

ELLI MAN

REPORT

Q3 2019

MANHATTAN SALES

Quarterly Survey of
Co-op & Condo Sales

CO-OPS & CONDOS DASHBOARD

year-over-year

PRICES

Median Sales Price

8.2%

PACE

Months of Supply

1.6 mos

SALES

Closed Sales

14.2%

INVENTORY

Total Inventory

6.2%

MARKETING TIME

Days on Market

1 day

NEGOTIABILITY

Listing Discount

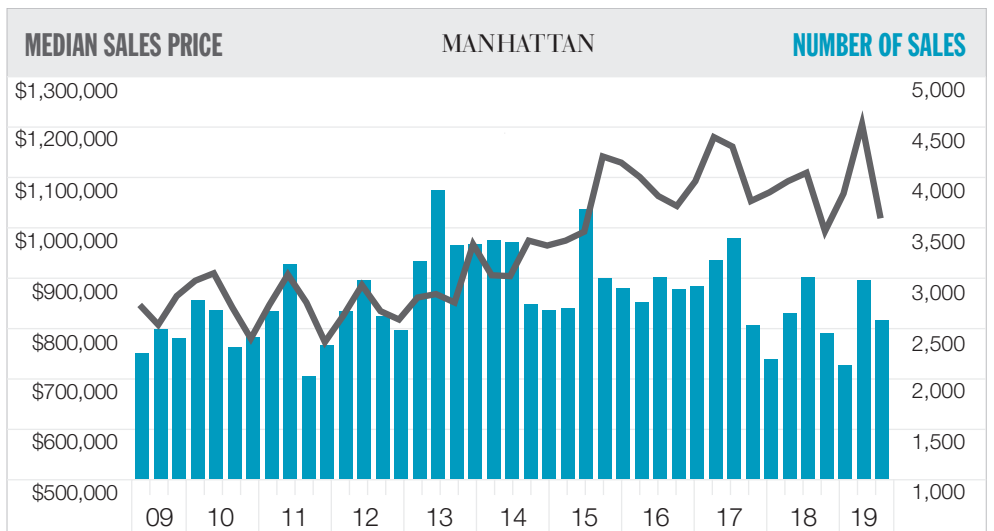
0.1%

- The number of sales fell sharply due to second quarter Mansion Tax deadline
- Heavy reliance on purchase mortgages across all price strata
- Listing inventory expanded annually for the eight straight 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.

Manhattan Market Matrix	Q3-2019	%Δ (qtr)	Q2-2019	%Δ (yr)	Q3-2018
Average Sales Price	\$1,656,395	-21.0%	\$2,095,734	-14.1%	\$1,928,049
Average Price per Sq Ft	\$1,524	-13.5%	\$1,762	-5.3%	\$1,610
Median Sales Price	\$1,025,000	-15.6%	\$1,215,000	-8.2%	\$1,117,000
New Development	\$2,449,020	0.1%	\$2,446,647	-4.0%	\$2,550,000
Re-sale	\$915,000	-8.0%	\$995,000	-8.0%	\$995,000
Number of Sales (Closed)	2,562	-13.4%	2,957	-14.2%	2,987
Days on Market (From Last List Date)	91	-20.2%	114	-1.1%	92
Listing Discount (From Last List Price)	5.1%		5.9%		5.2%
Listing Inventory (Active)	7,352	-2.7%	7,558	6.2%	6,925
Months of Supply	8.6	11.7%	7.7	22.9%	7.0

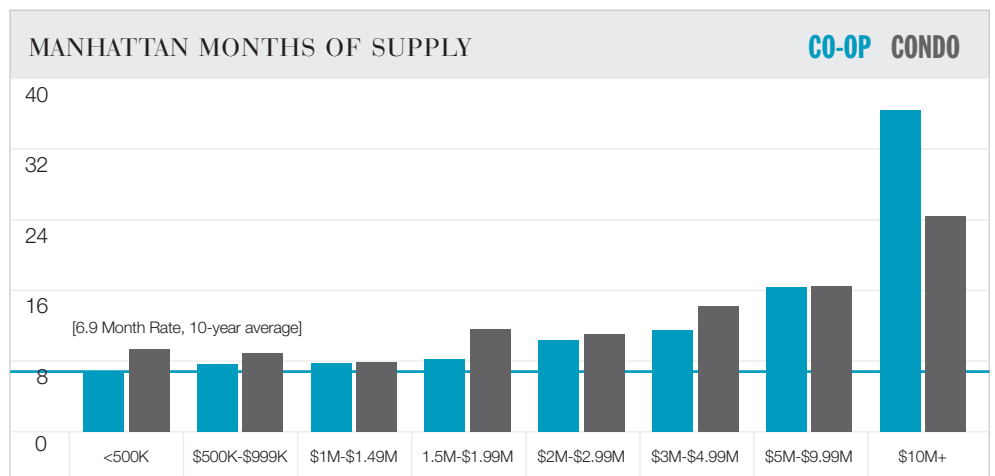
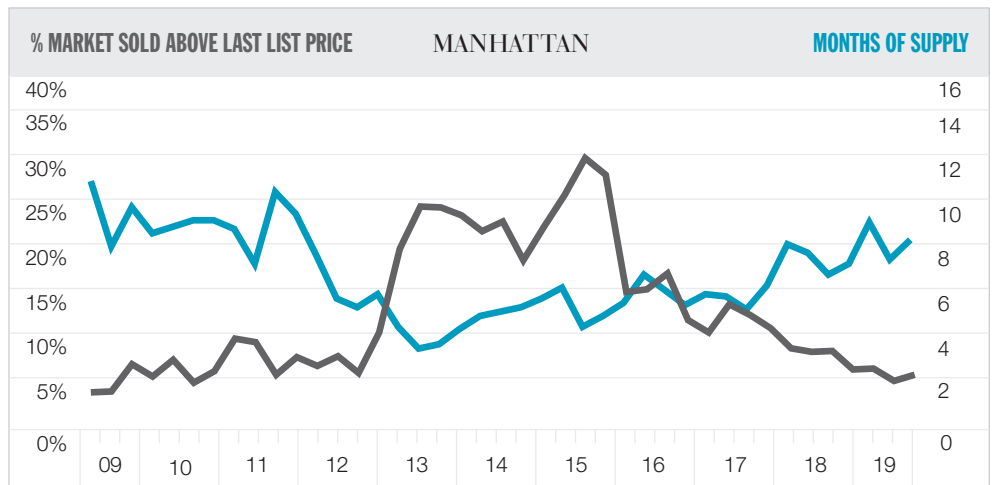
Year-to-Date	Q3-2019	%Δ (qtr)	Q2-2019	%Δ (yr)	Q3-2018
Average Sales Price (YTD)	\$1,955,044	N/A	N/A	-1.5%	\$1,984,294
Average Price per Sq Ft (YTD)	\$1,740	N/A	N/A	3.8%	\$1,676
Median Sales Price (YTD)	\$1,104,901	N/A	N/A	0.4%	\$1,100,000
Number of Sales (YTD)	7,644	N/A	N/A	-1.9%	7,796



As predicted in the prior quarter report, the number of sales fell sharply after many sales were pulled into the previous quarter as buyers sought to avoid the new Mansion Tax. The number of sales decreased year over year by 14.2% to 2,562. Conversely, the second-quarter number of sales jumped 12.5% year over year, prompting some market observers to interpret the formation of a recovery. The second and third-quarter sales total for 2019 was compared to the same period in 2018, indicating a sales

decline of 1.7%. This two-quarter comparison was made to control for the significant tax-related swing in quarterly sales. This decline was similar to the 1.9% year to date sales drop comprised of the first three quarters compared to the same prior-year period. The 1% decline in mortgage rates, a significant change, continued to help offset the full impact of the new federal law, known as the "SALT" tax. The steep drop in mortgage rates pressed the market share of all financed sales to a 57.2% record high during

the five and a half year period of tracking. But unlike prior quarters, buyers in nearly all price strata showed similar finance to cash market share ratios. For example, apartments purchase for \$5 million or higher averaged a market share of eighty percent cash buyers since 2014. In the current quarter, only 44.2% of all buyers above that threshold paid cash. The market share of new development sales was 13.8%, consistent with the 14.7% average share for the decade with 353 units, down 1.9% year over year. Resales fell 15.9% to 2,209 over the same period. The shift to smaller unit sales was consistent with the decline in overall price trend indicators. The average sales size of a unit that sold in the quarter was 1,087 square feet, down 9.3% year over year with resale size falling 8.9% and new development size falling 14.9%. Median sales price decreased 8.2% to \$1,025,000, and the average sales price dropped 14.1% to \$1,656,395 respectively from the year-ago quarter, with the latter reaching its lowest level in six years. Average price per square foot declined 5.3% to \$1,524 from the prior-year quarter to its lowest level in four years. By price strata, the only category to see a year over year gain in sales was the 4.8% annual gain below the \$500,000 threshold. More significantly, sales at or above the \$5 million threshold fell 42.9% over the same period. Listing inventory rose 6.2% to 7,352 from the prior-year quarter. Over the same period, resale inventory increased 7.3%, and new development active inventory slipped 0.5%. The decline was the fifth consecutive annual decrease of new development listing inventory, as developers continued to pull active supply into shadow inventory. As sales declined and listing inventory expanded, the pace of the market slowed. The months of supply, the number of months to sell all active listing inventory at the current rate of sales, slowed 22.9% year over year to 8.6 months. This result was consistent with the



8.4-month average of the past twenty years, but half the pace of the blistering 4.6 monthly rate of four years ago. As the market slowed, the frequency of bidding wars fell too. The market share of sales that sold above the last asking price was 6.4% down from 9.1% in the prior-year quarter and well below the 31% record share four years ago. The bidding war market share for the luxury market was 1.7%, down from 4.4% over the same period. Marketing time

and negotiability saw little change from the prior year. Days on market, the average number of days to sell all apartments that closed during the quarter, was one day faster, falling to 91 days from the year-ago quarter. Listing discount, the percentage difference between the list price at the time of sale and the sales price, tightened nominally to 5.1% from 5.2% in the prior-year quarter.

RE-SALES

- The number of sales fell sharply year over year after four straight quarters of gains
- Listing inventory expanded year over year for seventh consecutive quarters
- Median sales price fell year over year for the first time in ten quarters

Re-Sales Market Matrix	Q3-2019	%Δ (QTR)	Q2-2019	%Δ (YR)	Q3-2018
Average Sales Price	\$1,314,326	-24.1%	\$1,731,855	-17.8%	\$1,598,560
Average Price per Sq Ft	\$1,277	-16.5%	\$1,529	-9.8%	\$1,416
Median Sales Price	\$915,000	-8.0%	\$995,000	-8.0%	\$995,000
Number of Sales (Closed)	2,209	-8.2%	2,406	-15.9%	2,627
Days on Market (From Last List Date)	88	-17.8%	107	6.0%	83
Listing Discount (From Last List Price)	5.7%		6.3%		5.0%
Listing Inventory (Active)	6,369	-2.8%	6,552	7.3%	5,937
Months of Supply	8.6	4.9%	8.2	26.5%	6.8
Sales Share of Overall Market	86.2%		81.4%		87.9%

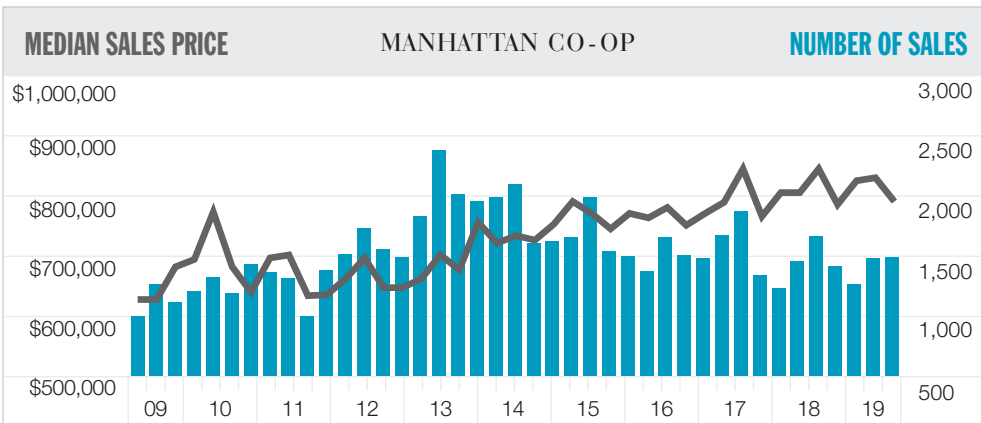
Note: This sub-category analyzes all co-op & condo re-sales available. The data is also contained within the co-op & condo markets presented.

CO-OPS

- Lowest average price per square foot reached in three years
- First year over year decline in sales in four quarters
- First annual decline in median sales price in thirteen quarters

Co-op Market Matrix	Q3-2019	%Δ (QTR)	Q2-2019	%Δ (YR)	Q3-2018
Average Sales Price	\$1,141,148	-16.0%	\$1,358,596	-15.3%	\$1,347,890
Average Price Per Sq Ft	\$1,146	-14.4%	\$1,339	-11.2%	\$1,290
Median Sales Price	\$795,000	-4.8%	\$835,000	-6.5%	\$850,000
Number of Sales	1,485	0.2%	1,482	-11.0%	1,668
Days on Market (From Last List Date)	88	-12.0%	100	11.4%	79
Listing Discount (From Last List Price)	5.9%		6.8%		3.9%
Listing Inventory (Active)	3,590	-1.6%	3,648	7.9%	3,328
Months of Supply	7.3	-1.4%	7.4	21.7%	6.0

Co-op Mix	Sales Share	Median Sales Price
Studio	17.0%	\$440,000
1 bedroom	41.5%	\$709,500
2 bedroom	28.8%	\$1,245,000
3 bedroom	10.2%	\$1,999,900
4+ bedroom	2.5%	\$3,525,000

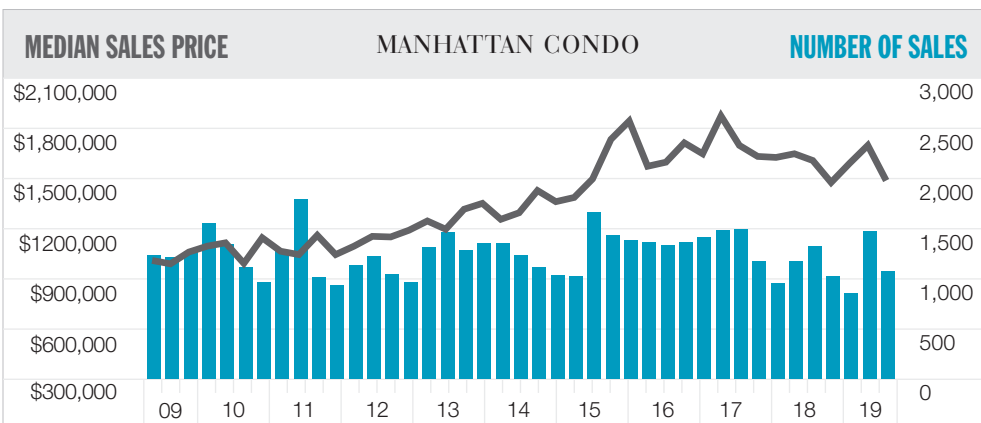


CONDOS

- The eighth straight quarter with an annual increase in listing inventory
- Median sales price declined year over year for the seventh time in eight quarters
- Resale inventory out-numbers active new development inventory three to one

Condo Market Matrix	Q3-2019	%Δ (QTR)	Q2-2019	%Δ (YR)	Q3-2018
Average Sales Price	\$2,366,833	-16.6%	\$2,836,370	-11.1%	\$2,661,716
Average Price Per Sq Ft	\$1,952	-6.0%	\$2,077	2.0%	\$1,913
Median Sales Price	\$1,490,645	-12.3%	\$1,700,000	-7.4%	\$1,610,000
Number of Sales	1,077	-27.0%	1,475	-18.3%	1,319
Days on Market (From Last List Date)	95	-28.0%	132	-12.8%	109
Listing Discount (From Last List Price)	4.5%		5.3%		6.1%
Listing Inventory (Active)	3,762	-3.8%	3,910	4.6%	3,597
Months of Supply	10.5	31.3%	8.0	28.0%	8.2

Condo Mix	Sales Share	Median Sales Price
Studio	9.7%	\$643,333
1 bedroom	40.4%	\$1,117,000
2 bedroom	33.3%	\$2,035,000
3 bedroom	12.3%	\$3,900,000
4+ bedroom	4.2%	\$7,019,604

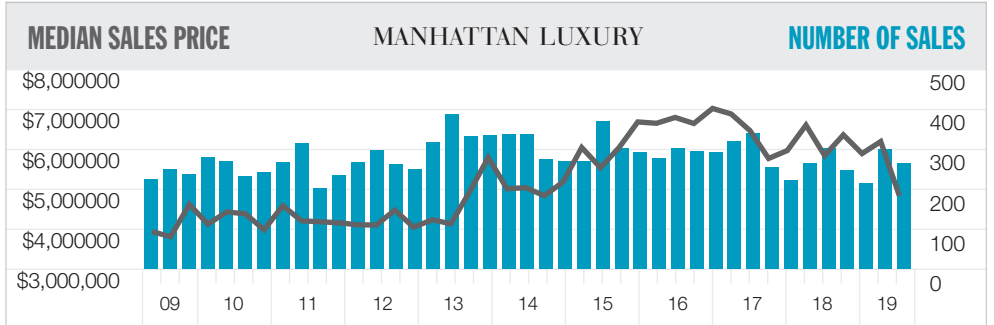


LUXURY

- Largest annual percentage increase in listing inventory in five years
- Largest year over year gain in resale listing inventory in more than a decade
- Median sales price declined year over year for the eighth time in nine quarters

Luxury Mix	Sales Share	Median Sales Price
Co-ops	57.5%	\$2,940,000
Condos	42.5%	\$9,067,095
New Dev.	49.0%	\$5,191,346
Re-sales	51.0%	\$3,950,000

Luxury Market Matrix	Q3-2019	%Δ (QTR)	Q2-2019	%Δ (YR)	Q3-2018
Average Sales Price	\$6,350,361	-26.1%	\$8,592,749	-18.9%	\$7,831,042
Average Price per Sq Ft	\$2,554	-11.7%	\$2,892	0.9%	\$2,531
Median Sales Price	\$4,795,844	-22.0%	\$6,150,000	-17.3%	\$5,800,000
Number of Sales (Closed)	261	-12.1%	297	-12.7%	299
Days on Market (From Last List Date)	127	-17.0%	153	1.6%	125
Listing Discount (From Last List Price)	5.3%		4.6%		6.2%
Listing Inventory (Active)	1,951	41.3%	1,381	33.2%	1,465
Months of Supply	22.4	61.2%	13.9	52.4%	14.7
Entry Threshold	\$3,000,000	-30.2%	\$4,300,000	-22.1%	\$3,850,000

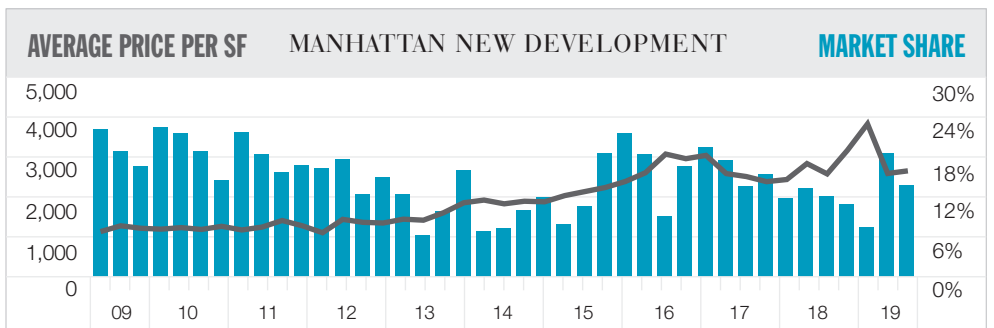


NEW DEVELOPMENT

- Average size of a luxury new development sale fell year over year by nearly 900 square feet
- The number of sales fell year over year for the seventh time in eight quarters
- Median sales price declined annually for the fifth time in six quarters

New Dev. Mix	Sales Share	YOY% Sales Change
< \$1M	6.8%	-60.7%
\$1M - \$3M	57.2%	26.3%
> \$3M	36.0%	-8.6%

New Development Market Matrix	Q3-2019	%Δ (QTR)	Q2-2019	%Δ (YR)	Q3-2018
Average Sales Price	\$3,796,985	3.0%	\$3,684,650	-12.4%	\$4,332,408
Average Price per Sq Ft	\$2,624	2.5%	\$2,559	3.0%	\$2,548
Median Sales Price	\$2,449,020	0.1%	\$2,446,647	-4.0%	\$2,550,000
Number of Sales (Closed)	353	-35.9%	551	-1.9%	360
Days on Market (From Last List Date)	133	-29.6%	189	-31.4%	194
Listing Discount (From Last List Price)	2.6%		4.1%		5.8%
Listing Inventory (Active)	983	-2.3%	1,006	-0.5%	988
Months of Supply	8.4	52.7%	5.5	2.4%	8.2
Sales Share of Overall Market	13.8%		18.6%		12.1%



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Report Methodology:

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