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FiDi landlords in the driving seat as rents there rise

For the first time in five years there is a dramatic shift in available inventory in Manhattan's Downtown rental market.

According to Wall Street based-brokerage

firm Platinum Properties, their just released inaugural mid-year The FiDi Report reveals that over the first two quarters of 2010, average rental prices

in the Financial District (FiDi) have increased across the board and the vacancy rate has dropped dramatically, cut by more than half of what it was only six months ago.

As the city's only full-scale, area-specific report providing a detailed analysis of luxury apartment rental trends in FiDi, the report reveals that demand remained high for the neighborhood's com-

petitively priced apartments especially in the one-bedroom category, which represented 39% of apartments leased in the neighborhood since January 2010.

The findings in the report also indicate that the year started off strong with most of the remaining apartments on the market absorbed by early spring.

As fewer residences remained on the market, local landlords and management companies began to raise prices and, for the first time since the recession, lower the number of available concessions.

Said Platinum's executive vice president Daniel Hedaya, who prepared the firm's report: "With rents increasing once again and the vacancy rate exceptionally low, this is clearly a market that is seeing the effects of the extended lease terms that were actively marketed in 2009. With minimal new devel-

opment on the horizon, we do not anticipate seeing a significant change of course until later this year in September or August when most of the 18-month to 24-month leases are set to expire."

Luxury one-bedroom apartments averaged \$3,038.22 — a nearly 5% increase from the average price at year's end in 2009. The next largest price increase was in the two-bedroom category which averaged \$4,201.67 or a price change of 3.14%.

Studios with home offices had the least significant price increase with just a .72% difference, or slight jump from \$2,648.90 at the end of 2009 to \$2,667.85.

The vacancy rate in FiDi was reduced by more than half in the first two quarters of 2010, with only 2.17% of available apartments unoccupied, versus 4.98% in December 2009.

