

ELLI MAN REPORT

Q2 2019

MANHATTAN SALES

Quarterly Survey of
Co-op & Condo Sales

CO-OPS & CONDOS DASHBOARD

year-over-year

PRICES

Median Sales Price

10.5%

PACE

Months of Supply

0.3 mos

SALES

Closed Sales

12.5%

INVENTORY

Total Inventory

8.2%

MARKETING TIME

Days on Market

11 days

NEGOTIABILITY

Listing Discount

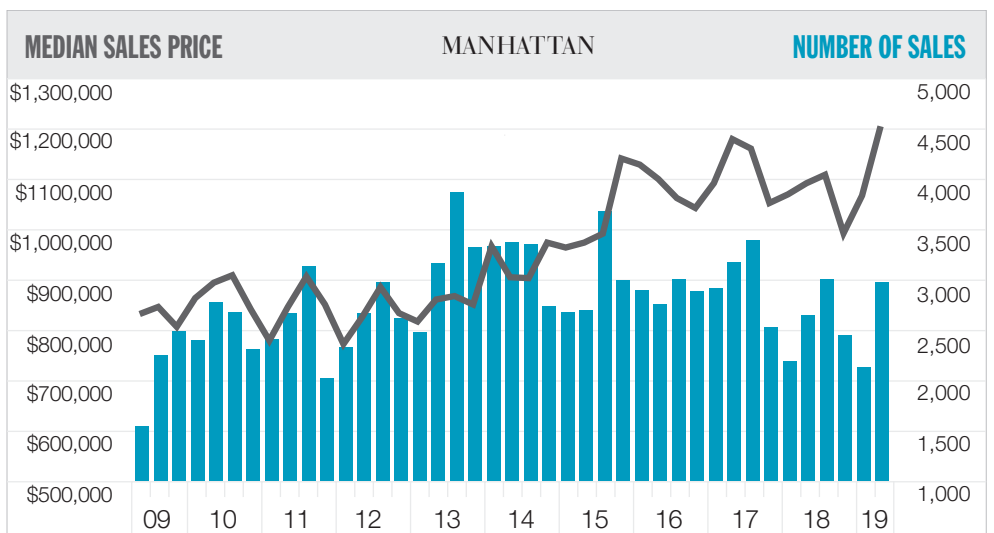
1.8%

- Sales increased year over year for the first time after six quarters of declines
- Listing inventory rose annually for the seventh consecutive quarter
- Overall price trend indicators moved higher as median sales price set a new record

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	Q2-2019	%Δ (qtr)	Q1-2019	%Δ (yr)	Q2-2018
Average Sales Price	\$2,095,734	-1.1%	\$2,118,780	0.2%	\$2,090,567
Average Price per Sq Ft	\$1,762	-0.4%	\$1,769	1.7%	\$1,733
Median Sales Price	\$1,215,000	13.0%	\$1,075,000	10.5%	\$1,100,000
New Development	\$2,446,647	-15.6%	\$2,899,189	-8.5%	\$2,673,182
Re-sale	\$995,000	-0.3%	\$997,750	1.5%	\$980,000
Number of Sales (Closed)	2,957	39.4%	2,121	12.5%	2,629
Days on Market (From Last List Date)	114	15.2%	99	10.7%	103
Listing Discount (From Last List Price)	5.9%		6.9%		4.1%
Listing Inventory (Active)	7,558	13.3%	6,673	8.2%	6,985
Months of Supply	7.7	-18.1%	9.4	-3.8%	8.0

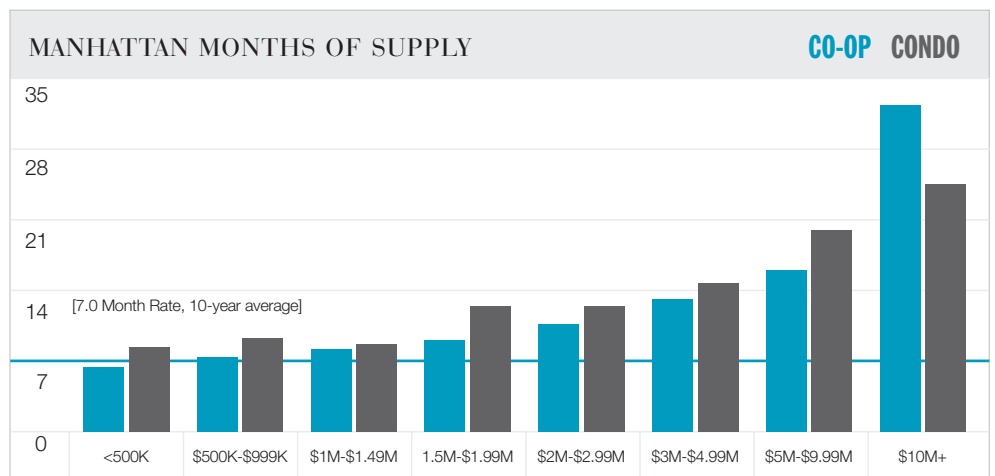
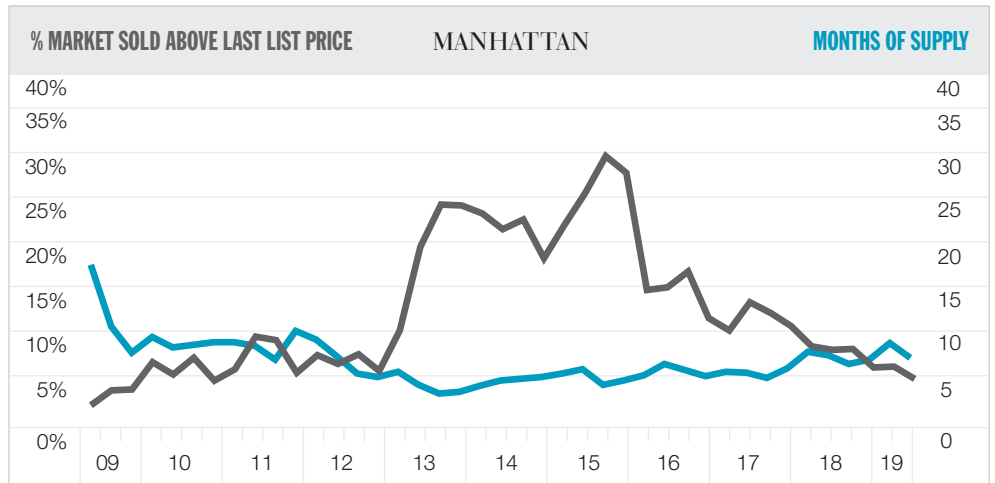
Year-to-Date	Q2-2019	%Δ (qtr)	Q1-2019	%Δ (yr)	Q2-2018
Average Sales Price (YTD)	\$2,105,360	N/A	\$2,118,780	4.3%	\$2,019,229
Average Price per Sq Ft (YTD)	\$1,765	N/A	\$1,769	2.8%	\$1,717
Median Sales Price (YTD)	\$1,150,000	N/A	\$1,075,000	5.5%	\$1,090,000
Number of Sales (YTD)	5,078	N/A	2,121	5.6%	4,809



After a six-quarter dry spell, the number of sales rose year over year due to a laundry list of factors but does not appear to indicate a complete reprieve from weaker market conditions since listing inventory continued to rise. The introduction of the new mansion and transfer taxes in the next quarter poached future closing volume from the third quarter into the second quarter. The higher level of sales in the second quarter was in stark contrast to the low level of activity last year

after the new federal tax law brought expanded uncertainty to the market by capping exemptions on property taxes and SALT. The seventy-five basis point drop in mortgage rates from the same period last year helped strengthen demand this spring. And finally, significant financial market volatility in the fourth quarter initially slowed sales activity. As volatility waned, there was an uptick of first quarter contracts resulting in subsequent closings in the second quarter. There were

2,957 sales in the second quarter, up 12.5% from the same period a year ago and up 6% from the 2,789 ten-year quarterly average. The most significant increase occurred in the new development segment that represented 18.6 percent of all closings in the quarter. New development sales surged 56.5% to 551 while resales increased 5.7% to 2,406 respectively from the year-ago quarter. After straddling the \$1 million threshold over the past four years, the median sales price rose 10.5% year over year to a new record of \$1,215,000. The jump in median sales price far exceeded the nominal 0.2% year over year increase in average sales price to \$2,095,734 and the 1.7% annual increase in average price per square foot to \$1,762 respectively over the same period. This pattern of gains in these price trend indicators was created due to the 37% surge in sales from \$2 million to \$5 million dollars as well as a 28.6% jump in sales from \$10 million to \$20 million, whose buyers were incentivized by the looming tax deadline at the start of July. Despite the increase in sales, listing inventory expanded 8.2% to 7,558 from the year-ago quarter, the seventh straight increase and 18.7% higher than the ten-year 6,369 quarterly average. Two-bedroom listing inventory rose 14.8%, more than double the annual rate of growth for all other size categories. Overall inventory remains well below the 2009 peak of 10,445 average in 2009. As a result of rising listing inventory, the number of bidding wars, sales that closed above the last asking price, continued to fall. The market share of bidding wars was 5.7% in the second quarter, down from 9% in the prior year quarter and the lowest market share since the fourth quarter of 2010. With the increase in sales overpowering the rise of listing inventory, the months of supply declined this quarter. Months of supply, calculated as the number of months to sell all



active listing inventory at the current rate of sales, fell 3.8% year over year to 7.7 months and was 10% below the 7.0 quarterly average for the decade. "All cash" sales comprised 53.8% of total sales, down slightly from the year-ago record. The negotiability between buyers and sellers expanded as the seller continued to resolve their two-year disconnect from current market conditions. Listing discount, the percentage difference between

the list price at the time of sale and the sales price, rose to 5.9% from 4.1% in the prior-year quarter. Days on market, the average number of days to sell all apartments that closed during the quarter was 11 days slower, rising to 114 days from the year-ago quarter. The longer marketing time reflected the clearing of older listing inventory that closed during the quarter as their respective sellers continued to become more aware of market conditions.

RE-SALES

- The number of sales rose year over year for the third consecutive quarter
- Listing inventory expanded year over year for seventh consecutive quarters
- Average sales price set new record as other price trend indicators pressed higher

Re-Sales Market Matrix	Q2-2019	%Δ (QTR)	Q1-2019	%Δ (YR)	Q2-2018
Average Sales Price	\$1,731,855	3.3%	\$1,676,739	4.4%	\$1,658,563
Average Price per Sq Ft	\$1,529	3.2%	\$1,481	3.6%	\$1,476
Median Sales Price	\$995,000	-0.3%	\$997,750	1.5%	\$980,000
Number of Sales (Closed)	2,406	22.5%	1,964	5.7%	2,277
Days on Market (From Last List Date)	107	12.6%	95	13.8%	94
Listing Discount (From Last List Price)	6.3%		6.7%		4.5%
Listing Inventory (Active)	6,552	15.7%	5,662	10.0%	5,956
Months of Supply	8.2	-4.7%	8.6	5.1%	7.8
Sales Share of Overall Market	81.4%		92.6%		86.6%

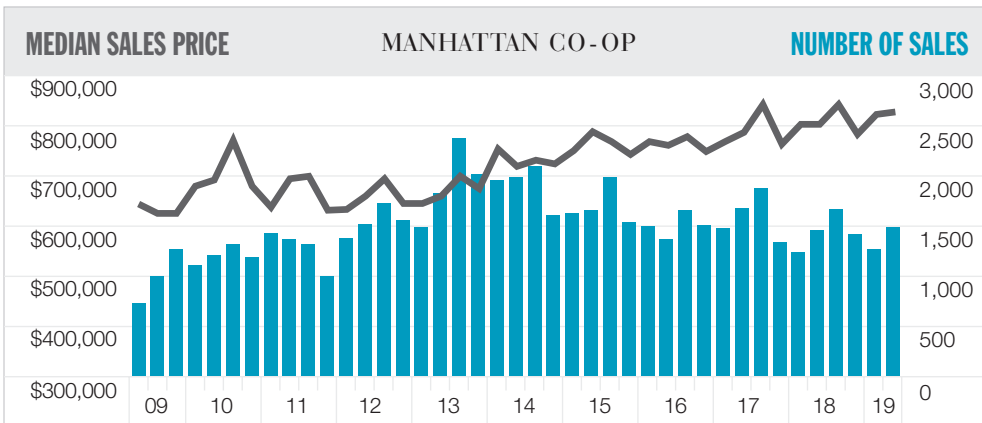
Note: This sub-category analyzes all co-op & condo re-sales available. The data is also contained within the co-op & condo markets presented.

CO-OPS

- The number of sales expanded year over year for the third consecutive quarter
- Median sales price has not seen a year over year decline for twelve straight quarters
- Highest listing inventory total in six years and exceeded the ten year quarterly average

Co-op Mix	Sales Share	Median Sales Price
Studio	15.4%	\$425,000
1 bedroom	42.4%	\$720,000
2 bedroom	27.3%	\$1,300,000
3 bedroom	11.6%	\$2,335,000
4+ bedroom	3.3%	\$4,999,000

Co-op Market Matrix	Q2-2019	%Δ (QTR)	Q1-2019	%Δ (YR)	Q2-2018
Average Sales Price	\$1,358,596	5.6%	\$1,287,040	-1.6%	\$1,380,512
Average Price Per Sq Ft	\$1,339	7.7%	\$1,243	1.5%	\$1,319
Median Sales Price	\$835,000	0.6%	\$830,000	3.1%	\$810,000
Number of Sales	1,482	17.2%	1,265	1.9%	1,455
Days on Market (From Last List Date)	100	11.1%	90	11.1%	90
Listing Discount (From Last List Price)	6.8%		5.7%		4.6%
Listing Inventory (Active)	3,648	15.3%	3,165	12.2%	3,251
Months of Supply	7.4	-1.3%	7.5	10.4%	6.7

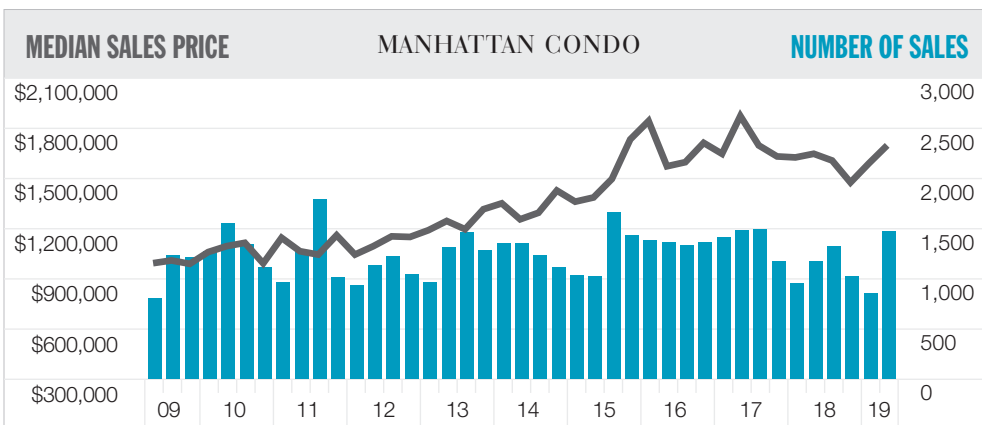


CONDOS

- After six consecutive quarters of annual declines, sales rose the most in three years
- New development price per square foot declined as resale price per square foot increased
- Median sales price increased year over year for the first time in seven quarters

Condo Mix	Sales Share	Median Sales Price
Studio	8.7%	\$584,000
1 bedroom	38.0%	\$1,150,148
2 bedroom	32.6%	\$2,160,000
3 bedroom	14.0%	\$3,842,500
4+ bedroom	6.8%	\$8,287,500

Condo Market Matrix	Q2-2019	%Δ (QTR)	Q1-2019	%Δ (YR)	Q2-2018
Average Sales Price	\$2,836,370	-15.3%	\$3,347,929	-4.5%	\$2,970,576
Average Price Per Sq Ft	\$2,077	-10.9%	\$2,331	-1.8%	\$2,115
Median Sales Price	\$1,700,000	6.8%	\$1,592,500	3.0%	\$1,650,000
Number of Sales	1,475	72.3%	856	25.6%	1,174
Days on Market (From Last List Date)	132	13.8%	116	9.1%	121
Listing Discount (From Last List Price)	5.3%		8.2%		3.7%
Listing Inventory (Active)	3,910	11.5%	3,508	4.7%	3,734
Months of Supply	8.0	-35.0%	12.3	-15.8%	9.5

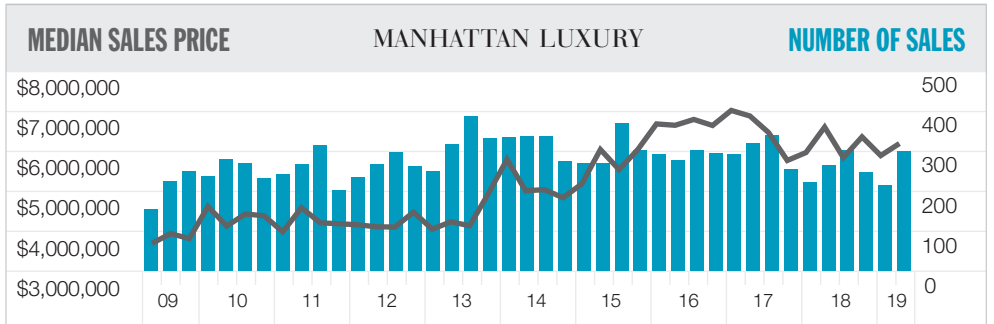


LUXURY

- The number of sales at or above \$10 million rose sharply from year-ago levels
- All price trend indicators declined, skewed lower by the shift in mix to smaller sized sales
- Average marketing time and negotiability fell from year-ago levels

Luxury Mix	Sales Share	Median Sales Price
Co-ops	50.2%	\$4,047,500
Condos	49.8%	\$11,416,304
New Dev.	43.8%	\$6,036,982
Re-sales	56.2%	\$5,700,000

Luxury Market Matrix	Q2-2019	%Δ (QTR)	Q1-2019	%Δ (YR)	Q2-2018
Average Sales Price	\$8,592,749	-15.1%	\$10,120,384	-7.6%	\$9,299,635
Average Price per Sq Ft	\$2,892	-12.5%	\$3,306	-0.2%	\$2,899
Median Sales Price	\$6,150,000	5.1%	\$5,850,000	-6.2%	\$6,559,312
Number of Sales (Closed)	297	39.4%	213	12.9%	263
Days on Market (From Last List Date)	153	-16.8%	184	-16.8%	184
Listing Discount (From Last List Price)	4.6%		8.8%		5.3%
Listing Inventory (Active)	1,381	-0.5%	1,388	1.3%	1,363
Months of Supply	13.9	-28.7%	19.5	-10.3%	15.5
Entry Threshold	\$4,300,000	12.4%	\$3,825,000	0.7%	\$4,271,558

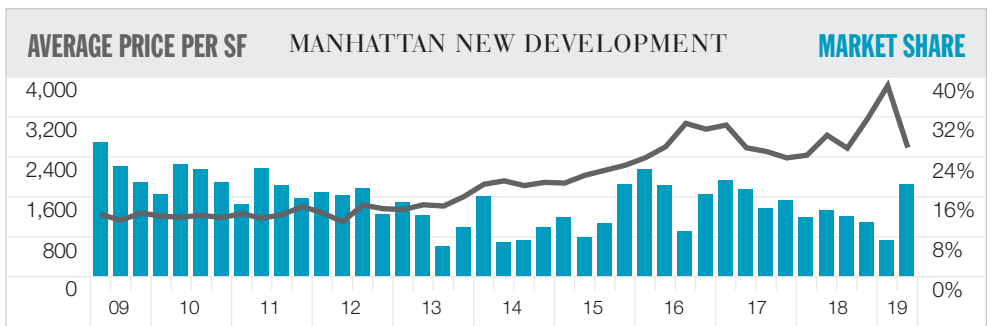


NEW DEVELOPMENT

- First year over year increase in the number of sales in nearly two years
- Largest market share of new development closings in more than two years
- Smallest average sales square footage in six years

New Dev. Mix	Sales Share	YOY% Sales Change
< \$1M	9.6%	-10.2%
\$1M - \$3M	52.1%	111.0%
> \$3M	38.3%	34.4%

New Development Market Matrix	Q2-2019	%Δ (QTR)	Q1-2019	%Δ (YR)	Q2-2018
Average Sales Price	\$3,684,650	-51.8%	\$7,648,521	-24.6%	\$4,885,097
Average Price per Sq Ft	\$2,559	-32.4%	\$3,786	-8.7%	\$2,804
Median Sales Price	\$2,446,647	-15.6%	\$2,899,189	-8.5%	\$2,673,182
Number of Sales (Closed)	551	251.0%	157	56.5%	352
Days on Market (From Last List Date)	189	-23.2%	246	-2.6%	194
Listing Discount (From Last List Price)	4.1%		8.8%		2.1%
Listing Inventory (Active)	1,006	-0.5%	1,011	-2.2%	1,029
Months of Supply	5.5	-71.5%	19.3	-37.5%	8.8
Sales Share of Overall Market	18.6%		7.4%		13.4%



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Report Methodology:

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