



ELLIMAN REPORT

MANHATTAN

Highest median rental price reached in more than 5 years

For the third consecutive month, median rental price increased above the prior year level. Median rental price was \$3,300, 3.1% above the same period last year and the highest level reached since early 2009. After weakening in the second half of 2013 from intensive competition from the sales market, median rental prices have generally trended higher since the beginning of the year. The remaining rental price indicators were mixed. Average rental price slipped 1.2% to \$3,902 and average rental price per square foot increased 7.1% respectively from the same month last year.

The use of landlord concessions continued to erode since the beginning of the year

Although landlord concessions edged slightly higher to 5.7% of all transactions from 4.4% in the same period last year, their use has decreased sharply since the beginning of the year. After peaking in January at 13.1% their market share has fallen by half to 5.7%. The amount of a concession averaged the equivalent of 1 month's rent, down from 1.2 months in the same period last year. The market remained tight with days on market edging nominally higher to 50 days from the same month last year, while listing discount slipped to 1.1% from 2.4% over the same period.

The Manhattan vacancy rate remained essentially unchanged

The average Manhattan vacancy rate was to 1.58% down nominally from 1.6% in the same month last year.

Manhattan Rental Market	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$3,902	-2.6%	\$4,008	-1.2%	\$3,951
Rental Price per Square Foot	\$54.78	4.0%	\$52.66	7.1%	\$51.13
Median Rental Price	\$3,300	1.6%	\$3,247	3.1%	\$3,200
Number of New Rentals	3,205	-20.3%	4,021	-22.6%	4,139
Days on Market (From Original List Date)	50	6.4%	47	2.0%	49
Listing Discount (From Original List Price)	1.1%		2.7%		2.4%
Listing Inventory	5,816	5.7%	5,503	3.0%	5,647

(Face Rent)

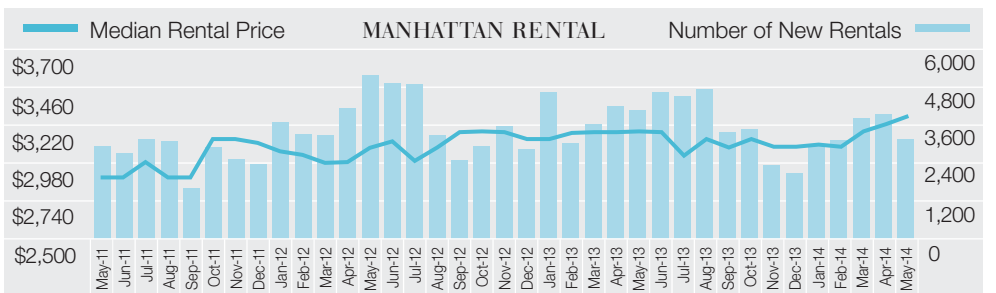
Manhattan Rental w/Concessions	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$3,883	-2.6%	\$3,986	-1.3%	\$3,934
Rental Price per Square Foot	\$54.52	4.1%	\$52.37	7.1%	\$50.91
Median Rental Price	\$3,284	1.7%	\$3,229	3.1%	\$3,186
Number of New Rentals w/Concessions (%)	5.7%		6.8%		4.4%
Free Rent/Owner Paid (Mos)	1.0	0.0%	1.0	-16.7%	1.2

(Net Effective Rent)

Manhattan Vacancy Rate	MAY-14	APR-14	MAY-13
Manhattan	1.58%	1.45%	1.60%
Downtown	1.84%	1.84%	1.38%
East Side	1.64%	1.20%	2.08%
West Side	1.44%	1.37%	1.83%
Uptown	0.89%	0.80%	1.15%

Manhattan Median Rental Price by Property Type	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Doorman	\$3,725	2.8%	\$3,625	3.3%	\$3,605
Non-Doorman	\$2,750	0.4%	\$2,738	-1.6%	\$2,795
Loft	\$5,949	15.0%	\$5,171	23.3%	\$4,823
Luxury [Top 10%]	\$7,950	-0.6%	\$8,000	-2.7%	\$8,168
Super-Luxury [Top 5%]	\$9,950	-11.1%	\$11,192	-17.1%	\$12,000
New Development	\$4,730	10.6%	\$4,275	14.7%	\$4,124

(Face Rent)



The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market in the New York City metropolitan region. 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 rental market by **SIZE**

DOWNTOWN

- Median rental price increased across most categories** The median rental price rose 6.4% to \$3,650 from the same period last year. With the exception of 3+ bedrooms, all size categories increased over the same period, ranging from 4.2% to 8%. The largest sized apartments declined 3.2% in median rental price from the same month last year.
- The number of new rentals remained dropped from prior year levels** There were 1,464 new rentals, 25.8% fewer than the same month last year. The individual size categories all reflected a similar pattern, with a range in decline from 7.3% to 28.1%.
- The vacancy rate for downtown continued to rise** The Downtown vacancy rate remained unchanged at 1.84% from the prior month but was up from 1.38% in the same month last year. The region continued to have the highest vacancy rate of the four Manhattan regions.

Downtown Studio	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$2,916	3.0%	\$2,830	8.0%	\$2,700
Rental Price per Square Foot	\$61.12	4.1%	\$58.69	5.9%	\$57.69
Median Rental Price	\$2,795	3.6%	\$2,698	8.0%	\$2,587
Number of New Rentals	369	-25.3%	494	-27.6%	510

Downtown 1-Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$3,861	2.6%	\$3,762	6.3%	\$3,632
Rental Price per Square Foot	\$61.08	4.9%	\$58.21	9.1%	\$56.01
Median Rental Price	\$3,663	4.7%	\$3,500	6.0%	\$3,455
Number of New Rentals	610	-20.9%	771	-28.1%	848

Downtown 2-Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$5,325	0.1%	\$5,322	3.3%	\$5,156
Rental Price per Square Foot	\$51.77	-2.4%	\$53.05	0.5%	\$51.50
Median Rental Price	\$4,795	0.0%	\$4,795	4.2%	\$4,600
Number of New Rentals	357	-15.6%	423	-25.5%	479

Downtown 3+ Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$6,623	-24.0%	\$8,715	-22.3%	\$8,520
Rental Price per Square Foot	\$56.47	-0.3%	\$56.62	0.8%	\$56.02
Median Rental Price	\$5,500	-3.7%	\$5,714	-3.2%	\$5,680
Number of New Rentals	127	-11.8%	144	-7.3%	137

EAST SIDE

- Rental price indicators were mixed** Median rental price edged 1.7% higher to \$3,050 from the same period last year. The changes in median rental price by size category were mixed. Studio and 2-bedrooms fell 5.4% and 2.2% respectively, while 1-bedrooms remained unchanged over the same period. The 3+ bedroom median rental price increased 7.5% to \$6,967 from the same month last year.
- The number of new rentals declined across all categories** The number of new rentals fell 21.8% to 863 from the same period last year. The decline in all individual size categories ranged from 10.1% to 41.5%.
- The East Side vacancy rate finished below the prior year level** The vacancy rate for the East Side fell to 1.64% from 2.08% in the same month last year.

East Side Studio	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$2,354	-3.2%	\$2,431	2.5%	\$2,296
Rental Price per Square Foot	\$54.85	14.7%	\$47.83	8.3%	\$50.66
Median Rental Price	\$2,176	-4.6%	\$2,281	-5.4%	\$2,300
Number of New Rentals	205	-25.7%	276	-24.1%	270

East Side 1-Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$3,160	-2.4%	\$3,238	0.1%	\$3,156
Rental Price per Square Foot	\$48.94	-6.5%	\$52.32	-3.6%	\$50.77
Median Rental Price	\$3,050	1.7%	\$3,000	0.0%	\$3,049
Number of New Rentals	382	-26.4%	519	-22.2%	491

East Side 2-Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$4,828	-2.2%	\$4,935	-7.5%	\$5,218
Rental Price per Square Foot	\$51.40	4.1%	\$49.39	3.9%	\$49.49
Median Rental Price	\$4,495	0.0%	\$4,495	-2.2%	\$4,595
Number of New Rentals	213	1.9%	209	-10.1%	237

East Side 3+ Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$8,621	-19.5%	\$10,704	-13.1%	\$9,915
Rental Price per Square Foot	\$52.50	-18.1%	\$64.14	0.7%	\$52.11
Median Rental Price	\$6,967	-19.0%	\$8,600	7.5%	\$6,481
Number of New Rentals	62	-22.5%	80	-41.5%	106

Manhattan rental market by **SIZE****WEST SIDE**

- Rental price indicators edged higher in most categories** Median rental price increased 2% to \$3,300 from the same month last year. All size categories showed similar gains with the exception of the 3+ bedroom market, that slipped 1.6% to \$7,375 over the same period.
- The number of new rentals continued to decline from prior year levels** There were 577 new rentals, down 30.3% from the same period last year. The individual size categories posted similar declines, ranging from 20.6% to 35.8% reflecting the falling tenant resistance to modest gains in rental prices.
- The vacancy rate for the West Side region was the second lowest of all regions** The vacancy rate fell to 1.44% from 1.83% in the same month last year. The region is experienced the second tightest conditions of all four regions, following the Uptown market.

West Side Studio	MAY-14	%Chg (mo)	APR-14	%Chg (YR)	MAY-13
Average Rental Price	\$2,471	-4.0%	\$2,574	5.7%	\$2,337
Rental Price per Square Foot	\$60.78	-3.2%	\$62.82	0.7%	\$60.38
Median Rental Price	\$2,350	-6.0%	\$2,500	5.4%	\$2,229
Number of New Rentals	131	-29.6%	186	-35.5%	203

West Side 1-Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (YR)	MAY-13
Average Rental Price	\$3,443	1.4%	\$3,397	4.5%	\$3,295
Rental Price per Square Foot	\$61.03	10.4%	\$55.30	15.1%	\$53.01
Median Rental Price	\$3,330	-1.8%	\$3,391	2.5%	\$3,250
Number of New Rentals	271	-27.2%	372	-26.6%	369

West Side 2-Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (YR)	MAY-13
Average Rental Price	\$4,983	-8.6%	\$5,453	0.4%	\$4,963
Rental Price per Square Foot	\$59.40	-0.4%	\$59.63	16.8%	\$50.85
Median Rental Price	\$4,817	-5.5%	\$5,100	6.5%	\$4,525
Number of New Rentals	124	-33.0%	185	-35.8%	193

West Side 3+ Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (YR)	MAY-13
Average Rental Price	\$9,364	-5.7%	\$9,934	-1.0%	\$9,463
Rental Price per Square Foot	\$66.19	-2.0%	\$67.52	7.2%	\$61.74
Median Rental Price	\$7,375	-0.8%	\$7,436	-1.6%	\$7,495
Number of New Rentals	50	-26.5%	68	-20.6%	63

UPTOWN

- Median rental price indicators were up across all categories** Median rental price pressed higher, rising 8.4% to \$2,092 from the same period last year. All size categories showed a consistent pattern rising from 5.1% to 9% over the same period. Average rental price increased 1.2% to \$2,221 from the same month last year.
- The number of new rentals continued to surge, reflecting resistance to rising rents** The overall number of new rentals jumped 29.2% from the same period last year. While all size categories showed sharp gains, the studio market increased the most with a 75% rise in the number of new rentals.
- The Uptown vacancy rate was the tightest region, remaining below one percent** The vacancy rate for this region was 0.89%, down from 1.15% in the same month last year and the fourth consecutive month this metric remained below the 1% threshold.

Uptown Studio	MAY-14	%Chg (mo)	APR-14	%Chg (YR)	MAY-13
Average Rental Price	\$1,458	-8.6%	\$1,595	-2.5%	\$1,495
Rental Price per Square Foot	\$41.33	-4.7%	\$43.35	69.2%	\$24.42
Median Rental Price	\$1,498	-5.5%	\$1,585	7.8%	\$1,389
Number of New Rentals	42	16.7%	36	75.0%	24

Uptown 1-Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (YR)	MAY-13
Average Rental Price	\$1,921	1.8%	\$1,887	12.3%	\$1,711
Rental Price per Square Foot	\$33.78	5.2%	\$32.12	14.3%	\$29.56
Median Rental Price	\$1,800	-2.7%	\$1,850	9.0%	\$1,652
Number of New Rentals	106	2.9%	103	23.3%	86

Uptown 2-Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (YR)	MAY-13
Average Rental Price	\$2,418	0.4%	\$2,409	2.1%	\$2,368
Rental Price per Square Foot	\$33.92	7.2%	\$31.64	23.4%	\$27.49
Median Rental Price	\$2,295	3.5%	\$2,218	5.1%	\$2,184
Number of New Rentals	101	-10.6%	113	36.5%	74

Uptown 3+ Bedroom	MAY-14	%Chg (mo)	APR-14	%Chg (YR)	MAY-13
Average Rental Price	\$3,065	-4.8%	\$3,219	-1.8%	\$3,120
Rental Price per Square Foot	\$37.11	6.5%	\$34.85	41.9%	\$26.15
Median Rental Price	\$2,950	-1.2%	\$2,985	5.5%	\$2,797
Number of New Rentals	51	21.4%	42	4.1%	49

Brooklyn rental market by **SIZE**

BROOKLYN

- Rents increased year-over-year for 12th consecutive month but showing signs of stabilizing**

Median rental price increased 8.6% to \$2,800 from the same month last year, yet remained essentially unchanged from the prior month. Since the beginning of the year, median rental price has showed some stability on a month-over-month basis.

- The number of new rentals fell sharply as rents showed increased stability in recent months**

There was a 53% drop in the number of new rentals to 225, from 479 in the same month last year, as more tenants were resigned to sign their leases at time of renewal.

- Marketing times expanded as negotiability fell**

The number of days to market a listing expanded to 53 days from 44 days in the same period last month, consistent with the 50.3 day average over the past 5 years. Listing discount fell to 1.2% from 8.3% over the same period, well below the 6.2% 5-year average.

- Steep rental price gains for studio and 1-bedroom apartments**

The median rental price of a studio apartment was \$2,253, a 25.3% increase from the prior year level. The 1-bedroom median rental price followed the same pattern, rising 17% to \$2,750. Larger apartments showed weaker results with the introduction of new rental housing stock and intense competition from the purchase market. The median rental price of the 2-bedroom and 3-bedroom markets increased 7.7% and declined 2.5% respectively.

Brooklyn Rental Market	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$3,119	-2.8%	\$3,209	5.1%	\$2,969
Rental Price per Square Foot	\$42.27	4.9%	\$40.30	17.2%	\$36.08
Median Rental Price	\$2,800	-0.2%	\$2,805	8.6%	\$2,579
Number of New Rentals	225	-59.9%	561	-53.0%	479
Days on Market (From Original List Date)	53	10.4%	48	20.5%	44
Listing Discount (From Original List Price)	1.2%		3.6%		8.3%

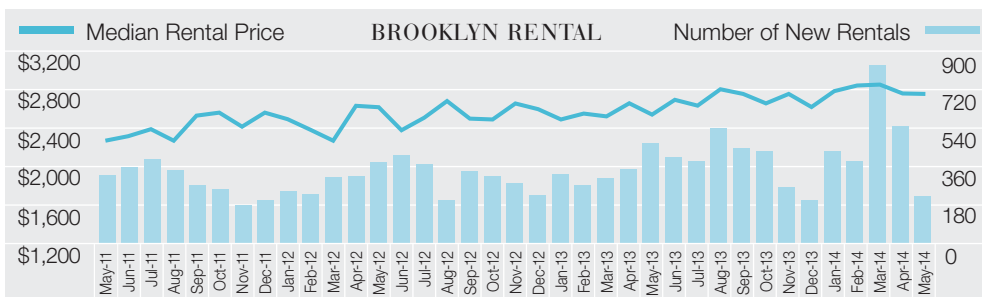
(Face Rent)

Brooklyn Studio Rental Matrix	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$2,248	-2.6%	\$2,309	7.5%	\$2,091
Rental Price per Square Foot	\$51.86	14.5%	\$45.30	34.0%	\$38.71
Median Rental Price	\$2,253	2.4%	\$2,200	25.3%	\$1,798
Number of New Rentals	40	-52.9%	85	-35.5%	62

Brooklyn 1-Bedroom Rental Matrix	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$2,875	3.5%	\$2,778	18.3%	\$2,430
Rental Price per Square Foot	\$42.88	5.8%	\$40.54	14.7%	\$37.40
Median Rental Price	\$2,750	3.6%	\$2,654	17.0%	\$2,350
Number of New Rentals	95	-60.7%	242	-51.0%	194

Brooklyn 2-Bedroom Rental Matrix	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$3,546	-2.2%	\$3,625	10.4%	\$3,213
Rental Price per Square Foot	\$43.84	17.3%	\$37.36	19.8%	\$36.58
Median Rental Price	\$3,200	-2.1%	\$3,267	7.7%	\$2,972
Number of New Rentals	73	-59.4%	180	-56.3%	167

3+-Bedroom Rental Matrix	MAY-14	%Chg (mo)	APR-14	%Chg (yr)	MAY-13
Average Rental Price	\$4,493	-13.1%	\$5,170	-11.6%	\$5,083
Rental Price per Square Foot	\$37.51	-18.8%	\$46.17	-0.5%	\$37.68
Median Rental Price	\$4,476	10.3%	\$4,057	-2.5%	\$4,589
Number of New Rentals	16	-70.4%	54	-71.4%	56



Note: The Brooklyn rental market analysis is comprised of transactions in the north and northwest regions of the borough.

For more information or electronic copies of this report please visit elliman.com/marketreports. Email report author Jonathan Miller at jmiller@millersamuel.com with questions or comments.

Report Methodology:

<http://www.millersamuel.com/research-reports/methodology>

DOUGLAS ELLIMAN REAL ESTATE 575 Madison Avenue, New York, NY 10022 • 212.891.7000 • elliman.com

RENTAL OFFICE 4 Leonard Street, New York, NY 10022 • 212.350.8500 • ellimanrentals.com

MILLER SAMUEL REAL ESTATE APPRAISERS 21 West 38th Street, New York, NY 10018 • 212.768.8100 • millersamuel.com

© 2014 DOUGLAS ELLIMAN REAL ESTATE. ALL MATERIAL PRESENTED HEREIN IS INTENDED FOR INFORMATION PURPOSES ONLY. WHILE THIS INFORMATION IS BELIEVED TO BE CORRECT, IT IS REPRESENTED SUBJECT TO ERRORS, OMISSIONS, CHANGES OR WITHDRAWAL WITHOUT NOTICE. ALL PROPERTY INFORMATION, INCLUDING, BUT NOT LIMITED TO SQUARE FOOTAGE, ROOM COUNT, NUMBER OF BEDROOMS AND THE SCHOOL DISTRICT IN PROPERTY LISTINGS ARE DEEMED RELIABLE, BUT SHOULD BE VERIFIED BY YOUR OWN ATTORNEY, ARCHITECT OR ZONING EXPERT. IF YOUR PROPERTY IS CURRENTLY LISTED WITH ANOTHER REAL ESTATE BROKER, PLEASE DISREGARD THIS OFFER. IT IS NOT OUR INTENTION TO SOLICIT THE OFFERINGS OF OTHER REAL ESTATE BROKERS. WE COOPERATE WITH THEM FULLY. ♻️ EQUAL HOUSING OPPORTUNITY.