



ALLIANCE FOR DOWNTOWN NEW YORK

LOWER MANHATTAN REAL ESTATE MARKET REVIEW

Q2 2019

Lower Manhattan Posts Strongest Mid-Year Leasing Total in Nearly Two Decades

Leasing momentum continued into the second quarter with 1.8 million square feet of office deals inked. Buoyed by relocations into the market, leasing activity was 35% above the five-year quarterly average. With 3.8 million square feet leased in the first half of 2019, this is the best mid-year leasing total since 2000, according to CBRE.

Relocations represented about 23% of quarterly leasing activity in Lower Manhattan. Of those relocations, roughly 77% were TAMI (Technology, Advertising, Media and Information) tenants. The four largest relocations were from Midtown South, driven by record-setting rents and lack of quality space. Additionally, renewal activity was at its highest since Q1 2017 - a strong sign for the market as tenants are willing to recommit to Lower Manhattan on a long-term basis.

Several large deals at 55 Water Street, including the two largest deals of the quarter, accounted for the bulk of leasing activity (709,000 square feet). Mid-sized deals also drove a significant amount of leasing activity with 17 deals between 25,000 and 99,999 square feet. Activity among flexible space providers, TAMI tenants and architecture firms also provided a lot of momentum in the district.

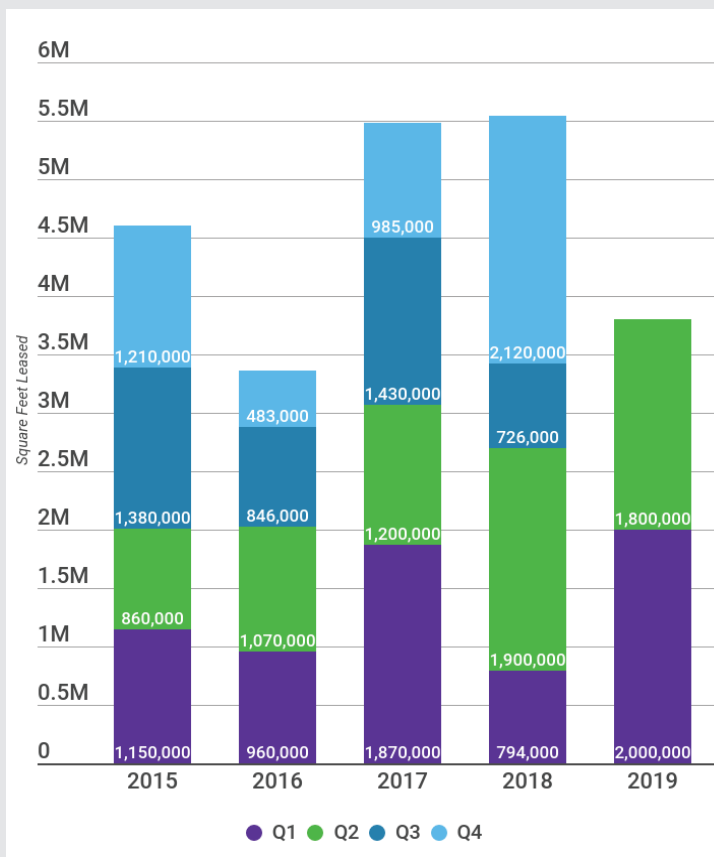
Midtown Manhattan saw below average leasing with activity 6% behind the five-year quarterly average - the second consecutive quarter where the submarket trailed this benchmark. After a slow start to the year, Midtown South reached its second highest quarterly total on record, eclipsing the five-year quarterly average by 47%. The resurgence in Midtown South was driven by tech companies and flexible space providers which accounted for nearly 75% of all leasing activity.

Several Large Deals Lead Leasing Activity

The largest renewal and relocation of the quarter were both at 55 Water Street, the largest office building (by floor area) in New York City. **EmblemHealth** renewed its 439,080-square-foot lease in the building. **Justworks**, a human resources technology company, signed for 270,400 square feet, relocating and expanding from 99,000 square feet in West Chelsea's Starrett-Lehigh Building. In July 2019, **District Council 37**, New York City's largest public employee union, inked a 130,449-square-foot sublease, while it renovates its headquarters at 125 Barclay Street. In addition to the leasing activity at 55 Water Street, the **Financial Industry Regulatory Authority** (FINRA) renewed its 208,022-square-foot lease at 200 Liberty Street.

Lower Manhattan Year to Date Leasing Activity, 2015 - 2019

Source: CBRE



3.8 Million Square Feet

*leased in first half of 2019,
the best mid-year leasing
total since 2000*

Tech & Architecture Firms Drive Mid-Size Leasing

Architecture firm **Skidmore, Owings & Merrill (SOM)** announced it was relocating to 76,568 square feet at 7 World Trade Center, one of many Lower Manhattan buildings designed by SOM. The firm's New York office has been located at 14 Wall Street since 1998. SOM was one of the first architecture firms to move to the Financial District, setting a precedent that many design firms have followed. **Ennead Architects** signed a 47,252-square-foot deal to relocate from the Meatpacking District to One World Trade Center. The design firm subleased the entire 40th floor from Condé Nast.

In addition to **Justworks**, other technology companies signed deals in Lower Manhattan. At One World Trade Center, **ASAPP**, an artificial intelligence firm, renewed and expanded with a 36,960-square-foot deal. **Olo**, a restaurant delivery platform, signed a 36,099-square-foot sublease, relocating from 26 Broadway. **Mediaocean**, an advertising software developer, took 50,639 square feet at 120 Broadway relocating from Chelsea.

Flexible Space Providers Continue to Grow

Flexible space providers continued to be among Lower Manhattan's strongest dealmakers in the second quarter, with six deals reaching nearly 230,000 total square feet. Over 630,000 square feet have been leased so far this year by flexible space providers.

- **WeWork** signed three mid-sized deals this quarter, including 55,370 square feet at 30 Wall Street, 37,400 square feet at 22 Cortlandt Street and a 17,350-square-foot penthouse at 44 Wall Street. Both the 30 Wall and 22 Cortlandt locations are to be leased to a single user. WeWork recently opened a 201,000-square-foot location at 199 Water, which was the second largest lease in Q1 2019. There are now 11 WeWork locations in Lower Manhattan.
- **Knotel** signed an 80,650-square-foot expansion at 110 William Street, bringing the total Knotel-occupied space at that building to around 117,000 square feet. Knotel first leased around 35,848 square feet in the building in August 2018. They now have nine locations in Lower Manhattan.
- Two smaller flexible space providers also leased space in Lower Manhattan this quarter. **Alley** took 30,000 square feet at 140 West Street in the space once occupied by Grind, a former coworking provider. **Primalbase**, a European-based flex space provider, opened its first US location, taking 8,561 square feet at 40 Fulton Street.

Lower Manhattan Top Leases, Q2 2019

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

	Tenant Name <i>Location</i>	SF Leased <i>Transaction Type</i>	Sector
1	EmblemHealth 55 Water Street	439,080 Renewal	Healthcare
2	Justworks 55 Water Street	270,400 Relocation	TAMI, Technology
3	FINRA 200 Liberty Street	208,022 Renewal	FIRE
4	NYC Dept. of Citywide Admin. Services 110 William Street	83,813 Renewal	Government
5	Knotel 110 William Street	80,650 Expansion	Prof. Services, Flexible Office Space Provider
6	Skidmore, Owings & Merrill 7 World Trade Center	76,568 Moving Within LM	Prof. Services, Architecture
7	Med Review 199 Water Street	72,439 Renewal & Expansion	Healthcare
8	WeWork 30 Wall Street	55,370 New LM Location	Prof. Services, Flexible Office Space Provider
9	Mediaocean 120 Broadway	50,639 Relocation	TAMI, Technology
10	Ennead Architects One World Trade Center	47,252 Relocation	Prof. Services, Architecture
11	Alphadyne Asset Management 17 State Street	43,872 Renewal & Expansion	FIRE
12	Juvenile Diabetes Research Foundation 200 Vesey Street	40,891 Moving Within LM	Nonprofit
13	New York Academy of Sciences 7 World Trade Center	40,889 Renewal	Nonprofit
14	WeWork 22 Cortlandt Street	37,400 New LM Location	Prof. Services, Flexible Office Space Provider
15	ASAPP One World Trade Center	36,960 Renewal & Expansion	TAMI, Technology

Average Office Asking Rents

According to Cushman & Wakefield, Lower Manhattan's overall average asking rent increased modestly by 0.2% to \$63.40 per square foot. Class A asking rent remained near historical highs at \$67.54 per square foot, dropping only 0.3% from the previous quarter. The average Class B asking rent reached an all-time high at \$57.40 per square foot, growing 1.7% over the past year - a result of higher priced space entering the market at One Broadway.

\$63.40

*overall average
asking rent in
Lower Manhattan*

In Midtown, overall average asking rents were \$76.56, increasing about 1.5% over last quarter. Class A average asking rents were \$82.76. Midtown South saw increases in overall asking rents at \$82.32 per square foot - an all-time high - growing nearly 15.8% year-over-year. This is the fourth consecutive quarter where overall rents in Midtown South have exceeded rents in Midtown. Midtown South's Class A average asking rent hit over \$98 due to the completion of several new Class A office buildings in the Union Square and NoHo/SoHo area.

Lower Manhattan continues to maintain a substantial pricing advantage compared to other Manhattan submarkets, most notably to Midtown South. Lower Manhattan's asking rents are nearly \$31 per square foot below Midtown South's average for Class A office space and \$19 below for overall office space, both record differentials. The expansion of the technology sector in Midtown South has left that market with limited availabilities and record-setting pricing. While Class A rents in Lower Manhattan have remained at their highest levels in the submarket's history, many growing tech tenants in Midtown South have taken note of the district's sizable rent differential and newer office product.

Vacancy Rate

Lower Manhattan's vacancy rate increased slightly to 11.6% in the second quarter according to Cushman & Wakefield. The quarterly uptick in vacancy is due to a 197,000-square-foot space becoming available at One Broadway, which is being repositioned. Large additions at 55 Water Street and 80 Pine Street, with 274,000 square feet and 253,000 square feet respectively, were also brought to market. Across office class types in Lower Manhattan, both Class A and Class B vacancy increased slightly, standing at 11.9% and 11.8% respectively. Class C office vacancy was 8.9%.

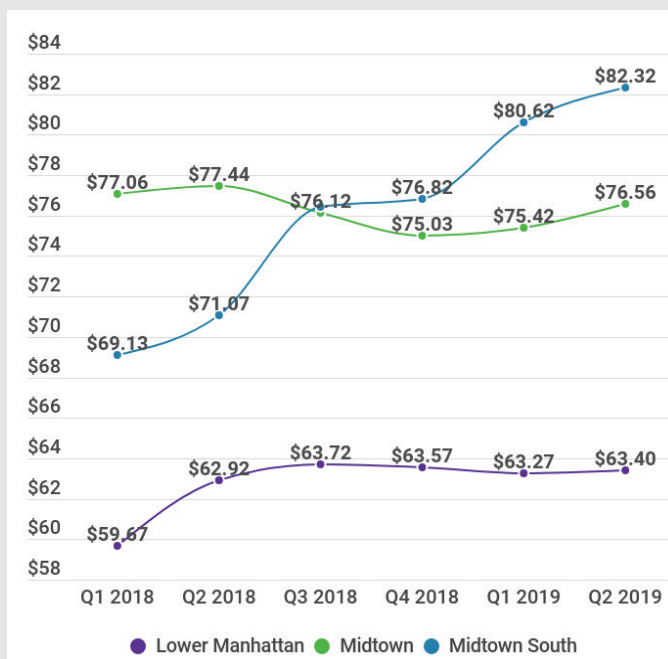
11.6%

*overall
vacancy rate in
Lower Manhattan*

Meanwhile, Midtown's overall vacancy rate of 10.5% was the submarket's second consecutive quarter above 10%. Despite strong leasing, Midtown South's vacancy increased to 8.9%, as larger blocks and high-end new construction office buildings entered the market.

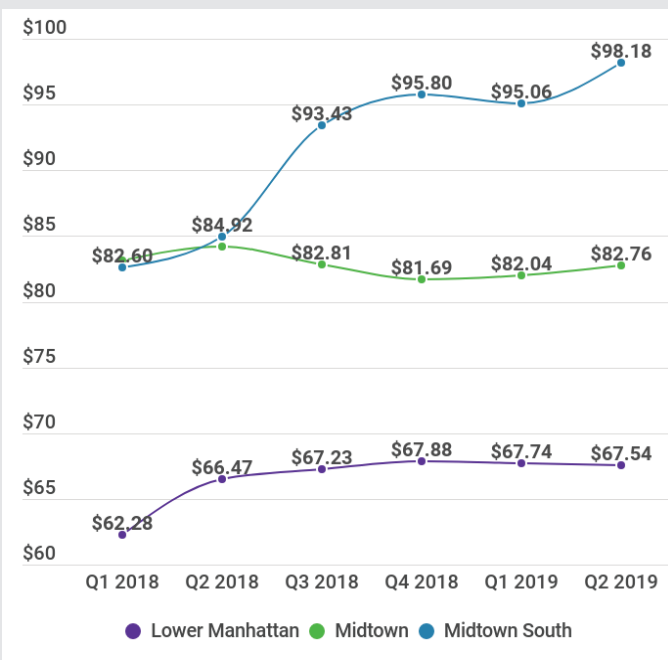
Overall Office Asking Rents by Submarket Q1 2018 - Q2 2019

Source: Cushman & Wakefield



Class A Office Asking Rents by Submarket Q1 2018 - Q2 2019

Source: Cushman & Wakefield



Second Quarter Property Sales

Two property sales in Lower Manhattan occurred during the second quarter.

- A 9,075-square-foot, five-floor, five-unit mixed-use building at **6 Stone Street** was sold by 6 Stone Street LLC to Conway Capital and Davean Holdings for \$6.65 million. The retail space is occupied by Murphy's Tavern.
- A 75,000-square-foot, 15-story residential building at **106 Fulton Street** with 81 rental units was sold to Thurcon Properties by DSA Property Group for \$77.5 million. DSA purchased the former dormitory from Pace University in October 2016 for \$51.1 million. The ground floor retail space is occupied by Burger King.

Recent pending sales announcements:

- **14 Vesey Street** - New York County Law Association sold its four-story, 89-year-old landmarked building to JTRE Holdings (who is still in negotiations to buy 23 Wall Street). The sale is estimated in the low \$20 million range. NYCLA signed a 20,000-square-foot lease at 28 Liberty with plans to move in 2020.
- **111 Wall Street** - Citigroup plans to leave its 900,000-square-foot office at 111 Wall Street by December 2019. Citigroup plans to move all remaining employees at 111 Wall to its headquarters at 388 Greenwich Street in Tribeca.
- **175 Water Street** - AIG is shopping its 31-story, 684,000-square-foot office tower with an asking price near \$275 million. As part of a sale, AIG is looking to do a short-term leaseback with the new owner through the end of 2021 until they relocate their offices to 1271 Sixth Avenue.

106 Fulton Street Sold



6 Stone Street Sold



Courtesy of Conway Capital

RETAIL MARKET

New Openings and Announcements

Westfield World Trade Center welcomed new retailers to the complex, including Korean beauty brand **Innisfree**, **Sweetcatch Poke** and **Market Lane**, an 11,000-square-foot food hall. More food options are on the horizon with **Just Baked**, **Doughnut Plant** and **Taco Dumbo** to open later this year. Over 50,000 square feet of retail and restaurant space at the base of 3 World Trade Center are expected to open later in 2019.

At **Brookfield Place**, **SuitSupply** expanded, while **Monica+Andy**, a children's boutique, and **Amazon Go** opened. Later this year, **Clean Market**, a wellness-oriented store and **Sant Ambroeus**, the chic Italian restaurant, will open. **Shakespeare & Co.**, an independent bookstore, announced plans to open in early 2020.

In the **Seaport District**, The Rooftop at Pier 17 opened its second concert season. At the base of Pier 17, **The Fulton**, a seafood restaurant by Jean-Georges Vongerichten opened in late April, while **Bar Wayō**, a Japanese bar and restaurant by David Chang, opened in late July. Later this summer, **McNally Jackson Books** will open at 4 Fulton Street. Restaurants by **Andrew Carmellini** and **Malibu Farm** are expected to open later this year.

Twenty-four new retailers opened in Lower Manhattan in the second quarter, including:

- **Coco Bistro**, a French restaurant and wine bar, opened at 233 Front Street in the Seaport;
- **Playa Bowls**, an acai and smoothie shop, opened in the shopping concourse at One New York Plaza;
- **For Five Coffee** at One Liberty Plaza;
- **Sweetgreen** opened at 125 Chambers Street, **Archive Wine & Spirits** at 270 Greenwich Street and **Dr Smood** at 210 Murray Street; and
- Three Mexican restaurants announced plans to open: **Tacombi** at 74 Broad Street, **Mezcali** at 83 Maiden Lane and **Los Tacos No. 1** at 136 Church Street.

Retail Rents Rise

According to the Real Estate Board of New York's spring retail report, average asking rents for ground floor retail along Broadway (Battery Place to Chambers Street) were \$401 PSF, up around 9% from spring 2018 and 19% from fall 2018, setting a record for Lower Manhattan. Asking retail rents for ground floor spaces in Lower Manhattan range between \$150 and \$625 PSF. Average ground floor retail rents have decreased in corridors across Manhattan, except for 125th Street in Harlem.



Photo by Alex Staniloff, Courtesy of The Fulton



The Fulton, a seafood restaurant, by Jean-Georges Vongerichten opened on Pier 17 in the Seaport District.



Courtesy of Shutterstock

Shakespeare & Co. announced plans to open at Brookfield Place, while McNally Jackson will open in the Seaport District later this summer.



Courtesy of Coco Bistro



Coco Bistro, a French restaurant & wine bar, opened at 223 Front Street in the Seaport.

Arts & Entertainment Take Root in Lower Manhattan

As Lower Manhattan continues to evolve into a premier live-work neighborhood, the area is no longer just a place for an occasional after-work happy hour. In addition to the new mix of shops and restaurants that are drawing locals and tourists of all stripes, exciting new arts and entertainment venues are quickly joining the ranks.

Seaport District

The Rooftop at Pier 17, which opened last year, is a 1.5-acre rooftop in the Seaport District that transforms seasonally from a Winterland experience, complete with the city's first open-air rooftop ice skating rink, to an outdoor performance venue which was recently named "Best New Concert Venue" by Pollstar. In its 2018 summer season, the venue, which is programmed by Live Nation, sold out 18 of 23 shows.

The Howard Hughes Corporation recently unveiled several art exhibits, ranging from sculptures, murals and light installations across the Seaport District and Pier 17. In addition, 10 Corso Como is hosting the World Press Photo's 2019 Photo Contest exhibition.

Ronald O. Perelman Center for Performing Arts at the World Trade Center

Construction continues on the Ronald O. Perelman Center for Performing Arts at the World Trade Center, known as The Perelman Center. 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 project anticipates completion in late 2021.

The Board of Directors announced that Leslie Koch will serve as its next President. Koch, who will succeed Maggie Boepple, is best known for her tenure as President and CEO of the Trust for Governors Island.

LMCC's Arts Center at Governors Island

The Lower Manhattan Cultural Council has provided artist resources and public programs across the neighborhood since 1973.

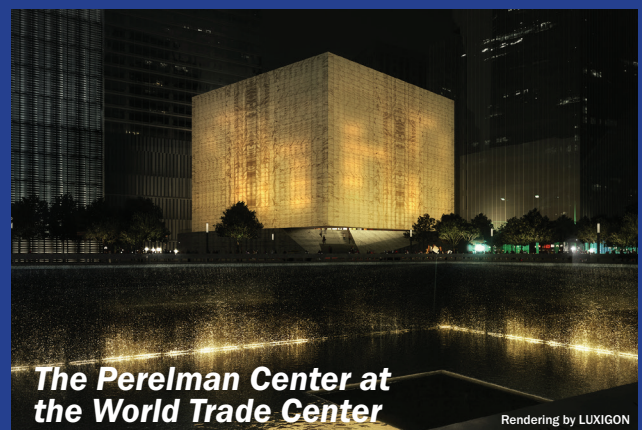
While best recognized for the River to River Festival, the council recently announced LMCC's Arts Center at Governors Island. Opening in September 2019, the center will be the first permanent home for artists and audiences on Governors Island, featuring artist residency programs and a broad range of events to convene artists and the public

Silver Art Projects

Silver Art Projects created an artist residency at 3 World Trade Center. In collaboration with Silverstein Properties, a rotating roster of 30 artists will have access to 40,000-square-feet of free studio space on the tower's 50th floor. This follows past projects where artists were given space at 4 World Trade Center, as well as creating murals at the site of the future 2 World Trade Center.

Sleep No More

The production team behind Sleep No More, the immersive theatrical production based in Chelsea, is planning to expand to a former banking hall at 20 Exchange Place. An opening is anticipated for late 2019.



TOURISM & HOSPITALITY MARKET

Record Year for Tourism

Lower Manhattan continues to be a growing destination for tourists. In 2018, approximately 14.6 million tourists visited Lower Manhattan, up 7% from 2017¹. The proportion of international visitors coming to the neighborhood rose from 50% in 2017 to 53% in 2018.

As a whole, New York City welcomed a record 65.2 million tourists in 2018, a 3.8% increase over 2017². This is the ninth straight year that the city's tourism numbers have gone up. City-wide tourism is expected to grow to at least 67 million visitors in 2019.

A new 26,000-square-foot museum on **Liberty Island** opened to the public on May 16th. It is the new home for the Statue of Liberty's original torch and other artifacts which had previously been in a smaller museum space inside the statue's pedestal. There are three main gallery spaces (including a theater) and a rooftop terrace.

Hotels Check-in to Lower Manhattan

At the end of the second quarter, there were 7,945 rooms in 37 hotels throughout Lower Manhattan. Over 1,700 hotel rooms in 15 hotels are currently in the development pipeline. In 2019, hotel room inventory in Lower Manhattan is expected to grow by 9%. While no hotels opened in the second quarter, the hotel inventory in Lower Manhattan will reach 8,408 rooms by year-end 2019. Those scheduled to open include:

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

Planning and development announcements were recently made for five proposed hotels, all with to-be-determined opening dates, including:

- **88 Wall Street**, with 181 rooms by Actium Development;
- **112 Liberty Street**, 230 rooms by Hidrock Realty;
- **140-142 Fulton Street**, TBD rooms by Hidrock Realty;
- **86 Warren Street**, 70 rooms by Solil Management; and
- **21 Park Place**, 11 rooms by Tom Grainger.

¹ Source of Lower Manhattan tourism estimates: Audience Research & Analysis

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

³ Source of preliminary New York City-wide hotel figures: NYC & Company

Lower Manhattan Hotel Development Pipeline

Source: Downtown Alliance

	Hotel & Address	Owner/Developer	Rooms	Floors	Open Date
1	The Fidi Hotel 11 Stone Street	Premier Emerald LLC	143	27	2019
2	Residence Inn 215 Pearl Street	Lam Group	120 (upper floors)	40	2019
3	Courtyard by Marriott 215 Pearl Street	Lam Group	200 (lower floors)	40	2019
4	Hotel Indigo 120 Water Street	Atlas Hospitality	122	31	2020
5	Aloft Hotel 50 Trinity Place	Fit Investment Group	173	29	2020
6	Casa Cipriani Battery Maritime Building	Centaur Properties/Cipriani	41	5	2020
7	Hotel Indigo 8-12 Maiden Lane	10-12 MLane Inc.	190	25	2021
8	TBD Hotel 265 Broadway	Roe Corporation	80	12 (of 42)	2021
9	TBD Hotel American Stock Exchange Building	Clarion Partners/GHC Dev.	174	14	TBD
10	TBD Hotel 212 Pearl Street	Chaon LLC	48	21	TBD
11	TBD Hotel 88 Wall Street	Actium Dev.	181	14	TBD
12	TBD Hotel 112 Liberty Street	Hidrock Realty	230	30	TBD
13	TBD Hotel 140-142 Fulton Street	Hidrock Realty	41	TBD	TBD
14	TBD Hotel 112 Liberty Street	Solil Mgmt.	11	70	TBD
15	TBD Hotel 21 Park Place	Tom Grainger	14	11	TBD
Total Hotels in the Pipeline			15		
Total Hotel Rooms in the Pipeline			1,783		

Occupancy and Average Daily Room Rate

The second quarter's average occupancy was 86.5%, down slightly year-over-year. Lower Manhattan's hotel occupancy rate was slightly below citywide trends at 90.3%. Lower Manhattan's average daily room rate (ADR) in the second quarter of 2019 was \$284.41, up 1% from last year. New York City's ADR, about \$16 more than Lower Manhattan's ADR, decreased slightly year-over-year to \$300³.

RESIDENTIAL MARKET

Inventory and Development Continue to Expand

Lower Manhattan has 33,215 units in 335 mixed-use and residential buildings. **81 Warren Street**, a small conversion development that joined two buildings with 12 condo units, opened in the second quarter. There are nearly 2,900 units in 18 buildings under construction or planned for development, with 35% currently planned as rental units and 65% condos. The remaining residential development with plans to open in 2019 include 172 units in four buildings under construction (100% condo). Among them:

- **30 Warren Street** - Construction continues on Cape Advisors' 12-story, 23-unit boutique condo building;
- **108 Chambers** - Sales recently launched at Greystone Development's 10-story, eight-unit boutique condo building;
- **33 Park Row** - Urban Muse's 25-story, 31-unit condo tower adjacent to City Hall Park, is finalizing construction; 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 office at the base of the tower.

Residential Rental & Sales Market

According to residential statistics published by Miller Samuel/Douglas Elliman, the **median rent** in Lower Manhattan increased to \$3,992, up 6.8% from this time last year. Meanwhile, Manhattan's overall median rent also trended up 2.5% year-over-year to \$3,500. The increase in median rents was seen across Manhattan due to a weaker sales market in the preceding 18 months. Potential buyers have been staying in the rental market until they are more comfortable.

The **median sales price** for co-ops and condos rose to \$1.075 million, down around 3% from last quarter, but an increase of nearly 7% from last year. The large annual increase in median sales prices was a result of incentives to close on units before changes in state tax law took place in New York City (the lower end of high-end buyers rushed to close because they are more affordability pressured).

Lower Manhattan's **average price per square foot** (PPSF) of \$1,278 saw greater shifts, with a decrease of 5.8% over the past quarter and a year-over-year decrease of nearly 11%. A decrease in high-end sales activity resulted in a decline of the average price and PPSF.

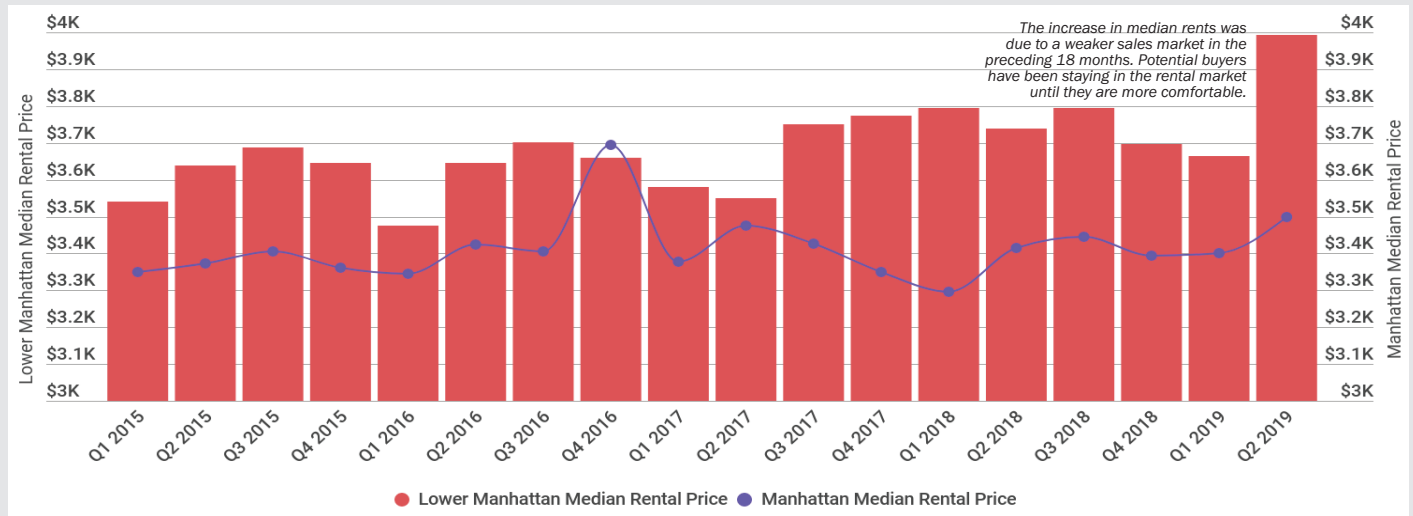
Lower Manhattan Residential Development

Source: Downtown Alliance

	Address & Building Name	Lease & Building Type	Units	Open Date
Condo & Rental Units Under Construction		TOTAL	2,050	
1	33 Park Row	Condo New Construction	31	2019
2	30 Warren Street	Condo New Construction	23	2019
4	108 Chambers Street	Condo New Construction	8	2019
5	25 Park Row	Condo New Construction	110	2019
6	125 Greenwich Street	Condo New Construction	273	2020
7	161 Maiden Lane	Condo New Construction	80	2020
8	45 Park Place	Condo New Construction	50	2020
9	69 West Broadway	Condo New Construction	24	2020
10	77 Greenwich Street	Condo New Construction	90	2020
11	One Wall Street	Condo Conversion	566	2020
12	130 William Street	Condo New Construction	244	2020
13	2 Washington Street	Rental Conversion	345	2021
14	45 Broad Street	Condo New Construction	206	2021
Condo & Rental Units In Development		TOTAL	795	
1	265 Broadway	Hotel/Condo New Construction	37	2020
2	185 Broadway	Rental New Construction	279	2021
3	75-83 Nassau Street	Rental/Condo New Construction	229	2021
4	3 Platt Street	Rental New Construction	250	TBD
TOTAL UNITS IN THE PIPELINE			2,845	

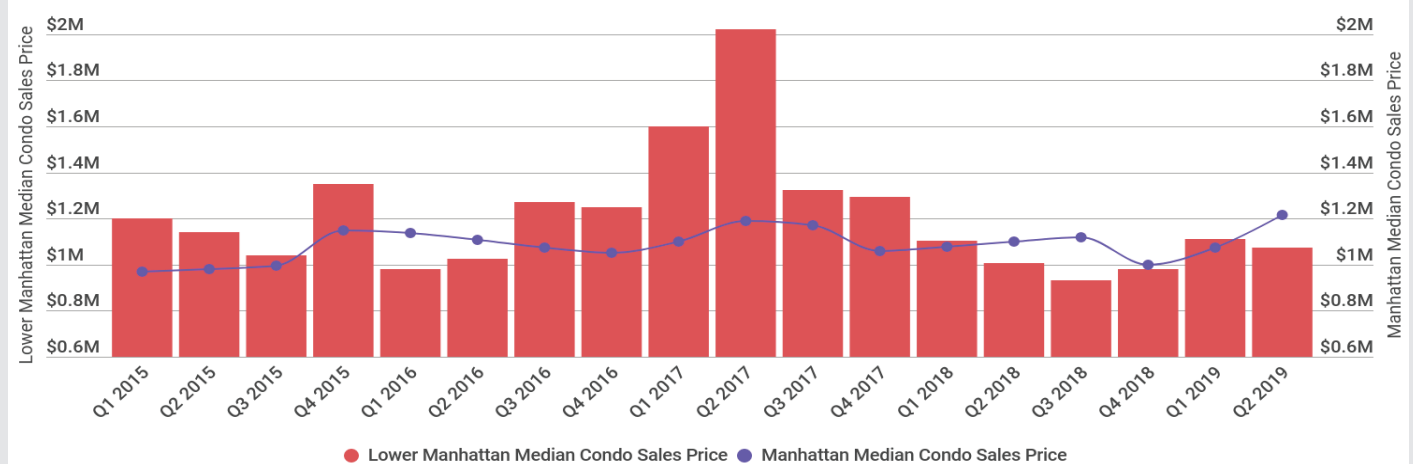
Lower Manhattan Median Residential Rent, Q1 2015 - Q2 2019

Source: Miller Samuel/Douglas Elliman



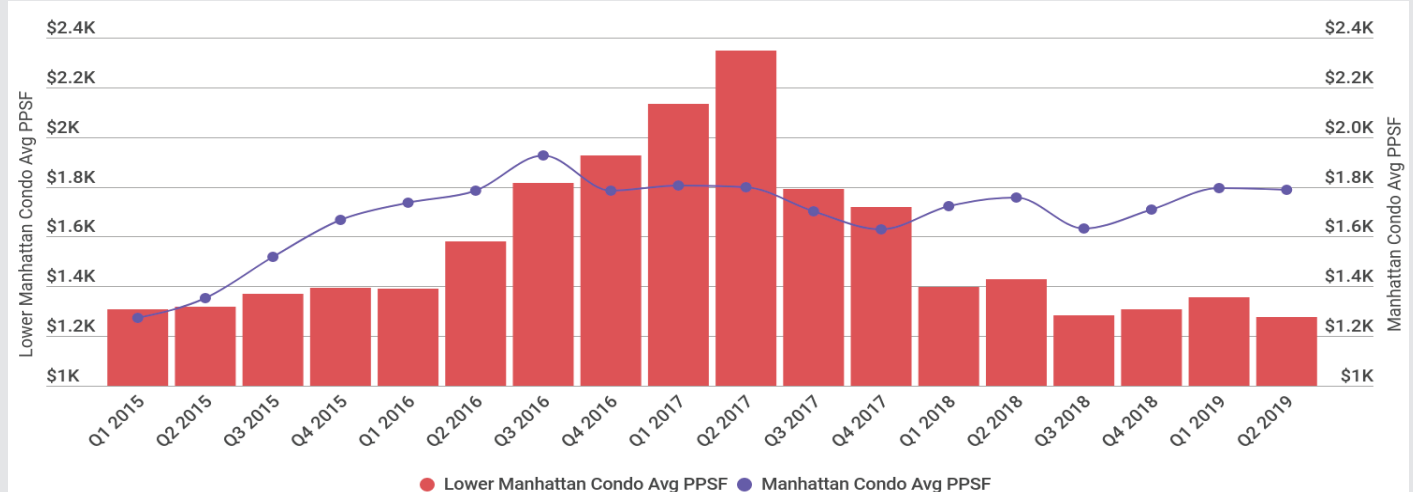
Lower Manhattan Median Condo Sales Price, Q1 2015 - Q2 2019

Source: Miller Samuel/Douglas Elliman



Lower Manhattan Average Price Per Square Foot (PPSF), Q1 2015 - Q2 2019

Source: Miller Samuel/Douglas Elliman



MAJOR PROJECTS UPDATE

World Trade Center

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

Construction continues on the Ronald O. Perelman Center for Performing Arts at the World Trade Center, known as The Perelman Center. The Center has raised 84% of its expected \$390 million construction cost.

The Board of Directors recently announced the appointment of Leslie Koch as its next President. Koch succeeds Maggie Boepple, who worked on the project since 2012 and will continue to serve as an advisor. Koch is best known for her tenure as President and CEO of the Trust for Governors Island from 2006 to 2016. Last year, 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. Project completion is scheduled for late 2021.

Site 5

The Port Authority of New York and New Jersey and the Lower Manhattan Development Corporation (LMDC) recently released an RFP for 5 World Trade Center (aka Site 5 or Albany Plaza). The parcel can accommodate a 900-foot tower with 1.3 million square feet of commercial or mixed-use development. The square footage could be used for an office tower, or an 800-key hotel, up to 150,000 square feet of convention space and up to 45,000 square feet of retail.

76 Trinity Place

Trinity Real Estate's 74 Trinity Place, a new 26-story, 310,000-square-foot office building, continues construction. The bottom five floors 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 expected to be completed in 2020.

Infrastructure

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 fall 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.

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 new 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.

Robert R. Douglass Pedestrian Bridge

The Robert R. Douglass pedestrian bridge (formerly known as the West Thames Street pedestrian bridge), which began in 2017, is wrapping up construction. Spanning West Street, the 230-foot 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 fall 2019. The new structure will replace the Rector Street pedestrian bridge.

PATH Train Improvements

The Port Authority announced a plan to spend \$1 billion on improvements to the PATH. The project is expected to dramatically expand capacity as ridership continues to rapidly grow. The Port will install a new signal system and will move the World Trade Center line from 8-car to 9-car trains, while also making modifications to PATH stations, all by 2022. The effort is expected to increase capacity by 40% on the Newark-WTC line and by 20% on the system's three other lines.

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 Real Estate 2018 Year in Review, an annual real estate report providing a review of commercial office, retail, residential, hospitality and development projects that happened in 2018.

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,
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