

ELLI MAN REPORT

APRIL 2019

MANHATTAN, BROOKLYN & QUEENS RENTALS

Monthly Survey of Manhattan,
Brooklyn and Queens Rentals

MANHATTAN RENTALS DASHBOARD

year-over-year

PRICES

Median Rental Price

3.7%

VACANCY

Vacancy Rate

0.04%

NEW LEASES

Excludes Renewals

1.6%

OP + CONCESSIONS

Market Share

7.4%

MARKETING TIME

Days on Market

3 days

NEGOTIABILITY

Listing Discount

0.2%

- The net effective median rent rose year over year for the fourth consecutive month
- Landlord concession market share fell sharply, the third year over year decline in four months
- The vacancy rate edged higher year over year for the first time in eleven months

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.

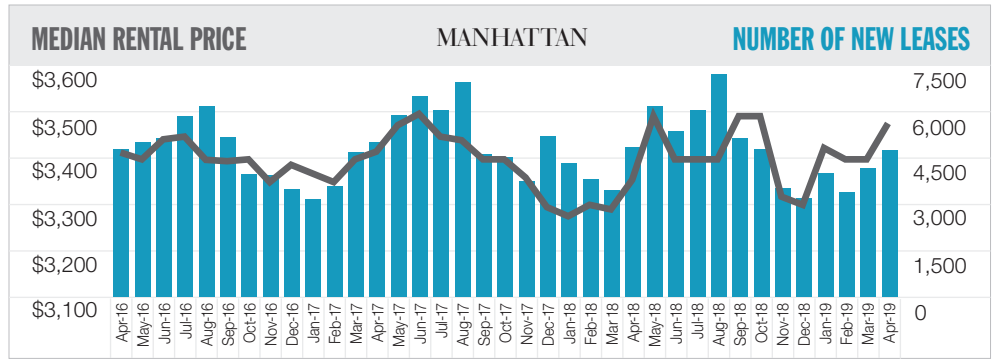
“ Rental price trends in the entry tier pressed higher, overpowering the high-end market. ”

Manhattan Rental Market	APR-2019	%Δ (MO)	MAR-2019	%Δ (YR)	APR-2018
Average Rental Price	\$4,191	0.6%	\$4,165	4.6%	\$4,005
Rental Price per Sq Ft	\$68.09	1.0%	\$67.39	2.0%	\$66.74
Median Rental Price	\$3,479	2.3%	\$3,400	3.7%	\$3,355
Number of New Leases	4,831	14.1%	4,234	-1.6%	4,909
Days on Market (From Original List Date)	29	-3.3%	30	-9.4%	32
Listing Discount (From Original List Price)	1.2%		1.7%		1.4%
Listing Inventory	5,507	6.5%	5,171	-10.3%	6,142
Vacancy Rate	2.03%		1.86%		1.99%
Manhattan Rental w/Concessions	APR-2019	%Δ (MO)	MAR-2019	%Δ (YR)	APR-2018
Median Rental Price	\$3,379	2.8%	\$3,288	4.4%	\$3,236
Share of New Leases w/OP + Concessions (%)	36.9%		41.8%		44.3%
Free Rent/Owner Paid (Mos)	1.3	0.0%	1.3	0.0%	1.3
Manhattan Rental Market by Size	APR-2019	%Δ (MO)	MAR-2019	%Δ (YR)	APR-2018
Studio - Average Rental Price	\$2,772	1.6%	\$2,728	4.9%	\$2,643
Rental Price per Sq Ft	\$71.03	1.7%	\$69.84	3.5%	\$68.61
Median Rental Price	\$2,650	1.9%	\$2,600	3.9%	\$2,550
Number of New Leases	1,153	20.6%	956	1.1%	1,140
1-Bedroom - Average Rental Price	\$3,613	0.7%	\$3,588	2.4%	\$3,527
Rental Price per Sq Ft	\$65.19	0.8%	\$64.65	1.8%	\$64.03
Median Rental Price	\$3,500	0.1%	\$3,497	1.8%	\$3,438
Number of New Leases	1,982	9.7%	1,807	-9.4%	2,187
2-Bedroom - Average Rental Price	\$4,945	-0.9%	\$4,990	-1.3%	\$5,008
Rental Price per Sq Ft	\$65.77	-1.2%	\$66.59	-1.3%	\$66.64
Median Rental Price	\$4,300	-2.8%	\$4,425	-4.4%	\$4,500
Number of New Leases	1,180	13.1%	1,043	4.8%	1,126
3+ Bedroom - Average Rental Price	\$7,853	0.7%	\$7,801	8.7%	\$7,225
Rental Price per Sq Ft	\$74.24	3.9%	\$71.46	3.9%	\$71.46
Median Rental Price	\$5,500	3.9%	\$5,295	-0.9%	\$5,548
Number of New Leases	516	20.6%	428	13.2%	456

The rental market maintained price growth as it benefited from its weaker sales market counterpart. This growth was evident with overall rising prices and the declining market share of apartments with rental concessions. The market share of rental activity with concessions accounted for 36.9% of new leases, 7.4% less than the

same period last year and the third year over year decline in the past four months. The market share of concessions skewed higher with larger apartments. For studios, the concession share was 31.1%. The 1-bedroom concession share was 35.7%. The 2-bedroom concession share was 39.2%. The 3-bedroom concession share was

48.6%. The overall vacancy rate was 2.03%, up .04% from the same month a year ago to the lowest April rate in three years after ten consecutive months with year over year gains. The net effective median rent, defined as median face rent less brokerage commissions and free rent rose 4.4% year over year to \$3,379 for the fourth straight months of gains. Luxury median rent, representing the top ten percent of the market, saw the fifth year over year increase over the past six months.



PROPERTY TYPE

- Non-doorman median rent surged as doorman median rent edged higher
- Studio and 1-bedroom median rents continued to rise annually as larger sized units declined

Manhattan Rental Market By Property Type	APR-2019	%Δ (mo)	MAR-2019	%Δ (yr)	APR-2018
Doorman Median Rental Price	\$3,900	-2.5%	\$4,000	1.7%	\$3,835
Non-Doorman Median Rental Price	\$2,995	7.0%	\$2,800	7.0%	\$2,800
Loft Median Rental Price	\$5,345	-10.8%	\$5,990	2.8%	\$5,200
New Development Median Rental Price	\$4,840	-3.5%	\$5,015	9.3%	\$4,427
Existing Median Rental Price	\$3,400	2.3%	\$3,322	3.2%	\$3,295

BY PRICE

- Market share of leases above \$10 thousand per month moved higher
- All luxury price trend indicators moved higher than year-ago levels
- The luxury entry-threshold hasn't seen a year over year decline since December

Manhattan Rental Market By Price	APR-2019	%Δ (mo)	MAR-2019	%Δ (yr)	APR-2018
Luxury (Top 10%) - Average Rental Price	\$10,716	1.4%	\$10,569	10.9%	\$9,659
Luxury (Top 10%) - Rental Price per Sq Ft	\$79.24	2.0%	\$77.68	3.0%	\$76.95
Luxury (Top 10%) - Median Rental Price	\$8,200	-0.6%	\$8,250	2.6%	\$7,995
Luxury (Top 10%) - Number of New Leases	491	10.8%	443	-0.8%	495
Luxury (Top 10%) - Entry Threshold	\$6,495	-0.1%	\$6,500	3.9%	\$6,250
Upper Tier (30% below Luxury) - Med. Rental Price	\$4,540	0.6%	\$4,515	1.0%	\$4,495
Mid Tier (2nd 30%) - Median Rental Price	\$3,300	1.5%	\$3,250	3.1%	\$3,200
Entry Tier (1st 30%) - Median Rental Price	\$2,350	2.2%	\$2,300	2.2%	\$2,300

BY LOCATION

DOWNTOWN

- Number of new leases increased
- Vacancy rate edged higher

Downtown Market Matrix	APR-2019	%Δ (mo)	MAR-2019	%Δ (yr)	APR-2018
Median Rental Price	\$3,802	-1.2%	\$3,850	0.4%	\$3,788
Number of New Leases	2,156	19.3%	1,807	5.7%	2,040
Vacancy Rate	2.64%		2.12%		2.06%

EAST SIDE

- Median rental price increased
- Vacancy rate declined

East Side Market Matrix	APR-2019	%Δ (mo)	MAR-2019	%Δ (yr)	APR-2018
Median Rental Price	\$3,395	2.5%	\$3,313	4.5%	\$3,250
Number of New Leases	1,150	15.0%	1,000	-6.4%	1,229
Vacancy Rate	1.15%		1.26%		1.31%

WEST SIDE

- Vacancy rate continued to fall sharply
- Number of new leases declined

West Side Market Matrix	APR-2019	%Δ (mo)	MAR-2019	%Δ (yr)	APR-2018
Median Rental Price	\$3,453	1.6%	\$3,400	2.5%	\$3,370
Number of New Leases	998	12.3%	889	-13.4%	1,152
Vacancy Rate	1.50%		1.57%		2.29%

UPTOWN

- Median rental price moved higher
- Number of new leases jumped

Uptown Market Matrix	APR-2019	%Δ (mo)	MAR-2019	%Δ (yr)	APR-2018
Median Rental Price	\$2,400	4.3%	\$2,300	4.6%	\$2,295
Number of New Leases	527	-2.0%	538	8.0%	488
Vacancy Rate	2.39%		2.48%		2.48%

BROOKLYN RENTALS DASHBOARD

year-over-year

PRICES

Median Rental Price

0.3%

INVENTORY

Total Inventory

8.7%

NEW LEASES

Excludes Renewals

7.2%

OP + CONCESSIONS

Market Share

12.9%

MARKETING TIME

Days on Market

6 days

NEGOTIABILITY

Listing Discount

0.5%

- The year over year change in the market share of concessions continued to decline
- New leases rose year over year for the fourth time in five months
- Net effective median rent increased annually for the fifth straight month



The decline in market share of rentals with concessions continued to accelerate.



Brooklyn Rental Market	APR-2019	%Δ (MO)	MAR-2019	%Δ (YR)	APR-2018
Average Rental Price	\$3,202	-0.2%	\$3,209	2.7%	\$3,118
Rental Price per Sq Ft	\$45.95	-1.3%	\$46.56	1.1%	\$45.46
Median Rental Price	\$2,850	-1.7%	\$2,900	0.3%	\$2,841
Number of New Leases	1,323	-0.3%	1,327	7.2%	1,234
Days on Market (From Original List Date)	23	-11.5%	26	-20.7%	29
Listing Discount (From Original List Price)	0.7%		0.7%		1.2%
Listing Inventory	1,883	-0.7%	1,896	-8.7%	2,063

Brooklyn Rental w/Concessions	APR-2019	%Δ (MO)	MAR-2019	%Δ (YR)	APR-2018
Median Rental Price	\$2,762	-0.7%	\$2,781	2.8%	\$2,686
Share of New Leases w/OP + Concessions (%)	38.1%		44.0%		51.0%
Free Rent/Owner Paid (Mos)	1.4	-12.5%	1.6	-22.2%	1.8

Brooklyn Rental Market by Size	APR-2019	%Δ (MO)	MAR-2019	%Δ (YR)	APR-2018
Studio - Average Rental Price	\$2,571	2.8%	\$2,500	2.1%	\$2,518
Rental Price per Sq Ft	\$59.28	7.2%	\$55.30	11.1%	\$53.37
Median Rental Price	\$2,500	0.3%	\$2,492	0.2%	\$2,495
Number of New Leases	204	6.8%	191	-0.5%	205

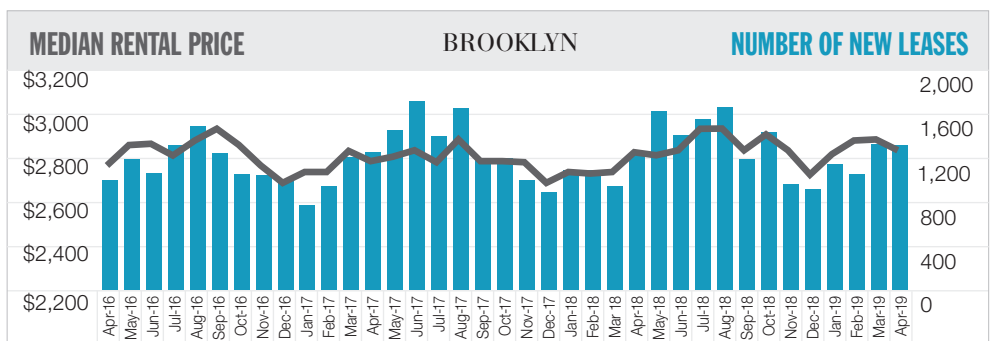
1-Bedroom - Average Rental Price	\$2,852	-0.1%	\$2,856	2.4%	\$2,784
Rental Price per Sq Ft	\$47.54	-3.0%	\$49.00	0.4%	\$47.37
Median Rental Price	\$2,785	-3.8%	\$2,895	1.3%	\$2,750
Number of New Leases	547	-3.5%	567	10.1%	497

2-Bedroom - Average Rental Price	\$3,487	0.5%	\$3,471	1.3%	\$3,442
Rental Price per Sq Ft	\$43.01	-4.5%	\$45.06	0.1%	\$42.98
Median Rental Price	\$3,050	-4.7%	\$3,200	-4.7%	\$3,200
Number of New Leases	430	5.9%	406	9.1%	394

3+ Bedroom - Average Rental Price	\$4,590	-0.5%	\$4,615	7.1%	\$4,284
Rental Price per Sq Ft	\$42.48	2.1%	\$41.59	4.4%	\$40.70
Median Rental Price	\$3,798	-1.6%	\$3,860	0.6%	\$3,775
Number of New Leases	142	-12.9%	163	2.9%	138

Brooklyn Rental Market by Type	APR-2019	%Δ (MO)	MAR-2019	%Δ (YR)	APR-2018
Luxury (Top 10%) - Median Rental Price	\$5,775	5.0%	\$5,500	7.2%	\$5,387
Luxury (Top 10%) - Entry Threshold	\$4,800	2.2%	\$4,695	2.2%	\$4,695
New Development - Median Rental Price	\$3,399	-1.2%	\$3,442	3.6%	\$3,280

Rising price trends were maintained as concessions provided by landlords further deteriorated while the sales market slowed. The market share of new leases with a landlord concession fell year over year for the fourth straight month. The market share of landlord concessions was 38.1% of all new leases, down 12.9% from the same month a year ago which was the most significant decline in four months. The net effective median rent, defined as median face rent less brokerage commissions and free rent rose 2.8% year over year to \$2,762, the fifth straight month of gains. Luxury median rent, representing the top ten percent of the market, rose 7.2% year over year to \$5,775. The premium median rent of new development rentals over existing rentals was 23.6%, 2.1% above the same period a year ago. New development rentals comprised 19.1% of the overall activity with a concession market share of 70.8% while existing rentals comprised 80.9% of activity and a concession market share 29.3%.



NORTHWEST QUEENS RENTALS DASHBOARD

year-over-year

PRICES

Median Rental Price

1.1%

INVENTORY

Total Inventory

8.9%

NEW LEASES

Excludes Renewals

4.8%

OP + CONCESSIONS

Market Share

19.8%

MARKETING TIME

Days on Market

5 days

NEGOTIABILITY

Listing Discount

0.4%

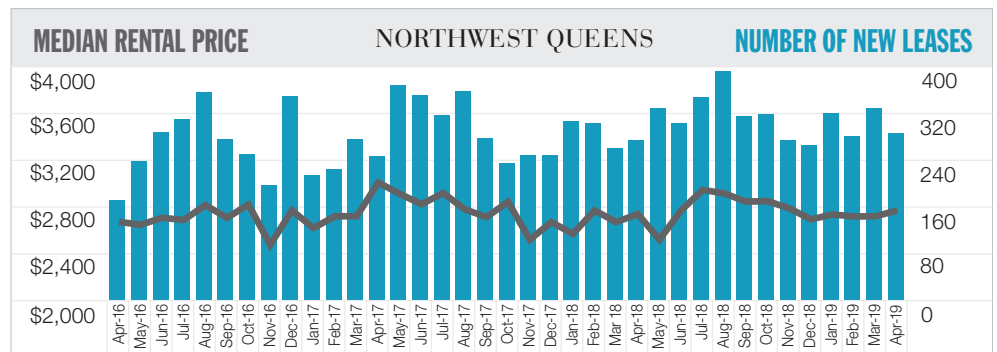
- Market share of landlord concessions fell year over year for the second time in eight months
- Net effective median rent expanded year over year for the fifth time in six months
- Studio and 1-bedroom rental leasing grew as 2-bedroom rental leasing fell

The net effective median rent, defined as median face rent less brokerage commissions and free rent rose 3.2% year over year to \$2,731, the fifth gain over the past six months. Median face rent of \$2,850 for Brooklyn was the same as the northwest region of Queens this month. The premium median rent of new development rentals over existing rentals was 23.8%, up 0.3% from the same period a year ago. New development rentals comprised 32.6% of the overall activity with a concession market share of 66.7% while existing apartments comprised 67.4% of activity and a concession market share 34.9%. New lease gains year over year were 4.8% this month, much more subdued than the 26.3% year over year surge in the prior month. The market share of landlord concessions dropped 19.8% to 45.3% from the year-ago record, the second decline over the past six months.

“*Landlord concession market share fell sharply from the year-ago record.*”

Queens Rental Market	APR-2019	%Δ (mo)	MAR-2019	%Δ (yr)	APR-2018
Average Rental Price	\$2,995	1.4%	\$2,955	0.1%	\$2,992
Rental Price per Sq Ft	\$49.90	0.4%	\$49.72	-2.8%	\$51.34
Median Rental Price	\$2,850	1.8%	\$2,800	1.1%	\$2,819
Number of New Leases	285	-12.8%	327	4.8%	272
Days on Market (From Original List Date)	30	7.1%	28	20.0%	25
Listing Discount (From Original List Price)	0.5%		0.5%		0.9%
Listing Inventory	471	6.6%	442	-8.9%	517
Queens Rental w/Concessions	APR-2019	%Δ (mo)	MAR-2019	%Δ (yr)	APR-2018
Median Rental Price	\$2,731	1.8%	\$2,682	3.2%	\$2,646
Number of New Leases w/OP + Concessions (%)	45.3%		47.4%		65.1%
Free Rent/Owner Paid (Mos)	1.6	6.7%	1.5	0.0%	1.6
Queens Rental Market by Size	APR-2019	%Δ (mo)	MAR-2019	%Δ (yr)	APR-2018
Studio - Average Rental Price	\$2,331	0.9%	\$2,311	-1.9%	\$2,375
Rental Price per Sq Ft	\$55.48	-0.8%	\$55.95	-3.3%	\$57.37
Median Rental Price	\$2,436	2.0%	\$2,388	-2.4%	\$2,495
Number of New Leases	64	-13.5%	74	36.2%	47
1-Bedroom - Average Rental Price	\$2,893	3.5%	\$2,795	4.9%	\$2,757
Rental Price per Sq Ft	\$49.47	-4.3%	\$51.67	-4.8%	\$51.99
Median Rental Price	\$3,000	-0.2%	\$3,005	6.9%	\$2,807
Number of New Leases	151	-8.5%	165	8.6%	139
2-Bedroom - Average Rental Price	\$3,739	1.4%	\$3,688	4.3%	\$3,585
Rental Price per Sq Ft	\$49.75	2.8%	\$48.41	3.0%	\$48.31
Median Rental Price	\$4,253	21.5%	\$3,500	11.0%	\$3,832
Number of New Leases	61	-18.7%	75	-21.8%	78
3+ Bedroom - Average Rental Price	\$4,375	-1.0%	\$4,417	-10.7%	\$4,901
Rental Price per Sq Ft	\$40.01	-0.6%	\$40.27	-28.3%	\$55.80
Median Rental Price	\$3,750	1.0%	\$3,714	-21.0%	\$4,748
Number of New Leases	9	-30.8%	13	12.5%	8
Queens Rental Market By Type	APR-2019	%Δ (mo)	MAR-2019	%Δ (yr)	APR-2018
Luxury (Top 10%) - Median Rental Price	\$4,710	-5.8%	\$5,000	5.7%	\$4,454
Luxury (Top 10%) - Entry Threshold	\$4,463	2.4%	\$4,359	6.2%	\$4,204
New Development - Median Rental Price	\$3,129	5.2%	\$2,975	-0.7%	\$3,150
New Development - Market Share	32.6%		33.3%		47.4%

Note: The Northwest Queens rental market analysis is comprised of transactions in the neighborhoods of Long Island City, Astoria, Sunnyside and Woodside.



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>

RENTAL DIVISION 212.891.7711 • elliman.com

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

MILLER SAMUEL REAL ESTATE APPRAISERS & CONSULTANTS 21 West 38th Street, New York, NY 10018 • 212.768.8100

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