

THE **FIDI** REPORT

A SURVEY OF
APARTMENT TRENDS
IN NEW YORK'S
FINANCIAL DISTRICT

2015 YEAR-END REPORT



2015 SUMMARY AND 2016 PREDICTIONS

2015 marked yet another incredible year of sales for the Financial District. The area is now one of the most highly developed neighborhoods in the city with over 15 buildings in some stage of the development process. With this dramatic amount of new inventory coming on the market the number of units being closed decreased by over 25% year over year, while all other metrics measuring market healthy remained positive. The average price increased 6.6% to the highest level in history at \$1,175,706 while the average discount to asking declined over 45% to just under 2% off of asking price. The new development market also saw a tremendous amount of activity at record prices. Between 50 West Street, 30 Park Place, 5 Beekman, 101 Wall Street, and 100 Barclay Street, there are over 300 units in contract at an average blended price in excess of \$2500/SF, almost double what the current closing price

per square foot was in 2015. With closings on the horizons at some of these new developments, expect the pricing metrics to jump drastically upwards closer to \$2,000 per square foot.

2016 should be another strong year for sales in the Financial District. With interest rates starting to rise, there should be a number of buyers looking to capitalize on still historically low interest rates before they continue to rise more. Also, with the uncertainty in many global economies, there should continue to be a steady flow of foreign capital providing the market with cash buyers looking for pied-à-terre and investment properties. While the price and price-per-square-foot reaches record highs for the neighborhood, the new development market pricing is still relatively low compared to other buildings rising in neighborhoods to the North.

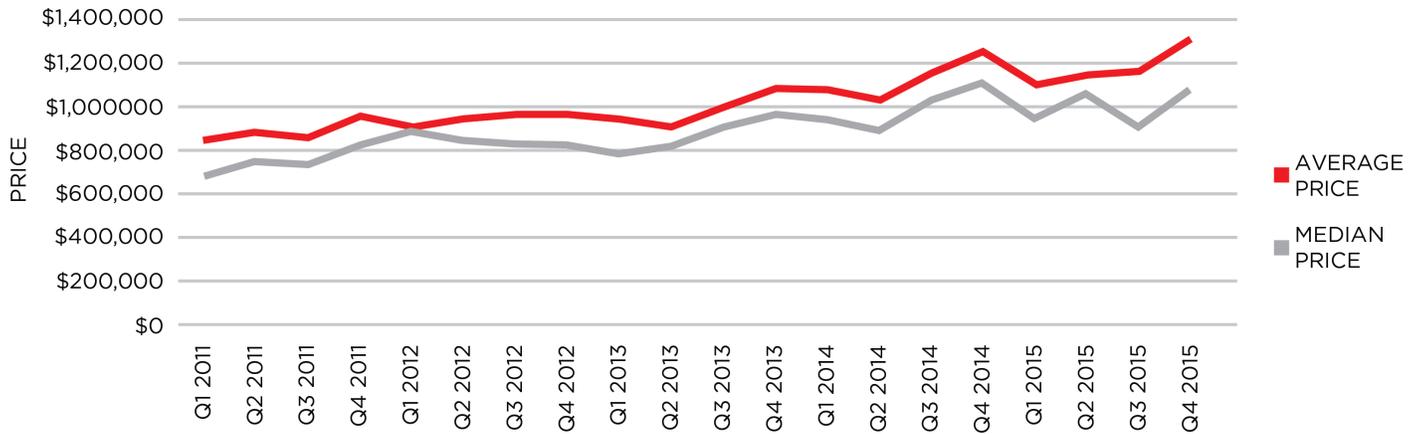
- Average price increased 6.6% from last year to \$1,175,706 - a record for the neighborhood
- Average listing discount fell over 45% to 1.95% from asking price
- Overall sales volume decreased 26.65% to 366 units sold

MARKET OVERVIEW: AVERAGES & MEDIANS 2011-15

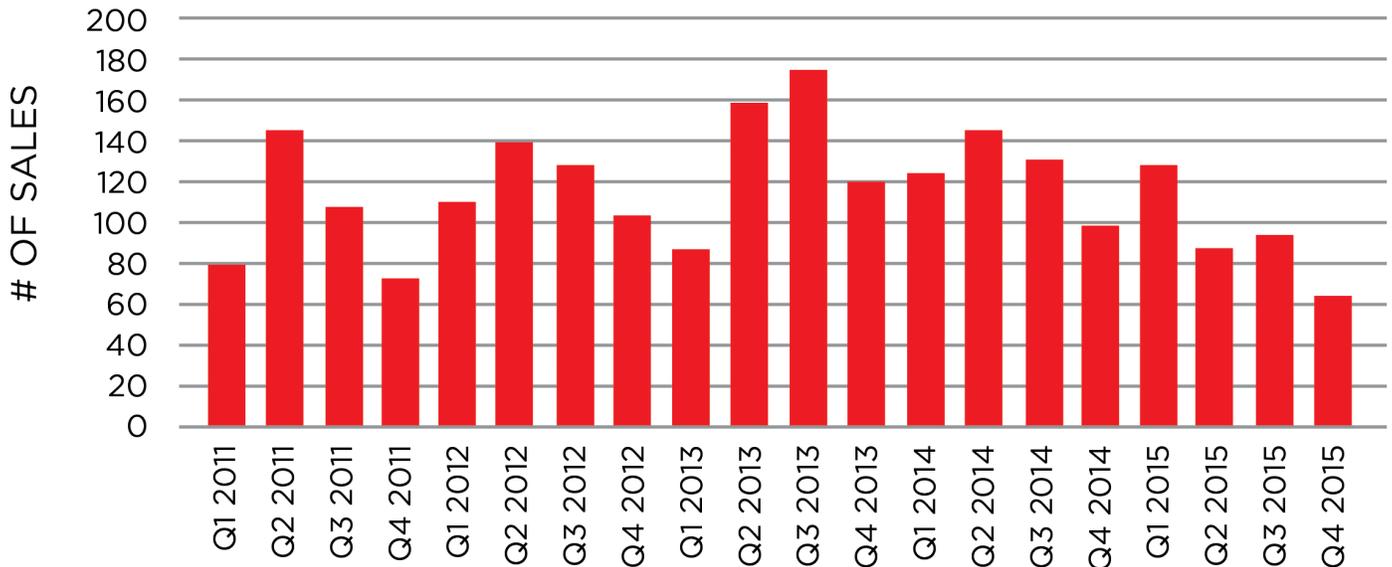
	2011	2012	%	2013	%	2014	%	2015	%
Average Price	\$890,231	\$943,203	6.12%	\$989,297	4.89%	\$1,102,894	11.48%	\$1,175,706	6.60%
Average PPSF	\$940	\$1,015	8.40%	\$1,079	5.78%	\$1,192	11.03%	\$1,257	5.45%
Average Discount	10.50%	7.63%	-27.68%	5.23%	-31.45%	3.56%	-31.93%	1.95%	-45.37%
Median Price	\$751,207	\$839,645	11.77%	\$880,000	4.81%	\$989,400	12.43%	\$1,021,875	3.28%
Median PPSF	\$872	\$944	8.49%	\$1,014	6.77%	\$1,131	12.28%	\$1,213	7.25%
Units Sold	410	481	17.32%	541	12.47%	499	-7.76%	366	-26.65%

SALES MARKET

QUARTERLY APARTMENT SALE PRICE

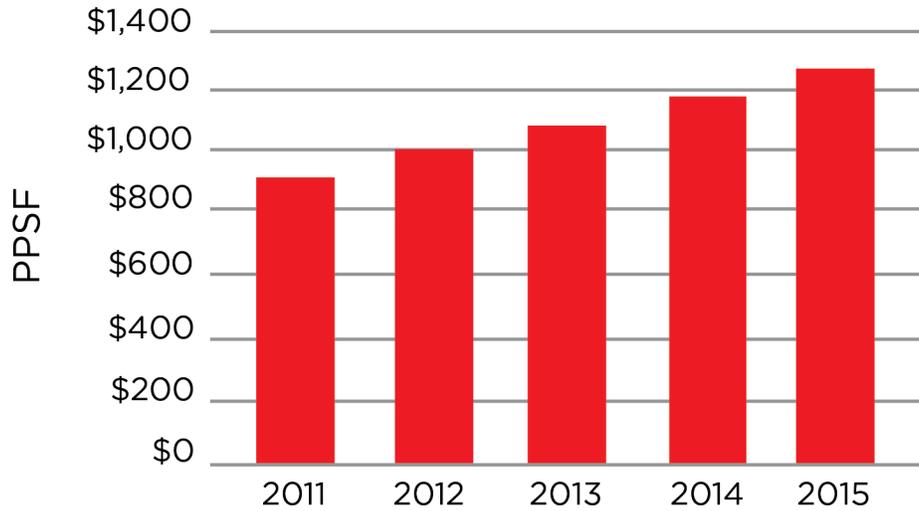


SALES VOLUME

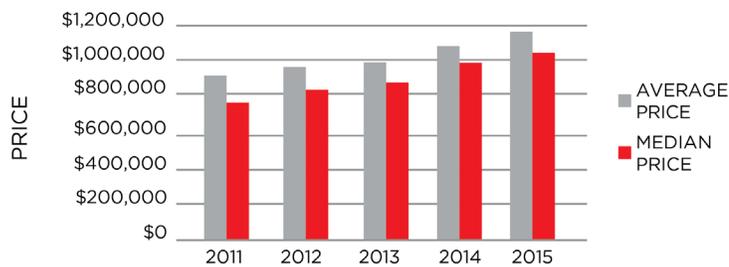


SALES MARKET

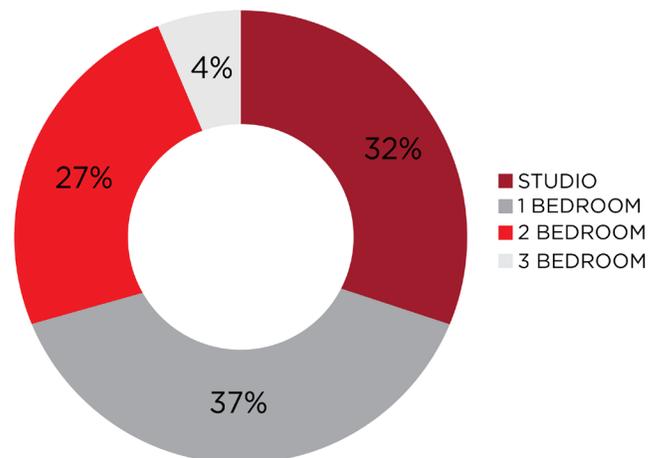
AVERAGE PRICE PER SQUARE FOOT



AVERAGE SALES PRICE



2015 UNIT SIZE



2015 SUMMARY AND 2016 PREDICTIONS

Little change occurred in 2015 with regards to pricing in the Financial District with the average rent continuing to rise up to \$3,878 which represents the highest in history on an annual basis. With the lack of new supply coming to the market, both the available inventory as well as rental volume declined 3.8% and 9.79% respectively. With the increase in land prices across the city, new rental developments were not in the sights of developers. Additionally, the launch of the much anticipated 70 Pine Street rentals was delayed from the initial forecast of Summer 2015 and recently opened in December. Interestingly enough, with rental volume decreasing across the board, one-bedrooms saw an increase in units rented of almost 2% compared to the previous year while all other unit sizes saw double digit declines.

With more product coming to the market in 2016 between 70 Pine Street as well as the potential for Metroloft Managements new rental conversion at 180 Water Street, the market should loosen up a bit with rental product increasing and inventory rising. We expect to see concessions return as the inventory becomes more flush. While the laws of economics should indicated a pricing decline with the rise of inventory, the pricing of the new inventory is on the aggressive end of the spectrum with 70 Pine Street starting pricing at \$3100 for a studio. However, that price hike comes with an incredible amenity package including a new rooftop restaurant from the owners of The Spotted Pig, Ken Friedman and April Bloomfield.

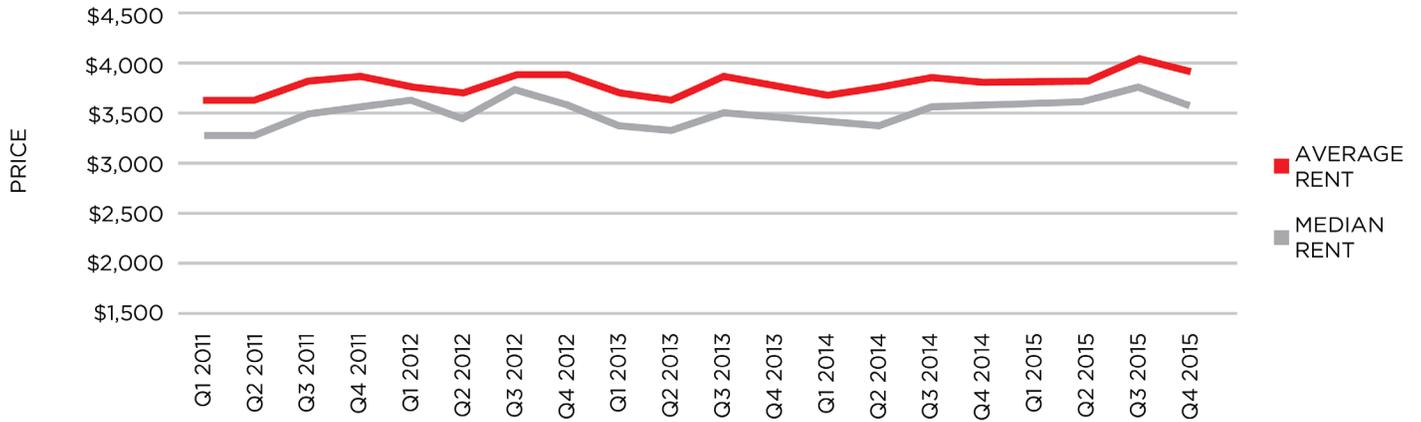
- Average rent increased 3.11% from last year to \$3,878
- Total inventory declined 3.8% from last year to 5017 units
- The number of units rented declined almost 10% to 2985 from the previous year

MARKET OVERVIEW: AVERAGES & MEDIANS 2011-15

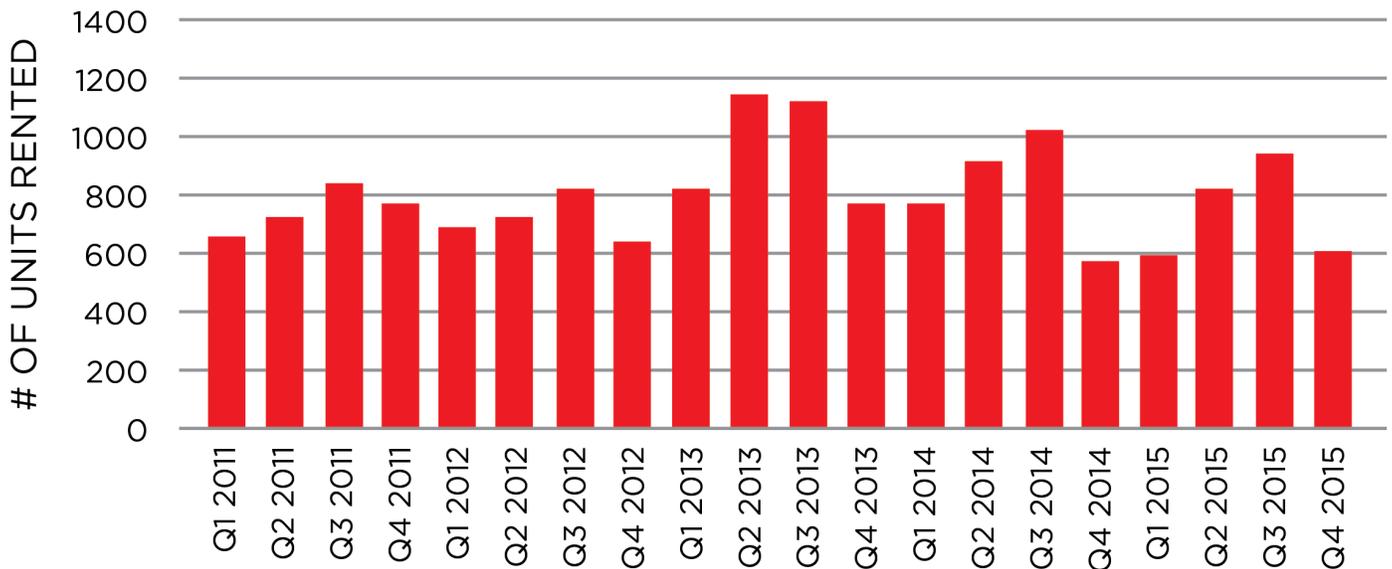
	2011	2012	%	2013	%	2014	%	2015	%
Average Rent	\$3,703	\$3,824	3.29%	\$3,728	-2.53%	\$3,761	0.90%	\$3,878	3.11%
Average RPSF	\$49	\$50	3.08%	\$51	1.99%	\$54	5.37%	\$54	-0.93%
Price Drops	401	432	7.93%	626	44.77%	619	-1.08%	862	39.26%
Median Rent	\$3,435	\$3,568	3.89%	\$3,408	-4.50%	\$3,476	2.00%	\$3,604	3.68%
Total Inventory	4,709	4,775	1.40%	6,079	27.31%	5,215	-14.21%	5,017	-3.80%
Units Rented	2,997	2,843	-5.14%	3,912	37.60%	3,309	-15.41%	2,985	-9.79%

RENTAL MARKET

QUARTERLY APARTMENT RENTAL PRICE

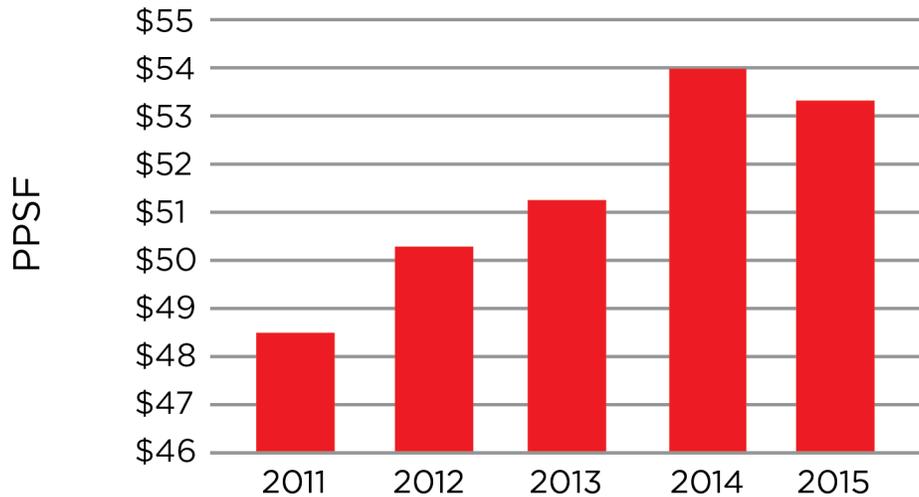


RENTAL VOLUME

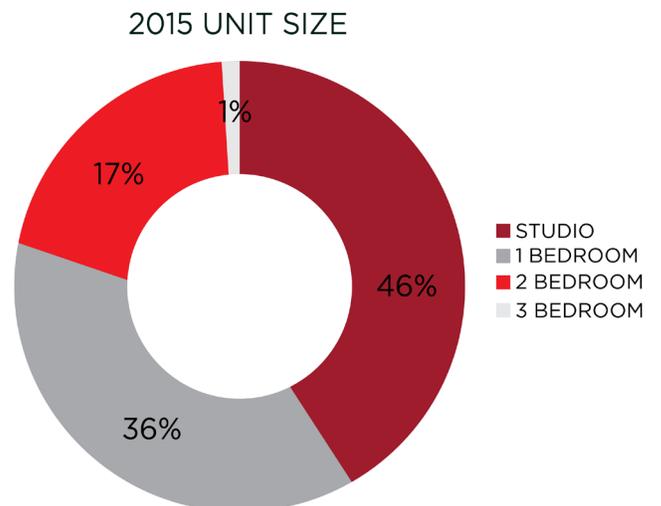
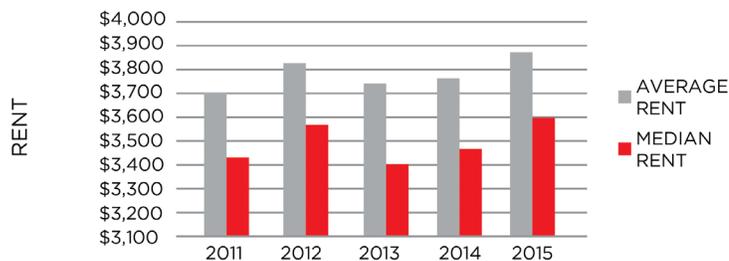


RENTAL MARKET

AVERAGE RENT PER SQUARE FOOT



AVERAGE RENTAL PRICE



The FIDi Report, which is prepared by Platinum Properties' President, Daniel Hedaya, focuses on real estate activities in New York City's Financial District, encompassing the area bounded by the West Side Highway, the FDR Drive, Chambers Street and Battery Park. All data is based upon a combination of Platinum's internal database, open rental listings, exclusive brokerage listings as well as city records. Sales statistics are for contracts that have closed during stated timeframe and may exclude some data as a result of delays in city recording. Some pricing discrepancies may appear due to the number of bathrooms, balconies or additional amenities. All prices reflect average values.