



ALLIANCE FOR DOWNTOWN NEW YORK LOWER MANHATTAN REAL ESTATE YEAR IN REVIEW 2018





ALLIANCE FOR DOWNTOWN NEW YORK

LOWER MANHATTAN REAL ESTATE YEAR IN REVIEW

2018

EXECUTIVE SUMMARY

Lower Manhattan Records Strongest Year For Office Leasing Since 2014

Last year proved to be a banner year for Lower Manhattan, with **over 5.5 million square feet of new commercial leasing activity**. A surge of late activity made the fourth quarter Lower Manhattan's busiest in seven years. Overall, 2018 proved to be the best year for leasing since 2014.

The robust leasing activity helped take several major blocks of space off the market at premier locations such as 28 Liberty and the newly opened 3 World Trade Center. This strong end to the year helped yield the **largest quarterly drop in the vacancy rate since the second quarter of 2014 as the market tightened to 10.8 percent**.

The continuing diversification of Lower Manhattan's tenant base, in both renewals and relocations, is the primary driver of this good news. Lower Manhattan has continued to draw a wide mix of globally recognized industry leaders despite intense competition from new office projects around Manhattan. More tenants relocated to Lower Manhattan than left for the eighth year in a row. Relocations by brand name businesses such as **ESPN, Nike, J. Crew, The London Stock Exchange and McKinsey & Company** cemented Lower Manhattan's reputation as a neighborhood of choice for cutting edge, innovative firms of all stripes.

The World Trade Center is emblematic of this dynamic. Once home largely to Finance, Insurance and Real Estate (FIRE) sector tenants, the World Trade Center is now a hub for New York City's creative economy. Technology, Advertising, Media and Information (TAMI) sector firms have led the way in leasing 43 percent of the 7.8 million square feet currently online at the campus. In fact, according to one report, **One World Trade Center is now home to more TAMI tenants than any other office building in the city**.

5.5 Million Square Feet

*Of new leasing activity in 2018
Highest level of leasing activity since 2014*

Exciting New Venues Make Lower Manhattan An Entertainment Destination

Long gone are the days when Lower Manhattan's workers and residents had little to do when the sun went down. The area is well on the way to becoming an entertainment destination that boasts exciting venues for a range of performing arts. The new **concert venue atop Pier 17 opened this summer**, joining dozens of restaurants and bars opening across the neighborhood. Offering stunning river and skyline views, thousands of visitors and concert-goers were drawn to the Seaport District and Lower Manhattan. This unique year-round venue transitioned in the fall into Winterland featuring an ice skating rink as well as bars and a restaurant. **The Ronald O. Perelman Center for Performing Arts at the World Trade Center** reached important financing and construction milestones, and is now anticipated to open for the 2020-2021 season. New restaurants and bars ranging from the offbeat **Alley Cat Amateur Theatre**, a subterranean cocktail bar at The Beekman Hotel to Danny Meyer's newest restaurant, **Manhatta**, on the 60th Floor of 28 Liberty have continued to enliven Lower Manhattan's already booming eating and drinking scene. Neighborhood favorite **The Dead Rabbit** expanded its space on Water Street, more than doubling its capacity from 100 to 250 customers. 2019 will see the opening of even more restaurant and entertainment destinations in the neighborhood, including restaurants by **Jean-Georges Vongerichten** and **David Chang** as well as Manhattan's first **Alamo Drafthouse** movie theater.

Lower Manhattan's **more than 13 million annual tourists** will have an even wider set of hotel options available to them in 2019. Lower Manhattan welcomed **new and unique hotel brands** to the market, including two concepts that are entirely new to New York City. The neighborhood's inventory is now home to **7,700 rooms**, representing an incredible breadth of options for both the business and leisure traveler. Lower Manhattan hotels run the gamut from budget to five-star with many offering new kinds of amenities to draw guests like coworking, destination cocktail lounges, film screening rooms and more.



ALLIANCE FOR DOWNTOWN NEW YORK

LOWER MANHATTAN REAL ESTATE YEAR IN REVIEW

2018

Residential Growth Continues Lower Manhattan's Transformation Into A 24 Hour Neighborhood

A total of **1,300 new units** came online in six buildings in 2018, pushing Lower Manhattan's **residential population to 62,000**, a 148 percent increase since 2001. Prominent new residential buildings opening in 2018 included a new 62-story tower at 111 Murray Street and a new rental building at 19 Dutch Street. Residential developers continue to breathe new life into older Lower Manhattan office buildings including 20 Broad Street and the Woolworth Building. Over 500 more residential units are anticipated to become available in 2019 with more than 2,300 expected in 2020 and beyond.

Infrastructure Investments Make Lower Manhattan Even Easier To Get To

Lower Manhattan's already unparalleled transportation network got even better last year. In September 2018, the **WTC-Cortlandt 1 Train station reopened** after trains bypassed the stop for 17 years. The station now opens directly into the west side of the World Trade Center Transportation Hub and direct access from 3 World Trade Center to the WTC Hub is expected later this year. The city's enormously popular ferry system, **NYC Ferry**, is now fully operational with **all lines stopping at Lower Manhattan's Pier 11**. With eight million riders on six lines, the system has proven so successful that the City has allocated funds to buy larger boats. In addition, Mayor de Blasio recently announced an expansion of the system that will bring three new routes to Lower Manhattan by 2021.

PIER 17 ROOFTOP PERFORMANCE VENUE OPENS



Photo Courtesy of Howard Hughes Corporation.

COMMERCIAL OFFICE LEASING

Lower Manhattan Finishes Strong With Best Quarter Since Q2 2011

Lower Manhattan completed 2018 with its best quarter of new leasing activity since the second quarter of 2011 with over **2.12 million square feet of new activity**. The fourth quarter's strength helped make **2018 the best year for leasing activity since 2014** with a **year-end total of 5.5 million square feet**. The end of 2018 caps off two strong years of above average leasing activity; 2017's year-end activity was just shy of 5.5 million square feet (5,485,000 square feet).

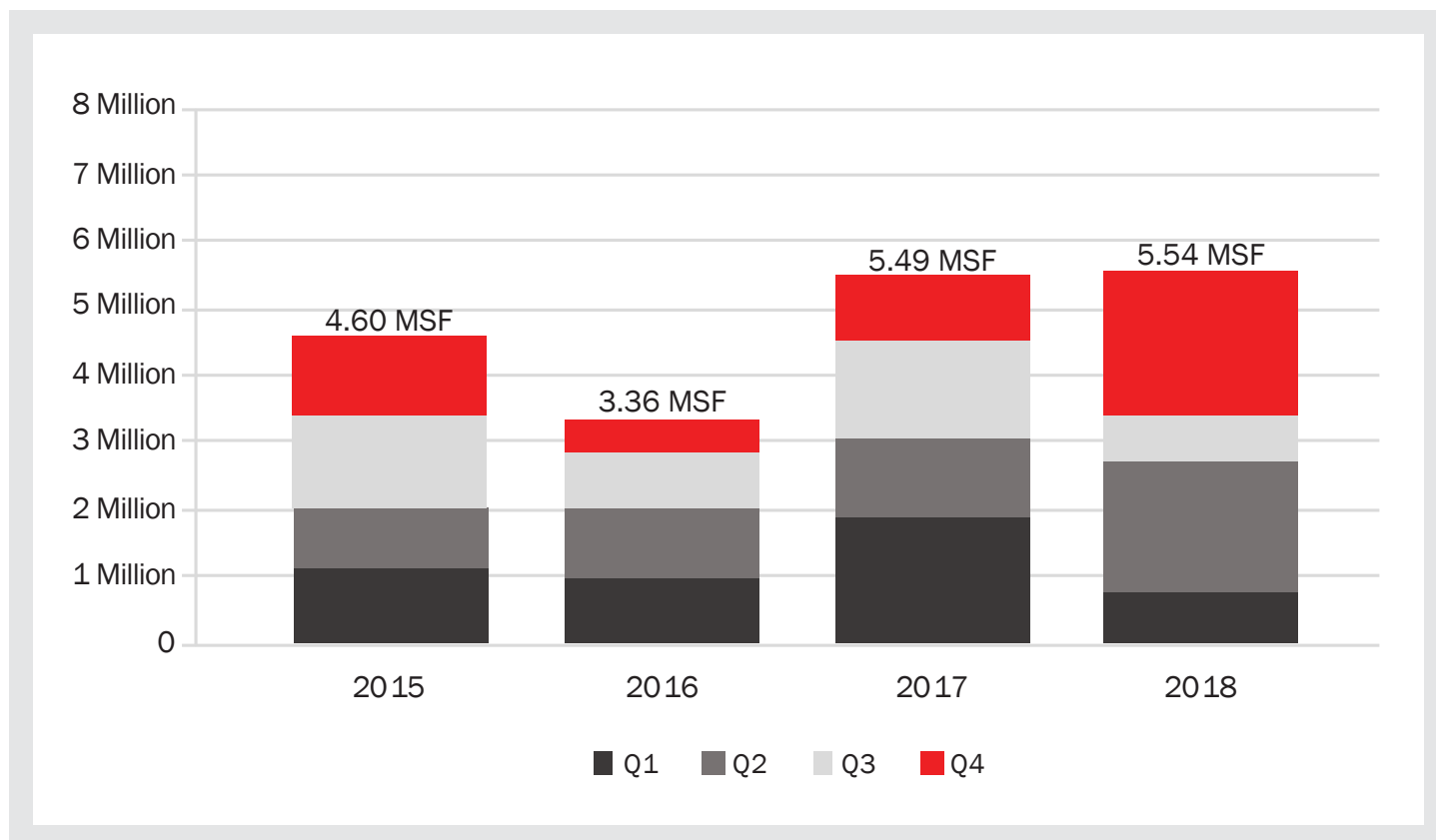
Overall, **six new deals over 100,000 square feet** were inked in Lower Manhattan, with three of them completed in the fourth quarter alone. Other Manhattan submarkets trended similarly with both Midtown and Midtown South also ending on their most active quarters of the year. The strength across submarkets yielded a banner year for Manhattan overall, with year-end new leasing activity topping 32 million square feet, the highest total recorded since 2000.

Robust Relocations Across Industries Yield Significant Positive Net In-Migration In 2018

Lower Manhattan attracted a diverse set of tenants relocating to the market and posted a positive net in-migration for 2018. According to CBRE, more than **1.82 million square feet of activity can be attributed to tenants relocating to the market in 2018**. This easily exceeds the 1.27 million square feet of announced departures from the market in 2018 (including Deutsche Bank's announced relocation to 60 Columbus Circle). According to CBRE, Lower Manhattan has experienced net positive in-migration for eight consecutive years. Since 2011 (earliest data available), Lower Manhattan has attracted more than 14.6 million square feet of tenants relocating from Midtown and Midtown South, while only 4.6 million square feet of tenants moved out to these markets. New tenants that signed leases in Lower Manhattan in 2018 reflected interest across a broad set of industries including Retail Trade and Fashion, Media, Professional Services, Technology, Nonprofits and Financial Services.

LOWER MANHATTAN ANNUAL NEW LEASING ACTIVITY, 2014 - 2018

Source: CBRE



J. Crew inked the largest relocation deal of 2018 after committing in the second quarter to relocate their headquarters from 770 Broadway to 325,000 square feet in 225 Liberty Street in Brookfield Place. J.Crew's move is the largest relocation to Lower Manhattan since Spotify announced its move to 4 World Trade Center in early 2017. The second largest relocation deal of 2018 was completed by **McKinsey & Company** in the second quarter. The premier management consulting and professional services firm signed a lease for 184,389 square feet on floors 60 through 64 in 3 World Trade Center. The "Big Three" firm began relocating its New York City headquarters from Midtown East to the World Trade Center this January. **Wolters Kluwer E42**, an information services firm for industries including law, accounting, healthcare and more, signed the year's third largest relocation in the second quarter and will be moving from Google's 111 Eighth Avenue to 130,000 square feet in 28 Liberty. This year's relocations above 25,000 square feet represented a broad set of industries. While the largest share (29 percent) came from companies in Retail Trade and Fashion (thanks to J.Crew's major announcement), Professional Services, TAMI (Technology, Advertising, Media and Information), FIRE (Financial Services, Insurance and Real Estate) and other industries were well represented in 2018 as well.

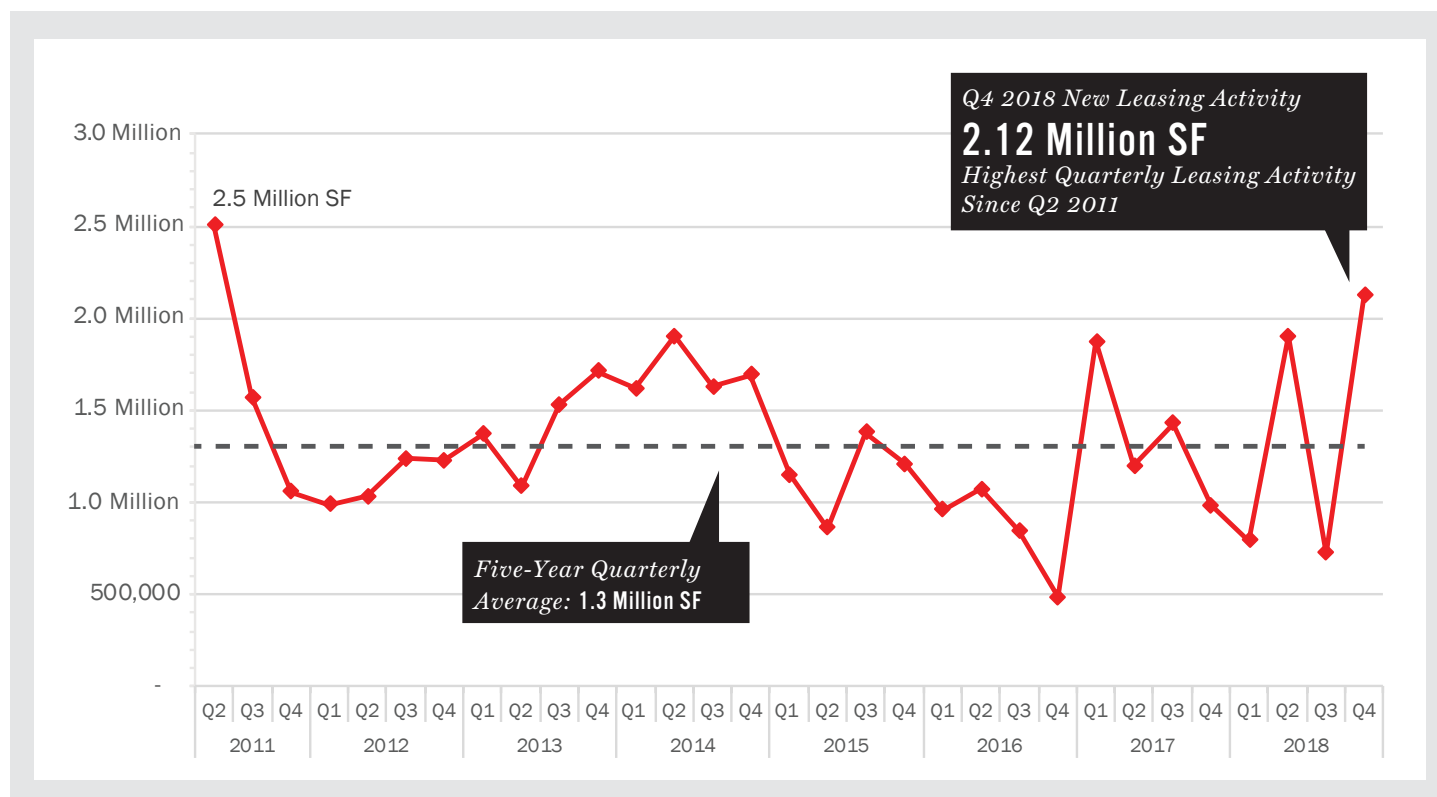


Nike Joins Creative Cluster Forming At Pier 17 In Seaport District

In the fourth quarter, Nike signed a lease for 25,000 square feet in Pier 17 in the Seaport District. Nike will be locating its creative team of shoe designers in the space in Lower Manhattan. Pier 17 is emerging as a showcase for Lower Manhattan's transformation into a location of choice for creative industry companies. Nike will be joining ESPN Studios' 19,000-square-foot television, radio and digital studio on the third floor of the recently opened building. This announcement follows a robust year of openings in the Seaport District including the unveiling of The Rooftop at Pier 17 and its partnership with Live Nation concerts, a rooftop bar and lounge named R17, 10 Corso Como, the SJP Collection and other long-term pop up retailers.

LOWER MANHATTAN QUARTERLY NEW LEASING ACTIVITY, Q2 2011 - Q4 2018

Source: CBRE



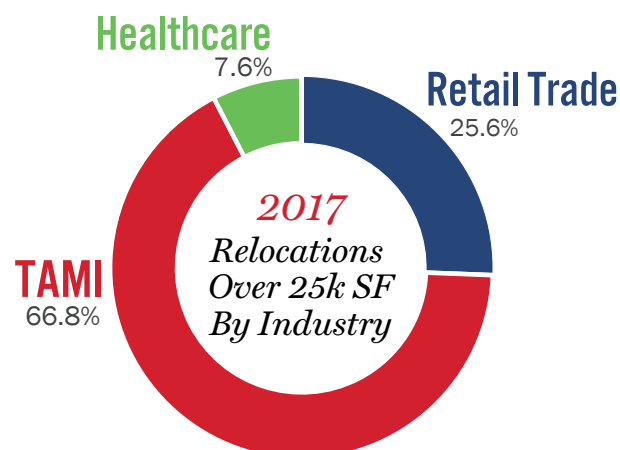
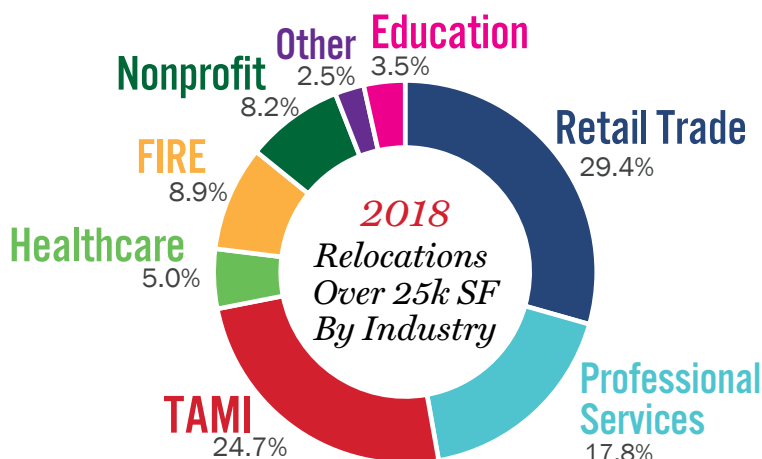
LOWER MANHATTAN TOP LEASES, 2018

Source: Downtown Alliance, CBRE, JLL, CoStar, Colliers International

	Tenant Name	Location	SF Leased Transaction Type	Sector
1	New York City Housing Authority	90 Church Street	422,264 Renewal	Government
2	J. Crew	225 Liberty Street	325,000 Relocation	Other, Retail Trade
3	Omnicom Media Group	195 Broadway	287,500 Renewal	TAMI, Advertising
4	Pace University	161 William Street	214,466 Renewal & Expansion	Education
5	Cahill Gordon & Reindel	32 Old Slip	213,017 Moving Within LM	Professional Services, Law
6	Bank of America / Merrill Lynch	225 Liberty Street	189,127 Renewal & Downsize	FIRE
7	McKinsey & Company	3 World Trade Center	184,389 Relocation	Professional Services, Management Consulting
8	The Elan Law Firm	217 Broadway	158,948 Renewal	Professional Services, Law
9	Hudson River Trading Company	3 World Trade Center	135,921 Expanding & Moving Within LM	FIRE
10	Wolters Kluwer E42	28 Liberty Street	130,000 Relocation	TAMI, Media
11	New York City Police Department	375 Pearl Street	109,650 Moving Within LM	Government
12	National Debt Relief	180 Maiden Lane	95,284 Expanding & Moving Within LM	FIRE
13	Convene	1 Liberty Plaza	93,096 New LM Location	Professional Services, Flexible Office Space Providers
14	Syneos Health	200 Vesey Street	86,498 Relocation	Healthcare
15	Diageo	3 World Trade Center	86,375 Relocation	Other, Retail Trade
16	New York City School Construction Authority	110 William Street	85,000 Expansion	Government
17	BounceX	1 World Trade Center	79,118 Relocation & Expansion	TAMI, Technology
18	WeWork	85 Broad Street	76,814 Expansion	Professional Services, Flexible Office Space Providers
19	London Stock Exchange	28 Liberty Street	74,822 Relocation	FIRE
20	Allianz	28 Liberty Street	69,940 Moving Within LM	FIRE
21	Casper	3 World Trade Center	69,279 Relocation	Other, Retail Trade
22	Broadcast Music, Inc (BMI)	7 World Trade Center	61,390 Renewal	Nonprofit
23	Local Initiatives Support Corporation	28 Liberty Street	60,709 Relocation	Nonprofit
24	Frankfurt Kurnit Klein & Selz	28 Liberty Street	57,221 Relocation	Professional Services, Law
25	MDRC	200 Vesey Street	54,735 Relocation	Nonprofit

RELOCATIONS OVER 25,000 SF BY INDUSTRY, 2018 VS. 2017

Source: Downtown Alliance, CBRE, JLL, CoStar, Colliers International



Year-over-year relocations over 25,000 square feet are up
26 Relocations in 2018 vs. 11 Relocations in 2017

Seven of 2018's Top Ten Largest Relocations In Fourth Quarter

The fourth quarter was especially busy with seven of Lower Manhattan's ten largest 2018 relocation deals inked in the last three months of the year. This activity was largely concentrated in 28 Liberty, Brookfield Place and the World Trade Center campus. **Syneos Health** completed a lease for 86,498 square feet in 200 Vesey Street, inking the fourth largest relocation deal of 2018. The pharmaceutical research firm will be relocating and consolidating from several offices in Manhattan. Several companies in the retail trade industry are also relocating to the World Trade Center. **Diageo**, a spirits company that owns major brands such as Guinness, Johnnie Walker, Ketel One and Bailey's, signed a deal for 86,375 square feet in 3 World Trade Center. The London-headquartered company will be relocating its North American offices from Norwalk, Connecticut. **Casper**, an e-commerce mattress company founded in 2014, signed a lease for 69,000 square feet on the 39th and 40th floors of 3 World Trade Center and will be moving from Midtown South. The company will more than double its current footprint with the move. One World Trade Center also had a busy fourth quarter signing several relocation deals including one for 79,118 square feet with **Bounce Exchange (BounceX)**, a digital marketing firm, who will be relocating its New York headquarters from Times Square to the 74th and 75th floors of the tower.

In the fourth quarter, the **London Stock Exchange** completed a lease for 74,822 square feet at 28 Liberty. First announced in October, the stock exchange will be relocating and consolidating from several Manhattan offices. Finally, two additional relocation deals at 28 Liberty including a nonprofit and a law firm rounded out the top ten largest relocations of the year. **Local Initiatives Support Corporation (LISC)**, a national community revitalization nonprofit with 32 U.S. offices, will be relocating to 60,709 square feet in 28 Liberty Street from its current office in Midtown. **Frankfurt Kurnit Klein and Selz**, an entertainment and arts-focused law firm, signed a lease for 57,221 square feet on the 35th and 36th floors and will be relocating its 129 person firm from Midtown East.

Healthy Renewal Activity Positive Sign For The Market

Lower Manhattan recorded **1.1 million square feet of renewal activity** in 2018 with the bulk of renewal activity completed in the fourth quarter. The **New York City Housing Authority** completed a 20-year renewal for 422,264 square feet in 90 Church Street in the fourth quarter making it the year's largest Lower Manhattan deal overall. While renewals were down slightly from 2017 levels, the New York City Housing Authority's renewal was the largest such deal since McGraw Hill Financial's renewal

RELOCATIONS TO LOWER MANHATTAN OVER 25,000 SQUARE FEET, 2018

Source: Downtown Alliance, CBRE, JLL, CoStar, Colliers International

	Tenant Name	Location	SF Leased Previous Location	Sector
1	J. Crew	225 Liberty Street	325,000 Midtown South	Other, Retail Trade
2	McKinsey & Company	3 World Trade Center	184,389 Midtown	Professional Services, Management Consulting
3	Wolters Kluwer E42	28 Liberty Street	130,000 Midtown	TAMI, Media
4	Syneos Health	200 Vesey Street	86,498 Midtown South & Midtown	Healthcare
5	Diageo	3 World Trade Center	86,375 Midtown	Other, Retail Trade
6	BounceX	1 World Trade Center	79,118 Midtown	TAMI, Technology
7	London Stock Exchange	28 Liberty Street	74,822 Midtown	FIRE
8	Casper	3 World Trade Center	69,279 Midtown South	Other, Retail Trade
9	Local Initiatives Support Corporation	28 Liberty Street	60,709 Midtown	Nonprofit
10	Frankfurt Kurnit Klein & Selz	28 Liberty Street	57,221 Midtown	Professional Service, Law
11	MDRC	200 Vesey Street	54,735 Midtown	Nonprofit
12	IQVIA (Quintiles/IMS)	300 Vesey Street	45,927 Midtown	TAMI, Technology
13	Friedman LLP	1 Liberty Plaza	44,767 Midtown	FIRE
14	Virtusa Corporation	225 Liberty Street	42,705 Midtown	TAMI, Technology
15	TerraForm	200 Liberty Street	42,291 Maryland	Other, Utilities
16	Getty Images	195 Broadway	41,982 Midtown South	TAMI, Media
17	Rafeal Vinoly	375 Pearl Street	36,550 Midtown South	Professional Services, Design
18	Cision (PR Newswire)	200 Vesey Street	33,866 Midtown South	TAMI, Media
19	Relay Graduate School of Education	25 Broadway	33,780 Midtown South	Education
20	OTC Markets Group	300 Vesey Street	33,183 Midtown South	FIRE
21	CallisonRTKL	233 Broadway	28,098 Midtown South	Professional Services, Design
22	The New York City Charter School for the Arts	26 Broadway	26,208 Midtown South	Education
23	Outfront Media	140 Broadway	26,206 Midtown	TAMI, Advertising
24	The Wallace Foundation	140 Broadway	26,206 Midtown	Nonprofit
25	Undertone	1 World Trade Center	25,550 Midtown	TAMI, Technology
26	Nike	Pier 17	25,236 Expansion Into LM	Other, Retail Trade

at 55 Water Street in the first quarter of 2016. Also in the fourth quarter, **Pace University** signed a deal for 214,466 square feet in 161 William Street, renewing and expanding by 38,052 square feet. Pace University has been a major tenant in the building since 2001. Other significant 2018 renewals include **Omnicom Media Group's** 287,500-square-foot commitment through 2033 at 195 Broadway. **Bank of America/Merrill Lynch**, one of Lower Manhattan's largest FIRE sector tenants, completed a 189,127-square-foot renewal (downsizing from 309,000 square feet) at Brookfield Place (225 Liberty Street). The **Elan Law Firm**, a personal injury and employment law firm, executed the fifth largest Lower Manhattan renewal, with its commitment for 158,948 square feet in 217 Broadway through 2023.

Lower Manhattan's Largest Tenants Continue To Become More Diverse

The dramatic diversification of Lower Manhattan's largest tenants continued in 2018. Over the last five years, the composition of this tenant group has shifted significantly. Eight of today's top 30 largest companies joined the list during the last five years and all fall within the TAMI, Flexible Space or Retail Trade sectors. In 2015, **Condé Nast**, **WeWork** and **Meredith Corporation** (then Time Inc.) joined the ranks of the largest private sector tenants in the district. WeWork opened its first location in Lower Manhattan in 2013 and by 2015 had expanded its footprint to 768,238

square feet with the opening of four additional locations. Their expansion continues as they are now the ninth largest private sector tenant and have over one million square feet in the district. **Hudson's Bay Company** opened its headquarters in Brookfield Place in 2016, joining the ranks of largest tenants. **Spotify** and **GroupM** followed suit in 2018. This diversification among top tenants mirrors the overall market transformation. The TAMI sector occupies triple the share of space in Lower Manhattan today that it did in 2008 - growing from 5 to 15 percent over this period.

In 2019, two new companies will join the ranks of the top 30 largest private sector tenants in Lower Manhattan. **Macmillan Publishers**, a media company, will begin moving from the Flatiron Building into their new 260,836-square-foot headquarters in 120 Broadway this spring, joining their sister company, Macmillan Science and Education, located at One New York Plaza, in Lower Manhattan. With this move, **Holtzbrinck Publishing Group**, the parent company of Macmillan Publishers and Macmillan Science and Education, will become the 22nd largest private sector tenant overall and the sixth largest TAMI tenant in Lower Manhattan. The second company, **Knotel**, will join the list as Lower Manhattan's 30th largest tenant. Knotel is the second flexible space provider ranking among Lower Manhattan's largest tenants with a total footprint of nearly 327,000 square feet across seven locations in Lower Manhattan.

New York City Health + Hospitals Corporation Announces 527,000-Square-Foot Lease at 7 Hanover Square

In early January, the New York Health + Hospitals Corporation (HHC), the city's operator for public hospitals and health care facilities, announced plans to move into 527,000 square feet at 7 Hanover Square. The lease is expected to officially close in the first quarter of 2019. HHC will be relocating and consolidating 2,600 employees from throughout Manhattan, Brooklyn and Queens in this new location. Government remains a core part of Lower Manhattan's economy and leasing by government agencies provides market stability. Today, city, state and federal government offices occupy 20 percent of all space in Lower Manhattan, according to Jones Lang LaSalle. This is up from its 14 percent share a decade ago as government agencies continue to expand or consolidate their city operations in Lower Manhattan.

GFP and Northwind Group announced the purchase of 7 Hanover from Guardian Life for \$310 million in January 2018 (after Guardian exercised a lease option to buy the property for \$147 million in summer 2017). GFP is now planning a \$250 million modernization for the one million-square-foot property, which includes splitting the property into two new buildings. NYC Health + Hospitals will occupy the base of the tower, which will be rebranded as 50 Water Street. NYC Health + Hospitals will continue to occupy space directly across the street at 55 Water. The top portion of the tower will be rebranded as 100 Pearl Street and will be marketed by Newmark Knight Frank. GFP plans to construct two new penthouse floors and combine two lower floors into double height floors. In addition, plans are also in the works to add new retail at the base including a possible food hall. With NYC Health + Hospitals' lease, Newmark Knight Frank now has about 470,000 square feet available to lease in the tower.



Photo Courtesy of GFP and NYC Health + Hospitals

LOWER MANHATTAN'S 30 LARGEST PRIVATE SECTOR TENANTS IN 2019

Source: Downtown Alliance, CBRE, CoStar

	Tenant Name	SF Occupied	Sector
1	Goldman Sachs	2,100,000	FIRE
2	Deutsche Bank	1,530,500	FIRE
3	American Express	1,349,051	FIRE
4	Morgan Stanley	1,253,529	FIRE
5	Bank of America Corporation	1,231,298	FIRE
6	Condé Nast	1,215,790	TAMI, Media
7	American International Group (AIG)	1,184,378	FIRE
8	McGraw-Hill	1,158,641	FIRE
9	WeWork	1,032,546	Professional Services, Flexible Office Space Providers
10	Bank of New York Mellon	969,100	FIRE
11	Citigroup Inc.	895,433	FIRE
12	JPMorgan Chase & Co.	873,134	FIRE
13	Moody's Corporation	866,882	FIRE
14	GroupM	702,843	TAMI, Advertising
15	Meredith Corporation (now owner of Time Inc.)	701,647	TAMI, Media
16	Sullivan & Cromwell	634,108	Professional Services, Law
17	Verizon Communications, Inc.	560,030	TAMI, Technology
18	EmblemHealth	533,880	FIRE
19	Cleary Gottlieb	501,413	Professional Services, Law
20	Spotify	481,839	TAMI, Technology
21	Royal Bank of Canada	446,798	FIRE
22	Holtzbrinck Publishing Group <i>(parent company of Macmillan Publishers and Macmillan Science and Education)</i>	436,957	TAMI, Media
23	Cadwalader, Wickersham & Taft	431,675	Professional Services, Law
24	City University of New York (CUNY)	380,005	Education
25	Fried, Frank, Harris, Shriver & Jacobson	378,960	Professional Services, Law
26	United Federation of Teachers	365,203	Other
27	Hudson's Bay	360,853	Retail Trade
28	Omnicom Group, Inc.	335,956	TAMI, Advertising
29	Jones Day	330,210	Professional Services, Law
30	Knotel	326,635	Professional Services, Flexible Office Space Providers

***BOLD Tenants** New to the list in the past 5 years.

LOWER MANHATTAN'S 5 LARGEST PUBLIC SECTOR TENANTS IN 2019

Source: Downtown Alliance, CBRE, CoStar

	Tenant Name	SF Occupied
1	City of New York	8,093,481
2	United States Federal Government	4,467,099
3	New York State Government	2,210,512
4	Metropolitan Transportation Authority	1,474,981
5	Port Authority of New York & New Jersey	786,292

World Trade Center Charts New Milestones

The World Trade Center campus reached significant milestones in 2018 and this momentum has continued into early 2019. Overall, the World Trade Center campus recorded about 750,000 square feet of activity in 2018.

3 World Trade Center opened in 2018 and reached just shy of 53 percent leased by the end of the year, up significantly from its 28 percent level just one year ago. The tower experienced a surge of activity in 2018 with approximately 510,000 square feet of deals inked and more than half of this activity was completed in the last three months of 2018. The largest deal in the building since GroupM's commitment to anchor the tower was signed by Hudson River Trading in the fourth quarter. They will be moving and expanding into 136,000 square feet from their current 69,000-square-foot office in 4 World Trade Center and join GroupM and its agencies including Mediacom, Mindshare, Wavemaker, Essence, and Xaxis, who began moving in during summer 2018.

One World Trade Center inked 208,892 square feet of leases and reached more than 80 percent leased in 2018. The tower also recorded a strong fourth quarter with a major relocation deal completed by Bounce Exchange (BounceX), who will be moving to 79,118 square feet, joining other digital marketing firms in the building including Sailthru, GroundTruth, and Undertone. In November 2018, Crain's New York reported that One World Trade Center is home to a greater number of TAMI tenants than any other tower in New York City. With BounceX's lease the tower is 59 percent leased to TAMI firms.

4 World Trade Center welcomed its largest private sector tenant in 2018 as Spotify began moving into its 14-floor office at the top of the tower. In addition, Spotify is expected to close on a 85,666-square-foot expansion that will bring their footprint in 4 World Trade Center to 564,000 square feet. With this expansion, Spotify will be the largest tenant in 4 World Trade Center and the second largest overall World Trade Center campus tenant behind Condé Nast.



Lower Manhattan's Overall Vacancy Rate Posts Largest Quarterly Drop Since 2014

The **overall vacancy rate** fell to **10.8 percent** in the fourth quarter, reflecting the largest quarterly drop since the second quarter of 2014, according to Cushman & Wakefield. Impressive Class A leasing in the fourth quarter helped drive the rate down. While Lower Manhattan's vacancy rate dropped from the second quarter when the addition of 3 World Trade Center yielded an expected rise in the amount of available Class A space, it remains up year-over-year.

Strong Class A Office Absorption

Lower Manhattan's **Class A vacancy rate** dropped 2.1 percentage points in the fourth quarter to **11.7 percent** in part due to robust activity in large available blocks at 3 World Trade Center, One World Trade Center and Brookfield Place. While still up 2.2 percentage points year-over-year, the drop in the Class A vacancy rate reflects the largest quarterly decrease in more than a decade.¹ Since the third quarter of 2013 (just prior to 4 World Trade Center's opening), Lower Manhattan's Class A office space inventory has expanded substantially, growing by 19 percent to over 56.8 million square feet largely due to additions of three

World Trade Center towers and new Class A space at Pier 17. At the same time, the market has responded well to these additions at the top of the market. Thanks to a steady stream of tenants seeking premier space in Lower Manhattan the Class A vacancy rate averaged 11.9 percent over this period, just 1.8 percentage points above the historical average for this market.

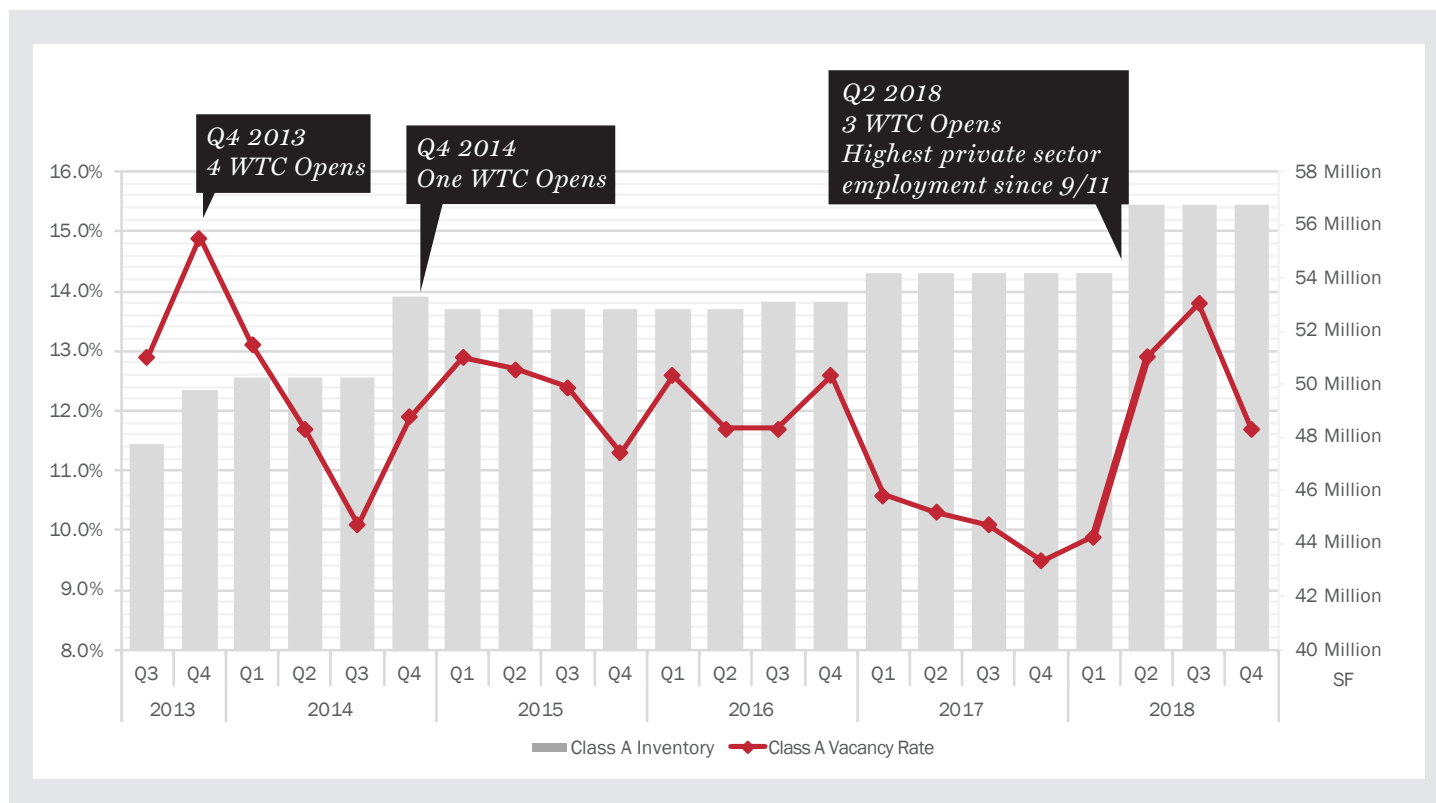
Class A vacancy rates in Midtown and Midtown South trended differently, remaining stable over the last quarter. Midtown's Class A rent is now 8.9 percent, down slightly year-over-year due to strong leasing, while Midtown South has a Class A vacancy rate of 7.2 percent, up 2.5 percentage points from this time last year due to the addition of new boutique office construction and other large blocks.

Lower Manhattan
Overall Vacancy Rate
10.8% *The largest quarterly drop in vacancy since Q2 2014*

¹Lower Manhattan Class A vacancy rate dropped from 11.9 percent to 8 percent in Q3 2006.

LOWER MANHATTAN CLASS A VACANCY RATE VS. CLASS A INVENTORY, Q3 2013 - Q4 2018

Source: Cushman & Wakefield



Largest Available Blocks

The buildings with the largest blocks of available space remain largely concentrated in the World Trade Center campus, 28 Liberty, buildings east of Broadway especially along Water Street, and Brookfield Place. According to Cushman & Wakefield, the buildings with the largest amount of available space are as follows:

- **3 World Trade Center** has the largest amount of square feet available with two contiguous blocks of space of 791,099 square feet and 430,542 square feet available. However, 3 World Trade Center **has reduced its availabilities year-over-year rising from 28 percent leased to 53 percent leased.**
- **55 Water Street** now has 605,000 square feet available across three contiguous spaces including two that are available from tenants giving up space in the building including McGraw Hill (204,847 square feet) and Liberty Mutual (130,449 square feet). McGraw Hill is the largest tenant in the building, currently occupying more than 1 million square feet.
- **28 Liberty** now has about 463,600 square feet available concentrated on the top half of the building including two contiguous blocks being vacated by Milbank Tweed Hadley & McCloy and one block of former JP Morgan Chase space (136,460) on floors 7 through 10. 28 Liberty has reached 80 percent leased after recording more than 400,533 square feet of deals in 2018.
- **199 Water Street** has about 414,000 square feet available to lease in two contiguous spaces of about 200,000 square feet on the top five floors of the building and on floors 7 through 12. Both are spaces formerly occupied by the AON Corporation who signed a lease to move to 1 Liberty Plaza in the first quarter of 2017 and began moving this January.
- **250 Broadway** is currently marketing about 314,000 square feet in an 11-floor contiguous space at the base of the building which is being vacated by the New York City Housing Authority (NYCHA). NYCHA will be consolidating in 90 Church Street, where they renewed for 422,264 square feet in the fourth quarter.
- **110 William Street** has about 279,000 square feet at the base of the building available from space being vacated by the New York City Economic Development Corporation's move to 1 Liberty Plaza.
- **One World Trade Center** recently reached 80 percent leased and now has about 265,500 square feet in a contiguous large block available on floors 65 through 71.

- **200 Liberty Street** has one contiguous large block of space of 208,000 square feet available from offices formerly occupied by the Financial Industry Regulatory Authority (FINRA). Brookfield is currently redeveloping the building's lobby, including improving its retail and cafe seating, and creating a 16,000-square-foot terrace on the tower's south-facing second floor.
- **120 Broadway** has about 203,749 square feet of contiguous space from the former offices of the New York State Attorney General.
- **195 Broadway** is now marketing 125,500 square feet on the 26th through 28th floors in space formerly occupied by Omnicom, who remains one of the building's major tenants.



Photo Courtesy of Silverstein Properties

120 Broadway

Silverstein Properties has begun a series of major capital improvements to update and amenitize the landmark building. Silverstein began restoring the limestone facade, modernizing building systems as well as repositioning the building's retail and creating a rooftop terrace for tenants. The office tower currently has 203,749 square feet of contiguous space available which was previously occupied by the New York State Attorney General. Macmillan Publishers leased over 260,000 square feet in 2017 and will begin relocating from the Flatiron Building in Midtown South in 2019.

Average Class A Asking Rent Inches Up To Historical Record

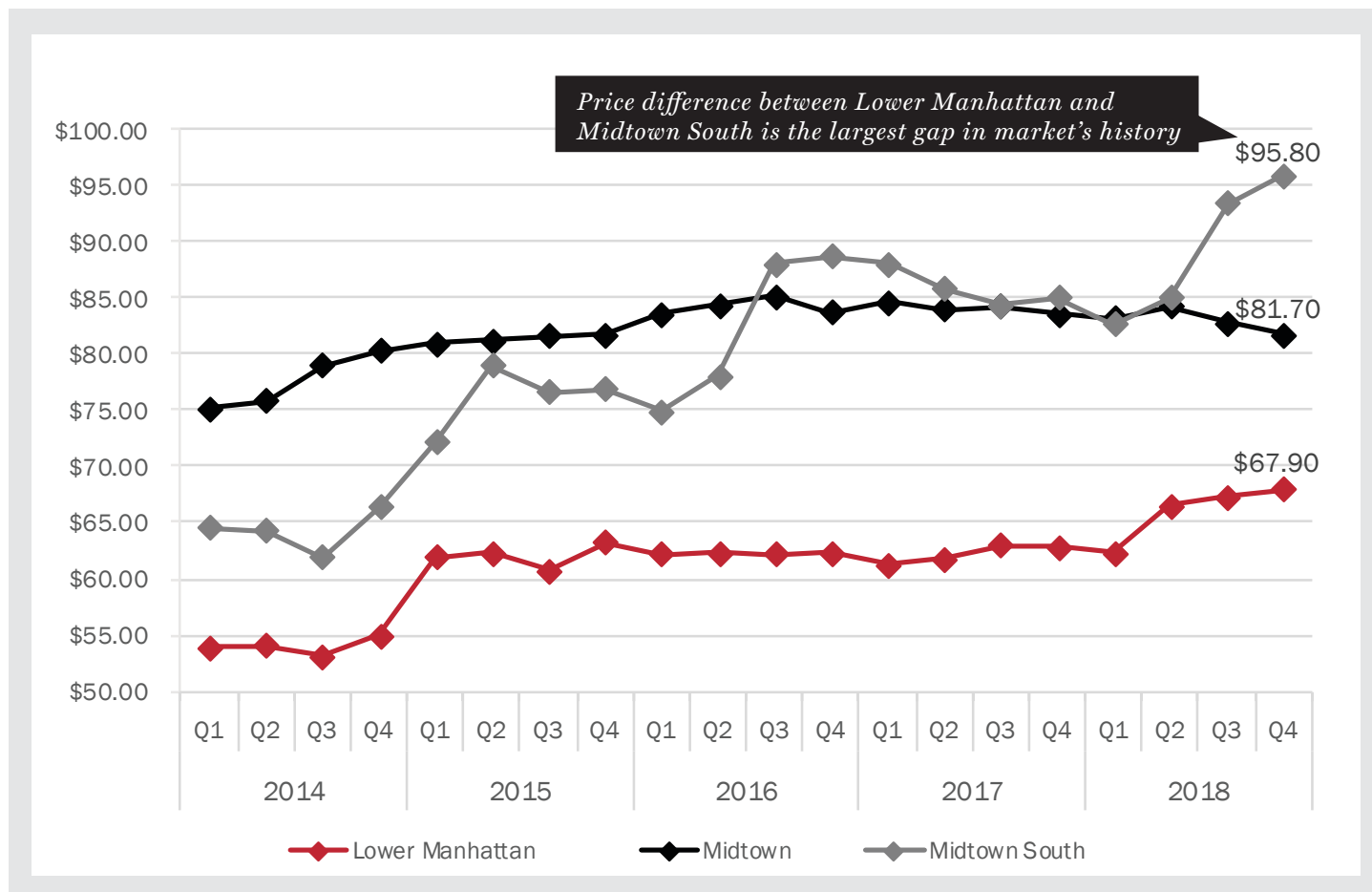
Lower Manhattan's average **Class A asking rent** rose slightly in the fourth quarter to the highest level in the market's history, **\$67.90 per square foot**. This reflects the latest addition of higher priced spaces to the market including blocks at 195 Broadway and 7 World Trade Center. Lower Manhattan's Class A rent has been steadily rising for several years. The average Class A asking rent in Lower Manhattan is up 27 percent from the \$53.30 average at this time ten years ago. While the market continues to reach historic highs for Class A rents, this business district has also changed dramatically and major accomplishments have abounded since the end of 2008 and the great recession. Among these achievements are the addition of all private sector jobs lost during the recession plus some, the completion of major post 9/11 development projects and the opening of three World Trade Center properties totalling over 7.8 million square feet of Class A space. By contrast, the average asking rent for Midtown South Class A space is up 53 percent from ten years ago, nearly twice the rate of growth experienced in Lower Manhattan.

Meanwhile, the overall asking rent in Lower Manhattan held steady from last quarter. Lower Manhattan's **overall average asking rent** is still up 5.5 percent year-over-year to **\$63.60** and the market's overall average asking rent posted its second consecutive year-end increase. The average **Class B rent** declined slightly to **\$55.30** in the fourth quarter. Midtown's overall asking rent is down from last year to \$75.00 due to significant lease-up of space priced at the top of the market. Midtown South's overall asking rent has reached a new peak due to the addition of boutique new construction Class A space over the past year.

With these changes, Lower Manhattan's pricing advantage compared to Class A spaces has changed significantly over the past year. The difference between Class A average asking rent in Lower Manhattan and Midtown has increasingly narrowed to \$13.80 since the fourth quarter of 2017. This is close to the narrowest gap in the markets' histories. Conversely, Lower Manhattan's pricing advantage over Midtown South has expanded to the biggest gap in the two markets' histories. Midtown South's average Class A asking rent is now \$27.90 more than Lower Manhattan.

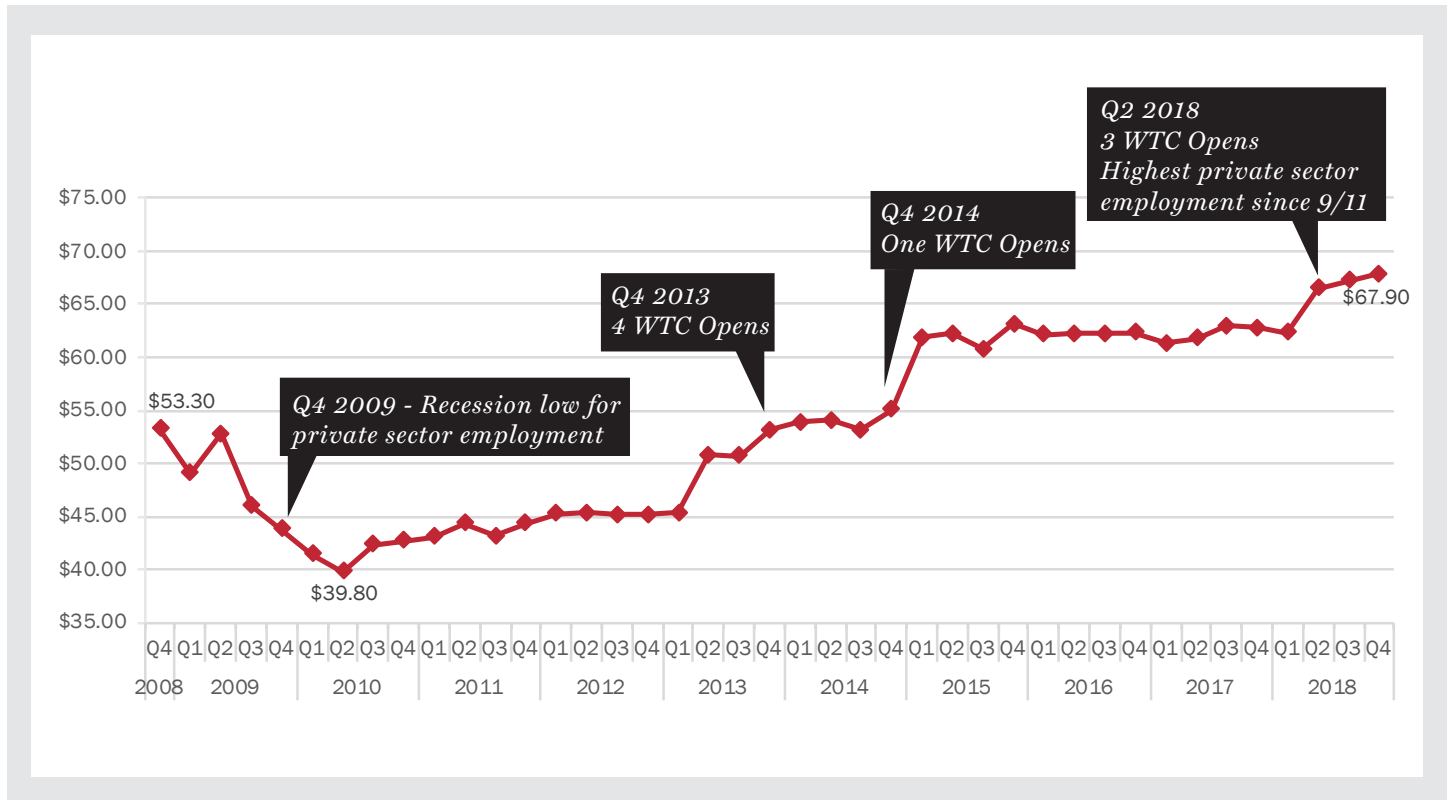
CLASS A ASKING RENTS BY SUBMARKET, Q1 2014 - Q4 2018

Source: Cushman & Wakefield



LOWER MANHATTAN CLASS A ASKING RENTS, Q4 2008 - Q4 2018

Source: Cushman & Wakefield

**Overall Asking Rents**

Lower Manhattan Midtown Midtown South

\$63.60 \$75.00 \$76.80**Class A Asking Rents**

Lower Manhattan Midtown Midtown South

\$67.90 \$81.70 \$95.80**Lower Manhattan Overall Asking Rents****\$11.50 PSF***Below Midtown***\$13.30 PSF***Below Midtown South***Lower Manhattan Class A Rents****\$13.80 PSF***Below Midtown***\$27.90 PSF***Below Midtown South*

2018 Property Sales

Overall total property sales volume was down slightly in Lower Manhattan from 2017 levels with a total of \$2.6 billion in closed sales across sectors in 2018.

Office Sales

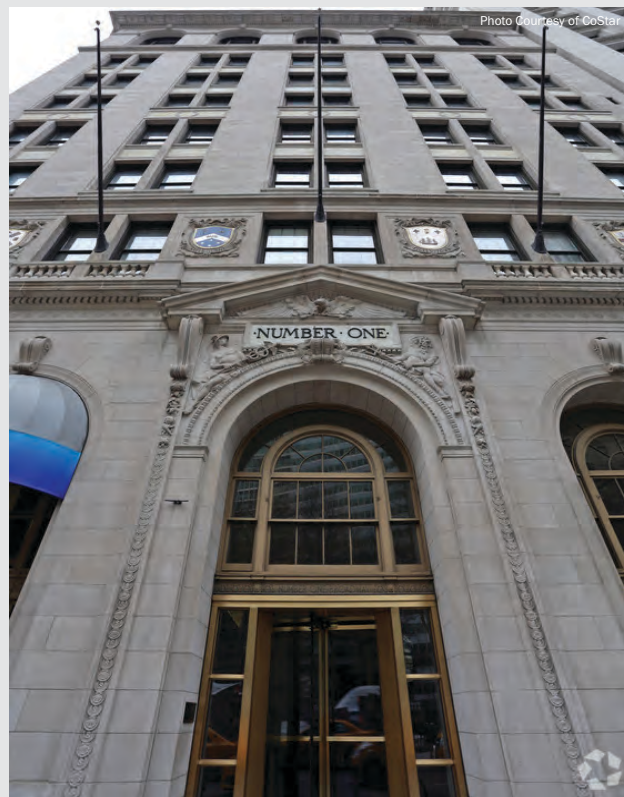
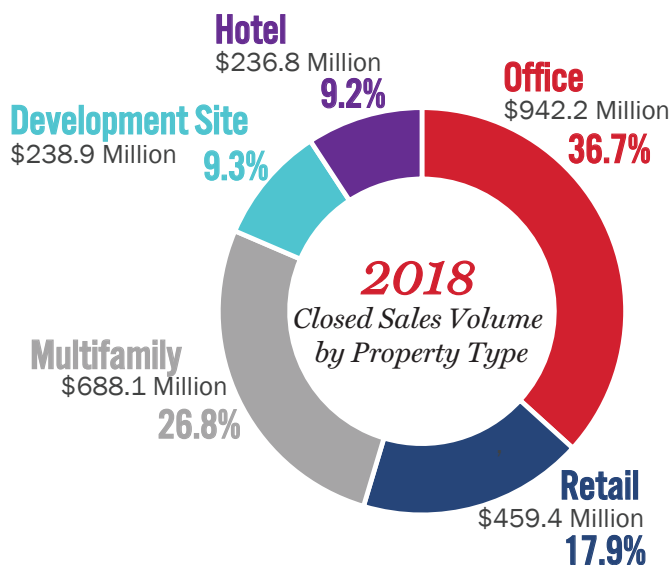
In the fourth quarter, a partnership between Rockwood Capital and Midtown Equities, closed on the purchase of **One Broadway**, the 1920 International Mercantile Marine Company Building, a 253,000-square-foot office building located at the southern end of Broadway for \$139.5 million or about \$551 per square foot from Stoffel & Partners. The property's most recent office tenants include Kenyon and Kenyon, a law firm, and Citibank. Kenyon and Kenyon will be consolidating in their Midtown location. Rumored plans for the building include repositioning it for continued office use. Midtown Equities most recently redeveloped the Empire Stores on the DUMBO waterfront in Brooklyn.

Other 2018 closed office transactions include:

- The second largest office transaction of 2018 closed in the third quarter at **101 Barclay**. The Bank of New York Mellon purchased the land underneath 101 Barclay for \$352 million from the City of New York. The bank has owned the building since the early 1980's and recently consolidated its 4,500 employees there after relocating operations from Brookfield Place. This marked a strong vote of confidence in Lower Manhattan by BNY Mellon.
- Also in the third quarter, Great Empire Realty purchased the Down Town Association Building at **60 Pine Street** for \$28.3 million or \$575 per square foot from the Down Town Association in a sales-leaseback transaction. The 49,000-square-foot office building is currently fully occupied by the Down Town Association.
- The sale of **7 Hanover** from Guardian Life Insurance Company to GFP, a private real estate company formerly known as Newmark Holdings, and the Northwind Group, a Manhattan-based real estate owner and investor, was announced in the first quarter and is expected to close when Guardian Life relocates to Hudson Yards in late 2019. GFP and the Northwind Group agreed to purchase the 846,415-square-foot office building for \$310 million or about \$366 per square foot. The Guardian Life Insurance Company has been a tenant in the property since 1998, and exercised a \$147 million purchase option in their lease in mid-2017.

LOWER MANHATTAN CLOSED SALES VOLUME BY PROPERTY TYPE, 2018

Source: Newmark Knight Frank



One Broadway

Rockwood Capital and Midtown Equities closed on the International Mercantile Marine Company Building, a 253,000-square-foot office building located at the southern end of Broadway for \$139.5 million.

Retail Condo Sales

Hidrock Realty purchased **142 Fulton Street**, a 13,194-square-foot retail anchored property for \$19.8 million or \$1,504 per square foot from ASG Equities, the real estate investment arm of the Gindi Family and Century 21 Stores. 142 Fulton Street's retail space is currently vacant and is located adjacent to Chick-fil-A and CityMD.

Other 2018 closed retail transactions include:

- In the second quarter, Unibail-Rodamco-Westfield, a European property company, closed on the purchase of the 287,000-square-foot **Westfield World Trade Center** from Westfield Corporation for \$240 million or about \$836 per square foot. In May 2018, Westfield World Trade Center approved a takeover by Unibail, who will rebrand its malls under the Westfield name under the terms of the deal. The Lowy family (founders of the Westfield Corporation) will retain a minority 2.5 percent interest in the combined company. Unibail owns many European malls in iconic locations and gains significant U.S. and global retail centers with this takeover. This deal represents the combining of two of the world's largest retail mall operators.
- In the third quarter, Maxim Capital Group purchased a 3,451-square-foot retail condominium at the base of **108 Chambers Street**, an eight-unit residential condominium building expected to be complete in mid-2019, from the building's developer, Greystone Development. The transaction closed at \$10 million, valuing the retail space at \$2,898 per square foot. The building's retail condominium is already in operation with Vitamin Shoppe and Starbucks at the base of the building.
- Also in the third quarter, the Shapiro Group purchased **21 Park Place**, a 9,686-square-foot building, for \$9 million or about \$929 per square foot, from the Lions Group NYC. Most recently, the building has been used as a retail property. Tents & Trails had occupied the base of the building since the early 1970's before closing in 2018. The new owners are demolishing the property and pursuing redevelopment plans.

\$459.4 Million
*In closed retail property
 sales in 2018*

Multi-Family Residential Sales

An anonymous buyer purchased **162 Chambers Street**, a 10,020-square-foot five-story townhouse, from the estate of Pop artist James Rosenquist for \$11.7 million or about \$1,167 per square foot. The buyer's plans for the property are currently unknown.

Other 2018 closed residential transactions include:

- Hidrock Realty purchased **112 Liberty Street**, an existing 13-unit residential condominium with a retail condominium at the base, for \$38.5 million from David M Baldwin Realty in the first quarter. The building is 40,089 square feet and includes 26,073 square feet of residential square footage and 14,016 square feet of retail at the base. Three retail tenants, Ho-Yip, Essex Cafe and a nail salon, currently occupy the retail space. The building is on the block directly south of 4 World Trade Center and is located between 114 Liberty Street, a 14-unit residential condominium building, and 112 Trinity Place, a 13,300-square-foot mixed use building which includes a Burger King, and fronts Zuccotti Park. Building plans have not been finalized but the property has about 51,423 square feet of unused FAR according to city records.



Photo Courtesy of CoStar

142 Fulton Street

Hidrock Realty purchased the 6-story property near Fulton Center from ASG Equities, the real estate arm of the Gindi Family for \$19.8 million or \$1,504 per-square-foot.

Hotel Sales

The LeFrak Organization closed on the purchase of **Gild Hall** in the fourth quarter, a 138-room boutique hotel located at 15 Gold Street from Pebblebrook Hotel Trust for \$38 million or about \$275,000 per hotel room. Pebblebrook Hotel Trust recently closed on its acquisition of LaSalle Hotel Properties and its portfolio which included Gild Hall. The hotel property was sold for less than its last purchase price in 2006 of \$50.5 million. Gild Hall opened in 2007 and was the fifth hotel to open following September 11.

Other 2018 closed hotel transactions include:

- In the third quarter, Urban Commons, a Los-Angeles based real estate firm, purchased the 298-room **Wagner Hotel** at the base of 2-10 West Street, for \$147.3 million or about \$494,000 per hotel room from Westbrook Partners and Millennium Partners. The hotel was previously branded as a Ritz-Carlton property. Westbrook and Millennium Partners rebranded it to the Wagner Hotel, an independent brand. The rest of the building contains 120 condominium units which were previously branded as Ritz-Carlton residences.
- Shamin Hotels, a Virginia-based hotel investor, purchased its first New York City hotel, the **Hampton Inn Manhattan/Downtown-Financial District** at 32 Pearl Street, for \$32.4 million or about \$400,000 per hotel room key, from Hersha Hospitality Trust in the first quarter. Hersha purchased the existing site in 2011 for \$28.7 million and completed the addition of several floors to the existing property and its conversion to a 81-room Hampton Inn, which opened in 2014.
- In the second quarter, the **Riff Hotel**, a recently opened 36-room hotel, was purchased by The King's College, a Lower Manhattan based college, for \$19.2 million or about \$533,000 per hotel room from Salt Equities, the hotel's developer. The college plans to utilize the property as a residence hall for its Lower Manhattan students. The King's College signed a lease for a 51,750-square-foot Lower Manhattan campus in 2012 and relocated from Midtown.

Brookfield Asset Management Completes Acquisition Of Forest City Realty Trust Including Three Lower Manhattan Assets

In December 2018, Brookfield Asset Management closed on its \$6.8 billion purchase of Forest City Realty Trust. With this acquisition, Brookfield acquired an additional 6.3 million square feet of office space, 2.3 million square feet of life science properties, 2.2 million square feet of retail and 18,500 multifamily units in key markets across the United States and became the city's largest landlord with a total of 26.1 million square feet under management. In Lower Manhattan, Brookfield made three acquisitions with this deal:

- *Brookfield Asset Management acquired 8 Spruce Street, a 903-unit residential rental tower designed by Frank Gehry. The property was valued at \$512.5 million or about \$567,500 per residential unit.*
- *They also acquired the 158,719-square-foot retail center in 102 North End Avenue at the base of the Conrad New York. The transaction valued the property at \$172.5 million or about \$1,087 per square foot, making this the largest retail trade of 2018 in Lower Manhattan. The retail space includes Regal Cinemas as well as restaurants and fast casual eateries including Blue Smoke, El Vez, Pick A Bagel, Harry's Italian and more.*
- *The firm became the full owner of the New York Mercantile Exchange Building at 300 Vesey Street after acquiring Forest City's interest in the property. The deal valued the 650,000-square-foot building at \$408.4 million or about \$628 per square foot and was the largest closed office transaction of the year.*

RETAIL MARKET

Lower Manhattan has emerged as a major shopping and dining destination spurred by a growing and affluent residential base, a rapidly diversifying office tenancy, strong tourism and ongoing investments in new infrastructure. The significant retail activity at Westfield World Trade Center, Brookfield Place and the Seaport District are creating a positive spillover effect throughout the rest of the neighborhood, as more retailers recognize the benefits of locating in the district. Renowned chefs and approachable, neighborhood restaurants are opening new locations in every corner of the neighborhood, while entertainment and lifestyle amenities are catering to the growing residential population.

Growing Diversity of Restaurants and Bars at All Price Points

At the end of 2018, the district had 1,143 stores and restaurants. A total of 95 new stores and restaurants opened in Lower Manhattan in 2018. Nearly 60 full-service dining restaurants, casual eateries and nightlife spots across a variety of cuisines and price points opened this year. This year a number of approachable, casual eateries have joined the many name-brand chefs and restaurateurs in Lower Manhattan, including:

- **Sola Lab**, an intimate Italian restaurant, opened at 45 Beekman Street;
- **Brooklyn Chop House**, an Asian-fusion steakhouse, opened at 150 Nassau Street;
- **Toro Loco**, a Mexican restaurant and bar, opened at 15 Stone Street;
- **Vintage 61**, a sports bistro with a wine focus, opened at 233 Front Street in the Seaport; and
- **Taco Playa**, a lively Mexican cantina, also opened in the Seaport at 145 Beekman Street.

Lower Manhattan continues to raise the bar this year as new cocktail lounges and sleek bars opened, including:

- **Alley Cat Amateur Theatre**, a subterranean cocktail bar and speakeasy, at The Beekman Hotel at 5 Beekman Street;
- **Sugar Momma**, a casual restaurant and cocktail bar, opened at 15 Cliff Street. During the day, the space doubles as the Hole in the Wall cafe and coffee shop;
- **The Lovelace**, a gin and cocktail bar from the Porterhouse Brewing Company, opened at 66 Pearl Street (at Coenties Slip);
- **Primo's**, a stylish cocktail bar offering light bites, opened in The Frederick Hotel at 125 Chambers Street;
- **Recreation**, a retro lounge, opened in the new Moxy NYC Downtown hotel at 26 Ann Street; and
- **The Dead Rabbit**, the award-winning cocktail bar at 30 Water Street, doubled its space, taking over a adjacent retail space. The expansion increased their capacity from 100 customers to 250.



Courtesy of Manhatta



Danny Meyer's Union Square Hospitality Group opened **Manhatta & The Bay Room** event space on the 60th floor of 28 Liberty Street.



Courtesy of Moxy NYC Downtown



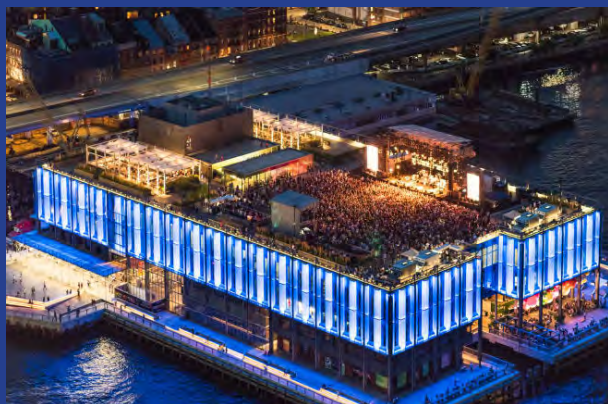
Recreation, a cocktail bar and coworking space, opened in the new 298-room Moxy NYC Downtown hotel at 26 Ann Street.

SEAPORT

DISTRICT NYC



10 Corso Como, a shop highlighting fashion, art and design and featuring a restaurant, opened its first U.S. location in the Fulton Market Building.



The **Rooftop at Pier 17** debuted its concert series in partnership with Live Nation, hosting over 20 concerts and events. The rooftop seasonally transitioned to Winterland, featuring NYC's first rooftop ice rink.



by **CHLOE.**, a fast-casual vegan restaurant, opened on Front Street, as did several other cafes and eateries.

Lastly, a new wave of fast-casual eateries appealing to workers and residents alike opened around the neighborhood. They include: **Blue Park Kitchen**, **Taim**, **Kati Roll Company**, **La Parisienne Cafe**, **Xi'an Famous Foods**, **Don Wagyu**, **Dos Toros**, **Just Baked**, **GFG Bakery** and **Proper Food**.

Retail Anchors March Onward

The new Pier 17 and its one-and-a-half-acre rooftop entertainment space debuted in the **Seaport District** over the summer. The Howard Hughes Corporation's ongoing transformation of the historic Seaport into a 400,000 square foot retail, dining, entertainment and office destination has moved forward with a number of openings and announcements.

- During the summer of 2018, **The Rooftop at Pier 17** hosted its inaugural concert series in partnership with Live Nation with 23 concerts, 18 of which sold out. The venue can hold 3,400 standing or 2,400 seated. The rooftop transitioned to Winterland, offering ice skating and a number of indoor and outdoor venues.
- **10 Corso Como** opened a 28,000-square-foot concept shop, the first in the U.S., in the Fulton Market Building. In addition to fashion, design and books, the space includes a full-service restaurant, bar and art gallery. Additionally, the **SJP Collection**, a shoe boutique by Sarah Jessica Parker, and long-term pop-ups by **Roberto Cavalli** and **Cynthia Rowley** opened. **McNally Jackson Books** and **Fellow Barber** are expected to open shops in 2019.
- **R17**, a rooftop cocktail lounge and restaurant opened atop Pier 17, while **Cobble & Co.**, by **CHLOE.**, **Loxster GoGo** and **Big Gay Ice Cream** opened along Front Street. Restaurants by **Jean-Georges Vongerichten**, **David Chang** and **Andrew Carmellini** and **Malibu Farm** are expected to open in phases throughout 2019. In 2020, Jean-Georges Vongerichten will also open a 40,000-square-foot fresh food marketplace inside the Tin Building which is undergoing reconstruction.
- **ESPN** opened a 19,000-square-foot television, radio and digital studio on Pier 17 in spring 2018, while **Nike** opened a 25,000-square-foot office for its creative team.

Construction continues at Macklowe Properties' **One Wall Street** residential conversion, where **Whole Foods** will open a 44,000-square-foot grocery store. The grocer expects to open in early 2020. Additionally, **Lifetime Fitness** announced it will open a 74,000-square-foot fitness center in the second half of 2020, the company's second gym branch to open in New York City.

The renovation of pedestrian concourses and retail repositioning continues at Fosun's **28 Liberty Street, Manhatta**, Danny Meyer's newest restaurant, was unveiled on the 60th floor of the office tower. The adjacent **Bay Room** also shares the penthouse floor, offering Union Square Hospitality Group's first dedicated event space with room for over 500 people. **Alamo Drafthouse** finalized its lease to open its second NYC movie theater in the lower levels of the tower in late 2019. The

40,000-square-foot dine-in multiplex will have 14 screens and a separate bar. In early January, **Legends Hospitality** announced it will operate a 35,000-square-foot food market and restaurant on the ground floor. Scheduled to open in 2020, the space will feature a food hall, music performance space and a separate, upscale restaurant.

Westfield World Trade Center welcomed new retailers to the complex, including **Nunu Chocolates**, **Toytoise**, **Rebag**, **XpresSpa**, **Duane Reade**, **Venus ET Fleur** and a second **Starbucks**. On the horizon are **Just Baked**, **Gloveworx**, **Innisfree**, **Market Lane** and **Doughnut Plant**. With the June 2018 opening of 3 World Trade Center and the surrounding plaza space, an entirely new street level restaurant collection is on the horizon. Over 50,000 square feet of retail and restaurant space in 3 World Trade Center are expected to open throughout 2019.

Several notable retailers joined the shopping and dining offerings at **Brookfield Place**, including **b8ta** and **Madewell**. **Seamore's** opened in the summer along Vesey Street, **Fuku** opened in Hudson Eats in January and will be joined later this year by **Sant Ambroeus** along West Street. Also expected to open this year is **Clean Market**, a wellness-oriented store. Lastly, the **Saks Fifth Avenue** women's department store closed in late 2018.

Retail Rents Reflect a Changing Market

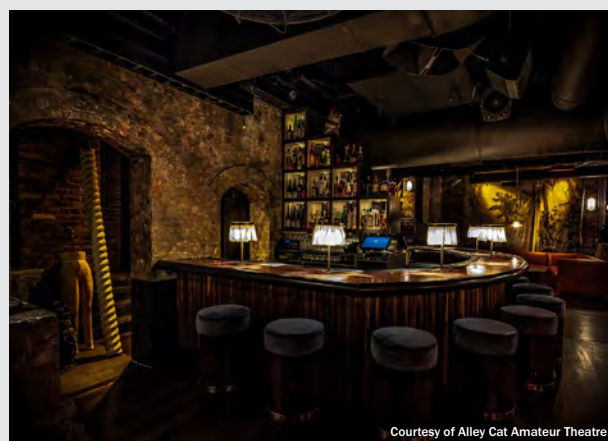
According to the Real Estate Board of New York (REBNY), asking rents in the Manhattan retail leasing market continue to adjust and correct after reaching record levels three years ago. Many retail corridors across Manhattan saw average asking rents decline, including in Lower Manhattan. Average asking rents for ground floor retail along lower Broadway (Battery Park to Chambers Street) were \$338 per square foot, a decrease of around 10 percent from a record high of \$374 last year. Lower Manhattan retail rents have remained affordable compared to areas in Times Square and along Fifth and Madison avenues where ground floor retail can range from \$1,200 to nearly \$3,000 per square foot.

Landlords have responded to the changing retail industry in a number of ways, including offering more flexible lease terms, growing acceptance of short-term deals, generous improvement allowances and experiments with new retail concepts.

**Average Asking Ground
Floor Retail Rent along
Lower Broadway**

\$338

Down 10% Year-Over-Year



Courtesy of Alley Cat Amateur Theatre



The Alley Cat Amateur Theatre, a cocktail bar & lounge, opened in The Beekman Hotel at 5 Beekman Street.



Courtesy of Seamore's



Seamore's, a seafood restaurant, welcomed guests to its new Brookfield Place location at 250 Vesey Street.



Courtesy of Primo's

P

Primo's, a cocktail bar, opened in The Frederick Hotel at 125 Chambers Street.

TOURISM & HOSPITALITY MARKET

2018 was a record-breaking year for hospitality, as 65.2 million people visited New York City². As the city experiences a steady growth in tourism, Lower Manhattan helped lead the way with 13.6 million tourists³ in 2017. While international travel dipped slightly to New York City, domestic travel picked up. Strong growth in leisure and business travel helped Lower Manhattan hotels even as the number of hotel rooms in Lower Manhattan increased nine percent over the course of 2018 and is expected to grow by seven percent this year.

Record Year for Lower Manhattan Tourism

Lower Manhattan welcomed 13.6 million³ tourists in 2017 (updated figures for 2018 are still being determined and are expected to be released later in February).

Hotels Check-in to Lower Manhattan

By the end of 2018, inventory reached 7,687 rooms in 35 hotels throughout Lower Manhattan — an 86 percent increase in the number of hotel rooms over the past five years. While Lower Manhattan makes up just six percent of New York City's total hotel inventory of 119,000 rooms³, roughly eight percent of hotel rooms planned or under construction in New York City are in Lower Manhattan.

Four hotels (all which are new hotel brands to the market) opened in 2018, adding 714 new rooms to the neighborhood:

- In May, **The Assemblage** opened at 17 John Street with 79 hotel rooms. The former residential building was converted by Prodigy Networks into an extended-stay hotel with 44,000-square-feet of collaborative space, including coworking and event space, a film screening room, outdoor terraces and a rooftop deck.
- Mr. C Seaport** at 33 Peck Slip was unveiled in July with 66 luxury hotel rooms, as well as its signature Italian restaurant, Bellini. The former Best Western was converted by Atlantic Pearl, in partnership with the Cipriani family and the Howard Hughes Corporation.
- The **AC Hotel New York Downtown**, at 151 Maiden Lane, opened in mid-October with 271 rooms. The hotel will feature an independent restaurant to be announced at a later date; and
- The **Moxy NYC Downtown**, at 26 Ann Street, was unveiled in October with 298 rooms. The hotel also features Recreation, a coworking space by day and cocktail bar and lounge by night.

Over 1,500 hotel rooms in 12 hotels are currently in the development pipeline. In 2019, hotel room inventory in Lower Manhattan is expected to grow by seven percent. More than 550 rooms in four properties will come online throughout the year. If all these projects meet current

deadlines, the hotel inventory in Lower Manhattan will reach 8,239 rooms by year-end 2019. Those scheduled for completion in 2019 include:

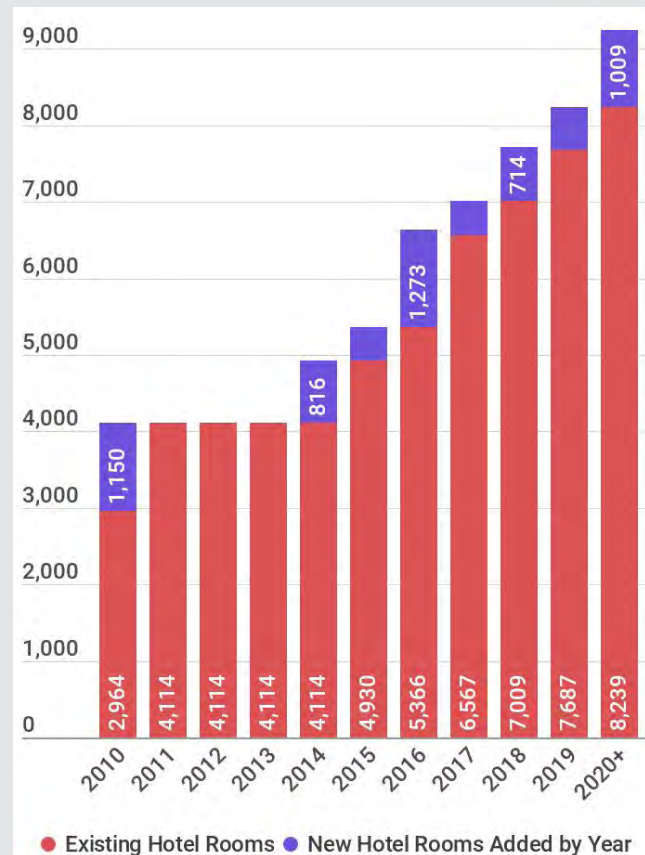
- Marriott Residence Inn** at 215 Pearl Street (upper floors), 120 rooms;
- Courtyard by Marriott** at 215 Pearl Street (lower floors), 200 rooms;
- The Artezen Hotel** at 24 John Street, 89 rooms; and
- The Fidi Hotel** at 11 Stone Street, 143 rooms.

This past year, three hotel developments were announced (all without targeted completion dates).

- The upper floors of the former American Stock Exchange building at **123 Greenwich Street** are being re-envisioned by GHC Development and Clarion Partners with 174 hotel rooms. The landmarked building is also being marketed for as much as 100,000 square feet of retail space.
- Actium Development is planning to convert a vacant office building at **88 Wall Street** into a 181 room hotel.
- George Drallios of Chaon LLC proposed a 21-story, 48-room hotel at the site of the Pearl Street Diner at **212 Pearl Street**.

LOWER MANHATTAN HOTEL INVENTORY, 2010 - 2020+

Source: Downtown Alliance



Occupancy and Average Daily Room

The fourth quarter's average occupancy was 89 percent, slightly below citywide trends at 91 percent. Lower Manhattan's year-end hotel occupancy rate has held steady over the past few years, toggling within one percentage point. Lower Manhattan's average daily room rate (ADR) in the fourth quarter of 2018 was \$290, down one percent year-over-year.

LOWER MANHATTAN HOTEL DEVELOPMENT PIPELINE

Source: Downtown Alliance

	Hotel & Address	Owner/ Developer	Rooms	Floors	Open Date
1	The Artezen Hotel 24 John Street	Westbury Realty Associates	89	21	2019
2	The Fidi Hotel 11 Stone Street	Premier Emerald LLC	143	27	2019
3	Marriott Residence Inn 215 Pearl Street	Lam Group	120 (upper floors)	40	2019
4	Courtyard by Marriott 215 Pearl Street	Lam Group	200 (lower floors)	40	2019
5	Hotel Indigo 120 Water Street	Atlas Hospitality	122	31	2020
6	Aloft Hotel 50 Trinity Place	Fit Investment Group	173	29	2020
7	Hotel Indigo 8-12 Maiden Lane	10-12 MLane Inc.	190	25	2020
8	TBD Hotel Battery Maritime Building	Centaur Properties/ Cipriani	41	5	2020
9	TBD Hotel 265 Broadway	Roe Corporation	80	12 (of 42)	2020
10	TBD Hotel American Stock Exchange Building	Clarion Partners/ GHC Dev.	174	14	TBD
11	TBD Hotel 212 Pearl Street	Chaon LLC	21	48	TBD
12	TBD Hotel 88 Wall Street	Actium Dev.	14	181	TBD
Total Hotels in the Pipeline			12		
Total Hotel Rooms in the Pipeline			1,561		

² Source of New York City-wide tourism figures: NYC & Company

³ Source of Lower Manhattan tourism estimates: Audience Research & Analysis



Courtesy of Mr. C Seaport



Mr. C Seaport opened at 33 Peck Slip in the Seaport District with 66 hotel rooms, as well as signature Italian & seafood restaurant, Bellini.



Courtesy of The Assemblage



The Assemblage opened at 17 John Street with 79 hotel rooms and 44,000 SF of collaborative communal, coworking and event space.



Courtesy of AC New York Downtown



The AC Hotel New York Downtown opened at 151 Maiden Lane with 271 hotel rooms. An independent restaurant will also be at the hotel's base.

RESIDENTIAL MARKET

2018 was another strong year for the Lower Manhattan residential market. With over 1,300 units completed, including many high-profile projects, the rental and sales markets remained active. 2019 will add more residential product to the market with 540 units coming online by year's end.

Inventory and Development Continue to Expand

Lower Manhattan has over 33,245 units in 336 mixed-use and residential buildings. The estimated population increased year-over-year by approximately two percent to 62,000 and is anticipated to continue to grow with large rental buildings still to be absorbed into the local market. Across existing residential inventory, approximately 61 percent are rentals, 37 percent are condos/co-ops and two percent have an unknown tenure. There are nearly 2,900 units in 19 buildings under construction or planned for development, with 35 percent currently planned as rental units and 65 percent condos. According to the New York Building Congress, Lower Manhattan will be home to seven percent of the 40,000 housing units anticipated to be completed citywide between 2019 and 2020.

This year 1,330 residential units in six buildings came on the market (76 percent rental and 24 percent condo), including:

- **The Woolworth Residences at 2 Park Place** began closings this past spring on the top 30 floors of the Woolworth Building. Alchemy Properties' historic conversion will add 34 condo units to the market.
- **111 Murray Street** - Fisher Brothers and the Witkoff Group's 62-story, 157-unit condo tower opened in August. The building was the site of a former St. John's University building.
- **19 Dutch Street** - Carmel Partners wrapped up construction on its 64-story, 483-rental unit tower. The Fulton Street tower's first residents moved in this past summer and the building will continue to open in phases throughout the next twelve months.
- **20 Broad Street** - MetroLoft's conversion of a 27-story office building adjacent to the New York Stock Exchange welcomed its first set of residents in September. The building will have 533 rental apartments and 70,000 square feet of retail. Full occupancy is expected in the next 14-18 months.
- **49 Chambers Street** - The Chetrit Group's conversion of the historic Emigrant Savings Bank was completed in late 2018, adding 99 condo units to the market.
- **19 Park Place** - The narrow 21-story, 24 condominium tower, developed by ABN Real Estate, wrapped up construction in 2018 and residents are expected to begin moving in this year.



Fisher Brothers & the Witkoff Group's 62-story **111 Murray Street** opened with 157 condo units.



Carmel Partners opened its 64-story, 483-unit rental tower at **19 Dutch Street** this past summer.



Metroloft's conversion of **20 Broad Street** into 533 rental units welcomed its first residents in early fall.

Smaller residential projects will open throughout the next year. The pipeline of residential development includes nearly 540 units in seven buildings under construction (100 percent condo) with plans to open in 2019.

Among them:

- **One Beekman Street** - Urban Muse's 25-story, 31-unit condo tower adjacent to City Hall Park, is finalizing construction and expects a mid-2019 completion;
- **30 Warren Street** - Construction continues on Cape Advisors' 12-story, 23-unit boutique condo building and anticipates a mid-2019 completion;
- **79-81 Warren Street** - 81 Warren LLC is converting and reconfiguring two existing low-rise buildings to have 12 condo units. Completion is expected in early 2019;
- **108 Chambers** - Greystone Development's 10-story, eight-unit boutique condo building is anticipated to be complete in mid-2019;
- **161 Maiden Lane** - Fortis Property Group topped out its 60-story, 80-condo unit tower, known as Seaport Residences. The property is adjacent to the new 271-room AC New York Downtown hotel. The condo tower anticipates completion later in 2019;
- **125 Greenwich Street** - Buzzi & Partners' 88-story, Rafael Vinoly-designed building shot up quickly this past year and will soon top out. The tower will have 273 condo units. Closings are slated to begin later this year; and
- **25 Park Row** - The collection of buildings along Park Row, once occupied by J&R Music and Computer World, will soon become a new 54-story, 110-unit condo tower. The new residential tower, developed by L&M Development, will also include 52,000 square feet of retail and a late 2019 completion is anticipated.

Residential development activity is anticipated to increase throughout the next couple years, as plans for 16 projects comprising over 2,300 units (60 percent condo and 40 percent rental) come to market in 2019 and beyond:

- **One Wall Street** - Macklowe Properties continues construction on the conversion of the landmarked office tower into 566 condominiums. The building will offer 157,000 square feet of retail, including a 44,000-square-foot Whole Foods and 74,000-square-foot Lifetime Fitness. The tower was purchased for \$585 million in 2014 and completion is anticipated in 2020;
- **45 Park Place** - Soho Properties' 43-story, 50-unit luxury condo tower also quickly rose this past year, reaching its halfway mark. Planned for a 2020 opening, it will include a public plaza connected to a three-story Islamic museum and prayer space;
- **77 Greenwich Street** - The redevelopment of the former SYMS clothing store by Trinity Place Holdings began. The 42-story, 90-condo unit tower started to rise in 2018. The site will also include a public primary school and incorporate the landmarked Robert & Ann Dickey House. The company anticipates a 2020 completion;
- **130 William Street** - Lightstone Group's 66-story, 244-condo unit tower quickly rose and facade installation began in 2018. The new building, designed by David Adjaye, adjoined lots on William and Fulton streets and will include a new plaza along William Street. Completion is set for spring 2020;

LOWER MANHATTAN RESIDENTIAL DEVELOPMENT

Source: Downtown Alliance

	Address & Building Name	Lease & Building Type	Units	Open Date
Condo & Rental Units Under Construction		TOTAL	2,291	
1	1 Beekman Street	Condo New Construction	31	2019
2	30 Warren Street	Condo New Construction	23	2019
3	81 Warren Street	Condo New Construction	12	2019
4	108 Chambers Street	Condo New Construction	8	2019
5	161 Maiden Lane 1 Seaport	Condo New Construction	80	2019
6	125 Greenwich Street	Condo New Construction	273	2019
7	25 Park Row	Condo New Construction	110	2019
8	45 Park Place	Condo New Construction	50	2020
9	69 West Broadway	Condo New Construction	24	2020
10	77 Greenwich Street Former Syms site	Condo New Construction	90	2020
11	One Wall Street	Condo Conversion	566	2020
12	2 Washington Street	Rental New Construction	345	2020
13	130 William Street	Condo New Construction	244	2020
14	45 Broad Street	Condo New Construction	206	2021
15	75-83 Nassau Street	Rental/Condo New Construction	229	2021
Condo & Rental Units In Development		TOTAL	606	
1	265 Broadway	Hotel/Condo New Construction	37	2020
2	185 Broadway	Rental New Construction	279	2021
3	86 Warren Street	Rental New Construction	40	TBD
4	3 Platt Street 102 John Street	Rental New Construction	250	TBD
TOTAL UNITS IN THE PIPELINE			2,897	

- **2 Washington Street** - Moinian is undergoing a partial residential conversion of 15 floors of an office tower (also known as 17 Battery Place North) into 345 rental units and is expected to be complete in 2020. Nyack College owns the commercial office condo portion of the building for its NYC campus. Nyack College also announced it was selling its original Rockland County campus, shifting staff and 600 students to the NYC campus in fall 2019;
- **45 Broad Street** - Madison Equities began foundation work on its 64-story, 150-unit condo tower. The tower will have roughly 50,000 square feet of office space at the base. Completion is anticipated for 2021; and
- **185 Broadway** - SL Green began foundation work to build a 32-story, mixed-use tower with over 40,000 square feet of office space and 279 rental units (30 percent of which will be affordable). The developer demolished three buildings at 183 and 187 Broadway and 5-7 Dey Street. Completion is anticipated for early 2021.

Residential Sales Market

Continued fluctuation and correction in the residential sales market in Lower Manhattan reflects the expiration of the legacy contract pipeline for condos (notably 2017 closings at the Four Seasons Residences at 30 Park Place), as well as rising mortgage rates and downward pressure from the recent tax overhaul. Similar trends are being seen across Manhattan.

The **median sales price** for co-ops and condos increased to \$980,000, up about five percent from last quarter, but down four percent from the previous year. This is the second consecutive quarter since 2016 that the median sales price fell below \$1 million. Similarly, while Lower Manhattan's **average price per square foot** (PPSF) of \$1,308 was up two percent over the past quarter, the year-over-year decrease was around 24 percent.

Residential Rental Market

According to residential statistics published by Miller Samuel/Douglas Elliman, Lower Manhattan's **median rent** decreased slightly to \$3,698, down three percent from last quarter and two percent from the prior year. Manhattan's overall median rent trended up slightly, at 1.3 percent year-over-year to \$3,395.

2,900 Residential Units in 19 Buildings are Under Construction or Planned for Development



One Wall Street's conversion will include 556 condos, a 44,000 SF Whole Foods and a 74,000 SF Lifetime Fitness. Completion is expected in 2020.



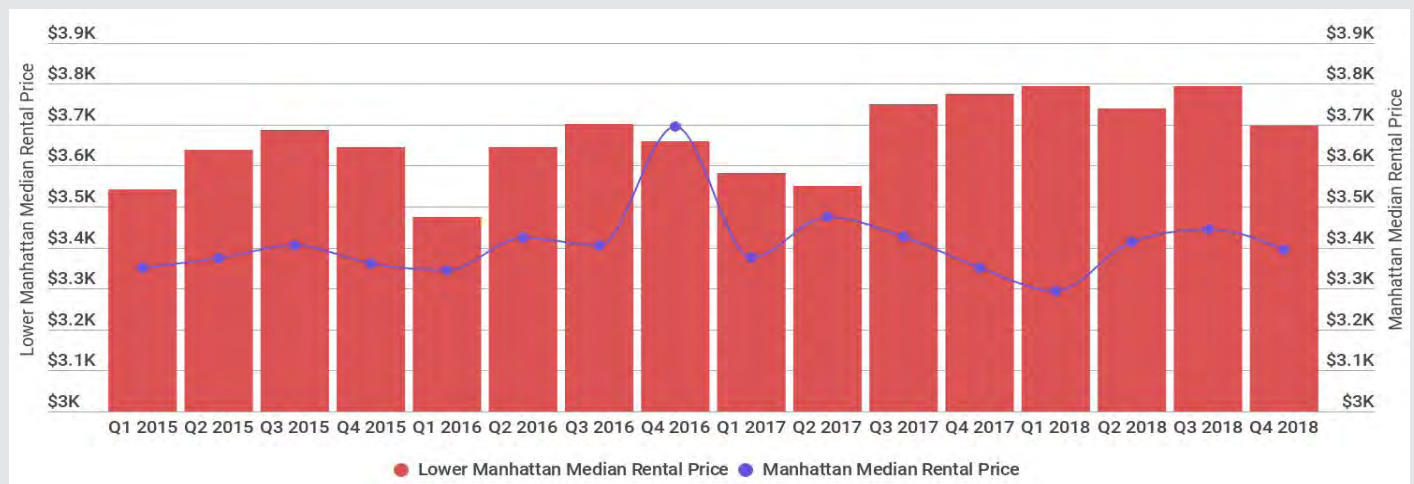
The new 61-story, 244-condo unit tower at **130 William Street** continues to rise. Completion is expected in 2020.



The 32-story, 279-rental unit tower at **185 Broadway** across from Fulton Center began excavation. Completion is expected in 2021.

LOWER MANHATTAN MEDIAN RESIDENTIAL RENT, Q1 2015 - Q4 2018

Source: Miller Samuel/Douglas Elliman



LOWER MANHATTAN MEDIAN CONDO SALES PRICE, Q1 2015 - Q4 2018

Source: Miller Samuel/Douglas Elliman



LOWER MANHATTAN AVERAGE SALES PRICE PER SQUARE FOOT (PPSF), Q1 2015 - Q4 2018

Source: Miller Samuel/Douglas Elliman



MAJOR PROJECTS UPDATE

Lower Manhattan now has over 56 million square feet of Class A office space with the opening of 3 World Trade Center. The new NYC Ferry service has proven to be very popular, with all lines stopping at Pier 11-Wall Street, and will be expanded to connect more areas in NYC to Lower Manhattan. Additional subway access continues to open at the World Trade Center Transportation Hub with the reopening of the WTC Cortlandt 1 Train station.

World Trade Center

3 World Trade Center

Silverstein Properties officially opened 3 World Trade Center on June 11, 2018. The 80-story, 2.5 million-square-foot office tower is now New York City's fifth-tallest tower. The office tower was designed by Pritzker prize-winning architecture firm Rogers Stirk Harbour + Partners.

Approximately 53 percent of the tower has been leased to date. Anchor tenant, GroupM Worldwide, began moving staff into its 690,000-square-foot space in July. Since then, 3 World Trade Center has seen leases from IEX, McKinsey & Co., Hudson River Trading, Asana, Diageo and Casper.

Retail at the base of the tower will begin to open throughout 2019. Westfield will soon gain access to 50,000 square feet of retail space and anticipates opening as many as six eateries and bars. Direct access will be available from the office lobby into the Transportation Hub's subway and PATH trains and Westfield's underground shopping concourses by August 2019.

In addition to the office tower opening, public space surrounding 3 World Trade Center was also unveiled. The plaza just south of the Oculus (north of 3 WTC) and Cortlandt Way (between 3 WTC and 4WTC), as well as along Greenwich and Church streets, became available for pedestrian use. Additionally, the future site of 2 World Trade Center was enlivened as eight artists created murals on temporary building sheds.

The World Trade Center Transportation Hub

The WTC Cortlandt 1 Train station officially reopened in September 2018 after being destroyed on September 11, 2001. Trains bypassed the station for over 17 years. The remodeled station features a white, monochromatic marble mosaic with text from the 1776 Declaration of Independence and the 1948 United Nations Universal Declaration of Human Rights. The station opens directly into the west side of the World Trade Center Transportation Hub. Separately, entrances from the new 3 World Trade Center tower into the transit hub are expected to open by June 2019.

The Ronald O. Perelman Performing Arts Center (The Perelman Center)

The Ronald O. Perelman Center for Performing Arts at the World Trade Center, known as The Perelman Center, signed a 99-year lease with the Port Authority in February 2018. The Center has raised \$295 million, or 82 percent of its expected \$363 million construction cost. In conjunction with the lease signing, the Port Authority will also receive \$48 million from the Lower Manhattan Development Corporation for below-grade construction.

Additionally, the board of directors of the Perelman Center announced the appointment of Bill Rauch of the Oregon Shakespeare Festival as its first artistic director.

The approximately 110,000-square-foot cube-shaped building will feature three theaters of varying sizes which can be combined in different seating configurations and formats for an array of unique performance environments. The Perelman Center will be located at the site of the now demolished PATH entrance at Greenwich and Vesey streets, which closed when the World Trade Center Transportation Hub opened in summer 2016. The project began construction in fall 2017 and anticipates opening for the 2020-2021 season.

3 World Trade Center Opens



Courtesy of Silverstein Properties, Inc.

Infrastructure

NYC Ferry

The final two of the originally planned NYC Ferry routes launched this summer with service to the Lower East Side and Soundview (Bronx). The full system now features six lines providing service along the East River as well as to South Brooklyn and the Rockaways. These new routes have proven popular, as ridership hit 8 million cumulative riders since the service launched in May 2017. Due to the better than anticipated demand, additional funds have been allocated to pay for larger boats, a second home port and other infrastructure upgrades to accommodate increased rider projections. The existing routes have 21 landings across the city and all routes stop at Pier 11-Wall Street. One-way tickets cost \$2.75.

In January 2019, Mayor de Blasio announced an expansion of the NYC Ferry system. Starting in 2020, the ferry system will begin serving all five boroughs. With these new routes and ferry landings, revised annual ridership forecasts project the system will reach 11 million annual riders by 2023. The expansion includes:

- Launch of the St. George Route in 2020, connecting St. George in Staten Island and running up the Hudson River along Manhattan's west side with stops at Battery Park City/Vesey Street and Midtown West/West 39th Street.
- Launch of the Coney Island Route in 2021, connecting Coney Island to Bay Ridge and Wall Street.
- Expansion of the Soundview Route in 2021, adding a new landing at Throgs Neck/Ferry Pointe Park in the Bronx.
- Modification of the Astoria route in 2021, to include a new stop at the Brooklyn Navy Yard.
- Modification of the South Brooklyn in 2021, to start from Sunset Park/Brooklyn Army Terminal instead of Bay Ridge.

Water Street Streetscape Project

In fall 2019, the New York City Economic Development Corporation will begin work on a long awaited streetscape and public realm enhancement project along the Water Street corridor. The project will transform two temporary public plazas at Coenties Slip and Whitehall Street into permanent public spaces featuring new landscaping, seating and concessions. The project will also plant street trees, rebuild sidewalks and enhance pedestrian safety from Whitehall Street to Old Slip. The \$22.8 million project is expected to take around 24 months to complete.

Warren & John Streets Reconstruction

Reconstruction of Warren Street (from Broadway to West Street) and John Street (from Broadway to William Street) are both scheduled to be finished in the summer of 2019. These projects will replace all underground infrastructure, including water mains, sewers, electric, gas and other utilities, as well as construct new streets and curbs.

Stock Exchange District: A Vision for a More Welcoming Wall & Broad Streets

Located at the heart of Lower Manhattan, the Stock Exchange District (bounded by Broadway, Beaver Street, Pine Street and William Street) is one of the most iconic and heavily trafficked locations in New York City. With over 1,200 residential units and more than seven million square feet of office space, the district's growth has mirrored that of Lower Manhattan as a whole as it has transformed from a purely commercial area to a truly mixed-use live, work and play community. Unfortunately the area's public realm isn't nearly as welcoming or attractive as it could be.

Under the direction of a stakeholder steering committee with over 30 members, the Downtown Alliance engaged a consulting team lead by WXY Architecture + Urban Design to develop a comprehensive public realm improvement strategy for the Stock Exchange District. The resulting report, A More Welcoming Wall & Broad: A Vision for Improving the Stock Exchange District, was published in May 2018.

The Downtown Alliance's vision for the Stock Exchange District is based around creating an identity and sense of place for the area, enhancing the pedestrian environment, improving mobility, rationalizing deliveries and separating trucks from pedestrians. The plan establishes broad design objectives intended to guide both private and public investment in the district. The Alliance envisions a multi-year process to realize the vision for the district and anticipates the project being completed in several stages. The full report may be accessed through the Alliance's website.



Robert R. Douglass Pedestrian Bridge

Construction on the Robert R. Douglass pedestrian bridge (formerly known as the West Thames Street pedestrian bridge) began in 2017. Spanning West Street, the bridge will bring pedestrians to a new, privately-owned, public plaza at 50 West Street. According to the New York City Economic Development Corporation, completion is anticipated in late 2019. The new structure will replace the Rector Street pedestrian bridge.

74 Trinity Place Rises

Trinity Real Estate's 74 Trinity Place, a new 26-story, 310,000-square-foot office building, is under construction. The bottom five floors, called Trinity Commons, will be for community use, floors six through eight will be used for Trinity Church's offices and the remaining 17 floors will be rentable office space. The existing pedestrian bridge across Trinity Place will remain and eventually be reconnected to Trinity Church. The \$350-million-tower is anticipated to open in late 2019.

Resiliency

Federal, State & City Investment

In 2016, the de Blasio administration announced that \$100 million in City capital funds would be allocated to coastal resiliency in Lower Manhattan as part of a larger project funded by the U.S. Department of Housing and Urban Development's National Disaster Resilience Competition. The money should ultimately help build a network of floodwalls, berms and deployable barriers to protect the tip of Manhattan from flooding. The project will extend from the Lower East Side, around the tip of the island, and up to Battery Park City.

With \$6.75 million from a mix of City and State sources for preliminary design and environmental review, and an additional \$8 million from the City's capital budget for first phase flood protection design and implementation in Battery Park, nearly \$15 million in government funds has been set aside for additional Lower Manhattan resilience work. EDC kicked off design work for the Lower Manhattan coastal resiliency initiative in the summer of 2016. In addition, the Battery Park City Authority has launched an initiative to renovate Wagner Park in a manner that will incorporate much needed resiliency measures.



Trinity Real Estate's **74 Trinity Place** topped out and began facade installation in 2018. The new 26-story 310,000 SF office tower expects a late 2019 completion.



Six **NYC Ferry** lines are now operating across the city, all stopping at Pier 11-Wall Street. In early 2019, the City announced new routes and some modifications will be added in the next couple years.



Visit www.downtownny.com/research-statistics for additional publications on the Lower Manhattan real estate market and economy. Documents include a complete list of residential and hotel developments, available retail spaces, a summary of leasing incentives and other research reports, including:

Lower Manhattan: New York City's Premier Transit Hub, a report demonstrating the strength of Lower Manhattan as one NYC's premier multimodal hubs and needs/opportunities for future improvements.

An Untapped Market: Lower Manhattan's Young Professionals, a residential survey highlighting Lower Manhattan as a neighborhood of choice for young professionals in New York City, as well as ways to capture residents' robust appetite for dining out and entertainment.

Surging Ahead: Lower Manhattan's Economic Revival and What It Means For New York, a report on the major advances in Lower Manhattan's economy expected over the next five years as a result of post-September 11th investments and the area's status as a burgeoning center for some of New York City's highest value, most dynamic industries.

The Brain Gain, a report on how the region's shifting demographics continue to favor the Lower Manhattan Business District.

If you have questions or require additional information,

please contact research@downtownny.com



Alliance for Downtown New York
120 Broadway Suite 3340
New York, NY 10271
212.566.6700
DowntownNY.com

Telephone: 212-835-2787
Email: Research@DowntownNY.com