

MANHATTAN RENTAL MARKET REPORT

SEPTEMBER 2009

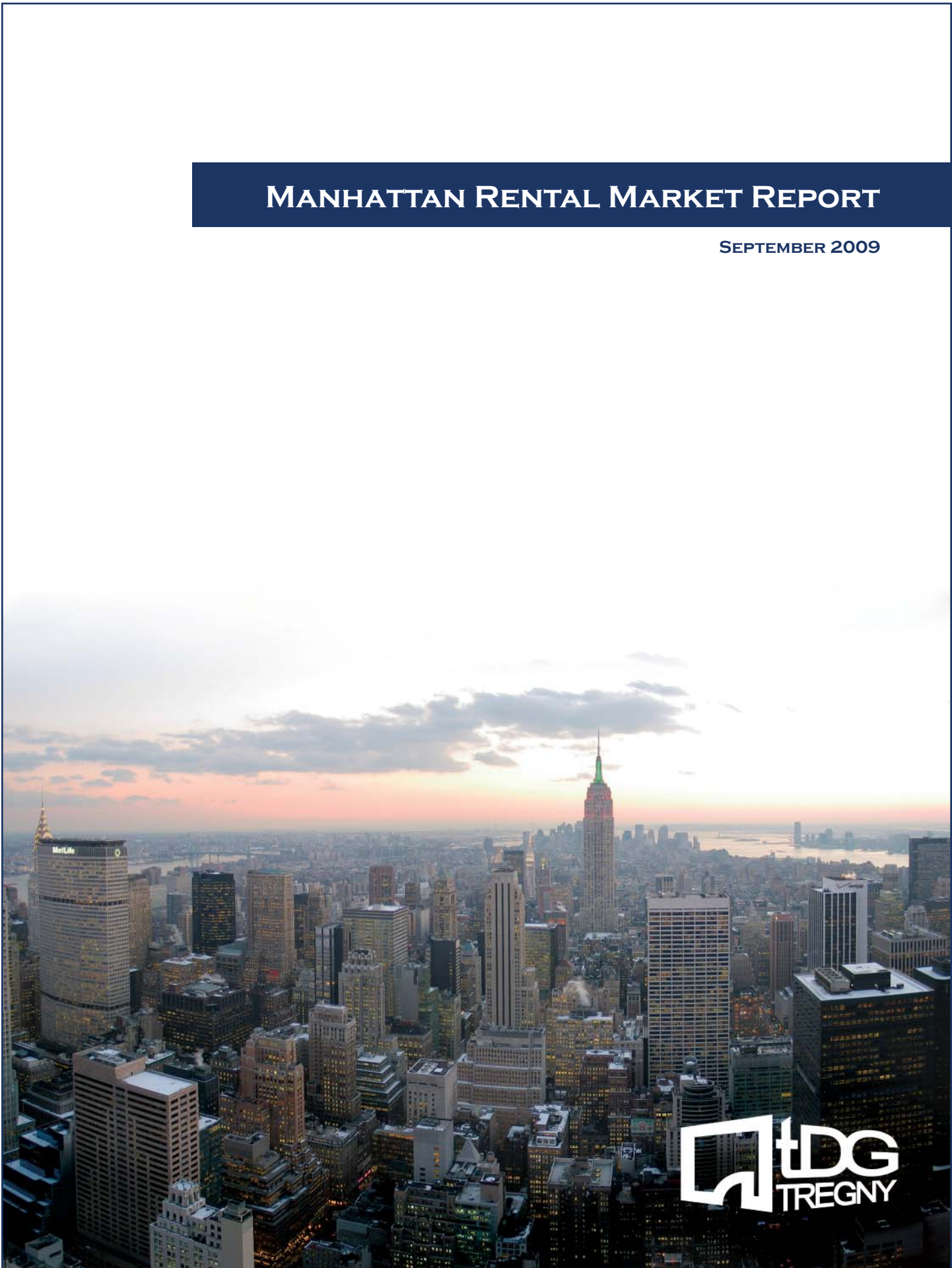


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INTRODUCTION

TDG/TREGNY is proud to present the September 2009 edition of our Manhattan Rental Market Report, the only research on the city's rental rates published on a monthly basis.

This summer has been a story of unrealized dreams for landlords and property owners. While many assumed that the traditional flurry of activity would allow them to unload much of their excess inventory and raise prices, this has not been the case. In fact, we've observed that many of the landlords and property managers who were eager to test the market by increasing prices and removing incentives from their units saw quickly that these tactics were premature.

While activity has increased, the numbers have not shown significant improvement. Rents have stabilized, but at levels nearly 10% back from already depressed 2008 numbers. And although vacancies showed improvement this month, they have yet to establish the trend necessary to absorb the considerable amount of excess inventory that is continuing to depress the market.

As Manhattan heads towards the traditionally slower winter months, it seems unlikely that the market will rebound in 2009. Given the depth that the market has fallen to date, significant gains are necessary for a recovery. Such increases, which would have been a stretch even for the summer market, are even more unlikely to occur during Manhattan's slower seasons.

A QUICK LOOK

NON-DOORMAN BUILDINGS (AVERAGE PRICES)		
	Most Expensive	Least Expensive
Studios	TriBeCa \$2,887	Harlem \$1,221
One-bedrooms	TriBeCa \$4,225	Harlem \$1,634
Two-bedrooms	TriBeCa \$6,618	Harlem \$2,084

DOORMAN BUILDINGS (AVERAGE PRICES)		
	Most Expensive	Least Expensive
Studios	TriBeCa \$2,879	Harlem \$1,285
One-bedrooms	SoHo \$4,427	Harlem \$1,836
Two-bedrooms	SoHo \$7,082	Harlem \$2,558

Greatest Changes Since August:

- Non-doorman studios – Murray Hill – **Down 4.29%** (\$81)
- Non-doorman one-bedrooms – Lower East Side – **Down 9.89%** (216)
- Non-doorman two-bedrooms – Midtown East – **Up 14.65%** (\$487)
- Doorman studios – Battery Park City – **Up 10.22%** (\$228)
- Doorman one-bedrooms – Lower East Side – **Down 9.09%** (\$292)
- Doorman two-bedrooms – Midtown West – **Down 12.67%** (\$591)

Year-over-year Changes:

Notable Trends:

MANHATTAN NON-DOORMAN RENTS: SEPTEMBER '08 VS. SEPTEMBER '09			
	September '08	September '09	Change
Studios	\$2,100	\$1,902	-9.45%
One-bedrooms	\$2,820	\$2,616	-7.22%
Two-bedrooms	\$3,875	\$3,599	-7.13%

MANHATTAN DOORMAN RENTS: SEPTEMBER '08 VS. SEPTEMBER '09			
	September '08	September '09	Change
Studios	\$2,503	\$2,347	-6.22%
One-bedrooms	\$3,633	\$3,270	-9.99%
Two-bedrooms	\$5,529	\$5,094	-7.88%

A QUICK LOOK

Rents stabilize — September's flurry of activity has helped to stabilize rents this month. The largest gains since August were in non-doorman two-bedroom units, which increased by 2.03%. Still, the modest gains have done little to mitigate the lag in year-over-year price comparisons, which continue to plague the market.

Vacancies continue to fall — The decrease in inventories that Manhattan saw in August has accelerated pace this month. Vacancies fell -5.58% overall, with non-doorman units falling -7.00% and doorman units -4.32%.

A market of uncertainty — Speculation as to the direction of Manhattan's rental market continues to be mixed. Yet, while September did show modest improvements, the numbers are not strong enough to indicate that the market will rebound this year. Without significant changes in October, it seems that Manhattan will again see a cold winter for rentals.

Where Prices Decreased:

Harlem—↓ Non-doorman studios (-4.16%), doorman studios (-1.68%), non-doorman one-bedrooms (-4.78%), non-doorman two-bedrooms (-2.70%), doorman two-bedrooms (-10.70%)

Upper West Side—↓ Doorman studios (-0.22%), non-doorman one-bedrooms (-1.11%), non-doorman two-bedrooms (-4.84%), doorman two-bedrooms (-1.21%)

Upper East Side—↓ Non-doorman studios (-0.76%), doorman studios (-0.64%), doorman one-bedrooms (-0.90%), non-doorman two-bedrooms (-0.43%), doorman two-bedrooms (-10.87%)

Midtown West—↓ Non-doorman studios (-0.34%), non-doorman one-bedrooms (-3.40%), doorman two-bedrooms (-12.67%)

Midtown East—↓ Non-doorman studios (-3.54%), doorman one-bedrooms (-1.90%)

Murray Hill—↓ Non-doorman studios (-4.29%), doorman studios (-1.86%), non-doorman two-bedrooms (-2.14%)

Chelsea—↓ Non-doorman studios (-3.56%), non-doorman two-bedrooms (-0.89%), doorman two-bedrooms (-2.40%)

Gramercy Park—↓ Doorman two-bedrooms (-1.19%)

Greenwich Village—↓ Doorman studios (-3.28%)

East Village—↓ Doorman one-bedrooms (-0.22%), non-doorman two-bedrooms (-0.50%)

SoHo—↓ Non-doorman studios (-3.96%)

Lower East Side—↓ Non-doorman studios (-1.58%), doorman studios (-3.31%), non-doorman one-bedrooms

A QUICK LOOK

(-9.89%), doorman one-bedrooms (-9.09%), doorman two-bedrooms (-6.26%)

TriBeCa—↓ Non-doorman studios (-3.02%), doorman studios (-0.35%), non-doorman two-bedrooms (-0.73%), doorman two-bedrooms (-0.55%)

Financial District—↓ Non-doorman studios (-0.71%), doorman studios (-0.73%), non-doorman one-bedrooms (-6.19%), doorman one-bedrooms (-1.67%), non-doorman two-bedrooms (-0.45%)

Battery Park City—↓ Doorman one-bedrooms (-2.04%), doorman two-bedrooms (-1.38%)

Where Prices Increased:

Harlem—↑ Doorman one-bedrooms (1.13%)

Upper West Side—↑ Non-doorman studios (0.79%), doorman one-bedrooms (0.43%)

Upper East Side—↑ Non-doorman one-bedrooms (0.47%)

Midtown West—↑ Doorman studios (1.39%), doorman one-bedrooms (0.46%), non-doorman two-bedrooms (2.72%)

Midtown East—↑ Doorman studios (1.26%), non-doorman one-bedrooms (0.87%), non-doorman two-bedrooms (14.65%), doorman two-bedrooms (0.70%)

Murray Hill—↑ Non-doorman one-bedrooms (1.03%), doorman one-bedrooms (0.59%), doorman two-bedrooms (4.27%)

Chelsea—↑ Doorman studios (3.59%), non-doorman one-bedrooms (1.12%), doorman one-bedrooms (0.18%)

Gramercy Park—↑ Non-doorman studios (1.34%), doorman studios (1.42%), non-doorman one-bedrooms (1.05%), doorman one-bedrooms (0.56%), non-doorman two-bedrooms (0.70%)

Greenwich Village—↑ Non-doorman studios (0.20%), non-doorman one-bedrooms (2.27%), doorman one-bedrooms (1.98%), non-doorman two-bedrooms (9.15%), doorman two-bedrooms (8.29%)

East Village—↑ Non-doorman studios (2.74%), doorman studios (4.48%), non-doorman one-bedrooms (2.44%), doorman two-bedrooms (7.81%)

SoHo—↑ Doorman studios (1.40%), non-doorman one-bedrooms (8.71%), doorman one-bedrooms (4.26%), non-doorman two-bedrooms (10.33%), doorman two-bedrooms (1.24%)

A QUICK LOOK

Lower East Side—↑ Non-dorman two-bedrooms (3.96%)

TriBeCa—↑ Non-dorman one-bedrooms (6.32%), doorman one-bedrooms (3.18%)

Financial District—↑ Doorman two-bedrooms (1.07%)

Battery Park City—↑ Doorman studios (10.22%)

Tips for Renters:

Impress for less. The glitz and glamour of the Upper East Side just got a bit more affordable. Doorman two-bedroom units on the UES saw a decline of 10.87% - bringing them down to \$4,693. So for renters looking for a pad with prestige, we'd suggest they grab the 6 train and head uptown.

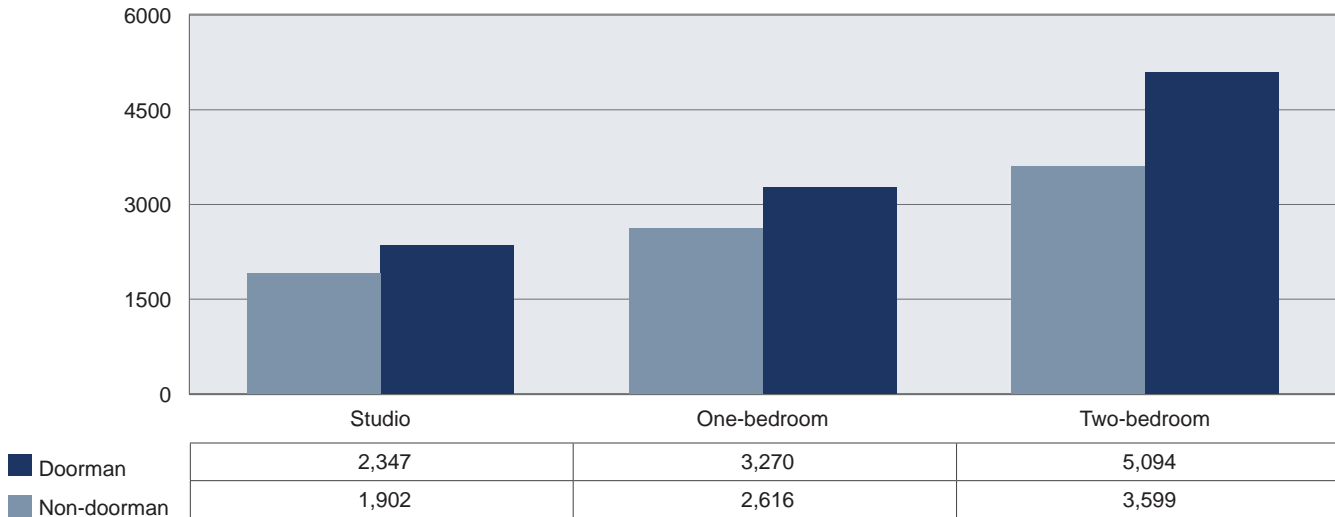
Bringing back the bargains. The Lower East Side looks to be regaining its bargain status. Non-dorman studio units, which had shot up to above \$2K in May, have since seen steady declines and fell another 1.58% this month. They are now the second most affordable option in Manhattan at \$1,660.

Get a monthly bonus. Wall Streeters looking for local convenience should head across West Street to Battery Park City. For \$400 less per month than the FiDi, BPC renters get the benefits of a doorman for just \$2,817.

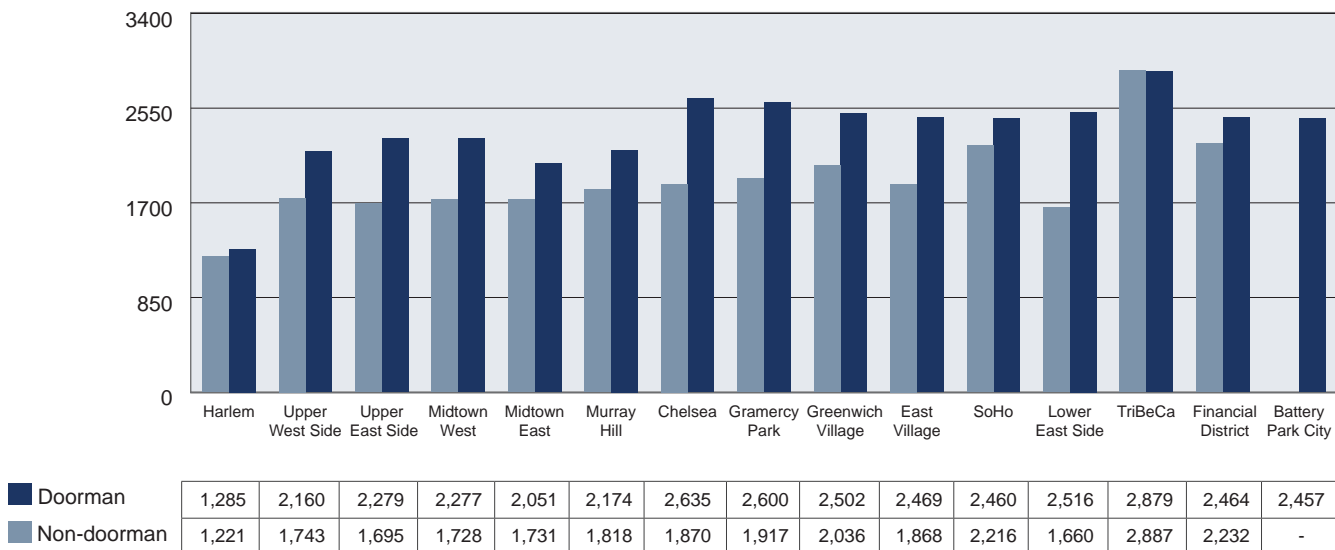
MEAN MANHATTAN RENTAL PRICES

The Mean Rental Price graphs illustrate average monthly rents for studios, one-bedrooms and two-bedrooms in doorman and non-doorman buildings for the month of September 2009. Graphs tracking citywide and neighborhood price changes over a rolling 13-month period follow.

September 2009 Mean Manhattan Rental Prices

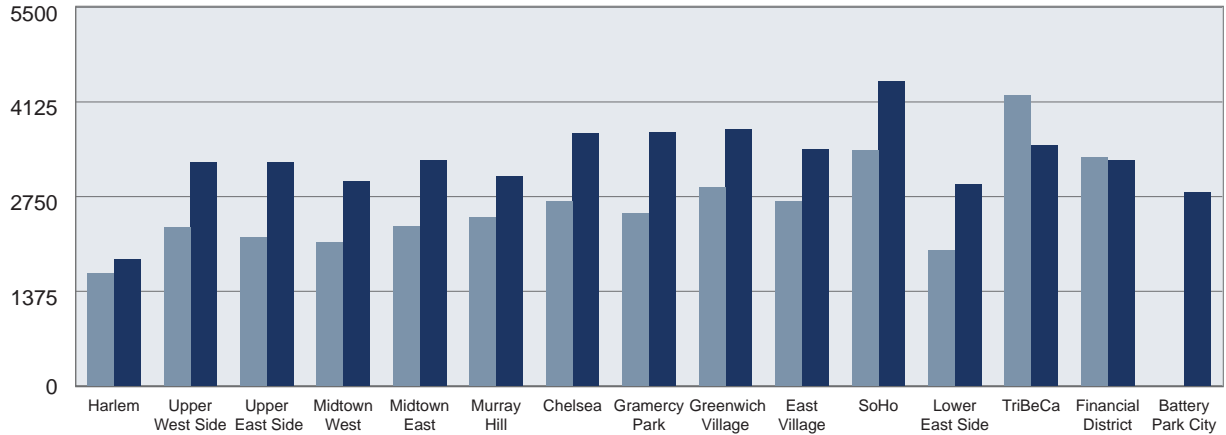


September 2009 Mean Studio Rental Prices



MEAN MANHATTAN RENTAL PRICES

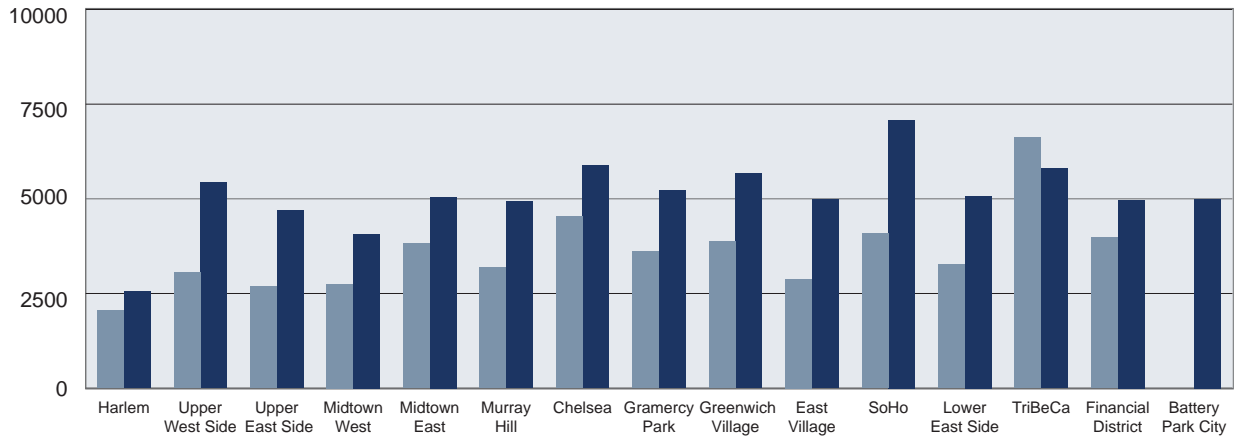
September 2009 Mean One-bedroom Rental Prices



■ Doorman
■ Non-doorman

1,836	3,250	3,246	2,965	3,279	3,039	3,663	3,677	3,726	3,430	4,427	2,922	3,495	3,277	2,817
1,634	2,295	2,155	2,090	2,321	2,449	2,685	2,510	2,880	2,674	3,422	1,969	4,225	3,321	-

September 2009 Mean Two-bedroom Rental Prices

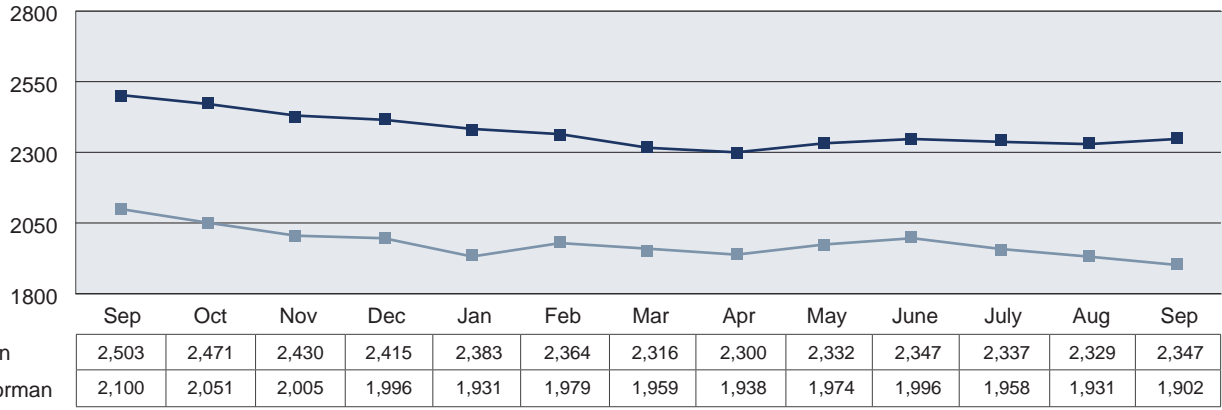


■ Doorman
■ Non-doorman

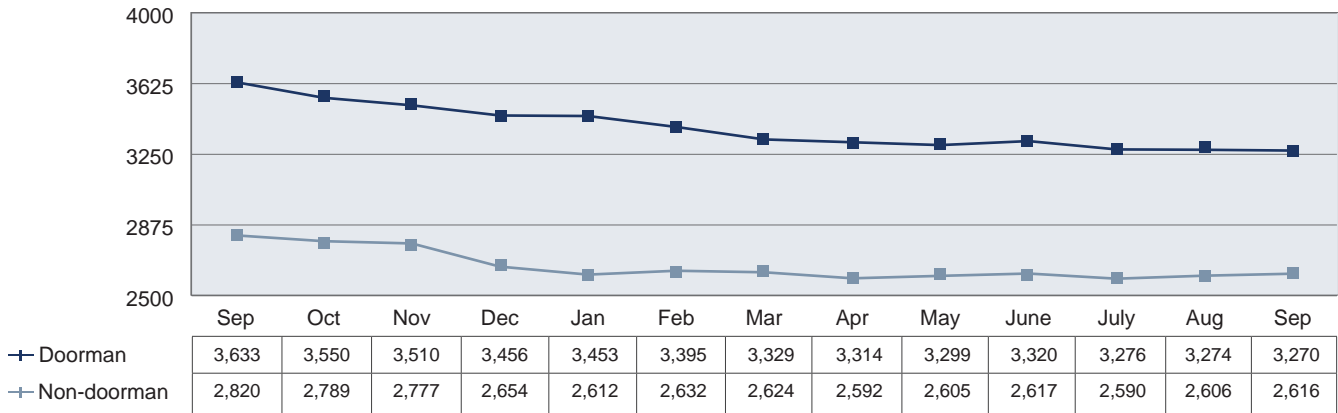
2,558	5,437	4,693	4,070	5,050	4,932	5,878	5,211	5,678	4,982	7,082	5,074	5,794	4,970	4,994
2,048	3,057	2,679	2,749	3,814	3,193	4,528	3,608	3,881	2,884	4,080	3,257	6,618	3,985	-

MANHATTAN PRICE TRENDS

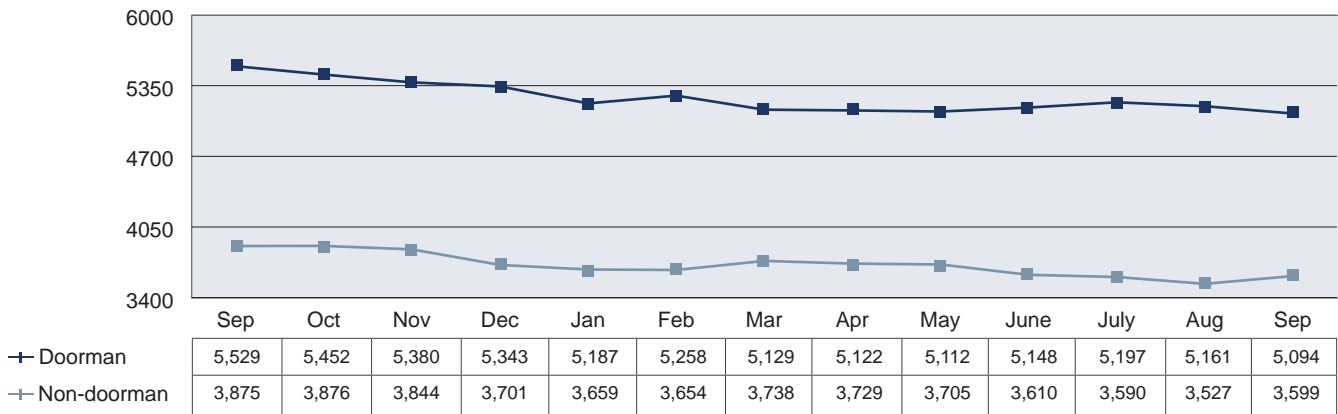
September 2009 Manhattan Studio Price Trends Over 13 Months



September 2009 Manhattan One-bedroom Price Trends Over 13 Months



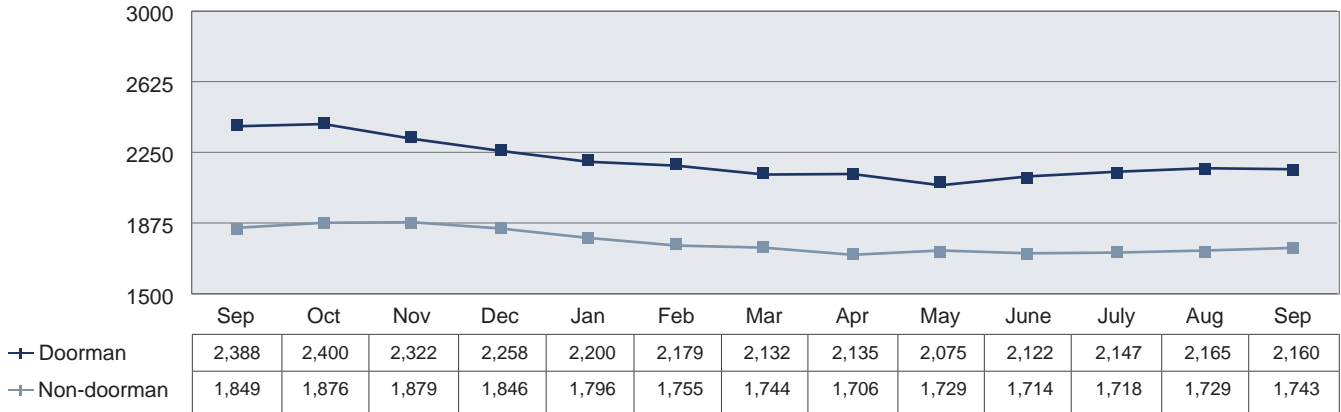
September 2009 Manhattan Two-bedroom Price Trends Over 13 Months



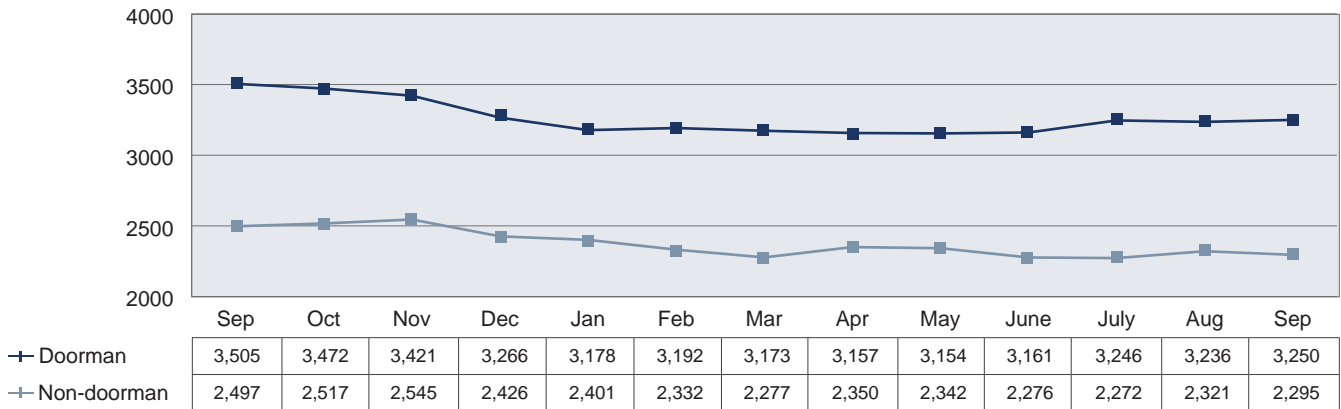
NEIGHBORHOOD PRICE TRENDS

UPPER WEST SIDE

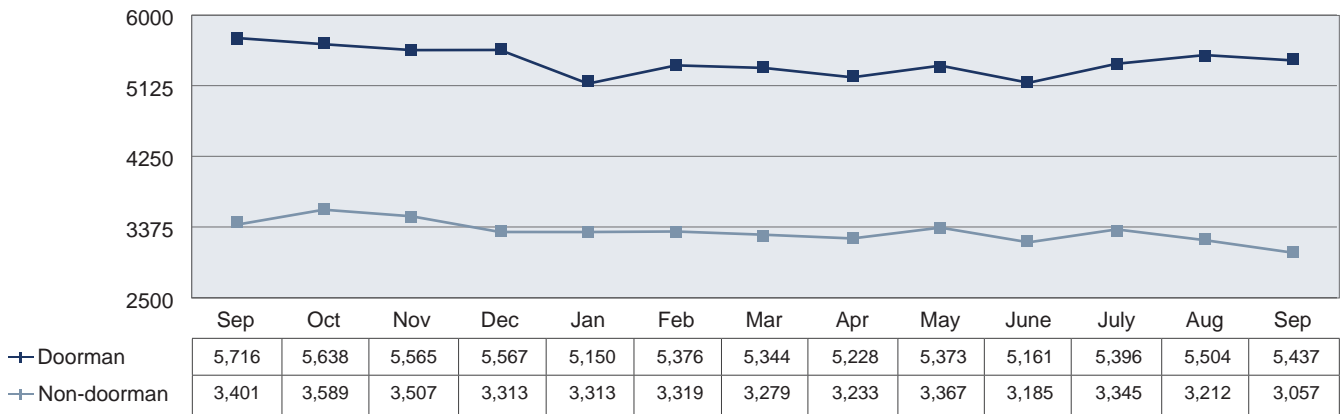
Upper West Side Studio Price Trends Over 13 Months



Upper West Side One-bedroom Price Trends Over 13 Months



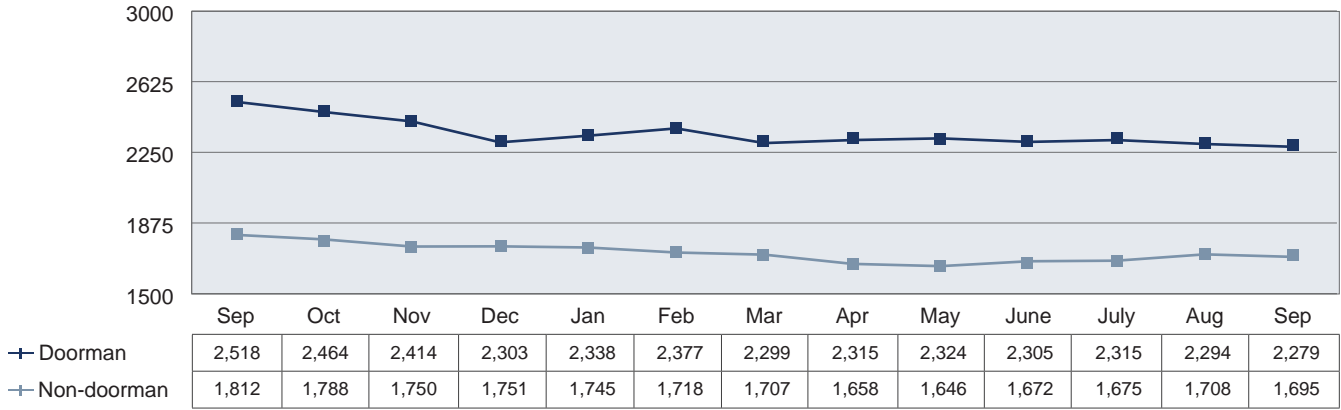
Upper West Side Two-bedroom Price Trends Over 13 Months



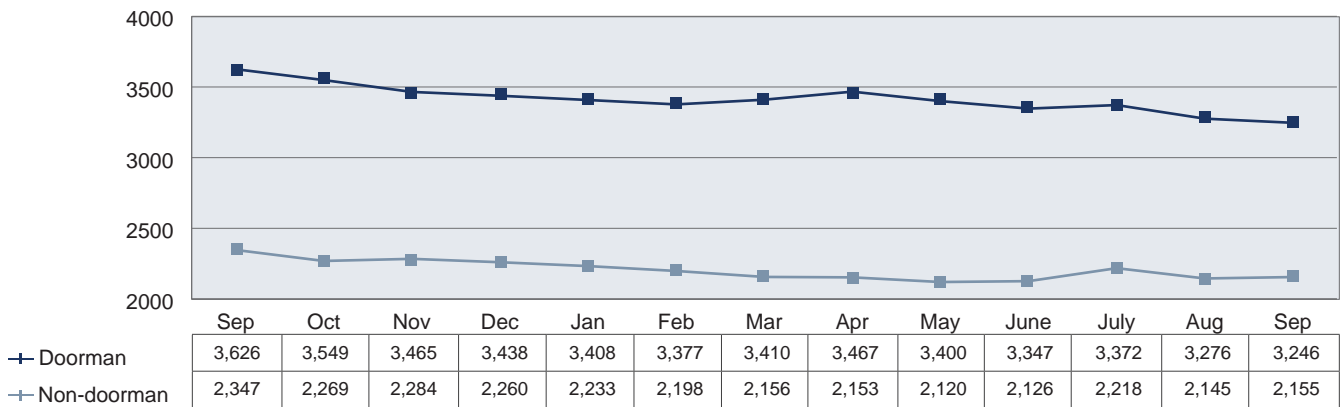
NEIGHBORHOOD PRICE TRENDS

UPPER EAST SIDE

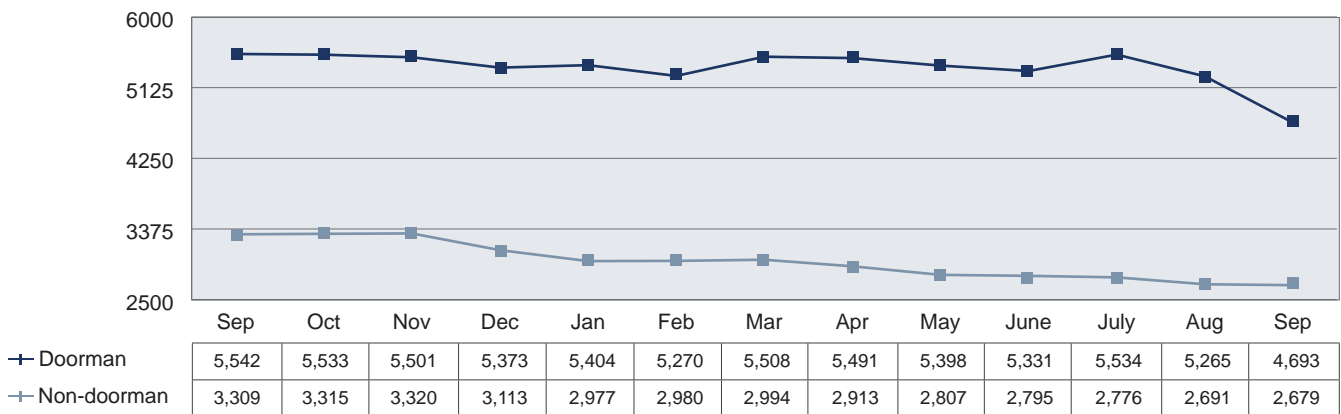
Upper East Side Studio Price Trends Over 13 Months



Upper East Side One-bedroom Price Trends Over 13 Months



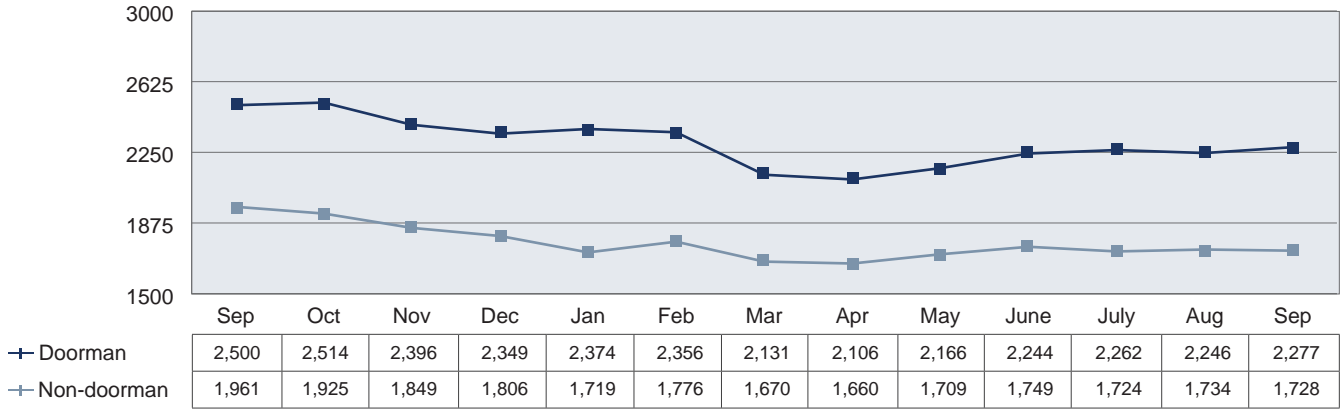
Upper East Side Two-bedroom Price Trends Over 13 Months



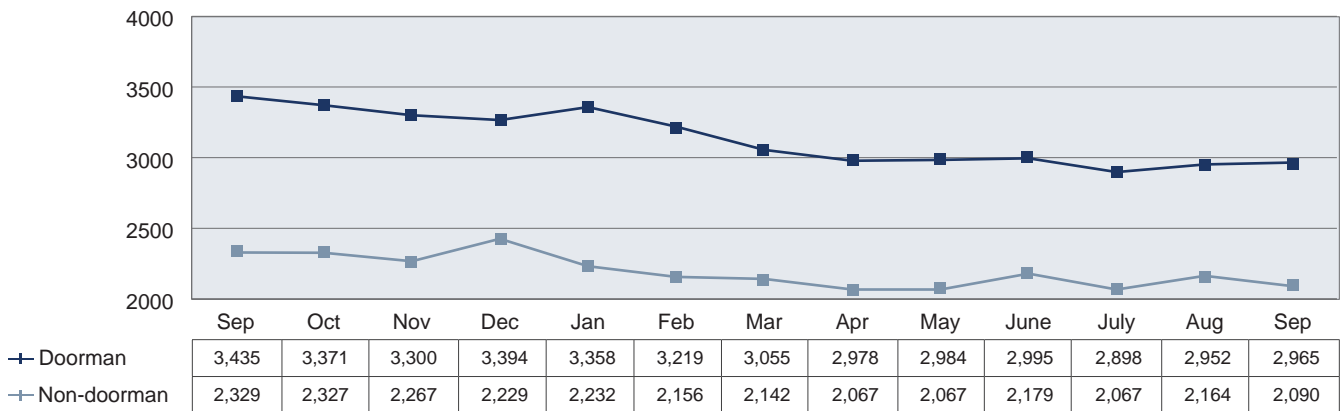
NEIGHBORHOOD PRICE TRENDS

MIDTOWN WEST

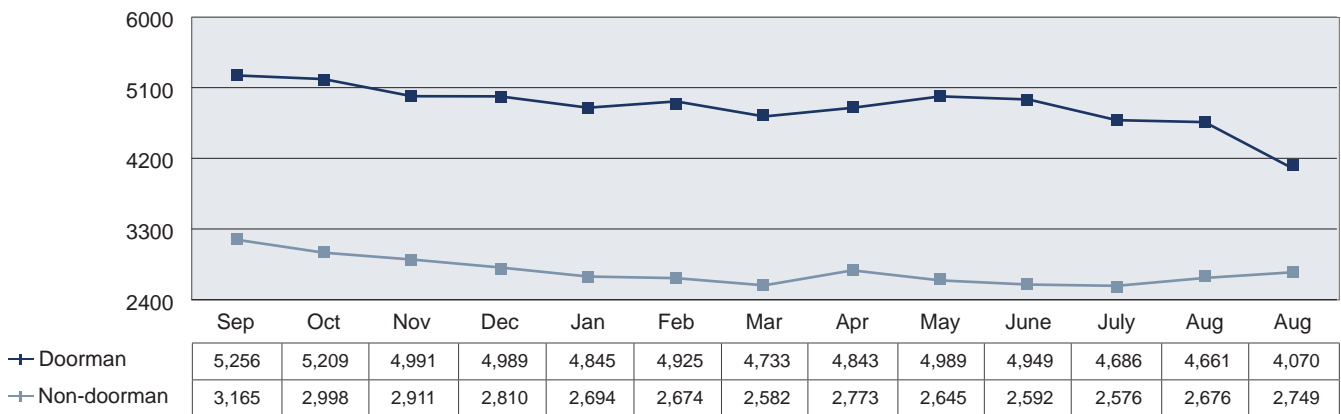
Midtown West Studio Price Trends Over 13 Months



Midtown West One-bedroom Price Trends Over 13 Months



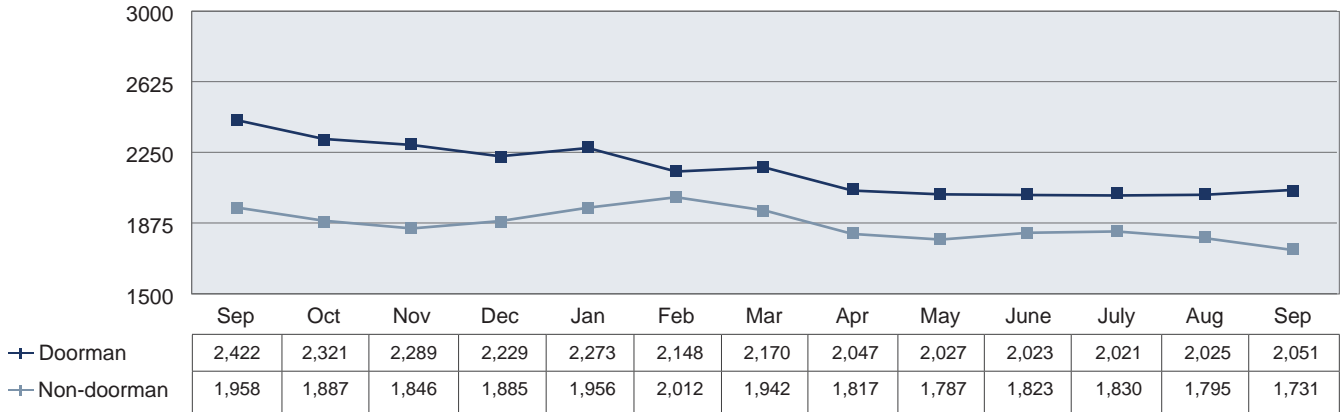
Midtown West Two-bedroom Price Trends Over 13 Months



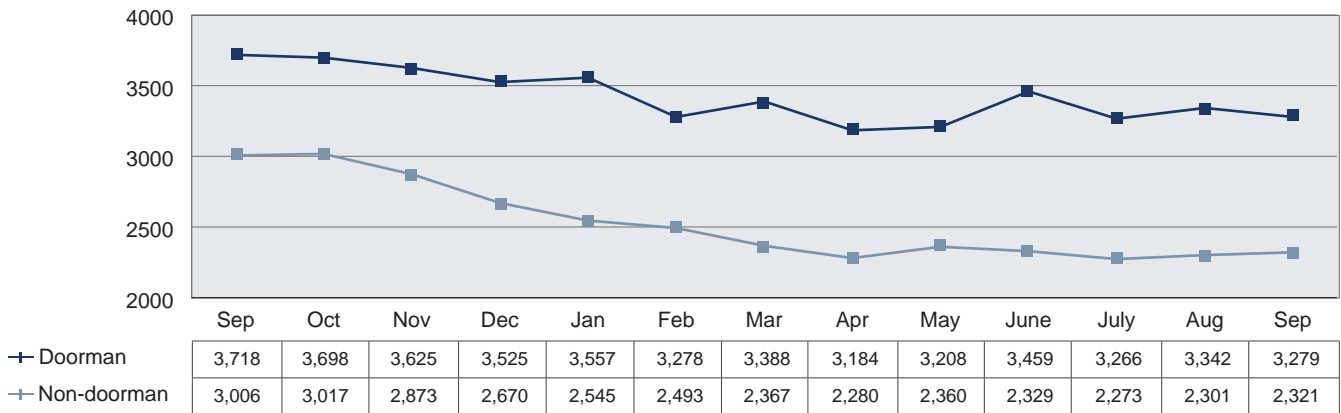
NEIGHBORHOOD PRICE TRENDS

MIDTOWN EAST

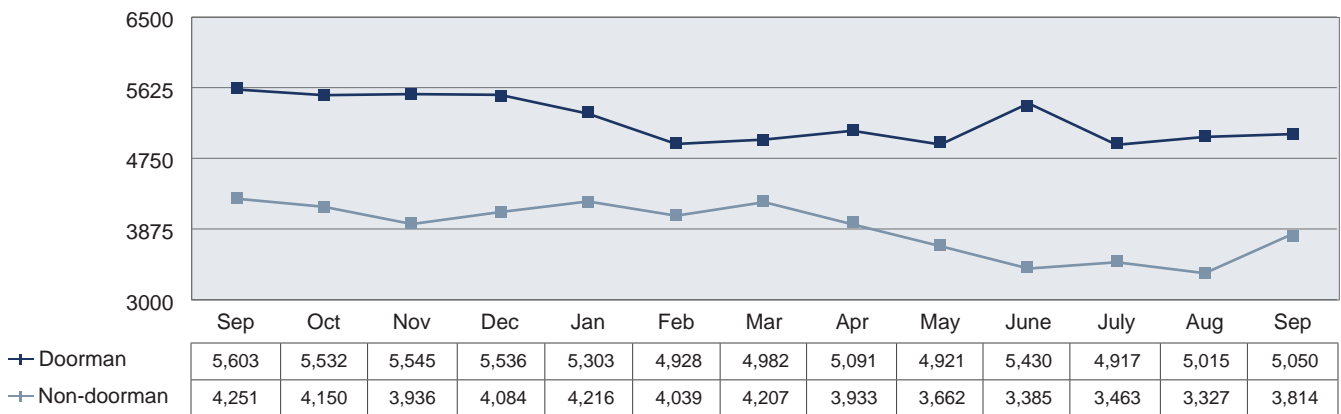
Midtown East Studio Price Trends Over 13 Months



Midtown East One-bedroom Price Trends Over 13 Months



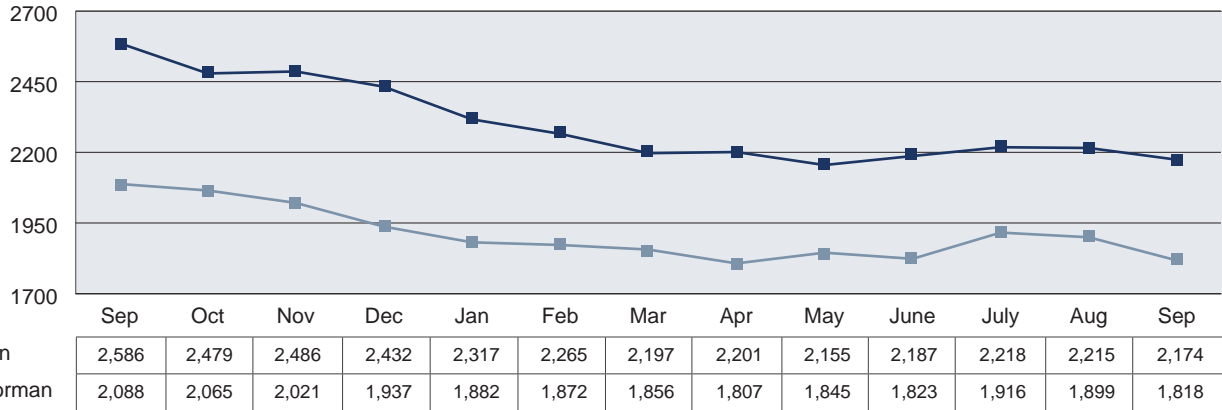
Midtown East Two-bedroom Price Trends Over 13 Months



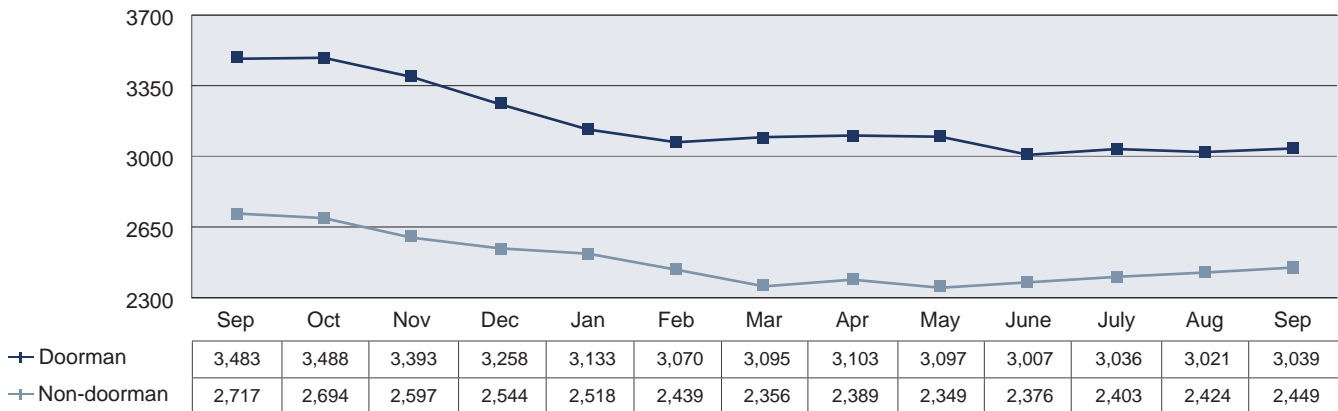
NEIGHBORHOOD PRICE TRENDS

MURRAY HILL

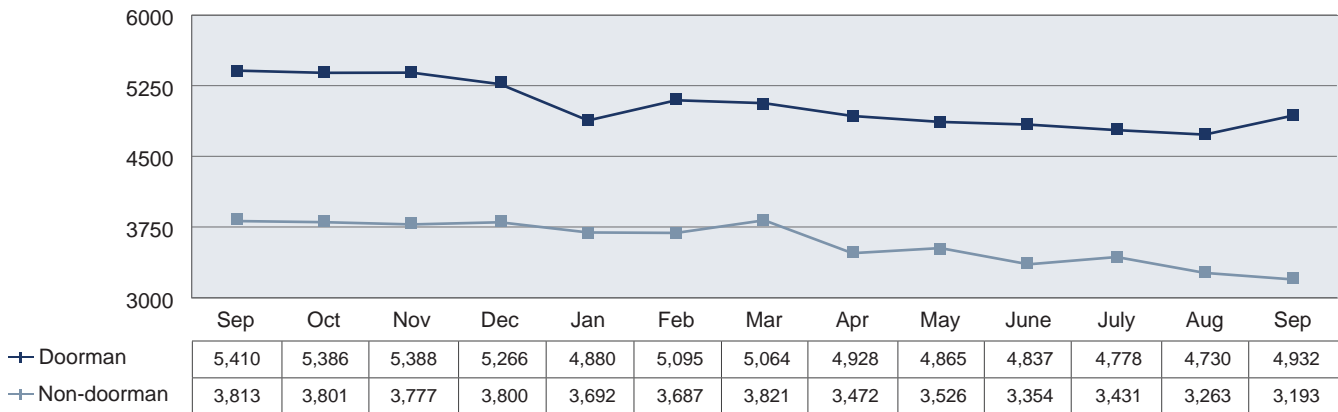
Murray Hill Studio Price Trends Over 13 Months



Murray Hill One-bedroom Price Trends Over 13 Months



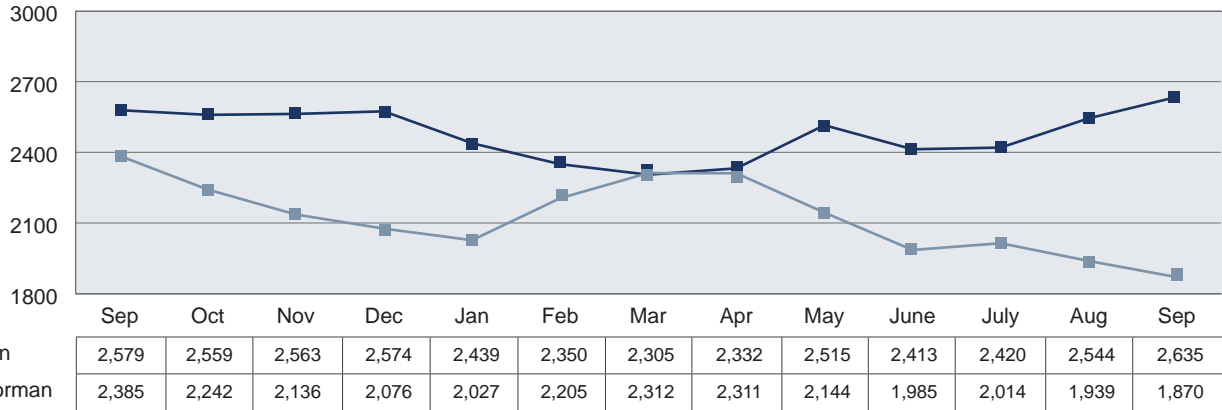
Murray Hill Two-bedroom Price Trends Over 13 Months



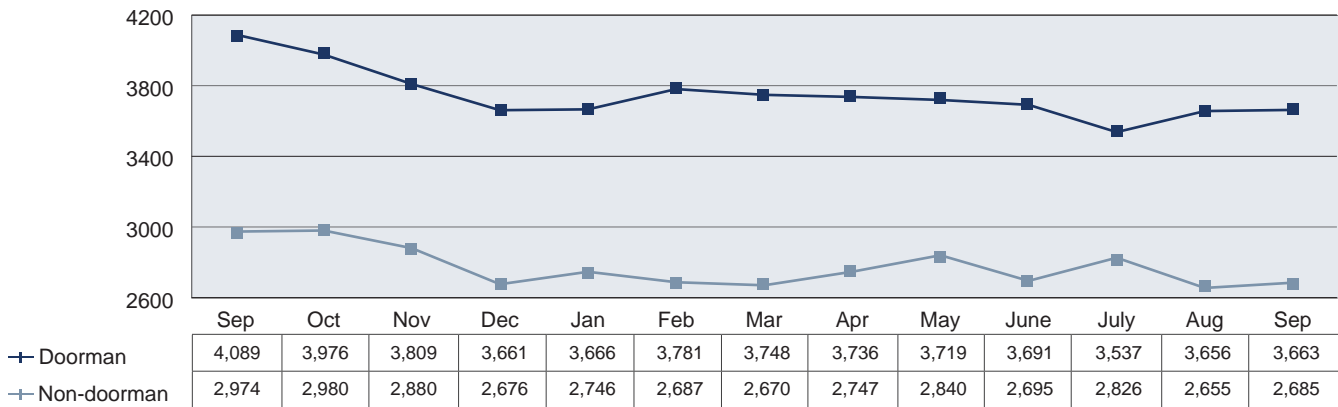
NEIGHBORHOOD PRICE TRENDS

CHELSEA

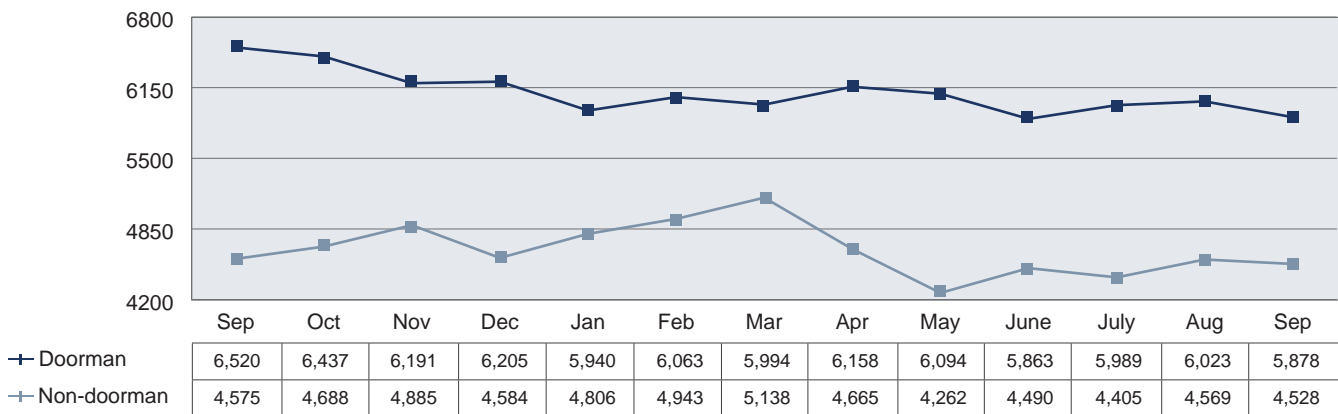
Chelsea Studio Price Trends Over 13 Months



Chelsea One-bedroom Price Trends Over 13 Months



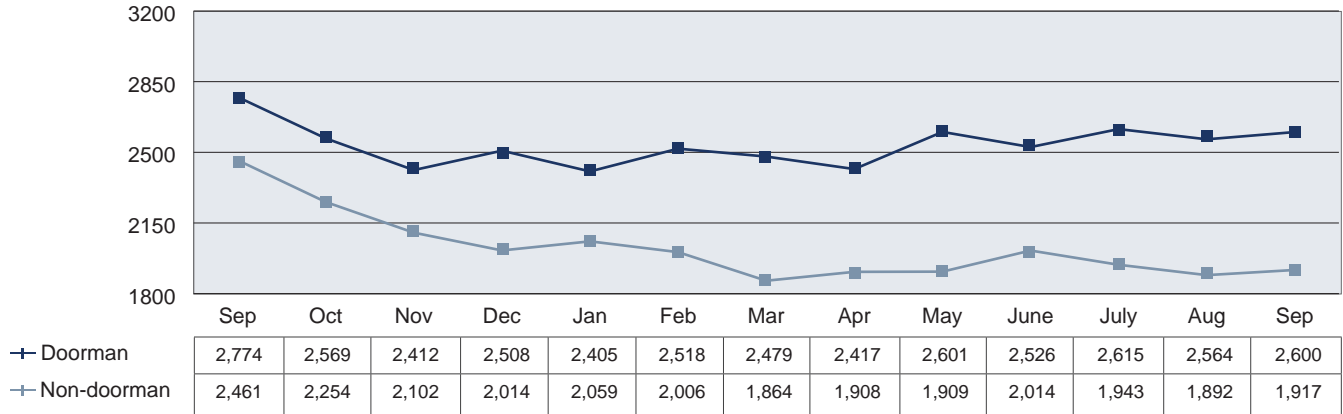
Chelsea Two-bedroom Price Trends Over 13 Months



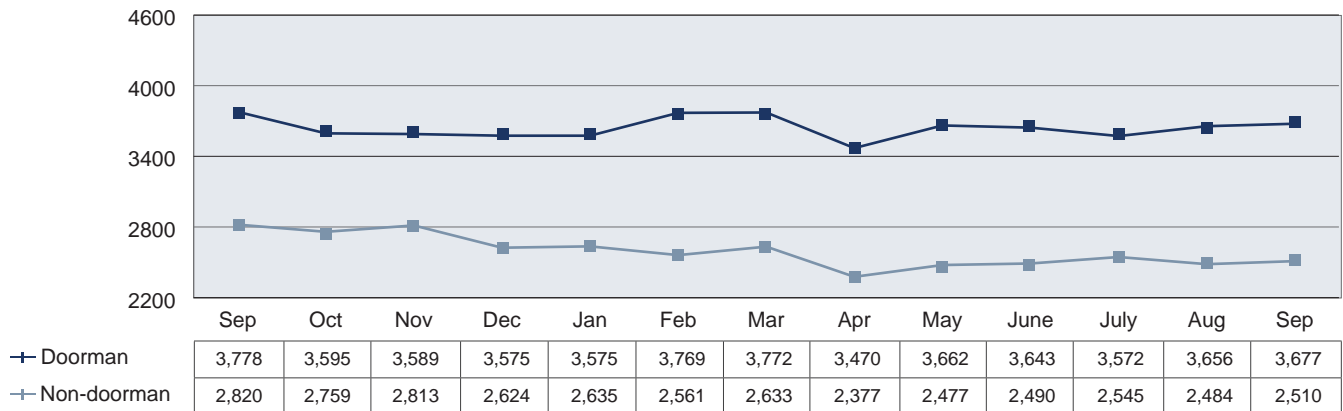
NEIGHBORHOOD PRICE TRENDS

GRAMERCY PARK

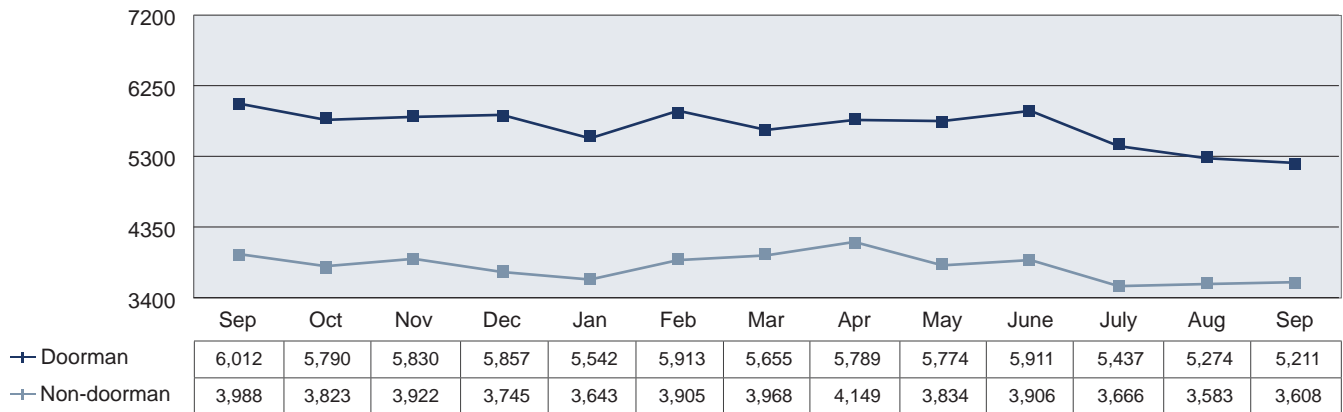
Gramercy Park Studio Price Trends Over 13 Months



Gramercy Park One-bedroom Price Trends Over 13 Months



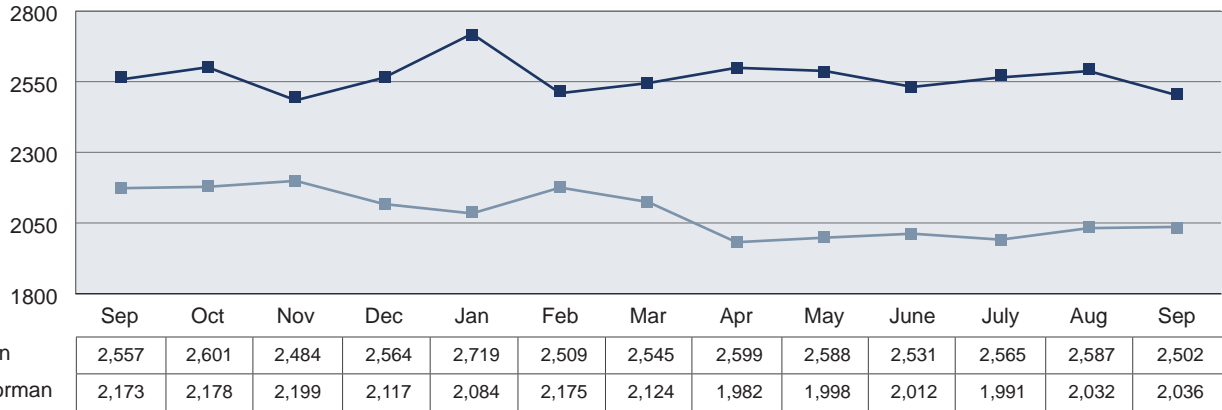
Gramercy Park Two-bedroom Price Trends Over 13 Months



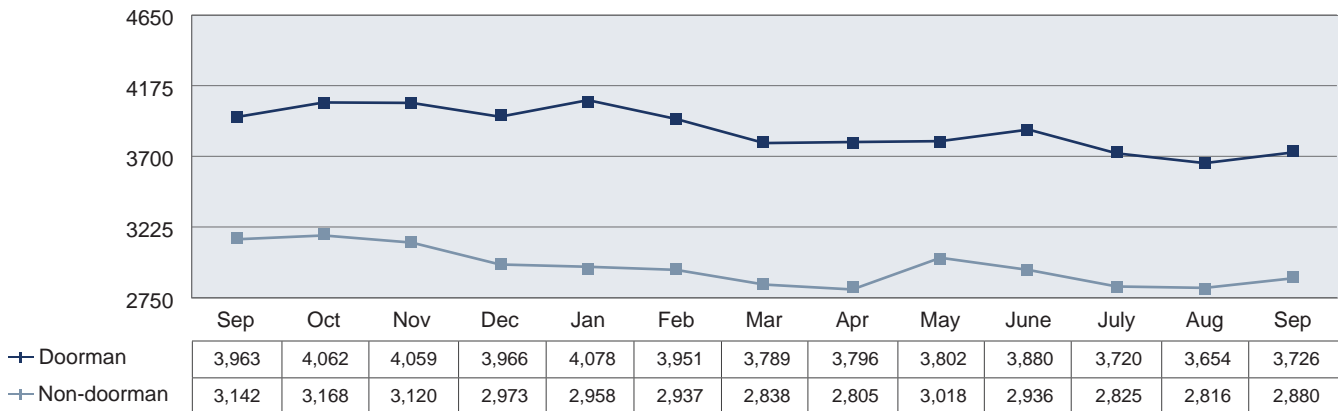
NEIGHBORHOOD PRICE TRENDS

GREENWICH VILLAGE

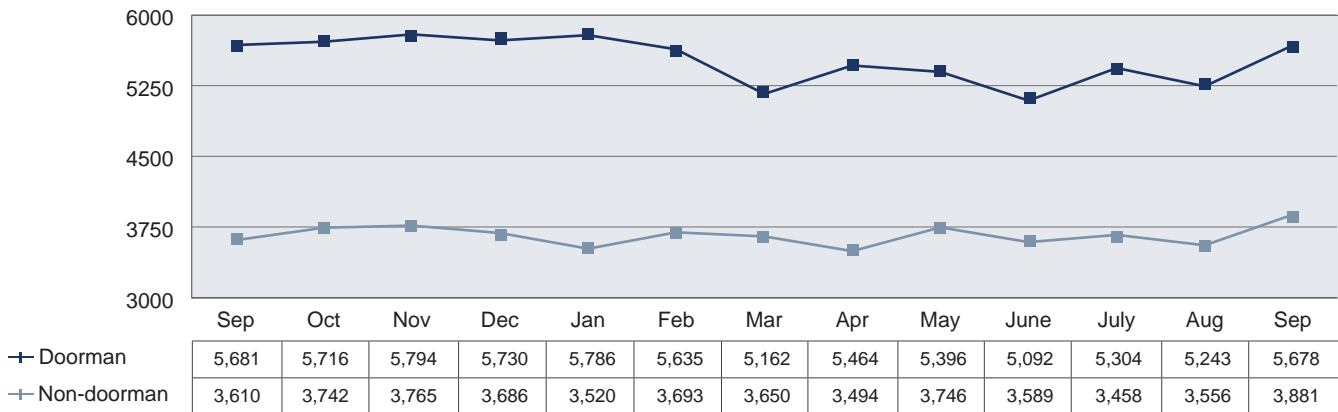
Greenwich Village Studio Price Trends Over 13 Months



Greenwich Village One-bedroom Price Trends Over 13 Months



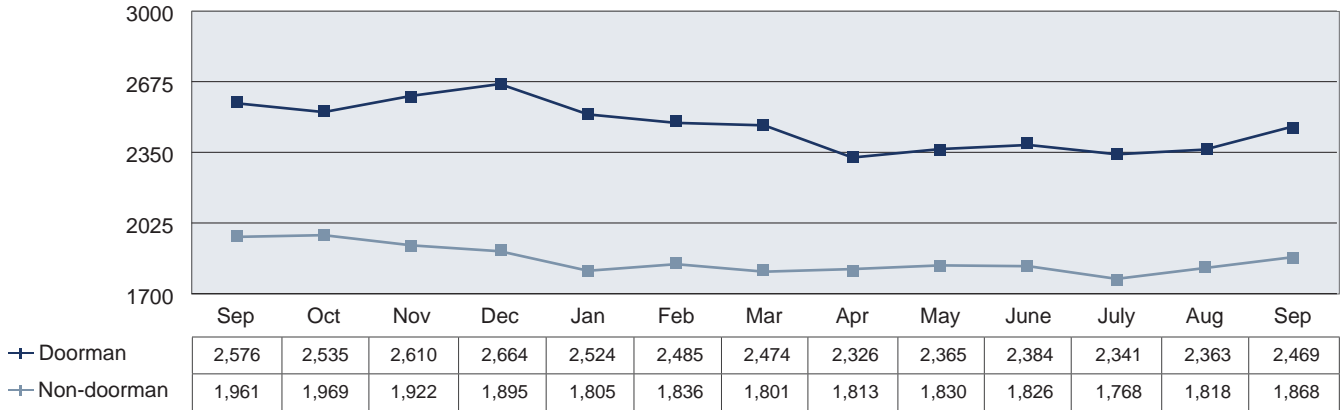
Greenwich Village Two-bedroom Price Trends Over 13 Months



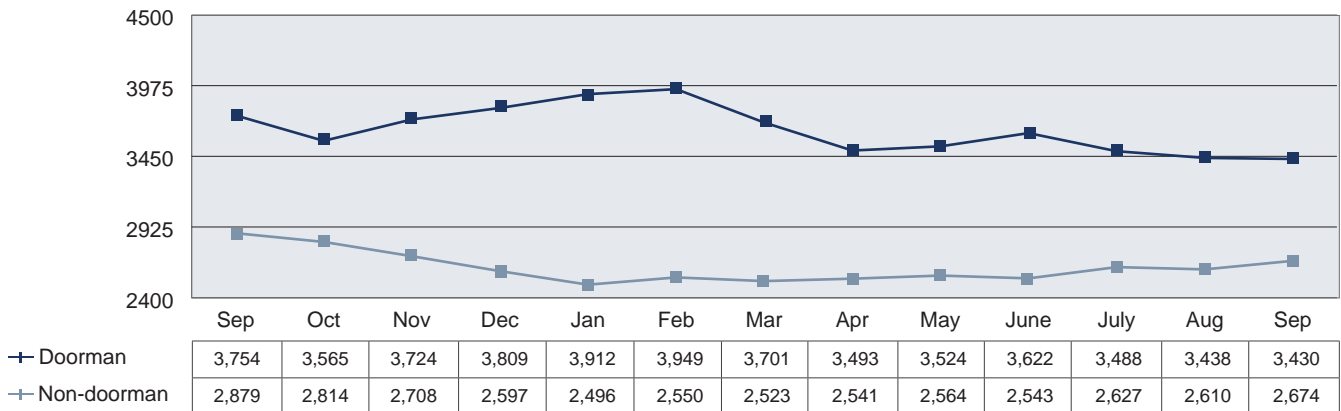
NEIGHBORHOOD PRICE TRENDS

EAST VILLAGE

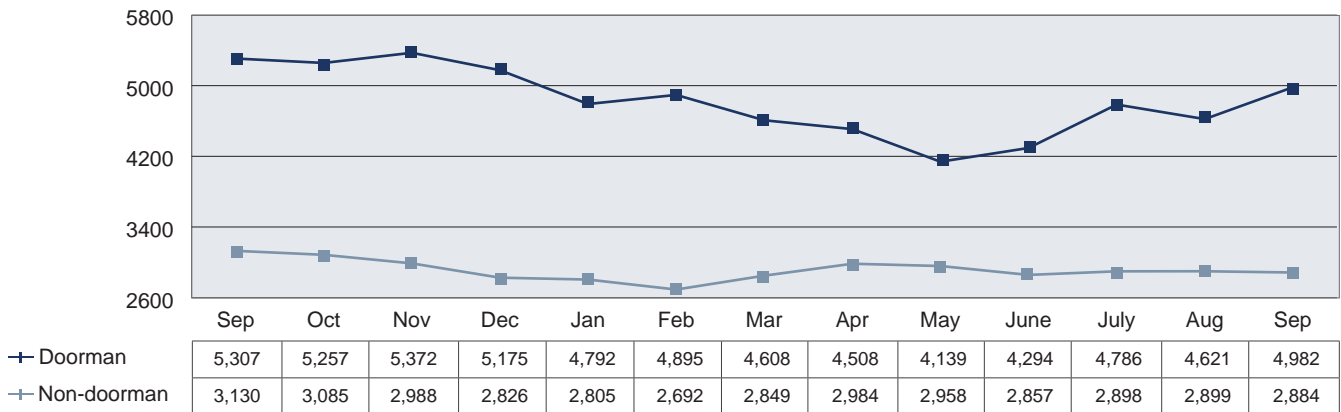
East Village Studio Price Trends Over 13 Months



East Village One-bedroom Price Trends Over 13 Months



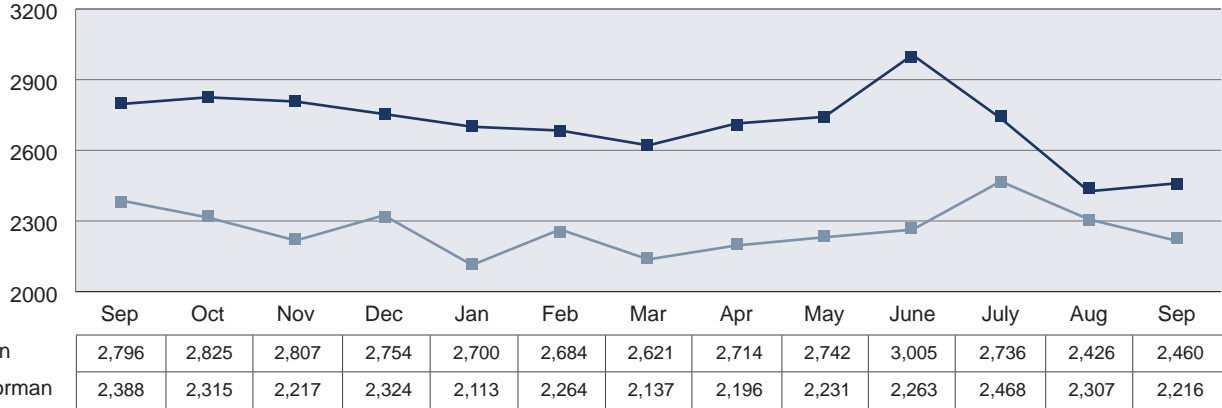
East Village Two-bedroom Price Trends Over 13 Months



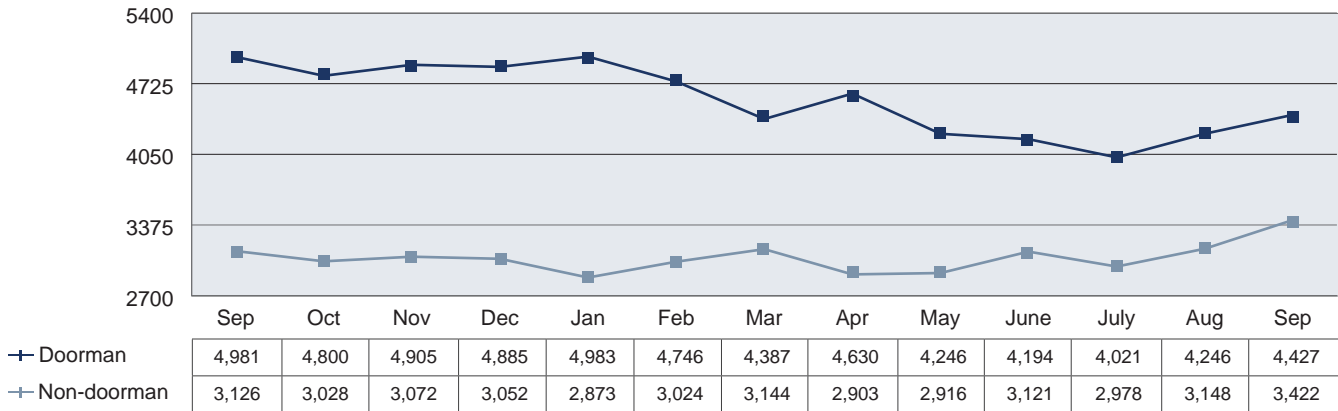
NEIGHBORHOOD PRICE TRENDS

SoHo

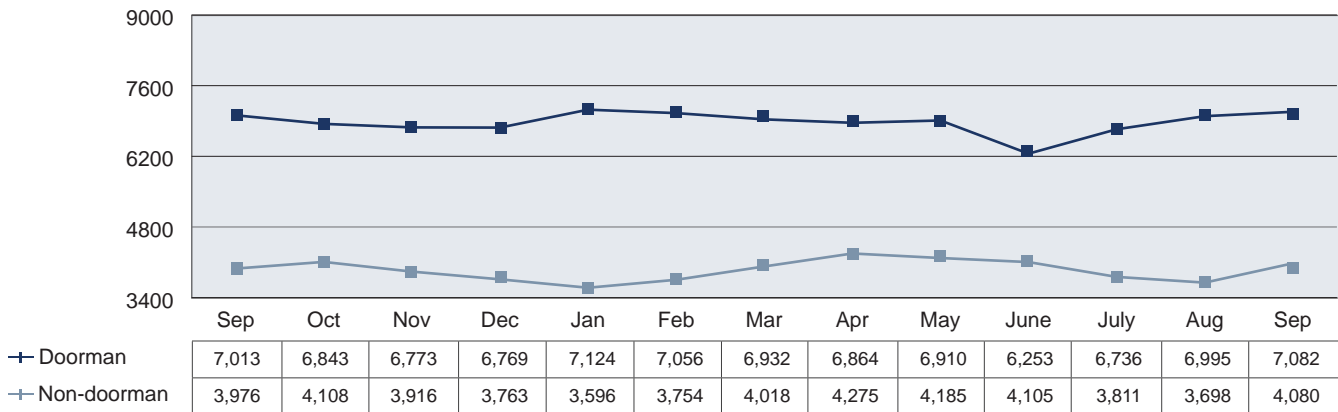
SoHo Studio Price Trends Over 13 Months



SoHo One-bedroom Price Trends Over 13 Months



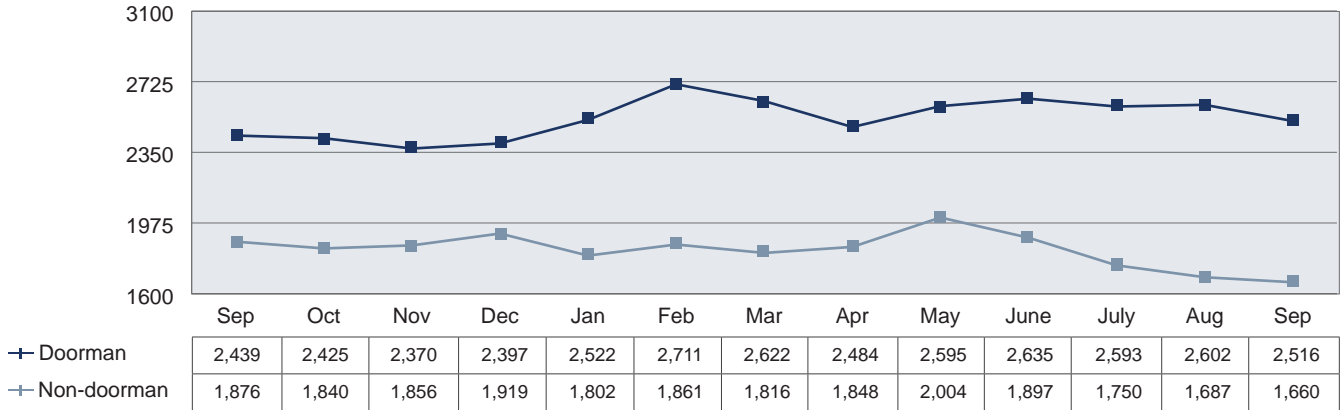
SoHo Two-bedroom Price Trends Over 13 Months



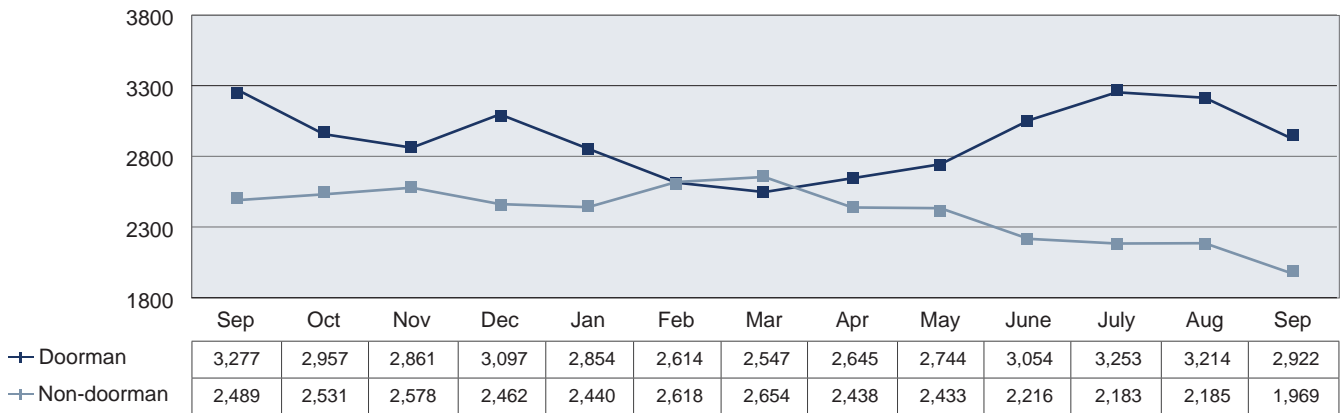
NEIGHBORHOOD PRICE TRENDS

LOWER EAST SIDE

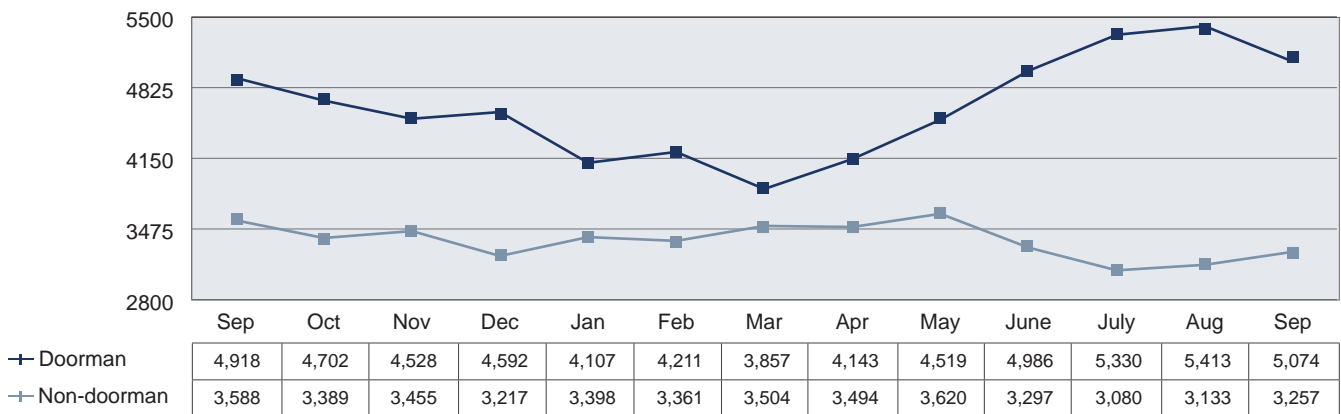
Lower East Side Studio Price Trends Over 13 Months



Lower East Side One-bedroom Price Trends Over 13 Months



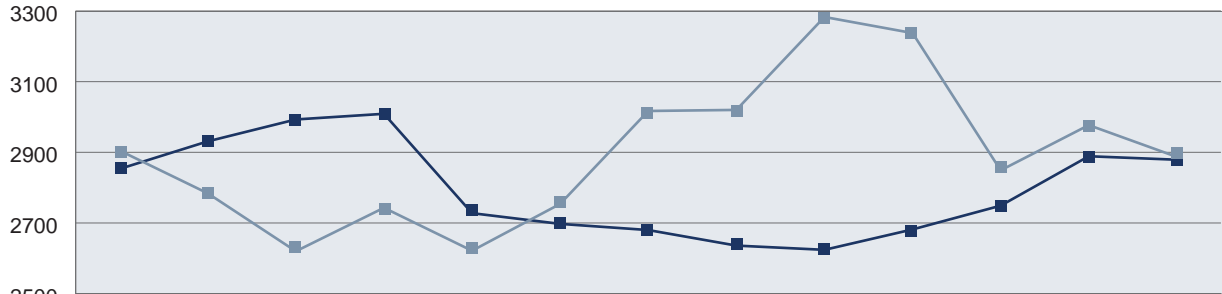
Lower East Side Two-bedroom Price Trends Over 13 Months



NEIGHBORHOOD PRICE TRENDS

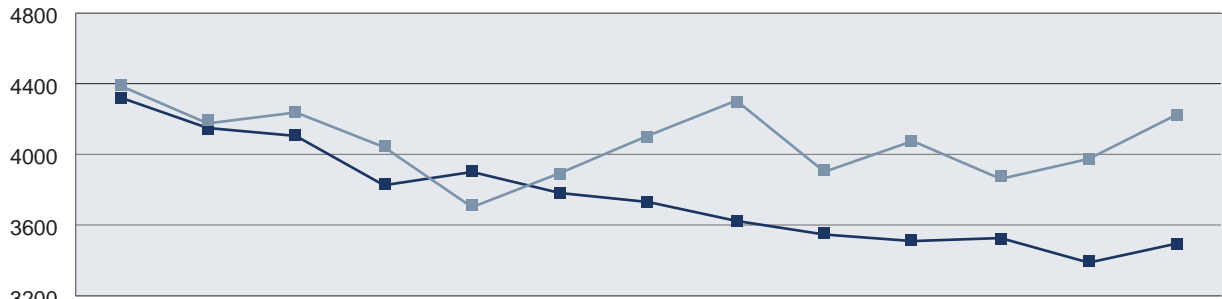
TRIBECA

TriBeCa Studio Price Trends Over 13 Months



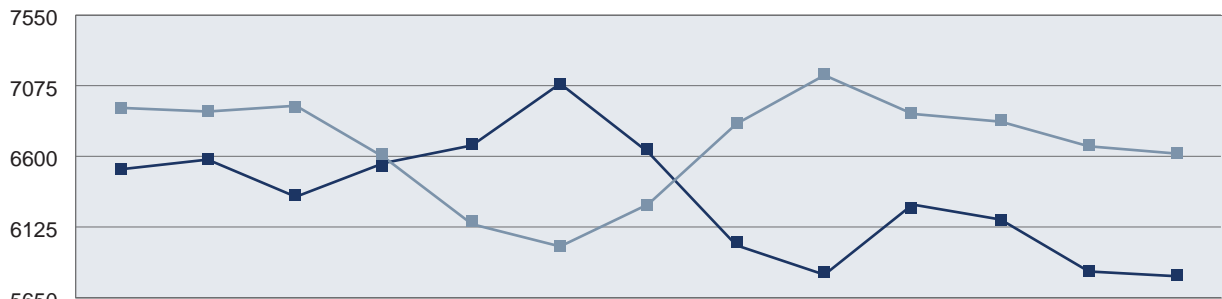
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep
+ Doorman	2,853	2,931	2,993	3,009	2,728	2,697	2,680	2,636	2,624	2,682	2,749	2,889	2,879
+ Non-doorman	2,905	2,784	2,620	2,743	2,621	2,754	3,017	3,020	3,283	3,238	2,849	2,977	2,887

TriBeCa One-bedroom Price Trends Over 13 Months



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep
+ Doorman	4,323	4,149	4,104	3,825	3,900	3,781	3,730	3,623	3,546	3,509	3,526	3,387	3,495
+ Non-doorman	4,390	4,175	4,237	4,041	3,701	3,894	4,106	4,304	3,901	4,075	3,861	3,974	4,225

TriBeCa Two-bedroom Price Trends Over 13 Months

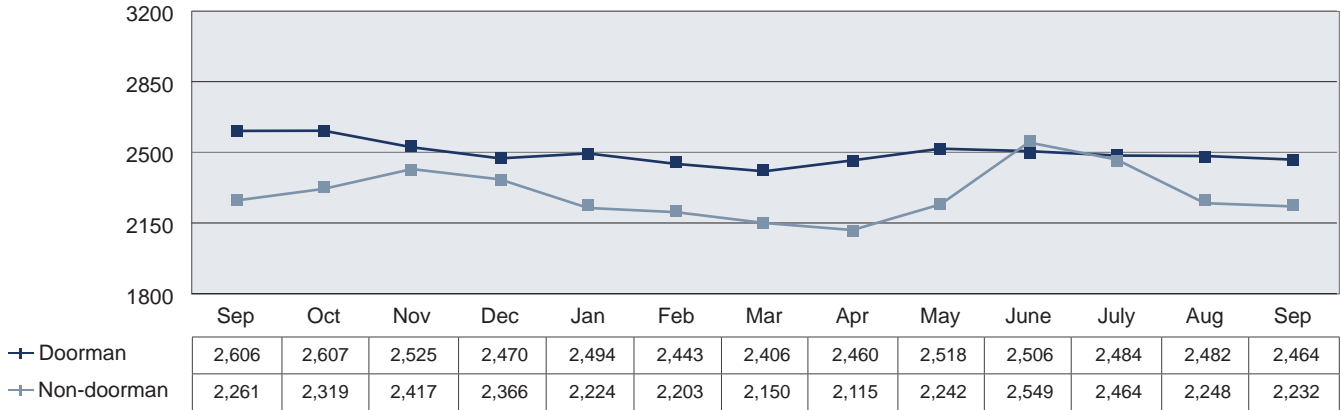


	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep
+ Doorman	6,512	6,578	6,328	6,555	6,673	7,089	6,627	6,002	5,804	6,276	6,175	5,826	5,794
+ Non-doorman	6,926	6,901	6,940	6,594	6,144	5,994	6,278	6,818	7,145	6,885	6,833	6,667	6,618

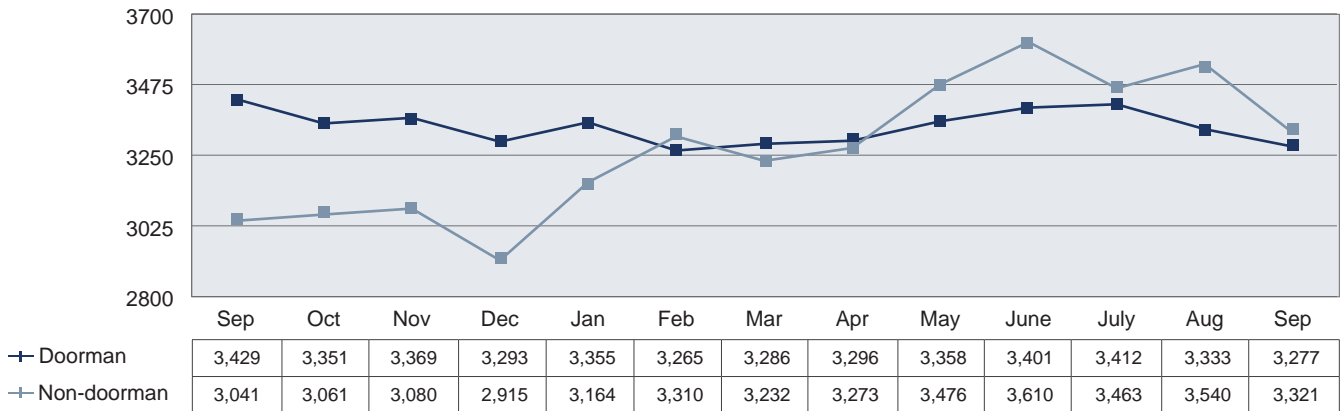
NEIGHBORHOOD PRICE TRENDS

FINANCIAL DISTRICT

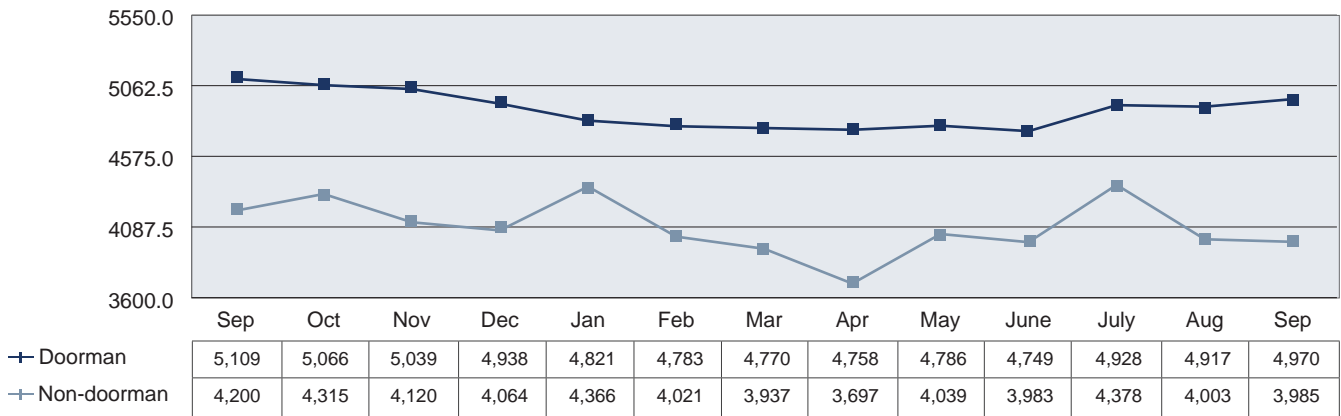
Financial District Studio Price Trends Over 13 Months



Financial District One-bedroom Price Trends Over 13 Months



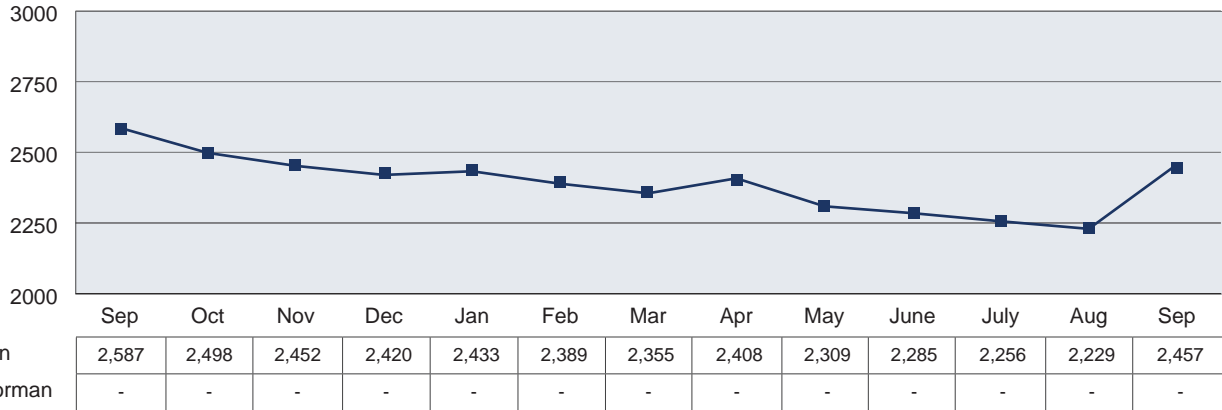
Financial District Two-bedroom Price Trends Over 13 Months



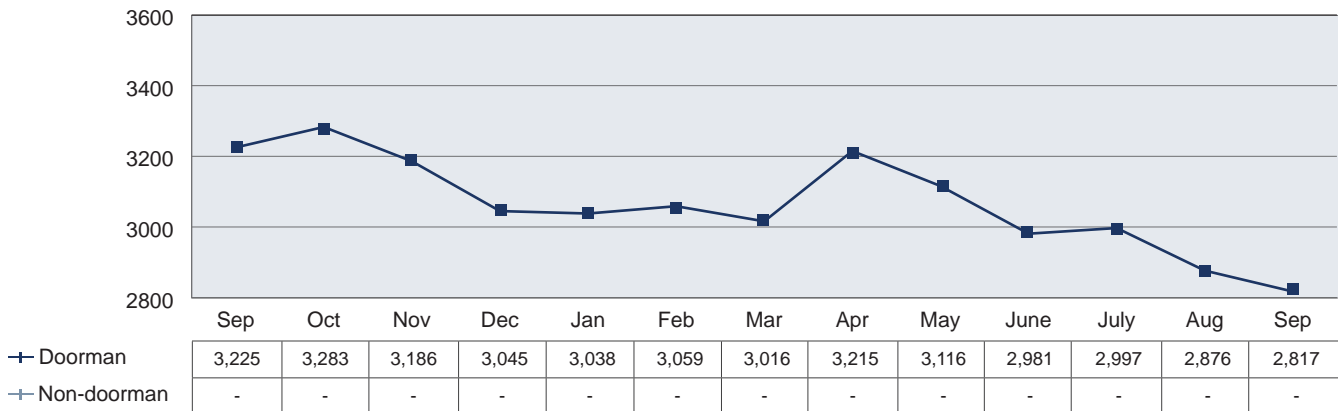
NEIGHBORHOOD PRICE TRENDS

BATTERY PARK CITY

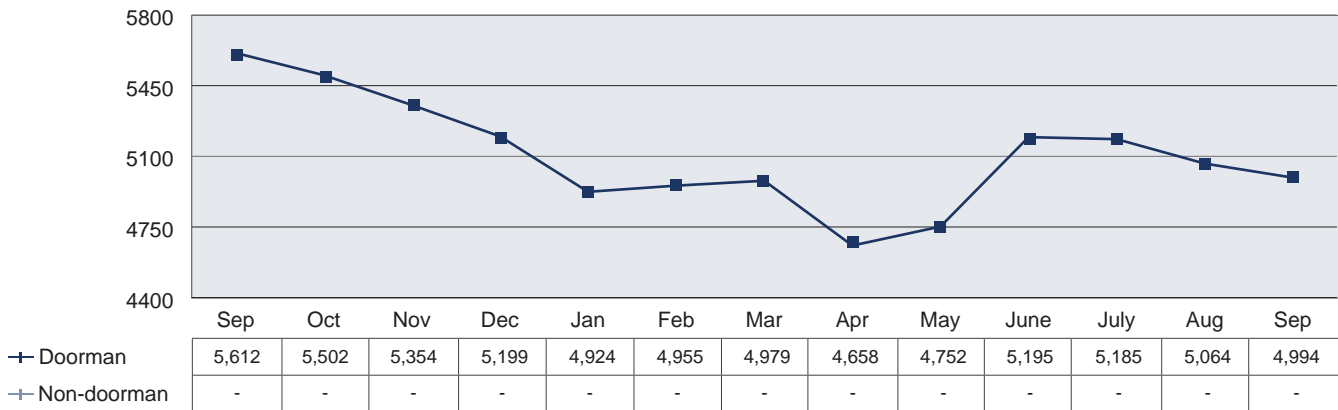
Battery Park City Studio Price Trends Over 13 Months



Battery Park City One-bedroom Price Trends Over 13 Months



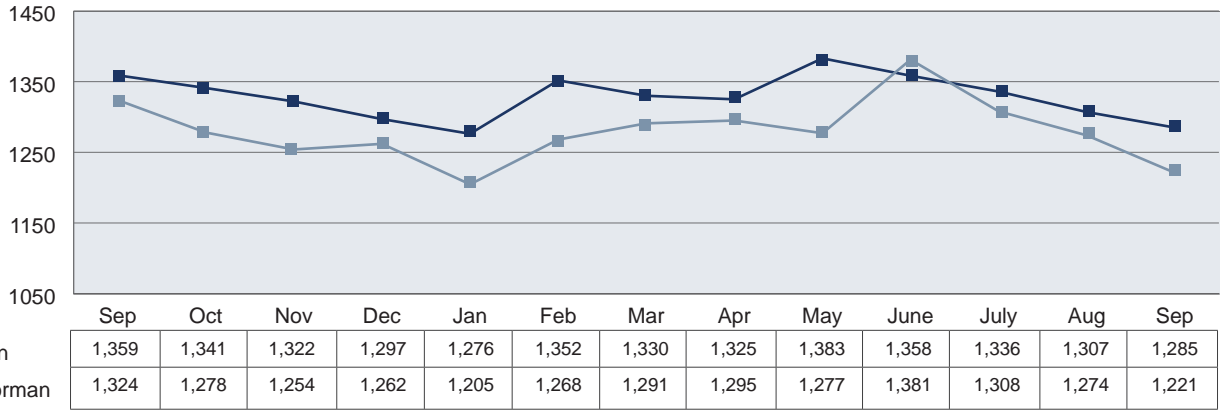
Battery Park City Two-bedroom Price Trends Over 13 Months



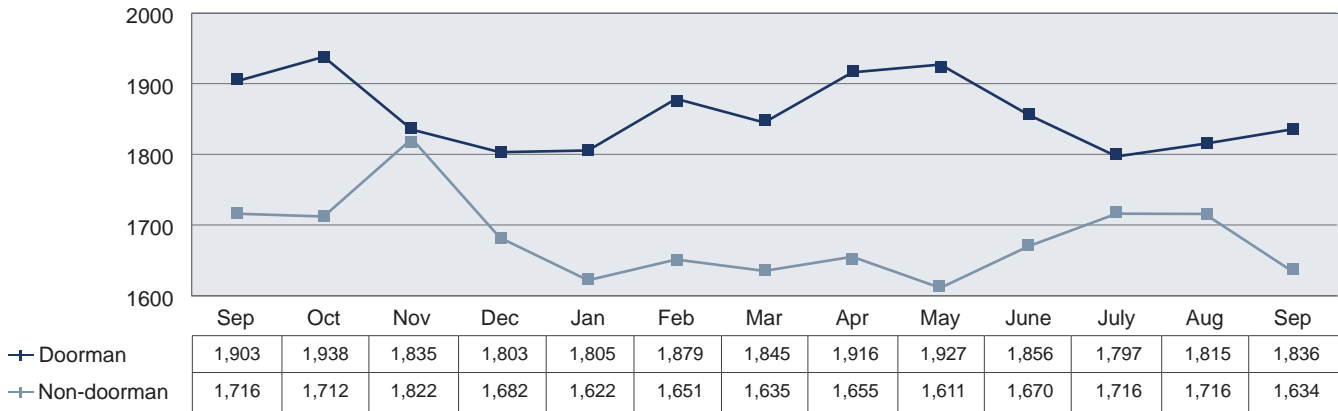
NEIGHBORHOOD PRICE TRENDS

HARLEM

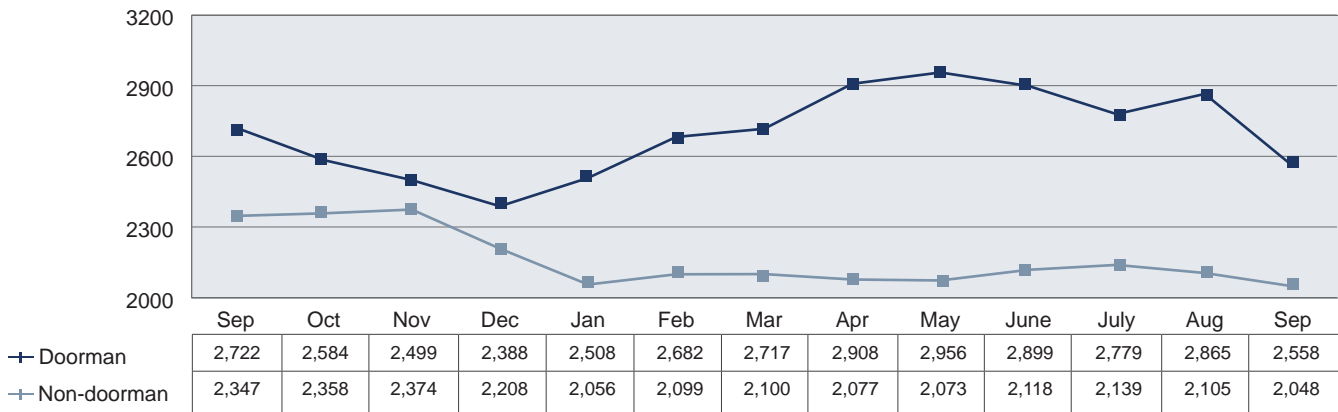
Harlem Studio Price Trends Over 13 Months



Harlem One-bedroom Price Trends Over 13 Months



Harlem Two-bedroom Price Trends Over 13 Months



THE 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 155th Street and priced under \$10,000, with ultra-luxury property omitted to obtain a true monthly rental average. Our data is aggregated from the TDG/TREGNY 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).

Contact us now: 212.475.9000

Note: All market data is collected and compiled by TDG/TREGNY's marketing department and is overseen by C.E.O. Daniel Baum. 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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