



## Queens Becomes New York's Hottest Borough as Manhattan Rental Prices Stagnate

*SpareRoom's first New York Rental Index shows how room rents differ across the city and which boroughs have seen the most YoY growth*

### Key statistics:

- Average room rents across Manhattan rose just 1% YoY in Q4 2016
- Brooklyn rents rose by 1%
- Meanwhile Queens saw the biggest increase YoY, with average rents in Q4 2016 5% higher than Q4 2015, indicating that the borough will see continued gentrification
- The most expensive neighborhoods in New York are all south of Midtown - Battery Park City, FIDI, Meatpacking District, Civic Center and Tribeca are the five priciest areas to rent a room
- While 17 of the 20 most expensive neighborhoods are in Manhattan, Flushing in Queens lands at number 5 with Long Island City at number 11
- With Manhattan rents averaging over \$1,500 per month, 7 out of the 10 busiest areas for roommates are now in Brooklyn as renters seek more affordable rooms

**New York, February 1st, 2017** – New data released today via [SpareRoom's](#) first New York City Quarterly Rental Index reveals NYC's changing property hotspots, with renters increasingly choosing Queens and Brooklyn over Manhattan.

Although Manhattan rents were most expensive, they rose slower than the average cost of living increase, with room rents rising just 1%. This suggests that the market in Manhattan is saturated. Queens, on the other hand, saw a considerable hike in prices, with average rents up by more than 5% YoY.

However, as Manhattan's popularity and prices stagnate, growth in Queens and Brooklyn suggests New York's roommates are increasingly choosing to avoid Manhattan, in favor of more affordable boroughs.

"Manhattan rents are finally starting to cool," comments SpareRoom Director Matt Hutchinson, "which is good news on the face of it. But with average room rent in excess of \$1,500 a month, affordability is still a huge concern. One in three New Yorkers now spends over half their salary on rent. Just by moving to Queens the average roommate would save \$559 a month, that's almost \$7,000 a year."

"With people looking further afield, prices are being driven up dramatically in previously less popular neighborhoods, which will lead to further gentrification, with the risk that current long-term residents become priced out. Right now there are still cheaper neighborhoods to move to, but the real long term risk is that New York City becomes unaffordable for people on average salaries. For a city celebrated worldwide for its creativity and diversity, that would be a real shame."

## **BK is Trendy and Trending**

While Brooklyn didn't see dramatic price growth in 2016, as it has in recent years, it continues to be an increasingly popular choice for renters. In fact, the report shows that across New York's boroughs, the most popular area for roommate rentals was Brooklyn's Bedford-Stuyvesant neighborhood, beating Manhattan's East Village/Alphabet City, which came second on the list, narrowly edging out Brooklyn favorites Williamsburg, Greenpoint and Bushwick. In fact, seven of the ten busiest areas for roommates were in Brooklyn.

## **Lower Manhattan, Higher Rents**

Manhattan is known for its high cost of living, so it should come as no surprise that the most expensive neighborhood for renters was Battery Park City, with an average monthly rent of \$2,100 for a room. This was closely followed by Chelsea, with an average room rent of \$1,965, while the aptly named Financial District in downtown Manhattan landed third on the list at \$1,888.

Battery Park City also saw the highest increase in average rents in Q4, up 20% YoY. Conversely, Manhattan's Lower East Side saw the biggest price drop, with average room rentals decreasing almost 13%. But it was Harlem and Upper Manhattan that had the best room rental rates around, with the only average rents anywhere near \$1,000 per month – at \$1,190 in Harlem and \$995 in Upper Manhattan.

"The data from our Quarterly Rental Index speaks volumes to the shifting cost and demand that renters are experiencing in a given area," Hutchinson continued. "As we continue to monitor average rents and popularity to spot trends in NYC's ever moving rental landscape, the data shows how attitudes to certain neighborhoods are changing and the impact that rent increases are having on the city."

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To download SpareRoom's New York Rental Index for Q4 2016, please [CLICK HERE](#).

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## **About SpareRoom**

Launched in the UK in 2004, SpareRoom is the UK's biggest roommate site (and third biggest real estate site overall). SpareRoom already has over 240,000 users in the US. Now, SpareRoom has made its roommate-finding service available across the country, with a particular focus on key cities Boston, Chicago, Dallas, Detroit, Las Vegas, Los Angeles, Miami, New York, Philadelphia, Phoenix, San Diego, San Francisco, Seattle and Washington DC.

SpareRoom is available via iOS and Android apps as well as online. Every SpareRoom ad is moderated, both by automated systems and real people checking ads. SpareRoom also features video profiles, giving people a better way to meet their new roommates.