



SURVEY OF LOWER MANHATTAN RESIDENTS

SUMMARY OF FINDINGS

Alliance for Downtown New York

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Based on the survey conducted by PKS Research Partners

INTRODUCTION

One of the fastest growing neighborhoods in New York City, Lower Manhattan's population has more than doubled since 2001 and today an estimated 55,000 people reside south of Chambers Street. In the three years since the Downtown Alliance last released its Survey of Residents, more than 6,000 apartments and condos were added to the inventory and the population grew by an estimated 14%.

To track the evolution of this dynamic population, the Alliance for Downtown New York engaged PKS Research Partners to conduct a Survey of Residents in the fall of 2009 with three phases: 1) a quantitative questionnaire sent to 6,000 randomly selected Lower Manhattan households; 2) residential focus groups; and 3) interviews with residential brokers. This report summarizes major findings of the study. Note that the terms "residents" and "households" refer only to survey respondents.

PUTTING DOWN ROOTS

As its population grows, residents have shown stronger commitment to the area. Many who moved to Lower Manhattan as renters stayed and purchased a home. Almost two-thirds have lived in the area for five or more years, and the overwhelming majority plan to continue living here for at least the next three years—a trend that continues to grow (88% in 2009, compared to 82% in 2007 and 77% in 2004).

The incidence of homeownership is also increasing as 47% of survey respondents are now homeowners, up from 40% in 2007. This is consistent with development trends—more condominiums than rental units were delivered to market since 2007. This trend of increasing ownership is expected to continue as two-thirds of renters in the survey expressed an interest in purchasing an apartment in Lower Manhattan.

FAMILY-ORIENTED

Several residential buildings appeal to niche markets within Lower Manhattan like young singles, and many residential brokers gear their marketing efforts to that demographic. However, survey findings indicate that Lower Manhattan as a whole has an average household size of 2.2 and is home to more couples and households with children than singles and roommates. Twenty-three percent of households have children under the age of 18, and results suggest that this proportion will rise, as 40% of childless households (age 45 and under) indicated plans to have children in the next three years.

HIGHLY EDUCATED WITH HIGH PAYING JOBS

Lower Manhattan's population is affluent and well educated, trends first identified in the 2007 Survey of Residents. On average, 85% have a college degree, and 42% have done post-graduate work. By comparison, 39% of residents city-wide and 57% of Manhattan residents have college degrees.

Nearly three-fourths (73%) are employed, working in a variety of industries. The FIRE Sector (Finance, Insurance and Real Estate) is the top employer at 29%, while 14% of residents are employed in Creative Services including advertising, public relations, publishing, film, broadcasting, and arts; and 14% are employed

in Business Services, such as legal and accounting firms. Additionally, Lower Manhattan is home to a sizeable community of entrepreneurs, with 23% of residents identified as self-employed and 14% working from home.

Living in Lower Manhattan makes for an easy commute. The average is only 22 minutes, and over half of residents (52%) take the subway while 30% walk to work (up from 26% in 2007). In fact, 41% of employed residents work in Lower Manhattan and an additional 45% work in other parts of Manhattan.

These jobs afford a comfortable lifestyle. The average household income is \$188,000 and the median household income is \$143,000. Residents have been impacted by the recession, resulting in a decrease in household income and an increase in unemployment (similar to city-wide averages) compared to the 2007 survey. However, Lower Manhattan residents report current median income that is almost three times that of households city-wide (at \$51,000) and more than double Manhattan (at \$69,000).¹ Additionally, 22% of Lower Manhattan households own a second home, and 53% vacationed more than once last year.

REASONS TO LIVE IN LOWER MANHATTAN

Respondents were asked to rate the importance of fifteen reasons for living in Lower Manhattan. The top reasons residents chose to live in Lower Manhattan are overall quality of life (87%), quality of apartment (84%), access to subways and other mass transit (82%), and safety (81%). Other top reasons to live in Lower Manhattan were access to parks and waterfront (75%), neighborhood character (74%), size of apartment (72%), and cost or affordability of apartment (70%). Among households with children, 76% rated local schools as an important reason for living in Lower Manhattan.

LIFESTYLE AND ACTIVITIES

Lower Manhattan residents enjoy dining out, attending theater performances and even belonging to a gym or being outside with their dog.

Respondents report dining out often, particularly for dinner (87% dine out once per month or more), lunch (75%), drinks and appetizers (54%), and weekend brunch (47%). On average, residents go out for dinner 48 times per year—almost once per week. They try many different types of establishments with 56% frequenting authentic ethnic eateries at least once per month, 50% at fine dining establishments, and 50% going to casual eateries at least once per month.

Additional recreational activities include going out to bars, lounges, clubs (49% go at least once per month), movies (39%), art galleries and museums (31%), and small music performances (14%). Forty-four percent belong to a health club, and 32% own a pet, over half of which (58%) are dogs.

Lower Manhattan residents can generally be clustered into four groups based on similar demographic characteristics, lifestyles, and spending habits. The following is an overview of each group.

1. Mature and Single (26% of survey respondents)

This resident is likely to be a 41-year-old woman who works in finance and earns \$130,000 per year.

She is likely to be new to Lower Manhattan, a renter who is interested in buying in Lower Manhattan, and was drawn to the area primarily by the size, affordability and quality of apartments, as well as building amenities. Neighborhood was also important in her decision to move and she chose Lower Manhattan for its overall quality of life, neighborhood character, safety, access to mass transportation (since this person does not own a car), and access to parks and waterfront.

This resident dines out several times per week, especially for brunches and dinners, goes to bars, lounges,

¹ According to the U.S. Census Bureau's American Community Survey of 2008

or clubs for entertainment. She dines at a variety of restaurants with a slight preference for authentic eateries and fine dining. She sees a Broadway or Off-Broadway show at least once per year. She vacations more than once per year, including one trip abroad.

2. Childless Couples (33% of survey respondents)

The typical Childless Couple is 43 years old, works in financial services or creative services, and earns \$228,000 per year.

This high income bracket affords this group a lofty disposable income. They may own an additional home outside of Lower Manhattan and almost half of these households own at least one car even though they rely on the subway to get to work. Additionally, they dine out often (more than once per week), especially for dinner at a wide variety of restaurants, and take several vacations per year—one or two are probably abroad. They frequent small music performances as well as bars, lounges, and clubs for entertainment. They belong to a gym and are the most likely of the four segments to have a pet, which is probably a dog. They are also the most likely of the four segments to be aware of Lower Manhattan's luxury retail including Hermes, Tiffany & Co., and BMW.

This household was originally attracted to Lower Manhattan for the affordability of apartments (relative to comparable buildings in other parts of the city), the quality and size of apartments, neighborhood character, safety, access to mass transit, access to parks and waterfront and overall quality of life.

3. Families (27% of survey respondents)

The Lower Manhattan Family has at least one child and the adults in the family are about 44 years old. They have the highest income bracket of the four segments, earning \$252,000 per year, likely working in financial services or business services, possibly with one stay-at-home parent.

This household is focused on building assets rather than being active. They are more likely to own their home than rent, may even own several other homes, and have at least one car. They took at least one vacation last year, probably domestic and they eat out less often than singles and couples without children, but still quite often—lunch or dinner at least once per month, with dinner likely being at an authentic ethnic eatery, kid-friendly establishments like diners or casual eateries, or the occasional fine dining establishment. They see Broadway shows once or more per year and small music performances a few times per year, but rarely go out to bars, lounges, and clubs.

They are very committed to Lower Manhattan. Having lived here for five or more years, they plan to stay for at least another three years. They feel Lower Manhattan is a good place to raise children and love the area's open space, neighborhood character, size of apartments and local schools.

4. Older Retired (14% of respondents)

The typical Older Retired resident is 68 years old and has an annual income of \$72,000. They are most likely married, widowed, or divorced, but 23% never married.

They are less active than their younger counterparts, but quite active for their age. They go out for lunch or dinner once or twice per month. They are likely to go to diners but may occasionally treat themselves to fine dining or an authentic ethnic eater for a special night out. They go to movies, art galleries and museums a few times per year, vacation domestically once per year, and rely on the subway for transportation.

This person owns his or her home, has lived in Lower Manhattan for more than ten years and plans to continue living here. They have stayed in Lower Manhattan because of the cost and quality of its apartments, neighborhood character, safety and quality of life.

SUMMARY OF FINDINGS

	2009	2007	2004
Housing Tenure			
Own (%)	47	40	39
Rent (%)	53	60	61
Renters interested in owning among renters (%)	65	72	61
Prior residence was Lower Manhattan (%)	21	19	12
Households anticipate living in Lower Manhattan in 3 years (%)	88	82	77
Reasons to Live in Lower Manhattan*			
Overall Quality of Life	87	69	64
Quality of Apartment	84	71	70
Access to Mass Transportation	82	67	
Safety/Security	81	61	64
Access to Parks and Waterfront	75	49	54
Neighborhood Character	74	49	56
Size of Apartment	72	58	54
Cost/Affordability of Apartment	70	56	50
Full Service Building Amenities	49		32
Local Schools (among households with children) (%)	76	56	
Income			
Median Household Income (\$)	143,000	163,000	111,000
Average Household Income (\$)	188,000	242,000	153,000
Households less the \$60,000 (%)	15	10	24
Households over \$400,000 (%)	11	16	9
Employment**			
Finance, Insurance, and Real Estate (%)	29	28	27
Business Services (%)	14	14	13
Advertising, Public Relations, Publishing (%)	14	11	16
Walk to work (%)	30	26	29
Work from home (%)	14	10	13
Household Composition***			
One-person Household (%)	28	26	33
Roommates (%)	9	7	9
Couples with Children (%)	25	23	26
Couples without Children (%)	34	42	32
Single Parent (%)	2	2	
Average Household Size			
Average Household Size	2.2	2.2	2.1
Household with Children Under 18 (%)	23	25	19
Likely to Have Children in Next Three Years (among those without children and under 45) (%)			
Likely to Have Children in Next Three Years (among those without children and under 45) (%)	40	39	

*Categories were slightly different in the 2009 Survey of Residents from surveys conducted in 2004 and 2007. In the 2004 and 2007 surveys, percentages are for those responding "very important." The 2009 survey added the category "extremely important," so percentages are for those responding "very important" and "extremely important."

**Characteristics of employment of those employed.

***In 2004, the survey asked households to describe themselves as "living by myself," "roommates," "couple," or "family."

PROFILE BY RESIDENT SEGMENTATION

	Total	Mature Singles	Childless Couples	Families	Older Retired
Total Respondents	777	200	255	211	111
Demographics					
Average Age (years)	46	41	43	44	68
Single never married (%)	26	74	7	4	23
Female (%)	61	69	58	59	57
Male (%)	39	31	42	41	43
Tenure					
Own (%)	47	33	43	52	69
Rent (%)	53	67	57	48	31
Income and Employment					
Median Household Income (\$)	143,000	109,400	189,600	205,700	51,700
Average Household Income (\$)	188,000	129,600	228,000	251,900	72,300
Households over \$400,000 (%)	11	3	14	20	--
Total employed (%)	73	90	90	73	--
Finance, Insurance, and Real Estate (%)	29	33	26	28	--
Business Services (%)	14	11	13	18	--
Advertising, Public Relations, Publishing (%)	14	12	17	10	
Lifestyle Characteristics					
Own 1 additional residence (%)	17	7	21	22	18
Own 2 additional residences (%)	3.5	1	4	6	1
Own 3+ additional residences (%)	1	0.5	1	3	--
Own a car (%)	38	12	46	55	31
Belong to athletic club (%)	44	44	57	44	14
Own a pet (%)	32	23	40	35	22
Length of Residence in Lower Manhattan					
Less than five (%)	35	44	48	27	4
Five to ten (%)	27	30	29	33	11
More than ten (%)	38	27	24	40	86
Prior residence was Lower Manhattan (%)	21	23	21	24	14
Dine out Once or More per Month					
Dinner	71	69	77	76	51
Lunch	53	50	51	63	44
Breakfast	35	40	31	40	23
Weekend Brunch	32	34	35	37	15
Dessert	22	31	25	19	7
Drinks and appetizers	37	44	41	40	9

	Total	Mature Singles	Childless Couples	Families	Older Retired
Total Respondents	777	200	255	211	111
Types of Restaurants Frequented Once or More per Month					
Authentic Ethnic Eateries	55	60	61	57	31
Fine Dining Establishments	50	60	53	46	32
Diners and Casual Restaurants	50	57	49	54	31
Pubs	37	46	39	37	15
Fast Food	17	20	13	18	18
Attend Once or More per Month					
Bars, lounges, clubs (%)	49	66	58	42	11
Movies (%)	39	41	42	36	36
Art galleries, exhibits or museums (%)	31	29	29	35	28
Small Music Performances (%)	14	17	13	13	13
Professional sporting events (%)	9	9	9	11	2
Dance performance (%)	7	11	4	7	8
Large Music Concerts (%)	6	7	6	4	7
Broadway or Off-Broadway Shows (%)	15	15	17	11	15
Vacationed in the Past Year					
Abroad (%)	58	61	68	55	35
Domestically (%)	80	81	86	84	60
Preferred Sources of Information about Lower Manhattan, including Events, Programs and Specials					
Local newspapers	59	46	55	67	77
Major newspapers	32	27	27	34	46
Direct Mailings	39	46	34	34	47
From building managers and/or Building Link	19	18	19	21	18
Radio	11	12	9	9	16
Flyers in Lobbies of Buildings	47	51	37	52	56
Websites, Blogs, and Social Media	40	44	46	43	15
Reasons for Living in Lower Manhattan Ranked Extremely/Very Important					
Overall Quality of Life	86	84	86	88	82
Quality of Apartment	84	87	86	83	76
Access to Mass Transportation	82	87	86	78	76
Safety/Security	81	83	82	81	79
Access to Parks and Waterfront	75	68	73	87	69
Neighborhood Character	74	67	75	76	78
Size of Apartment	72	68	73	81	60
Cost/Affordability of Apartment	70	71	70	65	77
Full Service Building Amenities	49	60	57	38	34
Good place to raise a family (%)	39	15	29	81	25
Pet friendly (%)	30	30	35	26	30
Local schools (%)		7	20	65	9
Likely to live in Lower Manhattan in 3 years (%)	88	82	89	92	91