Q3 2026
LOWER MANHATTAN REAL ESTATE MARKET REPORT



DOWNTOWN ALLIANCE

THE ALLIANCE FOR DOWNTOWN NEW YORK

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LOWER MANHATTAN REAL ESTATE MARKET REPORT

Lower Manhattan's office market softened in the third quarter compared to recent quarters, with 615,000 sq. ft. of leasing activity. Year-to-date office leasing and positive absorption are still strong and vacancy declined significantly. The largest new leases of the quarter were signed by prominent law firms, banks and insurance companies. Asking rents for Lower Manhattan office space maintained healthy growth while keeping a pricing edge over Midtown. The residential development pipeline showed continued activity with 509 completed units and four new development plans. Most notable of these new projects in the pipeline is 100 Gold St., a city-owned site under environmental review which is set to produce about 4,000 residential units. Lower Manhattan hotels reached their highest ever third quarter ADR and second-highest quarterly ADR overall in the past ten years. Hotel occupancy rates also approached historic highs. The Downtown Alliance completed the first round of its RE:Store pop-up program this summer, providing support to small businesses and addressing retail vacancy.

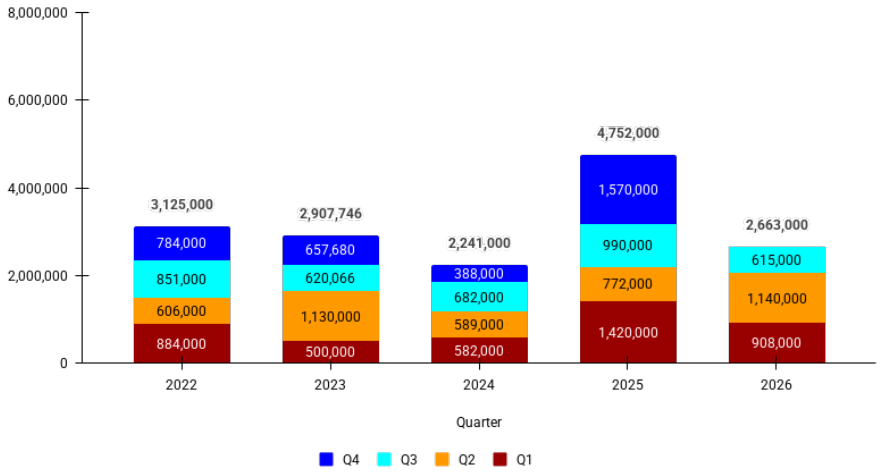
Year-to-Date Leasing and Absorption Strong as Q3 Leasing Activity Loses Steam

Lower Manhattan's third quarter leasing totaled 615,000 sq. ft., down 46% over the second quarter and 38% below Q3 2025. Leasing activity in the third quarter was 26% below the five-year average. However, year-to-date leasing still came in higher compared to the same timeframe in the past six years, with the exception of 2025.

Law firm **Seward & Kissel LLP** (171,112 sq. ft.) topped the list of largest leases in the third quarter, keeping its multi-floor space at 1 Battery Park Plaza. Law firm **Morgan & Morgan** signed the largest new lease of the quarter with a 70,602 sq. ft. deal, moving from a sublease to a direct lease and significantly expanding its existing footprint at 199 Water Street. Other notable leases include **Royal Bank of Canada Capital Markets**

Lower Manhattan New Leasing Activity

Source: CBRE



615,000

Square Feet Of New Leasing In The Third Quarter

expanding to 54,000 sq. ft. at 200 Vesey Street, **Amwins Insurance** signing a 45,000 sq. ft. deal at 1 Liberty Plaza and **Sweet Construction Group** with a 45,000 sq. ft. lease at 1 New York Plaza.

Lower Manhattan saw 576,000 sq. ft. of positive absorption in the third quarter, bringing the year-to-date total to positive 2.68 million sq. ft., the highest since 2006, according to CBRE.

Manhattan's office market as a whole generated 7,100,000 sq. ft. of leasing activity in the second quarter, down 15% year-over-year and 10% compared to the second quarter. Midtown leasing totaled 4,350,000 sq. ft. for the quarter, 4% below the second quarter and a 23% decrease year-over-year. Leasing continued to be strong in Midtown South with 2,130,000 sq. ft. of activity, which, while down 3% from the second quarter, was still 22% above the third quarter in 2025 and 42% better than the five year quarterly average for the submarket.

Relocations Slow

Just two businesses relocated to Lower Manhattan in Q3 totaling 9,990 sq. ft., which represents a 60% decrease over the quarter and 93% decrease year over year. No relocation deal in the second quarter exceeded 6,000 square feet. The largest relocation was a 5,340 sq. ft. lease at 22 Cortlandt Street for Hawkins Parnell & Young, a national defense litigation firm relocating from Midtown. Both of the relocations in the third quarter were law firms.

Professional Services Continues to Lead Leasing in Q3

Professional services firms, industries with a historically strong presence in Lower Manhattan, lead leasing activity in Q3. Professional services accounted for over 58% of leasing activity in the third quarter. Law and consulting firms signed the largest leases as well as companies in the FIRE sector, which represented over 16% of leasing activity in Q3. AI companies took more than 44,000 square feet of office space in Lower Manhattan this past quarter.



Lower Manhattan Top Leases, Q3 2026

Source: CBRE, Costar, Colliers, Downtown Alliance

	Tenant Name *Location*	SF Leased *Transaction*	Sector
1	**Seward & Kissel** 1 Battery Park Plaza	**171,112** Renewal	**Professional Services, Law**
2	**Morgan & Morgan** 199 Water Street	**70,602** Expansion	**Professional Services, Law**
3	**NY State Office of the State Comptroller** 59 Maiden Lane	**66,573** Renewal	**Government**
4	**Royal Bank of Canada Capital Markets** 200 Vesey Street	**54,217** Expansion	**FIRE, Finance**
5	**Amwins** 1 Liberty Plaza	**45,559** New Lease	**FIRE, Insurance**
6	**Sweet Construction** 1 New York Plaza	**45,198** Sublease	**Professional Services, Construction**
7	**NYC Taxi & Limousine Commission** 250 Broadway	**38,899** New Lease	**Government**
8	**Brookfield Properties** 250 Broadway	**29,154** Renewal	**FIRE, Real Estate**
9	**Allied Advertising Public Relations** 233 Broadway	**28,098** Renewal	**TAMI, Marketing**
10	**MS Shift** 1 World Trade Center	**16,962** Renewal	**TAMI, Technology**



Lower Manhattan Vacancy Declines

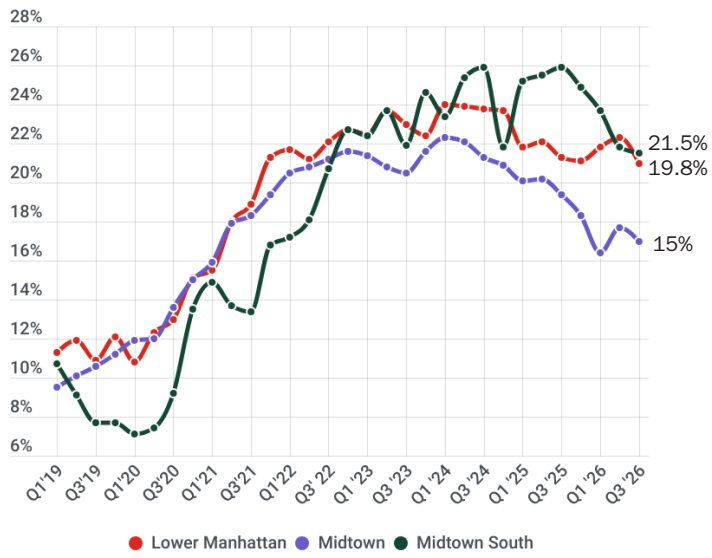
Lower Manhattan's vacancy rate declined substantially in the third quarter. Downtown's overall vacancy rate finished Q3 at 21%, down 1.3% from the second quarter and down 1.5% year over year. The district's Class A rate finished Q3 at 19.8%, with a 1.7% decline over the second quarter and a 1.5% improvement over Q3 2025.

The Midtown and Midtown South submarkets experienced stronger year-over-year vacancy rate improvements compared to Lower Manhattan. Overall vacancy in Midtown improved 4.1% compared to Q3 2025 and 0.7% over last quarter. At 21.5%, Midtown South's overall vacancy rate is 3.4% better year over year and a 0.3% improvement over Q2. Midtown's Q3 Class A vacancy rate was 15%, a 4.4% improvement over the year and a more modest 0.7% over Q2. Class A vacancy for Midtown South was 21.5%, a 4.4% year-over-year improvement and a slight 0.4% quarter-over-quarter increase.



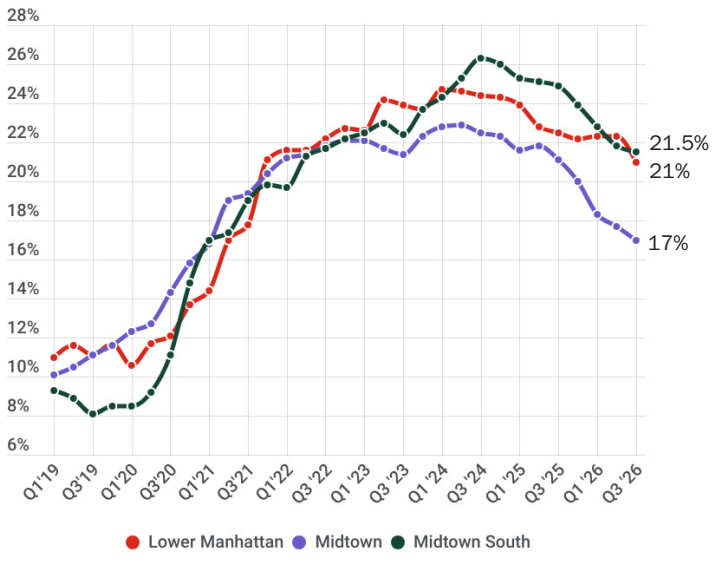
Class A Vacancy Rates by Submarket

Source: Cushman & Wakefield



Overall Vacancy Rates by Submarket

Source: Cushman & Wakefield

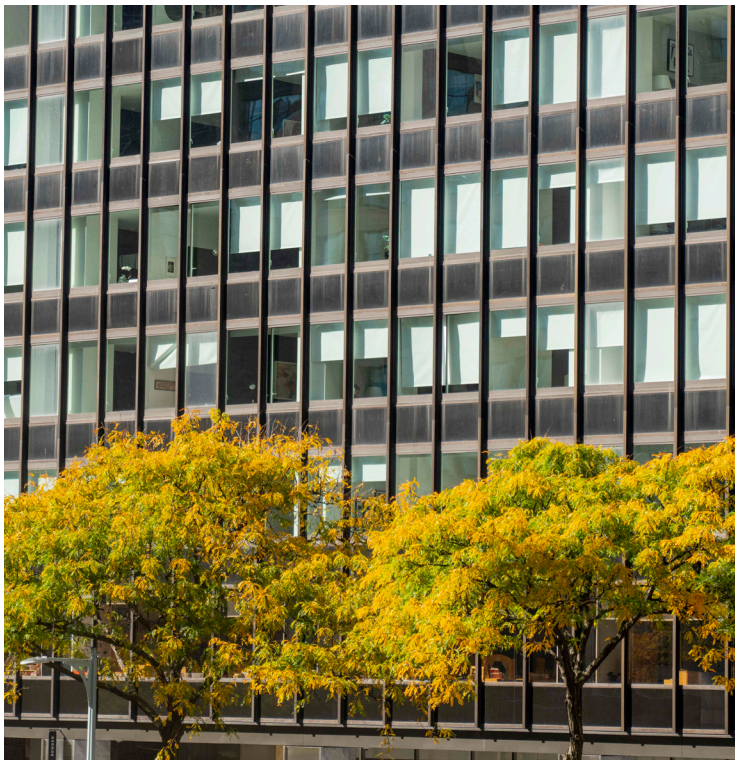


Overall Asking Rents and Class A Rents Increase Significantly

Lower Manhattan's Class A asking rent increased for the third consecutive quarter to $65.96, the highest Class A asking rent since Q2 2020. Class A asking rents increased 7.6% year over year and 3.7% compared to last quarter. Overall asking rents also increased to $58.09, up 2.5% from Q2 and 3% year over year.

Midtown Class A properties also enjoyed an increased asking rent of $90.57. This represents a 7.6% year over year and 3.7% quarter over quarter improvement. Midtown's Class A asking rent is the highest it has been since mid-2008. Lower Manhattan's Class A office space enjoys a 37% pricing advantage compared to similar Midtown space. Overall asking rents in Midtown improved 4.3% year over year to $78.83 and 2.4% compared to last quarter.

Average asking rents for Class A space in Midtown South were $106.62, a 2% increase from Q2 and a 1.8% increase year over year, continuing the trend of all-time high rents for the subdistrict and the borough as a whole. Overall rents for the submarket were $82.14, a 1.2% increase over Q2 and a 1.1% decline from last year.

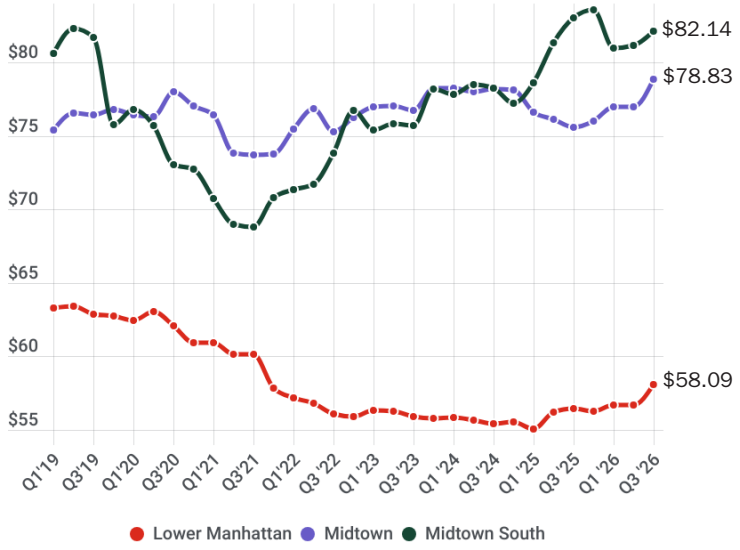


$65.96

Lower Manhattan Average Class A Rent Per Square Foot, Q3 2026

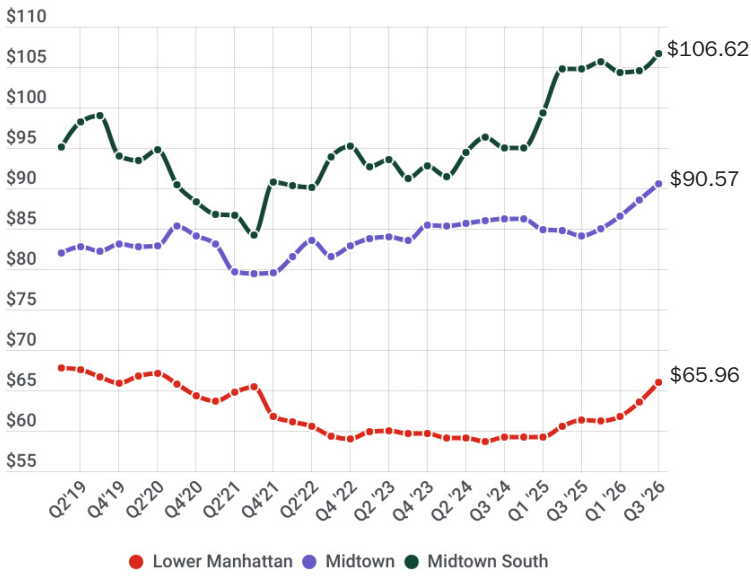
Overall Asking Rents by Submarket

Source: Cushman & Wakefield



Class A Asking Rents by Submarket

Source: Cushman & Wakefield



Third Quarter Property Sales

Office Building Sales:

- **1 Whitehall Street:** Office-to-resi developer MetroLoft purchased the 322k square-foot office building in July for $104.5 million. Exact development plans are not yet known.
- **70 Broad Street:** The landmarked American Bank Note Company building was sold for $9.35 million. The 19,478 sq. ft. building from 1908 consists of both commercial and residential space. The buyer intends to reposition the property, but no further details are available at this time.

Residential Sales:

- **69 Gold Street:** Kings Capital acquired the property from Royal Charter Properties for $30.1 million. The existing building, previously serving as staff housing for New York Presbyterian Hospital, has sat vacant for years. Kings Capital secured a $41 million construction loan to convert the building into 108 residential units with ground floor retail.

Residential Financing:

- **Pearl & Pine (80 Pine Street):** Joseph Hoffman's Bushburg secured a $320 million construction loan for the partial residential conversion of 80 Pine St. Bridge City Capital and Deutsche Bank provided the financing for Bushburg's efforts. 500 rental units were recently completed at the building and 70 more units are under construction.

Residential Refinancing:

- **8 Carlisle Street:** Charlotte, North Carolina–based developer Grubb Properties received a $377 million loan for its 64-story residential tower project, which is already under construction and is currently undergoing facade work. When finished, it will yield 462 rental units.

Development Site Sales:

- **65 West Broadway:** Prosper Property Group and HM Group USA purchased the vacant lot for $24 million and acquired a $68 million construction loan to build 23 condos with ground-floor retail space.
- **78 Pearl Street / 46 Water Street:** Wolf Landau purchased two neighboring lots for $35 million and filed for a 39-story mixed-use development at 78 Pearl Street, which will include 10 floors of office space, 99 residential units and ground floor retail space. The mixed-use building at 46 Water Street is being prepared for demolition.



70 Broad St.


1 Whitehall St.

RETAIL

Lower Manhattan welcomed 22 new retail establishments to the neighborhood during the third quarter of 2026. Almost 60% of the openings consisted of food and beverage establishments. Some notable openings include:

- **Balloon Museum**, a new museum featuring inflatable art installations at the **Tin Building (96 South St.)**
- **Uniqlo**, a Japanese clothing company specializing in casual wear at **Westfield World Trade Center (185 Greenwich St.)**
- **Evelyn Bar and Kitchen**, a new restaurant and cocktail bar at **11 Hanover Sq.**
- **Old Mates Wine & Beer Garden**, launched by the neighboring Old Mates Pub, features an indoor wine bar, an outdoor beer garden and Australian fare at **87 South St.**
- **Fiolino**, a cafe serving coffee, matcha and gelato at **41 River Ter.**

Sadly, five retailers closed in the third quarter, including:

- **Harry's Italian** - 2 Gold St.
- **Pearl Diner** - 212 Pearl St.
- **Hole in the Wall FiDi** - 15 Cliff St.

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

- **Five Iron Golf**, an indoor golf venue, plans to open a second Lower Manhattan location at **32 Old Slip.**
- **Chelsea Piers Fitness** will open a brand new 5-level, 76k sq. ft. location at **250 Water St.** as part of a planned mixed-use development.
- **Public Records**, a popular Brooklyn music venue, bar and vegan cafe is expected to open at **219 Water St.** at the Seaport in 2027.
- **Willett's NYC** at **21-25 Fulton St.** in the Seaport District will span two floors and contain multiple bars and restaurants. It plans to open in late 2026.
- **The Ellis**, a proposed all-day cafe serving American cuisine, is planning to open in **Wagner Park.**
- **Carnegie Diner & Cafe**, an upscale eatery with multiple locations in the city, is planning to open two Lower Manhattan locations at **33 Maiden Ln.** & **200 Chambers St.**



Uniqlo - 185 Greenwich St.


The Balloon Museum - 96 South St.

RE:Store Successfully Completes First Round of Pop-Ups

Earlier this year, the Downtown Alliance launched an innovative new program called RE:Store to help address retail vacancy and support small businesses. Over 360 businesses applied for the program, which offers qualified retailers a free, three month retail pop-up in Lower Manhattan. Selected businesses also received a $15,000 grant to help with build out as well as marketing support.

In partnership with KF Braun Management, Seaport Entertainment Group, Capital Properties/Trinity Center and the MTA, we welcomed seven new, unique small businesses to Lower Manhattan this summer. RE:Store program participants included:

- **Brooklyn Craft Company's Summer in the City (225 Broadway):** Brooklyn Craft Company opened their first Manhattan location and transformed a former First Republic bank branch into a mecca for knitters, crocheters and crafters of all kinds.
- **New York Food Stories by Kitchen Arts and Letters (111 Broadway):** Long running Upper East Side cookbook shop Kitchen Arts and Letters activated a vacant retail space at 111 Broadway with a new retail concept focused on NYC-based cookbooks from NYC based authors and hosted a well attended event series.
- **Plus BKLYN: Bigger in Manhattan (2 Broadway):** Plus BKLYN, a Greenpoint vintage clothing retailer, transformed a former Verizon store at the MTA's Lower Manhattan headquarters. The business is NYC's only vintage clothing store catering to plus-sized women.
- **Dimorae Home & Francis' World: Living with Art (190 Front St.):** A former pizza shop in the Seaport District was re-imagined by two Brooklyn based brands as a warm and inviting space for curated art, design and home goods.
- **Element Brooklyn: Gallery of Scent (192 Front St.):** Element Brooklyn, a Bushwick based manufacturer and retailer of refillable luxury soaps, candles and other scented products created an innovative "Gallery of Scent" in the Seaport District. Customers are invited to create their own scent profiles and can also participate in candle making and other workshops.
- **The Numero Group NYC Pop-Up (186 Front St.):** Numero Group, a Chicago-based archival record label, opened a music shop selling vinyl records, CDs, cassettes and music related merchandise. Numero Group's extensive catalogue highlights exceptional but little-known artists from across a variety of genres.



"The Re:Store program has been an amazing opportunity for [us] to test new services and expand our customer base... It is clear that Lower Manhattan residents and workers want to support small, community-oriented businesses... The Re:Store program has shown that creative spaces like ours can thrive in Lower Manhattan, and that community change is possible with support from organizations like the Downtown Alliance."
-Carolyn, Owner of Brooklyn Craft Company



The Numero Group

The RE:Store program was a resounding success. Half of our participating property owners chose to extend the pop-up tenancy beyond the original timeframe of Memorial Day through Labor Day. Almost all of the participating businesses reported that their goals were at least partially met, and that RE:Store made it easier for their business to succeed in the long run. Altogether, the program generated over $400k in sales with one business nearly doubling its initial sales estimates and most exceeding their expectations. All businesses noted increased brand exposure, with a 14.6% average increase in Instagram followers over the course of the program. Participants emphasized the importance of event programming rather than simply relying on walk-in foot traffic, with events bringing in about 45% of business revenue overall. The Downtown Alliance is planning to launch a second round of this program early in 2027.

HOTEL + TOURISM MARKET

Lower Manhattan Attracts 10.3 Million Unique Visitors in 2025

Lower Manhattan continues to draw significant visitation in the post-pandemic era. The district welcomed 10.3 million unique visitors (defined as any Lower Manhattan visitor who neither works nor lives downtown) in 2025, maintaining a strong recovery from the pandemic years. Of those, 8.1 million were tourists (defined as people living outside the NYC metro area). While these figures represent decreases from 2024's 11.3 million unique visitors and 9.3 million tourists, respectively, they remain well above the levels seen during and immediately after the pandemic.

The share of unique visitors coming from NYC remained steady at 12%, consistent with 2024. The share of domestic visitors from beyond the NYC metro area grew to 27%, up from 24% in 2024, suggesting increasing interest from travelers across the country. The share of visitors from the NYC suburbs held steady at 5%.

International tourists continued to represent the largest share of overall visitation at 56%, though this reflects a decline from 59% in 2024. Despite this dip, the district's international reach remains close to 2019's pre-pandemic share of 61%. Countries with the highest visitor share were again in Western Europe — the United Kingdom, followed by Germany, France and Italy. Notably, Canada dropped from a top-four feeder country to eighth place, while Mexico and Brazil also featured prominently.

Lower Manhattan Hotel Inventory and Development

The current hotel inventory in Lower Manhattan stands at **8,100** rooms across **42** hotels. No new hotels opened in the third quarter.

There is currently one hotel under development in Lower Manhattan:

- Chestnut Street Holdings and Silver Creek Development have partnered to redevelop the former Ritz Carlton Hotel located at **2 Little West St.** in Battery Park City. The $30 million project will turn the 40 story building into a 298 room hotel under the Marriott Luxury Collection portfolio and is scheduled to open in mid-2027.

Geographic Origin	2019	2020	2021	2022	2023	2024	2025
International	**61%**	**13%**	**28%**	**55%**	**54%**	**59%**	**56%**
Other US	29%	32%	43%	27%	24%	24%	**27%**
NYC Suburbs	3%	12%	7%	5%	5%	5%	**5%**
NYC	7%	43%	22%	13%	17%	12%	**12%**

ADR and Occupancy Near 10-Year Highs

Lower Manhattan hotels boasted an average daily room rate (ADR) of $384.20 during Q3. This is the district's highest ever third quarter ADR and second-highest quarterly ADR overall in the past ten years. This represents a 5% increase over Q2 and a 16% improvement over Q3 2025. The three Midtown markets averaged $397 a night for the quarter, up 14.4% over the year and up 5.1% compared to Q2. Midtown East was the third quarter's priciest market with an ADR of $466.32.

Lower Manhattan hotel occupancy reached 88.3% in the third quarter, a 0.5% increase over Q2 and equal to the occupancy rate in Q3 2025. The three Midtown submarkets saw occupancy increase 1.2% year over year and by the same amount compared to Q2. Occupancy city-wide showed strength, growing 6.2% from Q2 to 85.8% and increasing 7.7% over Q3 2025. City-wide occupancy fell just 0.5% short of the last pre-pandemic Q3.

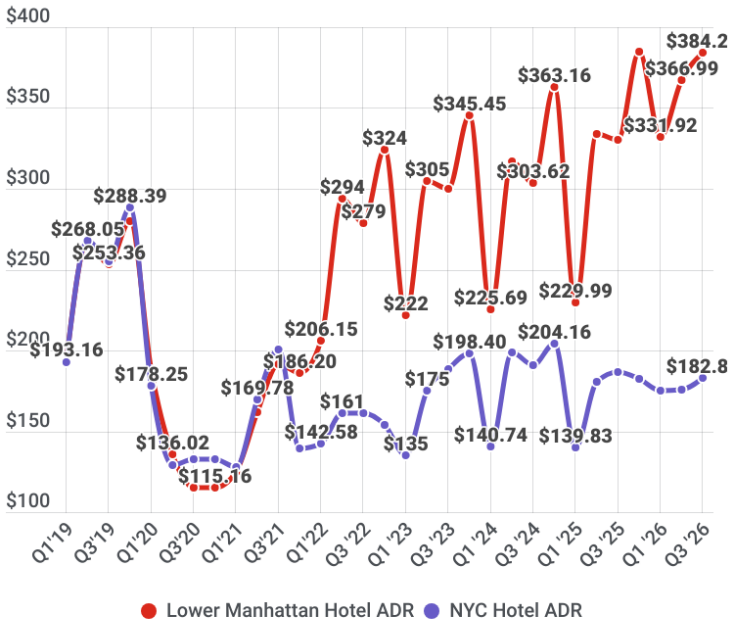
$384.20

Lower Manhattan Hotel Average Daily Room Rate, Q3 2026



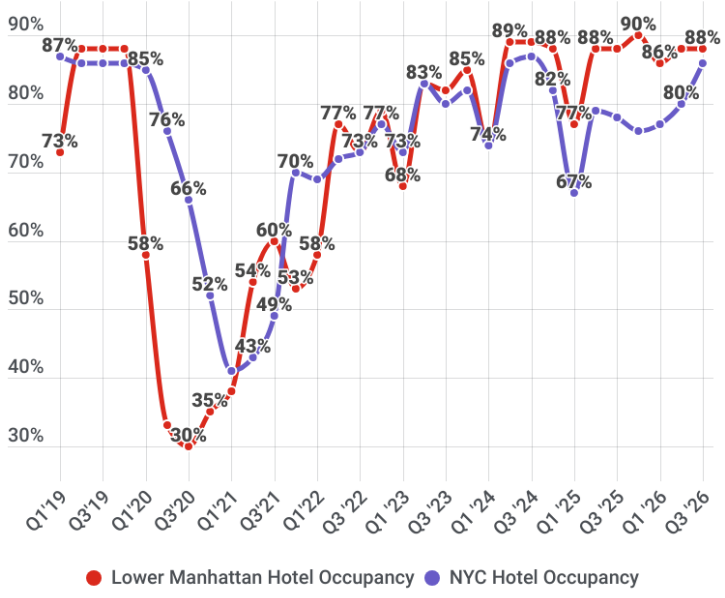
Hotel Average Daily Room Rate (ADR) in Lower Manhattan and New York City

Source: CoStar/STR



Hotel Occupancy in Lower Manhattan and New York City

Source: CoStar/STR



RESIDENTIAL

Inventory and Development

Lower Manhattan has 37,905 units in 353 residential buildings. There are 15,178 units in 38 buildings under construction or planned for development. Office-to-residential conversions account for 52% of planned or under-construction residential units. There are currently 4,935 units under construction in 11 buildings.

Two new projects were completed in Q3:

- **Pearl & Pine (80 Pine St.):** Joseph Hoffman's Bushburg has completed the first phase of the partial conversion of 80 Pine St., a 38-story, 1.2 million sq. ft. office building, adding 500 rental units from floors one through 17. The apartments are a mix of one, two and three bedroom units and are available for immediate occupancy. 70 more units are still under construction on floors 18 and 19, and more floors may be converted in the future.
- **14 Maiden Lane:** The conversion of the Diamond Exchange building to nine full-floor residential condos was completed in September.

Four new projects entered the pipeline in Q3 and are expected to add 4,230 units to Lower Manhattan's residential inventory:

- **100 Gold Street:** The public review process has begun for the redevelopment of 100 Gold Street, a city-owned site which could be turned into ~4,000 new residential units, including ~1,000 affordable units. Current plans include an older adult center, additional public space, new landscaping and a fitness center. GFP Real Estate has been selected as the site's developer.
- **69 Gold St.:** Kings Capital acquired the property from Royal Charter Properties for $30.1 million. The existing building, previously serving as staff housing for New York Presbyterian Hospital, has sat vacant for years. Kings Capital secured a $41 million construction loan to convert the building into 108 residential units with ground-floor retail.
- **65 West Broadway:** Prosper Property Group and HM Group USA purchased the long- vacant lot for $24 million and acquired a $68 million construction loan to build 23 condos with ground-floor retail space. Construction has begun on the site.
- **78 Pearl Street + 46 Water Street:** Wolf Landau purchased two neighboring lots and filed for a 39-story mixed-use development at 78 Pearl Street, which will include 10 floors of office space, 99 residential units, and ground-floor retail space. The building at 46 Water Street is being prepared for demolition.

New Construction:

- **267 Broadway:** The Rabsky Group acquired the troubled Tribeca development site at 267 Broadway for $30 million, planning a luxury mixed-use condo project on the long-vacant property that had been tangled in foreclosure proceedings since Roe Corporation defaulted on its mortgage in 2023. The existing low-rise building on the site is planned to be demolished.
- **50-58 Cliff St.:** Announced during Q1 2026, Trinity Church, one of New York's largest landlords, unveiled plans to build 120 permanently affordable apartments near the Seaport. The project is expected to cost $70 million and will sit on land leased to the nonprofit Settlement Housing Fund.
- **8 Carlisle St.:** The site of the 64-story residential skyscraper is currently undergoing facade work. 8 Carlisle is a 64-story, 789-foot residential skyscraper at the corner of Washington and Carlisle Streets in Lower Manhattan, which will yield 462 residential units and 7,000 square feet of ground-floor retail upon completion. Designed by Handel Architects and developed by Grubb Properties and Pink Stone Capital, the tower is expected to complete sometime in the second half of 2027.
- **250 Water St.:** In late 2021, the Howard Hughes Corporation was approved for an $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. During Q3, real estate developer Tavros acquired the land at 250 Water St. for $143 million from Seaport Entertainment Group, much less than what SEG bought it for in 2018. Plans to expand the mixed-use project to include 600 rental units, 25% of which will be designated as affordable housing.
- **21 Park Pl.:** Plans were filed for a new high-rise

residential building at 21 Park Pl., the former Tent & Trails building that collapsed in 2018.

Conversions:

During Q3, two new conversion projects were announced, bringing the total conversion pipeline to 7,862 new units across 23 buildings either planned or under construction.

- **64 Fulton St.:** Flatiron Real Estate Advisors filed plans to convert the 125-year-old 64 Fulton St. to add 49 residential units spanning floors three to 11. The current plan calls for the units to consist of 18 studios, 22 one-bedrooms and eight two-bedrooms with two loft tenants remaining. The project will benefit from the city's $467 million tax abatement program to make 12 of the units affordable. The plans are currently under review and have not yet been approved.
- **222 Broadway:** GFP Real Estate and Texas Pacific Group (TPG) are converting the 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. The project is now under construction. It will house 798 rental apartments and 40,000 sq. ft. of commercial space. A sidewalk shed has been assembled along the first story as crews begin work on the façade from suspended scaffolding rigs.
- **111 Wall St.:** Nathan Berman's MetroLoft Management and InterVest have sealed a roughly $867 million construction loan to convert the office tower at 111 Wall St. to residential use. The 1.2 million sq. ft. building will be transformed into 1,568 rental units. Construction on the building has commenced.
- **77 Water St.:** The Vanbarton Group agreed to purchase Sage Realty's property at 77 Water St. for approximately $95 million and has begun to convert the 26-story office building into 647 residential units. 162 of these units will be affordable.
- **2 Wall St.:** 2 Wall St. is undergoing a significant transformation. The owner, Fieldston Capital, is in the process of converting the upper floors of the 21-story building into 169 residential apartments with a pool and golf simulator.
- **40 Exchange Pl.:** GFP Real Estate has begun an office-to-residential conversion of 40 Exchange Pl., a 20-story Classical Revival building, transforming its 300,000 sq. ft. into 382 rental apartments with ground-floor retail and a portion dedicated to affordable housing. The developer has secured $191.5 million in construction financing and plans to utilize federal and state Historic Rehabilitation Tax Credits along with NYC's 467-m program, which provides a 35-year tax abatement on the property.
- **5 Hanover Sq.:** David Werner Real Estate Investments and developer Sam Fisch Development successfully filed for permits to convert the office building into 273 residential units.
- **30 Broad St.:** The Continental Bank Building at 30 Broad St. is now set for a residential conversion, having officially obtained permitting. The building will contain 487 rental units spanning 405,399 sq. ft. with 4,193 sq. ft. of retail space on the ground floor, occupied by two commercial units.
- **100 William St.:** Bushburg acquired permits to convert 100 William St. into 427 residential apartments.
- **1 Maiden Ln.:** Jeff Sutton's Wharton Properties is looking to convert The Cushman Building at 1 Maiden Ln. into 12 apartment units, according to plans filed with the Department of Buildings. Its permit is yet to be approved.
- **100 Wall St.:** Developers David Werner and Lloyd Goldman's BLDG Management Co. plan to convert part of the 465,000 sq. ft. office building at 100 Wall St. into 169 apartments, according to New York City Department of Buildings filings. A $219 million loan was also secured recently for the project.
- **75 Maiden Ln.:** CSC is planning a partial office-to-residential conversion at 75 Maiden Ln., according to initial plans filed with the New York City Department of Buildings. The project will add 300 residential units to the building.
- **101 Greenwich St.:** Idan Ofer's Quantum Pacific Group and Nathan Berman's Metro Loft Management acquired the 26-story office tower at 101 Greenwich St. in February and recently filed plans with the New York City Department of Buildings to convert the building into 614 units of housing.
- **40 Fulton St.:** Blue Fin Equities' Samuel Fisch filed conversion plans for the 234,553 sq. ft. building at 40 Fulton St., according to New York City Department of Buildings records. The filing calls for the 28-story, red brick facade building to be converted into a 30-story residential tower with 169 units.
- **99 Washington St.:** Hawkins Way Capital is converting the former 99 Washington St. Holiday Inn into a 650-bed multi-institution student dorm — serving schools like Pace, NYU, Baruch, Hunter and the New York Film Academy. Partial occupancy is already underway as construction continues

following the building's bankruptcy, foreclosure issues and brief use as a migrant shelter.

- **80 Broad St.:** Announced during Q1, Broad Street Development, the owner of the 37-story office building at 80 Broad Street, has successfully filed plans with the New York City Department of Buildings to convert the property into a residential building with 326 units. The developer also secured a $175 million construction loan for the project earlier this year.
- **61 Broadway:** RXR filed for a complete conversion of 61 Broadway, aiming to transform the building into 746 new units. The project is under construction.
- **45 Broadway:** Permits were filed by developer Cammeby's International and architecture firm LK Collaborative to convert the existing office building to add 241 residential units. The permits were approved and issued in June.
- **17 Battery Pl.:** The Moinian Group has announced an office-to-residential conversion at 17 Battery Pl. through the NYS 467m tax incentive program, transforming 150,000 sq. ft. into 220 apartments — 25% of which will be permanently affordable — with completion set for Q1 2027. The project, which builds on Moinian's already-completed first phase of 138 units at the property, will also feature a rooftop terrace, redesigned lobby and a Life Time fitness anchor.

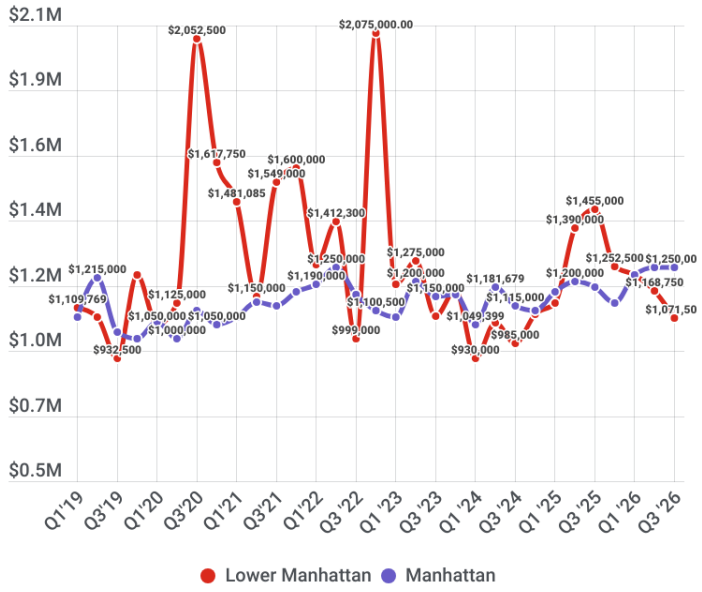
Lower Manhattan Rents Grow While Sale Prices Decline

Rents in the Lower Manhattan reached $5,262 in the third quarter, marking a slight decrease of 0.1% over the second quarter and a 2.7% jump year-over-year. Overall Manhattan rents reached a record high in the third quarter at $4,995, up 1.5% over the last quarter and 6.1% compared to the same quarter last year.

Lower Manhattan's median sale price was $1,071,500 in the third quarter, an 8.3% decrease from the previous quarter and a 26.4% drop from Q3 2025. Manhattan's median sale price came in at $1,250,000, unchanged from the previous quarter and up 5.9% year-over-year. This marks the fourth consecutive quarter of declining sale prices after hitting a recent high of $1,455,000 in Q3 2025, the highest median sale price seen since Q4 2022.

Median Residential Sales Price

Source: Miller Samuel

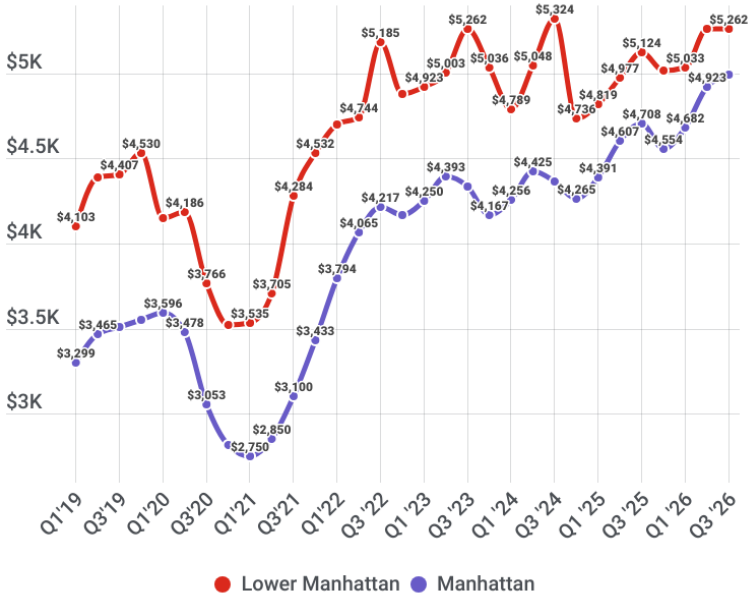


$5,262

Lower Manhattan Median Rent

Median Residential Rental Price

Source: StreetEasy*



*Note: StreetEasy is now being used instead of Miller Samuel for rental data.

100 Gold St. Will Bring Housing, Public Space and Amenities to Lower Manhattan

The 100 Gold St. project, which is currently undergoing environmental review, is poised to be one of the most transformative housing developments in Lower Manhattan's history. The city-owned site, which currently contains an aging 1970s office building occupied by various city agencies, will be redeveloped to build nearly 4,000 housing units across multiple towers. At least 25% of those units will be designated as permanently affordable for a range of income levels. These 1,000 new, affordable units will be greater than the total of new affordable housing units produced in Lower Manhattan since 2005.

A modern older adult center will also be built to replace the one in the basement of the existing building, along with public realm improvements such as new sidewalks and landscaping, ground floor retail, a fitness center and new street furniture.

100 Gold St. will build upon Lower Manhattan's transformation from a predominantly commercial district to a vibrant, mixed-use neighborhood by adding over 8,000 new residents. This population growth will further diversify and strengthen Lower Manhattan's economy, and provide more support to small businesses.

The plan also builds upon the Mamdani administration's goals to address the housing shortage by expediting housing development on city-owned land to help construct hundreds of thousands of units over the next decade. The project is being completed with no direct city funding, as proceeds from the market-rate units will subsidize the affordable units and the relocation of city agencies from the site.

NYCEDC is managing the project, and GFP Real Estate was selected as the site's developer after a competitive RFP process. The developer will use the 485-x tax abatement, making it one of only a handful of 485-x projects over 99 units. The project is expected to complete environmental review and begin ULURP next year. After the ULURP process is complete, city agencies will begin relocating from the site and construction will begin. It will likely be completed in the mid-2030s.



100 Gold St. Rendering. Source: CetraRuddy Architects

MAJOR PROJECTS UPDATE

Pace University

In August 2026, the renovation at One Pace Plaza was completed, adding new academic spaces, a modernized residence hall and a new performing arts center. The renovation included the reconstruction of the lower floors of One Pace Plaza East and upgrades to the dormitory building at 182 Broadway.

The Sands College of Performing Arts is housed within the new performing arts center at One Pace Plaza, which contains 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 was part of a fundraising campaign that included private donations and $30 million in state and federal funding.

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

Greenwich Street reconstruction, between Barclay and Chambers streets, began in early 2022 and will be completed in November 2027; 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 winter 2026. Nassau Street reconstruction, between Pine Street and Maiden Lane, will be completed in summer 2027. Trinity Place reconstruction, between



One Pace Plaza East

Cedar and Morris streets, began in 2023 and is expected to be completed in January 2029. 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 $76.6 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. The project is expected to be completed in spring 2027.

Climate Resiliency

Resilient Infrastructure
In September, BPCA celebrated the completion of the South Battery Park City Resiliency Project, part of the Lower Manhattan Coastal Resiliency Master Plan. The finished project created a flood risk management system from the Museum of Jewish Heritage, through Wagner Park, across Pier A Plaza, and along the northern border of the Historic Battery.

Work continues on parts of downtown and Seaport as part of the Lower Manhattan Coastal Resiliency Master Plan, a resilient infrastructure plan released in 2021 to protect Lower Manhattan from future flooding. There are 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 would be elevated by 15 to 18 feet to protect against severe storms, while doubling as public open space. The lower level would be a waterfront esplanade raised three to five feet to protect against sea level rise, while offering access to the East River shoreline.

While Mayor Mamdani recently committed $43 million in funding for the Bureau of Coastal Resilience which is tasked with operating floodgates and other infrastructure that is under construction in the Lower East Side, no funding has been identified to complete the critically needed Lower Manhattan Coastal Resiliency project.


South Battery Park City Resiliency Project

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. The Trust for Governors Island has expanded ferry service, running every 15 minutes, and added New York City's first public hybrid-electric ferry.



New York Climate Exchange



DOWN TOWN ALLIANCE

Alliance for Downtown New York
120 Broadway, Suite 3340
New York, New York 10271

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 21st century central business district for businesses, residents and visitors.

downtownny.com/business/research-statistics