

MNS

REAL IMPACT REAL ESTATE

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INTRODUCTION

We are proud to present MNS' ninth 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 2015.

The overall Manhattan rental market saw growth across all sectors, and amongst both doorman and non-doorman service levels. Non Doorman Studio, One-Bedroom and Two Bedroom units increased by 5.1%, 6.6% and 10.2%, respectively, as Doorman Studio, One-Bedroom and Two Bedroom units increased by 7.4%, 4.7% and 5.5%. The borough's overall average rent across all unit types peaked in September at \$3,995 and saw its lowest point in February where the average rent hit \$3,899, in line with the effects of seasonality.

Looking at inventory from the month of December 2014 compared to December 2015, we saw an increase of 16%, from 7,538 units to 8,760 units. Of these amounts, Doorman inventory increased by 17.79%, from 4,368 units to 5,145 rental units, and Non Doorman inventory by 14.04%, from 3,170 rental units to 3,615 units. Harlem, the Upper East Side, Upper West Side, Midtown East and Midtown West saw the largest increases in inventory. Most notably is the leasing at the newly developed 605 West 42nd Street. which kicked off in June 2015, adding 1,175 units to the market. 625 West 57th Street set to launch early 2016, will likely continue this trend, bringing 709 units to the market. Conversely, the SoHo Doorman and TriBeCa Non Doorman Sectors consistently comprised of the lowest inventory compared to other neighborhoods across Manhattan over the year, which, as a result, saw frequent inflated movements in average pricing. Nevertheless, the market as a whole continues to see strong rental growth, and with the continued new development across the borough, we expect to see this trend continue.

NOTABLE TRENDS

Growth Rate Harlem’s Doorman Sector continued to rise significantly in 2015, with Studio, One Bedroom and Two Bedroom units increasing by 13.70%, 13.81% and 19.88%, respectively. Similar to 2014, the growth was mainly derived from new construction rental units at 1 Morningside Drive, 1485 Fifth Avenue, 272 Manhattan Avenue, 2270 Frederick Douglass Boulevard and the Adeline at 23 West 116th Street. East Village was another area to see large growth across the year in the Doorman Sector, with Studios increasing by 2.72%, One Bedrooms by 6.84%, and Two Bedrooms by 17.59%. The spike in the latter, was largely driven by increased demand for larger, high end rentals, like those at 1 Union Square South, 11 East 1st Street, 211 East 13th St. The Lower East Side and Gramercy Park saw a similar growth trend in larger luxury apartments, as the average price of 2 bedroom doorman units increased by 19.88% and 12.10%, respectively.

Borough Trends As witnessed in the above growth trends, throughout the year we saw a movement in demand toward larger sized units, catering not only for families but also for apartment shares - as pricing continues to increase, individuals are seeking a more affordable alternative to the standard studio or one bedroom apartment and the answer is often sharing an apartment with one or two others. We also saw a trend toward more amenitized buildings, as a majority of each neighborhoods Doorman Sector saw increases in all, if not most, of its unit classes.

Non-Doorman Manhattan Rents: 2014 vs. 2015

| Type | 2014 | 2015 | Change |
|---------------------|---------|---------|---------|
| Studios | \$2,319 | \$2,438 | ↑ 5.1% |
| One-Bedrooms | \$2,945 | \$3,138 | ↑ 6.6% |
| Two-Bedrooms | \$3,911 | \$4,309 | ↑ 10.2% |

Doorman Manhattan Rents: 2014 vs. 2015

| Type | 2014 | 2015 | Change |
|---------------------|---------|---------|--------|
| Studios | \$2,855 | \$3,065 | ↑ 7.4% |
| One-Bedrooms | \$4,033 | \$4,225 | ↑ 4.7% |
| Two-Bedrooms | \$5,920 | \$6,248 | ↑ 5.5% |

MEAN RENTAL PRICES

2015 Mean Manhattan Rental Prices



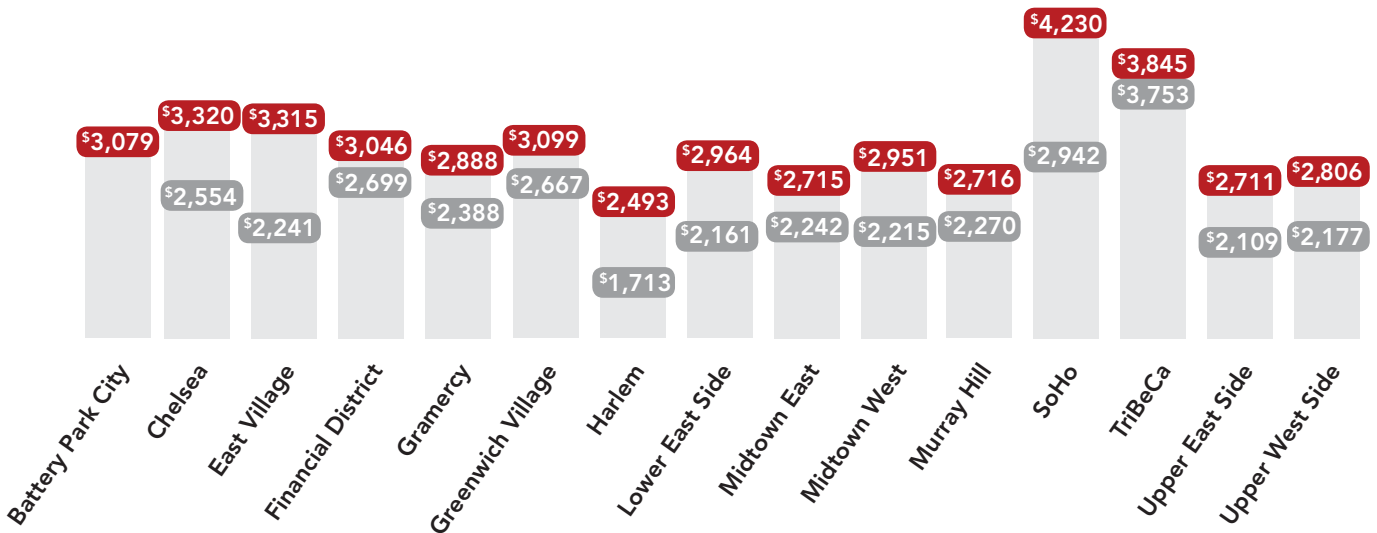
Non-Doorman Studio \$2,438
 Non-Doorman One-Bedroom \$3,138
 Non-Doorman Two-Bedroom \$4,309



Doorman Studio \$3,065
 Doorman One-Bedroom \$4,225
 Doorman Two-Bedroom \$6,309

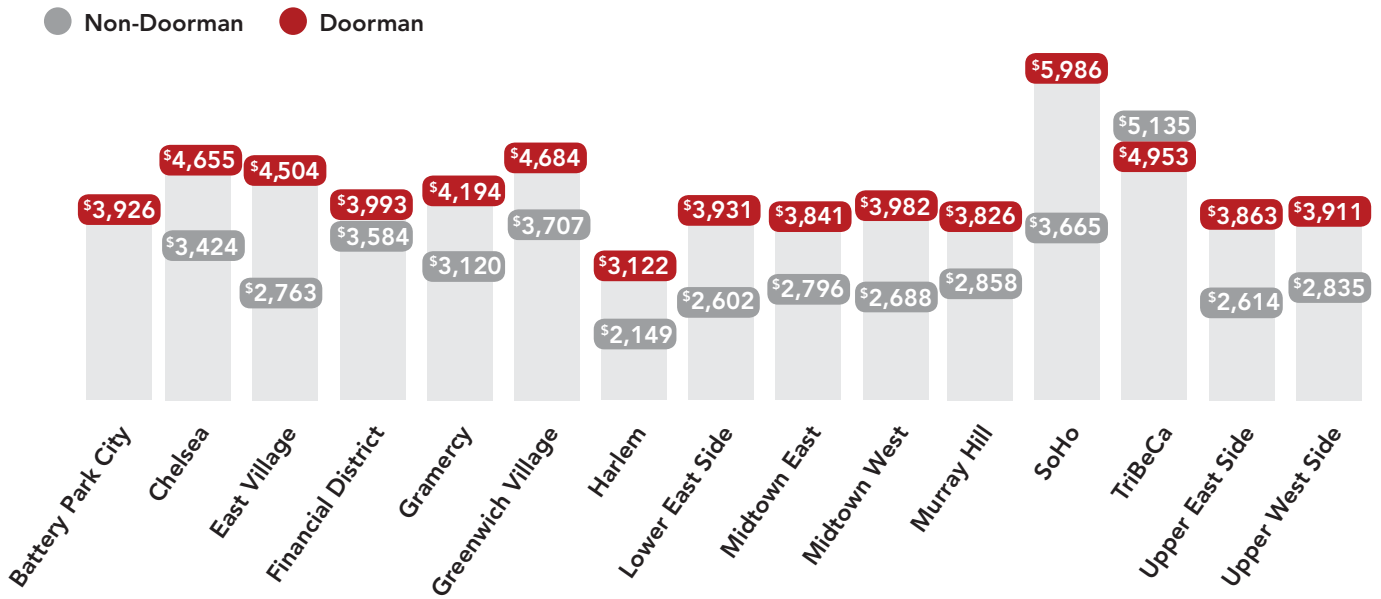
2015 Mean Studio Rental Prices

● Non-Doorman ● Doorman

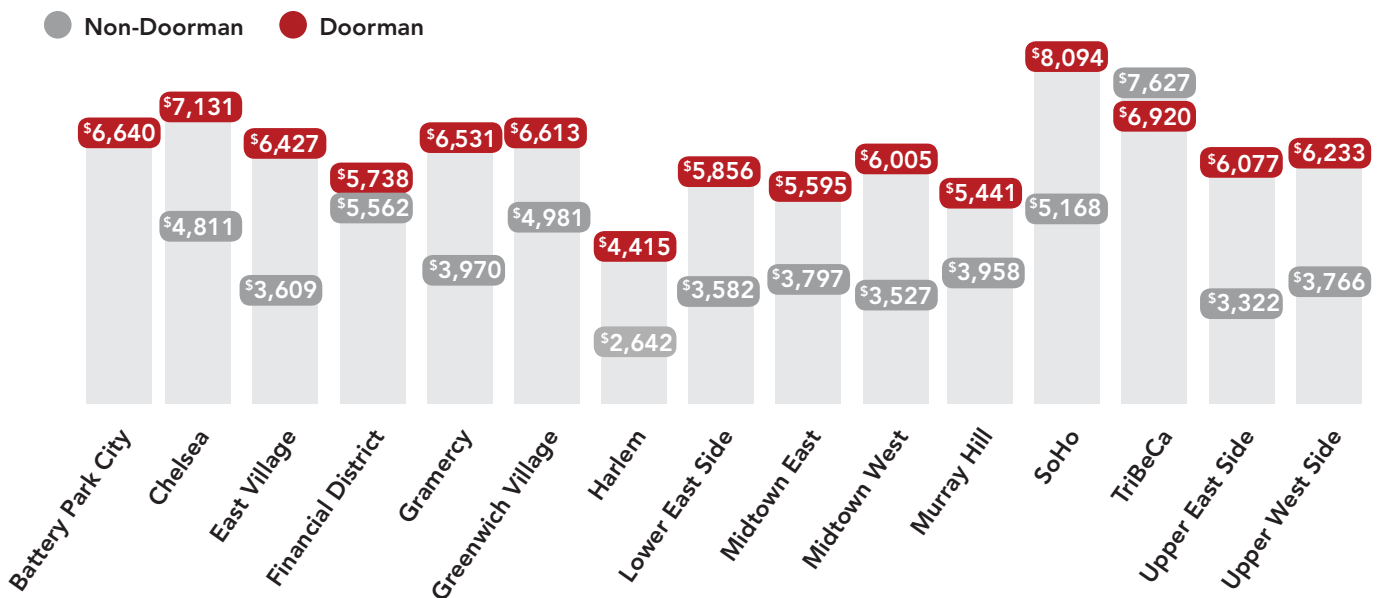


MEAN RENTAL PRICES

2015 Mean One Bedroom Rental Prices



2015 Mean Two Bedroom Rental Prices



PRICE TRENDS

Battery Park City Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|---------------|---------|
| Studios | not available | ↑ 5.09% |
| One-Bedrooms | not available | ↑ 9.80% |
| Two-Bedrooms | not available | ↑ 5.16% |

Chelsea Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|---------|
| Studios | ↓ 3.75% | ↑ 6.01% |
| One-Bedrooms | ↑ 4.42% | ↑ 6.26% |
| Two-Bedrooms | ↑ 2.00% | ↑ 7.04% |

East Village Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|----------|
| Studios | ↓ 1.89% | ↑ 2.72% |
| One-Bedrooms | ↓ 3.16% | ↑ 6.84% |
| Two-Bedrooms | ↓ 1.47% | ↑ 17.59% |

Financial District Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|---------|
| Studios | ↑ 2.91% | ↑ 2.72% |
| One-Bedrooms | ↓ 0.71% | ↑ 2.02% |
| Two-Bedrooms | ↑ 11.70% | ↑ 6.75% |

* This figure represents the percentage change in pricing from 2014 to 2015 for each unit type.

PRICE TRENDS

Gramercy Park Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|----------|
| Studios | ↓ 1.67% | ↑ 1.61% |
| One-Bedrooms | ↑ 0.67% | ↑ 5.30% |
| Two-Bedrooms | ↓ 1.00% | ↑ 12.10% |

Greenwich Village Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|---------|
| Studios | ↓ 0.71% | ↑ 1.17% |
| One-Bedrooms | ↑ 1.74% | ↓ 2.19% |
| Two-Bedrooms | ↓ 0.17% | ↑ 3.46% |

Harlem Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|----------|
| Studios | ↑ 2.81% | ↑ 13.70% |
| One-Bedrooms | ↑ 9.91% | ↑ 13.81% |
| Two-Bedrooms | ↑ 4.82% | ↑ 19.88% |

Lower East Side Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|----------|
| Studios | ↓ 3.39% | ↓ 5.49% |
| One-Bedrooms | ↓ 2.75% | ↓ 1.71% |
| Two-Bedrooms | ↑ 2.75% | ↑ 17.58% |

* This figure represents the percentage change in pricing from 2014 to 2015 for each unit type.

PRICE TRENDS

Midtown East Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|---------|
| Studios | ↓ 7.05% | ↓ 1.16% |
| One-Bedrooms | ↓ 4.10% | ↑ 3.88% |
| Two-Bedrooms | ↓ 3.43% | ↑ 0.40% |

Midtown West Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|---------|
| Studios | ↓ 1.19% | ↑ 1.84% |
| One-Bedrooms | ↑ 2.74% | ↑ 1.54% |
| Two-Bedrooms | ↑ 4.57% | ↑ 0.95% |

Murray Hill Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|---------|
| Studios | ↓ 1.02% | ↓ 0.20% |
| One-Bedrooms | ↓ 2.35% | ↑ 3.89% |
| Two-Bedrooms | ↓ 0.53% | ↓ 0.78% |

SoHo Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|-----------|
| Studios | ↑ 10.82% | ↑ 100.39% |
| One-Bedrooms | ↓ 3.29% | ↑ 9.54% |
| Two-Bedrooms | ↑ 11.95% | ↓ 1.15% |

* This figure represents the percentage change in pricing from 2014 to 2015 for each unit type.

PRICE TRENDS

TriBeCa Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|----------|
| Studios | ↓ 16.66% | ↑ 10.90% |
| One-Bedrooms | ↓ 6.78% | ↑ 7.36% |
| Two-Bedrooms | ↑ 4.45% | ↑ 1.16% |

Upper East Side Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|---------|
| Studios | ↑ 4.48% | ↑ 3.35% |
| One-Bedrooms | ↑ 3.26% | ↑ 3.45% |
| Two-Bedrooms | ↑ 1.10% | ↑ 1.89% |

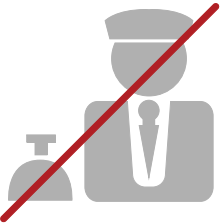
Upper West Side Price Changes of 2015*

| Type | Non-Doorman | Doorman |
|--------------|-------------|---------|
| Studios | ↑ 3.72% | ↑ 5.03% |
| One-Bedrooms | ↑ 2.20% | ↑ 3.33% |
| Two-Bedrooms | ↓ 1.02% | ↑ 2.25% |

* This figure represents the percentage change in pricing from 2014 to 2015 for each unit type.

PRICE TRENDS

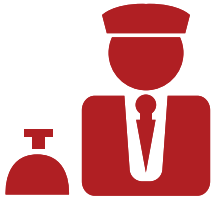
Average Prices Over The Year



Battery Park City **NA**
 Chelsea **\$3,596**
 East Village **\$2,871**
 Financial District **\$3,948**
 Gramercy Park **\$3,159**

Greenwich Village **\$3,785**
 Harlem **\$2,168**
 Lower East Side **\$2,781**
 Midtown East **\$2,945**
 Midtown West **\$2,810**

Murray Hill **\$3,029**
 SoHo **\$3,925**
 TriBeCa **\$5,505**
 Upper East Side **\$2,681**
 Upper West Side **\$2,926**



Battery Park City **\$4,548**
 Chelsea **\$5,035**
 East Village **\$4,749**
 Financial District **\$4,259**
 Gramercy Park **\$4,538**

Greenwich Village **\$4,799**
 Harlem **\$3,343**
 Lower East Side **\$4,250**
 Midtown East **\$4,050**
 Midtown West **\$4,313**

Murray Hill **\$3,994**
 SoHo **\$6,213**
 TriBeCa **\$5,239**
 Upper East Side **\$4,217**
 Upper West Side **\$4,317**

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' 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_2015