

# ELLI MAN

## REPORT

**4Q** 2015  
MANHATTAN SALES

Quarterly Survey of Co-op & Condo Sales

### CO-OPS & CONDOS DASHBOARD

year-over-year

#### PRICES

Median Sales Price

**17.3%**

#### PACE

Absorption Rate

**0.4<sub>mos</sub>**

#### SALES

Closed Sales

**9.4%**

#### INVENTORY

Total Inventory

**1.0%**

#### MARKETING TIME

Days on Market

**23<sub>days</sub>**

#### NEGOTIABILITY

Listing Discount

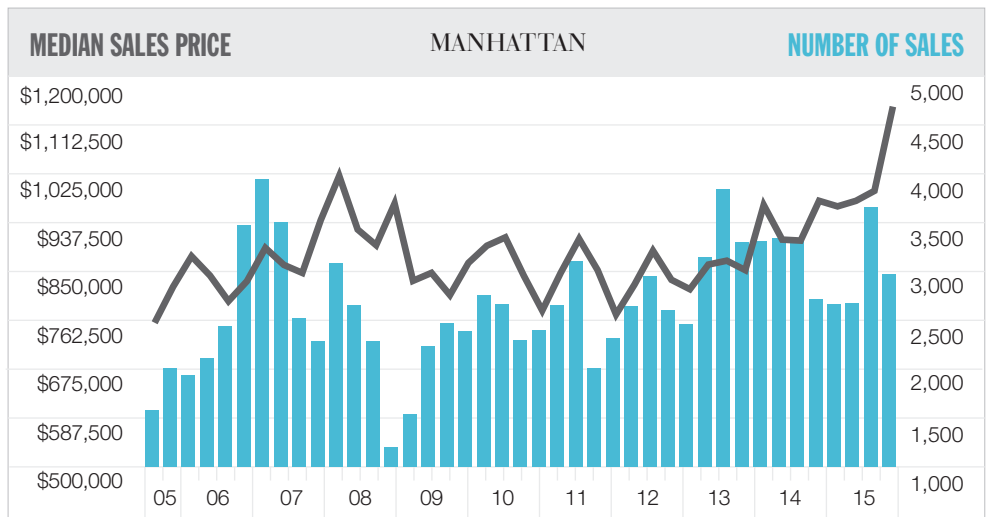
**0.6%**

- Median and average sales price, as well as price per square foot, reached highest levels recorded in 27 years
- Number of re-sales stabilized as new development closings surged
- Lowest market share of co-op sales in four years

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	4Q-2015	%Δ (qtr)	3Q-2015	%Δ (yr)	4Q-2014
Average Sales Price	\$1,948,221	12.1%	\$1,737,565	12.0%	\$1,740,158
Average Price per Sq Ft	\$1,645	9.9%	\$1,497	28.1%	\$1,284
Median Sales Price	\$1,150,000	15.2%	\$998,000	17.3%	\$980,000
New Development	\$2,059,411	0.5%	\$2,048,341	15.4%	\$1,785,000
Re-sale	\$960,000	3.6%	\$926,250	8.1%	\$888,000
Number of Sales (Closed)	2,973	-18.6%	3,654	9.4%	2,718
Days on Market (From Last List Date)	82	12.3%	73	-21.9%	105
Listing Discount (From Last List Price)	3.0%		2.2%		2.4%
Listing Inventory (Active)	5,046	-10.8%	5,654	1.0%	4,995
Absorption Rate (Months)	5.1	10.9%	4.6	-7.3%	5.5
Year-to-Date	4Q-2015	%Δ (qtr)	3Q-2015	%Δ (yr)	4Q-2014
Average Sales Price (YTD)	\$1,832,069	N/A	N/A	6.6%	\$1,718,531
Average Price per Sq Ft (YTD)	\$1,563	N/A	N/A	20.5%	\$1,297
Median Sales Price (YTD)	\$1,010,500	N/A	N/A	7.5%	\$940,000
Number of Sales (YTD)	11,962	N/A	N/A	-5.8%	12,695

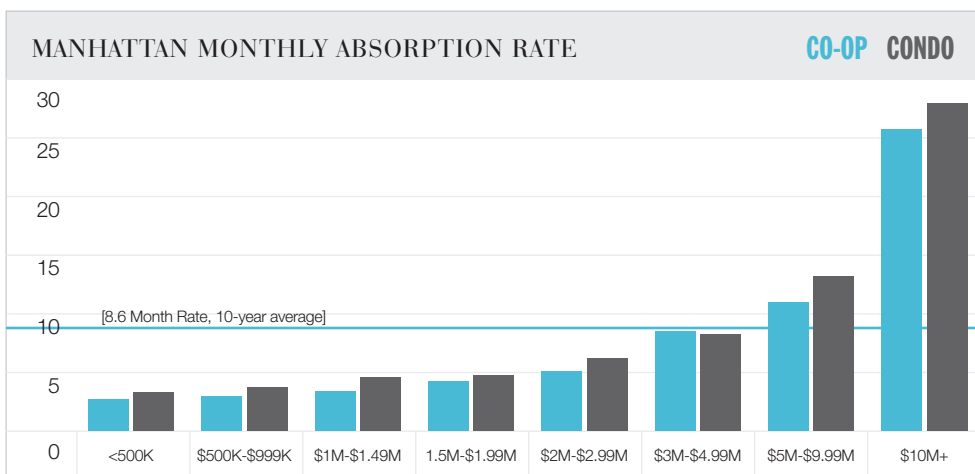
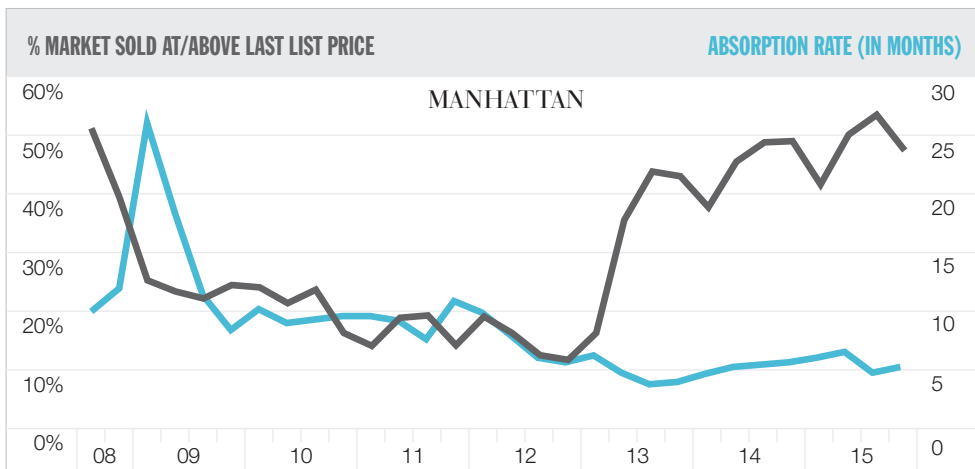
\*The pending sale and pending price indices are based on contract data collected during the normal course of business by Miller Samuel and Douglas Elliman.



Manhattan housing price indicators set records as overall sales levels remained high. After hovering just below the million-dollar threshold for the past year, median sales price broke through, surging 17.3% from the year ago quarter to a record \$1,150,000. Manhattan joined Brooklyn as the only boroughs to break the “pre-Lehman” high before the financial crisis began. The previous Manhattan median sales price record of \$1,025,000 was set in the second quarter of 2008.

Average sales price followed the same pattern rising 12% to a record \$1,948,221. Both records are reflective of a 27-year data series and were set by both higher re-sale and new development prices. Median sales price for re-sales increased 8.1% from the year ago quarter to \$960,000, second only to \$975,000 that was reached in the second quarter of 2008. Median sales price for new development jumped 15.4% to a record \$2,059,411. Luxury price indicators, reflecting

the top 10% of all sales, showed mixed results. However luxury median sales price surged 25% to \$6,000,000 from the year ago quarter. The sharp increase was largely attributable to the 78.6% jump in closings at or above \$5,000,000 and the increase in new development closings. However re-sale sales slipped 1% while new development closings more than doubled. Recent project completions resulted in the additional closings, keeping in mind that they generally reflect market conditions of 6 to 18 months ago. A similar market phenomenon occurred in 2006 when new development closings accounted for more than half of all closing activity. The fourth quarter market share of new development closings accounted for 18.6% of the market, up from 10% in the year ago quarter. With the high volume of sales contracts in the pipeline waiting for completion of construction, new development activity could nearly double over the next year. The heavy contract volume that is now closing was not reflected in surging sales market conditions of 2013-2014. Listing inventory edged 1% higher to 5,046 units with new development inventory falling sharply, offsetting rising resale inventory. For the second consecutive quarter, the amount of active new development listing inventory – which does not include units not yet formally offered by sponsors - was cut in half. This was likely an effort by developers to offset the expansion of new development product coming online over the next year. The overall absorption rate, the number of months to sell all inventory at the current rate of sales, shortened to a brisk 5.1 months from 5.5 months in the year ago quarter influenced by the reduction of active new development inventory entering the market. Despite that pattern, the absorption rate for re-sales continued to move at a torrid pace, averaging 5.3 months in the fourth quarter, well



below the 7.4 average of the past 8 years. Days on market, the average number of days to sell all apartments that closed during the quarter, fell by 23 days from the same period last year, to 82 days, the second fastest marketing period since 1998. Listing discount, the percentage difference between the list price at time of sale and the sales price, edged up to 3% from 2.4% in the prior year quarter, but below the 4.6% decade average. The market share of all sales that sold at or above the

last list price was 47.9%, short of the prior quarter record high of 53.9%. “Cash” transactions represented 47% of all sales to close in the fourth quarter, down from 51% in the year ago quarter but within the tight range seen over the past two years. The monthly carrying charges for co-ops and condos that closed during the fourth quarter slipped 6.2% to \$1.66 per square foot over the same period.

## LOFTS

- Price indicators moved higher, skewed by larger sized sales
- Number of sales and inventory continued to decline
- Marketing time and negotiability continued to tighten

Loft Market Matrix	4Q-2015	%Δ (QTR)	3Q-2015	%Δ (YR)	4Q-2014
Average Sales Price	\$2,767,962	2.0%	\$2,714,901	12.8%	\$2,453,492
Average Price per Sq Ft	\$1,794	2.8%	\$1,745	32.2%	\$1,357
Median Sales Price	\$1,947,500	-7.3%	\$2,100,000	5.3%	\$1,850,000
Number of Sales (Closed)	88	-17.8%	107	-48.5%	171
Days on Market (From Last List Date)	62	-33.3%	93	-42.1%	107
Listing Discount (From Last List Price)	2.9%		2.0%		5.7%
Listing Inventory (Active)	307	-21.1%	389	-5.5%	325
Absorption Rate (Months)	10.5	-3.7%	10.9	84.2%	5.7

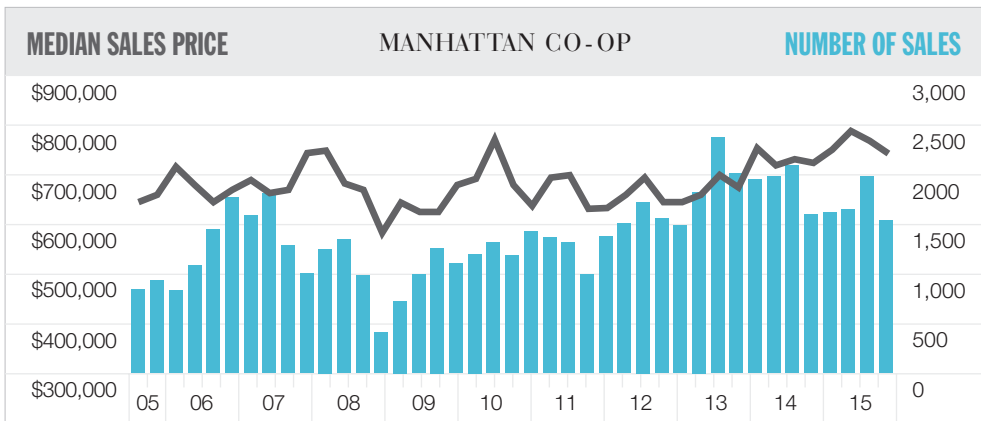
Note: This sub-category analyzes all co-op & condo loft sales available. The data is also contained within the co-op & condo markets presented.

# CO-OPS

- Median sales price edged higher as average sales price fell
- Listing inventory and number of sales continued to slip
- Days on market fell sharply as listing discount edged higher

Co-op Market Matrix	4Q-2015	%Δ (QTR)	3Q-2015	%Δ (YR)	4Q-2014
Average Sales Price	\$1,283,048	2.9%	\$1,246,435	-13.7%	\$1,487,047
Average Price Per Sq Ft	\$936	-21.3%	\$1,190	-14.7%	\$1,097
Median Sales Price	\$749,000	-3.4%	\$775,000	2.6%	\$730,000
Number of Sales	1,539	-22.5%	1,986	-4.0%	1,603
Days on Market (From Last List Date)	69	7.8%	64	-34.9%	106
Listing Discount (From Last List Price)	2.6%		1.2%		1.8%
Listing Inventory (Active)	2,164	-18.3%	2,648	-6.2%	2,308
Absorption Rate (Monthly, Active)	4.2	5.0%	4.0	-2.3%	4.3

Co-op Mix	Sales Share	Median Sales Price
Studio	17.6%	\$405,000
1 bedroom	45.7%	\$684,000
2 bedroom	25.2%	\$1,300,000
3 bedroom	9.3%	\$2,550,000
4+ bedroom	2.2%	\$5,550,000

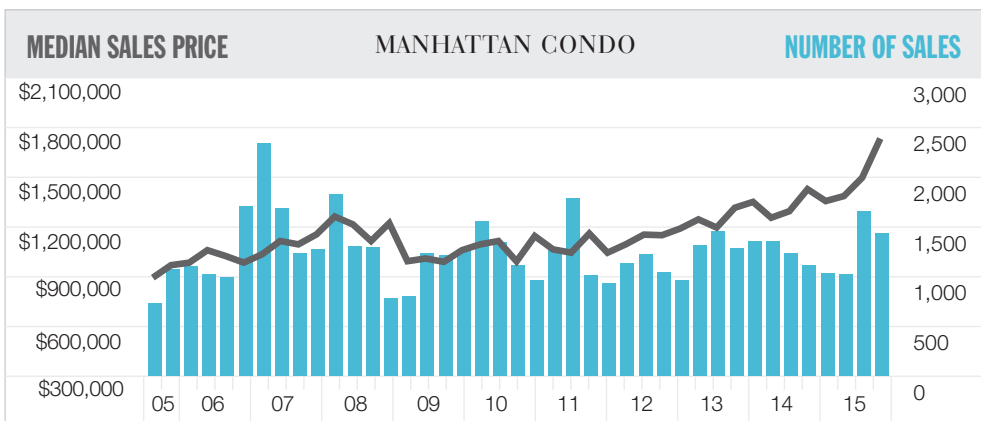


# CONDOS

- Price trend indicators showed double-digit year-over-year gains
- Faster market pace as sales increased faster than inventory
- Days on market declined as listing discount stabilized

Condo Market Matrix	4Q-2015	%Δ (QTR)	3Q-2015	%Δ (YR)	4Q-2014
Average Sales Price	\$2,662,100	14.8%	\$2,319,470	26.5%	\$2,104,048
Average Price Per Sq Ft	\$1,959	8.8%	\$1,801	26.2%	\$1,552
Median Sales Price	\$1,735,641	15.7%	\$1,500,000	21.3%	\$1,431,250
Number of Sales	1,434	-13.7%	1,661	28.6%	1,115
Days on Market (From Last List Date)	96	14.3%	84	-7.7%	104
Listing Discount (From Last List Price)	3.2%		2.9%		3.2%
Listing Inventory (Active)	2,882	-4.1%	3,006	7.3%	2,687
Absorption Rate (Monthly, Active)	6.0	11.1%	5.4	-16.7%	7.2

Condo Mix	Sales Share	Median Sales Price
Studio	3.8%	\$521,344
1 bedroom	36.2%	\$1,043,706
2 bedroom	36.7%	\$1,975,000
3 bedroom	16.5%	\$3,855,000
4+ bedroom	6.8%	\$6,700,000

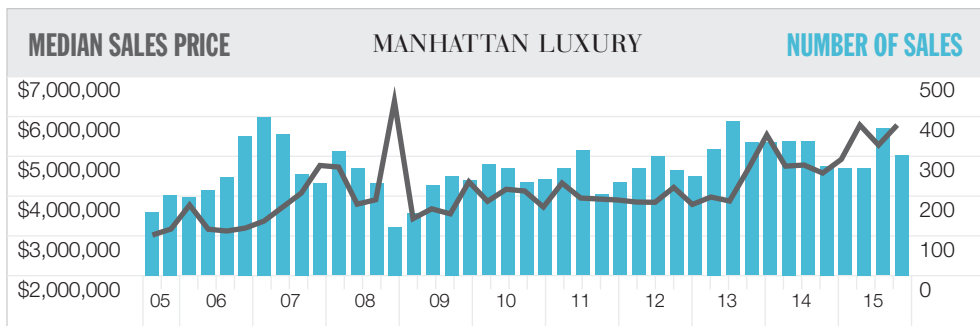


## LUXURY

- Median sales price surged as share of new development closings grew
- Listing discount rose as sellers remain disconnected with market conditions
- Days on market slipped but remained at high level

Luxury Market Matrix	4Q-2015	%Δ (QTR)	3Q-2015	%Δ (YR)	4Q-2014
Average Sales Price	\$7,702,643	14.0%	\$6,757,134	4.1%	\$7,402,207
Average Price per Sq Ft	\$2,572	4.8%	\$2,454	-6.4%	\$2,747
Median Sales Price	\$6,000,000	9.1%	\$5,499,365	25.0%	\$4,800,000
Number of Sales (Closed)	299	-18.3%	366	9.9%	272
Days on Market (From Last List Date)	150	29.3%	116	-6.3%	160
Listing Discount (From Last List Price)	4.0%		2.7%		2.4%
Listing Inventory (Active)	1,438	-2.8%	1,480	-7.8%	1,559
Absorption Rate (Months)	14.4	19.0%	12.1	-16.3%	17.2
Entry Threshold	\$4,225,737	18.6%	\$3,564,094	26.1%	\$3,350,000

Luxury Mix	Sales Share	Median Sales Price
Co-ops	51.5%	\$4,050,000
Condos	48.5%	\$9,619,740
New Dev.	43.1%	\$6,550,000
Re-sales	56.9%	\$5,500,000

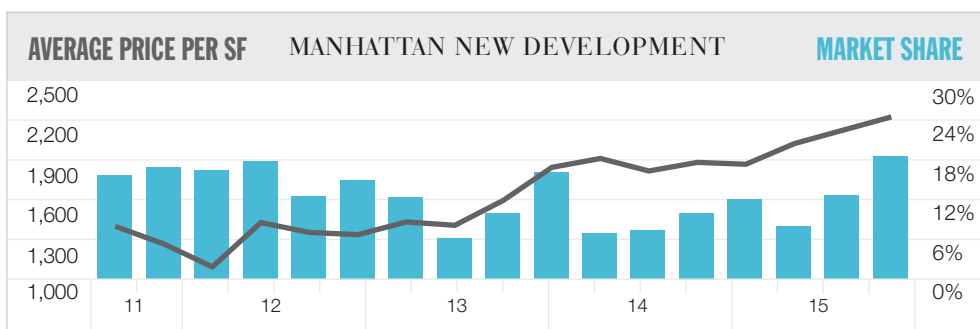


## NEW DEVELOPMENT

- Price indicators jumped as larger units closed
- Decline in supply largely result of developers holding active listings from market
- Market share reached highest point in four years

New Development Market Matrix	4Q-2015	%Δ (QTR)	3Q-2015	%Δ (YR)	4Q-2014
Average Sales Price	\$3,293,411	-2.5%	\$3,377,218	4.3%	\$3,156,968
Average Price per Sq Ft	\$2,210	4.7%	\$2,111	18.1%	\$1,871
Median Sales Price	\$2,059,411	0.5%	\$2,048,341	15.4%	\$1,785,000
Number of Sales (Closed)	552	41.5%	390	102.9%	272
Days on Market (From Last List Date)	150	20.0%	125	47.1%	102
Listing Discount (From Last List Price)	2.9%		0.6%		2.8%
Listing Inventory (Active)	772	0.9%	765	-46.4%	1,440
Absorption Rate (Months)	4.2	-28.8%	5.9	-73.6%	15.9
Sales Share of Overall Market	18.6%		12.6%		10.0%

New Dev. Mix	Sales Share	Median Sales Price
< \$1M	15.6%	\$799,326
\$1M - \$3M	49.8%	\$1,789,054
> \$3M	34.6%	\$5,157,500



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