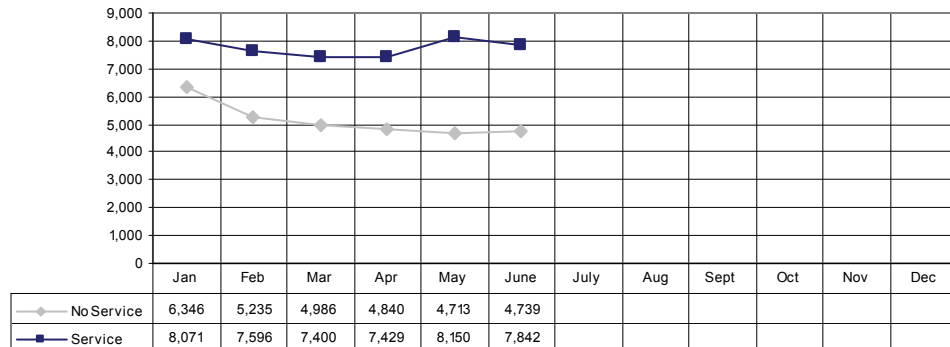
SoHo - Studio 2007 Price Trends



SoHo - One Bedroom 2007 Price Trends



SoHo - Two Bedroom 2007 Price Trends

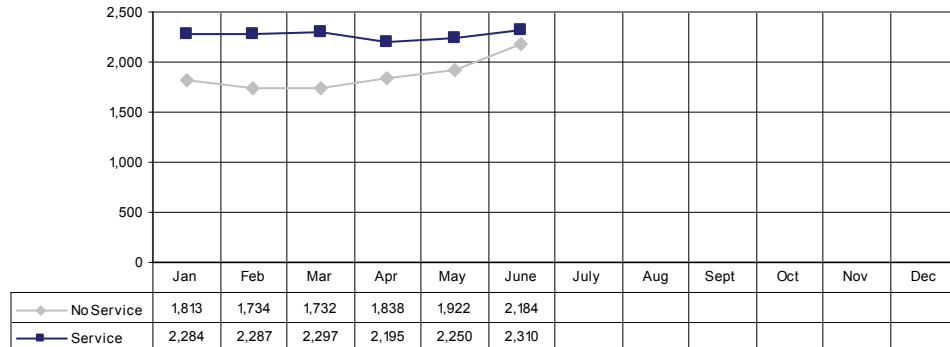


NEIGHBORHOOD PRICE TRENDS

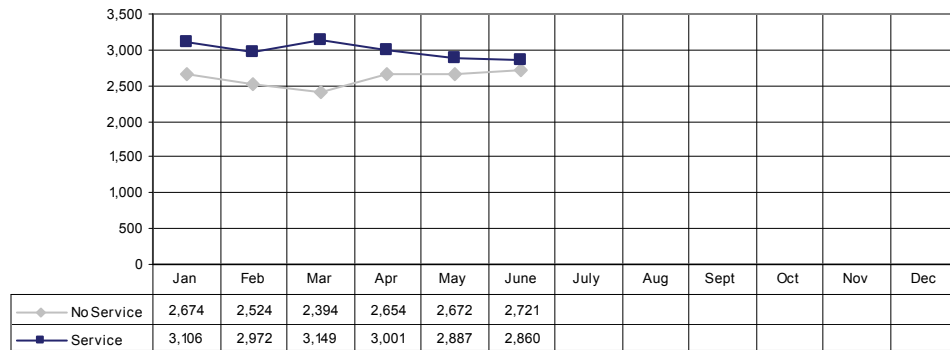
Lower East Side:

Rents in the Lower East Side are relatively stable this month as all but doorman one bedrooms experience a minimal surge. The exceptions to this are the studios located in non-dorman buildings as rent increased by \$262 in June. The other exception is the negligible decline in rent in one bedroom apartments located in doorman buildings.

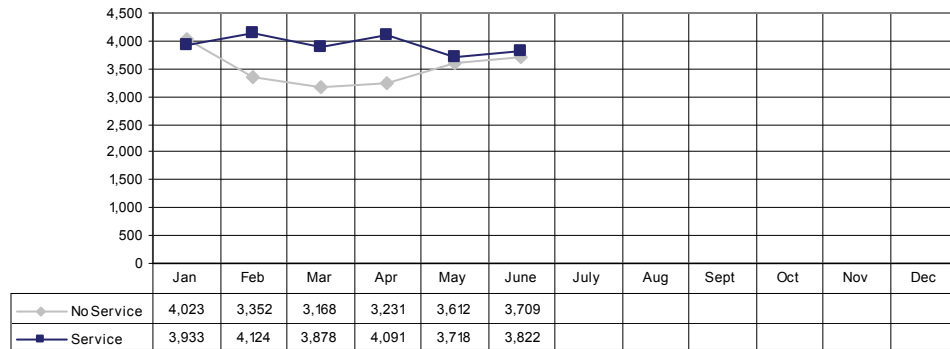
Lower East Side - Studio 2007 Price Trends



Lower East Side - One Bedroom 2007 Price Trends



Lower East Side - Two Bedroom 2007 Price Trends

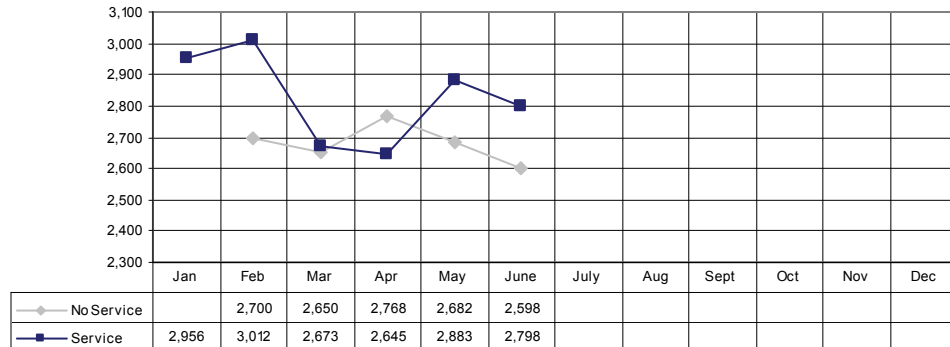


NEIGHBORHOOD PRICE TRENDS

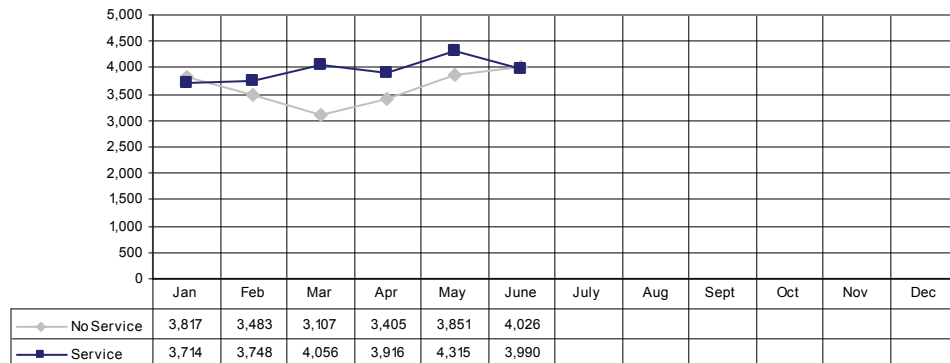
TriBeCa:

Studios in both non-dorman and doorman buildings saw a nominal decline in rent at \$84 and \$85, respectively. One bedroom apartments in non-dorman buildings increased rent by \$175, whereas one bedroom apartments in doorman buildings dropped rent by \$325. However, this decline can only lead one to believe that less condominium-turned-rental apartments were available this month. On the two bedroom front, non-dorman apartments saw a minimal increase while doorman apartments saw a minimal decline.

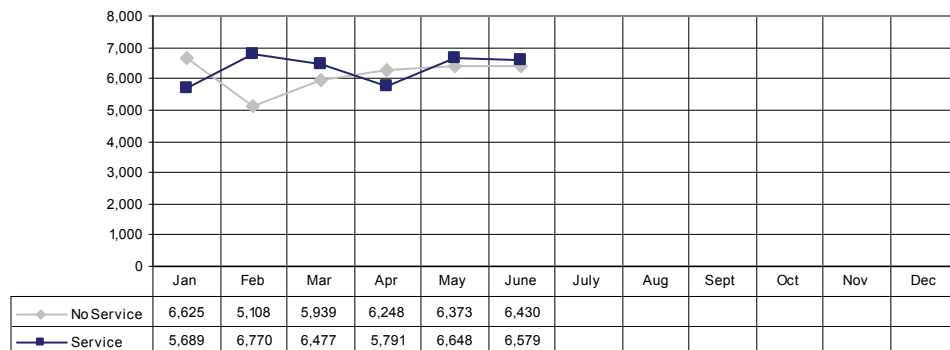
TriBeCa - Studio 2007 Price Trends



TriBeCa - One Bedroom 2007 Price Trends



TriBeCa - Two Bedroom 2007 Price Trends

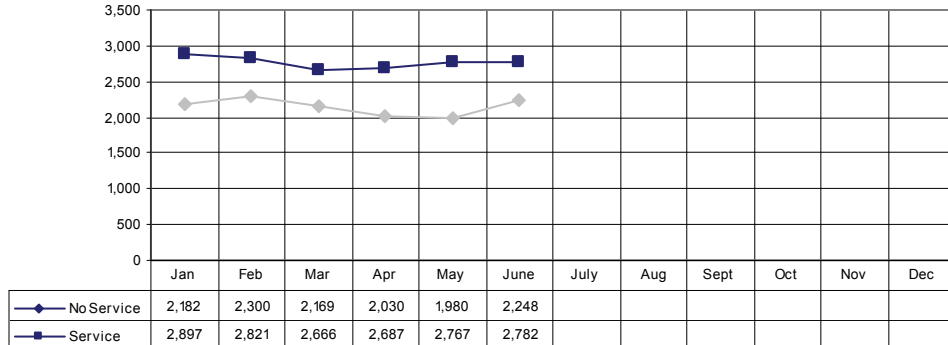


NEIGHBORHOOD PRICE TRENDS

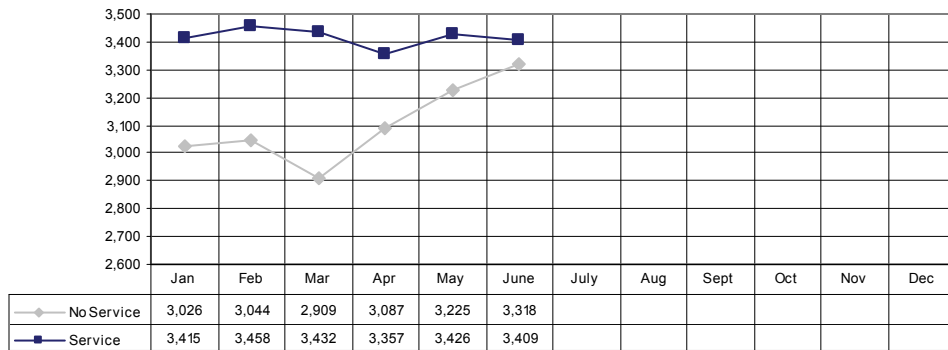
Financial District:

The Financial District experienced little change this month in regards to rent as prices of both non-doorman and doorman apartments remained relatively flat. However, non-doorman studios and doorman two bedrooms felt the heat of the rental market with prices rising \$268 and \$386, respectively.

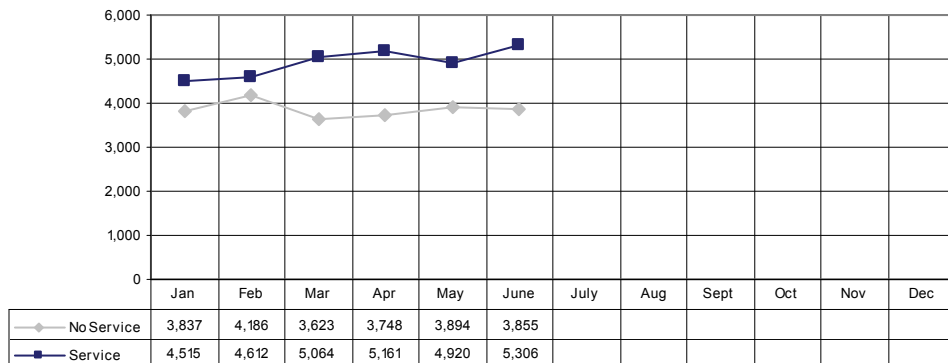
Financial District - Studio 2007 Price Trends



Financial District - One Bedroom 2007 Price Trends



Financial District - Two Bedroom 2007 Price Trends

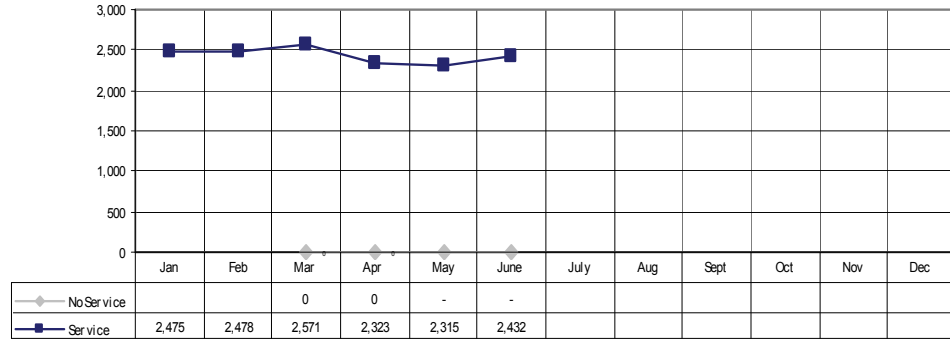


NEIGHBORHOOD PRICE TRENDS

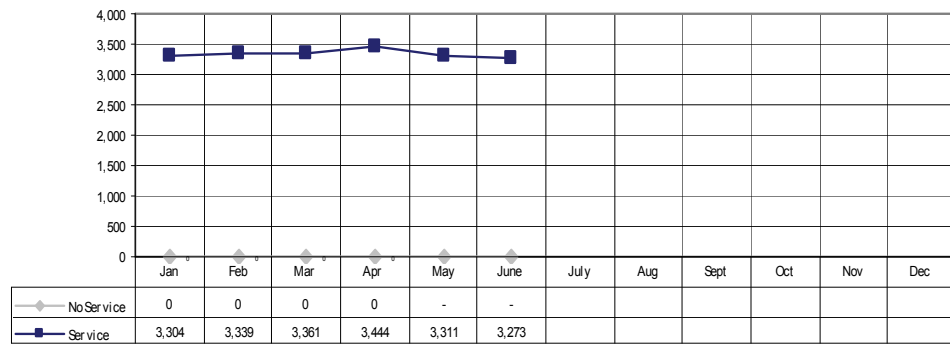
Battery Park City:

Studios and two bedrooms located in Battery Park City have rents on the rise with two bedrooms increasing by \$421. Meanwhile, one bedrooms remain relatively flat.

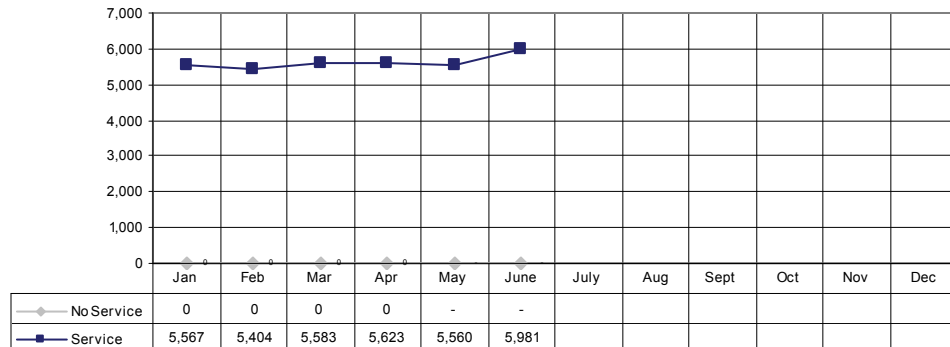
Battery Park City - Studio 2007 Price Trends



Battery Park City - One Bedroom 2007 Price Trends



Battery Park City - Two Bedroom 2007 Price Trends





THE REAL ESTATE GROUP
NEW YORK

NEIGHBORHOOD PRICE TRENDS

Note:

Information has been collected and compiled by The Real Estate Group, New York marketing department. All information is overseen by C.O.O. Daniel Baum and edited by V.P. of PR & Marketing, Lori Askins.

The Manhattan Market Report is based on data cross-sectioned from over 3,000 currently available listings located below 100th Street and under \$10,000 specifically to obtain a true monthly rental average by omitting ultra luxury property. This data has been collected by The Real Estate Group, NY. All materials presented here are intended for informational purposes only and have been compiled from sources deemed reliable. Though the information is believed to be correct, it is presented subject to errors, omissions, changes or withdrawal without notice.

If you would like to republish this report on the web, please make sure to source it as the Manhattan Apartment Rental Report with a link back to its original location (<http://www.tregny.com/manhattan-apt-rental-report.jsp>).

Conclusion: The question which has been asked of me by landlords, individual property owners, investors, and property assessors alike, is how to use this data to more accurately price an individual apartment in Manhattan. The answer is that in general this data should be used as a benchmark on the current state of the market on the whole or for a specific neighborhood. However, each apartment must be evaluated individually to ascertain its merits and/or flaws in order to derive the maximum price to market said unit. Only after evaluating the specific apartment would I use the aforementioned data, along with the experience of a professional who was well versed in comparable rental properties in and around the surrounding area, to determine the maximum price the market would bear.