



ELLIMAN REPORT

MANHATTAN

Rental prices continued to press higher for 26th consecutive month

The Manhattan median rental price increased by 1.8% to \$3,150 from the same month last year. The last time this metric posted a decline was in June 2011, resulting in an unprecedented 26-month run. The average rental price increased 7.8% to \$3,860 over the same period. Concessions from landlords continue to be rare with only 2.5% of all new rentals having some form of rewards, averaging the equivalent of 1 month of free rent.

The number of new rentals expanded as tenants resisted rent increases at renewal

There were 4,837 new rentals during the month, 44.9% more than the same period last year. The rise in new rentals suggested a drop in the rate of lease renewals as tenants continued to push back against rising rents. Inventory expanded by 5.6% over the same period as the resistance to lease renewals placed more properties on the market for a short period of time (i.e. market churn), consistent with the rise in vacancy rates.

Vacancy rate edged higher from later push into summer

The Manhattan vacancy rate increased to 2.56% from 2.05% in the same period last year. The vacancy rate has returned to a more normal seasonal pattern after last year's torrid rental price growth threw year-over-year comparisons out of sync.

Manhattan Rental Market	AUG-13	%Chg (mo)	JUL-13	%Chg (yr)	AUG-12
Average Rental Price	\$3,860	1.0%	\$3,822	7.8%	\$3,582
Rental Price per Square Foot	\$51.01	0.6%	\$50.73	-3.8%	\$53.02
Median Rental Price	\$3,150	3.6%	\$3,042	1.8%	\$3,095
Number of New Rentals	4,837	5.0%	4,605	44.9%	3,338
Days on Market (From Original List Date)	45	7.1%	42	25.0%	36
Listing Discount (From Original List Price)	3.5%		3.0%		1.8%
Listing Inventory	5,702	-4.2%	5,952	5.6%	5,400

(Face Rent)

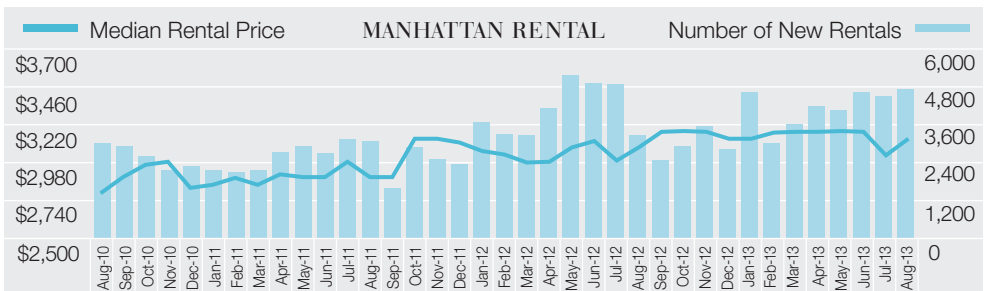
Manhattan Rental w/Concessions	AUG-13	%Chg (mo)	JUL-13	%Chg (yr)	AUG-12
Average Rental Price	\$3,852	1.0%	\$3,812	7.4%	\$3,586
Rental Price per Square Foot	\$50.90	0.6%	\$50.60	-4.1%	\$53.09
Median Rental Price	\$3,143	3.6%	\$3,034	1.4%	\$3,099
Number of New Rentals w/Concessions (%)	2.5%		3.1%		1.2%
Free Rent/Owner Paid (Mos)	1.0	0.0%	1.0	25.0%	0.8

(Net Effective Rent)

Manhattan Vacancy Rate	AUG-13	JUL-13	AUG-12
Manhattan	2.56%	1.94%	2.05%
Downtown	2.43%	1.32%	1.78%
East Side	4.05%	2.25%	2.30%
West Side	2.09%	2.35%	2.48%
Uptown	1.15%	2.66%	1.86%

Manhattan Median Rental Price by Property Type	AUG-13	%Chg (mo)	JUL-13	%Chg (yr)	AUG-12
Dooman	\$3,571	-0.7%	\$3,595	5.0%	\$3,400
Non-Dooman	\$2,726	4.4%	\$2,612	4.8%	\$2,600
Loft	\$4,943	-0.5%	\$4,966	27.2%	\$3,885
Luxury [Top 10%]	\$7,695	-8.5%	\$8,412	8.2%	\$7,113
Super-Luxury [Top 5%]	\$10,827	-5.9%	\$11,500	27.5%	\$8,495
New Development	\$4,707	-7.2%	\$5,070	23.9%	\$3,798

(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

- The number of new rentals were up sharply from last year** There were 2,176 new rentals during August, up 54.8% from the same month last year. Studios, 1- and 2-bedrooms posted similar year-over-year gains of 43.7%, 58.7% and 48.9% respectively. The 3-bedroom market more than doubled with a 109.5% increase.

- Median rental price remained stable in most market segments** Median rental price edged 0.7% higher to \$3,346 from the same month last year. The studio, 1- and 2-bedroom markets that represent 91.9% of the downtown rental market activity during the month remained essentially unchanged from the prior year levels. The 3-bedroom market increased 10% to \$5,500 over the same period.

- The Downtown vacancy rate edged higher** The vacancy rate expanded to 2.56% from 2.05% in the same month last year.

Downtown Studio	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$2,907	10.8%	\$2,623	6.3%	\$2,734
Rental Price per Square Foot	\$58.87	6.0%	\$55.56	1.5%	\$58.00
Median Rental Price	\$2,542	1.9%	\$2,495	1.7%	\$2,500
Number of New Rentals	641	20.3%	533	43.7%	446

Downtown 1-Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$3,636	2.4%	\$3,551	-2.8%	\$3,740
Rental Price per Square Foot	\$56.44	2.2%	\$55.21	-8.3%	\$61.55
Median Rental Price	\$3,400	1.1%	\$3,364	-1.4%	\$3,450
Number of New Rentals	887	6.6%	832	58.7%	559

Downtown 2-Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$5,076	-3.3%	\$5,247	0.9%	\$5,033
Rental Price per Square Foot	\$49.30	-2.2%	\$50.43	-9.8%	\$54.68
Median Rental Price	\$4,550	0.0%	\$4,550	1.1%	\$4,500
Number of New Rentals	472	-3.9%	491	48.9%	317

Downtown 3+ Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$8,256	4.8%	\$7,877	37.6%	\$6,002
Rental Price per Square Foot	\$46.14	-0.5%	\$46.39	-12.3%	\$52.60
Median Rental Price	\$5,500	4.8%	\$5,250	10.0%	\$5,000
Number of New Rentals	176	12.1%	157	109.5%	84

EAST SIDE

- A large gain in number of new rentals** There were 1,305 new rentals during the month, 38.1% more compared to the same month last year. All size categories posted double digit increases from the same period last year; studios increased by 30%; 1-bedrooms increased by 34.4%; 2-bedrooms increased by 68.8% and 3-bedrooms increased 17.6%.

- Modest rise in rental price in most categories** Median rental price expanded by 3.6% to \$2,895 compared to the same month last year. The 1-bedroom market showed the least significant gain rising only by 0.5% to \$3,013, while the 3-bedroom market posted the largest gain, rising by 14.4% to \$7,132.

- The East Side rental vacancy rate surged** The vacancy rate jumped to 4.05% from 2.3% in the same month last year, posting a 1.75% increase.

East Side Studio	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$2,322	2.0%	\$2,277	3.7%	\$2,239
Rental Price per Square Foot	\$48.22	-8.6%	\$52.73	-5.8%	\$51.21
Median Rental Price	\$2,165	-1.0%	\$2,186	5.6%	\$2,050
Number of New Rentals	360	11.5%	323	30.0%	277

East Side 1-Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$3,199	2.7%	\$3,116	3.0%	\$3,107
Rental Price per Square Foot	\$51.66	1.3%	\$51.02	1.2%	\$51.03
Median Rental Price	\$3,013	4.1%	\$2,895	0.5%	\$2,998
Number of New Rentals	578	4.0%	556	34.4%	430

East Side 2-Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$5,018	-2.4%	\$5,140	8.7%	\$4,615
Rental Price per Square Foot	\$52.58	1.7%	\$51.68	9.4%	\$48.06
Median Rental Price	\$4,566	1.5%	\$4,500	6.3%	\$4,295
Number of New Rentals	287	21.1%	237	68.8%	170

East Side 3+ Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$10,652	-2.7%	\$10,952	25.9%	\$8,463
Rental Price per Square Foot	\$65.24	2.8%	\$63.45	20.2%	\$54.29
Median Rental Price	\$7,132	-15.0%	\$8,395	14.4%	\$6,233
Number of New Rentals	80	-12.1%	91	17.6%	68

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

- The number of new rentals jumped across the market** All size categories showed double digit gains from prior year levels. The overall number of new rentals in the area rose by 46.3% over the same period due to large gains in the larger sized apartment category. Studios, 1-, 2- and 3-bedrooms increased 24.7%, 46.3%, 58.3% and 73.5% respectively.
- Rental prices were largely stable** Median rental price was \$3,300, unchanged from the same month last year. While the 3-bedroom market jumped 24.2% from the prior year levels, the rest of the market remained largely unchanged over the same period. Studios slipped by 4%, 1-bedrooms decreased by 1.6% and 2-bedrooms rose by 1.1% from the prior year levels.
- The West Side vacancy rate slipped** The vacancy rate declined by 0.39% to 2.09% from 2.48% in the same period last year.

West Side Studio	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$2,356	4.7%	\$2,250	-7.6%	\$2,550
Rental Price per Square Foot	\$36.44	-36.1%	\$57.07	-41.7%	\$62.49
Median Rental Price	\$2,300	3.7%	\$2,217	-4.0%	\$2,395
Number of New Rentals	187	-16.5%	224	24.7%	150

West Side 1-Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$3,279	5.0%	\$3,122	-4.0%	\$3,414
Rental Price per Square Foot	\$54.95	5.5%	\$52.11	-5.8%	\$58.31
Median Rental Price	\$3,248	6.8%	\$3,042	-1.6%	\$3,300
Number of New Rentals	496	27.5%	389	46.3%	339

West Side 2-Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$4,943	1.8%	\$4,854	0.9%	\$4,901
Rental Price per Square Foot	\$53.10	-1.8%	\$54.06	-1.3%	\$53.82
Median Rental Price	\$4,600	2.8%	\$4,473	1.1%	\$4,550
Number of New Rentals	247	-5.7%	262	58.3%	156

West Side 3+ Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$8,087	3.2%	\$7,840	33.1%	\$6,075
Rental Price per Square Foot	\$56.25	1.4%	\$55.48	23.8%	\$45.43
Median Rental Price	\$6,335	2.5%	\$6,178	24.2%	\$5,100
Number of New Rentals	85	-22.0%	109	73.5%	49

UPTOWN

- Number of new rentals rose with studios and 3-bedrooms leading the way** There were 341 new rentals during the month, 16.4% more than in the same period last year. Large gains were seen in the studio and 3-bedroom markets, up 108.7% and 48.1% respectively. The 1-bedroom and 2-bedroom markets were essentially unchanged.
- Median price up overall with largest gains in the largest units** Median rental price increased by 13.5% to \$2,150 from the same month last year. The 2- and 3-bedroom market segments rose 19% and 12.6% respectively over the same period. Studios slipped by 3% and the 1-bedroom posted a 4.8% increase.
- Uptown vacancy rate tightened from prior year level** The vacancy rate fell 0.71% to 1.15% from the same month last year.

Uptown Studio	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$1,503	2.5%	\$1,467	-2.4%	\$1,540
Rental Price per Square Foot	\$37.06	-10.1%	\$41.22	-16.3%	\$44.28
Median Rental Price	\$1,406	-1.3%	\$1,425	-3.0%	\$1,450
Number of New Rentals	48	2.1%	47	108.7%	23

Uptown 1-Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$1,741	-5.2%	\$1,837	-4.4%	\$1,822
Rental Price per Square Foot	\$30.83	2.9%	\$29.97	-10.3%	\$34.38
Median Rental Price	\$1,625	-9.8%	\$1,801	4.8%	\$1,550
Number of New Rentals	97	-31.2%	141	1.0%	96

Uptown 2-Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$2,376	-0.6%	\$2,391	10.5%	\$2,150
Rental Price per Square Foot	\$31.22	-5.3%	\$32.98	5.8%	\$29.52
Median Rental Price	\$2,375	0.0%	\$2,376	19.0%	\$1,995
Number of New Rentals	119	-10.5%	133	-2.5%	122

Uptown 3+ Bedroom	AUG-13	%Chg (mo)	JUL-13	%Chg (YR)	AUG-12
Average Rental Price	\$3,333	1.8%	\$3,275	11.8%	\$2,982
Rental Price per Square Foot	\$29.91	6.7%	\$28.04	-9.4%	\$33.00
Median Rental Price	\$3,201	6.7%	\$3,000	12.6%	\$2,843
Number of New Rentals	77	-3.8%	80	48.1%	52

Brooklyn rental market by **SIZE**

BROOKLYN

- Highest median rental price in over five years** All rental price indicators showed year-over-year gains. Median rental price increased by 4.6% to \$2,850 from the same month last year, reaching record highs in over 5-year period. The year-over-year average gain of this price metric during this period was at 3.4%. Average rental price and average rental price per square foot both increased 3.6% and 6.9% respectively from the same period last year.

- The number of new rentals jumped as rental prices pushed toward new highs** After showing stability over the last several months, the number of new rentals surged as median price reached record highs in over 5-year period. There were 554 new rentals during the month, 166.3% more than in the same month last year.

- Days on market and listing discount fell as rents continued to press higher** The average days on market for apartments that rented during the month was 39, 3 days faster than the same period last month. Listing discount followed the same pattern, slipping to 5.5% from 6.4% over the same period.

- The 2-bedroom market showed largest year-over-year price gain** The 2-bedroom market that represents 35.2% of all rental activity, posted a 30.3% year-over-year increase in median rental price to \$3,257. Despite the large gain, median rental price fell by 4.2% from more than a 5-year high of \$3,400 set in the prior month.

Brooklyn Rental Market	AUG-13	%Chg (mo)	JUL-13	%Chg (yr)	AUG-12
Average Rental Price	\$3,109	2.4%	\$3,035	3.6%	\$3,002
Rental Price per Square Foot	\$37.12	-1.4%	\$37.66	6.9%	\$34.74
Median Rental Price	\$2,850	6.5%	\$2,675	4.6%	\$2,724
Number of New Rentals	554	41.0%	393	166.3%	208
Days on Market (From Original List Date)	39	8.3%	36	-7.1%	42
Listing Discount (From Original List Price)	5.5%		6.0%		6.4%

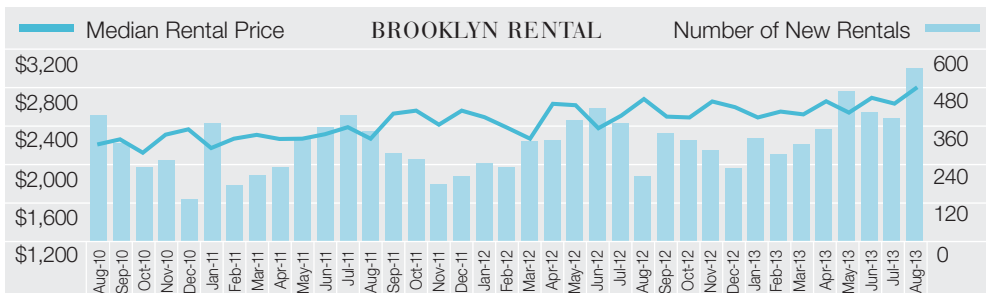
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Brooklyn Studio Rental Matrix	AUG-13	%Chg (mo)	JUL-13	%Chg (yr)	AUG-12
Average Rental Price	\$2,072	-3.0%	\$2,136	8.9%	\$1,902
Rental Price per Square Foot	\$35.67	4.1%	\$34.27	-13.2%	\$41.11
Median Rental Price	\$2,001	0.1%	\$2,000	19.5%	\$1,675
Number of New Rentals	81	35.0%	60	200.0%	27

Brooklyn 1-Bedroom Rental Matrix	AUG-13	%Chg (mo)	JUL-13	%Chg (yr)	AUG-12
Average Rental Price	\$2,633	5.2%	\$2,504	13.2%	\$2,325
Rental Price per Square Foot	\$42.24	4.5%	\$40.44	38.8%	\$30.44
Median Rental Price	\$2,550	4.3%	\$2,446	10.9%	\$2,300
Number of New Rentals	203	31.0%	155	174.3%	74

Brooklyn 2-Bedroom Rental Matrix	AUG-13	%Chg (mo)	JUL-13	%Chg (yr)	AUG-12
Average Rental Price	\$3,506	-1.3%	\$3,553	28.5%	\$2,728
Rental Price per Square Foot	\$37.17	-2.5%	\$38.14	24.7%	\$29.81
Median Rental Price	\$3,257	-4.2%	\$3,400	30.3%	\$2,500
Number of New Rentals	195	51.2%	129	146.8%	79

3+-Bedroom Rental Matrix	AUG-13	%Chg (mo)	JUL-13	%Chg (yr)	AUG-12
Average Rental Price	\$4,485	0.8%	\$4,449	18.3%	\$3,792
Rental Price per Square Foot	\$35.83	1.5%	\$35.29	24.7%	\$28.73
Median Rental Price	\$4,048	15.7%	\$3,500	10.1%	\$3,675
Number of New Rentals	75	53.1%	49	188.5%	26



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:

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