

ELLI MAN

REPORT

1Q 2017
MANHATTAN SALES

Quarterly Survey of Co-op & Condo Sales

CO-OPS & CONDOS DASHBOARD

year-over-year

PRICES

Median Sales Price

3.3%

PACE

Absorption Rate

0.4 mos

SALES

Closed Sales

0.5%

INVENTORY

Total Inventory

6.6%

MARKETING TIME

Days on Market

15 days

NEGOTIABILITY

Listing Discount

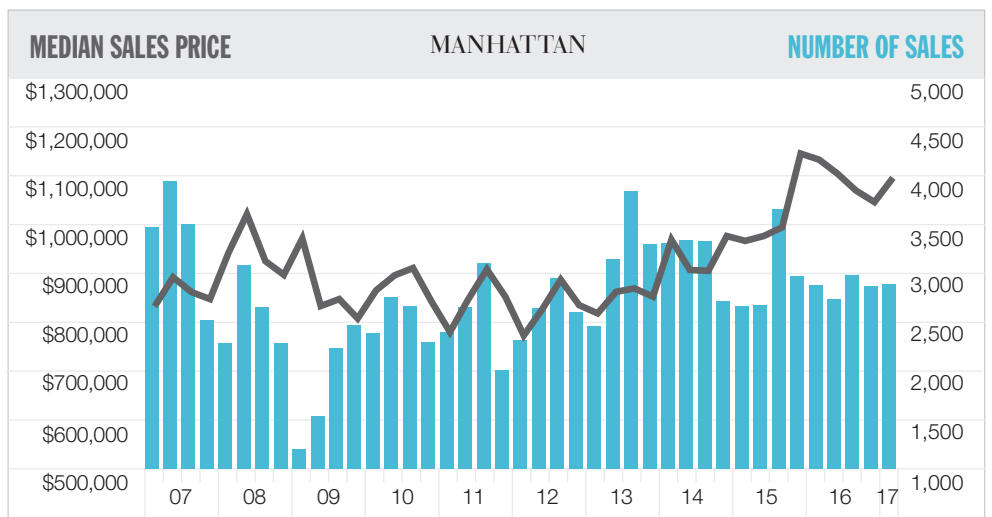
2.1%

- Median sales price slipped for the second consecutive month
- After falling over the prior two quarters, sales edged higher
- Average sales price and average price per square foot moved higher

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.

Manhattan Market Matrix	1Q-2017	%Δ (qtr)	4Q-2016	%Δ (yr)	1Q-2016
Average Sales Price	\$2,104,350	-0.8%	\$2,121,331	2.6%	\$2,051,225
Average Price per Sq Ft	\$1,778	-12.3%	\$2,027	3.8%	\$1,712
Median Sales Price	\$1,100,000	4.8%	\$1,050,000	-3.3%	\$1,137,500
New Development	\$2,734,510	-7.3%	\$2,949,494	4.9%	\$2,606,720
Re-sale	\$950,000	5.6%	\$900,000	0.0%	\$950,000
Number of Sales (Closed)	2,892	0.8%	2,868	0.5%	2,877
Days on Market (From Last List Date)	108	15.0%	94	16.5%	93
Listing Discount (From Last List Price)	4.2%		5.3%		2.1%
Listing Inventory (Active)	5,867	8.8%	5,393	6.6%	5,506
Absorption Rate (Months)	6.1	7.9%	5.6	6.0%	5.7

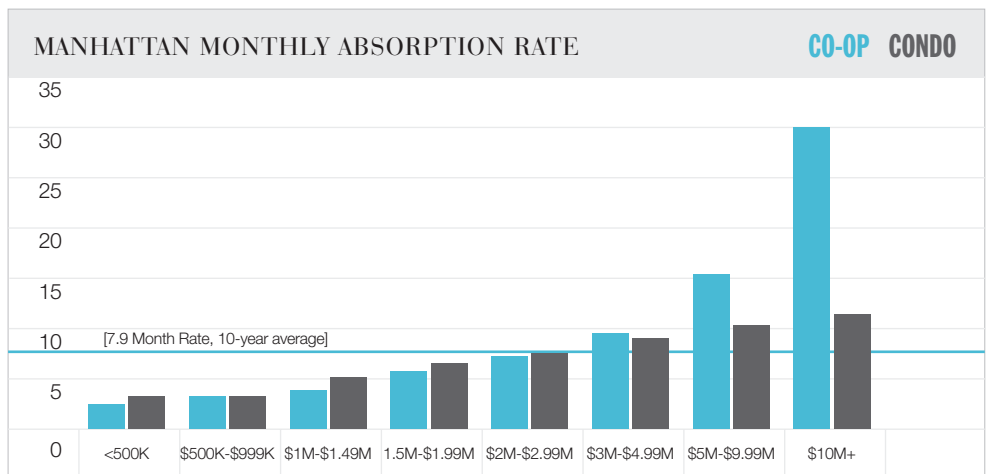
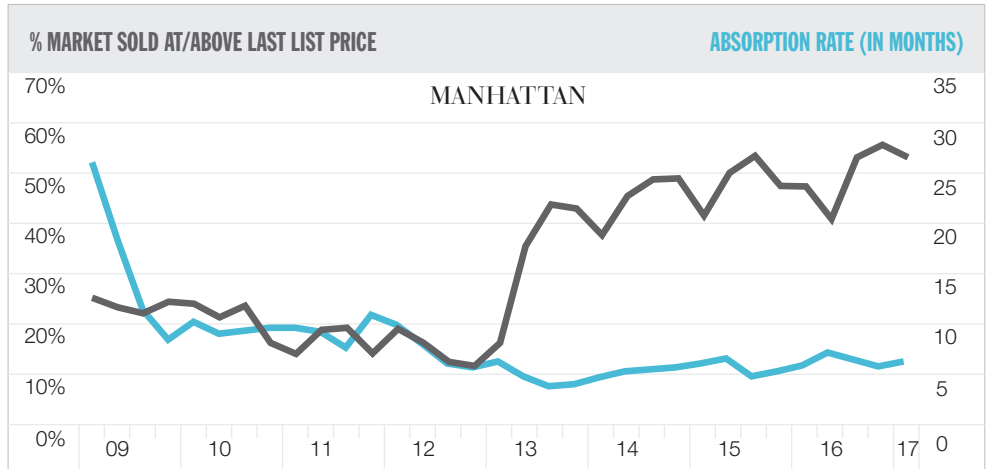
Year-to-Date	1Q-2017	%Δ (qtr)	4Q-2016	%Δ (yr)	1Q-2016
Average Sales Price (YTD)	\$2,104,350	N/A	N/A	2.6%	\$2,051,225
Average Price per Sq Ft (YTD)	\$1,778	N/A	N/A	3.8%	\$1,712
Median Sales Price (YTD)	\$1,100,000	N/A	N/A	-3.3%	\$1,137,500
Number of Sales (YTD)	2,892	N/A	N/A	0.5%	2,877



Many Manhattan housing metrics showed improvement from the year-ago quarter, driven by increased resale activity from the release of pent-up demand accumulated before the U.S. election last November. The resale market, accounting for 84% of co-op and condo sales, was a better indicator of the state of the market as legacy contracts for new development sales reflected conditions of several years ago. Resales showed a 7.7% jump to 2,429 from the same period last year outpacing the 4.2%

gain in resale inventory to 4,859 listings. The resale absorption rate, the number of months to sell all resale inventory at the current rate of resales, was faster, falling to 6 months from 6.2 months over the same period. The median resale price was \$950,000, unchanged from the year-ago quarter while the other price trend indicators increased. Average resale price expanded 3.2% to \$1,586,247, and the average resale price per square foot rose 4.1% to \$1,495 respectively over the same period. Closings of

new development sales declined 25.4% to 463 from the year-ago period. They accounted for 16% of market-wide sales, down from a 21.6% share in the same period last year. While their closing dates are mostly random events tied to the conclusion of project construction, this may suggest that the legacy contract pipeline is nearing completion. Median sales price for new development closings rose 4.9% to \$2,734,510 over the same period. There are signs that developers are adapting to the market as listing discounts continue to expand. The listing discount for a new development sale was 3.1%, up from 1% in the prior year quarter. This pattern was seen not only in the luxury market, representing the top 10% of all sales, but also in the resale and overall markets. The luxury market had an entry threshold of \$4,300,000 in the first quarter, down 3.4% from the year-ago quarter. Luxury median sales price rose 5.1% to a record \$6,975,006, mainly due to the closing of new development legacy contracts. Luxury listing inventory continued to decline as many overpriced listings expired from sellers who were long disconnected with market conditions. There were 1,295 luxury listings, down 4.1% from the prior year quarter. This decline was in contrast to the overall market, which showed a 6.6% increase of inventory to 5,867 over the same period. Market-wide inventory of co-ops and condos, including resales and new development listings but excluding new shadow inventory, remain roughly at the midpoint of the record high reached in 2009 and record low set in 2013 since the financial crisis. Resale inventory expanded 4.2% to 4,859 and new development inventory – those publicly listed – rose 19.6% to 1,008 respectively from the year-ago quarter. The expansion of inventory slowed the frequency of bidding wars to 12.6%



of all sales, down from the 31% record set in the second quarter of 2015. A larger share of bidding wars occurred in the entry level market than in their larger counterparts; 16.1% of studio sales sold above list price while 8.7% of 3-bedroom sales sold above list price. The market share for “all cash” sales market-wide was 42.8%, down 2.3% from the year-ago quarter, but within the long-term range. Days on market, the average number of days to sell all apartments that closed

during the quarter, was 15 days slower than the same period last year, rising to 108 days, the first time above the 100 day threshold in two years. Listing discount, the percentage difference between the list price at the date of sale and the sales price, doubled to 4.2% from 2.1% in the prior year quarter as sellers worked harder to meet buyers on price.

RE-SALES

- Median sales price stabilized as average sales price expanded
- Notable increase in sales, overpowering rise of inventory
- Market share of sales over list price fell by half

Re-Sales Market Matrix	1Q-2017	%Δ (QTR)	4Q-2016	%Δ (YR)	1Q-2016
Average Sales Price	\$1,586,247	1.1%	\$1,568,569	3.2%	\$1,536,353
Average Price per Sq Ft	\$1,495	-1.5%	\$1,518	4.1%	\$1,436
Median Sales Price	\$950,000	5.6%	\$900,000	0.0%	\$950,000
Number of Sales (Closed)	2,429	1.6%	2,390	7.7%	2,256
Days on Market (From Last List Date)	90	13.4%	79	16.0%	78
Listing Discount (From Last List Price)	4.5%		4.5%		2.7%
Listing Inventory (Active)	4,859	11.8%	4,346	4.2%	4,663
Absorption Rate (Months)	6.0	10.0%	5.5	-3.2%	6.2
Sales Share of Overall Market	84.0%		83.3%		78.4%

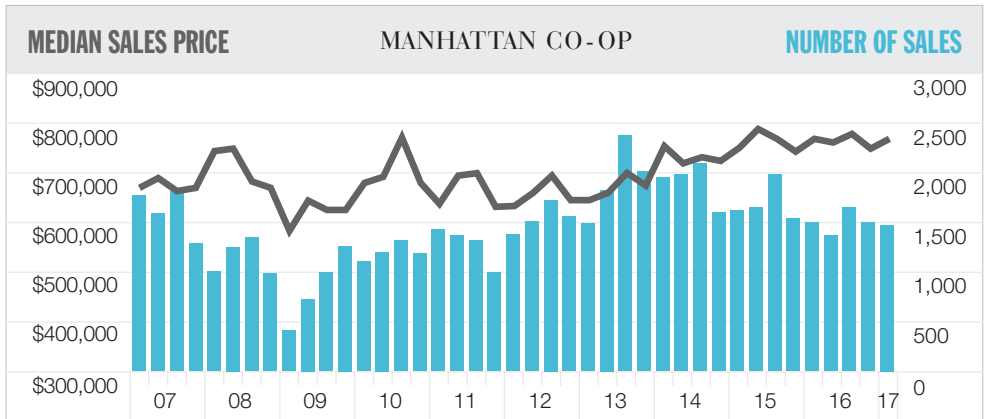
Note: This sub-category analyzes all co-op & condo re-sales available. The data is also contained within the co-op & condo markets presented.

CO-OPS

- Median sales price was unchanged as average sales price declined
- Number of sales fell for eleventh consecutive quarter
- Listing discount and days on market expanded

Co-op Mix	Sales Share	Median Sales Price
Studio	17.6%	\$450,000
1 bedroom	46.4%	\$715,000
2 bedroom	24.7%	\$1,325,000
3 bedroom	8.7%	\$2,380,625
4+ bedroom	2.6%	\$4,977,500

Co-op Market Matrix	1Q-2017	%Δ (QTR)	4Q-2016	%Δ (YR)	1Q-2016
Average Sales Price	\$1,232,371	1.4%	\$1,215,897	-3.9%	\$1,282,510
Average Price Per Sq Ft	\$1,279	12.4%	\$1,137	0.8%	\$1,269
Median Sales Price	\$775,000	2.6%	\$755,000	0.0%	\$775,000
Number of Sales	1,476	-1.9%	1,505	-1.5%	1,499
Days on Market (From Last List Date)	85	12.6%	75	12.9%	75
Listing Discount (From Last List Price)	5.0%		4.8%		2.1%
Listing Inventory (Active)	2,582	9.5%	2,358	5.5%	2,448
Absorption Rate (Monthly, Active)	5.2	11.7%	4.7	7.1%	4.9

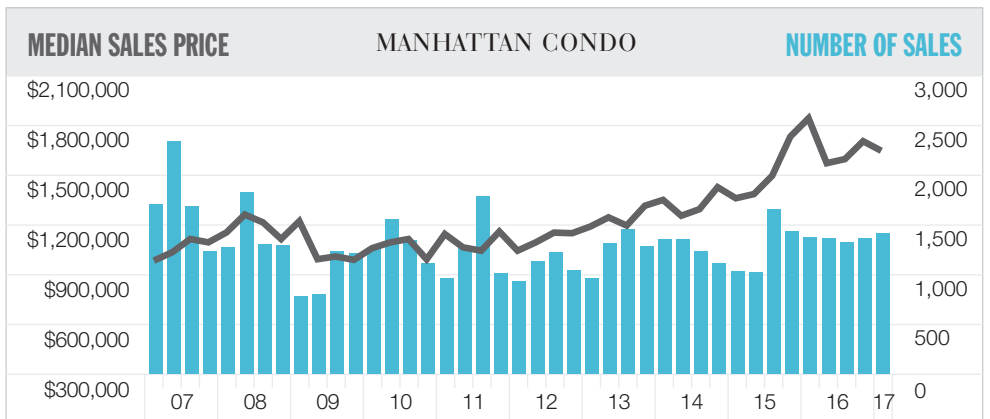


CONDOS

- Average sales price remained above \$3 million threshold as median declined
- Inventory growth was largely attributable to new development
- Continued expansion of days on market and listing discount

Condo Mix	Sales Share	Median Sales Price
Studio	7.3%	\$627,500
1 bedroom	37.2%	\$1,071,912
2 bedroom	32.1%	\$2,200,000
3 bedroom	14.3%	\$3,742,058
4+ bedroom	9.0%	\$8,012,042

Condo Market Matrix	1Q-2017	%Δ (QTR)	4Q-2016	%Δ (YR)	1Q-2016
Average Sales Price	\$3,013,276	-3.5%	\$3,121,095	4.4%	\$2,887,440
Average Price Per Sq Ft	\$2,134	-7.2%	\$2,300	3.5%	\$2,061
Median Sales Price	\$1,650,000	-3.8%	\$1,715,000	-10.6%	\$1,845,000
Number of Sales	1,416	3.9%	1,363	2.8%	1,378
Days on Market (From Last List Date)	133	14.0%	116	20.0%	110
Listing Discount (From Last List Price)	3.7%		5.6%		2.0%
Listing Inventory (Active)	3,285	8.2%	3,035	7.4%	3,058
Absorption Rate (Monthly, Active)	7.0	4.2%	6.7	4.5%	6.7

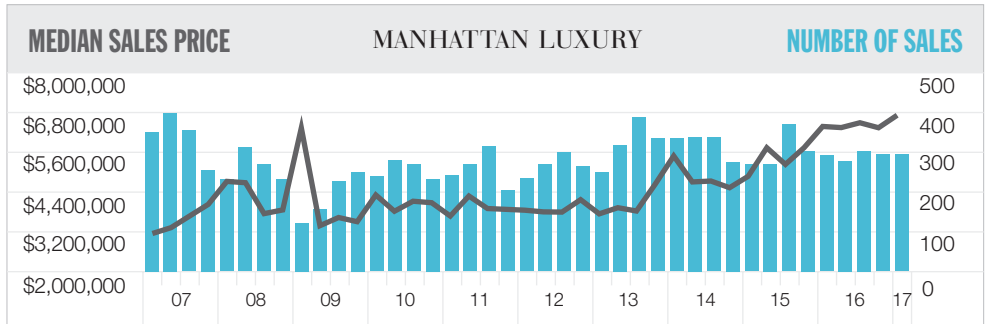


LUXURY

- New development legacy contracts caused median sales price record
- Seventh consecutive quarterly year over year decline in inventory
- Large gain in marketing time and listing discount

Luxury Market Matrix	1Q-2017	%Δ (QTR)	4Q-2016	%Δ (YR)	1Q-2016
Average Sales Price	\$9,360,794	-2.1%	\$9,558,062	12.8%	\$8,297,866
Average Price per Sq Ft	\$3,157	-2.1%	\$3,225	12.2%	\$2,813
Median Sales Price	\$6,975,006	5.7%	\$6,600,000	5.1%	\$6,638,448
Number of Sales (Closed)	290	-0.3%	291	0.7%	288
Days on Market (From Last List Date)	172	12.9%	153	41.8%	122
Listing Discount (From Last List Price)	4.7%		8.1%		3.2%
Listing Inventory (Active)	1,295	1.9%	1,271	-4.1%	1,351
Absorption Rate (Months)	13.4	2.2%	13.1	-4.8%	14.1
Entry Threshold	\$4,300,000	-4.4%	\$4,500,000	-3.4%	\$4,450,000

Luxury Mix	Sales Share	Median Sales Price
Co-ops	51.4%	\$3,400,000
Condos	48.6%	\$12,887,112
New Dev.	53.1%	\$7,733,850
Re-sales	46.9%	\$5,994,280

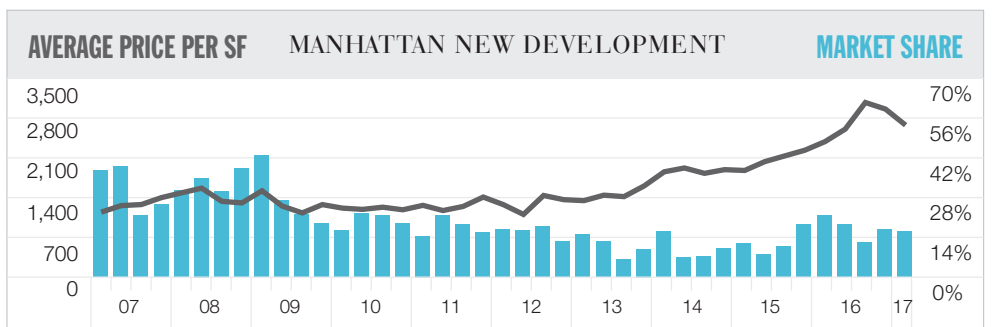


NEW DEVELOPMENT

- Price trend indicators moved higher as sales declined
- Marketing time and inventory rose sharply
- Due to legacy contracts, roughly two thirds of sales closed at list price

New Development Market Matrix	1Q-2017	%Δ (QTR)	4Q-2016	%Δ (YR)	1Q-2016
Average Sales Price	\$4,822,429	-1.3%	\$4,885,140	23.0%	\$3,921,677
Average Price per Sq Ft	\$2,645	-9.6%	\$2,925	12.1%	\$2,360
Median Sales Price	\$2,734,510	-7.3%	\$2,949,494	4.9%	\$2,606,720
Number of Sales (Closed)	463	-3.1%	478	-25.4%	621
Days on Market (From Last List Date)	241	33.2%	181	49.2%	162
Listing Discount (From Last List Price)	3.1%		6.9%		1.0%
Listing Inventory (Active)	1,008	-3.7%	1,047	19.6%	843
Absorption Rate (Months)	6.5	-0.6%	6.6	60.4%	4.1
Sales Share of Overall Market	16.0%		16.7%		21.6%

New Dev. Mix	Sales Share	Median Sales Price
< \$1M	13.0%	\$687,500
\$1M - \$3M	40.4%	\$1,650,000
> \$3M	46.7%	\$6,262,237



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Report Methodology:

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