

MNS

REAL IMPACT REAL ESTATE

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INTRODUCTION

We are proud to present MNS' seventh annual Year End Report, the summation of a year's worth of data collected from our monthly Manhattan Rental Market Reports. We hope you find these pages useful in determining the rental trends of Manhattan's major neighborhoods, as well as the overall climate of the Manhattan rental market during the course of 2013.

The Manhattan rental market maintained a stellar performance throughout 2013. Each Non-Doorman and Doorman unit type increased in price compared to the previous year. Additionally, this year's average price points remained well ahead of pre-recession levels, as average Non-Doorman and Doorman prices were up 23% and 7% compared to the end of 2007. Quickly rising condo prices in the borough alongside slowly rising interest rates has crowded the rental market. Coupled with low available rental inventory across Manhattan, this trend has contributed to a significant upturn in pricing throughout the year.

The highest overall rents in Manhattan were achieved in October. The borough's overall average rent peaked at \$3,905, up from \$3,762 in January. This trend was anchored by strong performances across the One-Bedroom sector which drove average prices upward throughout Manhattan in 2013. Average prices for Non-Doorman One-Bedrooms units climbed 5.8% and Doorman units increased 3.7% since the previous year. Growing demand contributed to consistent month over month price hikes for One-Bedrooms in Harlem, the Upper West Side and Financial District (see pages 8-11). Also, Non-Doorman Studios saw the largest relative price increase since 2012, increasing by 7.3% in 2013 to \$2,422 from \$2,258 in 2012. Smaller, Non-Doorman rental units showed impressive returns this year as renters are finding it more difficult to find Doorman units in a low-inventory rental market.

In the pipeline the following neighborhoods are slated to receive a high volume to new rental units: Midtown West/Hell's Kitchen (9,073 units); Upper West Side (1,176 units); Financial District (2,656 units). Upward price trends throughout 2013 in each of these neighborhoods would indicate that demand for these new rental properties will be strong. It is also worthy to note that a growing volume of new luxury rental units coming to market in Brooklyn in 2014 year may attract traditional Manhattan renters to seek out comparable rental property in Brooklyn.

NOTABLE TRENDS

Growth Rate The average growth rate slowed slightly compared to the previous year from 5.8% in 2012 to 3.4% in 2013. Still, this level of growth indicates a strong rental market in Manhattan that should keep pace in the coming year.

One-Bedroom Competition The largest growth by volume in 2013 was Doorman One-Bedroom units as average prices increased by 3.7% from \$3,825 to \$3,965 compared to the previous year. Non-Doorman units peaked this year at \$3,344 in September while Doorman units rose to \$4,050 in October, the highest level for this unit in 2013. The highest priced One-Bedrooms in 2013 were found in Tribeca where in July average pricing reached \$4,947 for Doorman units and \$6,300 in October for Non-Doorman units. Due to the product types in Tribeca, Non-Doorman units tend to out-price Doorman units; the opposite is true for the rest of Manhattan neighborhoods (see below).

Doorman vs. Non-Doorman The price differential between Doorman and Non-Doorman units remained similar to last year's levels. In 2012 Doorman units were priced on average \$958 (30%) higher than Non-Doorman units. This year average prices for Doorman units were 27% higher than Non-Doorman units, a price difference of \$971. To end 2013 the following neighborhoods showed a greater percentage of available Non-Doorman rental units: East Village, Greenwich Village, Harlem, Lower East Side and SoHo.

Non-Doorman Manhattan Rents: 2012 vs. 2013

Type	2012	2013	Change
Studios	\$2,258	\$2,422	↑ 7.3%
One-Bedrooms	\$3,003	\$3,176	↑ 5.8%
Two-Bedrooms	\$4,316	\$4,331	↑ 0.3%

Doorman Manhattan Rents: 2012 vs. 2013

Type	2012	2013	Change
Studios	\$2,682	\$2,789	↑ 4.0%
One-Bedrooms	\$3,825	\$3,965	↑ 3.7%
Two-Bedrooms	\$5,944	\$6,087	↑ 2.4%

FORECAST & TIPS



Spotlight Due to an overall inventory crunch throughout the borough, a low supply of Studio units pushed up average pricing for Non-Doorman and Doorman Studios by 7.3% and 4.0% from 2012. High demand for Studios in the East Village caused prices to rise by 12.5% (Non-Doorman) and 7.2% (Doorman).

Where to Look Renters in the market for high-end Two-Bedroom units should check out Doorman units in Midtown East where average prices dropped for the fourth consecutive month in December, ending the year at \$5,267.

Growth Areas Harlem continued to show great returns as rents continued to surge in 2013. After rising 12.7% in 2012, average pricing was rose 6.3% in 2013. Each unit type experienced notable upturns from the previous year (see pages 8-11). This trend is one of the most significant in Manhattan as new residential and major retail developments move toward Harlem the availability of rental product in the neighborhood will decrease and prices are expected to rise.

MEAN RENTAL PRICES

2013 Mean Manhattan Rental Prices



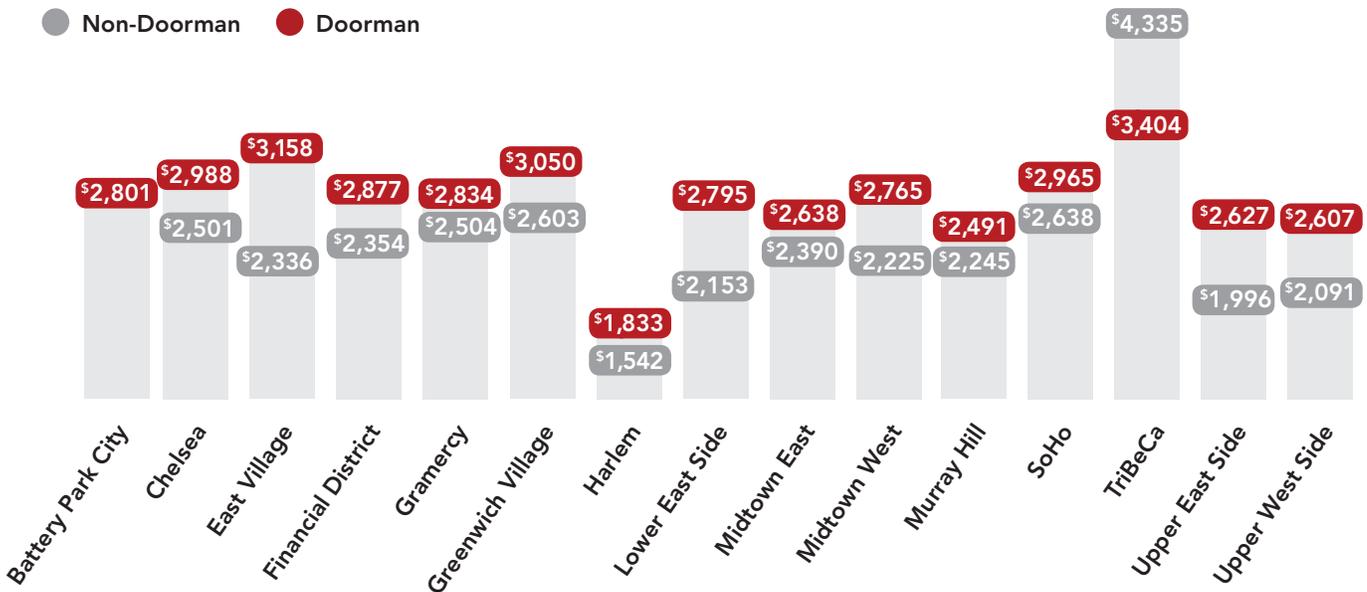
Non-Doorman Studio \$2,422
 Non-Doorman One-Bedroom \$3,176
 Non-Doorman Two-Bedroom \$4,331



Doorman Studio \$2,789
 Doorman One-Bedroom \$3,965
 Doorman Two-Bedroom \$6,087

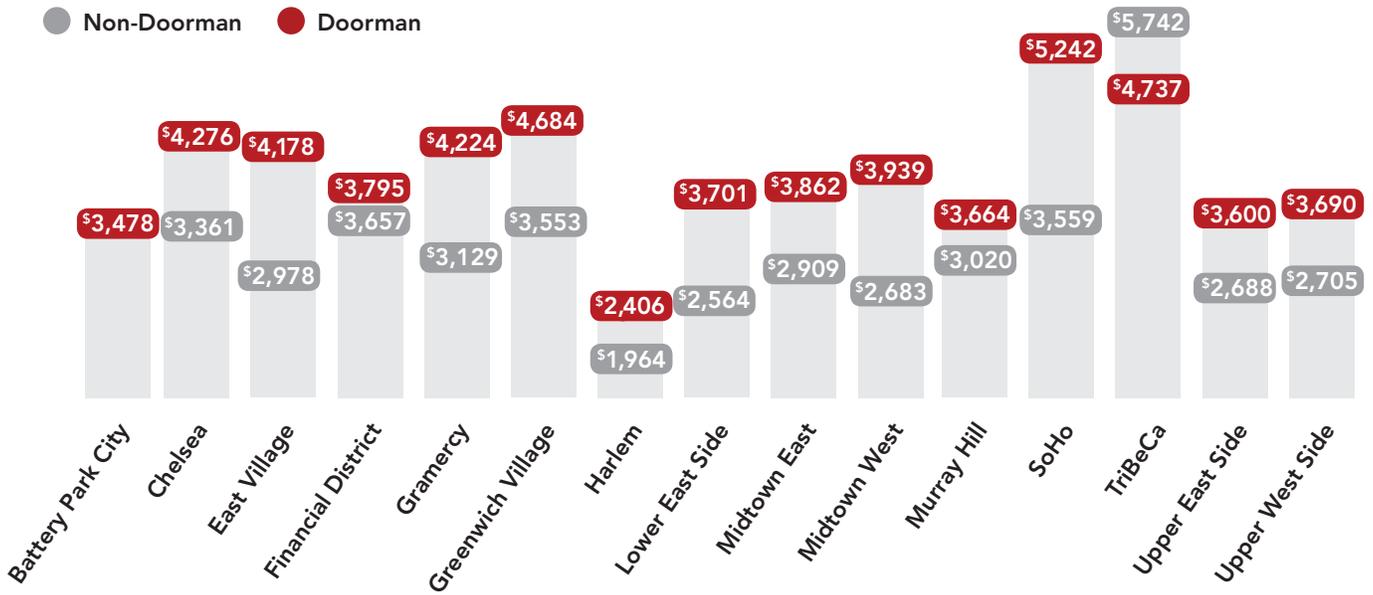
2013 Mean Studio Rental Prices

● Non-Doorman ● Doorman

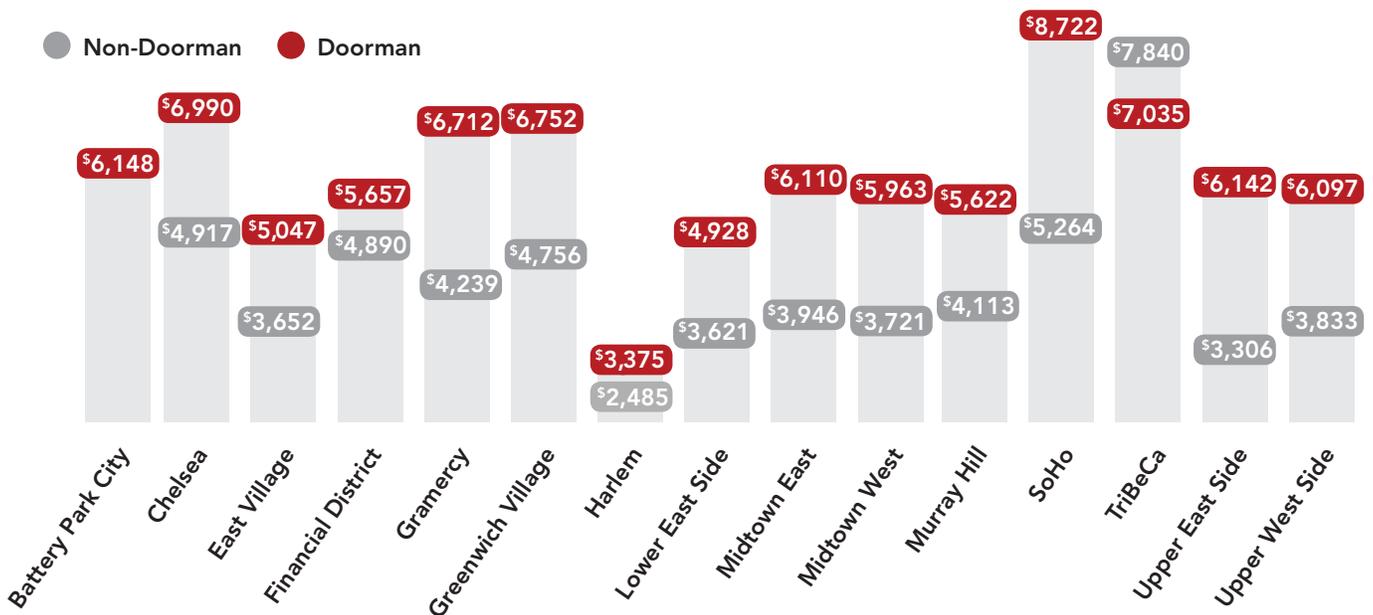


MEAN RENTAL PRICES

2013 Mean One Bedroom Rental Prices



2013 Mean Two Bedroom Rental Prices



PRICE TRENDS

Battery Park City Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	not available	↑ 3.49%
One-Bedrooms	not available	↑ 6.31%
Two-Bedrooms	not available	↓ 5.60%

Chelsea Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 12.70%	↑ 1.54%
One-Bedrooms	↑ 3.82%	↑ 2.75%
Two-Bedrooms	↓ 6.92%	↑ 6.59%

East Village Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 12.46%	↑ 7.24%
One-Bedrooms	↑ 4.88%	↑ 4.11%
Two-Bedrooms	↑ 2.03%	↓ 0.76%

Financial District Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 3.48%	↑ 3.92%
One-Bedrooms	↑ 11.14%	↑ 0.71%
Two-Bedrooms	↑ 2.39%	↑ 2.74%

* This figure represents the percentage change in pricing from 2012 to 2013 for each unit type.

PRICE TRENDS

Gramercy Park Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 10.65%	↑ 0.28%
One-Bedrooms	↑ 7.80%	↑ 1.95%
Two-Bedrooms	↑ 0.58%	↑ 1.86%

Greenwich Village Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 3.91%	↑ 7.82%
One-Bedrooms	↑ 4.90%	↑ 4.92%
Two-Bedrooms	↑ 7.32%	↑ 2.21%

Harlem Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 4.01%	↑ 13.21%
One-Bedrooms	↑ 9.57%	↑ 5.06%
Two-Bedrooms	↑ 8.95%	↓ 0.02%

Lower East Side Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 3.60%	↑ 8.41%
One-Bedrooms	↓ 1.09%	↓ 0.70%
Two-Bedrooms	↓ 3.46%	↓ 2.60%

* This figure represents the percentage change in pricing from 2012 to 2013 for each unit type.

PRICE TRENDS

Midtown East Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 13.19%	↑ 10.42%
One-Bedrooms	↑ 10.24%	↑ 6.16%
Two-Bedrooms	↓ 9.54%	↑ 4.77%

Midtown West Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 12.38%	↑ 1.20%
One-Bedrooms	↑ 2.61%	↑ 5.58%
Two-Bedrooms	↑ 3.30%	↑ 4.48%

Murray Hill Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 6.28%	↓ 4.41%
One-Bedrooms	↑ 5.36%	↑ 1.92%
Two-Bedrooms	↓ 0.17%	↑ 0.48%

SoHo Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 4.85%	↑ 3.37%
One-Bedrooms	↓ 5.95%	↑ 6.67%
Two-Bedrooms	↑ 10.99%	↑ 2.53%

* This figure represents the percentage change in pricing from 2012 to 2013 for each unit type.

PRICE TRENDS

TriBeCa Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 5.69%	↑ 2.14%
One-Bedrooms	↑ 15.83%	↑ 3.68%
Two-Bedrooms	↓ 1.11%	↑ 0.48%

Upper East Side Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 4.38%	↑ 2.39%
One-Bedrooms	↑ 4.40%	↑ 2.81%
Two-Bedrooms	↓ 0.04%	↑ 7.39%

Upper West Side Price Changes of 2013*

Type	Non-Doorman	Doorman
Studios	↑ 5.37%	↑ 4.17%
One-Bedrooms	↑ 0.45%	↑ 3.45%
Two-Bedrooms	↑ 0.67%	↓ 1.29%

* This figure represents the percentage change in pricing from 2012 to 2013 for each unit type.

PRICE TRENDS

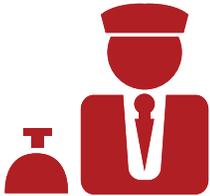
Neighborhood Trends



Battery Park City **NA**
 Chelsea **\$3,625**
 East Village **\$3,008**
 Financial District **\$3,670**
 Gramercy Park **\$3,315**

Greenwich Village **\$3,667**
 Harlem **\$2,011**
 Lower East Side **\$2,796**
 Midtown East **\$3,104**
 Midtown West **\$2,890**

Murray Hill **\$3,154**
 SoHo **\$3,859**
 TriBeCa **\$6,024**
 Upper East Side **\$2,684**
 Upper West Side **\$2,916**



Battery Park City **\$4,142**
 Chelsea **\$4,752**
 East Village **\$4,128**
 Financial District **\$4,110**
 Gramercy Park **\$4,590**

Greenwich Village **\$4,829**
 Harlem **\$2,538**
 Lower East Side **\$3,808**
 Midtown East **\$4,203**
 Midtown West **\$4,222**

Murray Hill **\$3,926**
 SoHo **\$5,643**
 TriBeCa **\$5,059**
 Upper East Side **\$4,123**
 Upper West Side **\$4,131**

REPORT EXPLAINED



The Manhattan Rental Market Report™ is the only report that compares fluctuation in the city's rental data on a monthly basis. It is an essential tool for potential renters seeking transparency in the NYC apartment market and a benchmark for landlords to efficiently and fairly adjust individual property rents in Manhattan.

The Manhattan Rental Market Report™ is based on data cross-sectioned from over 10,000 currently available listings located below 125th Street and priced under \$10,000, with ultra-luxury property omitted to obtain a true monthly rental average. Our data is aggregated from the MNS proprietary database and sampled from a specific mid-month point to record current rental rates offered by landlords during that particular month. It is then combined with information from the REBNY Real Estate Listings Source (RLS), OnLine Residential (OLR. com) and R.O.L.E.X. (Real Plus).

Author MNS has been helping Manhattan landlords and renters navigate the rental market since 1999. From large companies to individuals, MNS tailors services to meet your needs. Contact us today to see how we can help.

Contact Us Now at 212.475.9000

Note All market data is collected and compiled by MNS's marketing department. The information presented here is intended for instructive purposes only and has been gathered from sources deemed reliable, though it may be subject to errors, omissions, changes or withdrawal without notice.

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http://www.mns.com/manhattan_year_end_market_report_2013