



# ELLIMAN REPORT

## MANHATTAN

- Rents have been rising since the beginning of 2013.** For the past three months, median rent has increased year-over-year. The percentage changes for January, February and March 2013 were 2.6%, 4.7% and 6.7% after bottoming at 0.8% in December of 2012. The March 2013 increase of 6.7% exceeded the 5.1% year-over-year increase in March 2012. The overall rise in rents have been generally consistent across the size segments of the market. Studios increased by 4.1%, 1-bedrooms by 3.6%, 2-bedrooms were up 6.7%, and 3-bedrooms gained 6.4% in median rental price from the same period last year.
- Luxury and Super Luxury rental price gains were outpaced by the overall market** Median rent for the top 10% and 5% of the market experienced modest gains of 1.3% and 4.2% respectively, compared to the overall market gain of 6.7%. Median rent for new development condo and rental projects rose 5.1%, outpacing the high end of the market but falling behind the overall market. Similarly, in March of 2013 doorman and non-doorman submarkets saw gains in median rent, rising 7.8% and 6.5% respectively over the same period.
- The vacancy rate fell to 2-year low in March** The vacancy rate fell to 1.46% in March from 1.89% in the same period last year. The rate has been falling for seven consecutive months since July 2012. After stabilizing in February, it resumed its decline in March.

Manhattan Rental Market	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$3,930	-0.7%	\$3,956	3.7%	\$3,789
Rental Price per Square Foot	\$50.89	8.0%	\$47.12	3.0%	\$49.39
Median Rental Price	\$3,195	0.2%	\$3,190	6.7%	\$2,995
Number of New Rentals	3,697	19.4%	3,097	10.0%	3,361
Days on Market (From Original List Date)	54	-6.9%	58	5.9%	51
Listing Discount (From Original List Price)	3.5%		4.6%		4.1%
Listing Inventory	5,479	4.7%	5,233	7.9%	5,076

(Face Rent)

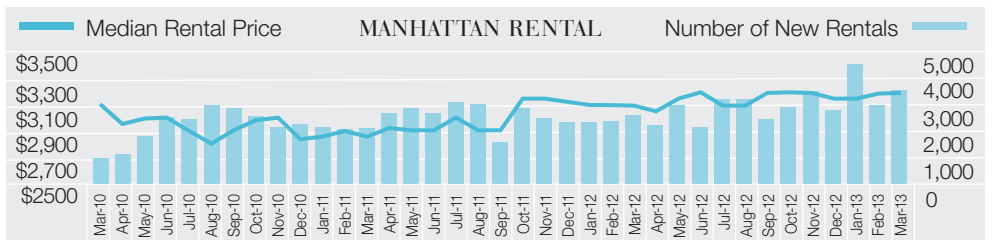
Manhattan Rental w/Concessions	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$3,914	-0.6%	\$3,938	3.6%	\$3,778
Rental Price per Square Foot	\$50.69	8.1%	\$46.90	2.9%	\$49.25
Median Rental Price	\$3,182	0.2%	\$3,175	6.5%	\$2,987
Number of New Rentals w/Concessions (%)	4.6%		5.5%		3.4%
Free Rent/Owner Paid (Mos)	1.0	0.0%	1.0	0.0%	1.0

(Net Effective Rent)

Manhattan Vacancy Rate	MAR-13	FEB-13	MAR-12
Manhattan	1.46%	1.69%	1.89%
Downtown	1.32%	1.63%	1.54%
East Side	1.15%	1.48%	2.19%
West Side	1.76%	2.22%	2.87%
Uptown	1.95%	1.51%	1.24%

Manhattan Median Rental Price By Property Type	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Doorman	\$3,610	3.9%	\$3,475	7.8%	\$3,350
Non-Doorman	\$2,663	-0.8%	\$2,685	6.5%	\$2,500
Loft	\$4,108	-28.8%	\$5,767	-31.5%	\$5,995
Luxury [Top 10%]	\$8,101	-0.9%	\$8,171	1.3%	\$7,998
Super-Luxury [Top 5%]	\$11,150	-7.1%	\$12,000	4.2%	\$10,700
New Development	\$4,200	-6.0%	\$4,469	5.1%	\$3,998

(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

- **With the exception of 3-bedrooms, rents showed gains from prior year levels**

Median rental price increased 6.3% to \$3,495 from the same period last year. Studio, 1-bedrooms and 2-bedrooms increased by 6.9%, 4.9% and 17.1% respectively, while 3-bedrooms fell by 4.8% over the same period.

- **New rental activity expanded across all markets**

There was an 11.5% increase in the number of new rentals, rising to 1,651 from the same period last year. The 2-bedroom market increased by 20.7%, consistent with the largest year-over-year increase in median rental prices in March of 2013.

- **Downtown continued to have the second lowest vacancy rate**

Downtown vacancy rate fell by 0.22% to 1.32% from 1.54% a year ago, second only to East Side.

Downtown Studio	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$2,842	7.7%	\$2,638	7.3%	\$2,648
Rental Price per Square Foot	\$57.92	2.7%	\$56.42	2.9%	\$56.30
Median Rental Price	\$2,650	3.9%	\$2,550	6.9%	\$2,480
Number of New Rentals	435	22.9%	354	5.6%	412

Downtown 1-Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$3,751	5.6%	\$3,553	2.7%	\$3,651
Rental Price per Square Foot	\$57.17	4.1%	\$54.94	6.8%	\$53.54
Median Rental Price	\$3,500	4.5%	\$3,350	4.9%	\$3,336
Number of New Rentals	752	30.6%	576	12.2%	670

Downtown 2-Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$5,773	6.9%	\$5,401	5.5%	\$5,473
Rental Price per Square Foot	\$55.30	63.4%	\$33.85	5.0%	\$52.66
Median Rental Price	\$5,495	13.6%	\$4,838	17.1%	\$4,694
Number of New Rentals	373	10.4%	338	20.7%	309

Downtown 3+ Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$8,552	5.3%	\$8,121	-8.7%	\$9,367
Rental Price per Square Foot	\$54.15	5.4%	\$51.38	7.6%	\$50.33
Median Rental Price	\$5,995	0.8%	\$5,950	-4.8%	\$6,294
Number of New Rentals	91	-5.2%	96	1.1%	90

### EAST SIDE

- **Smaller properties continued to see gains while rental prices for larger properties fell**

Median rental price was \$2,800, up 1.6% from the same period last year. Studio and 1-bedrooms increased 3% and 2.2% year-over-year while 2-bedrooms and 3-bedrooms fell 3% and 12.5% compared to last year.

- **The rise in new rental activity continued to be light**

With modest gains in rental prices, the number of new rentals were also more subdued relative to prior months. There were 1,023 new rentals, up 3.3% from the same period last year. The 1-bedroom market was the only size category to see a decline of 5.6% in new rental activity over the same period last year.

- **East Side had the lowest vacancy rate of all areas for the third consecutive month**

The East Side continued to have the lowest regional vacancy rate in 2013, falling to 1.15% from 2.19% in the same period last year.

East Side Studio	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$2,140	-8.5%	\$2,338	-1.0%	\$2,161
Rental Price per Square Foot	\$49.46	-8.4%	\$53.98	12.5%	\$43.96
Median Rental Price	\$2,014	-4.1%	\$2,100	3.0%	\$1,956
Number of New Rentals	298	26.3%	236	4.2%	286

East Side 1-Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$3,051	-0.8%	\$3,076	2.3%	\$2,982
Rental Price per Square Foot	\$49.14	-0.6%	\$49.44	5.2%	\$46.73
Median Rental Price	\$2,960	0.3%	\$2,950	2.2%	\$2,895
Number of New Rentals	451	0.9%	447	-5.6%	478

East Side 2-Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$5,116	-2.0%	\$5,223	-4.0%	\$5,327
Rental Price per Square Foot	\$52.30	-4.2%	\$54.61	1.9%	\$51.33
Median Rental Price	\$4,650	-3.0%	\$4,795	-3.0%	\$4,795
Number of New Rentals	213	26.8%	168	12.7%	189

East Side 3+ Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$10,600	-1.8%	\$10,790	-24.4%	\$14,029
Rental Price per Square Foot	\$66.97	6.7%	\$62.77	9.7%	\$61.04
Median Rental Price	\$8,575	-6.4%	\$9,160	-12.5%	\$9,800
Number of New Rentals	61	0.0%	61	64.9%	37

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

- Rental Price Indicators continued to rise across all apartment sizes**

The median rental price of a West Side property increased by 9.5% to \$3,295 from the same period last year. Larger apartments experienced greater increases in price. Median rental price for studios expanded by 3.9%, followed by an 8.3% increase for 1-bedrooms, 8.9% increase for 2-bedrooms and an 11.2% gain for 3-bedrooms apartments.

- The number of new rentals rose across all market segments**

There was a 14.9% increase in new rental activity with 2-bedrooms showing the largest gain of 29.3% over last year's levels.

- Of the four Manhattan areas, the vacancy rate fell fastest on the West Side**

The West Side vacancy rate was 1.76%, down from 2.87% in the same period last year, returning under the 2% threshold in March of 2013.

West Side Studio	MAR-13	%Chg (mo)	FEB-13	%Chg (YR)	MAR-12
Average Rental Price	\$2,308	-1.3%	\$2,338	2.3%	\$2,256
Rental Price per Square Foot	\$55.90	-8.8%	\$61.29	0.8%	\$55.46
Median Rental Price	\$2,285	-1.9%	\$2,329	3.9%	\$2,199
Number of New Rentals	169	28.0%	132	15.0%	147

West Side 1-Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (YR)	MAR-12
Average Rental Price	\$3,304	-3.4%	\$3,420	9.4%	\$3,020
Rental Price per Square Foot	\$54.28	-2.4%	\$55.60	5.6%	\$51.42
Median Rental Price	\$3,250	0.0%	\$3,250	8.3%	\$3,000
Number of New Rentals	368	15.4%	319	7.6%	342

West Side 2-Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (YR)	MAR-12
Average Rental Price	\$5,011	-11.3%	\$5,648	0.8%	\$4,973
Rental Price per Square Foot	\$52.91	-9.9%	\$58.73	0.6%	\$52.61
Median Rental Price	\$4,793	-0.6%	\$4,822	8.9%	\$4,400
Number of New Rentals	190	33.8%	142	29.3%	147

West Side 3+ Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (YR)	MAR-12
Average Rental Price	\$11,380	-14.0%	\$13,232	4.9%	\$10,852
Rental Price per Square Foot	\$61.80	-21.4%	\$78.67	-6.1%	\$65.78
Median Rental Price	\$10,000	-6.8%	\$10,731	11.2%	\$8,995
Number of New Rentals	67	52.3%	44	21.8%	55

**UPTOWN**

- Median rental price was up in all size categories led by studios**

Median rental price increased 2.9% to \$1,838 from the prior year period. Studios saw the largest gain over the period, rising by 19.8%, followed by 2-bedrooms with a 15.9% rise and 1-bedrooms with a 10.3% increase.

- New rental activity resumed its rising pattern as rents pressed upward**

The number of new rentals jumped 15.1% to 229. All segments, except for the 3-bedroom segment, showed gains as renters resisted rising rents. The 2-bedroom market segment experienced the largest gain of 59.3% to 86 units compared to the same period last year.

- The vacancy rate was the highest of the four regions**

Uptown was the only area to post a year-over-year gain in the vacancy rate which rose sharply to 1.95% from 1.24% in March of 2012.

Uptown Studio	MAR-13	%Chg (mo)	FEB-13	%Chg (YR)	MAR-12
Average Rental Price	\$1,438	-29.2%	\$2,031	-13.8%	\$1,668
Rental Price per Square Foot	\$32.49	35.4%	\$23.99	-29.2%	\$45.91
Median Rental Price	\$1,407	-1.3%	\$1,425	19.8%	\$1,174
Number of New Rentals	23	-17.9%	28	15.0%	20

Uptown 1-Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (YR)	MAR-12
Average Rental Price	\$1,748	-4.7%	\$1,835	1.4%	\$1,724
Rental Price per Square Foot	\$30.31	-4.3%	\$31.66	7.5%	\$28.19
Median Rental Price	\$1,650	10.0%	\$1,500	10.3%	\$1,496
Number of New Rentals	96	23.1%	78	1.1%	95

Uptown 2-Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (YR)	MAR-12
Average Rental Price	\$2,378	9.0%	\$2,182	11.6%	\$2,131
Rental Price per Square Foot	\$27.57	2.8%	\$26.82	11.5%	\$24.72
Median Rental Price	\$2,153	16.4%	\$1,850	15.9%	\$1,858
Number of New Rentals	86	56.4%	55	59.3%	54

Uptown 3+ Bedroom	MAR-13	%Chg (mo)	FEB-13	%Chg (YR)	MAR-12
Average Rental Price	\$2,971	-12.6%	\$3,399	0.8%	\$2,946
Rental Price per Square Foot	\$28.90	36.0%	\$21.25	-9.3%	\$31.85
Median Rental Price	\$2,905	16.2%	\$2,500	16.2%	\$2,500
Number of New Rentals	24	4.3%	23	-20.0%	30

## Brooklyn rental market by **SIZE**

### BROOKLYN

• **Rental price indicators continued to rise**

After posting no growth in median rental price in January 2013, rents resumed rising with a 7.2% gain in February, followed by an 11.3% increase in March. Average rental price and average rental price per square foot both rose by 11.5% in March over the same period last year.

• **The number of new rentals have been falling since the beginning of 2013**

The number of new rentals fell by 2.5% compared the same period last year with a higher rate of lease renewals as renters face limited supply. This was only the second time in the last twelve months that this metric was negative.

• **Days on market expanded as listing discount fell sharply**

The average listing took 76 days on market to rent from original listing date, 16 days longer compared to the same period last year. Listing discount, the percentage difference between original list price and rental price, fell by half to 6.3% from 13.8%.

• **Smaller apartments saw larger price gains and more “churn”**

Resisting the increases in rental prices, tenants sought more affordable accommodations pushing the rents for smaller apartment to rise the fastest. This pattern was evident with a higher “churn” rate of new rental activity in the studio market, which experienced the highest increase in median rent. Larger apartments, while seeing smaller price gains also saw less turnover or “churn.”

Brooklyn Rental Market	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$2,971	-4.0%	\$3,096	11.5%	\$2,664
Rental Price per Square Foot	\$35.51	-4.0%	\$37.00	11.5%	\$31.85
Median Rental Price	\$2,560	-1.2%	\$2,590	11.3%	\$2,300
Number of New Rentals	311	11.1%	280	-2.5%	319
Days on Market (From Original List Date)	76	76.7%	43	26.7%	60
Listing Discount (From Original List Price)	6.3%		6.4%		13.8%

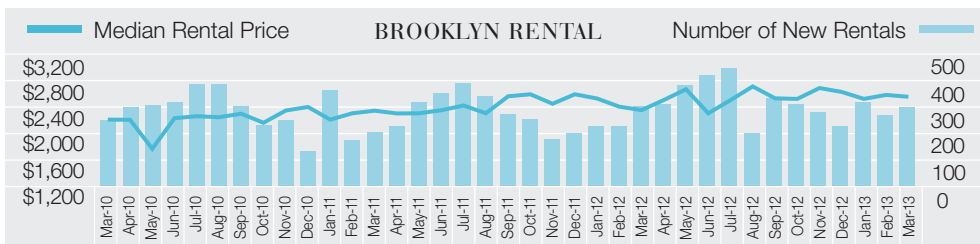
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Brooklyn Studio Rental Matrix	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$2,209	-8.6%	\$2,418	12.8%	\$1,958
Rental Price per Square Foot	\$44.22	6.5%	\$41.53	50.2%	\$29.45
Median Rental Price	\$2,057	15.8%	\$1,777	27.8%	\$1,609
Number of New Rentals	43	59.3%	27	30.3%	33

Brooklyn 1-Bedroom Rental Matrix	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$2,532	7.4%	\$2,357	17.2%	\$2,161
Rental Price per Square Foot	\$35.57	-7.6%	\$38.50	7.3%	\$33.16
Median Rental Price	\$2,378	3.6%	\$2,296	13.4%	\$2,097
Number of New Rentals	140	15.7%	121	-2.8%	144

Brooklyn 2-Bedroom Rental Matrix	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$3,334	-1.2%	\$3,373	14.6%	\$2,908
Rental Price per Square Foot	\$35.05	2.2%	\$34.30	12.1%	\$31.27
Median Rental Price	\$3,201	0.4%	\$3,189	18.6%	\$2,700
Number of New Rentals	93	-3.1%	96	-9.7%	103

3+-Bedroom Rental Matrix	MAR-13	%Chg (mo)	FEB-13	%Chg (yr)	MAR-12
Average Rental Price	\$4,697	-12.2%	\$5,348	5.0%	\$4,474
Rental Price per Square Foot	\$34.04	-0.9%	\$34.36	1.4%	\$33.58
Median Rental Price	\$3,500	-13.0%	\$4,025	3.3%	\$3,388
Number of New Rentals	35	-2.8%	36	-10.3%	39



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](http://elliman.com/marketreports). Email report author Jonathan Miller at [jmiller@millersamuel.com](mailto:jmiller@millersamuel.com) with questions or comments.

**Report Methodology:**

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