

# ELLI MAN

## REPORT

# Q2 2018

## BROOKLYN SALES

Quarterly Survey of Residential Sales

### CO-OPS, CONDOS & 1-3 FAMILY

# DASHBOARD

year-over-year

### PRICES

Median Sales Price

1.9%

### PACE

Absorption Rate

0.6 mos.

### SALES

Closed Sales

5.7%

### INVENTORY

Total Inventory

18.5%

### MARKETING TIME

Days on Market

14 days

### NEGOTIABILITY

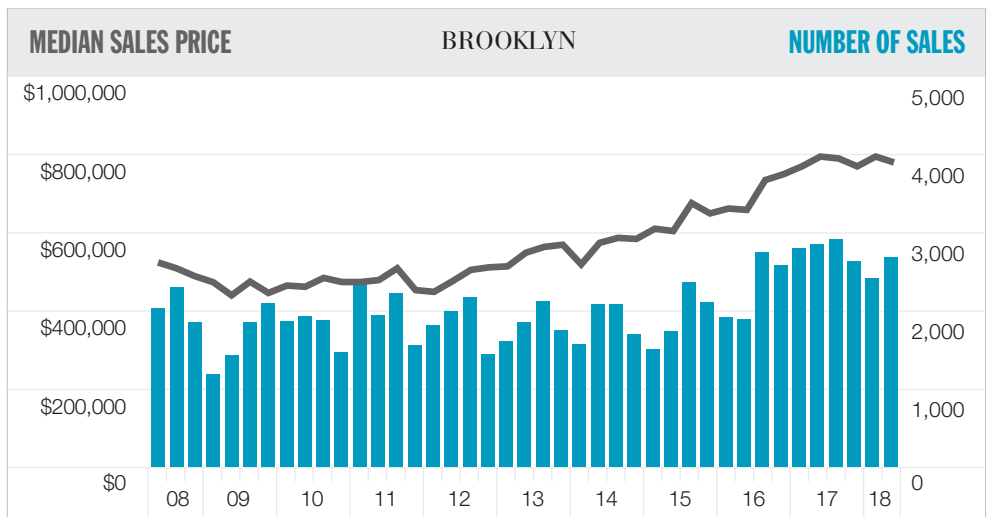
Listing Discount

0.3%

- After setting a record in the prior quarter, median sales price slipped from the prior and prior year quarters
- Sales slipped overall across most price segments on a year over year basis
- After eleven consecutive quarters of year over year declines, listing inventory expanded

The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market. The report includes an extensive suite of tools to help readers objectively identify and measure market trends, provide historical context to current information and provide comprehensive analysis of the results.

Brooklyn Market Matrix	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price	\$984,047	0.2%	\$982,093	-1.4%	\$997,654
Median Sales Price	\$780,000	-1.9%	\$795,000	-1.9%	\$795,000
Number of Sales	2,683	11.3%	2,411	-5.7%	2,845
Days on Market (From Last List Date)	107	27.4%	84	15.1%	93
Listing Discount (From Last List Price)	2.6%		5.0%		2.9%
Listing Inventory	2,675	30.9%	2,043	18.5%	2,257
Absorption Rate (mos)	3.0	20.0%	2.5	25.0%	2.4
Year-to-Date	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price (YTD)	\$983,122	N/A	N/A	-1.3%	\$995,819
Median Sales Price (YTD)	\$785,000	N/A	N/A	0.4%	\$782,071
Number of Sales (YTD)	5,094	N/A	N/A	-9.8%	5,645



While the Brooklyn housing market continued its blistering pace with near-record prices and chronically low inventory, the intensity of the market eased slightly with fewer sales and more inventory. Median sales price slipped 1.9% to \$780,000 from the same period last year to the third highest level ever recorded and the first decline after twenty-two consecutive increases. Average sales price slipped 1.4% to \$984,047 over the same period. Of the last eight quarters, five quarters saw new median sales price records reached; one quarter saw the second highest level on record; two quarters saw the

third highest level on record. By property type, both co-op and single family properties posted year over year gains in median sales price. The median sales price of a co-op rose 1.2% to \$428,000, and median sales price of a 1-3 family increased 3% to \$856,000 respectively from the prior-year quarter. Median sales price for the remaining property types on a year over year basis declined 4.4% to \$860,000 for condos; 10.1% to \$890,000 for new development. Luxury median sales price, representing the top 10% of all sales, declined 2.1% to \$2,467,500 with a 4.4% lower price threshold of \$1,840,000.

On a regional basis, all submarkets saw a year over year rise in median sales price: North, \$1,037,500 up 4.3%; South, \$642,500 up 2.6%; East, \$775,000 up 6.4%; Northwest, \$1,178,300 up 2.5%; Brownstone, \$2,400,000 up 7.9%. After eleven consecutive quarters of year over year declines, listing inventory expanded 18.5% to 2,675. The number of sales declined year over year for the second

consecutive quarter after ten consecutive quarters of gains. Sales fell 5.7% to 2,683 from the year-ago quarter. The absorption rate, the number of months to sell all listing inventory at the current rate of sales, was 3 months, up from 2.4 months in the year-ago quarter. For the context of how fast this pace was, Manhattan showed a pace of 8 months during the same period. The average days on market rose

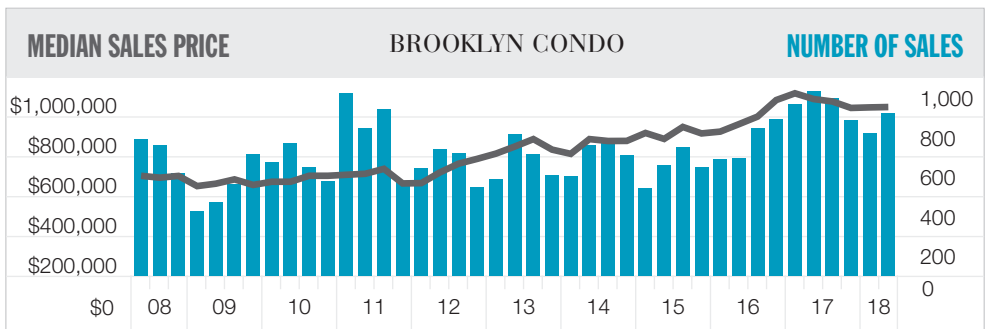
15.1% to 107 days, and listing discount slipped to 2.6% from 2.9% in the prior-year quarter. The market share of bidding wars, defined as sales where the purchase price was above the listing price at the time of the contract, rose 4.6% to a 27.8% share over the same period.

## CONDOS

- Price trend indicators and number of sales continued to decline
- Marketing time expanded as negotiability tightened
- Listing inventory slipped as market pace remained brisk

Condo Market Matrix	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price	\$1,100,282	5.3%	\$1,045,015	-5.3%	\$1,161,431
Average Price Per Sq Ft	\$1,031	-4.8%	\$1,083	-7.8%	\$1,118
Median Sales Price	\$860,000	0.2%	\$858,177	-4.4%	\$900,000
Number of Sales	823	14.0%	722	-11.9%	934
Days on Market (From Last List Date)	115	27.8%	90	17.3%	98
Listing Discount (From Last List Price)	1.9%		3.1%		2.5%
Listing Inventory	773	29.9%	595	-5.4%	817
Absorption Rate (Mos)	2.8	12.0%	2.5	7.7%	2.6

Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$2,100,400	-2.6%
4/5	\$1,160,322	-4.2%
3/5	\$860,000	-4.4%
2/5	\$666,953	-4.7%
1/5	\$391,312	-14.1%

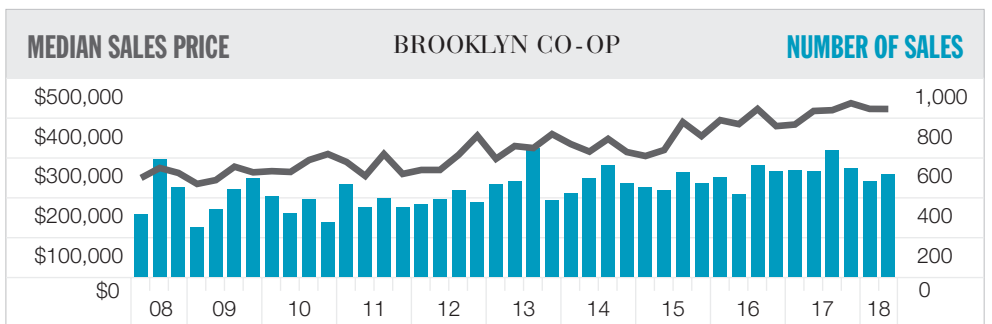


## CO-OPS

- Price trend indicators showed mixed results
- Number of sales and listing inventory declined
- Expanded marketing time with nominal negotiability

Co-op Market Matrix	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price	\$563,709	-2.1%	\$575,917	-3.6%	\$584,529
Median Sales Price	\$428,000	0.0%	\$428,211	1.2%	\$423,000
Number of Sales	517	7.3%	482	-3.0%	533
Days on Market (From Last List Date)	102	29.1%	79	39.7%	73
Listing Discount (From Last List Price)	-0.3%		3.2%		-0.1%
Listing Inventory	398	5.6%	377	-10.8%	446
Absorption Rate (Mos)	2.3	0.0%	2.3	-8.0%	2.5

Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$1,088,600	-7.4%
4/5	\$615,000	-5.4%
3/5	\$428,000	1.2%
2/5	\$305,000	5.9%
1/5	\$210,000	18.2%



# 1-3 FAMILY

- Median sales price rose year over year for the 23 of the past 24 months
- Number of sales declined annually for three of the past four quarters
- Negotiability expanded as listing inventory jumped

Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$2,000,000	0.1%
4/5	\$1,172,000	-2.3%
3/5	\$856,000	3.0%
2/5	\$640,000	4.9%
1/5	\$405,200	9.7%

## Brooklyn Market by LOCATION

### NORTH

- Price trend indicators rose sharply as sales declined
- Marketing time and negotiability fell

### SOUTH

- Price trend indicators and sales increased
- Marketing time and negotiability declined

### EAST

- Price trend indicators and sales rose
- Marketing time and negotiability decreased

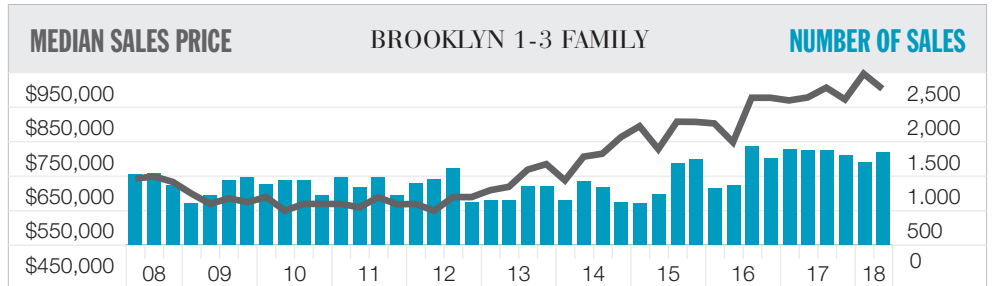
### NORTHWEST

- Overall price trend indicators increased as sales declined
- Marketing time and negotiability expanded

### BROWNSTONE

- Number of sales declined
- Overall price trend indicators continued to rise

1-3 Family Market Matrix	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price	\$1,074,630	-2.9%	\$1,106,656	2.7%	\$1,046,440
Average Price Per Sq Ft	\$571	13.7%	\$502	19.5%	\$478
Median Sales Price	\$856,000	-4.9%	\$900,000	3.0%	\$830,750
Number of Sales	1,343	11.3%	1,207	-2.5%	1,378
Days on Market (From Last List Date)	93		80		108
Listing Discount (From Last List Price)	6.1%		8.5%		5.3%
Listing Inventory	1,504	40.4%	1,071	51.3%	994
Absorption Rate (Mos)	3.4	25.9%	2.7	54.5%	2.2



North Market Matrix	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price	\$1,336,318	3.5%	\$1,290,677	13.2%	\$1,180,885
Average Price Per Sq Ft	\$1,148	28.1%	\$896	18.8%	\$966
Condo	\$1,165	15.9%	\$1,005	13.9%	\$1,023
Median Sales Price	\$1,037,500	-4.6%	\$1,087,500	4.3%	\$995,000
Number of Sales	208	19.5%	174	-13.3%	240

South Market Matrix	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price	\$771,172	0.1%	\$770,161	3.8%	\$743,199
Median Sales Price	\$642,500	-1.4%	\$651,590	2.6%	\$626,000
Condo	\$643,481	4.6%	\$615,004	2.1%	\$630,000
Co-op	\$318,000	6.0%	\$300,000	10.0%	\$289,000
1-3 Family	\$815,000	-4.1%	\$850,000	3.2%	\$790,000
Number of Sales	1,370	10.5%	1,240	2.2%	1,341

East Market Matrix	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price	\$841,000	-2.1%	\$859,410	0.5%	\$836,498
Median Sales Price	\$775,000	0.3%	\$772,500	6.4%	\$728,636
Condo	\$750,000	7.0%	\$701,159	2.0%	\$735,000
1-3 Family	\$775,000	-6.1%	\$825,000	4.0%	\$745,000
Number of Sales	575	23.4%	466	2.3%	562

Northwest Market Matrix	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price	\$1,551,253	4.6%	\$1,483,549	0.1%	\$1,550,101
Median Sales Price	\$1,178,300	0.9%	\$1,168,000	2.5%	\$1,150,000
Condo	\$1,284,897	-0.7%	\$1,294,500	7.5%	\$1,195,000
Co-op	\$740,000	3.5%	\$715,000	-5.7%	\$785,000
1-3 Family	\$2,400,000	6.7%	\$2,250,000	7.9%	\$2,225,044
Number of Sales	530	-0.2%	531	-24.5%	702

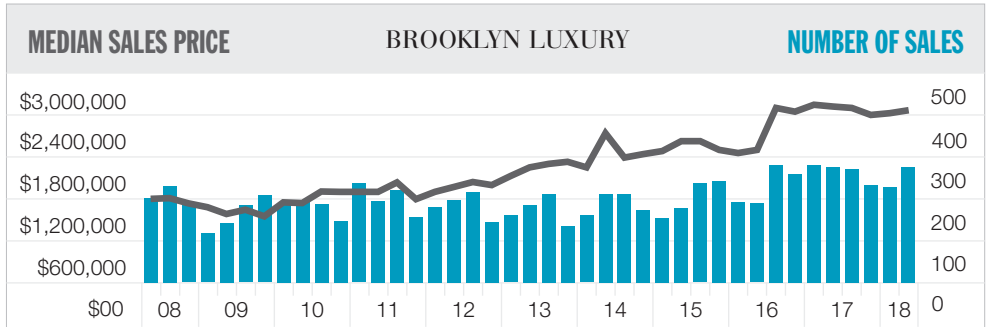
Brownstone Market Matrix	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price	\$2,643,898	4.8%	\$2,522,806	4.2%	\$2,536,452
Average Price Per Sq Ft	\$1,110	13.0%	\$982	7.4%	\$1,034
Median Sales Price	\$2,400,000	6.7%	\$2,250,000	7.9%	\$2,225,044
1-Family	\$3,212,500	33.9%	\$2,399,000	52.0%	\$2,112,868
2-Family	\$2,387,500	21.2%	\$1,970,000	3.8%	\$2,299,000
3-Family	\$2,300,000	-5.4%	\$2,431,250	-8.7%	\$2,518,750
Number of Sales	84	-17.6%	102	-25.0%	112

## LUXURY

- Price trend indicators declined
- Listing inventory surged
- Luxury entry threshold continued to slide

Luxury Mix	Luxury Sales Share	Median Sales Price
Condo	38.0%	\$2,500,000
Co-op	3.6%	\$2,542,500
1-3 Family	58.3%	\$2,430,000

Luxury Market Matrix	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price	\$2,826,029	1.3%	\$2,788,647	-3.5%	\$2,927,432
Median Sales Price	\$2,467,500	1.8%	\$2,425,000	-2.1%	\$2,520,168
Number of Sales	276	20.5%	229	-0.4%	277
Days on Market (From Last List Date)	110	6.8%	103	8.9%	101
Listing Discount (From Last List Price)	4.2%		5.5%		4.1%
Listing Inventory	272	38.1%	197	30.1%	209
Absorption Rate (Mos)	3.0	15.4%	2.6	30.4%	2.3
Entry-Price Threshold	\$1,840,000	0.0%	\$1,839,857	-4.4%	\$1,925,000



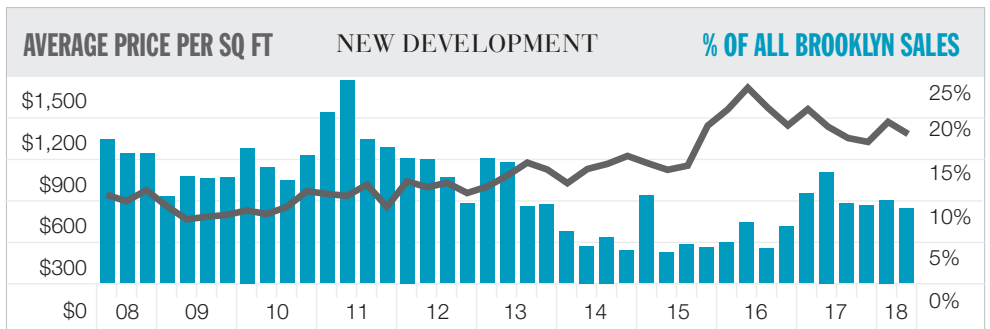
## NEW DEVELOPMENT

### Condos

- Price trend indicators and number of sales continued to decline
- Sharp decline in the average sales size that accounted for much of the price declines
- Marketing time and negotiability expanded

New Development Mix	Condo Sales Share	Median Sales Price
< \$1M	59.0%	\$698,251
\$1M - \$3M	35.2%	\$1,347,079
> \$3M	5.7%	\$3,950,725

New Development Market Matrix	Q2-2018	%Δ (QTR)	Q1-2018	%Δ (YR)	Q1-2017
Average Sales Price	\$1,209,911	-8.7%	\$1,324,707	-13.7%	\$1,401,298
Average Price Per Sq Ft	\$1,086	-7.4%	\$1,173	-4.7%	\$1,139
Median Sales Price	\$890,000	-7.2%	\$959,155	-10.1%	\$990,000
Number of Sales	261	7.0%	244	-32.2%	385
Days on Market (From Last List Date)	171	64.4%	104	47.4%	116
Listing Discount (From Last List Price)	2.4%		2.5%		0.0%
Listing Inventory	130	27.5%	102	0.0%	130
Absorption Rate (Mos)	1.5	15.4%	1.3	50.0%	1.0
Sales Share of All Condos	31.7%		33.8%		41.2%



## NEIGHBORHOODS OF BROOKLYN

### NORTH BROOKLYN

Greenpoint  
Williamsburg

### NORTHWEST BROOKLYN

"Brownstone Brooklyn"  
Boerum Hill  
Brooklyn Heights  
Carroll Gardens  
Clinton Hill  
Cobble Hill  
Downtown  
Dumbo

### SOUTH BROOKLYN

Fort Greene  
Gowanus  
Navy Yard  
Park Slope  
Park Slope South  
Prospect Heights  
Red Hook  
Vinegar Hill  
Windsor Terrace

Bath Beach  
Bay Ridge  
Bensonhurst  
Bergen Beach  
Borough Park  
Brighton Beach  
Bush Terminal  
Canarsie  
Coney Island

Dyker Heights  
Flatbush  
Flatlands  
Gerritsen Beach  
Gravesend  
Kensington  
Madison  
Manhattan Beach

Marine Park  
Midwood  
Mill Basin  
Ocean Parkway  
Old Mill Basin  
Seagate  
Sheepshead Bay  
Sunset Park

### EAST BROOKLYN

Bedford Stuyvesant  
Brownsville  
Bushwick  
Crown Heights  
Cypress Hills  
East New York  
Farragut  
Homecrest  
Ocean Hill  
Wingate  
Wyckoff Heights

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