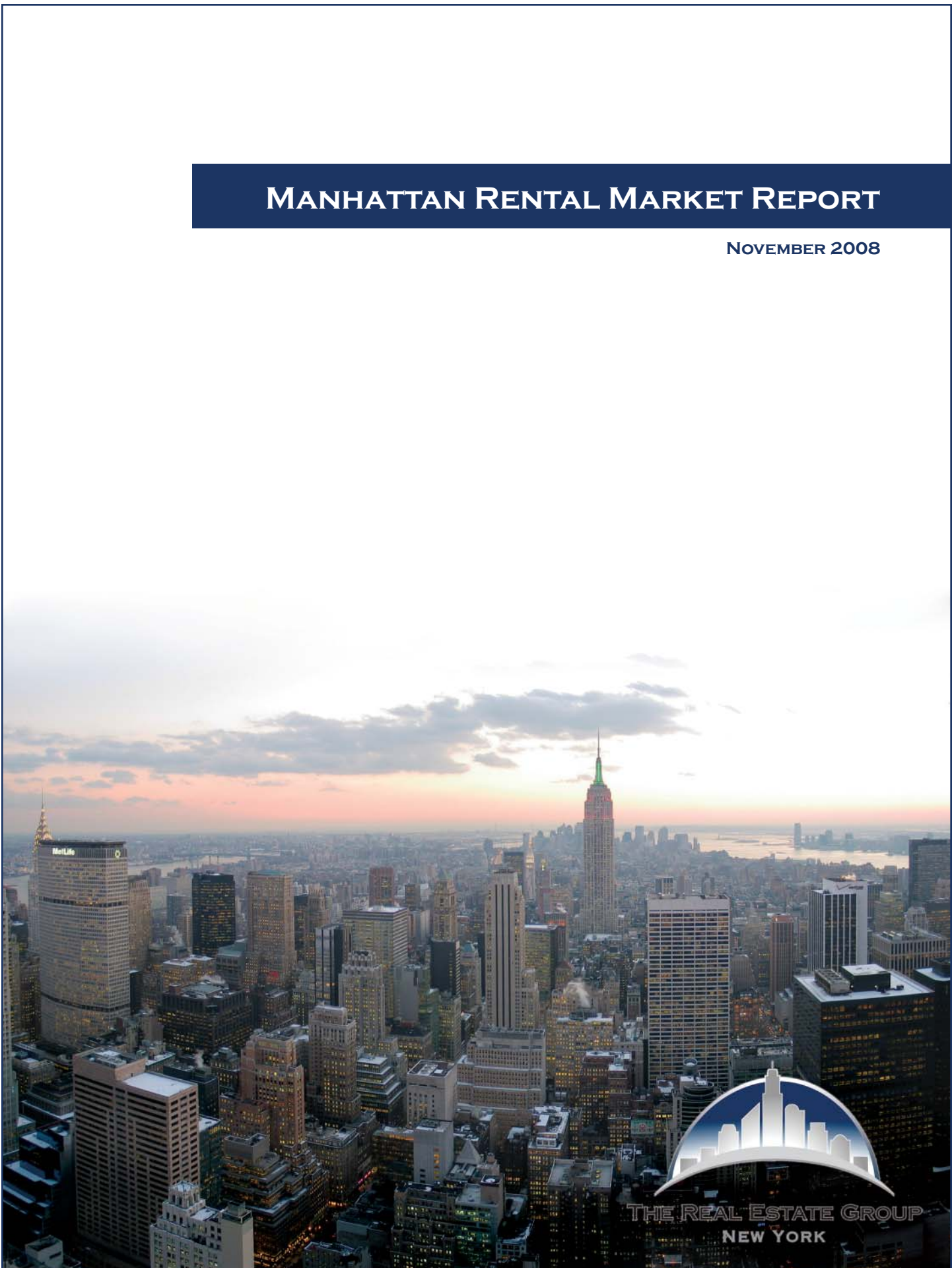


MANHATTAN RENTAL MARKET REPORT

NOVEMBER 2008



THE REAL ESTATE GROUP
NEW YORK

TABLE OF CONTENTS



LETTER FROM OUR CHIEF OPERATING OFFICER	3
A QUICK LOOK	4
MEAN MANHATTAN RENTAL PRICES	8
MANHATTAN PRICE TRENDS	10
NEIGHBORHOOD PRICE TRENDS	
UPPER WEST SIDE	11
UPPER EAST SIDE	12
MIDTOWN WEST	13
MIDTOWN EAST	14
MURRAY HILL	15
CHELSEA	16
GRAMERCY PARK	17
GREENWICH VILLAGE	18
EAST VILLAGE	19
SOHO	20
LOWER EAST SIDE	21
TRIBECA	22
FINANCIAL DISTRICT	23
BATTERY PARK CITY	24
HARLEM	25
THE REPORT EXPLAINED	26

LETTER FROM OUR CHIEF OPERATING OFFICER



On behalf of The Real Estate Group, I am pleased to present the November 2008 edition of our Manhattan Rental Market Report, the only research on the city's rental rates published on a monthly basis.

Landlords throughout Manhattan are becoming increasingly anxious as they watch units sit vacant, even as prices fall. Rents are down across the board this month, in both month-to-month and year-over-year comparisons. Still, our data sets show that vacancies continue to rise and are up by 7.5% this month, and 17% since September of this year.

Readers should note that while the data does not paint a rosy picture for the Manhattan rental market, the situation may actually be worse than the numbers let on. The growing vacancies that we see may not be fully reflective of the breadth of units available, as many owners are not releasing their full vacancy list. Additionally, our asking rent data does not consider concessions, such as free rent and owner-paid broker fees, that are being used more aggressively to incentivize consumers.

Moreover, the increase in volume of high-end units on the market today, may be keeping average rents at a higher point than they would be otherwise. This is especially true in neighborhoods like the Financial District and Chelsea. Again, illustrating how the numbers may not be telling the entire story.

The good news is conditions are becoming much more favorable for the consumer. There are more options at lower prices than I've seen in a long time. Studios can be found for under \$1,500/month again and property owners continue to offer incentives, in addition to price reductions. Now, and over the next few weeks, will be a great opportunity to find an apartment at a significantly lower price than may be available after the New Year, when seasonal forces could help to stabilize the market once again.

A handwritten signature in black ink, appearing to read 'Daniel Baum', written in a cursive style.

Daniel Baum, C.O.O.
The Real Estate Group

A QUICK LOOK

NON-DOORMAN BUILDINGS (AVERAGE PRICES)		
	Most Expensive	Least Expensive
Studios	TriBeCa \$2,620	Harlem \$1,254
One-bedrooms	TriBeCa \$4,237	Harlem \$1,822
Two-bedrooms	TriBeCa \$6,940	Harlem \$2,374

DOORMAN BUILDINGS (AVERAGE PRICES)		
	Most Expensive	Least Expensive
Studios	TriBeCa \$2,993	Harlem \$1,322
One-bedrooms	SoHo \$4,905	Harlem \$1,835
Two-bedrooms	SoHo \$6,773	Harlem \$2,499

Greatest Changes Since October:

Non-doorman studios – Gramercy Park – **Down 6.74%** (\$152)

Non-doorman one-bedrooms – Harlem – **Up 6.43%** (\$110)

Non-doorman two-bedrooms – Midtown East – **Down 5.16%** (\$214)

Doorman studios – Gramercy Park – **Down 6.11%** (\$157)

Doorman one-bedrooms – Harlem – **Down 5.31%** (\$103)

Doorman two-bedrooms – Midtown West – **Down 4.19%** (\$218)

Year-over-year Changes*:

Notable Trends:

MANHATTAN NON-DOORMAN RENTS: NOVEMBER '07 vs. NOVEMBER '08			
	November '07	November '08	Change
Studios	\$2,114	2,063	-2.43%
One-bedrooms	\$2,942	\$2,850	-3.12%
Two-bedrooms	\$3,993	\$3,957	-0.90%

MANHATTAN DOORMAN RENTS: NOVEMBER '07 vs. NOVEMBER '08			
	November '07	November '08	Change
Studios	\$2,747	\$2,509	-8.67%
One-bedrooms	\$3,807	\$3,629	-4.67%
Two-bedrooms	\$5,553	\$5,586	0.59%

* Year-over-year comparison does not include Harlem data

A QUICK LOOK

Rents continue downward trend — In both month-to-month and year-over-year comparisons, rents are down across the board. The most significant changes since October 2008 are in doorman buildings, while year-over-year comparisons show significant declines in smaller units. Rents for doorman studios are down 8.67% since November 2007 and 1.68% since October.

Vacancies continue to rise — Building on last month's increase, vacancies are up for the second straight month, 7.5% since October, and 17% since September of this year.

The numbers don't lie, or do they? — A recent significant increase in the number of high end units on the market are keeping average rents at an artificially high price point. And vacancies, may actually be even higher than reported, particularly in doorman buildings, as many landlords are not releasing their full vacancy list.

Where Prices Decreased:

Harlem—↓ Non-doorman studios (1.88%), doorman studios (1.42%), doorman one-bedrooms (5.31%), doorman two-bedrooms (3.29%)

Upper West Side—↓ Doorman studios (3.25%), doorman one-bedrooms (1.47%), non-doorman two-bedrooms (2.28%), doorman two-bedrooms (1.29%)

Upper East Side—↓ Non-doorman studios (2.13%), doorman studios (2.03%), doorman one-bedrooms (2.37%), doorman two-bedrooms (0.58%)

Midtown West—↓ Non-doorman studios (3.95%), doorman studios (4.69%), non-doorman one-bedrooms (2.58%), doorman one-bedrooms (2.11%), non-doorman two-bedrooms (2.90%), doorman two-bedrooms (4.19%)

Midtown East—↓ Non-doorman studios (2.17%), doorman studios (1.38%), non-doorman one-bedrooms (4.77%), doorman one-bedrooms (1.97%), non-doorman two-bedrooms (5.16%)

Murray Hill—↓ Non-doorman studios (2.13%), non-doorman one-bedrooms (3.60%), doorman one-bedrooms (2.72%), non-doorman two-bedrooms (0.63%)

Chelsea—↓ Non-doorman studios (4.73%), non-doorman one-bedrooms (3.36%), doorman one-bedrooms (4.20%), doorman two-bedrooms (3.82%)

Gramercy Park—↓ Non-doorman studios (6.74%), doorman studios (6.11%), doorman one-bedrooms (0.17%)

Greenwich Village—↓ Doorman studios (4.50%), non-doorman one-bedrooms (1.52%), doorman one-bedrooms (0.07%)

A QUICK LOOK

East Village—↓ Non-doorman studios (2.39%), non-doorman one-bedrooms (3.77%), non-doorman two-bedrooms (3.14%)

SoHo—↓ Non-doorman studios (4.23%), doorman studios (0.64%), non-doorman two-bedrooms (4.67%), doorman two-bedrooms (1.02%)

Lower East Side—↓ Doorman studios (2.27%), doorman one-bedrooms (3.25%), doorman two-bedrooms (3.70%)

TriBeCa—↓ Non-doorman studios (5.89%), doorman one-bedrooms (1.08%), doorman two-bedrooms (3.80%)

Financial District—↓ Doorman studios (3.15%), non-doorman two-bedrooms (4.52%), doorman two-bedrooms (0.53%)

Battery Park City—↓ Doorman studios (1.84%), doorman one-bedrooms (2.95%), doorman two-bedrooms (2.69%)

Where Prices Increased:

Harlem—↑ Non-doorman one-bedrooms (6.43%), non-doorman two-bedrooms (0.68%)

Upper West Side—↑ Non-doorman studios (0.16%), non-doorman one-bedrooms (1.11%)

Upper East Side—↑ Non-doorman one-bedrooms (0.66%), non-doorman two-bedrooms (0.15%)

Midtown East—↑ Doorman two-bedrooms (0.23%)

Murray Hill—↑ Doorman studios (0.28%), doorman two-bedrooms (0.04%)

Chelsea—↑ Doorman studios (0.16%), non-doorman two-bedrooms (4.20%)

Gramercy Park—↑ Non-doorman one-bedrooms (1.96%), non-doorman two-bedrooms (2.59%), doorman two-bedrooms (0.69%)

Greenwich Village—↑ Non-doorman studios (0.96%), non-doorman two-bedrooms (0.61%), doorman two-bedrooms (1.36%)

East Village—↑ Doorman studios (2.96%), doorman one-bedrooms (4.46%), doorman two-bedrooms (2.19%)

SoHo—↑ Non-doorman one-bedrooms (1.45%), doorman one-bedrooms (2.19%)

A QUICK LOOK

Lower East Side—↑ Non-doorman studios (0.87%), non-doorman one-bedrooms (1.86%), non-doorman two-bedrooms (1.95%)

TriBeCa—↑ Doorman studios (2.12%), non-doorman one-bedrooms (1.49%), non-doorman two-bedrooms (0.57%)

Financial District—↑ Non-doorman studios (4.23%), non-doorman one-bedrooms (0.62%), doorman one-bedrooms (0.54%)

Tips for Renters:

Single and looking for a steal? Renters looking for great deals on studio apartments in Manhattan needn't look farther than the Village. East Village non-doorman studios are at their lowest price points since The Real Estate Group began reporting data - \$1,922 - and those that desire service can head west to Greenwich Village, where doorman studios are also at their lowest price point - \$2,484.

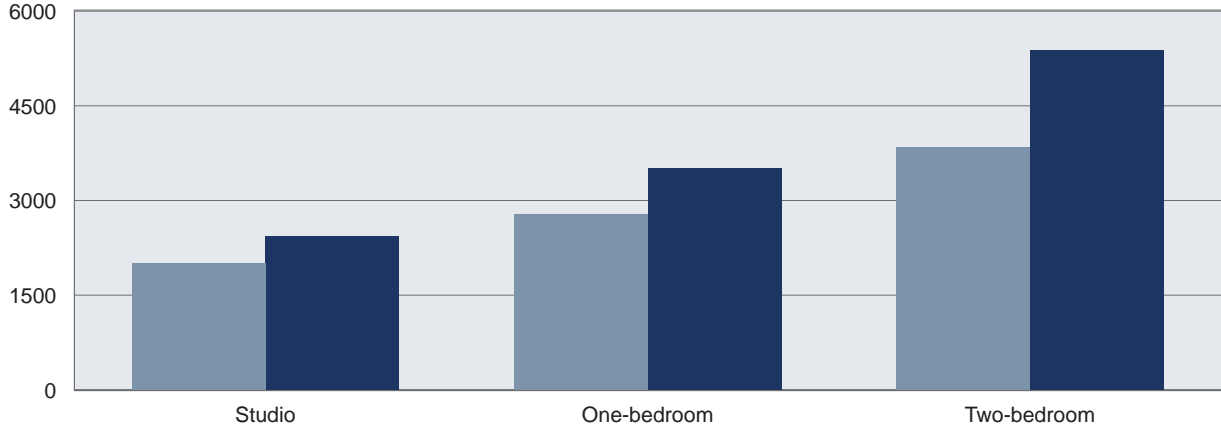
Midtown drops East to West. Always wanted to be in the heart of it all? Renters seeking units in Midtown should take notice. Rents are down in Midtown East and Midtown West for all units, with the lone exception of Midtown East doorman two-bedrooms which remained flat. The most significant drops were Midtown East non-doorman two-bedrooms, which fell 5.16%, Midtown East non-doorman one-bedrooms, which fell 4.77%, and Midtown West doorman studios, which fell 4.69%.

Get ready to negotiate. Renters looking to make a move this month have an excellent opportunity to get a bargain. Landlords with especially high vacancies are ready to make deals, so look for owners to offer incentives and cut prices. However, remember that already competitively priced properties will hold their value, even in a renters' market.

MEAN MANHATTAN RENTAL PRICES

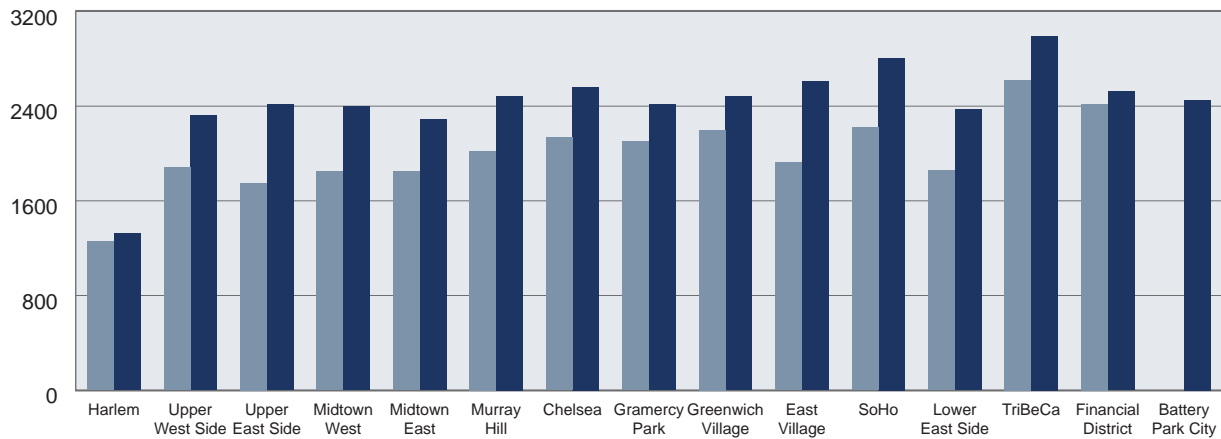
The Mean Rental Price graphs illustrate average monthly rents for studios, one-bedrooms and two-bedrooms in doorman and non-doorman buildings for the month of October 2008. Graphs tracking citywide and neighborhood price changes over a rolling 13-month period follow.

November 2008* Mean Manhattan Rental Prices



■ Doorman	2,430	3,510	5,380
■ Non-doorman	2,005	2,777	3,844

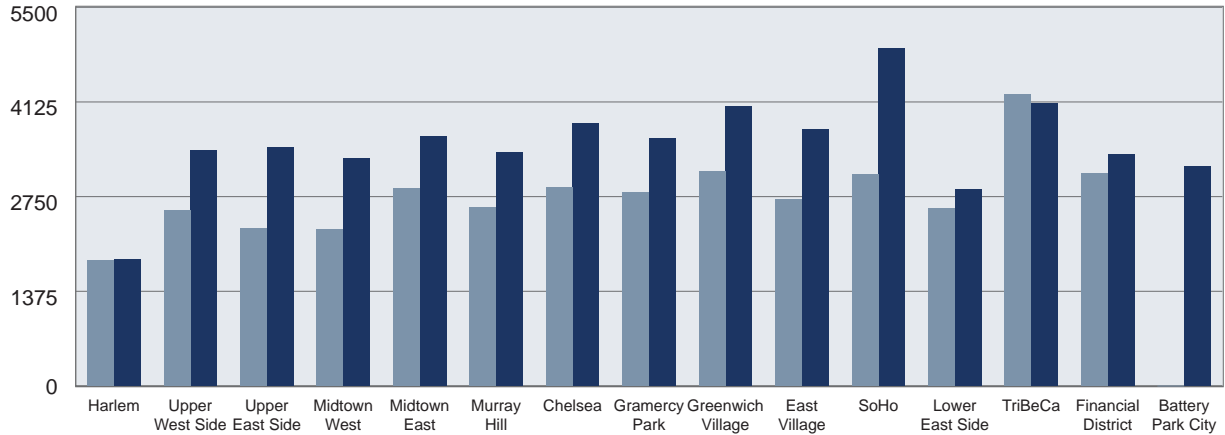
November 2008* Mean Studio Rental Prices



■ Doorman	1,322	2,322	2,414	2,396	2,289	2,486	2,563	2,412	2,484	2,610	2,807	2,370	2,993	2,525	2,452
■ Non-doorman	1,254	1,879	1,750	1,849	1,846	2,021	2,136	2,102	2,199	1,922	2,217	1,856	2,620	2,417	-

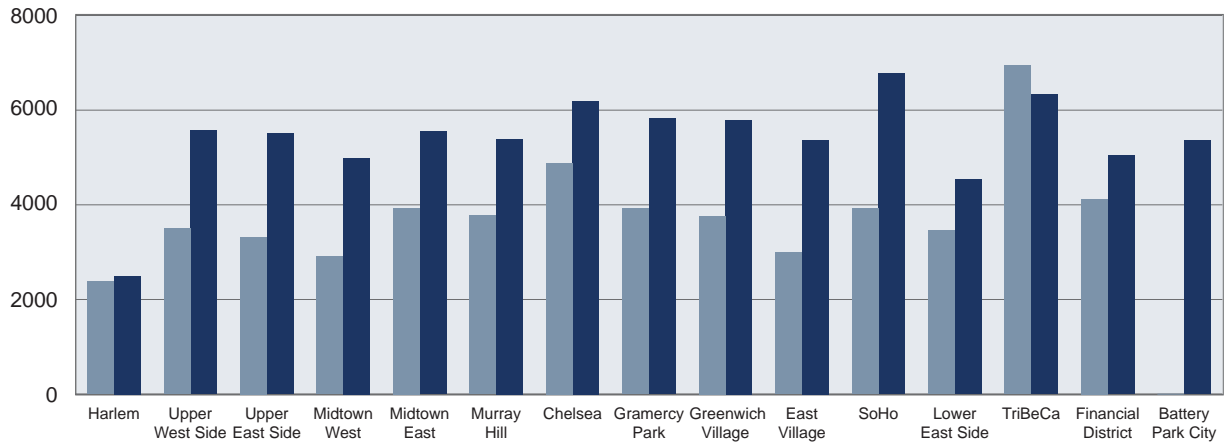
MEAN MANHATTAN RENTAL PRICES

November 2008* Mean One-bedroom Rental Prices



Doorman	1,835	3,421	3,465	3,300	3,625	3,393	3,809	3,589	4,059	3,724	4,905	2,861	4,104	3,369	3,186
Non-doorman	1,822	2,545	2,284	2,267	2,873	2,597	2,880	2,813	3,120	2,708	3,072	2,578	4,237	3,080	-

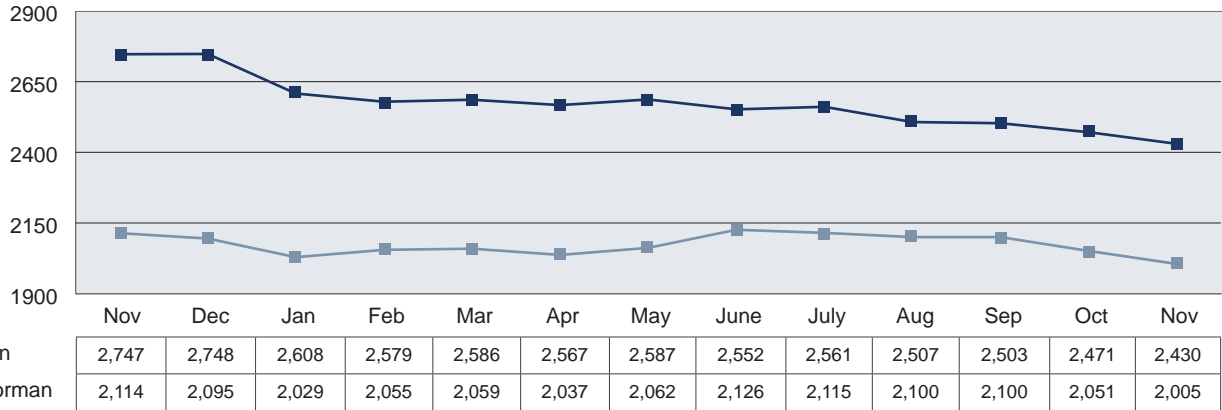
November 2008* Mean Two-bedroom Rental Prices



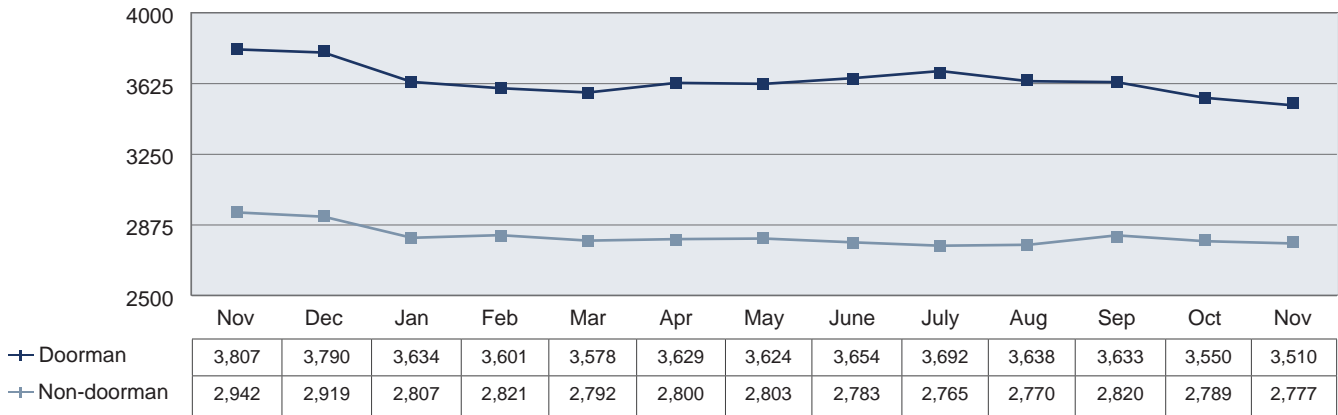
Doorman	2,499	5,565	5,501	4,991	5,545	5,388	6,191	5,830	5,794	5,372	6,773	4,528	6,328	5,039	5,354
Non-doorman	2,374	3,507	3,320	2,911	3,936	3,777	4,885	3,922	3,765	2,988	3,916	3,455	6,940	4,120	-

MANHATTAN PRICE TRENDS

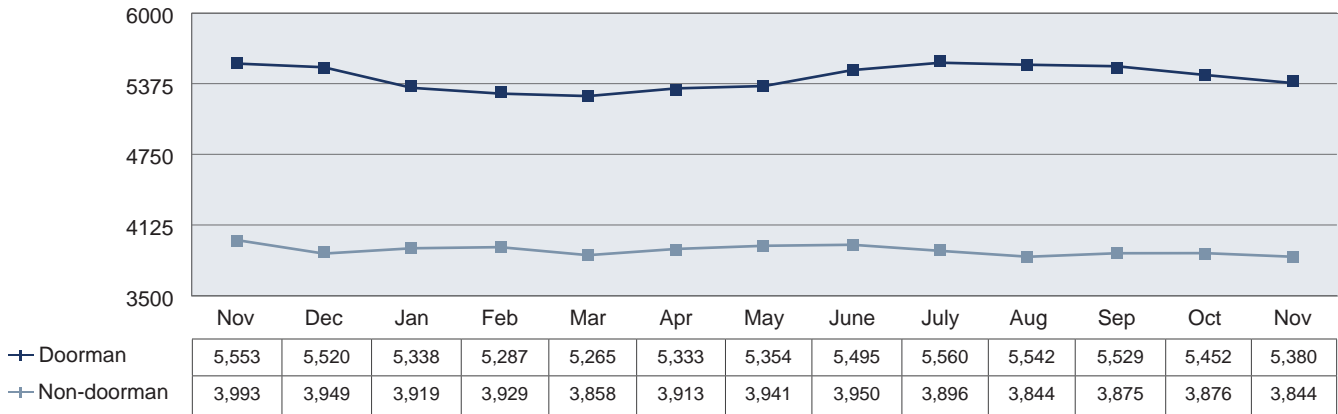
November 2008* Manhattan Studio Price Trends Over 13 Months



November 2008* Manhattan One-bedroom Price Trends Over 13 Months



November 2008* Manhattan Two-bedroom Price Trends Over 13 Months

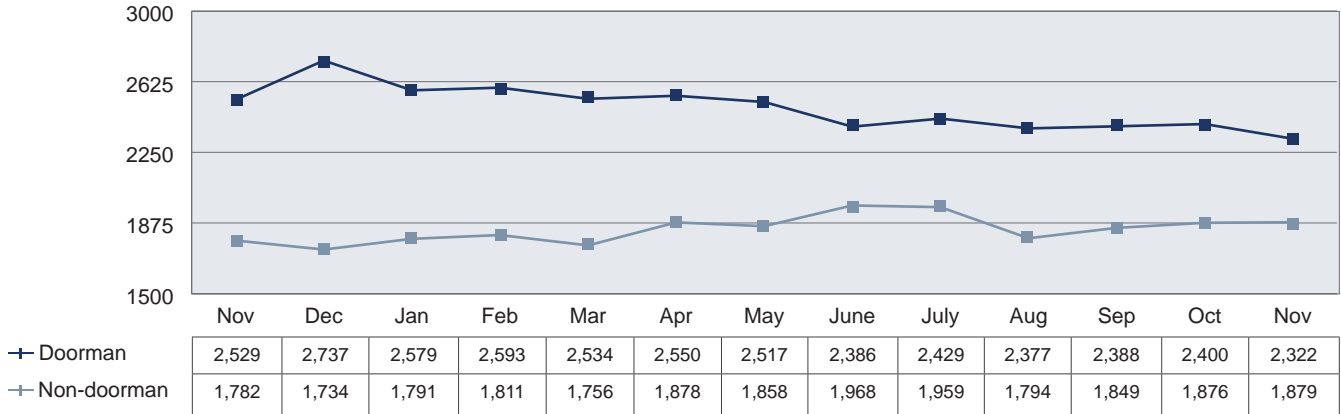


* 2008 data includes Harlem

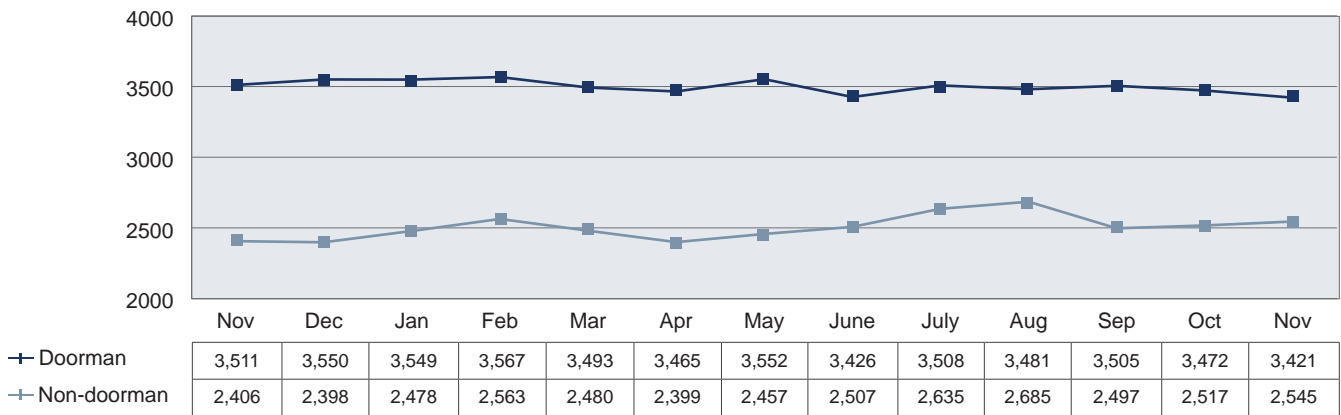
NEIGHBORHOOD PRICE TRENDS

UPPER WEST SIDE

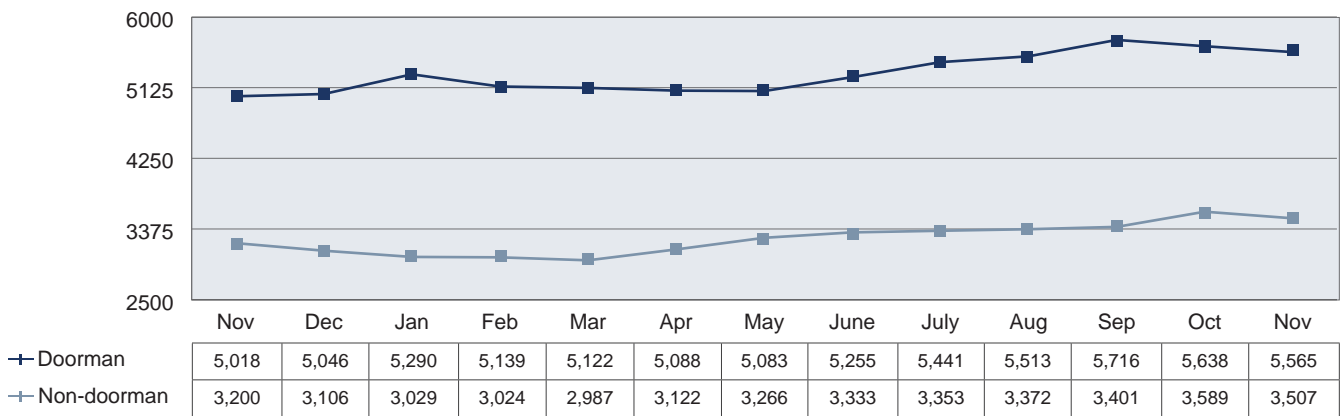
Upper West Side Studio Price Trends Over 13 Months



Upper West Side One-bedroom Price Trends Over 13 Months



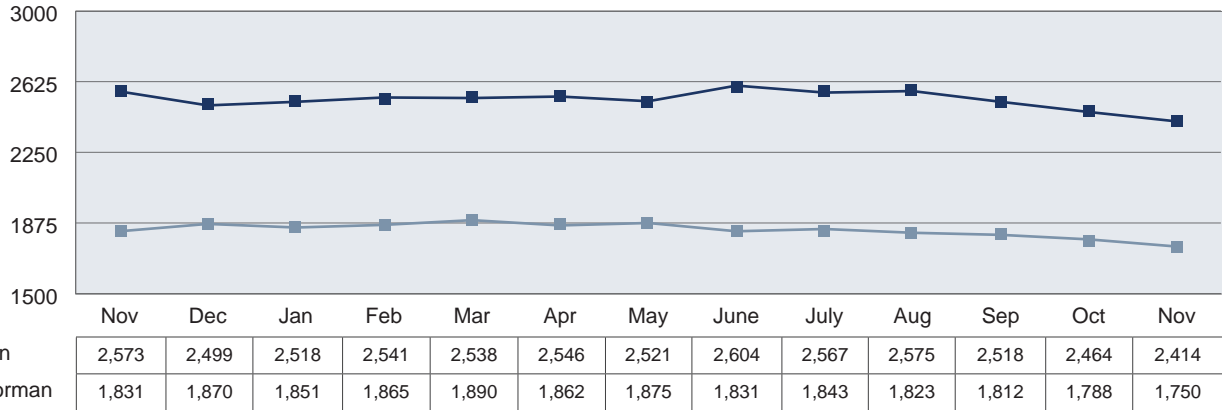
Upper West Side Two-bedroom Price Trends Over 13 Months



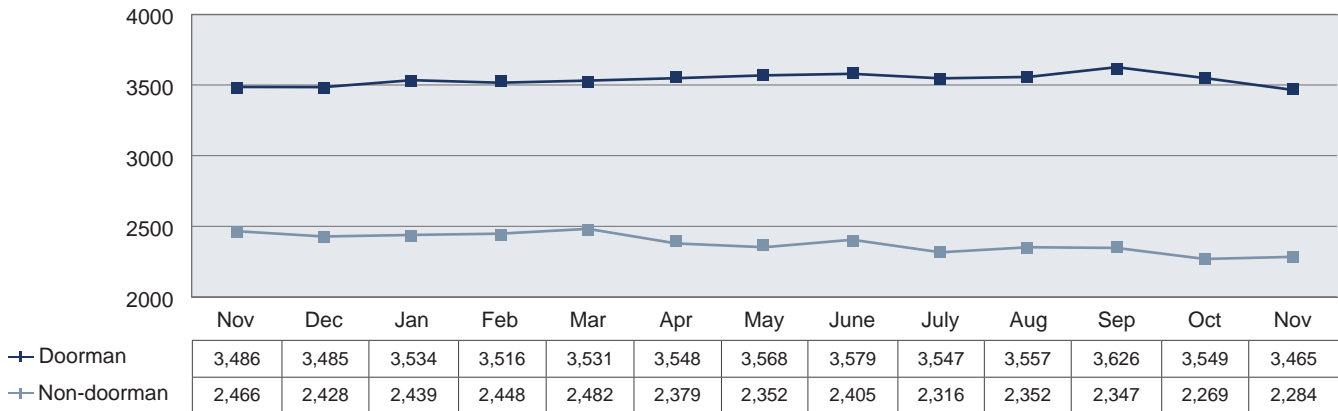
NEIGHBORHOOD PRICE TRENDS

UPPER EAST SIDE

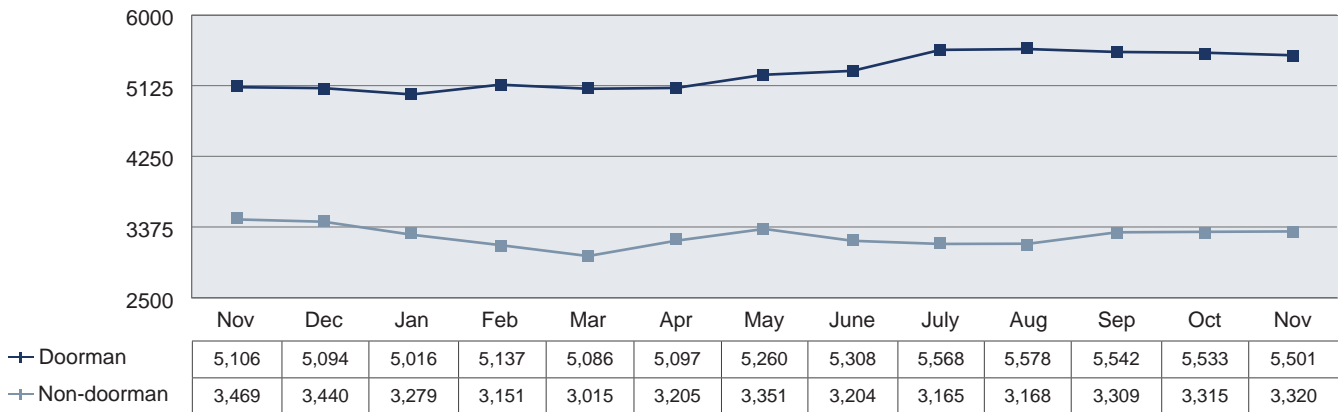
Upper East Side Studio Price Trends Over 13 Months



Upper East Side One-bedroom Price Trends Over 13 Months



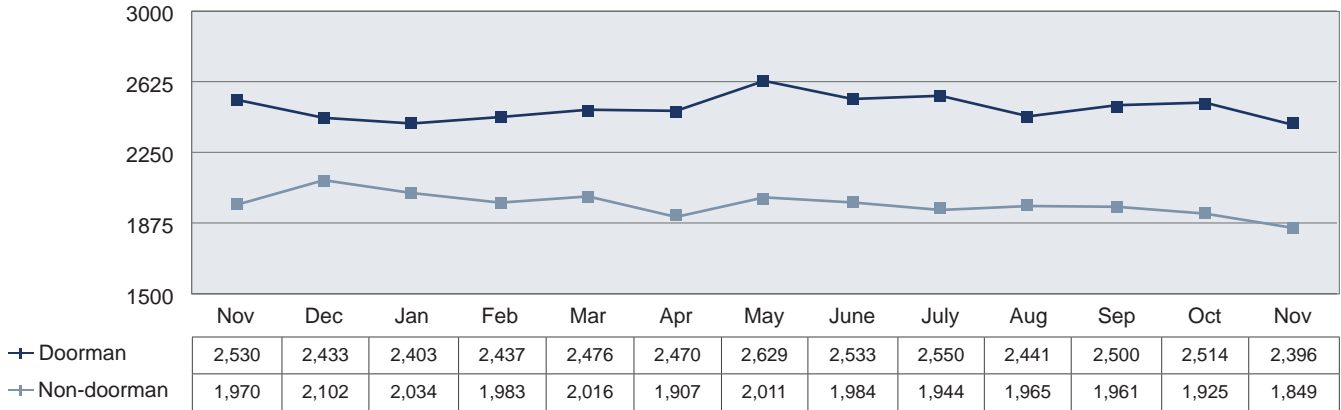
Upper East Side Two-bedroom Price Trends Over 13 Months



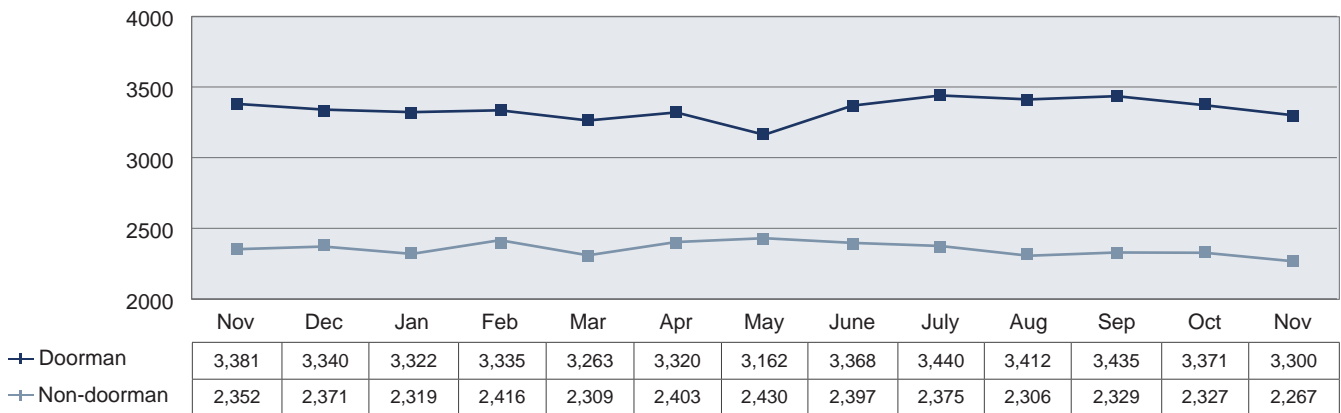
NEIGHBORHOOD PRICE TRENDS

MIDTOWN WEST

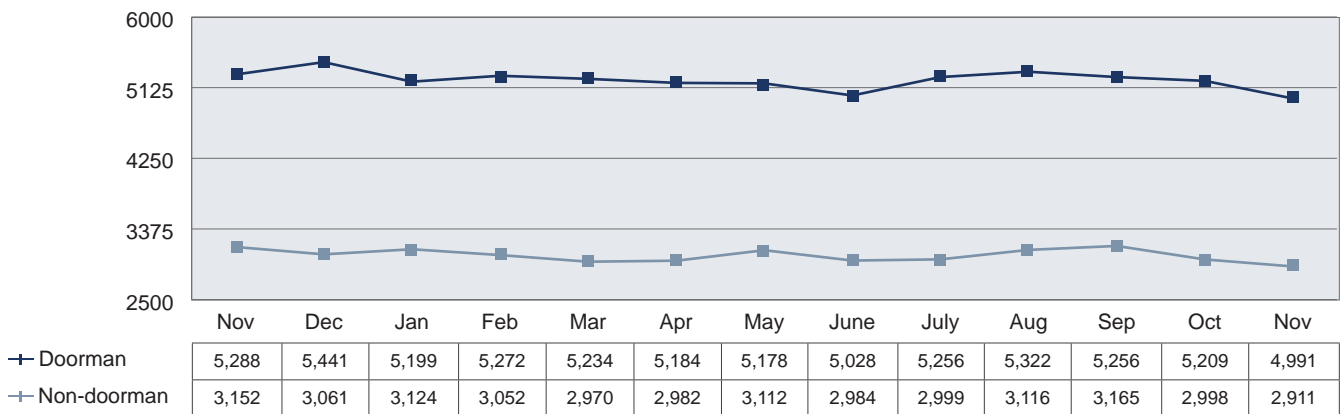
Midtown West Studio Price Trends Over 13 Months



Midtown West One-bedroom Price Trends Over 13 Months



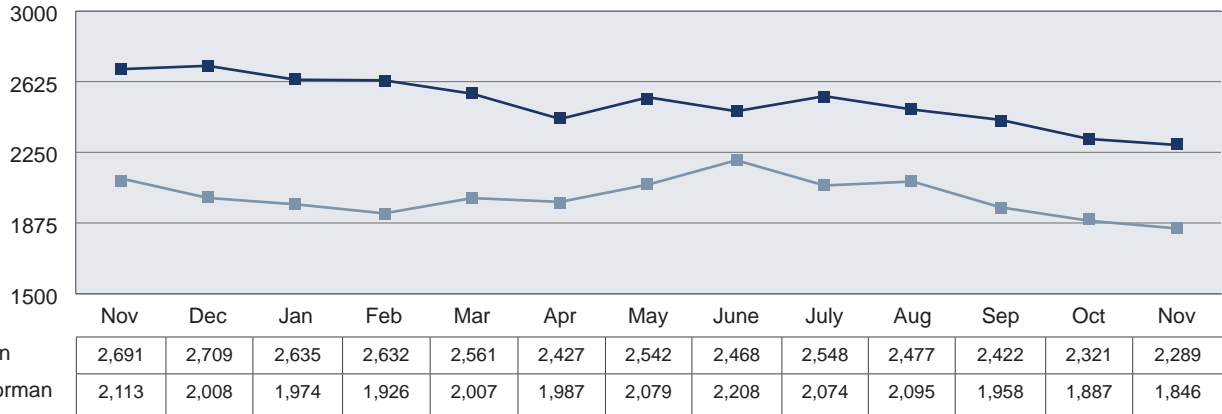
Midtown West Two-bedroom Price Trends Over 13 Months



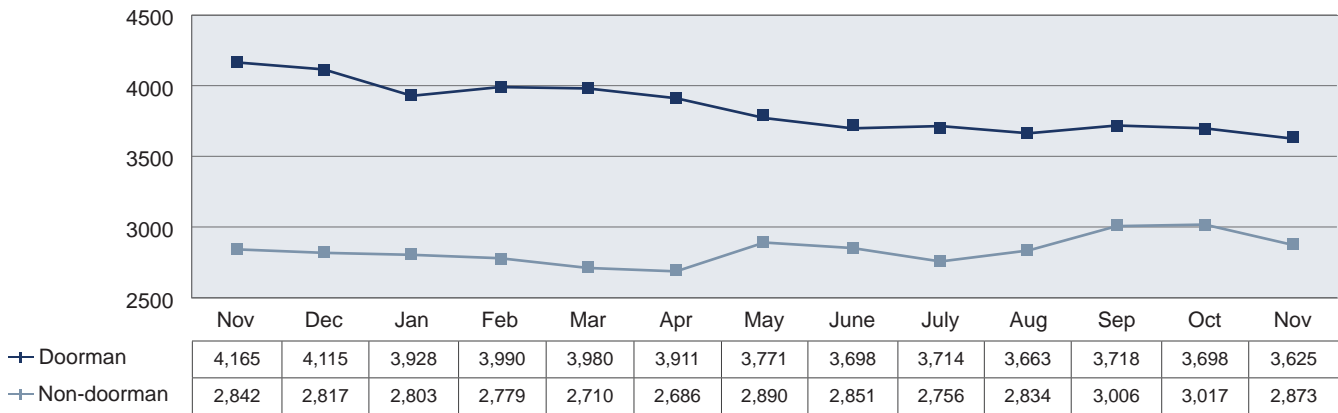
NEIGHBORHOOD PRICE TRENDS

MIDTOWN EAST

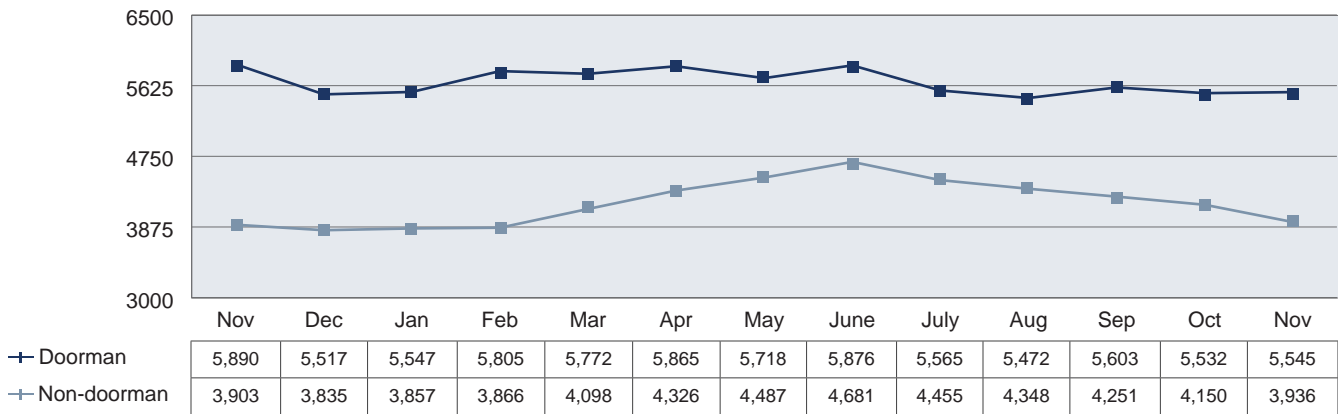
Midtown East Studio Price Trends Over 13 Months



Midtown East One-bedroom Price Trends Over 13 Months



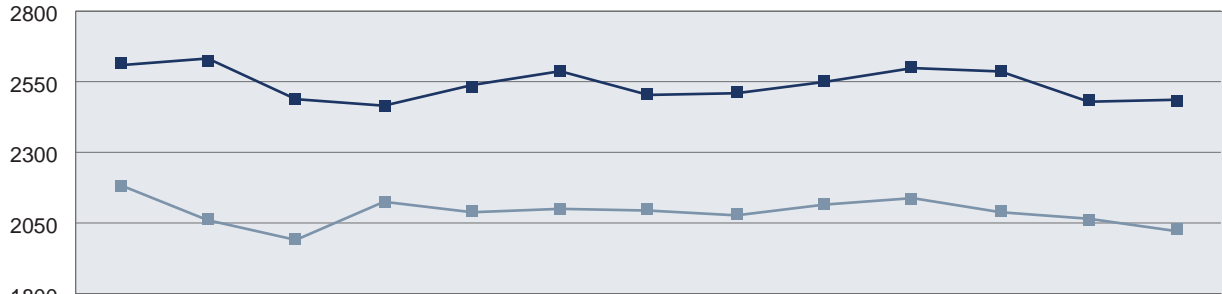
Midtown East Two-bedroom Price Trends Over 13 Months



NEIGHBORHOOD PRICE TRENDS

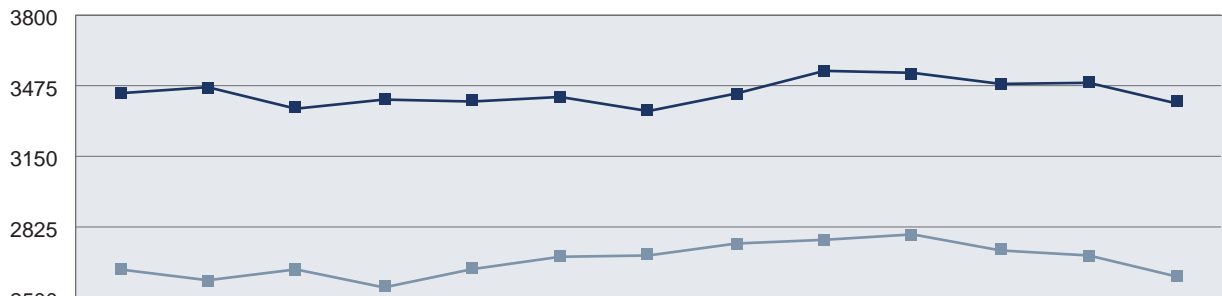
MURRAY HILL

Murray Hill Studio Price Trends Over 13 Months



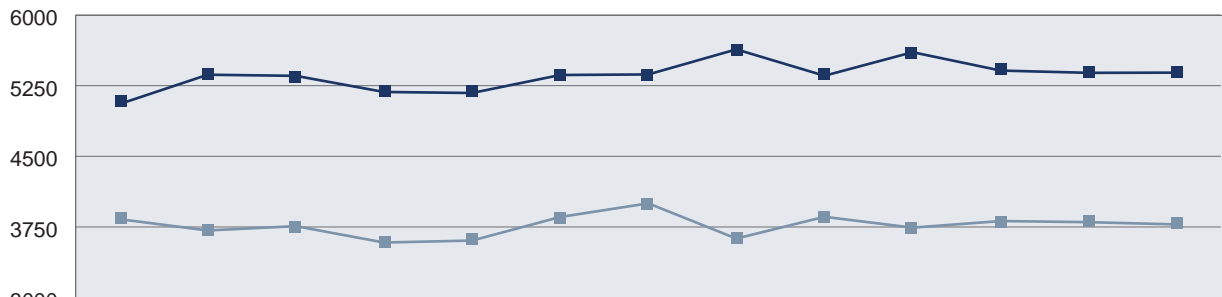
	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
+ Doorman	2,608	2,632	2,488	2,465	2,538	2,587	2,503	2,509	2,549	2,598	2,586	2,479	2,486
+ Non-doorman	2,185	2,060	1,990	2,125	2,088	2,100	2,094	2,077	2,115	2,138	2,088	2,065	2,021

Murray Hill One-bedroom Price Trends Over 13 Months



	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
+ Doorman	3,440	3,468	3,369	3,411	3,402	3,423	3,358	3,439	3,543	3,534	3,483	3,488	3,393
+ Non-doorman	2,630	2,580	2,630	2,547	2,631	2,688	2,694	2,749	2,766	2,791	2,717	2,694	2,597

Murray Hill Two-bedroom Price Trends Over 13 Months

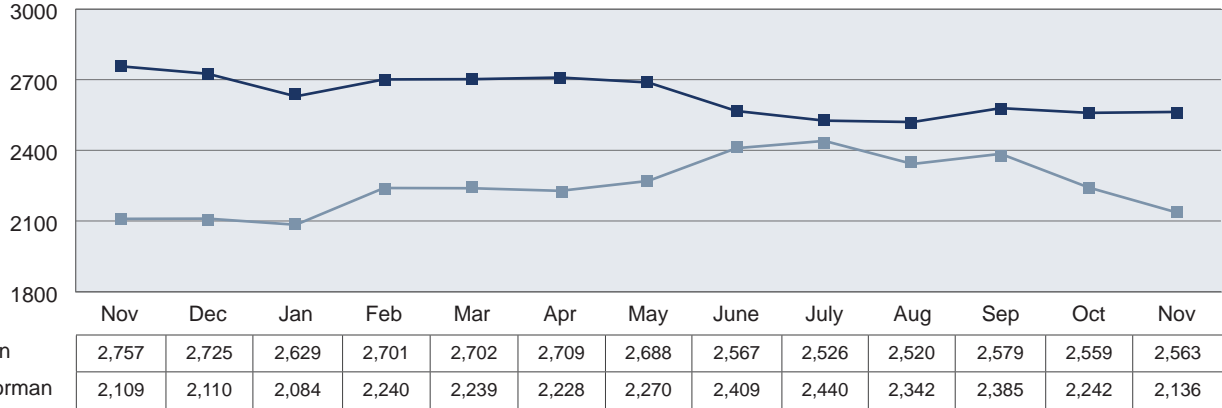


	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
+ Doorman	5,055	5,366	5,354	5,183	5,172	5,363	5,369	5,635	5,355	5,605	5,410	5,386	5,388
+ Non-doorman	3,833	3,713	3,759	3,585	3,606	3,856	4,001	3,627	3,858	3,743	3,813	3,801	3,777

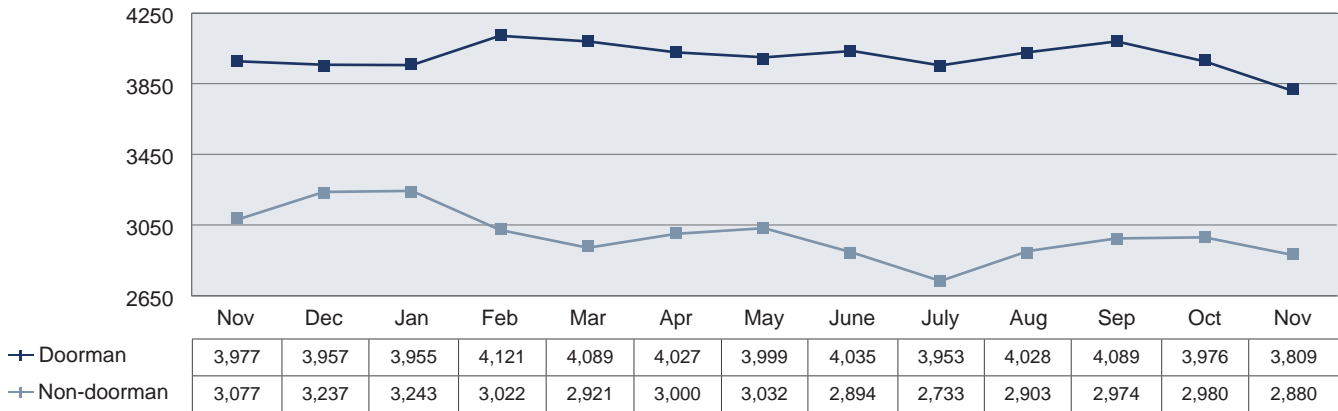
NEIGHBORHOOD PRICE TRENDS

CHELSEA

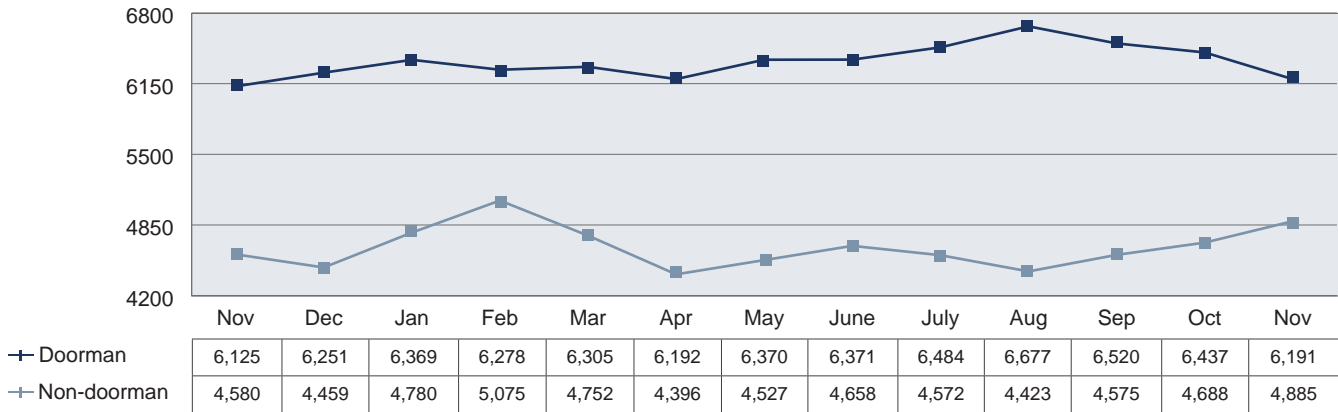
Chelsea Studio Price Trends Over 13 Months



Chelsea One-bedroom Price Trends Over 13 Months



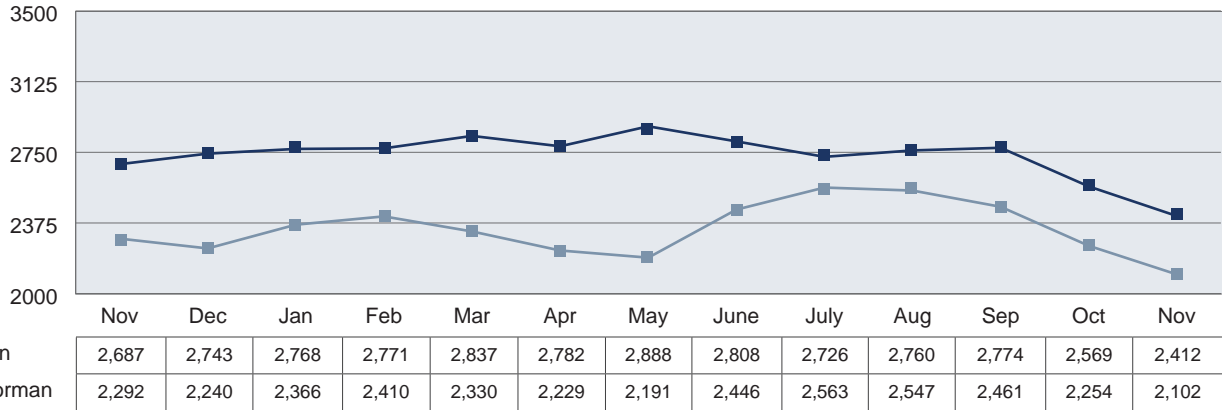
Chelsea Two-bedroom Price Trends Over 13 Months



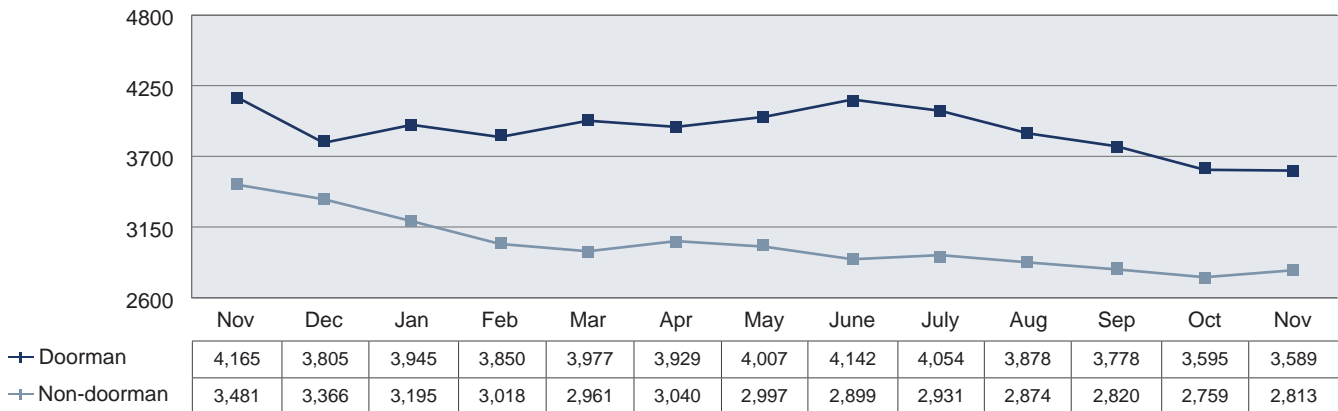
NEIGHBORHOOD PRICE TRENDS

GRAMERCY PARK

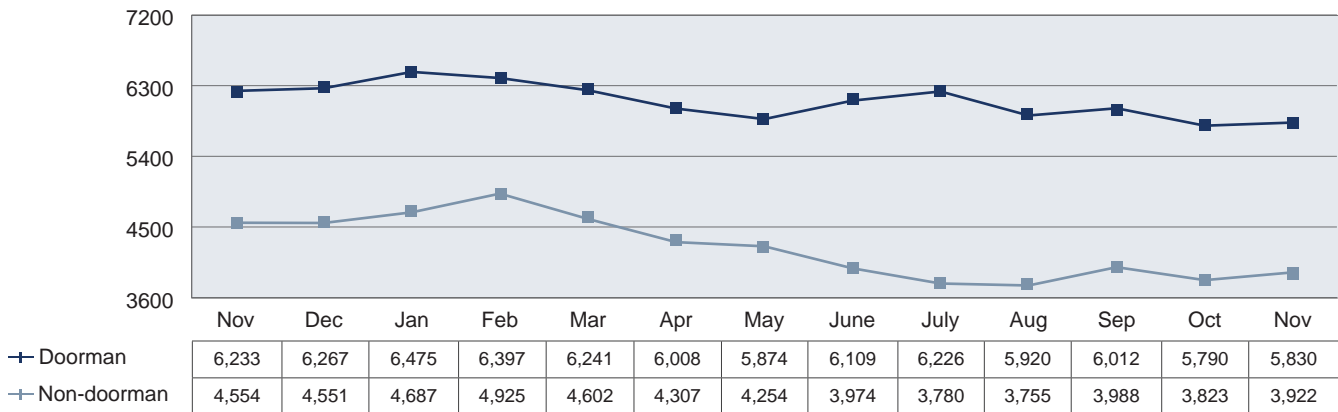
Gramercy Park Studio Price Trends Over 13 Months



Gramercy Park One-bedroom Price Trends Over 13 Months



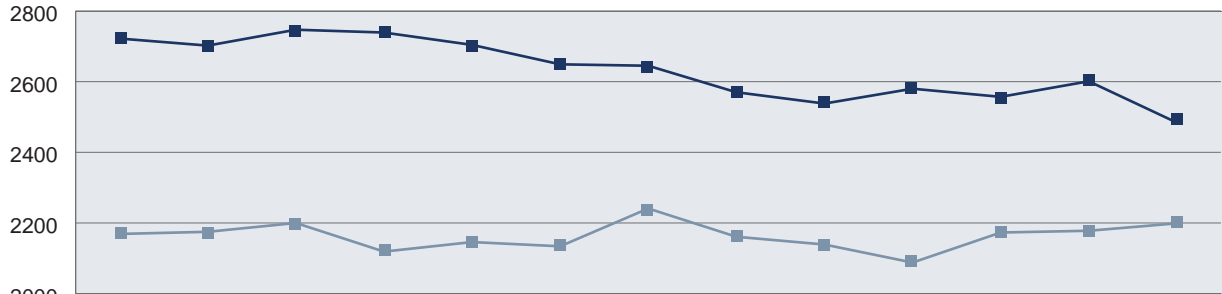
Gramercy Park Two-bedroom Price Trends Over 13 Months



NEIGHBORHOOD PRICE TRENDS

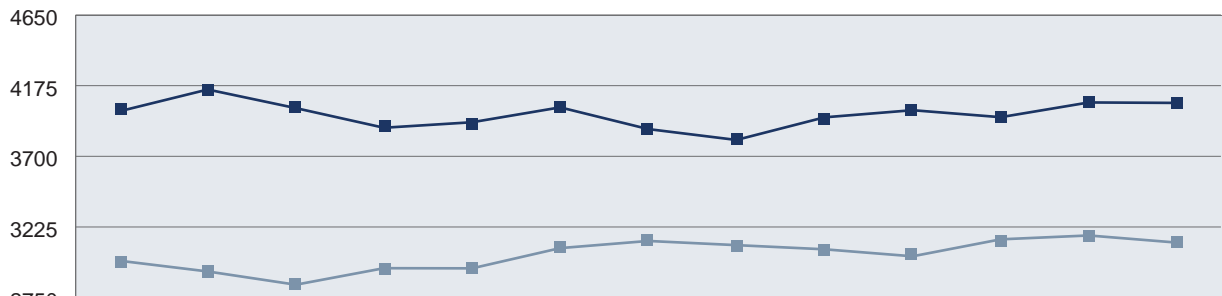
GREENWICH VILLAGE

Greenwich Village Studio Price Trends Over 13 Months



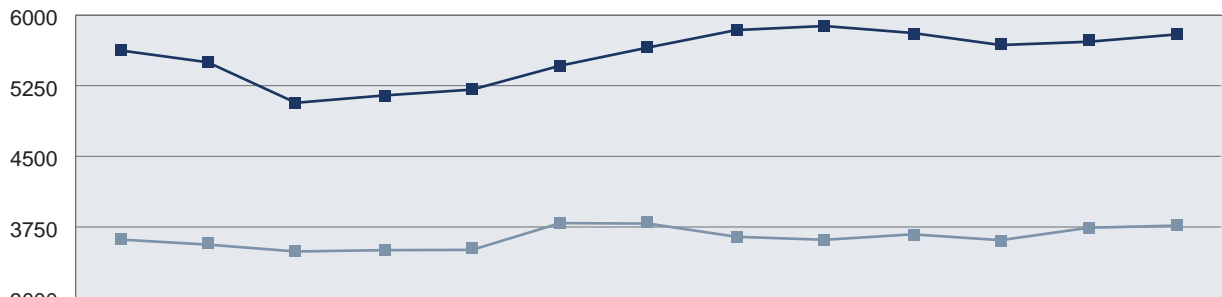
	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
+ Doorman	2,722	2,702	2,747	2,739	2,704	2,649	2,645	2,570	2,538	2,580	2,557	2,601	2,484
+ Non-doorman	2,169	2,175	2,200	2,119	2,146	2,134	2,241	2,161	2,139	2,088	2,173	2,178	2,199

Greenwich Village One-bedroom Price Trends Over 13 Months



	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
+ Doorman	4,003	4,149	4,024	3,892	3,929	4,029	3,883	3,810	3,962	4,010	3,963	4,062	4,059
+ Non-doorman	2,998	2,926	2,837	2,948	2,947	3,083	3,131	3,103	3,075	3,028	3,142	3,168	3,120

Greenwich Village Two-bedroom Price Trends Over 13 Months

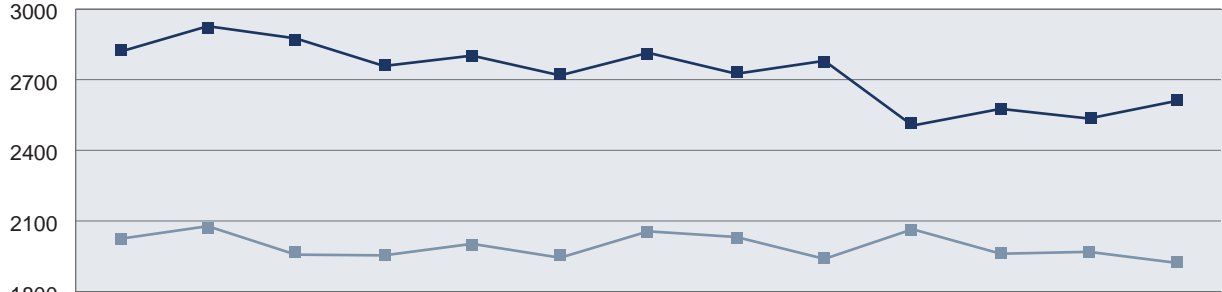


	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
+ Doorman	5,625	5,498	5,068	5,146	5,208	5,462	5,655	5,840	5,883	5,809	5,681	5,716	5,794
+ Non-doorman	3,617	3,563	3,490	3,504	3,507	3,791	3,786	3,646	3,614	3,672	3,610	3,742	3,765

NEIGHBORHOOD PRICE TRENDS

EAST VILLAGE

East Village Studio Price Trends Over 13 Months

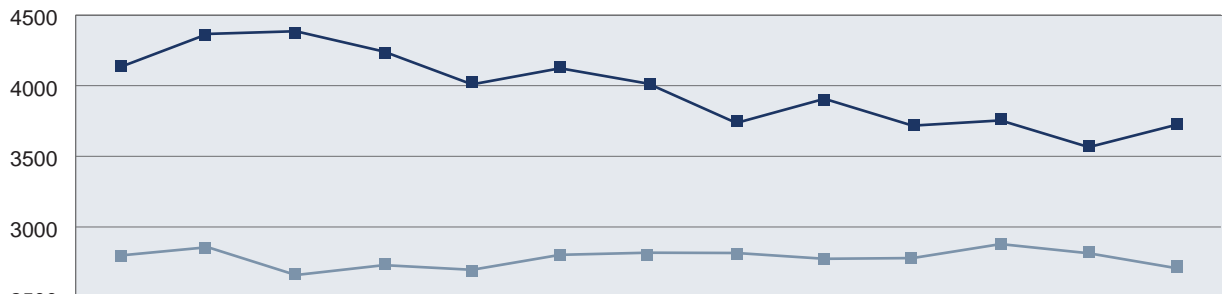


—+ Doorman

—+ Non-doorman

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Doorman	2,818	2,927	2,875	2,758	2,802	2,718	2,814	2,725	2,780	2,505	2,576	2,535	2,610
Non-doorman	2,024	2,078	1,957	1,954	2,003	1,944	2,056	2,032	1,939	2,065	1,961	1,969	1,922

East Village One-bedroom Price Trends Over 13 Months

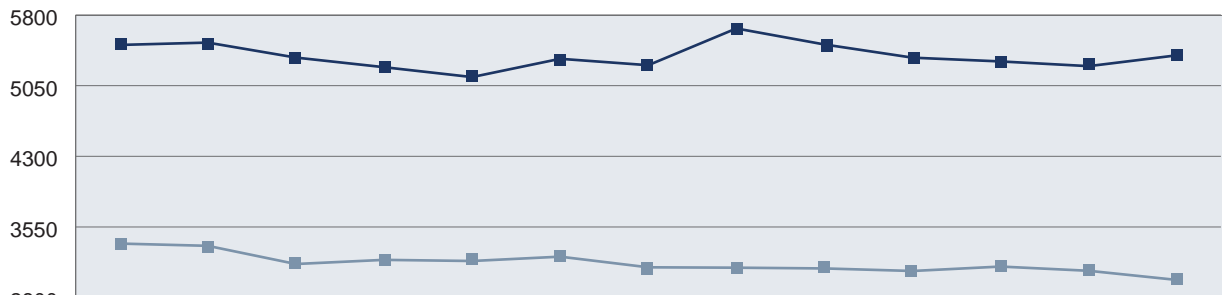


—+ Doorman

—+ Non-doorman

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Doorman	4,130	4,366	4,385	4,241	4,009	4,123	4,014	3,736	3,907	3,717	3,754	3,565	3,724
Non-doorman	2,798	2,857	2,660	2,730	2,697	2,803	2,818	2,816	2,775	2,780	2,879	2,814	2,708

East Village Two-bedroom Price Trends Over 13 Months



—+ Doorman

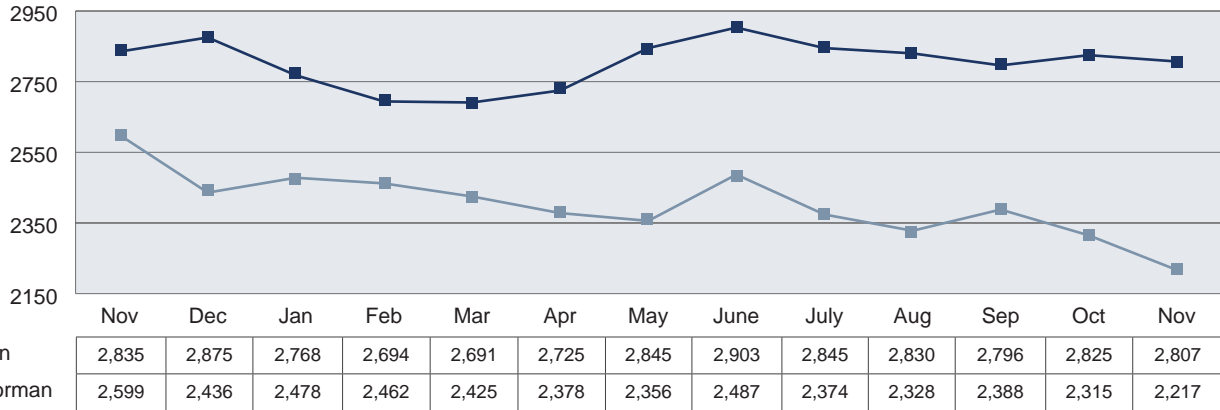
—+ Non-doorman

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
Doorman	5,482	5,507	5,348	5,246	5,141	5,335	5,267	5,657	5,487	5,347	5,307	5,257	5,372
Non-doorman	3,374	3,350	3,157	3,201	3,189	3,235	3,122	3,118	3,110	3,083	3,130	3,085	2,988

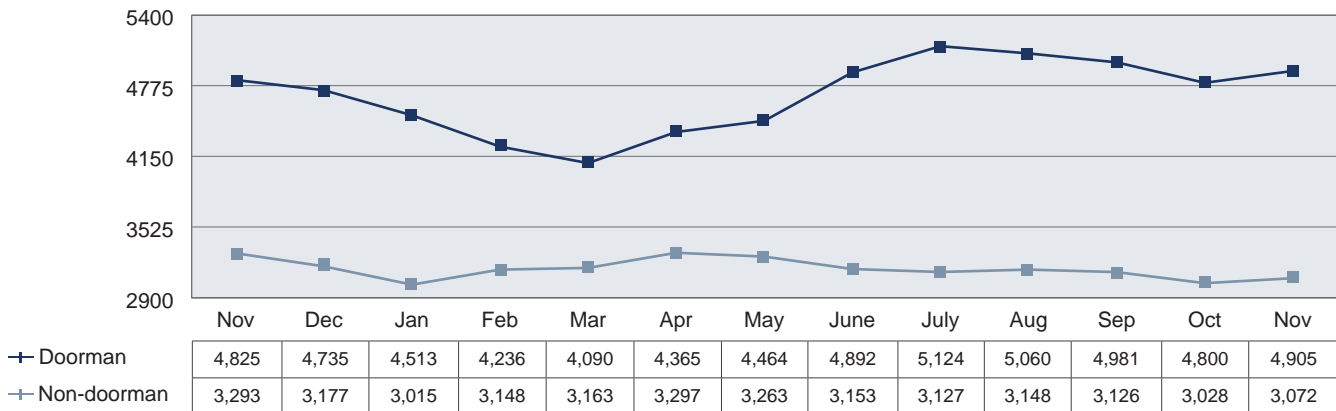
NEIGHBORHOOD PRICE TRENDS

SoHo

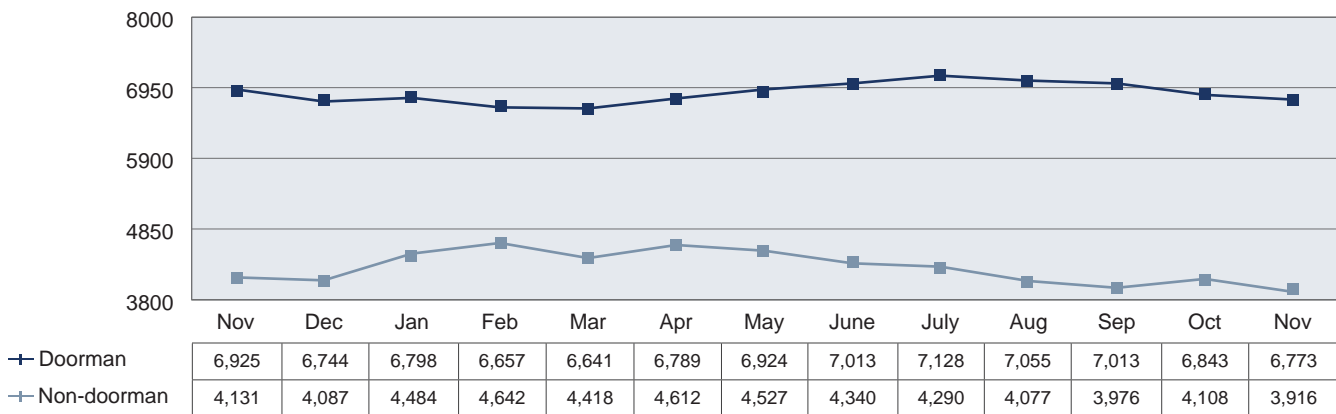
SoHo Studio Price Trends Over 13 Months



SoHo One-bedroom Price Trends Over 13 Months



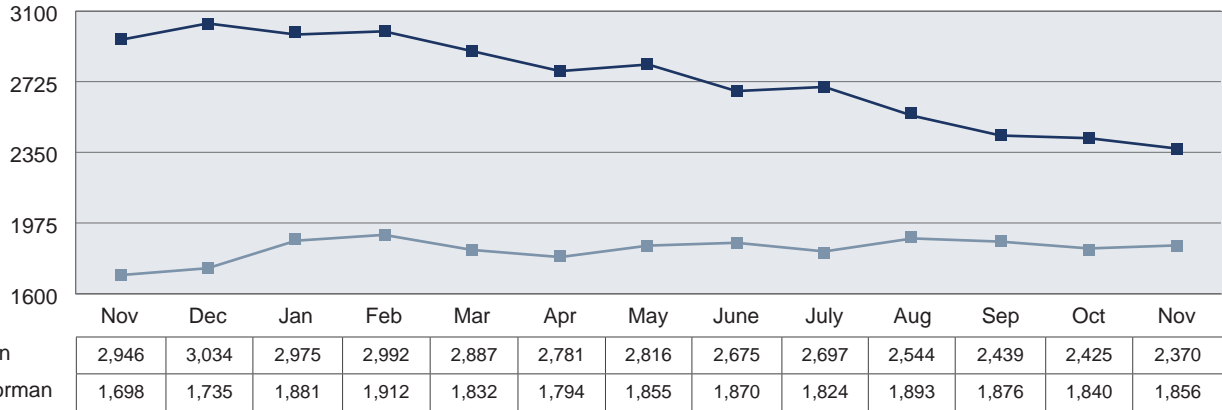
SoHo Two-bedroom Price Trends Over 13 Months



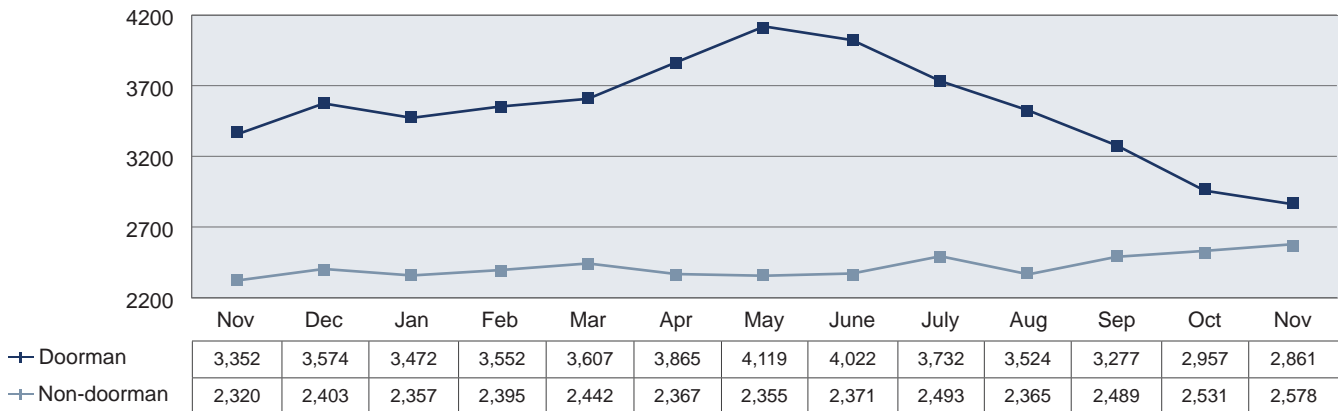
NEIGHBORHOOD PRICE TRENDS

LOWER EAST SIDE

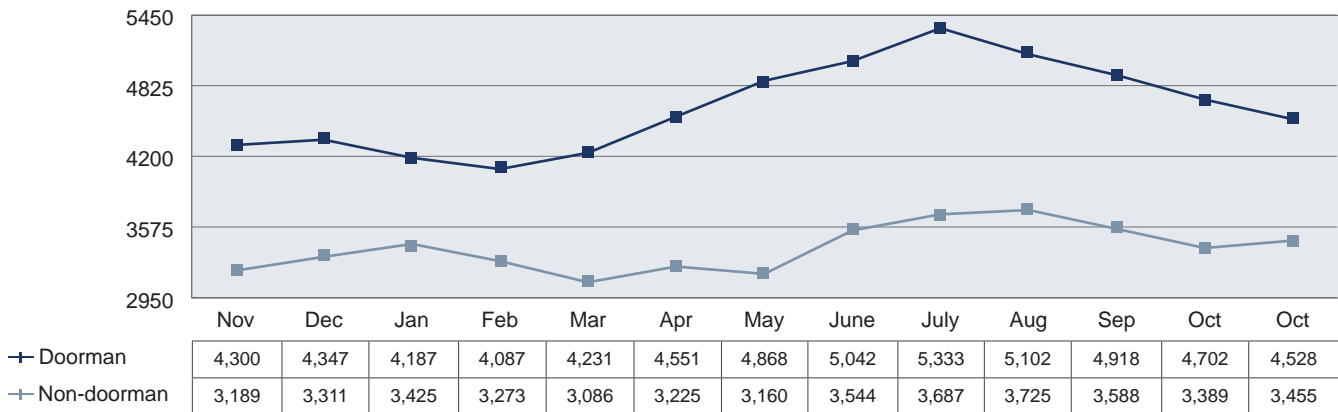
Lower East Side Studio Price Trends Over 13 Months



Lower East Side One-bedroom Price Trends Over 13 Months



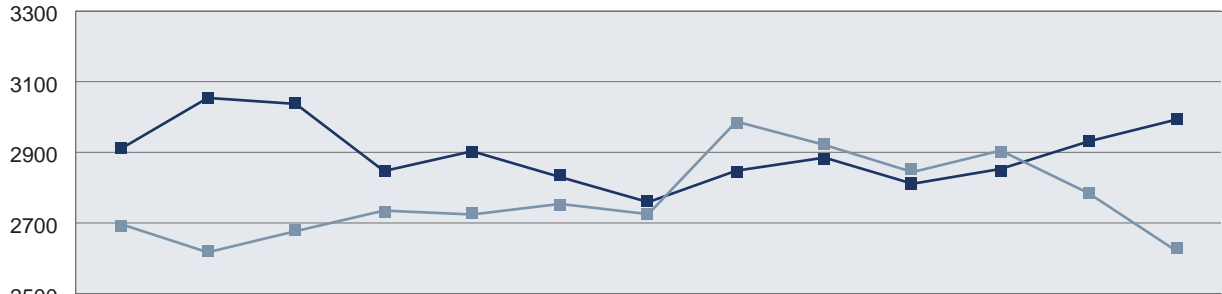
Lower East Side Two-bedroom Price Trends Over 13 Months



NEIGHBORHOOD PRICE TRENDS

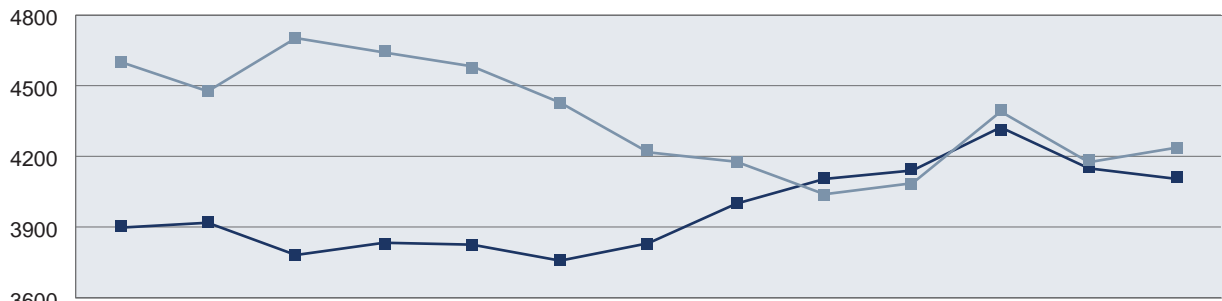
TRIBECA

TriBeCa Studio Price Trends Over 13 Months



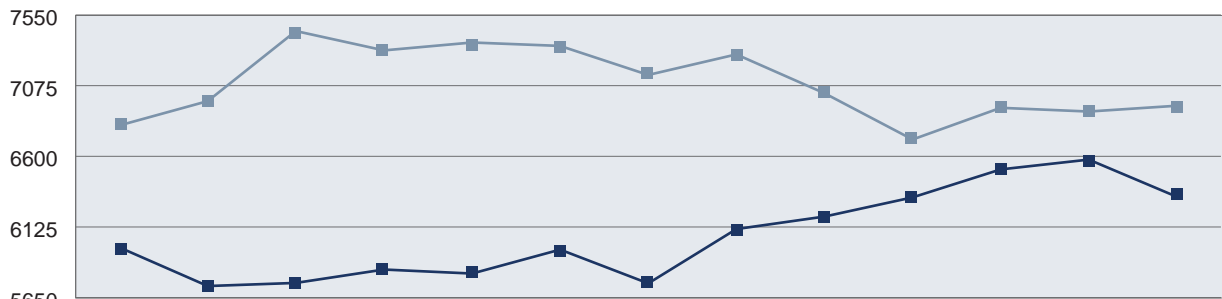
	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
+ Doorman	2,908	3,054	3,037	2,847	2,903	2,830	2,759	2,848	2,885	2,811	2,853	2,931	2,993
+ Non-doorman	2,698	2,617	2,677	2,735	2,724	2,754	2,725	2,987	2,921	2,844	2,905	2,784	2,620

TriBeCa One-bedroom Price Trends Over 13 Months



	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
+ Doorman	3,897	3,918	3,781	3,833	3,825	3,757	3,831	3,999	4,104	4,140	4,323	4,149	4,104
+ Non-doorman	4,602	4,476	4,702	4,641	4,582	4,428	4,217	4,177	4,039	4,086	4,390	4,175	4,237

TriBeCa Two-bedroom Price Trends Over 13 Months

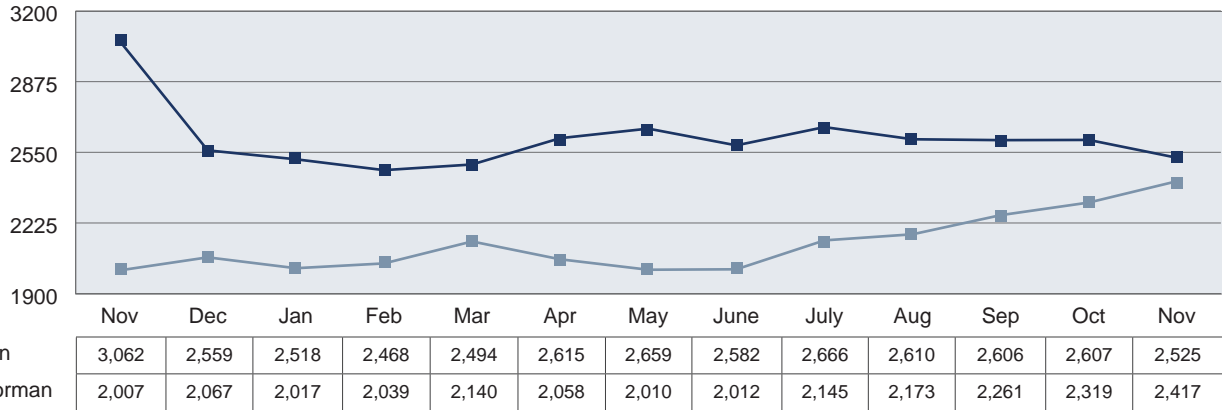


	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
+ Doorman	5,987	5,728	5,749	5,839	5,812	5,973	5,746	6,111	6,195	6,324	6,512	6,578	6,328
+ Non-doorman	6,808	6,971	7,442	7,312	7,365	7,342	7,147	7,285	7,024	6,713	6,926	6,901	6,940

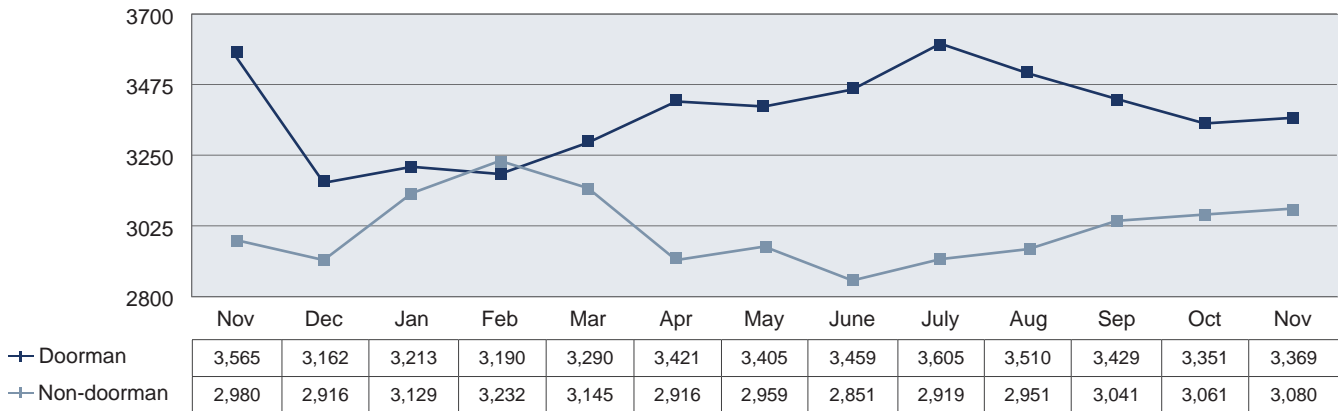
NEIGHBORHOOD PRICE TRENDS

FINANCIAL DISTRICT

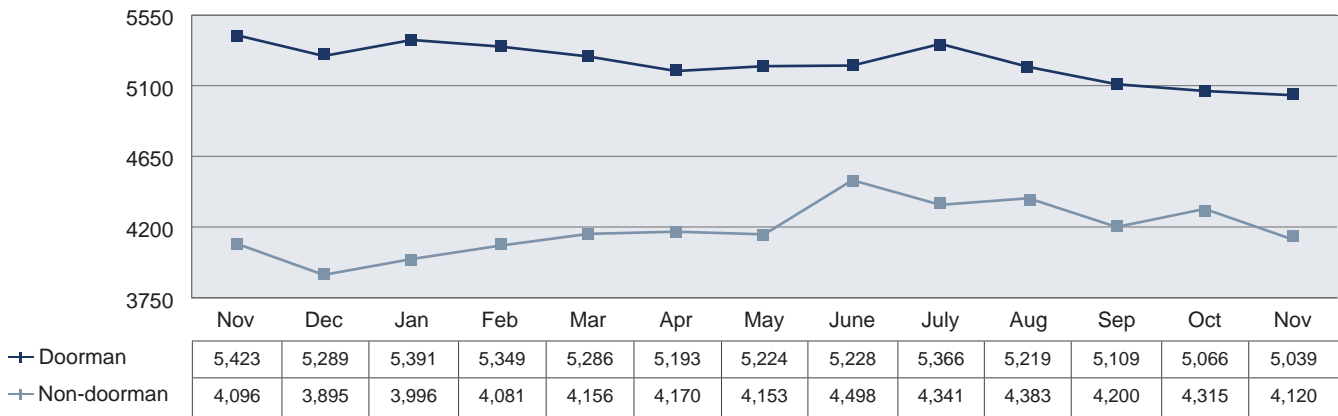
Financial District Studio Price Trends Over 13 Months



Financial District One-bedroom Price Trends Over 13 Months



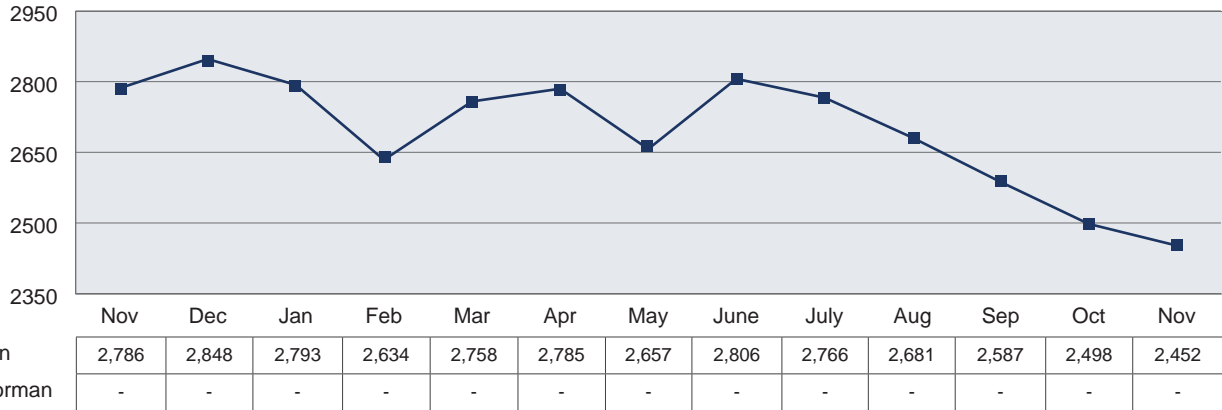
Financial District Two-bedroom Price Trends Over 13 Months



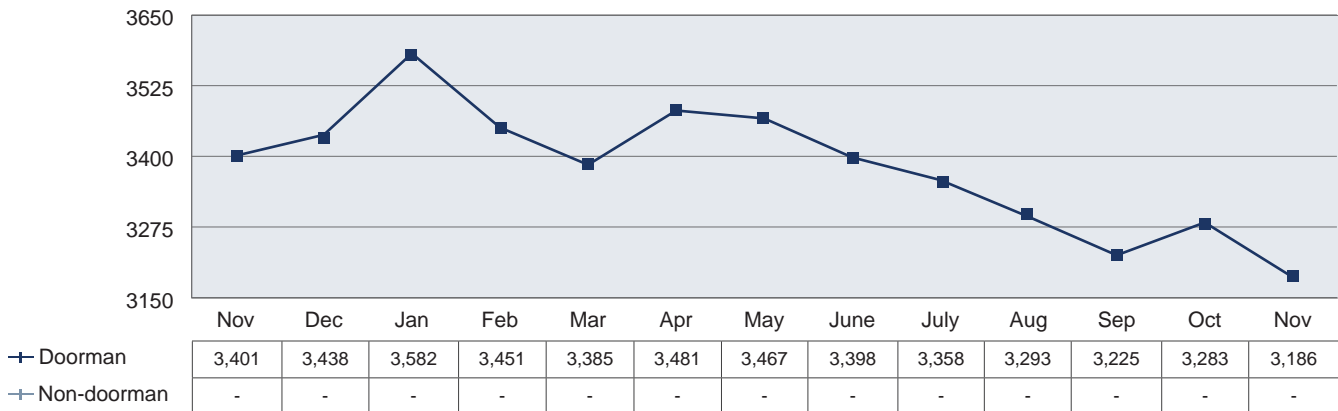
NEIGHBORHOOD PRICE TRENDS

BATTERY PARK CITY

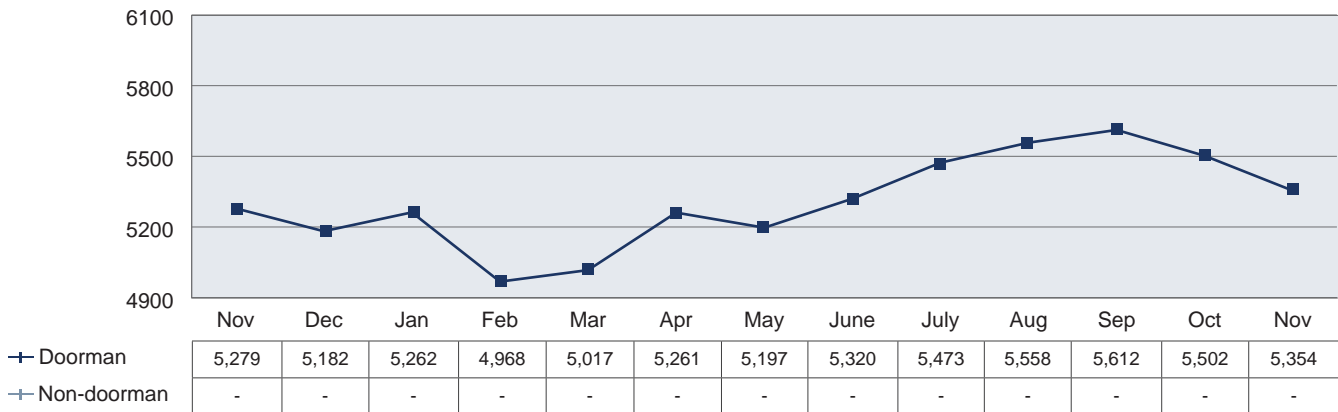
Battery Park City Studio Price Trends Over 13 Months



Battery Park City One-bedroom Price Trends Over 13 Months



Battery Park City Two-bedroom Price Trends Over 13 Months

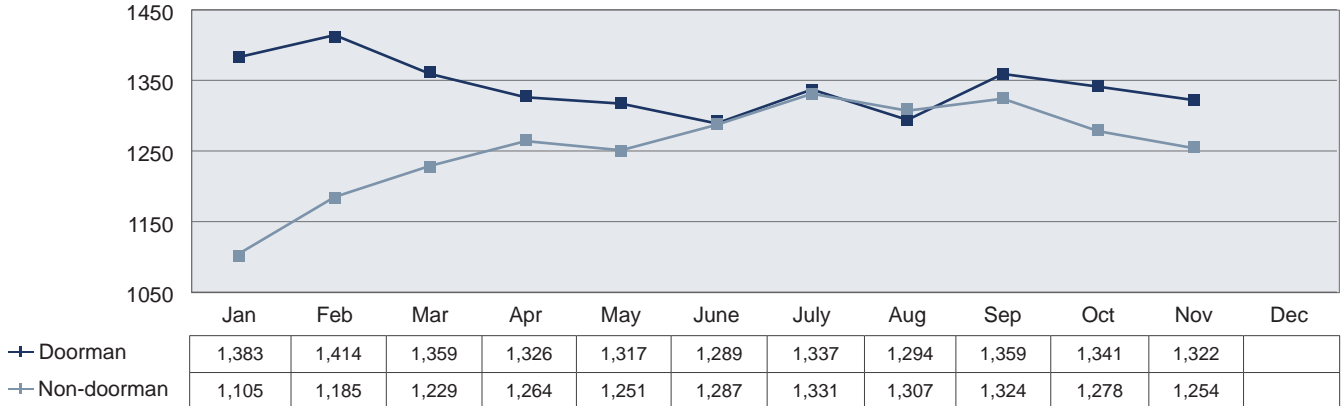


NEIGHBORHOOD PRICE TRENDS

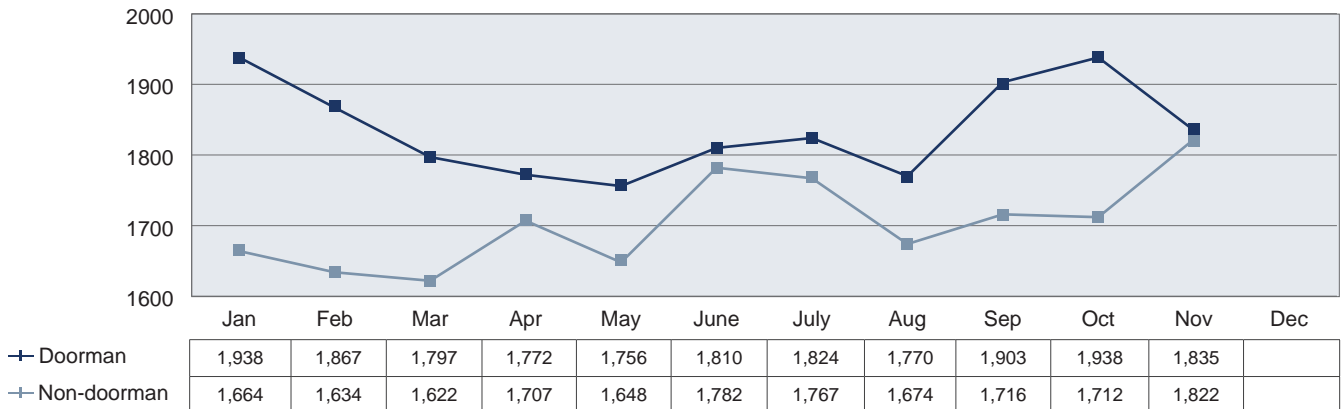
HARLEM

As Harlem's data is new to this report, these graphs only show Harlem rents in 2008 so far.

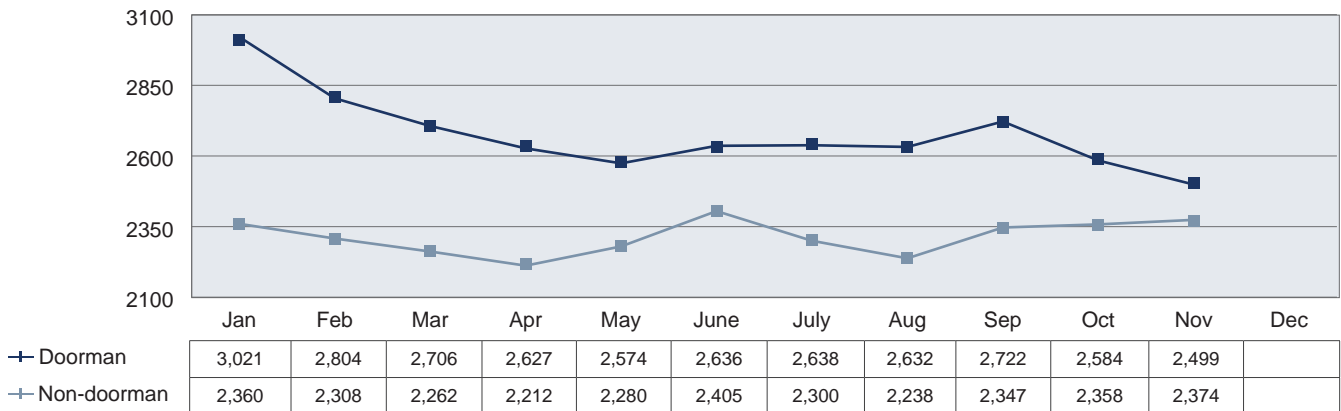
Harlem 2008 Studio Price Trends



Harlem 2008 One-bedroom Price Trends



Harlem 2008 Two-bedroom Price Trends



THE REPORT EXPLAINED

The Manhattan Rental Market Report is the **only report that compares fluctuation in the city's rental data on a monthly basis**. It is an essential tool for potential renters seeking transparency in the NYC apartment market and a benchmark for landlords to efficiently and fairly adjust individual property rents in Manhattan.

The Manhattan Rental Market Report is based on data cross-sectioned from over 10,000 currently available listings located below 155th Street and priced under \$10,000, with ultra-luxury property omitted to obtain a true monthly rental average. Our data is aggregated from the TREGNY proprietary database and sampled from a specific mid-month point to record current rental rates offered by landlords during that particular month. It is then combined with information from the REBNY Real Estate Listings Source (RLS), OnLine Residential (OLR.com) and R.O.L.E.X. (Real Plus).

Contact us now: 212.475.9000

Note: All market data is collected and compiled by The Real Estate Group's marketing department and is overseen by C.O.O. Daniel Baum. The information presented here is intended for instructive purposes only and has been gathered from sources deemed reliable, though it may be subject to errors, omissions, changes or withdrawal without notice.

If you would like to republish this report on the web, please be sure to source it as the "Manhattan Rental Market Report" with a link back to its original location (<http://www.tregny.com/manhattan-apt-rental-report.jsp>).