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CHECK-IN: IS THE FINANCIAL DISTRICT STILL AN "AFFORDABLE" DOWNTOWN ALTERNATIVE?

by Lucy Cohen Blatter | 4/21/15 - 8:59 AM



FiDi is seeing a lot of new development.

The Financial District has gotten a lot of lip service in the past few years, both for its transformation into a (relatively) residential 'hood *and* its status as a (relatively) affordable downtown alternative to nearby Battery Park City and Tribeca. As we head into real estate's most frenzied time of year, we thought we'd check in to see what's going on at Manhattan's southernmost tip: Is there decent nightlife? Anywhere good to buy groceries? And is any of it a good investment if we get hit with another Sandy?

According to [Daniel Hedaya](#), president of [Platinum Properties](#), a brokerage that's been based in Wall Street for 10 years, the neighborhood's real estate market, especially properties for sale, has seen the biggest changes. Last year, the median sales price for the area exceeded \$1 million for the first time. Per the firm's [FiDi-specific first quarter 2015 market report](#) (a compilation of city data their own proprietary data, and information from New York's equivalent of a multiple-listing service), the median price of \$1.12 million is a nearly 15 percent jump over the same time last year.

Sales activity did drop significantly — by about 35 percent — between the first quarter of 2015 to the same time in 2014, which Hedaya attributes partly to the fact that the neighborhood is waiting on several high-end condo buildings to open up. (Rents, on the other hand, didn't change drastically.)

That said, the area is getting more attention from would-be residents, thanks to construction of the non-residential kind, including One World Trade Center and the Fulton Street Transportation. In fact, says Hedaya, "population [here] has almost doubled as compared to 10 years ago." And more may be on their way.

"Traditionally, FiDi has been considered less expensive than other downtown neighborhoods, but it's on the way up as the area gets built up and feels much less isolated," says [Barry Silverman of Halstead](#). He notes that it can still be quiet at night, but that's shifting. "Every week there's something new opening," he says.

PRICES

"My guess is that prices will continue on an upward trajectory," says Silverman, "but if you're finding yourself priced out of other neighborhoods, it's still worth taking a look." According to [Platinum Properties](#), the median sales price for the first quarter of 2015 is \$1,120,075. While that's higher than the borough-wide median of \$970,000 (per [Douglas Elliman](#)), it's still a steal compared to Tribeca — where [the median sales price is \\$6.24 million according to StreetEasy](#) — and a slight discount compared to Battery Park City, where [the median price is \\$1.49 million](#). The average price-per-square-foot is \$1,271 ([on par with the rest of Manhattan](#)). The median rent — at \$3,536 — is slightly higher than the median [\\$3,395 across Manhattan](#).

"When new developments start closing, it'll be interesting to see how much that activity picks the prices up. We're predicting \$2,000 per square foot and up in these new buildings. It's certainly going to be record-breaking," says Hedaya.

APARTMENT STOCK

Most rentals in the neighborhood are in large, luxury, doorman buildings, with few walkups, says Hedaya, who adds that one-bedrooms tend to be highest in demand.

In terms of sales, almost all buildings are condos, and the majority are tall luxury projects.



NEW DEVELOPMENTS

Among the high-end condos that will change the neighborhood are:

- [30 Park Place](#) - A Four Seasons hotel-and-private-residences hybrid on the border of Tribeca and the Financial District. Prices: \$2.925 million-\$29.5 million. Scheduled for completion early next year.
- [5 Beekman/The Beekman Residences](#) - A tower that adjoins the Beekman Hotel (Restaurants from Tom Colicchio and Keith McNally are opening there this fall). Prices: \$1.27 million-\$15.25 million. Move-ins slated for early 2016.
- [50 West Street](#) - A long-delayed 64-story glass-walled tower on the West Side Highway. Prices: \$1.39 million-\$22.65 million. Move-ins slated for fall 2016.
- [The Woolworth Tower](#) - The iconic landmark building on the cusp of Tribeca and FiDi where some units are being repositioned as condos; word is they are expected to [break pricing records](#)). Constructed is slated to be finished in 2017.
- [125 Greenwich](#) - The tower is expected to be downtown's largest residential building; it should open in 2017.

TRANSPORTATION AND AREA ATTRACTIONS

No question: The area's transportation options are superb. The [recently reopened Fulton Center transit hub](#) offers access to the 2,3,4, 5, A,C,J, N,R and Z trains. "When it comes

to traveling back from, say, the theater district, or anywhere more centrally located in Manhattan, it's pretty easy," points out Silverman.

Shopping choices are expanding, too. [Westfield World Trade Center](#) is slated for the Fulton Center spot sometime this year; [Brookfield Place](#), an upscale mall, opened several weeks ago at 200 Vesey Street and [a three-story Zara is set to open in the neighborhood](#) this year. And there are [rumors that an Apple store will set up shop at the Santiago Calatrava-designed World Trade Center Transportation Hub](#). (On the dining scene, [Nobu has announced plans](#) to relocate there in 2017.)

While there are supermarkets, none of the big three big NYC stores — Fairway, Trader Joe's and Whole Foods — are there just yet. But with all the new development, they couldn't be too far off as the neighborhood continues to grow, and not just for young, single professionals either. Hedaya notes more families moving in, a trend that should continue as the high-end condos open. A new [elementary school recently opened at Peck Slip](#).

POST-SANDY CHANGES

The Financial District suffered a lot of damage during Sandy and the area's structures were evacuated. As a result, "a lot of residential buildings have put in additional safeguards. The most common is raising the location of the building's mechanicals. Hurricane Sandy had a major impact, but from a lot of people's perspectives, it's not stopping them from coming down here," says Hedaya.

Of course, this isn't the first time in history the neighborhood has bounced back from disaster. The Financial District was hit particularly hard during the [Great Fire of 1835](#), which wiped out much of the area's residential housing and helped turn the area into a major business district. (If you want to go down a history rabbit hole, [the Bowery Boys have an excellent podcast about it here](#).)