



Ten-Year Residential Rental Market Report

2007 - 2016

TEN-YEAR RESIDENTIAL RENTAL MARKET REPORT 2007-2016

The last ten years have been remarkable ones for the Manhattan rental market. This study covers the beginning of the market's decline in 2008, and follows it through its eventual recovery – and beyond. In contrast to many of our other reports, all apartments tracked for this report were located in Manhattan below 96th Street.

Priced Out

Rental pricing in Manhattan has reached new heights, to the point where the area has become unaffordable to many New Yorkers. Building owners have a variety of reasons for continuing to raise rents. In the case of new developments, these prices are often required for a project to be profitable due to the high cost of land and construction. As a result of high prices in Manhattan below 96th Street, there has been incredible demand for new rental housing in the upper reaches of the borough, as well as in Brooklyn, Queens - and most recently - The Bronx.

It also extracts a heavy toll to upgrade from one apartment size to the next. This is why, for example, we see so many roommate shares - often using temporary wall dividers - in one-bedroom units. A tenant's rent rises an average of 33% moving from a studio to a one-bedroom. To jump from a one- to a two-bedroom, they can expect a 36% increase, and from a two- to a three-bedroom, the rent will increase an average of 30%.

A Market in Three Acts

Our research found the market split into three distinct sections over the ten-year span. In the first years studied, the market was feeling the impact of the 'great recession.' From 2007 to 2009, Manhattan rents fell 8.8% in that two-year period alone, while the vacancy rate climbed to its all-time annual high of 1.93%.

The 'recovery period' stretched from 2009 to 2011. During this time, rents climbed back out of their hole, and by the end of 2011, the average rent in the borough was within \$9 of the pre-recession 2007 average. Meanwhile, the area's vacancy rate fell, hitting an all-time annual low of 0.96%. Demand for Manhattan rentals was back – and in full force.

The 'growth years' followed. From 2012-2016, rental pricing began to exceed pre-recession levels and each year, reached a new high. By the end of 2016, the average Manhattan rent hit \$4,056 - the first time since we began tracking the market in 2002 that this average topped \$4,000 a month.

The most robust rise in rents occurred for studio and one-bedroom units, which make up approximately 70% of the housing inventory in the borough. From 2012-2016, rents for studios climbed 17%, while for one-bedrooms they climbed 15%. In contrast, average rent increases for two- and three-bedroom homes were substantially more modest. Rents for these apartment categories climbed 6% and 5% respectively.

However, with this rise in rents, the vacancy rate has also climbed consistently over the same period. From its 2011 low (of 0.96%) it has almost doubled (to 1.84%) as of the end of 2016. The fact is our local economy has not created high-paying jobs at a level that can fill these pricey Manhattan apartments.

Adding Value

Coinciding with the climbing vacancy rate, was a rise in landlord concessions. Climbing steadily since 2013, by year-end 2016, they were found in 22% of new leases signed with our firm. At their peak in 2009, incentives were found in a full 52% of leases, but by 2013, only 7% included one. While their efficacy can be debated, building owners would much rather pay brokerage fees or offer a month - or more - of free rent to new tenants than lower their asking rent. These short-term inducements help building owners achieve long-term goals.

Building Boom

In addition, apartment seekers had more and more rental product to choose from as the ten-year period progressed. In 2007, 2,355 newly-constructed rental units were brought to market in Manhattan below 96th Street. In comparison, ten years later in 2016, 5,685 new units came online in the same area. Even with rising vacancy rates, many developers remain bullish on the long-term health of the Manhattan rental market, and this year we expect over 5,800 new apartments to launch, surpassing 2016's total.

Although it had ups-and-downs, our city's rental market has consistently remained among the nation's strongest and most competitive, sometimes to the chagrin of would-be tenants. Despite its challenging nature, the strength of our rental market is a testament to the vibrancy and desirability of New York City. The opportunities and lifestyle available to New Yorkers is second to no place on Earth, and of that, we should be proud.

One common guideline landlords use to qualify new tenants is the "40 times the monthly rent rule." Using this method:

In 2016, to qualify for the average Manhattan... *The applicant(s) would need to show an annual income of...*

Studio	\$100,000
One-Bedroom	\$130,000
Two-Bedroom	\$180,000
Three-Bedroom	\$235,000

**Unless applicant has other financial assets to cover the rent.*



Gary Malin, President of Citi Habitats

AVERAGE RENTS & VACANCY RATES

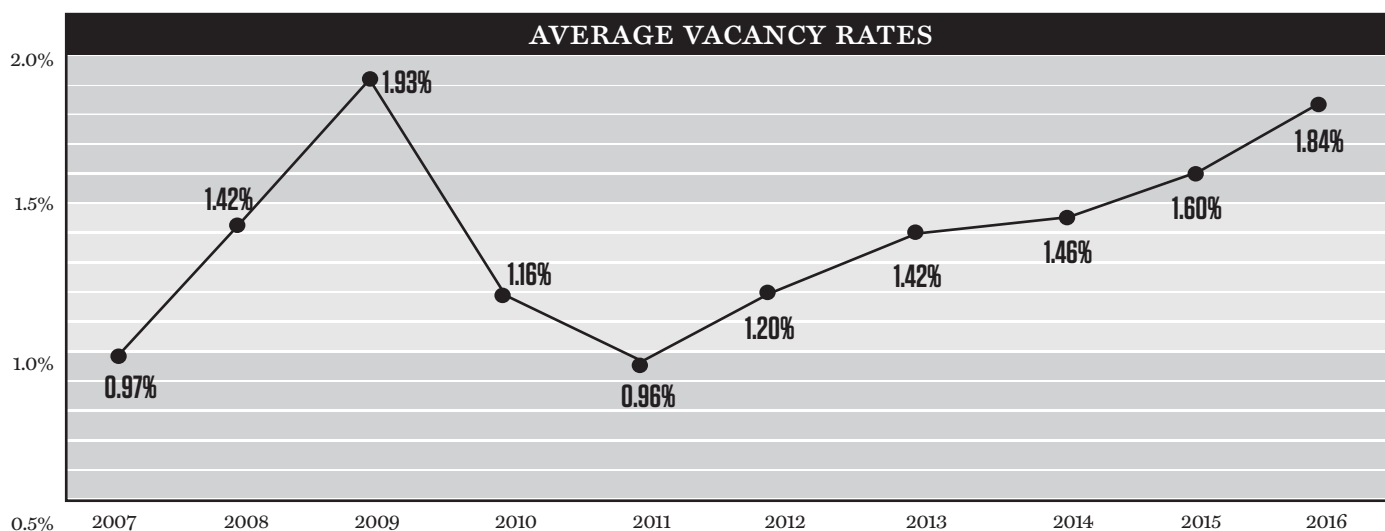
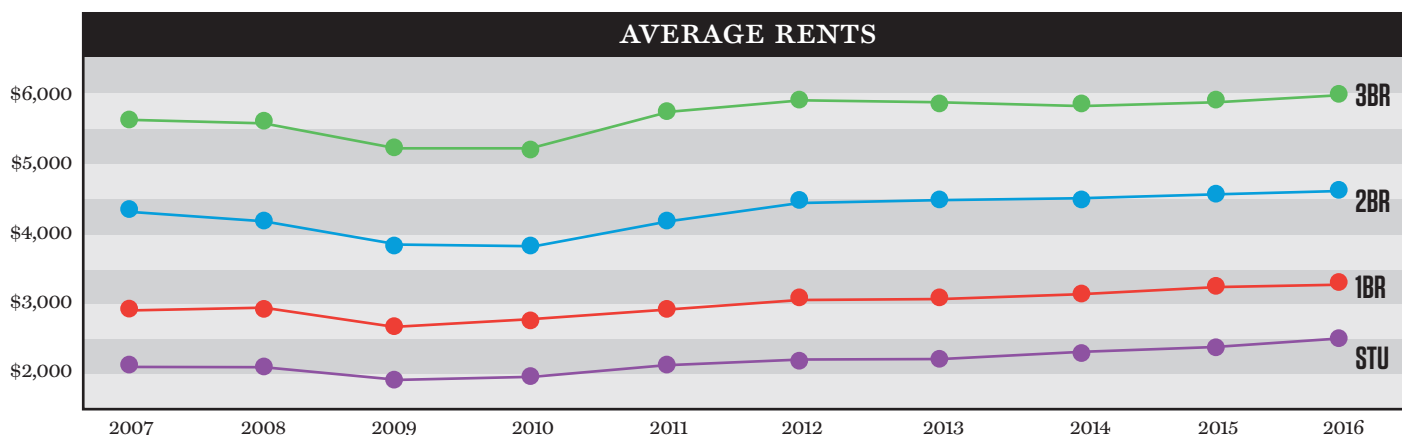
From 2007-2016, average rents for Manhattan apartments (those located below 96th Street) increased a total of 9%, as they initially declined and then rebounded higher. The largest increase in the average rental price occurred from 2010 to 2011. In 2011, the average apartment in the borough rented for 8.4% more than it did the year prior.

In contrast, the only decline in the average rent occurred from 2008 to 2009, when the year-over-year average fell 7.6%. This timing corresponded with the U.S. economic crisis, which in turn, affected New York employment rate and overall demand for rental housing.

The Manhattan vacancy rate peaked during 2009 at 1.93%. Two years later, the rate dropped to 0.96% - the lowest point during the 10-year period studied. The vacancy rate has been on a steady climb since then, and as of 2016, is approaching the 2009 high.

With prime Manhattan rents also increasing over the same period, there has been a boom in new development both in Upper Manhattan and in the outer boroughs, some apartment shoppers have chosen to explore housing opportunities in these up-and-coming areas.

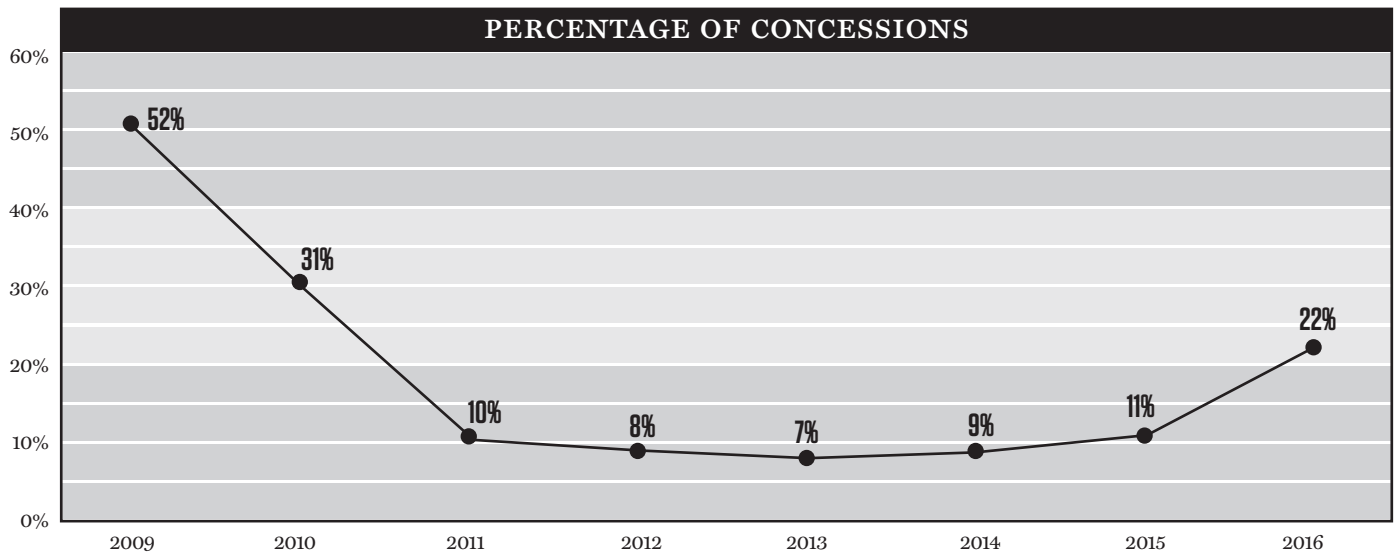
AVERAGE RENTS										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Studio	\$2,130	\$2,080	\$1,912	\$1,967	\$2,120	\$2,206	\$2,226	\$2,265	\$2,352	\$2,487
1 Bedroom	\$2,871	\$2,895	\$2,644	\$2,730	\$2,930	\$3,084	\$3,082	\$3,124	\$3,246	\$3,312
2 Bedrooms	\$4,269	\$4,151	\$3,826	\$3,832	\$4,158	\$4,399	\$4,402	\$4,419	\$4,453	\$4,528
3 Bedrooms	\$5,626	\$5,589	\$5,215	\$5,178	\$5,651	\$5,871	\$5,826	\$5,813	\$5,850	\$5,897
Average	\$3,724	\$3,679	\$3,399	\$3,427	\$3,715	\$3,890	\$3,884	\$3,905	\$3,975	\$4,056



PERCENTAGE OF CONCESSIONS

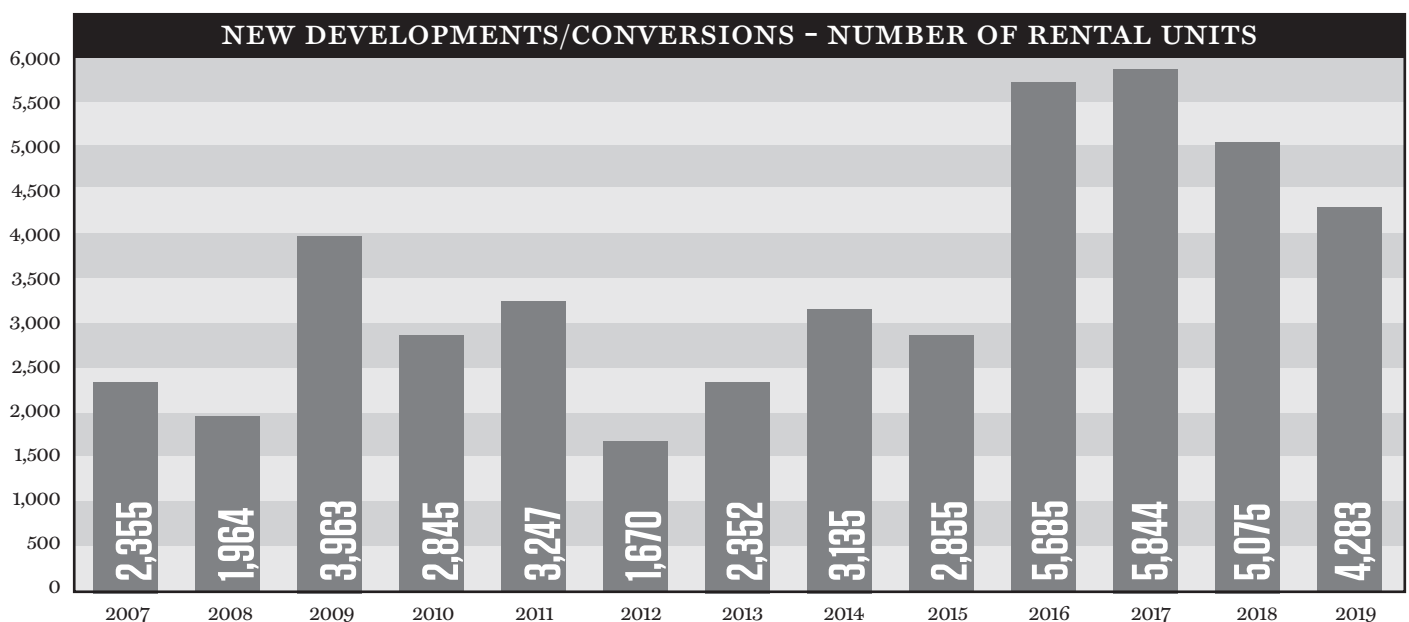
“Concessions” are move-in incentives offered to new tenants by landlords/developers in order to increase leasing velocity – and create a sense of value in the marketplace. Typically, these concessions take the form of payment of the broker’s fee or one month or more of free rent (and sometimes both).

The use of concessions was highest 2009**, when a full 52% of transactions brokered by Citi Habitats included a move-in incentive. By 2013 they were included in a mere 7% of new leases, the lowest point over the 10-year period. As was the case with the vacancy rate, concessions have recently been on the rise. During 2016, 22% of leases included some form of move-in incentive.



NEW DEVELOPMENTS/CONVERSIONS

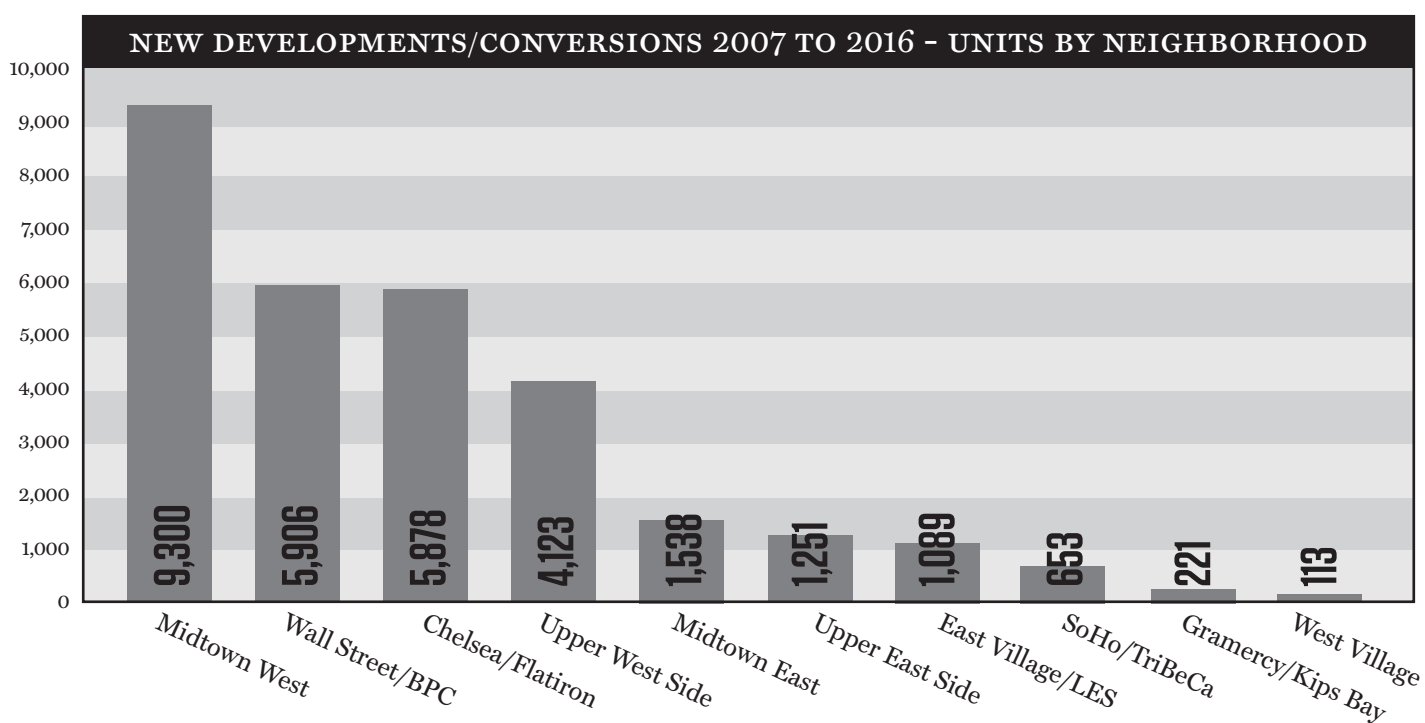
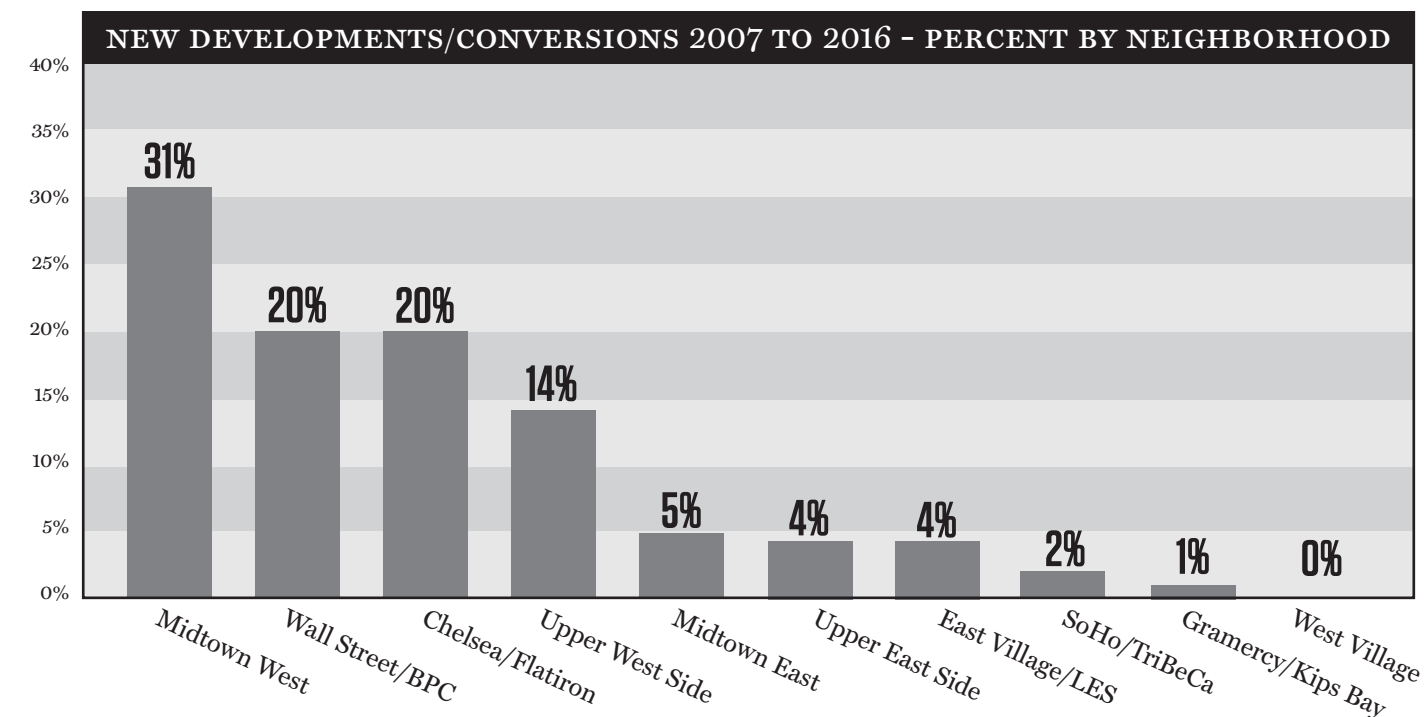
As of 2016, there has been a substantial increase in the number of new rental apartments that have launched in new developments Manhattan below 96th Street. In 2016, 5,685 new apartments came online. Many of these new units are located in several large new apartment towers like VIA57 (625 West 57th Street) which contains 607 apartments and 21 West End Avenue, home to 615 units.



*** Please note, 2009 was the first year Citi Habitats began tracking concession percentages.

NEW DEVELOPMENTS/CONVERSIONS

From 2007-2016, new buildings in the Midtown West neighborhood accounted for 31% of Manhattan's new development rental inventory. Large residential complexes like 2009's Silver Towers (1,359 units) and 2015's SKY (1,175 units) are home to many of the new apartments. With the Hudson Yards and Manhattan West master planned developments currently under construction, Midtown West will continue to see remarkable growth as a residential destination in the coming years.



2016 AVERAGE RENTS

For apartments below 96th Street in Manhattan, the average monthly rent for a studio apartment in 2016 was \$2,487, an increase of 5.7% over the previous year. For one-bedroom apartments, the average rent was \$3,312, an increase of 2.0% from 2015. For two-bedroom units, the average was \$4,528, up 1.7% from 2015; and for three-bedrooms, the average was \$5,897, up 0.8% from the year prior.

The Wall Street/Battery Park City area of lower Manhattan was the most expensive neighborhood for studio and one-bedroom apartments during 2016, with average rents of \$2,918 and \$3,680 respectively. For two- and three-bedroom homes, SoHo/TriBeCa was the priciest area on average.

In Upper East Side offered the least expensive rents for studio, one- and two-bedroom apartments; while on average, the least expensive three-bedroom units could be found in the East Village/Lower East Side.

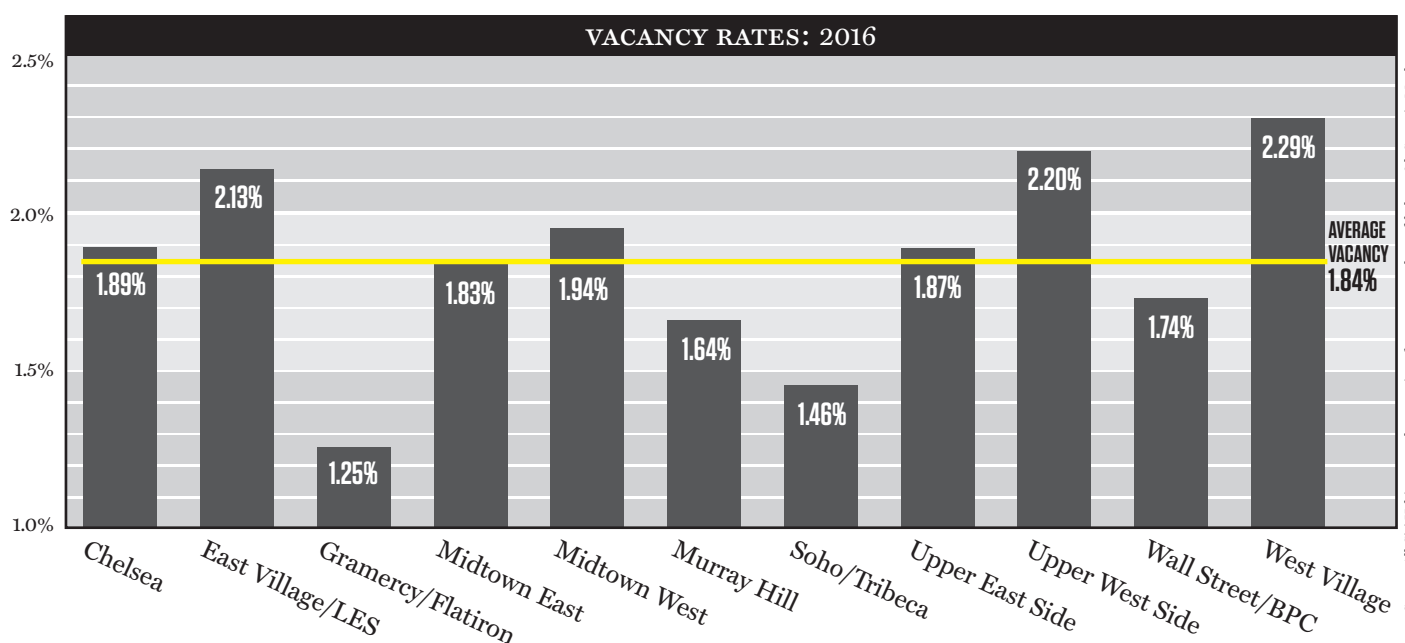
AVERAGE RENTS SUMMARY: 2016

Location	Studio	1BR	2BR	3BR
Chelsea	\$2,587	\$3,669	\$5,277	\$6,665
East Village/LES	\$2,312	\$2,890	\$3,549	\$4,807
Gramercy/Flatiron	\$2,577	\$3,518	\$5,115	\$6,195
Midtown East	\$2,411	\$3,298	\$4,224	\$5,170
Midtown West	\$2,464	\$3,325	\$4,357	\$5,291
Murray Hill	\$2,531	\$3,196	\$4,212	\$5,040
Soho/Tribeca	\$2,755	\$3,621	\$5,779	\$7,842
Upper East Side	\$2,048	\$2,626	\$3,323	\$5,398
Upper West Side	\$2,106	\$2,866	\$4,123	\$5,898
Wall Street/BPC	\$2,918	\$3,680	\$5,401	\$6,220
West Village	\$2,648	\$3,743	\$4,453	\$6,340
Average	\$2,487	\$3,312	\$4,528	\$5,897
% Change vs. 2015	5.7%	2.0%	1.7%	0.8%

2016 VACANCY RATES

The average vacancy rate for prime Manhattan during 2016 was 1.84%, up from 1.60% in 2015.

A comparison of vacancy rates by neighborhood reveals that Gramercy/Flatiron had the fewest number of available apartments, with a vacancy rate of 1.25%. Meanwhile, with 2.29% of rental units in the neighborhood vacant, the West Village had the highest percentage of available apartments. We speculate that some clients may have balked at the neighborhood's high pricing for generally small, and sometimes quirky homes.



2015 AVERAGE RENTS

For Manhattan apartments below 96th Street, the average monthly rental price for a studio apartment in 2015 was \$2,352. For one-bedroom apartments, the average rent was \$3,246; for two-bedrooms, \$4,453; and for three-bedrooms, \$5,850.

During 2015, studio apartments in Wall Street/Battery Park City were the most expensive on average. For one-, two- and three-bedroom homes, the costliest area for renters was the perennial pricing leader SoHo/TriBeCa.

The least expensive average rent during the year for studio, one- and two-bedroom apartments could be found on the Upper East Side. Meanwhile, East Village/Lower East Side offered the least expensive three-bedroom units on average.

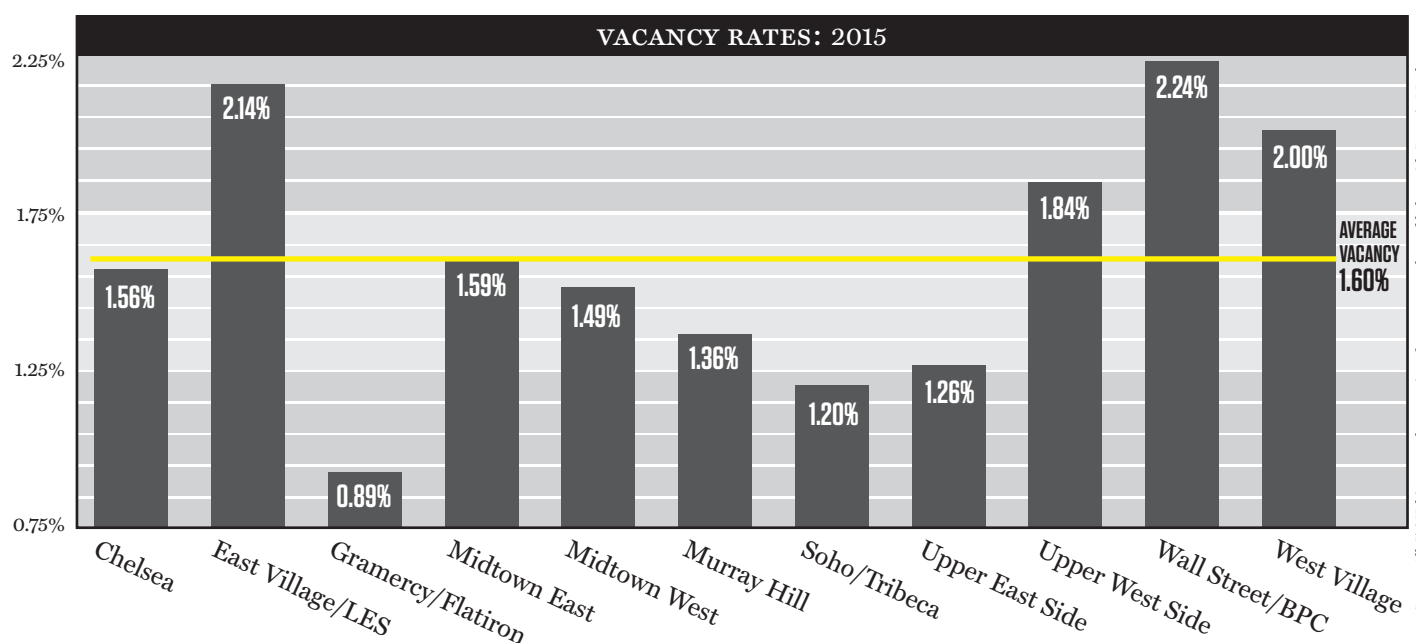
AVERAGE RENTS SUMMARY: 2015

Location	Studio	1BR	2BR	3BR
Chelsea	\$2,464	\$3,553	\$5,390	\$6,633
East Village/LES	\$2,215	\$2,757	\$3,339	\$4,422
Gramercy/Flatiron	\$2,532	\$3,632	\$5,109	\$6,123
Midtown East	\$2,277	\$3,324	\$4,256	\$4,881
Midtown West	\$2,300	\$3,182	\$4,344	\$5,134
Murray Hill	\$2,315	\$3,094	\$3,835	\$4,517
Soho/Tribeca	\$2,487	\$3,818	\$5,693	\$9,180
Upper East Side	\$1,969	\$2,558	\$3,239	\$5,556
Upper West Side	\$2,077	\$2,728	\$3,904	\$5,991
Wall Street/BPC	\$2,620	\$3,365	\$5,136	\$6,247
West Village	\$2,618	\$3,691	\$4,741	\$5,671
Average	\$2,352	\$3,246	\$4,453	\$5,850
% Change vs. 2014	3.7%	3.9%	0.8%	0.6%

2015 VACANCY RATES

The average vacancy rate for prime Manhattan during 2015 was 1.60%, up from 1.46% in 2014.

A comparison of vacancy rates by neighborhood reveals that Gramercy/Flatiron had the lowest vacancy rate, with 0.89% of apartments available. In contrast, Wall Street/Battery Park City had the highest vacancy rate in Manhattan, at 2.24%.



2014 AVERAGE RENTS

For Manhattan apartments below 96th Street, the average rent for a studio apartment in 2014 was \$2,265. For one-bedrooms, the average was \$3,124, while the average two- and three-bedroom home rented for \$4,419 and \$5,813, respectively.

During 2014, SoHo/TriBeCa was home to the most expensive studio, one- and three-bedroom units, while the priciest two bedroom homes could be found in the Gramercy/Flatiron area.

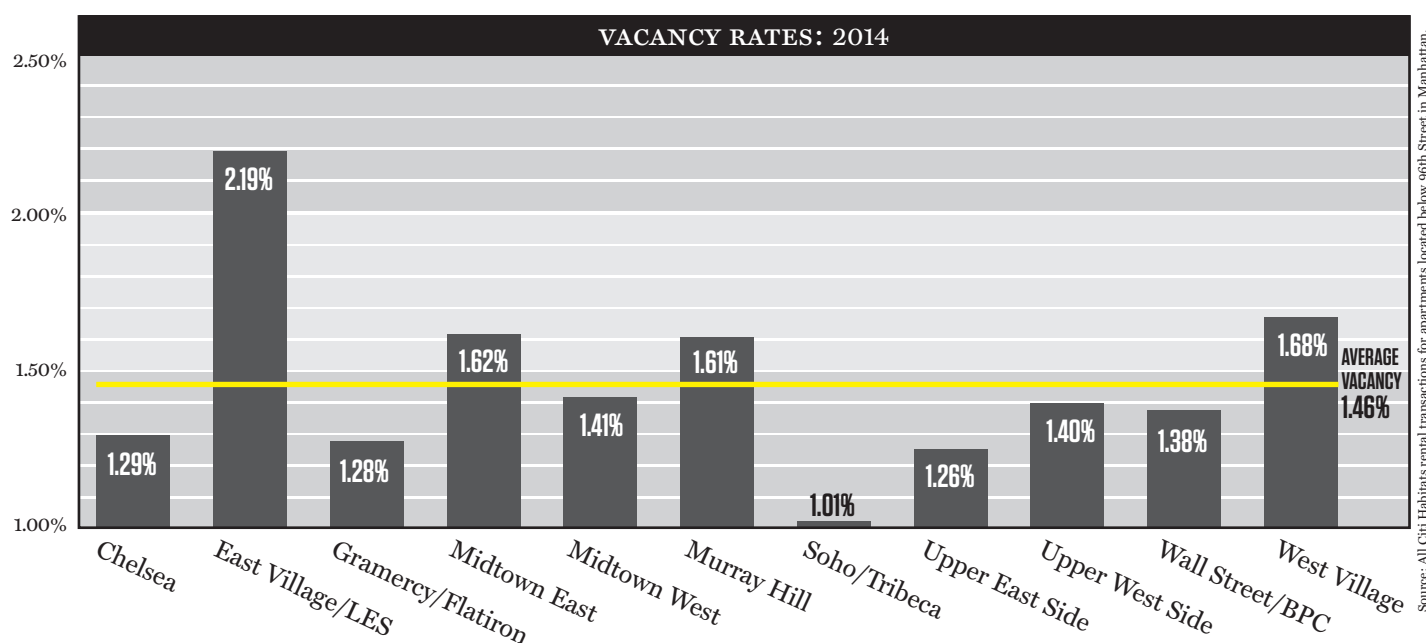
The least expensive neighborhood for studio, one- and two-bedroom homes during 2014 was the Upper East Side, while East Village/Lower East Side had the lowest average rent for three bedroom apartments.

AVERAGE RENTS SUMMARY: 2014				
Location	Studio	1BR	2BR	3BR
Chelsea	\$2,359	\$3,448	\$5,171	\$6,133
East Village/LES	\$2,040	\$2,685	\$3,755	\$4,555
Gramercy/Flatiron	\$2,431	\$3,429	\$5,263	\$6,147
Midtown East	\$2,101	\$2,817	\$3,966	\$4,763
Midtown West	\$2,281	\$3,030	\$4,252	\$5,411
Murray Hill	\$2,165	\$2,921	\$3,924	\$4,835
Soho/Tribeca	\$2,527	\$3,880	\$5,199	\$8,177
Upper East Side	\$1,898	\$2,503	\$3,246	\$5,544
Upper West Side	\$1,991	\$2,720	\$4,024	\$5,727
Wall Street/BPC	\$2,518	\$3,516	\$5,023	\$6,499
West Village	\$2,608	\$3,411	\$4,782	\$6,154
Average	\$2,265	\$3,124	\$4,419	\$5,813
% Change vs. 2013	1.8%	1.4%	0.4%	-0.2%

2014 VACANCY RATES

The average vacancy rate for prime Manhattan during 2014 was 1.46%, up slightly from 1.42% in 2013.

A comparison of vacancy rates by neighborhood reveals that SoHo/TriBeCa had the lowest vacancy rate, at 1.01%. In contrast, the East Village/Lower East Side had the highest vacancy rate. In this community, 2.19% of rental units were vacant.



2013 AVERAGE RENTS

For apartments below 96th Street in Manhattan, the average rent for studio apartment reached \$2,226 in 2013. One-bedroom units rented for \$3,082 on average, while the average two-bedroom leased for \$4,402. Finally, the average three-bedroom home rented for \$5,826.

In 2013, SoHo/TriBeCa was the most expensive neighborhood for renters in all apartment categories – from studios to 3-bedrooms.

During the year, the least expensive studio, one- and two-bedroom apartments were found on the Upper East Side. For the three-bedrooms, the East Village/Lower East Side had the least expensive units on average.

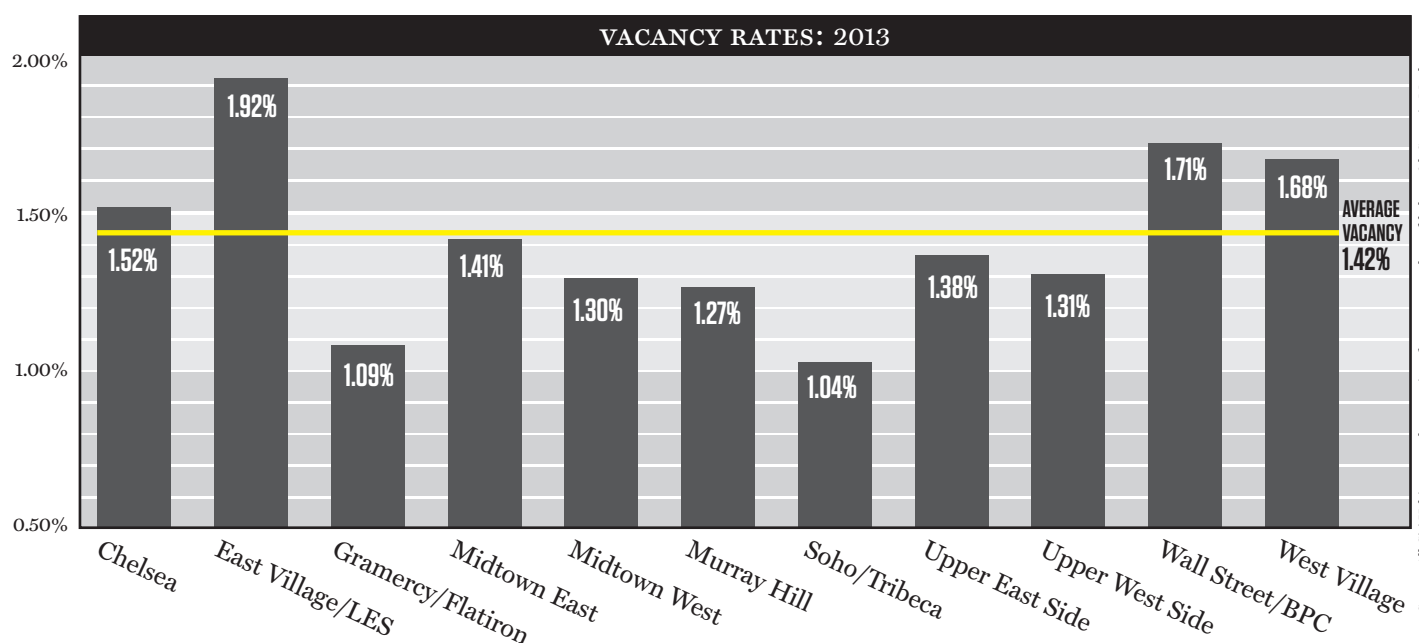
AVERAGE RENTS SUMMARY: 2013

Location	Studio	1BR	2BR	3BR
Chelsea	\$2,480	\$3,255	\$5,119	\$6,185
East Village/LES	\$1,967	\$2,787	\$3,758	\$4,512
Gramercy/Flatiron	\$2,349	\$3,401	\$4,936	\$6,129
Midtown East	\$2,019	\$2,697	\$3,933	\$4,787
Midtown West	\$2,197	\$3,099	\$4,385	\$5,771
Murray Hill	\$2,147	\$2,830	\$3,654	\$4,742
Soho/Tribeca	\$2,515	\$3,870	\$5,782	\$8,235
Upper East Side	\$1,910	\$2,374	\$3,246	\$5,506
Upper West Side	\$1,968	\$2,655	\$4,142	\$6,209
Wall Street/BPC	\$2,462	\$3,427	\$4,768	\$5,781
West Village	\$2,474	\$3,505	\$4,697	\$6,232
Average	\$2,226	\$3,082	\$4,402	\$5,826
% Change vs. 2012	0.9%	-0.1%	0.1%	-0.8%

2013 VACANCY RATES

The average vacancy rate for prime Manhattan during 2013 was 1.42%, up from 2012's rate of 1.20%.

When comparing vacancy rates by neighborhood, we found that SoHo/TriBeCa again had the lowest number of available apartments in 2013, with a vacancy rate of 1.04%. Meanwhile, the East Village/Lower East Side had the highest vacancy rate, at 1.92%.



2012 AVERAGE RENTS

For apartments below 96th Street in Manhattan, the average monthly rental price for a studio apartment in 2012 was \$2,206. For one-bedroom units, the average rent was \$3,084, while \$4,399 was the average for two-bedrooms. Finally, three-bedroom homes rented for \$5,871 on average.

Chelsea had the most expensive average rent for studio apartments during 2012. For one, two and three bedroom homes, SoHo/TriBeCa was the most expensive area on average.

The Upper East Side was the least expensive neighborhood for studio, one and two bedroom apartments, while three bedroom units in the East Village/Lower East Side were the least expensive on average.

AVERAGE RENTS SUMMARY: 2012				
Location	Studio	1BR	2BR	3BR
Chelsea	\$2,477	\$3,413	\$5,055	\$6,156
East Village/LES	\$2,015	\$2,738	\$3,477	\$4,533
Gramercy/Flatiron	\$2,351	\$3,332	\$4,800	\$5,875
Midtown East	\$2,043	\$2,674	\$3,880	\$5,024
Midtown West	\$2,238	\$3,299	\$4,668	\$5,481
Murray Hill	\$2,102	\$2,900	\$3,606	\$4,796
Soho/Tribeca	\$2,448	\$3,783	\$6,149	\$8,657
Upper East Side	\$1,882	\$2,424	\$3,368	\$5,751
Upper West Side	\$1,943	\$2,606	\$3,932	\$6,282
Wall Street/BPC	\$2,347	\$3,331	\$4,743	\$5,610
West Village	\$2,421	\$3,429	\$4,709	\$6,417
Average	\$2,206	\$3,084	\$4,399	\$5,871
% Change vs. 2011	4.1%	5.3%	5.8%	3.9%

2012 VACANCY RATES

The average vacancy rate for prime Manhattan in 2012 was 1.20%. There was more available inventory on the market than during 2011, when the rate was 0.96%.

A comparison of vacancy rates for 2012 by neighborhood reveals that SoHo/TriBeCa had the least amount of available apartments with a rate of 0.74%, while the Upper West Side, at 1.46%, had the most available units.



2011 AVERAGE RENTS

For apartments below 96th Street in Manhattan, the average monthly rental price for a studio apartment in 2011 was \$2,120, an increase of 7.8% over the previous year. For one bedroom apartments, the average rent was \$2,930, an increase of 7.3% from 2010. For two bedroom units, the average was \$4,158, up 8.5% from 2010; and for three bedrooms, the average was \$5,651, up 9.1% from the year prior.

As was the case in 2012, Chelsea was the most expensive neighborhood for studio apartments during 2011. For one, two and three bedroom homes, SoHo/TriBeCa was also the most expensive area on average.

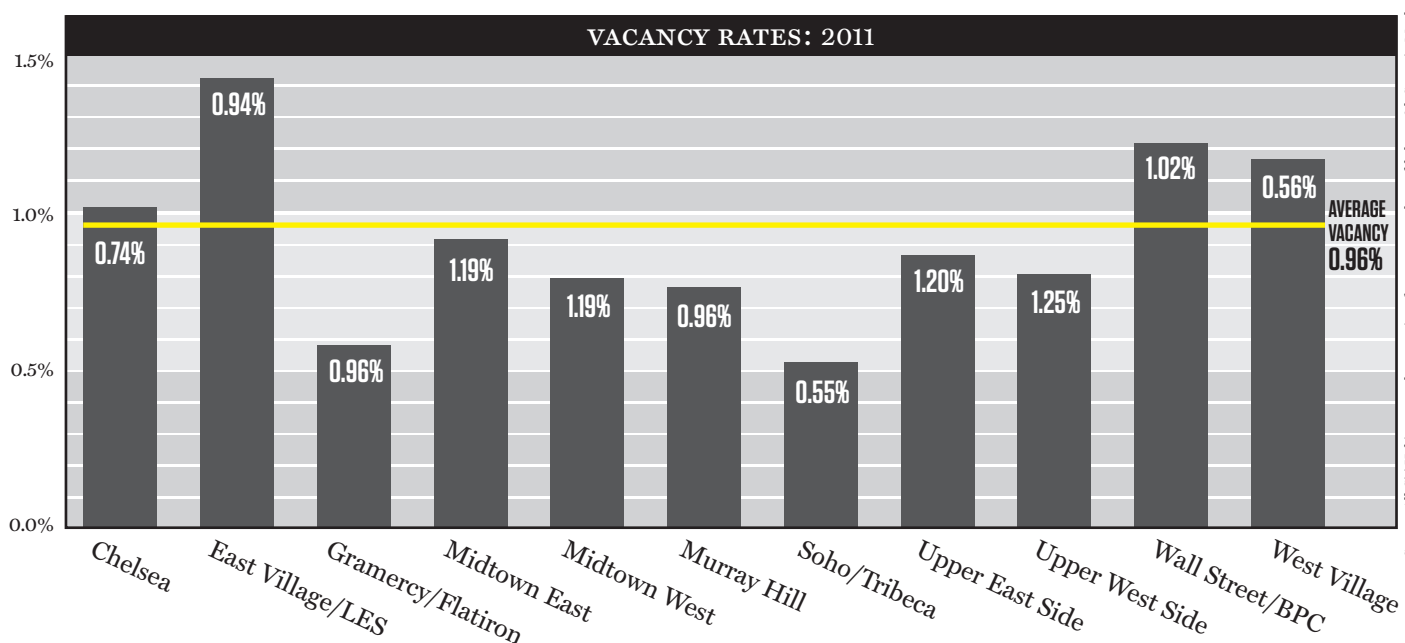
For studio and one bedroom apartments, the Upper East Side was the least expensive neighborhood on average. For two and three bedroom homes, the lowest average rents could be found in the East Village/Lower East Side.

AVERAGE RENTS SUMMARY: 2011				
Location	Studio	1BR	2BR	3BR
Chelsea	\$2,332	\$3,258	\$4,862	\$6,088
East Village/LES	\$1,962	\$2,508	\$3,264	\$4,372
Gramercy/Flatiron	\$2,269	\$3,218	\$4,382	\$5,669
Midtown East	\$2,014	\$2,540	\$3,624	\$4,796
Midtown West	\$2,230	\$2,955	\$4,107	\$5,125
Murray Hill	\$1,988	\$2,843	\$3,498	\$4,442
Soho/Tribeca	\$2,326	\$3,480	\$5,676	\$8,489
Upper East Side	\$1,765	\$2,300	\$3,389	\$5,752
Upper West Side	\$1,908	\$2,593	\$3,770	\$5,970
Wall Street/BPC	\$2,230	\$3,255	\$4,575	\$5,341
West Village	\$2,292	\$3,278	\$4,591	\$6,115
Average	\$2,120	\$2,930	\$4,158	\$5,651
% Change vs. 2010	7.8%	7.3%	8.5%	9.1%

2011 VACANCY RATES

The average vacancy rate for prime Manhattan in 2011 was 0.96%. There was less available inventory on the market than during 2010, when the rate was 1.16%.

A comparison of vacancy rates for 2012 by neighborhood reveals that SoHo/TriBeCa had the least amount of available apartments at 0.55%, while the Upper West Side, at 1.25%, had the most available units.



2010 AVERAGE RENTS

For apartments below 96th Street in Manhattan, the average monthly rental price for a studio apartment in 2010 was \$1,967. For one bedroom apartments, the average rent was \$2,730; for two bedrooms, \$3,832; and for three bedrooms, \$5,178.

SoHo/TriBeCa had the highest apartment rents across all bedroom categories, from studios to three bedrooms during 2010.

In contrast, the Upper East Side offered the least expensive average rents for studio, one and two bedroom apartments; while on average, the least expensive three bedroom homes could be found in the East Village/Lower East Side.

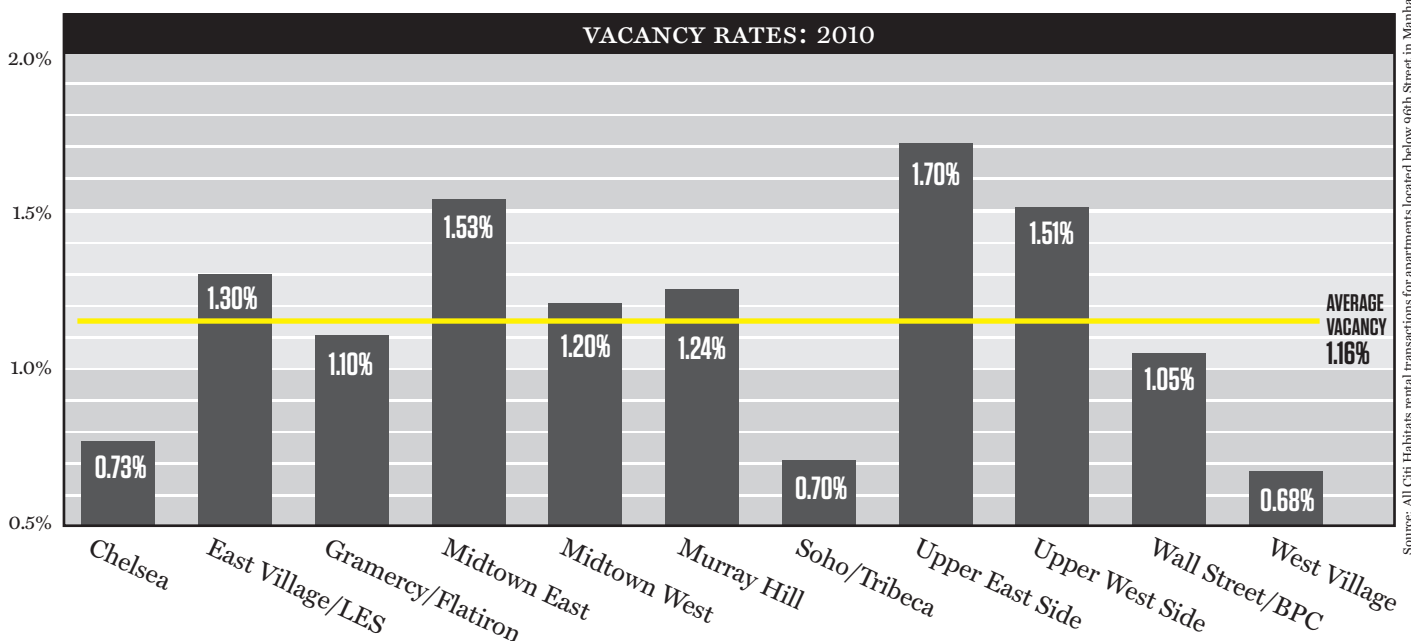
AVERAGE RENTS SUMMARY: 2010

Location	Studio	1BR	2BR	3BR
Chelsea	\$2,133	\$3,175	\$4,494	\$5,393
East Village/LES	\$1,865	\$2,263	\$3,208	\$4,304
Gramercy/Flatiron	\$2,149	\$3,114	\$3,913	\$4,955
Midtown East	\$1,777	\$2,460	\$3,540	\$4,694
Midtown West	\$1,971	\$2,570	\$3,699	\$4,604
Murray Hill	\$1,921	\$2,451	\$3,330	\$4,367
Soho/Tribeca	\$2,204	\$3,340	\$5,203	\$7,204
Upper East Side	\$1,655	\$2,249	\$3,134	\$5,225
Upper West Side	\$1,764	\$2,472	\$3,474	\$5,568
Wall Street/BPC	\$2,043	\$2,799	\$3,893	\$4,842
West Village	\$2,158	\$3,132	\$4,259	\$5,537
Average	\$1,967	\$2,730	\$3,832	\$5,178
% Change vs. 2009	2.9%	3.3%	0.2%	-0.7%

2010 VACANCY RATES

The average vacancy rate for prime Manhattan in 2010 was 1.16%. There was less available inventory on the market than during 2009, when the rate was 1.93%.

A comparison of vacancy rates for 2010 by neighborhood reveals that the West Village had the lowest amount of available apartments with a rate of 0.68%, while the Upper East Side, at 1.70%, ranked highest.



2009 AVERAGE RENTS

For apartments below 96th Street in Manhattan, the average monthly rental price for a studio apartment in 2009 was \$1,912. For one-bedroom apartments, the average rent was \$2,644; for two-bedrooms, \$3,826; and for three-bedrooms, \$5,215.

SoHo/TriBeCa was the most expensive neighborhood for rentals across all apartment sizes (from studios to three bedrooms) during 2009.

As was the case in 2010, the Upper East Side offered the least expensive average rents for studio, one- and two-bedroom apartments; while on average, the least expensive three-bedroom homes could be found in the East Village/Lower East Side.

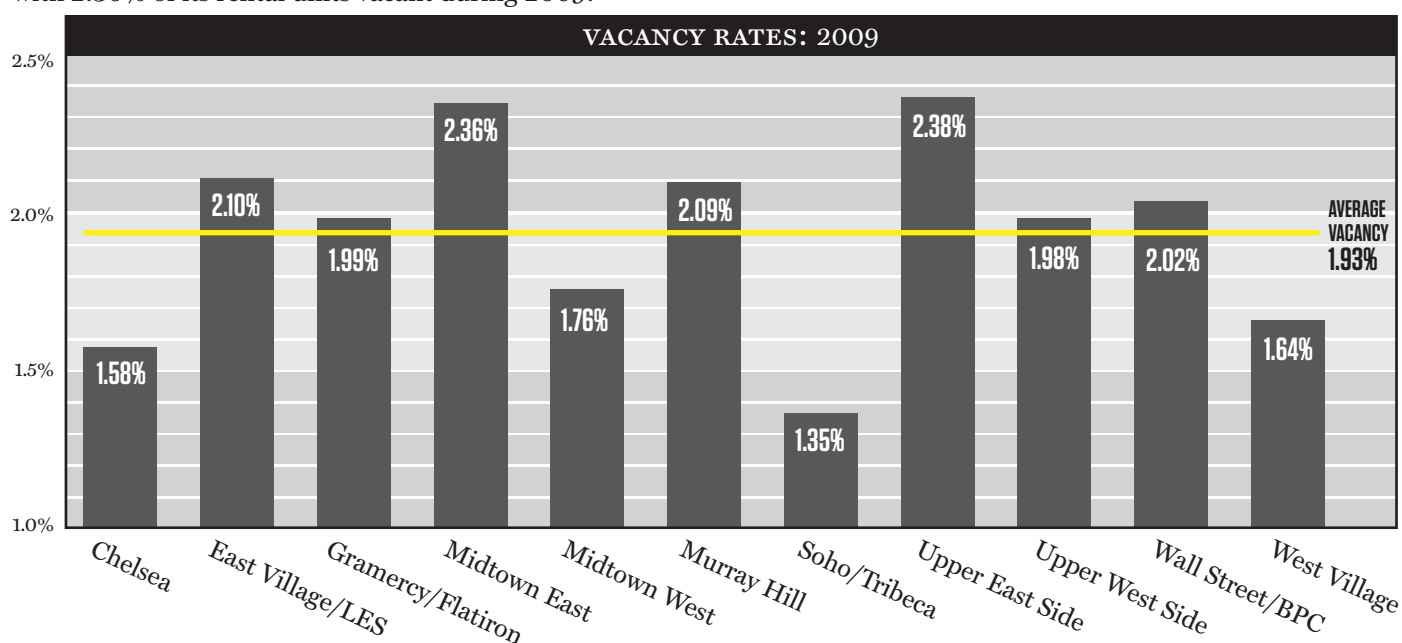
AVERAGE RENTS SUMMARY: 2009

Location	Studio	1BR	2BR	3BR
Chelsea	\$2,058	\$2,959	\$4,369	\$5,463
East Village/LES	\$1,824	\$2,372	\$3,286	\$4,281
Gramercy/Flatiron	\$1,994	\$2,965	\$4,124	\$5,132
Midtown East	\$1,805	\$2,399	\$3,819	\$5,210
Midtown West	\$1,866	\$2,457	\$3,574	\$4,664
Murray Hill	\$1,835	\$2,408	\$3,255	\$4,364
Soho/Tribeca	\$2,181	\$3,230	\$5,086	\$7,097
Upper East Side	\$1,608	\$2,167	\$3,070	\$5,164
Upper West Side	\$1,760	\$2,366	\$3,497	\$5,475
Wall Street/BPC	\$2,069	\$2,819	\$4,001	\$5,081
West Village	\$2,037	\$2,945	\$4,009	\$5,431
Average	\$1,912	\$2,644	\$3,826	\$5,215
% Change vs. 2008	-8.1%	-8.7%	-7.8%	-6.7%

2009 VACANCY RATES

The average vacancy rate for prime Manhattan in 2009 was 1.93%. There was more available inventory on the market than during 2008, when the rate was 1.42%.

A comparison of vacancy rates for 2009 by neighborhood reveals that SoHo/TriBeCa had the least amount of available apartments with a rate of 1.35%, while the Upper East Side, at 2.38%, ranked highest. Midtown East was a close second, with 2.36% of its rental units vacant during 2009.



2008 AVERAGE RENTS

For apartments below 96th Street in Manhattan, the average monthly rental price for a studio apartment in 2008 was \$2,080. For one-bedroom apartments, the average rent was \$2,895; for two-bedrooms, \$4,151; and for three-bedrooms, \$5,589.

At \$2,285 the Financial District/Battery Park City had the most expensive average rent for studio apartments during 2008. For one-, two- and three-bedroom homes, SoHo/TriBeCa was the most expensive area on average.

The Upper East Side offered the least expensive studio and one-bedroom apartments on average during 2008. For two- and three-bedroom homes, the best deals could be found in the East Village/Lower East Side.

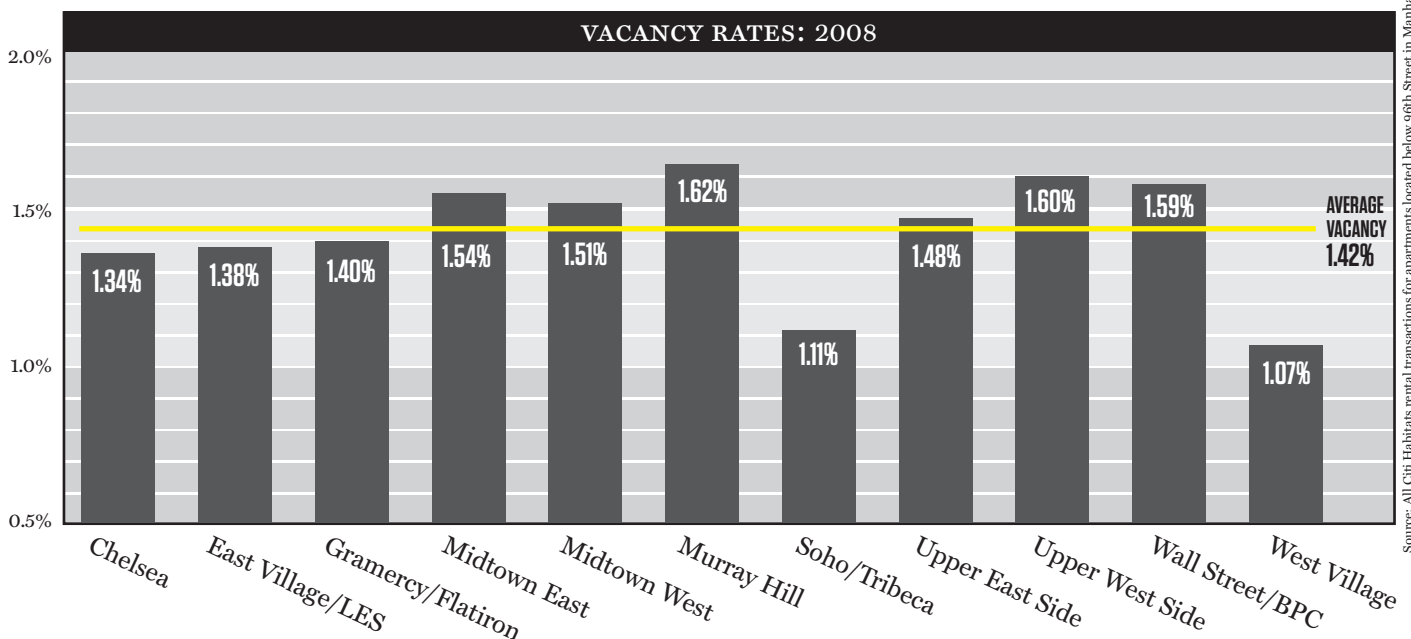
AVERAGE RENTS SUMMARY: 2008

Location	Studio	1BR	2BR	3BR
Chelsea	\$2,142	\$3,091	\$4,417	\$5,231
East Village/LES	\$2,017	\$2,664	\$3,424	\$4,531
Gramercy/Flatiron	\$2,195	\$2,950	\$4,544	\$5,501
Midtown East	\$1,993	\$2,765	\$4,231	\$5,585
Midtown West	\$2,055	\$2,689	\$4,021	\$4,976
Murray Hill	\$2,010	\$2,780	\$3,870	\$4,902
Soho/Tribeca	\$2,269	\$3,588	\$5,321	\$7,497
Upper East Side	\$1,828	\$2,397	\$3,452	\$5,627
Upper West Side	\$1,915	\$2,600	\$3,946	\$6,142
Wall Street/BPC	\$2,285	\$3,104	\$4,260	\$5,609
West Village	\$2,172	\$3,218	\$4,174	\$5,878
Average	\$2,080	\$2,895	\$4,151	\$5,589
% Change vs. 2007	-2.3%	0.9%	-2.8%	-0.7%

2008 VACANCY RATES

The average vacancy rate for prime Manhattan in 2008 was 1.42%.

A comparison of vacancy rates for 2008, by neighborhood, reveals that the West Village had the least amount of available apartments with a rate of 1.07%, while Murray Hill, at 1.62%, ranked highest.



2007 AVERAGE RENTS

In 2007, the average Manhattan studio apartment located below 96th Street rented for \$2,130. For one-bedroom units, the average rent was \$2,871. Meanwhile, the average two- and three-bedroom unit in the area rented for \$4,269 and \$5,626, respectively.

The most expensive area for renters during 2007 for all apartment sizes – from studios to 3-bedrooms – was SoHo/TriBeCa.

The least expensive studio and one-bedroom apartments could be found on the Upper East Side during 2007. For two- and three-bedroom homes, the East Village/Lower East Side was the least expensive neighborhood on average for renters.

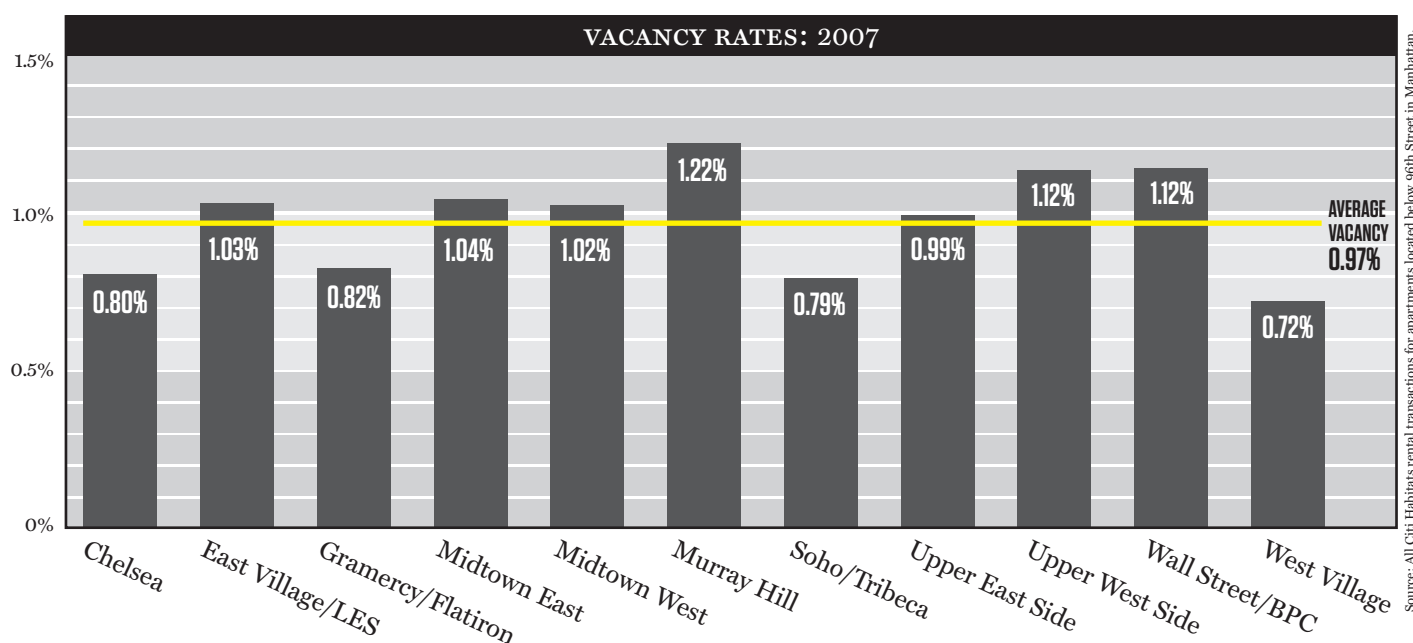
AVERAGE RENTS SUMMARY: 2007

Location	Studio	1BR	2BR	3BR
Chelsea	\$2,189	\$2,986	\$4,398	\$5,555
East Village/LES	\$1,973	\$2,650	\$3,523	\$4,400
Gramercy/Flatiron	\$2,234	\$3,049	\$4,348	\$5,512
Midtown East	\$2,105	\$2,804	\$4,625	\$6,285
Midtown West	\$2,081	\$2,738	\$3,961	\$4,876
Murray Hill	\$2,079	\$2,814	\$4,281	\$5,166
Soho/Tribeca	\$2,448	\$3,475	\$5,563	\$7,074
Upper East Side	\$1,854	\$2,427	\$3,703	\$5,651
Upper West Side	\$1,991	\$2,641	\$3,998	\$6,099
Wall Street/BPC	\$2,258	\$2,877	\$4,040	\$5,077
West Village	\$2,217	\$3,117	\$4,521	\$6,197
Average	\$2,130	\$2,871	\$4,269	\$5,626

2007 VACANCY RATES

The average vacancy rate for prime Manhattan during 2007 was 0.97%, second only to 2011 as the lowest annual vacancy rate during the 10-year period studied.

A comparison of vacancy rates by neighborhood reveals that with a rate of 0.72%, the West Village was had the least amount of available inventory during the year. In contrast, Murray Hill had the highest vacancy rate during 2007, at 1.22%.



CITI HABITATS 2017 AGENT SURVEY

The Most Requested
Neighborhoods by Rental Clients

MANHATTAN

1. WEST VILLAGE
2. EAST VILLAGE/LES
3. CHELSEA
4. UPPER WEST SIDE
5. SOHO

BROOKLYN

1. WILLIAMSBURG
2. BUSHWICK
3. GREENPOINT
4. FT. GREENE
5. PARK SLOPE

Neighborhoods That Offer the
Best Value for Tenants

MANHATTAN

1. UPPER EAST SIDE
2. HARLEM (WEST)
3. WASHINGTON HEIGHTS
4. INWOOD
5. UPPER WEST SIDE/
MORNINGSIDE HEIGHTS

BROOKLYN

1. BED-STUY
2. BUSHWICK
3. CROWN HEIGHTS
4. CLINTON HILL
5. PROSPECT HEIGHTS

Most Common
Fall-Back Neighborhoods

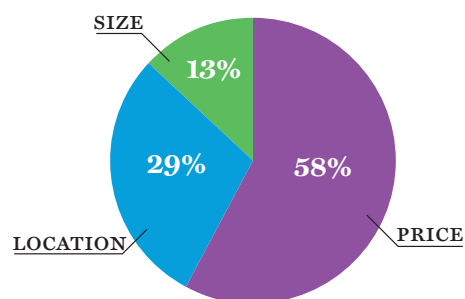
MANHATTAN

1. UPPER EAST SIDE
2. WASHINGTON HEIGHTS
3. HARLEM (WEST)
4. UPPER WEST SIDE
5. EAST HARLEM

BROOKLYN

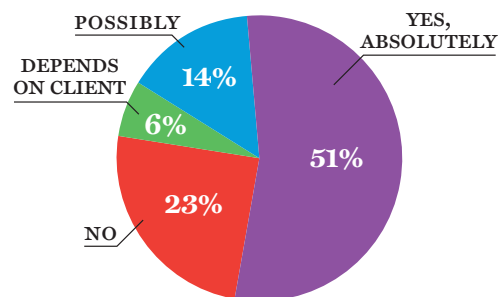
1. BUSHWICK
2. BED-STUY
3. CROWN HEIGHTS
4. CLINTON HILL
5. GOWANUS

**Most Important Aspect
of a Home for Renters:**



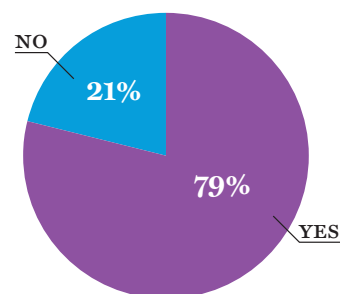
Question to Agents:

If possible, would your clients prefer a longer lease term (over 24 months) with a locked-in rent?



Question to Agents:

If tenant could pay the "net effective rent" (ie. have any free months of rent concession spread over the lease), rather than receive free month(s) of rent up front, would they?



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