

# **NEWS**

## **FOR IMMEDIATE RELEASE**

**From: Real Estate Board of New York (REBNY)**

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### **REBNY REPORT: MANHATTAN RETAIL RENTS CONTINUE TO SURGE UPWARD**

**Median prices per-square-foot for ground floor space jumps 12.5 percent to \$225  
in major Manhattan corridors; average price up to \$297**

**NEW YORK, NY – Nov. 6, 2006** – Major Manhattan retail corridors continued to see rents increase for ground floor space, as the median price per square foot climbed 12.5 percent from the same period last year, according to the Real Estate Board of New York's (REBNY) Fall Retail Report.

In selected major retail corridors, the ground floor median asking rent was up 26 percent on Madison Avenue to \$1000 per square foot. On Fifth Avenue in the Flatiron District, median prices climbed 28 percent to \$263 per square foot. Rents on Seventh Avenue in Midtown rose 42 percent to \$479 per square foot and the price per square foot on West 42<sup>nd</sup> Street soared 50 percent to \$300.

“The strong demand for retail space and corresponding increase in rents is a positive sign – one that indicates the health of our city’s economy,” said REBNY President Steven Spinola. Despite the surge in asking rents, retailers’ interest in locating their stores in Manhattan is still strong.”

The average asking rent for all Manhattan retail space rose four percent from the same period last year to \$106 per square foot. The biggest rise was on the Westside with an average rent increase of 14 percent to \$122 per square foot, followed by Downtown’s 8.2-percent jump to \$92 per square foot and Midtown’s \$137 per square foot, a seven-percent increase.

Overall, average asking rents per square foot for ground floor space was highest on Fifth Avenue in Midtown. Since last year there has been a 27-percent increase to \$1035 per square foot.

Other report findings include:

- The selected major retail corridors also had increases in the average asking rent for ground floor space: 15 percent to \$100 per square foot on 125<sup>th</sup> Street, 26 percent to \$288 per square foot on Broadway in SoHo and 28 percent to \$160 per square foot on Broadway in Lower Manhattan.
- The median asking rent for ground floor space in Midtown South increased 15.4 percent to \$300 per square foot and the Westside rose 11.1 percent to \$250 per square foot.

- There are 664 new stores in the Manhattan area since this time last year, with an increase of 3,427,436 total square feet.

### **About the REBNY Retail Report**

The REBNY Retail Report is issued twice a year in the spring and fall by the REBNY Stores Committee. Findings are reviewed by an advisory group that distills and analyzes the data. The report provides comprehensive information about available retail space and asking rents in Manhattan from a broad cross section of the city's top real estate firms. The report presents all available data on retail space by geographic area and focuses on the ground floor space on the major retail streets. It provides an objective and reliable source for discerning market trends.

Space information has been provided on a confidential basis by REBNY member firms including: CBRE Retail Services NY Tri-State Region, Cushman & Wakefield, Inc., Grubb & Ellis New York Inc., Isaacs and Company, The Lansco Corp., Madison HGCD, LLC, Murray Hill Properties, Newmark Knight Frank Retail, Robert K. Futterman & Associates, LLC, Rose Associates, Inc., Sierra Realty Corp., Sinvin Realty Corp., The Staubach Company of New York LLC, Vornado Realty Trust, and ZE Realty Group, LLC.

**The Real Estate Board of New York** is the city's leading real estate trade association with 11,000 members. REBNY represents major commercial and residential property owners and builders, brokers and managers, banks, financial service companies, utilities, attorneys, architects, contractors and other individuals and institutions professionally interested in the City's real estate. REBNY is involved in crucial municipal matters including tax policy, city planning and zoning, rental conditions, land use policy, building codes and legislation. In addition, REBNY publishes reports providing indicators of market prices for both the residential and commercial sectors.

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