

# ELLI MAN

## REPORT

# Q3 2018

## BROOKLYN SALES

Quarterly Survey of Residential Sales

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

# DASHBOARD

year-over-year

### PRICES

Median Sales Price

2.3%

### PACE

Absorption Rate

1.4 mos.

### SALES

Closed Sales

0.5%

### INVENTORY

Total Inventory

72.6%

### MARKETING TIME

Days on Market

5 days

### NEGOTIABILITY

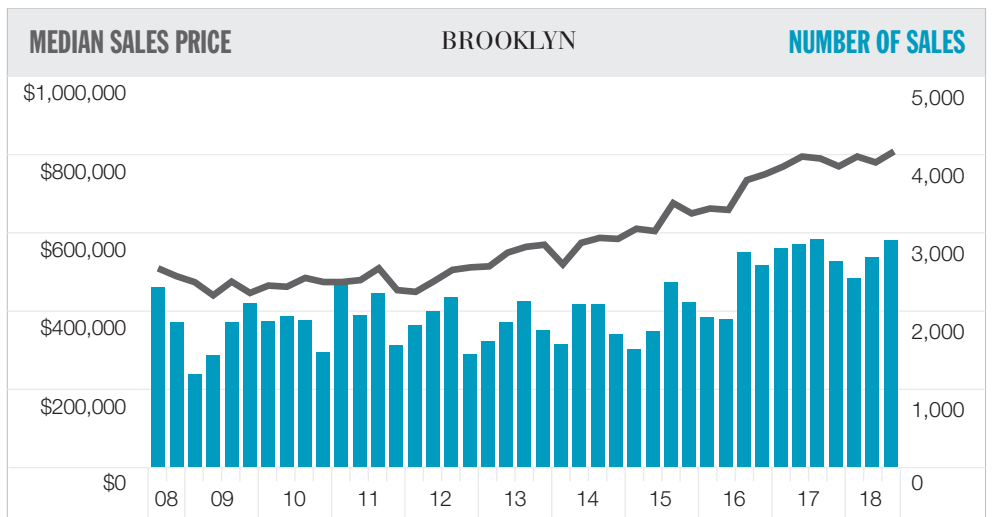
Listing Discount

0.9%

- Median and average sales price broke the \$800,000 and \$1 million thresholds respectively
- Sales slipped year over year for the third consecutive quarter
- Listing inventory expanded year over year for the second consecutive quarter

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	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price	\$1,051,999	6.9%	\$984,047	7.2%	\$981,623
Median Sales Price	\$808,000	3.6%	\$780,000	2.3%	\$790,000
Number of Sales	2,898	8.0%	2,683	-0.5%	2,914
Days on Market (From Last List Date)	80	-25.2%	107	-5.9%	85
Listing Discount (From Last List Price)	4.3%		2.6%		3.4%
Listing Inventory	3,151	17.8%	2,675	72.6%	1,826
Absorption Rate (mos)	3.3	10.0%	3.0	73.7%	1.9
Year-to-Date	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price (YTD)	\$1,008,098	N/A	N/A	1.7%	\$990,986
Median Sales Price (YTD)	\$799,000	N/A	N/A	1.8%	\$785,000
Number of Sales (YTD)	7,992	N/A	N/A	-6.6%	8,559



The Brooklyn housing market continued to be the regional outlier with record prices and the fastest pace. As the Brooklyn market continues to reinvent itself over the past five years, there is no standard of comparison with historical trends. The average sales price not only reached a new record of \$1,051,999 but it was the first time the price trend indicator broke through the \$1 million threshold. Average sales price rose 7.2% to \$1,051,999 from the year-ago quarter. Median sales price reflected the same pattern, setting a new record of \$808,000 and exceeded the \$800,000 threshold for the first time. Median sales price rose 2.3% to \$808,000 from

the year-ago quarter, and it also set new records in six of the past nine quarters. Within the three property types, the condo market was the only one to see a year over year decline in median sales price. The median sales price of a condo was \$880,000, down 0.9% while the median sales price of a co-op rose 11.9% to a record \$475,500 and the median sales price of a 1-3 family increased 5.9% to a record \$910,000. Luxury median sales price, representing the top 10% of all sales, was unchanged at \$2,500,000 which was reached in the year-ago quarter. The entry-threshold for the luxury market, was \$1,850,000, down 2% from the same period last

year. On a regional basis, all submarkets saw a year over year rise in median sales price and all but the Northwest region reached new records: North, \$1,177,500 up 18.2%; South, \$680,000 up 5%; East, \$800,000 up 8.1%; Northwest, \$1,250,000 up 13.6%; Brownstone, \$2,750,000 up 12.2%. The market share of bidding wars, defined as sales where the purchase price was above the listing price at the time of the contract, fell 3.2% to a 21.6% share over the same period. The number of sales declined year over year

for the third straight quarter, down 0.5% to 2,898. The decline in sales was found below the \$1 million threshold, helping skew overall price trends higher. This decline in sales trend formed after ten consecutive quarterly year over year increases. The pronounced rise in listing inventory came after the market reached a record low point. There were 3,151 listings in the third quarter, up 72.6% from the 1,826 then record low reached in the same period last year. The absorption rate, the number of months to

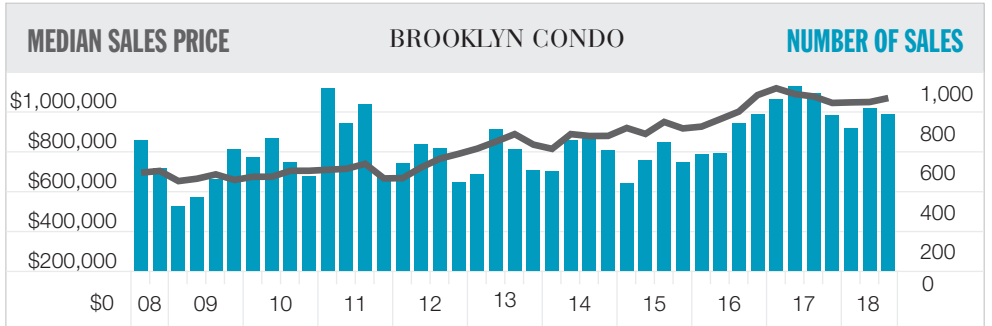
sell all listing inventory at the current rate of sales, was 3.3 months, slower than the record low of 1.9 months in the year-ago quarter. Despite the slower results, the borough's market pace remained the fastest in New York City. Also, the average days on market, the number of days from the last price change to the contract date, slipped 5.9% to 80 days. Listing discount, the percentage change from the last list price to the contract price, rose to 4.3% from 3.4% in the prior-year quarter.

## CONDOS

- The number of sales declined year over year for the fourth consecutive quarter
- Price trend indicators showed mixed year over year results
- Sales declined as listing inventory expanded creating a slowing but still rapid pace.

Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$1,850,000	0.2%
4/5	\$1,265,800	6.4%
3/5	\$880,000	-0.9%
2/5	\$670,000	-4.3%
1/5	\$449,200	-5.6%

Condo Market Matrix	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price	\$1,116,516	1.5%	\$1,100,282	3.2%	\$1,082,398
Average Price Per Sq Ft	\$1,144	11.0%	\$1,031	7.5%	\$1,064
Median Sales Price	\$880,000	2.3%	\$860,000	-0.9%	\$888,000
Number of Sales	793	-3.6%	823	-11.6%	897
Days on Market (From Last List Date)	92	-20.0%	115	-13.2%	106
Listing Discount (From Last List Price)	6.2%		1.9%		5.0%
Listing Inventory	802	3.8%	773	10.8%	724
Absorption Rate (Mos)	3.0	7.1%	2.8	25.0%	2.4

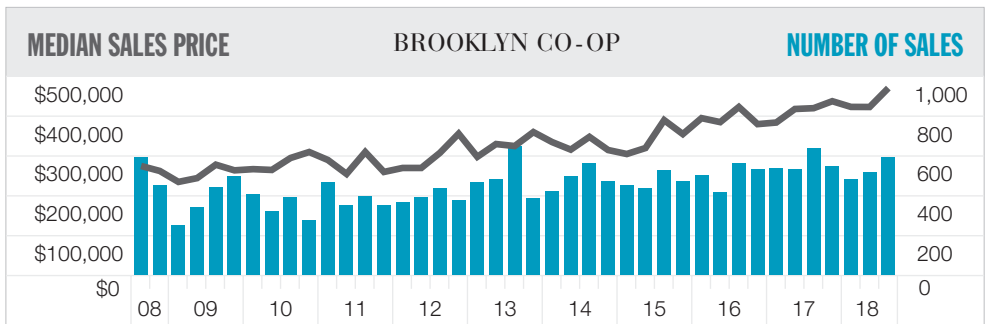


## CO-OPS

- Average and median sales price sent new records
- Listing inventory jumped as sales declined
- More negotiability but within a shorter marketing time

Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$1,206,300	8.4%
4/5	\$715,000	8.3%
3/5	\$475,500	11.9%
2/5	\$325,000	8.3%
1/5	\$209,100	10.1%

Co-op Market Matrix	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price	\$622,021	10.3%	\$563,709	10.6%	\$562,410
Median Sales Price	\$475,500	11.1%	\$428,000	11.9%	\$425,000
Number of Sales	592	14.5%	517	-7.4%	639
Days on Market (From Last List Date)	59	-42.2%	102	-14.5%	69
Listing Discount (From Last List Price)	2.2%		-0.3%		0.7%
Listing Inventory	429	7.8%	398	13.8%	377
Absorption Rate (Mos)	2.2	-4.3%	2.3	22.2%	1.8

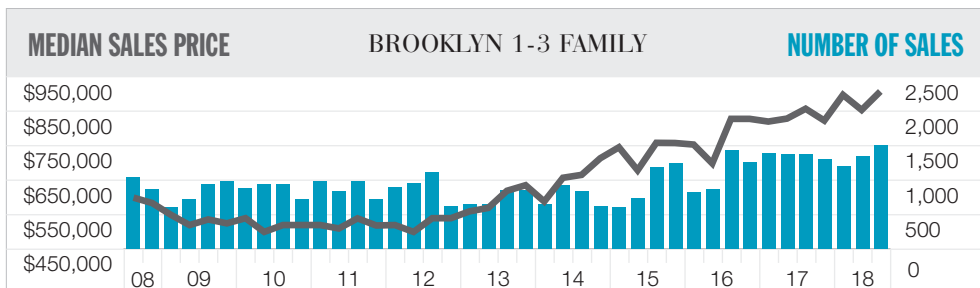


# 1-3 FAMILY

- Average and median sales price reached new records
- The rise in listing inventory outpaced the increase in sales
- Marketing time edged higher with less negotiability

1-3 Family Market Matrix	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price	\$1,186,423	10.4%	\$1,074,630	6.8%	\$1,110,419
Average Price Per Sq Ft	\$631	10.5%	\$571	22.8%	\$514
Median Sales Price	\$910,000	6.3%	\$856,000	5.9%	\$859,500
Number of Sales	1,513	12.7%	1,343	9.8%	1,378
Days on Market (From Last List Date)	83	-10.8%	93	9.2%	76
Listing Discount (From Last List Price)	2.9%		6.1%		3.3%
Listing Inventory	1,920	27.7%	1,504	164.8%	725
Absorption Rate (Mos)	3.8	11.8%	3.4	137.5%	1.6

Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$2,187,600	4.2%
4/5	\$1,313,500	9.5%
3/5	\$910,000	5.9%
2/5	\$680,300	4.8%
1/5	\$430,400	7.6%



## Brooklyn Market by LOCATION

### NORTH

- Price trend indicators and average sales size moved higher
- Marketing time and sales fell sharply

North Market Matrix	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price	\$1,365,524	2.2%	\$1,336,318	13.1%	\$1,207,138
Average Price Per Sq Ft	\$960	-16.4%	\$1,148	3.0%	\$932
Condo	\$991	-14.9%	\$1,165	1.3%	\$978
Median Sales Price	\$1,177,500	13.5%	\$1,037,500	18.2%	\$996,443
Number of Sales	190	-8.7%	208	-32.6%	282

### SOUTH

- Price trend indicators set new records as sales increased
- Marketing time and negotiability continued to tighten

South Market Matrix	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price	\$792,745	2.8%	\$771,172	6.0%	\$747,838
Median Sales Price	\$680,000	5.8%	\$642,500	5.0%	\$647,794
Condo	\$645,749	0.4%	\$643,481	5.0%	\$615,000
Co-op	\$319,000	0.3%	\$318,000	6.3%	\$300,000
1-3 Family	\$840,000	3.1%	\$815,000	1.8%	\$825,500
Number of Sales	1,456	6.3%	1,370	2.1%	1,426

### EAST

- Price trend indicators set new records
- Number of sales rose and marketing time declined

East Market Matrix	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price	\$963,632	14.6%	\$841,000	15.6%	\$833,756
Median Sales Price	\$800,000	3.2%	\$775,000	8.1%	\$740,000
Condo	\$662,500	-11.7%	\$750,000	-16.1%	\$790,000
1-3 Family	\$800,000	3.2%	\$775,000	10.2%	\$726,000
Number of Sales	601	4.5%	575	16.9%	514

### NORTHWEST

- Price trend indicators continued to rise as sales declined
- Marketing time and negotiability continued to ease

Northwest Market Matrix	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price	\$1,621,910	4.6%	\$1,551,253	9.5%	\$1,481,311
Median Sales Price	\$1,250,000	6.1%	\$1,178,300	13.6%	\$1,100,000
Condo	\$1,360,000	5.8%	\$1,284,897	13.3%	\$1,200,000
Co-op	\$799,000	8.0%	\$740,000	5.5%	\$757,000
1-3 Family	\$2,750,000	14.6%	\$2,400,000	12.2%	\$2,450,000
Number of Sales	651	22.8%	530	-5.9%	692

### BROWNSTONE

- Price trend indicators continued to rise across property types
- Number of sales declined as marketing time expanded

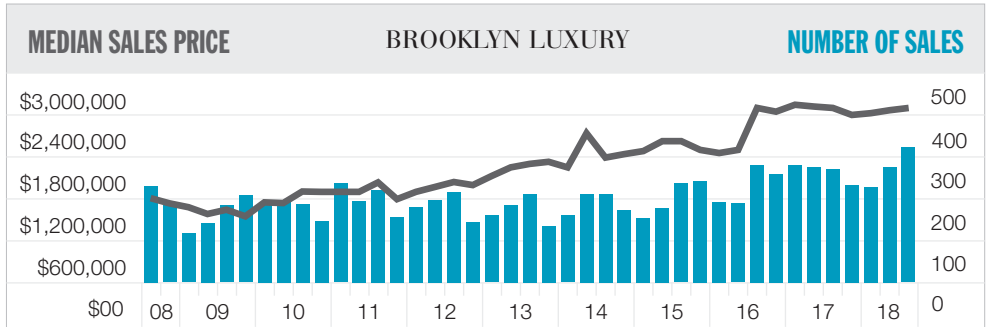
Brownstone Market Matrix	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price	\$2,999,601	13.5%	\$2,643,898	11.2%	\$2,697,561
Average Price Per Sq Ft	\$1,707	53.8%	\$1,110	59.5%	\$1,070
Median Sales Price	\$2,750,000	14.6%	\$2,400,000	12.2%	\$2,450,000
1-Family	\$3,525,000	9.7%	\$3,212,500	31.8%	\$2,675,000
2-Family	\$2,350,000	-1.6%	\$2,387,500	2.2%	\$2,300,000
3-Family	\$2,628,750	14.3%	\$2,300,000	9.5%	\$2,400,000
Number of Sales	104	23.8%	84	-19.4%	129

## LUXURY

- Median sales unchanged as average sales price edged higher
- Marketing time edged higher as listing inventory jumped
- Luxury entry threshold slipped for the third straight quarter

Luxury Mix	Luxury Sales Share	Median Sales Price
Condo	25.1%	\$2,382,500
Co-op	5.6%	\$2,487,500
1-3 Family	69.3%	\$2,508,698

Luxury Market Matrix	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price	\$2,928,380	3.6%	\$2,826,029	1.3%	\$2,891,877
Median Sales Price	\$2,500,000	1.3%	\$2,467,500	0.0%	\$2,500,000
Number of Sales	323	17.0%	276	19.2%	271
Days on Market (From Last List Date)	109	-0.9%	110	0.9%	108
Listing Discount (From Last List Price)	8.2%		4.2%		4.5%
Listing Inventory	238	-12.5%	272	15.5%	206
Absorption Rate (Mos)	2.2	-26.7%	3.0	-4.3%	2.3
Entry-Price Threshold	\$1,850,000	0.5%	\$1,840,000	-2.0%	\$1,888,000

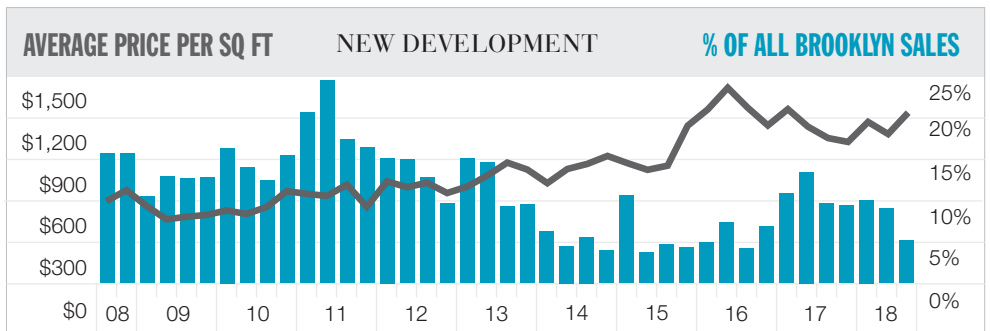


## NEW DEVELOPMENT Condos

- Price trend indicators remained mixed as sales declined
- The shift to smaller average sales size continued
- Listing inventory and marketing time slipped

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	Q3-2018	%Δ (QTR)	Q2-2018	%Δ (YR)	Q3-2017
Average Sales Price	\$1,210,357	0.0%	\$1,209,911	1.4%	\$1,193,471
Average Price Per Sq Ft	\$1,240	14.2%	\$1,086	17.3%	\$1,057
Median Sales Price	\$905,783	1.8%	\$890,000	-1.0%	\$915,000
Number of Sales	152	-41.8%	261	-46.3%	283
Days on Market (From Last List Date)	210	22.8%	171	-5.4%	222
Listing Discount (From Last List Price)	17.8%		2.4%		10.7%
Listing Inventory	114	-12.3%	130	-11.6%	129
Absorption Rate (Mos)	2.3	53.3%	1.5	64.3%	1.4
Sales Share of All Condos	19.2%		31.7%		31.5%



### 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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