

**Q1 2025**

# **LOWER MANHATTAN REAL ESTATE MARKET REPORT**

**THE ALLIANCE FOR DOWNTOWN NEW YORK**

**DOWNTOWN  
ALLIANCE**



## Q1 2025

### THE ALLIANCE FOR DOWNTOWN NEW YORK

# LOWER MANHATTAN REAL ESTATE MARKET REPORT

Lower Manhattan's office market began 2025 with an uptick of leasing activity powered by several uniquely large deals. Three long-time Lower Manhattan tenants, Jane Street Capital, Arup Services and Axsome Therapeutics recommitted to the neighborhood and, in the case of Jane Street Capital and Axsome Therapeutics, significantly expanded their downtown footprints. These transactions helped boost Lower Manhattan leasing to 1.42M sq. ft., a substantial improvement over 2024's anemic leasing. Lower Manhattan's retail scene continued to grow and diversify with several prominent and long anticipated openings, including French retail concept Printemps at One Wall St. and swanky Tulum eatery Gitano at Pier 17. The district's hospitality industry expanded on 2024's record breaking performance, posting the highest Q1 ADR and the second highest Q1 occupancy on record.

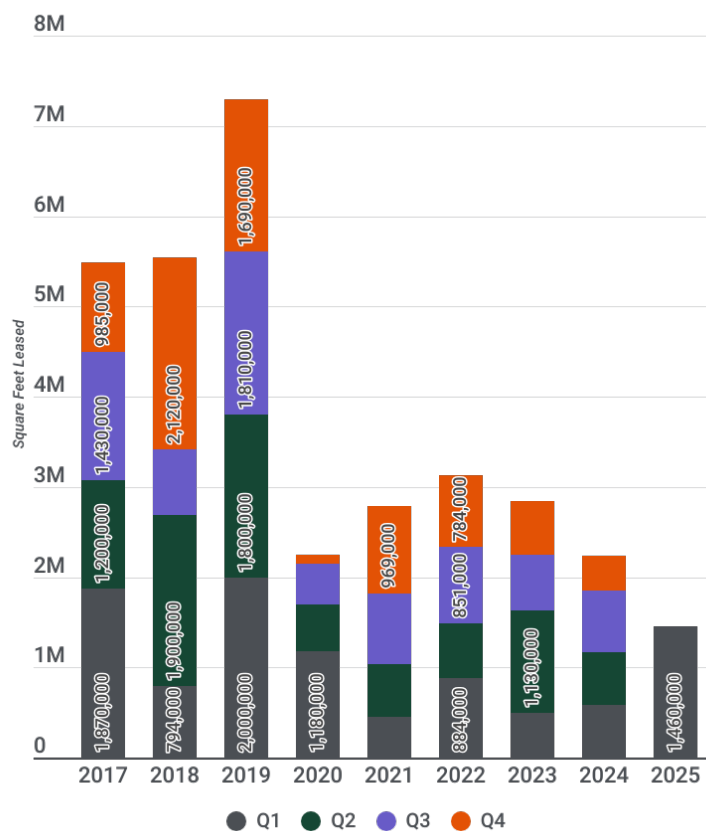
### Lower Manhattan Regains Footing as Three Large Deals Anchor Q1 Leasing Activity, District Records Positive Absorption for Fifth Straight Quarter

Lower Manhattan leasing improved to 1.42 million sq. ft. in the first quarter of 2025, driven by two longtime Lower Manhattan tenants re-committing to the neighborhood and a number of mid- to large-sized leases. The dramatic increase in leasing activity comes on the heels of 2024's historically low levels of activity that saw only 2.24 million sq. ft. of space leased. Q1's leasing activity was almost three times greater than Q4 2024 and has already made up over half of 2024's entire leasing total. It is worth noting that Q1's eye popping year-over-year and quarter-over-quarter improvements are largely reflective of 2024's historically weak leasing activity.

The main driver of this resurgence in market activity was **Jane Street Capital's** 984,000 sq. ft. renewal and expansion at **250 Vesey St.** – 625,000 of which was counted as new leasing activity. Including the space

### Lower Manhattan Annual New Leasing Activity, 2017-2025

Source: CBRE



# 1.42 Million

Square Feet Of New Leasing In The First Quarter

it renewed, this is the largest lease signed in Lower Manhattan since the onset of the Covid-19 pandemic. **Arup Services**, an engineering and climate consulting firm, also accounted for a significant portion of the leasing total by taking 99,418 sq. ft. of space at **140 Broadway**. The firm signed this lease primarily due to the fact that its old home – **77 Water St.** – is converting to residential use. Another new lease came from **Axsome Therapeutics**, which took 96,293 sq. ft. of space at **1 World Trade Center**.

The flurry of large square footage transactions marks a dramatic change from post-pandemic leasing patterns. In the 17 quarters since the pandemic began in 2020, smaller deals (less than 50,000 sq. ft.) have accounted for 58% of leasing. Within the last quarter, 58% of Downtown's leasing activity was in blocks of 50,000 sq. ft. or larger.

The Midtown submarkets also experienced growth during the first quarter. Midtown finished Q1 with 4.85 million sq. ft. of space leased, a 31% increase over the year and a 47% uptick over the 5 year average. Midtown South ended the quarter at 1.61 million sq. ft. of leasing activity, marking a rise of 136% and 55% over the year and 5 year average, respectively.

By ending the first quarter with 567,000 sq. ft. of net absorption, Lower Manhattan has recorded its fifth straight quarter of positive absorption. But there is also an important difference between this quarter and the last four: Before Q1, positive absorption figures came with the caveat that large blocks of office space were leaving the market to be converted into multifamily apartment buildings. Considering the high leasing total this quarter, as well as the fact that no new conversion projects were announced, Q1's positive absorption rate is more reflective of increased leasing activity. **Jane Street Capital's** massive deal, rather than a new residential conversion, likely accounts for much of this figure.

## Relocation Activity Improves in the First Quarter

In addition to the district's strong leasing quarter, relocation activity increased. Five relocations accounted for 76,927 sq. ft. of space. For reference, 2024 as a whole saw six relocations account for 117,000 sq. ft. Q1 activity alone accounted for 65% of last year's total; and it was also one deal away from tying 2024's deal total. Prominent

relocations include **VettaFi's** 20,721 sq. ft. space at **225 Liberty St.** and **OneTrust's** 18,688 sq. ft. deal at **4 World Trade Center**. Both of these companies previously operated in Midtown. Considering the year-long relocation drought ailing the district, these quarter-end figures are a bright spot.

## Lower Manhattan Top Leases, Q1 2025

Source: CBRE, Costar, Colliers, Downtown Alliance

	Tenant Name <i>Location</i>	SF Leased <i>Transaction</i>	Sector
1	<b>Jane Street Capital</b> 250 Vesey Street	<b>983,791</b> Expansion/ Renewal	<b>FIRE, Financial Services</b>
2	<b>Arup Services</b> 140 Broadway	<b>99,418</b> New Lease	<b>Professional Services, Consulting</b>
3	<b>Axsome Therapeutics</b> 1 World Trade Center	<b>96,293</b> New Lease	<b>TAMI, Technology</b>
4	<b>MetTel, Inc.</b> 55 Water Street	<b>68,522</b> Expansion/ Renewal	<b>TAMI, Technology</b>
5	<b>Uber Technologies, Inc.</b> 3 World Trade Center	<b>44,110</b> Expansion	<b>TAMI, Technology</b>
6	<b>College Board</b> 225 Liberty Street	<b>41,207</b> New Lease	<b>Education</b>
7	<b>Masterworks</b> 1 World Trade Center	<b>37,385</b> New Lease	<b>FIRE, Financial Services</b>
8	<b>IPC</b> 1 State Street	<b>26,580</b> New Lease	<b>TAMI, Technology</b>
9	<b>VettaFi</b> 225 Liberty Street	<b>20,721</b> New Lease	<b>FIRE, Financial Services</b>
10	<b>NYSHEX</b> 1 World Trade Center	<b>20,464</b> New Lease	<b>TAMI, Technology</b>

## FIRE Leads Leasing in the First Quarter, Followed by TAMI

Finance, insurance and real estate (FIRE) led leasing in Q1, taking up nearly two thirds (59%) of leasing activity. The bulk of the share came from **Jane Street Capital's** 984,000 sq. ft. renewal and expansion at **250 Vesey St.**, with 625,000 counting towards new leasing activity. **Masterworks**, which invests its clients' money in art, also signed a 37,000 sq. ft. lease at **One World Trade Center**. **VettaFi** inked a decent sized deal as well, agreeing to move into 20,700 sq. ft. of space at **225 Liberty St.** The technology, advertising, media and information sector (TAMI) accounted for 24% of Q1's leasing activity. The two largest leases came from **Axsome Therapeutic's** lease at **One World Trade Center** and **Uber's** 44,000 sq. ft. deal at **3 World Trade Center**. While professional services only made up 10% of first quarter leasing, the sector's total was anchored by a particularly large, 99,418 sq. ft. lease from **Arup** at **140 Broadway**. The firm made a move within the district due to its previous home, the aforementioned **77 Water St.**, undergoing a conversion.

Louis Nevelson Plaza





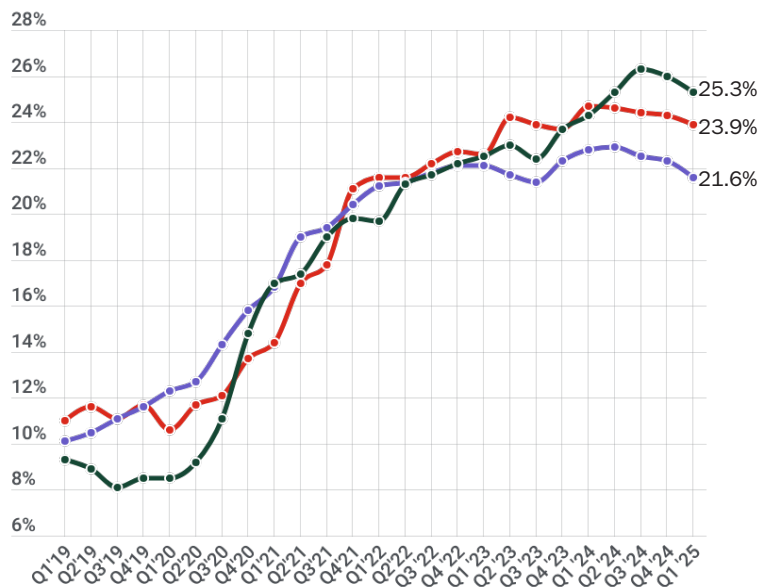
## Vacancy Remains High, But Continues to Improve for the Fifth Quarter in a Row

Lower Manhattan's overall vacancy rate showed substantial improvement by finishing at 23.9%. While still high, overall vacancy decreased a half-percent over the quarter and fell almost an entire percent over the year. This is not only the fifth consecutive quarter where the vacancy rate declined, but also the largest year-over-year improvement since Covid. Lower Manhattan's class A vacancy – 21.8% – improved at an even better rate, falling 1.9% over the previous quarter and 2.2% over the year. These positive developments are likely due to the district's strong leasing quarter.

Midtown's overall vacancy rate fell over the quarter and year as well, ending Q1 at 21.6% and making it the fourth straight quarter of decline. The same goes for Midtown South; although the district has the highest vacancy rate – 25.3% – it has also seen three straight quarters of recovery. On the other hand, Midtown South's class A vacancy rate shot up to 25.2%, a 3.4% quarterly change and a 1.8% yearly rise. Midtown South now has the highest class A and overall vacancy rates among the three submarkets. Midtown consistently records the lowest class A rate, and it ended Q1 with a 20.1% vacancy – the closest any market has been to a sub 20 percent rate since Q3 2022.

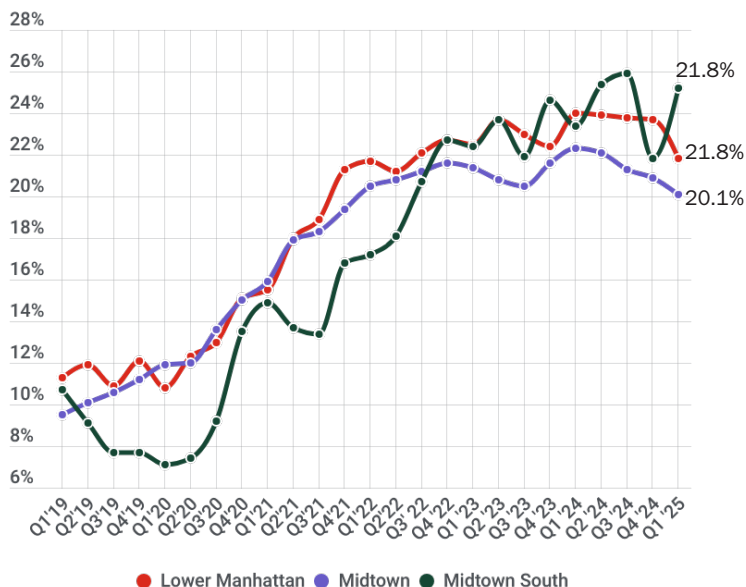
## Overall Vacancy Rates by Submarket

Source: Cushman & Wakefield



## Class A Vacancy Rates by Submarket

Source: Cushman & Wakefield



## Lower Manhattan's Pricing Advantage Widens as Overall Asking Rents Reach Eleven Year Low

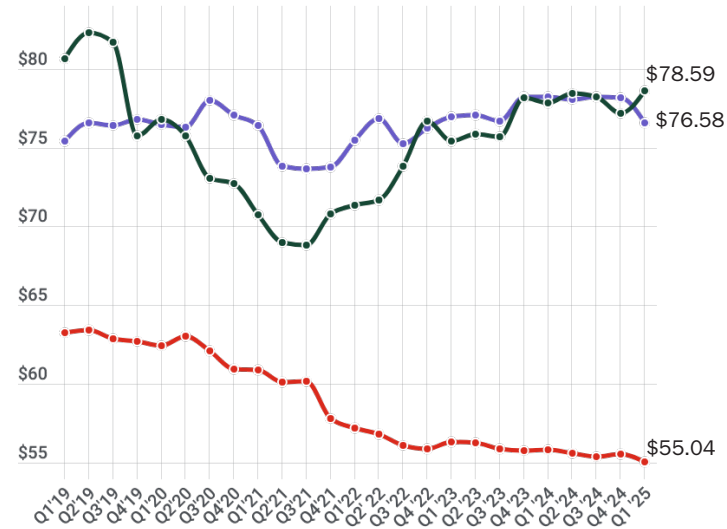
Overall asking rents in Lower Manhattan ended the first quarter at \$55.04, a one percent drop from last quarter and 1.3% down from last year. Notably, that figure marks the district's lowest overall asking rent since 2014 — a continuation of a slow but gradual fall in price that started during the early months of the pandemic. On the bright side, price declines have slowed and are not nearly as volatile compared to the beginning of the Covid outbreak. Also, Class A rents remained virtually unchanged over the quarter and year, ending Q1 at \$59.17; they have remained flat for the past year and a half.

Overall Midtown asking rents, which ended Q1 at \$76.58, fell over the quarter by 2%, a fairly significant fall considering the short time frame. This marks a 2.1% decline from Q1 2024 as well. Excluding a handful of quarters, Midtown typically posts higher rents than Midtown South. But starting in 2023, there has been a marked shift in this dynamic; Midtown South has recorded equal, if not higher, overall asking rents. During Q1, Midtown South surpassed Midtown's rental rate, recording an asking rate of \$78.59 per sq. ft. That is a 1% and 1.8% rise over the year and quarter, respectively.

Moreover, Midtown South's Class A asking rent, which ended the first quarter at \$99.32, shot up at an astounding 8.6% rate over the year and a 4.6% rate over the quarter. Meanwhile, Class A rents in Midtown fell over the year and quarter (albeit by smaller margins), finishing Q1 at \$84.94.

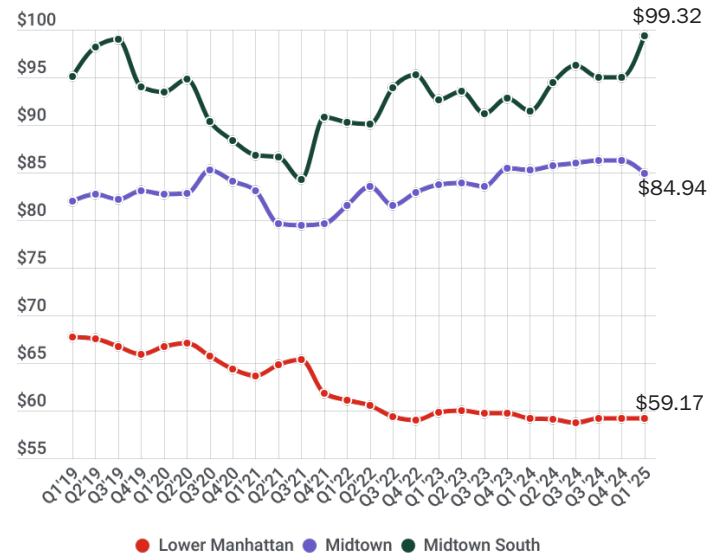
## Overall Asking Rents by Submarket

Source: Cushman & Wakefield



## Class A Asking Rents by Submarket

Source: Cushman & Wakefield





## First Quarter Property Sales

### Office Building Sales:

- **101 Greenwich Street:** London-based investor Quantum has purchased the 26-story 101 Greenwich St. from BentallGreenOak for more than \$100 million. Sources indicate that Quantum, in partnership with Metro Loft Management's Nathan Berman, is considering converting part of the building into residential units.
- **70 Broad Street:** Wilmington Trust acquired the historic American Bank Note Company Building at 70 Broad St. The firm won the property through an auction, purchasing it from Winta Asset Management for \$20 million.

### Refinancing

- **233 Broadway:** The Witkoff Group and Cammeby's International Group have refinanced the office portion of the historic Woolworth Building in Lower Manhattan. Blackstone Group provided a \$278.9 million loan for the property at 233 Broadway. This new loan replaces a \$256 million loan issued in 2015.

### Residential Sales:

- **80 West Broadway:** The property at 80 West Broadway, a brick building situated at the corner of Warren Street, has been acquired by Astral Weeks, a Long Island-based real estate firm, in a transaction valued at approximately \$27 million.

### Residential Financing:

- **222 Broadway:** BDT & MSD provided a \$288 million loan for the office-to-residential conversion of 222 Broadway.

### Mixed Use Sales:

- **72 Nassau Street:** Hidrock Properties sold 72 Nassau St., a mixed-use site at John Street, for \$18.4 million. The buyer was the Malachite Group, a Long Island firm that owns properties in 20 states and similar mixed-use properties nearby, including 20 John St., 53 Nassau St. and 253 Broadway. Malachite completed the purchase of the three-story building with \$12.1 million in acquisition funding from Flushing Bank.

### Hotel Sales:

- **52 William Street:** Slate Property Group acquired the Radisson Hotel New York Wall Street for \$94.5 million. Built in 1902, the 289-room hotel has seen multiple owners,

including McSam Hotel Group, who recently sold it after operating it as a homeless shelter during the pandemic.

### Hotel Refinancing:

- **The Beekman at 123 Nassau Street:** The Beekman, A Thompson Hotel has secured \$195 million in refinancing through Access Point Financial.

101 Greenwich Street





# RETAIL

Lower Manhattan welcomed 24 new retail establishments to the neighborhood during the first quarter of 2025. Approximately two thirds of the openings consisted of F&B establishments. Six personal and business services locations opened and three retail locations opened as well. Some notable openings include:

- **Printemps**, the long awaited French shopping and dining destination, opened at **One Wall St.**
- **Gitano NYC**, a modern Mexican restaurant and lounge, opened at **Pier 17 (89 South St).**
- **La Noxe Trinity**, a new French cocktail lounge, opened at **111 Broadway.**
- **Los Tacos No. 1**, the popular Mexican food chain, opened a location at **67 Exchange Place.**
- **Old Mates**, a three-story Australian pub, opened at **170 John St.**
- **Ess-a-Bagel** opened at **115 Broadway.**
- **The Continental Bar and Lounge**, a sports bar, opened at **82 Beaver St.**
- **Marine Layer**, a California-based clothing store, opened at **Brookfield Pl.**
- **Grace Loves Lace**, a bridal boutique, opened at **51 Warren St.**

Sadly, three retailers closed this quarter:

- **Go Go Curry** closed up shop at **12 John St.**
- **Five & Dime** at 233 Broadway **closed.**
- **ABCv**, the Jean-Georges restaurant at the **Tin Building**, closed.

Looking ahead, 26 new retail locations are coming soon. Notable additions include:

- **Fogo de Chao** is eyeing a late spring 2025 opening.
- **Barcade** is set to debut downtown in the spring at **10 Cortlandt St.**
- **Brooks Brothers** will open at **195 Broadway.**
- **Mexi**, which will serve Mexican food, mezcal and tequila, plans to open at **57 Stone St.**
- **Chambers Street Wines** will open a wine bar at **76 Chambers St.**

The Red Room at Printemps





## Lower Manhattan Welcomes a Diverse Collection of Exciting New Shopping and Dining Options in the First Quarter

Lower Manhattan's already busy streets were enlivened in Q1 as several long anticipated retail and dining concepts opened their doors. These exciting new businesses are sure to be welcomed by Lower Manhattan's nearly 70,000 residents as well as the many workers and visitors who come downtown.

Occupying 55,000 sq. ft. spread over two floors at 1 Wall St., Printemps, a luxury Parisian shopping and dining destination, is already making an impact on Broadway. The storied French retailer's first New York location aims to reimagine the shopping experience by combining a well curated selection of luxury products offering beauty consultations, fragrance profiling, complimentary spa services, as well as wardrobe consultations. The location also includes a cocktail lounge, champagne bar, café and two new restaurants, including James Beard award winning chef Gregory Gourdet's fine-dining anchor Maison Passerelle. Printemps' 1 Wall location has already made a splash and garnered much positive press attention. The business's innovative mix of traditional but well selected retail with high end food and beverage offerings may point a way forward for other large format retail spaces in Lower Manhattan.

The neighborhood also welcomed two exciting new eating and drinking establishments with Gitano NYC and La Noxe. Gitano NYC is now serving elevated Mexican cuisine and a specialty cocktail menu at Pier 17, joining the Seaport District's growing roster of exciting bars and restaurants. This is the Tulum based restaurant's first permanent NYC location. La Noxe, another French-owned business, renovated the ground floor of 111 Broadway and converted it into a sleek and swanky new cocktail lounge. Los Tacos No. 1, a popular taco chain, opened its second Lower Manhattan location at 67 Exchange Pl. As with all of its other locations, the fast-casual taqueria serves as an ergonomically unique spot with plenty of standing-while-eating options.

The introduction of these new businesses is indicative of Lower Manhattan's ongoing transformation into a premier live-work-play community. Their arrival serves as an inspiration for other retailers looking to serve the neighborhood's growing and affluent population. Printemps and La Noxe also provide a welcome boost to Broadway, long Lower Manhattan's primary commercial corridor.

First Floor of Printemps



# HOTELS + TOURISM

## Average Daily Room Rates (ADR) Hit New Q1 Record, Occupancy Comes Close to Setting a Q1 Record

Lower Manhattan posted the highest Q1 ADR on record with \$230, despite room rates being 37% lower than last quarter. This is the third Q1 in a row that the Lower Manhattan district record was set. It was also 22% above the 2019 figure. Similarly, while Midtown ADRs decreased over the quarter, they were also the highest Q1 ADRs in recent history, with Midtown West and Midtown South posting an ADR of \$254 and \$216, respectively.

Similarly, Lower Manhattan's occupancy, 77%, was up 3% over Q1 2024 despite being down from the end of last year. Importantly, this past quarter marked the second highest Q1 occupancy rate on record. The previous record, 78%, was set in 2018. In contrast to Lower Manhattan, first quarter occupancy in Midtown did not outperform its prepandemic Q1s; the average occupancy before the pandemic hovered in the high 80s, but Q1 occupancy in 2025 finished at 74%.

## Tourism Continues to Rebound

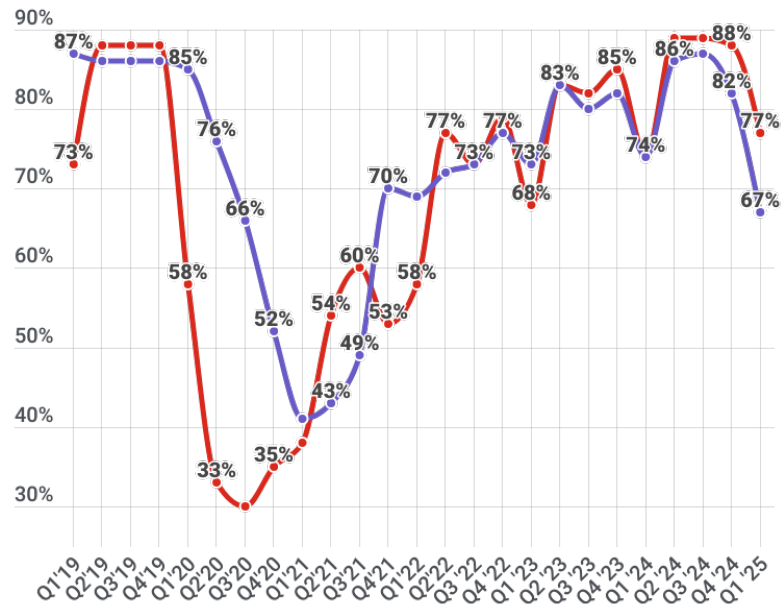
For the fifth consecutive year, tourism has risen. The Lower Manhattan tourist count ticked up to 9.3 million in 2024, a 3.3% increase from 2023 and a 29% improvement from 2022. However, the district welcomed 11.3 million visitors by the end of the year – a 5% decrease from 2023's 11.9 million visitors. The Alliance defines visitorship as any individual who visits the region; a tourist is defined as any individual living outside the New York metropolitan area that is in the district for non work related activities.

The share of visitors coming from NYC shrunk from 17% to 12%. Conversely, the share of international visitors grew from 54% in 2023 to 59% in 2024. The share of visitors from the NYC suburbs also increased significantly, from 5% to 12%.

International visitors' large share of overall visitation, 59%, came close to mirroring 2019's share of 61%. Countries

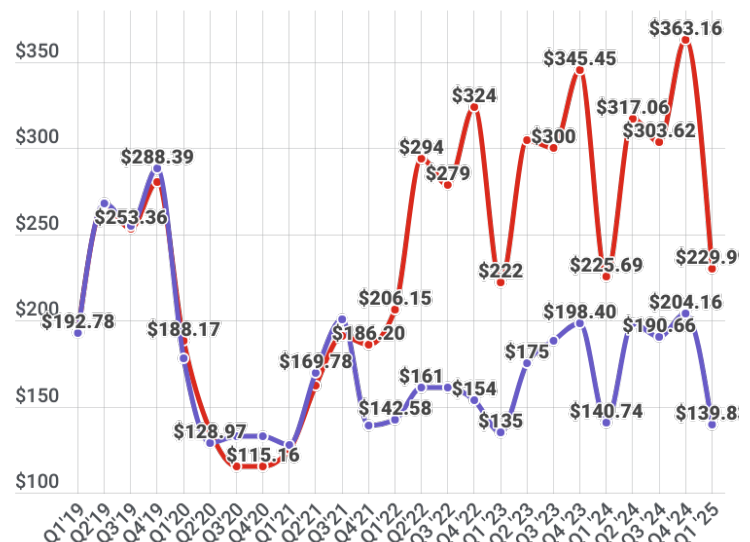
## Hotel Occupancy in Lower Manhattan and New York City

Source: CoStar/STR



## Hotel Average Daily Room Rate (ADR) in Lower Manhattan and New York City

Source: CoStar/STR



● Lower Manhattan Hotel ADR ● NYC Hotel ADR



with the highest visitor share came from Western Europe, such as the United Kingdom, Germany, France and Italy. The only non-European Country within the top five was Canada. All of these countries ranked in the top five for 2023's international visitorship as well.

## Lower Manhattan Hotel Inventory and Development

The current hotel inventory in Lower Manhattan stands at **8,534** rooms across **44** hotels. No new hotels opened in the first quarter.

## Lower Manhattan Hotel Pipeline

Source: Downtown Alliance

	Hotel / Address	Owner/ Developer	Rooms	Open Date
1	<b>Hotel Indigo</b> 8 - 12 Maiden Ln.	W & L Construction	TBD	2025
2	<b>Platt Street Hotel</b> 7 Platt St.	The Moinian Group	172	2025
3	<b>Tempo by Hilton</b> 140-142 Fulton St.	Hidrock Realty	296	TBD
4	<b>The Ned Hotel</b> 123 Greenwich St.	Yucaipa Companies	174	TBD
<b>Total Hotels in the Pipeline</b>			<b>4</b>	
<b>Total Hotel Rooms in the Pipeline</b>			<b>642</b>	

# \$230

## Lower Manhattan Hotel Average Daily Room Rate

The Beekman Hotel



# RESIDENTIAL

## Inventory and Development

With the first quarter having come to an end, Lower Manhattan now has 349 residential buildings and 36,975 existing units – a 1,871 unit uptick compared to Q4. That is because two major developments have acquired their certificates of occupancy and begun leasing their spaces. The first is 55 Broad Street, which was converted from underused office space to residential use by Metroloft and Silverstein Properties. The second is 25 Water Street, which just listed 1,300 units – making it the largest residential conversion project in the country. Roughly 25% of these units are listed as affordable. This brings the population total to nearly 70,000 – a major development that the district will reach in the near future. Looking ahead, 18 developments totalling 6,265 units are either planned for development or currently under construction. 80% are planned as rentals and the remaining 20% as condos.

Here is more information on the recently complete projects:

- **55 Broad St.:** MetroLoft and Silverstein Properties converted the 410,000 sq. ft. building into 571 market-rate apartments along with amenities such as a fitness center, a pool, a rooftop terrace with outdoor entertainment space and a tenants' lounge. The project is the first fully electric office-to-residential development to achieve LEED certification.
- **25 Water St.:** A 32-story office-to-residential conversion developed by GFP Real Estate, Metro Loft Management and Rockwood Capital, the building yields 1,300 units, 330 of which are reserved for affordable housing. Amenities include but are not limited to: a gym, spa, pool, community center party room and business center.

Later in 2025, one additional residential development is expected to wrap construction and open:

- **1 Park Row:** Construction topped out at 1 Park Row, a 23-story mixed-use building. The 305 foot-tall structure will yield 103,000 sq. ft. with 58 condominium units in one- to three-bedroom layouts, along with 19,000 sq. ft. of office and retail space on the lower levels. In the development's most recent update, facade installation has progressed.

Over the next several years, 19 new developments containing 8,015 units are slated for completion. 2,929 new units (37% of the total) will be in new construction projects, while the remaining 5,086 units (63% of the total) will be in office to residential conversions. Some of these projects include:

### New Construction:

- **7 Platt St.:** Moinian Group is building a new 250-unit tower that will also contain a hotel component. 7 Platt St. is expected to open in 2025.
- **8 Carlisle St.:** Excavation continues at 8 Carlisle St., the site of a 64-story residential skyscraper. Designed by Handel Architects and developed by Carlisle New York Apartments and Grubb Properties, which closed on a \$86 million loan for the project over the summer, the 712-foot-tall structure will yield 326,221 sq. ft. with 462 residential units, 7,000 sq. ft. of commercial space, and a 60-foot-long rear yard.
- **250 Water St.:** In late 2021, the Howard Hughes Corporation was approved for its \$850 million development project. It was reported that the firm would convert a parking lot into a 324-foot-tall building with 270 apartments (including 70 affordable units), Class A office space, retail and community space. The project would generate \$50 million in funding for the South Street Seaport Museum, with \$40 million generated from the Howard Hughes project and another \$10 million committed by the City. The project broke ground in 2022, and remediation has since been certified through the New York State Brownfield Cleanup Program. And after extensive litigation concerning the land's landmark designation, it seemed as though the project cleared its final legal hurdle. The Seaport Entertainment Group is now exploring a potential sale of the land.

### Office to Residential Conversions

- **222 Broadway:** A permit application was filed by GFP Real Estate and Texas Pacific Group (TPG) on August 7 to convert a 31-story, 756,138 sq. ft. office building into 798 apartments. The project is estimated to cost \$43.6 million. GFP purchased the property from Deutsche Bank's asset management arm for \$150 million, which is less than a third of the \$500 million the bank paid for the building in 2014.



- **111 Wall St.:** Nathan Berman’s Metro Loft Management and InterVest have partnered to transform a 1.2 million sq. ft. tower into 1,300 rental units. Construction is slated to commence in mid-2025, with the first units anticipated to become available in 2026.
- **77 Water St.:** The Vanbarton Group agreed to purchase Sage Realty’s property at 77 Water St. for approximately \$95 million. They intend to convert the 26-story office building into up to 600 residential units.
- **80 Pine St.:** Joseph Hoffman’s Bushburg has bought 80 Pine St., a 1.2 million sq. ft. office building, for \$160 million. According to permits from the Department of Buildings, the developer plans to convert the 38-story office tower into a partially residential building. The project involves creating 500 housing units on floors 2 through 17, with each floor containing approximately 50 units. The building’s exterior windows will also be replaced, and there will be parking for 260 bicycles. The estimated construction cost is around \$40 million.
- **2 Wall St.:** 2 Wall St. is undergoing a significant transformation. The owner, Fieldston Capital, is planning to convert the upper floors of the 21-story building into 121 residential apartments.

Lower Manhattan Residential Pipeline

Source: Downtown Alliance

	Address	Lease / Building Type	Units	Open Date
1	1 Park Row	Condo New Construction	58	2025
2	8 Carlisle Street	Rental New Construction	400	2025
3	7 Platt Street	Rental New Construction	250	2025
4	161 Maiden Lane	Condo New Construction	80	TBD
5	45 Park Place	Condo New Construction	50	TBD
6	250 Water Street	Condo/Rental New Construction	270	TBD
Condo + Rental Units Under Construction		Total	1,108	



Entrance 25 Water Street

## Residential Rents Reach a Record High, Condo Sales Tick Up for Second Straight Quarter

Lower Manhattan median rents reached a record high in Q1, climbing to \$4,795. It's a 4.2% rise over the quarter and 17% uptick over the year. This trend of increasingly high rents began in 2021, when the median rent figure eclipsed \$4,000 for the first time ever. Since then, the rental figure has never gone below \$4,000. This is also true of Manhattan's median rent figures, except for the fact that the \$4,000 milestone was eclipsed a year later in 2022.

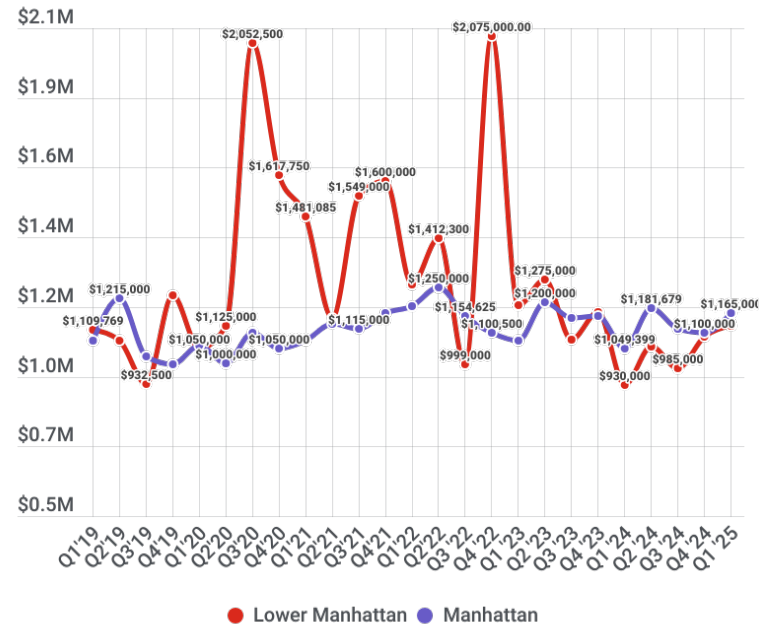
The district also saw the number of new rentals increase to 850 in Q1, a 20% rise over the quarter and 1.2% uptick over the year.

Lower Manhattan's median sales price climbed as well. By the end of Q1, the median sales figure was \$1,250,000, marking a quarterly and yearly increase of 3.4% and 21%, respectively. This is the second quarter in a row that the sales value has increased. The last time the sales value increased in consecutive quarters was back in 2021. Total deals, however, decreased by 15% over the quarter.

Condo prices for Manhattan as a whole ended the quarter at a slightly higher median, \$1,650,000. This makes it the fourth straight quarter where the median Manhattan sales figure has exceeded Lower Manhattan's. The number of new sales also picked up borough-wide – 2.6% over the quarter and 28.8% over the year.

## Median Residential Sales Price

Source: Miller Samuel

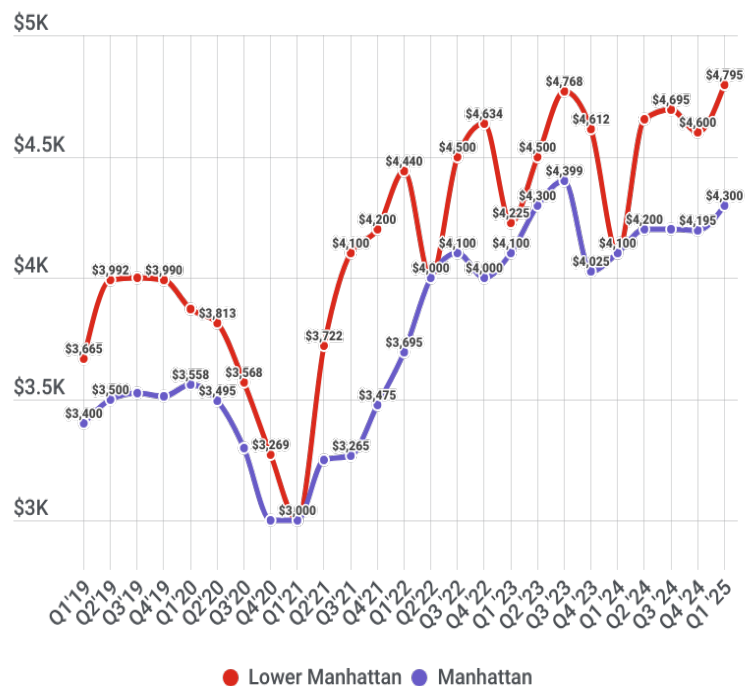


# \$4,795

## Median Rent Price in the First Quarter

## Median Residential Rental Price

Source: Miller Samuel





# MAJOR PROJECTS UPDATE

## World Trade Center

### Site 5

A partnership between Brookfield and Silverstein Properties received approval from the Port Authority and Lower Manhattan Development Corporation (LMDC) to develop Site 5 at the World Trade Center, also known as 130 Liberty St. The site recently served as a Port Authority police depot and the southernmost area continues to function as a temporary public plaza.

The proposed 1.56 million sq. ft. tower is expected to include approximately 1,300 rental apartments, 30% of which will be affordable. LMDC approved an override to city zoning rules in order to build a tower larger than local regulations allow. 5 WTC will also include roughly 10,000 sq. ft. of nonprofit community space to be occupied by the Educational Alliance, over 190,000 sq. ft. of retail and office space and a connection to Liberty Park.

## Pace University

In December 2022, Pace announced plans to renovate One Pace Plaza, adding new academic spaces, a modernized residence hall and a new performing arts center. The renovation will include the reconstruction of the lower floors of One Pace Plaza East and upgrades to the dormitory building at 182 Broadway. Construction is expected to be completed in 2026.

The university recently announced the formation of the Sands College of Performing Arts, as it has just finished construction. It is housed within a new performing arts center at One Pace Plaza containing a 450-seat proscenium theater, a 200-seat flexible theater and a 99-seat black box theater. Rob and Pamela Sands gave a \$25 million donation, which is part of a fundraising campaign that includes private donations and \$30 million from the state and federal governments.

The new building serves as a replacement for Pace's 50-year-old tower at One Pace Plaza East. 15 Beekman St. is the third property SL Green has built for Pace in the neighborhood. The developer previously built dorm

buildings at 33 Beekman St. in 2015 and 180 Broadway in 2013. The building yields 213,084 sq. ft. and stands 338 feet tall. It is alternately addressed as 126–132 Nassau St.

## Transportation Infrastructure

### Street Reconstruction

Reconstruction of Front Street between Old Slip and John Street began in January 2020 and is planned to be completed in spring 2025. Greenwich Street reconstruction, between Barclay and Chambers streets, began in early 2022 and will be completed in August 2026; the adjacent sidewalks at 240 Greenwich St. will also be redone in tandem. Vesey Street reconstruction, between Church Street and Broadway, began in September 2022 and will be completed in June 2025. Nassau Street reconstruction, between Pine Street and Maiden Lane, will be completed in 2025. 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 Improvements

The city began work on the streetscape and public-realm enhancement project along the Water Street corridor in May 2021. The \$22.8 million 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 also includes new street trees, rebuilt sidewalks and enhanced pedestrian safety from Whitehall Street to Old Slip.

## Parks and Open Space

### Wagner Park

In July 2022 the Battery Park City Authority (BPCA) closed Wagner Park to begin work on the \$221 million South Battery Park City Resiliency Project. Plans for the project call for the demolition and reconstruction of Wagner Park and the Wagner Park Pavillion, ultimately elevating the park by 10 feet and installing flood walls, berms and other resiliency infrastructure from the Museum of Jewish Heritage through Wagner Park and Pier A, moving along Battery Place over to Bowling Green Plaza.

The Waterfront Alliance also announced that the South Battery Park City Resiliency Project has become the 13th project nationally to achieve WEDG® (Waterfront Edge Design Guidelines) verification, which is a national rating system and set of guidelines for resilient and accessible waterfront design. In the latest update, the BPCA has released a request for proposal (RFP) for a new restaurant in Wagner Park.

The latest update came in May 2024, when New York City Mayor Eric Adams announced the groundbreaking of Battery Coastal Resilience. Construction is scheduled to be completed in 2026 and will protect more than 100,00

residents, 200,000 jobs, 12,000 businesses and will create 400 construction jobs, according to the Office of the Mayor. The park is set to open this summer.

## Climate Resiliency

### Resilient Infrastructure

Work continues on parts of the Financial District and Seaport Climate Resilience Master Plan, a resilient infrastructure plan released in 2021 to protect Lower Manhattan from future flooding. The master plan is part of the larger Lower Manhattan Coastal Resiliency strategy, with active capital projects in Battery Park City, the Battery and Two Bridges. The plan calls for the creation of a two-level waterfront park that extends the shoreline of the East River by up to 200 feet.

The upper level will be elevated by 15 to 18 feet to protect against severe storms, while doubling as public open space. The lower level will be a waterfront esplanade raised three to five feet to protect against sea level rise, while offering access to the East River shoreline.



Wagner Park Rendering



## Governors Island

### New York Climate Exchange

New York City selected a consortium led by Stony Brook University to develop a \$700 million, 400,000 sq. ft. climate research and development campus on Governors Island that will be called the New York Climate Exchange. The campus will include two new classroom and research buildings, student and faculty housing and university hotel rooms. The campus is expected to host 600 college students, 6,000 job trainees and 250 faculty members and researchers. In addition to Stony Brook University, the development consortium includes IBM, Georgia Institute of Technology, Pace University, Pratt Institute and Boston Consulting Group. Governors Island was rezoned in 2021 to allow for the campus. Construction is expected to begin in 2025 and wrap up in 2028. The Trust for Governors Island has expanded ferry service running every 15 minutes, including the addition of New York City's first public, hybrid-electric ferry.

New York Climate Exchange







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The mission of the Alliance for Downtown New York is to provide service, advocacy, research and information to advance Lower Manhattan as a global model of a 21<sup>st</sup> century central business district for businesses, residents and visitors.

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